NCUA
National Credit Union Administration

Melissa Lowden, Acting Chief Financial Officer
Office of the Chief Financial Officer

National Credit Union Share Insurance Fund
Financial Overview & Performance

Q2 2026

Executive Summary

Share Insurance Fund report highlights an Equity Ratio of 1.29% in Q2 2026

Financial Highlights

$31.3 million in Net Income, a $74.0 million decrease from Q1 2026.

$24.5 billion in Total Assets, a $35.9 million decrease from Q1 2026.

$337.0 million in Total Reserves, a $87.7 million increase from Q1 2026.

3.04% portfolio yield, a 16 basis point increase from Q1 2026.

Metrics and Ratios

Equity ratio = 1.29% as of Q2 2026, a 1 basis point decrease from Q4 2025, staying below the Normal Operating Level of 1.33%. The projected equity ratio for Q4 2026 is 1.31%.

$1,910 billion in Total Insured Shares as of Q2 2026, a 2.6% increase from Q4 2025.

There were ***3 credit union failures incurring losses of $6.4 million to the Fund*** during Q2 2026.

Risk Assessments

The number of ***CAMELS code 3*** credit unions decreased from 636 to 612 with assets totaling $128.0 billion, a $32.6 billion decrease from Q1 2026.

The number of ***CAMELS codes 4 and 5*** credit unions increased from 107 to 113 with assets totaling $8.9 billion, a $2.5 billion decrease from Q1 2026.

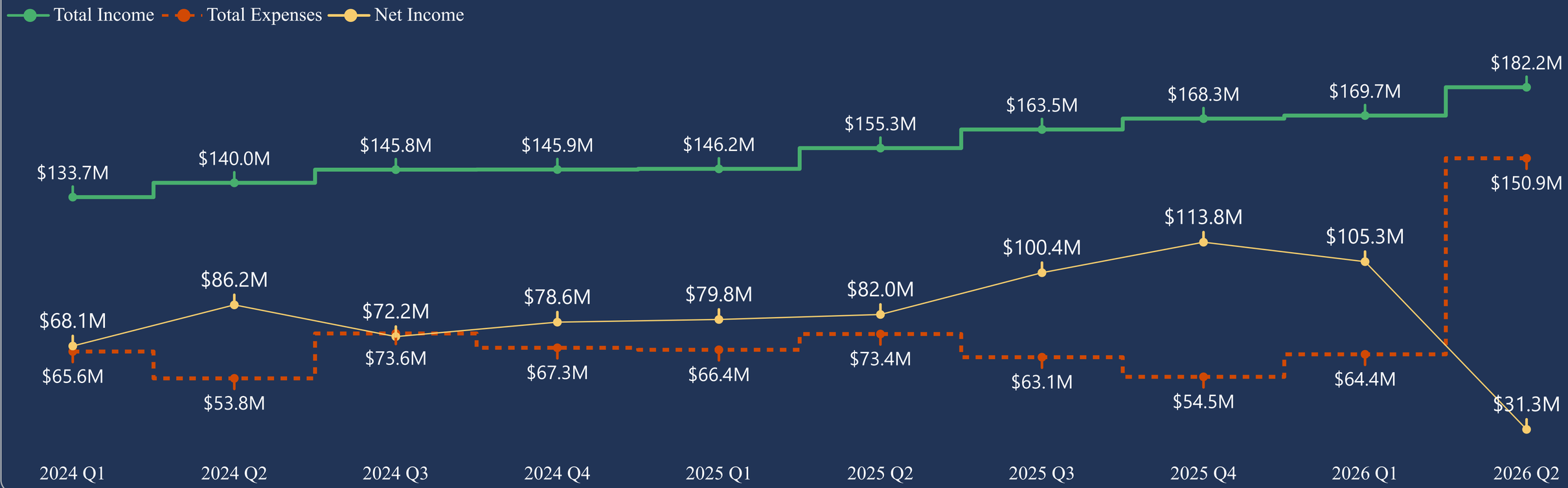
Differences may exist in report totals due to rounding.

