The FDIC Quarterly Banking Profile

Ricki Helfer, Chairman

Second Quarter 1995

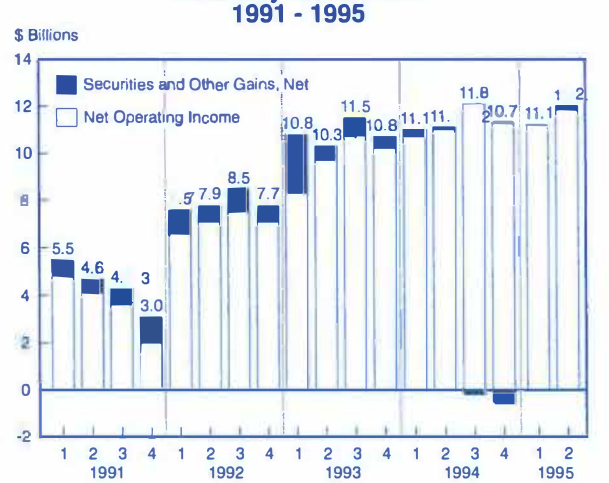
COMMERCIAL BANKING PERFORMANCE — SECOND QUARTER 1995

- ***Earnings Surpass $12-Billion Level For The First Time***
- ***Loan Growth Is Key To Increase In Revenues***
- ***Net Interest Income, Noninterest Income Set New Records***

Second-quarter earnings of insured commercial banks topped $12 billion for the first time, as strong growth in operating revenues lifted industry profits. Net income reported by the nation's 10,168 insured commercial banks totaled $12.0 billion, an increase of $864 million over the first quarter of 1995, and $836 million more than banks earned in the second quarter of 1994. The previous quarterly earnings record was $11.8 billion, set in the third quarter of last year. The improvement in earnings was driven by higher net interest income (up $1.9 billion from a year ago) and increased noninterest income (up $1.6 billion). Sales of securities produced a net gain for the first time in four quarters, adding $350 million to pre-tax profits. A year ago, securities sales netted $185 million before taxes. Profitability, as measured by return on average assets (ROA), was unchanged from a year ago, at 1.16 percent, but was up from the 1.10 percent ROA registered in the first quarter of 1995. The improvement in quarterly earnings was widespread; in each of the four asset-size groups and in all of the regions but the Midwest, over half the banks reported higher net income than a year earlier. Nationwide, more than 96 percent of all commercial banks were profitable in the second quarter, and two out of every three banks registered an ROA of 1 percent or higher.

For the first six months of 1995, commercial banks earned a record $23.2 billion, an increase of $930 million (4.2 percent) over the first half of 1994. The industry ROA for the first half of 1995 was 1.13 percent, down from 1.17 percent in the same period of 1994. Net interest income was $4.4 billion higher than a year ago, and noninterest income was up by $2.3 billion, but noninterest expenses increased by $4.4 billion, and gains from securities sales were $437 million lower.

Quarterly Net Income 1991 - 1995



The industry's net interest margin, at 4.30 percent, was almost unchanged from the previous quarter's 4.31 percent, but was below the 4.39 percent margin of a year ago. Over the last ten quarters, through a period of fluctuating interest rates, industry net interest margins have been relatively stable, remaining within a 21-basis-point range (from a high of 4.48 percent in the first quarter of 1993 to a low of 4.27 percent in the first quarter of 1994) while average asset yields and average funding costs have experienced much wider movements.

Trading profits at large banks rebounded from a lackluster first quarter, helping noninterest income reach a record $20.2 billion in the second quarter.

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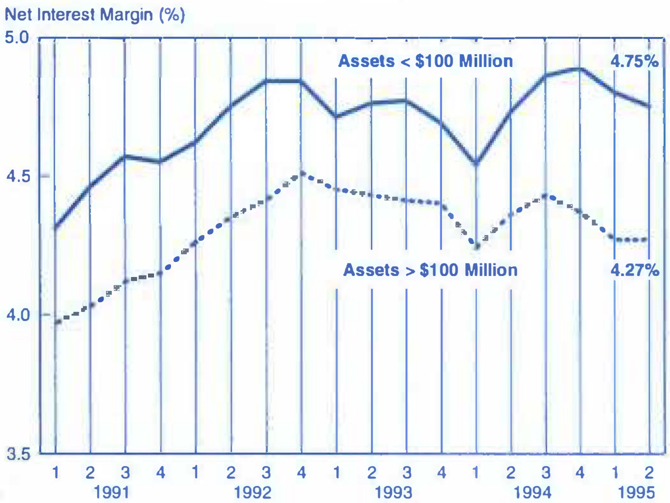
This exceeds the previous quarterly record of $20.1 billion, set in the fourth quarter of 1993, and represents an 8.8-percent increase from a year ago. Banks' noninterest expense of $37.5 billion was 5.3 percent above the level of a year ago.

Quarterly Net Interest Margins
1991 - 1995

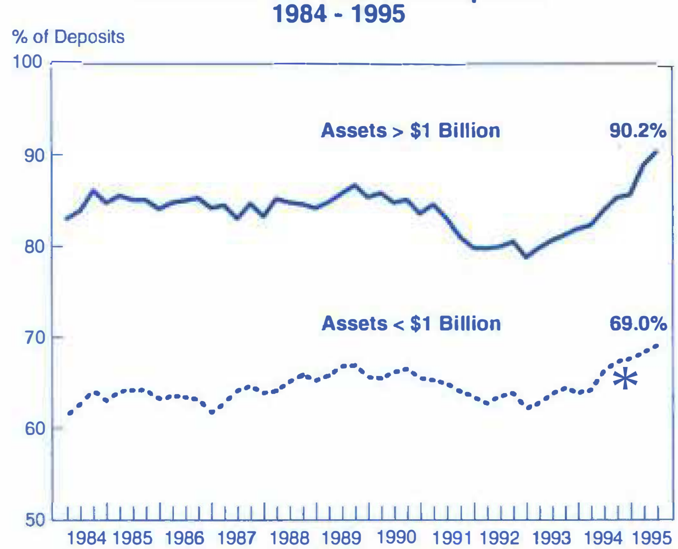


For the first time since the first quarter of 1992, banks reported a year-to-year increase in the quarterly provision for loan losses. Banks set aside $2.9 billion in provisions for future losses in the second quarter, only $74 million more than in the second quarter of 1994. After three consecutive years of sizable reductions, provisions in the first six months of 1995 were slightly (0.6 percent) above the level of last year. The decline in loan losses is continuing, but the rate of decline has slowed. In the first two quarters of 1995, net charge-offs were more than twelve percent below 1994 levels, a much smaller reduction than banks enjoyed in the previous two years, when charge-offs declined by more than 30 percent annually.

Banks continued to pursue higher asset yields in the second quarter, growing loans and reducing securities. Loan growth remained near a record pace in the second quarter, while banks' securities holdings declined for the fifth consecutive quarter. Total loans and leases grew by $74.5 billion, second only to the $77.9-billion increase in the fourth quarter of 1994. Securities declined by $7.5 billion to $805.9 billion, almost $50 billion below the peak level of $855.5 billion, reached at the end of the first quarter of last year. The industry's loan-to-deposit ratio is at an all-time high, illustrating the loss of asset liquidity that has accompanied the recent growth in loans.

Real estate loans enjoyed the strongest growth in the second quarter, posting an increase of $29.9 billion (more than four-fifths of which was residential mortgage loans). Commercial and industrial loan growth was considerably less than in the first quarter — C&I loans increased by $18.2 billion, compared to a $32.8-billion increase in the previous quarter — but was still higher than in any quarter in 1994. Consumer loans increased by $13.2 billion, as credit card loans, which typically have higher yields, grew at twice the rate of other loans to individuals. Unused loan commitments rose by $95.7 billion in the second quarter, to $1.99 trillion. In the last twelve months, they have increased by over 25 percent ($404.6 billion), led by credit card commitments and commitments to make commercial and industrial loans. The amount of loans to small businesses and small farms, which is only reported at midyear, showed a smaller percentage increase (7.0 percent) over the past twelve months than did total loans (12.5 percent). These loans — in original amounts of $1 million or less to businesses and $500 thousand or less to small farms — totaled $371.6 billion at the end of the second quarter, $24.0 billion more than banks reported a year earlier.

Net Loans and Leases to Deposits
1984 - 1995

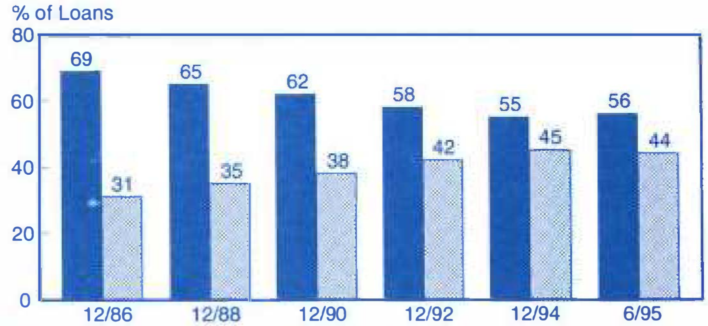


In contrast, banks continued to reduce their securities holdings. The decline in securities came despite a $6.2-billion positive swing in the valuation of their available-for-sale securities. U.S. Treasury securities saw the greatest reduction, declining by $18.7 billion. Assets in trading accounts dropped by $35.4 billion, reflecting a decline in revaluation gains on off-balance-sheet contracts.

Total deposits at commercial banks increased by $44.5 billion in the second quarter, while nondeposit liabilities (excluding liabilities in trading accounts) grew by $36.1 billion. Deposits in banks' foreign offices fell for the first time since the fourth quarter of 1992, declining by $2.8 billion. Liabilities in trading accounts declined by $36.6 billion, due to lower revaluation losses on off-balance-sheet contracts.

Noncurrent loans declined by $652 million (2 percent) in the second quarter. At $31.7 billion, noncurrent loans were 11.8 percent below the level of a year ago. Total troubled assets - noncurrent assets plus other real estate owned — represented only 0.94 percent of total commercial bank assets at midyear, down from 0.99 percent at the end of March and 1.27 percent a year ago. Troubled assets are now almost two-thirds below their peak of $109.5 billion, set at the end of June, 1991. Banks increased their reserves for future loan losses by $150 million, to $52.9 billion at midyear. The industry's "coverage ratio" increased to $1.67 in reserves for every $1.00 of noncurrent loans, up from $1.46 a year ago and $1.63 at the end of the first quarter. The number of insured commercial banks declined by 73 institutions during the second quarter, from 10,241 banks at the end of March to 10,168 at midyear. Mergers absorbed 101 banks, significantly fewer than the 228 banks that were merged into other institutions in the first quarter. There were 23 new banks chartered, and only one bank failed during the quarter. The number of banks on the FDIC's "Problem List" fell from 215 to 190; the combined assets of "problem" banks declined from $27 billion at the end of the first quarter to $23 billion.

Credit Risk Diversification: Retail Loans versus Loans to Commercial Borrowers (as a % of Total Loans)

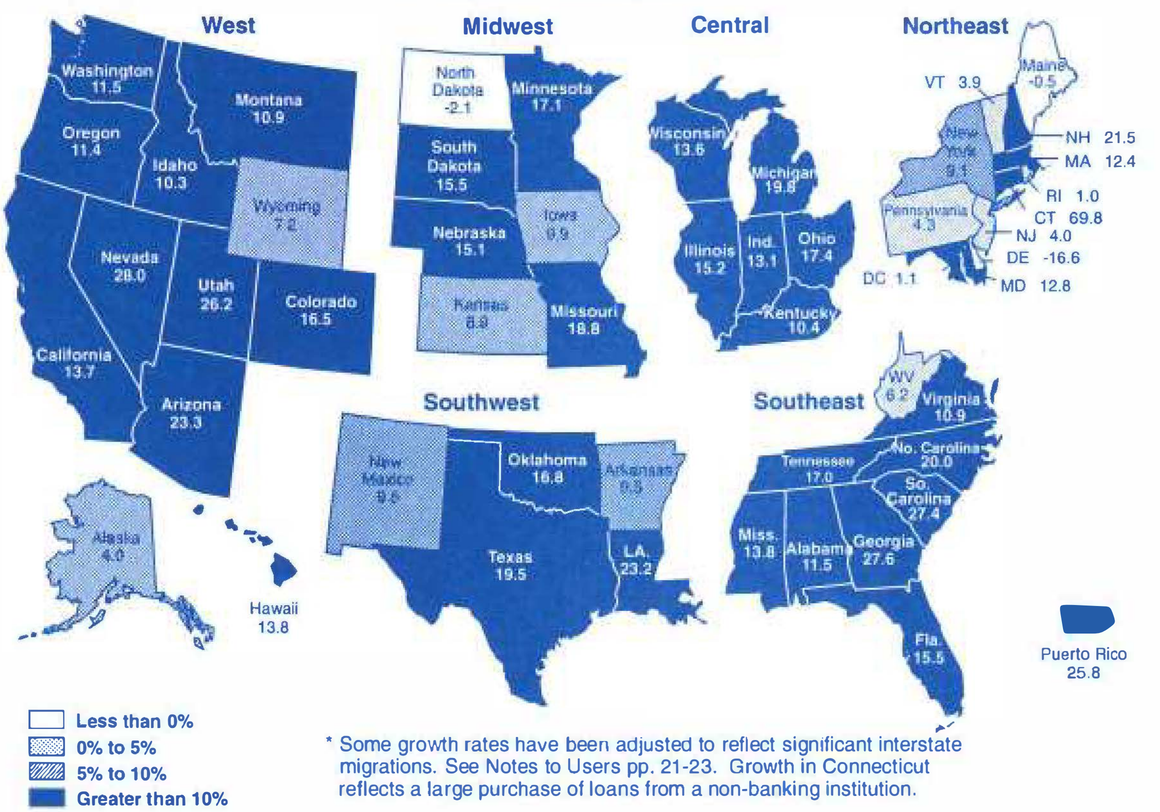


Loans ($ Billions):	12/86	12/88	12/90	12/92	12/94	6/95
Commercial Borrowers	$1,214	$1,268	$1,320	$1,192	$1,308	$1,394
Retail Loans	558	680	804	849	1,056	1,111

Loans to Commercial Borrowers (Credit Risk Concentrated): These are loans with relatively large balances at risk to a single borrower. A single loan may represent a significant proportion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, multifamily mortgages, commercial real estate and construction loans and agricultural loans.

