

30 October 2020

BENCHMARK INTEREST RATES AND YIELD CURVE

**US Treasury Rates-**

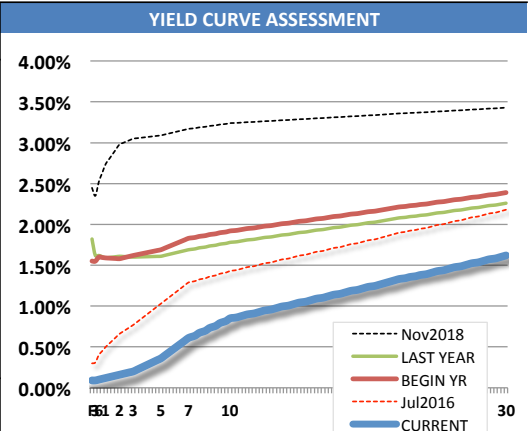
	THIS WK	LAST MO	YR END	LAST YR	CHANGES SINCE		
	10/30/20	9/30/20	12/31/19	10/30/19	This Yr	Last Yr	This Cycle
<b>Fed Funds</b>	0.09%	0.09%	1.55%	1.82%	-1.46%	-1.73%	-2.36%
<b>3mo</b>	0.09%	0.10%	1.55%	1.62%	-1.46%	-1.53%	-2.26%
<b>6mo</b>	0.10%	0.11%	1.60%	1.62%	-1.50%	-1.52%	-2.42%
<b>1yr</b>	0.12%	0.12%	1.59%	1.59%	-1.47%	-1.47%	-2.62%
<b>2yr</b>	0.16%	0.13%	1.58%	1.61%	-1.42%	-1.45%	-2.82%
<b>3yr</b>	0.20%	0.16%	1.62%	1.60%	-1.42%	-1.40%	-2.85%
<b>5yr</b>	0.36%	0.28%	1.69%	1.61%	-1.33%	-1.25%	-2.73%
<b>7yr</b>	0.61%	0.47%	1.83%	1.69%	-1.22%	-1.08%	-2.56%
<b>10yr</b>	0.85%	0.69%	1.92%	1.78%	-1.07%	-0.93%	-2.39%
<b>30yr</b>	1.62%	1.46%	2.39%	2.26%	-0.77%	-0.64%	-0.56%

**Slope of the Yield Curve-**

<b>2yr-3mo</b>	0.07%	0.03%	0.03%	-0.01%	0.04%	0.08%	-0.56%
<b>5yr-2yr</b>	0.20%	0.15%	0.11%	0.00%	0.09%	0.20%	0.09%
<b>10yr-5yr</b>	0.49%	0.41%	0.23%	0.17%	0.26%	0.32%	0.34%
<b>10yr-3mo</b>	0.76%	0.59%	0.37%	0.16%	0.39%	0.60%	-0.13%

**Other Interest Rates-**

<b>Prime</b>	3.25%	3.25%	4.75%	4.75%	-1.50%	-1.50%	-2.25%
<b>1mo LIBOR</b>	0.15%	0.15%	1.76%	1.78%	-1.61%	-1.63%	-2.37%
<b>6mo LIBOR</b>	0.24%	0.26%	1.91%	1.92%	-1.67%	-1.68%	-2.67%
<b>12mo LIBOR</b>	0.33%	0.36%	2.00%	1.98%	-1.67%	-1.65%	-2.80%



**CYCLICAL CHANGES SUMMARY**

	Jul16 Low	Nov18 High	Nov18 High-Current
<b>Fed Funds</b>	2.15%		-2.36%
<b>1year</b>	2.24%		-2.62%
<b>2years</b>	2.32%		-2.82%
<b>3years</b>	2.28%		-2.85%
<b>5years</b>	2.06%		-2.73%
<b>10years</b>	1.81%		-2.39%

ECONOMIC UPDATE AND ANALYSIS

**Q3 ECONOMIC GROWTH SOARS BY RECORD 33.1%; POST-PANDEMIC REBOUND TO -1.1%**

An unshackled U.S. economy expanded at a record 33.1% annual pace in the third quarter as it began to recover from the pandemic, putting future growth on a stable path despite a fresh viral outbreak that might threaten further acceleration.

As we projected, the snapback in quarterly gross domestic product, the official scorecard of the U.S. economy, was given a big assist by trillions of dollars in government aid to families, the unemployed and businesses most harmed by the virus. Year-to-date, economic growth improved to -1.1%.

Consumer spending skyrocketed by a 40.7% annual clip, almost double the previous record set shortly after World War Two. The increase largely, but not entirely, offset a record decline in the second quarter - putting year-to-date growth in spending at +0.2%.

After an explosion in spending in the second quarter, the federal government also cut back during the summer. Federal outlays dropped 6.2% and subtracted from GDP. Local and state spending also fell.

Inflation as measured by the Federal Reserve's preferred PCE price index accelerated in the third quarter by a 3.7% annual rate, but inflation in the U.S. is quite low overall.

