The FDIC Quarterly Banking Profile

Donna Tanoue, Chairman

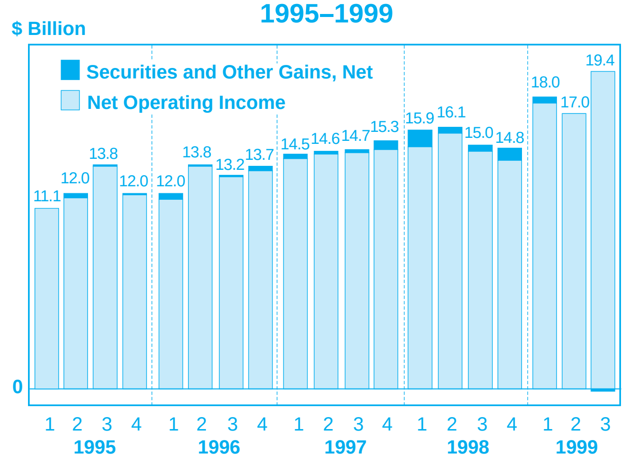
Third Quarter 1999

COMMERCIAL BANKING PERFORMANCE—THIRD QUARTER, 1999

- ***Industry Earnings Soar To Record $19.4 Billion***
- ***Returns On Assets, Equity Reach All-Time Highs***
- ***Absence Of Merger-Related Charges Limits Overhead Expense***
- ***Noninterest Income Rebounds***
- ***Asset Growth Slows***

Insured commercial banks earned $19.4 billion in the third quarter of 1999, eclipsing the previous quarterly record of $18.0 billion, set in the first quarter of this year. Third-quarter earnings represented a $4.4-billion (29.1 percent) increase from the third quarter of 1998, when weakness in overseas earnings limited industry profits. Growth in revenues, particularly noninterest income, was strong, while overhead expenses remained under control. The industry's "efficiency ratio," which measures the proportion of net operating revenue that is absorbed by overhead expenses, reached an all-time best of 56.45 percent in the third quarter. The average return on assets (ROA) reached 1.42 percent in the third quarter, eclipsing the previous quarterly record of 1.32 percent that was achieved in the first quarter of this year and in the third quarter of 1995. The average return on equity (ROE) also set a new quarterly record, rising to 16.62 percent from 14.49 percent in the second quarter and 13.31 percent a year ago (the previous record was 16.31 percent, set in the third quarter of 1995). The greatest improvement in profitability occurred at some of the largest banks, but prosperity was fairly widespread throughout the industry. More than one-third of all insured commercial banks had an ROA equal to or higher than the industry average. Almost two out of every three banks (66 percent) had an ROA of one percent or higher for the quarter, but only 49 percent had higher ROAs than a year ago. For the first nine months of 1999, commercial bank earnings totaled $54.3 billion, an increase of $7.2 billion (15.3 percent) over the same period in 1998. Noninterest income was up by 18.9 percent, while noninterest expenses were up by only 7.6 percent, and loss provisions were down by 5.2 percent. The average ROA for the first nine months of 1999 was 1.33 percent; a year ago, it was 1.22 percent.

QUARTERLY NET INCOME, 1995–1999



The improvement in both noninterest income and noninterest expense was magnified by the absence of specific adverse events that

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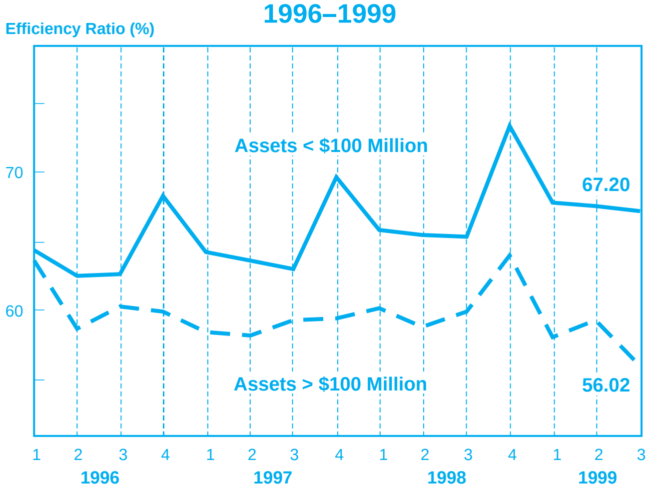
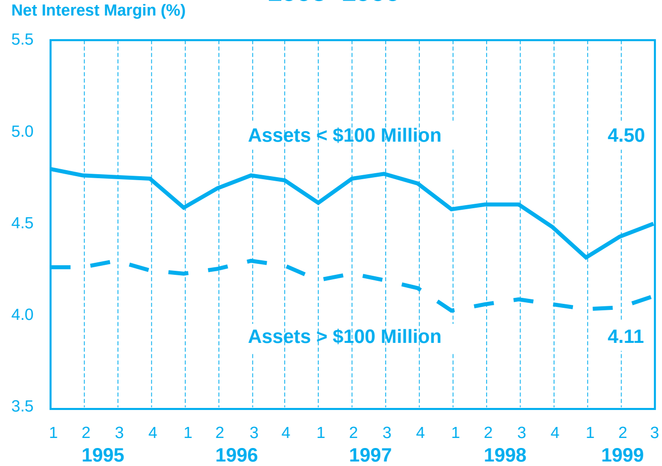
Also available on the Internet at www.fdic.gov. Comparable financial data for individual institutions can now be obtained from the FDIC's Institution Directory (I.D.) System on this Web site.

QUARTERLY EFFICIENCY RATIOS, 1996–1999



QUARTERLY NET INTEREST MARGINS, 1995–1999

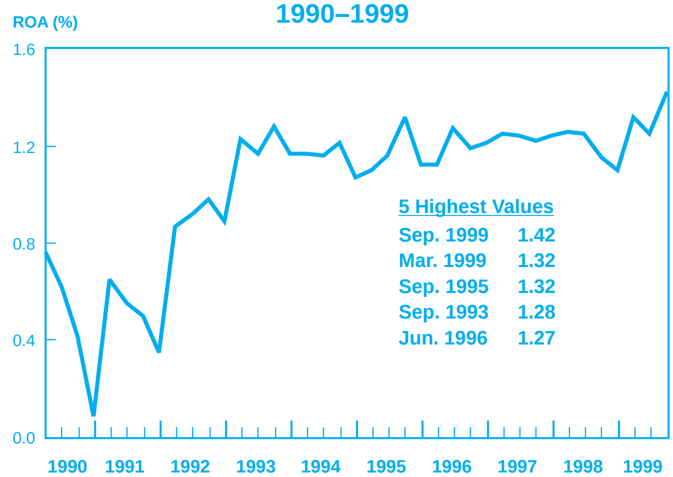


affected results in earlier quarters. Noninterest income totaled $36.9 billion, an increase of $2.4 billion (6.9 percent) from the second quarter, and a $7.3-billion (24.5 percent) increase from a year ago. Both of the earlier quarters had specific weaknesses that the most recent quarter lacked. Trading revenues were $1.6 billion lower a year ago, when problems in overseas markets limited banks' trading profits, while in the second quarter of 1999, noninterest income was held down by revaluation losses at one large bank. Fee income growth remained strong in the third quarter, and noninterest income also received a boost from a $1-billion gain on the sale of assets at one bank. Noninterest expenses in earlier quarters were elevated by merger-related charges and other one-time expenses that had no counterparts in the third quarter. Noninterest expenses of $50.0 billion were $852 million (1.7 percent) lower than in the second quarter, and were up by only $2.6 billion (5.4 percent) from a year ago.

Bank earnings were also helped by moderate provisions for credit losses. Although loss provisions were $357 million (7.2 percent) higher than in the second quarter, they were $1.2 billion (19.0 percent) lower than a year ago. Provisions for credit losses in foreign operations declined to their lowest level in two years. Only $409 million of the $5.3 billion in total loss provisions in the third quarter was earmarked for foreign operations. In the second quarter, foreign loss provisions totaled $526 million; in the third quarter of 1998, the foreign loss provision was $677 million.

Net interest income was up $1.1 billion (2.3 percent) from the second quarter, and was $2.6 billion (5.6 percent) above the level of a year ago. The industry's net interest margin rose for the second consecutive quarter, to 4.13 percent from 4.07 percent, and was slightly above the 4.12 percent average of a year ago. More than two out of every three banks (68 percent) saw their margins increase from second-quarter levels. Margins at banks with less than $100 million in assets were higher than in the second quarter, but were below year-ago levels. At larger banks, margins were higher than in both the previous and year-ago quarters.

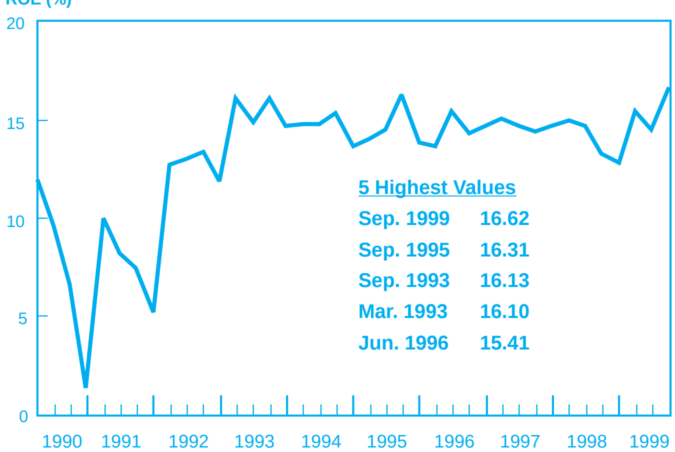
QUARTERLY RETURN ON ASSETS, 1990–1999



Commercial bank assets increased by only $38.8 billion (0.7 percent) during the third quarter; and were $238.8 billion higher (4.5 percent) than a year ago. This is the lowest 12-month growth rate in industry assets in the past five years. Loans increased by only $49.5 billion (1.5 percent) during the quarter, led by real estate loans, which grew by $55.5 billion (4.0 percent. Commercial and industrial loans increased by only $11.2 billion, the smallest quarterly increase in two years. Securitization activity caused consumer loans to decline for the third quarter in a row, falling by $4.2 billion (0.8 percent). Credit-card loans in banks' loan portfolios fell by $3.7 billion, as credit-card loans securitized and sold off-balance-sheet increased by $12.9 billion. Fed funds sold and repurchase agreements declined by $34.1 billion.

Deposits increased by $21.7 billion during the quarter, with foreign offices accounting for $8.7 billion of the increase. Noninterest-bearing deposits declined by $19.3 billion (2.7 percent), as interest-bearing deposits grew by $41.0 billion (1.4 percent). Fed funds purchased and securities sold under repurchase agreements declined by $18.8 billion (4.2 percent), while Federal Home Loan Bank (FHLB) advances rose by $21.5 billion (17.6 percent). Over the past 12 months, FHLB advances to commercial banks have grown by $55.0 billion (62.1 percent), rising from 1.8 percent of all commercial bank liabilities a year ago to 2.8 percent at the end of the third quarter. During that time, the number of commercial banks with FHLB borrowings increased from 2,966 to 3,575.

QUARTERLY RETURN ON EQUITY, 1990–1999



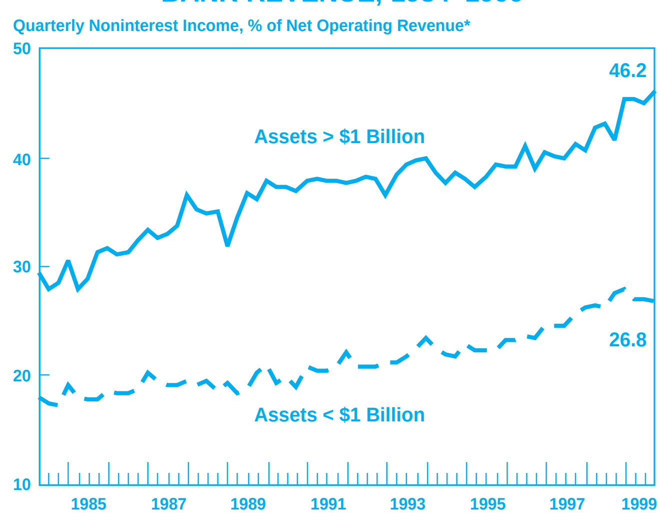
No significant deterioration in credit quality was evident during the third quarter. Net charge-offs were up by $254 million (5.5 percent) from the second quarter, but were $696 million (12.6 percent) lower than a year ago, when charge-offs on credit-card loans were $696 million higher. Net charge-offs on 1-4 family mortgage loans were up by $115 million during the quarter, as the annualized net charge-off rate on these loans rose to 0.14 percent, from 0.09 percent in the previous quarter and 0.07 percent a year ago.

Noncurrent loans increased by $1.1 billion (3.7 percent) during the third quarter, to $32.3 billion, or 0.96 percent of total loans. This represents a slight increase in the noncurrent rate from 0.94 percent at the end of the second quarter. During the 12 months ending September 30, noncurrent loans increased by $2.8 billion (9.5 percent). A year ago, the industry's noncurrent loan rate was 0.94 percent, which is the lowest level for this ratio in the 17 years that banks have reported noncurrent loan data.

