



Sector Outlook Report 1Q-2024

Ontario Credit Unions and Caisses Populaires

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Notes

The Sector Outlook is published on a quarterly basis and provides analysis and commentary about the economy and most recent financial results reported by credit unions and caisses populaires in the Ontario sector.

Throughout this document, unless specifically indicated otherwise, references to credit unions mean both credit unions and caisses populaires.

Disclaimer

The information presented in this report has been prepared using unaudited financial filings submitted by credit unions to FSRA as of April 22nd, 2024 and as such accuracy and completeness cannot be guaranteed. Income Statement results are based on aggregate year-to-date annualized information for each credit union

Electronic publication

The Sector Outlook is available in PDF format (readable using Adobe Acrobat Reader) and can be downloaded from the Publications section on the Credit Unions and Caisses Populaires page on FSRA's website at www.fsrao.ca.

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Ce document est également disponible en français.

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Quarter ended Mar 31, 2024

Financial highlights

	Sector		
	1Q-2024	4Q-2023	1Q-2023
Income Statement (% average assets)			
Net Interest Income	1.48 ⁴	1.48	1.48
Loan Costs	0.04 ³	0.03	0.03
Other Income	0.32 ³	0.37	0.42
Non-Interest Expense	1.59 ¹	1.65	1.65
Taxes	0.03 ⁴	0.03	0.05
Net Income	0.14 ³	0.15	0.18
Balance Sheet (\$ billions; as at quarter end)			
Assets	97.2 ¹	96.4	92.0
Loans	84.4 ¹	84.2	80.0
Deposits	76.0 ¹	74.4	71.0
Members' Equity & Capital	6.9 ⁴	6.9	6.6
Capital Ratios (%)			
Leverage	6.81 ¹	6.86	6.85
Risk Weighted	13.51 ¹	13.63	13.54
Key Measures and Ratios (% except as noted)			
Return on Regulatory Capital	1.95 ³	2.05	2.59
Liquidity Ratio	12.5 ¹	11.8	11.3
Efficiency Ratio (before dividends/rebates)	87.3 ³	85.9	85.7
Efficiency Ratio	90.4 ¹	90.9	87.8
Mortgage Loan Delinquency>30 days	0.64 ³	0.56	0.32
Commercial Loan Delinquency>30 days	1.56 ³	1.13	0.67
Total Loan Delinquency>30 days	0.90 ³	0.72	0.43
Total Loan Delinquency>90 days	0.43 ³	0.31	0.16
Asset Growth (from last quarter)	0.83 ³	2.07	1.28
Loan Growth (from last quarter)	0.17 ³	1.26	1.02
Deposit Growth (from last quarter)	2.16 ¹	1.87	1.16
Credit Unions (number)	57 ²	57	60
Membership (thousands)	1,771 ¹	1,770	1,764
Average Assets (\$ millions, per credit union)	1,705 ¹	1,690	1,533

