TruStage™

Credit Union Trends Report

December 2023, October 2023 Data

Section one

Economic Trends

Good news on the inflation front will allow the Federal Reserve to begin lowering interest rates in the next 6 months.

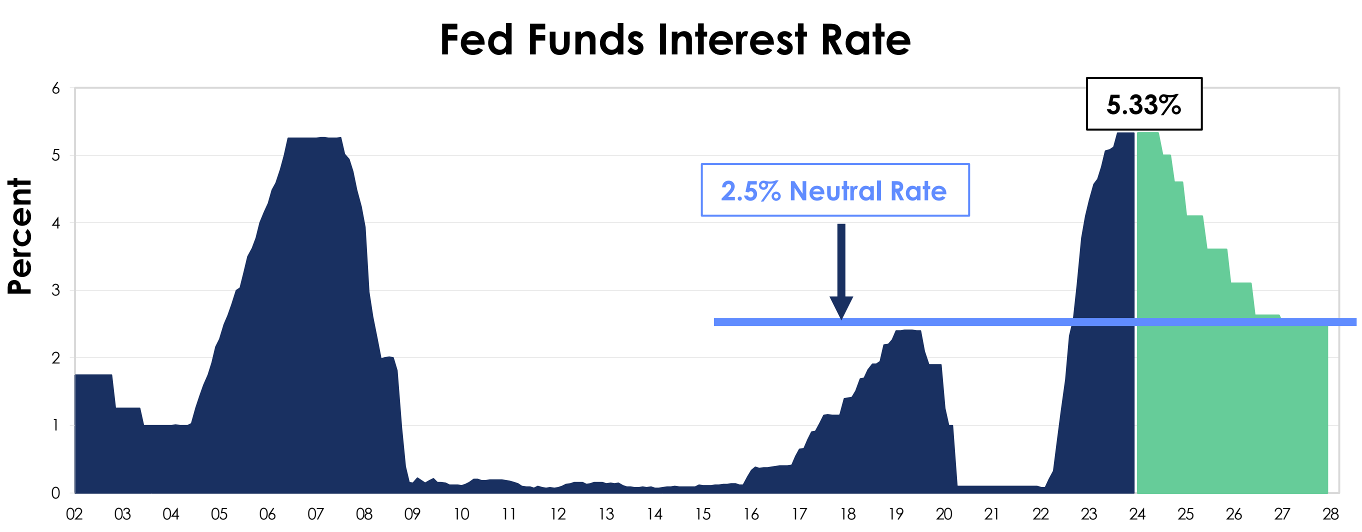
Economic Trends

On December 13th, the Federal Reserve announced that it would keep the Fed Funds effective interest rate in the target range of 5.25%-5.50%, which is probably the apex for this interest rate cycle. The Fed will also continue to reduce its holdings of Treasury securities ($60 billion/month) and agency debt and mortgage-backed securities ($35 billion/month) to keep upward pressure on longer-term real and nominal interest rates. This “quantitative tightening” program has reduced the Federal Reserve’s balance sheet by more than $1 trillion (14%) from its peak to $7.7 trillion today. It has also reduced the money supply by $1.1 trillion.

We expect the Federal Reserve to keep the effective Fed Funds interest rate at the current 5.33% through the spring and then begin lowering it some-time this summer **(see figure below)**. The Federal Reserve will lower the nominal Fed Funds interest rate to keep the real Fed Fund interest rate from rising as the inflation rate continues to fall. Recall the real interest rate = nominal interest rate – inflation rate.

The core PCE deflator, which excludes food and energy prices and is the Federal Reserve’s preferred inflation gauge rose only 0.1% in November and 3.2% during the last 12 months. Moreover, looking at the annualized 3-month moving average, the core PCE deflator came in at only 2.2% in November, barely above the Fed’s 2% official target. Using this 2.2% inflation figure the real Fed Funds interest rate would be 3.11% (5.33%-2.2%). Historical data shows that when the real Fed Funds interest rate climbs above 3.5%, the likelihood of a recession increases dramatically. So, to ensure a “soft landing” for the economy, the Fed will have to start lowering the nominal Fed Funds interest rate soon. The Federal Reserve will keep lowering the Fed Funds rate through 2024-2026 until it reaches the long–run “neutral” rate of 2.5%. This neutral rate is considered by the Fed as not too high to slow the economy and not too low to accelerate the economy.

Bond investors are expecting these lower short-term interest rates in the future, which is one reason why longer-term Treasury yields have declined by more than one percentage point since its high-water mark set back on October 20th.



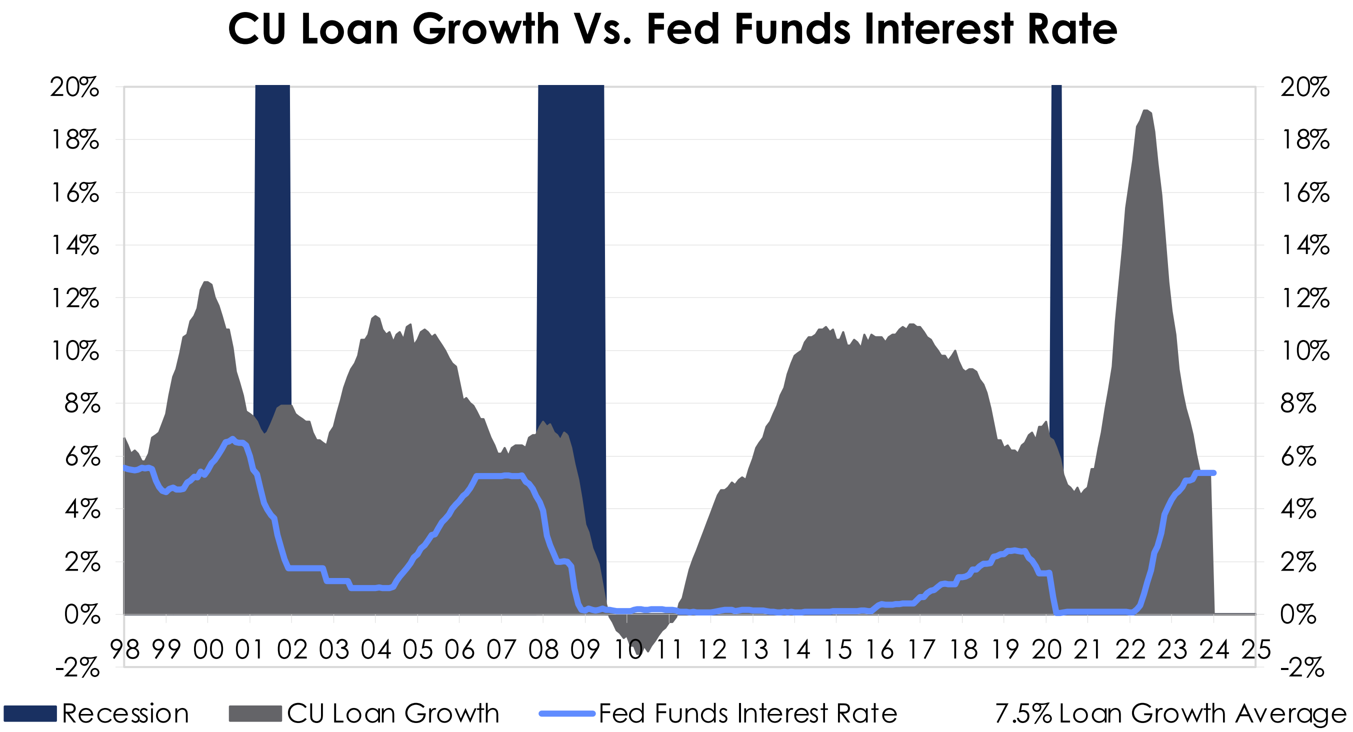
Source data: NCUA & Trustage

Section two

Total Credit Union Lending

Credit union loan growth numbers will slow in 2024 due to continued elevated interest rates.

