

CREDIT UNION TRENDS REPORT

CUNA Mutual Group – Economics • September 2015 (July 2015 data)

Highlights

- During July, credit unions picked up 463,000 in new memberships, loan balances grew at a 10.4% annualized pace, savings balances surged 1.0% due to the end of the month falling on a payroll Friday, firms hired 245,000 workers, nominal consumer spending increased a moderate 0.3%, and long-term interest rates fell 4 basis points. Second quarter economic growth was revised to 3.7%, better than the 0.6% in Q1.
- At the end of July, CUNA's monthly estimates reported 6,330 CUs in operation, down 48 CUs from one month earlier. Year-over-year, the number of credit unions declined by 328, more than the 244 lost in the 12 months ending in July 2014.
- Total credit union assets rose 1.0% in July as credit unions received a 6% surge in share draft deposits due to a payroll Friday on July 31. Assets rose 6.7% during the past year due to a 6.7% increase in deposits, a 4% increase in borrowings, and a 7.8% increase in capital.
- The nation's credit unions increased their loan portfolios by 1.0% in July, slightly less than the 1.3% pace reported in July 2014, and 10.6% during the last 12 months. July is historically the 4th fastest loan growth month due to seasonal factors: car purchases and vacation spending.
- Credit union memberships rose a robust 0.45% in July, up from a 0.20% gain reported in July 2014, the fastest monthly growth rate since July 2013. Memberships are up 3.6% over the past year due to rapid job creation and strong demand for new and used auto loans.
- Credit union loan delinquency rates fell to 0.64% in July, down from 0.83% one year earlier due to a stronger economy and double digit loan growth. As the labor market approaches full employment and the unemployment rate falls, the delinquency rate will decline below 0.6%.

ECONOMIC, COMPETITIVE AND INTEREST RATE ENVIRONMENT

During July, the economy added 245,000 jobs, the unemployment rate remained at 5.3%, personal income jumped 0.4%, consumer prices climbed 0.1%, consumer confidence fell slightly, new home sales surged 5.4%, existing home sales rose 1.8%, auto sales rose 1.7%, home prices rose 1.7%, and the 10-year Treasury interest rate decreased 4 basis points to average 2.32%.

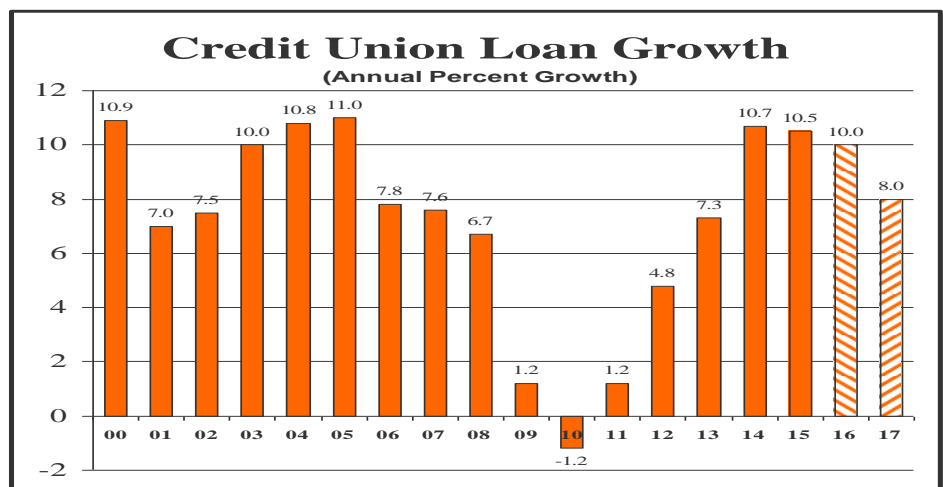
The Federal Reserve decided not to raise short-term interest rates (Fed funds rate) in September due to uncertainties related to China, emerging markets and falling inflation expectations. But financial conditions have tightened over the last few months. For example, the U.S. dollar rose 19% during the last year due to expectations of rising U.S. interest rates and global geopolitical stress. This has reduced the cost of imports to U.S. residents but raised the cost of exports from the point of view of foreign buyers. The increase in imports will worsen the trade deficit and slow economic growth. Falling stock prices and rising corporate bond risk premiums have raised the cost of equity and debt financing, respectively, for many corporations. This will slow firm's investment spending and GDP growth.

Total Lending

Credit union loan balances rose 1.0% in July, slower than 1.3% pace reported in July 2014, as overall credit creation slows to a more sustainable pace. Home equity loans and unsecured personal loan balances, however, rose a strong 2.2% in July, the two fastest growing loan categories. Consumers released some of their pent up demand for autos and home appliances in July as reflected by retail sales jumping 0.6%. Currently total loans are rising at a 10.4% seasonally-adjusted annualized growth rate, down from the 10.8% set back in March.

We expect loan growth to be 10.5% in 2015 (**Figure 1**) and 10% in 2016 before slowing to 8% in 2017. Strong consumer fundamentals will continue to drive rapid loan growth next year: rising home prices, faster household formation, increasing job security, higher consumer confidence, rising incomes, low debt-servicing costs, increasing credit availability, lower gas prices, strong job creation and rising wages.

Figure 1



Credit Union Consumer Installment Credit (CUCIC)

Credit union consumer-installment-credit loan balances (auto, credit card and other unsecured loans) rose 1.4% in July, a faster pace than the 1.2% set in July 2014. During the last 12 months, credit union consumer installment credit grew 13.9% (Figure 2), more than twice as fast as the total market excluding credit unions of 6.2%. We are forecasting consumption expenditures on durable goods – autos, appliances, furniture – to increase 6.2% in 2015 (Figure 3) and then accelerate to 6.9% next year as household income grows and consumer confidence levels rise to prerecession highs.

