CREDIT CARD MARKET HIGHLIGHTS

INDUSTRY OVERVIEW

60% of Americans hold at least one credit card, more than any other form of credit*

$96.0B
Credit limits up in 4Q19

58.2%
Credit cards represented more than half of the rise in non-housing balances

$46.0B
Credit balances increased 5.2% over 3Q19

*NEW YORK FED CONSTRUED CREDIT PANEL/EQUIFAX DATA

Number Of Credit Unions

Number Of Banks

Credit Unions With Credit Card Balances

Number Of Credit Unions

Share Of All Credit Unions

Credit Card Performance At Credit Unions

	2014	2019	Change
Credit Cards			
TOTAL ACCOUNTS	16.6 M	21.5 M	4.9 M
AVERAGE BALANCE	$ 2,787	$ 3,088	$ 301
TOTAL BALANCES	$ 46.4 B	$ 66.5 B	43.3 %
UNFUNDED*	$ 93.9 B	$ 147.0 B	56.5 %
UTILIZATION	66.9 %	68.8 %	1.9 pp
DELINQUENCY	0.94 %	1.40 %	46 bps
CHARGE OFFS	1.88 %	3.01 %	113 bps

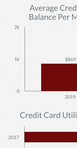
Credit Union Credit Card Balance Growth

Bank Credit Card Balance Growth

*DEBIT GROWTH UNDER CONSTRUCTION

Credit Unions vs. Banks

4Q19 Total Credit Card Balances



Credit Card Charge-Offs

Credit Card Delinquency

*FEDERAL REPORT METHODOLOGY CONFIRMATION
CONSTRUED FINANCIAL INSTITUTION SURVEY AS OF MAY

Credit Union Interest Rates*

Bank Interest Rates*

*ACCOUNT BROKER AND CORE DEALT ONLY
MORE REPORT OF CARD DATA FOR ALL CREDIT CARD REPORTED

Small vs. Large Credit Card Issuers (Credit Unions)

*Defined as top and bottom percentiles in unsecured credit card balances

Bottom 5 %

Average Credit Card Balance Per Member

Credit Card Utilization

Credit Card Penetration

Credit Card Charge-Offs & Delinquency

Top 5 %

Average Credit Card Balance Per Member

Credit Card Utilization

Credit Card Penetration

Credit Card Charge-Offs & Delinquency

Bottom 5% Credit Card Balance Growth

Top 5% Credit Card Balance Growth

Financial Inclusion

Individuals with the capacity to borrow on a credit card tend to be more prepared for financial disruptions. But, there are disparities in banking services across income, race, and education.

U.S. HOUSEHOLDS

Adults Underbanked
16%
Adults Unbanked
6%

INCOMES LESS THAN $40,000

Adults Underbanked
21%
Adults Unbanked
14%

HIGH SCHOOL DEGREE OR LESS

Adults Underbanked
21%
Adults Unbanked
13%

WHITE

Adults Underbanked
11%
Adults Unbanked
4%

HISPANIC

Adults Underbanked
23%
Adults Unbanked
11%

BLACK

Adults Underbanked
35%
Adults Unbanked
14%

Credit Card Connection

By putting products into the hands of consumers in a responsible way, credit cards can increase financial stability when markets need it most. As card issuers broaden their operations, they can forge a deeper financial relationship with demographics who receive no financial services at all or only attain them at extremely high costs.

22%
22% of U.S. adults were unbanked or underbanked in 2018, according to the Federal Reserve.

27%
More than a quarter of blacks were not confident they would be approved for credit if they applied — more than twice the rate of whites.

49%
At 49% and 34%, respectively, the un/underbanked population among blacks and Hispanics more doubles that of whites, which is 15%.

55%
More than half of the black population was denied credit or approved for less than requested, compared to 23% of all U.S. adults.

*FED FEDERAL RESERVE - REPORT ON THE ECONOMIC WELL-BEING OF U.S. HOUSEHOLDS

FOR U.S. CREDIT UNIONS | DATA AS OF 12.31.19
Callahan & Associates | www.CreditUnions.com

CALLAHAN & ASSOCIATES
the credit union company