Reserves for credit losses increased by $632 million (1.1 percent) in the quarter, but are up by only $960 million (1.7 percent) over the past 12 months. The industry's loss reserves now stand at 1.73 percent of total loans, the lowest level for this ratio since the first quarter of 1987. The "coverage ratio" of reserves to noncurrent loans declined loans during the quarter from $1.85 to $1.80 in reserves for every $1.00 of noncurrent loans. A year earlier, commercial banks held $1.94 in reserves for every $1.00 of noncurrent loans. Equity capital increased by $2.4 billion (0.5 percent) during the quarter, to $468.6 billion, or 8.51 percent of commercial bank assets. This is a slight decline from 8.53 percent at the beginning of the quarter, owing to growth in industry assets. A year ago, commercial banks' equity-to-assets ratio stood at 8.68 percent.

The number of commercial banks reporting financial results declined from 8,674 to 8,621 in the third quarter. Mergers absorbed 109 banks, and 3 banks failed during the quarter, while there were 59 new bank charters. The number of banks on the FDIC"s "Problem List" increased from 62 to 69 during the quarter, while total assets of "problem" banks fell from $4.7 billion to $4.2 billion.

NONINTEREST INCOME AS A PERCENTAGE OF BANK REVENUE, 1984–1999



* Net operating revenue equals net interest income plus noninterest income.

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

	1999*	1998*	1998	1997	1996	1995	1994
Return on assets (%)	1.33	1.22	1.19	1.23	1.19	1.17	1.15
Return on equity (%)	15.50	14.30	13.93	14.69	14.45	14.66	14.61
Core capital (leverage) ratio (%)	7.81	7.70	7.54	7.56	7.64	7.61	7.64
Noncurrent assets plus other real estate owned to assets (%)	0.66	0.65	0.65	0.66	0.75	0.85	1.01
Net charge-offs to loans (%)	0.58	0.65	0.67	0.64	0.58	0.49	0.50
Asset growth rate (%)	4.53	8.18	8.50	9.54	6.16	7.53	8.21
Net interest margin (%)	4.07	4.09	4.07	4.21	4.27	4.29	4.36
Net operating income growth (%)	19.34	4.85	2.27	12.47	6.43	7.48	16.18
Number of institutions reporting	8,621	8,910	8,774	9,142	9,527	9,940	10,451
Percentage of unprofitable institutions (%)	6.69	5.19	6.09	4.85	4.28	3.55	3.98
Number of problem institutions	69	70	69	71	82	144	247
Assets of problem institutions (in billions)	$4	$5	$5	$5	$5	$17	$33
Number of failed/assisted institutions	5	3	3	1	5	6	11

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

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

(dollar figures in millions)	Preliminary 3rd Quarter 1999	2nd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Number of institutions reporting	8,621	8,674	8,910	-3.2
Total employees (full-time equivalent)	1,632,245	1,623,166	1,597,759	2.2
CONDITION DATA				
Total assets	$5,506,529	$5,467,715	$5,267,716	4.5
Loans secured by real estate	1,428,705	1,373,191	1,300,513	9.9
Commercial & industrial loans	947,213	936,058	873,968	8.4
Loans to individuals	530,209	534,399	555,113	-4.5
Farm loans	46,537	46,017	48,206	-3.5
Other loans & leases	409,403	422,294	372,156	10.0
Less: Unearned income	3,548	3,552	4,192	-15.4
Total loans & leases	3,358,519	3,308,407	3,145,764	6.8
Less: Reserve for losses	58,225	57,593	57,265	1.7
Net loans and leases	3,300,294	3,250,813	3,088,499	6.9
Securities	1,033,169	1,007,111	923,106	11.9
Other real estate owned	2,919	2,915	3,436	-15.0
Goodwill and other intangibles	86,835	85,544	77,117	12.6
All other assets	1,083,312	1,121,331	1,175,558	-7.8
Total liabilities and capital	5,506,529	5,467,715	5,267,716	4.5
Noninterest-bearing deposits	689,110	708,374	655,299	5.2
Interest-bearing deposits	3,013,406	2,972,412	2,851,481	5.7
Other borrowed funds	972,919	963,131	906,027	7.4
Subordinated debt	75,760	74,570	68,823	10.1
All other liabilities	286,782	283,045	328,831	-12.8
Equity capital	468,552	466,182	457,256	2.5
Loans and leases 30-89 days past due	39,407	36,962	37,747	4.4
Noncurrent loans and leases	32,333	31,183	29,526	9.5
Restructured loans and leases	1,310	1,486	1,949	-32.8
Direct and indirect investments in real estate	284	320	513	-44.7
1-4 Family residential mortgages	786,849	754,840	739,345	6.4
Mortgage-backed securities	453,193	445,793	433,524	4.5
Earning assets	4,760,826	4,727,102	4,529,594	5.1
Long-term assets (5+ years)	1,143,864	1,092,452	926,511	23.5
Volatile liabilities	1,838,522	1,804,586	1,698,899	8.2
Foreign office deposits	602,778	594,111	554,722	8.7
FHLB Advances (Source: FHFB)	143,542	122,043	88,574	62.1
Unused loan commitments	3,834,474	3,724,148	3,615,172	6.1
Off-balance-sheet derivatives	36,250,849	33,500,202	33,454,971	8.4

INCOME DATA	Preliminary First Three Qtrs 1999	First Three Qtrs 1998	%Change	Preliminary 3rd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Total interest income	$272,222	$271,192	0.4	$92,434	$92,351	0.1
Total interest expense	128,372	134,958	-4.9	43,532	46,040	-5.5
Net interest income	143,850	136,234	5.6	48,902	46,311	5.6
Provision for credit losses	15,606	16,462	-5.2	5,288	6,525	-19.0
Total noninterest income	106,022	89,162	18.9	36,903	29,642	24.5
Total noninterest expense	150,226	139,605	7.6	49,969	47,413	5.4
Securities gains (losses)	511	2,054	-75.1	-197	681	N/M
Applicable income taxes	30,245	24,819	21.9	10,934	7,641	43.1
Extraordinary gains, net	-33	516	N/M	0	-11	N/M
Net income	54,273	47,080	15.3	19,417	15,044	29.1
Net charge-offs	14,385	14,957	-3.8	4,833	5,529	-12.6
Cash dividends	35,869	28,419	26.2	12,879	10,091	27.6
Net operating income	54,022	45,267	19.3	19,570	14,655	33.5

N/M - Not meaningful

TABLE III-A. First Three Quarters 1999, FDIC-Insured Commercial Banks

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST THREE QUARTERS 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	8,621	5,241	2,989	314	77	682	1,442	1,877	2,219	1,467	934
Total assets (in billions)	$5,506.5	$245.4	$743.1	$875.7	$3,642.3	$1,892.3	$1,493.8	$931.4	$373.9	$306.7	$508.5
Total deposits (in billions)	3,702.5	207.9	604.3	598.3	2,291.9	1,199.4	999.6	625.0	268.7	244.2	365.7
Net income (in millions)	54,273	1,977	7,397	9,647	35,252	17,881	14,383	8,726	4,268	2,731	6,283
% of unprofitable institutions	6.7	9.6	2.3	1.3	1.3	10.0	11.2	4.6	3.2	5.9	11.0
% of institutions with earnings gains	59.0	51.8	69.2	75.5	80.5	68.3	63.9	59.6	53.4	54.7	63.2
Performance ratios (annualized, %)											
Yield on earning assets	7.71	7.93	8.02	7.94	7.57	7.68	7.48	7.55	8.14	7.53	8.56
Cost of funding earning assets	3.64	3.50	3.45	3.49	3.72	4.01	3.45	3.68	3.57	3.20	3.09
Net interest margin	4.07	4.44	4.57	4.44	3.85	3.67	4.04	3.87	4.57	4.33	5.47
Noninterest income to earning assets	3.00	1.41	1.85	2.91	3.39	4.03	2.47	2.23	2.70	1.59	3.38
Noninterest expense to earning assets	4.25	3.91	3.93	4.25	4.35	4.77	3.87	3.66	4.10	3.71	5.06
Credit loss provision to assets	0.38	0.31	0.31	0.46	0.38	0.40	0.31	0.28	0.54	0.26	0.63
Net operating income to assets	1.32	1.08	1.36	1.51	1.28	1.25	1.28	1.28	1.57	1.20	1.68
Return on assets	1.33	1.09	1.37	1.51	1.29	1.25	1.30	1.29	1.54	1.21	1.69
Return on equity	15.50	9.71	14.38	16.17	16.12	15.89	14.79	15.45	17.41	13.75	15.89
Net charge-offs to loans and leases	0.58	0.35	0.33	0.65	0.64	0.77	0.40	0.35	0.74	0.42	0.93
Credit loss provision to net charge-offs	108.50	149.47	152.84	111.88	101.45	100.71	122.29	123.21	108.19	111.39	100.76
Efficiency ratio	58.16	66.02	60.34	55.66	57.91	60.15	57.03	58.54	55.18	60.90	54.59
Condition Ratios (%)											
Earning assets to total assets	86.46	91.82	91.75	89.89	84.19	82.85	86.94	89.37	90.93	89.49	87.99
Loss allowance to:											
Loans and leases	1.73	1.42	1.48	1.85	1.78	1.98	1.58	1.42	1.71	1.32	2.21
Noncurrent loans and leases	180.08	141.17	174.77	210.23	176.93	152.88	214.56	172.87	205.60	126.09	241.31
Noncurrent assets plus other real estate owned to assets	0.66	0.72	0.63	0.62	0.67	0.78	0.53	0.60	0.62	0.68	0.72
Equity capital ratio	8.51	10.92	9.43	9.27	7.97	7.91	8.59	8.21	8.91	8.72	10.63
Core capital (leverage) ratio	7.81	10.98	9.32	8.55	7.10	7.45	7.56	7.89	8.38	8.28	9.06
Net loans and leases to deposits	89.14	70.04	76.63	91.69	93.50	82.20	94.99	97.38	92.65	70.84	91.44
Structural Changes (YTD)											
New Charters	175	169	4	1	1	24	70	25	17	18	21
Banks absorbed by mergers	326	185	118	21	2	37	92	46	63	55	33
Failed banks	5	3	1	1	0	0	3	0	0	2	0
PRIOR FIRST THREE QUARTERS (The way it was…)											
Number of institutions 1998	8,910	5,580	2,947	319	64	697	1,467	1,940	2,295	1,549	962
1996	9,586	6,334	2,854	330	68	752	1,587	2,122	2,425	1,687	1,013
1994	10,593	7,411	2,791	334	57	846	1,757	2,318	2,645	1,884	1,143
Total assets (in billions) 1998	$5,267.7	$257.4	$730.9	$955.3	$3,324.1	$1,916.4	$1,148.6	$835.2	$363.0	$301.5	$703.1
1996	4,458.5	285.1	694.2	1,035.0	2,444.2	1,687.5	776.3	704.8	289.4	327.9	672.6
1994	3,922.9	320.2	678.9	1,087.6	1,836.3	1,516.6	632.0	649.1	255.7	294.8	574.8
Return on assets (%) 1998	1.22	1.24	1.35	1.58	1.08	1.08	1.29	1.32	1.49	1.20	1.22
1996	1.19	1.23	1.29	1.31	1.10	1.08	1.21	1.19	1.44	1.23	1.28
1994	1.18	1.17	1.22	1.40	1.04	1.11	1.22	1.15	1.52	1.17	1.20
Net charge-offs to loans & leases (%)											
1998	0.65	0.25	0.33	1.02	0.64	0.90	0.40	0.39	0.72	0.38	0.89
1996	0.56	0.21	0.37	0.99	0.44	0.62	0.43	0.42	0.65	0.31	0.79
1994	0.49	0.19	0.33	0.61	0.53	0.76	0.24	0.26	0.43	0.12	0.58
Noncurrent assets plus											
OREO to assets (%) 1998	0.65	0.76	0.65	0.74	0.61	0.74	0.55	0.59	0.65	0.59	0.65
1996	0.80	0.82	0.81	0.89	0.76	0.92	0.67	0.63	0.67	0.65	0.95
1994	1.16	0.92	1.07	1.06	1.29	1.50	0.82	0.74	0.80	0.72	1.48
Equity capital ratio (%) 1998	8.68	11.17	9.80	9.83	7.91	7.64	9.36	8.81	9.11	9.36	9.73
1996	8.31	10.57	9.45	8.96	7.44	7.39	8.52	8.62	8.86	8.89	9.53
1994	7.95	9.99	8.97	8.28	7.02	7.40	7.96	8.02	8.89	8.50	8.61

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. Third Quarter 1999, FDIC-Insured Commercial Banks