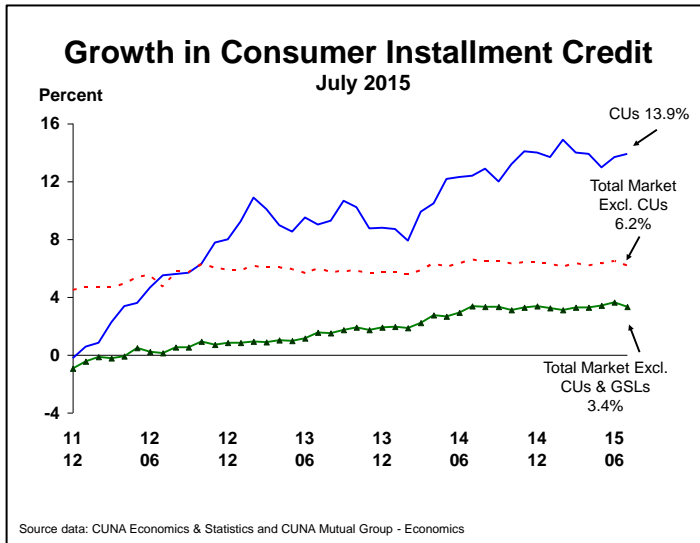


Figure 2

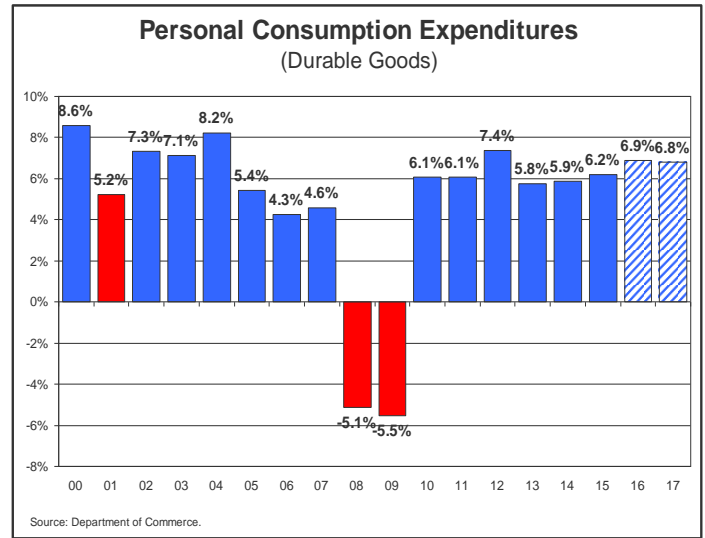


Figure 3

Vehicle Loans

Credit union new-auto loan balances rose 1.5% in July, below the 1.9% pace set in July 2014. Currently new-auto loan balances are rising at a 17.6% seasonally-adjusted annualized growth rate (Figure 4) down from the record, and frankly unsustainable, 22.5% pace set last summer. This recent strong performance is due in large part to the 3 million jobs created during the last twelve months and the 245,000 jobs created in July alone. As the job market approaches full employment in the spring of 2016, wage growth will begin to accelerate along with productivity growth, enticing more Americans to purchase new cars and trucks.

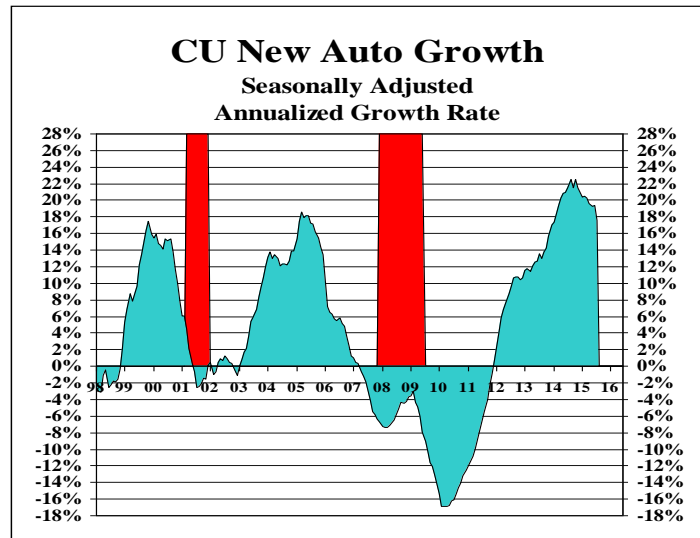


Figure 4

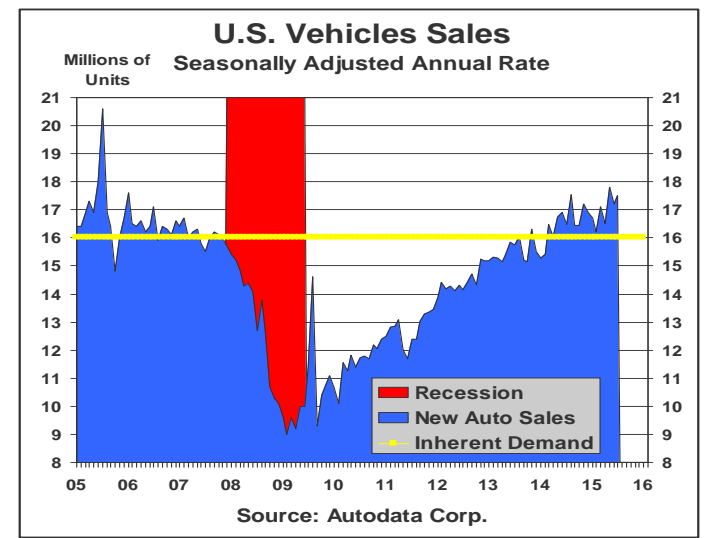


Figure 5

Vehicle sales rose to a 17.5 million unit **seasonally-adjusted annualized sales rate** in July (Figure 5), up from 17.2 million in June and above the 16.5 million sales pace set in July 2014. These strong sales numbers are above the 16 million annual sales pace considered by economists to be the “inherent demand” for the U.S. auto sector, see yellow line in figure 5. Auto sales will remain above this level for the next two years as Americans make up for the lack of purchases during the 2008-2012 time period. Light truck sales currently make up 55% of all sales due to low and falling gasoline prices.

Real Estate-Secured Lending – 1st Mortgages and Other Real Estate

Credit union first-mortgage originations are on pace to reach record levels in 2015. We believe total originations (refinances and purchase) will come in at \$137 billion (**Figure 6**), up from \$94 billion in 2014, a 46% increase. Credit unions have gained significant market share in the mortgage lending space in the last few years. Today credit unions originate 8.5% of all first mortgage loans, up from 4.4% in 2010. Credit unions have stepped into the real estate lending void created by the exiting of many banks from this arena.

Home equity lending posted a stronger than expected growth rate in July, increasing 2.2%, compared to only 0.8% in July 2014. Consumer spending is expected to accelerate in the fourth quarter of 2015 and members will tap into their home equity to finance those purchases. Second mortgages, however, continued to decline falling 5.1% over the last year.

The contract interest rate on a 30-year fixed-rate conventional home mortgage rose to 4.05% in July, up from 3.98% in June, but below the 4.13% reported in July 2014. We expect the Federal Reserve to raise interest rates in December, which will lift the 30-year mortgage interest rate to the 4.3-4.4% range by year end. This forecasted increase in interest rates will encourage some fence sitters to purchase a home now before interest rates rise further.

Home prices rose 1.7% in July from June, according to the Core Logic Home Price Index, and 6.9% year-over-year. The index is now 39% above the low point in March 2011, and only 7% below the peak set in April 2006. Home prices are expected to rise another 5% in 2015 and 4% in 2016. Therefore, home prices should reach new highs by the end of 2016.

