2022 VOLUME 16 NUMBER 4

FEDERAL DEPOSIT INSURANCE CORPORATION

QUARTERLY

THIRD QUARTER

FDIC

The *FDIC Quarterly* is published by the Division of Insurance and Research of the Federal Deposit Insurance Corporation and contains a comprehensive summary of the most current financial results for the banking industry. Feature articles appearing in the *FDIC Quarterly* range from timely analysis of economic and banking trends at the national and regional level that may affect the risk exposure of FDIC-insured institutions to research on issues affecting the banking system and the development of regulatory policy.

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FDIC QUARTERLY

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QUARTERLY BANKING PROFILE: THIRD QUARTER 2022

FDIC-insured institutions reported aggregate net income of $71.7 billion in third quarter 2022, an increase of $7.3 billion (11.3 percent) from the second quarter. An increase in net interest income drove the increase in net income. Nearly three quarters of all banks (73.3 percent) reported an increase in net income from the prior quarter. Net income rose $2.2 billion (3.2 percent) from third quarter 2021, as growth in net interest income exceeded growth in provision expense. The banking industry reported an aggregate return on average assets ratio of 1.21 percent, up 13 basis points from the second quarter but unchanged from the same quarter last year. *See page 1.*

COMMUNITY BANK PERFORMANCE

Community banks—which represent 91 percent of insured institutions—reported net income of $8.5 billion in third quarter 2022, up 1.0 billion (13.5 percent) from one quarter ago. Higher net interest income more than offset increases in noninterest expense and provisions for credit losses and a decrease in noninterest income. The community bank pretax return on average assets ratio rose 17 basis points from one quarter ago to 1.51 percent. *See page 19.*

INSURANCE FUND INDICATORS

The Deposit Insurance Fund (DIF) balance increased by $1.0 billion to $125.5 billion. Assessment revenue of $2.1 billion was the largest source of income. Interest earned on investments, negative provisions for insurance losses, and other miscellaneous income also added to the fund balance. Operating expenses and unrealized losses on available-for-sale securities partially offset the increase in fund balance. The DIF reserve ratio was 1.26 percent on September 30, 2022, unchanged from the previous quarter and 1 basis point lower than the previous year. *See page 31.*

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INSURED INSTITUTION PERFORMANCE

Net Income Increased Quarter Over Quarter and Year Over Year

Net Interest Margin Widened Substantially

Unrealized Losses on Securities Increased

Loan Growth Was Broad Based

Credit Quality Remained Favorable Despite Slight Growth in Early-Stage Delinquencies

Total Deposits Declined From Second Quarter 2022, but Insured Deposits Increased

NET INCOME INCREASED QUARTER OVER QUARTER AND YEAR OVER YEAR

Quarterly net income totaled $71.7 billion in third quarter 2022, an increase of $7.3 billion (11.3 percent) from the second quarter. An increase in net interest income more than offset increases in provisions for credit losses and noninterest expense. Nearly three quarters of all banks (73.3 percent) reported increases in net income from the prior quarter. At the same time, the share of institutions reporting quarterly losses fell to 3.5 percent in third quarter 2022, the lowest level in the history of the *Quarterly Banking Profile* (QBP).

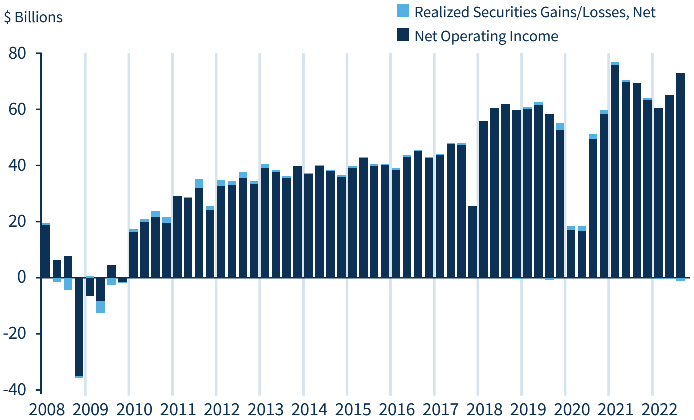
Net income rose $2.2 billion (3.2 percent) from third quarter 2021, as growth in net interest income exceeded growth in provision expense.

The banking industry reported an aggregate return on average assets (ROAA) ratio of 1.21 percent, up 13 basis points from the ROAA ratio reported in second quarter 2022 but unchanged from the same quarter last year.

Chart 1

Quarterly Net Income

All FDIC-Insured Institutions

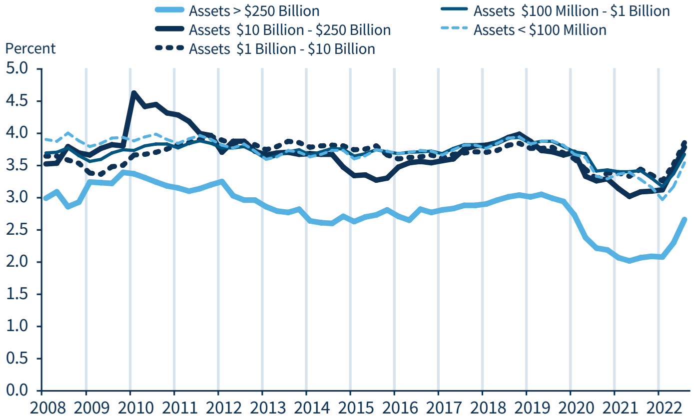


Source: FDIC.

Chart 2

Quarterly Net Interest Margin

All FDIC-Insured Institutions



Source: FDIC.

NET INTEREST MARGIN WIDENED SUBSTANTIALLY

The net interest margin (NIM) increased 35 basis points from the prior quarter and 58 basis points from the year-ago quarter to 3.14 percent. Growth in net interest income outpaced growth in earning assets, resulting in a strong quarterly increase in NIM. This is the first time NIM has been above 3 percent since first quarter 2020.

The average yield on earning assets increased 73 basis points from second quarter 2022 to 3.78 percent due to strong loan growth and rising market interest rates. Average funding costs increased 38 basis points from second quarter 2022 to 0.64 percent.

UNREALIZED LOSSES ON SECURITIES INCREASED

Unrealized losses on securities totaled $689.9 billion in the third quarter, up from $469.7 billion in the second quarter, reflecting increased market interest rates. Unrealized losses on held-to-maturity securities totaled $368.5 billion in the third quarter, up from $241.8 billion in the second quarter. Unrealized losses on available-for-sale securities totaled $321.5 billion in the third quarter, up from $227.9 billion in the second quarter.

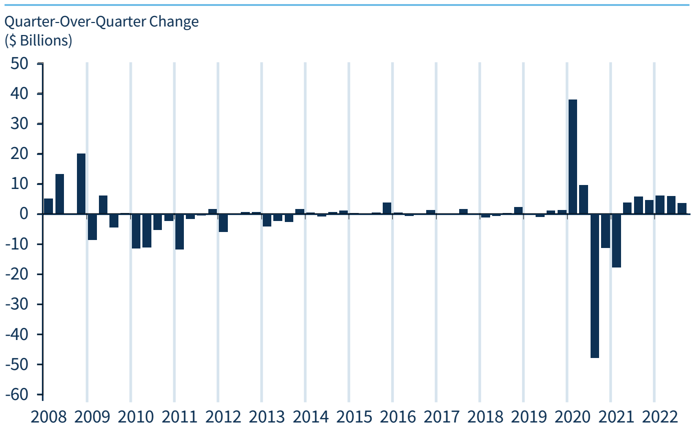
NET OPERATING REVENUE ROSE 7.6 PERCENT ON STRONG NET INTEREST INCOME GROWTH

Net operating revenue (net interest income plus noninterest income) increased 7.6 percent to $245.4 billion in third quarter 2022 due to strong net interest income growth (up $17.5 billion, or 11.6 percent). Interest income grew $37.7 billion (22.9 percent) from second quarter 2022 and offset a $20.2 billion (146.0 percent) increase in interest expense. Higher loan interest income, particularly on loans secured by real estate, drove the quarterly growth in net interest income. From the year-ago quarter, net operating revenue rose $35.0 billion (16.6 percent) as net interest income grew $34.2 billion (25.4 percent) and noninterest income grew $833.3 million (1.1 percent).

Chart 3

Change in Quarterly Loan-Loss Provisions

All FDIC-Insured Institutions

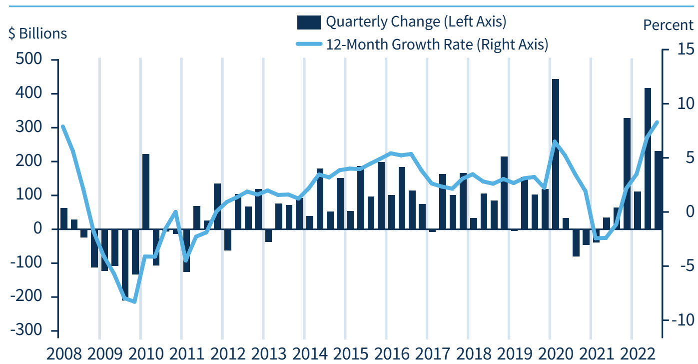


Source: FDIC.

Chart 4

Quarterly Change in Loan Balances

All FDIC-Insured Institutions



Source: FDIC.
Note: ASC Topics 810 and 860 resulted in the consolidation of large amounts of securitized loan balances back onto banks' balance sheets in the first quarter of 2010. Although the amount consolidated cannot be precisely quantified, the industry would have reported a decline in loan balances for the quarter absent this change in accounting standards.

NONINTEREST EXPENSE ROSE QUARTER OVER QUARTER AND YEAR OVER YEAR

Noninterest expense rose $4.0 billion (3.0 percent) quarter over quarter. An increase in "all other noninterest expense"—primarily advertising and marketing expenses—as well as an increase in compensation costs drove the growth in noninterest expense during the quarter. More than two-thirds of banks (68.7 percent) reported an increase in noninterest expense from the prior quarter. Year over year, noninterest expense rose $10.8 billion (8.4 percent), slightly outpacing average asset growth of 2.9 percent. As a result, the ratio of noninterest expense to average assets increased 12 basis points from the year-ago quarter to 2.35 percent but remained well below the pre-pandemic average of 2.61 percent.[1]

Although the industry reported an aggregate increase in noninterest expense, the efficiency ratio (noninterest expense to net operating revenue) declined 4.24 percentage points from the year-ago quarter to 56.2 percent, led by strong growth in net interest income. The efficiency ratio declined for all QBP asset size groups.

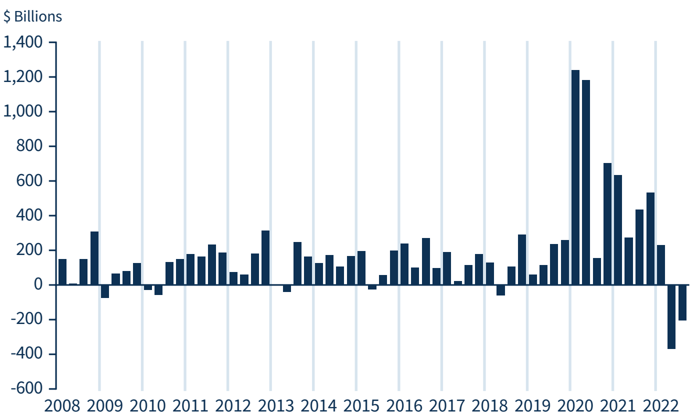
THE LARGEST BANKS CONTINUED TO DRIVE THE INCREASE IN PROVISION EXPENSE

Provision expense increased to $14.6 billion from $11.1 billion last quarter and negative $5.2 billion in the year-ago quarter.[2] Banks in the two largest QBP asset size groups ("Assets Greater than $250 Billion" and "Assets Between $10 Billion and $250 Billion") continued to drive the increase in provision expense.

Chart 5

Quarterly Change in Deposits

All FDIC-Insured Institutions

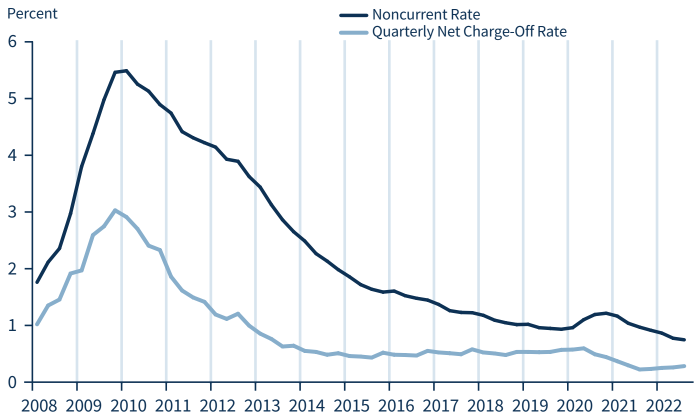


Source: FDIC.

Chart 6

Noncurrent Loan Rate and Quarterly Net Charge-Off Rate

All FDIC-Insured Institutions



Source: FDIC.

[1] "Pre-pandemic average" refers to the period including first quarter 2015 through fourth quarter 2019 and is used consistently throughout this document.
[2] Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.

The net number of banks reporting adoption of current expected credit loss (CECL) accounting increased by 17 from second quarter 2022 to 349.[3] CECL adopters reported aggregate provisions of $12.8 billion in third quarter, $2.8 billion more than second quarter 2022 and $18.1 billion more than one year ago. Provision expense for banks that have not adopted CECL accounting totaled $1.8 billion, up $784.2 million from a quarter ago and $1.7 billion from one year ago.

All QBP asset size groups reported higher reserve coverage ratios (allowance for credit losses to noncurrent loans) than the year-ago quarter, as noncurrent loan balances declined and allowance levels increased. The aggregate coverage ratio increased 34.6 percentage points from the year-ago quarter to 214.8 percent, the highest level on QBP record.[4]

Although the coverage ratio increased, the ratio of the allowance for credit losses (ACL) to total loans declined 15 basis points to 1.55 percent from the year-ago quarter, primarily due to strong loan growth. However, the ACL to total loans ratio remains higher than the pre-pandemic average of 1.29 percent.

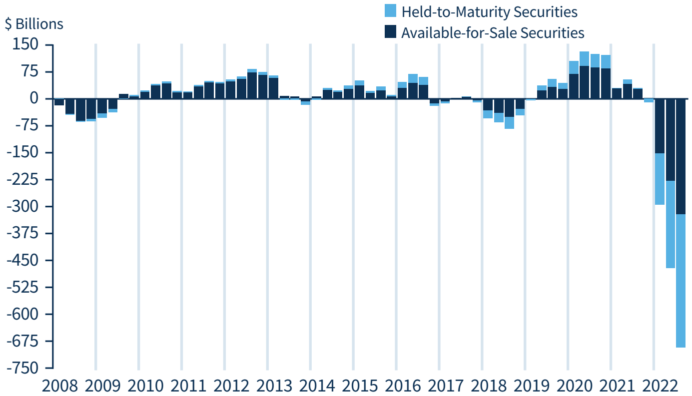
BANKING INDUSTRY ASSETS DECLINED FROM THE PREVIOUS QUARTER

Total assets declined $86.8 billion (0.4 percent) from second quarter 2022 to $23.6 trillion. While total loan and lease balances increased $229.7 billion (2.0 percent) from second quarter 2022, securities declined $224.7 billion (3.7 percent) and cash and balances due from depository institutions declined $131.5 billion. The proportion of securities to total assets declined slightly to 25.1 percent from 25.9 percent one quarter ago and from 25.6 percent one year ago.

Chart 7

Unrealized Gains (Losses) on Investment Securities

All FDIC-Insured Institutions

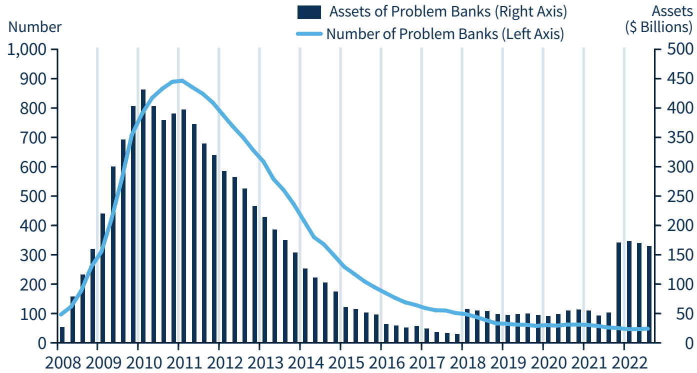


Source: FDIC.
Note: Insured Call Report filers only.

Chart 8

Number and Assets of Banks on the "Problem Bank List"

All FDIC-Insured Institutions



Source: FDIC.
Note: The asset values of insured financial institutions on the problem bank list are what were on record as of the last day of the quarter.

[3] Changes to the number of CECL accounting adopters may result from closures, mergers and acquisitions, or examination or audit findings.
[4] The coverage ratio is the ratio of the allowance for credit losses to the total of loans that are 90 days or more past due plus the total of loans in nonaccrual status.

Annually, total assets increased $379.8 billion (1.6 percent) as institutions deployed excess cash into loans and leases. Total loan and lease balances increased $1.1 trillion (9.9 percent) while cash and balances due from depository institutions declined $957.8 billion (26.3 percent). Securities declined $29.3 billion (0.5 percent) from one year ago. In the rising interest rate environment, institutions moved available-for-sale securities (down $750.2 billion, or 19.1 percent) into held-to-maturity balances (up $720.3 billion, or 35.9 percent) year over year.