Total Credit Union Lending



Source: CUNA Economics & Statistics and TruStage – Economics

Credit union loan balances rose 0.4% in October, below the 1.2% increase reported in October 2022. Loan categories that increased the fastest were home equity (3.9%), credit card (1.3%) and adjustable-rate first mortgage (1.2%). New-auto loan balances declined 0.1% and fixed-rate first mortgages fell 0.2%.

Federal Reserve chairman Jerome Powel likes to mention the "long and variable lags" of monetary policy during his press conferences. Economists recognize there are at least 10 channels through which higher interest rates impact the real economy. One of the them is the growth rate of consumer credit. Short-term interest rates (specifically the fed funds interest rate) increased 5.25 percentage points over the last 18 months. So how do rising short-term interest rates affect credit union loan growth? The figure above shows the relationship between credit union annualized loan growth numbers and the Fed Funds interest rate for the past 26 years.

Periods of rising Fed Funds interest rates, (1999-2000, 2004-2006, 2017-2019 and 2022-2023) have a depressing effect on overall credit union loan growth. A 3-percentage point increase in the Fed Funds rate historically depresses credit union loan growth by 5 percentage points, albeit with a 2–year lag. This is, of course, the goal of tighter monetary policy, which is to decelerate the rate of credit creation from above–trend growth to something closer to normal in an attempt to reduce inflationary pressure. Credit union loan balances grow on average 7.5% per year over the long run, but today credit union loan balances are only rising at a 5.4% seasonally-adjusted annual rate. We are forecasting below trend credit union loan growth of 4-5% for 2024 due to elevated short-term interest rates.

Section three

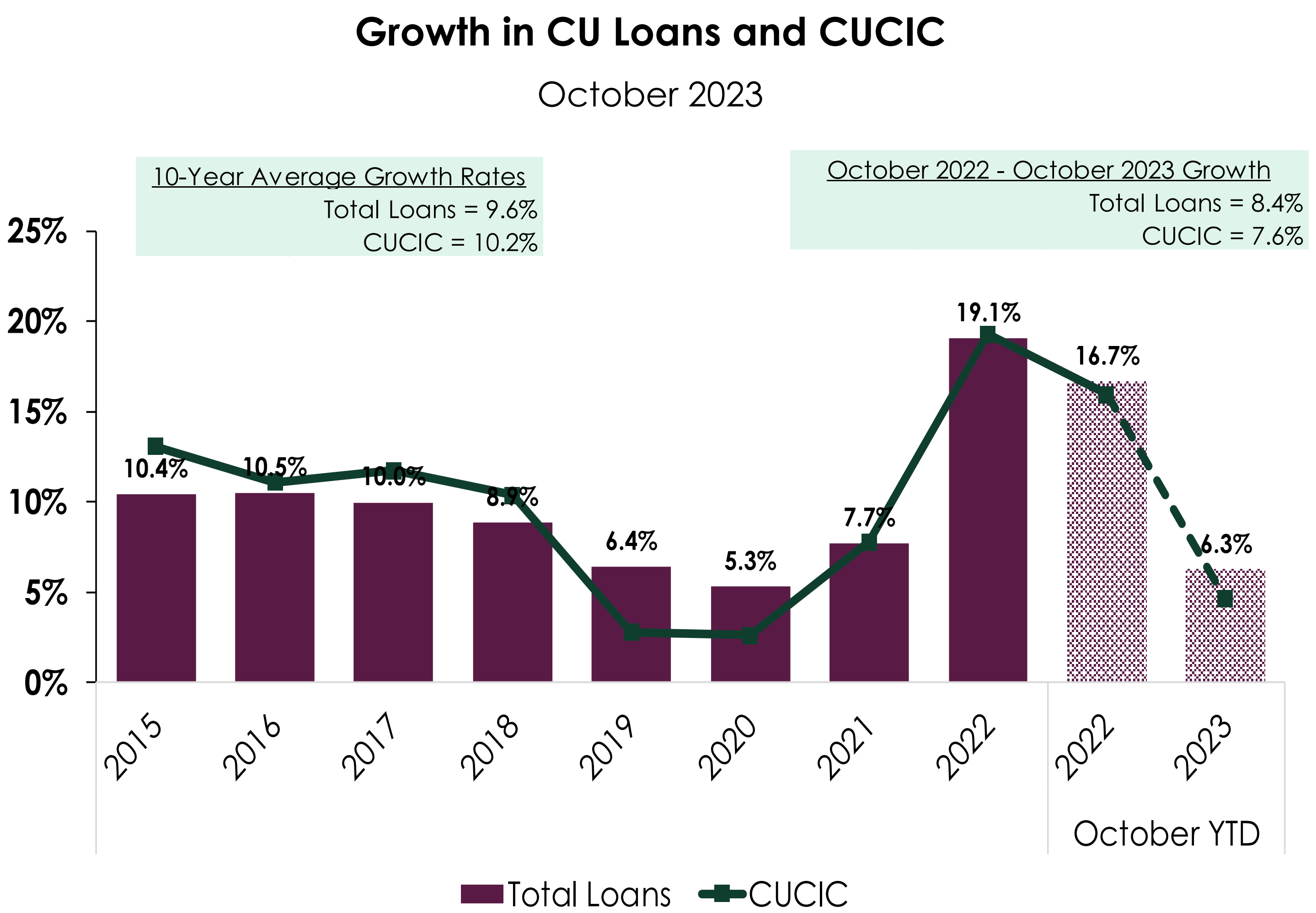
Consumer Installment Credit

Consumer installment credit growth has decelerated in 2023 compared to 2022.

Consumer Installment Credit

Credit union consumer installment credit balances (auto, credit card and other unsecured loans) reported a 0.3% rise in October, below the 0.5% increase set in October 2022, due to a deceleration in the “total auto loan” category of 0.9% last October to 0.1% this October. Credit card balances rose 1.4% in October, above the 1.2% growth reported last October. Year–to–date, credit union consumer installment credit grew only 4.6% **(see figure below),** more than three times slower than the 16% reported during the same period in 2022. This has pulled down overall loan growth to 6.3% so far this year, from 16.7% year-to-date growth in 2002.

