Quarterly Banking Profile

THIRD QUARTER 2004

- ***Net Income of $32.5 Billion Is Best Ever***
- ***Higher Net Interest Income, Lower Expenses Boost Profits***
- ***Margins, Profitability Improve at Community Banks***
- ***Home Equity Lines Lead Strong Loan Growth***
- ***C&I Loans Increase by $26.1 Billion***

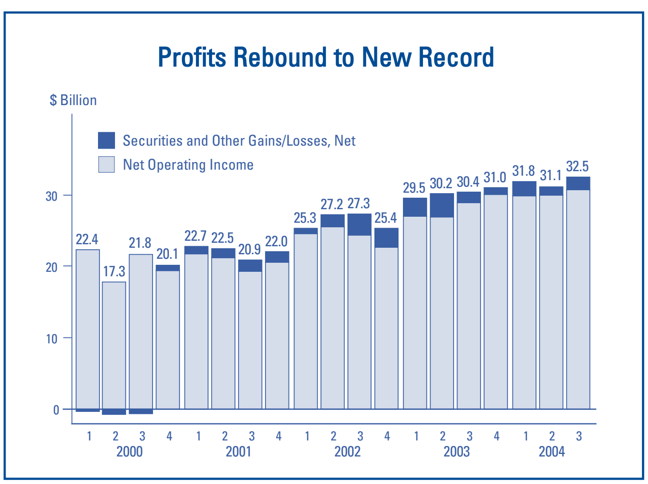
Profits Return to Record Levels

A combination of continued strength in consumer loan demand and growing demand for commercial loans provided a lift to earnings in the third quarter, as insured institutions reported a record high $32.5 billion in net income. Third-quarter profits were $1.4 billion (4.4 percent) higher than in the second quarter, and were $658 million (2.1 percent) above the previous quarterly record of $31.8 billion, set in the first quarter of this year. This is the sixth time in the last seven quarters that industry earnings have set a new record. Net interest income was $1.6 billion (2.1 percent) higher than in the second quarter, while gains on sales of securities and other assets were $811 million (49.2 percent) higher. Noninterest expenses were down $1.3 billion from the second quarter, when they were inflated by expenses for litigation reserves at a few large banks. Loan-loss provisions were $67 million (0.9 percent) lower. These positive earnings factors were partially offset by lower noninterest income (down $2.6 billion, or 4.8 percent), and a $1.8-billion (46.4 percent) decline in net income from international operations. The average return on assets (ROA) for the quarter was 1.33 percent, up from 1.31 percent in the second quarter, but below the record-high 1.39 percent registered in the first quarter of 2003. More than three out of every five institutions (61.7 percent) reported higher earnings than in the second quarter, while more than half (57.5 percent) reported higher ROAs.

Trading Revenues Fall for Second Consecutive Quarter

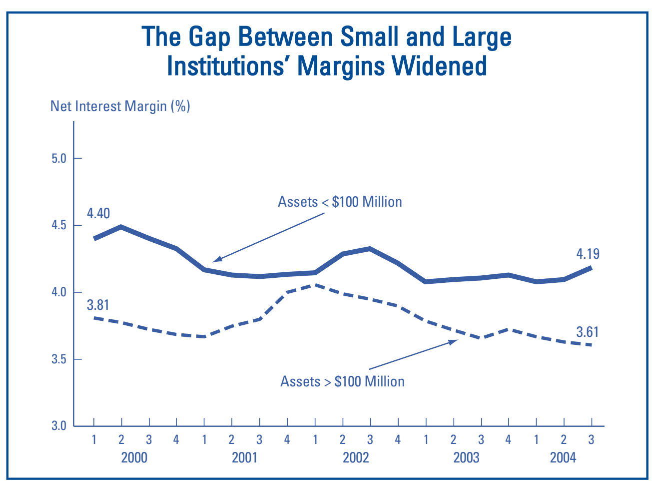
The decline in noninterest income stemmed from lower trading revenues and servicing fees, and reduced gains from sales of loans and other assets. Income from trading activities declined by $1.3 billion (46.9 percent) during the third quarter, after a $1.1-billion (28.9-percent) decline in the second quarter. These declines

Chart 1



Profits Rebound to New Record

Chart 2



The Gap Between Small and Large Institutions' Margins Widened were caused by interest rate exposures; revenues from these exposures fell from $1.5 billion in the first quarter to $133 million in the second quarter, to a loss of $1.4 billion in the third quarter. Net gains on sales of loans and other assets were $1.5 billion (39.9 percent) lower than in the second quarter, while servicing fees declined by $1.3 billion (26.7 percent). The reduction in servicing income reflected lower valuations of servicing assets caused by falling long-term interest rates. Among the few bright spots in noninterest revenues were securitization income, which was $578 million (10.3 percent) higher than in the second quarter, service charges on deposit accounts (up $117 million, or 1.3 percent), and insurance commissions and fees (up $32 million, or 3.0 percent). Over the last four quarters, noninterest expense growth has been outpacing growth in noninterest income.

Net Interest Margins Improve at Smaller Institutions

The industry's net interest margin declined for the third quarter in a row, falling by 2 basis points to 3.62 percent, its lowest level since the first quarter of 1991. However, the average margin at institutions with less than $1 billion in assets improved by 9 basis points, and almost two-thirds of all institutions (65.7 percent) reported improved margins. These improvements were outweighed by margin erosion at larger institutions, whose liabilities repriced upward more rapidly as short-term interest rates rose. Growth in net interest income came from a 2-percent ($170.3-billion) increase in interest-earning assets.

Loan-Loss Provisions Register a Small Decline

Provisions for loan losses declined from the previous quarter by $67 million (0.9 percent). This is the sixth time in the last seven quarters that provisions have declined, but it is the smallest of the declines. A year ago, the quarterly decline in loss provisions was $1.7 billion. At $7.3 billion, the third quarter's loss provision is the smallest since the third quarter of 2000, when the industry's loan portfolio was 23 percent smaller than it is today. Only 28.6 percent of institutions reported lower loss provisions, while 32.3 percent increased their provisions.

Most Asset Quality Indicators Continue to Improve

Noncurrent loans, those more than 90 days past due or in nonaccrual status, declined by $854 million (1.7 percent) during the third quarter, the eighth consecutive quarter that they have fallen. Over the past two years, noncurrent loans have fallen by $18.2 billion (26.5 percent). At the end of September, they totaled $50.6 billion, their lowest level since the end of 2000. The noncurrent loan rate fell from 0.89 percent to 0.85 percent, the lowest level in the twenty years that insured institutions have reported noncurrent loan amounts. Loans 30-89 days past due increased by $2.9 billion (6.2 percent) during the quarter; it is only the second time in the past seven quarters that the total amount of

Chart 3

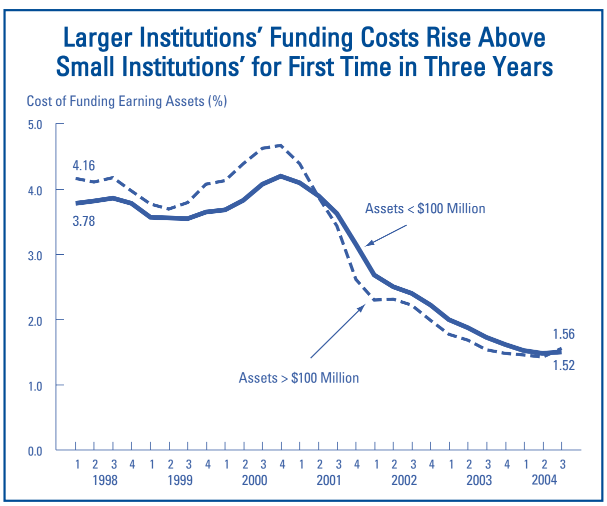
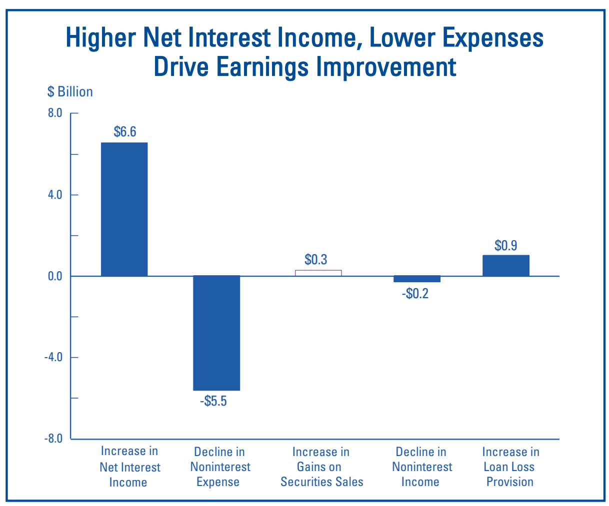


Chart 4



delinquent loans has risen. Noncurrent commercial and industrial (C&I) loans declined by $1.5 billion (10.0 percent) during the quarter, while noncurrent credit-card loans grew by $889 million (14.8 percent) and noncurrent residential mortgage loans increased by $270 million (2.1 percent). The amount of credit-card loans that were delinquent (30-89 days past due) increased by $1.1 billion (15.5 percent), the amount of residential mortgage loans that were delinquent rose by $710 million (4.5 percent), and delinquent home equity loans grew by $299 million (21.6 percent). Despite the increased delinquencies, the percentages of loans that were delinquent or noncurrent remained at low levels in all loan categories.

Net Charge-offs Fall to Four-Year Low

Net charge-offs declined for the sixth time in the last seven quarters, falling by $803 million (9.8 percent) from the previous quarter. The $7.4 billion in net charge-offs taken in the third quarter was the lowest quarterly total since the third quarter of 2000, and the 0.50-percent net charge-off rate was the lowest since the third quarter of 1999. C&I charge-offs fell by $296 million (21.9 percent), and credit-card charge-offs declined by $577 million (12.7 percent). There were no significant increases in charge-offs in any loan category during the third quarter.

Large Banks Continue to Draw Down Reserves

For the seventh quarter in a row, net charge-offs exceeded provisions, and for the fourth time in the last five quarters, the industry's loss reserves declined. At institutions with assets of $10 billion or more, third-quarter loss provisions covered only 92.6 percent of net charge-offs. In each of the previous six quarters this group's charge-offs have also exceeded its provisions. For all other asset-size groups during this time, provisions have exceeded charge-offs. The $356-million decline in the industry's reserves during the third quarter, combined with the $198.3-billion increase in loans, caused the industry's ratio of reserves to total loans to decline from 1.45 percent to 1.40 percent. This is the lowest level for this ratio since the third quarter of 1986. In contrast, the $879-million decline in noncurrent loans during the quarter meant that the industry's "coverage ratio" improved from $1.63 in reserves for every $1.00 of noncurrent loans to $1.65.

