

Market Overview & Data Report



MAY 2026

KEY ECONOMIC INDICATORS	Latest Report	Current Report	Previous Report	2025
ECONOMIC GROWTH				
GDP	Q1	2.0%	0.7%	2.8%
EMPLOYMENT				
Non-farm Payrolls (000s)	Apr	115	185	2,232
Private Payrolls (000s)	Apr	123	190	1,792
Unemployment Rate	Apr	4.3%	4.3%	4.1%
Avg Hourly Earnings (Y/Y)	Apr	3.6%	3.5%	3.9%
INFLATION				
Wholesale (Y/Y)	Mar	4.0%	3.4%	3.3%
Consumer (Y/Y)	Mar	3.3%	2.4%	2.9%
PCE Core (Y/Y)	Mar	3.2%	3.1%	2.8%
INCOME & SPENDING				
Retail Sales	Mar	1.7%	0.6%	3.8%
Personal Income	Mar	0.6%	-1.0%	2.4%
Personal Spending	Mar	0.9%	0.5%	3.1%
AUTO & HOUSING				
Total Auto Sales (MM)	Apr	15.92	16.34	16.80
New/Existing Home Sales (M/M)	Mar	7.4%	8.9%	4.2%
S&P/Case Shiller HPI (Y/Y)	Feb	90.0%	1.2%	3.9%

Sources:

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

KEY MARKET INDICATORS	Mth End Mar-26	Mth End Feb-26	12 Mth Ago Mar-25
MONEY MARKETS			
Effective Fed Funds	3.64%	3.64%	4.33%
Prime Rate	6.75%	6.75%	7.50%
3-month SOFR	3.66%	3.67%	4.35%
2-year UST	3.70%	3.79%	3.85%
10-year UST	4.37%	4.31%	4.36%
NATIONAL CU LOAN RATES			
CU 48-mth Auto	6.42%	6.45%	6.92%
CU 60-mth Auto	6.50%	6.54%	7.02%
CU 15-year Mtg	5.78%	5.77%	6.12%
CU 30-year Mtg	6.34%	6.33%	6.77%
EQUITY MARKETS			
Dow Jones Industrial Average	49652.14	46341.51	40,669.4
NASDAQ Composite	24892.31	21590.63	17,446.3
S&P 500	7209.12	6528.52	5,569.8
OTHER COMMODITIES			
CRB Index	395.11	372.02	288.8
Crude Oil	105.07	101.88	57.3

Source: Bloomberg; S&P Global Market Intelligence

KEY ECONOMIC AND MARKET INDICATORS

The U.S. added 115,000 jobs in April, blowing away consensus estimates for a 65,000 increase. This proves that the labor market is still strong despite slower hiring. The unemployment rate held steady at 4.3%. The most striking development in April was the collapse in jobless claims to as low as 189,000, the lowest level since 1969.

Inflation surged in April, driven primarily by the Iran war's impact on energy prices. Baseline PCE rose 3.5% YoY (the highest level since 2023) and 0.7% MoM, the largest monthly gain since June 2022. CORE PCE rose 3.2% YoY and 0.3% MoM. CPI rose 3.4% YoY and 0.9% MoM, while CORE CPI rose 2.7% YoY and 0.2% MoM. The elevated inflation readings, well above the FOMC's 2% target, strengthened the case for sustained interest rate pauses and potential rate hikes among hawkish policymakers.

The Commerce Department reported that Q1 GDP rose at a 2% annualized rate. Growth picked up from Q4, which had been dented by a government shutdown, as businesses invested heavily in AI. However, the economy didn't expand as fast as economists expected, weighed down by softer consumer spending.

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The second month of the war with Iran remained the primary driver for markets in April. The month concluded with significant uncertainty about the path forward for monetary policy and the economy. The Federal Reserve's deep internal divisions, combined with persistent inflation pressures from the Middle East conflict and resilient but slowing growth, created a complex environment for policymakers. As Kevin Warsh prepares to take over as Fed Chair in mid-May, he inherits a central bank facing difficult tradeoffs between supporting economic growth and containing inflation, all while navigating unprecedented political pressures.

The Federal Reserve held interest rates unchanged in the 3.50% to 3.75% range, but the decision revealed the most significant internal division in decades. Four officials voted against the decision at Jerome Powell's last meeting as Fed Chair, marking the highest number of dissents since 1992. The Fed's statement noted risks to both jobs and inflation from the Iran war, as oil prices remained volatile throughout the month. Powell noted that the economy was "powering through shock after shock" and that people were still spending, though the Fed didn't yet see much slowdown from a rise in gas prices. As of this writing, interest rate futures aren't showing any more than a 13% probability for a rate move in either direction through July 2027.

