The FDIC Quarterly Banking Profile

Donald E. Powell, Chairman

Third Quarter 2001

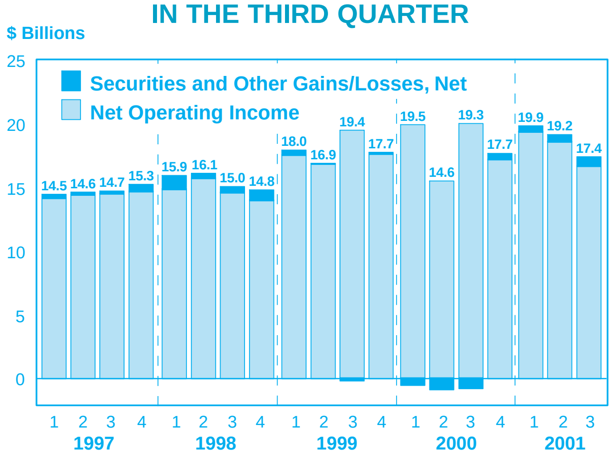
COMMERCIAL BANK PERFORMANCE — THIRD QUARTER 2001

- ***Earnings Declines At Large Banks Cause Drop In Industry Profits***
- ***A Majority Of Banks Report Higher Net Income***
- ***Quarterly Loss Provisions Reach Highest Level In More Than 10 Years***
- ***Loan Growth Continues To Slow While Deposit Growth Remains Strong***
- ***Asset-Quality Indicators Show Further Deterioration***

Higher Loss Provisions Hold Down Industry Earnings

Insured commercial banks reported net income of $17.4 billion in the third quarter of 2001, a decline of $1.9 billion (9.9 percent) from the third quarter of 2000. The largest factor in the earnings decline was a $4.8-billion (71.7-percent) increase in provisions for loan losses. Banks set aside $11.6 billion during the quarter to cover expected loan losses, the largest quarterly addition to reserves since the fourth quarter of 1990. Adding to the downward pressure on earnings was a $459-million (1.2-percent) decline in noninterest income. The industry's noninterest revenues were $361 million lower than in the second quarter, marking the second quarter in a row that they have declined. A $2.9-billion (5.7-percent) increase in net interest income and a $1.7-billion improvement in proceeds from sales of securities from the third quarter of last year helped limit the drop in profits. Net operating income, which excludes results from securities sales and other nonrecurring items, was $3.3 billion (16.6 percent) lower than a year earlier. The industry's return on assets (ROA) fell to 1.08 percent in the quarter, compared to 1.28 percent a year earlier. Through the first three quarters of the year, commercial banks earned $55.8 billion, $2.5 billion (4.6 percent) more than in the same period of 2000, although net operating income was $1.3 billion (2.4 percent) lower. The ROA for the first nine months of this year was 1.17 percent, down from 1.20 percent a year earlier.

COMMERCIAL BANKS' EARNINGS DECLINED IN THE THIRD QUARTER



More Than Half of All Banks Report Higher Earnings

Most of the decline in industry profits occurred at large banks that had sizable expenses for asset-quality problems. More than half — 55.1 percent — of all commercial banks reported higher quarterly earnings than a year ago. However, only 44.9 percent reported higher quarterly ROAs than a year earlier, and the average ROAs for all four asset-size groups were down from a year ago. The largest decline was registered by banks with more than $10 billion in assets; their average ROA fell from 1.24 percent to 1.01 percent. Loss provisions absorbed 13.8 percent of this group's net operating revenues (net interest income plus total noninterest income), compared to 9.3 percent for commercial banks with less than $10 billion in assets.

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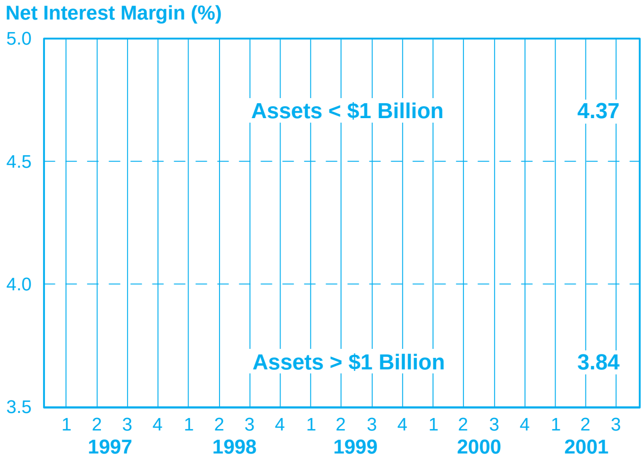
Also available on the Internet at www.fdic.gov. Comparable financial data for individual institutions can now be obtained from the FDIC's Institution Directory (I.D.) System on this Web site.

Net Interest Margins Improve at Larger Banks

As was the case in the second quarter, declining short-term interest rates helped improve net interest margins at larger banks. The industry's net interest margin improved from 3.90 percent in the second quarter to 3.93 percent in the third quarter, the same level as in the third quarter of last year. Many community banks did not see their margins improve, however. The average margin at banks with less than $100 million in assets remained unchanged from the second quarter, at 4.26 percent, after declining in each of the previous four quarters. This is well below the group's average of 4.59 percent in the third quarter of 2000. More than half of all banks – 54.2 percent – had higher net interest margins than in the second quarter, but only one-third (33.4 percent) had higher margins than a year ago.

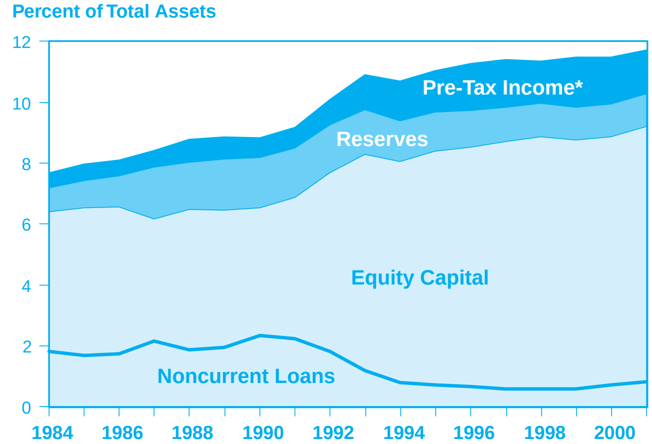
NET INTEREST MARGINS IMPROVED AT MANY BANKS DURING THE THIRD QUARTER



Loan Losses and Troubled Loans Continue to Climb

Banks charged-off $9.2 billion in loans during the quarter, an increase of $3.6 billion (63.3 percent) from last year's third quarter. While much of the increase occurred at large banks, slightly more than half (51.0 percent) of all commercial banks reported higher charge-offs compared to a year ago. As has been the case for almost two years, roughly one-third (35.7 percent) of banks' loan losses came from their commercial and industrial (C&I) loan portfolios. Net charge-offs of C&I loans totaled $3.3 billion, an increase of $1.5 billion (83.6 percent) from a year ago. The net charge-off rate on C&I loans was 1.30 percent, up from 0.69 percent in the third quarter of 2000. Loan losses were also higher in several other loan categories. Net charge-offs of residential mortgage loans rose sharply in the third quarter, as one bank sold a large portfolio of subprime mortgages[1]. Home mortgage charge-offs rose to $938 million in the quarter, compared to $203 million a year earlier. Net charge-offs on leases totaled $332 million, an increase of $211 million.

THE INDUSTRY'S ABILITY TO ABSORB CREDIT LOSSES REMAINS STRONG



*Excludes earnings retained in equity capital.

The amount of loans that were noncurrent (90 days or more past due or in nonaccrual status) also continued to increase, but not as rapidly as charge-offs. Total noncurrent loans and leases rose by $3.1 billion during the third quarter, to $51.8 billion, or 1.34 percent of all loans and leases, a seven-year high. Over the twelve months ending September 30, noncurrent loans increased by $12.9 billion (33.3 percent). C&I loans accounted for $1.1 billion (36.1 percent) of the quarterly increase, and $6.1 billion (47.1 percent) of the 12-month increase. The percentage of C&I loans that were noncurrent rose from 2.03 percent to 2.17 percent during the quarter. This is the highest noncurrent rate since the third quarter of 1993. Other loan categories that registered sizable increases during the quarter include loans secured by commercial real estate properties, where noncurrent loans grew by $523 million (12.5 percent), and real estate construction and development loans, where noncurrent loans were up by $375 million (22.7 percent).

Banks Make Largest Quarterly Addition to Loss Reserves Since 1990

The $11.6 billion in quarterly loss provisions set aside by commercial banks exceeded the $9.2 billion in loans that were charged-off by $2.3 billion, as the industry's reserves for loan losses increased by more than $2.4 billion. This is the largest quarterly increase

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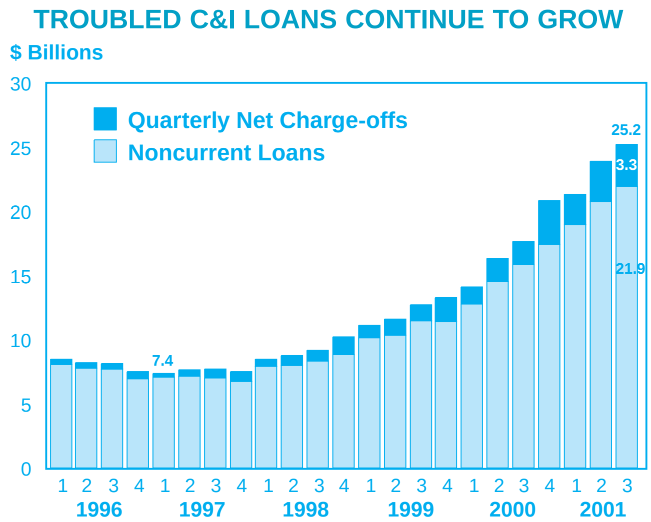
[1] Bank of America NA charged-off $674 million in home mortgage loans in the quarter as it sold off a large portfolio of subprime mortgages. This accounted for 86.7 percent of the industry's increase in mortgage charge-offs.



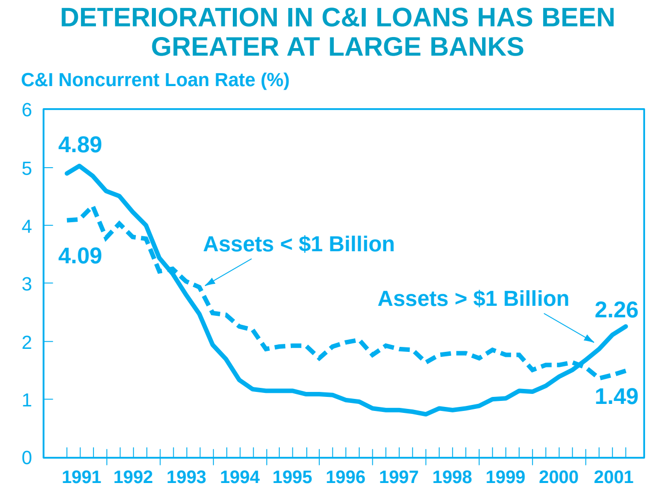
in industry reserves since the fourth quarter of 1990. The growth in reserves, combined with the lack of loan growth, lifted the industry's ratio of reserves to total loans to 1.77 percent, its highest level since the first quarter of 1999. However, the sharp increase in noncurrent loans during the quarter meant that the industry's "coverage ratio" fell from $1.35 in reserves for every $1.00 in noncurrent loans to $1.32, its lowest level since the first quarter of 1994.

Intangible Assets, Revaluation Gains Provide Record Boost to Equity Capital

Commercial banks' total equity capital increased by $28.6 billion (5.1 percent) during the quarter, the largest quarterly increase ever. The industry's equity capital ratio rose from 8.76 percent to 8.94 percent during the quarter, its highest level since 1940. Retained earnings added $3.8 billion, while increases in goodwill (up $8.6 billion) and revaluation gains on banks' available-for-sale securities (up $14.3 billion before taxes) accounted for much of the rest of the increase. Neither goodwill nor revaluation gains are included in regulatory capital; consequently, the industry's core capital "leverage" ratio rose from 7.73 percent to only 7.81 percent during the quarter, and it remained slightly below the 7.84-percent level of a year ago.

Net Loans & Leases Post First Quarterly Decline In More Than Four Years

A $15.1-billion decline in C&I loans and a $22.7-billion decline in residential mortgage loans caused banks' net loans and leases to fall by $688 million in the third quarter. These declines were partially offset by a $14.3-billion increase in loans secured by commercial real estate properties, and a $10.6-billion increase in home equity loans. This is the first time since the first quarter of 1997 that the industry has had a decline in its net loans. Unused loan commitments continued to



grow, increasing by $88.3 billion (1.9 percent), and the utilization rate on banks' loan commitments fell for the fifth consecutive quarter. Banks added $41.9 billion in mortgage-backed securities during the quarter, while assets in trading accounts grew by $38.2 billion. On the liabilities side, savings deposits continued to experience strong growth, rising by $68.0 billion (4.0 percent), while overnight borrowings increased by $37.3 billion (7.3 percent). The industry's ratio of net loans to deposits declined for the second quarter in a row, to its lowest level since mid-year 1999.

