



28 July 2023

BENCHMARK INTEREST RATES AND YIELD CURVE

**US Treasury Rates-**

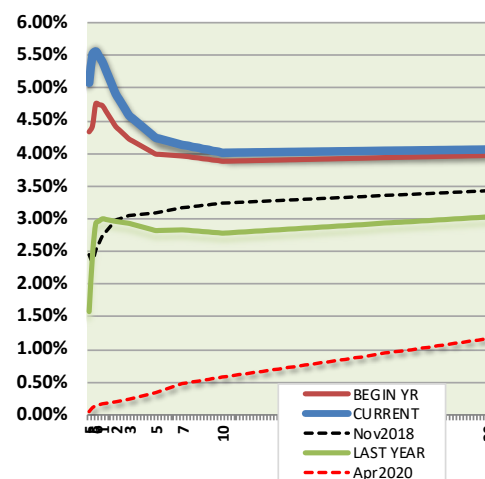
	THIS WK	LAST MO	YR END	LAST YR	CHANGES SINCE		
	7/27/23	6/27/23	12/31/22	7/27/22	This Yr	Last Yr	This Cycle*
Prime	8.50%	8.25%	7.50%	4.75%	1.00%	3.75%	5.25%
Fed Funds	5.08%	5.07%	4.33%	1.58%	0.75%	3.50%	5.03%
3mo	5.51%	5.44%	4.42%	2.44%	1.09%	3.07%	5.40%
6mo	5.56%	5.46%	4.76%	2.93%	0.80%	2.63%	5.42%
1yr	5.40%	5.33%	4.73%	3.00%	0.67%	2.40%	5.23%
2yr	4.91%	4.74%	4.41%	2.96%	0.50%	1.95%	4.71%
3yr	4.58%	4.38%	4.22%	2.93%	0.36%	1.65%	4.34%
5yr	4.24%	4.02%	3.99%	2.82%	0.25%	1.42%	3.90%
7yr	4.13%	3.90%	3.96%	2.83%	0.17%	1.30%	3.65%
10yr	4.01%	3.77%	3.88%	2.78%	0.13%	1.23%	3.43%
30yr	4.06%	3.84%	3.97%	3.03%	0.09%	1.03%	2.89%

**Slope of the Yield Curve-**

2yr-3mo	-0.60%	-0.70%	-0.01%	0.52%	-0.59%	-1.12%	-1.23%
5yr-2yr	-0.67%	-0.72%	-0.42%	-0.14%	-0.25%	-0.53%	-0.78%
10yr-5yr	-0.23%	-0.25%	-0.11%	-0.04%	-0.12%	-0.19%	-0.38%
10yr-3mo	-1.50%	-1.67%	-0.54%	0.34%	-0.96%	-1.84%	-2.39%

\*Since Mar 2020

**YIELD CURVE ASSESSMENT**



## Q2 GDP EXPANDS 2.4% AS GOVERNMENT SPENDING EXCEEDS PERSONAL SPENDING - AGAIN

Real GDP increased at an annual rate of 2.4% for the April-through-June period, after rising 2% in the first quarter this year. The increase was driven by consumer spending and government spending. This was offset by decreases in exports and residential fixed investment.

Resilience in consumer spending comes as inflation and rising prices prompted Federal Reserve policy-makers to raise their overnight benchmark target rate 11 times since 2022, bringing the federal funds rate to a targeted range of 5.25% to 5.5%, the highest level in 22 years.

For Q2, government spending (17% of GDP) expanded by 2.6% while personal spending (67% of GDP) advanced by 1.6%. This marks the 4th consecutive quarter that government spending advanced greater than personal spending - the prime engine of the US economy.

For 2023, government spending has increased at a 3.8% pace while personal spending is running at 2.9%. These are offset by a -3.1% decline in domestic investment and -2.2% drop in net exports.

This strongly suggests that without the sizeable government injection, the economy most likely came close to contracting during the first half of 2023.

