

PRESS RELEASE

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For More Information: Alexandra Gekas, agekas@callahan.com

Credit Unions Demonstrate Strength And Stability In First Quarter 2026

Even as Members Face Growing Financial Pressure.

Washington, DC – At a time when many American households are facing persistent inflation, rising energy costs, and economic uncertainty, the nation’s credit unions continue to demonstrate financial strength and stability. Callahan & Associates shared first quarter 2026 industry data during its Trendwatch webinar on May 12, 2026, highlighting a well capitalized industry serving **147.2 million members**.

“Everyday Americans are stressed, and it is not clear those stressors are easing anytime soon,” said Alix Patterson, Chief Experience Officer at Callahan & Associates. “While the industry faces challenges, credit unions have shown real resilience in a difficult environment.”

Macroeconomic Conditions Remain Uncertain

According to Jason Haley, Chief Investment Officer at ALM First Financial Advisors, the U.S. economy grew at a **2 percent annualized rate in the first quarter**, driven largely by investment in AI infrastructure and data centers. **Technology investment contributed 1.5 percentage points of total growth**, while other business investment declined.

The labor market remains steady, with **initial jobless claims averaging 210,000 per week**, lower than each of the prior three years. Despite broader declines in consumer sentiment, the **University of Michigan survey found credit unions are the only financial institutions seeing increased consumer confidence**.

Consumers Feel The Strain

Consumer sentiment declined from **80 in early 2021 to 53 in March 2026**, falling further to **48 in May**, among the weakest readings on record. The **Consumer Price Index rose from 265 in Q1 2021 to 330 in Q1 2026**, while national gas prices added pressure to household budgets. Only **29 percent of Americans believe it is a good time to buy a home**, one of the lowest readings since 1978.

Credit Union Performance Remains Strong

Despite these pressures, credit unions posted solid first quarter results.

- **Total assets:** \$2.51 trillion, up **5.0 percent year over year**
- **Total loans:** \$1.75 trillion, up **4.7 percent**
- **Total shares:** \$2.51 trillion, up **5.1 percent**
- **Capital:** \$286.6 billion, up **10.7 percent**
- **Return on assets:** **0.85 percent**, up from 0.67 percent

- **Membership growth: 1.8 percent year over year**

“You saw assets grow about 5 percent, nearly twice last year’s pace,” said Jon Jeffreys, President and CEO of Callahan & Associates. **“Loan growth reached 4.7 percent, shares grew 5 percent, and capital increased 10 percent.”**

Lending Activity Accelerates

Total loan originations increased 14 percent year over year to nearly \$153 billion, led by real estate lending. **First mortgage originations rose 46 percent to \$37 billion**, with adjustable rate and hybrid products accounting for **41 percent of originations**. Fixed mortgage rates remained in the **6 to 6.5 percent range**.

Commercial lending grew **10.4 percent year over year**, while new auto loans declined **2.2 percent** and used auto loans increased **1.1 percent**, reflecting ongoing affordability pressures.

Supporting Members And Communities

Trendwatch also highlighted how credit unions are translating financial strength into member impact. Tansley Stearns, President and CEO of Orsa Credit Union, presented Backbone, a coalition of 31 credit unions focused on strengthening the national credit union narrative.

Dive Deeper Into The 1Q26 Trendwatch

Watch the full 1Q26 Trendwatch webinar on demand to explore the data, context, and perspectives behind this quarter’s trends [here](#).

About Callahan & Associates

For over 40 years, Callahan & Associates has been instrumental in guiding credit union leaders to make informed strategic decisions to ensure their long-term relevance. They accomplish this by helping credit unions measure performance, identify strategic opportunities, and build collaborative networks, all through a mission-focused lens. Learn more at www.callahan.com.