The FDIC Quarterly Banking Profile

Andrew C. Hove, Jr., Chairman

Second Quarter 1997

COMMERCIAL BANKING PERFORMANCE — SECOND QUARTER 1997

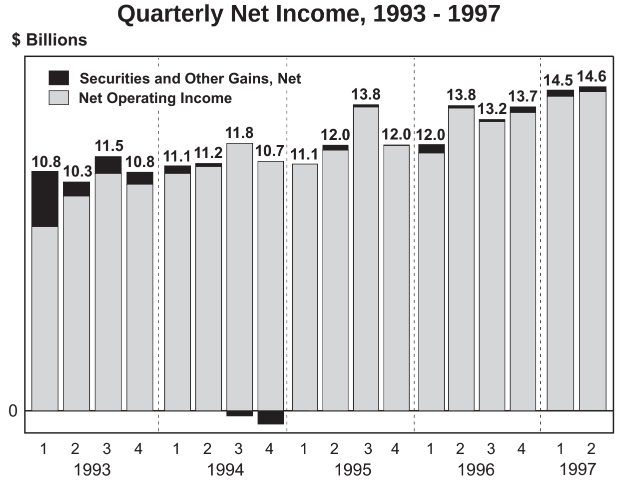
- ***Industry Earnings Rise To Second Consecutive Quarterly Record***
- ***Net Income Of $14.6 Billion Surpasses Previous Record By $154 Million***
- ***Growth In Lending Activity Lifts Net Interest Income***
- ***Mergers Increase With Arrival Of Interstate Branching***

For the second quarter in a row, insured commercial banks reported record profits. Industry net income in the second quarter of 1997 totaled $14.6 billion, an increase of $154 million over the previous quarterly record, set in the first quarter, and $851 million (6.2 percent) more than banks earned in the second quarter of 1996. Higher net interest income resulting from strong loan growth was the main contributor to the earnings improvement. Commercial banks' annualized return on assets (ROA) in the second quarter was 1.24 percent, down from 1.25 percent in the first quarter and 1.27 percent a year ago. It is the fifth-highest quarterly ROA in the industry's history. The return on equity (ROE) was 14.72 percent, down from 15.11 percent in the first quarter and 15.41 percent in the second quarter of 1996. Almost two out of every three banks (66.4 percent) reported an ROA of 1.0 percent or higher for the quarter, and 65.1 percent of all banks reported higher earnings than a year ago.

In the first six months of 1997, banks earned $29.1 billion, a $3.6-billion (14.2 percent) improvement over the first half of 1996. The annualized ROA for the first half of 1997 was 1.25 percent, up from 1.18 percent in the same period of 1996. Net interest income increased by $6.3 billion (7.9 percent), and noninterest income was $4.1 billion (8.9 percent) higher. The earnings improvement was limited by higher loan-loss provisions (up $1.5 billion, or 18.8 percent), and increased noninterest expenses (up $2.9 billion, or 3.7 percent).

Net interest income totaled $43.4 billion in the second quarter, $1.3 billion (3.0 percent) more than banks earned in the first quarter, and $3 billion (7.4 percent) more than in the second quarter of 1996. Noninterest income rose to $25.3 billion, from $24.6 billion in the first quarter, and $24.1 billion a year earlier. Revenues from trading activities were lower than in the first quarter, but were modestly higher than a year earlier. Noninterest expenses, at $41.4 billion, were $1.0 billion higher than in the first quarter, and $2.1 billion above the level of a year ago. The rise in noninterest expenses was fueled by merger-related charges at several large institutions. Banks set aside $5.0 billion in provisions for loan losses during the second quarter, an increase of $694 million from the previous quarter and $750 million more than a year ago. This is the industry's largest quarterly loss provision since the fourth quarter of 1992.

Quarterly Net Income, 1993 - 1997



The industry's net interest margin registered a slight increase in the second quarter, as average asset yields increased more rapidly than average

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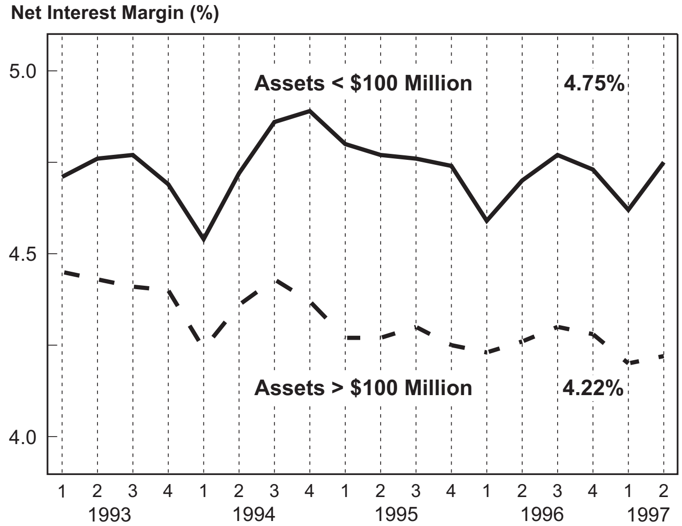
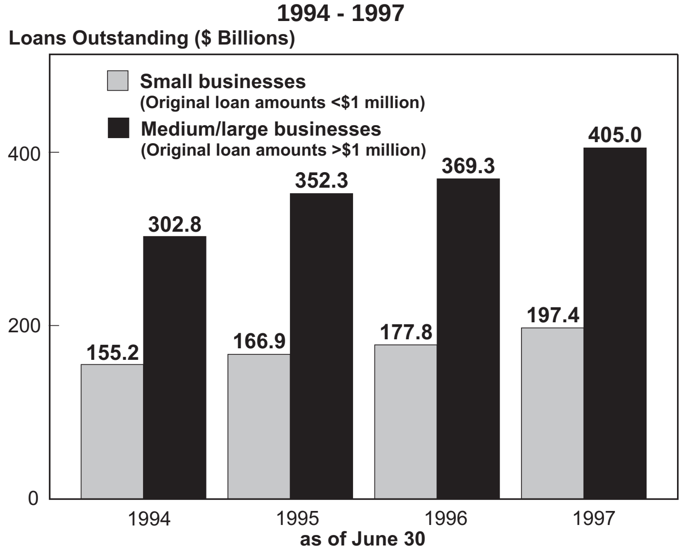
Quarterly Net Interest Margins, 1993 - 1997



funding costs. The second-quarter margin was 4.25 percent, up from 4.23 percent in the first quarter. A year ago, the industry's margin was 4.29 percent. Only the largest banks — those with assets greater than $10 billion — failed to register improvement in their net interest margins in the second quarter.

Commercial bank assets grew by $129.4 billion (2.8 percent) in the second quarter. Net loans and leases increased by $92.7 billion (3.4 percent), accounting for almost 72 percent of the increase in assets. Loan growth was led by commercial and industrial loans, which increased by $23.0 billion; 1-4 family residential mortgage loans, which increased by $19.0 billion; and credit-card loans, which increased by $9.4 billion. Credit-card receivables that have been securitized and sold grew by $5.3 billion. Banks' securities holdings increased by only $7.4 billion (0.9 percent), with $5.9 billion (80 percent) of the increase attributable to increased market values for available-for-sale securities. Banks continued to reduce their holdings of U.S. Treasury securities in favor of mortgage-backed securities and other securities.

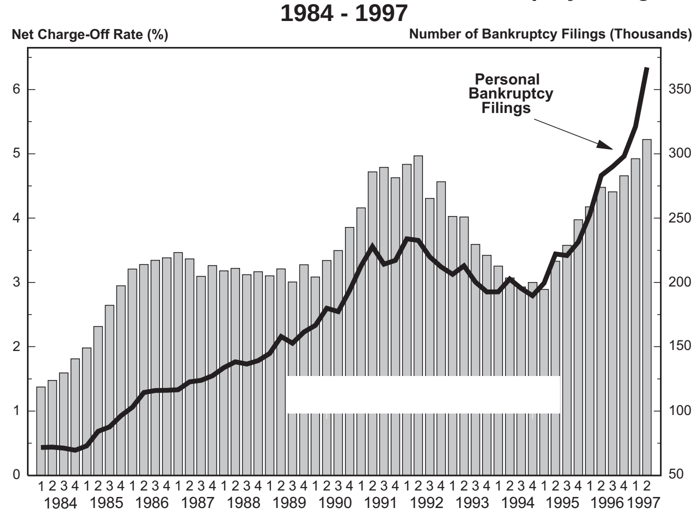
Commercial and Industrial Loans to Small Businesses, 1994 - 1997



In the twelve months from midyear 1996 through midyear 1997, assets of insured commercial banks increased by $374 billion (8.5 percent). Loan and lease growth of $174.8 billion accounted for 46.7 percent of the increase in industry assets. Commercial and industrial loans increased by $70 billion (10.2 percent), 1-4 family residential mortgage loans grew by $44.6 billion (8.1 percent), and commercial real estate loans increased by $20.3 billion (6.6 percent). Commercial and industrial loans to small businesses grew at an 11.0-percent rate, while loans to larger businesses increased by 9.6 percent.

On the funding side, banks increased their deposits and longer-term nondeposit borrowings in the second quarter. Almost three-quarters of the increase in commercial bank liabilities (72.9 percent) came from growth in bank deposits. Domestic office demand deposits increased by $26.2 billion (4.6 percent), and time deposits rose by $29.3 billion (2.8 percent). Foreign-office deposits increased by $28.3 billion (6.0 percent).

Credit-Card Loss Rates and Personal Bankruptcy Filings, 1984 - 1997



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

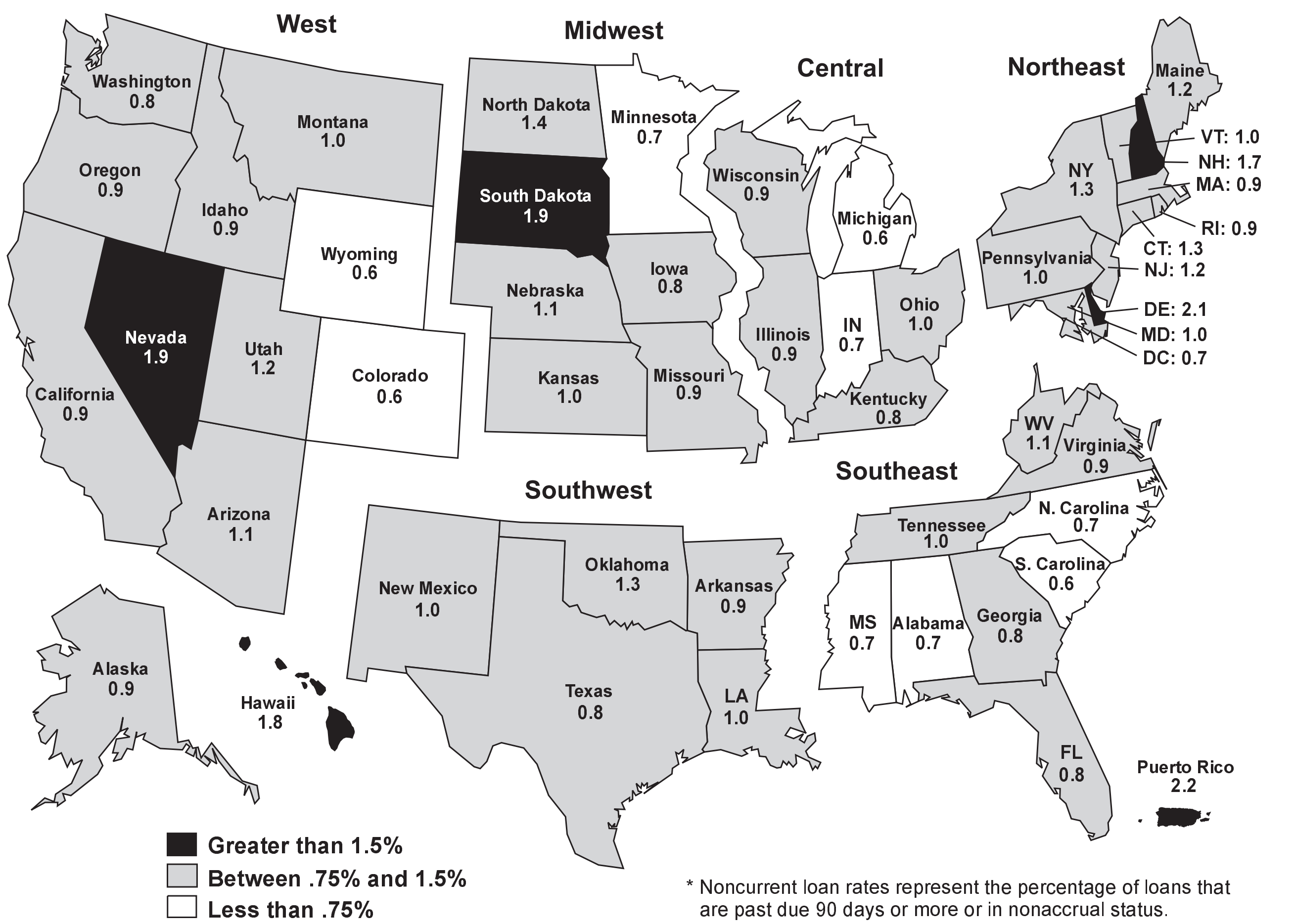
Net loan charge-offs at commercial banks totaled $4.4 billion in the second quarter, an increase of $358 million from the first quarter, and a $627-million increase from the second quarter of 1996. Net charge-offs of credit-card loans, at $2.9 billion, were $164 million higher than in the first quarter, and $609 million above the level of a year earlier. Credit-card charge-offs accounted for 66.4 percent of all loan charge-offs taken by commercial banks during the second quarter. The annualized net charge-off rate on banks' credit-card loans rose to 5.22 percent in the second quarter, from 4.92 percent in the first quarter and 4.48 percent a year earlier. This is the highest quarterly charge-off rate for credit-card loans in the 14 years that banks have reported this information (the previous quarterly record was 4.97 percent, in the second quarter of 1992). Net charge-off rates on other loan categories were lower than a year ago.

