

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to \$100,000

NCUA

*National Credit Union Administration
a U.S. Government Agency*

FINANCIAL HIGHLIGHTS NOVEMBER 30, 2006

**DENNIS WINANS
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
November 30, 2006

Balance Sheet:

Share Deposits and Loans — remained at \$15.0 million for outstanding 208 assistance.

Other Receivables: Due from Credit Unions — Credit unions with assets of \$50 million or greater that increased in insured shares from January 1, 2006 thru June 30, 2006, were invoiced \$182.3 million in capitalization deposit adjustments on September 14, 2006. The \$1.8 million represents the outstanding balance that was due on October 25, 2006.

Interest Receivable — net decrease of \$8.4 million is due to a combination of \$16.8 million in accrued interest earned in November and payments of \$25.2 million received by the NCUSIF in November.

Prepaid & Deferred Charges — is \$.5 million for November. \$7.0 million was transferred to the operating fund to cover 57% of the agency's operating costs. October's actual operating costs were \$6.5 million.

Other Assets — represents the balance due to the NCUSIF from monies loaned to NCUA for purchase of the King Street building.

Provision for Credit Union Losses (Reserves) — of \$71.4 million includes additional reserves of \$.4 million added for November.

NCUSIF Equity — increased to 1.31% for November. The equity ratio is based upon an insured share base of \$532.4 billion for June 30, 2006.

Statement of Revenue and Expense:

Investment Income — is approximately \$.3 million less than the previous month due to one less day of interest earned in November.

NCUSIF Total Operating Expense — of \$6.7 million includes \$132.7 thousand in direct expenses paid by the NCUSIF for state examiner training, leasing expense for state examiner laptop computers, and other insurance related items.

Insurance Loss — is \$.4 million for November. This increase is for new reserves or reserve increases for specific problem credit unions.

TABLE 1 - NATIONAL CREDIT UNION SHARE INSURANCE FUND
BALANCE SHEET
NOVEMBER 30, 2006

ASSETS	NOVEMBER 2005	OCTOBER 2006	NOVEMBER 2006
Investments:			
U.S. Government Securities	\$6,610,352,234.32	\$6,901,540,370.46	\$6,933,065,894.26
Advances to Credit Unions:			
NCUSIF Subordinated Notes	0.00	0.00	0.00
Share Deposits & Loans	0.00	15,000,000.00	15,000,000.00
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Total Advances to Credit Unions	0.00	15,000,000.00	15,000,000.00
Other Receivables:			
Due from Credit Unions	2,105,140.29	5,139,992.61	1,769,255.76
Loans due to NCUSIF	0.00	0.00	0.00
Recoveries from Liq. CU	13,274,537.92	12,135,671.49	11,617,441.74
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Total Other Receivables	15,379,678.21	17,275,664.10	13,386,697.50
Cash	5,443.05	418,848.77	5,531.15
Interest Receivable	37,430,359.67	57,987,065.78	49,560,388.47
Prepaid & Deferred Charges	379,608.62	1,080,406.50	476,650.76
Leased Assets	137,508.25	818,324.05	790,069.05
Other	23,902,451.05	22,684,690.10	22,638,407.62
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TOTAL ASSETS	\$6,687,587,283.17	\$7,016,805,369.76	\$7,034,923,638.81
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LIABILITIES			
Accounts Payable:			
Liquidation Claims	\$8,281,078.20	\$4,338,060.73	\$4,327,253.26
Other	123,754.09	60,991.34	142,314.95
Check Clearing Accounts	282.41	13,179.78	4,526.35
Dividend Check Clearing	0.00	0.00	0.00
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Total Current Liabilities	8,405,114.70	4,412,231.85	4,474,094.56
Provision for CU Losses (Reserves)	72,275,821.97	71,192,229.16	71,379,102.11
Lease Liabilities	105,710.38	805,950.14	806,272.32
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TOTAL LIABILITIES	\$80,786,647.05	\$76,410,411.15	\$76,659,468.99 1/
EQUITY			
CU Contributed Capital	\$5,127,885,797.61	\$5,305,492,295.17	\$5,305,456,331.08
Retained Earnings	1,478,914,838.51	1,634,902,663.44	1,652,807,838.74
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TOTAL EQUITY	\$6,606,800,636.12	\$6,940,394,958.61	\$6,958,264,169.82
TOTAL LIABILITIES & EQUITY	\$6,687,587,283.17	\$7,016,805,369.76	\$7,034,923,638.81
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COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS
for Period Ending November 30, 2006

