



# The Deposit Dilemma

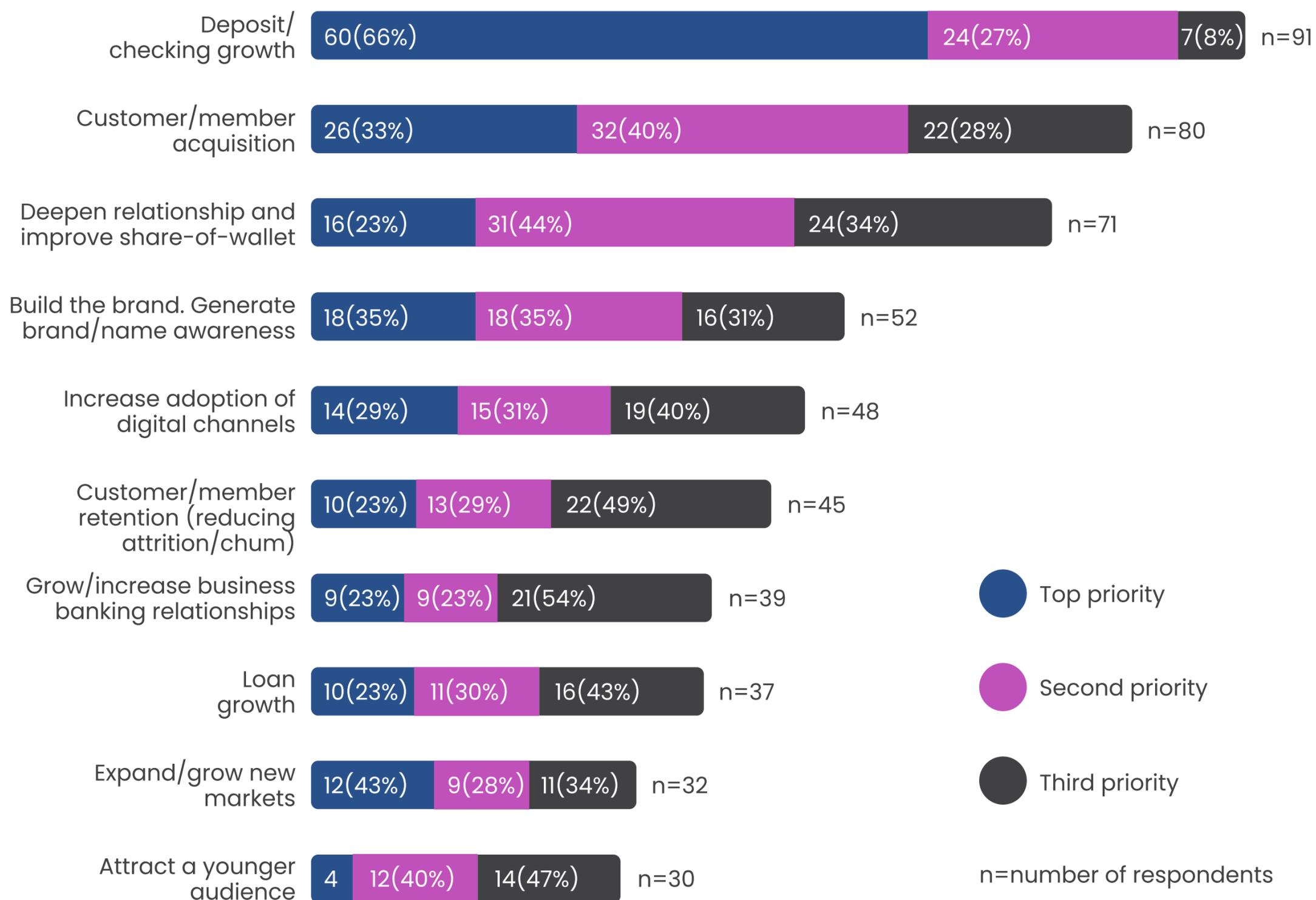
In 2023, credit unions and banks faced their first liquidity crunch in years – and it may not be over yet. How did they address it, what were the results, and what did we learn?