Revenue and Expenses

NCUSIF quarterly net income totaled $31.3 million compared to $82.0 million for the same period last year. The year-over-year change of -$50.7 million (-61.8%) was primarily due to higher provision for insurance losses.

Net Income	Total Income	Total Expenses
$31.3M !	= $182.2M ✓	− $150.9M !
Last Year: $82.0M (-61.8%)	Last Year: $155.3M (+17.27%)	Last Year: $73.4M (+105.62%)

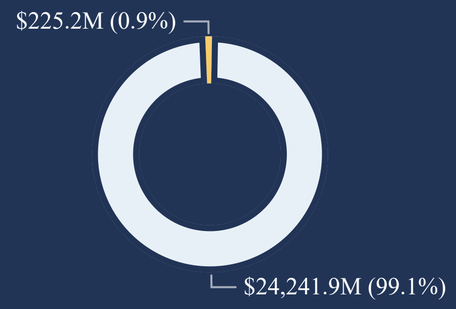
Quarter-over-Quarter Income and Expenses Trend:



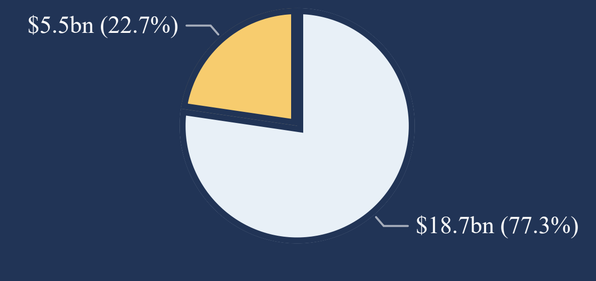
Balance Sheet

Total Assets	Total Liabilities	Net Position	Cash and Investments	Cumulative Results of Operations	Capitalization Deposits
$24.5bn✓	$338.6M!	$24.1bn✓	$24.2bn✓	$5.5bn✓	$18.7bn✓
Last Year: 23.2bn (+5.53%)	Last Year: $241.6M (+40.13%)	Last Year: $22.9bn (+5.16%)	Last Year: $23.0bn (+5.47%)	Last Year: $5.1bn (+6.88%)	Last Year: $17.8bn (+4.67%)

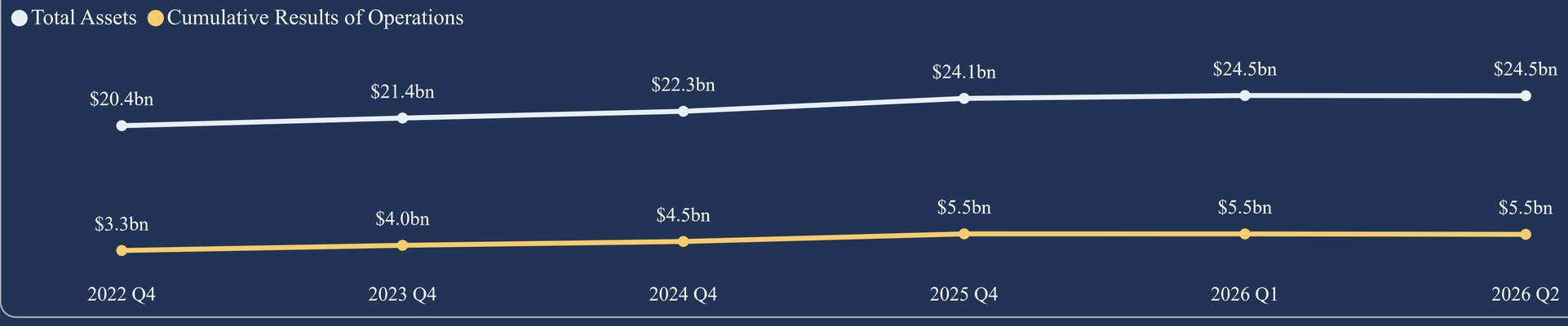
Assets Breakdown:



Distribution for Net Position:

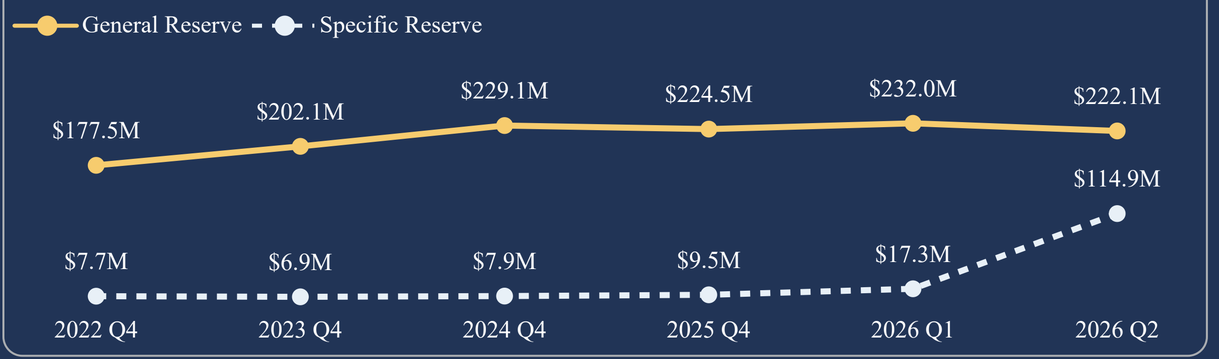


Trend in Assets and Cumulative Results of Operations:



Reserves and Losses Overview

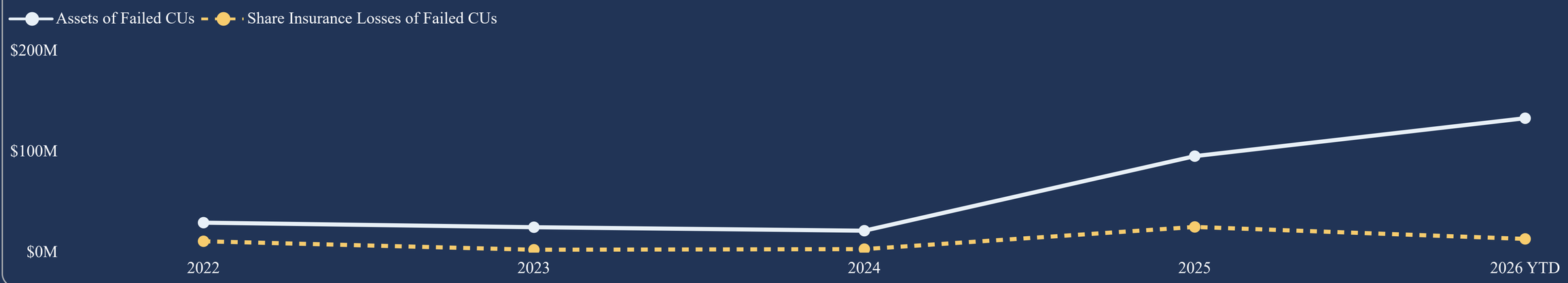
Reserves: Total reserves increased to $337.0 million in Q2 2026.



Number of CU Failures Incurring a Loss to NCUSIF:



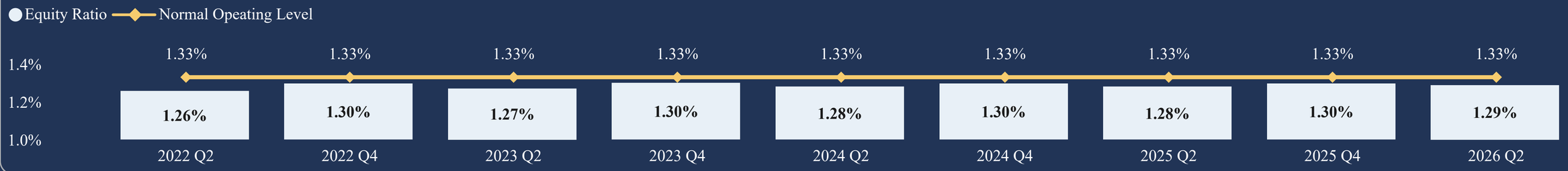
Assets and Share Insurance Losses of Failed CUs: Credit union failure resulted in varying insurance losses, with $6.4 million reported in Q2 2026.