All the fundamental drivers of housing demand are accelerating and will keep home prices moving higher over the next two years. Labor market slack is decreasing rapidly and wage growth is beginning to accelerate, both of which are positive factors for homebuyer demand and house price appreciation. Credit union mortgage lending should increase as improving financial positions among borrowers and rising incomes justify loosening credit standards. In addition, confidence in the housing market will return as the general economy strengthens and lingering memories regarding the most recent housing downturn fade from view.

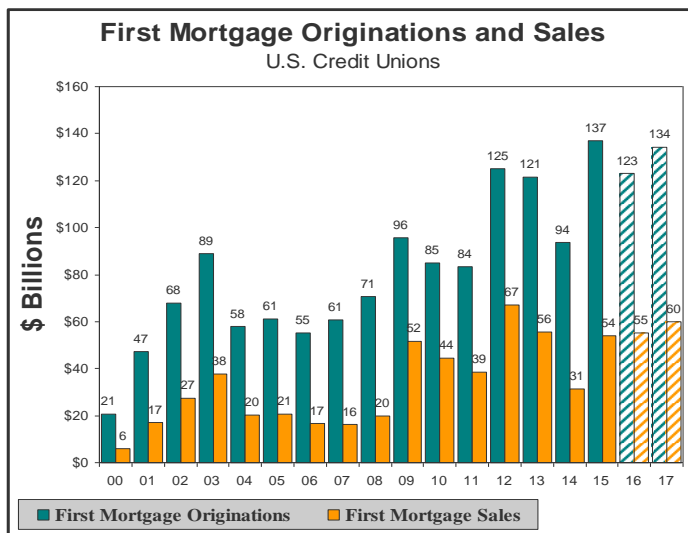


Figure 6

Surplus Funds (Cash + Investments)

Credit union surplus funds rose \$3.2 billion, or 0.8%, in July to reach \$382.6 billion, as the strong dollar increase in savings (\$10.1 billion), capital (\$1 billion) and borrowings (\$0.3 billion) exceeded the \$8 billion increase in loans. Credit union surplus funds as a percent of assets fell to 31.8% in July, down from 34.0% in July 2014, as credit unions partly funded \$74 billion in new loans with \$1.4 billion of cash and investments. The yield on surplus funds rose slightly to 1.17% in the first half of 2015 compared to 1.16% during the first half of 2014. Investment yields remain significantly below the 4.66% yield on loans in the first half of 2015, which is down from the 4.83% reported in the first half of last year.

Credit unions are repositioning their investment portfolios due to expectations that the Federal Reserve may begin raising interest rates in the 4th quarter of this year. Surplus funds with a maturity of less than 1 year rose to 43.3% of all surplus funds in the second quarter, which is up from 41.9% in June of last year (**Figure 7**). Longer term investments as a percent of surplus funds fell significantly over the last year; 5-10 year investments fell to 7.4% of surplus funds from 9.5% a year earlier while 3-5 year investments fell from 22.4% to 18.7%. By reducing the concentration of long term investments, credit unions reduce their interest rate risk exposure that accompany rising interest rates.

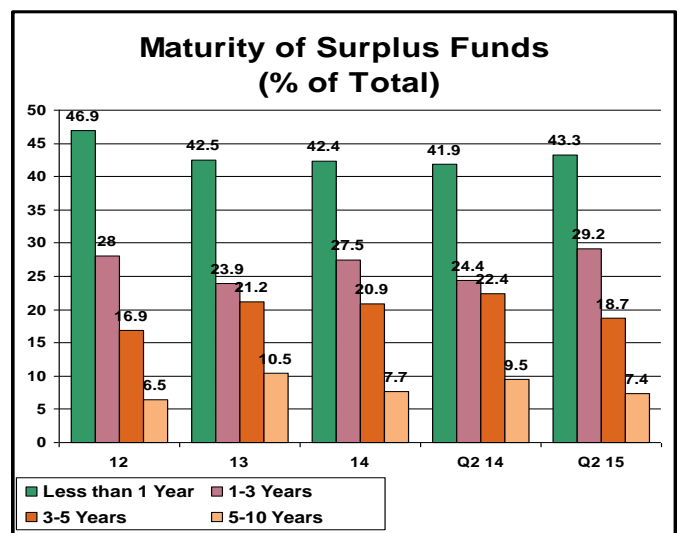


Figure 7

Savings and Assets

Credit union savings balances grew a rapid 1.0% in July, significantly faster than the -0.1% drop in balances in July 2014 and the recent 0.4% average, due to July 31 landing on a Friday payday. July is normally the weakest month of the year for savings growth (**Figure 8**) due to seasonal factors like vacation spending and auto loan down payments. Credit union savings seasonal factors will remain a negative factor for rest of the year.

However, during the last 12 months, savings balances rose 6.7% due to low gas prices, rising household income, strong job growth, and fast membership growth (**Figure 9**). We expect savings balances to grow 5% in 2015, and then slow to 4% in 2016 as the Federal Reserve raises interest rates 1.25 percentage points. This will result in some interest-rate-sensitive members moving savings deposits to money market mutual funds.

