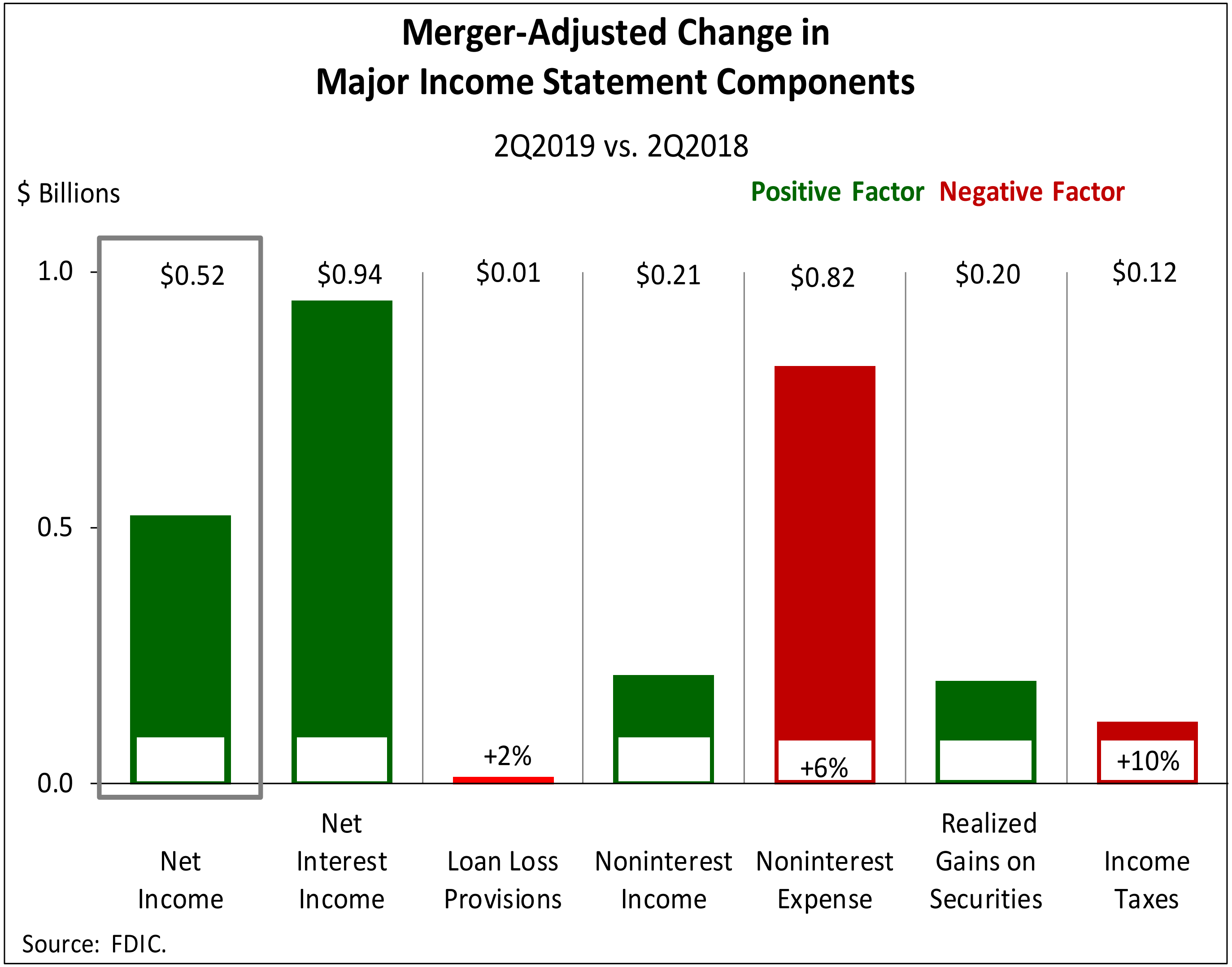
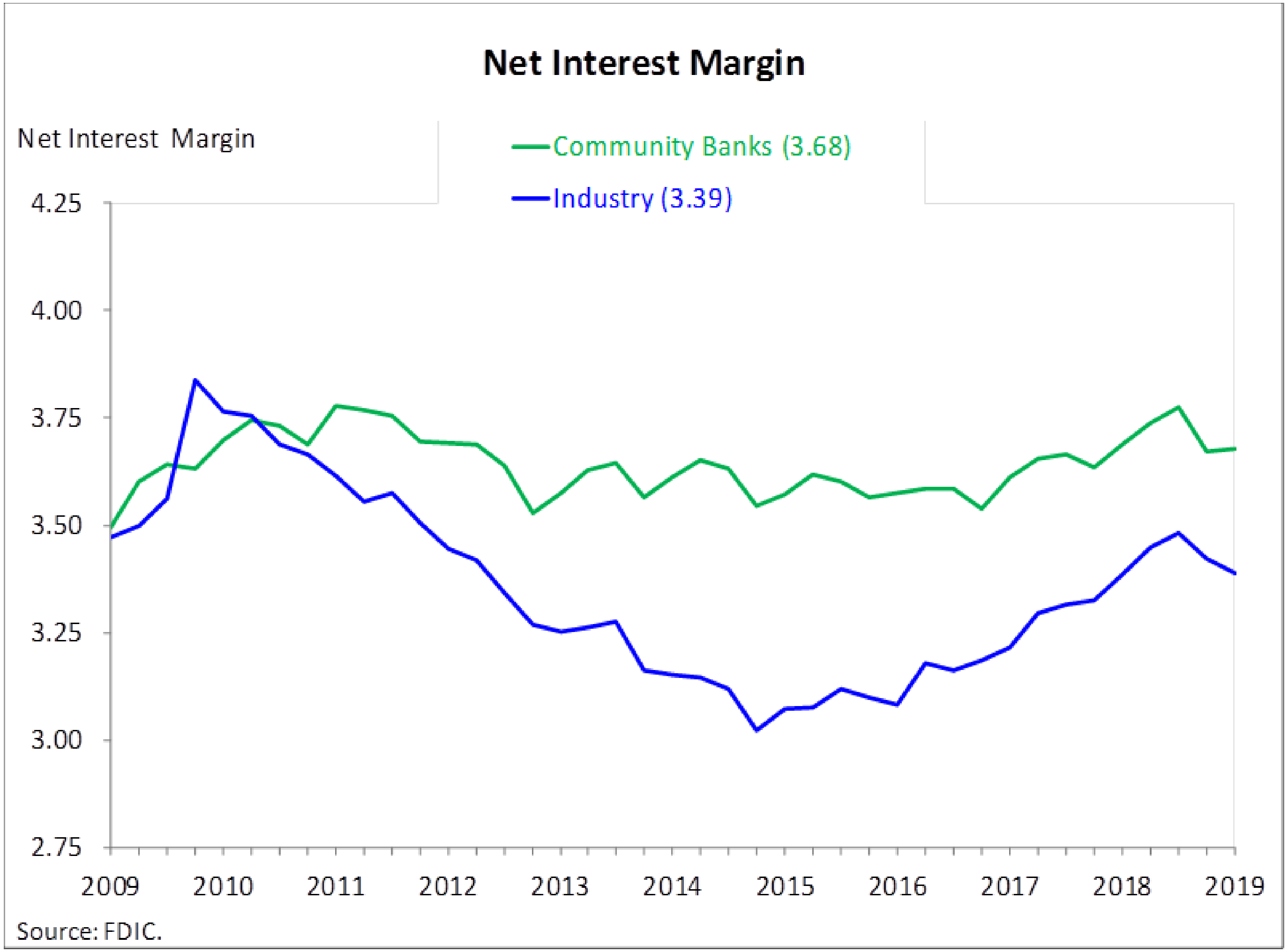
Quarterly Banking Profile
Community Bank Results
Second Quarter 2019

