



05 August 2023

BENCHMARK INTEREST RATES AND YIELD CURVE

**US Treasury Rates-**

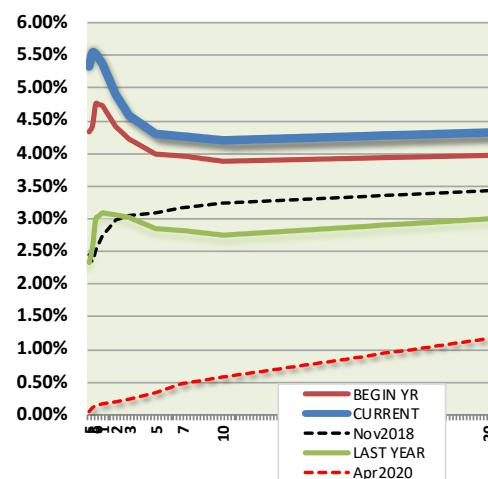
	THIS WK	LAST MO	YR END	LAST YR	CHANGES SINCE		
	8/3/23	7/3/23	12/31/22	8/3/22	This Yr	Last Yr	This Cycle*
Prime	8.50%	8.25%	7.50%	5.50%	1.00%	3.00%	5.25%
Fed Funds	5.33%	5.08%	4.33%	2.33%	1.00%	3.00%	5.28%
3mo	5.54%	5.44%	4.42%	2.56%	1.12%	2.98%	5.43%
6mo	5.52%	5.53%	4.76%	3.00%	0.76%	2.52%	5.38%
1yr	5.37%	5.43%	4.73%	3.09%	0.64%	2.28%	5.20%
2yr	4.90%	4.94%	4.41%	3.06%	0.49%	1.84%	4.70%
3yr	4.58%	4.56%	4.22%	3.02%	0.36%	1.56%	4.34%
5yr	4.30%	4.19%	3.99%	2.85%	0.31%	1.45%	3.96%
7yr	4.26%	4.03%	3.96%	2.82%	0.30%	1.44%	3.78%
10yr	4.20%	3.86%	3.88%	2.75%	0.32%	1.45%	3.62%
30yr	4.32%	3.87%	3.97%	3.00%	0.35%	1.32%	3.15%

**Slope of the Yield Curve-**

2yr-3mo	-0.64%	-0.50%	-0.01%	0.50%	-0.63%	-1.14%	-1.27%
5yr-2yr	-0.60%	-0.75%	-0.42%	-0.21%	-0.18%	-0.39%	-0.71%
10yr-5yr	-0.10%	-0.33%	-0.11%	-0.10%	0.01%	0.00%	-0.25%
10yr-3mo	-1.34%	-1.58%	-0.54%	0.19%	-0.80%	-1.53%	-2.23%

\*Since Mar 2020

**YIELD CURVE ASSESSMENT**



## ECONOMY ADDS A MODEST 187K JOBS IN JULY; JOBLESS RATE AT 3.5%

The U.S. added a more modest 187,000 new jobs in July, perhaps a sign the economy is cooling enough to drive inflation lower and even stave off further increases in interest rates.

Employment growth has fallen below 200,000 two months in a row for the first time since the onset of the pandemic in 2020. The unemployment rate, meanwhile, dipped to 3.5% from 3.6%.

After the report, stocks rose and bond yields fell.

Senior officials at the Federal Reserve will decide whether to raise interest rates again in September after reviewing a handful of reports on jobs, wages and inflation. Inflation has slowed a bit faster than expected recently. Yet while the labor market appears to be cooling, a shortage of workers is keeping upward pressure on wages.

Wages rose 0.4% in July. The increase over the past 12 months was unchanged at 4.4%. Fed officials want to see annual wage growth return to pre-pandemic levels of 3% or less.

The increase in hiring in July was concentrated in just a handful of areas, mostly health care and social assistance.

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

		LATEST	CURRENT	PREV
GDP	QoQ	Q2-1st	2.4%	2.0%
GDP - YTD	Annl	Q2-1st	2.2%	2.0%
Consumer Spending	QoQ	Q2-1st	1.6%	4.2%
Consumer Spending YTD	Annl	Q2-1st	2.9%	4.2%
Unemployment Rate	Mo	July	3.5%	3.3.67%
Underemployment Rate	Mo	July	6.7%	6.9%
Participation Rate	Mo	July	62.6%	62.6%
Wholesale Inflation	YoY	June	0.1%	1.1%
Consumer Inflation	YoY	June	3.0%	4.0%
Core Inflation	YoY	June	4.8%	5.3%
Consumer Credit	Annual	May	1.8%	5.0%
Retail Sales	YoY	June	3.2%	3.5%
Vehicle Sales	Annl (Mil)	July	16.3	16.2
Home Sales	Annl (Mil)	June	4.923	4.983
Home Prices	YoY	May	-0.5%	-0.2%

**Key Consumer Market Data-**

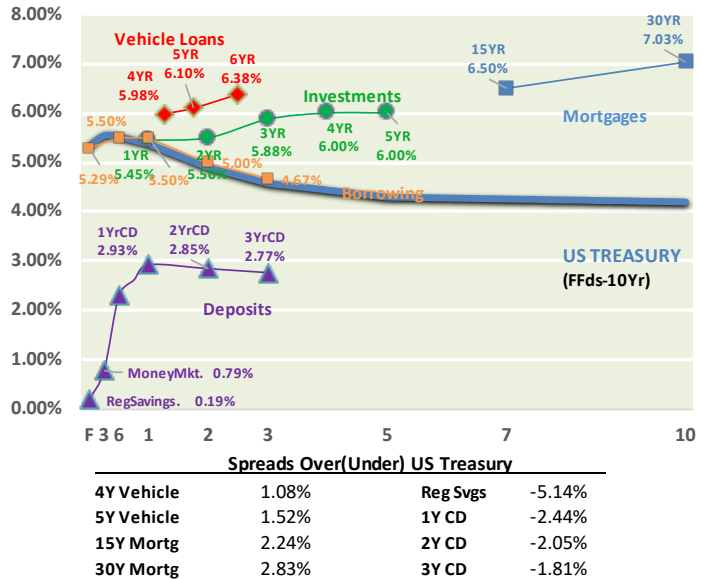
	THIS WK	YR END	PCT CHANGES	
	8/3/23	12/31/22	YTD	12Mos
DJIA	35,215	33,147	6.2%	6.8%
S&P 500	4,501	3,839	17.2%	8.0%
NASDAQ	13,960	10,466	33.4%	9.9%
Crude Oil	81.55	80.26	1.6%	-6.6%
Avg Gasoline	3.76	3.22	16.7%	-10.4%
Gold	1,968	1,826	7.8%	10.3%