	NOV 05	OCT 06	NOV 06
1/ Does not include unreserved contingent liabilities of \$1.4 million in an indemnification expiring in Dec 06.			
1. Investments/Total Assets	98.85%	98.36%	98.55%
2. Total Equity/Insured Shares	1.29%	1.30%	1.31%
3. Prov. for Losses/CU Capital	1.41%	1.34%	1.35%
4. Non-Earning/Total Assets	0.80%	1.11%	0.91%
5. Available Asset Ratio	1.26%	1.28%	1.28%

TABLE 2 - STATEMENT OF REVENUE AND EXPENSE
FOR THE PERIOD ENDING NOVEMBER 30, 2006

INCOME	CURRENT MONTH	CURRENT MONTH BUDGET	CY TO DATE 2006	CY TO DATE BUDGETED 2006	CY TO DATE 2005
Investment Income	\$24,767,250.05	\$20,000,000.00	\$238,969,155.94	\$228,000,000.00	\$156,411,654.25
Other Income	145,743.17	70,000.00	1,176,877.41	\$770,000.00	583,096.21
Total Income	24,912,993.22	20,070,000.00	240,146,033.35	228,770,000.00	156,994,750.46
EXPENSE					
Employee Pay	4,115,111.19	4,266,359.99	\$45,042,193.37	46,347,320.85	43,596,859.27
Employee Benefits	935,474.42	1,154,731.99	\$12,077,154.38	12,551,170.48	11,113,000.37
Employee Travel	721,188.89	653,807.07	\$6,568,626.69	7,592,215.02	5,912,161.07
Rent/Communications/Utilities	199,391.72	189,990.66	\$1,932,971.49	2,089,897.33	2,029,553.48
Administrative Costs	367,025.81	557,187.27	\$4,936,305.54	6,129,059.91	6,153,476.60
Contracted Services	185,157.21	421,880.22	\$3,198,743.53	4,640,682.50	2,924,350.65
Subtotal NCUA Operating Exp.	6,523,349.24	7,243,957.20	73,755,995.00	79,350,346.09	71,729,401.44
AMAC Expense	0.00	1,000.00	2,714.87	11,000.00	0.00
Training Expense	101,244.72	100,000.00	864,327.66	1,100,000.00	1,120,464.73
Leasing Expense	28,577.18	32,000.00	389,799.22	352,000.00	382,441.64
Other Insurance Expense	2,871.28	5,000.00	52,215.39	55,000.00	43,376.84
Total Operating Exp.	6,656,042.42	7,381,957.20	75,065,052.14	80,868,346.09	73,275,684.65
Insurance Loss	351,775.50	2,000,000.00	2,686,170.37	22,000,000.00	20,968,484.85
Total Expense	7,007,817.92	9,381,957.20	77,751,222.51	102,868,346.09	94,244,169.50
NET INCOME	\$17,905,175.30	\$10,688,042.80	\$162,394,810.84	\$125,901,653.91	\$62,750,580.96
Retained Earnings, Beginning of Year			\$1,490,413,027.90		\$1,416,164,257.55
Prior Year Adjustment			0.00		0.00
As Restated			1,490,413,027.90		1,416,164,257.55
Net Income			162,394,810.84		62,750,580.96
Dividends			1,652,807,838.74		1,478,914,838.51
Retained Earnings, Year To Date			\$1,652,807,838.74		\$1,478,914,838.51

