

# CREDIT UNION TRENDS REPORT

CUNA Mutual Group – Economics • July 2019 (May 2019 Data)

## Highlights

- During May, credit unions picked up 367,000 in new memberships and loan and savings balances grew at a 5.7% and 6.2% seasonally-adjusted annualized pace, respectively. Firms hired 72,000 workers, nominal consumer spending increased 0.4% and long-term interest rates fell 0.13 percentage points. Consumers are feeling confident about their future financial conditions and will keep the economy moving forward through 2020.
- At the end of May, CUNA's monthly estimates reported 5,550 credit unions in operation, six fewer than one month earlier. Year-over-year, the number of credit unions declined by 172, less than the 231 lost in the 12 months ending in May 2018.
- Total credit union assets rose 1.2% in May, better than the 0.1% rise reported in May of 2018 due to the month ending on a payday Friday. Assets rose 7.2% during the past year due to a 7.2% increase in deposits, a 4% decrease in borrowings and a 10.8% increase in capital.
- The nation's credit unions increased their loan portfolios by 0.6% in May, half the 1.2% pace reported in May 2018. Loan balances are up 6.4% during the last 12 months. With loan balances growing slower than savings, credit union liquidity is loosening up as the credit union average loan-to-savings ratio fell to 82.9%, down from 83.2% in May 2018.
- Credit union memberships rose 0.31% in May, below the 0.42% gain reported in May 2018. Memberships are up 3.8% during the past year due to robust demand for credit, solid job growth and credit unions having comparatively lower fees and loan interest rates.
- Credit union loan delinquency came in at 0.52% in May, below the 0.64% reported in May 2018 and below the natural delinquency rate of 0.75%. Delinquency rates typically reach their lowest point in the 2<sup>nd</sup> quarter of a year, so expect the ratio to begin rising in the second half of 2019.

## ECONOMIC, COMPETITIVE AND INTEREST RATE ENVIRONMENT

During May, the economy added 72,000 jobs, the unemployment rate remained at 3.6%, personal income rose 0.5%, personal spending rose 0.4%, consumer prices rose 0.1%, consumer confidence rose, new home sales fell 7.8%, existing home sales rose 2.5%, auto sales rose 6.1%, home prices rose 0.9% and the 10-year Treasury interest rate decreased 13 basis points to average at 2.4%.

Consumers are feeling confident this summer due to a number of positive economic factors: tightening labor markets, rising income expectations, low gas prices, record stock and home prices, low debt burdens, low interest rates, low inflation and rising wages. This will keep credit union members borrowing and spending with credit union loan balance growth close to its long run average of 7.2%. Since consumer spending accounts for 70% of total economic activity, a confident consumer will keep economic growth above the 2.0% long-term average for the remainder of 2019.

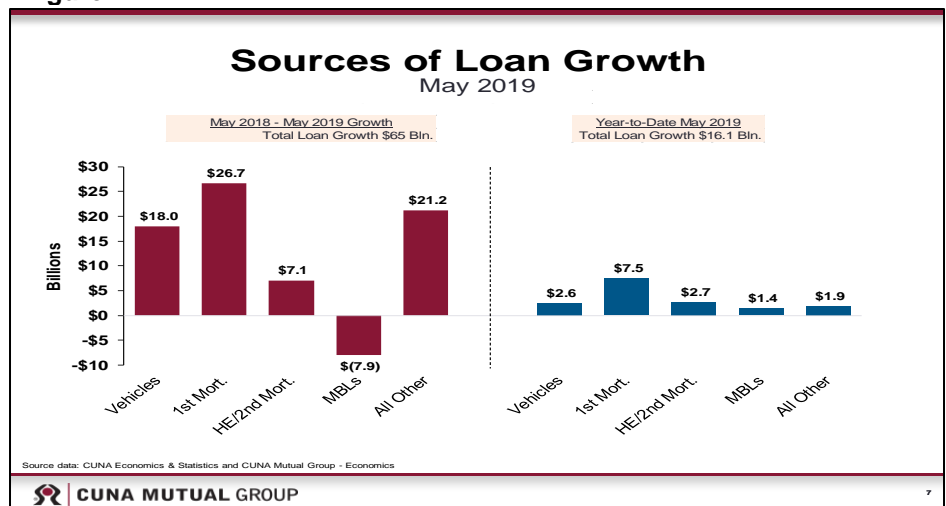
## Total Credit Union Lending

Credit union loan balances rose 0.6% in May, half the 1.2% reported in May 2018. During the first five months of 2019, loan balances rose a modest 1.5%, below the 3.5% reported in the first 5 months of 2018. New auto loan balances fell slightly in May and declined 1.2% year to date. During the last 12 months loan balances rose only 6.4%, below the long run average of 7.2% and slower than the 9.6% pace reported in the year ending May 2018.

Meanwhile credit union savings balances grew 7.1% over the last year, above the 6.1% 10-year average growth rate, due to members' desire to save rather than spend. But with loans growing slower than savings, the credit union average loan-to-savings fell to 82.9% in May, below the 83.2% reported one year earlier.

First mortgage lending has made up the lion's share of loan growth over the last year (**Figure 1**). Since May of 2018, credit union first mortgage loan balances increased \$26.7 billion, but member business loans fell \$7.9 billion.

Figure 1:



CUNA MUTUAL GROUP

### Credit Union Consumer Installment Credit (CUCIC)

Credit union consumer installment credit loan balances (auto, credit card and other unsecured loans) rose 9% during the 12 months ending in May (Figure 2), which is almost twice the 4.7% pace of the total market, excluding credit unions, and significantly faster than the 3% growth rate of the total market, excluding credit unions and government student loans. Credit union credit card loan balances grew at a strong 10.5% seasonally-adjusted, annualized growth rate in May (Figure 3) as consumer financial conditions continue to improve; additional jobs, rising wages, higher stock and home values and improving confidence.