Noncurrent loans declined by $480 million during the quarter. At midyear, only 1.0 percent of commercial banks' loans were noncurrent, the lowest percentage in the 16 years that noncurrent loan data have been reported. The industry's "coverage ratio" increased to an all-time high of $1.91 in reserves for every $1.00 of noncurrent loans. At the same time, however, the industry's ratio of reserves to total loans declined from 1.93 percent to 1.90 percent during the quarter, due to the strong increase in loans and a smaller ($1.0 billion) increase in reserves.

Equity capital continued to grow during the second quarter, increasing by $12.7 billion (3.2 percent) to 8.44 percent of industry assets. Retained earnings contributed $5.2 billion of the increase, and appreciation in available-for-sale securities portfolios added $3.8 billion. An additional $1.5 billion of equity came from increased goodwill and other intangible assets created by merger transactions. The average core capital (leverage) ratio, a regulatory measurement of net worth that excludes goodwill and certain intangibles, declined from 7.78 percent to 7.76 percent during the quarter. This is still the third-highest level ever reported for this ratio. At the end of June, 98 percent of all commercial banks, representing more than 99 percent of all commercial bank assets, met or exceeded the highest regulatory capital standards.

The number of commercial banks reporting financial results declined by 143 in the second quarter. A total of 198 banks were absorbed by mergers during the quarter, while 47 new banks were chartered. For the third consecutive quarter, no insured commercial banks failed. On June 1, most federal restrictions on interstate branching were removed. The lifting of these restrictions allowed banking companies that had operated multiple subsidiary banks in different states to consolidate affiliated institutions into one bank with branches outside its home state. Of the 198 mergers that occurred during the quarter, 77 represented mergers between banks in different states, and 75 of these interstate mergers took place after June 1. The number of commercial banks on the FDIC's "Problem List" declined by 3 institutions during the quarter, to 74 banks with combined assets of $5 billion at midyear.

Noncurrent Loan Rates*
June 30, 1997



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

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

	1997*	1996*	1996	1995	1994	1993	1992
Return on assets (%)	1.25	1.18	1.19	1.17	1.15	1.20	0.93
Return on equity (%)	14.90	14.42	14.46	14.66	14.61	15.34	12.98
Core capital (leverage) ratio (%)	7.76	7.72	7.64	7.61	7.64	7.65	7.22
Noncurrent assets plus other real estate owned to assets (%)	0.69	0.82	0.75	0.85	1.01	1.61	2.54
Net charge-offs to loans (%)	0.60	0.56	0.58	0.49	0.50	0.85	1.27
Asset growth rate (%)	8.51	5.42	6.16	7.53	8.21	5.72	2.19
Net interest margin (%)	4.23	4.24	4.27	4.29	4.36	4.40	4.41
Net operating income growth (%)	14.46	9.18	6.47	7.49	16.18	35.36	92.41
Number of institutions reporting	9,308	9,690	9,528	9,940	10,451	10,958	11,462
Percentage of unprofitable institutions	3.91	3.52	4.21	3.54	3.98	4.89	6.85
Number of problem institutions	74	99	82	144	247	426	787
Assets of problem institutions (in billions)	$5	$8	$5	$17	$33	$242	$408
Number of failed/assisted institutions	0	3	5	6	11	42	100

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

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

(dollar figures in millions)	Preliminary 2nd Quarter 1997	1st Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Number of institutions reporting	9,308	9,451	9,690	-3.9
Total employees (full-time equivalent)	1,513,676	1,496,177	1,486,118	1.9
CONDITION DATA				
Total assets	$4,771,162	$4,641,737	$4,396,973	8.5
Loans secured by real estate	1,194,538	1,155,972	1,103,471	8.3
Commercial & industrial loans	755,136	732,075	685,357	10.2
Loans to individuals	557,744	543,688	537,753	3.7
Farm loans	43,660	39,328	41,417	5.4
Other loans & leases	320,527	306,779	328,280	-2.4
Less: Unearned income	5,144	5,119	5,625	-8.6
Total loans & leases	2,866,461	2,772,724	2,690,654	6.5
Less: Reserve for losses	54,548	53,523	53,582	1.8
Net loans & leases	2,811,912	2,719,201	2,637,072	6.6
Securities	820,482	813,101	806,299	1.8
Other real estate owned	4,380	4,663	5,350	-18.1
Goodwill and other intangibles	56,734	55,226	42,816	32.5
All other assets	1,077,654	1,049,546	905,437	19.0
Total liabilities and capital	4,771,162	4,641,737	4,396,973	8.5
Noninterest-bearing deposits	668,045	633,540	604,709	10.5
Interest-bearing deposits	2,611,515	2,560,876	2,456,759	6.3
Other borrowed funds	788,533	753,762	690,506	14.2
Subordinated debt	54,295	52,331	47,815	13.6
All other liabilities	245,983	251,091	232,345	5.9
Equity capital	402,792	390,137	364,839	10.4
Loans and leases 30-89 days past due	35,158	38,116	33,569	4.7
Noncurrent loans and leases	28,628	29,108	30,177	-5.1
Restructured loans and leases	3,395	3,522	3,546	-4.2
Direct and indirect investments in real estate	634	652	572	10.8
1-4 Family residential mortgages	690,353	665,531	634,747	8.8
Mortgage-backed securities	345,731	341,965	332,869	3.9
Earning assets	4,129,300	4,017,354	3,807,687	8.4
Long-term assets (5+ years)	699,961	691,060	626,582	11.7
Volatile liabilities	1,520,244	1,461,000	1,349,406	12.7
Foreign office deposits	504,198	475,871	462,031	9.1
Unused loan commitments	2,834,611	2,696,879	2,380,338	19.1
Off-balance-sheet derivatives	23,831,467	22,354,459	19,596,484	21.6

INCOME DATA	Preliminary First Half 1997	First Half 1996	%Change	Preliminary 2nd Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Total interest income	$164,901	$153,125	7.7	$83,874	$77,170	8.7
Total interest expense	79,278	73,797	7.4	40,464	36,761	10.1
Net interest income	85,623	79,328	7.9	43,410	40,408	7.4
Provision for loan losses	9,279	7,810	18.8	4,984	4,233	17.7
Total noninterest income	49,923	45,847	8.9	25,277	24,129	4.8
Total noninterest expense	81,862	78,947	3.7	41,417	39,283	5.4
Securities gains (losses)	713	553	29.1	298	80	271.6
Applicable income taxes	16,017	13,552	18.2	7,984	7,347	8.7
Extraordinary gains, net	35	90	-60.9	28	23	17.8
Net income	29,137	25,509	14.2	14,628	13,777	6.2
Net charge-offs	8,435	7,290	15.7	4,396	3,769	16.7
Cash dividends	17,982	14,952	20.3	9,477	7,964	19.0
Net operating income	28,639	25,020	14.5	14,409	13,667	5.4

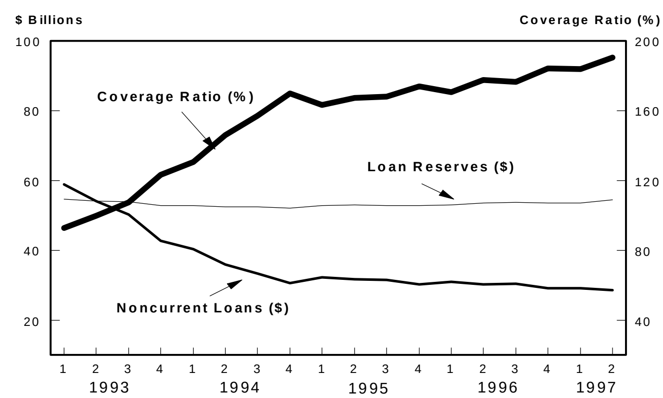
TABLE III-A. First Half 1997, FDIC-Insured Commercial Banks

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST HALF Preliminary (The way it is . . .)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting................	9,308	6,047	2,888	306	67	738	1,542	2,049	2,357	1,648	974
Total assets (in billions)...........................	$4,771.2	$273.4	$711.0	$916.0	$2,870.7	$1,810.8	$854.6	$795.9	$289.3	$342.1	$678.5
Total deposits (in billions)........................	3,279.6	234.6	587.2	631.3	1,826.4	1,118.6	598.7	572.1	219.5	274.4	496.4
Net income (in millions)............................	29,137	1,658	4,734	5,688	17,056	10,208	5,462	4,912	2,056	2,092	4,406
% of unprofitable institutions.....................	3.9	5.4	1.0	3.9	NA	4.6	4.5	3.3	2.2	3.6	8.4
% of institutions with earnings gains.........	65.6	62.5	71.2	72.2	82.1	69.9	67.5	68.2	61.1	63.1	69.3
Performance Ratios (annualized, %)											
Yield on earning assets............................	8.15	8.33	8.38	8.48	7.95	7.98	8.07	8.14	8.56	7.84	8.67
Cost of funding earning assets.................	3.92	3.66	3.65	3.84	4.04	4.29	3.79	3.88	3.79	3.38	3.51
Net interest margin...................................	4.23	4.67	4.74	4.64	3.91	3.69	4.28	4.26	4.77	4.46	5.16
Noninterest income to earning assets......	2.47	1.31	1.61	2.37	2.85	3.12	1.93	1.73	2.47	2.03	2.62
Noninterest expense to earning assets....	4.04	3.84	3.84	4.00	4.13	4.23	3.68	3.48	4.18	4.17	4.61
Net operating income to assets...............	1.22	1.23	1.35	1.24	1.19	1.13	1.28	1.24	1.43	1.23	1.30
Return on assets......................................	1.25	1.23	1.36	1.25	1.21	1.16	1.28	1.26	1.44	1.25	1.31
Return on equity.......................................	14.90	11.47	14.18	13.86	15.98	15.70	14.82	14.83	15.89	13.46	13.74
Net charge-offs to loans and leases.........	0.60	0.21	0.35	0.99	0.55	0.69	0.42	0.44	0.79	0.29	0.84
Loan loss provision to net charge-offs......	110.00	168.01	131.31	115.40	100.94	103.84	122.50	131.42	110.22	114.15	99.14
Condition Ratios (%)											
Loss allowance to:											
Loans and leases...................................	1.90	1.47	1.54	2.12	1.96	2.21	1.61	1.64	1.83	1.50	2.14
Noncurrent loans and leases.................	190.54	135.22	161.77	189.66	204.50	173.92	211.23	193.19	192.65	160.44	223.14
Noncurrent assets plus											
other real estate owned to assets...........	0.69	0.79	0.72	0.82	0.64	0.75	0.61	0.62	0.69	0.60	0.80
Equity capital ratio....................................	8.44	10.83	9.69	9.14	7.68	7.38	8.93	8.56	9.21	9.54	9.66
Core capital (leverage) ratio.....................	7.76	10.74	9.35	8.35	6.89	7.16	7.80	8.22	8.81	8.34	8.05
Net loans and leases to deposits.............	85.74	67.45	73.61	93.46	89.32	81.53	93.86	90.23	83.77	67.63	91.14
Growth Rates (year-to-year, %)											
Assets..	8.51	-	-	-	-	8.63	11.32	14.15	1.87	4.96	3.56
Equity capital..	10.40	-	-	-	-	7.63	17.59	14.95	5.56	13.56	4.66
Net interest income..................................	7.94	-	-	-	-	4.40	10.85	14.92	6.00	3.95	7.62
Net income...	14.22	-	-	-	-	17.44	17.16	19.52	0.63	4.62	10.11
Noncurrent assets plus											
other real estate owned.........................	-7.68	-	-	-	-	-14.47	3.97	10.85	1.07	-1.61	-17.26
Net charge-offs..	15.70	-	-	-	-	3.79	17.07	27.98	30.50	3.37	28.73
Loan loss provision..................................	18.80	-	-	-	-	-4.25	28.09	43.21	23.39	1.57	56.86
PRIOR FIRST HALVES (The way it was . . .)											
Number of institutions......................1996	9,690	6,470	2,816	331	73	765	1,592	2,137	2,454	1,722	1,020
....1994	10,717	7,561	2,773	328	55	853	1,789	2,351	2,667	1,899	1,158
....1992	11,686	8,555	2,757	328	46	954	1,904	2,580	2,831	2,077	1,340
Total assets (in billions)....................1996	$4,397.0	$290.2	$681.0	$1,001.3	$2,424.5	$1,667.1	$767.7	$697.2	$284.0	$325.9	$655.1
....1994	3,892.6	326.3	676.5	1,079.4	1,810.3	1,526.4	613.7	639.3	251.1	293.5	568.6
....1992	3,438.3	348.0	669.7	1,062.1	1,358.4	1,303.9	521.7	565.3	232.8	271.8	542.7
Return on assets (%).......................1996	1.18	1.22	1.29	1.30	1.10	1.06	1.24	1.19	1.44	1.23	1.30
....1994	1.17	1.17	1.19	1.40	1.01	1.08	1.22	1.18	1.47	1.19	1.17
....1992	0.92	1.11	1.04	1.00	0.74	0.74	1.04	1.09	1.29	1.10	0.79
Net charge-offs to loans & leases (%)											
....1996	0.56	0.19	0.37	0.82	0.53	0.67	0.42	0.40	0.63	0.29	0.71
....1994	0.53	0.17	0.33	0.64	0.59	0.83	0.23	0.29	0.40	0.10	0.62
....1992	1.20	0.45	0.64	1.39	1.49	1.80	0.78	0.75	0.74	0.74	1.04
Noncurrent assets plus											
OREO to assets (%).....................1996	0.82	0.84	0.80	0.84	0.81	0.95	0.65	0.63	0.70	0.64	1.00
....1994	1.27	0.97	1.14	1.16	1.43	1.62	0.88	0.78	0.86	0.79	1.70
....1992	2.93	1.58	2.01	2.73	3.89	4.02	2.05	1.61	1.49	2.09	3.58
Equity capital ratio (%)......................1996	8.30	10.42	9.41	9.02	7.43	7.45	8.45	8.50	8.89	8.82	9.56
....1994	7.83	9.91	8.88	8.24	6.83	7.11	8.04	7.99	8.80	8.44	8.63
....1992	7.22	9.38	8.17	7.48	6.00	6.43	7.66	7.75	8.55	7.36	7.53