LOAN BALANCES INCREASED FROM THE PREVIOUS QUARTER AND A YEAR AGO

Total loan and lease balances increased $229.7 billion (2.0 percent) from one quarter ago. The banking industry reported growth in several loan portfolios, including 1–4 family residential loans (up $68.1 billion, or 2.9 percent) and consumer loans (up $39.4 billion, or 2.0 percent).

Annually, total loan and lease balances increased $1.1 trillion (9.9 percent), driven by growth in commercial and industrial (C&I) loans (up $259.8 billion, or 11.6 percent), 1–4 family residential mortgages (up $213.9 billion, or 9.6 percent), and consumer loans (up $204.1 billion, or 11.4 percent). Credit card loans grew the most among consumer loan categories (up $129.5 billion, or 16.1 percent). Excluding the effect of declines in Paycheck Protection Program loans, annual total loan growth would have been 11.6 percent and annual C&I loan growth would have been 20.6 percent. The annual loan growth was the largest dollar increase in the history of the QBP.

TOTAL DEPOSITS DECLINED MODERATELY FOR THE SECOND QUARTER IN A ROW, BUT INSURED DEPOSITS INCREASED

Despite a slight increase in insured deposits in the third quarter, total deposits declined $206.0 billion (1.1 percent) between second quarter 2022 and third quarter 2022. This was the second consecutive quarter that the industry reported lower levels of total deposits. A reduction in uninsured deposits was the primary driver of the quarterly decline. A decline in deposit accounts with balances greater than $250,000 (down $217.5 billion, or 2.1 percent) led the quarterly reduction. As of third quarter 2022, deposits represented 81.9 percent of total assets, well above the pre-pandemic average of 76.7 percent. The decline in deposits in third quarter 2022 was accompanied by an increase in wholesale funding for the industry, up $212.6 billion (6.9 percent) from the prior quarter.[5] Despite the decline in aggregate deposits, nearly half of all banks (49.8 percent) reported higher deposit balances compared with a quarter ago.

[5] Wholesale funding includes federal funds purchased and securities sold under agreement to repurchase; Federal Home Loan Bank borrowings; brokered, municipal and state, and foreign deposits; and other borrowings and listing services.

EARLY-STAGE DELINQUENCIES CONTINUED TO RISE MODESTLY

The rate of loans and leases 30 to 89 days past due (past-due loan balances) increased 3 basis points from the last quarter and 7 basis points from the year-ago quarter to 0.51 percent. Both the quarterly and annual increases were driven by an increase in past-due credit card, C&I, and auto loans. Despite the recent increase, the overall past-due rate remains below the pre-pandemic average of 0.66 percent.

THE NONCURRENT LOAN RATE CONTINUED TO DECLINE

Loans and leases 90 days or more past due or in nonaccrual status (noncurrent loan balances) continued to decline, and the noncurrent rate was down 3 basis points to 0.72 percent from second quarter 2022. The noncurrent rate for total loans is the lowest level since second quarter 2006. Noncurrent 1–4 family residential real estate loan balances declined most among noncurrent loan categories, down 6.2 percent, which supported a 13 basis point reduction in the noncurrent rate to 1.39 percent. Almost half of all banks (49.3 percent) reported lower noncurrent loan balances compared with second quarter 2022.

INCREASE IN NET LOSSES ON CREDIT CARD AND AUTO LOANS DROVE AN INCREASE IN THE NET CHARGE-OFF RATE

The annual increase in auto loan net charge-offs (up 42 basis points to 0.55 percent) and credit card net charge-offs (up 32 basis points to 2.02 percent) drove the increase in total net charge-offs of loans and leases from the year-ago quarter. These increases supported a 6 basis point rise in the net charge-off rate to 0.26 percent. Despite this increase, the industry’s net charge-off rate remains near historic lows.

RISK-BASED CAPITAL RATIOS REMAIN STRONG DESPITE SLIGHT DECLINES IN SOME MEASURES

The leverage capital ratio increased 12 basis points from a quarter ago to 8.86 percent. Risk-based capital ratios remained above pre-pandemic averages despite a reduction in third quarter 2022. The total risk-based capital ratio fell 1 basis point to 14.84 percent and the tier 1 risk-based capital ratio fell 1 basis point to 13.58 percent due to risk-weighted asset growth outpacing capital formation. Equity capital declined $55.2 billion (2.5 percent) in third quarter 2022 as the continued rise in market interest rates further eroded the value of available-for-sale investment securities, resulting in a continued reduction in accumulated other comprehensive income (down $94.4 billion, or 37.3 percent) from second quarter 2022.

Retained earnings decreased $1.2 billion (3.3 percent) from a quarter ago. Banks distributed 52.3 percent of third quarter earnings as dividends, up from 45.1 percent reported in second quarter 2022. The number of institutions with capital ratios that did not meet Prompt Corrective Action requirements for the well-capitalized category increased by four from second quarter 2022 to eleven.[6]

THREE BANKS OPENED AND NO BANKS FAILED IN THIRD QUARTER 2022

The number of FDIC-insured institutions declined to 4,746 from 4,771 in the previous quarter. In third quarter, three banks opened and 26 institutions merged with other FDIC-insured institutions. Two institutions ceased operations. The number of banks on the FDIC's "Problem Bank List" increased by two from second quarter to 42. Total assets of problem banks declined $5.7 billion to $163.8 billion.[7] No banks failed in the third quarter.

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Senior Financial Analyst
Division of Insurance and Research

[6] Prompt Corrective Action categories are assigned based on reported capital ratios only and do not include the effects of regulatory downgrades.

[7] The asset value of insured financial institutions on the Problem Bank List is the amount known on the last day of the second quarter 2022, the most current information available on September 30, 2022.

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

	2022**	2021**	2021	2020	2019	2018	2017
Return on assets (%)	1.10	1.28	1.23	0.72	1.29	1.35	0.97
Return on equity (%)	11.67	12.66	12.21	6.85	11.38	11.98	8.60
Core capital (leverage) ratio (%)	8.86	8.86	8.73	8.82	9.66	9.70	9.63
Noncurrent assets plus other real estate owned to assets (%)	0.38	0.46	0.44	0.61	0.55	0.60	0.73
Net charge-offs to loans (%)	0.24	0.27	0.25	0.50	0.52	0.48	0.50
Asset growth rate (%)	1.63	9.63	8.46	17.29	3.92	3.03	3.79
Net interest margin (%)	2.83	2.54	2.54	2.82	3.36	3.40	3.25
Net operating income growth (%)	-7.54	158.84	96.90	-38.77	-3.14	45.45	-3.27
Number of institutions reporting	4,746	4,914	4,839	5,002	5,177	5,406	5,670
Commercial banks	4,157	4,301	4,231	4,375	4,518	4,715	4,918
Savings institutions	589	613	608	627	659	691	752
Percentage of unprofitable institutions (%)	3.94	3.26	3.08	4.68	3.73	3.46	5.61
Number of problem institutions	42	46	44	56	51	60	95
Assets of problem institutions (in billions)***	$164	$51	$170	$56	$46	$48	$14
Number of failed institutions	0	0	0	4	4	0	8

* Excludes insured branches of foreign banks (IBAs).
** Through September 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending September 30.
*** Assets shown are what were on record as of the last day of the quarter.

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

(dollar figures in millions)	3rd Quarter 2022	2nd Quarter 2022	3rd Quarter 2021	%Change 21Q3-22Q3
Number of institutions reporting	4,746	4,771	4,914	-3.4
Total employees (full-time equivalent)	2,114,160	2,100,331	2,056,576	2.8
CONDITION DATA				
Total assets	$23,631,743	$23,718,522	$23,251,942	1.6
Loans secured by real estate	5,652,163	5,499,642	5,183,065	9.1
1-4 Family residential mortgages	2,435,703	2,367,579	2,221,820	9.6
Nonfarm nonresidential	1,746,697	1,709,326	1,619,811	7.8
Construction and development	447,292	429,523	402,222	11.2
Home equity lines	270,561	266,734	270,294	0.1
Commercial & industrial loans	2,503,006	2,487,578	2,243,235	11.6
Loans to individuals	2,001,101	1,961,752	1,797,048	11.4
Credit cards	935,418	903,452	805,961	16.1
Farm loans	74,555	70,854	73,096	2.0
Other loans & leases	1,772,451	1,753,409	1,626,842	9.0
Less: Unearned income	1,896	1,508	2,409	-21.3
Total loans & leases	12,001,380	11,771,727	10,920,877	9.9
Less: Reserve for losses*	185,576	179,204	185,059	0.3
Net loans and leases	11,815,804	11,592,522	10,735,818	10.1
Securities**	5,923,916	6,148,626	5,953,171	-0.5
Other real estate owned	2,731	2,807	3,817	-28.5
Goodwill and other intangibles	425,608	421,505	396,650	7.3
All other assets	5,463,684	5,553,062	6,162,486	-11.3
Total liabilities and capital	23,631,743	23,718,522	23,251,942	1.6
Deposits	19,357,266	19,563,218	19,166,988	1.0
Domestic office deposits	17,891,610	18,077,440	17,634,212	1.5
Foreign office deposits	1,465,655	1,485,779	1,532,777	-4.4
Other borrowed funds	1,254,328	1,138,296	989,700	26.7
Subordinated debt	63,299	63,463	66,246	-4.5
All other liabilities	791,605	732,970	687,097	15.2
Total equity capital (includes minority interests)	2,165,245	2,220,571	2,341,912	-7.5
Bank equity capital	2,163,083	2,218,321	2,339,473	-7.5
Loans and leases 30-89 days past due	61,307	56,915	47,772	28.3
Noncurrent loans and leases	86,407	87,998	102,736	-15.9
Restructured loans and leases	43,441	42,203	45,375	-4.3
Mortgage-backed securities	3,202,320	3,381,676	3,488,704	-8.2
Earning assets	21,397,380	21,523,133	21,241,562	0.7
FHLB Advances	444,550	325,742	190,103	133.9
Unused loan commitments	9,499,035	9,456,319	9,073,446	4.7
Trust assets	17,544,743	18,118,495	19,979,029	-12.2
Assets securitized and sold	407,752	419,157	464,570	-12.2
Notional amount of derivatives	198,385,680	197,421,142	187,643,812	5.7

INCOME DATA	First Three Quarters 2022	First Three Quarters 2021	%Change	3rd Quarter 2022	3rd Quarter 2021	%Change 21Q3-22Q3
Total interest income	$513,136	$419,974	22.2	202,703	143,206	41.6
Total interest expense	56,319	27,987	101.2	34,074	8,738	290.0
Net interest income	456,817	391,987	16.5	168,629	134,468	25.4
Provision for credit losses***	30,926	-30,404	N/M	14,639	-5,226	N/M
Total noninterest income	230,127	228,126	0.9	76,819	75,986	1.1
Total noninterest expense	406,506	377,822	7.6	138,863	128,086	8.4
Securities gains (losses)	-2,209	2,465	N/M	-1,318	338	N/M
Applicable income taxes	51,063	58,997	-13.5	18,863	18,391	2.6
Extraordinary gains, net****	-261	31	N/M	-11	3	N/M
Total net income (includes minority interests)	195,979	216,194	-9.4	71,753	69,545	3.2
Bank net income	195,796	216,025	-9.4	71,688	69,490	3.2
Net charge-offs	20,592	21,689	-5.1	7,634	5,279	44.6
Cash dividends	95,147	115,002	-17.3	37,498	54,700	-31.5
Retained earnings	100,649	101,023	-0.4	34,190	14,790	131.2
Net operating income	198,028	214,172	-7.5	72,824	69,264	5.1

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.
** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.
*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.
**** See Notes to Users for explanation.

N/M - Not Meaningful

TABLE III-A. Third Quarter 2022, All FDIC-Insured Institutions

THIRD QUARTER (The way it is…)	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	4,746	11	5	1,064	2,469	306	41	315	459	76
Commercial banks	4,157	10	5	1,051	2,239	83	29	289	388	63
Savings institutions	589	1	0	13	230	223	12	26	71	13
Total assets (in billions)	$23,631.7	$552.2	$5,827.1	$297.3	$7,559.0	$758.3	$576.8	$70.6	$110.0	$7,880.6
Commercial banks	22,238.8	460.5	5,827.1	289.8	7,081.6	143.6	566.2	66.4	91.8	7,711.9
Savings institutions	1,392.9	91.8	0.0	7.4	477.4	614.7	10.6	4.3	18.1	168.7
Total deposits (in billions)	19,357.3	406.3	4,513.2	258.5	6,302.8	679.5	480.5	62.3	97.4	6,556.8
Commercial banks	18,167.4	335.5	4,513.2	254.2	5,924.0	122.4	471.4	59.4	81.8	6,405.5
Savings institutions	1,189.9	70.8	0.0	4.3	378.9	557.2	9.1	2.9	15.6	151.3
Bank net income (in millions)	71,688	4,632	15,354	1,016	23,419	1,925	1,863	377	308	22,795
Commercial banks	67,885	3,940	15,354	970	22,212	428	1,845	206	276	22,654
Savings institutions	3,803	692	0	46	1,206	1,497	18	171	32	141
Performance Ratios (annualized, %)										
Yield on earning assets	3.78	13.26	3.26	4.01	3.97	2.58	4.48	3.17	3.80	3.36
Cost of funding earning assets	0.64	1.91	0.81	0.46	0.47	0.44	1.02	0.33	0.34	0.58
Net interest margin	3.14	11.35	2.46	3.54	3.49	2.13	3.46	2.84	3.47	2.78
Noninterest income to assets	1.30	6.16	1.55	0.57	0.85	0.57	1.16	4.29	0.90	1.29
Noninterest expense to assets	2.35	9.32	2.14	2.26	2.28	1.32	2.12	4.11	2.79	2.18
Credit loss provision to assets**	0.25	3.12	0.17	0.05	0.17	0.02	0.58	0.03	0.04	0.19
Net operating income to assets	1.23	3.43	1.10	1.39	1.26	1.02	1.30	2.30	1.16	1.15
Pretax return on assets	1.53	4.46	1.33	1.56	1.57	1.25	1.71	2.60	1.28	1.44
Return on assets	1.21	3.43	1.05	1.37	1.24	0.98	1.31	2.13	1.12	1.16
Return on equity	13.09	28.74	11.72	15.93	12.80	15.94	15.64	21.32	12.95	12.46
Net charge-offs to loans and leases	0.26	2.13	0.31	0.04	0.10	0.01	0.41	0.05	0.03	0.22
Loan and lease loss provision to net charge-offs	186.10	171.77	150.71	200.80	234.25	345.45	187.72	199.14	248.44	198.67
Efficiency ratio	56.17	54.80	57.30	57.57	55.91	49.79	47.98	59.00	67.14	56.88
% of unprofitable institutions	3.54	9.09	0.00	1.50	2.31	9.80	9.76	12.70	3.92	2.63
% of institutions with earnings gains	62.79	36.36	40.00	62.59	62.54	59.80	58.54	68.57	63.83	63.16
Structural Changes										
New reporters	3	0	0	0	0	0	0	3	0	0
Institutions absorbed by mergers	26	0	1	2	19	2	0	1	0	1
Failed institutions	0	0	0	0	0	0	0	0	0	0
PRIOR THIRD QUARTERS (The way it was…)										
Return on assets (%) 2021	1.21	5.50	1.04	1.40	1.23	0.87	1.84	1.54	1.15	1.05
2019	1.25	3.43	1.23	1.45	1.15	1.30	1.53	3.43	1.23	1.15
2017	1.12	2.21	1.01	1.34	1.13	0.96	1.23	3.06	0.98	1.07
Net charge-offs to loans & leases (%) 2021	0.19	1.54	0.29	0.04	0.09	0.00	0.24	0.08	0.01	0.16
2019	0.51	3.94	0.71	0.15	0.24	0.03	0.78	0.16	0.12	0.37
2017	0.46	3.75	0.54	0.10	0.20	0.03	0.56	0.25	0.15	0.40

* See Table V-A (page 14) for explanations.
** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

