Credit Union Trends Report

February 2021 ▪ December 2020 Data

CUNA MUTUAL GROUP

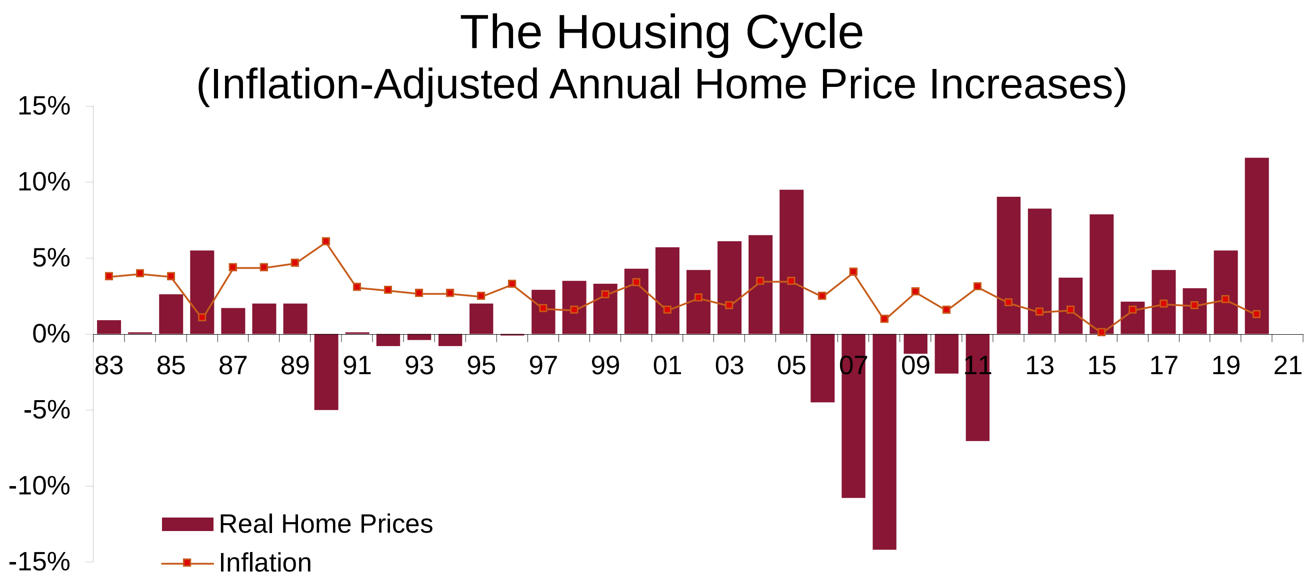
01

Economic Trends

Another Housing Boom

Economic Trends

Real home prices (inflation adjusted) increased 11.6% in 2020, the fastest pace in modern history, raising concerns regarding affordability and home price bubbles.



Source: National Association of Realtors

Nominal home prices rose 12.9% in 2020, significantly faster than the cost of living as measured by the Consumer Price Index which rose 1.3%. If we subtract this 1.3% inflation rate from the 12.9% nominal home price growth rate, we can calculate the real home price growth rate of 11.6%. This is the 9th consecutive year of nominal home price growth exceeding the rate of inflation of the goods and services we purchase to live (see chart above).

The chart also shows the housing market moves in cycles. In the late 1970s the housing market experienced four years of positive real home price appreciation, followed by four years of negative real price growth rates in the early 1980s. Then five years of positive real home price growth in the mid to late 1980s, were followed by roughly five years of negative growth rates. Then the nine years of the housing price bubble of 1997 to 2005 were followed by six years of negative real home price growth rates.

Sometime in the next few years we can expect real home price growth rates to turn negative as nominal home price growth rates fall below the rate of inflation of the goods and services we purchase everyday. One possible economic scenario for this to happen would be a rise in the inflation rate which will push up long term interest rates and the 30-year mortgage interest rate. This will in turn reduce the demand for housing and bring down nominal home price growth rates. And with the massive monetary and fiscal stimulus currently being applied to the U.S. economy, higher inflation rates may not be that far off.

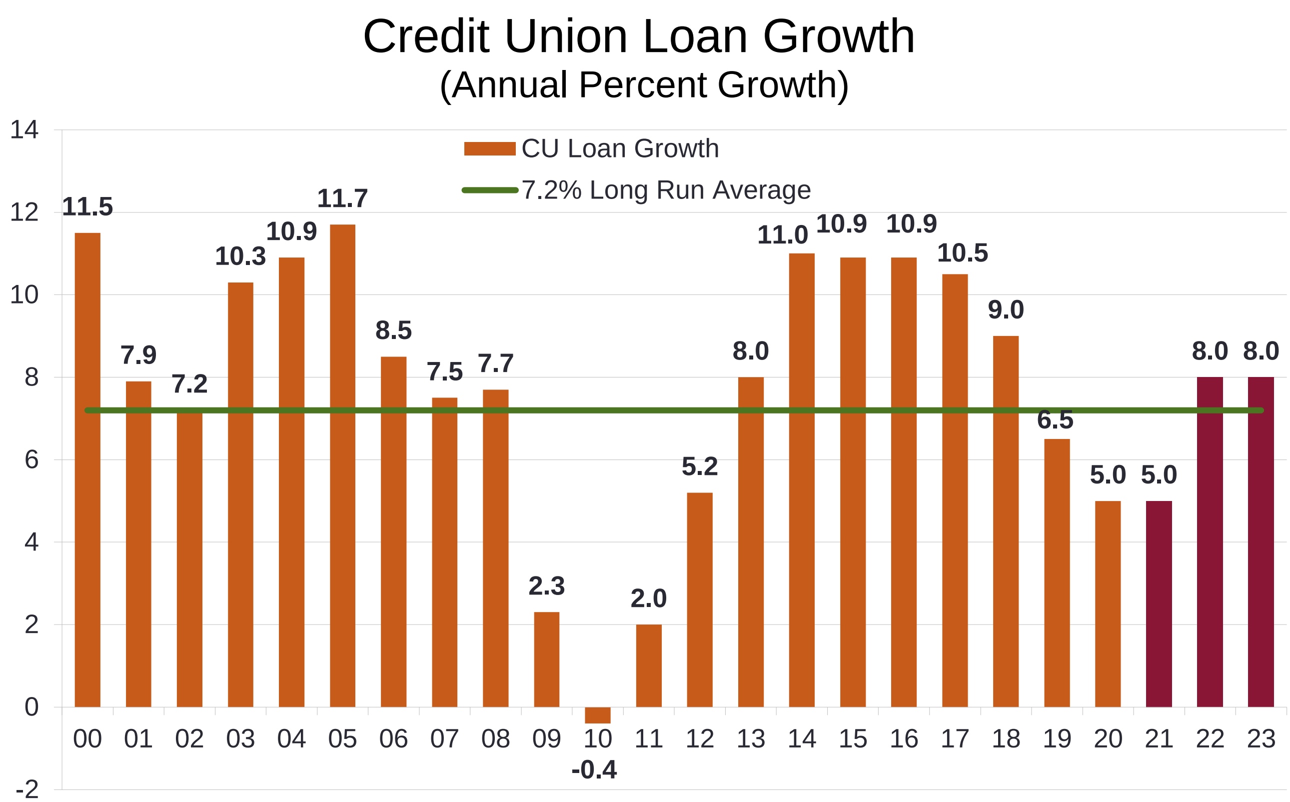
02

Total Credit Union Lending

Credit union lending in 2020 was the slowest in nine years

Total Credit Union Lending

Below trend growth expected for credit union lending in 2021, followed by a surge in lending in 2022-23.