Division of Insurance & Research
Risk Analysis Branch
October 10, 2019

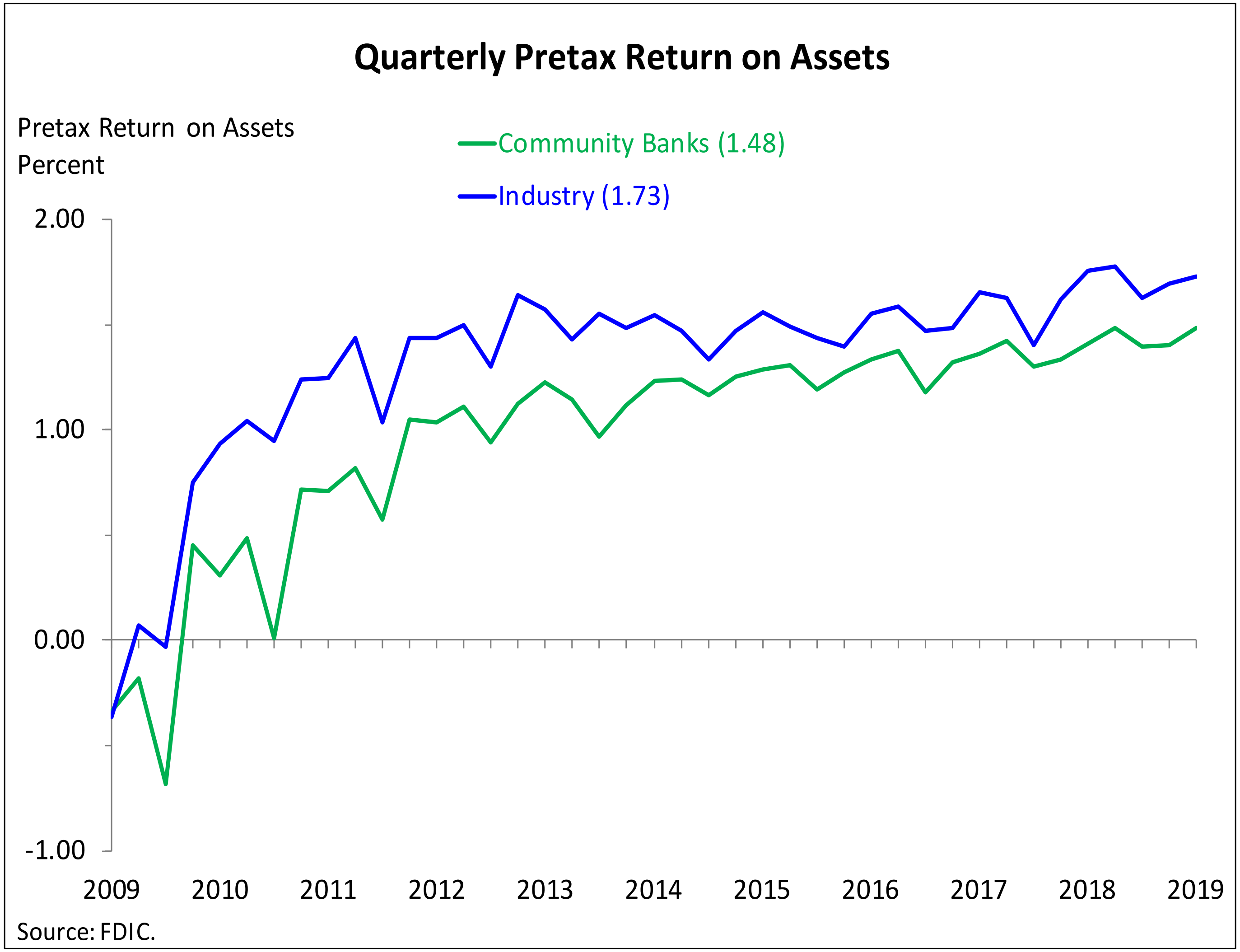
Growth in both net interest income and noninterest income supported profitability