Retail Loans (Credit Risk Diversified): These are loans that typically have relatively small balances spread among a larger number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1-4 family residential mortgages and home equity loans.

Commercial and Industrial Loan Growth Rates*
June 30, 1994 — June 30, 1995



* Some growth rates have been adjusted to reflect significant interstate migrations. See Notes to Users pp. 21-23. Growth in Connecticut reflects a large purchase of loans from a non-banking institution.

TABLE I-A. Selected Indicators, FDIC-Insured Commercial Banks

	1995*	1994*	1994	1993	1992	1991	1990
Return on assets (%)	1.13	1.17	1.15	1.20	0.93	0.53	0.48
Return on equity (%)	14.30	14.78	14.61	15.34	12.98	7.94	7.45
Core capital (leverage) ratio (%)	7.61	7.70	7.64	7.65	7.20	6.48	6.17
Noncurrent assets plus other real estate owned to assets (%)	0.94	1.27	1.01	1.61	2.54	3.02	2.94
Net charge-offs to loans (%)	0.41	0.53	0.50	0.85	1.27	1.59	1.43
Asset growth rate (%)	7.15	9.05	8.21	5.72	2.19	1.21	2.73
Net interest margin (%)	4.30	4.33	4.36	4.40	4.41	4.11	3.94
Net operating income growth (%)	5.54	20.65	16.18	35.37	92.41	-0.63	2.53
Number of institutions reporting	10,168	10,716	10,450	10,958	11,462	11,921	12,343
Percentage of unprofitable institutions	3.20	3.74	3.89	4.87	6.85	11.60	13.44
Number of problem institutions	190	338	247	426	787	1,016	1,012
Assets of problem institutions (in billions)	$23	$42	$33	$242	$408	$528	$342
Number of failed/assisted institutions	4	4	11	42	100	108	159

*Through June 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending June 30.

TABLE II-A. Aggregate Condition and Income Data, FDIC-Insured Commercial Banks

(dollar figures in millions)	Preliminary 2nd Quarter 1995	1st Quarter 1995	2nd Quarter 1994	%Change 94:2-95:2
Number of institutions reporting	10,168	10,241	10,716	-5.1
Total employees (full-time equivalent)	1,479,385	1,474,125	1,495,677	-1.1
CONDITION DATA				
Total assets	$4,170,706	$4,116,101	$3,892,567	7.2
Loans secured by real estate	1,049,956	1,020,086	944,008	11.2
Commercial & industrial loans	640,085	621,903	564,723	13.4
Loans to individuals	503,105	489,894	438,490	14.7
Farm loans	40,321	37,325	39,740	1.5
Other loans & leases	270,906	260,561	239,606	13.1
Less: Unearned income	6,212	6,149	6,131	1.3
Total loans & leases	2,498,161	2,423,621	2,220,436	12.5
Less: Reserve for losses	52,931	52,781	52,442	0.9
Net loans & leases	2,445,230	2,370,840	2,167,994	12.8
Securities	805,884	813,342	848,968	-5.1
Other real estate owned	7,350	7,933	13,268	-44.6
Goodwill and other intangibles	26,875	26,275	20,264	32.6
All other assets	885,366	897,712	842,072	5.1
Total liabilities and capital	4,170,706	4,116,101	3,892,567	7.2
Noninterest-bearing deposits	562,636	530,313	547,473	2.8
Interest-bearing deposits	2,344,407	2,332,232	2,218,464	5.7
Other borrowed funds	647,931	616,473	556,472	16.4
Subordinated debt	42,201	40,821	37,430	12.8
All other liabilities	238,695	272,095	227,759	4.8
Equity capital	334,836	324,184	304,968	9.8
Loans and leases 30-89 days past due	28,751	30,574	25,667	12.0
Noncurrent loans and leases	31,668	32,320	35,921	-11.8
Restructured loans and leases	5,478	5,495	6,216	-11.9
Direct and indirect investments in real estate	578	586	570	1.4
1-4 Family residential mortgages	607,452	583,189	529,775	14.7
Mortgage-backed securities	319,627	320,469	334,988	-4.6
Earning assets	3,602,603	3,523,410	3,337,395	8.0
Long-term assets (5+ years)	556,381	546,846	549,954	1.2
Volatile liabilities	1,244,877	1,222,338	1,078,958	15.4
Foreign office deposits	439,551	442,305	377,397	16.5
Unused loan commitments	1,987,454	1,891,775	1,582,872	25.6
Off-balance-sheet derivatives	17,912,715	17,991,424	15,322,137	16.9

INCOME DATA	Preliminary First Half 1995	First Half 1994	%Change	Preliminary 2nd Quarter 1995	2nd Quarter 1994	%Change 94:2-95:2
Total interest income	$148,007	$124,830	18.6	$75,597	$64,251	17.7
Total interest expense	71,947	53,169	35.3	37,234	27,759	34.1
Net interest income	76,060	71,660	6.1	38,363	36,491	5.1
Provision for loan losses	5,583	5,547	0.6	2,900	2,826	2.6
Total noninterest income	39,346	37,086	6.1	20,169	18,532	8.8
Total noninterest expense	74,507	70,140	6.2	37,464	35,581	5.3
Securities gains (losses)	307	744	-58.7	350	185	89.1
Applicable income taxes	12,487	11,538	8.2	6,501	5,632	15.4
Extraordinary gains, net	24	(36)	N/M	(11)	2	N/M
Net income	23,160	22,230	4.2	12,007	11,171	7.5
Net charge-offs	5,031	5,736	-12.3	2,756	3,134	-12.0
Cash dividends	13,009	11,097	17.2	6,743	5,897	14.3
Net operating income	22,949	21,745	5.5	11,789	11,026	6.9

N/M-Not meaningful

TABLE III-A. First Half 1995, FDIC-Insured Commercial Banks

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST HALF Preliminary (The way it is . . .)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	10,168	6,986	2,783	331	68	815	1,684	2,220	2,560	1,815	1,074
Total assets (in billions)	$4,170.7	$306.6	$680.7	$1,057.2	$2,126.2	$1,590.0	$701.5	$681.5	$268.7	$313.0	$616.0
Total deposits (in billions)	2,907.0	266.1	569.8	749.6	1,321.5	989.9	514.1	493.4	200.9	248.5	460.3
Net income (in millions)	23,160	1,780	4,095	6,637	10,648	7,791	3,929	3,919	1,861	1,804	3,857
% of unprofitable institutions	3.2	3.7	2.1	2.7	1.5	5.4	3.1	2.7	1.8	1.9	8.2
% of institutions with earnings gains	58.9	57.3	62.6	60.4	60.3	63.4	65.4	60.0	50.3	57.7	65.3
Performance Ratios (annualized, %)											
Yield on earning assets	8.37	8.26	8.33	8.53	8.32	8.52	8.19	8.19	8.43	7.81	8.70
Cost of funding earning assets	4.07	3.50	3.54	3.88	4.45	4.58	3.93	4.04	3.86	3.48	3.43
Net interest margin	4.30	4.76	4.79	4.65	3.87	3.95	4.26	4.15	4.57	4.33	5.27
Noninterest income to earning assets	2.23	1.20	1.40	2.35	2.61	2.76	1.73	1.58	2.41	1.75	2.39
Noninterest expense to earning assets	4.22	3.95	3.94	4.28	4.32	4.47	3.85	3.55	4.30	4.11	4.80
Net operating income to assets	1.12	1.19	1.23	1.28	0.99	0.96	1.16	1.16	1.41	1.18	1.29
Return on assets	1.13	1.18	1.23	1.27	1.02	0.99	1.15	1.17	1.41	1.17	1.28
Return on equity	14.30	11.61	13.38	15.31	14.64	13.46	14.43	14.49	16.24	13.98	15.14
Net charge-offs to loans and leases	0.41	0.17	0.32	0.60	0.37	0.54	0.26	0.25	0.45	0.17	0.57
Loan loss provision to net charge-offs	110.95	157.48	124.21	121.68	94.09	111.72	101.09	145.03	111.51	132.85	96.31
Condition Ratios (%)											
Loss allowance to:											
Loans and leases	2.12	1.63	1.66	2.05	2.38	2.56	1.71	1.71	1.77	1.58	2.43
Noncurrent loans and leases	167.14	146.29	153.77	185.02	165.03	145.29	204.39	197.79	211.07	177.91	167.88
Noncurrent assets plus other real estate owned to assets	0.94	0.86	0.88	0.86	1.01	1.18	0.69	0.64	0.65	0.65	1.22
Equity capital ratio	8.03	10.39	9.36	8.49	7.03	7.50	8.07	8.22	8.83	8.60	8.49
Core capital (leverage) ratio	7.61	10.39	9.21	8.08	6.48	7.11	7.57	7.95	8.68	8.18	7.82
Net loans and leases to deposits	84.11	64.01	71.32	90.45	90.08	85.65	85.44	85.20	82.69	67.51	87.74
Growth Rates (year-to-year, %)											
Assets	7.2	-	-	-	-	4.2	14.3	6.6	7.0	6.7	8.3
Equity capital	9.8	-	-	-	-	9.9	14.7	9.6	7.4	8.7	6.6
Net interest income	6.1	-	-	-	-	4.2	9.5	3.7	4.1	5.7	10.1
Net income	4.2	-	-	-	-	-2.0	6.2	5.8	1.0	2.7	17.8
Noncurrent assets plus other real estate owned	-20.3	-	-	-	-	-24.1	-10.4	-13.0	-19.0	-11.9	-22.1
Net charge-offs	-12.3	-	-	-	-	-30.0	35.0	-6.8	23.6	92.3	2.8
Loan loss provision	0.6	-	-	-	-	-14.2	23.6	5.3	16.9	135.0	15.4
PRIOR FIRST HALVES (The way it was . . .)											
Number of institutions 1994	10,716	7,559	2,774	328	55	853	1,788	2,351	2,667	1,899	1,158
1992	11,686	8,555	2,757	328	46	954	1,904	2,580	2,831	2,077	1,340
1990	12,505	9,501	2,632	327	45	1,078	1,960	2,792	2,973	2,234	1,468
Total assets (in billions) 1994	$3,892.6	$326.2	$676.6	$1,079.4	$1,810.3	$1,526.4	$613.7	$639.3	$251.1	$293.5	$568.6
1992	3,438.3	348.0	669.7	1,062.1	1,358.4	1,303.9	521.7	565.3	232.8	271.8	542.7
1990	3,361.4	362.6	635.5	1,049.4	1,313.9	1,312.9	497.2	540.8	213.8	263.9	532.9
Return on assets (%) 1994	1.17	1.17	1.19	1.40	1.01	1.08	1.22	1.18	1.47	1.19	1.17
1992	0.92	1.11	1.04	1.00	0.74	0.74	1.04	1.09	1.29	1.10	0.79
1990	0.69	0.80	0.90	0.63	0.61	0.40	0.76	0.86	1.06	0.55	1.10
Net charge-offs to loans & leases (%)											
1994	0.53	0.17	0.33	0.64	0.59	0.83	0.23	0.30	0.40	0.10	0.62
1992	1.20	0.45	0.64	1.39	1.49	1.80	0.78	0.75	0.74	0.74	1.04
1990	1.46	0.56	0.67	1.36	2.13	2.19	0.71	0.97	0.97	1.29	1.11
Noncurrent assets plus OREO to assets (%) 1994	1.27	0.97	1.14	1.16	1.43	1.62	0.88	0.78	0.86	0.79	1.70
1992	2.93	1.58	2.01	2.73	3.89	4.02	2.05	1.61	1.49	2.09	3.58
1990	2.46	1.73	1.84	2.18	3.18	3.34	1.58	1.38	1.45	3.02	2.31
Equity capital ratio (%) 1994	7.83	9.91	8.88	8.24	6.83	7.11	8.04	7.99	8.80	8.44	8.63
1992	7.22	9.38	8.17	7.48	6.00	6.43	7.66	7.75	8.55	7.36	7.53
1990	6.43	9.09	7.75	6.52	4.99	5.66	7.16	7.04	7.95	6.61	6.35

REGIONS: ***Northeast*** — Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands
Southeast — Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia
Central — Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Midwest — Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Southwest — Arkansas, Louisiana, New Mexico, Oklahoma, Texas
West — Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

