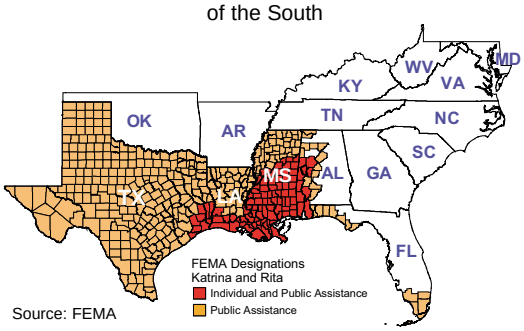
FDIC Regional Profile

FALL 2005

Overview

Hurricanes Katrina and Rita have tragically impacted the nation's South region (see Map 1). Although the full effects will not be known for some time, it is clear the scope of the devastation is unprecedented for the local economies, and is projected to slow U.S. economic activity in the third and fourth quarters. Future editions of the ***FDIC Regional Profile*** will assess the effects of these natural disasters on regional economies. However, this quarter's review is based on data released before the disasters and reveals that through the second quarter, the nation's economy expanded despite higher interest rates and energy prices.

Map 1. Recent Hurricanes Affected a Large Portion of the South



Source: FEMA

On a regional basis, the nation's strongest labor, credit and residential real estate conditions remain concentrated in the West and areas of the South (Florida, Virginia) and Northeast. Economic activity in these regions stands in sharp contrast to conditions in much of the Midwest, which continues to lag the rest of the nation. The strength of residential and commercial real estate lending in the West and areas of the South and Northeast continues, reflecting the effects of low long-term interest rates and a proliferation of innovative mortgage products, particularly in areas experiencing the most rapid rates of home price appreciation. However, signs of economic and housing moderation could be emerging, and job growth in even the strongest regions waned slightly in the second quarter.

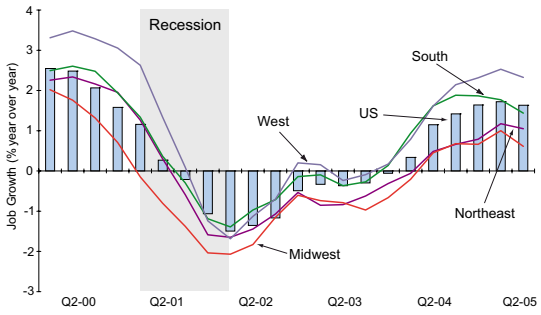
As expected, the growth and performance of FDIC-insured institutions remains strongest in the areas of the country experiencing the most vibrant economies, particularly in the West and areas of the South. Institutions in these regions also are reporting the highest concentrations of construction and development real estate lending, reflecting vigorous housing activity. Loan losses remain extremely low, and figure to rise in future quarters in response to rising interest rates and higher energy costs. Patterns following previous natural disasters suggest that past due loan levels could rise for a period at banks operating in the regions directly affected by the hurricane. Banks and thrifts across the country also are susceptible to potential net interest margin pressures from higher short-term interest rates and a flattening yield curve.

Economic Conditions

The West continues to lead the nation in job growth.

- During the second quarter, job growth continued to expand across the country (see Chart 1). The West leads the nation in job growth, while labor conditions lag in the Midwest, where the unemployment rate is the highest among all regions, reflecting ongoing manufacturing sector cutbacks.

Chart 1. The West Leads the Nation in Job Growth

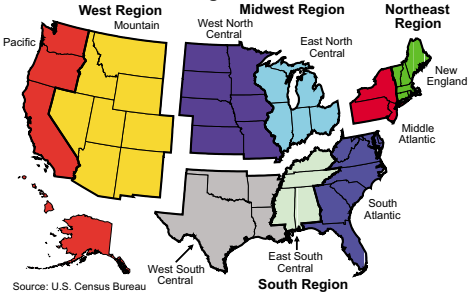


Source: Bureau of Labor Statistics

This quarter the FDIC introduces a companion publication to the ***FDIC State Profiles*** – the ***FDIC Regional Profile***, an executive summary of regional economic and banking conditions.[1] The FDIC's assessment of economic and banking conditions in the ***FDIC Regional Profile*** and ***FDIC State Profiles*** is based on a variety of sources, including key economic and banking statistical information. Each quarter the ***FDIC Regional Profile*** will feature a series of one-page summaries of pertinent performance metrics which appear this quarter on pages 3 through 12.

[1] The ***FDIC Regional Profile*** relies on U.S. Census regions and definitions. The term "bank" refers to all FDIC-insured institutions.

Census Regions and Divisions



Source: U.S. Census Bureau

- Job growth leveled off in all four regions during the second quarter, particularly in the West and South regions, areas that have recently outpaced the rest of the nation in economic growth. The construction and real estate sectors continue to contribute significantly to job creation in these regions.

Consumer finance conditions lag in the Midwest and parts of the South.

- Per-capita bankruptcy rates worsened in all regions of the country in the second quarter, perhaps reflecting a rush of filings in anticipation of stricter bankruptcy laws that will take effect this fall.
- An upward trend in consumer bankruptcy rates is evident in the Midwest and South. More subdued labor market conditions in the Midwest and in certain areas of the South have heightened the vulnerability of these regions to consumer financial stress. Additional stress is likely in the South as consumers grapple with the aftermath of the hurricanes.

Housing and construction activity remains brisk in the West and other coastal regions, tepid in the Midwest.

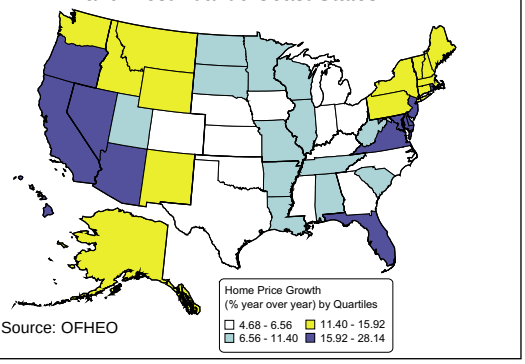
- Rates of home appreciation and overall construction activity in the West region and certain areas in the South (Florida, the mid-Atlantic) and Northeast regions continued to significantly outpace the rest of the nation. Real estate and construction activity remains relatively stable in the Midwest, where economic, employment, and population growth are tepid.
- Home price appreciation remained brisk in areas of the country experiencing the strongest economic and labor market growth (see Map 2). Many of these areas are also experiencing a deterioration in housing affordability and a higher dependence on innovative forms of mortgage lending. Speculative real estate activity continues to be in evidence in coastal states where home prices have been rising rapidly of late.

Banking Conditions

Bank asset growth and quality follow economic strength.

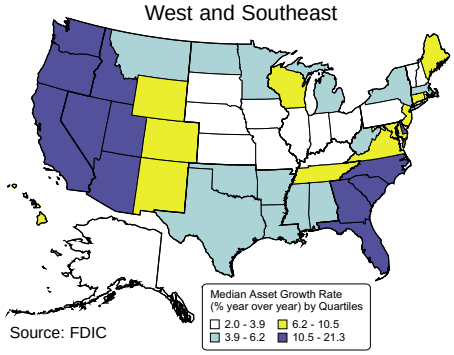
- The West and areas of the South (Florida, Virginia), benefiting from strong economic growth and construction activity, outpaced the nation in bank asset growth and asset quality (see Map 3). Asset quality continued to improve across the nation during the second quarter, reflecting favorable economic conditions, low interest rates, and robust loan growth.

Map 2. Home Price Appreciation Is Highest in the West and Most Atlantic Coast States



Source: OFHEO

Map 3. Bank Asset Growth Is Strongest in the West and Southeast



Source: FDIC

- The Midwest and other areas of the South are experiencing slower asset growth and quality relative to the rest of the nation, reflecting lagging economic performance and consumer finance stress.

Bank earnings strongest in the West but face pressure across the nation from flat yield curve.

- Bank net interest margins (NIM) generally improved across the country in the second quarter; however, banks in the West continued to report the strongest NIMs.
- Most smaller insured institutions, except many in the Northeast, remain asset sensitive and have benefited from the recent rise in short-term interest rates despite the flattening yield curve. As a result, the increase in the yield on earning assets outpaced the cost of funding hikes.
- Should the yield curve remain flat, community bank margins could erode as their cost of funds gradually increases.

Noncore funding continues to gain steam in the east regions.

- Banks in areas of the Northeast (New England) and South continued to experience the strongest growth in noncore funding as growth in deposits has fallen short of strong rates of loan growth.
- Loan-to-asset ratios increased at banks nationwide in the second quarter. Loan growth was particularly strong in construction lending, residential loans, and C&I lending.

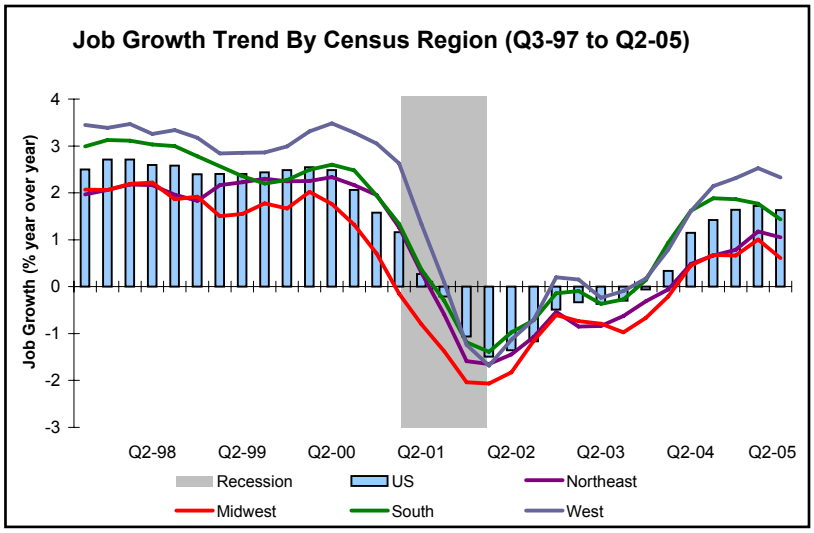
Concentrations in construction and development (C&D) lending are on the rise in hot housing markets.

