FSRA
Financial Services Regulatory Authority of Ontario

Ontario

ARSF
Autorité ontarienne de réglementation des services financiers

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Sector Outlook Report 2Q-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 July 22, 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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Contents

Financial highlights

	Sector		
	2Q-2024	1Q-2024	2Q-2023
Income Statement (% average assets)			
Net Interest Income *	1.54	1.48	1.52
Loan Costs	0.05	0.04	0.01
Other Income	0.35	0.32	0.39
Non-Interest Expense	1.60	1.59	1.66
Taxes	0.03	0.03	0.04
Net Income *	0.21	0.14	0.20
Balance Sheet ($ billions; as at quarter end)			
Assets	98.1	97.2	93.0
Loans	85.1	84.4	81.2
Deposits	76.7	76.0	71.8
Members' Equity & Capital	6.94	6.87	6.61
Capital Ratios (%)			
Leverage	6.80	6.81	6.79
Risk Weighted	13.55	13.51	13.35
Key Measures and Ratios (% except as noted)			
Return on Regulatory Capital	2.95	1.95	2.83
Liquidity Ratio	12.4	12.5	11.0
Efficiency Ratio (before dividends/rebates)	86.3	87.3	84.7
Efficiency Ratio	87.0	90.4	87.5
Mortgage Loan Delinquency>30 days	0.63	0.64	0.38
Commercial Loan Delinquency>30 days	1.60	1.56	0.47
Total Loan Delinquency>30 days	0.90	0.90	0.41
Total Loan Delinquency>90 days	0.54	0.43	0.16
Asset Growth (from last quarter)	0.97	0.83	1.07
Loan Growth (from last quarter)	0.86	0.17	1.57
Deposit Growth (from last quarter)	0.85	2.16	1.08
Credit Unions (number)	57	57	58
Membership (thousands)	1,767	1,771	1,766
Average Assets ($ millions, per credit union)	1,721	1,705	1,616

* Trends are current quarter to last quarter
* Net Interest Income and net Income for Q2 2024 adjusted for Div in RE

Better[1] | Neutral[2] | Worse[3] | Not Meaningful[4]