TABLE IV-A. Second Quarter 1995, FDIC-Insured Commercial Banks

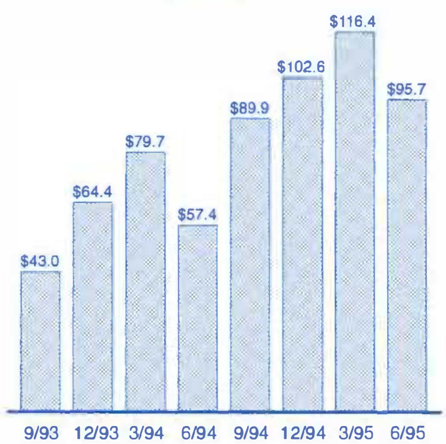
		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
SECOND QUARTER Preliminary (The way it is . . .)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	10,168	6,986	2,783	331	68	815	1,684	2,220	2,560	1,815	1,074
Total assets (in billions)	$4,170.7	$306.6	$680.7	$1,057.2	$2,126.2	$1,590.0	$701.5	$681.5	$268.7	$313.0	$616.0
Total deposits (in billions)	2,907.0	266.1	569.8	749.6	1,321.5	989.9	514.1	493.4	200.9	248.5	460.3
Net income (in millions)	12,007	900	2,083	3,337	5,687	4,161	2,037	2,005	940	977	1,887
% of unprofitable institutions	3.8	4.2	2.8	2.4	0.0	6.0	3.3	3.0	2.4	3.1	8.8
% of institutions with earnings gains	55.7	53.4	60.8	60.7	54.4	60.5	60.6	56.8	48.4	55.0	60.4
Performance Ratios (annualized, %)											
Yield on earning assets	8.48	8.40	8.46	8.65	8.41	8.59	8.31	8.30	8.54	7.94	8.87
Cost of funding earning assets	4.18	3.64	3.68	4.00	4.54	4.64	4.08	4.17	3.97	3.62	3.54
Net interest margin	4.30	4.75	4.78	4.65	3.87	3.95	4.24	4.13	4.57	4.32	5.33
Noninterest income to earning assets	2.26	1.23	1.42	2.39	2.66	2.85	1.77	1.61	2.38	1.77	2.35
Noninterest expense to earning assets	4.20	3.97	3.93	4.29	4.29	4.47	3.81	3.53	4.26	4.02	4.85
Net operating income to assets	1.14	1.18	1.23	1.28	1.03	1.00	1.19	1.17	1.40	1.24	1.23
Return on assets	1.16	1.19	1.24	1.27	1.07	1.04	1.18	1.19	1.42	1.26	1.24
Return on equity	14.56	11.52	13.33	15.09	15.41	14.15	14.67	14.55	16.11	14.81	14.60
Net charge-offs to loans and leases	0.45	0.20	0.36	0.72	0.36	0.50	0.29	0.28	0.48	0.18	0.77
Loan loss provision to net charge-offs	105.19	138.10	117.47	109.25	93.82	112.68	91.64	136.40	112.29	145.78	82.88
Growth Rates (year-to-year, %)											
Net interest income	5.13	-	-	-	-	3.01	8.22	2.50	2.94	4.84	9.86
Net income	7.49	-	-	-	-	6.82	7.21	4.78	-1.22	15.09	13.59
Net charge-offs	-12.04	-	-	-	-	-41.30	57.06	1.74	36.62	63.71	29.27
Loan loss provision	2.59	-	-	-	-	-20.59	33.72	20.30	32.94	115.61	25.40
PRIOR SECOND QUARTERS (The way it was . . .)											
Return on assets (%) 1994	1.16	1.19	1.19	1.38	1.01	1.03	1.24	1.21	1.52	1.15	1.17
1992	0.92	1.11	1.05	1.03	0.72	0.73	1.11	1.13	1.27	1.10	0.74
1990	0.62	0.77	0.88	0.57	0.49	0.31	0.75	0.85	0.97	0.57	0.92
Net charge-offs to loans & leases (%)											
1994	0.57	0.21	0.39	0.68	0.63	0.93	0.22	0.31	0.40	0.13	0.67
1992	1.21	0.51	0.70	1.39	1.46	1.83	0.72	0.75	0.77	0.71	1.06
1990	1.63	0.67	0.77	1.31	2.53	2.46	0.74	0.84	1.03	1.47	1.51

Commercial Banks Make More Credit Available to Businesses and Consumers

Quarterly Increase in Loans ($ Billions)

In the second quarter of 1995, home mortgage loans increased by $24.3 billion, while commercial and industrial loans increased by $18.2 billion and loans to individuals increased by $13.2 billion.

Quarterly Increase in Unused Loan Commitments ($ Billions)



In the second quarter of 1995, unused credit card commitments increased $63.0 billion, and unused commitments for loans to businesses and consumers increased $28.5 billion.

TABLE V-A. Loan Performance, FDIC-Insured Commercial Banks

June 30, 1995	All Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Distribution by Region: East: North-east	South-east	Central	West: Mid-west	South-west	West
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.25	1.29	1.10	1.14	1.40	1.62	1.12	1.10	0.86	1.11	1.19
Construction and development	1.42	1.28	1.12	1.50	1.61	1.69	1.04	1.57	1.04	1.06	1.86
Commercial real estate	1.21	1.09	0.95	1.09	1.56	1.98	0.86	1.03	0.90	0.77	1.08
Multifamily residential real estate	1.16	0.83	0.95	0.99	1.55	0.96	0.73	1.24	0.55	0.56	2.13
1-4 Family residential*	1.28	1.52	1.26	1.21	1.27	1.41	1.36	1.16	0.89	1.31	1.18
Home equity loans	0.90	1.33	0.82	0.73	1.01	1.33	0.61	0.66	0.56	1.43	0.75
Commercial and industrial loans**	0.88	1.51	1.38	0.93	0.58	0.70	0.82	1.06	1.80	1.03	0.76
Loans to individuals	1.81	1.96	1.59	1.77	1.93	2.14	1.49	1.70	1.82	1.57	1.64
All other loans and leases (including farm)	0.29	N/A	N/A	0.59	0.24	0.28	0.20	0.39	0.23	0.23	0.32
Memo: Commercial RE loans not secured by RE	0.85	1.17	0.70	1.04	0.80	1.29	0.95	0.96	0.59	0.33	0.46
Percent of Loans Noncurrent* **											
All real estate loans	1.62	1.03	1.15	1.35	2.24	2.64	1.01	0.97	0.81	1.00	2.00
Construction and development	3.43	1.13	1.42	2.80	6.31	7.31	1.61	2.21	0.89	1.14	5.31
Commercial real estate	2.54	1.33	1.63	2.19	3.91	4.67	1.59	1.42	1.39	1.44	2.83
Multifamily residential real estate	2.94	1.79	1.54	1.81	5.32	4.75	1.25	1.46	0.85	0.63	5.24
1-4 Family residential*	0.87	0.77	0.80	0.74	1.03	1.26	0.65	0.60	0.44	0.69	1.05
Home equity loans	0.56	0.91	0.51	0.48	0.60	0.91	0.31	0.31	0.21	0.86	0.50
Commercial and industrial loans**	1.26	1.48	1.34	0.93	1.22	1.50	0.80	1.06	1.27	1.20	1.36
Loans to individuals	1.07	0.66	0.57	1.03	1.38	1.77	0.62	0.66	0.89	0.49	0.78
All other loans and leases (including farm)	0.38	N/A	N/A	0.47	0.39	0.46	0.25	0.19	0.22	0.23	0.47
Memo: Commercial RE loans not secured by RE	1.77	1.10	0.46	0.62	2.22	4.15	1.01	0.40	0.68	0.47	0.67
Percent of Loans Charged-off (net, annualized)											
All real estate loans	0.19	0.05	0.14	0.21	0.24	0.32	0.05	0.05	0.01	-0.02	0.47
Construction and development	0.33	0.09	0.16	0.40	0.45	0.55	0.02	0.33	0.06	-0.20	0.82
Commercial real estate	0.36	0.06	0.22	0.48	0.44	0.60	0.09	0.07	0.00	-0.05	0.93
Multifamily residential real estate	0.26	0.11	0.25	0.24	0.31	0.59	0.01	-0.01	0.10	-0.12	0.54
1-4 Family residential*	0.10	0.06	0.08	0.05	0.15	0.21	0.03	0.01	0.02	0.02	0.16
Home equity loans	0.18	0.14	0.12	0.08	0.27	0.17	0.05	0.04	-0.01	0.08	0.44
Commercial and industrial loans**	0.14	0.25	0.27	0.12	0.09	0.21	0.06	0.10	0.16	0.13	0.07
Loans to individuals	1.51	0.41	0.90	1.68	1.75	1.92	1.11	0.97	1.72	0.71	1.90
All other loans and leases (including farm)	0.04	N/A	N/A	0.26	-0.02	-0.04	0.10	0.06	0.07	0.12	0.17
Memo: Commercial RE loans not secured by RE	-0.13	0.50	1.02	-0.01	-0.27	-0.39	-0.12	0.10	-0.08	-0.17	0.05
Loans Outstanding (in billions)											
All real estate loans	$1,050.0	$96.6	$240.2	$299.9	$413.2	$292.6	$232.8	$184.0	$69.8	$79.4	$191.4
Construction and development	66.5	6.4	17.2	21.2	21.7	12.0	18.5	11.2	4.3	6.6	14.0
Commercial real estate	291.9	26.1	79.4	88.4	97.9	72.9	66.7	55.2	18.5	22.8	55.8
Multifamily residential real estate	33.5	2.3	8.3	11.5	11.4	8.1	7.1	6.3	2.4	2.3	7.3
1-4 Family residential*	528.5	48.4	114.6	150.1	215.4	148.3	121.2	90.4	34.5	43.9	90.1
Home equity loans	78.9	2.4	12.7	25.6	38.2	26.1	15.4	14.9	2.6	1.0	18.9
Commercial and industrial loans	640.1	28.3	71.5	148.2	392.2	248.8	94.0	118.5	36.0	44.1	98.7
Loans to individuals	503.1	27.0	81.3	196.9	197.8	179.2	87.5	86.6	39.2	33.6	77.0
All other loans and leases (including farm)	311.2	22.2	22.0	48.5	218.6	152.5	33.8	39.3	24.2	14.0	47.4
Memo: Commercial RE loans not secured by RE	17.6	0.2	1.2	3.5	12.7	5.6	2.3	2.2	0.6	0.8	6.1
Memoranda:											
Other Real Estate Owned (in millions)											
All other real estate owned	$7,350	$715	$1,485	$1,349	$3,801	$3,304	$1,126	$561	$334	$489	$1,537
Construction and development	1,212.7	104.9	316.1	363.9	427.7	383.6	312.8	113.8	67.0	68.2	267.3
Commercial real estate	3,941.5	347.4	731.2	676.5	2,186.3	1,821.7	556.4	311.5	191.2	291.1	769.6
Multifamily residential real estate	276.1	27.3	67.1	55.4	126.4	147.0	25.1	19.4	6.6	9.5	68.5
1-4 Family residential	1,342.8	180.6	325.3	237.5	599.4	511.0	209.5	103.3	43.1	88.2	387.7
Farmland	150.9	55.1	45.0	13.5	37.4	14.9	22.3	12.6	26.0	31.6	43.6
Other real estate owned in foreign offices	426.2	0.0	0.0	2.4	423.8	426.2	0.0	0.0	0.0	0.0	0.0

*Excludes home equity loans.

**Includes "All other loans" for institutions under $1 billion in asset size.

***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.

N/A - Not available

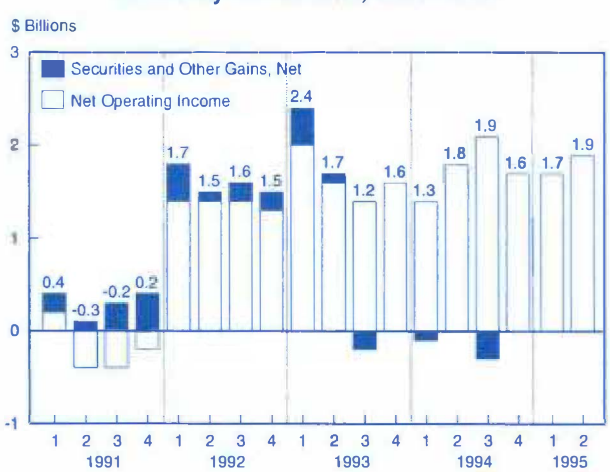
SAVINGS INSTITUTIONS PERFORMANCE – SECOND QUARTER 1995

- ***Savings Institutions Earn $1.9 Billion In The Second Quarter***
- ***Noninterest Expense Reductions Help Offset Lower Net Interest Income***
- ***Asset Quality Improvements Help Bottom Line***
- ***Industry Assets Increase $3.4 Billion During The Quarter***

Savings institutions earned $1.9 billion in the second quarter of 1995, for an annualized return on assets (ROA) of 0.76 percent. Net income in the second quarter was $179 million higher than in the first quarter. An increase in noninterest income and a reduction in noninterest expenses helped to compensate for lower net interest income. Noninterest income rose by $282 million while noninterest expenses declined by $112 million from the first quarter. Over 94 percent of all savings institutions were profitable in the second quarter and none of the 35 largest thrifts — those institutions with over $5 billion in assets — lost money.

Second-quarter earnings were $129 million higher than the second quarter of last year, primarily because of increased earnings at larger thrifts. More than 60 percent of the thrifts with over $1 billion in assets reported improved earnings compared to last year's second quarter, while more than half of the institutions with less than $1 billion reported lower earnings.