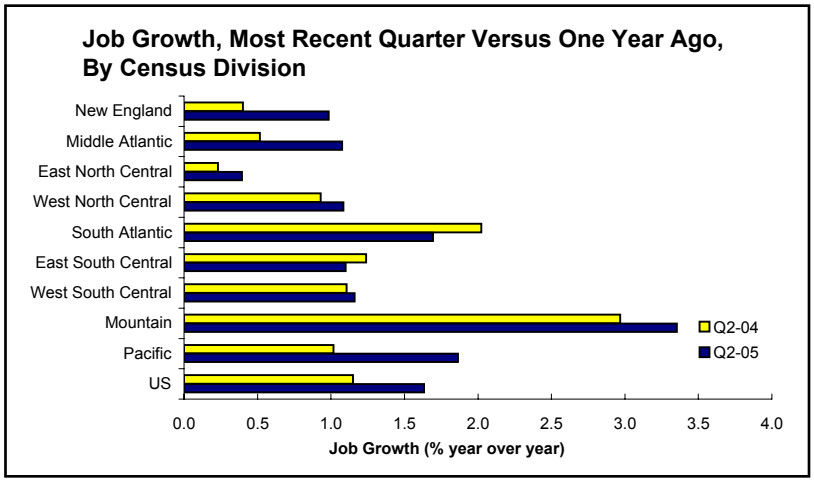
- Concentration of C&D loans to Tier one capital, on the rise across the nation, ranks highest among institutions in the West and South, reflecting strong residential and commercial construction activity. Concentrations in the West are at historical highs.
- C&D concentrations in the Midwest and Northeast, although growing, remain lowest in the nation.

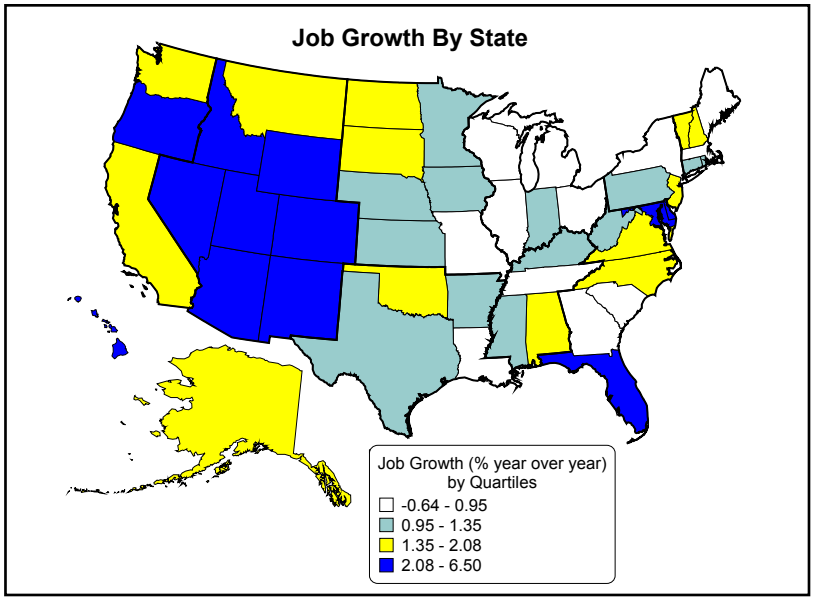
Job Growth

Area	Job Growth (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**0.99**	**1.24**	**0.40**	**8**	**7**
CT	1.28	1.38	0.31	26	32
MA	0.67	0.97	-0.21	45	43
ME	0.67	0.96	1.49	44	45
NH	1.84	2.10	1.78	14	15
RI	1.06	1.42	0.87	35	30
VT	1.49	1.80	1.62	22	23
Middle Atlantic	**1.08**	**1.15**	**0.52**	**7**	**8**
NJ	1.35	1.58	0.59	25	29
NY	0.94	0.96	0.50	39	44
PA	1.08	1.13	0.49	33	38
South Atlantic	**1.69**	**2.13**	**2.02**	**3**	**2**
DE	2.29	2.34	2.14	8	12
DC	0.84	0.77	1.31	41	47
FL	2.89	3.43	3.49	6	5
GA	0.50	0.79	1.39	47	46
MD	2.23	1.96	0.78	9	18
NC	1.42	1.62	0.71	24	28
SC	0.07	0.98	1.31	50	42
VA	1.49	2.51	2.63	20	9
WV	0.95	1.32	1.31	38	33
East South Central	**1.10**	**1.40**	**1.24**	**5**	**5**
AL	1.62	2.09	1.26	17	16
KY	1.04	1.11	0.88	36	39
MS	1.03	1.24	1.23	37	35
TN	0.81	1.16	1.47	43	37
West South Central	**1.16**	**1.33**	**1.11**	**4**	**6**
AR	1.12	1.27	1.28	31	34
LA	0.35	0.67	0.85	48	49
OK	1.81	1.78	0.90	15	25
TX	1.23	1.40	1.17	28	31
East North Central	**0.39**	**0.77**	**0.23**	**9**	**9**
IL	0.63	0.62	-0.06	46	50
IN	1.19	2.19	1.28	29	14
MI	-0.64	-0.11	-0.32	51	51
OH	0.31	0.67	0.11	49	48
WI	0.85	1.18	0.88	40	36
West North Central	**1.08**	**1.51**	**0.93**	**6**	**4**
IA	1.08	0.99	1.31	34	41
KS	1.27	1.91	1.03	27	20
MN	1.09	1.79	0.84	32	24
MO	0.83	1.09	0.61	42	40
ND	1.55	2.01	1.62	19	17
NE	1.16	1.83	0.95	30	22
SD	1.58	1.84	1.41	18	21
Mountain	**3.35**	**3.63**	**2.97**	**1**	**1**
AZ	3.87	4.15	3.27	2	2
CO	2.08	2.55	1.38	12	8
ID	3.36	3.03	2.98	4	6
MT	1.47	2.46	3.01	23	10
NM	2.10	1.93	2.15	11	19
NV	6.50	6.71	6.19	1	1
UT	3.37	3.76	2.93	3	4
WY	2.21	2.35	2.49	10	11
Pacific	**1.86**	**2.04**	**1.02**	**2**	**3**
AK	1.49	1.64	1.30	21	27
CA	1.66	1.75	0.69	16	26
HI	2.86	2.87	2.55	7	7
OR	3.14	4.06	2.25	5	3
WA	2.06	2.28	1.74	13	13
US	**1.63**	**1.72**	**1.15**		

Source: Percentage change in nonfarm payroll employment (year over year). (Bureau of Labor Statistics)