TABLE IV-A. Second Quarter 1997, FDIC-Insured Commercial Banks

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
SECOND QUARTER Preliminary (The way it is . . .)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	9,308	6,047	2,888	306	67	738	1,542	2,049	2,357	1,648	974
Total assets (in billions)	$4,771.2	$273.4	$711.0	$916.0	$2,870.7	$1,810.8	$854.6	$795.9	$289.3	$342.1	$678.5
Total deposits (in billions)	3,279.6	234.6	587.2	631.3	1,826.4	1,118.6	598.7	572.1	219.5	274.4	496.4
Net income (in millions)	14,628	858	2,413	2,795	8,563	5,070	2,734	2,453	1,070	1,078	2,223
% of unprofitable institutions	4.2	5.6	1.4	4.2	NA	5.0	4.9	3.7	2.6	3.7	8.0
% of institutions with earnings gains	65.1	61.9	71.4	68.6	71.6	70.5	65.4	68.1	61.9	62.6	66.3
Performance Ratios (annualized, %)											
Yield on earning assets	8.22	8.45	8.49	8.63	7.97	8.02	8.13	8.23	8.68	7.94	8.77
Cost of funding earning assets	3.96	3.71	3.69	3.91	4.08	4.35	3.79	3.94	3.87	3.41	3.56
Net interest margin	4.25	4.75	4.79	4.73	3.89	3.67	4.34	4.29	4.81	4.53	5.20
Noninterest income to earning assets	2.48	1.35	1.63	2.41	2.85	3.12	1.90	1.69	2.54	2.07	2.69
Noninterest expense to earning assets	4.06	3.90	3.88	4.09	4.11	4.25	3.64	3.44	4.19	4.25	4.72
Net operating income to assets	1.22	1.26	1.37	1.22	1.18	1.11	1.27	1.23	1.48	1.26	1.32
Return on assets	1.24	1.27	1.37	1.23	1.21	1.14	1.27	1.25	1.50	1.27	1.32
Return on equity	14.72	11.77	14.24	13.48	15.73	15.38	14.55	14.63	16.29	13.40	13.68
Net charge-offs to loans and leases	0.62	0.25	0.37	1.01	0.58	0.72	0.44	0.47	0.84	0.29	0.88
Loan loss provision to net charge-offs	113.37	158.31	129.79	124.94	101.50	104.54	145.05	139.88	111.95	99.14	94.81
Growth Rates (year-to-year, %)											
Net interest income	7.43	-	-	-	-	5.17	10.65	15.25	6.70	4.19	2.85
Net income	6.18	-	-	-	-	-0.99	10.88	17.55	-0.04	8.78	8.86
Net charge-offs	16.65	-	-	-	-	5.46	18.68	31.37	40.42	-11.85	26.23
Loan loss provision	17.73	-	-	-	-	-11.07	42.75	51.05	36.79	-26.12	56.76
PRIOR SECOND QUARTERS (The way it was . . .)											
Return on assets (%) 1996	1.27	1.24	1.31	1.37	1.23	1.25	1.30	1.20	1.51	1.21	1.31
1994	1.16	1.19	1.19	1.38	1.01	1.03	1.24	1.21	1.52	1.15	1.17
1992	0.92	1.11	1.05	1.03	0.72	0.73	1.11	1.13	1.27	1.10	0.74
Net charge-offs to loans & leases (%)											
1996	0.57	0.23	0.40	0.88	0.51	0.68	0.42	0.41	0.62	0.34	0.74
1994	0.57	0.21	0.39	0.68	0.63	0.93	0.22	0.31	0.40	0.13	0.67
1992	1.21	0.51	0.70	1.39	1.46	1.83	0.72	0.75	0.77	0.71	1.06

Coverage Ratio* and Reserve Levels, 1993 - 1997



*Loan-loss reserves to Noncurrent Loans and Leases.

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

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
June 30, 1997	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate.............................	1.20	1.37	1.07	1.17	1.25	1.33	1.08	1.27	1.04	1.34	1.10
Construction and development............................	1.20	1.31	1.16	1.52	1.00	1.18	0.82	1.57	1.39	1.14	1.40
Commercial real estate..	0.91	1.05	0.84	1.02	0.88	1.28	0.67	1.12	1.00	0.90	0.55
Multifamily residential real estate.........................	0.83	1.08	0.80	0.89	0.78	0.65	0.71	1.12	0.61	0.79	1.04
Home equity loans...	0.87	0.93	0.83	0.90	0.87	1.09	0.63	0.96	0.83	1.01	0.79
Other 1-4 Family residential.................................	1.43	1.70	1.29	1.25	1.53	1.42	1.40	1.40	1.10	1.77	1.56
Commercial and industrial loans*..........................	0.90	1.55	1.44	1.34	0.57	0.53	0.87	1.27	1.99	1.42	0.75
Loans to individuals..	2.24	2.33	2.02	2.25	2.28	2.51	1.82	2.31	2.26	1.86	2.23
Credit card loans..	2.48	2.97	2.47	2.45	2.50	2.56	2.02	2.78	2.57	2.23	2.45
Other loans to individuals.....................................	2.08	2.30	1.92	2.05	2.12	2.46	1.73	2.17	1.94	1.82	1.97
All other loans and leases (including farm)............	0.43	NA	NA	1.02	0.37	0.34	0.53	0.70	0.48	0.39	0.36
Memo: Commercial RE loans not secured by RE..	0.59	1.60	0.95	0.73	0.54	0.53	0.52	1.00	0.59	1.10	0.37
Percent of Loans Noncurrent**											
All real estate loans..	1.09	0.92	0.86	1.08	1.22	1.63	0.85	0.77	0.72	1.02	1.13
Construction and development............................	1.15	0.86	0.89	1.29	1.30	3.20	0.72	0.73	0.81	0.79	1.25
Commercial real estate..	1.44	1.05	1.02	1.30	1.88	2.69	0.95	1.01	0.92	1.08	1.41
Multifamily residential real estate.........................	1.11	0.98	1.04	0.99	1.23	1.11	0.81	0.74	0.48	0.46	2.28
Home equity loans...	0.42	0.49	0.41	0.43	0.42	0.63	0.31	0.30	0.25	0.17	0.48
Other 1-4 Family residential.................................	0.92	0.80	0.74	1.01	0.97	1.15	0.89	0.69	0.56	1.01	0.96
Commercial and industrial loans*..........................	0.96	1.51	1.31	0.98	0.77	0.89	0.68	1.07	1.54	1.26	0.92
Loans to individuals..	1.34	0.85	0.76	1.44	1.47	2.05	0.83	1.00	1.23	0.58	1.19
Credit card loans..	1.94	1.77	1.65	1.98	1.94	2.13	1.44	2.20	1.81	1.41	1.85
Other loans to individuals.....................................	0.94	0.80	0.57	0.88	1.11	1.96	0.57	0.63	0.63	0.50	0.39
All other loans and leases (including farm)............	0.26	NA	NA	0.47	0.24	0.27	0.22	0.32	0.29	0.27	0.24
Memo: Commercial RE loans not secured by RE..	0.50	1.22	0.45	0.36	0.52	1.11	0.36	0.36	0.23	0.45	0.22
Percent of Loans Charged-off (net, annual)											
All real estate loans..	0.05	0.04	0.05	0.04	0.05	0.09	0.04	0.03	0.01	-0.04	0.07
Construction and development............................	-0.02	0.04	0.09	-0.02	-0.09	0.14	0.01	0.01	0.13	-0.25	-0.10
Commercial real estate..	-0.01	0.05	0.06	-0.02	-0.06	0.00	0.02	-0.01	-0.08	-0.10	0.00
Multifamily residential real estate.........................	0.05	0.21	0.12	0.04	0.02	0.06	0.02	0.07	-0.02	-0.04	0.13
Home equity loans...	0.17	0.18	0.08	0.16	0.20	0.18	0.08	0.13	0.09	0.60	0.30
Other 1-4 Family residential.................................	0.07	0.03	0.04	0.06	0.09	0.12	0.04	0.04	0.03	0.03	0.10
Commercial and industrial loans*..........................	0.21	0.30	0.32	0.21	0.16	0.16	0.13	0.19	0.43	0.17	0.35
Loans to individuals..	2.61	0.64	1.45	3.21	2.70	3.09	1.95	1.93	2.88	1.22	3.55
Credit card loans..	4.97	3.04	4.61	5.33	4.78	5.00	4.21	5.28	5.02	4.35	5.30
Other loans to individuals.....................................	0.98	0.50	0.72	0.89	1.17	1.05	0.91	0.88	0.67	0.93	1.30
All other loans and leases (including farm)............	0.06	NA	NA	0.19	0.04	-0.07	0.16	0.15	0.08	0.13	0.23
Memo: Commercial RE loans not secured by RE..	-0.06	0.50	0.29	0.04	-0.10	-0.20	0.00	0.01	0.02	-0.01	-0.03
Loans Outstanding (in billions)											
All real estate loans..	$1,194.5	$89.7	$267.4	$263.7	$573.8	$310.3	$301.1	$229.0	$79.7	$79.5	$195.0
Construction and development............................	82.5	6.2	22.5	20.7	33.0	10.4	25.8	16.2	5.6	8.8	15.7
Commercial real estate..	327.2	23.7	90.7	79.5	133.2	71.9	76.4	68.5	21.4	26.7	62.3
Multifamily residential real estate.........................	39.7	2.0	8.8	10.7	18.3	11.5	8.2	7.4	2.7	2.6	7.4
Home equity loans...	92.5	2.1	13.2	21.1	56.1	24.0	22.0	22.3	3.6	0.8	19.8
Other 1-4 Family residential.................................	597.8	44.8	122.4	128.4	302.2	166.2	164.0	108.1	38.0	37.5	84.0
Commercial and industrial loans............................	755.1	26.5	77.4	129.6	521.6	283.2	119.6	147.5	37.6	53.8	113.3
Loans to individuals..	557.7	24.4	72.2	167.7	293.4	189.2	103.8	96.0	44.6	38.5	85.6
Credit card loans..	225.3	1.3	12.8	85.7	125.4	98.6	31.0	22.7	22.8	3.4	46.9
Other loans to individuals.....................................	332.5	23.1	59.4	81.9	168.0	90.6	72.9	73.3	21.8	35.2	38.7
All other loans and leases (including farm)............	364.2	20.7	23.4	42.8	277.3	152.0	47.4	53.2	25.4	17.2	68.9
Memo: Commercial RE loans not secured by RE..	24.8	0.2	1.0	3.1	20.5	6.1	4.1	3.3	0.7	2.1	8.4
Memo: Other Real Estate Owned (in millions)											
All other real estate owned....................................	$4,379.6	$405.6	$944.1	$787.1	$2,242.8	$1,600.5	$861.7	$433.6	$223.0	$299.4	$961.5
Construction and development............................	568.2	54.5	161.1	128.1	224.6	139.5	219.6	46.4	41.1	27.6	93.9
Commercial real estate..	2,038.1	178.0	452.4	384.0	1,023.7	687.4	341.0	238.6	96.7	164.3	510.2
Multifamily residential real estate.........................	171.6	12.6	41.7	44.0	73.3	99.2	18.8	6.9	5.5	3.5	37.6
1-4 Family residential...	1,193.7	124.0	254.7	205.1	609.9	360.9	271.4	135.5	56.2	77.1	292.6
Farmland..	119.1	36.6	34.2	25.8	22.5	25.1	10.8	6.2	23.5	26.8	26.6
Other real estate owned in foreign offices...........	288.9	0.0	0.0	0.1	288.8	288.3	0.1	0.0	0.0	0.0	0.5

