



23 July 2021

BENCHMARK INTEREST RATES AND YIELD CURVE

**US Treasury Rates-**

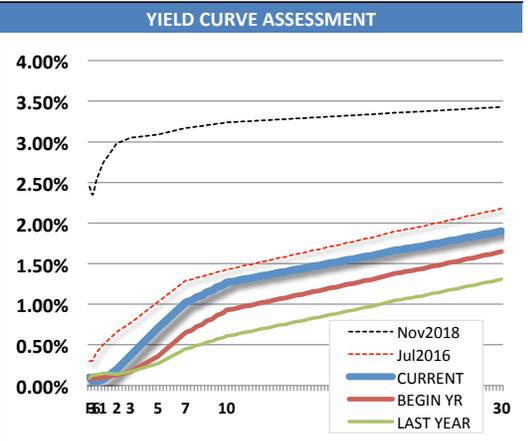
|           | THIS WK | LAST MO | YR END   | LAST YR | CHANGES SINCE |         |            |
|-----------|---------|---------|----------|---------|---------------|---------|------------|
|           | 7/22/21 | 6/22/21 | 12/31/20 | 7/22/20 | This Yr       | Last Yr | This Cycle |
| Fed Funds | 0.10%   | 0.10%   | 0.09%    | 0.09%   | 0.01%         | 0.01%   | -2.41%     |
| 3mo       | 0.05%   | 0.04%   | 0.09%    | 0.13%   | -0.04%        | -0.08%  | -2.35%     |
| 6mo       | 0.05%   | 0.06%   | 0.09%    | 0.13%   | -0.04%        | -0.08%  | -2.50%     |
| 1yr       | 0.07%   | 0.09%   | 0.10%    | 0.15%   | -0.03%        | -0.08%  | -2.65%     |
| 2yr       | 0.20%   | 0.25%   | 0.13%    | 0.14%   | 0.07%         | 0.06%   | -2.87%     |
| 3yr       | 0.37%   | 0.44%   | 0.17%    | 0.17%   | 0.20%         | 0.20%   | -2.95%     |
| 5yr       | 0.71%   | 0.87%   | 0.36%    | 0.27%   | 0.35%         | 0.44%   | -2.90%     |
| 7yr       | 1.02%   | 1.23%   | 0.65%    | 0.45%   | 0.37%         | 0.57%   | -2.69%     |
| 10yr      | 1.27%   | 1.48%   | 0.93%    | 0.61%   | 0.34%         | 0.66%   | -2.66%     |
| 30yr      | 1.90%   | 2.10%   | 1.65%    | 1.31%   | 0.25%         | 0.59%   | -2.44%     |

**Slope of the Yield Curve-**

|          | THIS WK | LAST MO | YR END | LAST YR | This Yr | Last Yr | This Cycle |
|----------|---------|---------|--------|---------|---------|---------|------------|
| 2yr-3mo  | 0.15%   | 0.21%   | 0.04%  | 0.01%   | 0.11%   | 0.14%   | -0.48%     |
| 5yr-2yr  | 0.51%   | 0.62%   | 0.23%  | 0.13%   | 0.28%   | 0.38%   | 0.40%      |
| 10yr-5yr | 0.56%   | 0.61%   | 0.57%  | 0.34%   | -0.01%  | 0.22%   | 0.41%      |
| 10yr-3mo | 1.22%   | 1.44%   | 0.84%  | 0.48%   | 0.38%   | 0.74%   | 0.33%      |

**Other Interest Rates-**

|            | THIS WK | LAST MO | YR END | LAST YR | This Yr | Last Yr | This Cycle |
|------------|---------|---------|--------|---------|---------|---------|------------|
| Prime      | 3.25%   | 3.25%   | 3.25%  | 3.25%   | 0.00%   | 0.00%   | -2.25%     |
| 1mo LIBOR  | 0.09%   | 0.09%   | 0.14%  | 0.18%   | -0.05%  | -0.09%  | -2.43%     |
| 6mo LIBOR  | 0.16%   | 0.16%   | 0.26%  | 0.33%   | -0.10%  | -0.17%  | -2.75%     |
| 12mo LIBOR | 0.24%   | 0.25%   | 0.34%  | 0.46%   | -0.10%  | -0.22%  | -2.89%     |



|           | 2016 Low- | 2018 High- | 2020 Low- | 2020 Low- |
|-----------|-----------|------------|-----------|-----------|
|           | 2018 High | 2020 Low   | Current   | LAST YEAR |
| Fed Funds | 2.15%     | -2.41%     | 0.06%     |           |
| 1year     | 2.24%     | -2.65%     | -0.02%    |           |
| 2years    | 2.32%     | -2.87%     | 0.09%     |           |
| 3years    | 2.28%     | -2.95%     | 0.27%     |           |
| 5years    | 2.06%     | -2.90%     | 0.52%     |           |
| 10years   | 1.81%     | -2.66%     | 0.69%     |           |

ECONOMIC UPDATE AND ANALYSIS

**HOME SALES EXPAND 1.4% IN JUNE; AVERAGE PRICES INCREASE 23.4% YEAR-OVER-YEAR**

Existing-home sales increased in June, snapping four consecutive months of declines, according to the National Association of Realtors. Three of the four major U.S. regions registered small month-over-month gains, while the fourth remained flat. However, all four areas notched double-digit year-over-year gains.

Supply has modestly improved in recent months due to more housing starts and existing homeowners listing their homes, all of which has resulted in an uptick in sales.

Total housing inventory at the end of June amounted to 1.25 million units, up 3.3% from May's inventory and down 18.8% from one year ago (1.54 million). Unsold inventory sits at a 2.6-month supply at the current sales pace, modestly up from May's 2.5-month supply but down from 3.9 months in June 2020.