Read more



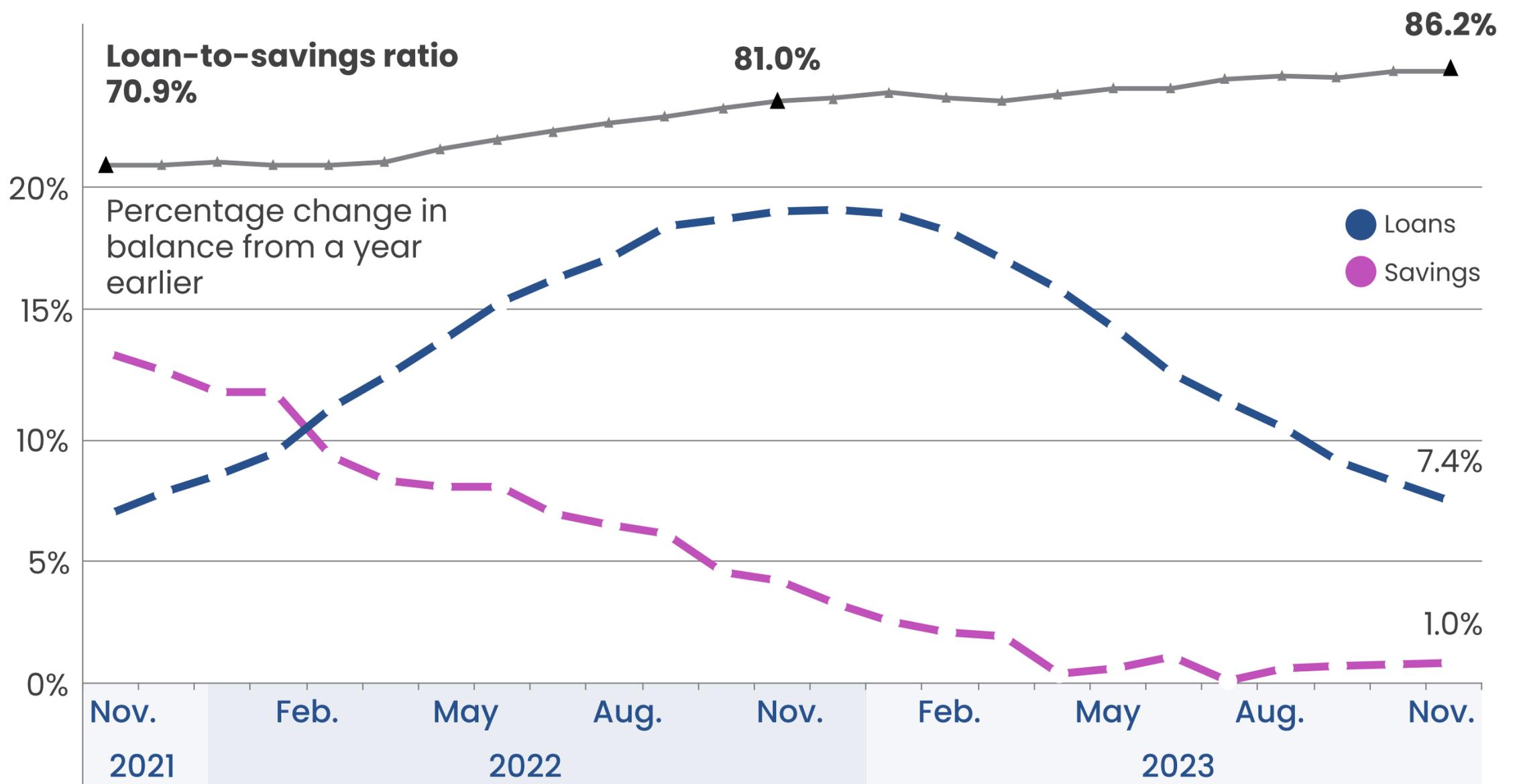
## For retail banking, 2023 was all about deposits – and according to industry executives, 2024 could be more of the same.

