

BENCHMARK INTEREST RATES AND YIELD CURVE

US Treasury Rates-

	THIS WK	LAST MO	YR END	LAST YR	CHANGES SINCE		
	3/5/20	2/5/20	12/31/19	3/5/19	This Yr	Last Yr	Down Cycle
Fed Funds	1.09%	1.59%	1.55%	2.40%	-0.46%	-1.31%	-1.36%
3mo	0.62%	1.57%	1.55%	2.46%	-0.93%	-1.84%	-1.73%
6mo	0.53%	1.57%	1.60%	2.53%	-1.07%	-2.00%	-1.99%
1yr	0.48%	1.49%	1.59%	2.54%	-1.11%	-2.06%	-2.26%
2yr	0.59%	1.44%	1.58%	2.55%	-0.99%	-1.96%	-2.39%
3yr	0.61%	1.43%	1.62%	2.52%	-1.01%	-1.91%	-2.44%
5yr	0.67%	1.46%	1.69%	2.53%	-1.02%	-1.86%	-2.42%
7yr	0.81%	1.57%	1.83%	2.63%	-1.02%	-1.82%	-2.36%
10yr	0.92%	1.66%	1.92%	2.72%	-1.00%	-1.80%	-2.32%
30yr	1.56%	2.14%	2.39%	3.08%	-0.83%	-1.52%	-0.62%

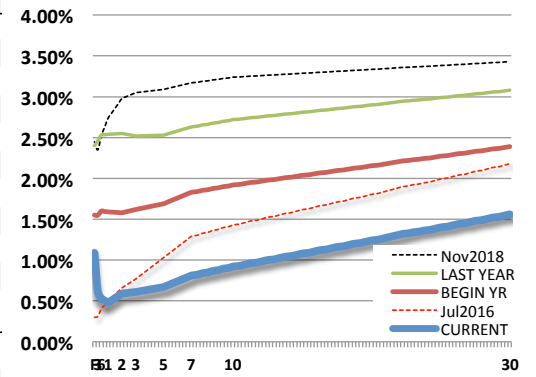
Slope of the Yield Curve-

	THIS WK	LAST MO	YR END	LAST YR	This Yr	Last Yr	Down Cycle
2yr-3mo	-0.03%	-0.13%	0.03%	0.09%	-0.06%	-0.12%	-0.66%
5yr-2yr	0.08%	0.02%	0.11%	-0.02%	-0.03%	0.10%	-0.03%
10yr-5yr	0.25%	0.20%	0.23%	0.19%	0.02%	0.06%	0.10%
10yr-3mo	0.30%	0.09%	0.37%	0.26%	-0.07%	0.04%	-0.59%

Other Interest Rates-

	THIS WK	LAST MO	YR END	LAST YR	This Yr	Last Yr	Down Cycle
Prime	4.25%	4.75%	4.75%	5.50%	-0.50%	-1.25%	-1.25%
1mo LIBOR	1.00%	1.67%	1.76%	2.48%	-0.76%	-1.48%	-1.52%
6mo LIBOR	0.97%	1.76%	1.91%	2.68%	-0.94%	-1.71%	-1.94%
12mo LIBOR	0.94%	1.83%	2.00%	2.88%	-1.06%	-1.94%	-2.19%

YIELD CURVE ASSESSMENT



CYCLICAL CHANGES SUMMARY

	Jul16 Low	Nov18 High	Nov18 High-Current
Fed Funds	2.15%	-	-1.36%
1year	2.24%	-	-2.26%
2years	2.32%	-	-2.39%
3years	2.28%	-	-2.44%
5years	2.06%	-	-2.42%
10years	1.81%	-	-2.32%

ECONOMIC UPDATE AND ANALYSIS

ECONOMY ADDED 273,000 JOBS IN FEBRUARY; JOBLESS RATE DROPS TO 3.5%

The Labor Department reported Friday that the U.S. economy added 273,000 new jobs during the month, while the unemployment rate was 3.5%, matching its lowest level in more than 50 years.