TABLE III-A. Third Quarter 2022, All FDIC-Insured Institutions

		Asset Size Distribution					Geographic Regions*					
THIRD QUARTER (The way it is...)	**All Insured Institutions**	**Less Than $100 Million**	**$100 Million to $1 Billion**	**$1 Billion to $10 Billion**	**$10 Billion to $250 Billion**	**Greater Than $250 Billion**	**New York**	**Atlanta**	**Chicago**	**Kansas City**	**Dallas**	**San Francisco**
Number of institutions reporting	4,746	778	2,981	829	145	13	561	540	1,019	1,212	1,062	352
Commercial banks	4,157	681	2,643	692	129	12	291	494	879	1,175	996	322
Savings institutions	589	97	338	137	16	1	270	46	140	37	66	30
Total assets (in billions)	$23,631.7	$47.3	$1,095.5	$2,251.5	$7,109.9	$13,127.7	$4,530.0	$4,653.8	$5,690.9	$4,171.8	$1,984.1	$2,601.2
Commercial banks	22,238.8	41.9	962.6	1,894.3	6,573.1	12,766.9	4,077.4	4,601.7	5,595.0	4,116.8	1,396.0	2,451.9
Savings institutions	1,392.9	5.4	132.9	357.2	536.7	360.8	452.6	52.1	95.9	54.9	588.1	149.3
Total deposits (in billions)	19,357.3	40.3	956.8	1,903.6	5,869.3	10,587.2	3,704.1	3,877.6	4,461.5	3,411.0	1,744.7	2,158.4
Commercial banks	18,167.4	36.2	846.6	1,610.5	5,436.4	10,237.7	3,338.0	3,839.7	4,392.6	3,363.7	1,196.0	2,037.3
Savings institutions	1,189.9	4.1	110.2	293.1	433.0	349.5	366.2	37.9	68.8	47.3	548.7	121.0
Bank net income (in millions)	71,688	117	3,567	7,679	24,993	35,332	12,977	14,448	16,991	10,546	6,170	10,557
Commercial banks	67,886	107	3,139	6,868	23,290	34,483	12,063	14,261	16,521	10,370	4,970	9,700
Savings institutions	3,803	11	428	811	1,704	849	914	187	470	176	1,200	856
Performance Ratios (annualized, %)												
Yield on earning assets	3.78	3.88	4.07	4.33	4.44	3.29	3.77	3.75	3.38	3.87	3.60	4.68
Cost of funding earning assets	0.64	0.36	0.42	0.50	0.68	0.65	0.79	0.50	0.61	0.71	0.38	0.73
Net interest margin	3.14	3.52	3.65	3.83	3.76	2.64	2.98	3.25	2.76	3.16	3.21	3.95
Noninterest income to assets	1.30	1.53	1.07	1.10	1.33	1.33	1.20	1.20	1.49	1.06	0.81	1.98
Noninterest expense to assets	2.35	3.57	2.84	2.67	2.57	2.12	2.15	2.34	2.22	2.40	2.17	3.05
Credit loss provision to assets**	0.25	0.05	0.08	0.22	0.39	0.19	0.26	0.28	0.18	0.21	0.12	0.50
Net operating income to assets	1.23	1.02	1.35	1.41	1.41	1.10	1.16	1.25	1.24	1.02	1.23	1.64
Pretax return on assets	1.53	1.14	1.53	1.72	1.82	1.34	1.46	1.50	1.51	1.30	1.50	2.15
Return on assets	1.21	0.99	1.31	1.38	1.41	1.07	1.15	1.24	1.19	1.01	1.22	1.63
Return on equity	13.09	8.24	14.33	14.34	14.59	11.92	11.80	12.65	13.48	10.90	15.41	17.43
Net charge-offs to loans and leases	0.26	0.05	0.05	0.15	0.33	0.26	0.25	0.30	0.17	0.26	0.10	0.42
Loan and lease loss provision to net charge-offs	186.10	177.92	288.71	218.00	184.09	180.56	190.10	172.69	186.14	198.89	216.97	182.86
Efficiency ratio	56.17	73.95	62.92	56.89	53.20	57.33	54.67	56.12	55.70	60.94	56.78	53.14
% of unprofitable institutions	3.54	10.03	2.45	1.81	1.38	0.00	5.17	4.63	4.02	2.31	2.26	5.97
% of institutions with earnings gains	62.79	64.14	62.29	63.45	62.76	53.85	61.85	73.33	60.16	59.32	66.29	57.10
Structural Changes												
New reporters	3	3	0	0	0	0	2	0	0	0	1	0
Institutions absorbed by mergers	26	5	19	2	0	0	5	1	5	7	7	1
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0
PRIOR THIRD QUARTERS (The way it was...)												
Return on assets (%) 2021	1.21	0.96	1.36	1.39	1.42	1.05	1.08	1.25	1.24	1.03	1.15	1.64
2019	1.25	1.03	1.35	1.39	1.28	1.20	1.10	1.18	1.36	1.15	1.44	1.47
2017	1.12	1.02	1.16	1.15	1.21	1.05	0.96	1.11	1.13	1.04	1.20	1.49
Net charge-offs to loans & leases (%) 2021	0.19	0.05	0.05	0.13	0.23	0.21	0.19	0.21	0.14	0.24	0.09	0.26
2019	0.51	0.24	0.13	0.21	0.67	0.51	0.47	0.53	0.43	0.51	0.26	0.79
2017	0.46	0.16	0.13	0.22	0.64	0.46	0.53	0.58	0.25	0.49	0.26	0.59

* See Table V-A (page 15) for explanations.
** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

TABLE IV-A. First Three Quarters 2022, All FDIC-Insured Institutions

FIRST THREE QUARTERS (The way it is...)	All Insured Institutions	Asset Concentration Groups* Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	4,746	11	5	1,064	2,469	306	41	315	459	76
Commercial banks	4,157	10	5	1,051	2,239	83	29	289	388	63
Savings institutions	589	1	0	13	230	223	12	26	71	13
Total assets (in billions)	$23,631.7	$552.2	$5,827.1	$297.3	$7,559.0	$758.3	$576.8	$70.6	$110.0	$7,880.6
Commercial banks	22,238.8	460.5	5,827.1	289.8	7,081.6	143.6	566.2	66.4	91.8	7,711.9
Savings institutions	1,392.9	91.8	0.0	7.4	477.4	614.7	10.6	4.3	18.1	168.7
Total deposits (in billions)	19,357.3	406.3	4,513.2	258.5	6,302.8	679.5	480.5	62.3	97.4	6,556.8
Commercial banks	18,167.4	335.5	4,513.2	254.2	5,924.0	122.4	471.4	59.4	81.8	6,405.5
Savings institutions	1,189.9	70.8	0.0	4.3	378.9	557.2	9.1	2.9	15.6	151.3
Bank net income (in millions)	195,796	15,620	41,073	2,723	63,191	5,356	5,988	936	824	60,084
Commercial banks	184,669	13,274	41,073	2,599	59,823	1,303	5,942	416	743	59,496
Savings institutions	11,127	2,346	0	124	3,368	4,054	45	520	81	588
Performance Ratios (annualized, %)										
Yield on earning assets	3.18	12.23	2.57	3.66	3.47	2.20	3.97	2.76	3.42	2.75
Cost of funding earning assets	0.35	1.36	0.40	0.36	0.29	0.25	0.62	0.24	0.27	0.29
Net interest margin	2.83	10.88	2.17	3.30	3.18	1.95	3.35	2.52	3.15	2.46
Noninterest income to assets	1.30	6.25	1.60	0.57	0.89	0.61	1.09	4.02	0.91	1.22
Noninterest expense to assets	2.29	9.22	2.11	2.21	2.25	1.30	1.97	3.98	2.68	2.11
Credit loss provision to assets**	0.17	2.15	0.16	0.04	0.12	0.02	0.41	0.03	0.03	0.12
Net operating income to assets	1.12	4.00	0.96	1.24	1.15	0.92	1.43	1.80	1.02	1.00
Pretax return on assets	1.39	5.19	1.20	1.40	1.43	1.14	1.87	2.12	1.13	1.24
Return on assets	1.10	4.00	0.93	1.23	1.14	0.88	1.43	1.69	1.00	1.01
Return on equity	11.67	32.56	10.37	13.11	11.29	13.01	16.67	15.31	10.57	10.67
Net charge-offs to loans and leases	0.24	2.06	0.30	0.03	0.09	0.01	0.32	0.09	0.02	0.20
Loan and lease loss provision to net charge-offs	145.42	122.85	152.50	247.99	184.62	643.57	168.09	133.37	301.71	139.24
Efficiency ratio	58.73	55.33	59.62	59.94	58.49	51.79	46.25	63.24	69.19	60.69
% of unprofitable institutions	3.94	0.00	0.00	2.35	2.92	10.78	7.32	11.43	3.49	2.63
% of institutions with earnings gains	47.26	27.27	60.00	33.93	51.40	51.31	60.98	53.02	47.06	55.26
Condition Ratios (%)										
Earning assets to total assets	90.55	94.84	88.03	93.60	91.25	96.38	94.14	92.73	93.42	90.43
Loss allowance to:										
Loans and leases	1.55	6.69	1.78	1.36	1.20	0.63	1.44	1.64	1.24	1.34
Noncurrent loans and leases	214.77	576.98	246.93	239.10	182.04	82.31	333.26	270.97	217.68	169.87
Noncurrent assets plus other real estate owned to assets	0.38	0.99	0.24	0.38	0.46	0.28	0.33	0.20	0.35	0.38
Equity capital ratio	9.15	11.62	8.97	8.35	9.51	5.80	8.23	9.48	8.42	9.20
Core capital (leverage) ratio	8.86	12.93	8.04	10.54	9.54	8.80	9.32	13.28	10.97	8.38
Common equity tier 1 capital ratio***	13.48	14.65	15.35	13.95	11.98	23.34	12.75	28.91	17.43	13.31
Tier 1 risk-based capital ratio***	13.58	14.78	15.42	13.95	12.06	23.34	13.71	28.91	17.43	13.38
Total risk-based capital ratio***	14.84	16.39	16.56	15.03	13.26	23.84	14.76	29.81	18.44	14.80
Net loans and leases to deposits	61.04	107.43	40.70	70.58	78.59	39.62	89.69	30.76	60.30	55.34
Net loans to total assets	50.00	79.05	31.52	61.37	65.53	35.51	74.71	27.13	53.41	46.05
Domestic deposits to total assets	75.71	73.56	55.55	86.95	83.27	89.46	83.30	88.19	88.55	80.92
Structural Changes										
New reporters	12	0	0	0	0	0	0	12	0	0
Institutions absorbed by mergers	98	0	1	15	68	2	0	4	3	5
Failed institutions	0	0	0	0	0	0	0	0	0	0
PRIOR FIRST THREE QUARTERS (The way it was...)										
Number of institutions 2021	4,914	11	5	1,135	2,483	287	34	342	521	96
2019	5,258	12	5	1,324	2,756	393	68	217	433	50
2017	5,738	11	5	1,422	2,943	445	62	271	520	59
Total assets (in billions) 2021	$23,251.9	$476.3	$5,868.2	$295.4	$7,242.0	$758.7	$332.1	$76.3	$129.3	$8,073.6
2019	18,481.9	521.8	4,509.3	285.2	6,674.3	386.1	225.9	38.2	76.3	5,764.9
2017	17,242.5	518.3	4,205.0	285.0	5,867.7	366.0	260.4	46.0	90.6	5,603.4
Return on assets (%) 2021	1.28	5.67	1.17	1.43	1.28	0.87	2.04	1.69	1.13	1.07
2019	1.33	3.30	1.24	1.36	1.21	1.19	1.43	3.32	1.19	1.34
2017	1.10	2.09	0.97	1.24	1.06	1.01	1.15	2.99	0.96	1.12
Net charge-offs to loans & leases (%) 2021	0.27	2.17	0.41	0.04	0.11	0.01	0.26	0.04	0.02	0.22
2019	0.50	4.19	0.71	0.15	0.20	0.02	0.79	0.12	0.11	0.38
2017	0.48	3.90	0.56	0.14	0.21	0.09	0.60	0.19	0.14	0.39
Noncurrent assets plus OREO to assets (%) 2021	0.46	0.68	0.28	0.53	0.61	0.21	0.47	0.29	0.43	0.48
2019	0.56	1.33	0.36	0.86	0.60	1.15	0.48	0.41	0.68	0.54
2017	0.73	1.19	0.48	0.86	0.74	1.56	0.37	0.54	0.86	0.80
Equity capital ratio (%) 2021	10.06	13.45	9.00	11.14	10.89	8.77	9.41	13.88	11.10	9.95
2019	11.35	12.72	10.14	11.94	12.18	11.03	11.05	18.10	13.22	11.16
2017	11.31	15.69	9.97	11.56	12.07	11.27	10.10	15.88	11.91	11.12

* See Table V-A (page 14) for explanations.
** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.
*** Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

TABLE IV-A. First Three Quarters 2022, All FDIC-Insured Institutions

FIRST THREE QUARTERS (The way it is...)	All Insured Institutions	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,746	778	2,981	829	145	13	561	540	1,019	1,212	1,062	352
Commercial banks	4,157	681	2,643	692	129	12	291	494	879	1,175	996	322
Savings institutions	589	97	338	137	16	1	270	46	140	37	66	30
Total assets (in billions)	$23,631.7	$47.3	$1,095.5	$2,251.5	$7,109.9	$13,127.7	$4,530.0	$4,653.8	$5,690.9	$4,171.8	$1,984.1	$2,601.2
Commercial banks	22,238.8	41.9	962.6	1,894.3	6,573.1	12,766.9	4,077.4	4,601.7	5,595.0	4,116.8	1,396.0	2,451.9
Savings institutions	1,392.9	5.4	132.9	357.2	536.7	360.8	452.6	52.1	95.9	54.9	588.1	149.3
Total deposits (in billions)	19,357.3	40.3	956.8	1,903.6	5,869.3	10,587.2	3,704.1	3,877.6	4,461.5	3,411.0	1,744.7	2,158.4
Commercial banks	18,167.4	36.2	846.6	1,610.5	5,436.4	10,237.7	3,338.0	3,839.7	4,392.6	3,363.7	1,196.0	2,037.3
Savings institutions	1,189.9	4.1	110.2	293.1	433.0	349.5	366.2	37.9	68.8	47.3	548.7	121.0
Bank net income (in millions)	195,796	305	9,381	21,084	70,770	94,256	33,604	39,463	44,543	30,871	16,841	30,474
Commercial banks	184,669	274	8,202	18,953	65,405	91,835	31,276	39,000	43,238	30,466	13,036	27,654
Savings institutions	11,127	31	1,179	2,130	5,365	2,421	2,328	463	1,305	405	3,805	2,820
Performance Ratios (annualized, %)												
Yield on earning assets	3.18	3.51	3.69	3.86	3.83	2.66	3.11	3.21	2.74	3.25	3.11	4.11
Cost of funding earning assets	0.35	0.32	0.32	0.33	0.40	0.33	0.43	0.29	0.32	0.39	0.23	0.42
Net interest margin	2.83	3.19	3.37	3.53	3.43	2.33	2.68	2.92	2.42	2.86	2.88	3.69
Noninterest income to assets	1.30	1.58	1.10	1.12	1.34	1.32	1.17	1.19	1.52	1.13	0.81	1.89
Noninterest expense to assets	2.29	3.47	2.81	2.62	2.51	2.07	2.12	2.29	2.19	2.31	2.09	2.94
Credit loss provision to assets**	0.17	0.03	0.07	0.17	0.27	0.13	0.18	0.18	0.14	0.13	0.08	0.35
Net operating income to assets	1.12	0.89	1.18	1.30	1.34	0.96	1.02	1.13	1.06	1.00	1.10	1.58
Pretax return on assets	1.39	0.99	1.35	1.60	1.73	1.18	1.28	1.34	1.33	1.25	1.35	2.09
Return on assets	1.10	0.86	1.15	1.28	1.34	0.95	1.00	1.12	1.04	0.98	1.10	1.59
Return on equity	11.67	6.83	11.85	12.78	13.56	10.38	10.14	11.31	11.52	10.41	12.96	16.48
Net charge-offs to loans and leases	0.24	0.04	0.04	0.13	0.31	0.24	0.23	0.30	0.16	0.24	0.08	0.38
Loan and lease loss provision to net charge-offs	145.42	155.52	307.81	202.71	139.48	140.27	160.67	121.60	189.81	121.82	171.38	146.03
Efficiency ratio	58.73	76.24	65.79	58.93	55.12	60.42	58.15	59.29	59.05	61.83	59.14	54.50
% of unprofitable institutions	3.94	10.54	2.95	2.05	0.00	0.00	6.95	5.00	4.51	2.31	2.54	5.68
% of institutions with earnings gains	47.26	41.26	46.70	55.25	44.83	53.85	52.94	62.22	43.77	32.34	56.40	49.15
Condition Ratios (%)												
Earning assets to total assets	90.55	92.83	93.67	92.98	92.00	89.07	90.22	89.80	89.29	90.09	93.00	94.06
Loss allowance to:												
Loans and leases	1.55	1.44	1.31	1.30	1.67	1.55	1.54	1.53	1.46	1.65	1.19	1.82
Noncurrent loans and leases	214.77	159.36	268.85	228.26	227.98	197.49	196.29	217.75	211.18	203.16	146.65	336.21
Noncurrent assets plus other real estate owned to assets	0.38	0.53	0.35	0.41	0.47	0.33	0.42	0.38	0.33	0.41	0.43	0.36
Equity capital ratio	9.15	11.91	8.94	9.43	9.46	8.95	9.64	9.69	8.79	9.17	7.70	9.20
Core capital (leverage) ratio	8.86	13.88	10.91	10.35	9.53	8.05	9.21	8.54	8.39	8.74	9.27	9.78
Common equity tier 1 capital ratio***	13.48	22.35	15.37	13.49	13.03	13.65	13.74	12.83	13.73	12.85	14.73	13.87
Tier 1 risk-based capital ratio***	13.58	22.35	15.40	13.54	13.24	13.68	13.80	12.92	13.79	12.94	14.84	14.12
Total risk-based capital ratio***	14.84	23.46	16.49	14.57	14.43	15.04	15.07	14.04	15.03	14.53	15.91	15.22
Net loans and leases to deposits	61.04	60.76	70.58	78.39	75.03	49.30	62.74	60.51	56.74	58.39	56.40	75.90
Net loans to total assets	50.00	51.84	61.65	66.27	61.94	39.76	51.30	50.42	44.49	47.74	49.60	62.98
Domestic deposits to total assets	75.71	85.32	87.34	84.47	81.06	70.30	77.46	80.95	69.08	67.17	87.91	82.20
Structural Changes												
New reporters	12	12	0	0	0	0	2	3	0	1	2	4
Institutions absorbed by mergers	98	22	47	22	7	0	20	8	19	25	20	6
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0
PRIOR FIRST THREE QUARTERS (The way it was...)												
Number of institutions 2021	4,914	853	3,066	833	149	13	583	561	1,052	1,264	1,088	366
2019	5,258	1,207	3,247	661	134	9	636	603	1,133	1,343	1,157	386
2017	5,738	1,444	3,538	631	116	9	705	683	1,221	1,449	1,246	434
Total assets (in billions) 2021	$23,251.9	$51.9	$1,111.2	$2,195.4	$6,918.4	$12,975.2	$4,290.7	$4,727.9	$5,607.9	$4,211.3	$1,941.4	$2,472.7
2019	18,481.9	71.7	1,083.1	1,723.5	6,435.6	9,168.1	3,358.9	3,784.3	4,240.1	3,797.9	1,193.3	2,107.4
2017	17,242.5	85.7	1,154.8	1,729.8	5,574.9	8,697.3	3,186.2	3,584.3	3,902.6	3,687.5	1,067.3	1,814.6
Return on assets (%) 2021	1.28	1.06	1.35	1.42	1.50	1.13	1.14	1.25	1.30	1.18	1.17	1.76
2019	1.33	1.01	1.31	1.31	1.37	1.30	1.12	1.34	1.35	1.26	1.39	1.65
2017	1.10	0.97	1.11	1.16	1.13	1.06	0.94	1.10	1.05	1.06	1.21	1.45
Net charge-offs to loans & leases (%) 2021	0.27	0.06	0.05	0.14	0.32	0.29	0.26	0.29	0.21	0.33	0.10	0.35
2019	0.50	0.18	0.11	0.20	0.66	0.51	0.46	0.55	0.41	0.52	0.23	0.78
2017	0.48	0.17	0.12	0.21	0.68	0.46	0.55	0.58	0.28	0.49	0.26	0.64
Noncurrent assets plus OREO to assets (%) 2021	0.46	0.64	0.46	0.50	0.62	0.37	0.47	0.43	0.38	0.50	0.79	0.37
2019	0.56	0.98	0.73	0.61	0.60	0.49	0.54	0.57	0.52	0.61	0.76	0.42
2017	0.73	1.09	0.88	0.71	0.70	0.72	0.64	0.86	0.64	0.85	0.83	0.48
Equity capital ratio (%) 2021	10.06	13.75	11.04	10.93	10.60	9.53	10.45	10.48	9.53	9.77	10.04	10.29
2019	11.35	14.46	12.03	12.12	12.04	10.63	12.01	12.21	10.88	10.22	12.11	11.34
2017	11.31	13.31	11.42	11.89	12.23	10.57	12.48	12.15	10.45	10.08	11.47	11.86