Goodwill Increases Sharply for Second Consecutive Quarter

Equity capital increased by $83.6 billion (9.1 percent) during the third quarter. More than half of this increase ($48.1 billion, or 57.6 percent of the increase) came from growth in goodwill, following a $35.6-billion (28.9 percent) increase in goodwill in the second quarter. Another large contribution came from a $14.1-billion increase in other comprehensive income, driven by an increase in unrealized

Chart 5

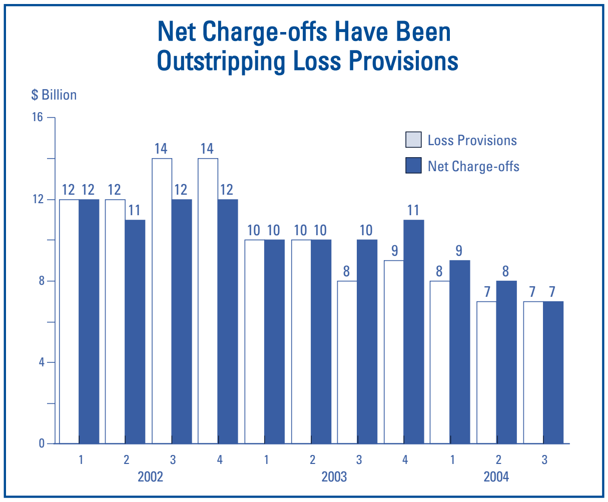
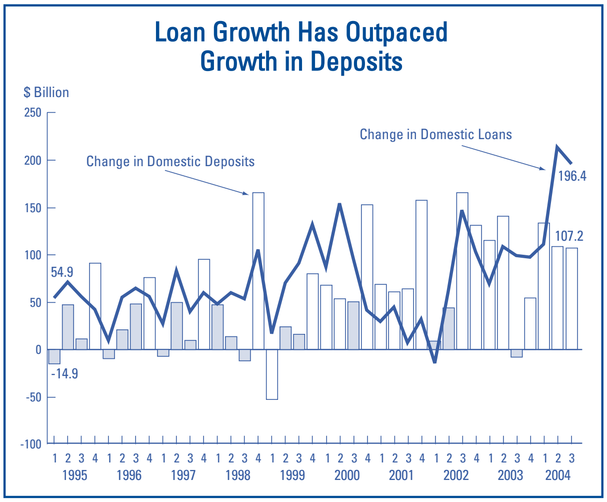


Chart 6



gains on available-for-sale securities caused by the decline in long-term interest rates. Neither goodwill nor other comprehensive income is included in regulatory capital, so the industry's tier one regulatory capital increased by only $18.4 billion (2.4 percent). While the equity-to-assets ratio rose from 9.51 percent to 10.13 percent during the quarter, the core capital "leverage" ratio had a more modest increase, rising from 8.05 percent to 8.09 percent.

Home Equity Lines Lead Asset Growth

Total assets increased by $228.5 billion (2.4 percent) in the third quarter, led by a $198.6-billion (3.5 percent) increase in loans and leases. The loan categories experiencing the strongest growth included home equity lines of credit, which grew by $44.0 billion (10.6 percent), credit-card loans, which were up by $42.2 billion (13.1 percent), residential mortgage loans, which increased by $38.6 billion (2.2 percent) and real estate construction loans, which rose by $19.6 billion (6.5 percent). C&I loans increased for a second consecutive quarter, after declining in each of the previous 13 quarters. The $26.1-billion (2.8-percent) increase in C&I loans during the third quarter followed a $16.6-billion (1.8-percent) increase in the second quarter. Intangible assets increased by $52.6 billion (21.9 percent) during the quarter, reflecting the rise in goodwill. Securities declined by $78.5 billion (4.2 percent). Deposits increased by $99.5 billion (1.6 percent), but failed to keep pace with the growth in industry assets. At the end of September, deposits funded only 64.6 percent of total assets, an all-time low level. Brokered deposits increased by $29.8 billion (8.0 percent) in the quarter.

No Institutions Failed During the Third Quarter

The number of insured banks and savings associations declined from 9,079 to 9,025 during the third quarter. There were 36 new charters added during the quarter, while 88 charters were absorbed by mergers. For only the second time in the last 11 quarters, no insured institutions failed. During the quarter, the number of banks and thrifts on the FDIC's "Problem List" declined from 102 to 95. Combined assets of "problem" institutions declined from $25.9 billion to $25.0 billion. Five mutually-owned savings institutions, with combined assets of $986 million, converted to stock ownership in the third quarter.

Chart 7

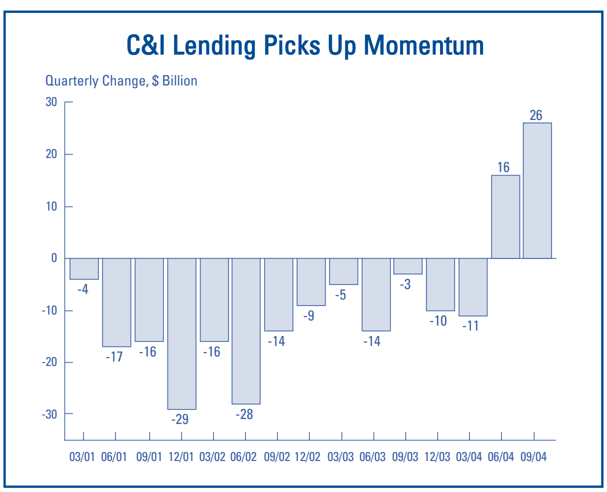


TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

	2004**	2003**	2003	2002	2001	2000	1999
Return on assets (%)	1.29	1.38	1.38	1.30	1.14	1.14	1.26
Return on equity (%)	13.51	15.01	15.03	14.12	12.97	13.53	14.71
Core capital (leverage) ratio (%)	8.09	7.86	7.88	7.86	7.78	7.71	7.80
Noncurrent assets plus							
other real estate owned to assets (%)	0.57	0.77	0.75	0.90	0.87	0.71	0.63
Net charge-offs to loans (%)	0.55	0.78	0.78	0.97	0.83	0.59	0.53
Asset growth rate (%)	10.44	8.10	7.58	7.20	5.44	8.41	5.40
Net interest margin (%)	3.52	3.73	3.73	3.96	3.78	3.77	3.89
Net operating income growth (%)	5.50	10.43	15.91	18.36	-0.85	1.71	19.73
Number of institutions reporting	9,025	9,236	9,181	9,354	9,614	9,904	10,222
Commercial banks	7,660	7,812	7,770	7,888	8,080	8,315	8,580
Savings institutions	1,365	1,424	1,411	1,466	1,534	1,589	1,642
Percentage of unprofitable institutions (%)	5.66	5.49	5.95	6.67	8.24	7.53	7.64
Number of problem institutions	95	116	116	136	114	94	79
Assets of problem institutions (in billions)	$25	$30	$30	$39	$40	$24	$10
Number of failed/assisted institutions	4	2	3	11	4	7	8

* Excludes insured branches of foreign banks (IBAs).

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

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

(dollar figures in millions)	3rd Quarter 2004	2nd Quarter 2004	3rd Quarter 2003	%Change 03:3-04:3
Number of institutions reporting	9,025	9,079	9,236	-2.3
Total employees (full-time equivalent)	2,141,427	2,100,307	2,041,997	4.9
CONDITION DATA				
Total assets	$9,877,032	$9,648,523	$8,943,051	10.4
Loans secured by real estate	3,554,403	3,429,090	3,124,744	13.8
1-4 Family residential mortgages	1,782,652	1,744,014	1,653,926	7.8
Commercial real estate	734,585	718,630	665,763	10.3
Construction and development	319,021	299,460	263,629	21.0
Home equity lines	459,832	415,792	314,876	46.0
Commercial & industrial loans	952,295	926,180	930,823	2.3
Loans to individuals	895,471	846,076	772,194	16.0
Credit cards	365,001	322,831	266,605	36.9
Farm loans	48,956	47,289	46,672	4.9
Other loans & leases	533,499	537,571	462,105	15.4
Less: Unearned income	3,196	3,067	2,980	7.2
Total loans & leases	5,981,428	5,783,140	5,333,559	12.1
Less: Reserve for losses	83,784	84,139	84,992	-1.4
Net loans and leases	5,897,644	5,699,001	5,248,567	12.4
Securities	1,796,064	1,874,585	1,702,254	5.5
Other real estate owned	4,643	4,955	5,519	-15.9
Goodwill and other intangibles	293,006	240,385	170,492	71.9
All other assets	1,885,675	1,829,597	1,816,219	3.8
Total liabilities and capital	9,877,032	9,648,523	8,943,051	10.4
Deposits	6,383,463	6,283,978	5,851,091	9.1
Domestic office deposits	5,563,603	5,456,347	5,158,910	7.8
Foreign office deposits	819,860	827,631	692,181	18.4
Other borrowed funds	1,963,937	1,937,167	1,688,520	16.3
Subordinated debt	110,806	110,532	103,666	6.9
All other liabilities	418,149	399,746	483,376	-13.5
Equity capital	1,000,676	917,100	816,399	22.6
Loans and leases 30-89 days past due	49,616	46,741	50,026	-0.8
Noncurrent loans and leases	50,647	51,501	62,329	-18.7
Restructured loans and leases	2,567	2,443	3,254	-21.1
Direct and indirect investments in real estate	851	775	709	20.0
Mortgage-backed securities	1,048,544	1,073,545	948,043	10.6
Earning assets	8,597,209	8,426,865	7,697,876	11.7
FHLB Advances	531,018	534,876	464,696	14.3
Unused loan commitments	6,331,858	6,184,797	5,881,819	7.7
Trust assets	13,984,307	13,892,639	11,777,910	18.7
Assets securitized and sold***	899,600	863,540	838,570	7.3
Notional amount of derivatives***	84,837,846	81,704,755	67,793,027	25.1

INCOME DATA	First Three Qtrs 2004	First Three Qtrs 2003	%Change	3rd Quarter 2004	3rd Quarter 2003	%Change 03:3-04:3
Total interest income	$306,323	$304,356	0.7	$110,119	$100,158	9.9
Total interest expense	88,396	94,278	-6.2	33,099	29,717	11.4
Net interest income	217,927	210,078	3.7	77,020	70,441	9.3
Provision for loan and lease losses	21,695	28,538	-24.0	7,328	8,329	-12.0
Total noninterest income	149,364	148,836	0.4	51,083	51,322	-0.5
Total noninterest expense	216,771	206,801	4.8	75,676	70,109	7.9
Securities gains (losses)	6,536	10,698	-38.9	2,458	2,163	13.6
Applicable income taxes	43,647	44,509	-1.9	14,954	15,130	-1.2
Extraordinary gains, net	112	24	362.1	-104	23	N/M
Net income	91,826	89,788	2.3	32,498	30,381	7.0
From international operations	8,614	6,263	37.6	2,094	1,737	20.5
Net charge-offs	23,172	30,129	-23.1	7,395	9,600	-23.0
Cash dividends	46,939	62,554	-25.0	17,727	20,501	-13.5
Retained earnings	44,887	27,235	64.8	14,772	9,881	49.5
Net operating income	87,082	82,540	5.5	30,761	28,900	6.4