What are your financial institution's top 3 marketing priorities for the next 12 months?



# Loan-to-savings ratio record

Credit union savings growth has been near zero since April 2023, while loan growth is still rising. The result was an 86.2% loan-to-savings ratio for November, the highest since January 2019



Source: Credit Union Monthly Estimates from America's Credit Union with data analysis by Jim Duplessis, corresponded-on-large, CU Times

**In 2023 the strategy seemed to be focused on CDs, with everyone competing to offer the highest rate.**

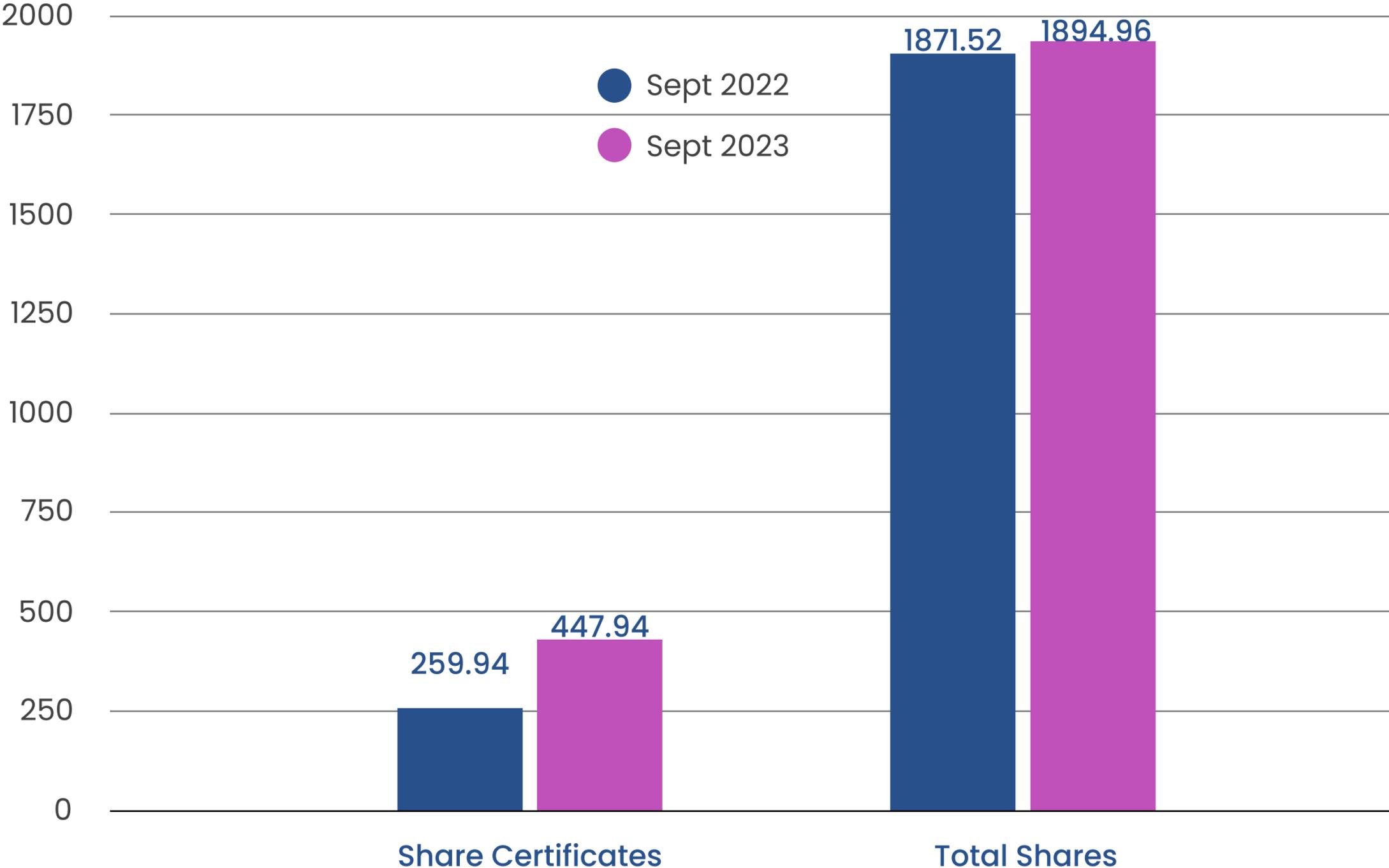


**How did that work out?**

# If certificate growth was the goal, it was a success...

But if deposit growth was the goal, then not so much.

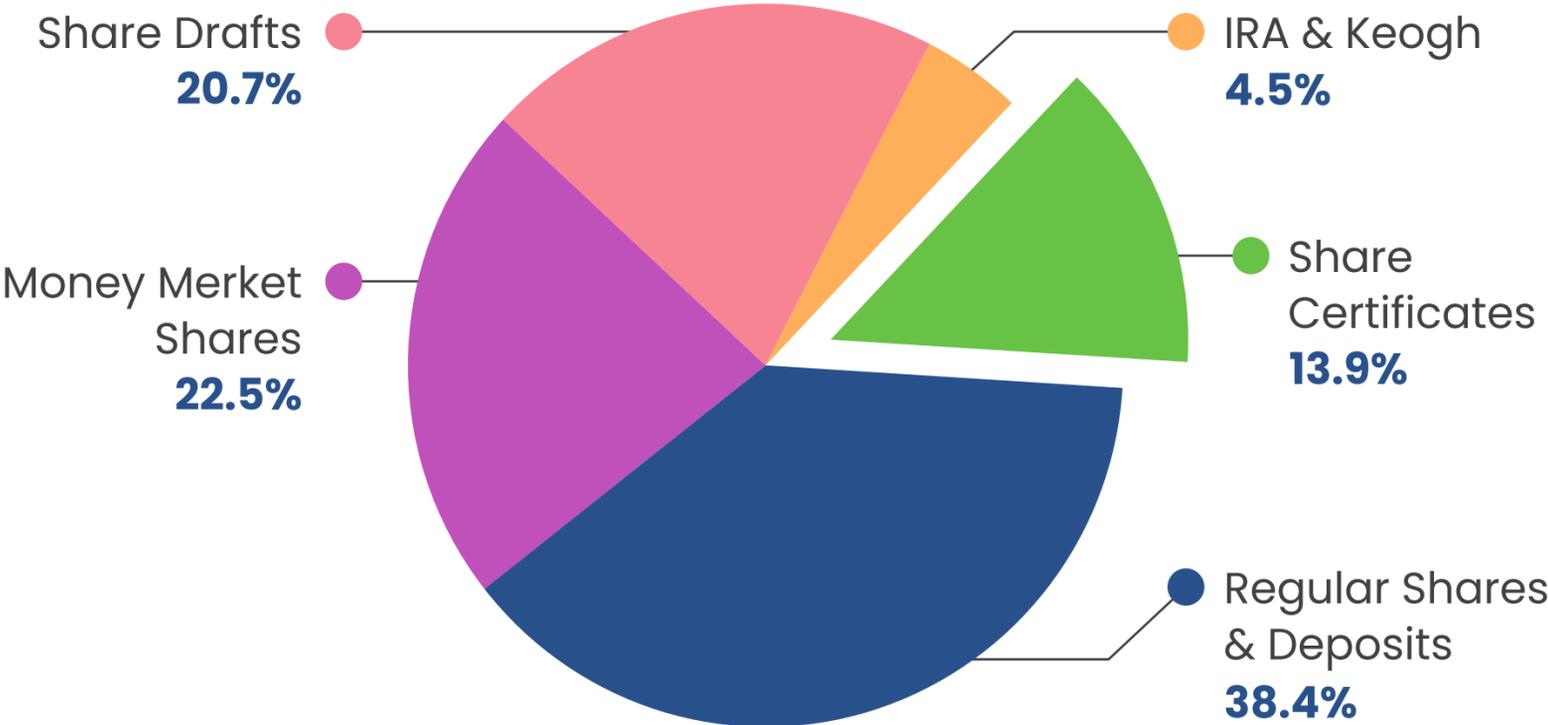
Share Certificates vs Total Shares for All US Credit Unions (in Billions)



