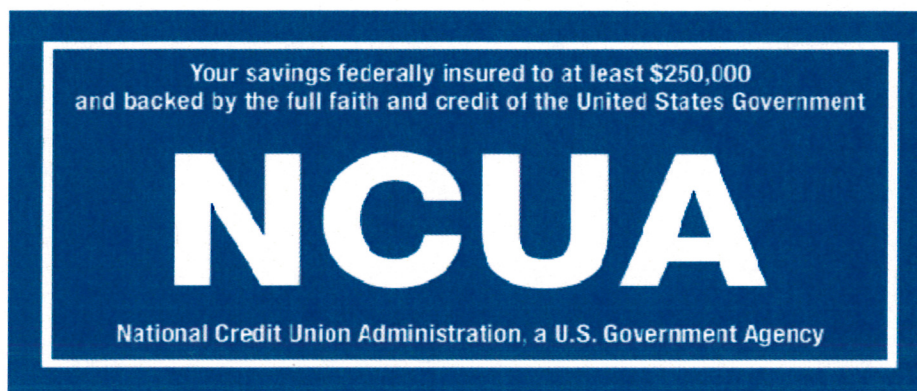


NATIONAL CREDIT UNION SHARE INSURANCE FUND



UNAUDITED FINANCIAL HIGHLIGHTS December 31, 2013

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS
December 31, 2013**

Balance Sheet:

Other - Insurance and Guarantee Program Liabilities (Reserves): Reserves are \$220.7 million as of December 31, 2013; \$12.5 million is for specific natural person credit unions, and \$208.2 million is for general reserves.

Statement of Net Cost:

For the month ended December 31, 2013, the fund had a net loss of \$21.2 million. The fund recognized gross revenues of \$17.3 million and total operating expenses of \$15.9 million. The fund recognized an insurance loss expense of \$22.6 million during the month of December 2013.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

NCUSIF UNAUDITED BALANCE SHEETS

As of December 31, 2013

(Dollars in thousands)

	<u>December 2013</u>	<u>November 2013</u>	<u>December 2012</u>
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 2,501	\$ 512	\$ 2,479
Investments, Net U.S. Treasury Securities	11,199,001	11,272,527	11,293,087
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	13,074	13,186	14,415
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	-	1,144	-
Accounts Receivable - Due from the Temporary Corporate Credit Union Stabilization Fund	-	51	-
Accounts Receivable, Other	-	-	8
Accrued Interest Receivable, Investments	<u>59,597</u>	<u>57,548</u>	<u>63,154</u>
Total Intragovernmental Assets	<u>11,274,173</u>	<u>11,344,968</u>	<u>11,373,143</u>
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	-	-	38
Accounts Receivable, Other	-	-	25
Notes Receivable, Net	212,208	212,207	249,254
Accrued Interest Receivable	329	683	202
Advances	27	2	-
Other - Receivable from Asset Management Estates, Net	<u>119,863</u>	<u>133,687</u>	<u>252,029</u>
Total Public Assets	<u>332,427</u>	<u>346,580</u>	<u>501,548</u>
TOTAL ASSETS	<u>\$ 11,606,600</u>	<u>\$ 11,691,548</u>	<u>\$ 11,874,691</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 3,313	\$ 78	\$ 2,040
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	3,910	881	690
Other - Distribution Payable to the Temporary Corporate Credit Union Stabilization Fund	<u>95,291</u>	<u>-</u>	<u>88,090</u>
Total Intragovernmental Liabilities	<u>102,514</u>	<u>959</u>	<u>90,820</u>
PUBLIC			
Accounts Payable	2,332	775	87,567
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>220,651</u>	<u>198,770</u>	<u>412,452</u>
Total Public Liabilities	<u>222,983</u>	<u>199,545</u>	<u>500,019</u>
TOTAL LIABILITIES	<u>325,497</u>	<u>200,504</u>	<u>590,839</u>
NET POSITION			
Contributed Capital	8,661,174	8,662,294	8,315,011
Cumulative Result of Operations	<u>2,619,929</u>	<u>2,840,108</u>	<u>2,968,841</u>
Total Net Position	<u>11,281,103</u>	<u>11,502,402</u>	<u>11,283,852</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,606,600</u>	<u>\$ 11,702,906</u>	<u>\$ 11,874,691</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
NCUSIF UNAUDITED STATEMENTS OF NET COST
For the Periods Ending December 31, 2013
(Dollars in thousands)

