

12 June 2020

BENCHMARK INTEREST RATES AND YIELD CURVE

**US Treasury Rates-**

|           | THIS WK | LAST MO | YR END   | LAST YR | CHANGES SINCE |         |            |
|-----------|---------|---------|----------|---------|---------------|---------|------------|
|           | 6/11/20 | 5/11/20 | 12/31/19 | 6/11/19 | This Yr       | Last Yr | Down Cycle |
| Fed Funds | 0.08%   | 0.05%   | 1.55%    | 2.37%   | -1.47%        | -2.29%  | -2.37%     |
| 3mo       | 0.17%   | 0.12%   | 1.55%    | 2.27%   | -1.38%        | -2.10%  | -2.18%     |
| 6mo       | 0.18%   | 0.16%   | 1.60%    | 2.21%   | -1.42%        | -2.03%  | -2.34%     |
| 1yr       | 0.19%   | 0.16%   | 1.59%    | 2.05%   | -1.40%        | -1.86%  | -2.55%     |
| 2yr       | 0.19%   | 0.17%   | 1.58%    | 1.93%   | -1.39%        | -1.74%  | -2.79%     |
| 3yr       | 0.22%   | 0.24%   | 1.62%    | 1.87%   | -1.40%        | -1.65%  | -2.83%     |
| 5yr       | 0.32%   | 0.36%   | 1.69%    | 1.92%   | -1.37%        | -1.60%  | -2.77%     |
| 7yr       | 0.51%   | 0.56%   | 1.83%    | 2.03%   | -1.32%        | -1.52%  | -2.66%     |
| 10yr      | 0.66%   | 0.73%   | 1.92%    | 2.15%   | -1.26%        | -1.49%  | -2.58%     |
| 30yr      | 1.41%   | 1.43%   | 2.39%    | 2.62%   | -0.98%        | -1.21%  | -0.77%     |

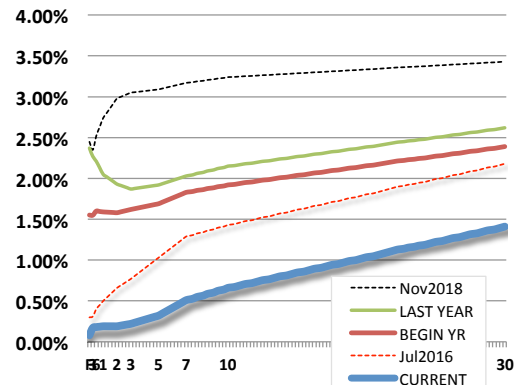
**Slope of the Yield Curve-**

|          |       |       |       |        |        |       |        |
|----------|-------|-------|-------|--------|--------|-------|--------|
| 2yr-3mo  | 0.02% | 0.05% | 0.03% | -0.34% | -0.01% | 0.36% | -0.61% |
| 5yr-2yr  | 0.13% | 0.19% | 0.11% | -0.01% | 0.02%  | 0.14% | 0.02%  |
| 10yr-5yr | 0.34% | 0.37% | 0.23% | 0.23%  | 0.11%  | 0.11% | 0.19%  |
| 10yr-3mo | 0.49% | 0.61% | 0.37% | -0.12% | 0.12%  | 0.61% | -0.40% |

**Other Interest Rates-**

|            |       |       |       |       |        |        |        |
|------------|-------|-------|-------|-------|--------|--------|--------|
| Prime      | 3.25% | 3.25% | 4.75% | 5.50% | -1.50% | -2.25% | -2.25% |
| 1mo LIBOR  | 0.18% | 0.19% | 1.76% | 2.41% | -1.58% | -2.23% | -2.34% |
| 6mo LIBOR  | 0.42% | 0.66% | 1.91% | 2.35% | -1.49% | -1.93% | -2.49% |
| 12mo LIBOR | 0.60% | 0.77% | 2.00% | 2.34% | -1.40% | -1.74% | -2.53% |

**YIELD CURVE ASSESSMENT**



**CYCLICAL CHANGES SUMMARY**

|           | Jul16 Low-Nov18 High | Nov18 High-Current |
|-----------|----------------------|--------------------|
| Fed Funds | 2.15%                | -2.37%             |
| 1year     | 2.24%                | -2.55%             |
| 2years    | 2.32%                | -2.79%             |
| 3years    | 2.28%                | -2.83%             |
| 5years    | 2.06%                | -2.77%             |
| 10years   | 1.81%                | -2.58%             |

ECONOMIC UPDATE AND ANALYSIS

## CONSUMER CREDIT PLUMMETS AGAIN IN APRIL; CU INDUSTRY LOSES MARKET SHARE

Consumer borrowing declined in April by the fastest rate since 1943 as credit card use saw a record decline.

Total consumer credit decreased at a 19.6% rate or \$68.8 billion in April. Revolving credit, like credit cards, dropped a record 64.9% in April. Nonrevolving credit, typically auto and student loans, fell 4%.