* See Table V-A (page 15) for explanations.
** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.
*** Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

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

September 30, 2022	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.35	0.33	0.27	0.32	0.31	0.33	0.07	0.60	0.57	0.51
Construction and development	0.31	0.00	0.68	0.40	0.24	0.62	0.21	0.65	0.53	0.51
Nonfarm nonresidential	0.16	0.78	0.16	0.21	0.14	0.17	0.01	0.33	0.28	0.25
Multifamily residential real estate	0.09	0.00	0.07	0.34	0.10	0.04	0.00	0.14	0.20	0.10
Home equity loans	0.38	0.00	0.50	0.32	0.36	0.21	0.11	0.43	0.45	0.42
Other 1-4 family residential	0.56	0.22	0.33	0.58	0.65	0.35	0.09	0.90	0.76	0.67
Commercial and industrial loans	0.48	0.65	0.81	0.50	0.42	0.36	0.37	0.73	0.68	0.41
Loans to individuals	1.22	1.46	0.81	0.84	0.81	0.31	1.84	1.22	1.69	1.35
Credit card loans	1.16	1.49	0.78	1.34	1.42	1.02	1.96	0.62	8.36	1.03
Other loans to individuals	1.28	1.06	0.91	0.79	0.78	0.29	1.84	1.25	1.34	1.51
All other loans and leases (including farm)	0.28	0.79	0.40	0.24	0.38	0.12	0.02	0.56	0.38	0.16
Total loans and leases	0.51	1.37	0.53	0.35	0.37	0.31	0.80	0.66	0.68	0.57
Percent of Loans Noncurrent**										
All real estate loans	0.92	0.79	1.15	0.55	0.73	0.81	0.12	0.62	0.58	1.46
Construction and development	0.38	0.00	2.03	0.30	0.25	0.33	0.23	0.30	0.27	0.62
Nonfarm nonresidential	0.54	1.12	0.42	0.52	0.51	0.37	0.07	0.45	0.66	0.75
Multifamily residential real estate	0.15	3.74	0.07	0.25	0.17	0.09	0.00	0.06	0.17	0.17
Home equity loans	1.76	0.00	5.56	0.23	0.98	0.53	1.07	0.48	0.30	2.56
Other 1-4 family residential	1.39	0.69	1.34	0.48	1.38	0.93	0.11	0.89	0.62	1.82
Commercial and industrial loans	0.64	0.44	0.88	0.91	0.67	0.53	0.61	0.62	0.76	0.50
Loans to individuals	0.73	1.25	0.57	0.33	0.45	0.07	0.81	0.38	0.43	0.63
Credit card loans	1.01	1.31	0.69	0.38	1.05	0.59	1.88	0.21	0.59	0.91
Other loans to individuals	0.48	0.36	0.18	0.32	0.41	0.06	0.80	0.38	0.43	0.48
All other loans and leases (including farm)	0.22	0.36	0.29	0.46	0.26	0.78	0.01	0.75	0.38	0.13
Total loans and leases	0.72	1.16	0.72	0.57	0.66	0.76	0.43	0.61	0.57	0.79
Percent of Loans Charged-Off (net, YTD)										
All real estate loans	-0.01	-0.01	-0.05	0.00	0.00	0.00	0.00	-0.01	0.00	-0.02
Construction and development	-0.02	0.00	-0.01	-0.02	-0.01	-0.07	0.00	-0.07	0.00	-0.05
Nonfarm nonresidential	0.01	0.01	0.01	0.01	0.02	0.01	-0.01	-0.01	-0.03	-0.01
Multifamily residential real estate	0.00	0.00	0.00	-0.03	0.01	0.04	0.00	0.00	-0.01	-0.01
Home equity loans	-0.17	0.00	-0.58	0.00	-0.09	-0.09	0.00	-0.06	0.00	-0.22
Other 1-4 family residential	-0.01	-0.01	-0.05	0.00	0.00	0.00	0.00	0.01	0.01	0.00
Commercial and industrial loans	0.14	0.92	0.14	0.09	0.14	-0.01	0.23	-0.06	-0.01	0.09
Loans to individuals	1.16	2.22	1.22	0.32	0.65	0.19	0.73	0.73	0.20	0.89
Credit card loans	1.95	2.28	1.56	1.25	3.10	2.03	3.58	1.15	0.28	1.81
Other loans to individuals	0.49	1.16	0.25	0.22	0.50	0.13	0.70	0.72	0.20	0.44
All other loans and leases (including farm)	0.12	0.58	0.11	0.01	0.14	0.03	0.03	0.97	0.11	0.11
Total loans and leases	0.24	2.06	0.30	0.03	0.09	0.01	0.32	0.09	0.02	0.20
Loans Outstanding (in billions)										
All real estate loans	$5,652.2	$3.7	$571.1	$119.2	$3,145.4	$231.0	$194.7	$14.6	$46.1	$1,326.5
Construction and development	447.3	0.1	17.4	8.7	336.7	6.6	4.1	1.6	3.7	68.5
Nonfarm nonresidential	1,746.7	0.3	62.6	31.5	1,288.2	20.5	19.0	5.4	10.7	308.5
Multifamily residential real estate	584.1	0.0	91.8	4.5	384.0	9.3	21.4	0.4	1.4	71.3
Home equity loans	270.6	0.0	21.0	1.9	155.4	9.2	3.7	0.4	1.5	77.4
Other 1-4 family residential	2,435.7	3.3	335.4	27.3	924.8	184.6	146.2	5.7	25.5	782.8
Commercial and industrial loans	2,503.0	50.1	355.4	22.7	1,155.7	7.7	38.8	2.4	4.9	865.3
Loans to individuals	2,001.1	413.6	394.6	6.6	309.3	15.0	174.2	1.6	5.6	680.6
Credit card loans	935.4	388.0	296.9	0.7	18.8	0.4	2.0	0.1	0.3	228.3
Other loans to individuals	1,065.7	25.6	97.6	5.9	290.6	14.5	172.2	1.6	5.3	452.4
All other loans and leases (including farm)	1,847.0	0.4	549.3	36.5	404.4	17.4	29.5	0.9	2.9	805.6
Total loans and leases (plus unearned income)	12,003.3	467.8	1,870.3	185.0	5,014.9	271.1	437.2	19.5	59.5	3,678.1
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	2,730.9	19.3	219.0	82.9	1,450.3	57.1	11.8	25.5	46.7	818.2
Construction and development	448.6	0.0	1.0	9.8	369.7	9.4	0.0	10.3	17.7	30.8
Nonfarm nonresidential	1,360.4	19.3	79.0	36.1	701.9	12.1	0.5	9.5	17.8	484.3
Multifamily residential real estate	29.1	0.0	0.0	1.2	26.6	0.2	0.0	0.1	1.1	0.0
1-4 family residential	817.7	0.0	136.0	11.7	306.3	35.4	11.3	4.7	9.2	303.1
Farmland	71.4	0.0	0.0	24.2	45.3	0.0	0.0	0.9	1.0	0.0

* Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):
Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.
International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.
Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of the total loans and leases.
Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.
Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.
Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.
Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.
All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

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

September 30, 2022	All Insured Institutions	Asset Size Distribution					Geographic Regions*					
		Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due												
All loans secured by real estate	0.35	0.75	0.32	0.18	0.36	0.45	0.33	0.38	0.30	0.46	0.49	0.17
Construction and development	0.31	0.69	0.31	0.20	0.27	0.57	0.55	0.20	0.28	0.42	0.19	0.29
Nonfarm nonresidential	0.16	0.50	0.20	0.10	0.16	0.23	0.19	0.18	0.10	0.25	0.14	0.12
Multifamily residential real estate	0.09	0.38	0.16	0.08	0.10	0.08	0.13	0.11	0.06	0.12	0.17	0.03
Home equity loans	0.38	0.40	0.31	0.29	0.40	0.40	0.36	0.37	0.43	0.46	0.41	0.25
Other 1-4 family residential	0.56	1.09	0.49	0.30	0.63	0.59	0.51	0.59	0.46	0.69	1.15	0.23
Commercial and industrial loans	0.48	0.68	0.59	0.75	0.35	0.51	0.62	0.27	0.50	0.61	0.41	0.49
Loans to individuals	1.22	1.33	1.15	1.55	1.20	1.21	1.00	1.75	0.71	1.10	0.79	1.50
Credit card loans	1.16	3.24	4.04	3.66	1.37	0.89	1.36	1.42	0.72	0.93	0.56	1.43
Other loans to individuals	1.28	1.32	1.06	1.13	1.04	1.52	0.75	2.02	0.69	1.44	0.86	1.56
All other loans and leases (including farm)	0.28	0.25	0.24	0.23	0.33	0.27	0.18	0.15	0.38	0.33	0.30	0.32
Total loans and leases	0.51	0.71	0.38	0.36	0.52	0.56	0.47	0.58	0.42	0.56	0.48	0.55
Percent of Loans Noncurrent**												
All real estate loans	0.92	0.83	0.46	0.45	0.88	1.38	0.94	0.95	1.09	1.11	0.96	0.39
Construction and development	0.38	0.49	0.31	0.25	0.25	0.92	0.72	0.26	0.77	0.15	0.14	0.25
Nonfarm nonresidential	0.54	0.94	0.46	0.40	0.59	0.68	0.86	0.55	0.54	0.49	0.32	0.33
Multifamily residential real estate	0.15	0.33	0.17	0.17	0.15	0.12	0.22	0.22	0.09	0.09	0.05	0.12
Home equity loans	1.76	0.27	0.38	0.36	0.96	3.17	1.53	1.35	2.22	3.92	0.68	0.46
Other 1-4 family residential	1.39	0.83	0.51	0.67	1.47	1.69	1.26	1.38	1.54	1.60	2.35	0.51
Commercial and industrial loans	0.64	1.55	0.69	1.06	0.59	0.59	0.88	0.49	0.50	0.73	0.61	0.74
Loans to individuals	0.73	0.62	0.38	0.89	0.82	0.64	0.77	0.89	0.36	0.70	0.52	0.92
Credit card loans	1.01	1.34	1.09	3.24	1.21	0.77	1.22	1.22	0.62	0.82	0.83	1.22
Other loans to individuals	0.48	0.62	0.36	0.42	0.46	0.50	0.46	0.62	0.15	0.46	0.43	0.68
All other loans and leases (including farm)	0.22	0.85	0.48	0.26	0.21	0.21	0.10	0.14	0.26	0.33	0.23	0.17
Total loans and leases	0.72	0.91	0.49	0.57	0.73	0.78	0.78	0.70	0.69	0.81	0.81	0.54
Percent of Loans Charged-Off (net, YTD)												
All real estate loans	-0.01	0.00	0.00	0.00	0.00	-0.03	0.00	0.01	-0.03	-0.02	-0.01	0.00
Construction and development	-0.02	0.00	-0.01	-0.02	-0.01	-0.04	0.00	-0.06	-0.02	-0.01	-0.01	0.00
Nonfarm nonresidential	0.01	-0.03	0.00	0.01	0.02	0.00	0.04	0.01	0.01	-0.01	0.00	0.00
Multifamily residential real estate	0.00	-0.01	0.00	0.01	0.01	0.00	0.01	-0.01	0.00	0.00	0.00	0.01
Home equity loans	-0.17	-0.01	-0.01	-0.03	-0.09	-0.29	-0.11	-0.21	-0.22	-0.23	-0.13	-0.04
Other 1-4 family residential	-0.01	0.01	0.00	-0.01	0.00	-0.02	-0.02	0.04	-0.04	-0.01	-0.01	0.00
Commercial and industrial loans	0.14	0.17	0.09	0.14	0.20	0.10	0.13	0.14	0.15	0.05	0.14	0.27
Loans to individuals	1.16	0.33	0.52	1.61	1.29	1.03	1.19	1.17	0.79	1.44	0.66	1.40
Credit card loans	1.95	7.31	2.82	5.89	2.15	1.66	2.30	1.97	1.48	1.84	1.53	2.30
Other loans to individuals	0.49	0.28	0.45	0.67	0.53	0.43	0.45	0.52	0.23	0.69	0.41	0.68
All other loans and leases (including farm)	0.12	0.03	0.12	0.07	0.08	0.13	0.08	0.19	0.10	0.14	0.12	0.02
Total loans and leases	0.24	0.04	0.04	0.13	0.31	0.24	0.23	0.30	0.16	0.24	0.08	0.38
Loans Outstanding (in billions)												
All real estate loans	$5,652.2	$17.0	$535.0	$1,104.7	$2,174.0	$1,821.5	$1,210.5	$960.0	$1,109.7	$882.1	$661.2	$828.7
Construction and development	447.3	1.1	55.9	119.8	188.6	81.9	81.0	71.1	70.8	63.1	106.4	54.9
Nonfarm nonresidential	1,746.7	3.6	199.1	470.8	724.1	349.1	403.1	322.3	264.4	219.4	268.7	269.0
Multifamily residential real estate	584.1	0.4	31.3	122.8	267.9	161.7	198.7	50.5	142.8	57.0	31.4	103.8
Home equity loans	270.6	0.3	15.6	36.7	105.8	112.3	69.4	58.3	64.0	31.6	19.6	27.7
Other 1-4 family residential	2,435.7	8.3	180.9	318.1	870.1	1,058.3	452.8	443.8	542.4	422.4	212.4	361.9
Commercial and industrial loans	2,503.0	3.0	82.6	241.4	908.1	1,268.0	450.1	612.0	578.5	423.6	187.4	251.5
Loans to individuals	2,001.1	1.6	27.1	97.2	876.4	998.8	377.4	463.8	394.9	298.3	76.4	390.3
Credit card loans	935.4	0.0	0.8	16.2	419.9	498.5	155.3	210.4	180.1	199.3	16.7	173.6
Other loans to individuals	1,065.7	1.6	26.2	81.0	456.6	500.3	222.1	253.4	214.7	99.1	59.7	216.6
All other loans and leases (including farm)	1,847.0	3.2	39.9	69.1	521.1	1,213.7	322.7	347.1	486.2	421.1	71.3	198.6
Total loans and leases (plus unearned income)	12,003.3	24.9	684.6	1,512.4	4,479.6	5,301.9	2,360.7	2,382.9	2,569.2	2,025.2	996.2	1,669.1
Memo: Other Real Estate Owned (in millions)												
All other real estate owned	2,730.9	23.6	435.9	687.7	670.7	913.1	410.2	764.8	524.0	377.1	479.0	175.9
Construction and development	448.6	4.4	159.0	195.6	72.0	17.7	46.2	94.7	40.8	94.2	140.3	32.4
Nonfarm nonresidential	1,360.4	10.2	165.3	363.6	275.5	545.8	109.4	507.1	237.1	197.1	258.6	51.1
Multifamily residential real estate	29.1	1.4	10.1	3.2	13.4	0.9	6.8	6.1	6.3	2.6	4.1	3.3
1-4 family residential	817.7	6.3	74.1	100.6	291.1	345.6	247.3	155.2	230.1	59.7	58.9	66.5
Farmland	71.4	1.3	27.4	24.0	18.7	0.0	0.5	1.7	9.0	20.4	17.1	22.6

