

Market Overview & Data Report



NOVEMBER 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)	Aug	22	77	2,232
Private Payrolls (000s)	Aug	38	83	1,792
Unemployment Rate	Aug	4.3%	4.2%	4.1%
Avg Hourly Earnings (Y/Y)	Aug	3.7%	3.9%	3.9%
INFLATION				
Wholesale (Y/Y)	Aug	2.6%	3.1%	3.3%
Consumer (Y/Y)	Sep	3.0%	2.9%	2.9%
PCE Core (Y/Y)	Aug	2.9%	2.9%	2.8%
INCOME & SPENDING				
Retail Sales	Aug	0.6%	0.6%	3.8%
Personal Income	Aug	0.4%	0.4%	2.4%
Personal Spending	Aug	0.6%	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 Oct-25	Last Mth Sep-25	12 Mth Ago Oct-24
MONEY MARKETS			
Effective Fed Funds	3.86%	4.09%	4.83%
Prime Rate	7.00%	7.25%	8.00%
3-month SOFR	4.30%	4.35%	5.09%
2-year UST	3.57%	3.63%	4.17%
10-year UST	4.07%	4.15%	4.28%
NATIONAL CU LOAN RATES			
CU 48-mth Auto	6.76%	6.80%	7.06%
CU 60-mth Auto	6.85%	6.90%	7.17%
CU 15-year Mtg	5.76%	5.82%	6.01%
CU 30-year Mtg	6.37%	6.49%	6.61%
EQUITY MARKETS			
Dow Jones Industrial Average	47562.87	46397.89	41,763.5
NASDAQ Composite	23724.96	22660.01	18,095.2
S&P 500	6840.2	6688.46	5,705.5
OTHER COMMODITIES			
CRB Index	302.54	300.6	279.9
Crude Oil	60.98	62.37	66.7

Source: Bloomberg; S&P Global Market Intelligence

KEY ECONOMIC AND MARKET INDICATORS

For the second consecutive meeting, the FOMC cut their benchmark rate which now has a target range of 3.75% to 4.00%. Markets had eagerly anticipated the reduction, but Fed Chair Jerome Powell poured cold water on expectations for an additional cut in December, adding “A further reduction in the policy rate at the December meeting is not a foregone conclusion, far from it.” Markets reacted by dropping from a 95% probability for a December cut prior to the meeting, to about 65% the same afternoon.

Powell also noted the Fed would stop shrinking its portfolio of assets beginning December 1, ending the quantitative tightening process that began in 2022. The Fed plans to stop unwinding its Treasury holdings at the current pace of \$5 billion per month but will continue to run off its MBS portfolio by \$35 billion per month. The plan is to reinvest those proceeds into short-term Treasuries to maintain the current balance sheet size. Powell cited recent tightening in money market liquidity conditions as a sign it was time to end the three-year program. Some call it de facto quantitative easing, but the FOMC would dispute that.

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Equity markets continued their rally in October on strong corporate earnings and optimism about future rate cuts. The S&P rose 3%, NASDAQ gained 4.7%, and the DOW rose 2.6%, each reaching new all-time highs over the course of the month. Gold rose over \$4,000 per ounce for the first time ever as investors diversified away from currency-based assets.

The government shutdown entered its fifth week, with neither side budging after this week's pivotal election day and no end is in sight. As a result, October's inflation and employment data were not released, marking an unprecedented gap in the Bureau of Labor Statistics reporting. While CORE PCE was not available for the second month in a row, CPI rose 0.3% month over month in September while core CPI rose 0.2%, the smallest in three months. Conversely, year over year CPI and core CPI were each reported at 3%, well-above the FOMC's 2% inflation target. The White House released a statement that the government funding lapse has prevented surveyors from deploying to the field and we may not get a CPI figure for October.

