Credit Union Trends Report

January 2021 ▪ November 2020 Data

CUNA MUTUAL GROUP

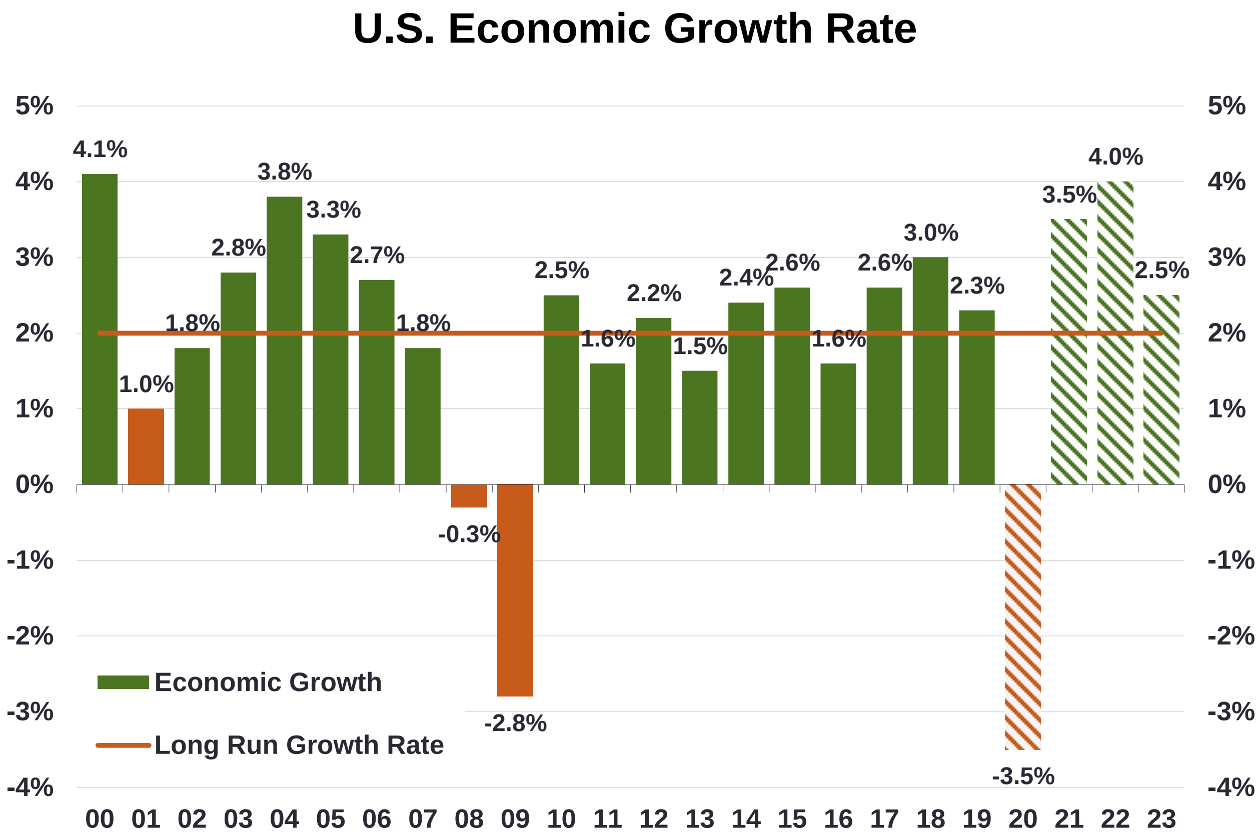
01

Economic Trends

Economic Recovery in 2021

Economic Trends

Economic recovery is underway with herd immunity expected by the 4th quarter of 2021.



Source: Department of Commerce

Our latest economic forecast has the economy expanding at a 2% annualized pace in the first quarter of 2021 (0.5% non-annualized pace) and 3.5% during all of 2021, due to expansionary fiscal policy and the reaching of herd immunity in the second half of 2021. Economic output, however, currently remains 5% below potential output.

Expect another $1 trillion pandemic stimulus package in March 2021. This will boost consumer spending by 3.5% in the first half of 2021, and 5.5% in the second half.

We expect the Federal Reserve to keep the Fed Funds interest rate in the 0% - 0.25% range through 2023. Expect the Fed to maintain their Quantitative Easing program of purchasing $120 billion a month of securities through at least the end of the year; $80 billion per month of Treasuries and $40 billion per month of RMBS and CMBS.

The massive issuance of Treasury debt to finance the deficit could push the 10-year Treasury rate over 1.5% by the 2nd half of 2021.

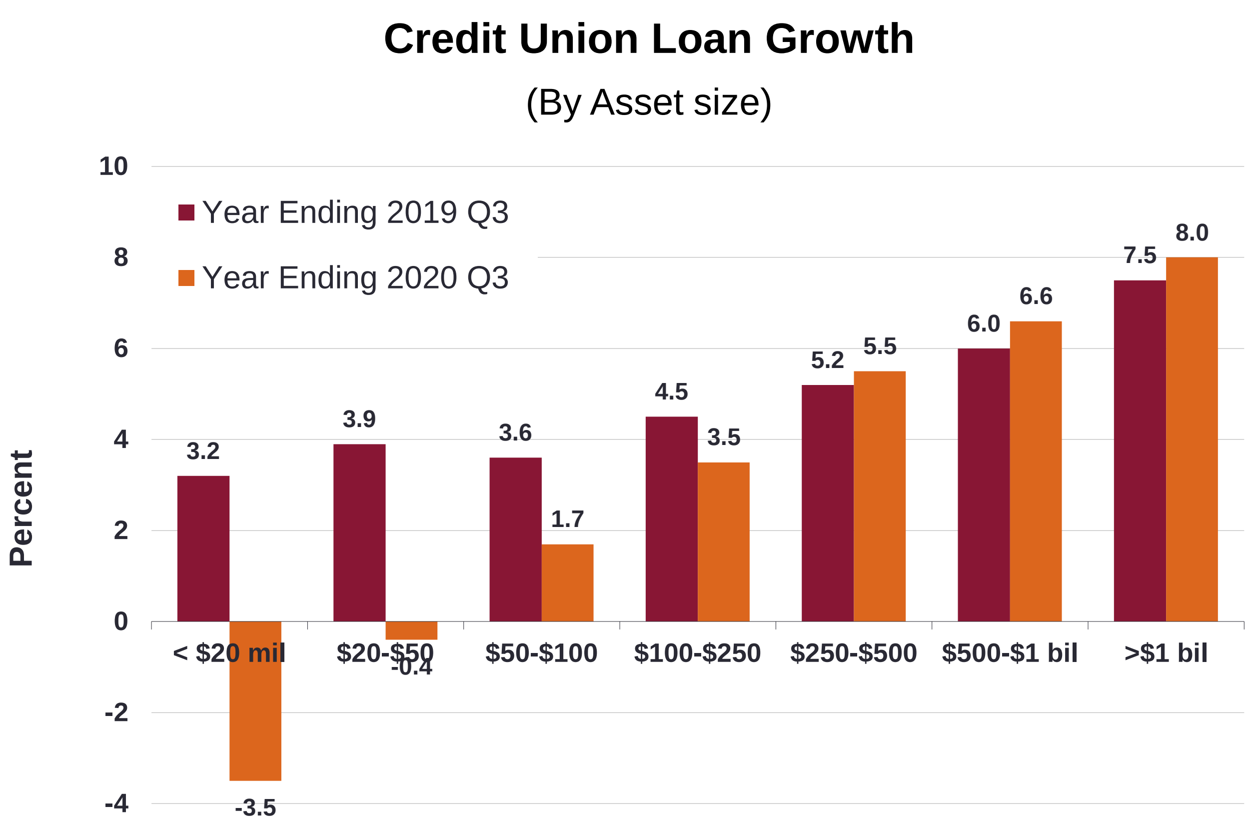
02

Total Credit Union Lending

Credit union lending slowed in 4th quarter of 2020

Total Credit Union Lending

Large disparity between large and small credit unions loan growth rates during last year.



Credit union loan balances rose 0.05% in November, below the 0.6% pace reported in November 2019. Driving overall loan growth was strong growth in fixed-rate mortgages (0.9%) and credit card loans (0.9%). November seasonal factors typically subtract 0.22 percentage points from the underlying trend loan growth, as winter weather slows auto and home purchases.