Credit union loan balances rose 0.2% in December, below the 0.8% pace reported in December 2019. Driving overall loan growth was strong growth in credit card loans (1.1%), fixed-rate mortgages (1%) and new auto loans (0.2%). December credit card seasonal factors – such as holiday shopping – typically add 3.1 percentage points to the underlying credit card trend loan growth. The muted December credit card growth was caused by the continuing effects of cautious consumers deleveraging their balance sheets.

Credit union loan balances rose 5% in 2020, down from the 6.5% reported in 201 **(see chart above)** due to two headwinds Some members used funds from a cash-out mortgage refinance to pay down high-rate consumer loan debt while other members used stimulus check funds to also pay down debt. Expect loan growth to remain subdued in 2021 at 5%, slightly below the 7.2% long run average.

03

Consumer Installment Credit

Consumers continue to deleverage their balance sheets

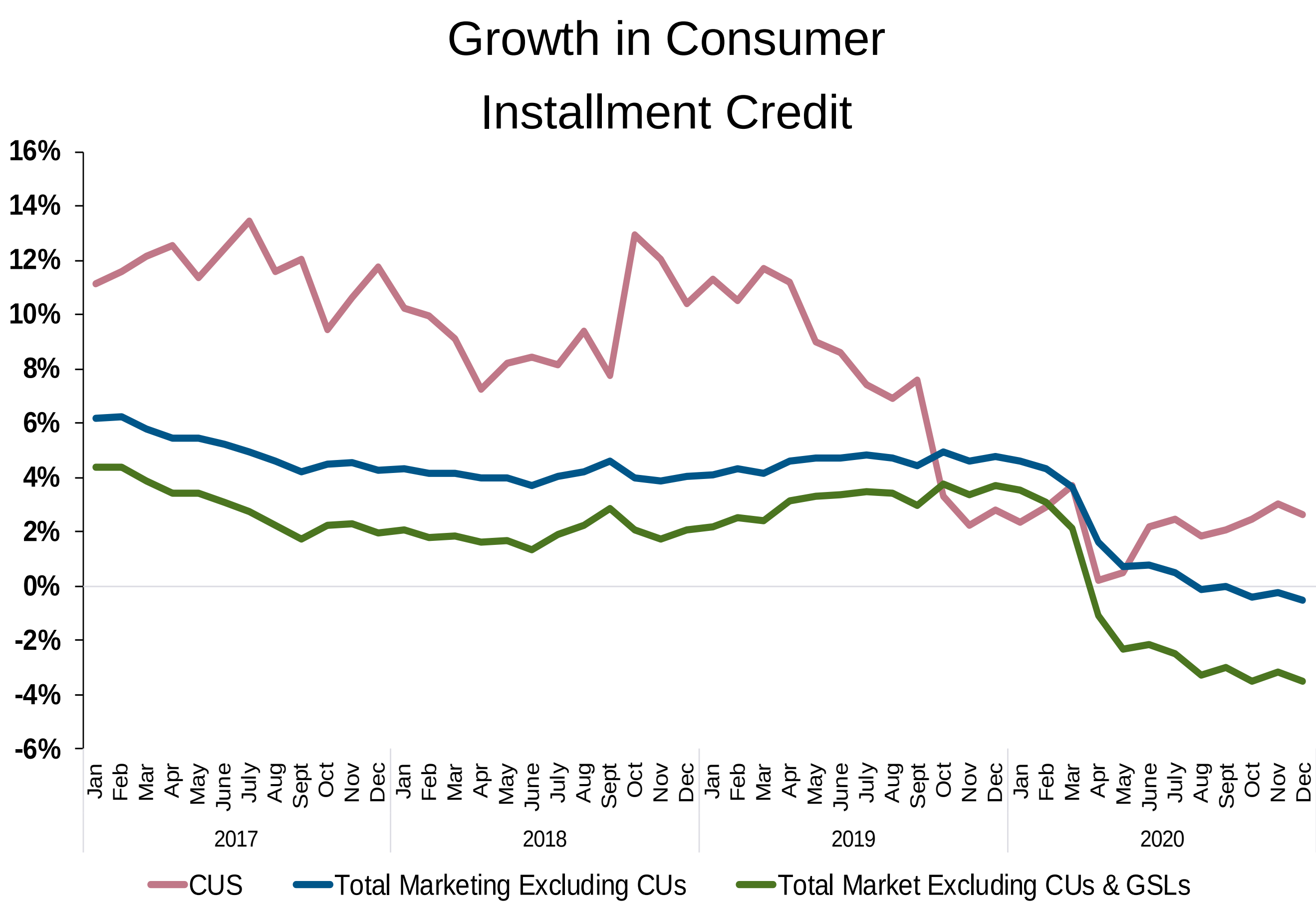
Consumer Installment Credit

Consumer debt-to-income ratios expected to fall to 30 year lows

Credit union consumer installment credit balances (auto, credit card and other unsecured loans) fell 0.3% in December, which was below the 0.1% gain set in December 2019. During 2020 credit union consumer installment credit grew only 2.6%, but better than the total market excluding credit unions, which fell 0.5% **(see Figure below)**. If guaranteed student loans are removed, then consumer credit decreased 3.5% for non-credit-union lenders, the slowest pace since December 2010.

Banks have turned more restrictive in their lending during this current environment as it has become harder to determine who is credit worthy. This is an increase in the adverse selection problem that comes with all lending.

The adverse selection problem is where potential borrowers who are most likely to default are the ones who most actively seek out a loan and are thus most likely to be selected. Consumers denied loans at banks may therefore be turning to credit unions for their credit needs.



Consumer Installment Credit

Consumer debt-to-income ratios expected to fall to 30 year lows

The great deleveraging of the U.S. consumer balance sheet took a big step forward in 2020. Household debt burdens, as measured by residential mortgages and consumer credit as a percentage of disposable personal income, rose to 84.1% in the third quarter of 2020, from a recent low of 80.2% in the second quarter, according to the Federal Reserve's Flow of Funds report **(see Figure below)**.

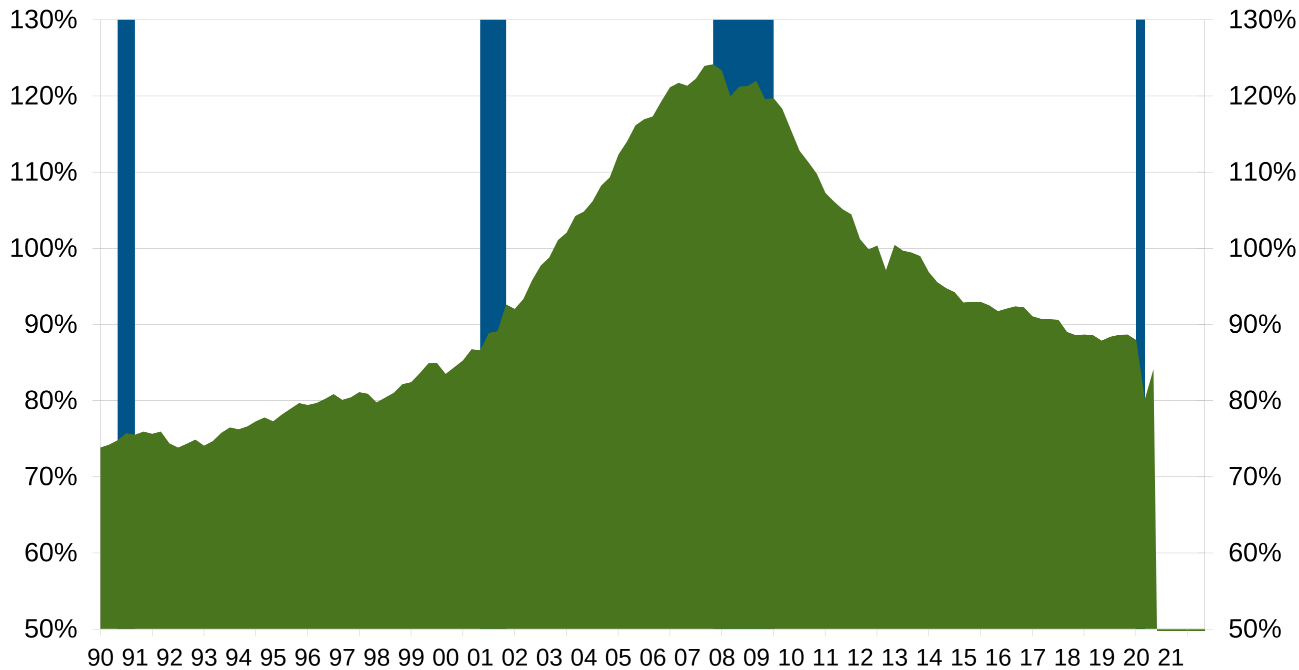
The big drop in the second quarter was due to the $1,200 stimulus check sent out in March 2020 which boosted disposable personal income, the denominator of the ratio.

