



NCUA
National Credit Union Administration

Melissa Lowden, Deputy CFO
Office of the Chief Financial Officer

NCUSIF Financial Statistics

For the Quarter Ended
March 31, 2024

NCUSIF Revenue and Expense

March 31, 2024

PRELIMINARY & UNAUDITED (In Millions)	Quarter Ended March 31, 2024
Gross Income:	
Investment Income	\$133.6
Other Income	0.1
Total Income	\$133.7
Less Expenses:	
Operating Expenses	\$59.7
Provision for Insurance Losses:	
Reserve Expense (Reduction)	8.1
Consumer Credit Union AME Loss Expense (Reduction)	(0.9)
Corporate AME Loss Expense (Reduction)	(1.3)
Total Expenses	\$65.6
Net Income (Loss)	\$68.1

NCUSIF Summary Balance Sheets

March 31, 2024

PRELIMINARY & UNAUDITED (In Millions)	March 31, 2024	December 31, 2023
Assets		
Fund Balance with Treasury and Investments	\$21,249.8	\$21,234.3
Capitalization Deposits Receivable	211.2	0.0
Receivable from Consumer Credit Union Asset Management Estates, Net	0.0	0.6
Receivable from Corporate Asset Management Estates, Net	70.3	69.7
Accrued Interest and Other Assets	113.6	110.0
Total Assets	\$21,644.9	\$21,414.6
Liabilities and Net Position		
Accounts Payable and Other Liabilities	\$242.9	\$4.0
Insurance and Guarantee Program Liabilities	217.5	209.0
Net Position – Cumulative Results of Operations	3,975.0	3,966.7
Net Position – Capitalization Deposits	17,209.5	17,234.9
Total Liabilities and Net Position	\$21,644.9	\$21,414.6

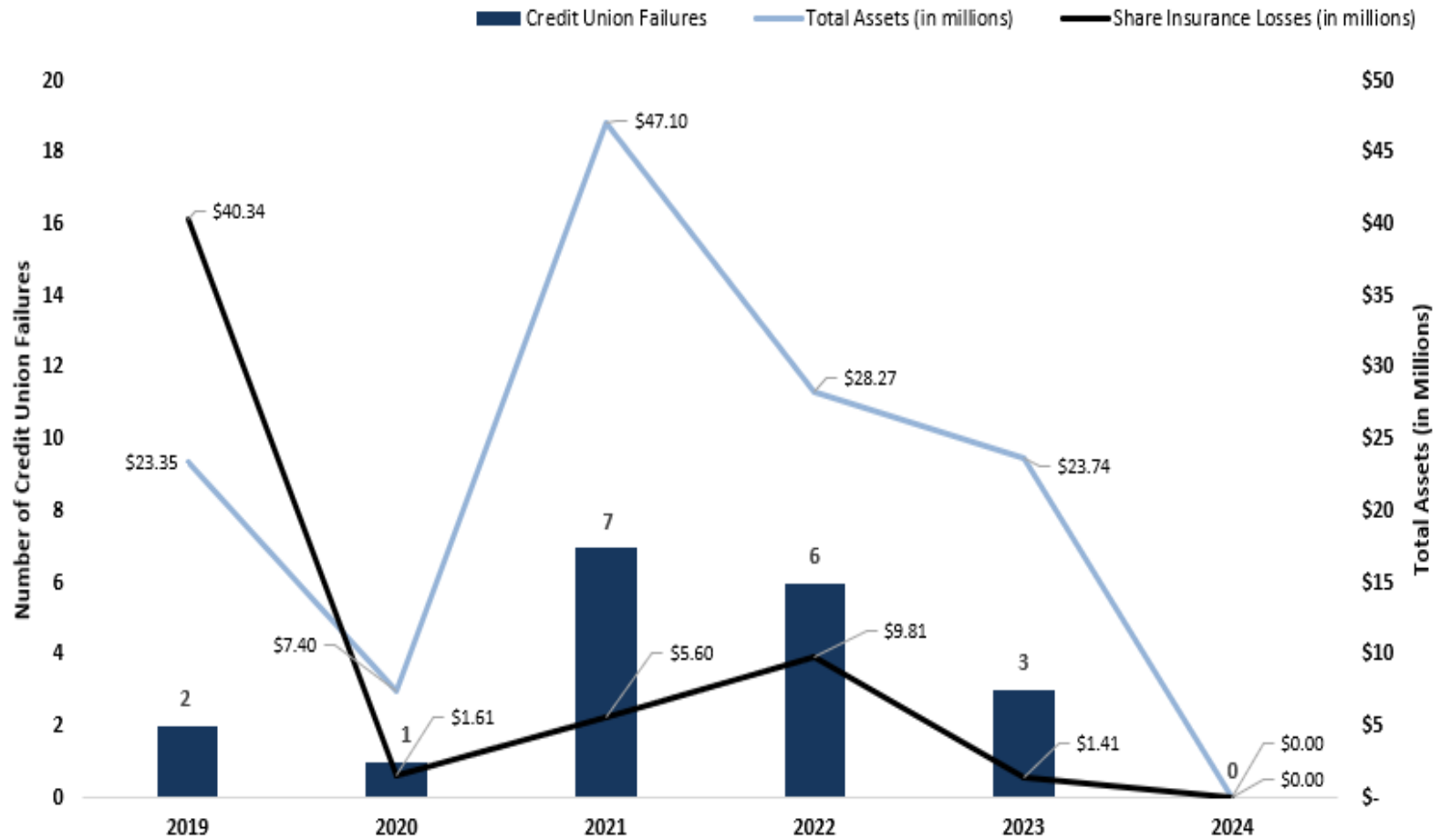
NCUSIF - Insurance and Guarantee Program Liabilities