The median existing-home price for all housing types in June was \$363,300, up 23.4% from June 2020 (\$294,400), as every region recorded price jumps. This marks 112 straight months of year-over-year gains. Properties typically remained on the market for 17 days in June, unchanged from May and down from 24 days in June 2020. Eighty-nine percent of homes sold in June 2021 were on the market for less than a month.

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

|                    |            | LATEST   | CURRENT | PREV  |
|--------------------|------------|----------|---------|-------|
| GDP                | QoQ        | Q1-Final | 6.4%    | 4.3%  |
| GDP - YTD          | Annl       | Q1-Final | 6.4%    | 0.3%  |
| Consumer Spending  | QoQ        | Q1-Final | 11.3%   | 2.3%  |
| Consumer Spending  | Annl       | Q1-Final | 11.3%   | 0.8%  |
| Unemployment       | Mo         | June     | 5.9%    | 5.8%  |
| Consumer Inflation | YoY        | June     | 5.4%    | 5.0%  |
| Core Inflation     | YoY        | June     | 4.5%    | 3.8%  |
| Consumer Credit    | Annual     | May      | 10.0%   | 5.7%  |
| Retail Sales       | YoY        | June     | 22.8%   | 23.9% |
| Vehicle Sales      | Annl (Mil) | June     | 15.8    | 17.5  |
| Home Sales         | Annl (Mil) | June     | 6.629   | 6.663 |
| Home Prices        | YoY        | Apr      | 14.9%   | 13.4% |

**Key Consumer Market Data-**

|              | THIS WK | YR END   | PCT CHANGES |       |
|--------------|---------|----------|-------------|-------|
|              | 7/22/21 | 12/31/20 | YTD         | 12Mos |
| DJIA         | 34,823  | 30,606   | 13.8%       | 32.3% |
| S&P 500      | 4,367   | 3,756    | 16.3%       | 37.1% |
| NASDAQ       | 14,684  | 12,888   | 13.9%       | 43.1% |
| Crude Oil    | 71.91   | 48.52    | 48.2%       | 74.3% |
| Avg Gasoline | 3.15    | 2.24     | 40.4%       | 43.1% |
| Gold         | 1,805   | 1,895    | -4.8%       | -5.0% |



**AVERAGE CREDIT UNION RATES AND RATE SENSITIVITY**

|             | THIS WK<br>7/22/21 | YTD Change |           | Chg in Current Cycle* |           | Rate Sensitivity |       | Bmk Begin<br>12/31/20 | Mkt Begin<br>12/31/20 | Last Top<br>Nov-18 | Last Bottom<br>Jul-16 |
|-------------|--------------------|------------|-----------|-----------------------|-----------|------------------|-------|-----------------------|-----------------------|--------------------|-----------------------|
|             |                    | Rate       | Benchmark | Rate                  | Benchmark | YTD              | Cycle |                       |                       |                    |                       |
| Classic CC  | 10.90%             | 0.07%      | 0.00%     | -0.79%                | -2.25%    | 0%               | 35%   | 3.25%                 | 10.83%                | 11.69%             | 11.39%                |
| Platinum CC | 9.14%              | 0.04%      | 0.00%     | -1.13%                | -2.25%    | 0%               | 50%   | 3.25%                 | 9.10%                 | 10.27%             | 9.09%                 |
| 48mo Veh    | 2.74%              | -0.24%     | 0.07%     | -0.92%                | -2.78%    | -343%            | 33%   | 0.13%                 | 2.98%                 | 3.66%              | 2.58%                 |
| 60mo Veh    | 2.84%              | -0.24%     | 0.20%     | -0.93%                | -2.68%    | -120%            | 35%   | 0.17%                 | 3.08%                 | 3.77%              | 2.68%                 |
| 72mo Veh    | 3.16%              | -0.25%     | 0.28%     | -0.96%                | -2.53%    | -91%             | 38%   | 0.27%                 | 3.41%                 | 4.12%              | 3.05%                 |
| HE LOC      | 3.93%              | 0.10%      | 0.00%     | -1.63%                | -2.25%    | 0%               | 72%   | 3.25%                 | 3.83%                 | 5.56%              | 4.01%                 |
| 10yr HE     | 4.65%              | 0.27%      | 0.35%     | -0.87%                | -2.55%    | 77%              | 34%   | 0.36%                 | 4.38%                 | 5.52%              | 4.45%                 |
| 15yr FRM    | 2.73%              | -0.11%     | 0.35%     | -1.85%                | -2.22%    | -32%             | 84%   | 0.65%                 | 2.84%                 | 4.58%              | 3.14%                 |
| 30yr FRM    | 3.21%              | 0.03%      | 0.34%     | -1.85%                | -1.97%    | 9%               | 94%   | 0.93%                 | 3.18%                 | 5.06%              | 3.69%                 |
| Sh Drafts   | 0.09%              | 0.00%      | 0.01%     | -0.05%                | -2.35%    | 0%               | 2%    | 0.09%                 | 0.09%                 | 0.14%              | 0.11%                 |
| Reg Svgs    | 0.18%              | 0.04%      | 0.01%     | -0.01%                | -2.35%    | 400%             | 0%    | 0.09%                 | 0.14%                 | 0.19%              | 0.14%                 |
| MMkt-10k    | 0.16%              | -0.03%     | 0.01%     | -0.32%                | -2.35%    | -300%            | 14%   | 0.09%                 | 0.19%                 | 0.48%              | 0.22%                 |
| MMkt-50k    | 0.22%              | -0.05%     | 0.01%     | -0.43%                | -2.35%    | -500%            | 18%   | 0.09%                 | 0.27%                 | 0.65%              | 0.31%                 |
| 6mo CD      | 0.25%              | -0.05%     | -0.04%    | -0.78%                | -2.47%    | 125%             | 32%   | 0.09%                 | 0.30%                 | 1.03%              | 0.34%                 |
| 1yr CD      | 0.35%              | -0.09%     | -0.03%    | -1.16%                | -2.67%    | 300%             | 43%   | 0.10%                 | 0.44%                 | 1.51%              | 0.53%                 |
| 2yr CD      | 0.47%              | -0.10%     | 0.07%     | -1.38%                | -2.78%    | -143%            | 50%   | 0.13%                 | 0.57%                 | 1.85%              | 0.78%                 |
| 3yr CD      | 0.57%              | -0.10%     | 0.20%     | -1.49%                | -2.68%    | -50%             | 56%   | 0.17%                 | 0.67%                 | 2.06%              | 1.04%                 |