The January and February gains tied for best month since May 2018. The previous two months' estimates were revised higher by a total of 85,000. December moved up from 147,000 to 184,000, while January went from 225,000 to 273,000. Those revisions brought the three-month average up to a robust 243,000 while the average monthly gain in 2019 was 178,000.

The number of long-term unemployed (those jobless for 27 weeks or more), at 1.1 million, changed little in February and accounted for 19.2 percent of the unemployed. The labor force participation rate remained at 63.4 percent in February. The employment-population ratio, at 61.1 percent, changed little over the month but was up by 0.4 percentage point over the year.

In February, average hourly earnings for all employees on private nonfarm payrolls increased by 9 cents to \$28.52. Over the past 12 months, average hourly earnings have increased by 3.0 percent.

Key Economic Indicators for Banks, Thrifts & Credit Unions-

		LATEST	CURRENT	PREV
GDP	QoQ	Q4-2nd	2.1%	2.1%
GDP - YTD	Annl	Q4-2nd	2.3%	2.4%
Consumer Spending	QoQ	Q4-2nd	1.7%	3.2%
Consumer Spending	Annl	Q4-2nd	2.7%	3.0%
Unemployment	Mo	Feb	3.5%	3.6%
Consumer Inflation	YoY	Jan	2.5%	2.3%
Core Inflation	YoY	Jan	2.3%	2.3%
Consumer Credit	Annual	Dec	6.3%	3.4%
Retail Sales	YoY	Jan	4.6%	4.6%
Vehicle Sales	Annl (Mil)	Jan	17.3	17.2
Home Sales	Annl (Mil)	Jan	6.154	6.234
Home Prices	YoY	Dec	2.9%	2.6%

Key Consumer Market Data-

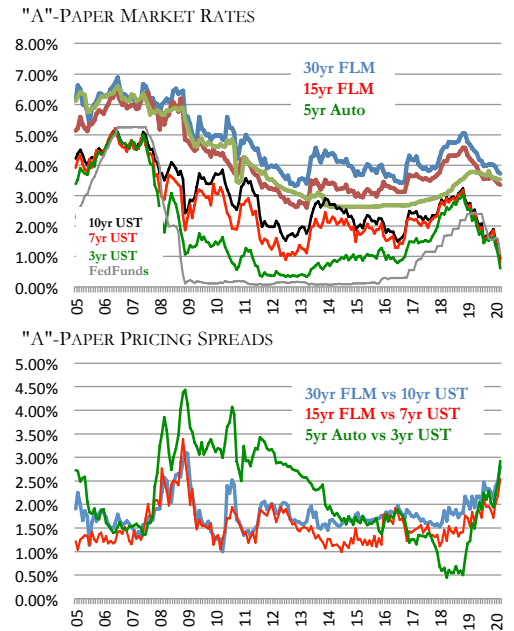
	THIS WK	YR END	PCT CHANGES	
	3/5/20	12/31/19	YTD	12Mos
DJIA	26,121	28,538	-8.5%	1.1%
S&P 500	3,024	3,231	-6.4%	8.3%
NASDAQ	8,739	8,973	-2.6%	15.9%
Crude Oil	42.74	61.06	-30.0%	-23.7%
Avg Gasoline	2.43	2.57	-5.5%	0.4%
Gold	1,668.0	1,523.1	9.5%	27.4%