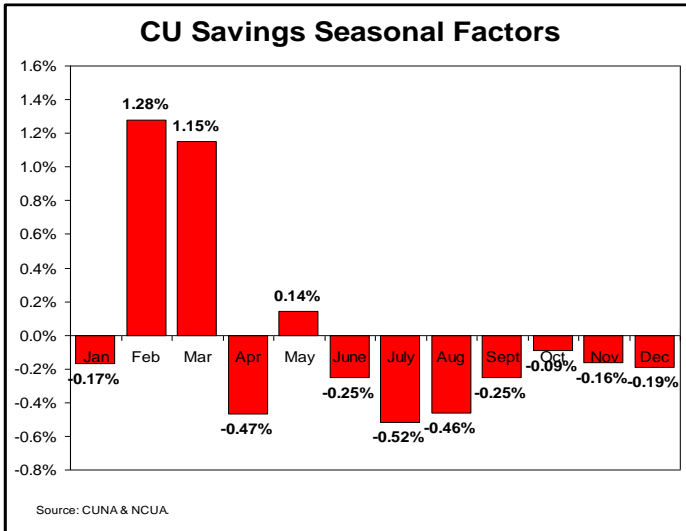


Figure 8

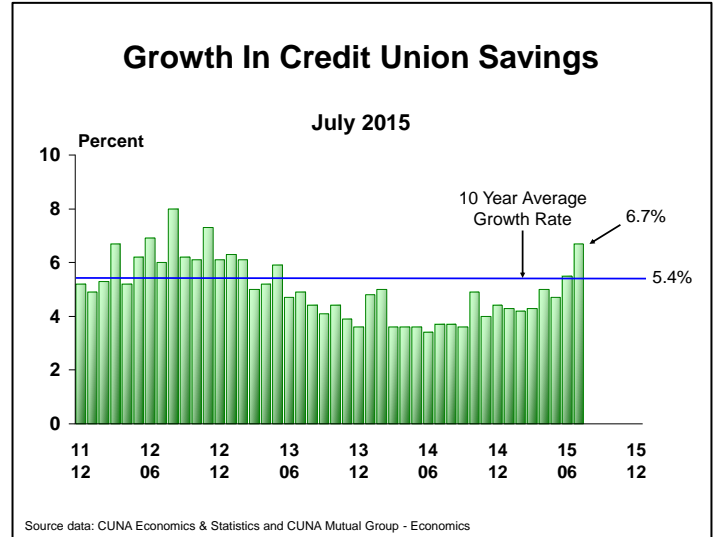


Figure 9

Capital and Other Key Measures

The industry's weighted average capital-to-asset ratio fell to 10.7% in July from 10.8% in June due to a 1% surge in savings deposits and assets. But during the last 12 months, capital-to-asset ratios rose for all asset categories (**Figure 10**) as the growth in capital (7.3%) exceeded the growth in assets (6%), according to recently released mid-year NCUA call report data. The 7.3% capital growth rate is the return-on-equity ratio and has been trending down lately.

The credit union **loan net charge rate** fell to 0.46% in June, from 0.49% in June 2014 (**Figure 11**) the lowest since the third quarter of 2007. The charge off rate will fall to 0.44% in the third quarter, which is historically the quarter with the lowest charge off rate of the year, due to rapid loan growth over the summer months. We expect the charge off rate to raise 5 basis points to 0.49% in the fourth quarter as loan growth slows and delinquent loans rise.

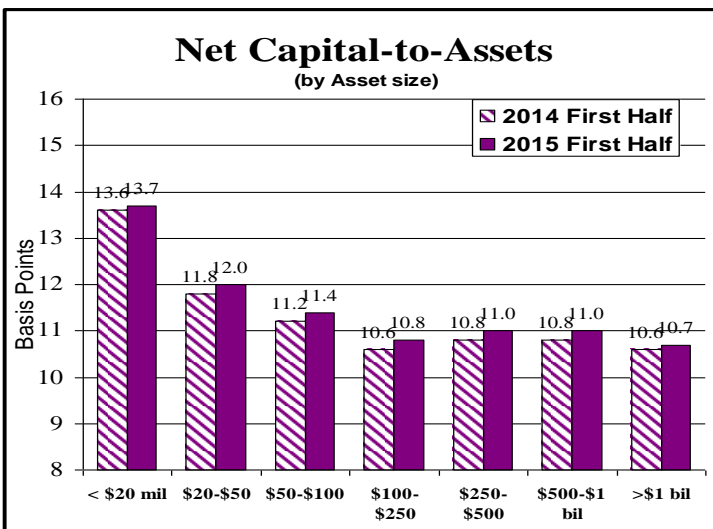


Figure 10

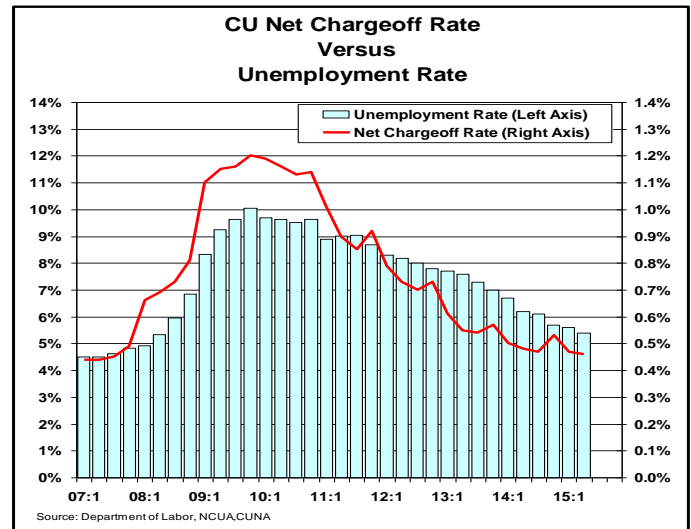


Figure 11

Credit Unions and Members

As of July 2015, CUNA estimates 6,330 credit unions are in operation, down 48 from June. Year-to-date, the number of credit unions fell by 183, see **(Figure 12)**, which is significantly above the 137 reported in the first seven months of 2014. NCUA's Insurance Report of Activity showed 20 mergers in July with an average asset size of \$25.7 million, down from the 25 mergers reported in July 2014 with an average asset size of \$42 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)**.

Just released mid-year NCUA call report data shows 240 credit unions with assets in excess of \$1 billion and 237 credit unions with assets greater than \$500 million, but less than \$1 billion. The greater than \$1 billion asset category represents 3.8% of all credit unions, but more than 56.4% of the credit union system assets and 58.8% of the loans. The median asset size of a U.S. credit union rose to \$25.7 million in mid-year, up from \$23.9 million at mid-year 2014.