* Trends are current quarter to last quarter

Better¹

Neutral²

Worse³

Not Meaningful⁴

Sector key financial trends

Table #1 - Selected Growth Trends

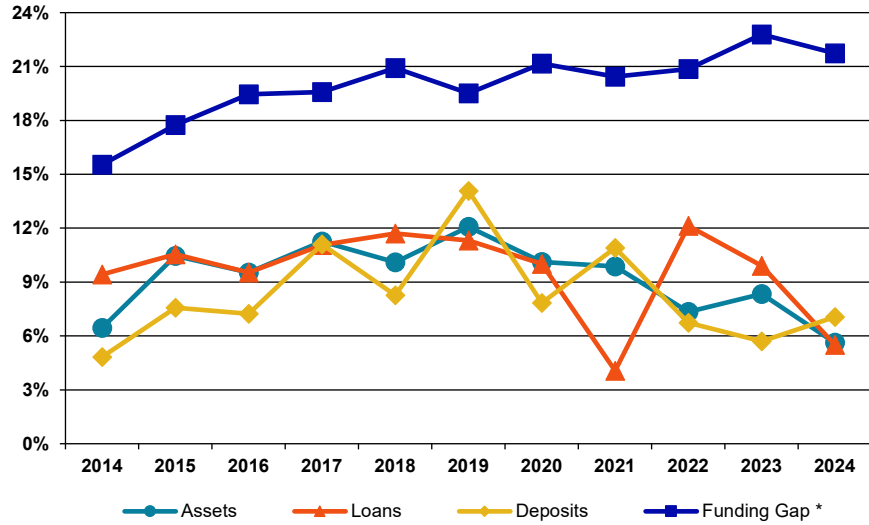


Table #2 - Selected Performance Trends

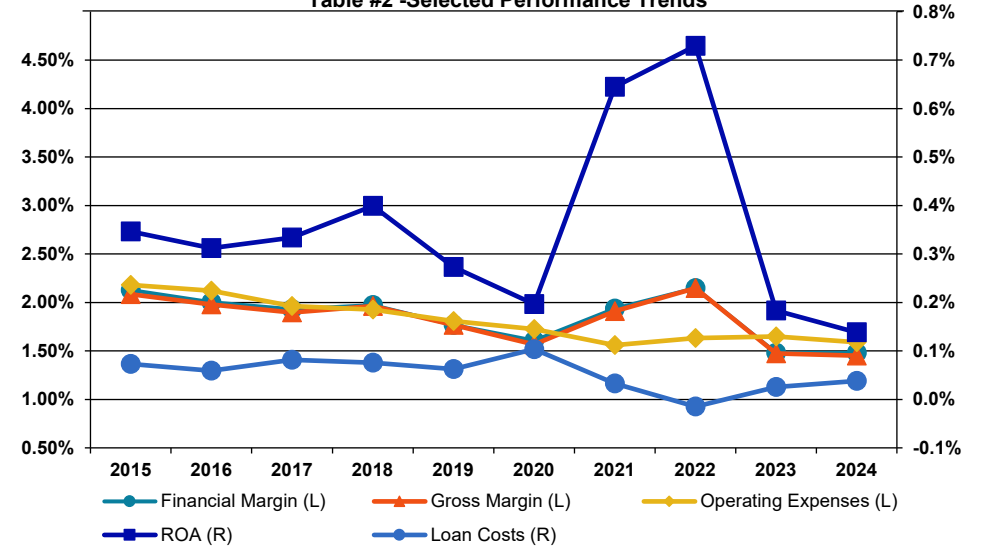


Table #3 - Efficiency Ratio and Return on Assets

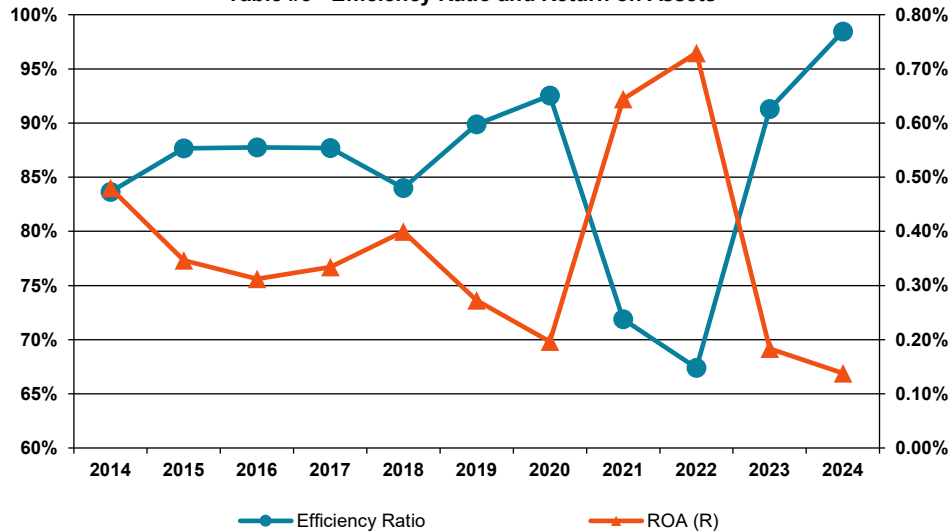
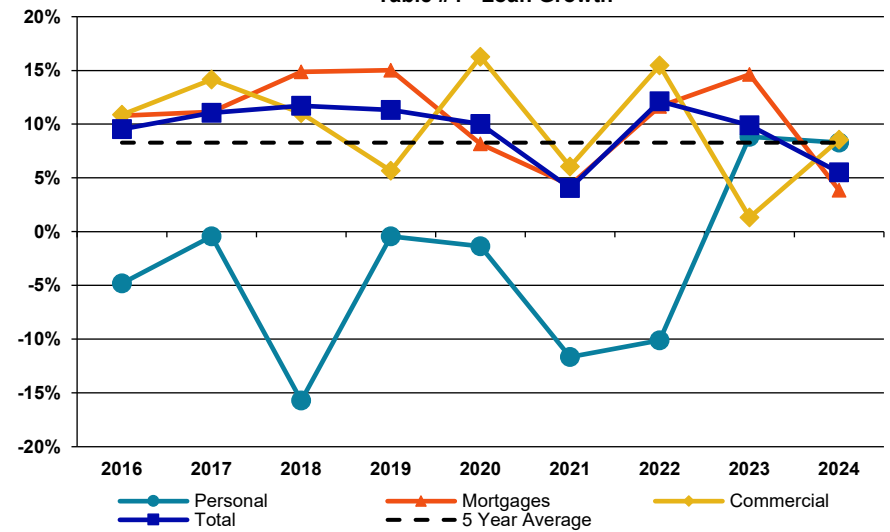


Table #4 - Loan Growth



Sector key financial trends (continued)

