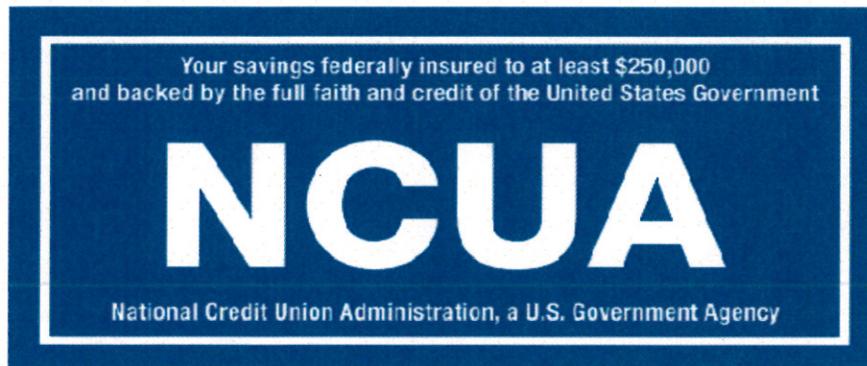


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS August 31, 2013

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS
August 31, 2013**

Balance Sheet:

Other - Insurance and Guarantee Program Liabilities (Reserves): Reserves are \$267.6 million as of August 31, 2013; \$55.6 million is for specific natural person credit unions, and \$212.0 million is for general reserves.

Statement of Net Cost:

For the month ended August 2013, the fund had a net income of \$0.4 million. The fund recognized gross revenues of \$16.7 million and total operating expenses of \$14.7 million. The fund recognized insurance loss expenses of \$1.6 million during the month of August 2013.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED BALANCE SHEETS
As of August 31, 2013
(Dollars in thousands)

	August 2013	July 2013	August 2012
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 528	\$ 671	\$ 1,328
Investments, Net U.S. Treasury Securities	10,910,334	10,999,271	10,987,575
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	13,521	13,632	14,862
Accounts Receivable, Other	8	8	252
Accrued Interest Receivable, Investments	60,562	72,965	58,513
Total Intragovernmental Assets	10,984,953	11,086,547	11,062,530
PUBLIC			
General Property, Plant, and Equipment, Net	-	-	5
Notes Receivable, Net	227,640	228,998	254,686
Accrued Interest Receivable	404	293	484
Advances	-	12	-
Other - Receivable from Asset Management Estates, Net	186,510	176,249	259,506
Total Public Assets	414,554	405,552	514,681
TOTAL ASSETS	\$ 11,399,507	\$ 11,492,099	\$ 11,577,211
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 2,181	\$ 393	\$ -
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	81	568	901
Total Intragovernmental Liabilities	2,262	961	901
PUBLIC			
Accounts Payable	2,802	10,833	3
Other - Insurance and Guarantee Program Liabilities (Reserves)	267,561	270,893	632,249
Total Public Liabilities	270,363	281,726	632,352
TOTAL LIABILITIES	272,625	282,687	633,253
NET POSITION			
Contributed Capital	8,382,066	8,394,282	7,950,073
Cumulative Result of Operations	2,744,816	2,815,130	2,993,885
Total Net Position	11,126,882	11,209,412	10,943,958
TOTAL LIABILITIES AND NET POSITION	\$ 11,399,507	\$ 11,492,099	\$ 11,577,211

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

	<u>August 2013</u>	<u>CY to Date August 2013</u>	<u>CY to Date August 2012</u>
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 8,610	\$ 52,387	\$ 49,785
Employee Benefits	2,453	18,490	15,542
Travel	1,997	10,486	9,996
Rent, Communications, and Utilities	222	1,805	2,033
Administrative Costs	464	4,391	5,157
Contracted Services	875	7,330	5,911
AMAC Expense	-	-	356
Training Expense	109	711	580
Leasing Expense	-	108	87
Other Insurance Expense	5	36	36
Total Operating Costs	<u>14,735</u>	<u>95,744</u>	<u>89,483</u>
INSURANCE LOSS EXPENSE	1,618	(44,995)	35,993
Total Gross Costs	<u>16,353</u>	<u>50,749</u>	<u>125,476</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(21)	(170)	(200)
Interest Revenue - Other	(303)	(2,358)	(824)
Other Revenue	(19)	(256)	(3,661)
Total Exchange Revenue	<u>(343)</u>	<u>(2,784)</u>	<u>(4,685)</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>16,010</u>	<u>47,965</u>	<u>120,791</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	(16,356)	(132,411)	(140,358)
Total Non-Exchange Revenues	<u>(16,356)</u>	<u>(132,411)</u>	<u>(140,358)</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (346)</u>	<u>\$ (84,446)</u>	<u>\$ (19,567)</u>

