FDIC Quarterly

Quarterly Banking Profile: Fourth Quarter 2019

2019 Summary of Deposits Highlights

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FDIC-insured institutions reported aggregate net income of $55.2 billion during fourth quarter 2019, a decline of $4.1 billion (6.9 percent) from a year ago. The annual decline in quarterly net income was a result of lower net interest income and higher noninterest expenses. About half (45.6 percent) of all banks reported year-over-year declines in net income, and the percentage of unprofitable banks in the fourth quarter remained stable from a year ago at 7.2 percent. *See page 1.*

Community Bank Performance

Community banks—which represent 92 percent of insured institutions—reported net income of $6.4 billion in fourth quarter 2019, up $270.3 million (4.4 percent) from fourth quarter 2018. Higher net operating revenue and greater realized gains on securities more than offset growth in noninterest expense. *See page 15.*

Insurance Fund Indicators

The Deposit Insurance Fund (DIF) balance increased by $1.4 billion during the quarter to $110.3 billion on December 31, driven by assessment income and interest earned on investments. The DIF reserve ratio (the fund balance as a percent of estimated insured deposits) was 1.41 percent on December 31, 2019, unchanged from September 30, 2019, and up from 1.36 percent on December 31, 2018. *See page 23.*

Featured Article:

2019 Summary of Deposits Highlights

The 2019 Summary of Deposits Survey showed an increase in deposits and a decrease in the number of branch offices, continuing recent trends. The reduction in the number of bank offices occurred nationwide, but the number of counties with a banking office has remained relatively stable over the past five years. The rate of decline was faster among offices in metropolitan counties, limited-service offices, and offices with lower reported levels of deposits. This article examines characteristics of the offices of operating banks that close versus those that are sold or leased, and of offices that close versus those that remain open after bank acquisitions. The rate of deposit growth increased for both community and noncommunity banks, but the merger-adjusted or "organic" rate of deposit growth at community banks exceeded that of noncommunity banks for the third consecutive year. For selected topics, comparative information about credit unions is included. *See page 31.*

INSURED INSTITUTION PERFORMANCE

Full-Year 2019 Net Income Totals $233.1 Billion

Quarterly Net Income Declines Almost 7 Percent From a Year Ago to $55.2 Billion

Declining Asset Yields Push Down the Net Interest Margin to 3.28 Percent

Annual Loan and Lease Growth Rate Slows to 3.6 Percent

Noncurrent Rate Remains Stable, While Net Charge-Off Rate Increases Modestly

Three New Banks Open in Fourth Quarter 2019

Full-Year 2019 Net Income Declines to $233.1 Billion

For the 5,177 FDIC-insured commercial banks and savings institutions, full-year 2019 net income totaled $233.1 billion, down $3.6 billion (1.5 percent) from 2018. The decline was primarily attributable to slower growth in net interest income (up $5.5 billion, or 1 percent) and higher loan-loss provisions (up $5 billion, or 9.9 percent). Average net interest margin (NIM) declined from 3.40 percent in 2018 to 3.36 percent in 2019, as average earning assets grew at a faster rate than net interest income. The average return on assets (ROA) fell from 1.35 percent in 2018 to 1.29 percent in 2019.

Quarterly Net Income Declines Almost 7 Percent From a Year Ago to $55.2 Billion

Quarterly net income totaled $55.2 billion during fourth quarter 2019, down $4.1 billion (6.9 percent) from a year ago. The annual decline in quarterly net income was a result of lower net interest income and higher noninterest expenses. About half (45.6 percent) of all banks reported year-over-year declines in net income, and the percentage of unprofitable banks in the fourth quarter remained stable from a year ago at 7.2 percent.[1] The average ROA was 1.20 percent in fourth quarter 2019, down 13 basis points from a year ago.

Net Interest Income Declines 2.4 Percent From Fourth Quarter 2018

Net interest income declined by $3.4 billion (2.4 percent) from 12 months ago, marking the first annual decline since third quarter 2013. NIM for the banking industry fell by 20 basis points from a year ago to 3.28 percent, as average asset yields declined more rapidly than average funding costs. The annual decline in NIM occurred for all five asset size groups featured in the *Quarterly Banking Profile* but was especially pronounced among banks with total assets between $10 billion and $250 billion. Banks responded to the low interest-rate environment by growing longer-term assets, but these assets generated lower yields and contributed to the NIM decline.[2]

[1] Industry participation counts consist of institutions existing in both reporting periods.
[2] Longer-term assets are loans and debt securities with remaining maturities or repricing intervals of three years or greater.

Chart 1

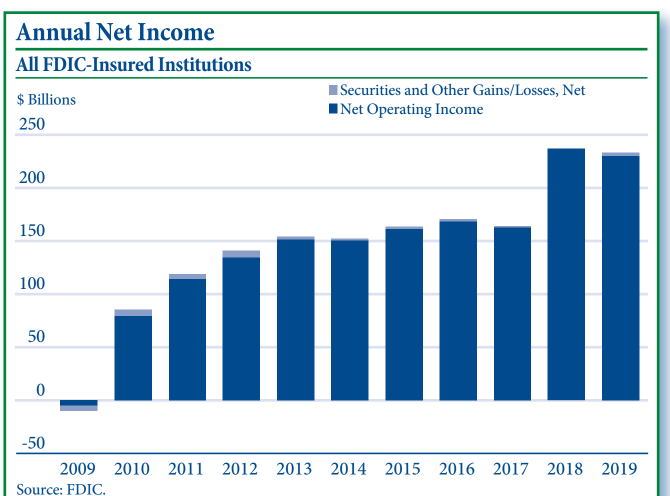
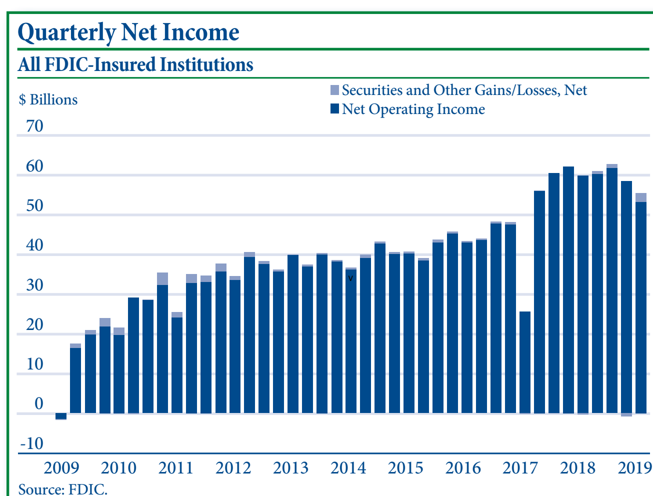


Chart 2



Noninterest Expense Increases 3.2 Percent From Fourth Quarter 2018

Noninterest expense was $121.5 billion in fourth quarter 2019, up $3.7 billion (3.2 percent) from fourth quarter 2018. About two out of every three banks (67.5 percent) reported annual increases in noninterest expense. Close to 80 percent of the aggregate increase was attributable to higher salary and employee benefits, which grew by $2.9 billion (5.4 percent). The average assets per employee increased from $8.7 million in fourth quarter 2018 to $9 million in fourth quarter 2019.

Noninterest Income Expands 2.5 Percent From 12 Months Ago

Noninterest income totaled $66 billion during the fourth quarter, up $1.6 billion (2.5 percent) from 12 months ago. The increase was broad-based, as more than half (61.8 percent) of all banks reported higher annual noninterest income. The annual increase was driven by higher trading revenues (up $3.2 billion, or 76.4 percent) and net gains on loan sales (up $1.1 billion, or 41.6 percent).

Loan-Loss Provisions Increase Modestly From a Year Ago

In the fourth quarter, banks set aside $14.8 billion in loan-loss provisions, an increase of $779 million (5.5 percent) from a year ago. More than one-third (38.4 percent) of all banks reported year-over-year increases in loan-loss provisions. The increase was mostly concentrated at larger institutions. Loan-loss provisions as a share of net operating revenue increased to 7.3 percent during the fourth quarter, the highest level since year-end 2012.

Net Charge-Offs Rise by $1.3 Billion From a Year Ago

Net charge-offs totaled $13.9 billion during the fourth quarter, an increase of $1.3 billion (10.4 percent) from fourth quarter 2018. The largest contributor to the year-over-year increase in net charge-offs was the commercial and industrial (C&I) loan portfolio, which registered a charge-off increase of $591.2 million (34.3 percent), and the credit card portfolio, which registered a charge-off increase of $409.9 million (5 percent). The average net charge-off rate increased by 4 basis points from fourth quarter 2018 to 0.54 percent. The C&I net charge-off rate was 0.42 percent during fourth quarter 2019, up from 0.32 percent a year ago but below the recent high of 0.50 percent reported in fourth quarter 2016. The credit card net charge-off rate increased by 4 basis points from fourth quarter 2018 to 3.75 percent.

Chart 3

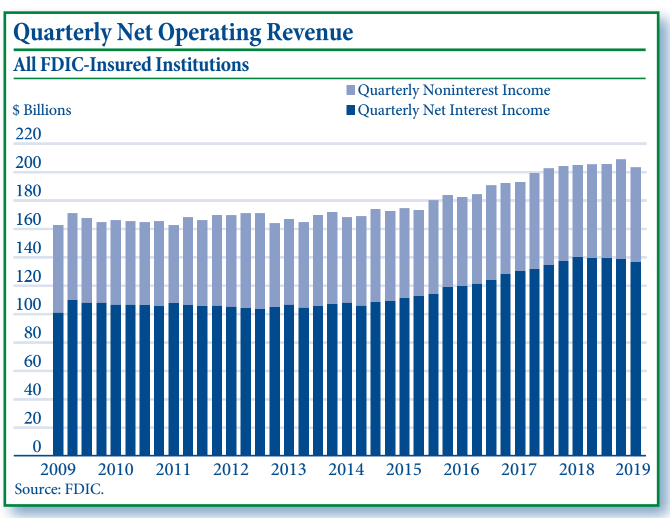
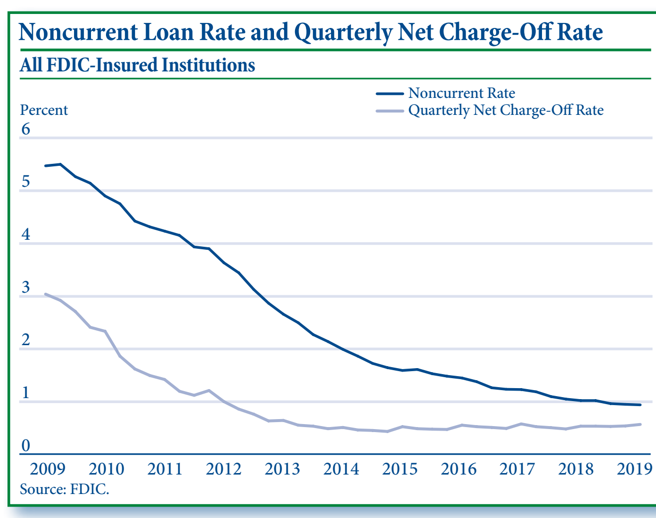


Chart 4



Noncurrent Loan Rate Remains Stable at 0.91 Percent

Noncurrent loan balances (90 days or more past due or in nonaccrual status) remained relatively stable (down $46.4 million, or 0.05 percent) from the previous quarter. About half of all banks (51.2 percent) reported declines in noncurrent loan balances. All major loan categories experienced declining levels of noncurrent loans from the previous quarter, except for credit card balances, which increased by $1.3 billion (10.3 percent). The credit card loan portfolio also registered the largest quarterly increase in the noncurrent rate, up 7 basis points to 1.47 percent.

Loan-Loss Reserves Decline Modestly From Third Quarter 2019

Loan-loss reserves totaled $123.9 billion at the end of fourth quarter 2019, down $1.3 billion (1 percent) from the previous quarter. At banks that itemize their loan-loss reserves, those with total assets of $1 billion or more, residential real estate reserves declined by $831.4 million (8 percent) and commercial real estate reserves fell by $669.6 million (2 percent). Loan-loss reserves for credit card portfolios rose by $775.6 million (1.9 percent) from third quarter 2019.

Total Assets Increase From the Previous Quarter

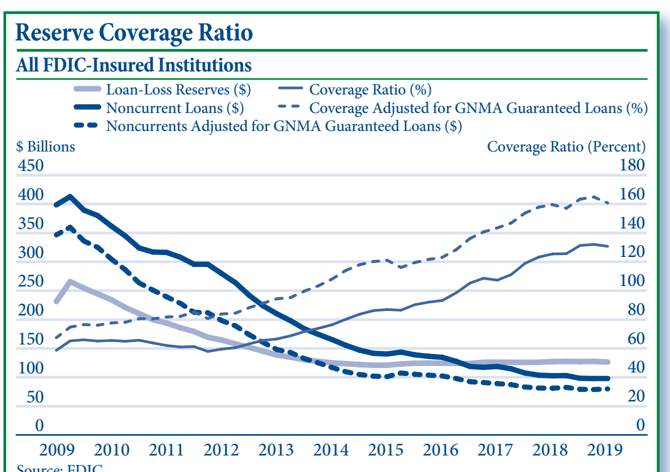
Total assets increased by $163.4 billion (0.9 percent) from the previous quarter, primarily because of growth in loan and lease balances (up $117.9 billion). Banks increased their securities holdings by $45.5 billion (1.2 percent), as mortgage-backed securities rose by $24.4 billion (1 percent) and holdings of U.S. Treasury securities grew by $8.5 billion (1.4 percent). Cash and balances due from depository institutions rose by $40.6 billion (2.5 percent).

Loan Balances Expand From the Previous Quarter and a Year Ago

Total loan and lease balances rose by $117.9 billion (1.1 percent) from third quarter 2019. More than half (59.2 percent) of all banks grew their loan and lease balances from the third quarter. Almost all of the major loan categories registered quarterly increases, except for the C&I loan portfolio which registered the first quarterly decline since fourth quarter 2016 (down $11 billion, or 0.5 percent). Quarterly growth among major loan categories was led by consumer loans (up $58.2 billion, or 3.3 percent), nonfarm nonresidential loans (up $21.6 billion, or 1.4 percent), and residential mortgage loans (up $19.1 billion, or 0.9 percent).[3] Over the past year, total loan and lease balances rose by $366.3 billion (3.6 percent), slightly below the annual growth rate reported in third quarter 2019. The slowdown in annual growth of total loan and lease balances was led by the C&I loan portfolio, which expanded at its slowest rate since 2010 (1.9 percent).

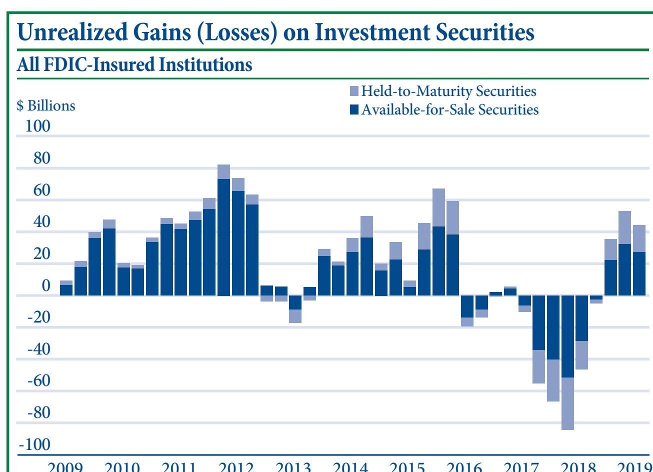
[3] Consumer loans include credit card balances.

Chart 5



Source: FDIC.
Note: Loan-loss reserves to noncurrent loans and leases.

Chart 6



Source: FDIC.

Deposits Rise 1.8 Percent From the Previous Quarter	Total deposit balances increased by $258.4 billion (1.8 percent) from the previous quarter, as interest-bearing accounts rose by $216.3 billion (2.2 percent) and noninterest-bearing accounts grew by $22.6 billion (0.7 percent). Deposits held in foreign offices increased by $19.5 billion (1.5 percent). Nondeposit liabilities, which include fed funds purchased, repurchase agreements, Federal Home Loan Bank (FHLB) advances, and secured and unsecured borrowings, fell by $69 billion (5 percent) from the previous quarter. The change in nondeposit liabilities was led by a decline in securities sold under agreements to repurchase (down $30 billion, or 13.3 percent), the largest quarterly dollar decline since fourth quarter 2013. FHLB advances were lower by $16.3 billion (3.3 percent).
Equity Capital Increases From Third Quarter 2019	Equity capital rose by $12.8 billion (0.6 percent) from third quarter 2019. Fourth quarter 2019 declared dividends of $49.1 billion were below quarterly net income of $55.2 billion. Common equity tier 1 ratio increased by 5 basis points from a year ago to 13.21 percent. Fourteen insured institutions with $1.8 billion in total assets were below the requirements for the well-capitalized category as defined for Prompt Corrective Action purposes.
Three New Banks Are Added in Fourth Quarter 2019	The number of FDIC-insured commercial banks and savings institutions declined from 5,258 to 5,177 during fourth quarter 2019. Three new banks were added, 77 institutions were absorbed by mergers, and three banks failed. For full-year 2019, 13 new banks were added, 226 institutions were absorbed by mergers, and four banks failed. The number of institutions on the FDIC's "Problem Bank List" fell from 55 at the end of third quarter to 51 at the end of fourth quarter, the lowest level since fourth quarter 2006. Aggregate total assets of problem banks declined from $48.8 billion in third quarter 2019 to $46.2 billion in fourth quarter 2019.

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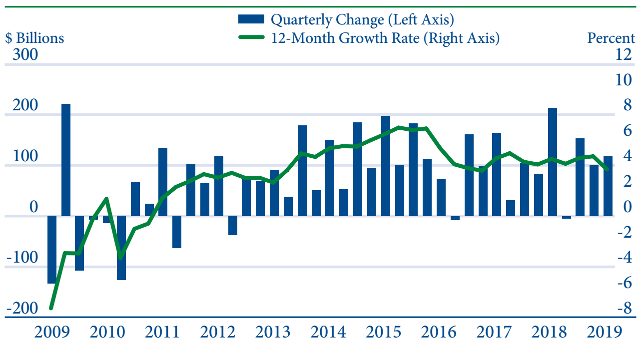
Chart 7

Quarterly Change in Loan Balances

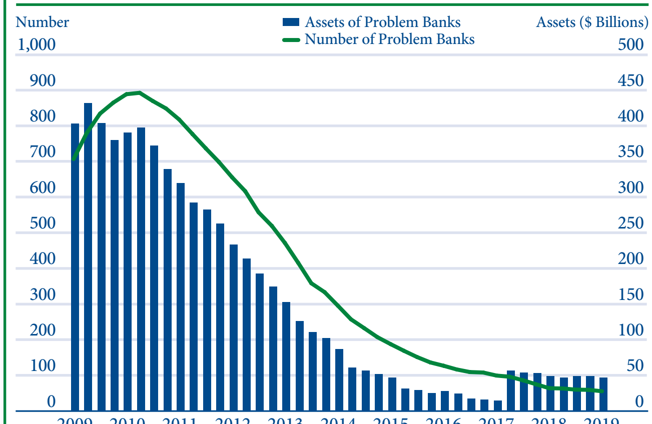
All FDIC-Insured Institutions



Source: FDIC.
Note: FASB Statements 166 and 167 resulted in the consolidation of large amounts of securitized loan balances back onto banks' balance sheets in the first quarter of 2010. Although the total amount consolidated cannot be precisely quantified, the industry would have reported a decline in loan balances for the quarter absent this change in accounting standards.

Chart 8

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



Source: FDIC.

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

	2019	2018	2017	2016	2015	2014	2013
Return on assets (%)	1.29	1.35	0.97	1.04	1.04	1.01	1.07
Return on equity (%)	11.40	11.98	8.60	9.27	9.29	9.01	9.54
Core capital (leverage) ratio (%)	9.66	9.70	9.63	9.48	9.59	9.44	9.40
Noncurrent assets plus other real estate owned to assets (%)	0.55	0.60	0.73	0.86	0.97	1.20	1.63
Net charge-offs to loans (%)	0.52	0.48	0.50	0.47	0.44	0.49	0.69
Asset growth rate (%)	3.91	3.03	3.79	5.09	2.66	5.59	1.94
Net interest margin (%)	3.36	3.40	3.25	3.13	3.08	3.14	3.26
Net operating income growth (%)	-2.98	45.45	-3.27	4.43	7.11	-0.73	12.82
Number of institutions reporting	5,177	5,406	5,670	5,913	6,182	6,509	6,812
Commercial banks	4,518	4,715	4,918	5,112	5,338	5,607	5,847
Savings institutions	659	691	752	801	844	902	965
Percentage of unprofitable institutions (%)	3.59	3.44	5.61	4.48	4.82	6.27	8.16
Number of problem institutions	51	60	95	123	183	291	467
Assets of problem institutions (in billions)	$46	$48	$14	$28	$47	$87	$153
Number of failed institutions	4	0	8	5	8	18	24

* Excludes insured branches of foreign banks (IBAs).