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

		LATEST	CURRENT	PREV
GDP	QoQ	Q3-1st	33.1%	-31.4%
GDP - YTD	AnnL	Q3-1st	-1.1%	-18.2%
Consumer Spending	QoQ	Q3-1st	40.7%	-33.2%
Consumer Spending	AnnL	Q3-1st	0.2%	-20.1%
Unemployment	Mo	September	7.9%	8.4%
Consumer Inflation	YoY	September	1.4%	1.3%
Core Inflation	YoY	September	1.7%	1.7%
Consumer Credit	Annual	August	-2.1%	4.3%
Retail Sales	YoY	September	-0.8%	-1.8%
Vehicle Sales	AnnL (Mil)	September	16.8	15.6
Home Sales	AnnL (Mil)	September	7.441	6.901
Home Prices	YoY	August	5.2%	4.8%

**Key Consumer Market Data-**

	THIS WK	YR END	PCT CHANGES	
	10/30/20	12/31/19	YTD	12Mos
<b>DJIA</b>	26,659	28,538	-6.6%	-3.9%
<b>S&amp;P 500</b>	3,310	3,231	2.4%	6.0%
<b>NASDAQ</b>	11,186	8,973	24.7%	29.9%
<b>Crude Oil</b>	36.17	61.06	-40.8%	-36.9%
<b>Avg Gasoline</b>	2.14	2.57	-16.6%	-17.6%
<b>Gold</b>	1,868.0	1,523.1	22.6%	24.1%

**AVERAGE CREDIT UNION RATES AND RATE SENSITIVITY**

	THIS WK 10/30/20	YTD Change		Chg in Current Cycle*		Rate Sensitivity		Bmk Begin	Mkt Begin	Last Top	Last Bottom
		Rate	Benchmark	Rate	Benchmark	YTD	Cycle	12/31/19	12/31/19	Nov-18	Jul-16
Classic CC	10.87%	-0.58%	-1.50%	-0.82%	-2.25%	39%	36%	4.75%	11.45%	11.69%	11.39%
Platinum CC	9.10%	-0.82%	-1.50%	-1.17%	-2.25%	55%	52%	4.75%	9.92%	10.27%	9.09%
48mo Veh	3.02%	-0.45%	-1.42%	-0.64%	-2.82%	32%	23%	1.58%	3.47%	3.66%	2.58%
60mo Veh	3.13%	-0.46%	-1.42%	-0.64%	-2.85%	32%	22%	1.62%	3.59%	3.77%	2.68%
72mo Veh	3.46%	-0.45%	-1.38%	-0.66%	-2.79%	33%	24%	1.66%	3.91%	4.12%	3.05%
HE LOC	4.02%	-0.98%	-1.50%	-1.54%	-2.25%	65%	68%	4.75%	5.00%	5.56%	4.01%
10yr HE	5.01%	-0.27%	-1.33%	-0.51%	-2.81%	20%	18%	1.69%	5.28%	5.52%	4.45%
15yr FRM	2.93%	-0.64%	-1.20%	-1.65%	-2.60%	53%	63%	1.81%	3.57%	4.58%	3.14%
30yr FRM	3.26%	-0.75%	-1.07%	-1.80%	-2.39%	70%	75%	1.92%	4.01%	5.06%	3.69%
Sh Drafts	0.12%	-0.02%	-1.46%	-0.02%	-2.36%	1%	1%	1.55%	0.14%	0.14%	0.11%
Reg Svgs	0.14%	-0.05%	-1.46%	-0.05%	-2.36%	3%	2%	1.55%	0.19%	0.19%	0.14%
MMkt-10k	0.21%	-0.24%	-1.46%	-0.27%	-2.36%	16%	11%	1.55%	0.45%	0.48%	0.22%
MMkt-50k	0.29%	-0.33%	-1.46%	-0.36%	-2.36%	23%	15%	1.55%	0.62%	0.65%	0.31%
6mo CD	0.33%	-0.66%	-1.50%	-0.70%	-2.42%	44%	29%	1.60%	0.99%	1.03%	0.34%
1yr CD	0.48%	-0.92%	-1.47%	-1.03%	-2.62%	63%	39%	1.59%	1.40%	1.51%	0.53%
2yr CD	0.62%	-1.02%	-1.42%	-1.23%	-2.82%	72%	44%	1.58%	1.64%	1.85%	0.78%
3yr CD	0.73%	-1.06%	-1.42%	-1.33%	-2.85%	75%	47%	1.62%	1.79%	2.06%	1.04%

\*Since Nov 2018

**STRATEGICALLY FOR CREDIT UNIONS**

The U.S. economy enjoyed a spectacular rebound in the third quarter and repaired much of the damage caused by the lockdowns early in the pandemic, but not all the damage.

The economy is still appreciably smaller now compared to the end of 2019 and the viral recession has left a lot of scars that risk becoming permanent.

Most of the aid has now expired though and another surge in coronavirus cases across the country appears to have caused Americans to hunker down again. The economy could suffer another relapse if states reimpose commercial restrictions and customers shun retailers, restaurants and other businesses that rely on large crowds to prosper.

The economy has recovered more than 12 million in the unemployment ranks from the initial 17 million post-pandemic job loss - about 70%. But many industries such as travel and tourism continue to be challenged while a new spike in coronavirus cases threatens to undo some of the progress.

However, vehicle and home sales continue to rise which is a blessing to most credit unions flush with cash and challenged with strategic questions as to what to do with continued excessive surplus cash.

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
New Home Sales (Sep, Mil)	0.959M	0.901M
Home Prices (Aug, YoY)	5.2%	4.8%
Consumer Confidence (Oct, 100=1985)	100.9	101.8
GDP (Q3, QoQ, 1st)	33.1%	-31.4%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
FOMC Meeting	<b>No change in monetary policy</b>	
Unemployment Rate (October)	7.80%	7.90%

**MERIDIAN ECONOMICS**  
Trusted Insight, Effective Solutions

**US GROSS DOMESTIC PRODUCT**  
Quarter-over-Quarter Economic Growth

	Q4-19	Q1-20	Q2-20	Q3-20
GDP	2.4%	-5.0%	-31.4%	33.1%
Personal Spending	1.6%	-6.9%	-33.2%	40.7%
Private Investment	1.0%	-1.4%	-29.2%	28.5%
Govt Spending	2.4%	1.3%	2.5%	-4.5%
- Federal	4.0%	1.6%	16.4%	-6.2%
- State	1.5%	1.1%	-5.4%	-3.3%
Net Exports				
- Exports	3.4%	-9.5%	-64.4%	59.7%
- Imports	-7.5%	-15.0%	-54.1%	91.1%