Industry Consolidation Slows

The number of insured commercial banks reporting financial results fell to 8,149 banks, from 8,178 at mid-year. The net reduction of 29 banks was the smallest shrinkage in a quarter since the fourth quarter of 1986. There were 30 new banks, while 58 banks were absorbed into other institutions through mergers, and one commercial bank failed. The number of commercial banks on the FDIC's "Problem List" declined from 80 to 74 during the quarter, while total assets of "problem" banks fell from $16.5 billion to $14.4 billion.

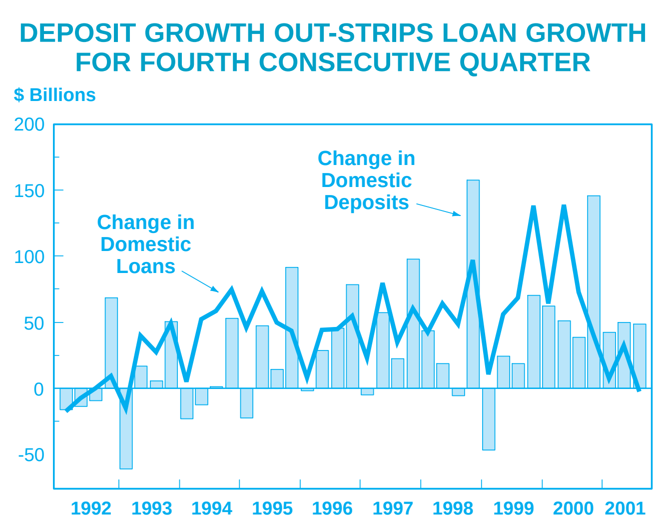


TABLE I-A. Selected Indicators, FDIC-Insured Commercial Banks

	2001*	2000*	2000	1999	1998	1997	1996
Return on assets (%)	1.17	1.20	1.19	1.31	1.19	1.23	1.19
Return on equity (%)	13.42	14.23	14.02	15.31	13.93	14.68	14.45
Core capital (leverage) ratio (%)	7.81	7.84	7.70	7.79	7.54	7.56	7.64
Noncurrent assets plus other real estate owned to assets (%)	0.85	0.70	0.74	0.63	0.65	0.66	0.75
Net charge-offs to loans (%)	0.83	0.59	0.67	0.61	0.67	0.64	0.58
Asset growth rate (%)	8.05	10.05	8.88	5.38	8.53	9.54	6.16
Net interest margin (%)	3.84	3.97	3.95	4.07	4.07	4.21	4.27
Net operating income growth (%)	-2.42	2.71	1.80	20.41	2.24	12.46	6.43
Number of institutions reporting	8,149	8,375	8,315	8,579	8,773	9,142	9,527
Percentage of unprofitable institutions (%)	7.53	6.65	7.34	7.50	6.11	4.85	4.28
Number of problem institutions	74	75	76	66	69	71	82
Assets of problem institutions (in billions)	$14	$12	$17	$4	$5	$5	$5
Number of failed/assisted institutions	3	4	6	7	3	1	5

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

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

(dollar figures in millions)	Preliminary 3rd Quarter 2001	2nd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Number of institutions reporting	8,149	8,178	8,375	-2.7
Total employees (full-time equivalent)	1,671,162	1,690,443	1,655,790	0.9
CONDITION DATA				
Total assets	$6,555,668	$6,360,187	$6,067,230	8.1
Loans secured by real estate	1,749,170	1,738,020	1,661,080	5.3
Commercial & industrial loans	1,010,441	1,025,588	1,041,624	-3.0
Loans to individuals	607,555	610,645	584,341	4.0
Farm loans	48,284	48,924	47,356	2.0
Other loans & leases	448,032	438,645	447,819	0.0
Less: Unearned income	2,664	2,767	3,053	-12.7
Total loans & leases	3,860,819	3,859,054	3,779,167	2.2
Less: Reserve for losses	68,211	65,758	62,558	9.0
Net loans and leases	3,792,608	3,793,296	3,716,610	2.0
Securities	1,106,816	1,056,233	1,062,196	4.2
Other real estate owned	3,457	3,203	2,825	22.4
Goodwill and other intangibles	111,689	103,409	104,508	6.9
All other assets	1,541,097	1,404,046	1,181,091	30.5
Total liabilities and capital	6,555,668	6,360,187	6,067,230	8.1
Noninterest-bearing deposits	777,457	753,559	705,287	10.2
Interest-bearing deposits	3,517,220	3,491,170	3,316,305	6.1
Other borrowed funds	1,167,113	1,135,910	1,128,375	3.4
Subordinated debt	92,442	89,580	84,510	9.4
All other liabilities	415,432	332,560	311,440	33.4
Equity capital	586,004	557,409	521,313	12.4
Loans and leases 30-89 days past due	52,605	46,777	43,217	21.7
Noncurrent loans and leases	51,800	48,673	38,869	33.3
Restructured loans and leases	1,073	1,005	1,747	-38.6
Direct and indirect investments in real estate	252	267	318	-20.9
1-4 Family residential mortgages	931,461	943,565	921,403	1.1
Mortgage-backed securities	560,274	518,345	449,592	24.6
Earning assets	5,584,898	5,478,159	5,257,678	6.2
Long-term assets (5+ years)	1,264,539	1,241,863	1,178,645	7.3
Volatile liabilities	2,180,190	2,155,300	2,167,254	0.6
Foreign office deposits	680,900	679,732	694,207	-1.9
FHLB Advances (Source: FHFB, Call Reports)	191,545	184,041	176,282	8.6
Unused loan commitments	4,763,688	4,675,385	4,331,221	10.0
Derivatives	51,671,161	48,213,007	38,752,074	33.3

INCOME DATA	Preliminary First Three Qtrs 2001	First Three Qtrs 2000	%Change	Preliminary 3rd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Total interest income	$310,535	$316,380	-1.9	$100,141	$110,174	-9.1
Total interest expense	153,021	164,029	-6.7	45,881	58,847	-22.0
Net interest income	157,514	152,351	3.4	54,261	51,327	5.7
Provision for loan and lease losses	28,001	19,778	41.6	11,578	6,742	71.7
Total noninterest income	117,059	113,275	3.3	38,798	39,257	-1.2
Total noninterest expense	164,768	160,786	2.5	56,168	53,684	4.6
Securities gains (losses)	2,921	-2,490	N/M	1,007	-713	N/M
Applicable income taxes	28,622	29,208	-2.0	8,973	10,190	-11.9
Extraordinary gains, net	-267	14	N/M	6	1	658.9
Net income	55,836	53,377	4.6	17,353	19,257	-9.9
Net charge-offs	23,829	15,985	49.1	9,248	5,663	63.3
Cash dividends	39,184	35,238	11.2	13,556	12,475	8.7
Net operating income	54,086	55,428	-2.4	16,657	19,981	-16.6

N/M - Not meaningful

TABLE III-A. First Three Quarters 2001, FDIC-Insured Commercial Banks

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST THREE QUARTERS Preliminary (The way it is…)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	8,149	4,598	3,150	321	80	650	1,411	1,738	2,106	1,351	893
Total assets (in billions)	$6,555.7	$225.8	$803.2	$898.2	$4,628.5	$2,343.2	$1,647.8	$1,251.0	$335.6	$269.9	$708.2
Total deposits (in billions)	4,294.7	190.4	655.3	611.0	2,838.0	1,445.5	1,086.7	817.4	239.4	219.7	485.9
Net income (in millions)	55,836	1,562	7,128	8,651	38,494	19,382	12,446	9,520	3,525	2,337	8,625
% of unprofitable institutions	7.5	11.2	2.7	3.4	1.3	10.3	12.0	6.2	4.5	5.4	11.5
% of institutions with earnings gains	53.3	46.6	61.1	69.5	60.0	63.4	51.3	56.8	50.1	48.2	57.1
Performance ratios (annualized, %)											
Yield on earning assets	7.58	8.05	8.10	8.09	7.34	7.34	7.33	7.58	8.09	7.86	8.52
Cost of funding earning assets	3.73	3.80	3.75	3.75	3.72	3.93	3.53	3.84	3.79	3.46	3.48
Net interest margin	3.84	4.24	4.35	4.34	3.62	3.41	3.79	3.74	4.30	4.40	5.04
Noninterest income to earning assets	2.86	1.11	1.66	2.61	3.22	3.69	2.36	2.02	2.85	1.56	3.47
Noninterest expense to earning assets	4.02	3.71	3.81	4.04	4.07	4.39	3.76	3.35	4.33	3.86	4.62
Loan and lease loss provision to assets	0.59	0.27	0.33	0.67	0.63	0.54	0.50	0.69	0.54	0.30	0.89
Net operating income to assets	1.13	0.94	1.19	1.27	1.11	1.12	1.01	0.99	1.39	1.15	1.62
Pretax return on assets	1.77	1.26	1.74	2.00	1.76	1.77	1.58	1.52	2.07	1.64	2.59
Return on assets	1.17	0.96	1.23	1.31	1.14	1.15	1.03	1.04	1.42	1.18	1.68
Return on equity	13.42	8.49	12.59	13.96	13.80	14.29	11.28	12.36	15.75	12.29	16.69
Net charge-offs to loans and leases	0.83	0.27	0.35	0.90	0.93	0.96	0.69	0.76	0.69	0.39	1.20
Loan and lease loss provision to net charge-offs	117.51	163.46	144.62	118.04	114.79	111.99	111.51	133.90	116.79	133.58	115.87
Efficiency ratio	58.07	68.82	62.41	55.85	57.37	59.92	58.86	56.02	59.58	63.01	52.44
Condition Ratios (%)											
Earning assets to total assets	85.19	91.82	91.60	89.68	82.89	81.79	84.74	88.42	90.82	89.82	87.35
Loss allowance to:											
Loans and leases	1.77	1.40	1.42	1.91	1.82	1.90	1.58	1.69	1.64	1.43	2.18
Noncurrent loans and leases	131.68	125.11	147.57	171.00	123.47	119.05	128.58	125.24	170.06	132.72	179.52
Noncurrent assets plus other real estate owned to assets	0.85	0.82	0.74	0.77	0.89	0.82	0.85	0.97	0.73	0.74	0.84
Equity capital ratio	8.94	11.25	9.86	9.79	8.50	8.10	9.58	8.61	9.23	9.83	10.31
Core capital (leverage) ratio	7.81	10.85	9.26	8.66	7.22	7.41	7.81	7.56	8.53	8.67	8.84
Tier 1 risk-based capital ratio	9.68	16.01	12.93	11.62	8.59	9.55	9.26	8.82	11.80	12.65	10.84
Total risk-based capital ratio	12.45	17.10	14.09	13.59	11.82	12.38	12.12	11.91	13.33	14.19	13.58
Net loans and leases to deposits	88.31	72.32	78.87	90.94	91.00	77.86	94.50	100.88	93.58	71.04	89.61
Structural Changes (YTD)											
New Charters	92	89	3	0	0	10	24	17	11	6	24
Banks absorbed by mergers	250	110	115	19	6	28	42	78	42	31	29
Failed banks	3	3	0	0	0	1	0	1	0	1	0
PRIOR FIRST THREE QUARTERS (The way it was…)											
Number of institutions……2000	8,375	4,922	3,069	302	82	668	1,429	1,809	2,151	1,405	913
……1998	8,909	5,579	2,947	319	64	697	1,467	1,940	2,295	1,549	961
……1996	9,586	6,334	2,854	330	68	752	1,587	2,122	2,425	1,687	1,013
Total assets (in billions)……2000	$6,067.2	$233.2	$770.8	$871.0	$4,192.2	$2,092.4	$1,611.1	$1,042.3	$406.5	$294.1	$620.8
……1998	5,267.8	257.4	730.9	955.3	3,324.2	1,916.5	1,148.6	835.2	363.0	301.5	703.0
……1996	4,458.5	285.1	694.2	1,035.0	2,444.2	1,687.5	776.3	704.8	289.4	327.9	672.6
Return on assets (%)……2000	1.20	1.14	1.30	1.36	1.16	1.30	1.05	1.06	1.44	1.07	1.44
……1998	1.22	1.24	1.35	1.58	1.08	1.08	1.29	1.32	1.49	1.20	1.22
……1996	1.19	1.23	1.29	1.31	1.10	1.08	1.21	1.19	1.44	1.23	1.28
Net charge-offs to loans & leases (%)											
……2000	0.59	0.24	0.34	0.62	0.64	0.74	0.43	0.35	0.79	0.35	0.95
……1998	0.65	0.25	0.33	1.02	0.64	0.90	0.40	0.39	0.72	0.38	0.89
……1996	0.56	0.21	0.37	0.99	0.44	0.62	0.43	0.42	0.65	0.31	0.79
Noncurrent assets plus											
OREO to assets (%)……2000	0.70	0.70	0.61	0.61	0.73	0.73	0.70	0.67	0.60	0.66	0.70
……1998	0.65	0.76	0.65	0.74	0.61	0.74	0.55	0.59	0.65	0.59	0.65
……1996	0.80	0.82	0.81	0.89	0.76	0.92	0.67	0.63	0.68	0.65	0.95
Equity capital ratio (%)……2000	8.59	11.07	9.44	8.98	8.22	8.20	8.46	8.14	9.51	9.07	10.19
……1998	8.68	11.17	9.80	9.83	7.91	7.64	9.36	8.81	9.11	9.36	9.73
……1996	8.31	10.57	9.45	8.96	7.44	7.39	8.52	8.62	8.86	8.89	9.53

