Click on a title to view an individual graph

HIGHLIGHTS -- 2ND QUARTER AND FIRST HALF 2000

- **COMMERCIAL BANKS' QUARTERLY EARNINGS DIP TO 3-YEAR LOW**
  Large expenses related to corporate restructurings and credit quality problems at several large banks led to a $2.2-billion (13.2-percent) decline in industry earnings in the second quarter. Commercial banks reported net income of $14.7 billion in the quarter, the lowest quarterly total since the second quarter of 1997. The return on assets (ROA) fell to 0.99 percent, the first time since the fourth quarter of 1992 that it has been below 1.00 percent. Despite the poor aggregate results, earnings problems were concentrated among a few large banks. About two out of every three commercial banks (65.6 percent) had a quarterly ROA of 1 percent or better, and a majority of banks (57.0 percent) reported improved ROAs compared to a year ago. For the first half of the year, commercial banks' profits totaled $34.2 billion, a decline of $665 million (1.9 percent) from a year earlier. The average ROA for the first six months was 1.17 percent, compared to an average of 1.28 percent a year ago.

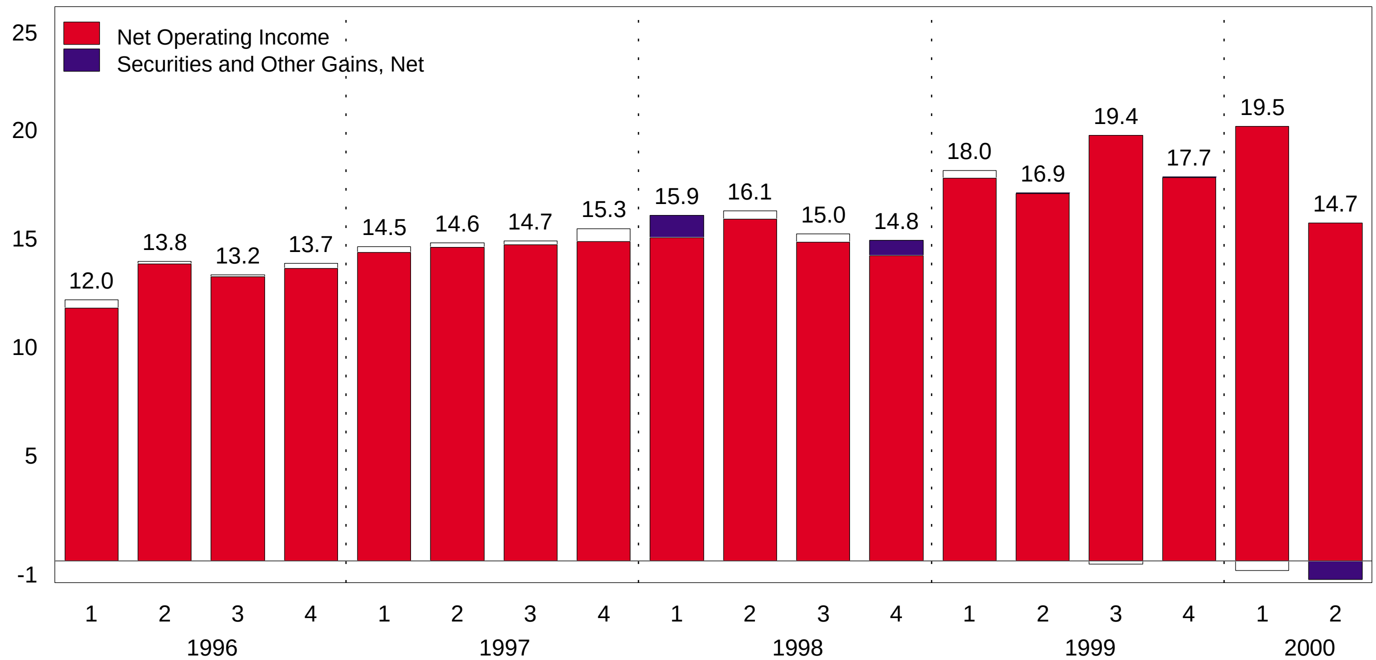
- **COMMERCIAL LOANS SHOW FURTHER SIGNS OF WEAKNESS**
  Asset-quality indicators for the industry's portfolio of loans to commercial and industrial borrowers worsened during the second quarter, but most of the deterioration occurred at larger banks. Commercial and industrial (C&I) loans at smaller banks actually showed some improvement. The industry's annualized net charge-off rate on C&I loans rose to 0.67 percent, from 0.54 percent a year ago. At commercial banks with assets of $1 billion or more, the average net charge-off rate increased from 0.53 percent a year ago to 0.68 percent. At banks with less than $1 billion in assets, the net charge-off rate fell from 0.62 percent to 0.58 percent. Similar disparate trends were evident in the percent of C&I loans that were noncurrent (90 days or more past due or in nonaccrual status). The noncurrent rate of C&I loans at larger banks rose from 1.24 percent to 1.38 percent during the quarter, while at smaller banks, the noncurrent rate remained unchanged at 1.59 percent.

- **NET INTEREST MARGIN DECLINES TO LOWEST LEVEL SINCE 1990**
  Short-term interest rates rose and longer-term interest rates declined during the second quarter. At larger banks, average funding costs rose more rapidly than average asset yields, producing narrower net interest margins. Funding costs rose more slowly at smaller banks, which have larger proportions of core deposits. The industry's net interest margin declined slightly, to 3.99 percent, down from 4.00 percent in the first quarter. This is the first time since the fourth quarter of 1990 that the industry's net interest margin has been below 4.00 percent.

- **EARNINGS OF SAVINGS INSTITUTIONS DECLINE TO $2.8 BILLION**
  Higher loan-loss provisions and lower net interest margins caused a drop in thrifts' quarterly earnings, but higher noninterest income helped limit the decline. Insured savings institutions earned $2.8 billion in the second quarter, a $106-million (3.7 percent) decline from their profits in the second quarter of 1999. Provisions for credit losses were $169 million (42.4 percent) higher than in the second quarter of 1999, while net interest income was up by only $16 million (0.2 percent). The industry's noninterest revenues were up by $441 million (18.0 percent). The average ROA for the second quarter was 0.95 percent, down from 1.03 percent a year earlier. Through the first six months of 2000, thrifts earned $5.7 billion, up $127 million (2.3 percent) from the same period of 1999. The average ROA for the first half of this year was 0.99 percent, down from 1.01 percent a year ago.

