

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 DECEMBER 31, 2010



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NCUSIF FINANCIAL HIGHLIGHTS
December 31 2010

Balance Sheet:

Provision for Credit Union Losses (Reserves) - NPCU – of \$1.3 billion includes \$54.8 million in reserves added in December.

Statement of Net Cost:

Insurance Loss Expense – was \$54.8 million for December. \$12.7 million was expensed to increase specific natural person credit union reserves and \$42.1 million was expensed for unallocated reserves.

NATIONAL CREDIT UNION ADMINISTRATION
NCUSIF PRELIMINARY BALANCE SHEET
December 31, 2010

ASSETS	Dec 2010	Nov 2010	Dec 2009
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 1,166,277	\$ 19,521,108	\$ 217,347
Investments	10,826,709,375	10,912,478,000	9,515,534,500
Accrued Interest Receivable	72,363,607	61,513,015	71,054,188
Prepaid & Deferred Charges	83,890	393,771	-
Other Assets	<u>17,135,287</u>	<u>17,248,699</u>	<u>18,454,240</u>
Total Intragovernmental Assets	<u>10,917,458,436</u>	<u>11,011,154,593</u>	<u>9,605,260,275</u>
PUBLIC			
Contributions Receivable from Insured Credit Unions	183,811	1,493,862	17,753,432
Insurance Premium Receivable	1,905,022	24,516,784	12,900,772
Unapplied Premium/Capital Deposit Receipts	(1,006,382)	(240,833)	-
Share Deposits & Loans	-	-	10,000,000,000
Recoveries from Liq. CU	185,127,081	192,047,782	204,524,541
Interest on Loan Receivable	<u>-</u>	<u>-</u>	<u>1,301,918</u>
Total Public Assets	<u>186,209,532</u>	<u>217,817,595</u>	<u>10,236,480,663</u>
TOTAL ASSETS	<u>\$ 11,103,667,968</u>	<u>\$ 11,228,972,188</u>	<u>\$ 19,841,740,937</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Other - Due to OP Fund	\$ (83,891)	\$ -	\$ -
Other - Due to CSF	163,500	-	-
Notes Payable - CLF	-	-	10,000,000,000
Interest Payable - CLF	<u>-</u>	<u>-</u>	<u>1,301,918</u>
Total Intragovernmental Liabilities	<u>79,609</u>	<u>-</u>	<u>10,001,301,918</u>
PUBLIC			
Check Clearing Accounts	2,690	3,725	1,526
Other	(87,990)	(89,999)	33,688,420
Liquidation Claims	18,760,577	19,492,039	12,385,121
Provision for CU Losses (Reserves) - NPCU	<u>1,261,842,278</u>	<u>1,212,464,967</u>	<u>758,740,806</u>
Total Public Liabilities	<u>1,280,517,554</u>	<u>1,231,870,732</u>	<u>804,815,873</u>
TOTAL LIABILITIES	<u>1,280,597,164</u>	<u>1,231,870,732</u>	<u>10,806,117,791</u>
NET POSITION			
Cumulative Result of Operations	<u>9,823,070,804</u>	<u>9,997,101,454</u>	<u>9,035,623,145</u>
Total Net Position	<u>9,823,070,804</u>	<u>9,997,101,454</u>	<u>9,035,623,145</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,103,667,968</u>	<u>\$ 11,228,972,188</u>	<u>\$ 19,841,740,936</u>

NATIONAL CREDIT UNION ADMINISTRATION
NCUSIF PRELIMINARY STATEMENT OF NET COST
December 31, 2010

	Dec 2010	Nov 2010	CY to Date
GROSS COSTS			
Employee Pay	\$ 5,713,551	\$ 5,538,299	\$ 64,552,646
Employee Benefits	1,652,104	1,452,731	17,360,064
Employee Travel	1,108,714	1,340,141	12,650,752
Rent/Communications/Utilities	223,937	166,627	2,170,246
Administrative Costs	558,106	479,619	7,334,381
Contracted Services	721,249	669,165	7,337,788
AMAC Expense	5,946	14,658	68,973
Training Expense	30,429	83,468	862,816
Leasing Expense	1,667	1,667	20,000
Accrued Insurance Interest Expense	-	-	41,227,397
Other Insurance Expense	4,976	9,007	1,790,823
Insurance Loss Exp.	<u>54,810,763</u>	<u>-</u>	<u>749,071,950</u>
Total Gross Costs	<u>\$ 64,831,442</u>	<u>\$ 9,755,382</u>	<u>\$ 904,447,836</u>
LESS EARNED REVENUES			
Premium Income	\$ -	\$ (89,455)	\$ 929,459,727
Investment Income	19,403,308	17,279,333	216,925,914
Interest Revenue on Loans	-	-	41,227,451
Other Income	<u>31,220</u>	<u>31,400</u>	<u>397,157</u>
Total Earned Revenues	<u>19,434,528</u>	<u>17,221,278</u>	<u>1,188,010,249</u>
TOTAL NET COST OF OPERATIONS	<u>\$ 45,396,914</u>	<u>\$ (7,465,896)</u>	<u>\$ (283,562,413)</u>