REGIONS: Northeast - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands

Southeast - Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia

Central - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

Midwest - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Southwest - Arkansas, Louisiana, New Mexico, Oklahoma, Texas

West - Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

TABLE IV-A. Third Quarter 2001, FDIC-Insured Commercial Banks

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
THIRD QUARTER Preliminary (The way it is…)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	8,149	4,598	3,150	321	80	650	1,411	1,738	2,106	1,351	893
Total assets (in billions)	$6,555.7	$225.8	$803.2	$898.2	$4,628.5	$2,343.2	$1,647.8	$1,251.0	$335.6	$269.9	$708.2
Total deposits (in billions)	4,294.7	190.4	655.3	611.0	2,838.0	1,445.5	1,086.7	817.4	239.4	219.7	485.9
Net income (in millions)	17,353	530	2,436	2,916	11,470	6,216	3,162	3,116	1,258	810	2,791
% of unprofitable institutions	8.1	11.3	3.7	5.6	7.5	11.1	11.8	6.3	4.9	7.6	11.5
% of institutions with earnings gains	55.1	49.8	61.4	67.9	63.8	60.3	53.4	58.8	55.1	52.0	51.6
Performance Ratios (annualized, %)											
Yield on earning assets	7.25	7.84	7.86	7.75	7.00	6.92	7.14	7.23	7.92	7.56	8.12
Cost of funding earning assets	3.32	3.58	3.46	3.33	3.28	3.52	3.16	3.40	3.40	3.10	2.99
Net interest margin	3.93	4.26	4.40	4.42	3.72	3.40	3.97	3.83	4.52	4.46	5.13
Noninterest income to earning assets	2.81	1.11	1.73	2.60	3.15	3.61	2.33	2.05	2.90	1.58	3.23
Noninterest expense to earning assets	4.07	3.70	3.84	4.02	4.14	4.33	4.10	3.31	4.37	3.87	4.50
Credit loss provision to assets	0.72	0.31	0.38	0.74	0.79	0.61	0.74	0.89	0.62	0.34	0.90
Net operating income to assets	1.03	0.93	1.20	1.27	0.96	1.04	0.75	0.96	1.49	1.17	1.54
Pretax return on assets	1.63	1.25	1.76	2.02	1.55	1.68	1.19	1.45	2.20	1.66	2.54
Return on assets	1.08	0.95	1.23	1.32	1.01	1.09	0.78	1.00	1.53	1.21	1.59
Return on equity	12.16	8.48	12.54	13.63	11.99	13.41	8.31	11.83	16.52	12.44	15.62
Net charge-offs to loans and leases	0.96	0.34	0.40	0.96	1.10	1.04	0.97	0.86	0.79	0.43	1.18
Credit loss provision to net charge-offs	125.19	147.89	144.04	121.73	124.11	117.98	117.60	152.94	115.18	134.88	120.46
Efficiency ratio	58.48	68.46	61.71	55.34	58.17	59.83	62.58	54.67	57.86	62.42	51.91
Structural Changes (QTR)											
New charters	30	30	0	0	0	1	11	3	2	3	10
Banks absorbed by mergers	58	29	23	4	2	8	11	14	11	5	9
Failed banks	2	1	0	1	0	0	0	1	0	1	0
PRIOR THIRD QUARTERS (The way it was…)											
Return on assets (%) 2000	1.28	1.07	1.28	1.49	1.24	1.36	1.31	1.02	1.42	1.04	1.40
1998	1.15	1.27	1.33	1.62	0.97	0.90	1.47	1.38	1.49	1.26	0.82
1996	1.19	1.26	1.27	1.31	1.11	1.12	1.17	1.21	1.46	1.23	1.24
Net charge-offs to loans & leases (%)											
2000	0.61	0.24	0.37	0.67	0.66	0.74	0.46	0.38	0.72	0.37	1.05
1998	0.71	0.26	0.36	1.04	0.72	0.98	0.39	0.39	0.75	0.37	1.11
1996	0.56	0.25	0.39	1.03	0.42	0.59	0.44	0.45	0.68	0.34	0.77

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

September 30, 2001	All Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographical Distribution by Region: East: North-east	South-east	Central	West: Mid-west	South-west	West
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.23	1.40	1.11	0.99	1.33	1.41	1.08	1.48	0.88	1.22	1.02
Construction and development	1.27	1.39	1.34	1.21	1.25	1.12	0.92	1.60	1.38	1.23	1.59
Commercial real estate	0.91	1.19	0.88	0.85	0.91	1.07	0.75	1.13	0.90	1.11	0.64
Multifamily residential real estate	0.73	0.77	0.51	0.65	0.83	0.95	0.46	0.78	0.58	1.03	0.77
Home equity loans	0.88	0.83	0.78	0.88	0.90	0.80	0.83	1.13	0.61	0.56	0.64
Other 1-4 Family residential	1.47	1.77	1.39	1.08	1.57	1.45	1.42	1.88	0.86	1.38	1.26
Commercial and industrial loans	1.10	1.89	1.54	1.54	0.96	0.80	0.69	1.67	1.87	1.21	1.47
Loans to individuals	2.37	2.59	2.40	2.43	2.35	2.62	2.15	2.34	2.38	1.91	2.18
Credit card loans	2.76	2.33	5.45	3.01	2.60	3.06	2.53	2.37	2.93	1.59	2.35
Other loans to individuals	2.15	2.60	1.99	2.08	2.17	2.26	2.04	2.34	2.00	1.92	1.88
All other loans and leases (including farm)	1.13	0.79	0.72	0.96	1.19	0.63	1.91	1.38	0.80	1.02	1.41
Memo: Commercial RE loans not secured by RE	1.19	0.65	0.44	1.32	1.21	1.52	0.54	1.55	3.56	0.92	2.18
Percent of Loans Noncurrent*											
All real estate loans	0.93	0.98	0.82	0.87	0.99	1.05	0.78	1.20	0.66	0.87	0.80
Construction and development	1.07	0.94	0.95	1.18	1.08	1.06	0.97	1.16	0.97	0.88	1.25
Commercial real estate	0.95	1.13	0.89	0.89	1.00	0.86	0.88	1.22	0.94	0.92	0.82
Multifamily residential real estate	0.39	0.53	0.52	0.39	0.35	0.25	0.46	0.51	0.32	0.47	0.32
Home equity loans	0.41	0.40	0.37	0.45	0.41	0.32	0.32	0.64	0.30	0.30	0.29
Other 1-4 Family residential	0.92	0.87	0.73	0.83	1.00	1.02	0.75	1.38	0.43	0.79	0.64
Commercial and industrial loans	2.17	1.72	1.43	1.76	2.34	2.45	2.17	2.05	1.31	1.79	2.00
Loans to individuals	1.42	0.98	1.00	1.31	1.52	2.10	0.83	0.81	1.32	0.64	1.43
Credit card loans	2.18	1.72	3.80	2.42	2.07	2.57	1.51	1.62	2.02	1.01	1.98
Other loans to individuals	0.99	0.96	0.63	0.65	1.16	1.71	0.64	0.69	0.84	0.63	0.45
All other loans and leases (including farm)	0.99	1.07	1.04	0.67	1.01	0.60	1.77	0.90	1.16	1.22	1.13
Memo: Commercial RE loans not secured by RE	0.97	0.35	0.16	0.36	1.05	0.36	1.62	0.70	0.92	0.24	0.24
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.18	0.05	0.06	0.13	0.24	0.10	0.29	0.22	0.05	0.05	0.08
Construction and development	0.10	0.06	0.06	0.19	0.08	0.10	0.09	0.12	0.09	0.06	0.07
Commercial real estate	0.10	0.06	0.05	0.08	0.14	0.07	0.09	0.20	0.05	0.03	0.05
Multifamily residential real estate	0.02	0.11	0.02	0.02	0.02	0.03	0.04	0.05	-0.02	0.02	-0.04
Home equity loans	0.23	0.02	0.08	0.16	0.26	0.06	0.31	0.29	0.17	0.23	0.13
Other 1-4 Family residential	0.24	0.05	0.06	0.15	0.33	0.10	0.46	0.24	0.05	0.06	0.09
Commercial and industrial loans	1.12	0.55	0.63	1.07	1.20	0.87	1.21	1.34	0.61	0.84	1.52
Loans to individuals	2.53	0.81	1.49	3.15	2.60	3.10	1.65	1.62	2.64	0.92	3.78
Credit card loans	4.79	2.63	6.36	6.20	4.41	5.05	3.40	4.23	5.24	2.45	5.08
Other loans to individuals	1.17	0.76	0.79	1.16	1.28	1.31	1.10	1.22	0.59	0.87	1.37
All other loans and leases (including farm)	0.39	0.33	0.40	0.52	0.38	0.21	0.26	0.68	0.43	0.34	0.90
Memo: Commercial RE loans not secured by RE	0.16	0.77	0.38	0.24	0.14	0.28	0.10	0.19	0.15	0.21	0.09
Loans Outstanding (in billions)											
All real estate loans	$1,749.2	$81.0	$343.5	$313.6	$1,011.1	$363.2	$551.9	$401.8	$115.5	$88.4	$228.3
Construction and development	190.5	7.8	42.1	41.4	99.2	19.4	68.4	46.0	10.4	14.1	32.2
Commercial real estate	493.7	23.2	130.6	108.1	231.7	82.4	152.0	115.9	30.0	32.6	80.8
Multifamily residential real estate	63.5	1.8	11.4	13.4	36.9	15.1	17.2	15.9	3.1	2.6	9.7
Home equity loans	145.7	2.2	14.8	19.2	109.5	29.1	47.9	44.7	5.4	1.5	17.1
Other 1-4 Family residential	785.7	35.8	130.2	127.3	492.5	184.8	256.5	170.3	55.9	33.9	84.4
Commercial and industrial loans	1,010.4	24.1	93.4	117.5	775.4	342.7	255.5	232.3	41.6	37.2	101.1
Loans to individuals	607.6	17.9	59.9	99.4	430.4	231.9	132.5	96.2	39.7	22.8	84.5
Credit card loans	218.4	0.5	7.0	37.3	173.6	105.9	29.5	12.1	16.1	0.7	54.2
Other loans to individuals	389.1	17.4	52.9	62.1	256.8	126.0	103.0	84.0	23.6	22.2	30.3
All other loans and leases (including farm)	496.3	16.8	28.1	36.6	414.8	210.6	104.2	108.8	31.0	10.1	31.7
Memo: Commercial RE loans not secured by RE	45.6	0.3	1.4	3.5	40.4	11.5	20.5	6.3	0.7	0.6	5.9
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	$3,457.1	$292.5	$852.5	$475.4	$1,836.7	$666.4	$1,262.6	$593.5	$254.3	$277.3	$403.0
Construction and development	289.0	32.5	135.5	60.6	60.4	34.5	107.3	38.0	38.7	34.2	36.3
Commercial real estate	1,593.4	127.7	367.9	209.2	888.7	316.2	651.0	182.7	95.7	134.1	213.7
Multifamily residential real estate	64.0	5.6	35.8	10.5	12.0	8.8	9.3	16.4	13.7	3.7	12.2
1-4 Family residential	1,276.6	100.1	274.1	186.6	715.7	166.5	482.0	327.3	86.2	84.8	129.8
Farmland	91.6	26.6	38.3	7.2	19.5	1.2	13.1	29.1	20.0	20.5	7.6
Other real estate owned in foreign offices	142.6	0.0	0.9	1.3	140.4	139.3	0.0	0.0	0.0	0.0	3.3

*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.