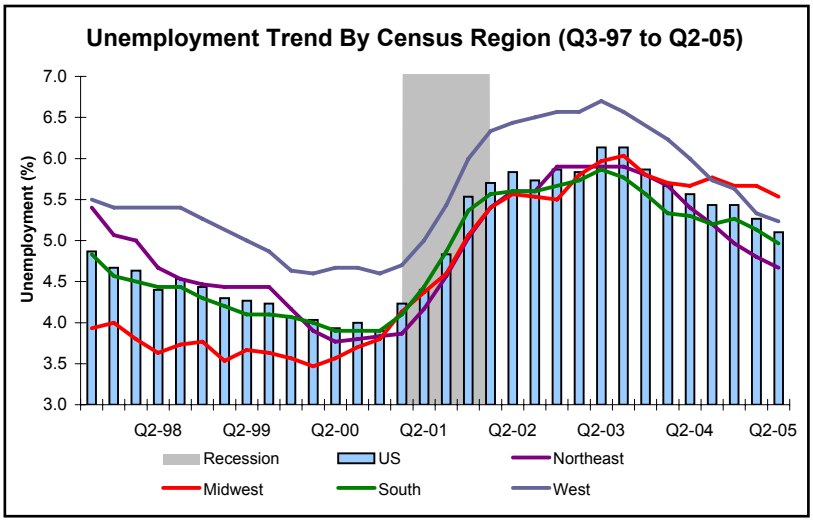


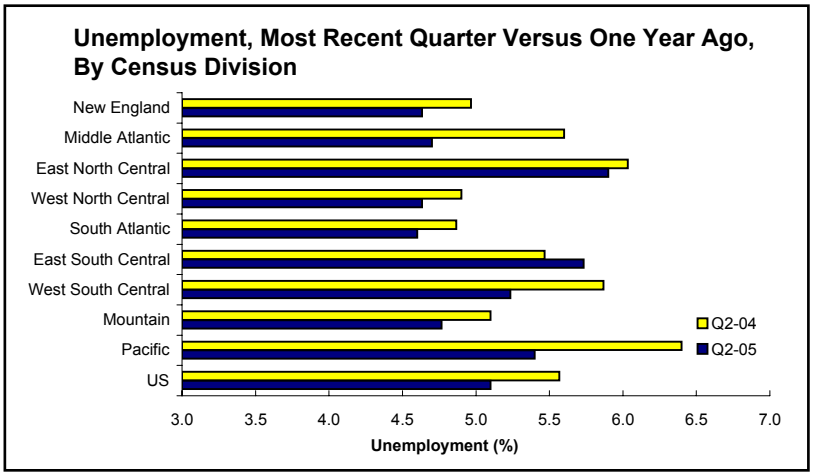


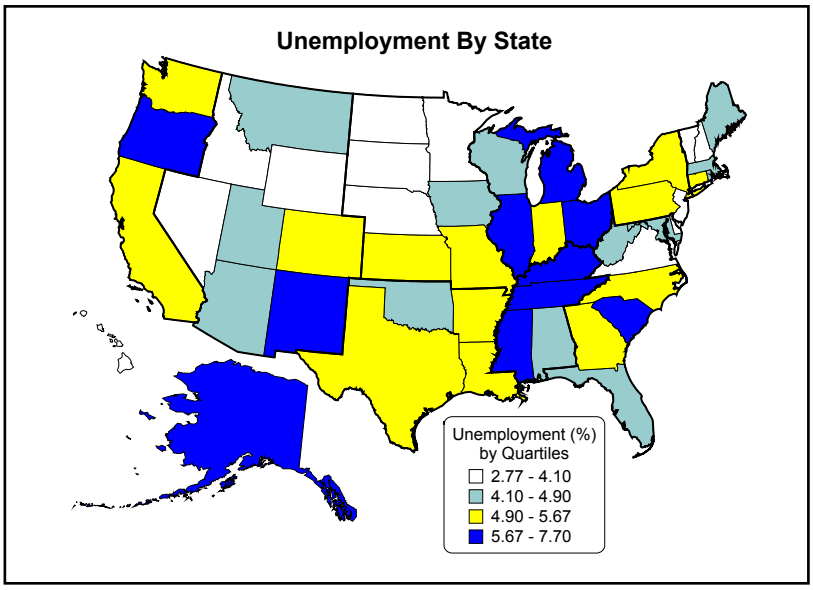


Unemployment

Area	Unemployment (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**4.63**	**4.60**	**4.97**	**7**	**9**
CT	5.10	4.80	4.93	21	30
MA	4.73	4.87	5.20	29	28
ME	4.80	4.57	4.43	26	32
NH	3.50	3.63	3.90	48	46
RI	4.67	4.43	5.27	31	35
VT	3.27	3.47	3.63	50	47
Middle Atlantic	**4.70**	**4.87**	**5.60**	**6**	**6**
NJ	4.03	4.20	4.93	39	39
NY	4.93	4.90	5.90	23	27
PA	4.90	5.27	5.47	24	19
South Atlantic	**4.60**	**4.70**	**4.87**	**9**	**7**
DE	4.03	4.10	4.10	39	42
DC	7.70	8.00	8.00	1	1
FL	4.10	4.47	4.80	38	34
GA	5.13	4.97	4.57	20	24
MD	4.27	4.20	4.20	37	39
NC	5.23	5.20	5.63	17	20
SC	6.37	6.93	6.77	6	5
VA	3.63	3.30	3.73	47	48
WV	4.80	4.97	5.40	26	24
East South Central	**5.73**	**5.70**	**5.47**	**2**	**2**
AL	4.40	5.07	5.60	36	23
KY	5.67	5.17	5.47	11	21
MS	7.00	6.97	5.90	2	4
TN	6.00	5.87	5.37	8	8
West South Central	**5.23**	**5.60**	**5.87**	**4**	**4**
AR	4.90	5.37	5.77	24	16
LA	5.30	5.67	5.77	16	12
OK	4.43	4.43	5.00	34	37
TX	5.37	5.83	6.13	14	9
East North Central	**5.90**	**6.00**	**6.03**	**1**	**1**
IL	5.90	5.70	6.17	9	11
IN	5.10	5.57	5.10	21	15
MI	6.97	7.13	6.90	3	2
OH	6.13	6.20	6.13	7	7
WI	4.60	4.77	4.97	33	31
West North Central	**4.63**	**4.90**	**4.90**	**8**	**5**
IA	4.63	5.10	4.77	32	22
KS	5.23	5.33	5.53	17	18
MN	4.00	4.33	4.57	41	38
MO	5.53	5.83	5.57	12	9
ND	3.37	3.30	3.30	49	48
NE	3.90	3.97	3.73	44	43
SD	3.83	3.67	3.47	45	45
Mountain	**4.77**	**4.63**	**5.10**	**5**	**8**
AZ	4.73	4.43	5.07	29	35
CO	5.20	4.93	5.50	19	26
ID	3.93	4.20	4.83	43	39
MT	4.43	4.50	4.40	34	33
NM	5.90	5.60	5.73	9	14
NV	4.00	3.90	4.43	41	44
UT	4.80	4.83	5.27	26	29
WY	3.77	3.13	3.80	46	50
Pacific	**5.40**	**5.63**	**6.40**	**3**	**3**
AK	6.47	7.03	7.40	4	3
CA	5.37	5.67	6.33	14	12
HI	2.77	2.90	3.30	51	51
OR	6.47	6.30	7.43	5	6
WA	5.53	5.37	6.23	12	16
US	**5.10**	**5.27**	**5.57**		



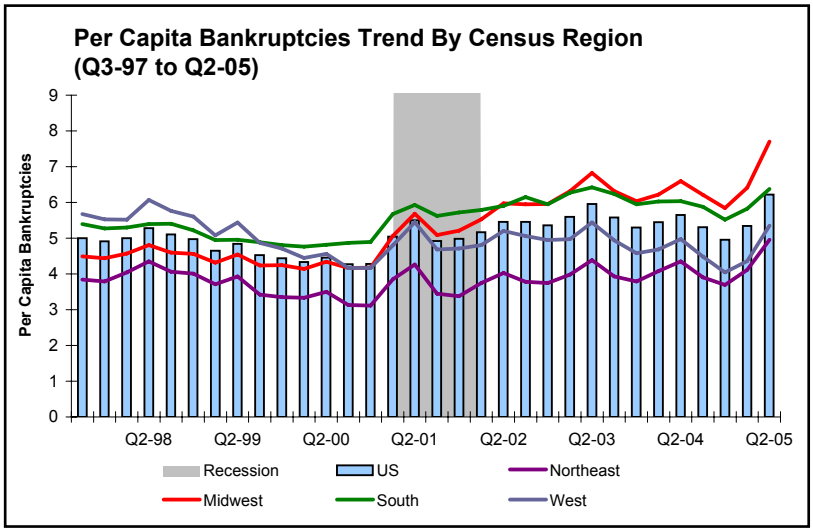


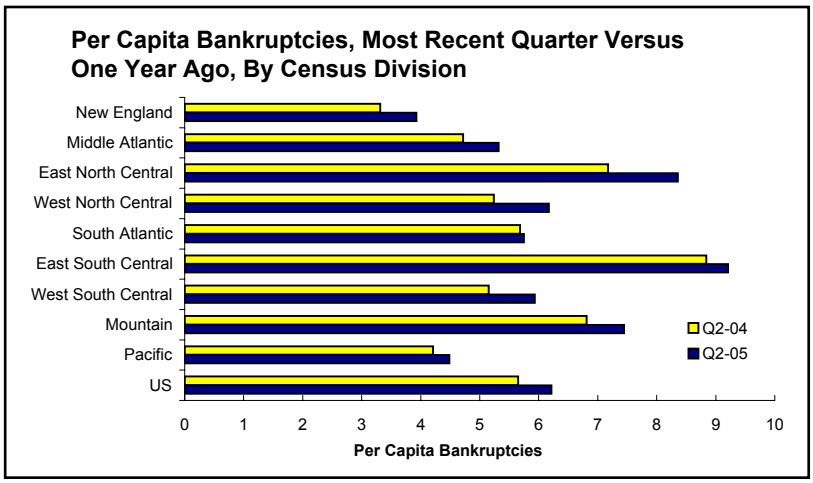


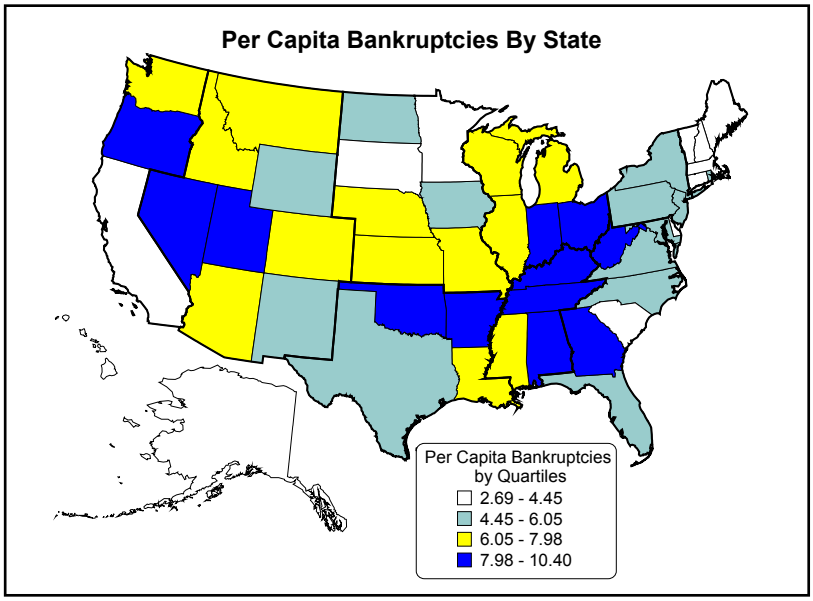
Source: The number of unemployed divided by the civilian labor force, seasonally adjusted (%). (Bureau of Labor Statistics)

Per Capita Bankruptcies

Area	Per Capita Bankruptcies (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**3.93**	**3.10**	**3.32**	**9**	**9**
CT	3.92	3.29	3.51	43	45
MA	3.70	2.80	3.02	46	48
ME	4.43	3.13	3.60	39	47
NH	3.80	3.55	3.58	45	41
RI	5.12	3.92	4.00	35	39
VT	3.39	2.73	2.86	49	49
Middle Atlantic	**5.32**	**4.47**	**4.72**	**7**	**7**
NJ	5.18	4.64	5.05	33	30
NY	5.16	4.10	4.43	34	35
PA	5.64	4.93	4.92	29	26
South Atlantic	**5.75**	**5.28**	**5.68**	**6**	**4**
DE	4.17	4.01	4.30	41	37
DC	3.62	3.49	3.58	47	44
FL	5.72	4.46	5.44	28	32
GA	8.31	8.36	8.52	9	4
MD	5.31	5.30	5.70	31	23
NC	4.52	4.36	4.25	37	34
SC	3.48	3.53	3.71	48	42
VA	5.31	5.18	5.54	31	24
WV	8.01	7.10	6.38	11	10
East South Central	**9.21**	**8.82**	**8.84**	**1**	**1**
AL	9.55	9.57	9.35	5	2
KY	7.98	6.85	7.01	12	12
MS	7.85	7.36	7.18	15	8
TN	10.40	10.28	10.48	1	1
West South Central	**5.93**	**5.17**	**5.15**	**5**	**5**
AR	9.60	9.41	8.29	4	3
LA	7.67	6.52	6.95	18	14
OK	9.22	7.35	7.62	6	9
TX	4.59	4.02	3.98	36	36
East North Central	**8.36**	**6.98**	**7.18**	**2**	**2**
IL	7.38	6.42	6.20	20	15
IN	10.37	8.28	9.42	2	5
MI	7.47	7.00	6.32	19	11
OH	9.92	7.89	8.50	3	7
WI	6.60	4.85	5.62	22	28
West North Central	**6.17**	**5.06**	**5.24**	**4**	**6**
IA	5.78	4.79	4.73	27	29
KS	7.81	5.58	6.65	16	21
MN	4.12	3.52	3.34	42	43
MO	7.78	6.52	6.83	17	13
ND	4.45	3.96	3.73	38	38
NE	6.22	5.38	5.22	24	22
SD	4.32	3.58	3.76	40	40
Mountain	**7.44**	**5.75**	**6.81**	**3**	**3**
AZ	6.68	4.99	6.00	21	25
CO	7.90	5.86	6.54	13	20
ID	7.87	6.38	7.29	14	16
MT	6.05	4.58	5.69	25	31
NM	5.60	4.90	4.87	30	27
NV	8.56	5.88	8.58	8	19
UT	8.90	7.98	9.08	7	6
WY	6.02	4.37	5.58	26	33
Pacific	**4.48**	**3.78**	**4.21**	**8**	**8**
AK	2.69	2.04	2.12	51	51
CA	3.84	3.18	3.53	44	46
HI	3.00	2.41	2.61	50	50
OR	8.06	6.25	7.54	10	17
WA	6.47	6.13	6.61	23	18
US	**6.19**	**5.32**	**5.63**		