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

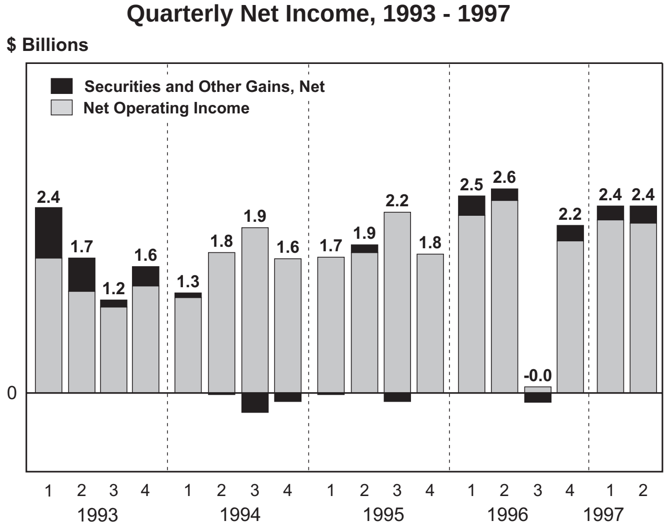
**Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

SAVINGS INSTITUTION PERFORMANCE — SECOND QUARTER, 1997

- ***Savings Institutions Earned $2.4 Billion In The Second Quarter***
- ***Equity Capital Ratio, At 8.53 Percent, Reaches Highest Level Since 1951***
- ***Movement Of Thrift Assets To Commercial Banks Hits A Record $20 Billion***

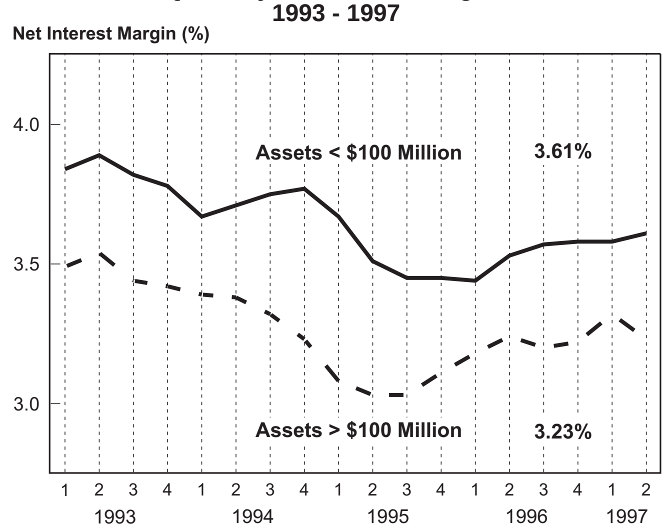
Savings institutions reported earnings of $2.4 billion in the second quarter of 1997, for an average annualized return on assets (ROA) of 0.95 percent. This was virtually the same net income and ROA (0.96 percent) reported in the first quarter. Second-quarter earnings were $214 million lower than in the second quarter of 1996 when thrifts reported their best quarterly earnings ever, with net income of $2.6 billion and an ROA of 1.03 percent. The main factor in the earnings decline was higher income taxes, which were $295 million higher than a year ago. Income taxes were unusually low in the second quarter of 1996 when a few large institutions made use of deferred tax assets to offset taxable income. Over 96 percent of savings institutions were profitable in the second quarter and 38 percent had ROAs exceeding 1.00 percent. Nearly 70 percent of thrifts showed improved earnings in the second quarter of this year compared to last year's second quarter.

Quarterly Net Income, 1993 - 1997



Net interest margins declined during the second quarter to 3.25 percent from 3.33 percent in the first quarter. The yield on earning assets fell 2 basis points, while the cost of funding earning assets rose 6 basis points, to 4.53 percent. The decline in margins was primarily attributable to larger institutions. Thrifts with over $5 billion in assets showed a 6-basis-point decline in margins, due to a decline in the yield on earning assets. Thrifts with $1 billion to $5 billion in assets reported a 19-basis-point decline as their cost of funding earning assets increased by 13 basis points. Thrifts with $100 million to $1 billion in assets reported a one-basis-point decline in margins. Only thrifts with less than $100 million in assets showed any improvement; their margins rose to 3.61 percent from 3.58 percent last quarter.

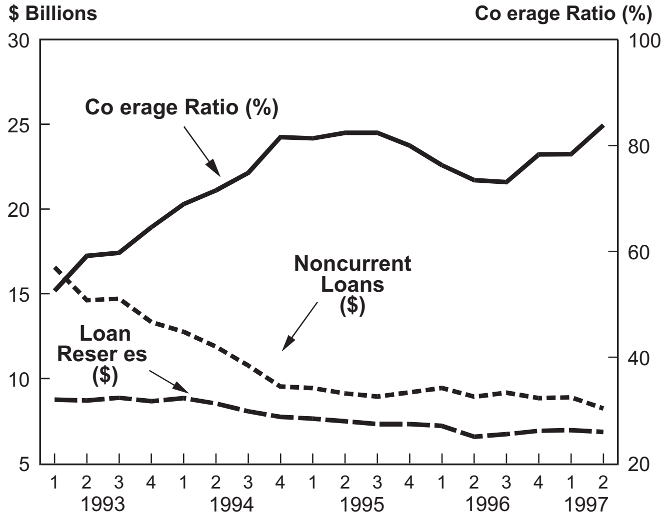
Quarterly Net Interest Margins 1993 - 1997



Improvements in asset quality boosted the coverage ratio – loan-loss reserves to noncurrent loans –to a record 83 cents in reserves for each dollar of noncurrent loans despite a slight decline in loan-loss reserves. Noncurrent loans declined by $664 million, to $8.2 billion, while reserves fell slightly – by $105 million. This is the highest coverage ratio since data became available in 1990. Reserves as a percentage of total loans fell below 1.0 percent for the first time since early 1990.

Real estate loans accounted for 95 percent of the $664-million decline in noncurrent loans during the second quarter. The greatest improvements occurred in residential real estate loans. Noncurrent loans secured by 1-4 family properties fell by $437 million while noncurrent loans secured

Coverage Ratio* and Reserve Levels, 1993 - 1997



oan- oss reserves to oncurrent oans and eases.

by multifamily properties registered a decline of $111 million. An increase in net charge-offs helped reduce the noncurrent rates for these loan categories.

Net charge-offs increased by $53 million over their first-quarter level, but remained lower than a year ago. The increase from the first quarter to the second quarter was due to higher loan-loss rates on residential real estate loans. Net charge-off rates were up by 5 basis points for home mortgages and up by 4 basis points for multifamily residential mortgages. The decline from year-ago levels was primarily due to lower loan losses on commercial real estate loans and multifamily residential loans in the first half of 1997. Only consumer loans showed a significantly higher net charge-off rate through the first half of this year, at 2.13 percent, compared to the first half of 1996, when it was 1.50 percent. The majority of consumer loan net charge-offs were credit card loans.

Thrift industry assets increased by $7.9 billion during the second quarter despite an accelerating trend in charter conversions and acquisitions that move thrift assets to the commercial banking industry. Loans secured by 1-4 family properties increased by $3 billion during the quarter. Goodwill and other intangible assets increased by $1.3 billion, with one institution accounting for over $1 billion of the industry's increase.[1] Deposits declined by $6.1 billion during the quarter while non-deposit borrowings grew by $11.2 billion. Federal Home Loan Bank advances at institutions that file a Thrift Financial Report accounted for $8.1 billion of the increase in other borrowings.

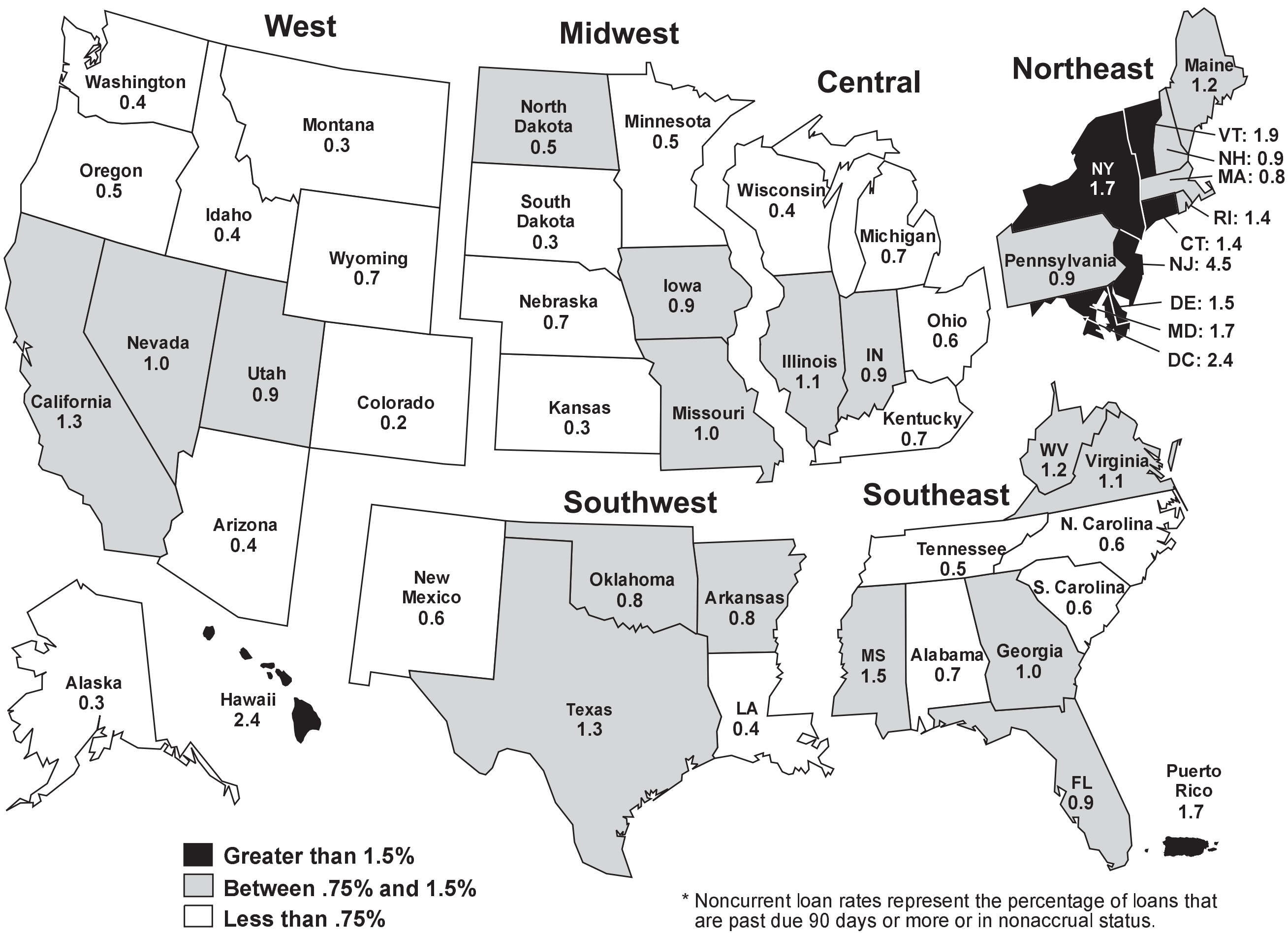
Overall industry asset growth has been positive, but a large percentage decline in aggregate assets occurred in the Midwest Region, where assets declined 19 percent from a year ago. This region lost three institutions with $9.4 billion in assets to the commercial banking industry during the second quarter, and assets of thrifts headquartered in the region fell by $9 billion, to $41.8 billion. The Midwest Region remains the smallest region as measured by total assets.

Equity capital increased by $2.4 billion during the second quarter to $87.8 billion, or 8.53 percent of assets. This is the industry's highest equity capital ratio since 1951. Higher unrealized gains on available-for-sale securities added $990 million to equity capital during the quarter. About half of the increase in equity was due to the increase in goodwill. The core capital (leverage) ratio, which does not include goodwill or unrealized gains, increased only slightly, to 7.87 percent from 7.84 percent at the beginning of the quarter. Earnings retained by the industry rose to $1.3 billion from $1.1 billion last quarter.

The number of savings institutions declined by 34, to 1,852 institutions. Twenty-nine savings institutions with over $20 billion in assets migrated to the commercial banking industry. Commercial banks acquired 18 savings institutions with assets of $10.5 billion and 11 savings institutions, with $9.8 billion in assets, converted to commercial bank charters. This was the largest quarterly transfer ever to the commercial banking industry. The first quarter of 1997 had the second-highest transfer and the fourth quarter of 1996 also showed a sizable movement to commercial banks. A tax law change in August 1996 removed a large part of the tax penalty for recapture of a thrift's bad-debt reserves when it converts to a commercial bank or is acquired by a bank. Since that time, there have been 81 thrifts with almost $55 billion in assets that have been absorbed into the commercial banking industry. Consolidation within the thrift industry accounted for a decline of 12 institutions with $7 billion in assets during the second quarter. There were 14 mutual-to-stock conversions during the second quarter involving $2.4 billion in assets. The number of "problem" institutions fell to 29 at mid year from 35 institutions at the end of the first quarter. Assets of "problem" institutions declined during the quarter by 47 percent from $5.3 billion to $2.8 billion.

[1] Standard Federal of Troy, MI was purchased by a holding company in May 1997. Push-down accounting resulted in the creation of over $1 billion in goodwill.

