

MARKET SNAPSHOT: 1Q 2019

LOAN GROWTH SLOWS WHILE SHARE GROWTH PICKS UP TO START 2019

	As of 03/31/2019	12 mo. Growth 1Q19	12 mo. Growth 1Q18
Assets	\$1,523.9B	6.3%	5.8%
Loans	\$1,060.1B	7.9%	9.7%
Shares	\$1,288.3B	5.8%	5.6%
Investments	\$395.1B	1.4%	-3.2%
Capital	\$175.2B	9.7%	6.9%
Members	118.6M	4.0%	4.3%

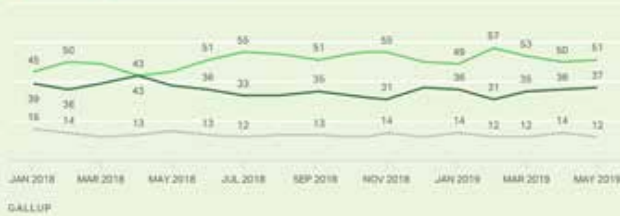
SOURCE: CALLAHAN & ASSOCIATES

AMERICANS' BROADER PERCEPTIONS OF THE U.S. ECONOMY IN MAY ARE SIMILAR TO WHAT GALLUP HAS FOUND OVER MUCH OF THE PAST YEAR, INCLUDING IN MARCH AND APRIL.

2018-2019 Ratings of U.S. Economic Conditions

How would you rate economic conditions in the country today -- as excellent, good, only fair or poor?

■ % Excellent/Good ■ % Only fair ■ % Poor



SOURCE: GALLUP

"The credit card charge-off rate – the percentage of loans companies have decided they'll never collect – rose to 3.82% in the first three months of 2019, the highest since the second quarter of 2012, according to data compiled by Bloomberg Intelligence."

Source: American Banker, reporting on credit card charge-offs. The credit union rate is 3.08%.

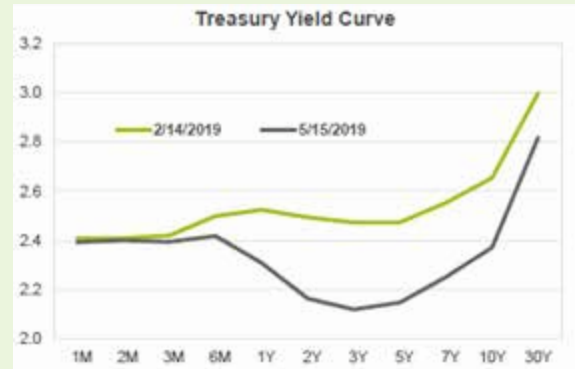
"Credit unions are on the hunt for deposits to fund solid, well-balanced growth across all sectors of the loan portfolio."

— *Alix Patterson, Chief Experience Officer, Callahan & Associates*

CREDIT UNION FIRST QUARTER TRENDS

- Share certificates increased 18.0% year-over-year.
- Delinquency dropped to 0.58%, the lowest rate since before the financial crisis.
- The net interest margin rose 9 basis points year-over-year, to 3.12%.

THE YIELD CURVE CONTINUES STEEPENING GIVEN MARKET PRICING FOR FED RATE CUTS



SOURCE: ALM FIRST

2019 PRIORITIES: WHAT CEOs ARE SAYING

- **Mission:** Defining, Embracing, Living
- **Talent:** People Development, Activating Culture, Recruiting/Retention
- **Member Experience:** Digital Transformation, Reducing Friction, Advisory Roles
- **Business Intelligence:** Using data to more efficiently target above strategies
- **Managing the Business Model:** Deposits, Deposits, Deposits

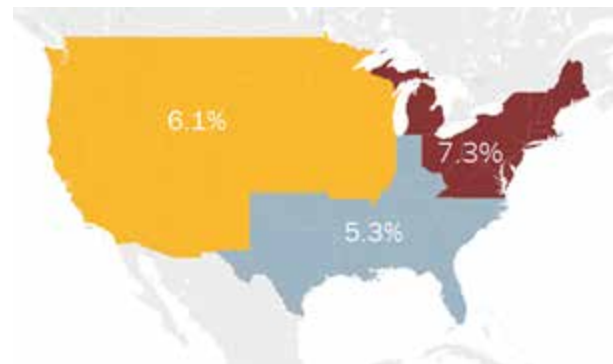
HOUSEHOLD DEBT CLIMBS FOR 19TH CONSECUTIVE QUARTER

The CMD's latest *Quarterly Report on Household Debt and Credit* reveals that total household debt rose by \$124 billion to reach \$13.67 trillion in the first quarter of 2019 – an increase of 0.9%, compared to a rise of 0.2% in the fourth quarter of 2018. This past quarter, balances climbed by 1.3% on mortgages, 0.5% on auto loans, and 2.0% on student loans, while total credit card balances fell by 2.5%.

SOURCE: FEDERAL RESERVE BANK OF NY CENTER FOR MICROECONOMIC DATA

REGIONAL SHARE GROWTH

FOR U.S. CREDIT UNIONS | DATA AS OF 03.31.19



Share growth for Eastern credit unions outpaced total share growth at U.S. credit unions, which was 5.8% in the first quarter of 2019.