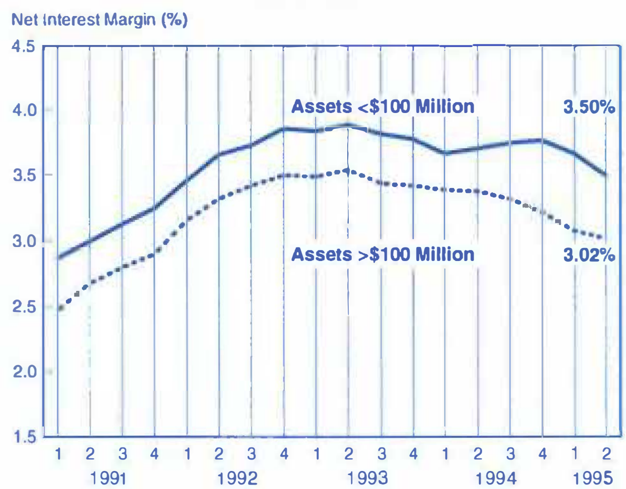
Quarterly Net Income, 1991 - 1995



Earnings were mixed across the country with half of the regions reporting slight declines and half reporting increases from first-quarter levels. Thrifts in the West Region, which still have the lowest profitability of any region, achieved the largest improvement in ROA. They registered a 16-basis-point increase to 0.47 percent from an aggregate ROA of 0.31 percent in the first quarter. ROAs in other regions ranged from 0.79 percent (Southeast Region) to 0.96 percent (Central Region).

Profitability was down slightly for smaller institutions as net interest margins narrowed. The aggregate ROA for savings institutions with less than $100 million in assets declined sharply, to 0.57 percent from 0.76 percent in the first quarter; however, most of this decline was caused by one institution that liquidated 96 percent of its assets during the second quarter.[1] With just $37 million in assets remaining, this institution fell into the smallest size group at midyear. Excluding this institution, the average ROA for thrifts with less than $100 million in assets would have declined from 0.76 percent to 0.72 percent.

Quarterly Net Interest Margins 1991 - 1995



The industry's net interest margin declined to 3.05 percent in the second quarter from 3.11 percent in the first quarter. Yields on earning assets rose by 21 basis points, but failed to keep pace with the 27-basis-point increase in funding costs. Institutions with less than $100 million in assets

[1] Union Federal Bank, FSB, in Brea, California liquidated most of its assets. Its asset size dropped from $876 million at the end of the first quarter to $37 million as of June 30, 1995.

reported a 16-basis-point decline in their net interest margin, while institutions with $100 million to $1 billion in assets reported a 14 basis-point decline. Larger thrifts reported little change in net interest margins during the second quarter.

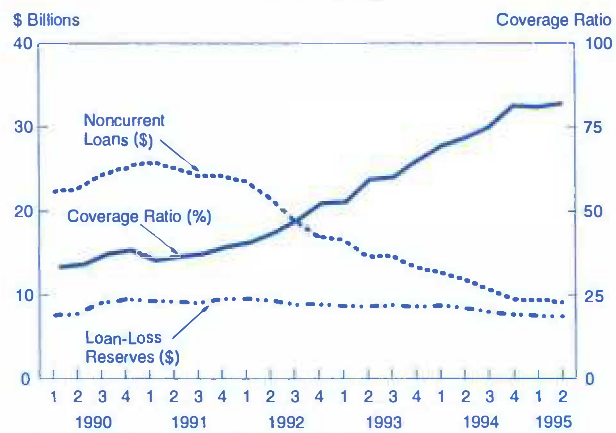
Earnings for the first half of 1995 were $577 million higher than in the first half of 1994. The improvement in industry earnings has stemmed mostly from reductions in expenses. Provisions for loan losses in the first half were down by $443 million. Noninterest expenses were almost $1 billion lower in the first half of this year compared with the first six months of last year. Noninterest expense averaged 2.37 percent of earning assets in the first six months of 1995, the lowest level since 1989. Earnings have also received a boost from noninterest income, which was $273 million higher than in the same period of last year.

Asset growth continued at savings institutions. Industry assets rose by $3.4 billion during the second quarter despite a net transfer of $11.7 billion to commercial banks. Securities increased by $3.5 billion, with mortgage-backed securities (MBS) accounting for $2.6 billion of this growth, while 1-4 family residential mortgages declined by $2.0 billion. A large securitization transaction produced the net increase in MBS and the net decline in 1-4 family residential mortgages.[2] Otherwise, 1-4 family residential mortgages would have grown by $3.8 billion and securities would have fallen by $1.5 billion. Almost two-thirds of all thrifts reported increases in 1-4 family residential mortgages and over half showed declines in securities. For the industry, 1-4 family residential mortgages remained $22 billion above the level of a year ago, and now account for 47 percent of total assets.

Equity capital increased by $1.5 billion in the second quarter, to 8.18 percent of assets. The thrift industry has not seen an equity capital ratio at this level since achieving the same ratio in 1952. Savings institutions paid $843 million in dividends and retained over $1 billion in earnings as capital during the second quarter. With a drop in interest rates, thrift securities portfolios showed an aggregate unrealized gain as opposed to the loss positions reported over the past year. This swing in the value of available-for-sale securities added $752 million to capital during the second quarter. The core capital (leverage) ratio, which does not reflect valuation changes for available-for-sale securities, also rose, to 7.70 percent from 7.63 percent at the end of the first quarter. The increase in core capital came primarily from retained earnings.

Savings institutions reported a slight rise in the "coverage ratio" (reserves to noncurrent loans), to 82 cents in reserves for each dollar of noncurrent loans, up from 81 cents at the end of the first quarter. A year ago the "coverage ratio" stood at 72 cents for each dollar of noncurrent loans. Both reserves and noncurrent loans declined in the second quarter, but noncurrent loans fell by twice as much as reserves. Noncurrent loans were down by $298 million while reserves for loan losses fell by $145 million. In the last 12 months thrifts have reduced their noncurrent loans by $2.7 billion.

Coverage Ratio and Reserve Levels*
1990 — 1995



* Loan-Loss Reserves to Noncurrent Loans and Leases

Reserve levels are now at a three-year low. They have declined for the past five quarters after reaching a peak at 1.42 percent of total loans at the end of the first quarter of 1994. However, asset quality has improved with noncurrent loans falling in 16 of the last 17 quarters and the risk characteristics of thrifts' loan portfolios have been changing, as described below. The loss allowance fell to 1.15 percent of total loans at the end of the second quarter. Thrifts have slowed the decline in their reserves this year by not reducing provisions for loan losses by as much as their net charge-offs have fallen. Provisions in the first half of this year were $443 million lower than in the first half of 1994, while net charge-offs were $608

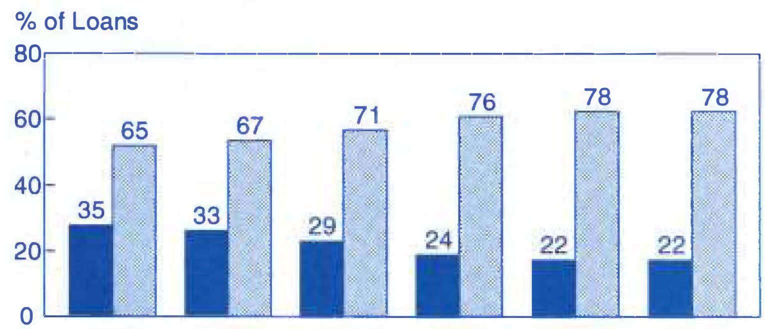
[2] During the second quarter Home Savings of America, FSB in Irwindale, California securitized $6.4 billion in 1-4 family mortgages.

million lower. Net charge-offs were 0.33 percent of loans and leases in the first half compared to 0.54 percent in the first half of last year.

Retail loans — residential mortgage loans and loans to individuals where credit risks are diversified among a large number of borrowers — have increased to 78 percent of all loans, from just two-thirds at the end of 1988. Default rates on these loans are more predictable than on loans to commercial borrowers. Residential mortgages loans, which have considerably lower credit risk, now comprise 72 percent of all loans. Other types of loans — including those to commercial borrowers — are down to 22 percent of loans from almost one-third of the loan portfolio at the end of 1988. Some of these loans may have large balances at risk to a single borrower.

The number of savings institutions declined by 37, from 2,118 to 2,081 institutions at the end of the second quarter. Commercial banks absorbed 27 savings institutions with $11.9 billion in assets during the second quarter. Consolidation within the thrift industry accounted for a decline of nine institutions. Two thrifts failed in the second quarter and one new charter was issued. During the second quarter, 28 institutions, with $4.9 billion in assets, converted from mutual to stock ownership. At the end of the second quarter there were 64 "problem" institutions with $33 billion in assets, down from 71 institutions with $39 billion in assets at the end of the first quarter.

Credit Risk Diversification: Retail Loans and Loans to Commercial Borrowers



Loans ($ Billions):	12/86	12/88	12/90	12/92	12/94	6/95
Commercial Borrowers	$314	$345	$245	$160	$147	$148
Retail Loans	593	694	592	506	506	512

Loans to Commercial Borrowers (Credit Risk Concentrated): These are loans with relatively large balances at risk to a single borrower. A single loan may represent a significant proportion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, multifamily mortgages, commercial real estate and construction loans and agricultural loans.

Retail Loans (Credit Risk Diversified): These are loans that typically have relatively small balances spread among a larger number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1-4 family residential mortgages and home equity loans.

TABLE I-B. Selected Indicators, FDIC-Insured Savings Institutions*

	1995**	1994**	1994	1993	1992	1991	1990
Return on assets (%)	0.73	0.62	0.66	0.70	0.65	0.08	-0.37
Return on equity (%)	9.02	7.79	8.28	9.24	9.48	1.26	-6.68
Core capital (leverage) ratio (%)	7.70	7.63	7.65	7.45	6.77	5.54	4.62
Noncurrent assets plus other real estate owned to assets (%)	1.26	1.77	1.38	2.10	3.07	3.96	3.98
Net charge-offs to loans (%)	0.33	0.54	0.51	0.65	0.59	0.65	0.61
Asset growth rate (%)	1.82	-0.49	0.77	-2.85	-7.44	-11.61	-11.79
Net interest margin (%)	3.08	3.40	3.34	3.48	3.40	2.76	2.27
Net operating income growth (%)	12.82	-10.61	3.75	11.71	N/M	N/M	N/M
Number of institutions	2,081	2,216	2,152	2,262	2,390	2,561	2,815
Percentage of unprofitable institutions	5.33	6.72	6.92	5.84	7.57	18.35	30.09
Number of problem institutions	64	95	71	146	276	410	480
Assets of problem institutions (in billions)	$33	$71	$39	$92	$183	$291	$298
Number of failed/assisted institutions	2	2	4	8	81	163	223

**Through June 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending June 30.

TABLE II-B. Aggregate Condition and Income Data, FDIC-Insured Savings Institutions*

(dollar figures in millions)	Preliminary 2nd Quarter 1995	1st Quarter 1995	2nd Quarter 1994	%Change 94:2-95:2
Number of institutions reporting	2,081	2,118	2,216	-6.1
Total employees (full-time equivalent)	253,010	257,782	279,684	-9.5
CONDITION DATA				
Total assets	$1,017,229	$1,013,780	$999,050	1.8
Loans secured by real estate	607,215	609,052	588,462	3.2
1-4 Family residential	472,943	474,900	450,498	5.0
Multifamily residential property	62,551	62,000	63,746	-1.9
Commercial real estate	51,239	52,424	54,311	-5.7
Construction, development and land	20,483	19,728	19,907	2.9
Commercial & industrial loans	11,704	11,517	9,445	23.9
Loans to individuals	38,627	37,653	38,117	1.3
Other loans & leases	1,777	1,666	1,733	2.5
Less: Unearned income & contra accounts	9,708	9,688	10,904	-11.0
Total loans & leases	649,615	650,200	626,852	3.6
Less: Reserve for losses	7,473	7,618	8,517	-12.3
Net loans & leases	642,142	642,582	618,336	3.9
Securities	289,365	285,829	291,523	-0.7
Other real estate owned	3,671	4,058	5,780	-36.5
Goodwill and other intangibles	6,387	6,374	5,737	11.3
All other assets	75,663	74,937	77,675	-2.6
Total liabilities and capital	1,017,229	1,013,780	999,050	1.8
Deposits	744,664	744,615	756,958	-1.6
Other borrowed funds	175,234	174,240	148,395	18.1
Subordinated debt	2,598	2,489	2,515	3.3
All other liabilities	11,513	10,667	11,225	2.6
Equity capital	83,220	81,769	79,957	4.1
Loans and leases 30-89 days past due	7,839	8,134	8,748	-10.4
Noncurrent loans and leases	9,127	9,425	11,869	-23.1
Restructured loans and leases	6,591	7,053	8,812	-25.2
Direct and indirect investments in real estate	345	422	607	-43.2
Mortgage-backed securities	216,531	213,951	210,361	2.9
Earning assets	951,988	949,297	932,210	2.1
FHLB Advances (TFR filers only)	79,371	83,537	79,256	0.2
Unused loan commitments	79,397	73,257	73,002	8.8

INCOME DATA	Preliminary First Half 1995	First Half 1994	%Change	Preliminary 2nd Quarter 1995	2nd Quarter 1994	%Change 94:2-95:2
Total interest income	$35,620	$31,804	12.0	$18,219	$16,081	13.3
Total interest expense	21,214	16,170	31.2	11,022	8,224	34.0
Net interest income	14,406	15,634	-7.9	7,198	7,857	-8.4
Provision for loan losses	1,018	1,461	-30.3	520	723	-28.0
Total noninterest income	3,284	3,011	9.1	1,794	1,614	11.2
Total noninterest expense	11,101	12,098	-8.2	5,531	6,067	-8.8
Securities gains (losses)	12	40	-70.8	36	2	N/M
Applicable income taxes	1,962	1,897	3.4	1,057	883	19.7
Extraordinary gains, net	16	(170)	N/M	(2)	(11)	N/M
Net income	3,638	3,060	18.9	1,917	1,789	7.2
Net charge-offs	1,062	1,670	-36.4	579	896	-35.5
Cash dividends	1,674	1,081	54.9	843	523	61.2
Net operating income	3,613	3,203	12.8	1,895	1,799	5.4

*Excludes institutions in Resolution Trust Corporation conservatorship and one self-liquidating institution.