Noncurrent Loan Rates By State*
June 30, 1997



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

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

	1997**	1996**	1996	1995	1994	1993	1992
Return on assets (%)	0.94	1.01	0.70	0.77	0.66	0.70	0.65
Return on equity (%)	11.23	12.00	8.40	9.40	8.28	9.24	9.48
Core capital (leverage) ratio (%)	7.87	7.87	7.76	7.80	7.65	7.45	6.77
Noncurrent assets plus other real estate owned to assets (%)	1.02	1.16	1.09	1.20	1.38	2.10	3.07
Net charge-offs to loans (%)	0.28	0.32	0.32	0.34	0.51	0.65	0.59
Asset growth rate (%)	0.69	0.57	0.25	1.70	0.77	-2.85	-7.44
Net interest margin (%)	3.26	3.21	3.22	3.09	3.34	3.48	3.40
Net operating income growth (%)	-8.16	32.80	-13.97	13.81	22.24	21.21	574.61
Number of institutions	1,852	1,980	1,924	2,030	2,152	2,262	2,390
Percentage of unprofitable institutions	3.62	4.75	11.95	5.86	6.97	5.88	7.57
Number of problem institutions	29	38	35	49	71	146	276
Assets of problem institutions (in billions)	$3	$10	$7	$14	$39	$92	$183
Number of failed/assisted institutions	0	0	1	2	4	8	81

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

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

(dollar figures in millions)	Preliminary 2nd Quarter 1997	1st Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Number of institutions reporting	1,852	1,886	1,980	-6.5
Total employees (full-time equivalent)	248,017	250,917	254,509	-2.6
CONDITION DATA				
Total assets	$1,030,074	$1,022,205	$1,023,028	0.7
Loans secured by real estate	629,429	626,560	620,302	1.5
1-4 Family residential	503,182	500,204	487,148	3.3
Multifamily residential property	58,232	58,785	58,627	-0.7
Commercial real estate	48,936	49,228	50,122	-2.4
Construction, development and land	19,079	18,344	24,405	-21.8
Commercial & industrial loans	15,311	14,834	13,473	13.6
Loans to individuals	46,821	46,170	42,280	10.7
Other loans & leases	2,423	2,475	2,263	7.1
Less: Unearned income & contra accounts***	238	262	10,617	N/M
Total loans & leases	693,747	689,778	667,701	3.9
Less: Reserve for losses	6,849	6,953	7,242	-5.4
Net loans & leases	686,898	682,825	660,460	4.0
Securities	258,227	258,103	279,659	-7.7
Other real estate owned	2,242	2,333	2,956	-24.2
Goodwill and other intangibles	10,432	9,112	8,165	27.8
All other assets	72,275	69,832	71,789	0.7
Total liabilities and capital	1,030,074	1,022,202	1,023,028	0.7
Deposits	720,040	726,123	727,432	-1.0
Other borrowed funds	207,389	196,193	196,111	5.8
Subordinated debt	2,474	2,364	2,405	2.9
All other liabilities	12,355	12,126	11,178	10.5
Equity capital	87,817	85,396	85,903	2.2
Loans and leases 30-89 days past due	7,917	8,812	8,538	-7.3
Noncurrent loans and leases	8,228	8,892	8,919	-7.8
Restructured loans and leases	3,991	4,341	5,064	-21.2
Direct and indirect investments in real estate	578	595	637	-9.4
Mortgage-backed securities	190,656	191,442	206,989	-7.9
Earning assets	964,533	960,127	958,125	0.7
FHLB Advances (TFR filers only)	105,665	97,550	92,543	14.2
Unused loan commitments	108,422	105,069	97,477	11.2

INCOME DATA	Preliminary First Half 1997	First Half 1996	%Change	Preliminary 2nd Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Total interest income	$36,215	$36,456	-0.7	$18,514	$18,355	0.9
Total interest expense	20,952	21,283	-1.6	10,784	10,615	1.6
Net interest income	15,263	15,173	0.6	7,730	7,740	-0.1
Provision for loan losses	1,177	1,079	9.0	599	566	6.0
Total noninterest income	3,576	3,938	-9.2	1,849	2,009	-8.0
Total noninterest expense	10,891	11,172	-2.5	5,546	5,709	-2.9
Securities gains (losses)	537	521	3.1	299	181	65.7
Applicable income taxes	2,596	2,296	13.1	1,320	1,025	28.8
Extraordinary gains, net	(1)	2	N/M	(0)	(3)	N/M
Net income	4,711	5,087	-7.4	2,413	2,628	-8.2
Net charge-offs	945	1,031	-8.4	505	547	-7.7
Cash dividends	2,301	2,636	-12.7	1,078	1,574	-31.5
Net operating income	4,318	4,701	-8.2	2,189	2,481	-11.8

*Data between 1992 and 1995 do not include Resolution Trust Corporation conservatorships. Excludes one self-liquidating institution. N/M - Not Meaningf

***Prior to 1997, includes contra accounts such as loans in process and unamortized yield adjustments for TFR filers.
Beginning March 31, 1997, includes only unearned income reported by Call Report filers.

TABLE III-B. First Half 1997, FDIC-Insured Savings Institutions

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST HALF Preliminary (The way it is . . .)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	1,852	807	888	121	36	704	272	477	139	126	134
Total assets (in billions)	$1,030.1	$42.1	$263.6	$246.4	$478.0	$341.5	$66.0	$175.9	$41.8	$64.7	$340.1
Total deposits (in billions)	720.0	34.6	207.1	172.4	305.9	258.9	50.1	127.5	31.0	39.6	212.9
Net income (in millions)	4,711.1	163.3	1,242.3	1,346.7	1,958.8	1,643.4	293.0	860.7	174.5	357.9	1,381.8
% of unprofitable institutions	3.6	6.1	1.6	2.5	2.8	2.3	6.3	2.3	1.4	6.3	9.7
% of institutions with earnings gains	74.3	68.9	78.3	81.8	72.2	74.4	74.6	76.7	71.9	66.7	73.9
Performance Ratios (annualized, %)											
Yield on earning assets	7.73	7.84	7.82	7.93	7.55	7.71	8.23	7.55	7.71	8.01	7.68
Cost of funding earning assets	4.47	4.25	4.30	4.52	4.56	4.14	4.49	4.50	4.81	4.81	4.68
Net interest margin	3.26	3.59	3.51	3.41	3.00	3.57	3.74	3.04	2.90	3.21	3.00
Noninterest income to earning assets	0.76	0.72	0.60	0.96	0.76	0.57	1.35	0.89	0.70	1.06	0.74
Noninterest expense to earning assets	2.32	3.05	2.51	2.51	2.06	2.38	3.38	2.25	2.03	2.41	2.11
Net operating income to assets	0.86	0.71	0.89	0.97	0.81	0.91	0.74	0.87	0.87	1.08	0.80
Return on assets	0.94	0.79	0.97	1.12	0.85	0.99	0.92	1.00	0.84	1.15	0.85
Return on equity	11.23	6.83	9.65	13.34	11.79	10.71	9.59	11.29	9.78	14.11	11.89
Net charge-offs to loans and leases	0.28	0.10	0.13	0.36	0.35	0.31	0.46	0.22	0.05	0.39	0.26
Loan loss provision to net charge-offs	124.48	128.62	167.10	116.46	119.82	113.37	109.82	125.99	306.68	121.75	136.26
Condition Ratios (%)											
Loss allowance to:											
Loans and leases	0.99	0.75	0.91	1.12	0.99	1.13	1.01	0.77	0.67	0.78	1.04
Noncurrent loans and leases	83.24	70.79	88.14	66.00	95.20	67.37	117.13	104.00	93.99	69.96	92.72
Noncurrent assets plus other real estate owned to assets	1.02	0.89	0.90	1.35	0.92	1.20	0.93	0.64	0.66	1.01	1.09
Noncurrent RE loans to RE loans	1.20	1.03	1.01	1.77	1.05	1.73	0.77	0.68	0.66	1.23	1.15
Equity capital ratio	8.53	11.63	10.08	8.52	7.39	9.29	9.66	9.27	8.73	8.32	7.17
Core capital (leverage) ratio	7.87	11.34	9.65	7.95	6.53	8.58	9.10	8.34	8.33	7.99	6.59
Gross real estate assets to gross assets	79.34	71.63	74.53	77.46	83.64	74.39	72.03	79.40	78.88	74.80	86.62
Gross 1-4 family mortgages to gr. assets	48.52	52.02	47.80	41.00	52.48	42.52	47.27	53.58	54.10	36.35	53.79
Net loans and leases to deposits	95.40	82.52	84.96	90.42	106.73	79.09	91.31	96.86	93.66	101.02	114.52
Growth Rates (year-to-year, %)											
Assets	0.69	-	-	-	-	-3.85	-4.71	2.62	-19.31	-17.31	14.48
Equity capital	2.23	-	-	-	-	-0.28	-2.02	5.37	-18.13	-12.70	13.47
Net interest income	0.59	-	-	-	-	0.03	1.23	0.14	-23.29	-12.69	9.02
Net income	-7.38	-	-	-	-	-2.29	-2.23	2.99	-26.23	-62.55	28.26
Noncurrent assets plus other real estate owned	-12.10	-	-	-	-	-13.40	-32.67	10.75	-13.37	-16.81	-10.68
Net charge-offs	-8.37	-	-	-	-	3.47	38.14	86.65	-70.40	-0.43	-34.89
Loan loss provision	9.04	-	-	-	-	19.06	7.76	43.23	-38.83	18.74	-3.96
PRIOR FIRST HALVES* (The way it was . . .)											
Number of institutions 1996	1,980	880	942	121	37	741	297	508	150	130	154
1994	2,216	1,031	1,016	140	29	813	354	558	162	143	186
1992	2,489	1,154	1,133	172	30	882	434	614	185	160	214
Total assets (in billions) 1996	$1,023.0	$45.7	$276.3	$246.4	$454.7	$355.2	$69.3	$171.4	$51.8	$78.3	$297.1
1994	999.1	52.4	295.1	299.0	352.5	337.4	83.1	151.6	52.2	55.8	318.8
1992	1,077.7	58.0	326.1	354.1	339.5	368.3	110.9	154.4	49.4	61.2	333.5
Return on assets (%) 1996	1.01	0.73	0.90	0.96	1.12	0.98	0.88	0.99	0.92	2.49	0.72
1994	0.62	0.84	0.81	0.74	0.33	0.87	0.86	0.73	0.45	1.09	0.19
1992	0.60	0.79	0.70	0.65	0.42	0.42	0.73	0.83	0.96	1.44	0.45
Net charge-offs to loans & leases (%)											
1996	0.32	0.10	0.18	0.29	0.43	0.29	0.34	0.12	0.15	0.33	0.46
1994	0.54	0.11	0.21	0.53	0.86	0.46	0.21	0.11	0.14	0.27	0.94
1992	0.60	0.23	0.43	0.71	0.70	0.93	0.41	0.22	0.21	0.31	0.56
Noncurrent assets plus											
OREO to assets (%)** 1996	1.16	1.01	1.03	1.29	1.20	1.33	1.31	0.59	0.62	1.00	1.40
1994	1.77	1.25	1.55	1.86	1.95	2.25	1.24	0.60	0.62	1.61	2.17
1992	3.66	2.02	2.74	3.90	4.56	4.56	2.85	1.31	1.38	5.04	4.09
Equity capital ratio (%) 1996	8.40	11.16	9.88	8.24	7.31	8.96	9.39	9.03	8.60	7.88	7.23
1994	8.00	9.68	8.90	7.93	7.06	8.26	8.54	8.66	7.91	7.40	7.39
1992	6.70	8.08	7.19	6.69	5.99	6.72	6.75	7.35	6.27	5.83	6.57

*Data between 1992 and 1995 do not include Resolution Trust Corporation conservatorships. Excludes one self-liquidating institution.

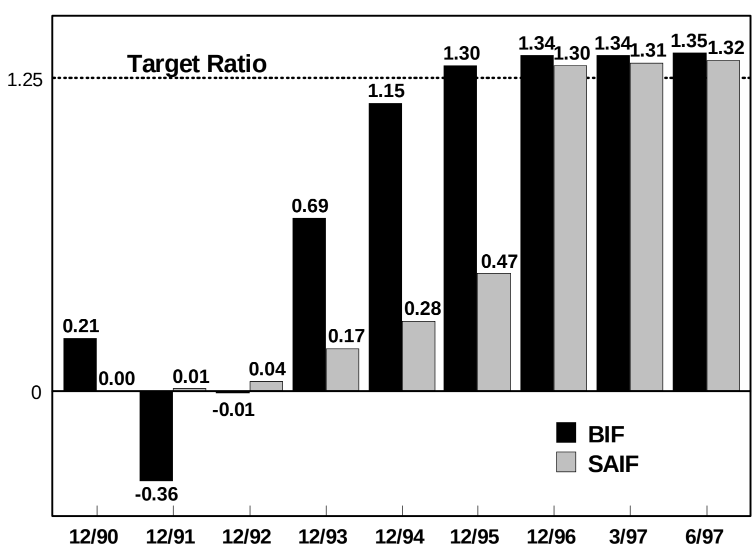
**Beginning with June 1996, TFR filers report noncurrent loans net of specific reserves. Accordingly, specific reserves have been subtracted from loan-loss reserves, beginning with June 1996, to make the ratio more closely comparable to prior periods.

