

Credit Union Trends Report

CUNA Mutual – Economics • October 2009 (August 2009 data)

Highlights

Revisions: Midyear data revisions showed fewer credit unions (CUs), reduced assets, and fractionally higher loans and members.

- Revisions subtracted 31 CUs from previous estimates, but the rate of decline remains below expectations. At the end of August, CUNA estimates show 7,927 CUs. This represents a net decline of 276 CUs over the past year and 161 CUs year-to-date (YTD).
- Semi-annual revisions knocked asset growth down by 1.6%. Total assets now stand at \$893 billion, up 8.6% over the past year and 7.3% YTD. Low-cost liquid deposit accounts continue to drive savings growth.
- Revisions didn't change loan growth trends. The slowdown continues with annual growth now 3.2%, the slowest rate of expansion since early 1993. CUs are lending, but they are also selling more mortgages to avoid undue interest rate risk.
- Membership was restated 163,000 higher. At 92.4 million, total membership has increased by 1.17 million over the past year. Slight declines are likely by year-end.
- The capital-to-asset ratio rose to 9.9% as capital is up four consecutive months. The loan-to-share ratio improved to 78.2% as savings fell in August. Delinquent loans equal \$10.1 billion, and the delinquency rate ticked up to 1.72%.

ENVIRONMENT

It's not enough that we must safely navigate through the deepest economic downturn in half a century, now we must defend our ability to replenish capital—our safety and soundness cushion and fuel for future growth.

Excesses by some in the financial services industry are being met with the potential for a host of new regulations and compliance costs, plus limits on income sources and higher capital standards. It seems ironic that the same people, whose well-meaning actions will limit our ability to grow capital, also want us to have higher capital levels. Beware *the law of unintended consequences*; we operate in a dynamic, not static world.

CUs' results over the past year should be judged by how we made a difference for members during difficult times. Going forward, we must be vigilant and politically active, lest the value of our charter is diminished along with our ability to serve members. It's not over yet; 2010 will likely be more challenging than 2009.

Total Lending

Data revisions had little impact on estimates of total outstanding loans held by CUs. Positive revisions in vehicle loans were offset by lower estimates for real estate-secured loans, credit cards, and unsecured loans. The net effect was no change in loan growth trends.

- **Figure 1** helps put current results into a historical perspective. Total loan growth is less than half of the 2008 pace and roughly a third of its 10-year average annual gain. Through the first eight months of 2008, loans were up 5.1%, in 2009 the YTD gain is just 1.7%. \$3.8 billion or 38% of the YTD increase occurred in August with all loan classes up, except 2nd mortgages.
- The combination of loan payoffs and 1st mortgage loan sales are just under new originations, thus total loan growth will remain low. Now more than ever, CUs need the additional spread income lending provides, but can't afford the interest rate risk of historically low yields on fixed-rate 1st mortgages.
- Revised data show member business loan (MBL) growth slowing to 7.0%. CUs are remaining cautious as the portfolio is up just 1.7% YTD.

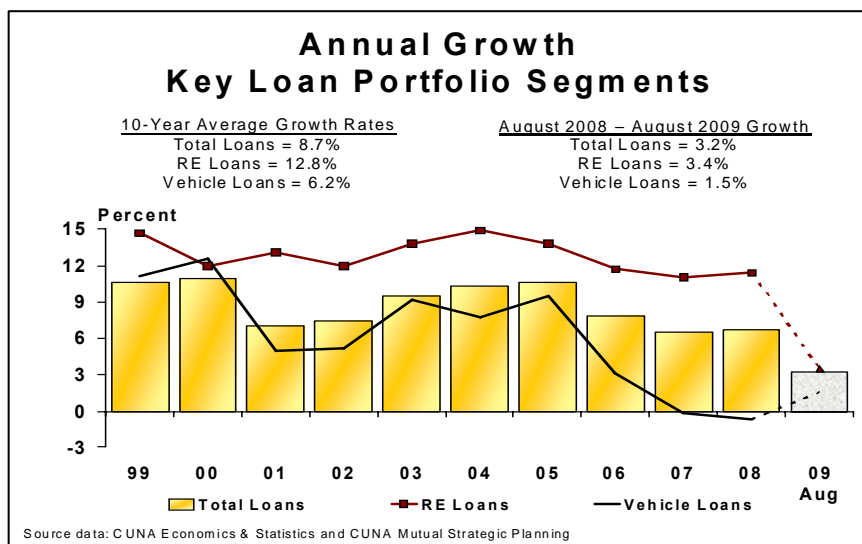


Figure 1

Credit Union Consumer Installment Credit (CUCIC)

Positive revisions in vehicle loans more than offset negative adjustments in credit cards and unsecured lending, so CUCIC growth was restated 0.4 percentage points (pp) higher. While CUCIC growth of 2.5% has not been achieved since late 2006, the big story is the amazing divergence in growth trends between CUs and the rest of the installment lending arena, as shown in **Figure 2**. The lack of new credit, higher required payments, and liquidation of high interest rate debt by consumers are the primary drivers of this trend. Looking back to 1990, we cannot find a period where CUs outperformed the broader market by such a large margin.

- Used vehicle lending and credit cards have accounted for almost all of the growth YTD and over the past year.
- At 9.8%, CUs increased their market share of this \$2.5 trillion lending arena by 72 basis points YTD. This implies CUs are supplying more consumer credit to support the recovery than other lenders.