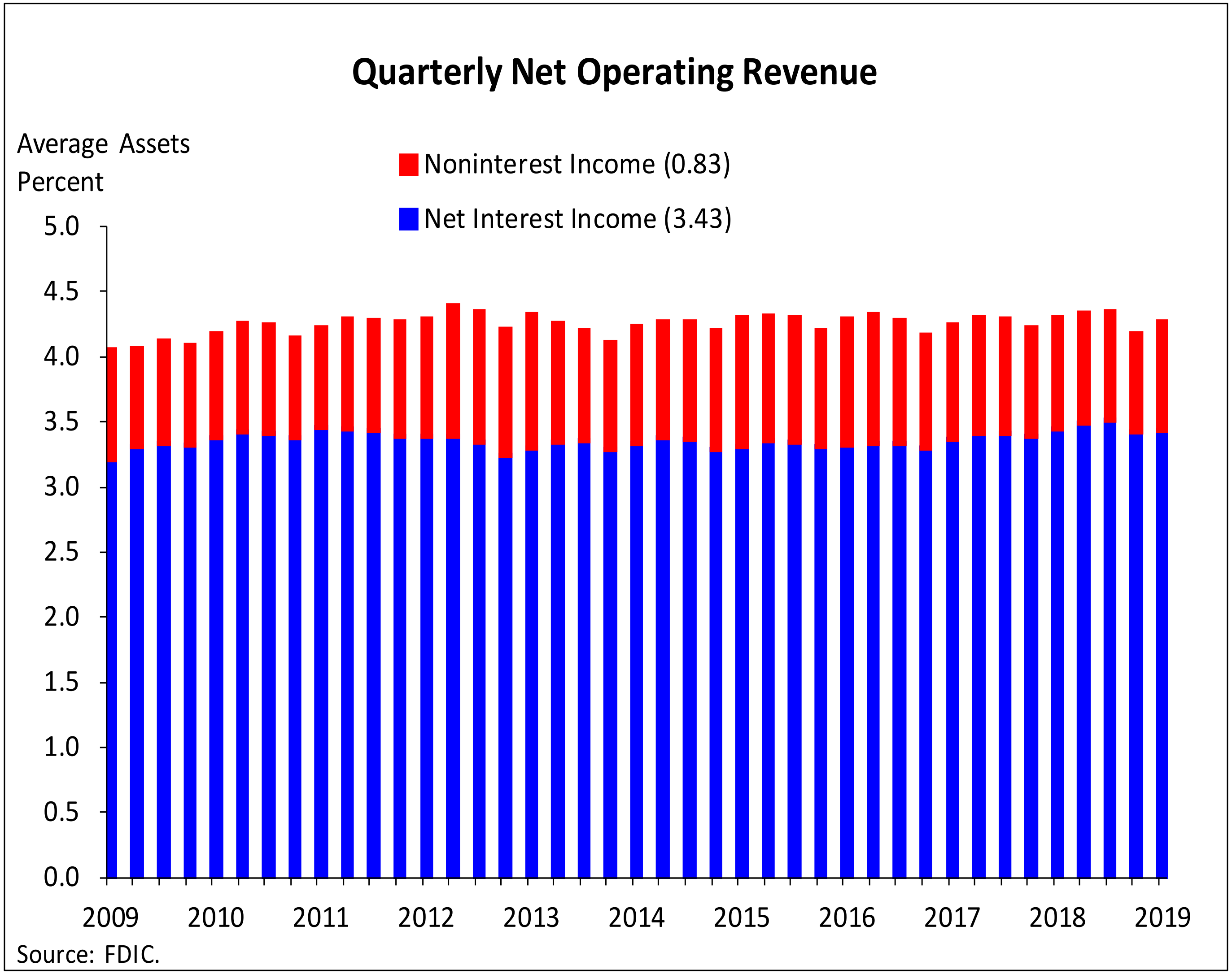
Net Interest Margins held steady quarter-over-quarter



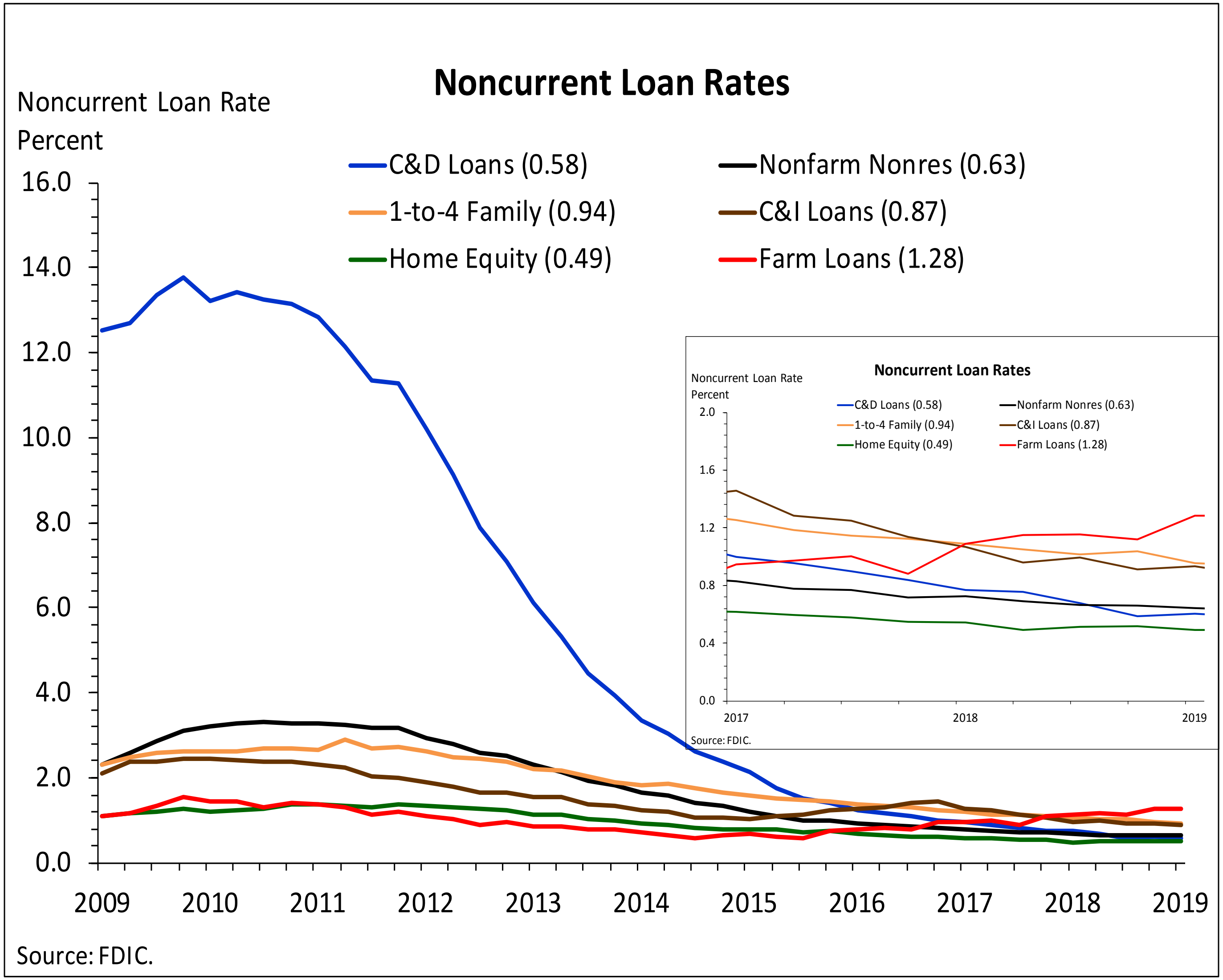
Pre-tax ROA increased at community banks but declined at noncommunity banks YoY