In a departure from precedent, Powell announced he would remain as a governor on the Federal Reserve Board through 2028. Powell cited concerns about the Trump administration's legal attacks against the institution, saying he's worried "these attacks are battering" the Fed's independence. Treasury Secretary Scott Bessent called it "highly unusual" and a "violation of all Federal Reserve norms." White House National Economic Council Director Kevin Hassett suggested the move by Powell could affect rate cuts.

The International Monetary Fund (IMF) warned that the scale of debt issuance by the U.S. is undermining the premium normally commanded for the safest debt on the planet. The IMF's Fiscal Monitor report noted, "The increase in the U.S. Treasury security supply is compressing the safety premium that U.S. Treasuries have traditionally commanded – an erosion that pushed up borrowing costs globally." The report noted a diminishing spread gap between AAA-rated corporate debt at Treasuries as a sign of reduced appeal for U.S. debt. The IMF also cited the concentration in short-term debt issuance as a potential problem, adding "When debt is concentrated at shorter maturities, governments must refinance more frequently, increasing their exposure to abrupt shifts in market conditions or investor sentiment."

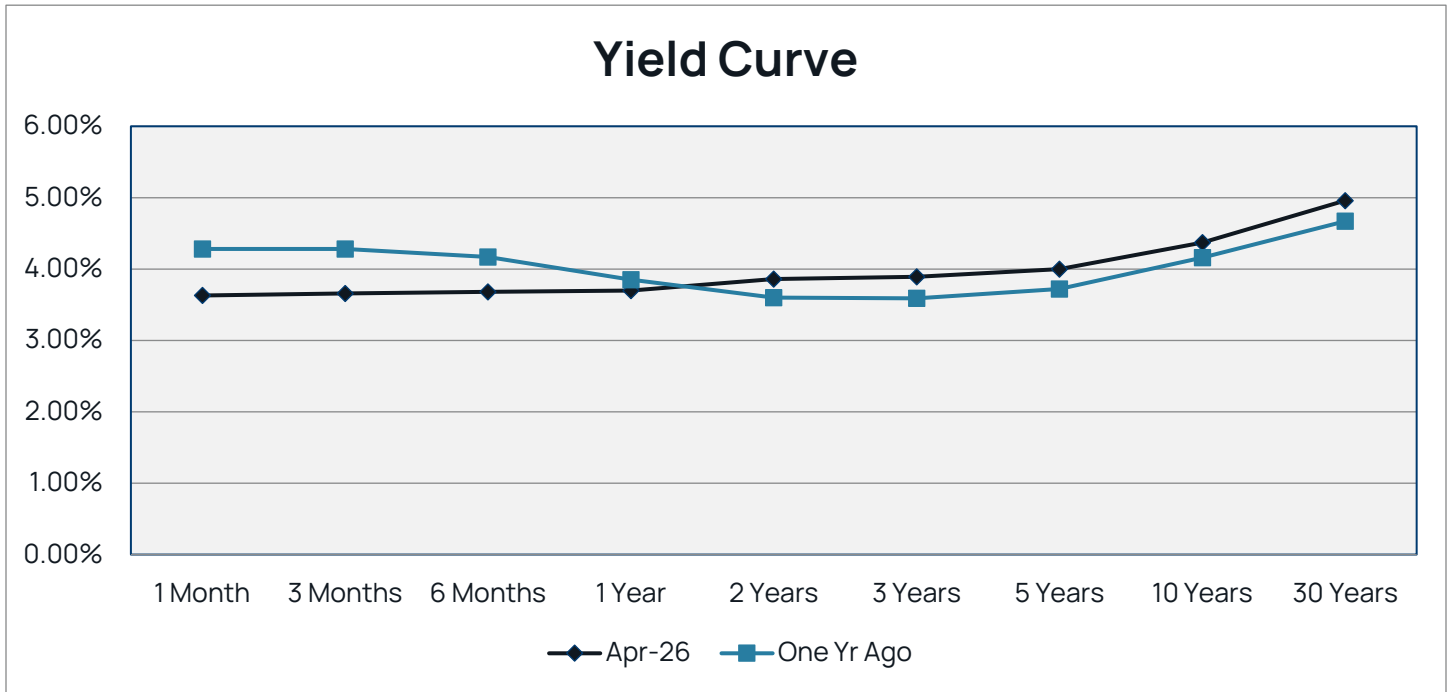
The world's top oil traders from the Guvnor Group asserted that the destruction of oil demand from the war in Iran will get worse. This means the brunt of the bad times may still be ahead of us if progress on a deal isn't made. The group estimates the war has removed about four million barrels a day of demand and is expected to grow if the situation persists. Guvnor's global head of research and analysis, Frederic Lasserre, commented, "If you don't get any reopening in three months' time, then the case becomes a macro issue where the world is about to fall into a recession. And then you have massive demand adjustment." In other words, the reduced oil supply has in turn reduced petrochemical demand, which could have prolonged consequences if a resolution to the war is not reached.