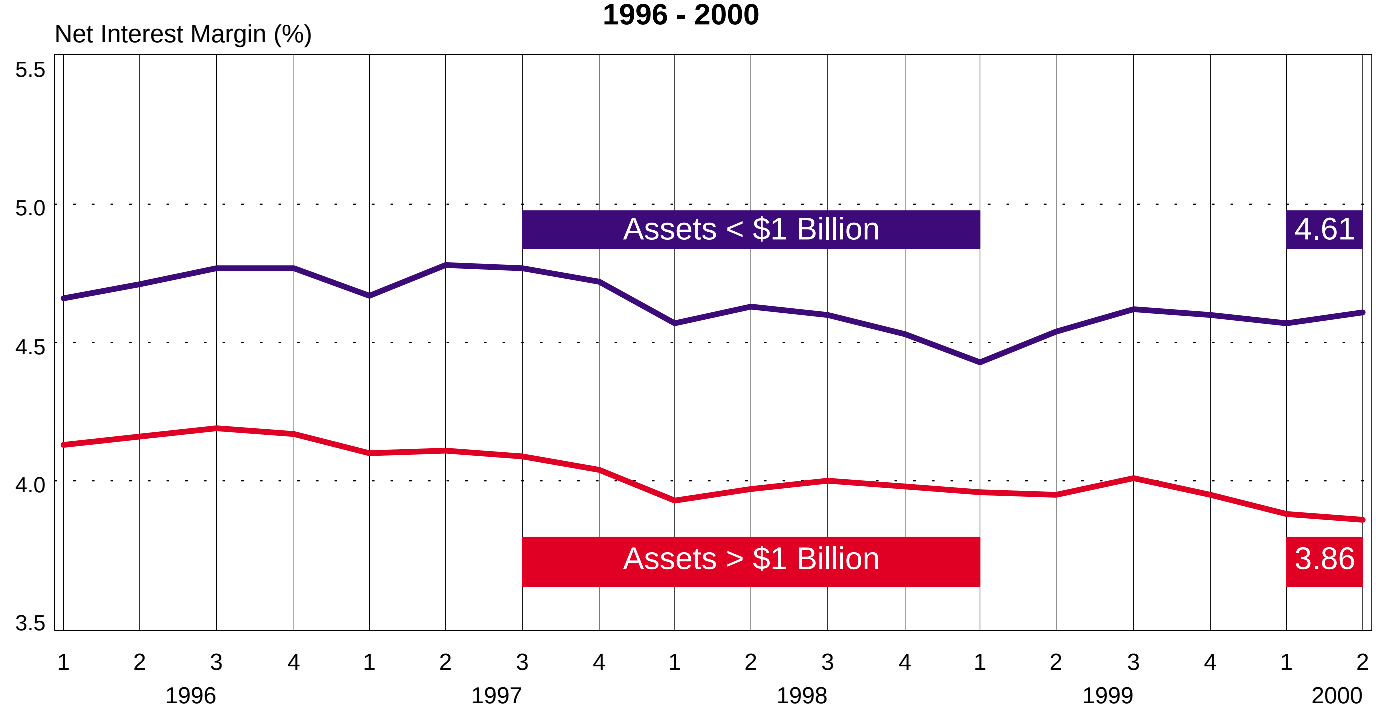
Quarterly Net Income

1996 - 2000



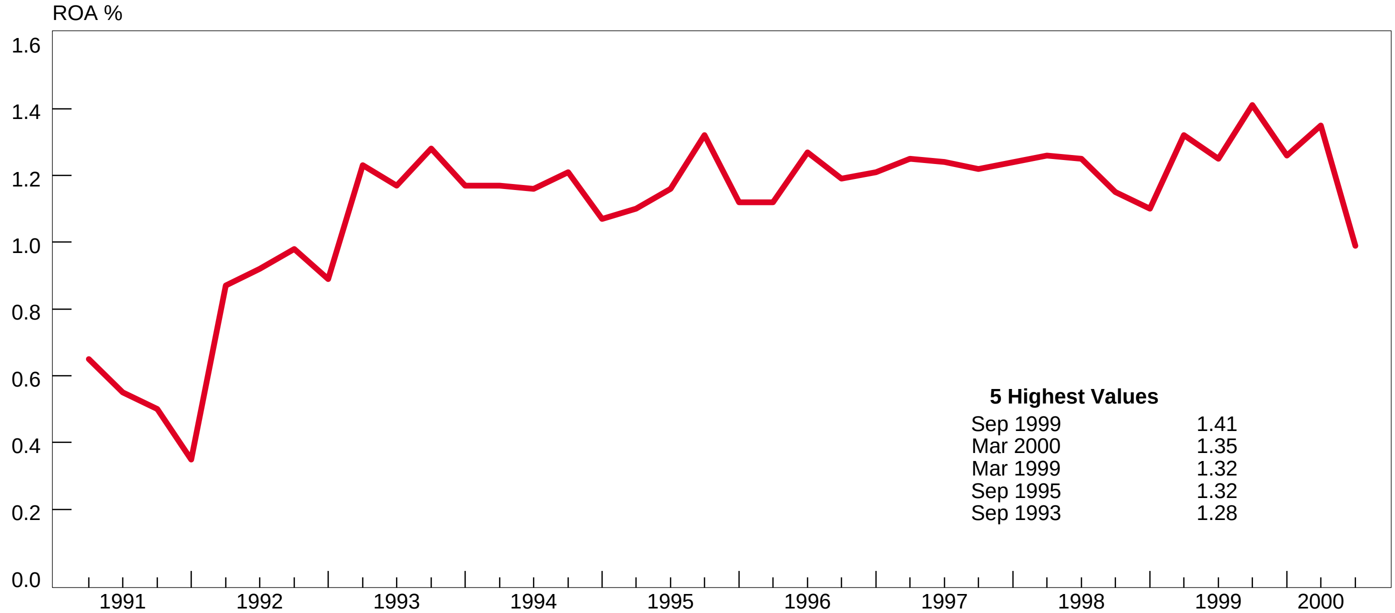
Quarterly Net Interest Margins, Annualized

1996 - 2000



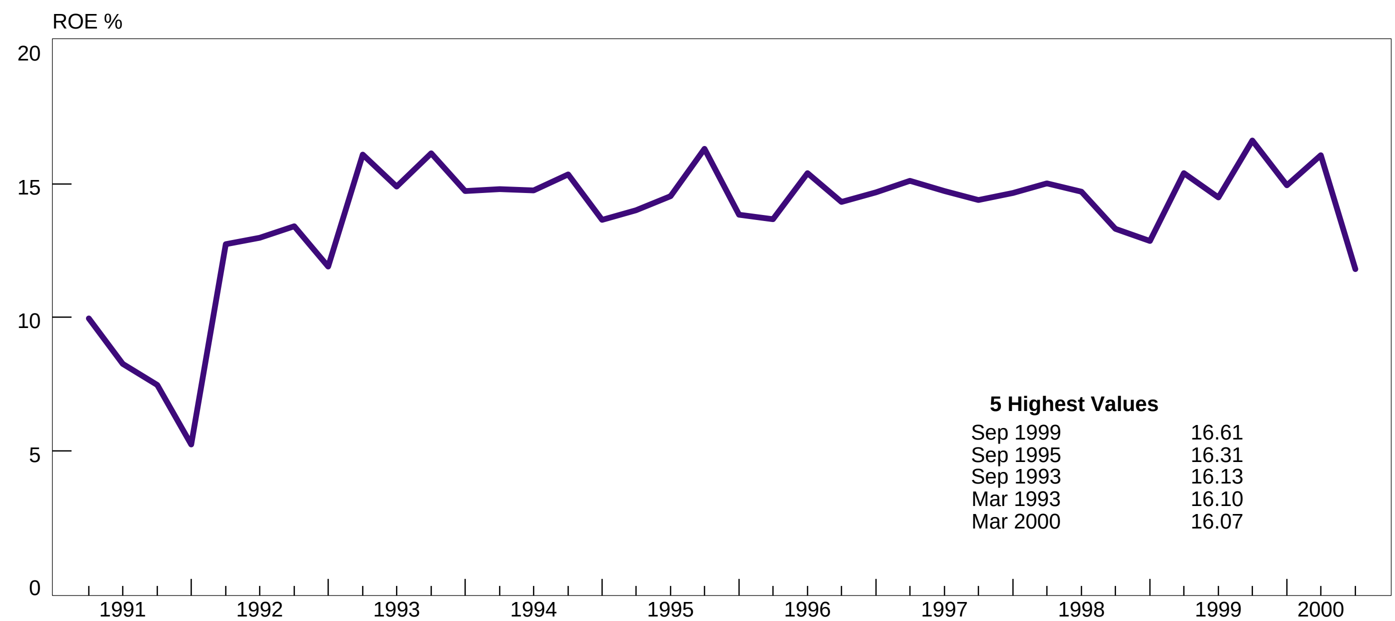
Quarterly Return on Assets (ROA), Annualized

1991 - 2000



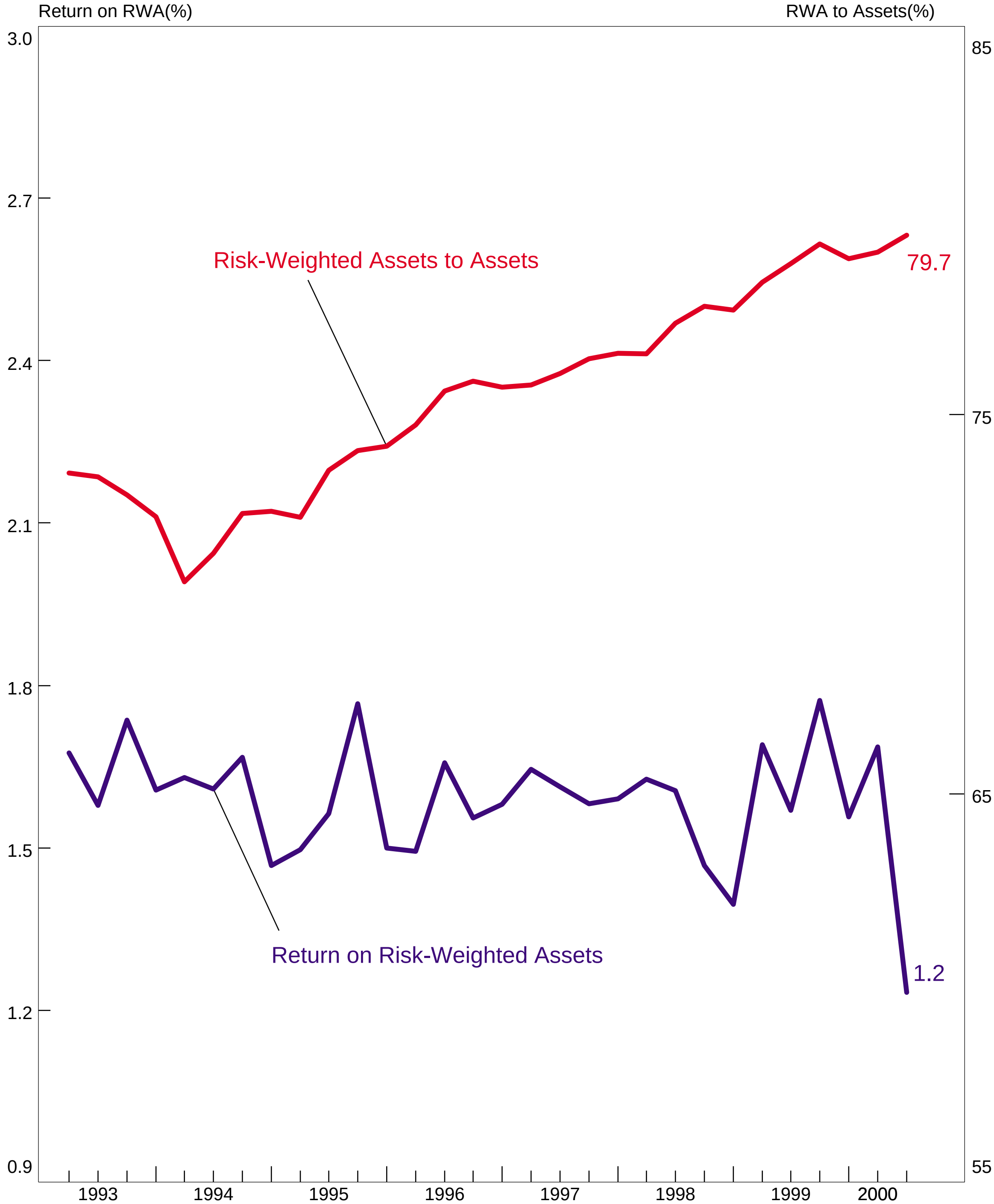
Quarterly Return on Equity (ROE), Annualized