March 31, 2024

PRELIMINARY & UNAUDITED (In Millions)	Quarter Ended March 31, 2024
Beginning Reserve Balance:	\$ 209.0
Reserve Expense (Reduction)	8.1
Charges for Assisted Mergers	0.0
Charges for Liquidations	0.4
Ending Reserve Balance	\$217.5

Number of Credit Union Failures Incurring a Loss to the Share Insurance Fund

CY2019 – Q1 CY2024



NCUSIF Portfolio

March 31, 2024

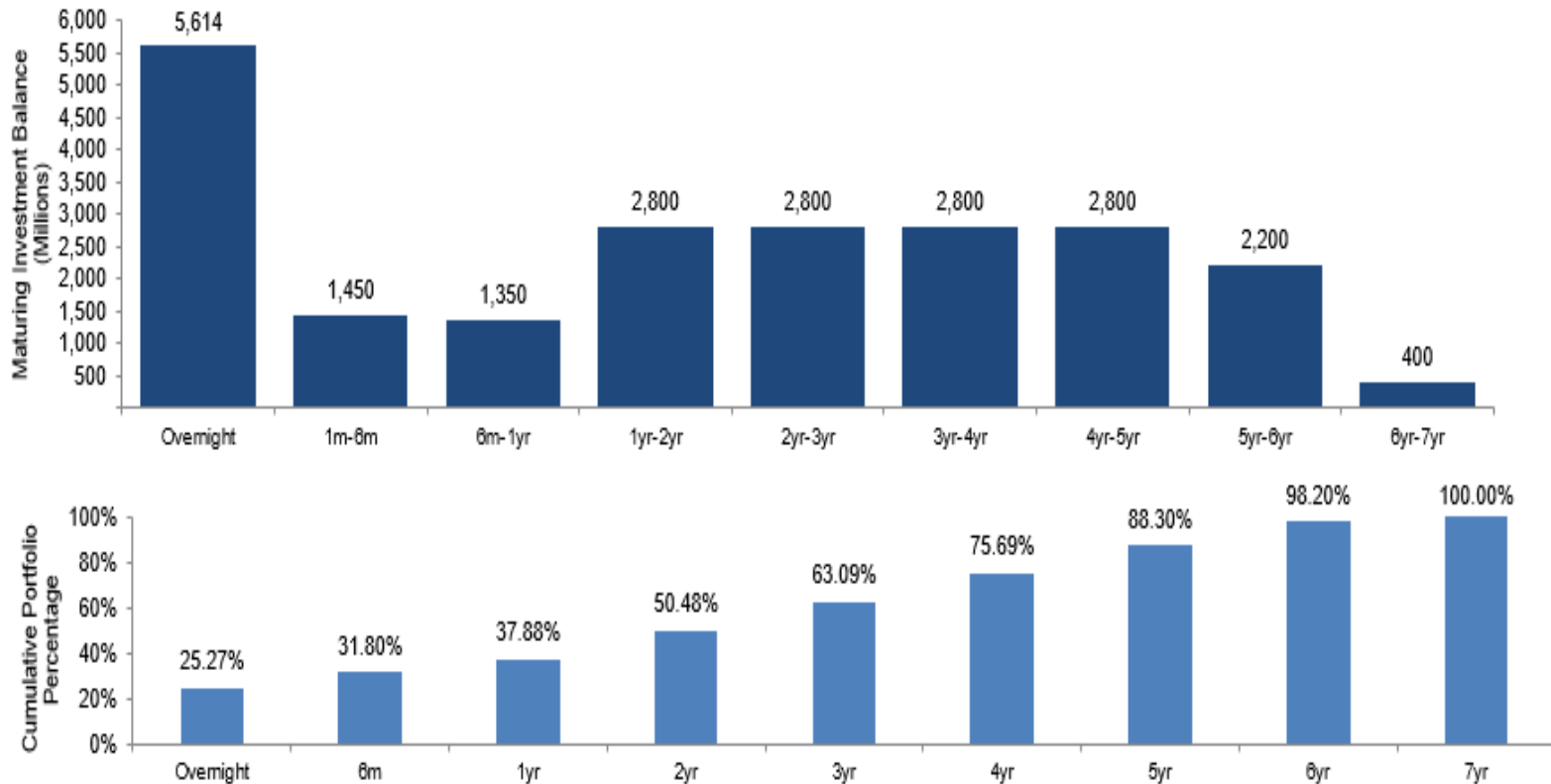
Investment Balance at Par: \$22.2 Billion

Weighted Average Life:

2.2 years

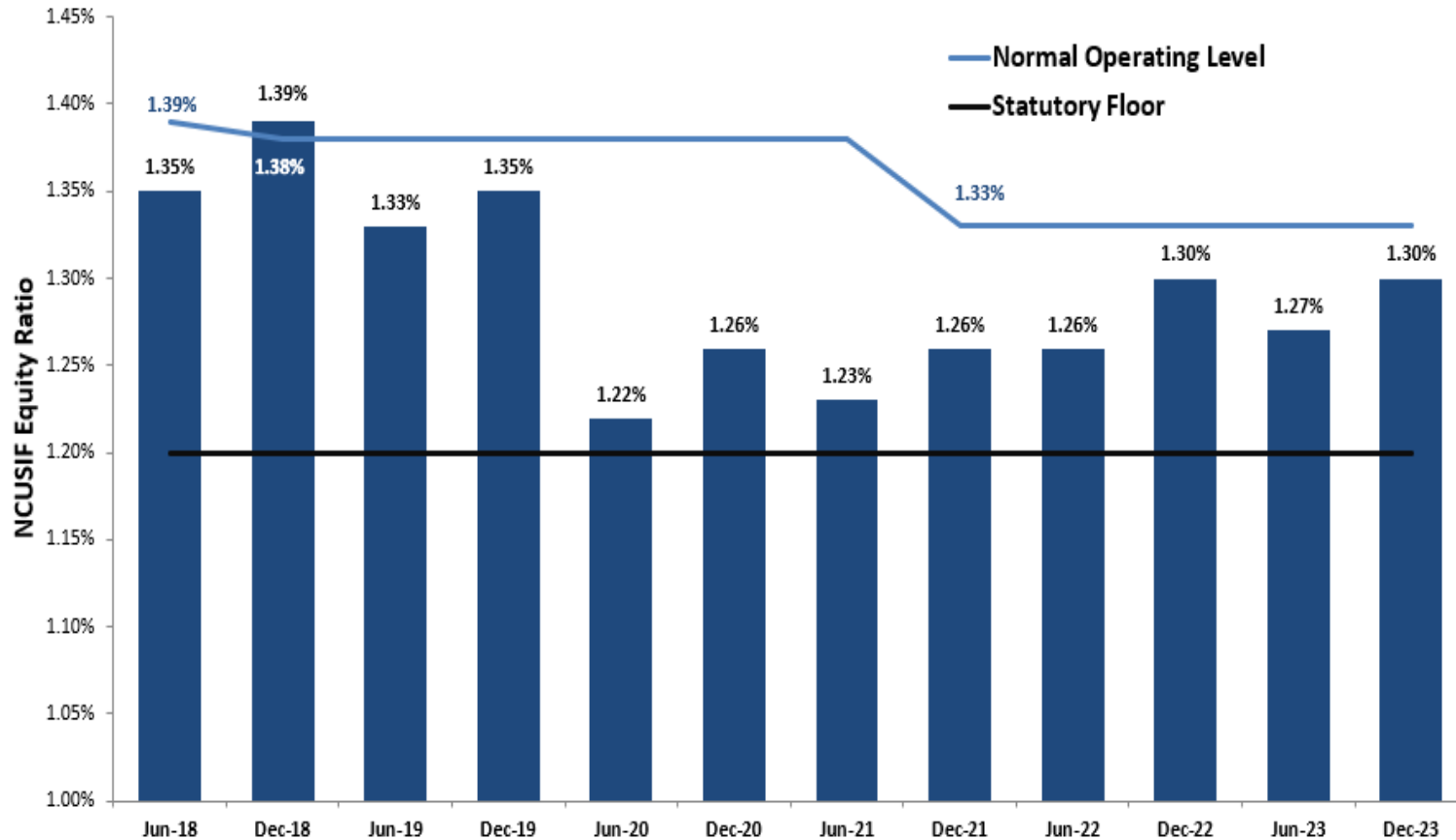
Weighted Average Yield:

2.43%



NCUSIF Equity Ratio

CY2018 – CY2023



Projected Equity Ratio Calculation

- The NCUA staff projects the equity ratio for June 30th and for December 31st. The projection calculates the equity ratio on the same basis as the actual equity ratio.
 - The Federal Credit Union Act §1782(h)(2) defines the equity ratio as the ratio of – “(A) the amount of Fund capitalization, including insured credit unions’ 1 percent capitalization deposits and the retained earnings balance of the Fund (net of direct liabilities of the Fund and contingent liabilities for which no provision for losses has been made) to (B) the aggregate amount of the insured shares in all insured credit unions.”
- The projection for the June 30, 2024, NCUSIF equity ratio is 1.24 percent.

Projection Quarter- End	Calculation
June 2024	$\frac{\text{Projected 06/30 Retained Earnings*} + 1\% \text{ of 12/31 Insured Shares}}{\text{Projected 06/30 Insured Shares}}$

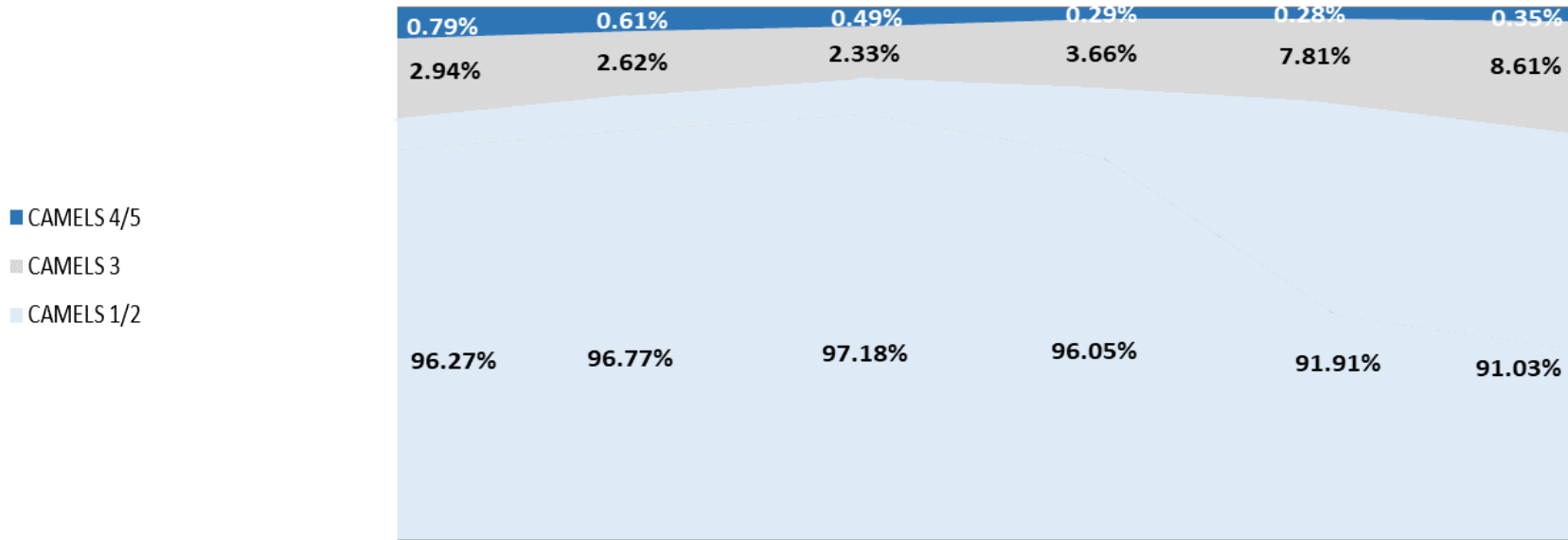
*net of any direct liabilities of the Fund and contingent liabilities for which no provision has been made

