NASCUS

The National Association of State Credit Union Supervisors

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2026 Q1 SCU Industry Report

Industry Status Based on March 2026 5300 Data

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The National Association of State Credit Union Supervisors

NASCUS 2026 1Q SCU INDUSTRY REPORT – INDUSTRY STATUS BASED ON MARCH 2026 5300 DATA

Background and Introduction

5300 FILING CU SUMMARY REPORT AS OF 03 2026

Current Quarter Total		SCU	FCU	% SCU
	CU #'S	1,755	2,672	39.64
	MEMBERS	66,896,277	80,151,250	45.49
	ASSETS	1,221,153,584,063	1,299,190,309,797	48.45
Previous Quarter Total		**SCU**	**FCU**	**% SCU**
	CU #'S	1,779	2,686	39.84
	MEMBERS	67,103,424	78,878,317	45.97
	ASSETS	1,205,969,440,955	1,263,156,937,685	48.84
CHANGE		**SCU**	**FCU**	
	CU #'S	-24	-14	
	MEMBERS	-207,147	1,272,933	
	ASSETS	15,184,143,108	36,033,372,112	

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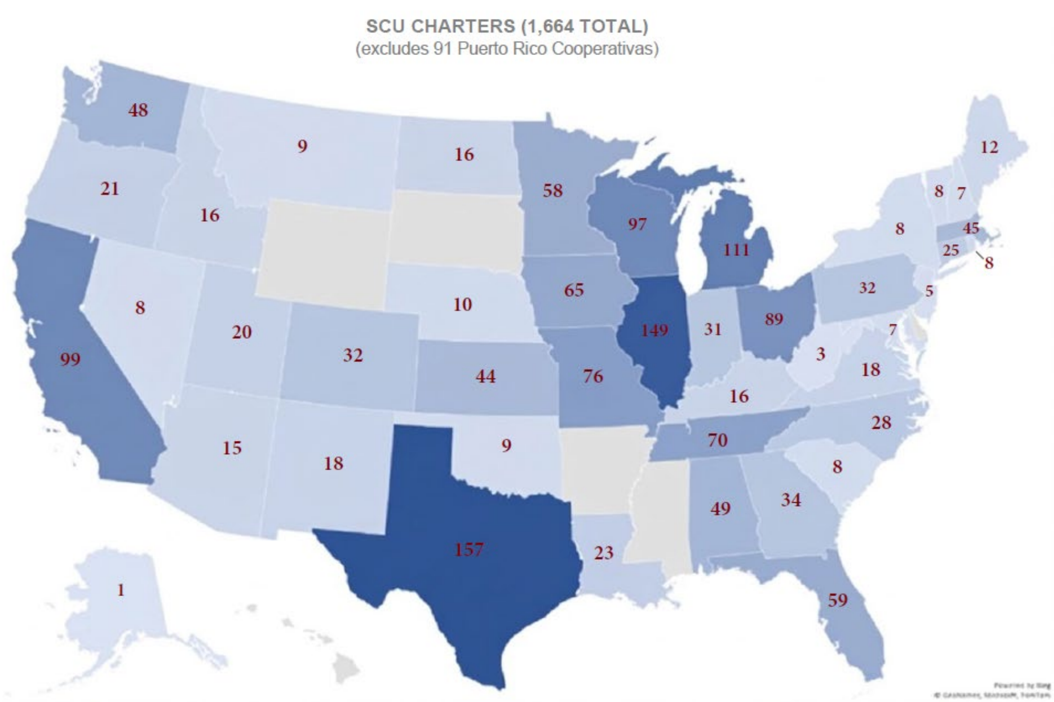
This report presents an analysis of publicly released March 30, 2026, 5300 data. References to state-chartered credit unions (SCU) include all credit unions chartered by a state regardless of deposit insurance, but generally exclude COSSEC-insured Puerto Rico Cooperativas. References to federally insured state credit unions (FISCU) include only those state charters insured by the National Credit Union Administration.



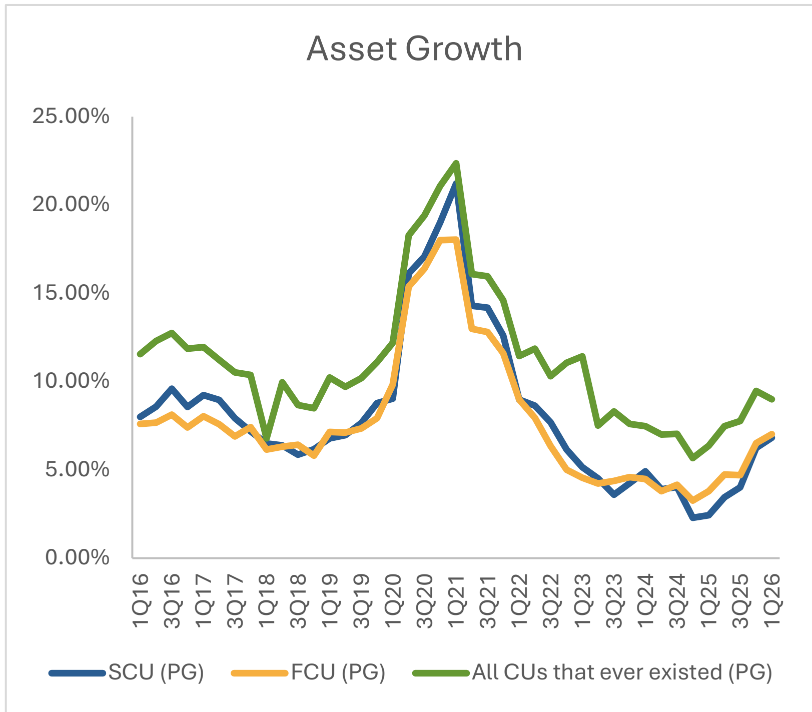
On March 31, 2026, SCUs totaled 1,755 charters[1] with total assets of $1.2 trillion. This total includes 87 privately insured state credit unions (PISCUs) with $23.3 billion total assets insured through American Share Insurance and 91 Cooperativas in Puerto Rico totaling $12.7 billion in assets. Over the first quarter of 2026, the number of SCU charters declined by 24 and membership fell by 207,147 individuals while SCU aggregate assets increased by $15.2 billion. By comparison, federally chartered credit unions (FCUs) declined by 14 charters, membership increased by 1,272,933

[1] Aggregate CU charters and assets reported include both PISCU and Puerto Rico Cooperativas chartered by COSSEC. However, given different “member” definitions in Puerto Rico, membership numbers reported in this report do not include Puerto Rico Cooperativa members.

members and assets increased by $36 billion. As of March 31, 2026, SCUs represented 39.6% of all active charters in the United States, 48.5% of total assets and 48.5% of reported members.

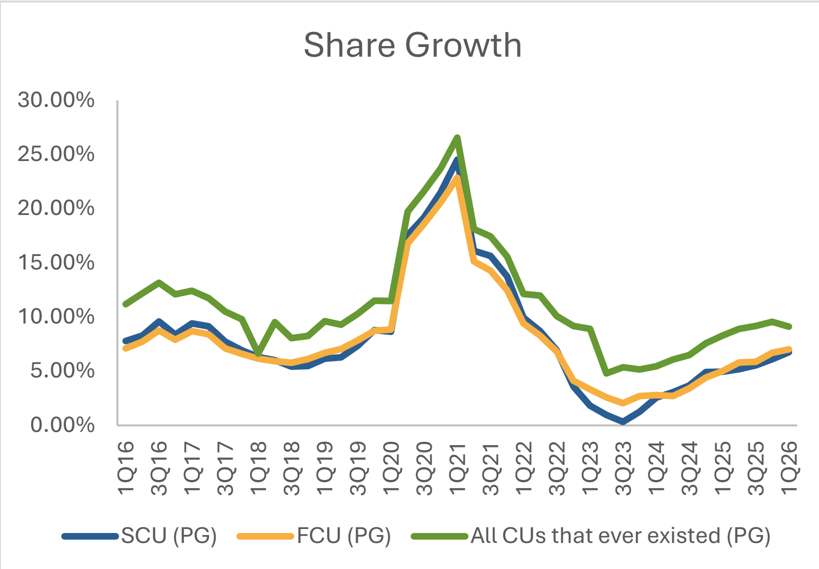
Puerto Rico chartered Cooperativas remained unchanged over the last quarter at 91. Total Puerto Rico chartered credit union assets increased slightly from the previous quarter to $12.7 billion at the end of the first quarter.

Overall, SCUs demonstrate a structural advantage in loan growth and tend to outperform during expansion phases, reflecting a strong lending orientation and responsiveness to market opportunities. FCUs, by contrast, have consistently show stronger performance in membership growth and exhibit less volatility during periods of slower economic activity. In the current cycle, performance differences between charters are narrowing, with convergence evident across multiple metrics, suggesting increasing competitive parity in the credit union system.



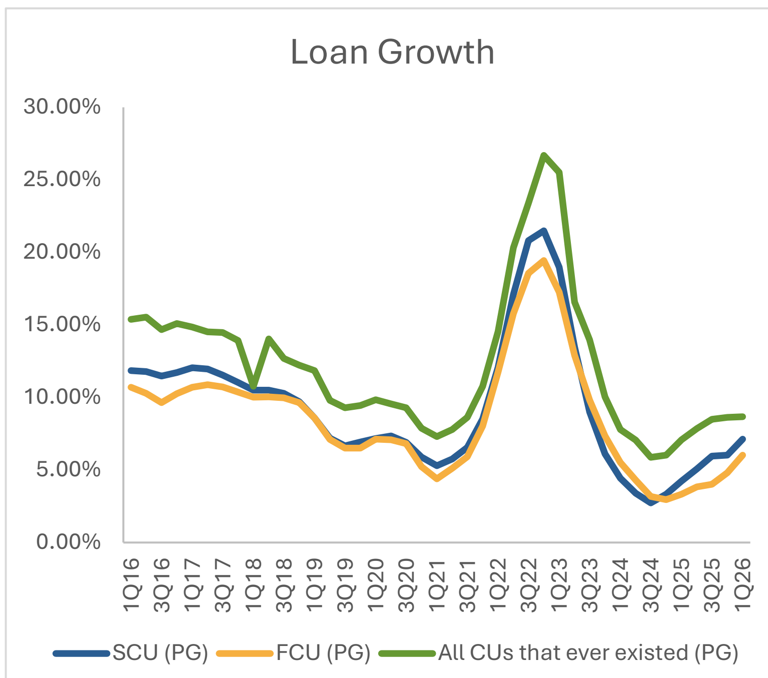
In aggregate, SCU **asset growth** improved 19-basis points sustaining moderate improvements post-pandemic, with recent weighted- average 12-month growth rate of 6.8% at 1Q26. This is slightly below FCU's 7.0% and all U.S. CUs at 9.0% for the same period. SCUs showed stronger growth peaks between 2020 and 2021, reaching above 19%, likely reflecting pandemic recovery efforts. Since then, growth has stabilized at a moderate pace. The steadier growth suggests SCUs are maintaining sustainable expansion without overextending. National trends such as inflation and higher interest rates since 2022 may have tempered asset growth industry wide.

Over the last ten years quarterly SCU asset growth rates exceeded FCU growth rates by an average of 37-basis points, primarily due to pre-2Q23 performance, which averaged 63-basis

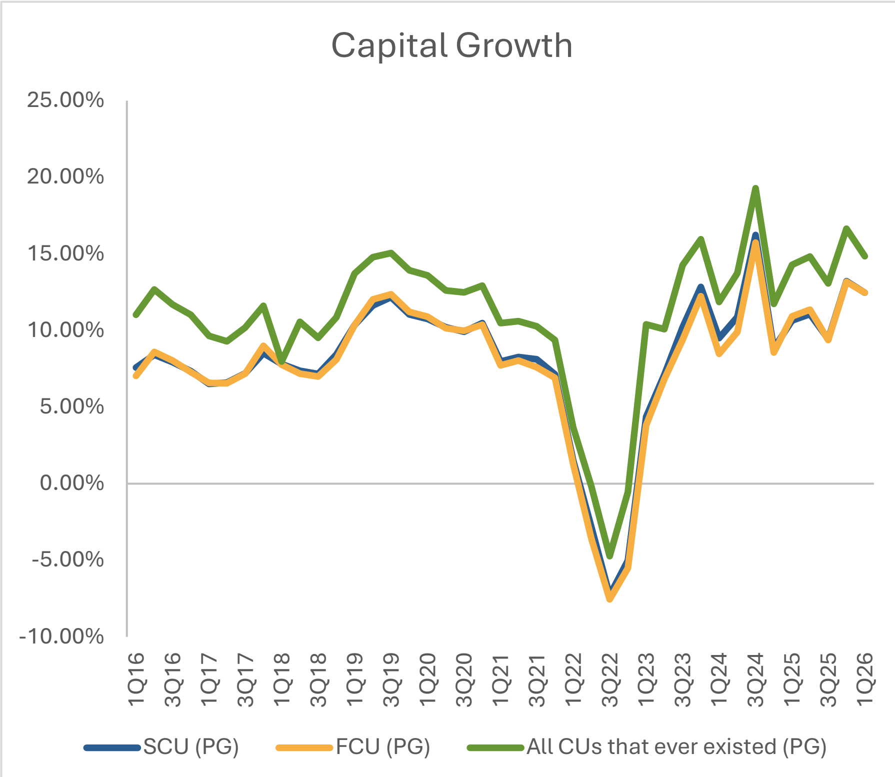


points. However, since 3Q24, the SCU industry has consistently underperformed FCU growth rates with a more recent trend averaging 70-basis points below FCU growth performance.