N/M - Not meaningful

TABLE III-B. First Half 1995, FDIC-Insured Savings Institutions*

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST HALF Preliminary (The way it is . . .)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	2,081	944	976	126	35	767	318	534	157	138	167
Total assets (in billions)	$1,017.2	$48.2	$282.1	$267.0	$419.9	$334.6	$77.4	$167.6	$52.8	$74.1	$310.7
Total deposits (in billions)	744.7	41.0	228.0	195.5	280.2	264.5	59.5	124.0	36.5	46.2	214.0
Net income (in millions)	3,637.7	153.1	955.9	1,025.2	1,503.5	1,444.5	308.8	738.0	247.9	302.0	596.5
% of unprofitable institutions	5.3	6.6	4.1	6.3	2.9	3.1	6.9	3.7	3.2	3.6	21.0
% of institutions with earnings gains	45.4	39.6	49.5	52.4	60.0	48.8	48.1	44.6	43.9	38.4	34.1
Performance Ratios (annualized, %)											
Yield on earning assets	7.61	7.77	7.68	7.65	7.51	7.68	7.79	7.65	7.74	7.64	7.44
Cost of funding earning assets	4.53	4.19	4.24	4.47	4.80	4.04	4.60	4.58	4.81	5.04	4.84
Net interest margin	3.08	3.58	3.44	3.18	2.71	3.63	3.19	3.06	2.93	2.60	2.60
Noninterest income to earning assets	0.70	0.56	0.51	0.83	0.77	0.66	0.73	0.86	1.10	1.02	0.51
Noninterest expense to earning assets	2.37	2.89	2.63	2.53	2.03	2.60	2.47	2.37	2.14	2.25	2.17
Net operating income to assets	0.72	0.64	0.69	0.76	0.72	0.87	0.81	0.87	0.96	0.82	0.39
Return on assets	0.73	0.64	0.69	0.78	0.73	0.88	0.81	0.89	0.95	0.84	0.39
Return on equity	9.02	6.30	7.46	9.65	10.41	10.12	9.46	10.17	11.84	11.90	5.48
Net charge-offs to loans and leases	0.33	0.17	0.16	0.36	0.45	0.38	0.13	0.09	0.18	0.18	0.51
Loan loss provision to net charge-offs	95.90	102.30	151.20	87.72	86.82	86.93	86.75	205.45	238.80	168.74	80.29
Condition Ratios (%)											
Loss allowance to:											
Loans and leases	1.15	0.82	1.08	1.31	1.14	1.42	0.93	0.80	0.79	1.00	1.22
Noncurrent loans and leases	81.88	74.12	89.54	86.55	75.64	72.55	82.54	132.95	121.32	86.63	79.19
Noncurrent assets plus other real estate owned to assets	1.26	1.02	1.11	1.45	1.27	1.66	0.99	0.50	0.59	1.07	1.46
Noncurrent RE loans to RE loans	1.41	1.08	1.19	1.53	1.52	1.97	1.11	0.56	0.64	1.16	1.56
Equity capital ratio	8.18	10.41	9.43	8.23	7.05	8.84	8.76	8.91	8.16	7.13	7.19
Core capital (leverage) ratio	7.70	10.24	9.17	7.73	6.39	8.47	8.31	8.47	7.51	6.74	6.56
Gross real estate assets to gross assets	80.02	72.70	74.75	79.47	84.78	74.86	78.14	79.60	78.36	80.47	86.46
Gross 1-4 family mortgages to gr. assets	45.72	52.23	45.89	40.17	48.39	41.19	47.81	50.17	46.58	39.16	49.12
Net loans and leases to deposits	86.23	78.87	78.99	82.41	95.87	74.05	84.79	87.55	90.35	94.33	98.48
Growth Rates (year-to-year, %)											
Assets	1.8	-	-	-	-	-0.8	-7.0	10.6	1.1	32.7	-2.5
Equity capital	4.1	-	-	-	-	6.1	-4.7	13.8	4.3	27.8	-5.2
Net interest income	-7.9	-	-	-	-	-4.1	-12.0	-1.0	-1.0	16.6	-20.0
Net income	18.9	-	-	-	-	-0.1	-12.8	34.7	116.5	-0.9	103.2
Noncurrent assets plus other real estate owned	-27.4	-	-	-	-	-26.7	-26.1	-7.5	-2.9	-11.5	-34.3
Net charge-offs	-36.4	-	-	-	-	-17.6	-38.4	-1.4	34.7	7.2	-48.7
Loan loss provision	-30.3	-	-	-	-	-18.7	-19.1	57.4	125.6	112.6	-51.7
PRIOR FIRST HALVES (The way it was . . .)											
Number of institutions 1994	2,216	1,031	1,016	140	29	813	354	558	162	143	186
1992	2,489	1,154	1,133	172	30	882	434	614	185	160	214
1990	2,930	1,385	1,299	209	37	1,011	541	686	208	219	265
Total assets (in billions) 1994	$999.0	$52.4	$295.1	$299.0	$352.5	$337.4	$83.1	$151.6	$52.2	$55.8	$318.8
1992	1,077.7	58.0	326.1	354.1	339.5	368.3	110.9	154.4	49.4	61.2	333.5
1990	1,316.9	67.4	383.3	436.0	430.2	427.2	163.1	177.2	61.3	84.5	403.6
Return on assets (%) 1994	0.62	0.84	0.81	0.74	0.33	0.87	0.86	0.73	0.45	1.09	0.19
1992	0.60	0.79	0.70	0.65	0.42	0.42	0.73	0.83	0.96	1.44	0.45
1990	-0.14	0.08	-0.06	-0.31	-0.09	-0.43	-0.41	0.31	0.02	-0.59	0.14
Net charge-offs to loans & leases (%) 1994	0.54	0.11	0.21	0.53	0.86	0.46	0.21	0.11	0.14	0.27	0.94
1992	0.60	0.23	0.43	0.71	0.70	0.93	0.41	0.22	0.21	0.31	0.56
1990	0.48	0.21	0.43	0.62	0.45	0.63	0.49	0.26	0.57	1.13	0.34
Noncurrent assets plus OREO to assets (%) 1994	1.77	1.25	1.54	1.86	1.95	2.25	1.24	0.60	0.62	1.61	2.17
1992	3.66	2.02	2.74	3.90	4.56	4.56	2.85	1.31	1.38	5.04	4.09
1990	3.43	2.28	3.17	4.40	2.88	3.78	3.43	1.38	2.37	14.09	1.90
Equity capital ratio (%) 1994	8.00	9.68	8.90	7.93	7.06	8.26	8.54	8.66	7.91	7.40	7.39
1992	6.70	8.08	7.19	6.69	5.99	6.72	6.75	7.35	6.27	5.83	6.57
1990	5.38	7.04	6.37	5.01	4.60	6.48	4.78	6.02	3.38	2.96	4.98

*Excludes institutions in Resolution Trust Corporation conservatorship and one self-liquidating institution.

REGIONS: ***Northeast*** — Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands
Southeast — Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia
Central — Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Midwest — Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Southwest — Arkansas, Louisiana, New Mexico, Oklahoma, Texas
West — Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

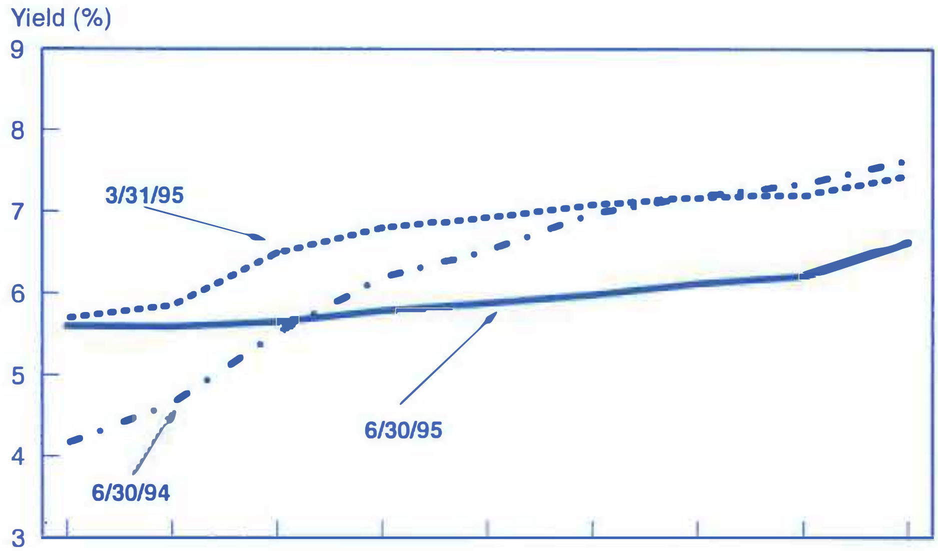
TABLE IV-B. Second Quarter 1995, FDIC-Insured Savings Institutions*

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
SECOND QUARTER Preliminary ***(The way it is . . .)***	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	2,081	944	976	126	35	767	318	534	157	138	167
Total assets (in billions)	$1,017.2	$48.2	$282.1	$267.0	$419.9	$334.6	$77.4	$167.6	$52.8	$74.1	$310.7
Total deposits (in billions)	744.7	41.0	228.0	195.5	280.2	264.5	59.5	124.0	36.5	46.2	214.0
Net Income (in millions)	1,917	68	533	546	770	719	151	401	118	165	363
% of unprofitable institutions	5.9	7.6	4.5	4.8	0.0	4.6	7.5	4.1	2.5	0.7	21.6
% of institutions with earnings gains	45.7	39.7	49.0	61.9	60.0	48.2	47.5	42.9	46.5	41.3	43.1
Performance Ratios (annualized, %)											
Yield on earning assets	7.71	7.88	7.78	7.75	7.62	7.77	7.87	7.76	7.75	7.78	7.57
Cost of funding earning assets	4.67	4.38	4.39	4.60	4.93	4.19	4.74	4.73	4.89	5.16	4.97
Net interest margin	3.05	3.50	3.40	3.15	2.69	3.58	3.14	3.02	2.86	2.62	2.60
Noninterest income to earning assets	0.76	0.53	0.65	0.89	0.78	0.68	0.74	1.06	0.93	1.11	0.58
Noninterest expense to earning assets	2.34	2.89	2.63	2.49	1.99	2.60	2.49	2.32	2.11	2.26	2.10
Net operating income to assets	0.75	0.56	0.76	0.81	0.73	0.85	0.79	0.96	0.90	0.89	0.47
Return on assets	0.76	0.57	0.76	0.83	0.74	0.87	0.79	0.96	0.90	0.91	0.47
Return on equity	9.36	5.51	8.18	10.10	10.51	9.89	9.11	10.90	10.93	12.83	6.57
Net charge-offs to loans and leases	0.36	0.27	0.17	0.39	0.47	0.40	0.19	0.09	0.11	0.19	0.57
Loan loss provision to net charge-offs	89.95	54.38	144.21	83.83	82.09	85.33	67.70	262.68	215.11	163.67	71.99
Growth Rates (year-to-year, %)											
Net interest income	-8.4	-	-	-	-	-5.8	-13.7	-2.0	-3.9	19.8	-18.8
Net income	7.2	-	-	-	-	-0.5	-19.8	15.8	N/M	1.5	-0.3
Net charge-offs	-35.5	-	-	-	-	-2.7	-4.7	4.4	-1.7	52.7	-51.1
Loan loss provision	-28.0	-	-	-	-	-18.1	1.3	71.9	1.4	150.8	-49.3
PRIOR SECOND QUARTERS ***(The way it was . . .)***											
Return on assets (%) 1994	0.72	0.78	0.81	0.65	0.70	0.86	0.92	0.92	0.03	1.16	0.46
1992	0.55	0.80	0.71	0.61	0.30	0.38	0.73	0.81	1.11	1.28	0.34
1990	-0.16	0.08	-0.19	-0.32	0.00	-0.35	-0.38	0.30	-0.15	-0.73	0.06
Net charge-offs to loans&leases (%)											
1994	0.58	0.14	0.23	0.44	1.02	0.41	0.19	0.10	0.12	0.21	1.11
1992	0.63	0.27	0.49	0.64	0.82	0.96	0.37	0.23	0.17	0.31	0.65
1990	0.56	0.27	0.52	0.59	0.62	0.80	0.52	0.20	0.38	1.02	0.45

*Excludes institutions in Resolution Trust Corporation conservatorship and one self-liquidating institution.