*** Commercial banks only.

N/M - Not Meaningful

TABLE III-A. Third Quarter 2004, All FDIC-Insured Institutions

		Asset Concentration Groups*								
THIRD QUARTER (The way it is...)	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	9,025	35	6	1,783	4,386	1,000	136	459	1,137	83
Commercial banks	7,660	31	6	1,778	3,984	254	102	399	1,038	68
Savings institutions	1,365	4	0	5	402	746	34	60	99	15
Total assets (in billions)	$9,877.0	$368.0	$1,565.9	$137.7	$3,195.2	$1,405.1	$211.7	$54.1	$147.4	$2,791.9
Commercial banks	8,244.4	359.6	1,565.9	137.2	2,868.6	292.8	161.5	41.1	128.9	2,688.9
Savings institutions	1,632.6	8.4	0.0	0.6	326.6	1,112.3	50.2	13.0	18.5	103.1
Total deposits (in billions)	6,383.5	112.1	928.0	111.2	2,299.2	817.9	104.2	40.7	120.2	1,850.0
Commercial banks	5,406.0	110.0	928.0	110.8	2,100.5	155.3	72.4	30.9	105.5	1,792.5
Savings institutions	977.5	2.1	0.0	0.4	198.7	662.6	31.8	9.8	14.7	57.5
Net income (in millions)	32,498	3,630	3,373	455	10,617	3,986	594	204	420	9,220
Commercial banks	27,766	3,455	3,373	454	9,650	1,229	378	159	380	8,689
Savings institutions	4,732	175	0	1	967	2,757	216	45	40	531
Performance Ratios (annualized,%)										
Yield on earning assets	5.18	10.97	4.49	5.77	5.34	4.96	5.67	4.35	5.42	4.67
Cost of funding earning assets	1.56	2.24	1.82	1.61	1.42	1.83	1.63	1.32	1.53	1.33
Net interest margin	3.62	8.73	2.67	4.16	3.92	3.12	4.04	3.02	3.89	3.34
Noninterest income to assets	2.09	11.38	2.51	0.70	1.52	1.14	1.99	6.60	1.13	1.86
Noninterest expense to assets	3.10	8.99	3.41	2.73	2.92	2.26	3.01	6.94	3.11	2.76
Loan and lease loss provision to assets	0.30	3.55	0.11	0.15	0.21	0.09	0.70	0.07	0.15	0.20
Net operating income to assets	1.26	3.93	0.83	1.33	1.31	1.07	1.16	1.53	1.11	1.21
Pretax return on assets	1.95	6.45	1.24	1.64	1.96	1.79	1.81	2.23	1.48	1.87
Return on assets	1.33	4.14	0.86	1.33	1.34	1.15	1.16	1.52	1.15	1.34
Return on equity	13.56	21.23	11.97	12.43	13.16	13.23	10.68	9.12	10.67	13.50
Net charge-offs to loans and leases	0.50	4.16	0.89	0.20	0.28	0.10	1.10	0.27	0.26	0.26
Loan and lease loss provision to net charge-offs	99.09	114.61	29.92	119.82	107.02	124.03	80.80	92.11	107.06	141.34
Efficiency ratio	57.56	45.22	71.41	59.95	56.63	55.92	52.62	73.95	65.82	57.06
% of unprofitable institutions	5.73	14.29	0.00	2.86	6.59	5.50	4.41	14.16	3.69	4.82
% of institutions with earnings gains	61.83	71.43	66.67	62.37	64.75	59.60	53.68	54.47	55.41	60.24
Structural Changes										
New Charters	36	0	0	2	11	0	1	19	2	1
Institutions absorbed by mergers	88	0	0	7	59	8	0	0	8	6
Failed Institutions	0	0	0	0	0	0	0	0	0	0
PRIOR THIRD QUARTERS (The way it was...)										
Return on assets (%) 2003	1.36	4.25	1.02	1.25	1.28	1.33	1.68	1.47	1.06	1.33
2001	1.08	3.15	0.70	1.15	0.96	1.19	1.17	1.92	1.13	1.10
1999	1.34	4.08	1.21	1.30	1.32	1.04	1.49	1.30	1.19	1.27
Net charge-offs to loans and leases (%) 2003	0.73	4.80	1.40	0.29	0.47	0.19	1.34	2.47	0.37	0.48
2001	0.83	4.25	0.69	0.48	0.77	0.17	1.28	0.43	0.31	0.70
1999	0.50	4.05	0.56	0.22	0.38	0.11	0.51	0.23	0.21	0.43

* See Table IV-A (page 8) for explanations.

TABLE III-A. Third Quarter 2004, All FDIC-Insured Institutions

THIRD QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	9,025	4,205	4,223	480	117	1,136	1,224	1,968	2,104	1,840	753
Commercial banks	7,660	3,755	3,458	360	87	599	1,073	1,614	1,997	1,707	670
Savings institutions	1,365	450	765	120	30	537	151	354	107	133	83
Total assets (in billions)	$9,877.0	$217.7	$1,177.2	$1,326.0	$7,156.1	$3,403.1	$2,104.8	$1,745.7	$763.1	$588.8	$1,271.5
Commercial banks	8,244.4	194.6	927.8	971.3	6,150.7	2,834.6	1,961.5	1,595.5	718.5	496.0	638.4
Savings institutions	1,632.6	23.1	249.5	354.6	1,005.4	568.5	143.3	150.1	44.6	92.8	633.1
Total deposits (in billions)	6,383.5	179.9	936.9	899.9	4,366.8	2,112.4	1,443.9	1,115.4	536.4	437.4	738.0
Commercial banks	5,406.0	161.9	749.1	668.4	3,826.7	1,746.8	1,346.7	1,010.2	508.6	385.4	408.2
Savings institutions	977.5	18.0	187.8	231.5	540.1	365.6	97.2	105.1	27.8	51.9	329.8
Net income (in millions)	32,498	583	3,548	4,791	23,576	9,538	7,566	5,214	2,832	2,125	5,223
Commercial banks	27,766	528	3,011	3,542	20,685	8,047	7,155	4,763	2,881	1,568	3,351
Savings institutions	4,732	55	537	1,249	2,891	1,490	411	451	-49	557	1,872
Performance Ratios (annualized,%)											
Yield on earning assets	5.18	5.71	5.67	5.27	5.05	4.95	5.08	5.00	5.82	5.43	5.64
Cost of funding earning assets	1.56	1.52	1.60	1.54	1.55	1.71	1.58	1.49	1.30	1.42	1.43
Net interest margin	3.62	4.19	4.07	3.73	3.50	3.24	3.50	3.51	4.52	4.01	4.21
Noninterest income to assets	2.09	1.31	1.29	1.84	2.30	2.46	1.77	1.84	2.69	1.54	1.89
Noninterest expense to assets	3.10	3.58	3.16	3.15	3.07	3.29	2.83	2.85	4.13	3.23	2.71
Loan and lease loss provision to assets	0.30	0.22	0.21	0.25	0.33	0.29	0.13	0.41	0.38	0.20	0.46
Net operating income to assets	1.26	1.05	1.20	1.28	1.27	1.11	1.33	1.11	1.47	1.28	1.63
Pretax return on assets	1.95	1.40	1.68	2.08	1.98	1.68	2.01	1.82	2.19	1.91	2.60
Return on assets	1.33	1.08	1.22	1.46	1.33	1.13	1.46	1.21	1.49	1.46	1.66
Return on equity	13.56	9.16	12.13	13.78	13.92	11.45	17.42	12.71	14.35	14.82	13.78
Net charge-offs to loans and leases	0.50	0.25	0.19	0.34	0.60	0.73	0.26	0.43	0.57	0.30	0.54
Loan and lease loss provision to net charge-offs	99.09	140.93	165.09	116.39	92.59	80.29	84.83	142.22	91.72	108.47	113.67
Efficiency ratio	57.56	69.11	62.50	58.93	56.19	61.31	58.03	55.39	60.40	61.86	46.50
% of unprofitable institutions	5.73	9.61	2.18	3.33	4.27	6.43	8.25	5.59	3.37	5.49	8.10
% of institutions with earnings gains	61.83	57.84	64.76	70.83	62.39	64.17	67.73	54.47	59.89	63.42	69.46
Structural Changes											
New Charters	36	32	2	1	1	6	12	1	1	5	11
Institutions absorbed by mergers	88	23	54	10	1	17	15	22	19	12	3
Failed Institutions	0	0	0	0	0	0	0	0	0	0	0
PRIOR THIRD QUARTERS (The way it was...)											
Return on assets (%) 2003	1.36	1.01	1.17	1.34	1.41	1.24	1.40	1.21	1.77	1.34	1.66
2001	1.08	0.92	1.14	1.24	1.04	1.08	0.72	1.01	1.45	1.33	1.44
1999	1.34	1.06	1.21	1.45	1.36	1.40	1.33	1.21	1.35	1.30	1.40
Net charge-offs to loans and leases (%) 2003	0.73	0.30	0.37	0.49	0.87	1.10	0.50	0.65	0.85	0.38	0.60
2001	0.83	0.32	0.33	0.77	0.99	0.88	0.98	0.82	0.72	0.44	0.78
1999	0.50	0.21	0.28	0.57	0.56	0.66	0.40	0.31	0.74	0.38	0.54

* See Table IV-A (page 9) for explanations.

