CREDIT UNION TRENDS REPORT

CUNA Mutual Group – Economics ● October 2019 (August 2019 Data)

Highlights

- During August, credit unions picked up 386,000 in new memberships, loan balances grew at a 5.2% seasonally adjusted annualized pace, savings balances rose at a 9.1% annualized rate, firms hired 168,000 workers, nominal consumer spending rose 0.1% and long-term interest rates fell 43 basis points.

- At the end of August, CUNA's monthly estimates reported 5,488 credit unions in operation, down 12 credit unions from one month earlier. Year-over-year, the number of credit unions declined by 207, more than the 199 lost in the 12 months ending in August 2018.

- Total credit union assets rose 1.7% in August due to a 1.7% increase in savings, a 1.4% increase in capital and a 2.3% decrease in borrowings. Assets rose 7.3% during the past year due to a 7.5% increase in deposits and a 11.3% increase in capital; borrowing also fell 12.6%.

- The nation's credit unions increased their loan portfolios by 1% in August, above the 0.8% pace reported in August 2018. Loan balances rose only 6.6% during the last 12 months. August is historically the second fastest loan growth month due to seasonal factors, such as car purchases and vacation spending.

- Credit union memberships rose a modest 0.32% in August, down from the 0.48% gain reported in August 2018. This is the slowest August membership growth since 2015. Memberships are up 3.5% during the past year due to modest demand for credit, solid job growth and comparatively lower fees and loan rates.

- Credit union capital-to-asset ratios averaged 11.1% in August, up from 10.7% one year ago. Credit union loan delinquency rates fell to 0.64% in August, down from 0.67% one year earlier due to a stronger economy and modest loan growth. Expect both credit unions and banks to tighten credit standards in 2020 as the unemployment rate rises.

ECONOMIC, COMPETITIVE AND INTEREST RATE ENVIRONMENT

During August, the economy added 168,000 jobs, the unemployment rate remained at 3.7%, personal income rose 0.4%, personal spending rose 0.1%, consumer prices rose 0.1%, consumer confidence fell, new home sales rose 7%, existing home sales rose 1.3%, auto sales rose 1.2%, home prices rose 0.4% and the 10-year Treasury interest rate decreased 43 basis points to average 1.63%.

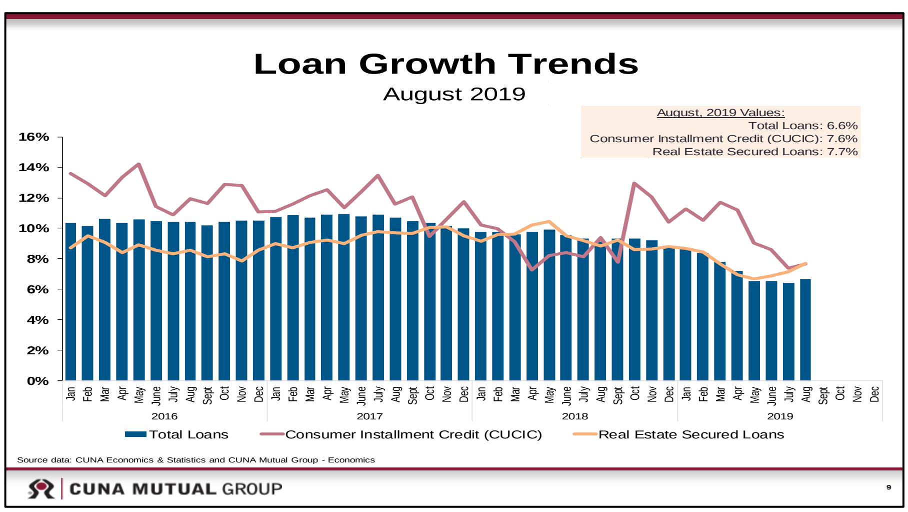
The financial position of U.S. consumers is relatively strong if one uses credit union data to infer their position. Consumers' balance sheets are the healthiest in 18 years due to a rising national savings rate, rising home prices and stock prices near record highs. Debt payments are historically low relative to disposable income, leaving few consumers with the need to file bankruptcy protection from their creditors. On a per household basis, bankruptcy filings are at levels last seen in the 1980s. Currently, credit unions are reporting only 1.7 bankruptcies for every 1,000 members, down from 3.7 in 2010. This correlates to a credit union loan charge-off rate of 0.54% today, down from 0.61% one year ago and 1.14% in 2010. Both the bankruptcy and charge-off ratios are about as low as they can go.

Total Credit Union Lending

Credit union loan balances rose 1% in August, above the 0.8% pace set in August 2018. During the last 12 months, credit union loan balances increased 6.6% **(Figure 1)**, a significantly downshift compared to the double-digit pace set during the last 4 years. The pace of consumer installment credit growth has decelerated recently to 7.6%; however, this is still more than the 4.7% pace of all other lenders bringing the credit union share of the total consumer installment credit market to 11.6%, up from 11.4% one year ago.