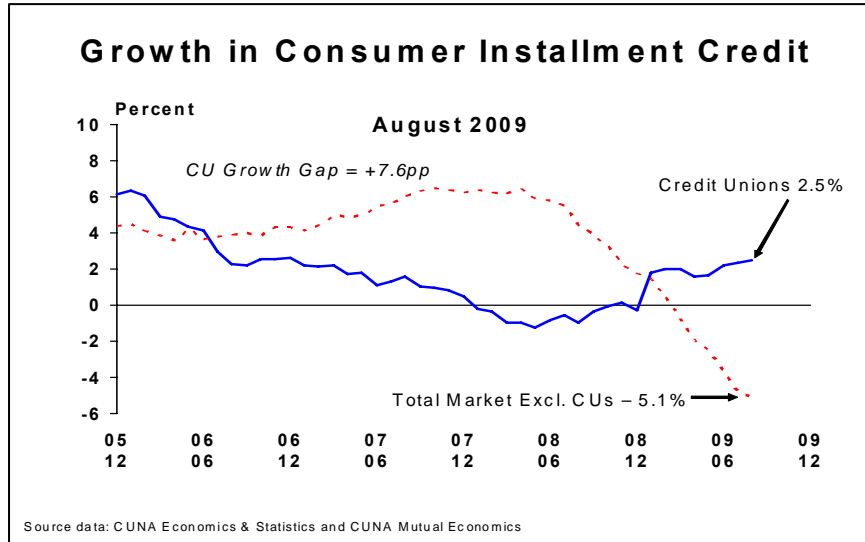


Figure 2

Vehicle Loans

Semi-annual data revisions increased total vehicle loan estimates by \$1.9 billion, thus annual growth was restated 1.1 pp higher. Almost two-thirds of the positive revision was in the new vehicle portfolio segment.

- At \$182.1 billion, total vehicle loans have seen small gains in each of the past three months, but annual growth remains low at just 1.5%, as shown in **Figure 3 – left graphic**. On a YTD basis, total vehicle loans are up 1.3% with the used vehicle portfolio up 4.3% and new vehicle loans down 2.1%.
- The rate of contraction in the new vehicle portfolio has slowed over the past year, as shown in **Figure 3 – right graphic**, but an improving negative still implies this portfolio is down \$2.3 billion since August 2008. July-August results indicate CUs may have seen a small increase from the “cash for clunkers” program.
- Although the \$101 billion used vehicle portfolio is posting positive results, the rate of increase is slowing.
- Look for new vehicle loans to contract well into 2010 and used vehicle portfolio growth to slip. Total vehicle loan growth should remain low, but positive in 2010. Consumers will remain cautious with their “big ticket” spending, until they see three or four months of solid employment growth.

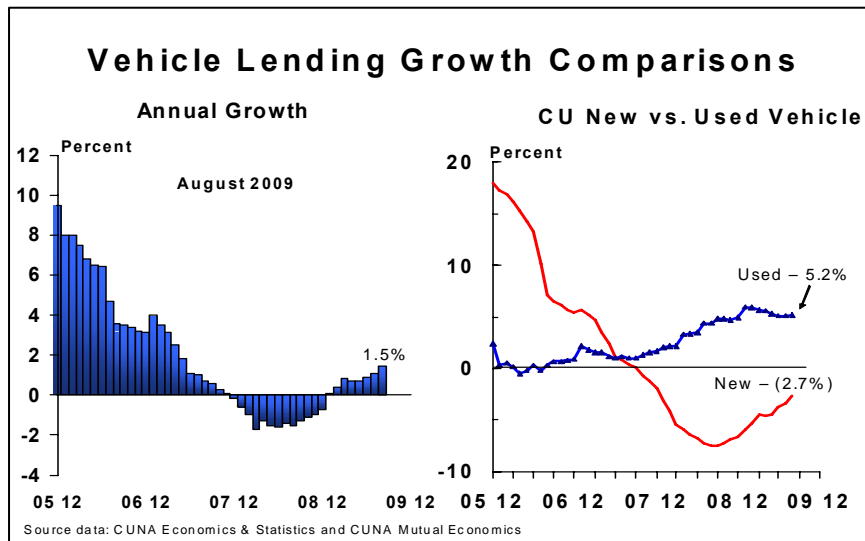


Figure 3

Real Estate-Secured (RE) Lending – 1st Mortgages & Other Real Estate

In total, the RE loan portfolio was revised \$0.5 billion (0.2%) lower with the entire decline attributable to 1st mortgages. Currently, total RE loans equal \$315 billion or 53.4% of total loans, but annual growth has slowed to 3.4% vs. 12.9% in August 2008.

- **Figure 4** shows annual growth rates for almost all classes of RE loans well below recent trends with adjustable-rate 1st mortgages and 2nd mortgages posting declines totaling \$5.4 billion.
- Despite record loan sales, fixed-rate 1st mortgages are up 8.2% (\$11.3 billion) over the past year. Even with annual growth less than half of last year's pace, this \$150 billion portfolio segment has accounted for 61% of all loan growth over the past year and YTD.
- The appeal of home equity loans is boosted by low rates (4.35% national average rate for variable-rate loan) and convenient access. This portfolio segment accounted for over 24% of all loan growth over the past year.
- With 1st mortgage rates remaining near record lows, CUs will continue to sell the bulk of new originations for the rest of the year, thus RE growth will remain well below historical averages.

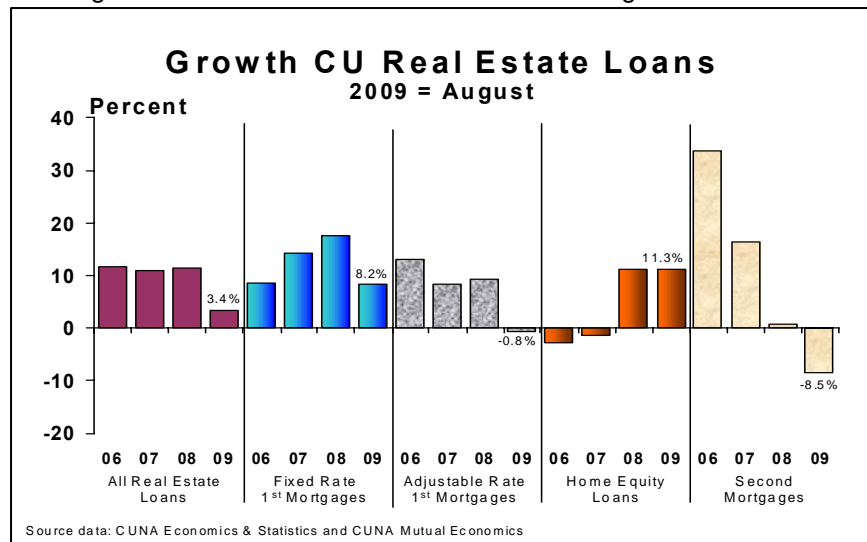


Figure 4

Surplus Funds (Cash + Investments)

