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Media Release

FOR IMMEDIATE RELEASE

Credit Unions Show Consistent Asset, Savings and Member Growth

Alexandria, Va., August 20, 2008 –The overall financial condition of federally insured credit unions remains strong. Assets, loans, shares, and membership demonstrated consistent growth through the first six months of the year according to the June 30, 2008, Call Report data submitted by the nation's 7,972 federally insured credit unions.

Membership grew to nearly 88 million in federally insured credit unions, and transposing recent trends, savings outpaced lending in the first six months of 2008. Savings grew a substantial 7.0 percent, lending grew 3.7 percent, and assets increased 6.5 percent from January through June.

"Although current mortgage and credit markets continue to cause fluctuations in the financial sector, the overall fiscal condition of federally insured credit unions remains stable," said NCUA Chairman Michael E. Fryzel. "In addition, first mortgage real estate loans grew by 10.1 percent from January through June 2008, illustrating that credit unions continue to meet their members' mortgage loan needs."

Details of major balance sheet categories and membership growth in federally insured credit unions from December 31, 2007, to June 30, 2008, follows:

- Assets increased 6.5 percent to $802.5 billion from $753.4 billion;
- Loans increased 3.7 percent to $546.4 billion from $526.9 billion;
- Investments increased 17.3 percent to $167.0 billion from $142.5 billion;
- Shares increased 7.0 percent to $676.9 billion from $632.4 billion;
- Networth increased 5.62 percent to $88.6 billion from $86.1 billion; and
- Membership increased 1.3 percent to 87.9 million members.

The loan to share ratio remains high at 80.72 percent. With the exception of declines in new automobile and other unsecured loans/lines of credit, all major loan categories grew from December 2007 through June 2008. In addition to the 10.1 percent increase in first mortgage real estate loans, which represent $198.1 billion, other types of real estate loans reported 1.7 percent growth to $92.8 billion, used automobile loans grew 3.3 percent to $92.0 billion, unsecured credit card loans grew 1.5 percent to $30.6 billion, and all other loans/lines of credit grew to $25.6 billion.

Major share accounts grew across the board in the first six months of 2008. Money market shares showed the greatest expansion with a 13.9 percent increase to $126.6 billion, share certificates grew 2.9 percent to $222.3 billion, while IRA/KEOGH accounts grew 7.0 percent to $60.9 billion. Share drafts grew 6.2 percent to $75.3 billion and regular shares grew 8.0 percent to $182.7 billion.

The loan delinquency ratio increased 4 basis points, up from .93 to .97 percent, and the net charge-off ratio increased from 0.51 to 0.71 percent during the first six months of 2008. The return on average assets ratio declined from 0.64 percent to 0.52 percent primarily due to increased funds set aside for loan and lease losses. With savings growth outpacing loan growth in 2008, the loan-to-share ratio declined to 80.72 percent from 83.32 percent at year-end 2007.

Details of mid-year 2008 data are available in a Consolidated Balance Sheet and a June 2008 Facts Summary posted online at: click here.

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