

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

January 31, 2016

A handwritten signature in blue ink, which appears to read "Rendell L. Jones", is positioned below the date. The signature is fluid and cursive.

**RENDELL L. JONES
CHIEF FINANCIAL OFFICER**

NATIONAL CREDIT UNION SHARE INSURANCE FUND

MANAGEMENT OVERVIEW

January 31, 2016

Balance Sheet

Other - Insurance and Guarantee Program Liabilities (Reserves)

Reserves are \$162.9 million as of January 31, 2016; \$8.0 million is for specific natural person credit unions, and \$154.9 million is for general reserves.

Statement of Net Cost

For the month ended January 31, 2016, the fund had net income of \$7.5 million. The fund recognized gross revenues of \$19.5 million and total operating expenses of \$12.0 million. The fund did not recognize any insurance loss expense during the month of January 2016.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

BALANCE SHEETS
As of January 31, 2016
(Dollars in thousands)

| | <u>January 2016</u> | <u>January 2015</u> |
|--|----------------------|----------------------|
| ASSETS | | |
| INTRAGOVERNMENTAL | | |
| Fund Balance with Treasury | \$ 2,059 | \$ 1,500 |
| Investments, Net U.S. Treasury Securities | 12,269,764 | 11,804,027 |
| Accrued Interest Receivable - Investments | 82,288 | 82,806 |
| Accounts Receivable - Due from the National Credit Union Administration Operating Fund | 6,446 | 6,102 |
| Accounts Receivable - Due from the Temporary Corporate Credit Union Stabilization Fund | 53 | - |
| Note Receivable - Note due from the National Credit Union Administration Operating Fund | 10,281 | 11,621 |
| Total Intragovernmental Assets | <u>12,370,891</u> | <u>11,906,056</u> |
| PUBLIC | | |
| Accounts Receivable - Due from Credit Unions | - | 938 |
| Advances | - | 23 |
| Accrued Interest Receivable | 205 | 336 |
| Notes Receivable, Net | 107,060 | 172,205 |
| General Property, Plant and Equipment, Net | 1,771 | 128 |
| Other - Receivable from Asset Management Estates, Net | 58,175 | 83,453 |
| Total Public Assets | <u>167,211</u> | <u>257,083</u> |
| TOTAL ASSETS | <u>\$ 12,538,102</u> | <u>\$ 12,163,139</u> |
| LIABILITIES | | |
| INTRAGOVERNMENTAL | | |
| Accounts Payable - Due to the National Credit Union Administration Operating Fund | \$ 1 | \$ - |
| Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund | 499 | 136 |
| Total Intragovernmental Liabilities | <u>500</u> | <u>136</u> |
| PUBLIC | | |
| Accounts Payable | 1,216 | 587 |
| Capital Lease Liability | 318 | - |
| Other - Insurance and Guarantee Program Liabilities (Reserves) | 162,887 | 178,318 |
| Total Public Liabilities | <u>164,421</u> | <u>178,905</u> |
| TOTAL LIABILITIES | <u>164,921</u> | <u>179,041</u> |
| NET POSITION | | |
| Contributed Capital | 9,353,113 | 8,944,103 |
| Cumulative Result of Operations | 3,020,068 | 3,039,995 |
| Total Net Position | <u>12,373,181</u> | <u>11,984,098</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 12,538,102</u> | <u>\$ 12,163,139</u> |