The credit union share of the first mortgage originations market fell to 8.2% in the first half of 2019, down from 8.8% during the first half of 2018, but up from 2.6% prior to the 2008-09 financial crisis. Credit unions sold off 35% of their first mortgage originations to the secondary market in the first half of the year, up from 30% one year earlier.

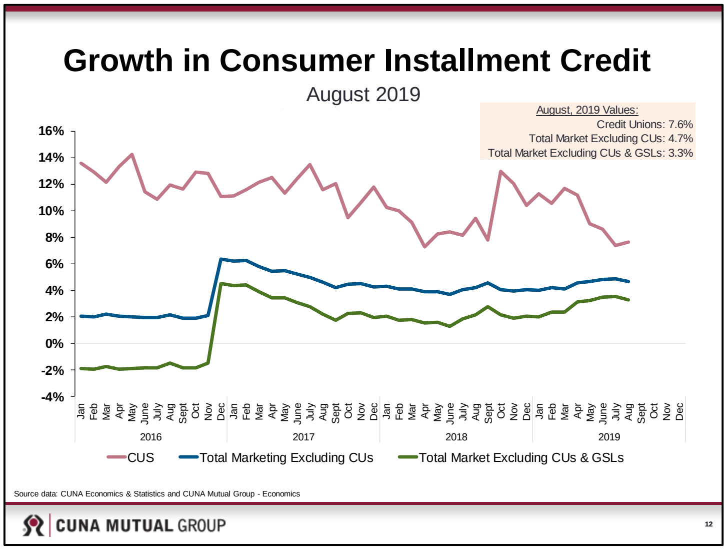
Figure 1:



Credit Union Consumer Installment Credit (CUCIC)

Credit union consumer installment credit loan balances (auto, credit card and other unsecured loans) rose 1.6% in August, a slight acceleration from the 1.4% pace set in August 2018. During the last 12 months, credit union consumer installment credit grew 7.6% **(Figure 2)**, twice as fast as the total market excluding credit unions and government student loans. According to the Federal Reserve, consumer credit outstanding rose $17.9 billion for all lenders in August **(Figure 3)**, $19.8 billion in non-revolving credit and a decline of $1.9 billion in revolving credit. Going forward, expect credit growth to slow due to supply-side constraints. In recent years, lenders have been quick to tighten lending standards at the first sign of deterioration in credit quality. If the unemployment rate rises in 2020, expect loan delinquencies and charge-offs to rise also.

Figure 2:



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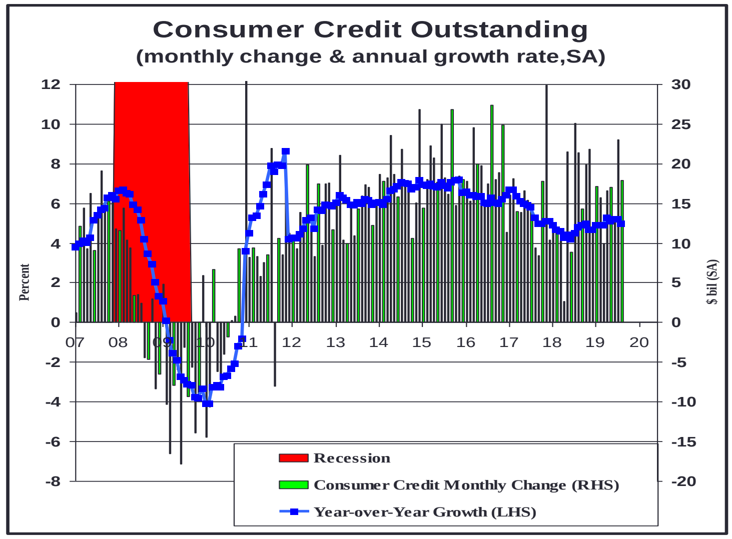
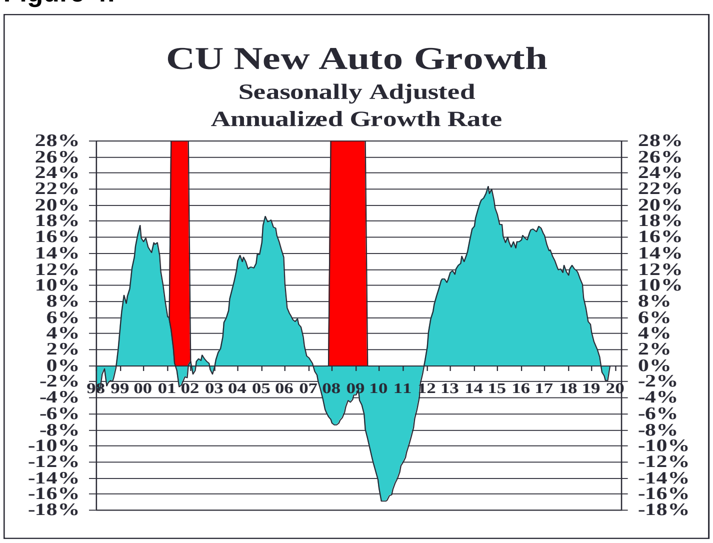


Vehicle Loans

Credit union new-auto loan balances rose only 0.2% in August, below the 1.4% pace set in August 2018. Currently new-auto loan balances are falling at an -1.8% seasonally-adjusted annualized growth rate **(Figure 4)**, a much slower pace compared to what we have seen over the past few years. The weak credit union new auto loan growth rates are due to interest rates rising 130 basis points over the last two years, high credit union loan-to-share ratios, and cash-out refinances paying off new auto loan balances.