$$\frac{\$5,273,675,322 + \$17,209,091,811}{\$1,806,682,193,650} = 1.24\%$$

Percentage of Insured Shares and Total Number of CUs by CAMELS Code

CY2019 – Q1 CY2024

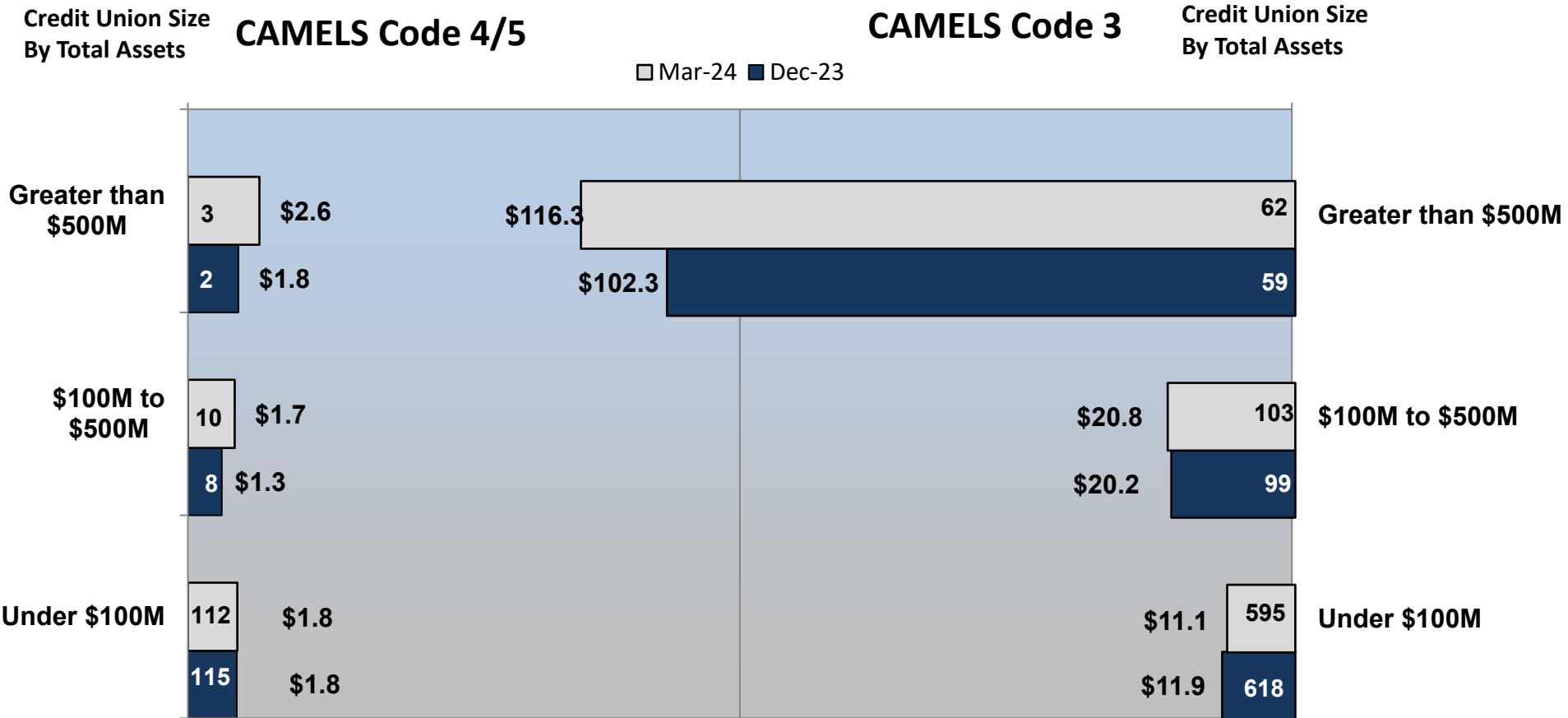
Percentage of Insured Shares by CAMELS Rating*



Number of CUs	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24
CAMELS 4/5	190	159	129	122	125	125
CAMELS 3	838	748	752	769	776	760
CAMELS 1/2	4,220	4,209	4,072	3,889	3,721	3,693
TOTAL	5,248	5,116	4,953	4,780	4,622	4,578

*Areas are not to scale.

