

Market Overview & Data Report



FEBRUARY 2026

KEY ECONOMIC INDICATORS	Latest Report	Current Report	Previous Report	2024
ECONOMIC GROWTH				
GDP	Q3	4.3%	3.8%	2.8%
EMPLOYMENT				
Non-farm Payrolls (000s)	Jan	130	48	2,232
Private Payrolls (000s)	Jan	172	64	1,792
Unemployment Rate	Jan	4.3%	4.4%	4.1%
Avg Hourly Earnings (Y/Y)	Oct	3.7%	3.8%	3.9%
INFLATION				
Wholesale (Y/Y)	Dec	3.0%	3.0%	3.3%
Consumer (Y/Y)	Dec	2.7%	2.7%	2.9%
PCE Core (Y/Y)	Nov	2.8%	2.7%	2.8%
INCOME & SPENDING				
Retail Sales	Dec	0.0%	0.6%	3.8%
Personal Income	Nov	0.3%	0.1%	2.4%
Personal Spending	Nov	0.5%	0.5%	3.1%
AUTO & HOUSING				
Total Auto Sales (MM)	Jan	14.85	16.02	16.80
New/Existing Home Sales (M/M)	Jan	-8.4%	5.1%	4.2%
S&P/Case Shiller HPI (Y/Y)	Nov	1.4%	1.4%	3.9%

Sources:

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

KEY MARKET INDICATORS	Mth End	Mth End	12 Mth Ago
	Jan-26	Dec-25	Jan-25
MONEY MARKETS			
Effective Fed Funds	3.64%	3.64%	4.33%
Prime Rate	6.75%	6.75%	7.50%
3-month SOFR	3.67%	3.96%	4.32%
2-year UST	3.52%	3.47%	4.19%
10-year UST	4.23%	4.16%	4.53%
NATIONAL CU LOAN RATES			
CU 48-mth Auto	6.56%	6.60%	6.96%
CU 60-mth Auto	6.65%	6.96%	7.06%
CU 15-year Mtg	5.69%	5.73%	6.28%
CU 30-year Mtg	6.24%	6.32%	6.90%
EQUITY MARKETS			
Dow Jones Industrial Average	48892.47	48063.29	44,544.7
NASDAQ Composite	23461.82	23241.99	19,627.4
S&P 500	6939.03	6845.5	6,040.5
OTHER COMMODITIES			
CRB Index	320.09	298.78	305.0
Crude Oil	65.21	57.42	66.8

Source: Bloomberg; S&P Global Market Intelligence

KEY ECONOMIC AND MARKET INDICATORS

For the first time since September 2025, the FOMC kept interest rates unchanged at the January meeting, maintaining them within the 3.5% to 3.75% range. The vote included dissents from Christopher Waller and Stephen Miran in favor of additional rate cuts. In his post-meeting press conference, Chair Jerome Powell deflected questions about Lisa Cook's Supreme Court case and the DOJ's grand jury subpoena highlighting that the labor market was showing early signs of stabilization. He noted that inflation remains "somewhat elevated" but has fallen sharply from its 2022 peak. Powell avoided committing to cuts this year and stuck with the usual "we are well-positioned to determine the extent and timing of additional adjustments."

The delayed nonfarm payrolls reported the U.S. added 130,000 jobs, well over consensus estimates for a 65,000 increase and the strongest monthly gain since December 2024. Job growth remained heavily concentrated in health care and social assistance, with construction adding 33,000 new positions. The bad news is that benchmark revisions for April 2024 to March 2025 were revised downward by 898,000, indicating a much weaker labor market for that period than most suspected.

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January's equity markets performed well considering a volatile political environment and a Fed that paused rate cuts over a stable labor market. Stock performance was boosted by broad participation, easing financial conditions, strong corporate earnings, and increased expectations for future FOMC rate cuts. International stocks outperformed the domestic sector as a "sell America" theme briefly took hold, skyrocketing gold and silver prices at the end of January, only to correct at the beginning of February, capping off one of the worst cross-asset selloffs in U.S. history.

