

Market Overview & Data Report



JUNE 2026

KEY ECONOMIC INDICATORS	Latest Report	Current Report	Previous Report	2025
ECONOMIC GROWTH				
GDP	Q1	1.6%	2.0%	2.8%
EMPLOYMENT				
Non-farm Payrolls (000s)	May	172	179	2,232
Private Payrolls (000s)	May	120	177	1,792
Unemployment Rate	May	4.3%	4.3%	4.1%
Avg Hourly Earnings (Y/Y)	May	3.4%	3.6%	3.9%
INFLATION				
Wholesale (Y/Y)	Apr	6.0%	4.3%	3.3%
Consumer (Y/Y)	Apr	3.8%	3.3%	2.9%
PCE Core (Y/Y)	Apr	3.3%	3.2%	2.8%
INCOME & SPENDING				
Retail Sales	Apr	0.5%	1.7%	3.8%
Personal Income	Apr	0.0%	0.5%	2.4%
Personal Spending	Apr	0.1%	0.3%	3.1%
AUTO & HOUSING				
Total Auto Sales (MM)	May	16.08	15.92	16.80
New/Existing Home Sales (M/M)	Mar	-6.2%	3.4%	4.2%
S&P/Case Shiller HPI (Y/Y)	Mar	0.8%	0.9%	3.9%

Sources:

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

KEY ECONOMIC AND MARKET INDICATORS

The U.S. added 172,000 jobs in May, nearly doubling consensus estimates for an increase of 88,000. The unemployment rate held steady at 4.3% as did the labor force participation rate at 61.8%. The data reinforced a strong labor market and strengthened the case for an FOMC rate hike by the end of the year.

Inflation continued its upward surge, with the FOMC's preferred inflation measure, CORE PCE, rising 0.2% MoM and 3.3% YoY, while Headline PCE rose 0.4% MoM and 3.8% YoY. CPI rose 0.6% MoM and 3.8% YoY, while CORE CPI rose 0.4% MoM and 2.8% YoY. Inflation-adjusted consumer spending rose just 0.1% for April and disposable incomes fell for a third consecutive month. The personal savings rate also fell to a 4-year low, suggesting households are drawing on savings to maintain spending as prices continue to rise.

The Bureau of Economic Analysis released its second estimate of Q1 GDP, revising the initial 2% report to 1.6%, below all consensus estimates. The downward revision reflected weaker personal consumption, which rose just 1.4% in Q1. Several different Fed models have predicted a range of estimates for Q2 GDP growth between 1.05% from the St. Louis Fed and 2.50% from the New York Fed.

KEY MARKET INDICATORS	Mth End May-26	Mth End Apr-26	12 Mth Ago May-25
MONEY MARKETS			
Effective Fed Funds	3.64%	3.64%	4.33%
Prime Rate	6.75%	6.75%	7.50%
3-month SOFR	3.59%	3.64%	4.30%
2-year UST	4.00%	3.86%	3.89%
10-year UST	4.43%	4.37%	4.40%
NATIONAL CU LOAN RATES			
CU 48-mth Auto	6.41%	6.50%	6.90%
CU 60-mth Auto	6.49%	6.59%	6.99%
CU 15-year Mtg	5.85%	5.77%	6.14%
CU 30-year Mtg	6.43%	6.33%	6.83%
EQUITY MARKETS			
Dow Jones Industrial Average	51032.46	49652.14	42,319.7
NASDAQ Composite	26972.62	24892.31	19,298.5
S&P 500	7580.06	7209.01	5,939.3
OTHER COMMODITIES			
CRB Index	380.45	395.11	298.6
Crude Oil	87.36	99.14	60.8

Source: Bloomberg; S&P Global Market Intelligence

Market Overview & Data Report



The Iran war entered its third month in May, driving headlines and volatility. The war's most direct economic effect remained on energy prices – with continued disruptions to traffic through the Strait of Hormuz driving significant volatility in gas prices and input costs. The resulting inflationary shock reverberated through virtually every major data release in May, forcing a fundamental reassessment of the Fed's policy trajectory and darkening the outlook for consumer spending and growth. Against this backdrop, the debate in markets shifted decisively: the question is no longer when the Fed will cut rates, but if it would need to raise them by the end of the year.

Perhaps the most consequential event of May was the release of the April 28-29 FOMC meeting minutes on May 20. The minutes revealed that many participants believed some policy firming would likely become appropriate if inflation continued to run persistently over 2%. Officials also generally judged that the rate pause would extend longer than previously thought. The minutes marked a decisive pivot in the Fed's public posture – from debating the timing of cuts to openly discussing the conditions under which hikes would be warranted.