Total consumer credit held by credit unions declined at a 30.2% pace or \$12.3 billion in April. Revolving credit dropped \$2.6 billion or 48.5% and nonrevolving credit fell \$9.6 billion or 27.1%.

As a result, the credit union industry's market share in consumer credit dropped from 11.8% to 11.6%. Revolving credit retains a 6.2% market share but nonrevolving credit fell from 13.5% to 13.3%.

Discover reports that, after setting up deferrals over the previous months, the amount amount of payments being deferred dropped \$90 million from April until early June - a possible sign some distress may be easing.

Still the consumer credit market appears to be in a good position even though some stay-at-home provisions remain in many states.

**Key Economic Indicators for Banks, Thrifts & Credit Unions-**

|                    |            | LATEST | CURRENT | PREV  |
|--------------------|------------|--------|---------|-------|
| GDP                | QoQ        | Q1-2nd | -5.0%   | 2.1%  |
| GDP - YTD          | AnnI       | Q1-2nd | -5.0%   | 2.4%  |
| Consumer Spending  | QoQ        | Q1-2nd | -6.8%   | 1.8%  |
| Consumer Spending  | AnnI       | Q1-2nd | -6.8%   | 3.0%  |
| Unemployment       | Mo         | May    | 13.3%   | 14.7% |
| Consumer Inflation | YoY        | May    | 0.1%    | 0.3%  |
| Core Inflation     | YoY        | May    | 1.2%    | 1.4%  |
| Consumer Credit    | Annual     | Apr    | -19.6%  | -3.3% |
| Retail Sales       | YoY        | Apr    | -4.3%   | 1.7%  |
| Vehicle Sales      | AnnI (Mil) | May    | 12.6    | 8.6   |
| Home Sales         | AnnI (Mil) | Apr    | 4.957   | 6.035 |
| Home Prices        | YoY        | Mar    | 3.9%    | 3.5%  |

**Key Consumer Market Data-**

|              | THIS WK | YR END   | PCT CHANGES |        |
|--------------|---------|----------|-------------|--------|
|              | 6/11/20 | 12/31/19 | YTD         | 12Mos  |
| DJIA         | 25,128  | 28,538   | -11.9%      | -2.8%  |
| S&P 500      | 3,002   | 3,231    | -7.1%       | 4.5%   |
| NASDAQ       | 9,493   | 8,973    | 5.8%        | 23.0%  |
| Crude Oil    | 36.34   | 61.06    | -40.5%      | -31.1% |
| Avg Gasoline | 2.04    | 2.57     | -20.8%      | -27.1% |
| Gold         | 1,739.8 | 1,523.1  | 14.2%       | 29.1%  |

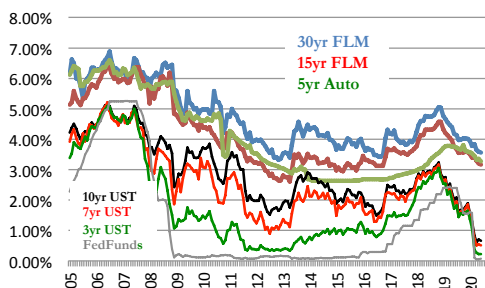
### AVERAGE CREDIT UNION RATES AND RATE SENSITIVITY

|             | THIS WK<br>6/11/20 | YTD Change |           | Chg in Current Cycle* |           | Rate Sensitivity |       |
|-------------|--------------------|------------|-----------|-----------------------|-----------|------------------|-------|
|             |                    | Rate       | Benchmark | Rate                  | Benchmark | YTD              | Cycle |
| Classic CC  | 10.91%             | -0.54%     | -1.50%    | -0.78%                | -2.25%    | 36%              | 35%   |
| Platinum CC | 9.10%              | -0.82%     | -1.50%    | -1.17%                | -2.25%    | 55%              | 52%   |
| 48mo Veh    | 3.16%              | -0.31%     | -1.39%    | -0.50%                | -2.79%    | 22%              | 18%   |
| 60mo Veh    | 3.27%              | -0.32%     | -1.40%    | -0.50%                | -2.83%    | 23%              | 18%   |
| 72mo Veh    | 3.59%              | -0.32%     | -1.39%    | -0.53%                | -2.80%    | 23%              | 19%   |
| HE LOC      | 4.08%              | -0.92%     | -1.50%    | -1.48%                | -2.25%    | 61%              | 66%   |
| 10yr HE     | 5.07%              | -0.21%     | -1.37%    | -0.45%                | -2.82%    | 15%              | 16%   |
| 15yr FRM    | 3.17%              | -0.40%     | -1.32%    | -1.41%                | -2.72%    | 30%              | 52%   |
| 30yr FRM    | 3.56%              | -0.45%     | -1.26%    | -1.50%                | -2.58%    | 36%              | 58%   |
| Sh Drafts   | 0.12%              | -0.02%     | -1.47%    | -0.02%                | -2.37%    | 1%               | 1%    |
| Reg Svgs    | 0.14%              | -0.05%     | -1.47%    | -0.05%                | -2.37%    | 3%               | 2%    |
| MMkt-10k    | 0.28%              | -0.17%     | -1.47%    | -0.20%                | -2.37%    | 12%              | 8%    |
| MMkt-50k    | 0.38%              | -0.24%     | -1.47%    | -0.27%                | -2.37%    | 16%              | 11%   |
| 6mo CD      | 0.48%              | -0.51%     | -1.42%    | -0.55%                | -2.34%    | 36%              | 24%   |
| 1yr CD      | 0.69%              | -0.71%     | -1.40%    | -0.82%                | -2.55%    | 51%              | 32%   |
| 2yr CD      | 0.87%              | -0.77%     | -1.39%    | -0.98%                | -2.79%    | 55%              | 35%   |
| 3yr CD      | 0.99%              | -0.80%     | -1.40%    | -1.07%                | -2.83%    | 57%              | 38%   |

