

CUNA Economic Update

December 2018

Mike Schenk
Chief Economist

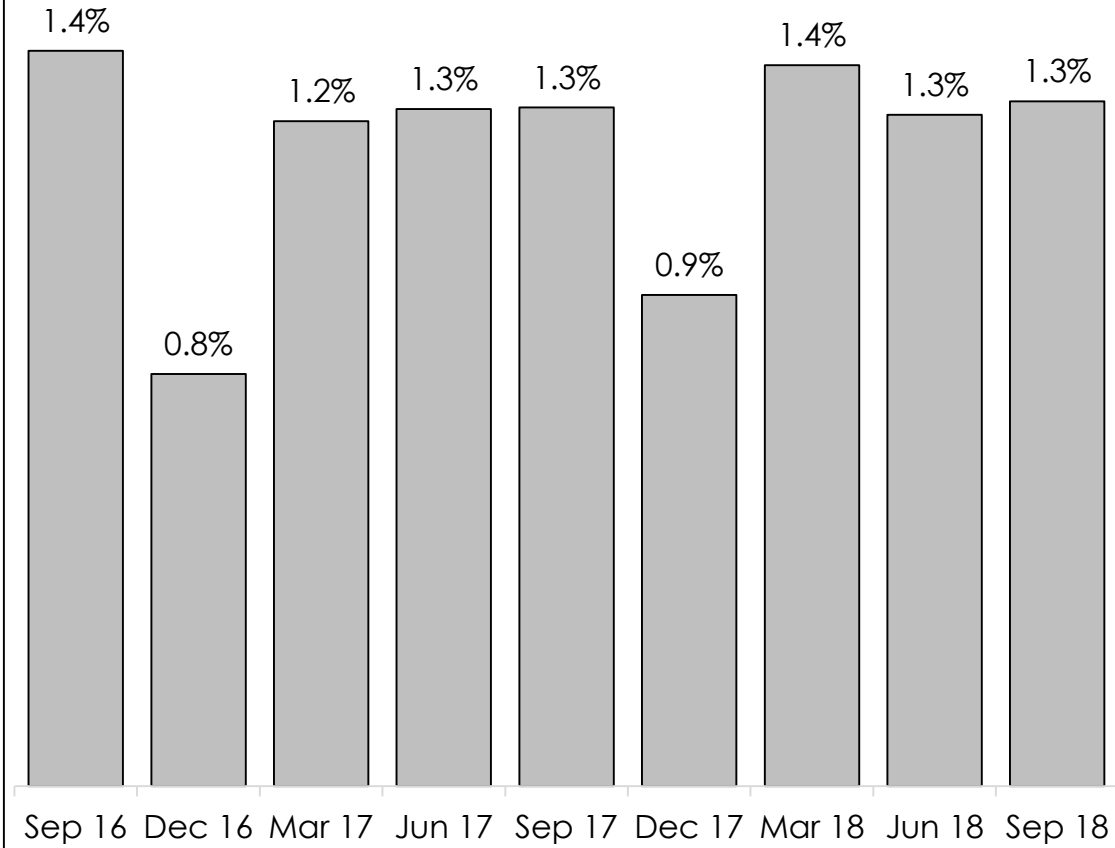
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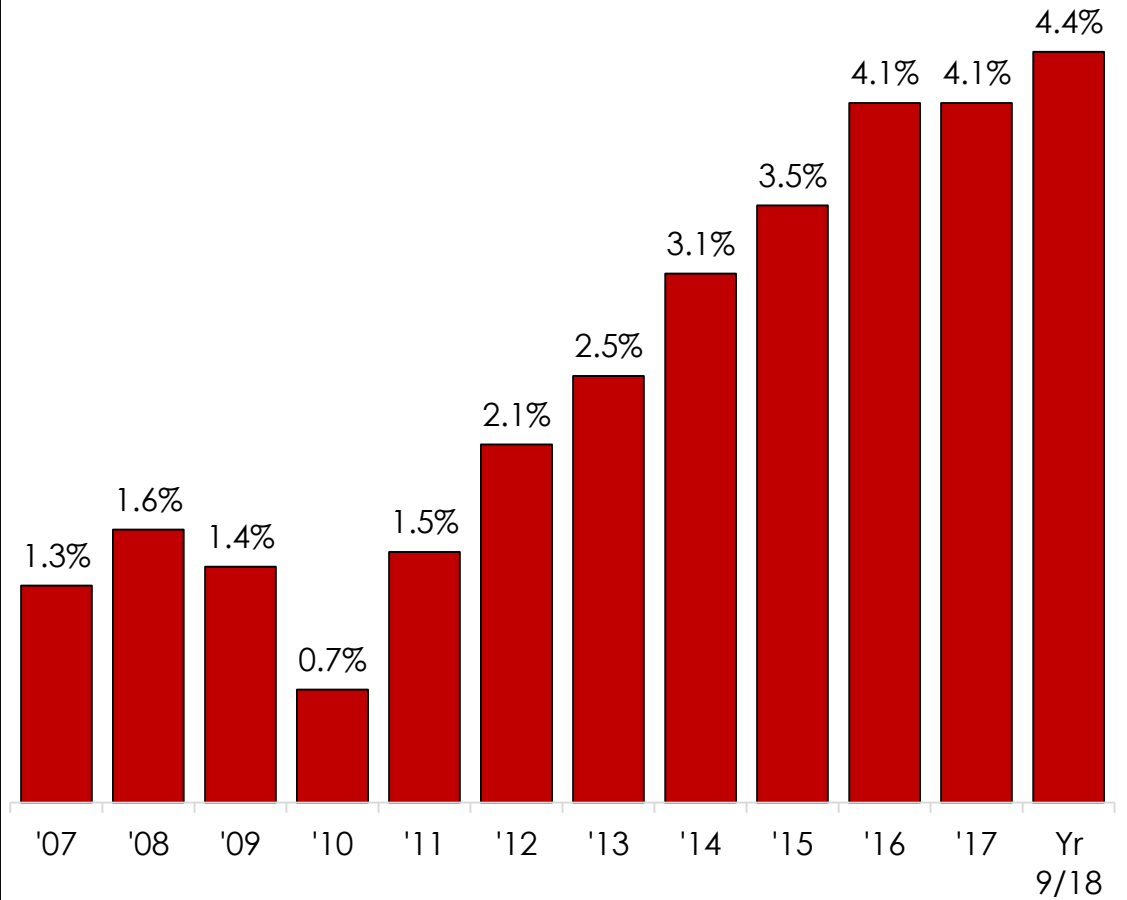
Quarterly U.S. CU Membership Growth

(Source: NCUA & CUNA)