\*Since Nov 2018

**STRATEGICALLY FOR CREDIT UNIONS**

First-time buyers accounted for 31% of sales in June, also even with May but down from 35% in June 2020. NAR's 2020 Profile of Home Buyers and Sellers – released in late 2020 – revealed that the annual share of first-time buyers was 31%.

Individual investors or second-home buyers, who account for many cash sales, purchased 14% of homes in June, down from 17% in May and up from 9% in June 2020. All-cash sales accounted for 23% of transactions in June, even with May and up from 16% in June 2020.

Single-family home sales decreased to a seasonally adjusted annual rate of 5.14 million in June, up 1.4% from 5.07 million in May and up 19.3% from one year ago. The median existing single-family home price was \$370,600 in June, up 24.4% from June 2020.

Huge wealth gains from both housing equity and the stock market have nudged up all-cash transactions, but first-time buyers who need mortgage financing are being uniquely challenged with record-high home prices and low inventory. Although rates are favorably low, these hurdles have been overwhelming to some potential buyers.

According to Freddie Mac, the average commitment rate for a 30-year, conventional, fixed-rate mortgage was 2.98% in June, slightly up from 2.96% in May. The average commitment rate across all of 2020 was 3.11%.

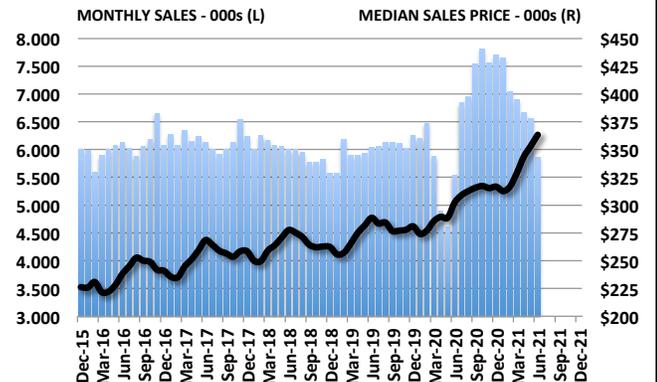
**ECONOMIC RELEASES**

| RELEASES THIS WEEK:               | Current | Projected | Previous |
|-----------------------------------|---------|-----------|----------|
| Existing Home Sales (Jun, Annlzd) | 5.86M   | 5.7M      | 5.8M     |
| Leading Indicators (Jun, MoM)     | 0.7%    | 1.1%      | 1.3%     |

| RELEASES FOR UPCOMING WEEK:      | Projected | Previous |
|----------------------------------|-----------|----------|
| New Home Sales (June, Annl)      | 780k      | 769k     |
| Home Prices (May, YoY)           | 15.3%     | 14.9%    |
| Consumer Confidence (July, 100=) | 126.0     | 126.3    |
| GDP (Q2, QoQ, First Estimate)    | 8.5%      | 6.4%     |



**NEW AND EXISTING HOME SALES**





**ECONOMIC CALENDAR**

| MONDAY                                  | TUESDAY   | WEDNESDAY                        | THURSDAY   | FRIDAY  | SATURDAY  |
|---|---|----------------------------------|--|---|-----------|
|   | <b>22</b><br>Exist Home Sales 5.8M                      | <b>23</b><br>New Home Sales 863k | <b>24</b><br>Jobless Claims 411k<br>Cont'd Claims 3.39M<br>GDP (Q1-Final) 6.4%       | <b>25</b><br>Personal Income -2.0%<br>Pers Spending +0.0%                       | <b>26</b> |
| <b>28</b>                               | <b>29</b><br>Home Prices 14.9%<br>Cons Confidence 127.3 | <b>30</b>                        | <b>July 1</b><br>Jobless Claims 364k<br>Cont'd Claims 3.47M<br>Constr Spending -0.3% | <b>2</b><br>Unemployment 5.9%<br>Nonfarm Payrolls 850k<br>Private Payrolls 662k | <b>3</b>  |
| <b>5</b><br>INDEPENDENCE DAY<br>HOLIDAY | <b>6</b>  | <b>7</b><br>FOMC Minutes         | <b>8</b><br>Jobless Claims 373k<br>Cont'd Claims 3.39M<br>Cons Credit \$35.2M        | <b>9</b>  | <b>10</b> |
| <b>12</b>                               | <b>13</b><br>Cons Inflation 4.5%                        | <b>14</b><br>Wh Inflation 7.3%   | <b>15</b><br>Jobless Claims 360k<br>Cont'd Claims 3.2M<br>Ind Production 9.8%        | <b>16</b><br>Retail Sales 18.0%   | <b>17</b> |
| <b>19</b>                               | <b>20</b>   | <b>21</b>                        | <b>22</b><br>Jobless Claims 419k<br>Cont'd Claims 3.3M<br>Ex Home Sales 5.86M        | <b>23</b>   | <b>24</b> |
| <b>26</b><br>New Home Sales             | <b>27</b><br>Home Prices<br>Consumer Confidence         | <b>28</b><br>FOMC Decision       | <b>29</b><br>Jobless Claims<br>Cont'd Claims<br>GDP (Q2-First)                       | <b>30</b><br>Personal Income<br>Personal Expense                                | <b>31</b> |
| <b>2</b><br>Vehicle Sales               | <b>3</b>  | <b>4</b>                         | <b>5</b><br>Jobless Claims<br>Cont'd Claims  | <b>6</b><br>Unemployment<br>Consumer Credit                                     | <b>7</b>  |
| <b>9</b>                                | <b>10</b>   | <b>11</b><br>Consumer Inflation  | <b>12</b><br>Jobless Claims<br>Cont'd Claims<br>Wholesale Inflation                  | <b>13</b>   | <b>14</b> |
| <b>16</b>                               | <b>17</b><br>Retail Sales<br>Industrial Production      | <b>18</b><br>FOMC Minutes        | <b>19</b><br>Jobless Claims<br>Cont'd Claims<br>Consumer Confidence                  | <b>20</b>   | <b>21</b> |