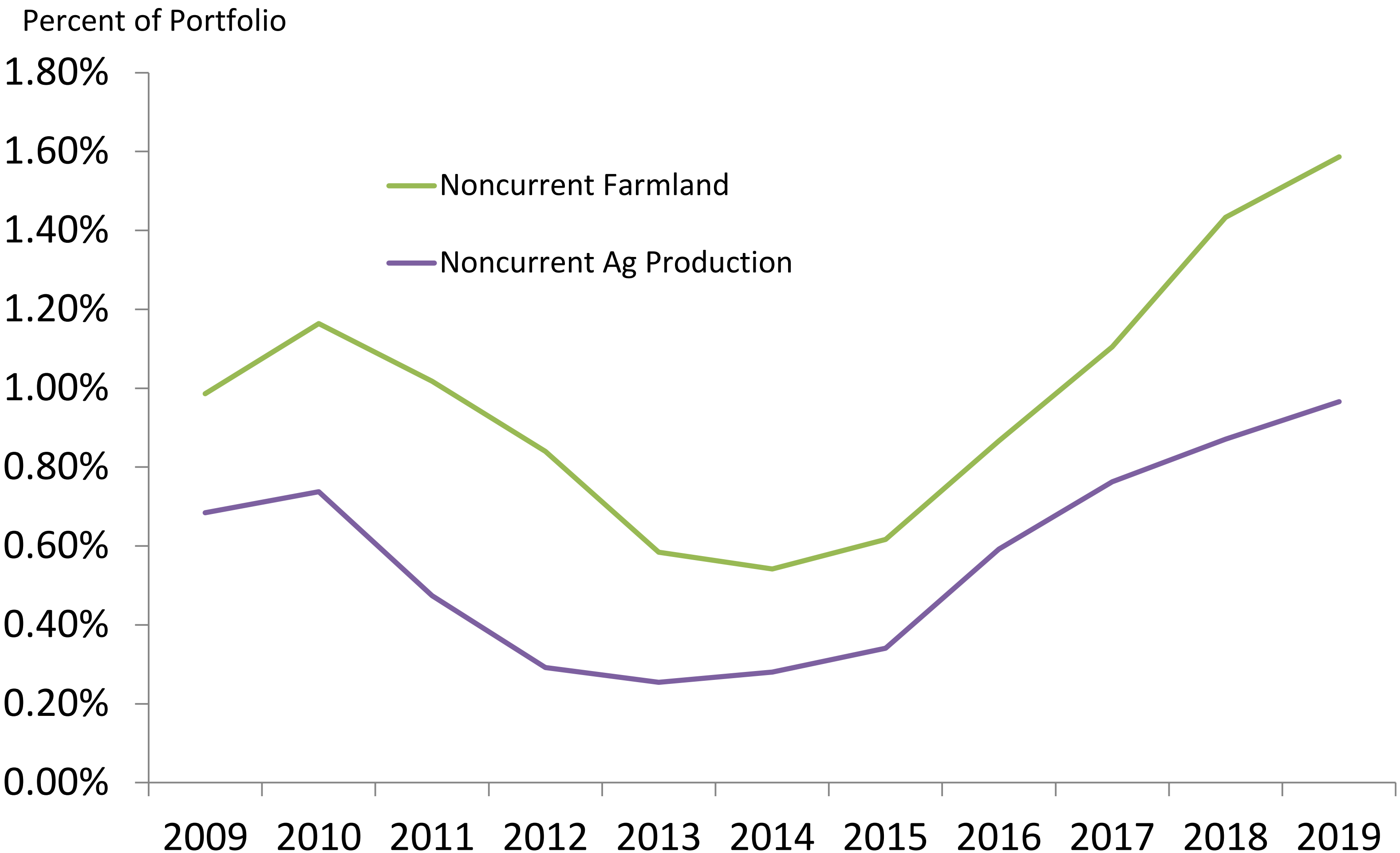
Net operating revenue remains steady as a percent of average assets



Farm loans continue to show modest signs of stress while other portfolios show continued improvements.