ECONOMIC UPDATE AND ANALYSIS



**AVERAGE CREDIT UNION RATES, RATE SENSITIVITIES AND RELATIVE VALUE**

	THIS WK 8/3/23	CHANGE IN MARKET RATES SINCE			Rate Sen
		YTD	Nov18 High	2020 Low	2020Low
Classic CC	12.95%	0.89%	1.26%	1.91%	36%
Platinum CC	12.50%	1.27%	2.23%	3.14%	60%
48mo Veh	5.98%	1.11%	2.32%	2.74%	58%
60mo Veh	6.10%	1.11%	2.33%	2.75%	63%
72mo Veh	6.38%	1.09%	2.26%	2.71%	63%
HE LOC	8.14%	1.34%	2.58%	3.91%	74%
10yr HE	7.17%	0.71%	1.65%	2.07%	52%
15yr FRM	6.50%	0.78%	1.92%	3.18%	84%
30yr FRM	7.03%	0.62%	1.97%	3.32%	92%
Sh Drafts	0.09%	0.00%	-0.05%	-0.03%	-1%
Reg Svgs	0.19%	0.05%	0.00%	0.04%	1%
MMkt-10k	0.79%	0.28%	0.31%	0.47%	9%
MMkt-50k	1.05%	0.38%	0.40%	0.60%	11%
6mo CD	2.31%	1.04%	1.28%	1.72%	32%
1yr CD	2.93%	1.07%	1.42%	2.08%	40%
2yr CD	2.85%	0.75%	1.00%	1.81%	39%
3yr CD	2.77%	0.58%	0.71%	1.60%	37%



**STRATEGICALLY FOR CREDIT UNIONS**

While the economy is still creating lots of new jobs, fewer industries are hiring. The percentage of firms adding jobs versus the share reducing them fell close to a record low last month. That's a sign the labor market is cooling off.

Hiring in June and May was also weaker than previously reported. Job gains in June were reduced to 185,000 from 209,000, marking the smallest increase since the end of 2020. The increase in employment in May was cut to 281,000 from 306,000.

Another sign of a softening labor market: The number of hours people work fell a tick to 34.3 and matched a post-pandemic low. Businesses tend to cut hours before resorting to layoffs when the economy slows.

The share of people working or looking for work, meanwhile, was unchanged at a post-pandemic high of 62.6%. High labor-force participation can also help to reduce inflation. When more people are looking for work, companies don't have to raise wages as much to obtain labor.

The Fed economic staff recently dropped its forecast of a recession and projections are increasing against a downturn happening next year.

The economy still isn't out of danger, though. The Fed has raised interest rates to the highest level in a few decades and some key parts of the economy are suffering.

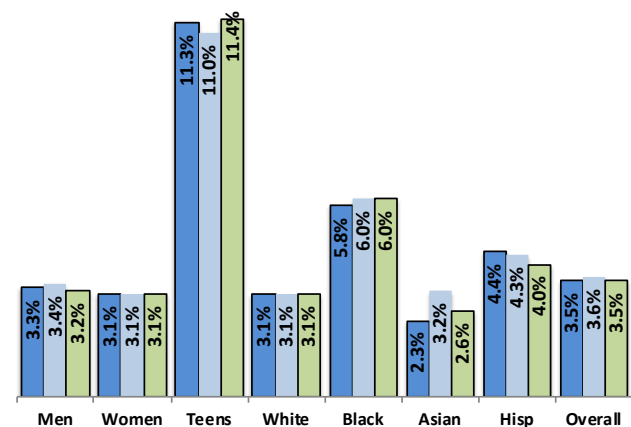
**ECONOMIC RELEASES**

RELEASES THIS WEEK:	Current	Projected	Previous
Unemployment Rate (July)	3.5%	3.6%	3.6%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
Consumer Credit (June)	\$11.0B	\$7.24B
Consumer Inflation (July, YoY)	3.1%	3.0%
Wholesale Inflation (July, YoY)	0.7%	0.1%

**UNEMPLOYMENT BY DEMOGRAPHIC**


CURRENT, LAST MONTH and ONE YEAR AGO





## ECONOMIC CALENDAR

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
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<b>July 3</b> Const Spdg 0.9%	<b>4</b> <b>INDEPENDENCE DAY</b> <b>HOLIDAY</b> 	<b>5</b> FOMC Minutes	<b>6</b> Jobless Claims 248k Cont'd Claims 1.72M Vehicle Sales 15.7M	<b>7</b> Unemployment Nonfarm Payroll Private Payroll	<b>8</b>
<b>10</b> Consumer Credit 1.8%	<b>11</b>	<b>12</b> Consumer Inflation 3.0% FRB Beige Book	<b>13</b> Jobless Claims 237k Cont'd Claims 1.73M Wholesale Inflation 0.1%	<b>14</b>	<b>15</b>
<b>17</b>	<b>18</b> Retail Sales 1.5% Ind Production -0.4%	<b>19</b>	<b>20</b> Jobless Claims 228k Cont'd Claims 1.75M	<b>21</b>	<b>22</b>
<b>24</b>	<b>25</b> Home Prices -0.5% Consumer Confidence 117	<b>26</b> FOMC Decision	<b>27</b> Jobless Claims 221k Cont'd Claims 1.69M GDP (Q2-1st) 2.4%	<b>28</b> Personal Income Personal Spending	<b>29</b>
<b>31</b>	<b>August 1</b> Constr Spending 0.5%	<b>2</b> Vehicle Sales 15.7M	<b>3</b> Jobless Claims 227k Cont'd Claims 1.70M	<b>4</b> Unemployment 3.5% Nonfarm Payroll 187k Private Payroll 172k	<b>5</b>
<b>7</b> Consumer Credit	<b>8</b> Household Debt	<b>9</b>	<b>10</b> Jobless Claims Cont'd Claims Consumer Inflation	<b>11</b> Wholesale Inflation	<b>12</b>
<b>14</b>	<b>15</b> Retail Sales Industrial Production Capacity Utilization	<b>16</b> FOMC Minutes	<b>17</b> Jobless Claims Cont'd Claims Leading Indicators	<b>18</b>	<b>19</b>
<b>21</b>	<b>22</b> Existing Home Sales	<b>23</b>	<b>24</b> Jobless Claims Cont'd Claims	<b>25</b>	<b>26</b>
<b>28</b>	<b>29</b> Home Prices Consumer Confidence	<b>30</b> GDP (Q2-23, 2nd)	<b>31</b> Jobless Claims Cont'd Claims Personal Income Personal Spending	<b>September 1</b> Unemployment Nonfarm Payroll Private Payroll	<b>2</b>