Figure 2:

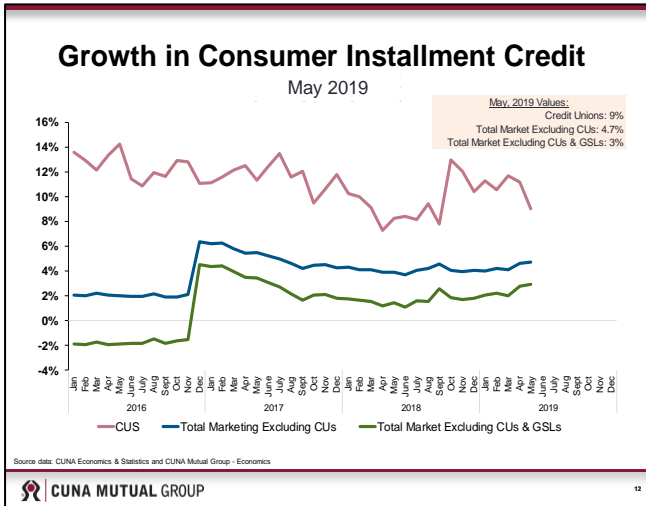
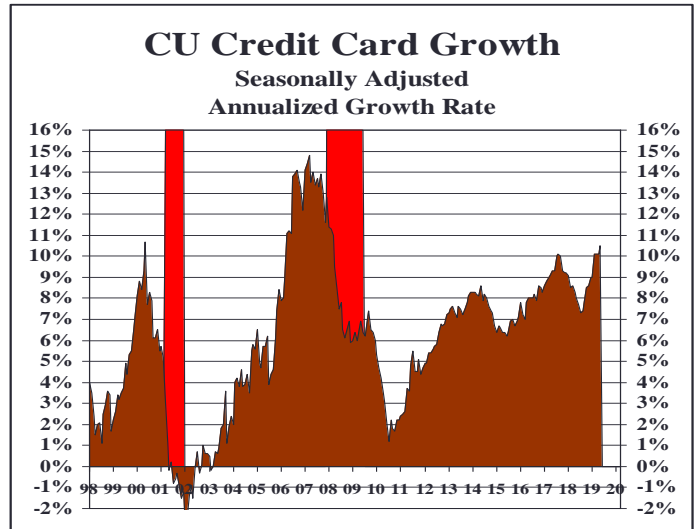


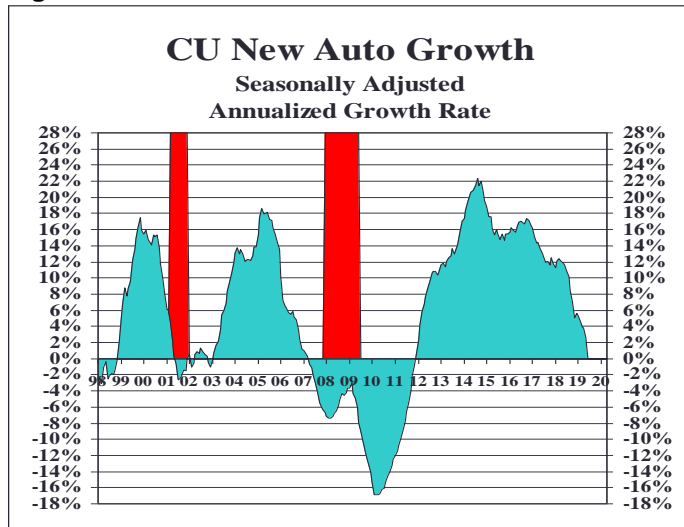
Figure 3:



### Vehicle Loans

Credit union new-auto loan balances grew at a 2.7% seasonally-adjusted, annualized growth rate in May, a deceleration from the 11.8% pace set in May 2018 (Figure 4). Used-auto lending grew at a 5.1% seasonally-adjusted, annualized growth rate in May, a deceleration from the 9.6% pace set in May 2018. On a month-over-month basis, new-auto loan balances decreased 0.02% in May 2019, slower than the 1.3% reported in May 2018. May's seasonal factors usually add 0.23 percentage points to the underlying trend growth rate (Figure 5), and June's seasonal factors are typically the largest of the year. May through October is considered the new-auto buying and lending season.

Figure 4:



### Real Estate Secured Lending – First Mortgages and Other Real Estate

Credit union home equity loan balances grew at only a 3.0% seasonally-adjusted, annualized growth rate in May (Figure 6) due to a slowing in home price appreciation and the satiation in pent up demand for durable goods. The demand for home equity credit will be modest going forward as home price increases slow and worries over an economic slowdown weigh on consumers’ optimism. Credit union fixed-rate, first mortgage loan balances rose 1.1% in May, up from the 0.9% in May 2018, and have shown only 2.1% growth so far this year.

Existing home sales came in at a 5.34 million annual pace in May, according to the National Association of Realtors, above the 5 million considered to be a healthy level. Their existing single-family median home price index rose 4.8% over the last year. Generally speaking, this means that most homeowners no longer need to fear a capital loss if they sell their homes. This will increase the supply of homes on the market and reduce the rate of price appreciation during the next few years.

Home prices rose 0.9% in May, according to the Core Logic Home Price Index, and 3.6% year-over-year. This is the slowest home price appreciation since the start of the housing recovery in 2012. Demand side drivers for housing will remain strong into 2020, supporting continued modest growth in home values. Specifically, although the labor market has shown signs of deceleration in recent months, strong net job additions in the latter half of this year will soon bolster wage growth. Rising incomes will in turn provide some homebuyers with additional confidence and financial wherewithal to make a purchase. As a result, higher incomes along with subdued financing costs will enable moderate growth in home values through the remainder of this year and into the next.

