CREDIT UNION TRENDS REPORT

CUNA Mutual Group – Economics ● September 2020 (July 2020 Data)

Highlights

- During July, credit unions picked up 327,000 in new memberships, loan balances grew at a 4.9% seasonally-adjusted annualized rate and savings balances grew 26.2%.
- Firms hired 1.734 million workers, nominal consumer spending increased a strong 1.9% and long-term interest rates fell 11 basis point. Second quarter economic output was 9.1% less than the output reported in the 2nd quarter of 2019. Expect output to rise 7% in the third quarter.
- At the end of July, CUNA's monthly estimates reported 5,365 credit unions in operation, down four from one month earlier. Year-over-year, the number of credit unions declined by 165, less than the 176 lost in the 12 months ending in July 2019.
- Total credit union assets rose 1.3% in July due to credit unions gaining 1.6% in deposits. Assets rose 17.3% during the past year due to a 18.9% increase in deposits, a 11.4% decrease in borrowings and an 8.3% increase in capital.
- The nation's credit unions increased their loan portfolios by 0.7% in July, more than the 0.6% pace reported in July 2019, and 6.5% during the last 12 months. July is historically the third-fastest loan growth month in the year.
- Credit union memberships rose a modest 0.26% in July, below the 0.36% gain reported in July 2019. Memberships are up 2.9% over the past year due to modest job creation and demand for used auto loans and real estate loans.
- Credit union loan delinquency rates fell to 0.58% in July, down from 0.65% one year earlier, due to loan forbearance programs. We expect the loan delinquency rate to rise in the fourth quarter and then the charge-off rate to rise in the 1st quarter of 2021.

ECONOMIC, COMPETITIVE AND INTEREST RATE ENVIRONMENT

During July, the fourth full month of the COVID-19 pandemic, the economy gained 1.734 million jobs, the unemployment rate decreased to 10.2%, personal income rose 0.4%, personal spending rose 1.9%, consumer prices rose 0.6%, consumer confidence fell, new home sales rose 13.9%, existing home sales rose 24.7%, auto sales rose 18.1%, home prices rose 1.2% and the 10-year Treasury interest rate decreased 11 basis point to average 0.62%.

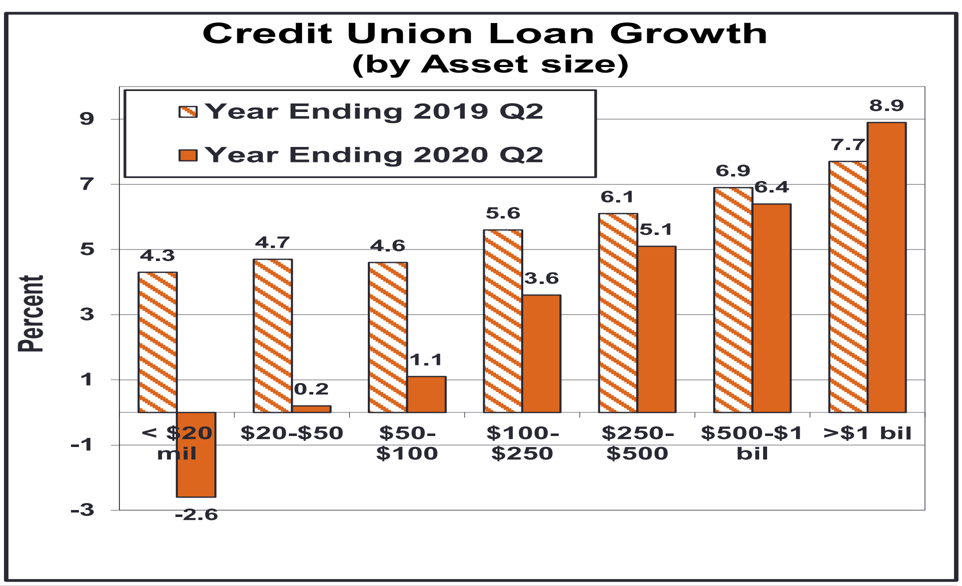
The Coronavirus (COVID-19) Recession. Our latest economic forecast has the economy expanding at a 25% annualized pace in the third quarter (7% non-annualized pace), and 5% in the fourth quarter. Expect the unemployment rate to end 2020 at 7.5% and end 2021 at 6.5%. The Federal Reserve is expected to keep the fed funds interest rate at 0.1% until inflation rises above its 2% target for a couple years. The 10-year Treasury interest rate is expected to remain below 1% until 2022 due to low inflation expectations and massive quantitative easing.

Total Credit Union Lending

Credit union loan balances rose 0.7% in July, higher than the 0.6% pace reported in July 2019, due to stronger growth in used-auto loans (1.3% vs 0.4%) and adjustable-rate mortgage loans (1.1% vs -1%). During the first 7 months of 2020, credit union loan balances grew 3.1%, slightly faster than the 3% pace set in the similar period last year.

There remains a huge disparity between loan growth at large and small credit unions. Credit unions with assets over $1 billion reported loan growth of 8.9% in the year ending in June 2020, significantly faster than every other asset size category **(Figure 1).** Credit unions with less than $20 million in assets reported negative loan growth of -2.6% due to 73% not offering first mortgage loans. These credit unions reported significant declines in credit card (-11%), other unsecured loans (-8.1%) and home equity lines of credit (-6.4%) as members refinanced their mortgage loans at other financial institutions and used some funds from a cash out mortgage refis to pay down higher-rate consumer credit.