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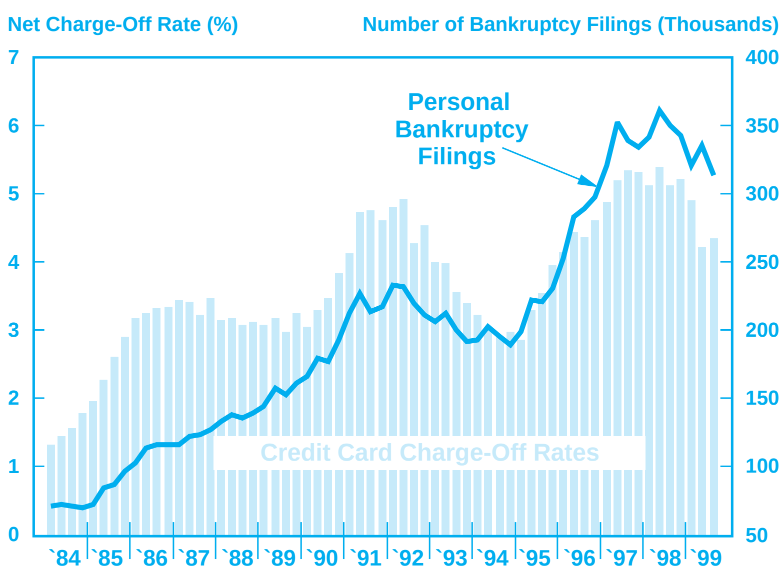
Total deposits (in billions)	3,702.5	207.9	604.3	598.3	2,291.9	1,199.4	999.6	625.0	268.7	244.2	365.7
Net income (in millions)	19,417.4	679.9	2,471.1	3,411.1	12,855.2	6,948.7	5,083.4	2,868.4	1,364.0	960.8	2,192.0
% of unprofitable institutions	6.8	9.5	2.6	1.3	1.3	9.4	11.0	4.7	4.0	6.3	9.5
% of institutions with earnings gains	61.4	55.9	69.7	72.9	74.0	67.4	64.4	61.6	57.2	59.1	65.8
Performance Ratios (annualized, %)											
Yield on earning assets	7.80	8.00	8.20	8.12	7.61	7.67	7.59	7.66	8.36	7.69	8.75
Cost of funding earning assets	3.67	3.50	3.51	3.60	3.74	3.98	3.48	3.79	3.68	3.27	3.16
Net interest margin	4.13	4.50	4.69	4.52	3.88	3.69	4.11	3.88	4.68	4.41	5.59
Noninterest income to earning assets	3.11	1.41	1.80	3.02	3.55	4.33	2.49	2.16	2.81	1.62	3.53
Noninterest expense to earning assets	4.22	4.00	3.98	4.28	4.27	4.66	3.79	3.66	4.25	3.70	5.22
Credit loss provision to assets	0.39	0.24	0.34	0.47	0.38	0.41	0.31	0.27	0.58	0.26	0.64
Net operating income to assets	1.43	1.11	1.35	1.59	1.42	1.47	1.37	1.25	1.58	1.27	1.74
Return on assets	1.42	1.11	1.35	1.58	1.41	1.46	1.37	1.25	1.46	1.26	1.74
Return on equity	16.62	10.06	14.28	17.02	17.68	18.60	15.79	15.08	16.61	14.46	16.40
Net charge-offs to loans and leases	0.58	0.23	0.33	0.71	0.62	0.78	0.41	0.33	0.80	0.44	0.83
Credit loss provision to net charge-offs	109.46	177.03	165.23	103.50	103.22	100.24	118.23	123.64	108.95	104.77	114.46
Efficiency ratio	56.45	67.20	60.63	54.73	55.47	56.62	55.02	59.30	55.57	59.55	54.74
Structural Changes (QTR)											
New charters	59	58	1	0	0	6	29	11	3	5	5
Banks absorbed by mergers	109	57	41	10	1	7	37	14	27	13	11
Failed banks	3	1	1	1	0	0	2	0	0	1	0
PRIOR THIRD QUARTERS (The way it was…)											
Return on assets (%) 1998	1.15	1.27	1.33	1.62	0.97	0.90	1.47	1.38	1.49	1.26	0.82
1996	1.19	1.26	1.27	1.31	1.11	1.12	1.17	1.21	1.46	1.23	1.24
1994	1.21	1.20	1.27	1.40	1.08	1.17	1.21	1.14	1.62	1.12	1.26
Net charge-offs to loans & leases (%)											
1998	0.71	0.26	0.36	1.04	0.72	0.98	0.39	0.39	0.75	0.37	1.11
1996	0.56	0.25	0.39	1.03	0.42	0.59	0.44	0.45	0.68	0.34	0.77
1994	0.44	0.21	0.35	0.56	0.42	0.61	0.26	0.26	0.48	0.15	0.52

CREDIT CARD LOSS RATES AND PERSONAL BANKRUPTCY FILINGS, 1984–1999



Sources: Bankruptcies—Administrative Office of the United States Courts
Charge-Off Rates—Commercial Bank Call Reports

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

September 30, 1999	All Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographical 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	1.03	1.14	0.89	0.90	1.12	1.16	1.02	1.10	1.00	1.09	0.68
Construction and development	1.05	0.95	0.83	1.04	1.17	1.09	0.71	1.66	1.29	1.14	0.86
Commercial real estate	0.69	0.85	0.66	0.69	0.69	0.73	0.58	0.93	0.67	0.83	0.50
Multifamily residential real estate	1.26	0.73	0.59	0.33	1.87	0.36	3.37	0.65	0.73	0.39	0.22
Home equity loans	0.75	0.71	0.75	0.81	0.73	0.80	0.72	0.85	0.72	0.75	0.54
Other 1-4 Family residential	1.23	1.51	1.16	1.06	1.29	1.33	1.21	1.22	1.25	1.38	0.92
Commercial and industrial loans*	0.87	1.32	1.29	1.13	0.69	0.51	0.68	1.32	1.47	1.50	1.13
Loans to individuals	2.46	2.25	2.13	2.24	2.61	2.58	3.03	2.07	2.35	1.65	2.03
Credit card loans	2.69	2.72	3.67	2.81	2.57	2.95	2.84	2.17	2.78	1.28	2.20
Other loans to individuals	2.33	2.23	1.79	1.86	2.64	2.27	3.08	2.05	1.96	1.66	1.78
All other loans and leases (including farm)	0.75	NA	NA	1.08	0.78	0.60	0.79	1.09	0.58	0.68	0.70
Memo: Commercial RE loans not secured by RE	0.30	0.73	0.38	0.32	0.29	0.15	0.08	0.86	0.61	0.34	0.45
Percent of Loans Noncurrent**											
All real estate loans	0.82	0.80	0.67	0.75	0.92	1.10	0.72	0.80	0.64	0.94	0.68
Construction and development	0.68	0.52	0.61	0.71	0.72	0.99	0.59	0.74	0.56	0.61	0.71
Commercial real estate	0.85	0.79	0.68	0.78	1.01	1.22	0.76	0.80	0.70	1.15	0.65
Multifamily residential real estate	0.50	0.58	0.53	0.51	0.47	0.49	0.43	0.62	0.29	0.61	0.50
Home equity loans	0.34	0.37	0.36	0.36	0.33	0.46	0.28	0.36	0.27	0.26	0.27
Other 1-4 Family residential	0.83	0.73	0.66	0.78	0.90	0.93	0.79	0.88	0.55	0.81	0.79
Commercial and industrial loans*	1.15	1.46	1.29	1.11	1.06	1.43	0.73	1.01	1.20	1.64	1.34
Loans to individuals	1.45	0.86	0.87	1.07	1.74	2.22	1.25	0.79	1.13	0.51	1.15
Credit card loans	1.99	1.89	2.31	1.85	2.02	2.42	1.69	1.31	1.73	0.69	1.66
Other loans to individuals	1.16	0.82	0.56	0.56	1.55	2.05	1.12	0.70	0.60	0.51	0.37
All other loans and leases (including farm)	0.43	NA	NA	0.58	0.43	0.41	0.30	0.52	0.43	1.01	0.42
Memo: Commercial RE loans not secured by RE	0.27	0.75	0.36	0.36	0.26	0.17	0.24	0.42	0.14	0.43	0.49
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.07	0.03	0.04	0.07	0.09	0.05	0.10	0.05	0.09	0.07	0.04
Construction and development	0.03	0.07	0.02	0.05	0.02	-0.03	0.05	0.03	0.03	0.03	0.03
Commercial real estate	0.02	0.03	0.03	0.02	0.02	-0.04	0.06	0.01	0.04	0.11	-0.04
Multifamily residential real estate	-0.01	0.01	0.01	-0.03	-0.01	-0.03	0.00	0.02	0.01	-0.04	-0.02
Home equity loans	0.15	0.06	0.04	0.17	0.17	0.15	0.16	0.17	0.15	0.49	0.06
Other 1-4 Family residential	0.10	0.04	0.05	0.09	0.12	0.08	0.13	0.06	0.14	0.06	0.15
Commercial and industrial loans*	0.51	0.36	0.42	0.51	0.50	0.56	0.45	0.35	0.42	0.69	0.76
Loans to individuals	2.30	1.39	1.45	2.41	2.49	2.91	1.58	1.36	2.89	0.94	3.26
Credit card loans	4.50	5.46	5.27	4.68	4.36	4.62	3.77	4.15	5.18	2.60	4.55
Other loans to individuals	0.99	0.55	0.62	0.86	1.17	1.30	0.91	0.79	0.89	0.87	0.91
All other loans and leases (including farm)	0.21	NA	NA	0.26	0.22	0.11	0.18	0.29	0.36	0.33	0.39
Memo: Commercial RE loans not secured by RE	-0.01	0.72	-0.16	-0.02	-0.01	-0.09	0.03	0.02	0.19	0.03	-0.06
Loans Outstanding (in billions)											
All real estate loans	$1,428.7	$83.4	$294.5	$289.0	$761.8	$326.4	$471.3	$278.4	$113.0	$81.5	$158.1
Construction and development	123.9	6.5	29.8	30.2	57.5	13.2	44.1	24.3	11.0	10.6	20.7
Commercial real estate	403.8	23.4	106.1	94.2	180.2	69.8	122.8	85.0	31.1	30.5	64.6
Multifamily residential real estate	51.2	1.8	10.0	10.8	28.7	13.1	14.3	9.9	3.4	2.5	8.0
Home equity loans	97.0	1.8	12.5	17.3	65.4	22.0	33.7	24.0	5.3	1.1	11.0
Other 1-4 Family residential	689.8	39.0	123.9	132.9	394.0	179.6	247.1	127.4	52.2	33.4	50.2
Commercial and industrial loans	947.2	24.9	84.1	121.5	716.7	323.2	257.4	177.0	58.6	45.6	85.4
Loans to individuals	530.2	20.8	65.5	112.1	331.8	186.5	117.9	78.9	47.0	32.2	67.7
Credit card loans	189.2	0.8	11.7	44.5	132.1	86.9	26.4	11.4	22.2	1.3	41.0
Other loans to individuals	341.1	20.0	53.8	67.6	199.7	99.5	91.5	67.5	24.9	30.9	26.6
All other loans and leases (including farm)	455.9	19.1	26.8	36.9	373.2	171.2	119.0	83.4	34.7	16.3	31.3
Memo: Commercial RE loans not secured by RE	35.1	0.2	1.0	2.9	31.0	10.7	11.3	4.2	2.7	1.6	4.6
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	$2,919.2	$273.2	$692.1	$453.7	$1,500.1	$856.9	$840.8	$346.5	$200.0	$257.4	$417.7
Construction and development	238.4	26.5	98.8	42.1	71.0	46.4	94.3	21.1	20.3	18.0	38.2
Commercial real estate	1,323.6	118.7	324.6	210.1	670.2	350.7	371.8	133.1	70.5	143.3	254.4
Multifamily residential real estate	63.9	8.7	18.2	19.3	17.7	20.9	10.4	6.0	5.9	4.2	16.5
1-4 Family residential	985.1	87.5	220.1	175.5	501.9	207.0	356.3	179.5	73.0	72.6	96.7
Farmland	76.8	31.7	30.4	5.6	9.1	2.8	8.0	6.8	30.3	19.3	9.7
Other real estate owned in foreign offices	231.4	0.0	0.0	1.2	230.2	229.1	0.0	0.0	0.0	0.0	2.3

* Includes "All other loans" for institutions under $1 billion in asset size. N/A - Not Available

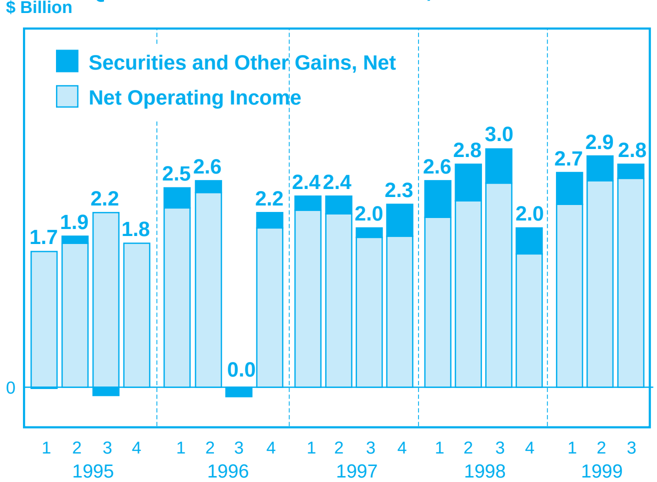
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