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Sector key financial trends

Table #1 - Selected Growth Trends

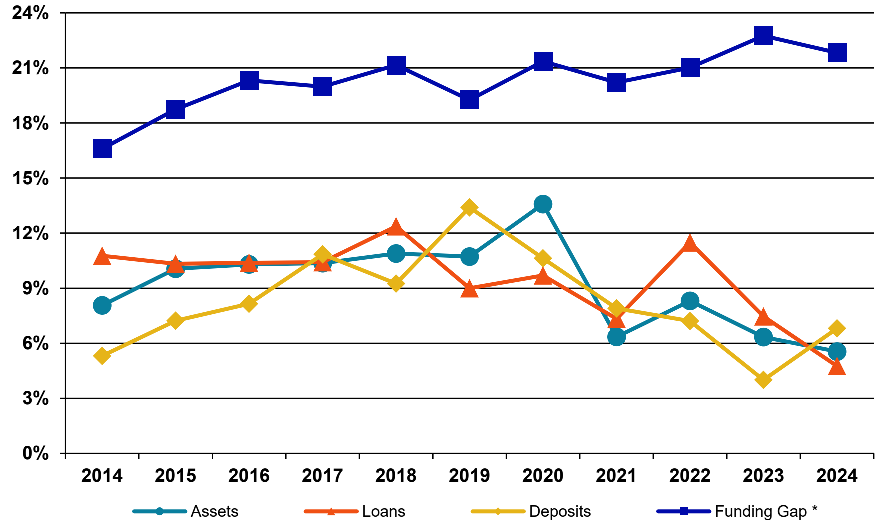


Table #2 -Selected Performance Trends

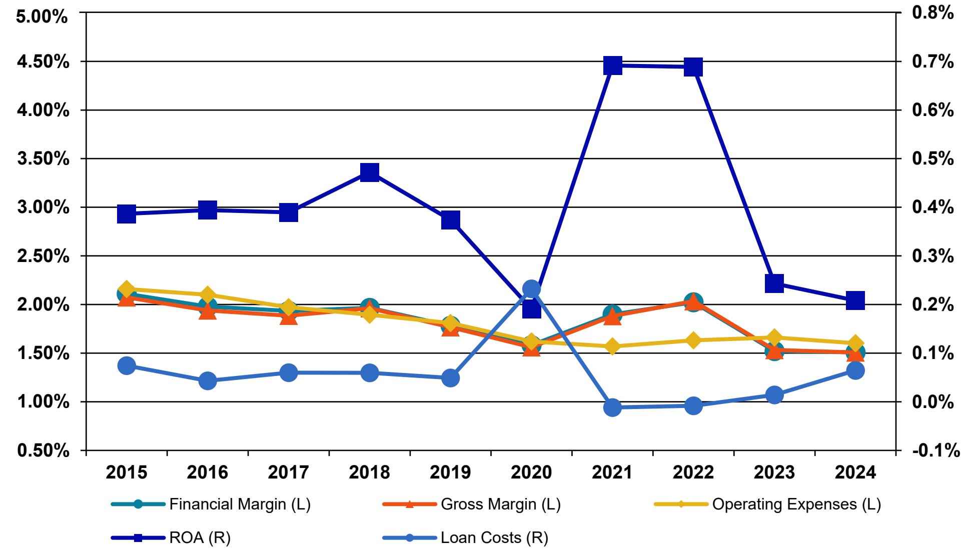