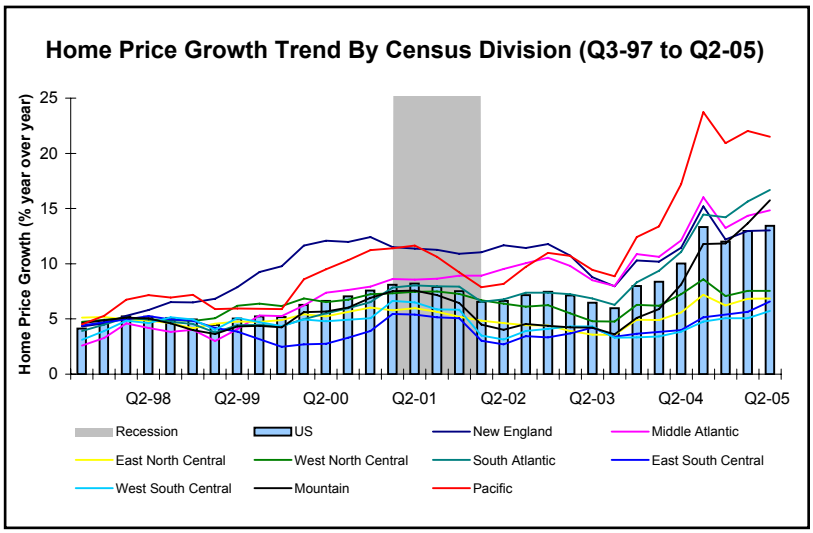


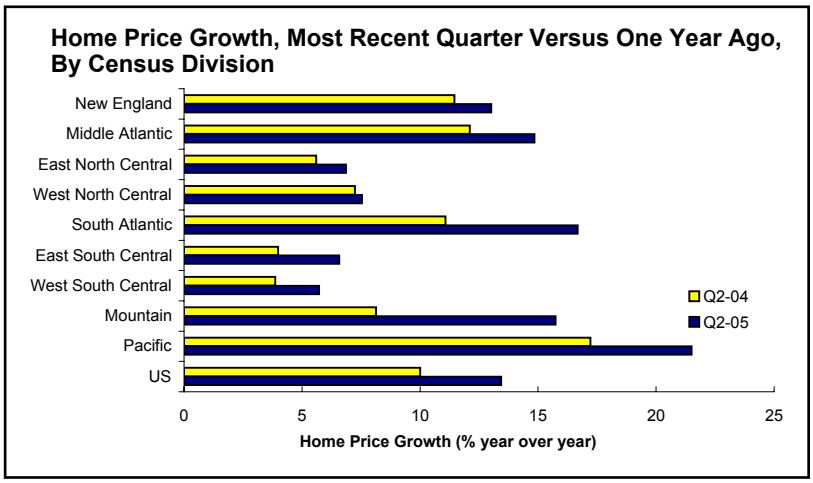
Source: Nonbusiness bankruptcies per 1000 people (quarterly annualized). (Administrative Office of the U.S. Courts / Bureau of the Census)

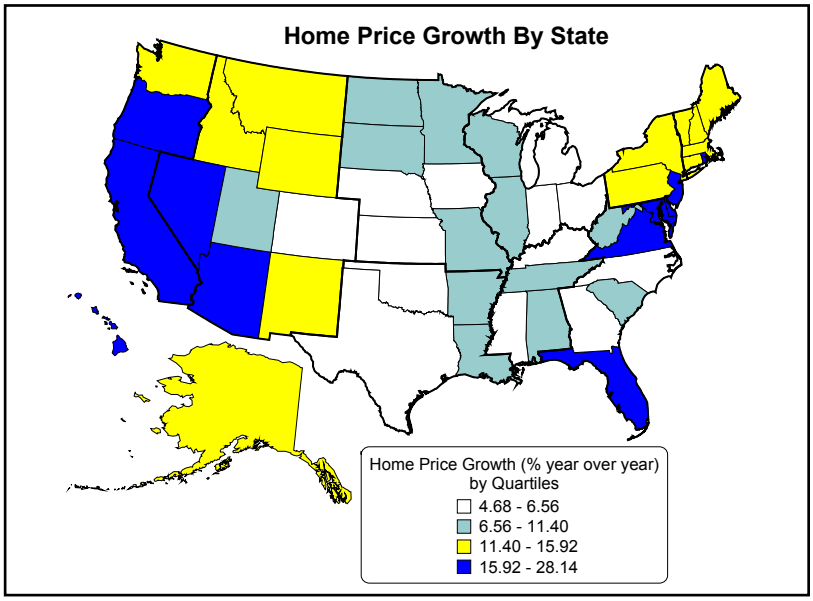
Home Price Growth

Area	Home Price Growth (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**13.01**	**12.96**	**11.45**	**5**	**5**
CT	13.61	13.81	11.45	16	15
MA	11.80	11.85	10.65	24	21
ME	13.38	13.92	12.61	18	14
NH	12.40	12.61	11.04	22	18
RI	16.72	17.56	18.66	10	9
VT	15.76	15.15	12.42	14	12
Middle Atlantic	**14.84**	**14.34**	**12.11**	**4**	**3**
NJ	17.76	16.48	13.89	9	10
NY	14.21	14.07	12.13	15	13
PA	13.01	12.44	10.02	19	19
South Atlantic	**16.68**	**15.63**	**11.07**	**2**	**2**
DE	16.53	15.32	12.21	11	11
DC	23.53	22.56	18.34	6	4
FL	24.45	22.25	15.23	5	5
GA	6.06	5.88	4.33	39	39
MD	22.98	21.61	16.64	7	6
NC	5.88	6.28	3.97	41	36
SC	8.11	7.02	4.14	32	34
VA	20.93	19.11	13.22	8	8
WV	9.04	8.47	6.30	29	30
East South Central	**6.57**	**5.64**	**3.99**	**8**	**8**
AL	7.46	5.99	3.25	36	38
KY	5.92	5.63	4.75	40	41
MS	5.51	5.16	3.79	46	44
TN	6.83	5.63	3.88	37	42
West South Central	**5.73**	**5.06**	**3.86**	**9**	**9**
AR	8.03	7.18	5.70	33	33
LA	6.56	6.17	5.64	38	37
OK	5.39	4.45	4.44	47	49
TX	4.68	4.04	2.93	51	51
East North Central	**6.86**	**6.83**	**5.60**	**7**	**7**
IL	9.76	9.76	8.23	26	25
IN	4.70	4.17	2.98	50	50
MI	4.94	5.02	4.13	48	47
OH	4.81	4.50	3.78	49	48
WI	9.47	9.65	7.92	27	27
West North Central	**7.53**	**7.55**	**7.24**	**6**	**6**
IA	5.67	5.40	5.09	42	43
KS	5.52	5.04	4.86	45	46
MN	9.32	9.44	9.59	28	28
MO	7.71	7.64	6.49	34	32
ND	8.97	8.93	6.96	30	29
NE	5.56	5.63	4.98	44	40
SD	7.66	7.87	6.90	35	31
Mountain	**15.74**	**13.66**	**8.13**	**3**	**4**
AZ	27.82	20.37	10.27	2	7
CO	5.66	5.04	3.62	43	45
ID	12.92	11.58	6.45	20	23
MT	12.90	11.39	9.78	21	24
NM	11.81	9.68	7.15	23	26
NV	28.14	32.17	25.06	1	1
UT	8.91	6.54	2.52	31	35
WY	11.40	11.70	8.16	25	22
Pacific	**21.51**	**22.03**	**17.21**	**1**	**1**
AK	13.52	12.10	9.71	17	20
CA	25.16	26.28	20.32	4	2
HI	25.93	24.64	19.77	3	3
OR	15.92	13.42	8.59	12	16
WA	15.84	13.23	8.40	13	17
US	**13.43**	**12.97**	**10.01**		

Source: Percentage change in median home price (year over year). (OFHEO)

