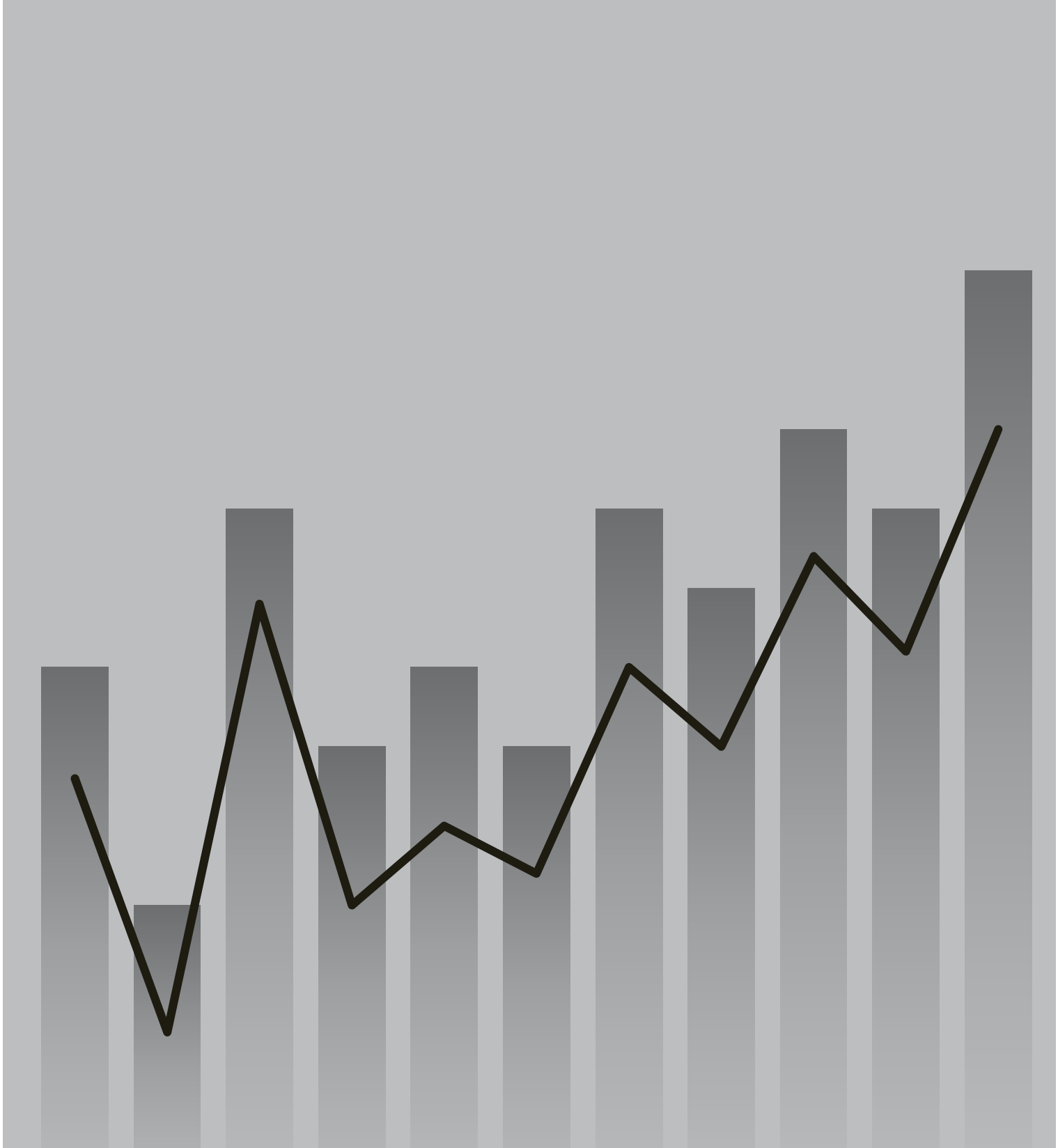


U.S. Credit Union Profile

First Quarter 2019

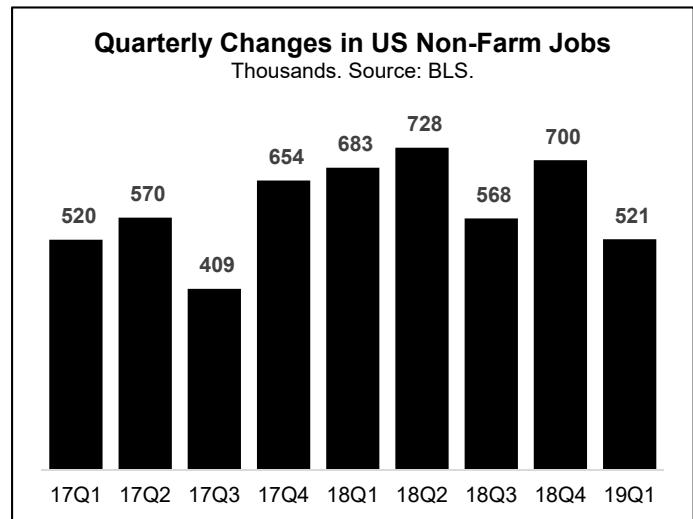


The U.S. Economy Bounces Back from Government Shutdown

The U.S. economy surprised on the upside, growing at a 3.1% annualized pace in the first quarter of 2019 – despite the government shutdown and associated financial market volatility. First-quarter increases in state and local government spending, along with accelerations in private inventory investment and in exports combined to deliver the surprisingly solid results.

The labor market remained close to full employment with the unemployment rate starting the year at 3.9% and finishing the first quarter at 3.8%. Overall, the economy added a healthy total of 521,000 jobs over the three-month period.

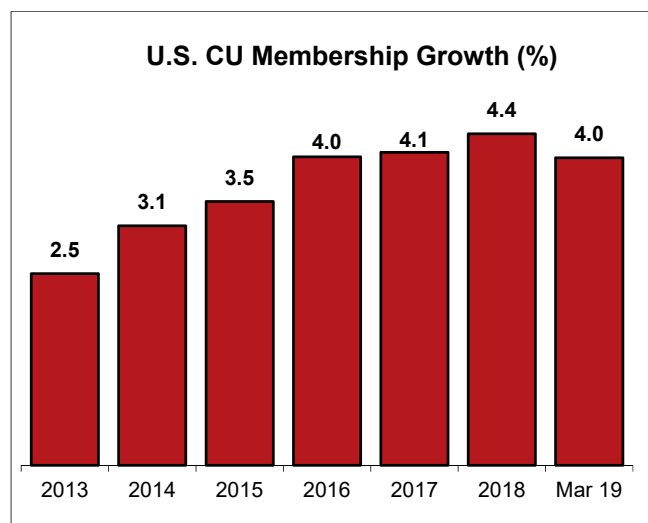
Inflation remained below the Federal Reserve’s 2.0% target rate throughout the quarter, so policy-makers paused, holding the federal funds interest rate steady throughout the period.



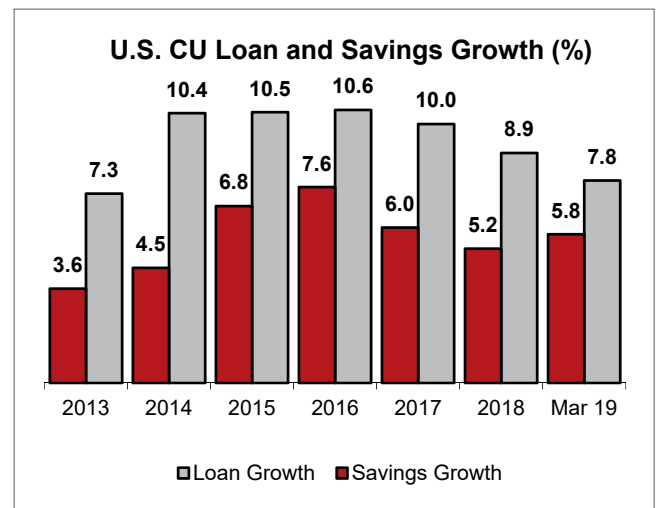
Solid Credit Union Results

The strong economy was reflected in U.S. credit union operating results during the first quarter, with solid growth in memberships, continued strong asset quality and healthy earnings. Normal first-quarter seasonal patterns were evident in strong savings growth and relatively weak loan growth.

U.S. credit unions reported a 1.1% increase in total memberships in the first quarter of 2019. The first-quarter gain outpaced the 0.9% increase in the fourth-quarter of 2018 but was a bit slower than the 1.4% gain in the year-ago period. Overall, memberships in U.S. credit unions increased by 4.0% in the year ending March 2019 – a bit of a deceleration compared to full-year 2018 results. U.S. credit unions now report a total of 118.7 million memberships.