**ECONOMIC FORECAST**

June 2021

|  | 2020 |    |    | 2021 |    |    |    | 2022 |    |    |    |
|--|------|----|----|------|----|----|----|------|----|----|----|
|  | Q2   | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 |

**ECONOMIC OUTLOOK**

**Economic Growth-**

|                             |        |       |       |       |       |       |      |      |      |       |       |
|-----------------------------|--------|-------|-------|-------|-------|-------|------|------|------|-------|-------|
| GDP - (QoQ)                 | -31.4% | 33.1% | 4.1%  | 6.4%  | 10.8% | 7.5%  | 6.0% | 3.9% | 2.8% | 2.2%  | 2.0%  |
| GDP - (YTD)                 | -18.2% | -1.1% | 0.2%  | 6.4%  | 8.6%  | 8.2%  | 7.7% | 3.9% | 3.4% | 3.0%  | 2.7%  |
| Consumer Spending - (QoQ)   | -33.2% | 40.7% | 2.3%  | 11.3% | 12.6% | 4.4%  | 3.4% | 3.7% | 2.6% | 2.2%  | 2.0%  |
| Consumer Spending - (YTD)   | -20.1% | 0.2%  | 0.8%  | 11.3% | 12.0% | 9.4%  | 7.9% | 3.7% | 3.2% | 2.8%  | 2.6%  |
| Government Spending - (QoQ) | 2.5%   | -4.9% | -1.2% | 5.8%  | 9.6%  | -0.4% | 1.1% | 0.0% | 0.1% | -1.1% | -0.5% |
| Government Spending - (YTD) | 1.9%   | -0.4% | -0.6% | 5.8%  | 7.7%  | 5.0%  | 4.0% | 0.0% | 0.1% | -0.3% | -0.4% |

**Consumer Wealth-**

|                    |       |      |      |       |       |       |       |       |       |       |       |
|--------------------|-------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|
| Unemployment Rate  | 13.0% | 8.8% | 6.7% | 6.2%  | 5.9%  | 5.2%  | 4.5%  | 4.4%  | 4.3%  | 4.1%  | 4.0%  |
| Consumer Inflation | 0.4%  | 1.2% | 1.4% | 1.9%  | 4.3%  | 3.6%  | 3.4%  | 3.0%  | 2.3%  | 2.2%  | 2.1%  |
| Home Prices        | 4.4%  | 5.9% | 9.7% | 10.8% | 14.0% | 14.3% | 14.5% | 14.5% | 14.3% | 14.3% | 14.2% |

**SINGLE FAMILY HOME & VEHICLE LOAN MARKETS**

**Consumer Demand-**

|                            |       |       |       |       |       |       |       |       |       |       |       |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Home Sales (Mil)     | 5.016 | 7.100 | 7.650 | 7.262 | 6.889 | 6.930 | 7.080 | 7.201 | 7.288 | 7.365 | 7.476 |
| Existing Home (Mil)        | 4.313 | 6.127 | 6.777 | 6.303 | 5.994 | 6.042 | 6.172 | 6.251 | 6.292 | 6.325 | 6.389 |
| New Home Sales (Mil)       | 0.703 | 0.973 | 0.873 | 0.959 | 0.895 | 0.888 | 0.908 | 0.950 | 0.996 | 1.040 | 1.087 |
| Single Family Homes (Mils) | 3.052 | 3.497 | 3.578 | 3.146 | 3.116 | 2.162 | 1.634 | 1.395 | 1.732 | 1.676 | 1.569 |
| Purchase Apps (Mils)       | 1.203 | 1.427 | 1.350 | 0.974 | 1.428 | 1.331 | 1.248 | 1.002 | 1.329 | 1.277 | 1.187 |
| Refinancing Apps (Mils)    | 1.849 | 2.070 | 2.235 | 2.172 | 1.688 | 0.831 | 0.385 | 0.393 | 0.402 | 0.399 | 0.383 |
| Refi Apps Share            | 61%   | 59%   | 62%   | 69%   | 54%   | 38%   | 24%   | 28%   | 23%   | 24%   | 24%   |
| Vehicle Sales (Mil)        | 11.6  | 15.7  | 15.8  | 16.7  | 17.6  | 16.9  | 16.5  | 16.8  | 17.0  | 17.3  | 17.8  |