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

(dollar figures in millions)	4th Quarter 2019	3nd Quarter 2019	4th Quarter 2018	%Change 18Q4-19Q4
Number of institutions reporting	5,177	5,258	5,406	-4.2
Total employees (full-time equivalent)	2,063,257	2,065,842	2,067,089	-0.2
CONDITION DATA				
Total assets	$18,645,348	$18,481,901	$17,942,994	3.9
Loans secured by real estate	5,045,856	5,003,283	4,887,045	3.2
1-4 Family residential mortgages	2,201,749	2,182,690	2,119,376	3.9
Nonfarm nonresidential	1,513,612	1,492,037	1,444,458	4.8
Construction and development	361,404	359,950	350,298	3.2
Home equity lines	342,032	349,843	375,640	-8.9
Commercial & industrial loans	2,205,006	2,215,961	2,164,564	1.9
Loans to individuals	1,837,510	1,779,329	1,742,813	5.4
Credit cards	941,557	892,881	903,492	4.2
Farm loans	78,735	80,291	82,339	-4.4
Other loans & leases	1,353,432	1,323,708	1,277,564	5.9
Less: Unearned income	2,337	2,275	2,383	-1.9
Total loans & leases	10,518,202	10,400,297	10,151,942	3.6
Less: Reserve for losses	123,889	125,171	124,744	-0.7
Net loans and leases	10,394,313	10,275,126	10,027,198	3.7
Securities	3,981,634	3,936,158	3,723,069	6.9
Other real estate owned	5,710	6,190	6,687	-14.6
Goodwill and other intangibles	408,786	394,040	398,759	2.5
All other assets	3,854,905	3,870,387	3,787,281	1.8
Total liabilities and capital	18,645,348	18,481,901	17,942,994	3.9
Deposits	14,535,283	14,276,885	13,866,200	4.8
Domestic office deposits	13,219,968	12,981,035	12,612,875	4.8
Foreign office deposits	1,315,315	1,295,850	1,253,325	4.9
Other borrowed funds	1,373,967	1,460,250	1,476,088	-6.9
Subordinated debt	69,952	69,335	68,677	1.9
All other liabilities	552,159	574,042	509,426	8.4
Total equity capital (includes minority interests)	2,113,987	2,101,389	2,022,604	4.5
Bank equity capital	2,111,105	2,098,271	2,019,132	4.6
Loans and leases 30-89 days past due	67,991	63,972	65,400	4.0
Noncurrent loans and leases	95,498	95,544	100,283	-4.8
Restructured loans and leases	48,263	51,023	55,746	-13.4
Mortgage-backed securities	2,393,831	2,369,451	2,187,127	9.5
Earning assets	16,870,961	16,686,790	16,255,691	3.8
FHLB Advances	482,459	498,766	571,406	-15.6
Unused loan commitments	8,225,549	8,133,370	7,819,727	5.2
Trust assets	21,562,508	20,762,219	19,297,485	11.7
Assets securitized and sold	568,015	539,466	604,698	-6.1
Notional amount of derivatives	173,052,408	203,562,336	178,089,382	-2.8

INCOME DATA	Full Year 2019	Full Year 2018	%Change	4th Quarter 2019	4th Quarter 2018	%Change 18Q4-19Q4
Total interest income	$705,480	$661,060	6.7	$173,629	$176,912	-1.9
Total interest expense	158,740	119,799	32.5	36,877	36,733	0.4
Net interest income	546,740	541,261	1.0	136,752	140,178	-2.4
Provision for loan and lease losses	55,012	50,033	10.0	14,841	14,062	5.5
Total noninterest income	264,425	266,084	-0.6	66,036	64,401	2.5
Total noninterest expense	465,938	459,315	1.4	121,490	117,772	3.2
Securities gains (losses)	3,973	328	1,111.3	2,894	-230	N/M
Applicable income taxes	60,976	61,003	0.0	14,054	13,062	7.6
Extraordinary gains, net*	165	-267	N/M	-2	-40	N/M
Total net income (includes minority interests)	233,376	237,054	-1.6	55,296	59,413	-6.9
Bank net income	233,140	236,766	-1.5	55,245	59,344	-6.9
Net charge-offs	52,116	47,504	9.7	13,929	12,617	10.4
Cash dividends	182,331	164,769	10.7	49,146	52,792	-6.9
Retained earnings	50,809	71,997	-29.4	6,098	6,553	-6.9
Net operating income	230,005	237,076	-3.0	52,980	59,656	-11.2

* See Notes to Users for explanation.

N/M - Not Meaningful

TABLE III-A. Full Year 2019, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FULL YEAR (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	5,177	12	6	1,291	2,732	393	58	210	428	47
Commercial banks	4,518	11	6	1,278	2,459	114	38	193	377	42
Savings institutions	659	1	0	13	273	279	20	17	51	5
Total assets (in billions)	$18,645.3	$530.8	$4,494.0	$283.6	$6,723.0	$392.7	$230.6	$38.3	$76.3	$5,876.2
Commercial banks	17,491.5	439.5	4,494.0	278.2	6,312.8	116.0	121.3	34.9	64.8	5,630.1
Savings institutions	1,153.9	91.3	0.0	5.4	410.2	276.7	109.3	3.4	11.5	246.1
Total deposits (in billions)	14,535.3	358.6	3,305.0	236.3	5,291.6	306.3	191.8	29.9	64.2	4,751.8
Commercial banks	13,614.2	290.0	3,305.0	233.1	4,984.2	90.5	99.4	27.7	55.1	4,529.3
Savings institutions	921.0	68.6	0.0	3.2	307.4	215.8	92.4	2.2	9.1	222.4
Bank net income (in millions)	233,140	17,099	55,353	3,681	74,526	4,618	2,761	1,304	876	72,925
Commercial banks	217,833	13,871	55,353	3,528	70,775	1,918	1,953	588	765	69,084
Savings institutions	15,307	3,228	0	153	3,751	2,700	808	716	110	3,841
Performance Ratios (%)										
Yield on earning assets	4.33	12.96	3.77	4.78	4.43	3.77	5.19	3.48	4.34	3.80
Cost of funding earning assets	0.97	2.26	0.98	0.96	0.97	0.94	1.00	0.60	0.68	0.85
Net interest margin	3.36	10.70	2.78	3.82	3.46	2.84	4.19	2.88	3.66	2.95
Noninterest income to assets	1.47	4.49	1.82	0.66	1.06	1.40	1.31	7.02	1.02	1.38
Noninterest expense to assets	2.58	7.11	2.45	2.58	2.56	2.54	3.11	5.41	3.06	2.27
Loan and lease loss provision to assets	0.31	3.40	0.28	0.17	0.17	0.02	0.62	0.05	0.09	0.21
Net operating income to assets	1.28	3.26	1.21	1.31	1.17	1.20	1.20	3.43	1.13	1.26
Pretax return on assets	1.63	4.21	1.57	1.51	1.49	1.56	1.68	4.36	1.32	1.60
Return on assets	1.29	3.27	1.23	1.34	1.18	1.21	1.26	3.56	1.17	1.27
Return on equity	11.40	26.21	11.95	11.40	9.74	11.02	11.78	19.52	9.28	11.44
Net charge-offs to loans and leases	0.52	4.15	0.72	0.17	0.20	0.03	0.82	0.17	0.13	0.39
Loan and lease loss provision to net charge-offs	105.56	100.35	101.67	140.51	121.39	98.91	109.50	108.05	124.75	103.85
Efficiency ratio	56.63	47.85	57.02	60.61	59.44	61.59	57.10	55.86	68.86	55.31
% of unprofitable institutions	3.59	0.00	0.00	2.25	3.33	7.63	3.45	10.48	2.80	0.00
% of institutions with earnings gains	64.34	58.33	50.00	62.04	68.34	52.16	68.97	55.71	61.92	55.32
Condition Ratios (%)										
Earning assets to total assets	90.48	95.86	87.86	93.17	90.68	95.05	96.99	92.99	93.14	91.04
Loss allowance to:										
Loans and leases	1.18	4.46	1.42	1.40	0.92	0.60	1.07	1.51	1.24	1.00
Noncurrent loans and leases	129.73	267.58	178.94	135.53	117.54	30.74	154.59	106.18	142.98	101.42
Noncurrent assets plus other real estate owned to assets	0.55	1.39	0.33	0.80	0.61	1.18	0.48	0.46	0.63	0.52
Equity capital ratio	11.32	12.81	10.21	11.85	12.27	10.95	10.46	18.48	12.80	10.93
Core capital (leverage) ratio	9.66	12.51	8.69	11.29	10.34	10.63	10.61	17.92	12.48	9.11
Common equity tier 1 capital ratio	13.21	14.43	13.78	14.96	12.24	21.43	17.56	40.87	21.04	13.15
Tier 1 risk-based capital ratio	13.29	14.57	13.86	14.97	12.32	21.44	17.82	40.88	21.07	13.21
Total risk-based capital ratio	14.63	16.47	15.45	16.08	13.52	22.14	18.83	41.68	22.13	14.56
Net loans and leases to deposits	71.51	117.49	51.36	80.05	88.63	73.89	80.56	33.10	67.94	62.34
Net loans to total assets	55.75	79.37	37.77	66.71	69.76	57.63	67.00	25.82	57.16	50.41
Domestic deposits to total assets	70.90	66.56	49.19	83.33	78.36	77.72	83.16	78.00	84.13	77.60
Structural Changes										
New reporters	13	0	0	0	1	0	0	11	1	0
Institutions absorbed by mergers	226	0	1	45	165	2	1	2	7	3
Failed institutions	4	0	0	1	3	0	0	0	0	0
PRIOR FULL YEARS (The way it was...)										
Number of institutions 2018	5,406	12	5	1,346	2,866	401	69	227	431	49
2016	5,913	13	5	1,429	3,025	462	65	300	549	65
2014	6,509	15	3	1,515	3,222	553	52	374	708	67
Total assets (in billions) 2018	$17,943.0	$651.7	$4,285.9	$286.8	$6,373.8	$346.0	$218.3	$36.7	$75.9	$5,667.9
2016	16,779.7	519.0	4,052.7	284.9	5,628.2	331.5	256.0	51.1	97.5	5,558.8
2014	15,553.7	484.2	3,735.6	273.5	4,878.5	439.6	175.9	61.9	129.1	5,375.5
Return on assets (%) 2018	1.35	2.96	1.17	1.32	1.26	1.13	1.42	2.94	1.12	1.40
2016	1.04	2.27	0.93	1.21	0.97	0.98	0.96	2.85	0.92	1.06
2014	1.01	3.22	0.72	1.17	0.94	0.96	1.05	2.20	0.86	1.06
Net charge-offs to loans & leases (%) 2018	0.48	3.87	0.50	0.15	0.18	0.02	0.76	1.41	0.17	0.37
2016	0.47	3.34	0.55	0.15	0.22	0.07	0.56	0.22	0.17	0.41
2014	0.49	2.81	0.73	0.13	0.24	0.21	0.62	0.34	0.25	0.41
Noncurrent assets plus OREO to assets (%) 2018	0.60	1.26	0.39	0.83	0.63	1.28	0.49	0.43	0.73	0.62
2016	0.86	1.14	0.61	0.77	0.87	1.97	0.70	0.63	0.94	0.96
2014	1.20	0.88	0.85	0.83	1.17	2.19	1.19	0.73	1.39	1.43
Equity capital ratio (%) 2018	11.25	15.29	9.88	11.34	11.94	11.08	10.51	16.74	12.31	11.04
2016	11.10	14.84	9.97	11.30	11.81	11.26	10.04	15.23	11.41	10.85
2014	11.15	15.13	9.45	11.42	11.97	12.07	9.88	14.78	11.81	11.11

* See Table V-A (page 10) for explanations.

TABLE III-A. Full Year 2019, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	5,177	1,155	3,226	656	130	10	625	587	1,118	1,330	1,138	379
Commercial banks	4,518	1,022	2,832	539	115	10	328	534	959	1,286	1,068	343
Savings institutions	659	133	394	117	15	0	297	53	159	44	70	36
Total assets (in billions)	$18,645.3	$68.5	$1,088.0	$1,754.0	$6,071.6	$9,663.4	$3,407.8	$3,847.5	$4,235.2	$3,796.7	$1,204.6	$2,153.7
Commercial banks	17,491.5	60.7	937.5	1,437.3	5,392.6	9,663.4	3,034.4	3,745.8	4,129.3	3,750.4	1,049.7	1,781.8
Savings institutions	1,153.9	7.7	150.5	316.6	679.0	0.0	373.4	101.7	105.9	46.2	154.8	371.9
Total deposits (in billions)	14,535.3	56.6	907.4	1,415.8	4,732.6	7,422.9	2,662.0	3,048.9	3,149.2	2,978.7	974.1	1,722.5
Commercial banks	13,614.2	50.9	788.0	1,171.0	4,181.4	7,422.9	2,379.1	2,970.5	3,073.5	2,942.7	851.5	1,397.1
Savings institutions	921.0	5.7	119.4	244.8	551.2	0.0	282.9	78.4	75.7	36.0	122.6	325.4
Bank net income (in millions)	233,140	685	13,673	21,863	79,303	117,616	36,085	46,006	56,272	44,752	15,441	34,585
Commercial banks	217,833	594	11,718	18,751	69,155	117,616	32,878	45,187	54,582	44,264	14,030	26,892
Savings institutions	15,307	91	1,955	3,113	10,148	0	3,207	819	1,690	487	1,410	7,693
Performance Ratios (%)												
Yield on earning assets	4.33	4.59	4.72	4.71	4.82	3.89	4.28	4.35	3.87	4.31	4.72	5.09
Cost of funding earning assets	0.97	0.75	0.91	0.98	1.11	0.89	1.16	0.86	0.87	1.02	0.86	1.05
Net interest margin	3.36	3.83	3.81	3.72	3.71	3.00	3.12	3.49	2.99	3.29	3.86	4.03
Noninterest income to assets	1.47	1.42	1.27	1.15	1.44	1.56	1.30	1.35	1.84	1.25	1.28	1.66
Noninterest expense to assets	2.58	3.69	3.21	2.81	2.65	2.42	2.45	2.51	2.62	2.48	3.02	2.79
Loan and lease loss provision to assets	0.31	0.16	0.15	0.18	0.45	0.25	0.30	0.34	0.22	0.30	0.19	0.51
Net operating income to assets	1.28	0.98	1.26	1.27	1.34	1.24	1.08	1.28	1.33	1.17	1.32	1.64
Pretax return on assets	1.63	1.17	1.51	1.63	1.75	1.58	1.38	1.63	1.68	1.49	1.62	2.18
Return on assets	1.29	1.02	1.30	1.30	1.35	1.26	1.10	1.29	1.34	1.20	1.34	1.66
Return on equity	11.40	7.15	10.93	10.89	11.35	11.63	9.16	10.58	12.23	11.67	11.10	14.81
Net charge-offs to loans and leases	0.52	0.21	0.14	0.21	0.70	0.51	0.48	0.58	0.42	0.53	0.24	0.78
Loan and lease loss provision to net charge-offs	105.56	129.25	152.10	124.97	104.88	102.08	110.86	102.49	103.29	104.85	118.53	104.90
Efficiency ratio	56.63	74.10	66.34	60.62	53.28	56.86	58.98	55.19	57.73	58.15	61.96	49.35
% of unprofitable institutions	3.59	9.09	2.36	0.61	0.77	0.00	4.48	5.11	3.94	2.56	2.64	5.28
% of institutions with earnings gains	64.34	55.24	66.06	71.34	68.46	50.00	60.32	65.08	66.64	61.65	65.55	68.87
Condition Ratios (%)												
Earning assets to total assets	90.48	92.57	93.32	92.55	91.55	89.10	90.45	89.50	89.19	90.62	91.49	94.04
Loss allowance to:												
Loans and leases	1.18	1.40	1.23	1.06	1.23	1.15	1.13	1.08	1.19	1.25	1.00	1.39
Noncurrent loans and leases	129.73	110.51	151.44	151.83	127.12	124.72	132.57	116.77	140.90	114.33	88.47	212.45
Noncurrent assets plus other real estate owned to assets	0.55	0.94	0.70	0.57	0.63	0.48	0.51	0.57	0.49	0.61	0.84	0.42
Equity capital ratio	11.32	14.29	12.01	12.04	11.86	10.76	11.84	12.23	10.89	10.24	12.17	11.15
Core capital (leverage) ratio	9.66	13.94	11.63	10.98	10.12	8.87	10.02	9.92	9.18	9.08	10.42	10.22
Common equity tier 1 capital ratio	13.21	22.47	16.08	14.17	13.07	12.71	13.50	12.81	13.11	12.81	13.32	14.35
Tier 1 risk-based capital ratio	13.29	22.48	16.10	14.19	13.24	12.74	13.54	12.91	13.15	12.89	13.43	14.47
Total risk-based capital ratio	14.63	23.54	17.16	15.12	14.51	14.25	14.86	14.06	14.46	14.74	14.45	15.55
Net loans and leases to deposits	71.51	70.84	81.31	87.31	78.12	63.09	71.34	72.20	68.35	67.86	81.35	77.09
Net loans to total assets	55.75	58.55	67.81	70.47	60.89	48.47	55.73	57.22	50.82	53.24	65.78	61.65
Domestic deposits to total assets	70.9	82.65	83.4	80.46	75.16	65	72.19	76.64	65	62.67	80.82	79.18
Structural Changes												
New reporters	13	12	1	0	0	0	4	4	2	0	2	1
Institutions absorbed by mergers	226	59	130	29	8	0	34	32	46	51	47	16
Failed institutions	4	3	1	0	0	0	1	0	2	0	1	0
PRIOR FULL YEARS (The way it was...)												
Number of institutions 2018	5,406	1,278	3,353	638	128	9	659	626	1,163	1,379	1,182	397
2016	5,913	1,541	3,637	621	105	9	724	720	1,271	1,485	1,268	445
2014	6,509	1,871	3,957	574	98	9	807	812	1,406	1,599	1,372	513
Total assets (in billions) 2018	$17,943.0	$75.9	$1,108.6	$1,734.8	$6,202.3	$8,821.4	$3,362.0	$3,677.0	$4,042.6	$3,670.8	$1,133.1	$2,057.6
2016	16,779.7	91.5	1,173.9	1,761.8	5,305.7	8,446.9	3,096.4	3,507.3	3,784.3	3,633.9	1,010.7	1,747.0
2014	15,553.7	109.7	1,232.1	1,576.4	4,534.2	8,101.3	2,956.4	3,217.9	3,595.8	3,404.0	904.4	1,475.2
Return on assets (%) 2018	1.35	1.01	1.23	1.33	1.46	1.29	1.22	1.44	1.26	1.25	1.40	1.74
2016	1.04	0.89	1.08	1.01	1.07	1.03	0.87	1.02	1.00	1.09	1.02	1.40
2014	1.01	0.79	1.00	1.09	1.09	0.95	0.83	1.00	0.88	1.07	1.14	1.49
Net charge-offs to loans & leases (%) 2018	0.48	0.18	0.16	0.20	0.70	0.43	0.59	0.55	0.23	0.50	0.24	0.73
2016	0.47	0.21	0.14	0.25	0.64	0.47	0.52	0.54	0.27	0.53	0.31	0.58
2014	0.49	0.23	0.23	0.27	0.60	0.54	0.55	0.54	0.36	0.60	0.23	0.47
Noncurrent assets plus OREO to assets (%) 2018	0.60	0.97	0.73	0.64	0.62	0.57	0.58	0.65	0.54	0.68	0.76	0.44
2016	0.86	1.10	0.96	0.84	0.78	0.90	0.70	1.03	0.79	1.00	1.06	0.53
2014	1.20	1.45	1.38	1.41	0.83	1.32	0.89	1.55	1.11	1.46	1.18	0.65
Equity capital ratio (%) 2018	11.25	13.57	11.50	11.91	12.08	10.49	12.53	12.07	10.35	10.23	11.81	11.02
2016	11.10	12.70	11.14	11.55	11.87	10.50	12.11	12.05	10.32	9.87	10.92	11.79
2014	11.15	12.28	11.20	11.90	12.39	10.28	11.81	12.45	9.80	10.20	11.06	12.47

* See Table V-A (page 11) for explanations.