N/A - Not Available

- ***Earnings Of $3.5 Billion Set Second Consecutive Quarterly Record***
- ***Higher Margins And Gains on Sales Of Securities Propel Earnings***
- ***Noncurrent Loans, Loan Loss Provisions And Reserves Increase In The Quarter***
- ***One Savings Institution Failed***

Highest Earnings on Record Reported in Third Quarter

FDIC-insured savings institutions reported their second consecutive quarterly record with earnings of $3.5 billion for the third quarter. Third-quarter earnings beat the second quarter by $119 million as lower interest rates resulted in higher net interest income and large gains on sales of securities. Net interest income increased $430 million (5 percent) because of higher net interest margins. Gains on sales of securities were $258 million (25 percent) higher than in the second quarter. Higher provisions for loan losses and lower noninterest income limited the increase in earnings. Provisions for loan losses rose $167 million (23 percent) to $883 million, the largest amount since 1993. Noninterest income declined $372 million (11 percent) from second-quarter levels as servicing fees amounted to a loss for the quarter. With the high volume of mortgage refinancings this year, mortgage-servicing rights declined in value as the expected future stream of servicing fees was reduced. Most savings institutions report servicing fees that reflect any change in the value of mortgage servicing rights, and these fees amounted to a loss of $461 million for the quarter. This quarter's earnings produced an average return on assets (ROA) of 1.09 percent, the second best quarterly ROA since the industry record of 1.14 percent in the third quarter of 1998. One-fourth of the industry reported an ROA of 1.00 percent or better and 9 percent reported losses.

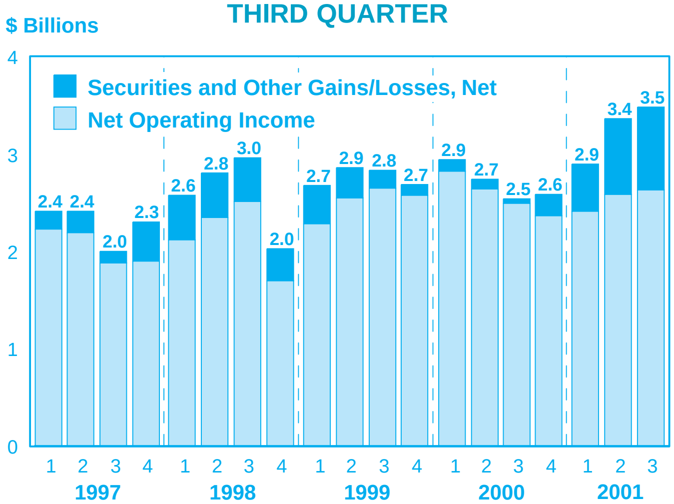
Larger Savings Institutions Showed Improved Net Interest Margins

As short-term interest rates continued to decline, net interest margins improved for the third quarter in a row. The industry's net interest margin was 3.27 percent, up 12 basis points from 3.15 percent in the second quarter. The cost of funding earning assets declined by 41 basis points, while the yield on earning assets was down by only 28 basis points. For small savings institutions—those with less than $100 million in assets—margins continued to decline, falling 5 basis points to 3.17 percent. For these institutions the yield on earning assets declined by 26 basis points, faster than the cost of funding earning assets, which fell by 21 basis points. For the remainder of the industry—those institutions with $100 million or more in assets—margins rose 14 basis points to 3.28 percent. This was the first quarterly report ever that small savings institutions reported a lower net interest margin than the rest of the industry.

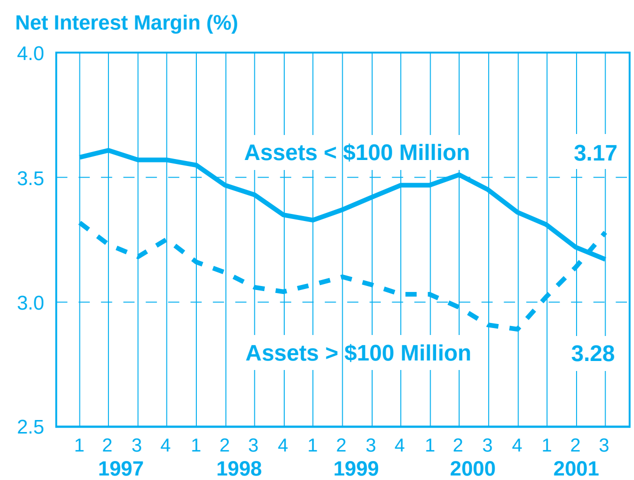
Small Specialty Thrifts Lift Average Profitability of Small Thrift Group

The decline in margins continues to hurt most small thrifts, but a few specialty thrifts lifted the profitability of the group. For the entire group, noninterest income sources contribute 41.7 percent of net operating revenue (net interest income plus noninterest income). There were 14 specialty thrifts that generate more than 90 percent of their net operating revenue from noninter-

RECORD EARNINGS REPORTED IN THIRD QUARTER

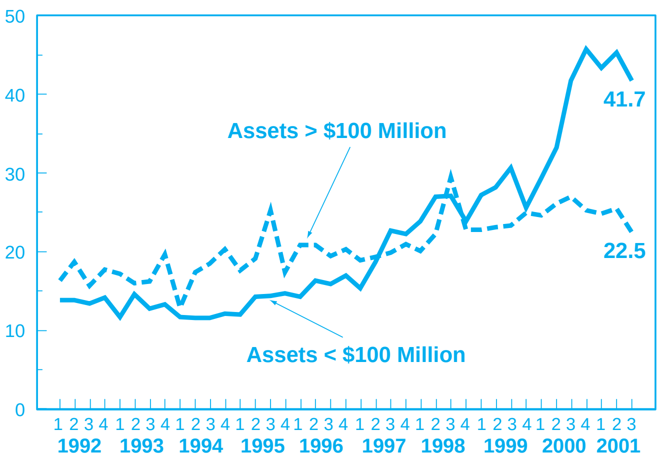


SMALL INSTITUTION ADVANTAGE IN NET INTEREST MARGIN LOST FOR FIRST TIME



est income. Because these institutions manage more assets than are on their balance sheets, their profitability appears quite high. These institutions collectively reported an ROA of 29.90 percent, up from 24.04 percent in the second quarter.

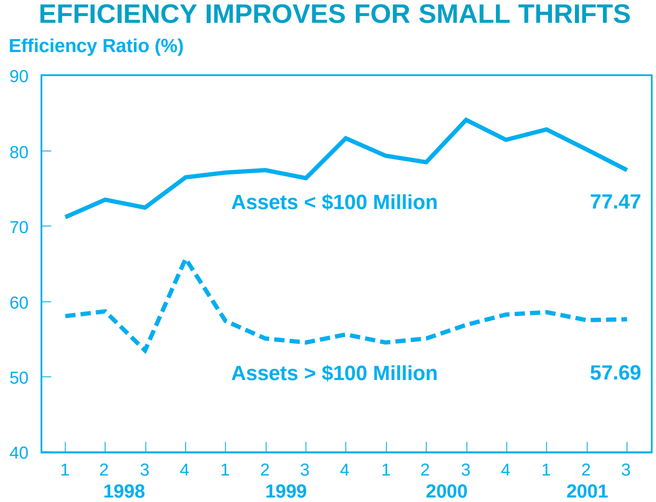
A FEW SPECIALTY THRIFTS LIFT NONINTEREST INCOME



Better Efficiency Leads To Slightly Improved Earnings at Remaining Small Thrifts

Improvements in efficiency led to higher profitability for the 579 remaining small thrifts. The remaining small thrifts—those with assets less than $100 million and whose noninterest income was less than 90 percent of net operating revenue—reported a slight increase in ROA, up 2 basis points to 0.40 percent. The decline in margins continued for these institutions (down 5 basis points), but they were able to reduce noninterest expenses to compensate for lower margins. Noninterest expenses were 3.32 percent of earning assets, down 10 basis points from 3.43 percent in the second quarter. This led to a slight improvement in operating efficiency. The efficiency ratio—noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income—improved slightly from 84.84 percent to 83.65 percent. The small specialty thrifts reported a more dramatic improvement in efficiency, down from 70.65 percent to 61.86 percent. The entire group of small thrifts showed improved efficiency (down from 80.20 percent to 77.47 percent), while larger thrifts held steady at around 57 percent.

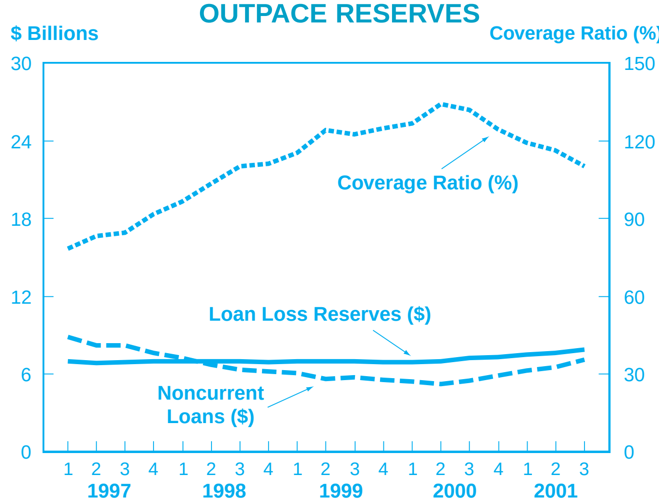
EFFICIENCY IMPROVES FOR SMALL THRIFTS



Loans Past Due Increase

During the third quarter there was an increase in borrowers that have missed a monthly loan payment. Loans that were 30 to 89 days past due increased during the third quarter by $1.4 billion to $9.5 billion or 1.10 percent of total loans, the highest rate since the end of 1997. Noncurrent loans, those loans that were 90 days past due or in nonaccrual status, increased by $580 million to $7.1 billion or 0.82 percent of total loans, the highest level since early 1999. Reserves for loan losses increased $230 million to $7.9 billion or 0.90 percent of total loans. The coverage ratio of loan-loss reserves to noncurrent loans fell from 116 percent to 110 percent, its lowest level since the middle of 1998.

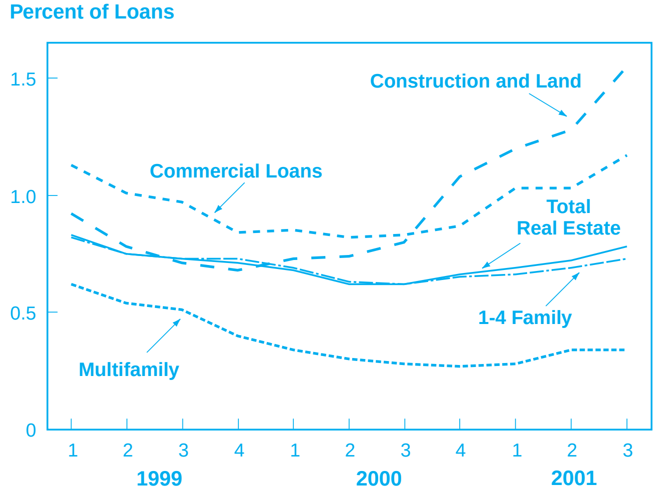
INCREASES IN NONCURRENT LOANS OUTPACE RESERVES



Home Mortgage Problems Lead to Higher Noncurrent Rates

Home mortgages account for 69 percent of total loans, and rising problems in this loan category drove the 6 basis point increase in the industry's noncurrent loan rate to 0.82 percent. While home equity loans showed improvement as loan volume increased, other loans secured by 1-4 family residential property showed signs of weakness. These home mortgages had a 5 basis point increase in their noncurrent rate to 0.76 percent during the quarter. This was 12 basis points higher than the year-ago level of 0.64 percent. The noncurrent rate on construction, development, and land loans jumped

NONCURRENT LOANS INCREASE FOR ALL REAL ESTATE CATEGORIES



27 basis point this quarter to 1.55 percent, up 75 basis points from the year-ago level of 0.80 percent. The noncurrent rate on commercial real estate loans increased 14 basis points to 1.19 percent, which was 35 basis points higher than the year-ago level of 0.84 percent.

Real Estate Loan Net Charge-offs Increase

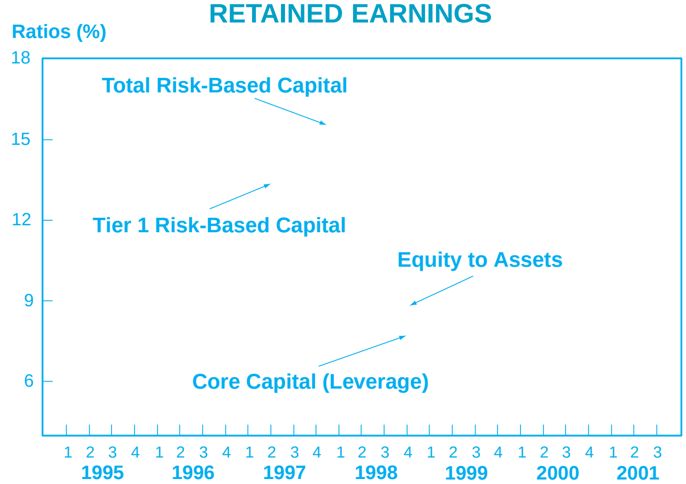
Net charge-offs were $45 million higher than last quarter and $212 million higher than a year ago. The net charge-off rate, net charge-offs as a percent of loans, was 2 basis point higher than in the second quarter and 9 basis points higher than a year ago, when the rate was 0.19 percent. Net charge-offs on construction, development, and land loans were 0.16 percent this quarter, double the 0.08 percent reported a year ago. Net charge-offs on commercial real estate were nearly 5 times higher this quarter, at 0.19 percent, from the year-ago level of 0.04 percent.