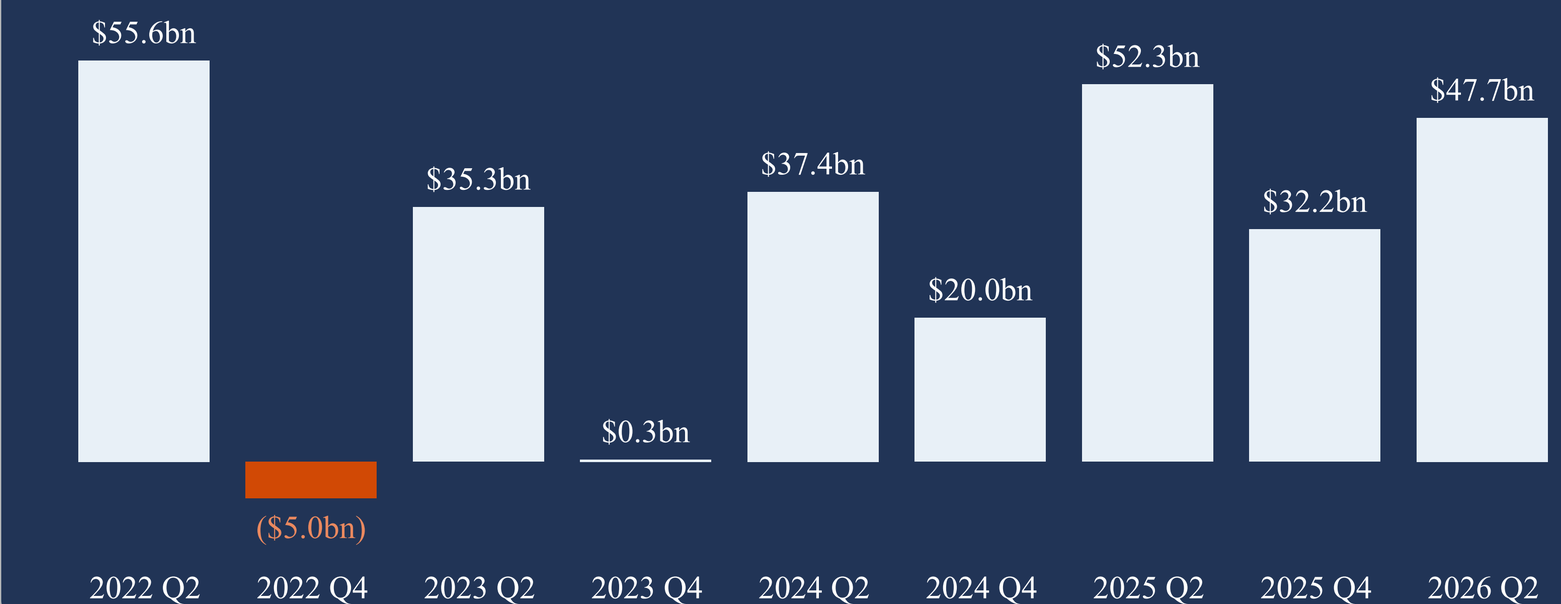
Equity Ratio and Normal Operating Level

As defined by the Federal Credit Union Act §1782(h)(2), 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 NCUA projects the equity ratio for June 30 and December 31. The projection calculates the equity ratio on the same basis as the actual equity ratio.

Equity Ratio vs. Normal Operating Level: The equity ratio ended at 1.29% in Q2 2026, remaining below the normal operating level 1.33%. The statutory floor is 1.20%.



Change in Insured Shares: Insured shares rose significantly during the pandemic in 2021, then dropped by $5 billion in Q4 2022, and later rebounded.