ECONOMIC CALENDAR

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
September 28	29 Home Prices 4.8% Consumer Confidence 101.9 (1985=100)	30 GDP (Q2, Final) -31.4%	October 1 Jobless Claims 837k Cont'd Claims 11.8M Vehicle Sales 15.7M	2 Unemployment 7.9%	3
5	6	7 FOMC Minutes Consumer Credit -2.1%	8 Jobless Claims 840k Cont'd Claims 10.9M	9	10
12 COLUMBUS DAY HOLIDAY	13 Cons Inflation 1.4%	14 Whol Inflation 1.7%	15 Jobless Claims 866k Cont'd Claims 10.0M	16 Retail Sales 5.4% Indl Production -7.3% Capacity Util 71.5%	17
19	20	21 FRB Beige Book	22 Jobless Claims 787k Cont'd Claims 8.38M Ex Home Sales 6.54M	23	24
26 New Home Sales 959k	27 Home Prices 5.2% Durable Goods 1.9% Consumer Conf 100.9	28	29 Jobless Claims 751k Cont'd Claims 7.7M GDP (Q3) +33.1%	30 Personal Income +0.9% Pers Spending +1.4%	31
November 2 Construction Spending	3 PRESIDENTIAL ELECTION DAY	4	5 Jobless Claims Cont'd Claims FOMC Announcement	6 Employment Report	7
9	10	11 VETERANS DAY	12 Jobless Claims Cont'd Claims Consumer Inflation	13 Wholesale Inflation	14
16	17 Retail Sales Industrial Production Capacity Utilization	18	19 Jobless Claims Cont'd Claims Existing Home Sales	20	21
23	24 Home Prices Consumer Confidence	25 GDP (Q3-2nd) Personal Spending Personal Spending New Home Sales	26 THANKSGIVING DAY Jobless Claims Cont'd Claims FOMC Minutes	27	28

## ECONOMIC FORECAST

October 2020

	2019			2020				2021			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

### ECONOMIC OUTLOOK

GDP - (QoQ)	1.5%	2.6%	2.4%	-5.0%	-31.4%	33.1%	3.6%	3.1%	4.4%	2.9%	3.1%
GDP - (YTD)	2.3%	2.4%	2.4%	-5.0%	-18.2%	-1.1%	0.1%	3.1%	3.8%	3.5%	3.4%
Consumer Spending - (QoQ)	3.7%	2.7%	1.6%	-6.9%	-33.2%	40.7%	3.5%	2.0%	5.1%	2.8%	3.2%
Consumer Spending - (YTD)	2.4%	2.5%	2.3%	-6.9%	-20.1%	0.2%	1.0%	2.0%	3.6%	3.3%	3.3%
Government Spending - (QoQ)	5.0%	2.1%	2.4%	1.3%	2.5%	-4.5%	-4.4%	0.0%	0.6%	0.7%	0.1%
Government Spending - (YTD)	3.3%	3.3%	3.1%	1.3%	1.9%	-0.2%	-1.3%	0.0%	0.3%	0.4%	0.4%
Unemployment Rate	3.6%	3.6%	3.5%	3.8%	13.0%	8.8%	7.7%	7.3%	6.8%	6.5%	6.2%
Consumer Inflation	1.8%	1.8%	2.0%	2.1%	0.4%	1.2%	1.0%	1.4%	3.0%	2.4%	2.7%
Home Prices	1.8%	1.8%	2.0%	2.1%	3.5%	3.5%	3.2%	3.0%	3.0%	3.4%	3.7%

### SINGLE FAMILY HOME & VEHICLE LOAN MARKETS

Total Home Sales (M)	5.948	6.109	6.131	6.185	5.150	6.648	6.412	6.394	6.440	6.446	6.493
Existing Home (M)	5.287	5.410	5.420	5.483	4.474	5.781	5.615	5.593	5.627	5.633	5.675
New Home Sales (M)	0.661	0.699	0.711	0.702	0.676	0.867	0.797	0.801	0.813	0.813	0.818
Single Family Homes (B\$)	501	651	696	563	928	860	792	592	579	554	480
Purchase Applications	355	375	314	257	348	410	380	330	379	392	332
Refinancing Applications	146	276	382	306	580	450	412	262	200	162	148
Refi Apps Share	29%	42%	55%	54%	63%	52%	52%	44%	35%	29%	31%
Vehicle Sales (M)	17.6	18.6	18.2	15.4	14.0	15.8	16.5	16.7	17.0	16.5	16.8

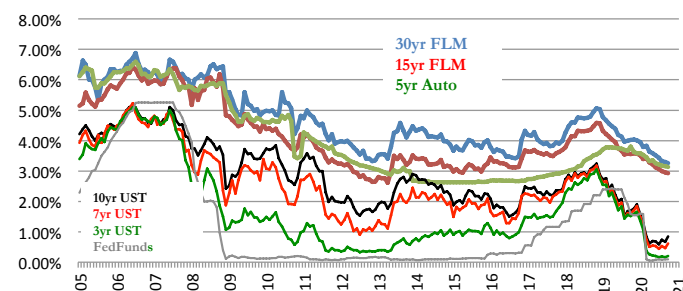
### MARKET RATE OUTLOOK

Prime	5.5%	5.2%	4.8%	3.8%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Fed Funds	2.4%	1.9%	1.6%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
2yr UST	2.3%	2.7%	2.8%	1.1%	0.1%	0.1%	0.3%	0.3%	0.3%	0.6%	0.6%
10yr UST	2.3%	1.8%	1.8%	1.4%	0.7%	0.7%	0.8%	0.9%	1.0%	1.1%	1.3%
5yr Vehicle Loan Rate	3.1%	3.2%	3.2%	3.5%	3.3%	3.1%	3.4%	3.6%	3.8%	3.8%	3.8%
15yr First-lien Mortgage	3.5%	3.1%	3.1%	3.0%	2.8%	2.8%	2.8%	2.9%	2.9%	2.9%	3.0%
30yr First-lien Mortgage	4.0%	3.7%	3.7%	3.5%	3.2%	3.2%	3.3%	3.4%	3.4%	3.5%	3.5%

