

# FDIC

# Quarterly

## Quarterly Banking Profile: First Quarter 2020

### Highlights:

- *Deteriorating Economic Activity Affects Profitability, but Banks Continue to Support Individuals and Businesses*
- *Loan and Lease Balances and Deposits Register Strong Growth*
- *Community Bank Net Income Drops 20.9 Percent Primarily Because of Higher Provisions in Response to Economic Conditions*
- *Community Bank Loan Growth Holds Steady at 5.8 Percent Year Over Year*
- *Insured Deposits Grow by 4.5 Percent in the First Quarter*
- *DIF Reserve Ratio Declines 2 Basis Points to 1.39 Percent*

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### Quarterly Banking Profile: First Quarter 2020

FDIC-insured institutions reported aggregate net income of \$18.5 billion in first quarter 2020, a decline of \$42.2 billion (69.6 percent) from a year ago. The decline in net income is a reflection of deteriorating economic activity, which resulted in an increase in provision expenses and goodwill impairment charges. Slightly more than half (55.9 percent) of all institutions reported annual declines in net income. The share of unprofitable institutions increased from a year ago to 7.3 percent. The average return on assets ratio declined from 1.35 percent in first quarter 2019 to 0.38 percent in first quarter 2020. *See page 1.*

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### Community Bank Performance

Community banks—which represent 91 percent of insured institutions—reported quarterly net income of \$4.8 billion in first quarter 2020, representing a decline of \$1.3 billion, or 20.9 percent. Provision expenses grew to \$1.8 billion—three times the amount reported in first quarter 2019—hampering community bank profitability despite an increase in net operating revenue. Loan growth held steady at 5.8 percent year over year in spite of weakening economic conditions. The decline in average yield on earning assets surpassed the decline in average funding costs, causing the average community bank net interest margin to decline by 12 basis points to 3.55 percent. *See page 15.*

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### Insurance Fund Indicators

The Deposit Insurance Fund (DIF) balance totaled \$113.2 billion in the first quarter, an increase of \$2.9 billion from the previous quarter. The quarterly increase was led by unrealized gains on available-for-sale securities, assessment income, and interest earned on investments. Due to growth in estimated insured deposits, the DIF reserve ratio declined 2 basis points to 1.39 percent at March 31, 2020, from 1.41 percent at December 31, 2019, but was up from 1.36 percent at March 31, 2019. *See page 23.*

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## INSURED INSTITUTION PERFORMANCE

Deteriorating Economic Activity Negatively Affects Banking Industry Profitability

Quarterly Net Income Falls 69.6 Percent From First Quarter 2019

Loan and Lease Balances and Deposits Register Strong Growth

Asset Quality Metrics Remain Relatively Stable

The Number of Banks on the “Problem Bank List” Remains Low

### Quarterly Net Income Falls by 69.6 Percent From First Quarter 2019

Aggregate net income for the 5,116 FDIC-insured commercial banks and savings institutions totaled \$18.5 billion during first quarter 2020, a decline of \$42.2 billion (69.6 percent) from a year ago.<sup>1</sup> The decline in net income is a reflection of deteriorating economic activity, which resulted in an increase in provision expenses and goodwill impairment charges. The decline was broad-based, as slightly more than half (55.9 percent) of all banks reported annual declines in net income.<sup>2</sup> The share of unprofitable banks increased from a year ago to 7.3 percent. The average return on assets ratio declined from 1.35 percent in first quarter 2019 to 0.38 percent in the current quarter.

### Net Interest Income Declines 1.4 Percent From 12 Months Ago

On an annual basis, net interest income declined for the second consecutive quarter, falling by \$2 billion (1.4 percent) from a year ago. Less than half (44.6 percent) of all banks reported annual declines in net interest income. The average net interest margin (NIM) for the banking industry was down 29 basis points from a year ago to 3.13 percent, as the decline in average earning asset yields outpaced the decline in average funding costs. The year-over-year compression of the NIM was broad-based, as it declined for all five asset size groups featured in the *Quarterly Banking Profile*.

<sup>1</sup> Three insured institutions had not filed a March 31 Call Report at the time this report was prepared.

<sup>2</sup> Industry participation counts consist of institutions existing in both reporting periods.

Chart 1

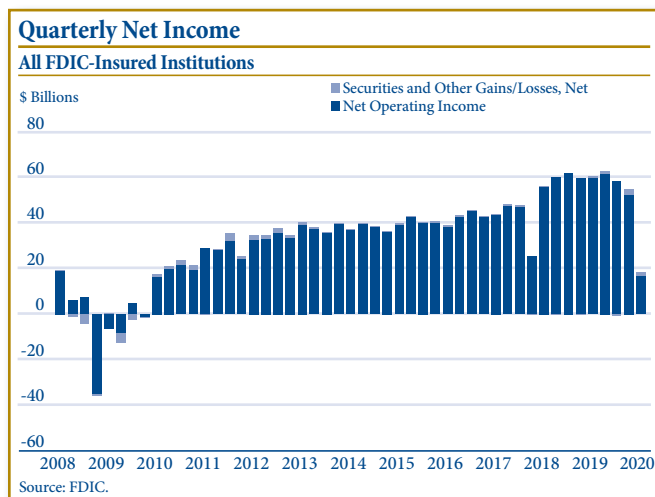
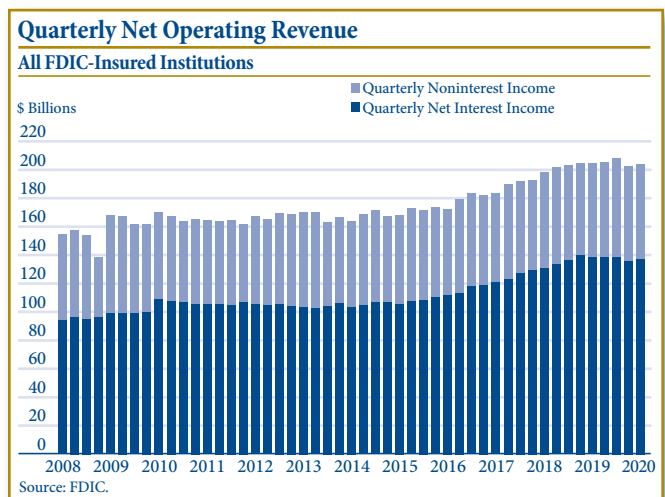


Chart 2



**Noninterest Income  
Increases 2.3 Percent  
From a Year Ago**

Noninterest income of \$66.9 billion increased by \$1.5 billion (2.3 percent) from 12 months ago. The annual increase was broad-based, as almost two-thirds (64.7 percent) of all banks reported higher noninterest income. The year-over-year increase in noninterest income was led by the all other noninterest income category, which includes merchant credit card fees, annual credit card fees, and credit card interchange fees.<sup>3</sup> This category of income rose by \$6.6 billion (22.7 percent), but was partially offset by declines in trading revenue on equity contracts (down \$3.9 billion, or 136 percent) and servicing fee income (down \$3.3 billion, or 215.3 percent).

**Noninterest Expense  
Increases Almost 12 Percent  
From First Quarter 2019**

Noninterest expense increased by \$13.6 billion (11.8 percent) from a year ago. Goodwill impairment charges, driven by a few institutions, rose by \$8.4 billion. Approximately three out of every four banks (72.2 percent) reported annual increases in noninterest expense. All other noninterest expense rose by \$3.4 billion (7.3 percent), and salary and employee benefits grew by \$1.4 billion (2.5 percent). The average assets per employee increased from \$8.8 million in first quarter 2019 to \$9.8 million in first quarter 2020.

**Provisions for Credit Losses  
Increase From a Year Ago**

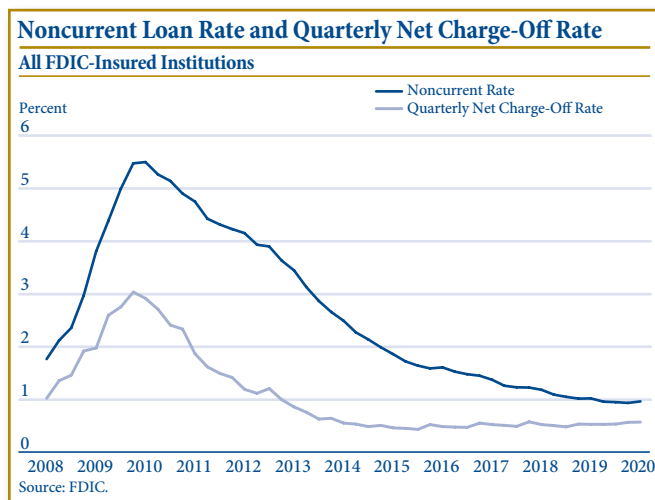
Due to deteriorating economic conditions and the implementation of the current expected credit losses (CECL) accounting methodology, which requires banks to allocate for expected losses over the life of the loan, provisions for credit losses increased by \$38.8 billion (279.9 percent) from a year ago to \$52.7 billion. Two hundred forty-three banks adopted the CECL accounting standards in the first quarter. These institutions reported an aggregate \$47.6 billion in provisions for credit losses. Almost half (49.9 percent) of all banks reported year-over-year increases in provisions for credit losses.

**Net Charge-Offs Rise  
Almost 15 Percent  
From a Year Ago**

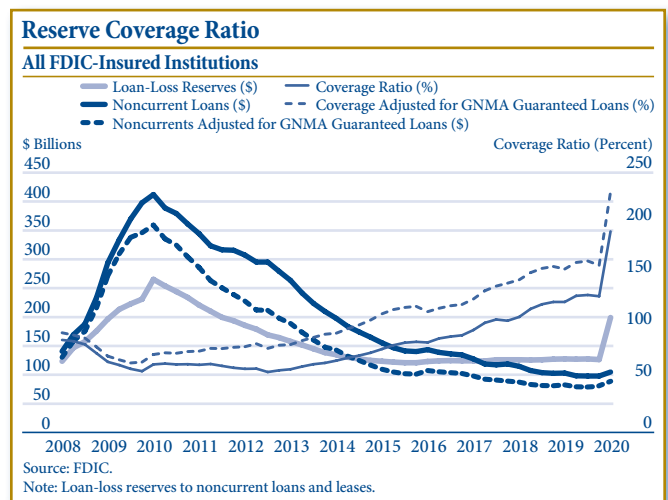
Net charge-offs totaled \$14.6 billion in the first quarter, an increase of \$1.9 billion (14.9 percent) from a year ago. Slightly more than two-thirds (68 percent) of the increase in total net charge-offs was in the commercial and industrial (C&I) loan portfolio. C&I loan portfolio net charge-offs increased by \$1.3 billion (86.9 percent). Credit card portfolio net charge-offs increased by \$387.3 million (4.4 percent). The average net charge-off rate rose by 5 basis points from a year ago to 0.55 percent. The C&I net charge-off rate rose by 20 basis points from a year ago to 0.47 percent but remains below a recent high of 0.50 percent.

<sup>3</sup> Other noninterest income includes service charges, commissions, and fees for services such as the rental of safe deposit boxes, notarization of forms and documents, and the use of automated teller machines. The category also includes interchange fees earned from bank card and credit card transactions and credits resulting from litigation or other claims.

**Chart 3**



**Chart 4**



**Noncurrent Loan Rate Remains Stable at 0.93 Percent**

Noncurrent loan balances (90 days or more past due or in nonaccrual status) increased by \$7 billion (7.3 percent) from the previous quarter, the highest quarterly dollar increase since first quarter 2010. Slightly less than half (46 percent) of all banks reported quarterly increases in noncurrent loan balances. Noncurrent loan balances in all major loan categories increased from the previous quarter. C&I noncurrent loan balances increased by \$3.6 billion (20.7 percent) and nonfarm nonresidential noncurrent loan balances increased by \$2 billion (25.3 percent). The average noncurrent loan rate rose just 2 basis points from the previous quarter to 0.93 percent, because of an increase in total loans and leases that also occurred in the quarter. The C&I noncurrent rate increased by 4 basis points from the previous quarter to 0.83 percent.

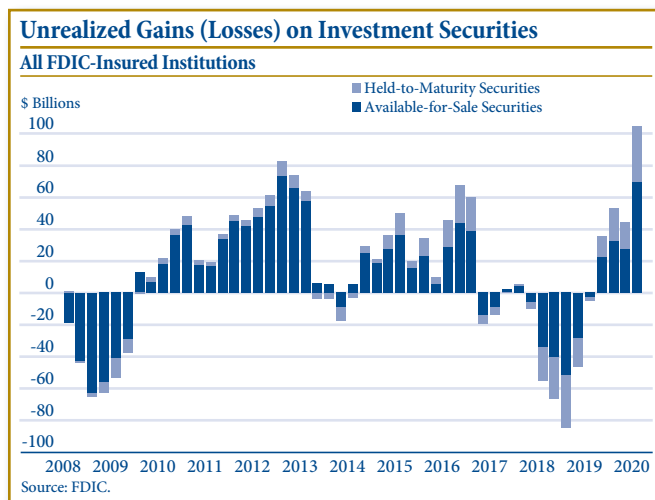
**Total Assets Rise 8.6 Percent From Fourth Quarter 2019**

Total assets rose by \$1.6 trillion (8.6 percent) from the previous quarter, driven by increases in cash and balances due from depository institutions (up \$740.4 billion, or 44.4 percent) and loan and lease balances (up \$442.9 billion, or 4.2 percent). Banks increased their securities holdings by \$226.9 billion (5.7 percent) during the first quarter, with most of the growth led by mortgage-backed securities (up \$152.6 billion, or 6.4 percent). With recent short-term rate reductions in the first quarter, unrealized gains on available-for-sale securities rose by \$41.8 billion (151.7 percent) and unrealized gains on held-to-maturity securities grew by \$18.4 billion (110.2 percent).

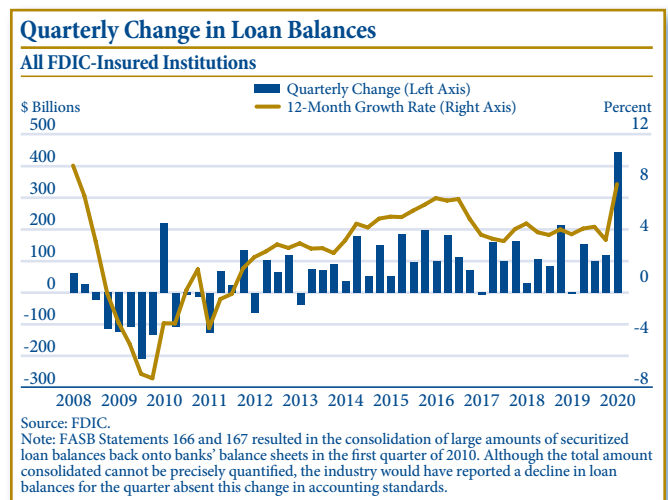
**Loan Balances Register Strong Growth From the Previous Quarter and a Year Ago**

Total loan and lease balances expanded by \$442.9 billion (4.2 percent) from the previous quarter. Slightly more than half (58.7 percent) of all banks increased their loan and lease balances from fourth quarter 2019. Almost all of the major loan categories reported quarterly increases. The C&I loan portfolio increased by \$339.4 billion (15.4 percent), with most of the growth concentrated at the largest banks. Unfunded C&I loan commitments declined by \$269 billion (12.7 percent), the largest quarterly dollar decrease in the ten years for which data are available. Loans to nondepository institutions grew by \$87.0 billion (17.8 percent), while credit card balances declined by \$68.6 billion (7.3 percent). Over the past 12 months, total loan and lease balances rose by \$813.7 billion (8 percent), the highest annual growth rate since first quarter 2008.

**Chart 5**



**Chart 6**



**Deposits Increase  
\$1.2 Trillion From the  
Previous Quarter**

Total deposit balances grew by \$1.2 trillion (8.5 percent) from fourth quarter 2019. Interest-bearing accounts increased by \$639.6 billion (6.4 percent) and noninterest-bearing accounts expanded by \$446.3 billion (14.1 percent). Domestic deposits in accounts larger than \$250,000 increased by \$761.4 billion (10.8 percent) from fourth quarter 2019. Deposits held in foreign offices rose by \$155.9 billion (11.8 percent). Nondeposit liabilities, which include fed funds purchased, repurchase agreements, Federal Home Loan Bank (FHLB) advances, and secured and unsecured borrowings, increased by \$147.1 billion (11.3 percent) from the previous quarter. The rise in nondeposit liabilities was primarily attributable to FHLB advances, which increased by \$130.2 billion (27 percent). On an annual basis, total deposits increased by \$1.9 trillion (13.3 percent), the largest year-over-year growth rate ever reported by the *Quarterly Banking Profile*.

**Equity Capital Increases  
From the Previous Quarter**

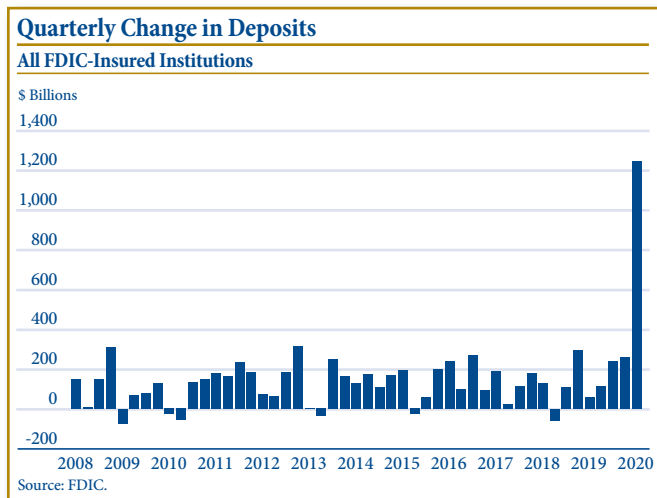
Equity capital increased by \$4.2 billion (0.2 percent) from the previous quarter. Declared dividends of \$32.7 billion exceeded the quarterly net income of \$18.5 billion, resulting in a \$14.2 billion reduction of retained earnings. Twelve insured institutions with \$2 billion in total assets were below the requirements for the well-capitalized category as defined for Prompt Corrective Action purposes.

**Two New Banks Open in  
First Quarter 2020**

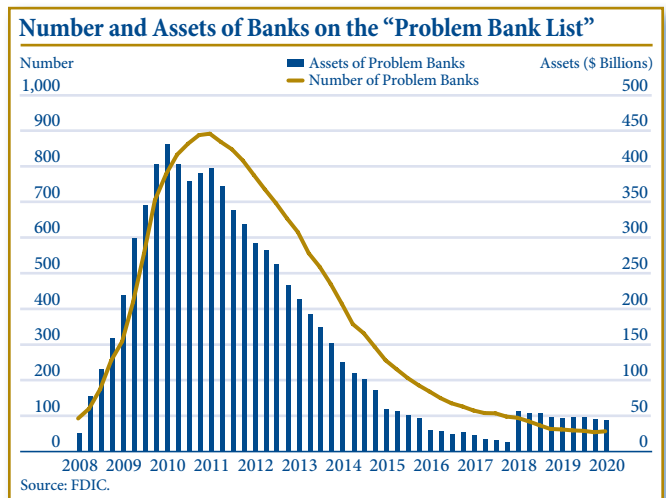
The number of FDIC-insured commercial banks and savings institutions declined from 5,177 to 5,116 during first quarter 2020. Two new banks were added, 57 institutions were absorbed by mergers, and one bank failed. The number of institutions on the FDIC’s “Problem Bank List” increased from 51 in fourth quarter 2019 to 54. Total assets of problem banks declined from \$46.2 billion to \$44.5 billion.

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**Chart 7**



**Chart 8**





**TABLE I-A. Selected Indicators, All FDIC-Insured Institutions\***

|  | 2020** | 2019** | 2019  | 2018  | 2017  | 2016  | 2015  |
|--|--------|--------|-------|-------|-------|-------|-------|
| Return on assets (%)   | 0.38   | 1.35   | 1.29  | 1.35  | 0.97  | 1.04  | 1.04  |
| Return on equity (%)   | 3.50   | 11.93  | 11.39 | 11.98 | 8.60  | 9.27  | 9.29  |
| Core capital (leverage) ratio (%)                            | 9.40   | 9.76   | 9.66  | 9.70  | 9.63  | 9.48  | 9.59  |
| Noncurrent assets plus other real estate owned to assets (%) | 0.54   | 0.60   | 0.55  | 0.60  | 0.73  | 0.86  | 0.97  |
| Net charge-offs to loans (%)                                 | 0.55   | 0.50   | 0.52  | 0.48  | 0.50  | 0.47  | 0.44  |
| Asset growth rate (%)  | 11.96  | 3.19   | 3.91  | 3.03  | 3.79  | 5.09  | 2.66  |
| Net interest margin (%)                                      | 3.13   | 3.42   | 3.36  | 3.40  | 3.25  | 3.13  | 3.08  |
| Net operating income growth (%)                              | -71.64 | 7.79   | -3.12 | 45.45 | -3.27 | 4.43  | 7.11  |
| Number of institutions reporting                             | 5,116  | 5,362  | 5,177 | 5,406 | 5,670 | 5,913 | 6,182 |
| Commercial banks   | 4,464  | 4,681  | 4,518 | 4,715 | 4,918 | 5,112 | 5,338 |
| Savings institutions   | 652    | 681    | 659   | 691   | 752   | 801   | 844   |
| Percentage of unprofitable institutions (%)                  | 7.31   | 3.99   | 3.71  | 3.44  | 5.61  | 4.48  | 4.82  |
| Number of problem institutions                               | 54     | 59     | 51    | 60    | 95    | 123   | 183   |
| Assets of problem institutions (in billions)                 | \$45   | \$47   | \$46  | \$48  | \$14  | \$28  | \$47  |
| Number of failed institutions                                | 1      | 0      | 4     | 0     | 8     | 5     | 8     |

\* Excludes insured branches of foreign banks (IBAs).

\*\* Through March 31, ratios annualized where appropriate. Asset growth rates are for 12 months ending March 31.

**TABLE II-A. Aggregate Condition and Income Data, All FDIC-Insured Institutions**

| (dollar figures in millions)                       | 1st Quarter 2020 | 4th Quarter 2019 | 1st Quarter 2019 | %Change 19Q1-20Q1 |                  |                   |
|--|------------------|------------------|------------------|-------------------|------------------|-------------------|
| Number of institutions reporting                   | 5,116            | 5,177            | 5,362            | -4.6              |                  |                   |
| Total employees (full-time equivalent)             | 2,069,356        | 2,063,280        | 2,065,597        | 0.2               |                  |                   |
| <b>CONDITION DATA</b>                              |                  |                  |                  |                   |                  |                   |
| Total assets                                       | \$20,253,556     | \$18,645,337     | \$18,089,970     | 12.0              |                  |                   |
| Loans secured by real estate                       | 5,084,317        | 5,048,736        | 4,902,390        | 3.7               |                  |                   |
| 1-4 Family residential mortgages                   | 2,206,898        | 2,201,681        | 2,122,049        | 4.0               |                  |                   |
| Nonfarm nonresidential                             | 1,535,004        | 1,516,404        | 1,457,414        | 5.3               |                  |                   |
| Construction and development                       | 369,873          | 361,617          | 354,032          | 4.5               |                  |                   |
| Home equity lines                                  | 338,272          | 342,067          | 365,382          | -7.4              |                  |                   |
| Commercial & industrial loans                      | 2,542,605        | 2,203,164        | 2,203,501        | 15.4              |                  |                   |
| Loans to individuals                               | 1,771,337        | 1,837,436        | 1,705,657        | 3.9               |                  |                   |
| Credit cards                                       | 872,985          | 941,557          | 859,946          | 1.5               |                  |                   |
| Farm loans   | 75,224           | 78,733           | 78,544           | -4.2              |                  |                   |
| Other loans & leases                               | 1,489,917        | 1,352,438        | 1,259,639        | 18.3              |                  |                   |
| Less: Unearned income                              | 2,300            | 2,337            | 2,347            | -2.0              |                  |                   |
| Total loans & leases                               | 10,961,102       | 10,518,169       | 10,147,385       | 8.0               |                  |                   |
| Less: Reserve for losses*                          | 196,810          | 123,929          | 125,180          | 57.2              |                  |                   |
| Net loans and leases                               | 10,764,292       | 10,394,240       | 10,022,205       | 7.4               |                  |                   |
| Securities**                                       | 4,208,523        | 3,981,634        | 3,724,355        | 13.0              |                  |                   |
| Other real estate owned                            | 5,588            | 5,710            | 6,555            | -14.7             |                  |                   |
| Goodwill and other intangibles                     | 391,785          | 408,834          | 399,310          | -1.9              |                  |                   |
| All other assets                                   | 4,883,367        | 3,854,920        | 3,937,546        | 24.0              |                  |                   |
| Total liabilities and capital                      | 20,253,556       | 18,645,337       | 18,089,970       | 12.0              |                  |                   |
| Deposits   | 15,777,037       | 14,535,278       | 13,925,698       | 13.3              |                  |                   |
| Domestic office deposits                           | 14,305,862       | 13,219,964       | 12,684,910       | 12.8              |                  |                   |
| Foreign office deposits                            | 1,471,174        | 1,315,315        | 1,240,788        | 18.6              |                  |                   |
| Other borrowed funds                               | 1,560,253        | 1,373,969        | 1,504,693        | 3.7               |                  |                   |
| Subordinated debt                                  | 69,459           | 69,952           | 68,853           | 0.9               |                  |                   |
| All other liabilities                              | 729,216          | 552,438          | 531,229          | 37.3              |                  |                   |
| Total equity capital (includes minority interests) | 2,117,589        | 2,113,701        | 2,059,497        | 2.8               |                  |                   |
| Bank equity capital                                | 2,115,025        | 2,110,820        | 2,056,015        | 2.9               |                  |                   |
| Loans and leases 30-89 days past due               | 72,342           | 67,544           | 64,212           | 12.7              |                  |                   |
| Noncurrent loans and leases                        | 102,382          | 95,416           | 100,554          | 1.8               |                  |                   |
| Restructured loans and leases                      | 46,835           | 48,283           | 55,261           | -15.2             |                  |                   |
| Mortgage-backed securities                         | 2,546,464        | 2,393,831        | 2,217,641        | 14.8              |                  |                   |
| Earning assets                                     | 18,236,093       | 16,871,055       | 16,350,347       | 11.5              |                  |                   |
| FHLB Advances                                      | 612,677          | 482,459          | 521,066          | 17.6              |                  |                   |
| Unused loan commitments                            | 8,033,032        | 8,226,225        | 7,989,400        | 0.5               |                  |                   |
| Trust assets                                       | 20,005,021       | 21,562,523       | 20,137,510       | -0.7              |                  |                   |
| Assets securitized and sold                        | 550,223          | 568,015          | 571,777          | -3.8              |                  |                   |
| Notional amount of derivatives                     | 199,743,266      | 173,052,321      | 203,961,775      | -2.1              |                  |                   |
| <b>INCOME DATA</b>                                 |                  |                  |                  |                   |                  |                   |
|  | Full Year 2019   | Full Year 2018   | %Change          | 1st Quarter 2020  | 1st Quarter 2019 | %Change 19Q1-20Q1 |
| Total interest income                              | \$705,403        | \$661,060        | 6.7              | \$169,538         | \$179,351        | -5.5              |
| Total interest expense                             | 158,732          | 119,799          | 32.5             | 32,240            | 40,090           | -19.6             |
| Net interest income                                | 546,671          | 541,261          | 1.0              | 137,298           | 139,261          | -1.4              |
| Provision for credit losses***                     | 55,092           | 50,034           | 10.1             | 52,726            | 13,879           | 279.9             |
| Total noninterest income                           | 264,380          | 266,084          | -0.6             | 66,934            | 65,407           | 2.3               |
| Total noninterest expense                          | 466,128          | 459,315          | 1.5              | 128,918           | 115,293          | 11.8              |
| Securities gains (losses)                          | 3,975            | 328              | 1,112.1          | 1,757             | 870              | 102.1             |
| Applicable income taxes                            | 60,929           | 61,003           | -0.1             | 5,808             | 15,582           | -62.7             |
| Extraordinary gains, net****                       | 165              | -267             | N/M              | -26               | -8               | N/M               |
| Total net income (includes minority interests)     | 233,043          | 237,054          | -1.7             | 18,511            | 60,775           | -69.5             |
| Bank net income                                    | 232,807          | 236,766          | -1.7             | 18,467            | 60,711           | -69.6             |
| Net charge-offs                                    | 52,155           | 47,504           | 9.8              | 14,636            | 12,735           | 14.9              |
| Cash dividends                                     | 182,399          | 164,800          | 10.7             | 32,652            | 38,644           | -15.5             |
| Retained earnings                                  | 50,408           | 71,966           | -30.0            | -14,185           | 22,067           | N/M               |
| Net operating income                               | 229,669          | 237,076          | -3.1             | 17,038            | 60,082           | -71.6             |

\* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

\*\* For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

\*\*\* For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

\*\*\*\* See Notes to Users for explanation.