By 1Q26, SCU **share growth** rates continued to increase to 6.74%, up from 6.12% at 4Q25 and 4.86% from 4Q24. Post-pandemic share growth has achieved performance at modest levels compared to those experienced during the pre-pandemic. FCU growth rates outpaced SCU performance with 7.04% at 1Q26 and 6.70% at 4Q25. FCU aggregate share growth rates have exceeded SCU rates since the first quarter of 2025. However, share growth comparisons of the two charters over the last ten years exhibit only a 7-basis point average advantage to SCUs over that period. Similar to the trends relative to asset growth, FCU share growth over the last 5 quarters has outperformed SCUs by an average of 38-basis points per quarter.

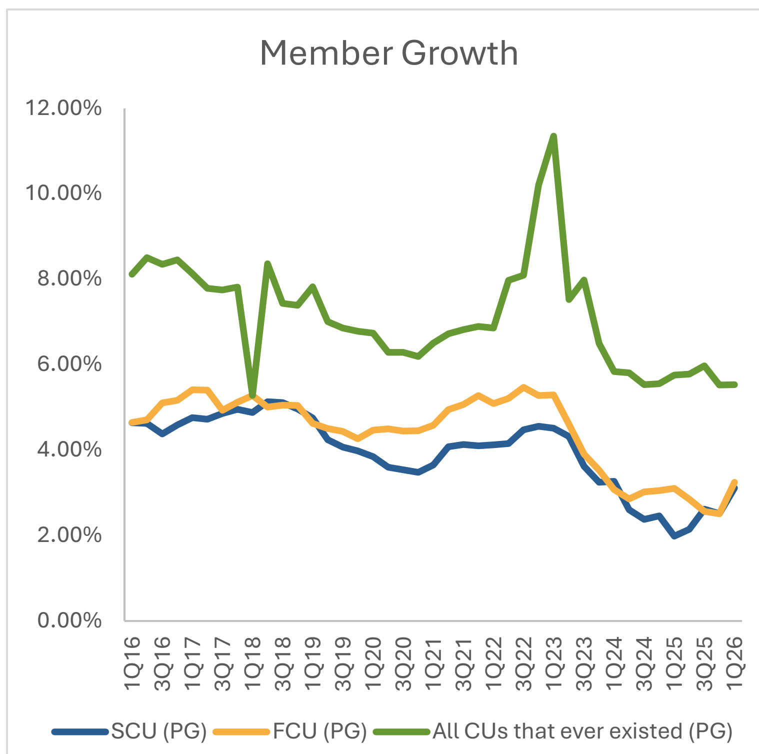


Unlike the relative performance noted above, SCU weighted **loan growth** rate performance has been the principal driver of its relative strength. SCU aggregate loan growth rates significantly outpaced FCU growth to 7.12% at 1Q26, up from 6.03% last quarter and 3.32% at 4Q24. Related FCU growth rates over those periods were 6.01%, 4.81% and 2.96%, respectively. SCUs continue to exhibit clear loan growth leadership over the long-term and during 2025. Over the last 10 years SCUs growth performance averaged 64-basis points higher than FCUs, outperforming FCUs in 35 of the prior 41 quarters.



Capital growth rates continue to exhibit strong SCU performance due to asset growth only modestly outpacing share growth. At 1Q26, the 12-month weighted-average growth rate declined to 12.47%, down from 13.2% YE25 and 8.84% at YE24. SCU aggregate growth rates approximated FCU rates of 12.47%, 13.18% and 8.56% for the same periods. However, SCU capital growth rates over the last ten years tended to average approximately 18-basis points above their federal peers.

Membership growth rates continue to be a weak spot for SCUs, with a 10-year declining trend noted for SCUs with FCU outperformance in all but six of the last 41 quarters. Over the last 10 years, SCU growth rates averaged 49-basis points below FCUs performance. SCU 12-month weighted-average membership growth rates increased to 3.11, up slightly from 4Q25 2.51% and 2.46% percent at YE24. Despite these positive 12-month weighted-Average ratios, SCUs lost almost 1 million members in the last two quarters alone.

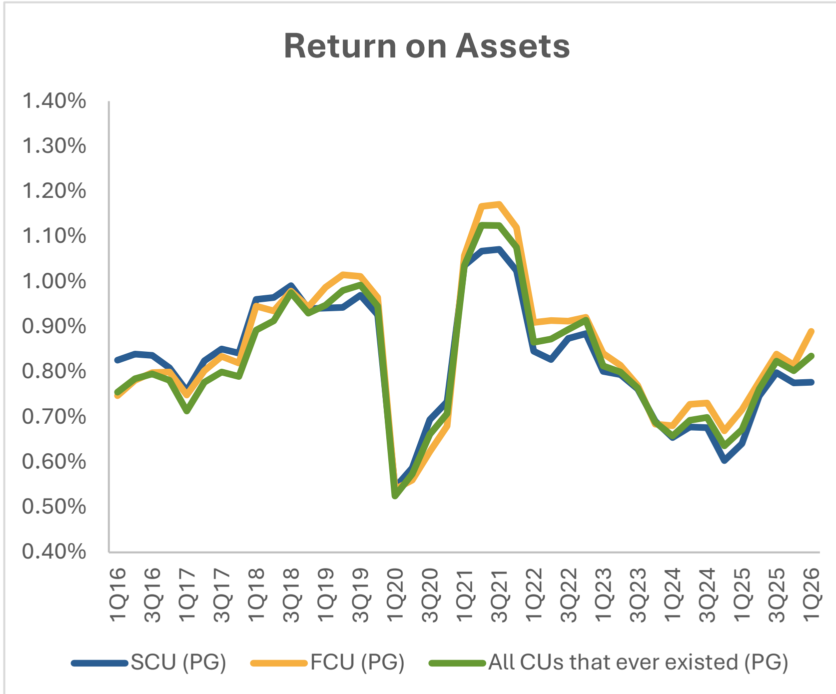


Relatively, FCU growth rates varied modestly from SCU performance with 3.25%, 2.51% and 3.05% over the same periods respectively.

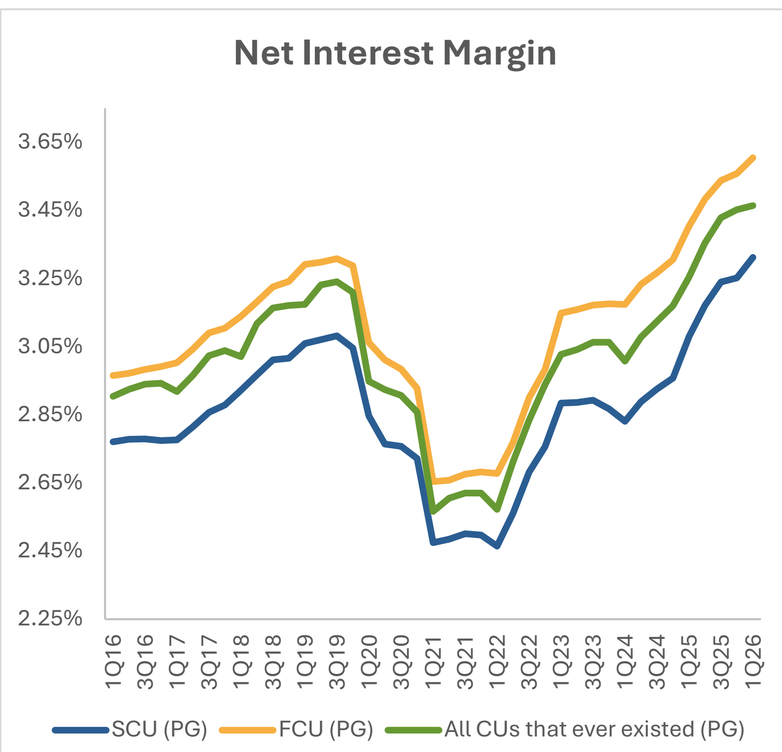
While showing slight improvement over the quarter, membership growth rates for both segments remain at subdued levels.

Earnings

SCUs reported aggregate earnings of $2.3 billion over the first quarter of 2026 with average and median YTD institutional earnings of $1.3 million and $147.9 thousand, respectively.

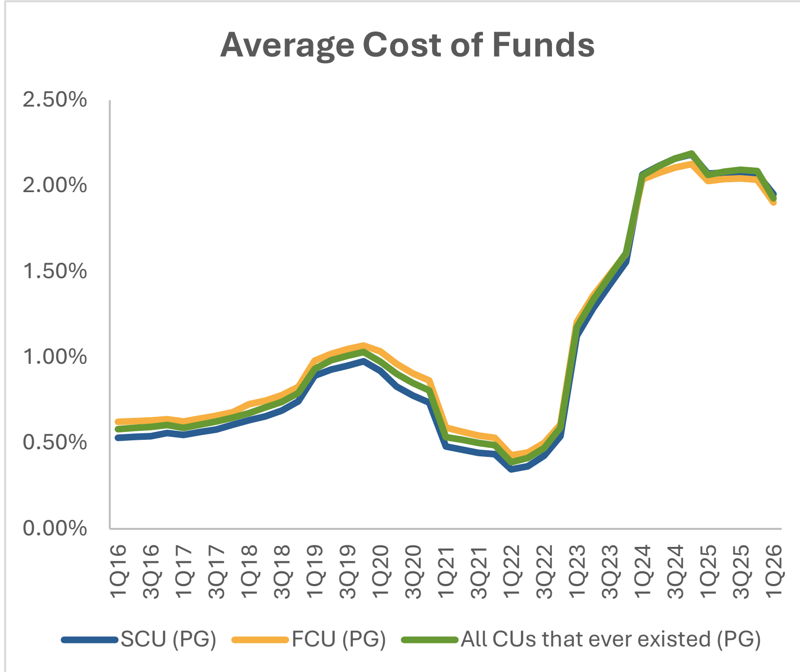


SCU profitability and margin profile remained stable. Aggregate SCU ROAA ended in 1Q26 at .78%, unchanged from the previous quarter and up from .60% from YE 2024. As in every quarter over the last two years, FCU aggregate ROA performance outperformed SCU performance by 11-basis points with .89% as of 1Q26, .82% the previous quarter and .67% at YE 2024. While the SCU ROA ratio remained stable from the previous quarter, it represents a 21% improvement from the .65% ROA experienced at 1Q25.



Despite the relatively close ROA performance between the two charters, the SCU NIM gap remains wide with 1Q26 SCU performance of 3.31% at 1Q26, 29-basis points below the 3.60% FCU ratio. This performance has been historically consistent with SCUs NIM average underperformance approximating 32-basis points over the last two years. While SCU investment yields are 4-basis points higher than FCU peers at 3.57%, significantly lower SCU loan yields (46-basis points) and higher average cost of funds (5-basis points) continue to be the primary drivers of the lower SCU NIM ratio.

Over the last two years SCUs expanded their NIM from 2.83% (1Q24) to 3.31% (1Q26) while the FCU NIM increased from 3.17% to 3.60%. SCU earnings performance improvement is notable post 1Q25 and continues to make slight improvement relative to the FCU NIM ratio gap.

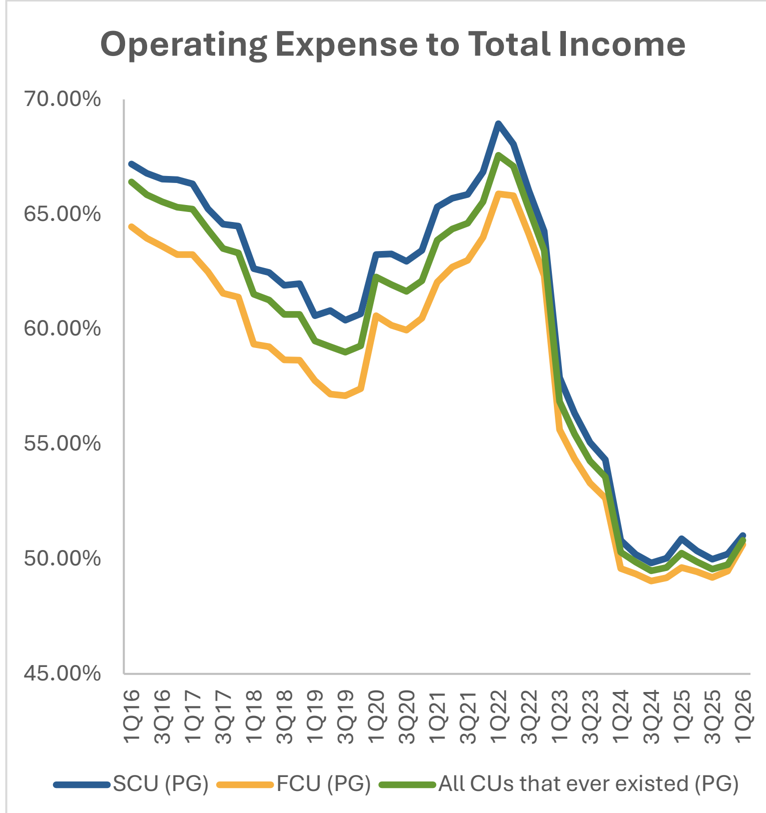


Average SCU cost of funds peaked in late 2024 but has since eased slightly. At 1Q26 continued improvements were noted with SCU ratios of 2.18% (4Q24) declining to 1.95% (1Q26). However, post-pandemic cost of funds remain significantly higher than pre-pandemic levels. FCU cost of funds exhibited a similar decline from 2.13% (4Q24) to 1.90% (1Q26). FCUs historically maintain a lower cost of funds, preserving a FCU 4-basis point advantage exhibited since 1Q24.