Expect the ratio to decline to the low 72-75% range in 2021 due to the $600 stimulus checks mailed out in January and the possible additional $1,400 checks later this spring. This will be the lowest debt-to-income ratio since 1989.

Unfortunately, the debt-to-income ratio will bounce back to the mid 80% range in the second half of 2021 as the stimulus checks mailings come to an end.

Household Debt

(As a Percent of Disposable Household Income)



Source: BEA & Federal Reserve

04

Vehicle Loans

New auto sales will rebound in 2021

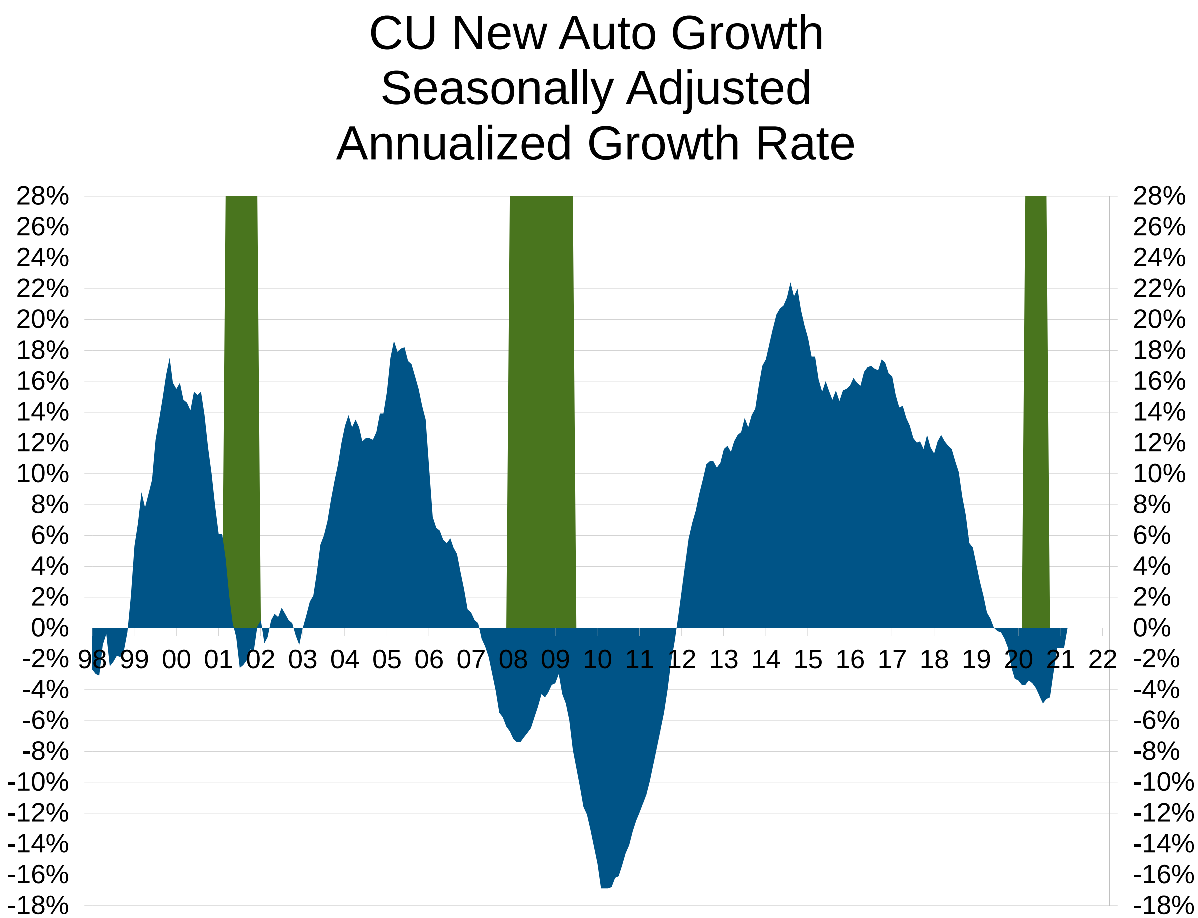
Vehicle Loans

Credit union new auto loan balances rose 0.2% in December, significantly below the 0.4% pace set in December 2019, and fell 3.9% for the full year.

On a seasonally-adjusted annualized basis, new auto loan balances fell 1.3% in December **(see Figure below)**, which is above the 3.3% decline reported in December 2019.

Five factors drove this decline; the pandemic raised job and income insecurity among potential new auto buyers, rapid loan originations two to three years ago precipitate larger loan balance amortization today, new auto sales declined 14% over the last year, members used “cash out” funds from mortgage refinances to pay off auto loans and rapid growth of indirect auto lending has leveled off.

We expect new auto loan growth to return to positive territory in the second quarter of 2021.