Table #5 - Loan Delinquencies - Greater than 30 days

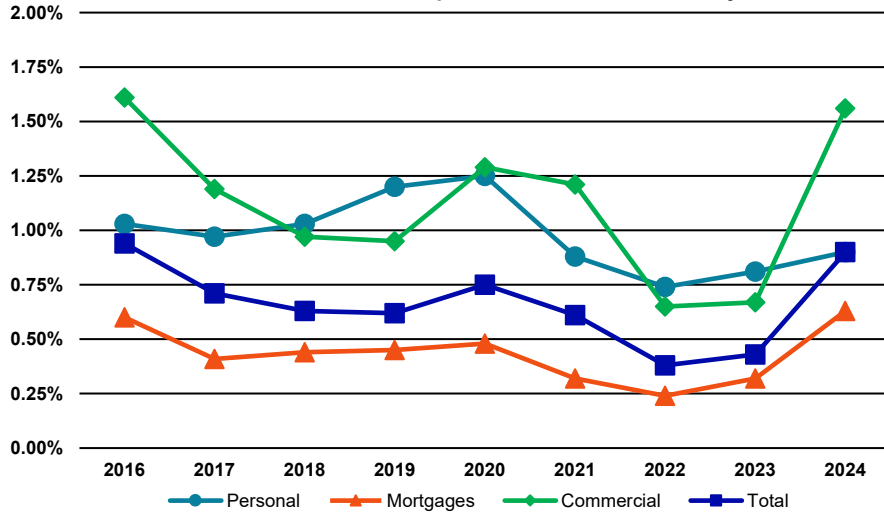


Table #6 - Loan Yields

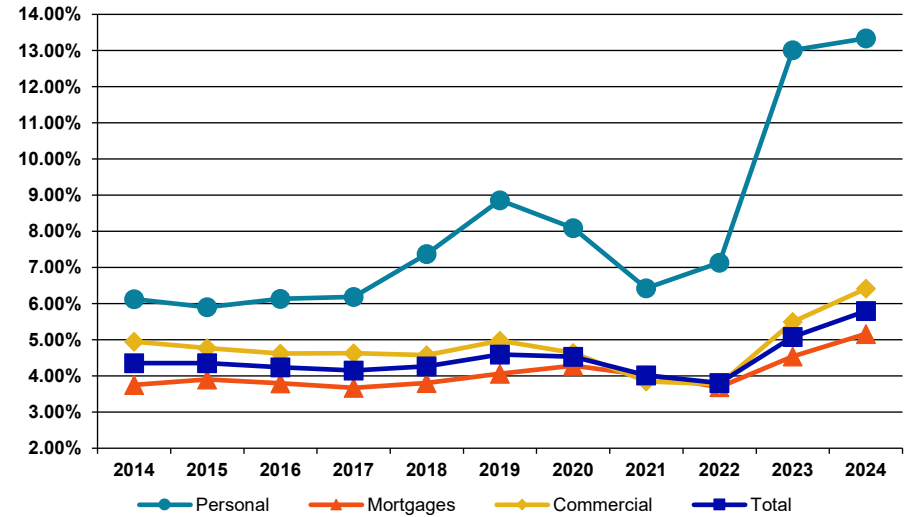


Table #7 - Deposit Growth

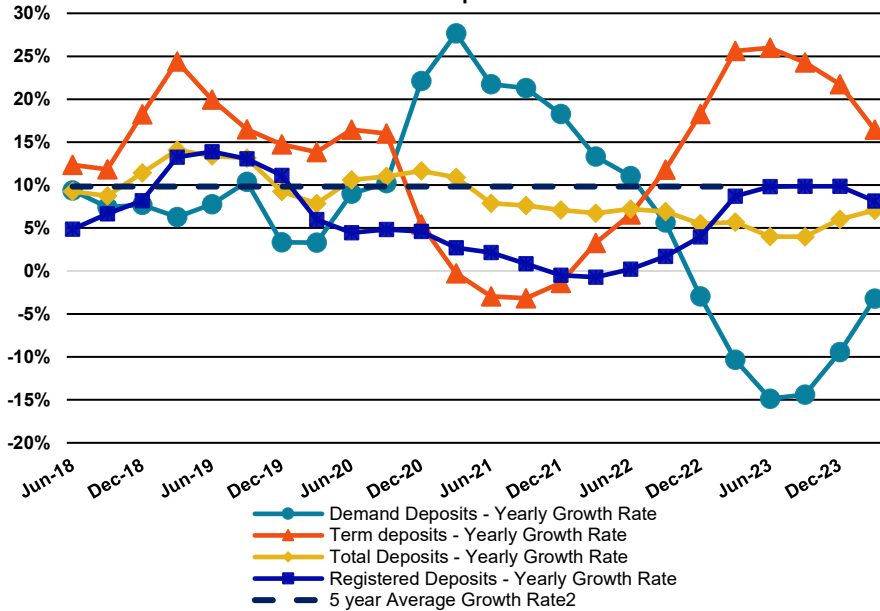
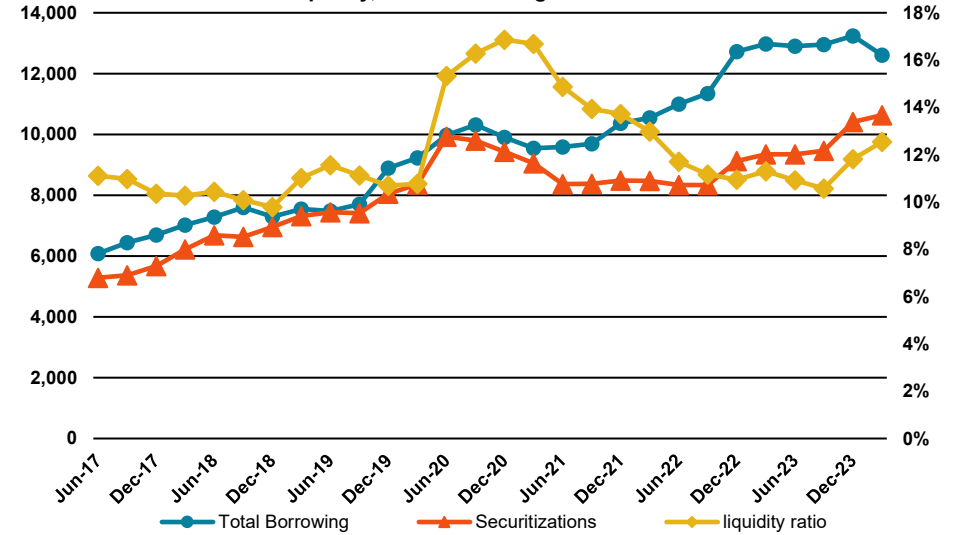


Table #8 - Liquidity, Total Borrowings and Securitization



FSRA observations 4Q-2023

- The sector included 57 institutions in 1Q-2024, the same as last quarter and 3 less than in the year-earlier quarter.
- Profitability, as measured by Return on Average Assets (ROAA) in 1Q-2024 was 14 bps, down 1 bp from last quarter and 5 bps from last year. Higher loan interest and lower income taxes were more than offset by higher interest expense. The elevated interest rate levels, and inverted curve, the difference in interest rate sensitivity between loan portfolios and deposits all contributed to squeezed margins. The deterioration of financial margin is expected to continue at a slower pace in the rest of 2024.
- Over 30-day delinquency on residential mortgages (which at \$53.8 billion represent 55.5% of sector assets) was 64 bps, up 31 bps year over year and 7 bps from last quarter. 30-day delinquency on commercial loans (which at \$25.2 billion represent 26.0% of sector assets) was 156 bps, up 89 bps year over year and 43 bps from last quarter. Total loan delinquency was 90 bps, up 47 bps year over year and 18 bps quarter over quarter. We expect the credit risk will continue to rise in 2024 as overall interest rates are still elevated and more loans locked in lower rate in prior years get repriced to higher rates.