Figure 6:

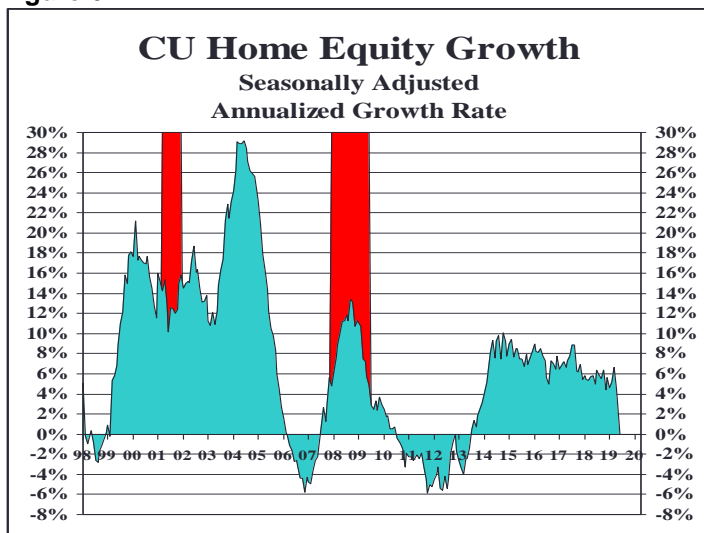
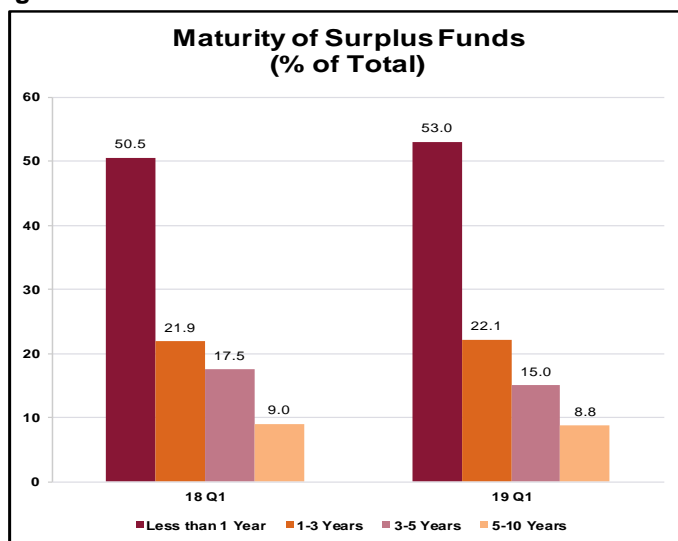


Figure 7:



### Surplus Funds (Cash + Investments)

Credit union surplus funds as a percentage of assets rose to 25.9% in May, up from 25.4% in May 2018, due to credit union assets growing slower than surplus funds – 7.2% versus 9.5%, respectively. Credit union yield-on-asset ratios rose 31 basis points over the last year to reach 3.94% in the first quarter of 2019. The “mix effect,” the shift in the mix of credit union assets from low-yielding investments to higher-yielding loans, added 3 basis points to credit union yield-on-asset ratios. However, the “rate effect” added 28 basis points to yield-on-asset ratios due to the yield on loans rising from 4.57% in the first quarter of 2018 to 4.76% in the first quarter of 2019. Credit union cost of funds rose 22 basis point to reach 0.82% throughout the last year, so net interest margins then rose 9 basis points.

Surplus funds with a maturity of less than one year rose to 53% of all surplus funds in the first quarter, which is up from 50.5% in the same period a year ago (Figure 7). Medium term investments as a percent of surplus funds rose during the last year; 1-to-3 year investments rose to 22.1% of surplus funds, up from 21.9% a year earlier.

We expect credit unions will reposition their investment portfolios due to expectations that the Federal Reserve will lower interest rates in the second half of this year. By increasing the concentration of long-term investments, credit unions can lock in today’s relatively higher rates before they decline over the next few months, but longer-term investments will increase their interest rate risk exposure that accompany interest rate movements.

## Savings and Assets

Credit union savings balances grew at a 6.2% seasonally-adjusted, annualized growth rate in May (**Figure 8**), a slight deceleration when compared to the last few months. However, growth is faster now than the last couple of years because of lower gas prices, less pent up demand for cars and appliances and the desire for consumers to save rather than spend today. May's seasonal factors (tax refunds) typically subtract a small 0.01 percentage point to the underlying savings trend growth (**Figure 9**). Seasonal factors remain negative for the remainder of the year.

Contributing to the overall growth in savings balances was the very strong 10.8% growth in share certificate balances during the first five months of 2019 as credit unions members lock in the relatively high share certificate interest rates before the Federal Reserve lowers the federal funds interest rate in the next few months. Credit union wholesale borrowings are down 3% from a year ago, which has somewhat restrained the year-over-year asset growth to 7.2%. Total credit union assets should breach the \$1.55 trillion mark by mid-year.

Figure 8:

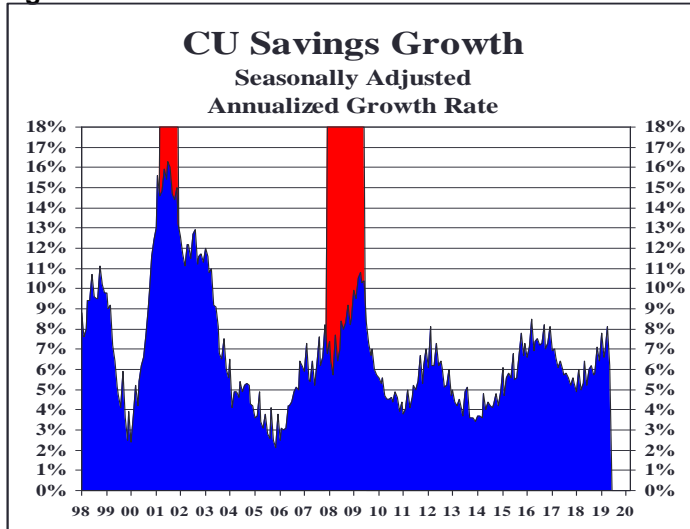
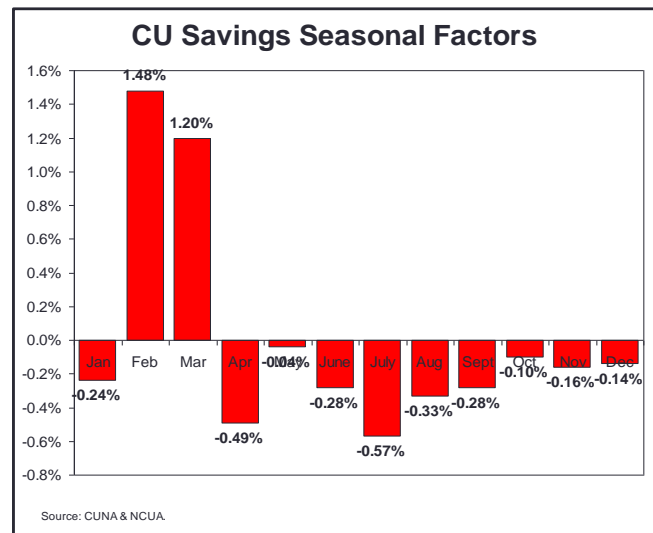