1991 - 2000



Quarterly Return on Risk-Weighted Assets (RWA),* and RWA to Total Assets

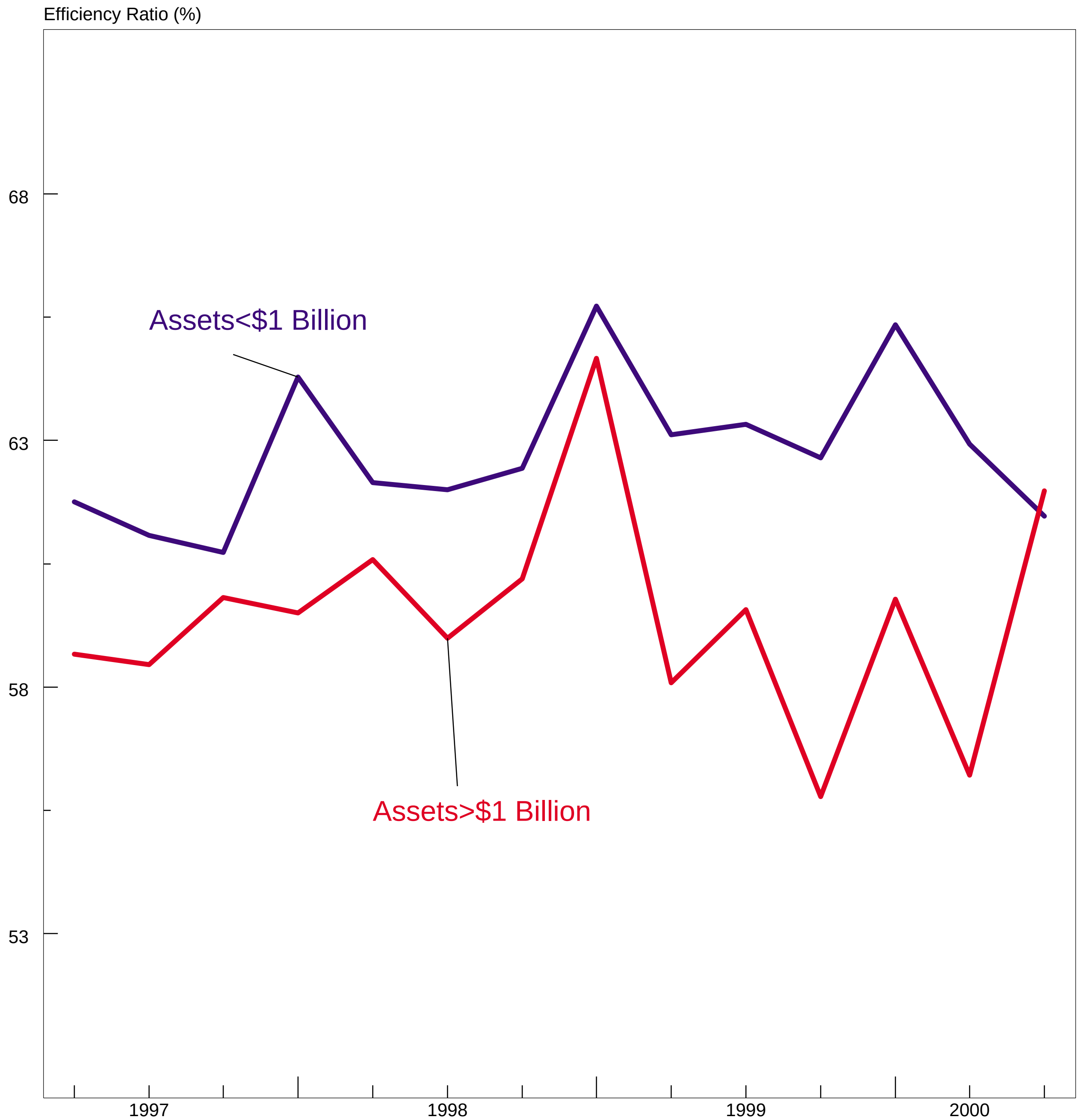
1993 - 2000



* Assets weighted according to risk categories used in regulatory capital computations.

Quarterly Efficiency Ratios*

1997 - 2000

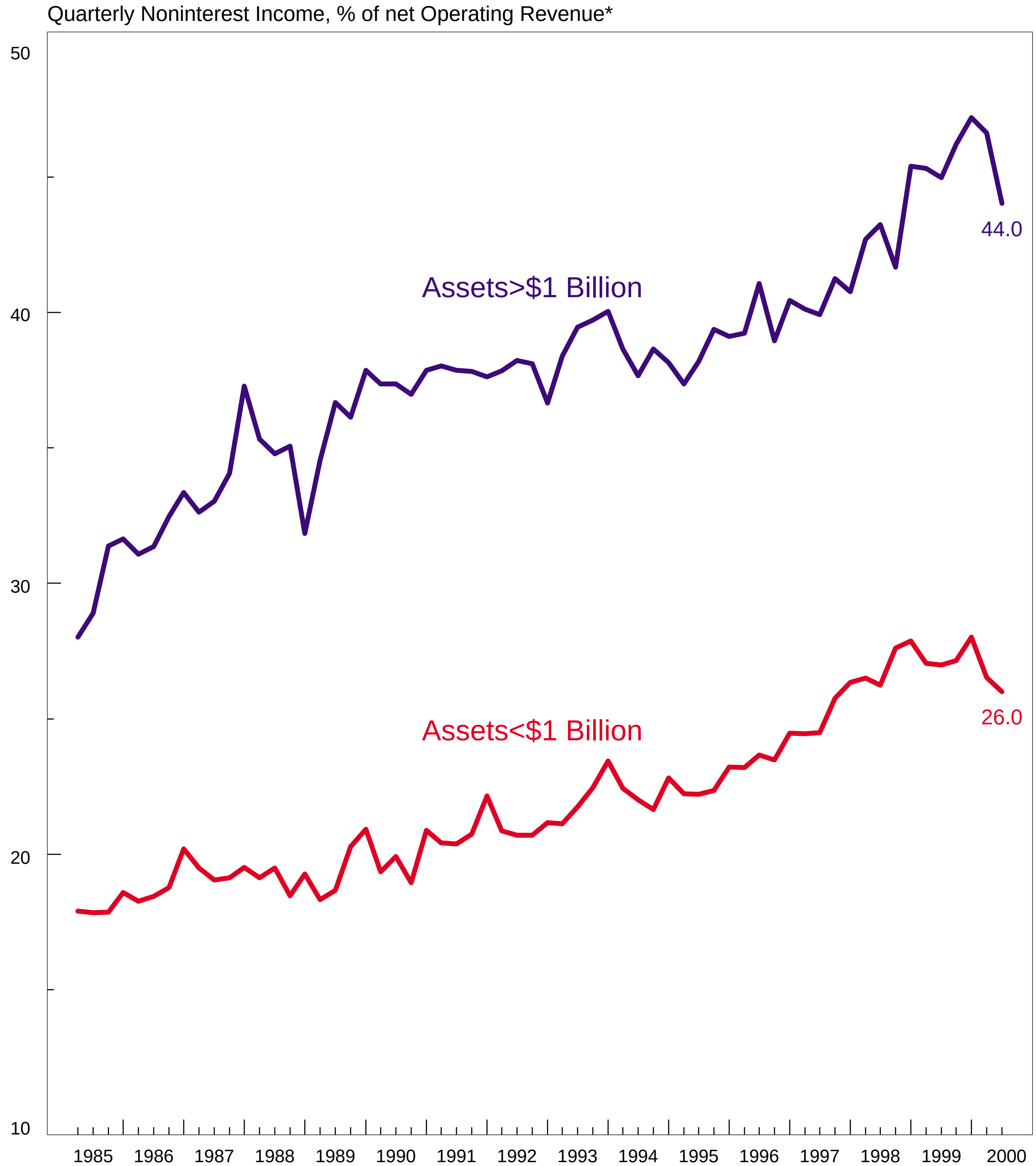


Assets<$1 Billion	61.26	60.58	60.23	63.79	61.65	61.50	61.94	65.23	62.62	62.83	62.15	64.85	62.43	60.96
Assets>$1 Billion	58.17	57.95	59.32	59.00	60.08	58.49	59.69	64.17	57.59	59.07	55.28	59.28	55.71	61.48
Total	58.82	58.49	59.50	59.96	60.38	59.06	60.12	64.35	58.43	59.71	56.42	60.19	56.78	61.40

*Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income.

Noninterest Income as a Percentage of Net Operating Revenue*

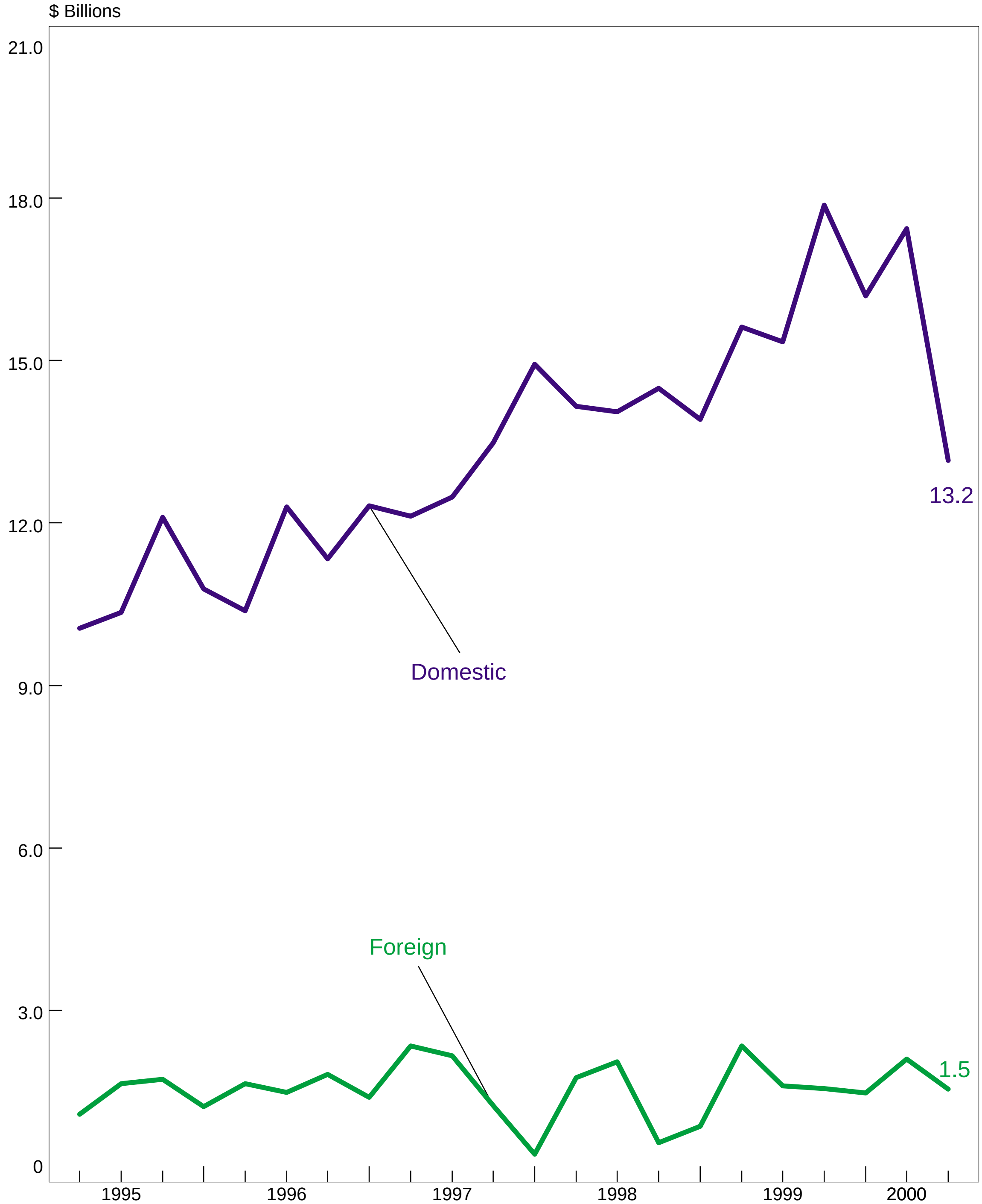
1985 - 2000



*Net operating revenue equals net interest income plus noninterest income.