N/M - Not Meaningful

**TABLE III-A. First Quarter 2020, All FDIC-Insured Institutions**

| FIRST QUARTER<br>(The way it is...)                      | All Insured<br>Institutions | Asset Concentration Groups* |                        |                       |                       |                     |                     |                                      |                           |                           |           |
|--|-----------------------------|-----------------------------|------------------------|-----------------------|-----------------------|---------------------|---------------------|--------------------------------------|---------------------------|---------------------------|-----------|
|  |                             | Credit<br>Card<br>Banks     | International<br>Banks | Agricultural<br>Banks | Commercial<br>Lenders | Mortgage<br>Lenders | Consumer<br>Lenders | Other<br>Specialized<br><\$1 Billion | All Other<br><\$1 Billion | All Other<br>>\$1 Billion |           |
| Number of institutions reporting                         | 5,116                       | 11                          | 6                      | 1,260                 | 2,707                 | 384                 | 50                  | 214                                  | 428                       | 56                        |           |
| Commercial banks   | 4,464                       | 10                          | 6                      | 1,247                 | 2,439                 | 112                 | 37                  | 196                                  | 372                       | 45                        |           |
| Savings institutions                                     | 652                         | 1                           | 0                      | 13                    | 268                   | 272                 | 13                  | 18                                   | 56                        | 11                        |           |
| Total assets (in billions)                               | \$20,253.6                  | \$503.8                     | \$5,249.6              | \$278.8               | \$7,549.0             | \$388.1             | \$154.6             | \$37.0                               | \$78.8                    | \$6,013.9                 |           |
| Commercial banks   | 19,018.9                    | 418.0                       | 5,249.6                | 273.3                 | 7,142.3               | 116.8               | 135.0               | 34.5                                 | 66.3                      | 5,583.3                   |           |
| Savings institutions                                     | 1,234.6                     | 85.8                        | 0.0                    | 5.6                   | 406.8                 | 271.2               | 19.6                | 2.5                                  | 12.5                      | 430.6                     |           |
| Total deposits (in billions)                             | 15,777.0                    | 349.9                       | 3,864.0                | 231.3                 | 5,867.4               | 303.3               | 128.6               | 29.0                                 | 66.4                      | 4,937.1                   |           |
| Commercial banks   | 14,789.8                    | 282.8                       | 3,864.0                | 228.2                 | 5,566.9               | 91.6                | 114.4               | 27.6                                 | 56.4                      | 4,557.9                   |           |
| Savings institutions                                     | 987.3                       | 67.1                        | 0.0                    | 3.1                   | 300.5                 | 211.8               | 14.3                | 1.4                                  | 10.0                      | 379.2                     |           |
| Bank net income (in millions)                            | 18,467                      | 137                         | 5,417                  | 888                   | 4,092                 | 122                 | 663                 | 240                                  | 181                       | 6,726                     |           |
| Commercial banks   | 16,647                      | -196                        | 5,417                  | 854                   | 3,565                 | 265                 | 675                 | 112                                  | 181                       | 5,775                     |           |
| Savings institutions                                     | 1,819                       | 333                         | 0                      | 35                    | 528                   | -143                | -13                 | 129                                  | -1                        | 951                       |           |
| <b>Performance Ratios (annualized, %)</b>                |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |           |
| Yield on earning assets                                  | 3.87                        | 12.65                       | 3.20                   | 4.56                  | 4.08                  | 3.48                | 4.51                | 3.30                                 | 4.24                      | 3.30                      |           |
| Cost of funding earning assets                           | 0.74                        | 1.99                        | 0.65                   | 0.87                  | 0.79                  | 0.87                | 1.21                | 0.50                                 | 0.67                      | 0.59                      |           |
| Net interest margin                                      | 3.13                        | 10.66                       | 2.54                   | 3.69                  | 3.29                  | 2.61                | 3.30                | 2.80                                 | 3.57                      | 2.71                      |           |
| Noninterest income to assets                             | 1.38                        | 4.47                        | 1.76                   | 0.66                  | 1.05                  | 1.41                | 0.98                | 5.17                                 | 0.90                      | 1.23                      |           |
| Noninterest expense to assets                            | 2.65                        | 6.89                        | 2.38                   | 2.55                  | 2.86                  | 3.26                | 1.01                | 4.32                                 | 3.03                      | 2.24                      |           |
| Credit loss provision to assets**                        | 1.09                        | 7.76                        | 1.10                   | 0.16                  | 0.83                  | 0.23                | 0.79                | 0.10                                 | 0.12                      | 0.93                      |           |
| Net operating income to assets                           | 0.35                        | 0.11                        | 0.41                   | 1.23                  | 0.20                  | 0.23                | 1.77                | 2.72                                 | 0.95                      | 0.42                      |           |
| Pretax return on assets                                  | 0.50                        | 0.03                        | 0.55                   | 1.44                  | 0.35                  | 0.28                | 2.42                | 3.20                                 | 1.04                      | 0.58                      |           |
| Return on assets   | 0.38                        | 0.11                        | 0.44                   | 1.28                  | 0.22                  | 0.13                | 1.79                | 2.64                                 | 0.93                      | 0.47                      |           |
| Return on equity   | 3.50                        | 0.89                        | 4.71                   | 10.80                 | 1.87                  | 1.30                | 17.39               | 14.65                                | 7.27                      | 4.39                      |           |
| Net charge-offs to loans and leases                      | 0.55                        | 4.32                        | 0.75                   | 0.10                  | 0.26                  | 0.04                | 0.54                | 0.27                                 | 0.09                      | 0.46                      |           |
| Loan and lease loss provision to net charge-offs         | 357.99                      | 217.72                      | 405.20                 | 238.34                | 457.03                | 977.79              | 205.58              | 140.46                               | 246.02                    | 409.11                    |           |
| Efficiency ratio   | 58.50                       | 46.49                       | 59.31                  | 61.73                 | 60.71                 | 68.91               | 24.12               | 55.67                                | 71.45                     | 58.83                     |           |
| % of unprofitable institutions                           | 7.31                        | 27.27                       | 0.00                   | 3.10                  | 7.65                  | 16.67               | 10.00               | 10.75                                | 6.07                      | 12.50                     |           |
| % of institutions with earnings gains                    | 43.88                       | 9.09                        | 50.00                  | 48.65                 | 43.18                 | 35.42               | 50.00               | 40.19                                | 46.03                     | 26.79                     |           |
| <b>Condition Ratios (%)</b>                              |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |           |
| Earning assets to total assets                           | 90.04                       | 95.51                       | 87.06                  | 93.47                 | 90.43                 | 95.06               | 97.17               | 91.02                                | 92.94                     | 90.98                     |           |
| Loss allowance to:                                       |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |           |
| Loans and leases   | 1.80                        | 8.30                        | 2.32                   | 1.45                  | 1.37                  | 0.63                | 2.15                | 1.53                                 | 1.26                      | 1.42                      |           |
| Noncurrent loans and leases                              | 192.23                      | 483.65                      | 290.91                 | 116.63                | 162.94                | 32.61               | 357.09              | 122.41                               | 134.10                    | 144.41                    |           |
| Noncurrent assets plus other real estate owned to assets | 0.54                        | 1.39                        | 0.30                   | 0.93                  | 0.64                  | 1.18                | 0.41                | 0.40                                 | 0.65                      | 0.50                      |           |
| Equity capital ratio                                     | 10.44                       | 11.51                       | 8.77                   | 11.85                 | 11.63                 | 9.66                | 9.61                | 17.77                                | 12.66                     | 10.25                     |           |
| Core capital (leverage) ratio                            | 9.40                        | 12.30                       | 8.44                   | 11.40                 | 9.89                  | 10.04               | 10.61               | 17.16                                | 12.39                     | 9.06                      |           |
| Common equity tier 1 capital ratio***                    | 12.78                       | 15.02                       | 13.35                  | 14.25                 | 11.65                 | 18.28               | 20.26               | 39.36                                | 20.06                     | 13.23                     |           |
| Tier 1 risk-based capital ratio***                       | 12.86                       | 15.17                       | 13.43                  | 14.25                 | 11.73                 | 18.28               | 20.35               | 39.36                                | 20.07                     | 13.30                     |           |
| Total risk-based capital ratio***                        | 14.31                       | 17.05                       | 14.96                  | 15.38                 | 13.15                 | 19.02               | 21.21               | 40.09                                | 21.15                     | 14.74                     |           |
| Net loans and leases to deposits                         | 68.23                       | 107.10                      | 46.17                  | 79.50                 | 87.86                 | 75.04               | 79.37               | 32.84                                | 67.42                     | 58.39                     |           |
| Net loans to total assets                                | 53.15                       | 74.38                       | 33.98                  | 65.94                 | 68.29                 | 58.66               | 66.05               | 25.76                                | 56.78                     | 47.93                     |           |
| Domestic deposits to total assets                        | 70.63                       | 66.74                       | 49.83                  | 82.94                 | 77.02                 | 77.90               | 83.20               | 78.45                                | 84.22                     | 79.51                     |           |
| <b>Structural Changes</b>                                |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |           |
| New reporters  | 2                           | 0                           | 0                      | 0                     | 0                     | 0                   | 0                   | 2                                    | 0                         | 0                         |           |
| Institutions absorbed by mergers                         | 57                          | 0                           | 0                      | 10                    | 44                    | 1                   | 0                   | 0                                    | 2                         | 0                         |           |
| Failed institutions                                      | 1                           | 0                           | 0                      | 1                     | 0                     | 0                   | 0                   | 0                                    | 0                         | 0                         |           |
| <b>PRIOR FIRST QUARTERS<br/>(The way it was...)</b>      |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |           |
| Number of institutions                                   | 2019                        | 5,362                       | 12                     | 5                     | 1,316                 | 2,854               | 395                 | 70                                   | 234                       | 423                       | 53        |
|  | 2017                        | 5,856                       | 13                     | 4                     | 1,399                 | 2,987               | 454                 | 61                                   | 309                       | 563                       | 66        |
|  | 2015                        | 6,419                       | 15                     | 4                     | 1,464                 | 3,150               | 557                 | 58                                   | 387                       | 713                       | 71        |
| Total assets (in billions)                               | 2019                        | \$18,090.0                  | \$663.3                | \$4,340.2             | \$283.8               | \$6,327.0           | \$356.1             | \$220.2                              | \$38.5                    | \$75.1                    | \$5,785.7 |
|  | 2017                        | 16,965.6                    | 506.1                  | 4,001.0               | 271.2                 | 5,730.6             | 339.0               | 258.2                                | 52.2                      | 102.7                     | 5,704.5   |
|  | 2015                        | 15,778.0                    | 489.9                  | 3,855.3               | 254.9                 | 4,926.8             | 461.8               | 181.7                                | 63.6                      | 132.4                     | 5,411.8   |
| Return on assets (%)                                     | 2019                        | 1.35                        | 3.05                   | 1.21                  | 1.33                  | 1.23                | 1.21                | 1.32                                 | 3.55                      | 1.09                      | 1.39      |
|  | 2017                        | 1.04                        | 2.07                   | 0.94                  | 1.18                  | 0.98                | 0.90                | 1.08                                 | 2.53                      | 0.91                      | 1.06      |
|  | 2015                        | 1.02                        | 3.04                   | 0.90                  | 1.17                  | 0.91                | 0.76                | 1.02                                 | 2.19                      | 0.90                      | 1.02      |
| Net charge-offs to loans & leases (%)                    | 2019                        | 0.50                        | 4.09                   | 0.55                  | 0.19                  | 0.17                | 0.02                | 0.79                                 | 0.24                      | 0.08                      | 0.38      |
|  | 2017                        | 0.50                        | 3.93                   | 0.66                  | 0.10                  | 0.20                | 0.09                | 0.65                                 | 0.12                      | 0.13                      | 0.38      |
|  | 2015                        | 0.43                        | 2.80                   | 0.63                  | 0.02                  | 0.15                | 0.15                | 0.60                                 | 0.13                      | 0.14                      | 0.41      |
| Noncurrent assets plus OREO to assets (%)                | 2019                        | 0.60                        | 1.20                   | 0.38                  | 0.92                  | 0.64                | 1.21                | 0.47                                 | 0.46                      | 0.70                      | 0.60      |
|  | 2017                        | 0.81                        | 1.14                   | 0.56                  | 0.84                  | 0.82                | 1.92                | 0.68                                 | 0.56                      | 0.90                      | 0.86      |
|  | 2015                        | 1.10                        | 0.83                   | 0.78                  | 0.80                  | 1.06                | 1.94                | 1.11                                 | 0.70                      | 1.31                      | 1.33      |
| Equity capital ratio (%)                                 | 2019                        | 11.37                       | 15.22                  | 9.85                  | 11.70                 | 12.09               | 11.05               | 10.61                                | 17.16                     | 12.47                     | 11.25     |
|  | 2017                        | 11.15                       | 15.52                  | 10.03                 | 11.30                 | 11.91               | 10.88               | 10.14                                | 14.80                     | 11.52                     | 10.80     |
|  | 2015                        | 11.18                       | 15.30                  | 9.52                  | 11.44                 | 11.98               | 11.34               | 9.93                                 | 14.71                     | 11.69                     | 11.23     |

\* See Table V-A (page 10) for explanations.

\*\* For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

\*\*\* Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

**TABLE III-A. First Quarter 2020, All FDIC-Insured Institutions**

| FIRST QUARTER<br>(The way it is...)                      | All Insured<br>Institutions | Asset Size Distribution       |                                    |                                   |                                     |                                  | Geographic Regions* |           |           |                |           |                  |           |
|--|-----------------------------|-------------------------------|------------------------------------|-----------------------------------|-------------------------------------|----------------------------------|---------------------|-----------|-----------|----------------|-----------|------------------|-----------|
|  |                             | Less Than<br>\$100<br>Million | \$100<br>Million to<br>\$1 Billion | \$1 Billion<br>to \$10<br>Billion | \$10 Billion<br>to \$250<br>Billion | Greater<br>Than \$250<br>Billion | New<br>York         | Atlanta   | Chicago   | Kansas<br>City | Dallas    | San<br>Francisco |           |
| Number of institutions reporting                         | 5,116                       | 1,124                         | 3,168                              | 680                               | 131                                 | 13                               | 617                 | 582       | 1,099     | 1,317          | 1,126     | 375              |           |
| Commercial banks   | 4,464                       | 996                           | 2,782                              | 559                               | 115                                 | 12                               | 323                 | 529       | 942       | 1,274          | 1,055     | 341              |           |
| Savings institutions                                     | 652                         | 128                           | 386                                | 121                               | 16                                  | 1                                | 294                 | 53        | 157       | 43             | 71        | 34               |           |
| Total assets (in billions)                               | \$20,253.6                  | \$66.6                        | \$1,066.7                          | \$1,802.6                         | \$5,770.5                           | \$11,547.1                       | \$3,787.5           | \$4,128.7 | \$4,719.6 | \$4,026.8      | \$1,547.4 | \$2,043.5        |           |
| Commercial banks   | 19,018.9                    | 59.3                          | 921.5                              | 1,494.4                           | 5,266.9                             | 11,276.9                         | 3,407.6             | 4,019.7   | 4,612.5   | 3,986.0        | 1,090.7   | 1,902.4          |           |
| Savings institutions                                     | 1,234.6                     | 7.3                           | 145.2                              | 308.3                             | 503.6                               | 270.2                            | 380.0               | 109.0     | 107.1     | 40.7           | 456.7     | 141.1            |           |
| Total deposits (in billions)                             | 15,777.0                    | 55.2                          | 886.1                              | 1,448.4                           | 4,473.0                             | 8,914.3                          | 2,949.0             | 3,279.3   | 3,489.5   | 3,171.7        | 1,271.2   | 1,616.4          |           |
| Commercial banks   | 14,789.8                    | 49.7                          | 771.8                              | 1,212.8                           | 4,088.7                             | 8,666.8                          | 2,662.2             | 3,194.7   | 3,415.2   | 3,140.5        | 874.2     | 1,503.0          |           |
| Savings institutions                                     | 987.3                       | 5.5                           | 114.3                              | 235.6                             | 384.3                               | 247.5                            | 286.8               | 84.6      | 74.3      | 31.2           | 397.0     | 113.4            |           |
| Bank net income (in millions)                            | 18,467                      | 140                           | 2,867                              | 3,353                             | -2,229                              | 14,336                           | 4,964               | 360       | 5,430     | 4,807          | 2,886     | 20               |           |
| Commercial banks   | 16,647                      | 132                           | 2,554                              | 3,084                             | -2,773                              | 13,649                           | 4,706               | 687       | 5,129     | 4,702          | 1,905     | -483             |           |
| Savings institutions                                     | 1,819                       | 8                             | 312                                | 269                               | 544                                 | 687                              | 258                 | -328      | 301       | 105            | 981       | 503              |           |
| <b>Performance Ratios (annualized, %)</b>                |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Yield on earning assets                                  | 3.87                        | 4.40                          | 4.53                               | 4.42                              | 4.57                                | 3.33                             | 3.74                | 3.93      | 3.42      | 3.85           | 3.93      | 4.91             |           |
| Cost of funding earning assets                           | 0.74                        | 0.75                          | 0.84                               | 0.85                              | 0.89                                | 0.62                             | 0.86                | 0.65      | 0.62      | 0.78           | 0.61      | 0.95             |           |
| Net interest margin                                      | 3.13                        | 3.65                          | 3.69                               | 3.58                              | 3.68                                | 2.71                             | 2.88                | 3.29      | 2.80      | 3.08           | 3.32      | 3.96             |           |
| Noninterest income to assets                             | 1.38                        | 1.20                          | 1.22                               | 1.08                              | 1.31                                | 1.48                             | 1.29                | 1.27      | 1.64      | 1.27           | 1.00      | 1.66             |           |
| Noninterest expense to assets                            | 2.65                        | 3.56                          | 3.18                               | 2.81                              | 3.19                                | 2.30                             | 2.26                | 2.84      | 2.59      | 2.48           | 2.52      | 3.58             |           |
| Credit loss provision to assets**                        | 1.09                        | 0.11                          | 0.22                               | 0.59                              | 1.59                                | 1.00                             | 0.93                | 1.30      | 0.98      | 1.02           | 0.74      | 1.57             |           |
| Net operating income to assets                           | 0.35                        | 0.82                          | 1.08                               | 0.80                              | -0.20                               | 0.49                             | 0.57                | 0.01      | 0.46      | 0.44           | 0.68      | -0.03            |           |
| Pretax return on assets                                  | 0.50                        | 0.94                          | 1.26                               | 0.93                              | -0.05                               | 0.64                             | 0.67                | 0.10      | 0.58      | 0.61           | 0.93      | 0.25             |           |
| Return on assets   | 0.38                        | 0.85                          | 1.09                               | 0.76                              | -0.16                               | 0.52                             | 0.55                | 0.04      | 0.49      | 0.49           | 0.77      | 0.00             |           |
| Return on equity   | 3.50                        | 6.00                          | 9.04                               | 6.40                              | -1.37                               | 5.15                             | 4.91                | 0.31      | 4.70      | 4.93           | 6.96      | 0.04             |           |
| Net charge-offs to loans and leases                      | 0.55                        | 0.12                          | 0.11                               | 0.22                              | 0.76                                | 0.54                             | 0.50                | 0.62      | 0.43      | 0.54           | 0.31      | 0.81             |           |
| Loan and lease loss provision to net charge-offs         | 357.99                      | 156.74                        | 294.65                             | 380.11                            | 315.02                              | 402.89                           | 336.90              | 365.23    | 449.75    | 350.06         | 418.75    | 280.17           |           |
| Efficiency ratio   | 58.50                       | 77.50                         | 67.95                              | 62.94                             | 54.93                               | 58.65                            | 57.45               | 57.44     | 62.41     | 58.91          | 61.15     | 52.61            |           |
| % of unprofitable institutions                           | 7.31                        | 12.01                         | 4.99                               | 8.68                              | 16.03                               | 7.69                             | 16.05               | 9.11      | 6.82      | 3.42           | 5.42      | 10.93            |           |
| % of institutions with earnings gains                    | 43.88                       | 40.04                         | 48.64                              | 34.56                             | 12.21                               | 23.08                            | 28.85               | 41.07     | 47.68     | 52.01          | 43.87     | 33.33            |           |
| <b>Condition Ratios (%)</b>                              |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Earning assets to total assets                           | 90.04                       | 92.68                         | 93.20                              | 92.30                             | 91.67                               | 88.56                            | 90.03               | 89.60     | 88.25     | 89.85          | 92.61     | 93.50            |           |
| Loss allowance to:                                       |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Loans and leases   | 1.80                        | 1.41                          | 1.28                               | 1.28                              | 2.10                                | 1.78                             | 1.67                | 1.84      | 1.82      | 1.69           | 1.32      | 2.32             |           |
| Noncurrent loans and leases                              | 192.23                      | 104.79                        | 145.37                             | 147.31                            | 208.37                              | 197.13                           | 191.67              | 198.92    | 212.38    | 152.10         | 112.89    | 306.40           |           |
| Noncurrent assets plus other real estate owned to assets | 0.54                        | 0.97                          | 0.74                               | 0.68                              | 0.68                                | 0.43                             | 0.49                | 0.55      | 0.47      | 0.61           | 0.70      | 0.52             |           |
| Equity capital ratio                                     | 10.44                       | 14.05                         | 11.98                              | 11.69                             | 11.27                               | 9.67                             | 10.71               | 11.24     | 9.83      | 9.74           | 10.94     | 10.76            |           |
| Core capital (leverage) ratio                            | 9.40                        | 13.74                         | 11.68                              | 10.90                             | 10.01                               | 8.59                             | 9.74                | 9.27      | 8.99      | 9.08           | 9.73      | 10.40            |           |
| Common equity tier 1 capital ratio***                    | 12.78                       | 21.47                         | 15.44                              | 13.70                             | 12.73                               | 12.44                            | 13.04               | 12.34     | 12.51     | 12.65          | 13.36     | 13.69            |           |
| Tier 1 risk-based capital ratio***                       | 12.86                       | 21.49                         | 15.46                              | 13.73                             | 12.91                               | 12.48                            | 13.09               | 12.43     | 12.57     | 12.73          | 13.46     | 13.82            |           |
| Total risk-based capital ratio***                        | 14.31                       | 22.55                         | 16.53                              | 14.77                             | 14.27                               | 14.06                            | 14.49               | 13.76     | 13.94     | 14.63          | 14.55     | 15.07            |           |
| Net loans and leases to deposits                         | 68.23                       | 69.74                         | 80.85                              | 86.65                             | 82.20                               | 56.96                            | 67.08               | 69.90     | 64.63     | 65.46          | 64.97     | 82.68            |           |
| Net loans to total assets                                | 53.15                       | 57.82                         | 67.16                              | 69.63                             | 63.72                               | 43.97                            | 52.23               | 55.52     | 47.78     | 51.56          | 53.37     | 65.40            |           |
| Domestic deposits to total assets                        | 70.63                       | 82.90                         | 83.06                              | 80.04                             | 75.45                               | 65.54                            | 71.75               | 76.96     | 63.79     | 63.02          | 82.12     | 77.91            |           |
| <b>Structural Changes</b>                                |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| New reporters  | 2                           | 2                             | 0                                  | 0                                 | 0                                   | 0                                | 1                   | 1         | 0         | 0              | 0         | 0                |           |
| Institutions absorbed by mergers                         | 57                          | 12                            | 41                                 | 4                                 | 0                                   | 0                                | 8                   | 6         | 13        | 8              | 17        | 5                |           |
| Failed institutions                                      | 1                           | 0                             | 1                                  | 0                                 | 0                                   | 0                                | 0                   | 0         | 0         | 1              | 0         | 0                |           |
| <b>PRIOR FIRST QUARTERS<br/>(The way it was...)</b>      |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Number of institutions                                   | 2019                        | 5,362                         | 1,267                              | 3,306                             | 648                                 | 132                              | 9                   | 652       | 621       | 1,156          | 1,368     | 1,172            | 393       |
|  | 2017                        | 5,856                         | 1,501                              | 3,605                             | 632                                 | 109                              | 9                   | 719       | 708       | 1,253          | 1,471     | 1,264            | 441       |
|  | 2015                        | 6,419                         | 1,830                              | 3,895                             | 582                                 | 103                              | 9                   | 796       | 797       | 1,386          | 1,585     | 1,351            | 504       |
| Total assets (in billions)                               | 2019                        | \$18,090.0                    | \$75.5                             | \$1,096.4                         | \$1,710.1                           | \$6,315.1                        | \$8,892.9           | \$3,362.7 | \$3,704.5 | \$4,125.9      | \$3,678.0 | \$1,149.5        | \$2,069.5 |
|  | 2017                        | 16,965.6                      | 88.9                               | 1,166.2                           | 1,763.5                             | 5,363.5                          | 8,583.4             | 3,114.5   | 3,539.0   | 3,839.3        | 3,679.1   | 1,032.1          | 1,761.6   |
|  | 2015                        | 15,778.0                      | 107.6                              | 1,219.7                           | 1,572.9                             | 4,684.3                          | 8,193.5             | 3,020.2   | 3,273.1   | 3,633.2        | 3,424.9   | 923.6            | 1,503.1   |
| Return on assets (%)                                     | 2019                        | 1.35                          | 0.99                               | 1.23                              | 1.24                                | 1.44                             | 1.33                | 1.16      | 1.39      | 1.32           | 1.30      | 1.33             | 1.74      |
|  | 2017                        | 1.04                          | 0.90                               | 1.04                              | 1.09                                | 1.06                             | 1.02                | 0.92      | 0.99      | 0.98           | 1.07      | 1.15             | 1.35      |
|  | 2015                        | 1.02                          | 0.86                               | 1.01                              | 1.05                                | 1.03                             | 1.01                | 0.83      | 0.98      | 0.94           | 1.16      | 1.03             | 1.35      |
| Net charge-offs to loans & leases (%)                    | 2019                        | 0.50                          | 0.13                               | 0.09                              | 0.17                                | 0.73                             | 0.46                | 0.61      | 0.58      | 0.24           | 0.52      | 0.20             | 0.79      |
|  | 2017                        | 0.50                          | 0.14                               | 0.12                              | 0.20                                | 0.71                             | 0.49                | 0.52      | 0.58      | 0.34           | 0.51      | 0.28             | 0.67      |
|  | 2015                        | 0.43                          | 0.15                               | 0.11                              | 0.20                                | 0.53                             | 0.50                | 0.46      | 0.52      | 0.27           | 0.54      | 0.16             | 0.46      |
| Noncurrent assets plus OREO to assets (%)                | 2019                        | 0.60                          | 0.96                               | 0.74                              | 0.64                                | 0.63                             | 0.55                | 0.57      | 0.64      | 0.54           | 0.68      | 0.80             | 0.46      |
|  | 2017                        | 0.81                          | 1.09                               | 0.93                              | 0.81                                | 0.75                             | 0.82                | 0.69      | 0.97      | 0.73           | 0.92      | 0.99             | 0.51      |
|  | 2015                        | 1.10                          | 1.39                               | 1.33                              | 1.15                                | 0.84                             | 1.20                | 0.82      | 1.37      | 1.04           | 1.36      | 1.12             | 0.61      |
| Equity capital ratio (%)                                 | 2019                        | 11.37                         | 13.81                              | 11.71                             | 11.97                               | 12.26                            | 10.55               | 12.75     | 12.16     | 10.33          | 10.36     | 11.94            | 11.21     |
|  | 2017                        | 11.15                         | 12.86                              | 11.19                             | 11.58                               | 12.08                            | 10.45               | 12.29     | 12.04     | 10.30          | 9.89      | 10.93            | 11.94     |
|  | 2015                        | 11.18                         | 12.45                              | 11.28                             | 11.87                               | 12.47                            | 10.28               | 11.76     | 12.47     | 9.89           | 10.25     | 11.08            | 12.53     |