TABLE IV-A. Fourth Quarter 2019, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FOURTH 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	5,177	12	6	1,291	2,732	393	58	210	428	47
Commercial banks	4,518	11	6	1,278	2,459	114	38	193	377	42
Savings institutions	659	1	0	13	273	279	20	17	51	5
Total assets (in billions)	$18,645.3	$530.8	$4,494.0	$283.6	$6,723.0	$392.7	$230.6	$38.3	$76.3	$5,876.2
Commercial banks	17,491.5	439.5	4,494.0	278.2	6,312.8	116.0	121.3	34.9	64.8	5,630.1
Savings institutions	1,153.9	91.3	0.0	5.4	410.2	276.7	109.3	3.4	11.5	246.1
Total deposits (in billions)	14,535.3	358.6	3,305.0	236.3	5,291.6	306.3	191.8	29.9	64.2	4,751.8
Commercial banks	13,614.2	290.0	3,305.0	233.1	4,984.2	90.5	99.4	27.7	55.1	4,529.3
Savings institutions	921.0	68.6	0.0	3.2	307.4	215.8	92.4	2.2	9.1	222.4
Bank net income (in millions)	55,245	4,177	13,492	895	18,526	1,190	420	423	204	15,919
Commercial banks	51,705	3,496	13,492	846	17,593	447	482	208	178	14,964
Savings institutions	3,540	681	0	49	933	744	-63	216	25	955
Performance Ratios (annualized, %)										
Yield on earning assets	4.17	12.89	3.61	4.76	4.29	3.65	5.03	3.34	4.30	3.60
Cost of funding earning assets	0.89	2.11	0.85	0.96	0.91	0.90	0.98	0.59	0.69	0.77
Net interest margin	3.28	10.78	2.76	3.80	3.38	2.75	4.05	2.75	3.62	2.83
Noninterest income to assets	1.43	4.70	1.81	0.70	1.09	1.48	1.20	7.84	1.05	1.23
Noninterest expense to assets	2.64	7.24	2.46	2.67	2.58	2.59	3.43	5.00	3.17	2.37
Loan and lease loss provision to assets	0.32	3.74	0.29	0.17	0.18	0.02	0.65	0.02	0.12	0.22
Net operating income to assets	1.15	3.17	1.16	1.25	1.13	1.18	0.73	4.32	1.02	0.98
Pretax return on assets	1.50	4.04	1.52	1.43	1.40	1.54	1.03	5.55	1.20	1.37
Return on assets	1.20	3.17	1.20	1.27	1.13	1.22	0.74	4.49	1.07	1.09
Return on equity	10.58	24.87	11.76	10.70	9.24	11.12	6.91	24.22	8.35	9.91
Net charge-offs to loans and leases	0.54	4.07	0.75	0.23	0.23	0.05	0.87	0.34	0.17	0.42
Loan and lease loss provision to net charge-offs	106.55	111.03	102.44	107.79	110.53	65.49	108.07	17.20	114.36	101.40
Efficiency ratio	59.15	47.75	57.73	62.44	60.64	62.84	66.36	48.02	71.63	61.80
% of unprofitable institutions	7.24	0.00	0.00	6.89	5.67	13.23	8.62	16.19	9.11	2.13
% of institutions with earnings gains	54.45	58.33	66.67	51.82	57.91	45.29	60.34	45.24	52.57	51.06
Structural Changes										
New reporters	3	0	0	0	0	0	0	3	0	0
Institutions absorbed by mergers	77	0	0	14	56	1	0	1	3	2
Failed institutions	3	0	0	0	3	0	0	0	0	0
PRIOR FOURTH QUARTERS (The way it was...)										
Return on assets (%) 2018	1.33	3.36	1.03	1.22	1.26	1.12	1.32	3.96	1.11	1.42
2016	1.03	2.20	1.03	1.08	0.91	1.00	0.80	3.22	0.83	1.03
2014	0.95	3.08	0.46	1.09	0.98	0.91	0.93	2.48	0.79	1.05
Net charge-offs to loans & leases (%) 2018	0.50	3.85	0.49	0.21	0.21	0.06	0.80	0.25	0.22	0.39
2016	0.52	3.76	0.61	0.25	0.27	0.06	0.60	0.33	0.23	0.42
2014	0.48	2.74	0.73	0.20	0.25	0.12	0.64	0.50	0.32	0.38

* See Table V-A (page 10) for explanations.

TABLE IV-A. Fourth Quarter 2019, All FDIC-Insured Institutions

		Asset Size Distribution					Geographic Regions*					
FOURTH QUARTER (The way it is…)	**All Insured Institutions**	**Less Than $100 Million**	**$100 Million to $1 Billion**	**$1 Billion to $10 Billion**	**$10 Billion to $250 Billion**	**Greater Than $250 Billion**	**New York**	**Atlanta**	**Chicago**	**Kansas City**	**Dallas**	**San Francisco**
Number of institutions reporting	5,177	1,155	3,226	656	130	10	625	587	1,118	1,330	1,138	379
Commercial banks	4,518	1,022	2,832	539	115	10	328	534	959	1,286	1,068	343
Savings institutions	659	133	394	117	15	0	297	53	159	44	70	36
Total assets (in billions)	$18,645.3	$68.5	$1,088.0	$1,754.0	$6,071.6	$9,663.4	$3,407.8	$3,847.5	$4,235.2	$3,796.7	$1,204.6	$2,153.7
Commercial banks	17,491.5	60.7	937.5	1,437.3	5,392.6	9,663.4	3,034.4	3,745.8	4,129.3	3,750.4	1,049.7	1,781.8
Savings institutions	1,153.9	7.7	150.5	316.6	679.0	0.0	373.4	101.7	105.9	46.2	154.8	371.9
Total deposits (in billions)	14,535.3	56.6	907.4	1,415.8	4,732.6	7,422.9	2,662.0	3,048.9	3,149.2	2,978.7	974.1	1,722.5
Commercial banks	13,614.2	50.9	788.0	1,171.0	4,181.4	7,422.9	2,379.1	2,970.5	3,073.5	2,942.7	851.5	1,397.1
Savings institutions	921.0	5.7	119.4	244.8	551.2	0.0	282.9	78.4	75.7	36.0	122.6	325.4
Bank net income (in millions)	55,245	149	3,377	5,550	19,711	26,458	8,782	10,640	13,594	9,645	3,533	9,050
Commercial banks	51,705	129	2,863	4,715	17,540	26,458	7,967	10,421	13,130	9,545	3,402	7,239
Savings institutions	3,540	20	514	835	2,171	0	815	219	464	100	131	1,811
Performance Ratios (annualized, %)												
Yield on earning assets	4.17	4.60	4.68	4.61	4.65	3.71	4.10	4.16	3.73	4.14	4.59	4.93
Cost of funding earning assets	0.89	0.78	0.91	0.94	1.02	0.79	1.05	0.78	0.78	0.93	0.82	0.97
Net interest margin	3.28	3.81	3.77	3.67	3.64	2.92	3.04	3.39	2.95	3.22	3.77	3.96
Noninterest income to assets	1.43	1.47	1.36	1.20	1.50	1.44	1.32	1.13	1.88	1.20	1.27	1.75
Noninterest expense to assets	2.64	3.91	3.29	2.84	2.68	2.49	2.50	2.57	2.66	2.60	3.11	2.74
Loan and lease loss provision to assets	0.32	0.15	0.18	0.19	0.48	0.27	0.32	0.35	0.23	0.30	0.19	0.55
Net operating income to assets	1.15	0.80	1.22	1.26	1.30	1.03	1.03	0.97	1.27	0.98	1.18	1.69
Pretax return on assets	1.50	1.01	1.44	1.59	1.67	1.40	1.27	1.46	1.63	1.26	1.42	2.19
Return on assets	1.20	0.87	1.25	1.28	1.31	1.11	1.04	1.15	1.28	1.02	1.19	1.70
Return on equity	10.58	6.06	10.40	10.63	10.98	10.36	8.74	9.40	11.79	9.93	9.76	15.11
Net charge-offs to loans and leases	0.54	0.25	0.23	0.22	0.70	0.54	0.50	0.60	0.45	0.56	0.27	0.77
Loan and lease loss provision to net charge-offs	106.55	104.33	115.16	118.15	109.99	101.13	112.50	103.18	102.18	102.27	106.60	113.96
Efficiency ratio	59.15	77.90	67.18	61.32	54.33	61.07	60.64	59.91	58.65	62.59	65.16	49.69
% of unprofitable institutions	7.24	17.32	5.11	1.07	2.31	0.00	7.36	10.73	6.98	6.32	6.77	7.12
% of institutions with earnings gains	54.45	48.14	54.87	64.48	51.54	30.00	51.20	55.88	55.10	56.02	54.22	50.92
Structural Changes												
New reporters	3	3	0	0	0	0	1	1	0	0	1	0
Institutions absorbed by mergers	77	23	45	7	2	0	10	12	15	13	21	6
Failed institutions	3	2	1	0	0	0	1	0	2	0	0	0
PRIOR FOURTH QUARTERS (The way it was…)												
Return on assets (%) 2018	1.33	0.87	1.24	1.32	1.49	1.24	1.25	1.45	1.19	1.19	1.34	1.81
2016	1.03	0.69	1.04	0.86	1.05	1.05	0.87	0.99	1.07	1.08	0.79	1.33
2014	0.95	0.67	1.00	1.08	1.11	0.82	0.79	1.01	0.84	0.86	1.11	1.46
Net charge-offs to loans & leases (%) 2018	0.50	0.25	0.19	0.21	0.73	0.44	0.58	0.58	0.24	0.51	0.30	0.78
2016	0.52	0.36	0.23	0.35	0.71	0.49	0.61	0.58	0.30	0.59	0.33	0.67
2014	0.48	0.29	0.32	0.25	0.58	0.52	0.51	0.50	0.38	0.61	0.28	0.44

* See Table V-A (page 11) for explanations.

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

		Asset Concentration Groups*								
December 31, 2019	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
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.57	0.69	0.60	0.72	0.45	0.86	0.46	1.17	1.15	0.77
Construction and development	0.38	5.23	0.10	0.61	0.36	0.90	0.42	1.30	0.75	0.44
Nonfarm nonresidential	0.24	0.00	0.43	0.61	0.22	0.31	0.55	0.50	0.84	0.24
Multifamily residential real estate	0.14	6.00	0.15	0.55	0.11	0.20	0.30	0.11	0.25	0.23
Home equity loans	0.61	0.00	0.95	0.42	0.54	0.41	0.44	0.44	0.69	0.63
Other 1-4 family residential	0.92	0.30	0.80	1.20	0.84	0.98	0.45	1.82	1.43	1.05
Commercial and industrial loans	0.32	0.81	0.38	0.85	0.32	0.62	0.26	0.80	1.34	0.24
Loans to individuals	1.53	1.68	1.02	1.27	1.61	1.18	0.94	1.78	1.67	1.88
Credit card loans	1.38	1.71	1.05	1.46	1.45	0.90	0.78	2.77	1.18	1.32
Other loans to individuals	1.68	1.19	0.91	1.25	1.62	1.21	0.98	1.70	1.68	2.24
All other loans and leases (including farm)	0.29	1.82	0.35	0.77	0.29	0.41	0.09	0.59	0.57	0.20
Total loans and leases	0.65	1.60	0.60	0.76	0.50	0.83	0.79	1.17	1.18	0.73
Percent of Loans Noncurrent**										
All real estate loans	1.12	0.98	1.22	1.00	0.80	2.16	1.43	1.52	0.93	1.69
Construction and development	0.44	0.52	0.63	0.47	0.43	0.46	1.41	0.98	0.75	0.36
Nonfarm nonresidential	0.51	39.32	0.27	0.85	0.49	0.42	1.26	1.41	1.00	0.61
Multifamily residential real estate	0.11	0.00	0.04	0.47	0.12	0.59	0.06	1.00	0.58	0.06
Home equity loans	1.71	0.00	3.79	0.35	1.07	0.95	1.94	0.26	0.43	2.21
Other 1-4 family residential	1.77	0.54	1.57	0.88	1.40	2.56	1.41	1.79	0.95	2.22
Commercial and industrial loans	0.79	0.71	0.82	1.31	0.88	0.63	0.16	1.32	0.84	0.64
Loans to individuals	1.02	1.77	0.95	0.51	0.80	0.45	0.52	1.32	0.53	0.78
Credit card loans	1.47	1.84	1.14	0.59	1.29	0.71	1.33	1.22	0.50	1.31
Other loans to individuals	0.55	0.53	0.27	0.51	0.77	0.42	0.34	1.33	0.53	0.43
All other loans and leases (including farm)	0.18	0.00	0.06	1.07	0.32	0.49	0.10	0.58	0.53	0.10
Total loans and leases	0.91	1.67	0.79	1.04	0.78	1.97	0.69	1.42	0.87	0.99
Percent of Loans Charged-Off (net, YTD)										
All real estate loans	0.01	0.04	0.00	0.06	0.02	-0.01	-0.03	0.05	0.04	-0.03
Construction and development	-0.01	0.22	0.02	0.04	-0.01	-0.01	-0.02	0.08	0.03	-0.03
Nonfarm nonresidential	0.04	0.00	0.04	0.08	0.04	0.01	0.05	0.01	0.06	0.04
Multifamily residential real estate	0.00	0.00	0.00	0.04	0.00	0.01	0.00	0.62	-0.02	0.00
Home equity loans	-0.07	0.00	-0.08	0.06	0.04	-0.21	-0.06	0.04	0.06	-0.24
Other 1-4 family residential	0.00	0.03	0.00	0.05	0.01	0.00	-0.03	0.04	0.05	-0.02
Commercial and industrial loans	0.36	2.31	0.38	0.45	0.35	0.19	0.43	0.52	0.24	0.27
Loans to individuals	2.42	4.35	2.77	0.64	1.20	1.11	1.11	0.52	0.58	1.84
Credit card loans	3.82	4.47	3.39	2.89	4.26	2.09	2.92	2.14	1.69	3.30
Other loans to individuals	0.93	2.49	0.65	0.42	0.98	1.04	0.69	0.39	0.56	0.93
All other loans and leases (including farm)	0.14	0.74	0.08	0.25	0.20	0.22	0.01	0.18	0.43	0.15
Total loans and leases	0.52	4.15	0.72	0.17	0.20	0.03	0.82	0.17	0.13	0.39
Loans Outstanding (in billions)										
All real estate loans	$5,045.9	$1.5	$555.2	$120.1	$2,878.0	$201.5	$33.5	$7.1	$33.8	$1,215.3
Construction and development	361.4	0.1	16.8	7.6	277.5	5.4	0.3	0.6	2.0	51.0
Nonfarm nonresidential	1,513.6	0.0	58.8	32.2	1,130.7	18.6	1.6	2.4	7.6	261.7
Multifamily residential real estate	458.7	0.0	84.1	4.1	314.1	5.9	0.4	0.2	0.9	49.0
Home equity loans	342.0	0.0	38.9	2.3	183.6	10.8	2.8	0.2	1.2	102.2
Other 1-4 family residential	2,201.7	1.3	306.9	28.2	923.0	159.8	28.3	3.2	19.1	732.0
Commercial and industrial loans	2,205.0	39.3	347.1	22.9	1,078.3	6.5	6.3	1.3	3.8	699.4
Loans to individuals	1,837.5	399.9	403.3	6.8	393.2	5.0	113.0	1.2	3.8	511.2
Credit card loans	941.6	377.4	314.6	0.6	25.9	0.4	21.0	0.1	0.1	201.4
Other loans to individuals	896.0	22.5	88.6	6.2	367.3	4.5	92.1	1.1	3.8	309.9
All other loans and leases (including farm)	1,432.2	0.3	416.9	42.1	385.0	14.8	3.5	0.5	2.7	566.4
Total loans and leases (plus unearned income)	10,520.5	441.0	1,722.5	191.9	4,734.6	227.8	156.3	10.0	44.2	2,992.3
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	5,709.7	0.6	392.6	285.7	3,727.7	163.4	18.1	29.6	95.7	996.4
Construction and development	1,341.5	0.4	4.1	54.0	1,148.8	23.3	3.3	12.3	16.5	78.7
Nonfarm nonresidential	1,804.1	0.0	41.1	90.0	1,374.1	27.6	3.9	8.4	34.0	225.2
Multifamily residential real estate	69.7	0.0	0.0	5.8	61.5	0.6	0.4	0.2	1.2	0.0
1-4 family residential	2,271.3	0.2	306.5	47.1	1,057.5	109.7	10.5	8.5	39.1	692.3
Farmland	182.1	0.0	0.0	88.8	85.8	2.3	0.0	0.2	4.9	0.1

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

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

		Asset Size Distribution					Geographic Regions*					
December 31, 2019	All Insured Institutions	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due												
All loans secured by real estate	0.57	1.26	0.64	0.38	0.51	0.69	0.47	0.64	0.54	0.78	0.73	0.26
Construction and development	0.38	1.01	0.48	0.39	0.41	0.21	0.50	0.32	0.30	0.40	0.37	0.38
Nonfarm nonresidential	0.24	1.01	0.43	0.23	0.17	0.24	0.23	0.23	0.24	0.29	0.31	0.19
Multifamily residential real estate	0.14	0.18	0.30	0.14	0.08	0.17	0.12	0.19	0.11	0.36	0.11	0.07
Home equity loans	0.61	0.82	0.59	0.40	0.54	0.70	0.54	0.58	0.71	0.72	0.53	0.33
Other 1-4 family residential	0.92	1.72	0.99	0.66	0.92	0.97	0.80	1.03	0.79	1.17	1.60	0.35
Commercial and industrial loans	0.32	1.39	0.67	0.41	0.32	0.27	0.24	0.28	0.33	0.33	0.36	0.49
Loans to individuals	1.53	1.90	1.71	1.53	1.47	1.57	1.37	2.18	0.96	1.30	1.02	1.76
Credit card loans	1.38	1.44	2.30	3.35	1.59	1.15	1.50	1.60	0.99	1.21	0.78	1.71
Other loans to individuals	1.68	1.90	1.66	1.12	1.35	2.06	1.26	2.78	0.92	1.44	1.12	1.82
All other loans and leases (including farm)	0.29	0.55	0.55	0.40	0.23	0.29	0.18	0.22	0.24	0.45	0.19	0.31
Total loans and leases	0.65	1.22	0.68	0.45	0.64	0.69	0.54	0.80	0.51	0.70	0.64	0.68
Percent of Loans Noncurrent**												
All real estate loans	1.12	1.23	0.79	0.64	1.07	1.52	0.95	1.19	1.23	1.60	1.29	0.35
Construction and development	0.44	1.06	0.73	0.46	0.36	0.31	0.52	0.40	0.50	0.34	0.35	0.54
Nonfarm nonresidential	0.51	1.28	0.72	0.55	0.41	0.49	0.55	0.54	0.58	0.49	0.54	0.33
Multifamily residential real estate	0.11	0.72	0.30	0.16	0.09	0.06	0.12	0.16	0.12	0.08	0.14	0.05
Home equity loans	1.71	0.46	0.54	0.52	1.13	2.56	1.86	1.05	1.98	2.84	1.01	0.59
Other 1-4 family residential	1.77	1.18	0.86	0.91	1.99	2.04	1.55	1.84	1.73	2.40	2.94	0.36
Commercial and industrial loans	0.79	1.69	0.93	0.92	1.01	0.60	0.76	0.62	0.70	0.88	1.06	1.10
Loans to individuals	1.02	0.74	0.73	0.96	1.11	0.96	1.09	1.24	0.66	1.00	0.78	1.11
Credit card loans	1.47	0.52	1.91	3.31	1.73	1.20	1.70	1.60	1.03	1.32	1.29	1.80
Other loans to individuals	0.55	0.74	0.64	0.42	0.44	0.66	0.58	0.87	0.25	0.42	0.57	0.51
All other loans and leases (including farm)	0.18	1.33	0.91	0.47	0.22	0.09	0.15	0.12	0.14	0.23	0.37	0.20
Total loans and leases	0.91	1.26	0.81	0.70	0.97	0.93	0.85	0.92	0.85	1.09	1.13	0.66
Percent of Loans Charged-Off (net, YTD)												
All real estate loans	0.01	0.07	0.04	0.03	0.01	-0.02	0.03	-0.03	0.01	0.01	0.03	-0.01
Construction and development	-0.01	0.00	0.02	-0.02	-0.01	-0.03	0.01	-0.02	0.02	-0.02	0.00	-0.09
Nonfarm nonresidential	0.04	0.10	0.05	0.05	0.03	0.04	0.06	0.05	0.04	0.03	0.05	0.00
Multifamily residential real estate	0.00	0.13	0.01	0.00	0.00	0.01	0.00	0.01	0.00	0.01	0.00	0.00
Home equity loans	-0.07	0.08	0.04	0.03	0.02	-0.17	0.04	-0.29	0.00	-0.06	-0.01	-0.04
Other 1-4 family residential	0.00	0.04	0.03	0.03	0.01	-0.02	0.03	-0.04	-0.01	0.01	0.02	-0.01
Commercial and industrial loans	0.36	0.70	0.41	0.41	0.45	0.29	0.28	0.33	0.38	0.30	0.41	0.59
Loans to individuals	2.42	0.62	1.13	1.95	2.77	2.21	2.46	2.51	1.94	2.72	1.43	2.71
Credit card loans	3.82	3.56	5.67	7.29	4.30	3.34	3.89	3.88	3.26	3.70	2.77	4.63
Other loans to individuals	0.93	0.60	0.83	0.79	1.10	0.81	1.23	0.95	0.53	1.02	0.87	0.97
All other loans and leases (including farm)	0.14	0.28	0.22	0.21	0.13	0.14	0.14	0.16	0.15	0.14	0.21	0.07
Total loans and leases	0.52	0.21	0.14	0.21	0.70	0.51	0.48	0.58	0.42	0.53	0.24	0.78
Loans Outstanding (in billions)												
All real estate loans	$5,045.9	$27.7	$575.5	$913.8	$1,741.9	$1,787.0	$1,043.2	$954.7	$991.4	$894.8	$513.3	$648.3
Construction and development	361.4	1.6	54.7	91.7	141.0	72.4	68.8	60.9	59.9	50.9	79.7	41.2
Nonfarm nonresidential	1,513.6	6.3	217.9	378.4	577.0	334.0	348.7	298.1	225.1	203.8	213.3	224.7
Multifamily residential real estate	458.7	0.7	31.9	99.7	192.3	134.1	160.1	45.8	114.9	40.4	23.5	74.0
Home equity loans	342.0	0.6	20.1	38.3	118.6	164.5	70.9	82.3	84.1	58.4	19.8	26.5
Other 1-4 family residential	2,201.7	13.0	198.5	278.9	697.1	1,014.2	389.9	454.0	482.9	445.5	158.0	271.5
Commercial and industrial loans	2,205.0	4.7	93.5	199.9	781.8	1,125.1	349.6	545.0	485.9	432.1	152.7	239.8
Loans to individuals	1,837.5	2.7	30.8	69.1	793.4	941.5	313.0	440.0	354.6	330.0	69.0	330.9
Credit card loans	941.6	0.0	2.1	12.9	411.1	515.4	143.3	225.7	184.8	211.8	20.3	155.7
Other loans to individuals	896.0	2.6	28.8	56.2	382.2	426.1	169.7	214.3	169.9	118.2	48.7	175.2
All other loans and leases (including farm)	1,432.2	5.6	47.5	66.9	427.1	885.1	215.5	285.9	346.5	390.6	65.7	128.0
Total loans and leases (plus unearned income)	10,520.5	40.7	747.3	1,249.7	3,744.2	4,738.7	1,921.3	2,225.6	2,178.5	2,047.5	800.6	1,347.0
Memo: Other Real Estate Owned (in millions)												
All other real estate owned	5,709.7	128.9	1,540.0	1,189.4	1,497.6	1,353.9	1,009.5	1,283.4	1,138.8	916.6	1,064.6	296.9
Construction and development	1,341.5	21.0	606.9	374.7	264.0	74.9	167.1	354.8	163.4	235.7	327.3	93.3
Nonfarm nonresidential	1,804.1	43.1	501.7	508.9	465.7	284.8	287.2	379.9	349.5	264.5	440.1	82.9
Multifamily residential real estate	69.7	5.0	40.4	19.2	3.5	1.6	12.0	20.3	12.3	10.9	10.0	4.2
1-4 family residential	2,271.3	43.9	295.9	240.9	738.9	951.6	537.1	513.5	570.1	325.5	225.5	99.6
Farmland	182.1	15.9	95.1	45.7	25.4	0.0	6.1	14.9	18.5	64.1	61.7	16.9

