4Q24 Market Snapshot & Two-Year Financial Statement

IN THE FOURTH QUARTER, warning signs began flashing for the economy. While GDP growth was strong, the stock market reached new highs, and inflation cooled, credit unions finished the year with declining asset quality and a further slowdown in loan growth. The fourth quarter of 2024 could be a tea leaf for what's to come. With economic headwinds facing many Americans, credit unions decided to double down on their mission to help their core membership.

The following Market Snapshot and Two-Year Financial Statement helps make sense of industry performance in 2024 and a window into what's to come in 2025.

MARKET SNAPSHOT: 4Q 2024

INDUSTRY OVERVIEW

FOR U.S. CREDIT UNIONS

SOURCE: CALLAHAN & ASSOCIATES

	As Of 12.31.2024	12-Mo. Growth 4Q24	12-Mo. Growth 4Q23
Assets	$2,330.4B	2.3%	4.0%
Loans	$1,660.2B	2.6%	6.4%
Shares	$1,979.2B	4.1%	1.7%
Investments	$568.9B	0.8%	-1.5%
Capital	$251.1B	8.2%	12.1%
Members	143.7M	2.2%	3.0%

140.6M
TOTAL MEMBERS 4Q23

143.7M
TOTAL MEMBERS 4Q24

20,386
TOTAL BRANCHES 4Q23

20,328
TOTAL BRANCHES 4Q24

0.68%
ROA 4Q23

0.63%
ROA 4Q24

TOTAL CREDIT UNIONS 4Q24

152

4,550

4Q23: 4,702

CREDIT UNION MERGERS & LIQUIDATIONS YTD

8

154

4Q23: 162

CREDIT UNION NEW CHARTERS

3

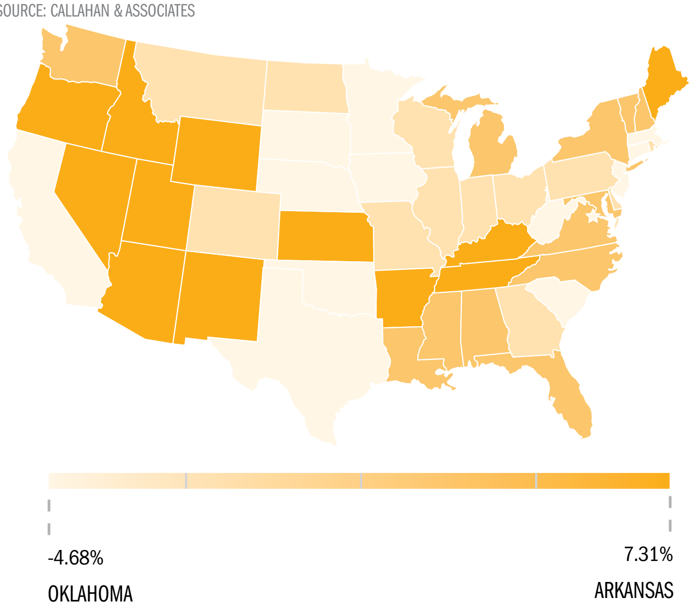
6

4Q23: 3

ANNUAL LOAN GROWTH BY STATE

FOR U.S. CREDIT UNIONS | DATA AS OF 12.31.24

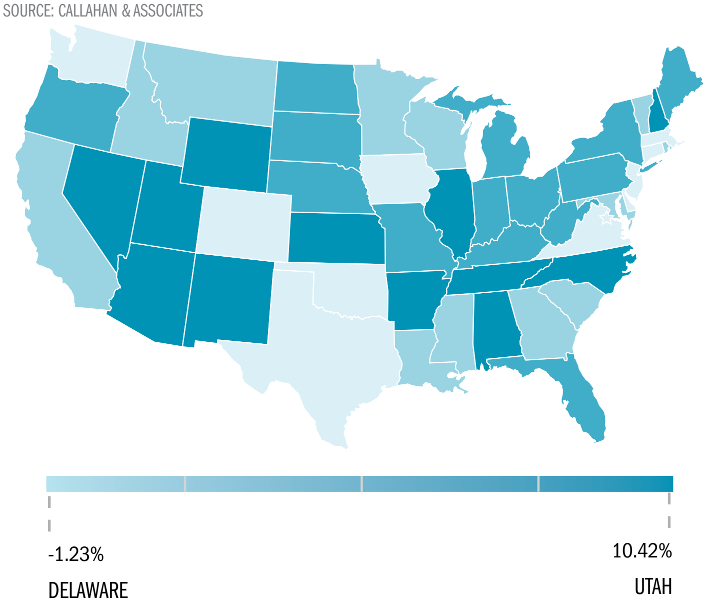
SOURCE: CALLAHAN & ASSOCIATES



ANNUAL SHARE GROWTH BY STATE

FOR U.S. CREDIT UNIONS | DATA AS OF 12.31.24

SOURCE: CALLAHAN & ASSOCIATES



THE CONSOLIDATED CREDIT UNION FINANCIAL STATEMENT | FOR U.S. CREDIT UNIONS | THOUSANDS OF DOLLARS AS OF 12.31.24

	DEC-23	DEC-24	% CHG
Assets			
Cash Balances	161,547,777	182,093,186	12.72%
Government & Agency Securities	315,124,098	300,178,485	-4.74%
Investments at Other FIs	42,991,328	42,706,923	-0.66%
All Other Investments	44,488,979	43,918,782	-1.28%
Total Investments	**564,152,181**	**568,897,376**	0.84%
Real Estate Loans	864,048,870	920,513,194	6.53%
Auto Loans	503,014,775	486,137,506	-3.36%
All Other Loans	250,851,488	253,595,202	1.09%
Total Loans	**1,617,915,133**	**1,660,245,901**	2.62%
(Allowance for Loan & Inv. Loss)	(20,519,259)	(21,837,124)	6.42%
Foreclosed & Repossessed Property	746,775	941,750	26.11%
Land & Buildings	31,732,078	33,160,151	4.50%
Other Fixed Assets	8,988,440	9,108,101	1.33%
All Other Assets	75,292,380	79,882,151	6.10%
Total Assets	**2,278,307,728**	**2,330,398,305**	2.29%
Liabilities & Capital			