For all lenders, outstanding consumer credit rose by $5.1 billion in October, according to the Federal Reserve, which is lower than the $12 billion reported in September, and almost one-third the average pace of $15 billion growth reported during the years 2015 – 2019. The slowdown in the rise of consumer credit outstanding demonstrates one of the channels of restrictive monetary policy, i.e., higher interest rates. Expect growth in consumer credit to moderate further in 2024 due to higher loan delinquency rates and tighter lending standards and still high interest rates.



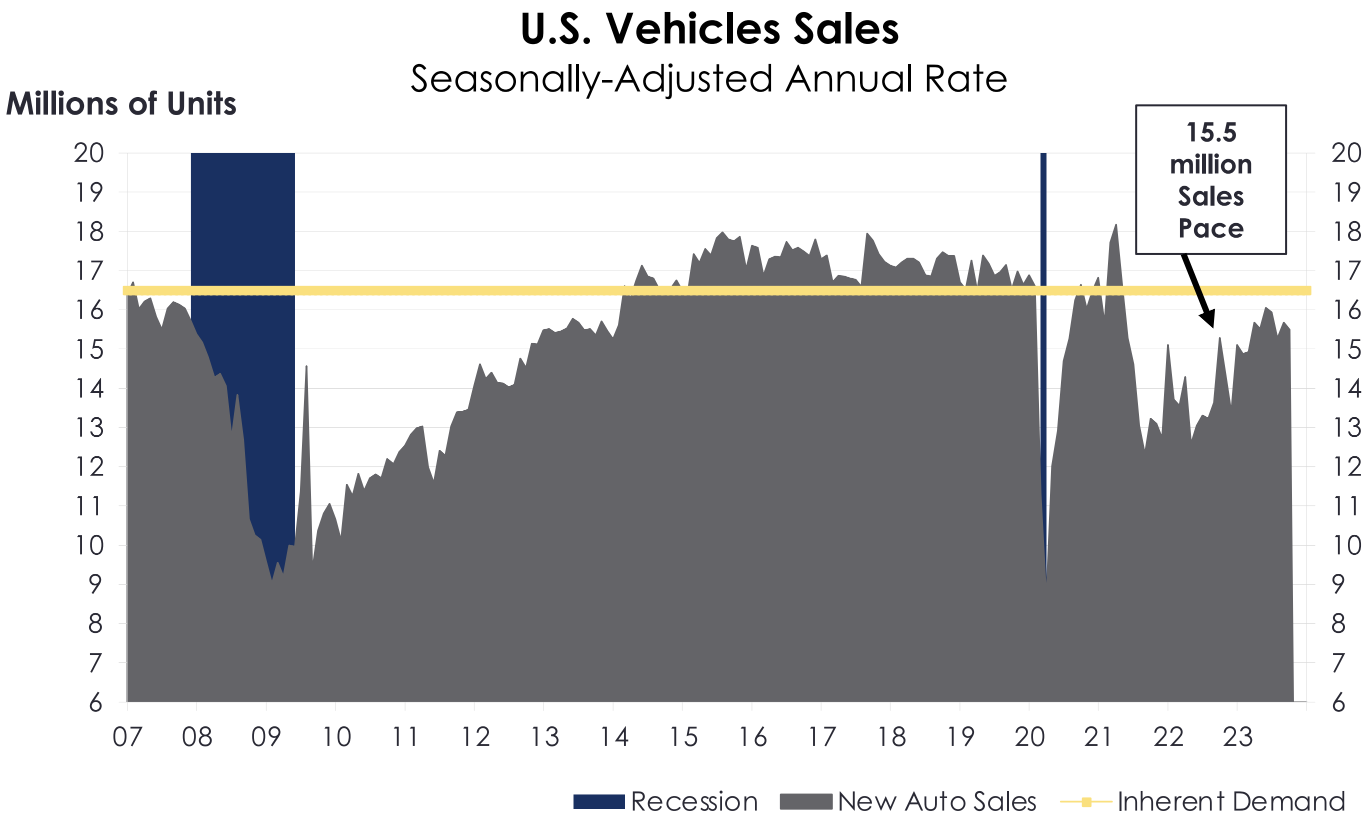
Source: CUNA Economics & Statistics and TruStage – Economics

Section four

Vehicle Loans

Credit union tight liquidity and heightened competition is slowing credit union new-auto loan growth.

Vehicle Loans



Source data: Autodata Corp.

Credit union new-auto loan balances fell 0.1% in October, less than the 0.5% decline set in October 2022, but increased 5.1% during the last year. On a seasonally–adjusted annualized basis, new-auto loan balances fell 2.4% in October, significantly below the 16.1% gain reported in October 2022. October seasonal factors typically add 0.3 percentage points to the underlying annualized growth trend.

Two factors are driving the slowdown in new-auto loan growth: First credit union liquidity pressures have pushed loan-to-savings ratios to 86.1%, the highest since May 1980, which cause some credit unions to pull back in lending. Second, manufactures have increased vehicle incentives and offer low-rate captive financing to entice auto buyers.

The effect of this lending slowdown is the number of new-auto loans as a percent of members in offering credit unions – the penetration rate – fell to 7.5% in the third quarter, down from 7.9% last year. But on the bright side, the penetration rate is up from the 6.3% in pre–COVID 2019.

Vehicle sales fell 1.2% to 15.5 million units in October on a seasonally-adjusted annualized sales rate, down from the 15.7 million reported in September **(see figure below)**. October sales were 1.4% above the October 2022 rate but still well below the 16.5 million long-run average.

Section five

Real Estate Information

Mortgage originations expected to rise 15% in 2024 as mortgage interest rates fall one percentage point.