TABLE IV-A. First Three Quarters 2004, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FIRST THREE QUARTERS (The way it is...)	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	9,025	35	6	1,783	4,386	1,000	136	459	1,137	83
Commercial banks	7,660	31	6	1,778	3,984	254	102	399	1,038	68
Savings institutions	1,365	4	0	5	402	746	34	60	99	15
Total assets (in billions)	$9,877.0	$368.0	$1,565.9	$137.7	$3,195.2	$1,405.1	$211.7	$54.1	$147.4	$2,791.9
Commercial banks	8,244.4	359.6	1,565.9	137.2	2,868.6	292.8	161.5	41.1	128.9	2,688.9
Savings institutions	1,632.6	8.4	0.0	0.6	326.6	1,112.3	50.2	13.0	18.5	103.1
Total deposits (in billions)	6,383.5	112.1	928.0	111.2	2,299.2	817.9	104.2	40.7	120.2	1,850.0
Commercial banks	5,406.0	110.0	928.0	110.8	2,100.5	155.3	72.4	30.9	105.5	1,792.5
Savings institutions	977.5	2.1	0.0	0.4	198.7	662.6	31.8	9.8	14.7	57.5
Net income (in millions)	91,826	10,087	10,077	1,303	30,669	11,902	1,229	587	1,232	24,741
Commercial banks	78,070	9,514	10,077	1,299	27,894	3,557	641	458	1,121	23,510
Savings institutions	13,757	573	0	3	2,775	8,346	589	129	110	1,232
Performance Ratios (annualized,%)										
Yield on earning assets	4.95	10.69	4.45	5.64	5.20	4.91	4.02	4.30	5.37	4.23
Cost of funding earning assets	1.43	2.04	1.66	1.59	1.35	1.76	1.22	1.31	1.52	1.15
Net interest margin	3.52	8.65	2.79	4.05	3.85	3.15	2.80	2.98	3.85	3.08
Noninterest income to assets	2.11	10.63	2.90	0.69	1.53	1.17	1.47	6.45	1.12	1.77
Noninterest expense to assets	3.06	8.49	3.69	2.70	2.88	2.31	2.09	6.88	3.09	2.58
Loan and lease loss provision to assets	0.31	3.63	0.23	0.15	0.22	0.08	0.61	0.06	0.16	0.13
Net operating income to assets	1.23	3.74	0.86	1.27	1.30	1.09	0.80	1.45	1.09	1.13
Pretax return on assets	1.91	6.07	1.29	1.58	1.94	1.85	1.28	2.16	1.46	1.81
Return on assets	1.29	3.92	0.89	1.28	1.33	1.20	0.82	1.47	1.13	1.23
Return on equity	13.51	21.50	12.13	11.94	13.32	13.64	8.81	8.79	10.48	13.09
Net charge-offs to loans and leases	0.55	4.69	1.05	0.17	0.29	0.11	0.94	0.46	0.26	0.25
Loan and lease loss provision to net charge-offs	93.63	103.29	54.96	144.64	114.57	104.98	83.05	49.62	107.16	92.57
Efficiency ratio	57.74	44.84	70.53	60.87	56.46	56.26	51.60	74.66	66.08	57.39
% of unprofitable institutions	5.66	11.43	0.00	2.24	6.82	5.00	4.41	13.94	3.78	6.02
% of institutions with earnings gains	59.92	71.43	83.33	62.54	63.66	48.60	52.94	52.07	55.23	55.42
Condition Ratios(%)										
Earning assets to total assets	87.04	82.37	81.90	91.96	90.36	92.26	83.31	88.46	91.80	83.89
Loss Allowance to:										
Loans and leases	1.40	4.53	1.91	1.47	1.36	0.53	1.50	1.65	1.37	1.27
Noncurrent loans and leases	165.43	255.85	115.30	143.04	196.10	72.54	202.10	179.64	145.09	196.60
Noncurrent assets plus other real estate owned to assets	0.57	1.30	0.69	0.76	0.55	0.59	0.63	0.30	0.63	0.40
Equity capital ratio	10.13	20.79	7.27	10.87	10.40	8.74	13.61	16.97	10.92	10.25
Core capital (leverage) ratio	8.09	16.07	6.22	10.31	9.06	7.50	7.90	15.23	10.42	6.96
Tier 1 risk-based capital ratio	10.82	14.61	8.69	14.60	11.20	12.70	9.64	34.13	17.36	9.36
Total risk-based capital ratio	13.20	17.46	12.27	15.73	13.19	14.02	12.43	35.13	18.60	12.03
Net loans and leases to deposits	92.39	229.99	65.61	78.20	93.66	124.27	153.07	34.60	67.72	82.12
Net loans to total assets	59.71	70.05	38.89	63.14	67.40	72.34	75.34	26.03	55.20	54.41
Domestic deposits to total assets	56.33	27.99	25.72	80.74	69.76	57.29	49.22	74.00	81.47	59.04
Structural Changes										
New Charters	93	0	0	4	24	3	1	56	4	1
Institutions absorbed by mergers	242	0	0	17	155	19	13	5	17	16
Failed Institutions	4	0	0	0	3	0	0	0	1	0
PRIOR FIRST THREE QUARTERS (The way it was...)										
Number of institutions 2003	9,236	36	6	1,821	4,167	1,024	166	522	1,391	103
2001	9,701	60	6	1,923	4,022	1,235	246	452	1,664	93
1999	10,271	63	10	2,224	3,659	1,382	306	570	1,980	77
Total assets (in billions) 2003	$8,943.1	$308.8	$1,427.8	$129.5	$3,095.8	$1,588.5	$191.9	$62.2	$192.1	$1,946.3
2001	7,844.2	338.9	1,287.5	119.5	3,805.2	1,137.8	145.1	46.4	197.6	766.1
1999	6,655.7	228.7	1,150.6	126.2	3,267.1	1,076.1	92.1	54.9	236.2	423.9
Return on assets (%) 2003	1.38	3.93	1.05	1.25	1.30	1.44	1.54	1.36	1.09	1.31
2001	1.15	2.93	0.90	1.18	1.10	1.09	1.04	1.66	1.12	1.07
1999	1.27	3.74	0.91	1.24	1.29	1.04	1.42	1.50	1.32	1.29
Net charge-offs to loans & leases (%) 2003	0.78	5.12	1.41	0.24	0.52	0.19	1.42	1.44	0.31	0.56
2001	0.73	4.02	0.63	0.30	0.61	0.15	1.16	0.50	0.27	0.69
1999	0.51	3.97	0.55	0.20	0.37	0.12	0.51	1.27	0.23	0.41
Noncurrent assets plus OREO to assets (%) 2003	0.77	1.34	0.98	0.95	0.79	0.64	0.88	0.36	0.74	0.61
2001	0.81	1.49	0.72	0.89	0.88	0.60	1.31	0.30	0.65	0.64
1999	0.66	1.46	0.75	0.87	0.63	0.49	1.04	0.33	0.57	0.54
Equity capital ratio (%) 2003	9.13	17.03	7.27	10.81	9.42	8.79	7.49	15.92	10.57	8.75
2001	8.90	12.83	6.51	10.96	9.43	8.50	7.40	17.17	10.56	8.18
1999	8.50	14.33	6.92	10.46	8.58	8.10	8.72	14.27	10.15	7.67

***Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):**

Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.
International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.
Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of their total loans and leases.
Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.
Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.
Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.
Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.
All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.

TABLE IV-A. First Three Quarters 2004, All FDIC-Insured Institutions

FIRST THREE QUARTERS (The way it is...)	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	9,025	4,205	4,223	480	117	1,136	1,224	1,968	2,104	1,840	753
Commercial banks	7,660	3,755	3,458	360	87	599	1,073	1,614	1,997	1,707	670
Savings institutions	1,365	450	765	120	30	537	151	354	107	133	83
Total assets (in billions)	$9,877.0	$217.7	$1,177.2	$1,326.0	$7,156.1	$3,403.1	$2,104.8	$1,745.7	$763.1	$588.8	$1,271.5
Commercial banks	8,244.4	194.6	927.8	971.3	6,150.7	2,834.6	1,961.5	1,595.5	718.5	496.0	638.4
Savings institutions	1,632.6	23.1	249.5	354.6	1,005.4	568.5	143.3	150.1	44.6	92.8	633.1
Total deposits (in billions)	6,383.5	179.9	936.9	899.9	4,366.8	2,112.4	1,443.9	1,115.4	536.4	437.4	738.0
Commercial banks	5,406.0	161.9	749.1	668.4	3,826.7	1,746.8	1,346.7	1,010.2	508.6	385.4	408.2
Savings institutions	977.5	18.0	187.8	231.5	540.1	365.6	97.2	105.1	27.8	51.9	329.8
Net income (in millions)	91,826	1,630	10,112	14,128	65,957	27,672	20,976	14,422	8,485	5,765	14,507
Commercial banks	78,070	1,485	8,575	10,370	57,640	23,013	19,823	13,026	8,366	4,415	9,427
Savings institutions	13,757	144	1,537	3,758	8,317	4,659	1,154	1,395	119	1,350	5,080
Performance Ratios (annualized,%)											
Yield on earning assets	4.95	5.60	5.59	5.22	4.76	4.74	5.06	4.32	5.79	5.17	5.57
Cost of funding earning assets	1.43	1.50	1.57	1.48	1.39	1.57	1.52	1.26	1.22	1.32	1.35
Net interest margin	3.52	4.09	4.02	3.74	3.37	3.17	3.54	3.06	4.57	3.85	4.22
Noninterest income to assets	2.11	1.26	1.27	1.87	2.31	2.56	1.91	1.57	2.72	1.49	1.87
Noninterest expense to assets	3.06	3.54	3.16	3.08	3.02	3.32	2.96	2.43	4.01	3.10	2.76
Loan and lease loss provision to assets	0.31	0.20	0.21	0.26	0.33	0.31	0.16	0.29	0.52	0.19	0.48
Net operating income to assets	1.23	0.99	1.15	1.33	1.23	1.10	1.28	1.05	1.50	1.25	1.56
Pretax return on assets	1.91	1.31	1.63	2.16	1.93	1.69	2.03	1.66	2.24	1.79	2.53
Return on assets	1.29	1.02	1.19	1.49	1.29	1.14	1.40	1.13	1.51	1.35	1.61
Return on equity	13.51	8.60	11.74	14.03	13.91	11.98	16.39	12.42	14.63	13.87	13.79
Net charge-offs to loans and leases	0.55	0.22	0.23	0.35	0.66	0.81	0.31	0.36	0.75	0.26	0.60
Loan and lease loss provision to net charge-offs	93.63	149.51	142.97	115.22	87.51	78.48	85.03	121.50	95.38	117.04	109.68
Efficiency ratio	57.74	70.12	63.32	57.23	56.57	61.57	58.60	55.41	57.91	61.76	47.63
% of unprofitable institutions	5.66	9.73	2.06	2.71	1.71	6.16	9.40	4.93	3.04	5.54	8.37
% of institutions with earnings gains	59.92	56.79	62.09	66.46	67.52	58.27	69.69	49.80	60.36	61.96	66.80
Condition Ratios(%)											
Earning assets to total assets	87.04	91.86	91.99	91.40	85.27	84.79	87.07	86.88	88.15	89.84	91.29
Loss Allowance to:											
Loans and leases	1.40	1.39	1.28	1.34	1.44	1.67	1.18	1.43	1.57	1.26	1.13
Noncurrent loans and leases	165.43	131.33	172.34	186.72	162.17	155.63	212.07	156.64	209.05	156.27	138.82
Noncurrent assets plus other real estate owned to assets	0.57	0.82	0.61	0.53	0.56	0.56	0.39	0.68	0.61	0.65	0.66
Equity capital ratio	10.13	11.94	10.19	10.81	9.94	10.16	8.45	10.47	10.52	10.17	12.12
Core capital (leverage) ratio	8.09	11.64	9.65	9.43	7.47	7.64	7.24	7.86	8.43	8.63	10.54
Tier 1 risk-based capital ratio	10.82	17.59	13.65	13.28	9.76	10.64	9.48	9.68	10.69	12.30	14.78
Total risk-based capital ratio	13.20	18.70	14.83	14.80	12.52	13.45	11.71	12.38	12.50	13.63	16.67
Net loans and leases to deposits	92.39	74.33	82.70	93.58	94.97	78.48	85.17	103.24	102.09	83.13	128.38
Net loans to total assets	59.71	61.41	65.81	63.51	57.95	48.71	58.42	65.96	71.76	61.75	74.52
Domestic deposits to total assets	56.33	82.61	79.47	67.11	49.72	45.13	62.31	59.22	67.86	73.94	57.37
Structural Changes											
New Charters	93	88	3	1	1	12	37	6	6	12	20
Institutions absorbed by mergers	242	75	124	40	3	51	31	45	48	34	33
Failed Institutions	4	4	0	0	0	2	1	0	0	0	1
PRIOR FIRST THREE QUARTERS (The way it was...)											
Number of institutions 2003	9,236	4,464	4,190	469	113	1,188	1,231	2,027	2,141	1,878	771
2001	9,701	5,191	3,964	445	101	1,264	1,293	2,132	2,227	1,971	814
1999	10,271	5,912	3,821	444	94	1,320	1,336	2,306	2,346	2,117	846
Total assets (in billions) 2003	$8,943.1	$229.1	$1,159.8	$1,289.6	$6,264.6	$3,038.9	$1,858.6	$1,653.7	$445.3	$592.6	$1,353.9
2001	7,844.2	256.4	1,054.3	1,248.6	5,284.8	2,776.9	1,611.0	1,441.3	378.3	519.2	1,117.4
1999	6,655.7	279.6	986.7	1,231.5	4,157.8	2,273.1	1,419.1	1,113.0	414.2	569.5	866.9
Return on assets (%) 2003	1.38	0.97	1.19	1.35	1.43	1.25	1.38	1.31	1.62	1.38	1.65
2001	1.15	0.93	1.12	1.23	1.15	1.13	0.98	1.02	1.36	1.25	1.50
1999	1.27	1.04	1.25	1.40	1.25	1.21	1.27	1.25	1.44	1.25	1.38
Net charge-offs to loans & leases (%) 2003	0.78	0.26	0.32	0.52	0.95	1.17	0.56	0.66	0.97	0.38	0.64
2001	0.73	0.26	0.29	0.72	0.85	0.81	0.69	0.73	0.63	0.38	0.79
1999	0.51	0.31	0.26	0.54	0.57	0.64	0.40	0.33	0.68	0.37	0.60
Noncurrent assets plus OREO to assets (%) 2003	0.77	0.91	0.73	0.64	0.81	0.84	0.60	0.96	0.74	0.78	0.64
2001	0.81	0.81	0.70	0.75	0.85	0.77	0.84	0.94	0.73	0.79	0.76
1999	0.66	0.72	0.61	0.65	0.67	0.76	0.57	0.61	0.61	0.67	0.64
Equity capital ratio (%) 2003	9.13	11.44	10.03	10.48	8.60	8.96	8.83	8.64	10.79	9.64	9.74
2001	8.90	11.45	10.04	9.54	8.40	8.38	9.52	8.61	9.21	9.48	9.28
1999	8.50	11.09	9.68	9.15	7.85	8.17	8.62	8.32	9.00	8.64	9.02