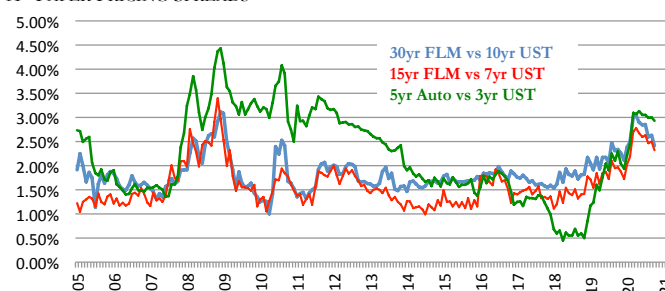
STRATEGIC ASSESSMENT OF RELATIVE VALUE INVESTMENT AND FUNDING OPTIONS

RELATIVE VALUE OF MARGINAL INVESTMENT OPTIONS

"A"-PAPER MARKET RATES



"A"-PAPER PRICING SPREADS



	Current Return	For	Then for the Next	The Net Return Needed to Break-even Against*:							
				30Y FLM	15Y FLM	5Y New	5Y Used	4Y MBS	4Y Call	3Y MBS	3Y Call
Cash	0.09%	-	-	-	-	-	-	-	-	-	-
2yr Agy Callable	0.17%	2 years	3 years	5.32%	4.77%	5.10%	5.35%	2.03%	0.65%	1.64%	0.38%
3yr Agy Callable	0.24%	3 years	2 years	7.79%	6.97%	7.47%	7.84%	3.68%	0.92%	-	-
3yr Agy MBS	0.66%	3 years	2 years	7.16%	6.34%	6.84%	7.21%	2.42%	-0.34%	-	-
4yr Agy Callable	0.41%	4 years	1 year	14.66%	13.01%	14.01%	14.76%	-	-	-	-
4yr Agy MBS	1.10%	4 years	1 year	11.90%	10.25%	11.25%	12.00%	-	-	-	-
5yr Agy Callable	0.56%	5 years	-	-	-	-	-	-	-	-	-
5yr New Vehicle	3.13%	3 years	2 years	3.46%	2.63%	-	-	-	-	-	-
5yr Used Vehicle	3.28%	3 years	2 years	3.23%	2.41%	-	-	-	-	-	-
15yr Mortgage	2.93%	5 years	-	-	-	-	-	-	-	-	-
30yr Mortgage	3.26%	5 years	-	-	-	-	-	-	-	-	-

\* Best relative value noted by probabilities of achieving "break-even" returns

RELATIVE VALUE OF MARGINAL FUNDING OPTIONS

	Current Cost	For	Then for the Next	The Net Cost Needed to Break-even Against*:			
				3Y CD	3Y FHLB	2Y CD	2Y FHLB
Share Draft	0.12%	1 year	2 years	1.04%	0.66%	1.12%	0.70%
Regular Savings	0.14%	1 year	2 years	1.03%	0.65%	1.10%	0.68%
Money Market	0.21%	1 year	2 years	0.99%	0.62%	1.03%	0.61%
FHLB Overnight	0.35%	1 year	2 years	0.92%	0.55%	0.89%	0.47%
Catalyst Settlement	1.25%	1 year	2 years	0.47%	0.09%	-0.01%	-0.43%
6mo Term CD	0.33%	6 mos	2.5 yrs	0.81%	0.51%	0.72%	0.44%
6mo FHLB Term	0.35%	6 mos	2.5 yrs	0.81%	0.51%	0.71%	0.43%
6mo Catalyst Term	1.00%	6 mos	2.5 yrs	0.68%	0.38%	0.49%	0.21%
1yr Term CD	0.48%	1 year	2 years	0.86%	0.48%	0.76%	0.34%
1yr FHLB Term	0.38%	1 year	2 years	0.91%	0.53%	0.86%	0.44%
2yr Term CD	0.62%	2 years	1 year	0.95%	0.20%	-	-
2yr FHLB Term	0.41%	2 years	1 year	1.37%	0.62%	-	-
3yr Term CD	0.73%	3 years	-	-	-	-	-
3yr FHLB Term	0.48%	3 years	-	-	-	-	-

\* Highest relative value noted by highest differentials and volatility projections

