Market Overview & Data Report

catalyst

JULY 2026

KEY ECONOMIC INDICATORS	Latest Report	Current Report	Previous Report	2025
ECONOMIC GROWTH				
GDP	Q1	2.1%	1.6%	2.8%
EMPLOYMENT				
Non-farm Payrolls (000s)	June	57	129	2,232
Private Payrolls (000s)	June	49	97	1,792
Unemployment Rate	June	4.2%	4.3%	4.1%
Avg Hourly Earnings (Y/Y)	June	3.5%	3.4%	3.9%
INFLATION				
Wholesale (Y/Y)	May	6.5%	6.0%	3.3%
Consumer (Y/Y)	May	4.2%	3.8%	2.9%
PCE Core (Y/Y)	May	3.4%	3.3%	2.8%
INCOME & SPENDING				
Retail Sales	May	0.9%	0.5%	3.8%
Personal Income	May	0.7%	0.0%	2.4%
Personal Spending	May	0.3%	0.0%	3.1%
AUTO & HOUSING				
Total Auto Sales (MM)	June	16.52	16.08	16.80
New/Existing Home Sales (M/M)	May	-7.3%	-6.2%	4.2%
S&P/Case Shiller HPI (Y/Y)	April	0.9%	0.8%	3.9%

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

KEY MARKET INDICATORS	Mth End Jun-26	Mth End May-26	12 Mth Ago Jun-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%	3.59%	4.31%
2-year UST	4.17%	4.00%	3.71%
10-year UST	4.46%	4.43%	4.22%
NATIONAL CU LOAN RATES			
CU 48-mth Auto	6.40%	6.41%	6.89%
CU 60-mth Auto	6.48%	6.49%	7.00%
CU 15-year Mtg	5.84%	5.85%	6.15%
CU 30-year Mtg	6.42%	6.43%	6.82%
EQUITY MARKETS			
Dow Jones Industrial Average	52319.2	51032.46	44,484.4
NASDAQ Composite	26213.72	26972.62	20,393.1
S&P 500	7499.36	7580.06	6,227.4
OTHER COMMODITIES			
CRB Index	353..61	380.45	299.3
Crude Oil	69.5	87.36	62.7

Source: Bloomberg; S&P Global Market Intelligence

KEY ECONOMIC AND MARKET INDICATORS

The U.S. added just 57,000 jobs in July, essentially half of the consensus estimate for a 113,000 increase. The unemployment rate fell to 4.2% as the labor force participation rate fell to 61.5%, its lowest level in more than 5 years. The pullback was led by the largest decline in leisure and hospitality hiring since 2020. The retail and information sectors both shed jobs, while healthcare and social assistance continued their trend of strong hiring. The report's poor showing decreased rate hike probabilities slightly. As of this writing, interest rate futures are pricing in a 17% chance of a rate hike at this month's meeting, rising to 60% in September and 80% in October.

Inflation remained the dominant economic theme throughout June. May CPI rose 0.5% MoM and 4.2% YoY, the fastest pace since early 2023, driven largely by higher energy prices tied to the Iran war. Headline PCE rose 4.1% YoY, the highest since April 2023, while CORE PCE rose 3.4%. Despite the elevated prices, inflation-adjusted consumer spending rose 0.3% in May, suggesting households continued to absorb the cost pressures. Treasury Secretary Scott Bessent characterized the inflation surge as a short-term "blip," drawing comparisons to language that proved problematic for prior administrations.