Previously reported surplus funds data was revised lower by \$11.6 billion (4.1%). The largest contributor to the downward adjustment was reduced borrowing. Estimates of total borrowing were reduced by \$7.0 billion (15.8%).

- Despite downward revisions, surplus funds equal \$269.5 billion or \$51.8 billion (23.8%) above last year's level.
- The surplus funds-to-asset ratio ended August at 30.2% or 3.7 pp above the August 2008 level.
- Surplus funds defined as "liquid" (having a maturity of one year or less) equal 54.8% of all surplus funds. Last year at this time, 52.2% of surplus funds were classified as "liquid."
- Total borrowings of \$37.7 billion are up \$3.5 billion (10.2%) over the past year and equal 4.2% of total assets.
- In aggregate, CUs continue to have good liquidity, but with a high percentage of assets in low-yielding short-term instruments, the investment income contribution to the bottom line will suffer.

Savings and Assets

Following midyear benchmark data revisions, CU assets were restated \$13.2 billion (1.5%) lower, thus reducing the annual growth rate by 1.6 pp. Reductions in savings estimates (\$4.9 billion) and borrowings (\$7.0 billion) were the key factors. At the end of August, CUNA estimates show \$893 billion in total CU assets. Annual asset growth now stands at 8.6%. On a YTD basis, assets are up 7.3% including a \$2.5 billion (0.3%) decline in August.

- Both savings and asset growth continue on their solid upward trends as shown in the **left graphic** of **Figure 5**.
- The downward revision in total savings did not significantly impact overall trends, but it did cut 0.7 pp off annual growth estimates. The **right graphic** in **Figure 5** shows members continue to prefer liquidity over small yield advantages. Almost 66% of all deposit growth over the past year is attributable to the highly liquid accounts of share drafts, money market accounts and regular shares. While it is very beneficial for CUs to attract these low cost funds, there is a flight risk should the equity markets begin posting strong positives or we experience an interest rate spike.
- For now, we see growth due to members seeking the safe haven of insured deposits outweighing some CUs attempting to limit asset growth by reducing deposit yields. CUs should not depend on above trend savings and asset growth beyond 2010.

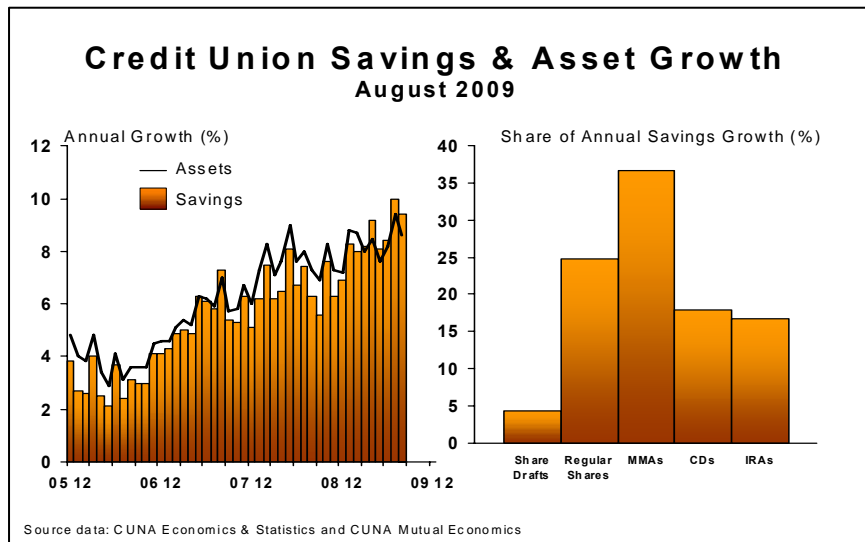


Figure 5

Capital and Other Key Measures

Capital, assets, and savings were restated lower while total loans saw a small increase. The net effect of revisions on key ratios was a minimal upward revision in the capital-to-asset (C/A) ratio by six basis points (bp) and the loan-to-share (L/S) ratio improved by 54 bp. The loan delinquency rate was restated higher by 18 bp.

- Capital was restated just fractionally lower and the trend of annual capital contraction worsened. The good news is, we are in the fourth consecutive month of capital improvement and total capital has risen to \$88.8 billion. Even with these near-term improvements, capital remains 1.6% below its August 2008 level, as shown in **Figure 6 – left graphic**.
- The industry average C/A ratio finished August at 9.9%. Although down 103 bp from last year, as shown by the **line** in the **right graphic** of **Figure 6**, we are reminded that CUs build capital in good times so they can continue to serve members during difficult times.
- At the end of August, the L/S ratio stood at 78.2%, down 464 bp over the past year and off 504 bp since the end of 2008, as shown by the **bars** in the **right graphic** of **Figure 6**. Much of the L/S ratio decline is attributable to CUs choosing to sell more mortgages into the secondary market to avoid interest rate risk. Despite the large declines, the current L/S ratio is 72 bp above its 10-year average.
- Over the past year, loans two or more months delinquent increased by \$4.2 billion (72%) to \$10.1 billion. The loan delinquency rate climbed 68 bp to 1.716%. We are optimistic that this credit quality indicator will peak in the second quarter of next year as total employment begins to expand. New problems in the credit markets or further deterioration in real estate values could easily derail our optimism.