As is typically the case, credit union savings balances grew relatively fast in the first quarter with tax refunds flowing in to various savings accounts. Of course, for many credit union members, refunds were higher in 2019 due to 2017 tax reforms which lowered tax rates for many. The 4.5%, three-month increase in credit union savings balances was over four times higher than the fourth-quarter 2018 increase and higher than the 3.9% increase during the first quarter of 2018. On a year-over-year basis, credit union total savings balances were up 5.8%.



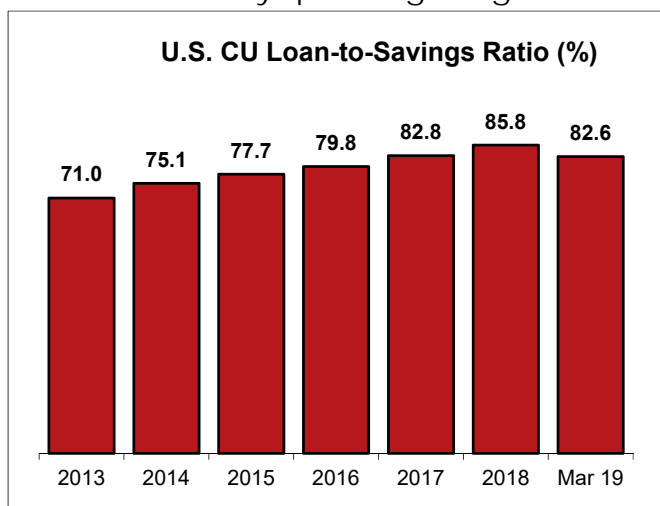
Credit union regular share balances increased by 7.8% during the quarter and share certificate balances increased by 7.0% in the period. Each of those results is an unannualized rate of growth.

U.S. credit union loan portfolios grew by only 0.6% in the first quarter of 2019—below both the 1.9% fourth quarter gain and the 1.6% year-ago quarterly increase. Overall, 12-month loan growth came in at 7.8%, approximately one full percentage point lower than full-year 2018 growth and well below the 10.0% pace of loan growth in 2017.

Commercial loan portfolios reflected the most significant gains, increasing 3.5% in the first quarter. First mortgages were up 1.1% in the quarter and used autos increased 1.0%.

As is normally the case in the first quarter, both credit cards and unsecured personal loan balances declined as members paid down their holiday spending obligations.

With fast savings growth and relatively slow loan growth the aggregate credit union loan-to-savings ratio declined modestly – from 85.8% at year-end 2018 to 82.6% at the end of March 2019.

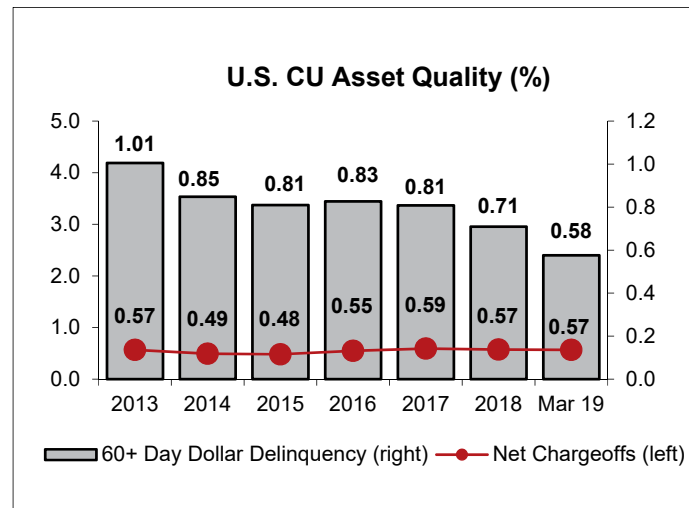


Asset quality held fairly steady near cyclical highs in the first quarter. The aggregate credit union delinquency rate declined from 0.71% at the start of the year to 0.58% at the end of the first quarter. Annualized first quarter loan net

chargeoff rates were unchanged at 0.57% compared to full-year 2018 results. Expectations for continued strong labor market performance signal the possibility of continued healthy asset quality.

U.S. credit union annualized earnings results increased fairly dramatically in the first quarter as operating expenses declined by ten basis points and loss provisions declined by six basis points.

Net interest margins held steady as both asset yields and funding costs were little-changed. Noninterest income also held steady. Credit union annualized ROA (net income as a percentage of average assets) registered 0.95% in the first quarter – up from 0.78% in the fourth quarter of 2018. While the quarter-to-quarter differences were dramatic, the first-quarter annualized earnings rate was only four basis points higher than full-year 2018 results (which included an approximate five basis point insurance fund equity distribution earlier in the year).



US CU Earnings (Basis Points)	2019 Q1	2018 Q4
Yield on total assets	394	396
-Dividend/interest cost of assets	82	82
+Fee & other income	138	137
-Operating expense	313	323
-Loss Provisions	43	49
= Net Income (ROA)	95	78

Despite strong earnings results, strong savings (and hence asset) growth pushed the U.S. credit union capital ratio modestly lower in the first quarter. The net worth to asset ratio started the year at 11.3% and finished the first quarter at 11.1%. Nevertheless, the recent reading remains near an all-time high.

Overall, 98% of all U.S. credit unions are “well capitalized” with net worth ratios above the required 7.0% regulatory threshold level.

A More Challenging Economic Outlook

The U.S. economy should grow at a healthy but slower rate over the next several years. Still, CUNA’s baseline forecast calls for no recession over the next eighteen months - which means the longest economic recovery in modern U.S. history should continue.

Personal Consumption Expenditures account for 70% of US economic activity and consumer finances are in great shape overall.

But demographic trends (substantial numbers of retiring baby boomers with lower spending/borrowing) combined with relatively low productivity growth virtually guarantee that overall economic growth will be constrained going forward. Near-term downside risks to the economy are modest but growing –reflected in increasing financial market volatility. However, barring big exogenous shocks (i.e., all-out trade war, large-scale military conflict) any contraction in economic activity should be very brief and mild from a broad historical perspective.

Expect the labor market to remain near full employment for the foreseeable future. Workers have a high number of job opportunities with the number of job openings greatly exceeding the number of people looking for work. This is a historically unprecedented situation – and one that is unlikely to change dramatically over a short period of time.

Inflation pressures should remain tame over the forecast horizon. Wages are rising only modestly, and energy prices are remarkably low & increasing slowly – unusual for a mature recovery – but consistent with international weakness.

With a continued healthy employment situation and low (and controlled) inflation we see no big changes in Federal Reserve monetary policy over our forecast horizon.

CUNA Economic Forecast

June 2019

	2018 Actual	2019 Forecast	2020 Forecast
US Economic (GDP) Growth*	2.90%	2.10%	1.80%
Headline Inflation (CPI)*	2.44%	1.80%	2.00%
Unemployment Rate	3.90%	3.70%	3.90%
Fed Funds Rate	1.83%	2.25%	2.25%
10-Year Treasury	2.91%	2.75%	2.75%
10 Yr. Treasury/Fed Funds Spread	1.08%	0.50%	0.50%

* Percent change annual rate. All other values are end of period.

Consumers in Good Shape Overall

Continued labor market health means that wages are likely to continue to increase a bit faster than inflation going forward.

Equity market performance has been unsteady but stock markets recently hit an all-time high. Roughly 55% of households have an ownership interest in stocks.

Home prices are increasing at healthy rates – helping to boost home equity close to pre-crisis highs. Roughly two-thirds of households have an ownership interest in the housing market.

Debt levels as a percent of take-home pay are declining and debt service burdens (i.e., monthly required payments) as a percent of take-home pay are near all-time lows. This suggests that the consumer sector is likely to stay engaged – buying and borrowing – for the foreseeable future. Continued low market interest rates should help to boost this activity.

With substantial increases in asset values and declining liability exposures, household net worth is near an all-time high. Wealthy consumers are more likely to be purchasing goods and services and higher levels of household net worth are generally associated with higher borrowing.

Consumer confidence has been buoyed by these developments – further suggesting continued spending and healthy demand for durable goods (big-ticket items like cars and houses).

Still, Federal Reserve data continues to show large numbers of households living paycheck-to-paycheck.

Generally Favorable Credit Union Results

Fast (but slowing) membership growth should remain well above 0.8% U.S. population growth. Credit unions continue to deliver substantial financial benefits in the marketplace – and consumers clearly value that.

Loans should grow at healthy (but slowing) rates in the coming months as solid wage growth, and low debt levels combine with high consumer confidence to buoy results. Auto tariffs could be especially problematic – but our baseline forecast reflects the expectation that the most damaging policy proposals will be avoided.

Expect continued tight credit union liquidity (reflected in high loan-to-share ratios), but lower exposures to interest rate risk and very high asset quality. Asset quality (both delinquency and net charge-off rates) are highly correlated with the U.S. unemployment rate.