	<u>December 2013</u>	<u>CY to Date December 2013</u>	<u>CY to Date December 2012</u>
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 6,252	\$ 78,655	\$ 75,176
Employee Benefits	3,106	28,432	26,178
Travel	1,993	16,650	15,446
Rent, Communications, and Utilities	562	2,881	2,847
Administrative Costs	954	6,929	7,473
Contracted Services	2,841	13,256	12,480
Training Expense	98	1,264	1,464
Leasing Expense	36	184	110
Other Insurance Expense	11	61	63
Total Operating Costs	<u>15,853</u>	<u>148,312</u>	<u>141,237</u>
INSURANCE LOSS EXPENSE	22,600	(48,638)	(77,784)
Total Gross Costs	<u>38,453</u>	<u>99,674</u>	<u>63,453</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(20)	(249)	(290)
Interest Revenue - Other	(277)	(3,476)	(2,097)
Other Revenue	51	(825)	(6,381)
Total Exchange Revenue	<u>(246)</u>	<u>(4,550)</u>	<u>(8,768)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>38,207</u>	<u>95,124</u>	<u>54,685</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(17,043)	(198,264)	(206,995)
Total Non-Exchange Revenues	<u>(17,043)</u>	<u>(198,264)</u>	<u>(206,995)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ 21,164</u>	<u>\$ (103,140)</u>	<u>\$ (152,310)</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
NCUSIF UNAUDITED STATEMENTS OF NET POSITION
December 31, 2013
(Dollars in thousands)

	<u>December 2013</u>	<u>November 2013</u>	<u>December 2012</u>
NET POSITION BREAKDOWN			
CU Contributed Capital	\$ 8,661,174	\$ 8,662,294	\$ 8,315,011
Retained Earnings	2,605,029	2,721,484	2,597,180
Total Net Position without Unrealized Gain/(Loss)	11,266,203	11,383,778	10,912,191
Unrealized Gain/(Loss) - Investments	14,900	118,624	371,661
NET POSITION	\$ 11,281,103	\$ 11,502,402	\$ 11,283,852

Comparative Analysis of NCUSIF Ratios for December 2013

	December 2013	November 2013	December 2012
Investments/Total Assets	96.49%	96.42%	95.10%
Total Equity/Insured Shares (1)	1.30%	1.31%	1.30%
Available Assets Ratio	1.26%	1.28%	1.28%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

Actual Insured Shares as of December 31, 2013	\$ 866,289,169,063
Actual Insured Shares as of June 30, 2013	869,022,832,201
Actual Insured Shares as of December 31, 2012	839,385,188,302

(1) The December 2013 ratio is based on an actual insured share level of \$866.3 billion as of December 31, 2013.

The November 2013 ratio is based on an actual insured share level of \$869.0 billion as of June 30, 2013.

The December 2012 ratios are based on an actual insured share level of \$839.4 billion as of December 31, 2012.

