

III.

FINANCIAL HIGHLIGHTS



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In its role as insurer of bank and savings association deposits, the FDIC promotes the public's trust in the safety and soundness of insured depository institutions. The following financial highlights address the performance of the Deposit Insurance Fund.

Deposit Insurance Fund Performance

The DIF balance was \$121.8 billion at December 31, 2023, a decrease of \$6.4 billion from the year-end 2022 balance. In 2023, DIF's comprehensive loss totaled \$6.4 billion compared to comprehensive income of \$5.1 billion in 2022. The year-over-year change of \$11.5 billion was primarily due to a \$41.0 billion increase in provision for insurance losses and a \$2.3 billion realized loss on sale of U.S. Treasury (UST) securities, partially offset by \$24.9 billion increase in assessment revenue, a \$5.8 billion increase in UST securities market valuation adjustments and \$1.5 billion increase in interest revenue from UST securities.

The provision for insurance losses was \$41.0 billion for 2023, primarily resulting from approximately \$40.4 billion in estimated losses for the five failures that occurred in 2023. Of the \$40.4 billion, \$20.4 billion represents estimated losses resulting from the coverage of uninsured deposits pursuant to two separate systemic risk determinations for SVB and Signature Bank, which by law must be recovered through a special assessment (and not charged to the DIF). Hence, the net estimated loss impacting the DIF is \$20.0 billion.

Assessment revenue was \$33.2 billion for 2023, compared to \$8.3 billion for 2022. As noted above, the \$24.9 billion year-over-year increase was primarily related to the \$20.4 billion of special assessments associated with the protection of uninsured depositors along with a 2 basis point increase in assessment rates beginning with the first quarter 2023 insurance coverage as mandated by the amended Restoration Plan.

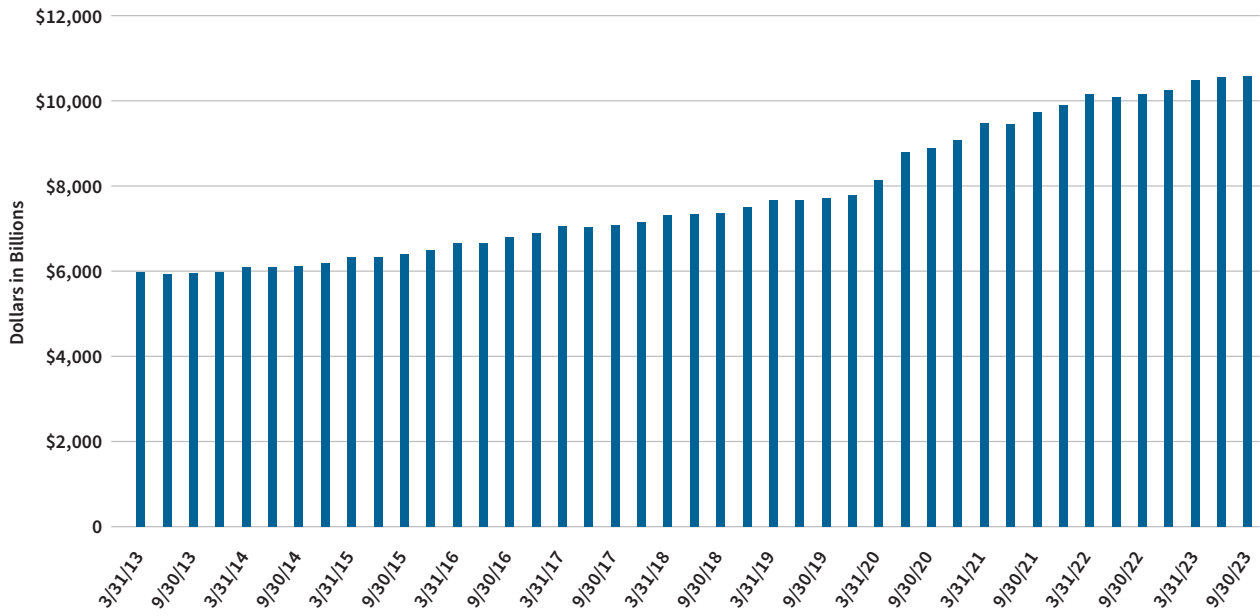
In 2023, the FDIC sold UST securities for total proceeds of \$79.8 billion resulting in a total net realized loss of \$2.3 billion.

The DIF's interest revenue on UST securities for 2023 was \$2.7 billion, compared to \$1.2 billion in 2022. The \$1.5 billion year-over-year increase resulted from maturities being reinvested in higher yielding securities and overnight investment vehicles.

The DIF's cash, cash equivalents, and UST investment portfolio balances decreased by \$101.2 billion during 2023 to \$23.8 billion at year-end 2023²⁰, from \$125.0 billion at year-end 2022. This decrease was primarily due to disbursements for resolutions of \$158.0 billion, partially offset by recoveries from resolutions of \$43.1 billion and assessment collections of \$11.7 billion.

