

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

PRELIMINARY FINANCIAL HIGHLIGHTS OCTOBER 31, 2010

Mary Ann Woodson

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NCUSIF FIANCIAL HIGHLIGHTS
October 31, 2010

Balance Sheet:

Contributions Receivable from Insured Credit Unions – \$249.8 million represents the 1% deposit adjustment due on November 22, 2010 from credit unions with assets of \$50 million or greater.

Insurance Premium Receivable –of \$929.3 million represents premium invoiced in October and due on November 22, 2010.

Provision for Credit Union Losses (Reserves) - NPCU – of \$1.2 billion includes an additional \$51.2 million for specific natural person credit union reserves.

Statement of Net Cost:

Insurance Loss Expense –\$51.2 million was expensed to increase specific natural person credit union reserves.

Insurance Premium Income –of \$929.3 million represents premium invoiced in October and due on November 22, 2010.

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY BALANCE SHEET

October 31, 2010

ASSETS	Oct 2010	Sept 2010	Oct 2009
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 509,045	\$ 513,436	\$ 100,458
Investments	9,845,764,250	9,843,194,750	7,983,269,400
Accrued interest receivable	88,082,671	63,778,763	71,699,594
Prepaid & Deferred Charges	2,516,788	(157,416)	(2,327,960)
Other assets	<u>17,362,110</u>	<u>17,472,217</u>	<u>18,611,692</u>
Total intragovernmental assets	<u>9,954,234,863</u>	<u>9,924,801,750</u>	<u>8,071,353,184</u>
PUBLIC			
Contributions receivable from insured credit unions	249,839,448	1,490	3,037
Insurance Premium Receivable	929,335,550	1,355	800,000,000
Share Deposits & Loans	-	10,000,000,000	10,000,000,000
Recoveries from Liq. CU	196,231,064	194,520,020	120,853,536
Interest on Loan Receivable	<u>-</u>	<u>14,610,411</u>	<u>16,490,959</u>
Total public assets	<u>1,375,406,062</u>	<u>10,209,133,276</u>	<u>10,937,347,532</u>
TOTAL ASSETS	<u>\$ 11,329,640,925</u>	<u>\$ 20,133,935,026</u>	<u>\$ 19,008,700,716</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Notes Payable - CLF	-	\$ 10,000,000,000	\$ 10,000,000,000
Interest Payable - CLF	<u>-</u>	<u>14,610,411</u>	<u>16,490,959</u>
Total intragovernmental liabilities	<u>-</u>	<u>10,014,610,411</u>	<u>10,016,490,959</u>
PUBLIC			
Check Clearing Accounts	3,852	4,238	(1,075)
Other	37,636,296	94,837	2,408,753
Liquidation claims	23,015,738	20,485,797	11,600,219
Provision for CU Losses (Reserves) - NPCU	<u>1,213,622,098</u>	<u>1,164,829,465</u>	<u>672,841,861</u>
Total public liabilities	<u>1,274,277,984</u>	<u>1,185,414,337</u>	<u>686,849,758</u>
TOTAL LIABILITIES	<u>1,274,277,984</u>	<u>11,200,024,748</u>	<u>10,703,340,717</u>
NET POSITION			
Cumulative result of operations	<u>10,055,362,941</u>	<u>8,933,910,278</u>	<u>8,305,359,998</u>
Total net position	<u>10,055,362,941</u>	<u>8,933,910,278</u>	<u>8,305,359,998</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,329,640,925</u>	<u>\$ 20,133,935,026</u>	<u>\$ 19,008,700,716</u>

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY STATEMENT OF NET COST

October 31, 2010

	Oct 2010	Sept 2010	CY to Date
GROSS COSTS			
Employee Pay	\$ 5,316,879	\$ 6,898,218	\$ 53,300,796
Employee Benefits	1,183,676	1,784,686	\$ 14,255,229
Employee Travel	316,937	2,103,964	\$ 10,201,897
Rent/Communications/Utilities	26,180	352,669	\$ 1,779,682
Administrative Costs	272,321	420,983	\$ 6,201,656
Contracted Services	(132,780)	1,690,044	\$ 5,947,374
AMAC Expense	15,811	14,783	\$ 30,594
Training Expense	(6,682)	230,283	\$ 411,874
Leasing Expense	1,667	1,667	\$ 16,667
Accrued Insurance Interest Expense	1,735,890	4,339,726	\$ 39,491,507
Other Insurance Expense	(83,737)	400,398	\$ 1,871,841
Insurance Loss Exp.	51,155,437	1,484,420	\$ 694,261,187
Total gross costs	<u>\$ 59,801,599</u>	<u>\$ 19,721,840</u>	<u>\$ 827,770,304</u>
LESS EARNED REVENUES			
Premium Income	\$ 929,335,183	\$ 9,627	\$ 929,549,182
Investment Income	\$ 17,825,858	\$ 17,557,067	\$ 180,243,273
Interest revenue on Loans	1,735,890	4,339,726	\$ 41,227,451
Other Income	<u>33,099</u>	<u>32,165</u>	<u>\$ 334,537</u>
Total earned revenues	<u>\$ 948,930,030</u>	<u>\$ 21,938,585</u>	<u>\$ 1,151,354,443</u>
TOTAL NET COST OF OPERATIONS	<u>\$ (889,128,431)</u>	<u>\$ (2,216,745)</u>	<u>\$ (323,584,139)</u>

FINANCIAL STATEMENT ANALYSES

NCUSIF NET POSITION

October 31, 2010

NET POSITION BREAKDOWN

CU Contributed Capital	\$ 7,486,248,914
Retained Earnings	2,270,245,327
Unrealized Gain/Loss on A-F-S Securities	298,868,700
Cumulative result of operations	<u>10,055,362,941</u>
 Total net position	 <u>\$ 10,055,362,941</u>