TABLE IV-B. Second Quarter 1997, FDIC-Insured Savings Institutions

SECOND QUARTER Preliminary (The way it is . . .)	All Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	Geographic Distribution by Region: East: North-east	East: South-east	Central	West: Mid-west	West: South-west	West: West
Number of institutions reporting	1,852	807	888	121	36	704	272	477	139	126	134
Total assets (in billions)	$1,030.1	$42.1	$263.6	$246.4	$478.0	$341.5	$66.0	$175.9	$41.8	$64.7	$340.1
Total deposits (in billions)	720.0	34.6	207.1	172.4	305.9	258.9	50.1	127.5	31.0	39.6	212.9
Net income (in millions)	2,413.2	83.7	638.5	707.1	983.9	843.0	150.5	470.8	70.4	193.2	685.4
% of unprofitable institutions	3.8	6.3	1.6	2.5	5.6	2.4	5.9	2.3	2.2	7.9	9.7
% of institutions with earnings gains	69.2	61.7	74.8	79.3	66.7	69.9	68.4	70.2	67.6	63.5	70.9
Performance Ratios (annualized, %)											
Yield on earning assets	7.78	7.89	7.87	7.97	7.62	7.76	8.28	7.89	7.75	8.01	7.61
Cost of funding earning assets	4.53	4.28	4.35	4.57	4.64	4.19	4.54	4.75	4.86	4.83	4.67
Net interest margin	3.25	3.61	3.52	3.40	2.98	3.57	3.74	3.14	2.90	3.18	2.94
Noninterest income to earning assets	0.78	0.80	0.63	0.95	0.77	0.57	1.38	0.94	0.72	1.09	0.74
Noninterest expense to earning assets	2.33	3.10	2.52	2.50	2.07	2.37	3.34	2.35	2.12	2.43	2.10
Net operating income to assets	0.86	0.71	0.91	0.96	0.80	0.92	0.76	0.91	0.81	1.08	0.77
Return on assets	0.95	0.80	0.98	1.16	0.84	1.00	0.93	1.09	0.68	1.22	0.82
Return on equity	11.27	6.95	9.80	13.76	11.52	10.85	9.68	12.08	7.83	14.86	11.46
Net charge-offs to loans and leases	0.30	0.12	0.16	0.32	0.37	0.35	0.46	0.19	0.17	0.36	0.28
Loan loss provision to net charge-offs	118.58	125.38	139.19	124.23	111.44	103.44	120.72	133.38	107.76	134.69	126.25
Growth Rates (year-to-year, %)											
Net interest income	-0.12	-	-	-	-	-1.52	-0.70	2.76	-23.98	-14.09	7.99
Net income	-8.16	-	-	-	-	-5.03	-0.05	4.18	-41.28	-57.62	22.00
Net charge-offs	-7.69	-	-	-	-	6.50	35.14	55.37	-18.45	-25.94	-30.02
Loan loss provision	5.97	-	-	-	-	4.10	8.00	30.00	-39.81	20.19	2.12
PRIOR SECOND QUARTERS* (The way it was . . .)											
Return on assets (%) 1996	1.03	0.75	0.93	0.96	1.16	1.02	0.88	1.06	0.93	2.33	0.75
1994	0.72	0.78	0.81	0.65	0.70	0.86	0.92	0.92	0.03	1.16	0.46
1992	0.55	0.80	0.71	0.61	0.30	0.38	0.73	0.81	1.11	1.28	0.34
Net charge-offs to loans & leases (%)											
1996	0.33	0.12	0.18	0.31	0.46	0.32	0.34	0.13	0.18	0.41	0.46
1994	0.58	0.14	0.23	0.44	1.02	0.41	0.19	0.10	0.12	0.21	1.11
1992	0.63	0.27	0.49	0.64	0.82	0.96	0.37	0.23	0.17	0.31	0.65

*Data between 1992 and 1994 does not include Resolution Trust Corporation conservatorships. Excludes one self-liquidating institution.

Insurance Fund Reserve Ratios*
Percent of Insured Deposits



Fund Balance and Insured Deposits*
($ Millions)

	BIF Fund Balance	BIF-Insured Deposits	SAIF Fund Balance	SAIF-Insured Deposits
12/90	4,045	1,929,612	18	830,028
12/91	-7,028	1,957,722	101	776,351
12/92	-101	1,945,550	279	732,159
12/93	13,122	1,905,245	1,157	697,885
12/94	21,848	1,895,258	1,937	693,610
12/95	25,454	1,951,963	3,358	711,897
12/96	26,854	2,008,234	8,888	682,284
3/97	27,042	2,024,439	9,010	688,229
6/97	27,389	2,023,939	9,134	690,163

* Insured deposit amounts are estimates. 6/97 fund balances are unaudited.

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

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
June 30, 1997	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South-west	West
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.08	1.90	1.17	1.07	0.97	1.17	1.24	1.00	1.42	1.25	0.97
Construction, development and land	1.59	2.03	1.91	1.59	1.00	1.41	1.64	1.90	3.06	1.11	1.42
Commercial real estate	0.98	1.71	1.09	1.12	0.63	1.09	1.06	0.94	1.62	1.12	0.70
Multifamily residential real estate	0.46	1.05	0.59	0.50	0.37	0.61	0.60	0.72	0.87	0.33	0.33
Home equity loans	1.16	1.97	1.19	1.16	1.08	1.24	1.28	1.01	1.39	1.37	1.11
Other 1-4 Family residential	0.69	0.94	0.89	0.65	0.53	0.98	0.33	0.56	0.35	0.11	0.52
Commercial and industrial loans	1.37	2.31	1.80	1.39	0.77	1.41	1.49	1.91	1.72	0.95	0.92
Loans to individuals	1.88	2.50	1.83	2.07	1.71	1.86	3.00	2.07	1.99	1.16	1.58
Credit card loans	2.10	2.66	3.63	2.38	1.85	1.86	3.90	2.62	3.44	0.81	3.09
Other loans to individuals	1.80	2.49	1.65	2.02	1.62	1.86	2.53	1.92	1.87	1.49	1.37
Percent of Loans Noncurrent*											
All real estate loans	1.20	1.03	1.01	1.77	1.05	1.73	0.77	0.68	0.66	1.23	1.15
Construction, development and land	1.20	1.40	1.27	1.62	0.65	2.16	1.01	1.17	0.82	0.49	1.12
Commercial real estate	1.89	1.52	1.48	2.74	1.56	2.66	0.79	0.94	0.48	2.31	1.52
Multifamily residential real estate	1.31	1.37	1.08	2.65	0.64	2.73	1.41	0.95	1.11	4.43	0.67
Home equity loans	0.35	0.28	0.39	0.39	0.28	0.47	0.18	0.30	0.15	0.15	0.26
Other 1-4 Family residential	1.14	0.97	0.95	1.54	1.09	1.54	0.74	0.64	0.66	0.94	1.23
Commercial and industrial loans	1.48	1.96	1.87	1.58	0.90	1.74	1.44	1.24	2.33	1.71	0.82
Loans to individuals	0.97	1.20	0.97	1.06	0.89	1.03	1.43	1.38	0.95	0.57	0.47
Credit card loans	1.64	1.59	3.39	1.94	1.35	1.68	2.51	2.65	1.53	0.64	1.62
Other loans to individuals	0.76	1.18	0.72	0.92	0.57	0.87	0.86	1.03	0.90	0.50	0.31
Percent of Loans Charged-off (net, annualized)											
All real estate loans	0.14	0.05	0.06	0.15	0.19	0.17	0.03	0.03	-0.03	0.10	0.22
Construction, development and land	0.10	0.25	0.14	0.06	0.02	0.18	-0.02	0.11	0.17	0.05	0.11
Commercial real estate	0.13	0.11	0.09	0.15	0.17	0.16	0.11	0.07	0.08	0.09	0.15
Multifamily residential real estate	0.24	0.11	0.16	0.32	0.23	0.12	0.06	0.02	0.22	0.09	0.35
Home equity loans	0.20	0.08	0.11	0.24	0.25	0.16	0.02	0.09	0.26	0.02	0.49
Other 1-4 Family residential	0.13	0.03	0.04	0.12	0.19	0.18	0.02	0.02	-0.07	0.11	0.20
Commercial and industrial loans	0.34	0.65	0.53	0.30	0.17	0.36	0.70	0.36	0.59	0.50	0.01
Loans to individuals	2.13	0.54	0.91	2.51	2.68	2.08	3.58	2.49	0.88	1.61	1.68
Credit card loans	5.27	0.80	4.28	10.13	4.49	4.64	8.38	10.62	2.96	1.99	5.21
Other loans to individuals	1.12	0.53	0.56	1.42	1.38	1.47	1.05	0.64	0.69	1.21	1.18
Loans Outstanding (in billions)											
All real estate loans	$629.4	$26.2	$162.0	$138.3	$303.0	$184.2	$39.6	$112.5	$26.3	$31.7	$235.1
Construction, development and land	19.1	1.2	8.0	4.7	5.2	3.8	3.4	4.2	0.9	3.2	3.5
Commercial real estate	48.8	2.1	16.9	14.9	14.9	21.0	3.8	6.1	1.7	2.8	13.3
Multifamily residential real estate	58.2	0.9	10.1	16.8	30.4	13.0	1.0	7.5	0.9	1.9	34.0
Home equity loans	17.0	0.6	5.4	4.6	6.5	7.0	1.4	4.4	0.6	0.3	3.3
Other 1-4 Family residential	486.1	21.4	121.5	97.2	246.1	139.2	30.0	90.4	22.1	23.3	181.0
Commercial and industrial loans	15.3	0.7	4.4	4.9	5.4	7.2	1.3	2.2	0.5	1.0	3.0
Loans to individuals	46.8	1.9	10.9	13.5	20.6	14.9	5.2	9.1	2.4	7.4	7.9
Credit card loans	11.4	0.1	1.0	1.9	8.4	2.9	1.8	1.9	0.2	3.6	0.9
Other loans to individuals	35.4	1.8	9.9	11.6	12.2	12.0	3.4	7.2	2.2	3.8	6.9
Memoranda:											
Other Real Estate Owned (in millions)**											
All other real estate owned	$2,242.0	$65.6	$534.1	$649.1	$993.0	$625.9	$215.1	$196.1	$67.4	$203.6	$933.9
Construction, development and land	302.3	9.6	97.9	52.1	142.7	69.9	135.0	14.7	10.7	15.0	57.0
Commercial real estate	428.5	13.7	137.7	182.3	94.8	195.6	35.1	62.2	28.3	27.4	79.9
Multifamily residential real estate	344.4	1.7	32.2	174.8	135.7	54.2	2.8	10.1	1.7	101.0	174.5
1-4 Family residential	1,232.3	41.7	279.0	256.8	654.8	320.6	58.3	112.6	29.9	63.1	647.8
Troubled Real Estate Asset Rates* (% of total RE assets)**											
All real estate loans	1.55	1.28	1.34	2.23	1.37	2.06	1.30	0.86	0.92	1.86	1.54
Construction, development and land	2.74	2.20	2.47	2.69	3.32	3.91	4.77	1.52	1.95	0.94	2.72
Commercial real estate	2.76	2.18	2.27	3.95	2.18	3.57	1.70	1.94	2.09	3.33	2.11
Multifamily residential real estate	1.89	1.56	1.40	3.65	1.08	3.13	1.71	1.08	1.29	9.17	1.18
1-4 Family residential	1.36	1.13	1.14	1.73	1.33	1.71	0.90	0.74	0.78	1.19	1.56

*Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.
**TFR filers report "All other real estate owned" net of valuation allowances, while individual categories of OREO are reported gross.
***Noncurrent real estate loans plus other real estate owned as a percent of total real estate loans plus OREO.

ALL FDIC-INSURED INSTITUTIONS

- ***For The Third Consecutive Quarter, No Insured Institutions Fail***
- ***Reserve Ratios Climb To 1.35 Percent For BIF And 1.32 Percent For SAIF***
- ***Consolidations And Conversions Fuel Growth Of Oakars And Sassers***

No insured institutions failed during the second quarter of 1997, marking the third consecutive quarter without a failure. The most recent bank and thrift failures occurred in August 1996. In the past eight quarters, just seven members of the Bank Insurance Fund (BIF) and one member of the Savings Association Insurance Fund (SAIF) failed.

BIF members' total deposits increased by $82 billion, or 2.4 percent, during the second quarter, with the largest part of the increase coming from large, uninsured domestic deposits, which were up $49 billion. Foreign-office deposits, which are also uninsured, grew by $28 billion during the quarter. Estimated insured deposits held by BIF members increased by $5 billion, but this was attributable to growth of their SAIF-insured Oakar deposits (see below), which grew by $7 billion.

Total BIF-insured deposits, including the BIF-insured Oakar deposits held by SAIF members, actually declined by $500 million in the second quarter. This drop in insured deposits, when combined with the $347 million increase in the insurance fund balance from March to June, resulted in the BIF reserve ratio rising by 1 basis point, to 1.35 percent of insured deposits. At its present level, the BIF reserve ratio is higher than any year-end level since 1966, when the ratio stood at 1.39 percent. The current law has premium refund provisions for periods when the reserve ratio exceeds the statutory target of 1.25 percent, but since 95 percent of all BIF members presently pay no deposit insurance premiums, refunds are not permissible under the law. The $27.4 billion BIF now exceeds the 1.25 percent target by $2.1 billion.

The total deposits of SAIF members declined by $3 billion, or 0.6 percent, from March to June. However, SAIF-insured deposits and the SAIF assessment base, which include the portions held by BIF members, increased by $1.9 billion and $2.7 billion, respectively. The SAIF balance increased at a slightly faster rate than did SAIF-insured deposits, moving the reserve ratio up from 1.31 percent on March 31 to 1.32 percent on June 30. The SAIF balance of $9.1 billion is about $500 million above the statutory requirement, but the current law has no refund provisions for SAIF members.