CAMELS Code Comparison by Asset Size



In Billions	CAMELS 4/5		In Billions	CAMELS 3	
	Dec-23	Mar-24		Dec-23	Mar-24
Total Shares	\$4.9	\$6.1	Total Shares	\$134.4	\$148.2
Total Assets	\$5.5	\$7.0	Total Assets	\$160.2	\$176.9

Office Contact Page

Feel free to contact our office with questions or comments.

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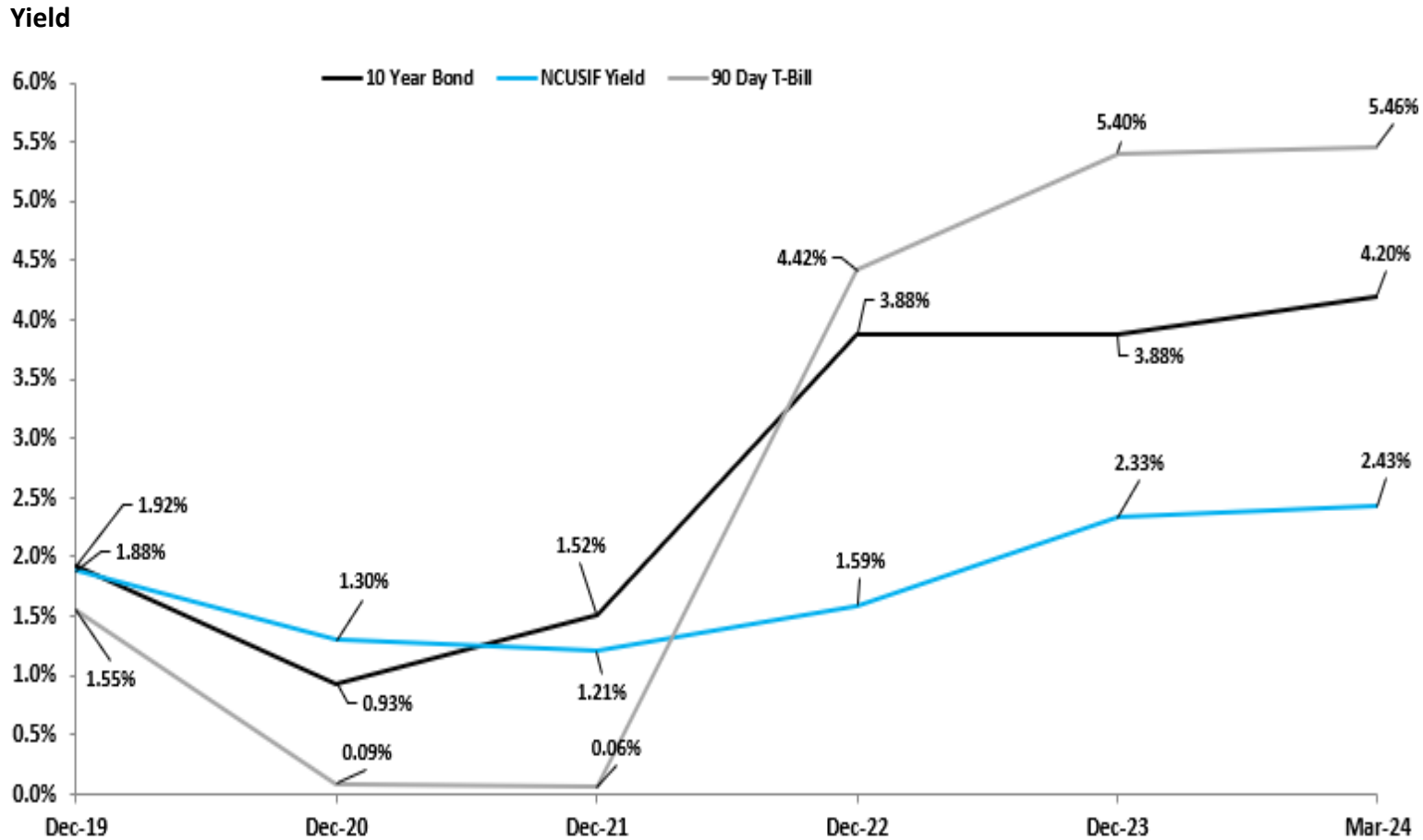
Office Phone: 703-518-6570