The percentage of profitable SCUs declined slightly from 91% at 4Q25 to 88% on March 31, 2026. Considering only the 1,458 profitable SCUs, annualized spot ROA averaged .86% with a median of .74%.

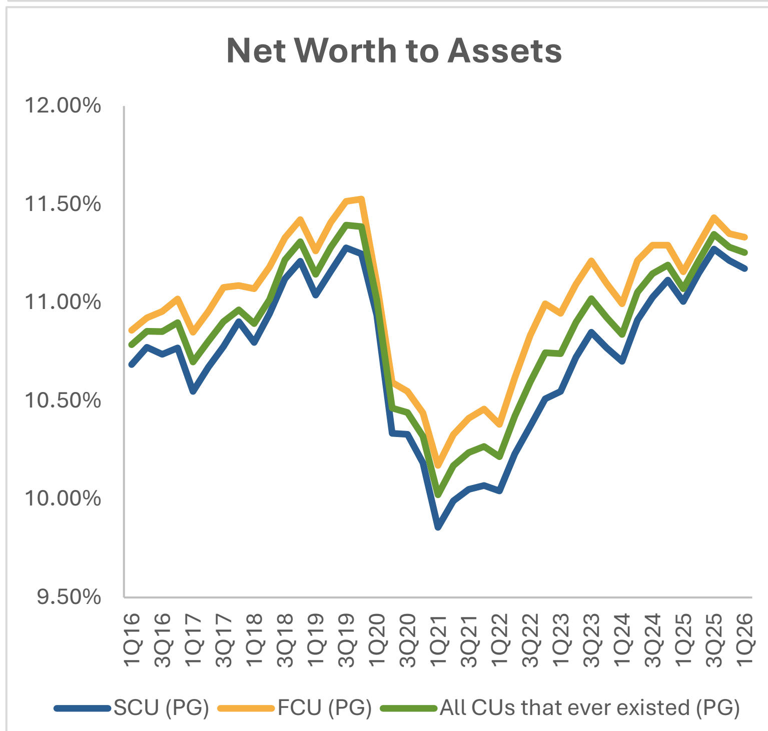
The entire industry has evidenced improved operating efficiency through significant declines in operating expenses to total income realized after the pandemic. From 4Q23 to 4Q25, this ratio fell sharply for both charters with SCUs declining from 54.32% to 50.22% (-410 bps) and

FCUs from 52.65% to 49.47% (-318 bps). However, 1Q26 showed an 81-basis points increase in the ratio with SCUs reporting a ratio of 51.03% at 1Q26, 39-basis points above the FCU ratio of 50.63% over the same period. While the performance gap has narrowed, SCUs have consistently performed worse than FCUs relative to the operating expense to total income ratio averaging 239-basis points above FCU performance since 1Q16.



Net Worth

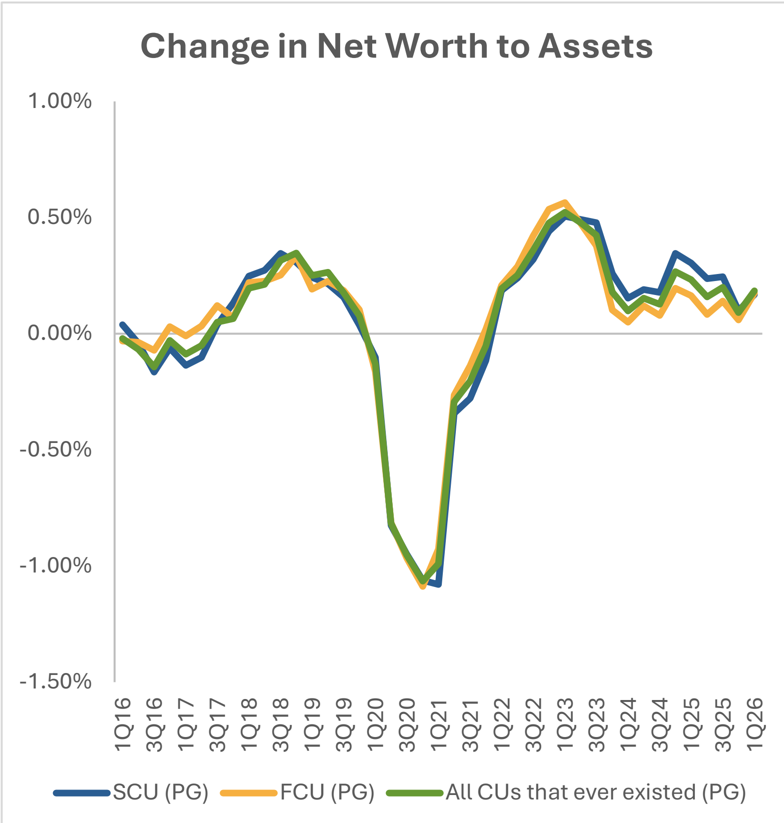
The aggregate net worth ratio for SCUs declined 4-basis points from the previous quarter to 11.17%, 15-basis points less than the aggregate FCU net worth ratio of 11.33%, which declined 1-basis point from 4Q25. Overall, the SCU net worth rate has shown a positive trend with improvement of 99-basis points from the 4Q20 ratio. Relatively modest asset growth, outpaced by earnings retention, continues to drive the net worth ratio. However, the actual dollar change in net worth exhibited over the last five years continues to be rather anemic.



The FCU aggregate NW ratio followed the same general trend, improving 89-basis points from 4Q20.

While aggregate net worth continues to remain relatively stable, the number of individual outliers has increased. Twenty-three state charters failed to meet the Prompt Corrective Action (PCA)[2] definition of "well capitalized" at

[2] See NCUA R&R Part 702.102 Table 1.

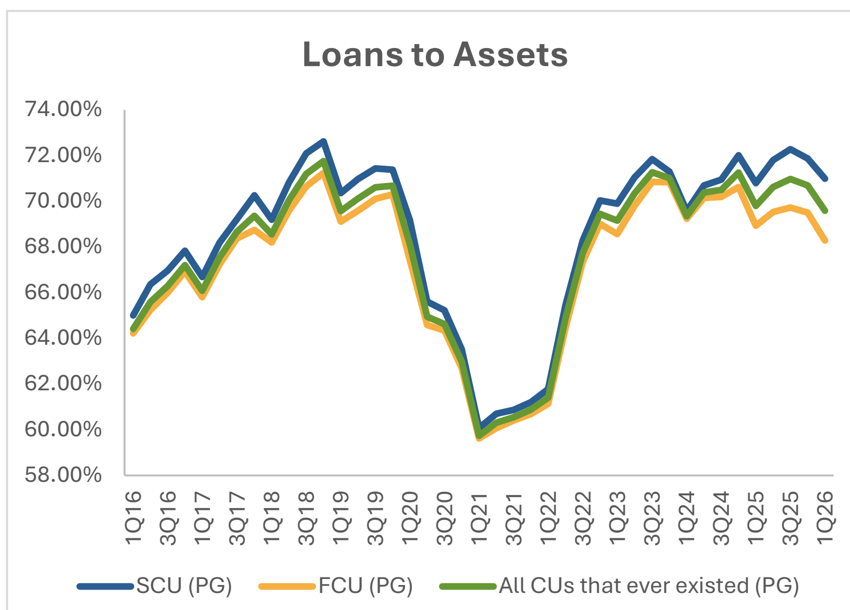


1Q26, exceeding the 20 outliers from YE 2025. Of those 23, 13 charters met the definition of "adequately capitalized" with the 10 remaining SCUs falling into an undercapitalized category. One of those 10 credit unions reported as critically undercapitalized.

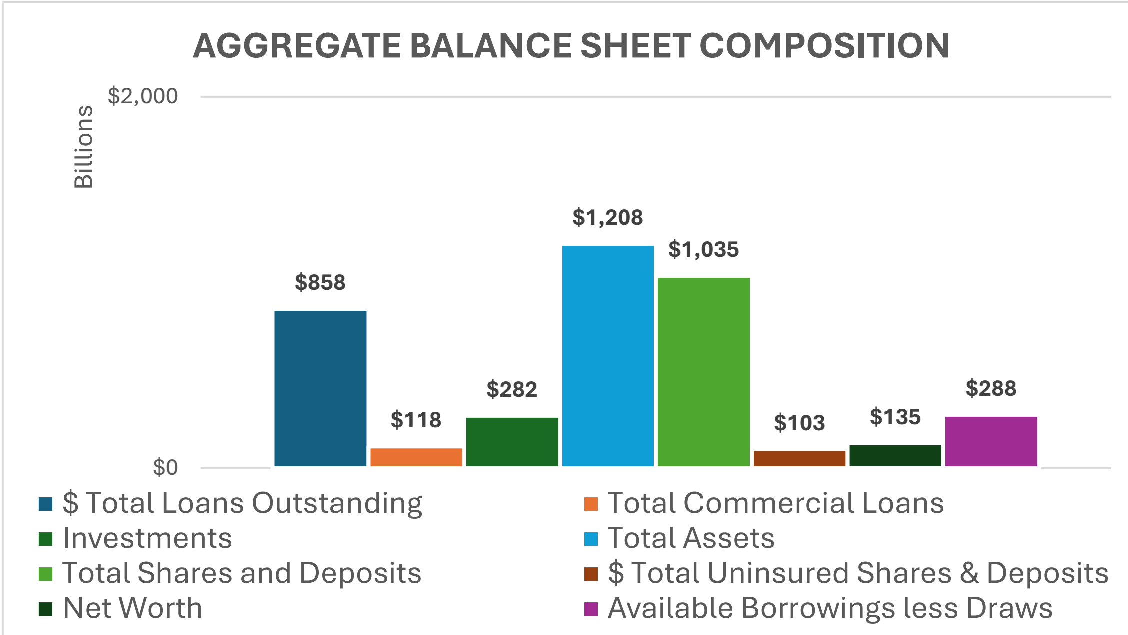
Comparatively, 46 FCUs failed to meet the PCA definition of "well capitalized" (up from 42 as of YE 2025), with 26 FCUs defined as adequately capitalized and 20 in an undercapitalized category. Five of those twenty FCUs report as critically undercapitalized.

Balance Sheet Composition

The $1.2 trillion SCU 1Q26 aggregate balance sheet grew $56 billion from YE 2024 due primarily to $40 billion inflow of deposits reported in 1Q25. During 2025, another $16 billion in growth was noted and much of those funds transitioned into the loan portfolio throughout the year. Currently SSA loans represent 70.99% of the aggregate balance sheet at 1Q26, down 89-basis points from 4Q25. 1Q26 FCU loans represented 68.28% of the balance sheet by comparison, declining 122-basis points.

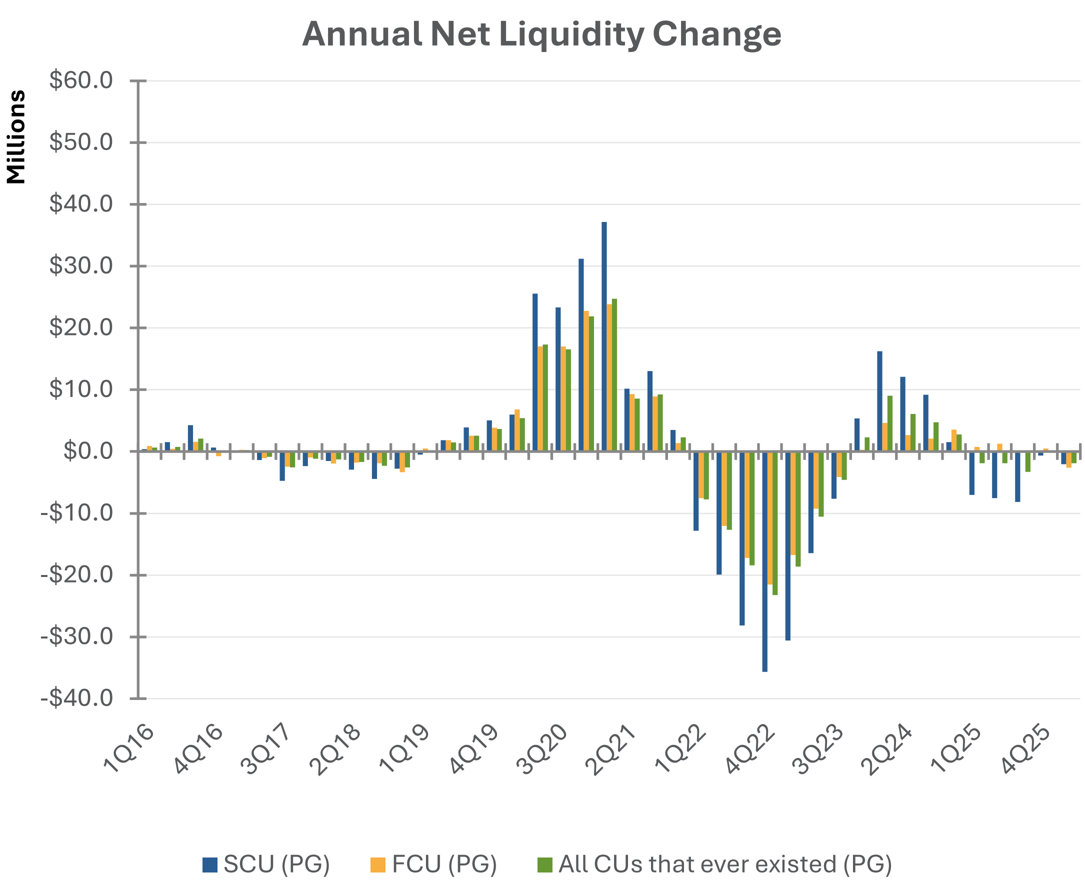


The SCU industry aggregate balance sheet was funded primarily with $1 trillion in total shares and deposits and backed by aggregate SCU net worth of $135 billion, which was essentially static from the previous quarter.