Over the last 12 months, total credit union loan balances rose only 5.7%, below the 7.2% long-run average. However, industry growth rates mask big disparities between large and small credit unions. In the year ending in the third quarter of 2020, credit unions with assets greater than $1 billion reported a 8% increase in loan balances, which was up from the similar time period one year earlier, while credit unions with assets less than $20 million reported loan growth of -3.5%, below the 3.2% pace set one year earlier **(see chart above)**. We expect overall credit union loan growth to slow to 5.5% in 2021.

03

Consumer Installment Credit

Mortgage Refis Continue to Weigh on Consumer Loan Growth

Consumer Loan Growth Rising but Still Weak

Credit union consumer installment credit balances (auto, credit card and other unsecured loans) rose 0.2% in November, above the 0.4% decrease set in November 2019.

Consumer installment credit grew only 3% over the last year, slower than the 8.4% rise in real estate loans **(see Figure below)**.

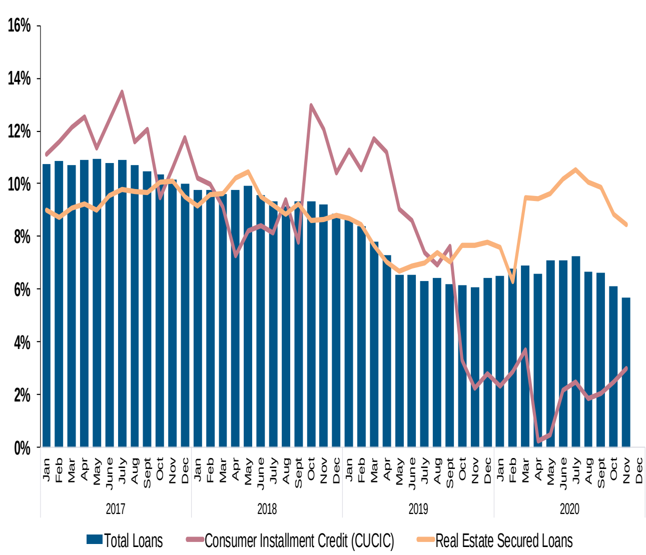
The strength in real estate loans explains the weakness in consumer loans because the mortgage refinance boom and many consumers cashing out some home equity is used to pay off higher rate credit card and auto loans. Expect consumer installment credit to grow only 4.5% in 2021, below its 30-year average growth rate of 6.3%, due to the ongoing pandemic and additional early repayments from cash out mortgage refinances.

The household debt service ratio (mortgage and consumer debt payments required to remain current on that debt as a percent of disposable income) rose to 9.1% in the third quarter, from the 8.8% record low reported in the second quarter, according to the Federal Reserve, **(see Figure below)**. The drop in the debt service ratio was caused by record low interest rates and government stimulus checks. This is freeing up household income for spending on goods and services or to increase savings rates.

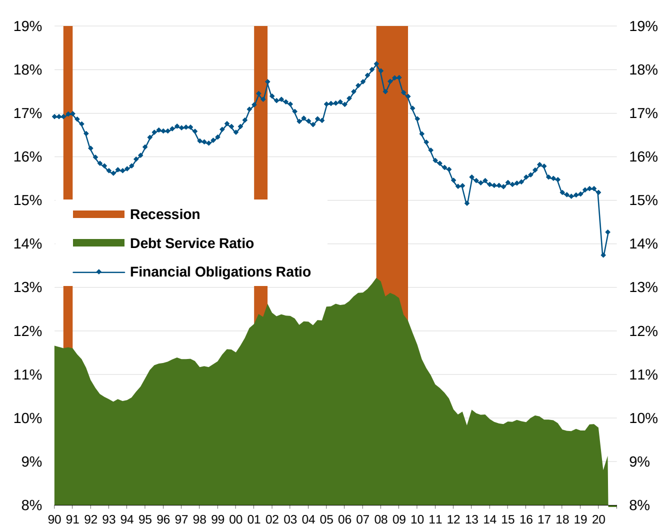
The composition of the debt service ratio changed over the last year as the consumer debt service ratio fell to 5.28% in the third quarter of 2020, down from 5.73% in the third quarter of 2019, while the mortgage service ratio fell to 3.85% from 4.12%.

Loan Growth Trends

November 2020



Household Debt Service Ratio



04

Vehicle Loans

Repayment of old auto loans are exceeding originations of new auto loans

Vehicle Loans

Credit union new-auto loan balances fell at a -4.2% seasonally adjusted annual rate in November, significantly below the double-digit pace set during 2012-2018 **(see Graph A**) as we typically see during a recession.

Four factors drove this decline. First, members used "cash out" funds from mortgage refinances to pay off auto loans.

Second, past is prologue and rapid loan originations 2-3 years ago precipitate larger loan balance amortization today. For example, a member receiving a $30,000 4-year new auto loan originated at a 4% interest rate on January 1, 2017 would have paid approximately $7,000 in repayments during 2017. The repayments would then have grown to almost $8,000 by 2020.

Third, new auto sales declined 16% over the last year which leads to a corresponding drop in new auto lending.

And, finally, rapid growth into indirect auto lending over the last few years has leveled off, leading to a drop in the growth rate.

Looking at seasonal factors, November is typically one of the slower months of the year for new auto loan originations **(see Graph B)** due to normally weak new auto sales in November.

Vehicle sales were 15.6 million units (seasonally-adjusted annualized rate) in November, down from the 16.3 pace (-4.5%) set in October and 17 million (-8%) set in November one year ago.

Strength in truck and SUV sales will lead to U.S. new vehicle sales to close the year on a high note. But car sales are a staggering 17% below where they finished at the end of 2019.

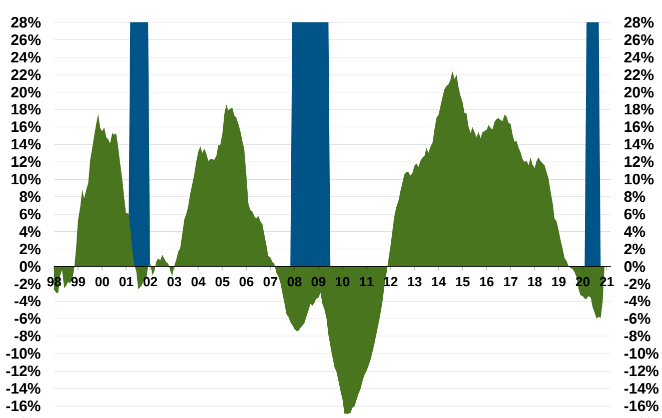
We expect auto sales to accelerate 15% in 2021 to a 16.4 million pace, up from 14.4 million set in 2020.