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

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

(dollar figures in millions; notional amounts unless otherwise indicated)	4th Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	1st Quarter 2019	4th Quarter 2018	% Change 18Q4-19Q4	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
ALL DERIVATIVE HOLDERS											
Number of institutions reporting derivatives	1,327	1,339	1,343	1,322	1,311	1.2	35	723	438	121	10
Total assets of institutions reporting derivatives	$17,061,440	$16,899,170	$16,695,184	$16,499,238	$16,296,560	4.7	$2,302	$326,058	$1,314,207	$5,755,505	$9,663,368
Total deposits of institutions reporting derivatives	13,259,237	13,005,735	12,778,822	12,647,947	12,555,763	5.6	1,882	269,542	1,055,771	4,509,109	7,422,934
Total derivatives	173,052,373	203,562,336	207,258,169	203,961,775	178,089,382	-2.8	188	31,203	153,800	52,074,646	120,792,537
Derivative Contracts by Underlying Risk Exposure											
Interest rate	125,078,801	147,186,915	151,863,618	149,195,436	128,183,025	-2.4	188	30,796	146,063	41,589,610	83,312,144
Foreign exchange*	38,736,894	46,694,639	46,115,633	45,568,406	40,947,307	-5.4	0	0	5,147	9,915,954	28,815,793
Equity	3,796,106	3,835,456	3,722,531	3,675,244	3,374,363	12.5	0	14	212	149,497	3,646,383
Commodity & other (excluding credit derivatives)	1,495,227	1,662,059	1,482,094	1,377,390	1,314,571	13.7	0	8	129	109,857	1,385,233
Credit	3,944,681	4,182,691	4,073,984	4,145,034	4,269,954	-7.6	0	26	1,944	309,727	3,632,984
Total	173,051,709	203,561,760	207,257,860	203,961,510	178,089,220	-2.8	188	30,844	153,495	52,074,646	120,792,537
Derivative Contracts by Transaction Type											
Swaps	96,614,705	108,935,550	110,905,216	106,833,011	97,930,380	-1.3	2	10,733	96,740	27,212,958	69,294,272
Futures & forwards	34,786,559	47,061,041	46,208,801	46,165,354	36,143,797	-3.8	4	2,926	25,232	11,162,568	23,595,831
Purchased options	18,118,313	20,733,104	21,891,612	21,854,802	18,708,067	-3.2	1	659	11,146	6,505,191	11,601,315
Written options	17,998,301	20,343,914	21,794,090	22,283,518	19,300,817	-6.7	1	1,805	10,879	6,444,562	11,541,055
Total	167,517,878	197,073,609	200,799,718	197,136,684	172,083,061	-2.7	8	16,123	143,997	51,325,278	116,032,472
Fair Value of Derivative Contracts											
Interest rate contracts	49,831	54,195	55,924	53,806	47,139	5.7	0	210	-53	12,549	37,125
Foreign exchange contracts	-7,869	2,817	-2,565	10,824	11,290	N/M	0	0	10	2,200	-10,079
Equity contracts	-1,203	1,597	-1,110	-272	6,407	N/M	0	0	2	530	-1,735
Commodity & other (excluding credit derivatives)	-1,310	-4,100	-2,161	-778	-1,873	N/M	0	0	0	-165	-1,146
Credit derivatives as guarantor**	25,920	20,454	18,529	16,412	6,715	286.0	0	0	7	1,870	24,044
Credit derivatives as beneficiary**	-26,965	-22,966	-21,734	-18,387	-6,765	N/M	0	0	-8	-2,486	-24,472
Derivative Contracts by Maturity* **											
Interest rate contracts < 1 year	79,167,594	88,724,441	90,569,958	87,928,668	71,493,360	10.7	12	6,809	23,820	19,581,125	59,555,828
1-5 years	35,824,275	37,506,842	39,191,526	38,990,311	36,683,716	-2.3	5	3,151	40,435	8,592,928	27,187,756
> 5 years	24,264,352	24,491,078	24,215,323	24,263,087	23,246,059	4.4	6	10,771	64,056	7,284,832	16,904,687
Foreign exchange and gold contracts < 1 year	28,241,089	33,602,158	32,804,737	32,625,695	28,891,320	-2.3	0	0	3,707	7,038,277	21,199,104
1-5 years	4,052,351	4,279,836	4,340,277	4,364,397	4,218,682	-3.9	0	0	818	865,076	3,186,457
> 5 years	2,146,242	2,148,934	2,170,971	2,181,911	2,095,962	2.4	0	0	0	635,467	1,510,775
Equity contracts < 1 year	3,083,994	2,687,265	2,725,454	2,714,590	2,448,707	25.9	0	7	94	72,453	3,011,441
1-5 years	844,052	994,632	972,497	957,790	863,793	-2.3	0	7	29	45,515	798,502
> 5 years	136,149	147,521	149,222	143,076	139,158	-2.2	0	0	4	13,126	123,019
Commodity & other contracts (including credit derivatives, excluding gold contracts) < 1 year	2,102,100	1,960,750	2,008,663	1,754,422	1,745,343	20.4	0	4	56	66,563	2,035,476
1-5 years	2,778,297	2,819,249	2,803,027	2,847,105	3,105,744	-10.5	0	6	430	213,223	2,564,638
> 5 years	260,718	430,569	260,548	528,263	298,075	-12.5	0	76	931	33,571	226,139
Risk-Based Capital: Credit Equivalent Amount											
Total current exposure to tier 1 capital (%)	23.7	27.4	23.9	22.0	22.7		0.1	1.0	1.3	15.7	33.8
Total potential future exposure to tier 1 capital (%)	34.5	35.0	36.6	37.6	36.0		0.0	0.6	1.0	18.6	52.3
Total exposure (credit equivalent amount) to tier 1 capital (%)	58.2	62.4	60.5	59.5	58.8		0.1	1.6	2.2	34.3	86.1
Credit losses on derivatives****	20.0	21.6	26.3	9.1	11.7	66.7	0.0	0.0	-1.6	10.3	11.3
HELD FOR TRADING											
Number of institutions reporting derivatives	173	175	189	186	192	-9.9	0	21	78	65	9
Total assets of institutions reporting derivatives	13,426,643	13,313,319	13,222,401	12,883,177	12,721,331	5.5	0	10,763	287,228	3,785,757	9,342,896
Total deposits of institutions reporting derivatives	10,356,224	10,147,949	10,023,986	9,827,749	9,762,883	6.1	0	8,906	227,972	2,970,017	7,149,329
Derivative Contracts by Underlying Risk Exposure											
Interest rate	122,492,350	144,532,347	149,515,929	147,070,054	126,222,239	-3.0	0	525	40,294	40,867,509	81,584,023
Foreign exchange	36,707,246	43,930,653	43,278,150	42,441,525	38,768,802	-5.3	0	0	4,410	9,443,726	27,259,111
Equity	3,777,097	3,817,653	3,704,416	3,659,003	3,359,405	12.4	0	0	10	138,301	3,638,786
Commodity & other	1,464,169	1,631,150	1,451,571	1,347,235	1,285,123	13.9	0	0	114	80,610	1,383,444
Total	164,440,863	193,911,802	197,950,066	194,517,816	169,635,569	-3.1	0	525	44,828	50,530,147	113,865,364
Trading Revenues: Cash & Derivative Instruments											
Interest rate**	4,476	1,526	2,730	4,080	2,306	94.1	0	0	7	2,020	2,449
Foreign exchange**	662	2,718	2,900	2,254	1,971	-66.4	0	0	3	-1,073	1,732
Equity**	1,427	1,805	2,464	2,895	-43	N/M	0	0	9	-264	1,682
Commodity & other (including credit derivatives)**	634	1,152	-14	808	-202	N/M	0	0	0	414	220
Total trading revenues**	7,199	7,201	8,080	10,037	4,031	78.6	0	0	19	1,096	6,082
Share of Revenue											
Trading revenues to gross revenues (%)**	4.5	4.3	4.8	6.2	2.5		0.0	0.0	0.5	2.5	5.5
Trading revenues to net operating revenues (%)**	21.1	18.6	19.0	24.5	10.2		0.0	0.0	2.5	11.0	26.1
HELD FOR PURPOSES OTHER THAN TRADING											
Number of institutions reporting derivatives	640	661	719	724	734	-12.8	3	189	323	115	10
Total assets of institutions reporting derivatives	16,490,150	16,312,457	16,227,785	16,008,092	15,816,221	4.3	227	95,728	1,097,358	5,633,470	9,663,368
Total deposits of institutions reporting derivatives	12,796,297	12,531,168	12,402,057	12,251,856	12,172,535	5.1	190	79,192	879,563	4,414,419	7,422,934
Derivative Contracts by Underlying Risk Exposure											
Interest rate	2,564,114	2,633,516	2,335,640	2,115,231	1,951,730	31.4	8	15,576	98,308	722,101	1,728,121
Foreign exchange	462,834	479,579	465,373	457,240	451,356	2.5	0	0	645	32,588	429,601
Equity	19,009	17,803	18,116	16,241	14,959	27.1	0	14	202	11,196	7,597
Commodity & other	31,059	30,910	30,523	30,155	29,448	5.5	0	8	14	29,247	1,789
Total notional amount	3,077,015	3,161,807	2,849,652	2,618,868	2,447,492	25.7	8	15,598	99,169	795,132	2,167,108

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

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

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

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

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

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

(dollar figures in millions)	4th Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	1st Quarter 2019	4th Quarter 2018	% Change 18Q4-19Q4	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements											
Number of institutions reporting securitization activities	63	67	65	65	64	-1.6	0	5	17	33	8
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	$474,309	$452,433	$465,275	$486,472	$520,030	-8.8	$0	$1,092	$14,178	$94,925	$364,114
Home equity loans	11	11	12	13	14	-21.4	0	0	0	11	0
Credit card receivables	0	0	0	0	22	-100.0	0	0	0	0	0
Auto loans	1,448	1,793	2,494	3,062	3,710	-61.0	0	0	0	1,448	0
Other consumer loans	1,661	1,738	1,603	1,668	1,738	-4.4	0	0	0	834	827
Commercial and industrial loans	0	537	558	550	453	-100.0	0	0	0	0	0
All other loans, leases, and other assets	83,875	76,770	73,791	72,857	71,416	17.4	0	2	8,797	2,389	72,687
Total securitized and sold	561,304	533,282	543,733	564,622	597,383	-14.3	0	1,094	22,975	99,607	437,628
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	1,326	1,371	1,055	1,050	1,102	20.3	0	0	50	726	549
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Auto loans	59	66	86	94	104	-43.3	0	0	0	59	0
Other consumer loans	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
All other loans, leases, and other assets	1,366	1,324	1,230	1,257	1,208	13.1	0	0	142	48	1,176
Total credit exposure	2,751	2,761	2,371	2,401	2,414	0.0	0	0	192	833	1,725
Total unused liquidity commitments provided to institution's own securitizations	24	203	185	230	213	-88.7	0	0	0	0	24
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)											
1-4 family residential loans	3.5	3.6	4.0	3.5	3.6		0.0	3.4	1.8	2.8	3.8
Home equity loans	9.8	7.8	7.1	5.7	8.0		0.0	0.0	0.0	9.8	0
Credit card receivables	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
Auto loans	3.2	2.7	2.3	2.0	2.6		0.0	0.0	0.0	3.2	0
Other consumer loans	3.6	3.3	4.5	4.2	4.2		0.0	0.0	0.0	2.1	5.2
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
All other loans, leases, and other assets	0.1	0.3	0.2	0.2	0.2		0.0	0.0	0.0	2.6	0
Total loans, leases, and other assets	3.2	3.2	3.6	3.2	3.3		0.0	0.0	0.0	3.7	3.2
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)											
1-4 family residential loans	1.0	1.1	1.1	1.1	1.1		0.0	1.3	0.8	1.2	0.9
Home equity loans	33.6	33.5	35.9	39.4	39.0		0.0	0.0	0.0	33.6	0
Credit card receivables	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
Auto loans	0.6	0.5	0.5	0.5	0.5		0.0	0.0	0.0	0.6	0
Other consumer loans	3.7	3.4	4.0	4.1	4.3		0.0	0.0	0.0	1.7	5.7
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
All other loans, leases, and other assets	0.3	0.3	0.2	0.3	0.5		0.0	0.0	1.2	0.4	0.2
Total loans, leases, and other assets	0.8	0.9	0.9	1.0	1.0		0.0	0.0	0.0	1.2	0.8
Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)											
1-4 family residential loans	0.2	0.2	0.1	0.0	0.1		0.0	0.0	0.0	0.0	0.2
Home equity loans	8.6	6.9	3.6	0.9	18.2		0.0	0.0	0.0	8.6	0
Credit card receivables	0.0	0.0	0.0	0.0	9.1		0.0	0.0	0.0	0.0	0
Auto loans	1.9	1.2	0.7	0.3	1.4		0.0	0.0	0.0	1.9	0
Other consumer loans	0.7	0.5	0.4	0.2	1.0		0.0	0.0	0.0	0.6	0.8
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
All other loans, leases, and other assets	0.3	0.2	0.1	0.1	1.1		0.0	0.0	0.0	1.4	0.2
Total loans, leases, and other assets	0.2	0.2	0.1	0.1	0.2		0.0	0.0	0.0	0.1	0.2
Seller's Interests in Institution's Own Securitizations – Carried as Loans											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	629	644	623	427	-100.0	0	0	0	0	0
Seller's Interests in Institution's Own Securitizations – Carried as Securities											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
Assets Sold with Recourse and Not Securitized											
Number of institutions reporting asset sales	371	388	437	442	469	-20.9	10	140	158	54	9
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	30,178	29,841	90,099	25,577	26,292	14.8	94	4,423	13,650	10,122	1,889
All other loans, leases, and other assets	124,159	122,896	121,462	118,898	116,452	6.6	0	10	172	32,502	91,475
Total sold and not securitized	154,337	152,737	211,560	144,475	142,744	8.1	94	4,432	13,822	42,624	93,365
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	10,018	10,181	10,410	7,376	7,665	30.7	5	600	4,934	3,554	925
All other loans, leases, and other assets	34,793	34,483	34,162	33,545	32,781	6.1	0	10	37	10,137	24,609
Total credit exposure	44,811	44,665	44,572	40,922	40,446	10.8	5	610	4,971	13,691	25,534
Support for Securitization Facilities Sponsored by Other Institutions											
Number of institutions reporting securitization facilities sponsored by others	0	0	0	0	0	0.0	0	0	0	0	0
Total credit exposure	23,214	23,169	23,532	22,527	23,013	0.9	0	0	0	1,608	21,606
Total unused liquidity commitments	413	411	658	492	604	-31.6	0	0	0	295	118
Other											
Assets serviced for others**	6,187,015	6,102,813	6,095,333	6,128,925	6,061,156	2.1	4,001	150,138	317,326	1,375,384	4,340,166
Asset-backed commercial paper conduits											
Credit exposure to conduits sponsored by institutions and others	17,948	16,186	16,249	17,150	17,366	3.4	0	0	0	0	17,948
Unused liquidity commitments to conduits sponsored by institutions and others	31,652	30,536	29,907	29,998	31,491	0.5	0	0	0	815	30,837
Net servicing income (for the quarter)	2,204	300	-304	1,524	1,462	50.8	7	237	213	669	1,078
Net securitization income (for the quarter)	138	65	72	79	65	112.3	0	1	6	4	126
Total credit exposure to Tier 1 capital (%)***	4.08	4.08	4.07	3.86	3.92		0.06	0.50	2.77	2.73	5.93

* Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.
** The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than $10 million.
*** Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

TABLE VIII-A. Trust Services (All FDIC-Insured Institutions)