SAVINGS INSTITUTIONS PERFORMANCE—THIRD QUARTER, 1999

- ***Earnings Of $2.8 Billion Nearly Match Previous Quarter's***
- ***Net Operating Income Continues To Set New Records***
- ***Loan Growth Funded Primarily With FHLB Borrowings***
- ***First Thrift Failure In Almost Three Years***

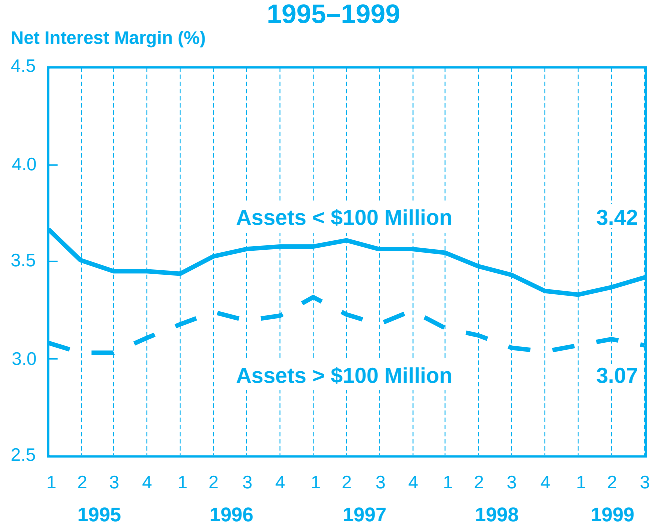
FDIC-insured savings institutions reported earnings of $2.8 billion for the third quarter, just $13 million lower than second-quarter earnings, but $105 million lower than the record third quarter of 1998. The average annualized return on assets (ROA) of 1.00 percent for the third quarter was lower than the second quarter ROA of 1.03 percent as industry assets grew by $23.6 billion. Savings institutions reached a record ROA of 1.14 percent a year ago. The lower earnings this quarter were attributable to reduced gains from securities sales. Gains on the sales of securities contributed $276 million to earnings in the third quarter, down by $169 million (38 percent) from the second quarter and $373 million (57 percent) lower than a year ago. Net interest income improved by $90 million over the second quarter for the fifth consecutive quarterly increase and noninterest income increased by $65 million. These offset much of the decline in gains on the sales of securities. Net operating income, which excludes securities gains and extraordinary items, achieved its second consecutive quarterly record at $2.7 billion. Net operating income was 0.94 percent of assets, up from 0.92 percent last quarter, but lower than the 0.97 percent in the third quarter of 1998. Profitability was higher a year ago when net operating income of $2.5 billion was derived from a smaller asset base. Over 57 percent of savings institutions reported earnings gains from a year ago and 29 percent achieved an ROA of 1.00 percent or more for the quarter.

QUARTERLY NET INCOME, 1995–1999



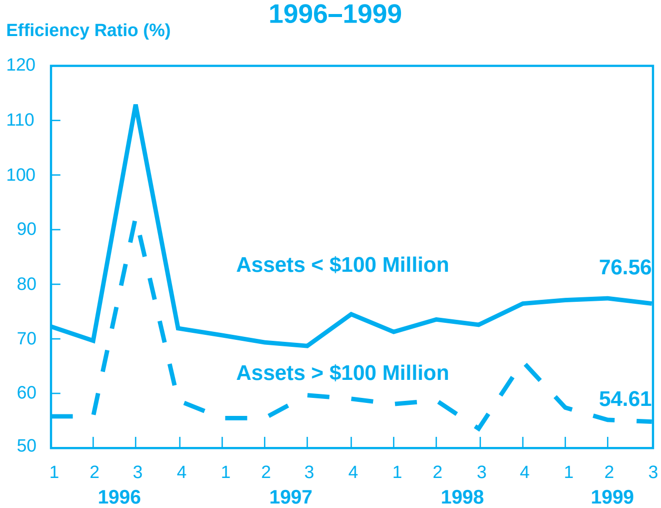
The industry's net interest margin declined slightly, to 3.08 percent from 3.10 percent in the second quarter. The cost of funding earning assets rose 12 basis points, while the yield on earning assets increased by 10 basis points. Only thrifts in the Northeast Region reported improvements in net interest margins, which were up by 5 basis points to 3.36 percent. Thrifts headquartered in the West Region showed the largest drop in margins, declining 9 basis points to 2.71 percent. The Northeast Region is home to a large number of smaller thrifts, which tend to have higher net interest margins than larger institutions.

QUARTERLY NET INTEREST MARGINS, 1995–1999



Increases in net interest margins at small savings institutions (with assets below $100 million) helped improve their profitability. Net interest margins for these thrifts rose 5 basis points to 3.42 percent for the third quarter. Their yield on earning assets rose 3 basis points, while the cost of funding earning assets declined 2 basis points. Net interest margins were almost the same as the 3.43 percent reported a year ago for these institutions, but rising noninterest expenses have taken a growing share of revenues over the past year. Noninterest expenses represented 3.77 percent of earning assets this quarter at small thrifts, up by 14 basis points from last quarter and by 37 basis points from a year ago. The efficiency ratio for these thrifts improved slightly during the quarter, to 76.56 percent from 77.37 percent, but the efficiency ratio was much better a year ago when it stood at 72.42 percent. These smaller institutions reported an ROA of 0.69 percent, up from 0.66 percent last quarter, but still below the 0.79 percent ROA from a year ago. Over 15 percent of these institutions lost money this quarter and less than half of them had improved earnings from a year ago.

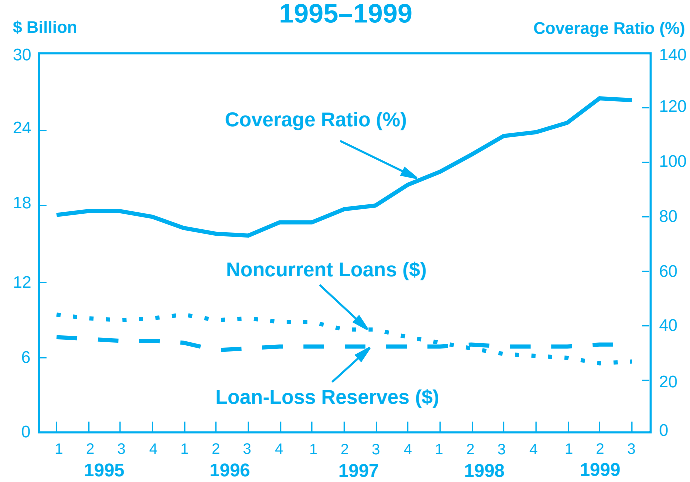
QUARTERLY EFFICIENCY RATIOS, 1996–1999



The industry's asset quality remained strong, although the coverage ratio—loan-loss reserves to noncurrent loans—declined slightly to $1.23 in reserve for each dollar of noncurrent loans from last quarter's record level of $1.24. This was the first decline after 10 consecutive quarterly increases. Reserves for loan losses rose by $84 million, while noncurrent loans rose by almost $90 million. One institution that specializes in working with troubled loans accounted for 81 percent of the increase in noncurrent loans during the quarter.[1] Because of loan growth, noncurrent loans declined to 0.75 percent of total loans from 0.76 percent last quarter, the tenth consecutive improvement in this rate.

[1] Ocwen Federal Bank, FSB of Fort Lee, New Jersey reported a $72 million increase in noncurrent loans.

COVERAGE RATIO* AND RESERVE LEVELS, 1995–1999



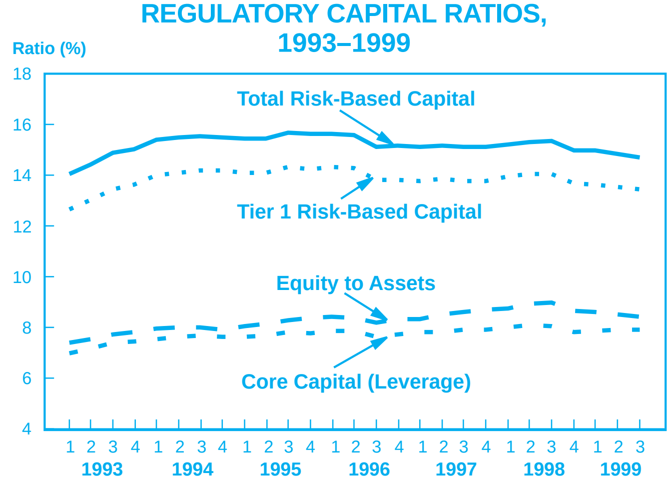
* Loan-loss reserves to noncurrent loans.

Loan growth was fueled by a strong economy and was the source of the increase in industry assets. Total loans and leases increased by $27.2 billion during the quarter, while securities declined by $4.0 billion. One institution accounted for 62 percent of the decline in securities.[2] Federal Home Loan Bank (FHLB) advances funded most of the increase in assets. FHLB advances rose $14.9 billion, while deposits increased by $3.5 billion and other borrowings contributed another $4 billion.

The industry's equity capital increased by $883 million during the third quarter, despite a $1.1 billion after-tax decline in the value of available-for-sale (AFS) securities. Equity capital was 8.45

[2] Washington Mutual Bank, FA, Stockton California, reported a $2.5-billion decline in investment securities during the third quarter.

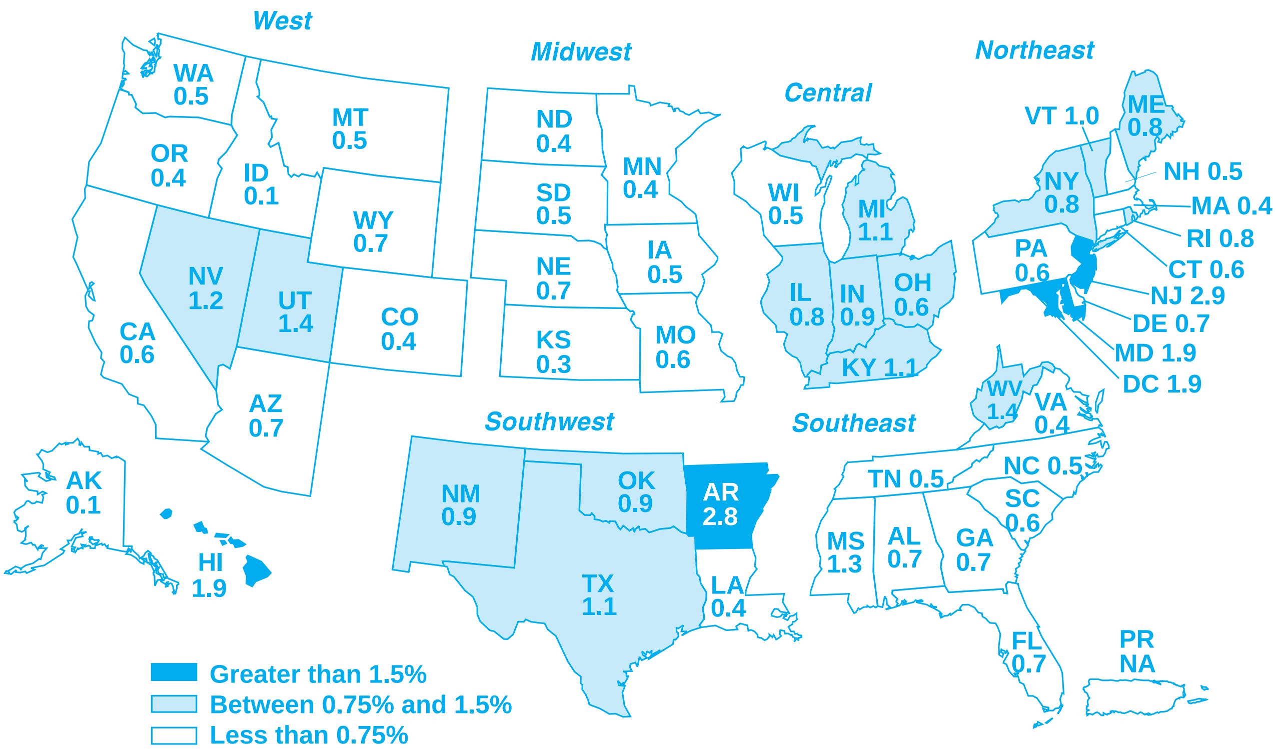
REGULATORY CAPITAL RATIOS, 1993–1999



percent of assets, down from 8.55 percent last quarter because of the growth in assets and the decline in value of AFS securities. The core capital (leverage) ratio increased slightly from 7.93 percent to 7.94 percent of average assets. This capital ratio showed improvement partly because it is based on average assets, which did not capture all of the increase in industry assets, and partly because tier 1 regulatory capital excludes the decline in market value of AFS securities.