Source: CUNA & NCUA

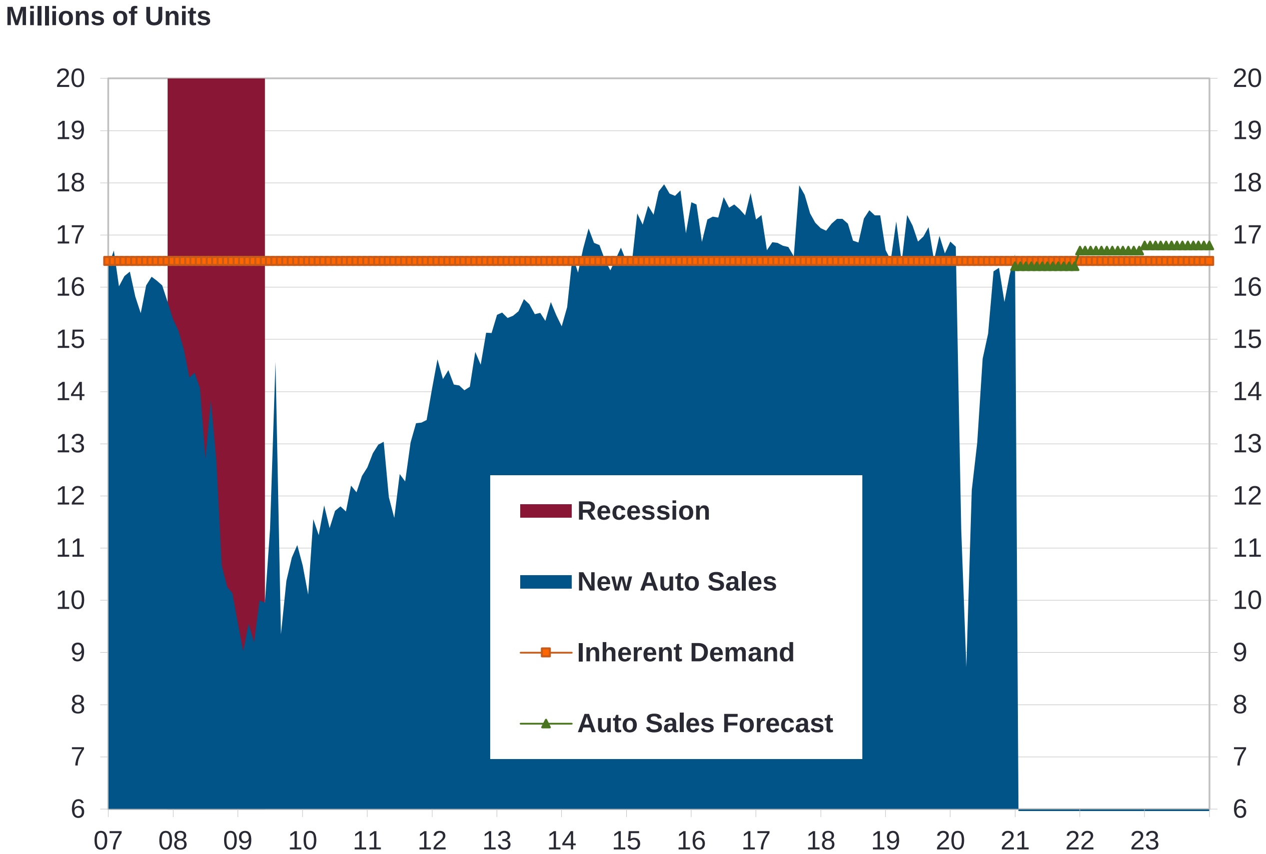
Vehicle Loans

Vehicle sales were 16.3 million in December, which at a seasonally-adjusted annualized sales rate is 3% below the 16.8 million pace set one year earlier **(see Figure below).** Total vehicle sales in 2020 were 14.6 million units, 14% below the 17.3 million pace set in 2019 and below the record high set in 2016 at 17.5 million units.

Expect auto sales to rise 17% to 17.1 million units in 2021, which is well above the 16.5 million sales rate that economists believe is the inherent long run demand.

Factors supporting auto sales in 2021 include: herd immunity reached in the third quarter, falling job/income uncertainty raising consumer confidence, record low auto loan interest rates, low debt burdens, rising job growth, record high stock prices and record-breaking rise in home prices.

U.S. Vehicles Sales
Seasonally Adjusted Annual Rate



Source: Autodata Corp.

05

Real Estate Information

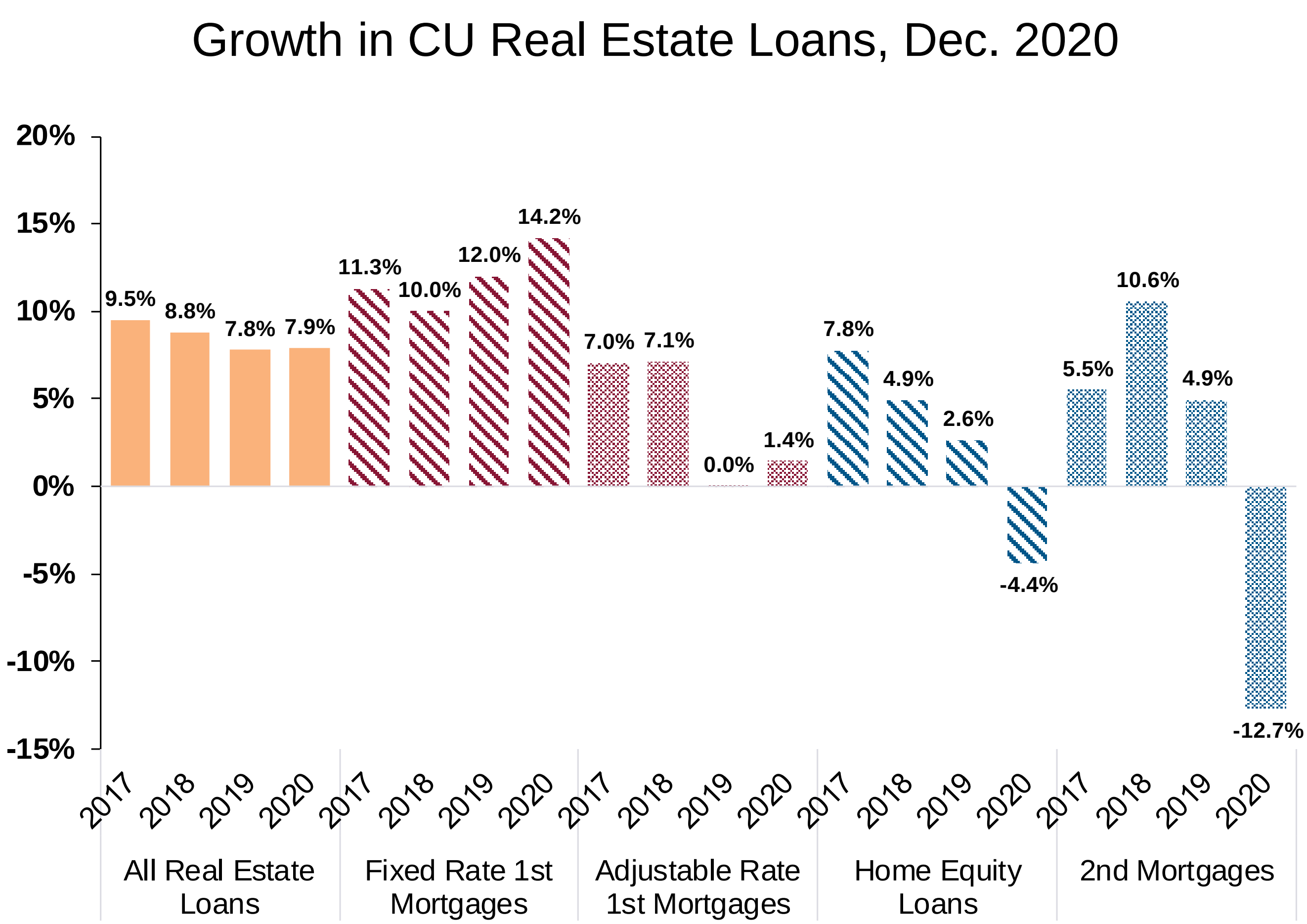
Record low mortgage interest rates led to double digit home price appreciation in 2020