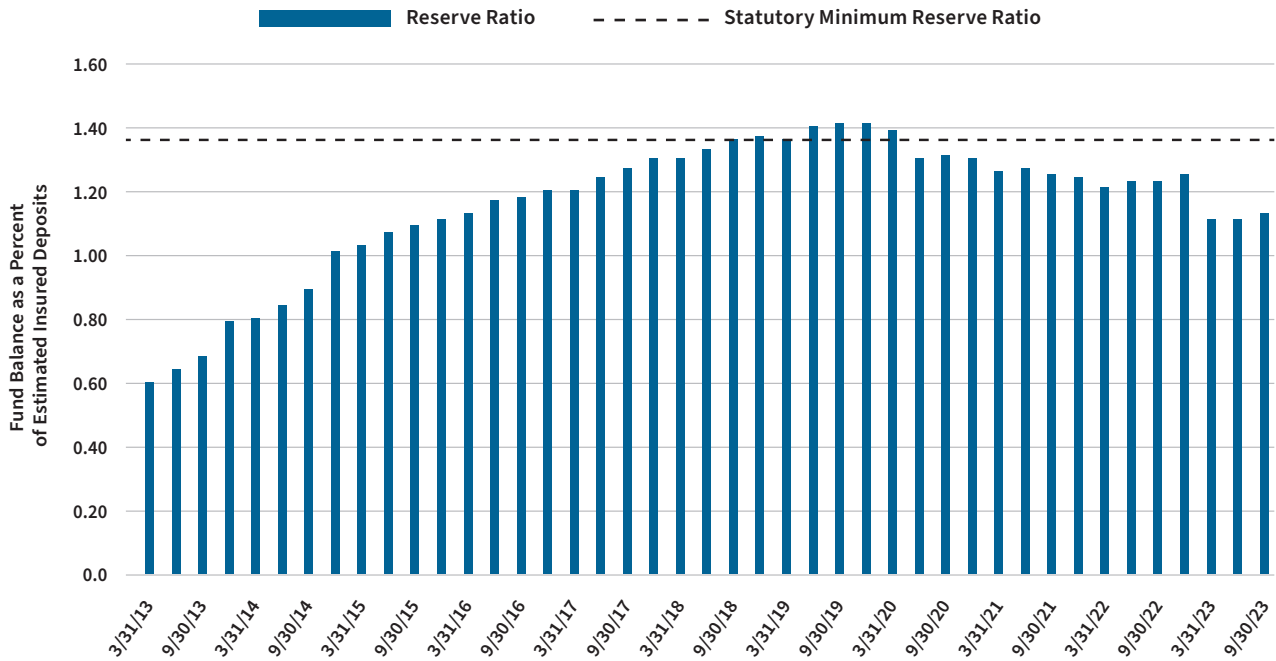
²⁰ On January 11, 2024, DIF received approximately \$41.5 billion in dividends from the Silicon Valley Bridge Bank, N.A. The DIF's cash and investments balance as of close of business on January 11, 2024 was \$65.5 billion.

ESTIMATED DIF INSURED DEPOSITS



Source: Commercial Bank Call and Thrift Financial Reports

DEPOSIT INSURANCE FUND RESERVE RATIOS



FINANCIAL HIGHLIGHTS

| Deposit Insurance Fund Selected Statistics | | | |
|---|---------------------------------|-----------|-----------|
| Dollars in Millions | | | |
| | For the years ended December 31 | | |
| | 2023 | 2022 | 2021 |
| Financial Results | | | |
| Revenue | \$35,996 | \$9,607 | \$8,153 |
| Operating Expenses | 2,126 | 1,883 | 1,843 |
| Insurance and Other Expenses (includes provision for losses and realized loss on sale of investment securities) | 43,249 | (79) | (137) |
| Net (Loss) Income | (9,379) | 7,803 | 6,448 |
| Comprehensive (Loss) Income | (6,440) | 5,077 | 5,244 |
| Insurance Fund Balance | \$121,778 | \$128,218 | \$123,141 |
| Fund as a Percentage of Insured Deposits (reserve ratio) | 1.13% ¹ | 1.25% | 1.24% |
| Selected Statistics | | | |
| Total DIF-Member Institutions ² | 4,614 ¹ | 4,706 | 4,839 |
| Problem Institutions | 44 ¹ | 39 | 44 |
| Total Assets of Problem Institutions | \$53,514 ¹ | \$47,463 | \$170,172 |
| Institution Failures | 5 | 0 | 0 |
| Total Assets of Failed Institutions in Year ³ | \$532,228 | \$0 | \$0 |
| Number of Active Failed Institution Receiverships | 74 | 132 | 191 |

¹ As of September 30, 2023.

² Commercial banks and savings institutions. Does not include U.S. insured branches of foreign banks.

³ Total Assets data are based upon the last Call Report filed by the institution prior to failure.