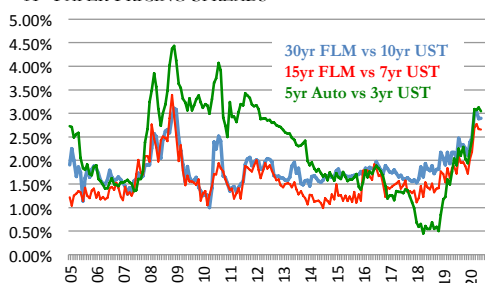
\*Since Nov 2018

### RELATIVE VALUE

#### "A"-PAPER MARKET RATES



#### "A"-PAPER PRICING SPREADS



### STRATEGICALLY FOR CREDIT UNIONS

Consumers who purchased a car in May got to take advantage of some of the best deals we've ever seen, thanks to a combination of Memorial Day weekend sales and generous incentives offered by automakers to spur demand during the pandemic.

Interest rates for new vehicles in May dropped to the lowest level seen by the industry in nearly seven years. The annual percentage rate (APR) on new financed vehicles averaged 4% in May, compared to 4.3% in April and 6.1% a year ago. This is the lowest average interest rate since August 2013, and the third lowest in almost 20 years.

Loan term lengths also sustained near-record highs in May. The average loan term length for a new vehicle was 71.4 months, its second highest level on record, compared to last month's average of 73.4 months.

Interestingly, 0% finance offers dipped slightly in May compared to April, but still remained at near-record levels; these deals constituted 24% of all new financed purchases, compared to 25.8% last month. Moreover, approximately 47% of all financed purchases received an APR below 3% in May, compared to 41.5% in April.

Additional information and other market-related reports can be viewed at [www.Meridian-ally.com](http://www.Meridian-ally.com)

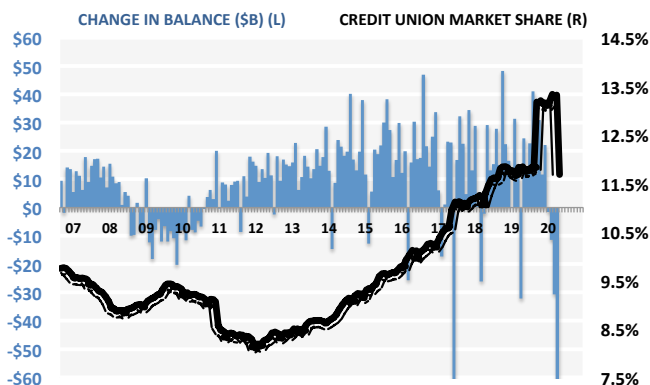
### ECONOMIC RELEASES

| RELEASES THIS WEEK:            | Current | Previous |
|--------------------------------|---------|----------|
| Consumer Inflation (May, YoY)  | 0.1%    | 0.3%     |
| FOMC Benchmark Funds Rate      | 0.3%    | 0.3%     |
| Wholesale Inflation (May, YoY) | -0.8%   | -1.2%    |

| RELEASES FOR UPCOMING WEEK:   | Projected | Previous |
|-------------------------------|-----------|----------|
| Retail Sales (May, YoY)       | -24.6%    | -21.6%   |
| Leading Indicators (May, MoM) | -4.4%     | 1.7%     |

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### CHANGE IN CONSUMER CREDIT



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## ECONOMIC FORECAST

April 2020

|  | 2019 |    |    | 2020 |    |    |    | 2021 |    |    |    |
|--|------|----|----|------|----|----|----|------|----|----|----|
|  | Q2   | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 |