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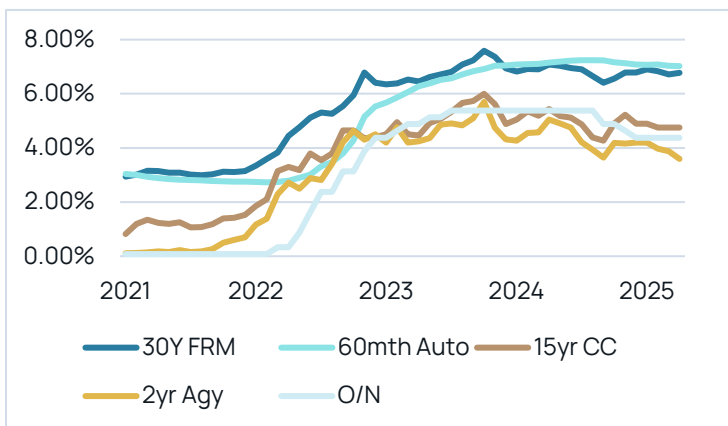


FOR CREDIT UNIONS:

According to recent data from JPMorgan Chase, bonds tied to prime auto loans are weakening, with risk premiums climbing to their highest level in about a year for securities with a BBB rating. The report notes 0.42% of prime auto loans were delinquent at the end of February, the highest level since 2017, according to Fitch ratings. For subprime borrowers, about 6.8% of loans are delinquent, near a record high. Most of the delinquencies are reported from 2022 and 2023 vintages, before banks began tightening lending standards in the wake of COVID.



Treasury yields exhibited notable volatility throughout April, driven by conflicting signals from monetary policy and geopolitical tensions. The 10-yr yield rose from 4.32% to 4.37% for the month, while the 2-year note rose from 3.81% to 3.88%. Yields spiked at the end of the FOMC meeting on April 29 where four officials voted against maintaining the easing bias.



RELATIVE VALUE OF ASSETS AND FUNDING:

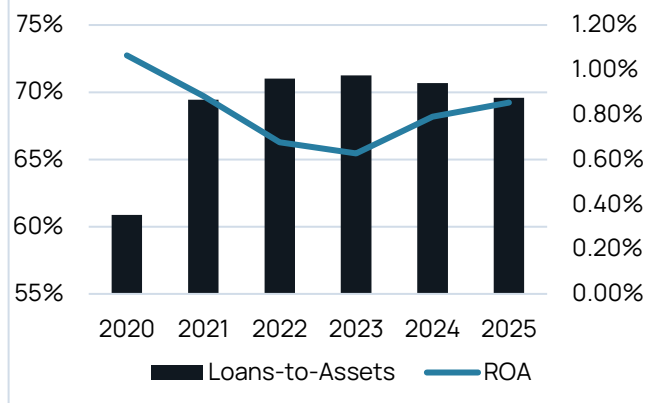
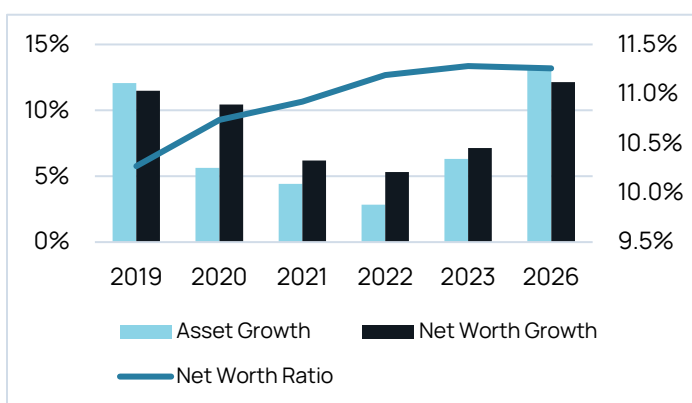
- The difference between loan and investment yields rose 2 bps to 2.29%.
- The spread between a 60-month auto loan and a 15-year MBS fell to 194 bps.