Figure 9:



## Capital and Other Key Measures

The credit union loan delinquency rate (loans two or more months delinquent as a percent of total loans outstanding) fell to 0.52% in May, down from 0.56% in April and from 0.64% in May 2018 (**Figure 10**). Today's delinquency rate is significantly lower than the 10-year average of 1.21%. Delinquency rates tend to decline during the first half of the year and rise during the second half, so we don't expect the ratio to decline much further in 2019. The decline in the delinquency rate over the last year was caused by loans growing faster than delinquent loans; the dollar amount of delinquent loans fell 16% during the past year due to the lower unemployment rate, and the dollar amount of total loans rose 6.4% due to high consumer confidence and credit demand.

Credit union return-on-equity ratios rose to 8.7% in the first quarter of 2019, up from 6.5% in Q1 2018, due to rising earnings. The disparity between large and small credit unions' return-on-equity ratios remains large (**Figure 11**).

Figure 10:

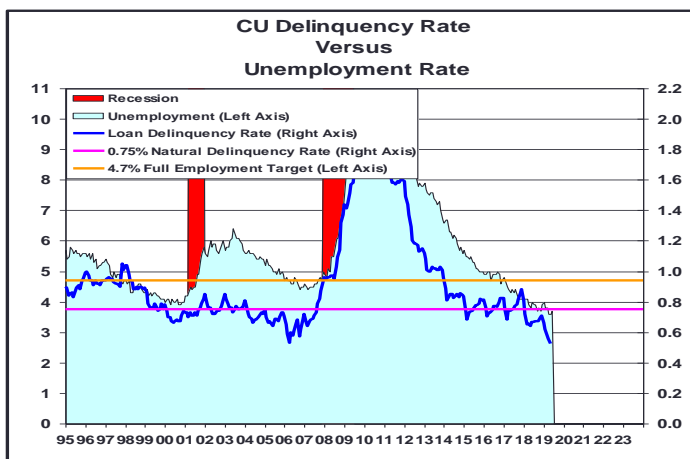
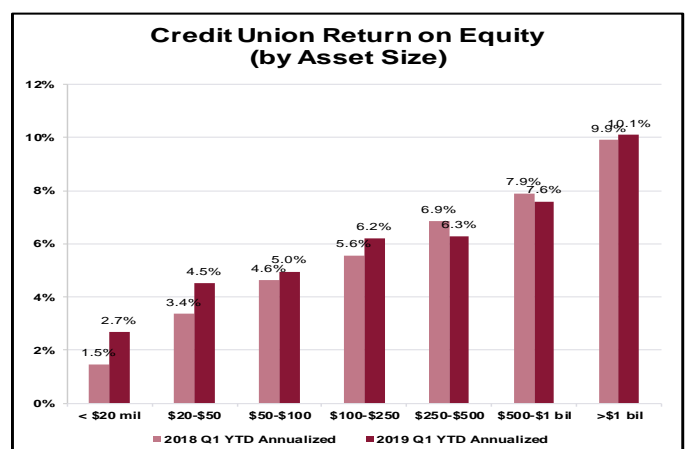


Figure 11:

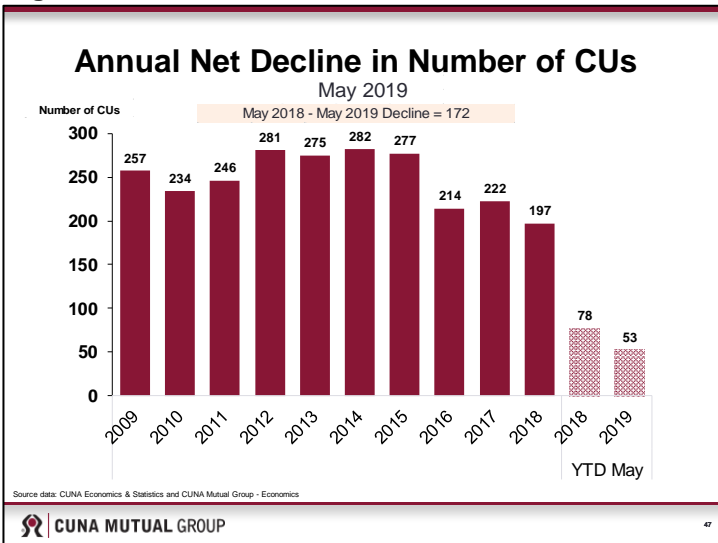


## Credit Unions and Members

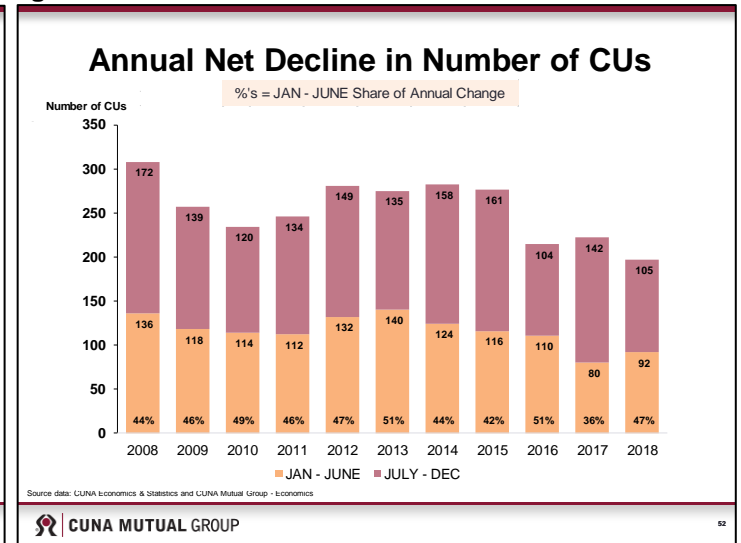
As of May 2019, CUNA estimates 5,550 credit unions were in operation, six fewer than April and 172 less than May 2018. During the first five months of 2018, approximately 73 credit unions ceased to exist because of mergers, purchase and assumptions or liquidation. This rate is slower than the 78 reported during the similar time period in 2018 (**Figure 12**). Most of the recent mergers were either an acquisition merger (where the assets of the merged credit union were 10-50% of the acquirer credit union) or an absorption merger (where the assets of the merged credit union were less than 10% of the acquirer credit union). Our 2019 forecast estimates an average annual decline of 160 credit unions through 2021, bringing the total number of credit unions to around 5,065 by the end of 2021.