Healthy and fairly stable earnings should be evident across the forecast horizon as asset yields should remain above funding costs. Note, however, many credit unions will be paying more for deposits to help reduce liquidity risks – a focus of supervisory teams in the current environment.

Capital positions are nearing their pre-recession peak – and the combination of healthy earnings and relatively slow savings and asset growth will help to push the ratio higher.

Concerns over the forecast horizon include significant variation in results by size and a continuation of substantial credit union consolidation.

CUNA Credit Union Forecast			
June 2019			
	2018 Actual	2019 Forecast	2020 Forecast
Membership growth	4.40%	3.20%	3.00%
Savings growth	5.20%	6.00%	6.50%
Asset growth	5.40%	6.20%	6.70%
Loan growth	8.90%	7.50%	7.00%
Loan-to-share ratio*	85.8%	87.0%	87.4%
Delinquency rate*	0.71%	0.80%	0.85%
Net chargeoff rate	0.57%	0.60%	0.65%
Return on average assets (ROA)	0.91%	0.87%	0.80%
Net worth-to-asset ratio	11.3%	11.4%	11.5%

* End of period ratio.

Overview: National Trends

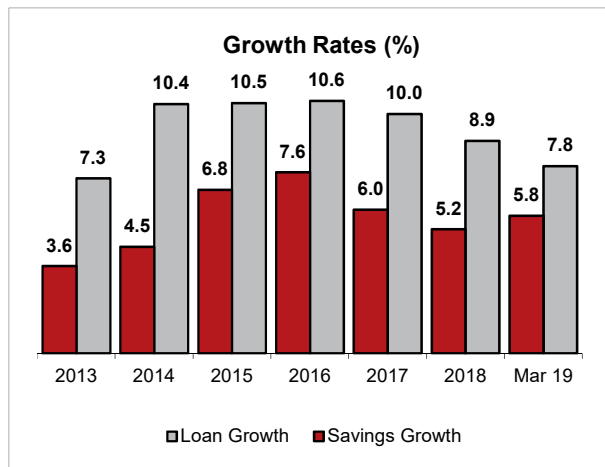
	U.S.	U.S. Credit Unions					
	Mar 19	2018	2017	2016	2015	2014	2013
Demographic Information							
Number of CUs	5,448	5,489	5,684	5,906	6,143	6,398	6,680
Assets per CU (\$ mil)	279.7	268.0	245.5	221.7	198.5	177.6	161.0
Median assets (\$ mil)	34.9	33.4	31.2	29.1	26.8	24.5	22.7
Total assets (\$ bil)	1,524	1,471	1,395	1,309	1,219	1,136	1,075
Total loans (\$ bil)	1,064	1,059	972	884	799	723	655
Total surplus funds (\$ bil)	395		366	372	372	366	378
Total savings (\$ bil)	1,288	1,235	1,174	1,107	1,029	963	922
Total memberships (thousands)	118,654	117,549	112,649	108,203	103,992	100,512	97,449
Growth Rates (%)							
Total assets	6.3	5.4	6.6	7.4	7.3	5.7	3.9
Total loans	7.8	8.9	10.0	10.6	10.5	10.4	7.3
Total surplus funds	1.4	-4.1	-1.7	0.0	1.6	-3.1	-2.1
Total savings	5.8	5.2	6.0	7.6	6.8	4.5	3.6
Total memberships	4.0	4.4	4.1	4.0	3.5	3.1	2.5
% CUs with increasing assets	63.4	63.4	70.0	73.8	73.9	65.6	63.7
Earnings - Basis Pts.							
Yield on total assets	394	380	353	340	336	336	336
Dividend/interest cost of assets	82	68	56	52	52	54	59
Net interest margin	312	311	297	287	285	283	278
Fee & other income	138	139	135	139	136	134	140
Operating expense	313	313	307	310	311	310	320
Loss Provisions	43	46	47	40	34	28	26
Net Income (ROA) with Stab Exp	95	91	77	76	75	80	72
Net Income (ROA) without Stab Exp	95	91	77	76	75	80	77
% CUs with positive ROA	86.2	88.2	82.4	80.6	79.2	77.7	73.3
Capital Adequacy (%)							
Net worth/assets	11.1	11.3	11.0	10.9	10.9	11.0	10.8
% CUs with NW > 7% of assets	98.1	98.5	97.7	97.6	97.6	97.7	97.1
Asset Quality							
Delinquencies (60+ day \$)/loans (%)	0.58	0.71	0.81	0.83	0.81	0.85	1.01
Net chargeoffs/average loans (%)	0.57	0.57	0.59	0.55	0.48	0.49	0.57
Total borrower-bankruptcies	222,268	173,214	171,336	160,694	166,474	169,396	185,432
Bankruptcies per CU	40.8	31.6	30.1	27.2	27.1	26.5	27.8
Bankruptcies per 1000 members	1.9	1.5	1.5	1.5	1.6	1.7	1.9
Asset/Liability Management							
Loans/savings	82.6	85.8	82.8	79.8	77.7	75.1	71.0
Loans/assets	69.8	72.0	69.7	67.5	65.6	63.7	60.9
Net Long-term assets/assets	33.2	34.0	33.9	33.0	32.8	33.7	36.0
Liquid assets/assets	13.7	11.4	12.5	13.5	13.5	13.7	14.9
Core deposits/shares & borrowings	50.5	50.0	50.1	49.4	48.7	46.9	45.2
Productivity							
Members/potential members (%)	3	3	4	4	5	5	5
Borrowers/members (%)	58	59	58	57	56	54	52
Members/FTE	387	386	385	385	384	385	384
Average shares/member (\$)	10,858	10,504	10,419	10,232	9,896	9,582	9,462
Average loan balance (\$)	15,461	15,347	14,883	14,275	13,770	13,261	12,870
Employees per million in assets	0.20	0.21	0.21	0.21	0.22	0.23	0.24
Structure (%)							
Fed CUs w/ single-sponsor	11.7	11.7	11.9	12.1	12.4	12.5	12.9
Fed CUs w/ community charter	16.7	18.0	18.0	17.7	17.5	17.4	16.9
Other Fed CUs	33.0	31.8	31.7	31.3	31.4	31.5	31.6
CUs state chartered	38.5	38.5	38.5	38.9	38.8	38.7	38.6

Earnings, net chargeoffs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months. US Totals include only credit unions that are released on the NCUA 5300 Call Report file.