In aggregate, SCUs reported $288 billion in available lines of credit to address short-term liquidity concerns, an increase of approximately $4 billion from 4Q25.

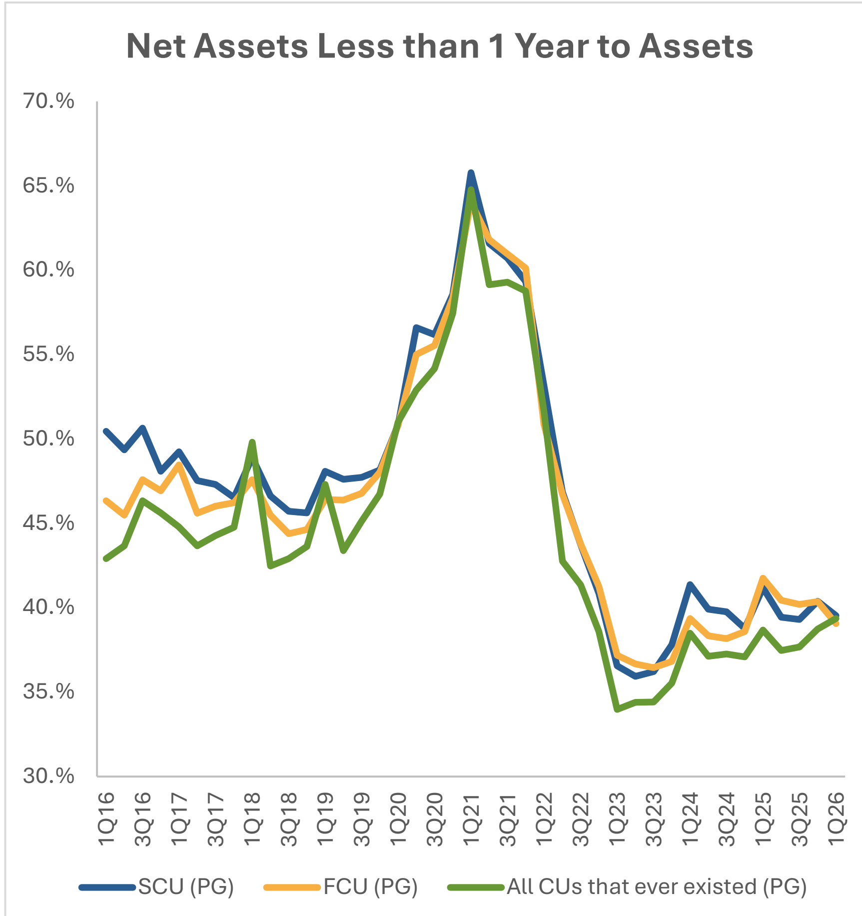
The consolidated SCU liquidity position, while relatively stable relative to performance during the pandemic, continued to show modest declines as broader economic pressures such as inflation and rising interest rates have affected member behavior and cash flow patterns nationally. An influx of



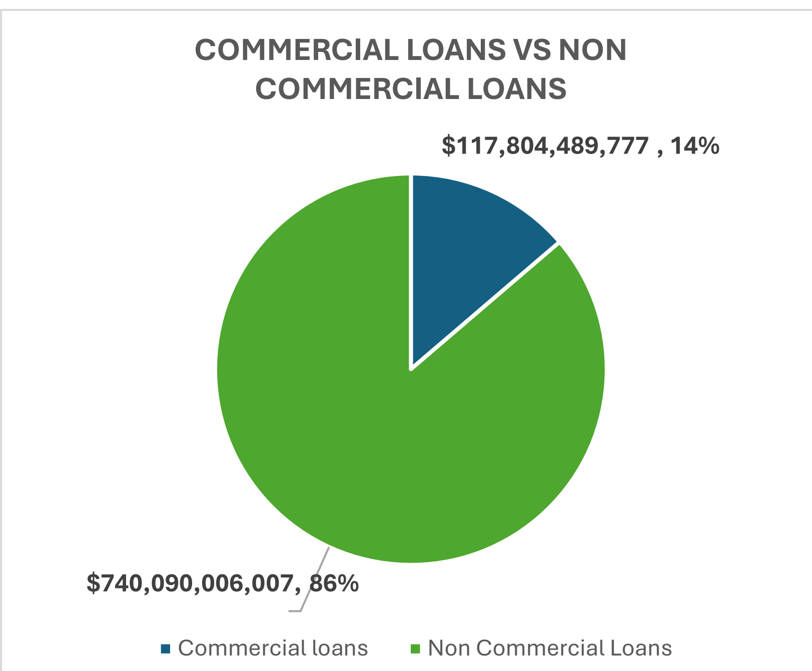
deposits early in 2025 have slowly transitioned into loans as well.

While liquidity has shown significant improvement from the lows experienced in 2022, the aggregate SCU position remains well below the position experienced in 2020 and pre-pandemic.

At 1Q26, SCU net assets less than 1 year declined to 39.53% of assets, down 85-basis points from the previous quarter and 47-basis points above the FCU ratio of 39.06% for the same period. This continues a slowly declining trend back toward the lowest liquidity positions experienced in 2023 and levels well below the trends experienced pre-pandemic.



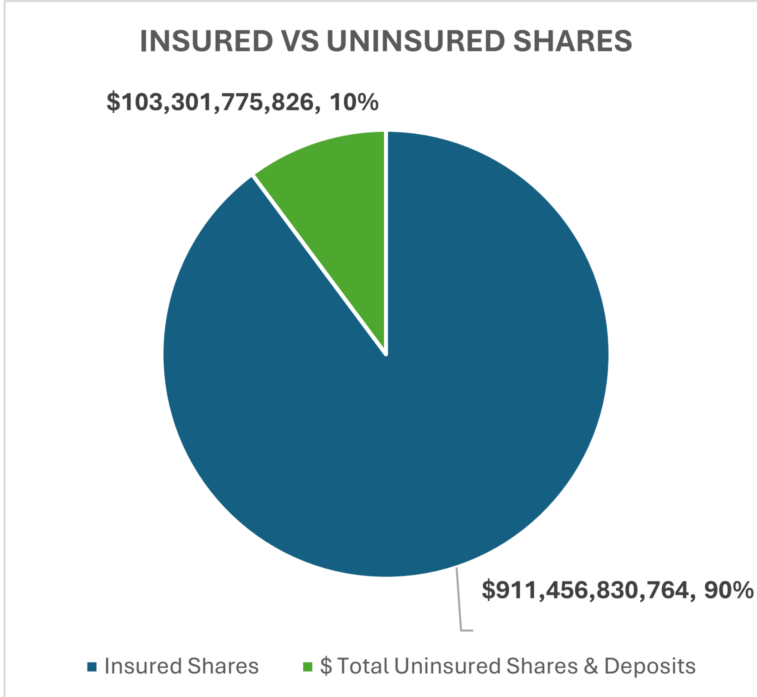
Total loans held by SCUs approximated $858 billion at 1Q26, an increase of $1 billion from 4Q25. Commercial loans represent approximately 14% of the aggregate SCU loan portfolio at $117 billion, an increase of $1 billion from the previous quarter and $11 billion from YE 2024 when commercial loans represented 13% of the aggregate SCU loan portfolio. A long-term shift toward an increased mix of commercial loans in the aggregate SCU loan portfolio has been exhibited by consistent commercial loan growth since 2020.



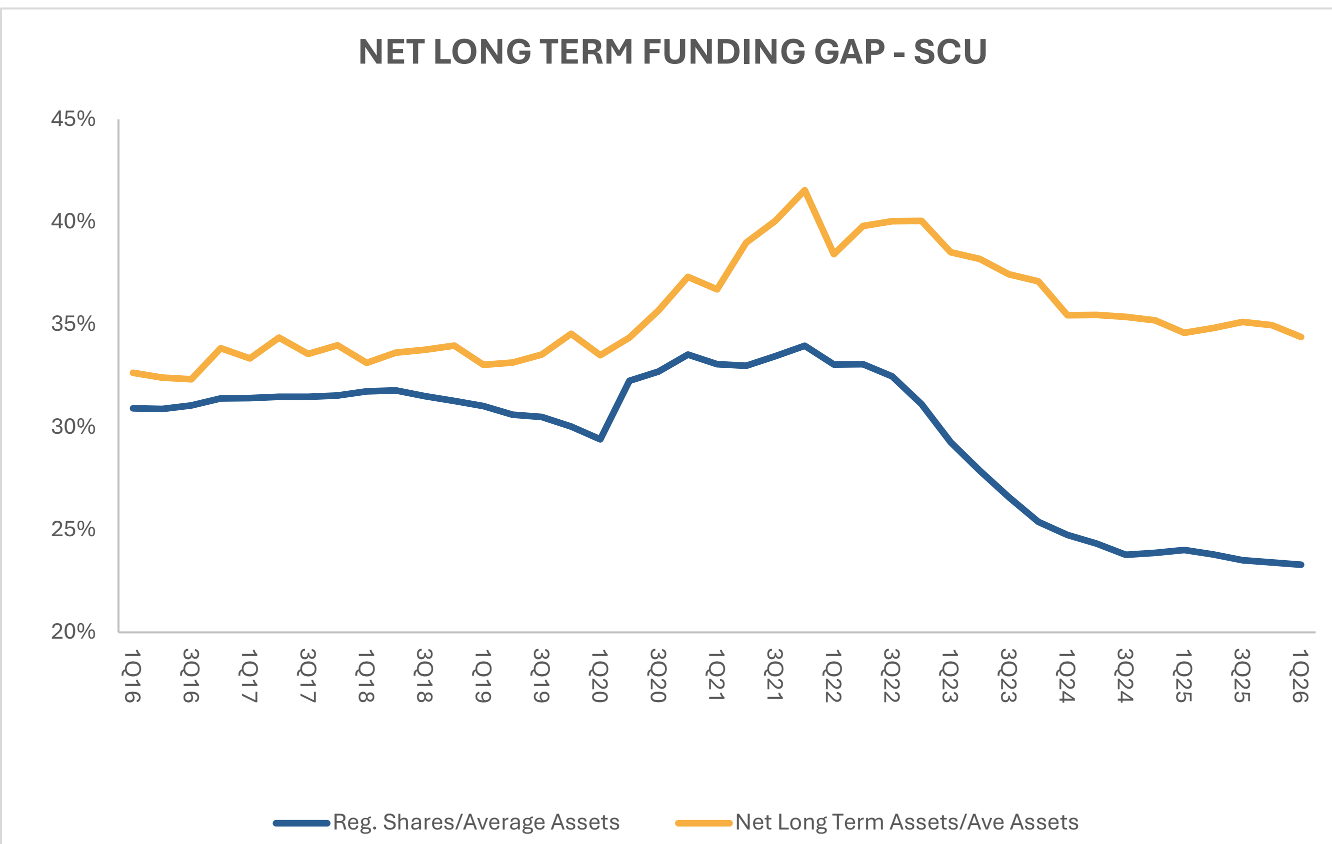
Investments held by SCUs represented $282 billion, increasing $15 billion from 1Q26, ending a significant trend of decline during 2025. The YE 2025 investment portfolio was at the lowest levels noted since YE 2020.

SCU uninsured shares at 1Q26 were reported at approximately $103 billion, an increase of $3 billion from 4Q25 and representing 10% of total shares. At YE 2024, uninsured shares represented 9% of total shares at approximately $87.6 billion.

AFS unrealized losses continued a positive trend noted from 3Q23, remaining relatively stable at 1Q26. SCU AFS mark-to-market losses declined 6-basis points to -5.62% of total AFS securities. FCU AFS losses were 22-basis points higher than SCU peer at 5.84%.

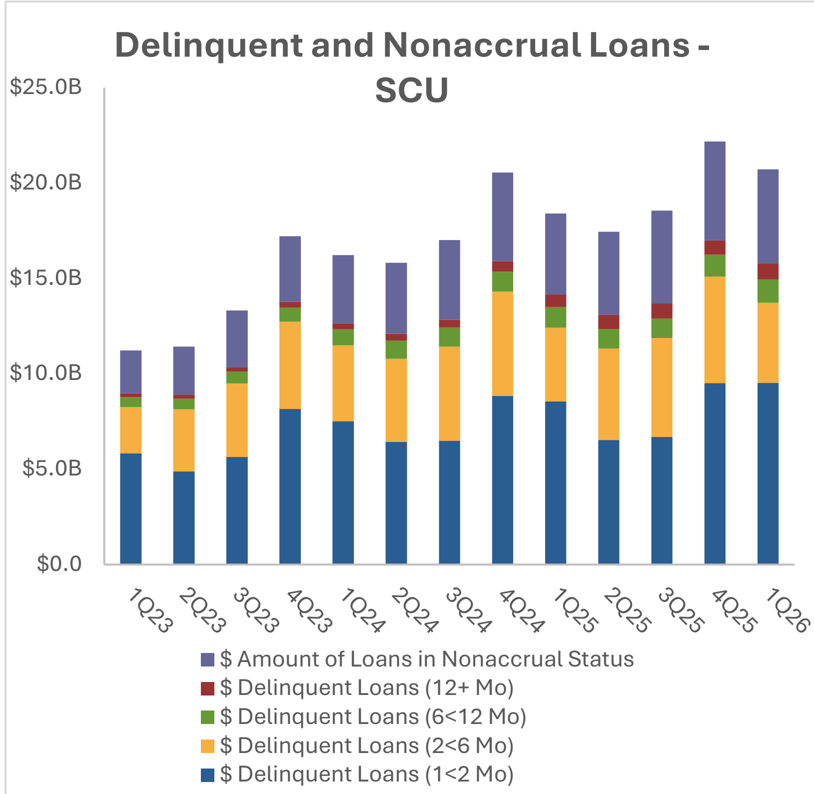


As evident in the Core Long-Term Funding Gap graphic, declines in regular shares continue to widen the SCU portfolio liquidity gap despite the relative leveling of long-term assets. While the projected leveling of long-term assets is hopeful, the recent increased use of balance sheet liquidity without compensating regular share growth continues to indicate weak market access to lower cost funding, particularly in response to further potential negative economic impacts.