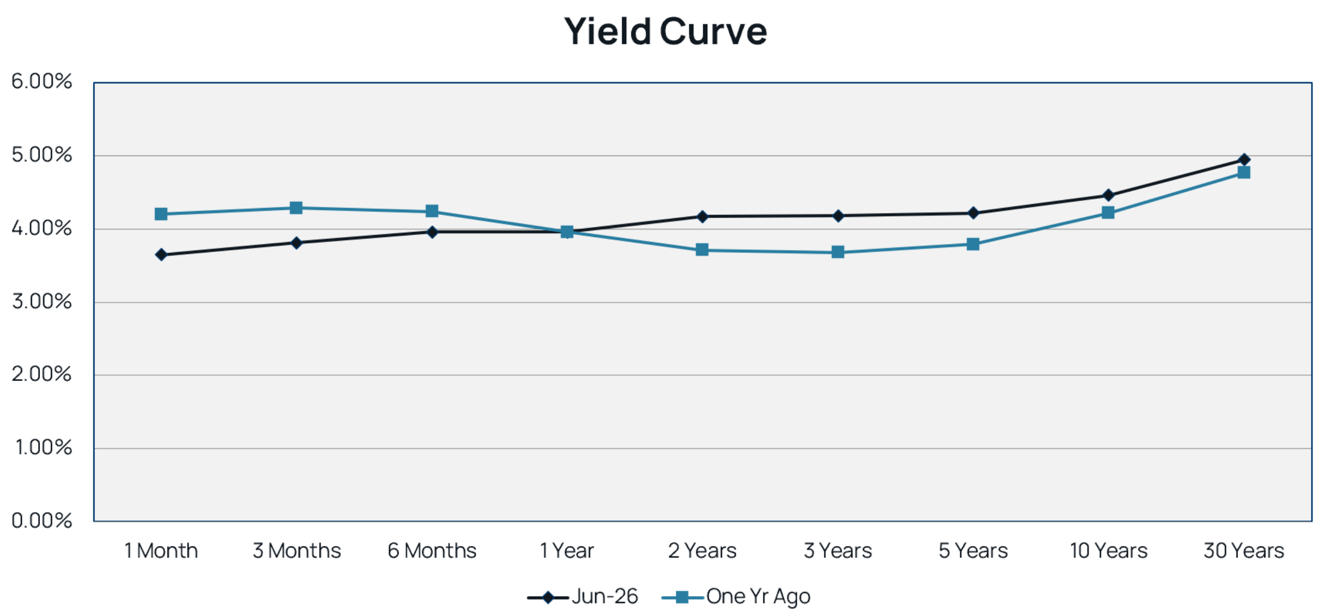
The Bureau of Economic Analysis released its third estimate of Q1 GDP, revising the previous revision upwards from 1.6% to 2.1%, exceeding consensus estimates and driven by an improvement in international trade. At the same time, real consumer spending was revised downward from 1.4% to 0.5%, with the revision almost entirely concentrated in services for the weakest spending report in that sector since the pandemic. Despite the positive report, it raises concerns about the ability of the American consumer to maintain their recent spending trends, which have largely helped the economy stay above water.

The June FOMC meeting was a defining moment for monetary policy. The Fed held its benchmark rates at 3.75%, but the accompanying dot plot revealed a divided committee with nine of 18 officials projecting at least one rate hike in 2026, six anticipating at least two hikes, while nine others expecting no move or a cut. New Chairman Kevin Warsh, presiding over his first policy meeting, announced the formation of five task forces to review the Fed's balance sheet and frameworks for measuring inflation and labor dynamics, among others. Markets found Warsh's plans as Fed Chair credible, as evidenced by the flattening yield curve in the second half of the month.

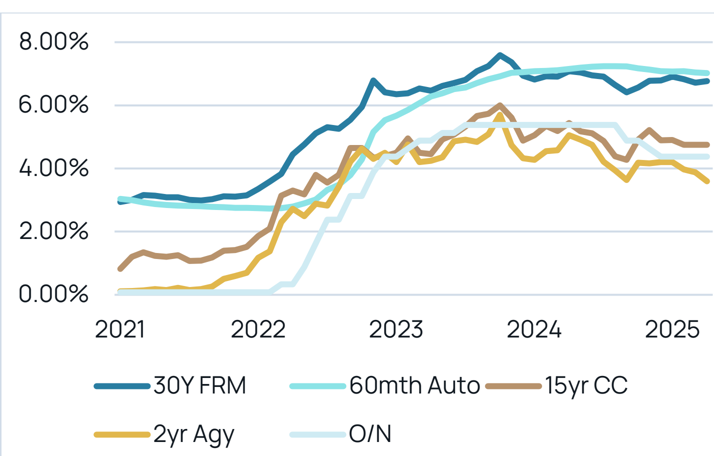
The first half of the month was turbulent for equity markets, led by the Iran war headlines and the AI/tech trade. The Nasdaq 100 fell more than 7% from its record at one point, with violent intraday swings reminiscent of the tariff-war era. Chipmakers bore the brunt as investors rotated out of richly valued AI names. The mid-month U.S.-Iran interim peace deal on June 15 triggered a sharp sector rotation: energy stocks slumped as oil fell; while airlines, miners and cruise operators rallied. Chip stocks rebounded on the back of Oracle's stronger-than-expected capex and an Intel-Apple deal announced by President Trump. SpaceX's blockbuster IPO on June 12, up 10%, added to the bullish mood. The final stretch of the month saw renewed AI selling pressure before a late-month recovery driven by Micron's blowout sales forecast.