## ECONOMIC FORECAST

**JUNE 2023**

	2022			2023				2024			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

### ECONOMIC OUTLOOK

#### Economic Growth-

GDP - (QoQ)	-0.6%	3.2%	2.6%	2.0%	1.8%	-0.7%	-0.5%	0.6%	1.4%	2.1%	1.9%
GDP - (YTD)	-1.1%	0.3%	0.9%	2.0%	1.9%	1.0%	0.7%	0.6%	1.0%	1.4%	1.5%
Consumer Spending - (QoC)	2.0%	2.3%	1.0%	4.2%	1.1%	0.2%	0.5%	1.0%	0.9%	1.4%	1.4%
Consumer Spending - (YTD)	1.7%	1.9%	1.7%	4.2%	2.7%	1.8%	1.5%	1.0%	1.0%	1.1%	1.2%
Government Spending - (QoC)	-1.6%	3.7%	3.8%	5.2%	1.0%	2.2%	0.6%	0.7%	0.7%	0.6%	8.0%
Government Spending - (YTD)	-2.0%	-0.1%	0.9%	5.2%	3.1%	2.8%	2.3%	0.7%	0.7%	0.7%	2.5%

#### Consumer Wealth-

Unemployment Rate	3.6%	3.5%	3.6%	3.5%	3.7%	4.1%	4.7%	5.0%	5.0%	4.7%	4.6%
Consumer Inflation	8.6%	8.3%	7.1%	5.8%	3.0%	2.9%	2.7%	2.7%	2.6%	2.4%	2.3%
Home Prices (YoY)	15.2%	10.4%	5.8%	2.1%	-0.5%	-1.4%	-1.7%	-1.2%	-0.5%	1.2%	1.8%

### SINGLE FAMILY HOME & VEHICLE LOAN MARKETS

#### Home Sales-

Total Home Sales (Mil)	5.982	5.350	4.795	4.979	5.078	4.919	4.871	5.065	5.217	5.414	5.702
Existing Home (Mil)	5.373	4.770	4.197	4.328	4.383	4.230	4.202	4.369	4.506	4.689	4.938
New Home Sales (Mil)	0.609	0.580	0.598	0.651	0.695	0.689	0.669	0.696	0.711	0.725	0.764

#### Mortgage Originations-

Single Family Homes (Mils)	1.790	1.206	0.972	0.816	1.216	1.202	1.286	1.180	1.505	1.463	1.490
Purchase Apps (Mils)	1.202	0.946	0.790	0.634	0.876	0.883	0.911	0.751	1.039	0.977	1.009
Refinancing Apps (Mils)	0.588	0.260	0.182	0.182	0.252	0.287	0.351	0.336	0.392	0.452	0.462
Refi Apps Share	33%	22%	19%	22%	21%	24%	27%	28%	26%	31%	31%

#### Vehicle Sales-

Vehicle Sales (Mil)	13.5	14.0	13.9	15.7	15.6	15.5	16.5	16.1	16.3	16.5	16.7
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### MARKET RATE OUTLOOK

#### Benchmark Rates-

Prime	3.5%	6.3%	7.3%	7.8%	8.2%	8.2%	8.2%	7.5%	7.0%	6.5%	6.0%
Fed Funds	1.6%	3.1%	4.4%	4.9%	5.1%	5.1%	5.1%	4.6%	4.1%	3.6%	3.1%
3yr UST	3.0%	4.2%	4.2%	3.5%	4.2%	4.1%	4.0%	3.5%	3.0%	2.7%	2.7%
7yr UST	3.0%	4.0%	4.0%	3.3%	3.9%	3.8%	3.6%	3.4%	3.0%	2.9%	2.8%
10yr UST	2.9%	3.1%	3.8%	3.6%	3.6%	3.5%	3.3%	3.2%	3.0%	3.0%	2.9%

#### Market Rates-

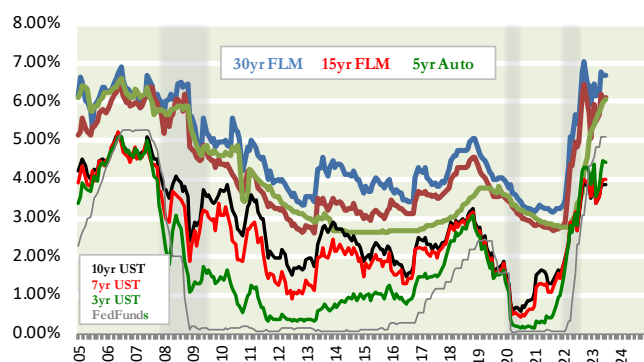
5yr Vehicle Loan Rate	3.4%	4.5%	5.0%	5.5%	5.8%	5.8%	5.8%	5.7%	5.6%	5.6%	5.6%
15yr First-lien Mortgage	4.8%	5.5%	5.7%	5.5%	6.0%	5.7%	5.3%	5.1%	4.9%	4.7%	4.5%
30yr First-lien Mortgage	5.3%	5.7%	6.6%	6.4%	6.5%	6.2%	5.8%	5.6%	5.4%	5.2%	4.9%