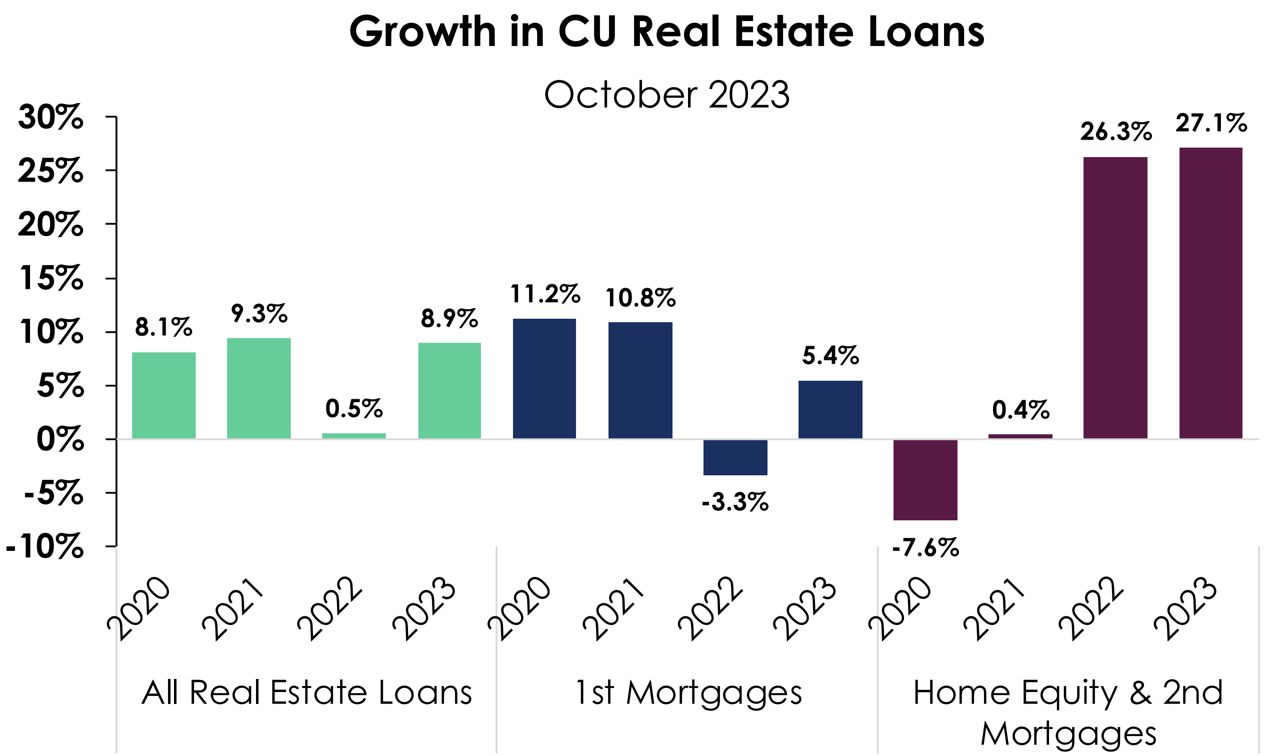
Real Estate Information

Credit union fixed–rate mortgage lending has slowed considerably during the last 12 months due to mortgage interest rates averaging 6.80% in 2023, up from the 5.33% average in 2022. Fixed–rate first mortgage loan balances grew a weak 2.8% over the last year, below the 4.1% pace set in the year ending October 2022. But total first mortgage loan balances are up 5.4% during the last year **(see figure below)** because adjustable-rate mortgages rose a strong 20.9% as members opted for lower rate adjustable-rate mortgage products.

Expect mortgage originations to increase 15% in 2024 due to mortgage interest rates falling one percentage point during the next 12 months. With long term bond yields already falling and the Federal Reserve expected to push down short–term interest rates this summer, we forecast 30–year mortgage interest rates to fall from 7.0% today to 6.0% by year-end 2024.

The contract interest rate on a 30–year fixed–rate conventional home mortgage rose to 7.62% in October, from 7.2% in September, and above the 6.90% reported in October 2022. The 72 – basis point rise in mortgage interest rates during the last year was due to an 81 – basis point rise in the 10 – year Treasury interest rate and a 9 – basis point drop in the credit risk spread.

Home prices rose 0.7% in September from August, according to the S&P Core Logic Case-Shiller Home Price Index despite the lowest housing affordability in four decades. Home prices are up 4% year – over – year, which is equal to the long run U.S. annual price appreciation rate due to an extremely limited number of homes for sale.



Source: CUNA Economics & Statistics and TruStage – Economics

Section six

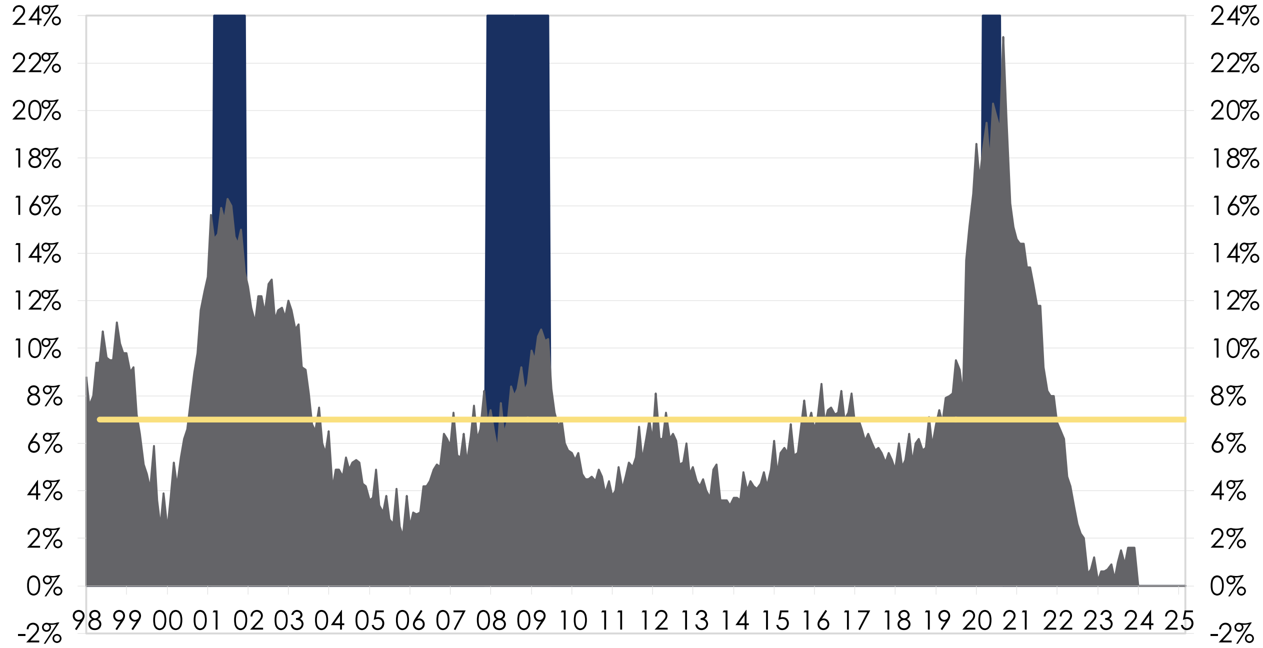
Savings and Assets

Most of next year's deposit growth will be self funded by the credit union as they pay higher deposit interest rates on these deposit accounts.

Savings and Assets

CU Savings Growth

Seasonally Adjusted Annualized Growth Rate



Source: CUNA Economics & Statistics and TruStage – Economics

Credit union savings balances fell in October by 0.6%, better than the 0.7% decline in October 2022. Historically, October's seasonal factors reduce the underlying savings trend growth by 0.10 percentage points. So, this year members were dipping into savings deposits to maintain their current level of consumption spending in this era of high and rising prices. For many consumers, their real disposable income declined during the last year thus requiring the drawdown in precautionary savings balances

Savings balances grew at a 1.6% seasonally–adjusted annualized growth rate in October, above the 0.5% reported one year earlier **(see figure below)** and below the 7% long–run average. Credit unions are experiencing low but positive deposit growth due to some members moving funds to higher yielding money market mutual funds, strong new membership growth, and falling real incomes.

The personal savings rate (personal savings as a percent of disposable personal income) rose to 3.8% in October from 3.7% in September, and above the 2.3% in October 2022. A tight labor market will keep wage growth strong. And as inflation falls, real personal income will rise going into 2024.

We expect credit union deposit growth to rise only 3% in 2024, still below the 7% long–run average, but above the 1.5% expected in 2023. Much of the deposit growth in 2024 will be self funded by the credit union as they pay higher deposit interest rates on these accounts.

