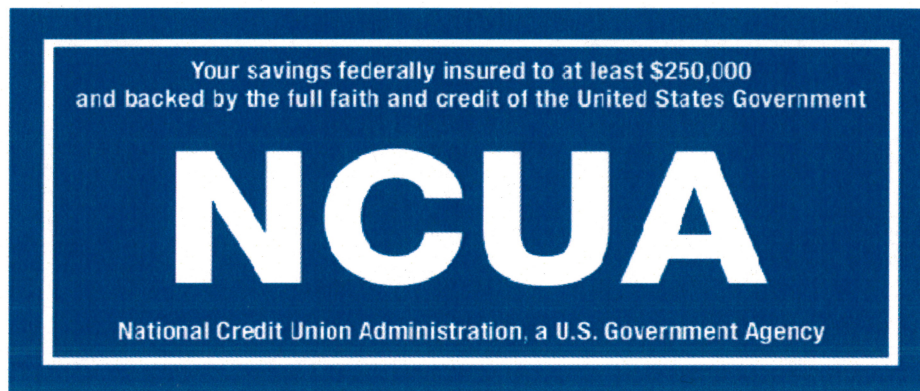


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

July 31, 2014

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS
July 31, 2014**

Balance Sheet:

Other - Insurance and Guarantee Program Liabilities (Reserves): Reserves are \$176.1 million as of July 31, 2014; \$8.1 million is for specific natural person credit unions, and \$168.0 million is for general reserves.

Statement of Net Cost:

For the month ended July 31, 2014, the fund had net income of \$1.5 million. The fund recognized gross revenues of \$17.9 million and total operating expenses of \$16.4 million. The fund recognized a decrease in insurance loss expense of \$2.0 thousand during the month of July 2014.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED BALANCE SHEETS
As of July 31, 2014
(Dollars in thousands)

ASSETS	<u>July 2014</u>	<u>June 2014</u>	<u>July 2013</u>
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 1,515	\$ 476	\$ 671
Investments, Net U.S. Treasury Securities	11,177,961	11,221,264	10,999,271
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	12,292	12,404	13,632
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	-	1,723	-
Accounts Receivable, Other	-	-	8
Accrued Interest Receivable, Investments	71,165	57,217	72,965
Total Intragovernmental Assets	<u>11,262,933</u>	<u>11,293,084</u>	<u>11,086,547</u>
PUBLIC			
Notes Receivable, Net	201,002	203,060	228,998
Accrued Interest Receivable	256	292	293
Advances	19	-	12
Other - Receivable from Asset Management Estates, Net	106,235	111,121	176,249
Total Public Assets	<u>307,512</u>	<u>314,473</u>	<u>405,552</u>
TOTAL ASSETS	<u>\$ 11,570,445</u>	<u>\$ 11,607,557</u>	<u>\$ 11,492,099</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 747	\$ 2	\$ 393
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	991	10	568
Total Intragovernmental Liabilities	<u>1,738</u>	<u>12</u>	<u>961</u>
PUBLIC			
Accounts Payable	230	315	10,833
Other - Insurance and Guarantee Program Liabilities (Reserves)	176,109	176,111	270,893
Total Public Liabilities	<u>176,339</u>	<u>176,426</u>	<u>281,726</u>
TOTAL LIABILITIES	<u>178,077</u>	<u>176,438</u>	<u>282,687</u>
NET POSITION			
Contributed Capital	8,665,260	8,665,114	8,394,282
Cumulative Result of Operations	2,727,108	2,766,005	2,815,130
Total Net Position	<u>11,392,368</u>	<u>11,431,119</u>	<u>11,209,412</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,570,445</u>	<u>\$ 11,607,557</u>	<u>\$ 11,492,099</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST
For the Periods Ending July 31, 2014
(Dollars in thousands)

	<u>July 2014</u>	<u>CY to Date July 2014</u>	<u>CY to Date July 2013</u>
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 8,088	\$ 54,673	\$ 43,777
Employee Benefits	2,919	19,897	16,037
Travel	2,156	10,061	8,489
Rent, Communications, and Utilities	261	1,798	1,583
Administrative Costs	927	5,585	3,927
Contracted Services	1,773	8,498	6,455
Training Expense	192	495	602
Leasing Expense	37	73	108
Other Insurance Expense	4	22	31
Total Operating Costs	<u>16,357</u>	<u>101,102</u>	<u>81,009</u>
INSURANCE LOSS EXPENSE	(2)	(33,237)	(46,614)
Total Gross Costs	<u>16,355</u>	<u>67,865</u>	<u>34,395</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(19)	(135)	(149)
Interest Revenue - Other	(256)	(1,791)	(2,055)
Other Revenue	(1)	(5)	(237)
Total Exchange Revenue	<u>(276)</u>	<u>(1,931)</u>	<u>(2,441)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>16,079</u>	<u>65,934</u>	<u>31,954</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(17,574)	(119,900)	(116,055)
Total Non-Exchange Revenues	<u>(17,574)</u>	<u>(119,900)</u>	<u>(116,055)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (1,495)</u>	<u>\$ (53,966)</u>	<u>\$ (84,101)</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION
July 31, 2014
(Dollars in thousands)