A

CU New Auto Growth

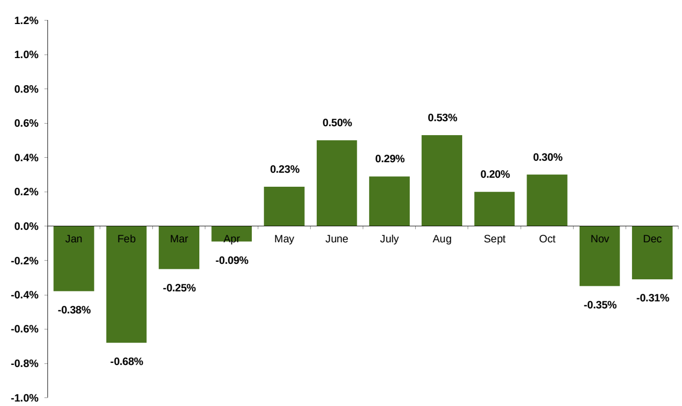
Seasonally Adjusted

Annualized Growth Rate



B

New Auto Loan Seasonal Factors



Source: CUNA & NCUA

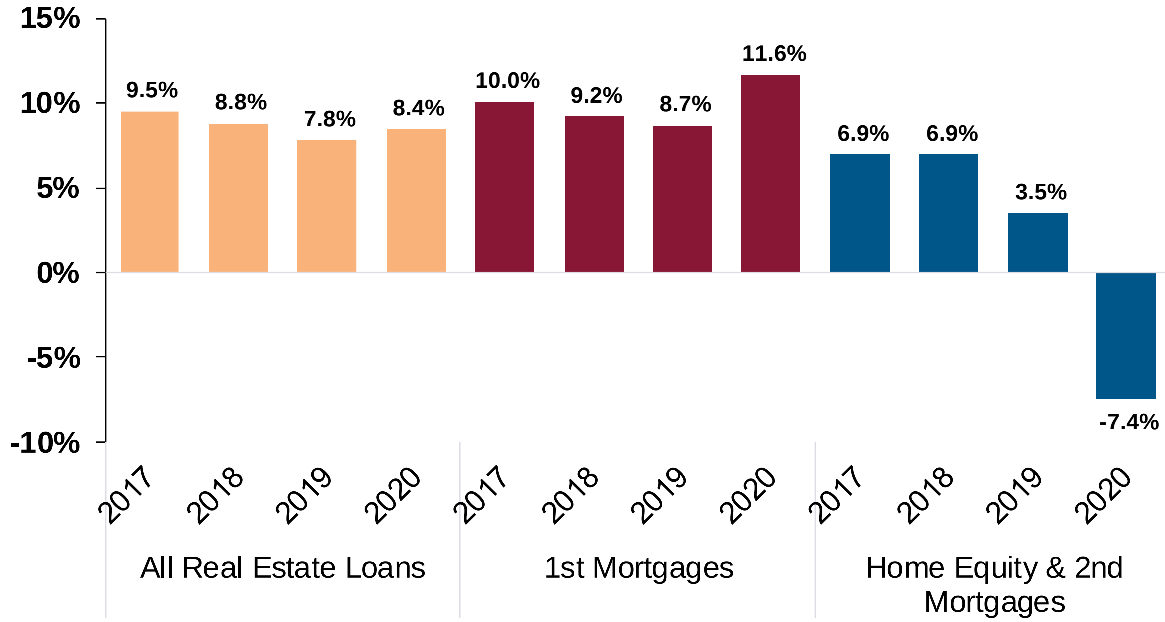
05

Real Estate Information

Record low mortgage interest rates led to record CU mortgage originations

Real Estate Lending

Growth in CU Real Estate Loans, Nov. 2020



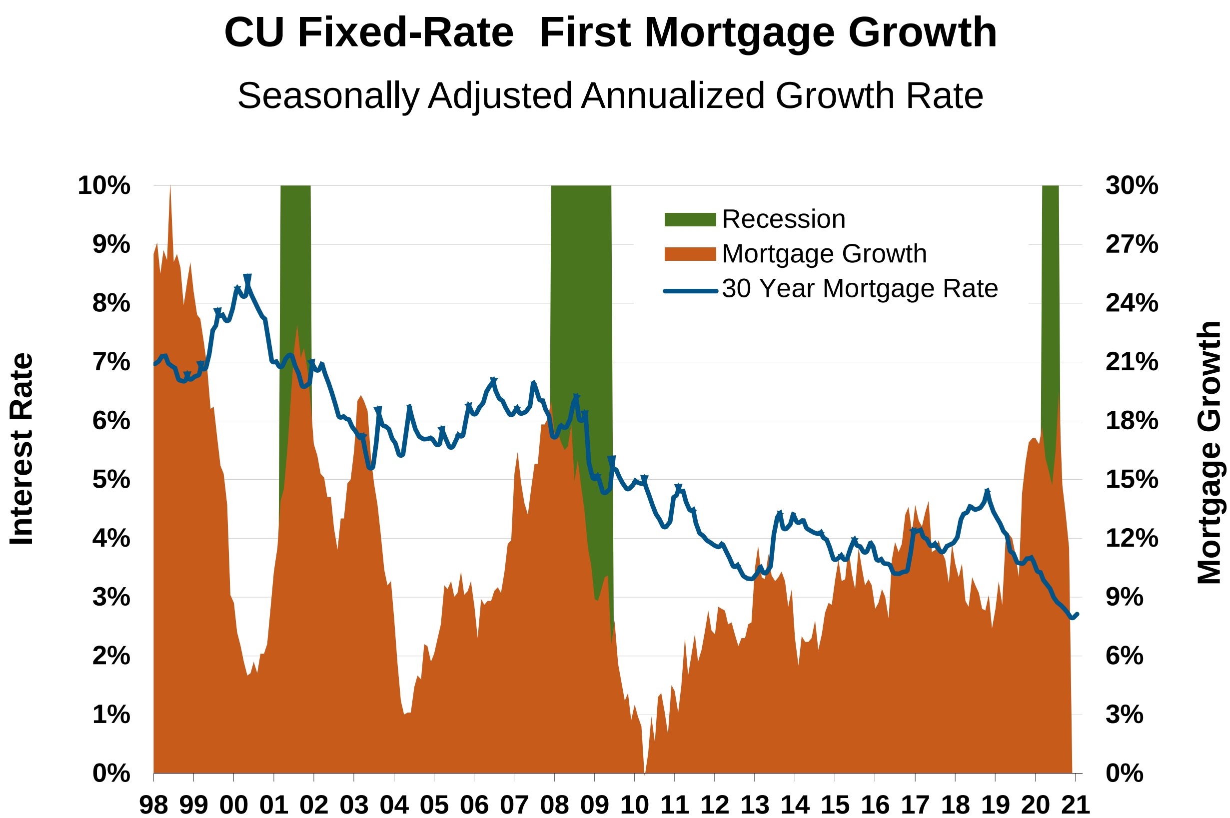
Credit union fixed-rate first mortgage loan balances grew 0.9% in November, below the 1.5% pace set in November 2019. Existing-home sales fell 2.5% in November from October but marked a 26% rise over the last year due to record low interest rates.

Home sales are limited due to a lack of homes for sale. The supply of existing homes available for sale is becoming increasingly scarce with the inventory-to-sale ratio running at a record low 1.9 months, below the 5.5 months considered to indicate a balanced housing market. This has pushed up existing home prices 12.9% over the last year.

The national homeownership rate reached 67.4% in the third quarter of 2020, above the 64.4% reported in the third quarter of 2019. Today's homeownership rate is above the 62.9% nadir reported in the second quarter of 2016, but below the 69.2% apex reached in fourth quarter of 2004.

From November 2019 to November 2020, first mortgage loan balances grew 11.6*%* ***(see Figure above)***. Home equity and 2nd mortgage balances have declined 7.4% in 2020 due to low mortgage interest rates causing the mortgage refi boom.

Real Estate Lending



The contract interest rate on a 30-year, fixed-rate conventional home mortgage fell to 2.77% in November, from 2.83% in October and below the 3.7% reported in November 2019 **(see Figure above).** With the Federal Reserve expected to keep short-term interest rates unchanged in 2021 but the 10-year Treasury interest rate expected to drift up 25-50 basis points in 2021, expect the 30-year mortgage interest rate to also move higher in 2021 to around a 3% - 3.25% range.

Home prices rose 1.1% in November from October, according to the Core Logic Home Price Index. Home prices are up 8.2% year-over-year, an acceleration from the pace of growth reported over the last few years.

The Federal Housing Finance Agency purchase-only house price index rose 7.8% year-over-year in November due to rising housing demand running up against a tight inventory of available properties.

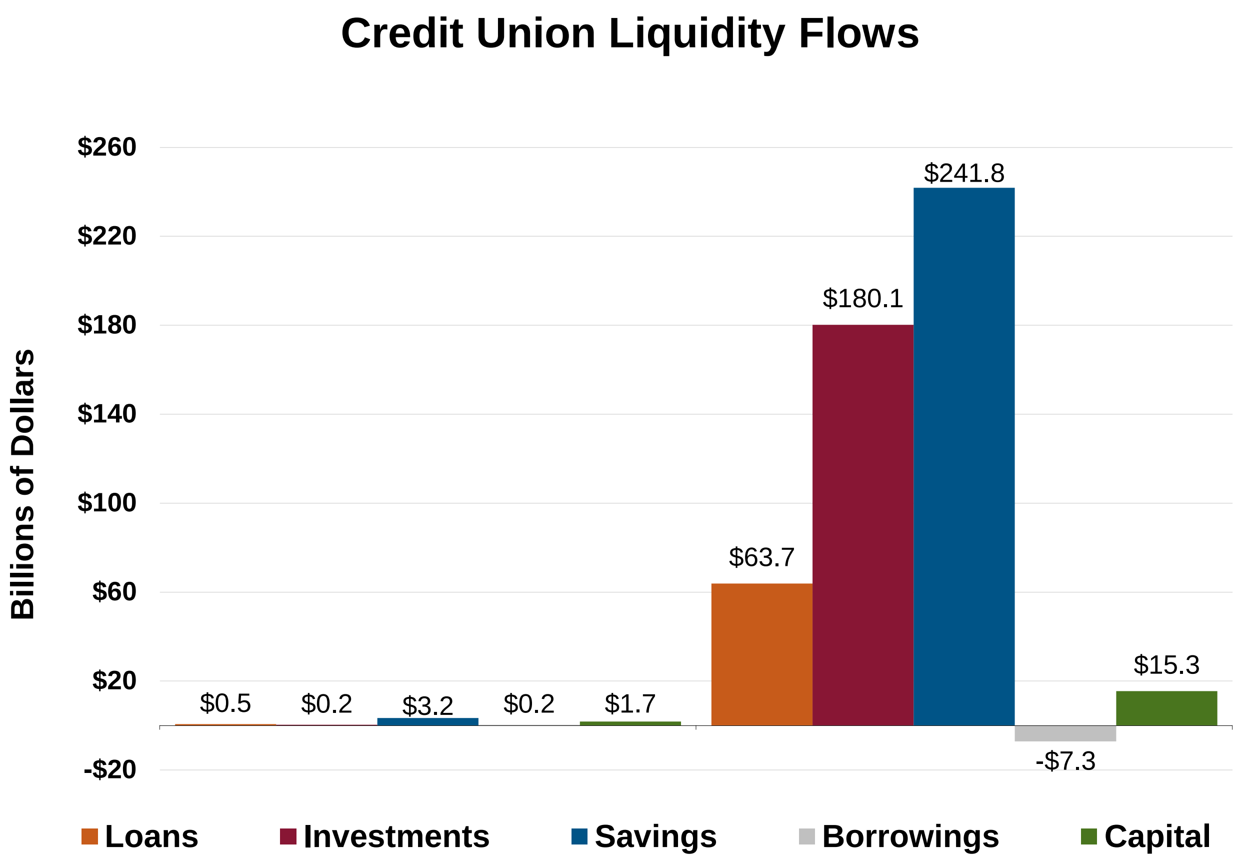
Expect mortgage originations to drop 25% in 2021 as the mortgage refinance boom comes to and end and long-term interest rates rise throughout 2021.