Q2-2020	<\$2 Million	\$2-10 Million	\$10-50 <Million	\$50-100 Million	\$100-500 Million	\$500+ Million	TOTAL	<\$10 Million	<\$50 Million	<\$100 Million	<\$500 Million
<b>DEMOGRAPHICS</b>											
Number of Credit Unions	377	854	1,580	665	1,061	627	5,164	1,231	2,811	3,476	4,537
Average Assets (\$Mil)	\$0.9	\$6.1	\$26.1	\$73.0	\$214.7	\$1,983.4	\$303.4	\$4.5	\$16.6	\$27.4	\$71.2
Pct of Credit Unions	7%	17%	31%	13%	21%	12%	100%	24%	54%	67%	88%
Pct of Industry Assets	0%	0%	2%	3%	13%	81%	100%	0%	3%	5%	19%
<b>GROWTH RATES (YTD)</b>											
Total Assets	-7.5%	-14.4%	-2.7%	-2.8%	6.9%	28.3%	23.3%	-14.0%	-4.0%	-3.4%	3.9%
Total Loans	-34.7%	-33.6%	-24.3%	-23.9%	-13.5%	10.2%	5.2%	-33.7%	-25.3%	-24.5%	-16.4%
Total Shares	-5.1%	-10.7%	-0.5%	-0.9%	8.1%	26.1%	21.8%	-10.4%	-1.7%	-1.3%	5.3%
Net Worth	-14.6%	-22.4%	-16.1%	-16.2%	-9.4%	9.9%	5.2%	-21.9%	-16.9%	-16.5%	-11.7%
<b>BALANCE SHEET ALLOCATION</b>											
Net Worth-to-Total Assets	18.4%	15.6%	12.3%	11.5%	10.7%	10.3%	10.5%	15.8%	12.7%	12.1%	11.1%
Cash & Inv-to-Total Assets	57%	52%	49%	43%	34%	29%	31%	52%	49%	46%	37%
Loans-to-Total Assets	43%	47%	48%	52%	61%	67%	65%	47%	48%	50%	58%
Vehicle-to-Total Loans	60%	64%	49%	43%	39%	31%	33%	64%	51%	47%	41%
REL-to-Total Loans	1%	8%	30%	39%	45%	53%	51%	7%	27%	33%	42%
REL-to-Net Worth	3%	23%	116%	177%	258%	343%	319%	22%	103%	139%	221%
Indirect-to-Total Loans	0%	0%	4%	11%	18%	21%	20%	0%	4%	8%	15%
Loans-to-Total Shares	53%	56%	55%	60%	70%	79%	76%	56%	55%	58%	66%
Nonterm-to-Total Shares	92%	85%	82%	80%	77%	72%	73%	85%	82%	81%	78%
Short-term Funding Ratio	46.5%	37.7%	31.1%	27.0%	20.7%	16.4%	17.6%	31.8%	29.4%	23.2%	17.8%
Net Long-term Asset Ratio	3.4%	6.8%	17.1%	22.6%	29.2%	35.0%	33.3%	15.9%	19.3%	26.3%	33.2%
Leverage Ratio	1.4%	1.3%	1.0%	1.3%	2.0%	5.1%	4.4%	1.3%	1.0%	1.2%	1.8%
Solvency Ratio	122.8%	118.6%	114.1%	113.1%	112.1%	112.4%	112.5%	118.8%	114.7%	113.8%	112.6%
<b>LOAN QUALITY</b>											
Loan Delinquency Ratio	3.52%	1.57%	0.91%	0.75%	0.62%	0.56%	0.58%	0.98%	0.86%	0.68%	0.58%
Net Charge-off Ratio	0.51%	0.50%	0.38%	0.38%	0.39%	0.56%	0.53%	0.39%	0.39%	0.39%	0.53%
"Misery" Index	4.03%	2.07%	1.29%	1.13%	1.01%	1.12%	1.11%	1.37%	1.24%	1.07%	1.11%
RE Loan Delinquency	1.88%	1.61%	0.91%	0.75%	0.61%	0.52%	0.54%	1.61%	0.93%	0.82%	0.65%
Vehicle Loan Delinquency	2.81%	1.44%	0.78%	0.63%	0.51%	0.44%	0.47%	1.52%	0.88%	0.76%	0.58%
Direct Loans	2.81%	1.44%	0.76%	0.60%	0.45%	0.36%	0.44%	1.52%	0.87%	0.75%	0.56%
Indirect Loans	0.00%	0.99%	1.02%	0.71%	0.58%	0.48%	0.49%	0.99%	1.02%	0.78%	0.61%
Loss Allow as % of Loans	3.02%	1.36%	0.92%	0.86%	0.81%	1.04%	1.00%	1.46%	0.98%	0.92%	0.84%
Current Loss Exposure	1.73%	0.80%	0.51%	0.42%	0.38%	0.33%	0.34%	0.86%	0.54%	0.48%	0.41%
<b>EARNINGS</b>											
Gross Asset Yield	3.76%	3.56%	3.37%	3.34%	3.47%	3.73%	3.67%	3.57%	3.39%	3.36%	3.44%
Cost of Funds	0.35%	0.40%	0.41%	0.43%	0.55%	0.86%	0.79%	0.39%	0.41%	0.42%	0.51%
Gross Interest Margin	3.41%	3.16%	2.95%	2.91%	2.91%	2.87%	2.88%	3.18%	2.98%	2.94%	2.92%
Provision Expense	0.23%	0.24%	0.19%	0.22%	0.30%	0.66%	0.59%	0.24%	0.20%	0.21%	0.28%
Net Interest Margin	3.17%	2.92%	2.77%	2.69%	2.61%	2.21%	2.29%	2.94%	2.78%	2.74%	2.64%
Non-Interest Income	0.29%	0.52%	0.81%	1.05%	1.24%	1.26%	1.24%	0.50%	0.78%	0.92%	1.15%
Non-Interest Expense	3.68%	3.33%	3.29%	3.36%	3.44%	2.94%	3.04%	3.35%	3.30%	3.33%	3.41%
Net Operating Expense	3.39%	2.82%	2.48%	2.31%	2.20%	1.68%	1.80%	2.85%	2.52%	2.41%	2.26%
Net Operating Return	-0.21%	0.10%	0.29%	0.38%	0.40%	0.53%	0.50%	0.08%	0.27%	0.32%	0.38%
Non-recurring Inc(Exp)	0.12%	0.04%	0.02%	0.01%	0.01%	0.04%	0.03%	0.05%	0.02%	0.02%	0.01%
Net Income	-0.10%	0.15%	0.31%	0.39%	0.42%	0.57%	0.53%	0.13%	0.29%	0.34%	0.40%
Return on Net Worth	0.1%	1.3%	2.7%	3.5%	4.0%	5.5%	5.1%	1.2%	2.5%	3.0%	3.7%



