

Market Overview & Data Report



DECEMBER 2025

KEY ECONOMIC INDICATORS	Latest Report	Current Report	Previous Report	2024
ECONOMIC GROWTH				
GDP	Q2	3.8%	3.3%	2.8%
EMPLOYMENT				
Non-farm Payrolls (000s)	Sep	119	-4	2,232
Private Payrolls (000s)	Sep	97	18	1,792
Unemployment Rate	Sep	4.4%	4.3%	4.1%
Avg Hourly Earnings (Y/Y)	Sep	3.8%	3.8%	3.9%
INFLATION				
Wholesale (Y/Y)	Sep	2.7%	2.7%	3.3%
Consumer (Y/Y)	Sep	3.0%	2.9%	2.9%
PCE Core (Y/Y)	Sep	2.8%	2.7%	2.8%
INCOME & SPENDING				
Retail Sales	Sep	0.2%	0.6%	3.8%
Personal Income	Sep	0.4%	0.4%	2.4%
Personal Spending	Sep	0.3%	0.5%	3.1%
AUTO & HOUSING				
Total Auto Sales (MM)	Oct	15.32	16.39	16.80
New/Existing Home Sales (M/M)	Sep	1.5%	0.2%	4.2%
S&P/Case Shiller HPI (Y/Y)	Aug	1.6%	1.8%	3.9%

Sources:

US Labor Dept; US Commerce Dept; National Association of Realtors; Bloomberg

KEY MARKET INDICATORS	Mth End Nov-25	Mth End Oct-25	12 Mth Ago Oct-24
MONEY MARKETS			
Effective Fed Funds	3.89%	3.86%	4.58%
Prime Rate	7.00%	7.00%	7.75%
3-month SOFR	4.00%	4.30%	4.66%
2-year UST	3.48%	3.57%	4.15%
10-year UST	4.01%	4.07%	4.16%
NATIONAL CU LOAN RATES			
CU 48-mth Auto	6.66%	6.76%	7.03%
CU 60-mth Auto	6.76%	6.85%	7.14%
CU 15-year Mtg	5.76%	5.76%	6.17%
CU 30-year Mtg	6.35%	6.37%	6.78%
EQUITY MARKETS			
Dow Jones Industrial Average	47716.42	47562.87	44,910.7
NASDAQ Composite	23365.69	23724.96	19,218.2
S&P 500	6849.09	6840.2	6,032.4
OTHER COMMODITIES			
CRB Index	301.49	302.54	286.9
Crude Oil	58.55	60.98	65.8

Source: Bloomberg; S&P Global Market Intelligence

KEY ECONOMIC AND MARKET INDICATORS

The main story for November was the end of the government shutdown on November 12. After a six-week pause, President Trump signed a stopgap measure to keep the government operating until January. At that point, we may find ourselves in a similar standoff. Significant pieces of data are still missing from the shutdown period and expected to be released before the end of the year. The Congressional Budget Office estimates the six-week shutdown lowered Q4 GDP by as much as 1.5%, with much of it expected to recover in subsequent months.

Labor data was sporadic and sent mixed messages over the course of the month about the current state of the labor market. ADP's private payroll report showed a 42,000 gain after a 29,000 loss in October, largely attributable to the shutdown. The White House confirmed there will be no jobs or CPI reports released for October, as surveyors were unable to collect data during the shutdown. The missing jobless claims reports ended up staying in line with recent downward trends, which was enough for markets to move probabilities for a December rate cut from 34% as recently as November 19, to over 95% by month's end.

Market Overview & Data Report



Equity markets had a choppy November, highlighted by a lack of economic data releases and FedSpeak that shifted narratives over the course of the month. Traders appear to finally be getting a bit uneasy about the AI boom and it contributed to several significant selloffs over the course of the month. The Dow, S&P 500 and the NASDAQ hit month-lows on Nov. 20 after commentary from New York Fed President John Williams re-upped bets for a December rate cut. Equities ended November slightly higher, but nothing close to the rallies of preceding months.

While the FOMC did not have a November meeting, there was plenty of action for markets to absorb. Namely, a clandestine meeting between New York Fed members and big banks to address potential overnight funding shortages after the Standing Repo Facility was tapped for \$50 billion on November 14, the highest single day total since 2021. Overnight rates remained elevated relative to Fed indexes throughout the month. According to MarketWatch, the bottom line is “liquidity conditions are tighter than they’ve been in recent years, so small shifts in supply and demand can create more visible volatility in money market rates. That’s not unusual, but it feels more dramatic because we’ve gotten used to extremely stable rates in a world of abundant liquidity.”