06

Surplus Funds
(Cash + Investments)

Record amount of credit union liquidity is lowering yield-on-asset ratios.

Surplus Funds



Credit union surplus funds rose a modest $0.2 billion, or 0.04%, in November due to a rise in savings balances exceeding the growth in November loan balances of $0.5 billion.

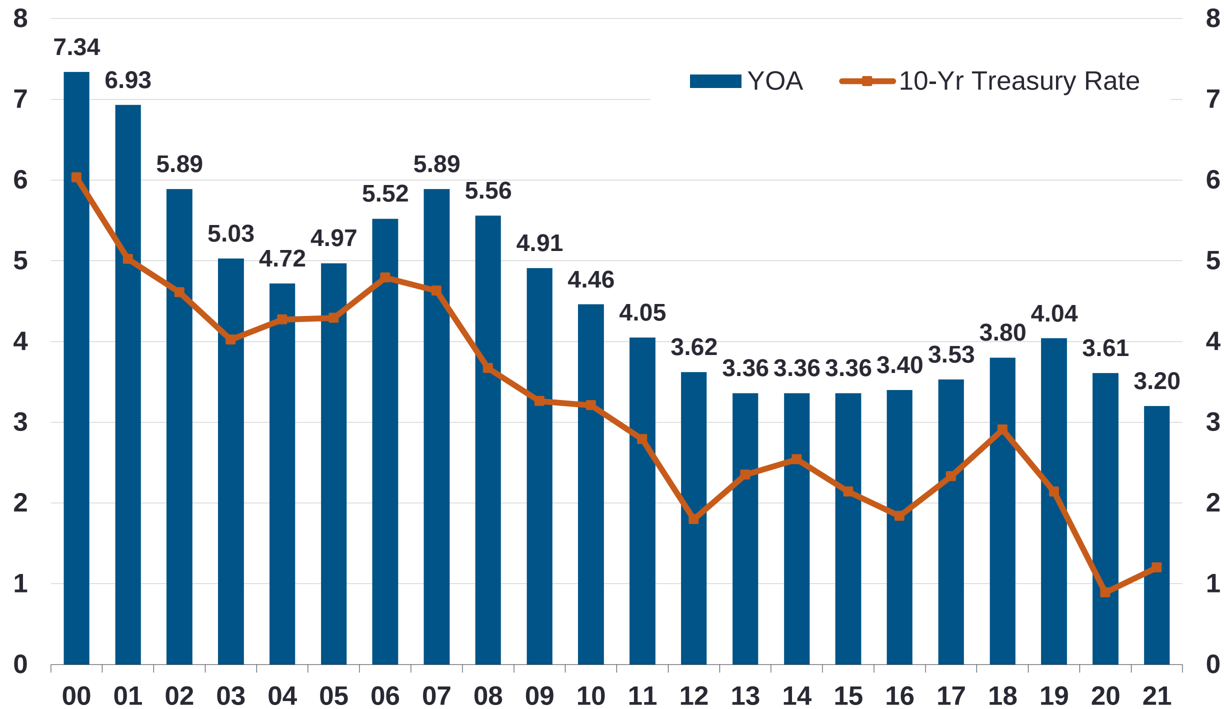
Deposit inflows over the last year ($241.8 billion) funded $180.1 billion in new investments and were also used to pay down borrowings (-$7.3 billion) and fund the $63.7 billion loan growth **(see Figure above)**.

Credit union surplus funds as a percent of assets rose to 31.7% in November, up from 25.5% in November 2019, as credit union assets rose 15.8% and surplus funds rose 44.2%.

The obverse of the rising surplus funds ratio is the falling loan-to-asset ratio, which fell to 64.2% in November, down from 70.4% set in November 2019. This will push down credit union yield on asset ratios over the next year.

Surplus Funds

Yield on Assets
(Percent of Average Assets)



According to third quarter NCUA call report data, average annualized loan yields fell to 4.74% during the first nine months of 2020, down from 4.92% for the similar period in 2019, as old higher-rate loans repriced into today's lower interest rates. Yields on surplus funds fell from 2.25% in 2019, to 1.4% during the first nine months of 2020.

Credit union yield-on-asset ratios fell 43 basis points to 3.61% during the first nine months of 2020 from 4.04% set in 2019 **(see Figure above)**.

Approximately 1/3rd of the drop in yield on assets was due to lower interest rates, or the "rate effect." The other 2/3s was caused by the "mix effect" as the percent of assets in the loan category fell 6 percentage points over the last year.

Credit union costs of funds fell only 13 basis points during the last year, coming in at 0.74% in the first nine months of 2020.

Therefore, net interest margins fell 30 basis points to 2.87% in 2020, slightly above the record low of 2.77% set back in 2013.

07

Savings and Assets

Credit union savings growth the fastest in 35 years

Savings and Assets

Credit union savings balances rose 0.2% in November, lower than the 1.5% gain reported in November 2019 when the month ending on a payroll Friday.

Savings balances typically decline 0.2% in November due to recurring seasonal factors.

Savings balances are currently growing at a 15.6% seasonally-adjusted annualized growth rate due to a slow down in consumer spending, low gas prices, fears of a recession, enhanced unemployment insurance benefits and government stimulus checks. **(see figure below)**.

Approximately 80% of stimulus checks sent out in March 2020 were either saved or used to pay down debt. These two member behaviors resulted in excess credit union liquidity and lower yield-on-asset ratios.

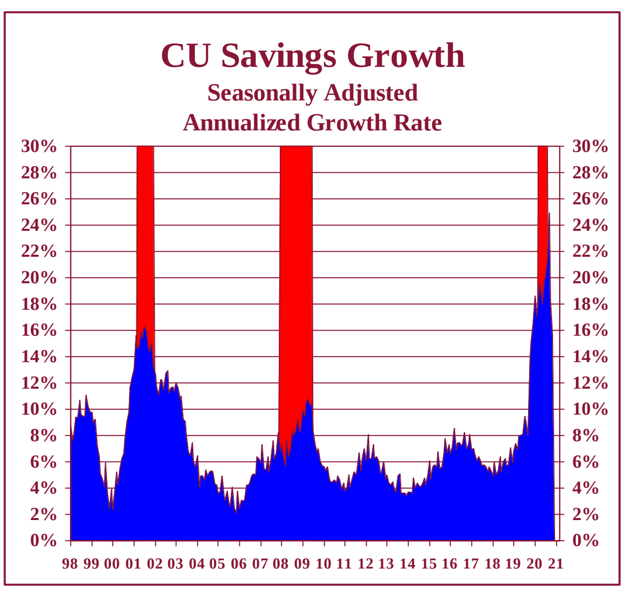
Expect credit union savings balances to rise 14% in 2021 due to additional stimulus checks this spring, COVID-19 induced uncertainty, low gasoline purchases, aging demographics and job and income insecurity.

Credit unions reported a savings inflow of $241.8 billion during the last 12 months, an 18% increase. Almost half of this inflow (49% percent or $127 billion) was deposited into regular share accounts **(see figure below)**.

Share certificate account growth turned negative in 2020 **(see figure below)** as maturing CD balances were being placed in liquid share accounts due to falling interest rates.