N/M-Not meaningful

U.S. Treasury Yield Curve



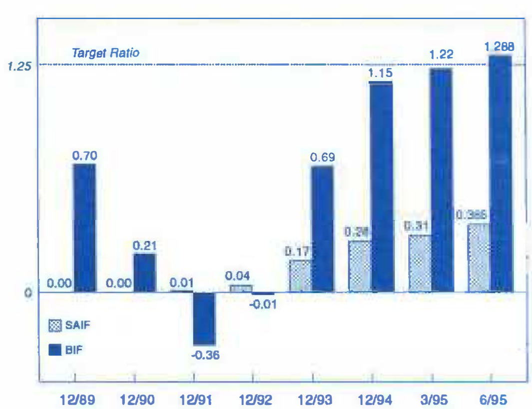
	3-Month	6-Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	30 Year
6/30/94	*4.15*	*4.65*	*5.51*	*6.19*	*6.52*	*6.97*	*7.18*	*7.34*	*7.63*
9/30/94	4.67	5.22	5.96	6.62	6.92	7.28	7.46	7.62	7.82
12/31/94	5.53	6.22	7.20	7.69	7.80	7.83	7.84	7.84	7.89
3/31/95	*5.70*	*5.85*	*6.49*	*6.80*	*6.92*	*7.08*	*7.17*	*7.20*	*7.44*
6/30/95	*5.60*	*5.59*	*5.65*	*5.79*	*5.88*	*5.98*	*6.12*	*6.21*	*6.63*

TABLE V-B. Loan Performance, FDIC-Insured Savings Institutions*

June 30, 1995	All Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	Geographic Distribution by Region: East: North-east	South-east	Central	West: Mid-west	South-west	West
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.15	1.93	1.17	1.04	1.11	1.37	1.18	0.89	1.16	1.33	1.06
Construction, development and land	1.24	1.78	1.16	1.46	0.83	1.72	1.07	1.24	1.14	0.60	1.38
Commercial real estate	1.21	1.73	1.30	1.39	0.82	1.65	1.18	1.11	0.82	1.07	0.66
Multifamily residential real estate	0.81	1.66	0.89	0.66	0.84	0.99	0.95	0.63	1.55	1.51	0.67
1-4 Family residential	1.19	1.97	1.18	1.04	1.18	1.36	1.20	0.88	1.17	1.41	1.17
Commercial and industrial loans	1.28	2.05	1.97	1.14	0.50	1.36	1.92	1.28	1.58	1.92	0.30
Loans to individuals	1.73	2.29	1.61	1.79	1.69	2.03	1.68	1.73	2.17	0.91	1.63
Percent of Loans Noncurrent**											
All real estate loans	1.41	1.08	1.19	1.53	1.52	1.97	1.11	0.56	0.64	1.16	1.56
Construction, development and land	1.64	1.33	1.51	2.13	1.35	3.90	1.01	0.86	0.35	0.64	1.87
Commercial real estate	3.25	1.76	2.61	4.61	2.82	4.60	2.24	1.28	2.96	1.35	2.83
Multifamily residential real estate	1.77	1.50	2.06	2.01	1.53	2.74	2.39	1.12	1.17	1.28	1.54
1-4 Family residential	1.15	0.98	0.90	0.98	1.42	1.43	0.94	0.45	0.44	1.17	1.44
Commercial and industrial loans	2.20	2.33	2.11	2.48	1.89	2.70	2.06	1.56	1.30	2.34	1.18
Loans to Individuals	0.78	0.96	0.75	0.68	0.85	1.00	0.67	0.89	0.55	0.48	0.66
Percent of Loans Charged-off (net, annualized)											
All real estate loans	0.28	0.15	0.13	0.28	0.40	0.32	0.10	0.03	0.07	0.09	0.48
Construction, development and land	0.35	0.09	0.23	0.79	0.03	1.05	0.14	0.01	0.00	0.10	0.43
Commercial real estate	0.84	1.00	0.31	1.04	1.22	1.01	0.37	0.15	0.86	0.09	1.19
Multifamily residential real estate	0.62	0.84	0.48	0.46	0.76	0.55	0.62	0.05	0.08	0.02	0.85
1-4 Family residential	0.17	0.04	0.07	0.11	0.29	0.16	0.05	0.03	0.00	0.10	0.33
Commercial and industrial loans	0.55	0.86	0.40	0.84	0.27	0.89	0.00	-0.08	0.23	0.07	0.37
Loans to individuals	0.95	0.33	0.40	1.13	1.24	0.92	0.55	0.89	1.02	0.71	1.48
Loans Outstanding (in billions)											
All real estate loans	$607.2	$30.7	$171.5	$148.8	$256.2	$179.8	$47.9	$102.6	$29.5	$40.2	$207.2
Construction, development and land	20.5	1.6	9.8	5.7	3.4	4.1	4.2	4.4	1.1	2.7	4.0
Commercial real estate	51.2	2.4	18.0	15.8	15.0	21.6	4.3	5.7	2.1	3.8	13.9
Multifamily residential real estate	62.6	1.0	11.7	18.1	31.7	14.5	1.4	7.1	1.4	3.5	34.6
1-4 Family residential	472.9	25.7	132.1	109.1	206.1	139.6	38.0	85.4	24.9	30.2	154.8
Commercial and industrial loans	11.7	0.5	3.7	4.4	3.0	6.5	1.1	1.3	0.6	0.5	1.7
Loans to individuals	38.6	1.9	10.2	11.7	14.9	12.7	3.6	7.1	3.6	5.7	6.0
Memoranda: Other Real Estate Owned (in millions)***											
All other real estate owned	$3,671	$131	$927	$1,392	$1,221	$1,676	$190	$177	$97	$285	$1,246
Construction, development and land	881.8	14.6	224.1	540.1	102.9	571.2	60.9	17.6	11.6	73.9	146.4
Commercial real estate	1,031.4	67.8	293.0	403.8	266.8	527.9	59.9	75.9	64.2	48.7	254.9
Multifamily residential real estate	688.2	6.9	158.7	289.3	233.3	201.4	6.0	19.3	10.6	110.1	340.9
1-4 Family residential	1,524.1	61.6	347.0	331.4	784.1	516.5	85.0	78.3	33.0	90.6	720.7
Troubled Real Estate Asset Rates** (% of total RE assets)**											
All real estate loans	2.00	1.50	1.72	2.45	1.99	2.88	1.50	0.73	0.97	1.86	2.15
Construction, development and land	5.70	2.21	3.72	10.57	4.28	15.62	2.43	1.25	1.37	3.31	5.35
Commercial real estate	5.16	4.46	4.17	6.99	4.52	6.88	3.58	2.58	5.88	2.61	4.58
Multifamily residential real estate	2.84	2.15	3.38	3.55	2.25	4.07	2.81	1.39	1.93	4.26	2.50
1-4 Family residential	1.47	1.22	1.16	1.28	1.80	1.79	1.16	0.54	0.57	1.47	1.90

*Excludes institutions in Resolution Trust Corporation conservatorship and one self-liquidating institution.
**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.
***TFR filers report "All other real estate owned" net of valuation allowances, while individual categories of OREO are reported gross.
****Noncurrent real estate loans plus other real estate owned as a percent of total real estate loans plus OREO.

Insurance Fund Reserve Ratios
Percent of Insured Deposits



Fund Balance and Insured Deposits ($ Millions)

	12/89	12/90	12/91	12/92	12/93	12/94	3/95	6/95
BIF								
Fund Balance	13,210	4,045	-7,028	-101	13,122	21,848	23,185	24,677
Insured Deposits	1,873,837	1,929,612	1,957,722	1,945,623	1,906,885	1,895,182	1,899,092	1,915,278
SAIF								
Fund Balance	0	18	101	279	1,157	1,937	2,216	2,587
Insured Deposits	882,920	830,028	776,351	729,458	695,574	693,432	703,613	708,560

1995 Fund balances are unaudited

ALL FDIC-INSURED INSTITUTIONS

- ***BIF Achieved Recapitalization In May; Refunds And Rate Cuts Set***
- ***SAIF Assumes Resolution Responsibility From The RTC***
- ***BIF Members Increase Their Share Of SAIF Deposits To 27.8 Percent ($203 Billion)***

The Bank Insurance Fund (BIF) surpassed its Congressionally mandated reserve ratio of 1.25 percent of insured deposits during the month of May, closing the second quarter at 1.288 percent. The new assessment rate schedule for the BIF, which substantially lowers rates for most banks, thus became effective June 1, enabling the FDIC to refund excess premiums already paid by BIF-insured institutions, plus accrued interest, for the four-month period June 1 to September 30. BIF-insured institutions will be credited with the refund September 15 and will pay the new, lower rates for the fourth quarter. The average BIF assessment rate is now 4.4 basis points (0.044 percent) of assessable deposits, down from 23.2 basis points, and the decrease is expected to result in annual savings to BIF-insured institutions of $4.4 billion.

In contrast, the reserve ratio of the Savings Association Insurance Fund (SAIF) was just 0.365 percent of insured deposits on June 30, and the assessment rate schedule for SAIF members remains unchanged, with an average rate of 23.7 basis points. Growth of the SAIF is hindered by the diversion of nearly half of its annual assessment revenue to pay interest on bonds issued by the Financing Corporation (FICO) to fund the resolution of thrift failures in the 1980s. The undercapitalized condition of the SAIF takes on added importance now that the SAIF has assumed responsibility from the Resolution Trust Corporation (RTC) for thrifts that fail after July 1, 1995.

The total deposits of the FDIC's 12,249 insured institutions[1] increased $45 billion (1.2 percent) in the second quarter, as the growth in large, uninsured domestic deposits exceeded the growth in insured deposits. Consequently, reliance on insured deposits declined slightly, continuing the slow downward trend of recent years. As of June 30, 47.6 percent of the assets of BIF members were funded by insured deposits, compared to 67.7 percent for SAIF members. The BIF and SAIF assessment bases[2] each grew during the second quarter. This was the third consecutive quarterly increase for the SAIF assessment base, indicating a possible reversal of a long-term downward trend that began in 1989. However, the premium differential between the BIF and the SAIF may limit future SAIF deposit growth.

During the second quarter of 1995, three FDIC-insured institutions failed. These included one small BIF-member commercial bank (total assets $9 million) and two SAIF-member thrifts ($456 million), the first thrift failures of the year. For the first half of 1995, the six total failures included four BIF-member commercial banks ($526 million) and the two SAIF-member thrifts ($456 million).

"Oakar" deposits. A member of one insurance fund can acquire deposits insured by the other fund, but this portion of the acquiring institution's deposits retains coverage under the other fund. As of June 30, 764 BIF members held $203 billion in SAIF-insured deposits, up $7 billion (3.6 percent) from March 31 and $49 billion (31.7 percent) from June 1994. BIF members now hold 27.8 percent of the SAIF assessment base, compared to 27.0 percent on March 31 and 21.7 percent a year ago. On June 30, 62 SAIF-member institutions held $10 billion in BIF-assessable deposits, or 0.4 percent of the total BIF assessment base.

"Sasser" institutions. Since 1989, institutions have been permitted to switch charter type and primary federal supervisor without changing insurance fund membership. On June 30, 317 SAIF-member institutions were subject to supervision by one of the three federal banking agencies. These institutions, most of which are state-chartered savings banks supervised by the FDIC, held SAIF-assessable deposits of $54.5 billion, or 7.5 percent of the SAIF assessment base.

FICO bonds. FICO has an annual first claim on up to $793 million of SAIF assessment revenue through the year 2019 in order to pay interest on its bonds. However, SAIF assessments paid by BIF-member Oakars and SAIF-member Sassers are not available for FICO. The aggregate share of the SAIF assessment base held by these institutions increased to 35.3 percent on June 30, from 34.2 percent on March 31 and 28.0 percent in June 1994. Continued growth of the Oakar-Sasser share of the assessment base would eventually jeopardize the SAIF's ability to fund FICO interest payments.

[1] This excludes insured branches of foreign banks and one self-liquidating thrift institution. The last RTC conservatorship was resolved during the second quarter.

[2] An institution's assessment base is measured by its domestic deposits (both insured and uninsured), less a small adjustment for "float" associated with its transaction accounts.

Estimated FDIC-Insured Deposits by Fund Membership and Type of Institution

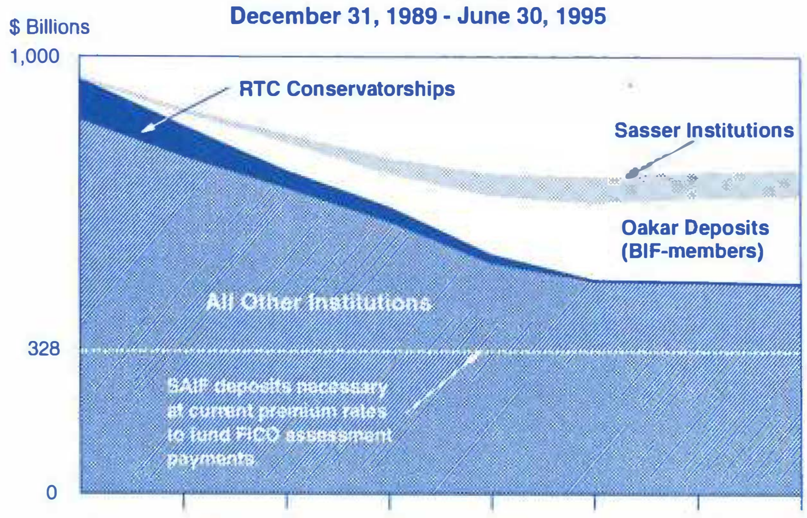
June 30, 1995*

(dollar figures in millions)	Number of Institutions	Total Assets	Domestic Deposits**	Estimated Insured Deposits BIF	SAIF	Total
Private-Sector Commercial and Savings Institutions						
FDIC-Insured Commercial Banks	10,168	4,170,706	2,467,492	1,748,617	165,185	1,913,802
BIF-member	10,090	4,147,085	2,450,090	1,747,391	152,338	1,899,729
SAIF-member	78	23,621	17,402	1,226	12,847	14,073
FDIC-Insured Savings Institutions	2,081	1,017,229	744,664	164,802	543,375	708,177
OTS-Supervised Savings Institutions	1,477	777,657	556,088	28,958	499,613	528,571
BIF-member	21	91,093	66,932	19,933	44,583	64,515
SAIF-member*	1,456	686,564	489,157	9,025	455,031	464,056
FDIC-Supervised State Savings Banks	604	239,572	188,575	135,844	43,762	179,606
BIF-member	365	188,214	149,221	135,749	6,166	141,915
SAIF-member	239	51,358	39,355	95	37,596	37,691
Total Private-Sector Commercial and Savings Institutions	12,249	5,187,935	3,212,156	1,913,419	708,560	2,621,979
BIF-member	10,476	4,426,392	2,666,243	1,903,073	203,086	2,106,160
SAIF-member	1,773	761,542	545,913	10,346	505,474	515,820
Other FDIC-Insured Institutions						
RTC Conservatorships	0	0	0	0	0	0
U.S. Branches of Foreign Banks	41	9,716	3,160	1,859	0	1,859
Total FDIC-Insured Institutions	12,290	5,197,651	3,215,316	1,915,278	708,560	2,623,838

*Excludes one self-liquidating savings institution with less than $1 million in SAIF-insured deposits.
**Excludes $439.6 billion in foreign office deposits.