January was also marked by another month of economically consequential political turmoil that began with a U.S. military incursion to capture Venezuelan President Nicolas Maduro and gaining access to that nation's ample oil supplies. We saw increased tensions with NATO allies over President Trump's posturing over the potential American acquisition of Greenland, a NATO ally in and of itself. With regard to trade policy, Trump issued new tariffs targeting Europe, Canada, South Korea and other Asian allies, particularly on auto and technology imports. The threat of new levies shook global markets, weakening the U.S. dollar and pushing investors toward safe havens like gold and silver.

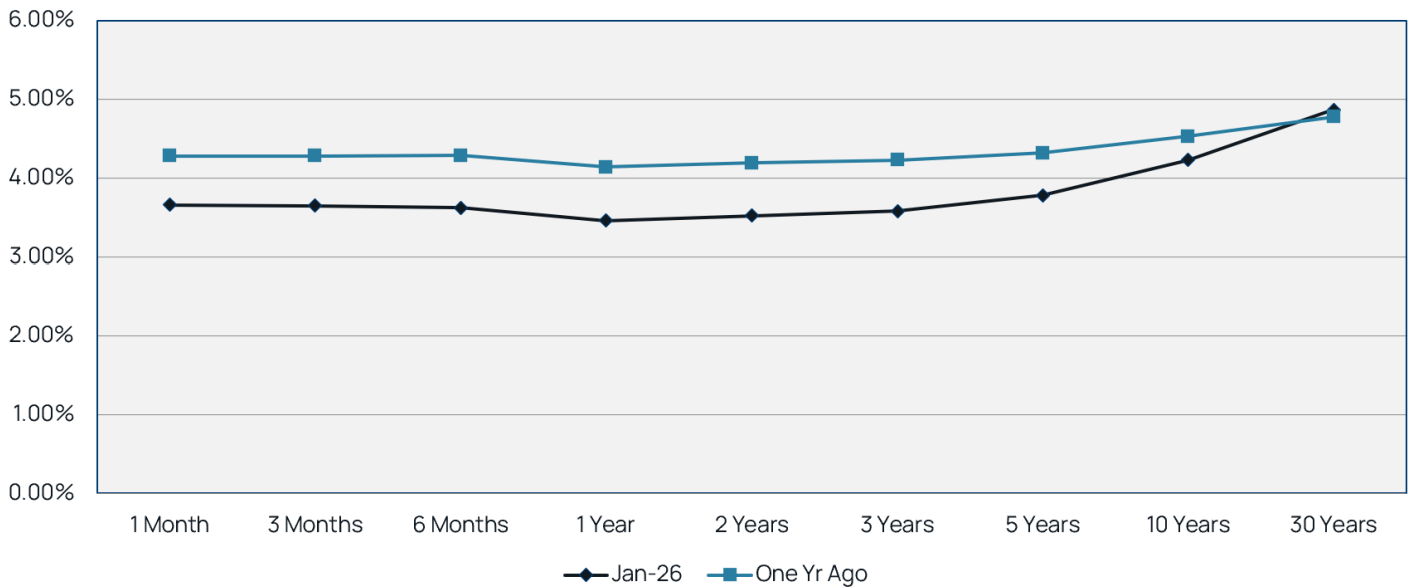
The release of the nonfarm payrolls report was delayed due to another government shutdown, which commenced on January 31 following the expiration of the stopgap funding measure from November, and concluded on February 3. The latest incident was triggered by a standoff over immigration enforcement reforms after significant tensions in Minnesota. Democrats demanded substantial changes to Department of Homeland Security operations before approving another stopgap funding measure.

On January 30, Trump announced his intention to nominate Kevin Warsh as the potential successor to Fed Chair Jerome Powell when Powell's term is up in May, subject to Senate approval. Warsh has previously advised the second Bush administration on economic policy and served on the Fed Board of Governors from 2006-2011, helping to oversee monetary policy through the Great Recession. He has historically been in favor of Fed balance sheet reduction and spoke out against the large-scale asset purchases under Powell and his predecessor Janet Yellen. To date, Warsh has been vocally supportive of Trump's call for lower rates. However, he has stirred markets with previous proposals to overhaul the relationship between the Fed and the U.S. Treasury, under which the Fed would only be permitted to continue large-scale asset purchases with Treasury endorsement – potentially resulting in de facto yield curve control.