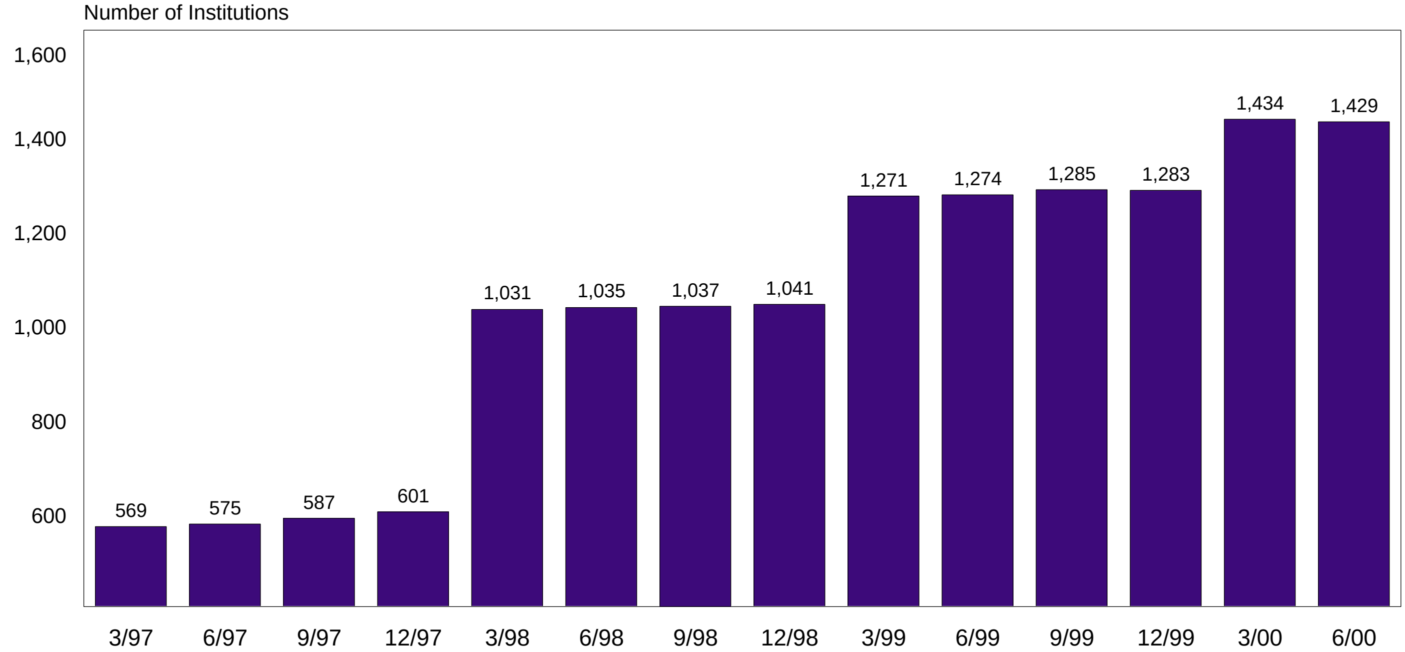
Net Income from Domestic and Foreign Operations

1995 - 2000



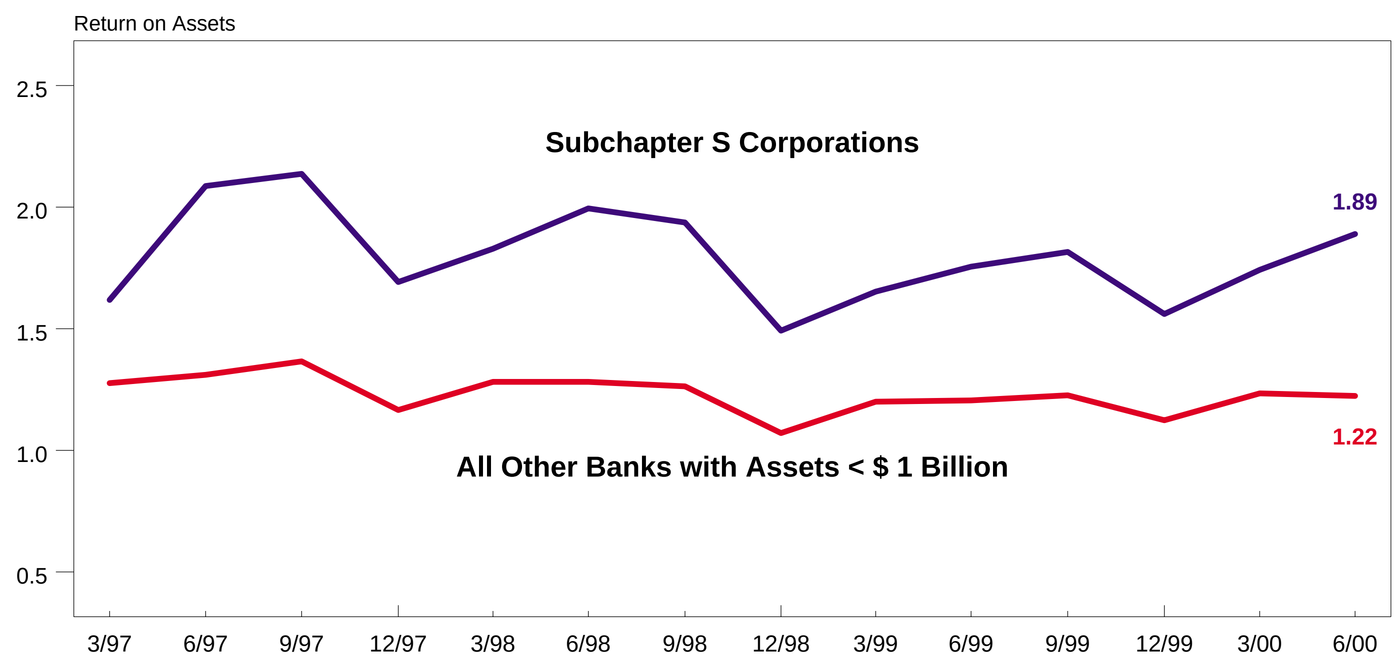
Number of Subchapter S Corporations

1997 - 2000



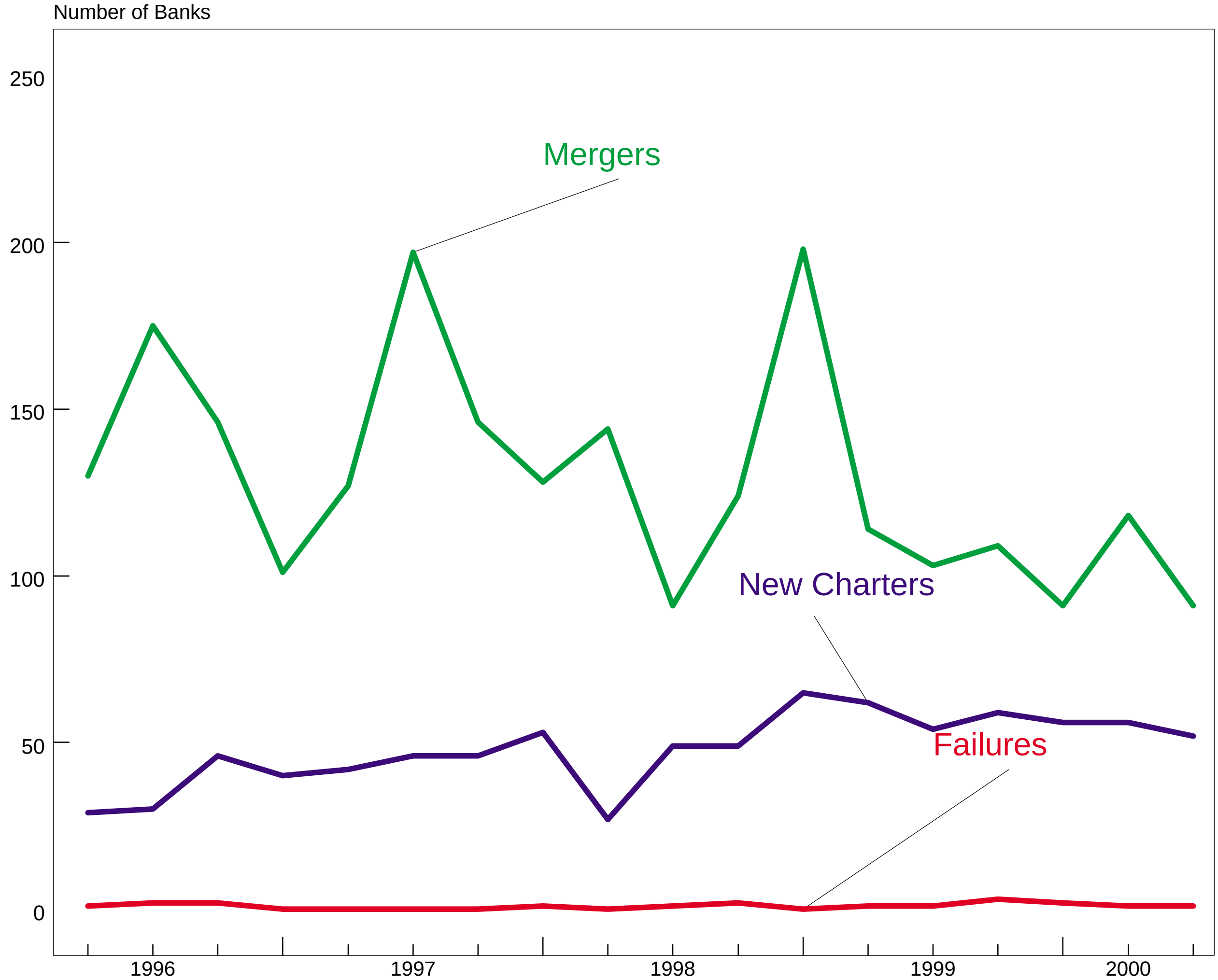
Return on Assets of Subchapter S Corporations vs. Other Banks

