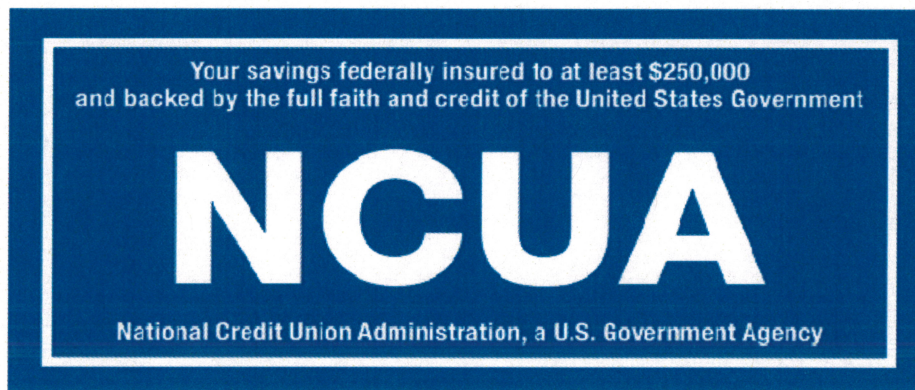


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS October 31, 2014

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS
October 31, 2014**

Balance Sheet:

Other - Insurance and Guarantee Program Liabilities (Reserves): Reserves are \$167.3 million as of October 31, 2014; \$19.4 million is for specific natural person credit unions, and \$147.9 million is for general reserves.

Statement of Net Cost:

For the month ended October 31, 2014, the fund had net income of \$5.6 million. The fund recognized gross revenues of \$18.1 million and total operating expenses of \$12.5 million. The fund had no insurance loss expense during the month of October 2014.

NATIONAL CREDIT UNION SHARE INSURANCE FUND

PRELIMINARY AND UNAUDITED BALANCE SHEETS

As of October 31, 2014

(Dollars in thousands)

	<u>October 2014</u>	<u>September 2014</u>	<u>October 2013</u>
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 1,812	\$ 11,346	\$ 499
Investments, Net U.S. Treasury Securities	11,559,553	11,222,972	11,273,046
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	11,957	12,068	13,298
Accounts Receivable - Due from the National Credit Union Administration Operating Fund	3,102	-	2,241
Accrued Interest Receivable, Investments	<u>75,986</u>	<u>65,742</u>	<u>70,867</u>
Total Intragovernmental Assets	<u>11,652,410</u>	<u>11,312,128</u>	<u>11,359,951</u>
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	2,630	276,971	3,119
Notes Receivable, Net	196,929	198,287	224,924
Accrued Interest Receivable	508	423	587
Advances	21	33	13
Other - Receivable from Asset Management Estates, Net	<u>98,300</u>	<u>85,612</u>	<u>139,049</u>
Total Public Assets	<u>298,388</u>	<u>561,326</u>	<u>367,692</u>
TOTAL ASSETS	<u>\$ 11,950,798</u>	<u>\$ 11,873,454</u>	<u>\$ 11,727,643</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ -	\$ 2,460	\$ 92
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	<u>450</u>	<u>20</u>	<u>519</u>
Total Intragovernmental Liabilities	<u>450</u>	<u>2,480</u>	<u>611</u>
PUBLIC			
Accounts Payable	23,706	7,935	1,017
Other - Insurance and Guarantee Program Liabilities (Reserves)	<u>167,319</u>	<u>167,319</u>	<u>198,853</u>
Total Public Liabilities	<u>191,025</u>	<u>175,254</u>	<u>199,870</u>
TOTAL LIABILITIES	<u>191,475</u>	<u>177,734</u>	<u>200,481</u>
NET POSITION			
Contributed Capital	8,943,853	8,944,138	8,661,008
Cumulative Result of Operations	<u>2,815,470</u>	<u>2,751,582</u>	<u>2,866,154</u>
Total Net Position	<u>11,759,323</u>	<u>11,695,720</u>	<u>11,527,162</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,950,798</u>	<u>\$ 11,873,454</u>	<u>\$ 11,727,643</u>