SAIF Domestic Deposits

December 31, 1989 - June 30, 1995



($ Billions)	12/89	12/90	12/91	12/92	12/93	12/94	3/95	6/95
Sasser Institutions	0.0	2.8	12.0	28.8	43.5	52.9	53.3	55.4
Oakar Deposits (BIF-members)	2.1	34.0	70.4	80.6	139.9	181.7	196.1	203.1
RTC Conservatorship	89.7	67.8	37.2	31.5	17.9	1.2	0.1	0.0
All Other Institutions	858.5	773.1	700.6	622.8	527.7	485.7	484.6	480.1
Total	***950.3***	***877.7***	***820.2***	***763.7***	***729.0***	***721.5***	***734.1***	***738.6***

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

(dollar figures in millions)	1995**	1994**	1994	1993	1992	1991
Number of institutions reporting	12,249	12,932	12,602	13,220	13,852	14,482
Total assets	$5,187,935	$4,891,617	$5,019,014	$4,707,057	$4,535,889	$4,543,642
Total deposits	3,651,707	3,522,895	3,611,486	3,528,478	3,527,044	3,594,303
Number of problem institutions	254	433	318	572	1,063	1,426
Assets of problem institutions (in billions)	$56	$113	$73	$334	$592	$819
Number of failed/assisted institutions	6	6	15	50	181	271
Assets of failed/assisted institutions (in billions)	$0.98	$0.65	$1.57	$9.67	$88	$142

**As of June 30.

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

(dollar figures in millions)	Preliminary 2nd Quarter 1995	1st Quarter 1995	2nd Quarter 1994	% Change 94:2-95:2
Number of institutions reporting	12,249	12,359	12,932	-5.3
Total employees (full-time equivalent)	1,732,395	1,731,907	1,775,361	-2.4
CONDITION DATA				
Total assets	$5,187,935	$5,129,881	$4,891,617	6.1
Loans secured by real estate	1,657,171	1,629,139	1,532,470	8.1
1-4 Family residential	1,080,395	1,058,088	980,272	10.2
Home equity loans	96,811	93,522	90,826	6.6
Multifamily residential property	96,061	94,705	94,283	1.9
Commercial real estate	343,033	341,187	329,331	4.2
Construction, development and land	86,983	85,419	82,507	5.4
Other real estate loans	50,699	49,740	46,076	10.0
Commercial & industrial loans	651,789	633,421	574,168	13.5
Loans to individuals	541,733	527,547	476,607	13.7
Credit cards & related plans	200,302	192,465	168,069	19.2
Other loans & leases	313,003	299,552	281,079	11.4
Less: Unearned income & contra accounts	15,920	15,837	17,035	-6.6
Total loans & leases	3,147,776	3,073,821	2,847,288	10.6
Less: Reserve for losses	60,404	60,400	60,959	-0.9
Net loans & leases	3,087,372	3,013,422	2,786,329	10.8
Securities	1,095,249	1,099,171	1,140,491	-4.0
Other real estate owned	11,022	11,991	19,048	-42.1
Goodwill and other intangibles	33,263	32,648	26,001	27.9
All other assets	961,029	972,650	919,747	4.5
Total liabilities and capital	5,187,935	5,129,881	4,891,617	6.1
Deposits	3,651,707	3,607,160	3,522,895	3.7
Other borrowed funds	823,166	790,697	704,867	16.8
Subordinated debt	44,799	43,309	39,945	12.2
All other liabilities	250,208	282,761	238,984	4.7
Equity capital	418,055	405,953	384,926	8.6
Loans and leases 30-89 days past due	36,589	38,708	34,415	6.3
Noncurrent loans and leases	40,795	41,744	47,790	-14.6
Restructured loans and leases	12,068	12,548	15,028	-19.7
Direct and indirect investments in real estate	923	1,008	1,177	-21.6
Mortgage-backed securities	536,158	534,421	545,349	-1.7
Earning assets	4,554,591	4,472,707	4,269,604	6.7
Unused loan commitments	2,066,851	1,965,032	1,655,874	24.8
Including RTC conservatorships and IBA's:				
Estimated BIF-insured deposits	1,915,278	1,899,092	1,887,846	1.5
Domestic deposits (reflects Oakar adjustments)	2,476,595	2,434,049	2,437,986	1.6
BIF balance (unaudited figures)	24,677	23,185	17,490	41.1
BIF coverage ratio (%)***	1.288	1.22	0.93	39.1
Estimated SAIF-insured deposits	708,560	704,613	690,860	2.6
Domestic deposits (reflects Oakar adjustments)	738,720	734,053	719,039	2.7
SAIF balance (unaudited figures)	2,587	2,216	1,662	55.7
SAIF coverage ratio (%)***	0.365	0.31	0.24	51.8
Estimated FDIC-insured deposits, BIF and SAIF	2,623,838	2,603,705	2,578,706	1.8

INCOME DATA	Preliminary First Half 1995	First Half 1994	%Change	Preliminary 2nd Qtr 1995	2nd Qtr 1994	%Change 94:2-95:2
Total interest income	$183,627	$156,634	17.2	$93,817	$80,331	16.8
Total interest expense	93,161	69,339	34.4	48,256	35,983	34.1
Net interest income	90,466	87,295	3.6	45,561	44,349	2.7
Provision for loan losses	6,601	7,009	-5.8	3,420	3,549	-3.7
Total noninterest income	42,630	40,098	6.3	21,962	20,146	9.0
Total noninterest expense	85,608	82,238	4.1	42,994	41,647	3.2
Securities gains (losses)	319	784	-59.3	386	186	106.9
Applicable income taxes	14,449	13,434	7.6	7,558	6,516	16.0
Extraordinary gains, net	40	(206)	N/M	(13)	(9)	N/M
Net income	26,798	25,290	6.0	13,924	12,959	7.4

*Excludes institutions in RTC conservatorship, one self-liquidating savings institution, insured branches of foreign banks (IBA's), unless indicated otherwise.
***Coverage ratios reflect the insurance fund balance as a percentage of estimated insured deposits. N/M-Not meaningful

TABLE I-D. Selected Indicators, BIF-Member Depository Institutions*

(dollar figures in millions)	1995**	1994**	1994	1993	1992	1991
Number of institutions reporting	10,476	11,039	10,758	11,291	11,813	12,305
Total assets	$4,426,392	$4,135,233	$4,246,717	$3,949,700	$3,711,623	$3,660,455
Total deposits	3,105,793	2,959,233	3,061,339	2,951,985	2,873,179	2,881,769
Number of problem institutions	200	360	264	472	856	1,089
Assets of problem institutions (in billions)	$27	$54	$42	$269	$464	$610
Number of failed/assisted institutions	4	5	13	41	122	127
Assets of failed/assisted institutions (in billions)	$0.53	$0.56	$1.43	$3.54	$44	$63

**As of June 30.

TABLE II-D. Selected Aggregate Condition and Income Data, BIF-Member Depository Institutions*

(dollar figures in millions)	Preliminary 2nd Quarter 1995	1st Quarter 1995	2nd Quarter 1994	% Change 94:2-95:2
Number of institutions reporting	10,476	10,553	11,039	-5.1
Commercial banks	10,090	10,166	10,643	-5.2
Savings institutions	386	387	396	-2.5
Total employees (full-time equivalent)	1,539,510	1,534,176	1,556,622	-1.1
CONDITION DATA				
Total assets	$4,426,392	$4,368,839	$4,135,233	7.0
Loans secured by real estate, total	1,188,388	1,163,479	1,084,368	9.6
1-4 Family residential	705,846	686,680	630,681	11.9
Multifamily residential property	53,563	52,202	49,565	8.1
Commercial real estate	309,678	307,156	293,522	5.5
Construction, development and land	68,693	67,792	64,607	6.3
Commercial & industrial loans	644,436	626,097	568,789	13.3
Reserve for losses	55,342	55,249	55,049	0.5
Total deposits	3,105,793	3,059,152	2,959,233	5.0
Estimated insured deposits	2,106,160	2,083,270	2,032,937	3.6
BIF-insured deposits (estimated)	1,903,073	1,887,214	1,878,698	1.3
SAIF-insured deposits (estimated)	203,086	196,056	154,238	31.7
Noncurrent loans and leases	34,832	35,623	39,939	-12.8
Other real estate owned	8,455	9,138	15,042	-43.8
Equity capital	356,985	346,008	325,264	9.8
CAPITAL CATEGORY DISTRIBUTION				
Number of institutions:				
Well capitalized	10,309	10,410	10,840	-4.9
Adequately capitalized	143	118	153	-6.5
Undercapitalized	16	12	20	-20.0
Significantly undercapitalized	5	7	15	-66.7
Critically undercapitalized	3	6	11	-72.7
Total assets:				
Well capitalized	$4,308,605	$4,251,221	$4,012,608	7.4
Adequately capitalized	115,270	115,091	117,529	-1.9
Undercapitalized	1,731	1,277	1,985	-12.8
Significantly undercapitalized	351	829	1,816	-80.7
Critically undercapitalized	434	422	1,295	-66.5

INCOME DATA	Preliminary First Half 1995	First Half 1994	%Change	Preliminary 2nd Quarter 1995	2nd Quarter 1994	%Change 94:2-95:2
Net interest income	$80,151	$75,900	5.6	$40,400	$38,627	4.6
Provision for loan losses	5,845	5,934	-1.5	3,035	3,001	1.2
Net income	24,207	23,318	3.8	12,531	11,737	6.8
Net charge-offs	5,380	6,139	-12.4	2,938	3,308	-11.2
Number of institutions reporting net losses	329	422	-22.0	393	481	-18.3

*Excludes insured branches of foreign banks.

TABLE I-E. Selected Indicators, SAIF-Member Depository Institutions*

(dollar figures in millions)	1995**	1994**	1994	1993	1992	1991
Number of institutions reporting	1,773	1,893	1,844	1,929	2,039	2,177
Total assets	$761,542	$756,384	$772,297	$757,357	$824,266	$883,187
Total deposits	545,913	563,662	550,147	576,493	653,865	712,533
Number of problem institutions	54	73	54	100	207	337
Assets of problem institutions (in billions)	$30	$59	$31	$65	$128	$209
Number of failed/assisted institutions	2	1	2	9	59	144
Assets of failed/assisted institutions (in billions)	$0.45	$0.09	$0.14	$6	$44	$79

**As of June 30.

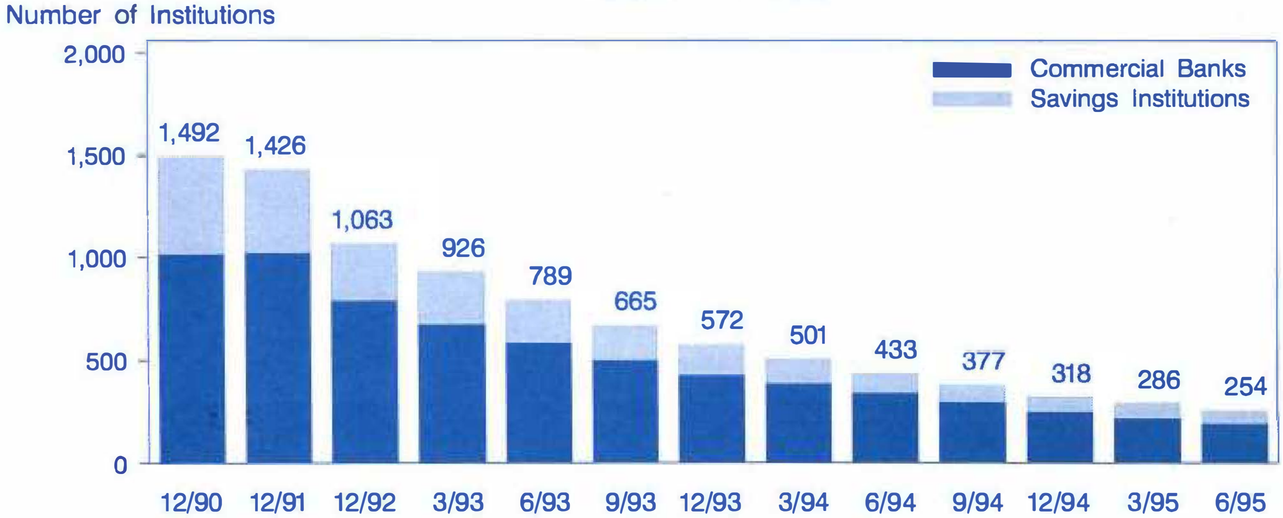
TABLE II-E. Selected Aggregate Condition and Income Data, SAIF-Member Depository Institutions*