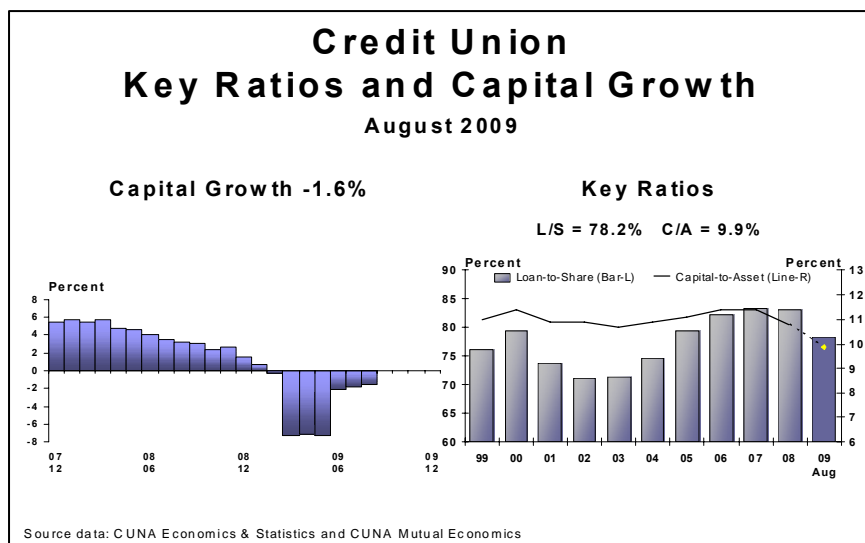


Figure 6

Credit Unions and Members

CUNA's semi-annual benchmark revisions (based on midyear NCUA 5300 Call Report data) removed 31 CUs from previously reported figures. Post-benchmark results through August now show 7,927 CUs.

- On a YTD basis, the CU count is down by 161 institutions. Current trends are similar to 2007 results, as shown in **Figure 7**. For full year 2007 (December to December), we lost 266 CUs. Given the combined stresses of a severe economic downturn, credit quality challenges, and assessments to replenish the NCUSIF, we believe final 2009 results will show a decline larger than 2007.
- Our current year-over-year decline is now 276 CUs, which remains well below our forecast (352 CUs in 2009). While NCUA forced liquidations and assisted mergers are ahead of 2008's pace, many voluntary merger plans are likely on hold as acquiring CUs may be choosing capital preservation over expansion.

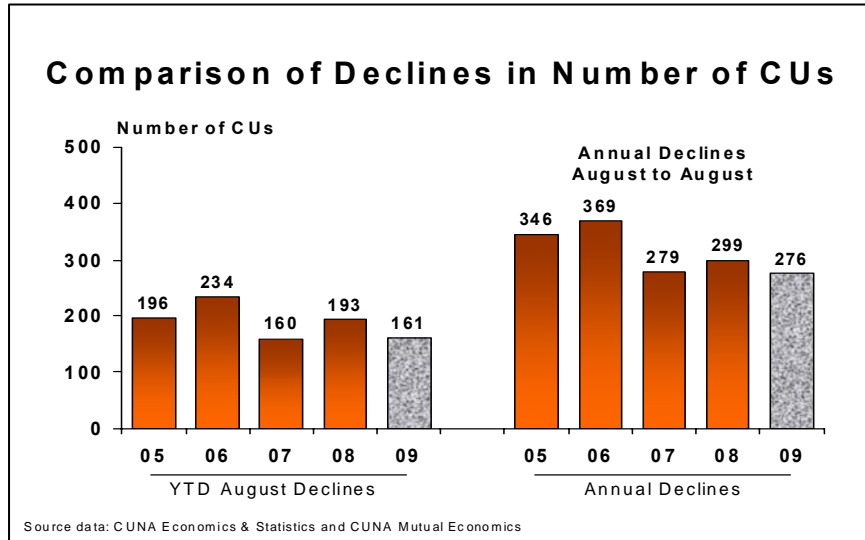


Figure 7

At the end of August, total membership was estimated at 92.4 million, with data revisions adding roughly 163,000 members to previously reported totals. Current results are clearly above our forecast, as shown in **Figure 8**, but we expect seasonal weakness in the last four months of the year.

- The YTD gain in membership is 1.6 million. We note that the average annual gain over the past five years (2004-2008) was just under 1.2 million, thus we believe counts will decline slightly by year-end. Given the strong downward pressures on return on assets (ROA), CU expense resources for expanding membership are limited. We do not expect aggressive select employee group (SEG) and/or membership expansion between now and year-end.
- Our longer-term outlook shows CUs averaging a net increase of less than 1 million members per year with more focus placed on the depth of mutually beneficial relationships vs. sheer growth in numbers.

