



NCUA
National Credit Union Administration

Eugene H. Schied, Chief Financial Officer
Office of the Chief Financial Officer

NCUSIF Financial Statistics

For the Quarter Ended
September 30, 2024

NCUSIF Revenue and Expense

September 30, 2024

PRELIMINARY & UNAUDITED (In Millions)	Quarter Ended September 30, 2024	Year-to-Date September 30, 2024
Gross Income:		
Investment Income	\$145.6	\$419.1
Other Income	\$0.2	\$0.5
Total Income	\$145.8	\$419.6
Less Expenses:		
Operating Expenses	\$62.4	\$182.5
Provision for Insurance Losses:		
Reserve Expense (Reduction)	\$21.7	\$23.7
Consumer Credit Union AME Loss Expense (Reduction)	\$0.0	\$(0.6)
Corporate AME Loss Expense (Reduction)	\$(10.5)	\$(12.5)
Total Expenses	\$73.6	\$193.1
Net Income (Loss)	\$72.2	\$226.5

NCUSIF Summary Balance Sheets

September 30, 2024

PRELIMINARY & UNAUDITED (In Millions)	September 30, 2024	June 30, 2024
Assets		
Fund Balance with Treasury and Investments	\$21,933.1	\$21,373.4
Capitalization Deposits Receivable	\$453.0	\$0.0
Receivable from Consumer Credit Union Asset Management Estates, Net	\$0.2	\$0.2
Receivable from Corporate Asset Management Estates, Net	\$77.9	\$69.1
Accrued Interest and Other Assets	\$107.6	\$107.7
Total Assets	\$22,571.8	\$21,550.4
Liabilities and Net Position		
Accounts Payable and Other Liabilities	\$93.0	\$3.2
Insurance and Guarantee Program Liabilities	\$231.8	\$212.0
Net Position – Cumulative Results of Operations	\$4,658.9	\$4,117.7
Net Position – Capitalization Deposits	\$17,588.1	\$17,217.5
Total Liabilities and Net Position	\$22,571.8	\$21,550.4

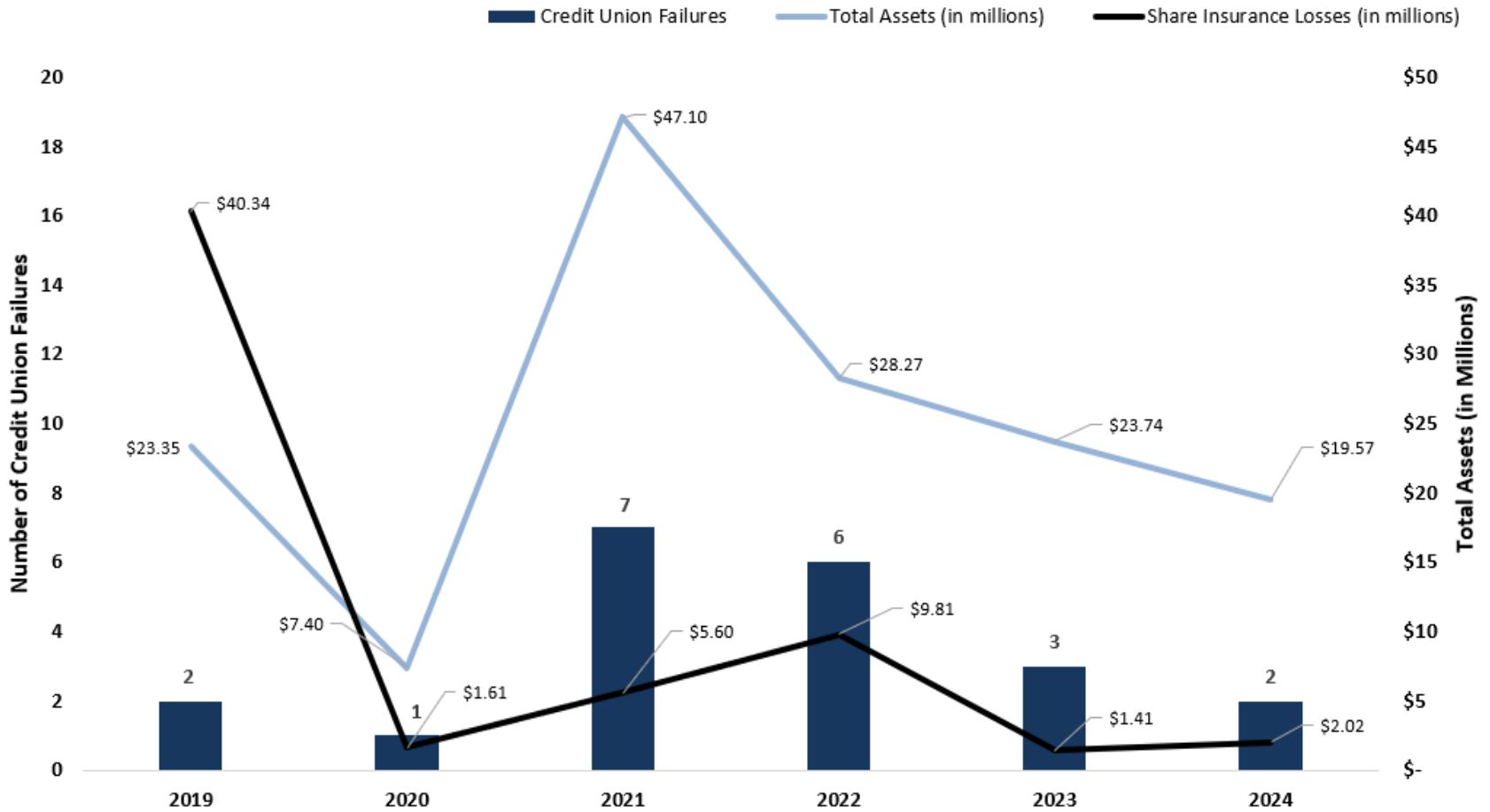
NCUSIF - Insurance and Guarantee Program Liabilities