Figure 4:



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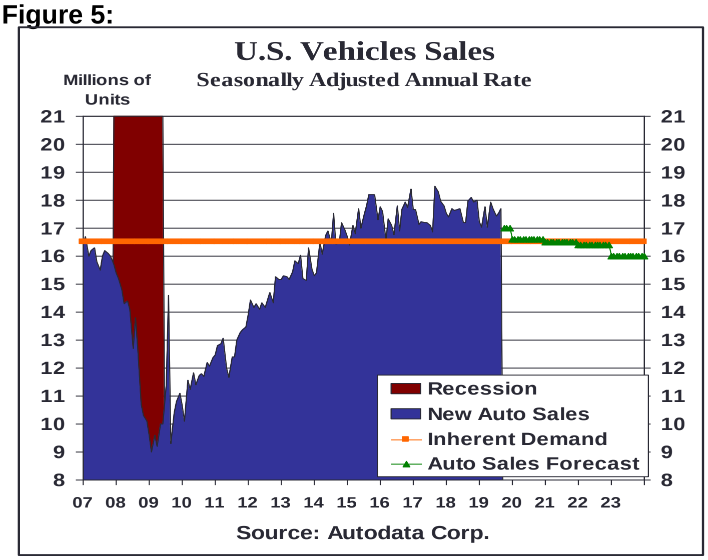


Vehicle sales rose to a 17.5 million unit seasonally-adjusted, annualized sales rate in August **(Figure 5)**, up from 17.4 million in July and above the 17.4 million sales pace set in August 2018 due to the tight labor market keeping consumer confidence elevated. Vehicles sales are expected to slow to 16.5 million units in 2019, which is considered by economists to be the "inherent demand" for the U.S. auto sector **(see gold line in Figure 5)**. As the economy moves into the late-expansion phase of the business cycle, we believe auto sales number to continue to trend lower over the next few years. This will create a headwind for credit union new auto loan growth for the next few years.

Real Estate Secured Lending – First Mortgages and Other Real Estate

Credit union fixed-rate first mortgage loan balances grew 1.5% in August, faster than the 0% pace reported in August 2018. And when comparing year-over-year growth, fixed-rate first mortgage balances rose 10.3% **(Figure 6)**, which is above the 10.0% reported in the year ending in August 2018. Adjustable-rate first mortgage loan balances grew slower than fixed-rate loans over the last year, rising 2.7% during the last year, and slower than the 8.0% pace reported in the year ending August 2018. Credit unions now hold $454.8 billion of first mortgages on their books, 73% of which are of the fixed-rate variety.

Home equity lending posted another weak month in August, decreasing 0.1%, below the 0.5% pace reported in August 2018. The recent drop in 30-year mortgage interest rates has encouraged some members to refinance their first mortgage loan and cash out some home equity to pay down home equity loan balances. With home prices expected to rise another 4% during the next year, we expect home equity loan balances to begin growing soon after the end of the refinance boom.

The contract interest rate on a 30-year, fixed-rate conventional home mortgage fell to 3.62% in August, from 3.77% in July, and significantly below the 4.55% reported in August 2018. We expect the 30-year mortgage interest rate to remain below 4% during the next year, due to long-term interest rates remaining low worldwide. We expect the low interest rates to have a positive impact on new and existing housing demand during the next year.

Home prices rose 0.4% in August from July, according to the Core Logic Home Price Index, and 3.6% year-over-year. Home prices are now rising only slightly faster than average hourly earnings, which grew 3.2% over the last year. Over the long run, home prices should rise as fast as household income. Home prices are rising due to increasing demand running into a limited supply of homes for sale. Demand for homes is expected to increase in 2020 due to rising household formations and the tightening labor market boosting wage growth.

Figure 6:

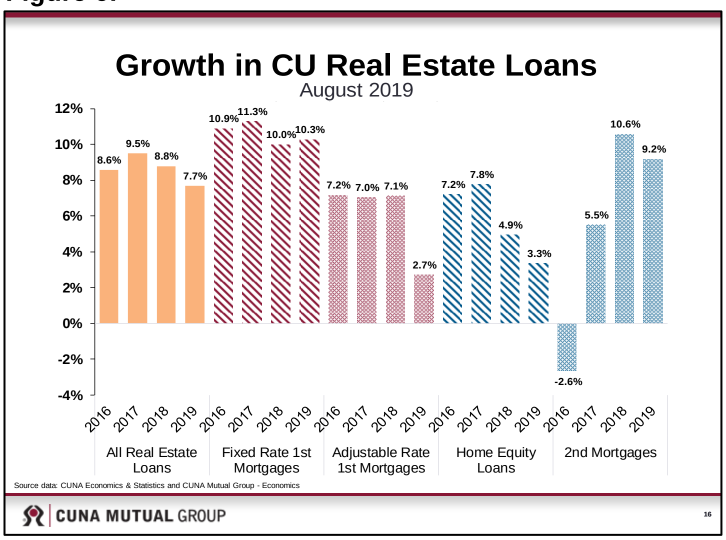
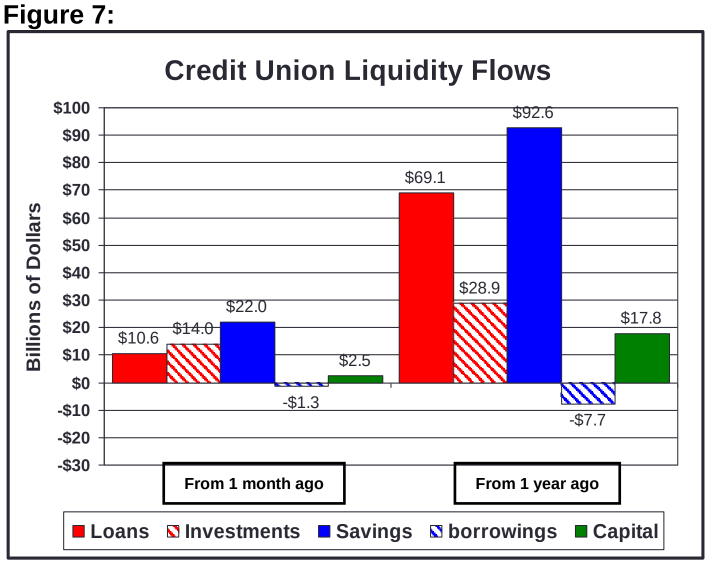


Figure 7:



Surplus Funds (Cash + Investments)

Credit union surplus funds rose $14 billion, or 3.7%, in August due to a surge in month end savings deposits. The surge in deposits both helped to fund strong loan demand ($10.6 billion) **(Figure 7)** and reduce borrowings by $1.3 billion. Capital grew by $2.5 billion, and credit union surplus funds as a percent of assets rose to 24.8% in August, **up** from 24.7% in August 2018. This is still one of the tightest credit union liquidity positions since August 2000. The obverse of the rising surplus funds ratio is the falling loan-to-asset ratio, which reached 70.7% in August, from 71.1% last August, as asset growth outpaced loan growth.

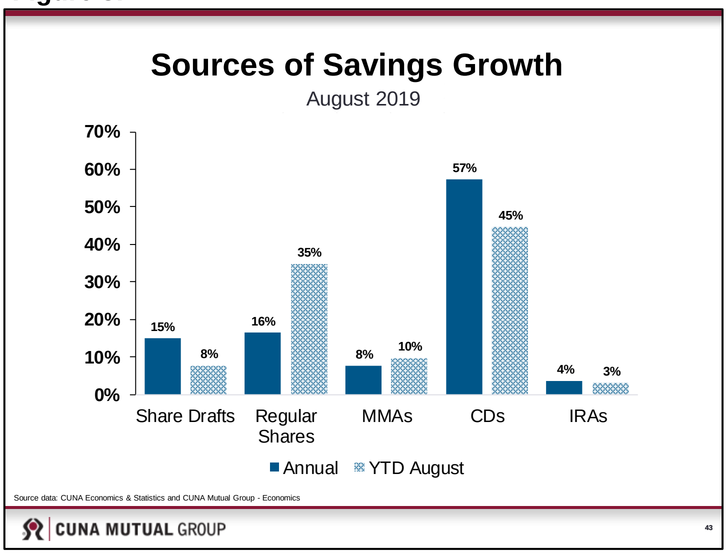
Over the last few year, the shift in the mix of credit union assets toward higher-yielding loans and away from lower-yielding investments has pushed up credit union asset yields. Over the last year, credit union yield-on-asset ratios rose to 4.01% during mid-year 2019 from 3.72% during mid-year 2018 as the asset portfolio shifted toward loans earning an average return of 4.88 and away from investments earning an average return of 2.27%. The yield-on-loans actually rose from 4.60% in the second quarter of 2018 to 4.88% in the second quarter of 2019 as amortizing loans re-priced to today's higher interest rates, and with credit union cost of funds only rising 24 basis points during the last year to 0.85%, net interest margins increased 11 basis points in the second quarter to 3.17%, compared to 3.06% a year earlier.

Savings and Assets

Credit union savings balances rose 1.7% in August, above the 1.1% rise in balances reported in August 2018 due to August 31st landing on a Saturday after a payroll Friday. August is normally one of the weakest months of the year for savings growth due to seasonal factors, such as vacation spending and auto loan down payments. Credit union deposit growth is becoming more unbalanced. During the first eight months of the year, credit union deposits rose $79.7 billion. Contributing to this growth was a $35.5 billion increase in certificate deposits, thus making up 45% of total deposit growth **(Figure 8)**.