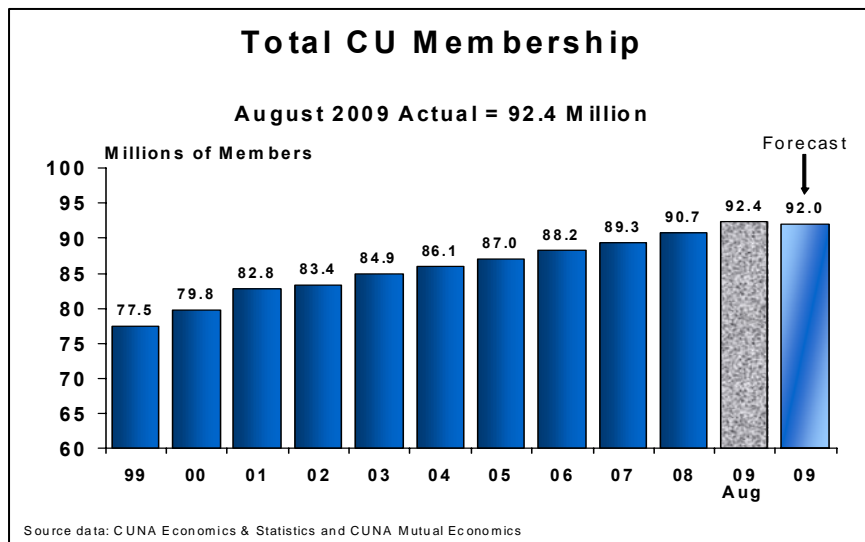


Figure 8

National Monthly Credit Union Aggregates

| <u>YR/MO</u> | ----- (\$ Billions) ----- | | | | (Millions) | <u>CREDIT UNIONS</u> | <u>LOAN / SAVINGS</u> | <u>CAPITAL/ ASSET RATIO</u> |
|--------------|---------------------------|---------------|----------------|----------------|----------------|----------------------|-----------------------|-----------------------------|
| | <u>LOANS</u> | <u>ASSETS</u> | <u>SAVINGS</u> | <u>CAPITAL</u> | <u>MEMBERS</u> | | | |
| 07 08 | 533.6 | 766.7 | 649.5 | 87.4 | 89.2 | 8,502 | 82.2 | 11.4 |
| 07 09 | 535.9 | 766.6 | 647.1 | 87.6 | 89.1 | 8,476 | 82.8 | 11.4 |
| 07 10 | 539.6 | 764.3 | 643.8 | 88.2 | 89.2 | 8,443 | 83.8 | 11.5 |
| 07 11 | 541.6 | 774.6 | 653.3 | 88.6 | 89.2 | 8,417 | 83.9 | 11.4 |
| 07 12 | 544.1 | 776.6 | 652.3 | 88.4 | 89.3 | 8,396 | 83.4 | 11.4 |
| 08 01 | 544.2 | 780.9 | 655.3 | 89.0 | 89.6 | 8,398 | 83.1 | 11.4 |
| 08 02 | 543.9 | 802.3 | 676.9 | 89.3 | 89.9 | 8,352 | 80.3 | 11.1 |
| 08 03 | 546.3 | 811.2 | 685.1 | 90.0 | 90.3 | 8,308 | 79.7 | 11.1 |
| 08 04 | 550.5 | 811.0 | 683.9 | 89.7 | 90.6 | 8,345 | 80.5 | 11.1 |
| 08 05 | 554.8 | 824.9 | 696.8 | 90.0 | 90.9 | 8,298 | 79.6 | 10.9 |
| 08 06 | 560.7 | 822.1 | 693.8 | 89.7 | 91.2 | 8,260 | 80.8 | 10.9 |
| 08 07 | 566.6 | 818.5 | 690.1 | 89.9 | 91.2 | 8,230 | 82.1 | 11.0 |
| 08 08 | 572.0 | 822.7 | 690.4 | 90.3 | 91.2 | 8,203 | 82.8 | 11.0 |
| 08 09 | 575.0 | 819.4 | 683.7 | 90.3 | 91.2 | 8,180 | 84.1 | 11.0 |
| 08 10 | 577.2 | 827.5 | 692.7 | 90.4 | 91.0 | 8,158 | 83.3 | 10.9 |
| 08 11 | 578.5 | 831.1 | 694.3 | 90.8 | 90.9 | 8,127 | 83.3 | 10.9 |
| 08 12 | 580.5 | 832.5 | 697.4 | 89.8 | 90.7 | 8,088 | 83.2 | 10.8 |
| 09 01 | 582.3 | 849.9 | 709.5 | 89.6 | 90.9 | 8,062 | 82.1 | 10.5 |
| 09 02 | 581.4 | 871.9 | 730.8 | 89.1 | 91.1 | 8,042 | 79.6 | 10.2 |
| 09 03 | 580.9 | 875.8 | 741.2 | 83.6 | 91.3 | 8,029 | 78.4 | 9.5 |
| 09 04 | 582.4 | 880.2 | 746.6 | 83.4 | 91.4 | 8,016 | 78.0 | 9.5 |
| 09 05 | 583.4 | 887.8 | 753.1 | 83.5 | 91.5 | 7,994 | 77.5 | 9.4 |
| 09 06 | 585.9 | 889.3 | 752.2 | 87.8 | 91.8 | 7,970 | 77.9 | 9.9 |
| 09 07 | 586.7 | 895.6 | 758.9 | 88.3 | 92.1 | 7,947 | 77.3 | 9.9 |
| 09 08 | 590.5 | 893.0 | 755.1 | 88.8 | 92.4 | 7,927 | 78.2 | 9.9 |