* Regions:
New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands
Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia
Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas
San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

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

September 30, 2004	All Insured Institutions	Asset Concentration Groups* Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.71	0.47	0.92	0.90	0.63	0.74	0.93	1.12	1.22	0.72
Construction and development	0.60	0.00	2.24	0.90	0.59	0.60	0.60	0.47	1.09	0.56
Commercial real estate	0.51	0.24	3.69	0.76	0.52	0.33	0.52	0.71	0.96	0.35
Multifamily residential real estate	0.27	0.00	0.50	0.62	0.26	0.10	1.76	0.30	0.72	0.51
Home equity loans	0.37	0.42	0.32	0.41	0.35	0.32	0.51	0.49	0.40	0.39
Other 1-4 family residential	0.93	1.00	0.77	1.55	0.96	0.85	1.20	1.50	1.47	0.97
Commercial and industrial loans	0.66	2.28	0.48	1.42	0.77	0.69	0.96	1.44	1.47	0.46
Loans to individuals	1.79	2.36	1.99	2.14	1.42	1.11	1.44	2.34	2.13	1.47
Credit card loans	2.29	2.42	2.46	2.16	2.20	1.39	1.62	3.47	2.64	1.76
Other loans to individuals	1.45	1.66	1.74	2.14	1.34	1.07	1.40	2.24	2.10	1.37
All other loans and leases (including farm)	0.35	0.01	0.40	0.51	0.63	0.76	0.13	0.62	0.50	0.18
Total loans and leases	0.83	2.20	0.97	0.97	0.72	0.76	1.12	1.30	1.32	0.67
Percent of Loans Noncurrent**										
All real estate loans	0.65	0.07	0.92	0.96	0.61	0.72	0.84	0.85	0.90	0.55
Construction and development	0.55	0.26	1.72	0.73	0.48	1.10	0.97	1.85	0.68	0.52
Commercial real estate	0.77	0.38	2.51	1.19	0.73	0.79	0.91	0.79	1.39	0.74
Multifamily residential real estate	0.26	0.00	0.20	0.41	0.27	0.13	0.32	0.18	1.10	0.45
Home equity loans	0.17	0.04	0.24	0.27	0.18	0.13	0.22	0.18	0.21	0.18
Other 1-4 family residential	0.74	0.34	0.74	0.93	0.74	0.81	1.12	0.81	0.77	0.59
Commercial and industrial loans	1.41	1.32	3.09	1.72	1.02	1.25	1.43	1.38	1.55	1.15
Loans to individuals	1.32	1.94	2.33	0.80	0.58	0.61	0.49	0.90	0.81	0.77
Credit card loans	1.89	2.00	2.04	1.62	1.53	1.10	1.33	3.08	2.25	1.49
Other loans to individuals	0.92	1.13	2.49	0.78	0.47	0.53	0.33	0.71	0.73	0.52
All other loans and leases (including farm)	0.41	0.00	0.34	0.86	0.59	1.02	1.09	0.80	0.63	0.31
Total loans and leases	0.85	1.77	1.66	1.03	0.69	0.74	0.74	0.91	0.94	0.64
Percent of Loans Charged-off (net, YTD)										
All real estate loans	0.06	0.09	0.05	0.05	0.09	0.03	0.12	0.04	0.07	0.06
Construction and development	0.04	0.00	0.00	0.05	0.05	0.01	0.04	0.02	0.03	0.01
Commercial real estate	0.07	0.00	-0.23	0.09	0.08	0.03	0.40	0.08	0.11	0.02
Multifamily residential real estate	0.03	0.00	0.38	0.08	0.04	-0.01	-0.01	0.00	0.01	0.01
Home equity loans	0.09	0.09	0.02	0.04	0.13	0.04	0.03	0.09	0.04	0.10
Other 1-4 family residential	0.06	0.05	0.02	0.07	0.11	0.04	0.12	0.03	0.07	0.06
Commercial and industrial loans	0.53	4.20	0.60	0.41	0.55	0.44	1.70	0.40	0.53	0.33
Loans to individuals	2.70	5.10	3.16	0.62	1.22	1.35	1.82	2.68	1.04	1.29
Credit card loans	5.05	5.18	5.13	4.07	4.53	2.96	6.26	16.93	6.34	4.08
Other loans to individuals	1.19	4.08	2.05	0.51	0.87	1.07	1.01	1.33	0.70	0.67
All other loans and leases (including farm)	0.21	0.00	0.10	0.00	0.54	0.51	0.00	0.26	0.39	0.13
Total loans and leases	0.50	4.70	1.00	0.20	0.30	0.10	0.90	0.50	0.30	0.20
Loans Outstanding (in billions)										
All real estate loans	$3,554.4	$18.9	$134.7	$47.3	$1,442.1	$941.2	$81.2	$10.1	$57.5	$821.5
Construction and development	319.0	0.0	1.6	2.9	231.1	21.2	2.6	0.8	3.3	55.5
Commercial real estate	734.6	0.1	6.4	12.0	505.1	44.5	8.6	2.8	13.9	141.1
Multifamily residential real estate	164.7	0.0	1.5	0.9	96.6	44.6	1.4	0.4	1.0	18.2
Home equity loans	459.8	17.0	16.3	0.9	157.6	85.0	21.9	0.5	2.6	158.1
Other 1-4 family residential	1,782.7	1.8	71.9	14.4	428.3	744.9	46.4	5.4	33.0	436.5
Commercial and industrial loans	952.3	6.4	146.1	12.3	458.4	27.7	11.0	1.7	8.7	280.0
Loans to individuals	895.5	241.2	170.4	6.7	173.2	47.3	66.4	1.9	11.1	177.2
Credit card loans	365.0	223.6	60.8	0.2	17.3	6.6	10.5	0.2	0.6	45.3
Other loans to individuals	530.5	17.7	109.7	6.5	155.9	40.7	55.9	1.8	10.5	131.9
All other loans and leases (including farm)	582.5	3.6	171.0	21.9	110.6	5.7	3.4	0.6	5.3	260.2
Total loans and leases	5,984.6	270.0	622.2	88.3	2,184.3	1,021.9	162.0	14.3	82.6	1,538.9
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	4,642.7	0.7	171.7	143.4	2,403.1	748.0	139.1	29.0	145.8	861.9
Construction and development	556.3	0.0	0.7	10.2	382.6	58.4	3.0	2.2	13.2	86.0
Commercial real estate	1,540.4	0.6	15.5	58.5	1,090.2	63.5	8.2	17.9	58.7	227.1
Multifamily residential real estate	110.0	0.0	0.0	1.7	65.3	4.0	0.2	0.5	3.5	34.9
1-4 family residential	2,261.1	0.0	95.5	43.3	827.5	622.2	127.6	9.1	63.2	472.6
Farmland	91.5	0.0	0.0	29.7	40.5	0.4	0.1	0.4	7.2	13.1

* See Table IV-A (page 8) for explanations.