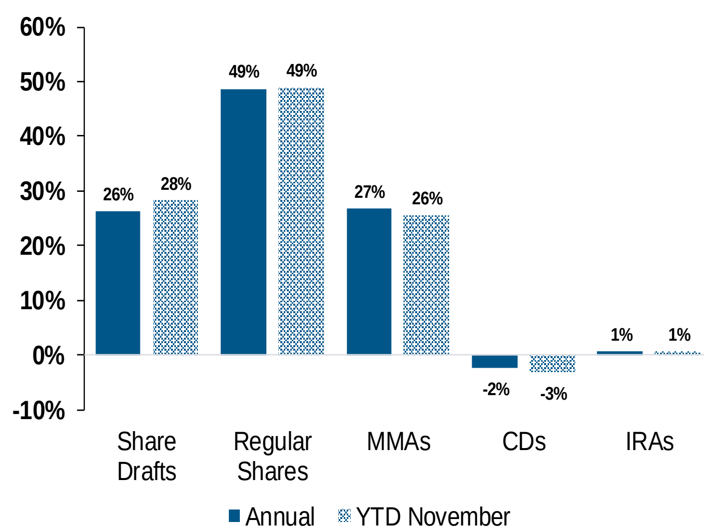
Credit union one-year CD interest rates fell 75 basis points during the 12 months ending in November; 2% to 1.25%.

Expect credit union CD interest rates to fall below 1% in the next few months and to stay below 1% for the next few years; like what we saw during the 2012-2016 period.



Sources of Savings Growth

November 2020



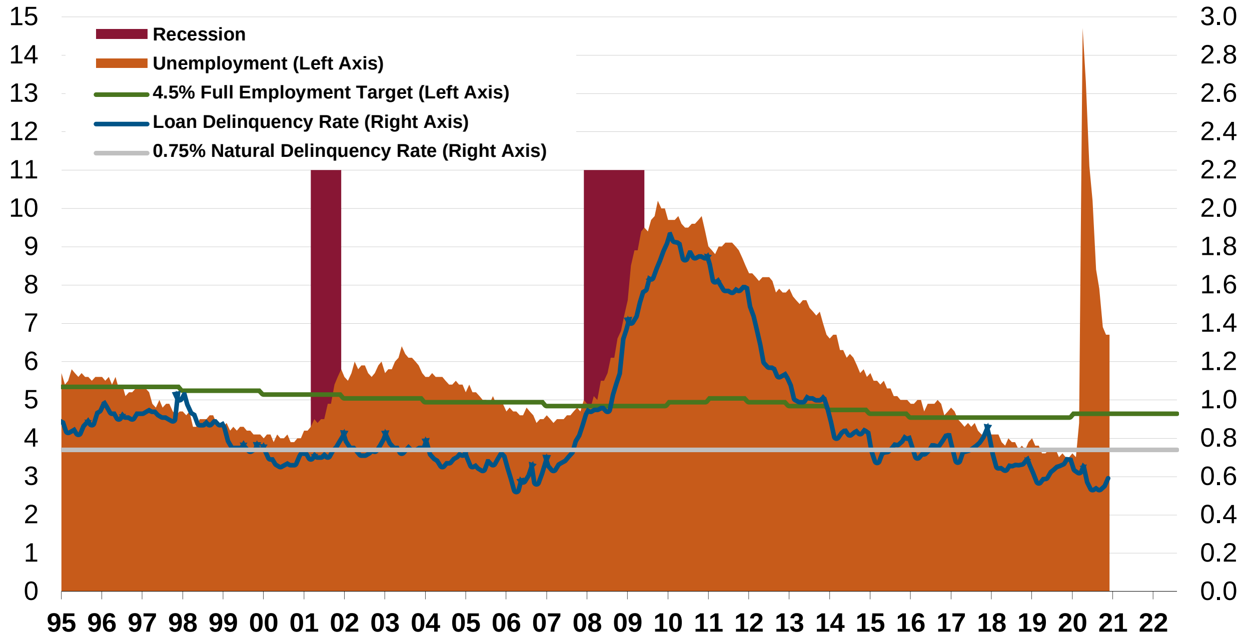
08

Capital and Other Key Measures

Credit union return-on-asset ratios fall to the lowest in a decade

Capital and Other Key Measures

CU Delinquency Rate
Versus Unemployment Rate

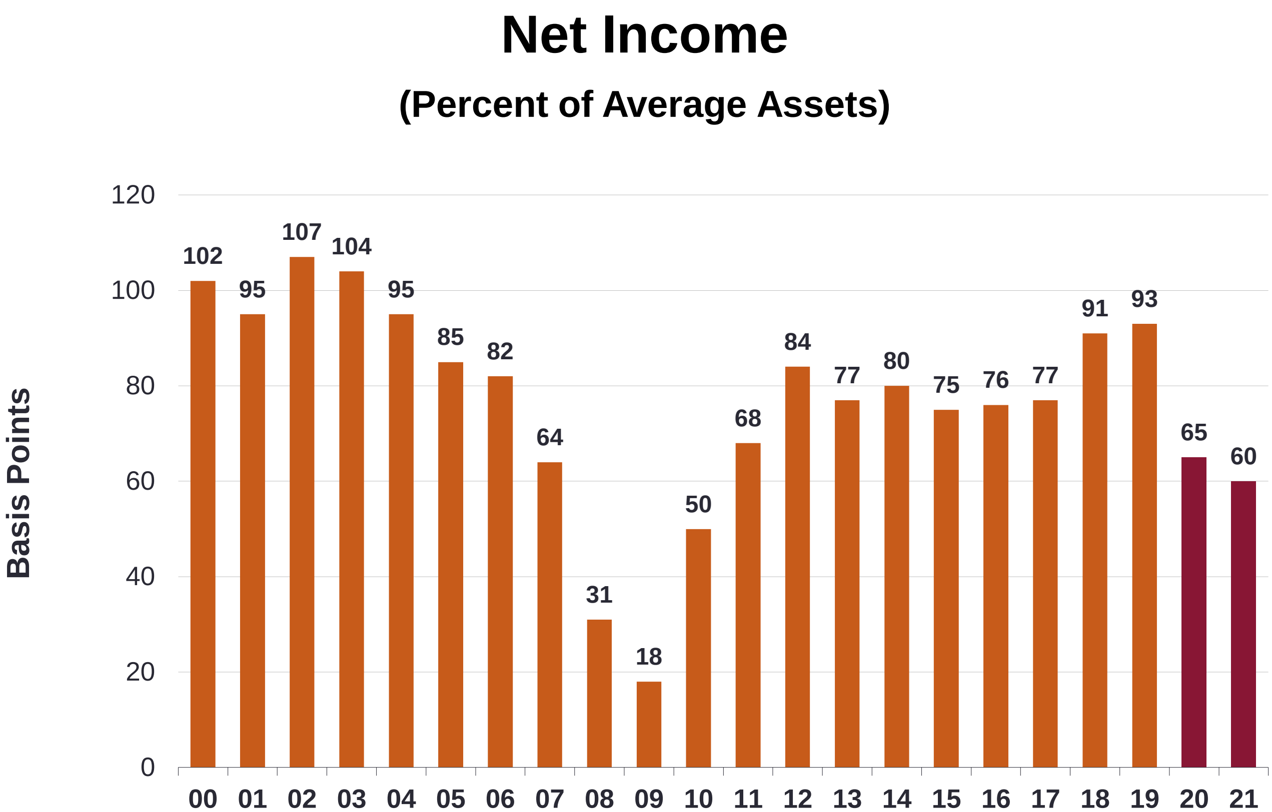


The loan delinquency rate (loans two or more months delinquent as a percent of total loans outstanding) rose to 0.6% in November from 0.57% in October. This is in line with the traditional seasonal pattern **(see figure above)**.

Delinquency rates typically reach their nadir in the first quarter as members use their tax refunds and bonus checks to catch-up on any late loan payments. As the year progresses, delinquency rates slowly rise and reach their apex late in the fourth quarter.

On a year-over-year basis, the loan delinquency rate is 10 basis points lower than the 0.7% reported in November 2019. Expect loan quality measures to deteriorate over the next few quarters as loan forbearance programs come to end and the unemployment rate remains elevated.

Capital and Other Key Measures



Credit union return-on-asset ratios came in at 0.65% (annualized) for the first nine months of 2020, the lowest since 2010 **(see figure above)**, due to lower net interest margins, lower fee income and higher provision for loan losses.

Expect credit union return-on-asset ratios to fall further in 2021 to 0.60% as margin compression continues and the mortgage refinance boom comes to an end.