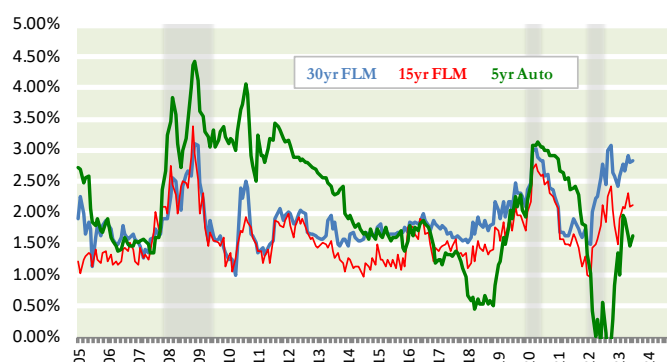
## STRATEGIC ASSESSMENT OF RELATIVE VALUE INVESTMENT AND FUNDING OPTIONS

### 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	5.33%	-	-	-	-	-	-	-	-	-	-
1yr Agy	5.45%	1 year	4 years	7.43%	6.76%	6.26%	6.45%	5.34%	6.18%	5.15%	6.09%
2yr Agy Callable	5.50%	2 years	3 years	8.05%	7.17%	6.50%	6.75%	5.24%	6.50%	4.75%	6.63%
3yr Agy Callable	5.88%	3 years	2 years	8.76%	7.44%	6.44%	6.81%	3.86%	6.38%	-	-
3yr Agy MBS	5.25%	3 years	2 years	9.70%	8.38%	7.38%	7.75%	5.73%	8.25%	-	-
4yr Agy Callable	6.00%	4 years	1 year	11.15%	8.50%	6.50%	7.25%	-	-	-	-
4yr Agy MBS	5.37%	4 years	1 year	13.67%	11.02%	9.02%	9.77%	-	-	-	-
5yr Agy Callable	6.00%	5 years	-	-	-	-	-	-	-	-	-
5yr New Vehicle	6.10%	3 years	2 years	8.43%	7.10%	-	-	-	-	-	-
5yr Used Vehicle	6.25%	3 years	2 years	8.20%	6.88%	-	-	-	-	-	-
15yr Mortgage	6.50%	5 years	-	-	-	-	-	-	-	-	-
30yr Mortgage	7.03%	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	0.09%	1 year	2 years	4.11%	6.96%	5.61%	9.91%
Regular Savings	0.19%	1 year	2 years	4.06%	6.91%	5.51%	9.81%
Money Market	0.79%	1 year	2 years	3.76%	6.61%	4.91%	9.21%
FHLB Overnight	5.29%	1 year	2 years	1.51%	4.36%	0.41%	4.71%
Catalyst Settlement	6.65%	1 year	2 years	0.83%	3.68%	-0.48%	3.35%
6mo Term CD	2.31%	6 mos	2.5 yrs	2.86%	5.14%	3.03%	5.90%
6mo FHLB Term	5.50%	6 mos	2.5 yrs	2.22%	4.50%	1.97%	4.83%
6mo Catalyst Term	6.09%	6 mos	2.5 yrs	2.11%	4.39%	1.77%	4.64%
1yr Term CD	2.93%	1 year	2 years	2.69%	5.54%	2.77%	7.07%
1yr FHLB Term	5.50%	1 year	2 years	1.41%	4.26%	0.20%	4.50%
2yr Term CD	2.85%	2 years	1 year	2.61%	8.31%	-	-
2yr FHLB Term	5.00%	2 years	1 year	-1.69%	4.01%	-	-
3yr Term CD	2.77%	3 years	-	-	-	-	-
3yr FHLB Term	4.67%	3 years	-	-	-	-	-