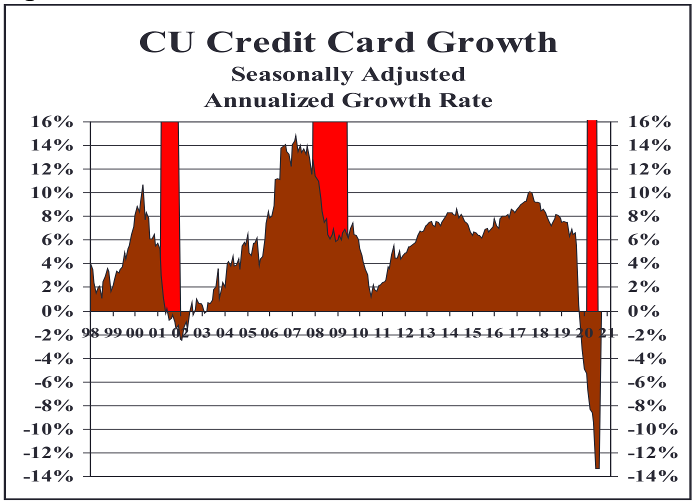
Figure 1:



Credit Union Consumer Installment Credit (CUCIC)

Credit union consumer installment credit loan balances (auto, credit card and other unsecured loans) rose 0.5% in July, above the 0.4% pace set in July 2019. During the last 12 months, credit union consumer installment credit grew 0.5%, slightly above the total market excluding credit unions of 0.4%. Credit union credit card balances fell 13% at a seasonally adjusted annual rate in July as members used cash from mortgage refis to pay down existing credit card debt **(Figure 2).** Consumer spending on durable goods – autos, appliances, furniture – fell only 1.2% from a year ago in the second quarter of this year. This is a much smaller decline in purchases compared to the Great Recession of 2008-09 **(Figure 3).**

Figure 2:



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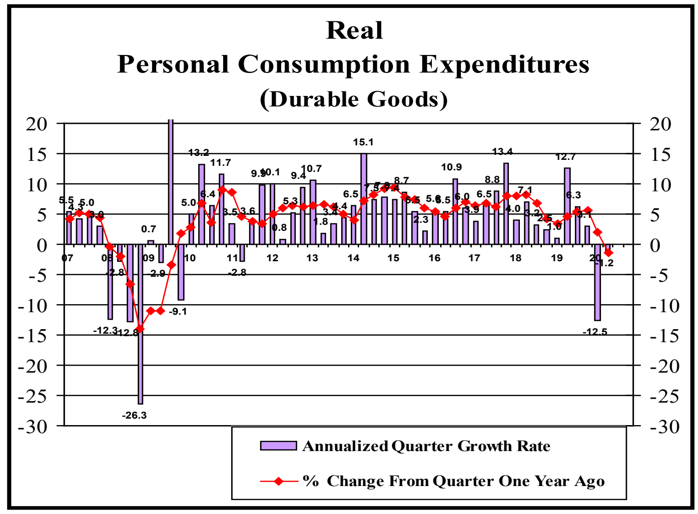
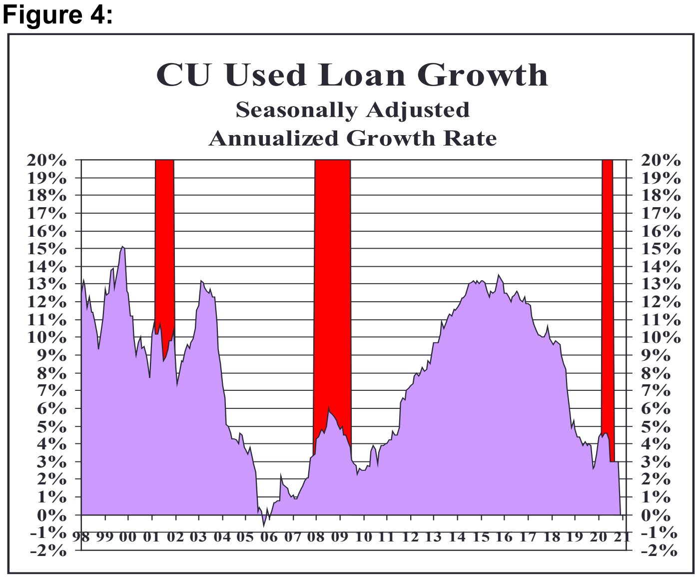


Vehicle Loans

Credit union used-auto loan balances rose 1.3% in July 2020, above the 0.4% pace set in July 2019. Currently, used-auto loan balances are rising at a remarkably low 3% seasonally-adjusted annualized growth rate **(Figure 4)**, which is down from the double digit pace reported during 2013-2017. Used auto prices rose 5.4% in August, and 4% over the last 12 months, due to a limited inventory of used cars for sale. New auto loan balances are down 3.5% year-to-date, significantly slower than the 0.7% drop in the first 7 months of 2019.