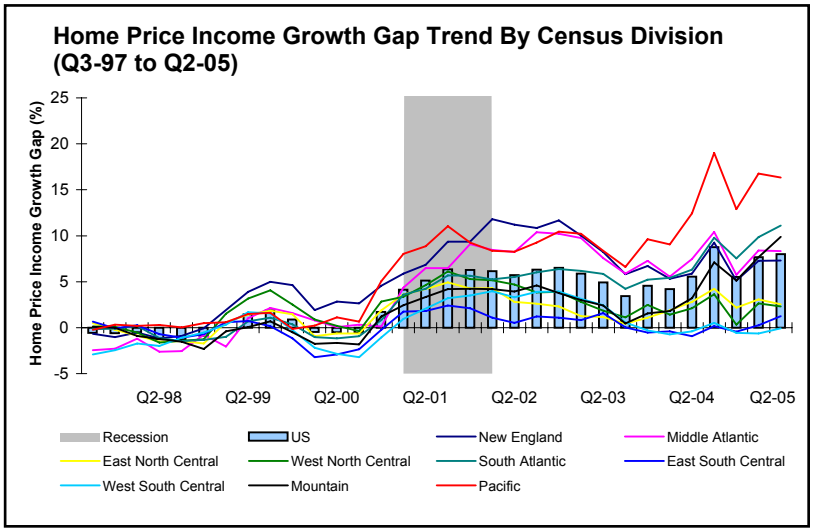


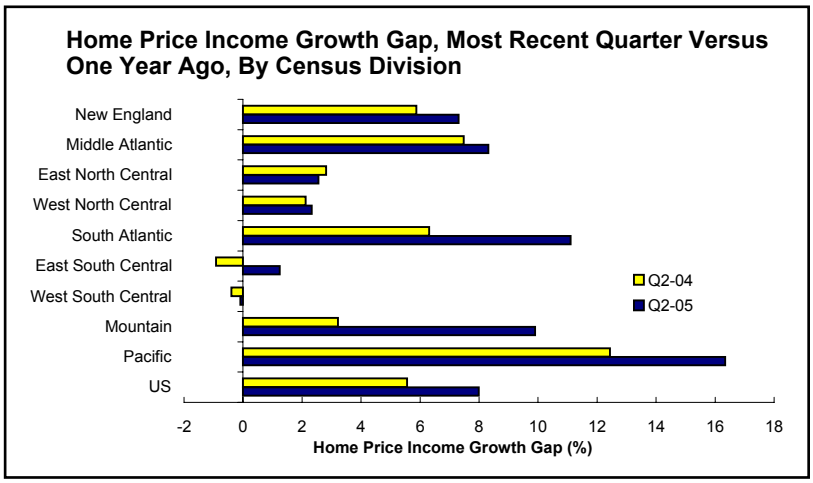


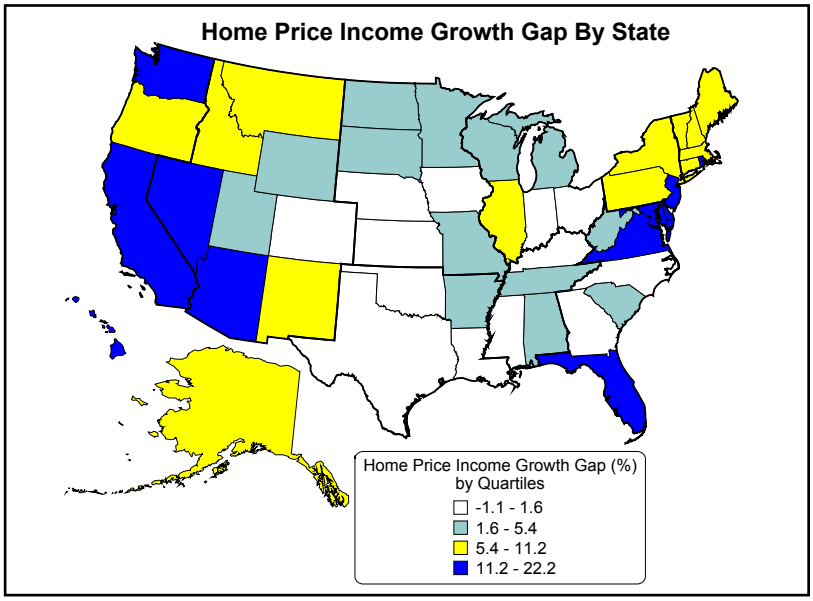


Home Price Income Growth Gap

Area	Home Price Income Growth Gap (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**7.30**	**7.28**	**5.87**	**5**	**5**
CT	6.80	7.93	6.41	21	15
MA	6.46	6.16	4.66	22	22
ME	8.71	9.02	7.24	15	12
NH	6.86	6.90	5.35	20	18
RI	11.45	12.13	13.35	11	9
VT	10.29	8.79	6.80	14	13
Middle Atlantic	**8.31**	**8.40**	**7.48**	**4**	**3**
NJ	12.01	11.07	10.11	9	10
NY	6.99	7.85	6.85	19	16
PA	7.06	6.54	5.81	18	21
South Atlantic	**11.10**	**9.85**	**6.31**	**2**	**2**
DE	11.87	10.39	7.11	10	11
DC	15.41	15.03	11.29	7	6
FL	19.08	16.46	10.86	4	4
GA	1.09	1.01	0.61	40	38
MD	17.31	15.93	11.32	6	5
NC	-0.06	0.38	-1.05	46	43
SC	3.17	1.61	-0.42	32	35
VA	14.45	12.32	7.40	8	8
WV	3.20	2.22	1.32	30	32
East South Central	**1.24**	**0.27**	**-0.92**	**8**	**8**
AL	1.74	-0.18	-2.03	35	45
KY	0.88	1.27	0.29	43	36
MS	-0.08	-0.31	-1.88	47	46
TN	1.73	0.26	-0.71	36	44
West South Central	**-0.09**	**-0.63**	**-0.40**	**9**	**9**
AR	3.13	1.89	-1.02	33	34
LA	0.25	0.75	0.76	44	39
OK	-0.73	-1.52	-0.03	50	50
TX	-1.05	-1.66	-0.90	51	51
East North Central	**2.56**	**3.06**	**2.82**	**6**	**6**
IL	5.41	6.78	6.14	25	19
IN	1.00	0.47	-1.43	41	41
MI	1.68	2.48	2.84	37	31
OH	-0.23	-0.65	0.23	48	47
WI	4.21	4.36	3.90	28	27
West North Central	**2.33**	**2.65**	**2.12**	**7**	**7**
IA	0.97	0.69	-3.85	42	40
KS	-0.57	-0.76	0.64	49	49
MN	4.06	4.70	4.68	29	26
MO	2.43	2.86	2.47	34	30
ND	1.63	2.06	4.94	38	33
NE	1.19	1.22	0.02	39	37
SD	4.35	3.75	0.26	27	28
Mountain	**9.90**	**7.66**	**3.22**	**3**	**4**
AZ	22.23	14.62	5.58	1	7
CO	-0.02	-0.70	-0.82	45	48
ID	7.80	5.57	0.12	17	23
MT	6.26	4.92	5.18	23	25
NM	5.67	3.30	1.92	24	29
NV	21.63	25.72	19.44	2	1
UT	3.19	0.44	-2.31	31	42
WY	4.41	5.10	2.29	26	24
Pacific	**16.34**	**16.78**	**12.43**	**1**	**1**
AK	7.84	6.62	7.32	16	20
CA	19.97	21.13	15.37	3	2
HI	18.87	17.58	13.94	5	3
OR	10.84	8.07	3.63	13	14
WA	11.22	7.81	4.65	12	17
US	**7.99**	**7.67**	**5.56**		





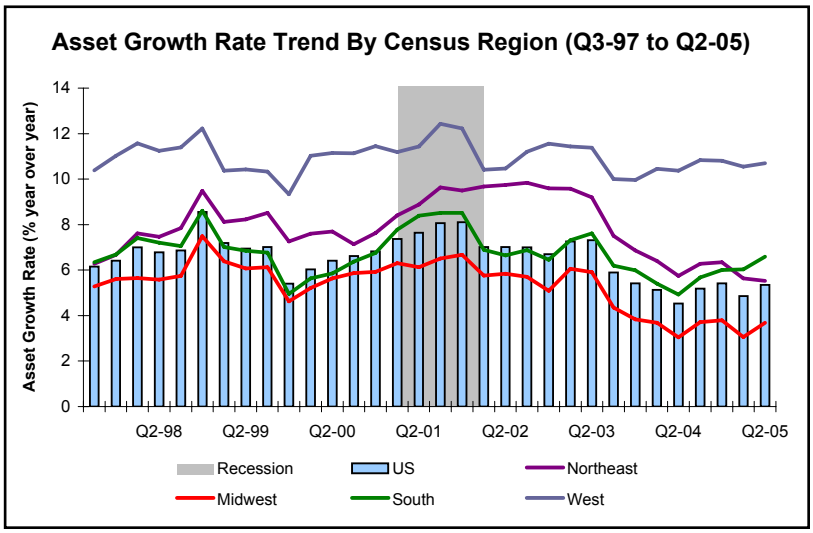


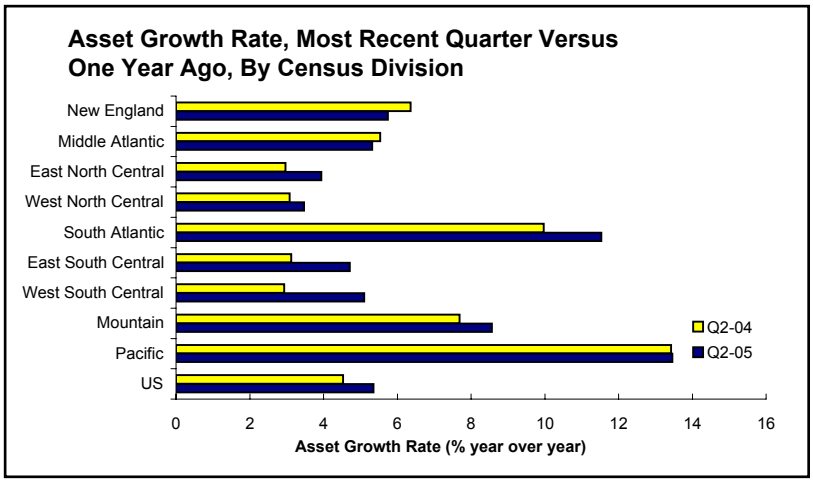
Source: Year over Year Home Price Growth Minus Year over Year Per Capita Personal Income Growth. (OFHEO/Bureau of Economic Analysis)

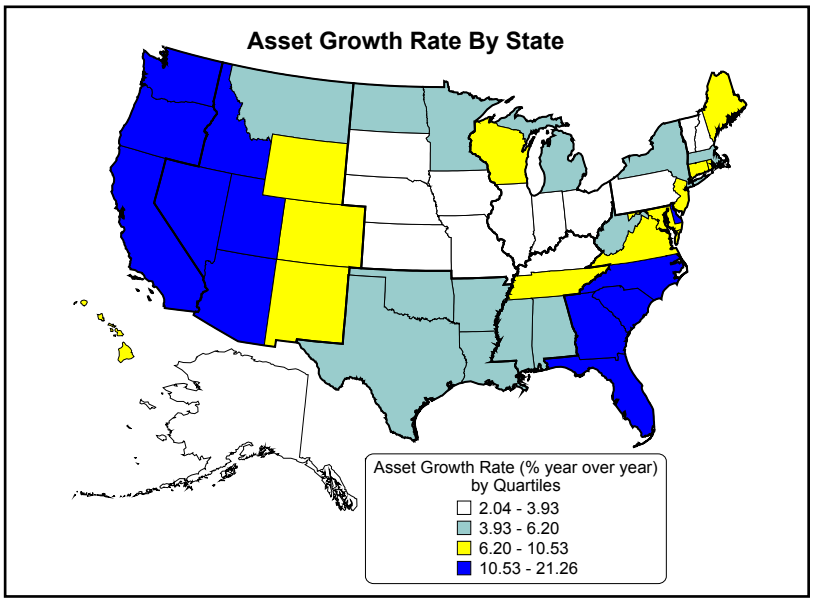
Asset Growth Rate

Area	Asset Growth Rate (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**5.74**	**6.22**	**6.36**	**4**	**4**
CT	8.50	8.50	6.48	15	16
MA	5.35	5.90	5.83	28	23
ME	8.24	7.69	7.94	16	19
NH	2.95	4.16	7.66	47	34
RI	7.36	8.73	11.88	18	13
VT	3.87	4.62	4.66	39	31
Middle Atlantic	**5.32**	**5.23**	**5.54**	**5**	**5**
NJ	9.71	9.51	8.72	13	11
NY	5.06	5.01	6.13	30	28
PA	3.84	3.87	4.27	41	40
South Atlantic	**11.53**	**10.73**	**9.97**	**2**	**2**
DE	11.99	16.79	14.48	8	5
DC	7.17	3.46	10.12	19	44
FL	21.19	21.27	16.88	2	2
GA	10.80	8.68	8.91	10	14
MD	6.76	8.08	6.04	20	17
NC	10.53	8.61	8.99	12	15
SC	10.71	9.61	7.40	11	10
VA	7.95	7.46	10.74	17	20
WV	4.46	3.93	2.36	33	38
East South Central	**4.71**	**4.36**	**3.12**	**7**	**7**
AL	5.99	5.08	2.84	26	27
KY	2.92	2.79	2.86	48	47
MS	4.32	3.90	2.74	34	39
TN	6.39	6.05	3.90	22	22
West South Central	**5.10**	**4.46**	**2.93**	**6**	**6**
AR	4.50	4.03	3.81	32	36
LA	4.18	4.12	2.61	36	35
OK	5.36	4.36	3.23	27	32
TX	5.19	4.66	2.81	29	30
East North Central	**3.94**	**3.17**	**2.97**	**8**	**8**
IL	3.45	2.63	2.60	44	48
IN	3.72	3.64	3.58	42	42
MI	4.06	4.25	3.21	37	33
OH	2.04	1.51	1.52	51	51
WI	6.20	5.19	4.51	25	25
West North Central	**3.48**	**2.94**	**3.08**	**9**	**9**
IA	3.37	2.86	2.50	45	46
KS	2.08	1.94	2.31	50	50
MN	4.69	3.95	3.87	31	37
MO	3.87	3.54	3.68	39	43
ND	3.93	2.94	4.32	38	45
NE	2.62	2.01	2.29	49	49
SD	3.03	3.64	4.16	46	41
Mountain	**8.56**	**7.81**	**7.69**	**3**	**3**
AZ	19.85	18.98	20.95	5	4
CO	6.33	5.62	6.29	24	24
ID	21.26	19.88	15.01	1	3
MT	4.26	5.16	6.83	35	26
NM	6.62	6.75	6.75	21	21
NV	20.89	21.53	27.31	3	1
UT	14.31	12.99	8.63	7	8
WY	9.26	7.98	5.60	14	18
Pacific	**13.46**	**14.53**	**13.42**	**1**	**1**
AK	3.64	4.97	3.43	43	29
CA	14.52	16.23	17.14	6	6
HI	6.37	9.19	10.83	23	12
OR	19.94	16.09	12.81	4	7
WA	11.86	9.65	9.54	9	9
US	**5.35**	**4.86**	**4.53**		