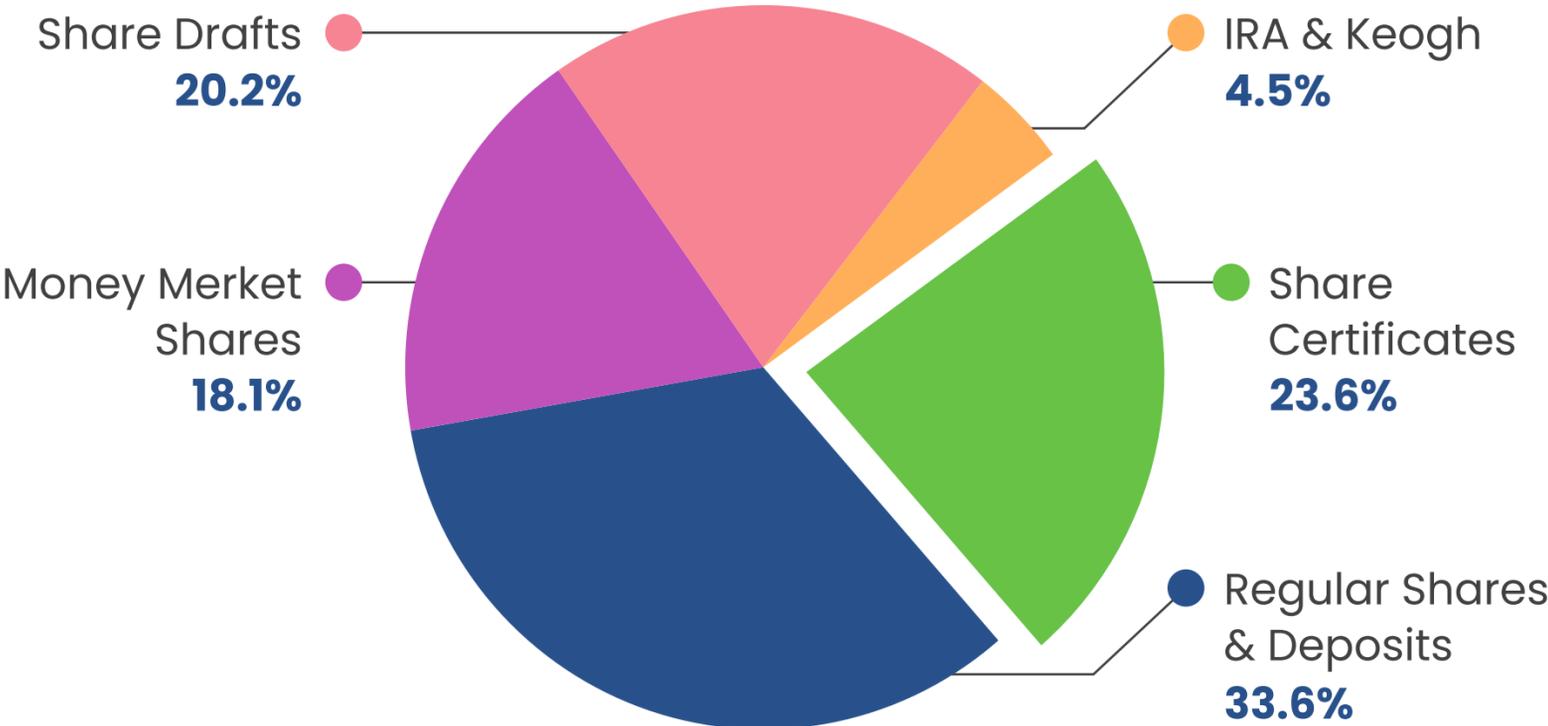
Source: Callahan and Associates

**It looks like we moved deposits from shares and money markets into certificates. Our efforts to attract funds may have made depositors rate-sensitive who otherwise wouldn't be.**