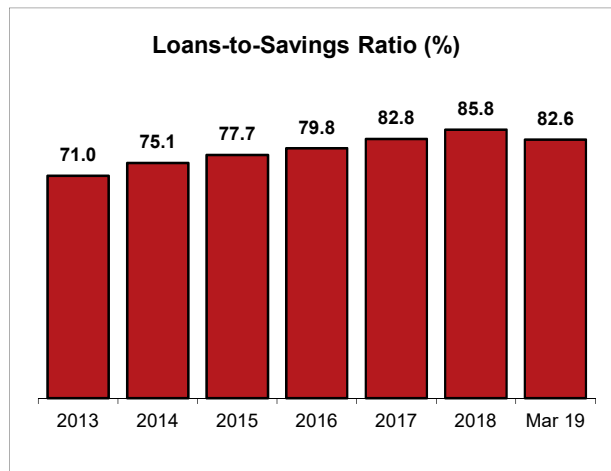
U.S. Credit Union Profile

First Quarter 2019

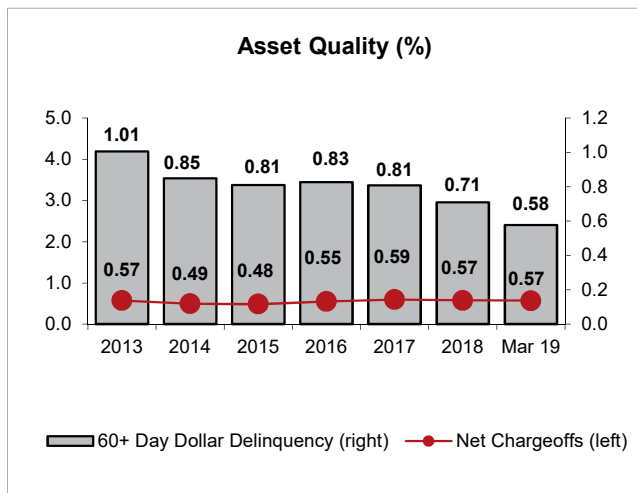
Loan and Savings Growth Trends



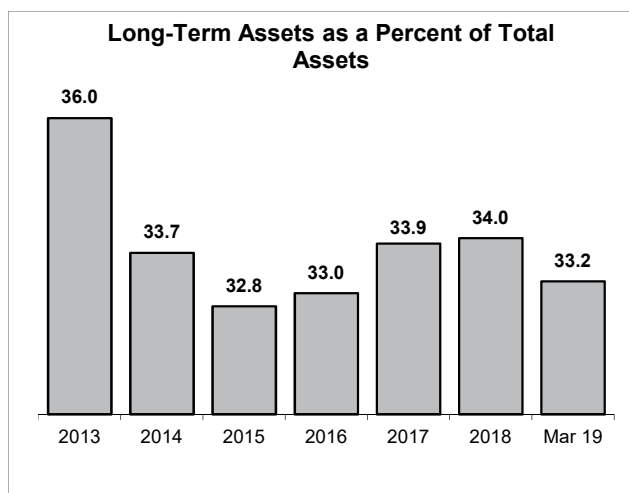
Liquidity Trends



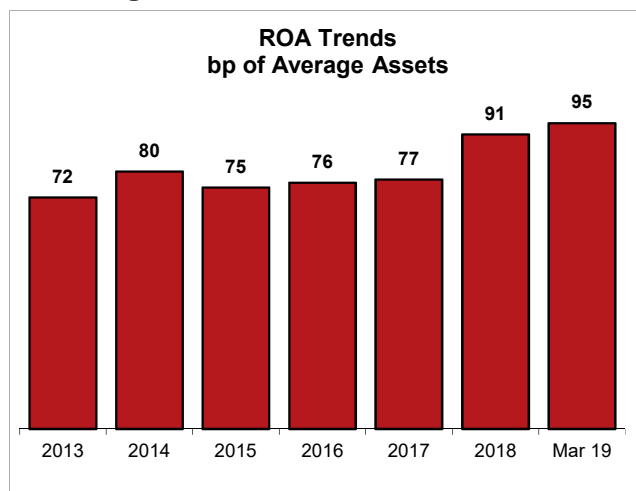
Credit Risk Trends



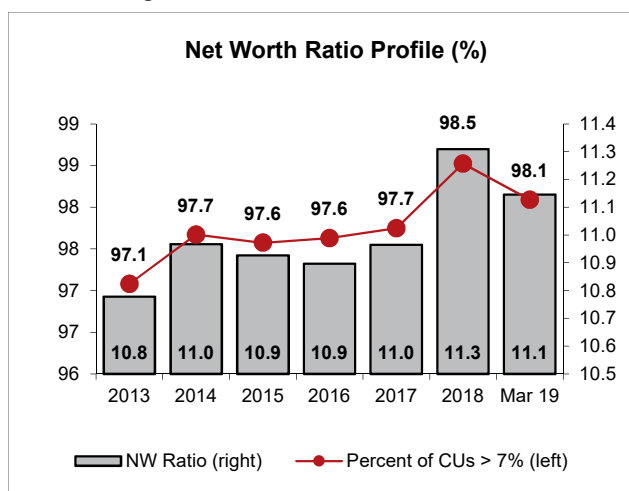
Interest Rate Risk Trends



Earnings Trends



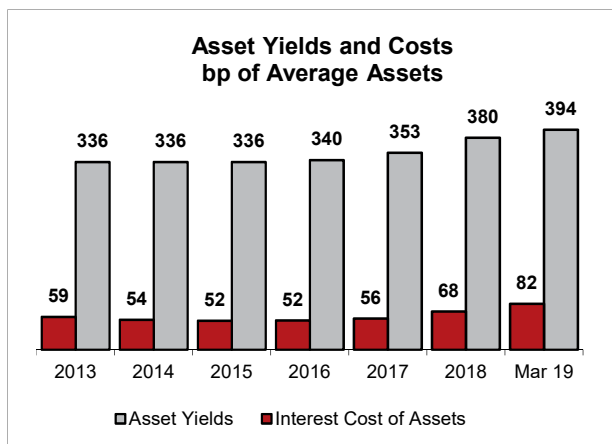
Solvency Trends



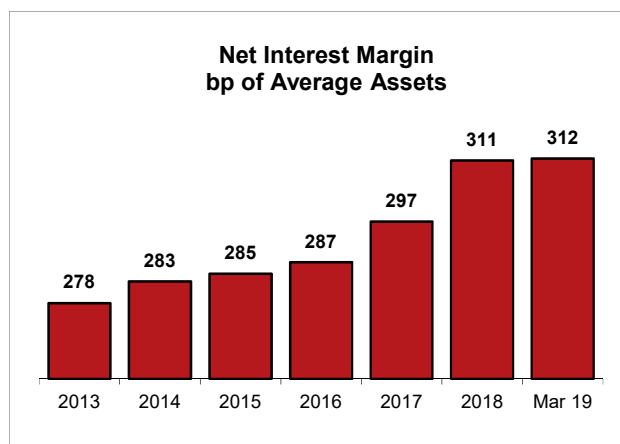
U.S. Credit Union Profile

First Quarter 2019

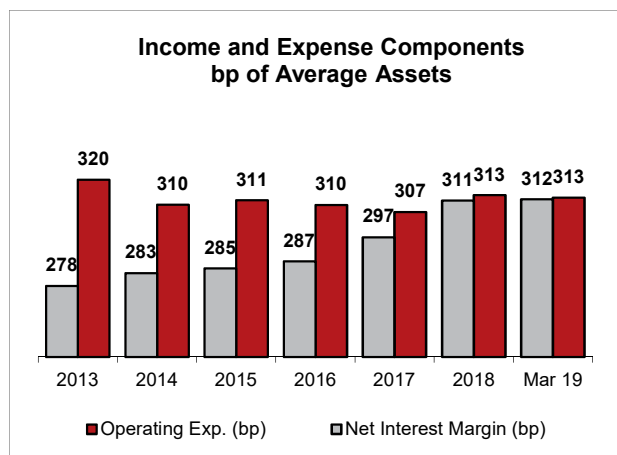
Asset Yields and Funding Costs



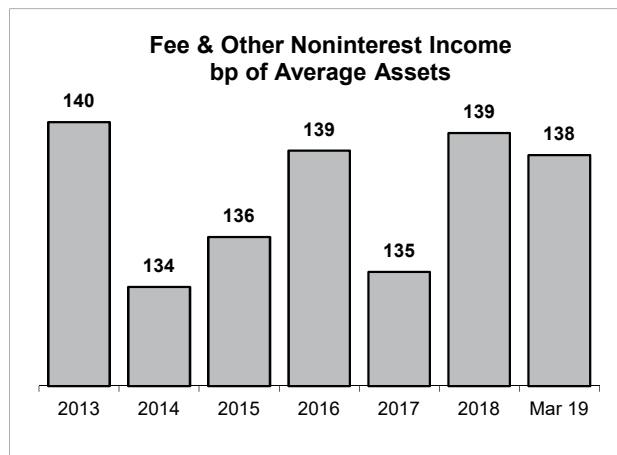
Interest Margins



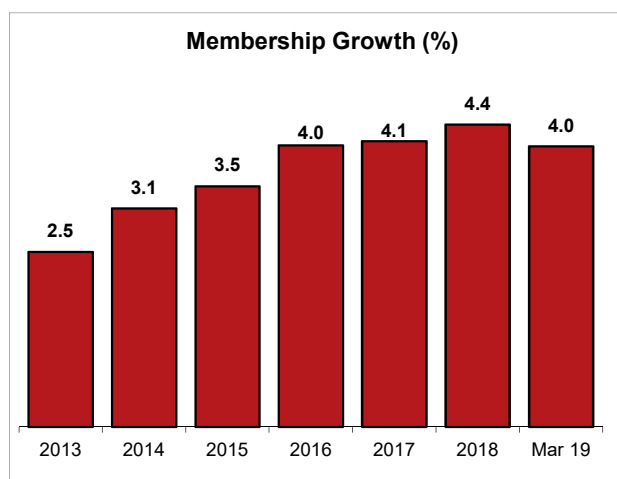
Interest Margins & Overhead



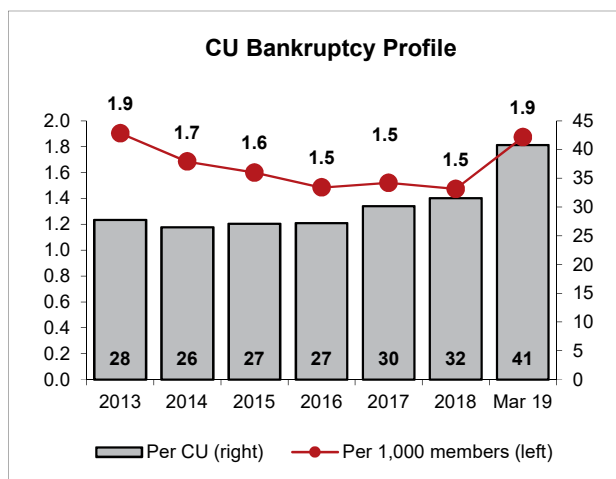
Noninterest Income



Membership Growth Trends



Borrower Bankruptcies



Overview: National Results by Asset Size

	U.S.	All U.S. Credit Unions Asset Groups - 2019						
Demographic Information	Mar 19	< \$20Mil	\$20-\$50	\$50-\$100	\$100-\$250	\$250-\$500	\$500-\$1B	> \$1 Bil
Number of CUs	5,448	2,088	1,026	702	705	348	261	318
Assets per CU (\$ mil)	279.7	7.5	32.5	71.9	158.7	351.4	704.1	3,164.3
Median assets (\$ mil)	34.9	6.4	31.4	71.0	150.5	341.2	679.3	1,761.8
Total assets (\$ bil)	1,524	16	33	51	112	122	184	1,006
Total loans (\$ bil)	1,064	8	18	29	72	84	130	724
Total surplus funds (\$ bil)	395	7	14	19	34	32	45	243
Total savings (\$ bil)	1,288	134	29	44	98	106	157	842
Total memberships (thousands)	118,654	2,441	3,791	5,289	10,585	10,872	14,895	70,782
Growth Rates (%)								
Total assets	6.3	-0.2	1.0	2.2	3.6	5.0	6.0	8.2
Total loans	7.8	5.2	5.3	5.7	7.1	7.6	8.6	8.8
Total surplus funds	1.4	-5.4	-4.0	-2.9	-3.7	-1.9	-1.4	5.1
Total savings	5.8	-0.8	0.4	1.6	2.9	4.2	5.2	7.8
Total memberships	4.0	-1.0	-0.2	0.2	1.8	2.3	3.4	6.5
<i>% CUs with increasing assets</i>	63.4	46.0	58.0	69.5	79.9	87.6	90.8	96.9
Earnings - Basis Pts.								
Yield on total assets	394	390	376	377	387	393	393	396
Dividend/interest cost of assets	82	40	40	45	55	62	67	94
Net interest margin	312	350	336	332	333	332	326	302