**MARKET RATE OUTLOOK**

**Benchmark Rates-**

|           |      |      |      |      |      |      |      |      |      |      |      |
|-----------|------|------|------|------|------|------|------|------|------|------|------|
| Prime     | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% |
| Fed Funds | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.3% | 0.3% | 0.5% | 0.5% |
| 3yr UST   | 0.2% | 0.2% | 0.2% | 0.3% | 0.5% | 0.6% | 0.6% | 0.7% | 0.8% | 0.8% | 0.8% |
| 10yr UST  | 0.7% | 0.6% | 0.9% | 1.3% | 1.6% | 1.8% | 2.0% | 2.1% | 2.3% | 2.4% | 2.5% |

**Market Rates-**

|                          |      |      |      |      |      |      |      |      |      |      |      |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|
| 5yr Vehicle Loan Rate    | 3.3% | 3.2% | 3.1% | 3.1% | 2.8% | 2.7% | 2.7% | 2.8% | 2.9% | 3.0% | 3.1% |
| 15yr First-lien Mortgage | 3.2% | 3.0% | 2.7% | 2.8% | 2.9% | 3.0% | 3.2% | 3.3% | 3.5% | 3.5% | 3.6% |
| 30yr First-lien Mortgage | 3.2% | 3.0% | 2.8% | 2.9% | 3.1% | 3.3% | 3.5% | 3.7% | 4.0% | 4.1% | 4.2% |



**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             | 0.10%          | -       | -                 | -   | -       | -      | -       | -      | -       | -      | -       | - |
| 2yr Agy Callable | 0.18%          | 2 years | 3 years           | 5.23%   | 4.43%   | 4.61%  | 4.86%   | 2.10%  | 1.30%   | 2.34%  | 1.14%   | - |
| 3yr Agy Callable | 0.50%          | 3 years | 2 years           | 7.28%   | 6.08%   | 6.35%  | 6.73%   | 3.06%  | 1.46%   | -      | -       | - |
| 3yr Agy MBS      | 0.90%          | 3 years | 2 years           | 6.68%   | 5.48%   | 5.75%  | 6.13%   | 1.86%  | 0.26%   | -      | -       | - |
| 4yr Agy Callable | 0.74%          | 4 years | 1 year            | 13.09%  | 10.69%  | 11.24% | 11.99%  | -      | -       | -      | -       | - |
| 4yr Agy MBS      | 1.14%          | 4 years | 1 year            | 11.49%  | 9.09%   | 9.64%  | 10.39%  | -      | -       | -      | -       | - |
| 5yr Agy Callable | 1.00%          | 5 years | -                 | -   | -       | -      | -       | -      | -       | -      | -       | - |
| 5yr New Vehicle  | 2.84%          | 3 years | 2 years           | 3.77%   | 2.57%   | -      | -       | -      | -       | -      | -       | - |
| 5yr Used Vehicle | 2.99%          | 3 years | 2 years           | 3.54%   | 2.34%   | -      | -       | -      | -       | -      | -       | - |
| 15yr Mortgage    | 2.73%          | 5 years | -                 | -   | -       | -      | -       | -      | -       | -      | -       | - |
| 30yr Mortgage    | 3.21%          | 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           | 0.81%                                       | 0.89%   | 0.85%  | 0.77%   |
| Regular Savings     | 0.18%        | 1 year  | 2 years           | 0.77%                                       | 0.84%   | 0.76%  | 0.68%   |
| Money Market        | 0.16%        | 1 year  | 2 years           | 0.78%                                       | 0.85%   | 0.78%  | 0.70%   |
| FHLB Overnight      | 0.26%        | 1 year  | 2 years           | 0.73%                                       | 0.80%   | 0.68%  | 0.60%   |
| Catalyst Settlement | 1.25%        | 1 year  | 2 years           | 0.23%                                       | 0.31%   | -0.16% | -0.39%  |
| 6mo Term CD         | 0.25%        | 6 mos   | 2.5 yrs           | 0.63%                                       | 0.69%   | 0.54%  | 0.49%   |
| 6mo FHLB Term       | 0.27%        | 6 mos   | 2.5 yrs           | 0.63%                                       | 0.69%   | 0.54%  | 0.48%   |
| 6mo Catalyst Term   | 0.35%        | 6 mos   | 2.5 yrs           | 0.61%                                       | 0.67%   | 0.51%  | 0.46%   |
| 1yr Term CD         | 0.35%        | 1 year  | 2 years           | 0.68%                                       | 0.76%   | 0.59%  | 0.51%   |
| 1yr FHLB Term       | 0.29%        | 1 year  | 2 years           | 0.71%                                       | 0.79%   | 0.65%  | 0.57%   |
| 2yr Term CD         | 0.47%        | 2 years | 1 year            | 0.77%                                       | 0.92%   | -      | -       |
| 2yr FHLB Term       | 0.43%        | 2 years | 1 year            | 0.85%                                       | 1.00%   | -      | -       |
| 3yr Term CD         | 0.57%        | 3 years | -                 | -   | -       | -      | -       |
| 3yr FHLB Term       | 0.62%        | 3 years | -                 | -   | -       | -      | -       |