NATIONAL CREDIT UNION SHARE INSURANCE FUND
PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION
August 31, 2013
(Dollars in thousands)

NET POSITION BREAKDOWN	<u>August 2013</u>	<u>July 2013</u>	<u>August 2012</u>
CU Contributed Capital	\$ 8,382,066	\$ 8,394,282	\$ 7,950,073
Retained Earnings	2,681,624	2,681,278	2,552,527
Total Net Position without Unrealized Gain/(Loss)	<u>11,063,690</u>	<u>11,075,560</u>	<u>10,502,600</u>
Unrealized Gain/(Loss) - Investments	63,192	133,852	441,358
NET POSITION	<u>\$ 11,126,882</u>	<u>\$ 11,209,412</u>	<u>\$ 10,943,958</u>

Comparative Analysis of NCUSIF Ratios for August 2013

	August 2013	July 2013	August 2012
Investments/Total Assets	95.71%	95.71%	94.91%
Total Equity/Insured Shares (1)	1.27%	1.27%	1.26%
Available Assets Ratio	1.22%	1.23%	1.24%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

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 July and August 2013 ratio is based on an actual insured share level of \$869.0 billion at June 30, 2013, a 3.4% growth rate from the last reporting period. Collection of the 1% capatilization deposit adjustment associated with the share growth to be invoiced in September, would raise the equity ratio to 1.31% as of August 2013.