Credit union capital balances grew 8.6% in the year ending in November, above the 7% average set over the last 20 years, but below the 11.6% pace set in 2019.

The growth rate of capital is also known as the return on equity ratio, an important measure of credit union financial performance.

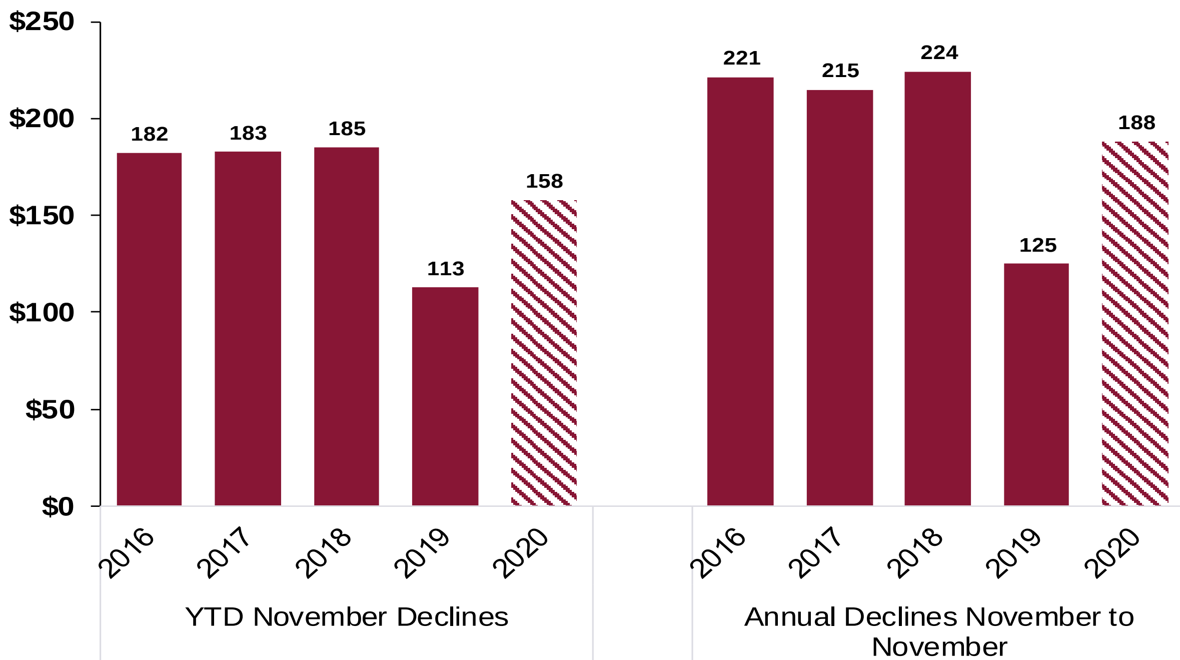
09

Credit Unions and Members

Membership growth strong despite 9 million job losses in 2020

Credit Unions and Members

Declines in Number of Credit Unions



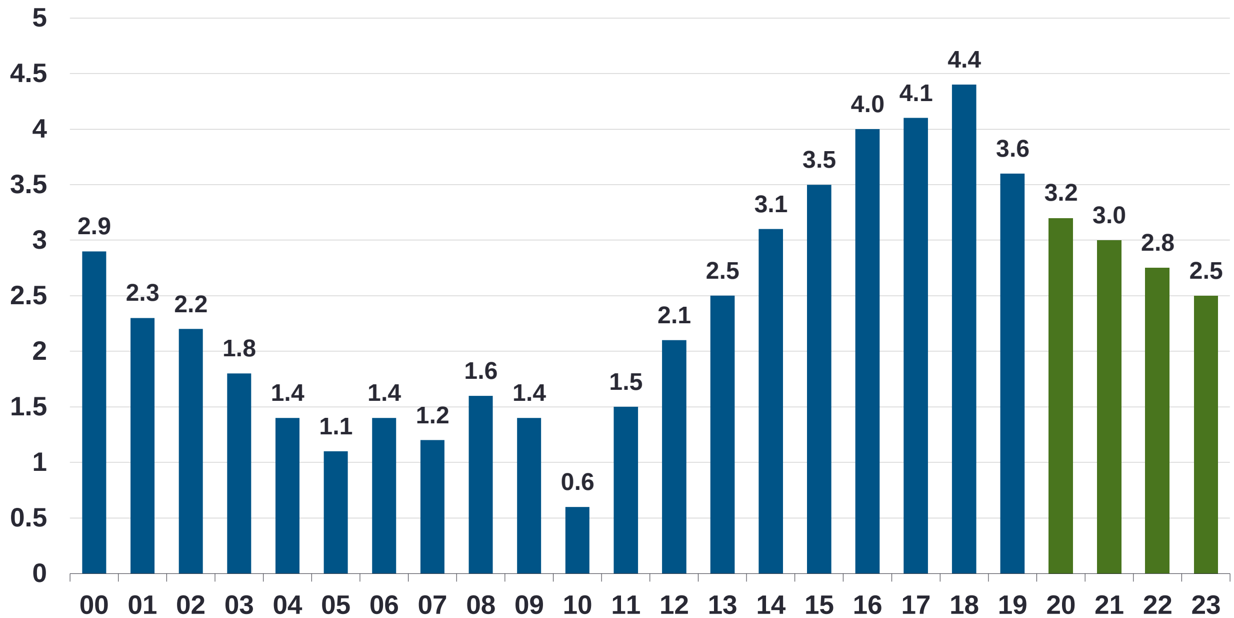
As of November 2019, CUNA estimates 5,302 credit unions were in operation, down 188 from November 2019 **(see Figure above)**. Year-to-date the number of credit unions fell by 158, more than the 113 reported in the first eleven months of 2019. The annual contraction rate of the credit union industry came in at -3.4% in November 2020, above the -2.2% set in the year ending November 2019 but still below the -3.5% average pace set over the last 40 years. This acceleration in the rate of contraction can be explained by the fact that 82% of credit unions reported positive earnings in the third quarter of 2020, down from 89% in the third quarter of 2019.

Starting in 2006, 46% of the annual decline in the number of credit unions took place in the first half of the year and 54% in the second half **(Figure 13)**. Slightly more mergers in the second half may be attributable to the timing of the fall strategic planning session and credit unions attempting to close merger deals before the end of the year.

Credit Unions and Members

Credit Union Membership Growth

(Annual Percent Growth)



Credit union memberships grew 193,000 in November, or 0.15%, which is significantly below the 265,000 new members, or 0.22%, that were added in November 2019. Year-to-date, credit unions added 3.651 million new members, slower than the 3.934 million members added during a similar period in 2019. During the last 12 months, credit unions memberships rose 3.2%, the slowest pace since 2014 **(see Figure above)**.

Total credit union memberships reached 126.4 million in November, 3.945 million more than November 201. Strong mortgage lending is the major factor driving the rise in credit union memberships.

Job growth is another factor determining credit union membership growth. The U.S. economy lost 9.37 million jobs during 2020, according to the Bureau of Labor Statistics. For 2021, expect 4.4 million new jobs to be created as the economy exits the COVID-19 Pandemic and recession. As the mortgage refinance boom ends in 2021, job growth will become more of a factor in membership growth. We expect membership growth to slow slightly to 3% in 2021.