Delinquency and Charge Offs

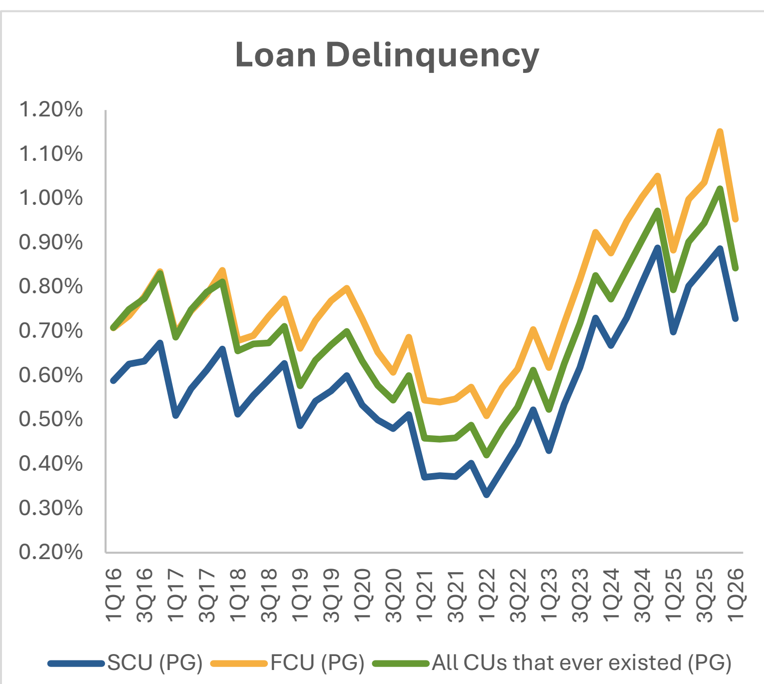
Over the 1Q26, SCUs showed clear improvement, with declining delinquencies, better reserve coverage, and slightly lower provisioning—though charge-offs remain elevated. Over the last 12 months the sector experienced meaningful credit deterioration through 2024 and most of 2025, followed by early signs of stabilization in 1Q26.



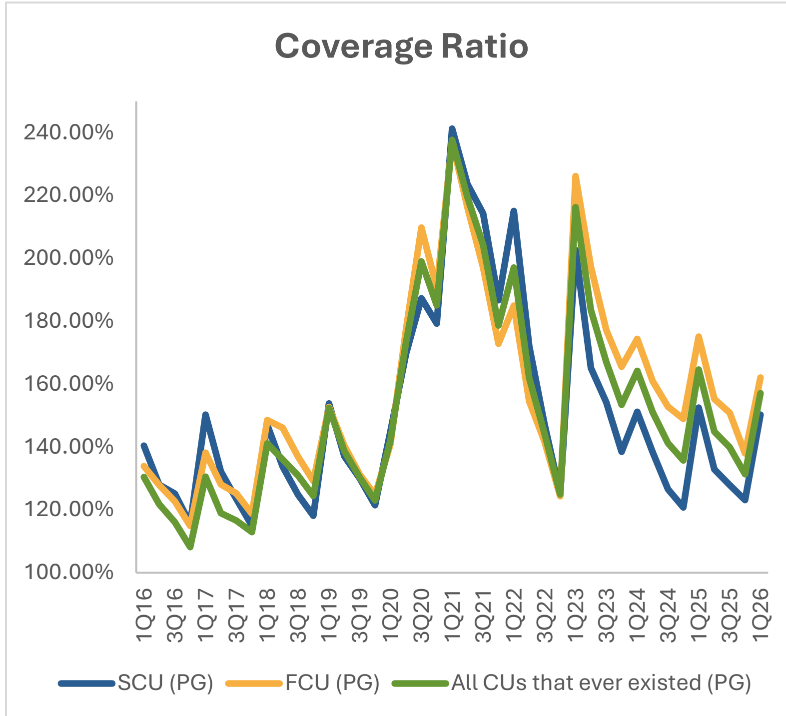
In short, SCU asset quality appears to be transitioning from peak stress toward gradual normalization, but the persistence of elevated charge-offs indicates that the credit cycle has not yet fully resolved.

SCU Delinquency in dollars declined $1.2 billion exclusively due to a $1.4 billion decline in delinquent loans in the two to six months timeframe. All other deliqneuncy categories increased, including the most severe categories of six to twelve months (up $89.4 million) and over one year (up $86.5 million). At 1Q26 reportable delinquencies (those over 2 months) represented $6.2 billion of the $858 billion SCU loan portfolio and nonaccrual loans were reported at $4.9 billion.

The declines in reportable delinquent loans caused overal delinquency ratios to fall despite constriction of the loan portfolio over the quarter. At 1Q26 SCU loan delinquency was reported at .73%, down 16-basis points from YE25 delinquency of .89%, reversing the upward trajectory observed throughout much of 2024 and 2025. This improvement was also evident across major portfolios, including real estate, first mortgage, auto (new and used), and credit cards, all of which showed quarter-over-quarter declines. SCU performance continues to outperform FCU peers who reported total delinquency 22-basis points higher at .95%, which also declined 20-basis points from a YE25 ratio of 1.15%.

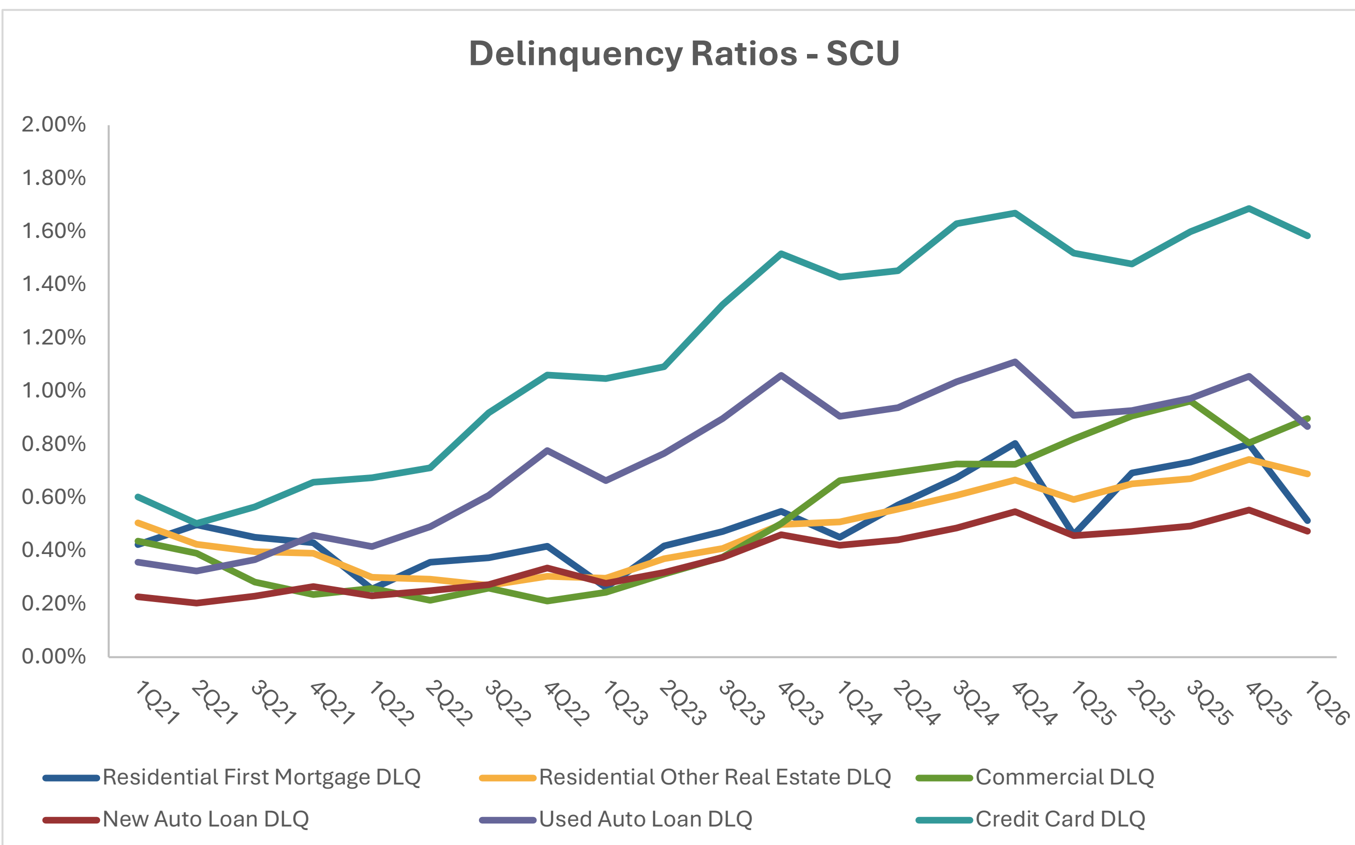


Credit loss pressures, however, remained elevated but relatively stable. Net charge-offs edged slightly higher from about 0.60% to 0.61% of loans, indicating that while new delinquencies are easing, previously stressed loans are still working through the system. FCU losses were reported 39-basis points higher than SCUs with a ratio of 1%, up 5-basis points from their 4Q25 ratio of .95.

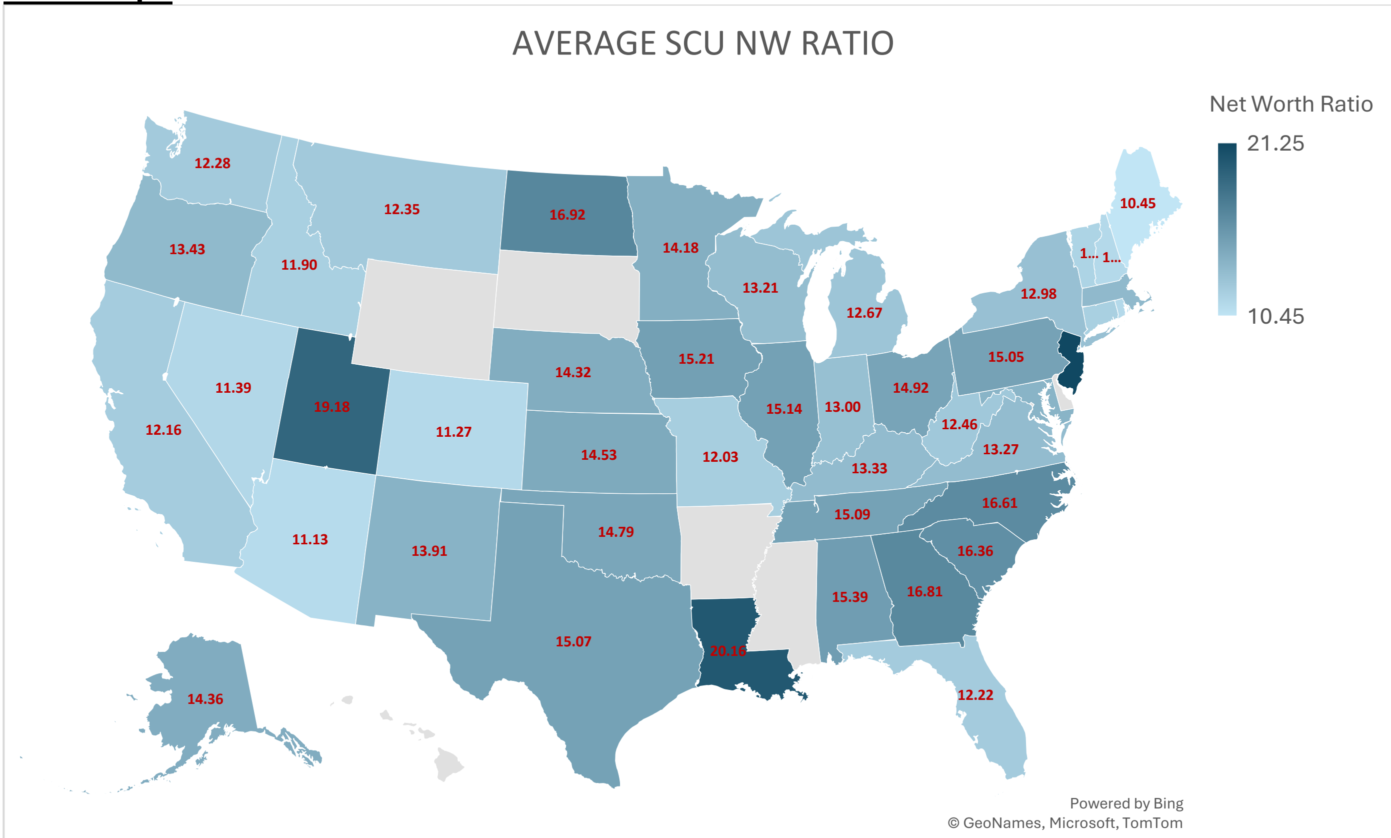


SCU provisioning slightly declined in the quarter, with provisions for loan losses decreasing from roughly 0.48% to 0.47% of loans, suggesting some moderation in forward-looking loss expectations.