Dividends & Accounts Payable	32,849,018	28,977,391	-11.79%
Draws Against Borrowing Capacity	133,107,107	92,695,387	-30.36%
Reverse Repurchase Agreements	62,220	78,834	26.70%
Subordinated Debt (not in Net Worth)	3,982,042	4,152,352	4.28%
Allowance for Credit Exposure Loss	149,879	156,657	4.52%
Total Liabilities	**170,150,266**	**126,060,620**	-25.91%
Regular Shares & Deposits	618,304,884	600,814,652	-2.83%
Money Market Shares	334,852,185	341,809,070	2.08%
Share Drafts	373,944,749	383,026,489	2.43%
IRA & Keogh	85,391,524	87,390,682	2.34%
Share Certificates	487,946,637	566,118,032	16.02%
Total Shares	**1,900,439,979**	**1,979,158,926**	4.14%
Undivided Earnings & Other Reserves	232,725,450	245,978,573	5.69%
FASB 115 Val Reserves	(32,431,517)	(28,980,539)	10.64%
Equity Acquired in Merger	7,423,550	8,180,726	10.20%
Total Reserves & Undivided Earnings	**207,717,483**	**225,178,759**	8.41%
Total Liabilities & Capital	**2,278,307,728**	**2,330,398,305**	2.29%

	3 MOS. ENDED DEC-23	3 MOS. ENDED DEC-24	% CHG
INCOME			
Loans	82,496,764	95,790,568	16.11%
(Less Rebates)	(55,957)	(44,771)	19.99%
Investments	16,510,510	20,420,694	23.68%
Fee Income	9,859,930	10,182,706	3.27%
Trading + Other Operating	14,213,986	14,683,642	3.30%
Total Income	**123,025,233**	**141,032,839**	14.64%
EXPENSES			
Employee Compensation & Benefits	34,132,491	36,493,825	6.92%
Travel & Conference	537,043	538,717	0.31%
Office Occupancy	3,870,973	4,033,370	4.20%
Office Operations	11,954,080	12,723,594	6.44%
Education & Promotional	2,537,429	2,658,087	4.76%
Loan Servicing	4,425,569	4,547,399	2.75%
Professional Services	5,922,609	6,360,150	7.39%
Member Insurance	26,389	24,895	-5.66%
Operating Fees	214,086	241,428	12.77%
Miscellaneous	2,276,792	2,346,294	3.05%
Operating Expense Subtotal	**65,897,462**	**69,967,758**	6.18%
Provision for Loan Losses	11,378,463	14,296,427	25.64%
Operating Exp. + Provision	**77,275,924**	**84,264,185**	9.04%
Non-Operating Gain (Loss)	1,075,943	2,058,498	91.32%
Income before Dividends	**46,825,252**	**58,827,152**	25.63%
Interest on Borrowed Funds	5,835,367	6,395,359	9.60%
Dividends	25,853,319	37,911,039	46.64%
Net Income	**15,136,566**	**14,520,755**	-4.07%

			% CHG
Total Number Of Credit Unions	**4,702**	**4,550**	-3.23%
# of FCUs	2,880	2,794	-2.99%
# of SCUs – Federally Insured	1,724	1,661	-3.65%
# of SCUs – Cooperatively Insured	98	95	-3.06%
Members	140,626,379	143,662,746	2.16%
FTE Employees	352,332	354,810	0.70%
Average Loan Balance	17,811	18,307	2.78%
Average Share Balance	13,318	13,593	2.06%

SOURCE: CALLAHAN & ASSOCIATES