Real Estate Lending

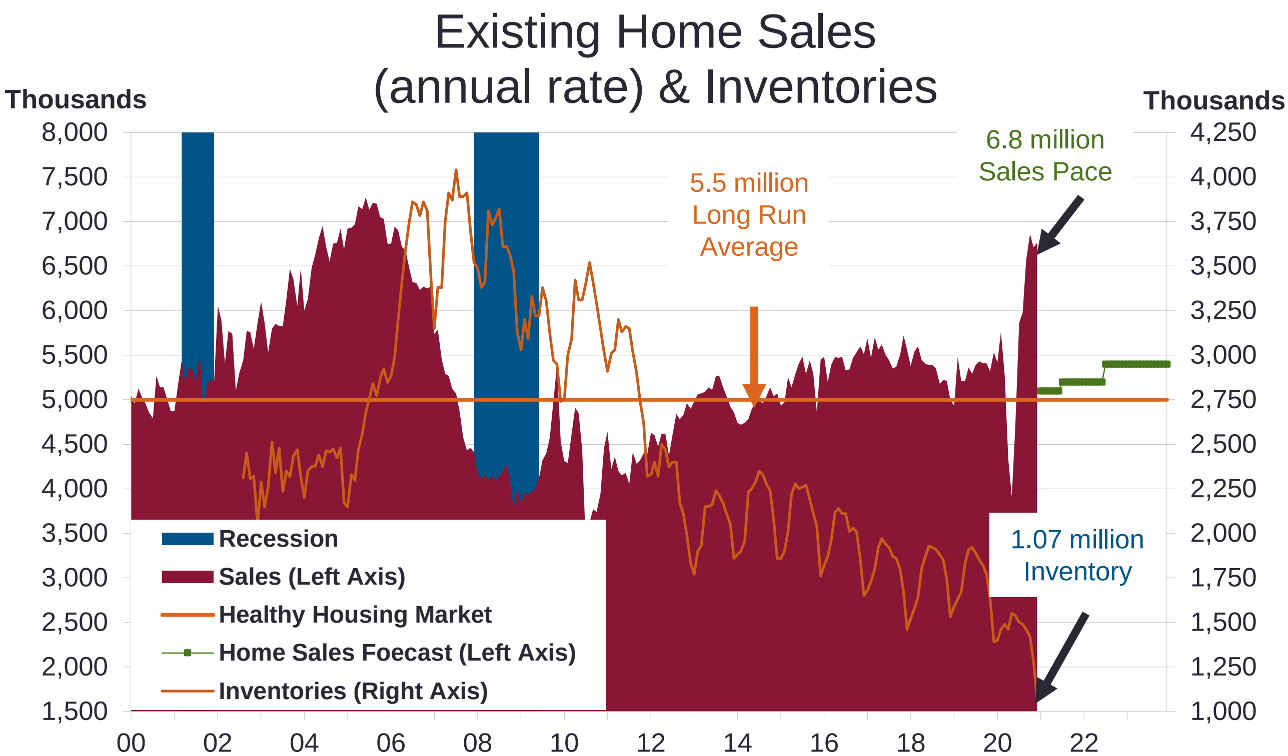
Credit union real estate loan balances grew 7.9% in 2020 **(see below chart)**, slightly above the 7.8% reported in 2019 but below the 9.5% pace set back in 2017. Fixed-rate first mortgage loan balances rose 14.2% in 2020, the fastest annual pace since the 17.6% reported during the housing bubble of 2008.

Second mortgage loan balances and home equity loans reported weak growth in 2020, -12.7% and -4.4% respectively, due to members rolling existing loan balances into refinanced first mortgages. By year-end, fixed-rate first mortgages made up 33.7% of all loans, the highest in credit union history. This is also up from 31% at the end of 2019 and 22.6% reported at the beginning of the Great Recession in 2007.

Credit unions are making headway in serving their members' mortgage needs. Currently 2.5% of members have a first mortgage loan at their credit union, up from 1.9% in 2009. First mortgage credit quality improved in 2020 with delinquency rates falling to 0.5%, down from 0.55% in 2019.



Real Estate Lending



The housing market closed 2020 on a strong note as existing home sales rose 0.7% in December from November and 22.2% from December 2019. Rock bottom mortgage interest rates continue to bolster demand for home despite the adverse effects of the pandemic.

Meanwhile price appreciation remains strong amid a tight housing market. Median single-family home prices rose only 13% over the last year, up from the 5-6% pace recorded over the last few years. Housing demand is expected to remain around its long-term trend of five million home sales per year over the next year due to low mortgage interest rates. This will help support credit union purchase mortgage originations.

The contract interest rate on a 30-year, fixed-rate conventional home mortgage fell to 2.68% in December, down from 2.77% in November and down from the 3.72% reported in December 2019. The 10-year treasury interest rate rose to 0.93% in December from 0.87% in November due to the rise in inflation expectations (20 basis points) exceeding the fall in real interest rates (14 basis points).

Home prices rose 1% in December from November, according to the Core Logic Home Price Index, and 9.2% year-over-year. House price appreciation accelerated in December, driven partly by homebuyers taking advantage of rock-bottom financing costs spurred by low mortgage rates.

06

Surplus Funds
(Cash + Investments)

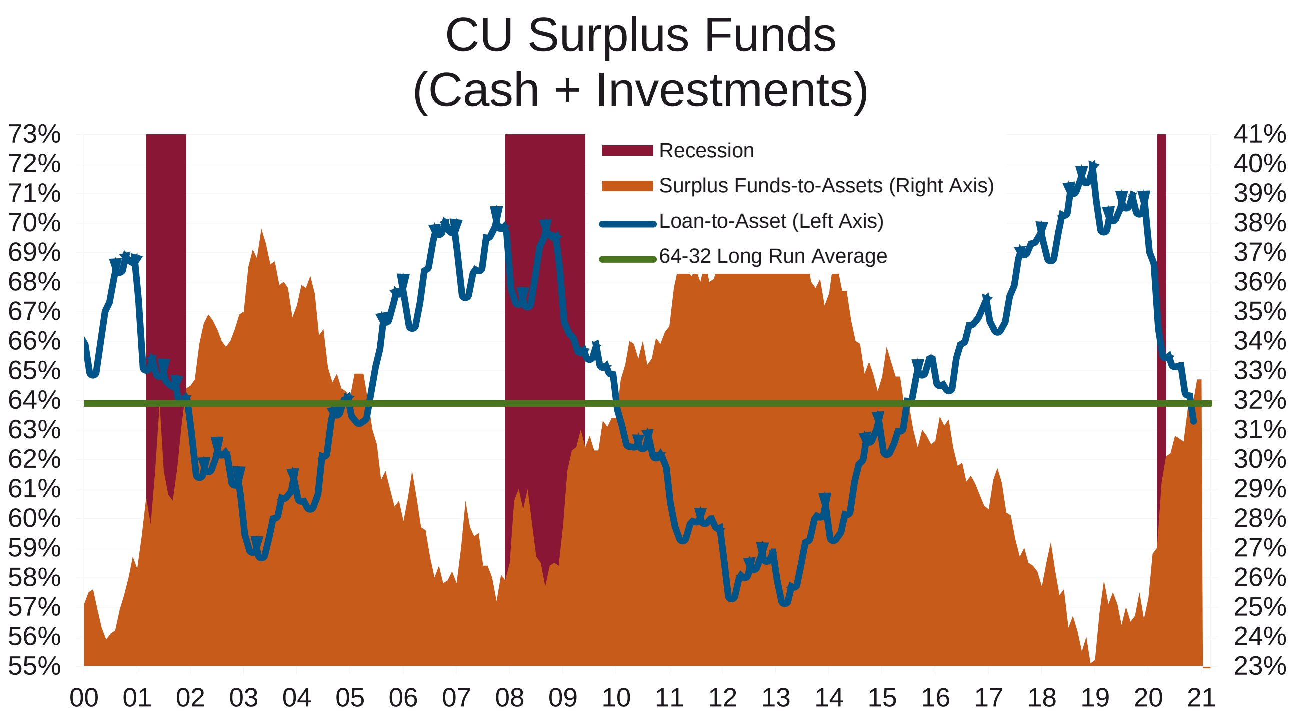
Record amount of credit union liquidity
is lowering yield-on-asset ratios

Surplus Funds

In December credit union balance sheets crossed the long run Rubicon, to borrow a phrase from the time of Julius Cesar. Credit union surplus funds as a percent of assets rose to 32.7% in December **(see Figure below)**, above its long run average of 32%, due to savings growth outpacing loan growth during the last year.

Loans fell to 63.3% of assets in December, below its 64% long run average and down from the recent cyclical high of 72% set in October 2018, which was also the highest level since July 1980. With loan and asset balances expected to increase 5% and 13.5, respectively, in 2021, the credit union aggregate loan-to-asset ratio will fall to 58.6% by the end of this year. This less rich mix of assets along with lower market interest rates should weigh on credit union yield-on-asset ratios this year.

Credit unions are increasing the liquidity of their surplus funds. In December, 56.8% of surplus funds had a maturity of less than one year, up from 52.3% one year earlier. Holding more shorter-term investments will also depress credit union yield-on-assets ratios which are expected to fall to 3.2% in 2021, from 3.5% in 2020. This will be the lowest in credit union history.