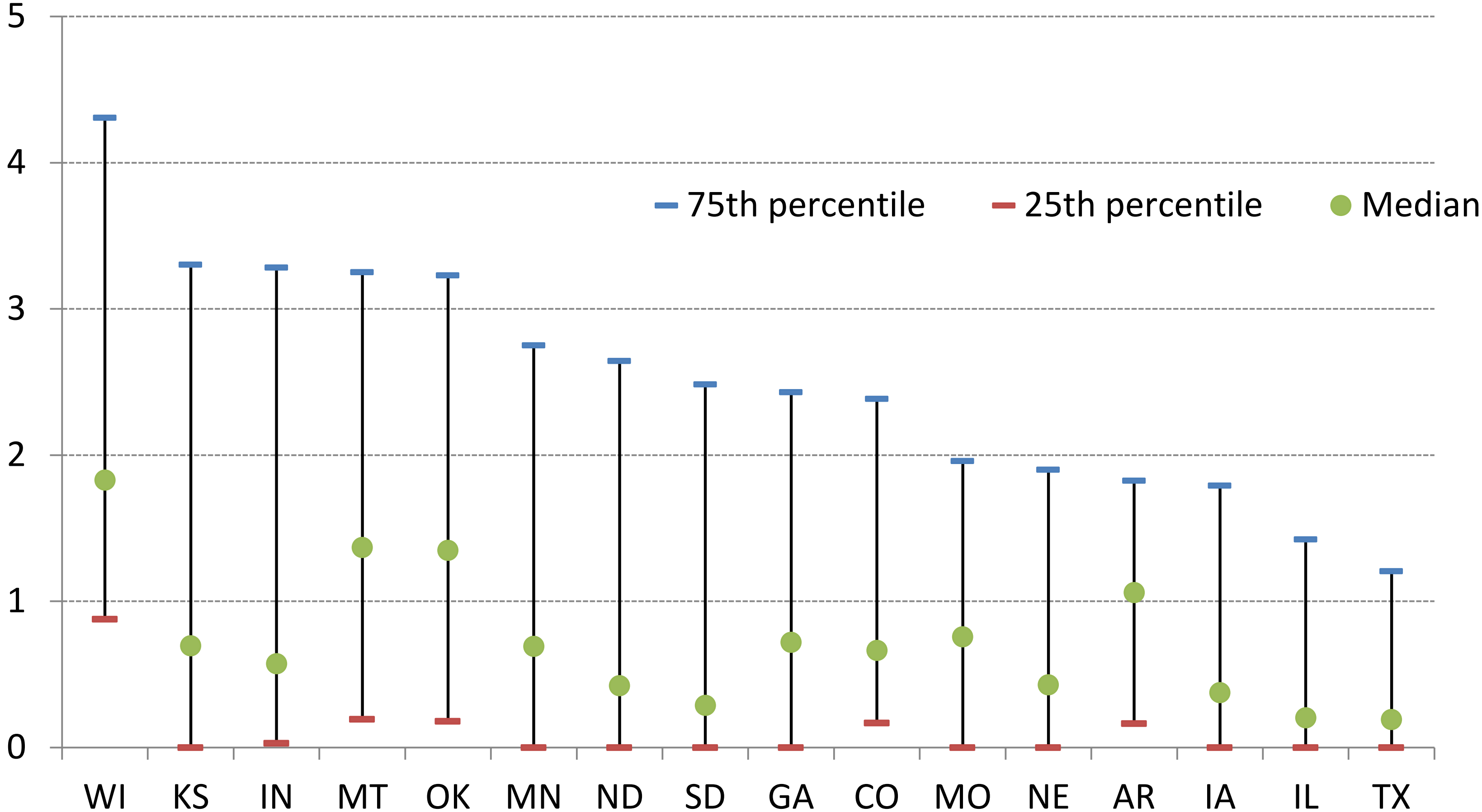
In states with higher numbers of ag banks, noncurrent loan rates have been rising in the past four years.



Source: FDIC. Data is as of June 30 for each year due to seasonality of agriculture loans and is only for community banks in those states with more than 20 agriculture banks.

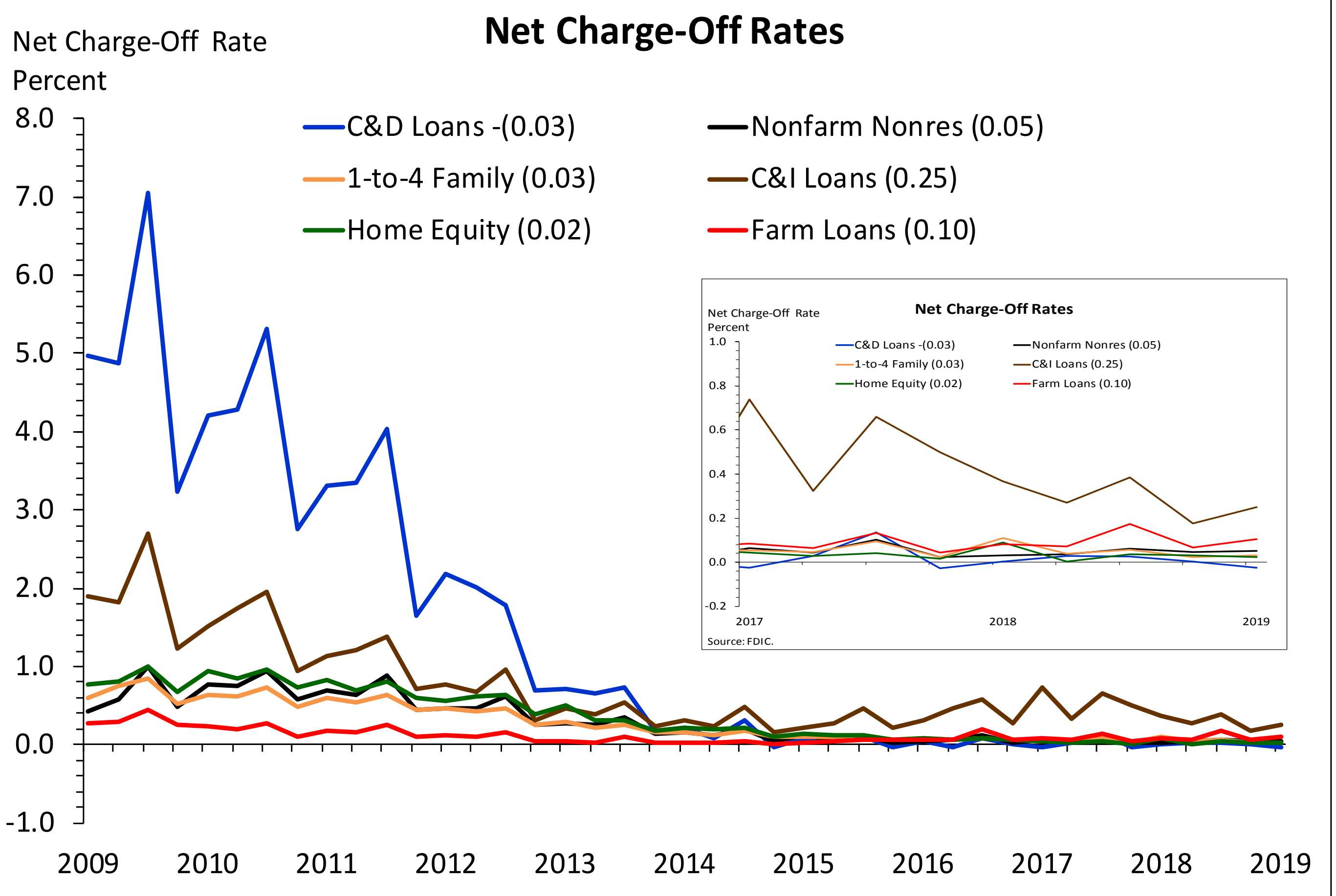
Performance varies from state to state and from bank to bank