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

	<u>October 2014</u>	<u>CY to Date October 2014</u>	<u>CY to Date October 2013</u>
GROSS COSTS			
OPERATING EXPENSES (1)			
Employee Pay	\$ 8,136	\$ 79,130	\$ 66,152
Employee Benefits	2,560	28,521	23,132
Travel	434	14,959	13,207
Rent, Communications, and Utilities	143	2,525	2,189
Administrative Costs	565	7,985	5,565
Contracted Services	591	11,133	9,525
Training Expense	98	931	981
Leasing Expense	-	109	148
Other Insurance Expense	3	31	46
Total Operating Costs	<u>12,530</u>	<u>145,324</u>	<u>120,945</u>
INSURANCE LOSS EXPENSE	-	(51,873)	(71,197)
Total Gross Costs	<u>12,530</u>	<u>93,451</u>	<u>49,748</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(19)	(192)	(210)
Interest Revenue - Other	(243)	(2,552)	(2,915)
Other Revenue	-	(893)	(882)
Total Exchange Revenue	<u>(262)</u>	<u>(3,637)</u>	<u>(4,007)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>12,268</u>	<u>89,814</u>	<u>45,741</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(17,823)	(172,497)	(164,954)
Total Non-Exchange Revenues	<u>(17,823)</u>	<u>(172,497)</u>	<u>(164,954)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (5,555)</u>	<u>\$ (82,683)</u>	<u>\$ (119,213)</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 69.2% and 59.1% for 2014 and 2013, respectively.