Source: Median year over year asset growth (%), adjusted for mergers. (FDIC)



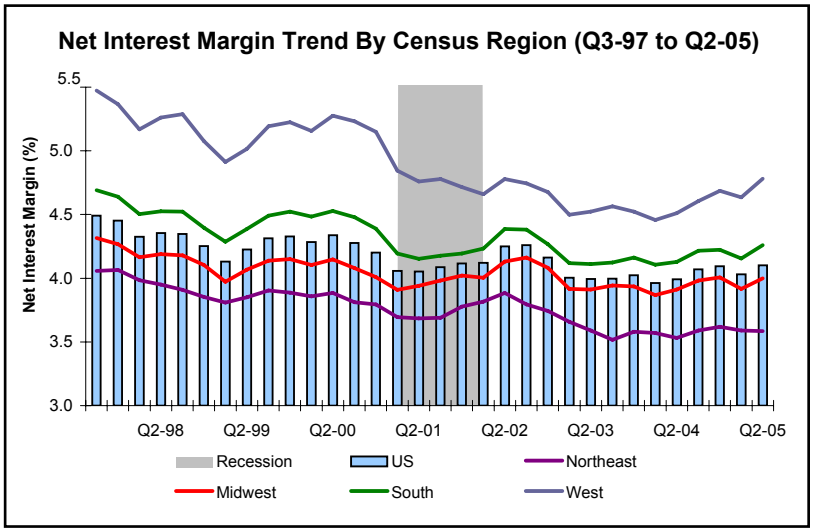


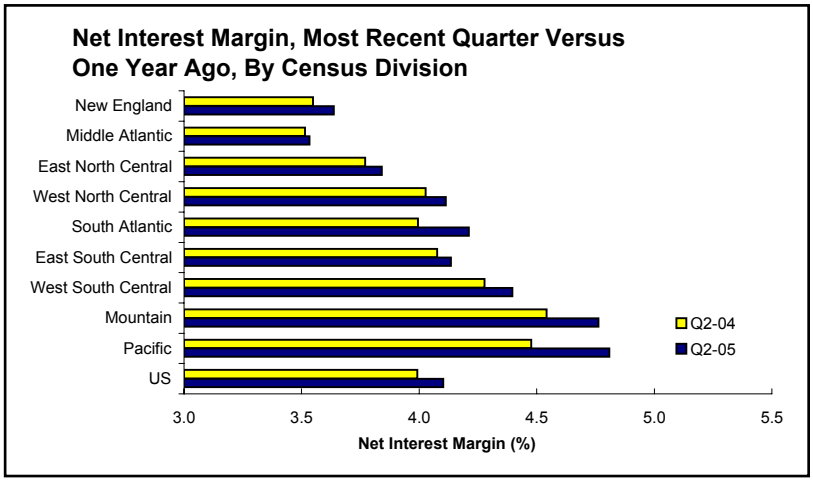


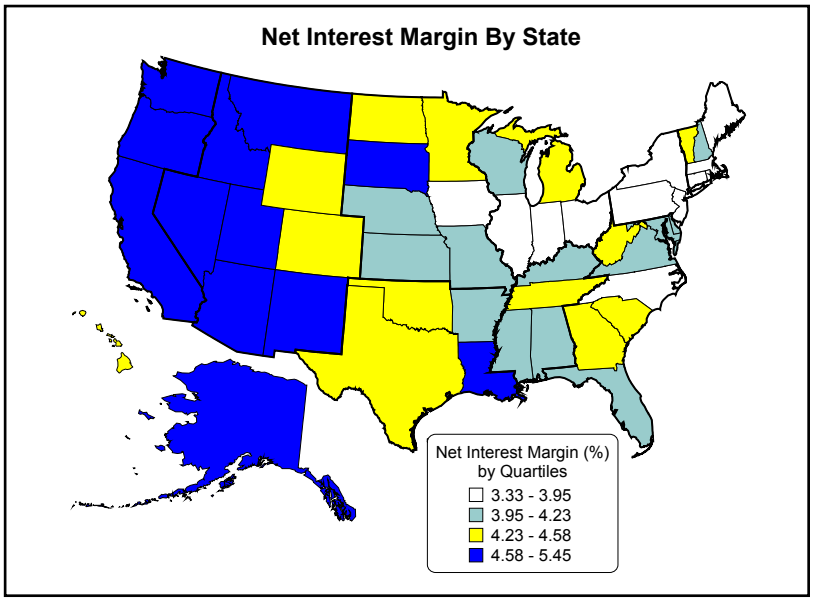
Net Interest Margin

Area	Net Interest Margin (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**3.64**	**3.64**	**3.55**	**8**	**8**
CT	3.77	3.76	3.57	44	43
MA	3.49	3.49	3.39	48	48
ME	3.77	3.74	3.76	45	44
NH	4.08	4.13	4.01	31	23
RI	3.33	3.35	3.49	51	51
VT	4.35	4.29	4.27	18	18
Middle Atlantic	**3.53**	**3.55**	**3.51**	**9**	**9**
NJ	3.44	3.49	3.51	49	49
NY	3.78	3.77	3.71	42	42
PA	3.40	3.42	3.39	50	50
South Atlantic	**4.21**	**4.10**	**4.00**	**4**	**4**
DE	3.99	3.87	3.81	37	38
DC	3.79	3.89	3.75	41	37
FL	4.19	4.11	3.99	26	25
GA	4.40	4.30	4.27	16	17
MD	3.95	3.80	3.78	38	40
NC	3.85	3.82	3.66	39	39
SC	4.25	4.03	3.93	23	31
VA	4.18	4.09	3.91	27	28
WV	4.24	4.09	4.14	24	29
East South Central	**4.13**	**4.06**	**4.08**	**5**	**5**
AL	4.15	4.04	4.07	30	30
KY	4.05	4.00	4.00	34	32
MS	4.16	4.14	4.08	29	22
TN	4.26	4.11	4.21	22	24
West South Central	**4.40**	**4.32**	**4.28**	**3**	**3**
AR	4.08	3.98	4.09	32	33
LA	4.58	4.41	4.43	12	13
OK	4.50	4.50	4.43	13	11
TX	4.40	4.33	4.20	17	16
East North Central	**3.84**	**3.78**	**3.77**	**7**	**7**
IL	3.76	3.69	3.69	46	46
IN	3.72	3.62	3.65	47	47
MI	4.23	4.17	3.98	25	21
OH	3.82	3.80	3.76	40	41
WI	4.00	3.98	3.99	36	34
West North Central	**4.11**	**4.03**	**4.03**	**6**	**6**
IA	3.77	3.73	3.77	43	45
KS	4.06	3.94	3.91	33	36
MN	4.49	4.38	4.40	14	15
MO	4.01	3.95	3.94	35	35
ND	4.27	4.10	4.13	21	26
NE	4.18	4.10	4.12	28	27
SD	4.63	4.43	4.47	11	12
Mountain	**4.76**	**4.61**	**4.54**	**2**	**2**
AZ	5.29	5.11	4.76	2	2
CO	4.44	4.39	4.30	15	14
ID	5.21	4.94	4.64	4	5
MT	4.78	4.55	4.58	8	10
NM	4.76	4.60	4.57	9	8
NV	5.07	4.95	4.76	5	4
UT	5.45	5.37	5.33	1	1
WY	4.27	4.17	4.34	20	20
Pacific	**4.81**	**4.65**	**4.48**	**1**	**1**
AK	5.22	4.82	4.80	3	6
CA	4.71	4.60	4.38	10	9
HI	4.29	4.18	4.26	19	19
OR	5.02	4.98	4.96	6	3
WA	4.86	4.78	4.64	7	7
US	**4.10**	**4.03**	**3.99**		

Source: Median quarterly annualized net interest margin. (FDIC)