The Industry Showed Growth in Assets, Deposits and Capital

Assets of insured savings institutions, at $1.3 trillion, grew by $12.3 billion during the quarter, and were $86 billion higher (7 percent) than a year ago. During the quarter thrifts added $2.6 billion in home equity loans and $1.1 billion in other loans secured by 1-4 family properties. Loans to individuals increased $3.8 billion this quarter.

Deposit growth was $12.9 billion this quarter and $61 billion (8 percent) since the third quarter of last year. This was the eighth consecutive quarter with growth in deposits for the industry. In the third quarter, other borrowed funds declined by $6.7 billion while Federal Home Loan Bank Advances increased by $1.5 billion. Equity capital improved by $3.3 billion with a boost from higher values for available-for-sale (AFS) securities, up $1.9 billion. Earnings retained by the industry—net income less cash dividends—totaled $2.2 billion, which is the highest quarterly amount since 1986 for the industry. Equity capital reached 8.68 percent of assets and the core capital (leverage) ratio, which excludes the gains on AFS securities, rose to 7.86 percent of average assets.

CAPITAL LEVELS LIFTED BY HIGHER RETAINED EARNINGS



One Institution Failed and Was Placed in Conservatorship in the Quarter

There were 1,552 savings institutions included in the tables of this report. This excludes the conservatorship created from Superior Bank FSB, which failed on July 27th. There were 3 savings institutions that converted their charters to a commercial bank charter this quarter and 9 that were absorbed by commercial banks. There were another 9 mergers within the industry that reduced the count of charters. Additions to the industry included 3 de novo charters and 2 credit unions that converted to savings institutions. Within the industry, 4 mutually owned institutions converted to stock ownership. The number of "problem" thrifts declined from 22 to 20 and assets fell from $7.2 billion to $3.9 billion during the quarter.

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

	2001**	2000**	2000	1999	1998	1997	1996
Return on assets (%)	1.05	0.94	0.92	1.00	1.01	0.93	0.70
Return on equity (%)	12.32	11.43	11.14	11.73	11.35	10.84	8.41
Core capital (leverage) ratio (%)	7.86	7.81	7.80	7.86	7.85	7.95	7.76
Noncurrent assets plus other real estate owned to assets (%)	0.64	0.54	0.56	0.58	0.72	0.95	1.09
Net charge-offs to loans (%)	0.25	0.18	0.20	0.17	0.22	0.25	0.32
Asset growth rate (%)	7.16	5.11	5.99	5.52	6.06	-0.28	0.32
Net interest margin	3.16	2.98	2.96	3.10	3.10	3.23	3.22
Net operating income growth (%)	-2.27	6.09	3.05	16.62	7.71	19.98	-13.92
Number of institutions reporting	1,552	1,613	1,589	1,642	1,690	1,780	1,926
Percentage of unprofitable institutions (%)	9.41	8.99	8.56	8.28	5.27	4.10	12.05
Number of problem institutions	20	15	18	13	15	12	35
Assets of problem institutions (in billions)	$4	$7	$7	$6	$6	$2	$7
Number of failed/assisted institutions	1	1	1	1	0	0	1

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

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

(dollar figures in millions)	Preliminary 3rd Quarter 2001	2nd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Number of institutions reporting	1,552	1,569	1,613	-3.8
Total employees (full-time equivalent)	262,266	263,814	244,267	7.4
CONDITION DATA				
Total assets	$1,286,995	$1,274,668	$1,200,991	7.2
Loans secured by real estate	757,939	751,655	721,530	5.0
1-4 Family Residential	597,327	593,605	573,724	4.1
Multifamily residential property	58,972	58,256	56,027	5.3
Commercial real estate	63,942	63,047	58,121	10.0
Construction, development, and land	37,698	36,746	33,659	12.0
Commercial & industrial loans	37,612	37,671	32,892	14.3
Loans to individuals	68,834	65,031	63,124	9.0
Other loans & leases	6,560	6,591	5,601	17.1
Less: Unearned income & contra accounts	166	177	195	-14.6
Total loans & leases	870,779	860,771	822,953	5.8
Less: Reserve for losses	7,856	7,627	7,230	8.7
Net loans & leases	862,923	853,144	815,723	5.8
Securities	275,679	279,259	275,776	0.0
Other real estate owned	1,049	1,031	1,065	-1.6
Goodwill and other intangibles	22,480	22,935	16,673	34.8
All other assets	124,864	118,299	91,753	36.1
Total liabilities and capital	1,286,995	1,274,668	1,200,991	7.2
Deposits	788,601	775,699	727,587	8.4
Other borrowed funds	358,310	364,972	353,536	1.4
Subordinated debt	3,946	3,896	2,848	38.5
All other liabilities	24,368	21,649	16,862	44.5
Equity capital	111,770	108,452	100,158	11.6
Loans and leases 30-89 days past due	9,549	8,249	7,197	32.7
Noncurrent loans and leases	7,134	6,555	5,474	30.3
Restructured loans and leases	1,685	1,502	1,520	10.9
Direct and indirect investments in real estate	662	614	639	3.6
Mortgage-backed securities	206,516	207,935	208,197	-0.8
Earning assets	1,180,840	1,170,069	1,114,055	6.0
FHLB Advances (Source: TFR, FHFB, Call Reports)	255,583	254,116	246,818	3.6
Unused loan commitments	298,823	288,553	246,997	21.0

INCOME DATA	Preliminary First Three Qtrs 2001	First Three Qtrs 2000	%Change	Preliminary 3rd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Total interest income	$65,327	$62,168	5.1	$21,425	$21,887	-2.1
Total interest expense	38,242	38,245	0.0	11,855	13,861	-14.5
Net interest income	27,085	23,923	13.2	9,569	8,026	19.2
Provision for loan and lease losses***	2,220	1,467	51.3	883	542	63.0
Total noninterest income	8,970	8,595	4.4	2,871	3,056	-6.1
Total noninterest expense	21,737	18,983	14.5	7,495	6,645	12.8
Securities gains (losses)	3,138	454	591.0	1,303	118	N/M
Applicable income taxes	5,448	4,335	25.7	1,951	1,449	34.7
Extraordinary gains, net	16	-17	N/M	62	-25	N/M
Net income	9,805	8,171	20.0	3,476	2,540	36.9
Net charge-offs	1,599	1,066	50.0	588	376	56.3
Cash dividends	4,094	4,468	-8.4	1,226	1,325	-7.4
Net operating income	7,707	7,886	-2.3	2,629	2,485	5.8

* Data do not include Superior Federal Bank, FSB, which is in conservatorship.

N/M - Not Meaningful

*** For TFR filers, includes only loan and lease loss provisions.

TABLE III-B. First Three Quarters 2001, FDIC-Insured Savings Institutions*

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
FIRST THREE QUARTERS Preliminary (The way it is…)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South-west	West
Number of institutions reporting	1,552	593	814	101	44	613	205	394	122	109	109
Total assets (in billions)	$1,287.0	$30.6	$251.1	$188.7	$816.6	$433.3	$92.4	$189.2	$42.7	$70.1	$459.3
Total deposits (in billions)	788.6	24.3	190.4	131.4	442.5	288.1	64.4	129.5	26.7	41.6	238.3
Net income (in millions)	9,805	161	1,401	1,220	7,022	3,053	388	1,289	255	663	4,155
% of unprofitable institutions	9.4	18.2	4.1	5.0	0.0	8.2	10.7	11.2	12.3	8.3	5.5
% of institutions with earnings gains	49.2	38.6	52.7	71.3	77.3	43.7	49.3	50.3	55.7	53.2	65.1
Performance ratios (annualized, %)											
Yield on earning assets	7.62	7.46	7.51	7.59	7.67	7.38	7.77	7.98	7.53	7.83	7.64
Cost of funding earning assets	4.46	4.26	4.26	4.36	4.56	4.09	4.83	4.78	4.72	4.46	4.58
Net interest margin	3.16	3.20	3.25	3.23	3.11	3.29	2.94	3.20	2.82	3.38	3.07
Noninterest income to earning assets	1.05	2.18	0.88	0.91	1.09	0.97	1.64	1.33	0.90	1.26	0.86
Noninterest expense to earning assets	2.54	4.25	2.91	2.64	2.33	2.59	3.39	3.18	2.42	2.80	2.02
Loan and lease loss provision to assets	0.24	0.13	0.12	0.17	0.29	0.15	0.53	0.52	0.21	0.32	0.14
Net operating income to assets	0.83	0.58	0.68	0.81	0.89	0.88	0.36	0.46	0.65	1.16	0.99
Pretax return on assets	1.64	1.14	1.15	1.36	1.87	1.55	0.90	1.46	1.23	1.53	1.99
Return on assets	1.05	0.73	0.77	0.90	1.19	0.99	0.58	0.94	0.82	1.28	1.24
Return on equity	12.32	5.67	7.25	9.79	15.63	9.98	6.83	10.92	8.88	15.28	17.11
Net charge-offs to loans and leases	0.25	0.11	0.11	0.20	0.32	0.18	0.42	0.53	0.19	0.35	0.16
Loan and lease loss provision to net charge-offs	138.88	173.73	161.21	125.56	137.96	129.63	181.34	132.24	153.54	139.25	132.87
Efficiency ratio	58.36	78.17	69.60	61.92	53.06	58.18	73.14	68.41	63.44	59.63	49.71
Condition Ratios (%)											
Earning assets to total assets	91.75	93.86	93.54	92.86	90.87	92.34	93.22	91.00	92.72	92.99	90.93
Loss allowance to:											
Loans and leases	0.90	0.73	0.84	1.05	0.89	0.95	0.94	0.98	0.72	0.98	0.83
Noncurrent loans and leases	110.12	79.10	116.00	115.02	108.56	129.29	122.49	102.02	100.87	74.92	105.70
Noncurrent assets plus other real estate owned to assets	0.64	0.72	0.58	0.77	0.62	0.53	0.63	0.81	0.74	0.97	0.60
Noncurrent RE loans to RE loans	0.78	0.88	0.68	0.91	0.78	0.68	0.64	0.91	0.69	1.56	0.76
Equity capital ratio	8.68	12.81	10.63	9.20	7.81	9.83	8.75	8.68	9.01	8.60	7.58
Core capital (leverage) ratio	7.86	12.42	10.06	8.44	6.87	8.75	8.37	8.00	8.47	8.44	6.72
Tier 1 risk-based capital ratio	12.61	22.32	16.74	13.41	10.89	13.93	12.98	12.53	14.63	12.94	11.08
Total risk-based capital ratio	13.96	23.36	17.78	14.52	12.40	15.24	14.42	13.85	15.51	13.88	12.57
Gross real estate assets to gross assets	74.61	68.83	70.54	74.75	76.04	72.03	67.88	72.38	76.40	61.15	81.20
Gross 1-4 family mortgages to gross assets	46.13	48.32	43.92	37.97	48.61	41.62	41.49	50.38	47.21	27.52	52.29
Net loans and leases to deposits	109.42	83.68	88.84	96.02	123.67	94.91	97.68	107.00	112.04	109.97	131.08
Structural Changes (YTD)											
New Charters	12	10	2	0	0	5	1	3	0	1	2
Thrifts absorbed by mergers	47	13	28	5	1	20	6	12	4	1	4
Failed Thrifts	1	0	0	1	0	0	0	1	0	0	0
PRIOR FIRST THREE QUARTERS (The way it was…)											
Number of institutions……2000	1,613	635	833	107	38	635	214	412	126	112	114
……1998	1,714	726	844	108	36	665	236	449	127	119	118
……1996	1,962	862	939	124	37	736	294	504	149	130	149
Total assets (in billions)……2000	$1,201.0	$31.3	$248.4	$213.9	$707.4	$397.0	$81.7	$184.0	$44.0	$81.4	$413.0
……1998	1,056.6	37.8	248.0	214.6	556.2	354.4	65.2	171.9	34.8	66.1	364.2
……1996	1,035.3	44.9	276.4	253.8	460.1	348.9	68.0	174.4	52.1	77.9	314.0
Return on assets (%)……2000	0.94	0.48	0.79	0.96	1.01	0.92	0.62	0.97	0.66	1.04	1.03
……1998	1.09	0.84	0.94	1.08	1.19	1.02	1.04	1.03	0.92	1.21	1.21
……1996	0.66	0.31	0.57	0.73	0.70	0.79	0.45	0.57	0.53	1.76	0.34
Net charge-offs to loans & leases (%)											
……2000	0.18	0.05	0.08	0.34	0.18	0.12	0.27	0.33	0.16	0.23	0.14
……1998	0.21	0.07	0.15	0.26	0.23	0.16	0.66	0.19	0.09	0.42	0.17
……1996	0.31	0.10	0.17	0.31	0.42	0.30	0.35	0.14	0.14	0.32	0.44
Noncurrent assets plus OREO to assets (%)**……2000	0.54	0.61	0.51	0.86	0.46	0.56	0.58	0.68	0.60	0.73	0.42
……1998	0.75	0.78	0.73	1.01	0.66	0.83	0.66	0.65	0.54	0.95	0.72
……1996	1.14	0.99	0.95	1.34	1.16	1.30	1.29	0.64	0.66	1.08	1.31
Equity capital ratio (%)……2000	8.34	13.16	10.52	8.71	7.25	9.84	8.74	8.52	9.07	8.13	6.70
……1998	8.99	12.34	10.75	9.25	7.89	10.07	10.41	9.48	9.98	8.63	7.44
……1996	8.21	10.98	9.75	8.13	7.07	8.96	9.26	8.70	8.33	7.95	6.93

* Data do not include Superior Federal Bank, FSB, which is in conservatorship.