Past Due and Nonaccrual Agriculture Loans As a Share of Total Agriculture Loan Portfolio
Percent



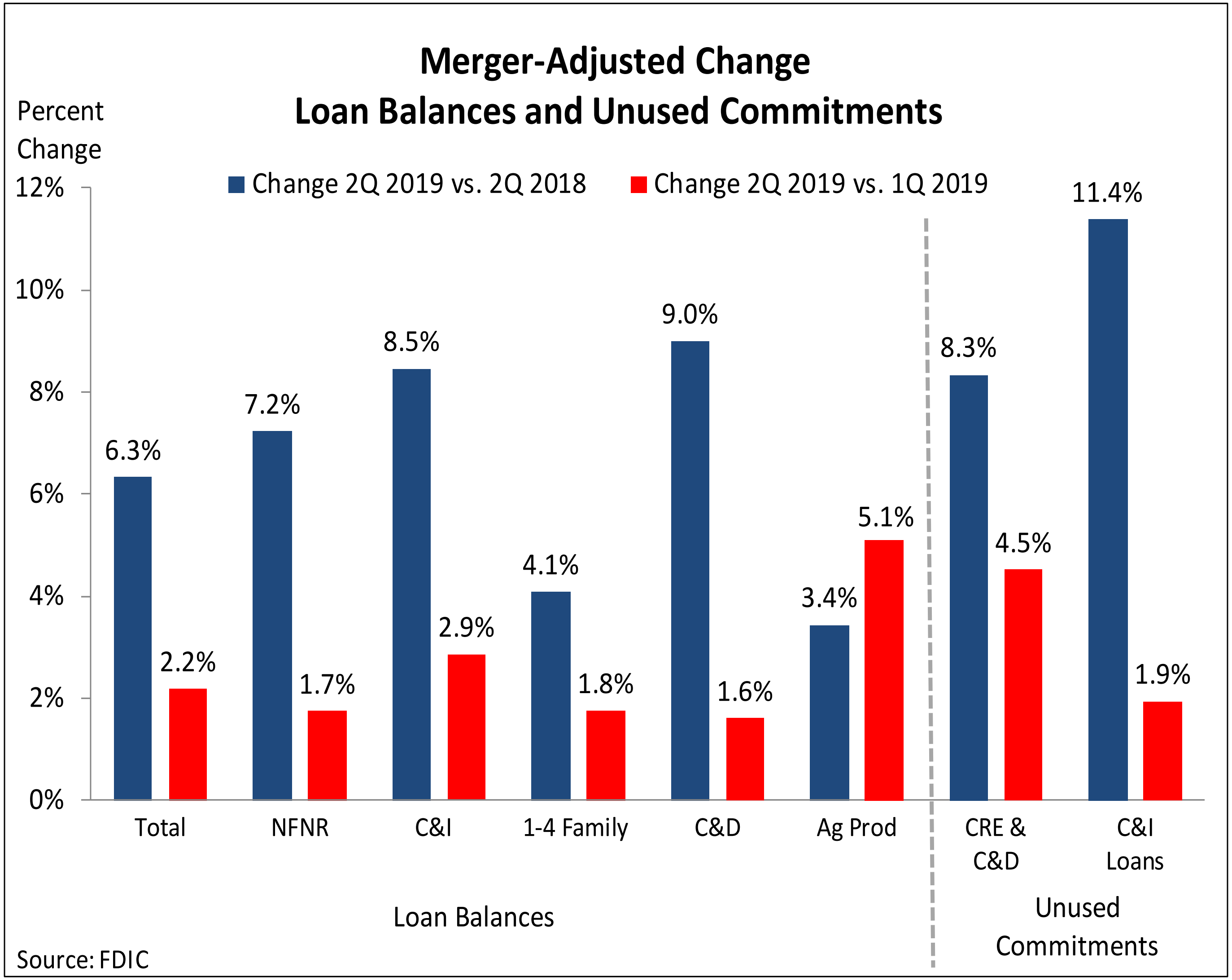
Source: FDIC.
Note: Data are for farm banks, as of second quarter 2019. Includes states with at least 20 farm banks.