Fee & other income	138	80	108	122	138	145	147	139
Operating expense	313	367	366	371	377	371	357	284
Loss Provisions	43	26	22	26	29	34	34	49
Net Income (ROA) with Stab Exp	95	37	56	57	64	72	82	108
Net Income (ROA) without Stab Exp	95	37	56	57	64	72	82	108
<i>% CUs with positive ROA</i>	86.2	75.1	88.5	91.7	94.5	97.7	97.7	99.4
Capital Adequacy (%)								
Net worth/assets	11.1	14.6	12.6	11.8	11.3	11.1	11.1	11.0
<i>% CUs with NW > 7% of assets</i>	98.1	97.1	97.9	98.4	98.9	99.1	100.0	100.0
Asset Quality								
Delinquencies (60+ day \$)/loans (%)	0.58	1.29	0.86	0.76	0.64	0.60	0.56	0.55
Net chargeoffs/average loans (%)	0.57	0.56	0.47	0.46	0.50	0.50	0.49	0.60
Total borrower-bankruptcies	222,268	5,156	7,148	9,248	20,580	21,812	38,648	119,676
Bankruptcies per CU	40.8	2.5	7.0	13.2	29.2	62.7	148.1	376.3
Bankruptcies per 1000 members	1.9	2.1	1.9	1.7	1.9	2.0	2.6	1.7
Asset/Liability Management (%)								
Loans/savings	82.6	59.2	61.2	65.4	73.9	79.1	82.8	86.0
Loans/assets	69.8	50.3	53.1	57.0	64.5	68.4	70.5	71.9
Net Long-term assets/assets	33.2	11.9	20.2	24.2	28.4	31.6	35.1	34.8
Liquid assets/assets	13.7	28.5	23.5	20.7	16.7	14.3	13.1	12.5
Core deposits/shares & borrowings	50.5	79.9	71.5	66.6	60.9	57.4	54.4	45.7
Productivity								
Members/potential members (%)	3	5	3	3	3	3	3	3
Borrowers/members (%)	58	42	54	53	55	55	56	60
Members/FTE	387	395	399	371	340	342	344	414
Average shares/member (\$)	10,858	5,481	7,647	8,331	9,222	9,728	10,514	11,895
Average loan balance (\$)	15,461	7,661	8,714	10,305	12,399	14,097	15,416	16,922
Employees per million in assets	0.20	0.39	0.28	0.28	0.28	0.26	0.24	0.17
Structure (%)								
Fed CUs w/ single-sponsor	11.7	23.6	7.9	3.6	2.4	2.0	3.1	2.2
Fed CUs w/ community charter	16.7	8.6	20.9	23.4	28.4	23.0	15.3	10.7
Other Fed CUs	33.0	36.6	34.7	32.8	27.5	25.0	24.5	32.1
CUs state chartered	38.5	31.1	36.5	40.3	41.7	50.0	57.1	55.0

Earnings, net chargeoffs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months. US Totals include only credit unions that are released on the NCUA 5300 Call Report file.

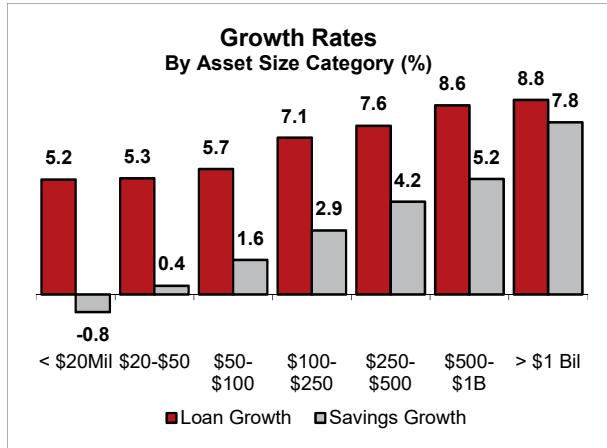
Source: NCUA and CUNA E&S.