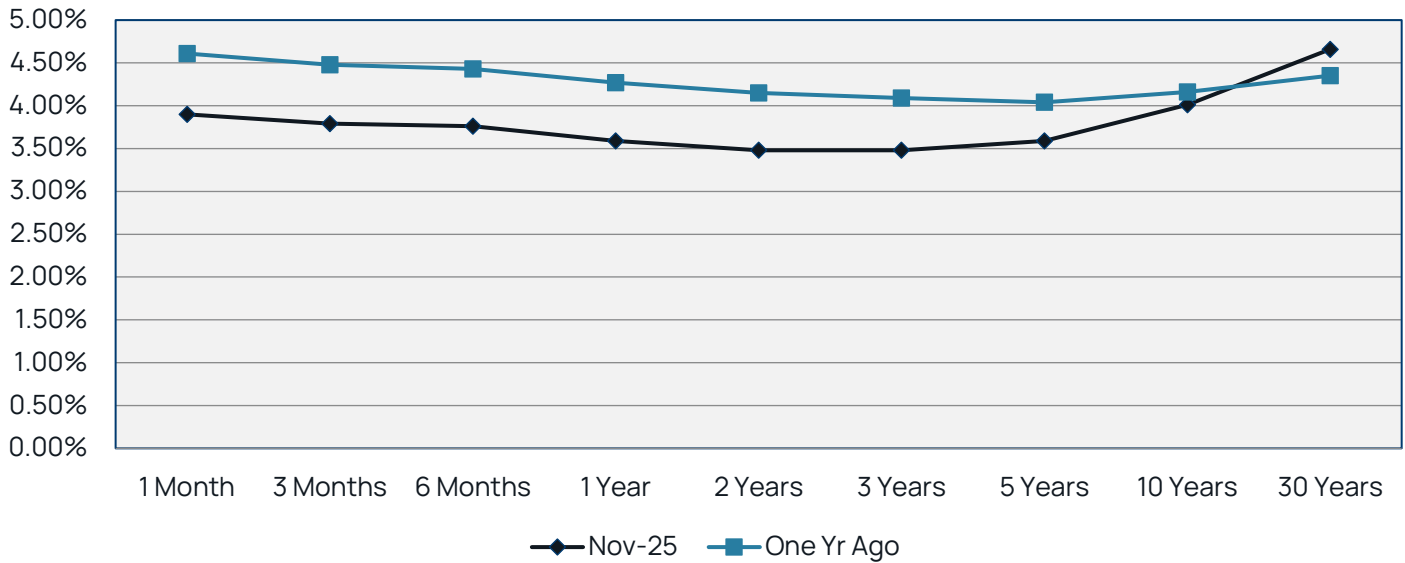
The October FOMC meeting minutes again showed diverging views among voting members. “Many” participants prefer to hold rates, while “several” were open to a reduction subject to incoming data. The notes also detailed the end of Quantitative Tightening as of December 1, with MBS roll offs being reinvested into short-term Treasuries to maintain the size of the balance sheet. Markets are wondering if the FOMC will resume quantitative easing to reduce market strains, but that has not been explicitly endorsed. However, the notion of “Reserve Maintenance Payments” have recently surfaced, which FOMC members are careful to assert is not QE, even though the FOMC expects to print money to maintain reserves, which is essentially de facto QE.

Consumers continued to struggle according to data releases, including the New York Fed’s Quarterly Report on Household Debt and Credit which showed about 4.5% of all outstanding debt was at least 30-days late and 14.4% of all student loans in some phase of delinquency. Transitions into serious delinquency were concentrated in consumers in their 20s and 30s. Fitch issued a report showing the share of subprime auto loan borrowers at least 60 days late on payments rose to 6.65% in October, the highest level since 1994. A report from the Century Foundation noted past due balances to utility companies jumped 9.7% YoY with nearly 6 million households having utility debt “so severe” it will be reported to collections agencies.