Figure 4:



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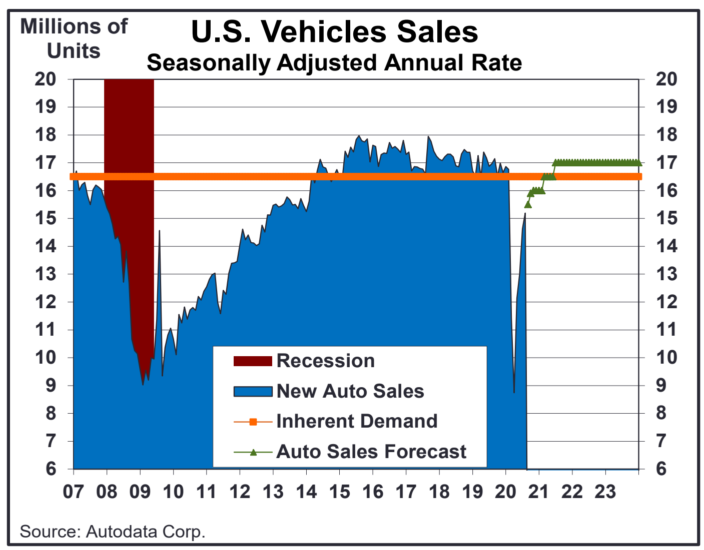


Vehicle sales rose in July to a 15 million unit seasonally-adjusted annualized sales rate, which is up 18.1% from June when 12.7 million units were sold. But vehicle sales were still 11.6% below July 2019 levels. Auto sales have recovered most of the sales lost during the spring but the pace is still below the 16.5 million-level considered a normal auto market. The pandemic has reduced the demand for public transportation and air travel, and so has increased the demand for personal mobility and therefore automobiles. Moreover, since the majority of job losses were in lower paying positions and not in higher paying jobs, and most new car sales are among higher income consumers, we expect car sales to reach normal levels relatively quickly. We expect auto sales to rise to 16.5 million by the summer of 2021.

Real Estate Secured Lending – First Mortgages and Other Real Estate
Credit unions originated a record $130.4 billion first mortgage loans in the first half of 2020, a 92% increase above the $67.9 billion in originations in the first half of 2019 **(Figure 6)**. Credit unions then proceeded to sell off 40% of those originations into the secondary market, a higher percentage than the 35% reported in the first half of 2019. The stage is set for a strong second half of 2020 due to the significant drop in mortgage interest rates and strong demand for purchase mortgage loans. We expect both purchase mortgage and refinance mortgage activity to remain strong through 2021.

The contract interest rate on a 30-year fixed-rate conventional home mortgage fell to 3.02% in July, down from 3.16% in June and below the 3.77% reported in July 2019. We expect the Federal Reserve to keep short-term and long-term interest rates at the current levels for the foreseeable future which will keep the booming mortgage refinance business strong through the first half of 2021.

Home prices rose 1.2% in July from June, according to the Core Logic Home Price Index, and 5.5% year-over-year. This is the slowest monthly pace since the start of 2018. The fall in mortgage interest rates since the start of the year has picked up the pace of home price appreciation. Though the unemployment rate remains high, house prices are rising at their fastest pace since 2018 because the supply of homes is limited while demand has been boosted by historically low mortgage interest rates.

Existing home sales jumped 24.7% in July, hitting the highest level since late 2006, and up 8.7% from July 2019 according to the National Association of Realtors. Homebuyers continued to re-enter the market in force in the wake of the end of shutdowns in additional states across the country. As the job market heals and consumer confidence improves, we expect home sales to continue on their upward trajectory over the next several years.

Figure 6:

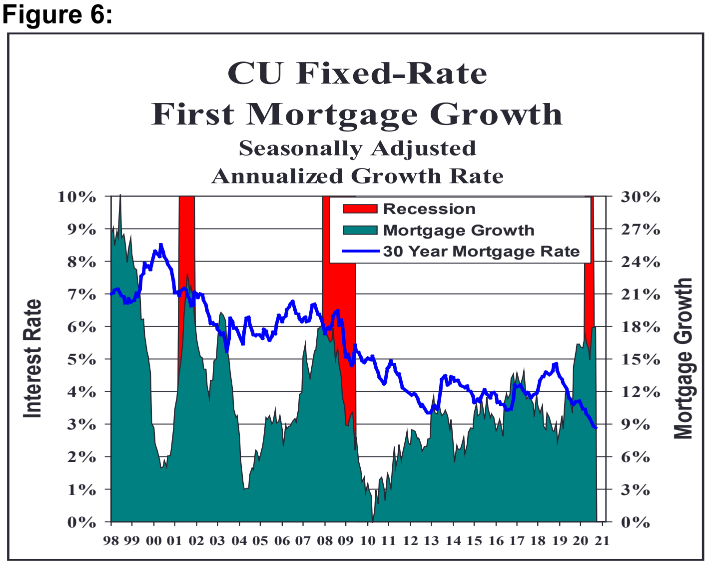
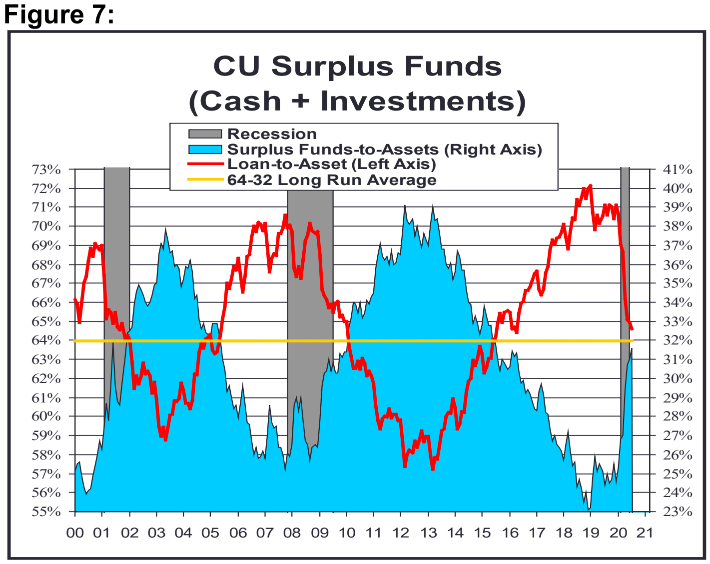