* **Regions:**
New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands
Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia
Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas
San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

TABLE VI-A. Derivatives, All FDIC-Insured Call Report Filers

(dollar figures in millions; notional amounts unless otherwise indicated)	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	3rd Quarter 2021	% Change 21Q3-22Q3	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
ALL DERIVATIVE HOLDERS											
Number of institutions reporting derivatives	1,212	1,254	1,295	1,310	1,359	-10.8	19	549	499	132	13
Total assets of institutions reporting derivatives	$21,656,934	$21,873,522	$22,148,854	$21,896,457	$21,480,060	0.8	$1,303	$277,841	$1,572,091	$6,678,020	$13,127,678
Total deposits of institutions reporting derivatives	17,673,449	17,982,510	18,368,955	18,163,922	17,678,622	0.0	1,045	239,626	1,325,713	5,519,829	10,587,237
Total derivatives	198,385,680	197,421,142	203,157,729	179,313,889	187,643,812	5.7	188	12,178	177,128	4,582,132	193,614,055
Derivative Contracts by Underlying Risk Exposure											
Interest rate	141,989,487	142,884,741	145,900,883	126,263,465	131,805,985	7.7	188	11,457	170,081	2,632,680	139,175,082
Foreign exchange*	45,988,929	44,459,158	46,356,534	43,668,294	45,631,510	0.8	0	0	2,917	1,706,819	44,279,193
Equity	4,409,633	4,330,864	4,489,264	4,256,115	4,649,386	-5.2	0	24	37	53,731	4,355,841
Commodity & other (excluding credit derivatives)	1,606,767	1,779,436	1,905,829	1,584,207	1,703,480	-5.7	0	0	40	130,625	1,476,102
Credit	4,389,784	3,965,766	4,504,316	3,540,460	3,851,976	14.0	0	15	3,655	58,277	4,327,837
Total	198,384,600	197,419,965	203,156,826	179,312,541	187,642,337	5.7	188	11,496	176,730	4,582,132	193,614,055
Derivative Contracts by Transaction Type											
Swaps	121,132,521	121,285,181	124,396,704	109,290,037	111,083,426	9.0	0	1,705	118,782	2,760,159	118,251,875
Futures & forwards	31,661,606	32,045,336	33,523,101	31,179,813	35,311,284	-10.3	0	1,885	9,036	1,376,883	30,273,802
Purchased options	19,118,294	18,596,675	18,875,284	16,490,297	17,182,098	11.3	0	310	19,357	157,186	18,941,441
Written options	18,780,412	18,958,408	19,054,957	16,963,154	17,050,718	10.1	0	1,416	10,549	152,782	18,615,666
Total	190,692,833	190,885,599	195,850,046	173,923,300	180,627,526	5.6	0	5,315	157,724	4,447,010	186,082,784
Fair Value of Derivative Contracts											
Interest rate contracts	77,732	77,212	71,615	55,248	63,685	22.1	0	87	2,206	-7,637	83,076
Foreign exchange contracts	15,025	11,233	11,938	-4,023	11,247	33.6	0	0	6	3,138	11,880
Equity contracts	16,949	12,308	-3,383	-8,794	-10,413	N/M	0	2	2	2,824	14,121
Commodity & other (excluding credit derivatives)	18,933	22,615	21,140	6,479	15,125	25.2	0	0	1	111	18,821
Credit derivatives as guarantor**	-16,373	-18,433	13,388	24,091	22,626	N/M	0	2	18	-129	-16,264
Credit derivatives as beneficiary**	23,163	22,643	-14,304	-28,518	-25,285	N/M	0	0	-1	28	23,136
Derivative Contracts by Maturity* **											
Interest rate contracts < 1 year	97,476,662	96,672,591	102,946,312	68,047,961	68,589,784	42.1	0	1,537	17,530	1,546,886	95,910,708
1-5 years	26,086,139	26,253,904	26,322,685	41,247,368	46,131,083	-43.5	0	469	58,324	564,789	25,462,557
> 5 years	19,919,895	22,979,692	23,004,026	20,471,315	22,924,356	-13.1	0	1,009	62,028	396,499	19,460,359
Foreign exchange and gold contracts < 1 year	34,753,838	33,883,174	34,852,149	30,953,966	31,560,013	10.1	0	0	2,150	1,548,428	33,203,259
1-5 years	4,481,683	4,545,526	4,822,181	4,863,871	4,723,452	-5.1	0	0	287	120,726	4,360,670
> 5 years	2,226,843	2,476,418	2,618,402	2,551,933	2,576,222	-13.6	0	0	9	10,402	2,216,432
Equity contracts < 1 year	4,315,354	4,272,177	4,491,365	3,880,771	4,079,641	5.8	0	7	5	26,252	4,289,090
1-5 years	1,057,822	911,068	1,000,719	1,055,173	1,135,840	-6.9	0	17	4	17,118	1,040,684
> 5 years	140,485	174,232	175,183	144,720	159,126	-11.7	0	0	7	1,865	138,613
Commodity & other contracts (including credit derivatives, excluding gold contracts) < 1 year	2,933,680	3,007,398	3,560,248	2,195,295	2,417,770	21.3	0	0	183	46,382	2,887,115
1-5 years	2,819,535	2,653,707	2,658,498	2,569,198	2,478,994	13.7	0	2	695	57,194	2,761,645
> 5 years	468,669	680,264	469,467	236,524	519,222	-9.7	0	12	1,800	9,680	457,176
Risk-Based Capital: Credit Equivalent Amount											
Total current exposure to tier 1 capital (%)	21.0	17.5	16.7	19.4	24.9		0.0	0.3	2.9	6.4	33.0
Total potential future exposure to tier 1 capital (%)	32.2	35.2	38.6	34.0	37.3		0.0	0.1	0.9	4.3	54.5
Total exposure (credit equivalent amount) to tier 1 capital (%)	53.2	52.7	55.3	53.4	62.3		0.0	0.4	3.8	10.8	87.6
Credit losses on derivatives******	107.0	104.6	109.5	17.9	21.2	404.7	0.0	4.7	1.2	-5.8	107.0
HELD FOR TRADING											
Number of institutions reporting derivatives	174	173	180	185	188	-7.4	0	17	84	62	11
Total assets of institutions reporting derivatives	16,763,839	16,817,255	17,113,325	16,931,301	16,663,510	0.6	0	9,040	358,254	4,023,987	12,372,558
Total deposits of institutions reporting derivatives	13,531,845	13,692,331	14,065,378	13,957,567	13,628,595	-0.7	0	7,794	301,603	3,332,206	9,890,242
Derivative Contracts by Underlying Risk Exposure											
Interest rate	137,570,295	138,592,909	141,764,396	122,237,175	127,448,311	7.9	0	309	43,312	1,157,625	136,369,049
Foreign exchange	42,217,166	41,401,741	43,028,040	41,349,240	41,961,260	0.6	0	0	2,819	1,592,836	40,621,511
Equity	4,363,753	4,283,905	4,463,312	4,231,348	4,620,993	-5.6	0	0	4	46,310	4,317,439
Commodity & other	1,565,808	1,737,954	1,865,296	1,543,080	1,664,064	-5.9	0	0	1	124,245	1,441,562
Total	185,717,021	186,016,509	191,121,044	169,360,843	175,694,627	5.7	0	309	46,135	2,921,016	182,749,562
Trading Revenues: Cash & Derivative Instruments											
Interest rate**	-1,183	889	415	278	-323	N/M	0	0	0	21	-1,204
Foreign exchange**	8,153	6,363	6,341	3,747	3,998	103.9	0	0	1	578	7,574
Equity**	3,314	773	1,458	3,534	1,729	91.7	0	0	12	67	3,235
Commodity & other (including credit derivatives)**	2,453	2,339	2,420	-367	1,510	62.5	0	0	0	94	2,359
Total trading revenues**	12,738	10,364	10,634	7,192	6,914	84.2	0	0	14	761	11,963
Share of Revenue											
Trading revenues to gross revenues (%)**	7.0	6.7	7.4	5.2	4.9		0.0	0.0	0.3	1.8	8.9
Trading revenues to net operating revenues (%)**	27.2	25.3	28.5	17.5	15.6		0.0	0.0	1.1	6.4	35.4
HELD FOR PURPOSES OTHER THAN TRADING											
Number of institutions reporting derivatives	542	553	564	578	607	-10.7	0	114	288	127	13
Total assets of institutions reporting derivatives	20,733,413	20,822,610	21,092,060	20,934,986	20,529,651	1.0	0	61,341	1,154,266	6,390,129	13,127,678
Total deposits of institutions reporting derivatives	16,884,456	17,089,685	17,465,141	17,353,132	16,879,094	0.0	0	52,187	967,548	5,277,485	10,587,237
Derivative Contracts by Underlying Risk Exposure											
Interest rate	4,397,491	4,267,390	4,110,189	3,998,732	4,322,370	1.7	0	4,983	111,421	1,475,055	2,806,033
Foreign exchange	491,481	513,259	552,327	497,831	542,719	-9.4	0	0	95	37,138	454,248
Equity	45,880	46,959	25,951	24,767	28,393	61.6	0	24	34	7,421	38,402
Commodity & other	40,959	41,482	40,534	41,128	39,417	3.9	0	0	39	6,380	34,540
Total notional amount	4,975,812	4,869,090	4,729,001	4,562,458	4,932,899	0.9	0	5,007	111,589	1,525,994	3,333,223

All line items are reported on a quarterly basis. N/M - Not Meaningful

* Includes spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.

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

*** Derivative contracts subject to the risk-based capital requirements for derivatives.

**** Credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and banks filing the FFIEC 041 report form that have $300 million or more in total assets, but is not applicable to banks filing the FFIEC 051 form.

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

(dollar figures in millions)	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	3rd Quarter 2021	% Change 21Q3-22Q3	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements											
Number of institutions reporting securitization activities	64	64	62	62	63	1.6	1	5	12	37	9
Outstanding Principal Balance by Asset Type**											
1-4 family residential loans	$275,921	$286,245	$285,743	$324,821	$344,767	-20.0	$0	$5,453	$13,643	$64,872	$191,954
Home equity loans	5	6	6	6	6	-16.7	0	0	0	5	0
Credit card receivables	76	39	12	0	0	0.0	0	0	0	76	0
Auto loans	541	59	72	169	209	158.9	0	0	0	57	484
Other consumer loans	1,277	1,347	1,169	1,241	1,313	-2.7	0	0	0	720	556
Commercial and industrial loans	4,626	5,265	6,228	6,624	6,285	-26.4	0	0	0	0	4,626
All other loans, leases, and other assets	113,555	114,372	111,531	106,355	101,198	12.2	10	0	6,928	8,752	97,865
Total securitized and sold	396,001	407,333	404,761	439,216	453,778	-15.1	10	5,453	20,571	74,482	295,485
Maximum Credit Exposure by Asset Type**											
1-4 family residential loans	650	726	847	1,041	1,016	-36.0	0	0	0	422	228
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Auto loans	19	0	0	2	2	850.0	0	0	0	0	19
Other consumer loans	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	203	226	263	275	257	-21.0	0	0	0	0	203
All other loans, leases, and other assets	2,975	2,525	2,486	2,500	2,414	23.2	0	0	63	373	2,539
Total credit exposure	3,847	3,477	3,596	3,818	3,689	4.3	0	0	63	795	2,989
Total unused liquidity commitments provided to institution's own securitizations	210	187	225	241	255	-17.6	0	0	0	0	210
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)**											
1-4 family residential loans	2.5	2.4	2.2	2.1	1.9		0.0	1.1	0.2	2.7	2.7
Home equity loans	3.4	9.3	8.6	4.4	7.5		0.0	0.0	0.0	3.4	0.0
Credit card receivables	3.9	2.6	0.0	0.0	0.0		0.0	0.0	0.0	3.9	0.0
Auto loans	0.4	0.0	0.0	1.6	1.4		0.0	0.0	0.0	1.8	0.2
Other consumer loans	3.1	2.9	3.4	2.7	2.5		0.0	0.0	0.0	1.3	5.3
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.3	0.3	0.3	0.5	0.4		0.0	0.0	0.0	2.0	0.1
Total loans, leases, and other assets	1.8	1.9	1.7	1.7	1.6		0.0	0.0	0.0	2.6	1.8
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)**											
1-4 family residential loans	1.1	1.4	1.6	1.9	2.2		0.0	0.8	0.1	1.7	1.0
Home equity loans	27.5	26.0	27.4	28.1	26.3		0.0	0.0	0.0	27.5	0.0
Credit card receivables	2.6	0.0	0.0	0.0	0.0		0.0	0.0	0.0	2.6	0.0
Auto loans	0.0	0.0	0.0	0.1	0.1		0.0	0.0	0.0	0.0	0.0
Other consumer loans	2.8	2.5	2.8	2.5	2.3		0.0	0.0	0.0	1.0	5.0
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.9	0.7	1.1	1.3	1.5		0.0	0.0	1.1	0.7	0.9
Total loans, leases, and other assets	0.9	1.1	1.3	1.5	1.8		0.0	0.0	0.0	0.7	1.0
Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)**											
1-4 family residential loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
Home equity loans	2.1	2.3	2.0	2.9	3.0		0.0	0.0	0.0	2.1	0.0
Credit card receivables	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
Auto loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
Other consumer loans	0.4	0.3	0.1	0.5	0.3		0.0	0.0	0.0	0.4	0.5
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.1	0.1	0.0	0.2	0.2		0.0	0.0	0.0	1.0	0.0
Total loans, leases, and other assets	0.0	0.0	0.0	0.1	0.0		0.0	0.0	0.0	0.0	0.0
Seller's Interests in Institution's Own Securitizations – Carried as Securities or Loans ***											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
Assets Sold with Recourse and Not Securitized											
Number of institutions reporting asset sales	316	318	321	329	342	-7.6	3	98	144	62	9
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	27,018	27,429	29,138	32,291	33,798	-20.1	17	3,676	12,042	10,237	1,045
All other loans, leases, and other assets	142,239	141,862	140,553	139,554	137,548	3.4	0	15	451	39,457	102,315
Total sold and not securitized	169,257	169,291	169,691	171,844	171,346	-1.2	17	3,691	12,493	49,695	103,361
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	9,015	9,893	9,796	11,750	12,470	-27.7	1	358	3,158	4,924	574
All other loans, leases, and other assets	41,221	41,203	40,923	40,576	40,024	3.0	0	15	41	12,264	28,900
Total credit exposure	50,235	51,095	50,720	52,326	52,494	-4.3	1	373	3,199	17,188	29,474
Support for Securitization Facilities Sponsored by Other Institutions											
Number of institutions reporting securitization facilities sponsored by others	36	36	37	36	37	-2.7	0	11	12	6	7
Total credit exposure	21,922	22,526	23,468	21,148	22,380	-2.0	0	0	0	1,438	20,484
Total unused liquidity commitments	3,576	1,995	2,194	425	432	727.8	0	0	0	295	3,281
Other											
Assets serviced for others****	6,178,116	6,111,546	6,046,070	5,881,678	5,809,639	6.3	2,809	154,256	403,385	1,433,331	4,184,335
Asset-backed commercial paper conduits											
Credit exposure to conduits sponsored by institutions and others	3,803	5,836	6,289	21,662	20,788	-81.7	0	0	0	0	3,803
Unused liquidity commitments to conduits sponsored by institutions and others	59,659	61,747	64,654	51,794	55,177	8.1	0	0	0	43	59,616
Net servicing income (for the quarter)	3,223	3,489	4,523	1,626	1,755	83.6	7	113	524	1,026	1,553
Net securitization income (for the quarter)	-11	-2	-10	150	110	-110.0	0	-1	4	-22	8
Total credit exposure to Tier 1 capital (%)*****	3.3	3.3	3.4	3.3	3.4		0.0	0.1	0.3	2.1	5.1

* Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.
** Beginning June 2018, for banks that file the FFIEC 041 report form, all other loans include home equity loans, credit card receivables, auto loans, other consumer loans, and commercial and industrial loans.
*** Beginning June 2018, only includes banks that file the FFIEC 031 report form.
**** The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than $10 million.
***** Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

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COMMUNITY BANK PERFORMANCE

Community banks are identified based on criteria defined in the FDIC's 2020 Community Banking Study. When comparing community bank performance across quarters, prior-quarter dollar amounts are based on community banks designated as such in the current quarter, adjusted for mergers. In contrast, prior-quarter ratios are based on community banks designated during the previous quarter.