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

Figure 1

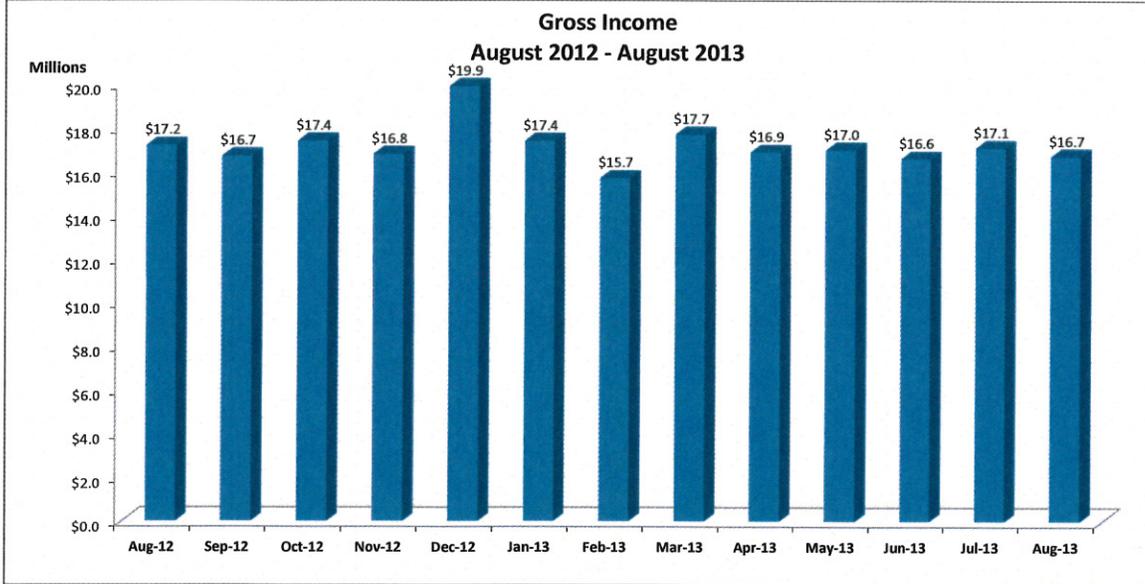


Figure 2

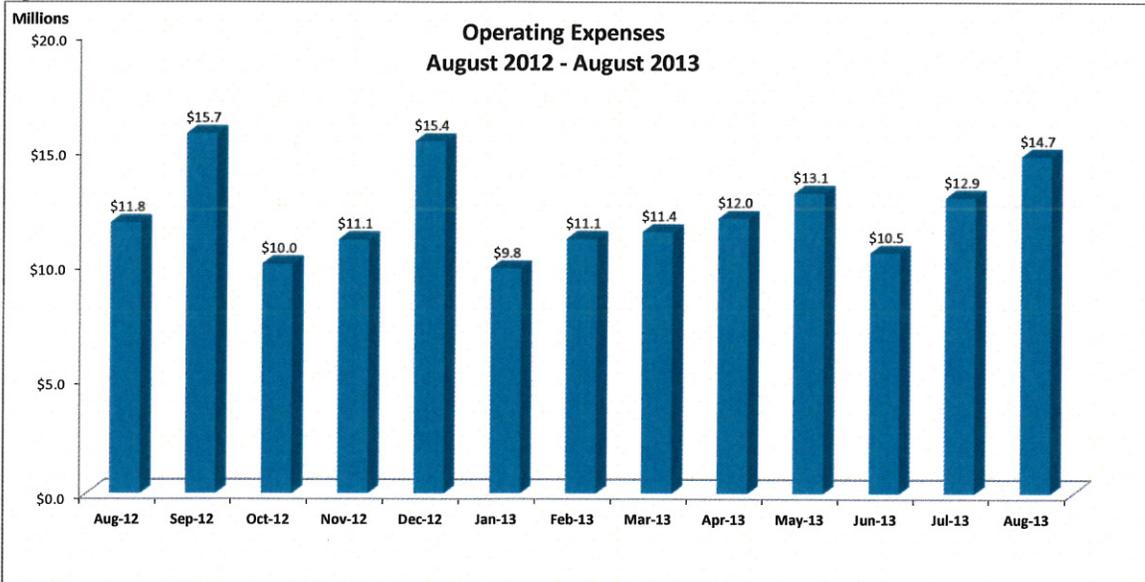
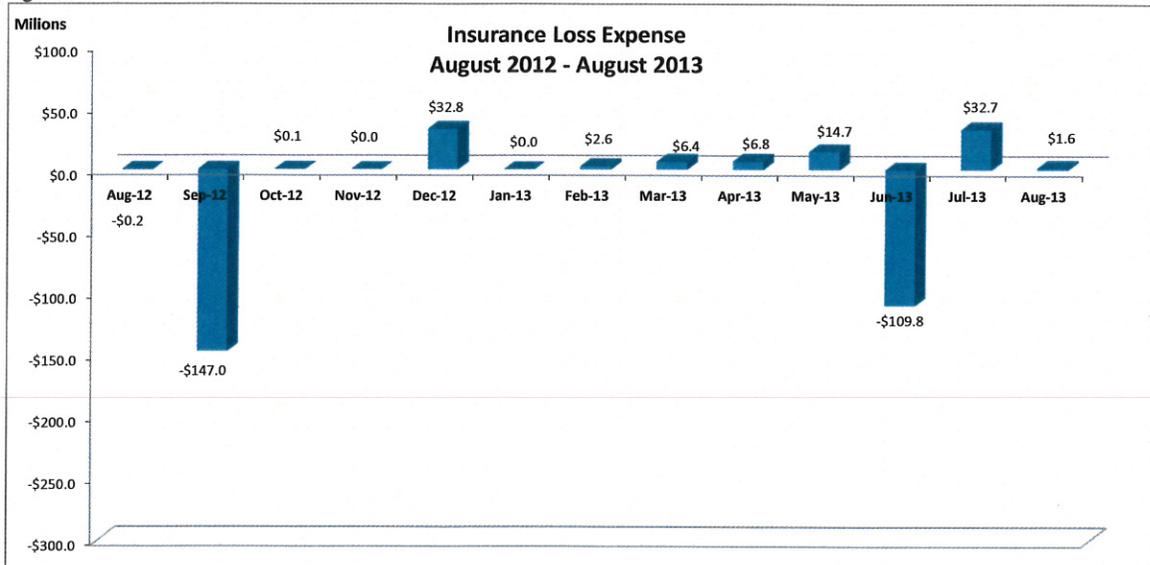


Figure 3



INVESTMENT PORTFOLIO SUMMARY
August 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	\$ 357,153,000	\$ 357,153,000	\$ -	100.00%	0.03%	
U.S. Treasury Notes	10,489,989,141	10,553,181,250	63,192,109	100.60%	1.85%	
Total	\$ 10,847,142,141	\$ 10,910,334,250	\$ 63,192,109	100.58%	1.78%	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date			
Investment Yield	1.82%	1.78%	1.83%			
Investment Income	\$ 16,766,845	\$ 16,355,855	\$ 132,411,414			
Weighted Avg. Maturity in Days	1,276	1,331				
III. MONTHLY ACTIVITY						
Purchased	Type	Amount	Maturity	Yield		
8/16/2013	T-Note	\$ 50,000,000	8/15/2023	2.80%		
8/28/2013	T-Note	100,000,000	5/15/2023	2.77%		
8/28/2013	T-Note	100,000,000	8/15/2023	2.76%		
TOTAL		\$ 250,000,000				
IV. MATURITY SCHEDULE (par value in millions)						
Overnight	\$	357				
1 month - 6 months		450				
6 months - 1 year		1,000				
1 year - 2 years		1,920				
2 years - 3 years		2,050				
3 years - 4 years		1,250				
4 years - 5 years		600				
5 years - 10 years		3,000				
TOTAL	\$	10,627				