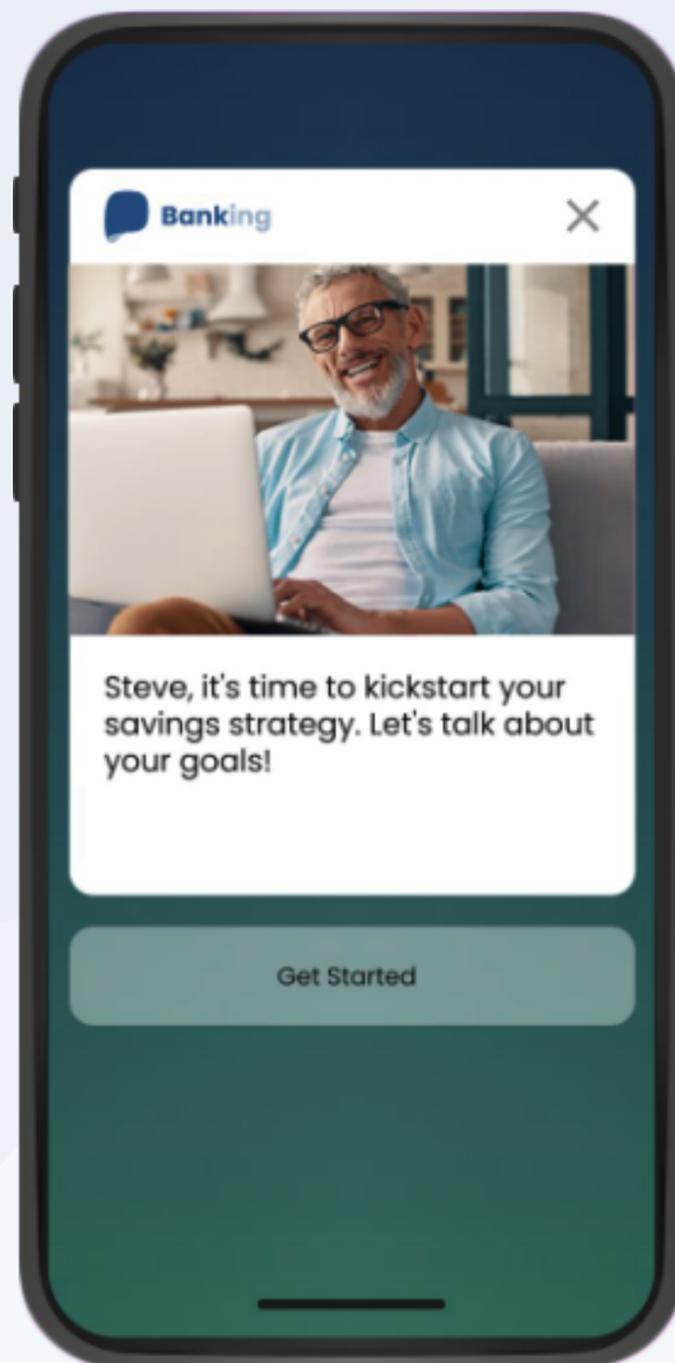
**All CUs Deposit Product Mix 3Q2022**



**ALL CusDeposit Product Mix 3Q 2023**



**Some consumers are looking for rates; others just want to put their money with someone they trust. Before leading with a number, shouldn't we make sure they know that someone is us?**



The typical FI has 10% to 20% share-of-wallet in their consumer relationships; top performers have 60% (PwC).

Engagement is the key, **Pulsate** can help.

