

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 AND UNAUDITED FINANCIAL HIGHLIGHTS

June 30, 2011

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
June 30, 2011

Balance Sheet:

Other – Insurance Guarantee Program Liabilities - \$1.16 billion includes \$113 million reserves for specific and \$1.05 billion in reserves for non-specific natural person credit union.

Statement of Net Cost:

Insurance Loss Expense – The NCUSIF incurred insurance loss expenses of \$2.8 million during the month of June 2011.

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY AND UNAUDITED BALANCE SHEETS

June 30, 2011

	<u>June 2011</u>	<u>May 2011</u>	<u>December 2010</u>
ASSETS			
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 518,329	\$ 52,100,891	\$ 1,550,754
Investments, Net U.S. Treasury Securities	11,009,243,250	10,983,064,866	10,848,271,875
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	16,426,485	16,538,230	17,096,954
Accrued Interest Receivable	<u>69,723,492</u>	<u>59,341,927</u>	<u>72,358,816</u>
Total Intragovernmental Assets	<u>11,095,911,556</u>	<u>11,111,045,914</u>	<u>10,939,278,399</u>
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	75,184	811,878	182,759
Accounts Receivable - Premium Assessments from Insured Credit Unions, Net	3,016	13,402	2,035,805
Other - Receivable from Asset Management Estates, Net	130,898,701	133,532,129	143,278,586
General Property, Plant, and Equipment, Net	<u>28,333</u>	<u>30,000</u>	<u>38,333</u>
Total Public Assets	<u>131,005,234</u>	<u>134,387,409</u>	<u>145,535,483</u>
TOTAL ASSETS	<u><u>\$ 11,226,916,790</u></u>	<u><u>\$ 11,245,433,323</u></u>	<u><u>\$ 11,084,813,882</u></u>
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	\$ -	\$ -	\$ 194,123
Accounts Payable - Due to the National Credit Union Administration Operating Fund	<u>-</u>	<u>-</u>	<u>2,857,129</u>
Total Intragovernmental Liabilities	<u>-</u>	<u>-</u>	<u>3,051,252</u>
PUBLIC			
Accounts Payable	1,035,202	1,154,119	433,175
Other - Insurance and Guarantee Program Liabilities	<u>1,163,780,470</u>	<u>1,163,647,472</u>	<u>1,225,280,456</u>
Total Public Liabilities	<u>1,164,815,672</u>	<u>1,164,801,591</u>	<u>1,225,713,631</u>
TOTAL LIABILITIES	<u>1,164,815,672</u>	<u>1,164,801,591</u>	<u>1,228,764,883</u>
NET POSITION			
Contributed Capital	7,578,349,905	7,579,181,162	7,485,158,660
Cumulative Result of Operations	<u>2,483,751,213</u>	<u>2,501,450,570</u>	<u>2,370,890,339</u>
Total Net Position	<u>10,062,101,118</u>	<u>10,080,631,732</u>	<u>9,856,048,999</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 11,226,916,790</u></u>	<u><u>\$ 11,245,433,323</u></u>	<u><u>\$ 11,084,813,882</u></u>

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST

June 30, 2011

	<u>June 2011</u>	<u>May 2011</u>	<u>CY to Date</u>
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 5,837,429	\$ 6,069,445	\$ 35,343,606
Employee Benefits	1,694,890	1,759,073	10,249,181
Travel	1,451,437	1,350,160	6,858,465
Rent, Communications, and Utilities	274,420	157,428	1,202,380
Administrative Costs	758,348	660,668	4,116,406
Contracted Services	917,935	958,695	4,225,605
AMAC Expense	-	11,212	62,997
Training Expense	144,523	84,986	589,219
Leasing Expense	1,667	1,667	10,000
Other Insurance Expense	85,603	410,669	632,736
Total Operating Costs	<u>11,166,252</u>	<u>11,464,003</u>	<u>63,290,595</u>
INSURANCE LOSS EXPENSE	<u>2,840,783</u>	<u>4,403,055</u>	<u>6,177,766</u>
Total Gross Costs	<u>14,007,035</u>	<u>15,867,058</u>	<u>69,468,361</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	28,353	29,778	177,285
Insurance and Guarantee Premium Revenue	52,904	(1,227)	44,584
Total Exchange Revenue	<u>81,257</u>	<u>28,551</u>	<u>221,869</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>13,925,778</u>	<u>15,838,507</u>	<u>69,246,492</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	18,820,053	19,372,536	114,067,619
Total Non-Exchange Revenues	<u>18,820,053</u>	<u>19,372,536</u>	<u>114,067,619</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (4,894,275)</u>	<u>\$ (3,534,029)</u>	<u>\$ (44,821,127)</u>

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY AND UNAUDITED STATEMENTS NET POSITION
June 30, 2011

	June 2011	May 2011	December 2010
NET POSITION BREAKDOWN			
CU Contributed Capital	\$ 7,578,349,905	\$ 7,579,181,162	\$ 7,485,158,660
Retained Earnings	2,229,263,780	2,224,369,505	2,261,851,219
Total Net Position without Unrealized Gain/Loss	<u>9,807,613,685</u>	<u>9,803,550,667</u>	<u>9,747,009,879</u>
Unrealized Gain/(Loss) - Investments	<u>254,487,433</u>	<u>277,081,065</u>	<u>109,039,120</u>
NET POSITION	<u><u>\$ 10,062,101,118</u></u>	<u><u>\$ 10,080,631,732</u></u>	<u><u>\$ 9,856,048,999</u></u>

Comparative Analysis of NCUSIF Ratios for June 30, 2011

	JUN 11	MAY 11	DEC 10
Investments/Total Assets	98.06%	97.33%	47.96%
Total Equity/Insured Shares (1)	1.25%	1.29%	1.24%
Prov. for Losses/CU Capital	15.38%	15.77%	10.74%
Non-Earning/Total Assets	1.94%	2.67%	1.55%
Available Asset Ratio	1.23%	1.23%	1.20%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

Estimate Insured Shares as of 6/30/2011	\$ 786,819,604,173
Actual Insured Shares as of 12/31/2010	\$ 757,921,704,390

(1) June 2011 Equity ratio is based on an estimated insured share level of \$787 billion at June 30, 2011, a 4% growth from last reporting period. Collection of the 1% capitalization deposit adjustment associated with the share growth would raise the equity ratio to 1.28%.