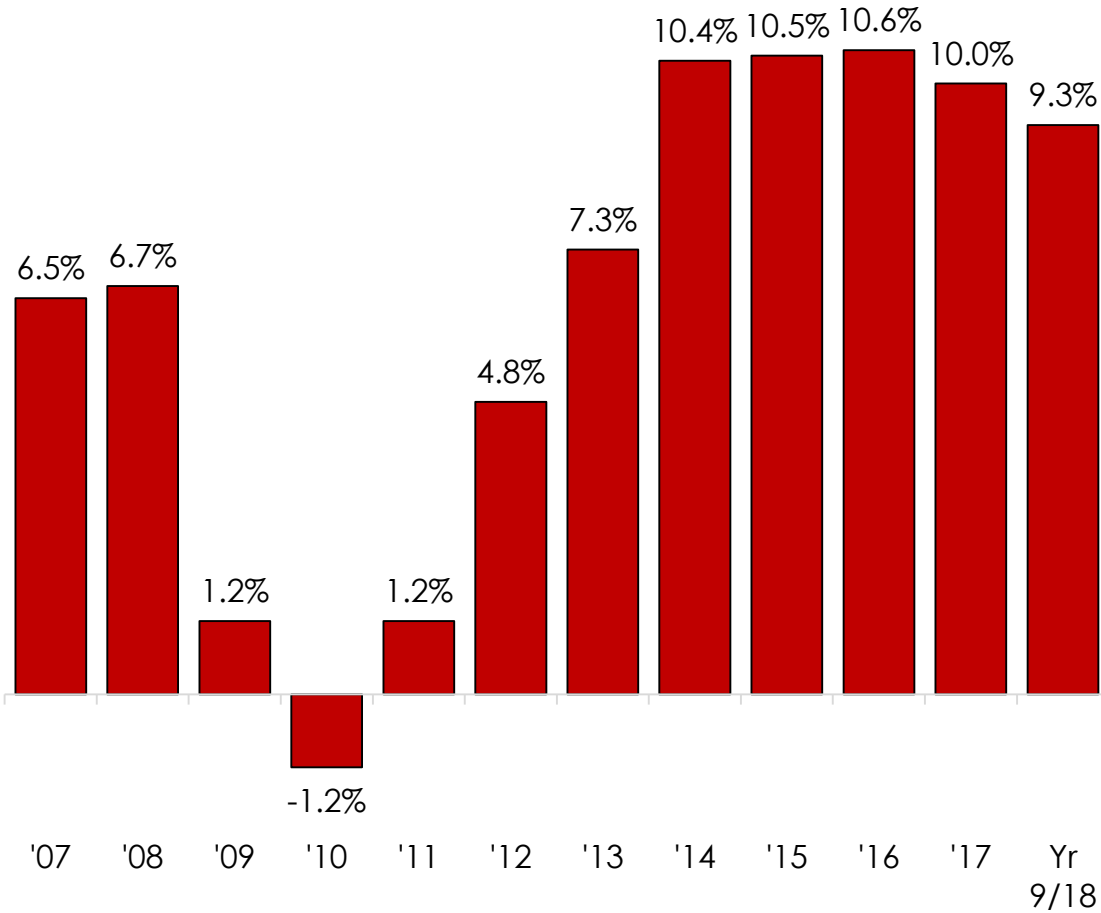
12-Month U.S. CU Membership Growth

(Source: NCUA & CUNA)



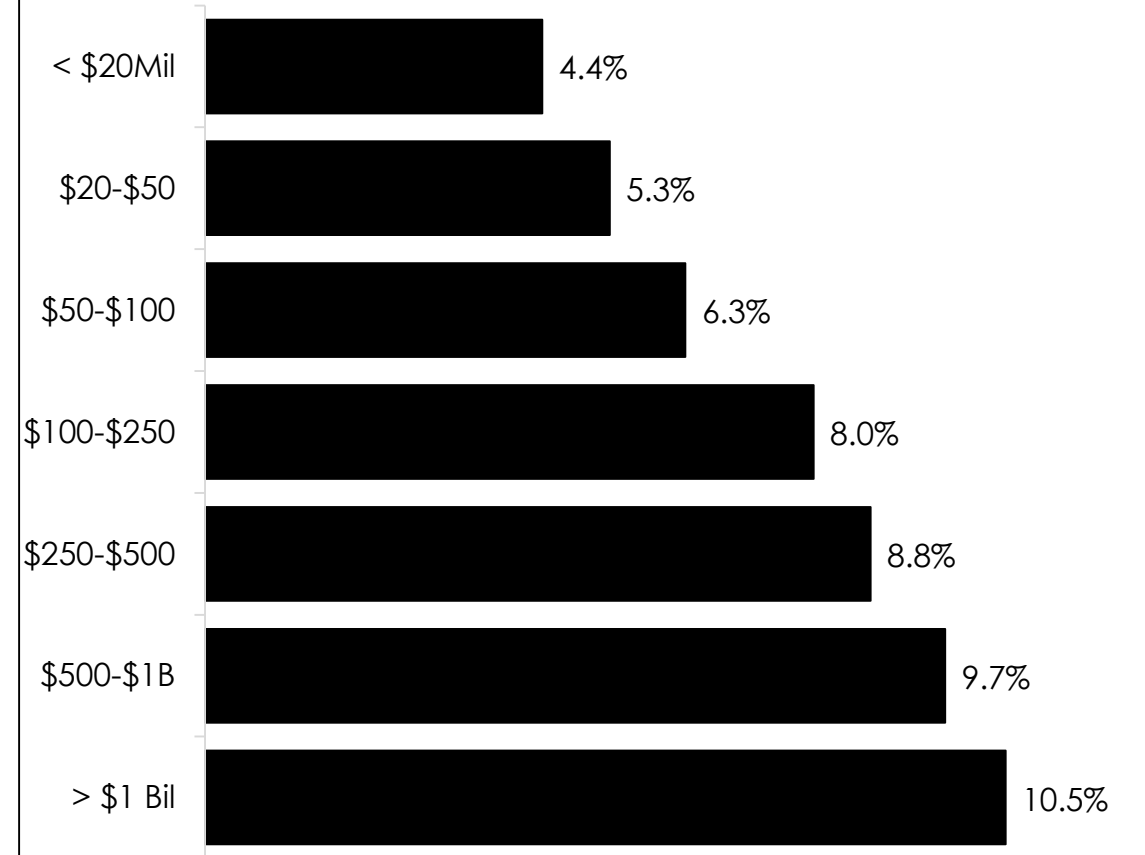
12-Month U.S. CU Loan Growth

(Source: NCUA & CUNA)



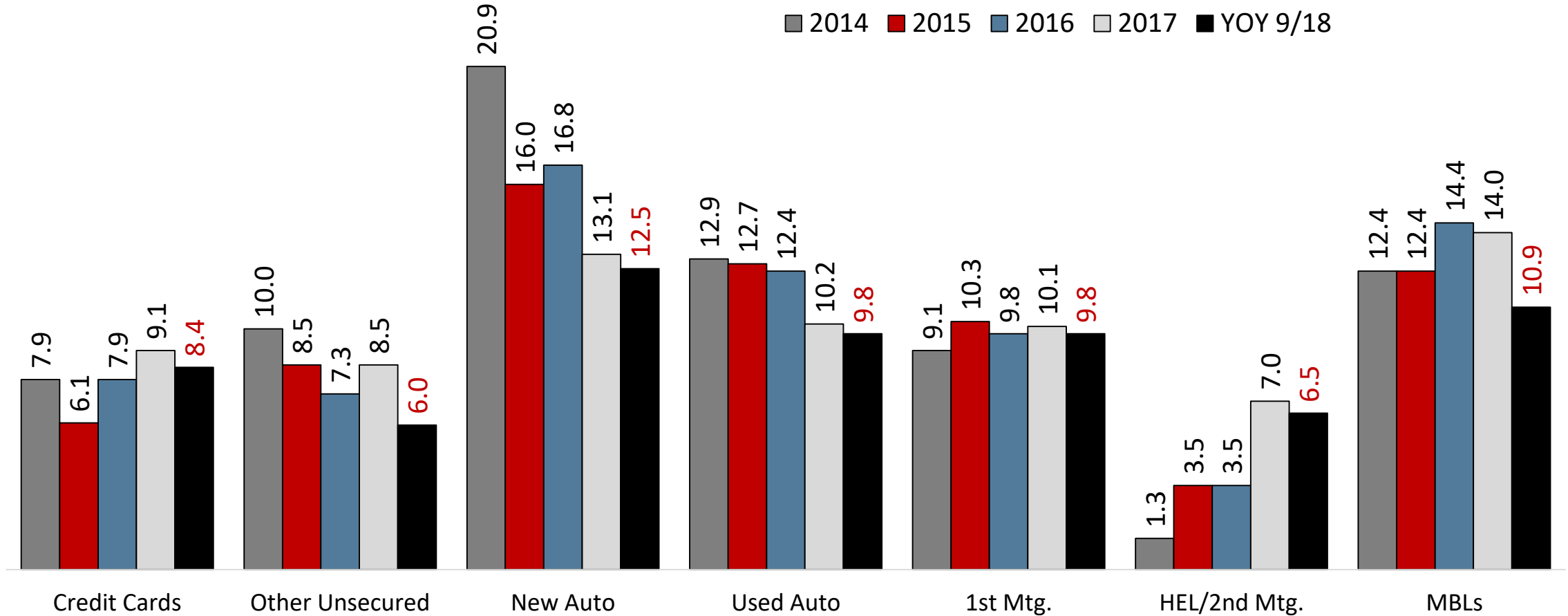
U.S. CU Loan Growth in Year Ending September 2018 - by CU Asset Size

(Source: NCUA & CUNA)