Q2-2020

<\$2  
Million

\$2-10  
Million

\$10-50  
<Million

\$50-100  
Million

\$100-500  
Million

\$500+  
Million

TOTAL

<\$10  
Million

<\$50  
Million

<\$100  
Million

<\$500  
Million

OPERATING EFFICIENCIES:

Core Activities-

Earning Asset Allocation and Return

Nonearning as Pct of Assets	1%	1%	3%	4%	5%	4%	4%	1%	3%	4%	5%
Cash & Investment Yield	1.06%	1.40%	1.46%	1.39%	1.26%	1.21%	1.23%	1.37%	1.45%	1.42%	1.32%
C&I as Pct of Assets	57%	52%	49%	43%	34%	29%	31%	52%	49%	46%	37%
Loan Yield, net	6.63%	5.52%	5.03%	4.72%	4.41%	4.17%	4.24%	5.58%	5.09%	4.89%	4.54%
Loans as Pct of Assets	43%	47%	48%	52%	61%	67%	65%	47%	48%	50%	58%
Avg Loan Balance	\$4,948	\$7,329	\$8,110	\$9,587	\$13,332	\$17,596	\$16,262	\$7,187	\$8,004	\$8,845	\$12,174
Avg Loan Rate	6.87%	5.76%	5.21%	4.94%	4.72%	4.83%	4.83%	5.82%	5.28%	5.10%	4.81%
Avg Loan Yield, net	6.63%	5.52%	5.03%	4.72%	4.41%	4.17%	4.24%	5.58%	5.09%	4.89%	4.54%

Paying Funds Allocation and Return

NonTerm as Pct of Shares	92%	85%	82%	80%	77%	72%	73%	85%	82%	81%	78%
Share CDs as Pct of Shares	5%	10%	12%	14%	16%	20%	19%	10%	12%	13%	15%
Cost of Funds	0.35%	0.40%	0.41%	0.43%	0.55%	0.86%	0.79%	0.39%	0.41%	0.42%	0.51%
Avg Share Balance	\$2,502	\$5,040	\$8,055	\$9,239	\$10,548	\$12,942	\$12,185	\$4,739	\$7,488	\$8,374	\$9,777
Avg Share Rate	0.44%	0.47%	0.47%	0.49%	0.64%	1.02%	0.93%	0.47%	0.47%	0.48%	0.59%
NM Deposits as Pct of Shares	1.3%	1.1%	0.9%	0.9%	0.9%	0.9%	0.9%	1.1%	0.9%	0.9%	0.9%

Average Margin per Account

Avg Interest Inc per Loan	\$340	\$422	\$423	\$474	\$629	\$850	\$785	\$419	\$423	\$451	\$586
Less: Avg Int Exp per Share	\$11	\$24	\$38	\$45	\$67	\$132	\$113	\$22	\$36	\$40	\$58
Less: Avg Provisions per Loan	\$12	\$18	\$15	\$21	\$41	\$116	\$95	\$17	\$16	\$19	\$34
Avg Net Interest Margin	\$317	\$380	\$369	\$407	\$521	\$602	\$576	\$379	\$372	\$392	\$494

Net Operating Profitability-

Earning Asset/Funding	123%	117%	111%	109%	107%	109%	109%	118%	112%	110%	108%
Non-Int Inc-to-Total Rev	7%	13%	19%	24%	26%	25%	25%	12%	19%	21%	25%

Average per Full-time Equivalent

Interest Income	\$43,463	\$90,497	\$129,978	\$134,352	\$141,569	\$215,628	\$195,161	\$84,360	\$121,977	\$127,942	\$137,419
Less: Interest Expense	\$4,075	\$10,089	\$15,889	\$17,203	\$22,634	\$49,532	\$41,958	\$9,304	\$14,734	\$15,924	\$20,591
Net Interest Margin	\$39,389	\$80,408	\$114,089	\$117,149	\$118,935	\$166,096	\$153,203	\$75,055	\$107,243	\$112,018	\$116,828
Less: Provisions	\$2,716	\$6,115	\$7,313	\$8,969	\$12,450	\$38,264	\$31,151	\$5,671	\$7,025	\$7,962	\$11,084
<b>Net Interest Income</b>	<b>\$36,672</b>	<b>\$74,293</b>	<b>\$106,776</b>	<b>\$108,180</b>	<b>\$106,484</b>	<b>\$127,832</b>	<b>\$122,052</b>	<b>\$69,384</b>	<b>\$100,218</b>	<b>\$104,056</b>	<b>\$105,745</b>
Non-Interest Income	\$3,396	\$13,146	\$31,439	\$42,357	\$50,687	\$72,980	\$65,886	\$11,874	\$28,007	\$34,924	\$45,887
Non-Interest Expense	\$42,553	\$84,790	\$127,057	\$135,304	\$140,631	\$170,345	\$161,462	\$79,279	\$118,677	\$126,691	\$136,386
<b>Net Operating Expense</b>	<b>\$39,158</b>	<b>\$71,643</b>	<b>\$95,618</b>	<b>\$92,948</b>	<b>\$89,945</b>	<b>\$97,364</b>	<b>\$95,576</b>	<b>\$67,405</b>	<b>\$90,669</b>	<b>\$91,767</b>	<b>\$90,500</b>
<b>Net Operating Return</b>	<b>-\$2,486</b>	<b>\$2,650</b>	<b>\$11,158</b>	<b>\$15,232</b>	<b>\$16,539</b>	<b>\$30,468</b>	<b>\$26,476</b>	<b>\$1,980</b>	<b>\$9,548</b>	<b>\$12,288</b>	<b>\$15,245</b>
Total Revenue	\$46,859	\$103,643	\$161,417	\$176,709	\$192,255	\$288,608	\$261,047	\$96,234	\$149,984	\$162,866	\$183,306
Compensation & Benefits	\$20,374	\$45,248	\$61,238	\$65,606	\$72,242	\$90,232	\$84,677	\$42,003	\$57,864	\$61,596	\$69,000
Occupancy & Operations	\$13,582	\$22,624	\$34,040	\$34,573	\$35,751	\$41,695	\$39,928	\$21,444	\$31,831	\$33,153	\$34,960
All Other Expenses	\$8,598	\$16,917	\$31,778	\$35,125	\$32,638	\$38,418	\$36,858	\$15,832	\$28,981	\$31,943	\$32,426