September 30, 2024

PRELIMINARY & UNAUDITED (In Millions)	Quarter Ended September 30, 2024	Year-To-Date September 30, 2024
Beginning Reserve Balance:	\$212.0	\$209.0
Reserve Expense (Reduction)	\$21.7	\$23.7
Charges for Assisted Mergers	\$(2.0)	\$(2.0)
Charges for Liquidations	\$0.1	\$1.1
Ending Reserve Balance	\$231.8	\$231.8

Number of Credit Union Failures Incurring a Loss to the Share Insurance Fund

CY2019 – Q3 CY2024



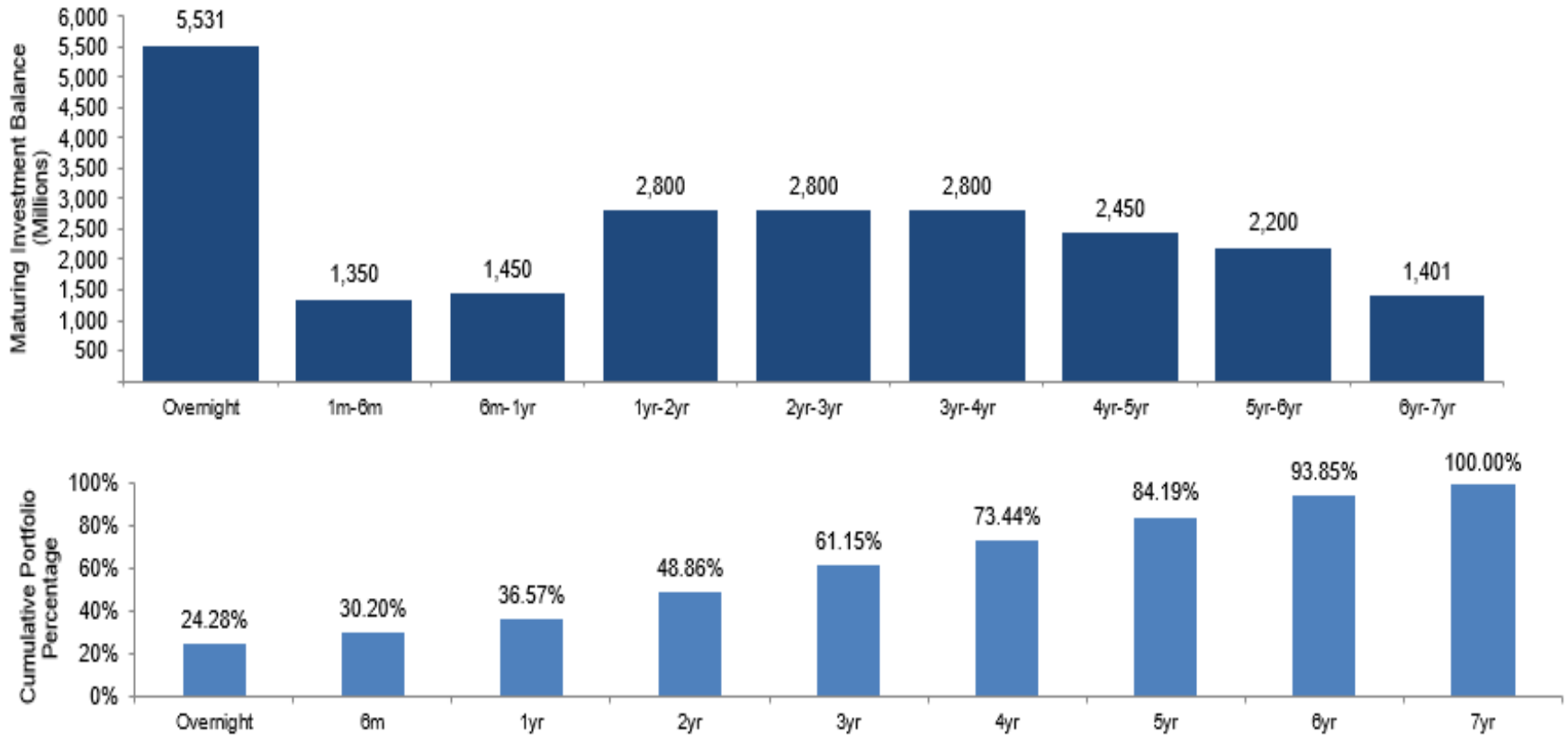
NCUSIF Portfolio

September 30, 2024

Investment Balance at Par: \$22.8 Billion

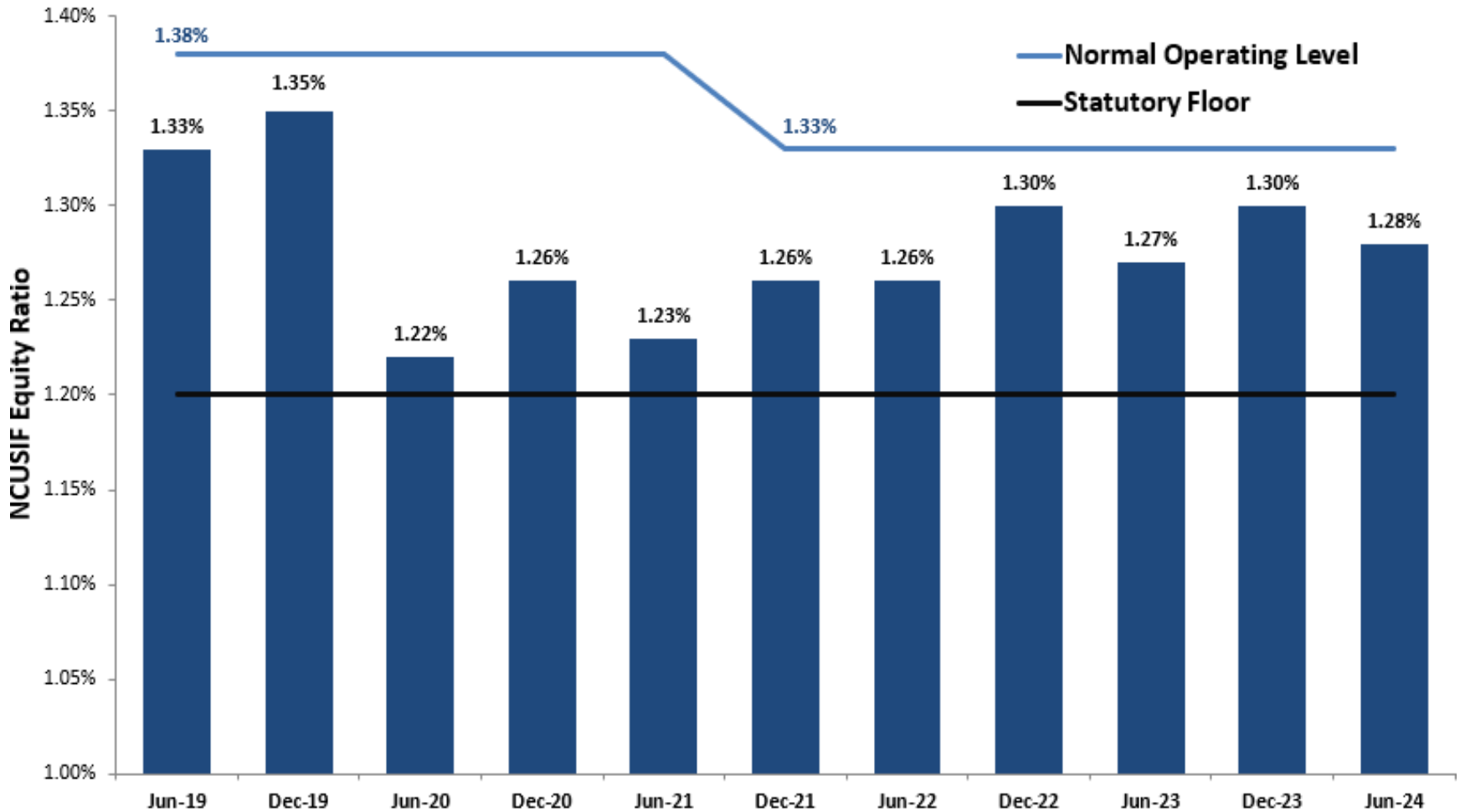
Weighted Average Life: 2.4 years

Weighted Average Yield: 2.48%



NCUSIF Equity Ratio

CY2019 – Q2 CY2024



Normal Operating Level (NOL)

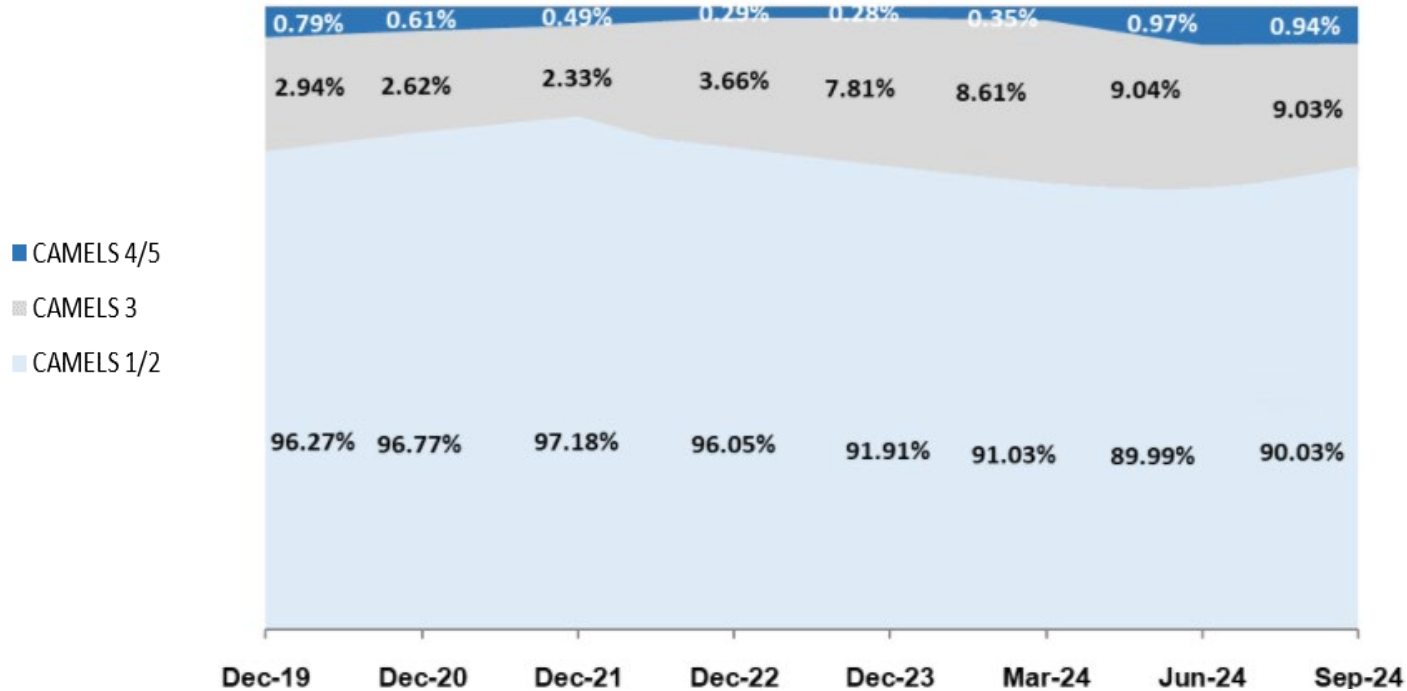
The NOL is the target equity level for the NCUSIF

- **Under the FCU Act, the NOL:**
 - Can be set from 1.20 to 1.50 percent (12 U.S.C. 1782(h)(4))
 - Distribution to credit unions required if equity ratio exceeds NOL at the end of the calendar year and other statutory conditions are met (12 U.S.C. 1782(c)(3))
- **The NOL was last set and approved by the Board in December 2021 at 1.33 percent.**
- **A staff working group will prepare a public notice in 2025 to seek comment on modifications to the NOL methodology.**
- **No change to the NOL is recommended at this time.**

Percentage of Insured Shares and Total Number of CUs by CAMELS Code

CY2019 – Q3 CY2024

Percentage of Insured Shares by CAMELS Rating*



Number of CUs

	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24
CAMELS 4/5	190	159	129	122	125	125	136	138
CAMELS 3	838	748	752	769	776	760	743	730
CAMELS 1/2	4,220	4,209	4,072	3,889	3,721	3,693	3,654	3,640
TOTAL	5,248	5,116	4,953	4,780	4,622	4,578	4,533	4,508

*Areas are not to scale.