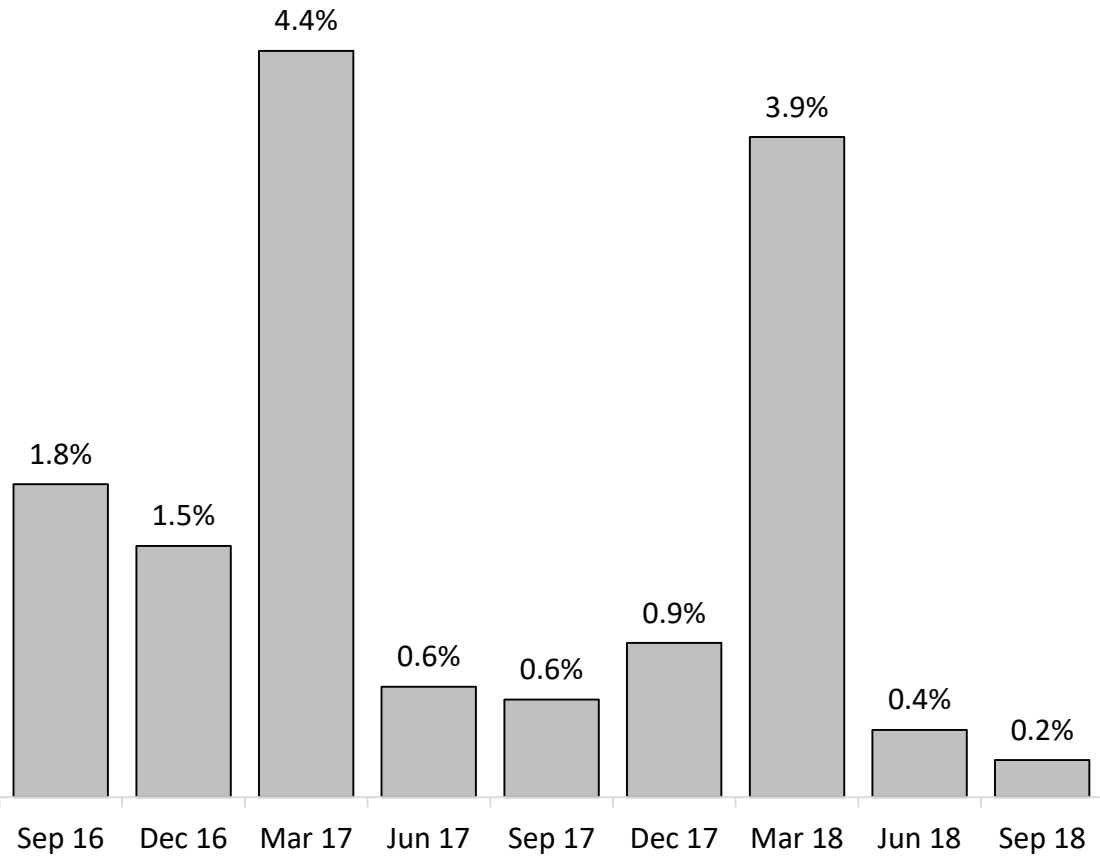


Broad-Based CU Loan Growth

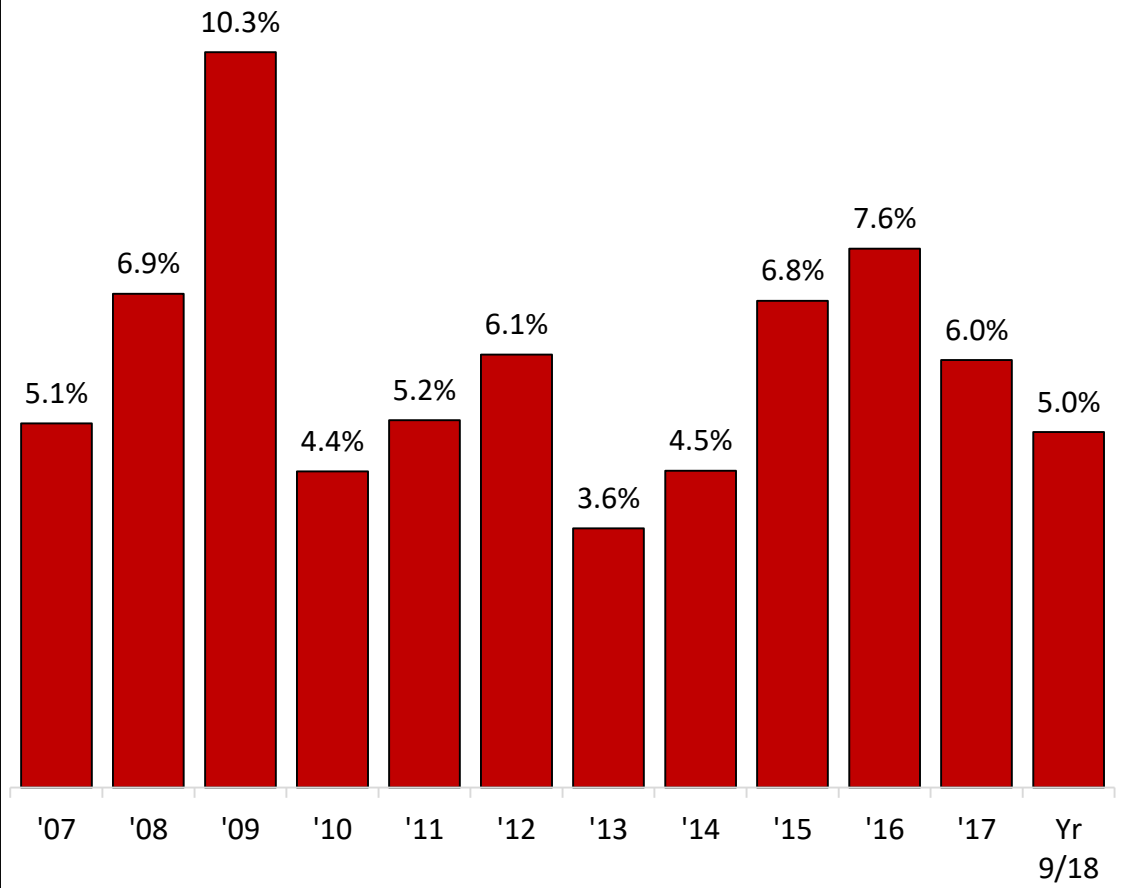
12-month % Change in Balances Outstanding



Quarterly U.S. CU Savings Growth (Source: NCUA & CUNA)