CU Long Run Average

- 64% of Assets in Loans
- 32% of Assets in Investments

07

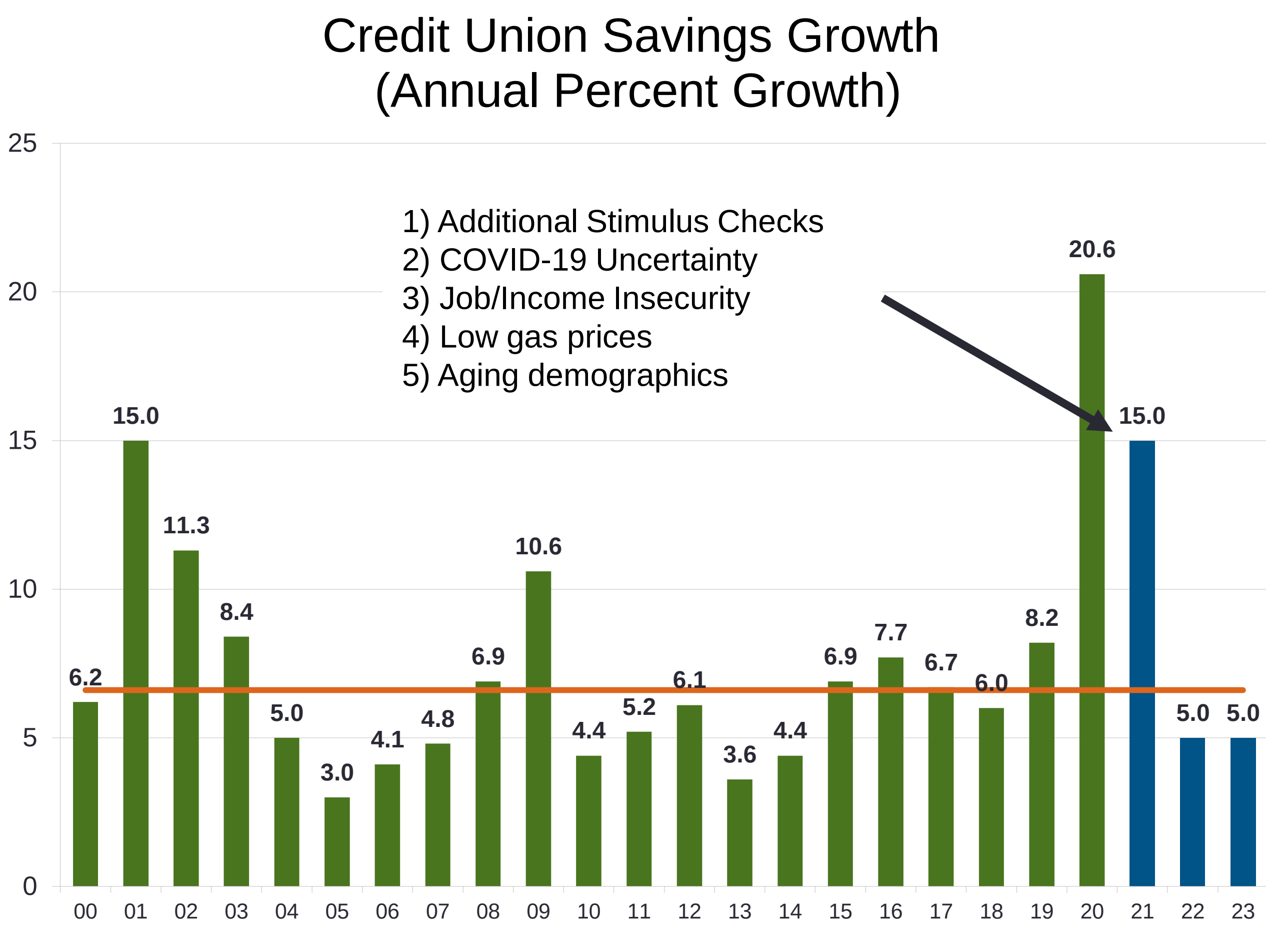
Savings and Assets

Credit union savings growth the fastest in 35 years

Savings and Assets

Credit union savings balances rose 2% in December, better than the 0.2% decline reported in December 2019. Savings balances typically decline 0.14% in December due to recurring seasonal factors such as holiday spending.

Savings balances rose 20.6% for all of 2020 **(see figure below)**, faster than the 8.2% pace set in 2018.



Expect fast savings growth of around 15% in 2021 due to additional stimulus checks, COVID-19 pandemic uncertainty, low gas spending and aging demographics.

Around 50% of the new savings dollars will be placed in regular share accounts and 30% in share draft accounts. With deposit interest rates on these accounts already close to zero, credit union cost of funds will approach record lows this year.

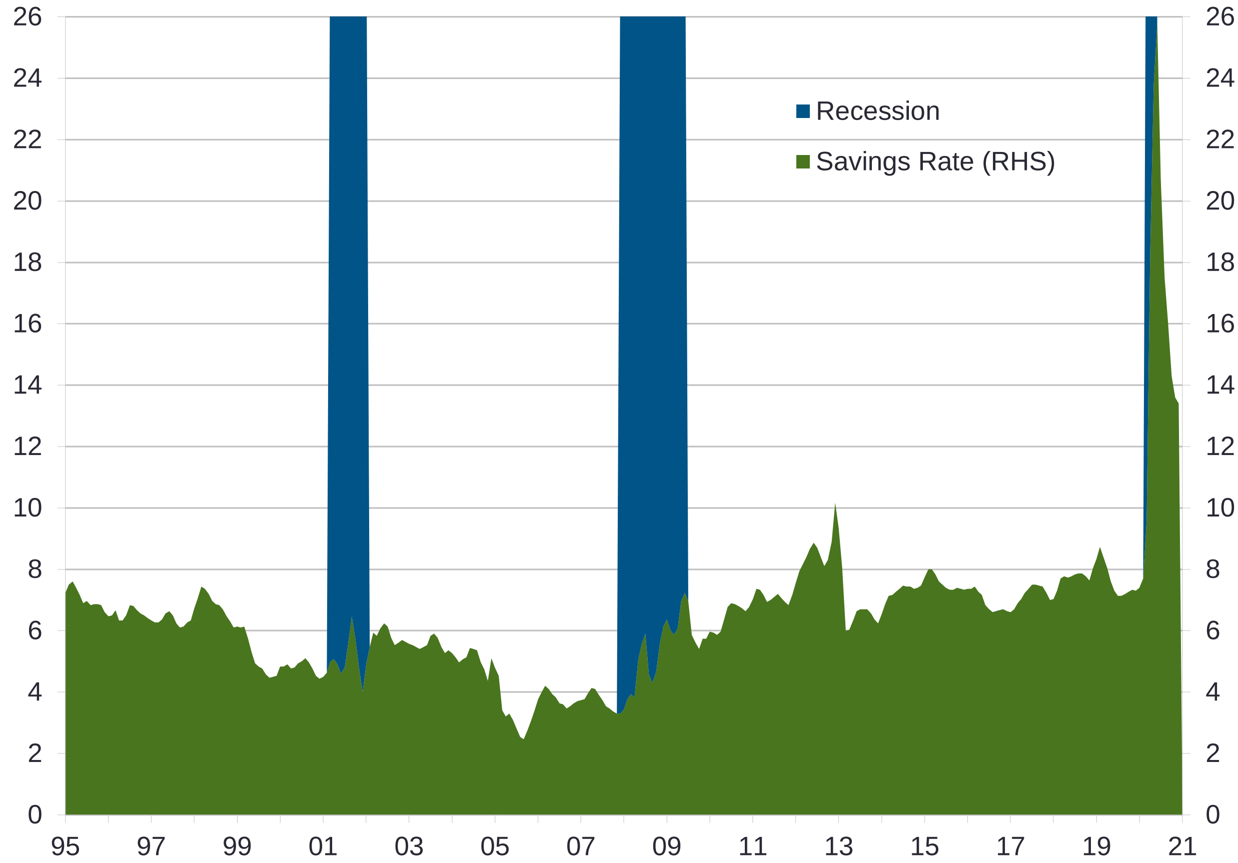
Savings and Assets

The personal savings rate remains almost double the pace set over the last decade. During December, consumers saved 13.7% of their income, up from 12.9% in November and 7.6% in December 2019 **(see Figure below).**

Expect the savings rate to rise again in the first half of 2021, due to the recent $600 stimulus checks received in January and another $1,400 stimulus payment received sometime in the second quarter.