FINANCIAL STATEMENT ANALYSES

NCUSIF NET POSITION

December 31, 2010

NET POSITION BREAKDOWN

CU Contributed Capital	\$ 7,484,834,146
Retained Earnings	2,173,412,231
Unrealized Gain/Loss on A-F-S Securities	<u>164,824,427</u>
Cumulative Result of Operations	<u>9,823,070,804</u>
 Total Net Position	 <u>\$ 9,823,070,804</u>

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

COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS			
for Period Ending December 31, 2010			
	DEC 10	NOV 10	DEC 09
Investments/Total Assets	97.51%	97.18%	47.96%
Total Equity/Insured Shares	1.26%	1.29%	1.24%
Prov. for Losses/CU Capital	16.86%	16.22%	10.74%
Non-Earning/Total Assets	2.48%	2.60%	1.55%
Available Asset Ratio	1.25%	1.25%	1.20%

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

INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	CURRENT CYTD	PRIOR CYTD
1. Oper. Exp./Total Income	56.65%	51.56%	13.08%	14.04%
2. Ins. Loss Exp./Total Income	0.00%	282.03%	63.05%	65.83%
3. Total Exp./Total Income	56.65%	333.59%	76.13%	79.87%
4. Net Income/Total Income	-43.35%	233.59%	-23.87%	20.13%
5. Ins. Loss Exp./Insured Shares	0.00%	0.01%	0.10%	0.09%

Figure 1

GROSS INCOME DEC 09 – DEC 10

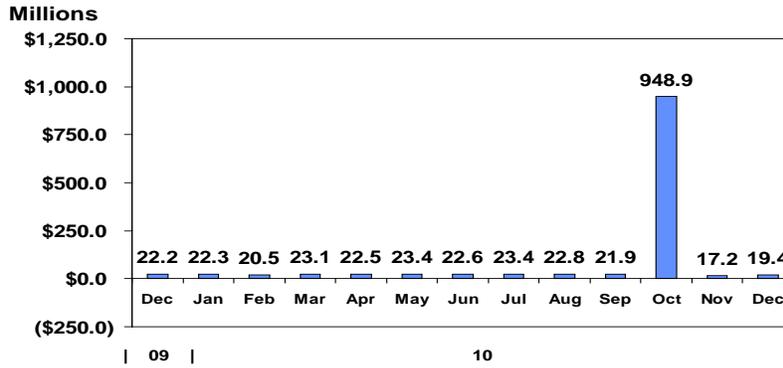


Figure 2

OPERATING EXPENSE DEC 09 – DEC 10

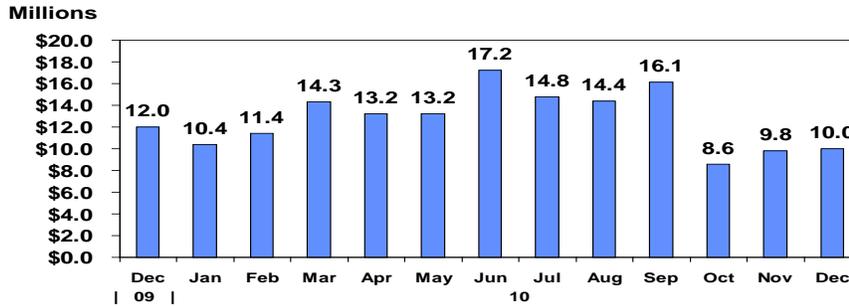
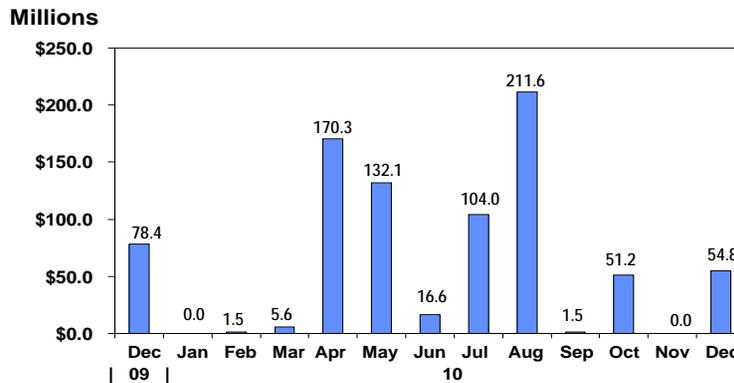


Figure 3

INSURANCE LOSS EXPENSE DEC 09 – DEC 10



INVESTMENT PORTFOLIO SUMMARY

December 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	\$670,550,000	\$670,550,000	\$0	100.00%	0.09%
U.S. Treasury Notes	9,991,334,948	10,156,159,375	\$164,824,427	101.65%	2.28%
TOTAL	\$10,661,884,948	\$10,826,709,375	\$164,824,427	101.55%	2.14%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY10 Projections	
Investment Yield	2.15%	2.14%	2.25%	2.27%	
Investment Income	\$17,279,333	\$19,403,308	\$216,925,914	\$216,000,000	
Income Budgeted (1/1/10)	\$18,000,000	\$18,000,000	\$216,000,000	\$216,000,000	
Income/Budgeted Ratio	96.0%	107.8%	100.4%		
Weighted Avg. Maturity in Days	1,152	1,118			
III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
TOTAL		\$0			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	\$1,071				
3 months - 1 year	1,200				
1 year - 2 years	1,600				
2 years - 3 years	1,600				
3 years - 4 years	1,600				
4 years - 5 years	2,070				
5 years - 10 years	1,250				
TOTAL	\$10,391				