Oakars and Sassers. Oakar deposits are those acquired by a member of one insurance fund from a member of the other fund. These deposits remain insured by the seller's fund. Sasser institutions are primarily former savings and loan associations that convert to a commercial or savings bank charter. By remaining members of the SAIF, they avoid costly exit and entrance fees. Holding company consolidations and charter conversions during the second quarter greatly affected the numbers and deposits of Oakars and Sassers and further fractionalized the SAIF assessment base. Twenty-six new BIF-member Oakars were created, but mergers reduced the overall number from 804 to 777. Their SAIF-assessable deposits increased from $224 billion to $231 billion. There were 14 new Sassers in the second quarter, increasing their number to 339. Their SAIF-assessable deposits rose from $58 billion to $65 billion. As of June 30, commercial banks held 27.5 percent of the SAIF assessment base, state-chartered savings banks held 8.2 percent, SAIF-member savings associations owned by bank holding companies held 6.0 percent, and BIF-member federal savings banks held 5.5 percent. In all, BIF members and banking companies controlled 47.2 percent of the SAIF deposit base.

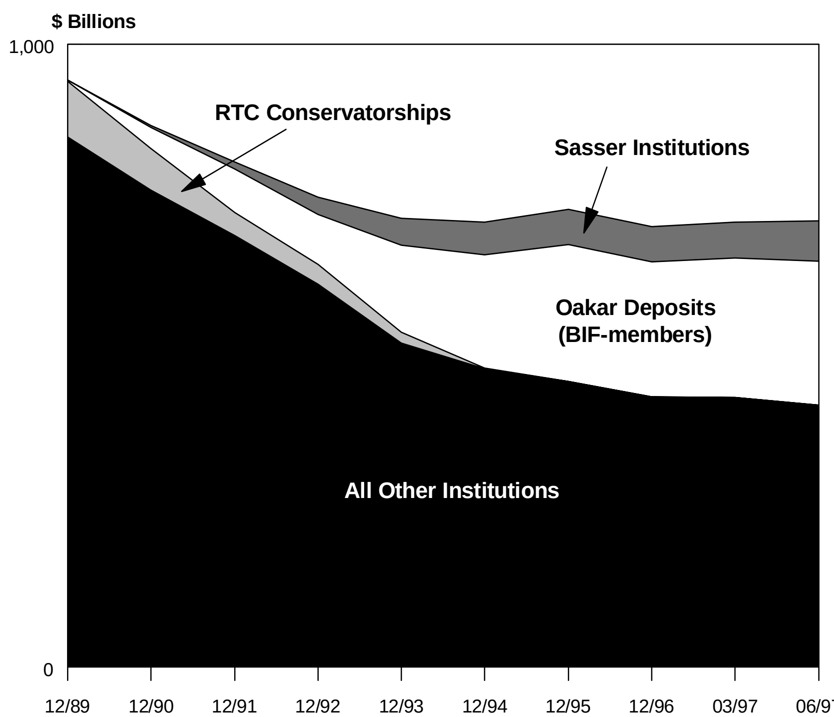
FICO bonds. All insured institutions are required to pay quarterly amounts to the Financing Corporation (FICO) to cover the FICO's annual bond interest of $793 million. For the first half of 1997, the annualized FICO assessment rates were set at 6.48 basis points for SAIF-assessable deposits and 1.30 basis points for BIF-assessable deposits. Because of growth in the combined assessment bases, the rates for the second half of 1997 declined slightly, to 6.30 basis points for SAIF and 1.26 basis points for BIF. Further downward adjustments may be made to account for the FICO's investment earnings.

Estimated FDIC-Insured Deposits by Fund Membership and Type of Institution
June 30, 1997*

(dollar figures in millions)	Number of Institutions	Total Assets	Domestic Deposits**	Estimated Insured Deposits BIF	SAIF	Total
Private-Sector Commercial and Savings Institutions						
FDIC-Insured Commercial Banks..	9,308	4,771,162	2,775,362	1,843,023	193,666	2,036,690
BIF-member...	9,212	4,724,729	2,741,406	1,832,074	176,737	2,008,811
SAIF-member...	96	46,433	33,955	10,949	16,930	27,879
FDIC-Insured Savings Institutions......................................	1,852	1,030,074	720,040	179,340	496,497	675,837
OTS-Supervised Savings Institutions........................	1,270	770,160	521,377	50,046	439,344	489,390
BIF-member...	32	123,003	81,030	37,468	38,818	76,286
SAIF-member...	1,238	647,157	440,347	12,578	400,526	413,104
FDIC-Supervised State Savings Banks........................	582	259,914	198,663	129,294	57,153	186,447
BIF-member...	339	198,988	153,203	128,234	14,937	143,171
SAIF-member..	243	60,926	45,460	1,060	42,215	43,276
Total Private-Sector Commercial and Savings Institutions..	11,160	5,801,236	3,495,401	2,022,364	690,163	2,712,527
BIF-member..	9,583	5,046,720	2,975,640	1,997,776	230,492	2,228,268
SAIF-member..	1,577	754,516	519,762	24,588	459,671	484,259
Other FDIC-Insured Institutions.......................						
U.S. Branches of Foreign Banks........................	31	8,497	2,844	1,576	0	1,576
Total FDIC-Insured Institutions...........................	11,191	5,809,733	3,498,245	2,023,939	690,163	2,714,103

* Excludes one self-liquidating savings institution with less than $1 million in SAIF-insured deposits.
**Excludes $504.2 billion in foreign office deposits, which are uninsured.

SAIF Assesment Base
December 31, 1989 - June 30, 1997



($ Billions)	12/89	12/90	12/91	12/92	12/93	12/94	12/95	12/96	03/97	06/97
Sasser Institutions	0.0	2.8	11.9	28.4	42.8	52.0	56.2	57.2	58.4	64.5
Oakar Deposits (BIF-members)	2.1	34.0	69.8	80.5	139.9	181.9	220.1	216.8	223.7	231.1
RTC Conservatorships	89.0	67.3	36.9	31.2	17.7	1.2	0.0	0.0	0.0	0.0
All Other Institutions	851.6	766.0	693.2	615.2	520.3	479.2	459.0	434.0	432.9	422.1
Total	942.8	870.0	811.7	755.3	720.7	714.4	735.3	707.9	715.0	717.7

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

(dollar figures in millions)	1997**	1996**	1996	1995	1994	1993
Number of institutions reporting	11,160	11,670	11,452	11,970	12,603	13,220
Total assets	$5,801,236	$5,420,002	$5,606,587	$5,338,423	$5,019,085	$4,707,056
Total deposits	3,999,599	3,788,900	3,925,066	3,769,481	3,611,619	3,528,486
Number of problem institutions	103	137	117	193	318	572
Assets of problem institutions (in billions)	$8	$18	$12	$31	$73	$334
Number of failed/assisted institutions	0	3	6	8	15	50
Assets of failed/assisted institutions (in billions)	$0.00	$0.14	$0.22	$1.21	$1.57	$9.67

**As of June 30.

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

(dollar figures in millions)	Preliminary 2nd Quarter 1997	1st Quarter 1997	2nd Quarter 1996	% Change 96:2-97:2
Number of institutions reporting	11,160	11,337	11,670	-4.4
Total employees (full-time equivalent)	1,761,693	1,747,094	1,740,627	1.2
CONDITION DATA				
Total assets	$5,801,236	$5,663,942	$5,420,002	7.0
Loans secured by real estate	1,823,967	1,782,532	1,723,773	5.8
1-4 Family residential	1,193,535	1,165,735	1,121,895	6.4
Home equity loans	109,553	105,015	98,786	10.9
Multifamily residential property	97,956	97,658	96,338	1.7
Commercial real estate	376,009	368,093	356,883	5.4
Construction, development and land	101,546	96,709	95,848	5.9
Other real estate loans	54,920	54,338	52,809	4.0
Commercial & industrial loans	770,447	746,909	698,830	10.2
Loans to individuals	604,565	589,858	580,034	4.2
Credit cards & related plans	236,669	227,100	219,637	7.8
Other loans & leases	366,610	348,582	371,961	-1.4
Less: Unearned income & contra accounts	5,382	5,381	16,242	-66.9
Total loans & leases	3,560,207	3,462,502	3,358,356	6.0
Less: Reserve for losses	61,397	60,476	60,824	0.9
Net loans & leases	3,498,810	3,402,025	3,297,532	6.1
Securities	1,078,709	1,071,204	1,085,958	-0.7
Other real estate owned	6,622	6,996	8,306	-20.3
Goodwill and other intangibles	67,166	64,338	50,981	31.7
All other assets	1,149,929	1,119,378	977,226	17.7
Total liabilities and capital	5,801,236	5,663,939	5,420,002	7.0
Deposits	3,999,599	3,920,539	3,788,900	5.6
Other borrowed funds	995,922	949,955	886,617	12.3
Subordinated debt	56,769	54,695	50,220	13.0
All other liabilities	258,338	263,217	243,523	6.1
Equity capital	490,609	475,533	450,742	8.8
Loans and leases 30-89 days past due	43,074	46,928	42,106	2.3
Noncurrent loans and leases	36,856	38,000	39,096	-5.7
Restructured loans and leases	7,387	7,863	8,610	-14.2
Direct and indirect investments in real estate	1,212	1,247	1,210	0.2
Mortgage-backed securities	536,387	533,407	539,858	-0.6
Earning assets	5,093,833	4,977,480	4,765,811	6.9
Unused loan commitments	2,943,033	2,801,947	2,477,815	18.8
Including IBA's:*				
Estimated BIF-insured deposits	2,023,939	2,024,439	1,958,008	3.4
Assessment base	2,679,804	2,636,002	2,494,690	7.4
BIF balance (unaudited figures)	27,389	27,042	25,828	6.0
BIF reserve ratio (%)	1.35	1.34	1.32	2.6
Estimated SAIF-insured deposits	690,163	688,229	713,125	-3.2
Assessment base	717,731	714,981	736,419	-2.5
SAIF balance (unaudited figures)	9,134	9,010	3,914	133.4
SAIF reserve ratio (%)	1.32	1.31	0.55	141.1
Estimated FDIC-insured deposits, BIF and SAIF	2,714,103	2,712,668	2,671,133	1.6

INCOME DATA	Preliminary First Half 1997	First Half 1996	%Change	Preliminary 2nd Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Total interest income	$201,116	$189,582	6.1	$102,388	$95,525	7.2
Total interest expense	100,230	95,081	5.4	51,248	47,377	8.2
Net interest income	100,886	94,501	6.8	51,140	48,148	6.2
Provision for loan losses	10,455	8,889	17.6	5,583	4,799	16.3
Total noninterest income	53,499	49,784	7.5	27,126	26,138	3.8
Total noninterest expense	92,753	90,119	2.9	46,963	44,992	4.4
Securities gains (losses)	1,250	1,073	16.4	597	261	129.0
Applicable income taxes	18,613	15,847	17.5	9,304	8,372	11.1
Extraordinary gains, net	34	92	-62.6	27	21	30.2
Net income	33,848	30,595	10.6	17,041	16,404	3.9

*Excludes institutions in RTC conservatorship, one self-liquidating savings institution, insured branches of foreign banks (IBA's), unless indicated otherwise.
***Reserve ratios reflect the insurance fund balance as a percentage of estimated insured deposits.

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

(dollar figures in millions)	1997**	1996**	1996	1995	1994	1993
Number of institutions reporting	9,583	9,987	9,822	10,242	10,759	11,291
Total assets	5,046,720	4,666,261	4,855,816	4,576,266	4,246,786	3,949,695
Total deposits	3,479,546	3,260,842	3,402,648	3,224,307	3,061,457	2,951,979
Number of problem institutions	75	103	86	151	264	472
Assets of problem institutions (in billions)	$5	$11	$7	$20	$42	$269
Number of failed/assisted institutions	0	3	5	6	13	41
Assets of failed/assisted institutions (in billions)	$0.00	$0.14	$0.19	$0.76	$1.43	$3.54

**As of June 30.

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

(dollar figures in millions)	Preliminary 2nd Quarter 1997	1st Quarter 1997	2nd Quarter 1996	% Change 96:2-97:2
Number of institutions reporting	9,583	9,735	9,987	-4.0
Commercial banks	9,212	9,362	9,605	-4.1
Savings institutions	371	373	382	-2.9
Total employees (full-time equivalent)	1,569,193	1,554,639	1,543,888	1.6
CONDITION DATA				
Total assets	$5,046,720	$4,915,629	$4,666,261	8.2
Loans secured by real estate, total	1,361,632	1,322,372	1,259,959	8.1
1-4 Family residential	819,696	794,253	753,770	8.7
Multifamily residential property	61,452	60,319	57,957	6.0
Commercial real estate	341,162	333,248	321,898	6.0
Construction, development and land	84,624	80,408	73,690	14.8
Commercial & industrial loans	757,984	734,754	688,464	10.1
Reserve for losses	56,603	55,610	55,750	1.5
Total deposits	3,479,546	3,397,152	3,260,842	6.7
Domestic deposits	2,975,640	2,921,514	2,798,870	6.3
Estimated insured deposits	2,228,268	2,223,000	2,173,901	2.5
BIF-insured deposits (estimated)	1,997,776	1,999,536	1,935,675	3.2
SAIF-insured deposits (estimated)	230,492	223,464	238,225	-3.2
Noncurrent loans and leases	30,836	31,566	33,002	-6.6
Other real estate owned	4,855	5,246	6,199	-21.7
Equity capital	426,980	413,903	387,951	10.1
CAPITAL CATEGORY DISTRIBUTION				
Number of institutions:				
Well capitalized	9,396	9,564	9,852	-4.6
Adequately capitalized	174	158	116	50.0
Undercapitalized	7	5	13	-46.2
Significantly undercapitalized	6	6	3	100.0
Critically undercapitalized	0	2	3	0.0
Total assets:				
Well capitalized	$5,014,929	$4,880,466	$4,649,349	7.9
Adequately capitalized	31,198	33,717	15,286	104.1
Undercapitalized	243	770	1,247	-80.5
Significantly undercapitalized	350	597	230	52.1
Critically undercapitalized	0	78	148	0.0

INCOME DATA	Preliminary First Half 1997	First Half 1996	%Change	Preliminary 2nd Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Net interest income	$89,784	$83,365	7.7	$45,521	$42,483	7.2
Provision for loan losses	9,642	8,062	19.6	5,176	4,388	17.9
Net income	30,312	26,727	13.4	15,221	14,416	5.6
Net charge-offs	8,691	7,584	14.6	4,530	3,926	15.4
Number of institutions reporting net losses	370	345	7.2	397	404	-1.7

*Excludes insured branches of foreign banks.