\* See Table V-A (page 11) for explanations.

\*\* For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

\*\*\* Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

**TABLE IV-A. Full Year 2019, All FDIC-Insured Institutions**

| FULL YEAR<br>(The way it is...)                          | All Insured<br>Institutions | Asset Concentration Groups* |                        |                       |                       |                     |                     |                                      |                           |                           |
|--|-----------------------------|-----------------------------|------------------------|-----------------------|-----------------------|---------------------|---------------------|--------------------------------------|---------------------------|---------------------------|
|  |                             | Credit<br>Card<br>Banks     | International<br>Banks | Agricultural<br>Banks | Commercial<br>Lenders | Mortgage<br>Lenders | Consumer<br>Lenders | Other<br>Specialized<br><\$1 Billion | All Other<br><\$1 Billion | All Other<br>>\$1 Billion |
| Number of institutions reporting                         | 5,177                       | 12                          | 5                      | 1,291                 | 2,733                 | 393                 | 58                  | 210                                  | 428                       | 47                        |
| Commercial banks   | 4,518                       | 11                          | 5                      | 1,278                 | 2,460                 | 114                 | 38                  | 193                                  | 377                       | 42                        |
| Savings institutions                                     | 659                         | 1                           | 0                      | 13                    | 273                   | 279                 | 20                  | 17                                   | 51                        | 5                         |
| Total assets (in billions)                               | \$18,645.3                  | \$530.8                     | \$4,481.1              | \$283.5               | \$6,735.9             | \$392.7             | \$230.7             | \$38.3                               | \$76.3                    | \$5,876.2                 |
| Commercial banks   | 17,491.4                    | 439.5                       | 4,481.1                | 278.2                 | 6,325.6               | 116.0               | 121.3               | 34.9                                 | 64.8                      | 5,630.1                   |
| Savings institutions                                     | 1,153.9                     | 91.3                        | 0.0                    | 5.4                   | 410.2                 | 276.7               | 109.3               | 3.4                                  | 11.5                      | 246.1                     |
| Total deposits (in billions)                             | 14,535.3                    | 358.6                       | 3,294.0                | 236.3                 | 5,302.5               | 306.3               | 191.8               | 29.9                                 | 64.2                      | 4,751.8                   |
| Commercial banks   | 13,614.3                    | 290.0                       | 3,294.0                | 233.1                 | 4,995.1               | 90.5                | 99.4                | 27.7                                 | 55.1                      | 4,529.3                   |
| Savings institutions                                     | 921.0                       | 68.6                        | 0.0                    | 3.2                   | 307.4                 | 215.8               | 92.4                | 2.2                                  | 9.1                       | 222.4                     |
| Bank net income (in millions)                            | 232,807                     | 17,099                      | 55,022                 | 3,675                 | 74,644                | 4,616               | 2,647               | 1,305                                | 874                       | 72,925                    |
| Commercial banks   | 217,611                     | 13,871                      | 55,022                 | 3,522                 | 70,895                | 1,917               | 1,949               | 587                                  | 763                       | 69,084                    |
| Savings institutions                                     | 15,195                      | 3,228                       | 0                      | 153                   | 3,749                 | 2,700               | 698                 | 717                                  | 111                       | 3,841                     |
| <b>Performance Ratios (%)</b>                            |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |
| Yield on earning assets                                  | 4.33                        | 12.96                       | 3.76                   | 4.78                  | 4.43                  | 3.76                | 5.19                | 3.48                                 | 4.34                      | 3.80                      |
| Cost of funding earning assets                           | 0.97                        | 2.26                        | 0.99                   | 0.96                  | 0.97                  | 0.94                | 1.00                | 0.60                                 | 0.68                      | 0.85                      |
| Net interest margin                                      | 3.36                        | 10.70                       | 2.78                   | 3.82                  | 3.46                  | 2.83                | 4.19                | 2.88                                 | 3.66                      | 2.95                      |
| Noninterest income to assets                             | 1.47                        | 4.49                        | 1.82                   | 0.66                  | 1.06                  | 1.39                | 1.31                | 7.02                                 | 1.02                      | 1.38                      |
| Noninterest expense to assets                            | 2.59                        | 7.11                        | 2.45                   | 2.58                  | 2.56                  | 2.52                | 3.17                | 5.41                                 | 3.06                      | 2.27                      |
| Loan and lease loss provision to assets                  | 0.31                        | 3.40                        | 0.28                   | 0.17                  | 0.17                  | 0.02                | 0.62                | 0.05                                 | 0.10                      | 0.21                      |
| Net operating income to assets                           | 1.27                        | 3.26                        | 1.20                   | 1.31                  | 1.17                  | 1.19                | 1.15                | 3.43                                 | 1.13                      | 1.26                      |
| Pretax return on assets                                  | 1.63                        | 4.21                        | 1.56                   | 1.51                  | 1.49                  | 1.56                | 1.61                | 4.36                                 | 1.32                      | 1.60                      |
| Return on assets   | 1.29                        | 3.27                        | 1.23                   | 1.33                  | 1.18                  | 1.21                | 1.21                | 3.56                                 | 1.17                      | 1.27                      |
| Return on equity   | 11.39                       | 26.21                       | 11.92                  | 11.39                 | 9.74                  | 11.02               | 11.30               | 19.53                                | 9.26                      | 11.44                     |
| Net charge-offs to loans and leases                      | 0.52                        | 4.15                        | 0.72                   | 0.18                  | 0.20                  | 0.03                | 0.82                | 0.17                                 | 0.13                      | 0.39                      |
| Loan and lease loss provision to net charge-offs         | 105.63                      | 100.35                      | 101.66                 | 139.42                | 121.71                | 100.73              | 109.78              | 108.07                               | 125.52                    | 103.85                    |
| Efficiency ratio   | 56.67                       | 47.85                       | 57.11                  | 60.62                 | 59.43                 | 61.40               | 58.32               | 55.87                                | 68.91                     | 55.31                     |
| % of unprofitable institutions                           | 3.71                        | 0.00                        | 0.00                   | 2.63                  | 3.33                  | 7.89                | 3.45                | 10.48                                | 2.80                      | 0.00                      |
| % of institutions with earnings gains                    | 64.07                       | 58.33                       | 40.00                  | 61.66                 | 68.06                 | 51.91               | 68.97               | 55.24                                | 62.15                     | 55.32                     |
| <b>Condition Ratios (%)</b>                              |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |
| Earning assets to total assets                           | 90.48                       | 95.86                       | 87.86                  | 93.17                 | 90.68                 | 95.04               | 96.97               | 92.99                                | 93.14                     | 91.04                     |
| Loss allowance to:                                       |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |
| Loans and leases   | 1.18                        | 4.46                        | 1.43                   | 1.40                  | 0.92                  | 0.61                | 1.07                | 1.51                                 | 1.24                      | 1.00                      |
| Noncurrent loans and leases                              | 129.88                      | 267.58                      | 178.96                 | 134.54                | 117.97                | 30.80               | 154.90              | 106.06                               | 144.24                    | 101.42                    |
| Noncurrent assets plus other real estate owned to assets | 0.55                        | 1.39                        | 0.33                   | 0.81                  | 0.60                  | 1.18                | 0.48                | 0.45                                 | 0.62                      | 0.52                      |
| Equity capital ratio                                     | 11.32                       | 12.81                       | 10.20                  | 11.85                 | 12.27                 | 10.95               | 10.41               | 18.48                                | 12.79                     | 10.93                     |
| Core capital (leverage) ratio                            | 9.66                        | 12.51                       | 8.68                   | 11.29                 | 10.34                 | 10.63               | 10.58               | 17.93                                | 12.48                     | 9.11                      |
| Common equity tier 1 capital ratio                       | 13.21                       | 14.43                       | 13.77                  | 14.96                 | 12.24                 | 21.43               | 17.51               | 40.87                                | 21.03                     | 13.15                     |
| Tier 1 risk-based capital ratio                          | 13.29                       | 14.57                       | 13.85                  | 14.97                 | 12.32                 | 21.43               | 17.77               | 40.88                                | 21.06                     | 13.21                     |
| Total risk-based capital ratio                           | 14.64                       | 16.47                       | 15.44                  | 16.08                 | 13.52                 | 22.14               | 18.79               | 41.69                                | 22.12                     | 14.59                     |
| Net loans and leases to deposits                         | 71.51                       | 117.49                      | 51.26                  | 80.05                 | 88.61                 | 73.89               | 80.56               | 33.10                                | 67.94                     | 62.34                     |
| Net loans to total assets                                | 55.75                       | 79.37                       | 37.68                  | 66.71                 | 69.76                 | 57.63               | 66.99               | 25.82                                | 57.16                     | 50.41                     |
| Domestic deposits to total assets                        | 70.90                       | 66.56                       | 49.09                  | 83.34                 | 78.38                 | 77.72               | 83.15               | 78.01                                | 84.13                     | 77.61                     |
| <b>Structural Changes</b>                                |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |
| New reporters  | 13                          | 0                           | 0                      | 0                     | 1                     | 0                   | 0                   | 11                                   | 1                         | 0                         |
| Institutions absorbed by mergers                         | 226                         | 0                           | 1                      | 45                    | 165                   | 2                   | 1                   | 2                                    | 7                         | 3                         |
| Failed institutions                                      | 4                           | 0                           | 0                      | 1                     | 3                     | 0                   | 0                   | 0                                    | 0                         | 0                         |
| <b>PRIOR FULL YEARS<br/>(The way it was...)</b>          |                             |                             |                        |                       |                       |                     |                     |                                      |                           |                           |
| Number of institutions                                   | 2018 5,406                  | 12                          | 5                      | 1,346                 | 2,866                 | 401                 | 69                  | 227                                  | 431                       | 49                        |
|  | 2016 5,913                  | 13                          | 5                      | 1,429                 | 3,025                 | 462                 | 65                  | 300                                  | 549                       | 65                        |
|  | 2014 6,509                  | 15                          | 3                      | 1,515                 | 3,222                 | 553                 | 52                  | 374                                  | 708                       | 67                        |
| Total assets (in billions)                               | 2018 \$17,943.0             | \$651.7                     | \$4,285.8              | \$286.8               | \$6,373.8             | \$346.0             | \$218.3             | \$36.7                               | \$75.9                    | \$5,667.9                 |
|  | 2016 16,779.7               | 519.0                       | 4,052.7                | 284.9                 | 5,628.2               | 331.5               | 256.0               | 51.0                                 | 97.5                      | 5,558.8                   |
|  | 2014 15,553.7               | 484.2                       | 3,735.6                | 273.5                 | 4,878.5               | 439.6               | 175.9               | 61.9                                 | 129.1                     | 5,375.5                   |
| Return on assets (%)                                     | 2018 1.35                   | 2.96                        | 1.17                   | 1.32                  | 1.26                  | 1.13                | 1.42                | 2.94                                 | 1.12                      | 1.40                      |
|  | 2016 1.04                   | 2.27                        | 0.93                   | 1.21                  | 0.97                  | 0.98                | 0.96                | 2.85                                 | 0.92                      | 1.06                      |
|  | 2014 1.01                   | 3.22                        | 0.72                   | 1.17                  | 0.94                  | 0.96                | 1.05                | 2.20                                 | 0.86                      | 1.06                      |
| Net charge-offs to loans & leases (%)                    | 2018 0.48                   | 3.87                        | 0.50                   | 0.15                  | 0.18                  | 0.02                | 0.76                | 1.41                                 | 0.17                      | 0.37                      |
|  | 2016 0.47                   | 3.34                        | 0.55                   | 0.15                  | 0.22                  | 0.07                | 0.56                | 0.22                                 | 0.17                      | 0.41                      |
|  | 2014 0.49                   | 2.81                        | 0.73                   | 0.13                  | 0.24                  | 0.21                | 0.62                | 0.34                                 | 0.25                      | 0.41                      |
| Noncurrent assets plus OREO to assets (%)                | 2018 0.60                   | 1.26                        | 0.39                   | 0.83                  | 0.63                  | 1.28                | 0.49                | 0.43                                 | 0.73                      | 0.62                      |
|  | 2016 0.86                   | 1.14                        | 0.61                   | 0.77                  | 0.87                  | 1.97                | 0.70                | 0.63                                 | 0.94                      | 0.96                      |
|  | 2014 1.20                   | 0.88                        | 0.85                   | 0.83                  | 1.17                  | 2.19                | 1.19                | 0.73                                 | 1.39                      | 1.43                      |
| Equity capital ratio (%)                                 | 2018 11.25                  | 15.29                       | 9.88                   | 11.34                 | 11.94                 | 11.08               | 10.51               | 16.74                                | 12.31                     | 11.04                     |
|  | 2016 11.10                  | 14.84                       | 9.97                   | 11.30                 | 11.81                 | 11.26               | 10.04               | 15.23                                | 11.41                     | 10.85                     |
|  | 2014 11.15                  | 15.13                       | 9.45                   | 11.42                 | 11.97                 | 12.07               | 9.88                | 14.78                                | 11.81                     | 11.11                     |

\* See Table V-A (page 10) for explanations.

**TABLE IV-A. Full Year 2019, All FDIC-Insured Institutions**

| FULL YEAR<br>(The way it is...)                          | All Insured<br>Institutions | Asset Size Distribution       |                                    |                                   |                                     |                                  | Geographic Regions* |           |           |                |           |                  |           |
|--|-----------------------------|-------------------------------|------------------------------------|-----------------------------------|-------------------------------------|----------------------------------|---------------------|-----------|-----------|----------------|-----------|------------------|-----------|
|  |                             | Less Than<br>\$100<br>Million | \$100<br>Million to<br>\$1 Billion | \$1 Billion<br>to \$10<br>Billion | \$10 Billion<br>to \$250<br>Billion | Greater<br>Than \$250<br>Billion | New<br>York         | Atlanta   | Chicago   | Kansas<br>City | Dallas    | San<br>Francisco |           |
| Number of institutions reporting                         | 5,177                       | 1,156                         | 3,225                              | 656                               | 130                                 | 10                               | 625                 | 587       | 1,118     | 1,330          | 1,138     | 379              |           |
| Commercial banks   | 4,518                       | 1,022                         | 2,832                              | 539                               | 115                                 | 10                               | 328                 | 534       | 959       | 1,286          | 1,068     | 343              |           |
| Savings institutions                                     | 659                         | 134                           | 393                                | 117                               | 15                                  | 0                                | 297                 | 53        | 159       | 44             | 70        | 36               |           |
| Total assets (in billions)                               | \$18,645.3                  | \$68.6                        | \$1,087.9                          | \$1,753.9                         | \$6,071.6                           | \$9,663.4                        | \$3,407.7           | \$3,847.5 | \$4,235.2 | \$3,796.7      | \$1,204.6 | \$2,153.7        |           |
| Commercial banks   | 17,491.4                    | 60.7                          | 937.5                              | 1,437.3                           | 5,392.6                             | 9,663.4                          | 3,034.3             | 3,745.8   | 4,129.4   | 3,750.4        | 1,049.7   | 1,781.8          |           |
| Savings institutions                                     | 1,153.9                     | 7.8                           | 150.4                              | 316.6                             | 679.0                               | 0.0                              | 373.4               | 101.7     | 105.9     | 46.2           | 154.8     | 371.9            |           |
| Total deposits (in billions)                             | 14,535.3                    | 56.7                          | 907.3                              | 1,415.8                           | 4,732.6                             | 7,422.9                          | 2,662.0             | 3,048.9   | 3,149.2   | 2,978.7        | 974.1     | 1,722.5          |           |
| Commercial banks   | 13,614.3                    | 50.9                          | 788.0                              | 1,171.0                           | 4,181.4                             | 7,422.9                          | 2,379.1             | 2,970.5   | 3,073.5   | 2,942.7        | 851.5     | 1,397.1          |           |
| Savings institutions                                     | 921.0                       | 5.8                           | 119.3                              | 244.8                             | 551.2                               | 0.0                              | 282.9               | 78.4      | 75.7      | 36.0           | 122.6     | 325.4            |           |
| Bank net income (in millions)                            | 232,807                     | 684                           | 13,638                             | 21,823                            | 79,045                              | 117,616                          | 35,934              | 46,007    | 56,264    | 44,729         | 15,303    | 34,570           |           |
| Commercial banks   | 217,611                     | 592                           | 11,685                             | 18,711                            | 69,008                              | 117,616                          | 32,727              | 45,188    | 54,576    | 44,242         | 14,001    | 26,877           |           |
| Savings institutions                                     | 15,195                      | 92                            | 1,953                              | 3,112                             | 10,037                              | 0                                | 3,207               | 819       | 1,688     | 487            | 1,302     | 7,693            |           |
| <b>Performance Ratios (%)</b>                            |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Yield on earning assets                                  | 4.33                        | 4.58                          | 4.72                               | 4.70                              | 4.82                                | 3.89                             | 4.28                | 4.35      | 3.87      | 4.31           | 4.72      | 5.09             |           |
| Cost of funding earning assets                           | 0.97                        | 0.76                          | 0.91                               | 0.98                              | 1.11                                | 0.89                             | 1.16                | 0.86      | 0.87      | 1.02           | 0.86      | 1.05             |           |
| Net interest margin                                      | 3.36                        | 3.83                          | 3.81                               | 3.72                              | 3.71                                | 3.00                             | 3.12                | 3.49      | 2.99      | 3.29           | 3.86      | 4.03             |           |
| Noninterest income to assets                             | 1.47                        | 1.42                          | 1.27                               | 1.15                              | 1.44                                | 1.56                             | 1.30                | 1.35      | 1.84      | 1.25           | 1.28      | 1.66             |           |
| Noninterest expense to assets                            | 2.59                        | 3.69                          | 3.21                               | 2.81                              | 2.66                                | 2.42                             | 2.46                | 2.51      | 2.62      | 2.48           | 3.03      | 2.79             |           |
| Loan and lease loss provision to assets                  | 0.31                        | 0.16                          | 0.15                               | 0.19                              | 0.45                                | 0.25                             | 0.30                | 0.34      | 0.22      | 0.30           | 0.19      | 0.51             |           |
| Net operating income to assets                           | 1.27                        | 0.97                          | 1.26                               | 1.27                              | 1.34                                | 1.24                             | 1.08                | 1.28      | 1.33      | 1.17           | 1.31      | 1.64             |           |
| Pretax return on assets                                  | 1.63                        | 1.16                          | 1.50                               | 1.63                              | 1.74                                | 1.58                             | 1.37                | 1.63      | 1.68      | 1.49           | 1.61      | 2.18             |           |
| Return on assets   | 1.29                        | 1.01                          | 1.29                               | 1.30                              | 1.35                                | 1.26                             | 1.09                | 1.29      | 1.34      | 1.20           | 1.32      | 1.66             |           |
| Return on equity   | 11.39                       | 7.13                          | 10.90                              | 10.87                             | 11.32                               | 11.63                            | 9.13                | 10.58     | 12.23     | 11.67          | 11.01     | 14.80            |           |
| Net charge-offs to loans and leases                      | 0.52                        | 0.21                          | 0.14                               | 0.21                              | 0.70                                | 0.51                             | 0.48                | 0.58      | 0.42      | 0.53           | 0.24      | 0.78             |           |
| Loan and lease loss provision to net charge-offs         | 105.63                      | 128.19                        | 151.81                             | 126.97                            | 104.83                              | 102.08                           | 110.73              | 102.49    | 103.32    | 104.98         | 119.59    | 105.03           |           |
| Efficiency ratio   | 56.67                       | 74.11                         | 66.36                              | 60.58                             | 53.38                               | 56.86                            | 59.08               | 55.18     | 57.73     | 58.14          | 62.18     | 49.36            |           |
| % of unprofitable institutions                           | 3.71                        | 9.60                          | 2.36                               | 0.61                              | 0.77                                | 0.00                             | 4.48                | 5.45      | 3.94      | 2.86           | 2.64      | 5.28             |           |
| % of institutions with earnings gains                    | 64.07                       | 55.19                         | 65.71                              | 71.04                             | 68.46                               | 50.00                            | 59.84               | 65.08     | 66.46     | 61.43          | 65.11     | 68.60            |           |
| <b>Condition Ratios (%)</b>                              |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Earning assets to total assets                           | 90.48                       | 92.58                         | 93.32                              | 92.56                             | 91.55                               | 89.10                            | 90.45               | 89.50     | 89.19     | 90.62          | 91.49     | 94.04            |           |
| Loss allowance to:                                       |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Loans and leases   | 1.18                        | 1.39                          | 1.23                               | 1.06                              | 1.23                                | 1.15                             | 1.13                | 1.08      | 1.19      | 1.25           | 1.00      | 1.39             |           |
| Noncurrent loans and leases                              | 129.88                      | 109.53                        | 151.50                             | 151.60                            | 127.55                              | 124.72                           | 132.67              | 116.78    | 140.90    | 114.33         | 88.48     | 215.00           |           |
| Noncurrent assets plus other real estate owned to assets | 0.55                        | 0.95                          | 0.70                               | 0.57                              | 0.62                                | 0.48                             | 0.51                | 0.57      | 0.49      | 0.61           | 0.84      | 0.42             |           |
| Equity capital ratio                                     | 11.32                       | 14.28                         | 12.01                              | 12.03                             | 11.86                               | 10.76                            | 11.83               | 12.23     | 10.89     | 10.24          | 12.16     | 11.15            |           |
| Core capital (leverage) ratio                            | 9.66                        | 13.93                         | 11.63                              | 10.97                             | 10.11                               | 8.87                             | 10.01               | 9.92      | 9.18      | 9.08           | 10.41     | 10.22            |           |
| Common equity tier 1 capital ratio                       | 13.21                       | 22.47                         | 16.07                              | 14.17                             | 13.07                               | 12.71                            | 13.49               | 12.81     | 13.11     | 12.81          | 13.31     | 14.34            |           |
| Tier 1 risk-based capital ratio                          | 13.29                       | 22.49                         | 16.10                              | 14.19                             | 13.23                               | 12.74                            | 13.54               | 12.91     | 13.15     | 12.89          | 13.42     | 14.47            |           |
| Total risk-based capital ratio                           | 14.64                       | 23.55                         | 17.16                              | 15.13                             | 14.50                               | 14.27                            | 14.85               | 14.06     | 14.46     | 14.79          | 14.44     | 15.55            |           |
| Net loans and leases to deposits                         | 71.51                       | 70.86                         | 81.31                              | 87.30                             | 78.12                               | 63.09                            | 71.34               | 72.20     | 68.35     | 67.86          | 81.35     | 77.09            |           |
| Net loans to total assets                                | 55.75                       | 58.58                         | 67.81                              | 70.47                             | 60.89                               | 48.47                            | 55.73               | 57.22     | 50.82     | 53.24          | 65.78     | 61.65            |           |
| Domestic deposits to total assets                        | 70.90                       | 82.67                         | 83.40                              | 80.47                             | 75.16                               | 65.00                            | 72.19               | 76.64     | 65.00     | 62.67          | 80.82     | 79.18            |           |
| <b>Structural Changes</b>                                |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| New reporters  | 13                          | 12                            | 1                                  | 0                                 | 0                                   | 0                                | 4                   | 4         | 2         | 0              | 2         | 1                |           |
| Institutions absorbed by mergers                         | 226                         | 59                            | 130                                | 29                                | 8                                   | 0                                | 34                  | 32        | 46        | 51             | 47        | 16               |           |
| Failed institutions                                      | 4                           | 3                             | 1                                  | 0                                 | 0                                   | 0                                | 1                   | 0         | 2         | 0              | 1         | 0                |           |
| <b>PRIOR FULL YEARS<br/>(The way it was...)</b>          |                             |                               |                                    |                                   |                                     |                                  |                     |           |           |                |           |                  |           |
| Number of institutions                                   | 2018                        | 5,406                         | 1,278                              | 3,353                             | 638                                 | 128                              | 9                   | 659       | 626       | 1,163          | 1,379     | 1,182            | 397       |
|  | 2016                        | 5,913                         | 1,541                              | 3,637                             | 621                                 | 105                              | 9                   | 724       | 720       | 1,271          | 1,485     | 1,268            | 445       |
|  | 2014                        | 6,509                         | 1,871                              | 3,957                             | 574                                 | 98                               | 9                   | 807       | 812       | 1,406          | 1,599     | 1,372            | 513       |
| Total assets (in billions)                               | 2018                        | \$17,943.0                    | \$75.8                             | \$1,108.6                         | \$1,734.8                           | \$6,202.3                        | \$8,821.4           | \$3,362.0 | \$3,677.0 | \$4,042.6      | \$3,670.8 | \$1,133.1        | \$2,057.5 |
|  | 2016                        | 16,779.7                      | 91.5                               | 1,173.9                           | 1,761.8                             | 5,305.7                          | 8,446.9             | 3,096.4   | 3,507.3   | 3,784.3        | 3,633.9   | 1,010.7          | 1,747.0   |
|  | 2014                        | 15,553.7                      | 109.7                              | 1,232.1                           | 1,576.4                             | 4,534.2                          | 8,101.3             | 2,956.4   | 3,217.9   | 3,595.8        | 3,404.0   | 904.4            | 1,475.2   |
| Return on assets (%)                                     | 2018                        | 1.35                          | 1.01                               | 1.23                              | 1.33                                | 1.46                             | 1.29                | 1.22      | 1.44      | 1.26           | 1.25      | 1.40             | 1.74      |
|  | 2016                        | 1.04                          | 0.89                               | 1.08                              | 1.01                                | 1.07                             | 1.03                | 0.87      | 1.02      | 1.00           | 1.09      | 1.02             | 1.40      |
|  | 2014                        | 1.01                          | 0.79                               | 1.00                              | 1.09                                | 1.09                             | 0.95                | 0.83      | 1.00      | 0.88           | 1.07      | 1.14             | 1.49      |
| Net charge-offs to loans & leases (%)                    | 2018                        | 0.48                          | 0.18                               | 0.16                              | 0.20                                | 0.70                             | 0.43                | 0.59      | 0.55      | 0.23           | 0.50      | 0.24             | 0.73      |
|  | 2016                        | 0.47                          | 0.21                               | 0.14                              | 0.25                                | 0.64                             | 0.47                | 0.52      | 0.54      | 0.27           | 0.53      | 0.31             | 0.58      |
|  | 2014                        | 0.49                          | 0.23                               | 0.23                              | 0.27                                | 0.60                             | 0.54                | 0.55      | 0.54      | 0.36           | 0.60      | 0.23             | 0.47      |
| Noncurrent assets plus OREO to assets (%)                | 2018                        | 0.60                          | 0.97                               | 0.73                              | 0.64                                | 0.62                             | 0.57                | 0.58      | 0.65      | 0.54           | 0.68      | 0.76             | 0.44      |
|  | 2016                        | 0.86                          | 1.10                               | 0.96                              | 0.84                                | 0.78                             | 0.90                | 0.70      | 1.03      | 0.79           | 1.00      | 1.06             | 0.53      |
|  | 2014                        | 1.20                          | 1.45                               | 1.38                              | 1.41                                | 0.83                             | 1.32                | 0.89      | 1.55      | 1.11           | 1.46      | 1.18             | 0.65      |
| Equity capital ratio (%)                                 | 2018                        | 11.25                         | 13.57                              | 11.50                             | 11.91                               | 12.08                            | 10.49               | 12.53     | 12.07     | 10.35          | 10.23     | 11.81            | 11.02     |
|  | 2016                        | 11.10                         | 12.70                              | 11.14                             | 11.55                               | 11.87                            | 10.50               | 12.11     | 12.05     | 10.32          | 9.87      | 10.92            | 11.79     |
|  | 2014                        | 11.15                         | 12.28                              | 11.20                             | 11.90                               | 12.39                            | 10.28               | 11.81     | 12.45     | 9.80           | 10.20     | 11.06            | 12.47     |