### ECONOMIC OUTLOOK

|                        |      |      |      |       |        |       |      |      |      |      |      |
|------------------------|------|------|------|-------|--------|-------|------|------|------|------|------|
| Gross Domestic Product | 2.0% | 2.1% | 2.1% | -5.0% | -12.9% | -1.9% | 5.4% | 8.8% | 5.9% | 3.1% | 2.0% |
| Consumer Spending      | 4.6% | 3.2% | 1.8% | -6.8% | -16.4% | 0.7%  | 7.8% | 5.5% | 3.4% | 1.9% | 2.2% |
| Government Spending    | 4.8% | 1.7% | 2.5% | 0.7%  | 1.4%   | 1.0%  | 1.1% | 2.2% | 1.4% | 1.2% | 0.7% |
| Consumer Inflation     | 1.8% | 1.8% | 2.0% | 2.1%  | 0.0%   | 0.4%  | 0.7% | 1.0% | 3.1% | 2.5% | 2.1% |
| Unemployment Rate      | 3.6% | 2.6% | 3.5% | 3.6%  | 7.6%   | 8.7%  | 9.1% | 7.8% | 6.6% | 5.7% | 5.0% |
| Home Prices            | 2.0% | 2.1% | 2.5% | 2.9%  | 3.0%   | 2.9%  | 2.4% | 2.2% | 2.3% | 2.5% | 2.7% |

### HOME & VEHICLE LOAN MARKETS

|                           |       |       |       |       |       |       |       |       |       |       |       |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Home Sales (Mil)    | 5.948 | 6.126 | 6.137 | 6.181 | 5.542 | 5.796 | 6.306 | 6.450 | 6.511 | 6.564 | 6.654 |
| Existing Homes (Mil)      | 5.287 | 5.427 | 5.414 | 5.416 | 4.853 | 5.095 | 5.559 | 5.686 | 5.741 | 5.790 | 5.869 |
| New Homes (Mils)          | 0.661 | 0.699 | 0.723 | 0.765 | 0.689 | 0.701 | 0.747 | 0.764 | 0.770 | 0.774 | 0.785 |
| Single Family Origs (B\$) | 501   | 651   | 696   | 563   | 768   | 600   | 495   | 420   | 505   | 507   | 467   |
| Purchase                  | 355   | 375   | 314   | 257   | 350   | 300   | 335   | 290   | 380   | 380   | 347   |
| Refinancing               | 146   | 276   | 382   | 306   | 418   | 300   | 160   | 130   | 125   | 127   | 120   |
| Refi Share (%)            | 29%   | 42%   | 55%   | 54%   | 54%   | 50%   | 32%   | 31%   | 25%   | 25%   | 26%   |
| Vehicle Loans Sales (Mil) | 17.5  | 17.5  | 17.2  | 15.4  | 10.6  | 7.1   | 8.7   | 9.5   | 11.6  | 16.2  | 16.0  |

### MARKET RATE OUTLOOK

|                        |      |      |      |      |      |      |      |      |      |      |      |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Fed Funds              | 2.4% | 1.9% | 1.6% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| 2-year US Treasury     | 1.8% | 1.8% | 1.6% | 1.4% | 0.3% | 0.3% | 0.3% | 0.4% | 0.4% | 0.5% | 0.6% |
| 3-year US Treasury     | 1.7% | 1.7% | 1.6% | 1.5% | 0.3% | 0.3% | 0.3% | 0.4% | 0.4% | 0.5% | 0.6% |
| 7-years US Treasury    | 1.9% | 1.8% | 1.6% | 1.6% | 0.6% | 0.6% | 0.7% | 0.8% | 0.8% | 0.9% | 1.1% |
| 10-year US Treasury    | 2.3% | 1.8% | 1.8% | 1.7% | 1.0% | 1.2% | 1.3% | 1.5% | 1.5% | 1.7% | 1.8% |
| 5-year A-paper Vehicle | 3.8% | 3.7% | 3.7% | 3.6% | 3.5% | 3.5% | 3.6% | 3.7% | 3.9% | 3.9% | 4.0% |
| 15-year A-paper FLM    | 3.8% | 3.8% | 3.7% | 3.6% | 3.5% | 3.5% | 3.6% | 3.7% | 3.9% | 3.9% | 4.0% |
| 30-year A-paper FLM    | 4.0% | 3.7% | 3.7% | 3.7% | 3.8% | 3.8% | 3.8% | 3.9% | 4.0% | 4.1% | 4.2% |