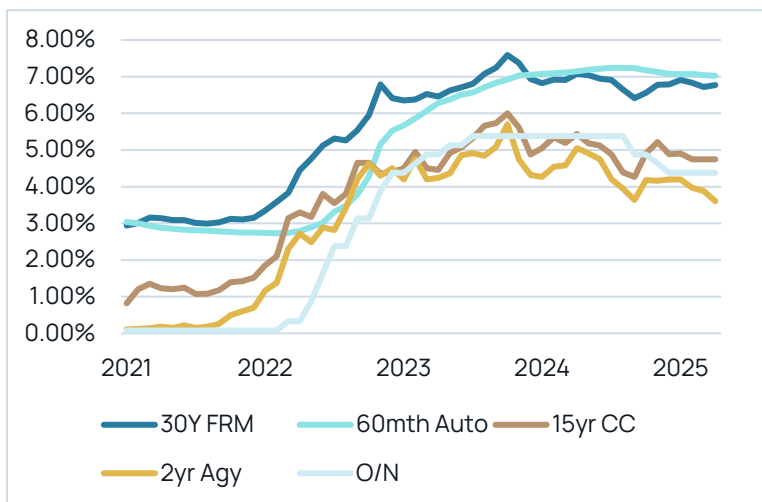
FOR CREDIT UNIONS:

- Cox Automotive reported the average transaction price (ATP) for a new vehicle hit a new all-time high of \$50,326 in December.
- The yield curve continued to steepen with the spread between the 2- and 10-year notes reaching its highest level since early 2022.

Yield Curve



Treasury yields edged higher across most of the curve last month, reflecting improving risk sentiment, resilient economic data and shifting market expectations for future rate cuts. Generally speaking, the curve rose between 2 and 8 basis points during the month, with only the 1-month bill declining 2 basis points. Short-term yields remained nearly unchanged for the month, while the mid-and long-ends on the curve edged upwards and investors priced in few near-term rate cuts.



RELATIVE VALUE OF ASSETS AND FUNDING:

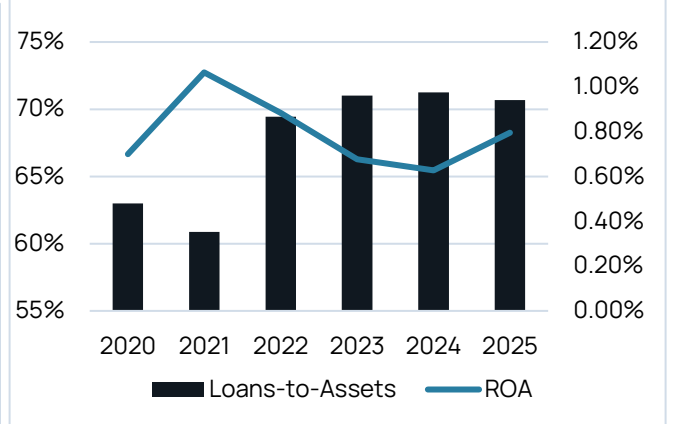
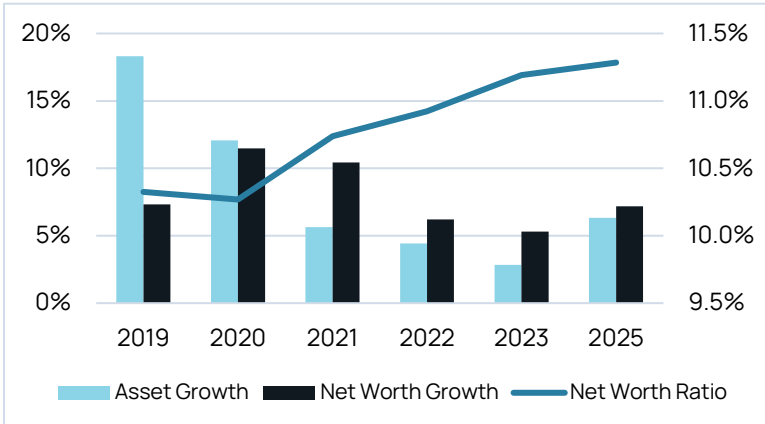
- The difference between loan and investment yields rose 1 bp to 2.58%.
- The spread between a 60-month auto loan and a 15-year MBS rose to 240 bps.
- CD rates stayed near their previous levels, with just a one or two basis point difference from the previous month.