Figure 7:



Surplus Funds (Cash + Investments)
Credit union surplus funds as a percent of assets rose to 31.5% in July, up from 25.1% in July 2019, as surplus funds rose 51.7% over the last year while assets grew 17.3% **(Figure 7)**. This is the fastest growth in credit union liquidity in over 30 years. The obverse of the surplus funds ratio is the loan-to-asset ratio, which reached 64.5% in June, below the 71.1% reported in July 2019.

We expect credit unions to reach the “64-32 Rule”, or long run average, in the fall of 2020, see gold line in Figure 7 above. The 64-32 Rule stands for 64% of credit unions assets in loans and 32% of assets in investments, for a total of 96% earning assets and 4% non-earning or fixed assets. At the 64-32 Rule, loan balances are twice that of investment balances and for every one percentage point drop in loans as a percent of assets, there is a corresponding one percentage point rise in investments as a percent of assets, hence the mirror image of the red line and blue area in Figure 7 above. Figure 7 also shows that every 5 years we reach the 64-32 Rule and the red line, the blue area and the gold line all intersect. This happened in the summer of 2015, the spring of 2010, the summer of 2005, and the winter of 2001. This chart is useful in analyzing the “mix effect” on credit union yield-on-assets ratio as more assets are invested in lower yielding investments and away from higher yielding loans. Credit unions can expect downward pressure on asset yields over the next year as lower-rate investments become a greater mix of overall assets. Moreover, as the Federal Reserve keeps interest rates low over the next few years, auto, credit card, home equity and adjustable rate mortgage interest rates will fall as well, pushing down credit union yield-on-assets ratios further. This is referred to as the “rate effect”.

Savings and Assets

Credit union savings balances rose 1.6% in July, above the 0.3% decline in balances in July 2019, due to the month ending on a payroll Friday. July is normally the weakest month of the year for savings growth due to seasonal factors such as vacation spending and auto loan down payments. But 2020 is not a normal year with the tax filings deadline extended to July 15th and household spending curtailed from COVID-19 worries.

During the last 12 months, savings balances rose a remarkable 18.9%, the fastest pace in over 30 years, as members saved stimulus checks, saved money on gasoline purchases and stayed at home. Savings growth per member reached 15.6%, almost 6 times greater than the long run average of 2.7% **(Figure 8)** According to NCUA call report data, credit unions of all size reported substantial increases in savings rates over the last year **(Figure 9)**. We expect savings balances to grow 18.6% in 2020 and then decelerate to 8% in 2021.

Figure 8:

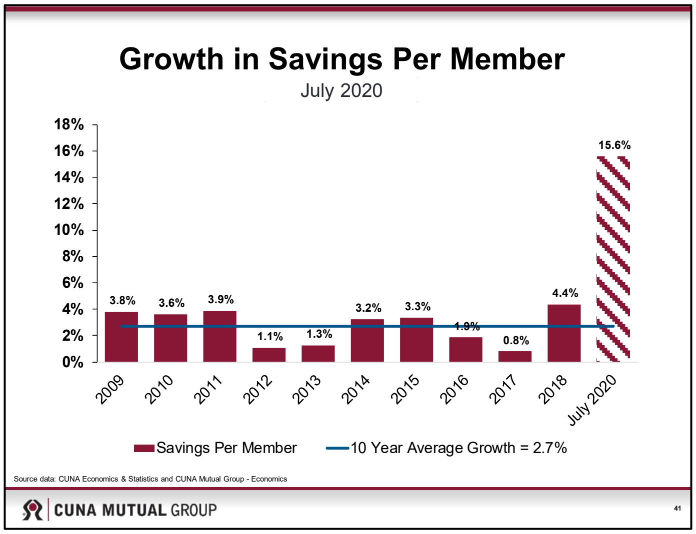
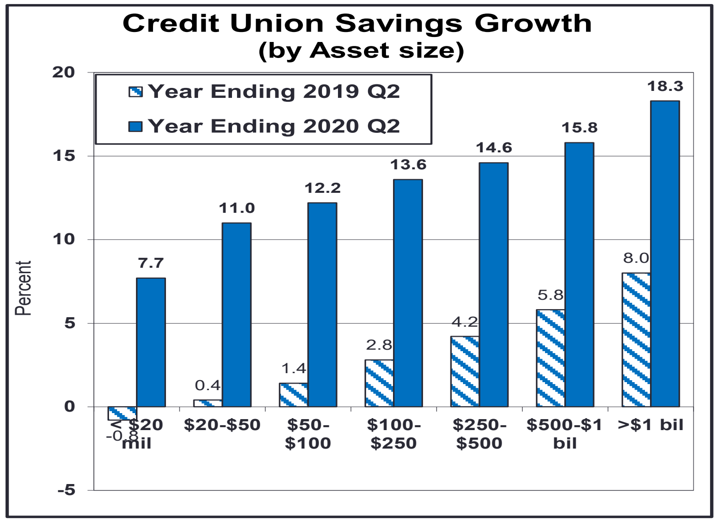


