

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

July 31, 2022

A handwritten signature in black ink, appearing to read 'Eugene H. Schied', is positioned above the name of the Chief Financial Officer.

**EUGENE H. SCHIED
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
MANAGEMENT OVERVIEW
July 31, 2022**

Balance Sheets

Receivables from Asset Management Estates, Net is \$80.4 million; it is comprised of natural person credit unions and corporate credit unions.

Insurance and Guarantee Program Liabilities related to Reserves are \$169.1 million; \$7.3 million is for specific reserves for natural person credit unions, and \$161.8 million is for general reserves.

Statements of Net Cost

For the month ended July 31, 2022, the fund had net income of \$7.8 million. The fund recognized gross revenues of \$24.2 million and total operating expenses of \$16.4 million. The fund did not recognize any insurance loss expense during the month of July 2022.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
BALANCE SHEETS
(Dollars in thousands)**

| | <u>July 2022</u> | <u>July 2021</u> |
|--|----------------------|----------------------|
| ASSETS | | |
| INTRAGOVERNMENTAL | | |
| Fund Balance with Treasury | \$ 26,245 | \$ 43,167 |
| Investments, Net - U.S. Treasury Securities | 20,213,895 | 19,338,866 |
| Accrued Interest Receivable - Investments | 146,065 | 122,575 |
| Accounts Receivable - Due from the NCUA Operating Fund | 2,961 | 2,818 |
| Advances and Prepayments | 13,053 | - |
| Total Intragovernmental Assets | <u>20,402,219</u> | <u>19,507,426</u> |
| WITH THE PUBLIC | | |
| General Property, Plant, and Equipment, Net | - | 20 |
| Advances and Prepayments | 1,081 | 4,814 |
| Receivables from Asset Management Estates (AMEs), Net* | 80,429 | 408,837 |
| Total with the Public Assets | <u>81,510</u> | <u>413,671</u> |
| TOTAL ASSETS | <u>\$ 20,483,729</u> | <u>\$ 19,921,097</u> |
| LIABILITIES | | |
| INTRAGOVERNMENTAL | | |
| Accounts Payable - Due to the NCUA Operating Fund | \$ 19 | \$ 99 |
| Total Intragovernmental Liabilities | <u>19</u> | <u>99</u> |
| WITH THE PUBLIC | | |
| Accounts Payable | 2,577 | 4,274 |
| Insurance and Guarantee Program Liabilities* | 169,064 | 161,086 |
| Other Liabilities | 568 | 1,040 |
| Total with the Public Liabilities | <u>172,209</u> | <u>166,400</u> |
| TOTAL LIABILITIES | <u>172,228</u> | <u>166,499</u> |
| Commitments and Contingencies | | |
| NET POSITION | | |
| Cumulative Result of Operations | 3,944,433 | 5,070,612 |
| Contributed Capital | 16,367,068 | 14,683,986 |
| Total Net Position | <u>20,311,501</u> | <u>19,754,598</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 20,483,729</u> | <u>\$ 19,921,097</u> |

* Receivable from AMEs, Net and Insurance and Guarantee Program Liabilities lines are generally updated quarterly.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF NET COST
(Dollars in thousands)**

| | <u>July 2022</u> | <u>July 2022 YTD</u> | <u>June 2021 YTD</u> |
|--|-------------------|--------------------------|--------------------------|
| GROSS COSTS | | | |
| Operating Expenses* | \$ 16,395 | \$ 117,859 | \$ 112,416 |
| Provision for Insurance Losses | | | |
| Reserve Expense (Reduction) | - | 7,506 | (2,852) |
| AME Receivable Bad Debt Expense | - | (51,864) | (88,467) |
| Total Provision for Insurance Losses | - | (44,358) | (91,319) |
| Other Losses | 150 | 150 | 32 |
| Total Gross Costs | <u>16,545</u> | <u>73,651</u> | <u>21,129</u> |
| LESS EXCHANGE REVENUES | | | |
| Guarantee Fee Revenue - NGNs | - | - | (625) |
| Other Revenue | (44) | (429) | (2,807) |
| Total Exchange Revenues | <u>(44)</u> | <u>(429)</u> | <u>(3,432)</u> |
| TOTAL NET COST/(INCOME) OF OPERATIONS | <u>\$ 16,501</u> | <u>\$ 73,222</u> | <u>\$ 17,697</u> |
| LESS NON-EXCHANGE REVENUES | | | |
| Interest Revenue - Investments | (24,261) | (154,602) | (135,656) |
| Total Non-Exchange Revenues | <u>(24,261)</u> | <u>(154,602)</u> | <u>(135,656)</u> |
| TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES | <u>\$ (7,760)</u> | <u>\$ (81,380)</u> | <u>\$ (117,959)</u> |

*National Credit Union Share Insurance Fund operating expenses are the total NCUA operating expenses reduced by the Operating Fund allocation as determined by the overhead transfer rate.