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NCUA - MARCH 2026

KEY CREDIT UNION DATA	2021	2022	2023	2024	2025	2026
GROWTH RATES						
Total Assets	12.07%	5.63%	4.42%	2.84%	6.32%	13.10%
Total Loans	8.24%	20.49%	6.72%	3.16%	5.42%	6.89%
Total Shares	13.03%	3.84%	2.05%	4.72%	6.39%	14.95%
Net Worth	11.48%	10.44%	6.20%	5.32%	7.15%	12.14%
CAPITAL ADEQUACY						
Net Worth Ratio	10.27%	10.74%	10.92%	11.19%	11.28%	11.26%
Equity Capital Ratio	9.99%	8.77%	9.11%	9.66%	10.36%	10.33%
Capital Ratio	10.52%	9.31%	10.02%	10.60%	11.31%	11.25%
BALANCE SHEET COMPOSITION						
Loans/Assets	60.88%	69.45%	71.02%	71.25%	70.69%	69.58%
Vehicle Loans/Net Loans	32.50%	32.49%	31.49%	29.67%	28.28%	28.10%
RE Loans/Net Loans	52.80%	44.21%	44.83%	46.19%	47.44%	47.78%
1st Mtg Loans/Net Loans	45.97%	39.20%	39.20%	39.75%	40.14%	40.32%
Commercial Loans/Net Loans	9.07%	9.38%	10.01%	10.80%	11.47%	11.61%
LIQUIDITY POSITION						
Cash & Short-Term Invs/Assets	17.16%	10.17%	11.47%	12.20%	12.44%	13.06%
Borr. & NM Deposits/Shares & Liab.	2.97%	6.06%	7.96%	5.85%	4.92%	4.45%
Net Liquid Assets/Shares & Liab.	33.08%	23.82%	21.51%	22.98%	23.49%	25.09%
Net Long-term Assets/Assets	34.77%	39.47%	37.08%	35.71%	35.16%	35.11%
LOAN QUALITY						
Delinquency Rate	0.51%	0.67%	0.85%	0.99%	1.05%	0.85%
Net Charge-off Rate	0.16%	0.22%	0.43%	0.57%	0.55%	0.57%
EARNINGS						
Investment Yield	0.89%	1.63%	3.05%	3.79%	3.76%	3.55%
Loan Yield	4.37%	4.43%	5.25%	5.84%	6.11%	6.15%
Asset Yield	3.02%	3.38%	4.44%	5.06%	5.23%	5.18%
Cost of Funds	0.43%	0.52%	1.42%	1.93%	1.83%	1.71%
Gross Net Margin	2.59%	2.87%	3.02%	3.13%	3.40%	3.47%
Provision Expense	-0.06%	-0.26%	-0.51%	-0.62%	-0.61%	-0.52%
Net Interest Margin	2.53%	2.61%	2.51%	2.50%	2.80%	2.95%
Net Operating Expense	1.47%	1.73%	1.83%	1.88%	2.01%	2.10%
Net Income (Return on Assets)	1.06%	0.88%	0.68%	0.63%	0.79%	0.85%