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

		LATEST	CURRENT	PREV
GDP	QoQ	Q2-1st	2.4%	2.0%
GDP - YTD	AnnI	Q2-1st	2.2%	2.0%
Consumer Spending	QoQ	Q2-1st	1.6%	4.2%
Consumer Spending YTD	AnnI	Q2-1st	2.9%	4.2%
Unemployment Rate	Mo	June	3.6%	3.7%
Underemployment Rate	Mo	June	6.9%	6.7%
Participation Rate	Mo	June	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	AnnI (Mil)	June	16.2	15.6
Home Sales	AnnI (Mil)	June	4.923	4.983
Home Prices	YoY	May	-0.5%	-0.2%

**Key Consumer Market Data-**

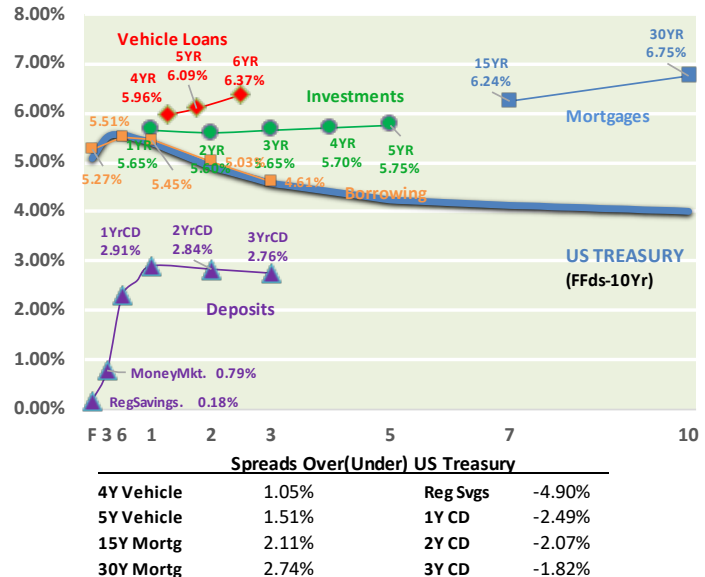
	THIS WK	YR END	PCT CHANGES	
	7/27/23	12/31/22	YTD	12Mos
DJIA	35,283	33,147	6.4%	8.5%
S&P 500	4,537	3,839	18.2%	11.4%
NASDAQ	14,050	10,466	34.2%	5.5%
Crude Oil	79.64	80.26	-0.8%	-18.9%
Avg Gasoline	3.60	3.22	11.8%	-16.9%
Gold	1,947	1,826	6.6%	9.2%

ECONOMIC UPDATE AND ANALYSIS



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

	THIS WK	CHANGE IN MARKET RATES SINCE			Rate Sen
	7/27/23	YTD	Nov18 High	2020 Low	
Classic CC	12.94%	0.88%	1.25%	1.90%	36%
Platinum CC	12.51%	1.28%	2.24%	3.15%	60%
48mo Veh	5.96%	1.09%	2.30%	2.72%	58%
60mo Veh	6.09%	1.10%	2.32%	2.74%	63%
72mo Veh	6.37%	1.08%	2.25%	2.70%	63%
HE LOC	8.10%	1.30%	2.54%	3.87%	74%
10yr HE	7.15%	0.69%	1.63%	2.05%	53%
15yr FRM	6.24%	0.52%	1.66%	2.92%	80%
30yr FRM	6.75%	0.34%	1.69%	3.04%	89%
Sh Drafts	0.09%	0.00%	-0.05%	-0.03%	-1%
Reg Svgs	0.18%	0.04%	-0.01%	0.03%	1%
MMkt-10k	0.79%	0.28%	0.31%	0.47%	9%
MMkt-50k	1.05%	0.38%	0.40%	0.60%	12%
6mo CD	2.30%	1.03%	1.27%	1.71%	32%
1yr CD	2.91%	1.05%	1.40%	2.06%	39%
2yr CD	2.84%	0.74%	0.99%	1.80%	38%
3yr CD	2.76%	0.57%	0.70%	1.59%	37%



**STRATEGICALLY FOR CREDIT UNIONS**

Also released this week, was S&P Dow Jones Indices' release on home prices which showed that average homes prices fell -0.5% for the 12-months ended May 30, 2023. It was the third consecutive monthly decline in year-over-year prices.