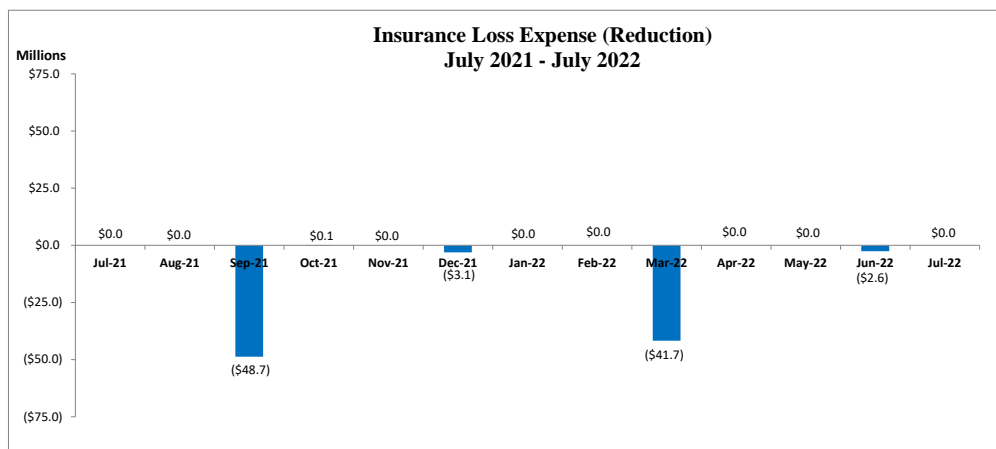
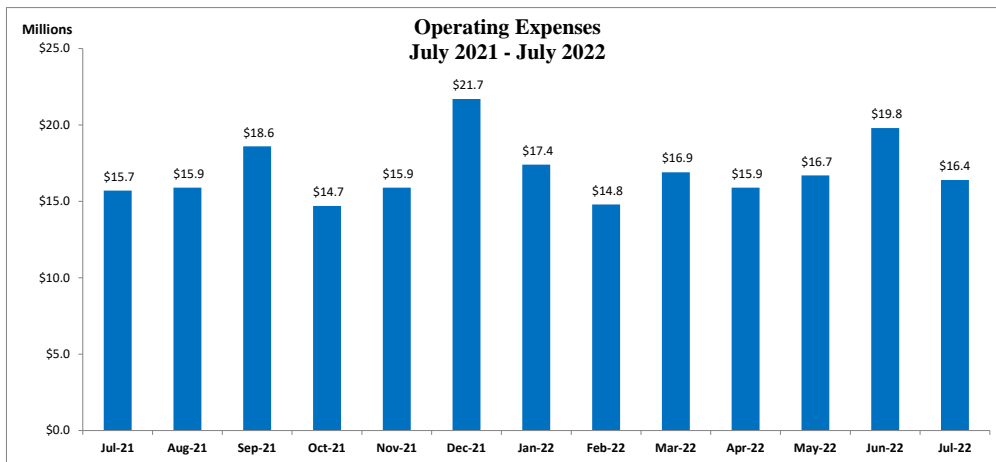
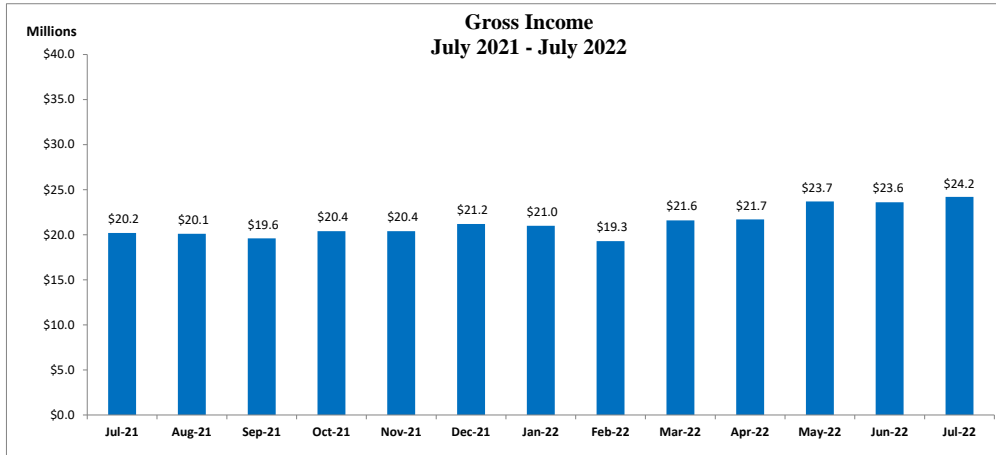
The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF CHANGES IN NET POSITION
(Dollars in thousands)**