During the last 11 years, approximately 47% of the annual decline in the number of credit unions takes place in the first half of the year, so we should expect acceleration in mergers as we enter the third and fourth quarters (**Figure 13**).

**Figure 12:**



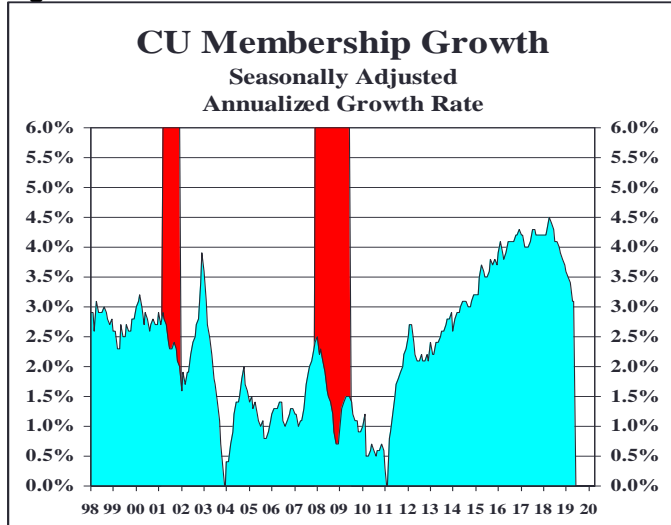
**Figure 13:**



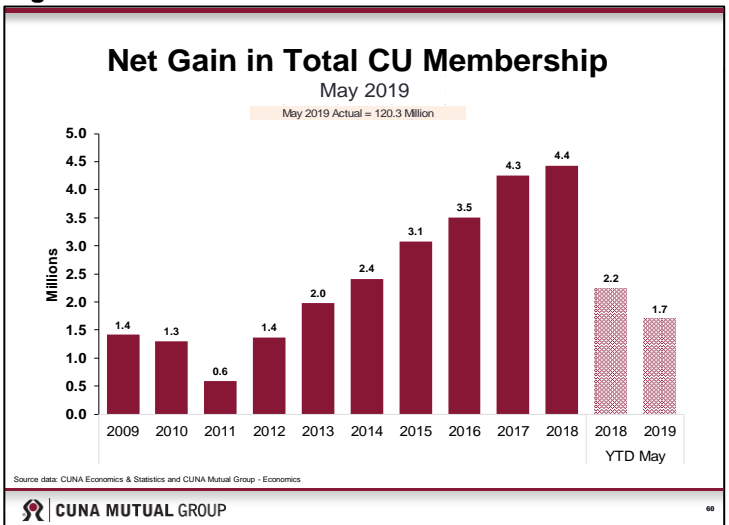
Credit union memberships grew 367,000 in May, or 0.31%, down from May 2018 when the movement added 480,000 memberships at an increase of 0.42%. The membership gain was helped along by 72,000 new jobs created in May, according to the Bureau of Labor Statistics. Employment is typically one factor that drives credit union membership growth.

Credit union memberships grew at a 3.1% seasonally-adjusted, annualized growth rate in May, significantly slower than the record-setting pace of the last few years (**Figure 14**). However, the rapid membership gain that began with Bank Transfer Day on November 5, 2011 is being maintained by the strong pace of new job creation over the last few years and the tremendous growth in credit union lending. During the first five months of 2019, credit unions added 1.7 million new credit union memberships (**Figure 15**), below the record pace of 2.2 million set during the first five months of 2018.