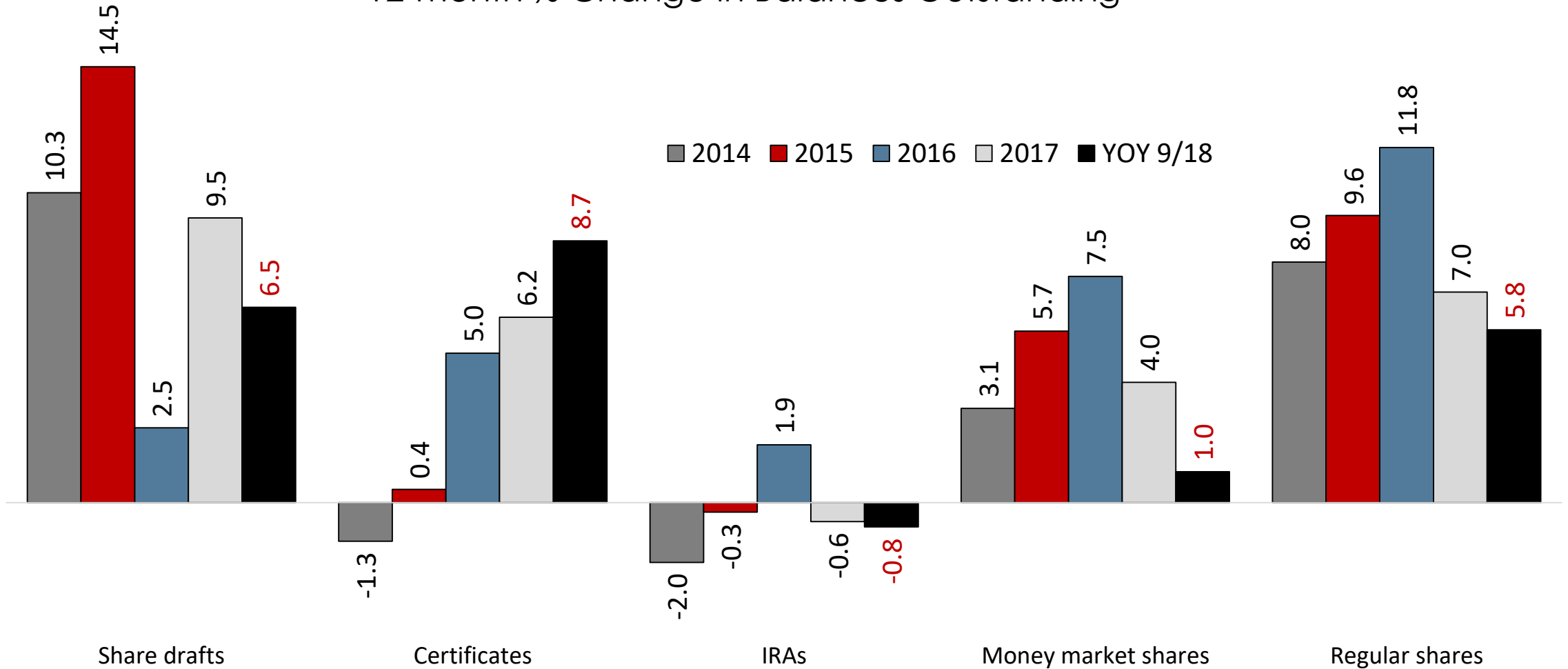


12-Month U.S. CU Savings Growth (Source: NCUA & CUNA)



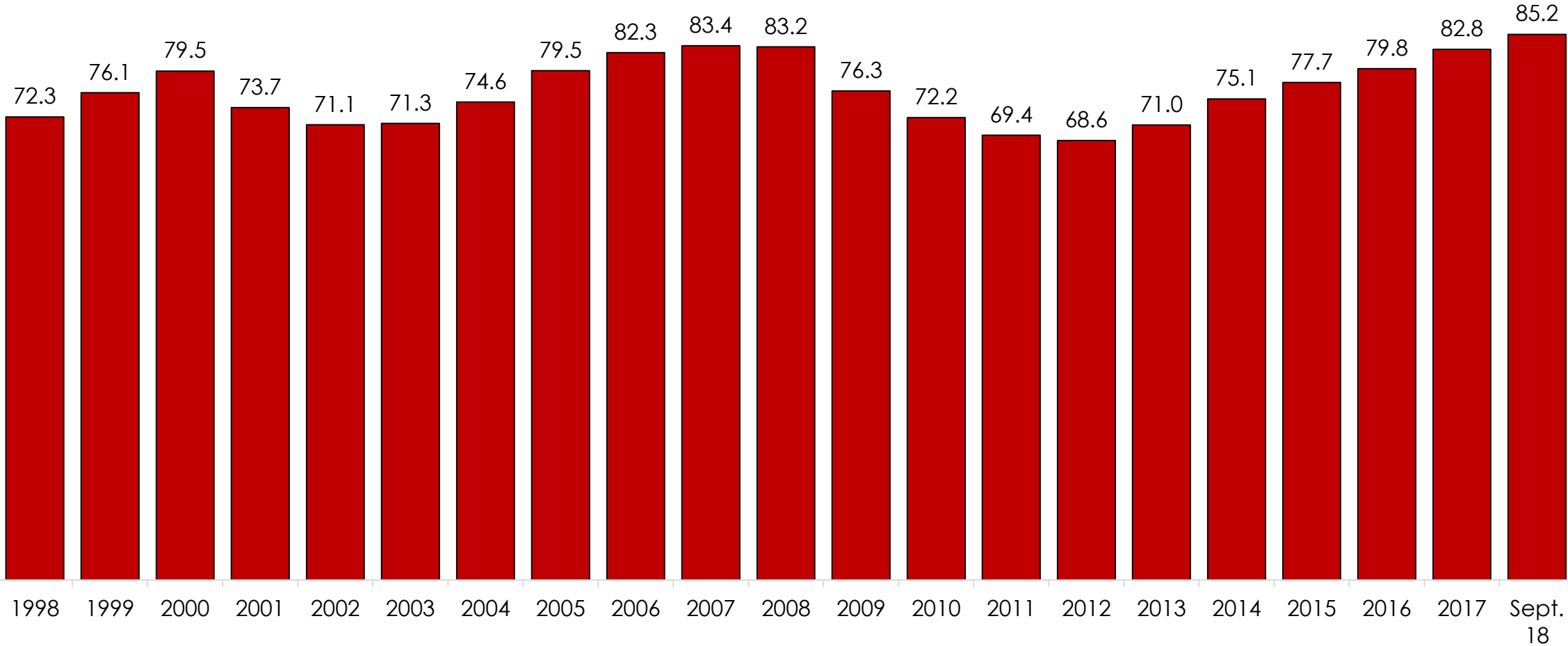
CU Savings Growth

12-month % Change in Balances Outstanding



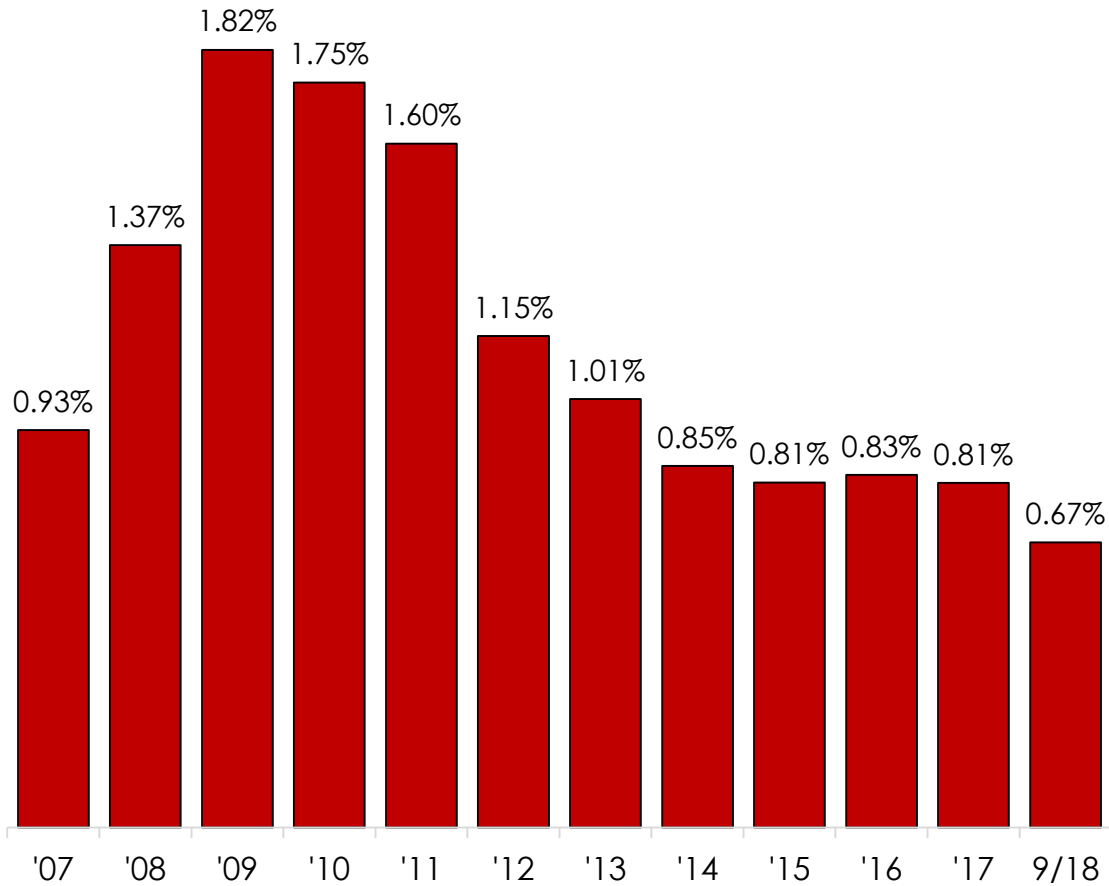
U.S. CU Loan-to-Savings Ratios

(Source: NCUA and CUNA)