Savings balances grew at a 9.1% seasonally-adjusted, annualized growth rate in August, due to high share certificate rates, volatile equity markets, cash out mortgage refinances being deposited in saving accounts **(Figure 9)**. We expect savings balances to grow 7% in 2019 and 8% in 2020 as members save more due to rising concerns regarding an economic slowdown.

Figure 8:



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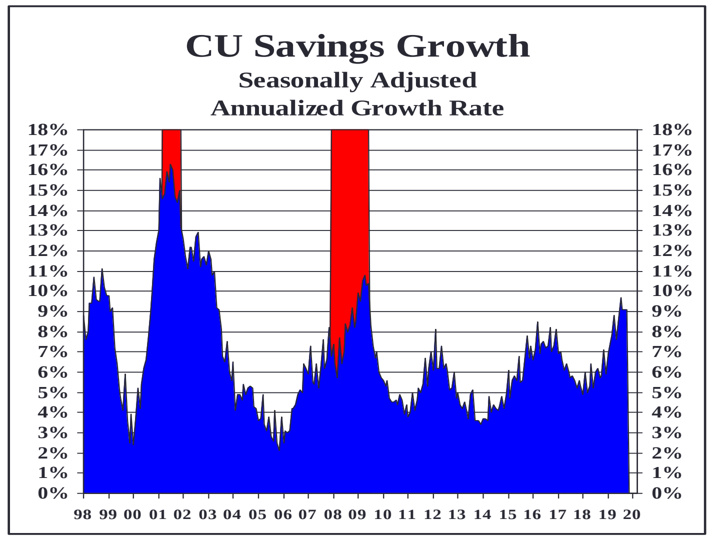
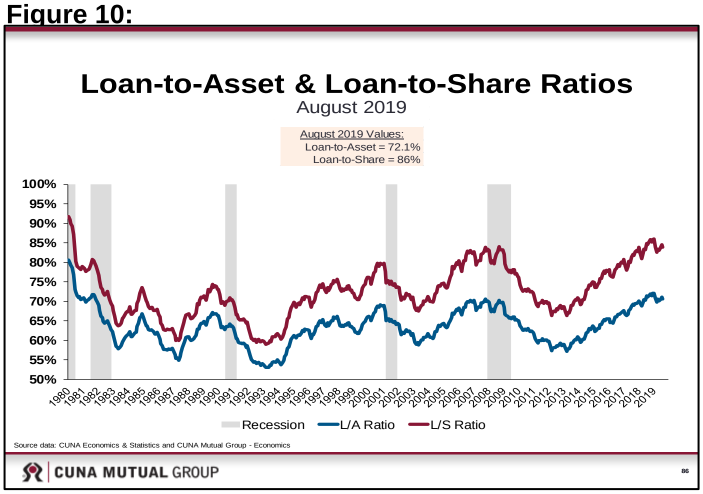


Capital and Other Key Measures

The credit union movement's weighted average loan-to-share ratio fell to 83.9% in August, down from the 84.6% reported in August 2018, due to savings balance growth (7.5%) outpacing loan balance growth (6.6%) **(Figure 10)**. Previous peaks in loan-to-share ratios occur right before recessions, such as the 79.8% in 2000 and 84.1% in 2007. More loans lead to higher earnings and capital ratios, holding all else equal. However, credit unions with higher capital ratios tend to lend more, which leads to even higher earnings and capital ratios in the future and creates a virtuous feedback loop.

The loan delinquency rate (loans two or more months delinquent as a percent of total loans outstanding) fell to 0.64% in August, down from 0.67% in August 2018 **(Figure 11)**. This decline in the delinquency ratio was caused by the loan balances' denominator growing faster (6.6%) than the delinquent loans' numerator (2.2%).

Figure 10:



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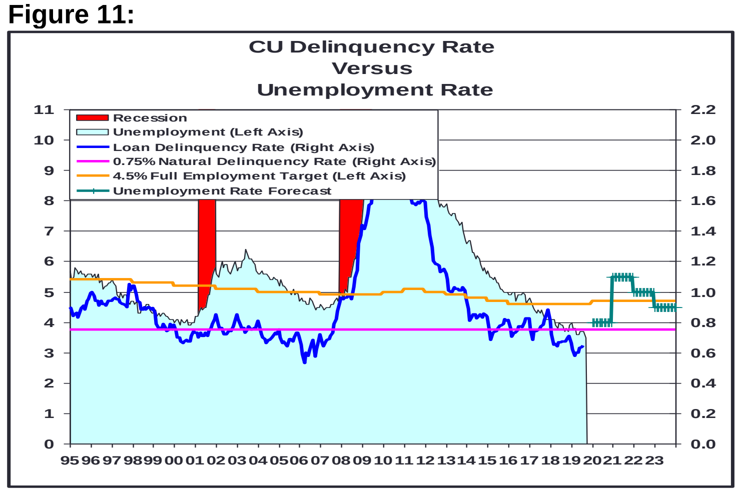


Credit Unions and Members
As of August 2018, CUNA estimates 5,488 credit unions were in operation, down 207 from August 2018. Year-to-date the number of credit unions fell by 115 **(Figure 12)**, which is above the 105 decline reported in the first eight months of 2018. The credit union movement contracted at a 3.6% pace over the last year, which above the long run average decline of 3.5% set over the last 39 years. Small credit unions continue to struggle with earnings. During the first half of 2019, credit unions with assets less than $20 million reported an average return-on-asset ratio of only 45 basis points, which is up 20 basis points from last year's 25 basis points ratio **(Figure 13)**.