AVERAGE CREDIT UNION RATES AND RATE SENSITIVITY

	THIS WK 3/5/20	YTD Change		Chg in Current Cycle*		Rate Sensitivity	
		Rate	Benchmark	Rate	Benchmark	YTD	Cycle
Classic CC	11.39%	-0.06%	-0.50%	-0.30%	-1.25%	12%	24%
Platinum CC	9.91%	-0.01%	-0.50%	-0.36%	-1.25%	2%	29%
48mo Veh	3.41%	-0.06%	-0.99%	-0.25%	-2.39%	6%	10%
60mo Veh	3.53%	-0.06%	-1.01%	-0.24%	-2.44%	6%	10%
72mo Veh	3.84%	-0.07%	-1.02%	-0.28%	-2.43%	7%	12%
HE LOC	4.89%	-0.11%	-0.50%	-0.67%	-1.25%	22%	54%
10yr HE	5.23%	-0.05%	-1.02%	-0.29%	-2.45%	5%	12%
15yr FRM	3.35%	-0.22%	-1.01%	-1.23%	-2.41%	22%	51%
30yr FRM	3.73%	-0.28%	-1.00%	-1.33%	-2.32%	28%	57%
Sh Drafts	0.14%	0.00%	-0.46%	0.00%	-1.36%	0%	0%
Reg Svgs	0.18%	-0.01%	-0.46%	-0.01%	-1.36%	2%	1%
MMkt-10k	0.44%	-0.01%	-0.46%	-0.04%	-1.36%	2%	3%
MMkt-50k	0.60%	-0.02%	-0.46%	-0.05%	-1.36%	4%	4%
6mo CD	0.95%	-0.04%	-1.07%	-0.08%	-1.99%	4%	4%
1yr CD	1.34%	-0.06%	-1.11%	-0.17%	-2.26%	5%	8%
2yr CD	1.56%	-0.08%	-0.99%	-0.29%	-2.39%	8%	12%
3yr CD	1.71%	-0.08%	-1.01%	-0.35%	-2.44%	8%	14%

*Since Nov 2018

RELATIVE VALUE



STRATEGICALLY FOR CREDIT UNIONS

The jobs numbers took on particular importance in February as worries intensified over the economic impact from the novel coronavirus, though the report covered the time frame before worries over the disease intensified.

Most of the indicators thus far have shown little damage. Jobless claims remain well within their recent trend, coming in at 216,000 in the latest reading Thursday. Planned layoffs actually fell 16% from January. And key ISM readings on both manufacturing and services show companies still plan to hire.

Most of the consumer-related data points have been good, though the reports coming in now largely cover the early stages of the coronavirus scare and the sharp recent stock market volatility. With the large measure of uncertainty around the virus, its impacts may be felt in increments rather than suddenly. But if cracks begin to form, the first notices likely will come in employment data.

With the Federal Reserve's half-point drop in their overnight benchmark target, it is unlikely to be met with any drops in non-term share rates and experience modest declines in term certificate rates. This will cause pricing spreads to widen both in terms of loan and share rates.

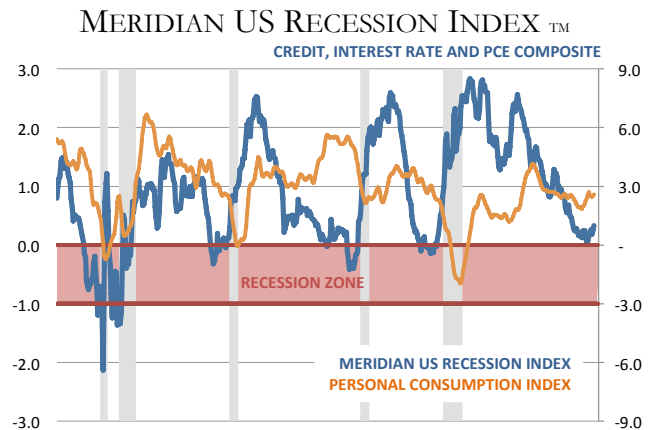
Additional information and other market-related reports can be viewed at www.Meridian-ally.com

ECONOMIC RELEASES

RELEASES THIS WEEK:	Current	Previous
Construction Spending (Jan, MoM)	1.8%	0.2%
FRB Beige Book	Modest to Moderate Economic Expansion	
Unemployment (Feb)	3.5%	3.6%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
Consumer Spending (Feb, YoY)	2.3%	2.5%
Wholesale Inflation (Feb, YoY)	2.0%	2.1%