SUPPLEMENTAL INFORMATION

Yield Comparisons

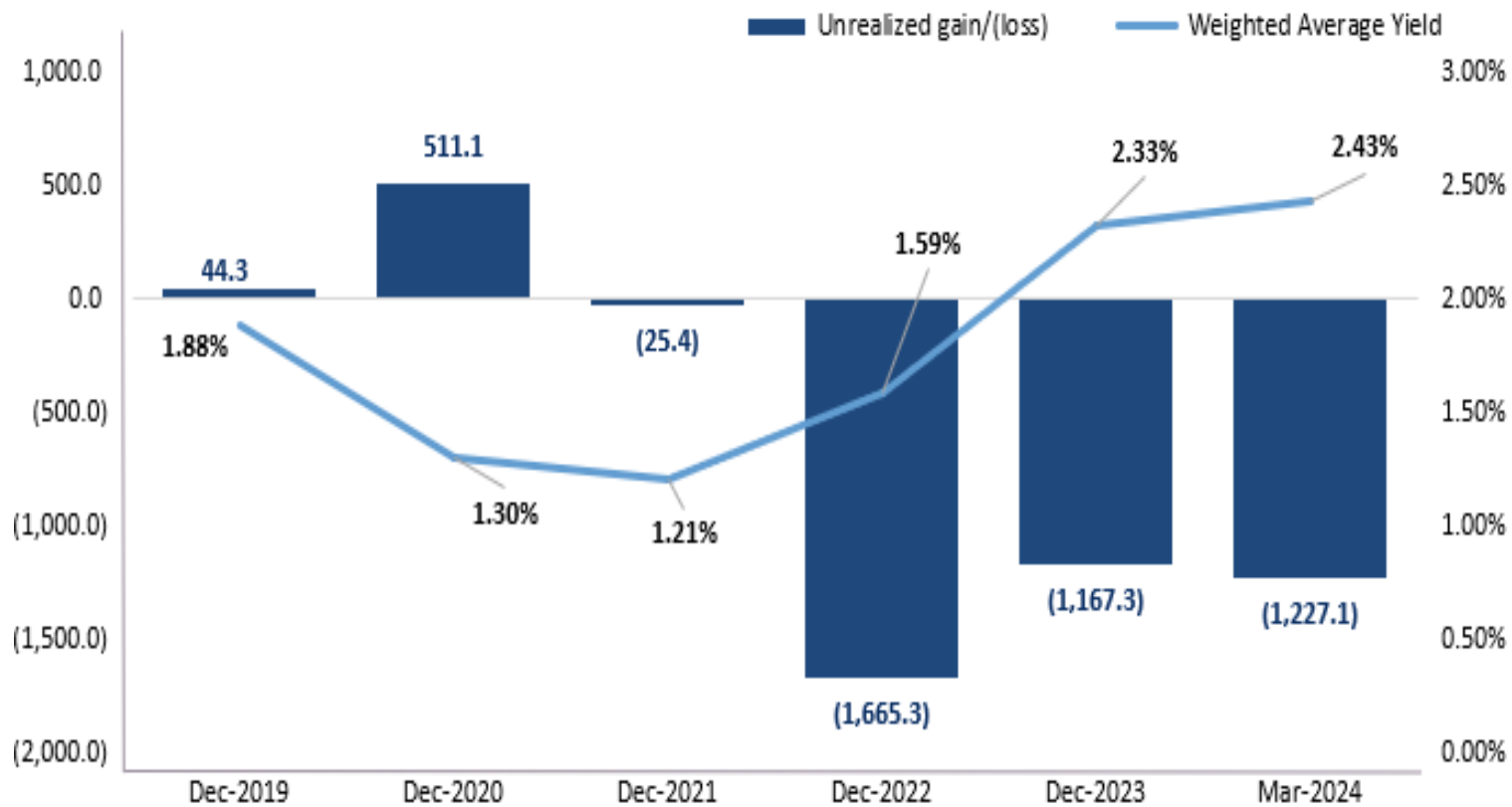
CY 2019 – Q1 CY2024



Portfolio Unrealized Gain/(Loss)

CY2019 – Q1 CY2024

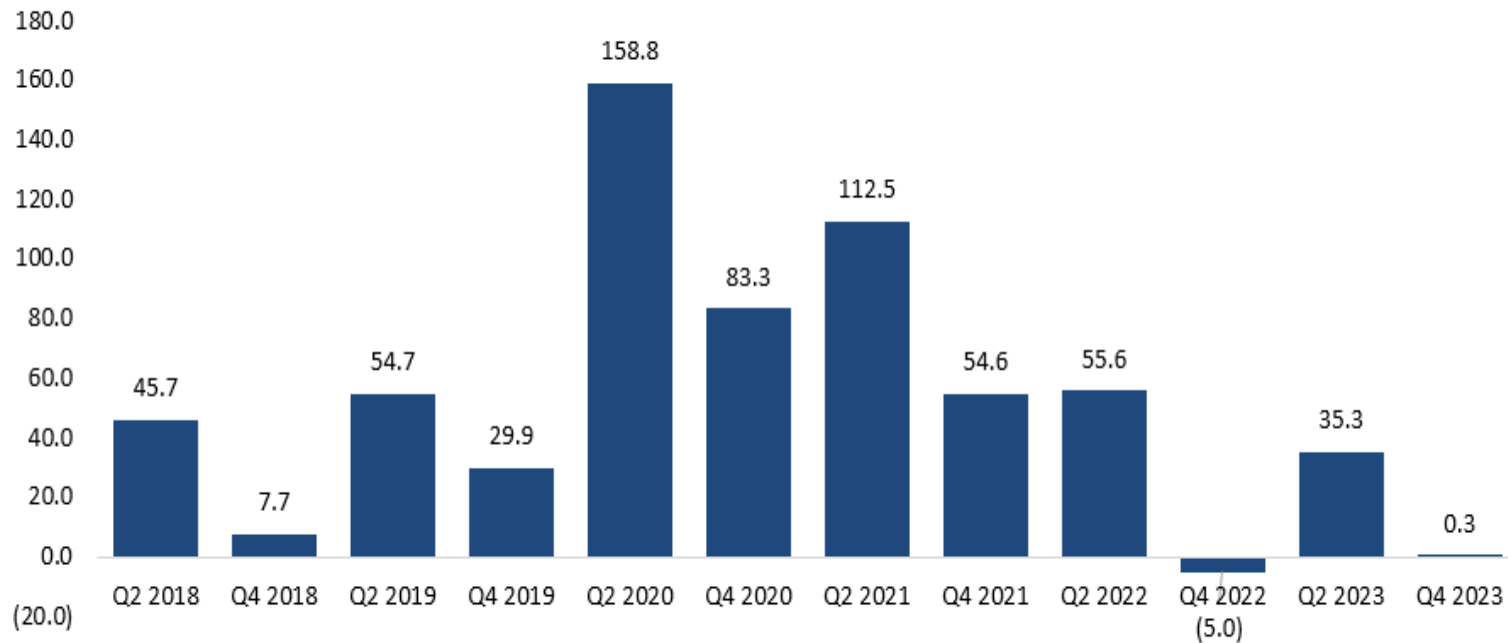
Unrealized Gain/ (Loss) on Investments (in millions)