Despite minor increases in a few portfolios, charge-off rates remain low for all portfolios

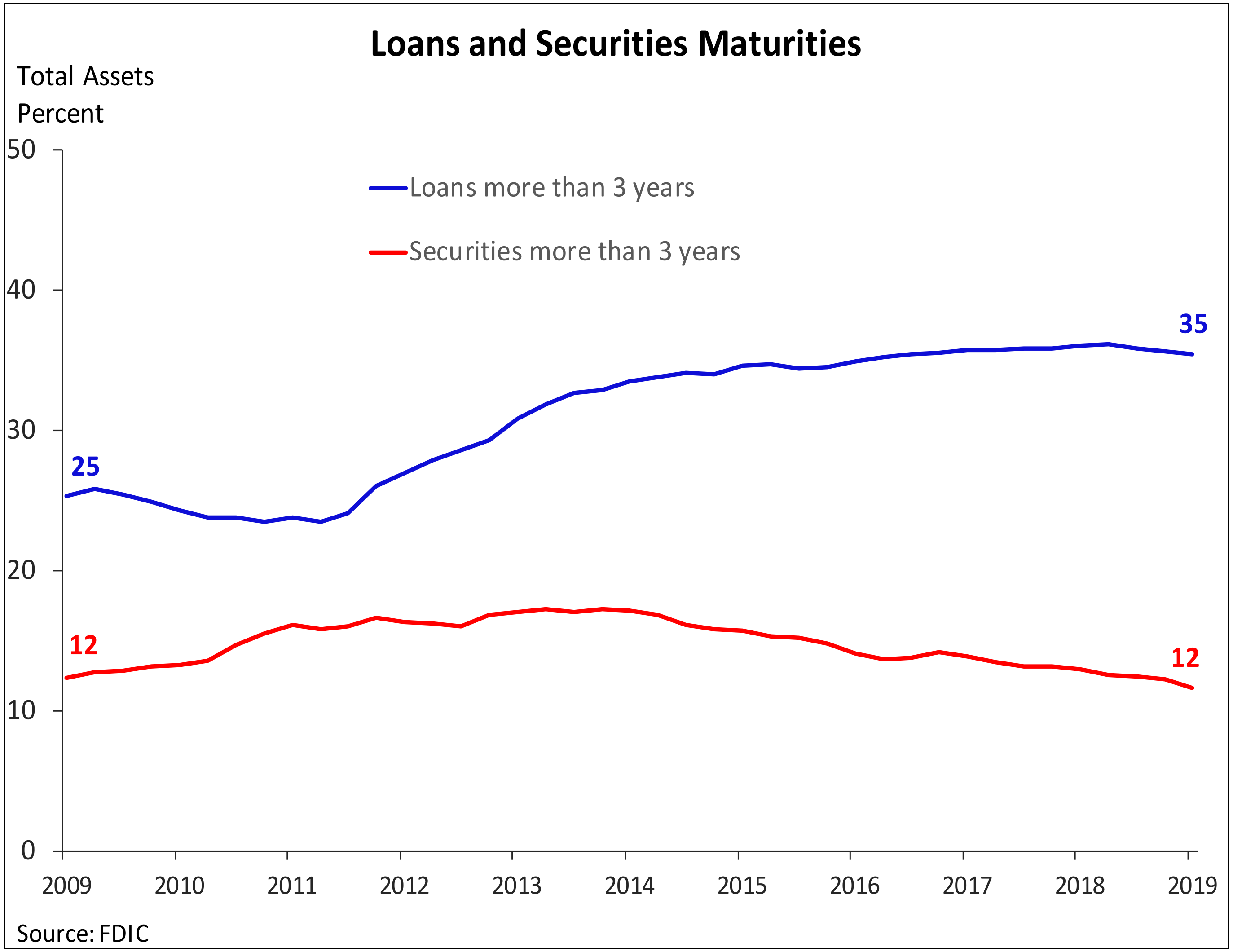


Source: FDIC.

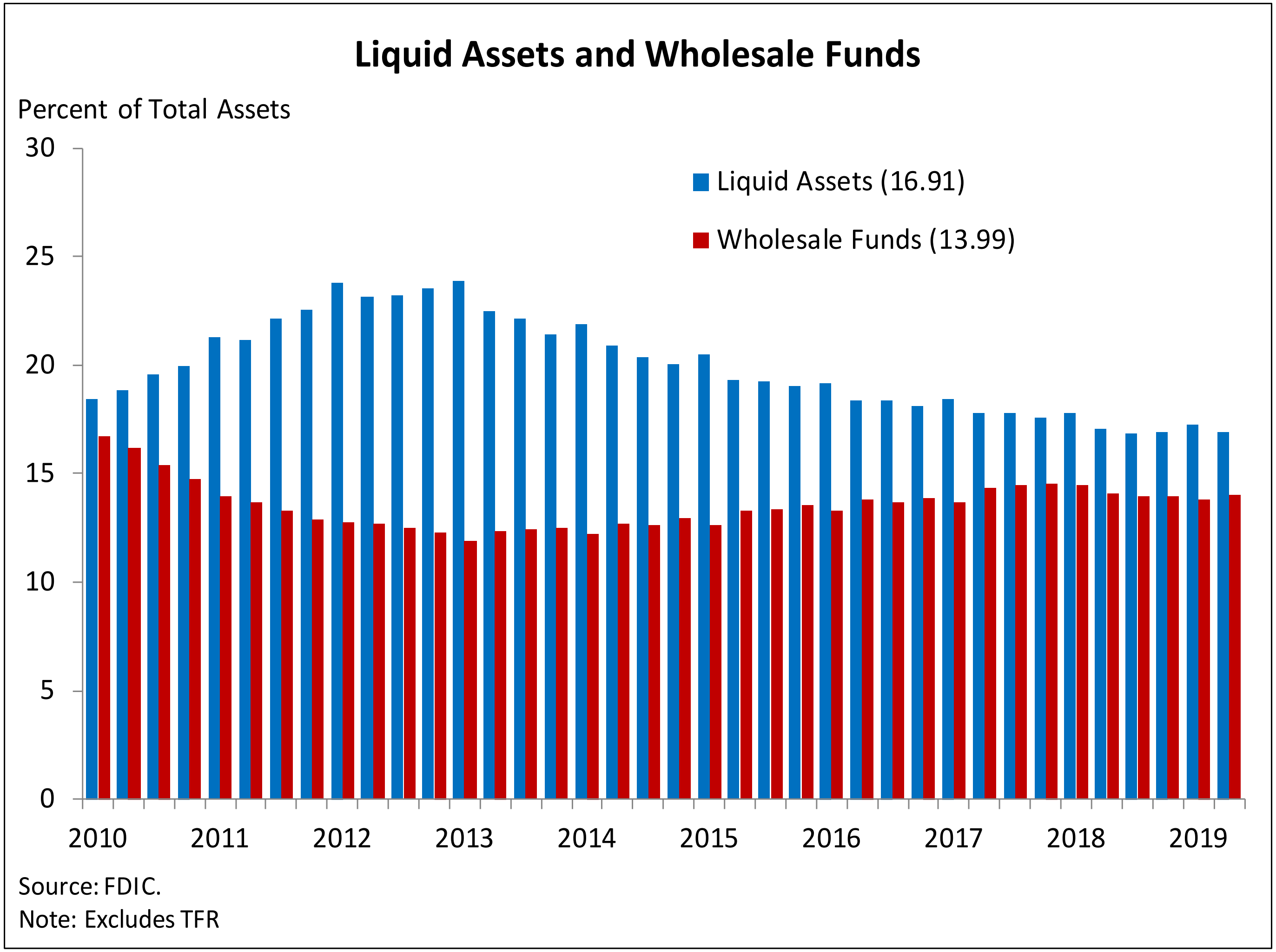
Loan growth remained strong and broad based