\* See Table V-A (page 11) for explanations.

**TABLE V-A. Loan Performance, All FDIC-Insured Institutions**

| March 31, 2020                                     | All Insured Institutions | Asset Concentration Groups* |                     |                    |                    |                  |                  |                                |                        |                        |
|--|--------------------------|-----------------------------|---------------------|--------------------|--------------------|------------------|------------------|--------------------------------|------------------------|------------------------|
|  |                          | Credit Card Banks           | International Banks | Agricultural Banks | Commercial Lenders | Mortgage Lenders | Consumer Lenders | Other Specialized <\$1 Billion | All Other <\$1 Billion | All Other >\$1 Billion |
| <b>Percent of Loans 30-89 Days Past Due</b>        |                          |                             |                     |                    |                    |                  |                  |                                |                        |                        |
| All loans secured by real estate                   | 0.64                     | 0.35                        | 0.59                | 1.07               | 0.55               | 0.79             | 0.35             | 1.13                           | 1.16                   | 0.80                   |
| Construction and development                       | 0.54                     | 0.35                        | 0.13                | 0.95               | 0.52               | 1.17             | 0.33             | 0.90                           | 0.88                   | 0.69                   |
| Nonfarm nonresidential                             | 0.37                     | 0.00                        | 0.61                | 0.86               | 0.37               | 0.37             | 0.79             | 0.73                           | 0.91                   | 0.23                   |
| Multifamily residential real estate                | 0.20                     | 0.00                        | 0.28                | 0.32               | 0.18               | 0.34             | 0.05             | 0.37                           | 0.70                   | 0.08                   |
| Home equity loans                                  | 0.62                     | 0.00                        | 0.87                | 0.47               | 0.56               | 0.49             | 0.42             | 0.53                           | 0.71                   | 0.67                   |
| Other 1-4 family residential                       | 0.93                     | 0.36                        | 0.70                | 1.28               | 0.89               | 0.86             | 0.31             | 1.60                           | 1.35                   | 1.10                   |
| Commercial and industrial loans                    | 0.34                     | 0.93                        | 0.34                | 1.11               | 0.36               | 0.79             | 0.29             | 0.90                           | 1.42                   | 0.23                   |
| Loans to individuals                               | 1.43                     | 1.59                        | 1.03                | 1.24               | 1.44               | 1.22             | 1.14             | 1.58                           | 1.45                   | 1.64                   |
| Credit card loans                                  | 1.35                     | 1.63                        | 1.08                | 1.38               | 1.37               | 1.03             | 1.21             | 5.53                           | 1.68                   | 1.23                   |
| Other loans to individuals                         | 1.51                     | 1.03                        | 0.88                | 1.22               | 1.45               | 1.24             | 1.13             | 1.36                           | 1.44                   | 1.90                   |
| All other loans and leases (including farm)        | 0.39                     | 0.47                        | 0.43                | 1.61               | 0.37               | 0.45             | 0.04             | 1.00                           | 0.88                   | 0.27                   |
| Total loans and leases                             | 0.66                     | 1.52                        | 0.58                | 1.20               | 0.57               | 0.77             | 0.85             | 1.16                           | 1.19                   | 0.69                   |
| <b>Percent of Loans Noncurrent**</b>               |                          |                             |                     |                    |                    |                  |                  |                                |                        |                        |
| All real estate loans                              | 1.16                     | 0.57                        | 1.15                | 1.21               | 0.90               | 2.12             | 0.50             | 1.30                           | 1.02                   | 1.73                   |
| Construction and development                       | 0.46                     | 1.25                        | 0.62                | 0.49               | 0.44               | 0.42             | 1.46             | 1.14                           | 0.86                   | 0.48                   |
| Nonfarm nonresidential                             | 0.63                     | 0.00                        | 0.36                | 0.97               | 0.60               | 0.45             | 1.22             | 1.16                           | 1.09                   | 0.83                   |
| Multifamily residential real estate                | 0.12                     | 0.00                        | 0.04                | 0.42               | 0.13               | 1.18             | 0.12             | 0.38                           | 0.75                   | 0.08                   |
| Home equity loans                                  | 1.73                     | 0.00                        | 3.97                | 0.27               | 1.10               | 0.93             | 1.28             | 0.43                           | 0.42                   | 2.36                   |
| Other 1-4 family residential                       | 1.76                     | 0.55                        | 1.40                | 0.89               | 1.55               | 2.50             | 0.42             | 1.48                           | 0.99                   | 2.18                   |
| Commercial and industrial loans                    | 0.83                     | 0.75                        | 0.79                | 1.39               | 0.89               | 0.70             | 3.75             | 1.47                           | 0.91                   | 0.69                   |
| Loans to individuals                               | 1.05                     | 1.82                        | 1.00                | 0.55               | 0.85               | 0.48             | 0.38             | 1.00                           | 0.55                   | 0.80                   |
| Credit card loans                                  | 1.54                     | 1.91                        | 1.21                | 0.65               | 1.33               | 0.64             | 1.47             | 1.80                           | 1.07                   | 1.43                   |
| Other loans to individuals                         | 0.57                     | 0.51                        | 0.30                | 0.54               | 0.79               | 0.47             | 0.35             | 0.96                           | 0.54                   | 0.39                   |
| All other loans and leases (including farm)        | 0.24                     | 0.39                        | 0.22                | 1.37               | 0.30               | 0.45             | 0.08             | 0.59                           | 0.61                   | 0.13                   |
| Total loans and leases                             | 0.93                     | 1.72                        | 0.80                | 1.24               | 0.84               | 1.93             | 0.60             | 1.25                           | 0.94                   | 0.99                   |
| <b>Percent of Loans Charged-Off (net, YTD)</b>     |                          |                             |                     |                    |                    |                  |                  |                                |                        |                        |
| All real estate loans                              | 0.00                     | 0.09                        | -0.09               | 0.04               | 0.02               | -0.01            | -0.02            | 0.14                           | 0.03                   | -0.01                  |
| Construction and development                       | 0.00                     | 0.00                        | -0.04               | -0.01              | 0.03               | -0.01            | 0.10             | -0.03                          | 0.00                   | -0.16                  |
| Nonfarm nonresidential                             | 0.03                     | 0.00                        | -0.01               | 0.05               | 0.03               | 0.00             | -0.06            | 0.45                           | 0.01                   | 0.00                   |
| Multifamily residential real estate                | 0.00                     | 0.00                        | 0.00                | -0.05              | 0.00               | -0.02            | -0.01            | 0.06                           | 0.00                   | 0.00                   |
| Home equity loans                                  | -0.01                    | 0.00                        | -0.07               | 0.02               | 0.03               | -0.10            | -0.49            | -0.20                          | 0.03                   | -0.06                  |
| Other 1-4 family residential                       | -0.02                    | 0.10                        | -0.14               | 0.04               | 0.01               | -0.01            | -0.01            | 0.00                           | 0.01                   | 0.00                   |
| Commercial and industrial loans                    | 0.47                     | 2.52                        | 0.44                | 0.19               | 0.47               | 0.20             | 0.17             | 0.28                           | 0.03                   | 0.37                   |
| Loans to individuals                               | 2.51                     | 4.52                        | 2.96                | 0.62               | 1.38               | 1.39             | 0.82             | 0.98                           | 0.53                   | 1.95                   |
| Credit card loans                                  | 4.03                     | 4.66                        | 3.64                | 3.50               | 4.24               | 2.95             | 4.61             | 2.12                           | 4.39                   | 3.43                   |
| Other loans to individuals                         | 0.97                     | 2.45                        | 0.61                | 0.33               | 1.03               | 1.24             | 0.71             | 0.91                           | 0.45                   | 0.97                   |
| All other loans and leases (including farm)        | 0.14                     | 0.01                        | 0.13                | 0.14               | 0.14               | 0.24             | 0.02             | 0.07                           | 0.23                   | 0.14                   |
| Total loans and leases                             | 0.55                     | 4.32                        | 0.75                | 0.10               | 0.26               | 0.04             | 0.54             | 0.27                           | 0.09                   | 0.46                   |
| <b>Loans Outstanding (in billions)</b>             |                          |                             |                     |                    |                    |                  |                  |                                |                        |                        |
| All real estate loans                              | \$5,084.3                | \$1.6                       | \$558.4             | \$117.3            | \$3,042.0          | \$201.6          | \$27.4           | \$6.8                          | \$34.7                 | \$1,094.5              |
| Construction and development                       | 369.9                    | 0.1                         | 16.5                | 7.4                | 294.3              | 5.6              | 0.3              | 0.6                            | 2.1                    | 43.1                   |
| Nonfarm nonresidential                             | 1,535.0                  | 0.0                         | 58.2                | 31.2               | 1,176.7            | 18.9             | 1.6              | 2.3                            | 8.0                    | 238.1                  |
| Multifamily residential real estate                | 468.7                    | 0.0                         | 84.4                | 4.1                | 324.4              | 6.1              | 0.4              | 0.2                            | 0.9                    | 48.2                   |
| Home equity loans                                  | 338.3                    | 0.0                         | 36.7                | 2.2                | 196.9              | 10.8             | 0.6              | 0.2                            | 1.2                    | 89.6                   |
| Other 1-4 family residential                       | 2,206.9                  | 1.5                         | 314.8               | 27.5               | 998.8              | 159.2            | 24.4             | 3.2                            | 19.4                   | 658.1                  |
| Commercial and industrial loans                    | 2,542.6                  | 39.1                        | 427.6               | 22.1               | 1,279.5            | 6.5              | 6.2              | 1.2                            | 3.9                    | 756.5                  |
| Loans to individuals                               | 1,771.3                  | 367.8                       | 372.6               | 6.5                | 452.6              | 4.7              | 67.4             | 1.3                            | 4.0                    | 494.5                  |
| Credit card loans                                  | 873.0                    | 345.2                       | 285.5               | 0.6                | 47.3               | 0.4              | 1.7              | 0.1                            | 0.1                    | 192.2                  |
| Other loans to individuals                         | 898.4                    | 22.6                        | 87.1                | 5.9                | 405.3              | 4.3              | 65.7             | 1.2                            | 3.9                    | 302.3                  |
| All other loans and leases (including farm)        | 1,565.1                  | 0.3                         | 468.4               | 40.6               | 454.1              | 16.3             | 3.5              | 0.4                            | 2.7                    | 578.9                  |
| Total loans and leases (plus unearned income)      | 10,963.4                 | 408.7                       | 1,827.0             | 186.6              | 5,228.2            | 229.2            | 104.5            | 9.7                            | 45.3                   | 2,924.4                |
| <b>Memo: Other Real Estate Owned (in millions)</b> |                          |                             |                     |                    |                    |                  |                  |                                |                        |                        |
| All other real estate owned                        | 5,588.0                  | 1.0                         | 398.6               | 278.5              | 3,774.7            | 147.6            | 12.0             | 24.1                           | 87.9                   | 863.6                  |
| Construction and development                       | 1,261.9                  | 0.9                         | 4.0                 | 49.5               | 1,095.4            | 19.8             | 3.3              | 9.6                            | 16.9                   | 62.4                   |
| Nonfarm nonresidential                             | 1,874.6                  | 0.0                         | 42.0                | 86.8               | 1,463.1            | 28.0             | 2.5              | 7.8                            | 32.7                   | 211.8                  |
| Multifamily residential real estate                | 87.5                     | 0.0                         | 0.0                 | 7.4                | 79.1               | 0.8              | 0.0              | 0.0                            | 0.2                    | 0.0                    |
| 1-4 family residential                             | 2,159.2                  | 0.2                         | 318.6               | 46.7               | 1,061.4            | 96.7             | 6.2              | 6.5                            | 33.5                   | 589.4                  |
| Farmland   | 170.8                    | 0.0                         | 0.0                 | 88.0               | 75.8               | 2.3              | 0.0              | 0.2                            | 4.6                    | 0.0                    |

\* Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):

Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.

International Banks - Banks with assets greater than \$10 billion and more than 25 percent of total assets in foreign offices.

Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of the total loans and leases.

Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.

Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.

Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.

Other Specialized < \$1 Billion - Institutions with assets less than \$1 billion, whose loans and leases are less than 40 percent of total assets.

All Other < \$1 billion - Institutions with assets less than \$1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.

All Other > \$1 billion - Institutions with assets greater than \$1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.

\*\* Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.



**TABLE V-A. Loan Performance, All FDIC-Insured Institutions**

| March 31, 2020                                     | All Insured Institutions | Asset Size Distribution |                              |                             |                               |                            | Geographic Regions* |         |         |             |         |               |
|--|--------------------------|-------------------------|------------------------------|-----------------------------|-------------------------------|----------------------------|---------------------|---------|---------|-------------|---------|---------------|
|  |                          | Less Than \$100 Million | \$100 Million to \$1 Billion | \$1 Billion to \$10 Billion | \$10 Billion to \$250 Billion | Greater Than \$250 Billion | New York            | Atlanta | Chicago | Kansas City | Dallas  | San Francisco |
| <b>Percent of Loans 30-89 Days Past Due</b>        |                          |                         |                              |                             |                               |                            |                     |         |         |             |         |               |
| All loans secured by real estate                   | 0.64                     | 1.41                    | 0.81                         | 0.52                        | 0.57                          | 0.69                       | 0.57                | 0.67    | 0.56    | 0.87        | 0.81    | 0.35          |
| Construction and development                       | 0.54                     | 0.96                    | 0.72                         | 0.60                        | 0.55                          | 0.35                       | 0.90                | 0.38    | 0.29    | 0.61        | 0.54    | 0.51          |
| Nonfarm nonresidential                             | 0.37                     | 1.35                    | 0.64                         | 0.40                        | 0.30                          | 0.27                       | 0.39                | 0.28    | 0.47    | 0.40        | 0.43    | 0.27          |
| Multifamily residential real estate                | 0.20                     | 0.70                    | 0.31                         | 0.21                        | 0.17                          | 0.20                       | 0.20                | 0.13    | 0.16    | 0.42        | 0.24    | 0.14          |
| Home equity loans                                  | 0.62                     | 0.85                    | 0.59                         | 0.52                        | 0.56                          | 0.69                       | 0.57                | 0.58    | 0.70    | 0.74        | 0.56    | 0.41          |
| Other 1-4 family residential                       | 0.93                     | 1.67                    | 1.03                         | 0.74                        | 0.93                          | 0.95                       | 0.82                | 1.03    | 0.70    | 1.24        | 1.51    | 0.44          |
| Commercial and industrial loans                    | 0.34                     | 1.48                    | 0.93                         | 0.63                        | 0.33                          | 0.26                       | 0.29                | 0.30    | 0.29    | 0.35        | 0.56    | 0.44          |
| Loans to individuals                               | 1.43                     | 1.70                    | 1.61                         | 1.47                        | 1.41                          | 1.44                       | 1.31                | 1.92    | 0.94    | 1.28        | 0.88    | 1.69          |
| Credit card loans                                  | 1.35                     | 1.45                    | 2.20                         | 3.17                        | 1.53                          | 1.15                       | 1.45                | 1.53    | 1.00    | 1.22        | 0.69    | 1.62          |
| Other loans to individuals                         | 1.51                     | 1.71                    | 1.57                         | 1.10                        | 1.28                          | 1.75                       | 1.20                | 2.30    | 0.87    | 1.36        | 0.94    | 1.75          |
| All other loans and leases (including farm)        | 0.39                     | 1.11                    | 1.12                         | 0.71                        | 0.36                          | 0.34                       | 0.28                | 0.30    | 0.28    | 0.57        | 0.49    | 0.47          |
| Total loans and leases                             | 0.66                     | 1.39                    | 0.88                         | 0.60                        | 0.66                          | 0.64                       | 0.59                | 0.75    | 0.50    | 0.75        | 0.74    | 0.69          |
| <b>Percent of Loans Noncurrent**</b>               |                          |                         |                              |                             |                               |                            |                     |         |         |             |         |               |
| All real estate loans                              | 1.16                     | 1.31                    | 0.84                         | 0.76                        | 1.13                          | 1.49                       | 1.01                | 1.21    | 1.23    | 1.65        | 1.30    | 0.44          |
| Construction and development                       | 0.46                     | 1.00                    | 0.71                         | 0.49                        | 0.34                          | 0.44                       | 0.67                | 0.41    | 0.56    | 0.28        | 0.33    | 0.47          |
| Nonfarm nonresidential                             | 0.63                     | 1.32                    | 0.78                         | 0.76                        | 0.52                          | 0.59                       | 0.67                | 0.56    | 0.70    | 0.70        | 0.61    | 0.57          |
| Multifamily residential real estate                | 0.12                     | 0.49                    | 0.34                         | 0.19                        | 0.10                          | 0.06                       | 0.12                | 0.22    | 0.12    | 0.11        | 0.17    | 0.07          |
| Home equity loans                                  | 1.73                     | 0.58                    | 0.57                         | 0.55                        | 1.12                          | 2.61                       | 1.82                | 1.18    | 1.98    | 2.84        | 1.01    | 0.63          |
| Other 1-4 family residential                       | 1.76                     | 1.21                    | 0.86                         | 0.96                        | 2.07                          | 1.94                       | 1.59                | 1.84    | 1.67    | 2.37        | 2.80    | 0.38          |
| Commercial and industrial loans                    | 0.83                     | 1.74                    | 1.01                         | 1.43                        | 0.97                          | 0.63                       | 0.72                | 0.66    | 0.73    | 0.86        | 1.24    | 1.32          |
| Loans to individuals                               | 1.05                     | 0.81                    | 0.79                         | 0.95                        | 1.17                          | 0.96                       | 1.12                | 1.27    | 0.68    | 1.01        | 0.75    | 1.18          |
| Credit card loans                                  | 1.54                     | 0.74                    | 2.04                         | 3.38                        | 1.81                          | 1.27                       | 1.79                | 1.74    | 1.10    | 1.38        | 1.34    | 1.78          |
| Other loans to individuals                         | 0.57                     | 0.81                    | 0.71                         | 0.42                        | 0.51                          | 0.63                       | 0.60                | 0.81    | 0.27    | 0.39        | 0.53    | 0.66          |
| All other loans and leases (including farm)        | 0.24                     | 1.38                    | 1.10                         | 0.54                        | 0.24                          | 0.18                       | 0.21                | 0.13    | 0.24    | 0.34        | 0.40    | 0.20          |
| Total loans and leases                             | 0.93                     | 1.34                    | 0.88                         | 0.87                        | 1.01                          | 0.90                       | 0.87                | 0.93    | 0.86    | 1.11        | 1.17    | 0.76          |
| <b>Percent of Loans Charged-Off (net, YTD)</b>     |                          |                         |                              |                             |                               |                            |                     |         |         |             |         |               |
| All real estate loans                              | 0.00                     | 0.03                    | 0.02                         | 0.04                        | 0.01                          | -0.03                      | 0.03                | 0.01    | -0.04   | 0.00        | 0.02    | 0.00          |
| Construction and development                       | 0.00                     | -0.03                   | 0.02                         | 0.08                        | -0.01                         | -0.09                      | 0.00                | 0.02    | 0.00    | -0.14       | 0.03    | 0.10          |
| Nonfarm nonresidential                             | 0.03                     | 0.02                    | 0.04                         | 0.05                        | 0.03                          | 0.00                       | 0.06                | 0.02    | 0.03    | 0.03        | 0.03    | -0.02         |
| Multifamily residential real estate                | 0.00                     | 0.02                    | -0.01                        | 0.01                        | -0.01                         | 0.00                       | 0.00                | 0.00    | 0.01    | -0.01       | 0.00    | -0.02         |
| Home equity loans                                  | -0.01                    | 0.17                    | 0.02                         | 0.01                        | 0.03                          | -0.05                      | 0.03                | -0.04   | 0.03    | -0.05       | -0.01   | -0.04         |
| Other 1-4 family residential                       | -0.02                    | 0.01                    | 0.01                         | 0.02                        | 0.00                          | -0.04                      | 0.02                | 0.00    | -0.10   | 0.00        | 0.02    | 0.00          |
| Commercial and industrial loans                    | 0.47                     | 0.26                    | 0.26                         | 0.37                        | 0.69                          | 0.36                       | 0.32                | 0.45    | 0.51    | 0.29        | 0.81    | 0.74          |
| Loans to individuals                               | 2.51                     | 0.41                    | 1.26                         | 2.15                        | 2.86                          | 2.29                       | 2.59                | 2.54    | 2.00    | 2.87        | 1.52    | 2.80          |
| Credit card loans                                  | 4.03                     | 3.40                    | 6.53                         | 8.14                        | 4.50                          | 3.53                       | 4.16                | 4.11    | 3.43    | 3.99        | 3.29    | 4.62          |
| Other loans to individuals                         | 0.97                     | 0.38                    | 0.88                         | 0.83                        | 1.10                          | 0.89                       | 1.32                | 0.95    | 0.51    | 0.93        | 0.86    | 1.18          |
| All other loans and leases (including farm)        | 0.14                     | 0.30                    | 0.13                         | 0.22                        | 0.10                          | 0.15                       | 0.14                | 0.16    | 0.11    | 0.18        | 0.13    | 0.06          |
| Total loans and leases                             | 0.55                     | 0.12                    | 0.11                         | 0.22                        | 0.76                          | 0.54                       | 0.50                | 0.62    | 0.43    | 0.54        | 0.31    | 0.81          |
| <b>Loans Outstanding (in billions)</b>             |                          |                         |                              |                             |                               |                            |                     |         |         |             |         |               |
| All real estate loans                              | \$5,084.3                | \$26.6                  | \$559.4                      | \$928.0                     | \$1,747.7                     | \$1,822.6                  | \$1,052.2           | \$965.3 | \$994.6 | \$884.3     | \$534.9 | \$653.1       |
| Construction and development                       | 369.9                    | 1.5                     | 53.3                         | 93.6                        | 142.6                         | 78.8                       | 70.7                | 62.4    | 61.4    | 52.3        | 81.1    | 42.0          |
| Nonfarm nonresidential                             | 1,535.0                  | 6.1                     | 211.3                        | 384.4                       | 588.1                         | 345.2                      | 352.6               | 302.4   | 228.2   | 205.7       | 218.5   | 227.7         |
| Multifamily residential real estate                | 468.7                    | 0.7                     | 30.3                         | 102.6                       | 197.0                         | 138.0                      | 163.0               | 46.8    | 117.1   | 40.9        | 24.5    | 76.5          |
| Home equity loans                                  | 338.3                    | 0.6                     | 19.3                         | 38.7                        | 118.2                         | 161.5                      | 70.3                | 81.6    | 83.0    | 56.5        | 20.5    | 26.4          |
| Other 1-4 family residential                       | 2,206.9                  | 12.4                    | 193.3                        | 281.3                       | 685.9                         | 1,034.0                    | 390.8               | 458.8   | 480.7   | 435.4       | 171.1   | 270.1         |
| Commercial and industrial loans                    | 2,542.6                  | 4.7                     | 90.9                         | 205.7                       | 849.7                         | 1,391.5                    | 409.2               | 632.6   | 583.0   | 496.8       | 161.2   | 259.7         |
| Loans to individuals                               | 1,771.3                  | 2.4                     | 29.4                         | 69.8                        | 757.1                         | 912.6                      | 306.8               | 423.6   | 338.1   | 311.8       | 71.5    | 319.6         |
| Credit card loans                                  | 873.0                    | 0.0                     | 1.9                          | 12.3                        | 384.1                         | 474.6                      | 134.3               | 208.9   | 167.1   | 194.9       | 18.9    | 149.0         |
| Other loans to individuals                         | 898.4                    | 2.4                     | 27.5                         | 57.4                        | 373.0                         | 438.0                      | 172.5               | 214.7   | 171.0   | 116.9       | 52.7    | 170.6         |
| All other loans and leases (including farm)        | 1,565.1                  | 5.3                     | 46.1                         | 68.2                        | 402.0                         | 1,043.5                    | 244.2               | 314.0   | 381.6   | 419.6       | 69.6    | 136.2         |
| Total loans and leases (plus unearned income)      | 10,963.4                 | 39.0                    | 725.9                        | 1,271.7                     | 3,756.5                       | 5,170.2                    | 2,012.4             | 2,335.5 | 2,297.3 | 2,112.5     | 837.2   | 1,368.6       |
| <b>Memo: Other Real Estate Owned (in millions)</b> |                          |                         |                              |                             |                               |                            |                     |         |         |             |         |               |
| All other real estate owned                        | 5,588.0                  | 121.2                   | 1,459.9                      | 1,175.3                     | 1,553.6                       | 1,278.1                    | 983.8               | 1,252.1 | 1,195.6 | 823.9       | 1,045.4 | 287.3         |
| Construction and development                       | 1,261.9                  | 19.0                    | 561.2                        | 370.1                       | 240.5                         | 71.1                       | 161.0               | 347.3   | 158.2   | 192.1       | 321.3   | 82.0          |
| Nonfarm nonresidential                             | 1,874.6                  | 41.3                    | 480.6                        | 494.0                       | 591.6                         | 267.2                      | 287.6               | 368.3   | 418.3   | 260.8       | 446.8   | 92.8          |
| Multifamily residential real estate                | 87.5                     | 5.1                     | 43.7                         | 24.7                        | 12.5                          | 1.5                        | 9.7                 | 24.7    | 13.6    | 14.4        | 13.0    | 12.0          |
| 1-4 family residential                             | 2,159.2                  | 42.1                    | 278.1                        | 240.5                       | 694.3                         | 904.3                      | 519.7               | 494.4   | 558.2   | 284.6       | 215.6   | 86.8          |
| Farmland   | 170.8                    | 13.8                    | 96.3                         | 46.0                        | 14.7                          | 0.1                        | 5.8                 | 17.3    | 22.3    | 63.0        | 48.7    | 13.7          |

