# NCUA LETTER TO CREDIT UNIONS

**NATIONAL CREDIT UNION ADMINISTRATION**
**1775 Duke Street, Alexandria, VA 22314**

**DATE:** **September 2006** **LETTER NO.: 06-CU-15**

**TO:** **Federally Insured Credit Unions**

**SUBJ:** **Credit Union Financial Trends for the First Half of 2006**

**ENCL:** **Financial Trends in Federally Insured Credit Unions January 1 – June 30, 2006**

**Dear Board of Directors:**

Enclosed is a report highlighting credit union financial trends for the first half of 2006. We based our analysis on data compiled from the quarterly call reports submitted by all federally insured credit unions.

The financial condition of the credit union industry remains sound. Strong loan growth indicates that you are serving your members well. If loan growth continues to exceed share growth, liquidity pressures could emerge in individual institutions. I encourage you to verify the adequacy of your credit union's liquidity management and planning processes.

Thank you for your cooperation in submitting your financial and statistical data in a timely manner.

Sincerely,

/s/

JoAnn Johnson
Chairman

Enclosure