Consumers typically use 80% of their stimulus payments to either pay down debt or to build up their precautionary savings balances. Therefore, these stimulus checks will continue to significantly alter credit union balances sheets toward greater levels of investments as a percent of assets and lower levels of loans as a percent of assets.

Personal Savings Rate
[3-month moving average (Personal Savings/DPI)]



08

Capital and Other Key Measures

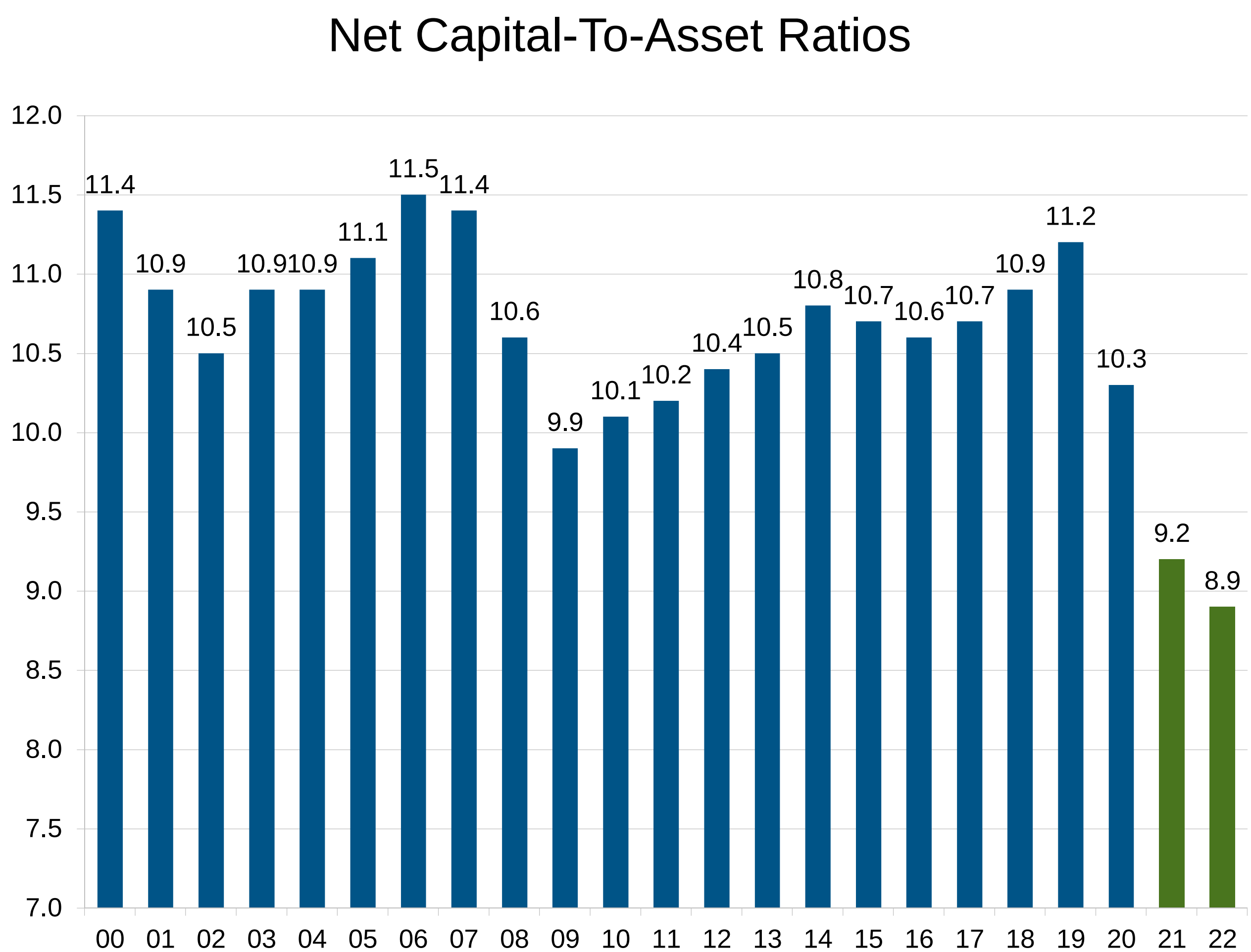
Credit union capital-to-asset ratios expected to fall below 10% in 2021

Capital and Other Key Measures

The credit union industry's net capital-to-asset ratio ended 2020 at 10.3%, down from the 11.2% reported at year-end 2019, as asset growth outpaced capital growth **(see figure below)**. Credit union earnings as measured by return-on-asset ratios came in at 0.65% in 2020, resulting in credit union capital growing only 8.4%, below the 18.1% growth in assets.

The credit union capital ratio is expected to fall to 9.2% in 2021, which would be the lowest since 1994, as the expected pace of capital growth (5%) is expected to fall below the expected pace of asset growth (13.5%).

Capital growth will be subdued in 2021 due to return-on-asset ratios falling to 0.5% this year as net interest margins fall to the lowest in history. The growth rate of capital is also known as the return on equity ratio and is an important measure of credit union financial performance.