Table #3 - Efficiency Ratio and Return on Assets

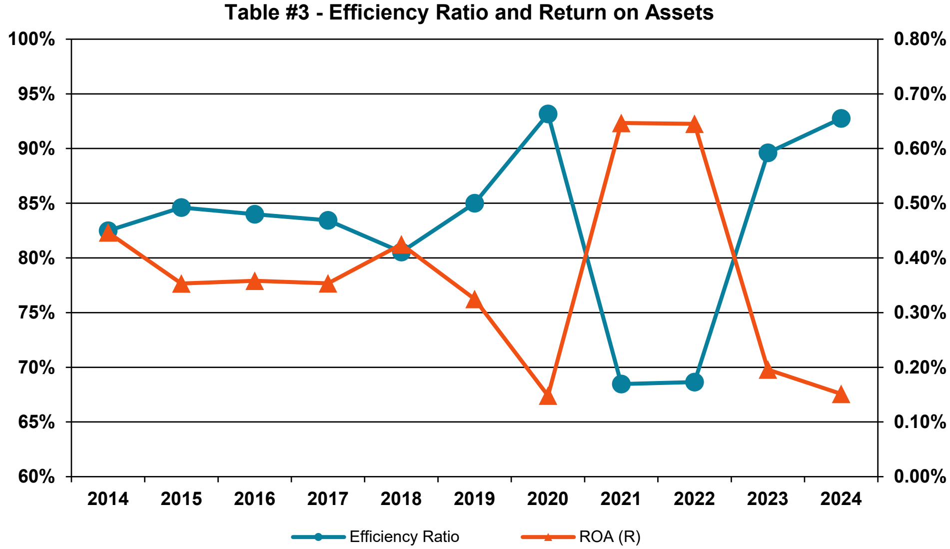
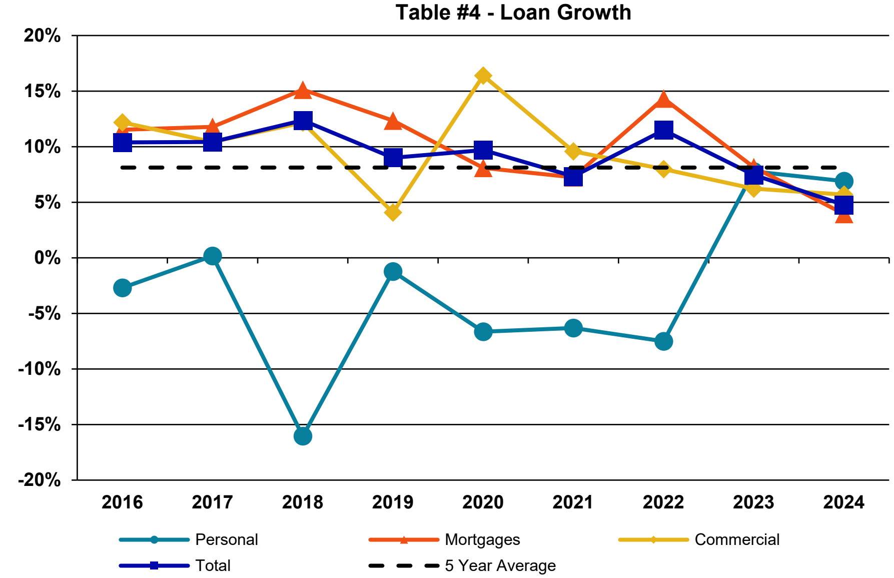
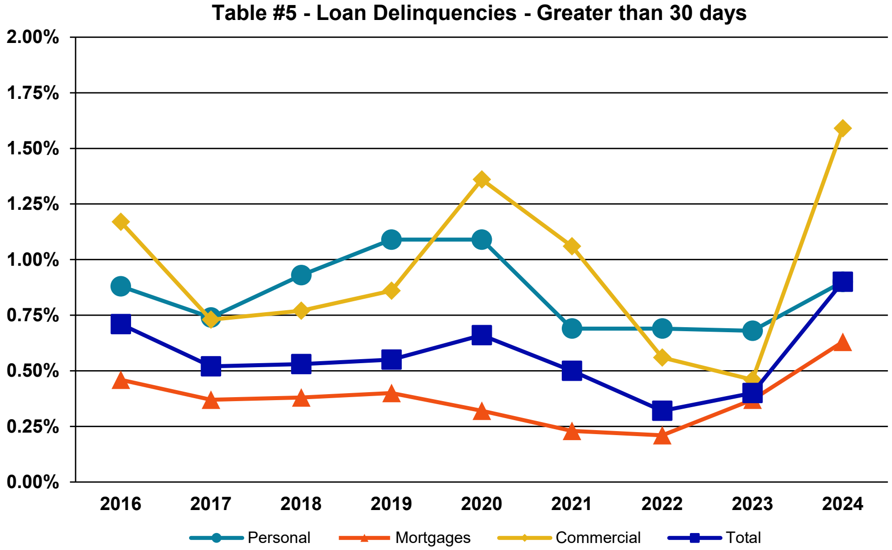
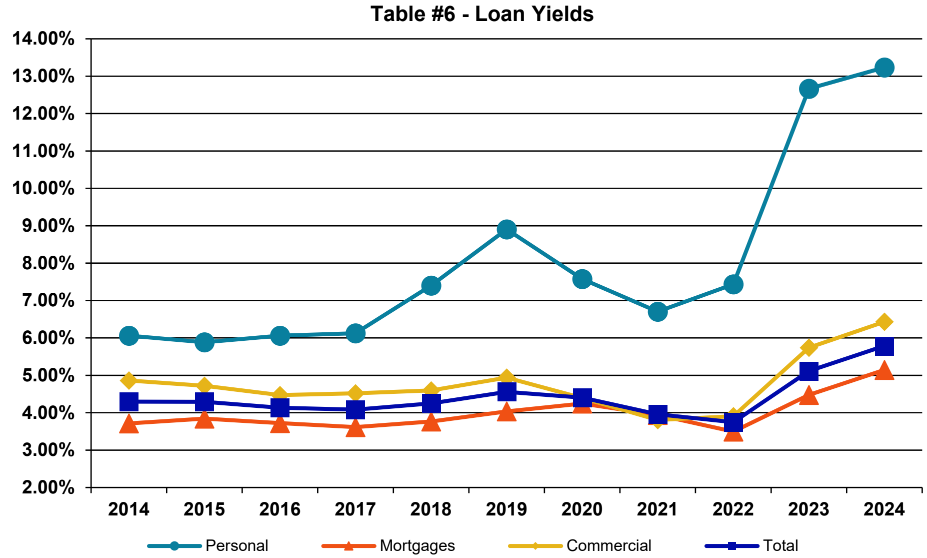