Comparative Analysis of NCUSIF Balance Sheet Ratios for October 31, 2010

COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS			
for Period Ending October 31, 2010			
	OCT 10	SEP 10	OCT 09
Investments/Total Assets	86.90%	48.89%	42.00%
Total Equity/Insured Shares	1.29%	1.14%	1.28%
Prov. for Losses/CU Capital	16.21%	16.02%	9.52%
Non-Earning/Total Assets	12.94%	1.36%	5.30%
Available Asset Ratio	1.14%	1.15%	1.02%

Comparative Analysis of NCUSIF Income Statement Ratios for October 31, 2010

INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	CURRENT CYTD	PRIOR CYTD
1. Oper. Exp./Total Income	82.63%	0.91%	11.60%	10.98%
2. Ins. Loss Exp./Total Income	6.77%	5.39%	60.30%	142.15%
3. Total Exp./Total Income	89.40%	6.30%	71.90%	64.21%
4. Net Income/Total Income	10.60%	93.70%	28.10%	35.79%
5. Ins. Loss Exp./Insured Shares	0.00%	0.01%	0.09%	0.00%

Figure 1

GROSS INCOME OCT 09 – OCT 10

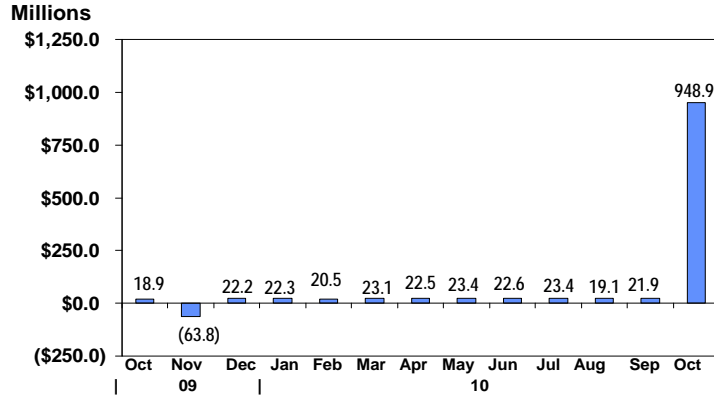


Figure 2

OPERATING EXPENSE OCT 09 – OCT 10

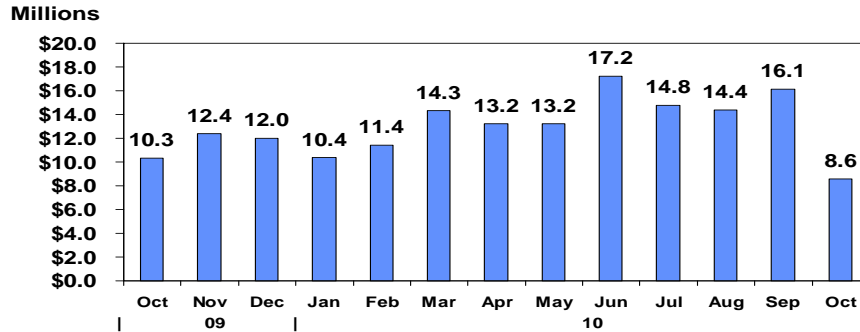
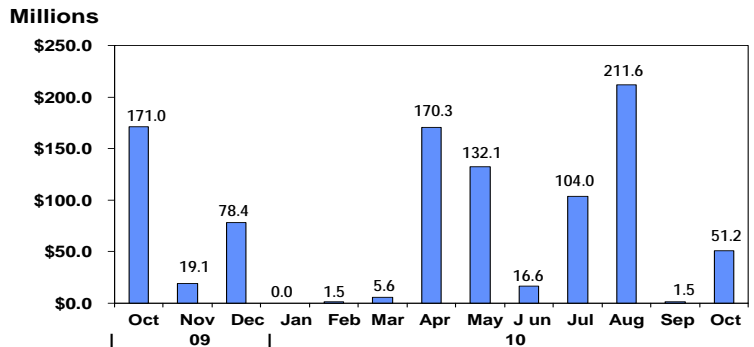


Figure 3

INSURANCE LOSS EXPENSE OCT 09 – OCT 10



INVESTMENT PORTFOLIO SUMMARY

October 31, 2010

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$616,008,000	\$616,008,000	\$0	100.00%	0.14%
U.S. Treasury Notes	8,871,935,087	9,229,756,250	357,821,163	104.03%	2.40%
TOTAL	\$9,487,943,087	\$9,845,764,250	\$357,821,163	102.77%	2.22%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY10 Projections	
Investment Yield	2.25%	2.22%	2.27%	2.27%	
Investment Income	\$17,557,067	\$17,825,858	\$180,243,273	\$216,000,000	
Income Budgeted (1/1/10)	\$18,000,000	\$18,000,000	\$180,000,000	\$216,000,000	
Income/Budgeted Ratio	97.5%	99.0%	100.1%		
Weighted Avg. Maturity in Days	1,107	1,128			
III. MONTHLY ACTIVITY					
	Purchased	Type	Amount	Maturity	Yield
	10/28/2010	T-Note	200,000,000	11/15/2015	1.244%
	10/28/2010	T-Note	50,000,000	8/15/2020	2.670%
TOTAL			\$250,000,000		
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	\$966.0				
3 months - 1 year	1,200.0				
1 year - 2 years	1,500.0				
2 years - 3 years	1,600.0				
3 years - 4 years	1,850.0				
4 years - 5 years	1,120.0				
5 years - 10 years	1,000.0				
TOTAL	\$9,236.0				