CAMELS Code Comparison by Asset Size

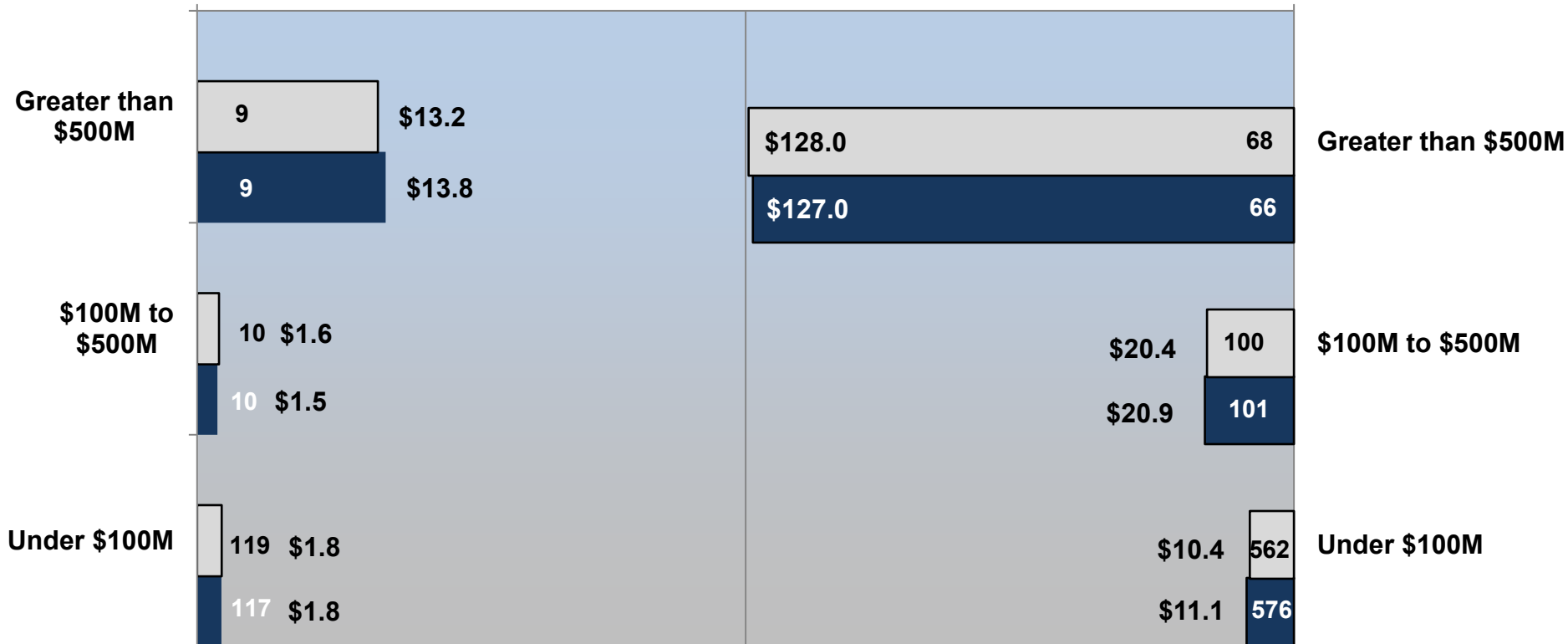
Credit Union Size
By Total Assets

CAMELS Code 4/5

CAMELS Code 3

Credit Union Size
By Total Assets

□ Sep-24 ■ Jun-24



Total Shares in Billions

In Billions	CAMELS 4/5		In Billions	CAMELS 3	
	Jun-24	Sep-24		Jun-24	Sep-24
Total Shares	\$17.1	\$16.6	Total Shares	\$159.0	\$158.8
Total Assets	\$19.6	\$19.1	Total Assets	\$191.1	\$189.8

Office Contact Page

Feel free to contact our office with questions or comments.