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



Q1-2023	<\$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	286	664	1,329	655	1,066	712	4,712	950	2,279	2,934	4,000
Average Assets (\$Mil)	\$0.913	\$5.7	\$26.3	\$73.1	\$229.4	\$2,640.1	\$469.3	\$4.2	\$17.1	\$29.6	\$82.9
Pct of Credit Unions	6%	14%	28%	14%	23%	15%	100%	20%	48%	62%	85%
Pct of Industry Assets	0.0%	0.2%	2%	2%	11%	85%	100%	0%	2%	4%	15%
<b>GROWTH RATES (YTD)</b>											
Total Assets	-7.6%	-4.5%	-8.8%	-0.2%	2.7%	9.3%	8.0%	-4.7%	-8.4%	-3.9%	0.9%
Total Loans	0.0%	3.1%	-4.5%	2.7%	1.4%	7.1%	6.3%	2.9%	-3.8%	-0.1%	1.0%
- Direct Loans	-1.0%	3.1%	-4.5%	3.1%	-0.3%	9.0%	7.7%	2.8%	-3.8%	0.1%	-0.2%
- Indirect Loans	-	0.0%	-4.9%	-1.1%	10.1%	-1.0%	0.0%	117.6%	-4.6%	-1.8%	8.7%
Total Shares	-5.3%	-4.1%	-7.6%	-0.3%	2.6%	8.4%	7.3%	-4.1%	-7.3%	-3.4%	1.0%
- Checking & Savings	-7.3%	-6.5%	-11.4%	-2.7%	-2.1%	-0.9%	-1.4%	-6.5%	-10.8%	-6.5%	-3.4%
Net Worth	-3.3%	-1.0%	-4.4%	3.8%	5.6%	8.4%	7.7%	-1.2%	-4.0%	0.1%	4.0%
<b>BALANCE SHEET ALLOCATION</b>											
Net Worth-to-Total Assets	18.7%	16.2%	12.3%	11.7%	10.9%	10.7%	10.7%	16.4%	12.7%	12.1%	11.2%
Cash & Inv-to-Total Assets	50.9%	47.4%	46.6%	40.8%	31.2%	24.9%	26.3%	47.7%	46.7%	43.4%	34.4%
Loans-to-Total Assets	44.0%	48.4%	49.1%	54.5%	63.0%	70.8%	69.2%	48.1%	49.0%	52.0%	60.1%
Vehicle-to-Total Loans	63.6%	67.5%	52.5%	44.8%	39.2%	30.9%	32.2%	67.2%	54.0%	48.7%	41.4%
REL-to-Total Loans	1.2%	6.3%	28.4%	39.2%	46.1%	54.0%	52.6%	6.0%	26.1%	33.7%	43.3%
REL-to-Net Worth	2.8%	18.9%	113.5%	182.5%	267.5%	358.6%	338.9%	17.7%	100.8%	144.2%	232.4%
Indirect-to-Total Loans	0.4%	0.1%	3.7%	10.0%	16.4%	18.4%	17.9%	0.1%	3.4%	7.2%	14.3%
Loans-to-Total Shares	55.0%	58.1%	56.1%	61.9%	71.4%	83.3%	81.0%	57.9%	56.3%	59.4%	68.2%
Chkg & Svgs-to-Total Shares	93.0%	85.3%	77.7%	72.5%	64.9%	52.5%	54.8%	85.8%	78.5%	75.2%	67.6%
Nonterm-to-Total Shares	93.3%	86.8%	84.1%	82.0%	78.7%	73.3%	74.4%	87.2%	84.4%	83.1%	79.9%
Term CDs-to-Total Shares	4.6%	9.6%	10.5%	11.7%	15.0%	20.1%	19.2%	9.3%	10.4%	11.1%	14.0%
Liquidity Ratio	29.6%	13.6%	9.2%	8.8%	7.6%	7.3%	7.4%	14.6%	9.8%	9.2%	8.0%
Short-term Funding Ratio	43.8%	30.7%	23.2%	18.7%	13.4%	10.7%	11.4%	23.9%	21.1%	15.4%	11.4%
Short-term Cash Flow Ratio	47.1%	34.4%	27.2%	23.1%	18.5%	16.4%	17.0%	35.2%	28.0%	25.3%	20.3%
Net Long-term Asset Ratio	4.7%	9.0%	21.6%	14.4%	34.6%	40.0%	38.5%	20.4%	17.1%	29.9%	38.4%
<b>LOAN QUALITY</b>											
Loan Delinquency Ratio	2.39%	1.15%	0.78%	0.59%	0.47%	0.53%	0.53%	0.81%	0.69%	0.52%	0.53%
Net Charge-off Ratio	0.65%	0.32%	0.35%	0.33%	0.32%	0.55%	0.52%	0.35%	0.34%	0.32%	0.52%
"Misery" Index	3.04%	1.47%	1.13%	0.92%	0.79%	1.08%	1.05%	1.16%	1.02%	0.84%	1.05%
Core Delinquency Rate	2.02%	1.05%	0.72%	0.53%	0.44%	0.47%	0.46%	1.10%	0.76%	0.62%	0.48%
Core Net Charge-off Rate	0.14%	0.16%	0.21%	0.33%	0.71%	0.75%	0.69%	0.16%	0.21%	0.28%	0.62%
Core "Misery" Index	2.16%	1.21%	0.94%	0.86%	1.15%	1.22%	1.15%	1.26%	0.97%	0.90%	1.09%
RE Loan Delinquency	0.81%	0.74%	0.63%	0.40%	0.31%	0.30%	0.30%	0.74%	0.63%	0.48%	0.34%
Vehicle Loan Delinquency	2.05%	1.06%	0.74%	0.60%	0.56%	0.58%	0.58%	1.12%	0.79%	0.69%	0.59%
Direct Loans	2.06%	1.06%	0.67%	0.34%	0.41%	0.39%	0.42%	1.12%	0.73%	0.55%	0.46%
Indirect Loans	0.00%	0.41%	1.57%	1.38%	0.72%	0.64%	0.65%	0.32%	1.57%	1.42%	0.80%
Loss Allow as % of Loans	2.61%	1.19%	0.88%	0.78%	0.72%	1.19%	1.13%	1.27%	0.92%	0.84%	0.75%
Current Loss Exposure	1.06%	0.33%	0.41%	0.38%	0.32%	0.32%	0.33%	0.37%	0.40%	0.39%	0.34%
Coverage Ratio (Adequacy)	2.5	3.6	2.2	2.1	2.2	3.7	3.5	3.4	2.3	2.2	2.2
<b>EARNINGS</b>											
Gross Asset Yield	3.76%	3.80%	3.46%	3.55%	3.74%	4.13%	4.07%	3.80%	3.50%	3.53%	3.68%
Cost of Funds	0.42%	0.42%	0.41%	0.47%	0.65%	1.14%	1.06%	0.42%	0.41%	0.45%	0.59%
Gross Interest Margin	<b>3.34%</b>	<b>3.38%</b>	<b>3.05%</b>	<b>3.08%</b>	<b>3.09%</b>	<b>3.00%</b>	<b>3.01%</b>	<b>3.37%</b>	<b>3.08%</b>	<b>3.08%</b>	<b>3.09%</b>
Provision Expense	0.20%	0.18%	0.23%	0.17%	0.20%	0.44%	0.40%	0.18%	0.22%	0.19%	0.20%
Net Interest Margin	<b>3.14%</b>	<b>3.20%</b>	<b>2.82%</b>	<b>2.92%</b>	<b>2.89%</b>	<b>2.56%</b>	<b>2.61%</b>	<b>3.19%</b>	<b>2.86%</b>	<b>2.89%</b>	<b>2.89%</b>
Non-Interest Income	0.39%	0.51%	0.77%	1.03%	1.14%	1.03%	1.04%	0.50%	0.74%	0.90%	1.08%
Non-Interest Expense	3.63%	3.58%	3.19%	3.29%	3.34%	2.83%	2.90%	3.58%	3.23%	3.26%	3.32%
Net Operating Expense	<b>3.24%</b>	<b>3.07%</b>	<b>2.42%</b>	<b>2.25%</b>	<b>2.20%</b>	<b>1.80%</b>	<b>1.86%</b>	<b>3.08%</b>	<b>2.49%</b>	<b>2.36%</b>	<b>2.24%</b>
Net Operating Return	<b>-0.09%</b>	<b>0.13%</b>	<b>0.40%</b>	<b>0.66%</b>	<b>0.69%</b>	<b>0.77%</b>	<b>0.75%</b>	<b>0.11%</b>	<b>0.37%</b>	<b>0.53%</b>	<b>0.65%</b>
Non-recurring Inc(Exp).	0.11%	0.01%	0.02%	0.02%	0.01%	0.02%	0.01%	0.01%	0.02%	0.02%	0.01%
Net Income.	0.02%	0.13%	0.42%	0.69%	0.70%	0.78%	0.76%	0.13%	0.39%	0.55%	0.66%
Return on Net Worth.	-0.5%	0.8%	3.3%	5.7%	6.4%	7.2%	7.0%	0.7%	3.0%	4.4%	5.8%