The number of thrifts declined by 3 to 1,650 during the third quarter. The absorption of 17 thrift charters by merger was partially offset by 12 new charters. Commercial banks absorbed 10 thrifts with $2.8 billion in assets and thrifts absorbed 7 more with $551 million in assets. One thrift institution failed in the third quarter. This failure occurred just one month shy of three years after the last thrift failure. Other charter changes included 7 mutual-to-stock conversions, involving $9.0 billion in assets. The number and assets of "problem" thrifts declined to 11 thrifts, with $3.9 billion in assets, from 14 thrifts, with $4.2 billion in assets, at the end of June.

NONCURRENT LOAN RATES,*
SEPTEMBER 30, 1999



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

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

	1999**	1998**	1998	1997	1996	1995	1994
Return on assets (%)	1.01	1.09	1.01	0.93	0.70	0.77	0.66
Return on equity (%)	11.74	12.29	11.35	10.84	8.40	9.40	8.28
Core capital (leverage) ratio (%)	7.94	8.08	7.85	7.95	7.76	7.80	7.65
Noncurrent assets plus other real estate owned to assets (%)	0.61	0.75	0.72	0.95	1.09	1.20	1.38
Net charge-offs to loans (%)	0.16	0.21	0.22	0.25	0.32	0.34	0.51
Asset growth rate (%)	8.79	3.39	6.05	-0.21	0.25	1.70	0.77
Net interest margin	3.09	3.13	3.10	3.23	3.22	3.09	3.34
Net operating income growth (%)	8.64	12.63	7.69	20.08	-13.99	13.81	22.24
Number of institutions reporting	1,650	1,713	1,689	1,780	1,925	2,030	2,152
Percentage of unprofitable institutions (%)	7.52	4.85	5.27	4.10	12.05	5.86	6.97
Number of problem institutions	11	18	15	21	35	49	71
Assets of problem institutions (in billions)	$4	$3	$6	$2	$7	$14	$39
Number of failed/assisted institutions	1	0	0	0	1	2	4

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

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

(dollar figures in millions)	Preliminary 3rd Quarter 1999	2nd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Number of institutions reporting	1,650	1,653	1,713	-3.7
Total employees (full-time equivalent)	245,848	241,356	244,910	0.4
CONDITION DATA				
Total assets	$1,149,437	$1,125,789	$1,056,562	8.8
Loans secured by real estate	678,561	656,479	634,256	7.0
1-4 Family Residential	544,043	528,045	510,644	6.5
Multifamily residential property	54,377	52,248	54,361	0.0
Commercial real estate	52,259	50,114	46,657	12.0
Construction, development, and land	27,882	26,072	22,594	23.4
Commercial & industrial loans	25,192	23,707	19,380	30.0
Loans to individuals	60,771	57,597	50,714	19.8
Other loans & leases	4,430	3,958	3,309	33.9
Less: Unearned income & contra accounts***	204	188	164	24.6
Total loans & leases	768,751	741,554	707,495	8.7
Less: Reserve for losses	7,071	6,987	6,964	1.5
Net loans & leases	761,680	734,567	700,530	8.7
Securities	286,166	290,122	255,081	12.2
Other real estate owned	1,229	1,353	1,626	-24.4
Goodwill and other intangibles	15,702	15,430	14,015	12.0
All other assets	84,661	84,317	85,311	-0.8
Total liabilities and capital	1,149,437	1,125,789	1,056,562	8.8
Deposits	702,769	699,252	696,461	0.9
Other borrowed funds	330,318	311,517	244,186	35.3
Subordinated debt	3,316	2,946	2,823	17.4
All other liabilities	15,923	15,845	18,069	-11.9
Equity capital	97,111	96,229	95,023	2.2
Loans and leases 30-89 days past due	6,550	6,424	7,314	-10.5
Noncurrent loans and leases	5,728	5,638	6,310	-9.2
Restructured loans and leases	1,902	2,080	2,676	-28.9
Direct and indirect investments in real estate	573	606	564	1.5
Mortgage-backed securities	215,671	220,341	192,474	12.1
Earning assets	1,069,218	1,047,248	984,901	8.6
FHLB Advances (Source: TFR and FHFB)	214,326	199,469	154,126	39.1
Unused loan commitments	178,020	183,951	181,733	-2.0

INCOME DATA	Preliminary First Three Qtrs 1999	First Three Qtrs 1998	%Change	Preliminary 3rd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Total interest income	$56,381	$53,573	5.2	$19,416	$18,246	6.4
Total interest expense	32,470	31,594	2.8	11,272	10,840	4.0
Net interest income	23,911	21,979	8.8	8,143	7,406	10.0
Provision for credit losses***	1,150	1,345	-14.5	367	504	-27.2
Total noninterest income	7,265	7,032	3.3	2,510	3,078	-18.5
Total noninterest expense	18,182	17,120	6.2	6,106	5,898	3.5
Securities gains (losses)	1,318	1,932	-31.8	276	649	-57.5
Applicable income taxes	4,786	4,212	13.6	1,606	1,762	-8.8
Extraordinary gains, net	-4	-23	N/M	-1	-15	N/M
Net income	8,372	8,243	1.6	2,850	2,955	-3.5
Net charge-offs	889	1,079	-17.6	282	404	-30.2
Cash dividends	3,950	4,870	-18.9	1,716	2,322	-26.1
Net operating income	7,485	6,890	8.6	2,667	2,510	6.2

* Data between 1994 and 1995 do not include Resolution Trust Corporation conservatorships. Excludes one self-liquidating institution. N/M - Not Meaningful

*** For TFR filers, includes only loan and lease loss provisions.

TABLE III-B. First Three Quarters 1999, FDIC-Insured Savings Institutions

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST THREE QUARTERS 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	1,650	671	832	111	36	639	228	429	127	114	113
Total assets (in billions)	$1,149.4	$34.2	$243.6	$224.5	$647.2	$381.1	$73.2	$181.9	$40.4	$73.7	$399.2
Total deposits (in billions)	702.8	27.4	184.4	144.0	347.0	260.6	51.2	123.5	26.1	43.5	197.9
Net income (in millions)	8,371.9	173.9	1,576.6	1,693.1	4,928.2	2,800.2	433.6	1,387.3	237.8	618.6	2,894.4
% of unprofitable institutions	7.5	13.9	3.4	2.7	0.0	4.7	10.1	8.9	10.2	9.6	8.0
% of institutions with earnings gains	51.2	41.0	55.9	71.2	72.2	57.0	48.2	46.6	40.9	50.0	54.9
Performance ratios (annualized, %)											
Yield on earning assets	7.28	7.28	7.36	7.45	7.20	7.21	7.48	7.48	7.36	7.58	7.16
Cost of funding earning assets	4.19	3.93	3.95	4.16	4.31	3.89	4.16	4.33	4.38	4.35	4.38
Net interest margin	3.09	3.35	3.40	3.29	2.89	3.32	3.33	3.15	2.98	3.23	2.79
Noninterest income to earning assets	0.94	1.36	0.68	0.98	1.00	0.83	1.16	1.18	0.74	1.25	0.86
Noninterest expense to earning assets	2.35	3.62	2.72	2.55	2.07	2.49	3.04	2.62	2.32	2.76	1.90
Credit loss provision to assets*	0.14	0.08	0.10	0.25	0.12	0.10	0.23	0.23	0.12	0.27	0.10
Net operating income to assets	0.90	0.60	0.78	0.88	0.97	0.92	0.69	0.86	0.76	1.03	0.93
Return on assets	1.01	0.69	0.90	1.05	1.05	1.02	0.85	1.05	0.82	1.16	1.00
Return on equity	11.74	5.51	8.36	11.78	14.11	10.55	8.40	11.50	8.15	14.10	14.31
Net charge-offs to loans and leases	0.16	0.07	0.09	0.28	0.15	0.10	0.23	0.24	0.15	0.21	0.16
Credit loss provision to net charge-offs	129.30	160.73	160.51	141.12	114.48	171.90	144.85	133.04	109.56	178.15	89.74
Efficiency ratio	56.41	76.39	65.88	58.12	50.63	57.61	66.96	58.33	60.59	60.56	50.47
Condition Ratios (%)											
Earning assets to total assets	93.02	94.06	94.08	93.23	92.50	93.20	93.13	92.15	93.51	92.14	93.34
Loss allowance to:											
Loans and leases	0.92	0.74	0.84	1.15	0.88	1.04	0.84	0.79	0.65	0.86	0.94
Noncurrent loans and leases	123.44	82.13	122.15	104.44	137.94	117.23	144.84	103.23	119.43	78.40	156.05
Noncurrent assets plus other real estate owned to assets	0.61	0.70	0.56	0.91	0.51	0.64	0.54	0.67	0.52	0.91	0.51
Noncurrent RE loans to RE loans	0.73	0.87	0.66	1.11	0.63	0.91	0.55	0.73	0.50	1.18	0.58
Equity capital ratio	8.45	12.36	10.49	8.68	7.39	9.49	9.85	8.91	10.01	8.37	6.84
Core capital (leverage) ratio	7.94	12.09	10.20	8.24	6.77	8.75	9.56	8.14	9.26	8.29	6.60
Gross real estate assets to gross assets	77.46	68.76	71.86	73.37	81.45	72.08	71.05	73.63	77.01	66.54	87.59
Gross 1-4 family mortgages to gross assets	47.03	49.21	46.69	38.91	49.87	40.27	45.91	51.60	51.41	35.54	53.29
Net loans and leases to deposits	108.38	82.53	88.75	100.28	124.21	87.85	98.04	107.38	109.37	118.26	136.41
Structural Changes (YTD)											
New Charters	29	27	2	0	0	5	8	11	1	1	3
Thrifts absorbed by mergers	64	27	32	5	0	20	14	20	2	7	1
Failed Thrifts	1	1	0	0	0	0	1	0	0	0	0
PRIOR FIRST THREE QUARTERS** (The way it was…)											
Number of institutions 1998	1,713	725	844	108	36	665	236	449	127	119	117
1996	1,962	862	939	124	37	736	294	504	149	130	149
1994	2,181	1,011	1,003	137	30	799	345	552	160	142	183
Total assets (in billions) 1998	$1,056.6	$37.8	$248.0	$214.6	$556.2	$354.4	$65.2	$171.9	$34.8	$66.1	$364.1
1996	1,035.3	44.9	276.4	253.8	460.1	348.9	68.0	174.4	52.1	77.9	314.0
1994	1,006.2	51.3	290.8	297.0	367.1	335.0	82.4	153.2	52.4	56.9	326.3
Return on assets (%) 1998	1.09	0.84	0.94	1.08	1.19	1.02	1.04	1.03	0.92	1.21	1.20
1996	0.66	0.31	0.57	0.73	0.70	0.79	0.45	0.57	0.53	1.76	0.34
1994	0.67	0.82	0.84	0.80	0.40	0.92	0.89	0.77	0.57	0.96	0.26
Net charge-offs to loans & leases (%)											
1998	0.21	0.07	0.15	0.26	0.23	0.16	0.66	0.19	0.09	0.42	0.17
1996	0.31	0.10	0.17	0.31	0.42	0.30	0.35	0.14	0.14	0.32	0.44
1994	0.53	0.11	0.21	0.50	0.85	0.49	0.18	0.11	0.09	0.31	0.89
Noncurrent assets plus OREO to assets (%)*** 1998	0.75	0.78	0.73	1.01	0.66	0.83	0.66	0.65	0.54	0.95	0.72
1996	1.14	0.99	0.95	1.34	1.16	1.30	1.29	0.64	0.66	1.08	1.31
1994	1.57	1.17	1.35	1.67	1.73	2.06	1.10	0.56	0.62	1.44	1.85
Equity capital ratio (%) 1998	8.99	12.34	10.74	9.25	7.89	10.07	10.41	9.48	9.98	8.63	7.43
1996	8.21	10.98	9.75	8.13	7.07	8.96	9.26	8.70	8.33	7.95	6.93
1994	8.04	9.82	8.97	8.12	7.00	8.46	8.47	8.71	7.86	7.43	7.33

* For TFR filers, includes only loan and lease loss provisions.
** 1994 data do not include Resolution Trust Corporation conservatorships. Excludes one self-liquidating institution.
*** Beginning with June 1996, TFR filers report noncurrent loans net of specific reserves. Accordingly, specific reserves have been subtracted from loan-loss reserves, beginning with June 1996, to make the ratio more closely comparable to prior periods.

