

Student Loans Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Banking, Lending & Treasury (Financial Services & Investment Intelligence)
> **Source:** <https://www.mordorintelligence.com/industry-reports/global-education-student-loans-market>
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 4.75 trillion
Projected Forecast (2031)	USD 4.75 trillion
Growth Rate (CAGR)	6.28 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

! [Major players in Student Loans industry] (images/chart_2.png)

! [Student Loans Market (2025 - 2030)] (images/chart_3.png)

! [Student Loans Market: Market Share by Provider, 2025] (images/chart_4.png)

! [Student Loans Market: Market Share by Borrower Age Group, 2025] (images/chart_5.png)

! [Market Analysis of Student Loan Market: Chart for Geography Analysis] (images/chart_6.png)

! [Student Loans Market Concentration] (images/chart_7.png)

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview	Study Period	2020 - 2031
Market Size (2026)		USD 4.75 Trillion
Market Size (2031)		USD 6.44 Trillion
Growth Rate (2026 - 2031)		6.28 %
Fastest Growing Market		Asia Pacific
Largest Market		North America
Market Concentration		Medium

Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Student Loans Market Analysis by Mordor IntelligenceThe student loans market size in 2026 is estimated at USD 4.75 trillion, growing from 2025 value of USD 4.47 trillion with 2031 projections showing USD 6.44 trillion, growing at 6.28% CAGR over 2026-2031. Sustained demand arises from tuition inflation that continues to exceed wage growth, the rapid globalization of higher-education enrolment, and lender innovation that lowers approval frictions. Fintech-enabled risk models accelerate loan origination while demographic shifts—especially the surge in students under 25—anchor long-run volume growth. Regulatory turbulence around the SAVE plan has created mixed incentives: flexible federal programs attract many borrowers, yet policy uncertainty also nudges credit-worthy graduates toward private refinancing. Meanwhile, cross-border education flows spur specialized lending platforms that can navigate multi-jurisdictional rules, further broadening the student loans market.

Key Report Takeaways* By provider, banks led with a 72.45% share in 2025 of the student loans market; NBFCs and alternative lenders are set to expand at 7.61% CAGR through 2031.

* By repayment plan, income-driven options held 42.10% of the student loans market size in 2025 and are expected to grow at 7.74% CAGR to 2031.

* By borrower age, the 25-34 segment accounted for 47.10% share of the student loans market in 2025, while the 24-or-younger cohort is on track to grow at 7.55% CAGR.

* By education level, undergraduate loans captured 61.60% share of the student loans market in 2025; graduate and professional programs are forecasted to rise at 8.12% CAGR.

* By region, North America commanded 42.20% share of the student loans market in 2025, whereas Asia-Pacific is projected to post a 7.22% CAGR between 2026-2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Student Loans Market*Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline | Government funding expansion & new IDR rules | +1.5% | Global, strongest in North America & Europe | Medium term (2-4 years) | Tuition inflation outpacing wage growth | +1.2% | Global, acute in North America & Australia | Long term (≥4 years) | Surge in international student mobility | +0.8% | APAC core, spill-over to North America & Europe | Medium term (2-4 years) | Fintech-driven alternative credit scoring | +0.9% | North America & EU leading, expanding to APAC | Short term (≤2 years) | Tokenised income-share & blockchain loans | +0.6% | Pilot markets in North America, early adoption in Africa | Long term (≥4 years) | Ageing borrower base driving refinancing wave | +0.4% | North America primarily, emerging in Europe | Short term (≤2 years) | Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The student loans industry features mixed concentration: federal entities dominate volumes in the United States, yet private and fintech challengers rapidly scale share in refinancing and international segments. Incumbent banks wield low-cost deposit funding but lag on digital experience, leading many to partner with w

hite-label platforms. Private equity's acquisition of Discover's portfolio demonstrates institutional appetite for predictable cash-flow assets tied to the student loans market.

Technology provides a strategic moat. AI underwriting lowers acquisition costs and broadens addressable markets, illustrated by U.S. Bank's approval of previously rejected applicants through Pagaya's model. Array's 2024 purchase of Payitoff signals demand for in-app repayment optimization tools that cut delinquency. Blockchain pilots, such as Lukenya University's interest-free pool, showcase experimental pathways that may disintermediate conventional lenders.

Servicing is under intense scrutiny. CFPB penalties against Navient and investigations into MOHELA push the segment toward data-driven compliance frameworks. Nelnet's new Department of Education contract and 15.8 million-borrower footprint position it as a scale leader, yet legacy systems must modernize quickly to meet experience expectations. Overall, firms that combine regulatory fluency with technology agility are best placed to capture incremental growth in the student loans market.

Student Loans Industry Leaders* Sallie Mae

- * SoFi Technologies

- * Navient

- * Citizens Bank

- * Discover Financial Services

- * *Disclaimer: Major Players sorted in no particular order

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Scope Methodology P Space

For this study, the global education student loans market is defined as the outstanding value of loans used to finance education, including government-backed and private loans, across all major geographies.

Scope exclusions: We exclude non-loan education financing such as scholarships, grants, employer tuition reimbursement, and informal family lending that is not structured as a loan.

Segmentation Container

- * By Provider* Banks

- * NBFCs and Others

- * By Repayment Plan* Standard Repayment

- * Graduated Repayment

- * Income-Driven Plans

- * Other Plans

- * By Borrower Age Group* 24 or Younger

- * 25 - 34

- * 35 and Above

- * By Education Level* Undergraduate

- * Graduate / Professional

- * Continuing & Non-degree

- * By Region* North America* United States

- * Canada

- * Mexico
- * South America* Brazil
- * Argentina
- * Chile
- * Colombia
- * Rest of South America
- * Europe* United Kingdom
- * Germany
- * France
- * Spain
- * Italy
- * Benelux (Belgium, Netherlands, and Luxembourg)
- * Nordics (Sweden, Norway, Denmark, Finland, and Iceland)
- * Rest of Europe
- * Asia-Pacific* China
- * India
- * Japan
- * South Korea
- * Australia
- * South-East Asia (Singapore, Indonesia, Malaysia, Thailand, Vietnam, and Philip
pines)
- * Rest of Asia-Pacific
- * Middle East and Africa* United Arab Emirates
- * Saudi Arabia
- * South Africa
- * Nigeria
- * Rest of Middle East and Africa

Frequently Asked Questions

What is the current value of the student loans market?

The student loans market was valued at USD 4.75 trillion in 2026 and is forecast ed to reach USD 6.44 trillion by 2031.

Which region is growing fastest in student loan origination?

Asia-Pacific is projected to grow at a 7.22% CAGR between 2026 and 2031 due to r ising middle-class enrolment and outbound study demand.

Why are income-driven repayment plans gaining popularity?

Regulatory updates such as SAVE reduce required payments to 5% of discretionary income for many borrowers, making flexible schedules more attractive.

How are fintech lenders changing the competitive landscape?

They use AI-based underwriting to approve thin-file borrowers quickly, offer mob ile-first interfaces, and partner with banks for balance-sheet funding.

What impact do rising interest rates have on borrowers?

Higher federal and private benchmarks increase monthly payments, prompting credi t-worthy graduates to refinance while limiting access for higher-risk applicants .

Are graduate loans growing faster than undergraduate loans?

Yes. Graduate and professional programs are set to expand at an 8.12% CAGR, reflecting higher tuition and earnings expectations that support larger loan amounts.