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

TABLE IV-B. THIRD Quarter 2001, FDIC-Insured Savings Institutions*

		Asset Size Distribution				Geographic Distribution by Region					
						East			West		
THIRD QUARTER Preliminary (The way it is…)	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South west	West
Number of institutions reporting	1,552	593	814	101	44	613	205	394	122	109	109
Total assets (in billions)	$1,287.0	$30.6	$251.1	$188.7	$816.6	$433.3	$92.4	$189.2	$42.7	$70.1	$459.3
Total deposits (in billions)	788.6	24.3	190.4	131.4	442.5	288.1	64.4	129.5	26.7	41.6	238.3
Net income (in millions)	3,476	55	534	415	2,472	1,041	150	517	90	242	1,436
% of unprofitable institutions	9.1	16.7	4.5	4.0	2.3	8.5	7.8	11.7	10.7	7.3	5.5
% of institutions with earnings gains	54.7	45.9	58.1	70.3	75.0	47.1	59.5	59.1	56.6	56.9	67.9
Performance Ratios (annualized, %)											
Yield on earning assets	7.33	7.23	7.33	7.34	7.33	7.18	7.56	7.78	7.38	7.44	7.22
Cost of funding earning assets	4.06	4.06	4.03	4.05	4.07	3.85	4.51	4.52	4.42	3.95	3.95
Net interest margin	3.27	3.17	3.30	3.28	3.27	3.32	3.04	3.26	2.96	3.49	3.27
Noninterest income to earning assets	0.98	2.27	0.95	0.92	0.96	0.95	1.60	1.56	0.89	1.30	0.61
Noninterest expense to earning assets	2.56	4.29	2.89	2.70	2.36	2.58	3.48	3.18	2.46	2.91	2.07
Credit loss provision to assets	0.28	0.14	0.12	0.20	0.35	0.15	0.51	0.61	0.30	0.35	0.20
Net operating income to assets	0.83	0.58	0.76	0.78	0.86	0.86	0.35	0.77	0.63	1.21	0.87
Pretax return on assets	1.70	1.14	1.29	1.36	1.93	1.57	1.04	1.69	1.29	1.59	2.02
Return on assets	1.09	0.73	0.86	0.89	1.22	0.98	0.66	1.11	0.85	1.39	1.25
Return on equity	12.67	5.73	8.10	9.69	15.84	9.97	7.56	12.75	9.38	16.25	16.88
Net charge-offs to loans and leases	0.27	0.11	0.11	0.22	0.34	0.19	0.48	0.58	0.22	0.37	0.16
Credit loss provision to net charge-offs**	150.16	185.14	160.75	133.47	151.25	130.45	152.03	141.00	190.80	142.34	180.25
Efficiency ratio	58.30	77.47	67.17	62.29	53.60	57.89	73.56	64.19	62.52	59.87	51.37
Structural Changes (QTR)											
New charters	3	2	1	0	0	3	0	0	0	0	0
Thrifts absorbed by mergers	18	5	10	3	0	8	4	5	1	0	0
Failed Thrifts	1	0	0	1	0	0	0	1	0	0	0
PRIOR THIRD QUARTERS (The way it was…)											
Return on assets (%)……2000	0.86	0.50	0.72	0.92	0.90	0.83	0.46	0.93	0.31	1.11	0.94
……1998	1.14	0.80	0.89	1.09	1.30	1.04	1.34	1.06	0.84	1.15	1.27
……1996	-0.01	-0.51	0.00	0.29	-0.14	0.49	-0.40	-0.26	-0.21	0.32	-0.41
Net charge-offs to loans & leases (%)											
……2000	0.19	0.02	0.08	0.26	0.21	0.14	0.32	0.41	0.19	0.20	0.08
……1998	0.23	0.04	0.16	0.24	0.27	0.14	1.15	0.19	0.08	0.42	0.16
……1996	0.30	0.09	0.16	0.33	0.40	0.28	0.36	0.16	0.13	0.31	0.41

* Data do not include Superior Federal Bank, FSB, which is in conservatorship.
** For TFR filers, includes only loan and lease loss provisions.

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

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

		Asset Size Distribution				Geographical Distribution by Region					
						East			West		
September 30, 2001	All Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Greater than $5 Billion	North-east	South-east	Central	Mid-west	South-west	West
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.01	1.74	1.10	0.86	0.98	0.86	0.98	1.24	1.54	1.55	0.93
Construction, development, and land	1.23	1.49	1.55	1.10	1.08	0.97	0.95	1.67	0.72	1.72	1.04
Commercial real estate	0.69	1.18	0.88	0.78	0.41	0.55	0.92	1.33	0.92	1.42	0.23
Multifamily residential real estate	0.22	1.36	0.38	0.31	0.13	0.14	0.77	0.60	0.36	1.53	0.12
Home equity loans	0.42	0.67	0.53	0.42	0.37	0.43	0.28	0.76	0.47	0.03	0.19
Other 1-4 Family residential	1.14	1.89	1.19	0.98	1.13	1.01	1.04	1.29	1.84	1.59	1.10
Commercial and industrial loans	1.45	2.16	1.93	1.12	1.38	1.43	1.61	1.77	2.66	0.97	1.25
Loans to individuals	1.97	2.47	1.80	1.52	2.09	1.94	2.67	1.87	1.73	0.81	2.67
Credit card loans	2.29	1.58	2.09	2.39	2.31	2.15	4.77	2.90	3.74	0.66	1.46
Other loans to individuals	1.89	2.53	1.79	1.50	2.00	1.94	2.11	1.26	1.60	0.97	2.84
Percent of Loans Noncurrent**											
All real estate loans	0.78	0.88	0.68	0.91	0.78	0.68	0.64	0.91	0.69	1.56	0.76
Construction, development, and land	1.55	1.45	1.07	1.45	1.89	0.95	1.20	1.15	1.31	1.83	2.37
Commercial real estate	1.17	1.07	0.90	1.32	1.32	0.86	0.82	1.36	1.06	1.69	1.77
Multifamily residential real estate	0.34	1.08	0.32	0.96	0.14	0.33	0.47	0.49	0.15	7.89	0.06
Home equity loans	0.16	0.15	0.15	0.27	0.13	0.17	0.09	0.27	0.16	0.01	0.07
Other 1-4 Family residential	0.76	0.83	0.66	0.76	0.79	0.70	0.58	0.93	0.61	1.10	0.76
Commercial and industrial loans	1.68	1.67	1.71	1.51	1.73	1.61	1.36	1.69	1.73	1.48	2.13
Loans to individuals	0.79	1.06	0.63	0.54	0.87	0.63	1.18	1.17	0.55	0.47	0.46
Credit card loans	1.86	1.32	0.75	0.59	2.00	1.60	3.76	2.43	1.34	0.68	0.76
Other loans to individuals	0.45	1.06	0.62	0.54	0.35	0.52	0.49	0.43	0.50	0.27	0.44
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.06	0.04	0.02	0.10	0.06	0.04	0.04	0.09	0.08	0.05	0.05
Construction, development, and land	0.12	0.31	0.04	0.20	0.12	0.05	0.09	0.08	0.26	0.14	0.19
Commercial real estate	0.14	0.02	0.04	0.16	0.22	0.07	0.08	0.03	0.34	0.09	0.35
Multifamily residential real estate	0.00	-0.05	-0.02	-0.01	0.00	-0.01	0.00	0.01	-0.03	0.00	0.00
Home equity loans	0.06	0.04	0.04	0.09	0.06	0.05	0.16	0.08	0.10	0.08	0.01
Other 1-4 Family residential	0.05	0.02	0.02	0.09	0.05	0.04	0.02	0.10	0.03	0.02	0.04
Commercial and industrial loans	1.31	1.01	0.77	0.89	1.64	0.90	2.51	0.96	1.29	1.46	1.91
Loans to individuals	1.91	0.61	0.86	0.81	2.42	1.20	1.78	3.44	1.04	0.94	1.95
Credit card loans	4.76	2.20	2.66	3.78	4.97	3.79	5.82	7.67	6.23	1.43	3.04
Other loans to individuals	0.95	0.56	0.61	0.70	1.14	0.82	0.82	0.74	0.71	0.47	1.82
Loans Outstanding (in billions)											
All real estate loans	$757.9	$18.3	$151.7	$109.8	$478.2	$237.8	$49.5	$115.4	$26.7	$32.2	$296.2
Construction, development, and land	37.7	1.1	10.6	8.7	17.2	8.0	5.4	5.9	1.9	7.4	9.0
Commercial real estate	63.6	1.7	21.1	16.9	23.9	30.5	4.4	8.0	3.4	4.2	13.2
Multifamily residential real estate	59.0	0.5	8.8	12.0	37.7	17.7	1.1	5.4	1.2	1.2	32.4
Home equity loans	28.1	0.5	6.2	4.3	17.0	9.6	2.5	6.9	0.7	1.0	7.5
Other 1-4 Family residential	569.2	14.3	104.7	67.9	382.3	171.9	36.1	89.2	19.6	18.4	234.1
Commercial and industrial loans	37.6	0.8	7.4	7.1	22.3	17.1	3.8	5.1	1.1	3.5	7.0
Loans to individuals	68.8	1.4	10.9	9.4	47.1	18.5	9.9	17.0	2.2	10.1	11.0
Credit card loans	16.5	0.0	1.4	0.4	14.8	2.1	2.1	6.3	0.1	5.0	1.0
Other loans to individuals	51.9	1.3	9.4	9.0	32.2	16.3	7.8	10.7	2.1	5.2	9.9
Memo: Other Real Estate Owned (in millions)***											
All other real estate owned	$1,048.6	$31.0	$209.9	$287.3	$520.4	$261.3	$100.5	$194.8	$101.4	$75.3	$315.3
Construction, development, and land	154.1	3.0	27.7	21.9	101.5	8.1	44.5	11.7	50.9	11.5	27.5
Commercial real estate	281.9	5.7	58.1	155.0	63.2	128.6	9.9	33.5	25.3	32.3	52.3
Multifamily residential real estate	29.1	0.6	10.2	15.8	2.6	5.5	2.9	7.0	1.0	10.1	2.6
1-4 Family residential	597.4	22.1	117.9	100.0	357.4	124.4	44.4	143.2	26.7	21.8	237.0
Troubled Real Estate Asset Rates**** **(% of total RE assets)**											
All real estate loans	0.92	1.05	0.82	1.17	0.89	0.79	0.84	1.08	1.06	1.79	0.87
Construction, development, and land	1.95	1.71	1.33	1.70	2.47	1.05	2.00	1.34	3.90	1.98	2.66
Commercial real estate	1.62	1.40	1.17	2.23	1.60	1.28	1.04	1.78	1.79	2.46	2.19
Multifamily residential real estate	0.39	1.21	0.44	1.09	0.15	0.36	0.74	0.61	0.23	8.68	0.07
1-4 family residential	0.83	0.96	0.74	0.87	0.85	0.74	0.66	1.03	0.73	1.15	0.83

* Data do not include Superior Federal Bank, FSB, which is in conservatorship.
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.
*** TFR filers report "All other real estate owned" net of valuation allowances, while individual categories of OREO are reported gross.
**** Noncurrent real estate loans plus other real estate owned as a percent of total real estate loans plus OREO.