Importantly, coverage levels improved. The SCU allowance coverage ratio increased from 1.23x to 1.50x, reflecting stronger reserve positioning relative to delinquent loans. Relatively, FCU coverage remained higher than their SCU peers by 12-basis points at 1.62x.



State Maps


AVERAGE SCU NW RATIO
Net Worth Ratio
21.25
10.45
12.28
12.35
16.92
14.18
10.45
1...
1...
13.43
11.90
13.21
12.67
12.98
15.21
14.32
15.05
11.39
19.18
14.92
15.14
13.00
12.16
11.27
14.53
12.46
12.03
13.27
13.33
16.61
15.09
14.79
11.13
13.91
16.36
15.39
16.81
15.07
20.16
14.36
12.22
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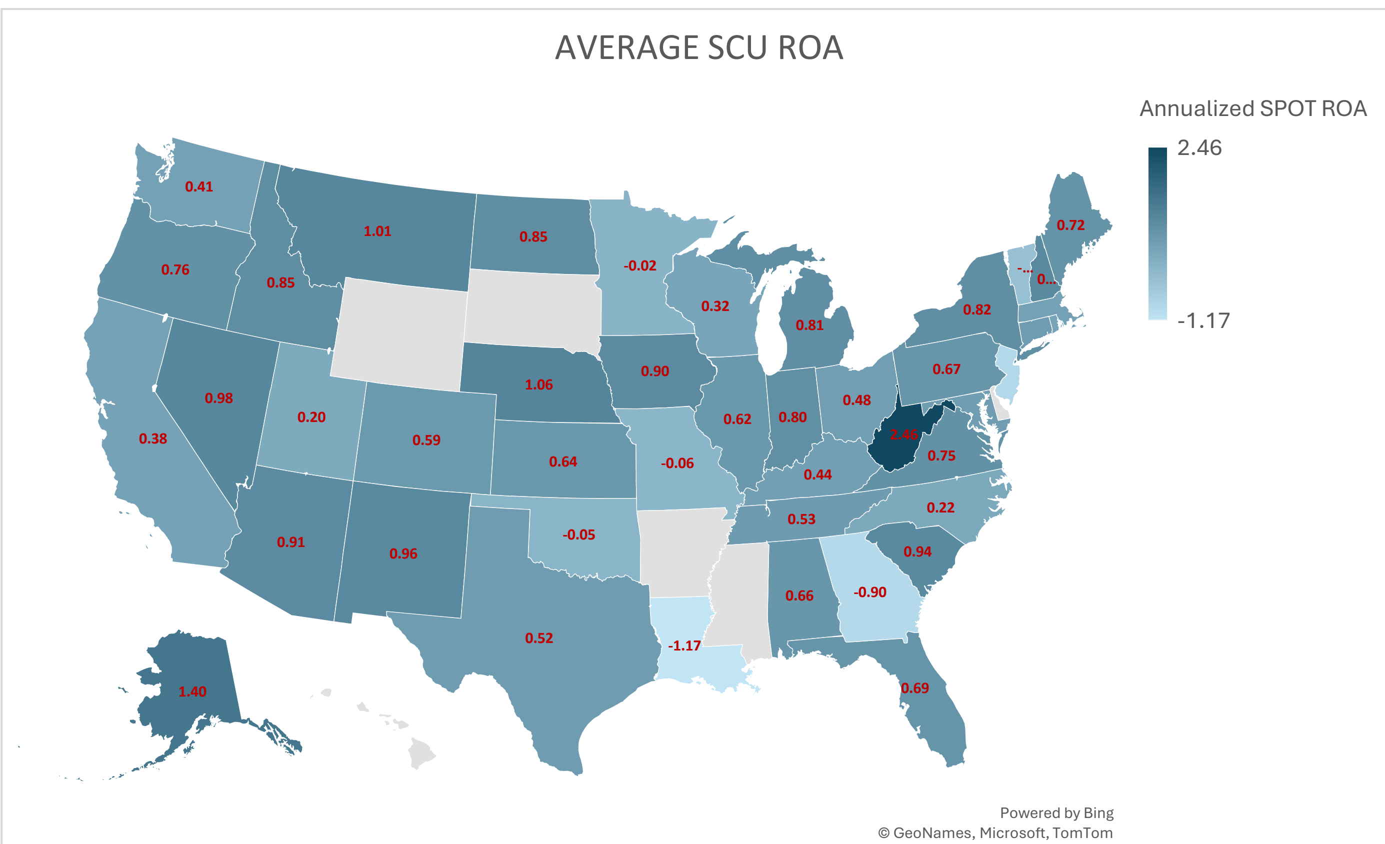
AVERAGE SCU ROA
Annualized SPOT ROA
2.46
-1.17
0.41
1.01
0.85
-0.02
0.72
0.76
0.85
0.32
-...
0...
0.82
0.81
0.90
1.06
0.67
0.98
0.20
0.59
0.62
0.80
0.48
2.46
0.38
0.64
-0.06
0.44
0.75
0.22
0.53
-0.05
0.91
0.96
0.94
0.66
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0.52
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0.69
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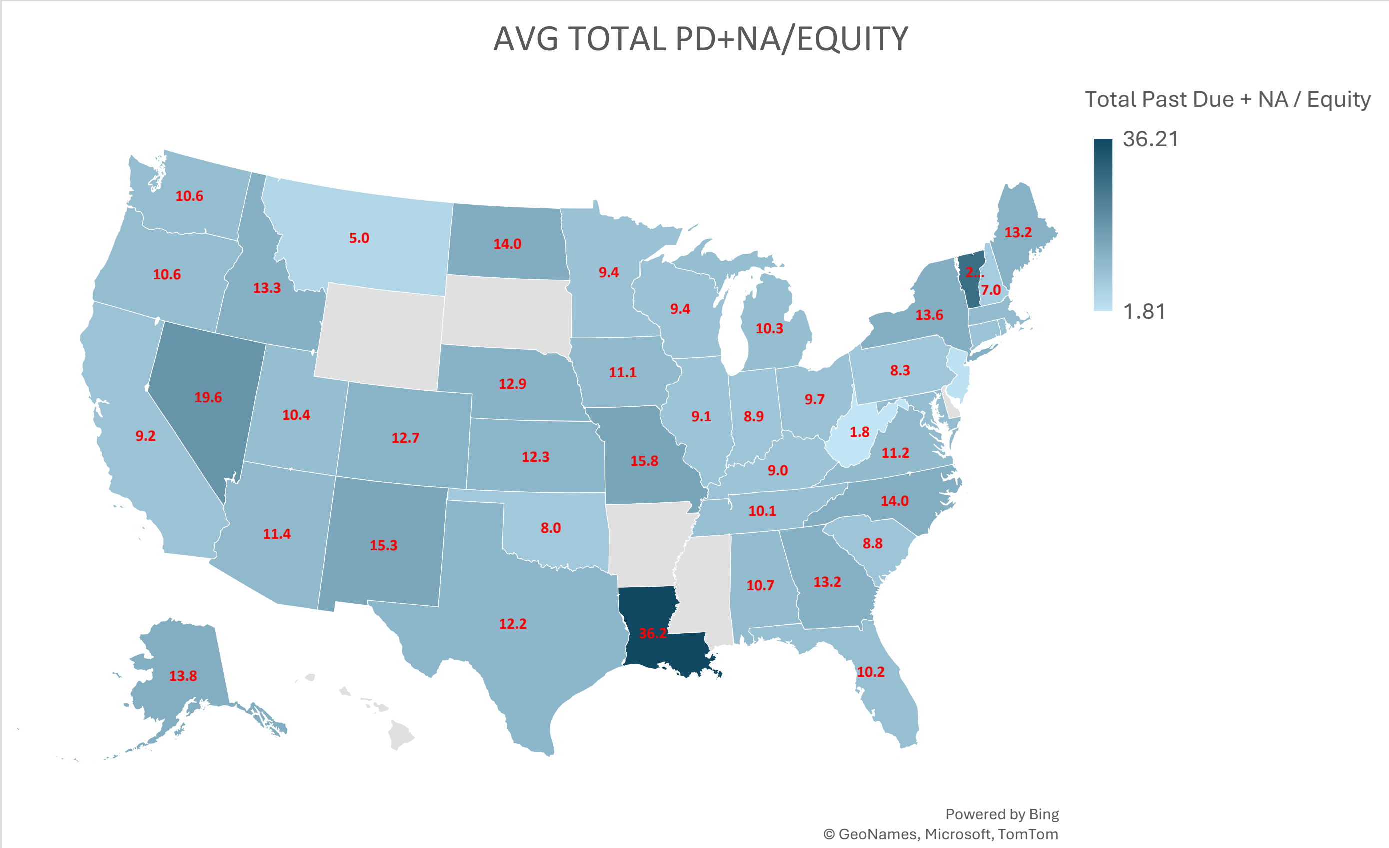