Credit unions reported a 5 basis point increase in return-on-asset ratios in the first half of 2019 compared to 2018 due to a 6 basis point increase in "gross spread" as loan growth higher interest rates pushed up yield-on-asset ratios 21 basis points. Provision for loan loss expenses as a percent of average assets fell 3 basis points. These positive income statement items were offset somewhat by a 2 basis point increase in operating expenses and a 2 basis point decrease in "other income".

Figure 12:

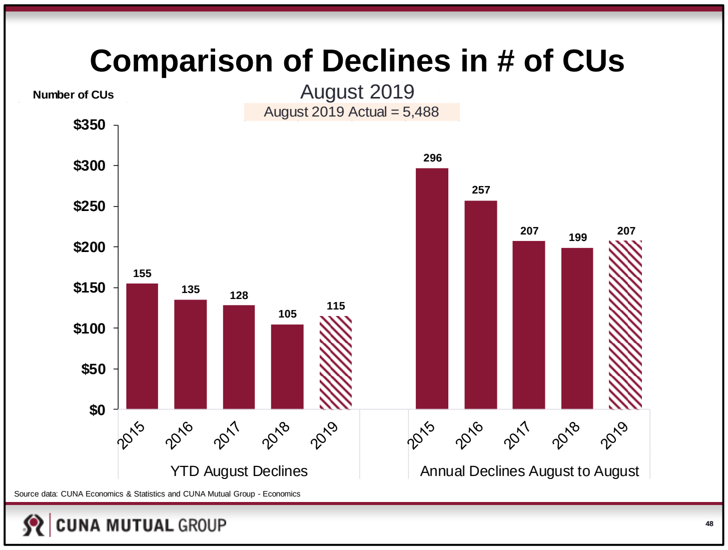
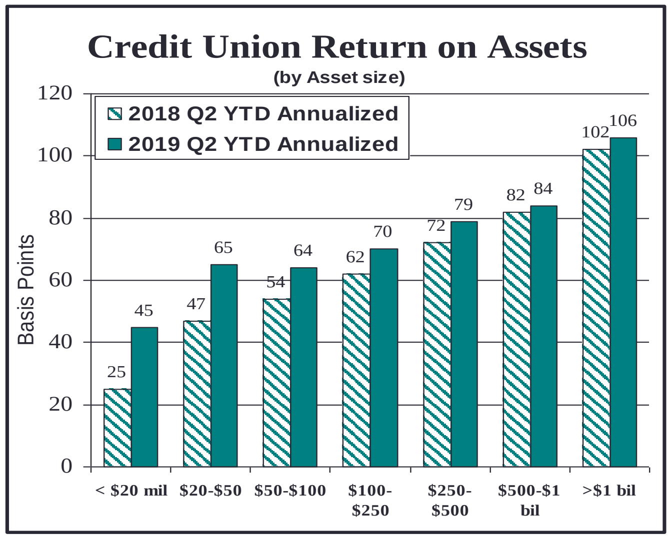


Figure 13:



Credit union memberships rose 386,000 in August, or 0.3%, below the 561,000 new members, or 0.48%, added in August 2018. During the last year, credit unions added 4.1 million new members **(Figures 14 & 15)** – below the 5.1 million growth pace set through August 2018 – which translates into a 3.0% seasonally-adjusted, annualized growth rate. Membership growth is being driven by job gains and Americans' demand for credit. Membership growth is also being supported by an unintended consequence of the Durbin Amendment of the Dodd-Frank Act, which capped the fees large banks can charge merchants to process debit card transactions (21 cents plus 0.05% of the total charged). To make-up for this lost revenue, banks increased their monthly fees for having a debit card or a checking account. The higher charges are driving many bank customers to their local low-or-no-fee, not-for-profit credit union.

Figure 14:

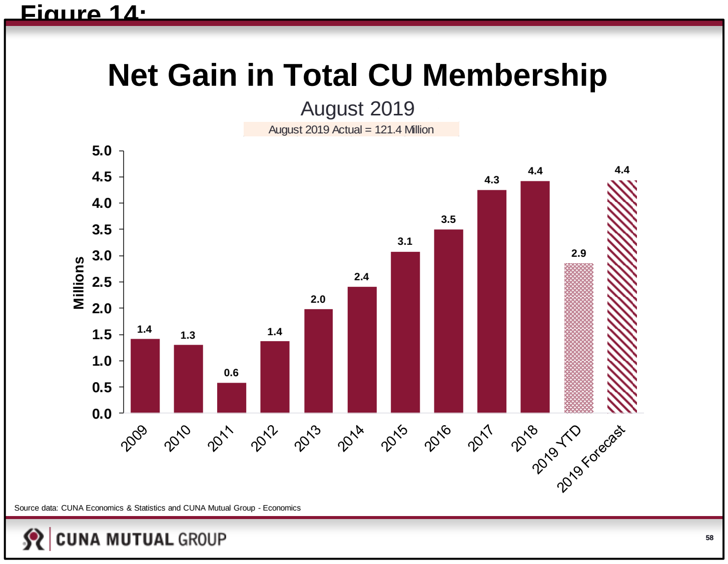
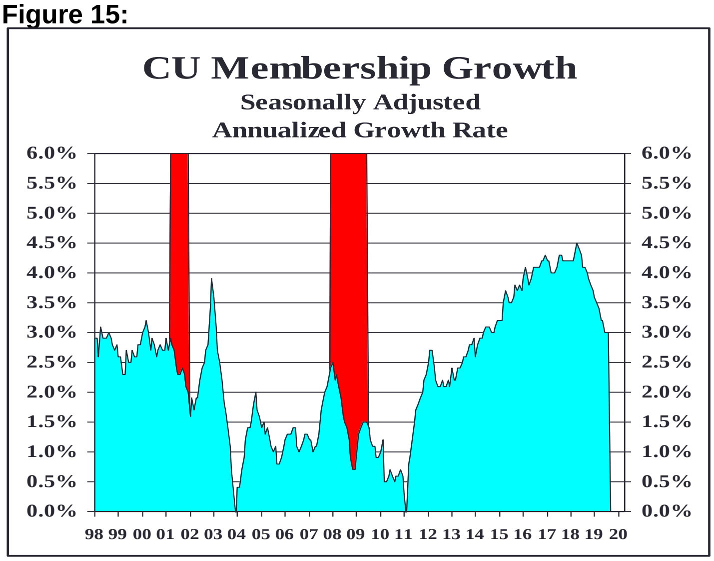


Figure 15:



National Monthly Credit Union Aggregates

YR/MO	LOANS ($ Billions)	ASSETS ($ Billions)	SAVINGS ($ Billions)	CAPITAL ($ Billions)	(Millions) MEMBERS	CREDIT UNIONS	LOAN / SAVINGS	CAPITAL/ ASSET RATIO
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	1,082.8	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	1,098.4	1,543.2	1,299.8	172.4	120.0	5,500	84.5	11.2
19 08	1,109.0	1,569.2	1,321.9	174.8	121.4	5,488	83.9	11.1

Credit Union Growth Rates

Percent Change Previous Year

YR/MO	LOANS	ASSETS	SAVINGS	CAPITAL	MEMBERS	# OF CUs	# OF CUs DECLINE	Delinquency Ratio*
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	6.5	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	6.4	6.8	6.9	10.5	3.6	(3.6)	(206)	0.635%
19 08	6.6	7.3	7.5	11.3	3.5	(3.6)	(207)	0.644%

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

Distribution of Credit Union Loans

Estimated $ (Billions) Outstanding

YR/MO	TOTAL LOANS	NEW VEHICLE LOANS	USED VEHICLE LOANS	TOTAL VEHICLE LOANS	UNSEC Ex. CC'S	CREDIT CARDS	CUCIC	1ST MORT TOTAL	TOT. OTHR MORT 2ND +HE	TOTAL REAL ESTATE	MBLs*
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	1,082.8	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	1,098.4	148.9	229.4	378.3	45.7	63.9	478.1	449.3	92.8	542.1	78.2
19 08	1,109.0	149.2	231.2	380.5	46.3	64.3	485.8	454.8	92.9	547.7	75.4