- At the 1Q-2024 end, sector assets totaled \$97.2 billion, reflecting a year-over-year increase of \$4.9 billion (up 5.7%). Residential mortgage loans grew \$2.0 billion (up 3.9%); recent growth is below historical rates as prices and volumes weakened and mortgage rates increased rapidly from earlier levels. Commercial loans grew \$2.0 billion (up 8.6%), and cash/investments increased \$0.8 billion (up 7.5%). Mortgage growth may increase again as borrowers anticipate mortgage rates to drop and property prices to rebound.
- Liquidity ratio was at 12.6% at 1Q-2024 end and was 125 bps above the year-earlier period at 11.3%.

- Year-over-year growth in retained earnings (1.5%) lagged growth in total assets (5.7%). Other Tier 1 & Tier 2 capital including investment shares (up \$240 million or 8.7% year over year) represents a significant source of capital (\$3.0 billion or 43.7% of capital in 1Q-2024, compared to 41.9% in 1Q-2023).

Economic overview

Bank of Canada

In its April 10th meeting, the Bank of Canada held its target for the overnight rate at 5%, with the Bank Rate at 5¼% and the deposit rate at 5%. The Bank said it was continuing its policy of quantitative tightening and in its release said the following.

“The Bank expects the global economy to continue growing at a rate of about 3%, with inflation in most advanced economies easing gradually. The US economy has again proven stronger than anticipated, buoyed by resilient consumption and robust business and government spending. US GDP growth is expected to slow in the second half of this year but remain stronger than forecast in January. The euro area is projected to gradually recover from current weak growth. Global oil prices have moved up, averaging about \$5 higher than assumed in the January Monetary Policy Report (MPR). Since January, bond yields have increased but, with narrower corporate credit spreads and sharply higher equity markets, overall financial conditions have eased.”