Section seven

Capital and Other Key Measures

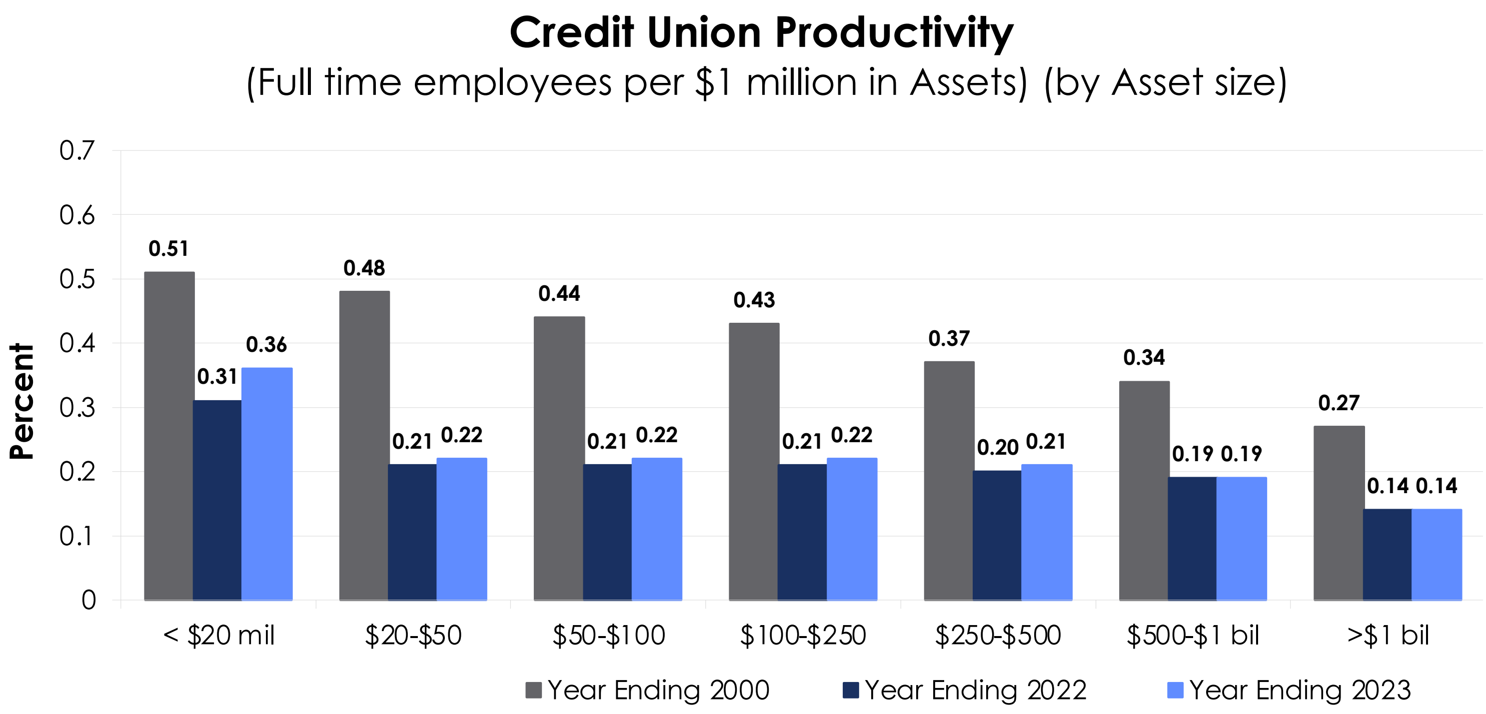
Credit union employee productivity fell in 2023 due to employment growth rates exceeding asset growth rates.

Equity and Other Key Measures

Credit union productivity took a step back in 2023 as asset growth slowed or even declined for most credit unions. One way to measure a credit union's productivity is look at the number of employee per $1 million in assets. The lower the ratio, the higher the credit union's productivity. The recent liquidity crunch led to falling deposits and assets at many credit unions. But credit unions have not cut staff in proportion to the drop in assets. This has resulted in an increase in the employee to asset ratio for many small to medium sized credit unions over the last year **(see figure below)**. Larger credit union, those with assets greater than $500 million in assets, reported no change in the employee-to-asset ratio over the last year due to average asset growth over 3%.

Despite this temporary setback, the credit union system has become significantly more productive over the last 23 years. Back in the year 2000, it took on average 0.38 full–time credit union employees to manage every $1 million in assets. Today that ratio stands at 0.16, a 58% improvement in productivity overall or 2.9% increase in productivity per year. Or to think of the inverse of the productivity ratio, 23 years ago each credit union employee managed $2.6 million, today each employee manages $6.2 million.

Today 360,160 full – time employees are working at credit unions managing $2,251,000 million in assets. The number of employees working at credit unions today would have been 855,380 (0.38 x 2,251,000) if credit union employees had the same level of productivity that they did back in 2000. The net result is that 495,220 (855,380 – 360,016) employees were not needed due to improvements in human and physical capital. Smaller asset size credit unions reported bigger improvements in productivity ratios over the last 23 years; however, larger credit unions are still more productive due to their economies of scale **(see figure below)**.