Figure 9:



Capital and Other Key Measures

The industry's weighted average capital-to-asset ratio fell to 10.3% in July from 11.2% for the same time period last year, according to NCUA call report data, due to assets growing faster than capital (17.3% vs. 8.3%). Credit unions with assets less than $100 million typically have capital-to-asset ratios above 12%, while larger credit unions have ratios below 11% **(Figure 10)**. The credit union movement's 8.3% capital growth rate over the last year, which is also known as the movement's return-on-equity, has been trending above its long-run average of 7% lately.

Figure 10:

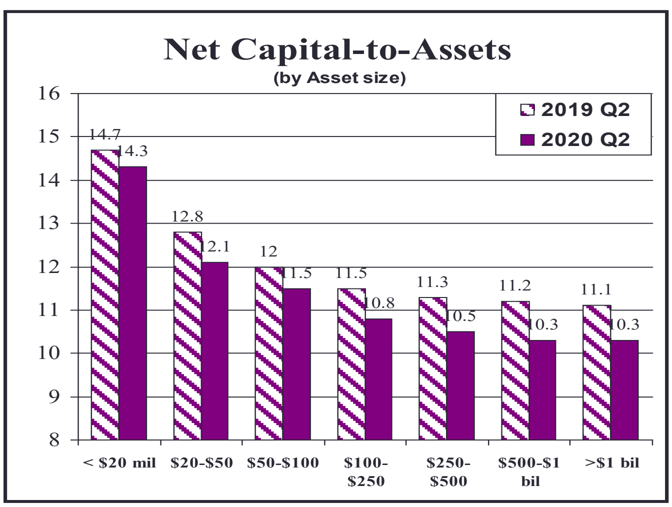
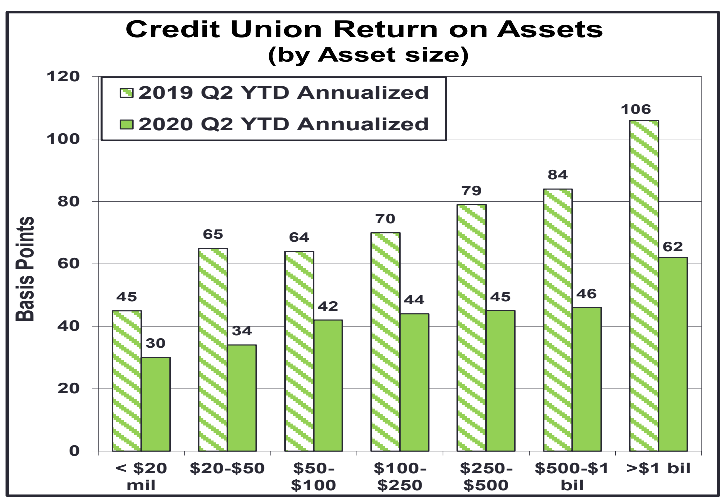


Figure 11:



The credit union return on asset ratio fell to 0.57% in the first six months of 2020 at an annualized basis, down from 0.96% in the first six months of 2019. The 39 basis point decrease in earnings during the last year was driven by a 28 basis point drop in net interest margins, a 15 basis point increase in provision for loan losses and a 7 basis point drop in fee/other income as a percent of average assets. Mitigating some of the drop in earnings was a 11 basis point drop in operating expenses as a percent of average assets. Billion dollar credit unions reported a larger drop in earnings compared to smaller credit unions due to larger increases in their provision for loan losses. **(Figure 11)**.

Credit Unions and Members

As of July 2020, CUNA estimates 5,365 credit unions are in operation, down four from June. Year-to-date, the number of credit unions fell by 95 **(Figure 12)**, which is more than the 73 reported in the first seven months of 2019. NCUA's Insurance Report of Activity showed 32 mergers in the second quarter with an average asset size of $66.2 million, 12 fewer than reported in the second quarter of 2018, with an average asset size of $23.7 million. These smaller credit unions are finding it difficult to increase their member value proposition as fast as larger credit unions and are therefore losing members **(Figure 13)**.

Recently released mid-year NCUA call report data shows 361 credit unions with assets in excess of $1 billion and 276 credit unions with assets between $500 million and $1 billion. The greater than $1 billion asset category represents 6.8% of all credit unions, but more than 69.8% of the credit union system's assets and 71.9% of the loans. The median asset size of a U.S. credit union rose to $40.3 million in mid-year, up 15.8% from the $34.8 million reported at mid-year 2019.