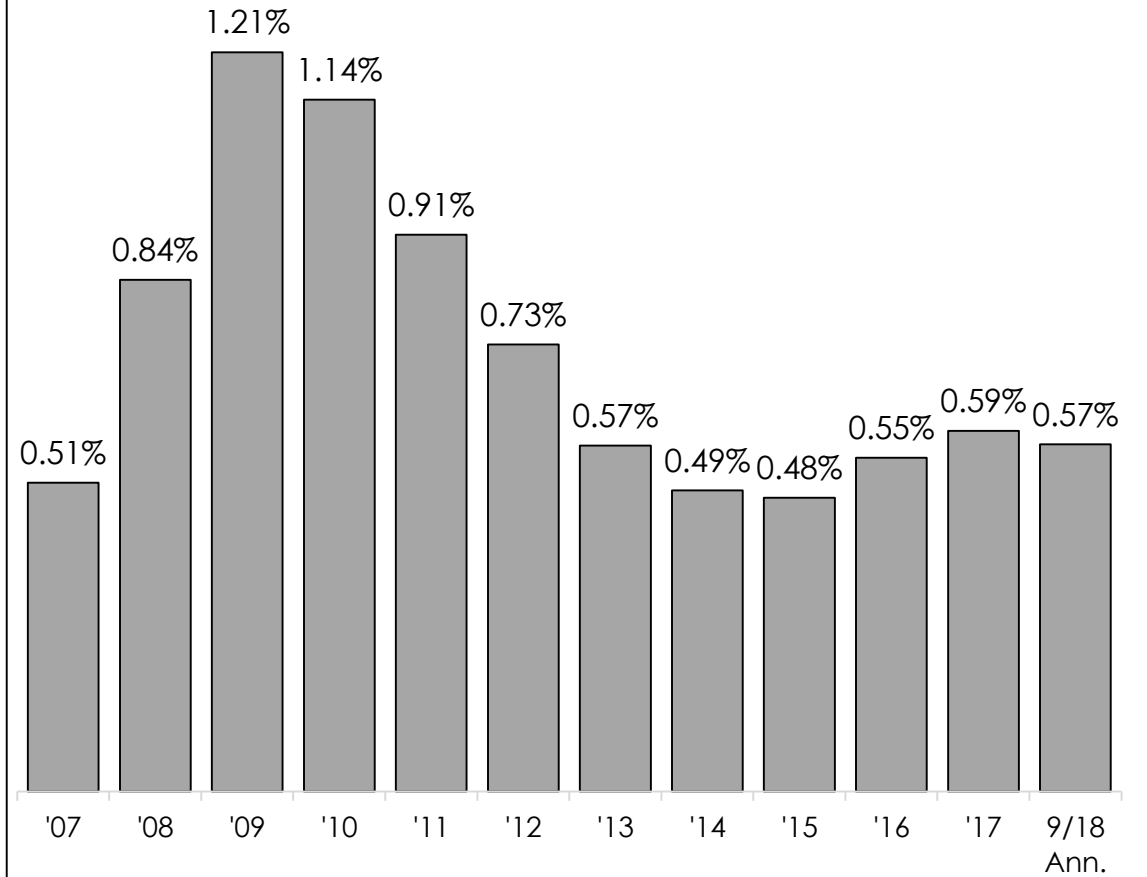
U.S. CU Loan Delinquency Rates

(Source: NCUA & CUNA)



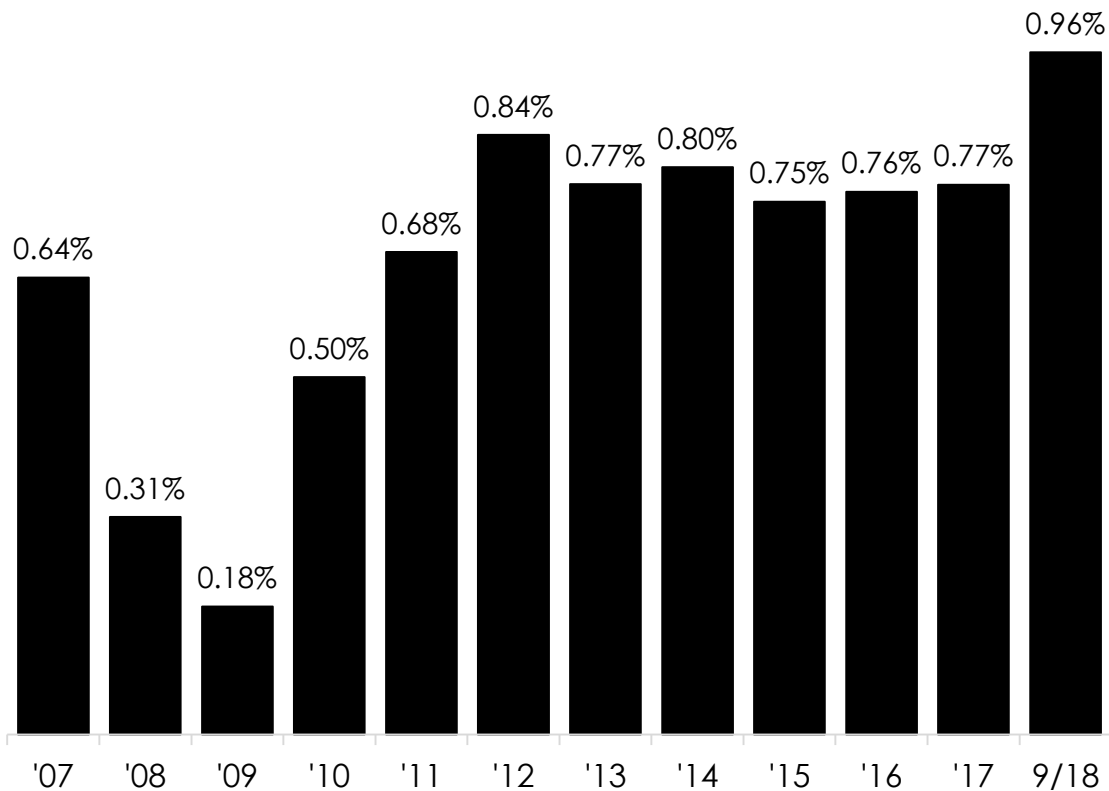
U.S. CU Loan Net Chargeoff Rates

(Source: NCUA & CUNA)



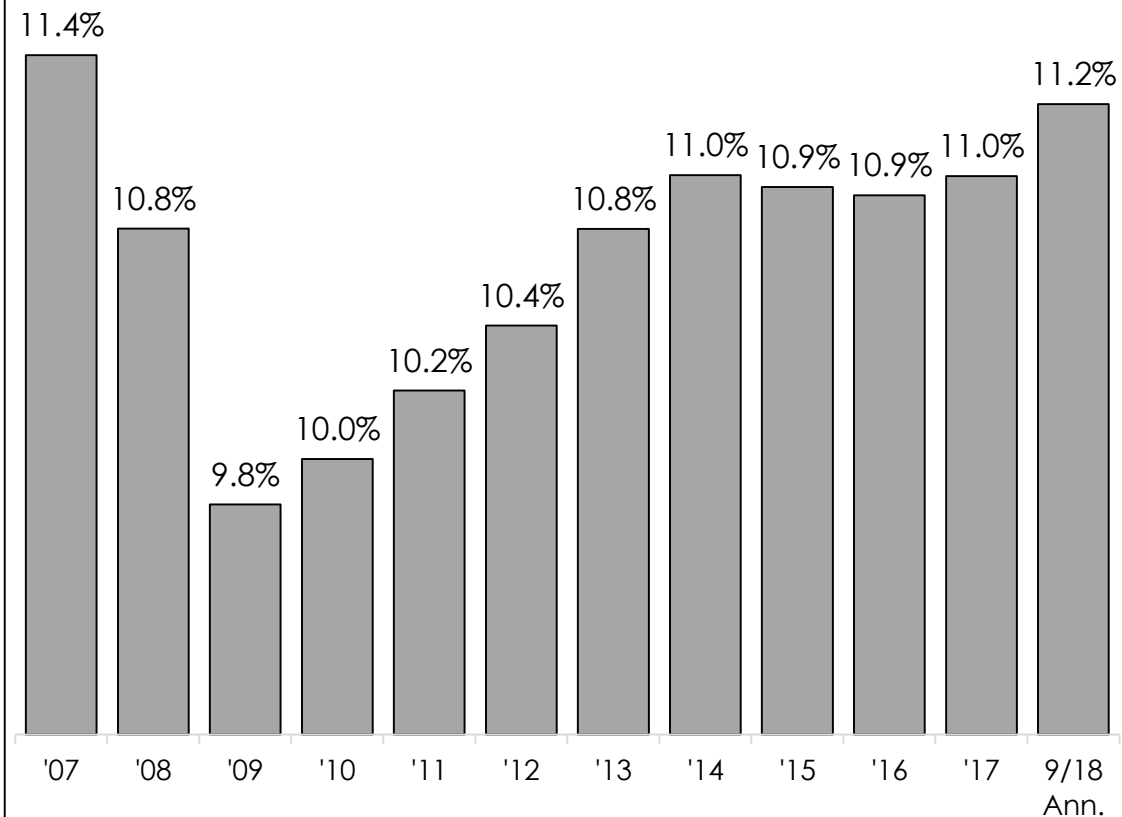
U.S. CU Loan Return on Average Assets

(Source: NCUA & CUNA)