**Figure 14:**



**Figure 15:**





## National Monthly Credit Union Aggregates

| <u>YR/MO</u> | ----- (\$ Billions) ----- |               |                |                | (Millions)     | CREDIT        | LOAN /         | CAPITAL/           |
|--------------|---------------------------|---------------|----------------|----------------|----------------|---------------|----------------|--------------------|
|              | <u>LOANS</u>              | <u>ASSETS</u> | <u>SAVINGS</u> | <u>CAPITAL</u> | <u>MEMBERS</u> | <u>UNIONS</u> | <u>SAVINGS</u> | <u>ASSET RATIO</u> |
| 17 05        | 924.4                     | 1,368.4       | 1,153.3        | 144.5          | 111.2          | 5,953         | 80.2           | 10.6               |
| 17 06        | 934.5                     | 1,376.4       | 1,167.8        | 145.4          | 111.7          | 5,942         | 80.0           | 10.6               |
| 17 07        | 944.1                     | 1,372.0       | 1,159.6        | 146.5          | 112.1          | 5,917         | 81.4           | 10.7               |
| 17 08        | 952.7                     | 1,374.9       | 1,160.2        | 147.8          | 112.6          | 5,894         | 82.1           | 10.8               |
| 17 09        | 958.5                     | 1,388.5       | 1,172.1        | 148.2          | 112.8          | 5,873         | 81.8           | 10.7               |
| 17 10        | 964.6                     | 1,390.2       | 1,165.7        | 149.1          | 112.9          | 5,848         | 82.7           | 10.7               |
| 17 11        | 970.8                     | 1,398.2       | 1,170.3        | 149.5          | 113.3          | 5,839         | 83.0           | 10.7               |
| 17 12        | 978.4                     | 1,404.0       | 1,181.0        | 149.9          | 113.6          | 5,800         | 82.8           | 10.7               |
| 18 01        | 982.6                     | 1,401.7       | 1,170.9        | 149.7          | 114.1          | 5,790         | 83.9           | 10.7               |
| 18 02        | 984.6                     | 1,418.1       | 1,197.8        | 149.8          | 114.6          | 5,789         | 82.2           | 10.6               |
| 18 03        | 992.4                     | 1,442.0       | 1,225.7        | 151.3          | 115.0          | 5,759         | 81.0           | 10.5               |
| 18 04        | 1,003.0                   | 1,439.0       | 1,217.5        | 151.7          | 115.4          | 5,724         | 82.4           | 10.5               |
| 18 05        | 1,016.3                   | 1,443.0       | 1,218.7        | 152.8          | 115.9          | 5,722         | 83.4           | 10.6               |
| 18 06        | 1,023.8                   | 1,455.2       | 1,229.8        | 154.1          | 116.4          | 5,708         | 83.2           | 10.6               |
| 18 07        | 1,032.1                   | 1,445.0       | 1,215.8        | 156.0          | 116.8          | 5,706         | 84.9           | 10.8               |
| 18 08        | 1,039.9                   | 1,462.6       | 1,229.2        | 157.0          | 117.3          | 5,695         | 84.6           | 10.7               |
| 18 09        | 1,047.9                   | 1,465.8       | 1,230.4        | 157.7          | 117.8          | 5,662         | 85.2           | 10.8               |
| 18 10        | 1,054.5                   | 1,465.0       | 1,227.6        | 158.2          | 118.0          | 5,625         | 85.9           | 10.8               |
| 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        | 1,081.3                   | 1,540.3       | 1,304.9        | 169.6          | 120.3          | 5,550         | 82.9           | 11.0               |

## Credit Union Growth Rates

*Percent Change Previous Year*

| <u>YR/MO</u> | <u>LOANS</u> | <u>ASSETS</u> | <u>SAVINGS</u> | <u>CAPITAL</u> | <u>MEMBERS</u> | <u># OF CUs</u> | <u># OF CUs<br/>DECLINE</u> | <u>Delinquency<br/>Ratio*</u> |
|--------------|--------------|---------------|----------------|----------------|----------------|-----------------|-----------------------------|-------------------------------|
| 17 05        | 10.9         | 7.5           | 7.3            | 6.3            | 4.2            | (2.9)           | (180)                       | 0.740%                        |
| 17 06        | 10.8         | 7.6           | 8.1            | 5.6            | 4.3            | (3.0)           | (184)                       | 0.745%                        |
| 17 07        | 10.9         | 6.4           | 6.9            | 5.8            | 4.2            | (3.4)           | (207)                       | 0.755%                        |
| 17 08        | 10.7         | 6.5           | 7.1            | 6.5            | 4.2            | (3.4)           | (207)                       | 0.770%                        |
| 17 09        | 10.5         | 6.7           | 6.6            | 6.0            | 4.0            | (3.4)           | (209)                       | 0.784%                        |
| 17 10        | 10.4         | 6.3           | 6.1            | 6.4            | 4.0            | (4.2)           | (257)                       | 0.811%                        |
| 17 11        | 10.2         | 6.6           | 6.4            | 7.0            | 4.0            | (4.1)           | (248)                       | 0.854%                        |
| 17 12        | 10.0         | 6.6           | 6.0            | 7.5            | 4.1            | (3.7)           | (222)                       | 0.881%                        |
| 18 01        | 9.8          | 5.9           | 5.7            | 6.5            | 4.3            | (3.6)           | (216)                       | 0.810%                        |
| 18 02        | 9.8          | 5.4           | 5.8            | 6.0            | 4.3            | (3.5)           | (208)                       | 0.721%                        |
| 18 03        | 9.6          | 5.8           | 5.6            | 6.5            | 4.2            | (3.6)           | (214)                       | 0.655%                        |
| 18 04        | 9.8          | 5.0           | 5.2            | 5.5            | 4.2            | (3.9)           | (233)                       | 0.655%                        |
| 18 05        | 9.9          | 5.4           | 5.7            | 5.7            | 4.2            | (3.9)           | (231)                       | 0.642%                        |
| 18 06        | 9.5          | 5.7           | 5.3            | 5.9            | 4.2            | (3.9)           | (234)                       | 0.669%                        |
| 18 07        | 9.3          | 5.3           | 4.8            | 6.5            | 4.2            | (3.6)           | (211)                       | 0.666%                        |
| 18 08        | 9.2          | 6.4           | 5.9            | 6.2            | 4.4            | (3.4)           | (199)                       | 0.672%                        |
| 18 09        | 9.3          | 5.6           | 5.0            | 6.4            | 4.4            | (3.6)           | (211)                       | 0.671%                        |
| 18 10        | 9.3          | 5.4           | 5.3            | 6.1            | 4.5            | (3.8)           | (223)                       | 0.674%                        |
| 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        | 6.4          | 6.7           | 7.1            | 11.0           | 3.8            | (3.0)           | (172)                       | 0.523%                        |