	<u>July 2014</u>	<u>June 2014</u>	<u>July 2013</u>
NET POSITION BREAKDOWN			
CU Contributed Capital	\$ 8,665,260	\$ 8,665,114	\$ 8,394,282
Retained Earnings	2,658,997	2,657,502	2,681,278
Total Net Position without Unrealized Gain/(Loss)	<u>11,324,257</u>	<u>11,322,616</u>	<u>11,075,560</u>
Unrealized Gain/(Loss) - Investments	<u>68,111</u>	<u>108,503</u>	<u>133,852</u>
NET POSITION	<u>\$ 11,392,368</u>	<u>\$ 11,431,119</u>	<u>\$ 11,209,412</u>

Comparative Analysis of NCUSIF Ratios for July 2014

	July 2014	June 2014	July 2013
Investments/Total Assets	96.61%	96.67%	95.71%
Total Equity/Insured Shares (1)	1.26%	1.26%	1.27%
Available Assets Ratio	1.23%	1.23%	1.23%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

Actual Insured Shares as of June 30, 2014	\$ 895,692,470,241
Actual Insured Shares as of December 31, 2013	866,289,169,063
Actual Insured Shares as of June 30, 2013	869,022,832,201

(1) The July 2014 and June 2014 ratios are based on an actual insured share level of \$895.7 billion as of June 30, 2014.

The July 2013 ratios are based on an actual insured share level of \$869.0 billion as of June 30, 2013.