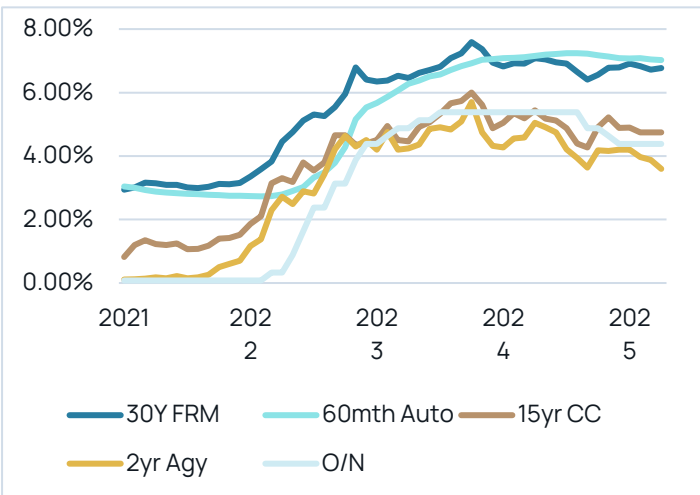
FOR CREDIT UNIONS:

- According to RedFin, the gap between home buyers and sellers is the largest since 2013. In October, sellers outnumbered buyers by a record 36.8%.
- According to Edmunds, 28% of trade-ins towards a new car purchase carried negative equity in the third quarter, the highest level since 2021.
- According to Experian, the average interest rate on an auto loan for a deep subprime borrower (FICO between 300 and 500) was 16% for a new car and 21.6% for used car in Q2.

Yield Curve



Treasury yields had another volatile month in November, driven by missing data, FedSpeak and, of course, the government shutdown. The 10-year note started the month at 4.11%, falling below 4% near the end of the month only to recover and end the month over the 4% mark. At the same, the 2-year note started at 3.61% and had a similar monthly trend to the 10-year, ending the month at 3.49%. In other words, the curve steepened slightly which, for investors, means it's an ideal time to add duration to your portfolio.



RELATIVE VALUE OF ASSETS AND FUNDING:

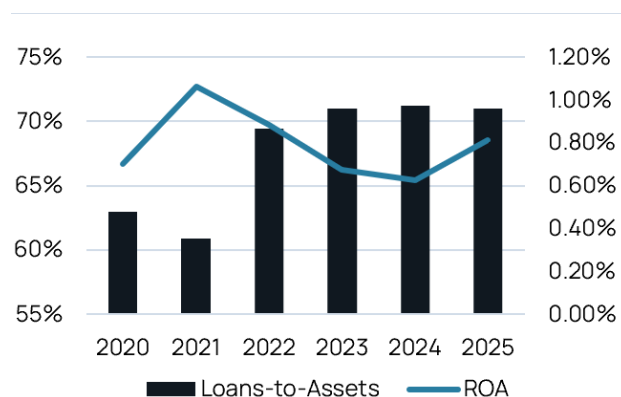
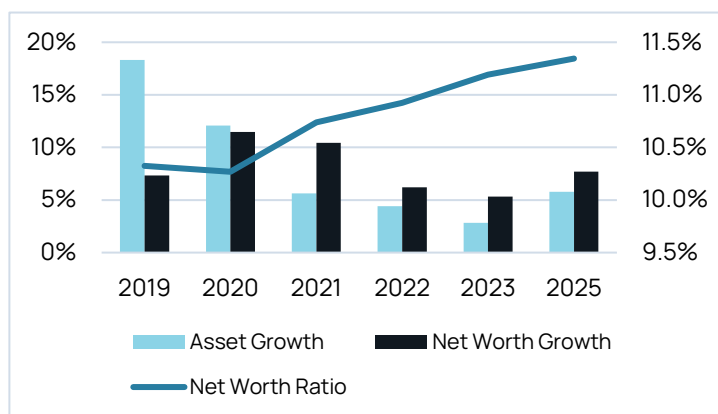
- The difference between loan and investment yields remained at 2.56% as rates moved in tandem.
- The spread between a 60-month auto loan and a 15-year MBS fell to 224 bps.
- CD rates stayed near their previous levels, with just a one or two basis point difference from the previous month.