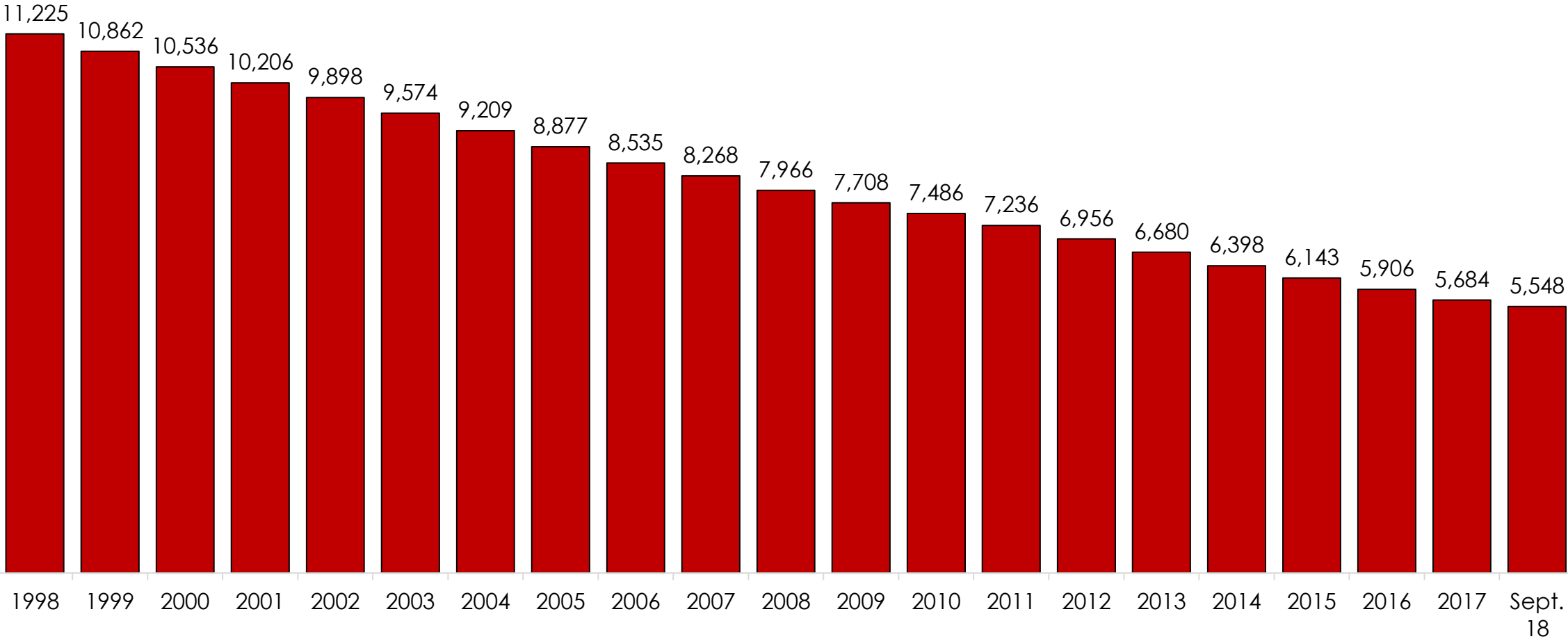
U.S. CU Net Worth Ratios

(Source: NCUA & CUNA)



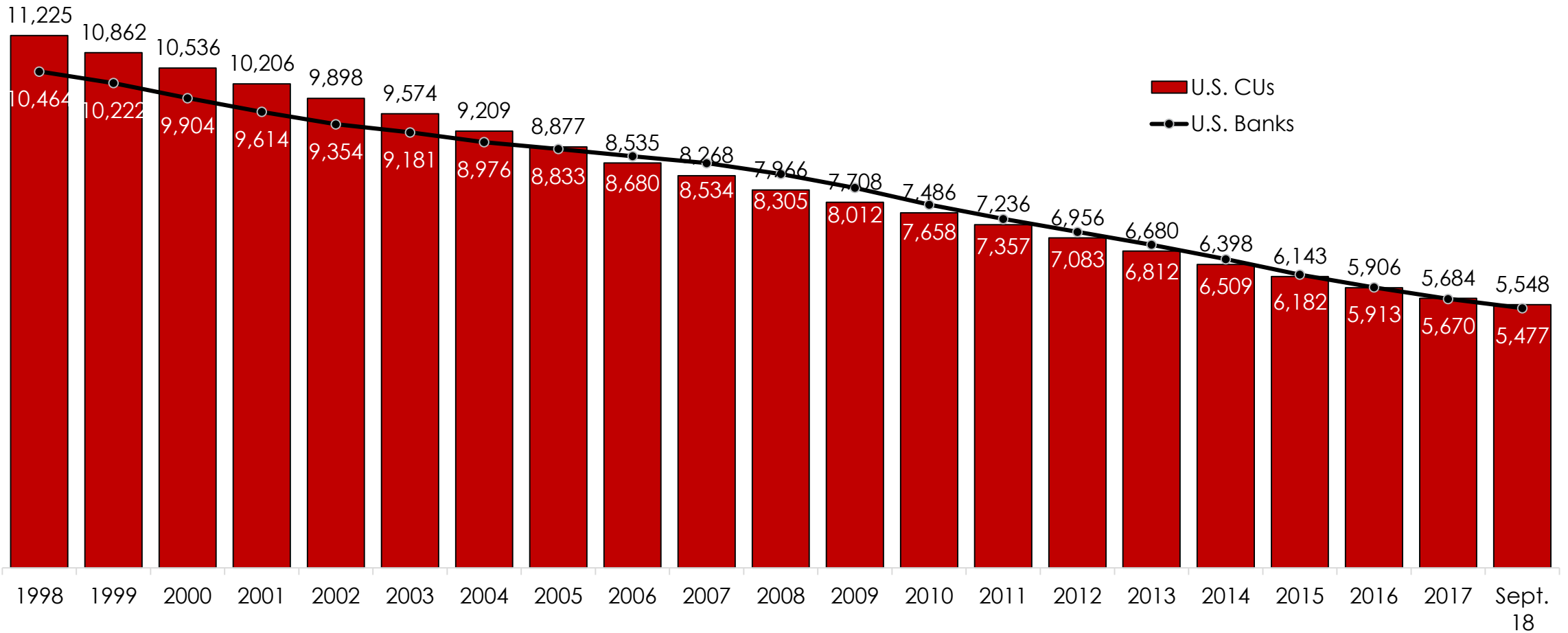
Credit Union Consolidation

(Source: NCUA and CUNA)