Figure 12:

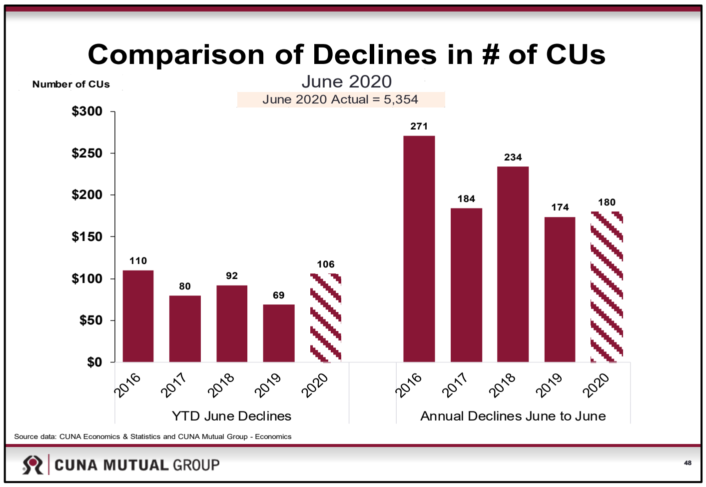
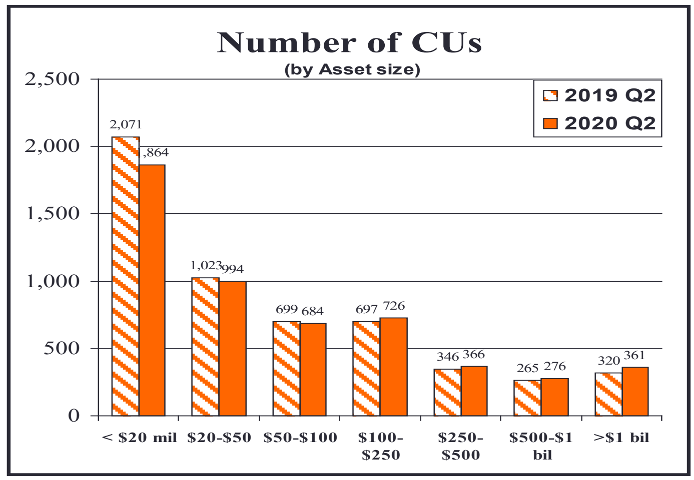


Figure 13:



Credit union memberships grew 327,000 in July, or 0.26%, below the 435,000 new members added in July 2019. Year-to-date credit unions added 1.9 million new members **(Figure 14)**, slower than the 2.6 million members added in 2019. Total credit union memberships reached 124.6 million in July, 2.9% higher than July 2019. This is slower than the 3.8% pace reported in the year ending July 2019. Credit union with assets less than $100 million reported negative membership growth, while credit unions with assets greater than $1 billion reported membership growth of 5.7% **(Figure 15)**. The slowdown in membership growth is due to the slowdown in loan growth and the deceleration in job creation. Approximately 11.4 million jobs have been lost since July 2019, down from the 1.9 million job gain reported in the 12 months ending in July 2019, according to the Bureau of Labor Statistics. We forecast credit union memberships to grow 2.9% in 2020 and 2.5% in 2020 due to annual job gains slowing each year, and less demand for consumer loans.

Figure 14:

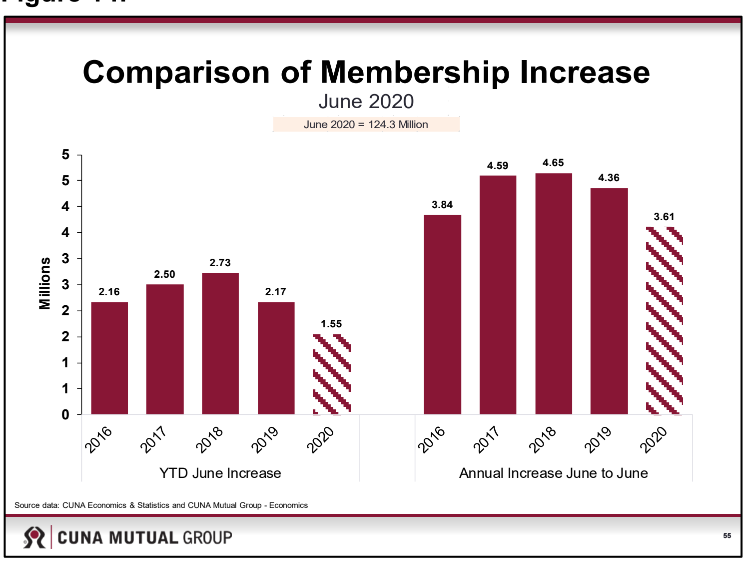
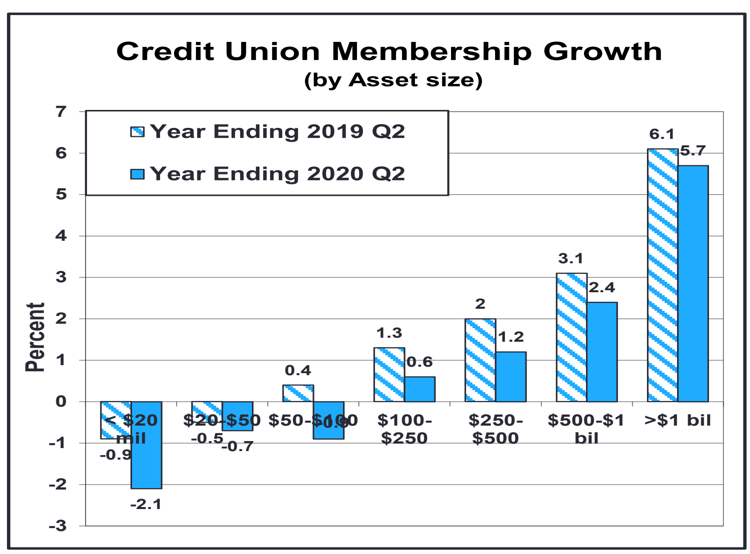