Net Income Increased Quarter Over Quarter and Year Over Year
Net Interest Margin Widened Substantially
Unrealized Losses on Securities Increased
Loan Growth Was Broad Based
Credit Quality Remained Favorable Despite Slight Growth in Early-Stage Delinquencies
Total Deposits Increased From Second Quarter 2022

NET INCOME INCREASED QUARTER OVER QUARTER AND YEAR OVER YEAR

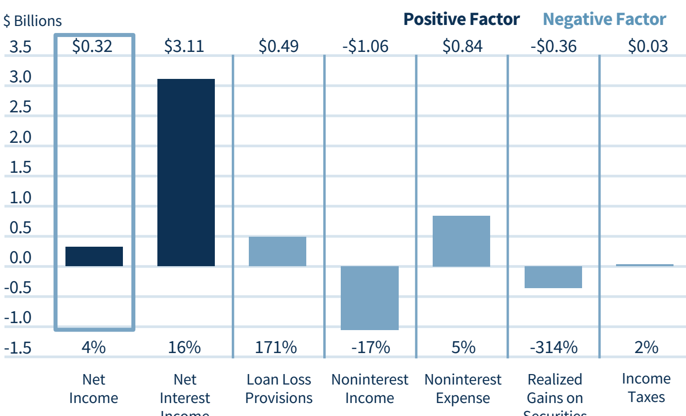
Quarterly net income for the 4,308 community banks rose $1.0 billion (13.5 percent) from one quarter ago to $8.5 billion in third quarter 2022. Higher net interest income (up $2.0 billion, 9.4 percent) more than offset increases in noninterest expense and provisions for credit losses, and a decrease in noninterest income. Nearly three quarters (73.7 percent) of community banks reported higher net income compared with second quarter 2022. The share of unprofitable community banks fell to 3.6 percent, near the record low in the history of the *Quarterly Banking Profile* (QBP). The pretax return on average assets ratio rose 17 basis points from one quarter ago to 1.51 percent.

Net income rose $317.5 million (3.9 percent) from third quarter 2021, as higher net interest income more than offset lower noninterest income and higher noninterest expense.

Chart 1

Contributors to the Year-Over-Year Change in Income

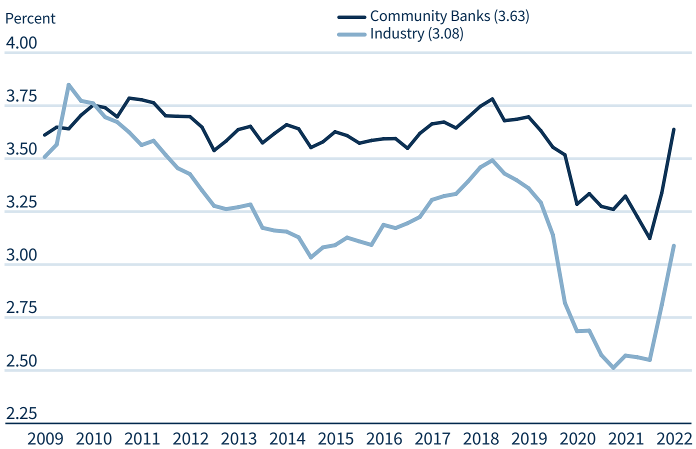
FDIC-Insured Community Banks



Source: FDIC.

Chart 2

Net Interest Margin



Source: FDIC.

NET INTEREST MARGIN WIDENED SUBSTANTIALLY

The average community bank quarterly net interest margin (NIM) increased 30 basis points from the prior quarter and 32 basis points from the year-ago quarter to 3.63 percent. Growth in net interest income outpaced growth in earning assets, resulting in a strong quarterly increase in NIM.

The average yield on earning assets rose 48 basis points from second quarter 2022 to 4.09 percent due to strong loan growth and rising market interest rates. Average funding costs increased 18 basis points from second quarter 2022 to 0.46 percent.

UNREALIZED LOSSES ON SECURITIES INCREASED

Unrealized losses on securities totaled $76.1 billion in the third quarter, up from $55.3 billion in the second quarter, reflecting increased market interest rates. Unrealized losses on held-to-maturity securities totaled $12.4 billion in the third quarter, up from $8.1 billion in the second quarter. Unrealized losses on available-for-sale securities totaled $63.6 billion in the third quarter, up from $47.2 billion in the second quarter.

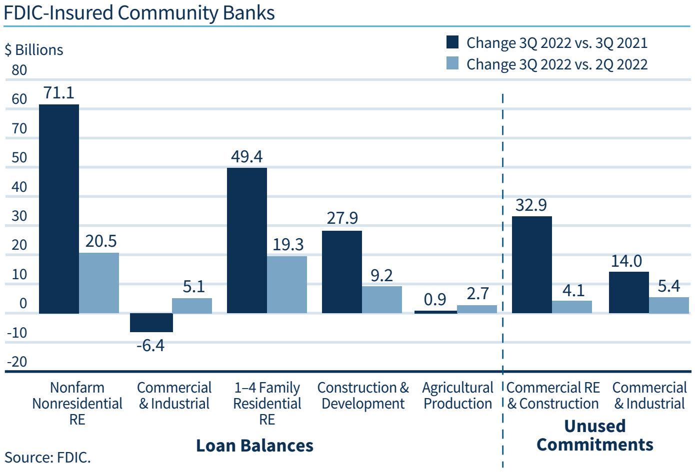
NET OPERATING REVENUE ROSE 6.4 PERCENT ON STRONG NET INTEREST INCOME GROWTH

Community bank net operating revenue (net interest income plus noninterest income) increased $1.7 billion (6.4 percent) from second quarter 2022. More than 90 percent of community banks reported higher net interest income from one quarter ago, driving an aggregate increase of 9.4 percent ($2.0 billion) from the previous quarter. Higher interest income, particularly on loans secured by farmland and nonfarm nonresidential commercial real estate (CRE), drove the quarterly growth in net interest income. Lower net gains on loan sales and credit card interchange fees contributed to a 5.5 percent ($298.1 million) decline in noninterest income from second quarter 2022.

Chart 3

Change in Loan Balances and Unused Commitments

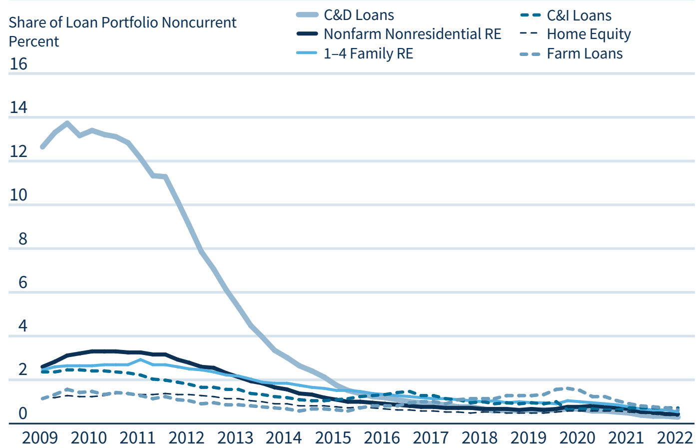
FDIC-Insured Community Banks



Source: FDIC.

Chart 4

Noncurrent Loan Rates for FDIC-Insured Community Banks



Source: FDIC.

From the year-ago quarter, a $1.1 billion decline in noninterest income only partially offset a $3.1 billion increase in net interest income, resulting in a $2.0 billion (7.5 percent) increase in net operating revenue. Lower net gains on loan sales drove the annual decline in noninterest income, while higher interest income on nonfarm nonresidential CRE and farmland loans and securities drove the year-over-year growth in net interest income.

NONINTEREST EXPENSE ROSE QUARTER OVER QUARTER AND YEAR OVER YEAR

Noninterest expense rose $458.1 million (2.8 percent) from second quarter and $842.9 million (5.3 percent) from third quarter 2021 to $16.9 billion. Higher compensation expense drove the quarterly increase in noninterest expense, and higher data processing expenses drove the annual increase. Noninterest expense as a share of average assets rose 6 basis points to 2.49 percent from one quarter ago, as growth in noninterest expense outpaced growth in average assets. Nevertheless, the community bank efficiency ratio (noninterest expense as a share of net operating revenue) fell 203 basis points from one quarter ago as growth in net operating revenue was larger than growth in noninterest expense.

PROVISION EXPENSE INCREASED

Quarterly provision expense of $777.5 million was $197.9 million (34.2 percent) higher than one quarter ago and $490.4 million higher than one year ago.[1] As of third quarter 2022, 123 community banks had adopted current expected credit loss (CECL) accounting. Community bank CECL adopters reported provision expense of $170.3 million in the third quarter, an increase of $32.3 million from the previous quarter and an increase of $226.5 million from the previous year.[2] Provision expense for community banks that had not adopted CECL accounting totaled $607.2 million, an increase of $165.7 million from one quarter ago and $263.9 million from one year ago.

The reserve coverage ratio (allowance for credit losses to loans and leases 90 days or more past due or in nonaccrual status) increased 18.1 percentage points from the previous quarter and 59.6 percentage points from the year-ago quarter to 263.4 percent, the highest level on QBP record, as noncurrent loan balances declined and the allowance for credit losses (ACL) increased.[3] The coverage ratio for community banks is 53.9 percentage points above the coverage ratio for noncommunity banks. Strong loan growth resulted in a 2 basis point decline in the ratio of the ACL to total loans and leases, but the third quarter 2022 ratio of 1.23 percent is still slightly above the pre-pandemic average of 1.21 percent.[4]

[1] Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.

[2] The CECL analysis compares the quarterly provisions of the 121 community banks that identified as CECL adopters in both third quarter 2022 and third quarter 2021 and the 122 community banks that identified as CECL adopters in both third quarter 2022 and second quarter 2022. One CECL adopter was a de novo bank in third quarter 2022.

[3] The coverage ratio is the ratio of the allowance for credit losses to the total of loans that are 90 days or more past due plus the total of loans in nonaccrual status.

[4] "Pre-pandemic average" refers to the period including first quarter 2015 through fourth quarter 2019 and is used consistently throughout this document.

COMMUNITY BANK ASSETS ROSE ON STRONG GROWTH IN LOAN BALANCES

Total assets increased $31.6 billion (1.2 percent) from second quarter 2022 and $139.1 billion (5.4 percent) from the previous year. Total loans and leases, which increased $71.2 billion (4.1 percent) from one quarter ago and $196.2 billion (12.2 percent) from one year ago, drove quarterly and annual asset growth. The balance of securities fell $9.2 billion (1.5 percent) from second quarter 2022, weighing on quarterly asset growth, but remained $66.7 billion higher than one year ago, supporting annual asset growth. Declines in cash and balances due from depository institutions of $34.7 billion (16.1 percent) from the previous quarter and $138.7 billion (43.3 percent) from the previous year offset a portion of total loan and lease growth.

LOAN BALANCES INCREASED FROM THE PREVIOUS QUARTER AND A YEAR AGO

Total loan and lease balances in all portfolios rose from one quarter ago, and 83.3 percent of community banks reported quarterly loan growth. Growth in nonfarm nonresidential CRE loan balances of $20.5 billion (up 3.7 percent) and 1–4 family residential real estate loan balances of $19.3 billion (up 4.8 percent) were the largest contributors to the quarterly increase in loan balances.

Loan balances in all portfolios except commercial and industrial (C&I) loans grew from one year ago, and 81.9 percent of community banks reported annual loan growth. Growth in nonfarm nonresidential CRE loan balances of $71.1 billion (up 14.3 percent) and 1–4 family residential real estate loan balances of $49.4 billion (up 13.3 percent) drove the annual increase. C&I loan balances declined $6.4 billion (2.6 percent) from third quarter 2021 primarily due to Paycheck Protection Program (PPP) loan repayment and forgiveness. PPP loan balances declined $48.4 billion (94.1 percent) from third quarter 2021 to $3.0 billion. Excluding the effect of declines in PPP loans, annual total loan growth would have been 15.7 percent and annual C&I loan growth would have been 21.6 percent.

DEPOSITS CONTINUED TO INCREASE MODERATELY

Community banks reported deposit growth of 0.8 percent ($18.2 billion) during third quarter 2022, slightly higher than the growth of 0.4 percent reported in second quarter 2022. Slightly more than half of all community banks (50.2 percent) reported an increase in deposit balances from the prior quarter. Growth in deposit accounts with less than $250,000 (up $14.8 billion) drove total deposit growth. Unlike second quarter, growth in domestic deposit balances was primarily in interest-bearing deposits in third quarter (up $14.0 billion, or 0.8 percent), while noninterest-bearing deposits rose $4.5 billion (0.7 percent). Deposit balances rose 6.3 percent ($140.0 billion) from one year ago.

Other borrowed money rose $17.4 billion (25.7 percent) from one quarter ago because of an increase in Federal Home Loan Bank advances of $17.6 billion (27.9 percent). The share of wholesale funds to total assets was 17.4 percent in third quarter.

EARLY-STAGE DELINQUENCIES CONTINUED TO RISE MODESTLY

Loans and leases 30 to 89 days past due (past-due loan balances) grew 1 basis point from one quarter ago and one year ago to 0.32 percent, a level that remains below the pre-pandemic average of 0.55 percent. The C&I past-due rate rose 16 basis points from the prior quarter and 19 basis points from the year-ago quarter to 0.55 percent, slightly above the pre-pandemic average of 0.50 percent.

THE NONCURRENT LOAN RATE REACHED A NEW RECORD LOW

Loans and leases 90 days or more past due or in nonaccrual status (noncurrent loan balances) continued to decline, and the noncurrent rate decreased 4 basis points from second quarter 2022 to 0.47 percent. This is the lowest noncurrent rate on record for community banks since data collection began in first quarter 1984. Slightly more than half of community banks (55.3 percent) reported quarter-over-quarter reductions in the balance of noncurrent loans. Small increases in C&I and consumer noncurrent loan balances from the prior quarter were less than declines in farm, construction and development, 1–4 family residential real estate, and nonfarm nonresidential CRE noncurrent balances.

THE NET CHARGE-OFF RATE REMAINED LOW

Community banks' net charge-off rate was unchanged from third quarter 2021 at 0.06 percent. Net charge-off rates declined for larger portfolios such as nonfarm nonresidential CRE (31.4 percent of total loan balances), which dropped 4 basis points to 0.01 percent. At the same time, the net charge-off rate for consumer loans (which account for 4.4 percent of total loan balances) rose 35 basis points from one year ago to 0.84 percent.

MOST CAPITAL RATIOS REMAINED STRONG

The tier 1 risk-based capital ratio for community banks that did not file the community bank leverage ratio (CBLR) was 13.73 percent, down 26 basis points from the prior quarter, as growth in higher risk-weighted assets outpaced tier 1 capital formation. The average CBLR for the 1,591 community banks that elected to use the CBLR framework was 11.81 percent, up 26 basis points from second quarter 2022. The leverage capital ratio for community banks increased 13 basis points to 10.43 percent in third quarter 2022. Equity capital declined $6.7 billion (2.6 percent) in third quarter 2022, as the continued rise in market interest rates further eroded the value of available-for-sale investment securities, resulting in a continued reduction in accumulated other comprehensive income from second quarter 2022. However, no community banks are advanced approach institutions and, therefore, these losses did not directly affect their regulatory capital ratios.

THREE COMMUNITY BANKS OPENED AND NO COMMUNITY BANKS FAILED IN THIRD QUARTER 2022

The number of community banks declined to 4,308, down 25 from the previous quarter. Fifteen banks transitioned from community to noncommunity banks, eleven banks transitioned from noncommunity to community banks, two community banks ceased operations, 22 community banks merged during the quarter, and three new community banks started reporting.