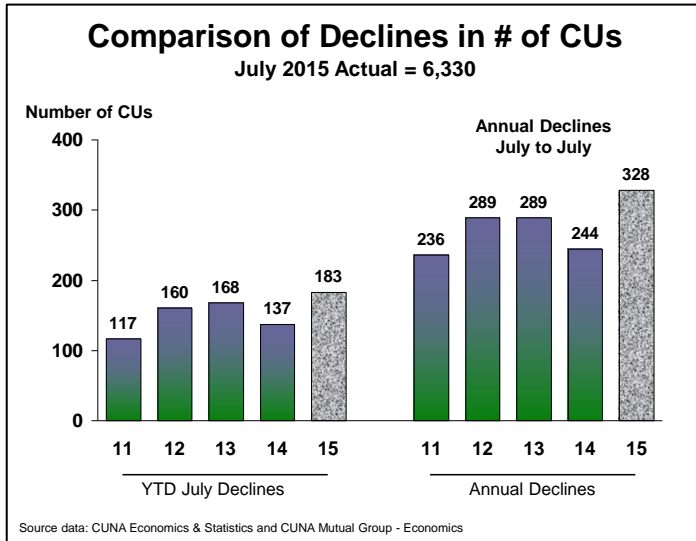


Figure 12

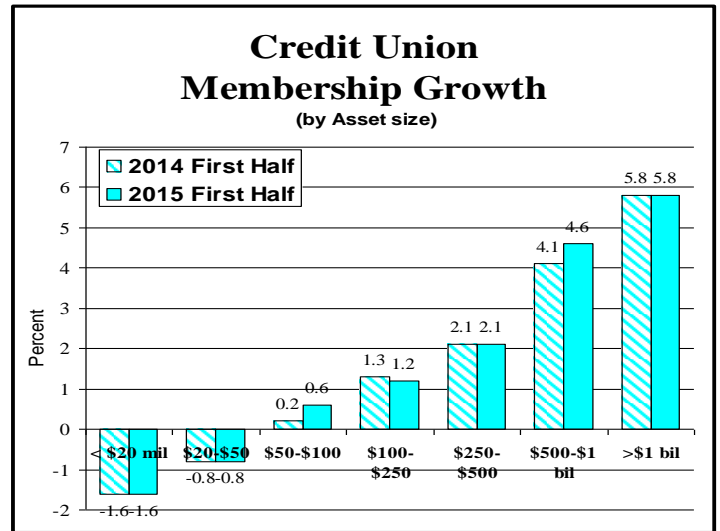


Figure 13

Credit union memberships grew a strong 463,000 in July, or 0.45%, much better than the 195,000 new members, or 0.2%, added in July 2014. Year-to-date credit unions added 2.4 million new members, **(Figure 14)**, faster than the 1.9 million members added in 2014. Total credit union memberships reached 103.9 million in July, 3.6% above the level recorded last year. This is the fastest membership growth since July 2003 and is being driven by the 245,000 new jobs added to the U.S. economy in July, according to the Bureau of Labor Statistics, and the record level of loan originations. We forecast credit union memberships to grow 3% in 2016 and in 2017 due to job gains exceeding 2.5 million each year and more Americans reaching out to credit union in search of loans to satisfy their pent up demand for durable goods.

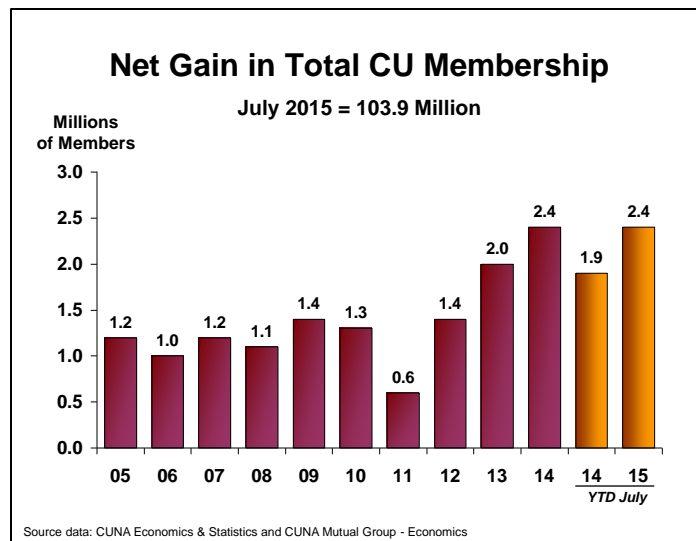


Figure 14

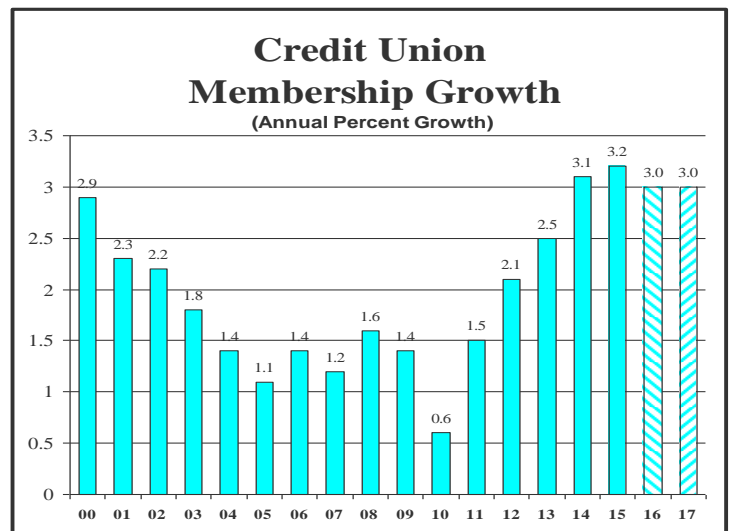


Figure 15

National Monthly Credit Union Aggregates

| <u>YR/MO</u> | ----- (\$ Billions) ----- | | | | (Millions) | CREDIT | LOAN / | CAPITAL/ |
|--------------|---------------------------|---------------|----------------|----------------|----------------|---------------|----------------|--------------------|
| | <u>LOANS</u> | <u>ASSETS</u> | <u>SAVINGS</u> | <u>CAPITAL</u> | <u>MEMBERS</u> | <u>UNIONS</u> | <u>SAVINGS</u> | <u>ASSET RATIO</u> |
| 13 07 | 636.3 | 1,073.7 | 824.0 | 110.2 | 97.7 | 6,902 | 68.9 | 10.3 |
| 13 08 | 642.7 | 1,083.1 | 931.3 | 109.8 | 97.9 | 6,880 | 69.0 | 10.1 |
| 13 09 | 647.1 | 1,078.2 | 924.9 | 111.3 | 98.1 | 6,864 | 70.0 | 10.3 |
| 13 10 | 651.8 | 1,082.3 | 926.0 | 112.3 | 98.1 | 6,834 | 70.4 | 10.4 |
| 13 11 | 654.9 | 1,088.9 | 932.1 | 112.7 | 98.1 | 6,828 | 70.3 | 10.4 |
| 13 12 | 660.1 | 1,083.7 | 929.2 | 113.3 | 98.4 | 6,795 | 71.0 | 10.5 |
| 14 01 | 662.4 | 1,095.8 | 939.4 | 114.8 | 98.5 | 6,759 | 70.5 | 10.5 |
| 14 02 | 663.1 | 1,117.1 | 959.6 | 115.8 | 98.9 | 6,746 | 69.1 | 10.4 |
| 14 03 | 667.4 | 1,120.2 | 962.7 | 116.3 | 99.2 | 6,735 | 69.3 | 10.4 |
| 14 04 | 673.7 | 1,117.8 | 957.3 | 117.3 | 99.6 | 6,699 | 70.4 | 10.5 |
| 14 05 | 681.0 | 1,130.5 | 965.9 | 118.9 | 99.8 | 6,677 | 70.5 | 10.5 |
| 14 06 | 689.5 | 1,125.5 | 959.8 | 119.6 | 100.1 | 6,671 | 71.8 | 10.6 |
| 14 07 | 698.6 | 1,129.1 | 958.7 | 120.0 | 100.3 | 6,658 | 72.9 | 10.6 |
| 14 08 | 706.3 | 1,138.8 | 965.8 | 121.3 | 100.6 | 6,655 | 73.1 | 10.7 |
| 14 09 | 711.6 | 1,130.0 | 958.5 | 121.5 | 100.9 | 6,592 | 74.2 | 10.8 |
| 14 10 | 718.5 | 1,146.3 | 971.1 | 122.8 | 101.0 | 6,580 | 74.0 | 10.7 |
| 14 11 | 723.4 | 1,147.5 | 969.5 | 123.7 | 101.1 | 6,531 | 74.6 | 10.8 |
| 14 12 | 728.9 | 1,144.7 | 970.4 | 123.5 | 101.5 | 6,513 | 75.1 | 10.8 |
| 15 01 | 732.7 | 1,157.8 | 978.4 | 124.8 | 101.6 | 6,497 | 74.8 | 10.8 |
| 15 02 | 734.6 | 1,179.7 | 999.5 | 124.9 | 101.9 | 6,460 | 73.5 | 10.6 |
| 15 03 | 739.4 | 1,181.6 | 1,004.5 | 126.3 | 102.2 | 6,447 | 73.6 | 10.7 |
| 15 04 | 747.0 | 1,185.0 | 1,005.3 | 127.1 | 102.6 | 6,413 | 74.3 | 10.7 |
| 15 05 | 754.4 | 1,196.7 | 1,011.4 | 127.9 | 103.0 | 6,398 | 74.6 | 10.7 |
| 15 06 | 764.6 | 1,193.4 | 1,012.8 | 128.3 | 103.4 | 6,378 | 75.5 | 10.8 |
| 15 07 | 772.6 | 1,204.9 | 1,022.9 | 129.4 | 103.9 | 6,330 | 75.5 | 10.7 |