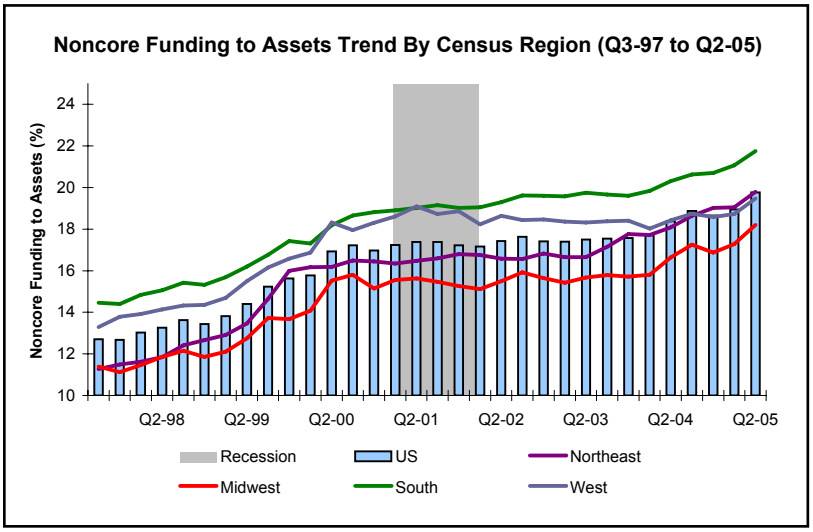


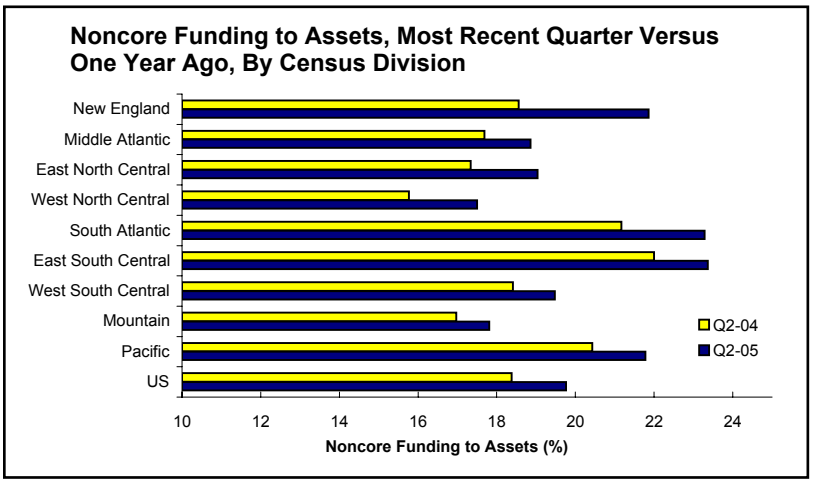


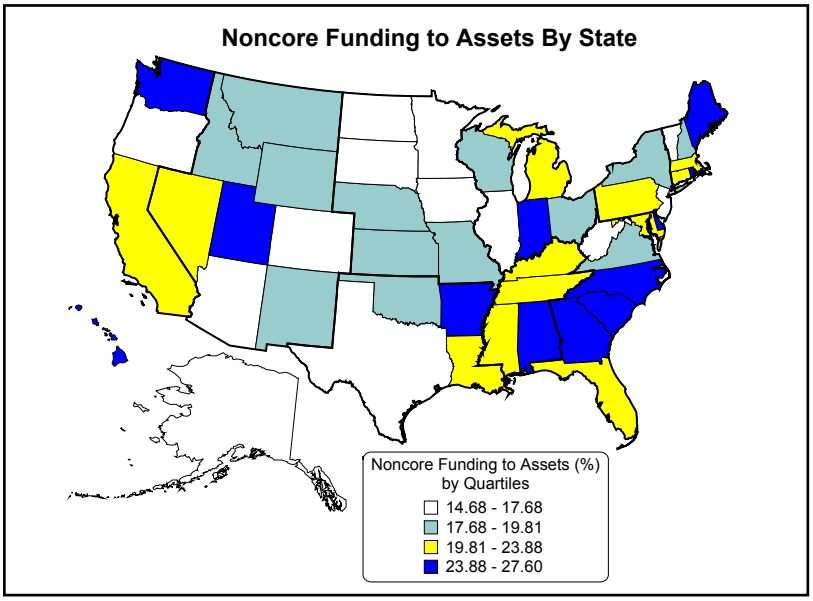


Noncore Funding to Assets

Area	Noncore Funding to Assets (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**21.86**	**20.66**	**18.56**	**3**	**4**
CT	20.53	20.12	17.38	22	23
MA	22.26	21.00	18.92	16	19
ME	27.60	26.79	25.98	1	3
NH	18.93	17.50	18.21	31	35
RI	24.28	22.05	20.05	10	12
VT	15.19	14.12	9.68	50	50
Middle Atlantic	**18.86**	**18.15**	**17.68**	**7**	**7**
NJ	17.32	16.95	16.38	43	40
NY	18.88	18.30	17.65	32	30
PA	19.81	18.79	18.56	25	28
South Atlantic	**23.29**	**22.07**	**21.17**	**2**	**2**
DE	26.73	25.86	32.95	5	4
DC	20.70	18.20	16.55	21	31
FL	22.77	21.52	21.08	15	15
GA	25.11	23.99	23.25	8	8
MD	21.95	20.87	19.37	18	20
NC	27.48	26.88	26.09	3	2
SC	24.89	23.37	23.80	9	9
VA	19.00	18.93	16.80	30	26
WV	15.84	15.76	15.15	48	44
East South Central	**23.37**	**22.68**	**22.00**	**1**	**1**
AL	26.06	24.82	26.11	7	7
KY	21.86	21.22	20.67	19	16
MS	23.77	21.64	21.86	13	14
TN	23.37	22.92	21.18	14	11
West South Central	**19.48**	**19.05**	**18.41**	**5**	**5**
AR	27.56	25.33	25.58	2	6
LA	20.33	20.17	20.45	23	21
OK	19.39	19.06	18.32	27	25
TX	17.49	17.11	16.79	41	36
East North Central	**19.04**	**18.25**	**17.34**	**6**	**6**
IL	17.60	17.02	15.99	39	39
IN	23.88	22.01	22.63	12	13
MI	21.53	21.05	19.15	20	17
OH	19.45	18.88	18.43	26	27
WI	19.04	18.07	16.33	29	32
West North Central	**17.50**	**16.29**	**15.76**	**9**	**9**
IA	17.49	15.94	15.53	40	43
KS	17.76	17.10	16.63	36	37
MN	17.47	15.60	14.46	42	46
MO	17.68	17.05	16.56	38	38
ND	15.27	12.77	15.26	49	51
NE	18.29	17.91	17.57	33	33
SD	17.14	15.21	14.79	44	47
Mountain	**17.81**	**17.40**	**16.97**	**8**	**8**
AZ	14.68	14.81	15.26	51	49
CO	15.97	15.62	15.98	47	45
ID	19.36	20.16	19.39	28	22
MT	17.68	15.13	15.56	37	48
NM	18.21	19.08	20.63	34	24
NV	19.87	17.62	14.25	24	34
UT	26.55	27.55	21.84	6	1
WY	17.85	18.67	16.85	35	29
Pacific	**21.78**	**20.90**	**20.43**	**4**	**3**
AK	16.51	16.81	16.03	45	42
CA	22.06	21.01	19.92	17	18
HI	26.86	25.84	26.67	4	5
OR	16.29	16.93	14.91	46	41
WA	24.24	23.06	21.84	11	10
US	**19.76**	**18.95**	**18.38**		



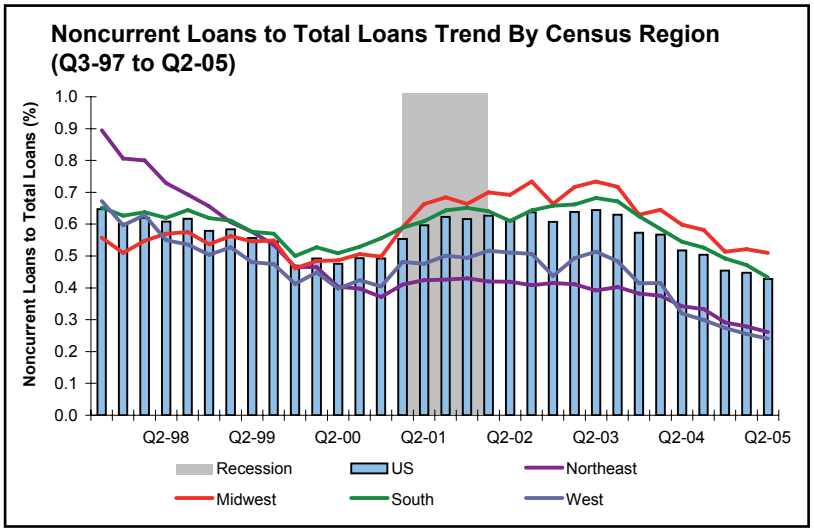


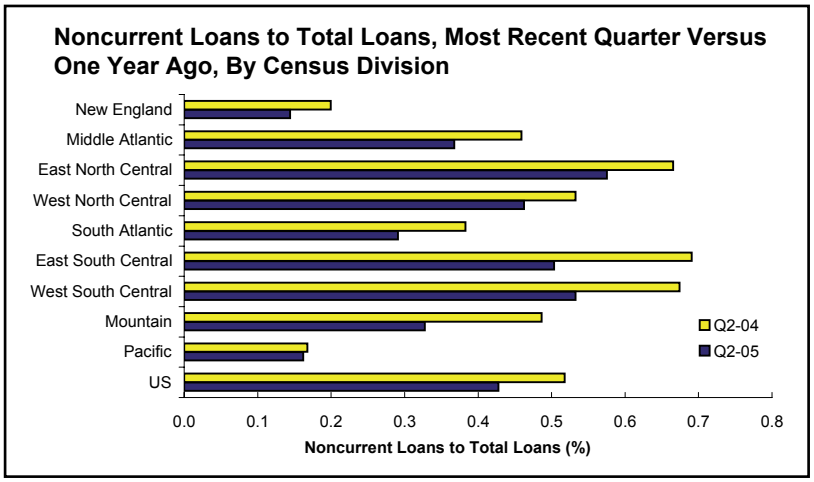


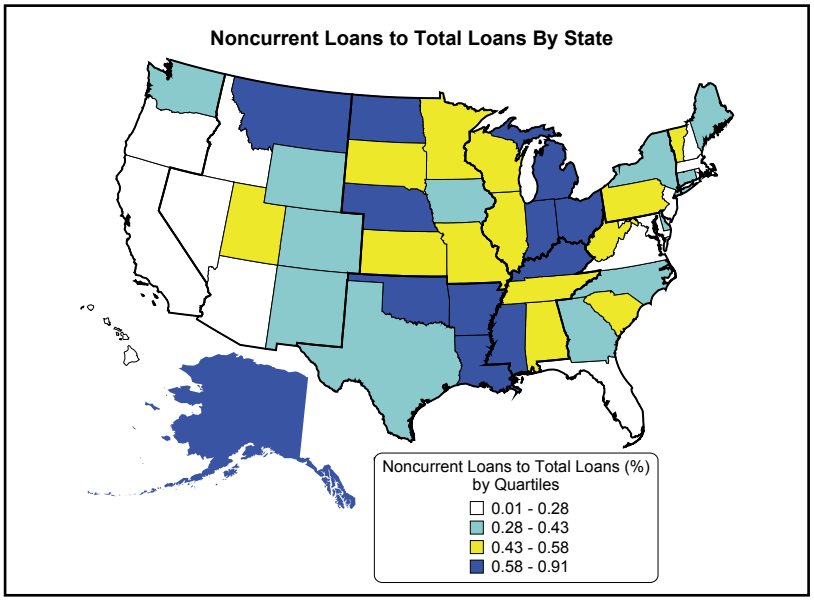
Source: The median ratio of noncore funding to assets (%). Noncore funding includes foreign deposits, large time deposits (> $100,000), brokered deposits, and other borrowings. (FDIC)