Figure 1

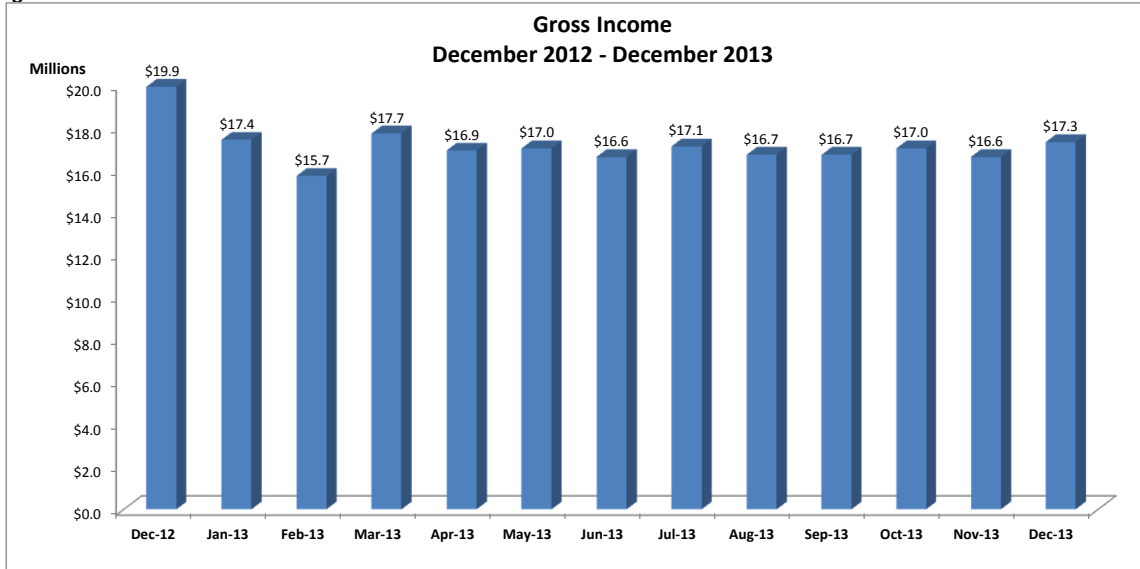


Figure 2

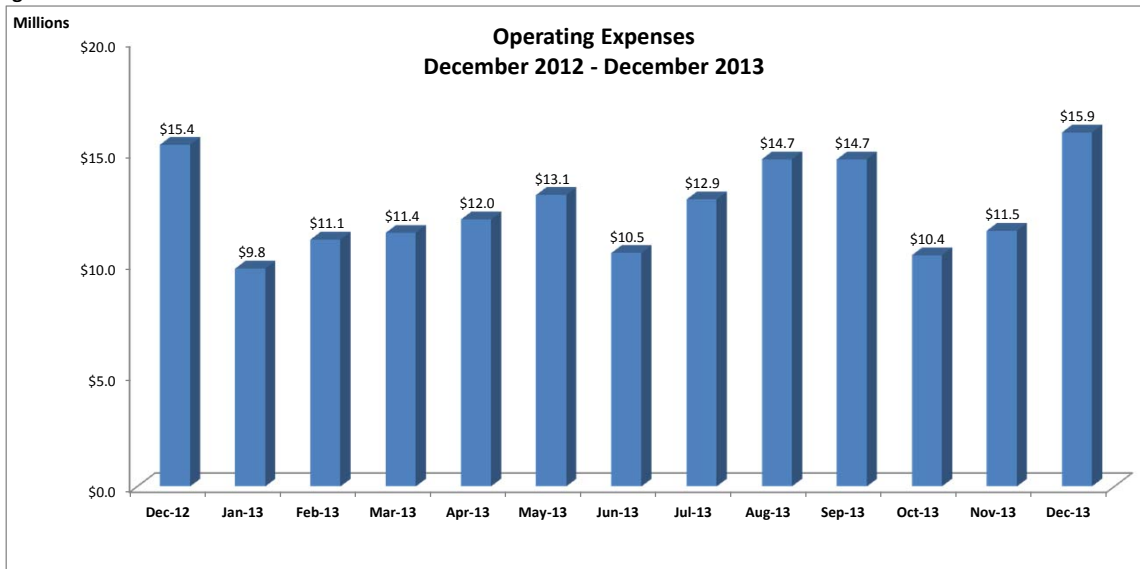
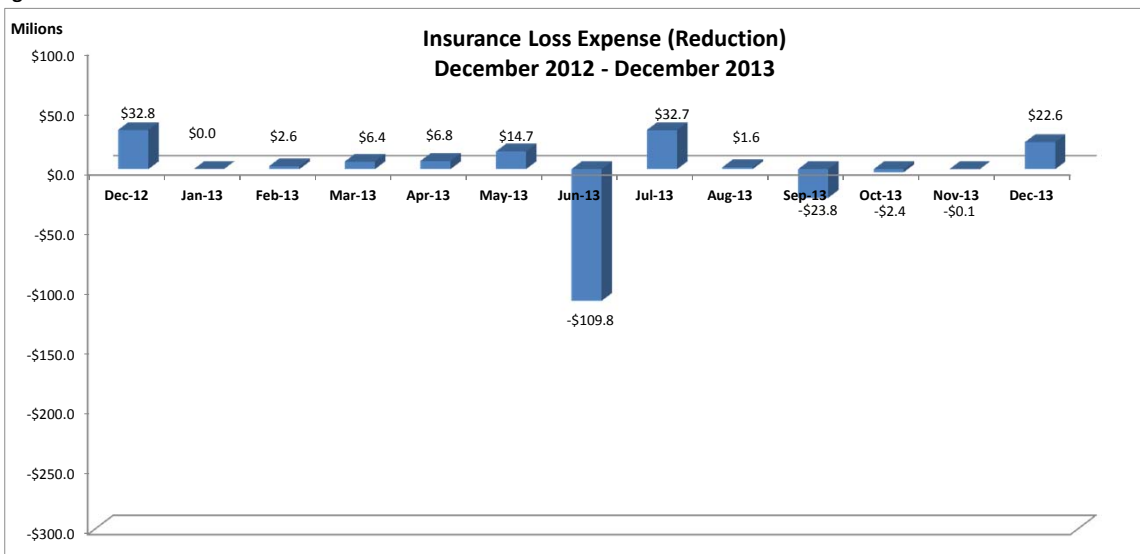


Figure 3



INVESTMENT PORTFOLIO SUMMARY
December 31, 2013

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	\$ 329,642,000	\$ 329,642,000	\$ -	100.00%	0.02%	
U.S. Treasury Notes	10,854,459,519	10,869,359,375	14,899,856	100.14%	1.85%	
Total	\$ 11,184,101,519	\$ 11,199,001,375	\$ 14,899,856	100.13%	1.80%	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date			
Investment Yield	1.78%	1.80%	1.82%			
Investment Income	\$ 16,266,078	\$ 17,042,876	\$ 198,264,046			
Weighted Avg. Maturity in Days	1,292	1,374				
III. MONTHLY ACTIVITY						
Purchased	Type	Amount	Maturity	Yield		
12/3/2013	T-Note	50,000,000	11/15/2022	2.62%		
12/3/2013	T-Note	150,000,000	11/15/2023	2.77%		
12/30/2013	T-Note	\$ 50,000,000	3/31/2020	2.19%		
12/30/2013	T-Note	50,000,000	2/15/2021	2.38%		
12/30/2013	T-Note	50,000,000	11/15/2022	2.84%		
12/30/2013	T-Note	50,000,000	11/15/2023	2.97%		
TOTAL		\$ 400,000,000				
IV. MATURITY SCHEDULE (par value in millions)						
Overnight	\$	330				
1 month - 6 months		800			1	
6 months - 1 year		800			-1	
1 year - 2 years		2,070				
2 years - 3 years		2,050				
3 years - 4 years		750				
4 years - 5 years		700				
5 years - 10 years		3,500				
TOTAL	\$	11,000				