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



| Q1-2021                         | <\$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         | 344             | 762               | 1,511               | 694                 | 1,081                | 677               | 5,068        | 1,106            | 2,617            | 3,311             | 4,392             |
| Average Assets (\$Mil)          | \$0.9           | \$5.6             | \$25.7              | \$72.1              | \$224.8              | \$2,382.5         | \$384.7      | \$4.1            | \$16.6           | \$28.2            | \$76.6            |
| Pct of Credit Unions            | 7%              | 15%               | 30%                 | 14%                 | 21%                  | 13%               | 100%         | 22%              | 52%              | 65%               | 87%               |
| Pct of Industry Assets          | 0%              | 0%                | 2%                  | 3%                  | 12%                  | 83%               | 100%         | 0%               | 2%               | 5%                | 17%               |
| <b>GROWTH RATES (YTD)</b>       |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Total Assets                    | -3.4%           | -21.0%            | -6.8%               | 5.3%                | 9.3%                 | 26.4%             | 22.8%        | -19.8%           | -8.2%            | -1.1%             | 6.4%              |
| Total Loans                     | -24.4%          | -41.6%            | -30.9%              | -19.1%              | -16.4%               | 4.7%              | 1.0%         | -40.5%           | -31.9%           | -24.8%            | -18.5%            |
| Total Shares                    | -1.2%           | -15.8%            | -3.7%               | 7.2%                | 10.9%                | 26.3%             | 23.0%        | -14.9%           | -4.9%            | 1.5%              | 8.3%              |
| Net Worth                       | -9.7%           | -33.2%            | -23.0%              | -11.0%              | -8.3%                | 15.3%             | 10.3%        | -31.4%           | -24.1%           | -17.5%            | -11.1%            |
| <b>BALANCE SHEET ALLOCATION</b> |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Net Worth-to-Total Assets       | 17.9%           | 15.0%             | 11.6%               | 10.9%               | 10.0%                | 9.9%              | 10.0%        | 15.2%            | 12.0%            | 11.4%             | 10.4%             |
| Cash & Inv-to-Total Assets      | 60%             | 56%               | 54%                 | 48%                 | 40%                  | 35%               | 36%          | 56%              | 54%              | 51%               | 43%               |
| Loans-to-Total Assets           | 39%             | 43%               | 43%                 | 48%                 | 56%                  | 61%               | 60%          | 43%              | 43%              | 46%               | 53%               |
| Vehicle-to-Total Loans          | 61%             | 65%               | 50%                 | 43%                 | 38%                  | 31%               | 33%          | 65%              | 51%              | 47%               | 40%               |
| REL-to-Total Loans              | 1%              | 7%                | 29%                 | 40%                 | 46%                  | 53%               | 52%          | 7%               | 27%              | 34%               | 43%               |
| REL-to-Net Worth                | 1%              | 20%               | 110%                | 176%                | 258%                 | 328%              | 309%         | 18%              | 98%              | 138%              | 221%              |
| Indirect-to-Total Loans         | 0%              | 0%                | 4%                  | 10%                 | 17%                  | 21%               | 20%          | 0%               | 4%               | 7%                | 15%               |
| Loans-to-Total Shares           | 48%             | 51%               | 49%                 | 54%                 | 63%                  | 71%               | 69%          | 51%              | 49%              | 52%               | 60%               |
| Chkg & Svgs-to-Total Shares     | 88%             | 84%               | 77%                 | 72%                 | 65%                  | 61%               | 56%          | 85%              | 78%              | 75%               | 68%               |
| Nonterm-to-Total Shares         | 88%             | 86%               | 84%                 | 82%                 | 80%                  | 84%               | 78%          | 86%              | 84%              | 83%               | 81%               |
| Term CDs-to-Total Shares        | 5%              | 10%               | 11%                 | 12%                 | 14%                  | 16%               | 16%          | 10%              | 11%              | 11%               | 13%               |
| Short-term Funding Ratio        | 52.7%           | 41.2%             | 34.8%               | 29.8%               | 23.6%                | 19.2%             | 20.4%        | 35.4%            | 32.4%            | 26.1%             | 20.5%             |
| Net Long-term Asset Ratio       | 2.8%            | 7.3%              | 17.9%               | 24.3%               | 31.5%                | 37.6%             | 36.0%        | 16.8%            | 20.8%            | 28.4%             | 35.9%             |