The balances in the statement above are preliminary and unaudited.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
STATEMENTS OF NET COST, INCLUDING NON-EXCHANGE REVENUES
For the Periods Ending January 31, 2016
(Dollars in thousands)

| | <u>January 2016</u> | <u>Year-to-Date January 2016</u> | <u>Year-to-Date January 2015</u> |
|---|---------------------|--------------------------------------|--------------------------------------|
| GROSS COSTS | | | |
| OPERATING EXPENSES (1) | | | |
| Employee Pay | \$ 8,415 | \$ 8,415 | \$ 9,401 |
| Employee Benefits | 3,286 | 3,286 | 2,504 |
| Travel | 306 | 306 | 235 |
| Rent, Communications and Utilities | (126) | (126) | (120) |
| Administrative Costs | 411 | 411 | (116) |
| Contracted Services | (321) | (321) | (925) |
| Training Expense | 32 | 32 | 46 |
| Leasing Expense | 12 | 12 | - |
| Other Insurance Expense | <u>3</u> | <u>3</u> | <u>-</u> |
| Total Operating Costs | <u>12,018</u> | <u>12,018</u> | <u>11,025</u> |
| INSURANCE LOSS EXPENSE | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Gross Costs | <u>12,018</u> | <u>12,018</u> | <u>11,025</u> |
| LESS EXCHANGE REVENUES | | | |
| Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund | (17) | (17) | (18) |
| Interest Revenue - Other | (205) | (205) | (336) |
| Other (Revenue) / Expense | <u>-</u> | <u>-</u> | <u>(1)</u> |
| Total Exchange Revenue | <u>(222)</u> | <u>(222)</u> | <u>(355)</u> |
| TOTAL NET COST/(INCOME) OF OPERATIONS | <u>11,796</u> | <u>11,796</u> | <u>10,670</u> |
| LESS NON-EXCHANGE REVENUES | | | |
| Investment Income | <u>(19,316)</u> | <u>(19,316)</u> | <u>(18,293)</u> |
| Total Non-Exchange Revenues | <u>(19,316)</u> | <u>(19,316)</u> | <u>(18,293)</u> |
| TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES | <u>\$ (7,520)</u> | <u>\$ (7,520)</u> | <u>\$ (7,623)</u> |

(1) 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 73.1% and 71.8% for 2016 and 2015, respectively.

The balances in the statement above are preliminary and unaudited.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

STATEMENTS OF NET POSITION

As of January 31, 2016

(Dollars in thousands)

| | <u>January 2016</u> | <u>January 2015</u> |
|---|----------------------|----------------------|
| NET POSITION BREAKDOWN | | |
| Credit Union Contributed Capital | \$ 9,353,113 | \$ 8,944,103 |
| Retained Earnings | 2,749,834 | 2,688,567 |
| Total Net Position without Unrealized Gain/(Loss) | <u>12,102,947</u> | <u>11,632,670</u> |
| Unrealized Gain/(Loss) - Investments | <u>270,234</u> | <u>351,428</u> |
| NET POSITION | <u>\$ 12,373,181</u> | <u>\$ 11,984,098</u> |

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Comparative Analysis of NCUSIF Ratios for As of January 31, 2016

As of January 31, 2016

Comparative Analysis of NCUSIF Ratios for January 2016

| | January 2016 | January 2015 |
|--|---------------------|---------------------|
| Investments/Total Assets | 97.86% | 97.05% |
| Total Equity/Insured Shares (1) | 1.26% | 1.29% |
| Available Assets Ratio | 1.26% | 1.29% |
| Ins. Loss Exp./Insured Shares | 0.00% | 0.00% |

Insured Shares as of December 31, 2015 (in billions) **\$ 961.3**

Insured Shares as of December 31, 2014 (in billions) **903.0**

(1) The December 2015 ratios are based on an estimated insured share level of \$961.3 billion as of December 31, 2015.