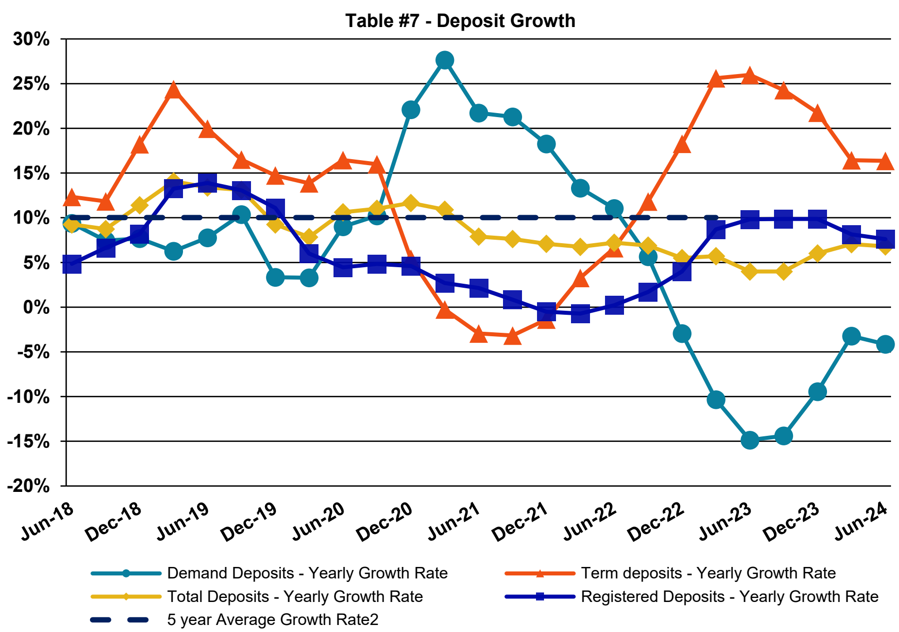
Table #4 - Loan Growth

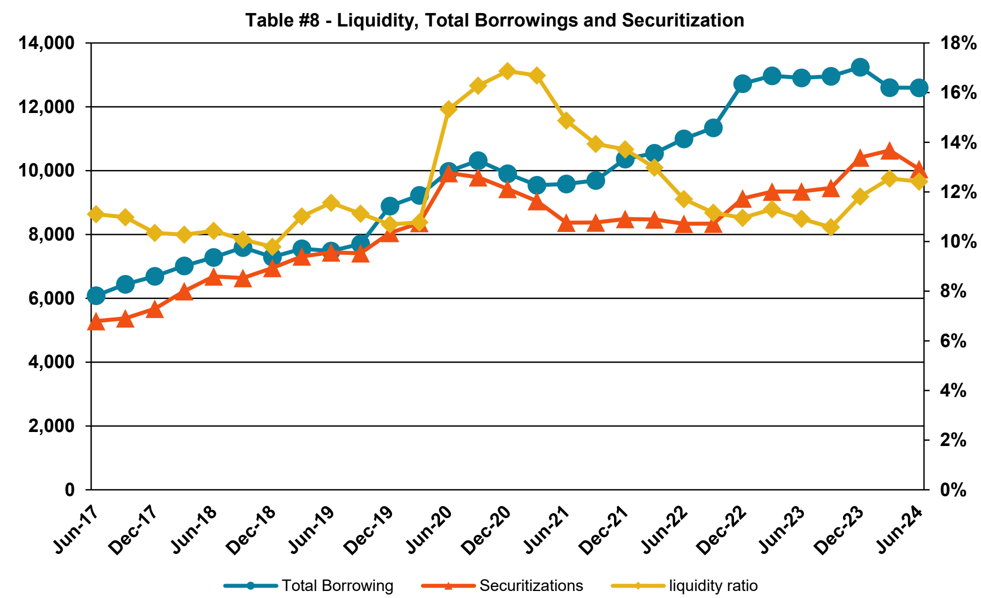


Sector key financial trends (continued)









FSRA observations 2Q-2024

- The sector included 57 institutions in 2Q-2024, the same as last quarter and 2 less than in the year-earlier quarter.

- Profitability, as measured by Return on Average Assets (ROAA) in 2Q-2024 was 21 bps, up 7 bps from last quarter and 2 bps up from last year. Q2 2024 ROAA[1] was adjusted up by 6bps due to methodology change and comparable profitability decreased year over Year during which higher loan interest and lower income taxes were more than offset by higher interest expense; compared with last quarter, loan interest income and funding cost increased at same pace and financial margin stabilized. The elevated interest rate levels, and inverted curve, and the difference in interest rate sensitivity between loan portfolios and deposits all contributed to squeezed margins observed. The BOC has shifted its policy focus from inflation risk to downside risk and cut bank rate for 2 times in June and July meetings, we expect the deterioration of financial margin will continue but at a slower pace; it will start to improve in late 2024 and 2025 depending on the magnitude and pace of rates cut from BOC at short end of yield curve and how mid to long end of yield curve shift.

- Over 30-day delinquency on residential mortgages (which at $54.5 billion represent 55.6% of sector assets) was 63 bps, up 25 bps year over year but down 1 bps from last quarter. 30-day delinquency on commercial loans (which at $25.2 billion represent 25.7% of sector assets) was 160 bps, up 114 bps year over year and 4 bps from last quarter. Total loan delinquency was 90 bps, up 50 bps year over year and remains flat quarter over quarter. We expect the credit risk will continue to rise in the rest of 2024 but at a moderate pace; while overall interest rates are still elevated, the recent interest rate cuts and outlook for more cuts will alleviate the pressure on borrowers.

- At the end of 2Q-2024, sector assets totaled $98.1 billion, reflecting a year-over-year increase of $5.1 billion (up 5.5%). Residential mortgage loans grew $2.1 billion (up 4%); recent growth is below historical rates as prices and volumes weakened

[1] Note 1: The dividend payment from the retained earning schedule was added back into the ROAA calculation to reflect the sector’s periodical profitability better.

and elevated mortgage rates compared with earlier levels. Commercial loans grew $1.4 billion (up 5.7%), and cash/investments increased $1.3 billion (up 13.0%).

- Liquidity ratio at 12.4% for end of 2Q-2024 was 146 bps higher than the liquidity ratio for same period in prior year at 10.9%.

- Year-over-year growth in retained earnings (1.5%) lagged growth in total assets (5.5%) due to a deterioration of financial margin and profitability. The duration gap between asset and liability got exacerbated during extended period of low-interest-rate environment and the sector was susceptible to the rapid interest hikes and inverted yield curve; the sector was incapable of adjusting their asset and liability structure fast enough to accommodate the changes, consequently sector financial margin was squeezed as funding cost increased faster than asset yields. Other Tier 1 & Tier 2 capital including investment shares (up $241.8 million or 8.8% year over year) represents a significant source of capital ($3.0 billion or 43.2% of capital in 2Q-2024, compared to $2.75 billion or 41.7% in 2Q-2023).