Comparative Analysis of NCUSIF Ratios for November 30, 2006

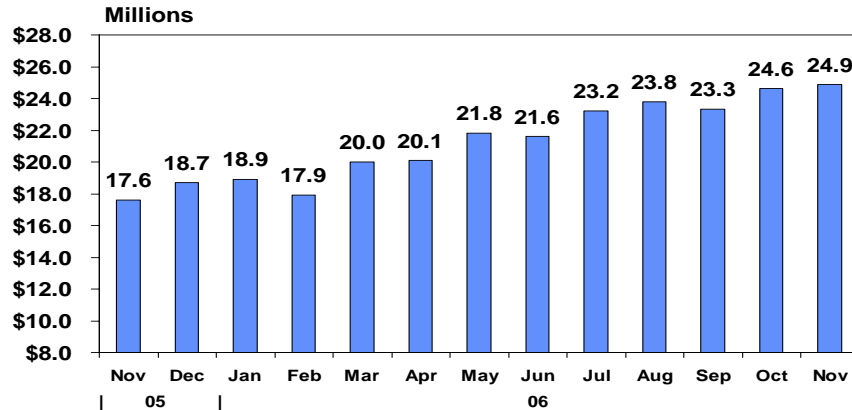
INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	PRIOR CYTD	CURRENT CYTD
1. Oper. Exp./Total Income	24.25%	26.72%	46.67%	31.26%
2. Ins. Loss/Total Income	0.00%	1.41%	13.36%	1.12%
3. Total Exp./Total Income	24.25%	28.13%	60.03%	32.38%
4. Net Income/Total Income	75.75%	71.87%	39.97%	67.62%
5. Ins. Loss/Insured Shares	0.00%	0.00%	0.00%	0.00%

TABLE 3 - STATEMENT OF CASH FLOWS
November 30, 2006

CASH FLOWS FROM OPERATING ACTIVITIES:	
Income from investments	\$244,513,996.23
Other income received	1,176,877.41
Advances to credit unions (FCU Act §208)	(15,000,000.00)
Cash paid for operating expenses	(77,499,552.33)
Net cash (paid) received for insurance losses	<u>(2,242,036.97)</u>
Net cash provided by operating activities	150,949,284.34
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investments, net	(329,478,550.34)
Collections on note receivable - National Credit Union Administration Operating Fund	<u>1,137,142.07</u>
Net cash provided by (used in) investing activities	(328,341,408.27)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Contributions from insured credit unions Cont Cap acct	177,392,147.06
Dividends to insured credit unions	<u>0.00</u>
Net cash provided by financing activities	177,392,147.06
NET INCREASE (DECREASE) IN CASH	23.13
CASH, BEGINNING OF YEAR	5,508.02
CASH, ENDING NOVEMBER 30, 2006	<u><u>\$5,531.15</u></u>