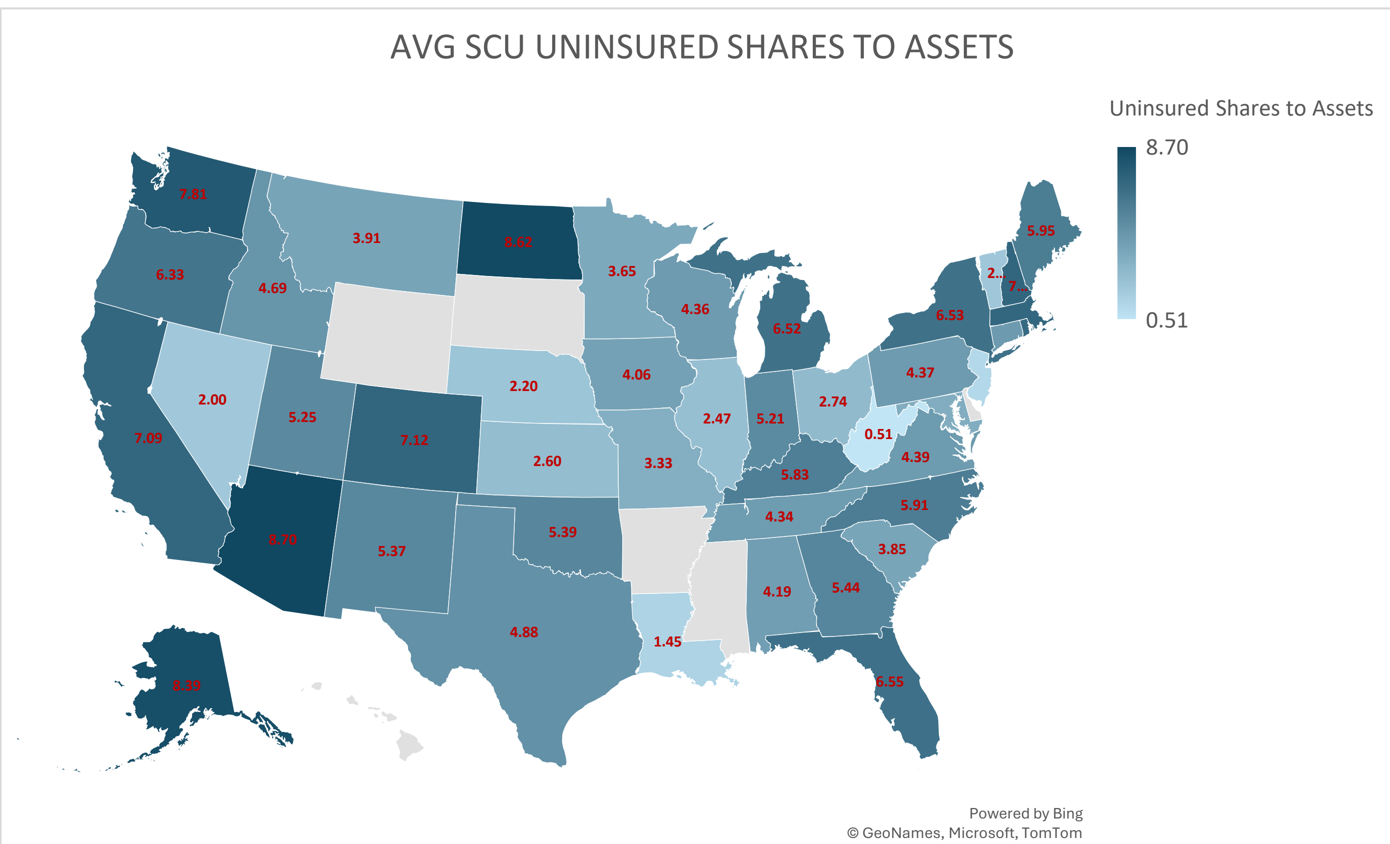

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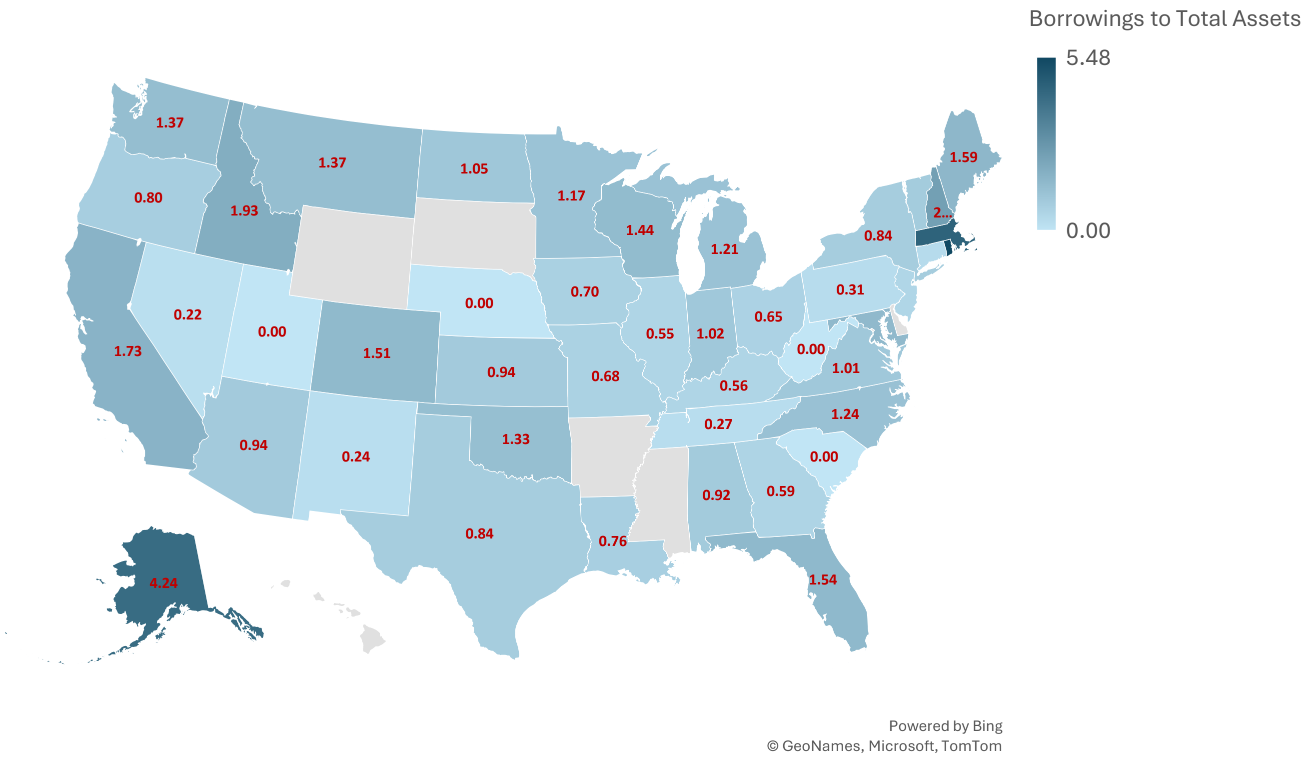
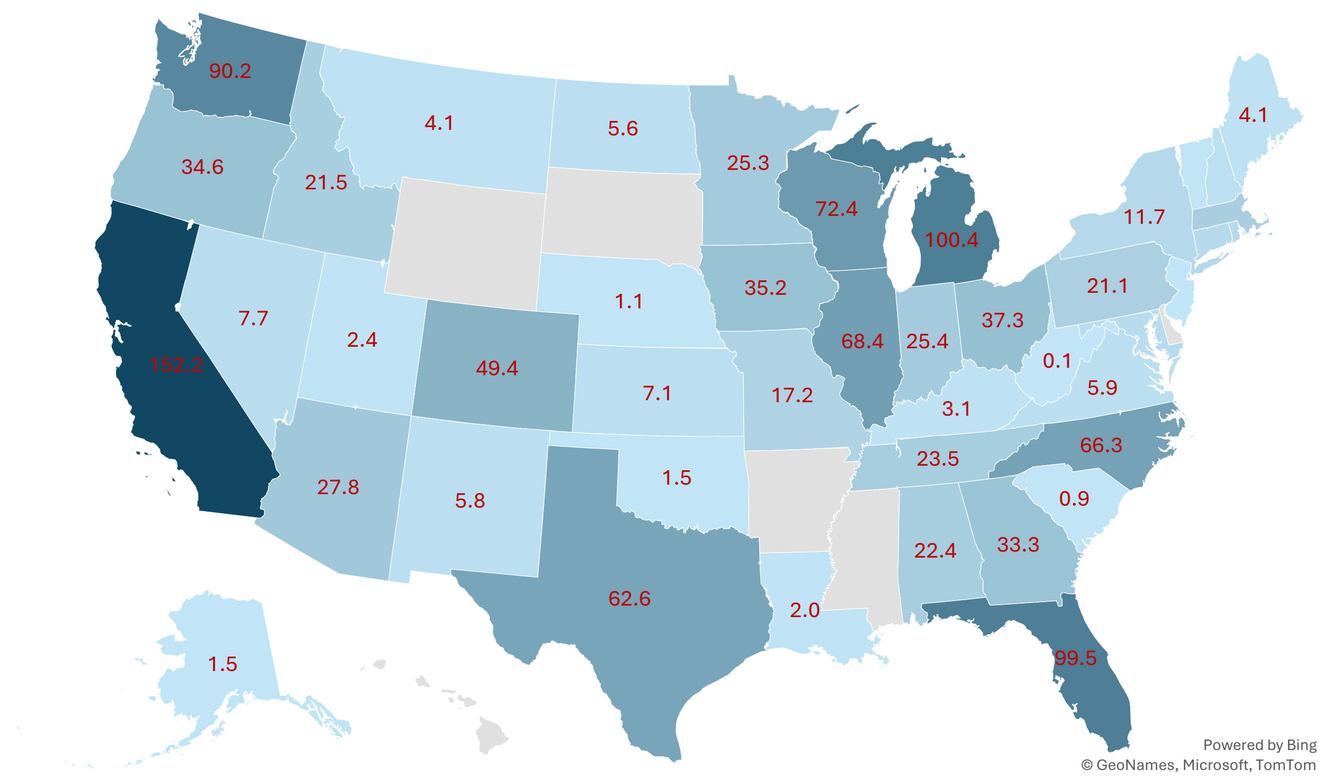
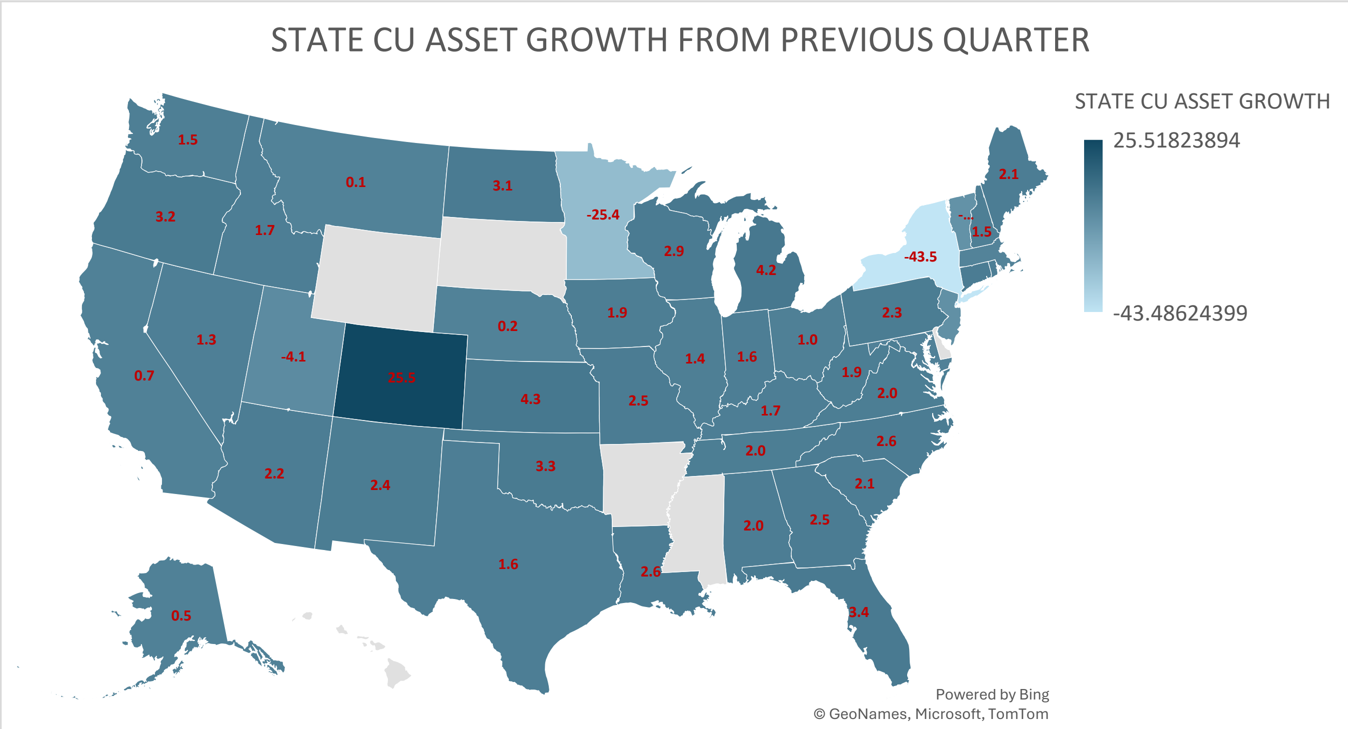
AVG SCU BORROWINGS TO TOTAL ASSETS