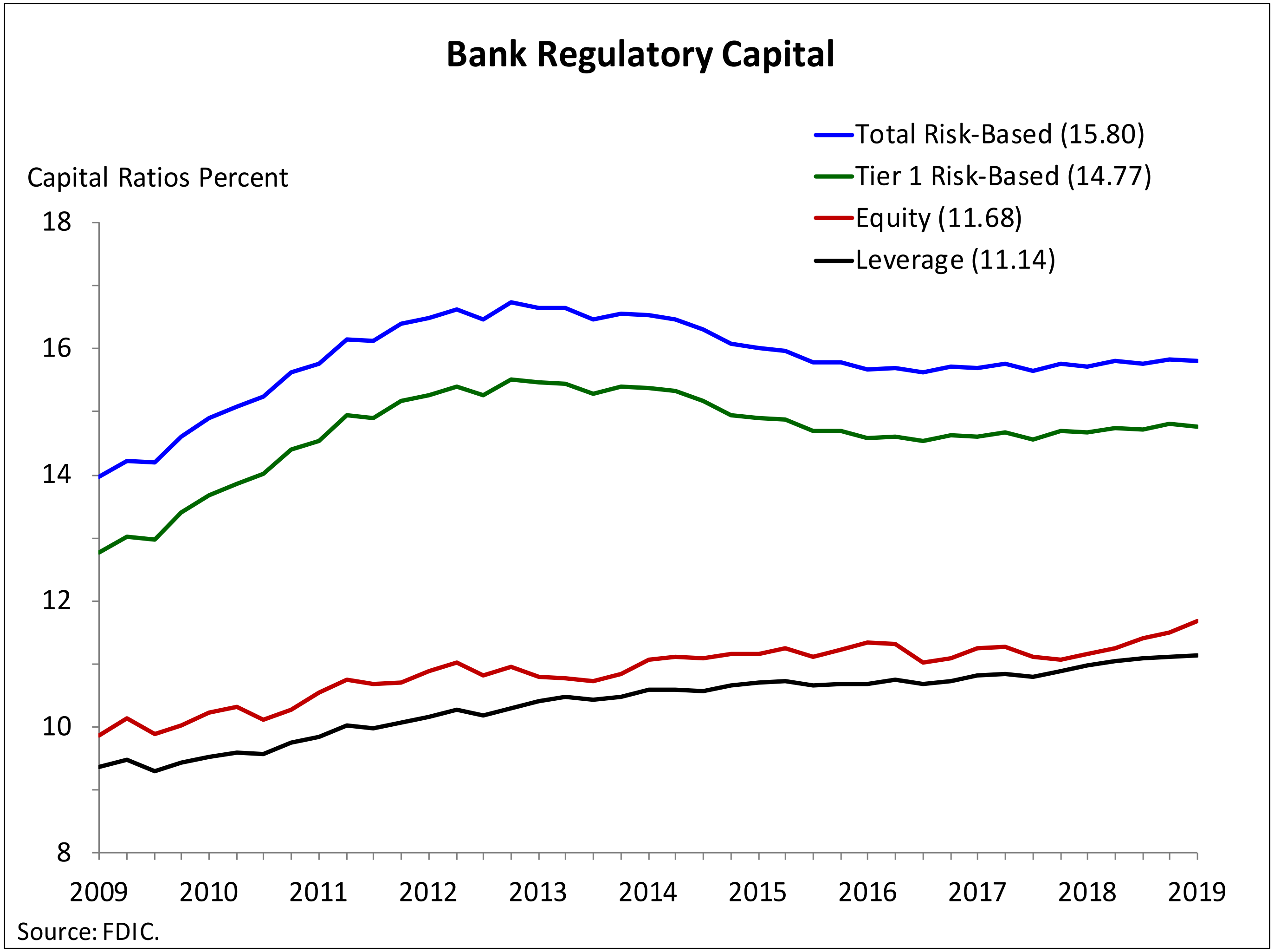
Community banks remain sensitive to rising rates as nearly 50 percent of their assets have longer-term maturities



While liquid assets exceed wholesale funding, the gap narrowed in second quarter 2019



Capital ratios continued to improve and remain higher than the industry.



Annual Rates of Voluntary Attrition, 1985 – 1Q2019