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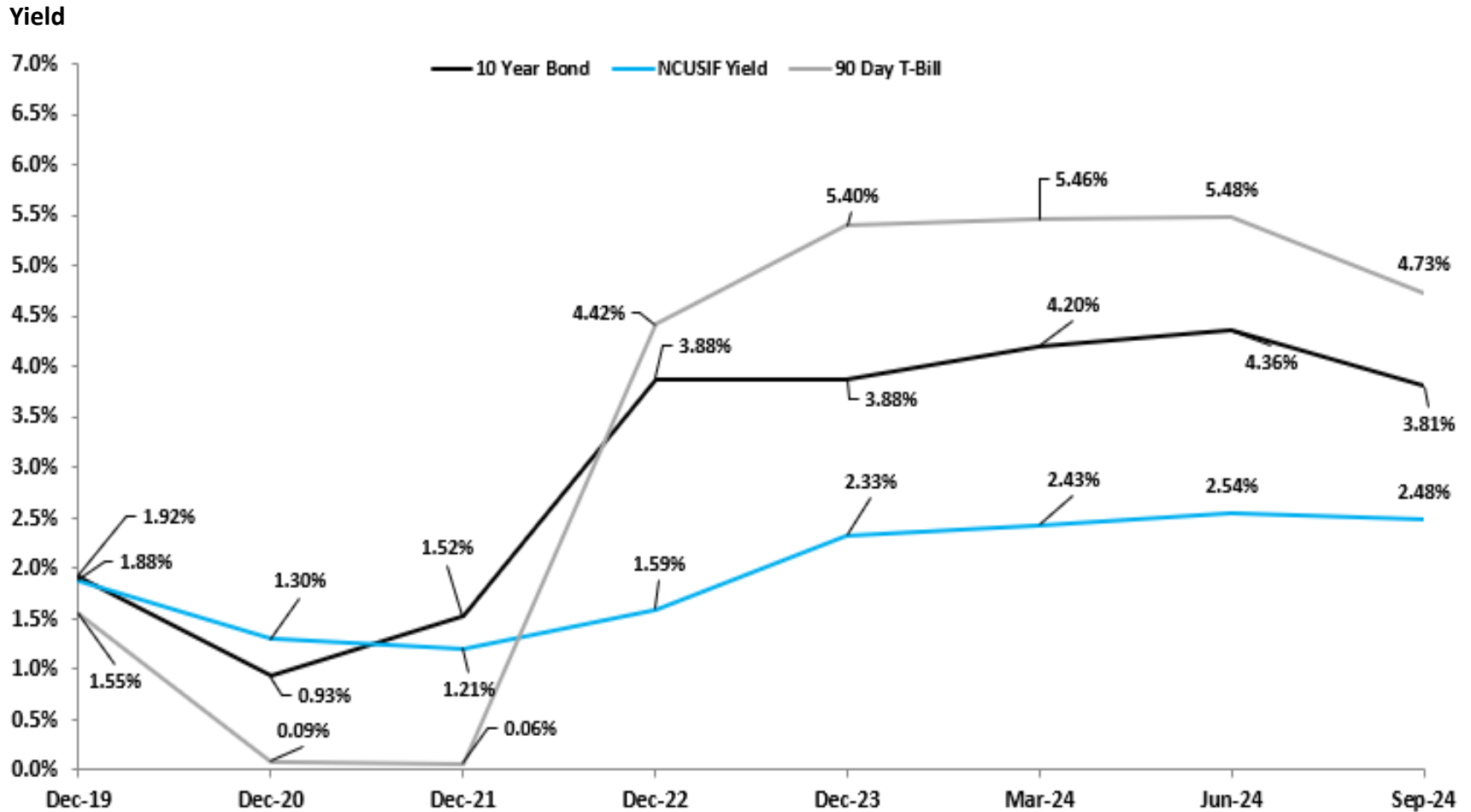
Office Phone: 703-518-6570



SUPPLEMENTAL INFORMATION

Yield Comparisons

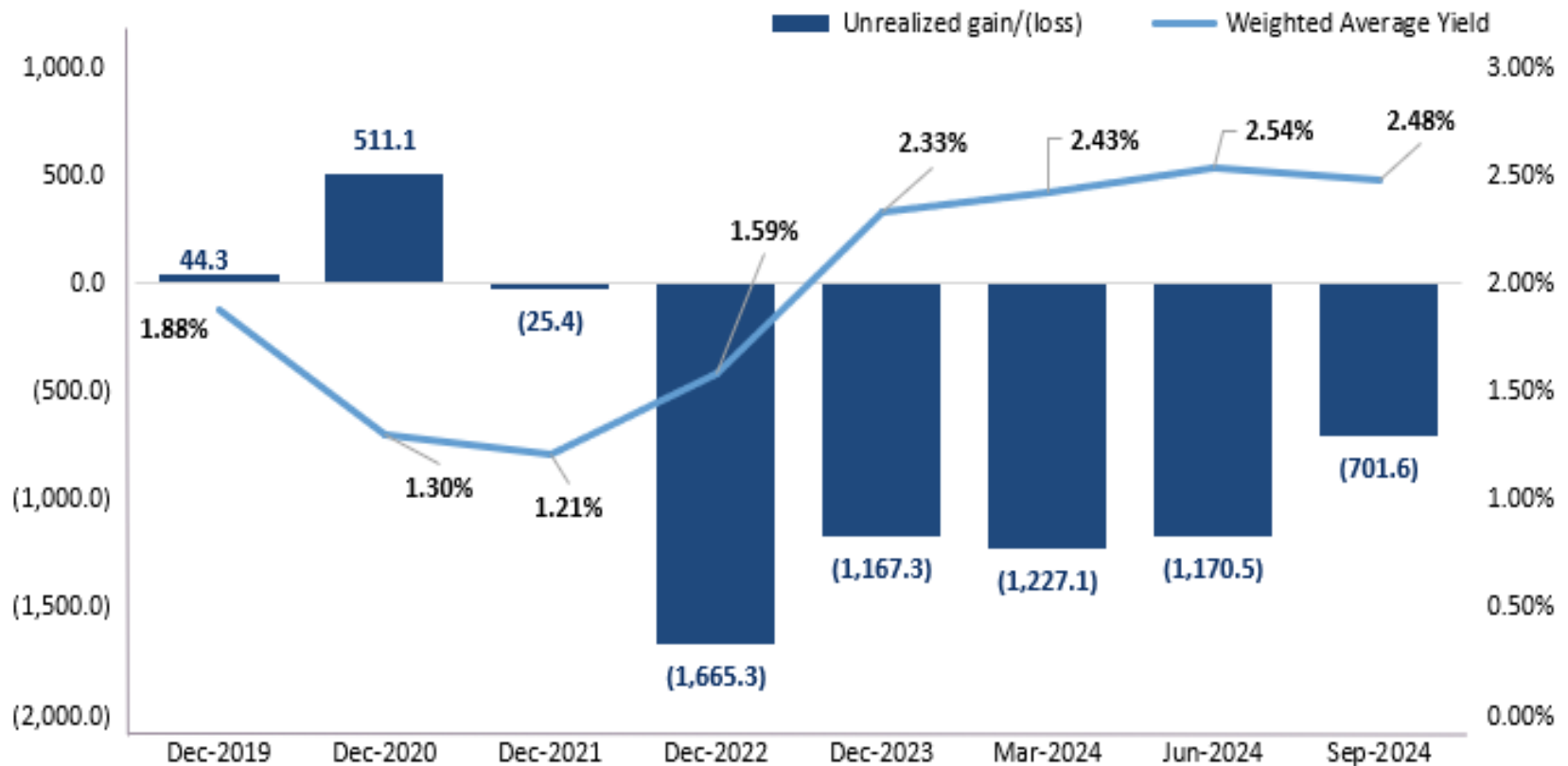
CY 2019 – Q3 CY2024



Portfolio Unrealized Gain/(Loss)