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

(dollar figures in millions)	1997**	1996**	1996	1995	1994	1993
Number of institutions reporting	1,577	1,683	1,630	1,728	1,844	1,929
Total assets	754,516	753,741	750,771	762,157	772,299	757,362
Total deposits	520,053	528,057	522,419	545,174	550,162	576,507
Number of problem institutions	28	34	31	42	54	100
Assets of problem institutions (in billions)	$3	$7	$6	$11	$31	$65
Number of failed/assisted institutions	0	0	1	2	2	9
Assets of failed/assisted institutions (in billions)	$0.00	$0.00	$0.03	$0.46	$0.14	$6.00

**As of June 30.

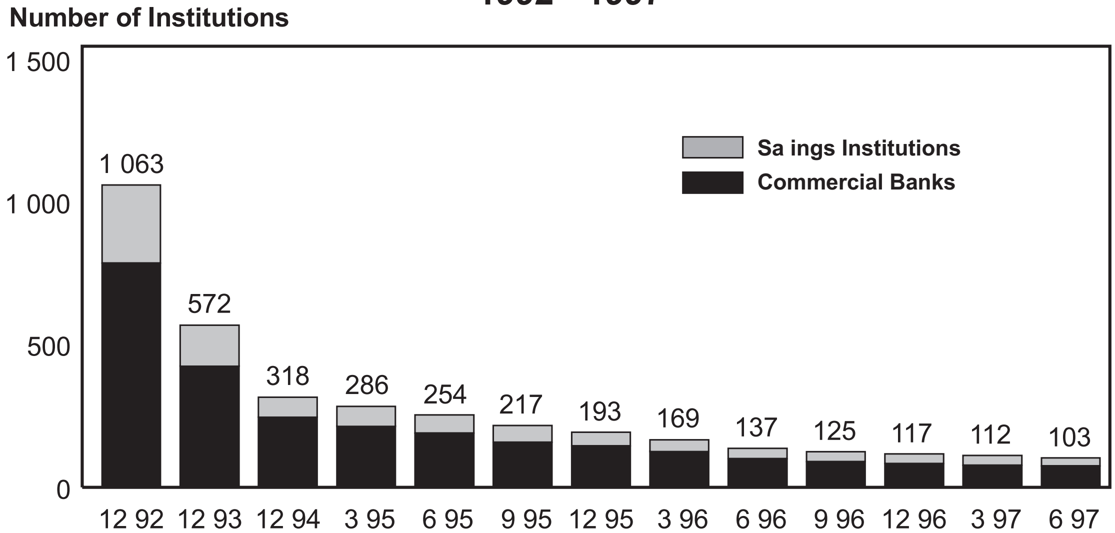
TABLE II-E. Selected Aggregate Condition and Income Data, SAIF-Member Depository Institutions*

(dollar figures in millions)	Preliminary 2nd Quarter 1997	1st Quarter 1997	2nd Quarter 1996	% Change 96:2-97:2
Number of institutions reporting	1,577	1,602	1,683	-6.3
Commercial banks	96	89	85	12.9
Savings institutions	1,481	1,513	1,598	-7.3
Total employees (full-time equivalent)	192,500	192,455	196,739	-2.2
CONDITION DATA				
Total assets	$754,516	$748,313	$753,741	0.1
Loans secured by real estate, total	462,335	460,160	463,814	-0.3
1-4 Family residential	373,839	371,482	368,125	1.6
Multifamily residential property	36,504	37,339	38,381	-4.9
Commercial real estate	34,847	34,845	34,986	-0.4
Construction, development and land	16,923	16,301	22,158	-23.6
Commercial & industrial loans	12,463	12,155	10,366	20.2
Reserve for losses	4,794	4,867	5,074	-5.5
Total deposits	520,053	523,387	528,057	-1.5
Domestic deposits	519,762	523,154	527,998	-1.6
Estimated insured deposits	484,259	488,044	495,606	-2.3
BIF-insured deposits (estimated)	24,588	23,279	20,707	18.7
SAIF-insured deposits (estimated)	459,671	464,765	474,899	-3.2
Noncurrent loans and leases	6,020	6,434	6,094	-1.2
Other real estate owned	1,766	1,750	2,107	-16.2
Equity capital	63,629	61,630	62,791	1.3
CAPITAL CATEGORY DISTRIBUTION				
Number of institutions:				
Well capitalized	1,549	1,549	1,646	-5.9
Adequately capitalized	25	49	30	-16.7
Undercapitalized	1	2	6	-83.3
Significantly undercapitalized	1	1	0	0.0
Critically undercapitalized	1	1	1	0.0
Total assets:				
Well capitalized	$741,551	$732,944	$736,680	0.7
Adequately capitalized	12,680	15,058	16,588	-23.6
Undercapitalized	48	98	440	-89.2
Significantly undercapitalized	27	203	0	0.0
Critically undercapitalized	210	10	33	544.6

INCOME DATA	Preliminary First Half 1997	First Half 1996	%Change	Preliminary 2nd Quarter 1997	2nd Quarter 1996	%Change 96:2-97:2
Net interest income	$11,102	$11,135	-0.3	$5,619	$5,665	-0.8
Provision for loan losses	813	827	-1.7	407	410	-0.8
Net income	3,536	3,868	-8.6	1,820	1,988	-8.5
Net charge-offs	689	737	-6.6	372	390	-4.7
Number of institutions reporting net losses	61	90	-32.2	63	83	-24.1

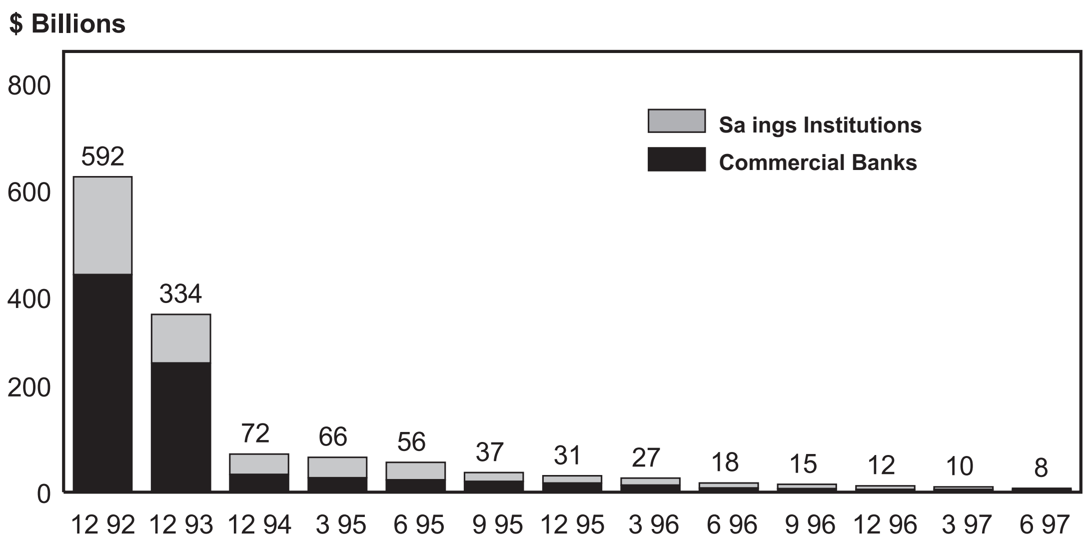
*Data between 1993 and 1995 do not include Resolution Trust Corporation conservatorships. Excludes one self-liquidating institution.

Number of FDIC-Insured "Problem" Institutions
1992 - 1997



	12 92	12 93	12 94	3 95	6 95	9 95	12 95	3 96	6 96	9 96	12 96	3 97	6 97
Sa ings Institutions	276	146	71	71	64	59	49	42	38	36	35	35	29
Commercial Banks	787	426	247	215	190	158	144	127	99	89	82	77	74

Assets of FDIC-Insured "Problem" Institutions
1992 - 1997



	12 92	12 93	12 94	3 95	6 95	9 95	12 95	3 96	6 96	9 96	12 96	3 97	6 97
Sa ings Institutions	184	92	39	39	33	17	14	13	10	8	7	5	3
Commercial Banks	408	242	33	27	23	20	17	13	8	7	5	5	5

NOTES TO USERS

This publication contains financial data and other information for depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). These notes are an integral part of this publication and provide information regarding the comparability of source data and reporting differences over time. The information presented in the *FDIC Quarterly Banking Profile* is divided into the following groups of institutions:

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

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

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

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

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

Summary balance-sheet and earnings data are provided for commercial banks and savings institutions according to insurance fund membership. BIF-member institutions may acquire SAIF-insured deposits, resulting in institutions with some deposits covered by both insurance funds. Also, SAIF members may acquire BIF-insured deposits. The insurance fund membership does not necessarily reflect which fund insures the largest percentage of an institution's deposits. Therefore, the BIF-member and the SAIF-member tables each include deposits from both insurance funds. Depository institutions that are not insured by the FDIC through either the BIF or SAIF are not included in the *FDIC Quarterly Banking Profile*. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charter.

DATA SOURCES

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

COMPUTATION METHODOLOGY

Certain adjustments are made to the OTS *Thrift Financial Reports* to provide closer conformance with the reporting and accounting requirements of the FFIEC *Call Reports*. Beginning in March 1997, both *Thrift Financial Reports* and *Call Reports* are completed on a fully consolidated basis. Previously, the consolidation of subsidiary depository institutions was prohibited. Now, parent institutions file consolidated reports, while their subsidiary financial institutions continue to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data.

All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period. Tables III and IV do not provide growth rates for the "Asset Size Distribution" since many institutions migrate between size groups.

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. Also, when a main office is relocated to another region, no adjustments are made to regional growth rates. In addition, institutions may change their charters, resulting in an inter-industry migration, e.g., savings institutions can convert to commercial banks or commercial banks may convert to savings institutions. These situations can affect state and regional statistics.

RECENT ACCOUNTING CHANGES

Adoption of GAAP Reporting – Effective with the March 31, 1997 *Call Reports*, generally accepted accounting principles (GAAP) were adopted as the reporting basis for the balance sheet, income statement and supporting schedules. New reporting instructions changed the amounts reported for a number of items used in the *Quarterly Banking Profile*, so that comparability with prior periods may be affected. Among the items most significantly affected by the new reporting rules are: loans & leases, reserve for losses, goodwill and other intangibles, all other assets and equity capital (see definitions below). More information on changes to the March 31, 1997 *Call Report* is contained in Financial Institution Letter FIL-27-97, which is available through the FDIC World Wide Web site at www.fdic.gov/banknews/fils/1997/fil9727.html, or from the FDIC Public Information Center, 801 17th Street, NW, Washington, DC 20434; telephone (800) 276-6003. Information on changes to the March 31, 1997 *Thrift Financial Reports* is available from the Office of Thrift Supervision, 1700 G Street, NW, Washington, DC 20552; telephone (202) 906-5900.

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

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

DEFINITIONS (in alphabetical order)

All other assets – total cash, balances due from depository institutions, premises, fixed assets, direct investments in real estate, investment in unconsolidated subsidiaries, customers' liability on acceptances outstanding, assets held in trading accounts, federal funds sold, securities purchased with agreements to resell, and other assets. Beginning 3/31/97, Federal funds sold are reported on a consolidated basis (domestic and foreign offices combined). Previously, Federal funds sold through foreign offices were reported as loans.

All other liabilities – bank's liability on acceptances, limited-life preferred stock, and other liabilities.

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

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

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

*As a percentage of risk-weighted assets.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that file a *Thrift Financial Report (TFR)*, the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for *TFR* filers the components of other real estate owned are reported gross of valuation allowances.

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

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

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

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

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

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

Risk-weighted assets – assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 100 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

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

Securities – excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity", which are reported at amortized cost (book value), and securities designated as "available-for-sale", reported at fair (market) value.

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

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

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

Unused loan commitments – includes credit card lines, home equity lines, commitments to make loans for construction, loans secured by commercial real estate, and unused commitments to originate or purchase loans.

Volatile liabilities – the sum of large-denomination time deposits, foreign-office deposits, federal funds purchased, securities sold under agreements to repurchase, and other borrowings.

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