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

### Distribution of Credit Union Loans

*Estimated \$ (Billions) Outstanding*

| YR/MO | TOTAL<br>LOANS | NEW<br>VEHICLE LOANS | USED  | TOTAL | UNSEC<br>Ex. CC'S | CREDIT<br>CARDS | CUCIC | 1 <sup>ST</sup> | TOT. OTHR                   | TOTAL          | MBLs* |
|-------|----------------|----------------------|-------|-------|-------------------|-----------------|-------|-----------------|-----------------------------|----------------|-------|
|       |                |                      |       |       |                   |                 |       | MORT<br>TOTAL   | MORT<br>2 <sup>ND</sup> +HE | REAL<br>ESTATE |       |
| 17 05 | 924.4          | 125.3                | 195.0 | 320.3 | 38.4              | 53.5            | 401.5 | 372.1           | 81.1                        | 453.2          | 69.8  |
| 17 06 | 934.5          | 126.7                | 196.9 | 323.6 | 38.8              | 53.9            | 404.3 | 378.3           | 81.4                        | 459.7          | 70.5  |
| 17 07 | 944.1          | 128.3                | 198.9 | 327.2 | 39.2              | 54.7            | 411.7 | 380.6           | 82.6                        | 463.2          | 69.2  |
| 17 08 | 952.7          | 129.2                | 200.8 | 330.0 | 39.7              | 55.4            | 412.5 | 384.3           | 83.0                        | 467.3          | 72.9  |
| 17 09 | 958.5          | 130.2                | 201.4 | 331.6 | 40.4              | 55.6            | 417.0 | 388.9           | 82.3                        | 471.2          | 70.3  |
| 17 10 | 964.6          | 132.0                | 201.9 | 333.4 | 40.4              | 56.1            | 414.6 | 391.1           | 83.9                        | 475.0          | 77.3  |
| 17 11 | 970.8          | 132.5                | 202.7 | 335.2 | 41.0              | 57.0            | 420.7 | 393.4           | 84.6                        | 478.0          | 77.0  |
| 17 12 | 978.4          | 134.2                | 203.9 | 338.0 | 41.3              | 58.4            | 425.0 | 397.7           | 84.0                        | 481.7          | 71.8  |
| 18 01 | 982.6          | 135.0                | 205.6 | 340.6 | 41.1              | 58.3            | 423.7 | 398.3           | 84.7                        | 483.0          | 75.9  |
| 18 02 | 984.6          | 135.0                | 206.6 | 341.6 | 40.4              | 57.7            | 426.4 | 400.8           | 84.2                        | 485.0          | 73.2  |
| 18 03 | 992.4          | 136.6                | 209.1 | 345.7 | 40.4              | 57.6            | 422.2 | 407.3           | 83.6                        | 490.9          | 79.3  |
| 18 04 | 1,003.0        | 138.3                | 212.2 | 350.4 | 40.3              | 57.7            | 427.2 | 411.1           | 84.6                        | 495.6          | 80.2  |
| 18 05 | 1,016.3        | 140.9                | 215.7 | 356.6 | 41.1              | 58.3            | 434.5 | 415.0           | 85.5                        | 500.5          | 81.3  |
| 18 06 | 1,023.8        | 141.4                | 216.3 | 357.7 | 41.6              | 58.8            | 438.3 | 418.1           | 85.5                        | 503.5          | 81.9  |
| 18 07 | 1,032.1        | 142.8                | 218.1 | 361.0 | 42.0              | 59.6            | 445.2 | 418.5           | 87.4                        | 505.9          | 81.1  |
| 18 08 | 1,039.9        | 144.8                | 220.0 | 364.8 | 42.5              | 60.0            | 451.3 | 420.5           | 88.1                        | 508.6          | 79.9  |
| 18 09 | 1,047.9        | 146.4                | 221.1 | 367.5 | 42.8              | 60.2            | 449.4 | 427.1           | 87.6                        | 514.7          | 83.7  |
| 18 10 | 1,054.5        | 147.5                | 221.5 | 369.0 | 43.2              | 60.6            | 468.3 | 426.2           | 89.8                        | 516.0          | 70.3  |
| 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 | 1,081.3        | 148.0                | 226.6 | 374.6 | 44.4              | 63.2            | 473.7 | 441.7           | 92.5                        | 534.2          | 73.4  |

\* Member Business Loans

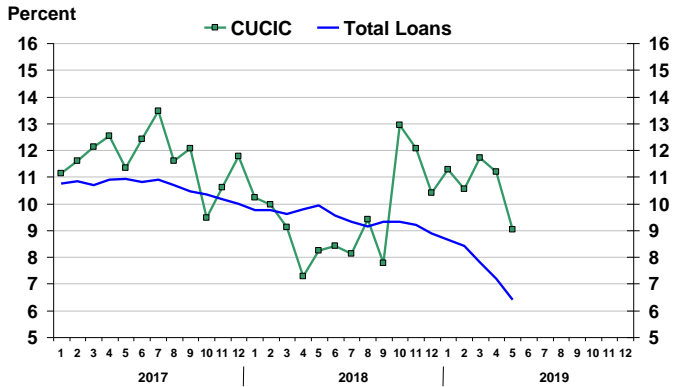
CUCIC = Total Loans – Total Real Estate - MBLs    CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 17% of MBLs