Economic overview

Bank of Canada

On June 5th and July 24th, the Bank of Canada reduced the policy rate twice bringing it to 4.5%, with the Bank Rate at 4¾% and the deposit rate at 4½%. The Bank is continuing its policy of balance sheet normalization and in its release said the following.

"The global economy is expected to continue expanding at an annual rate of about 3% through 2026. While inflation is still above central bank targets in most advanced economies, it is forecast to ease gradually. In the United States, the anticipated economic slowdown is materializing, with consumption growth moderating. US inflation looks to have resumed its downward path. In the euro area, growth is picking up following a weak 2023. China's economy is growing modestly, with weak domestic demand partially offset by strong exports. Global financial conditions have eased, with lower bond yields, buoyant equity prices, and robust corporate debt issuance. The Canadian dollar has been relatively stable and oil prices are around the levels assumed in April's *Monetary Policy Report* (MPR)."

"In Canada, economic growth likely picked up to about 1.5% through the first half of this year. However, with robust population growth of about 3%, the economy's potential output is still growing faster than GDP, which means excess supply has increased. Household spending, including both consumer purchases and housing, has been weak. There are signs of slack in the labour market. The unemployment rate has risen to 6.4%, with employment continuing to grow more slowly than the labour force and job seekers taking longer to find work. Wage growth is showing some signs of moderating but remains elevated."

"GDP growth is forecast to increase in the second half of 2024 and through 2025. This reflects stronger exports and a recovery in household spending and business investment as borrowing costs ease. Residential investment is expected to grow robustly. With new government limits on admissions of non-permanent residents, population growth should slow in 2025."

“CPI inflation moderated to 2.7% in June after increasing in May. Broad inflationary pressures are easing. The Bank’s preferred measures of core inflation have been below 3% for several months and the breadth of price increases across components of the CPI is now near its historical norm. Shelter price inflation remains high, driven by rent and mortgage interest costs, and is still the biggest contributor to total inflation. Inflation is also elevated in services that are closely affected by wages, such as restaurants and personal care.

“Overall, the Bank forecasts GDP growth of 1.2% in 2024, 2.1% in 2025, and 2.4% in 2026. The strengthening economy will gradually absorb excess supply through 2025 and into 2026.”

“The Bank’s preferred measures of core inflation are expected to slow to about 2.5% in the second half of 2024 and ease gradually through 2025. The Bank expects CPI inflation to come down below core inflation in the second half of this year, largely because of base year effects on gasoline prices. As those effects wear off, CPI inflation may edge up again before settling around the 2% target next year.”

“With broad price pressures continuing to ease and inflation expected to move closer to 2%, Governing Council decided to reduce the policy interest rate by a further 25 basis points. Ongoing excess supply is lowering inflationary pressures. At the same time, price pressures in some important parts of the economy—notably shelter and some other services—are holding inflation up. Governing Council is carefully assessing these opposing forces on inflation. Monetary policy decisions will be guided by incoming information and our assessment of their implications for the inflation outlook. The Bank remains resolute in its commitment to restoring price stability for Canadians.”

The next scheduled date for announcing the target overnight rate is Sept 4, 2024.

As inflation moderates, the nominal treasury yield is expected to drop accordingly which will lead to a slower loan yield growth and lower funding cost. As Bank of Canada has shifted its focus to downside risk and cut rates for 2 times consecutively, the yield curve shape will become less “inverted” and it will help restore CU’s financial margin. We expect the average loan yield and funding cost of the credit union sector in Ontario continues to climb slowly in 2024 but at relatively same pace. The sector's financial margins will remain under pressure in the near future but will slowly improve in 2025. At the current stage, credit risk remain a key risk area followed by capital and liquidity risks.

Household debt

Statistics Canada reported on July 17, 2024, that the amount Canadians owe relative to their income reached 180% which is the highest in G7 countries.

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, fell from 14.98% at the end of 2023 to 14.91% in the first quarter of 2024. Growing household disposable income (+1.9%) relative to debt payments (+1.4%) was behind the easing of debt service obligations.

Household credit market debt as a proportion of household disposable income dropped for the fourth consecutive quarter and was down from 178.0% in the fourth quarter of 2023 to 176.4% in the first quarter of 2024, as growth in household disposable income once again outpaced the growth in credit market debt.

While we expect the delinquency and impairment in Ontario's credit union sector to continue as a key risk area in the rest of 2024 given the current interest rate environment, the deterioration of credit quality should moderate as lower household-debt-to-disposable-income will ease the loan payment pressure. In addition, the outlook of further easing of interest rate levels and the inflation rate is expected to alleviate borrowers' payment burden.

Housing markets

In June 2024, Toronto Region Real Estate Board (TRREB) reported 6,213 home sales through TRREB's MLS® System which is a 16.4 per cent decline compared to 7,429 sales reported in June 2023. New listings entered into the MLS® System amounted to 17,964 – up by 12.3 per cent year-over-year. Despite the Bank of Canada rate cut at the beginning of last month, many buyers kept their home purchase decisions on hold. The market remained well-supplied, resulting in a slight dip in the average selling price compared to June 2023.