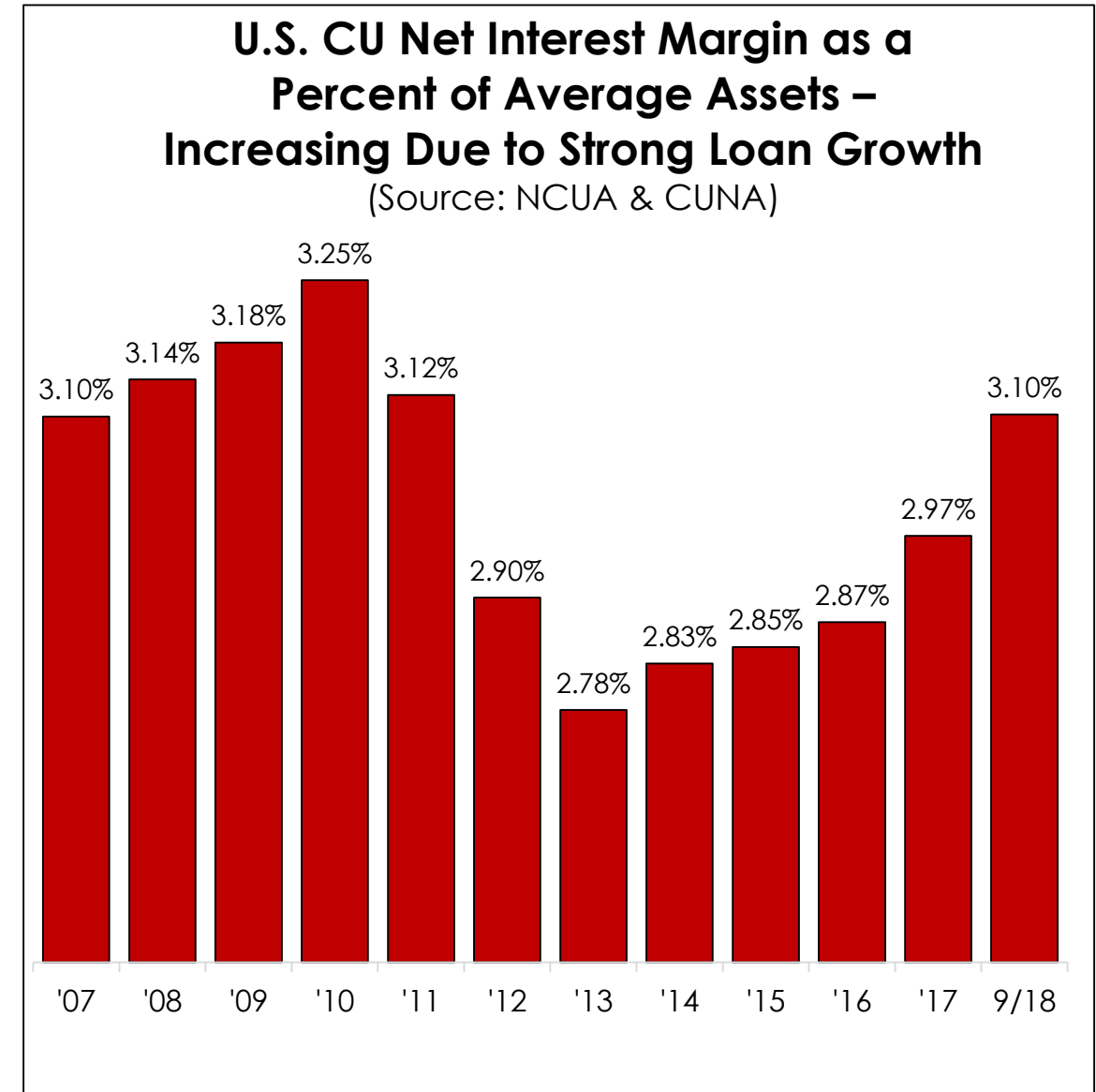
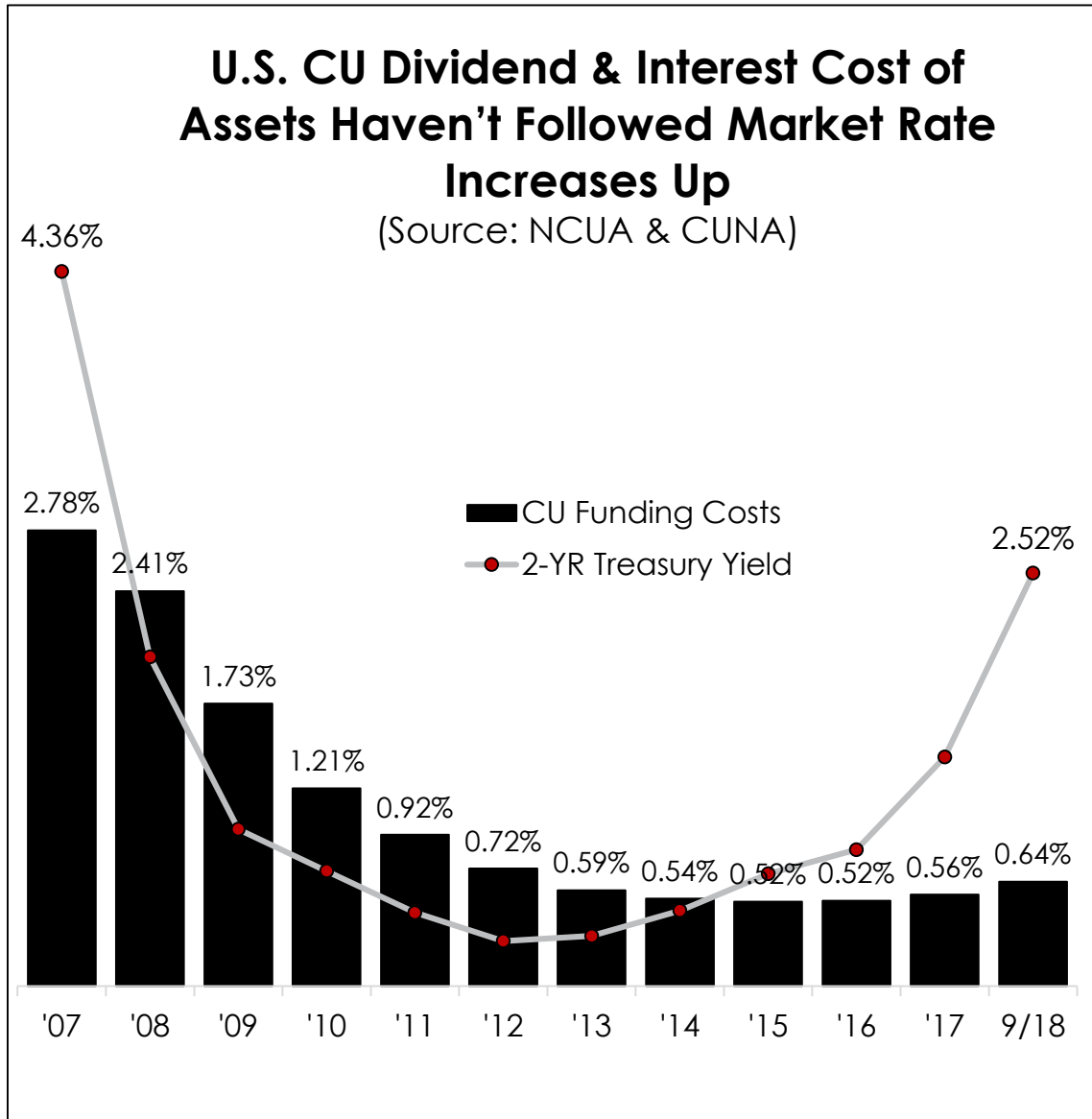


Credit Union and Bank Consolidation

(Source: NCUA and CUNA)