| | <u>July 2022</u> | <u>July 2021</u> |
|--|----------------------|----------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| Beginning Balances | \$ 4,780,200 | \$ 5,132,167 |
| Non-Exchange Revenue | | |
| Interest Revenue - Investments | 154,602 | 135,656 |
| Net Unrealized Gain/(Loss) - Investments | (917,147) | (179,514) |
| Net Income /(Cost) of Operations | <u>(73,222)</u> | <u>(17,697)</u> |
| Change in Cumulative Results of Operations | <u>(835,767)</u> | <u>(61,555)</u> |
| CUMULATIVE RESULTS OF OPERATIONS | <u>3,944,433</u> | <u>5,070,612</u> |
| CONTRIBUTED CAPITAL | | |
| Beginning Balances | 15,783,657 | 13,810,674 |
| Change in Contributed Capital | <u>583,411</u> | <u>873,312</u> |
| CONTRIBUTED CAPITAL | <u>16,367,068</u> | <u>14,683,986</u> |
| NET POSITION | <u>\$ 20,311,501</u> | <u>\$ 19,754,598</u> |
| NET POSITION BREAKDOWN | | |
| Credit Union Contributed Capital | 16,367,068 | 14,683,986 |
| Retained Earnings | <u>4,886,998</u> | <u>4,739,048</u> |
| Total Net Position Without Unrealized Gain/ (Loss) | <u>21,254,066</u> | <u>19,423,034</u> |
| Unrealized Gain/ (Loss) - Investments | <u>(942,565)</u> | <u>331,564</u> |
| NET POSITION | <u>\$ 20,311,501</u> | <u>\$ 19,754,598</u> |

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
 SHARE INSURANCE FUND
 STATISTICAL INFORMATION
 July 31, 2022**



The information provided in the supporting statement above is preliminary and unaudited.

INVESTMENT PORTFOLIO SUMMARY
July 31, 2022

| I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--------------------------|--------------------------|---------------------------|------------------------|------------------------|--|-----------------|--------------------|-----------|-----|-------|-------|--------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-----|
| | Book Value | Market Value | Unrealized Gain or (Loss) | % Market to Book Value | Weighted Average Yield | | | | | | | | | | | | | | | | | | | | | | | |
| Daily Treasury Account | \$ 344,118,000 | \$ 344,118,000 | \$ - | 100.00% | 2.18% | | | | | | | | | | | | | | | | | | | | | | | |
| U.S. Treasury Notes | 20,812,342,089 | 19,869,776,751 | (942,565,338) | 95.47% | 1.34% | | | | | | | | | | | | | | | | | | | | | | | |
| Total | \$ 21,156,460,089 | \$ 20,213,894,751 | \$ (942,565,338) | 95.54% | 1.36% | | | | | | | | | | | | | | | | | | | | | | | |
| II. INVESTMENT PORTFOLIO SUMMARY | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Last Month | Current Month | CY To Date | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment Yield | 1.34% | 1.36% | 1.28% | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investment Income | \$ 23,331,683 | \$ 24,261,148 | \$ 154,601,682 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Weighted Avg. Maturity in Days | 1,312 | 1,282 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| III. MONTHLY ACTIVITY | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Purchased | Type | Amount | Maturity | Yield | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | | \$ - | | | | | | | | | | | | | | | | | | | | | | | | | | |
| IV. MATURITY SCHEDULE (par value in millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | | \$ 20,544 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <caption>Maturing Investment Balance (Millions)</caption> <thead> <tr> <th>Maturity Bucket</th> <th>Balance (Millions)</th> </tr> </thead> <tbody> <tr><td>Overnight</td><td>344</td></tr> <tr><td>1m-6m</td><td>1,300</td></tr> <tr><td>6m-1yr</td><td>1,400</td></tr> <tr><td>1yr-2yr</td><td>2,800</td></tr> <tr><td>2yr-3yr</td><td>2,800</td></tr> <tr><td>3yr-4yr</td><td>2,800</td></tr> <tr><td>4yr-5yr</td><td>2,800</td></tr> <tr><td>5yr-6yr</td><td>2,800</td></tr> <tr><td>6yr-7yr</td><td>2,600</td></tr> <tr><td>7yr-8yr</td><td>900</td></tr> </tbody> </table> | | | | | | | Maturity Bucket | Balance (Millions) | Overnight | 344 | 1m-6m | 1,300 | 6m-1yr | 1,400 | 1yr-2yr | 2,800 | 2yr-3yr | 2,800 | 3yr-4yr | 2,800 | 4yr-5yr | 2,800 | 5yr-6yr | 2,800 | 6yr-7yr | 2,600 | 7yr-8yr | 900 |
| Maturity Bucket | Balance (Millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Overnight | 344 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1m-6m | 1,300 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6m-1yr | 1,400 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1yr-2yr | 2,800 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2yr-3yr | 2,800 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3yr-4yr | 2,800 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4yr-5yr | 2,800 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5yr-6yr | 2,800 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6yr-7yr | 2,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7yr-8yr | 900 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

The information provided in the portfolio summary above is preliminary and unaudited.