

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

July 31, 2018

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, 2018

Balance Sheet

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

Current Liabilities: Dividend expenses for the month were \$280 thousand.

Other Liabilities: Other liabilities include pending redemption of \$767 thousand that was reclassified from capital stock.

Equity: As of July 31, 2018, year-to-date net income of \$697 thousand has been reserved for retained earnings.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$453 thousand or current month's average yield of 1.8%. This is slightly higher than prior month's average yield.

Expense: Operating expenses for the month were \$32 thousand.

Net Income: Net income before dividends was \$421 thousand for the month which is slightly higher than last month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of July 31, 2018 and July 31, 2017, CLF's statutory borrowing authority were \$7.0 billion and \$6.6 billion, respectively.

Investment Purchases: \$0.

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

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$297,858,946 and U.S. Treasury Cash \$10,647,443.

Regular Membership: 272.

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

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of July 31, 2018 and 2017

(Dollars in thousands)

	<u>July 2018</u>	<u>July 2017</u>
ASSETS		
Cash and Cash Equivalents	\$ 11,647	\$ 11,248
Investments, Net U.S. Treasury Securities	297,859	280,015
Accrued Interest Receivable - Investments	1,279	1,145
TOTAL ASSETS	<u>\$ 310,786</u>	<u>\$ 292,408</u>
LIABILITIES		
Accounts Payable	\$ 78	\$ 273
Dividends Payable	280	217
Regular Member Deposits - Liquidity Reserve	3,003	1,930
Other Liabilities	767	-
TOTAL LIABILITIES	<u>4,128</u>	<u>2,420</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	273,324	257,737
Retained Earnings Prior Year	32,637	31,560
Retained Earnings Current Year	697	691
TOTAL MEMBERS' EQUITY	<u>306,658</u>	<u>289,988</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 310,786</u>	<u>\$ 292,408</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, 2018 and 2017
(Dollars in thousands)

	<u>July 2018</u>	<u>Year-to-Date July 2018</u>	<u>Year-to-Date July 2017</u>
REVENUES			
Investment Income	\$ 453	\$ 2,845	\$ 2,214
Total Revenues	<u>453</u>	<u>2,845</u>	<u>2,214</u>
EXPENSES			
Employee wages and benefits, net	23	315	331
Rent, communications, and utilities	2	14	11
Other	<u>7</u>	<u>64</u>	<u>50</u>
Total Operating Expenses	<u>32</u>	<u>393</u>	<u>392</u>
NET INCOME BEFORE DIVIDENDS	<u>421</u>	<u>2,452</u>	<u>1,822</u>
Dividends Accrued	<u>280</u>	<u>1,755</u>	<u>1,130</u>
NET INCOME	<u>\$ 141</u>	<u>\$ 697</u>	<u>\$ 691</u>

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2018	2017	2016
Dividend Rate First Quarter	1.00%	0.75%	0.25%
Dividend Rate Second Quarter	1.25%	0.75%	0.50%
Dividend Rate Third Quarter		1.00%	0.50%
Dividend Rate Fourth Quarter		1.00%	0.50%

SELECTED RATIOS:	7/31/2018	7/31/2017
Stock & Retained Earnings/Total Assets	98.66%	99.17%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	1.35%	0.83%

OPERATIONS:	7/31/2018	7/31/2018	7/31/2017
	Month	YTD	YTD
Total Operating Expenses/Total Revenue	7.15%	13.30%	17.43%
Net Income(before Divs)/Total Revenue	92.85%	86.19%	82.29%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 10,932,952 shares; issued and outstanding: 5,466,476 shares)