CY2019 – Q3 CY2024

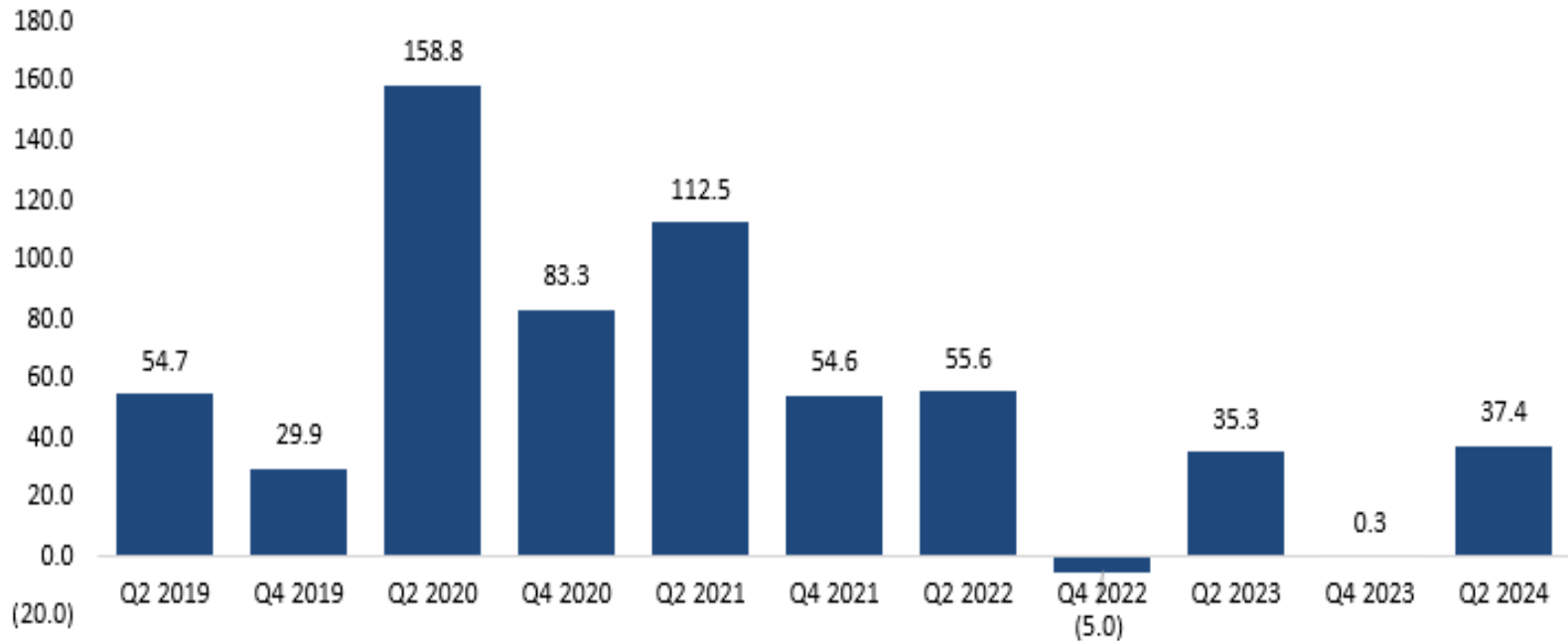
Unrealized Gain/ (Loss) on Investments (in millions)



Change in Insured Shares

CY2019 – Q2 CY2024

Change in Insured Shares (in billions)