- ***BIF Reserve Ratio Drops To 1.32 Percent In Third Quarter***
- ***SAIF Reserve Ratio Falls To 1.39 Percent***
- ***One SAIF-Member Institution Fails, The Largest Failure Since June 1993***
- ***One Small BIF-Member Institution Fails During Third Quarter***

Insured institution liabilities increased by 2.5 percent during the third quarter, but deposits grew by only 1.3 percent and insured deposits by 0.9 percent. Deposits insured by the FDIC rose by $28 billion during the third quarter of 2001. This was greater than the previous quarter's $16 billion increase, but far less than the $84 billion increase seen in the first quarter of 2001, when sweep activities added $20 billion. Deposits insured by the Bank Insurance Fund (BIF) increased 0.9 percent ($21 billion) during the third quarter, following a second quarter increase of 0.5 percent ($ 11 billion). Deposits insured by the Savings Association Insurance Fund (SAIF) rose by 0.9 percent ($7.1 billion), following a 0.7 percent rise in the second quarter.

"Sweeps" of cash management funds into FDIC-insured accounts added roughly $9.0 billion to insured deposits during the quarter, primarily because of $6.5 billion increase at institutions affiliated with one company. Sweeps of cash management funds increased BIF-insured deposits by an estimated $8 billion (29 percent of insured deposit growth) during the third quarter. Sweeps also increased SAIF-insured deposits by an estimated $940 million (13 percent of insured deposit growth). Since the end of March 2000, these sweep accounts have added an estimated $73.3 billion to BIF-insured deposits and $4.4 billion to SAIF-insured deposits, accounting for almost 30 percent of the growth in all insured deposits.

During the third quarter of 2001 the BIF increased for the seventh consecutive quarter, growing by 0.5 percent ($153 million), to a balance of $31.83 billion (unaudited), the highest level since year-end 2000. However, the growth of the BIF did not keep pace with the increase in BIF-insured deposits, and the reserve ratio (fund balance as a percent of insured deposits) declined from 1.33 percent on June 30 to 1.32 percent on September 30, down from 1.35 percent one year ago. Sweeps of cash management funds limited the increase in the BIF reserve ratio by less than half a basis point (.0044 percent) during the quarter.

The SAIF grew during the third quarter of 2001 by $23 million (0.2 percent), to $10.82 billion (unaudited). The growth of the fund balance was constrained by a $199 million provision for insurance losses. The growth of the SAIF was not enough to offset the quarterly increase in SAIF-insured deposits, as the SAIF reserve ratio declined from 1.40 percent on June 30 to 1.39 percent on September 30. Twelve months ago, the SAIF reserve ratio stood at 1.45 percent, the highest level ever. During the third quarter, sweeps of cash management funds lowered the SAIF reserve ratio by an estimated one-sixth of a basis point (.0017 percent).

Two insured institutions failed during the third quarter of 2001, a SAIF member federal savings bank[1] with assets of $2.3 billion, (the largest failure of an FDIC-insured institution since June 1993) and a BIF member commercial bank[2] with assets of $30.7 million. In the first nine months of 2001 three BIF member institutions with combined assets of $58.6 million have failed. During the same period one SAIF member institution with assets of $2.3 billion failed.

[1]Superior Bank FSB, Hinsdale, Illinois failed on July 27, 2001.

[2]Sinclair National Bank, Gravette, Arkansas failed on September 7, 2001.

QUARTERLY PERCENTAGE CHANGE IN INSURANCE FUND BALANCES, 1999–2001

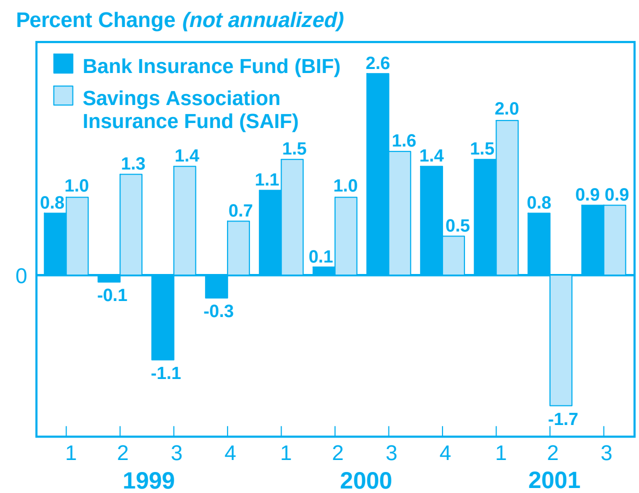


TABLE I-C. Selected Indicators, FDIC-Insured Institutions*

(dollar figures in millions)	2001**	2000**	2000	1999	1998	1997	1996
Number of institutions reporting	9,701	9,988	9,904	10,221	10,463	10,922	11,453
Total assets	$ 7,842,663	$7,268,220	$7,461,966	$6,883,686	$6,530,950	$6,041,128	$5,607,333
Total deposits	5,083,278	4,749,179	4,914,827	4,538,085	4,386,298	4,125,862	3,925,059
Number of problem institutions	94	90	94	79	84	92	117
Assets of problem institutions (in billions)	$18	$19	$24	$10	$11	$6	$12
Number of failed/assisted institutions	4	5	7	8	3	1	6
Assets of failed/assisted institutions (in billions)	$2.36	$0.25	$0.41	$1.56	$0.37	$0.03	$0.22

** As of September 30.

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

(dollar figures in millions)	Preliminary 3rd Quarter 2001	2nd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Number of institutions reporting	9,701	9,747	9,988	-2.9
Total employees (full-time equivalent)	1,933,428	1,954,257	1,900,057	1.8
CONDITION DATA				
Total assets	$7,842,663	$7,634,855	$7,268,220	7.9
Loans secured by real estate	2,507,110	2,489,674	2,382,610	5.2
1-4 Family residential	1,528,788	1,537,170	1,495,127	2.3
Home equity loans	173,846	160,715	144,639	20.2
Multifamily residential property	122,471	118,743	116,209	5.4
Commercial real estate	557,314	542,125	514,465	8.3
Construction, development, and land	228,193	221,408	191,100	19.4
Other real estate loans	70,343	70,229	65,710	7.1
Commercial & industrial loans	1,048,053	1,063,259	1,074,517	-2.5
Loans to individuals	676,389	675,676	647,465	4.5
Credit cards & related plans	234,946	242,321	244,980	-4.1
Other loans & leases	502,877	494,160	500,776	0.4
Less: Unearned income & contra accounts	2,830	2,944	3,248	-12.9
Total loans & leases	4,731,598	4,719,825	4,602,120	2.8
Less: Reserve for losses	76,067	73,384	69,788	9.0
Net loans and leases	4,655,531	4,646,440	4,532,332	2.7
Securities	1,382,495	1,335,492	1,337,972	3.3
Other real estate owned	4,506	4,234	3,890	15.8
Goodwill and other intangibles	134,170	126,344	121,181	10.7
All other assets	1,665,961	1,522,344	1,272,845	30.9
Total liabilities and capital	7,842,663	7,634,855	7,268,220	7.9
Deposits	5,083,278	5,020,427	4,749,179	7.0
Other borrowed funds	1,525,423	1,500,881	1,481,911	2.9
Subordinated debt	96,388	93,476	87,359	10.3
All other liabilities	439,800	354,209	328,302	34.0
Equity capital	697,774	665,861	621,470	12.3
Loans and leases 30-89 days past due	62,154	55,025	50,413	23.3
Noncurrent loans and leases	58,934	55,228	44,343	32.9
Restructured loans and leases	2,758	2,507	3,267	-15.6
Direct and indirect investments in real estate	914	881	958	-4.6
Mortgage-backed securities	766,789	726,280	657,789	16.6
Earning assets	6,765,739	6,648,228	6,371,733	6.2
FHLB Advances (Source: TFR, FHFB, Call Reports)	447,128	438,157	423,100	5.7
Unused loan commitments	5,062,511	4,963,937	4,578,218	10.6

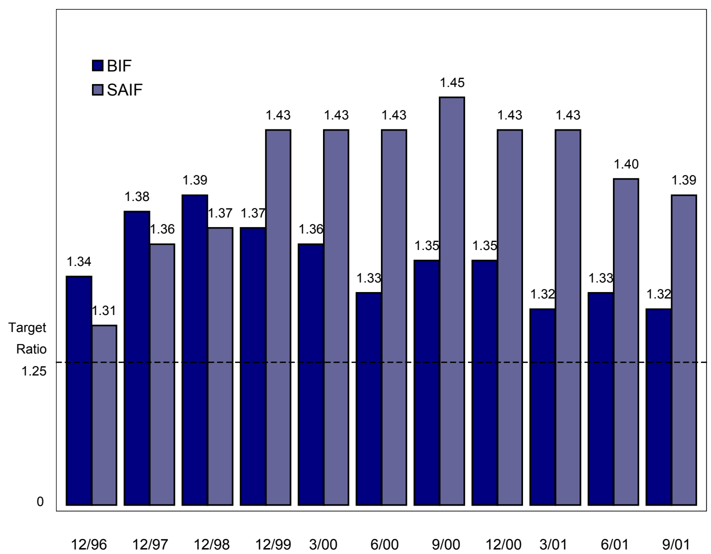
INCOME DATA	Preliminary First Three Qtrs 2001	First Three Qtrs 2000	%Change	Preliminary 3rd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Total interest income	$375,862	$378,548	-0.7	$121,566	$132,061	-7.9
Total interest expense	191,263	202,274	-5.4	57,736	72,708	-20.6
Net interest income	184,599	176,274	4.7	63,830	59,353	7.5
Provision for loan and lease losses	30,221	21,245	42.2	12,461	7,284	71.1
Total noninterest income	126,028	121,869	3.4	41,669	42,313	-1.5
Total noninterest expense	186,505	179,768	3.7	63,663	60,329	5.5
Securities gains (losses)	6,059	-2,036	N/M	2,310	-595	N/M
Applicable income taxes	34,070	33,543	1.6	10,924	11,639	-6.1
Extraordinary gains, net	-251	-3	N/M	68	-24	N/M
Net income	65,640	61,548	6.6	20,829	21,797	-4.4

* Excludes insured branches of foreign banks (IBAs). Data do not include Superior Federal Bank, FSB, which is in conservatorship. N/M - Not meaningful

TABLE III-C. Selected Insurance Fund Indicators*

(dollar figures in millions)	Preliminary 3rd Quarter 2001	2nd Quarter 2001	3rd Quarter 2000	%Change 00:3-01:3
Bank Insurance Fund				
Reserve ratio (%)	1.32	1.33	1.35	-2.3
Fund balance (unaudited)	$31,834	$31,681	$30,555	4.2
Estimated insured deposits	2,403,341	2,382,801	2,267,598	6.0
SAIF-member Oakars	63,265	61,462	57,729	9.6
BIF-members	2,340,076	2,321,339	2,209,869	5.9
Assessment base	3,475,805	3,418,145	3,185,629	9.1
SAIF-member Oakars	64,513	62,533	58,714	9.9
BIF-members	3,411,292	3,355,612	3,126,915	9.1
Savings Association Insurance Fund				
Reserve ratio (%)	1.39	1.40	1.45	-4.3
Fund balance (unaudited)	$10,815	$10,792	10,706	1.0
Estimated insured deposits	779,183	772,091	740,857	5.2
BIF-member Oakars	321,747	317,475	292,876	9.9
SAIF-member Sassers	72,230	71,580	73,165	-1.3
Other SAIF members	385,206	383,036	374,816	2.8
Assessment base	875,103	860,913	807,304	8.4
BIF-member Oakars	322,886	318,531	293,327	10.1
SAIF-member Sassers	90,153	88,367	86,927	3.7
Other SAIF members	462,064	454,016	427,050	8.2

Insurance Fund Reserve Ratio*
Percent of Insured Deposits



Fund Balances and Insured Deposits*
($Millions)

	BIF Balance	BIF-Insured Deposits	SAIF Balance	SAIF-Insured Deposits
12/96	26,854	2,007,042	8,888	683,403
12/97	28,293	2,056,558	9,368	689,915
12/98	29,612	2,134,425	9,840	716,029
12/99	29,414	2,151,454	10,281	717,591
3/00	29,739	2,191,733	10,435	727,695
6/00	29,780	2,239,060	10,538	738,186
9/00	30,555	2,267,598	10,706	740,857
12/00	30,975	2,300,470	10,759	754,633
3/01	31,426	2,372,090	10,973	767,677
6/01	31,681	2,382,801	10,792	772,091
9/01	31,834	2,403,341	10,815	779,183

* A reserve ratio is the fund balance as a percentage of estimated insured deposits. As with other Call Report items, prior periods may reflect adjustments. As a result, prior period reserve ratios may differ from previously reported values. Fund balances in 2000 are unaudited. BIF-insured deposit totals include U.S. branches of foreign banks.