Figure 1

GROSS INCOME JUN 10 – JUN 11

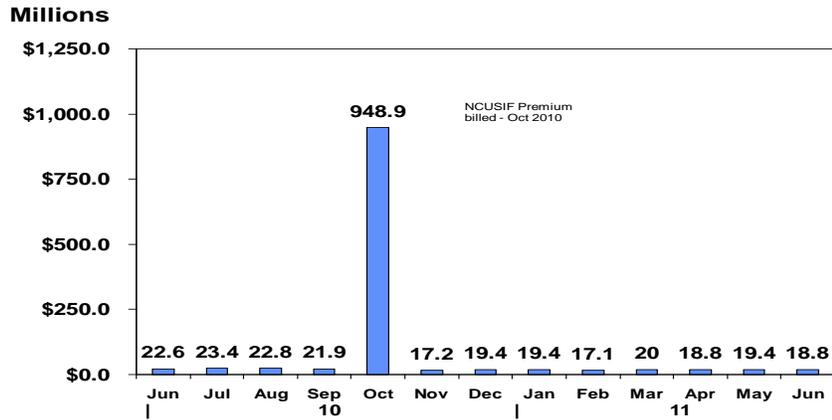


Figure 2

OPERATING EXPENSE JUN 10 – JUN 11

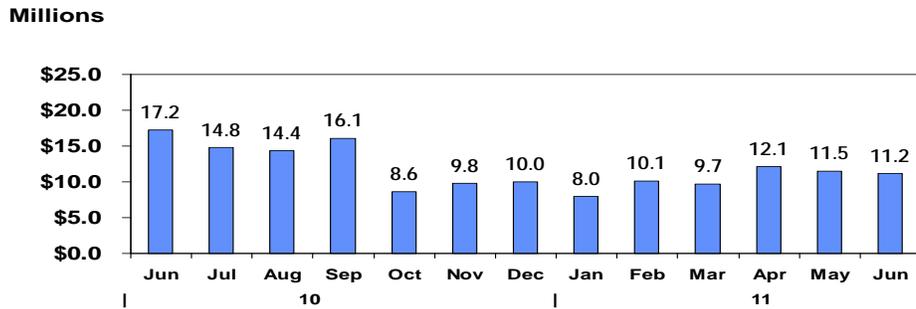
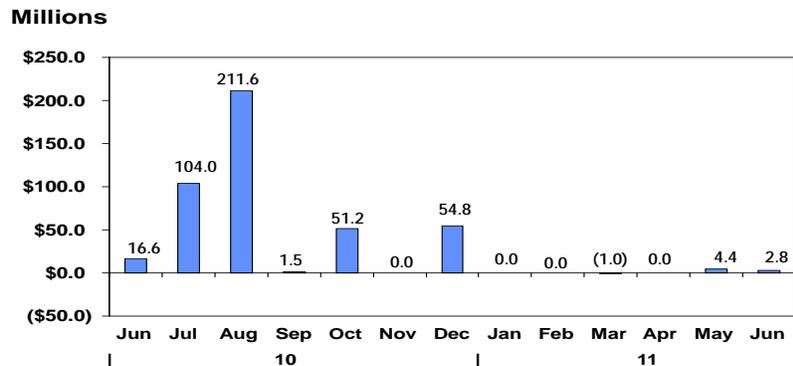


Figure 3

INSURANCE LOSS EXPENSE JUN 10 – JUN 11



INVESTMENT PORTFOLIO SUMMARY

June 30, 2011

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	Gain or (Loss)	%Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$645,287,000	\$645,287,000	\$0	100.00%	0.00%
U.S. Treasury Notes	10,109,468,817	10,363,956,250	254,487,433	102.52%	2.28%
TOTAL	\$10,754,755,817	\$11,009,243,250	\$254,487,433	102.37%	2.13%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY11 Projections	
Investment Yield	2.10%	2.13%	2.14%	2.14%	
Investment Income	\$19,372,536	\$18,820,053	\$114,067,619	\$229,200,000	
Income Budgeted (1/1/11)	\$19,100,000	\$19,100,000	\$114,600,000	\$229,200,000	
Income/Budgeted Ratio	101.4%	98.5%	99.5%		
Weighted Avg. Maturity in Days	1,093	1,127			
III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
6/30/2011	T-Note	100,000,000	4/30/2016	1.692%	
6/30/2011	T-Note	100,000,000	5/31/2016	1.733%	
6/30/2011	T-Note	100,000,000	6/30/2016	1.775%	
6/30/2011	T-Note	50,000,000	5/15/2021	3.183%	
TOTAL		\$350,000,000			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	\$695				
3 months - 1 year	1,550				
1 year - 2 years	1,600				
2 years - 3 years	1,600				
3 years - 4 years	1,870				
4 years - 5 years	1,900				
5 years - 10 years	1,300				
TOTAL	\$10,515				