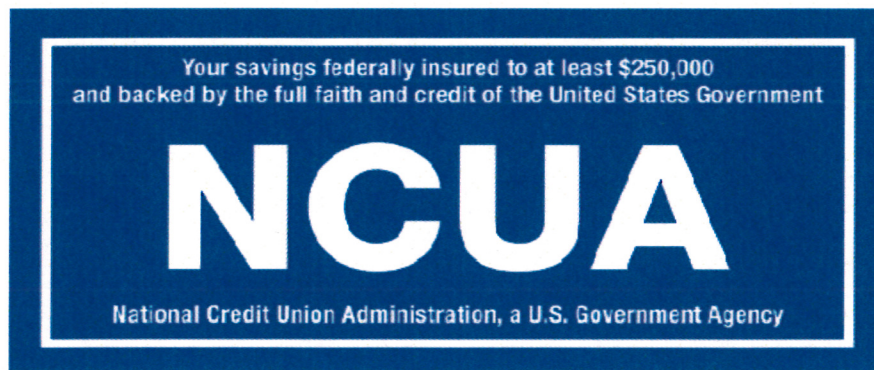


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS September 30, 2013

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS
September 30, 2013**

Balance Sheet:

Other - Insurance and Guarantee Program Liabilities (Reserves): Reserves are \$243.8 million as of September 30, 2013; \$55.6 million is for specific natural person credit unions, and \$188.2 million is for general reserves.

Statement of Net Cost:

For the month ended September 2013, the fund had a net income of \$25.8 million. The fund recognized gross revenues of \$16.7 million and total operating expenses of \$14.7 million. The fund recognized a reduction in its insurance loss expense of \$23.8 million during the month of September 2013.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED BALANCE SHEETS
As of September 30, 2013
(Dollars in thousands)

	September 2013	August 2013	September 2012
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 563	\$ 528	\$ 948
Investments, Net U.S. Treasury Securities	10,979,165	10,910,334	10,952,363
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	13,409	13,521	14,750
Accounts Receivable, Other	-	8	25
Accrued Interest Receivable, Investments	62,936	60,562	81,319
Total Intragovernmental Assets	11,056,073	10,984,953	11,049,405
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	277,340	-	367,720
General Property, Plant, and Equipment, Net	-	-	3
Notes Receivable, Net	226,282	227,640	253,328
Accrued Interest Receivable	470	404	567
Advances	25	-	-
Other - Receivable from Asset Management Estates, Net	188,774	186,510	265,396
Total Public Assets	692,891	414,554	887,014
TOTAL ASSETS	\$ 11,748,964	\$ 11,399,507	\$ 11,936,419
 LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 2,103	\$ 2,181	\$ 3,225
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	105	81	2,271
Total Intragovernmental Liabilities	2,208	2,262	5,496
PUBLIC			
Accounts Payable	8,842	2,802	200
Other - Insurance and Guarantee Program Liabilities (Reserves)	243,776	267,561	484,964
Total Public Liabilities	252,618	270,363	485,164
TOTAL LIABILITIES	254,826	272,625	490,660
 NET POSITION			
Contributed Capital	8,661,369	8,382,066	8,317,951
Cumulative Result of Operations	2,832,769	2,744,816	3,127,808
Total Net Position	11,494,138	11,126,882	11,445,759
TOTAL LIABILITIES AND NET POSITION	\$ 11,748,964	\$ 11,399,507	\$ 11,936,419

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST
For the Periods Ending September 30, 2013
(Dollars in thousands)

	<u>September 2013</u>	<u>CY to Date September 2013</u>	<u>CY to Date September 2012</u>
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 6,938	\$ 59,325	\$ 56,701
Employee Benefits	2,677	21,167	19,532
Travel	2,229	12,715	12,319
Rent, Communications, and Utilities	201	2,006	2,181
Administrative Costs	763	5,154	5,354
Contracted Services	1,738	9,068	7,629
AMAC Expense	-	-	356
Training Expense	99	810	941
Leasing Expense	36	144	108
Other Insurance Expense	10	46	46
Total Operating Costs	<u>14,691</u>	<u>110,435</u>	<u>105,167</u>
INSURANCE LOSS EXPENSE	(23,809)	(68,804)	(111,042)
Total Gross Costs	<u>(9,118)</u>	<u>41,631</u>	<u>(5,875)</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(20)	(190)	(223)
Interest Revenue - Other	(270)	(2,628)	(1,150)
Other Revenue	(626)	(882)	(3,661)
Total Exchange Revenue	<u>(916)</u>	<u>(3,700)</u>	<u>(5,034)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>(10,034)</u>	<u>37,931</u>	<u>(10,909)</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(15,833)	(148,244)	(156,701)
Total Non-Exchange Revenues	<u>(15,833)</u>	<u>(148,244)</u>	<u>(156,701)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (25,867)</u>	<u>\$ (110,313)</u>	<u>\$ (167,610)</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION
September 30, 2013
(Dollars in thousands)