(dollar figures in millions)	All Insured Institutions					Asset Size Distribution				
	Dec 31 2019	Dec 31 2018	Dec 31 2017	Dec 31 2016	% Change 2018-2019	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
Number of institutions reporting	5,177	5,406	5,670	5,913	-4.2	1,155	3,226	656	130	10
Number of institutions with fiduciary powers	1,627	1,686	1,745	1,808	-3.5	175	995	356	91	10
Commercial banks	1,500	1,561	1,617	1,674	-3.9	161	937	308	84	10
Savings institutions	127	125	128	134	1.6	14	58	48	7	0
Number of institutions exercising fiduciary powers	1,207	1,260	1,291	1,345	-4.2	111	717	288	81	10
Commercial banks	1,106	1,162	1,189	1,235	-4.8	98	671	253	74	10
Savings institutions	101	98	102	110	3.1	13	46	35	7	0
Number of institutions reporting fiduciary activity	1,147	1,199	1,224	1,268	-4.3	103	672	282	80	10
Commercial banks	1,055	1,106	1,128	1,166	-4.6	90	631	250	74	10
Savings institutions	92	93	96	102	-1.1	13	41	32	6	0
Fiduciary and related assets - managed assets										
Personal trust and agency accounts	709,211	630,264	678,425	633,050	12.5	17,041	57,838	82,613	274,635	277,085
Noninterest-bearing deposits	7,674	8,900	9,124	9,628	-13.8	15	517	191	504	6,447
Interest-bearing deposits	68,925	76,197	70,413	74,420	-9.5	142	4,054	7,895	13,385	43,449
U.S. Treasury and U.S. Government agency obligations	138,739	124,624	109,476	105,921	11.3	2,180	5,290	18,232	53,218	59,820
State, county and municipal obligations	253,375	234,845	220,454	201,762	7.9	4,912	12,341	20,330	88,418	127,374
Money market mutual funds	146,867	122,929	99,968	102,669	19.5	2,688	10,363	14,175	58,362	61,279
Other short-term obligations	132,383	135,186	151,811	149,248	-2.1	51	56	1,155	92,464	38,657
Other notes and bonds	301,591	287,250	270,734	243,491	5.0	10,851	7,106	13,770	188,207	81,657
Common and preferred stocks	3,581,072	2,964,885	3,320,848	2,906,250	20.8	53,543	216,879	202,553	2,041,604	1,066,494
Real estate mortgages	2,127	2,087	1,884	2,069	1.9	331	181	539	654	421
Real estate	52,575	49,753	47,940	49,073	5.7	946	6,485	6,976	16,352	21,817
Miscellaneous assets	130,786	107,306	121,727	114,175	21.9	1,681	8,067	14,720	67,055	39,263
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution	492,771	395,229	429,240	397,432	24.7	1,865	11,125	14,703	401,782	63,296
Employee benefit - defined benefit	602,747	508,367	585,263	646,896	18.6	3,428	5,275	16,045	517,669	60,330
Other employee benefit and retirement-related accounts	408,296	339,958	373,405	312,538	20.1	6,068	66,948	30,423	149,531	155,325
Corporate trust and agency accounts	23,738	15,607	19,895	19,809	52.1	1	326	6,229	3,278	13,903
Investment management and investment advisory agency accounts	2,110,828	1,832,929	1,924,534	1,619,342	15.2	45,814	116,266	131,359	1,082,919	734,470
Other fiduciary accounts	468,522	391,609	413,618	329,641	19.6	3,122	13,560	19,163	190,408	242,269
Total managed fiduciary accounts:										
Assets	4,816,115	4,113,963	4,424,380	3,958,707	17.1	77,339	271,338	300,535	2,620,223	1,546,679
Number of accounts	1,892,187	1,852,760	1,839,096	1,755,682	2.1	109,755	442,007	317,309	485,302	537,814
Fiduciary and related assets - nonmanaged assets										
Personal trust and agency accounts	339,665	300,930	282,548	259,844	12.9	7,952	20,572	17,527	185,391	108,223
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution	2,504,371	2,152,945	2,333,483	2,111,972	16.3	145,714	59,728	48,725	1,558,204	692,000
Employee benefit - defined benefit	4,697,794	4,432,178	4,655,377	4,184,648	6.0	13,833	26,805	14,418	3,615,790	1,026,947
Other employee benefit and retirement-related accounts	1,620,840	1,489,228	1,571,066	1,260,066	8.8	23,224	22,520	20,145	1,299,867	255,084
Corporate trust and agency accounts	3,584,427	3,338,051	3,350,525	2,593,482	7.4	6	6,538	295,166	285,433	2,997,285
Other fiduciary accounts	3,999,296	3,470,190	3,656,109	3,249,875	15.2	8,314	41,392	32,861	1,925,457	1,991,271
Total nonmanaged fiduciary accounts:										
Assets	16,746,393	15,183,523	15,849,109	13,659,888	10.3	199,044	177,555	428,842	8,870,140	7,070,811
Number of accounts	4,311,080	3,909,616	3,872,793	3,941,681	10.3	1,212,240	509,162	180,506	1,728,349	680,823
Custody and safekeeping accounts:										
Assets	110,653,240	96,368,725	97,674,506	85,451,610	14.8	415,976	1,077,264	1,019,767	37,230,010	70,910,223
Number of accounts	13,730,523	13,286,592	12,556,341	11,612,445	3.3	3,588,783	4,941,051	314,608	3,518,588	1,367,493
Fiduciary and related services income										
Personal trust and agency accounts	4,585	4,745	4,642	4,513	-3.4	132	222	508	1,784	1,939
Retirement-related trust and agency accounts:										
Employee benefit - defined contribution	1,195	1,373	1,337	1,230	-13.0	24	53	170	580	369
Employee benefit - defined benefit	1,361	1,502	1,508	1,415	-9.4	9	23	29	903	398
Other employee benefit and retirement-related accounts	2,176	2,114	1,911	1,654	2.9	62	579	277	748	509
Corporate trust and agency accounts	1,875	1,726	1,720	1,684	8.6	0	13	301	431	1,130
Investment management agency accounts	9,110	9,140	8,515	7,769	-0.3	223	751	875	3,202	4,058
Other fiduciary accounts	803	823	811	764	-2.4	5	2	5	388	402
Custody and safekeeping accounts	14,535	14,927	14,403	13,372	-2.6	18	588	282	5,426	8,221
Other fiduciary and related services income	926	983	916	841	-5.8	19	90	131	259	427
Total gross fiduciary and related services income	36,843	37,511	35,857	33,405	-1.8	493	2,478	2,691	13,725	17,457
Less: Expenses	34,573	35,123	33,150	30,649	-1.6	345	1,821	2,030	15,124	15,253
Less: Net losses from fiduciary and related services	502	300	283	208	67.3	2	4	38	98	360
Plus: Intracompany income credits for fiduciary and related services	10,135	9,307	7,539	5,787	8.9	2	4	306	4,995	4,827
Net fiduciary and related services income	11,599	11,154	9,805	8,170	4.0	147	498	817	3,469	6,668
Collective investment funds and common trust funds (market value)										
Domestic equity funds	789,065	615,673	718,199	636,516	28.2	7,438	2,605	29,964	585,136	163,922
International/global equity funds	257,360	202,917	230,397	186,627	26.8	1,591	9,305	5,562	173,430	67,472
Stock/bond blend funds	175,200	148,831	141,328	142,755	17.7	2,479	0	11,924	90,372	70,425
Taxable bond funds	133,911	125,119	148,520	149,992	7.0	1,103	1,708	6,255	1,280	123,565
Municipal bond funds	2,287	2,004	3,001	3,291	14.1	27	0	289	936	1,035
Short-term investments/money market funds	143,418	143,955	154,093	161,565	-0.4	3,014	0	391	80,068	59,945
Specialty/other funds	61,674	58,833	56,774	56,067	4.8	0	2,312	6,592	2,201	50,569
Total collective investment funds	1,562,915	1,297,332	1,452,312	1,336,812	20.4	15,652	15,930	60,977	933,423	536,933

COMMUNITY BANK PERFORMANCE

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

Higher Net Operating Revenue Lifts Quarterly and Full-Year Net Income

Net Interest Margin Contracts From a Year Ago

Loan and Lease Balances Grow 5.5 Percent Annually

Asset Quality Indicators Remain Stable

Higher Revenue Lifts Community Bank Quarterly Net Income

Community bank quarterly net income increased $270.3 million (4.4 percent) from a year ago to $6.4 billion. Higher net operating revenue and greater realized gains on securities more than offset growth in noninterest expense. More than half of all community banks (53.9 percent) reported an annual increase in earnings. Community bank average pretax ROA fell 3 basis points to 1.37 percent, 15 basis points below the average noncommunity bank rate, as asset growth outpaced the growth in earnings. The percentage of unprofitable institutions was roughly unchanged at 7.7 percent, only slightly above the fourth quarter 2018 record low.

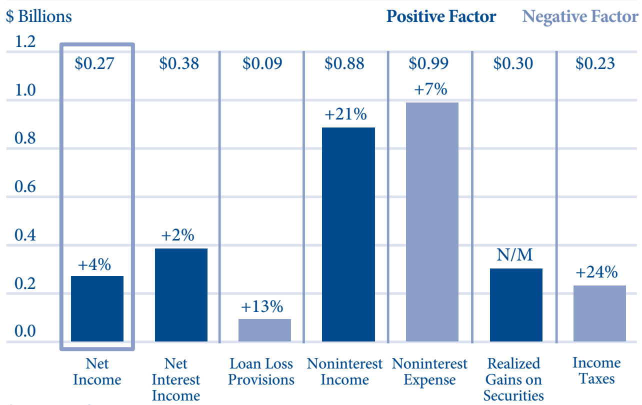
Full-Year Net Income Rises 7.5 Percent

Full-year 2019 net income totaled $25.8 billion, an increase of $1.8 billion (7.5 percent) from full-year 2018, as 63.6 percent of banks reported annual income growth. Net operating revenue and realized gains on securities increased $6.3 billion (7.2 percent), while noninterest expense increased $3.6 billion (6.4 percent). Growth in net operating revenue was broad-based; more than three-quarters of all community banks (76.1 percent) reported higher net operating revenue. The average net interest margin (NIM) fell 5 basis points to 3.67 percent as the average cost of funding earning assets increased more than the average yield on earning assets. Community bank average pretax ROA increased for the tenth consecutive year, up 2 basis points to 1.44 percent. The percentage of unprofitable community banks rose modestly to 3.8 percent.

Chart 1

Contributors to the Year-Over-Year Change in Income

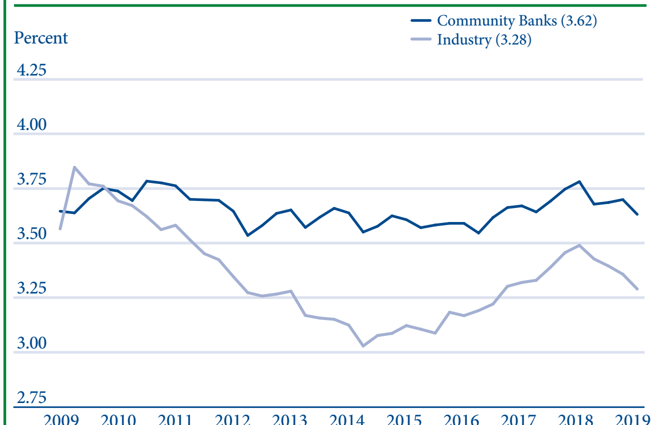
FDIC-Insured Community Banks



Source: FDIC.

Chart 2

Net Interest Margin



Source: FDIC.

Growth in Noninterest Income and Net Interest Income Boosts Net Operating Revenue

Community bank quarterly net operating revenue increased $1.3 billion (5.6 percent) from fourth quarter 2018. Noninterest income was $884.4 million (20.5 percent) higher, and net interest income was $383.9 million (2.1 percent) higher. Higher loan sale revenue (up $523.1 million, 79 percent) generated most of the growth in noninterest income, primarily due to a lower-than-average quarter for loan sale revenue a year ago. The increase in net interest income was attributable to growth in earning assets. The average quarterly NIM fell 15 basis points to 3.62 percent as the average yield on earning assets fell 7 basis points and the average cost of funding earning assets rose 8 basis points. Nearly 70 percent of community banks reported lower NIM year over year.

Growth in Payroll Expenses Drives Noninterest Expense Higher

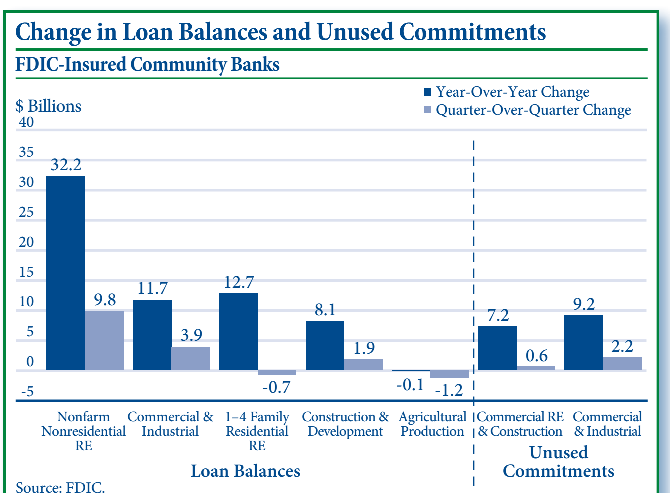
Noninterest expense rose $986.6 million (6.7 percent) from a year ago primarily because of an increase in salary and benefit expense of $716.3 million (8.6 percent). Community banks added 6,352 full-time equivalent employees during the year, and the average salary and benefits expense per employee increased 6.8 percent. All other noninterest expense, which includes premises expense, litigation expense, and all other expenses, increased $270.2 million (4.3 percent). Noninterest expense as a share of average assets rose 3 basis points to 2.83 percent, 22 basis points above the noncommunity bank ratio. More than two-thirds of community banks reported higher noninterest expense year over year.

More Than 70 Percent of Banks Report Annual Loan Growth

Community bank loan and lease balances rose $81.8 billion (5.5 percent) year over year, led by growth in the following categories: nonfarm nonresidential loans (up 32.2 billion, or 7.3 percent), 1–4 family loans (up $12.7 billion, or 3.3 percent), and construction and development (C&D) loans (up $8.1 billion, or 7.7 percent). All major loan categories grew in 2019, and 72.3 percent of community banks recorded annual growth. Community banks continued to report strong annual growth in unfunded commitments. Total unfunded commitments increased $22.6 billion (7.8 percent), marking the third consecutive quarter of growth greater than 7 percent.

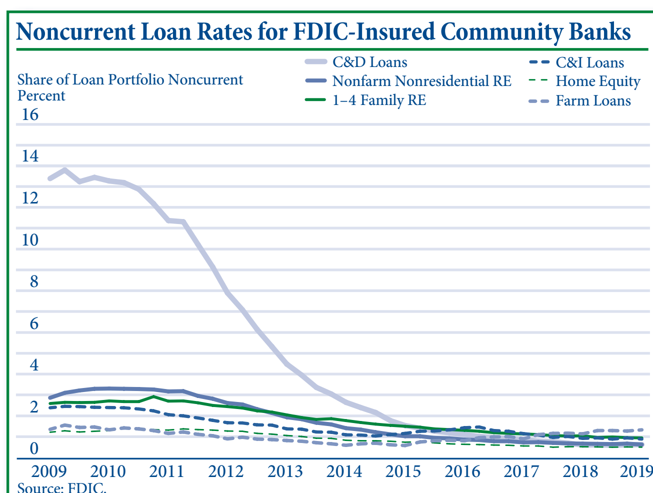
While most banks (59.1 percent) reported quarterly loan growth, the rate of growth slowed to 1 percent from 1.3 percent last quarter. Stronger growth in nonfarm nonresidential loans (up $9.8 billion, or 2.1 percent), commercial and industrial (C&I) loans (up 3.9 billion, or 1.9 percent), and multifamily loans (up $1.6 billion, or 1.6 percent), was partially offset by a modest decline in 1–4 family loans (down $0.7 billion, or 0.2 percent) and a seasonal decline in agricultural production loans (down $1.2 billion, or 2.3 percent). Total unfunded commitments grew $4 billion (1.3 percent), led by growth in C&I unfunded commitments of $2.2 billion (2.2 percent).

Chart 3



Source: FDIC.

Chart 4



Source: FDIC.

Small Loans to Businesses Grow 1.9 Percent Year Over Year

Community bank small loans to businesses increased $5.5 billion (1.9 percent) year over year, more than double the rate of growth reported by noncommunity banks. C&I, nonfarm nonresidential, and farmland small loans to businesses increased $6.4 billion (2.5 percent) but were partially offset by an $842.3 million (3 percent) reduction in agricultural production loan balances. Community banks hold 40.4 percent of total small loans to businesses.

Community Bank Deposits Grow Faster Than Noncommunity Bank Deposits

Community bank deposits increased $99.8 billion (5.8 percent) from the previous year, outpacing the 4.7 percent annual growth rate reported by noncommunity banks. This growth included an increase in domestic interest-bearing deposits of $75.9 billion (5.6 percent) and an increase in domestic noninterest-bearing deposits of $23.6 billion (6.4 percent). Deposit growth was broad-based as roughly 75 percent of community banks reported an annual increase.

The Noncurrent Loan Rate Falls to Lowest Level Since 2006

The total loan noncurrent loan rate declined 2 basis points during the quarter and 3 basis points from a year ago to 0.75 percent, marking the lowest rate recorded since fourth quarter 2006. More than half of all community banks (52.9 percent) reported an annual decline in their noncurrent rate. The largest improvements in the noncurrent rate occurred in the consumer loan portfolio (down 11 basis points to 0.56 percent) and 1–4 family residential loan portfolio (down 10 basis points to 0.94 percent). Farm loan categories registered the largest annual increase in noncurrent rates. The noncurrent rate on agricultural production loans rose 28 basis points to 1.08 percent, and the noncurrent rate on loans secured by farmland rose 12 basis points to 1.47 percent. The total agricultural loan noncurrent rate of 1.32 percent has increased year over year for 16 consecutive quarters and is at its highest point since second quarter 2011.

The Net Charge-Off Rate Increases Modestly

The net charge-off rate for total loans increased 3 basis points from a year ago to 0.18 percent. C&I and consumer loan categories were responsible for most of the increase. The C&I loan net charge-off rate rose 14 basis points to 0.52 percent, and the consumer loan net charge-off rate rose 12 basis points to 1.10 percent. Despite growth in the total agricultural loan noncurrent rate, the agricultural loan net charge-off rate has remained relatively stable, increasing only 1 basis point year over year to 0.18 percent.

Capital Growth Drives Capital Ratios Higher

Total equity capital increased $22 billion (9.1 percent) from fourth quarter 2018. The total equity capital ratio increased by 35 basis points to 11.77 percent, and the tier 1 leverage ratio increased 6 basis points to 11.15 percent. The total risk-based capital ratio rose 17 basis points to 15.93 percent, and the tier 1 risk-based capital ratio rose 22 basis points to 14.93 percent. Each of the community bank capital ratios exceed the ratios reported by noncommunity banks.

Twelve New Community Banks Began Reporting in 2019

In fourth quarter 2019, the number of FDIC-insured community banks declined by 77 to 4,750. There were 72 mergers and consolidations, four voluntary closures, and three failures. Two new community banks opened during the quarter. In 2019, the number of community banks declined by 230; four banks failed and 12 new institutions opened.

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

	2019	2018	2017	2016	2015	2014	2013
Return on assets (%)	1.20	1.19	0.96	0.99	0.99	0.93	0.90
Return on equity (%)	10.27	10.58	8.65	8.81	8.85	8.45	8.28
Core capital (leverage) ratio (%)	11.15	11.09	10.80	10.69	10.67	10.57	10.43
Noncurrent assets plus other real estate owned to assets (%)	0.65	0.70	0.78	0.94	1.07	1.34	1.73
Net charge-offs to loans (%)	0.13	0.13	0.16	0.16	0.15	0.21	0.32
Asset growth rate (%)	-1.17	2.22	1.17	2.97	2.74	2.20	0.37
Net interest margin (%)	3.67	3.72	3.62	3.57	3.57	3.61	3.59
Net operating income growth (%)	-3.77	28.01	0.21	2.42	9.57	4.78	14.56
Number of institutions reporting	4,750	4,980	5,228	5,462	5,736	6,037	6,307
Percentage of unprofitable institutions (%)	3.81	3.63	5.72	4.67	5.04	6.44	8.40

TABLE II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks

(dollar figures in millions)	4th Quarter 2019	3rd Quarter 2019	4th Quarter 2018	%Change 18Q4-19Q4
Number of institutions reporting	4,750	4,827	4,980	-4.6
Total employees (full-time equivalent)	400,297	402,919	412,479	-3.0
CONDITION DATA				
Total assets	$2,231,307	$2,233,442	$2,257,669	-1.2
Loans secured by real estate	1,206,846	1,212,228	1,238,203	-2.5
1-4 Family residential mortgages	393,212	397,980	399,424	-1.6
Nonfarm nonresidential	474,580	472,438	481,542	-1.4
Construction and development	113,178	113,186	113,072	0.1
Home equity lines	46,466	47,057	48,228	-3.7
Commercial & industrial loans	212,832	212,178	221,205	-3.8
Loans to individuals	66,102	65,697	63,618	3.9
Credit cards	2,158	2,103	1,907	13.2
Farm loans	52,212	53,556	52,755	-1.0
Other loans & leases	40,862	43,654	40,185	1.7
Less: Unearned income	557	542	648	-14.1
Total loans & leases	1,578,298	1,586,771	1,615,319	-2.3
Less: Reserve for losses	17,679	18,016	18,429	-4.1
Net loans and leases	1,560,619	1,568,755	1,596,890	-2.3
Securities	379,280	376,169	396,392	-4.3
Other real estate owned	2,462	2,717	3,047	-19.2
Goodwill and other intangibles	17,641	17,342	17,506	0.8
All other assets	271,305	268,459	243,834	11.3
Total liabilities and capital	2,231,307	2,233,442	2,257,669	-1.2
Deposits	1,834,305	1,832,214	1,853,147	-1.0
Domestic office deposits	1,831,892	1,829,902	1,852,439	-1.1
Foreign office deposits	2,414	2,311	708	240.8
Brokered deposits	63,354	69,676	77,680	-18.4
Estimated insured deposits	1,331,236	1,338,317	1,343,938	-0.9
Other borrowed funds	114,761	116,443	128,855	-10.9
Subordinated debt	339	370	791	-57.1
All other liabilities	19,210	20,270	17,043	12.7
Total equity capital (includes minority interests)	262,691	264,147	257,833	1.9
Bank equity capital	262,604	264,058	257,754	1.9
Loans and leases 30-89 days past due	8,752	7,827	8,631	1.4
Noncurrent loans and leases	11,912	12,256	12,614	-5.6
Restructured loans and leases	5,522	5,704	6,380	-13.5
Mortgage-backed securities	179,942	173,904	174,267	3.3
Earning assets	2,078,600	2,077,219	2,102,657	-1.1
FHLB Advances	92,543	94,716	105,026	-11.9
Unused loan commitments	313,819	314,829	310,451	1.1
Trust assets	328,885	259,743	302,060	8.9
Assets securitized and sold	17,049	17,241	13,060	30.5
Notional amount of derivatives	102,469	105,429	74,863	36.9

INCOME DATA	Full Year 2019	Full Year 2018	%Change	4th Quarter 2019	4th Quarter 2018	%Change 18Q4-19Q4
Total interest income	$92,518	$90,272	2.5	$23,412	$24,037	-2.6
Total interest expense	18,903	14,533	30.1	4,761	4,382	8.7
Net interest income	73,615	75,739	-2.8	18,651	19,655	-5.1
Provision for loan and lease losses	2,861	2,933	-2.4	834	798	4.5
Total noninterest income	18,944	18,363	3.2	5,193	4,661	11.4
Total noninterest expense	59,653	60,209	-0.9	15,666	15,642	0.2
Securities gains (losses)	778	40	1,825.0	202	-76	N/M
Applicable income taxes	5,100	4,929	3.5	1,172	1,059	10.6
Extraordinary gains, net*	128	3	N/M	11	0	N/M
Total net income (includes minority interests)	25,850	26,075	-0.9	6,385	6,740	-5.3
Bank net income	25,839	26,063	-0.9	6,383	6,739	-5.3
Net charge-offs	1,995	1,941	2.8	703	594	18.3
Cash dividends	13,304	11,499	15.7	4,218	3,592	17.4
Retained earnings	12,535	14,564	-13.9	2,165	3,147	-31.2
Net operating income	25,064	26,045	-3.8	6,206	6,809	-8.9

* See Notes to Users for explanation.