Figure 15:



National Monthly Credit Union Aggregates

YR/MO	LOANS	ASSETS	SAVINGS	CAPITAL	MEMBERS (Millions)	CREDIT UNIONS	LOAN / SAVINGS	CAPITAL/ ASSET RATIO
	|------------------ ($ Billions) ---------------------|							
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	1,097.3	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	1,144.4	1,729.4	1,465.2	182.9	123.8	5,406	78.1	10.6
20 05	1,154.8	1,774.9	1,503.7	185.9	124.1	5,369	76.8	10.5
20 06	1,160.5	1,786.4	1,520.9	187.5	124.3	5,369	76.3	10.5
20 07	1,169.0	1,809.9	1,544.6	186.8	124.7	5,365	75.7	10.3

Credit Union Growth Rates

Percent Change Previous Year

YR/MO	LOANS	ASSETS	SAVINGS	CAPITAL	MEMBERS	# OF CUs	# OF CUs DECLINE	Delinquency Ratio*
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	6.3	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	(2.5)	(126)	0.698%
20 02	6.8	9.4	9.1	10.6	3.5	(2.5)	(126)	0.640%
20 03	6.9	8.7	8.0	10.1	3.4	(2.8)	(142)	0.629%
20 04	6.4	13.5	13.8	8.8	3.2	(2.7)	(148)	0.690%
20 05	6.6	15.0	15.3	9.3	3.2	(3.2)	(179)	0.690%
20 06	6.4	15.5	16.8	8.9	3.0	(3.0)	(165)	0.620%
20 07	6.5	17.3	18.9	8.3	2.9	(3.0)	(165)	0.580%

* 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*
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	1,097.3	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	1,137.4	149.4	231.9	381.3	47.1	66.3	482.5	471.8	92.9	564.7	90.1
20 02	1,140.0	148.4	232.6	381.0	46.3	65.8	484.9	465.8	93.1	558.9	96.0
20 03	1,143.8	147.2	233.0	380.2	46.7	65.3	489.0	486.2	92.4	578.6	76.0
20 04	1,144.5	146.7	231.0	377.7	46.0	62.4	476.5	490.0	91.2	581.2	86.7
20 05	1,154.8	145.4	232.4	377.7	45.7	61.5	476.0	496.5	90.0	586.4	92.4
20 06	1,160.5	145.1	235.6	380.6	48.5	61.1	478.1	506.8	88.2	595.0	87.4
20 07	1,169.0	144.6	238.8	383.4	47.4	60.7	480.4	511.4	88.4	599.8	88.8