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NCUA - DECEMBER 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%	6.32%
Total Loans	5.44%	8.24%	20.49%	6.72%	3.16%	5.43%
Total Shares	20.89%	13.03%	3.84%	2.05%	4.72%	6.39%
Net Worth	7.33%	11.48%	10.44%	6.20%	5.32%	7.18%
CAPITAL ADEQUACY						
Net Worth Ratio	10.32%	10.27%	10.74%	10.92%	11.19%	11.28%
Equity Capital Ratio	10.34%	9.99%	8.77%	9.11%	9.66%	10.36%
Capital Ratio	11.04%	10.52%	9.31%	10.02%	10.60%	11.31%
BALANCE SHEET COMPOSITION						
Loans/Assets	62.99%	60.88%	69.45%	71.02%	71.25%	70.69%
Vehicle Loans/Net Loans	33.04%	32.50%	32.49%	31.49%	29.67%	28.27%
RE Loans/Net Loans	52.25%	52.80%	44.21%	44.83%	46.19%	47.44%
1st Mtg Loans/Net Loans	44.90%	45.97%	39.20%	39.20%	39.77%	40.15%
Commercial Loans/Net Loans	8.29%	9.07%	9.38%	10.01%	10.80%	11.47%
LIQUIDITY POSITION						
Cash & Short-Term Invs/Assets	18.44%	17.16%	10.17%	11.47%	12.20%	12.43%
Borr. & NM Deposits/Shares & Liab.	3.39%	2.97%	6.06%	7.96%	5.85%	4.92%
Net Liquid Assets/Shares & Liab.	30.36%	33.08%	23.82%	21.51%	22.97%	23.49%
Net Long-term Assets/Assets	35.58%	34.77%	39.48%	37.10%	35.74%	35.30%
LOAN QUALITY						
Delinquency Rate	0.62%	0.51%	0.67%	0.85%	0.99%	1.05%
Net Charge-off Rate	0.30%	0.16%	0.22%	0.43%	0.57%	0.55%
EARNINGS						
Investment Yield	1.35%	0.89%	1.63%	3.05%	3.79%	3.76%
Loan Yield	4.71%	4.37%	4.43%	5.25%	5.84%	6.11%
Asset Yield	3.53%	3.02%	3.38%	4.44%	5.06%	5.23%
Cost of Funds	0.70%	0.43%	0.52%	1.42%	1.93%	1.83%
Gross Net Margin	2.83%	2.59%	2.87%	3.02%	3.13%	3.40%
Provision Expense	-0.50%	-0.06%	-0.26%	-0.51%	-0.62%	-0.61%
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%	2.00%
Net Income (Return on Assets)	0.70%	1.06%	0.88%	0.68%	0.63%	0.79%