“The Bank has revised up its forecast for global GDP growth to 2¾% in 2024 and about 3% in 2025 and 2026. Inflation continues to slow across most advanced economies, although progress will likely be bumpy. Inflation rates are projected to reach central bank targets in 2025.”

“In Canada, economic growth stalled in the second half of last year and the economy moved into excess supply. A broad range of indicators suggest that labor market conditions continue to ease. Employment has been growing more slowly than the working-age

population and the unemployment rate has risen gradually, reaching 6.1% in March. There are some recent signs that wage pressures are moderating.”

“Economic growth is forecast to pick up in 2024. This largely reflects both strong population growth and a recovery in spending by households. Residential investment is strengthening, responding to continued robust demand for housing. The contribution to growth from spending by governments has also increased. Business investment is projected to recover gradually after considerable weakness in the second half of last year. The Bank expects exports to continue to grow solidly through 2024.”

“Overall, the Bank forecasts GDP growth of 1.5% in 2024, 2.2% in 2025, and 1.9% in 2026. The strengthening economy will gradually absorb excess supply through 2025 and into 2026.”

“CPI inflation slowed to 2.8% in February, with easing in price pressures becoming more broad-based across goods and services. However, shelter price inflation is still very elevated, driven by growth in rent and mortgage interest costs. Core measures of inflation, which had been running around 3½%, slowed to just over 3% in February, and 3-month annualized rates are suggesting downward momentum. The Bank expects CPI inflation to be close to 3% during the first half of this year, move below 2½% in the second half, and reach the 2% inflation target in 2025.”

“Based on the outlook, Governing Council decided to hold the policy rate at 5% and to continue to normalize the Bank’s balance sheet. While inflation is still too high and risks remain, CPI and core inflation have eased further in recent months. The Council will be looking for evidence that this downward momentum is sustained. Governing Council is particularly watching the evolution of core inflation and continues to focus on the balance between demand and supply in the economy, inflation expectations, wage growth, and corporate pricing behavior. The Bank remains resolute in its commitment to restoring price stability for Canadians.”

The next scheduled date for announcing the overnight rate target is June 5, 2024.

As inflation moderates, the nominal treasury yield is expected to drop accordingly which will lead to a lower loan yield and funding cost. However, the average loan yield and funding cost of the credit union sector in Ontario are expected to continue to climb slowly in 2024 as a significant portion of the sector's maturing portfolio and funding is still being repriced to higher rates. The sector's financial margins will remain under pressure in 2024. As the economic growth stalls in Canada, credit risk remain a key risk area followed by capital and liquidity risks.

Household debt

Statistics Canada reported on March 13th, 2024, that the amount Canadians owe relative to their income fell in the fourth quarter of 2023 as growth in household disposable income outpaced that of credit market debt.

On a seasonally adjusted basis, household credit market debt as a proportion of household disposable income fell to 178.7% in the fourth quarter from 179.2% in the third quarter, as household disposable income (+1.3%) grew slightly faster than credit market debt (+0.8%). However, the household debt service ratio, measured as total obligated payments of principal and interest on credit market debt as a proportion of household disposable income, rose to 15.0 % in the fourth quarter, increasing from 14.9% in the third quarter after adjustment as debt payments expanded at a faster rate than household disposable income.

We expect the delinquency and impairment in Ontario's credit union sector to continue as a key risk area in 2024, as households in Ontario are experiencing higher debt payments without a matching growth in income.

Housing markets

On Apr 3rd, 2024, Toronto Region Real Estate Board (TRREB) reported that home sales were up 11.2% in March 2024 in comparison to March 2023. We have seen a gradual improvement in market conditions over the past quarter. More buyers have adjusted to the higher interest rate environment. At the same time, homeowners may be anticipating an improvement in market conditions in the spring,

which helps explain the marked increase in new listings so far this year. Assuming we benefit from lower borrowing costs in the near future, sales will increase further, new listings will be absorbed, and tighter market conditions will push selling prices higher.

Greater Toronto Area (GTA) REALTORS® reported 6,560 sales through TRREB's MLS® System in March 2024 – down by 4.5 per cent compared to March 2023. New listings were up by 15 per cent over the same period. On a seasonally adjusted monthly basis, sales were down by 1.1 per cent. New listings were down by three per cent compared to February.

The MLS® Home Price Index (HPI) Composite benchmark was up by 0.3 per cent year-over-year. The average selling price was up by 1.3 per cent to \$1,121,615. On a seasonally adjusted month-over-month basis, the MLS® HPI Composite was up by 0.2 per cent and the average selling price was up by 0.7 per cent compared to February. “Price growth is expected to accelerate during the spring and even more so in the second half of the year, as sales growth catches up with listings growth and sellers’ market conditions start to emerge in many neighbourhoods. Lower borrowing costs in the months ahead will help fuel increased demand for ownership housing.”

In its report, TRREB made the following observations.

