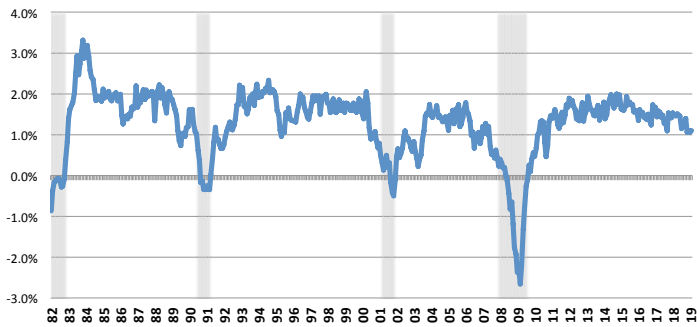


LEADING ECONOMIC INDICATORS AND CONSUMER CONFIDENCE

MERIDIAN ECONOMICS
Trusted Insight, Effective Solutions

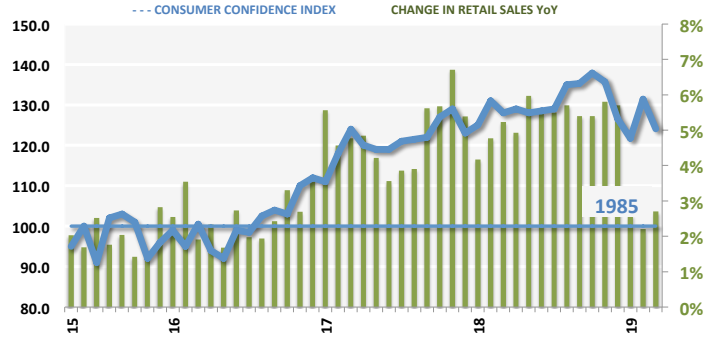
LEADING ECONOMIC INDICATORS

MONTHLY CHANGE



MERIDIAN ECONOMICS
Truste Solutions

CONSUMER CONFIDENCE



	2018 Sep	Oct	Nov	Dec	2019 Jan	Feb	Mar
Economic Indicators (100=2016)							
Leading Index	111.8	112.1	111.8	111.7	111.3	111.5	111.9
Percent Change	0.5%	0.1%	0.2%	0.1%	0.1%	0.2%	0.4%
Coincident Index	104.4	104.7	104.9	105.1	105.5	105.9	105.8
Percent Change	0.1%	0.2%	0.2%	0.2%	0.1%	0.2%	0.1%
Lagging Index	105.3	105.5	106.0	106.7	106.7	107.0	107.0
Percent Change	0.1%	0.4%	0.4%	0.5%	0.5%	0.6%	0.1%
Coincident-lagging Ratio	99.9%	99.5%	99.3%	99.3%	98.8%	98.9%	98.9%
Consumer Confidence (100=1985)							
Consumer Confidence	135.3	137.9	135.7	126.6	121.7	131.4	124.1
Retail Sales (YoY)	6.0%	6.0%	5.8%	5.7%	2.6%	2.2%	2.7%

INDICATORS REPORT AND CU STRATEGY

(April 2019)..... The US leading economic index improved in March, suggesting the US business cycle remains on a strong growth trajectory heading into 2019. However, the LEI's growth has slowed somewhat in recent months, suggesting the economy may be facing capacity constraints and increasingly tight labor markets. After expanding 3 percent in 2019, economic growth could slow to 1.5 percent in 2019, a function of the growth experienced last year than any fundamental weakness or sustainability in 2019.

Most of the areas of the economy covered by the report held steady in March.

Strategically... The indices, consumer confidence and retail sales figures point to continued brisk transactional volume at the retail level. With consumer spending accounting for about two-thirds of the nation's GDP, current metrics suggest the economy continues to show stability. This will help support demand for products and services albeit weaker real estate financing. Share growth will retain its current pace of growth as average wages are keeping up with the current rate of consumer inflation.

Credit unions are encouraged to retain strong underwriting standards and keep marginal loan origination quality held in portfolio where B- or higher applications constituting at least 85% of holdings.