Change in Insured Shares

CY2018 – CY2023

Change in Insured Shares (in billions)



	2018	2019	2020	2021	2022	Q2 2023	Q4 2023
Total	1,141B	1,226B	1,468B	1,635B	1,685B	1,721B	1,721B

Quarterly Portfolio Activity

March 31, 2024

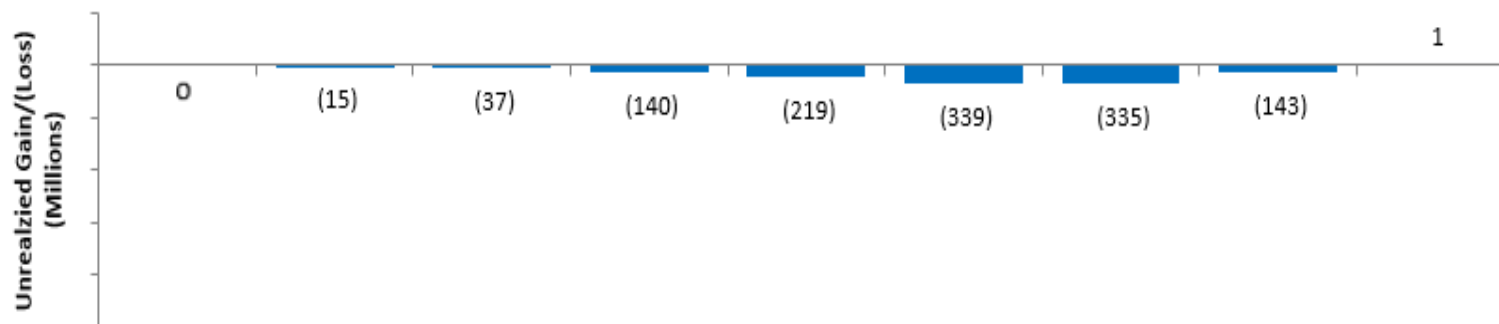
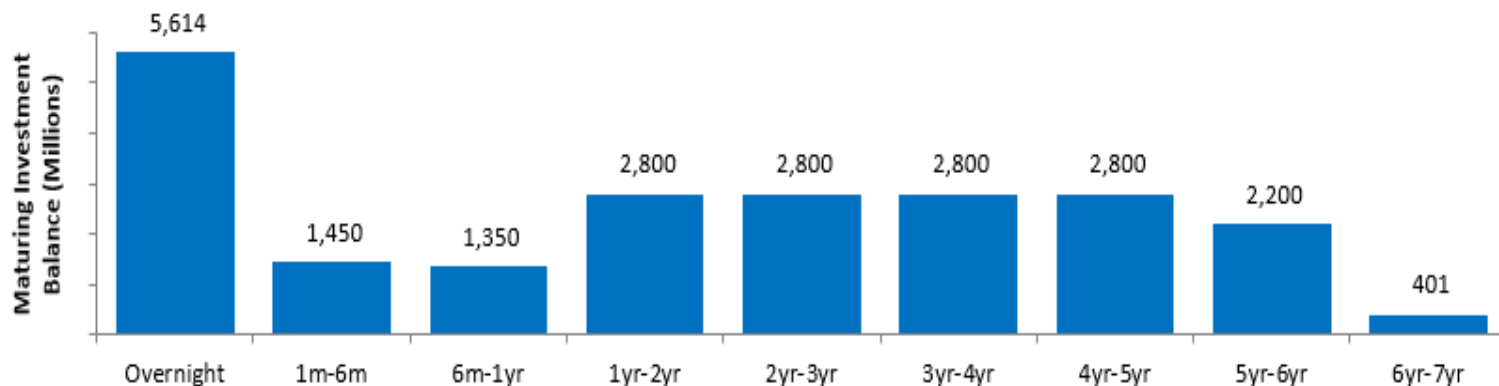
I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)					
	Book Value	Market Value	Unrealized Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$ 5,614,368,000	\$ 5,614,368,000	\$ -	100.00%	5.39%
U.S. Treasury Notes	16,830,539,028	15,603,488,542	(1,227,050,486)	92.71%	1.44%
Total	\$ 22,444,907,028	\$ 21,217,856,542	\$ (1,227,050,486)	94.53%	2.43%
II. INVESTMENT PORTFOLIO SUMMARY					
	Last Month	Current Month	CY To Date		
Investment Yield	2.43%	2.43%	2.39%		
Investment Income	\$ 42,603,491	\$ 46,621,159	\$ 133,613,164		
Weighted Avg. Maturity in Days / (Years)	835 (2.28)	812 (2.22)			
III. QUARTERLY ACTIVITY FOR T-NOTES					
Purchased	Amount	Maturity	Yield		
2/15/2024	4,000,000	5/15/2030	4.26%		
Maturity	Amount	Purchased	Yield		
2/15/2024	650,000,000	various	0.20% to 2.26%		

Quarterly Portfolio Activity (continue)

March 31, 2024

IV. MATURITY SCHEDULE (par value in millions)

TOTAL PAR VALUE	\$	22,215	TOTAL UNREALIZED GAIN/(LOSS)	\$	(1,227)
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Statutory Authority for Investments