“As demand for ownership and rental housing increases, supply will continue to be top of mind. Governments at all levels must maintain their focus on pursuing innovative solutions to increase the amount and mix of housing supply to improve affordability. This includes removing roadblocks to non-traditional arrangements, such as co-ownership models to benefit home buyers, including first-time buyers and seniors. Encouraging gentle density, including multiplexes, is critical to helping high demand areas such as the Greater Golden Horseshoe to meet housing supply targets.”

The market condition in GTA can be extrapolated to the rest of the markets within Ontario, which are driven by similar forces such as the expectation of lower mortgage rate and higher demand from population growth. We have not seen the mortgage growth in Ontario's credit union sector yet. Once mortgage demand starts to grow, it will stretch credit unions' liquidity and capital level thinner particularly when the sector's organic capital growth is below historical level while the funding cost is at a historically high level.

Sector consolidation

There were 57 institutions by the end of 1Q-2024, a decrease of three from the year earlier and remains same from previous quarter. Average assets per institution were \$1.7 billion (up \$171 million or 11.2% year over year) reflecting organic growth and consolidations.

Profitability

1Q-2024 vs 1Q-2023

As shown in Tables 2 and 3, the return on average assets in 1Q-2024 was 14 bps, down 4 bps from 18 bps in the year-earlier quarter. Higher loan interest (up 58 bps to 4.3%) was more than offset by increased interest expense on deposits (up 72 bps to 2.7%).

Ten of 57 credit unions had negative returns on assets. FSRA closely monitors those that are unprofitable, identifies core challenges and works with credit unions to develop strategies to restore profitability.

1Q-2024 vs 4Q-2023

Sector profitability dropped 1 bp from last quarter reflecting increases in loan interest of 26 bps (from 4.1%) mostly offset by increased interest expense on deposits of 37 bps (from 2.3%).

4Q-2023 Ontario sector vs 4Q-2023 Canadian sector*

Ontario sector profitability of 14 bps was 9 bps below the Canadian sector's of 23 bps.

*As reported by Canadian Credit Union Association, including Ontario sector

Capital

1Q-2024 vs 1Q-2023

Sector capital increased to \$6.9 billion (up \$278 million or 4.2%) from the year-earlier quarter and was comprised of:

- Retained earnings of \$3.9 billion (up \$59.2 million or 1.5%);
- Investment and patronage shares of \$3.0 billion (up \$239.7 million or 8.7%); and
- Membership shares of \$55.3 million (down \$921 thousand or 1.6%).

As a percent of risk-weighted assets, sector capital was 13.5%, down 3 bps from the year-earlier quarter. Leverage was 6.8%, down 4 bps from the year-earlier quarter.

1Q-2024 vs 4Q-2023

Sector capital dropped by \$9.3 million (-0.14% from \$6.6 billion) from last quarter as retained earnings, and membership shares were increased by 543K (1.1% from 54.8 million), Investment shares and other Tier One or Tier Two capital were up 64.1 million or 2.2%.

Compared to the previous quarter, sector capital as a percent of risk-weighted assets was down 12 bps (from 13.6%); leverage was also down 5 bps (from 6.9%).

Liquidity (including securitization)

1Q-2024 vs 1Q-2023

As shown in Tables 7 and 8, sector deposits increased by \$5.0 billion (up 7.1% to \$76.0 billion); securitizations increased by \$1.3 billion (up 13.8% to \$10.6 billion); and borrowings was down by \$1.6 billion (down 45.8% to \$2.0 billion). Total liability saw a net increase of \$4.9 billion (up 5.7% to \$90.3 billion) from the year earlier. Liquid assets increased \$0.8 billion (up 7.5% to \$11.4 billion) resulting in an increase in liquidity to 12.6% (up 125 bps from 11.3 % in 1Q-2023).

In 1Q-2024, 24 institutions with total assets of \$90.4 billion (or 93.0% of sector assets) participated in securitization programs.

1Q-2024 vs 4Q-2023

Sector deposits increased by \$1.6 billion (up 2.2% from \$74.4 billion), securitizations increased by \$225.6 million (up 2.2% to \$10.6 billion), while borrowings fell \$864.9 million (down 30.5% to \$2.0 billion) from last quarter. Liquid assets increased by \$706.0 million (up 6.6% from \$10.6 billion) resulting in an increase of 74 bps in liquidity (from 11.8%).

Efficiency ratio (before dividends/interest rebates)

1Q-2024 vs 1Q-2023

As shown in Table 3, the sector efficiency ratio deteriorated to 87.4% (up 1.6 percentage points from 85.7%) from the year earlier quarter.

1Q-2024 vs 4Q-2023

Compared to last quarter, sector efficiency deteriorated by 1.4 percentage points to 87.4%.