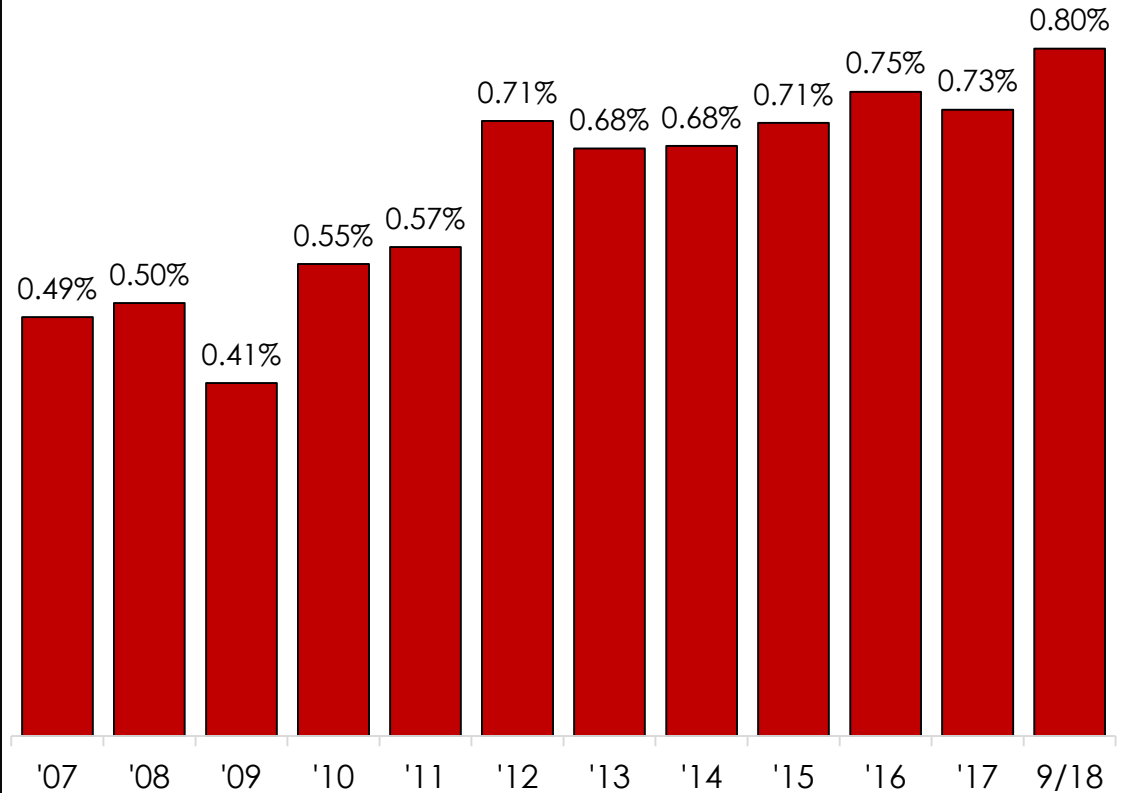
Liquidity pressures may cause CUs to increase deposit rates...putting the squeeze on interest margins



Higher interest rates & recent press clippings may put the squeeze on non-interest margins

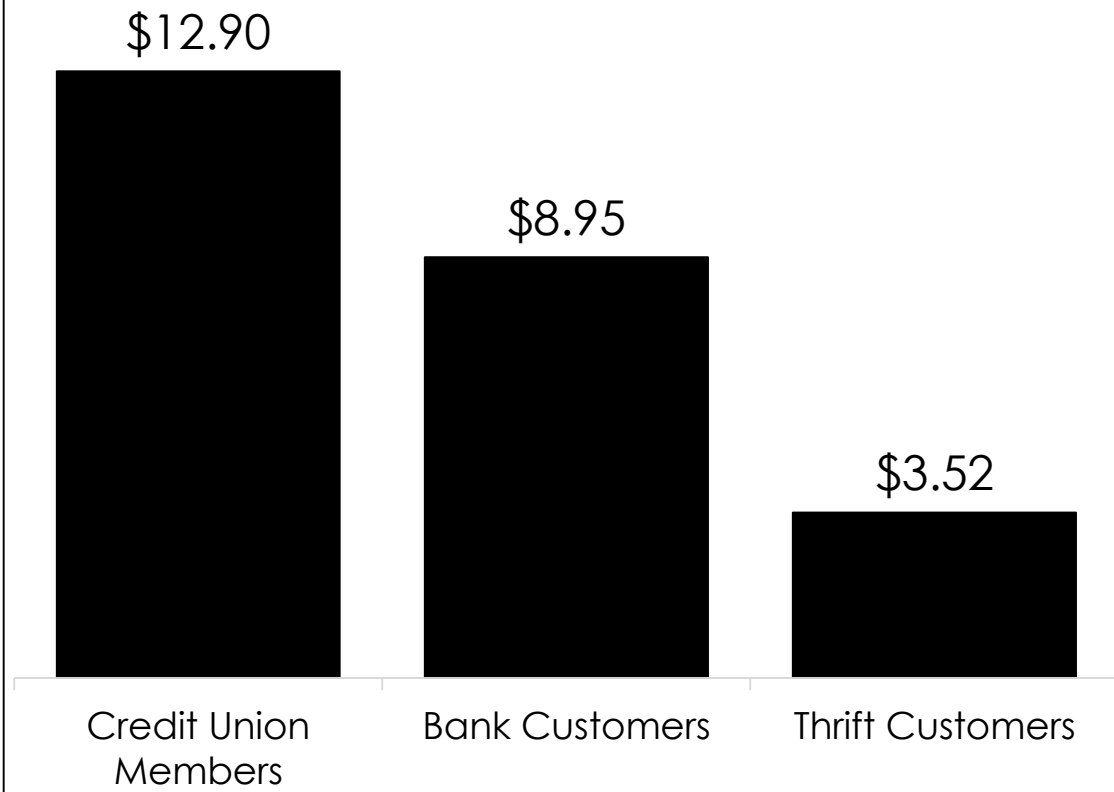
Mortgage sales have helped to boost U.S. CU "Other Non-Interest Income"

(Percent of Avg. Assets. Source: NCUA & CUNA)



Average Monthly Service Charge Payments on Checking Accounts

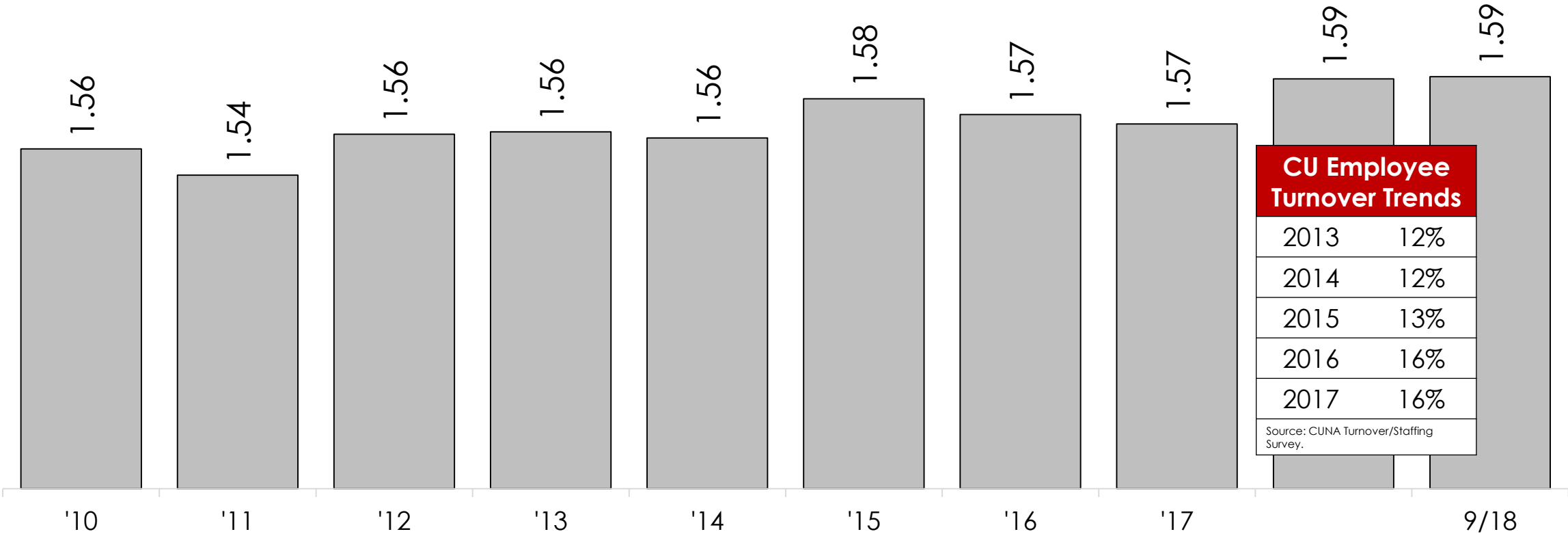
(Charges include account maintenance fees, minimum balance fees, overdrafts, ATM charges and other regular service fees. Source: Moebs Financial)



U.S. CU Salary and Benefit Expense as a % of Average Assets

(Source: NCUA and CUNA)

Salary & benefit expenses generally equal about half of all credit union operating expenses!



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