"The Bank of Canada's rate cut last month provided some initial relief for homeowners and home buyers. However, the June sales result suggests that most home buyers will require multiple rate cuts before they move off the sidelines."

The MLS® Home Price Index Composite benchmark was down by 4.6 per cent on a year-over-year basis in June 2024. The average selling price of $1,162,167 was down by 1.6 per cent over the June 2023 result of $1,181,002. On a seasonally adjusted monthly basis, both the MLS® HPI Composite and the average selling price were up compared to May 2024.

In its report, TRREB made the following observations:

"The GTA housing market is currently well-supplied. Recent home buyers have benefitted from substantial choice and therefore negotiating power on price. Moving forward, as sales pick up alongside lower borrowing costs, elevated inventory levels will help mitigate against a quick run-up in selling prices," said TRREB Chief Market Analyst Jason Mercer.

"Despite a temporary dip in home sales due to high interest rates, we know that strong population growth is driving long-term demand for ownership and rental housing. Ontario has set the goal of 1.5 million more homes on the ground by 2031. This is only possible if all levels of government ensure actionable solutions with sustained effort, including continuing to remove red tape, avoiding financial barriers to home construction, and minimizing housing taxes and development charges," said TRREB CEO John DiMichele.

Sector consolidation

There were 57 institutions by the end of 2Q-2024, a decrease of two from the year earlier and remains the same as the previous quarter. Average assets per institution were $1.7 billion (up $105 million or 6.5% year over year) reflecting organic growth and consolidations.

Profitability

2Q-2024 vs 2Q-2023

As shown in Tables 2 and 3, the return on average assets in 2Q-2024 was 21 bps, up 1 bps from 20 bps in the year-earlier quarter. The ROAA for Q2 2024 was adjusted up by 6bps due to methodology change while comparable profitability decreased: higher loan interest (up 51 bps to 4.4%) was more than offset by increased interest expense on deposits (up 57 bps to 2.7%).

9 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.

2Q-2024 vs 1Q-2024

Sector profitability improved 7 bps from last quarter. ROAA for Q2 2024 was adjusted 6 bps upward due to methodology change, comparable profitability almost remained flat as the sectors loan and investment interest increased by 3 bps (from 4.78%) offset by increased interest expense on deposits of 2 bps (from 2.67%).

1Q-2024 Ontario Sector vs 1Q-2024 Canadian Sector*

Ontario sector profitability of 21 bps was on par with the Canadian sector's of 21 bps.

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

Capital

2Q-2024 vs 2Q-2023

Sector capital increased to $6.9 billion (up $336 million or 5.1%) from the year-earlier quarter and was comprised of:

- Retained earnings of $3.9 billion (up $60.4 million or 1.6%);
- Investment and patronage shares of $3.0 billion (up $241.8 million or 8.8%); and
- Membership shares of $55.1 million (down $1.1 million or -1.9%).

As a percentage of risk-weighted assets, sector capital was 13.6%, up 20 bps from the year-earlier quarter. Leverage was 6.8%, up 1 bp from the year-earlier quarter.

2Q-2024 vs 1Q-2024

Sector capital increased by $69.7 million (up 1% from $6.6 billion) from last quarter as retained earnings increased by 57.0 million (up 1.5% from $3.9 billion), Investment shares and other Tier One or Tier Two capital were down 3.9 million or -0.1%.

Compared to the previous quarter, sector capital as a percentage of risk-weighted assets was up 4 bps (from 13.5%); leverage was also down 1 bps (from 6.81%).

Liquidity (including securitization)

2Q-2024 vs 2Q-2023

As shown in Tables 7 and 8, sector deposits increased by $4.9 billion (up 6.8% to $76.7 billion); securitizations increased by $935 million (up 10% to $10.2 billion); and borrowing was down by $1.3 billion (down 35.5% to $2.3 billion). Total liability saw a net increase of $4.8 billion (up 5.5% to $91.2 billion) from the year earlier. Liquid assets increased $1.3 billion (up 13.0% to $11.6 billion) resulting in an increase in liquidity to 12.4% (up 146 bps from 10.9 % in 2Q-2023).

In 2Q-2024, 22 institutions with total assets of $75.6 billion (or 77.0% of sector assets) participated in securitization programs.

2Q-2024 vs 1Q-2024

Sector deposits increased by $647.6 million (up 0.9% from $76.0 billion), securitizations decreased by $344.6 million (down 3.2% to $10.2 billion), while borrowings increased by $341.3 million (up 17.3% to $2.3 billion) from last quarter. Liquid assets increased by $189.9 million (up 1.7% from $11.2 billion) but total liquidity ratio show a 12bp drop (from 12.55%).