1997 - 2000



Changes in the Number of FDIC-Insured Commercial Banks

Quarterly, 1996 - 2000

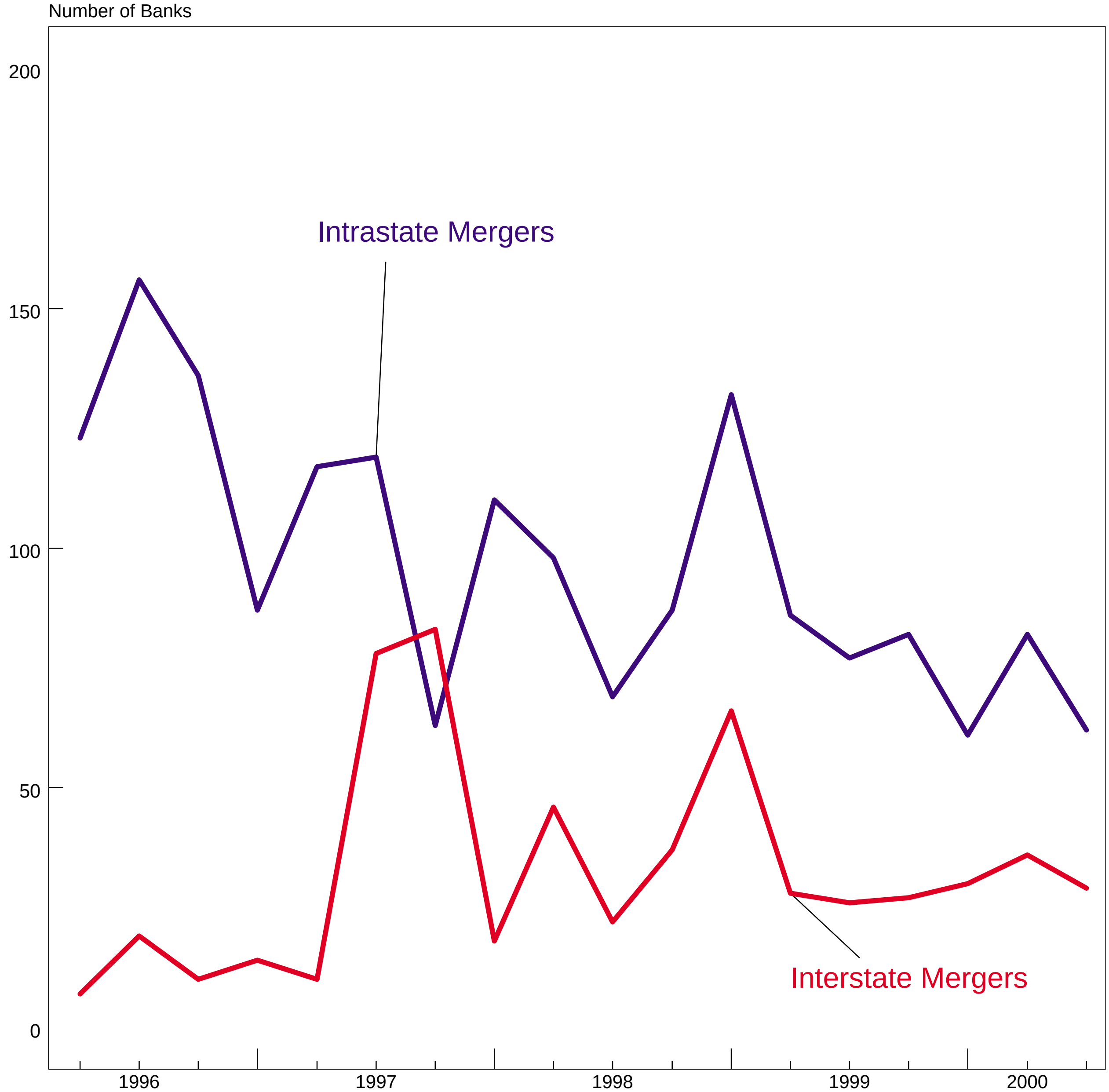


New Charters	29	30	46	40	42	46	46	53	27	49	49	65	62	54	59	56	56	52
Mergers	130	175	146	101	127	197	146	128	144	91	124	198	114	103	109	91	118	91
Failures	1	2	2	0	0	0	0	1	0	1	2	0	1	1	3	2	1	1
Other Changes, Net*	0	-1	-2	2	8	9	6	4	-2	3	4	-3	1	2	0	-4	0	0
No. of Banks at end of quarter	9,838	9,690	9,586	9,527	9,450	9,308	9,214	9,142	9,023	8,983	8,910	8,774	8,722	8,674	8,621	8,580	8,517	8,477
Net Change during quarter	-102	-148	-104	-59	-77	-142	-94	-72	-119	-40	-73	-136	-52	-48	-53	-41	-63	-40

* Includes charter conversions, voluntary liquidations, adjustments for open-bank assistance transactions and other changes.

Bank Mergers: Interstate vs. Intrastate

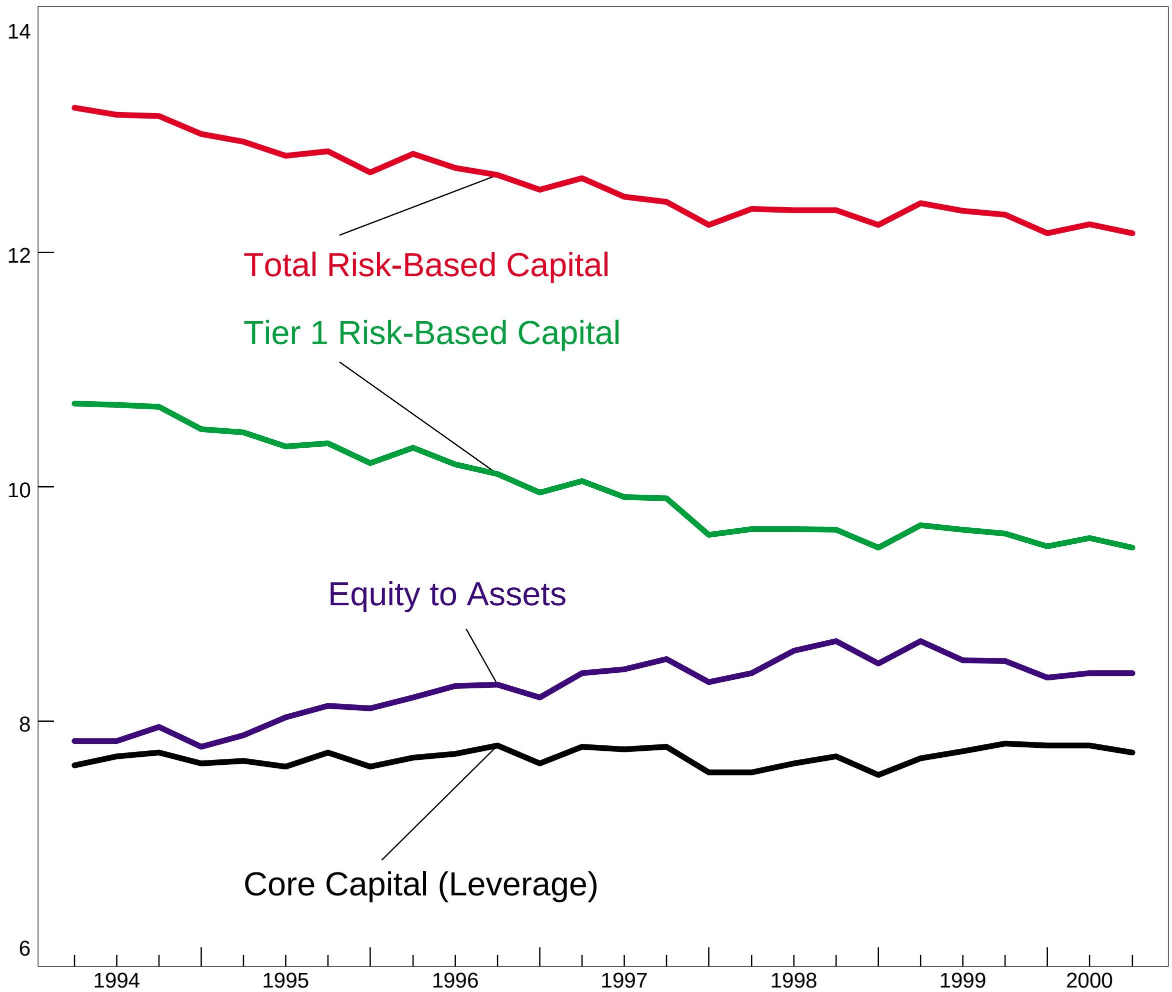
Quarterly, 1996 - 2000



Intrastate Mergers	**123**	**156**	**136**	**87**	**117**	**119**	**63**	**110**	**98**	**69**	**87**	**132**	**86**	**77**	**82**	**61**	**82**	**62**
Interstate Mergers	**7**	**19**	**10**	**14**	**10**	**78**	**83**	**18**	**46**	**22**	**37**	**66**	**28**	**26**	**27**	**30**	**36**	**29**

