



## NCUA Media Release

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# NCUA's October Economic Update for Credit Unions Now Available Online

*Latest Video Highlights Improvements in Labor Markets, Auto Sales*

**ALEXANDRIA, Va. (Oct. 22, 2012)** – The National Credit Union Administration (NCUA) today released the latest video in the agency's free "YouTube" economic update series. NCUA Chief Economist John Worth's October analysis examines recent economic developments and covers possible risks, including a discussion of the potential effect of the "fiscal cliff" on credit union performance.

The national labor market continued to add jobs at a moderate pace. Compared to a year ago, the economy has picked up 1.8 million jobs overall and about 1.9 million private sector jobs. In September, the unemployment rate dropped to 7.8 percent—its lowest level since January 2009.

Consumer confidence continues to trend higher, along with new car sales. In September, 14.9 million in auto sales were reported, making it the best sales month in more than four years. New car sales are an important channel for credit union lending—representing about 10 percent of credit unions loan portfolios.

The fiscal cliff—the large increase in taxes and spending cuts scheduled to take place in 2013—is also expected to take a dramatic toll on the economy, if it occurs. The video notes that credit union performance would likely worsen as the economy contracted and unemployment rose as a result of these changes. Credit unions with ties to the federal government could be affected even more significantly.

Credit union board members, loan officers and management can access the latest economic update video for free on NCUA's official "YouTube" channel at <http://www.youtube.com/ncuachannel>.

*NCUA is the independent federal agency created by the U.S. Congress to regulate, charter and supervise federal credit unions. With the backing of the full faith and credit of the U.S. government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of more than 93 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.*

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