

NATIONAL CREDIT UNION SHARE INSURANCE FUND



**PRELIMINARY & UNAUDITED
FINANCIAL HIGHLIGHTS
March 31, 2016**

A handwritten signature in blue ink, appearing to read "Rendell L. Jones", with a long, sweeping horizontal line extending to the right.

**RENDELL L. JONES
CHIEF FINANCIAL OFFICER**

NATIONAL CREDIT UNION SHARE INSURANCE FUND

MANAGEMENT OVERVIEW

March 31, 2016

Balance Sheet

Other - Insurance and Guarantee Program Liabilities (Reserves)

Reserves are \$152.2 million as of March 31, 2016; \$9.9 million is for specific natural person credit unions, and \$142.3 million is for general reserves.

Statement of Net Cost

For the month ended March 31, 2016, the fund had net income of \$15.5 million. The fund recognized gross revenues of \$19.5 million and total operating expenses of \$18.7 million. The fund recognized an insurance loss reduction of \$14.7 million during the month of March 2016.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

BALANCE SHEETS

As of March 31, 2016

(Dollars in thousands)

	<u>March 2016</u>	<u>March 2015</u>
ASSETS		
INTRAGOVERNMENTAL		
Fund Balance with Treasury	\$ 1,657	\$ 1,743
Investments, Net U.S. Treasury Securities	12,375,621	11,749,326
Accrued Interest Receivable - Investments	63,226	66,261
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	-	644
Note Receivable - Note due from the National Credit Union Administration Operating Fund	<u>10,057</u>	<u>11,398</u>
Total Intragovernmental Assets	<u>12,450,561</u>	<u>11,829,372</u>
PUBLIC		
Accounts Receivable - Due from Credit Unions	279,448	138,658
Accrued Interest Receivable	220	453
Notes Receivable, Net	104,044	169,189
General Property, Plant and Equipment, Net	1,666	220
Other - Receivable from Asset Management Estates, Net	<u>57,076</u>	<u>80,807</u>
Total Public Assets	<u>442,454</u>	<u>389,327</u>
TOTAL ASSETS	<u>\$ 12,893,015</u>	<u>\$ 12,218,699</u>
LIABILITIES		
INTRAGOVERNMENTAL		
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 207	\$ 22
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	<u>-</u>	<u>-</u>
Total Intragovernmental Liabilities	<u>207</u>	<u>22</u>
PUBLIC		
Accounts Payable	19,857	55,036
Capital Lease Liability	279	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>152,230</u>	<u>169,552</u>
Total Public Liabilities	<u>172,366</u>	<u>224,588</u>
TOTAL LIABILITIES	<u>172,573</u>	<u>224,610</u>
NET POSITION		
Contributed Capital	9,613,432	9,034,646
Cumulative Result of Operations	<u>3,107,010</u>	<u>2,959,443</u>
Total Net Position	<u>12,720,442</u>	<u>11,994,089</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 12,893,015</u>	<u>\$ 12,218,699</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 March 31, 2016
(Dollars in thousands)

	March 2016	Year-to-Date March 2016	Year-to-Date March 2015
GROSS COSTS			
OPERATING EXPENSES (1)			
Employee Pay	\$ 9,445	\$ 27,709	\$ 25,721
Employee Benefits	3,642	10,564	9,590
Travel	1,556	2,944	3,068
Rent, Communications and Utilities	534	716	419
Administrative Costs	1,106	2,172	2,065
Contracted Services	2,268	3,607	2,758
Training Expense	77	168	152
Leasing Expense	54	119	-
Other Insurance Expense	3	9	9
Total Operating Costs	18,685	48,008	43,782
INSURANCE LOSS EXPENSE	(14,670)	(14,763)	(14,478)
Total Gross Costs	4,015	33,245	29,304
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(16)	(48)	(53)
Interest Revenue - Other	(220)	(634)	(956)
Other (Revenue) / Expense	-	(13)	-
Total Exchange Revenue	(236)	(695)	(1,009)
TOTAL NET COST/(INCOME) OF OPERATIONS	3,779	32,550	28,295
LESS NON-EXCHANGE REVENUES			
Investment Income	(19,273)	(56,602)	(53,305)
Total Non-Exchange Revenues	(19,273)	(56,602)	(53,305)
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	\$ (15,494)	\$ (24,052)	\$ (25,010)

(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.