Source: CUNA Economics & Statistics and TruStage – Economics

Section eight

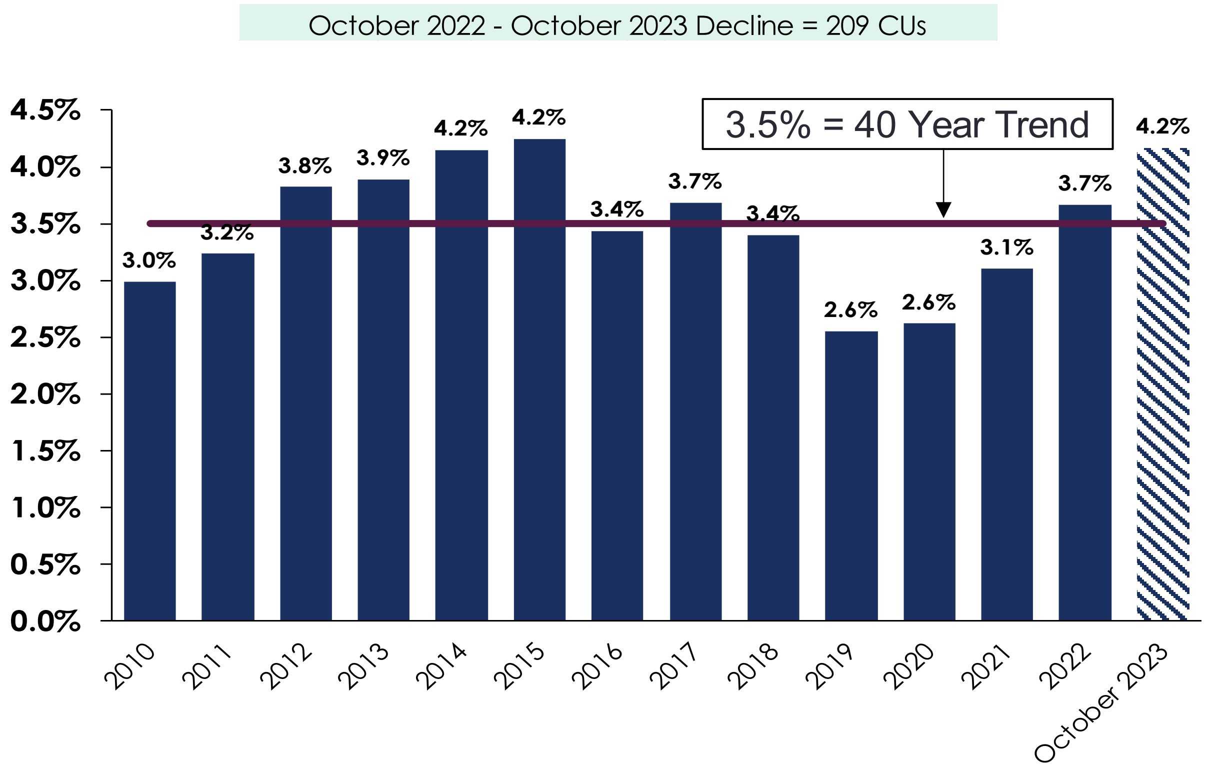
Credit Unions and Members

The annual contraction rate of the credit union industry, 4.2%, rises above its long– run average of 3.5%.

Credit Unions and Members

Annual Contraction Rate in CU Marketplace

October 2023



Source: CUNA Economics & Statistics and TruStage – Economics

As of October 2023, CUNA estimates 4,814 credit unions were in operation, down 209 from October 2022. Year–to–date the number of credit unions fell by 149, significantly more than the 129–decline reported in the first ten months of 2022. We expect a surge in credit union mergers in the 2024 – 2025 period, like what we experienced the years following the Great Recession as many credit unions look to offer more financial services to their members through mergers.

Credit union consolidation and concentration are expected to continue above their long – run pace over the next few years. Since 1980, the number of credit unions has declined by roughly 3.5% each year **(see figure above)** but this year they were contracting at a 4.2% pace. If we apply the historical 3.5% exponential "decay" rate to the current number of credit unions, 4,814, we should expect another 168 credit unions to exit the financial system in 2024. If we forecast out a little further, according to the laws of exponential decay, there will only be 2,361 credit unions in 20 years, half as many as there are today.

Fortunately, credit union assets follow an average annual exponential growth rate of 7%. This means the time that it takes for credit union assets to double (currently $2.251 trillion) is only 10 years. So, 20 years from now in the year 2043 credit union assets could be 3.9 times bigger than today, or $8.7 trillion.

Distribution of Credit Union Loans

Estimated $ (Billions) Outstanding

YR/MO	TOTAL LOANS	NEW AUTO	USED AUTO	TOTAL AUTO	UNSEC Ex. CC's	CREDIT CARDS	CUCIC	1st MORT. TOTAL	TOTAL OTHER MORT 2ND + HE	TOTAL REAL ESTATE	MBLs*
21 10	1,263.4	142.7	262.5	405.2	53.3	62.7	523.9	567.0	86.2	653.2	86.3
21 11	1,271.6	142.6	264.5	407.1	52.6	64.2	529.8	576.2	83.7	659.9	81.8
21 12	1,286.2	144.2	266.7	410.9	52.5	65.0	533.8	581.3	86.2	667.5	84.8
22 01	1,293.9	144.4	268.7	413.1	52.5	64.6	**533.6**	550.5	85.3	635.8	124.5
22 02	1,306.6	145.4	271.2	416.5	54.1	64.6	**538.7**	526.2	84.5	610.7	157.2
22 03	1,328.3	147.2	276.9	424.1	53.8	65.2	**547.3**	503.7	81.5	585.2	195.9
22 04	1,351.0	153.4	282.1	435.5	54.7	65.7	**557.8**	512.4	84.6	597.0	196.2
22 05	1,379.5	156.0	288.0	444.0	55.9	67.2	**570.5**	522.9	86.7	609.6	199.4
22 06	1,411.4	158.9	295.3	454.2	57.9	68.1	**584.3**	530.1	90.4	620.5	206.6
22 07	1,433.8	166.4	299.1	465.5	59.4	69.2	**594.9**	543.2	94.0	637.2	201.7
22 08	1,457.6	170.2	304.0	474.2	61.1	70.1	**602.6**	547.7	97.7	645.3	209.6
22 09	1,482.5	169.3	309.8	479.2	62.0	70.7	**616.2**	549.0	101.0	650.0	216.3
22 10	1,500.5	171.0	312.6	483.6	63.2	71.6	**619.1**	553.1	104.6	657.7	223.8
22 11	1,515.9	173.2	313.9	487.0	63.8	73.2	**624.5**	556.1	106.2	662.3	229.1
22 12	1,531.2	176.2	316.8	493.0	64.5	75.1	**636.8**	561.9	108.9	670.9	223.6
23 01	1,538.7	176.7	319.3	496.0	64.7	75.1	**639.6**	551.8	110.4	662.2	237.0
23 02	1,544.6	177.2	320.9	498.1	65.0	74.9	**641.0**	557.8	112.0	669.9	233.7
23 03	1,555.2	178.3	323.1	501.4	65.0	75.0	**645.0**	567.1	113.7	680.9	229.4
23 04	1,565.8	177.9	322.7	500.6	66.2	76.0	**649.3**	564.7	118.9	683.5	232.9
23 05	1,577.3	177.9	322.9	500.9	67.4	77.3	**649.6**	568.2	121.5	689.7	238.0
23 06	1,587.6	179.3	326.2	505.5	67.0	77.5	**654.2**	575.5	120.8	696.3	237.1
23 07	1,598.5	179.6	327.7	507.3	68.1	79.1	**658.2**	577.4	123.5	700.9	239.4
23 08	1,611.5	180.1	329.6	509.6	69.2	79.8	**661.3**	580.0	127.1	707.2	243.0
23 09	1,620.0	180.0	330.3	510.2	69.9	80.1	**663.9**	582.9	130.1	713.0	243.1
23 10	1,627.0	179.7	331.0	510.8	70.6	81.2	**666.1**	583.2	133.0	716.2	244.7

* Member Business Loans

CUCIC = Total Loans – Total Real Estate – MBLs CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 14% of MBLs