U.S. Credit Union Profile

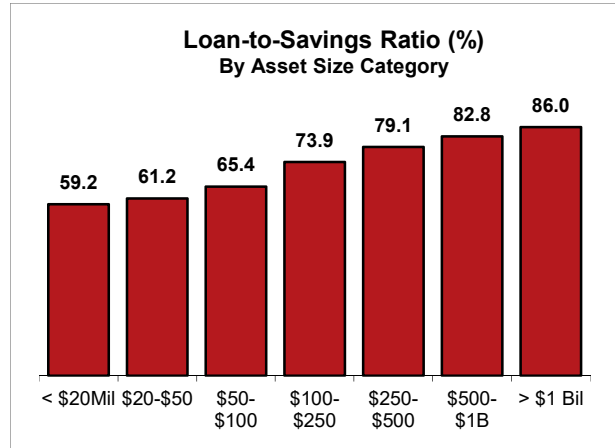
First Quarter 2019

Results By Asset Size

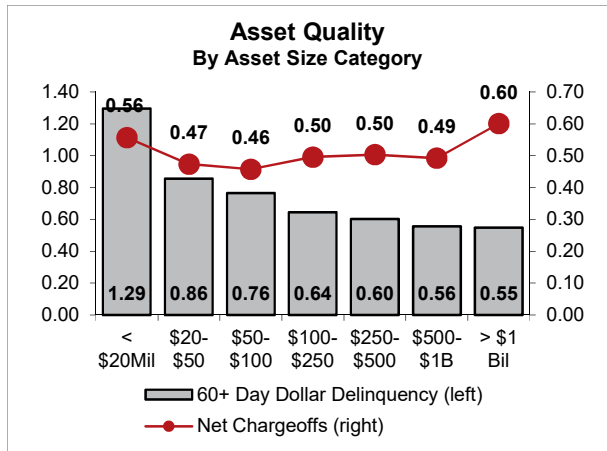
Loan and Savings growth



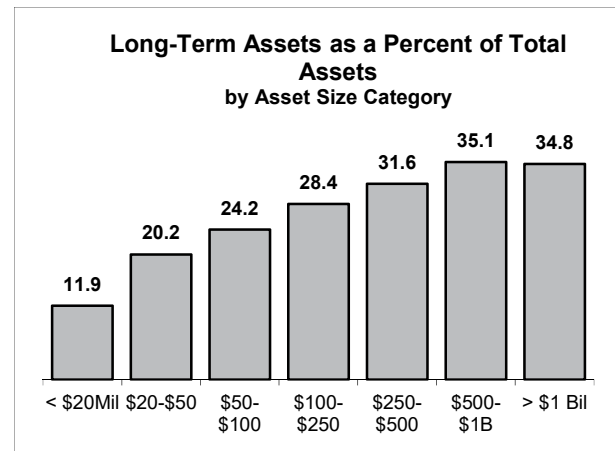
Liquidity Risk Exposure



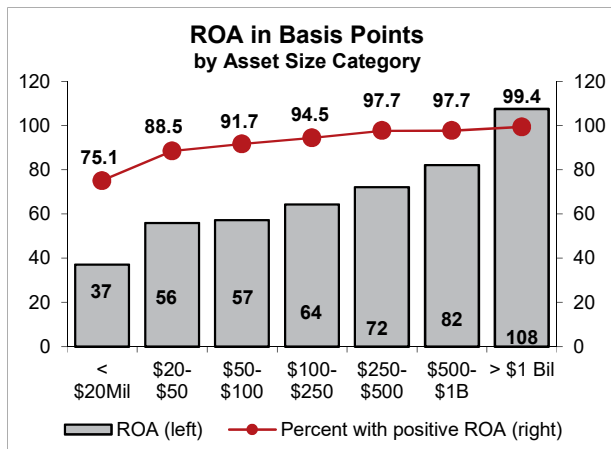
Credit Risk Exposure



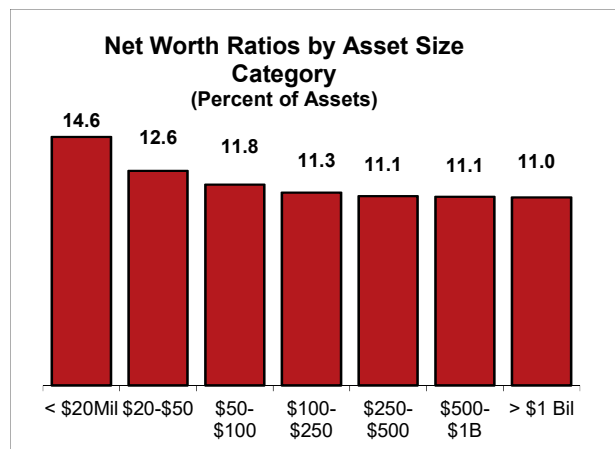
Interest Rate Risk Exposure



Earnings



Solvency



U.S. Credit Union Profile

First Quarter 2019

Portfolio: National Trends

	U.S.	U.S. Credit Unions					
	Mar 19	2018	2017	2016	2015	2014	2013
Growth Rates							
Credit cards	7.7%	7.5%	9.1%	7.9%	6.1%	7.9%	7.7%
Other unsecured loans	8.5%	6.9%	8.5%	7.3%	8.5%	10.0%	9.1%
New automobile	8.5%	11.7%	13.1%	16.8%	16.0%	20.9%	12.7%
Used automobile	7.3%	9.1%	10.2%	12.4%	12.7%	12.9%	10.5%
First mortgage	7.9%	9.2%	10.1%	9.8%	10.3%	9.1%	8.7%
HEL & 2nd Mtg	8.1%	7.0%	7.0%	3.5%	3.5%	1.3%	-4.0%
Commercial loans*	11.7%	12.0%	-5.0%	14.4%	12.4%	12.4%	10.0%
Share drafts	4.8%	12.7%	9.5%	2.5%	14.5%	10.3%	6.6%
Certificates	18.0%	12.2%	6.2%	5.0%	0.4%	-1.3%	-3.2%
IRAs	1.6%	-0.1%	-0.6%	1.9%	-0.3%	-2.0%	-0.8%
Money market shares	0.2%	0.9%	4.0%	7.5%	5.7%	3.1%	4.5%
Regular shares	4.0%	2.0%	7.0%	11.8%	9.6%	8.0%	8.1%
Portfolio \$ Distribution							
Credit cards/total loans	5.8%	5.9%	6.0%	6.0%	6.2%	6.4%	6.6%
Other unsecured loans/total loans	4.1%	4.1%	4.2%	4.3%	4.4%	4.5%	4.5%
New automobile/total loans	13.9%	14.1%	13.7%	13.3%	12.6%	12.0%	11.0%
Used automobile/total loans	21.0%	20.9%	20.8%	20.8%	20.5%	20.1%	19.6%
First mortgage/total loans	41.0%	40.8%	40.6%	40.6%	40.9%	41.0%	41.5%
HEL & 2nd Mtg/total loans	8.4%	8.4%	8.6%	8.8%	9.4%	10.1%	11.0%
Commercial loans/total loans	7.0%	6.9%	6.7%	7.8%	7.5%	7.4%	7.2%
Share drafts/total savings	14.9%	15.6%	14.6%	14.1%	14.8%	13.8%	13.1%
Certificates/total savings	19.9%	19.5%	18.3%	18.2%	18.7%	19.9%	21.0%
IRAs/total savings	6.2%	6.3%	6.7%	7.1%	7.5%	8.1%	8.6%
Money market shares/total savings	20.7%	21.4%	22.4%	22.8%	22.8%	23.0%	23.3%
Regular shares/total savings	36.4%	35.3%	36.4%	36.0%	34.7%	33.8%	32.7%
Percent of CUs Offering							
Credit cards	62.0%	61.9%	61.2%	60.1%	58.8%	57.6%	56.3%
Other unsecured loans	99.4%	99.4%	99.4%	98.6%	98.3%	98.2%	98.2%
New automobile	95.7%	95.7%	95.6%	95.5%	95.3%	95.1%	94.9%
Used automobile	97.0%	97.0%	96.9%	96.8%	96.5%	96.4%	96.2%
First mortgage	69.0%	69.0%	67.9%	66.9%	65.8%	64.9%	63.5%
HEL & 2nd Mtg	69.5%	69.8%	69.8%	69.8%	69.6%	69.4%	68.5%
Commercial loans	34.9%	34.6%	34.2%	37.8%	36.8%	35.8%	34.0%
Share drafts	80.4%	80.4%	79.8%	79.2%	78.6%	78.0%	77.1%
Certificates	81.8%	81.7%	80.9%	80.3%	79.6%	79.1%	78.6%
IRAs	68.7%	68.7%	68.3%	67.9%	67.1%	66.7%	66.2%
Money market shares	52.3%	52.2%	50.8%	49.8%	48.8%	48.0%	47.1%
Number of Loans as a Percent of Members in Offering CUs							
Credit cards	18.9%	18.9%	18.9%	18.9%	18.7%	18.4%	17.9%
Other unsecured loans	11.4%	12.0%	12.2%	12.4%	12.2%	12.1%	11.8%
New automobile	6.2%	6.2%	5.8%	5.5%	5.0%	4.6%	4.2%
Used automobile	15.0%	15.0%	14.6%	14.1%	13.5%	13.0%	12.5%
First mortgage	2.4%	2.5%	2.4%	2.4%	2.4%	2.3%	2.2%
HEL & 2nd Mtg	2.1%	2.1%	2.1%	2.1%	2.2%	2.2%	2.3%
Commercial loans	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%
Share drafts	57.4%	58.3%	56.8%	56.0%	55.7%	54.8%	53.4%
Certificates	8.2%	7.8%	7.7%	7.8%	8.1%	8.8%	9.4%
IRAs	4.1%	4.1%	4.3%	4.6%	4.8%	5.2%	5.4%
Money market shares	6.9%	6.9%	6.9%	7.1%	7.4%	7.6%	7.8%

Current period flow statistics are trailing four quarters.

*Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.