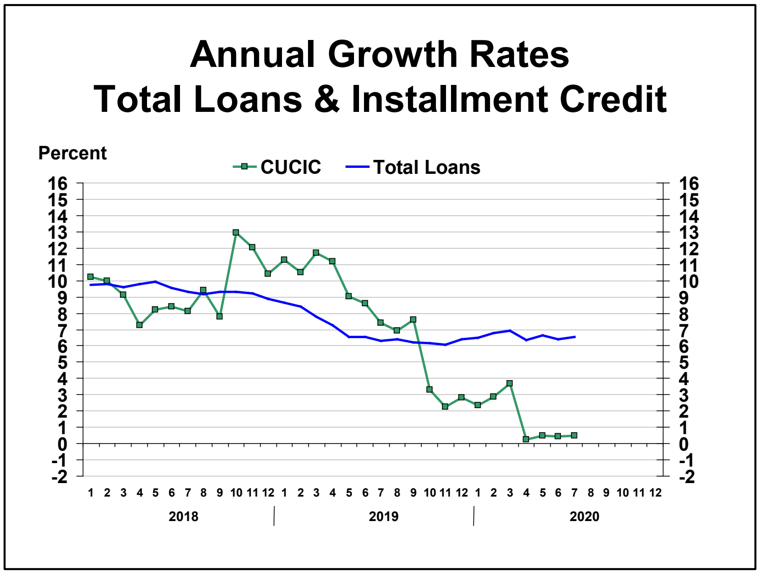
* Member Business Loans

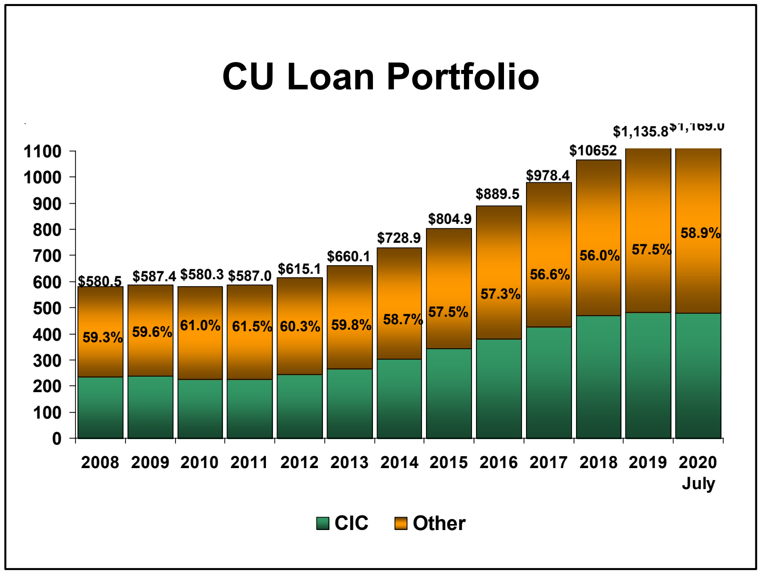
CUCIC = Total Loans – Total Real Estate - MBLs CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 17% of MBLs

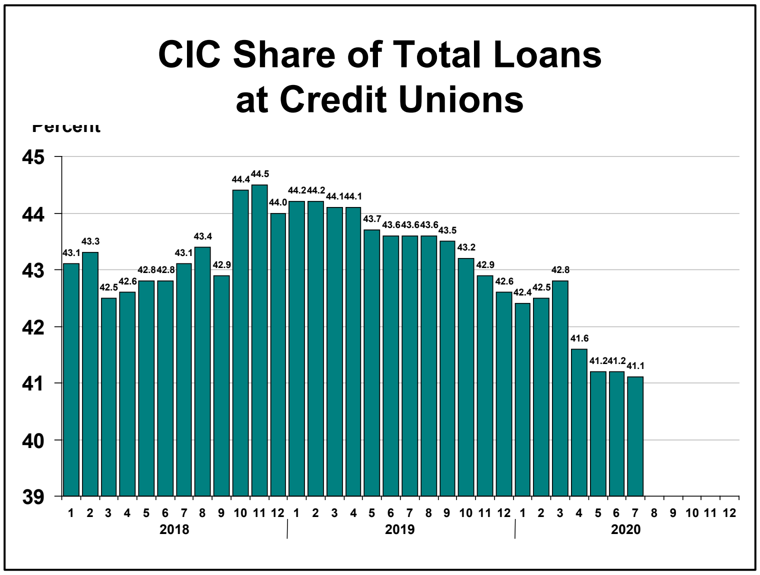
Distribution of Credit Union Loans

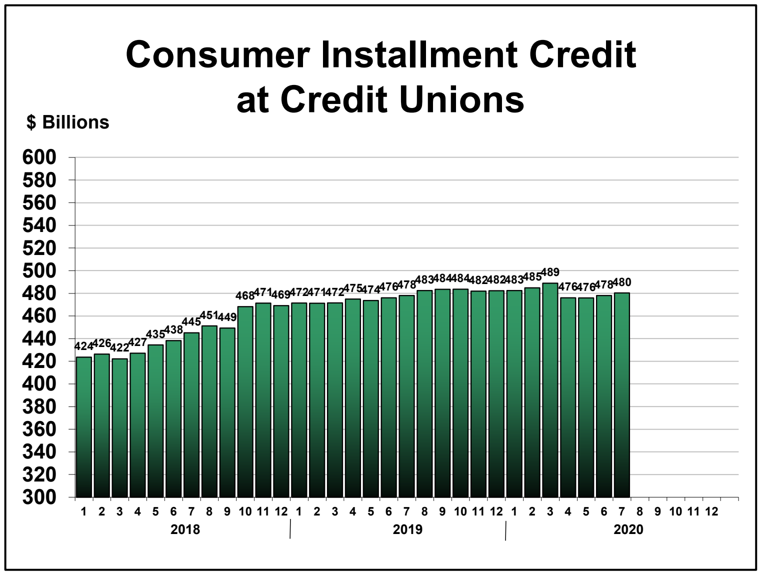
Percent Change From Prior Year

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*
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	6.3	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	6.6	6.3	2.3	8.8	1.8	7.6	26.4
20 02	6.8	-0.2	4.0	2.3	6.1	6.4	2.9	7.1	2.4	6.3	37.0
20 03	6.9	-0.7	3.9	2.1	6.9	5.4	3.7	11.0	2.3	9.5	9.1
20 04	6.4	-1.1	2.6	1.1	4.0	0.1	0.2	11.7	-0.9	9.6	23.4
20 05	6.6	-2.1	2.7	0.8	3.6	-2.2	0.5	12.3	-2.0	9.8	22.8
20 06	6.4	-2.5	3.4	1.1	7.8	-3.5	0.4	13.6	-4.2	10.6	14.1
20 07	6.5	-2.8	4.4	1.6	4.0	-5.2	0.5	14.0	-4.8	10.8	13.9









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. Thank you.

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