TABLE IV-B. Third Quarter 1999, FDIC-Insured Savings Institutions

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
THIRD 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	1,650	671	832	111	36	639	228	429	127	114	113
Total assets (in billions)	$1,149.4	$34.2	$243.6	$224.5	$647.2	$381.1	$73.2	$181.9	$40.4	$73.7	$399.2
Total deposits (in billions)	702.8	27.4	184.4	144.0	347.0	260.6	51.2	123.5	26.1	43.5	197.9
Net income (in millions)	2,849.9	58.7	513.1	574.6	1,703.5	1,014.4	127.7	443.3	81.1	217.7	965.8
% of unprofitable institutions	8.4	15.1	4.1	2.7	0.0	5.3	12.7	9.8	10.2	9.6	8.0
% of institutions with earnings gains	57.0	47.4	62.0	72.1	72.2	61.8	53.1	51.3	54.3	60.5	58.4
Performance Ratios (annualized, %)											
Yield on earning assets	7.35	7.37	7.42	7.49	7.27	7.30	7.61	7.55	7.41	7.67	7.19
Cost of funding earning assets	4.27	3.95	3.98	4.21	4.41	3.94	4.24	4.38	4.43	4.43	4.48
Net interest margin	3.08	3.42	3.44	3.28	2.86	3.36	3.37	3.16	2.98	3.24	2.71
Noninterest income to earning assets	0.95	1.47	0.66	0.97	1.02	0.86	1.08	1.23	0.74	1.27	0.84
Noninterest expense to earning assets	2.31	3.77	2.74	2.49	2.01	2.42	3.09	2.61	2.30	2.80	1.85
Credit loss provision to assets	0.13	0.08	0.09	0.23	0.11	0.09	0.23	0.21	0.11	0.27	0.08
Net operating income to assets	0.94	0.62	0.78	0.93	1.02	1.02	0.62	0.91	0.79	1.07	0.92
Return on assets	1.00	0.69	0.86	1.04	1.06	1.08	0.72	0.99	0.82	1.19	0.98
Return on equity	11.80	5.56	8.08	11.80	14.35	11.29	7.13	10.94	8.07	14.40	14.19
Net charge-offs to loans and leases	0.15	0.05	0.09	0.25	0.14	0.09	0.25	0.21	0.14	0.23	0.14
Credit loss provision to net charge-offs*	130.28	230.04	150.61	137.12	119.70	184.56	137.13	136.62	112.22	163.50	86.64
Efficiency ratio	55.41	76.56	65.90	57.04	49.13	54.93	68.76	57.42	59.79	61.00	50.12
Structural Changes (QTR)											
New charters	12	11	1	0	0	2	4	3	0	1	2
Thrifts absorbed by mergers	17	8	9	0	0	7	4	5	0	1	0
Failed Thrifts	1	1	0	0	0	0	1	0	0	0	0
PRIOR THIRD QUARTERS** (The way it was…)											
Return on assets (%) 1998	1.14	0.79	0.90	1.09	1.30	1.04	1.34	1.07	0.84	1.15	1.27
1996	-0.01	-0.51	0.00	0.29	-0.14	0.49	-0.40	-0.26	-0.21	0.32	-0.41
1994	0.76	0.79	0.84	0.91	0.56	1.01	0.87	0.88	0.87	0.71	0.40
Net charge-offs to loans & leases (%)											
1998	0.23	0.04	0.16	0.24	0.27	0.14	1.15	0.19	0.08	0.42	0.16
1996	0.30	0.09	0.16	0.33	0.40	0.28	0.36	0.16	0.13	0.31	0.41
1994	0.51	0.10	0.22	0.46	0.82	0.56	0.11	0.12	0.10	0.40	0.79

* For TFR filers, includes only loan and lease loss provisions.

** 1994 data do not include Resolution Trust Corporation conservatorships. Excludes 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 V-B. Loan Performance, FDIC-Insured Savings Institutions

		Asset Size Distribution				Geographical Distribution by Region					
						East			West		
September 30, 1999	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
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	0.78	1.55	0.96	0.75	0.69	0.72	0.98	0.90	1.05	0.99	0.69
Construction, development, and land	1.00	1.46	1.54	0.73	0.71	0.92	1.20	1.75	1.33	0.54	0.71
Commercial real estate	0.57	1.24	0.65	0.62	0.38	0.58	0.97	0.67	0.48	0.67	0.32
Multifamily residential real estate	0.22	0.64	0.39	0.23	0.17	0.20	0.68	0.41	0.26	0.25	0.18
Home equity loans	0.47	0.59	0.53	0.45	0.44	0.54	0.34	0.58	0.45	0.17	0.27
Other 1-4 Family residential	0.86	1.65	1.02	0.87	0.76	0.80	1.00	0.92	1.14	1.23	0.79
Commercial and industrial loans	1.02	2.07	1.49	1.16	0.56	0.83	1.80	1.68	1.49	0.60	0.78
Loans to individuals	1.61	2.20	1.78	1.65	1.52	1.48	2.19	1.57	1.56	0.88	2.32
Credit card loans	1.63	1.07	4.04	3.39	1.19	1.41	2.44	1.60	3.68	0.63	4.11
Other loans to individuals	1.60	2.23	1.61	1.39	1.67	1.49	2.15	1.56	1.48	1.07	1.94
Percent of Loans Noncurrent*											
All real estate loans	0.73	0.87	0.66	1.11	0.63	0.91	0.55	0.73	0.50	1.18	0.58
Construction, development, and land	0.71	1.32	0.81	0.80	0.51	0.67	0.48	1.02	0.82	0.25	1.22
Commercial real estate	0.95	0.86	0.78	1.42	0.76	1.16	0.77	1.02	0.77	0.63	0.69
Multifamily residential real estate	0.51	1.24	0.56	0.92	0.30	0.68	0.90	0.52	0.30	3.11	0.24
Home equity loans	0.27	0.18	0.27	0.21	0.30	0.32	0.09	0.35	0.10	0.03	0.20
Other 1-4 Family residential	0.75	0.84	0.65	1.15	0.67	0.93	0.56	0.73	0.47	1.40	0.61
Commercial and industrial loans	1.13	1.85	1.14	1.20	0.98	1.02	1.03	1.85	1.34	0.85	1.09
Loans to individuals	0.74	0.89	0.85	0.97	0.60	0.56	0.64	0.86	0.64	0.76	0.89
Credit card loans	1.30	0.75	3.71	2.76	0.91	1.06	1.22	0.63	2.17	1.29	3.56
Other loans to individuals	0.57	0.90	0.64	0.71	0.47	0.49	0.54	0.95	0.59	0.35	0.32
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.05	0.03	0.04	0.05	0.05	0.03	0.04	0.06	0.05	0.06	0.05
Construction, development, and land	0.03	0.07	0.06	0.03	0.00	0.03	0.06	0.11	0.05	-0.01	-0.02
Commercial real estate	0.00	0.01	-0.02	0.00	0.02	-0.04	0.06	0.03	0.25	0.00	0.01
Multifamily residential real estate	-0.06	0.09	0.05	-0.03	-0.11	-0.02	0.03	0.07	-0.01	0.01	-0.12
Home equity loans	0.14	0.04	0.10	0.14	0.16	0.16	0.12	0.04	0.37	0.16	0.19
Other 1-4 Family residential	0.06	0.03	0.04	0.06	0.07	0.04	0.04	0.06	0.02	0.08	0.08
Commercial and industrial loans	0.35	0.43	0.33	0.53	0.24	0.15	1.21	0.54	0.54	0.16	0.38
Loans to individuals	1.42	0.54	0.78	2.28	1.29	0.84	1.43	1.51	1.06	0.86	2.91
Credit card loans	3.72	1.20	3.19	9.61	2.72	2.66	3.98	3.41	14.12	1.27	11.53
Other loans to individuals	0.72	0.52	0.60	1.06	0.62	0.46	0.96	0.86	0.46	0.55	1.06
Loans Outstanding (in billions)											
All real estate loans	$678.6	$20.6	$149.0	$123.2	$385.7	$200.3	$42.5	$112.3	$25.3	$39.2	$258.9
Construction, development, and land	27.9	1.1	8.5	7.1	11.1	5.4	4.2	4.9	1.4	6.9	5.2
Commercial real estate	52.0	1.9	17.4	14.4	18.3	24.3	3.7	6.3	2.3	4.2	11.3
Multifamily residential real estate	54.4	0.6	8.5	13.7	31.6	16.1	0.8	6.7	0.8	1.8	28.1
Home equity loans	18.3	0.4	4.8	4.2	8.9	7.2	1.8	4.8	0.6	0.4	3.6
Other 1-4 Family residential	525.7	16.5	109.6	83.8	315.8	147.3	32.0	89.6	20.3	25.9	210.6
Commercial and industrial loans	25.2	0.7	5.8	7.4	11.3	11.7	2.3	3.3	1.0	2.9	3.9
Loans to individuals	60.8	1.4	9.8	14.0	35.4	17.4	5.6	16.8	2.3	9.5	9.1
Credit card loans	13.5	0.0	0.7	1.8	10.9	2.3	0.8	4.5	0.1	4.2	1.6
Other loans to individuals	47.3	1.4	9.2	12.2	24.5	15.1	4.8	12.3	2.3	5.3	7.5
Memo: Other Real Estate Owned (in millions)**											
All other real estate owned	$1,228.5	$34.8	$227.4	$434.6	$531.8	$397.0	$103.3	$191.8	$52.3	$101.3	$382.8
Construction, development, and land	161.8	4.4	28.3	19.8	109.3	22.4	77.5	17.6	16.4	5.1	22.8
Commercial real estate	301.0	5.8	50.0	185.9	59.3	153.6	9.2	44.5	11.4	29.9	52.4
Multifamily residential real estate	93.7	0.8	17.9	41.5	33.5	26.4	1.5	8.6	0.1	22.5	34.6
1-4 Family residential	720.6	24.4	135.9	202.1	358.3	209.9	35.6	124.4	28.3	45.9	276.5
Troubled Real Estate Asset Rates* (% of total RE assets)**											
All real estate loans	0.91	1.04	0.81	1.45	0.77	1.10	0.79	0.90	0.71	1.44	0.73
Construction, development, and land	1.28	1.71	1.14	1.07	1.48	1.08	2.29	1.37	1.98	0.32	1.66
Commercial real estate	1.53	1.21	1.06	2.70	1.08	1.78	1.01	1.71	1.26	1.40	1.15
Multifamily residential real estate	0.68	1.38	0.77	1.22	0.41	0.84	1.09	0.65	0.31	4.31	0.36
1-4 family residential	0.86	0.96	0.75	1.33	0.77	1.03	0.64	0.84	0.60	1.54	0.73

* 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.

ALL FDIC-INSURED INSTITUTIONS

- ***Insurance Losses Cause The BIF To Fall By $332 Million***
- ***One SAIF Failure In The Third Quarter Is The First Since 1996***
- ***FICO Assessments Move To Uniform Rates For 2000***

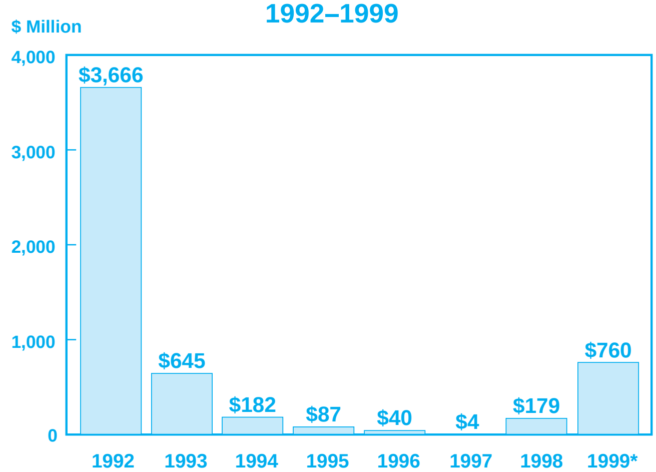
Insured deposits held by the 10,291 FDIC members increased slightly during the third quarter of 1999, rising by $8 billion, or 0.3 percent. The growth occurred primarily in the insured portions of large deposit accounts (over $100,000). The growth in insured deposits lagged behind third-quarter growth rates for total deposits (0.6 percent) and total liabilities (1 percent), continuing a trend toward greater reliance on uninsured deposits and nondeposit funding.

The balance of the Bank Insurance Fund (BIF) stood at $29.5 billion (unaudited) on September 30, having fallen from $29.8 billion on June 30. The fund's reserve ratio also declined during the third quarter, to 1.38 percent from 1.40 percent. The decrease resulted from higher insurance losses, primarily those attributed to the September 1 failure of First National Bank of Keystone (WV), currently estimated to cost the BIF $750 million. Two other BIF members failed during the third quarter. For the first nine months of 1999, five BIF members failed, with total assets of $1.3 billion and estimated insurance losses of $760 million. These losses are higher than those experienced in any full calendar year since 1992, which marked the end of the banking crisis of the late 1980s and early 1990s.

The Savings Association Insurance Fund (SAIF) totaled $10.2 billion (unaudited) on September 30, having grown by $139 million during the third quarter. This total includes the $978-million SAIF Special Reserve, which was established January 1, 1999, under provisions of the Deposit Insurance Funds Act of 1996. The law required the Special Reserve to be excluded from the calculation of the SAIF reserve ratio, but the reserve was eliminated November 12, 1999, with enactment of the Gramm-Leach-Bliley Act of 1999. Based on the full balance of the SAIF, the fund's reserve ratio was 1.44 percent on September 30, up from 1.43 percent on June 30. Excluding the Special Reserve, the SAIF reserve ratio was 1.30 percent at the end of the third quarter, compared to 1.29 percent in the prior quarter. One SAIF member, with total assets of $69 million, failed during the third quarter, the first SAIF-member failure since 1996.