Total Insured Shares:

YearQuarter	Insured Shares	Insured Shares Change %
2022 Q2	$1,690bn	3.4%
2022 Q4	$1,685bn	-0.3%
2023 Q2	$1,721bn	2.1%
2023 Q4	$1,721bn	0.0%
2024 Q2	$1,758bn	2.2%
2024 Q4	$1,778bn	1.1%
2025 Q2	$1,831bn	2.9%
2025 Q4	$1,863bn	1.8%
2026 Q2	$1,910bn	2.6%

Portfolio Performance

Investment Type: 100% Treasury securities.
Laddering Strategy: Current maturity ladder extends up to 10 years to enhance yield opportunities and diversify maturity profiles.
Weighted Average Yields: Increased by **16 basis points** quarter over quarter.
Par Value: Total investment par value was $25.3bn, representing a $0.5bn increase quarter over quarter.

Total Invest Book Value
$24.7bn✓
Last Quarter: $24.2bn (+1.88%)

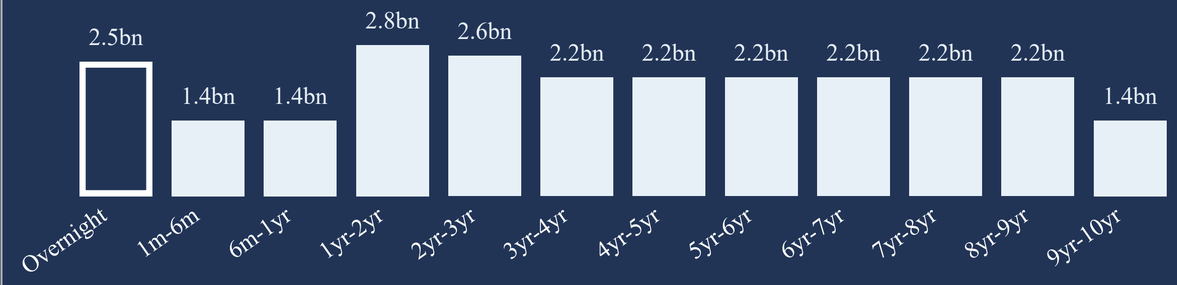
Total Invest Market Value
$24.2bn✓
Last Quarter: $23.8bn (+1.54%)

Unrealized Gain/ (Loss)
($0.5bn)!
Last Quarter: ($0.4bn) (+22.93%)

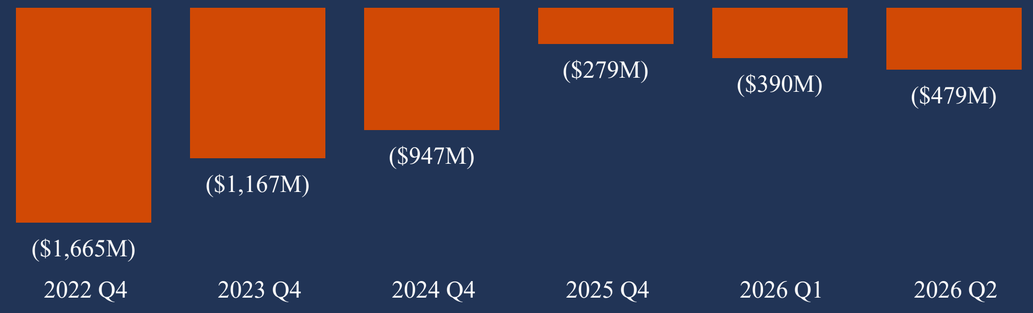
Weighted Average Maturity (years)
4.1✓
Last Quarter: 3.6 (+13.89%)

Weighted Average Yield
3.04%✓
Last Quarter: 2.88% (+5.56%)

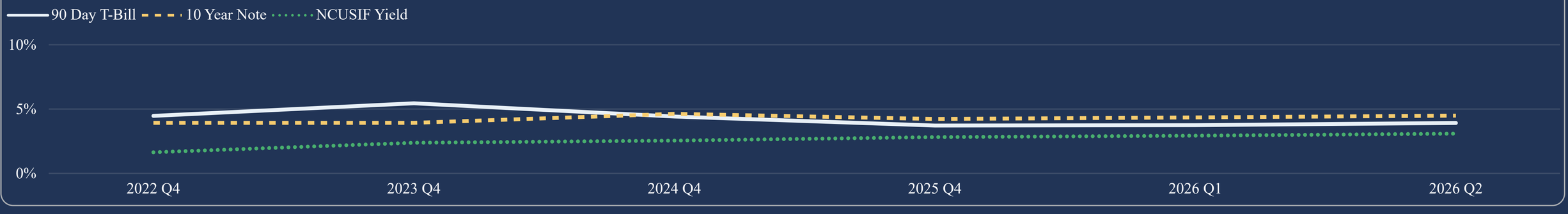
Maturing Investment Balances:



Unrealized Gain/(Loss):



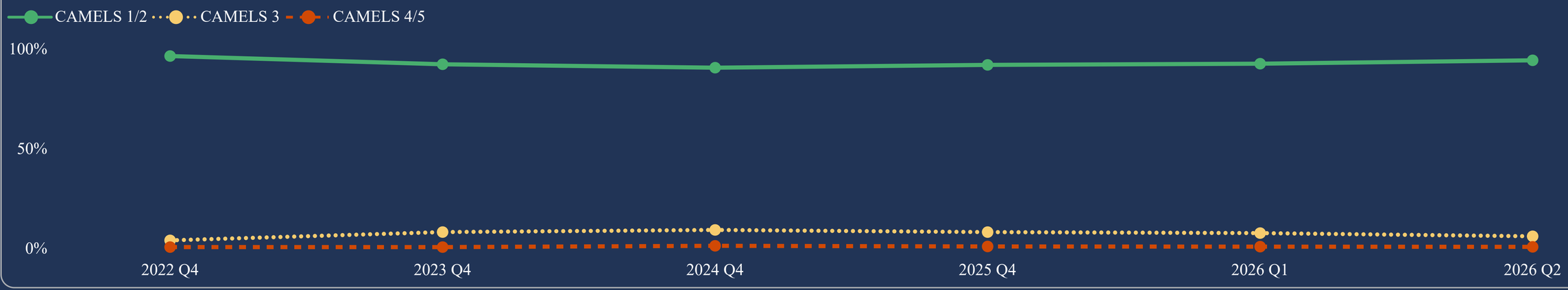
Yield Comparisons with Treasury Securities:



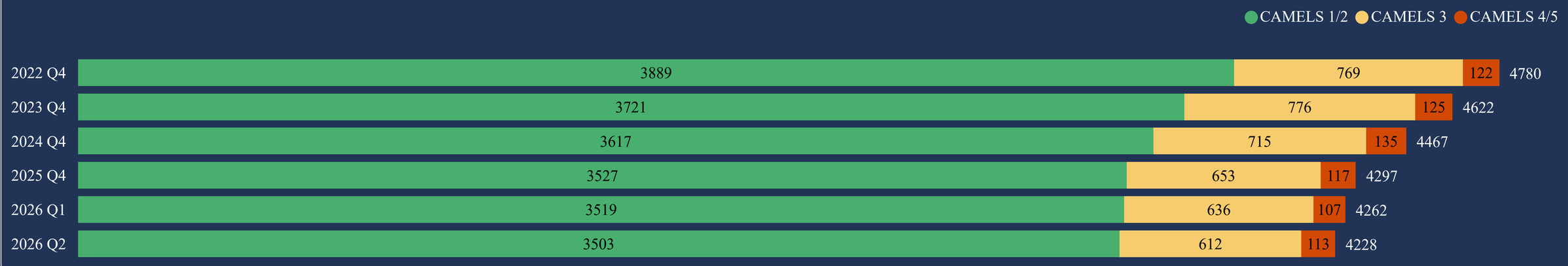
CAMELS Overview

The CAMELS system assigns ranging from "1" (strongest) to "5" (weakest) based on six critical elements of credit union operations: Capital Adequacy, Asset Quality, Management, Earnings, Liquidity Risk, and Sensitivity to Market Risk (CAMELS). The CAMELS rating system is utilized by the NCUA to measure risk and prioritize supervisory resources.

Percentage of Insured Shares by CAMELS Rating: Majority in CAMELS 1/2 with slight shifts in CAMELS 3 and 4/5.