Distribution of Credit Union Loans

Percent Change From Prior Year

YR/MO	TOTAL LOANS	NEW AUTO	USED AUTO	TOTAL AUTO	UNSEC Ex. CC's	CREDIT CARDS	CUCIC	1st MORT. TOTAL	TOTAL OTHER MORT 2ND + HE	TOTAL REAL ESTATE	MBLs*
21 10	6.2	– 1.6	8.7	4.8	– 0.3	2.1	5.7	9.8	– 2.1	8.0	– 3.1
21 11	6.7	– 2.2	9.5	5.1	– 1.7	3.6	6.7	11.0	– 3.9	8.8	– 7.6
21 12	7.7	– 0.1	10.3	6.4	– 1.3	3.8	7.8	10.8	0.4	9.3	– 4.0
22 01	8.5	(0.2)	10.9	6.7	2.0	5.9	**6.5**	4.3	(0.8)	3.6	59.4
22 02	9.4	0.5	11.9	7.6	0.9	6.5	**7.4**	(0.5)	(1.0)	(0.6)	99.0
22 03	11.1	3.5	13.3	9.7	0.7	9.7	**8.8**	(5.0)	(2.5)	(4.7)	148.4
22 04	12.4	7.6	14.7	12.1	5.6	11.7	**10.3**	(4.2)	0.8	(3.5)	154.3
22 05	13.9	8.4	15.6	13.0	9.2	11.8	**10.3**	(2.7)	3.2	(1.9)	173.6
22 06	15.4	10.9	17.2	14.9	9.0	12.3	**12.5**	(2.8)	8.1	(1.3)	176.6
22 07	16.3	16.2	17.6	17.1	15.2	13.1	**15.4**	(1.2)	10.7	0.4	144.9
22 08	17.1	18.9	18.1	18.4	18.6	13.4	**15.6**	(1.4)	15.5	0.8	152.3
22 09	18.4	17.9	18.8	18.5	19.1	14.1	**18.0**	(2.3)	19.3	0.5	160.0
22 10	18.7	19.4	19.0	19.2	19.9	14.4	**18.2**	(2.2)	20.5	0.8	154.3
22 11	19.0	20.7	18.5	19.3	23.8	14.7	**17.9**	(3.1)	25.1	0.6	168.7
22 12	19.1	22.2	18.8	20.0	22.9	15.5	**19.3**	(3.3)	26.3	0.5	163.6
23 01	18.9	22.4	18.8	20.1	23.3	16.2	**19.9**	0.2	29.4	4.2	90.3
23 02	18.2	21.9	18.3	19.6	20.1	16.0	**19.0**	6.0	32.6	9.7	48.7
23 03	17.1	21.2	16.7	18.2	20.8	15.1	**17.9**	12.6	39.6	16.4	17.1
23 04	15.9	16.0	14.4	15.0	20.9	15.6	**16.4**	10.2	40.5	14.5	18.7
23 05	14.3	14.1	12.1	12.8	20.7	15.1	**13.9**	8.7	40.2	13.1	19.3
23 06	12.5	12.9	10.5	11.3	15.7	13.9	**12.0**	8.6	33.6	12.2	14.8
23 07	11.5	8.0	9.6	9.0	14.7	14.3	**10.6**	6.3	31.3	10.0	18.7
23 08	10.6	5.8	8.4	7.5	13.4	13.9	**9.7**	5.9	30.2	9.6	15.9
23 09	9.3	6.3	6.6	6.5	12.8	13.3	**7.7**	6.2	28.8	9.7	12.4
23 10	8.4	5.1	5.9	5.6	11.7	13.5	**7.6**	5.4	27.1	8.9	9.4

* Member Business Loans

CUCIC = Total Loans – Total Real Estate – MBLs CUCIC = Total Vehicle Loans + Unsecured Loans + Credit Card – 14% of MBLs

National Monthly Credit Union Aggregates

YR/MO	LOANS ($ Billions)	ASSETS ($ Billions)	SAVINGS ($ Billions)	CAPITAL ($ Billions)	MEMBERS (Millions)	CREDIT UNIONS	LOAN/ SAVINGS RATIO	CAPITAL/ ASSET RATIO
21 10	1,263.4	2,082.3	1,795.8	206.7	131.3	5,163	70.4	9.9
21 11	1,271.6	2,084.0	1,798.2	207.6	131.5	5,140	70.7	10.0
21 12	1,286.2	2,094.9	1,819.0	209.2	132.1	5,152	70.7	10.0
22 01	1,293.9	2,093.3	1,817.7	206.9	132.4	5,149	71.2	9.9
22 02	1,306.6	2,123.4	1,847.5	205.1	132.8	5,120	70.7	9.7
22 03	1,328.3	2,152.1	1,881.8	198.4	133.4	5,111	70.6	9.2
22 04	1,351.0	2,170.3	1,895.7	191.5	134.1	5,101	71.3	8.8
22 05	1,379.5	2,171.2	1,882.1	194.2	134.6	5,070	73.3	8.9
22 06	1,411.4	2,170.0	1,884.4	192.6	135.0	5,062	74.9	8.9
22 07	1,433.8	2,195.1	1,885.3	197.1	135.0	5,051	76.0	9.0
22 08	1,457.6	2,183.5	1,879.8	194.7	135.4	5,044	77.5	8.9
22 09	1,482.5	2,184.1	1,889.2	186.7	136.8	5,018	78.5	8.5
22 10	1,500.5	2,181.3	1,876.8	184.8	137.2	5,023	80.0	8.5
22 11	1,515.9	2,192.6	1,871.3	190.8	137.3	4,970	81.0	8.7
22 12	1,531.2	2,202.1	1,879.5	193.2	137.7	4,963	81.5	8.8
23 01	1,538.7	2,201.8	1,865.0	197.8	138.1	4,950	82.5	9.0
23 02	1,544.6	2,208.9	1,887.9	192.3	138.5	4,918	81.8	8.7
23 03	1,555.2	2,245.6	1,919.1	196.4	139.1	4,913	81.0	8.7
23 04	1,565.8	2,253.2	1,905.2	198.5	139.3	4,889	82.2	8.8
23 05	1,577.3	2,253.6	1,896.1	201.5	139.7	4,865	83.2	8.9
23 06	1,587.6	2,252.7	1,906.9	197.8	140.2	4,883	83.3	8.8
23 07	1,598.5	2,240.3	1,888.7	199.4	140.8	4,858	84.6	8.9
23 08	1,611.5	2,251.6	1,890.9	202.1	141.0	4,822	85.2	9.0
23 09	1,620.0	2,262.7	1,901.5	201.1	141.2	4,818	85.2	8.9
23 10	1,627.0	2,251.2	1,889.3	200.7	141.3	4,814	86.1	8.9