FICO assessments. All FDIC-insured institutions are assessed by the Financing Corporation (FICO) to pay interest on 30-year bonds issued by the FICO in the late 1980s. For the fourth quarter of 1999, the rate for SAIF-assessable deposits was 5.92 basis points (annualized), and the rate for BIF-assessable deposits was 1.18 basis points, or one-fifth of the SAIF rate, as set by statute. Beginning January 1, 2000, all insured institutions will pay the same rate. Based on the combined BIF and SAIF assessment bases as of September 30, the FICO rate for all insured institutions for the first quarter of 2000 is estimated to be 2.12 basis points (annualized).

BIF INSURANCE LOSSES, 1992–1999



*Estimated through September 30.

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

(dollar figures in millions)	1999**	1998**	1998	1997	1996	1995	1994
Number of institutions reporting	10,271	10,623	10,463	10,922	11,452	11,970	12,603
Total assets	$ 6,655,966	$6,324,278	$6,529,333	$6,041,136	$5,606,608	$5,338,418	$5,019,085
Total deposits	4,405,284	4,203,240	4,386,295	4,125,862	3,925,058	3,769,480	3,611,618
Number of problem institutions	80	88	84	92	117	193	318
Assets of problem institutions (in billions)	$8	$8	$11	$6	$12	$31	$73
Number of failed/assisted institutions	6	3	3	1	6	8	15
Assets of failed/assisted institutions (in billions)	$1.38	$0.37	$0.37	$0.03	$0.22	$1.21	$1.57

** As of September 30.

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

(dollar figures in millions)	Preliminary 3rd Quarter 1999	2nd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Number of institutions reporting	10,271	10,327	10,623	-3.3
Total employees (full-time equivalent)	1,878,093	1,864,522	1,842,669	1.9
CONDITION DATA				
Total assets	$6,655,966	$6,593,504	$6,324,279	5.2
Loans secured by real estate	2,107,267	2,029,670	1,934,769	8.9
1-4 Family residential	1,330,892	1,282,885	1,249,988	6.5
Home equity loans	115,367	109,299	114,237	1.0
Multifamily residential property	105,561	99,553	96,813	9.0
Commercial real estate	455,843	441,101	404,018	12.8
Construction, development, and land	151,817	144,185	125,084	21.4
Other real estate loans	63,154	61,946	58,866	7.3
Commercial & industrial loans	972,405	959,765	893,349	8.8
Loans to individuals	590,981	591,997	605,826	-2.5
Credit cards & related plans	202,617	205,646	227,133	-10.8
Other loans & leases	460,369	472,269	423,670	8.7
Less: Unearned income & contra accounts	3,752	3,740	4,356	-13.9
Total loans & leases	4,127,269	4,049,961	3,853,258	7.1
Less: Reserve for losses	65,296	64,580	64,229	1.7
Net loans and leases	4,061,974	3,985,381	3,789,029	7.2
Securities	1,319,335	1,297,233	1,178,187	12.0
Other real estate owned	4,148	4,268	5,062	-18.1
Goodwill and other intangibles	102,537	100,974	91,132	12.5
All other assets	1,167,972	1,205,648	1,260,869	-7.4
Total liabilities and capital	6,655,966	6,593,504	6,324,279	5.2
Deposits	4,405,285	4,380,038	4,203,241	4.8
Other borrowed funds	1,303,238	1,274,649	1,150,213	13.3
Subordinated debt	79,076	77,516	71,647	10.4
All other liabilities	302,705	298,890	346,900	-12.7
Equity capital	565,663	562,411	552,279	2.4
Loans and leases 30-89 days past due	45,957	43,386	45,062	2.0
Noncurrent loans and leases	38,061	36,821	35,836	6.2
Restructured loans and leases	3,211	3,566	4,625	-30.6
Direct and indirect investments in real estate	857	927	1,077	-20.5
Mortgage-backed securities	668,864	666,134	625,998	6.8
Earning assets	5,830,044	5,774,351	5,514,495	5.7
FHLB Advances (Source: TFR and FHFB)	357,868	321,512	242,700	47.5
Unused loan commitments	4,075,493	3,908,099	3,796,905	7.3

INCOME DATA	Preliminary First Three Qtrs 1999	First Three Qtrs 1998	%Change	Preliminary 3rd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Total interest income	$328,603	$324,765	1.2	$111,849	$110,597	1.1
Total interest expense	160,842	166,551	-3.4	54,804	56,880	-3.6
Net interest income	167,761	158,213	6.0	57,045	53,717	6.2
Provision for credit losses	16,756	17,808	-5.9	5,655	7,029	-19.5
Total noninterest income	113,286	96,194	17.8	39,413	32,720	20.5
Total noninterest expense	168,409	156,725	7.5	56,074	53,311	5.2
Securities gains (losses)	1,829	3,986	-54.1	79	1,331	-94.1
Applicable income taxes	35,031	29,031	20.7	12,540	9,403	33.4
Extraordinary gains, net	-37	492	N/M	0	-26	N/M
Net income	62,644	55,323	13.2	22,267	17,998	23.7

* Excludes insured branches of foreign banks (IBAs) and institutions in RTC conservatorship (the last of which ended in 1995). N/M - Not meaningful

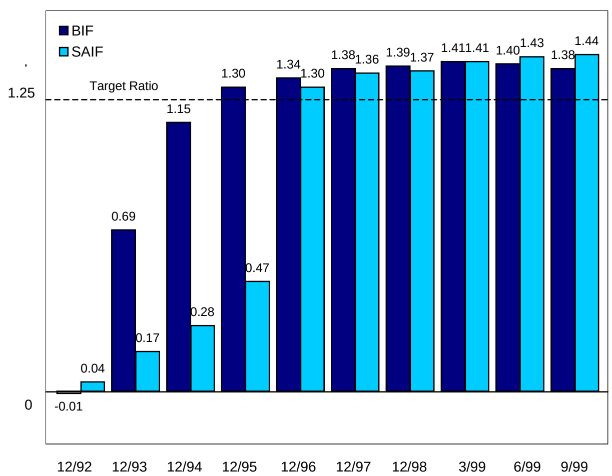
TABLE III-C. Selected Insurance Fund Indicators

(dollar figures in millions)	Preliminary 3rd Quarter 1999	2nd Quarter 1999	3rd Quarter 1998	%Change 98:3-99:3
Bank Insurance Fund*				
Reserve ratio (%)**	1.38	1.40	1.41	-2.1
Fund balance (unaudited)	$29,499	$29,831	$29,101	1.4
Estimated insured deposits	2,132,952	2,128,188	2,064,123	3.3
SAIF-member Oakars	43,049	42,293	35,621	20.9
BIF-members	2,089,903	2,085,896	2,028,502	3.0
Assessment base	2,975,537	2,951,933	2,842,894	4.7
SAIF-member Oakars	44,798	43,887	37,022	21.0
BIF-members	2,930,739	2,908,046	2,805,872	4.5
Savings Association Insurance Fund				
Reserve ratio (%)**	1.44	1.43	1.39	3.6
Fund balance (unaudited)	$10,205	$10,066	$9,731	4.9
Estimated insured deposits	707,891	704,934	701,031	1.0
BIF-member Oakars	264,868	262,161	280,107	-5.4
SAIF-member Sassers	68,760	67,388	61,697	11.4
Other SAIF members	374,263	375,385	359,227	4.2
Assessment base	756,960	749,423	740,558	2.2
BIF-member Oakars	265,401	262,549	282,285	-6.0
SAIF-member Sassers	78,067	75,650	67,882	15.0
Other SAIF members	413,492	411,224	390,391	5.9

* Includes U.S. branches of foreign banks.

** Fund balance as a percent of estimated insured deposits. Insured deposits for prior periods may reflect adjustments. For SAIF, the fund balance and reserve ratio include the $978 million SAIF Special Reserve, which existed from 1/1/99 to 11/12/99. Net of the Special Reserve, the SAIF reserve ratio was 1.30 percent at the end of the third quarter 1999 and 1.29 percent at the end of the second quarter 1999.

Insurance Fund Reserve Ratios*
Percent of Insured Deposits



*Insurance fund balance as a percent of total insured deposits. The SAIF balance includes the $978-million SAIF Special Reserve. Net of the Special Reserve, the SAIF reserve ratio was 1.27 percent, 1.29 percent and 1.30 percent for 3/99, 6/99 and 9/99, respectively.

Fund Balance and Insured Deposits
($ Millions

	BIF-Fund Balance	BIF-Insured Deposits	SAIF Fund Balance	SAIF-Insured Deposits
12/92	-101	1,945,550	279	732,159
12/93	13,122	1,905,245	1,157	697,885
12/94	21,848	1,895,258	1,937	693,610
12/95	25,454	1,951,693	3,358	711,897
12/96	26,854	2,007,042	8,888	683,403
12/97	28,293	2,056,558	9,368	689,915
12/98	29,612	2,134,437	9,840	716,028
3/99	29,852	2,123,618	9,937	707,029
6/99	29,831	2,128,188	10,066	704,934
9/99	29,499	2,132,952	10,205	707,891

*Insured deposit amounts are estimates.
1999 fund balance amounts are unaudited.

TABLE IV-C. Closed/Assisted Institutions

(dollar figures in millions)	1999*	1998*	1998	1997	1996	1995	1994
BIF Members							
Number of institutions	5	3	3	1	5	6	13
Total assets	$1,309	$371	$371	$27	$182	$753	$1,392
SAIF Members							
Number of institutions	1	0	0	0	1	2	2
Total assets	$69	$0	$0	$0	$35	$426	$129

* Through September 30.

TABLE V-C. Selected Indicators, By Fund Membership*

(dollar figures in millions)	1999**	1998**	1998	1997	1996	1995	1994
BIF Members							
Number of institutions reporting	8,877	9,031	9,161	9,404	9,823	10,243	10,760
BIF-member Oakars	728	742	768	778	793	807	719
Other BIF-members	8,149	8,289	8,393	8,626	9,030	9,436	10,041
Total assets	$ 5,780,643	$5,572,069	$5,701,155	$5,285,412	$4,857,761	$4,577,897	$4,248,300
Total deposits	3,864,428	3,701,055	3,843,814	3,611,453	3,404,203	3,225,649	3,062,717
Net income	56,228	49,597	64,349	61,462	54,483	50,779	46,882
Return on assets (%)	1.31	1.22	1.18	1.22	1.17	1.15	1.14
Return on equity (%)	15.25	14.21	13.81	14.44	14.14	14.32	14.43
Noncurrent assets plus OREO to assets (%)	0.65	0.65	0.64	0.67	0.77	0.89	1.06
Number of problem institutions	69	69	68	73	86	151	264
Assets of problem institutions	$4,206	$5,413	$5,326	$4,598	$6,624	$20,166	$42,311
Number of failed/assisted institutions	5	3	3	1	5	6	13
Assets of failed/assisted institutions	$1,309	$371	$371	$27	$182	$753	$1,392
SAIF Members							
Number of institutions reporting	1,394	1,432	1,462	1,518	1,629	1,727	1,843
SAIF-member Oakars	118	115	117	112	94	77	55
Other SAIF-members	1,276	1,317	1,345	1,406	1,535	1,650	1,788
Total assets	$875,322	$752,208	$828,177	$755,724	$748,847	$760,520	$770,785
Total deposits	540,856	502,185	542,481	514,408	520,854	543,831	548,900
Net income	6,416	5,725	7,598	6,485	4,883	5,584	4,101
Return on assets (%)	1.01	1.06	0.98	0.94	0.67	0.76	0.56
Return on equity (%)	12.15	12.11	11.34	11.13	8.07	9.47	7.16
Noncurrent assets plus OREO to assets (%)	0.68	0.81	0.80	0.98	1.07	1.12	1.23
Number of problem institutions	11	19	16	19	31	42	54
Assets of problem institutions	$3,912	$2,953	$5,992	$1,662	$5,548	$10,846	$30,336
Number of failed/assisted institutions	1	0	0	0	1	2	2
Assets of failed/assisted institutions	$69	$0	$0	$0	$35	$426	$129

* Excludes insured branches of foreign banks (IBAs) and institutions in RTC conservatorship (the last of which ended in 1995).

** Through September 30, ratios annualized where appropriate.

TABLE VI-C. Estimated FDIC-Insured Deposits by Fund Membership and Type of Institution

(dollar figures in millions)	Number of Institutions	Total Assets	Domestic Deposits*	Estimated Insured Deposits		
				BIF	SAIF	Total
September 30, 1999						
Commercial Banks and Savings Institutions						
FDIC-Insured Commercial Banks	8,621	$5,506,529	$3,099,738	$1,934,439	$268,567	$2,203,006
BIF-member	8,513	5,426,749	3,045,050	1,919,780	238,185	2,157,965
SAIF-member	108	79,780	54,688	14,659	30,382	45,041
FDIC-Supervised	5,234	992,375	735,098	495,201	61,761	556,962
OCC-Supervised	2,384	3,227,414	1,765,100	1,104,823	154,426	1,259,248
Federal Reserve-Supervised	1,003	1,286,740	599,540	334,415	52,380	386,796
FDIC-Insured Savings Institutions	1,650	1,149,437	702,769	197,444	439,324	636,767
OTS-Supervised Savings Institutions	1,111	862,742	502,771	72,914	383,932	456,846
BIF-member	42	127,082	59,100	45,649	9,669	55,319
SAIF-member	1,069	735,660	443,671	27,264	374,263	401,527
FDIC-Supervised State Savings Banks	539	286,695	199,998	124,530	55,391	179,921
BIF-member	322	226,813	157,539	123,405	17,013	140,418
SAIF-member	217	59,883	42,460	1,125	38,378	39,503
Total Commercial Banks and Savings Institutions	10,271	6,655,966	3,802,507	2,131,882	707,891	2,839,773
BIF-member	8,877	5,780,644	3,261,688	2,088,834	264,868	2,353,701
SAIF-member	1,394	875,323	540,818	43,049	443,023	486,072
Other FDIC-Insured Institutions						
U.S. Branches of Foreign Banks	20	8,747	3,117	1,069	0	1,069
Total FDIC-Insured Institutions	10,291	6,664,713	3,805,624	2,132,952	707,891	2,840,843

* Excludes $603 billion in foreign office deposits, which are uninsured.