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ECONOMIC CALENDAR

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 10	11	12	13 Jobless Claims 205k Cons Inflation 2.5%	14 Retail Sales 4.6% Ind Production -0.3%	15
17 PRESIDENTS DAY	18	19 Wh Inflation 2.1% FOMC Minutes	20 Jobless Claims 210k Leading Ind +0.8%	21 Existing Home Sales	22
24	25 Home Prices 2.9%	26	27 Jobless Claims 219k GDP (Q4-2nd) 2.1% Durable Goods -0.2%	28 Personal Income +0.6% Personal Spending +0.2%	29
Mar 2 Constr Spending 1.8%	3	4 Fed Beige Book	5 Jobless Claims 216k Factory Orders -0.5%	6 Unemployment 3.5% Consumer Credit	7
9	10	11 Consumer Inflation	12 Jobless Claims Wholesale Inflation	13 Consumer Sentiment	14
16	17 Retail Sales Industrial Production	18 FOMC Announcement	19 Jobless Claims	20 Existing Home Sales	21
23	24 New Home Sales	25 Durable Goods Orders	26 Jobless Claims GDP Q4-Final	27 Personal Income Personal Spending	28
30	31 Home Prices	Apr 1 Construction Spending	2 Jobless Claims Factory Orders	3 Unemployment Rate	4

Q3-2019	<\$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
DEMOGRAPHICS											
Number of Credit Unions	416	936	1,661	682	1,012	574	5,281	1,352	3,013	3,695	4,707
Average Assets (\$Mil)	\$0.9	\$6.0	\$25.7	\$72.3	\$228.2	\$1,959.2	\$275.2	\$4.4	\$16.1	\$26.5	\$69.9
Pct of Credit Unions	8%	18%	31%	13%	19%	11%	100%	26%	57%	70%	89%
Pct of Industry Assets	0%	0%	3%	3%	15%	79%	100%	0%	3%	6%	21%
GROWTH RATES (YTD)											
Total Assets	-6.2%	-8.7%	-3.0%	-1.1%	-3.3%	11.0%	7.8%	-8.5%	-3.7%	-2.4%	-3.1%
Total Loans	-6.3%	-7.5%	-2.1%	-1.5%	-5.1%	8.1%	5.5%	-7.4%	-2.7%	-2.0%	-4.3%
Total Shares	-5.0%	-7.6%	-3.0%	-1.3%	-3.1%	9.4%	6.7%	-7.4%	-3.6%	-2.4%	-2.9%
Net Worth	-4.3%	-6.3%	-0.2%	1.6%	-1.0%	11.8%	8.9%	-6.2%	-1.1%	0.2%	-0.6%
BALANCE SHEET ALLOCATION											
Net Worth-to-Total Assets	19.0%	16.1%	13.2%	12.2%	11.6%	11.2%	11.4%	16.3%	13.6%	12.9%	12.0%
Cash & Inv-to-Total Assets	51%	46%	42%	36%	27%	23%	25%	46%	43%	40%	31%
Loans-to-Total Assets	49%	53%	54%	59%	68%	72%	71%	52%	54%	56%	64%
Vehicle-to-Total Loans	60%	62%	49%	43%	39%	33%	34%	62%	50%	46%	41%
REL-to-Total Loans	1%	9%	30%	38%	45%	52%	50%	8%	28%	33%	42%
REL-to-Net Worth	3%	28%	124%	185%	262%	332%	309%	26%	110%	146%	225%