4Q-2023 Ontario sector vs. 4Q-2023 Canadian sector

Non-interest expense as a percent of average assets for the Ontario sector (1.7%) was 17 bps lower than the Canadian sector (1.8%). However, Ontario sector efficiency ratio (91%) was 8 percentage points worse than the Canadian sector (83%).

Credit quality (delinquency greater than 30 days)

1Q-2024 vs 1Q-2023

As shown in Table 5, total loan delinquency increased to 90 bps (up 47 bps from 43 bps) compared to the year earlier quarter. Residential mortgage loan delinquency increased to 64 bps (up 32 bps from 32 bps) and commercial loan delinquency increased to 156 bps (up 89 bps from 67 bps).

1Q-2024 vs 4Q-2023

Compared to last quarter, total loan delinquency increased by 18 bps (from 72 bps) reflecting increased delinquency in residential mortgage loans of 7 bps (from 56 bps) and commercial loans of 43 bps (from 1.1%).

Growth

1Q-2024 vs 1Q-2023

Total sector assets increased to \$97.1 billion (up \$5.2 billion or 5.6%) compared to the year earlier quarter. This reflects increases in residential mortgage loans to \$53.8 billion (up \$2.0 billion or 3.9%) and commercial loans to \$25.2 billion (up \$2.0 billion or 8.6%), cash/investments of \$11.4 billion (up \$0.8 billion or 7.5%).

1Q-2024 vs 4Q-2023

Total sector assets increased by \$804.4 million (0.8% from \$96.3 billion) from last quarter reflecting a drop in residential mortgage loans of \$216.8 million (-0.4% from \$54.1 billion), an increase in commercial loans of \$272 million (1.1% from \$25.0 billion), and cash/investments of \$706 million (up 6.6% from \$10.6 billion).

4Q-2023 Ontario sector vs 4Q-2023 Canadian sector

Ontario sector growth in total assets (6.1%) exceeded the Canadian sector's growth (4.2%) reflecting higher growth in residential mortgage loans of 4.9% (compared to 4.0% from Canadian sector); commercial loans of 9.6% (compared to 6.7%) and agricultural loans of 6.7% (compared to 2.8%).

Sector Income Statements

% of Average Assets (except as noted)	Ontario Sector			Canadian Sector ¹
	1Q-2024	4Q-2023	1Q-2023	4Q-2023
Interest and Investment Income				
Loan Interest	4.33%	4.07%	3.75%	3.80%
Investment Income	0.45%	0.38%	0.28%	0.55%
Total Interest and Investment Income	4.78%	4.45%	4.03%	4.35%
Interest and Dividend Expense				
Interest Expense on Deposits	2.67%	2.30%	1.95%	2.31%
Rebates/Dividends on Share Capital	0.05%	0.08%	0.03%	0.00%
Dividends on Investment/Other Capital	0.01%	0.03%	0.01%	0.06%
Other Interest Expense	0.54%	0.55%	0.52%	0.24%
Total	0.63%	0.68%	0.60%	0.30%
Total Interest & Dividend Expense	3.30%	2.97%	2.55%	2.61%
Net Interest & Investment Income	1.48%	1.48%	1.48%	1.80%
Loan Costs	0.04%	0.03%	0.03%	0.06%
Net Interest & Investment Income after Loan Costs	1.44%	1.45%	1.46%	1.74%
Other (non-interest) Income	0.32%	0.37%	0.42%	0.46%
Net Interest, Investment & Other Income	1.76%	1.82%	1.88%	2.20%
Non-Interest Expenses				
Salaries & Benefits	0.90%	0.92%	0.91%	1.02%
Occupancy	0.13%	0.12%	0.13%	0.13%
Computer, Office & Other Equipment	0.17%	0.18%	0.18%	0.14%
Advertising & Communications	0.06%	0.07%	0.07%	0.35%
Member Security	0.07%	0.07%	0.08%	
Administration	0.19%	0.19%	0.20%	0.18%
Other	0.07%	0.09%	0.08%	
Total Non-Interest Expenses	1.59%	1.65%	1.65%	1.82%
Net Income/(Loss) Before Taxes	0.17%	0.17%	0.23%	0.38%
Taxes	0.03%	0.03%	0.05%	0.09%
Net Income/(Loss)	0.14%	0.15%	0.18%	0.23%
Average Assets (Billions)	\$97	\$94	\$91	\$289

¹Summary results as reported by Canadian Credit Union Association, including Ontario Sector