Market Overview & Data Report



NCUA - SEPTEMBER 2025

KEY CREDIT UNION DATA	2020	2021	2022	2023	2024	2025
GROWTH RATES						
Total Assets	18.31%	12.07%	5.63%	4.42%	2.84%	5.79%
Total Loans	5.44%	8.24%	20.49%	6.72%	3.16%	5.20%
Total Shares	20.89%	13.03%	3.84%	2.05%	4.72%	5.62%
Net Worth	7.33%	11.48%	10.44%	6.20%	5.32%	7.69%
CAPITAL ADEQUACY						
Net Worth Ratio	10.32%	10.27%	10.74%	10.92%	11.19%	11.34%
Equity Capital Ratio	10.34%	9.99%	8.77%	9.11%	9.66%	10.25%
Capital Ratio	11.04%	10.52%	9.31%	10.02%	10.60%	11.19%
BALANCE SHEET COMPOSITION						
Loans/Assets	62.99%	60.88%	69.45%	71.02%	71.25%	70.97%
Vehicle Loans/Net Loans	33.04%	32.50%	32.49%	31.49%	29.67%	28.71%
RE Loans/Net Loans	52.25%	52.80%	44.21%	44.83%	46.19%	47.08%
1st Mtg Loans/Net Loans	44.90%	45.97%	39.20%	39.20%	39.77%	40.00%
Commercial Loans/Net Loans	8.29%	9.07%	9.38%	10.01%	10.80%	11.28%
LIQUIDITY POSITION						
Cash & Short-Term Invs/Assets	18.44%	17.16%	10.17%	11.47%	12.20%	11.93%
Borr. & NM Deposits/Shares & Liab.	3.39%	2.97%	6.06%	7.96%	5.85%	5.22%
Net Liquid Assets/Shares & Liab.	30.36%	33.08%	23.82%	21.51%	22.97%	23.32%
Net Long-term Assets/Assets	35.58%	34.77%	39.48%	37.10%	35.74%	35.64%
LOAN QUALITY						
Delinquency Rate	0.62%	0.51%	0.67%	0.85%	0.99%	0.96%
Net Charge-off Rate	0.30%	0.16%	0.22%	0.43%	0.57%	0.54%
EARNINGS						
Investment Yield	1.35%	0.89%	1.63%	3.05%	3.79%	3.79%
Loan Yield	4.71%	4.37%	4.43%	5.25%	5.84%	6.08%
Asset Yield	3.53%	3.02%	3.38%	4.44%	5.06%	5.22%
Cost of Funds	0.70%	0.43%	0.52%	1.42%	1.93%	1.84%
Gross Net Margin	2.83%	2.59%	2.87%	3.02%	3.13%	3.39%
Provision Expense	-0.50%	-0.06%	-0.26%	-0.51%	-0.62%	-0.59%
Net Interest Margin	2.33%	2.53%	2.61%	2.51%	2.50%	2.80%
Net Operating Expense	1.63%	1.47%	1.73%	1.83%	1.88%	1.98%
Net Income (Return on Assets)	0.70%	1.06%	0.88%	0.68%	0.63%	0.81%