Efficiency ratio (before dividends/interest rebates)

2Q-2024 vs 2Q-2023

As shown in Table 3, the sector efficiency ratio improved marginally to 87% (up 48 bps from 87.48%) from the year earlier quarter.

2Q-2024 vs 1Q-2024

Compared to last quarter, sector efficiency improved by 3.4 percentage points to 87%.

1Q-2024 Ontario Sector vs 1Q-2024 Canadian Sector*

Non-interest expense as a percentage of average assets for the Ontario sector (1.6%) was 24 bps lower than the Canadian sector (1.8%). However, Ontario sector efficiency ratio (90.4%) was 4.5 percentage points worse than the Canadian sector (85.9%).

Credit Quality (delinquency greater than 30 days)

2Q-2024 vs 2Q-2023

As shown in Table 5, total loan delinquency increased to 90 bps (up 50 bps from 41 bps) compared to the year earlier quarter. Residential mortgage loan delinquency increased to 63 bps (up 25 bps from 38 bps) and commercial loan delinquency increased to 160 bps (up 114 bps from 46 bps).

2Q-2024 vs 1Q-2024

Compared to last quarter, total loan delinquency remains flat at 90 bps, reflecting 1bps improvement with residential mortgage loans delinquency (from 64 bps) and 4 bp increase of commercial loans delinquency (from 1.56%).

Growth

2Q-2024 vs 2Q-2023

Total sector assets increased to $98.1 billion (up $5.1 billion or 5.5%) compared to the year earlier quarter. This reflects increases in residential mortgage loans to $54.5 billion (up $2.1 billion or 4%) and commercial loans to $25.2 billion (up $1.4 billion or 5.7%), cash/investments of $11.6 billion (up $1.3 billion or 13.0%).

2Q-2024 vs 1Q-2024

Total sector assets increased by $939.0 million (1% from $97.2 billion) from last quarter reflecting an increase in residential mortgage loans of $636.5 million (1.2% from $53.8 billion), an drop in commercial loans of $34.1 million (-0.1% from $25.3 billion), and cash/investments of $190 million (up 1.7% from $11.4 billion).

1Q-2024 Ontario Sector vs 1Q-2024 Canadian Sector*

Ontario sector growth in total assets (5.6%) exceeded the Canadian sector's growth (3.7%) reflecting higher growth in residential mortgage loans of 3.9% (compared to 3.5% from Canadian sector); commercial loans of 8.6% (compared to 6.9%).

Sector income statements

% of Average Assets (except as noted)

	Ontario Sector			Canadian Sector[1]
	2Q-2024	**1Q-2024**	**2Q-2023**	**1Q-2024**
Interest and Investment Income				
Loan Interest	**4.37%**	4.33%	3.87%	4.15%
Investment Income	**0.44%**	0.45%	0.39%	0.59%
Total Interest and Investment Income	**4.81%**	4.78%	4.26%	4.74%
Interest and Dividend Expense				
Interest Expense on Deposits	**2.69%**	2.67%	2.11%	2.74%
Rebates/Dividends on Share Capital	**0.00%**	0.05%	0.00%	0.00%
Dividends on Investment/Other Capital	**0.04%**	0.01%	0.03%	0.04%
Other Interest Expense	**0.55%**	0.54%	0.54%	0.26%
Total	**0.58%**	0.63%	0.58%	0.30%
Total Interest & Dividend Expense	**3.27%**	3.30%	2.74%	3.04%
Net Interest & Investment Income	**1.54%**	1.48%	1.52%	1.70%
Loan Costs	**0.05%**	0.04%	0.01%	0.05%
Net Interest & Investment Income after Loan Costs	**1.48%**	1.44%	1.51%	1.65%
Other (non-interest) Income	**0.35%**	0.32%	0.39%	0.44%
Net Interest, Investment & Other Income	**1.84%**	1.76%	1.90%	2.14%
Non-Interest Expenses				
Salaries & Benefits	**0.90%**	0.90%	0.93%	1.05%
Occupancy	**0.12%**	0.13%	0.13%	0.13%
Computer, Office & Other Equipment	**0.18%**	0.17%	0.18%	
Advertising & Communications	**0.06%**	0.06%	0.07%	0.15%
Member Security	**0.08%**	0.07%	0.08%	0.35%
Administration	**0.19%**	0.19%	0.20%	0.16%
Other	**0.07%**	0.07%	0.08%	
Total Non-Interest Expenses	**1.60%**	1.59%	1.66%	1.84%
Net Income/(Loss) Before Taxes	**0.24%**	0.17%	0.24%	0.31%
Taxes	**0.03%**	0.03%	0.04%	0.04%
Net Income/(Loss)	**0.21%**	0.14%	0.20%	0.21%
Average Assets (Billions)	**$97**	$97	$92	$302