Figure 1

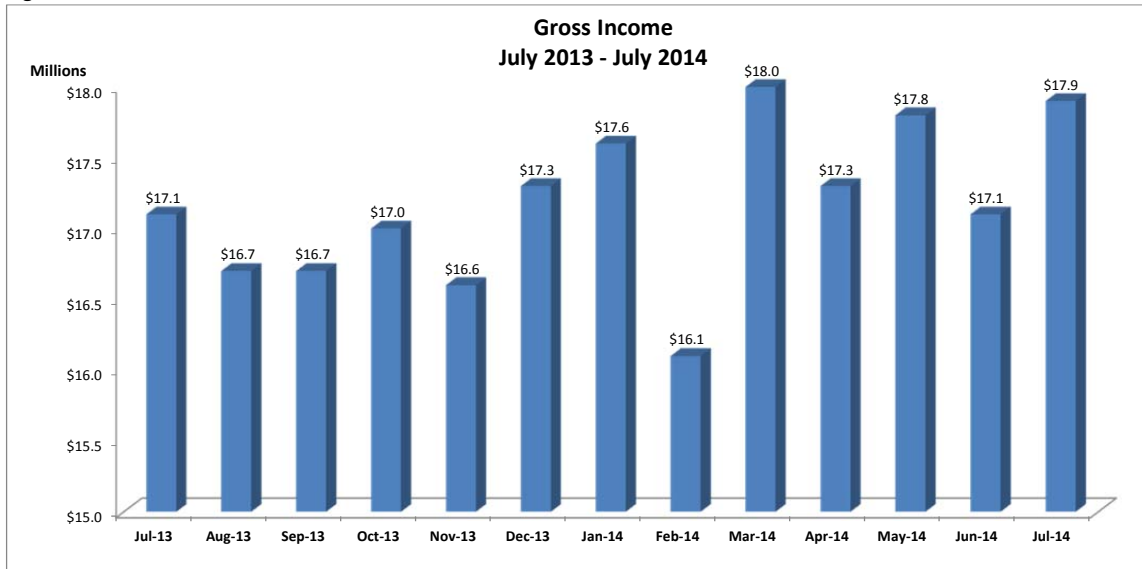


Figure 2

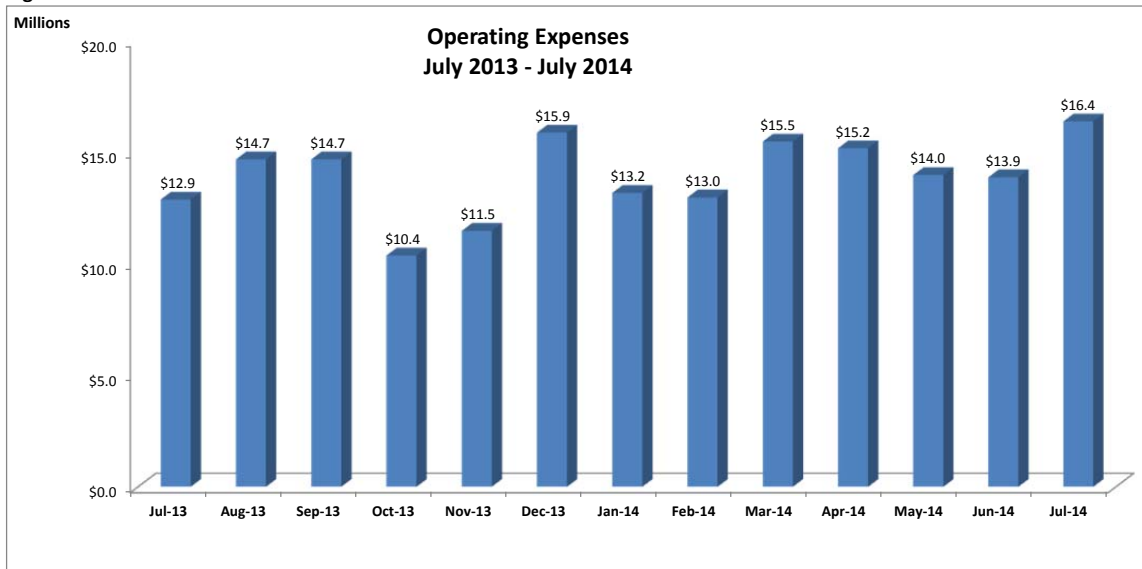
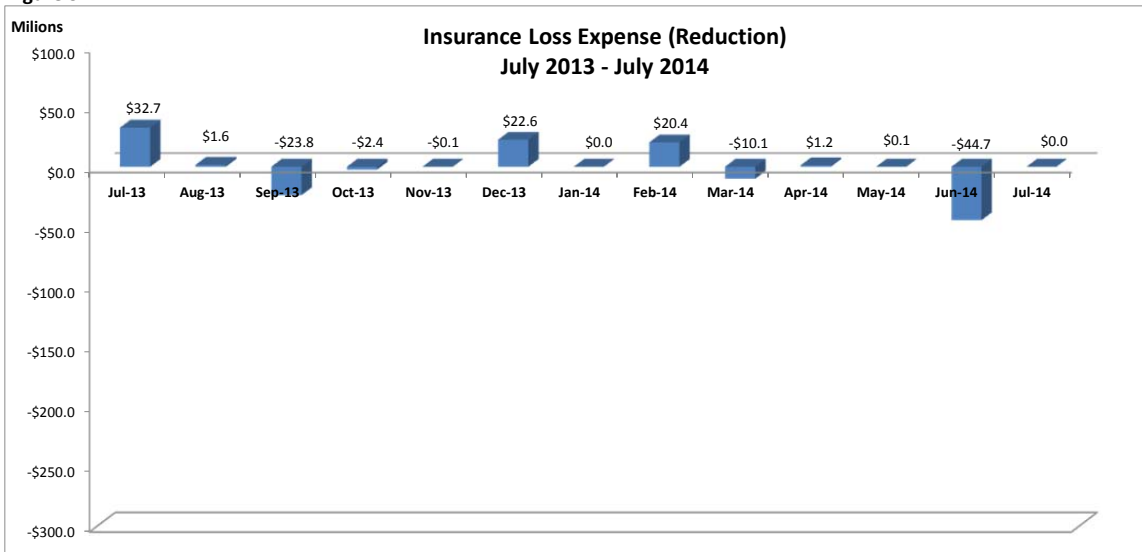


Figure 3



INVESTMENT PORTFOLIO SUMMARY
July 31, 2014

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)						
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield	
Daily Treasury Account	\$ 150,963,000	\$ 150,963,000	\$ -	100.00%	0.02%	
U.S. Treasury Notes	10,958,886,853	11,026,997,916	68,111,063	100.62%	1.89%	
Total	\$ 11,109,849,853	\$ 11,177,960,916	\$ 68,111,063	100.61%	1.86%	

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	1.85%	1.86%	1.85%
Investment Income	\$ 16,879,055	\$ 17,573,941	\$ 119,899,648
Weighted Avg. Maturity in Days	1,445	1,503	

III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
7/17/2014	T-Note	\$ 100,000,000	2/15/2024	2.45%	
7/31/2014	T-Note	100,000,000	8/15/2022	2.38%	
7/31/2014	T-Note	100,000,000	8/15/2023	2.48%	
TOTAL		\$ 300,000,000			

IV. MATURITY SCHEDULE (par value in millions)		
TOTAL	\$	10,971