Credit Union Growth Rates

Percent Change Previous Year

| <u>YR/MO</u> | <u>LOANS</u> | <u>ASSETS</u> | <u>SAVINGS</u> | <u>CAPITAL</u> | <u>MEMBERS</u> | <u># OF CUs</u> | <u># OF CUs DECLINE</u> | <u>Delinquency Ratio*</u> |
|--------------|--------------|---------------|----------------|----------------|----------------|-----------------|-----------------------------|-------------------------------|
| 13 07 | 5.9 | 4.9 | 4.9 | 4.4 | 2.4 | (4.0) | (289) | 1.020% |
| 13 08 | 6.2 | 4.5 | 4.4 | 3.3 | 2.2 | (3.9) | (282) | 1.018% |
| 13 09 | 6.5 | 4.3 | 4.1 | 4.0 | 2.2 | (3.9) | (280) | 1.013% |
| 13 10 | 6.7 | 5.0 | 4.4 | 4.3 | 2.4 | (4.0) | (281) | 1.009% |
| 13 11 | 7.0 | 4.4 | 3.9 | 4.1 | 2.4 | (4.0) | (288) | 1.028% |
| 13 12 | 7.3 | 3.9 | 3.6 | 4.2 | 2.5 | (3.9) | (275) | 1.005% |
| 14 01 | 7.6 | 5.0 | 4.8 | 5.1 | 2.6 | (4.2) | (298) | 0.958% |
| 14 02 | 7.9 | 5.3 | 5.0 | 5.4 | 2.6 | (4.3) | (301) | 0.886% |
| 14 03 | 8.3 | 4.0 | 3.6 | 5.2 | 2.7 | (3.9) | (273) | 0.809% |
| 14 04 | 8.6 | 4.2 | 3.6 | 5.4 | 2.8 | (4.3) | (300) | 0.836% |
| 14 05 | 9.0 | 4.6 | 3.6 | 7.1 | 2.8 | (4.4) | (310) | 0.849% |
| 14 06 | 9.4 | 4.4 | 3.4 | 8.6 | 2.9 | (3.7) | (259) | 0.852% |
| 14 07 | 9.8 | 5.2 | 3.7 | 8.9 | 2.6 | (3.5) | (244) | 0.825% |
| 14 08 | 9.9 | 5.1 | 3.7 | 10.5 | 2.8 | (3.3) | (226) | 0.841% |
| 14 09 | 10.0 | 4.8 | 3.6 | 9.1 | 2.9 | (4.0) | (272) | 0.852% |
| 14 10 | 10.2 | 5.9 | 4.9 | 9.4 | 2.9 | (3.7) | (254) | 0.832% |
| 14 11 | 10.5 | 5.4 | 4.0 | 9.7 | 3.0 | (4.3) | (297) | 0.856% |
| 14 12 | 10.4 | 5.6 | 4.4 | 9.0 | 3.1 | (4.2) | (282) | 0.848% |
| 15 01 | 10.6 | 5.7 | 4.3 | 8.7 | 3.1 | (3.9) | (262) | 0.834% |
| 15 02 | 10.8 | 5.6 | 4.2 | 7.9 | 3.1 | (4.2) | (286) | 0.738% |
| 15 03 | 10.8 | 5.5 | 4.3 | 8.7 | 3.0 | (4.3) | (288) | 0.683% |
| 15 04 | 10.9 | 6.0 | 5.0 | 8.3 | 3.0 | (4.3) | (286) | 0.703% |
| 15 05 | 10.8 | 5.8 | 4.6 | 7.5 | 3.2 | (4.2) | (279) | 0.688% |
| 15 06 | 10.9 | 6.0 | 5.5 | 7.3 | 3.3 | (4.4) | (293) | 0.667% |
| 15 07 | 10.6 | 6.7 | 6.7 | 7.8 | 3.6 | (4.9) | (328) | 0.645% |