Portfolio Detail: National Results by Asset Size

	U.S.	All U.S. Credit Unions Asset Groups - 2019						
Growth Rates	Mar 19	< \$20 Mil	\$20-\$50	\$50-\$100	\$100-\$250	\$250-\$500	\$500-\$1Bil	> \$1Bil
Credit cards	7.7%	-1.7%	0.3%	0.7%	2.8%	2.5%	4.2%	9.4%
Other unsecured loans	8.5%	0.0%	0.4%	1.6%	3.1%	5.8%	9.1%	11.9%
New automobile	8.5%	12.3%	13.0%	12.0%	14.6%	11.9%	9.4%	7.6%
Used automobile	7.3%	6.4%	6.6%	7.1%	8.2%	7.7%	7.4%	7.8%
First mortgage	7.9%	2.5%	5.0%	4.0%	5.8%	7.1%	9.4%	8.7%
HEL & 2nd Mtg	8.1%	-2.4%	-0.1%	3.3%	4.3%	8.3%	8.8%	9.3%
Commercial loans*	11.7%	-0.2%	-2.1%	5.9%	11.7%	11.4%	12.3%	16.8%
Share drafts	4.8%	4.0%	5.5%	4.1%	4.9%	6.1%	5.3%	5.1%
Certificates	18.0%	-1.1%	0.5%	5.4%	8.9%	14.6%	17.4%	21.8%
IRAs	1.6%	-7.5%	-4.9%	-3.4%	-2.4%	-0.6%	0.4%	3.9%
Money market shares	0.2%	-4.6%	-5.2%	-4.5%	-3.6%	-3.1%	-0.1%	1.4%
Regular shares	4.0%	-1.1%	0.3%	1.5%	2.6%	2.3%	3.2%	6.0%
Portfolio \$ Distribution								
Credit cards/total loans	5.8%	2.6%	3.9%	3.9%	3.7%	4.1%	4.1%	6.6%
Other unsecured loans/total loans	4.1%	15.2%	8.3%	6.5%	4.9%	4.4%	4.3%	3.6%
New automobile/total loans	13.9%	21.7%	15.7%	14.0%	13.3%	13.3%	13.8%	13.9%
Used automobile/total loans	21.0%	35.7%	30.8%	28.9%	27.5%	25.6%	23.2%	18.6%
First mortgage/total loans	41.0%	10.6%	24.6%	29.1%	33.3%	35.6%	39.4%	43.8%
HEL & 2nd Mtg/total loans	8.4%	5.4%	9.1%	9.6%	9.1%	10.2%	9.0%	8.0%
Commercial loans/total loans	7.0%	0.7%	1.7%	3.9%	5.6%	7.0%	8.7%	7.2%
Share drafts/total savings	14.9%	10.3%	16.2%	18.3%	19.3%	20.0%	20.1%	12.7%
Certificates/total savings	19.9%	11.0%	12.4%	13.9%	16.2%	18.0%	18.6%	21.6%
IRAs/total savings	6.2%	3.0%	5.2%	5.8%	6.0%	5.6%	5.7%	6.4%
Money market shares/total savings	20.7%	3.8%	8.8%	11.6%	14.6%	16.3%	18.8%	23.5%
Regular shares/total savings	36.4%	69.7%	55.3%	48.5%	41.8%	37.9%	35.2%	34.0%
Percent of CUs Offering								
Credit cards	62.0%	25.3%	75.0%	84.8%	88.2%	91.4%	94.3%	94.3%
Other unsecured loans	99.4%	98.6%	99.9%	99.7%	100.0%	100.0%	100.0%	100.0%
New automobile	95.7%	89.0%	99.8%	99.7%	100.0%	100.0%	99.6%	100.0%
Used automobile	97.0%	92.2%	99.8%	99.9%	100.0%	100.0%	100.0%	99.7%
First mortgage	69.0%	28.9%	83.8%	95.4%	99.1%	100.0%	100.0%	99.7%
HEL & 2nd Mtg	69.5%	31.9%	82.4%	93.6%	98.3%	98.9%	100.0%	100.0%
Commercial loans	34.9%	5.6%	23.2%	41.9%	67.4%	78.2%	85.1%	89.6%
Share drafts	80.4%	51.1%	96.8%	99.0%	99.4%	100.0%	100.0%	99.1%
Certificates	81.8%	57.8%	93.4%	96.7%	98.7%	99.4%	99.2%	98.7%
IRAs	68.7%	31.4%	82.1%	91.2%	97.6%	98.6%	99.6%	99.4%
Money market shares	52.3%	13.6%	54.2%	74.8%	88.1%	91.7%	93.1%	95.3%
Number of Loans as a Percent of Members in Offering CUs								
Credit cards	18.9%	13.3%	13.5%	13.9%	14.7%	15.5%	16.5%	21.1%
Other unsecured loans	11.4%	17.2%	13.7%	12.2%	11.1%	11.3%	11.3%	11.2%
New automobile	6.2%	4.3%	6.2%	5.1%	5.0%	5.0%	5.9%	6.8%
Used automobile	15.0%	12.1%	16.6%	15.7%	16.3%	15.5%	15.9%	14.5%
First mortgage	2.4%	1.3%	2.0%	2.4%	2.6%	2.6%	2.3%	2.5%
HEL & 2nd Mtg	2.1%	1.2%	1.5%	1.6%	1.9%	2.1%	2.1%	2.2%
Commercial loans	0.2%	0.7%	0.5%	0.4%	0.3%	0.3%	0.3%	0.2%
Share drafts	57.4%	33.1%	43.6%	48.5%	53.2%	55.5%	58.7%	60.5%
Certificates	8.2%	4.8%	5.1%	5.6%	6.5%	6.7%	7.2%	9.3%
IRAs	4.1%	2.3%	2.8%	3.1%	3.5%	3.5%	3.7%	4.5%
Money market shares	6.9%	3.8%	3.6%	3.5%	4.4%	4.5%	6.4%	8.0%

Current period flow statistics are trailing four quarters.

*Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.

U.S. Credit Union Profile

First Quarter 2019

U.S. CU Profile - Quarterly Trends

	U.S.	U.S. Credit Unions			
	Mar 19	Dec 18	Sep 18	Jun 18	Mar 18
Demographic Information					
Number CUs	5,447	5,488	5,548	5,594	5,643
Growth Rates (Quarterly % Change)					
Total loans	0.6	1.9	2.6	3.2	1.6
Credit cards	-1.2	4.3	2.5	2.2	-1.4
Other unsecured loans	-0.8	3.4	3.1	3.0	-2.2
New automobile	-0.9	2.4	3.6	3.6	1.9
Used automobile	1.0	0.7	2.3	3.5	2.7
First mortgage	1.1	1.7	2.3	3.0	2.2
HEL & 2nd Mtg	0.7	2.6	2.5	2.3	-0.4
Commercial loans*	3.2	3.5	3.6	3.6	3.1
Total savings	4.5	1.1	0.2	0.4	3.9
Share drafts	-0.1	8.1	-2.0	-0.6	7.3
Certificates	7.0	5.0	3.7	1.9	1.7
IRAs	1.6	-0.1	0.5	0.1	-0.2
Money market shares	1.0	0.4	-0.4	-0.5	1.7
Regular shares	7.8	-3.0	-0.5	0.4	5.6
Total memberships	1.1	0.9	1.3	1.3	1.4
Earnings (Basis Points)					
Yield on total assets	394	396	387	372	363
Dividend/interest cost of assets	82	82	69	63	60
Fee & other income	138	137	141	137	142
Operating expense	313	323	314	310	308
Loss Provisions	43	49	44	47	48
Net Income (ROA)	95	78	102	89	90
% CUs with positive ROA	86	88	88	85	83
Capital Adequacy (%)					
Net worth/assets	11.1	11.3	11.2	11.0	10.9
% CUs with NW > 7% of assets	98.1	98.5	98.2	97.6	97.3
Asset Quality (%)					
Loan delinquency rate - Total loans	0.58	0.71	0.67	0.67	0.66
Total Consumer	0.75	0.88	0.82	0.83	0.87
Credit Cards	1.26	1.35	1.26	1.15	1.24
All Other Consumer	0.68	0.81	0.76	0.79	0.82
Total Mortgages	0.41	0.54	0.53	0.51	0.44
First Mortgages	0.39	0.55	0.53	0.52	0.43
All Other Mortgages	0.46	0.52	0.51	0.48	0.47
Total Commercial Loans	0.71	0.75	0.84	1.42	1.53
Commercial Ag Loans	1.47	1.29	1.32	1.67	1.64
All Other Commercial Loans	0.67	0.72	0.82	1.40	1.53
Net chargeoffs/average loans	0.57	0.61	0.55	0.61	0.60
Total Consumer	1.11	1.17	1.08	1.18	1.17
Credit Cards	3.08	2.99	2.73	2.95	2.86
All Other Consumer	0.85	0.94	0.87	0.95	0.95
Total Mortgages	0.01	0.02	0.01	0.03	0.02
First Mortgages	0.01	0.02	0.02	0.03	0.02
All Other Mortgages	0.02	0.03	-0.01	0.02	0.01
Total Commercial Loans	0.14	1.39	1.02	1.45	0.41
Commercial Ag Loans	0.03	0.01	0.03	0.22	-0.01
All Other Commercial Loans	0.14	1.46	1.07	1.51	0.43
Asset/Liability Management					
Loans/savings	82.3	85.5	84.8	82.9	80.7

Earnings & net chargeoffs are annualized quarterly results not seasonally adjusted. Growth rates are not annualized. Delinquency rates are 60+ day dollar delinquencies. Net chargeoffs are dollar chargeoffs net of recoveries. Totals include only credit unions that are released on the NCUA 5300 Call Report file.

*Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.