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PEER STATISTICS

	<\$2M	\$2-10M	\$10-50M	\$50-100M	\$100-500M	\$500M+	Total
Industry Statistics							
Average Asset Size (000s)	\$903	\$5,626	\$26,761	\$72,503	\$231,631	\$2,881,313	\$467,736
Pct of Number of Credit Unions	5.44%	12.75%	26.34%	13.28%	24.70%	17.48%	100.00%
Pct of Industry Assets	0.03%	0.15%	0.73%	1.98%	6.47%	86.03%	100.00%
GROWTH RATES							
Total Assets	-13.66%	4.90%	7.61%	7.50%	8.68%	13.81%	13.10%
Total Loans	-31.19%	-8.65%	-5.12%	-3.36%	0.61%	7.82%	6.89%
Total Shares	-12.75%	5.98%	8.56%	8.04%	9.57%	15.82%	14.95%
Net Worth	-18.25%	0.51%	4.49%	5.06%	6.28%	13.21%	12.14%
CAPITAL ADEQUACY							
Net Worth Ratio	20.84%	18.73%	14.44%	13.63%	11.92%	11.08%	11.26%
Equity Capital Ratio	20.82%	18.65%	14.26%	13.25%	11.19%	10.10%	10.33%
Capital Ratio	22.24%	19.36%	14.76%	13.72%	11.76%	11.08%	11.25%
BALANCE SHEET COMPOSITION							
Loans/Assets	44.14%	48.74%	48.73%	52.15%	62.19%	71.08%	69.58%
Vehicle Loans/Net Loans	63.14%	67.61%	51.75%	43.05%	35.44%	26.89%	28.10%
RE Loans/Net Loans	1.02%	6.97%	30.01%	39.85%	43.97%	48.48%	47.78%
1st Mtg Loans/Net Loans	0.97%	5.85%	25.49%	33.16%	36.37%	40.99%	40.32%
Commercial Loans/Net Loans	0.37%	0.72%	1.32%	3.07%	8.59%	12.14%	11.61%
LIQUIDITY POSITION							
Cash & Short-Term Invs/Assets	46.76%	36.94%	29.07%	23.81%	17.32%	12.11%	13.06%
Borr. & NM Deposits/Shares & Liab.	4.17%	1.70%	1.02%	1.27%	2.46%	4.78%	4.45%
Net Liquid Assets/Shares & Liab.	61.90%	55.60%	48.04%	45.39%	34.68%	23.29%	25.09%
Net Long-term Assets/Assets	3.33%	8.11%	20.70%	27.59%	33.28%	35.70%	35.11%
LOAN QUALITY							
Delinquency Rate	4.18%	1.83%	1.19%	1.05%	1.07%	1.47%	1.42%
Net Charge-off Rate	3.46%	1.51%	0.98%	0.82%	0.76%	0.86%	0.85%
	0.72%	0.32%	0.22%	0.23%	0.31%	0.61%	0.57%
EARNINGS							
Investment Yield	2.53%	3.03%	3.21%	3.26%	3.32%	3.61%	3.55%
Loan Yield	7.67%	7.15%	6.44%	6.27%	6.15%	6.15%	6.15%
Asset Yield	4.86%	5.02%	4.67%	4.67%	4.88%	5.24%	5.18%
Cost of Funds	0.64%	0.87%	0.91%	0.99%	1.25%	1.79%	1.71%
Gross Net Margin	4.21%	4.15%	3.76%	3.67%	3.63%	3.45%	3.47%
Provision Expense	-0.88%	-0.35%	-0.26%	-0.26%	-0.32%	-0.56%	-0.52%
Net Interest Margin	3.33%	3.81%	3.50%	3.42%	3.31%	2.89%	2.95%
Net Operating Expense	4.99%	3.56%	2.86%	2.74%	2.58%	2.02%	2.10%
Net Income (Return on Assets)	-1.66%	0.24%	0.64%	0.68%	0.74%	0.87%	0.85%
EFFICIENCY METRICS							
Avg Loan Balance	\$5,759	\$9,124	\$4,093	\$7,247	\$11,238	\$22,434	\$19,442
Avg Share Per Member	\$2,396	\$5,305	\$8,750	\$11,263	\$13,276	\$15,014	\$14,577
Avg Compensation per FTE	\$26,054	\$53,297	\$74,786	\$83,318	\$91,049	\$119,378	\$113,485
Comp & Benefits-to-Total Assets	2.20%	2.12%	1.72%	1.75%	1.86%	1.65%	1.67%
Pct of Total Operating Expense	49.97%	69.27%	68.42%	70.50%	72.91%	75.11%	74.67%
Office Occ & Ops-to-Total Assets	0.26%	0.18%	0.22%	0.24%	0.24%	0.17%	0.18%
Pct of Total Operating Expense	10.66%	16.42%	21.44%	24.75%	25.66%	24.14%	24.28%

ECONOMIC CALENDAR (SUBJECT TO AVAILABILITY)

MAY 2026

Monday	Tuesday	Wednesday	Thursday	Friday
				1 Wards Total Vehicle Sales
4	5 New Home Sales JOLTS Job Openings	6	7 Challenger Job Cuts Jobless Claims	8 Nonfarm Payrolls
11 Existing Home Sales	12 CPI	13 PPI	14 Jobless Claims Retail Sales	15
18	19 Pending Home Sales	20 FOMC Meeting Minutes	21 Jobless Claims Housing Starts	22
25	26 Case Schililer HPI	27	28 Jobless Claims CORE PCE Personal Spending/Income Q1 GDP (1 st rev.)	29

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