### Distribution of Credit Union Loans

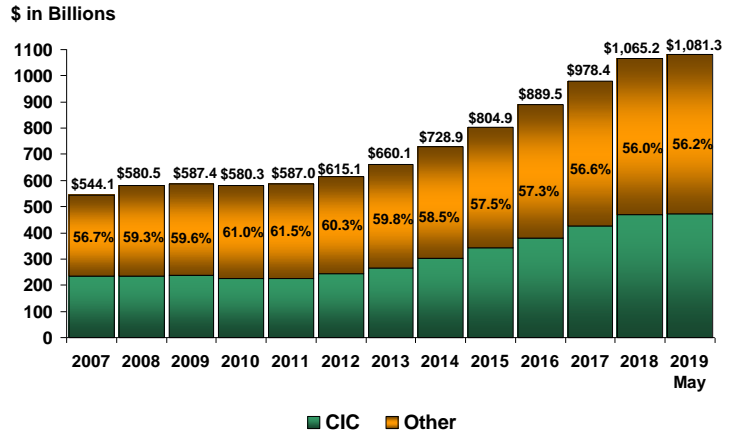
*Percent Change From Prior Year*

| YR/MO | TOTAL<br>LOANS | NEW<br>VEHICLE LOANS | USED | TOTAL | UNSEC<br>Ex. CC'S | CREDIT<br>CARDS | CUCIC | 1 <sup>ST</sup> | TOT. OTHR                   | TOTAL          | MBLs* |
|-------|----------------|----------------------|------|-------|-------------------|-----------------|-------|-----------------|-----------------------------|----------------|-------|
|       |                |                      |      |       |                   |                 |       | MORT<br>TOTAL   | MORT<br>2 <sup>ND</sup> +HE | REAL<br>ESTATE |       |
| 17 05 | 10.9           | 17.1                 | 12.2 | 14.1  | 7.7               | 8.3             | 11.3  | 9.9             | 5.0                         | 9.0            | 22.5  |
| 17 06 | 10.8           | 16.4                 | 11.9 | 13.6  | 7.0               | 8.1             | 12.4  | 10.4            | 5.9                         | 9.5            | 10.0  |
| 17 07 | 10.9           | 16.2                 | 11.9 | 13.6  | 7.6               | 8.4             | 13.5  | 10.7            | 5.7                         | 9.8            | 3.8   |
| 17 08 | 10.7           | 15.1                 | 11.7 | 13.0  | 7.0               | 8.6             | 11.6  | 10.6            | 5.5                         | 9.7            | 12.1  |
| 17 09 | 10.5           | 14.3                 | 11.1 | 12.4  | 8.4               | 8.8             | 12.0  | 10.6            | 5.7                         | 9.7            | 6.7   |
| 17 10 | 10.4           | 14.3                 | 10.7 | 12.1  | 7.5               | 8.8             | 9.5   | 11.0            | 5.8                         | 10.0           | 17.8  |
| 17 11 | 10.2           | 13.6                 | 10.4 | 11.6  | 7.9               | 9.1             | 10.6  | 10.8            | 6.7                         | 10.1           | 8.1   |
| 17 12 | 10.0           | 13.0                 | 10.1 | 11.3  | 8.4               | 9.1             | 11.8  | 10.0            | 6.9                         | 9.5            | 3.5   |
| 18 01 | 9.8            | 12.3                 | 10.1 | 11.0  | 7.8               | 9.8             | 10.2  | 9.5             | 7.5                         | 9.1            | 11.0  |
| 18 02 | 9.8            | 11.9                 | 10.0 | 10.8  | 6.3               | 9.9             | 10.0  | 10.1            | 7.2                         | 9.6            | 9.8   |
| 18 03 | 9.6            | 12.1                 | 10.0 | 10.8  | 7.5               | 9.8             | 9.1   | 10.5            | 5.7                         | 9.6            | 12.2  |
| 18 04 | 9.8            | 11.6                 | 10.3 | 10.8  | 5.9               | 9.1             | 7.3   | 11.4            | 4.9                         | 10.2           | 22.0  |
| 18 05 | 9.9            | 12.5                 | 10.6 | 11.3  | 7.0               | 9.0             | 8.2   | 11.5            | 5.4                         | 10.4           | 16.5  |
| 18 06 | 9.5            | 11.6                 | 9.8  | 10.5  | 7.2               | 9.0             | 8.4   | 10.5            | 5.0                         | 9.5            | 16.2  |
| 18 07 | 9.3            | 11.3                 | 9.7  | 10.3  | 7.1               | 8.9             | 8.1   | 10.0            | 5.8                         | 9.2            | 17.2  |
| 18 08 | 9.2            | 12.1                 | 9.6  | 10.6  | 7.2               | 8.3             | 9.4   | 9.4             | 6.2                         | 8.8            | 9.7   |
| 18 09 | 9.3            | 12.5                 | 9.7  | 10.8  | 5.9               | 8.4             | 7.8   | 9.8             | 6.4                         | 9.2            | 19.1  |
| 18 10 | 9.3            | 12.2                 | 9.7  | 10.7  | 7.1               | 8.1             | 13.0  | 8.9             | 7.0                         | 8.6            | -6.1  |
| 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            | 7.1                  | 6.2  | 6.5   | 10.2              | 8.3             | 11.2  | 6.6             | 9.2                         | 7.1            | -13.3 |
| 19 05 | 6.4            | 5.1                  | 5.0  | 5.0   | 8.0               | 8.4             | 9.0   | 6.4             | 8.3                         | 6.7            | -9.7  |

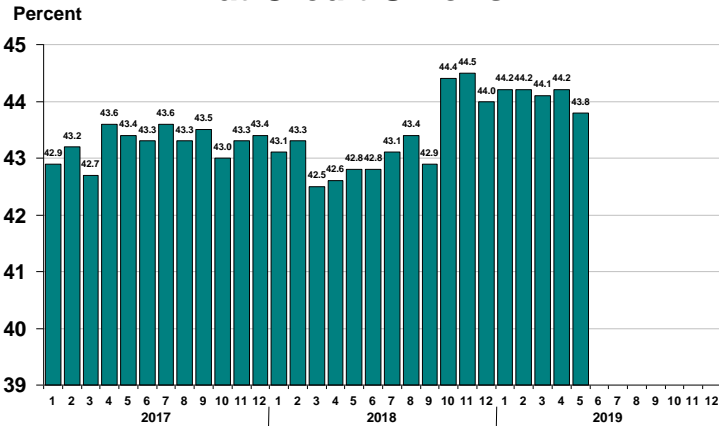
## Annual Growth Rates Total Loans & Installment Credit



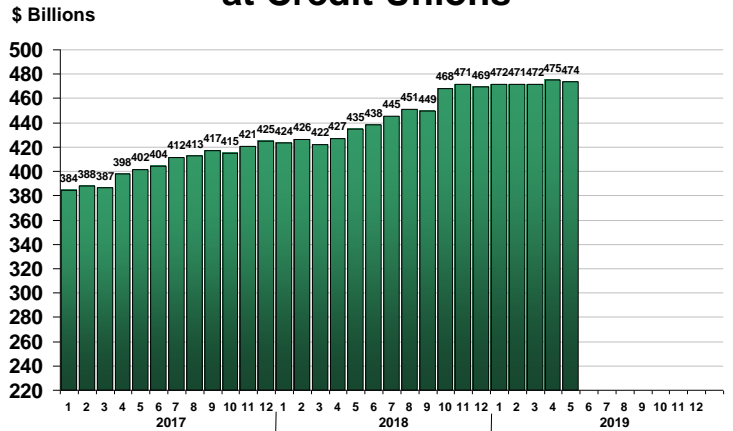
## CU Loan Portfolio



## CIC Share of Total Loans at Credit Unions



## Consumer Installment Credit at Credit Unions



This report on key CU 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](http://www.cunamutual.com/CUTrends).

If you have any questions, comments, or need additional information, please call. Thank you.

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