| <b>LOAN QUALITY</b>             |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Loan Delinquency Ratio          | 2.65%           | 1.23%             | 0.73%               | 0.55%               | 0.45%                | 0.45%             | 0.46%        | 0.78%            | 0.65%            | 0.50%             | 0.46%             |
| Net Charge-off Ratio            | 0.22%           | 0.39%             | 0.25%               | 0.23%               | 0.22%                | 0.33%             | 0.32%        | 0.26%            | 0.25%            | 0.23%             | 0.31%             |
| "Misery" Index                  | 2.87%           | 1.62%             | 0.98%               | 0.78%               | 0.67%                | 0.78%             | 0.78%        | 1.04%            | 0.90%            | 0.73%             | 0.77%             |
| RE Loan Delinquency             | 0.00%           | 1.72%             | 0.69%               | 0.47%               | 0.39%                | 0.45%             | 0.42%        | 1.71%            | 0.72%            | 0.56%             | 0.42%             |
| Vehicle Loan Delinquency        | 2.08%           | 1.08%             | 0.65%               | 0.49%               | 0.40%                | 0.32%             | 0.35%        | 1.14%            | 0.71%            | 0.60%             | 0.46%             |
| Direct Loans                    | 2.08%           | 1.08%             | 0.62%               | 0.48%               | 0.34%                | 0.22%             | 0.30%        | 1.14%            | 0.70%            | 0.59%             | 0.44%             |
| Indirect Loans                  | 0.00%           | 0.84%             | 0.95%               | 0.53%               | 0.47%                | 0.37%             | 0.38%        | 0.84%            | 0.95%            | 0.62%             | 0.49%             |
| Loss Allow as % of Loans        | 3.14%           | 1.48%             | 0.89%               | 0.82%               | 0.78%                | 1.15%             | 1.09%        | 1.58%            | 0.96%            | 0.88%             | 0.80%             |
| Current Loss Exposure           | 1.26%           | 0.60%             | 0.39%               | 0.30%               | 0.27%                | 0.24%             | 0.25%        | 0.64%            | 0.42%            | 0.35%             | 0.29%             |
| <b>EARNINGS</b>                 |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Gross Asset Yield               | 3.17%           | 2.97%             | 2.74%               | 2.81%               | 2.87%                | 3.09%             | 3.04%        | 2.98%            | 2.76%            | 2.79%             | 2.85%             |
| Cost of Funds                   | 0.38%           | 0.29%             | 0.27%               | 0.28%               | 0.34%                | 0.51%             | 0.48%        | 0.30%            | 0.27%            | 0.28%             | 0.32%             |
| Gross Interest Margin           | 2.79%           | 2.67%             | 2.47%               | 2.53%               | 2.53%                | 2.58%             | 2.57%        | 2.68%            | 2.49%            | 2.51%             | 2.52%             |
| Provision Expense               | 0.10%           | 0.17%             | 0.07%               | 0.08%               | 0.08%                | 0.17%             | 0.15%        | 0.17%            | 0.08%            | 0.08%             | 0.08%             |
| Net Interest Margin             | 2.69%           | 2.50%             | 2.40%               | 2.46%               | 2.45%                | 2.41%             | 2.41%        | 2.51%            | 2.41%            | 2.44%             | 2.44%             |
| Non-Interest Income             | 0.46%           | 0.49%             | 0.80%               | 1.06%               | 1.25%                | 1.31%             | 1.28%        | 0.48%            | 0.76%            | 0.92%             | 1.15%             |
| Non-Interest Expense            | 3.84%           | 3.15%             | 2.98%               | 3.08%               | 3.14%                | 2.68%             | 2.76%        | 3.20%            | 3.00%            | 3.04%             | 3.11%             |
| Net Operating Expense           | 3.38%           | 2.66%             | 2.18%               | 2.02%               | 1.89%                | 1.37%             | 1.48%        | 2.71%            | 2.24%            | 2.12%             | 1.96%             |
| <b>Net Operating Return</b>     | <b>-0.70%</b>   | <b>-0.16%</b>     | <b>0.22%</b>        | <b>0.44%</b>        | <b>0.56%</b>         | <b>1.04%</b>      | <b>0.94%</b> | <b>-0.20%</b>    | <b>0.18%</b>     | <b>0.31%</b>      | <b>0.49%</b>      |
| Non-recurring Inc(Exp)          | 0.08%           | 0.02%             | 0.02%               | 0.02%               | 0.01%                | 0.03%             | 0.03%        | 0.03%            | 0.02%            | 0.02%             | 0.02%             |
| <b>Net Income</b>               | <b>-0.62%</b>   | <b>-0.14%</b>     | <b>0.24%</b>        | <b>0.45%</b>        | <b>0.57%</b>         | <b>1.06%</b>      | <b>0.97%</b> | <b>-0.17%</b>    | <b>0.19%</b>     | <b>0.33%</b>      | <b>0.50%</b>      |
| <b>Return on Net Worth</b>      | <b>-3.9%</b>    | <b>-1.1%</b>      | <b>1.9%</b>         | <b>3.9%</b>         | <b>5.5%</b>          | <b>10.3%</b>      | <b>9.2%</b>  | <b>-1.3%</b>     | <b>1.4%</b>      | <b>2.7%</b>       | <b>4.6%</b>       |