Q2-2020	<\$2 Million	\$2-10 Million	\$10-50 <Million	\$50-100 Million	\$100-500 Million	\$500+ Million	TOTAL	<\$10 Million	<\$50 Million	<\$100 Million	<\$500 Million
<b>Operating Expense Assessment</b>											
<b>Expense Ratio Breakdown-</b>											
Compensation & Benefits	1.76%	1.78%	1.59%	1.63%	1.77%	1.56%	1.59%	1.78%	1.61%	1.62%	1.73%
Occupancy & Ops	1.17%	0.89%	0.88%	0.86%	0.88%	0.72%	0.75%	0.91%	0.88%	0.87%	0.87%
All Other Expenses	0.74%	0.66%	0.82%	0.87%	0.80%	0.66%	0.69%	0.67%	0.81%	0.84%	0.81%
Total Operating Expenses	3.68%	3.33%	3.29%	3.36%	3.44%	2.94%	3.04%	3.35%	3.30%	3.33%	3.41%
- Travel and Conference	0.02%	0.02%	0.02%	0.03%	0.03%	0.02%	0.02%	0.02%	0.02%	0.02%	0.03%
- Educational and Promo	0.02%	0.02%	0.06%	0.09%	0.10%	0.11%	0.10%	0.02%	0.06%	0.07%	0.09%
- Loan Servicing	0.12%	0.11%	0.17%	0.21%	0.23%	0.20%	0.20%	0.11%	0.17%	0.19%	0.22%
- Prof and Outside Svcs	0.33%	0.36%	0.43%	0.45%	0.35%	0.22%	0.25%	0.36%	0.42%	0.44%	0.37%
- Member Insurance	0.03%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%
- Operating Fees	0.06%	0.03%	0.02%	0.02%	0.02%	0.01%	0.01%	0.03%	0.03%	0.02%	0.02%
- Miscellaneous	0.18%	0.11%	0.11%	0.07%	0.07%	0.12%	0.11%	0.11%	0.11%	0.09%	0.08%
<b>Expense as Pct of Total-</b>											
Compensation & Benefits	48%	53%	48%	48%	51%	53%	52%	53%	49%	49%	51%
Occupancy & Ops	32%	27%	27%	26%	25%	24%	25%	27%	27%	26%	26%
All Other Expenses	20%	20%	25%	26%	23%	23%	23%	20%	24%	25%	24%
- Travel and Conference	0%	0%	1%	1%	1%	1%	1%	0%	1%	1%	1%
- Educational and Promo	0%	1%	2%	3%	3%	4%	3%	1%	2%	2%	3%
- Loan Servicing	3%	3%	5%	6%	7%	7%	7%	3%	5%	6%	6%
- Prof and Outside Svcs	9%	11%	13%	13%	10%	7%	8%	11%	13%	13%	11%
- Member Insurance	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
- Operating Fees	2%	1%	1%	1%	1%	0%	0%	1%	1%	1%	1%
- Miscellaneous	5%	3%	3%	2%	2%	4%	4%	3%	3%	3%	2%
<b>Staffing-</b>											
Total Employees	489	2,505	11,485	12,633	58,997	236,611	322,720	2,994	14,479	27,112	86,109
Full-time Equivalents	295	1,963	10,611	11,975	56,737	230,150	311,730	2,257	12,868	24,843	81,580
Pct PT Employees	80%	43%	15%	10%	8%	5%	7%	49%	22%	17%	11%
FTE-to-Ops (Staffing)	2.04	0.77	0.42	0.36	0.30	0.20	0.22	0.84	0.46	0.41	0.33
Avg Compensation & Benef	\$20,374	\$45,248	\$61,238	\$65,606	\$72,242	\$90,232	\$84,677	\$42,003	\$57,864	\$61,596	\$69,000
<b>Membership Outreach-</b>											
Members-to-Potential	7.1%	8.0%	3.0%	3.1%	2.5%	3.2%	3.0%	7.9%	3.4%	3.2%	2.7%
Members-to-FTEs	366	408	415	454	345	404	395	402	412	432	371
Borrowers-to-Members	27%	38%	55%	58%	55%	58%	57%	37%	52%	49%	52%
Branches	367	879	2,243	1,632	5,032	10,949	21,102	1,246	3,489	5,121	10,153
Members per Branch	294	910	1,962	3,329	3,887	8,488	5,840	728	1,521	2,097	2,984