*Totals may not agree due to rounding

Sector Balance Sheets

As at \$millions

	Sector		
	1Q-2024	4Q-2023	1Q-2023
Assets			
Cash and Investments	11,368	10,662	10,576
Personal Loans	2,116	2,114	1,955
Residential Mortgage Loans	53,877	54,094	51,876
Commercial Loans	25,262	24,990	23,267
Institutional Loans	158	158	161
Unincorporated Association Loans	46	47	47
Agricultural Loans	2,900	2,812	2,649
Total Loans	84,359	84,215	79,954
Total Loan Allowances	214	209	205
Capital (Fixed) Assets	656	673	652
Intangible and Other Assets	990	1,015	1,010
Total Assets	97,160	96,355	91,987
Liabilities			
Demand Deposits	26,727	27,242	27,615
Term Deposits	33,276	31,772	28,578
Registered Deposits	16,038	15,417	14,831
Total Deposits	76,041	74,432	71,023
Borrowings	1,968	2,833	3,632
Securitizations	10,634	10,409	9,341
Other Liabilities	1,645	1,801	1,397
Total Liabilities	90,288	89,474	85,393
Members' Equity & Capital			
Membership Shares	55	55	56
Retained Earnings	3,883	3,940	3,823
Other Tier 1 & 2 Capital	3,003	2,939	2,764
AOCI	(70)	(53)	(50)
Total Members' Equity & Capital	6,872	6,881	6,594
Total Liabilities, Members' Equity & Capital	97,160	96,355	91,987

* Totals may not agree due to rounding

Sector Balance Sheets

	Sector		
	1Q-2024 \$Millions	% Increase/(Decrease) from 4Q-2023	1Q-2023
Assets			
Cash and Investments	11,368	6.6%	7.5%
Personal Loans	2,116	0.1%	8.3%
Residential Mortgage Loans	53,877	-0.4%	3.9%
Commercial Loans	25,262	1.1%	8.6%
Institutional Loans	158	0.0%	-2.1%
Unincorporated Association Loans	46	-0.6%	-1.0%
Agricultural Loans	2,900	3.1%	9.5%
Total Loans	84,359	0.2%	5.5%
Total Loan Allowances	214	2.5%	4.5%
Capital (Fixed) Assets	656	-2.4%	0.7%
Intangible and Other Assets	990	-2.4%	-2.0%
Total Assets	97,160	0.8%	5.6%
Liabilities			
Demand Deposits	26,727	-1.9%	-3.2%
Term Deposits	33,276	4.7%	16.4%
Registered Deposits	16,038	4.0%	8.1%
Total Deposits	76,041	2.2%	7.1%
Borrowings	1,968	-30.5%	-45.8%
Securitized Assets	10,634	2.2%	13.8%
Other Liabilities	1,645	-8.7%	17.7%
Total Liabilities	90,288	0.9%	5.7%
Members' Equity & Capital			
Membership Shares	55	1.0%	-1.6%
Retained Earnings	3,883	-1.4%	1.5%
Other Tier 1 & 2 Capital	3,003	2.2%	8.7%
Accumulated Other Comprehensive Income	(70)	32.3%	40.4%
Total Members' Equity & Capital	6,872	-0.1%	4.2%
Total Liabilities, Members' Equity & Capital	97,160	0.8%	5.6%

* Totals may not agree due to rounding

Sector Balance Sheets

As a percentage of Total Assets

	Sector			Canadian Sector ¹
	1Q-2024	4Q-2023	1Q-2023	4Q-2023
Assets				
Cash and Investments	11.7%	11.1%	11.5%	14.30%
Personal Loans	2.2%	2.2%	2.1%	3.6%
Residential Mortgage Loans	55.5%	56.1%	56.4%	49.9%
Commercial Loans	26.0%	25.9%	25.3%	25.5%
Institutional Loans	0.2%	0.2%	0.2%	0.9%
Unincorporated Association Loans	0.0%	0.0%	0.1%	0.0%
Agricultural Loans	3.0%	2.9%	2.9%	3.7%
Total Loans	86.8%	87.4%	86.9%	83.8%
Total Loan Allowances	0.2%	0.2%	0.2%	-0.3%
Capital (Fixed) Assets	0.7%	0.7%	0.7%	0.8%
Intangible and Other Assets	1.0%	1.1%	1.1%	1.5%
Total Assets	100.0%	100.0%	100.0%	100.0%
Liabilities				
Demand Deposits	27.5%	28.3%	30.0%	36.1%
Term Deposits	34.2%	33.0%	31.1%	33.1%
Registered Deposits	16.5%	16.0%	16.1%	14.7%
Total Deposits	78.3%	77.2%	77.2%	84.1%
Borrowings	2.0%	2.9%	3.9%	5.8%
Securitizations	10.9%	10.8%	10.2%	
Other Liabilities	1.7%	1.9%	1.5%	2.7%
Total Liabilities	92.9%	92.9%	92.8%	92.6%
Members' Equity & Capital				
Membership Shares	0.1%	0.1%	0.1%	0.5%
Retained Earnings	4.0%	4.1%	4.2%	5.8%
Other Tier 1 & 2 Capital	3.1%	3.1%	3.0%	1.1%
AOCI	-0.1%	-0.1%	-0.1%	-0.1%
Total Members' Equity & Capital	7.1%	7.1%	7.2%	7.3%
Total Liabilities, Members' Equity & Capital	100.0%	100.0%	100.0%	100.0%