| Q1-2021                                     | <\$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                            | \$5,286           | \$6,974           | \$6,206             | \$8,124             | \$12,400             | \$17,871          | \$16,163        | \$6,872           | \$6,277          | \$7,300           | \$11,151          |
| Avg Loan Rate                               | 6.91%             | 5.80%             | 5.14%               | 4.90%               | 4.52%                | 4.49%             | 4.52%           | 5.87%             | 5.22%            | 5.04%             | 4.65%             |
| Avg Loan Yield, net                         | 6.66%             | 5.41%             | 5.00%               | 4.75%               | 4.38%                | 4.23%             | 4.27%           | 5.49%             | 5.05%            | 4.88%             | 4.51%             |
| Avg Share Balance                           | \$2,600           | \$5,369           | \$8,906             | \$10,261            | \$11,819             | \$14,160          | \$13,471        | \$5,015           | \$8,258          | \$9,227           | \$10,968          |
| Avg Share Rate                              | 0.47%             | 0.35%             | 0.31%               | 0.32%               | 0.39%                | 0.59%             | 0.55%           | 0.36%             | 0.31%            | 0.32%             | 0.37%             |
| Non-Member Deposit Ratio                    | 1.1%              | 1.0%              | 0.7%                | 0.7%                | 0.6%                 | 0.7%              | 0.7%            | 1.0%              | 0.7%             | 0.7%              | 0.6%              |
| <b>Net Operating Profitability-</b>         |                   |                   |                     |                     |                      |                   |                 |                   |                  |                   |                   |
| Earning Asset/Funding                       | 122%              | 117%              | 110%                | 109%                | 107%                 | 111%              | 110%            | 117%              | 111%             | 110%              | 108%              |
| Fee Inc-to-Total Revenue                    | 13%               | 14%               | 23%                 | 27%                 | 30%                  | 30%               | 30%             | 14%               | 22%              | 25%               | 29%               |
| <b>Net Operating Return per FTE</b>         |                   |                   |                     |                     |                      |                   |                 |                   |                  |                   |                   |
| Interest Income per FTE                     | \$36,900          | \$78,904          | \$116,532           | \$126,607           | \$131,072            | \$200,703         | \$183,246       | \$72,955          | \$109,035        | \$117,793         | \$127,136         |
| Avg Interest & Prov per FTE                 | \$5,609           | \$12,420          | \$14,333            | \$16,106            | \$19,305             | \$44,029          | \$37,868        | \$11,455          | \$13,838         | \$14,969          | \$18,020          |
| Net Interest Income per FTE                 | \$31,292          | \$66,484          | \$102,199           | \$110,501           | \$111,767            | \$156,674         | \$145,379       | \$61,500          | \$95,197         | \$102,824         | \$109,116         |
| Non-Interest Income per FTE                 | \$5,314           | \$12,907          | \$33,921            | \$47,595            | \$56,890             | \$85,095          | \$77,129        | \$11,832          | \$30,121         | \$38,830          | \$51,537          |
| Avg Ops Expense per FTE                     | \$44,723          | \$83,775          | \$126,739           | \$138,515           | \$143,210            | \$174,374         | \$165,932       | \$78,244          | \$118,396        | \$128,423         | \$138,827         |
| Net Op Expense per FTE                      | \$39,410          | \$70,868          | \$92,817            | \$90,920            | \$86,320             | \$89,278          | \$88,803        | \$66,412          | \$88,275         | \$89,593          | \$87,290          |
| <b>Avg Net Op Return per FTE</b>            | <b>\$ (8,118)</b> | <b>\$ (4,384)</b> | <b>\$ 9,382</b>     | <b>\$ 19,581</b>    | <b>\$ 25,447</b>     | <b>\$ 67,396</b>  | <b>\$56,576</b> | <b>\$ (4,912)</b> | <b>\$ 6,923</b>  | <b>\$ 13,231</b>  | <b>\$21,826</b>   |
| <b>Revenue/Operating Expense Assessment</b> |                   |                   |                     |                     |                      |                   |                 |                   |                  |                   |                   |
| <b>Revenue-</b>                             |                   |                   |                     |                     |                      |                   |                 |                   |                  |                   |                   |
| Avg Revenue per FTE                         | \$42,214          | \$91,811          | \$150,453           | \$174,203           | \$187,963            | \$285,799         | \$260,376       | \$84,787          | \$139,157        | \$156,623         | \$178,672         |
| - Total Revenue Ratio                       | 3.62%             | 3.45%             | 3.54%               | 3.87%               | 4.12%                | 4.39%             | 4.32%           | 3.46%             | 3.53%            | 3.71%             | 4.00%             |
| <b>Operating Expenses-</b>                  |                   |                   |                     |                     |                      |                   |                 |                   |                  |                   |                   |
| Avg Comp & Benefits per FTE                 | \$20,664          | \$44,323          | \$61,285            | \$66,670            | \$73,118             | \$93,801          | \$88,125        | \$40,972          | \$57,790         | \$62,216          | \$69,886          |
| - Comp & Benefits Ratio                     | 1.77%             | 1.67%             | 1.44%               | 1.48%               | 1.60%                | 1.44%             | 1.46%           | 1.67%             | 1.46%            | 1.47%             | 1.57%             |
| - Pct of Total Operating Exp                | 46%               | 53%               | 48%                 | 48%                 | 51%                  | 54%               | 53%             | 52%               | 49%              | 48%               | 50%               |
| - FTE-to-Ops (Staffing)                     | 2.17              | 0.79              | 0.41                | 0.34                | 0.29                 | 0.18              | 0.21            | 0.87              | 0.45             | 0.38              | 0.31              |
| - Full-time Equivalents                     | 271               | 1,643             | 9,210               | 11,052              | 52,628               | 240,295           | 315,097         | 1,914             | 11,123           | 22,175            | 74,802            |
| - Pct Part-time Employees                   | 78%               | 46%               | 15%                 | 10%                 | 7%                   | 5%                | 6%              | 51%               | 23%              | 17%               | 10%               |
| Avg Occ & Ops Exp per FTE                   | \$14,760          | \$22,892          | \$34,573            | \$36,158            | \$36,863             | \$43,080          | \$41,422        | \$21,740          | \$32,365         | \$34,256          | \$36,090          |
| - Occupancy & Ops Expense                   | 1.27%             | 0.86%             | 0.81%               | 0.80%               | 0.81%                | 0.66%             | 0.69%           | 0.89%             | 0.82%            | 0.81%             | 0.81%             |
| - Pct of Total Op Expense                   | 33%               | 27%               | 27%                 | 26%                 | 26%                  | 25%               | 25%             | 28%               | 27%              | 27%               | 26%               |
| Avg All Other Expense per FTE               | \$9,299           | \$16,560          | \$30,881            | \$35,687            | \$33,230             | \$37,492          | \$36,385        | \$15,532          | \$28,241         | \$31,952          | \$32,851          |
| - All Other Expense Ratio                   | 0.80%             | 0.62%             | 0.73%               | 0.79%               | 0.73%                | 0.58%             | 0.60%           | 0.63%             | 0.72%            | 0.76%             | 0.74%             |
| - Pct of Total Ops Expense                  | 21%               | 20%               | 24%                 | 26%                 | 23%                  | 22%               | 22%             | 20%               | 24%              | 25%               | 24%               |
| <b>Membership Outreach-</b>                 |                   |                   |                     |                     |                      |                   |                 |                   |                  |                   |                   |
| Members-to-Potential Mbers                  | 3.7%              | 7.1%              | 3.5%                | 2.2%                | 2.5%                 | 3.1%              | 3.0%            | 6.3%              | 3.8%             | 2.8%              | 2.6%              |
| Members-to-FTEs                             | 362               | 407               | 417                 | 390                 | 347                  | 410               | 399             | 401               | 414              | 402               | 363               |
| Borrower-to-Members                         | 24%               | 39%               | 71%                 | 69%                 | 60%                  | 56%               | 57%             | 37%               | 65%              | 66%               | 59%               |
| Branches                                    | 342               | 784               | 2,090               | 1,613               | 4,887                | 11,444            | 21,159          | 1,126             | 3,216            | 4,828             | 9,715             |
| Members per Branch                          | 287               | 853               | 1,836               | 2,674               | 3,733                | 8,614             | 5,943           | 681               | 1,432            | 1,847             | 2,795             |