Distribution of Credit Union Loans

Estimated $ (Billions) Outstanding

YR/MO	TOTAL LOANS	NEW AUTO	USED AUTO	TOTAL AUTO	UNSEC Ex. CC's	CREDIT CARDS	CUCIC	1st MORT. TOTAL	TOTAL OTHER MORT 2ND + HE	TOTAL REAL ESTATE	MBLs*
18 11	1,060.2	148.2	222.7	370.3	43.7	61.4	471.4	428.8	90.5	519.3	69.5
18 12	1,065.2	149.8	222.3	372.0	44.2	62.7	469.2	434.2	89.8	524.0	72.0
19 01	1,067.7	149.6	223.1	372.7	44.2	62.4	471.5	433.7	91.2	524.9	71.3
19 02	1,067.4	148.8	223.5	372.3	43.7	61.8	471.3	435.0	90.9	525.9	70.2
19 03	1,069.7	148.2	224.2	372.4	43.8	61.9	471.6	438.2	90.3	528.5	69.6
19 04	1,075.2	148.1	225.2	373.3	44.4	62.5	475.0	438.3	92.4	530.6	69.6
19 05	1,082.8	148.6	226.3	374.9	44.1	62.9	473.7	442.0	91.8	533.9	75.3
19 06	1,090.9	148.8	227.8	376.6	45.0	63.3	476.1	446.1	92.0	538.1	76.6
19 07	1,097.3	148.8	228.7	377.5	45.5	64.0	478.1	448.4	92.8	541.2	78.0
19 08	1,106.6	149.2	229.7	378.8	46.2	64.4	482.5	453.3	92.8	546.2	78.0
19 09	1,112.9	149.6	230.7	380.3	46.2	64.7	483.6	457.8	93.0	550.9	78.5
19 10	1,120.1	148.5	231.4	379.9	46.7	64.9	483.7	464.1	94.0	558.0	78.4
19 11	1,126.2	148.2	232.1	380.3	47.0	65.1	482.0	470.1	94.2	564.2	80.0
19 12	1,133.6	149.7	231.3	381.0	47.3	66.9	482.4	471.8	93.0	564.8	86.4
20 01	1,137.3	149.4	231.9	381.3	47.1	66.3	482.5	471.8	92.9	564.7	90.1
20 02	1,139.9	148.4	232.6	381.0	46.3	65.8	484.9	465.8	93.1	558.9	96.0
20 03	1,143.6	147.2	233.0	380.2	46.7	65.3	489.0	486.2	92.4	578.6	76.0
20 04	1,146.9	146.4	231.2	377.6	47.4	62.7	476.1	488.8	91.7	580.5	90.3
20 05	1,159.9	144.7	232.9	377.5	48.6	61.9	476.0	494.2	91.0	585.2	98.7
20 06	1,168.1	143.9	236.5	380.4	53.2	61.7	486.4	503.2	89.8	592.9	88.8
20 07	1,176.6	143.8	239.2	383.0	52.3	61.5	489.9	508.0	90.2	598.2	88.7
20 08	1,180.2	143.7	239.9	383.6	52.8	61.5	491.4	511.6	89.6	601.1	87.6
20 09	1,186.6	144.0	240.8	384.9	54.4	61.5	493.6	517.0	88.1	605.1	87.9
20 10	1,187.9	144.0	241.2	385.1	52.9	61.4	495.7	516.7	88.0	604.7	87.5
20 11	1,188.4	143.7	242.1	384.8	52.4	62.0	496.5	519.2	87.0	606.2	85.7

* Member Business Loans
CUCIC = Total Loans – Total Real Estate - MBLs CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 14% of MBLs

Distribution of Credit Union Loans

Percent Change From Prior Year

YR/MO	TOTAL LOANS	NEW AUTO	USED AUTO	TOTAL AUTO	UNSEC Ex. CC's	CREDIT CARDS	CUCIC	1st MORT. TOTAL	TOTAL OTHER MORT 2ND + HE	TOTAL REAL ESTATE	MBLs*
18 11	9.2	11.9	9.6	10.5	6.7	7.8	12.1	9.0	6.9	8.6	-3.6
18 12	8.9	11.6	9.0	10.1	6.9	7.4	10.4	9.2	6.9	8.8	0.3
19 01	8.7	10.8	8.5	9.4	7.3	7.0	11.3	8.9	7.7	8.7	-6.1
19 02	8.4	10.2	8.2	9.0	8.1	7.2	10.5	8.5	8.0	8.4	-4.2
19 03	7.8	8.5	7.2	7.7	8.4	7.6	11.7	7.6	8.0	7.7	-12.2
19 04	7.2	7.2	6.0	6.0	9.4	8.3	11.2	6.6	8.8	7.1	-12.6
19 05	6.5	5.5	4.9	4.9	7.3	7.9	9.0	6.5	7.4	6.7	-7.5
19 06	6.6	5.2	5.3	5.3	8.2	7.6	8.6	6.7	7.7	6.9	-6.5
19 07	6.3	4.2	4.8	4.6	8.4	7.3	7.4	7.2	6.2	7.0	-3.8
19 08	6.4	3.0	4.4	3.8	8.7	7.4	6.9	7.8	5.4	7.4	-2.5
19 09	6.2	2.2	4.4	3.5	8.1	7.4	7.6	7.2	6.3	7.0	-6.3
19 10	6.2	0.7	4.5	3.0	8.1	7.2	3.3	8.9	4.7	8.2	11.5
19 11	6.2	0.0	4.5	2.7	7.5	5.9	2.2	9.6	4.1	8.7	15.0
19 12	6.4	0.0	4.1	2.4	7.0	6.7	2.8	8.7	3.5	7.8	20.1
20 01	6.5	-0.1	3.9	2.3	6.7	6.3	2.3	8.8	1.8	7.6	26.4
20 02	6.8	-0.2	4.0	2.3	6.0	6.4	2.9	7.1	2.4	6.3	36.9
20 03	6.9	-0.7	3.9	2.1	6.8	5.4	3.7	11.0	2.3	9.5	9.2
20 04	6.6	-1.3	2.7	1.1	7.1	0.5	0.2	11.5	-0.3	9.4	28.0
20 05	7.1	-2.6	2.9	0.7	10.2	-1.5	0.5	11.8	-0.9	9.6	31.1
20 06	7.1	-3.3	3.8	1.0	18.2	-2.5	2.2	12.8	-2.5	10.2	15.9
20 07	7.2	-3.3	4.6	1.5	15.0	-3.9	2.5	13.3	-2.8	10.5	13.8
20 08	6.6	-3.7	4.4	1.2	14.2	-4.5	1.8	12.8	-3.5	10.1	12.4
20 09	6.6	-3.7	4.4	1.2	17.6	-4.9	2.1	12.9	-5.3	9.8	12.1
20 10	6.1	-3.4	4.5	1.4	13.5	-5.5	2.5	12.0	-6.4	8.9	9.2
20 11	5.7	-3.6	4.4	1.3	12.2	-4.9	3.0	11.6	-7.4	8.4	2.4

* Member Business Loans
CUCIC = Total Loans – Total Real Estate - MBLs CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 14% of MBLs

National Monthly Credit Union Aggregates

YR/MO	LOANS ($ Billions)	ASSETS ($ Billions)	SAVINGS ($ Billions)	CAPITAL ($ Billions)	MEMBERS (Millions)	CREDIT UNIONS	LOAN/ SAVINGS RATIO	CAPITAL/ ASSET RATIO
18 11	1,060.2	1,483.7	1,244.8	159.3	118.2	5,615	85.2	10.7
18 12	1,065.2	1,479.6	1,242.1	161.5	118.6	5,603	85.8	10.9
19 01	1,067.7	1,480.2	1,240.9	163.2	118.8	5,576	86.0	11.0
19 02	1,067.4	1,508.7	1,272.2	164.3	119.2	5,572	83.9	10.9
19 03	1,069.7	1,532.6	1,295.7	166.6	119.7	5,561	82.6	10.9
19 04	1,075.2	1,522.7	1,288.2	167.9	119.9	5,556	83.5	11.0
19 05	1,082.8	1,543.1	1,304.7	170.1	120.3	5,548	82.0	11.0
19 06	1,090.9	1,547.0	1,302.7	172.2	120.7	5,534	83.7	11.1
19 07	1,097.3	1,542.5	1,298.9	172.4	121.2	5,530	84.5	11.2
19 08	1,106.6	1,567.4	1,319.6	174.9	121.7	5,518	83.9	11.2
19 09	1,112.9	1,565.3	1,315.1	176.5	122.0	5,506	84.6	11.3
19 10	1,120.1	1,575.6	1,324.8	177.2	122.1	5,482	84.5	11.2
19 11	1,126.2	1,597.1	1,345.6	177.3	122.3	5,469	83.7	11.1
19 12	1,133.6	1,593.5	1,342.7	179.1	122.8	5,460	84.4	11.2
20 01	1,137.3	1,610.7	1,358.5	180.5	123.2	5,450	83.7	11.2
20 02	1,139.9	1,651.0	1,387.6	181.8	123.4	5,446	82.1	11.0
20 03	1,143.6	1,666.0	1,399.7	183.5	123.8	5,419	81.7	11.0
20 04	1,146.9	1,729.9	1,463.7	182.8	124.0	5,421	78.4	10.6
20 05	1,159.9	1,769.8	1,500.7	185.8	124.4	5,384	77.3	10.5
20 06	1,168.1	1,778.8	1,516.3	187.4	124.8	5,384	77.0	10.5
20 07	1,176.8	1,804.0	1,539.7	189.2	125.3	5,380	76.4	10.5
20 08	1,180.2	1,807.7	1,544.0	189.7	125.8	5,378	76.4	10.5
20 09	1,186.6	1,817.4	1,555.0	190.8	126.2	5,353	76.3	10.5
20 10	1,187.9	1,848.2	1,583.5	191.3	126.3	5,336	75.0	10.4
20 11	1,188.4	1,850.0	1,586.7	193.0	126.4	5,302	74.9	10.4