Figure 1

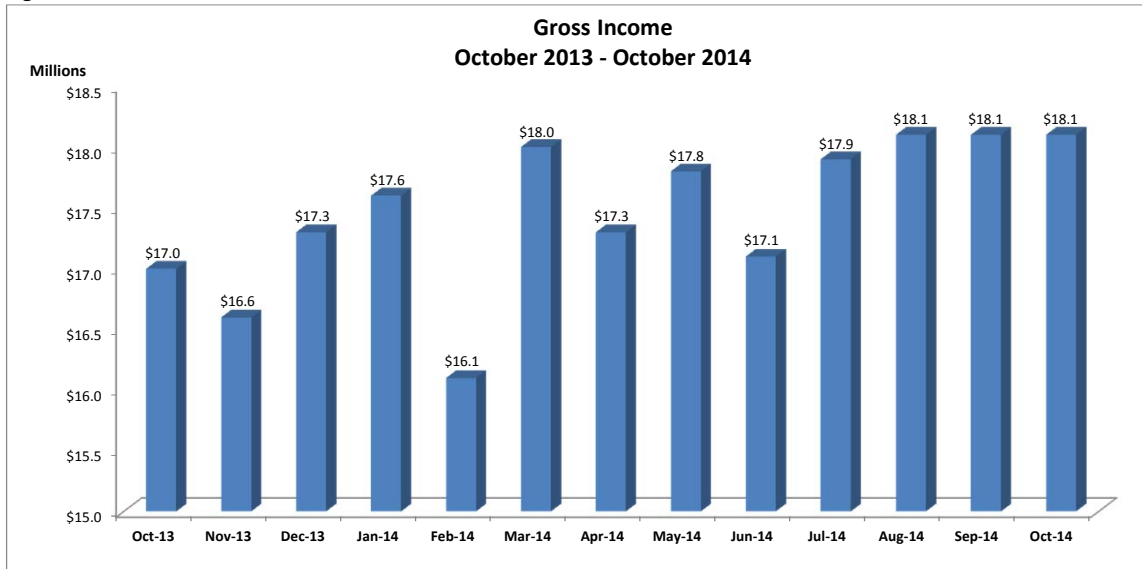


Figure 2

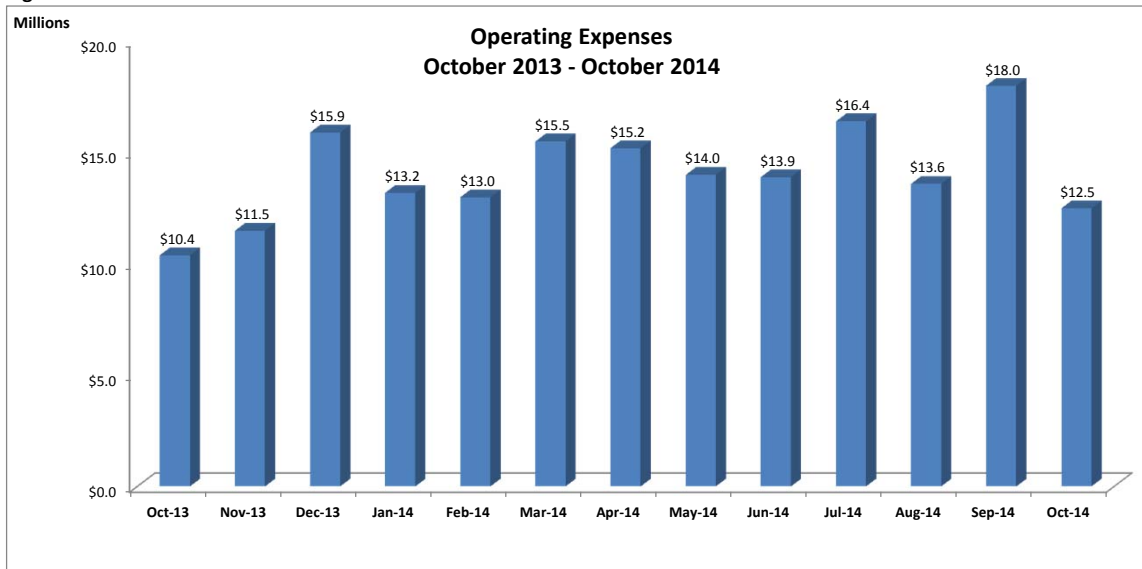
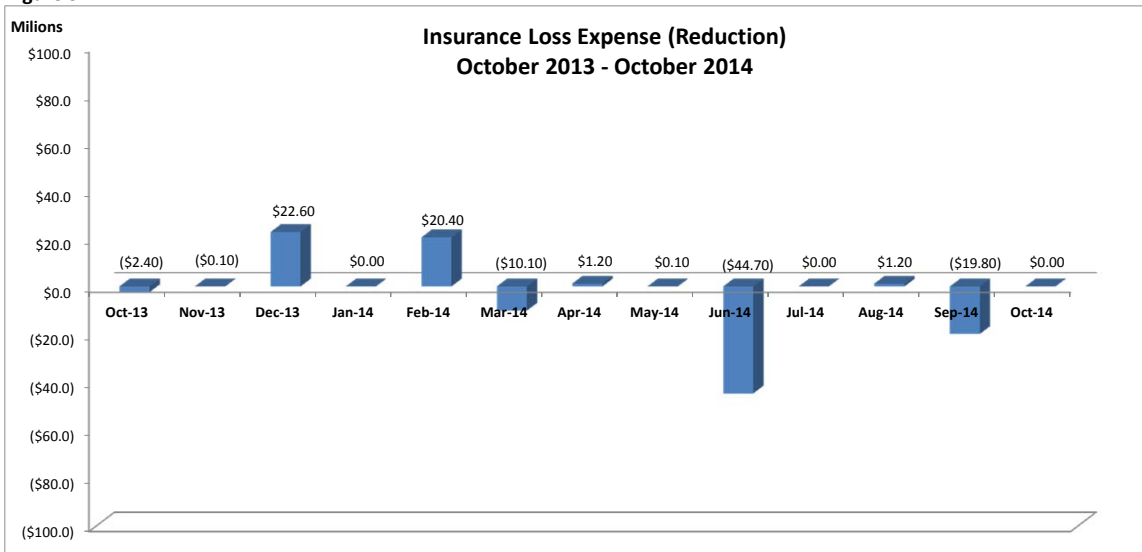


Figure 3



INVESTMENT PORTFOLIO SUMMARY
October 31, 2014

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	\$ 184,325,000	\$ 184,325,000	\$ -	100.00%	0.02%	
U.S. Treasury Notes	11,247,473,095	11,375,228,125	127,755,030	101.14%	1.89%	
Total	\$ 11,431,798,095	\$ 11,559,553,125	\$ 127,755,030	101.12%	1.87%	

II. INVESTMENT PORTFOLIO SUMMARY			
	Last Month	Current Month	CY To Date
Investment Yield	1.88%	1.87%	1.86%
Investment Income	\$ 17,110,110	\$ 17,822,672	\$ 172,496,618
Weighted Avg. Maturity in Days	1,499	1,584	

III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
10/31/2014	T-Note	\$ 200,000,000	8/15/2024	2.34%	
TOTAL		\$ 200,000,000			

IV. MATURITY SCHEDULE (par value in millions)		
TOTAL	\$	11,304