Historical Year-End	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>DEMOGRAPHICS</b>											
No. of Credit Unions	7,339	7,094	6,819	6,554	6,273	6,021	5,785	5,573	5,375	5,236	5,164
Avg Asset Size (\$Mil)	\$124.6	\$135.6	\$149.8	\$162.0	\$178.9	\$200.0	\$223.4	\$247.4	\$256.5	\$277.6	\$303.4
<b>GROWTH RATES</b>											
Total Assets	3.4%	5.2%	6.2%	3.9%	5.7%	7.3%	7.3%	6.7%	5.4%	7.8%	23.3%
Total Loans	-1.4%	1.2%	4.6%	8.0%	10.4%	10.5%	10.4%	10.1%	9.0%	6.2%	5.2%
Total Shares	4.5%	5.2%	6.1%	3.7%	4.5%	6.9%	7.5%	6.1%	4.4%	6.9%	21.8%
Net Worth	5.1%	6.8%	8.5%	7.4%	7.5%	6.9%	7.1%	7.3%	8.7%	8.5%	5.2%
<b>BALANCE SHEET ALLOCATION</b>											
Net Worth Ratio	10.1%	10.2%	10.4%	10.8%	11.0%	10.9%	10.9%	11.0%	11.3%	11.4%	10.5%
Cash & Inv-to-Assets	35%	37%	38%	35%	32%	31%	28%	26%	24%	25%	31%
Loans-to-Total Assets	62%	59%	58%	61%	63%	65%	67%	69%	72%	71%	65%
Vehicle-to-Total Loans	11%	29%	30%	31%	32%	33%	34%	35%	35%	34%	33%
RELoans-to-Total Loans	55%	55%	54%	53%	51%	50%	50%	49%	49%	50%	51%
RELoans-to-Net Worth	337%	319%	300%	296%	296%	302%	306%	313%	313%	313%	319%
Indirect-to-Total Loans	13%	12%	13%	14%	16%	17%	19%	20%	21%	21%	20%
Loans-to-Shares	72%	69%	68%	71%	75%	77%	80%	83%	86%	84%	76%
Pct of Non-term-Shares	62%	65%	67%	69%	71%	72%	73%	73%	72%	70%	73%
ST Funding Ratio	16.1%	17.3%	17.5%	14.9%	13.7%	13.5%	13.4%	12.4%	11.4%	12.8%	17.6%
Net LT Assets Ratio	33%	32%	33%	36%	34%	33%	33%	34%	34%	34%	33%
<b>LOAN QUALITY &amp; ADEQUACY OF RESERVES</b>											
Loan Delinquency Rate	1.76%	1.60%	1.16%	1.01%	0.85%	0.81%	0.83%	0.81%	0.71%	0.70%	0.58%
Net Charge-off Rate	1.13%	0.91%	0.73%	0.57%	0.50%	0.48%	0.55%	0.60%	0.58%	0.57%	0.53%
"Misery" Index	2.89%	2.51%	1.89%	1.58%	1.35%	1.29%	1.38%	1.41%	1.29%	1.27%	1.11%
RE Loan Delinquency	2.10%	2.00%	1.38%	1.15%	0.89%	0.75%	0.63%	0.61%	0.54%	0.55%	0.54%
Veh Loan Delinquency	-	-	-	0.69%	0.67%	0.68%	0.72%	0.70%	0.66%	0.65%	0.47%
-Direct Delinquency	-	-	-	0.60%	0.60%	0.64%	0.67%	0.67%	0.64%	0.63%	0.44%
-Indirect Delinquency	1.17%	0.97%	0.77%	0.79%	0.74%	0.72%	0.76%	0.72%	0.67%	0.66%	0.49%
Loss Allowance Ratio	1.67%	1.55%	1.36%	1.13%	0.98%	0.94%	0.90%	0.92%	0.89%	0.86%	1.00%
Current Loss Exposure	1.62%	1.40%	1.05%	0.83%	0.62%	0.53%	0.47%	0.46%	0.48%	0.49%	0.34%
<b>EARNINGS:</b>											
Gross Asset Yield	4.46%	4.04%	3.65%	3.39%	3.38%	3.37%	3.41%	3.55%	3.82%	4.06%	3.67%
Cost of Funds	1.21%	0.93%	0.73%	0.59%	0.54%	0.52%	0.53%	0.57%	0.69%	0.90%	0.79%
Gross Margin	3.25%	3.12%	2.92%	2.80%	2.84%	2.85%	2.88%	2.99%	3.13%	3.16%	2.88%
Provision Expense	0.78%	0.50%	0.36%	0.26%	0.28%	0.35%	0.41%	0.48%	0.46%	0.43%	0.59%
Net Margin	2.46%	2.62%	2.56%	2.53%	2.56%	2.50%	2.48%	2.51%	2.66%	2.73%	2.29%
Non-Interest Income	1.33%	1.30%	1.43%	1.38%	1.31%	1.34%	1.37%	1.33%	1.38%	1.35%	1.24%
Non-Interest Expense	3.07%	3.06%	3.10%	3.10%	3.11%	3.12%	3.10%	3.08%	3.14%	3.20%	3.04%
Net Operating Exp	1.74%	1.76%	1.67%	1.72%	1.80%	1.77%	1.73%	1.75%	1.77%	1.85%	1.80%
Net Operating Return	0.72%	0.86%	0.89%	0.82%	0.76%	0.73%	0.74%	0.76%	0.90%	0.88%	0.50%
Non-recurring Inc(Exp)	-0.22%	-0.19%	-0.04%	-0.04%	0.04%	0.02%	0.02%	0.02%	0.02%	0.06%	0.03%
Net Income (ROA)	0.50%	0.67%	0.85%	0.78%	0.80%	0.75%	0.76%	0.78%	0.92%	0.94%	0.53%
Return on Net Worth	5.1%	6.6%	8.3%	7.3%	7.3%	6.8%	7.0%	7.1%	7.9%	7.9%	5.1%