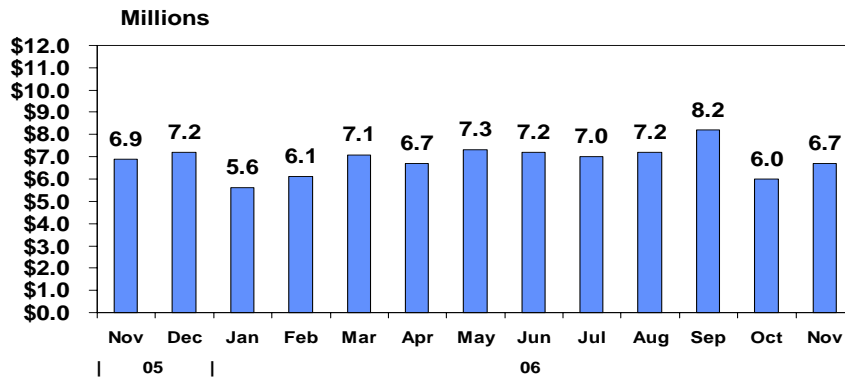
GROSS INCOME

Nov 05 – Nov 06



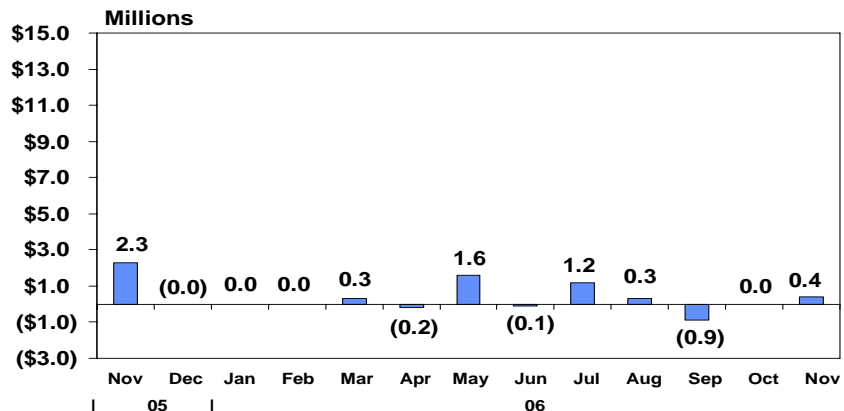
OPERATING EXPENSE

Nov 05 – Nov 06



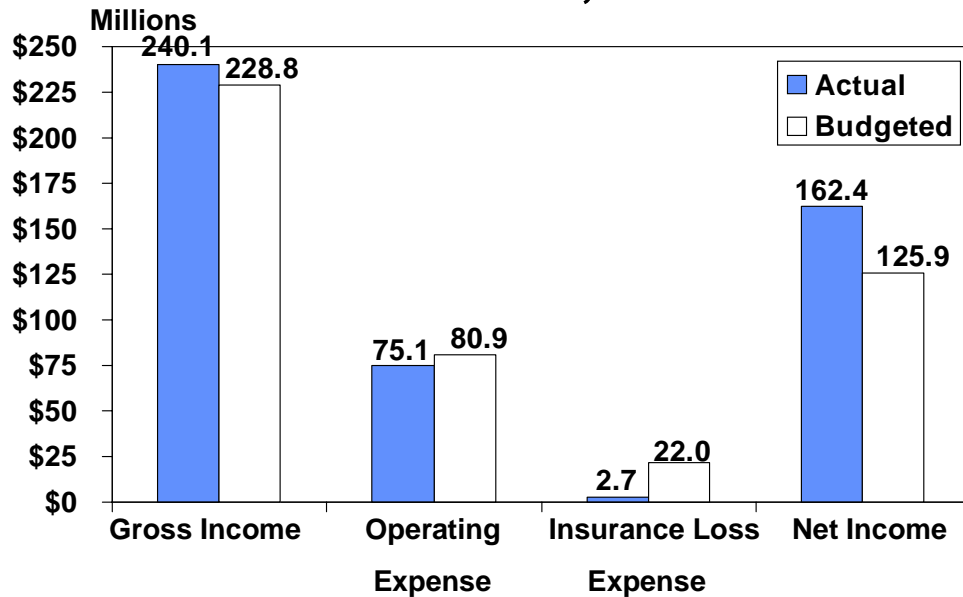
INSURANCE LOSS EXPENSE

Nov 05 – Nov 06



REVENUE AND EXPENSE

November 30, 2006



NCUSIF EQUITY RATIO

November 30, 2006

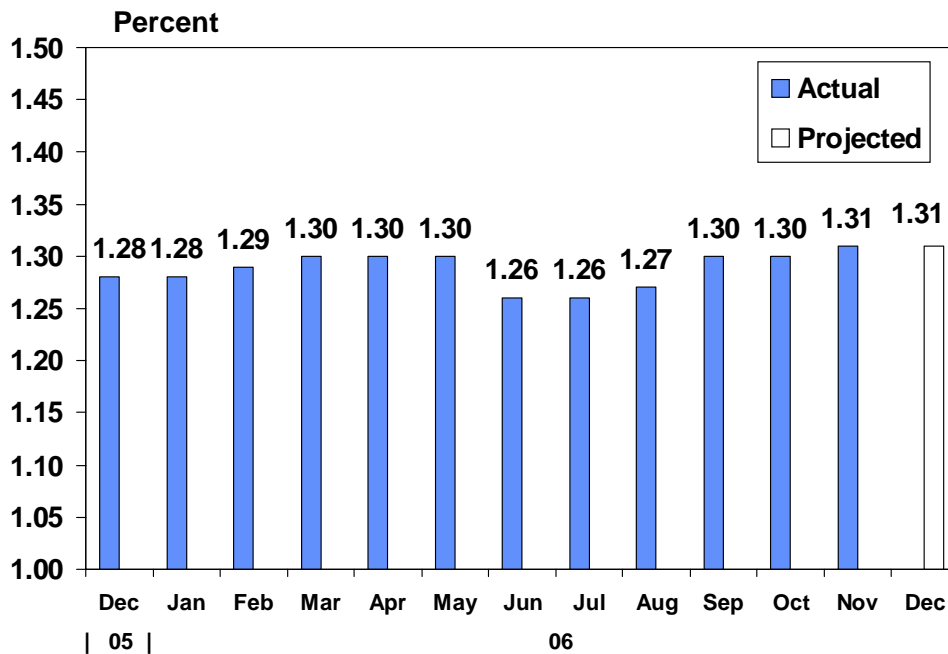
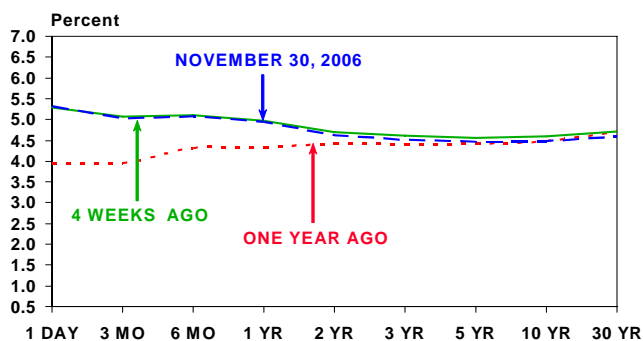


