

**Fourth Quarter 2023**
**ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)**

<b>Employment Growth Rates (% change from year ago, unless noted)</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Total Nonfarm (share of trailing four quarter employment in parentheses)		2.2%	2.2%	3.8%	2.6%	4.8%
Manufacturing	(6%)	-0.7%	-0.1%	5.1%	1.1%	5.4%
Other (non-manufacturing) Goods-Producing	(7%)	6.8%	7.1%	10.5%	8.0%	9.4%
Private Service-Providing	(73%)	2.0%	1.7%	3.5%	2.2%	4.9%
Government	(13%)	2.6%	3.2%	1.8%	2.9%	1.6%
Unemployment Rate (% of labor force, seasonally adjusted)		4.2%	4.1%	3.9%	3.9%	3.8%

  

<b>Other Indicators (% change of 4-qtr moving total, unless noted)</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Single-Family Home Permits		-8.2%	-27.4%	-18.9%	-8.2%	-18.9%
Multifamily Building Permits		-1.3%	2.6%	24.1%	-1.3%	24.1%
Home Price Index (change from year ago)		4.4%	-0.3%	10.7%	1.8%	21.5%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)		N/A	1.34	1.07	N/A	1.19

**BANKING TRENDS**

<b>General Information</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Institutions (#)		14	13	14	14	14
Total Assets (in millions)		\$74,777	\$74,331	\$71,600	\$74,777	\$71,600
New Institutions (# < 3 years)		4	3	3	4	3
Subchapter S Institutions (#)		0	0	0	0	0

  

<b>Asset Quality</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Past-Due and Nonaccrual Loans / Total Loans (median %)		0.28	0.25	0.00	0.28	0.00
Noncurrent Loans / Total Loans (median %)		0.05	0.12	0.00	0.05	0.00
Loan and Lease Allowance / Total Loans (median %)		1.16	1.24	1.10	1.16	1.10
Loan and Lease Allowance / Noncurrent Loans (median multiple)		2.32	2.78	1.36	2.32	1.36
Net Loan Losses / Total Loans (median %, year-to-date annualized)		0.00	0.00	0.00	0.00	0.00

  

<b>Capital / Earnings (year-to-date annualized, unless noted)</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Tier 1 Leverage (median %, end of period)		12.26	11.80	11.62	12.26	11.62
Return on Assets (median %)		0.76	0.65	0.61	0.76	0.61
Pretax Return on Assets (median %)		0.96	0.86	0.80	0.96	0.80
Net Interest Margin (median %)		3.86	3.90	3.51	3.86	3.51
Yield on Earning Assets (median %)		5.49	5.38	3.81	5.49	3.81
Cost of Funding Earning Assets (median %)		1.44	1.21	0.29	1.44	0.29
Provisions to Avg. Assets (median %)		0.06	0.09	0.04	0.06	0.04
Noninterest Income to Avg. Assets (median %)		0.24	0.31	0.22	0.24	0.22
Overhead to Avg. Assets (median %)		2.92	3.25	2.88	2.92	2.88

  

<b>Liquidity / Sensitivity</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Net Loans to Assets (median %)		66.54	71.91	56.92	66.54	56.92
Noncore Funding to Assets (median %)		11.73	7.91	5.52	11.73	5.52
Long-term Assets to Assets (median %, call filers)		35.27	35.68	36.81	35.27	36.81
Brokered Deposits (number of institutions)		5	5	4	5	4
Brokered Deposits to Assets (median % for those above)		3.37	2.67	0.86	3.37	0.86

  

<b>Loan Concentrations (median % of Tier 1 Capital plus the Reserve for Loan and Lease Losses)</b>		<b>Q4-23</b>	<b>Q3-23</b>	<b>Q4-22</b>	<b>2023</b>	<b>2022</b>
Commercial and Industrial		94	86	85	94	85
Commercial Real Estate		268	295	317	268	317
Construction & Development		22	39	29	22	29
Multifamily Residential Real Estate		8	10	10	8	10
Nonresidential Real Estate		226	254	270	226	270
Residential Real Estate		39	40	28	39	28
Consumer		1	1	1	1	1
Agriculture		0	0	0	0	0

**BANKING PROFILE**

<b>Largest Deposit Markets (from 2023 Summary of Deposits)</b>	<b>Institutions in Market</b>		<b>Asset Distribution</b>		<b>Institutions</b>	
Phoenix-Mesa-Chandler, AZ	58	\$167,170	< \$100 million	5	(35.7%)	
Tucson, AZ	18	\$20,394	\$100 million to \$250 million	2	(14.3%)	
Prescott Valley-Prescott, AZ	12	\$5,728	\$250 million to \$1 billion	6	(42.9%)	
Lake Havasu City-Kingman, AZ	9	\$4,040	\$1 billion to \$10 billion	0	(0.0%)	
Yuma, AZ	7	\$2,909	\$10 billion	1	(7.1%)	