Capital Ratios

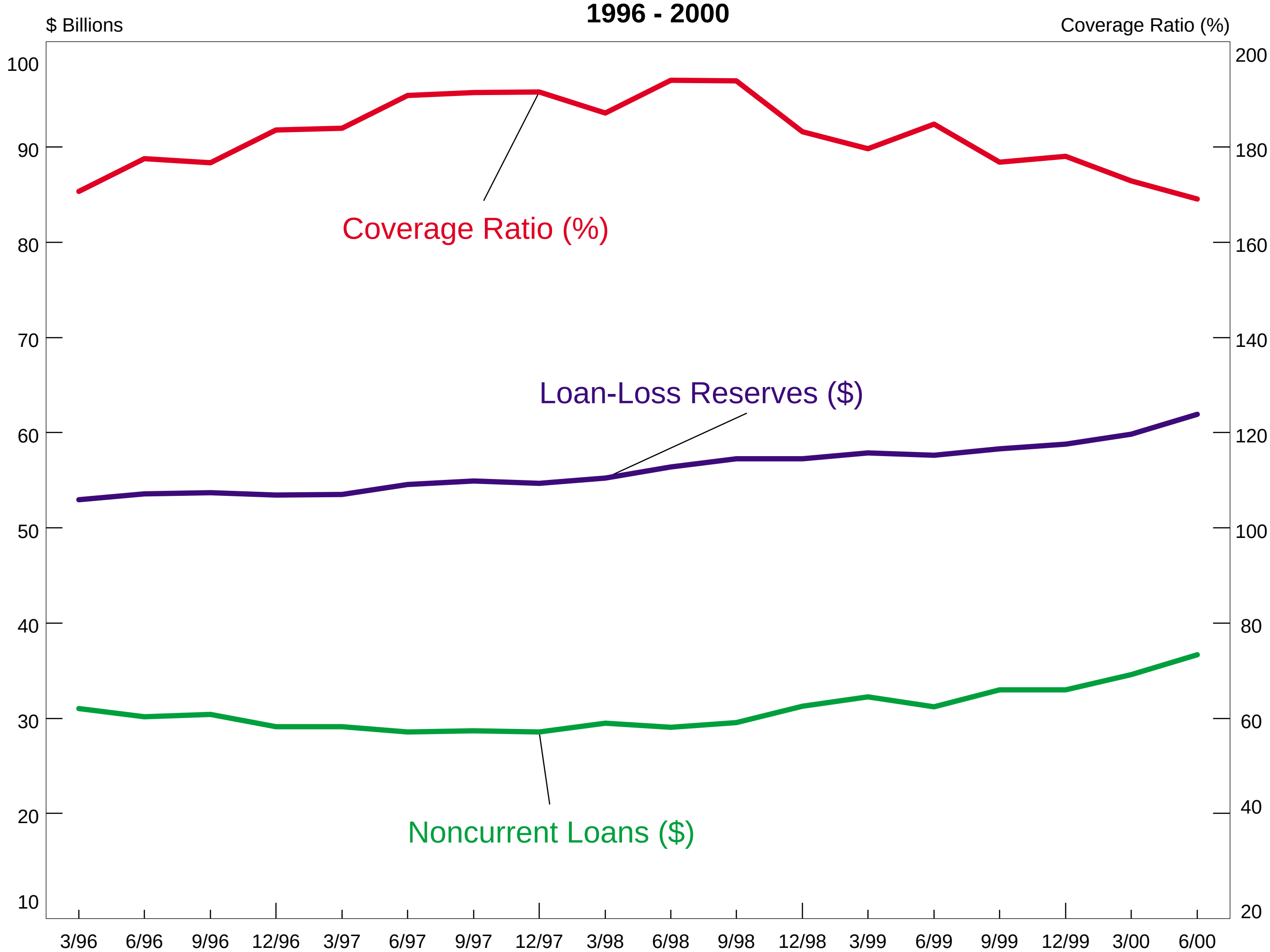
1994 - 2000



	12/94	12/95	12/96	12/97	12/98	12/99	6/00
Total Risk-Based Capital	**13.01**	**12.68**	**12.53**	**12.23**	**12.23**	**12.16**	**12.16**
Tier 1 Risk-Based Capital	**10.49**	**10.20**	**9.95**	**9.59**	**9.48**	**9.49**	**9.48**
Equity to Assets	**7.78**	**8.11**	**8.20**	**8.33**	**8.49**	**8.37**	**8.41**
Core Capital (Leverage)	**7.64**	**7.61**	**7.64**	**7.56**	**7.54**	**7.79**	**7.73**

Reserve Coverage Ratio*

1996 - 2000



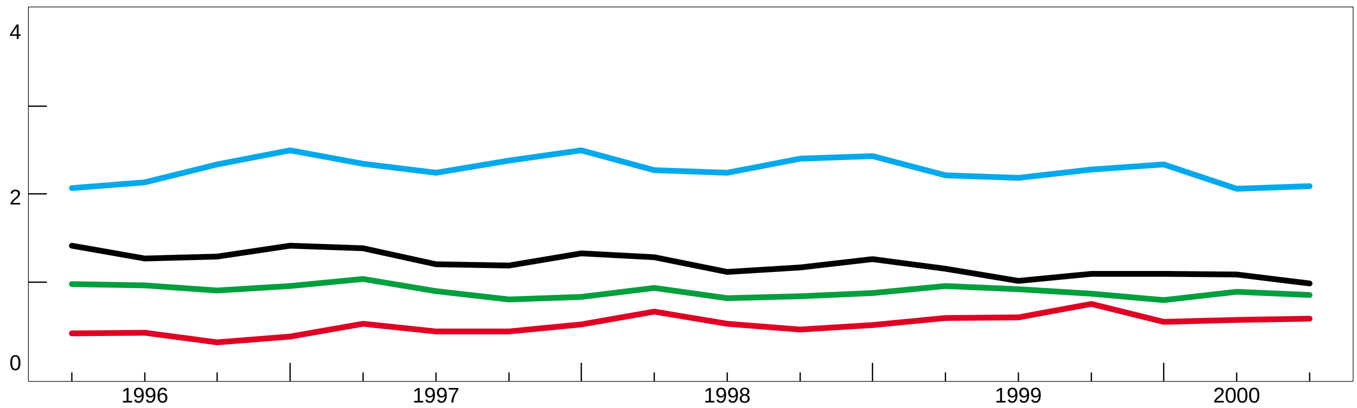
Noncurrent Loans ($ Billions)																	
31.0	**30.2**	**30.4**	**29.1**	**29.1**	**28.6**	**28.7**	**28.5**	**29.5**	**29.1**	**29.5**	**31.3**	**32.2**	**31.2**	**33.0**	**33.0**	**34.6**	**36.6**
Loan-Loss Reserves ($ Billions)																	
53.0	**53.6**	**53.7**	**53.5**	**53.5**	**54.5**	**54.9**	**54.7**	**55.2**	**56.4**	**57.3**	**57.3**	**57.9**	**57.6**	**58.3**	**58.8**	**59.8**	**61.9**
Coverage Ratio (%)																	
171	**178**	**177**	**184**	**184**	**191**	**191**	**192**	**187**	**194**	**194**	**183**	**180**	**185**	**177**	**178**	**173**	**169**

*Loan-loss reserves to noncurrent loans.