**\* Regions:**

New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands

Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia

Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas

San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

\*\* Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.





**TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Call Report Filers)\***

|  |                        |                        |                        |                        |                        |                              | Asset Size Distribution          |                            |                           |                             |                                     |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------------|----------------------------------|----------------------------|---------------------------|-----------------------------|-------------------------------------|
|  | 1st<br>Quarter<br>2020 | 4th<br>Quarter<br>2019 | 3rd<br>Quarter<br>2019 | 2nd<br>Quarter<br>2019 | 1st<br>Quarter<br>2019 | %<br>Change<br>19Q1-<br>20Q1 | Less<br>Than<br>\$100<br>Million | \$100<br>to \$1<br>Billion | \$1<br>to \$10<br>Billion | \$10<br>to \$250<br>Billion | Greater<br>Than<br>\$250<br>Billion |
| (dollar figures in millions)   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| <b>Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements</b> |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Number of institutions reporting securitization activities   | 62                     | 63                     | 67                     | 65                     | 65                     | -4.6                         | 0                                | 5                          | 16                        | 33                          | 8                                   |
| <b>Outstanding Principal Balance by Asset Type</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 451,456                | 474,309                | 452,433                | 465,275                | 486,472                | -7.2                         | 0                                | 1,119                      | 16,134                    | 93,911                      | 340,291                             |
| Home equity loans  | 9                      | 11                     | 11                     | 12                     | 13                     | -30.8                        | 0                                | 0                          | 0                         | 9                           | 0                                   |
| Credit card receivables  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Auto loans   | 1,196                  | 1,448                  | 1,793                  | 2,494                  | 3,062                  | -60.9                        | 0                                | 0                          | 0                         | 1,196                       | 0                                   |
| Other consumer loans   | 1,587                  | 1,661                  | 1,738                  | 1,603                  | 1,668                  | -4.9                         | 0                                | 0                          | 0                         | 787                         | 800                                 |
| Commercial and industrial loans  | 0                      | 0                      | 537                    | 558                    | 550                    | -100.0                       | 0                                | 0                          | 0                         | 0                           | 0                                   |
| All other loans, leases, and other assets  | 88,439                 | 83,875                 | 76,770                 | 73,791                 | 72,857                 | 21.4                         | 0                                | 0                          | 8,719                     | 3,752                       | 75,967                              |
| Total securitized and sold   | 542,687                | 561,304                | 533,282                | 543,733                | 564,622                | -3.9                         | 0                                | 1,119                      | 24,853                    | 99,655                      | 417,058                             |
| <b>Maximum Credit Exposure by Asset Type</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 1,726                  | 1,326                  | 1,371                  | 1,055                  | 1,050                  | 64.4                         | 0                                | 0                          | 142                       | 711                         | 873                                 |
| Home equity loans  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Credit card receivables  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Auto loans   | 53                     | 59                     | 66                     | 86                     | 94                     | -43.6                        | 0                                | 0                          | 0                         | 53                          | 0                                   |
| Other consumer loans   | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Commercial and industrial loans  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| All other loans, leases, and other assets  | 1,645                  | 1,366                  | 1,324                  | 1,230                  | 1,257                  | 30.9                         | 0                                | 0                          | 142                       | 51                          | 1,452                               |
| Total credit exposure  | 3,424                  | 2,751                  | 2,761                  | 2,371                  | 2,401                  | 42.6                         | 0                                | 0                          | 284                       | 815                         | 2,325                               |
| Total unused liquidity commitments provided to institution's own securitizations   | 29                     | 24                     | 203                    | 185                    | 230                    | -87.4                        | 0                                | 0                          | 0                         | 0                           | 29                                  |
| <b>Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 3.7                    | 3.5                    | 3.6                    | 4.0                    | 3.5                    |                              | 0.0                              | 3.5                        | 1.8                       | 2.9                         | 4.0                                 |
| Home equity loans  | 19.7                   | 9.8                    | 7.8                    | 7.1                    | 5.7                    |                              | 0.0                              | 0.0                        | 0.0                       | 19.7                        | 0.0                                 |
| Credit card receivables  | 0.0                    | 0.0                    | 0.0                    | 0.0                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| Auto loans   | 4.5                    | 3.2                    | 2.7                    | 2.3                    | 2.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 4.5                         | 0.0                                 |
| Other consumer loans   | 3.7                    | 3.6                    | 3.3                    | 4.5                    | 4.2                    |                              | 0.0                              | 0.0                        | 0.0                       | 2.2                         | 5.3                                 |
| Commercial and industrial loans  | 0.0                    | 0.0                    | 0.0                    | 0.0                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| All other loans, leases, and other assets  | 0.1                    | 0.1                    | 0.3                    | 0.2                    | 0.2                    |                              | 0.0                              | 0.0                        | 0.0                       | 1.7                         | 0.0                                 |
| Total loans, leases, and other assets  | 3.4                    | 3.2                    | 3.2                    | 3.6                    | 3.2                    |                              | 0.0                              | 0.0                        | 0.0                       | 4.4                         | 3.3                                 |
| <b>Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)</b>  |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 1.0                    | 1.0                    | 1.1                    | 1.1                    | 1.1                    |                              | 0.0                              | 1.4                        | 0.6                       | 1.2                         | 0.9                                 |
| Home equity loans  | 29.3                   | 33.6                   | 33.5                   | 35.9                   | 39.4                   |                              | 0.0                              | 0.0                        | 0.0                       | 29.3                        | 0.0                                 |
| Credit card receivables  | 0.0                    | 0.0                    | 0.0                    | 0.0                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| Auto loans   | 0.8                    | 0.6                    | 0.5                    | 0.5                    | 0.5                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.8                         | 0.0                                 |
| Other consumer loans   | 3.6                    | 3.7                    | 3.4                    | 4.0                    | 4.1                    |                              | 0.0                              | 0.0                        | 0.0                       | 1.5                         | 5.6                                 |
| Commercial and industrial loans  | 0.0                    | 0.0                    | 0.0                    | 0.0                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| All other loans, leases, and other assets  | 0.3                    | 0.3                    | 0.3                    | 0.2                    | 0.3                    |                              | 0.0                              | 0.0                        | 1.2                       | 0.3                         | 0.2                                 |
| Total loans, leases, and other assets  | 0.8                    | 0.8                    | 0.9                    | 0.9                    | 1.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 1.3                         | 0.8                                 |
| <b>Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)</b>                                 |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 0.0                    | 0.2                    | 0.2                    | 0.1                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| Home equity loans  | 6.9                    | 8.6                    | 6.9                    | 3.6                    | 0.9                    |                              | 0.0                              | 0.0                        | 0.0                       | 6.9                         | 0.0                                 |
| Credit card receivables  | 0.0                    | 0.0                    | 0.0                    | 0.0                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| Auto loans   | 0.5                    | 1.9                    | 1.2                    | 0.7                    | 0.3                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.5                         | 0.0                                 |
| Other consumer loans   | 0.1                    | 0.7                    | 0.5                    | 0.4                    | 0.2                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.1                         | 0.2                                 |
| Commercial and industrial loans  | 0.0                    | 0.0                    | 0.0                    | 0.0                    | 0.0                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.0                                 |
| All other loans, leases, and other assets  | 0.1                    | 0.3                    | 0.2                    | 0.1                    | 0.1                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.2                         | 0.1                                 |
| Total loans, leases, and other assets  | 0.0                    | 0.2                    | 0.2                    | 0.1                    | 0.1                    |                              | 0.0                              | 0.0                        | 0.0                       | 0.0                         | 0.1                                 |
| <b>Seller's Interests in Institution's Own Securitizations – Carried as Loans</b>  |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Home equity loans  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Credit card receivables  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Commercial and industrial loans  | 0                      | 629                    | 644                    | 623                    | 427                    | -100.0                       | 0                                | 0                          | 0                         | 0                           | 0                                   |
| <b>Seller's Interests in Institution's Own Securitizations – Carried as Securities</b>                                   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Home equity loans  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Credit card receivables  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| Commercial and industrial loans  | 0                      | 0                      | 0                      | 0                      | 0                      | 0.0                          | 0                                | 0                          | 0                         | 0                           | 0                                   |
| <b>Assets Sold with Recourse and Not Securitized</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Number of institutions reporting asset sales   | 339                    | 371                    | 388                    | 437                    | 442                    | -23.3                        | 9                                | 122                        | 142                       | 57                          | 9                                   |
| <b>Outstanding Principal Balance by Asset Type</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 27,752                 | 30,320                 | 29,841                 | 90,099                 | 25,577                 | 8.5                          | 59                               | 4,158                      | 11,101                    | 10,588                      | 1,845                               |
| All other loans, leases, and other assets  | 123,427                | 124,159                | 122,896                | 121,462                | 118,898                | 3.8                          | 0                                | 10                         | 135                       | 33,160                      | 90,122                              |
| Total sold and not securitized   | 151,179                | 154,479                | 152,737                | 211,560                | 144,475                | 4.6                          | 59                               | 4,168                      | 11,236                    | 43,748                      | 91,967                              |
| <b>Maximum Credit Exposure by Asset Type</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| 1-4 family residential loans   | 9,675                  | 10,161                 | 10,181                 | 10,410                 | 7,376                  | 31.2                         | 4                                | 453                        | 4,806                     | 3,490                       | 922                                 |
| All other loans, leases, and other assets  | 35,313                 | 34,793                 | 34,483                 | 34,162                 | 33,545                 | 5.3                          | 0                                | 10                         | 92                        | 10,332                      | 24,879                              |
| Total credit exposure  | 44,989                 | 44,953                 | 44,665                 | 44,572                 | 40,922                 | 9.9                          | 4                                | 463                        | 4,898                     | 13,823                      | 25,801                              |
| <b>Support for Securitization Facilities Sponsored by Other Institutions</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Number of institutions reporting securitization facilities sponsored by others   | 36                     | 36                     | 37                     | 41                     | 40                     | 10.0                         | 1                                | 8                          | 13                        | 8                           | 6                                   |
| Total credit exposure  | 22,894                 | 23,214                 | 23,169                 | 23,532                 | 22,527                 | 1.6                          | 0                                | 0                          | 0                         | 1,497                       | 21,397                              |
| Total unused liquidity commitments   | 208                    | 413                    | 411                    | 658                    | 492                    | -57.7                        | 0                                | 0                          | 0                         | 94                          | 114                                 |
| <b>Other</b>   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Assets serviced for others**   | 6,185,753              | 6,187,210              | 6,102,813              | 6,095,333              | 6,128,925              | 0.9                          | 3,865                            | 143,479                    | 324,116                   | 1,191,013                   | 4,523,281                           |
| Asset-backed commercial paper conduits   |                        |                        |                        |                        |                        |                              |                                  |                            |                           |                             |                                     |
| Credit exposure to conduits sponsored by institutions and others   | 18,170                 | 17,948                 | 16,186                 | 16,249                 | 17,150                 | 5.9                          | 0                                | 0                          | 0                         | 0                           | 18,170                              |
| Unused liquidity commitments to conduits sponsored by institutions and others  | 30,889                 | 31,652                 | 30,536                 | 29,907                 | 29,998                 | 3.0                          | 0                                | 0                          | 0                         | 801                         | 30,088                              |
| Net servicing income (for the quarter)   | -1,757                 | 2,203                  | 300                    | -304                   | 1,524                  | -215.3                       | 6                                | 195                        | -2                        | -582                        | -1,374                              |
| Net securitization income (for the quarter)  | 37                     | 138                    | 65                     | 72                     | 79                     | -53.2                        | 0                                | 2                          | 3                         | 4                           | 28                                  |
| Total credit exposure to Tier 1 capital (%)***   | 3.6                    | 3.6                    | 3.6                    | 3.5                    | 3.5                    |                              | 0.0                              | 0.0                        | 0.6                       | 2.3                         | 5.5                                 |

\* Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.

\*\* The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than \$10 million.

\*\*\* Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.



## COMMUNITY BANK PERFORMANCE

Community banks are identified based on criteria defined in the FDIC’s *Community Banking Study*. When comparing community bank performance across quarters, prior-quarter dollar amounts are based on community banks designated in the current quarter, adjusted for mergers. In contrast, prior-quarter performance ratios are based on community banks designated during the previous quarter.

### Net Income Drops 20.9 Percent Primarily Because of Higher Provisions in Response to Economic Conditions

### Net Operating Revenue Rises 4.1 Percent From One Year Ago

### Community Bank Loan Growth Holds Steady at 5.8 Percent Year Over Year

### Asset Quality Weakens Modestly Through Increase in Noncurrent Loans

#### Increased Provisions Contribute to Lower Community Bank Earnings

Net income for community banks fell to \$4.8 billion in first quarter 2020, \$1.3 billion less than the amount reported one year ago. This decline reflects an increase in provision expenses resulting in part from bank management teams’ expectations of increased credit losses due to the adverse economic impact of the COVID-19 pandemic. Provision expenses totaled \$1.8 billion as of first quarter 2020—three times the amount reported during the year-ago quarter. Less than 1 percent of community banks (42 institutions) adopted the current expected credit losses (CECL) accounting standard. However, nearly half of community banks reported an increase in loan loss provisions compared with the year-ago quarter. The increase in provision expenses drove the pretax return on assets (ROA) ratio down 38 basis points to 1.02 percent. Still, community banks reported a ROA ratio that was 59 basis points higher than that of noncommunity banks.

#### Net Interest Income Rises Despite Margin Pressure

Net operating revenue (net interest income plus total noninterest income) totaled \$23 billion (up \$904 million, or 4.1 percent from first quarter 2019), with year-over-year growth in net interest income (up 2.1 percent) and noninterest income (up 13 percent). More than half of community banks (55.7 percent) reported higher net interest income compared with the year-ago quarter. Higher interest income on nonresidential real estate loans (up \$477 million, or 5.3 percent) and consumer loans (up \$111 million, or 11 percent) drove the increase in interest income. Despite the improvement in net interest income, the average net interest margin (NIM) collar compressed 12 basis points to 3.55 percent compared to the year-ago level. A decline in average yields, which outpaced the decline in average funding costs, drove the NIM compression.

Chart 1

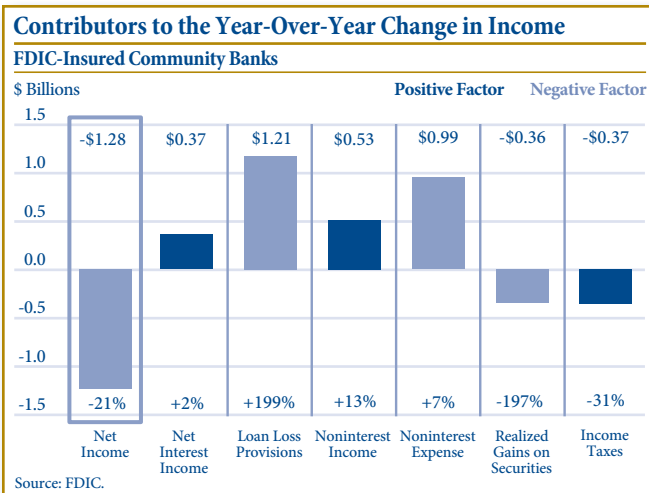
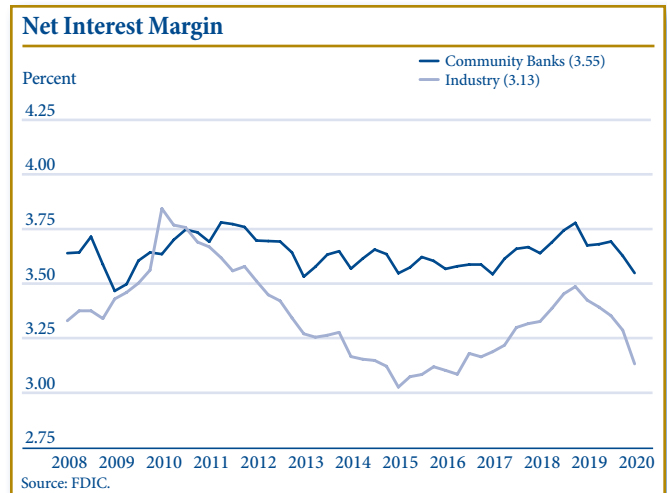


Chart 2



**Noninterest Income Grows 13 Percent From the Year-Ago Level**

Net gains on loan sales totaled \$461.6 million (up 72.7 percent), as community banks sold at a premium loans with greater yields that were made under higher interest rate environments. This increase drove noninterest income up \$531 million (13 percent) to \$4.6 billion compared with the same period one year ago. Nearly two-thirds of community banks (64.5 percent) reported higher noninterest income.

**Noninterest Expenses Rise on Higher Payroll Costs**

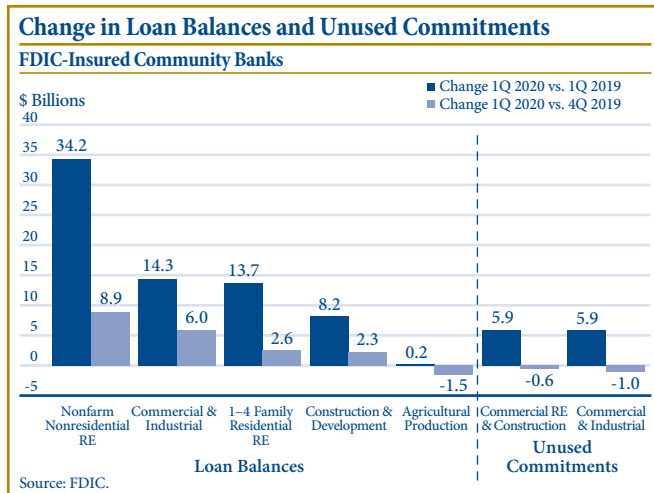
Noninterest expenses rose \$985.7 million (6.9 percent) to \$15.3 billion from a year ago. An additional \$603.3 million (7.3 percent) in payroll expenses drove this increase. Community banks added 5,289 full-time employees (up 1.4 percent) to the payroll during the year ending first quarter 2020, which supported a 4.5 percent boost in average assets per employee. Nearly three-fourths of community banks (72.4 percent) reported higher noninterest expenses compared with first quarter 2019. The efficiency ratio was up 2.1 percentage points to 66.1 percent year over year, reflecting a slight reduction in operational efficiency.

**Community Bank Loan Growth Persists Amid Weakening Economic Conditions**

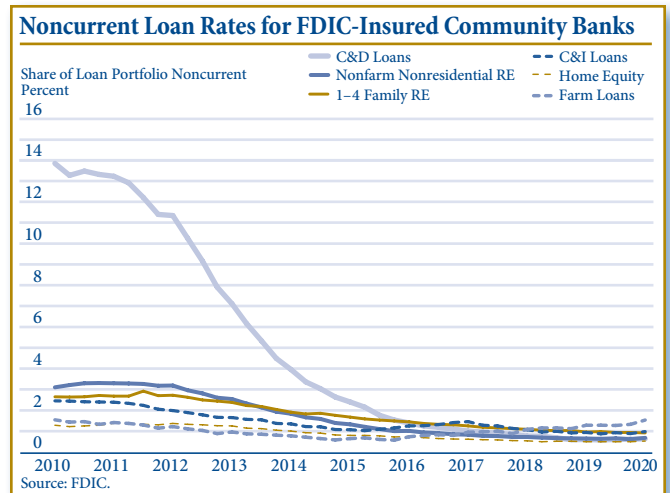
Total loans and leases expanded \$87.1 billion (5.8 percent) to \$1.6 trillion, with 73 percent of community banks reporting growth in loan and lease balances compared with first quarter 2019. The following major loan categories fueled loan growth: nonfarm nonresidential loans (up \$34.2 billion, or 7.7 percent), commercial and industrial (C&I) loans (up \$14.3 billion, or 7.1 percent), 1–4 family residential real estate loans (up \$14.1 billion, or 3.3 percent), and construction and development (C&D) loans (up \$8.2 billion, or 7.7 percent). Unused loan commitments totaled \$316.6 billion and were up \$21.6 billion (7.3 percent) compared with the year-ago level.