The minutes also coincided with a leadership transition as Jerome Powell stepped down in May after more than seven years as Fed Chair, with Kevin Warsh taking the helm. Bond markets greeted the Warsh era with bets on a 2026 rate hike, pricing him as likely to prioritize inflation-fighting credibility. Warsh's first Fed meeting begins on June 16 and markets will be keyed in to see what, if any, changes he intends to make at the central bank.

There was no shortage of FOMC member commentary throughout the month, and the range of rate expectations was quite wide. On May 6, St. Louis Fed President Alberto Musalem noted that risks were shifting more towards inflation, noting that "inflation is running meaningfully above our target of 2%." Philadelphia President Anna Paulson favors holding rates steady, arguing that current policy is "mildly restrictive." Minneapolis President Neel Kashkari commented on May 29 that it was "premature" to conclude that rates need to rise, calling for patience as the war with Iran unfolds. New York President John Williams added that monetary policy is "right where we want it to be."

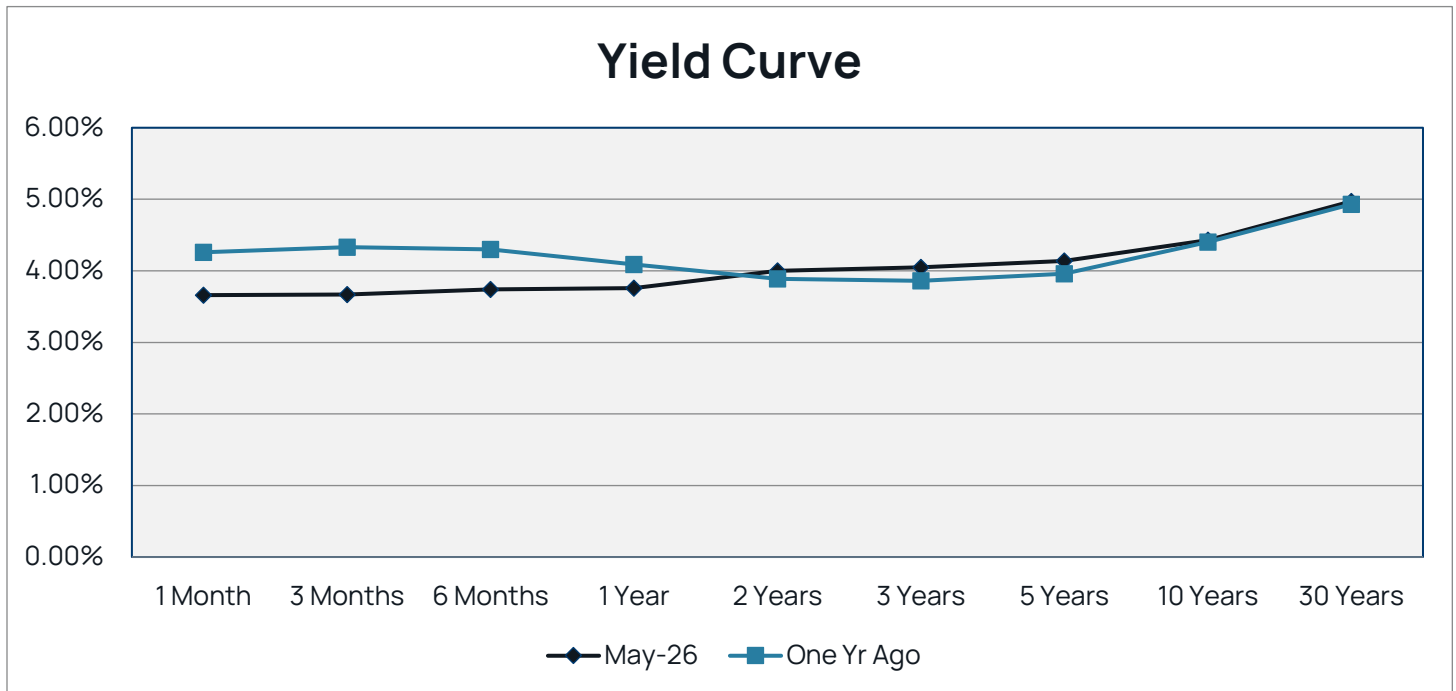
In a report that went largely unnoticed earlier last month, the FHA announced it would be ending its pandemic-era protection for homeowners after four years. Thousands of borrowers now face massive balloon payments, negative equity and soaring tax and insurance costs as the pandemic-era relief options have been exhausted. Foreclosures of FHA-backed loans jumped 28% YoY in the first quarter, with Ron Malik, senior vice president of default operations at Dovenmuehle, a servicer for midsize banks, commenting, "We've reached a period of exhausted loss mitigation, and there's no more to give. Exhausted loss mitigation is a real thing. There's no more relief." Lenders expect foreclosures and short sales to soar over the next six to 18 months

FOR CREDIT UNIONS:

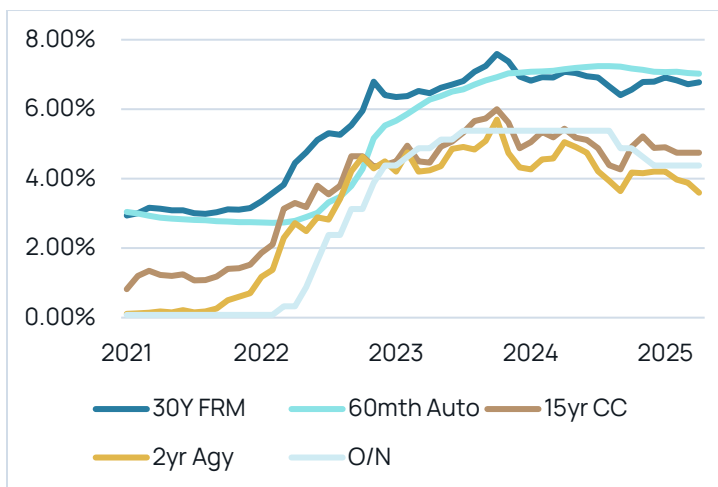
Market Overview & Data Report



According to the National Foundation for Credit Counseling, on a scale of 1 to 10, Americans reported their financial stress at an average of 6.6 for Q1 2026. Their Financial Stress Forecast (FSF) has been rising steadily over the last two years, climbing from 4.7 in 2022 to a peak of 6.8 last year, before slightly easing for Q1. Data cited in the report showed total U.S. household debt rose to \$18.8 trillion in Q1, an \$18 billion increase from the previous quarter, while credit card balances stood at \$1.25 trillion.



Treasury yields surged throughout the month, driven by war-related inflation fears and a hawkish pivot in Fed communications. The 10-year climbed as high as 4.68% intraday on May 20 – its highest since January 2025 – while the 30-year rose as a high as 5.18% on May 19, its highest level since July 2007. The rise was fueled by hotter-than-expected inflation reports and accelerated after the April FOMC meeting minutes revealed a majority of officials believe rate hikes would be warranted if inflation persisted.



RELATIVE VALUE OF ASSETS AND FUNDING:

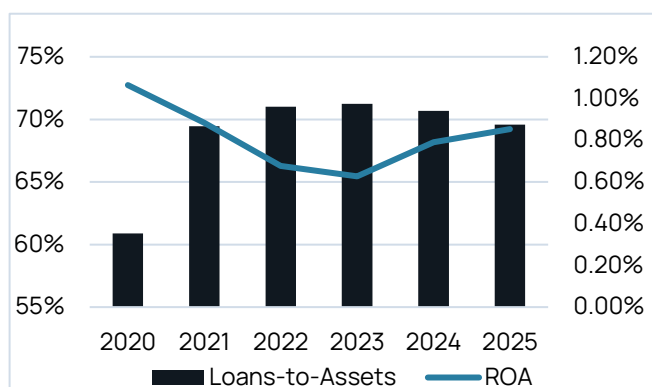
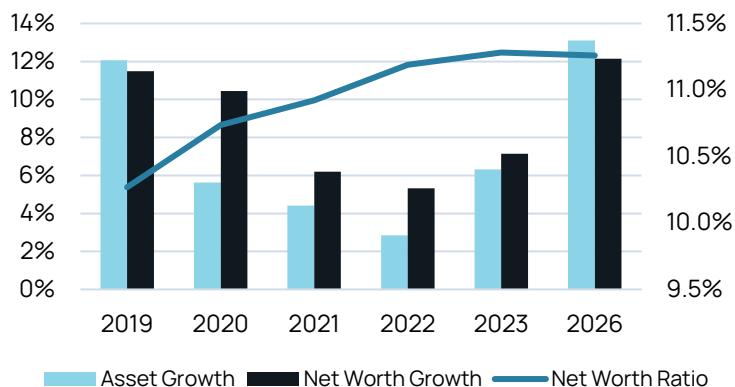
- The difference between loan and investment yields fell 21 bps to 2.08%.
- The spread between a 60-month auto loan and a 15-year MBS fell to 174 bps.

Market Overview & Data Report



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%



Market Overview & Data Report



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)

JUNE 2026

Monday	Tuesday	Wednesday	Thursday	Friday
1	2 JOLTS Job Openings	3	4 Challenger Job Cuts Jobless claims	5 Nonfarm payrolls
8	9 Trade Balance	10 CPI	11 PPI Jobless claims	12
15	16	17 Retail sales FOMC Rate Decision	18 Jobless claims	19
22	23	24 New Home Sales	25 Personal Income/Spending GDP (2 nd revision) Jobless claims	26
29	30 Case Schiller HPI JOLTS Job Openings			

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.