TABLE 4

INVESTMENT PORTFOLIO SUMMARY

November 30, 2006

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$1,677,047,000	\$1,677,047,000	\$0	100.0%	5.26%
U.S. Treasury Notes	\$5,256,018,895	\$5,248,718,750	(\$7,300,145)	99.9%	4.13%
TOTAL	\$6,933,065,895	\$6,925,765,750	(\$7,300,145)	99.9%	4.39%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY06 Projections	
Investment Yield	4.19%	4.29%	3.84%	4.00%	
Investment Income	\$24,484,062	\$24,767,250	\$238,969,156	248 Million	
Income Budgeted	\$20,000,000	\$20,000,000	\$228,000,000	248 Million	
Income/Budgeted Ratio	122.4%	123.8%	104.8%	100.00%	
Weighted Avg. Maturity in Days	578	553			
III. MONTHLY ACTIVITY					
Purchase	Type	Amount	Maturity	Yield	
TOTAL		\$0			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	2,277.0				
3 months - 1 year	1,100.0				
1 year - 2 years	1,600.0				
2 years - 3 years	800.0				
3 years - 4 years	400.0				
4 years - 5 years	800.0				
TOTAL	\$6,977.0				

TREASURY YIELD CURVE**MATURITY SCHEDULE**

November 30, 2006

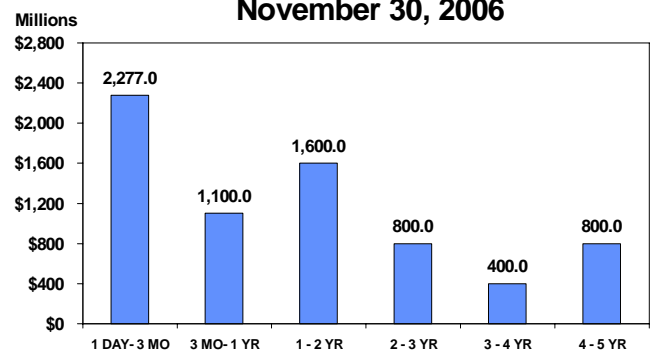


TABLE 5

MONTHLY YIELD COMPARISONS

November 30, 2006

YIELD COMPARISONS								
	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06
NCUSIF Yield	3.60%	3.77%	3.86%	4.00%	4.07%	4.13%	4.19%	4.29%
90 day T-Bill	4.76%	4.84%	5.02%	5.10%	5.03%	4.89%	5.07%	5.02%
1 year T-Bill	4.89%	5.06%	5.23%	5.10%	4.99%	4.90%	4.97%	4.93%
2 year T-Note	4.87%	5.05%	5.17%	4.97%	4.78%	4.70%	4.69%	4.62%
30 year T-Note	5.15%	5.24%	5.21%	5.08%	4.88%	4.78%	4.72%	4.57%

YIELD COMPARISONS
November 30, 2006