Credit Union Growth Rates Percent Change Previous Year

| <u>YR/MO</u> | <u>LOANS</u> | <u>ASSETS</u> | <u>SAVINGS</u> | <u>CAPITAL</u> | <u>MEMBERS</u> | <u># OF CUs</u> | <u># OF CUs DECLINE</u> |
|--------------|--------------|---------------|----------------|----------------|----------------|-----------------|-------------------------|
| 07 08 | 6.3 | 7.0 | 7.3 | 6.7 | 1.2 | (3.2) | (279) |
| 07 09 | 6.0 | 5.7 | 5.4 | 6.8 | 1.0 | (3.3) | (285) |
| 07 10 | 6.4 | 5.8 | 5.3 | 6.0 | 1.1 | (3.1) | (273) |
| 07 11 | 6.4 | 6.7 | 6.3 | 5.8 | 1.0 | (3.1) | (271) |
| 07 12 | 6.5 | 6.0 | 5.1 | 5.5 | 1.2 | (3.1) | (266) |
| 08 01 | 6.5 | 7.3 | 6.2 | 5.8 | 1.7 | (2.9) | (252) |
| 08 02 | 6.5 | 8.3 | 7.5 | 5.5 | 1.9 | (3.3) | (288) |
| 08 03 | 6.8 | 7.1 | 6.2 | 5.8 | 2.0 | (3.1) | (270) |
| 08 04 | 6.9 | 7.6 | 6.5 | 4.7 | 2.1 | (3.5) | (300) |
| 08 05 | 6.9 | 9.0 | 8.1 | 4.6 | 2.3 | (3.1) | (266) |
| 08 06 | 7.2 | 7.6 | 6.7 | 4.0 | 2.4 | (3.3) | (278) |
| 08 07 | 7.4 | 8.0 | 7.4 | 3.5 | 2.4 | (3.4) | (289) |
| 08 08 | 7.2 | 7.3 | 6.3 | 3.2 | 2.2 | (3.5) | (299) |
| 08 09 | 7.3 | 6.9 | 5.6 | 3.1 | 2.3 | (3.5) | (295) |
| 08 10 | 7.0 | 8.3 | 7.6 | 2.4 | 2.0 | (3.4) | (284) |
| 08 11 | 6.8 | 7.3 | 6.3 | 2.6 | 1.9 | (3.5) | (291) |
| 08 12 | 6.7 | 7.2 | 6.9 | 1.5 | 1.6 | (3.7) | (308) |
| 09 01 | 7.0 | 8.8 | 8.3 | 0.7 | 1.5 | (3.9) | (326) |
| 09 02 | 6.9 | 8.7 | 8.0 | (0.2) | 1.3 | (3.6) | (302) |
| 09 03 | 6.3 | 8.0 | 8.2 | (7.2) | 1.2 | (3.7) | (310) |
| 09 04 | 5.8 | 8.5 | 9.2 | (7.1) | 0.9 | (3.5) | (288) |
| 09 05 | 5.2 | 7.6 | 8.1 | (7.2) | 0.7 | (3.7) | (303) |
| 09 06 | 4.5 | 8.2 | 8.4 | (2.1) | 0.7 | (3.5) | (290) |
| 09 07 | 3.5 | 9.4 | 10.0 | (1.8) | 1.0 | (3.4) | (283) |
| 09 08 | 3.2 | 8.6 | 9.4 | (1.6) | 1.3 | (3.4) | (276) |

Distribution of Credit Union Loans
Estimated \$ (Billions) Outstanding

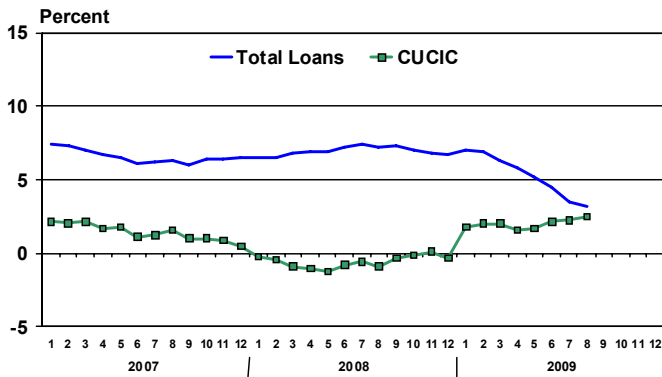
| <u>YR/MO</u> | <u>TOTAL LOANS</u> | <u>NEW VEHICLE LOANS</u> | <u>USED LOANS</u> | <u>TOTAL</u> | <u>UNSEC Ex. CC'S</u> | <u>CREDIT CARDS</u> | <u>CUCIC</u> | <u>1ST MORT TOTAL</u> | <u>TOT. OTHR MORT 2ND +HE</u> | <u>TOTAL REAL ESTATE</u> | <u>MBLs*</u> |
|--------------|--------------------|--------------------------|-------------------|--------------|-----------------------|---------------------|--------------|----------------------------------|--|--------------------------|--------------|
| 07 08 | 533.6 | 90.6 | 91.5 | 182.1 | 24.1 | 28.8 | 237.7 | 179.0 | 90.9 | 269.9 | 26.0 |
| 07 09 | 535.9 | 91.0 | 91.7 | 182.7 | 24.3 | 29.0 | 236.9 | 180.1 | 92.0 | 272.1 | 26.9 |
| 07 10 | 539.6 | 90.4 | 91.9 | 182.3 | 24.4 | 29.3 | 236.8 | 182.8 | 92.9 | 275.8 | 27.1 |
| 07 11 | 541.6 | 89.8 | 91.9 | 181.6 | 24.7 | 29.9 | 236.6 | 184.1 | 93.8 | 277.8 | 27.2 |
| 07 12 | 544.1 | 89.2 | 91.7 | 180.9 | 25.0 | 31.1 | 235.7 | 185.9 | 94.4 | 280.2 | 28.2 |
| 08 01 | 544.2 | 88.3 | 91.4 | 179.7 | 25.0 | 30.7 | 233.9 | 187.9 | 94.2 | 282.1 | 28.2 |
| 08 02 | 543.9 | 87.1 | 91.4 | 178.5 | 24.7 | 30.3 | 232.0 | 188.8 | 94.9 | 283.8 | 28.1 |
| 08 03 | 546.3 | 85.7 | 91.8 | 177.5 | 24.5 | 30.3 | 230.1 | 193.3 | 94.6 | 287.8 | 28.3 |
| 08 04 | 550.5 | 85.0 | 92.6 | 177.6 | 24.7 | 30.5 | 231.1 | 196.8 | 94.0 | 290.8 | 28.5 |
| 08 05 | 554.8 | 84.6 | 93.1 | 177.7 | 24.5 | 30.8 | 231.7 | 199.7 | 94.6 | 294.3 | 28.7 |
| 08 06 | 560.7 | 84.0 | 94.0 | 178.1 | 24.7 | 31.3 | 231.1 | 203.4 | 95.2 | 298.6 | 31.0 |
| 08 07 | 566.6 | 83.9 | 95.0 | 178.9 | 24.9 | 31.6 | 233.5 | 205.7 | 95.9 | 301.6 | 31.4 |
| 08 08 | 572.0 | 83.9 | 95.5 | 179.4 | 25.1 | 32.0 | 235.5 | 208.0 | 96.9 | 304.8 | 31.6 |
| 08 09 | 575.0 | 84.2 | 96.1 | 180.3 | 25.4 | 32.2 | 236.1 | 209.7 | 97.3 | 307.0 | 31.9 |
| 08 10 | 577.2 | 83.9 | 96.3 | 180.2 | 25.2 | 32.1 | 236.6 | 210.6 | 98.1 | 308.8 | 31.9 |
| 08 11 | 578.5 | 83.6 | 96.1 | 179.8 | 25.5 | 32.5 | 236.9 | 211.2 | 98.5 | 309.6 | 32.0 |
| 08 12 | 580.5 | 83.4 | 96.3 | 179.7 | 25.8 | 33.4 | 235.0 | 213.3 | 98.9 | 312.2 | 33.3 |
| 09 01 | 582.3 | 83.1 | 96.9 | 180.0 | 25.5 | 33.1 | 238.1 | 212.8 | 98.3 | 311.1 | 33.1 |
| 09 02 | 581.4 | 82.5 | 96.8 | 179.2 | 25.1 | 32.3 | 236.6 | 214.1 | 97.7 | 311.9 | 32.9 |
| 09 03 | 580.9 | 81.9 | 97.0 | 178.9 | 25.0 | 32.2 | 234.8 | 216.2 | 97.2 | 313.5 | 32.6 |
| 09 04 | 582.4 | 81.1 | 97.7 | 178.9 | 24.9 | 32.5 | 235.0 | 217.2 | 96.7 | 313.9 | 33.4 |
| 09 05 | 583.4 | 80.9 | 98.1 | 178.9 | 25.0 | 32.8 | 236.0 | 218.1 | 95.9 | 314.1 | 33.4 |
| 09 06 | 585.9 | 80.8 | 98.9 | 179.7 | 25.2 | 33.1 | 237.0 | 219.8 | 95.7 | 315.5 | 33.5 |
| 09 07 | 586.7 | 81.0 | 99.8 | 180.1 | 25.2 | 33.6 | 238.9 | 217.8 | 96.4 | 314.2 | 33.6 |
| 09 08 | 590.5 | 81.6 | 100.5 | 182.1 | 25.6 | 34.1 | 241.3 | 218.8 | 96.5 | 315.2 | 34.0 |

