



1



2

2026 Quarterly Insights & Outlooks

The webinars will address key areas of concern for credit unions relative to the current and future state of the economy.

Panelists will offer ideas and concepts to consider, including strategies and perspectives.

Scheduled to occur after the Fed's meetings.

Register for **Q2 Insights & Outlooks** set for **May 7 at 1 p.m. CT.**



SEPTEMBER 22-24, 2026

LOST PINES RESORT

AUSTIN, TX



Steven Houle, CFA, FRM
VP Asset Management,
Chief Compliance Officer

5



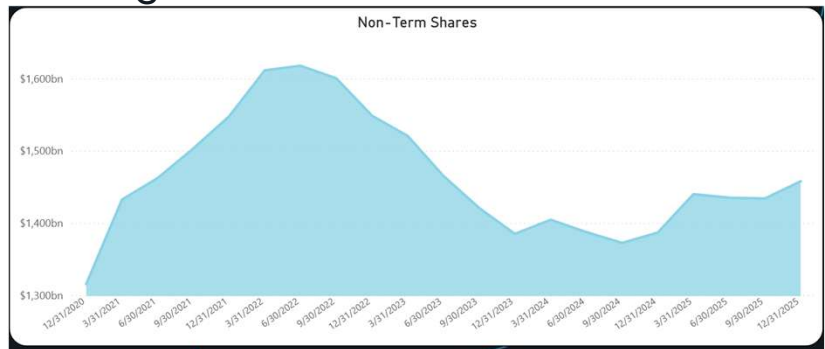
Aaron Martini, CTP
Director of ALM Services

6

Jonathan Jackson Manager Brokerage Services

7

Funding Mix



Non-Term Shares
 \$1.458 Tril YE 2025
 \$1.387 Tril YE 2024
 Up 5.12%



Certificates
 \$601 Bil YE 2025
 \$566 Bil YE 2024
 Up 6.23%
 Post covid bottom \$242 June 30, 2022

8

Growth & Balance Sheet Composition

	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
GROWTH RATES:							
Total Assets	4.18%	3.82%	2.84%	10.95%	6.71%	5.79%	6.32%
Total Loans	2.32%	2.81%	3.16%	2.57%	4.83%	5.19%	5.43%
Total Shares	5.37%	4.35%	4.72%	13.07%	6.90%	5.62%	6.39%
Net Worth	6.55%	6.65%	5.32%	6.51%	7.11%	7.70%	7.17%

Share Growth

Up in Q4 after retreating in Q2 and Q3

BALANCE SHEET COMPOSITION:							
Loans/Assets	70.38%	70.49%	71.25%	69.80%	70.62%	70.97%	70.70%
Vehicle Loans/ Net Loans	30.70%	30.20%	29.67%	29.42%	29.14%	28.71%	28.26%
RE Loans/Net Loans	45.47%	45.83%	46.19%	46.45%	46.69%	47.09%	47.47%
1st Mtg Loans/Net Loans	39.48%	39.61%	39.75%	39.82%	39.86%	40.00%	40.17%
Commercial Loans/Net Loans	10.37%	10.54%	10.80%	11.00%	11.13%	11.28%	11.46%

Loan Growth

Advancing every Q

Smaller CUs struggling to lend

	<\$2M	\$2-10M	\$10-50M	\$50-100M	\$100-500M	\$500M+
GROWTH RATES:						
Total Assets	-2.42%	-0.22%	2.51%	3.41%	4.85%	6.62%
Total Loans	-5.89%	-3.65%	-1.24%	0.66%	3.83%	5.75%
Total Shares	-3.98%	-0.61%	1.83%	2.84%	4.45%	6.78%
Net Worth	0.88%	1.01%	5.84%	6.14%	6.85%	7.28%

Loan Mix

Less Autos

More 1st & 2nd RE & Commercial

9

Liquidity & Loan Quality Trends

	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
LIQUIDITY POSITION:							
Cash & Short-Term Invs/Assets	12.75%	12.58%	12.20%	13.42%	12.35%	11.93%	12.42%
Borr. & NM Deposits/Shares & Liab.	7.13%	7.06%	5.85%	5.22%	5.33%	5.22%	4.93%
Net Liquid Assets/Shares & Liab.	22.59%	23.00%	22.98%	24.96%	23.73%	23.32%	23.48%
Net Long Term Assets/Assets	35.44%	35.10%	35.16%	34.47%	34.74%	34.93%	34.74%