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

Distribution of Credit Union Loans

Estimated \$ (Billions) Outstanding

| <u>YR/MO</u> | <u>TOTAL LOANS</u> | <u>NEW USED VEHICLE LOANS</u> | | <u>TOTAL</u> | <u>UNSEC Ex. CC'S</u> | <u>CREDIT CARDS</u> | <u>CUCIC</u> | <u>1ST MORT TOTAL</u> | <u>TOT. OTHR MORT 2ND +HE</u> | <u>TOTAL REAL ESTATE</u> | <u>MBLs*</u> |
|--------------|--------------------|-------------------------------|-------|--------------|-----------------------|---------------------|--------------|----------------------------------|--|--------------------------|--------------|
| 13 07 | 636.3 | 68.6 | 124.9 | 193.5 | 28.2 | 40.8 | 255.9 | 263.4 | 72.2 | 335.6 | 44.8 |
| 13 08 | 642.7 | 69.5 | 126.1 | 195.6 | 28.6 | 41.3 | 259.2 | 266.5 | 72.2 | 338.7 | 44.8 |
| 13 09 | 647.1 | 70.1 | 127.2 | 197.3 | 28.7 | 41.5 | 261.9 | 268.3 | 72.3 | 340.6 | 44.7 |
| 13 10 | 651.8 | 71.3 | 128.9 | 200.2 | 29.0 | 41.6 | 263.2 | 270.8 | 72.0 | 342.8 | 45.8 |
| 13 11 | 654.9 | 72.0 | 129.5 | 201.5 | 29.3 | 42.0 | 263.8 | 271.6 | 71.7 | 343.3 | 47.7 |
| 13 12 | 660.1 | 72.5 | 129.6 | 202.1 | 29.8 | 43.4 | 265.6 | 273.9 | 72.5 | 346.3 | 48.2 |
| 14 01 | 662.4 | 73.5 | 130.4 | 203.9 | 29.8 | 42.8 | 267.9 | 274.5 | 72.1 | 346.6 | 47.9 |
| 14 02 | 663.1 | 73.7 | 131.0 | 204.7 | 29.5 | 42.2 | 267.9 | 275.9 | 71.7 | 347.7 | 47.6 |
| 14 03 | 667.4 | 74.7 | 132.4 | 207.1 | 29.2 | 42.3 | 269.9 | 278.8 | 71.3 | 350.0 | 47.5 |
| 14 04 | 673.7 | 75.6 | 134.0 | 209.5 | 29.8 | 42.6 | 274.2 | 280.2 | 71.4 | 351.6 | 47.8 |
| 14 05 | 681.0 | 76.9 | 135.5 | 212.4 | 30.1 | 43.1 | 279.3 | 282.0 | 71.7 | 353.7 | 48.0 |
| 14 06 | 689.5 | 78.9 | 137.6 | 216.5 | 30.4 | 43.7 | 284.3 | 285.5 | 72.0 | 357.5 | 47.8 |
| 14 07 | 698.6 | 80.4 | 139.5 | 219.9 | 31.2 | 44.2 | 288.5 | 286.6 | 72.5 | 359.1 | 51.0 |
| 14 08 | 706.3 | 82.2 | 141.1 | 223.3 | 31.4 | 44.7 | 293.0 | 288.2 | 72.8 | 361.0 | 52.2 |
| 14 09 | 711.6 | 83.7 | 142.7 | 226.4 | 31.6 | 44.9 | 293.1 | 292.8 | 72.9 | 365.8 | 52.8 |
| 14 10 | 718.5 | 85.7 | 144.6 | 230.3 | 31.9 | 45.0 | 298.3 | 293.8 | 73.8 | 367.6 | 52.6 |
| 14 11 | 723.4 | 86.8 | 145.6 | 232.4 | 32.2 | 45.6 | 301.0 | 295.2 | 74.0 | 369.2 | 53.2 |
| 14 12 | 728.9 | 87.7 | 146.2 | 233.9 | 32.6 | 46.8 | 302.8 | 298.7 | 73.4 | 372.1 | 53.9 |
| 15 01 | 732.7 | 89.2 | 147.4 | 236.6 | 32.9 | 46.3 | 304.5 | 298.9 | 74.5 | 373.3 | 54.9 |
| 15 02 | 734.6 | 90.2 | 148.2 | 238.3 | 32.5 | 45.5 | 307.8 | 297.6 | 74.1 | 371.7 | 55.1 |
| 15 03 | 739.4 | 90.7 | 149.8 | 240.5 | 32.1 | 45.5 | 307.7 | 303.5 | 73.0 | 376.5 | 55.2 |
| 15 04 | 747.0 | 92.4 | 151.6 | 244.1 | 32.6 | 45.6 | 312.3 | 304.5 | 74.7 | 379.2 | 55.5 |
| 15 05 | 754.5 | 93.4 | 153.7 | 247.1 | 32.9 | 45.9 | 315.7 | 305.5 | 75.0 | 380.5 | 58.2 |
| 15 06 | 764.6 | 95.3 | 156.2 | 251.5 | 33.3 | 46.1 | 323.2 | 310.2 | 74.5 | 384.7 | 56.7 |
| 15 07 | 772.6 | 96.8 | 159.1 | 255.9 | 34.1 | 46.4 | 327.7 | 312.2 | 75.5 | 387.7 | 57.2 |