Loan growth since the previous quarter totaled \$21.3 billion (up 1.4 percent) and was primarily driven by the same major loan categories: nonfarm nonresidential loans (up \$8.9 billion, or 1.9 percent), C&I loans (up \$6 billion, or 2.8 percent), 1–4 family residential real estate loans (up \$2.6 billion, or 0.7 percent), and C&D loans (up \$2.3 billion, or 2 percent).

**Chart 3**



**Chart 4**



**Noncurrent Loan Balances Rise 9.2 Percent in the First Quarter**

Community banks reported a quarterly increase in noncurrent loans (up \$1.1 billion, or 9.2 percent). Growth in noncurrent loans was most pronounced in the following categories: nonfarm nonresidential loans (up \$350.4 million, or 12.1 percent), C&I loans (up \$242 million, or 12.9 percent), and farm loans (up \$238.9 million, or 14 percent). Of these categories, noncurrent farm loans as a percentage of total farm loans registered the highest increase for the quarter—20 basis points to 1.53 percent. Most of the deterioration in the farm loan portfolio was in the farm land category. The noncurrent rate for farm land loans rose 27 basis points during the same period to 1.75 percent—a high since second quarter 2012.

**Net Charge-Off Rates Remain Relatively Low**

Net charge-offs of loans and leases grew \$112 million (32.4 percent) year over year but declined \$249 million (35.2 percent) from the previous quarter. The net charge-off rate for total loans was 0.12 percent—7 basis points lower compared with fourth quarter 2019 but 3 basis points higher when compared with first quarter 2019. The net charge-off rate for C&I loans rose the most among major loan categories, up 9 basis points year over year to 0.27 percent.

**Domestic Deposit Growth Supports Expanded Loan Volume**

Domestic deposits of \$1.8 trillion grew 1.6 percent in the quarter and 5.4 percent year over year. Domestic interest-bearing deposit inflows of \$23.6 billion (up 1.7 percent) outpaced that of noninterest-bearing deposits of \$5.8 billion (up 1.5 percent).

**Leverage Capital Ratios Hold Steady**

Total equity capital grew \$2.5 billion (1 percent) during the quarter, and the leverage capital ratio increased by 2 basis points to 11.1 percent. The tier 1 risk-based capital ratio for the 3,013 community banks that did not elect to report under the community bank leverage ratio (CBLR) option was 14.18 percent. The average CBLR for the 1,668 banks that made this election was 12.19 percent.

**Number of Community Banks Declines**

As of first quarter 2020, the FDIC insured 4,681 community banks, a decline of 69 community banks from the previous quarter. This decline includes 55 mergers or consolidations, ten net community bank transitions to noncommunity bank designations, three voluntary closures, and one failure.

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**TABLE I-B. Selected Indicators, FDIC-Insured Community Banks**

|  | 2020*  | 2019* | 2019  | 2018  | 2017  | 2016  | 2015  |
|--|--------|-------|-------|-------|-------|-------|-------|
| Return on assets (%)   | 0.87   | 1.16  | 1.20  | 1.19  | 0.96  | 0.99  | 0.99  |
| Return on equity (%)   | 7.44   | 10.17 | 10.25 | 10.58 | 8.65  | 8.81  | 8.85  |
| Core capital (leverage) ratio (%)                            | 11.13  | 11.11 | 11.15 | 11.09 | 10.80 | 10.69 | 10.67 |
| Noncurrent assets plus other real estate owned to assets (%) | 0.68   | 0.68  | 0.65  | 0.70  | 0.78  | 0.94  | 1.07  |
| Net charge-offs to loans (%)                                 | 0.12   | 0.09  | 0.13  | 0.13  | 0.16  | 0.16  | 0.15  |
| Asset growth rate (%)  | -0.20  | 2.21  | -1.17 | 2.22  | 1.17  | 2.97  | 2.74  |
| Net interest margin (%)                                      | 3.55   | 3.67  | 3.66  | 3.72  | 3.62  | 3.57  | 3.57  |
| Net operating income growth (%)                              | -22.02 | 5.90  | -3.98 | 28.01 | 0.21  | 2.42  | 9.57  |
| Number of institutions reporting                             | 4,681  | 4,931 | 4,750 | 4,980 | 5,228 | 5,462 | 5,736 |
| Percentage of unprofitable institutions (%)                  | 6.81   | 4.04  | 3.94  | 3.63  | 5.72  | 4.67  | 5.04  |

\* Through March 31, ratios annualized where appropriate. Asset growth rates are for 12 months ending March 31.

**TABLE II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks**

| (dollar figures in millions)                       | 1st Quarter<br>2020 | 4th Quarter<br>2019 | 1st Quarter<br>2019 | %Change<br>19Q1-20Q1 |                     |                      |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|
| Number of institutions reporting                   | 4,681               | 4,750               | 4,931               | -5.1                 |                     |                      |
| Total employees (full-time equivalent)             | 395,453             | 400,320             | 406,472             | -2.7                 |                     |                      |
| <b>CONDITION DATA</b>                              |                     |                     |                     |                      |                     |                      |
| Total assets                                       | \$2,252,306         | \$2,231,313         | \$2,256,801         | -0.2                 |                     |                      |
| Loans secured by real estate                       | 1,209,956           | 1,206,858           | 1,234,099           | -2.0                 |                     |                      |
| 1-4 Family residential mortgages                   | 391,139             | 393,213             | 398,875             | -1.9                 |                     |                      |
| Nonfarm nonresidential                             | 479,578             | 474,568             | 477,316             | 0.5                  |                     |                      |
| Construction and development                       | 114,166             | 113,168             | 113,390             | 0.7                  |                     |                      |
| Home equity lines                                  | 45,767              | 46,490              | 47,505              | -3.7                 |                     |                      |
| Commercial & industrial loans                      | 216,694             | 212,815             | 217,100             | -0.2                 |                     |                      |
| Loans to individuals                               | 65,309              | 66,106              | 64,031              | 2.0                  |                     |                      |
| Credit cards                                       | 1,995               | 2,158               | 1,988               | 0.4                  |                     |                      |
| Farm loans   | 50,583              | 52,209              | 50,942              | -0.7                 |                     |                      |
| Other loans & leases                               | 38,957              | 40,857              | 39,910              | -2.4                 |                     |                      |
| Less: Unearned income                              | 538                 | 557                 | 639                 | -15.8                |                     |                      |
| Total loans & leases                               | 1,580,961           | 1,578,289           | 1,605,442           | -1.5                 |                     |                      |
| Less: Reserve for losses*                          | 19,241              | 17,700              | 18,265              | 5.3                  |                     |                      |
| Net loans and leases                               | 1,561,720           | 1,560,589           | 1,587,178           | -1.6                 |                     |                      |
| Securities**                                       | 382,675             | 379,279             | 392,127             | -2.4                 |                     |                      |
| Other real estate owned                            | 2,385               | 2,462               | 2,984               | -20.1                |                     |                      |
| Goodwill and other intangibles                     | 17,688              | 17,689              | 16,724              | 5.8                  |                     |                      |
| All other assets                                   | 287,838             | 271,293             | 257,787             | 11.7                 |                     |                      |
| Total liabilities and capital                      | 2,252,306           | 2,231,313           | 2,256,801           | -0.2                 |                     |                      |
| Deposits   | 1,842,769           | 1,834,301           | 1,859,523           | -0.9                 |                     |                      |
| Domestic office deposits                           | 1,840,677           | 1,831,888           | 1,857,213           | -0.9                 |                     |                      |
| Foreign office deposits                            | 2,092               | 2,414               | 2,310               | -9.4                 |                     |                      |
| Brokered deposits                                  | 62,008              | 63,341              | 77,199              | -19.7                |                     |                      |
| Estimated insured deposits                         | 1,340,017           | 1,331,377           | 1,354,569           | -1.1                 |                     |                      |
| Other borrowed funds                               | 124,485             | 114,766             | 119,138             | 4.5                  |                     |                      |
| Subordinated debt                                  | 338                 | 339                 | 618                 | -45.3                |                     |                      |
| All other liabilities                              | 22,533              | 19,225              | 17,777              | 26.8                 |                     |                      |
| Total equity capital (includes minority interests) | 262,180             | 262,681             | 259,746             | 0.9                  |                     |                      |
| Bank equity capital                                | 262,089             | 262,594             | 259,678             | 0.9                  |                     |                      |
| Loans and leases 30-89 days past due               | 11,503              | 8,756               | 9,211               | 24.9                 |                     |                      |
| Noncurrent loans and leases                        | 12,842              | 11,955              | 12,372              | 3.8                  |                     |                      |
| Restructured loans and leases                      | 5,219               | 5,519               | 6,032               | -13.5                |                     |                      |
| Mortgage-backed securities                         | 185,082             | 179,942             | 176,815             | 4.7                  |                     |                      |
| Earning assets                                     | 2,095,308           | 2,078,572           | 2,105,535           | -0.5                 |                     |                      |
| FHLB Advances                                      | 100,080             | 92,543              | 95,849              | 4.4                  |                     |                      |
| Unused loan commitments                            | 316,559             | 314,154             | 313,216             | 1.1                  |                     |                      |
| Trust assets                                       | 241,405             | 328,900             | 269,923             | -10.6                |                     |                      |
| Assets securitized and sold                        | 17,786              | 17,049              | 12,965              | 37.2                 |                     |                      |
| Notional amount of derivatives                     | 148,922             | 102,452             | 83,752              | 77.8                 |                     |                      |
| <b>INCOME DATA</b>                                 |                     |                     |                     |                      |                     |                      |
|  | Full Year<br>2019   | Full Year<br>2018   | %Change             | 1st Quarter<br>2020  | 1st Quarter<br>2019 | %Change<br>19Q1-20Q1 |
| Total interest income                              | \$92,463            | \$90,272            | 2.4                 | \$22,758             | \$23,917            | -4.8                 |
| Total interest expense                             | 18,898              | 14,533              | 30.0                | 4,398                | 4,766               | -7.7                 |
| Net interest income                                | 73,565              | 75,739              | -2.9                | 18,360               | 19,151              | -4.1                 |
| Provision for credit losses***                     | 2,901               | 2,933               | -1.1                | 1,824                | 663                 | 174.9                |
| Total noninterest income                           | 18,903              | 18,363              | 2.9                 | 4,625                | 4,258               | 8.6                  |
| Total noninterest expense                          | 59,585              | 60,209              | -1.0                | 15,293               | 15,074              | 1.4                  |
| Securities gains (losses)                          | 781                 | 40                  | 1,831.5             | -177                 | 167                 | -206.3               |
| Applicable income taxes                            | 5,095               | 4,929               | 3.4                 | 847                  | 1,331               | -36.4                |
| Extraordinary gains, net****                       | 128                 | 3                   | N/M                 | 1                    | -2                  | N/M                  |
| Total net income (includes minority interests)     | 25,796              | 26,074              | -1.1                | 4,845                | 6,505               | -25.5                |
| Bank net income                                    | 25,785              | 26,063              | -1.1                | 4,841                | 6,505               | -25.6                |
| Net charge-offs                                    | 2,012               | 1,941               | 3.7                 | 458                  | 362                 | 26.3                 |
| Cash dividends                                     | 13,318              | 11,530              | 15.5                | 3,155                | 3,286               | -4.0                 |
| Retained earnings                                  | 12,467              | 14,532              | -14.2               | 1,686                | 3,219               | -47.6                |
| Net operating income                               | 25,007              | 26,044              | -4.0                | 4,969                | 6,373               | -22.0                |

\* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

\*\* For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

\*\*\* For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

\*\*\*\* See Notes to Users for explanation.

N/M - Not Meaningful

**TABLE II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks  
Prior Periods Adjusted for Mergers**

| (dollar figures in millions)                       | 1st Quarter<br>2020 | 4th Quarter<br>2019 | 1st Quarter<br>2019 | %Change<br>19Q1-20Q1 |                     |                      |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|
| Number of institutions reporting                   | 4,681               | 4,681               | 4,670               | 0.2                  |                     |                      |
| Total employees (full-time equivalent)             | 395,453             | 395,059             | 390,164             | 1.4                  |                     |                      |
| <b>CONDITION DATA</b>                              |                     |                     |                     |                      |                     |                      |
| Total assets                                       | \$2,252,306         | \$2,205,686         | \$2,117,988         | 6.3                  |                     |                      |
| Loans secured by real estate                       | 1,209,956           | 1,194,109           | 1,145,582           | 5.6                  |                     |                      |
| 1-4 Family residential mortgages                   | 391,139             | 388,512             | 377,448             | 3.6                  |                     |                      |
| Nonfarm nonresidential                             | 479,578             | 470,654             | 445,341             | 7.7                  |                     |                      |
| Construction and development                       | 114,166             | 111,876             | 106,005             | 7.7                  |                     |                      |
| Home equity lines                                  | 45,767              | 45,620              | 45,361              | 0.9                  |                     |                      |
| Commercial & industrial loans                      | 216,694             | 210,728             | 202,384             | 7.1                  |                     |                      |
| Loans to individuals                               | 65,309              | 65,265              | 61,500              | 6.2                  |                     |                      |
| Credit cards                                       | 1,995               | 2,138               | 1,961               | 1.7                  |                     |                      |
| Farm loans   | 50,583              | 52,125              | 50,410              | 0.3                  |                     |                      |
| Other loans & leases                               | 38,957              | 37,969              | 34,480              | 13.0                 |                     |                      |
| Less: Unearned income                              | 538                 | 553                 | 541                 | -0.5                 |                     |                      |
| Total loans & leases                               | 1,580,961           | 1,559,645           | 1,493,815           | 5.8                  |                     |                      |
| Less: Reserve for losses*                          | 19,241              | 17,533              | 17,282              | 11.3                 |                     |                      |
| Net loans and leases                               | 1,561,720           | 1,542,112           | 1,476,533           | 5.8                  |                     |                      |
| Securities**                                       | 382,675             | 377,407             | 376,803             | 1.6                  |                     |                      |
| Other real estate owned                            | 2,385               | 2,437               | 2,867               | -16.8                |                     |                      |
| Goodwill and other intangibles                     | 17,688              | 17,237              | 16,060              | 10.1                 |                     |                      |
| All other assets                                   | 287,838             | 266,493             | 245,725             | 17.1                 |                     |                      |
| Total liabilities and capital                      | 2,252,306           | 2,205,686           | 2,117,988           | 6.3                  |                     |                      |
| Deposits   | 1,842,769           | 1,813,694           | 1,748,272           | 5.4                  |                     |                      |
| Domestic office deposits                           | 1,840,677           | 1,811,280           | 1,745,962           | 5.4                  |                     |                      |
| Foreign office deposits                            | 2,092               | 2,414               | 2,310               | -9.4                 |                     |                      |
| Brokered deposits                                  | 62,008              | 59,674              | 70,786              | -12.4                |                     |                      |
| Estimated insured deposits                         | 1,340,017           | 1,314,858           | 1,290,349           | 3.8                  |                     |                      |
| Other borrowed funds                               | 124,485             | 113,067             | 107,989             | 15.3                 |                     |                      |
| Subordinated debt                                  | 338                 | 339                 | 360                 | -5.9                 |                     |                      |
| All other liabilities                              | 22,533              | 18,890              | 16,219              | 38.9                 |                     |                      |
| Total equity capital (includes minority interests) | 262,180             | 259,696             | 245,148             | 6.9                  |                     |                      |
| Bank equity capital                                | 262,089             | 259,609             | 245,083             | 6.9                  |                     |                      |
| Loans and leases 30-89 days past due               | 11,503              | 8,671               | 8,922               | 28.9                 |                     |                      |
| Noncurrent loans and leases                        | 12,842              | 11,759              | 11,942              | 7.5                  |                     |                      |
| Restructured loans and leases                      | 5,219               | 5,482               | 5,856               | -10.9                |                     |                      |
| Mortgage-backed securities                         | 185,082             | 179,324             | 166,099             | 11.4                 |                     |                      |
| Earning assets                                     | 2,095,308           | 2,055,024           | 1,974,410           | 6.1                  |                     |                      |
| FHLB Advances                                      | 100,080             | 91,218              | 86,728              | 15.4                 |                     |                      |
| Unused loan commitments                            | 316,559             | 309,917             | 294,965             | 7.3                  |                     |                      |
| Trust assets                                       | 241,405             | 327,563             | 262,610             | -8.1                 |                     |                      |
| Assets securitized and sold                        | 17,786              | 17,049              | 16,661              | 6.8                  |                     |                      |
| Notional amount of derivatives                     | 148,922             | 100,145             | 77,534              | 92.1                 |                     |                      |
| <b>INCOME DATA</b>                                 |                     |                     |                     |                      |                     |                      |
|  | Full Year<br>2019   | Full Year<br>2018   | %Change             | 1st Quarter<br>2020  | 1st Quarter<br>2019 | %Change<br>19Q1-20Q1 |
| Total interest income                              | \$91,417            | \$83,076            | 10.0                | \$22,758             | \$22,386            | 1.7                  |
| Total interest expense                             | 18,652              | 13,238              | 40.9                | 4,398                | 4,400               | 0.0                  |
| Net interest income                                | 72,765              | 69,838              | 4.2                 | 18,360               | 17,986              | 2.1                  |
| Provision for credit losses***                     | 2,878               | 2,555               | 12.7                | 1,824                | 609                 | 199.3                |
| Total noninterest income                           | 18,466              | 16,974              | 8.8                 | 4,625                | 4,094               | 13.0                 |
| Total noninterest expense                          | 58,816              | 55,945              | 5.1                 | 15,293               | 14,307              | 6.9                  |
| Securities gains (losses)                          | 777                 | 16                  | N/M                 | -177                 | 182                 | N/M                  |
| Applicable income taxes                            | 4,979               | 4,378               | 13.7                | 847                  | 1,222               | -30.7                |
| Extraordinary gains, net****                       | 128                 | 3                   | N/M                 | 1                    | -2                  | N/M                  |
| Total net income (includes minority interests)     | 25,463              | 23,952              | 6.3                 | 4,845                | 6,123               | -20.9                |
| Bank net income                                    | 25,453              | 23,940              | 6.3                 | 4,841                | 6,123               | -20.9                |
| Net charge-offs                                    | 1,988               | 1,643               | 21.0                | 458                  | 346                 | 32.4                 |
| Cash dividends                                     | 13,117              | 10,950              | 19.8                | 3,155                | 3,091               | 2.1                  |
| Retained earnings                                  | 12,336              | 12,990              | -5.0                | 1,686                | 3,031               | -44.4                |
| Net operating income                               | 24,678              | 23,941              | 3.1                 | 4,969                | 5,977               | -16.9                |

\* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

\*\* For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

\*\*\* For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

\*\*\*\* See Notes to Users for explanation.

N/M - Not Meaningful



**TABLE III-B. Aggregate Condition and Income Data by Geographic Region, FDIC-Insured Community Banks**

| First Quarter 2020<br>(dollar figures in millions) | All Community Banks | Geographic Regions* |           |           |             |           |               |
|--|---------------------|---------------------|-----------|-----------|-------------|-----------|---------------|
|  |                     | New York            | Atlanta   | Chicago   | Kansas City | Dallas    | San Francisco |
| Number of institutions reporting                   | 4,681               | 530                 | 531       | 1,024     | 1,263       | 1,043     | 290           |
| Total employees (full-time equivalent)             | 395,453             | 80,825              | 44,131    | 81,144    | 69,617      | 85,891    | 33,845        |
| <b>CONDITION DATA</b>                              |                     |                     |           |           |             |           |               |
| Total assets                                       | \$2,252,306         | \$588,040           | \$233,143 | \$399,634 | \$379,170   | \$429,043 | \$223,277     |
| Loans secured by real estate                       | 1,209,956           | 357,359             | 127,173   | 208,647   | 184,231     | 214,080   | 118,466       |
| 1-4 Family residential mortgages                   | 391,139             | 136,915             | 38,924    | 66,330    | 53,979      | 67,922    | 27,068        |
| Nonfarm nonresidential                             | 479,578             | 130,914             | 57,470    | 80,734    | 62,848      | 88,548    | 59,064        |
| Construction and development                       | 114,166             | 25,700              | 14,223    | 17,068    | 16,493      | 30,448    | 10,233        |
| Home equity lines                                  | 45,767              | 14,210              | 6,096     | 9,331     | 5,117       | 5,090     | 5,922         |
| Commercial & industrial loans                      | 216,694             | 52,356              | 19,847    | 41,744    | 39,235      | 41,545    | 21,966        |
| Loans to individuals                               | 65,309              | 17,228              | 5,908     | 12,316    | 10,881      | 12,708    | 6,268         |
| Credit cards                                       | 1,995               | 436                 | 110       | 227       | 574         | 219       | 428           |
| Farm loans   | 50,583              | 641                 | 1,272     | 8,114     | 29,078      | 8,729     | 2,748         |
| Other loans & leases                               | 38,957              | 11,475              | 3,265     | 6,426     | 6,631       | 6,783     | 4,377         |
| Less: Unearned income                              | 538                 | 98                  | 80        | 47        | 99          | 123       | 91            |
| Total loans & leases                               | 1,580,961           | 438,960             | 157,385   | 277,201   | 269,958     | 283,722   | 153,735       |
| Less: Reserve for losses**                         | 19,241              | 4,766               | 1,811     | 3,333     | 3,622       | 3,548     | 2,160         |
| Net loans and leases                               | 1,561,720           | 434,194             | 155,574   | 273,868   | 266,336     | 280,173   | 151,575       |
| Securities***                                      | 382,675             | 82,649              | 41,163    | 72,902    | 64,287      | 84,011    | 37,663        |
| Other real estate owned                            | 2,385               | 397                 | 446       | 454       | 427         | 551       | 111           |
| Goodwill and other intangibles                     | 17,688              | 5,074               | 1,275     | 3,316     | 2,567       | 3,015     | 2,442         |
| All other assets                                   | 287,838             | 65,726              | 34,685    | 49,095    | 45,554      | 61,293    | 31,486        |
| Total liabilities and capital                      | 2,252,306           | 588,040             | 233,143   | 399,634   | 379,170     | 429,043   | 223,277       |
| Deposits   | 1,842,769           | 465,069             | 193,866   | 326,248   | 312,156     | 360,996   | 184,434       |
| Domestic office deposits                           | 1,840,677           | 464,561             | 193,853   | 326,108   | 312,156     | 360,996   | 183,003       |
| Foreign office deposits                            | 2,092               | 508                 | 13        | 140       | 0           | 0         | 1,431         |
| Brokered deposits                                  | 62,008              | 22,670              | 4,354     | 9,442     | 11,832      | 8,938     | 4,772         |
| Estimated insured deposits                         | 1,340,017           | 336,226             | 138,864   | 254,615   | 240,768     | 254,836   | 114,708       |
| Other borrowed funds                               | 124,485             | 47,045              | 10,257    | 22,832    | 20,393      | 14,862    | 9,096         |
| Subordinated debt                                  | 338                 | 231                 | 12        | 31        | 11          | 42        | 11            |
| All other liabilities                              | 22,533              | 8,065               | 1,987     | 3,490     | 3,061       | 3,307     | 2,622         |
| Total equity capital (includes minority interests) | 262,180             | 67,630              | 27,021    | 47,032    | 43,549      | 49,834    | 27,114        |
| Bank equity capital                                | 262,089             | 67,605              | 27,017    | 46,990    | 43,548      | 49,817    | 27,113        |
| Loans and leases 30-89 days past due               | 11,503              | 2,746               | 1,225     | 1,942     | 2,236       | 2,585     | 769           |
| Noncurrent loans and leases                        | 12,842              | 3,421               | 1,180     | 2,460     | 2,321       | 2,624     | 836           |
| Restructured loans and leases                      | 5,219               | 1,719               | 454       | 1,256     | 798         | 624       | 368           |
| Mortgage-backed securities                         | 185,082             | 47,305              | 20,565    | 31,867    | 25,879      | 36,635    | 22,829        |
| Earning assets                                     | 2,095,308           | 548,803             | 215,664   | 371,869   | 353,825     | 397,668   | 207,477       |
| FHLB Advances                                      | 100,080             | 39,818              | 8,748     | 17,681    | 15,587      | 11,507    | 6,739         |
| Unused loan commitments                            | 316,559             | 84,113              | 27,905    | 55,473    | 57,716      | 54,483    | 36,868        |
| Trust assets                                       | 241,405             | 49,924              | 7,614     | 51,822    | 80,877      | 34,955    | 16,213        |
| Assets securitized and sold                        | 17,786              | 7,978               | 72        | 4,989     | 3,374       | 1,177     | 196           |
| Notional amount of derivatives                     | 148,922             | 54,998              | 12,679    | 25,951    | 28,068      | 15,970    | 11,256        |
| <b>INCOME DATA</b>                                 |                     |                     |           |           |             |           |               |
| Total interest income                              | \$22,758            | \$5,680             | \$2,355   | \$3,971   | \$3,959     | \$4,529   | \$2,264       |
| Total interest expense                             | 4,398               | 1,336               | 420       | 743       | 781         | 795       | 323           |
| Net interest income                                | 18,360              | 4,344               | 1,934     | 3,228     | 3,178       | 3,734     | 1,942         |
| Provision for credit losses****                    | 1,824               | 655                 | 162       | 253       | 234         | 278       | 243           |
| Total noninterest income                           | 4,625               | 932                 | 464       | 1,122     | 831         | 914       | 364           |
| Total noninterest expense                          | 15,293              | 3,653               | 1,672     | 2,864     | 2,564       | 3,075     | 1,465         |
| Securities gains (losses)                          | -177                | -369                | 29        | 52        | 39          | 53        | 19            |
| Applicable income taxes                            | 847                 | 98                  | 102       | 209       | 159         | 154       | 124           |
| Extraordinary gains, net*****                      | 1                   | 0                   | 0         | 0         | 0           | 0         | 0             |
| Total net income (includes minority interests)     | 4,845               | 501                 | 490       | 1,076     | 1,091       | 1,194     | 493           |
| Bank net income                                    | 4,841               | 499                 | 490       | 1,075     | 1,091       | 1,193     | 493           |
| Net charge-offs                                    | 458                 | 126                 | 33        | 63        | 79          | 109       | 47            |
| Cash dividends                                     | 3,155               | 486                 | 248       | 813       | 680         | 628       | 300           |
| Retained earnings                                  | 1,686               | 13                  | 242       | 263       | 411         | 565       | 192           |
| Net operating income                               | 4,969               | 793                 | 467       | 1,028     | 1,057       | 1,147     | 477           |

\* See Table V-A for explanation.