- **Title II §1783(c) of the Federal Credit Union Act addresses investment authorizations for the NCUSIF**
 - Board may authorize the Secretary of the Treasury to invest and reinvest such portions of the fund as the Board may determine are not needed for current operations.
 - Must be in interest-bearing securities of the United States or in any securities guaranteed as to both principal and interest by the United States or in bonds or other obligations which are lawful investments for fiduciary, trust, and public funds of the United States, and the income shall constitute a part of the fund.
- **Only viable option is to invest through FedInvest that allows the NCUSIF to invest in:**
 - The required method for Federal Program Agencies to submit investment instructions is by using FedInvest. (Treasury Financial Manual, Part II, Section 4335.70)
 - Overnights with the rate indexed off the 4-week Treasury Bill.
 - Government Account Series securities that “mirror” US Treasury securities.
 - NCUA must adhere to U.S. Treasury policies.

Treasury Policies on Investments

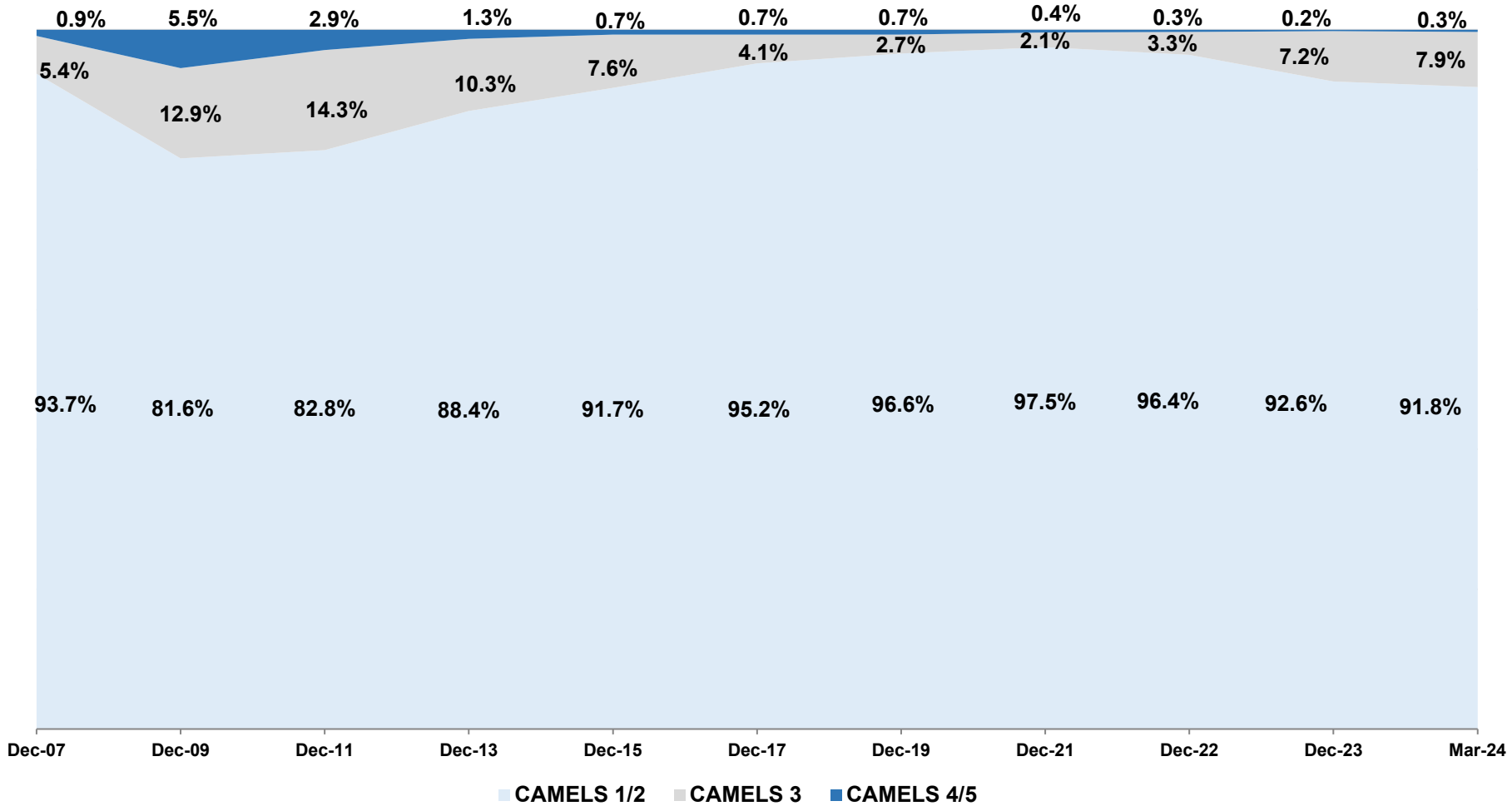
Department of Treasury policies govern investment of monies in Government Investment Accounts, and includes that:

- A Federal Program Agency for a Government Investment Account shall, to the best of its ability, develop its investment strategy to select investments with Maturity Dates that coincide approximately with the Federal Program Agency's disbursement estimates, so that the investments may be bought and held to the Maturity Dates.
- A Federal Program Agency for a Government Investment Account shall not engage in investment practices, including but not limited to security day-trading and large restructuring of investment portfolios, to take advantage of short-term Interest Rate fluctuations or to result in gains and losses.

Source: Treasury Financial Manual, Part II, Section 4335.95

Distribution of Assets in CAMELS Codes

CY2007 – Q1 CY2024 *



*Areas are not to scale.