Distribution of Credit Union Loans
Percent Change From Prior Year

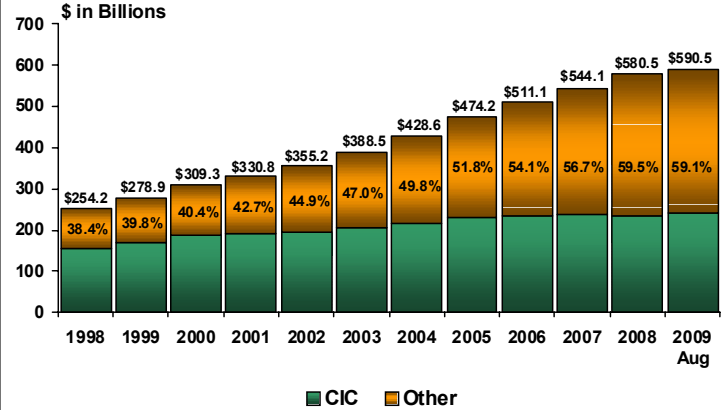
| <u>YR/MO</u> | <u>TOTAL LOANS</u> | <u>NEW VEHICLE LOANS</u> | <u>USED LOANS</u> | <u>TOTAL</u> | <u>UNSEC Ex. CC'S</u> | <u>CREDIT CARDS</u> | <u>CUCIC</u> | <u>1ST MORT TOTAL</u> | <u>TOT. OTHR MORT 2ND +HE</u> | <u>TOTAL REAL ESTATE</u> | <u>MBLs*</u> |
|--------------|--------------------|--------------------------|-------------------|--------------|-----------------------|---------------------|--------------|----------------------------------|--|--------------------------|--------------|
| 07 08 | 6.3 | 0.4 | 1.0 | 0.7 | 6.3 | 14.4 | 1.6 | 10.8 | 8.0 | 9.8 | 17.7 |
| 07 09 | 6.0 | 0.2 | 1.0 | 0.6 | 6.1 | 14.8 | 1.0 | 10.6 | 7.1 | 9.4 | 20.9 |
| 07 10 | 6.4 | (0.7) | 1.3 | 0.3 | 7.2 | 13.5 | 1.0 | 11.3 | 7.8 | 10.1 | 21.3 |
| 07 11 | 6.4 | (1.3) | 1.6 | 0.1 | 7.8 | 14.0 | 0.9 | 11.6 | 7.8 | 10.3 | 21.4 |
| 07 12 | 6.5 | (2.0) | 1.7 | (0.2) | 8.2 | 13.4 | 0.5 | 12.2 | 8.6 | 11.0 | 17.2 |
| 08 01 | 6.5 | (3.1) | 2.0 | (0.6) | 8.4 | 13.9 | (0.2) | 13.2 | 8.7 | 11.7 | 17.7 |
| 08 02 | 6.5 | (4.1) | 2.2 | (1.0) | 8.8 | 13.4 | (0.4) | 13.1 | 9.4 | 11.8 | 17.3 |
| 08 03 | 6.8 | (5.5) | 2.2 | (1.7) | 8.3 | 13.7 | (0.9) | 14.8 | 8.8 | 12.7 | 17.7 |
| 08 04 | 6.9 | (5.9) | 3.3 | (1.3) | 8.6 | 12.9 | (1.0) | 16.1 | 6.9 | 12.9 | 18.0 |
| 08 05 | 6.9 | (6.4) | 3.4 | (1.5) | 6.7 | 11.8 | (1.2) | 16.0 | 7.7 | 13.2 | 18.0 |
| 08 06 | 7.2 | (6.7) | 3.5 | (1.6) | 5.6 | 12.8 | (0.8) | 16.2 | 7.1 | 13.1 | 18.3 |
| 08 07 | 7.4 | (7.2) | 4.4 | (1.4) | 4.9 | 11.4 | (0.6) | 16.3 | 7.4 | 13.3 | 17.6 |
| 08 08 | 7.2 | (7.5) | 4.4 | (1.5) | 4.4 | 11.3 | (0.9) | 16.2 | 6.5 | 12.9 | 21.6 |
| 08 09 | 7.3 | (7.5) | 4.8 | (1.3) | 4.6 | 11.0 | (0.3) | 16.5 | 5.7 | 12.8 | 18.6 |
| 08 10 | 7.0 | (7.2) | 4.8 | (1.1) | 3.2 | 9.6 | (0.1) | 15.2 | 5.6 | 12.0 | 17.7 |
| 08 11 | 6.8 | (6.9) | 4.7 | (1.0) | 3.5 | 8.5 | 0.1 | 14.7 | 5.0 | 11.4 | 17.6 |
| 08 12 | 6.7 | (6.6) | 5.0 | (0.7) | 3.0 | 7.6 | (0.3) | 14.7 | 4.8 | 11.4 | 18.0 |
| 09 01 | 7.0 | (5.9) | 6.0 | 0.1 | 2.0 | 7.7 | 1.8 | 13.2 | 4.3 | 10.3 | 17.3 |
| 09 02 | 6.9 | (5.3) | 5.9 | 0.4 | 1.6 | 6.4 | 2.0 | 13.4 | 2.9 | 9.9 | 16.9 |
| 09 03 | 6.3 | (4.4) | 5.7 | 0.8 | 1.7 | 6.2 | 2.0 | 11.9 | 2.8 | 8.9 | 15.1 |
| 09 04 | 5.8 | (4.6) | 5.6 | 0.7 | 0.9 | 6.5 | 1.7 | 10.4 | 2.9 | 8.0 | 17.0 |
| 09 05 | 5.2 | (4.4) | 5.3 | 0.7 | 1.9 | 6.7 | 1.9 | 9.2 | 1.4 | 6.7 | 16.1 |
| 09 06 | 4.5 | (3.8) | 5.1 | 0.9 | 1.7 | 5.9 | 2.5 | 8.1 | 0.5 | 5.6 | 8.0 |
| 09 07 | 3.5 | (3.4) | 5.1 | 1.1 | 1.1 | 6.1 | 2.3 | 5.9 | 0.4 | 4.1 | 7.0 |
| 09 08 | 3.2 | (2.7) | 5.2 | 1.5 | 1.6 | 6.4 | 2.4 | 5.2 | (0.4) | 3.4 | 7.5 |