N/M - Not Meaningful

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

(dollar figures in millions)	4th Quarter 2019	3rd Quarter 2019	4th Quarter 2018	%Change 18Q4-19Q4
Number of institutions reporting	4,750	4,748	4,738	0.3
Total employees (full-time equivalent)	400,297	398,916	393,945	1.6
CONDITION DATA				
Total assets	$2,231,307	$2,202,385	$2,109,146	5.8
Loans secured by real estate	1,206,846	1,194,117	1,145,866	5.3
1-4 Family residential mortgages	393,212	393,954	380,498	3.3
Nonfarm nonresidential	474,580	464,763	442,409	7.3
Construction and development	113,178	111,276	105,075	7.7
Home equity lines	46,466	46,571	46,688	-0.5
Commercial & industrial loans	212,832	208,933	201,165	5.8
Loans to individuals	66,102	65,396	62,010	6.6
Credit cards	2,158	2,089	2,079	3.8
Farm loans	52,212	53,444	52,270	-0.1
Other loans & leases	40,862	41,254	35,687	14.5
Less: Unearned income	557	542	546	2.0
Total loans & leases	1,578,298	1,562,602	1,496,453	5.5
Less: Reserve for losses	17,679	17,798	17,393	1.6
Net loans and leases	1,560,619	1,544,804	1,479,060	5.5
Securities	379,280	372,030	378,521	0.2
Other real estate owned	2,462	2,690	2,911	-15.4
Goodwill and other intangibles	17,641	17,000	15,996	10.3
All other assets	271,305	265,861	232,659	16.6
Total liabilities and capital	2,231,307	2,202,385	2,109,146	5.8
Deposits	1,834,305	1,808,553	1,734,504	5.8
Domestic office deposits	1,831,892	1,806,242	1,732,408	5.7
Foreign office deposits	2,414	2,311	2,096	15.2
Brokered deposits	63,354	68,001	71,373	-11.2
Estimated insured deposits	1,331,236	1,321,992	1,277,026	4.2
Other borrowed funds	114,761	112,950	118,047	-2.8
Subordinated debt	339	370	359	-5.6
All other liabilities	19,210	19,893	15,568	23.4
Total equity capital (includes minority interests)	262,691	260,620	240,667	9.2
Bank equity capital	262,604	260,532	240,591	9.1
Loans and leases 30-89 days past due	8,752	7,755	8,240	6.2
Noncurrent loans and leases	11,912	12,140	11,885	0.2
Restructured loans and leases	5,522	5,674	6,190	-10.8
Mortgage-backed securities	179,942	172,154	162,873	10.5
Earning assets	2,078,600	2,048,221	1,963,775	5.8
FHLB Advances	92,543	91,457	96,770	-4.4
Unused loan commitments	313,819	309,836	291,236	7.8
Trust assets	328,885	258,961	281,667	16.8
Assets securitized and sold	17,049	17,174	16,731	1.9
Notional amount of derivatives	102,469	104,297	68,219	50.2

INCOME DATA	Full Year 2019	Full Year 2018	%Change	4th Quarter 2019	4th Quarter 2018	%Change 18Q4-19Q4
Total interest income	$92,518	$83,341	11.0	$23,412	$22,304	5.0
Total interest expense	18,903	13,305	42.1	4,761	4,037	17.9
Net interest income	73,615	70,036	5.1	18,651	18,267	2.1
Provision for loan and lease losses	2,861	2,559	11.8	834	741	12.5
Total noninterest income	18,944	17,023	11.3	5,193	4,309	20.5
Total noninterest expense	59,653	56,060	6.4	15,666	14,679	6.7
Securities gains (losses)	778	15	N/M	202	-99	N/M
Applicable income taxes	5,100	4,409	15.7	1,172	941	24.5
Extraordinary gains, net*	128	3	N/M	11	0	N/M
Total net income (includes minority interests)	25,850	24,048	7.5	6,385	6,115	4.4
Bank net income	25,839	24,036	7.5	6,383	6,113	4.4
Net charge-offs	1,995	1,646	21.2	703	573	22.8
Cash dividends	13,304	11,006	20.9	4,218	3,439	22.7
Retained earnings	12,535	13,030	-3.8	2,165	2,674	-19.0
Net operating income	25,064	24,038	4.3	6,206	6,202	0.1

* See Notes to Users for explanation.

N/M - Not Meaningful

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

Fourth Quarter 2019 (dollar figures in millions)	All Community Banks	Geographic Regions*					
		New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,750	540	538	1,050	1,274	1,055	293
Total employees (full-time equivalent)	400,297	80,969	44,794	83,862	69,567	87,251	33,854
CONDITION DATA							
Total assets	$2,231,307	$575,685	$229,370	$410,068	$374,275	$420,257	$221,653
Loans secured by real estate	1,206,846	355,654	125,706	214,893	181,936	211,176	117,481
1-4 Family residential mortgages	393,212	137,308	38,704	68,595	53,611	67,948	27,047
Nonfarm nonresidential	474,580	129,363	56,274	82,052	61,723	86,822	58,346
Construction and development	113,178	25,299	14,106	17,568	16,108	29,836	10,262
Home equity lines	46,466	14,401	6,093	9,984	5,128	4,972	5,888
Commercial & industrial loans	212,832	50,420	19,400	42,522	38,391	40,954	21,145
Loans to individuals	66,102	16,974	6,230	12,687	11,072	12,780	6,359
Credit cards	2,158	455	130	251	613	235	475
Farm loans	52,212	658	1,317	8,573	29,519	9,205	2,939
Other loans & leases	40,862	11,088	3,285	9,182	6,564	6,378	4,366
Less: Unearned income	557	103	83	48	98	124	100
Total loans & leases	1,578,298	434,691	155,855	287,810	267,384	280,369	152,189
Less: Reserve for losses	17,679	3,987	1,717	3,201	3,485	3,372	1,917
Net loans and leases	1,560,619	430,704	154,138	284,609	263,899	276,996	150,273
Securities	379,280	84,321	40,448	73,111	63,009	81,137	37,254
Other real estate owned	2,462	402	463	473	438	562	123
Goodwill and other intangibles	17,641	4,901	1,252	3,449	2,537	3,034	2,469
All other assets	271,305	55,357	33,068	48,425	44,392	58,528	31,534
Total liabilities and capital	2,231,307	575,685	229,370	410,068	374,275	420,257	221,653
Deposits	1,834,305	457,730	191,526	336,954	309,834	354,667	183,594
Domestic office deposits	1,831,892	456,969	191,513	336,812	309,834	354,667	182,097
Foreign office deposits	2,414	762	13	142	0	0	1,497
Brokered deposits	63,354	21,172	4,043	11,654	12,380	8,403	5,701
Estimated insured deposits	1,331,236	333,414	136,351	260,948	237,253	249,095	114,175
Other borrowed funds	114,761	43,686	9,296	21,329	18,519	13,360	8,572
Subordinated debt	339	236	13	27	11	42	11
All other liabilities	19,210	6,399	1,756	3,264	2,590	2,800	2,402
Total equity capital (includes minority interests)	262,691	67,634	26,779	48,494	43,322	49,388	27,074
Bank equity capital	262,604	67,607	26,775	48,457	43,321	49,370	27,073
Loans and leases 30-89 days past due	8,752	1,975	1,063	1,633	1,432	2,109	540
Noncurrent loans and leases	11,912	3,162	1,166	2,294	1,983	2,580	726
Restructured loans and leases	5,522	1,788	516	1,331	861	692	333
Mortgage-backed securities	179,942	46,980	20,053	31,314	24,560	34,618	22,417
Earning assets	2,078,600	538,997	212,738	382,217	348,880	389,960	205,808
FHLB Advances	92,543	37,764	7,804	16,423	14,495	10,107	5,949
Unused loan commitments	313,819	82,897	27,657	57,224	56,055	52,845	37,141
Trust assets	328,885	67,011	13,023	74,529	101,831	51,206	21,285
Assets securitized and sold	17,049	7,621	74	4,983	3,107	1,062	202
Notional amount of derivatives	102,469	42,461	8,417	15,207	14,616	14,675	7,093
INCOME DATA							
Total interest income	$23,412	$5,753	$2,418	$4,238	$4,040	$4,625	$2,339
Total interest expense	4,761	1,431	456	843	834	843	353
Net interest income	18,651	4,322	1,961	3,395	3,205	3,782	1,985
Provision for loan and lease losses	834	173	75	132	156	200	98
Total noninterest income	5,193	1,034	487	1,341	909	998	425
Total noninterest expense	15,666	3,681	1,704	3,010	2,625	3,165	1,481
Securities gains (losses)	202	123	15	19	26	18	1
Applicable income taxes	1,172	329	77	268	167	157	174
Extraordinary gains, net**	11	3	0	0	1	7	0
Total net income (includes minority interests)	6,385	1,298	607	1,346	1,193	1,282	659
Bank net income	6,383	1,298	607	1,345	1,193	1,282	659
Net charge-offs	703	136	53	117	143	190	64
Cash dividends	4,218	696	419	1,067	711	952	374
Retained earnings	2,165	601	188	278	482	329	285
Net operating income	6,206	1,195	594	1,329	1,170	1,260	659

* See Table V-A for explanation.
** See Notes to Users for explanation.

Table IV-B. Fourth Quarter 2019, FDIC-Insured Community Banks

Performance ratios (annualized, %)	All Community Banks		Fourth Quarter 2019, Geographic Regions*					
	4th Quarter 2019	3rd Quarter 2019	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	4.55	4.67	4.32	4.60	4.47	4.68	4.79	4.58
Cost of funding earning assets	0.93	0.98	1.07	0.87	0.89	0.97	0.87	0.69
Net interest margin	3.62	3.69	3.24	3.73	3.58	3.71	3.91	3.89
Noninterest income to assets	0.94	0.92	0.73	0.86	1.32	0.98	0.96	0.77
Noninterest expense to assets	2.83	2.74	2.58	3.01	2.96	2.83	3.04	2.69
Loan and lease loss provision to assets	0.15	0.14	0.12	0.13	0.13	0.17	0.19	0.18
Net operating income to assets	1.12	1.23	0.84	1.05	1.31	1.26	1.21	1.20
Pretax return on assets	1.37	1.51	1.14	1.21	1.59	1.47	1.38	1.51
Return on assets	1.15	1.25	0.91	1.07	1.32	1.29	1.23	1.20
Return on equity	9.79	10.62	7.74	9.13	11.15	11.09	10.45	9.84
Net charge-offs to loans and leases	0.18	0.15	0.13	0.14	0.16	0.21	0.27	0.17
Loan and lease loss provision to net charge-offs	118.65	134.51	127.38	142.10	112.37	109.12	105.25	153.55
Efficiency ratio	65.29	62.52	68.40	68.94	63.07	63.34	65.90	61.16
Net interest income to operating revenue	78.22	78.86	80.70	80.11	71.69	77.91	79.13	82.36
% of unprofitable institutions	7.66	4.45	8.15	11.15	7.33	6.36	7.11	9.22
% of institutions with earnings gains	54.19	62.01	51.67	55.76	54.38	55.57	54.50	48.12

Table V-B. Full Year 2019, FDIC-Insured Community Banks

Performance ratios (%)	All Community Banks		Full Year 2019, Geographic Regions*					
	Full Year 2019	Full Year 2018	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	4.61	4.43	4.39	4.69	4.53	4.70	4.83	4.66
Cost of funding earning assets	0.94	0.71	1.10	0.88	0.90	0.98	0.89	0.72
Net interest margin	3.67	3.72	3.30	3.81	3.62	3.72	3.94	3.94
Noninterest income to assets	0.88	0.84	0.67	0.83	1.19	0.89	0.95	0.74
Noninterest expense to assets	2.77	2.75	2.51	2.97	2.89	2.73	2.99	2.65
Loan and lease loss provision to assets	0.13	0.13	0.11	0.11	0.11	0.15	0.16	0.15
Net operating income to assets	1.16	1.19	0.89	1.07	1.30	1.30	1.28	1.26
Pretax return on assets	1.44	1.42	1.23	1.32	1.60	1.51	1.47	1.60
Return on assets	1.20	1.19	0.97	1.10	1.33	1.32	1.30	1.26
Return on equity	10.27	10.58	8.26	9.47	11.38	11.48	11.21	10.49
Net charge-offs to loans and leases	0.13	0.13	0.11	0.10	0.10	0.15	0.18	0.16
Loan and lease loss provision to net charge-offs	143.40	151.09	137.49	158.68	149.95	145.99	139.79	139.89
Efficiency ratio	64.06	63.64	66.47	67.42	62.86	62.00	64.62	60.02
Net interest income to operating revenue	79.53	80.49	82.20	80.95	73.86	79.60	79.40	83.26
% of unprofitable institutions	3.81	3.63	5.19	5.58	4.10	2.59	2.75	6.14
% of institutions with earnings gains	64.00	78.57	60.74	64.68	65.90	61.70	65.40	66.89

* See Table V-A for explanation.

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

December 31, 2019	All Community Banks	Geographic Regions*					
		New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due							
All loans secured by real estate	0.52	0.43	0.64	0.58	0.49	0.69	0.26
Construction and development	0.40	0.22	0.42	0.41	0.52	0.53	0.30
Nonfarm nonresidential	0.32	0.28	0.35	0.38	0.28	0.43	0.20
Multifamily residential real estate	0.20	0.16	0.27	0.22	0.39	0.19	0.07
Home equity loans	0.48	0.50	0.52	0.55	0.37	0.50	0.30
Other 1-4 family residential	0.85	0.67	1.21	0.99	0.74	1.15	0.40
Commercial and industrial loans	0.50	0.30	0.75	0.45	0.54	0.63	0.53
Loans to individuals	1.54	1.61	1.69	0.93	1.09	2.50	1.29
Credit card loans	2.47	2.87	1.49	0.97	3.76	1.40	2.00
Other loans to individuals	1.51	1.58	1.69	0.93	0.94	2.52	1.24
All other loans and leases (including farm)	0.49	0.25	0.26	0.40	0.60	0.54	0.57
Total loans and leases	0.55	0.45	0.68	0.57	0.54	0.75	0.35
Percent of Loans Noncurrent**							
All loans secured by real estate	0.74	0.74	0.76	0.82	0.70	0.86	0.39
Construction and development	0.61	0.60	0.63	0.66	0.67	0.54	0.66
Nonfarm nonresidential	0.61	0.64	0.61	0.73	0.60	0.69	0.29
Multifamily residential real estate	0.23	0.20	0.35	0.43	0.15	0.21	0.04
Home equity loans	0.49	0.58	0.46	0.44	0.29	0.47	0.58
Other 1-4 family residential	0.94	1.04	0.96	0.96	0.59	1.15	0.43
Commercial and industrial loans	0.87	0.83	0.70	0.87	0.84	1.05	0.83
Loans to individuals	0.56	0.41	0.64	0.34	0.44	1.11	0.43
Credit card loans	1.19	1.26	0.42	0.59	1.77	0.55	1.21
Other loans to individuals	0.54	0.39	0.64	0.33	0.37	1.12	0.37
All other loans and leases (including farm)	0.84	0.20	0.80	0.67	0.94	1.27	0.85
Total loans and leases	0.75	0.73	0.75	0.80	0.74	0.92	0.48
Percent of Loans Charged-Off (net, YTD)							
All loans secured by real estate	0.04	0.05	0.02	0.04	0.05	0.05	-0.01
Construction and development	0.01	0.01	0.02	0.01	0.04	0.02	-0.10
Nonfarm nonresidential	0.05	0.06	0.03	0.06	0.07	0.08	0.01
Multifamily residential real estate	0.00	0.01	-0.08	0.01	0.03	0.02	0.00
Home equity loans	0.03	0.05	0.01	0.05	0.03	0.05	-0.02
Other 1-4 family residential	0.04	0.05	0.03	0.04	0.03	0.03	0.00
Commercial and industrial loans	0.36	0.30	0.30	0.27	0.33	0.46	0.64
Loans to individuals	0.92	0.92	0.99	0.41	1.13	1.07	1.24
Credit card loans	6.25	3.62	4.92	1.91	14.63	1.68	2.91
Other loans to individuals	0.75	0.85	0.90	0.38	0.37	1.06	1.11
All other loans and leases (including farm)	0.22	0.11	0.21	0.23	0.15	0.35	0.40
Total loans and leases	0.13	0.11	0.10	0.10	0.15	0.18	0.16
Loans Outstanding (in billions)							
All loans secured by real estate	$1,206.8	$355.7	$125.7	$214.9	$181.9	$211.2	$117.5
Construction and development	113.2	25.3	14.1	17.6	16.1	29.8	10.3
Nonfarm nonresidential	474.6	129.4	56.3	82.1	61.7	86.8	58.3
Multifamily residential real estate	102.1	46.9	6.1	18.7	11.1	7.5	11.9
Home equity loans	46.5	14.4	6.1	10.0	5.1	5.0	5.9
Other 1-4 family residential	393.2	137.3	38.7	68.6	53.6	67.9	27.0
Commercial and industrial loans	212.8	50.4	19.4	42.5	38.4	41.0	21.1
Loans to individuals	66.1	17.0	6.2	12.7	11.1	12.8	6.4
Credit card loans	2.2	0.5	0.1	0.3	0.6	0.2	0.5
Other loans to individuals	63.9	16.5	6.1	12.4	10.5	12.5	5.9
All other loans and leases (including farm)	93.1	11.7	4.6	17.8	36.1	15.6	7.3
Total loans and leases	1,578.9	434.8	155.9	287.9	267.5	280.5	152.3
Memo: Unfunded Commitments (in millions)							
Total Unfunded Commitments	313,819	82,897	27,657	57,224	56,055	52,845	37,141
Construction and development: 1-4 family residential	25,458	5,098	3,611	2,999	3,425	7,554	2,770
Construction and development: CRE and other	66,520	20,143	6,538	10,959	9,009	13,194	6,678
Commercial and industrial	101,948	26,811	7,531	21,331	17,333	16,975	11,966

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

Insurance Fund Indicators

Deposit Insurance Fund Increases by $1.4 Billion

DIF Reserve Ratio Is Unchanged at 1.41 Percent

Three Institutions Failed During the Fourth Quarter

Small Bank Credits Will Be Applied to Fourth Quarter Assessments

During the fourth quarter, the Deposit Insurance Fund (DIF) balance increased by $1.4 billion to $110.3 billion. Assessment income of $1.3 billion and interest earned on investments of $531 million were the largest drivers of the increase. A negative provision for insurance losses of $88 million and other miscellaneous income of $21 million also added to the fund balance. Operating expenses of $460 million partially offset the increase in the fund balance. Three insured institutions failed in the fourth quarter; for all of 2019, there were four failures of insured institutions, with combined assets of $209 million.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—increased by 1.6 percent in the fourth quarter and by 4.6 percent over 12 months.[1,2] Total estimated insured deposits increased by 1.0 percent in the fourth quarter of 2019 and by 3.9 percent year over year.

The DIF's reserve ratio (the fund balance as a percent of estimated insured deposits) was 1.41 percent on December 31, 2019, unchanged from the previous quarter. The reserve ratio increased by 5 basis points from one year earlier.

Small banks earned a total of $765 million in credits for the portion of their assessments that contributed to growth in the reserve ratio from 1.15 percent to 1.35 percent. The credits are automatically applied to offset the assessments of small banks when the reserve ratio is at least 1.35 percent.[3] A total of $703 million in credits, including estimated credits of $144 million for the fourth quarter, were applied in 2019.

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

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

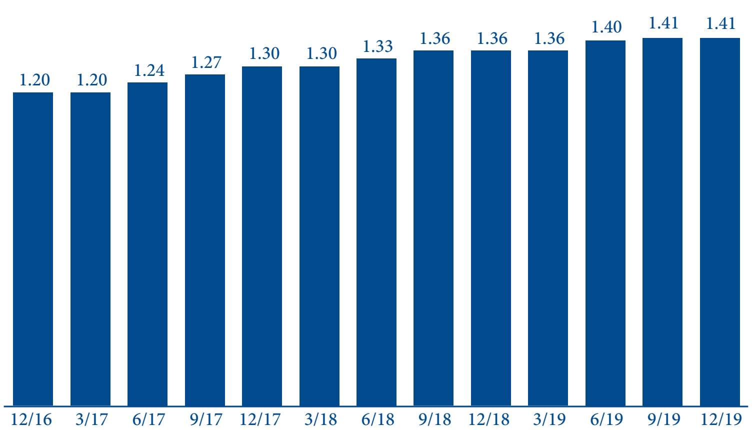
[3] In November 2019, the FDIC Board of Directors authorized a rule change that would require the FDIC to apply the small bank credits in any assessment quarter in which the reserve ratio is at least 1.35 percent.