Healthy Cash & ST Inv

Borrowings remain low

LOAN QUALITY:							
Delinquency Rate	0.84%	0.92%	0.99%	0.80%	0.91%	0.96%	1.05%
Net Charge-off / Avg. Loans	0.79%	0.78%	0.80%	0.82%	0.79%	0.77%	0.78%

Delinquency rising

Charge-offs hold steady

	<\$2M	\$2-10M	\$10-50M	\$50-100M	\$100-500M	\$500M+
LIQUIDITY POSITION:						
Cash & Short-Term Invs/Assets	45.87%	35.16%	27.77%	22.76%	16.23%	11.52%
Borr. & NM Deposits/Shares & Liab.	2.74%	1.78%	1.07%	1.42%	2.67%	5.31%
Net Liquid Assets/Shares & Liab.	61.78%	51.77%	45.87%	43.81%	32.98%	21.66%
Net Long Term Assets/Assets	3.24%	7.57%	20.17%	26.77%	32.30%	35.43%
LOAN QUALITY:						
Delinquency Rate	3.75%	1.62%	1.08%	1.00%	0.90%	1.06%
Net Charge-off / Avg. Loans	0.89%	0.67%	0.46%	0.47%	0.50%	0.82%

Small CUs have abundant cash

10

Earnings

	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
EARNINGS:							
Investment Yield	3.72%	3.74%	3.79%	3.50%	3.73%	3.79%	3.76%
Loan Yield	5.70%	5.79%	5.84%	5.98%	6.02%	6.08%	6.11%
Asset Yield	4.93%	5.00%	5.06%	5.07%	5.16%	5.22%	5.23%
Cost of Funds	1.88%	1.91%	1.93%	1.83%	1.84%	1.84%	1.83%
Gross Margin	3.06%	3.09%	3.13%	3.24%	3.32%	3.39%	3.40%
Provision Expense	-0.57%	-0.58%	-0.62%	-0.56%	-0.58%	-0.59%	-0.61%
Net Interest Margin	2.49%	2.51%	2.50%	2.68%	2.74%	2.80%	2.80%
Net Operating Expense	1.80%	1.82%	1.88%	2.01%	1.99%	1.98%	2.00%
Net Income (Return on Assets)	0.69%	0.69%	0.63%	0.67%	0.76%	0.81%	0.80%

CUs with Net Losses

Asset Group	# CUs	% by Asset Group
<\$2M	72	14.49%
\$2-10M	142	28.57%
\$10-50M	126	25.35%
\$50-100M	52	10.46%
\$100-500M	71	14.29%
\$500M+	34	6.84%
Total	497	100.00%

	<\$2M	\$2-10M	\$10-50M	\$50-100M	\$100-500M	\$500M+
Investment Yield	2.67%	3.26%	3.45%	3.42%	3.48%	3.83%
Loan Yield	7.56%	6.99%	6.38%	6.24%	6.16%	6.10%
Asset Yield	5.13%	5.13%	4.81%	4.76%	4.96%	5.28%
Cost of Funds	0.74%	0.96%	0.93%	1.04%	1.34%	1.91%
Gross Margin	4.39%	4.17%	3.88%	3.73%	3.62%	3.36%
Provision Expense	-0.48%	-0.35%	-0.25%	-0.28%	-0.37%	-0.65%
Net Interest Margin	3.91%	3.82%	3.63%	3.44%	3.25%	2.72%
Net Operating Expense	3.58%	3.54%	2.80%	2.66%	2.49%	1.92%
Net Income (Return on Assets)	0.33%	0.29%	0.83%	0.79%	0.76%	0.80%

11.5% of all CUs

11

Q & A

12

Drive Value with Catalyst Subordinated Debt

Join Catalyst's subordinated debt experts for a timely discussion on how **your credit union** can drive value through both **issuing and investing** in subordinated debt. This session will walk through the end-to-end process, including key structural considerations, regulatory requirements and current market rate indications.

During this session, you'll gain insight into:

- How subordinated debt can support capital flexibility and long-term planning
- Key considerations before beginning the issuance or investment process
- Current market dynamics and rate trends
- Common questions credit unions should be asking early

Drive Value with Catalyst Subordinated Debt

FEBRUARY 26 | 1 PM CT

REGISTER NOW

Mark DeBree, CFA
MANAGING PRINCIPAL
CATALYST

Jonathan Jackson, CFA, FRM
MANAGER OF BROKERAGE SERVICES
CATALYST

1

Thank you!

See you May 7 at 1 p.m. CT for our 2026 Insights & Outlooks!