\*\* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

\*\*\* For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

\*\*\*\* For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

\*\*\*\*\* See Notes to Users for explanation.



**Table IV-B. First Quarter 2020, FDIC-Insured Community Banks**

| Performance ratios (annualized, %)               | All Community Banks |                  | First Quarter 2020, Geographic Regions* |         |         |             |        |               |
|--|---------------------|------------------|---|---------|---------|-------------|--------|---------------|
|  | 1st Quarter 2020    | 4th Quarter 2019 | New York                                | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Yield on earning assets                          | 4.39                | 4.55             | 4.20                                    | 4.43    | 4.31    | 4.52        | 4.61   | 4.40          |
| Cost of funding earning assets                   | 0.85                | 0.93             | 0.99                                    | 0.79    | 0.81    | 0.89        | 0.81   | 0.63          |
| Net interest margin                              | 3.55                | 3.62             | 3.21                                    | 3.64    | 3.50    | 3.62        | 3.80   | 3.78          |
| Noninterest income to assets                     | 0.83                | 0.94             | 0.64                                    | 0.81    | 1.13    | 0.88        | 0.86   | 0.66          |
| Noninterest expense to assets                    | 2.75                | 2.83             | 2.52                                    | 2.91    | 2.89    | 2.73        | 2.90   | 2.65          |
| Loan and lease loss provision to assets          | 0.33                | 0.16             | 0.45                                    | 0.28    | 0.26    | 0.25        | 0.26   | 0.44          |
| Net operating income to assets                   | 0.89                | 1.11             | 0.55                                    | 0.81    | 1.04    | 1.12        | 1.08   | 0.86          |
| Pretax return on assets                          | 1.02                | 1.36             | 0.41                                    | 1.03    | 1.30    | 1.33        | 1.27   | 1.12          |
| Return on assets                                 | 0.87                | 1.15             | 0.34                                    | 0.85    | 1.09    | 1.16        | 1.13   | 0.89          |
| Return on equity                                 | 7.44                | 9.73             | 2.97                                    | 7.33    | 9.21    | 10.08       | 9.65   | 7.32          |
| Net charge-offs to loans and leases              | 0.12                | 0.18             | 0.12                                    | 0.09    | 0.09    | 0.12        | 0.15   | 0.12          |
| Loan and lease loss provision to net charge-offs | 398.36              | 121.42           | 520.12                                  | 485.10  | 399.84  | 295.37      | 255.49 | 511.82        |
| Efficiency ratio                                 | 66.11               | 65.33            | 68.85                                   | 69.16   | 65.33   | 63.49       | 65.86  | 63.26         |
| Net interest income to operating revenue         | 79.88               | 78.25            | 82.33                                   | 80.67   | 74.21   | 79.28       | 80.34  | 84.23         |
| % of unprofitable institutions                   | 6.81                | 7.89             | 16.60                                   | 8.10    | 6.45    | 3.33        | 4.79   | 10.34         |
| % of institutions with earnings gains            | 45.23               | 53.92            | 29.81                                   | 43.88   | 48.73   | 52.18       | 44.77  | 34.83         |

**Table V-B. Full Year 2019, FDIC-Insured Community Banks**

| Performance ratios (%)                           | All Community Banks |                | Full Year 2019, Geographic Regions* |         |         |             |        |               |
|--|---------------------|----------------|-------------------------------------|---------|---------|-------------|--------|---------------|
|  | Full Year 2019      | Full Year 2018 | New York                            | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Yield on earning assets                          | 4.61                | 4.43           | 4.39                                | 4.68    | 4.53    | 4.70        | 4.82   | 4.66          |
| Cost of funding earning assets                   | 0.94                | 0.71           | 1.10                                | 0.87    | 0.90    | 0.98        | 0.89   | 0.72          |
| Net interest margin                              | 3.66                | 3.72           | 3.30                                | 3.80    | 3.62    | 3.72        | 3.93   | 3.94          |
| Noninterest income to assets                     | 0.88                | 0.84           | 0.67                                | 0.83    | 1.19    | 0.89        | 0.94   | 0.74          |
| Noninterest expense to assets                    | 2.76                | 2.75           | 2.51                                | 2.96    | 2.89    | 2.73        | 2.97   | 2.65          |
| Loan and lease loss provision to assets          | 0.13                | 0.13           | 0.11                                | 0.11    | 0.11    | 0.16        | 0.17   | 0.15          |
| Net operating income to assets                   | 1.16                | 1.19           | 0.89                                | 1.07    | 1.30    | 1.29        | 1.27   | 1.25          |
| Pretax return on assets                          | 1.43                | 1.42           | 1.22                                | 1.31    | 1.60    | 1.50        | 1.47   | 1.60          |
| Return on assets                                 | 1.20                | 1.19           | 0.97                                | 1.10    | 1.33    | 1.31        | 1.29   | 1.26          |
| Return on equity                                 | 10.25               | 10.58          | 8.26                                | 9.46    | 11.37   | 11.46       | 11.15  | 10.47         |
| Net charge-offs to loans and leases              | 0.13                | 0.13           | 0.11                                | 0.10    | 0.10    | 0.15        | 0.18   | 0.16          |
| Loan and lease loss provision to net charge-offs | 144.16              | 151.09         | 137.83                              | 158.71  | 150.64  | 144.78      | 143.63 | 138.94        |
| Efficiency ratio                                 | 64.05               | 63.64          | 66.48                               | 67.42   | 62.88   | 62.01       | 64.51  | 60.07         |
| Net interest income to operating revenue         | 79.56               | 80.49          | 82.20                               | 80.94   | 73.86   | 79.60       | 79.52  | 83.26         |
| % of unprofitable institutions                   | 3.94                | 3.63           | 5.19                                | 5.95    | 4.10    | 2.90        | 2.75   | 6.14          |
| % of institutions with earnings gains            | 63.75               | 78.57          | 60.19                               | 64.68   | 65.71   | 61.46       | 65.02  | 66.89         |

\* See Table V-A for explanation.

**Table VI-B. Loan Performance, FDIC-Insured Community Banks**

| March 31, 2020                                       | All Community Banks | Geographic Regions* |         |         |             |         |               |
|--|---------------------|---------------------|---------|---------|-------------|---------|---------------|
|  |                     | New York            | Atlanta | Chicago | Kansas City | Dallas  | San Francisco |
| <b>Percent of Loans 30-89 Days Past Due</b>          |                     |                     |         |         |             |         |               |
| All loans secured by real estate                     | 0.67                | 0.60                | 0.75    | 0.72    | 0.75        | 0.81    | 0.37          |
| Construction and development                         | 0.66                | 0.87                | 0.48    | 0.41    | 0.75        | 0.73    | 0.41          |
| Nonfarm nonresidential                               | 0.52                | 0.51                | 0.44    | 0.65    | 0.58        | 0.56    | 0.29          |
| Multifamily residential real estate                  | 0.21                | 0.23                | 0.24    | 0.22    | 0.14        | 0.44    | 0.04          |
| Home equity loans                                    | 0.58                | 0.67                | 0.67    | 0.52    | 0.43        | 0.69    | 0.39          |
| Other 1-4 family residential                         | 0.91                | 0.74                | 1.34    | 0.99    | 0.81        | 1.17    | 0.54          |
| Commercial and industrial loans                      | 0.75                | 0.64                | 0.82    | 0.59    | 0.74        | 1.03    | 0.76          |
| Loans to individuals                                 | 1.43                | 1.54                | 1.39    | 0.85    | 0.97        | 2.29    | 1.38          |
| Credit card loans                                    | 2.27                | 2.65                | 1.45    | 1.15    | 3.32        | 1.49    | 1.66          |
| Other loans to individuals                           | 1.40                | 1.51                | 1.38    | 0.85    | 0.84        | 2.30    | 1.35          |
| All other loans and leases (including farm)          | 0.90                | 0.12                | 0.54    | 0.68    | 1.30        | 0.80    | 1.09          |
| Total loans and leases                               | 0.73                | 0.63                | 0.78    | 0.70    | 0.83        | 0.91    | 0.50          |
| <b>Percent of Loans Noncurrent</b>                   |                     |                     |         |         |             |         |               |
| All loans secured by real estate                     | 0.78                | 0.78                | 0.76    | 0.90    | 0.81        | 0.84    | 0.45          |
| Construction and development                         | 0.63                | 0.67                | 0.58    | 0.72    | 0.65        | 0.51    | 0.79          |
| Nonfarm nonresidential                               | 0.68                | 0.75                | 0.63    | 0.82    | 0.66        | 0.74    | 0.31          |
| Multifamily residential real estate                  | 0.26                | 0.20                | 0.34    | 0.48    | 0.23        | 0.22    | 0.20          |
| Home equity loans                                    | 0.53                | 0.59                | 0.45    | 0.51    | 0.34        | 0.48    | 0.67          |
| Other 1-4 family residential                         | 0.92                | 1.04                | 0.99    | 1.00    | 0.61        | 0.99    | 0.45          |
| Commercial and industrial loans                      | 0.98                | 0.93                | 0.68    | 1.02    | 0.94        | 1.20    | 0.96          |
| Loans to individuals                                 | 0.60                | 0.51                | 0.62    | 0.34    | 0.46        | 1.16    | 0.43          |
| Credit card loans                                    | 1.16                | 1.43                | 0.53    | 0.61    | 1.69        | 0.69    | 0.89          |
| Other loans to individuals                           | 0.58                | 0.49                | 0.62    | 0.33    | 0.39        | 1.17    | 0.40          |
| All other loans and leases (including farm)          | 0.98                | 0.33                | 0.88    | 0.85    | 1.17        | 1.24    | 0.92          |
| Total loans and leases                               | 0.81                | 0.78                | 0.75    | 0.89    | 0.86        | 0.92    | 0.54          |
| <b>Percent of Loans Charged-Off (net, YTD)</b>       |                     |                     |         |         |             |         |               |
| All loans secured by real estate                     | 0.04                | 0.06                | 0.00    | 0.04    | 0.03        | 0.04    | 0.01          |
| Construction and development                         | 0.03                | 0.06                | -0.02   | 0.01    | 0.00        | 0.04    | 0.03          |
| Nonfarm nonresidential                               | 0.06                | 0.10                | 0.00    | 0.08    | 0.05        | 0.05    | 0.01          |
| Multifamily residential real estate                  | 0.01                | 0.00                | -0.02   | 0.07    | -0.03       | 0.02    | 0.00          |
| Home equity loans                                    | 0.01                | 0.01                | 0.02    | 0.01    | 0.01        | 0.05    | -0.03         |
| Other 1-4 family residential                         | 0.02                | 0.04                | 0.00    | 0.01    | 0.01        | 0.04    | 0.00          |
| Commercial and industrial loans                      | 0.27                | 0.21                | 0.37    | 0.18    | 0.19        | 0.39    | 0.40          |
| Loans to individuals                                 | 0.97                | 1.05                | 0.94    | 0.40    | 1.18        | 1.09    | 1.25          |
| Credit card loans                                    | 6.79                | 4.81                | 2.06    | 2.06    | 16.19       | 1.51    | 2.69          |
| Other loans to individuals                           | 0.78                | 0.95                | 0.92    | 0.37    | 0.32        | 1.08    | 1.14          |
| All other loans and leases (including farm)          | 0.21                | 0.15                | 0.21    | 0.24    | 0.18        | 0.32    | 0.21          |
| Total loans and leases                               | 0.12                | 0.12                | 0.09    | 0.09    | 0.12        | 0.15    | 0.12          |
| <b>Loans Outstanding (in billions)</b>               |                     |                     |         |         |             |         |               |
| All loans secured by real estate                     | \$1,210.0           | \$357.4             | \$127.2 | \$208.6 | \$184.2     | \$214.1 | \$118.5       |
| Construction and development                         | 114.2               | 25.7                | 14.2    | 17.1    | 16.5        | 30.4    | 10.2          |
| Nonfarm nonresidential                               | 479.6               | 130.9               | 57.5    | 80.7    | 62.8        | 88.5    | 59.1          |
| Multifamily residential real estate                  | 102.2               | 47.3                | 6.0     | 17.6    | 11.4        | 7.8     | 12.1          |
| Home equity loans                                    | 45.8                | 14.2                | 6.1     | 9.3     | 5.1         | 5.1     | 5.9           |
| Other 1-4 family residential                         | 391.1               | 136.9               | 38.9    | 66.3    | 54.0        | 67.9    | 27.1          |
| Commercial and industrial loans                      | 216.7               | 52.4                | 19.8    | 41.7    | 39.2        | 41.5    | 22.0          |
| Loans to individuals                                 | 65.3                | 17.2                | 5.9     | 12.3    | 10.9        | 12.7    | 6.3           |
| Credit card loans                                    | 2.0                 | 0.4                 | 0.1     | 0.2     | 0.6         | 0.2     | 0.4           |
| Other loans to individuals                           | 63.3                | 16.8                | 5.8     | 12.1    | 10.3        | 12.5    | 5.8           |
| All other loans and leases (including farm)          | 89.5                | 12.1                | 4.5     | 14.5    | 35.7        | 15.5    | 7.1           |
| Total loans and leases                               | 1,581.5             | 439.1               | 157.5   | 277.2   | 270.1       | 283.8   | 153.8         |
| <b>Memo: Unfunded Commitments (in millions)</b>      |                     |                     |         |         |             |         |               |
| Total Unfunded Commitments                           | 316,559             | 84,113              | 27,905  | 55,473  | 57,716      | 54,483  | 36,868        |
| Construction and development: 1-4 family residential | 24,728              | 4,818               | 3,542   | 2,798   | 3,344       | 7,550   | 2,677         |
| Construction and development: CRE and other          | 65,608              | 20,426              | 6,582   | 9,799   | 8,821       | 13,409  | 6,572         |
| Commercial and industrial                            | 99,746              | 25,768              | 7,476   | 20,781  | 17,454      | 16,957  | 11,310        |

\* See Table V-A for explanation.

Note: Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

## Insurance Fund Indicators

### Insured Deposits Grow by 4.5 Percent in the First Quarter

### DIF Reserve Ratio Declines 2 Basis Points to 1.39 Percent

### One Institution Fails During the First Quarter

During the first quarter, the Deposit Insurance Fund (DIF) balance increased by \$2.9 billion to \$113.2 billion. This is the strongest quarterly increase to the DIF since the third quarter of 2017. Unrealized gains on available-for-sale securities of \$1.5 billion, assessment income of \$1.4 billion, and interest earned on investments of \$507 million were the largest contributors to the increase. Operating expenses of \$460 million and a provision for insurance losses of \$12 million reduced the fund. One institution with assets of \$101 million failed during the first quarter of 2020, with an estimated cost to the DIF of \$14 million.

Domestic deposits held by FDIC-insured commercial banks and savings institutions increased by \$1.1 trillion (8.2 percent) during the first quarter, the largest quarterly increase on record. Domestic savings and interest-bearing checking accounts increased by \$646.8 billion (8.1 percent), noninterest-bearing deposits increased by \$446.3 billion (14.1 percent), and time deposits decreased by \$7.2 billion (0.4 percent). Deposits held in foreign offices increased by \$155.9 billion (11.8 percent).

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—increased by 2.0 percent in the first quarter and by 5.9 percent over 12 months.<sup>1,2</sup>

Total estimated insured deposits increased by 4.5 percent (\$353.7 billion) in the quarter and by 6.2 percent year over year. Excluding the quarters when deposit insurance coverage limits were increased in 2009<sup>3</sup> and 2010,<sup>4</sup> this was the largest one-quarter increase in estimated insured deposits since quarterly reporting was adopted in 1991. For institutions reporting as of March 31, 2020, and December 31, 2019, estimated insured deposits increased during the first quarter at 3,794 institutions (74 percent), decreased at 1,301 institutions (25 percent), and remained unchanged at 27 institutions.

The strong quarterly growth in insured deposits more than offset the quarterly increase in the DIF. As a result, the DIF reserve ratio declined 2 basis points to 1.39 percent at March 31, 2020. This was the first quarterly decline for the DIF reserve ratio since the fourth quarter of 2009. The March 31, 2020, DIF reserve ratio was 3 basis points higher than the previous year.

Small banks earned a total of \$765 million in credits for the portion of their assessments that contributed to growth in the reserve ratio from 1.15 percent to 1.35 percent. The credits are automatically applied to offset the assessments of small banks when the reserve ratio is at least 1.35 percent.<sup>5</sup> The FDIC will apply estimated credits of \$51 million in June to offset first quarter assessments. This represents the final quarter that the FDIC will apply credits to offset assessments. Over \$5 million in credits will remain and be remitted to banks that did not fully use their credits during the application period.

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<sup>1</sup> There are additional adjustments to the assessment base for banker's banks and custodial banks.

<sup>2</sup> Figures for the assessment base and estimated insured deposits include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.

<sup>3</sup> Beginning September 30, 2009, the Helping Families Save Their Homes Act of 2009 increased the permanent deposit insurance coverage limit for deposits other than retirement accounts from \$100,000 to \$250,000.

<sup>4</sup> The Dodd-Frank Wall Street Reform and Consumer Protection Act temporarily provided unlimited deposit insurance coverage for noninterest-bearing transaction accounts from December 31, 2010, through December 31, 2012.

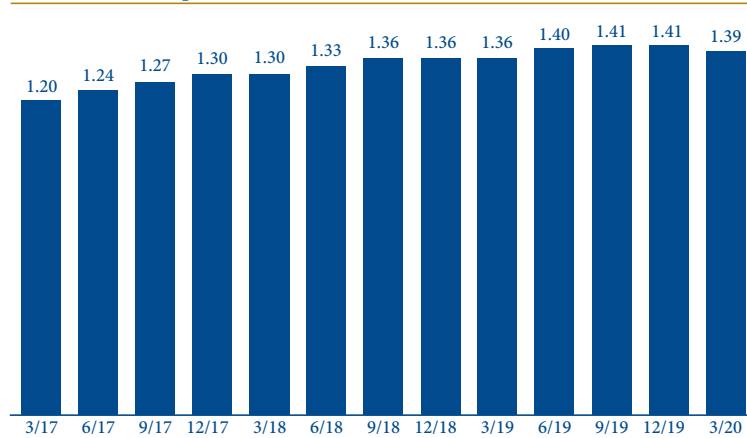
<sup>5</sup> In November 2019, the FDIC Board of Directors authorized a rule change that would require the FDIC to apply the small bank credits in any assessment quarter in which the reserve ratio is at least 1.35 percent. The rule also requires the FDIC to apply the small bank credits for four assessment periods and then remit the full nominal value of any remaining small bank credits.

**Table I-C. Insurance Fund Balances and Selected Indicators**

|   | Deposit Insurance Fund* |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |  |
|---|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--|
|   | 1st Quarter 2020        | 4th Quarter 2019  | 3rd Quarter 2019  | 2nd Quarter 2019  | 1st Quarter 2019  | 4th Quarter 2018  | 3rd Quarter 2018  | 2nd Quarter 2018  | 1st Quarter 2018  | 4th Quarter 2017  | 3rd Quarter 2017  | 2nd Quarter 2017  | 1st Quarter 2017  |  |
| <i>(dollar figures in millions)</i>                       |                         |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |  |
| <b>Beginning Fund Balance</b>                             | \$110,347               | \$108,940         | \$107,446         | \$104,870         | \$102,609         | \$100,204         | \$97,588          | \$95,072          | \$92,747          | \$90,506          | \$87,588          | \$84,928          | \$83,162          |  |
| <b>Changes in Fund Balance:</b>                           |                         |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |  |
| Assessments earned  | 1,372                   | 1,272             | 1,111             | 1,187             | 1,369             | 1,351             | 2,728             | 2,598             | 2,850             | 2,656             | 2,568             | 2,634             | 2,737             |  |
| Interest earned on investment securities                  | 507                     | 531               | 544               | 535               | 507               | 481               | 433               | 381               | 338               | 305               | 274               | 251               | 227               |  |
| Realized gain on sale of investments                      | 0                       | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |  |
| Operating expenses  | 460                     | 460               | 443               | 459               | 434               | 453               | 434               | 445               | 433               | 443               | 404               | 450               | 442               |  |
| Provision for insurance losses                            | 12                      | -88               | -192              | -610              | -396              | -236              | -121              | -141              | -65               | -203              | -512              | -233              | 765               |  |
| All other income, net of expenses                         | 2                       | 21                | 4                 | 9                 | 2                 | 2                 | 2                 | 3                 | 1                 | 3                 | 1                 | 4                 | 2                 |  |
| Unrealized gain/(loss) on available-for-sale securities** | 1,450                   | -45               | 86                | 694               | 421               | 788               | -234              | -162              | -496              | -481              | -33               | -12               | 7                 |  |
| <b>Total fund balance change</b>                          | <b>2,859</b>            | <b>1,407</b>      | <b>1,494</b>      | <b>2,576</b>      | <b>2,261</b>      | <b>2,405</b>      | <b>2,616</b>      | <b>2,516</b>      | <b>2,325</b>      | <b>2,242</b>      | <b>2,918</b>      | <b>2,660</b>      | <b>1,766</b>      |  |
| <b>Ending Fund Balance</b>                                | <b>113,206</b>          | <b>110,347</b>    | <b>108,940</b>    | <b>107,446</b>    | <b>104,870</b>    | <b>102,609</b>    | <b>100,204</b>    | <b>97,588</b>     | <b>95,072</b>     | <b>92,747</b>     | <b>90,506</b>     | <b>87,588</b>     | <b>84,928</b>     |  |
| Percent change from four quarters earlier                 | 7.95                    | 7.54              | 8.72              | 10.10             | 10.31             | 10.63             | 10.72             | 11.42             | 11.95             | 11.53             | 12.14             | 12.42             | 13.06             |  |
| <b>Reserve Ratio (%)</b>                                  | <b>1.39</b>             | <b>1.41</b>       | <b>1.41</b>       | <b>1.40</b>       | <b>1.36</b>       | <b>1.36</b>       | <b>1.36</b>       | <b>1.33</b>       | <b>1.30</b>       | <b>1.30</b>       | <b>1.27</b>       | <b>1.24</b>       | <b>1.20</b>       |  |
| <b>Estimated Insured Deposits</b>                         | <b>8,168,747</b>        | <b>7,815,088</b>  | <b>7,735,964</b>  | <b>7,689,094</b>  | <b>7,694,319</b>  | <b>7,522,518</b>  | <b>7,375,962</b>  | <b>7,354,111</b>  | <b>7,333,318</b>  | <b>7,154,403</b>  | <b>7,099,459</b>  | <b>7,047,638</b>  | <b>7,079,209</b>  |  |
| Percent change from four quarters earlier                 | 6.17                    | 3.89              | 4.88              | 4.56              | 4.92              | 5.15              | 3.89              | 4.35              | 3.59              | 3.45              | 4.16              | 5.62              | 6.29              |  |
| <b>Domestic Deposits</b>                                  | <b>14,350,234</b>       | <b>13,262,206</b> | <b>13,020,254</b> | <b>12,788,773</b> | <b>12,725,362</b> | <b>12,659,395</b> | <b>12,367,954</b> | <b>12,280,904</b> | <b>12,305,817</b> | <b>12,129,503</b> | <b>11,966,478</b> | <b>11,827,933</b> | <b>11,856,691</b> |  |
| Percent change from four quarters earlier                 | 12.77                   | 4.76              | 5.27              | 4.14              | 3.41              | 4.37              | 3.36              | 3.83              | 3.79              | 3.73              | 3.99              | 5.20              | 6.28              |  |
| <b>Assessment Base***</b>                                 | <b>16,483,693</b>       | <b>16,156,668</b> | <b>15,904,511</b> | <b>15,684,024</b> | <b>15,561,868</b> | <b>15,452,229</b> | <b>15,229,530</b> | <b>15,113,666</b> | <b>15,068,512</b> | <b>15,001,411</b> | <b>14,834,140</b> | <b>14,702,880</b> | <b>14,620,762</b> |  |
| Percent change from four quarters earlier                 | 5.92                    | 4.56              | 4.43              | 3.77              | 3.27              | 3.01              | 2.67              | 2.79              | 3.06              | 3.01              | 3.14              | 3.60              | 4.48              |  |
| <b>Number of Institutions Reporting</b>                   | <b>5,125</b>            | <b>5,186</b>      | <b>5,267</b>      | <b>5,312</b>      | <b>5,371</b>      | <b>5,415</b>      | <b>5,486</b>      | <b>5,551</b>      | <b>5,615</b>      | <b>5,679</b>      | <b>5,747</b>      | <b>5,796</b>      | <b>5,865</b>      |  |

**DIF Reserve Ratios**

Percent of Insured Deposits



**Deposit Insurance Fund Balance and Insured Deposits (\$ Millions)**

|       | DIF Balance | DIF-Insured Deposits |
|-------|-------------|----------------------|
| 3/17  | \$84,928    | \$7,079,209          |
| 6/17  | 87,588      | 7,047,638            |
| 9/17  | 90,506      | 7,099,459            |
| 12/17 | 92,747      | 7,154,403            |
| 3/18  | 95,072      | 7,333,318            |
| 6/18  | 97,588      | 7,354,111            |
| 9/18  | 100,204     | 7,375,962            |
| 12/18 | 102,609     | 7,522,518            |
| 3/19  | 104,870     | 7,694,319            |
| 6/19  | 107,446     | 7,689,094            |
| 9/19  | 108,940     | 7,735,964            |
| 12/19 | 110,347     | 7,815,088            |
| 3/20  | 113,206     | 8,168,747            |

**Table II-C. Problem Institutions and Failed Institutions**

| <i>(dollar figures in millions)</i> | 2020**** | 2019**** | 2019     | 2018     | 2017     | 2016     | 2015     | 2014     |
|-------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Problem Institutions</b>         |          |          |          |          |          |          |          |          |
| Number of institutions              | 54       | 59       | 51       | 60       | 95       | 123      | 183      | 291      |
| Total assets                        | \$44,519 | \$46,665 | \$46,190 | \$48,489 | \$13,939 | \$27,624 | \$46,780 | \$86,712 |
| <b>Failed Institutions</b>          |          |          |          |          |          |          |          |          |
| Number of institutions              | 1        | 0        | 4        | 0        | 8        | 5        | 8        | 18       |
| Total assets*****                   | \$101    | \$0      | \$209    | \$0      | \$5,082  | \$277    | \$6,706  | \$2,914  |

\* Quarterly financial statement results are unaudited.  
 \*\* Includes unrealized postretirement benefit gain (loss).  
 \*\*\* Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.  
 \*\*\*\* Through March 31.  
 \*\*\*\*\* Total assets are based on final Call Reports submitted by failed institutions.