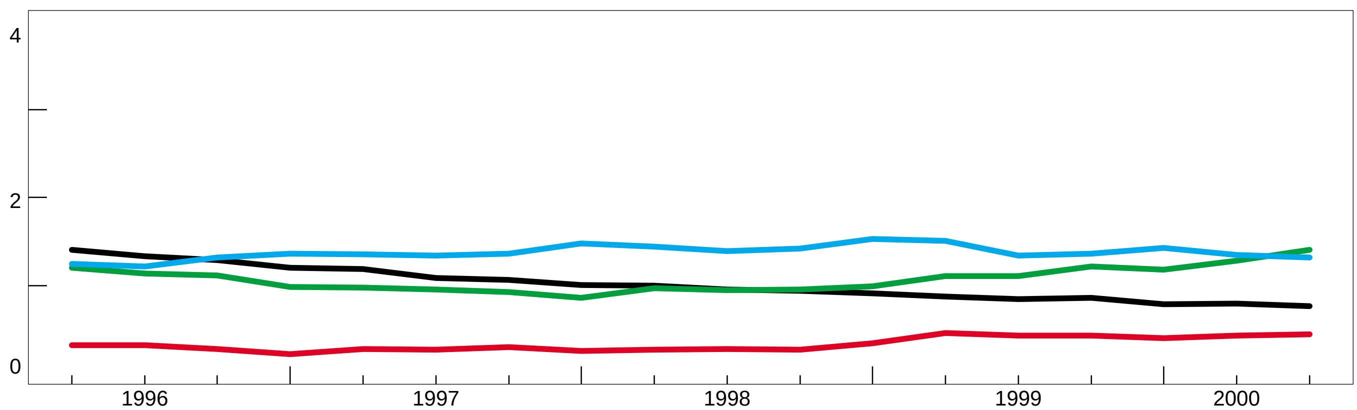
Loan Quality

1996 - 2000

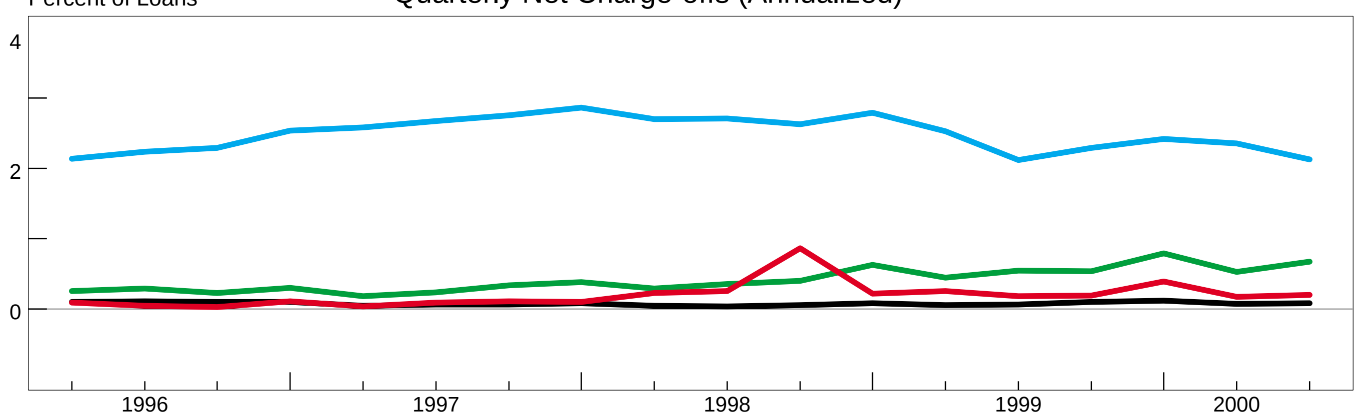
30-89 Day Past Due Loans

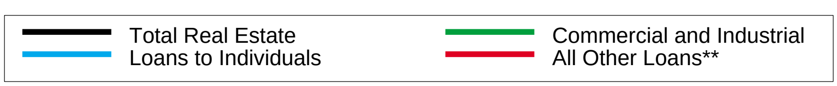


Noncurrent Loans*



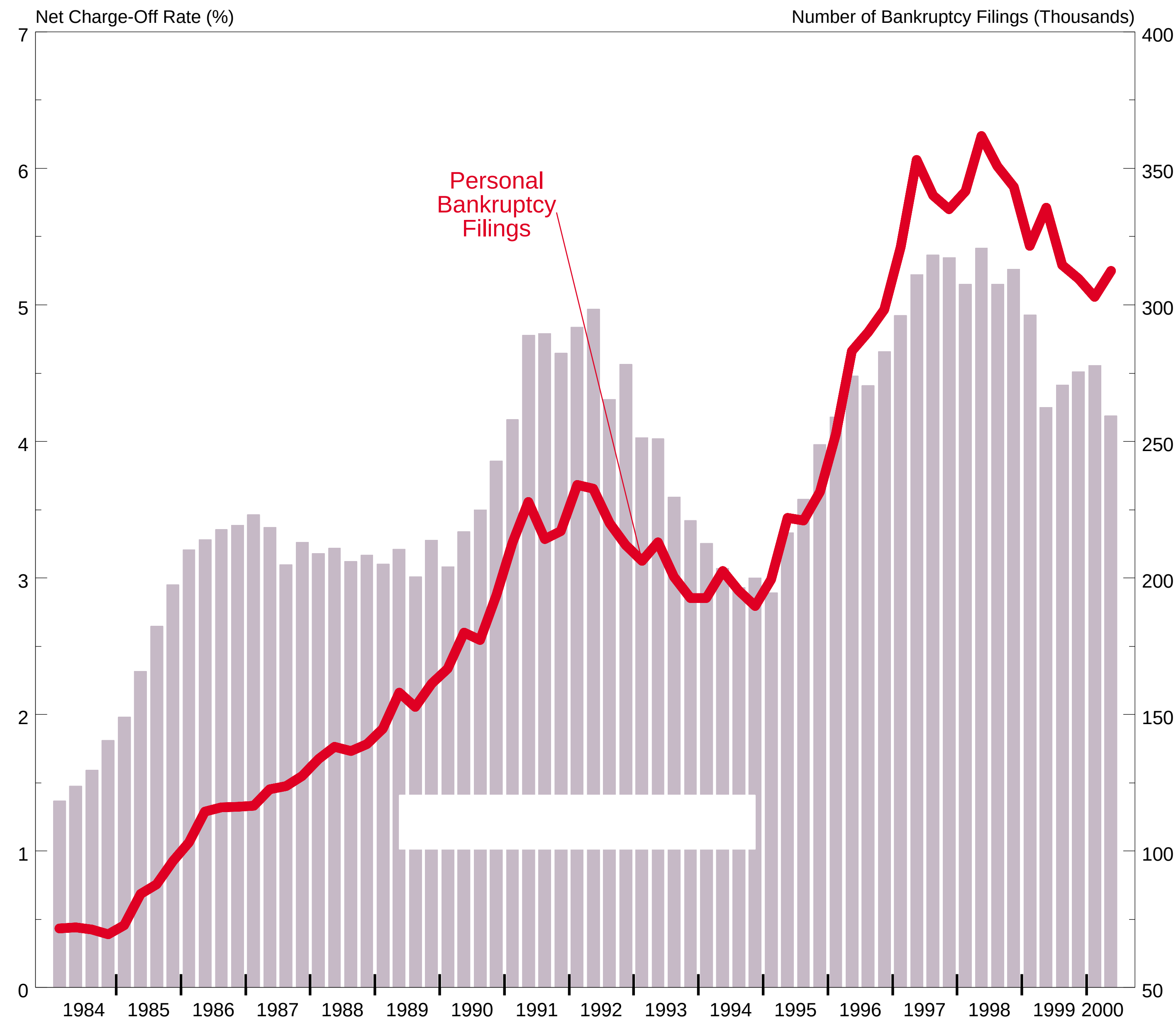
Quarterly Net Charge-offs (Annualized)





*Loans past due 90 or more days or in nonaccrual status.
**Includes loans to foreign governments, depository institutions and lease receivables.

Credit Card Loss Rates and Personal Bankruptcy Filings
1984 - 2000



Sources: Bankruptcies - Administrative Office of the United States Courts
Charge-Off Rates - Commercial Bank Call Reports

Credit Card Loss Rates and Personal Bankruptcy Filings

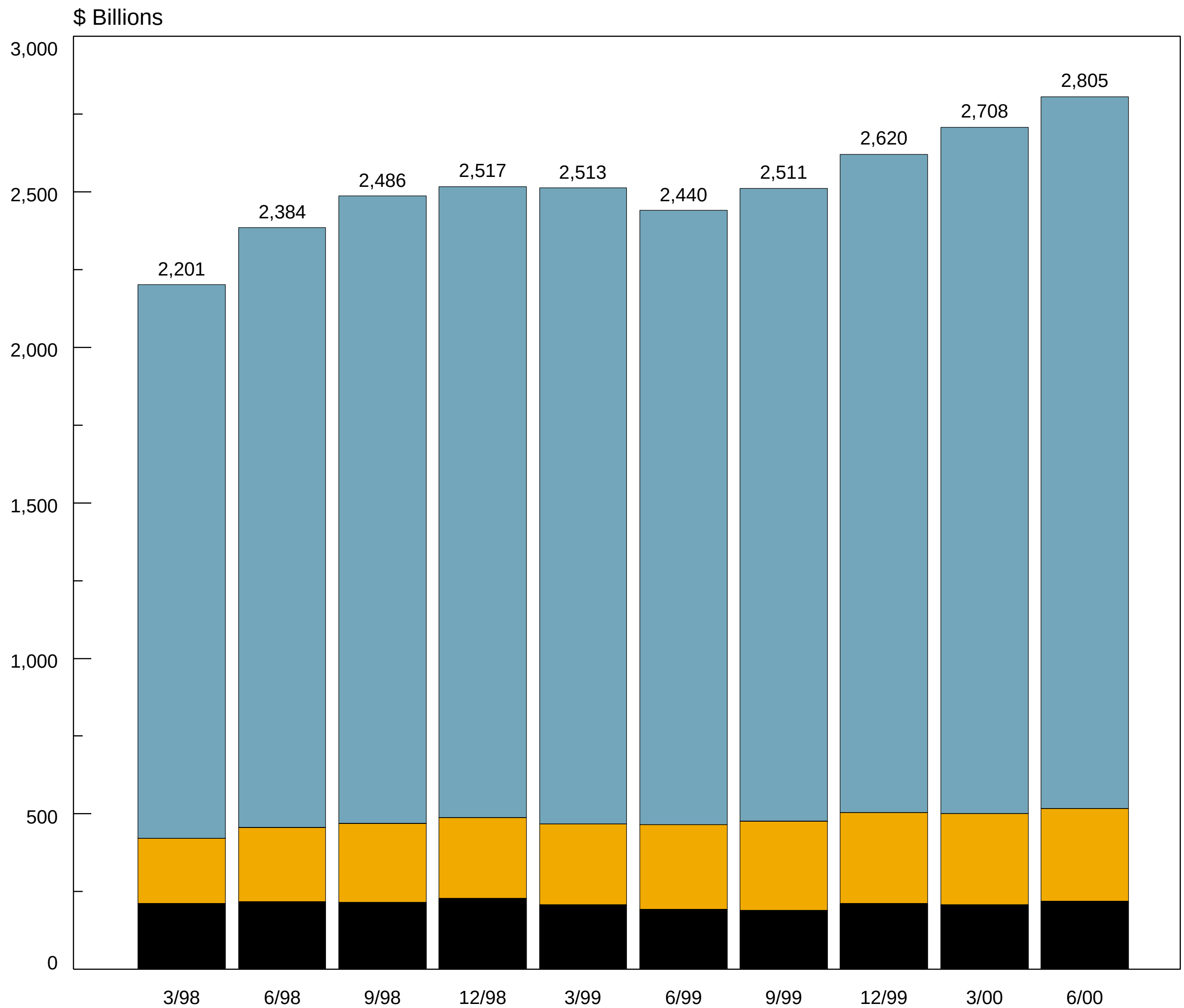
1984 - 2000

Date	Net Charge-Off Rate	Number of Bankruptcy Filings
3/31/84	1.37	71,697
6/30/84	1.48	71,955
9/30/84	1.59	71,201
12/31/84	1.81	69,554
3/31/85	1.98	72,887
6/30/85	2.31	84,243
9/30/85	2.65	87,727
12/31/85	2.95	96,376
3/31/86	3.21	103,088
6/30/86	3.28	114,384
9/30/86	3.35	116,037
12/31/86	3.38	116,204
3/31/87	3.46	116,578
6/30/87	3.37	122,689
9/30/87	3.10	123,868
12/31/87	3.26	127,409
3/31/88	3.18	133,712
6/30/88	3.22	138,245
9/30/88	3.12	136,561
12/31/88	3.17	139,215
3/31/89	3.10	144,711
6/30/89	3.21	157,955
9/30/89	3.01	152,696
12/31/89	3.28	161,404
3/31/90	3.08	166,694
6/30/90	3.34	179,943
9/30/90	3.50	177,351
12/31/90	3.86	193,872
3/31/91	4.16	212,913
6/30/91	4.78	227,853
9/30/91	4.79	214,174
12/31/91	4.64	217,160