U.S. Credit Union Profile

First Quarter 2019

U.S. Bank Comparisons

	Credit Unions				Banks			
Demographic Information	Mar 19	2018	2017	3 Yr Avg	Mar 19	2018	2017	3 Yr Avg
Number of Institutions	5,447	5,484	5,682	5,538	5,370	5,397	5,664	5,477
Assets per Institution (\$ mil)	280	268	246	264	3,384	3,324	3,075	3,261
Total assets (\$ mil)	1,523,529	1,470,440	1,395,322	1,463,097	18,172,786	17,942,046	17,413,996	17,842,943
Total loans (\$ mil)	1,063,335	1,058,627	972,365	1,031,442	10,190,939	10,152,049	9,719,857	10,020,948
Total surplus funds (\$ mil)	394,996	350,469	365,637	370,367	6,066,554	6,038,068	5,977,584	6,027,402
Total savings (\$ mil)	1,288,034	1,234,418	1,173,715	1,232,055	13,967,767	13,865,790	13,397,353	13,743,636
Avg number of branches (1)	4	4	4	4	17	17	16	17
12 Month Growth Rates (%)								
Total assets	6.3	5.4	6.6	6.1	3.7	3.0	3.8	3.5
Total loans	7.8	8.9	10.0	8.9	4.5	4.4	4.5	4.5
Real estate loans	7.9	8.8	9.5	8.8	2.4	2.4	3.7	2.8
Commercial loans*	11.6	12.0	-5.0	6.2	8.3	7.5	4.0	6.6
Total consumer	7.1	8.5	13.3	9.6	4.4	3.9	5.6	4.6
Consumer credit card	7.6	7.5	9.1	8.1	4.8	4.4	8.2	5.8
Other consumer	7.0	8.6	14.0	9.9	3.9	3.3	2.9	3.4
Total surplus funds	1.4	-4.1	-1.7	-1.5	0.8	1.0	3.6	1.8
Total savings	5.7	5.2	6.0	5.6	3.2	3.5	3.9	3.5
YTD Earnings Annualized (BP)								
Yield on Total Assets	394	380	353	376	397	376	337	370
Dividend/Interest cost of assets	82	68	56	69	89	68	43	67
Net Interest Margin	312	311	297	307	308	308	293	303
Fee and other income (2)	138	139	135	137	147	152	151	150
Operating expense	313	313	307	311	290	296	318	301
Loss provisions	43	46	47	45	31	28	30	30
Net income	95	91	77	88	134	135	97	122
Capital Adequacy (%)								
Net worth/assets	11.1	11.3	11.0	11.1	11.3	11.3	11.2	11.3
Asset Quality (%)								
Delinquencies/loans (3)	0.58	0.71	0.81	0.70	1.00	1.00	1.20	1.07
Real estate loans	0.41	0.54	0.61	0.52	1.27	1.32	1.66	1.42
Consumer loans	0.71	0.73	1.58	1.01	0.81	0.68	0.90	0.80
Total consumer	0.75	0.89	0.91	0.85	1.02	1.03	0.97	1.01
Consumer credit card	1.26	1.35	1.29	1.30	1.47	1.44	1.37	1.43
Other consumer	0.67	0.82	0.85	0.78	0.55	0.59	0.54	0.56
Net chargeoffs/avg loans	0.57	0.57	0.59	0.58	0.51	0.49	0.50	0.50
Real estate loans	0.01	0.02	0.02	0.02	0.03	0.01	0.03	0.02
Commercial loans	0.14	0.37	0.49	0.33	0.26	0.28	0.38	0.31
Total consumer	1.26	1.22	1.25	1.24	2.47	2.32	2.21	2.33
Consumer credit card	3.08	2.82	2.55	2.82	3.97	3.66	3.47	3.70
Other consumer	0.98	0.97	1.04	1.00	0.90	0.89	0.90	0.90
Asset Liability Management (%)								
Loans/savings	82.6	85.8	82.8	83.7	73.0	73.2	72.6	72.9
Loans/assets	69.8	72.0	69.7	70.5	55.4	55.9	55.1	55.5
Core deposits/total deposits	51.3	50.9	51.0	51.1	37.4	37.9	37.7	37.7
Productivity								
Employees per million assets	0.20	0.21	0.21	0.21	0.11	0.12	0.12	0.12

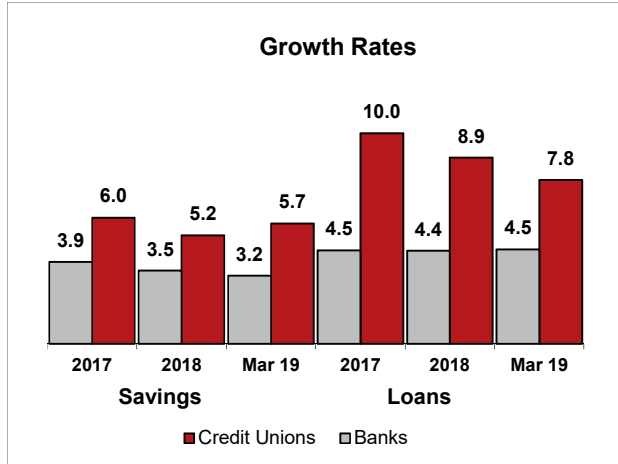
*Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.
Source: FDIC, NCUA and CUNA E&S

U.S. Credit Union Profile

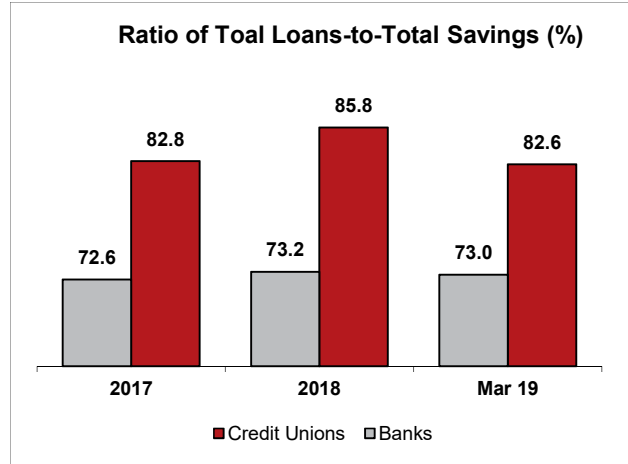
First Quarter 2019

Credit Union and Bank Comparisons

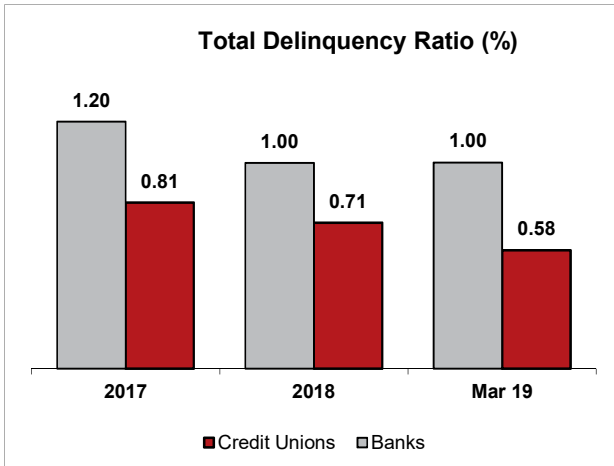
Loan and Savings Growth Trends



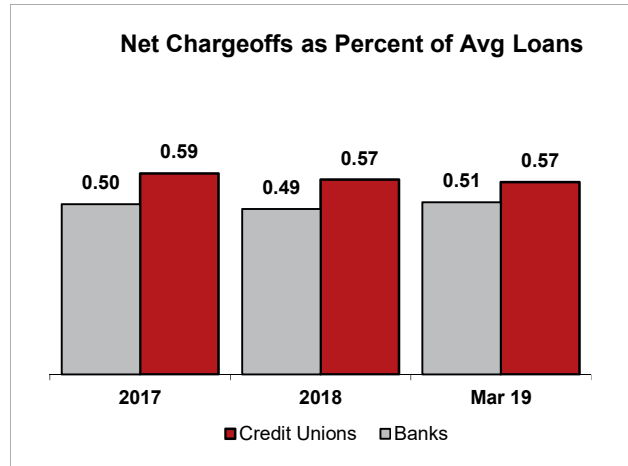
Liquidity Risk Trends



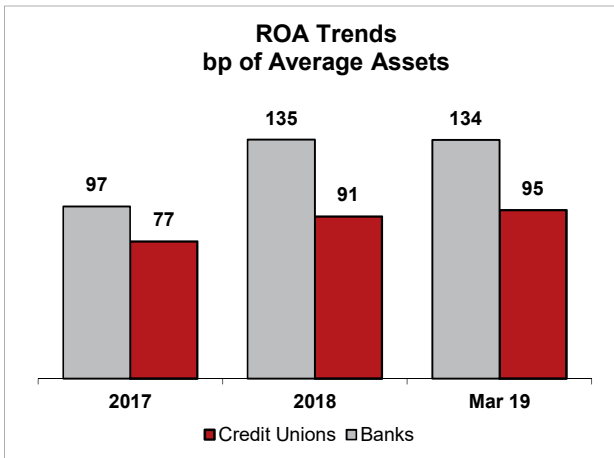
Credit Risk Trends



Credit Risk Trends



Earnings Trends



Solvency Trends