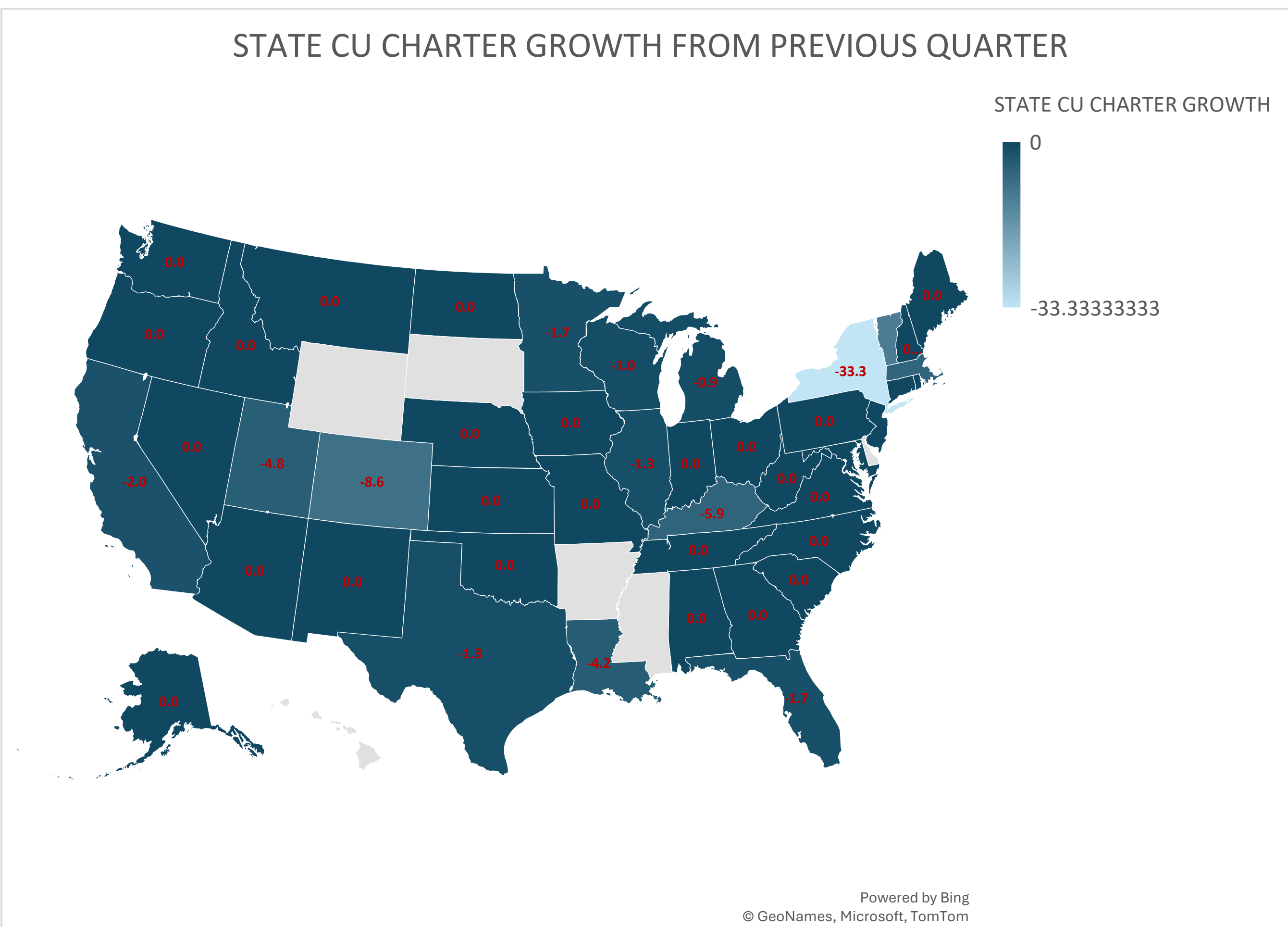


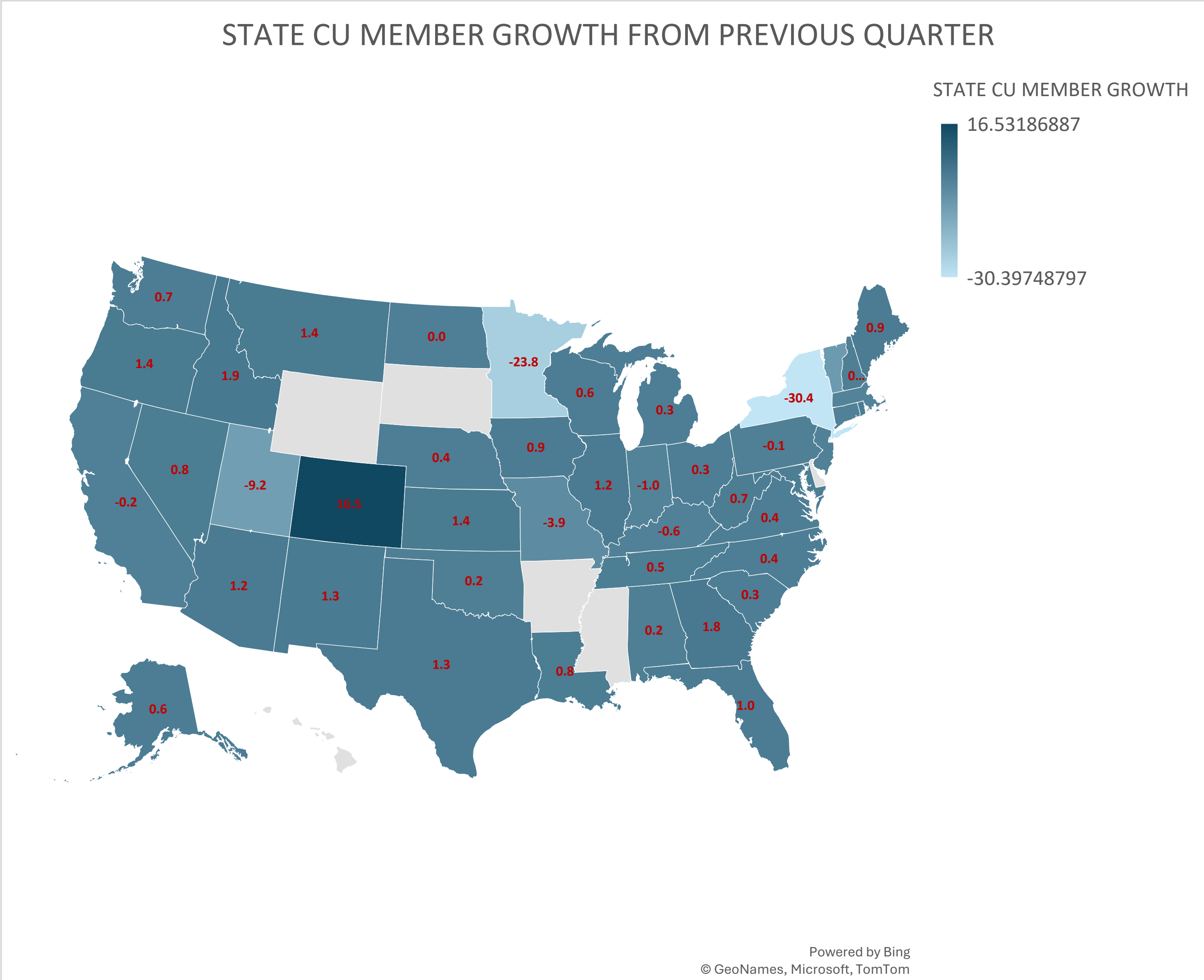
SCU ASSETS
($BILLIONS)



State Growth Rates






STATE CU MEMBER GROWTH FROM PREVIOUS QUARTER
STATE CU MEMBER GROWTH
16.53186887
-30.39748797
0.7
1.4
0.0
1.4
1.9
-23.8
0.6
0.3
0.9
0...
-30.4
-0.1
0.8
-0.2
-9.2
16.5
0.4
0.9
1.2
-1.0
0.3
0.7
0.4
1.4
-3.9
-0.6
0.5
0.4
0.3
1.2
1.3
0.2
0.2
1.8
1.3
0.8
1.0
0.6
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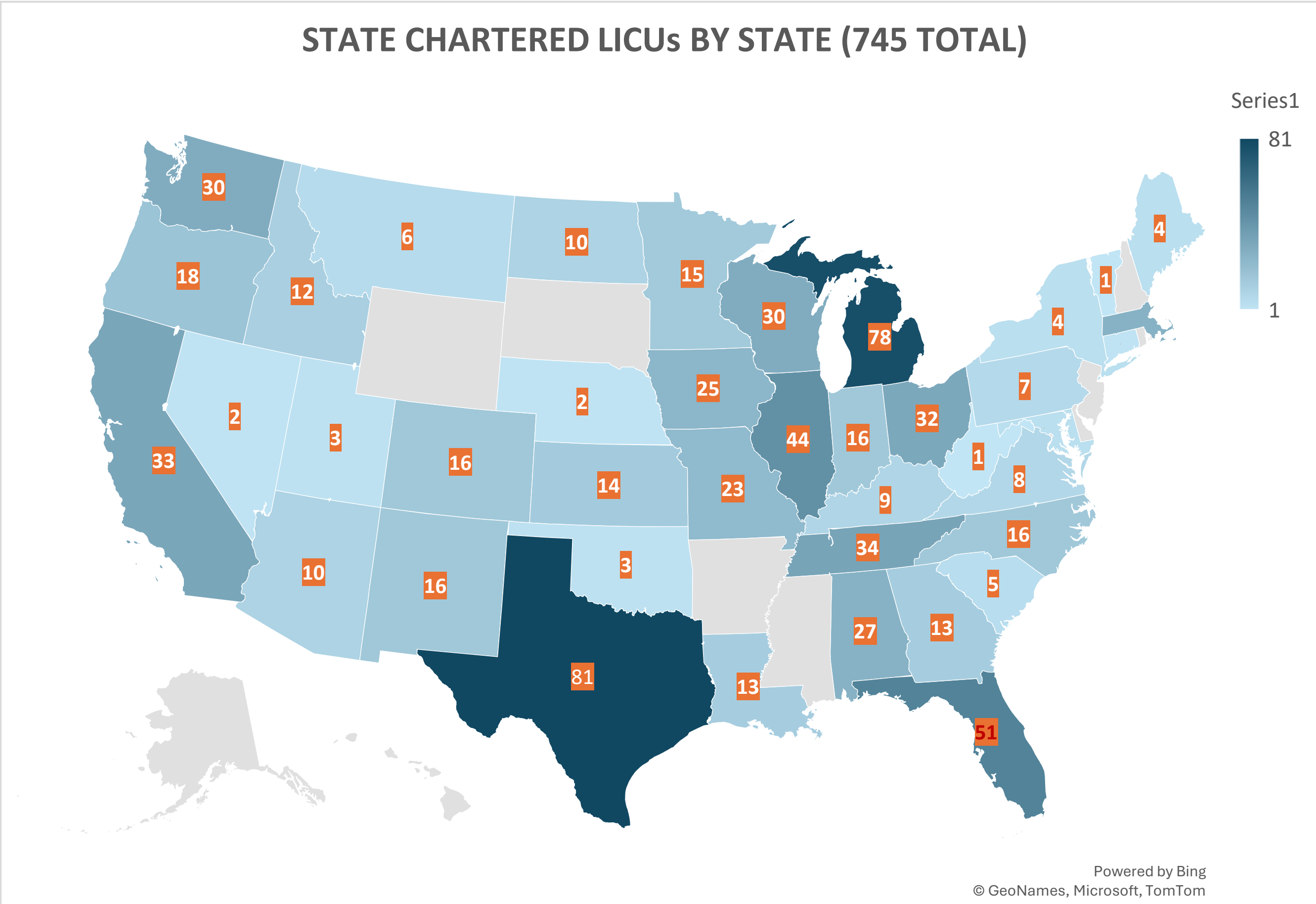
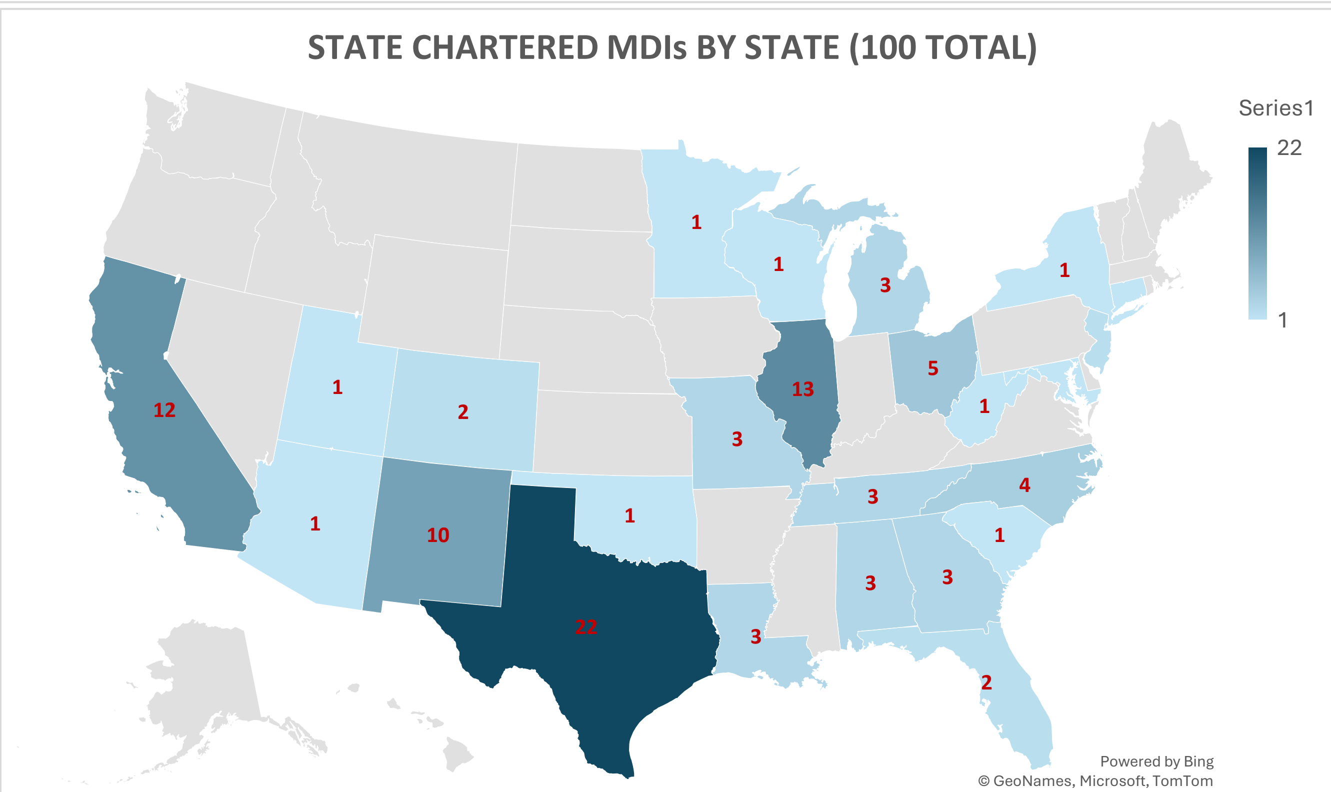
State Credit Union LICU AND MDI Designations





State Rankings

Information provided regarding the rankings of states based on size of largest SCU, size of largest FCU, total CUs, highest percentage of SCU charters, assets and members to respective totals for those states.

STATE RANKINGS						
RANKING	LARGEST SCU	LARGEST FCU	TOTAL CUS	% SCU CHARTERS	% SCU ASSETS	% SCU MEMBERS
1	NC	VA	TX	WI	IA	RI
2	WA	CA	PA	IA	RI	IA
3	CA	NY	NY	PR	WI	WI
4	FL	TX	CA	MO	WA	WA
5	IL	UT	OH	IL	ND	IL
6	CO	PA	IL	KS	PR	ND
7	MI	MD	MI	MN	IL	CO
8	ID	FL	LA	MI	CO	OR
9	IA	NC	NJ	WA	GA	GA
10	TN	TN	TN	NV	NV	NV
11	AZ	IN	IN	VT	OR	MO
12	OR	SC	MA	ID	ID	MI
13	PA	MA	FL	NH	MO	ID
14	OH	OK	WI	RI	MI	FL
15	GA	MI	VA	ND	FL	AZ
16	WI	AL	PR	FL	AZ	OH
17	MN	HI	MO	TN	OH	MN
18	MD	LA	AL	AL	NC	NC
19	IN	NJ	MN	CO	MN	CT
20	NY	NM	WA	NC	CT	AL
21	TX	AK	WV	NM	AL	CA
22	MO	KY	GA	GA	IN	MA
23	RI	OH	IA	OH	MT	IN
24	AL	KS	CT	AZ	MA	TN
25	MA	DC	CO	OR	TN	MT
26	CT	MN	MD	TX	CA	KS
27	VA	MS	KS	CA	KS	TX
28	MT	ME	NC	CT	TX	ME
29	KS	NH	OK	UT	NH	NH
30	NH	IL	KY	MA	ME	NM

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STATE RANKINGS						
RANKING	LARGEST SCU	LARGEST FCU	TOTAL CUS	% SCU CHARTERS	% SCU ASSETS	% SCU MEMBERS
31	NV	AZ	UT	KY	NM	KY
32	AK	VT	NE	IN	PA	PA
33	ND	SD	ME	ME	MD	MD
34	NM	WY	OR	MT	KY	VT
35	UT	CO	SC	NE	NE	LA
36	PR	NE	MT	VA	VT	NY
37	LA	AR	NM	SC	LA	NE
38	ME	WV	AZ	OK	AK	AK
39	OK	CT	ND	LA	NY	OK
40	KY	WA	ID	PA	OK	SC
41	NE	OR	RI	MD	SC	UT
42	VT	GA	VT	AK	UT	WV
43	SC	ID	NV	WV	VA	VA
44	WV	MT	NH	NJ	WV	NJ
45	NJ	MO	AK	NY	NJ	MS

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