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

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

		Asset Size Distribution				Geographic Regions*					
September 30, 2004	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	0.71	1.20	0.75	0.50	0.74	0.64	0.61	0.95	0.80	0.85	0.59
Construction and development	0.60	0.84	0.59	0.51	0.64	0.58	0.36	0.81	0.89	0.79	0.45
Commercial real estate	0.51	0.88	0.59	0.41	0.50	0.64	0.36	0.70	0.44	0.66	0.25
Multifamily residential real estate	0.27	0.56	0.41	0.21	0.25	0.11	0.28	0.55	1.28	0.44	0.07
Home equity loans	0.37	0.64	0.44	0.41	0.35	0.35	0.33	0.42	0.43	0.37	0.27
Other 1-4 family residential	0.93	1.71	1.06	0.62	0.95	0.71	0.89	1.41	1.20	1.17	0.78
Commercial and industrial loans	0.66	1.53	1.05	0.92	0.53	0.56	0.49	0.75	0.87	0.80	0.83
Loans to individuals	1.79	2.37	1.89	2.07	1.75	1.84	1.75	1.63	2.10	1.44	1.78
Credit card loans	2.29	2.13	4.41	3.55	2.16	2.18	3.02	2.33	2.68	0.79	2.16
Other loans to individuals	1.45	2.37	1.59	1.45	1.41	1.56	1.47	1.32	1.35	1.60	1.25
All other loans and leases (including farm)	0.35	0.55	0.51	0.45	0.33	0.42	0.21	0.38	0.27	0.55	0.34
Total loans and leases	0.83	1.29	0.86	0.71	0.83	0.85	0.68	0.92	0.97	0.90	0.77
Percent of Loans Noncurrent**											
All real estate loans	0.65	0.95	0.66	0.60	0.65	0.57	0.41	0.98	0.54	0.77	0.71
Construction and development	0.55	0.85	0.59	0.49	0.54	0.62	0.30	0.82	0.62	0.55	0.57
Commercial real estate	0.77	0.99	0.75	0.78	0.76	0.75	0.51	1.13	0.73	0.88	0.62
Multifamily residential real estate	0.26	0.59	0.49	0.29	0.17	0.15	0.29	0.56	0.58	0.84	0.06
Home equity loans	0.17	0.25	0.20	0.21	0.16	0.15	0.11	0.26	0.19	0.16	0.10
Other 1-4 family residential	0.74	0.99	0.68	0.62	0.77	0.55	0.48	1.27	0.54	0.84	0.89
Commercial and industrial loans	1.41	1.69	1.18	1.19	1.47	2.08	1.07	1.21	1.01	1.10	1.04
Loans to individuals	1.32	0.96	0.79	0.90	1.41	1.78	0.85	0.76	1.52	0.54	1.22
Credit card loans	1.89	1.30	2.95	2.02	1.86	1.92	1.95	1.61	2.32	0.61	1.77
Other loans to individuals	0.92	0.96	0.53	0.43	1.04	1.66	0.61	0.39	0.47	0.53	0.47
All other loans and leases (including farm)	0.41	0.98	0.75	0.57	0.36	0.42	0.35	0.34	0.37	0.89	0.80
Total loans and leases	0.85	1.06	0.74	0.71	0.89	1.07	0.56	0.91	0.75	0.81	0.81
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.06	0.07	0.05	0.07	0.06	0.04	0.06	0.13	0.06	0.09	0.03
Construction and development	0.04	0.06	0.05	0.05	0.03	0.01	0.02	0.07	0.07	0.06	0.01
Commercial real estate	0.07	0.07	0.06	0.09	0.06	0.02	0.05	0.15	0.06	0.08	0.04
Multifamily residential real estate	0.03	0.04	0.07	0.02	0.02	0.03	0.04	0.06	0.04	0.12	-0.01
Home equity loans	0.09	0.07	0.05	0.11	0.10	0.04	0.11	0.14	0.11	0.13	0.03
Other 1-4 family residential	0.06	0.08	0.05	0.06	0.06	0.03	0.06	0.14	0.05	0.11	0.04
Commercial and industrial loans	0.53	0.54	0.49	0.56	0.53	0.48	0.46	0.45	0.55	0.40	1.13
Loans to individuals	2.70	0.81	1.44	2.12	2.90	3.30	1.62	1.55	3.67	1.04	3.28
Credit card loans	5.05	2.52	7.19	5.02	5.01	5.20	5.39	4.20	5.93	2.10	4.60
Other loans to individuals	1.19	0.77	0.76	0.90	1.29	1.78	0.78	0.82	0.64	0.80	1.31
All other loans and leases (including farm)	0.21	0.27	0.33	0.35	0.19	0.14	0.22	0.27	0.17	0.47	0.34
Total loans and leases	0.50	0.20	0.20	0.30	0.70	0.80	0.30	0.40	0.80	0.30	0.60
Loans Outstanding (in billions)											
All real estate loans	$3,554.4	$88.6	$591.6	$606.8	$2,267.4	$826.6	$800.5	$650.9	$317.1	$247.1	$712.2
Construction and development	319.0	9.3	83.4	78.7	147.6	37.0	99.4	68.5	28.5	43.0	42.7
Commercial real estate	734.6	24.8	206.6	182.9	320.2	148.1	175.0	158.8	73.3	75.9	103.5
Multifamily residential real estate	164.7	2.1	26.0	40.1	96.6	43.9	19.3	29.2	8.5	6.5	57.4
Home equity loans	459.8	3.2	35.3	48.1	373.2	97.0	111.8	111.2	67.4	18.9	53.6
Other 1-4 family residential	1,782.7	38.8	220.0	250.0	1,273.8	456.8	386.6	272.1	124.8	91.7	450.7
Commercial and industrial loans	952.3	19.7	106.3	126.6	699.7	293.4	196.9	221.5	77.7	63.0	99.8
Loans to individuals	895.5	13.0	57.0	80.5	745.0	355.5	135.5	142.1	94.6	41.0	126.7
Credit card loans	365.0	0.2	6.0	23.7	335.0	162.5	24.5	42.9	53.7	7.9	73.5
Other loans to individuals	530.5	12.8	51.0	56.7	409.9	193.0	111.0	99.2	41.0	33.1	53.2
All other loans and leases (including farm)	582.5	14.4	30.5	40.2	497.3	212.2	111.9	153.9	66.9	17.4	20.2
Total loans and leases	5,984.6	135.7	785.5	854.1	4,209.3	1,687.7	1,244.8	1,168.4	556.4	368.4	958.9
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	4,642.7	337.5	1,298.4	848.7	2,158.0	547.6	922.1	1,221.7	499.6	849.3	602.5
Construction and development	556.3	40.5	222.9	169.1	123.8	22.9	128.8	111.5	50.5	191.0	51.7
Commercial real estate	1,540.4	121.3	600.5	370.2	448.4	138.7	349.9	335.2	183.7	335.0	197.9
Multifamily residential real estate	110.0	10.1	39.7	32.3	27.9	7.0	16.5	41.5	8.3	29.8	6.9
1-4 family residential	2,261.1	140.1	394.0	271.5	1,455.5	288.8	416.1	722.8	233.8	266.8	332.8
Farmland	91.5	25.7	43.4	7.4	15.0	3.4	12.1	11.1	24.9	27.5	12.5

* See Table IV-A (page 9) for explanations.

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

Insurance Fund Indicators Third Quarter 2004

- ***BIF Reserve Ratio Rises to 1.32 Percent***
- ***SAIF Reserve Ratio Declines One Basis Point to 1.33 Percent***

From June 30 to September 30, total assets of the nation's 9,025 FDIC-insured depository institutions increased by $228.5 billion. Deposits, which increased by $99.5 billion during the period, funded about 43.5 percent of this growth. Domestic office deposits grew by $107.3 billion (2.0 percent) while deposits in foreign offices shrank by $7.8 billion (0.9 percent). Large domestic deposits (over $100,000) increased by $100.3 billion while domestic deposits in accounts less than $100 thousand increased by $7.0 billion. Quarterly growth was strongest for time deposits of $100,000 or more which increased by 5.9 percent ($55.3 billion) and other savings deposits which increased by 4.1 percent ($35.3 billion). Interest bearing domestic deposits increased by $113.1 billion (2.6%), while noninterest-bearing domestic deposits fell by $5.8 billion (0.6%). Brokered deposits in domestic offices grew by $29.8 billion (8.0%).

Insured deposits grew by 0.7 percent during the third quarter of 2004, following second quarter growth of 0.9 percent. Insured deposits increased at 4,619 institutions, remained unchanged at 4 institutions, and declined at 4,286 institutions. Deposits insured by the Bank Insurance Fund (BIF) increased by 0.3 percent for the three months ending on September 30, 2004, reaching $2.6 trillion. During the first nine months of 2004, deposits insured by the BIF increased by 2.3 percent. Deposits insured by the Savings Association Insurance Fund (SAIF) grew by 1.9 percent, to $943.9 billion during the third quarter and increased by 5.3 percent during the first three quarters of 2004.

The Bank Insurance Fund (BIF) grew by 1.0 percent ($357 million) during the third quarter, ending the quarter with a balance of $34.5 billion (unaudited). Roughly 40 percent of the BIF's third quarter growth came from unrealized gains on securities ($77 million) and from reducing reserves previously set aside for future estimated failure costs ($64 million). Without these items, the BIF reserve ratio would have remained unchanged from the previous quarter. On September 30, 2004, the BIF reserve ratio was 1.32 percent, one basis point higher than June 30.

The Savings Association Insurance Fund (SAIF) increased during the third quarter by 0.9 percent to $12.5 billion (unaudited). The growth of the SAIF was not enough to offset the increase in SAIF-insured deposits; as a result the SAIF reserve ratio declined one basis point from 1.34 percent on June 30 to 1.33 percent on September 30. This was the lowest SAIF reserve ratio since June 1997 when the ratio was 1.32 percent.

Sweeps of brokerage-originated cash management funds to FDIC-insured accounts of affiliate banks increased by 2.9 percent ($2.7 billion) during the third quarter of 2004. Among insured institutions whose brokerage affiliates sweep cash management accounts into FDIC-insured accounts, BIF-insured brokered deposits rose by $2.0 billion and SAIF-insured brokered deposits increased by $730 million. During the same period, fully insured brokered deposits increased by 4.2 percent at all other BIF-insured institutions and increased at all other SAIF-insured institutions by 11.3 percent.

There were no failures of FDIC insured institutions during the third quarter of 2004. For the first nine months of 2004, three BIF member institutions with combined assets of $151 million have failed at an estimated cost of $17.1 million. During the same period, one SAIF-member institution with assets of $15 million failed with an estimated cost of zero. For the first nine months of the previous year, two institutions failed; both were BIF-members. At the time of failure, these institutions had $1.1 billion in assets with estimated loss to the insurance fund of $76 million.