*Member Business Loans

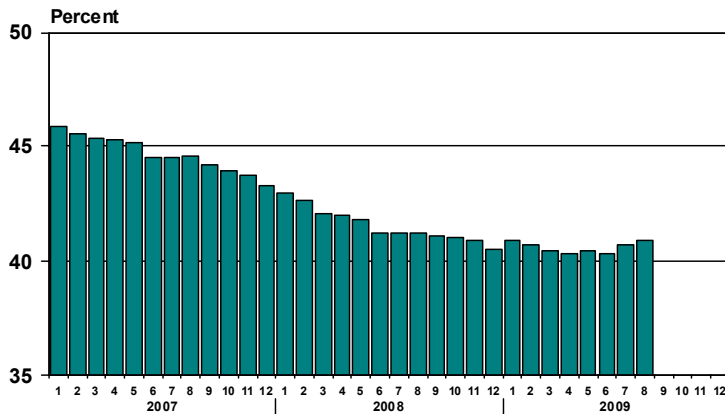
Annual Growth Rates Total Loans & Installment Credit



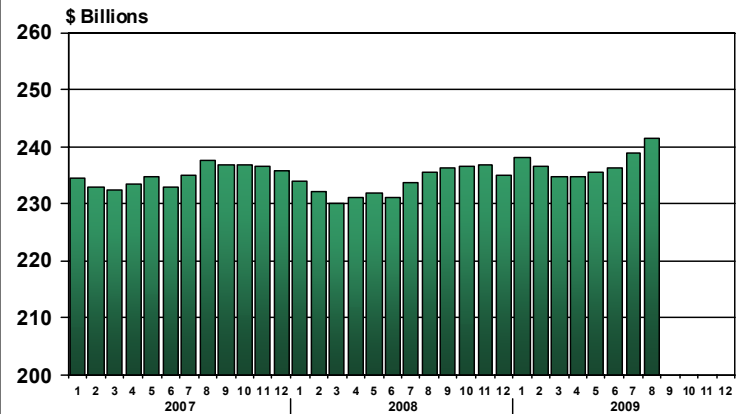
CU Loan Portfolio



CIC Share of Total Loans at Credit Unions



Consumer Installment Credit at Credit Unions



This report on key CU indicators is based on data from CUNA E&S's Monthly Credit Union Estimates, the Federal Reserve Board (FED), and CUNA Mutual – Economics 2009 Credit Union Forecast.

To access this report on the Internet:

- Sign in at cunamutual.com
- Go to the “**Resource Library**” tab
- Under “**Publications**” heading, select **Credit Union Trends Report**

If you have any questions, comments, or need additional information, please call. Thank you.

Dave Colby
800.356.2644, Ext. 7720
dave.colby@cunamutual.com
CUNA Mutual Group – Economics

CORP-1009-B768