June opened with the U.S. military quietly shepherding commercial vessels through the Strait of Hormuz under a covert operation dubbed "Project Freedom," eschewing a more public escort strategy. The U.S. offered Iran broad financial incentives in a near-final memorandum of understanding. This included immediate rights on oil sales and access to a $300 billion development fund. Trump also invoked the Defense Production Act to replenish strained U.S. munition stockpiles. One June 18, the interim peace deal formally took effect, starting a 60-day negotiation clock on Iran's nuclear program while the U.S. declared its Hormuz blockade ended. The fragile peace was tested again on June 20, when Iran declared Hormuz closed in response to Israeli strikes in Lebanon. The month ended with Iran striking a Singapore-flagged ship on June 25, prompting U.S. retaliatory strikes on Iranian missile silos and radar sites on June 26.

The European Central Bank's (ECB) annual symposium was held at the end of June and was dominated by the tension between the Iran war's inflationary legacy and the rapid fall in oil prices during the mid-month peace deal. The ECB hiked rates by 25-bps in June, its first hike since 2023, citing energy driven secondround inflation effects spreading through wages and broader prices. Hawkish voices argued further rate hikes were probably necessary and that July could not be ruled out.



The month opened with the 10-year yield at 4.46%, the 2-year at 4.04% and the 30-year at 4.97%. The strong May payrolls print on June 5 sent the 2-year surging 13 bps in a single session to 4.15% – its biggest one-day move since the April 2025 tariff shock – as markets fully priced in a Fed hike by year-end. Yields peaked around mid-month, with the 10-year touching 4.57% and the 30-year briefly crossing 5.04% as hawkish Warsh reinforced the higher for longer narrative. The turn came in the final third of the month as oil prices collapsed toward pre-war levels following the Hormuz reopening, inflation expectations fell sharply, pulling yields lower across the curve. The curve steepened meaningfully as a front-end led the rally, reflecting reducing Fed hike pricing.

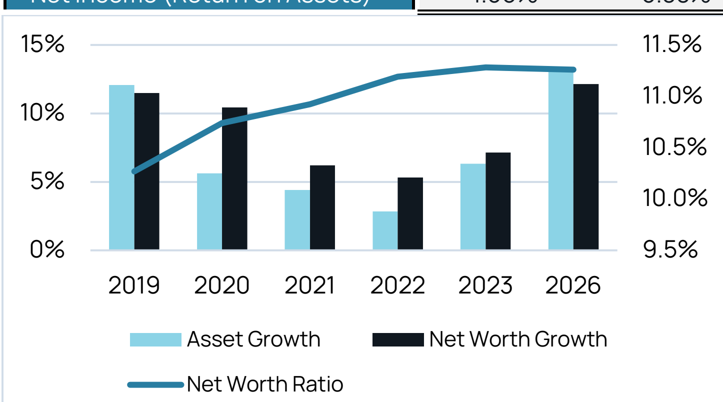


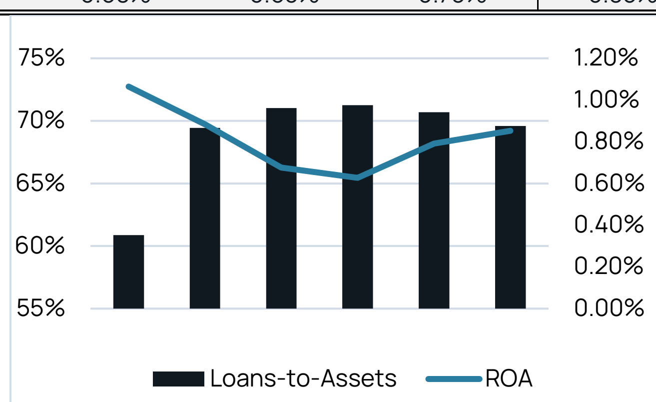
RELATIVE VALUE OF ASSETS AND FUNDING:

- The difference between loan and investment yields fell 6 bps to 2.02%.
- The spread between a 60-month auto loan and a 15-year MBS fell to 173 bps.

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%





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%
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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	4.18%	1.83%	1.19%	1.05%	1.07%	1.47%	1.42%
Delinquency Rate	3.46%	1.51%	0.98%	0.82%	0.76%	0.86%	0.85%
Net Charge-off Rate	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)

JULY 2026

Monday	Tuesday	Wednesday	Thursday	Friday
		1 Challenger Job Cuts Omdia Vehicle Sales	2 Nonfarm Payrolls Jobless Claims	3
6	7 Trade Balance	8 FOMC Meeting Minutes	9 Jobless Claims Existing Home Sales	10
13 Hourly/Weekly Earnings	14 CPI	15 PPI Beige Book	16 Retail Sales Jobless Claims Pending Home Sales	17 Housing Starts Building Permits
20	21	22	23 Jobless Claims	24 New Home Sales
27	28 Case Shiller HPI	29 FOMC Rate Decision	30 Personal Income/Spending Q2 GDP CORE PCE Jobless Claims	31