Market Overview & Data Report



PEER STATISTICS




	<\$2M	\$2-10M	\$10-50M	\$50-100M	\$100-500M	\$500M+	Total
Industry Statistics							
Average Asset Size (000s)	\$907	\$5,613	\$26,580	\$72,695	\$231,420	\$2,806,459	\$433,943
Pct of Number of Credit Unions	5.75%	12.93%	26.65%	13.32%	24.40%	16.95%	100.00%
Pct of Industry Assets	0.03%	0.16%	0.74%	2.05%	6.67%	86.61%	100.00%
GROWTH RATES							
Total Assets	-1.66%	0.23%	2.34%	3.48%	4.72%	6.03%	5.79%
Total Loans	-7.49%	-2.71%	-0.87%	0.99%	4.02%	5.47%	5.20%
Total Shares	-3.11%	-0.33%	1.56%	2.75%	4.14%	5.94%	5.62%
Net Worth	1.83%	2.14%	6.50%	6.65%	7.15%	7.82%	7.69%
CAPITAL ADEQUACY							
Net Worth Ratio	21.46%	18.91%	14.46%	13.58%	11.94%	11.17%	11.34%
Equity Capital Ratio	21.44%	18.79%	14.22%	13.14%	11.09%	10.02%	10.25%
Capital Ratio	22.83%	19.49%	14.72%	13.61%	11.66%	11.02%	11.19%
BALANCE SHEET COMPOSITION							
Loans/Assets	45.09%	51.19%	50.93%	54.30%	63.85%	72.48%	70.97%
Vehicle Loans/Net Loans	64.47%	68.31%	52.17%	43.85%	35.96%	27.43%	28.71%
RE Loans/Net Loans	0.86%	7.09%	29.27%	38.63%	43.28%	47.85%	47.08%
1st Mtg Loans/Net Loans	0.82%	5.88%	25.00%	32.12%	36.13%	40.72%	40.00%
Commercial Loans/Net Loans	0.32%	0.18%	1.33%	3.36%	8.40%	11.83%	11.28%
LIQUIDITY POSITION							
Cash & Short-Term Invs/Assets	46.57%	34.16%	26.68%	22.11%	15.85%	11.00%	11.93%
Borr. & NM Deposits/Shares & Liab.	2.78%	1.68%	1.15%	1.40%	2.74%	5.65%	5.22%
Net Liquid Assets/Shares & Liab.	61.51%	51.20%	44.56%	43.27%	32.77%	21.47%	23.32%
Net Long-term Assets/Assets	3.46%	7.45%	20.52%	27.22%	32.94%	36.41%	35.64%
LOAN QUALITY							
Delinquency Rate	3.84%	1.81%	1.30%	1.18%	1.16%	1.56%	1.51%
Net Charge-off Rate	3.53%	1.50%	1.07%	0.93%	0.85%	0.97%	0.96%
	0.32%	0.32%	0.23%	0.25%	0.31%	0.58%	0.54%
EARNINGS							
Investment Yield	2.63%	3.28%	3.47%	3.41%	3.49%	3.87%	3.79%
Loan Yield	7.51%	6.93%	6.35%	6.20%	6.11%	6.07%	6.08%
Asset Yield	4.91%	5.12%	4.80%	4.75%	4.94%	5.27%	5.22%
Cost of Funds	0.65%	0.90%	0.92%	1.02%	1.35%	1.93%	1.84%
Gross Net Margin	4.26%	4.22%	3.88%	3.73%	3.60%	3.35%	3.39%
Provision Expense	-0.34%	-0.30%	-0.25%	-0.27%	-0.35%	-0.63%	-0.59%
Net Interest Margin	3.92%	3.92%	3.63%	3.46%	3.24%	2.71%	2.80%
Net Operating Expense	3.50%	3.42%	2.78%	2.61%	2.47%	1.90%	1.98%
Net Income (Return on Assets)	0.41%	0.50%	0.85%	0.84%	0.78%	0.82%	0.81%
EFFICIENCY METRICS							
Avg Loan Balance	\$5,954	\$9,389	\$4,106	\$6,898	\$11,499	\$21,995	\$19,034
Avg Share Per Member	\$2,424	\$5,214	\$9,203	\$10,985	\$12,819	\$14,451	\$14,044
Avg Compensation per FTE	\$29,194	\$50,376	\$70,739	\$76,868	\$88,248	\$115,497	\$109,424
Comp & Benefits-to-Total Assets	2.35%	2.14%	1.70%	1.71%	1.84%	1.61%	1.64%
Pct of Total Operating Expense	65.25%	68.59%	68.48%	70.30%	72.61%	74.73%	74.29%
Office Occ & Ops-to-Total Assets	0.27%	0.17%	0.21%	0.23%	0.23%	0.17%	0.18%
Pct of Total Operating Expense	17.98%	14.46%	21.24%	24.06%	24.94%	23.89%	23.96%

Market Overview & Data Report



ECONOMIC CALENDAR (SUBJECT TO AVAILABILITY)

DECEMBER 2025

Monday	Tuesday	Wednesday	Thursday	Friday
1 ISM data Import/Export Prices	2	3	4 Challenger Job Cuts Jobless Claims	5 CORE PCE Personal Income/Spending
8 NY Fed 1-yr Inflation Expectations	9 Oct JOLTS Job Openings	10 FOMC Rate Decision	11 Jobless Claims	12
15 Building Permits	16 November Nonfarm Payrolls Unemployment Rate October Retail Sales	17	18 Jobless Claims CPI	19 Existing Home Sales
22 	23 Q3 GDP Conference Board Consumer Confidence	24 Jobless Claims	25 	26 
29	30 Case Shiller Home Price Index FOMC Meeting Minutes	31 Jobless Claims		

Although this information has been obtained from sources we believe to be reliable, we do not guarantee its accuracy, and it may be incomplete or condensed. This is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. All herein listed securities are subject to availability and change in price. Past performance is not indicative of future results. Changes in any assumption may have a material effect on projected results.