Indirect-to-Total Loans	0%	1%	5%	12%	19%	22%	21%	0%	4%	9%	16%
Loans-to-Total Shares	61%	63%	63%	68%	79%	87%	84%	63%	63%	65%	75%
Nonterm-to-Total Shares	91%	84%	80%	78%	74%	69%	70%	85%	81%	79%	76%
Short-term Funding Ratio	40.2%	29.8%	23.6%	19.6%	14.5%	11.6%	12.6%	24.3%	21.9%	16.7%	12.7%
Net Long-term Asset Ratio	3.5%	8.0%	18.6%	24.1%	30.2%	34.9%	33.3%	17.4%	20.7%	27.4%	33.2%
LOAN QUALITY											
Loan Delinquency Ratio	3.17%	1.65%	0.99%	0.80%	0.71%	0.65%	0.67%	1.06%	0.92%	0.77%	0.67%
Net Charge-off Ratio	0.68%	0.58%	0.46%	0.46%	0.46%	0.58%	0.55%	0.47%	0.47%	0.46%	0.56%
"Misery" Index	3.85%	2.23%	1.45%	1.26%	1.17%	1.23%	1.22%	1.54%	1.39%	1.23%	1.23%
RE Loan Delinquency	2.09%	1.84%	0.94%	0.73%	0.65%	0.52%	0.54%	1.84%	0.97%	0.82%	0.69%
Vehicle Loan Delinquency	2.51%	1.50%	0.91%	0.76%	0.63%	0.54%	0.58%	1.56%	1.00%	0.88%	0.70%
Direct Loans	2.51%	1.50%	0.88%	0.73%	0.58%	0.50%	0.58%	1.56%	0.99%	0.88%	0.70%
Indirect Loans	0.00%	1.22%	1.15%	0.84%	0.68%	0.56%	0.58%	1.22%	1.15%	0.91%	0.71%
Loss Allow as % of Loans	2.75%	1.30%	0.89%	0.82%	0.81%	0.89%	0.87%	1.39%	0.95%	0.88%	0.83%
Current Loss Exposure	1.54%	0.83%	0.59%	0.57%	0.49%	0.42%	0.44%	0.87%	0.62%	0.60%	0.52%
EARNINGS											
Gross Asset Yield	4.16%	4.03%	3.81%	3.85%	3.87%	4.12%	4.07%	4.04%	3.84%	3.84%	3.86%
Cost of Funds	0.36%	0.44%	0.42%	0.47%	0.60%	0.97%	0.88%	0.44%	0.42%	0.44%	0.55%
Gross Interest Margin	3.80%	3.58%	3.39%	3.38%	3.27%	3.16%	3.19%	3.60%	3.42%	3.40%	3.31%
Provision Expense	0.35%	0.33%	0.24%	0.27%	0.30%	0.47%	0.43%	0.33%	0.25%	0.26%	0.29%
Net Interest Margin	3.45%	3.26%	3.15%	3.11%	2.97%	2.69%	2.76%	3.27%	3.17%	3.14%	3.02%
Non-Interest Income	0.53%	0.64%	1.03%	1.29%	1.42%	1.35%	1.35%	0.64%	0.98%	1.14%	1.34%
Non-Interest Expense	4.30%	3.63%	3.62%	3.75%	3.66%	3.06%	3.19%	3.67%	3.62%	3.69%	3.67%
Net Operating Expense	3.77%	2.99%	2.59%	2.46%	2.24%	1.70%	1.84%	3.04%	2.64%	2.55%	2.33%
Net Operating Return	-0.32%	0.27%	0.57%	0.65%	0.72%	0.99%	0.92%	0.23%	0.53%	0.59%	0.68%
Non-recurring Inc(Exp)	0.35%	0.10%	0.03%	0.01%	0.03%	0.04%	0.04%	0.12%	0.04%	0.03%	0.03%
Net Income	0.03%	0.37%	0.60%	0.66%	0.76%	1.04%	0.97%	0.35%	0.57%	0.62%	0.72%
Return on Net Worth	0.8%	2.6%	4.7%	5.5%	6.7%	9.0%	8.4%	2.5%	4.4%	4.9%	6.1%