	2019	2020	2021	2022	2023	Q2 2024
Total	1,226B	1,468B	1,635B	1,685B	1,721B	1,758B

Quarterly Portfolio Activity

September 30, 2024

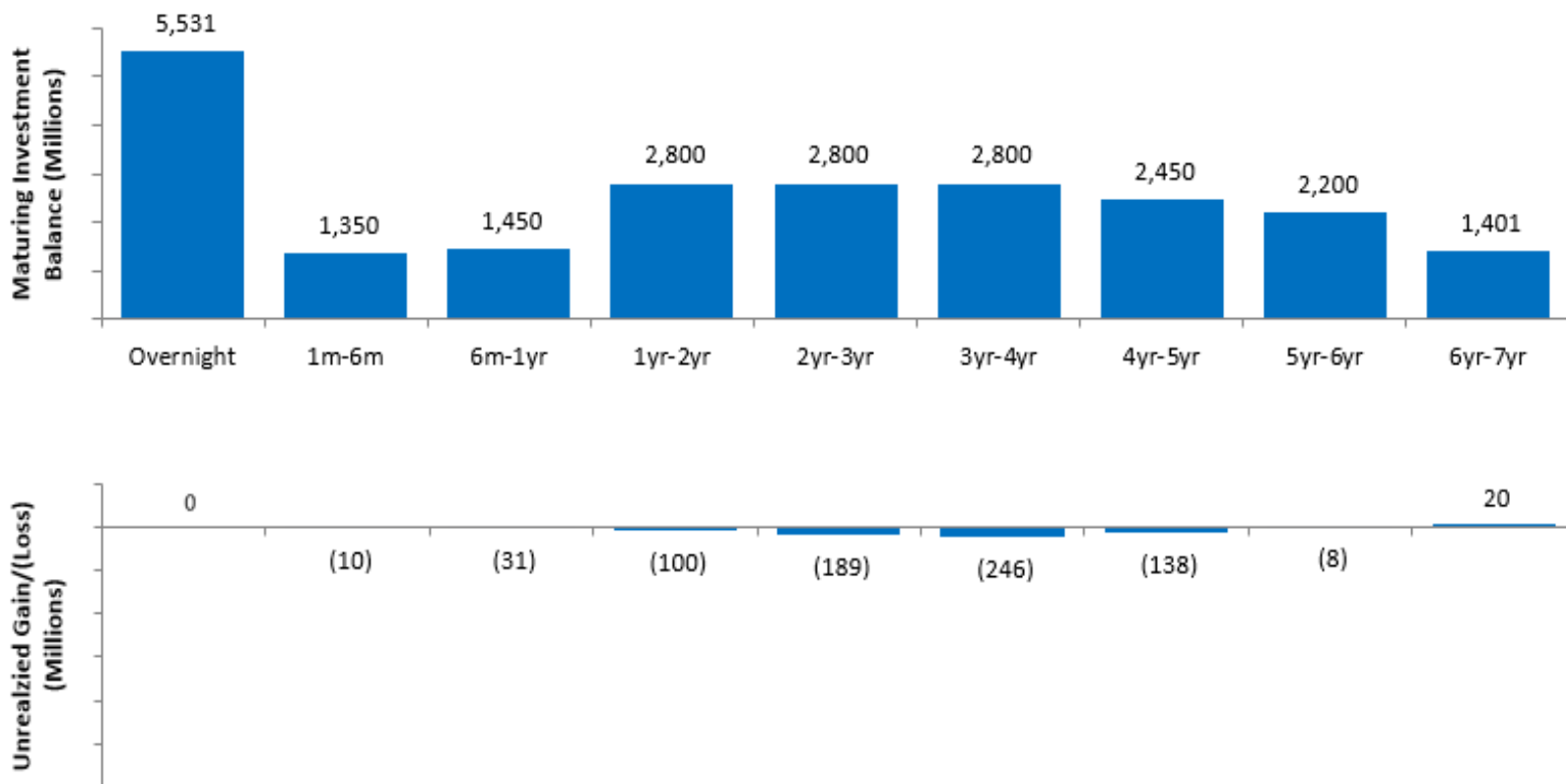
I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)					
	Book Value	Market Value	Unrealized Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$ 5,531,365,000	\$ 5,531,365,000	\$ -	100.00%	4.79%
U.S. Treasury Notes	17,077,052,571	16,375,494,455	(701,558,116)	95.89%	1.74%
Total	\$ 22,608,417,571	\$ 21,906,859,455	\$ (701,558,116)	96.90%	2.48%
II. INVESTMENT PORTFOLIO SUMMARY					
	Last Month	Current Month	CY To Date		
Investment Yield	2.60%	2.48%	2.48%		
Investment Income	\$ 49,662,317	\$ 47,114,000	\$ 419,098,991		
Weighted Avg. Maturity in Days / (Years)	895 (2.45)	872 (2.38)			
III. QUARTERLY ACTIVITY FOR T-NOTES					
Purchased	Amount	Maturity	Yield		
8/15/2024	1,100,000,000	various	3.80% to 3.85%		
Maturity	Amount	Purchased	Yield		
8/15/2024	700,003,450	various	0.20% to 1.75%		

Quarterly Portfolio Activity (continue)

September 30, 2024

IV. MATURITY SCHEDULE (par value in millions)

TOTAL PAR VALUE	\$	22,782	TOTAL UNREALIZED GAIN/(LOSS)	\$	(702)
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Statutory Authority for Investments

- **Title II §1783(c) of the Federal Credit Union Act addresses investment authorizations for the NCUSIF**
 - Board may authorize the Secretary of the Treasury to invest and reinvest such portions of the fund as the Board may determine are not needed for current operations.
 - Must be in interest-bearing securities of the United States or in any securities guaranteed as to both principal and interest by the United States or in bonds or other obligations which are lawful investments for fiduciary, trust, and public funds of the United States, and the income shall constitute a part of the fund.
- **Only viable option is to invest through FedInvest that allows the NCUSIF to invest in:**
 - The required method for Federal Program Agencies to submit investment instructions is by using FedInvest. (Treasury Financial Manual, Part II, Section 4335.70)
 - Overnights with the rate indexed off the 4-week Treasury Bill.
 - Government Account Series securities that “mirror” US Treasury securities.
 - NCUA must adhere to U.S. Treasury policies.

Treasury Policies on Investments

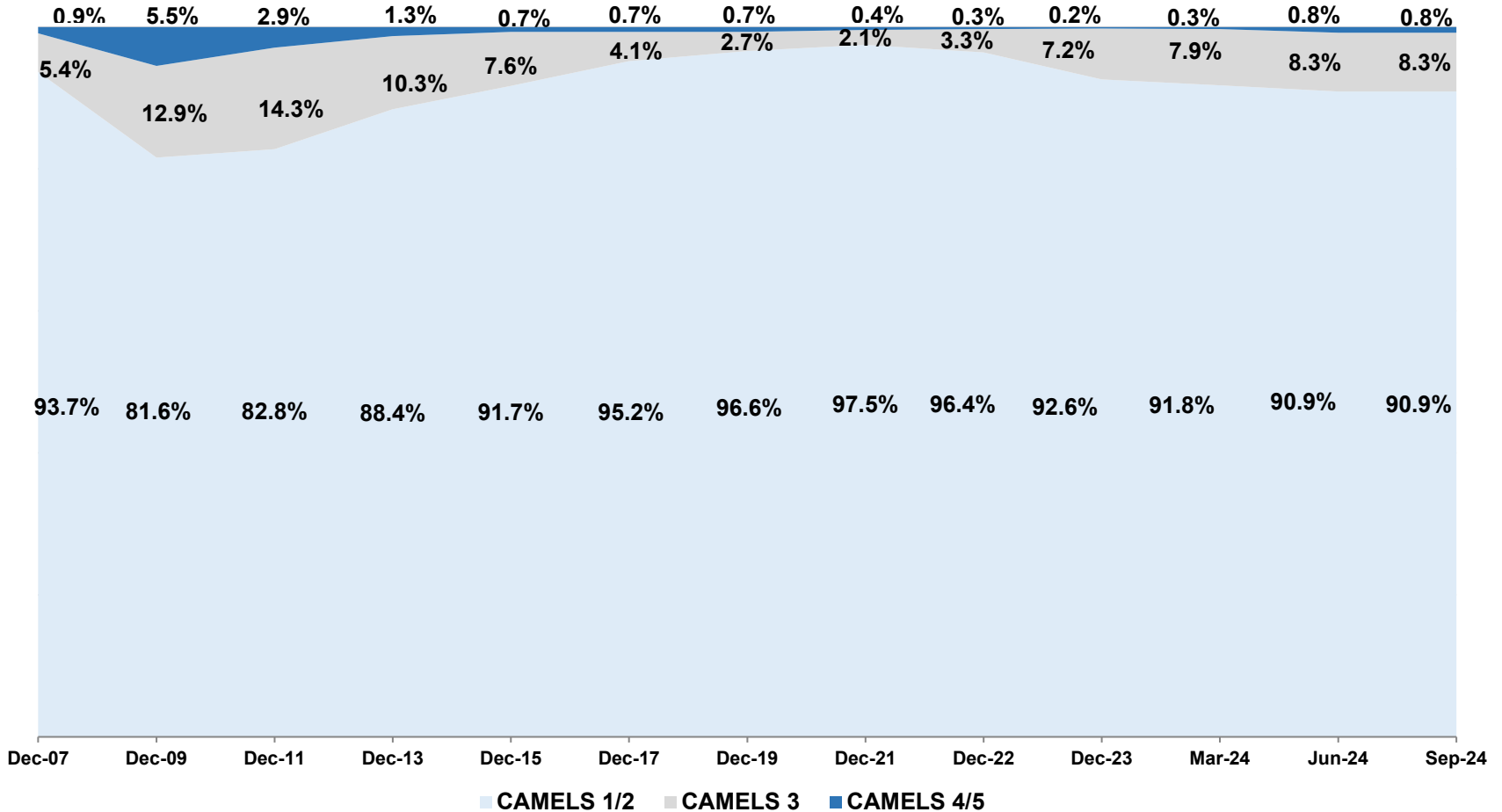
Department of Treasury policies govern investment of monies in Government Investment Accounts, and includes that:

- A Federal Program Agency for a Government Investment Account shall, to the best of its ability, develop its investment strategy to select investments with Maturity Dates that coincide approximately with the Federal Program Agency's disbursement estimates, so that the investments may be bought and held to the Maturity Dates.
- A Federal Program Agency for a Government Investment Account shall not engage in investment practices, including but not limited to security day-trading and large restructuring of investment portfolios, to take advantage of short-term Interest Rate fluctuations or to result in gains and losses.

Source: Treasury Financial Manual, Part II, Section 4335.95

Distribution of Assets in CAMELS Codes

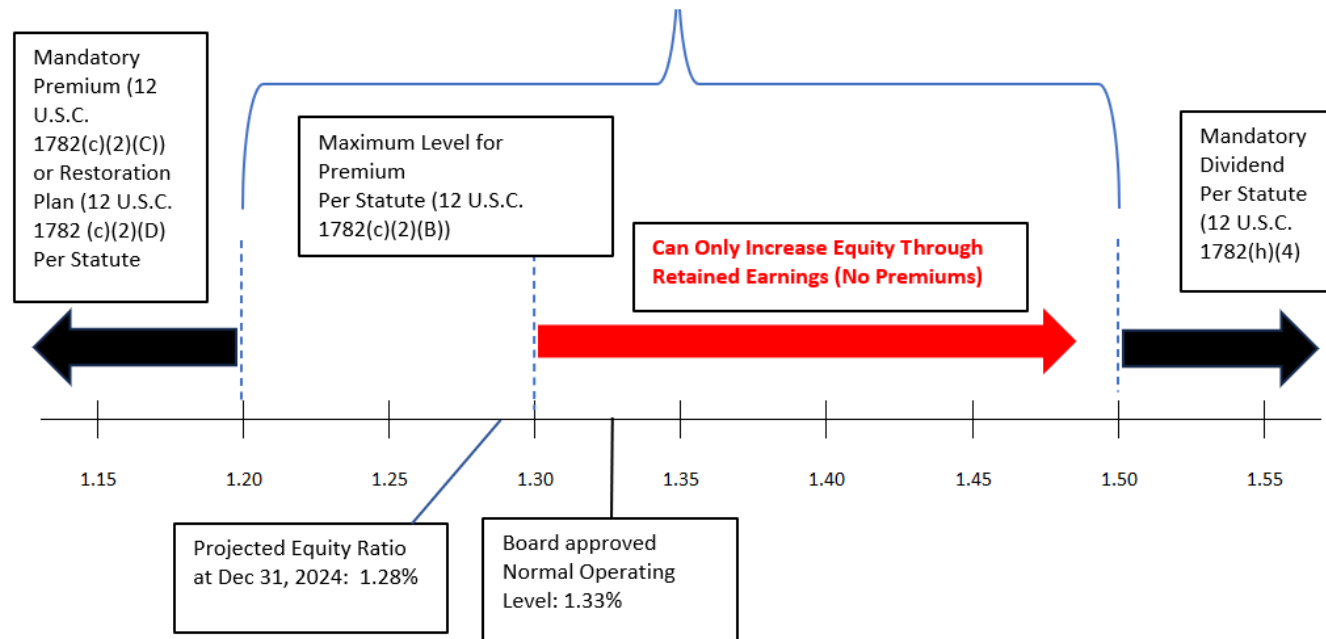
CY2007 – Q3 CY2024 *



*Areas are not to scale.

NCUSIF NOL Overview

NOL Range per Statute ((12 U.S.C. 1782(h)(4))
Distribution Paid if the Equity Ratio Exceeds the NOL at the End of the
Calendar Year (12 U.S.C. 1782(c)(3))



- Distribution occurs when the equity in the Share Insurance Fund exceeds the NOL and the available assets ratio exceeds 1.00% at year-end.
- Premium may be assessed if the equity ratio is below 1.30%. The premium may only be enough to bring the equity ratio back to 1.30%.
- Equity ratio growth above 1.30% may only occur through increases in retained earnings or a decline in insured shares.
- Board Restoration Plan must be implemented if the equity ratio falls below 1.20%.