Noncurrent Loans to Total Loans

Area	Noncurrent Loans to Total Loans (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**0.14**	**0.17**	**0.20**	**9**	**8**
CT	0.28	0.30	0.32	38	36
MA	0.09	0.09	0.11	49	49
ME	0.33	0.28	0.39	34	38
NH	0.20	0.19	0.20	41	44
RI	0.07	0.18	0.33	50	45
VT	0.49	0.39	0.58	18	28
Middle Atlantic	**0.37**	**0.38**	**0.46**	**5**	**6**
NJ	0.19	0.20	0.24	42	42
NY	0.38	0.37	0.44	30	31
PA	0.48	0.46	0.57	20	22
South Atlantic	**0.29**	**0.31**	**0.38**	**7**	**7**
DE	0.42	0.35	0.42	27	33
DC	0.29	0.31	0.60	37	35
FL	0.12	0.13	0.17	46	48
GA	0.42	0.50	0.51	26	18
MD	0.22	0.21	0.30	40	40
NC	0.35	0.37	0.49	33	30
SC	0.45	0.40	0.49	21	27
VA	0.27	0.26	0.31	39	39
WV	0.43	0.52	0.72	25	16
East South Central	**0.50**	**0.55**	**0.69**	**3**	**3**
AL	0.48	0.48	0.72	19	19
KY	0.58	0.66	0.79	12	7
MS	0.59	0.68	0.65	10	6
TN	0.44	0.45	0.60	23	24
West South Central	**0.53**	**0.61**	**0.67**	**2**	**1**
AR	0.91	0.93	0.97	1	1
LA	0.70	0.82	0.68	5	3
OK	0.73	0.76	0.90	3	4
TX	0.38	0.44	0.47	29	26
East North Central	**0.58**	**0.60**	**0.67**	**1**	**2**
IL	0.50	0.51	0.61	16	17
IN	0.73	0.75	0.70	4	5
MI	0.58	0.62	0.64	11	12
OH	0.66	0.65	0.69	6	8
WI	0.56	0.64	0.72	14	9
West North Central	**0.46**	**0.45**	**0.53**	**4**	**4**
IA	0.36	0.36	0.47	32	32
KS	0.50	0.48	0.55	17	20
MN	0.45	0.47	0.60	22	21
MO	0.44	0.38	0.43	24	29
ND	0.63	0.62	0.91	8	11
NE	0.60	0.56	0.66	9	15
SD	0.57	0.60	0.78	13	13
Mountain	**0.33**	**0.40**	**0.49**	**6**	**5**
AZ	0.01	0.03	0.14	51	51
CO	0.32	0.33	0.38	35	34
ID	0.14	0.21	0.25	45	41
MT	0.74	0.90	0.86	2	2
NM	0.41	0.44	0.61	28	25
NV	0.17	0.19	0.26	43	43
UT	0.51	0.45	0.65	15	23
WY	0.37	0.62	0.62	31	10
Pacific	**0.16**	**0.14**	**0.17**	**8**	**9**
AK	0.66	0.57	0.12	7	14
CA	0.11	0.07	0.11	48	50
HI	0.12	0.15	0.33	47	46
OR	0.15	0.15	0.17	44	47
WA	0.30	0.29	0.35	36	37
US	**0.43**	**0.45**	**0.52**		

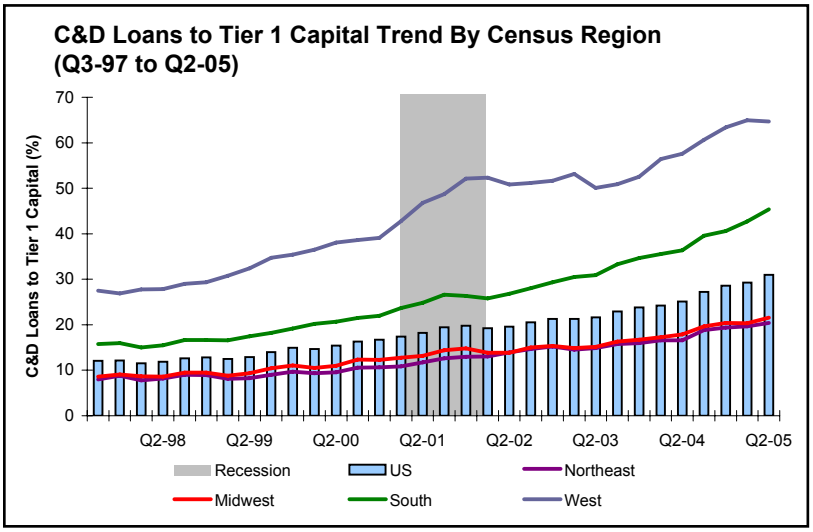
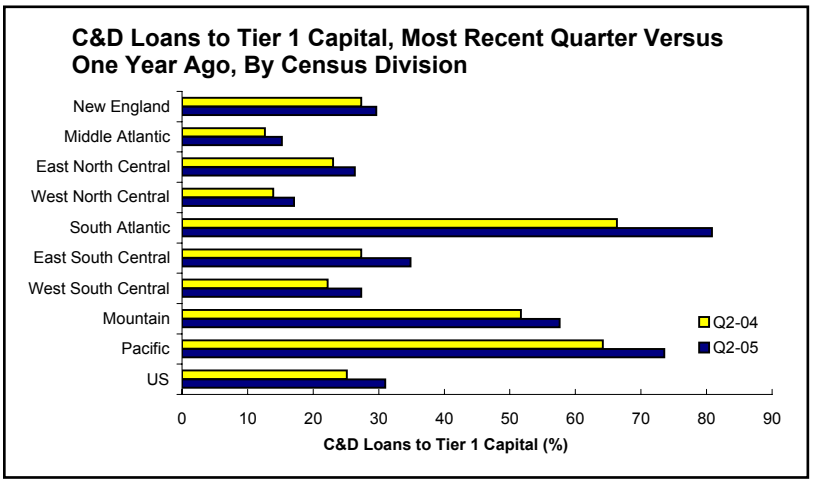
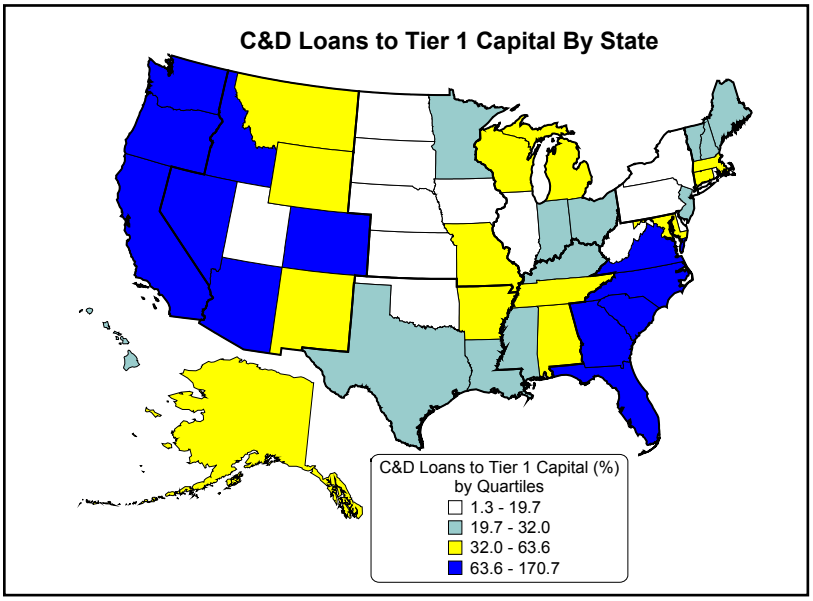






Source: Median ratio of noncurrent loans to total loans. Noncurrent loans are 90 days past-due or in nonaccrual status. (FDIC)

Construction and Development (C&D) Loans to Tier 1 Capital

Area	C&D Loans to Tier 1 Capital (Q2-05)	Last Quarter	Year Ago Quarter	Current Rank	Rank Last Quarter
New England	**29.6**	**29.3**	**27.3**	**5**	**5**
CT	38.9	42.0	35.7	22	19
MA	32.0	30.9	28.7	25	26
ME	22.9	20.3	16.0	37	37
NH	26.6	26.3	21.3	32	30
RI	9.4	12.4	7.4	46	44
VT	25.8	23.2	22.2	33	32
Middle Atlantic	**15.2**	**14.2**	**12.6**	**9**	**9**
NJ	25.3	22.1	16.1	34	35
NY	12.0	9.9	7.4	44	46
PA	16.0	15.7	14.9	40	40
South Atlantic	**80.8**	**76.5**	**66.3**	**1**	**1**
DE	1.3	2.0	1.3	51	51
DC	27.5	33.6	14.1	29	24
FL	91.8	86.8	78.3	7	7
GA	121.7	113.1	102.2	3	4
MD	57.2	51.5	47.7	13	14
NC	108.7	104.1	86.4	5	5
SC	86.5	82.6	62.2	8	8
VA	71.3	69.6	61.7	10	10
WV	13.6	14.4	11.4	42	41
East South Central	**34.9**	**33.1**	**27.3**	**4**	**4**
AL	36.6	32.3	26.8	23	25
KY	24.0	26.2	22.0	36	31
MS	26.8	21.6	21.2	31	36
TN	56.8	54.3	49.2	14	13
West South Central	**27.3**	**25.7**	**22.2**	**6**	**7**
AR	46.9	44.9	30.5	18	17
LA	27.1	23.2	22.7	30	33
OK	15.1	14.0	13.8	41	42
TX	28.7	29.7	25.9	28	28
East North Central	**26.4**	**25.8**	**23.0**	**7**	**6**
IL	17.9	18.0	16.8	39	39
IN	30.0	28.5	23.4	27	29
MI	52.0	50.3	47.0	15	15
OH	19.7	19.4	17.6	38	38
WI	43.5	41.2	36.2	19	20
West North Central	**17.1**	**15.9**	**13.9**	**8**	**8**
IA	13.0	12.4	11.3	43	43
KS	10.9	10.3	9.2	45	45
MN	31.8	30.3	23.6	26	27
MO	42.5	39.4	33.6	20	21
ND	4.7	3.4	3.0	47	49
NE	3.3	2.8	2.6	50	50
SD	4.7	5.9	1.9	48	47
Mountain	**57.6**	**54.3**	**51.7**	**3**	**3**
AZ	170.7	160.0	129.4	1	1
CO	63.6	66.5	56.2	12	12
ID	114.3	116.1	87.1	4	2
MT	34.2	35.6	28.2	24	23
NM	49.3	43.6	46.1	17	18
NV	148.7	115.7	141.9	2	3
UT	3.6	4.2	12.4	49	48
WY	41.9	35.8	33.6	21	22
Pacific	**73.6**	**71.7**	**64.2**	**2**	**2**
AK	49.4	46.5	42.0	16	16
CA	67.4	67.3	62.9	11	11
HI	25.1	22.3	28.2	35	34
OR	73.8	78.3	75.6	9	9
WA	97.2	93.4	65.9	6	6
US	**31.0**	**29.3**	**25.1**		

Source: C&D Loans Divided by Tier 1 Capital (median %). (FDIC)