Q3-2019	<\$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:											
Loans & Shares-											
Avg Loan Balance	\$4,502	\$7,538	\$8,521	\$10,295	\$13,417	\$16,679	\$15,530	\$7,354	\$8,382	\$9,393	\$12,379
Avg Loan Rate	7%	6%	5%	5%	5%	5%	5%	6%	5%	5%	5%
Avg Loan Yield, net	7%	6%	5%	5%	5%	4%	4%	6%	5%	5%	5%
Avg Share Balance	\$2,308	\$4,750	\$7,234	\$8,233	\$9,387	\$11,575	\$10,809	\$4,451	\$6,751	\$7,435	\$8,704
Avg Share Rate	0.44%	0.53%	0.48%	0.54%	0.69%	1.16%	1.04%	0.53%	0.49%	0.51%	0.64%
NM Deposit Ratio	1.9%	1.1%	1.0%	0.9%	1.1%	0.9%	0.9%	1.2%	1.0%	1.0%	1.1%
Net Operating Profitability-											
Earning Asset/Funding	124%	118%	112%	109%	108%	109%	109%	118%	113%	111%	109%
Avg Revenue per FTE	\$31,289	\$110,702	\$166,766	\$179,524	\$197,812	\$293,589	\$262,612	\$94,987	\$153,243	\$165,914	\$187,497
Avg OpExpense per FTE	\$28,681	\$86,023	\$124,574	\$131,008	\$137,031	\$163,790	\$154,634	\$74,676	\$115,173	\$122,807	\$132,431
Avg Int & Prov Exp per FTE	\$4,729	\$18,222	\$22,724	\$25,791	\$33,677	\$76,707	\$63,182	\$15,552	\$21,373	\$23,503	\$30,387
Avg OpReturn per FTE	-\$2,121	\$6,456	\$19,468	\$22,725	\$27,104	\$53,092	\$44,796	\$4,759	\$16,697	\$19,603	\$24,679
Net OpExp-to-Total Exp	88%	82%	72%	66%	61%	56%	58%	83%	73%	69%	64%
Operating Revenue-											
Non-Int Inc-to-Total Rev	11%	14%	21%	25%	27%	25%	25%	14%	20%	23%	26%
Interest Inc per FTE	\$23,004	\$77,216	\$108,600	\$108,719	\$110,943	\$144,334	\$133,981	\$66,488	\$100,667	\$104,549	\$108,876
Non-Int Inc per FTE	\$3,556	\$15,263	\$35,442	\$45,014	\$53,192	\$72,548	\$65,449	\$12,946	\$31,204	\$37,862	\$48,234
Operating Expenses-											
C&B Expense Ratio	2.10%	1.90%	1.71%	1.79%	1.84%	1.59%	1.64%	1.91%	1.74%	1.77%	1.82%
Pct of Total Op Exp	49%	52%	47%	48%	50%	52%	51%	52%	48%	48%	50%
Avg C&B per FTE	\$13,985	\$45,023	\$59,037	\$62,649	\$68,776	\$85,195	\$79,460	\$38,881	\$55,239	\$58,812	\$65,554
Occ & Ops Exp Ratio	1.30%	0.97%	0.96%	0.94%	0.94%	0.75%	0.79%	0.99%	0.97%	0.95%	0.94%
Pct of Total Op Exp	30%	27%	27%	25%	26%	25%	25%	27%	27%	26%	26%
Avg O&O per FTE	\$8,676	\$22,982	\$33,144	\$32,892	\$35,184	\$40,235	\$38,435	\$20,151	\$30,696	\$31,755	\$34,075
All Other Exp Ratio	0.33%	0.47%	0.67%	0.75%	0.63%	0.49%	0.53%	0.46%	0.65%	0.70%	0.65%
Pct of Total Op Exp	10%	17%	25%	27%	23%	21%	22%	17%	24%	25%	24%
Avg AOE per FTE	\$6,021	\$18,018	\$32,393	\$35,466	\$33,071	\$38,360	\$36,739	\$15,644	\$29,237	\$32,240	\$32,803
Average Margin per Account-											
Avg Int Inc per Loan	\$302	\$428	\$441	\$507	\$605	\$740	\$697	\$422	\$439	\$476	\$576
Avg Int Exp per Share	\$10	\$25	\$35	\$44	\$65	\$134	\$113	\$23	\$33	\$38	\$55
Avg Return	\$292	\$403	\$406	\$462	\$540	\$606	\$584	\$399	\$406	\$438	\$521
Staffing-											
Full-time Equivalents	562.5	2,280	12,246	14,046	60,960	218,445	308,539	2,843	15,088	29,134	90,094
Pct PT Employees	57%	42%	16%	11%	8%	6%	8%	45%	22%	17%	11%
FTE-to-Ops (Staffing)	3.11	0.75	0.44	0.39	0.32	0.21	0.24	0.88	0.48	0.43	0.35
Membership Outreach-											
Members-to-Potential	8.2%	7.8%	2.9%	2.8%	2.7%	3.1%	3.0%	7.9%	3.2%	3.0%	2.8%
Members-to-FTEs	227	402	406	367	340	401	387	367	398	383	354
Branches	406	961	2,440	1,781	5,172	10,304	21,064	1,367	3,807	5,588	10,759
Members per Branch	315	953	2,036	2,891	4,006	8,508	5,676	763	1,579	1,997	2,963