Number of Credit Unions Trend by CAMELS Rating: Total credit unions have decreased over the years, with CAMELS 1/2 remaining dominant.



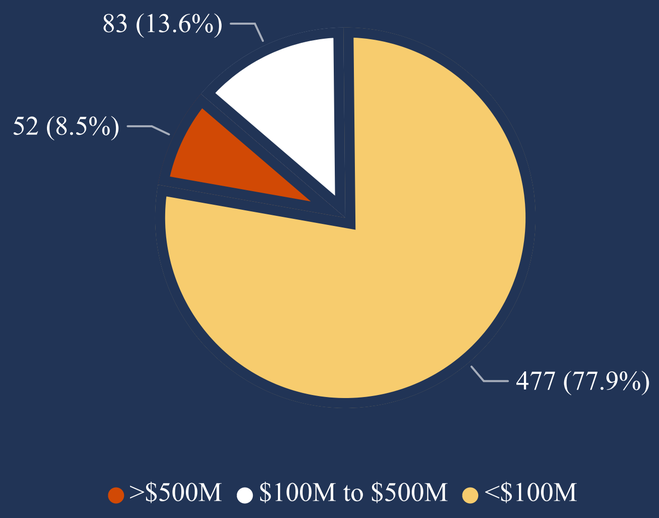
Due to the timing of call report submissions and validation process, data used to calculate the CAMELS information presented is based on the latest information available from the Financial Performance Report (FPR) system.

CAMELS Coded 3, 4 & 5

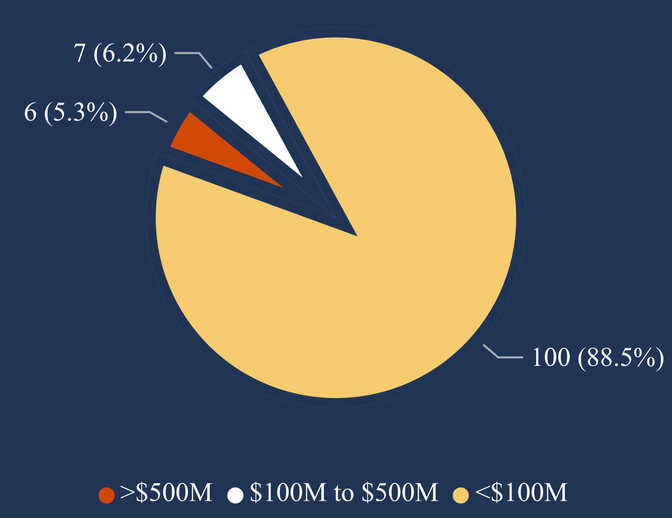
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CAMELS 3	CAMELS 3 Shares	CAMELS 3 Assets	CAMELS 4/5	CAMELS 4/5 Shares	CAMELS 4/5 Assets
612✓	$109.4bn✓	$128.0bn✓	113!	$8.1bn✓	$8.9bn✓
Last Quarter: 636 (-3.77%)	Last Quarter: $136.2bn (-19.65%)	Last Quarter: $160.6bn (-20.28%)	Last Quarter: 107 (+5.61%)	Last Quarter: $10.1bn (-19.92%)	Last Quarter: $11.4bn (-22.08%)

Credit Union Count by Total Assets Size:
CAMELS Code 3



Credit Union Count by Total Assets Size:
CAMELS Code 4/5



Due to the timing of call report submissions and validation process, data used to calculate the CAMELS information presented is based on the latest information available from the Financial Performance Report (FPR) system.

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Contact Us with Questions or Comments

We welcome your feedback and are here to assist you with any inquiries

Staff: **Melissa Lowden, Acting CFO**

mlowden@ncua.gov

Office Phone: 703-518-6570

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Supplemental Information and References

Equity Ratio and Normal Operating Level | NCUA

Share Insurance Fund Financial Highlights | NCUA

Share Insurance Fund Investment Policy | NCUA

Treasury Financial Manual, Part II, Section 4335 Investments

For additional resources, visit https://ncua.gov