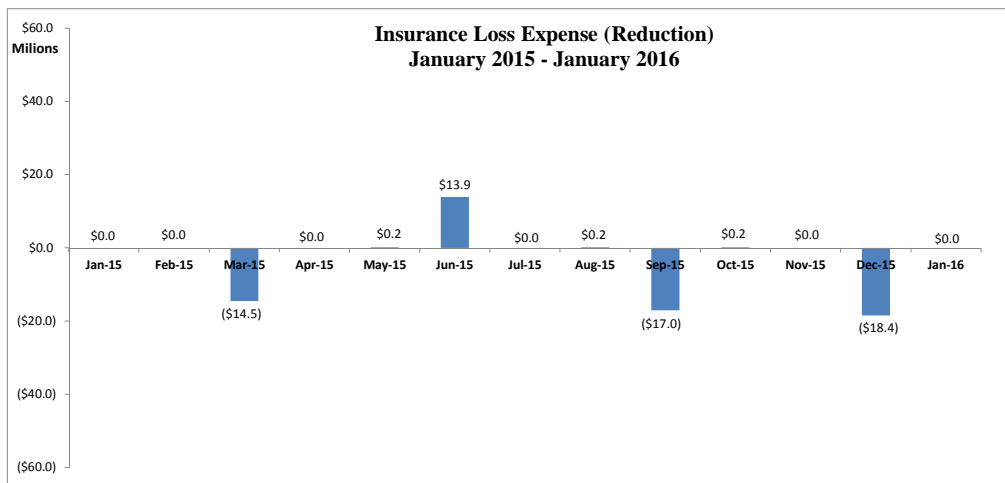
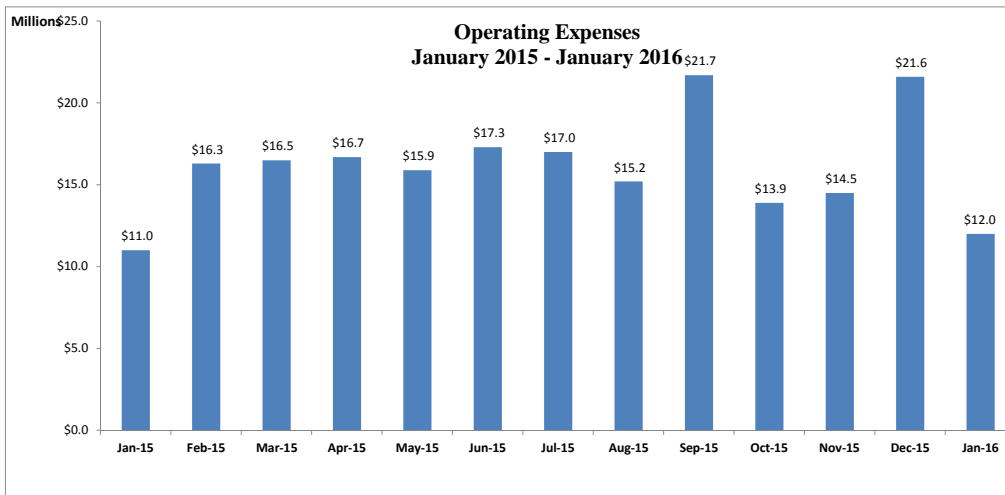
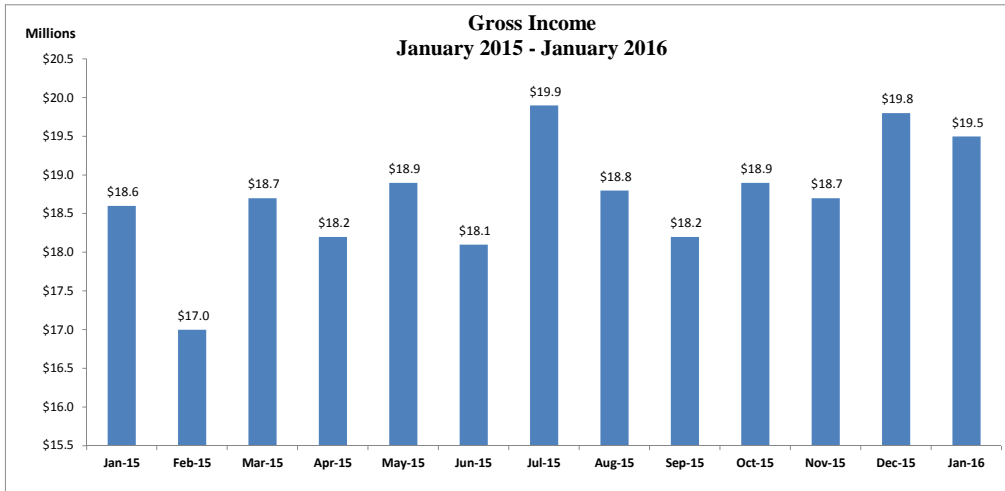
The December 2014 ratios are based on an insured share level of \$903.0 billion as of December 31, 2014.