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PEER STATISTICS

	<\$2M	\$2-10M	\$10-50M	\$50-100M	\$100-500M	\$500M+	Total
Industry Statistics							
Average Asset Size (000s)	\$917	\$5,598	\$26,714	\$73,008	\$231,834	\$2,845,864	\$438,541
Pct of Number of Credit Unions	5.47%	12.85%	26.55%	13.40%	24.52%	17.21%	100.00%
Pct of Industry Assets	0.03%	0.15%	0.74%	2.03%	6.59%	86.65%	100.00%
GROWTH RATES							
Total Assets	-2.11%	-0.20%	2.49%	3.38%	4.85%	6.62%	6.32%
Total Loans	-5.70%	-3.61%	-1.25%	0.64%	3.84%	5.75%	5.43%
Total Shares	-3.55%	-0.58%	1.81%	2.81%	4.44%	6.79%	6.39%
Net Worth	0.96%	0.94%	5.84%	6.11%	6.85%	7.29%	7.18%
CAPITAL ADEQUACY							
Net Worth Ratio	22.03%	18.66%	14.52%	13.59%	11.98%	11.10%	11.28%
Equity Capital Ratio	22.00%	18.54%	14.35%	13.21%	11.24%	10.13%	10.36%
Capital Ratio	23.46%	19.27%	14.85%	13.69%	11.82%	11.14%	11.31%
BALANCE SHEET COMPOSITION							
Loans/Assets	46.09%	50.82%	50.32%	53.86%	63.54%	72.19%	70.69%
Vehicle Loans/Net Loans	62.83%	67.28%	51.78%	43.31%	35.38%	27.04%	28.27%
RE Loans/Net Loans	1.00%	7.24%	29.80%	39.26%	43.83%	48.16%	47.44%
1st Mtg Loans/Net Loans	0.90%	6.08%	25.38%	32.53%	36.42%	40.83%	40.15%
Commercial Loans/Net Loans	0.43%	0.71%	1.21%	3.29%	8.60%	12.00%	11.47%
LIQUIDITY POSITION							
Cash & Short-Term Invs/Assets	45.96%	35.10%	27.74%	22.71%	16.23%	11.52%	12.43%
Borr. & NM Deposits/Shares & Liab.	2.98%	1.84%	1.08%	1.41%	2.67%	5.31%	4.92%
Net Liquid Assets/Shares & Liab.	61.47%	52.11%	45.79%	43.68%	33.03%	21.66%	23.49%
Net Long-term Assets/Assets	3.42%	7.89%	20.40%	27.27%	33.07%	35.98%	35.30%
LOAN QUALITY							
Delinquency Rate	4.17%	1.99%	1.32%	1.26%	1.22%	1.66%	1.60%
Net Charge-off Rate	3.75%	1.65%	1.09%	1.00%	0.90%	1.07%	1.05%
	0.42%	0.34%	0.23%	0.26%	0.32%	0.59%	0.55%
EARNINGS							
Investment Yield	2.69%	3.26%	3.44%	3.42%	3.48%	3.83%	3.76%
Loan Yield	7.56%	6.99%	6.38%	6.24%	6.16%	6.10%	6.11%
Asset Yield	5.14%	5.13%	4.81%	4.77%	4.96%	5.28%	5.23%
Cost of Funds	0.75%	0.96%	0.93%	1.04%	1.34%	1.91%	1.83%
Gross Net Margin	4.39%	4.17%	3.88%	3.72%	3.62%	3.36%	3.40%
Provision Expense	-0.48%	-0.34%	-0.25%	-0.28%	-0.37%	-0.65%	-0.61%
Net Interest Margin	3.91%	3.83%	3.63%	3.44%	3.25%	2.72%	2.80%
Net Operating Expense	3.63%	3.55%	2.80%	2.66%	2.49%	1.92%	2.00%
Net Income (Return on Assets)	0.28%	0.28%	0.83%	0.78%	0.76%	0.80%	0.79%
EFFICIENCY METRICS							
Avg Loan Balance	\$5,839	\$9,192	\$4,348	\$6,873	\$11,429	\$22,252	\$19,290
Avg Share Per Member	\$2,421	\$5,189	\$9,311	\$11,114	\$13,006	\$14,726	\$14,308
Avg Compensation per FTE	\$21,702	\$51,416	\$74,611	\$80,762	\$87,468	\$116,892	\$110,751
Comp & Benefits-to-Total Assets	2.38%	2.18%	1.74%	1.74%	1.85%	1.61%	1.64%
Pct of Total Operating Expense	65.17%	68.48%	68.79%	70.33%	72.64%	74.73%	74.30%
Office Occ & Ops-to-Total Assets	0.25%	0.17%	0.21%	0.23%	0.23%	0.17%	0.18%
Pct of Total Operating Expense	16.27%	14.57%	21.08%	23.94%	24.80%	23.85%	23.91%

ECONOMIC CALENDAR (SUBJECT TO AVAILABILITY)

FEBRUARY 2026

Monday	Tuesday	Wednesday	Thursday	Friday
2 ISM Manufacturing	3 Wards Total Vehicle Sales	4 ISM Services	Challenger Job Cuts Jobless claims JOLTs Job Openings (delayed)	6
9 NY Fed 1-yr Inf. Expectations	10 Retail Sales	11 Non-Farm Payrolls (delayed)	12 Jobless claims Existing home sales	13 Real weekly/hourly earnings CPI
16 	17	18 Nov/Dec Housing Starts (delayed) FOMC Meeting Minutes	19 Jobless claims Export/imports	20 Personal income/spending CORE PCE Q4 GDP New home sales
23 Cap/durable goods	24 Case-Shiller HPI	25	26 Jobless claims	27 PPI

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