

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

January 31, 2020

A handwritten signature in black ink, appearing to read 'E. Schied', is positioned above the name of the signatory.

**EUGENE H. SCHIED
ACTING CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
MANAGEMENT OVERVIEW
January 31, 2020**

Balance Sheets

Receivables from Asset Management Estates Net is \$561.6 million; \$334.5 million is for natural person credit unions (NPCU), and \$227.1 million is for Corporate Credit Unions (CCU).

Insurance and Guarantee Program Liabilities related to Reserves are \$117.0 million; \$6.4 million is for specific reserves for natural person credit unions, and \$110.6 million is for general reserves. There are no Corporate System Resolution Program (CSRP) related Insurance and Guarantee Program Liabilities as of January 31, 2020.

Statements of Net Cost

For the month ended January 31, 2020, the fund had net income of \$9.5 million. The fund recognized gross revenues of \$26.4 million and total operating expenses of \$16.9 million. The fund did not recognize any insurance loss expense during the month of January 2020.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
BALANCE SHEETS
(Dollars in thousands)**

	<u>January 2020</u>	<u>January 2019</u>
ASSETS		
INTRAGOVERNMENTAL		
Fund Balance with Treasury	\$ 5,000	\$ 9,136
Investments, Net - U.S. Treasury Securities	16,199,966	15,088,887
Accrued Interest Receivable - Investments	103,513	81,826
Accounts Receivable - Due from the NCUA Operating Fund	280	2,557
Note Receivable - Note due from the NCUA Operating Fund	4,917	6,258
Total Intragovernmental Assets	<u>16,313,676</u>	<u>15,188,664</u>
PUBLIC		
Accounts Receivable - Guarantee Fee on NGNs, Net	667	957
General Property, Plant, and Equipment, Net	108	167
Advances and Prepayments	1,021	985
Accounts Receivable - Other	-	85
Receivables from Asset Management Estates (AMEs), Net*	561,643	688,870
Total Public Assets	<u>563,439</u>	<u>691,064</u>
TOTAL ASSETS	<u>\$ 16,877,115</u>	<u>\$ 15,879,728</u>
LIABILITIES		
INTRAGOVERNMENTAL		
Accounts Payable - Due to the NCUA Operating Fund	\$ 152	\$ 415
Total Intragovernmental Liabilities	<u>152</u>	<u>415</u>
PUBLIC		
Accounts Payable	594	315
Insurance and Guarantee Program Liabilities*	116,978	119,053
Other Liabilities	456	495
Total Public Liabilities	<u>118,028</u>	<u>119,863</u>
TOTAL LIABILITIES	<u>118,180</u>	<u>120,278</u>
Commitments and Contingencies		
NET POSITION		
Contributed Capital	11,968,316	11,327,234
Cumulative Result of Operations	4,790,619	4,432,216
Total Net Position	<u>16,758,935</u>	<u>15,759,450</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 16,877,115</u>	<u>\$ 15,879,728</u>

* Receivable from AMEs, Net and Insurance and Guarantee Program Liabilities lines are generally updated quarterly.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF NET COST
(Dollars in thousands)**

	<u>January 2020</u>	<u>January 2020 YTD</u>	<u>January 2019 YTD</u>
GROSS COSTS			
Operating Expenses*	\$ 16,917	\$ 16,917	\$ 12,756
Provision for Insurance Losses			
Reserve Expense (Reduction)	-	-	-
AME Receivable Bad Debt Expense	-	-	-
Total Provision for Insurance Losses	-	-	-
Other Losses	-	-	1,407
Total Gross Costs	<u>16,917</u>	<u>16,917</u>	<u>14,163</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable from the NCUA			
Operating Fund	(8)	(8)	(11)
Guarantee Fee Revenue - NGNs	(827)	(827)	(1,182)
Other Revenue	(93)	(93)	-
Total Exchange Revenues	<u>(928)</u>	<u>(928)</u>	<u>(1,193)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>\$ 15,989</u>	<u>\$ 15,989</u>	<u>\$ 12,970</u>
LESS NON-EXCHANGE REVENUES			
Interest Revenue - Investments	(25,489)	(25,489)	(26,108)
Total Non-Exchange Revenues	<u>(25,489)</u>	<u>(25,489)</u>	<u>(26,108)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (9,500)</u>	<u>\$ (9,500)</u>	<u>\$ (13,138)</u>

*Share Insurance Fund operating expenses are an allocation of total NCUA operating expenses, as determined by the overhead transfer rate set by the Board of 61.3% and 60.5% for 2020 and 2019, respectively.