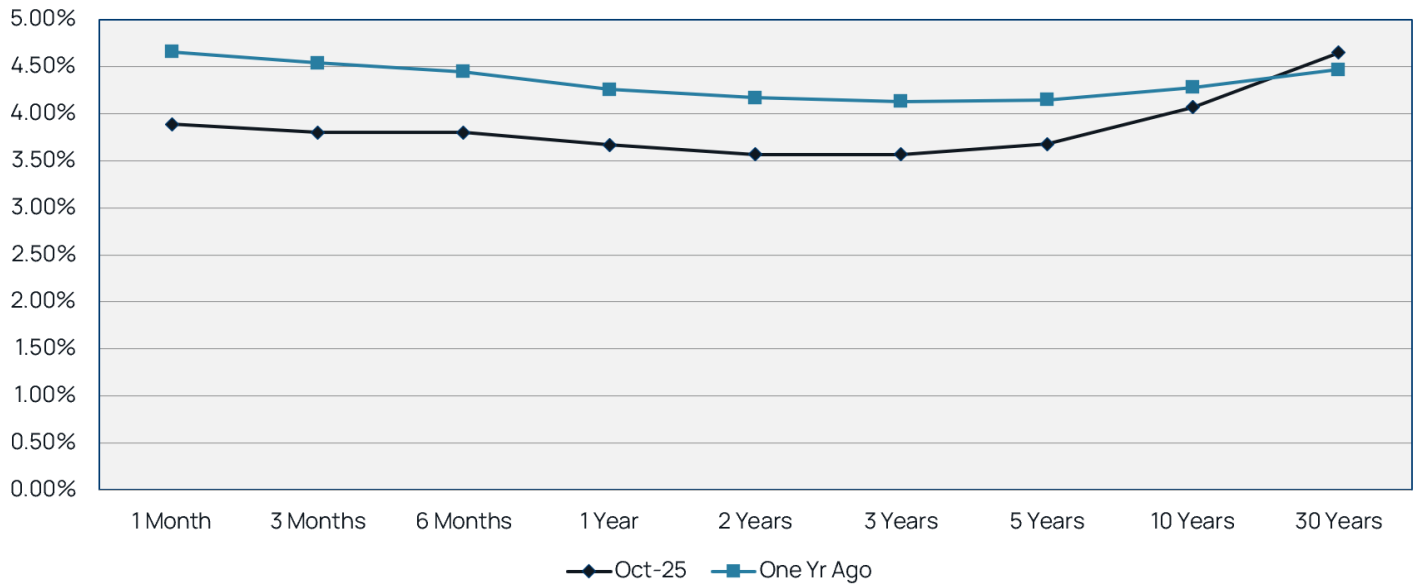
In the absence of government data, private firms have attempted to fill the gap. Early in the month, the Carlyle Group attempted to re-create the non-farm payrolls report for September which had anticipated 54,000 new jobs, but their conclusion was that only 17,000 new jobs were created that month. ADP reported 42,000 new jobs created in October, but the gains were almost entirely concentrated at large companies while smaller businesses saw higher attrition rates. The Challenger Job Cuts report left much to be desired after reporting "...the highest total for October in over 20 years, and the highest total for a single month since 2008. Like in 2003, a disruptive technology is changing the landscape." The report cited "...A.I. adoption, softening consumer and corporate spending and rising costs," as the key factors putting companies under pressure.

Warning lights continue to flicker in overnight accounts as SOFT rates remain above the Fed's Interest on Reserve Balances (IORB) by about 15 bps and the spread has continued to widen since the middle of September. The combination of news regarding souring loan portfolios at mid-sized banks, the failures of First Brands Group, Tricolor Holdings, Primalend and bank reserves falling from "abundant" to "ample," has put markets on edge, but the issue remains under control. The rise in overnight rates, combined with record usage of the Fed's Standing Repo Facility and low reserves in the Fed's Reverse Repo Facility are all indicative of a system running out of room to run.

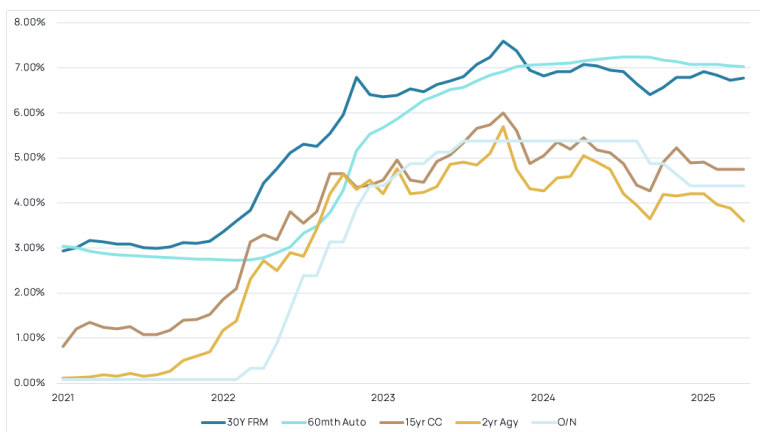
FOR CREDIT UNIONS:

- Texas subprime auto lender Primalend filed for bankruptcy in October after months of negotiations with creditors.
- According to a report from Fitch, 6.43% of subprime auto borrowers are at least 60 days late on their car loans, a rate that has doubled since 2021.
- Cox Automotive showed the default rate for subprime borrowers was near 10% in September.
- The New York Fed's Quarterly Report on Household Debt shows 4.5% of all outstanding debt and 14.4% of student loan debt is in some phase of delinquency.