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NATIONAL CREDIT UNION SHARE INSURANCE FUND

STATEMENTS OF NET POSITION

As of March 31, 2016

(Dollars in thousands)

	March 2016	March 2015
NET POSITION BREAKDOWN		
Credit Union Contributed Capital	\$ 9,613,432	\$ 9,034,646
Retained Earnings	2,766,366	2,705,957
Total Net Position without Unrealized Gain/(Loss)	<u>12,379,798</u>	<u>11,740,603</u>
Unrealized Gain/(Loss) - Investments	<u>340,644</u>	<u>253,486</u>
NET POSITION	<u>\$ 12,720,442</u>	<u>\$ 11,994,089</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND

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

As of March 31, 2016

Comparative Analysis of NCUSIF Ratios for March 2016

	March 2016	March 2015
Investments/Total Assets	95.99%	96.16%
Total Equity/Insured Shares (1)	1.29%	1.30%
Available Assets Ratio	1.27%	1.28%
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 March 2016 ratios are based on an insured share level of \$961.3 billion as of December 31, 2015.

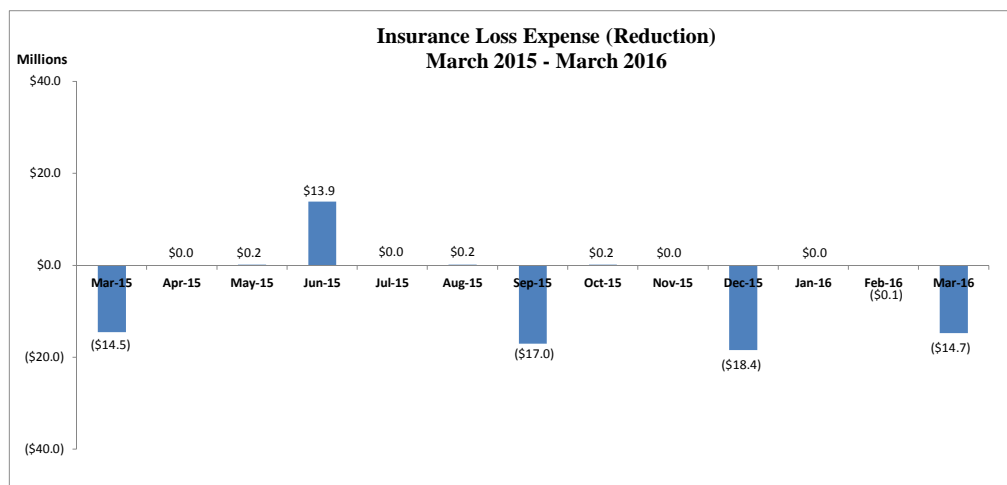
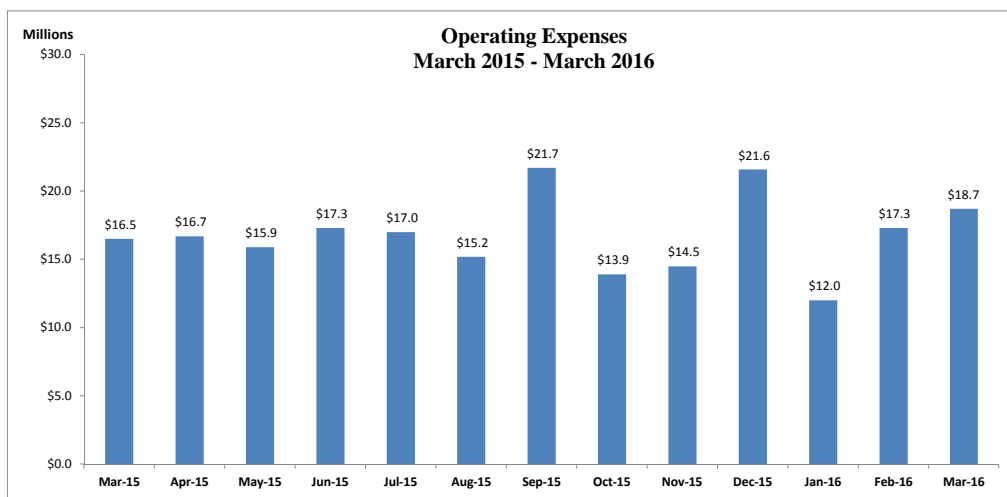
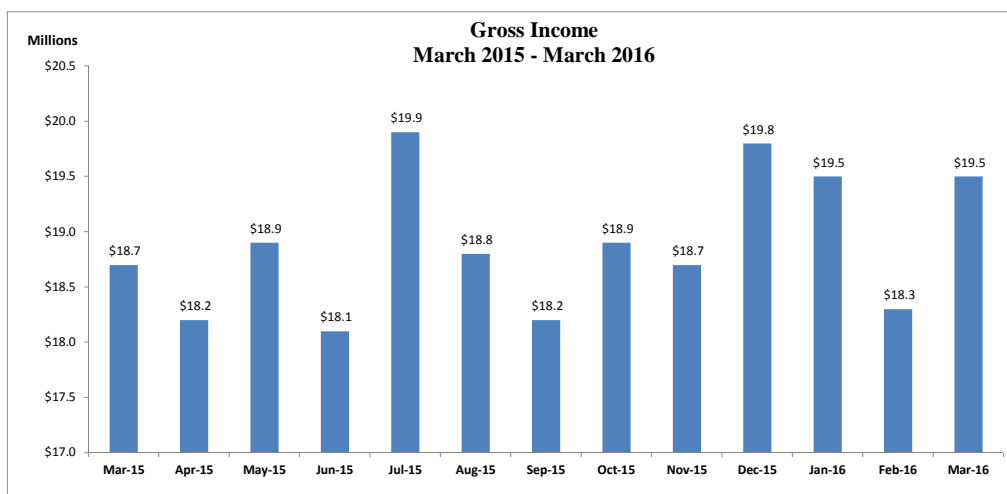
The March 2015 ratios are based on an insured share level of \$903.0 billion as of December 31, 2014.