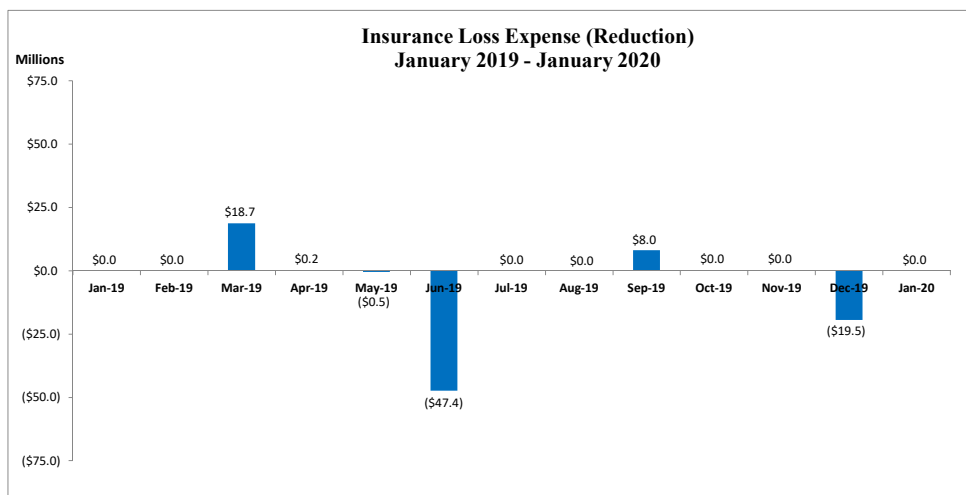
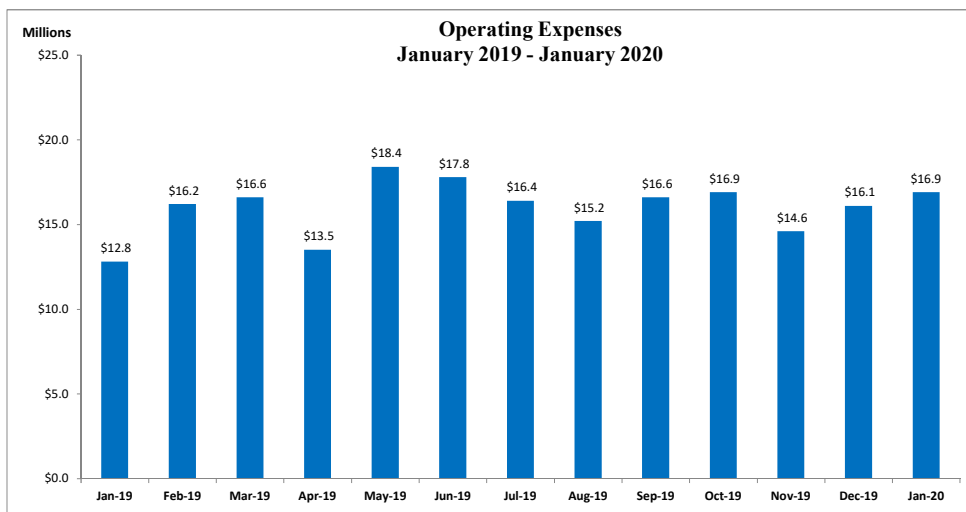
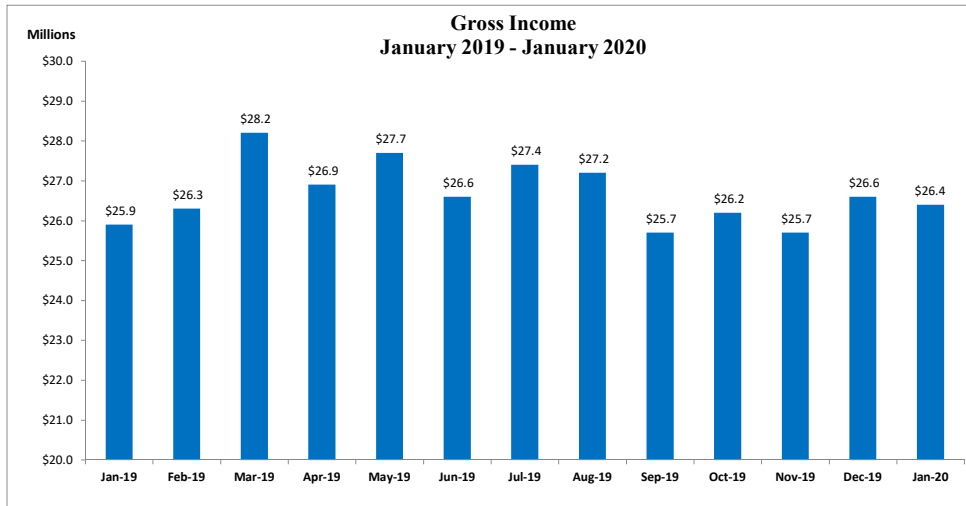
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**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF CHANGES IN NET POSITION
(Dollars in thousands)**