ECONOMIC CALENDAR

| MONDAY                                  | TUESDAY   | WEDNESDAY                                  | THURSDAY   | FRIDAY  | SATURDAY |
|---|---|--|--|---|----------|
| Apr 11                                  | 12<br>Consumer Infl 0.3%  | 13<br>Wholesale Infl -1.2%                 | 14<br>Jobless Claims 2.981M  | 15<br>Retail Sales -4.3%                      | 16       |
| 18                                      | 19  | 20<br>FOMC Minutes                         | 21<br>Jobless Claims 2.438M<br>Exist Home Sales 4.33M                  | 22  | 23       |
| 25<br>MEMORIAL DAY                      | 26<br>Home Prices 3.9%<br>Consumer Conf 86.6<br>New Home Sales 623k | 27<br>FRB Beige Book                       | 28<br>Jobless Claims 2.123M<br>GDP (Q1-2nd) -5%<br>Cons Inflation 1.3% | 29  | 30       |
| Jun 1<br>Construction<br>Spending -2.9% | 2   | 3<br>Vehicle Sales 12.2M                   | 4<br>Jobless Claims 1.877M   | 5<br>Unemploymt Rate 13.3%<br>Consumer Credit | 6        |
| 8                                       | 9   | 10<br>Cons Inflation +0.1%<br>FOMC Meeting | 11<br>Jobless Claims 1.542M<br>Wh Inflation -0.8%                      | 12  | 13       |
| 15                                      | 16<br>Retail Sales<br>Industrial Production                         | 17   | 18<br>Jobless Claims   | 19  | 20       |
| 22<br>Existing Home Sales               | 23<br>New Home Sales  | 24   | 25<br>Jobless Claims<br>GDP (Final Q1)                                 | 26<br>Personal Income<br>Personal Spending    | 27       |
| 29                                      | 30<br>Home Prices   | Jul 1<br>FOMC Minutes                      | 2<br>Jobless Claims<br>Unemployment Rate                               | 3<br>INDEPENDENCE DAY<br>HOLIDAY              | 4        |
| 6                                       | 7   | 8<br>Consumer Credit                       | 9<br>Jobless Claims  | 10<br>Wholesale Inflation                     | 11       |