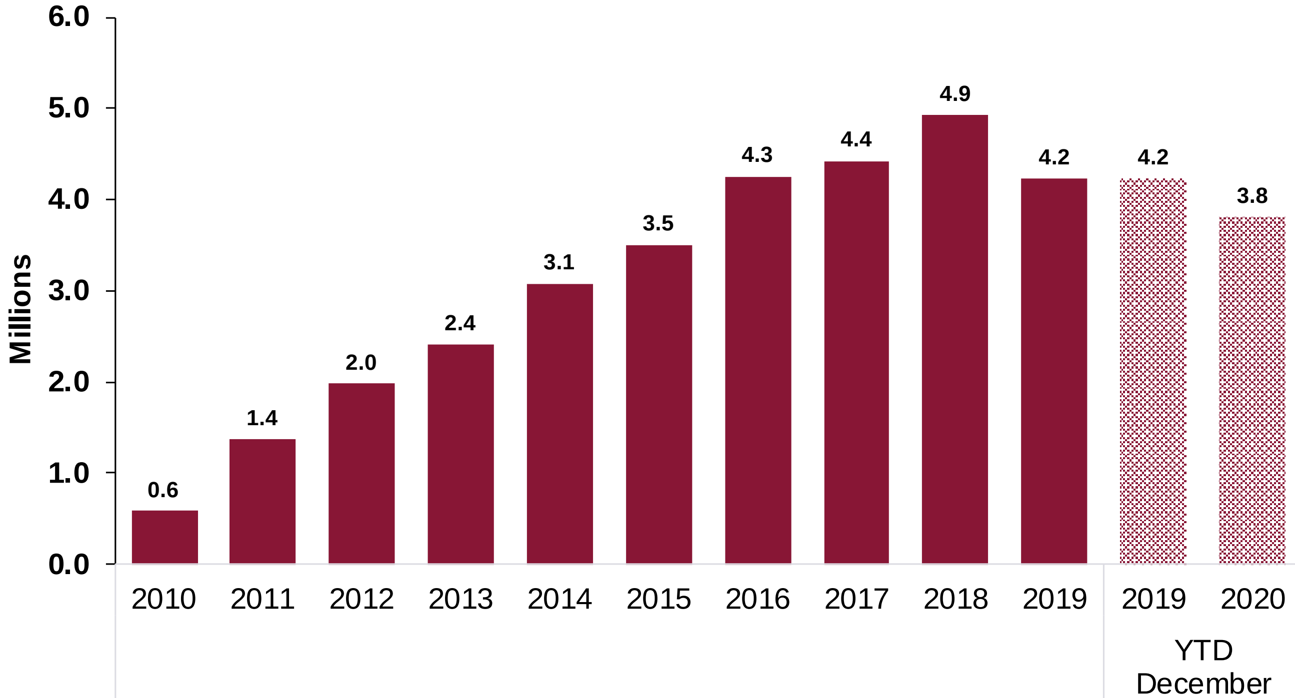
09

Credit Unions and Members

Membership growth strong despite 9 million job losses in 2020

Credit Unions and Members

Net Gain in Total CU Membership



Credit unions added 149,000 memberships in December, roughly half the 294,000 reported during December 2019. Credit unions added 3.8 million memberships for all of 2020 **(see figure above)**, the slowest pace in six years. This membership slowdown is due in large part to the recent drop in credit demand caused by the pandemic.

Membership growth is also driven by job growth. In 2020, the economy lost 9.3 million jobs, according to the Bureau of Labor Statistics. For 2021, expect an economic turnaround with an expected 4.5 million additional jobs being added to the workplace.

Credit union membership growth is expected to be 3% in 2021, below the recent 5-year average of 3.7% due to the mortgage refinance boom coming to an end and weak consumer loan growth.

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 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	241.0	384.8	52.4	62.0	496.5	519.2	87.0	606.2	85.7
20 12	1,190.8	144.0	240.6	384.5	52.5	62.6	495.1	523.3	86.0	609.3	86.4

* 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 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
20 12	5.0	-3.9	4.0	0.9	11.2	-6.4	2.6	10.9	-7.5	7.9	-0.1

* 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 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
20 12	1,190.8	1,881.5	1,618.7	194.2	126.6	5,298	73.6	10.3

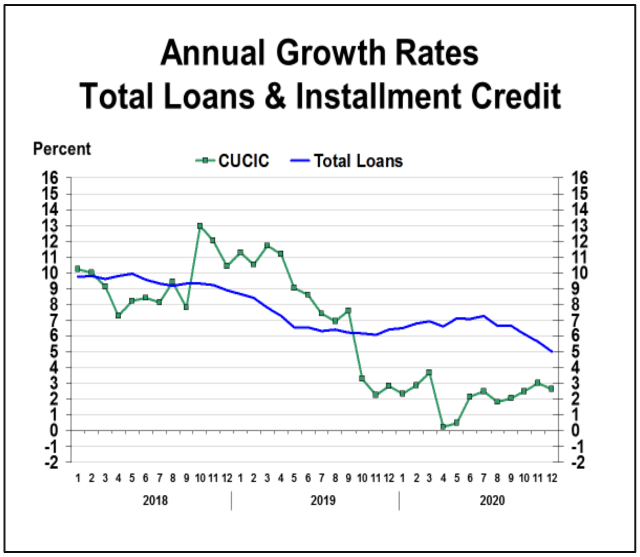
Credit Union Growth Rates

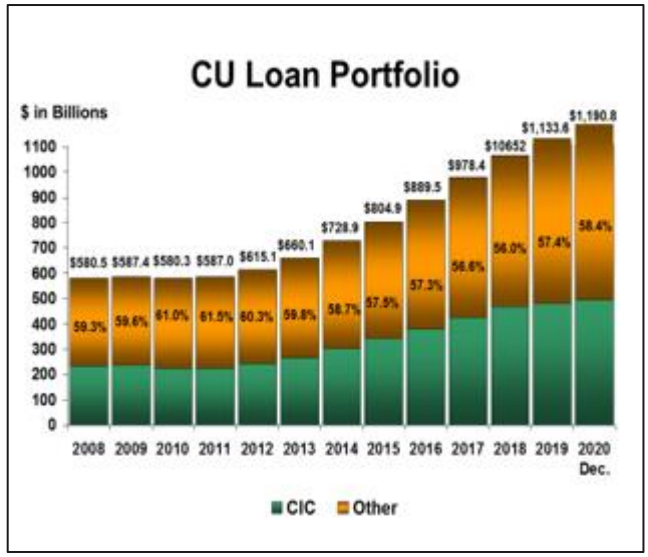
Percent Change From Prior Year

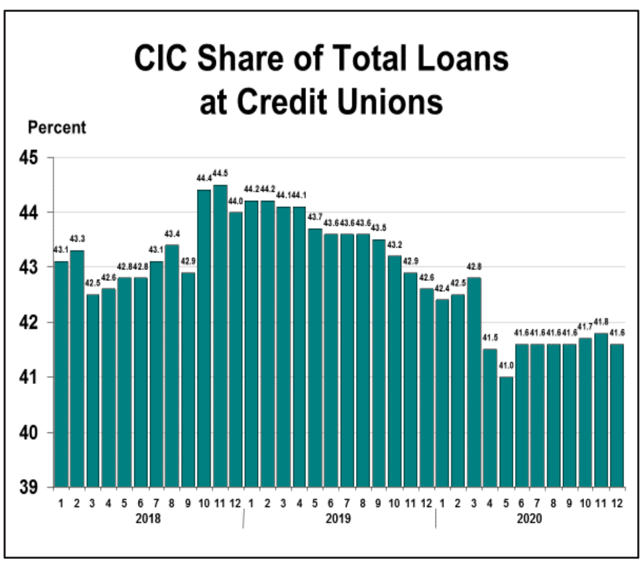
YR/MO	LOANS	ASSETS	SAVINGS	CAPITAL	MEMBERS	CREDIT UNIONS	# OF CUs DECLINE	DELINQUENCY RATE*
18 11	9.2	6.1	6.4	6.5	4.4	(3.8)	(224)	0.698%
18 12	8.9	5.4	5.2	7.8	4.3	(3.4)	(197)	0.709%
19 01	8.7	5.6	6.0	9.0	4.2	(3.7)	(214)	0.660%
19 02	8.4	6.4	6.2	9.7	4.1	(3.8)	(217)	0.622%
19 03	7.8	6.3	5.7	10.1	4.0	(3.4)	(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	(3.4)	(188)	0.595%
20 11	5.0	18.1	20.6	8.4	3.1	(3.0)	(162)	0.612%

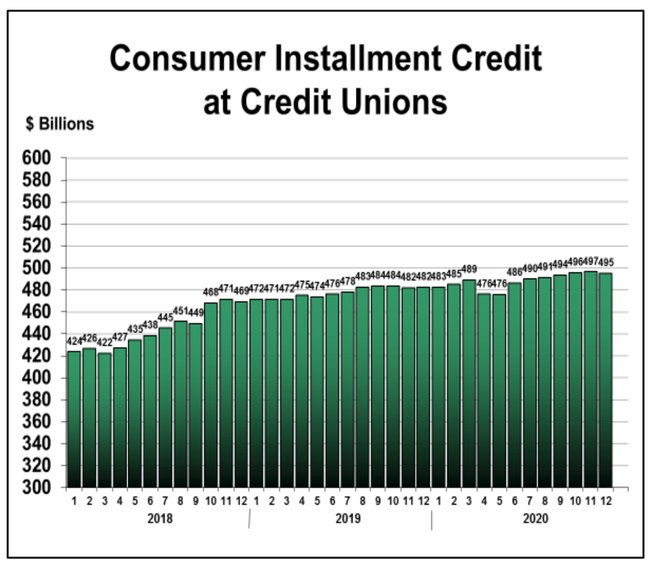
* Loans two or more months delinquent as a percent of total loans

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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