(dollar figures in millions)	Preliminary 2nd Quarter 1995	1st Quarter 1995	2nd Quarter 1994	% Change 94:2-95:2
Number of institutions reporting	1,773	1,806	1,893	-6.3
Commercial banks	78	75	73	6.8
Savings institutions	1,695	1,731	1,820	-6.9
Total employees (full-time equivalent)	192,885	197,731	218,739	-11.8
CONDITION DATA				
Total assets	$761,542	$761,042	$756,384	0.7
Loans secured by real estate, total	468,783	465,660	448,102	4.6
1-4 Family residential	374,548	371,408	349,591	7.1
Multifamily residential property	42,498	42,503	44,718	-5.0
Commercial real estate	33,355	34,030	35,809	-6.9
Construction, development and land	18,289	17,627	17,900	2.2
Commercial & industrial loans	7,354	7,323	5,378	36.7
Reserve for losses	5,062	5,151	5,910	-14.3
Total deposits	545,913	548,008	563,662	-3.2
Estimated insured deposits	515,820	518,650	535,658	-3.7
BIF-insured deposits (estimated)	10,346	10,093	6,812	51.9
SAIF-insured deposits (estimated)	505,474	508,557	528,845	-4.4
Noncurrent loans and leases	5,963	6,121	7,851	-24.1
Other real estate owned	2,567	2,853	4,005	-35.9
Equity capital	61,070	59,945	59,662	2.4
CAPITAL CATEGORY DISTRIBUTION				
Number of institutions:				
Well capitalized	1,704	1,720	1,799	-5.3
Adequately capitalized	63	75	83	-24.1
Undercapitalized	3	6	5	-40.0
Significantly undercapitalized	2	1	5	-60.0
Critically undercapitalized	1	4	1	0.0
Total assets:				
Well capitalized	727,327	$696,004	$669,461	8.6
Adequately capitalized	32,822	59,990	78,690	-58.3
Undercapitalized	756	1,708	1,649	-54.1
Significantly undercapitalized	383	293	2,526	-84.8
Critically undercapitalized	253	3,046	4,058	-93.8

INCOME DATA	Preliminary First Half 1995	First Half 1994	%Change	Preliminary 2nd Quarter 1995	2nd Quarter 1994	%Change 94:2-95:2
Net interest income	$10,315	$11,394	-9.5	$5,161	$5,721	-9.8
Provision for loan losses	756	1,075	-29.6	384	549	-30.0
Net income	2,591	1,973	31.3	1,393	1,223	14.0
Net charge-offs	713	1,267	-43.7	397	722	-45.0
Number of institutions reporting net losses	107	128	-16.4	111	139	-20.1

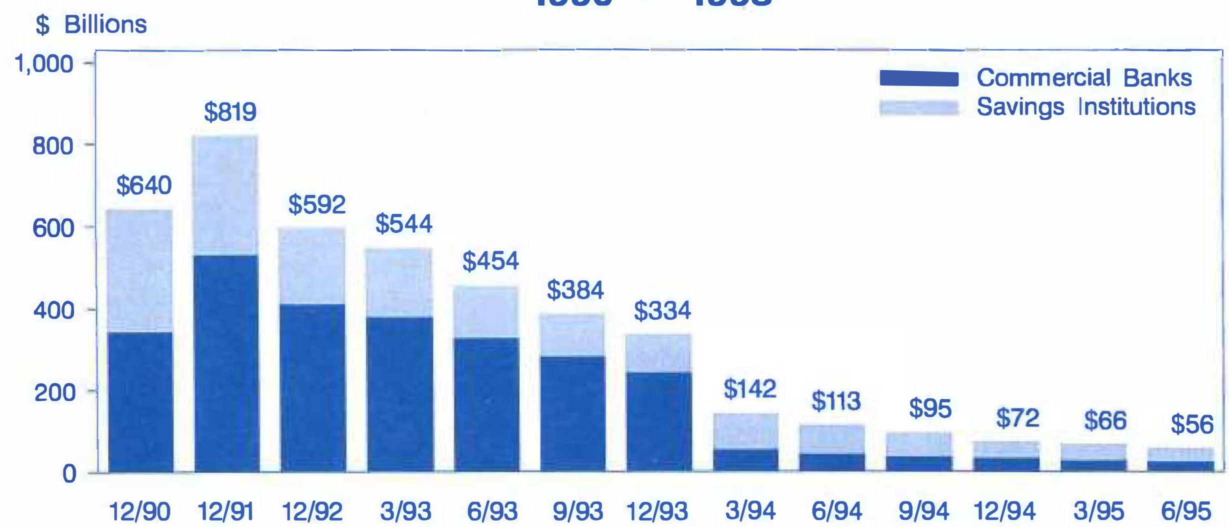
*Excludes institutions in Resolution Trust Corporation conservatorship and one self-liquidating institution.

Number of FDIC-Insured "Problem" Institutions 1990 - 1995



Savings Institutions	480	410	276	255	209	169	146	118	95	84	71	71	64
Commercial Banks	1,012	1,016	787	671	580	496	426	383	338	293	247	215	190

Assets of FDIC-Insured "Problem" Institutions 1990 - 1995



Savings Institutions	298	291	184	167	128	103	92	89	71	59	39	39	33
Commercial Banks	342	528	408	377	326	281	242	53	42	36	33	27	23

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. The information presented in the FDIC Quarterly Banking Profile is divided into the following groups of institutions:

FDIC-Insured Commercial Banks (Tables I-A through V-A.)

This section covers commercial banks insured by the FDIC either through the Bank Insurance Fund (BIF) or through the Savings Association Insurance Fund (SAIF). These institutions are regulated by and submit financial reports to one of the three federal commercial bank regulators (the Board of Governors of the Federal Reserve System, the FDIC or the Office of the Comptroller of the Currency).

FDIC-Insured Savings Institutions (Tables I-B through V-B.)

This section covers savings institutions insured by either BIF or SAIF that operate under state or federal banking codes applicable to thrift institutions, except for one self-liquidating institution primarily funded by the FSLIC Resolution Fund (FRF). Savings institutions that have been placed in Resolution Trust Corporation conservatorship are also excluded from these tables while in conservatorship. The institutions covered in this section are regulated by and submit financial reports to one of two Federal regulators – the FDIC or the Office of Thrift Supervision (OTS).

FDIC-Insured Institutions by Insurance Fund (Tables I-C through II-E.)

Summary balance-sheet and earnings data are provided for commercial banks and savings institutions according to insurance fund membership. BIF-member institutions may acquire SAIF-insured deposits, resulting in institutions with some deposits covered by both insurance funds. Also, SAIF members may acquire BIF-insured deposits. The insurance fund membership does not necessarily reflect which fund insures the largest percentage of an institution's deposits. Therefore, the BIF-member and the SAIF-member tables each include deposits from both insurance funds. Depository institutions that are not insured by the FDIC through either the BIF or SAIF 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. 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 charter.

DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) *Call Reports* and the OTS *Thrift Financial Reports* submitted by all FDIC-insured depository institutions. This information is stored on and retrieved from the FDIC's Research Information System (RIS) data base.

COMPUTATION METHODOLOGY

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*. The detailed schedules of the *Thrift Financial Report* reflect the consolidation of the parent thrift with all finance subsidiaries. All other subsidiaries are reported as investments on an equity basis or a cost basis. Some accounting differences exist, such as asset sales with recourse, for which the data necessary to reconcile these differences are not reported.

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. Tables III and IV do not provide growth rates for the "Asset Size Distribution" since many institutions migrate between size groups.

Asset Migrations

All data are collected and presented based on the location of each reporting institution's main office. When a main office is relocated to another state, adjustments to prior-period data may be made to more accurately reflect geographic growth rates. In other situations, no adjustments are possible. For example, reported data may include assets and liabilities located outside of the reporting institution's home state. Also, institutions may change their charters, resulting in an inter-industry migration, e.g. savings institutions can convert to commercial banks. These situations can affect state and regional totals.

RECENT ACCOUNTING CHANGES

FASB Statement 115, "Accounting for Certain Investments in Debt and Equity Securities." Requires that securities that are not held in trading accounts be measured at either amortized cost or fair (market) value, depending on their classification category. For additional details, see "Notes to Users," First Quarter, 1994, *Quarterly Banking Profile*.

FASB Interpretation 39, "Offsetting of Amounts Related to Certain Contracts." Covers fair value amounts recognized as assets and liabilities on the balance sheet for off-balance-sheet derivative contracts under which the amounts to be received or paid or items to be exchanged depend on future events or other factors (e.g., future and forward contracts, interest-rate swaps, exchange-rate swaps, and other conditional and exchange contracts). For additional details, see "Notes to Users," First Quarter, 1994, *Quarterly Banking Profile*.

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, and other assets. Beginning 3/31/94, FASB Interpretation 39 limited the netting of related trading assets and liabilities, which had the effect of increasing the amount of trading account assets reported.

All other liabilities – bank's liability on acceptances, limited-life preferred stock, and other liabilities. Effective 3/31/94, includes revaluation losses on assets held in trading accounts.

BIF-insured deposits (estimated) – the amount of deposits in accounts of less than $100,000 insured by the BIF. For SAIF-member "Oakar" institutions, it represents the adjusted attributable amount acquired from BIF members.

Capital category distribution – each institution's capital category is calculated or estimated from its financial report and does not reflect supervisory upgrades or downgrades:

	Total Risk-Based Capital *		Tier 1 Risk-Based Capital *		Tier 1 Leverage	Tangible Equity
Well-capitalized	≥10%	and	≥6%	and	≥5%	—
Adequately capitalized	≥8%	and	≥4%	and	≥4%	—
Undercapitalized	<8%	or	<4%	or	<4%	—
Significantly undercapitalized	<6%	or	<3%	or	<3%	—
Critically undercapitalized	—		—		—	≤2%

*As a percentage of risk-weighted assets.

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 mortgage 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.

Derivative contracts, gross fair values (positive/negative) – are reported separately and represent the amount at which a contract could be exchanged in a transaction between willing parties, other than in a forced or liquidation sale. If a quoted market price is available for a contract, the fair value reported for that contract is calculated using this market price. If quoted market prices are not available, the reporting banks use the best estimate of fair value based on quoted market prices of similar contracts or on valuation techniques such as discounted cash flows. This information is reported only by banks with assets greater than $100 million.

Direct and indirect investments in real estate – excludes loans secured by real estate and property acquired through foreclosure.

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

Estimated insured deposits – estimated amount of insured deposits (account balances less than $100,000). The sum of all deposit balances in accounts of less than $100,000 plus the number of accounts with balances greater than $100,000 multiplied by $100,000.

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 — or the RTC — to provide funds to cover losses. An institution is defined as "assisted" when the institution remains open and receives some insurance funds in order to continue operating.

FHLB advances – borrowings from the Federal Home Loan Bank (FHLB) reported by institutions that file a Thrift Financial Report. Institutions that file a *Call Report* do not report borrowings ("advances") from the FHLB separately.

Goodwill and other intangibles – intangible assets include mortgage servicing rights, purchased credit card relationships and other identifiable intangible assets.

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.

Mortgage-backed securities – certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Effective 3/31/94, the full implementation of FASB 115 meant that a portion of banks' mortgage-backed securities portfolio is now reported based upon fair (market) values; previously, all mortgage-backed securities not held in trading accounts were reported at either amortized cost or lower of cost or market.

Net charge-offs – total loans and leases charged off (removed from balance sheet because of uncollectibility), 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 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 debt securities and other assets were not included prior to March 1991.

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.

Off-balance-sheet derivatives – represents the sum of the following: interest-rate contracts, defined as: the notional value of interest-rate swaps, futures and forward contracts and option contracts; foreign-exchange-rate contracts and commodity and equity contracts (defined similarly to interest-rate contracts).

Futures and forward contracts – a contract in which the buyer agrees to purchase and the seller agrees to sell, at a specified future date, a specific quantity of underlying at a specified price or yield. These contracts exist for a variety of underlyings, including the 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 – a contract in which the buyer acquires the right to buy from or sell to another party some specified amount of underlying 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 underlying at the discretion of the buyer of the contract.

Swaps – an obligation 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 of the underlying (notional principal) by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

Other borrowed funds – federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, other borrowed money, mortgage indebtedness and obligations under capitalized leases. Effective 3/31/94, includes newly-reported item "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 file 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.

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". For all BIF-member institutions, and for all SAIF-member institutions for which the FDIC is the primary federal regulator, FDIC composite ratings are used. For all SAIF-member institutions whose primary federal regulator is the OTS, the OTS composite rating is used.

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.

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

Return on equity – 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 100 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

SAIF-insured deposits (estimated) – the amount of deposits in accounts of less than $100,000 insured by the SAIF. For BIF-member "Oakar" institutions, it represents the adjusted attributable amount acquired from SAIF members.

Securities – excludes securities held in trading accounts. Effective 3/31/94, the full implementation of FASB 115 meant that a portion of banks' securities portfolios is now reported based upon fair (market) values; previously, all securities not in held trading accounts were reported at either amortized cost or lower of cost or market.

Troubled real estate asset rate – noncurrent real estate loans plus other real estate owned as a percent of total real estate loans and other real estate owned.

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.

Volatile liabilities – the sum of large-denomination time deposits, foreign-office deposits, federal funds purchased, securities sold under agreements to repurchase, and other borrowings. Beginning 3/31/94, new reporting detail permits the exclusion of other borrowed money with original maturity of more than one year; previously, all other borrowed money was included. Also beginning 3/31/94, the newly-reported item "Trading liabilities," less revaluation losses on assets held in trading accounts, is included.

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

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