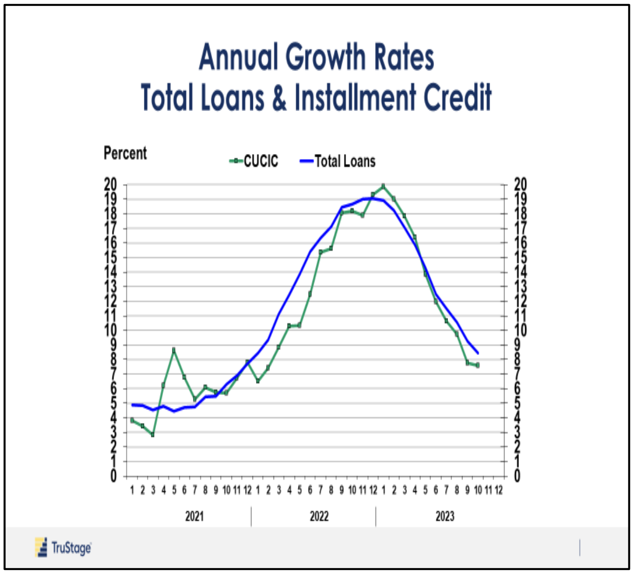
Credit Union Growth Rates

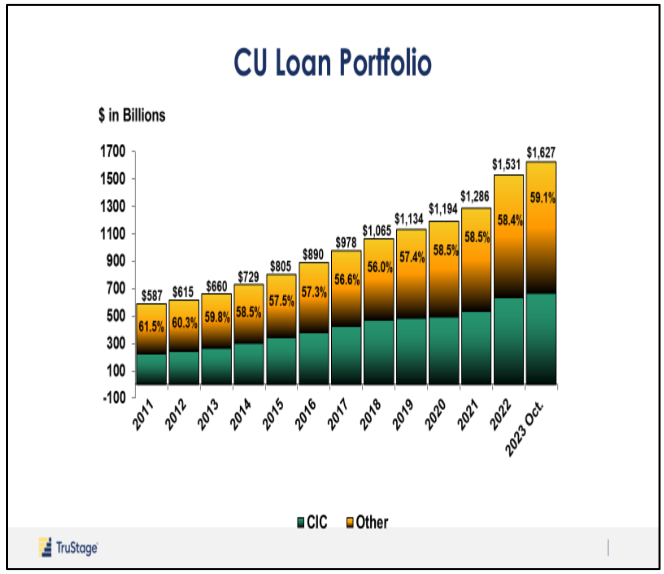
Percent Change From Prior Year

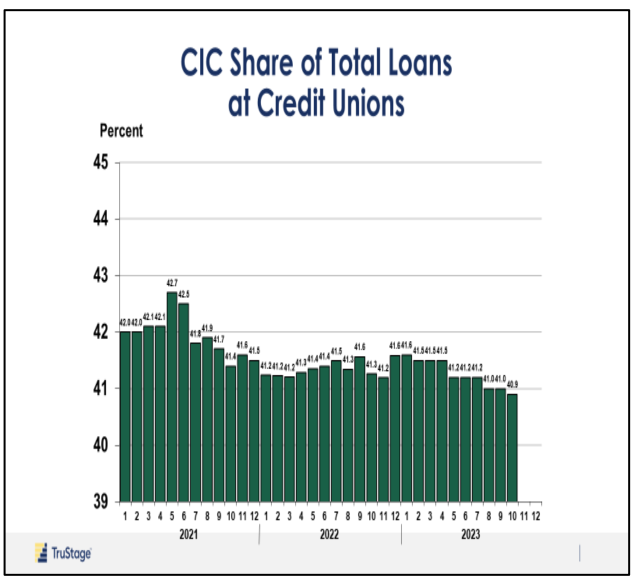
YR/MO	LOANS	ASSETS	SAVINGS	CAPITAL	MEMBERS	CREDIT UNIONS	# OF CUs DECLINE	DELINQUENCY RATE*
21 10	6.2	12.8	13.5	8.1	3.9	(3.6)	(192)	0.480%
21 11	6.7	12.9	13.5	7.6	3.9	(3.4)	(181)	0.491%
21 12	7.7	11.7	12.6	7.8	4.2	(3.1)	(165)	0.485%
22 01	8.5	10.7	11.8	6.1	4.0	(3.2)	(169)	0.494%
22 02	9.4	10.6	11.8	5.3	4.1	(3.5)	(185)	0.461%
22 03	11.1	8.6	9.2	1.8	4.1	(3.3)	(174)	0.418%
22 04	12.4	7.8	8.2	– 3.0	4.3	(3.2)	(168)	0.443%
22 05	13.9	7.2	8.0	– 2.8	4.0	(3.4)	(176)	0.458%
22 06	15.4	7.9	8.0	– 4.6	4.1	(3.5)	(181)	0.479%
22 07	16.3	7.3	6.9	– 3.7	3.7	(3.8)	(200)	0.510%
22 08	17.1	6.6	6.5	– 5.8	3.7	(3.8)	(200)	0.515%
22 09	18.4	6.4	6.2	– 9.7	4.3	(3.6)	(186)	0.528%
22 10	18.7	5.0	4.6	– 10.6	4.5	(3.0)	(156)	0.561%
22 11	19.0	5.7	4.2	– 8.1	4.3	(3.6)	(186)	0.616%
22 12	19.1	5.1	3.3	– 7.6	4.3	(3.7)	(189)	0.612%
23 01	19.0	5.2	2.6	– 4.4	4.3	(3.9)	(221)	0.667%
23 02	18.9	4.0	2.2	– 6.2	4.3	(3.9)	(224)	0.582%
23 03	17.1	4.3	2.0	-1.0	4.3	(3.9)	(220)	0.523%
23 04	15.9	3.8	0.5	3.7	3.9	(4.2)	(212)	0.588%
23 05	14.3	3.8	0.7	3.8	3.8	(4.0)	(205)	0.594%
23 06	12.5	3.8	1.2	2.7	3.8	(3.5)	(179)	0.626%
23 07	11.5	2.1	0.2	1.2	4.3	(3.8)	(193)	0.674%
23 08	10.6	3.1	0.6	3.8	4.1	(4.4)	(222)	0.701%
23 09	9.3	3.6	0.7	7.7	3.2	(4.0)	(200)	0.721%
23 10	8.4	3.2	0.7	8.6	3.0	(4.2)	(209)	0.736%

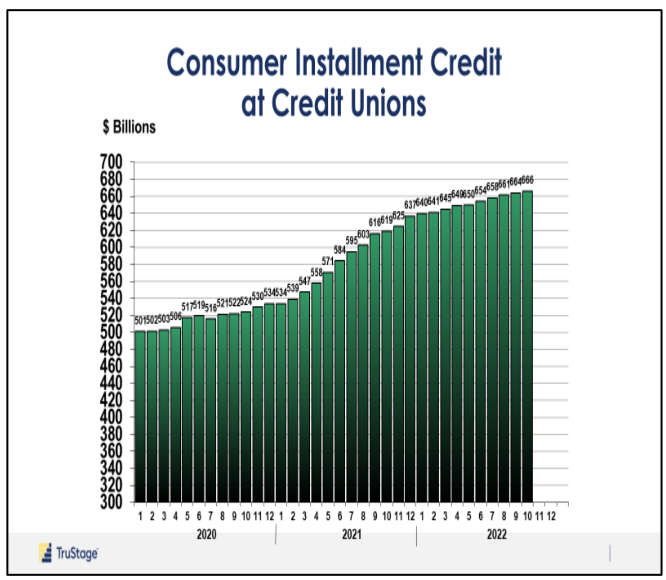
* Loans two or more months delinquent as a percent of total loans

Consumer Installment Credit









Meet Steve Rick

Steve Rick is the Chief Economist for TruStage. Rick is an economic researcher, analyst and forecaster with expertise in consumer markets and the credit union industry. His forecasts serve as a starting point for client—and firm—level strategic planning by creating a clear understanding of the underlying trends and links between the general economy, the financial services industry and the firm's clients. Rick is a member of the TruStage Financial Advisors Investment Committee that approves strategy and oversees the firm's investment operations. He is also a member of the firm's Capital Markets Committee that performs ongoing research on the global economy and financial markets and on behalf of institutional and individual investors across the country.

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 TruStage – Economics. To access this report on the Internet, go to www.trustage.com/cu-trends. If you have any questions, comments, or need additional information, please call or complete this form. Thank you.

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