TABLE IV-C. Closed/Assisted Institutions

(dollar figures in millions)	2001**	2000**	2000	1999	1998	1997	1996
BIF Members							
Number of institutions	3	4	6	7	3	1	5
Total assets	$59	$224	$378	$1,490	$371	$27	$186
SAIF Members							
Number of institutions	1	1	1	1	0	0	1
Total assets	$2,300	$30	$30	$71	$0	$0	$34

** Through September 30.

TABLE V-C. Selected Indicators, By Fund Membership*

(dollar figures in millions)	2001**	2000**	2000	1999	1998	1997	1996
BIF Members							
Number of institutions reporting	8,398	8,629	8,571	8,834	9,031	9,404	9,823
BIF-member Oakars	820	753	756	744	745	778	793
Other BIF-members	7,578	7,876	7,815	8,090	8,286	8,626	9,030
Total assets	$ 6,838,983	$6,319,962	$6,509,805	$5,980,154	$5,702,773	$5,285,403	$4,857,761
Total deposits	4,466,830	4,172,834	4,337,727	3,987,382	3,843,816	3,611,453	3,404,204
Net income	58,227	55,210	73,642	73,971	64,334	61,459	54,483
Return on assets (%)	1.17	1.20	1.18	1.30	1.18	1.22	1.17
Return on equity (%)	13.38	14.09	13.90	15.11	13.81	14.44	14.14
Noncurrent assets plus OREO to assets (%)	0.83	0.68	0.72	0.62	0.64	0.67	0.77
Number of problem institutions	70	74	74	66	68	73	86
Assets of problem institutions	$10,047	$11,163	$10,787	$4,450	$5,326	$4,598	$6,624
Number of failed/assisted institutions	3	4	6	7	3	1	5
Assets of failed/assisted institutions	$59	$224	$378	$1,490	$371	$27	$182
SAIF Members							
Number of institutions reporting	1,303	1,359	1,333	1,387	1,432	1,518	1,629
SAIF-member Oakars	129	124	123	123	116	112	94
Other SAIF-members	1,174	1,235	1,210	1,264	1,316	1,406	1,535
Total assets	$ 1,003,680	$948,258	$952,161	$903,532	$828,177	$755,724	$749,573
Total deposits	616,448	576,345	577,100	550,703	542,481	514,409	520,855
Net income	7,413	6,337	8,070	8,450	7,598	6,486	4,892
Return on assets (%)	1.02	0.92	0.89	0.99	0.98	0.94	0.67
Return on equity (%)	12.26	11.58	11.12	11.97	11.34	11.13	8.08
Noncurrent assets plus OREO to assets (%)	0.73	0.61	0.65	0.64	0.80	0.98	1.07
Number of problem institutions	24	16	20	13	16	19	31
Assets of problem institutions	$8,275	$7,672	$13,053	$5,524	$5,992	$1,662	$5,548
Number of failed/assisted institutions	1	1	1	1	0	0	1
Assets of failed/assisted institutions	$2,300	$30	$30	$71	$0	$0	$35

* Excludes insured branches of foreign banks (IBAs). Data do not include Superior Federal Bank, FSB, which is in conservatorship.
** Through September 30, ratios annualized where appropriate.

TABLE VI-C. Estimated FDIC-Insured Deposits by Fund Membership and Type of Institution

(dollar figures in millions)	Number of Institutions	Total Assets	Domestic Deposits*	Estimated Insured Deposits BIF	SAIF	Total
September 30, 2001						
Commercial Banks and Savings Institutions						
FDIC-Insured Commercial Banks	8,149	6,555,668	3,613,777	2,179,222	321,830	2,501,052
BIF-member	8,040	6,455,151	3,544,423	2,162,127	286,217	2,448,345
SAIF-member	109	100,517	69,354	17,095	35,613	52,708
FDIC-Supervised	4,997	1,192,270	881,955	594,811	71,689	666,500
OCC-Supervised	2,173	3,544,511	1,908,823	1,156,016	177,313	1,333,330
Federal Reserve-Supervised	979	1,818,887	822,999	428,395	72,827	501,222
FDIC-Insured Savings Institutions	1,553	1,288,737	789,757	222,916	457,353	680,269
OTS-Supervised Savings Institutions	1,038	981,773	575,069	94,994	397,789	492,783
BIF-member	40	135,299	69,383	51,020	12,584	63,604
SAIF-member	998	846,474	505,685	43,974	385,206	429,179
FDIC-Supervised State Savings Banks	515	306,964	214,688	127,923	59,564	187,486
BIF-member	318	248,533	172,176	125,727	22,946	148,673
SAIF-member	197	58,431	42,512	2,196	36,617	38,813
Total Commercial Banks and Savings Institutions	9,702	7,844,405	4,403,534	2,402,139	779,183	3,181,322
BIF-member	8,398	6,838,983	3,785,982	2,338,874	321,747	2,660,621
SAIF-member	1,304	1,005,423	617,551	63,265	457,436	520,701
Other FDIC-Insured Institutions						
U.S. Branches of Foreign Banks	18	9,822	4,531	1,202	0	1,202
Total FDIC-Insured Institutions	9,720	7,854,227	4,408,064	2,403,341	779,183	3,182,524

* Excludes $681 billion in foreign office deposits, which are uninsured.

TABLE VII-C. Assessment Base Distribution and Rate Schedules

BIF Assessment Base Distribution
Assessable Deposits in Millions as of September 30, 2001
Supervisory and Capital Ratings for First Semiannual Assessment Period, 2002

	Supervisory Risk Subgroup					
Capital Group	A		B		C	
1. Well-capitalized						
Number of institutions	7,766	92.3	393	4.7	63	0.7
Assessable deposit base	$3,351,218	96.4	$67,106	2.4	$20,810	0.1
2. Adequately capitalized						
Number of institutions	149	1.8	19	0.2	12	0.1
Assessable deposit base	$30,414	0.9	$1,444	0.0	$2,034	0.1
3. Undercapitalized						
Number of institutions	3	0.0	1	0.0	10	0.1
Assessable deposit base	$331	0.0	$94	0.0	$2,354	0.1

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

SAIF Assessment Base Distribution
Assessable Deposits in Millions as of September 30, 2001
Supervisory and Capital Ratings for First Semiannual Assessment Period, 2002

	Supervisory Risk Subgroup					
Capital Group	A		B		C	
1. Well-capitalized						
Number of institutions	1,177	90.3	81	6.2	18	1.4
Assessable deposit base	$834,264	95.3	$29,537	3.4	$5,145	0.6
2. Adequately capitalized						
Number of institutions	12	0.9	9	0.7	3	0.2
Assessable deposit base	$1,979	0.2	$1,640	0.2	$1,096	0.1
3. Undercapitalized						
Number of institutions	1	0.1	1	0.1	2	0.2
Assessable deposit base	$1,145	0.1	$0	0.0	$296	0.0

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

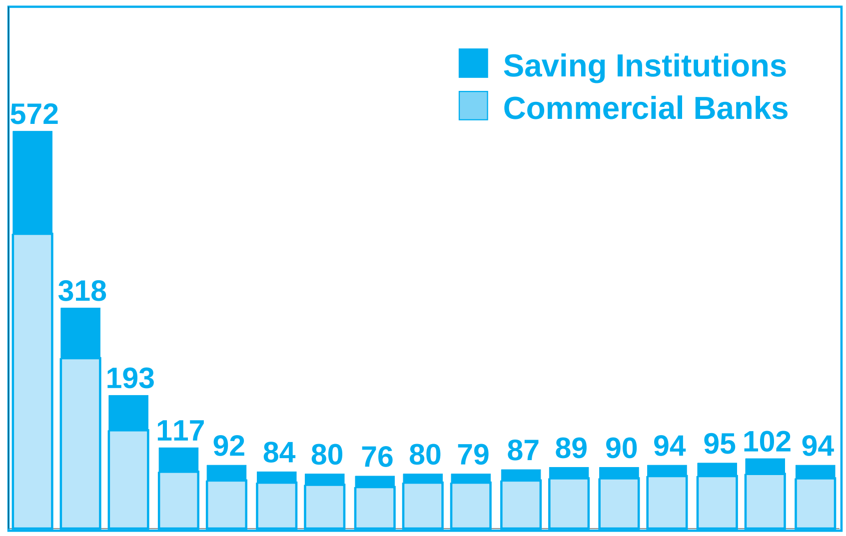
Assessment Rate Schedules
First Semiannual 2002 Assessment Period
Cents Per $100 of Assessable Deposits

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

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

NUMBER OF FDIC-INSURED "PROBLEM" INSTITUTIONS, 1993–2001

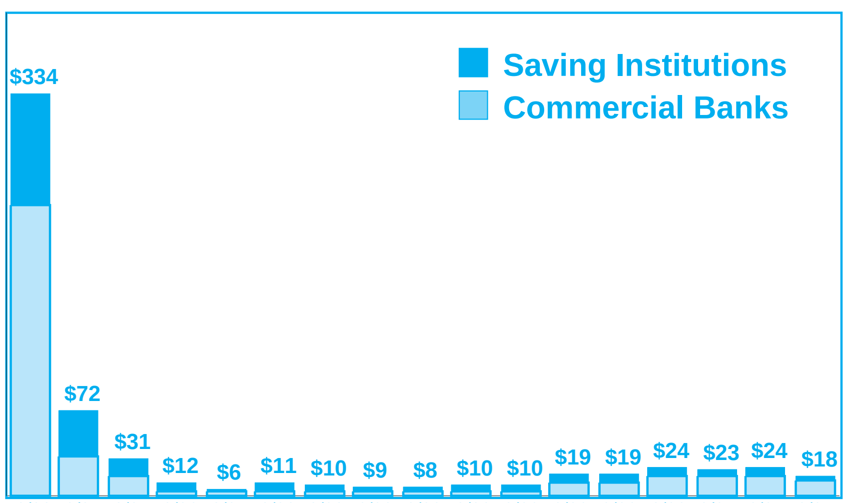
Number of Institutions



	12/93	12/94	12/95	12/96	12/97	12/98	3/99	6/99	9/99	12/99	3/00	6/00	9/00	12/00	3/01	6/01	9/01
Saving Institutions	146	71	49	35	21	15	16	14	11	13	15	16	15	18	17	22	20
Commercial Banks	426	247	144	82	71	69	64	62	69	66	72	73	75	76	78	80	74

ASSETS OF FDIC-INSURED "PROBLEM" INSTITUTIONS, 1993–2001

$ Billions



	12/93	12/94	12/95	12/96	12/97	12/98	3/99	6/99	9/99	12/99	3/00	6/00	9/00	12/00	3/01	6/01	9/01
Saving Institutions	92	39	14	7	2	6	5	4	4	6	5	8	7	7	6	7	4
Commercial Banks	242	33	17	5	5	5	5	5	4	4	5	11	12	17	17	17	14

NOTES TO USERS

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

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

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

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

This section covers savings institutions insured by either BIF or SAIF that operate under state or federal banking codes applicable to thrift institutions. Savings institutions in conservatorships are excluded from these tables while in conservatorship, where applicable. The institutions covered in this section are regulated by and submit financial reports to one of two Federal regulators — the FDIC or the Office of Thrift Supervision (OTS).

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

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

DATA SOURCES

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

COMPUTATION METHODOLOGY

Certain adjustments are made to the OTS *Thrift Financial Reports* to provide closer conformance with the reporting and accounting requirements of the FFIEC *Call Reports*. Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data.

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

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may change their charters, resulting in an inter-industry migration, e.g., savings institutions can convert to commercial banks or commercial banks may convert to savings institutions. These situations can affect state and regional statistics.

ACCOUNTING CHANGES

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

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

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

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

DEFINITIONS (in alphabetical order)

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

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

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

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

*As a percentage of risk-weighted assets.

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

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

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

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

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

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

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

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

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

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

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

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 estimated to be total domestic deposits minus estimated uninsured deposits. The uninsured estimate is calculated as the sum of the excess amounts in accounts over $100,000. Beginning June 30, 2000 the amount of estimated uninsured deposits is adjusted to consider a financial institution's estimate, where the institution reports that it has a better method or procedure for calculating uninsured deposits.

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

FHLB advances — all borrowings by FDIC insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers (or as furnished by the Federal Housing Finance Board (FHFB) for *Call* filers prior to 2001) and as reported by *TFR* filers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Reserves for losses — the allowance for loan and lease losses on a consolidated basis. Prior to March 31, 2001 reserves for losses included the allocated transfer risk reserve, which is no longer included as part of the loss reserve, but netted from loans and leases.

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

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

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

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

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

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

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

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

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

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

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

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