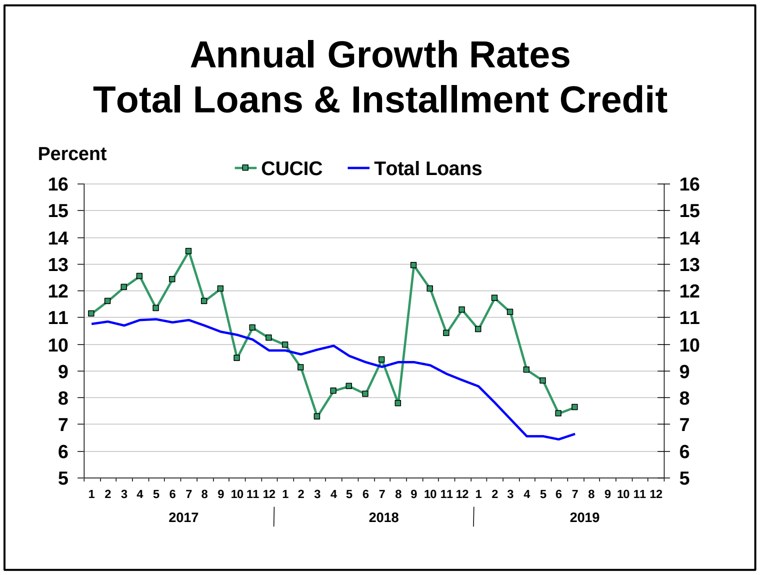
* Member Business Loans

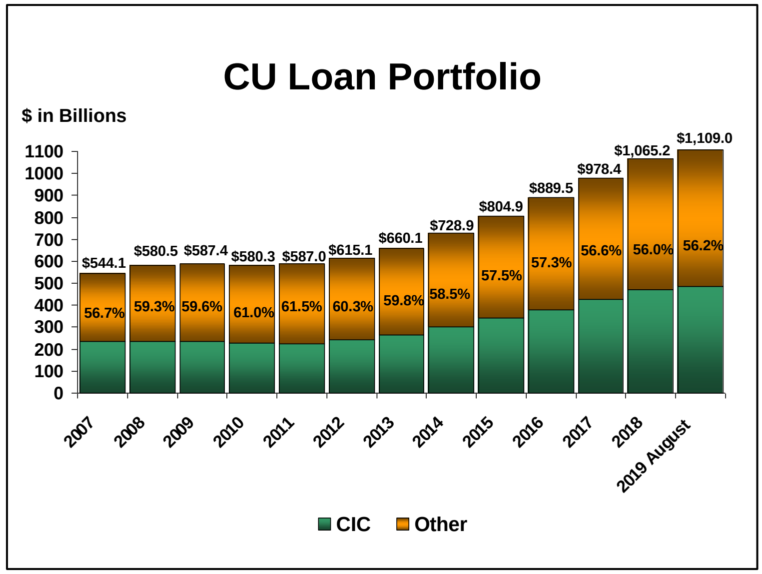
CUCIC = Total Loans – Total Real Estate - MBLs   CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 17% of MBLs

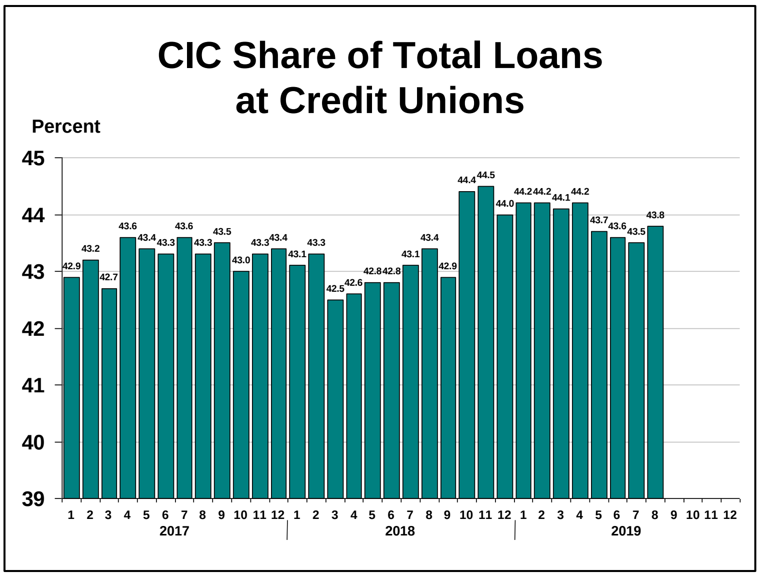
Distribution of Credit Union Loans

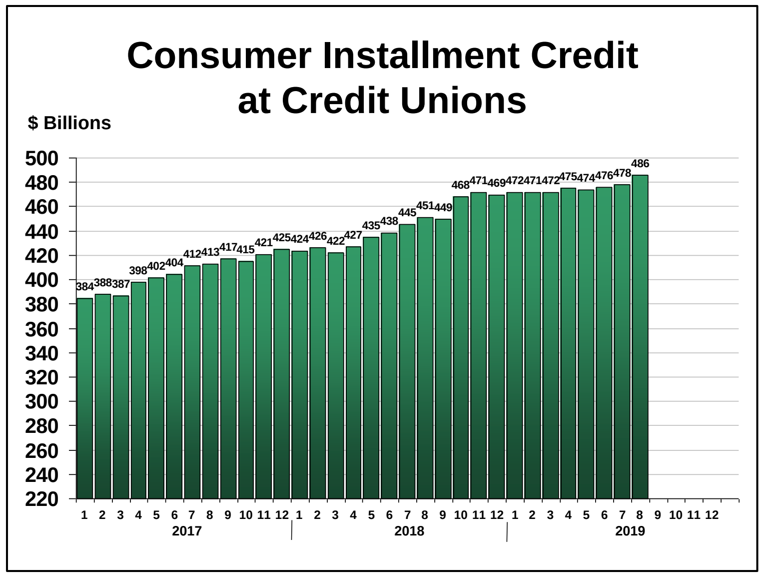
Percent Change From Prior Year

YR/MO	TOTAL LOANS	NEW VEHICLE LOANS	USED VEHICLE LOANS	TOTAL VEHICLE LOANS	UNSEC Ex. CC'S	CREDIT CARDS	CUCIC	1ST MORT TOTAL	TOT. OTHR MORT 2ND +HE	TOTAL REAL ESTATE	MBLs*
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	7.2	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	6.4	4.2	5.2	4.8	8.7	7.2	7.4	7.4	6.2	7.2	-3.5
19 08	6.6	3.0	5.1	4.3	9.0	7.1	7.6	8.2	5.5	7.7	-5.7









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.

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

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