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

	2022*	2021*	2021	2020	2019	2018	2017
Return on assets (%)	1.13	1.28	1.25	1.09	1.19	1.19	0.96
Return on equity (%)	11.66	11.92	11.59	9.73	10.24	10.57	8.65
Core capital (leverage) ratio (%)	10.43	10.26	10.16	10.32	11.15	11.09	10.80
Noncurrent assets plus other real estate owned to assets (%)	0.34	0.46	0.40	0.60	0.65	0.70	0.78
Net charge-offs to loans (%)	0.05	0.06	0.06	0.12	0.13	0.13	0.16
Asset growth rate (%)	0.18	10.60	8.51	14.05	-1.26	2.20	1.12
Net interest margin (%)	3.36	3.29	3.27	3.39	3.66	3.72	3.62
Net operating income growth (%)	-5.14	38.66	28.09	0.03	-4.14	27.89	0.19
Number of institutions reporting	4,308	4,448	4,390	4,557	4,748	4,979	5,227
Percentage of unprofitable institutions (%)	4.09	3.33	3.23	4.52	3.96	3.66	5.72

* 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 Community Banks

(dollar figures in millions)	3rd Quarter 2022	2nd Quarter 2022	3rd Quarter 2021	%Change 21Q3-22Q3
Number of institutions reporting	4,308	4,333	4,448	-3.1
Total employees (full-time equivalent)	382,135	386,329	389,688	-1.9
CONDITION DATA				
Total assets	$2,734,700	$2,752,902	$2,729,910	0.2
Loans secured by real estate	1,396,407	1,355,500	1,272,490	9.7
1-4 Family residential mortgages	420,512	408,791	384,278	9.4
Nonfarm nonresidential	567,694	553,054	525,154	8.1
Construction and development	147,260	140,019	125,599	17.2
Home equity lines	43,304	42,288	40,677	6.5
Commercial & industrial loans	239,940	239,239	262,589	-8.6
Loans to individuals	78,962	76,177	65,179	21.1
Credit cards	2,551	2,614	2,006	27.2
Farm loans	47,138	44,513	46,574	1.2
Other loans & leases	47,639	49,880	52,507	-9.3
Less: Unearned income	718	689	1,001	-28.2
Total loans & leases	1,809,367	1,764,620	1,698,339	6.5
Less: Reserve for losses*	22,214	21,995	22,457	-1.1
Net loans and leases	1,787,153	1,742,625	1,675,881	6.6
Securities**	609,950	632,657	568,171	7.4
Other real estate owned	862	952	1,356	-36.5
Goodwill and other intangibles	18,615	19,532	20,322	-8.4
All other assets	318,119	357,136	464,180	-31.5
Total liabilities and capital	2,734,700	2,752,902	2,729,910	0.2
Deposits	2,355,471	2,378,126	2,327,287	1.2
Domestic office deposits	2,354,931	2,375,003	2,324,869	1.3
Foreign office deposits	541	3,123	2,419	-77.7
Brokered deposits	66,289	58,927	51,600	28.5
Estimated insured deposits	1,577,696	1,581,674	1,565,280	0.8
Other borrowed funds	106,405	92,152	84,114	26.5
Subordinated debt	358	368	283	26.7
All other liabilities	24,711	23,208	24,614	0.4
Total equity capital (includes minority interests)	247,755	259,044	293,611	-15.6
Bank equity capital	247,622	258,909	293,485	-15.6
Loans and leases 30-89 days past due	5,844	5,460	5,310	10.1
Noncurrent loans and leases	8,433	8,966	11,019	-23.5
Restructured loans and leases	4,201	4,332	4,963	-15.3
Mortgage-backed securities	248,655	268,009	258,751	-3.9
Earning assets	2,557,638	2,577,424	2,561,684	-0.2
FHLB Advances	80,827	66,108	55,215	46.4
Unused loan commitments	439,538	436,059	390,755	12.5
Trust assets	352,945	392,826	319,051	10.6
Assets securitized and sold	24,586	28,902	24,361	0.9
Notional amount of derivatives	109,378	126,678	142,327	-23.1

INCOME DATA	First Three Quarters 2022	First Three Quarters 2021	%Change	3rd Quarter 2022	3rd Quarter 2021	%Change 21Q3-22Q3
Total interest income	$69,756	$66,937	4.2	$26,010	$22,819	14.0
Total interest expense	6,156	6,067	1.5	2,927	1,841	58.9
Net interest income	63,600	60,870	4.5	23,083	20,977	10.0
Provision for credit losses***	1,651	724	128.1	777	274	183.6
Total noninterest income	15,961	18,722	-14.7	5,132	6,195	-17.2
Total noninterest expense	49,314	48,578	1.5	16,897	16,504	2.4
Securities gains (losses)	-839	672	-224.9	-243	123	-297.7
Applicable income taxes	4,912	5,591	-12.1	1,815	1,900	-4.5
Extraordinary gains, net****	-4	2	N/M	-5	1	N/M
Total net income (includes minority interests)	22,840	25,373	-10.0	8,477	8,618	-1.6
Bank net income	22,828	25,337	-9.9	8,473	8,605	-1.5
Net charge-offs	585	728	-19.5	278	276	0.8
Cash dividends	8,793	9,443	-6.9	2,763	3,321	-16.8
Retained earnings	14,035	15,893	-11.7	5,711	5,284	8.1
Net operating income	23,534	24,808	-5.1	8,689	8,512	2.1

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.
** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.
*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.
**** See Notes to Users for explanation.

N/M - Not Meaningful

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

(dollar figures in millions)	3rd Quarter 2022	2nd Quarter 2022	3rd Quarter 2021	%Change 21Q3-22Q3
Number of institutions reporting	4,308	4,305	4,297	0.3
Total employees (full-time equivalent)	382,135	383,002	378,322	1.0
CONDITION DATA				
Total assets	$2,734,700	$2,703,110	$2,595,590	5.4
Loans secured by real estate	1,396,407	1,337,251	1,212,855	15.1
1-4 Family residential mortgages	420,512	401,242	371,119	13.3
Nonfarm nonresidential	567,694	547,205	496,631	14.3
Construction and development	147,260	138,039	119,361	23.4
Home equity lines	43,304	41,208	38,102	13.7
Commercial & industrial loans	239,940	234,880	246,323	-2.6
Loans to individuals	78,962	74,706	63,253	24.8
Credit cards	2,551	2,421	1,798	41.8
Farm loans	47,138	44,478	46,192	2.0
Other loans & leases	47,639	47,522	45,465	4.8
Less: Unearned income	718	676	942	-23.8
Total loans & leases	1,809,367	1,738,161	1,613,145	12.2
Less: Reserve for losses*	22,214	21,769	21,378	3.9
Net loans and leases	1,787,153	1,716,393	1,591,767	12.3
Securities**	609,950	619,104	543,264	12.3
Other real estate owned	862	936	1,315	-34.5
Goodwill and other intangibles	18,615	18,310	16,847	10.5
All other assets	318,119	348,367	442,397	-28.1
Total liabilities and capital	2,734,700	2,703,110	2,595,590	5.4
Deposits	2,355,471	2,337,253	2,215,502	6.3
Domestic office deposits	2,354,931	2,336,512	2,214,823	6.3
Foreign office deposits	541	741	679	-20.4
Brokered deposits	66,289	53,630	48,004	38.1
Estimated insured deposits	1,577,696	1,565,259	1,505,716	4.8
Other borrowed funds	106,405	88,944	79,370	34.1
Subordinated debt	358	368	272	31.8
All other liabilities	24,711	22,099	22,490	9.9
Total equity capital (includes minority interests)	247,755	254,442	277,956	-10.9
Bank equity capital	247,622	254,314	277,835	-10.9
Loans and leases 30-89 days past due	5,844	5,341	5,079	15.1
Noncurrent loans and leases	8,433	8,670	10,477	-19.5
Restructured loans and leases	4,201	4,289	4,826	-12.9
Mortgage-backed securities	248,655	258,442	241,928	2.8
Earning assets	2,557,638	2,532,547	2,439,495	4.8
FHLB Advances	80,827	63,218	51,726	56.3
Unused loan commitments	439,538	427,310	368,365	19.3
Trust assets	352,945	391,869	386,064	-8.6
Assets securitized and sold	24,586	24,919	24,583	0.0
Notional amount of derivatives	109,378	111,752	124,883	-12.4

INCOME DATA	First Three Quarters 2022	First Three Quarters 2021	%Change	3rd Quarter 2022	3rd Quarter 2021	%Change 21Q3-22Q3
Total interest income	$69,756	$63,635	9.6	$26,010	$21,737	19.7
Total interest expense	6,156	5,790	6.3	2,927	1,759	66.4
Net interest income	63,600	57,845	9.9	23,083	19,978	15.5
Provision for credit losses***	1,651	798	106.9	777	287	170.8
Total noninterest income	15,961	18,927	-15.7	5,132	6,195	-17.2
Total noninterest expense	49,314	47,128	4.6	16,897	16,054	5.3
Securities gains (losses)	-839	654	-228.4	-243	114	-313.5
Applicable income taxes	4,912	5,298	-7.3	1,815	1,780	2.0
Extraordinary gains, net****	-4	2	N/M	-5	1	N/M
Total net income (includes minority interests)	22,840	24,204	-5.6	8,477	8,167	3.8
Bank net income	22,828	24,177	-5.6	8,473	8,156	3.9
Net charge-offs	585	662	-11.6	278	257	8.0
Cash dividends	8,793	9,257	-5.0	2,763	3,184	-13.2
Retained earnings	14,035	14,920	-5.9	5,711	4,972	14.9
Net operating income	23,534	23,655	-0.5	8,689	8,068	7.7

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.
** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.
*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.
**** See Notes to Users for explanation.

N/M - Not Meaningful

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

Third Quarter 2022 (dollar figures in millions)	**All Community Banks**	**Geographic Regions***					
		New York	**Atlanta**	**Chicago**	**Kansas City**	**Dallas**	**San Francisco**
Number of institutions reporting	4,308	480	485	945	1,168	972	258
Total employees (full-time equivalent)	382,135	78,281	39,928	78,207	71,632	83,570	30,517
CONDITION DATA							
Total assets	$2,734,700	$687,054	$288,073	$497,907	$484,302	$529,317	$248,047
Loans secured by real estate	1,396,407	402,400	146,380	243,253	231,062	250,749	122,564
1-4 Family residential mortgages	420,512	146,218	42,008	69,693	65,407	70,786	26,401
Nonfarm nonresidential	567,694	151,526	68,758	97,092	81,393	107,144	61,781
Construction and development	147,260	28,827	17,786	22,138	24,403	43,015	11,090
Home equity lines	43,304	11,977	5,596	10,109	5,410	5,126	5,087
Commercial & industrial loans	239,940	53,583	23,327	48,878	48,273	47,967	17,911
Loans to individuals	78,962	18,952	7,032	13,389	13,408	14,331	11,850
Credit cards	2,551	391	108	184	970	248	650
Farm loans	47,138	582	1,434	7,936	26,491	8,202	2,494
Other loans & leases	47,639	15,234	3,166	10,225	7,653	7,877	3,483
Less: Unearned income	718	119	111	64	112	189	123
Total loans & leases	1,809,367	490,631	181,228	323,616	326,775	328,937	158,179
Less: Reserve for losses**	22,214	5,188	2,187	3,988	4,417	4,237	2,197
Net loans and leases	1,787,153	485,444	179,041	319,629	322,358	324,700	155,983
Securities***	609,950	128,353	65,980	117,490	110,230	130,994	56,902
Other real estate owned	862	141	115	169	184	208	45
Goodwill and other intangibles	18,615	5,263	975	4,221	3,394	3,394	1,368
All other assets	318,119	67,854	41,962	56,397	48,136	70,020	33,750
Total liabilities and capital	2,734,700	687,054	288,073	497,907	484,302	529,317	248,047
Deposits	2,355,471	578,222	253,135	429,855	415,085	465,804	213,370
Domestic office deposits	2,354,931	577,713	253,129	429,855	415,085	465,804	213,344
Foreign office deposits	541	509	6	0	0	0	26
Brokered deposits	66,289	25,887	5,063	11,472	10,852	8,250	4,765
Estimated insured deposits	1,577,696	384,634	162,187	306,156	300,254	298,017	126,449
Other borrowed funds	106,405	33,028	8,502	20,105	23,256	13,594	7,920
Subordinated debt	358	181	6	16	6	139	10
All other liabilities	24,711	8,836	2,305	3,780	3,639	3,509	2,641
Total equity capital (includes minority interests)	247,755	66,788	24,125	44,151	42,314	46,269	24,107
Bank equity capital	247,622	66,760	24,123	44,058	42,313	46,263	24,106
Loans and leases 30-89 days past due	5,844	1,730	517	913	892	1,468	325
Noncurrent loans and leases	8,433	2,623	641	1,545	1,313	1,664	647
Restructured loans and leases	4,201	1,570	286	866	627	513	341
Mortgage-backed securities	248,655	64,799	29,395	43,029	36,438	47,685	27,309
Earning assets	2,557,638	642,871	269,549	464,273	453,203	494,832	232,909
FHLB Advances	80,827	27,270	6,819	14,806	17,381	9,522	5,029
Unused loan commitments	439,538	104,918	39,712	81,070	91,206	82,527	40,103
Trust assets	352,945	125,182	9,787	56,925	116,424	35,436	9,192
Assets securitized and sold	24,586	11,033	20	3,850	4,561	4,630	492
Notional amount of derivatives	109,378	45,790	10,405	16,071	21,361	8,039	7,712
INCOME DATA							
Total interest income	$26,010	$6,407	$2,727	$4,579	$4,586	$5,262	$2,449
Total interest expense	2,927	855	253	516	580	516	207
Net interest income	23,083	5,552	2,474	4,063	4,006	4,746	2,242
Provision for credit losses****	777	231	82	77	121	155	111
Total noninterest income	5,132	1,115	415	1,138	990	958	516
Total noninterest expense	16,897	4,038	1,720	3,053	2,971	3,368	1,746
Securities gains (losses)	-243	-154	-23	-19	-34	-10	-3
Applicable income taxes	1,815	511	203	376	260	258	207
Extraordinary gains, net*****	-5	0	-5	0	0	0	0
Total net income (includes minority interests)	8,477	1,732	857	1,675	1,610	1,914	690
Bank net income	8,473	1,730	857	1,674	1,610	1,913	690
Net charge-offs	278	96	19	24	49	52	37
Cash dividends	2,763	616	150	615	602	586	195
Retained earnings	5,711	1,114	707	1,059	1,008	1,327	496
Net operating income	8,689	1,859	880	1,693	1,641	1,923	693

* See Table V-A for explanation.
** For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.
*** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.
**** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.
***** See Notes to Users for explanation.

Table IV-B. Third Quarter 2022, FDIC-Insured Community Banks

Performance ratios (annualized, %)	All Community Banks		Third Quarter 2022, Geographic Regions*					
	3rd Quarter 2022	2nd Quarter 2022	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	4.09	3.61	4.01	4.07	3.97	4.06	4.28	4.24
Cost of funding earning assets	0.46	0.28	0.54	0.38	0.45	0.51	0.42	0.36
Net interest margin	3.63	3.33	3.47	3.69	3.52	3.55	3.86	3.88
Noninterest income to assets	0.76	0.80	0.65	0.58	0.92	0.82	0.73	0.84
Noninterest expense to assets	2.49	2.43	2.37	2.40	2.47	2.47	2.56	2.84
Loan and lease loss provision to assets	0.11	0.09	0.14	0.11	0.06	0.10	0.12	0.18
Net operating income to assets	1.28	1.15	1.09	1.23	1.37	1.36	1.46	1.13
Pretax return on assets	1.51	1.34	1.31	1.48	1.66	1.55	1.65	1.46
Return on assets	1.25	1.10	1.01	1.20	1.35	1.34	1.45	1.12
Return on equity	13.51	11.48	10.23	14.05	14.99	14.98	16.32	11.38
Net charge-offs to loans and leases	0.06	0.04	0.08	0.04	0.03	0.06	0.06	0.10
Loan and lease loss provision to net charge-offs	279.81	314.49	240.56	428.76	319.41	246.98	299.00	295.67
Efficiency ratio	59.54	61.57	60.31	59.06	58.30	59.05	58.73	63.10
Net interest income to operating revenue	81.81	79.59	83.28	85.64	78.12	80.18	83.20	81.30
% of unprofitable institutions	3.62	5.01	5.63	5.15	3.92	2.31	2.26	6.98
% of institutions with earnings gains	63.02	48.05	61.04	74.23	60.32	59.50	66.87	56.98

Table V-B. First Three Quarters 2022, FDIC-Insured Community Banks

Performance ratios (%)	All Community Banks		First Three Quarters 2022, Geographic Regions*					
	First Three Quarters 2022	First Three Quarters 2021	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	3.69	3.62	3.64	3.66	3.57	3.68	3.86	3.74
Cost of funding earning assets	0.33	0.33	0.36	0.28	0.32	0.37	0.30	0.24
Net interest margin	3.36	3.29	3.28	3.38	3.25	3.31	3.56	3.50
Noninterest income to assets	0.79	0.95	0.68	0.65	0.97	0.84	0.78	0.82
Noninterest expense to assets	2.45	2.46	2.34	2.42	2.44	2.42	2.51	2.68
Loan and lease loss provision to assets	0.08	0.04	0.08	0.08	0.05	0.08	0.10	0.10
Net operating income to assets	1.17	1.26	1.03	1.07	1.25	1.24	1.32	1.01
Pretax return on assets	1.38	1.57	1.20	1.29	1.51	1.43	1.49	1.33
Return on assets	1.13	1.28	0.93	1.05	1.24	1.23	1.31	1.01
Return on equity	11.66	11.92	9.02	11.57	12.91	12.99	13.90	9.92
Net charge-offs to loans and leases	0.05	0.06	0.06	0.04	0.02	0.05	0.06	0.04
Loan and lease loss provision to net charge-offs	282.06	99.51	214.61	361.76	395.24	245.32	291.00	439.86
Efficiency ratio	61.63	60.66	62.05	62.95	60.20	60.93	60.86	64.91
Net interest income to operating revenue	79.94	76.48	81.82	82.97	75.76	78.77	81.02	80.06
% of unprofitable institutions	4.09	3.33	7.71	5.57	4.55	2.31	2.57	6.59
% of institutions with earnings gains	46.84	75.27	52.08	63.51	43.70	31.93	57.10	46.12

* See Table V-A for explanation.