	<u>September 2013</u>	<u>August 2013</u>	<u>September 2012</u>
NET POSITION BREAKDOWN			
CU Contributed Capital	\$ 8,661,369	\$ 8,382,066	\$ 8,317,951
Retained Earnings	2,707,491	2,681,624	2,700,569
Total Net Position without Unrealized Gain/(Loss)	11,368,860	11,063,690	11,018,520
Unrealized Gain/(Loss) - Investments	125,278	63,192	427,239
NET POSITION	\$ 11,494,138	\$ 11,126,882	\$ 11,445,759

Comparative Analysis of NCUSIF Ratios for September 2013

	September 2013	August 2013	September 2012
Investments/Total Assets	93.45%	95.71%	91.76%
Total Equity/Insured Shares (1)	1.31%	1.27%	1.32%
Available Assets Ratio	1.23%	1.22%	1.25%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	-0.02%

Actual Insured Shares as of June 30, 2013	869,022,832,201
Actual Insured Shares as of December 31, 2012	839,385,188,302
Actual Insured Shares as of June 30, 2012	834,267,557,427

(1) The August and September 2013 ratio is based on an actual insured share level of \$869.0 billion as of June 30, 2013.

(1) The September 2012 ratios are based on an actual insured share level of \$834.3 billion as of June 30, 2012.