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NATIONAL CREDIT UNION SHARE INSURANCE FUND

STATISTICAL INFORMATION

March 31, 2016



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

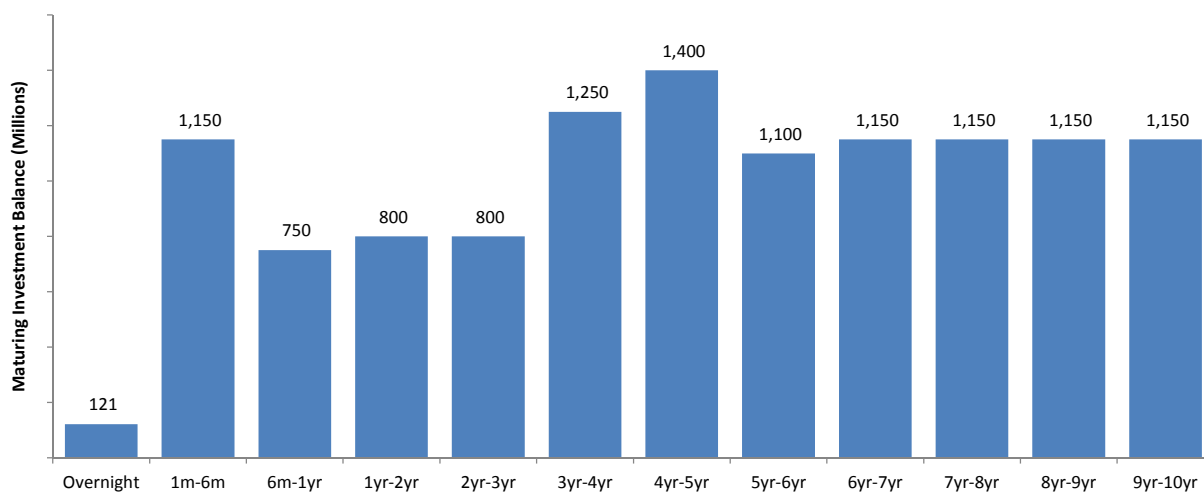
INVESTMENT PORTFOLIO SUMMARY
March 31, 2016

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	\$ 121,215,000	\$ 121,215,000	\$ -	100.00%	0.25%	
U.S. Treasury Notes	11,913,762,715	12,254,406,250	340,643,535	102.86%	1.90%	
Total	\$ 12,034,977,715	\$ 12,375,621,250	\$ 340,643,535	102.83%	1.88%	

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	1.89%	1.88%	1.89%
Investment Income	\$ 18,013,318	\$ 19,272,501	\$ 56,602,071
Weighted Avg. Maturity in Days	1,767	1,782	

III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
3/31/2016	T-Note	\$ 150,000,000	2/15/2026	1.80%	
TOTAL		\$ 150,000,000			

IV. MATURITY SCHEDULE (par value in millions)		
TOTAL	\$	11,971



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