	<u>January 2020</u>	<u>January 2019</u>
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balances	\$ 4,632,574	\$ 4,394,392
BUDGETARY FINANCING SOURCES		
Non-Exchange Revenue		
Interest Revenue - Investments	25,489	26,108
Distribution to Credit Unions	-	-
Total Budgetary Financing Sources	<u>25,489</u>	<u>26,108</u>
OTHER FINANCING SOURCES		
Non-Exchange Revenue		
Net Unrealized Gain/(Loss) - Investments	148,545	24,686
Total Other Financing Sources	<u>148,545</u>	<u>24,686</u>
Total Financing Sources	<u>174,034</u>	<u>50,794</u>
Net Income /(Cost) of Operations	(15,989)	(12,970)
Net Change	158,045	37,824
CUMULATIVE RESULTS OF OPERATIONS	<u>4,790,619</u>	<u>4,432,216</u>
CONTRIBUTED CAPITAL		
Beginning Balances	11,967,387	11,327,234
Change in Contributed Capital	929	-
CONTRIBUTED CAPITAL	<u>11,968,316</u>	<u>11,327,234</u>
NET POSITION	<u>\$ 16,758,935</u>	<u>\$ 15,759,450</u>
NET POSITION BREAKDOWN		
Credit Union Contributed Capital	11,968,316	11,327,234
Retained Earnings	4,597,724	4,591,796
Total Net Position Without Unrealized Gain/ (Loss)	<u>16,566,040</u>	<u>15,919,030</u>
Unrealized Gain/ (Loss) - Investments	<u>192,895</u>	<u>(159,580)</u>
NET POSITION	<u>\$ 16,758,935</u>	<u>\$ 15,759,450</u>

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
 SHARE INSURANCE FUND
 STATISTICAL INFORMATION
 January 31, 2020**



The information provided in the supporting statement above is preliminary and unaudited.

INVESTMENT PORTFOLIO SUMMARY

January 31, 2020

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	\$ 492,935,000	\$ 492,935,000	\$ -	100.00%	1.59%
U.S. Treasury Notes	15,514,136,613	15,707,031,250	192,894,637	101.24%	1.89%
Total	\$ 16,007,071,613	\$ 16,199,966,250	\$ 192,894,637	101.21%	1.88%
II. INVESTMENT PORTFOLIO SUMMARY					
	Last Month	Current Month	CY To Date		
Investment Yield	1.88%	1.88%	1.88%		
Investment Income	\$ 25,547,502	\$ 25,489,251	\$ 25,489,251		
Weighted Avg. Maturity in Days	1,057	1,062			
III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
1/31/2020	T-Note	\$ 50,000,000	8/15/2026	1.42%	
1/31/2020	T-Note	\$ 50,000,000	11/15/2024	1.35%	
1/31/2020	T-Note	\$ 50,000,000	2/15/2025	1.35%	
1/31/2020	T-Note	\$ 50,000,000	8/15/2025	1.37%	
1/31/2020	T-Note	\$ 50,000,000	2/15/2026	1.40%	
1/31/2020	T-Note	\$ 100,000,000	2/15/2022	1.35%	
TOTAL		\$ 350,000,000			
IV. MATURITY SCHEDULE (par value in millions)					
TOTAL	\$	15,893			

Maturity Bucket	Maturing Investment Balance (Millions)
Overnight	493
1m-6m	1,500
6m-1yr	2,800
1yr-2yr	1,800
2yr-3yr	1,850
3yr-4yr	1,800
4yr-5yr	1,850
5yr-6yr	1,900
6yr-7yr	1,900

The information provided in the portfolio summary above is preliminary and unaudited.