Yield Curve



Treasury yields had another volatile month driven by shifting expectations for Fed rate cuts, the government shutdown and evolving macroeconomic sentiment. The 10-year note started the month at 4.12% and reached a year-low of 3.97% on October 22, only for rates to surge in the wake of Powell’s hawkish Fed comments to close the month at 4.08%. The two-year note stayed in a more reasonable range in reaction to the rate cut and hawkish commentary, reflecting a slight steepening of the curve over the course of the month. Interest rate futures shifted dramatically over the course of the month from a 95% probability for a December rate cut the morning of the Fed meeting to under 70% that same afternoon and have remained near that level since.



RELATIVE VALUE OF ASSETS AND FUNDING:

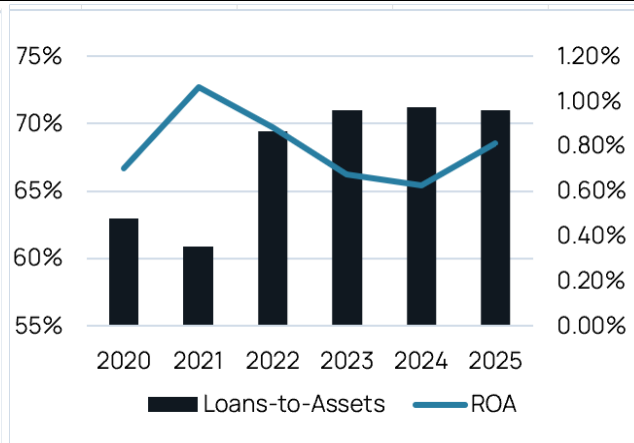
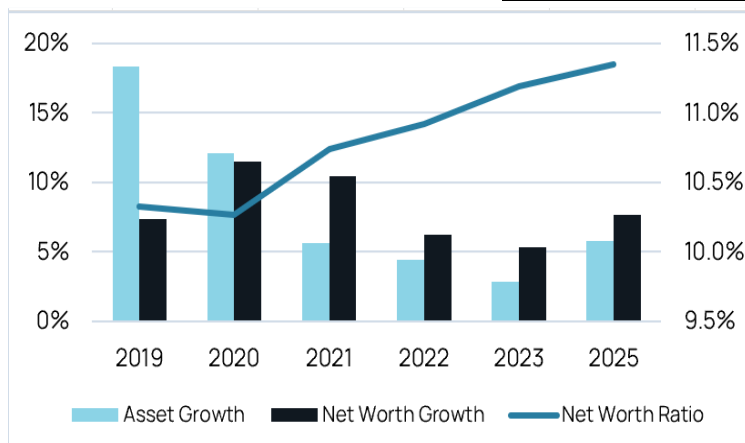
- The difference between loan and investment yields rose by 5 bps to 2.56% as Treasury yields fell faster than loans repriced.
- The spread between a 60-month auto loan and a 15-year MBS rose to 227 bps.
- CD rates stayed near their previous levels, with just a one or two basis point difference from 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%



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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%

ECONOMIC CALENDAR (SUBJECT TO AVAILABILITY)

NOVEMBER 2025

Monday	Tuesday	Wednesday	Thursday	Friday
3 Wards Total Vehicle Sales	4 JOLTs report	5 ADP employment change S&P PMI	6 Challenger Job Cuts Jobless claims	7 Nonfarm payrolls Consumer credit
10	11 	12	13 Jobless claims CPI	14 Retail sales PPI
17	18 Import/Export prices	19 Housing starts Building permits FOMC meeting minutes	20 Jobless claims Existing home sales	21 S&P PMI Univ. of Mich. Survey
24	25 Case-Shiller Home Price Index	26 Jobless claims Q3 GDP New home sales Personal spending CORE PCE	27 	28

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