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

September 30, 2022	All Community Banks	Geographic Regions* New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due							
All loans secured by real estate	0.23	0.20	0.23	0.27	0.23	0.33	0.10
Construction and development	0.25	0.22	0.13	0.35	0.26	0.28	0.17
Nonfarm nonresidential	0.15	0.15	0.12	0.15	0.18	0.19	0.05
Multifamily residential real estate	0.10	0.09	0.09	0.17	0.10	0.09	0.05
Home equity loans	0.29	0.32	0.27	0.24	0.28	0.48	0.15
Other 1-4 family residential	0.38	0.27	0.45	0.47	0.35	0.58	0.22
Commercial and industrial loans	0.55	1.10	0.43	0.31	0.32	0.50	0.50
Loans to individuals	1.34	1.67	1.05	0.63	1.10	2.40	0.76
Credit card loans	3.51	2.28	1.64	0.94	5.67	1.40	2.89
Other loans to individuals	1.26	1.65	1.04	0.63	0.74	2.42	0.64
All other loans and leases (including farm)	0.20	0.12	0.22	0.13	0.19	0.33	0.33
Total loans and leases	0.32	0.35	0.29	0.28	0.27	0.45	0.21
Percent of Loans Noncurrent							
All loans secured by real estate	0.43	0.49	0.32	0.50	0.37	0.43	0.31
Construction and development	0.28	0.44	0.17	0.39	0.23	0.14	0.42
Nonfarm nonresidential	0.41	0.49	0.28	0.52	0.36	0.41	0.27
Multifamily residential real estate	0.16	0.21	0.12	0.19	0.08	0.09	0.09
Home equity loans	0.34	0.41	0.19	0.30	0.31	0.25	0.54
Other 1-4 family residential	0.53	0.61	0.47	0.59	0.36	0.59	0.32
Commercial and industrial loans	0.72	1.05	0.56	0.51	0.56	0.69	0.97
Loans to individuals	0.53	0.42	0.35	0.26	0.38	1.30	0.35
Credit card loans	1.57	1.32	2.47	0.24	1.57	0.49	2.35
Other loans to individuals	0.49	0.40	0.32	0.26	0.28	1.32	0.23
All other loans and leases (including farm)	0.36	0.07	0.32	0.24	0.42	0.42	0.96
Total loans and leases	0.47	0.53	0.35	0.48	0.40	0.51	0.41
Percent of Loans Charged-Off (net, YTD)							
All loans secured by real estate	0.00	0.01	-0.02	0.00	0.00	0.00	-0.01
Construction and development	-0.01	0.02	-0.05	0.00	0.00	-0.02	-0.03
Nonfarm nonresidential	0.01	0.01	0.00	0.02	0.01	0.01	0.00
Multifamily residential real estate	0.00	0.01	0.00	0.00	0.02	-0.02	0.00
Home equity loans	-0.01	-0.02	-0.03	-0.02	0.00	0.00	-0.01
Other 1-4 family residential	-0.01	0.00	-0.02	-0.01	-0.01	0.00	-0.01
Commercial and industrial loans	0.08	0.20	0.15	0.05	0.02	0.13	-0.20
Loans to individuals	0.71	0.72	0.70	0.21	0.92	0.77	1.07
Credit card loans	5.66	3.14	0.57	0.91	10.27	1.19	3.83
Other loans to individuals	0.55	0.66	0.70	0.20	0.20	0.76	0.93
All other loans and leases (including farm)	0.07	0.05	0.15	0.06	0.04	0.13	0.21
Total loans and leases	0.05	0.06	0.04	0.02	0.05	0.06	0.04
Loans Outstanding (in billions)							
All loans secured by real estate	$1,396.4	$402.4	$146.4	$243.3	$231.1	$250.7	$122.6
Construction and development	147.3	28.8	17.8	22.1	24.4	43.0	11.1
Nonfarm nonresidential	567.7	151.5	68.8	97.1	81.4	107.1	61.8
Multifamily residential real estate	134.5	61.4	7.6	25.2	16.8	8.6	14.8
Home equity loans	43.3	12.0	5.6	10.1	5.4	5.1	5.1
Other 1-4 family residential	420.5	146.2	42.0	69.7	65.4	70.8	26.4
Commercial and industrial loans	239.9	53.6	23.3	48.9	48.3	48.0	17.9
Loans to individuals	79.0	19.0	7.0	13.4	13.4	14.3	11.9
Credit card loans	2.6	0.4	0.1	0.2	1.0	0.2	0.6
Other loans to individuals	76.4	18.6	6.9	13.2	12.4	14.1	11.2
All other loans and leases (including farm)	94.8	15.8	4.6	18.2	34.1	16.1	6.0
Total loans and leases	1,810.1	490.8	181.3	323.7	326.9	329.1	158.3
Memo: Unfunded Commitments (in millions)							
Total Unfunded Commitments	439,538	104,918	39,712	81,070	91,206	82,527	40,103
Construction and development: 1-4 family residential	42,898	7,486	6,468	4,808	6,644	14,211	3,280
Construction and development: CRE and other	105,874	28,429	10,100	18,095	17,308	24,395	7,546
Commercial and industrial	128,952	31,994	10,301	27,801	25,057	22,791	11,008

* See Table V-A for explanation.
Note: Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

INSURANCE FUND INDICATORS

Deposit Insurance Fund Increases by $1.0 Billion

Insured Deposits Rise by 0.1 Percent

DIF Reserve Ratio Unchanged at 1.26 Percent

During the third quarter, the Deposit Insurance Fund (DIF) balance increased by $1.0 billion to $125.5 billion. Assessment revenue of $2.1 billion was the largest source of income. Interest earned on investments of $332 million, negative provisions for insurance losses of $49 million, and other miscellaneous income of $6 million also added to the fund balance. Operating expenses of $456 million and unrealized losses on available-for-sale securities of $1.1 billion partially offset the increase in the fund balance. No insured institutions failed in the third quarter.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—fell by 0.04 percent in the third quarter, though it rose by 4.5 percent over the last 12 months.[1,2]

Total estimated insured deposits increased by 0.1 percent in the third quarter of 2022 and increased by 3.5 percent year over year. The DIF's reserve ratio (the fund balance as a percent of insured deposits) was 1.26 percent on September 30, 2022, unchanged from the previous quarter and 1 basis point lower than the previous year.

The FDIC adopted a restoration plan on September 15, 2020, to restore the reserve ratio to 1.35 percent, the statutory minimum, by September 2028 as required by law. As of September 30, 2022, the FDIC projected that the reserve ratio was still at risk of not reaching 1.35 percent by the statutory deadline. Therefore in October, the FDIC board finalized a rule to increase initial base deposit insurance assessment rate schedules by 2 basis points, beginning in the first quarterly assessment period of 2023.

[1] There are additional adjustments to the assessment base for banker's banks and custodial banks.

[2] Figures for estimated insured deposits and the assessment base include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.

This action was taken to improve the likelihood that the reserve ratio reaches the statutory minimum of 1.35 percent before the statutory deadline while reducing the potential for a pro-cyclical increase in assessment rates should the banking industry enter a period of stress. The FDIC continues to incorporate recent data into its projections of the reserve ratio. The intent of the change in assessment rates is also to further support growth toward the FDIC's long-term goal of a 2 percent reserve ratio, an important complementary objective.

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Table I-C. Insurance Fund Balances and Selected Indicators

	Deposit Insurance Fund*												
(dollar figures in millions)	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	3rd Quarter 2021	2nd Quarter 2021	1st Quarter 2021	4th Quarter 2020	3rd Quarter 2020	2nd Quarter 2020	1st Quarter 2020	4th Quarter 2019	3rd Quarter 2019
Beginning Fund Balance	$124,458	$123,039	$123,141	$121,935	$120,547	$119,362	$117,897	$116,434	$114,651	$113,206	$110,347	$108,940	$107,446
Changes in Fund Balance:													
Assessments earned	2,145	2,086	1,938	1,967	1,662	1,589	1,862	1,884	2,047	1,790	1,372	1,272	1,111
Interest earned on investment securities	332	225	191	197	221	251	284	330	392	454	507	531	544
Realized gain on sale of investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating expenses	456	460	453	475	448	466	454	470	451	465	460	460	443
Provision for insurance losses	-49	-86	100	8	-53	-42	-57	-48	-74	-47	12	-88	-192
All other income, net of expenses	6	29	8	61	65	2	1	9	5	2	2	21	4
Unrealized gain/(loss) on available-for-sale securities**	-1,077	-547	-1,686	-536	-165	-233	-285	-338	-284	-383	1,450	-45	86
Total fund balance change	999	1,419	-102	1,206	1,388	1,185	1,465	1,463	1,783	1,445	2,859	1,407	1,494
Ending Fund Balance	125,457	124,458	123,039	123,141	121,935	120,547	119,362	117,897	116,434	114,651	113,206	110,347	108,940
Percent change from four quarters earlier	2.89	3.24	3.08	4.45	4.72	5.14	5.44	6.84	6.88	6.71	7.95	7.54	8.72
Reserve Ratio (%)	1.26	1.26	1.23	1.26	1.27	1.27	1.25	1.29	1.30	1.30	1.38	1.41	1.41
Estimated Insured Deposits	9,926,325	9,913,378	9,974,811	9,746,183	9,590,468	9,495,327	9,520,344	9,129,574	8,927,666	8,841,564	8,181,857	7,828,163	7,744,540
Percent change from four quarters earlier	3.50	4.40	4.77	6.75	7.42	7.39	16.36	16.62	15.28	15.02	6.38	4.14	4.96
Domestic Deposits	17,941,143	18,127,766	18,426,380	18,237,196	17,677,038	17,203,426	16,980,408	16,339,026	15,716,702	15,563,637	14,351,881	13,262,843	13,020,253
Percent change from four quarters earlier	1.49	5.37	8.52	11.62	12.47	10.54	18.31	23.19	20.71	21.70	12.78	4.77	5.27
Assessment Base* **	20,918,104	20,927,235	20,831,077	20,575,038	20,019,214	19,673,384	19,199,693	18,796,137	18,456,376	18,155,444	16,487,165	16,159,565	15,906,660
Percent change from four quarters earlier	4.49	6.37	8.50	9.46	8.47	8.36	16.45	16.32	16.03	15.75	5.94	4.57	4.45
Number of Institutions Reporting	4,755	4,780	4,805	4,848	4,923	4,959	4,987	5,011	5,042	5,075	5,125	5,186	5,267

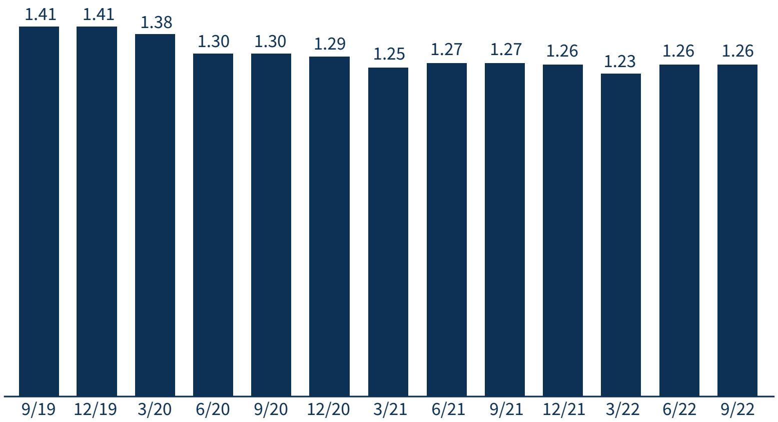
Table II-C. Problem Institutions and Failed Institutions

(dollar figures in millions)	2022****	2021****	2021	2020	2019	2018	2017	2016
Problem Institutions								
Number of institutions	42	46	44	56	51	60	95	123
Total assets*****	$163,809	$50,588	$170,172	$55,830	$46,190	$48,481	$13,939	$27,624
Failed Institutions								
Number of institutions	0	0	0	4	4	0	8	5
Total assets******	$0	$0	$0	$455	$209	$0	$5,082	$277

* Quarterly financial statement results are unaudited.
** Includes unrealized postretirement benefit gain (loss).
*** Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.
**** Through September 30.
***** Assets shown are what were on record as of the last day of the quarter.
****** Total assets are based on final Call Reports submitted by failed institutions.

DIF Reserve Ratios

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits ($ Millions)

	DIF Balance	DIF-Insured Deposits
9/19	$108,940	$7,744,540
12/19	110,347	7,828,163
3/20	113,206	8,181,857
6/20	114,651	8,841,564
9/20	116,434	8,927,666
12/20	117,897	9,129,574
3/21	119,362	9,520,344
6/21	120,547	9,495,327
9/21	121,935	9,590,468
12/21	123,141	9,746,183
3/22	123,039	9,974,811
6/22	124,458	9,913,378
9/22	125,457	9,926,325

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

(dollar figures in millions) September 30, 2022	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	4,157	$22,238,842	$16,702,110	$8,958,332
FDIC-Supervised	2,765	4,037,562	3,368,158	2,028,523
OCC-Supervised	729	14,594,903	10,633,888	5,627,740
Federal Reserve-Supervised	663	3,606,377	2,700,065	1,302,069
FDIC-Insured Savings Institutions	589	1,392,901	1,189,500	927,075
OCC-Supervised	256	556,063	447,447	366,444
FDIC-Supervised	297	404,297	327,131	238,293
Federal Reserve-Supervised	36	432,541	414,921	322,337
Total Commercial Banks and Savings Institutions	4,746	23,631,743	17,891,610	9,885,407
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	90,640	49,533	40,919
Total FDIC-Insured Institutions	4,755	23,722,383	17,941,143	9,926,325

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

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

Quarter Ending June 30, 2022 *(dollar figures in billions)*

Annual Rate in Basis Points*	Number of Institutions	Percent of Total Institutions	Amount of Assessment Base	Percent of Total Assessment Base
1.50 - 3.00	2,837	59.4	$6,794.8	32.47
3.01 - 6.00	1,401	29.3	12,948.1	61.87
6.01 - 10.00	458	9.6	1,118.6	5.35
10.01 - 15.00	39	0.8	47.8	0.23
15.01 - 20.00	45	0.9	17.9	0.09
20.01 - 25.00	0	0.0	0.0	0.00
>25.00	0	0.0	0.0	0.00

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

NOTES TO USERS

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

TABLES I-A THROUGH VIII-A.

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

TABLES I-B THROUGH VI-B.

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

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

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

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

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

The fourth step includes organizations that operate within a limited geographic scope. This limitation of scope is used as a proxy measure for a bank's relationship approach to banking. Banks that operate within a limited market area have more ease in managing relationships at a personal level. Under this step, four criteria are applied to each banking organization. They include both a minimum and maximum number of total banking offices, a maximum level of deposits for any one office, and location-based criteria. The limits on the number of and deposits per office are adjusted upward quarterly. For banking offices, banks must have more than one office, and the maximum number of offices is 40 in 1985 and reached 87 in 2016. The maximum level of deposits for any one office is $1.25 billion in deposits in 1985 and reached $6.97 billion in deposits in 2016. The remaining geographic limitations are also based on maximums for the number of states (fixed at 3) and large metropolitan areas (fixed at 2) in which the organization maintains offices. Branch office data are based on the most recent data from the annual June 30 *Summary of Deposits Survey* that are available at the time of publication.

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

SUMMARY OF FDIC RESEARCH DEFINITION OF COMMUNITY BANKING ORGANIZATIONS

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

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

Exclude: Any organization with:

— No loans or no core deposits

— Assets held in foreign branches ≥ 10% of total assets

— More than 50% of assets in certain specialty banks, including:

- credit card specialists
- consumer nonbank banks[1]
- industrial loan companies
- trust companies
- bankers’ banks

Include: All remaining banking organizations with:

— Total assets < indexed size threshold[2]

— Total assets ≥ indexed size threshold, where:

- Loan to assets > 33%
- Core deposits to assets > 50%
- More than 1 office but no more than the indexed maximum number of offices.[3]
- Number of large MSAs with offices ≤ 2
- Number of states with offices ≤ 3
- No single office with deposits > indexed maximum branch deposit size.[4]

TABLES I-C THROUGH IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository institutions that are not insured

[1] Consumer nonbank banks are financial institutions with limited charters that can make commercial loans or take deposits, but not both.

[2] Asset size threshold indexed to equal $250 million in 1985 and $1.39 billion in 2016.

[3] Maximum number of offices indexed to equal 40 in 1985 and 87 in 2016.

[4] Maximum branch deposit size indexed to equal $1.25 billion in 1985 and $6.97 billion in 2016.

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

DATA SOURCES

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

COMPUTATION METHODOLOGY

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

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

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

ACCOUNTING CHANGES

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

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

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

https://www.fdic.gov/news/financial-institution-letters/2022/fil22045.html

https://www.fdic.gov/resources/bankers/call-reports/index.html

Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB.

https://www.fasb.org/page/index?pageId=standards/index.html

DEFINITIONS (IN ALPHABETICAL ORDER)

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

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

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

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

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

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

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

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

Total Base Assessment Rates*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Derivatives transaction types:

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

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

Swaps – obligations between two parties to exchange a series of cash flows at periodic intervals (settlement dates), for a specified period. The cash flows of a swap are either fixed, or determined for each settlement date by multiplying the quantity (notional principal) of the underlying variable or index by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that filed a *Thrift Financial Report*

(TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

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

"Problem" institutions – federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a "4" or "5." The number and assets of "problem" institutions are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

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

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

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

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

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

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

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

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

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

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

Small Business Lending Fund – The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses by providing capital to qualified community institutions with assets of less than $10 billion. The SBLF Program is administered by the U.S. Treasury Department (https://home.treasury.gov/policy-issues/small-business-programs/small-business-lending-fund).

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

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

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

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

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

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