

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

October 31, 2016

A handwritten signature in blue ink, which appears to read "J. Owen Cole, Jr.", is positioned above the printed name.

J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

MANAGEMENT OVERVIEW

October 31, 2016

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities.

Current Liabilities: Dividend expenses for Regular members were \$101 thousand in October 2016.

Other Liabilities: Other liabilities include pending redemption of \$302 thousand that was reclassified from capital stock.

Equity: As of October 31, 2016, year to date net income of \$1,333 thousand has been reserved for retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$286 thousand or current month's average yield of 1.3%. This is slightly higher than prior month's average yield.

Expense: Operating expenses for the month were \$61 thousand.

Net Income: Net income before dividends was \$225 thousand for the month which is consistent with prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of October 31, 2016 and December 31, 2015, CLF's statutory borrowing authority was \$6.1 billion and \$5.6 billion, respectively.

Investment Purchases: \$15,400,000.

Maturities of Treasury Notes: \$14,000,000.

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$265,725,840 and U.S. Treasury Cash \$5,613,578.

Regular Membership: 267

Loans: \$0, Borrowing Activity: \$0.

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of October 31, 2016 and 2015

(Dollars in thousands)

	<u>October 2016</u>	<u>October 2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 6,115	\$ 15,415
Investments, Net U.S. Treasury Securities	265,726	231,086
Accrued Interest Receivable - Investments	<u>839</u>	<u>813</u>
TOTAL ASSETS	<u>\$ 272,680</u>	<u>\$ 247,314</u>
LIABILITIES		
Accounts Payable	\$ 105	\$ 35
Dividends Payable	101	45
Regular Member Deposits - Liquidity Reserve	1,569	1,320
Other Liabilities	<u>302</u>	<u>52</u>
TOTAL LIABILITIES	<u>2,077</u>	<u>1,452</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	239,334	216,231
Retained Earnings Prior Year	29,936	28,477
Retained Earnings Current Year	<u>1,333</u>	<u>1,154</u>
TOTAL MEMBERS' EQUITY	<u>270,603</u>	<u>245,862</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 272,680</u>	<u>\$ 247,314</u>

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS
For the Periods Ended October 31, 2016 and 2015
(Dollars in thousands)

	<u>October 2016</u>	<u>Year-to-Date October 2016</u>	<u>Year-to-Date October 2015</u>
REVENUES			
Investment Income	\$ 286	\$ 2,636	\$ 2,016
Total Revenues	286	2,636	2,016
EXPENSES			
Employee wages and benefits, net	54	403	363
Rent, communications, and utilities	1	9	8
Other	5	60	56
Total Expenses	61	473	427
NET INCOME BEFORE DIVIDENDS	225	2,164	1,589
Dividends Accrued	101	830	435
NET INCOME	\$ 124	\$ 1,333	\$ 1,154

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NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2016	2015	2014
Dividend Rate First Quarter	0.25%	0.25%	0.25%
Dividend Rate Second Quarter	0.50%	0.25%	0.25%
Dividend Rate Third Quarter	0.50%	0.25%	0.25%
Dividend Rate Fourth Quarter	-	0.25%	0.25%

SELECTED RATIOS:	10/31/2016	10/31/2015
Stock & Retained Earnings/Total Assets	99.24%	99.41%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.77%	0.60%

OPERATIONS:	10/31/2016	10/31/2016	10/31/2015
	Month	YTD	YTD
Total Operating Expenses/Total Revenue	21.17%	17.78%	21.10%
Net Income(before Divds)/Total Revenue	78.83%	82.07%	78.81%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 9,573,367 shares; issued and outstanding: 4,786,684 shares)

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