[1]Summary 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		
	2Q-2024	1Q-2024	2Q-2023
Assets			
Cash and Investments	11,558	11,368	10,231
Personal Loans	2,150	2,116	2,014
Residential Mortgage Loans	54,513	53,877	52,441
Commercial Loans	25,228	25,262	23,865
Institutional Loans	155	158	160
Unincorporated Association Loans	44	46	45
Agricultural Loans	2,992	2,900	2,687
Total Loans	85,083	84,359	81,212
Total Loan Allowances	227	214	204
Capital (Fixed) Assets	665	656	670
Intangible and Other Assets	1,019	990	1,063
Total Assets	98,099	97,160	92,973
Liabilities			
Demand Deposits	25,895	26,727	27,015
Term Deposits	34,555	33,276	29,689
Registered Deposits	16,239	16,038	15,087
Total Deposits	76,688	76,041	71,790
Borrowings	2,310	1,968	3,579
Securitizations	10,290	10,634	9,354
Other Liabilities	1,870	1,645	1,642
Total Liabilities	91,157	90,288	86,365
Members' Equity & Capital			
Membership Shares	55	55	56
Retained Earnings	3,940	3,883	3,881
Other Tier 1 & 2 Capital	3,000	3,003	2,758
AOCI	(53)	(70)	(87)
Total Members' Equity & Capital	6,941	6,872	6,607
Total Liabilities, Members' Equity & Capital	98,099	97,160	92,973

* Totals may not agree due to rounding

Sector balance sheets

	2Q-2024 $Millions	Sector % Increase/(Decrease) from 1Q-2024	Sector % Increase/(Decrease) from 2Q-2023
Assets			
Cash and Investments	11,558	1.8%	13.4%
Personal Loans	2,150	1.6%	6.8%
Residential Mortgage Loans	54,513	1.2%	3.9%
Commercial Loans	25,228	-0.1%	5.7%
Institutional Loans	155	-1.5%	-2.7%
Unincorporated Association Loans	44	-5.0%	-1.7%
Agricultural Loans	2,992	3.2%	11.3%
Total Loans	85,083	0.9%	4.7%
Total Loan Allowances	227	8.1%	11.1%
Capital (Fixed) Assets	665	2.1%	-0.8%
Intangible and Other Assets	1,019	3.0%	-3.9%
Total Assets	98,099	1.0%	5.5%
Liabilities			
Demand Deposits	25,895	-3.1%	-4.1%
Term Deposits	34,555	3.8%	16.3%
Registered Deposits	16,239	1.3%	7.6%
Total Deposits	76,688	0.9%	6.8%
Borrowings	2,310	29.8%	-35.0%
Securitizations	10,290	-5.5%	10.1%
Other Liabilities	1,870	14.4%	14.2%
Total Liabilities	91,157	1.0%	5.6%
Members' Equity & Capital			
Membership Shares	55	-0.4%	-1.9%
Retained Earnings	3,940	1.4%	1.6%
Other Tier 1 & 2 Capital	3,000	-0.1%	8.8%
Accumulated Other Comprehensive Income	(53)	-24.0%	-39.5%
Total Members' Equity & Capital	6,941	1.0%	5.1%
Total Liabilities, Members' Equity & Capital	98,099	1.0%	5.5%

* Totals may not agree due to rounding

Sector balance sheets

As a percentage of Total Assets	Sector			Canadian Sector[1]
	2Q-2024	1Q-2024	2Q-2023	1Q-2024
Assets				
Cash and Investments		11.7%	11.0%	14.50%
Personal Loans	2.2%	2.2%	2.2%	3.6%
Residential Mortgage Loans	55.6%	55.5%	56.4%	49.6%
Commercial Loans	25.7%	26.0%	25.7%	25.8%
Institutional Loans	0.2%	0.2%	0.2%	0.7%
Unincorporated Association Loans	0.0%	0.0%	0.0%	0.0%
Agricultural Loans	3.0%	3.0%	2.9%	3.8%
Total Loans	86.7%	86.8%	87.4%	83.5%
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%	1.0%	1.1%	1.4%
Total Assets	100.0%	100.0%	100.0%	100.0%
Liabilities				
Demand Deposits	26.4%	27.5%	29.1%	35.2%
Term Deposits	35.2%	34.3%	32.0%	33.5%
Registered Deposits	16.6%	16.5%	16.2%	15.3%
Total Deposits	78.2%	78.3%	77.2%	84.2%
Borrowings	2.6%	2.0%	3.8%	5.8%
Securitizations	10.2%	10.9%	10.1%	
Other Liabilities	1.9%	1.7%	1.8%	2.7%
Total Liabilities	92.9%	92.9%	92.9%	92.7%
Members' Equity & Capital				
Membership Shares	0.1%	0.1%	0.1%	0.5%
Retained Earnings	4.0%	4.0%	4.2%	5.7%
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%	7.1%	7.2%
Total Liabilities, Members' Equity & Capital	100.0%	100.0%	100.0%	100.0%