| Q4-2019                         | <\$2<br>Million | \$2-10<br>Million | \$10-50<br><Million | \$50-100<br>Million | \$100-500<br>Million | \$500+<br>Million | TOTAL   | <\$10<br>Million | <\$50<br>Million | <\$100<br>Million | <\$500<br>Million |
|---------------------------------|-----------------|-------------------|---------------------|---------------------|----------------------|-------------------|---------|------------------|------------------|-------------------|-------------------|
| <b>DEMOGRAPHICS</b>             |                 |                   |                     |                     |                      |                   |         |                  |                  |                   |                   |
| Number of Credit Unions         | 402             | 927               | 1,635               | 677                 | 1,018                | 577               | 5,236   | 1,329            | 2,964            | 3,641             | 4,659             |
| Average Assets (\$Mil)          | \$1.0           | \$6.0             | \$26.1              | \$72.8              | \$226.8              | \$1,949.0         | \$277.6 | \$4.5            | \$16.4           | \$26.9            | \$70.6            |
| Pct of Credit Unions            | 8%              | 18%               | 31%                 | 13%                 | 19%                  | 11%               | 100%    | 25%              | 57%              | 70%               | 89%               |
| Pct of Industry Assets          | 0%              | 0%                | 3%                  | 3%                  | 15%                  | 79%               | 100%    | 0%               | 3%               | 6%                | 21%               |
| <b>GROWTH RATES (YTD)</b>       |                 |                   |                     |                     |                      |                   |         |                  |                  |                   |                   |
| Total Assets                    | -9.6%           | -7.2%             | -3.3%               | -1.5%               | -1.4%                | 10.6%             | 7.8%    | -7.4%            | -3.8%            | -2.7%             | -1.7%             |
| Total Loans                     | -8.1%           | -7.0%             | -3.0%               | -2.4%               | -3.0%                | 8.5%              | 6.2%    | -7.0%            | -3.5%            | -2.9%             | -3.0%             |
| Total Shares                    | -8.0%           | -6.4%             | -3.1%               | -1.6%               | -1.2%                | 9.4%              | 6.9%    | -6.5%            | -3.6%            | -2.6%             | -1.6%             |
| Net Worth                       | -7.7%           | -4.4%             | -1.1%               | 1.1%                | 0.5%                 | 11.0%             | 8.5%    | -4.7%            | -1.6%            | -0.3%             | 0.3%              |
| <b>BALANCE SHEET ALLOCATION</b> |                 |                   |                     |                     |                      |                   |         |                  |                  |                   |                   |
| Net Worth-to-Total Assets       | 19.1%           | 16.3%             | 13.2%               | 12.3%               | 11.6%                | 11.2%             | 11.4%   | 16.5%            | 13.6%            | 12.9%             | 12.0%             |
| Cash & Inv-to-Total Assets      | 50%             | 46%               | 43%                 | 37%                 | 27%                  | 23%               | 25%     | 46%              | 43%              | 40%               | 31%               |
| Loans-to-Total Assets           | 50%             | 52%               | 54%                 | 59%                 | 68%                  | 72%               | 71%     | 52%              | 54%              | 56%               | 64%               |
| Vehicle-to-Total Loans          | 60%             | 63%               | 49%                 | 43%                 | 39%                  | 32%               | 34%     | 62%              | 50%              | 46%               | 41%               |
| REL-to-Total Loans              | 1%              | 8%                | 30%                 | 39%                 | 45%                  | 52%               | 50%     | 8%               | 28%              | 34%               | 42%               |
| REL-to-Net Worth                | 2%              | 27%               | 123%                | 185%                | 262%                 | 337%              | 313%    | 25%              | 109%             | 146%              | 225%              |
| Indirect-to-Total Loans         | 0%              | 0%                | 5%                  | 12%                 | 19%                  | 22%               | 21%     | 0%               | 4%               | 8%                | 16%               |
| Loans-to-Total Shares           | 62%             | 63%               | 63%                 | 68%                 | 78%                  | 87%               | 84%     | 63%              | 63%              | 65%               | 74%               |
| Nonterm-to-Total Shares         | 92%             | 85%               | 80%                 | 77%                 | 74%                  | 69%               | 70%     | 85%              | 81%              | 79%               | 75%               |
| Short-term Funding Ratio        | 39.8%           | 30.7%             | 24.4%               | 20.5%               | 14.9%                | 11.7%             | 12.8%   | 25.1%            | 22.8%            | 17.3%             | 12.9%             |
| Net Long-term Asset Ratio       | 3.5%            | 7.8%              | 18.2%               | 24.1%               | 30.5%                | 35.6%             | 34.0%   | 17.0%            | 20.6%            | 27.6%             | 33.8%             |