Figure 1

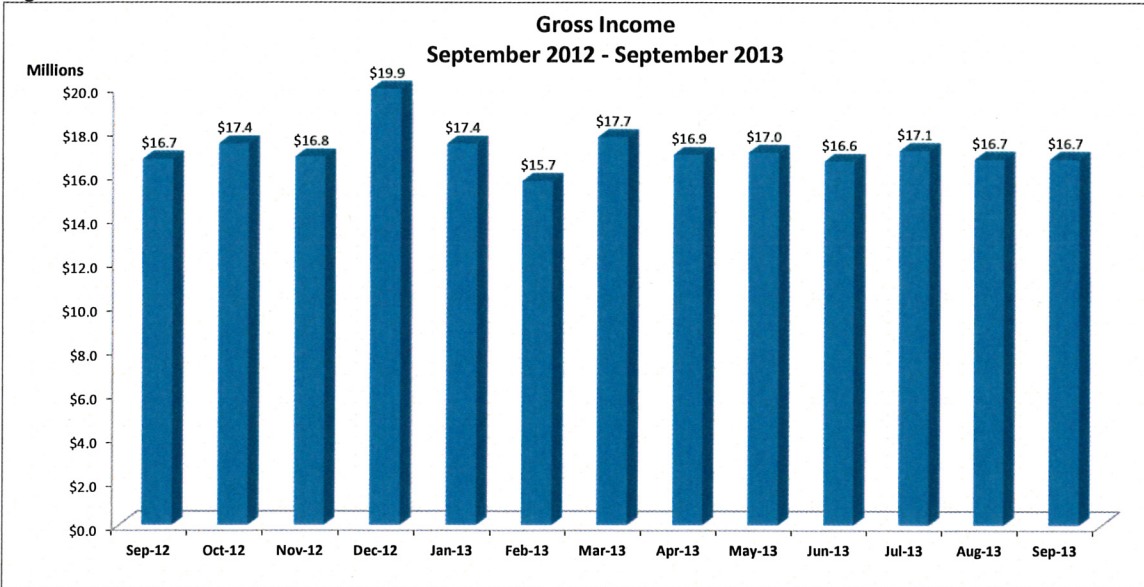


Figure 2

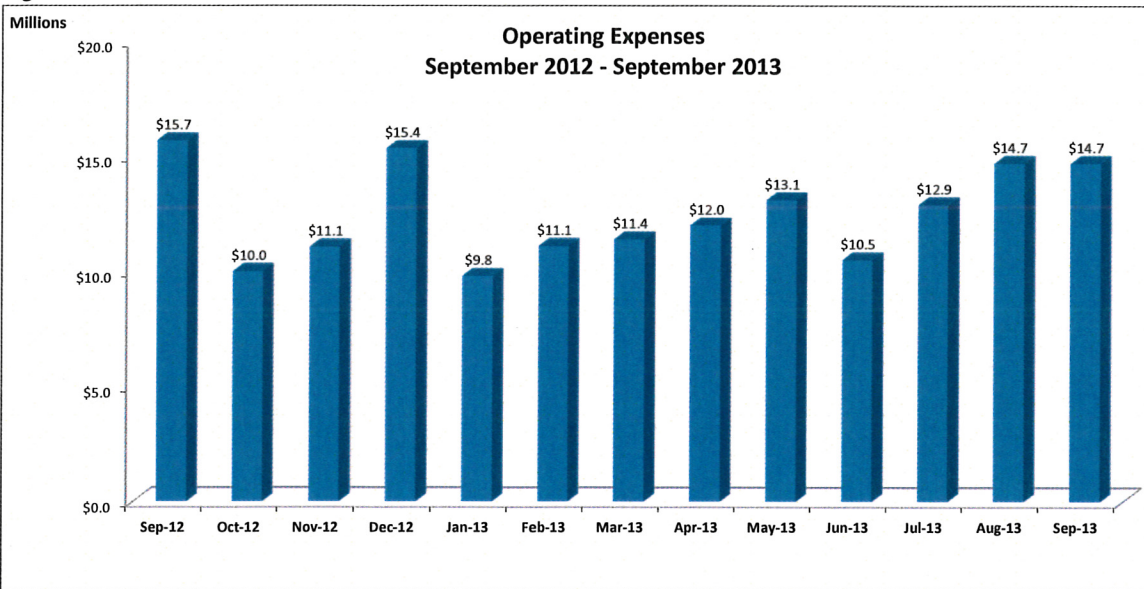
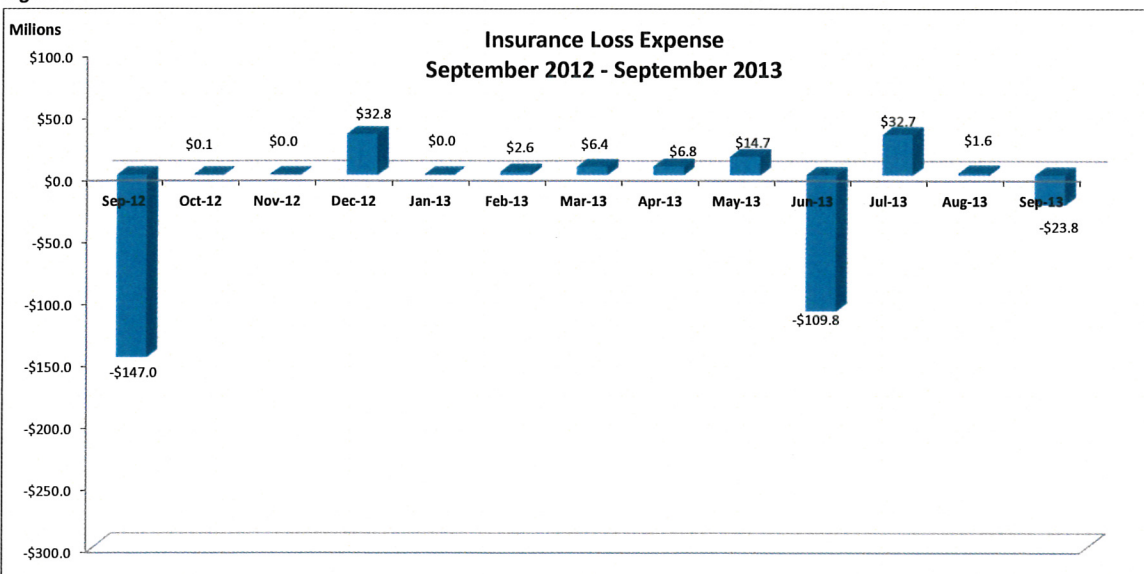


Figure 3



INVESTMENT PORTFOLIO SUMMARY
September 30, 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	\$ 223,318,000	\$ 223,318,000	\$ -	100.00%	0.03%	
U.S. Treasury Notes	10,630,568,514	10,755,846,875	125,278,361	101.18%	1.84%	
Total	\$ 10,853,886,514	\$ 10,979,164,875	\$ 125,278,361	101.15%	1.79%	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date			
Investment Yield	1.78%	1.79%	1.82%			
Investment Income	\$ 16,355,855	\$ 15,833,256	\$ 148,244,670			
Weighted Avg. Maturity in Days	1,331	1,341				
III. MONTHLY ACTIVITY						
Purchased	Type	Amount	Maturity	Yield		
9/27/2013	T-Note	\$ 50,000,000	9/30/2018	1.39%		
9/27/2013	T-Note	100,000,000	9/30/2019	1.73%		
9/27/2013	T-Note	50,000,000	7/31/2021	1.95%		
TOTAL		\$ 200,000,000				
IV. MATURITY SCHEDULE (par value in millions)						
Overnight	\$	223				
1 month - 6 months		800				
6 months - 1 year		800				
1 year - 2 years		1,970				
2 years - 3 years		2,000				
3 years - 4 years		1,150				
4 years - 5 years		600				
5 years - 10 years		3,100				
TOTAL	\$	10,643				