Table I-C. Insurance Fund Balances and Selected Indicators

(dollar figures in millions)	Deposit Insurance Fund* 4th Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	1st Quarter 2019	4th Quarter 2018	3rd Quarter 2018	2nd Quarter 2018	1st Quarter 2018	4th Quarter 2017	3rd Quarter 2017	2nd Quarter 2017	1st Quarter 2017	4th Quarter 2016
Beginning Fund Balance	$108,940	$107,446	$104,870	$102,609	$100,204	$97,588	$95,072	$92,747	$90,506	$87,588	$84,928	$83,162	$80,704
Changes in Fund Balance:													
Assessments earned	1,272	1,111	1,187	1,369	1,351	2,728	2,598	2,850	2,656	2,568	2,634	2,737	2,688
Interest earned on investment securities	531	544	535	507	481	433	381	338	305	274	251	227	189
Realized gain on sale of investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating expenses	460	443	459	434	453	434	445	433	443	404	450	442	437
Provision for insurance losses	-88	-192	-610	-396	-236	-121	-141	-65	-203	-512	-233	765	-332
All other income, net of expenses	21	4	9	2	2	2	3	1	3	1	4	2	3
Unrealized gain/(loss) on available-for-sale securities**	-45	86	694	421	788	-234	-162	-496	-481	-33	-12	7	-317
Total fund balance change	1,407	1,494	2,576	2,261	2,405	2,616	2,516	2,325	2,242	2,918	2,660	1,766	2,457
Ending Fund Balance	110,347	108,940	107,446	104,870	102,609	100,204	97,588	95,072	92,747	90,506	87,588	84,928	83,162
Percent change from four quarters earlier	7.54	8.72	10.10	10.31	10.63	10.72	11.42	11.95	11.53	12.14	12.42	13.06	14.55
Reserve Ratio (%)	1.41	1.41	1.40	1.36	1.36	1.36	1.33	1.30	1.30	1.27	1.24	1.20	1.20
Estimated Insured Deposits	7,817,638	7,737,740	7,692,848	7,699,601	7,525,393	7,377,158	7,355,373	7,334,658	7,156,067	7,101,090	7,049,332	7,081,096	6,917,200
Percent change from four quarters earlier	3.88	4.89	4.59	4.98	5.16	3.89	4.34	3.58	3.45	4.19	5.65	6.32	6.11
Domestic Deposits	13,262,210	13,020,233	12,788,773	12,725,363	12,659,395	12,367,954	12,280,904	12,305,817	12,129,503	11,966,478	11,827,933	11,856,691	11,693,371
Percent change from four quarters earlier	4.76	5.27	4.14	3.41	4.37	3.36	3.83	3.79	3.73	3.99	5.20	6.28	6.76
Assessment Base* **	16,156,084	15,904,379	15,684,008	15,561,853	15,452,213	15,229,514	15,113,650	15,068,924	15,001,396	14,834,129	14,702,870	14,620,756	14,563,011
Percent change from four quarters earlier	4.56	4.43	3.77	3.27	3.01	2.67	2.79	3.07	3.01	3.14	3.60	4.48	5.28
Number of Institutions Reporting	5,186	5,267	5,312	5,371	5,415	5,486	5,551	5,616	5,679	5,747	5,796	5,865	5,922

DIF Reserve Ratios

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits ($ Millions)

	DIF Balance	DIF-Insured Deposits
12/16	$83,162	$6,917,200
3/17	84,928	7,081,096
6/17	87,588	7,049,332
9/17	90,506	7,101,090
12/17	92,747	7,156,067
3/18	95,072	7,334,658
6/18	97,588	7,355,373
9/18	100,204	7,377,158
12/18	102,609	7,525,393
3/19	104,870	7,699,601
6/19	107,446	7,692,848
9/19	108,940	7,737,740
12/19	110,347	7,817,638

Table II-C. Problem Institutions and Failed Institutions

(dollar figures in millions)	2019	2018	2017	2016	2015	2014	2013
Problem Institutions							
Number of institutions	51	60	95	123	183	291	467
Total assets	$46,190	$48,489	$13,939	$27,624	$46,780	$86,712	$152,687
Failed Institutions							
Number of institutions	4	0	8	5	8	18	24
Total assets****	$209	$0	$5,082	$277	$6,706	$2,914	$6,044

* Quarterly financial statement results are unaudited.
** Includes unrealized postretirement benefit gain (loss).
*** Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.
**** Total assets are based on final Call Reports submitted by failed institutions.

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

(dollar figures in millions) December 31, 2019	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	4,518	$17,491,476	$12,298,958	$7,028,840
FDIC-Supervised	3,013	3,042,790	2,405,272	1,588,375
OCC-Supervised	787	11,832,793	8,064,932	4,476,034
Federal Reserve-Supervised	718	2,615,894	1,828,755	964,431
FDIC-Insured Savings Institutions	659	1,153,872	921,010	752,481
OCC-Supervised	299	779,581	636,586	527,660
FDIC-Supervised	325	347,804	262,771	207,192
Federal Reserve-Supervised	35	26,486	21,653	17,629
Total Commercial Banks and Savings Institutions	5,177	18,645,348	13,219,968	7,781,321
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	89,613	42,242	36,317
Total FDIC-Insured Institutions	5,186	18,734,961	13,262,210	7,817,638

* Excludes $1.3 trillion in foreign office deposits, which are not FDIC insured.

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

Quarter Ending September 30, 2019 *(dollar figures in billions)*

Annual Rate in Basis Points*	Number of Institutions	Percent of Total Institutions	Amount of Assessment Base**	Percent of Total Assessment Base
1.50 - 3.00	3,382	64.21	$8,171.0	51.38
3.01 - 6.00	1,348	25.59	6,729.5	42.31
6.01 - 10.00	414	7.86	863.9	5.43
10.01 - 15.00	58	1.10	110.5	0.70
15.01 - 20.00	54	1.03	15.6	0.10
20.01 - 25.00	3	0.06	1.1	0.01
> 25.00	8	0.15	12.7	0.08

* Assessment rates do not incorporate temporary surcharges on large banks.
** Beginning in the second quarter of 2011, the assessment base was changed to average consolidated total assets minus tangible equity, as required by the Dodd-Frank Act.

Notes to Users

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

Tables I-A through VIII-A.

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

Tables I-B through VI-B.

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

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

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

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

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

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

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

Summary of FDIC Research Definition of Community Banking Organizations

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

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

Exclude: Any organization with:

— No loans or no core deposits

— Foreign Assets ≥ 10% of total assets

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

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

Include: All remaining banking organizations with:

— Total assets < indexed size threshold[2]

— Total assets ≥ indexed size threshold, where:

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

Tables I-C through IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository insti-

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

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

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

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

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

DATA SOURCES

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

COMPUTATION METHODOLOGY

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

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

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

ACCOUNTING CHANGES

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

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

https://www.fdic.gov/news/news/financial/2020/fil20001.html

https://www.fdic.gov/news/news/financial/2020/fil20001.pdf

https://www.fdic.gov/regulations/resources/call/call.html

Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB. http://www.fasb.org/jsp/FASB/Page/LandingPage&cid=1175805317350.

DEFINITIONS (in alphabetical order)

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

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

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

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

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

The current assessment rate schedule became effective July 1, 2016. Under the current schedule, initial base assessment rates range from 3 to 30 basis points. An institution's total base assessment rate may differ from its initial rate due to three possible adjustments: (1) Unsecured Debt Adjustment: An institution's rate may decrease by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or 50 percent of an institution's initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 3 basis points would have a maximum unsecured debt adjustment of 1.5 basis points and could not have a total base assessment rate lower than 1.5 basis points. (2) Depository Institution Debt Adjustment: For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution's Tier 1 capital. (3) Brokered Deposit Adjustment: Rates for large institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits.

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

Total Base Assessment Rates*

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

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

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

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

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

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

Common equity Tier 1 capital ratio – ratio of common equity Tier 1 capital to risk-weighted assets. Common equity Tier 1 capital includes common stock instruments and related surplus, retained earnings, accumulated other comprehensive income (AOCI), and limited amounts of common equity Tier 1 minority interest, minus applicable regulatory adjustments and deductions. Items that are fully deducted from common equity Tier 1 capital include goodwill, other intangible assets (excluding mortgage servicing assets) and certain deferred tax assets; items that are subject to limits in common equity Tier 1 capital include mortgage servicing assets, eligible deferred tax assets, and certain significant investments.

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

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

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

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

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

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

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

Derivatives transaction types:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that filed a *Thrift Financial Report* (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2019 SUMMARY OF DEPOSITS HIGHLIGHTS

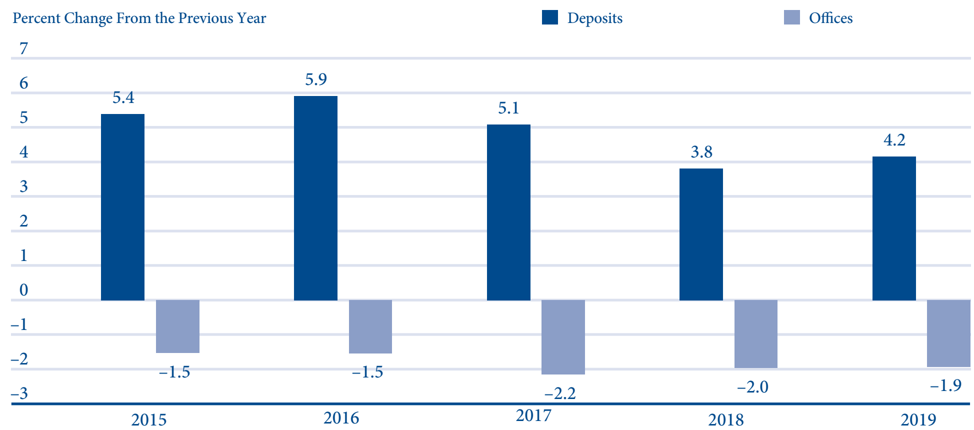
Introduction

In the 2019 Summary of Deposits (SOD) Survey, the banking industry reported an increase in deposits and a decrease in the number of branch offices, continuing recent trends (chart).[1] This article describes deposit gathering and office closures shown in the 2019 SOD, which reports data as of June 30, 2019. For selected topics, comparative information about credit unions is included. This article also examines characteristics of the offices of operating banks that close versus those that are sold or leased, and of offices that close versus those that remain open following bank acquisitions.

The reduction in the number of bank offices occurred nationwide. The rate of decline was faster among offices located in metropolitan counties, limited-service offices, and offices with lower reported levels of deposits. Despite the general decline in the number of bank offices, the number of counties with a banking office has remained relatively stable over the past five years.

The rate of deposit growth increased for both community and noncommunity banks over the previous 12 months.[2] Adjusting for mergers, the rate of deposit growth at community banks has exceeded that of noncommunity banks in each of the past three years. In comparisons based on asset size, medium-sized banks registered the highest merger-adjusted five-year average rate of annual deposit growth.[3] Moreover, the number of offices operated by medium-sized banks increased over the past five years, despite the decrease in the number of offices operated by the banking industry as a whole.

Deposits Increased While the Number of Offices Declined in Each of the Past Five Years



Source: FDIC Summary of Deposits, 2014 to 2019.

[1] "Deposits" refers to deposits in domestic offices of FDIC-insured institutions—meaning branch offices located in the United States, U.S. territories, and possessions. U.S. offices of foreign institutions and their deposits are not included.
[2] Community banks are identified using criteria in the *FDIC Community Banking Study*, December 2012, https://www.fdic.gov/regulations/resources/cbi/report/cbi-full.pdf.
[3] For this article "medium-sized banks" refers to banks with total assets between $10 billion and $250 billion. "Small banks" have total assets less than $10 billion, and "large banks" have total assets greater than $250 billion.

The Number of Bank Offices Continues to Decline

The number of offices operated by FDIC-insured institutions has declined since June 2009. FDIC-insured institutions operated 86,364 offices in June 2019, which is 1,701 (1.9 percent) fewer offices than in June 2018. This rate of decline is slightly higher than the five-year average annual rate of 1.8 percent. In 2009, FDIC-insured institutions operated 13,176 more offices than in 2019. From 2009 to 2014, the number of offices declined by 4,825 (4.8 percent), while the number of offices declined by 8,351 (8.8 percent) between 2014 and 2019.

The number of offices of community banks decreased by 2.3 percent from 30,565 to 29,863 over the past 12 months. For noncommunity banks, the number of offices decreased by 1.7 percent from 57,500 to 56,501. The number of offices decreased by 934 (4.1 percent) among large banks and 988 (2.7 percent) among small banks, while the number of offices of medium-sized banks increased by 221 (0.8 percent). The overall decrease in the number of offices continues a trend toward greater consolidation.

Deposits Increase for Both Community and Noncommunity Banks

Total domestic deposits held by FDIC-insured institutions increased from $12.26 trillion in June 2018 to $12.77 trillion in June 2019, an increase of $510 billion or 4.2 percent. This growth rate was slightly lower than the 4.9 percent five-year average annual growth rate for the period ended in June 2019. Deposits increased over the past 12 months, even though the number of institutions declined from 5,542 to 5,303 and the number of offices declined from 88,065 to 86,364.

Community banks reported an increase in their merger-adjusted deposit growth rate during the year ended June 2019, with the growth rate at community banks exceeding that of noncommunity banks.[4] Merger adjustment is a way of measuring the "organic growth" of a cohort of institutions, the portion of growth not attributable to mergers. Year-over-year merger-adjusted deposit growth at community banks was 5.5 percent, an increase from the 4.9 percent growth reported the previous year and equal to the five-year average annual growth rate (Table 1). Noncommunity banks reported merger-adjusted year-over-year deposit growth of 3.9 percent. Adjusting for mergers, deposits at noncommunity banks increased 26.7 percent over the past five years, from $8.61 trillion to $10.91 trillion. Deposits at community banks increased 30.7 percent over that time period, from $1.42 trillion to $1.86 trillion.

Merger-adjusted growth rates make clear the strong organic growth of deposits at community banks. Consolidation in the industry has reduced the number of community banks and noncommunity banks, but the number of community banks has decreased at a faster rate. The decline in the number of community banks is reflected in the increasing share of deposits held at noncommunity banks over time. As Table 2 indicates, the share of all domestic deposits of banks and credit unions held by noncommunity banks increased from 76.7 percent to 77.6 between June 2015 and June 2019, while the community bank share decreased from 14.8 percent to 13.2 percent.

Table 2 also depicts a slight increase in the overall deposit share (the share of all domestic deposits of banks and credit unions) of credit unions, from 8.5 percent to 9.1 percent. As of June 2019, total deposits at credit unions were $1.28 trillion, a 6 percent increase over the previous 12 months.

[4] For an explanation of the reasons for and process of merger adjusting bank data, see Eric Breitenstein and Derek Thieme, "Merger Adjusting Bank Data: A Primer," *FDIC Quarterly* 13, no. 1 (2019):31-49, https://www.fdic.gov/bank/analytical/quarterly/2019-vol13-1/fdic-v13n1-4q2018-article.pdf.

Table 1

Deposit Growth Rates, June 2014 to June 2019

Category	2015	2016	2017	2018	2019
Noncommunity Banks	5.6%	6.2%	4.9%	3.7%	3.9%
Community Banks	4.9%	5.7%	6.5%	4.9%	5.5%

Source: FDIC Summary of Deposits, 2014 to 2019.
Note: FDIC bank data are merger adjusted.

Table 2

Domestic Deposit Shares by Depository Institution Category, June 2014 to June 2019

Category	2015	2016	2017	2018	2019
Noncommunity Banks	76.7%	77.1%	77.2%	77.5%	77.6%
Community Banks	14.8%	14.3%	13.9%	13.5%	13.2%
Credit Unions	8.5%	8.6%	8.9%	9.0%	9.1%

Sources: FDIC Summary of Deposits, 2014 to 2019; NCUA Quarterly Summary Report.
Note: FDIC bank data are not merger adjusted.

Deposits Continue to Increase for All Bank Asset Size Classes

On a merger-adjusted basis, total deposits have increased over the past five years for each of the bank asset-size groups depicted in Table 3. From 2014 to 2019, deposits increased on a merger-adjusted basis the most for medium-sized banks—34.6 percent—followed by small banks at 29.3 percent and large banks at 21.2 percent. Deposits for medium-sized and small banks have grown faster than the national average for all banks over the past five years.

Small banks lost market share while medium-sized and large banks gained market share on a non-merger-adjusted basis from June 2014 to June 2019 (Table 4). In principle, this could be the result of either faster organic deposit growth at larger institutions or the result of acquisitions of smaller banks by larger institutions. However, Table 4 shows that on a merger-adjusted basis small banks maintained market share while large banks lost market share, indicating that smaller bank organic deposit growth kept pace with the industry as a whole.

The non-merger-adjusted gain in market share by large banks occurred because two banks moved out of the medium-sized asset class and into the large asset class through organic growth. From June 2014 through June 2019, these two banks grew by about $157.5 billion in assets and $129.8 billion in deposits. Only $16 billion of that deposit growth occurred because of an acquisition.

From 2014 to 2019, 74 banks fluctuated in and out of the medium-sized asset class. These fluctuations occurred through a combination of acquisitions and organic growth. The net effect was that the merger-adjusted and non-merger-adjusted market shares of medium-sized banks differed only slightly over the past five years.

Table 3

Percent Change in Deposits by Asset Size Over Time, June 2014 to June 2019						
Bank Asset Size	**2015**	**2016**	**2017**	**2018**	**2019**	**2014 to 2019**
Large: Assets More Than $250B	3.6%	5.1%	6.2%	1.7%	3.1%	21.2%
Medium-Sized: Assets $10B to $250B	9.0%	7.6%	3.1%	6.2%	4.9%	34.6%
Small: Assets Less Than $10B	3.5%	6.0%	6.4%	4.9%	5.5%	29.3%
All Banks	5.5%	6.1%	5.1%	3.9%	4.2%	27.3%

Source: FDIC Summary of Deposits, 2014 to 2019.
Note: FDIC bank data are merger adjusted.

Table 4

Share of Total Deposits by Asset Size Over Time, June 2014 to June 2019						
	2014	**2015**	**2016**	**2017**	**2018**	**2019**
Bank Asset Size	**Merger Adjusted**					
Large: Assets More Than $250B	47.4%	46.6%	46.1%	46.6%	45.6%	45.2%
Medium-Sized: Assets $10B to $250B	34.5%	35.7%	36.2%	35.5%	36.3%	36.5%
Small: Assets Less Than $10B	18.0%	17.7%	17.7%	17.9%	18.1%	18.3%
	Not Merger Adjusted					
Large: Assets More Than $250B	42.8%	45.0%	46.2%	46.1%	45.3%	45.2%
Medium-Sized: Assets $10B to $250B	34.5%	32.8%	32.4%	33.4%	35.5%	36.5%
Small: Assets Less Than $10B	22.7%	22.1%	21.4%	20.5%	19.2%	18.3%

Source: FDIC Summary of Deposits, 2014 to 2019.

Average Deposits of FDIC-Insured Institutions and Offices Continue to Increase

Average deposits per institution and per office increased from 2018 to 2019 at higher rates than the year before. Deposits per institution increased 8.4 percent from 2017 to 2018 and increased 8.8 percent from 2018 to 2019 to about $2.4 billion. Average deposits per institution increased from about $1.5 billion in June 2014 to $2.4 billion in June 2019. Similarly, average deposits per office rose by 6.2 percent to about $148 million per office from 2018 to 2019, after increasing by 5.9 percent from 2017 to 2018. Average deposits per office increased 39.1 percent over the past five years, from approximately $106 million in June 2014 to about $148 million in June 2019.

The Number of Offices Operated by Medium-Sized Banks Increased

From 2014 to 2019, the number of offices operated by medium-sized banks increased while the number operated by large and small banks declined (Table 5). From 2014 to 2016, total offices operated by medium-sized banks declined 6.1 percent to 23,796 offices but have since increased to 26,389, representing a 4.1 percent increase over five years. Offices operated by large banks rose 4.3 percent to 25,149 offices from 2014 to 2016 but have since declined to 22,752, a 5.6 percent decrease over five years. This shift suggests that large banks may be transitioning away from opening or acquiring more offices. Small banks reported the largest five-year period decline in the number of offices, operating nearly 18 percent fewer offices in 2019 than in 2014.

Table 5

Number of U.S. Banking Offices, June 2014 to June 2019

Bank Asset Size	2014	2015	2016	2017	2018	2019	Percent Change 2014 to 2019
Large: Assets More Than $250B	24,107	24,281	25,149	24,375	23,686	22,752	–5.6%
Medium-Sized: Assets $10B to $250B	25,346	24,533	23,796	24,602	26,168	26,389	4.1%
Small: Assets Less Than $10B	45,259	44,448	42,879	40,862	38,211	37,223	–17.8%

Source: FDIC Summary of Deposits, 2014 to 2019.

Office Closings Are Widespread Although Relatively Less Frequent in Rural Counties

As shown in Table 6, the total number of bank offices declined across all three county types—metropolitan, micropolitan, and rural.[5] A majority of bank offices—roughly 68,000 out of 86,000—are in metropolitan counties. The 9.2 percent five-year reduction in the number of offices in metropolitan counties accounted for most of the total reduction in the number of offices in the United States.[6]

The reduction in the number of community bank offices in metropolitan counties is particularly pronounced: 14.7 percent in the past five years. The number of bank offices has declined the least in rural counties: 6.1 percent between 2014 and 2019. The number of community bank offices in rural counties declined by 4.7 percent, while the number of noncommunity bank offices in rural counties declined by 9.5 percent (Table 6). While the smallest decline in office numbers occurred in rural counties, office closures in rural counties are felt more keenly by those communities than closures in metropolitan counties, since rural bank offices are fewer in number and often serve large geographic areas.[7]

Most of the offices in rural counties (72.9 percent) are operated by community banks. The difference in the five-year rate of reductions in the number of bank offices in rural counties for noncommunity banks (9.5 percent) versus community banks (4.7 percent) means that community banks have increased their relative prominence in rural counties notwithstanding banking industry consolidation. Community banks serve an essential purpose by providing banking services in counties with few bank offices.