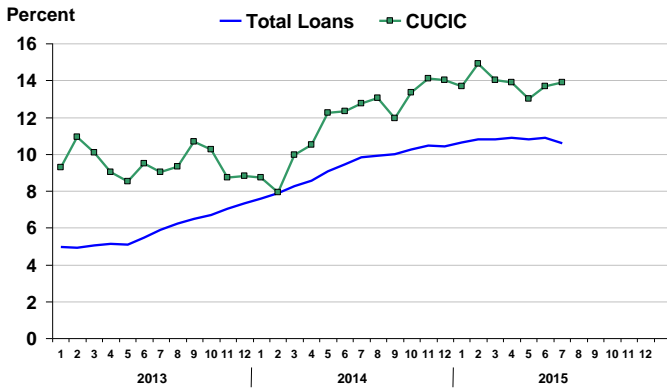
* Member Business Loans

Distribution of Credit Union Loans

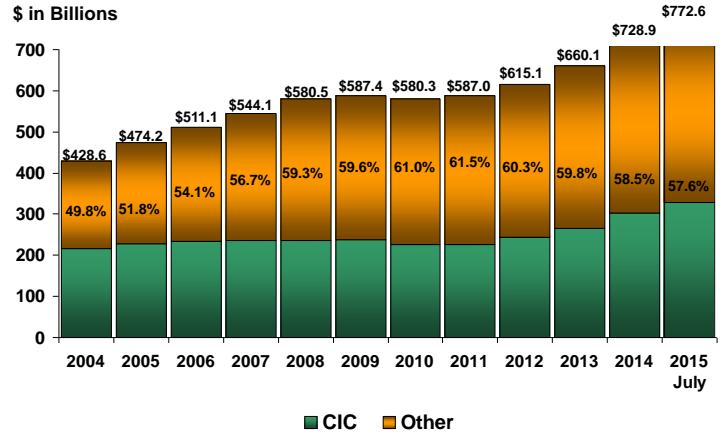
Percent Change From Prior Year

| <u>YR/MO</u> | <u>TOTAL LOANS</u> | <u>NEW USED VEHICLE LOANS</u> | | <u>TOTAL</u> | <u>UNSEC Ex. CC'S</u> | <u>CREDIT CARDS</u> | <u>CUCIC</u> | <u>1ST MORT TOTAL</u> | <u>TOT. OTHR MORT 2ND +HE</u> | <u>TOTAL REAL ESTATE</u> | <u>MBLs*</u> |
|--------------|--------------------|-------------------------------|------|--------------|-----------------------|---------------------|--------------|----------------------------------|--|--------------------------|--------------|
| 13 07 | 5.9 | 11.4 | 9.6 | 10.2 | 7.9 | 7.3 | 9.0 | 7.4 | (7.0) | 3.9 | 3.6 |
| 13 08 | 6.2 | 11.6 | 9.6 | 10.3 | 5.6 | 7.5 | 9.3 | 8.2 | (6.8) | 4.6 | 1.6 |
| 13 09 | 6.5 | 11.3 | 9.6 | 10.2 | 8.0 | 7.6 | 10.7 | 7.7 | (6.1) | 4.4 | (0.8) |
| 13 10 | 6.7 | 12.1 | 10.2 | 10.9 | 8.2 | 7.4 | 10.2 | 8.1 | (6.1) | 4.8 | 1.9 |
| 13 11 | 7.0 | 12.5 | 10.9 | 11.4 | 7.2 | 7.2 | 8.7 | 9.1 | (6.5) | 5.4 | 9.8 |
| 13 12 | 7.3 | 12.6 | 10.4 | 11.2 | 9.0 | 7.7 | 8.8 | 8.7 | (4.1) | 5.7 | 10.8 |
| 14 01 | 7.6 | 13.6 | 10.8 | 11.8 | 8.8 | 7.6 | 8.7 | 9.0 | (3.6) | 6.1 | 12.3 |
| 14 02 | 7.9 | 13.0 | 11.2 | 11.8 | 9.4 | 7.3 | 7.9 | 9.6 | (3.5) | 6.7 | 17.1 |
| 14 03 | 8.3 | 13.8 | 11.2 | 12.1 | 9.2 | 7.5 | 9.9 | 9.6 | (3.1) | 6.8 | 10.0 |
| 14 04 | 8.6 | 14.1 | 11.2 | 12.3 | 9.6 | 7.8 | 10.5 | 10.0 | (2.7) | 7.2 | 8.2 |
| 14 05 | 9.0 | 15.7 | 11.6 | 13.0 | 9.9 | 8.1 | 12.2 | 9.5 | (1.7) | 7.0 | 6.1 |
| 14 06 | 9.4 | 16.9 | 11.5 | 13.4 | 10.1 | 8.4 | 12.3 | 9.9 | (0.8) | 7.6 | 6.7 |
| 14 07 | 9.8 | 17.3 | 11.7 | 13.7 | 10.7 | 8.3 | 12.8 | 8.8 | 0.3 | 7.0 | 13.9 |
| 14 08 | 9.9 | 18.3 | 11.8 | 14.1 | 9.7 | 8.3 | 13.0 | 8.1 | 1.0 | 6.6 | 16.7 |
| 14 09 | 10.0 | 19.3 | 12.2 | 14.7 | 10.1 | 8.2 | 11.9 | 9.2 | 0.9 | 7.4 | 18.1 |
| 14 10 | 10.2 | 20.2 | 12.2 | 15.0 | 9.7 | 8.1 | 13.3 | 8.5 | 2.5 | 7.2 | 14.8 |
| 14 11 | 10.5 | 20.7 | 12.4 | 15.4 | 10.1 | 8.6 | 14.1 | 8.7 | 3.1 | 7.5 | 11.4 |
| 14 12 | 10.4 | 20.9 | 12.8 | 15.7 | 10.0 | 7.9 | 14.0 | 9.1 | 1.3 | 7.4 | 12.0 |
| 15 01 | 10.6 | 21.3 | 13.0 | 16.0 | 10.5 | 8.2 | 13.7 | 8.9 | 3.3 | 7.7 | 14.4 |
| 15 02 | 10.8 | 22.4 | 13.1 | 16.4 | 9.9 | 8.0 | 14.9 | 7.8 | 3.3 | 6.9 | 15.8 |
| 15 03 | 10.8 | 21.4 | 13.2 | 16.1 | 10.2 | 7.6 | 14.0 | 8.9 | 2.5 | 7.6 | 16.2 |
| 15 04 | 10.9 | 22.4 | 13.2 | 16.5 | 9.6 | 7.0 | 13.9 | 8.7 | 4.6 | 7.8 | 16.2 |
| 15 05 | 10.8 | 21.4 | 13.5 | 16.3 | 9.3 | 6.5 | 13.0 | 8.3 | 4.6 | 7.6 | 21.4 |
| 15 06 | 10.9 | 20.8 | 13.5 | 16.2 | 9.6 | 5.6 | 13.7 | 8.7 | 3.4 | 7.6 | 18.7 |
| 15 07 | 10.6 | 20.3 | 14.1 | 16.4 | 9.2 | 5.0 | 13.9 | 8.9 | 4.2 | 8.0 | 10.5 |

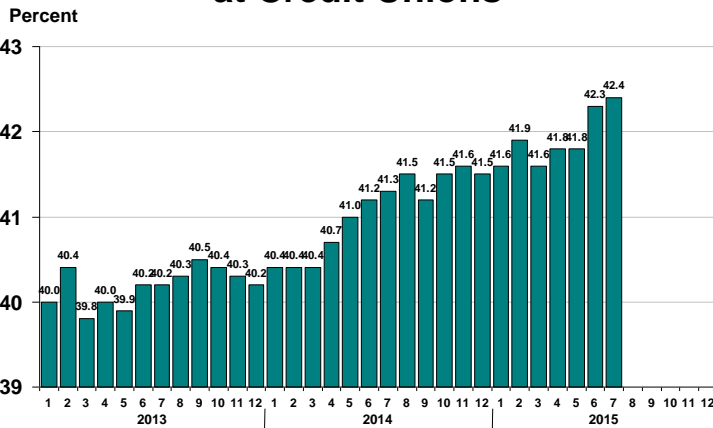
Annual Growth Rates Total Loans & Installment Credit



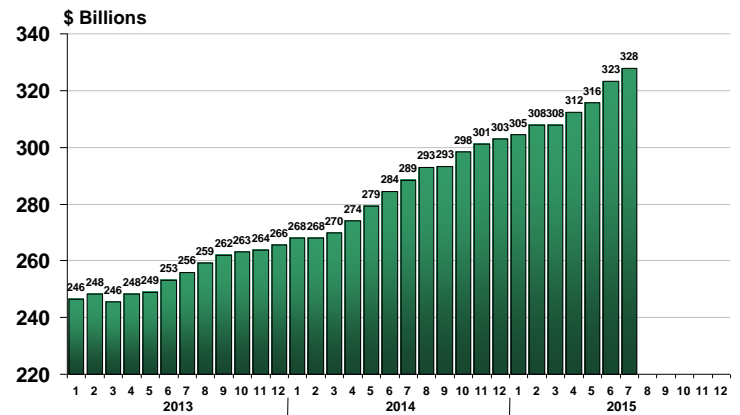
CU Loan Portfolio



CIC Share of Total Loans at Credit Unions



Consumer Installment Credit at Credit Unions



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.

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

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