Changes in Insurance Fund Balances

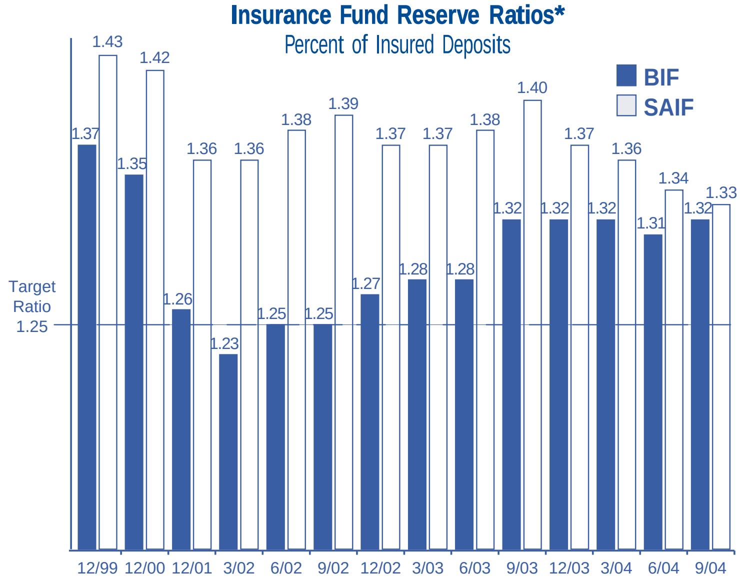
(dollar figures in millions)	Bank Insurance Fund							Savings Association Insurance Fund						
	3rd Qtr. 2004	2nd Qtr. 2004	1st Qtr. 2004	4th Qtr. 2003	3rd Qtr. 2003	2nd Qtr. 2003	1st Qtr. 2003	3rd Qtr. 2004	2nd Qtr. 2004	1st Qtr. 2004	4th Qtr. 2003	3rd Qtr. 2003	2nd Qtr. 2003	1st Qtr. 2003
Beginning Fund Balance	**$34,110**	**$34,164**	**$33,782**	**$33,462**	**$32,800**	**$32,382**	**$32,050**	**$12,411**	**12,394**	**$12,240**	**$12,186**	**$12,083**	**$11,906**	**$11,747**
Unrealized Gain (Loss) on Available-For-Sale Securities	77	–332	175	–106	–45	38	103	24	–109	59	-37	-16	13	33
Provision for Insurance Losses	–64	–32	–37	–246	–543	–133	–6	24	–2	1	10	-26	-45	-21
All Other Income, Net of Expenses	216	246	170	180	164	247	223	112	124	96	101	93	119	105
Total Fund Balance Change	357	–54	382	320	662	418	332	112	17	154	54	103	177	159
Ending Fund Balance	**$34,467**	**$34,110**	**$34,164**	**$33,782**	**$33,462**	**$32,800**	**$32,382**	**$12,523**	**12,411**	**$12,394**	**$12,240**	**$12,186**	**$12,083**	**$11,906**

TABLE I-B. Selected Insurance Fund Indicators*

(dollar figures in millions)	3rd Quarter 2004	2nd Quarter 2004	3rd Quarter 2003	%Change 03:9-04:9
Bank Insurance Fund				
Reserve ratio (%)	1.32	1.31	1.32	0.2
Fund Balance	$34,467	$34,110	$33,462	3.0
Estimated insured deposits	2,612,740	2,605,720	2,541,540	2.8
SAIF-member Oakars	106,967	101,778	103,505	3.3
BIF-members	2,505,773	2,503,942	2,438,035	2.8
Assessment base	4,387,949	4,321,617	4,084,374	7.4
SAIF-member Oakars	112,646	105,560	106,433	5.8
BIF-members	4,275,303	4,216,057	3,977,941	7.5
Savings Association Insurance Fund				
Reserve ratio (%)	1.33	1.34	1.40	-5.0
Fund Balance	$12,523	$12,411	$12,186	2.8
Estimated insured deposits	943,881	926,570	872,777	8.1
BIF-member Oakars	443,613	426,997	398,239	11.4
SAIF-member Sassers	91,853	92,056	94,284	-2.6
Other SAIF members	408,415	407,518	380,254	7.4
Assessment base	1,127,884	1,098,143	1,060,639	6.3
BIF-member Oakars	448,460	431,102	402,340	11.5
SAIF-member Sassers	119,289	117,579	119,512	-0.2
Other SAIF members	560,135	549,461	538,787	4.0

Insurance Fund Reserve Ratios*

Percent of Insured Deposits



Fund Balances and Insured Deposits*

($Millions)

	BIF Balance	BIF-Insured Deposits	SAIF Balance	SAIF-Insured Deposits
12/99	29,414	2,151,454	10,281	717,591
12/00	30,975	2,299,932	10,759	755,156
12/01	30,439	2,409,566	10,935	801,171
3/02	30,697	2,495,498	11,049	810,902
6/02	31,187	2,490,954	11,323	818,806
9/02	31,383	2,513,160	11,586	833,029
12/02	32,050	2,524,474	11,747	859,205
3/03	32,382	2,531,307	11,906	867,908
6/03	32,800	2,562,053	12,083	876,305
9/03	33,462	2,541,540	12,186	872,777
12/03	33,782	2,554,624	12,240	896,493
3/04	34,164	2,586,469	12,394	914,475
6/04	34,110	2,605,720	12,411	926,570
9/04	34,467	2,612,740	12,523	943,881

* A reserve ratio is the fund balance as a percentage of estimated insured deposits. As with other Call Report items, prior periods may reflect adjustments. As a result, prior period reserve ratios may differ from previously reported values. Only year end fund balances are audited by GAO. Fund balances for the most recent period are unaudited. BIF-insured deposit totals include U.S. branches of foreign banks.

TABLE II-B. Closed/Assisted Institutions

(dollar figures in millions)	2004**	2003**	2003	2002	2001	2000	1999
BIF Members							
Number of institutions	3	2	3	10	3	6	7
Total assets	$151	$1,088	$1,097	$2,508	$54	$378	$1,490
SAIF Members							
Number of institutions	1	0	0	1	1	1	1
Total assets	$15	$0	$0	$50	$2,200	$30	$71

**Through September 30.

TABLE III-B. Selected Indicators, By Fund Membership*

(dollar figures in millions)	2004**	2003**	2003	2002	2001	2000	1999
BIF Members							
Number of institutions reporting	7,875	8,041	7,995	8,125	8,327	8,572	8,835
BIF-member Oakars	763	806	764	801	766	743	744
Other BIF-members	7,112	7,237	7,232	7,324	7,561	7,829	8,091
Total assets	$8,565,324	$7,756,149	$7,897,792	$7,335,567	$6,857,458	$6,510,744	$5,980,127
Total deposits	5,589,749	5,095,281	5,210,292	4,854,908	4,567,603	4,337,661	3,987,336
Net income	81,683	78,814	106,183	92,506	76,489	73,430	73,952
Return on assets (%)	1.32	1.39	1.40	1.32	1.14	1.18	1.29
Return on equity (%)	14.05	15.14	15.21	14.32	12.91	13.86	15.11
Noncurrent assets plus OREO to assets (%)	0.57	0.78	0.76	0.91	0.89	0.72	0.62
Number of problem institutions	86	103	102	116	90	74	66
Assets of problem institutions	$24,446	$29,671	$28,812	$32,176	$31,881	$10,787	$4,450
Number of failed/assisted institutions	3	2	3	10	3	6	7
Assets of failed/assisted institutions	$151	$1,088	$1,097	$2,508	$54	$378	$1,490
SAIF Members							
Number of institutions reporting	1,150	1,195	1,186	1,229	1,287	1,332	1,387
SAIF-member Oakars	147	138	143	133	130	122	123
Other SAIF-members	1,003	1,056	1,043	1,096	1,157	1,210	1,264
Total assets	$1,311,708	$1,186,902	$1,177,458	$1,099,965	$1,011,736	$952,154	$903,532
Total deposits	793,714	755,810	744,022	713,599	621,824	577,100	550,703
Net income	10,144	10,975	14,307	12,462	10,623	8,071	8,450
Return on assets (%)	1.09	1.28	1.25	1.17	1.11	0.89	0.99
Return on equity (%)	10.29	14.17	13.85	12.79	13.46	11.12	11.97
Noncurrent assets plus OREO to assets (%)	0.52	0.71	0.69	0.79	0.75	0.65	0.64
Number of problem institutions	9	13	14	20	24	20	13
Assets of problem institutions	$625	$933	$1,105	$6,751	$7,923	$13,053	$5,524
Number of failed/assisted institutions	1	0	0	1	1	1	1
Assets of failed/assisted institutions	$15	$0	$0	$50	$2,200	$30	$71

* Excludes insured branches of foreign banks (IBAs).

TABLE IV-B. Estimated FDIC-Insured Deposits by Fund Membership and Type of Institution

(dollar figures in millions)	Number of	Total	Domestic	Estimated Insured Deposits		
September 30, 2004	Institutions	Assets	Depostis*	BIF	SAIF	Total
Commercial Banks and Savings Institutions						
FDIC-Insured Commercial Banks	7,660	8,244,437	4,586,148	2,350,598	454,183	2,804,781
BIF-member	7,548	8,056,710	4,471,423	2,317,801	398,649	2,716,450
SAIF-member	112	187,727	114,725	32,797	55,533	88,331
FDIC-Supervised	4,796	1,479,312	1,088,704	653,604	98,704	752,309
OCC-Supervised	1,938	4,846,657	2,554,170	1,289,159	264,099	1,553,258
Federal Reserve-Supervised	926	1,918,468	943,274	407,835	91,379	499,214
FDIC-Insured Savings Institutions	1,365	1,632,595	977,455	261,192	489,698	750,890
OTS-Supervised Savings Institutions	896	1,266,150	721,935	132,859	419,596	552,455
BIF-member	41	205,882	89,024	62,001	11,181	73,182
SAIF-member	855	1,060,268	632,911	70,858	408,415	479,273
FDIC-Supervised State Savings Banks	469	366,445	255,520	128,333	70,102	198,435
BIF-member	286	302,732	210,124	125,021	33,783	158,804
SAIF-member	183	63,713	45,397	3,312	36,319	39,631
Total Commercial Banks and Savings Institutions	9,025	9,877,032	5,563,603	2,611,790	943,881	3,555,671
BIF-member	7,875	8,565,324	4,770,571	2,504,823	443,613	2,948,436
SAIF-member	1,150	1,311,708	793,032	106,967	500,268	607,235
Other FDIC-Insured Institutions						
U.S. Branches of Foreign Banks	13	10,259	5,128	950	0	950
Total FDIC-Insured Institutions	9,038	9,887,291	5,568,731	2,612,740	943,881	3,556,621

* Excludes $820 billion in foreign office deposits, which are uninsured.

TABLE V-B. Assessment Base Distribution and Rate Schedule

BIF Assessment Base Distribution
Assessable Deposits in Billions as of September 30, 2004
Supervisory and Capital Ratings for First Semiannual Assessment Period, 2005

Capital Group	Supervisory Risk Subgroup A		B		C	
1. Well-capitalized						
Number of institutions	7,314	92.7%	421	5.3%	79	1.0%
Assessable deposit base	$4,112	93.7%	$45	1.0%	$16	0.4%
2. Adequately capitalized						
Number of institutions	58	0.7%	4	0.1%	8	0.1%
Assessable deposit base	$212	4.8%	$1	0.0%	$0	0.0%
3. Undercapitalized						
Number of institutions	2	0.0%	0	0.0%	2	0.0%
Assessable deposit base	$0	0.0%	$0	0.0%	$1	0.0%

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

SAIF Assessment Base Distribution
Assessable Deposits in Billions as of September 30, 2004
Supervisory and Capital Ratings for First Semiannual Assessment Period, 2005