[5] Counties are labeled "metropolitan," "micropolitan," or "rural" depending on whether they are located in areas designated by the U.S. Census Bureau as metropolitan statistical areas or as micropolitan statistical areas. Metropolitan statistical areas have a core urban area with more than 50,000 inhabitants. Micropolitan statistical areas have urban clusters with 10,000 to 50,000 inhabitants. All other areas are considered rural.

[6] The designations assigned to each county by the Census Bureau as of September 2018 were fixed throughout the time period for this exercise to control for counties that may have changed their designation as metropolitan, micropolitan, or rural during the five-year period. See United States Census Bureau Delineation Files, https://www.census.gov/geographies/reference-files/time-series/demo/metro-micro/delineation-files.html.

[7] A useful discussion of the issues associated with closures of banking offices in rural areas is contained in Board of Governors of the Federal Reserve System, "Perspectives from Main Street: Bank Branch Access in Rural Communities," November, 2019, available at https://www.federalreserve.gov/publications/files/bank-branch-access-in-rural-communities.pdf. Numbers of banking offices reported in the Federal Reserve study and this article are not directly comparable because the Federal Reserve study combines micropolitan and rural counties into a single rural designation and it looks only at full-service brick-and-mortar offices and retail offices. This article includes all office types (see footnote 13 of this article for further information about office types).

Table 6

Number of Banking Offices, June 2014 to June 2019								
County Type	Bank Type	2014	2015	2016	2017	2018	2019	Percent Change 2014 to 2019
Metropolitan	All Banks	75,182	74,058	72,889	71,213	69,731	68,279	–9.2%
	Noncommunity Banks	53,888	53,158	52,749	51,887	50,985	50,124	–7.0%
	Community Banks	21,294	20,900	20,140	19,326	18,746	18,155	–14.7%
Micropolitan	All Banks	10,483	10,281	10,119	9,921	9,746	9,587	–8.5%
	Noncommunity Banks	4,454	4,460	4,362	4,306	4,199	4,076	–8.5%
	Community Banks	6,029	5,821	5,757	5,615	5,547	5,511	–8.6%
Rural	All Banks	9,047	8,923	8,816	8,705	8,588	8,498	–6.1%
	Noncommunity Banks	2,542	2,481	2,412	2,392	2,316	2,301	–9.5%
	Community Banks	6,505	6,442	6,404	6,313	6,272	6,197	–4.7%
All	All Banks	94,712	93,262	91,824	89,839	88,065	86,364	–8.8%
	Noncommunity Banks	60,884	60,099	59,523	58,585	57,500	56,501	–7.2%
	Community Banks	33,828	33,163	32,301	31,254	30,565	29,863	–11.7%

Source: FDIC Summary of Deposits, 2014 to 2019.

Note: Counties are labeled metropolitan, micropolitan, or rural depending on whether they are located in areas designated by the U.S. Census Bureau as metropolitan statistical areas or as micropolitan statistical areas. Metropolitan statistical areas have a core urban area with more than 50,000 inhabitants. Micropolitan statistical areas have urban clusters with 10,000 to 50,000 inhabitants. All other areas are considered rural.

Office Closings Outpace Office Openings in Metropolitan Areas

The number of bank offices has declined the most in metropolitan counties. Between 2018 and 2019, metropolitan counties lost a net 1,420 bank offices, a decline of approximately 2 percent (Table 7). Medium-sized banks closed 866 more offices than they opened, large banks closed 796 more offices than they opened, and small banks opened 242 more offices than they closed. Noncommunity banks closed 1,634 more offices than they opened and community banks opened 214 more offices than they closed.[8]

Table 7

Change in Number of Offices in Metropolitan Counties, June 2018 to June 2019			
	Office Openings	Office Closings	Net Change
Bank Asset Size			
Large: Total Assets More Than $250B	150	946	–796
Medium-Sized: Total Assets $10B to $250B	168	1,034	–866
Small: Total Assets Less Than $10B	654	412	242
Bank Type			
Noncommunity Banks	475	2,109	–1,634
Community Banks	497	283	214
All Banks	972	2,392	–1,420

Source: FDIC Summary of Deposits, 2018 to 2019.

[8] The absolute change in the number of offices in metropolitan counties operated by small, medium-sized, and large banks differs from these values because offices move from one asset group to another through mergers and purchases.

The largest number of office openings (Table 8) and office closings (Table 9) occurred in some of the most highly populated metropolitan statistical areas (MSAs). The list of the ten MSAs with the most office openings is almost identical to the list of the ten MSAs with the most office closings. For example, the New York-Newark-Jersey City, NY-NJ-PA MSA had both the largest number of office openings and the largest number of closings. Nine of the top ten MSAs for office openings were also in the top ten for office closings.

Closings outpaced openings among banks in general and among banks with assets greater than $250 billion in the nine common metropolitan areas listed in both tables. Among small and medium-sized banks, closings outpaced openings in some markets but not in others. For noncommunity banks, office closings outpaced openings in the nine common metropolitan areas listed in both tables. By contrast, community bank openings outpaced closings in five out of the nine common metropolitan areas.

Out of the 387 metropolitan areas that were listed in both the 2018 and 2019 SOD surveys, 257 reported a net loss in the number of offices, 81 reported no change in the number of offices, and 49 reported a net gain in the number of offices.[9]

Table 8

Metropolitan Areas With the Most Office Openings, June 2018 to June 2019

		Bank Asset Size			Bank Type	
Metropolitan Statistical Area	Offices Opened	Large: Assets More Than $250B	Medium-Sized: Assets $10B to $250B	Small: Assets Less Than $10B	Community	Noncommunity
New York-Newark-Jersey City, NY-NJ-PA	62	23	6	33	30	32
Houston-The Woodlands-Sugar Land, TX	51	4	27	20	10	41
Boston-Cambridge-Newton, MA-NH	33	10	5	18	16	17
Dallas-Fort Worth-Arlington, TX	31	3	7	21	15	16
Atlanta-Sandy Springs-Alpharetta, GA	30	2	11	17	12	18
Los Angeles-Long Beach-Anaheim, CA	29	8	5	16	10	19
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	24	9	6	9	9	15
Chicago-Naperville-Elgin, IL-IN-WI	24	4	4	16	11	13
Washington-Arlington-Alexandria, DC-VA-MD-WV	21	12	2	7	6	15
St. Louis, MO-IL	18	1	6	11	11	7

Source: FDIC Summary of Deposits, 2018 to 2019.

[9] The list of metropolitan areas in the United States changed between the 2018 and 2019 SOD surveys. Two of the 389 metropolitan areas defined as of June 2018 were no longer designated as metropolitan areas in 2019, and five new metropolitan areas were designated in 2019. In total, 387 metropolitan areas were designated as such in both 2018 and 2019. See Office of Management and Budget Director Mick Mulvaney to the Heads of Executive Departments and Establishments, "Revised Delineations of Metropolitan Statistical Areas, Micropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas," September 14, 2018, https://www.whitehouse.gov/wp-content/uploads/2018/09/Bulletin-18-04.pdf.

Table 9

Metropolitan Areas With the Most Office Closings, June 2018 to June 2019

Metropolitan Statistical Area	Offices Closed	Bank Asset Size: Large: Assets More Than $250B	Bank Asset Size: Medium-Sized: Assets $10B to $250B	Bank Asset Size: Small: Assets Less Than $10B	Bank Type: Community	Bank Type: Noncommunity
New York-Newark-Jersey City, NY-NJ-PA	260	153	85	22	20	240
Chicago-Naperville-Elgin, IL-IN-WI	95	47	39	9	6	89
Los Angeles-Long Beach-Anaheim, CA	83	39	30	14	8	75
Washington-Arlington-Alexandria, DC-VA-MD-WV	80	36	38	6	4	76
Atlanta-Sandy Springs-Roswell, GA	60	18	34	8	1	59
Miami-Fort Lauderdale-West Palm Beach, FL	60	19	37	4	16	44
Houston-The Woodlands-Sugar Land, TX	54	27	16	11	3	51
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	53	15	27	11	10	43
Dallas-Fort Worth-Arlington, TX	50	20	16	14	3	47
Boston-Cambridge-Newton, MA-NH	40	14	11	15	12	28

Source: FDIC Summary of Deposits, 2018 to 2019.

Changes in offices in individual MSAs can be influenced significantly by individual institutions. For example, among the ten MSAs with the most office openings, one large bank accounted for 14.2 percent of all office openings, nearly 38 percent of new offices in the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA, and nearly 21 percent of new offices in both the New York-Newark-Jersey City, NY-NJ-PA and the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSAs. A medium-sized bank accounted for another 7.4 percent of all office openings in the ten MSAs with the most office openings and approximately 30 percent of new offices in both the St. Louis, MO-IL and the Houston-The Woodlands-Sugar Land, TX MSAs.

Among the ten MSAs with the most office closings, large banks accounted for 46.5 percent of all office closings. Large banks accounted for 50 percent or more of office closings in both the New York-Newark-Jersey City, NY-NJ-PA and the Houston-The Woodlands-Sugar Land, TX MSAs and accounted for at least 28 percent of office closings in the other MSAs with the most office closings. Two medium-sized banks together accounted for 9.7 percent of all office closings in the ten MSAs with the most office closings, although they accounted for only 4.1 percent of total offices in those areas. Offices of those two institutions comprised approximately 38 percent of office closures in both the Atlanta-Sandy Springs-Roswell, GA and the Washington-Arlington-Alexandria, DC-VA-MD-WV MSAs. They comprised 13 percent of closures in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA and 8 percent or less of closures in the other ten MSAs with the most closures. In the Miami-Fort Lauderdale-West Palm Beach, FL MSA, a different medium-sized bank accounted for 20 percent of office closures.

Share of Counties With a Branch Office Remains Stable

While the number of banking offices continues to decline throughout the country, the number of counties with at least one banking office has remained stable over the past five years. Of the 3,142 counties in the 50 states and the District of Columbia, less than 1 percent had no community bank, noncommunity bank, or credit union offices (Table 10), a share that remained unchanged from five years ago. As of June 2019, 109 counties had only one branch office, which is up from 96 counties in 2014. Since many of these counties are in rural areas, a majority have a community bank office as opposed to a noncommunity office or a credit union. Over the past five years, the share of counties in the United States that have a credit union office remained around 66.3 percent.

Slightly less than three-quarters of counties had offices of both community and noncommunity banks as of June 2019 (Table 11), compared with 75 percent of counties in June 2014. The share of counties with only a community bank office is roughly 20 percent and has remained stable over the past five years. In contrast, the share of counties with only noncommunity offices increased from 3.9 percent in 2014 to 4.8 percent as of June 2019. Currently, a little more than 1 percent of counties have no community or noncommunity bank offices, unchanged from 2014.[10]

Table 10

Distribution of Bank Offices and Credit Union Offices by County, June 30, 2019

County Description	Number	Percent
Counties With Bank and Credit Union Offices	2,077	66.1
Counties With Only Bank Offices	1,031	32.8
Counties With Only Credit Union Offices	6	0.2
Counties With No Offices	28	0.9
Total of Counties in 50 States and District of Columbia	3,142	100.0
Counties With Only One Office—Community Bank	76	2.4
Counties With Only One Office—Noncommunity Bank	28	0.9
Counties With Only One Office—Credit Union	5	0.2
Total Counties With Only One Office	109	3.5

Sources: FDIC Summary of Deposits, 2019; Census Bureau; NCUA Quarterly Call Report Data, June 2019.

Table 11

Distribution of Bank Offices by County, June 30, 2019

County Description	Number	Percent
Counties With Community Bank and Noncommunity Bank Offices	2,338	74.4
Counties With Only Community Bank Offices	620	19.7
Counties With Only Noncommunity Bank Offices	151	4.8
Counties Without Offices	33	1.1
Total of Counties in 50 States and the District of Columbia	3,142	100

Sources: FDIC Summary of Deposits, 2019; Census Bureau.

[10] According to 2018 Census estimates, the total population of the 33 counties without any bank offices is 98,065. Twelve of these counties, with a combined population of 43,945, have large protected areas designated as National Parks and Preserves, National Forests, Recreation Areas, State Parks, and Wildlife Refuges. Seven of the counties, with an average population of 600, are the least-populous counties in the state. The remaining counties are relatively populated, with an average population of 2,757, while the average U.S. county has a population of 104,127.

Factors Influencing Decisions to Close or Transfer Offices

The number of bank offices declined by 13,176 between 2009 and 2019. Over that time, 17,202 offices opened, 30,378 offices closed, and 27,522 offices were acquired by banks through merger or purchases or leases from other banks.[11] Offices acquired through a merger, sale, or lease, or sold or leased to other banks would continue to operate as a banking office, even though control of the office would change.[12] The decline in the number of bank offices is broken down into five-year periods in Table 12.

Table 12

Office Openings, Closings, Acquisitions, and Net Change, June 2009 to June 2019

	June 2009 Through June 2014	June 2014 Through June 2019
Starting Number of Offices	**99,540**	**94,715**
New Offices Opened	11,856	5,346
Offices Closed	16,681	13,697
Closed following a merger*	2,316	1,243
Closed by a bank that was not acquired	14,252	12,332
Closed—other**	113	122
Offices Acquired	17,134	10,388
Acquired following a merger*	15,693	9,553
Acquired via a sale or lease	1,357	789
Acquired—other**	84	46
Ending Number of Offices	**94,715**	**86,364**

Source: FDIC Summary of Deposits.

* "Closed following a merger" and "acquired following a merger" mean that the banking office: 1) was operated as of an SOD filing period by a bank that was acquired before the next SOD filing period and 2) the banking office was closed or acquired before the next SOD filing period.

** The institution that initially owned the office may have closed without being acquired, changed to a nondepository institution, relinquished deposit insurance, or been acquired by a nonbank.

The long-term decline in the number of bank offices suggests that economic and demographic changes could be reducing the economic value of bank offices generally. Therefore, comparing the characteristics of offices that remain in the banking industry with offices that close may provide insight into some of the factors that are driving the long-term decline in the number of bank offices.

Over the past ten years, 26,584 offices were closed by institutions that were not acquired in the year between SOD filings, while 2,146 offices were sold or leased to another bank. The service type of the office, the total deposits reported at the office, and whether the county in which the office is located is rural, micropolitan, or metropolitan appear to influence the decision to close, sell, or lease an office to another bank.

[11] An office is considered to have closed if it ceases to appear in the Summary of Deposits data. FDIC Summary of Deposits, 2009–2019.

[12] See page 31 of the 2019 Summary of Deposits reporting instructions, https://www.fdic.gov/regulations/resources/call/sod-reporting-instructions.pdf. Leased offices are reported as belonging to the institution that is leasing the office, as opposed to the institution that owns the office.

Type of County

The first group (Offices of Banks That Were Not Acquired) in Table 13 shows how county type (rural, micropolitan, or metropolitan) may have affected how operating banks disposed of offices, whether by closure or by sale or lease. The first group shows that sale or lease happens much less often than outright closure, but that offices for which sales or leases occur are disproportionally located in micropolitan and rural counties. For example, while only 6.5 percent of the 28,730 offices represented in the top panel are in rural counties, almost 13 percent of offices for which a sale or lease occurred are in rural counties. Conversely, offices in metropolitan counties represented 83.3 percent of all offices in the top panel but only 70.9 percent of the offices for which a sale or lease occurred.

The second group (Offices of Acquired Banks) in Table 13 addresses a similar question: how location may have affected whether offices of acquired banks close or remain open. The results are similar to those in the top panel. Closed offices of acquired banks in micropolitan and rural counties are slightly underrepresented relative to the share of those county types in the population of acquired bank offices. Conversely, closed offices of acquired banks in metropolitan counties are slightly overrepresented relative to the share of metropolitan bank offices in the population of acquired bank offices.

These results indicate that offices located in densely populated counties are more likely to close than offices located in less densely populated counties, which suggests that the economic value of bank offices is holding up relatively better in less densely populated counties than in metropolitan counties.

Table 13

Distribution of Offices by Type of County, June 2009 to June 2019

		Number	Metropolitan County	Micropolitan County	Rural County
Offices of Banks That Were Not Acquired	Offices Closed	26,584	84.3%	9.7%	6.0%
	Offices Sold or Leased	2,146	70.9%	16.3%	12.9%
	Total	28,730	83.3%	10.2%	6.5%
Offices of Acquired Banks	Offices Closed	3,559	86.9%	7.3%	5.8%
	Offices Remained Open	25,246	82.7%	9.9%	7.5%
	Total	28,805	83.2%	9.5%	7.2%

Source: FDIC Summary of Deposits.

Note: Counties are labeled metropolitan, micropolitan, or rural depending on whether they are located in areas designated by the U.S. Census Bureau as metropolitan statistical areas or as micropolitan statistical areas. Metropolitan statistical areas have a core urban area with more than 50,000 inhabitants. Micropolitan statistical areas have urban clusters with 10,000 to 50,000 inhabitants. All other areas are considered rural. Rows may not sum to 100 percent due to rounding.

Office Service Type

Offices that remained in the industry were also more likely to be full-service brick-and-mortar offices, suggesting that the value of these types of offices may be holding up relatively better than that of other types of offices.[13] Table 14 shows how office type may have affected whether operating banks disposed of offices by closure or by sale or lease. The first group (Offices of Banks That Were Not Acquired) shows that offices for which a sale or lease occurs are disproportionally likely to be full-service brick-and-mortar offices, rather than other full-service or limited-service offices. For example, among banks that were not acquired, 81.2 percent of offices were full-service brick-and-mortar offices; but almost 92 percent of the offices that were sold or leased to other banks were full-service brick-and-mortar offices. Limited-service offices represented 8.4 percent of offices of banks that were not acquired but only 2.5 percent of the sold or leased offices.

The second group (Offices of Acquired Banks) in Table 14 addresses a similar question: how office type may have affected whether the offices of acquired banks were closed. The results are similar to those in the first group. Full-service brick-and-mortar offices of acquired banks were slightly less likely to close than offices of acquired banks overall, while other full-service or limited-service offices were slightly more likely to close than were acquired bank offices overall.

Table 14

Distribution of Offices by Service Type, June 2009 to June 2019

		Count	Full Service Brick and Mortar	Other Full Service	Limited Service
Offices of Banks That Were Not Acquired	Offices Closed	26,584	80.4%	10.8%	8.9%
	Offices Sold or Leased	2,146	91.7%	5.8%	2.5%
	Total	28,730	81.2%	10.4%	8.4%
Offices of Acquired Banks	Offices Closed	3,559	87.9%	6.9%	5.2%
	Offices Remained Open	25,246	94.2%	2.5%	3.4%
	Total	28,805	93.4%	3.0%	3.6%

Source: FDIC Summary of Deposits.

Note: Other full-service offices include retail offices, which are full-service offices located in a department store or supermarket, and home banking offices, which are full-service offices that customers can access through a website or over the telephone.

[13] The SOD survey collects information on the service type of each office:
1) Full-service brick-and-mortar offices: physical locations owned or leased by a bank at which customers can open and close accounts, apply for loans, deposit and withdraw funds, and receive other banking services.
2) Full-service retail offices: full-service offices in a retail facility such as a department store or supermarket.
3) Home banking offices: full-service offices that customers can access through a website or over the telephone.
4) Limited-service offices: offices that exist for the sole purpose of cashing payroll checks or conducting administrative services for the bank, or that accept deposits but do not provide any other services.

See page 31 of the Summary of Deposits reporting instructions, https://www.fdic.gov/regulations/resources/call/sod-reporting-instructions.pdf.

Reported Deposits

Offices that closed had lower amounts of reported deposits than offices that remained in the banking industry. Among banks that were not acquired, offices that were sold or leased to another bank reported a median $26.7 million in deposits, while offices that closed reported a median $19.3 million in deposits (Table 15). Among banks that were acquired, offices that remained open reported a median $39.2 million in deposits, while offices that closed reported a median $25.4 million in deposits.

It is important to keep in mind that banks have discretion in how they report total deposits at each office, so deposit data collected in the Summary of Deposits need to be used with caution.[14] Nonetheless, the observations in Table 15 are not surprising in that they suggest that the viability of banking offices depends in part on the volume of deposits they generate.

Table 15

Deposits of Offices, June 2009 to June 2019

		Count	Median Deposits per Office (Thousands)
Offices of Banks That Were Not Acquired	Offices Closed	26,584	$19,302
	Offices Sold or Leased	2,146	$26,723
Offices of Acquired Banks	Offices Closed	3,559	$25,398
	Offices Remained Open	25,246	$39,151

Source: FDIC Summary of Deposits.

Conclusion

The trend in office closures that began nearly a decade ago continued as of June 2019, indicating a trend toward greater consolidation in the banking industry. Community banks continue to play a key role in rural areas and have closed offices at slower rates in rural areas. Medium-sized banks increased their number of offices while small and large banks decreased their numbers of offices. Offices closed at higher rates in highly populated metropolitan counties than in less densely populated counties. Factors such as county type, office service type, and deposit amounts may also influence rates of decline in the number of offices. Despite the continued decline in the number of offices, the banking industry continues to report deposit growth among all bank types and sizes.

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[14] Methods used by banks for attributing deposits to bank offices may differ considerably from bank to bank. Researchers should be cautious about using SOD data to draw firm conclusions about the geographical distribution of banking activity. The reporting instructions can be found on page 3 of the Summary of Deposits reporting instructions, https://www.fdic.gov/regulations/resources/call/sod-reporting-instructions.pdf.