The balances in the statement above are preliminary and unaudited.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

STATISTICAL INFORMATION

January 31, 2016



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

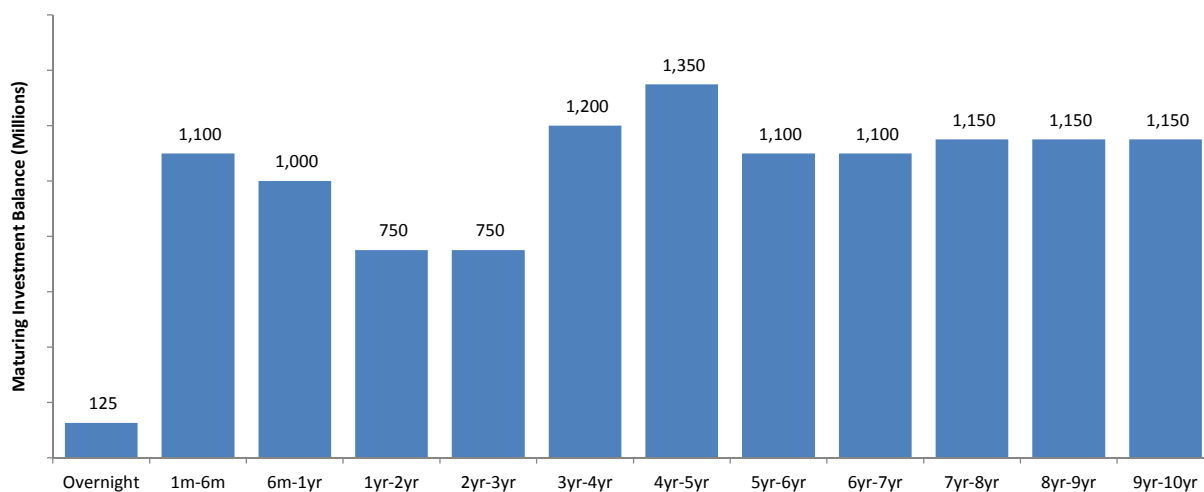
INVESTMENT PORTFOLIO SUMMARY
January 31, 2016

| 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 | \$ 125,076,000 | \$ 125,076,000 | \$ - | 100.00% | 0.21% | |
| U.S. Treasury Notes | 11,874,453,522 | 12,144,687,500 | 270,233,978 | 102.28% | 1.92% | |
| Total | \$ 11,999,529,522 | \$ 12,269,763,500 | \$ 270,233,978 | 102.25% | 1.90% | |

| II. INVESTMENT PORTFOLIO SUMMARY | | | |
|---|-------------------|----------------------|-------------------|
| | Last Month | Current Month | CY To Date |
| Investment Yield | 1.90% | 1.90% | 1.90% |
| Investment Income | \$ 19,302,838 | \$ 19,316,253 | \$ 19,316,253 |
| Weighted Avg. Maturity in Days | 1,784 | 1,753 | |

| III. MONTHLY ACTIVITY | | | | |
|------------------------------|-------------|---------------|-----------------|--------------|
| Purchased | Type | Amount | Maturity | Yield |
| None. | | | | |
| TOTAL | | \$ | - | |

| IV. MATURITY SCHEDULE (par value in millions) | | |
|--|-----------|---------------|
| TOTAL | \$ | 11,925 |



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