This is of particular interest for the industry that has experienced a sizeable increase in assets allocated to real estate loans and continued volatility in mortgage rates. Since the end of 2021, residential mortgage loans have increased 25%, accounting for 44% of total loans.

During this same timeframe, average home valuations increased 12%, even hitting a peak of 20% in early 2022. These mortgages were essentially made during a peak in valuation and relatively low mortgage rates.

This presents some level of exposure should the economy begin to contract, unemployment continues to rise and delinquency rates potentially increase. It would have a direct impact on credit union loan-to-value metrics and lead to the dilution of loan yields.

For the month of May, 2.6% of all mortgages in the U.S. were in some stage of delinquency (30 days or more past due, including those in foreclosure), representing a 0.1 percentage point increase compared with 2.5% in May 2022 and a 0.3 percentage point increase compared with 2.3% in April 2023.

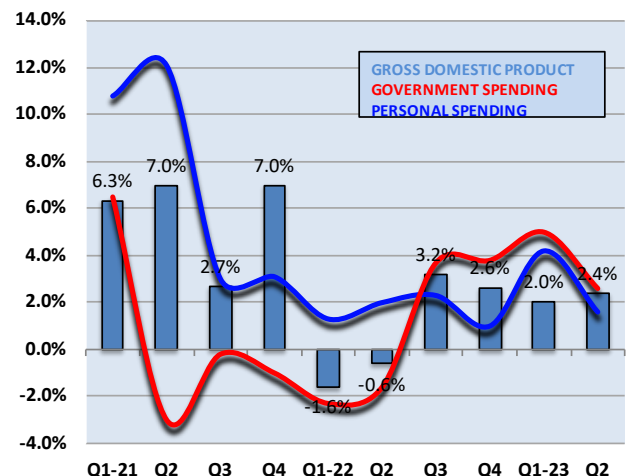
**ECONOMIC RELEASES**

RELEASES THIS WEEK:	Current	Projected	Previous
Home Prices (May, YoY)	-0.5%	-1.0%	-0.2%
Consumer Confidence (July)	117.0	111.0	109.7
FOMC Decision	5.50%	5.50%	5.25%
GDP Growth (Q2, First)	2.4%	1.8%	2.0%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
Unemployment Rate (July)	3.6%	3.6%

**GROSS DOMESTIC PRODUCT**


QUARTERLY CHANGE GDP COMPARED TO PERSONAL & GOVERNMENT SPENDING





## ECONOMIC CALENDAR

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
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<b>June 26</b>	<b>27</b> Home Prices -0.2% New Home Sales 763k	<b>28</b>	<b>29</b> Jobless Claims 239k Cont'd Claims 1.74M GDP (Q1, Final) 2.0%	<b>30</b> Personal Income Personal Spending	<b>July 1</b>
<b>3</b> Const Spdg 0.9%	<b>4</b> <b>INDEPENDENCE DAY 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> Construction Spending	<b>2</b> Vehicle Sales	<b>3</b> Jobless Claims Cont'd Claims	<b>4</b> Unemployment Nonfarm Payroll Private Payroll	<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>



## 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-

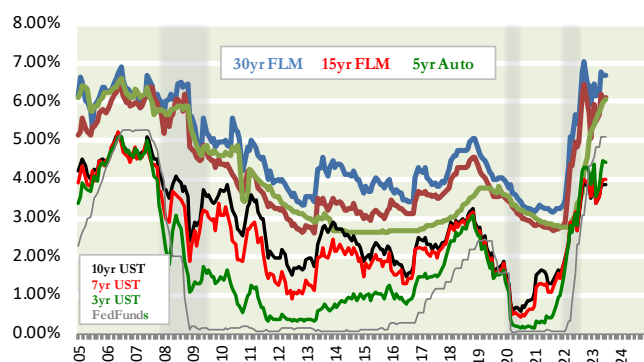
5yr Vehicle Loan Rate	3.4%	4.5%	5.0%	5.5%	5.8%	5.8%	5.8%	5.7%	5.6%	5.6%	5.6%
15yr First-lien Mortgage	4.8%	5.5%	5.7%	5.5%	6.0%	5.7%	5.3%	5.1%	4.9%	4.7%	4.5%
30yr First-lien Mortgage	5.3%	5.7%	6.6%	6.4%	6.5%	6.2%	5.8%	5.6%	5.4%	5.2%	4.9%