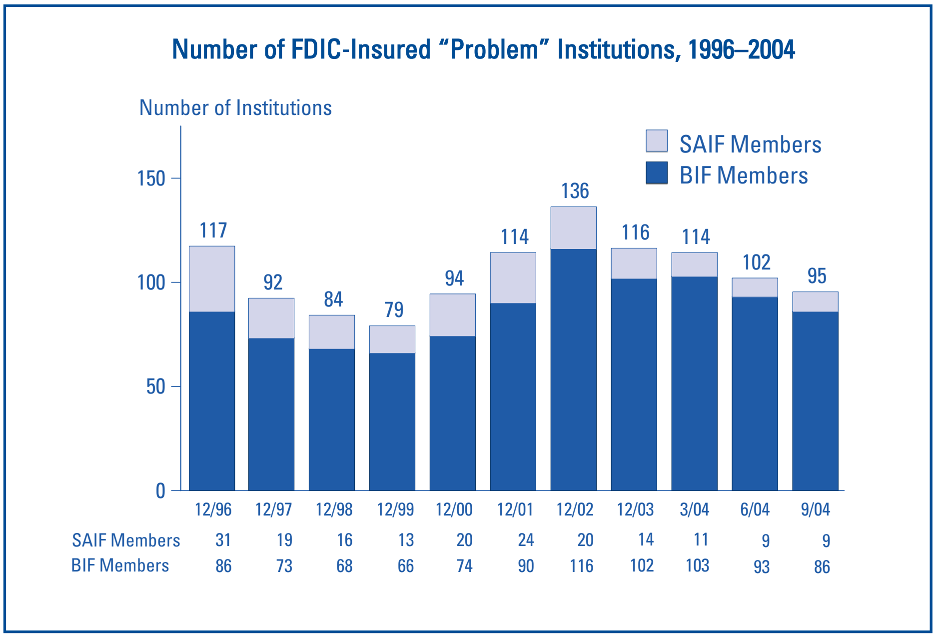
Capital Group	Supervisory Risk Subgroup A		B		C	
1. Well-capitalized						
Number of institutions	1,073	93.3%	62	5.4%	9	0.8%
Assessable deposit base	$1,113	98.7%	$12	1.1%	$1	0.0%
2. Adequately capitalized						
Number of institutions	4	0.3%	2	0.2%	0	0.0%
Assessable deposit base	$2	0.2%	$0	0.0%	$0	0.0%
3. Undercapitalized						
Number of institutions	0	0.0%	0	0.0%	0	0.0%
Assessable deposit base	$0	0.0%	$0	0.0%	$0	0.0%

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

Assessment Rate Schedule
First Semiannual 2005 Assessment Period
Cents per $100 of Assessable Deposits

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

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


Number of FDIC-Insured "Problem" Institutions, 1996–2004
Number of Institutions
SAIF Members
BIF Members
150
100
50
0
117
92
84
79
94
114
136
116
114
102
95
12/96
12/97
12/98
12/99
12/00
12/01
12/02
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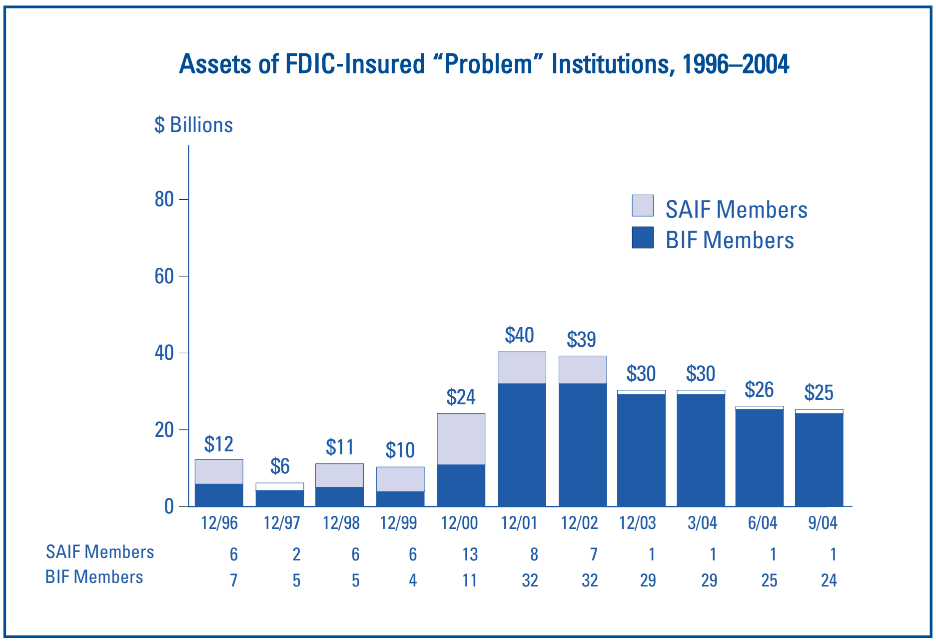
SAIF Members 31 19 16 13 20 24 20 14 11 9 9
BIF Members 86 73 68 66 74 90 116 102 103 93 86


Assets of FDIC-Insured "Problem" Institutions, 1996–2004
$ Billions
SAIF Members
BIF Members
80
60
40
20
0
$12
$6
$11
$10
$24
$40
$39
$30
$30
$26
$25
12/96
12/97
12/98
12/99
12/00
12/01
12/02
12/03
3/04
6/04
9/04
SAIF Members 6 2 6 6 13 8 7 1 1 1 1
BIF Members 7 5 5 4 11 32 32 29 29 25 24

Notes To Users

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

Tables I-A through V-A.

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

Tables I-B through V-B.

A separate set of tables(Tables I-B through V-B) provides quarterly and annual data related to the bank (BIF) and savings association (SAIF) insurance funds, closed/assisted institutions, and assessments.

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*. Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data.

All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period.

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state.

ACCOUNTING CHANGES

FASB Interpretation No. 45 — In November 2002, the FASB issued Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*. This interpretation clarifies that a guarantor is required to recognize, at the inception of a guarantee (financial standby letters of credit, performance standby letters of credit), a liability for the fair value of the obligation undertaken in issuing the guarantee. Banks apply the initial recognition and measurement provisions of Interpretation No. 45 on a prospective basis to guarantees issued or modified after December 31, 2002, irrespective of the bank's fiscal year end. A bank's previous accounting for guarantees issued prior to January 1, 2003, is not revised.

FASB Interpretation No. 46 — The FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities*, in January 2003 and revised it in December 2003. Generally, banks with variable interests in variable interest entities created after December 31, 2003, must consolidate them. The timing of consolidation varies with certain situations with application as late as 2005. The assets and liabilities of a consolidated variable interest entity are reported on a line-by-line basis according to the asset and liability categories shown on the bank's balance sheet, as well as related income items. Most small banks are unlikely to have any "variable interests" in variable interest entities.

Goodwill and intangible assets — FAS 141 terminates the use of pooling-of-interest accounting for business combinations after 2001 and requires purchase accounting. Under FAS 142 amortization of goodwill is eliminated. Only intangible assets other than goodwill are amortized each quarter. In addition companies are required to test for impairment of both goodwill and other intangibles once each fiscal year. The year 2002, the first fiscal year affected by this accounting change, has been designated a transitional year and the amount of initial impairments are to be recorded as extraordinary losses on a "net of tax" basis (and not as noninterest expense). Subsequent annual review of intangibles and goodwill impairment may require additional noninterest expense recognition. FASB Statement No. 147 clarifies that acquisitions of financial institutions (except transactions between two or more mutual enterprises), including branch acquisitions that meet the definition of a business combination, should be accounted for by the purchase method under FASB Statement No. 141. This accounting standard includes transition provisions that apply to unidentifiable intangible assets previously accounted for in accordance with FASB Statement No. 72. If the transaction (such as a branch acquisition) in which an unidentifiable intangible asset arose does not meet the definition of a business combination, this intangible asset is not be reported as "Goodwill" on the Call Report balance sheet. Rather, this unidentifiable intangible asset is reported as "Other intangible assets," and must continue to be amortized and the amortization expense should be reported in the Call Report income statement.

FASB Statement No. 133 *Accounting for Derivative Instruments and Hedging Activities* — establishes new accounting and reporting standards. Derivatives were previously off-balance sheet items, but beginning in 2001 all banks must recognize derivatives as either assets or liabilities on the balance sheet, measured at fair value. A derivative may be specifically designated as a "fair value hedge," a "cash flow hedge," or a hedge of a foreign currency exposure. The accounting for changes in the value of a derivative (gains and losses) depends on the intended use of the derivative, its resulting designation, and the effectiveness of the hedge. Derivatives held for purposes other than trading are reported as "other assets" (positive fair values) or "other liabilities" (negative fair values). For a fair value hedge, the gain or loss is recognized in earnings and "effectively" offsets loss or gain on the hedged item attributable to the risk being hedged. Any ineffectiveness of the hedge could result in a net gain or loss on the income statement. Accumulated net gains (losses) on cash flow hedges are recorded on the balance sheet as "accumulated other comprehensive income" and the periodic change in the accumulated net gains (losses) for cash flow hedges is reflected directly in equity as the value of the derivative changes.

Initial transition adjustments upon adoption of FAS 133 are reported as adjustments to net income in the income statement as extraordinary items. Upon implementing FAS 133, a bank may transfer any debt security categorized as held-to-maturity into the available-for-sale category or the trading category. Unrealized gains (losses) on transferred held-to-maturity debt securities on the date of initial application must be reflected as an adjustment to net income if transferred to the trading category or an adjustment to equity if transferred to the available-for-sale category.

FASB Statement No. 149, *Amendment of Statement 133 on Derivative Instruments and Hedging Activities* — provides guidance on the circumstances in which a loan commitment must be accounted for as derivative. Under Statement No. 149, loan commitments that relate to the origination of mortgage loans that will be held for sale, commonly referred to as interest rate lock commitments, must be accounted for as derivatives on the balance sheet by the issuer of the commitment.

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, fair market value of derivatives, and other assets.

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

Assessment base distribution — assessable deposits consist of BIF and SAIF deposits in banks' domestic offices with certain adjustments. Each institution's assessment depends on its assigned risk-based capital category and supervisory risk subgroup:

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

*As a percentage of risk-weighted assets.

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

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

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

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

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

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

Derivatives (notional amount) — represents the sum of the following: interest-rate contracts (defined as the "notional" value of interest-rate swap, futures, forward and option contracts), foreign-exchange-rate contracts, commodity contracts and equity contracts (defined similarly to interest-rate contracts).

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

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

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

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

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

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

Estimated insured deposits — in general, insured deposits are total domestic deposits minus estimated uninsured deposits. While the uninsured estimate is calculated as the sum of the excess amounts in accounts over $100,000, beginning June 30, 2000 the amount of estimated uninsured deposits was adjusted to consider a financial institution's better estimate. Since March 31, 2002, all institutions provide a reasonable estimate of uninsured deposits from their systems and records.

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

FHLB advances — all borrowings by FDIC insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers and by TFR filers.

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

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

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

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

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

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

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

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

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

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

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

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

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

Other real estate owned — primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that 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 on a consolidated basis. Between March 31, 2001 and March 31, 2003 reserves for losses did not include the allocated transfer risk reserve, which was netted from loans and leases.

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

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

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

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

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

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

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

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

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

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

Unearned income & contra accounts — unearned income for Call Report filers only.

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

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.

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The ***FDIC Quarterly Banking Profile*** is available on-line by visiting the FDIC's website at www.fdic.gov. Comparable financial data for individual institutions can now be obtained from the FDIC's Institution Directory (I.D.) System on this web site.

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