**Table III-C. Estimated FDIC-Insured Deposits by Type of Institution**

| <i>(dollar figures in millions)</i><br>March 31, 2020  | Number of Institutions | Total Assets      | Domestic Deposits* | Est. Insured Deposits |
|--|------------------------|-------------------|--------------------|-----------------------|
| <b>Commercial Banks and Savings Institutions</b>       |                        |                   |                    |                       |
| FDIC-Insured Commercial Banks                          | 4,464                  | \$19,018,943      | \$13,318,628       | \$7,330,515           |
| FDIC-Supervised  | 2,980                  | 3,145,936         | 2,470,801          | 1,630,542             |
| OCC-Supervised   | 781                    | 12,954,850        | 8,836,794          | 4,703,016             |
| Federal Reserve-Supervised                             | 703                    | 2,918,158         | 2,011,034          | 996,957               |
| FDIC-Insured Savings Institutions                      | 652                    | 1,234,612         | 987,234            | 801,111               |
| OCC-Supervised   | 292                    | 555,133           | 426,664            | 359,523               |
| FDIC-Supervised  | 323                    | 359,805           | 270,497            | 213,124               |
| Federal Reserve-Supervised                             | 37                     | 319,674           | 290,074            | 228,464               |
| <b>Total Commercial Banks and Savings Institutions</b> | <b>5,116</b>           | <b>20,253,556</b> | <b>14,305,862</b>  | <b>8,131,626</b>      |
| <b>Other FDIC-Insured Institutions</b>                 |                        |                   |                    |                       |
| U.S. Branches of Foreign Banks                         | 9                      | 89,303            | 44,372             | 37,121                |
| <b>Total FDIC-Insured Institutions</b>                 | <b>5,125</b>           | <b>20,342,859</b> | <b>14,350,234</b>  | <b>8,168,747</b>      |

\* Excludes \$1.5 trillion in foreign office deposits, which are not FDIC insured.

**Table IV-C. Distribution of Institutions and Assessment Base by Assessment Rate Range**

Quarter Ending December 31, 2019 *(dollar figures in billions)*

| Annual Rate in Basis Points* | Number of Institutions | Percent of Total Institutions | Amount of Assessment Base** | Percent of Total Assessment Base |
|------------------------------|------------------------|-------------------------------|-----------------------------|----------------------------------|
| 1.50 - 3.00                  | 3,282                  | 63.29                         | \$7,938.7                   | 49.14                            |
| 3.01 - 6.00                  | 1,375                  | 26.51                         | 7,146.2                     | 44.23                            |
| 6.01 - 10.00                 | 411                    | 7.93                          | 925.2                       | 5.73                             |
| 10.01 - 15.00                | 56                     | 1.08                          | 119.1                       | 0.74                             |
| 15.01 - 20.00                | 54                     | 1.04                          | 10.4                        | 0.06                             |
| 20.01 - 25.00                | 3                      | 0.06                          | 4.7                         | 0.03                             |
| > 25.00                      | 5                      | 0.10                          | 12.4                        | 0.08                             |

\* Assessment rates do not incorporate temporary surcharges on large banks.

\*\* Beginning in the second quarter of 2011, the assessment base was changed to average consolidated total assets minus tangible equity, as required by the Dodd-Frank Act.

## Notes to Users

This publication contains financial data and other information for depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). These notes are an integral part of this publication and provide information regarding the comparability of source data and reporting differences over time.

### Tables I-A through VIII-A.

The information presented in Tables I-A through VIII-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured Call Report filers, both commercial banks and savings institutions. Some tables are arrayed by groups of FDIC-insured institutions based on predominant types of asset concentration, while other tables aggregate institutions by asset size and geographic region. Quarterly and full-year data are provided for selected indicators, including aggregate condition and income data, performance ratios, condition ratios, and structural changes, as well as past due, noncurrent, and charge-off information for loans outstanding and other assets.

### Tables I-B through VI-B.

The information presented in Tables I-B through VI-B is aggregated for all FDIC-insured commercial banks and savings institutions meeting the criteria for community banks that were developed for the FDIC's *Community Banking Study*, published in December, 2012: <http://www.fdic.gov/regulations/resources/cbi/report/cbi-full.pdf>.

The determination of which insured institutions are considered community banks is based on five steps.

The first step in defining a community bank is to aggregate all charter-level data reported under each holding company into a single banking organization. This aggregation applies both to balance-sheet measures and the number and location of banking offices. Under the FDIC definition, if the banking organization is designated as a community bank, every charter reporting under that organization is also considered a community bank when working with data at the charter level.

The second step is to exclude any banking organization where more than 50 percent of total assets are held in certain specialty banking charters, including: *credit card specialists*, *consumer nonbank banks*, *industrial loan companies*, *trust companies*, *bankers' banks*, and banks holding 10 percent or more of total assets in foreign offices.

Once the specialty organizations are removed, the third step involves including organizations that engage in basic banking activities as measured by the total loans-to-assets ratio (greater than 33 percent) and the ratio of core deposits to assets (greater than 50 percent). Core deposits are defined as non-brokered deposits in domestic offices. Analysis of the underlying data shows that these thresholds establish meaningful levels of basic lending and deposit gathering and still allow for a degree of diversity in how individual banks construct their balance sheets.

The fourth step includes organizations that operate within a limited geographic scope. This limitation of scope is used as a proxy measure for a bank's relationship approach to banking. Banks that operate within a limited market area have more ease in managing relationships at a personal level. Under this step, four criteria are applied to each banking organization. They include both a minimum and maximum number of total banking offices, a maximum level of deposits for any one office, and location-based criteria. The limits on the number of and deposits per office are adjusted upward quarterly. For banking offices, banks must have more than one office, and the maximum number of offices is 40 in 1985 and

reached 87 in 2016. The maximum level of deposits for any one office is \$1.25 billion in deposits in 1985 and reached \$6.97 billion in deposits in 2016. The remaining geographic limitations are also based on maximums for the number of states (fixed at 3) and large metropolitan areas (fixed at 2) in which the organization maintains offices. Branch office data are based on the most recent data from the annual June 30 *Summary of Deposits Survey* that are available at the time of publication.

Finally, the definition establishes an asset-size limit, also adjusted upward quarterly and below which the limits on banking activities and geographic scope are waived. The asset-size limit is \$250 million in 1985 and reached \$1.39 billion in 2016. This final step acknowledges the fact that most of those small banks that are not excluded as specialty banks meet the requirements for banking activities and geographic limits in any event.

### Summary of FDIC Research Definition of Community Banking Organizations

Community banks are designated at the level of the banking organization.

(All charters under designated holding companies are considered community banking charters.)

**Exclude:** Any organization with:

- No loans or no core deposits
- Foreign Assets  $\geq$  10% of total assets
- More than 50% of assets in certain specialty banks, including:
  - credit card specialists
  - consumer nonbank banks<sup>1</sup>
  - industrial loan companies
  - trust companies
  - bankers' banks

**Include:** All remaining banking organizations with:

- Total assets < indexed size threshold<sup>2</sup>
- Total assets  $\geq$  indexed size threshold, where:
  - Loan to assets > 33%
  - Core deposits to assets > 50%
  - More than 1 office but no more than the indexed maximum number of offices.<sup>3</sup>
  - Number of large MSAs with offices  $\leq$  2
  - Number of states with offices  $\leq$  3
  - No single office with deposits > indexed maximum branch deposit size.<sup>4</sup>

### Tables I-C through IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository insti-

<sup>1</sup> Consumer nonbank banks are financial institutions with limited charters that can make commercial loans or take deposits, but not both.

<sup>2</sup> Asset size threshold indexed to equal \$250 million in 1985 and \$1.39 billion in 2016.

<sup>3</sup> Maximum number of offices indexed to equal 40 in 1985 and 87 in 2016.

<sup>4</sup> Maximum branch deposit size indexed to equal \$1.25 billion in 1985 and \$6.97 billion in 2016.



tutions that are not insured by the FDIC through the DIF are not included in the *FDIC Quarterly Banking Profile*. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charters.

## DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) *Consolidated Reports of Condition and Income (Call Reports)* and the OTS *Thrift Financial Reports (TFR)* submitted by all FDIC-insured depository institutions. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.) This information is stored on and retrieved from the FDIC's Research Information System (RIS) database.

## COMPUTATION METHODOLOGY

Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data. Additionally, certain adjustments are made to the OTS *Thrift Financial Reports* to provide closer conformance with the reporting and accounting requirements of the FFIEC *Call Reports*. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

All condition and performance ratios represent weighted averages, which is the sum of the individual numerator values divided by the sum of individual denominator values. All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets, since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period. For the community bank subgroup, growth rates will reflect changes over time in the number and identities of institutions designated as community banks, as well as changes in the assets and liabilities, and income and expenses of group members. Unless indicated otherwise, growth rates are not adjusted for mergers or other changes in the composition of the community bank subgroup. When community bank growth rates are adjusted for mergers, prior period balances used in the calculations represent totals for the current group of community bank reporters, plus prior period amounts for any institutions that were subsequently merged into current community banks.

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may relocate across state lines or change their charters, resulting in an inter-regional or inter-industry migration; institutions can move their home offices between regions, savings institutions can convert to commercial banks, or commercial banks may convert to savings institutions.

## ACCOUNTING CHANGES

Financial accounting pronouncements by the Financial Accounting Standards Board (FASB) can result in changes in an individual bank's accounting policies and in the Call Reports they submit. Such accounting changes can affect the aggregate amounts presented in the QBP for the current period and the period-to-period comparability of such financial data.

The current quarter's Financial Institution Letter (FIL) and related Call Report supplemental instructions can provide additional explanation to the QBP reader beyond any material accounting changes discussed in the QBP analysis.

<https://www.fdic.gov/news/news/financial/2020/fil20039.html>

<https://www.fdic.gov/news/news/financial/2020/fil20039.pdf>

<https://www.fdic.gov/regulations/resources/call/call.html>

Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB. <http://www.fasb.org/jsp/FASB/Page/LandingPage&cid=1175805317350>.

## DEFINITIONS (in alphabetical order)

**All other assets** – total cash, balances due from depository institutions, premises, fixed assets, direct investments in real estate, investment in unconsolidated subsidiaries, customers' liability on acceptances outstanding, assets held in trading accounts, federal funds sold, securities purchased with agreements to resell, fair market value of derivatives, prepaid deposit insurance assessments, and other assets.

**All other liabilities** – bank's liability on acceptances, limited-life preferred stock, allowance for estimated off-balance-sheet credit losses, fair market value of derivatives, and other liabilities.

**Assessment base** – effective April 1, 2011, the deposit insurance assessment base changed to "average consolidated total assets minus average tangible equity" with an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank. Previously the assessment base was "assessable deposits" and consisted of deposits in banks' domestic offices with certain adjustments.

**Assessment rate schedule** – Initial base assessment rates for small institutions are based on a combination of financial ratios and CAMELS component ratings. Initial rates for large institutions—generally those with at least \$10 billion in assets—are also based on CAMELS component ratings and certain financial measures combined into two scorecards—one for most large institutions and another for the remaining very large institutions that are structurally and operationally complex or that pose unique challenges and risks in case of failure (highly complex institutions). The FDIC may take additional information into account to make a limited adjustment to a large institution's scorecard results, which are used to determine a large institution's initial base assessment rate.

While risk categories for small institutions (except new institutions) were eliminated effective July 1, 2016, initial rates for small institutions are subject to minimums and maximums based on an institution's CAMELS composite rating. (Risk categories for large institutions were eliminated in 2011.)

The current assessment rate schedule became effective July 1, 2016. Under the current schedule, initial base assessment rates range from 3 to 30 basis points. An institution's total base assessment rate

may differ from its initial rate due to three possible adjustments:

- (1) **Unsecured Debt Adjustment:** An institution's rate may decrease by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or 50 percent of an institution's initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 3 basis points would have a maximum unsecured debt adjustment of 1.5 basis points and could not have a total base assessment rate lower than 1.5 basis points.
- (2) **Depository Institution Debt Adjustment:** For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution's Tier 1 capital.
- (3) **Brokered Deposit Adjustment:** Rates for large institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits.

The assessment rate schedule effective July 1, 2016, is shown in the following table:

| Total Base Assessment Rates* |                         |         |          |   |
|------------------------------|-------------------------|---------|----------|---|
|                              | Established Small Banks |         |          | Large and Highly Complex Institutions** |
|                              | CAMELS Composite        |         |          |   |
|                              | 1 or 2                  | 3       | 4 or 5   |   |
| Initial Base Assessment Rate | 3 to 16                 | 6 to 30 | 16 to 30 | 3 to 30                                 |
| Unsecured Debt Adjustment    | -5 to 0                 | -5 to 0 | -5 to 0  | -5 to 0                                 |
| Brokered Deposit Adjustment  | N/A                     | N/A     | N/A      | 0 to 10                                 |
| Total Base Assessment Rate   | 1.5 to 16               | 3 to 30 | 11 to 30 | 1.5 to 40                               |

\* All amounts for all categories are in basis points annually. Total base rates that are not the minimum or maximum rate will vary between these rates. Total base assessment rates do not include the depository institution debt adjustment.

\*\* Effective July 1, 2016, large institutions are also subject to temporary assessment surcharges in order to raise the reserve ratio from 1.15 percent to 1.35 percent. The surcharges amount to 4.5 basis points of a large institution's assessment base (after making certain adjustments).

Each institution is assigned a risk-based rate for a quarterly assessment period near the end of the quarter following the assessment period. Payment is generally due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes are effective for assessment purposes as of the examination transmittal date.

**Assets securitized and sold** – total outstanding principal balance of assets securitized and sold with servicing retained or other seller-provided credit enhancements.

**Capital Purchase Program (CPP)** – as announced in October 2008 under the TARP, the Treasury Department purchase of noncumulative perpetual preferred stock and related warrants that is treated as Tier 1 capital for regulatory capital purposes is included in "Total equity capital." Such warrants to purchase common stock or noncumulative preferred stock issued by publicly-traded banks are reflected as well in "Surplus." Warrants to purchase common stock or noncumulative preferred stock of not-publicly-traded bank stock are classified in a bank's balance sheet as "Other liabilities."

**Common equity Tier 1 capital ratio** – ratio of common equity Tier 1 capital to risk-weighted assets. Common equity Tier 1 capital includes common stock instruments and related surplus, retained earnings, accumulated other comprehensive income (AOCI), and

limited amounts of common equity Tier 1 minority interest, minus applicable regulatory adjustments and deductions. Items that are fully deducted from common equity Tier 1 capital include goodwill, other intangible assets (excluding mortgage servicing assets) and certain deferred tax assets; items that are subject to limits in common equity Tier 1 capital include mortgage servicing assets, eligible deferred tax assets, and certain significant investments. Beginning March 2020, this ratio does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

**Construction and development loans** – includes loans for all property types under construction, as well as loans for land acquisition and development.

**Core capital** – common equity capital plus noncumulative perpetual preferred stock plus minority interest in consolidated subsidiaries, less goodwill and other ineligible intangible assets. The amount of eligible intangibles (including servicing rights) included in core capital is limited in accordance with supervisory capital regulations.

**Cost of funding earning assets** – total interest expense paid on deposits and other borrowed money as a percentage of average earning assets.

**Credit enhancements** – techniques whereby a company attempts to reduce the credit risk of its obligations. Credit enhancement may be provided by a third party (external credit enhancement) or by the originator (internal credit enhancement), and more than one type of enhancement may be associated with a given issuance.

**Deposit Insurance Fund (DIF)** – the Bank (BIF) and Savings Association (SAIF) Insurance Funds were merged in 2006 by the Federal Deposit Insurance Reform Act to form the DIF.

**Derivatives notional amount** – the notional, or contractual, amounts of derivatives represent the level of involvement in the types of derivatives transactions and are not a quantification of market risk or credit risk. Notional amounts represent the amounts used to calculate contractual cash flows to be exchanged.

**Derivatives credit equivalent amount** – the fair value of the derivative plus an additional amount for potential future credit exposure based on the notional amount, the remaining maturity and type of the contract.

**Derivatives transaction types:**

**Futures and forward contracts** – contracts in which the buyer agrees to purchase and the seller agrees to sell, at a specified future date, a specific quantity of an underlying variable or index at a specified price or yield. These contracts exist for a variety of variables or indices, (traditional agricultural or physical commodities, as well as currencies and interest rates). Futures contracts are standardized and are traded on organized exchanges which set limits on counterparty credit exposure. Forward contracts do not have standardized terms and are traded over the counter.

**Option contracts** – contracts in which the buyer acquires the right to buy from or sell to another party some specified amount of an underlying variable or index at a stated price (strike price) during a period or on a specified future date, in return for compensation (such as a fee or premium). The seller is obligated to purchase or sell the variable or index at the discretion of the buyer of the contract.

**Swaps** – obligations between two parties to exchange a series of cash flows at periodic intervals (settlement dates), for a specified period. The cash flows of a swap are either fixed, or determined for each settlement date by multiplying the quantity (notional



principal) of the underlying variable or index by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

**Derivatives underlying risk exposure** – the potential exposure characterized by the level of banks’ concentration in particular underlying instruments, in general. Exposure can result from market risk, credit risk, and operational risk, as well as, interest rate risk.

**Domestic deposits to total assets** – total domestic office deposits as a percent of total assets on a consolidated basis.

**Earning assets** – all loans and other investments that earn interest or dividend income.

**Efficiency ratio** – Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income. This ratio measures the proportion of net operating revenues that are absorbed by overhead expenses, so that a lower value indicates greater efficiency.

**Estimated insured deposits** – in general, insured deposits are total domestic deposits minus estimated uninsured deposits. Beginning March 31, 2008, for institutions that file Call Reports, insured deposits are total assessable deposits minus estimated uninsured deposits. Beginning September 30, 2009, insured deposits include deposits in accounts of \$100,000 to \$250,000 that are covered by a temporary increase in the FDIC’s standard maximum deposit insurance amount (SMDIA). The Dodd-Frank Wall Street Reform and Consumer Protection Act enacted on July 21, 2010, made permanent the standard maximum deposit insurance amount (SMDIA) of \$250,000. Also, the Dodd-Frank Act amended the Federal Deposit Insurance Act to include noninterest-bearing transaction accounts as a new temporary deposit insurance account category. All funds held in noninterest-bearing transaction accounts were fully insured, without limit, from December 31, 2010, through December 31, 2012.

**Failed/assisted institutions** – an institution fails when regulators take control of the institution, placing the assets and liabilities into a bridge bank, conservatorship, receivership, or another healthy institution. This action may require the FDIC to provide funds to cover losses. An institution is defined as “assisted” when the institution remains open and receives assistance in order to continue operating.

**Fair Value** – the valuation of various assets and liabilities on the balance sheet—including trading assets and liabilities, available-for-sale securities, loans held for sale, assets and liabilities accounted for under the fair value option, and foreclosed assets—involves the use of fair values. During periods of market stress, the fair values of some financial instruments and nonfinancial assets may decline.

**FHLB advances** – all borrowings by FDIC-insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers, and by TFR filers prior to March 31, 2012.

**Goodwill and other intangibles** – intangible assets include servicing rights, purchased credit card relationships, and other identifiable intangible assets. Goodwill is the excess of the purchase price over the fair market value of the net assets acquired, less subsequent impairment adjustments. Other intangible assets are recorded at fair value, less subsequent quarterly amortization and impairment adjustments.

**Loans secured by real estate** – includes home equity loans, junior liens secured by 1-4 family residential properties, and all other loans secured by real estate.

**Loans to individuals** – includes outstanding credit card balances and other secured and unsecured consumer loans.

**Long-term assets (5+ years)** – loans and debt securities with remaining maturities or repricing intervals of over five years.

**Maximum credit exposure** – the maximum contractual credit exposure remaining under recourse arrangements and other seller-provided credit enhancements provided by the reporting bank to securitizations.

**Mortgage-backed securities** – certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Also, see “Securities,” below.

**Net charge-offs** – total loans and leases charged off (removed from balance sheet because of uncollectability), less amounts recovered on loans and leases previously charged off.

**Net interest margin** – the difference between interest and dividends earned on interest-bearing assets and interest paid to depositors and other creditors, expressed as a percentage of average earning assets. No adjustments are made for interest income that is tax exempt.

**Net loans to total assets** – loans and lease financing receivables, net of unearned income, allowance and reserves, as a percent of total assets on a consolidated basis.

**Net operating income** – income excluding discretionary transactions such as gains (or losses) on the sale of investment securities and extraordinary items. Income taxes subtracted from operating income have been adjusted to exclude the portion applicable to securities gains (or losses).

**Noncurrent assets** – the sum of loans, leases, debt securities, and other assets that are 90 days or more past due, or in nonaccrual status.

**Noncurrent loans & leases** – the sum of loans and leases 90 days or more past due, and loans and leases in nonaccrual status.

**Number of institutions reporting** – the number of institutions that actually filed a financial report.

**New reporters** – insured institutions filing quarterly financial reports for the first time.

**Other borrowed funds** – federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.

**Other real estate owned** – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that filed a *Thrift Financial Report* (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

**Percent of institutions with earnings gains** – the percent of institutions that increased their net income (or decreased their losses) compared to the same period a year earlier.

**“Problem” institutions** – federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. “Problem” institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a “4” or “5.” The number and assets of “problem” institutions

are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

**Recourse** – an arrangement in which a bank retains, in form or in substance, any credit risk directly or indirectly associated with an asset it has sold (in accordance with generally accepted accounting principles) that exceeds a pro rata share of the bank’s claim on the asset. If a bank has no claim on an asset it has sold, then the retention of any credit risk is recourse.

**Reserves for losses** – the allowance for loan and lease losses on a consolidated basis.

**Restructured loans and leases** – loan and lease financing receivables with terms restructured from the original contract. Excludes restructured loans and leases that are not in compliance with the modified terms.

**Retained earnings** – net income less cash dividends on common and preferred stock for the reporting period.

**Return on assets** – bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total (consolidated) assets. The basic yardstick of bank profitability.

**Return on equity** – bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total equity capital.

**Risk-weighted assets** – assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 200 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

**Securities** – excludes securities held in trading accounts. Banks’ securities portfolios consist of securities designated as “held-to-maturity” (reported at amortized cost (book value)), securities designated as “available-for-sale” (reported at fair (market) value), and equity securities with readily determinable fair values not held for trading.

**Securities gains (losses)** – realized gains (losses) on held-to-maturity and available-for-sale securities, before adjustments for income taxes. *Thrift Financial Report* (TFR) filers also include gains (losses) on the sales of assets held for sale. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

**Seller’s interest in institution’s own securitizations** – the reporting bank’s ownership interest in loans and other assets that have been securitized, except an interest that is a form of recourse or other seller-provided credit enhancement. Seller’s interests differ from the securities issued to investors by the securitization structure. The principal amount of a seller’s interest is generally equal to the total principal amount of the pool of assets included in the securitization structure less the principal amount of those assets attributable to investors, i.e., in the form of securities issued to investors.

**Small Business Lending Fund** – The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses by providing capital to qualified community institutions with assets of less than \$10 billion. The SBLF Program is administered by the U.S. Treasury Department (<http://www.treasury.gov/resource-center/sb-programs/Pages/Small-Business-Lending-Fund.aspx>).

Under the SBLF Program, the Treasury Department purchased noncumulative perpetual preferred stock from qualifying depository institutions and holding companies (other than Subchapter S and mutual institutions). When this stock has been issued by a depository institution, it is reported as “Perpetual preferred stock and related surplus.” For regulatory capital purposes, this noncumulative perpetual preferred stock qualifies as a component of Tier 1 capital. Qualifying Subchapter S corporations and mutual institutions issue unsecured subordinated debentures to the Treasury Department through the SBLF. Depository institutions that issued these debentures report them as “Subordinated notes and debentures.” For regulatory capital purposes, the debentures are eligible for inclusion in an institution’s Tier 2 capital in accordance with their primary federal regulator’s capital standards. To participate in the SBLF Program, an institution with outstanding securities issued to the Treasury Department under the Capital Purchase Program (CPP) was required to refinance or repay in full the CPP securities at the time of the SBLF funding. Any outstanding warrants that an institution issued to the Treasury Department under the CPP remain outstanding after the refinancing of the CPP stock through the SBLF Program unless the institution chooses to repurchase them.

**Subchapter S corporation** – a Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. This can have the effect of reducing institutions’ reported taxes and increasing their after-tax earnings.

**Trust assets** – market value, or other reasonably available value of fiduciary and related assets, to include marketable securities, and other financial and physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods. Such fiduciary assets are not included in the assets of the financial institution.

**Unearned income and contra accounts** – unearned income for *Call Report* filers only.

**Unused loan commitments** – includes credit card lines, home equity lines, commitments to make loans for construction, loans secured by commercial real estate, and unused commitments to originate or purchase loans. (Excluded are commitments after June 2003 for originated mortgage loans held for sale, which are accounted for as derivatives on the balance sheet.)

**Yield on earning assets** – total interest, dividend, and fee income earned on loans and investments as a percentage of average earning assets.