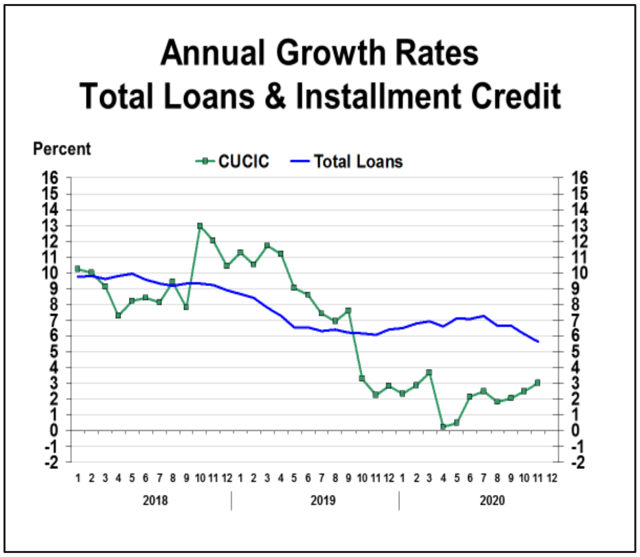
Credit Union Growth Rates

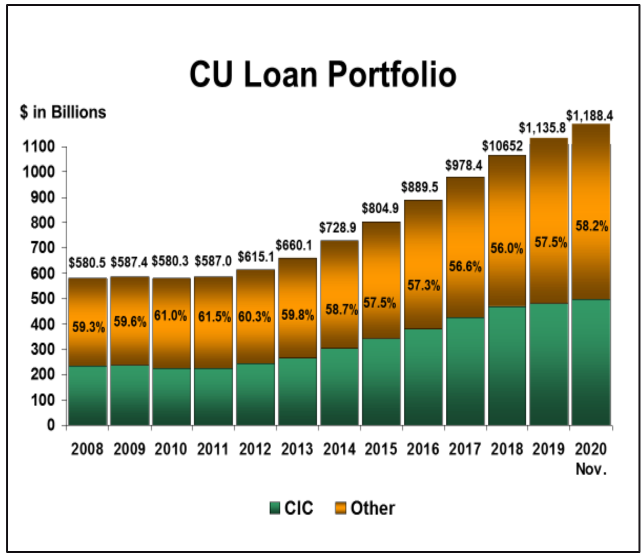
Percent Change From Previous Year

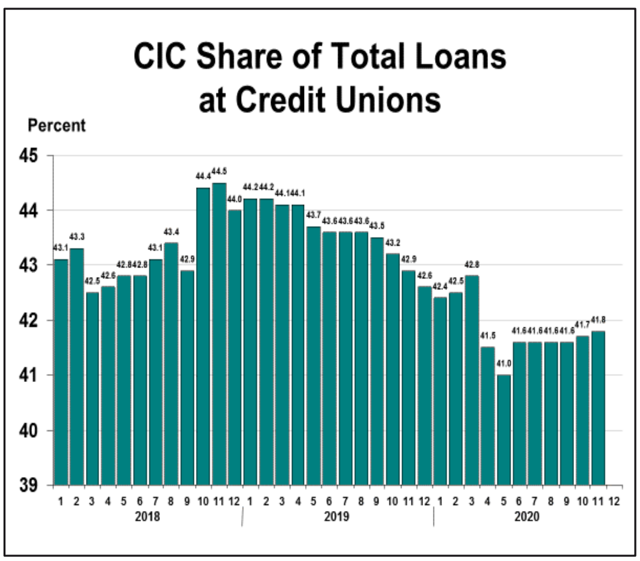
YR/MO	LOANS	ASSETS	SAVINGS	CAPITAL	MEMBERS	CREDIT UNIONS	# OF CUs DECLINE	DELINQUENCY RATE*
18 11	9.2	6.1	6.4	6.5	4.4	(3.8)	(224)	0.698%
18 12	8.9	5.4	5.2	7.8	4.3	(3.4)	(197)	0.709%
19 01	8.7	5.6	6.0	9.0	4.2	(3.7)	(214)	0.660%
19 02	8.4	6.4	6.2	9.7	4.1	(3.8)	(217)	0.622%
19 03	7.8	6.3	5.7	10.1	4.0	(3.4)	(198)	0.576%
19 04	7.2	5.8	5.8	10.7	3.9	(2.9)	(168)	0.557%
19 05	6.5	6.9	7.1	11.4	3.8	(3.0)	(174)	0.599%
19 06	6.6	6.3	5.9	11.8	3.7	(3.0)	(174)	0.631%
19 07	6.3	6.7	6.8	10.5	3.8	(3.1)	(176)	0.645%
19 08	6.4	7.2	7.4	11.4	3.7	(3.1)	(177)	0.660%
19 09	6.2	6.8	6.9	11.9	3.6	(2.8)	(156)	0.665%
19 10	6.2	7.6	7.9	12.0	3.5	(2.5)	(143)	0.677%
19 11	6.2	7.6	8.1	11.4	3.5	(2.6)	(146)	0.702%
19 12	6.4	7.7	8.1	10.9	3.6	(2.6)	(143)	0.703%
20 01	6.5	8.8	9.5	10.7	3.6	(2.3)	(126)	0.698%
20 02	6.8	9.4	9.1	10.6	3.5	(2.3)	(126)	0.640%
20 03	6.9	8.7	8.0	10.1	3.4	(2.6)	(142)	0.629%
20 04	6.6	13.3	13.6	8.7	3.3	(2.4)	(133)	0.673%
20 05	7.1	14.7	15.0	9.2	3.4	(3.0)	(164)	0.657%
20 06	7.1	15.0	16.4	8.8	3.3	(2.7)	(150)	0.574%
20 07	7.2	16.9	18.5	9.7	3.4	(2.7)	(150)	0.541%
20 08	6.6	15.3	17.0	8.5	3.4	(2.5)	(140)	0.553%
20 09	6.6	16.1	18.2	8.1	3.4	(2.8)	(153)	0.540%
20 10	6.1	17.3	19.6	7.9	3.3	(3.0)	(167)	0.556%
20 11	5.7	15.8	18.0	8.6	3.2	(3.4)	(188)	0.595%

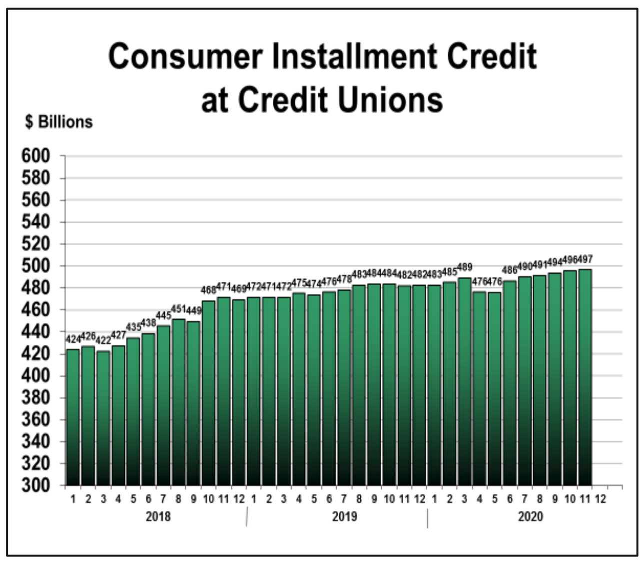
* Loans two or more months delinquent as a percent of total loans.

Consumer Installment Credit









Meet Steve Rick

Steve Rick is the Chief Economist for CUNA Mutual Group. Rick is an economic researcher, analyst and forecaster with expertise in consumer markets and the credit union industry. His forecasts serve as a starting point for client- and firm-level strategic planning by creating a clear understanding of the underlying trends and links between the general economy, the financial services industry and the firm's clients. Rick is a member of the CUNA Mutual Financial Advisors Investment Committee that approves strategy and oversees the firm's investment operations. He is also a member of the firm's Capital Markets Committee that performs ongoing research on the global economy and financial markets and on behalf of institutional and individual investors across the country.

This report on key credit union indicators is based on data from CUNA E&S's *Monthly Credit Union Estimates*, the Federal Reserve Board and CUNA Mutual Group – Economics.
To access this report on the Internet, go to www.cunamutual.com/CUTrends.
If you have any questions, comments, or need additional information, please call or complete this form. Thank you.

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