TABLE VII-C. Assessment Base Distribution and Rate Schedules

BIF Assessment Base Distribution
Assessable Deposits in Millions as of September 30, 1999
Supervisory and Capital Ratings for First Semiannual Assessment Period, 2000

	Supervisory Risk Subgroup					
Capital Group	A		B		C	
1. Well-capitalized						
Number of institutions……………………………	8,320	93.5%	331	3.7%	50	0.6%
Assessable deposit base………………………..	$2,887,795	97.1%	$58,334	2.0%	$2,583	0.1%
2. Adequately capitalized						
Number of institutions……………………………	157	1.8%	13	0.1%	12	0.1%
Assessable deposit base………………………..	$23,312	0.8%	$891	0.0%	$1,844	0.1%
3. Undercapitalized						
Number of institutions……………………………	2	0.0%	0	0.0%	12	0.1%
Assessable deposit base………………………..	$213	0.0%	$0	0.0%	$565	0.0%

Note: "Number" reflects the number of BIF members; "Base" reflects the BIF-assessable deposits held by both BIF and SAIF members. Institutions are categorized based on capitalization and a supervisory subgroup rating, which is generally determined by on-site examinations.

SAIF Assessment Base Distribution
Assessable Deposits in Millions as of September 30, 1999
Supervisory and Capital Ratings for First Semiannual Assessment Period, 2000

	Supervisory Risk Subgroup					
Capital Group	A		B		C	
1. Well-capitalized						
Number of institutions……………………………	1,274	91.4%	77	5.5%	6	0.4%
Assessable deposit base………………………..	$727,836	96.2%	$18,592	2.5%	$984	0.1%
2. Adequately capitalized						
Number of institutions……………………………	24	1.7%	5	0.4%	7	0.5%
Assessable deposit base………………………..	$5,254	0.7%	$1,542	0.2%	$2,702	0.4%
3. Undercapitalized						
Number of institutions……………………………	0	0.0%	0	0.0%	1	0.1%
Assessable deposit base………………………..	$0	0.0%	$0	0.0%	$49	0.0%

Note: "Number" reflects the number of SAIF members; "Base" reflects the SAIF-assessable deposits held by both BIF and SAIF members. Institutions are categorized based on capitalization and a supervisory subgroup rating, which is generally determined by on-site examinations.

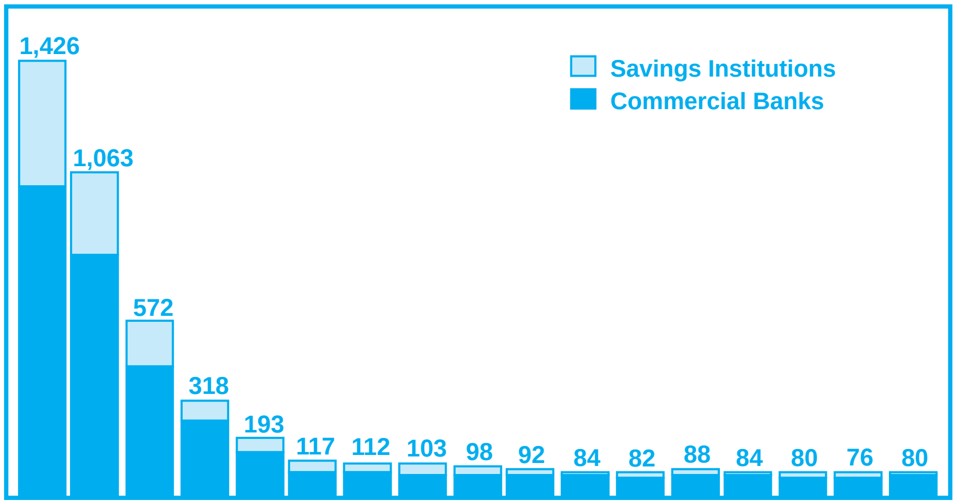
Assessment Rate Schedules
First Semiannual 2000 Assessment Period
Cents Per $100 of Assessable Deposits

	Supervisory Risk Subgroup		
Capital Group	A	B	C
1. Well Capitalized…………….0……………………		3	17
2. Adequately Capitalized…………3…………………		10	24
3. Undercapitalized………………………………….	10	24	27

Note: Rates for the BIF and the SAIF are set separately by the FDIC.
Currently, the rate schedules are identical.

NUMBER OF FDIC-INSURED "PROBLEM" INSTITUTIONS, 1991–1999

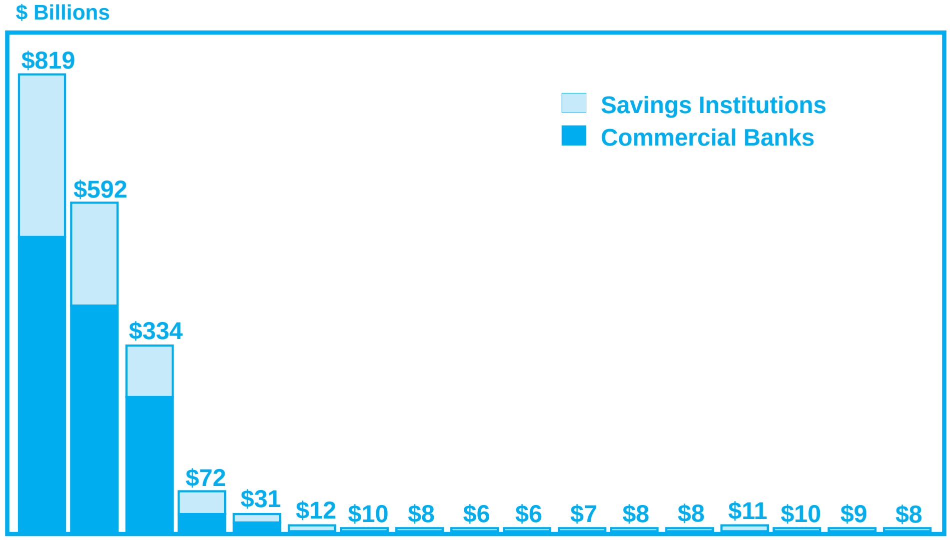
Number of Institutions



	12/91	12/92	12/93	12/94	12/95	12/96	3/97	6/97	9/97	12/97	3/98	6/98	9/98	12/98	3/99	6/99	9/99
Savings Institutions	410	276	146	71	49	35	35	29	27	21	16	18	18	15	16	14	11
Commercial Banks	1,016	787	426	247	144	82	77	74	71	71	68	64	70	69	64	62	69

ASSETS OF FDIC-INSURED "PROBLEM" INSTITUTIONS, 1991–1999

$ Billions



	12/91	12/92	12/93	12/94	12/95	12/96	3/97	6/97	9/97	12/97	3/98	6/98	9/98	12/98	3/99	6/99	9/99
Savings Institutions	291	184	92	39	14	7	5	3	2	2	2	3	3	6	5	4	4
Commercial Banks	528	408	242	33	17	5	5	5	4	5	5	5	5	5	5	5	4

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 in Resolution Trust Corporation conservatorships are also excluded from these tables while in conservatorship, where applicable. 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 VII-C.)

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 unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their 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*. Beginning in March 1997, both *Thrift Financial Reports* and *Call Reports* are completed on a fully consolidated basis. Previously, the consolidation of subsidiary depository institutions was prohibited. Now, parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data.

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.

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may change their charters, resulting in an inter-industry migration, e.g., savings institutions can convert to commercial banks or commercial banks may convert to savings institutions. These situations can affect state and regional statistics.

ACCOUNTING CHANGES

Adoption of GAAP Reporting — Effective with the March 31, 1997 *Call Reports*, generally accepted accounting principles (GAAP) were adopted as the reporting basis for the balance sheet, income statement and supporting schedules. New reporting instructions for 1997 and 1998 changed the amounts reported for a number of items used in the *Quarterly Banking Profile*, so that comparability with prior periods may be affected. Among the items most significantly affected by the new reporting rules are: loans & leases, reserve for losses, loss provisions, goodwill and other intangibles, all other assets and equity capital (see definitions below). More information on changes to the *Call Report* in March 1997 and in March 1998 is contained in Financial Institution Letters (FIL-27-97 and FIL-28-98), which are available through the FDIC World Wide Web site at www.fdic.gov, or from the FDIC Public Information Center, 801 17th Street, NW, Washington, DC 20434; telephone (800) 276-6003. Information on changes to the March 31, 1997 *Thrift Financial Reports* is available from the Office of Thrift Supervision, 1700 G Street, NW, Washington, DC 20552; telephone (202) 906-5900.

Subchapter S Corporations — The Small Business Job Protection Act of 1996 changed the Internal Revenue Code to allow financial institutions to elect Subchapter S corporation status, beginning in 1997. A Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. Its taxable income flows through to its shareholders in proportion to their stock ownership, and the shareholders generally pay federal income taxes on their share of this taxable income. This can have the effect of reducing institutions' reported taxes and increasing their after-tax earnings.

The election of Subchapter S status may result in an increase in shareholders' personal tax liability. Therefore, some S corporations may increase the amount of earnings distributed as dividends to compensate for higher personal taxes.

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 3/31/97, Federal funds sold are reported on a consolidated basis (domestic and foreign offices combined). Previously, Federal funds sold through foreign offices were reported as loans.

All other liabilities — bank's liability on acceptances, limited-life preferred stock, allowance for estimated off-balance sheet credit losses, and other liabilities.

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

(Percent)	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	≥6	***and***	≥3	***and***	≥3		—
Significantly undercapitalized	<6	***or***	<3	***or***	<3	***and***	>2
Critically undercapitalized	—		—		—		≤2

*As a percentage of risk-weighted assets.

For purpose of BIF and SAIF assessments, risk-based assessment rules combine the last three capital rating categories into a single "undercapitalized" group. Supervisory risk subgroup assignments are based on supervisory ratings. The strongest institutions (those rated 1 or 2) are in subgroup A, those rated 3 are in subgroup B, and those rated 4 or 5 are in subgroup C.

BIF-insured deposits (estimated) — the portion of estimated insured deposits that is insured by the BIF. For SAIF-member "Oakar" institutions, it represents the adjusted attributable amount acquired from BIF members.

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

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

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

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.

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

Estimated insured deposits — 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 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 — all borrowings by FDIC insured institutions from the Federal Home Loan Bank System (FHLB) as furnished by the Federal Housing Finance Board (FHFB) for *Call* filers and reported by *TFR* filers.

Goodwill and other intangibles — intangible assets include 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. Also, see "Securities", below.

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 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 swap, futures, forward and option contracts), foreign-exchange-rate contracts, commodity contracts 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 an underlying variable or index at a specified price or yield. These contracts exist for a variety of variables or indices, (traditional agricultural or physical commodities, as well as currencies and interest rates). Futures contracts are standardized and are traded on organized exchanges which set limits on counterparty credit exposure. Forward contracts do not have standardized terms and are traded over the counter.

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

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

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, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.

Other real estate owned — primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that 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.

Reserves for losses — the allowance for loan and lease losses and the allocated transfer risk reserve on a consolidated basis. Prior to March 31, 1997, institutions filing a *Thrift Financial Report (TFR)* included specific reserves, while *Call Report* filers included only general valuation allowances. Beginning March 31, 1997, *TFR* reporters net these specific reserves against each loan balance. Also beginning March 31, 1997, the allowance for off-balance-sheet credit exposures was moved to "Other liabilities"; previously, it had been included in the general valuation allowance.

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 portion of estimated insured deposits that is 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. Banks' securities portfolios consist of securities designated as "held-to-maturity", which are reported at amortized cost (book value), and securities designated as "available-for-sale", reported at fair (market) value.

Securities gains (losses) — realized gains (losses) on held-to-maturity and available-for-sale securities, before adjustments for income taxes. *Thrift Financial Report (TFR)* filers also include gains (losses) on the sales of assets held for sale.

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.

Unearned income & contra accounts — unearned income and loans-in-process for *TFR* filers. Beginning March 31 1997, *TFR* filers net the unearned income and the loans-in-process against each loan balance, leaving just the unearned income on loans reported by *Call Report* filers.

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.

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