| <b>LOAN QUALITY</b>             |                 |                   |                     |                     |                      |                   |         |                  |                  |                   |                   |
| Loan Delinquency Ratio          | 3.35%           | 1.80%             | 1.06%               | 0.84%               | 0.75%                | 0.68%             | 0.70%   | 1.14%            | 0.98%            | 0.81%             | 0.71%             |
| Net Charge-off Ratio            | 0.86%           | 0.57%             | 0.46%               | 0.46%               | 0.47%                | 0.59%             | 0.57%   | 0.47%            | 0.47%            | 0.47%             | 0.57%             |
| "Misery" Index                  | 4.21%           | 2.37%             | 1.52%               | 1.30%               | 1.22%                | 1.27%             | 1.27%   | 1.62%            | 1.45%            | 1.28%             | 1.27%             |
| RE Loan Delinquency             | 1.63%           | 1.62%             | 0.99%               | 0.72%               | 0.65%                | 0.52%             | 0.55%   | 1.62%            | 1.01%            | 0.83%             | 0.69%             |
| Vehicle Loan Delinquency        | 2.80%           | 1.75%             | 1.00%               | 0.82%               | 0.71%                | 0.61%             | 0.65%   | 1.81%            | 1.12%            | 0.97%             | 0.79%             |
| Direct Loans                    | 2.80%           | 1.75%             | 0.98%               | 0.78%               | 0.66%                | 0.55%             | 0.63%   | 1.81%            | 1.11%            | 0.96%             | 0.78%             |
| Indirect Loans                  | 0.00%           | 1.46%             | 1.22%               | 0.93%               | 0.76%                | 0.64%             | 0.66%   | 1.46%            | 1.22%            | 1.00%             | 0.79%             |
| Loss Allow as % of Loans        | 2.75%           | 1.33%             | 0.89%               | 0.82%               | 0.79%                | 0.88%             | 0.86%   | 1.42%            | 0.95%            | 0.88%             | 0.81%             |
| Current Loss Exposure           | 1.53%           | 0.92%             | 0.65%               | 0.55%               | 0.54%                | 0.48%             | 0.49%   | 0.96%            | 0.68%            | 0.61%             | 0.56%             |
| <b>EARNINGS</b>                 |                 |                   |                     |                     |                      |                   |         |                  |                  |                   |                   |
| Gross Asset Yield               | 4.11%           | 4.01%             | 3.78%               | 3.81%               | 3.85%                | 4.12%             | 4.06%   | 4.02%            | 3.81%            | 3.81%             | 3.84%             |
| Cost of Funds                   | 0.55%           | 0.44%             | 0.43%               | 0.48%               | 0.61%                | 0.99%             | 0.90%   | 0.45%            | 0.43%            | 0.45%             | 0.56%             |
| Gross Interest Margin           | 3.55%           | 3.57%             | 3.36%               | 3.33%               | 3.24%                | 3.13%             | 3.16%   | 3.57%            | 3.38%            | 3.36%             | 3.27%             |
| Provision Expense               | 0.38%           | 0.33%             | 0.25%               | 0.27%               | 0.31%                | 0.47%             | 0.43%   | 0.34%            | 0.26%            | 0.27%             | 0.30%             |
| Net Interest Margin             | 3.17%           | 3.23%             | 3.11%               | 3.05%               | 2.93%                | 2.67%             | 2.73%   | 3.23%            | 3.12%            | 3.09%             | 2.98%             |
| Non-Interest Income             | 0.55%           | 0.73%             | 1.02%               | 1.28%               | 1.44%                | 1.36%             | 1.36%   | 0.72%            | 0.98%            | 1.13%             | 1.35%             |
| Non-Interest Expense            | 4.19%           | 3.67%             | 3.62%               | 3.72%               | 3.69%                | 3.07%             | 3.20%   | 3.70%            | 3.63%            | 3.67%             | 3.69%             |
| Net Operating Expense           | 3.65%           | 2.94%             | 2.60%               | 2.44%               | 2.25%                | 1.71%             | 1.85%   | 2.99%            | 2.64%            | 2.54%             | 2.34%             |
| Net Operating Return            | -0.48%          | 0.29%             | 0.51%               | 0.61%               | 0.68%                | 0.95%             | 0.89%   | 0.24%            | 0.48%            | 0.55%             | 0.64%             |
| Non-recurring Inc(Exp)          | 0.41%           | 0.03%             | 0.05%               | 0.02%               | 0.04%                | 0.05%             | 0.05%   | 0.05%            | 0.05%            | 0.03%             | 0.04%             |
| Net Income                      | -0.06%          | 0.32%             | 0.56%               | 0.63%               | 0.72%                | 1.01%             | 0.94%   | 0.29%            | 0.53%            | 0.58%             | 0.68%             |
| Return on Net Worth             | -0.4%           | 2.0%              | 4.3%                | 5.2%                | 6.2%                 | 8.5%              | 7.9%    | 1.9%             | 4.0%             | 4.6%              | 5.7%              |