**Q1-2023**

<\$2  
Million

\$2-10  
Million

\$10-50  
<Million

\$50-100  
Million

\$100-500  
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\$500>  
Million

<\$10  
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Million

<\$100  
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Million

TOTAL

## PORTFOLIO ANALYTICS

### Cash and Investments

Cash & CE as Pct of Assets	30%	14%	9%	9%	8%	7%	7%	15%	10%	9%	8%
Investments as Pct of Asset	26%	37%	39%	33%	24%	18%	19%	36%	38%	35%	27%
Short-term Funding Ratio	43.8%	30.7%	23.2%	18.7%	13.4%	10.7%	11.4%	23.9%	21.1%	15.4%	11.4%
Avg Cash & Investment Rat	1.59%	1.94%	1.95%	2.02%	2.21%	2.66%	2.56%	1.92%	1.95%	1.99%	2.13%

### Loan Portfolio

Total Loan Growth-Annl	0.0%	3.1%	-4.5%	2.7%	1.4%	7.1%	6.3%	2.9%	-3.8%	-0.1%	1.0%
Consumer Loan Growth-An	-1.9%	3.6%	-4.2%	5.2%	3.1%	5.7%	5.2%	3.1%	-3.3%	1.2%	2.6%
Mortgage Loan Growth-An	279.2%	-3.8%	-5.3%	-1.2%	-0.7%	8.3%	7.3%	-0.5%	-5.2%	-2.5%	-1.0%
Avg Loan Balance	\$6,834	\$8,586	\$3,770	\$6,564	\$10,630	\$20,431	\$17,310	\$8,481	\$4,239	\$5,571	\$9,479
Avg Loan Rate	6.61%	5.87%	5.17%	5.00%	4.81%	4.89%	4.88%	5.91%	5.24%	5.10%	4.88%
Avg Loan Yield, net	6.16%	5.49%	4.70%	4.69%	4.50%	4.27%	4.31%	5.53%	4.78%	4.73%	4.55%

### Credit Mitigation-

#### Delinquency Rates-

Credit Cards	0.06%	2.24%	1.41%	1.13%	0.85%	1.52%	1.48%	2.20%	1.44%	1.25%	0.94%
New Vehicle Loans	1.46%	0.61%	0.39%	0.26%	0.25%	0.32%	0.31%	0.66%	0.42%	0.34%	0.27%
Used Vehicle Loans	2.39%	1.35%	0.93%	0.76%	0.70%	0.73%	0.73%	-0.02%	0.05%	0.07%	0.12%
Total Vehicle Loans	1.06%	0.74%	0.60%	0.56%	0.58%	0.58%	0.58%	0.79%	0.69%	0.59%	0.00%
Real Estate Loans	0.81%	0.74%	0.63%	0.40%	0.31%	0.30%	0.30%	0.74%	0.63%	0.48%	0.34%
Total Loan Delinquency	2.39%	1.15%	0.78%	0.59%	0.47%	0.53%	0.53%	0.81%	0.69%	0.52%	0.53%

#### Net Charge-off Rates-

Credit Cards	-3.82%	0.78%	1.23%	1.41%	1.66%	3.50%	3.35%	0.69%	1.21%	1.33%	1.59%
New Vehicle Loans	0.10%	-0.03%	0.06%	0.09%	0.14%	0.20%	0.21%	0.65%	0.43%	0.34%	0.28%
Used Vehicle Loans	0.20%	0.29%	0.34%	0.44%	0.46%	0.69%	0.63%	1.41%	0.99%	0.86%	0.74%
Total Vehicle Loans	0.16%	0.16%	0.24%	0.33%	0.36%	0.50%	0.48%	0.16%	0.23%	0.28%	0.34%
Non-Comm RE Loans	0.16%	0.08%	0.07%	0.26%	0.95%	0.63%	0.57%	0.08%	0.07%	0.20%	0.82%
Total Net Charge-offs	0.32%	0.35%	0.33%	0.32%	0.55%	0.52%	0.35%	0.34%	0.32%	0.52%	0.00%

#### "Misery" Indices-

Credit Cards	-3.76%	3.02%	2.64%	2.54%	2.51%	5.02%	4.83%	2.89%	2.65%	2.58%	2.53%
New Vehicle Loans	1.56%	0.58%	0.45%	0.35%	0.39%	0.52%	0.52%	1.31%	0.85%	0.68%	0.55%
Used Vehicle Loans	2.59%	1.64%	1.27%	1.20%	1.16%	1.42%	1.36%	1.39%	1.04%	0.94%	0.86%
Total Vehicle Loans	1.22%	0.90%	0.84%	0.89%	0.94%	1.08%	1.06%	0.95%	0.92%	0.88%	0.34%
Non-Comm RE Loans	0.97%	0.82%	0.70%	0.66%	1.26%	0.93%	0.87%	0.82%	0.70%	0.67%	1.16%
Total "Misery" Index	2.71%	1.50%	1.11%	0.91%	1.02%	1.05%	0.88%	1.15%	1.01%	1.04%	0.53%