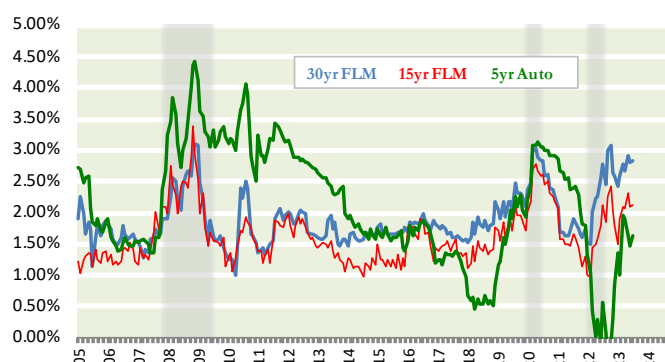
## STRATEGIC ASSESSMENT OF RELATIVE VALUE INVESTMENT AND FUNDING OPTIONS

### 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	5.08%	-	-	-	-	-	-	-	-	-	-
1yr Agy	5.65%	1 year	4 years	7.03%	6.39%	6.20%	6.39%	5.28%	5.72%	5.05%	5.65%
2yr Agy Callable	5.60%	2 years	3 years	7.52%	6.67%	6.42%	6.67%	5.14%	5.80%	4.55%	5.75%
3yr Agy Callable	5.65%	3 years	2 years	8.40%	7.13%	6.75%	7.13%	4.53%	5.85%	-	-
3yr Agy MBS	5.25%	3 years	2 years	9.00%	7.73%	7.35%	7.73%	5.73%	7.05%	-	-
4yr Agy Callable	5.70%	4 years	1 year	10.95%	8.40%	7.65%	8.40%	-	-	-	-
4yr Agy MBS	5.37%	4 years	1 year	12.27%	9.72%	8.97%	9.72%	-	-	-	-
5yr Agy Callable	5.75%	5 years	-	-	-	-	-	-	-	-	-
5yr New Vehicle	6.09%	3 years	2 years	7.74%	6.47%	-	-	-	-	-	-
5yr Used Vehicle	6.24%	3 years	2 years	7.52%	6.24%	-	-	-	-	-	-
15yr Mortgage	6.24%	5 years	-	-	-	-	-	-	-	-	-
30yr Mortgage	6.75%	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	4.10%	6.87%	5.59%	9.97%
Regular Savings	0.18%	1 year	2 years	4.05%	6.83%	5.50%	9.88%
Money Market	0.79%	1 year	2 years	3.75%	6.52%	4.89%	9.27%
FHLB Overnight	5.27%	1 year	2 years	1.51%	4.28%	0.41%	4.79%
Catalyst Settlement	6.65%	1 year	2 years	0.82%	3.59%	-0.49%	3.41%
6mo Term CD	2.30%	6 mos	2.5 yrs	2.85%	5.07%	3.02%	5.94%
6mo FHLB Term	5.51%	6 mos	2.5 yrs	2.21%	4.43%	1.95%	4.87%
6mo Catalyst Term	6.08%	6 mos	2.5 yrs	2.10%	4.32%	1.76%	4.68%
1yr Term CD	2.91%	1 year	2 years	2.69%	5.46%	2.77%	7.15%
1yr FHLB Term	5.45%	1 year	2 years	1.42%	4.19%	0.23%	4.61%
2yr Term CD	2.84%	2 years	1 year	2.60%	8.15%	-	-
2yr FHLB Term	5.03%	2 years	1 year	-1.78%	3.77%	-	-
3yr Term CD	2.76%	3 years	-	-	-	-	-
3yr FHLB Term	4.61%	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 Million	\$500> Million	TOTAL	<\$10 Million	<\$50 Million	<\$100 Million	<\$500 Million
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## 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	43.83%	30.65%	23.22%	18.67%	13.37%	10.70%	11.40%	23.93%	21.05%	15.40%	11.42%
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
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#### NET INFRASTRUCTURE COST:

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>

#### NET INFRASTRUCTURE COST PER FULL-TIME EQUIVALENT

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>