| Q4-2019                             | <\$2<br>Million | \$2-10<br>Million | \$10-50<br><Million | \$50-100<br>Million | \$100-500<br>Million | \$500><br>Million | TOTAL     | <\$10<br>Million | <\$50<br>Million | <\$100<br>Million | <\$500<br>Million |
|-------------------------------------|-----------------|-------------------|---------------------|---------------------|----------------------|-------------------|-----------|------------------|------------------|-------------------|-------------------|
| <b>OPERATING EFFICIENCIES:</b>      |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| <b>Loans &amp; Shares-</b>          |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| Avg Loan Balance                    | \$4,312         | \$7,450           | \$8,344             | \$10,252            | \$13,299             | \$16,896          | \$15,668  | \$7,260          | \$8,215          | \$9,291           | \$12,265          |
| Avg Loan Rate                       | 7%              | 6%                | 5%                  | 5%                  | 5%                   | 5%                | 5%        | 6%               | 5%               | 5%                | 5%                |
| Avg Loan Yield, net                 | 7%              | 6%                | 5%                  | 5%                  | 5%                   | 4%                | 4%        | 6%               | 5%               | 5%                | 5%                |
| Avg Share Balance                   | \$2,268         | \$4,741           | \$7,270             | \$8,360             | \$9,463              | \$11,743          | \$10,963  | \$4,447          | \$6,778          | \$7,505           | \$8,788           |
| Avg Share Rate                      | 0.69%           | 0.53%             | 0.49%               | 0.55%               | 0.71%                | 1.18%             | 1.06%     | 0.54%            | 0.50%            | 0.53%             | 0.65%             |
| NM Deposit Ratio                    | 1.7%            | 1.2%              | 1.0%                | 0.9%                | 1.1%                 | 0.9%              | 1.0%      | 1.2%             | 1.0%             | 1.0%              | 1.1%              |
| <b>Net Operating Profitability-</b> |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| Earning Asset/Funding               | 124%            | 118%              | 112%                | 109%                | 108%                 | 109%              | 109%      | 119%             | 113%             | 111%              | 109%              |
| Avg Revenue per FTE                 | \$47,525        | \$111,845         | \$166,194           | \$180,185           | \$196,430            | \$292,787         | \$262,191 | \$103,118        | \$154,925        | \$167,133         | \$187,159         |
| Avg OpExpense per FTE               | \$42,841        | \$86,654          | \$125,116           | \$131,750           | \$137,099            | \$164,109         | \$155,105 | \$80,709         | \$117,183        | \$124,223         | \$133,025         |
| Avg Int & Prov Exp per FTE          | \$9,553         | \$18,329          | \$23,389            | \$26,690            | \$34,188             | \$77,693          | \$64,194  | \$17,139         | \$22,272         | \$24,408          | \$31,093          |
| Avg OpReturn per FTE                | -\$4,869        | \$6,861           | \$17,688            | \$21,744            | \$25,143             | \$50,986          | \$42,892  | \$5,270          | \$15,470         | \$18,502          | \$23,042          |
| Net OpExp-to-Total Exp              | 87%             | 80%               | 72%                 | 66%                 | 61%                  | 56%               | 58%       | 81%              | 73%              | 69%               | 63%               |
| <b>Operating Revenue-</b>           |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| Non-Int Inc-to-Total Rev            | 12%             | 15%               | 21%                 | 25%                 | 27%                  | 25%               | 25%       | 15%              | 21%              | 23%               | 26%               |
| Interest Inc per FTE                | \$32,397        | \$76,330          | \$107,482           | \$108,195           | \$108,808            | \$142,485         | \$132,326 | \$70,369         | \$100,851        | \$104,400         | \$107,413         |
| Non-Int Inc per FTE                 | \$5,575         | \$17,186          | \$35,323            | \$45,300            | \$53,434             | \$72,609          | \$65,671  | \$15,610         | \$31,801         | \$38,325          | \$48,653          |
| <b>Operating Expenses-</b>          |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| C&B Expense Ratio                   | 2.05%           | 1.92%             | 1.73%               | 1.79%               | 1.86%                | 1.60%             | 1.65%     | 1.93%            | 1.75%            | 1.77%             | 1.83%             |
| Pct of Total Op Exp                 | 49%             | 52%               | 48%                 | 48%                 | 50%                  | 52%               | 51%       | 52%              | 48%              | 48%               | 50%               |
| Avg C&B per FTE                     | \$20,964        | \$45,436          | \$59,838            | \$63,226            | \$69,020             | \$85,319          | \$79,757  | \$42,115         | \$56,671         | \$59,839          | \$66,115          |
| Occ & Ops Exp Ratio                 | 1.32%           | 0.98%             | 0.96%               | 0.93%               | 0.94%                | 0.75%             | 0.79%     | 1.01%            | 0.97%            | 0.95%             | 0.95%             |
| Pct of Total Op Exp                 | 31%             | 27%               | 27%                 | 25%                 | 26%                  | 25%               | 25%       | 27%              | 27%              | 26%               | 26%               |
| Avg O&O per FTE                     | \$13,453        | \$23,243          | \$33,258            | \$32,887            | \$35,092             | \$40,258          | \$38,481  | \$21,914         | \$31,231         | \$32,031          | \$34,123          |
| All Other Exp Ratio                 | 0.41%           | 0.73%             | 0.87%               | 0.99%               | 0.85%                | 0.67%             | 0.71%     | 0.71%            | 0.85%            | 0.92%             | 0.87%             |
| Pct of Total Op Exp                 | 10%             | 20%               | 24%                 | 27%                 | 23%                  | 22%               | 22%       | 19%              | 24%              | 25%               | 24%               |
| Avg AOE per FTE                     | \$8,425         | \$17,976          | \$32,021            | \$35,638            | \$32,987             | \$38,531          | \$36,867  | \$16,680         | \$29,280         | \$32,353          | \$32,787          |
| <b>Average Margin per Account-</b>  |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| Avg Int Inc per Loan                | \$283           | \$422             | \$430               | \$502               | \$599                | \$751             | \$703     | \$415            | \$429            | \$469             | \$570             |
| Avg Int Exp per Share               | \$16            | \$25              | \$36                | \$46                | \$67                 | \$139             | \$117     | \$24             | \$34             | \$39              | \$57              |
| Avg Return                          | \$267           | \$397             | \$394               | \$455               | \$532                | \$612             | \$586     | \$391            | \$395            | \$429             | \$512             |
| <b>Staffing-</b>                    |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| Full-time Equivalents               | 358             | 2,281             | 12,130              | 13,814              | 61,743               | 221,494           | 311,819   | 2,639            | 14,768           | 28,582            | 90,325            |
| Pct PT Employees                    | 78%             | 42%               | 15%                 | 11%                 | 8%                   | 6%                | 7%        | 48%              | 22%              | 17%               | 11%               |
| FTE-to-Ops (Staffing)               | 2.06            | 0.76              | 0.44                | 0.38                | 0.32                 | 0.21              | 0.24      | 0.83             | 0.48             | 0.43              | 0.35              |
| <b>Membership Outreach-</b>         |                 |                   |                     |                     |                      |                   |           |                  |                  |                   |                   |
| Members-to-Potential                | 8.5%            | 7.8%              | 2.9%                | 2.6%                | 2.7%                 | 3.1%              | 3.0%      | 7.9%             | 3.3%             | 2.9%              | 2.7%              |
| Members-to-FTEs                     | 343             | 399               | 403                 | 365                 | 337                  | 400               | 386       | 391              | 401              | 383               | 352               |
| Branches                            | 391             | 956               | 2,417               | 1,755               | 5,215                | 10,396            | 21,130    | 1,347            | 3,764            | 5,519             | 10,734            |
| Members per Branch                  | 314             | 952               | 2,024               | 2,869               | 3,993                | 8,523             | 5,697     | 766              | 1,574            | 1,986             | 2,961             |