### Fundng Portfolio

Share Growth YTD-Annl	-6.6%	-4.9%	-8.7%	-0.3%	2.9%	9.9%	8.5%	-5.0%	-8.3%	-3.9%	1.1%
Chkg & Savings YTD-Annl	-7.3%	-6.5%	-11.4%	-2.7%	-2.1%	-0.9%	-1.4%	-6.5%	-10.8%	-6.5%	-3.4%
Avg Share Balance per Mbr	\$2,674	\$5,592	\$9,292	\$10,755	\$12,483	\$14,329	\$13,828	\$5,235	\$8,634	\$9,692	\$11,612
Avg Share Balance	\$12,429	\$14,784	\$6,716	\$10,608	\$14,898	\$24,518	\$21,371	\$14,611	\$7,093	\$8,687	\$12,558
Avg Share Rate	0.53%	0.51%	0.47%	0.54%	0.73%	1.34%	1.24%	0.51%	0.48%	0.51%	0.68%
Core as Pct of Total Shares	93%	85%	78%	73%	65%	52%	55%	86%	79%	75%	68%
Term CDs as Pct of Shares	5%	10%	10%	12%	15%	20%	19%	9%	10%	11%	14%
Non-Member Deposit Ratio	1.1%	1.0%	0.9%	1.2%	1.2%	1.3%	1.2%	1.0%	0.9%	1.0%	1.1%
Borrowings/Total Funding	0.1%	0.3%	0.2%	0.6%	1.8%	5.8%	5.2%	0.3%	0.2%	0.4%	1.4%
Borrowings Growth YTD	0.0%	0.0%	-85.3%	-46.7%	-33.1%	21.1%	18.4%	0.0%	-77.1%	-55.0%	-34.9%
Avg Borrowings Rate	-	4.30%	6.43%	5.09%	4.82%	4.55%	4.57%	5.83%	6.37%	5.43%	4.87%

Q1-2023	<\$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>Net Operating Profitability-</b>											
Earning Asset/Funding	119%	115%	109%	108%	107%	113%	112%	115%	110%	109%	107%
Non-Int Inc-to-Total Revenue	9%	12%	18%	23%	23%	20%	20%	12%	17%	20%	23%
Net Op Cash Flow (YTD-\$Mil)	\$ (4)	\$ (53)	\$ (485)	\$ (205)	\$ 1,055	\$ 15,451	\$ 15,760	\$ (56)	\$ (541)	\$ (746)	\$ 308
Average Loan Balance	6,834	8,586	3,770	6,564	10,630	20,431	17,310	8,481	4,239	5,571	9,479
Average Share Balance	2,509	4,463	5,759	6,169	6,653	7,187	7,059	4,256	5,565	5,884	6,434
<b>Net Operating Return per FTE</b>											
Interest Income per FTE	\$50,483	\$101,269	\$155,241	\$165,572	\$178,572	\$281,076	\$258,673	\$95,088	\$145,033	\$155,700	\$172,178
Avg Int & Prov per FTE	\$8,326	\$16,079	\$28,658	\$29,768	\$40,491	\$106,926	\$92,547	\$15,135	\$26,364	\$28,132	\$37,035
Net Interest Income per FTE	\$42,158	\$85,190	\$126,582	\$135,804	\$138,082	\$174,150	\$166,126	\$79,953	\$118,670	\$127,568	\$135,142
Non-Interest Income per FTE	\$5,293	\$13,540	\$34,481	\$48,139	\$54,630	\$70,082	\$66,059	\$12,536	\$30,757	\$39,784	\$50,480
Avg Operating Exp per FTE	\$48,712	\$95,346	\$142,916	\$153,042	\$159,684	\$192,146	\$184,578	\$89,670	\$133,881	\$143,832	\$155,252
Net Operating Exp per FTE	\$43,420	\$81,805	\$108,435	\$104,904	\$105,053	\$122,064	\$118,519	\$77,133	\$103,124	\$104,048	\$104,772
<b>Avg Net Op Return per FTE</b>	<b>\$ (1,262)</b>	<b>\$ 3,385</b>	<b>\$ 18,147</b>	<b>\$30,900</b>	<b>\$ 33,029</b>	<b>\$ 52,086</b>	<b>\$ 47,607</b>	<b>\$ 2,819</b>	<b>\$ 15,546</b>	<b>\$23,520</b>	<b>\$ 30,370</b>
<b>Revenue/Operating Expense Assessment</b>											
<b>Revenue-</b>											
Avg Revenue per FTE	\$55,776	\$114,810	\$189,722	\$213,711	\$233,203	\$351,158	\$324,732	\$107,625	\$175,791	\$195,483	\$222,657
- Total Revenue Ratio	4.16%	4.31%	4.23%	4.59%	4.88%	5.16%	5.10%	4.30%	4.24%	4.43%	4.76%
<b>Operating Expenses-</b>											
Avg Comp & Benefits per FTE	\$22,392	\$48,801	\$66,481	\$72,221	\$80,220	\$102,293	\$97,045	\$45,587	\$62,936	\$67,758	\$76,736
- C & B Exp Ratio	1.67%	1.83%	1.48%	1.55%	1.68%	1.50%	1.53%	1.82%	1.52%	1.54%	1.64%
- Pct of Total Op Expense	46%	51%	47%	47%	50%	53%	53%	51%	47%	47%	49%
- FTE-to-Ops (Staff Eff)	1.68	0.71	0.35	0.30	0.25	0.16	0.18	0.76	0.39	0.34	0.27
- Full-time Equivalents	197	1,418	7,900	10,280	51,005	273,326	344,124	1,615	9,515	19,794	70,799
- Pct Part-time Employee	80%	46%	16%	9%	7%	4%	6%	51%	23%	16%	9%
Avg Occ & Ops Exp per FTE	\$15,471	\$25,388	\$39,018	\$39,224	\$40,036	\$45,543	\$44,297	\$24,181	\$36,500	\$37,915	\$39,443
- Occup & Ops Exp Ratio	1.15%	0.95%	0.87%	0.84%	0.84%	0.67%	0.70%	0.97%	0.88%	0.86%	0.84%
- Pct of Total Op Expense	32%	27%	27%	26%	25%	24%	24%	27%	27%	26%	25%
Avg All Other Exp per FTE	\$10,850	\$21,157	\$37,418	\$41,597	\$39,428	\$44,311	\$43,236	\$19,902	\$34,446	\$38,160	\$39,073
- All Other Expense Ratio	0.81%	0.79%	0.83%	0.89%	0.82%	0.65%	0.68%	0.79%	0.83%	0.86%	0.84%
- Pct of Total Op Expense	22%	22%	26%	27%	25%	23%	23%	22%	26%	27%	25%
<b>Membership Outreach-</b>											
Members-to-Potential	5.9%	6.0%	3.0%	1.5%	2.2%	3.2%	2.9%	6.0%	3.2%	2.1%	2.2%
Members-to-FTEs	398	395	417	381	339	408	397	395	414	397	355
Borrower-to-Members	21.5%	37.8%	138.4%	101.4%	83.8%	58.4%	64.8%	35.7%	114.7%	103.3%	83.6%
Branches	292	696	1,837	1,511	4,718	12,222	21,275	988	2,825	4,335	9,053
Members per Branch	268	805	1,795	2,594	3,667	9,121	6,422	646	1,393	1,812	2,778



