

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

July 31, 2016

A handwritten signature in blue ink, which appears to read "J. Owen Cole, Jr.", is positioned above the printed name.

J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

**MANAGEMENT OVERVIEW
July 31, 2016**

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities.

Current Liabilities: Dividend expenses for Regular members were \$97 thousand in July 2016.

Equity: As of July 31, 2016, year to date net income of \$950 thousand has been reserved for retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$277 thousand or current month's annualized yield of 1.2%. This is consistent with prior month's annualized yield.

Expense: Operating expenses for the month were \$44 thousand.

Net Income: Net income before dividends was \$233 thousand for the month which is slightly higher than prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of July 31, 2016 and December 31, 2015, CLF's statutory borrowing authority was \$6.1 billion and \$5.6 billion, respectively.

Investment Purchases: \$4,000,000

Maturities of Treasury Notes: \$4,000,000

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$259,237,790 and U.S. Treasury Cash \$11,161,551.

Regular Membership: 265

Loans: \$0, Borrowing Activity: \$0.

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of July 31, 2016 and 2015

(Dollars in thousands)

	<u>July 2016</u>	<u>July 2015</u>
ASSETS		
Cash and Cash Equivalents	\$ 11,252	\$ 23,436
Investments, Net U.S. Treasury Securities	259,238	217,264
Accounts Receivable	-	704
Accrued Interest Receivable - Investments	<u>1,094</u>	<u>814</u>
TOTAL ASSETS	<u>\$ 271,584</u>	<u>\$ 242,218</u>
LIABILITIES		
Accounts Payable	\$ 96	\$ 69
Dividends Payable	97	44
Regular Member Deposits - Liquidity Reserve	1,267	1,184
Other Liabilities	<u>-</u>	<u>814</u>
TOTAL LIABILITIES	<u>1,460</u>	<u>2,111</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	239,239	210,875
Retained Earnings Prior Year	29,936	28,477
Retained Earnings Current Year	<u>950</u>	<u>755</u>
TOTAL MEMBERS' EQUITY	<u>270,124</u>	<u>240,107</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 271,584</u>	<u>\$ 242,218</u>

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS
For the Periods Ended July 31, 2016 and 2015
(Dollars in thousands)

	<u>July 2016</u>	<u>Year-to-Date July 2016</u>	<u>Year-to-Date July 2015</u>
REVENUES			
Investment Income	\$ 277	\$ 1,795	\$ 1,363
Total Revenues	<u>277</u>	<u>1,795</u>	<u>1,363</u>
EXPENSES			
Employee wages and benefits, net	37	271	267
Rent, communications, and utilities	2	9	5
Other	5	40	37
Total Operating Expenses	<u>44</u>	<u>320</u>	<u>309</u>
NET INCOME BEFORE DIVIDENDS	<u>233</u>	<u>1,475</u>	<u>1,054</u>
Dividends Accrued	<u>97</u>	<u>525</u>	<u>299</u>
NET INCOME	<u>\$ 136</u>	<u>\$ 950</u>	<u>\$ 755</u>

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NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	<u>2016</u>	<u>2015</u>	<u>2014</u>
Dividend Rate First Quarter	0.25%	0.25%	0.25%
Dividend Rate Second Quarter	0.50%	0.25%	0.25%
Dividend Rate Third Quarter	-	0.25%	0.25%
Dividend Rate Fourth Quarter	-	0.25%	0.25%

SELECTED RATIOS:	<u>7/31/2016</u>	<u>7/31/2015</u>
Stock & Retained Earnings/Total Assets	99.46%	99.13%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.54%	0.87%

OPERATIONS:	<u>7/31/2016</u> <u>Month</u>	<u>7/31/2016</u> <u>YTD</u>	<u>7/31/2015</u> <u>YTD</u>
Total Operating Expenses/Total Revenue	15.79%	17.71%	22.57%
Net Income(before Divs)/Total Revenue	84.21%	82.17%	77.35%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 9,569,546 shares; issued and outstanding: 4,784,773 shares)

The balances in the supplement above are preliminary and unaudited