Q1-2023	<\$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>NET INFRASTRUCTURE COST:</b>											
Fee Income	0.39%	0.51%	0.77%	1.03%	1.14%	1.03%	1.04%	0.50%	0.74%	0.90%	1.08%
Compensation & Benefits	1.67%	1.83%	1.48%	1.55%	1.68%	1.50%	1.53%	1.82%	1.52%	1.54%	1.64%
Travel & Conference	0.01%	0.02%	0.02%	0.03%	0.03%	0.02%	0.02%	0.02%	0.02%	0.03%	0.03%
Office Occupancy	0.24%	0.17%	0.19%	0.21%	0.22%	0.17%	0.17%	0.17%	0.19%	0.20%	0.21%
Office Operations	0.91%	0.78%	0.68%	0.63%	0.62%	0.50%	0.52%	0.79%	0.69%	0.66%	0.63%
Educational & Promo	0.02%	0.03%	0.06%	0.08%	0.10%	0.11%	0.11%	0.03%	0.06%	0.07%	0.09%
Loan Servicing	0.21%	0.12%	0.17%	0.23%	0.23%	0.19%	0.19%	0.12%	0.17%	0.20%	0.22%
Professional & Outside Sv	0.30%	0.41%	0.44%	0.46%	0.37%	0.23%	0.25%	0.41%	0.43%	0.45%	0.39%
Member Insurance	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%
Operating Fees	0.07%	0.03%	0.02%	0.01%	0.01%	0.01%	0.01%	0.03%	0.02%	0.02%	0.01%
Miscellaneous	0.17%	0.17%	0.12%	0.07%	0.07%	0.10%	0.09%	0.17%	0.12%	0.09%	0.08%
<b>Total Ops Expense</b>	<b>3.63%</b>	<b>3.58%</b>	<b>3.19%</b>	<b>3.29%</b>	<b>3.34%</b>	<b>2.83%</b>	<b>2.90%</b>	<b>3.58%</b>	<b>3.23%</b>	<b>3.26%</b>	<b>3.32%</b>
<b>Net Operating Expense</b>	<b>3.24%</b>	<b>3.07%</b>	<b>2.42%</b>	<b>2.25%</b>	<b>2.20%</b>	<b>1.80%</b>	<b>1.86%</b>	<b>3.08%</b>	<b>2.49%</b>	<b>2.36%</b>	<b>2.24%</b>

<b>NET INFRASTRUCTURE COST PER FULL-TIME EQUIVALENT</b>											
Fee Income	\$5,293	\$13,540	\$34,481	\$48,139	\$54,630	\$70,082	\$66,059	\$12,536	\$30,757	\$39,784	\$50,480
Compensation & Benefits	\$22,392	\$48,801	\$66,481	\$72,221	\$80,220	\$102,293	\$97,045	\$45,587	\$62,936	\$67,758	\$76,736
Travel & Conference	\$142	\$564	\$1,114	\$1,479	\$1,616	\$1,386	\$1,413	\$513	\$1,012	\$1,254	\$1,515
Office Occupancy	\$3,257	\$4,513	\$8,587	\$9,845	\$10,399	\$11,377	\$11,088	\$4,360	\$7,870	\$8,896	\$9,979
Office Operations	\$12,214	\$20,874	\$30,430	\$29,379	\$29,637	\$34,166	\$33,209	\$19,820	\$28,630	\$29,019	\$29,464
Educational & Promo	\$244	\$846	\$2,684	\$3,852	\$4,854	\$7,480	\$6,841	\$773	\$2,359	\$3,135	\$4,374
Loan Servicing	\$2,850	\$3,103	\$7,696	\$10,584	\$10,972	\$12,653	\$12,185	\$3,072	\$6,912	\$8,819	\$10,370
Professional & Outside Sv	\$4,071	\$11,001	\$19,595	\$21,635	\$17,802	\$15,508	\$16,100	\$10,158	\$17,994	\$19,885	\$18,385
Member Insurance	\$305	\$282	\$152	\$78	\$67	\$60	\$65	\$285	\$174	\$124	\$83
Operating Fees	\$997	\$846	\$861	\$662	\$667	\$563	\$589	\$865	\$861	\$758	\$692
Miscellaneous	\$2,239	\$4,513	\$5,316	\$3,308	\$3,451	\$6,660	\$6,042	\$4,237	\$5,133	\$4,185	\$3,656
<b>Total Ops Expense</b>	<b>\$48,712</b>	<b>\$95,346</b>	<b>\$142,916</b>	<b>\$153,042</b>	<b>\$159,684</b>	<b>\$192,146</b>	<b>\$184,578</b>	<b>\$89,670</b>	<b>\$133,881</b>	<b>\$143,832</b>	<b>\$155,252</b>
<b>Net Operating Expense</b>	<b>\$43,420</b>	<b>\$81,805</b>	<b>\$108,435</b>	<b>\$104,904</b>	<b>\$105,053</b>	<b>\$122,064</b>	<b>\$118,519</b>	<b>\$77,133</b>	<b>\$103,124</b>	<b>\$104,048</b>	<b>\$104,772</b>