Date	Net Charge-Off Rate	Number of Bankruptcy Filings
3/31/92	4.84	233,973
6/30/92	4.97	232,657
9/30/92	4.31	220,021
12/31/92	4.57	212,112
3/31/93	4.03	206,271
6/30/93	4.02	212,982
9/30/93	3.59	200,329
12/31/93	3.42	192,617
3/31/94	3.25	192,707
6/30/94	3.07	202,596
9/30/94	2.93	195,308
12/31/94	3.00	189,695
3/31/95	2.89	199,503
6/30/95	3.33	222,086
9/30/95	3.58	220,945
12/31/95	3.98	231,603
3/31/96	4.18	252,761
6/30/96	4.48	283,170
9/30/96	4.41	290,111
12/31/96	4.66	298,244
3/31/97	4.92	321,242
6/30/97	5.22	353,177
9/30/97	5.37	340,059
12/31/97	5.34	335,032
3/31/98	5.15	341,708
6/30/98	5.42	361,908
9/30/98	5.15	350,859
12/31/98	5.26	343,220
3/31/99	4.93	321,604
6/30/99	4.25	335,578
9/30/99	4.41	314,564
12/31/99	4.51	309,614
3/31/00	4.56	302,879
6/30/00	4.19	312,486

Expansion of Credit Card Lines

1998 - 2000



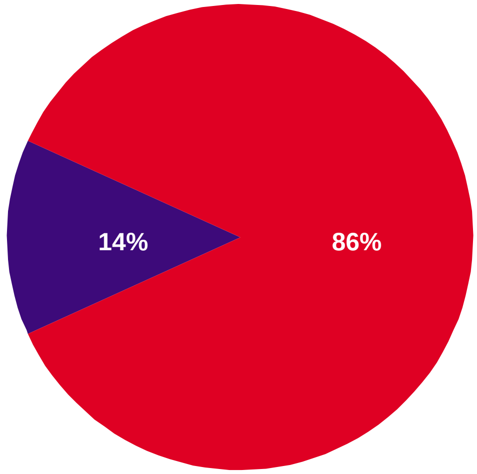
Loans outstanding ($ Billions)

	3/98	6/98	9/98	12/98	3/99	6/99	9/99	12/99	3/00	6/00
Held on-balance-sheet	211.7	216.8	216.0	228.8	208.0	193.0	189.3	212.0	207.4	218.9
Securitized & sold *	209.2	238.6	252.5	258.7	260.2	271.8	287.2	292.5	293.1	297.7
Unused commitments *	1,780.2	1,928.6	2,017.7	2,029.4	2,044.4	1,975.0	2,034.7	2,115.6	2,207.3	2,288.8
Total	2,201.2	2,384.0	2,486.2	2,516.9	2,512.6	2,439.7	2,511.2	2,620.1	2,707.8	2,805.4

* Off-balance-sheet

Total Securities*

June 30, 2000



Total Securities*

June 30, 2000

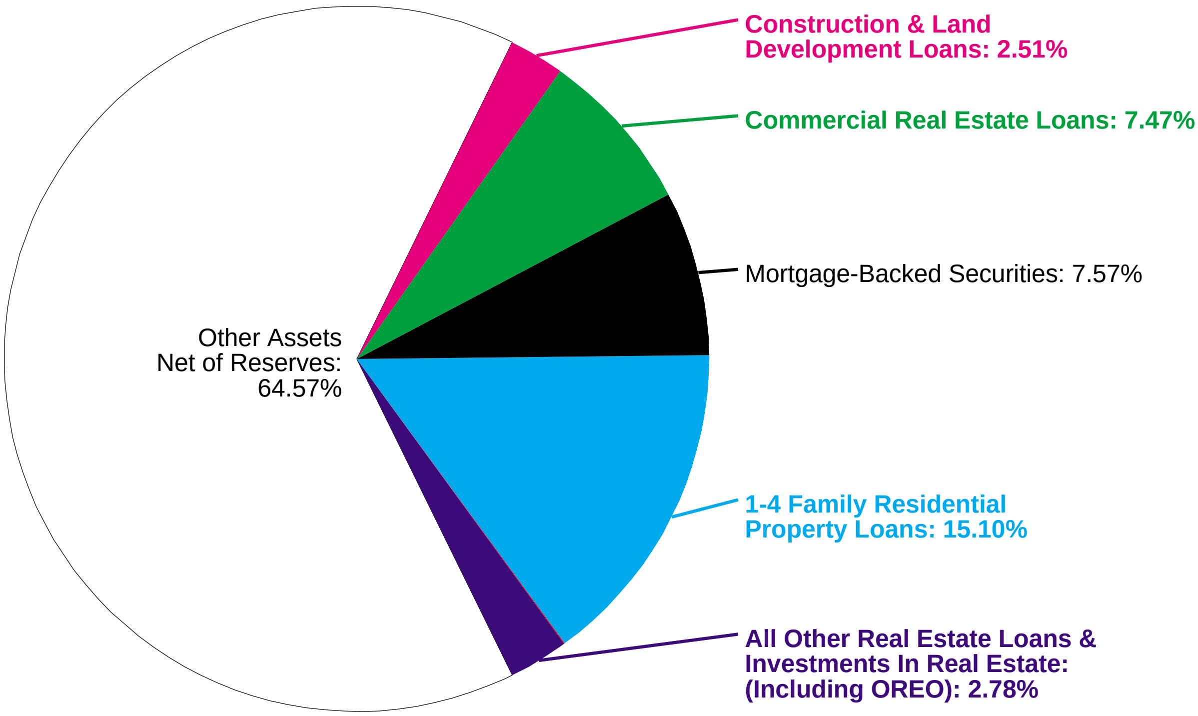
($ Millions)

	Held-to-Maturity		Available-for-Sale			
	Amortized Cost	Fair Value to Amortized Cost (%)	Fair Value	Fair Value to Amortized Cost (%)	Total Securities	Fair Value to Amortized Cost (%)
U.S. Government Obligations						
U.S. Treasury	**$7,587**	99.5	**$94,530**	97.0	$102,117	97.2
U.S. Agencies	**46,885**	97.1	**177,078**	97.3	223,963	97.3
Mortgage Pass-through Securities	**26,217**	98.0	**258,293**	96.5	284,510	96.6
Collateralized Mortgage Obligations	**24,601**	96.7	**143,582**	97.1	168,183	97.0
State, County, Municipal Obligations	**29,710**	99.3	**60,444**	98.7	90,154	98.9
Other Debt Securities	**7,105**	96.6	**130,795**	99.0	137,900	98.9
Equity Securities	**	**	**39,700**	104.9	39,700	104.9
Total Securities	**$142,106**	97.7	**$904,423**	97.7	$1,046,529	97.7
Memoranda***						
Structured Notes	**2,933**		**2,780**			94.8

* Excludes trading account assets.
** Equity Securities are classified as 'Available-for-Sale'.
*** Structured notes are included in the 'Held-to-Maturity' or 'Available-for-Sale' accounts.

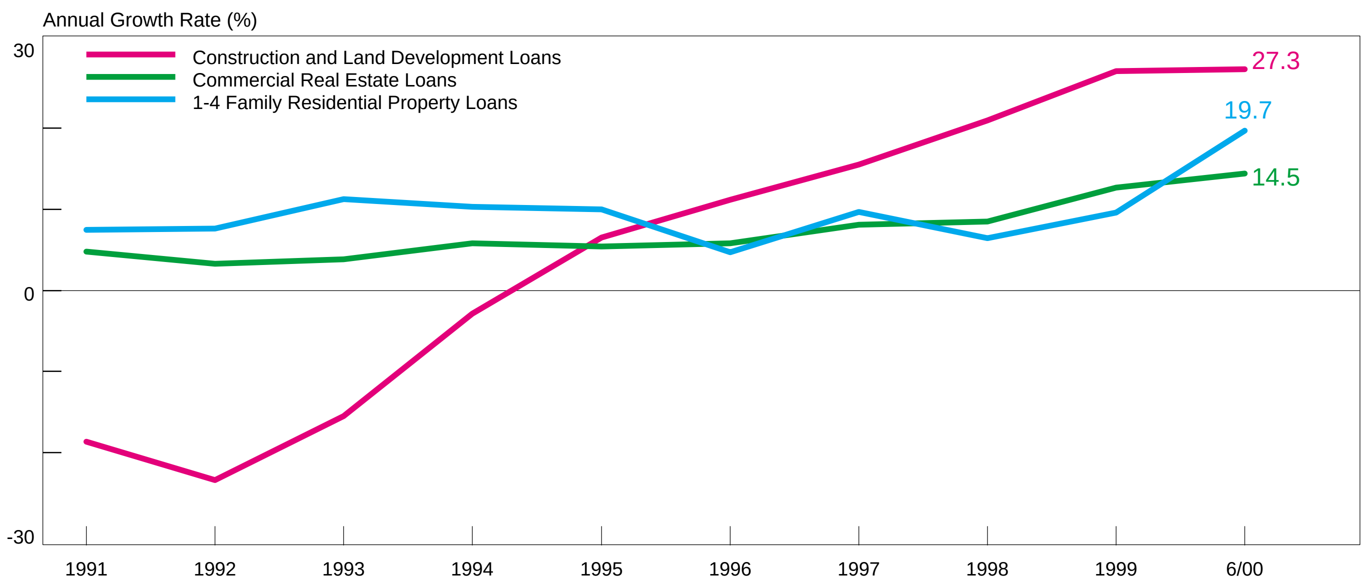
Real Estate Assets as a Percent of Total Assets

June 30, 2000



Real Estate Loan Growth Rates*

1991 - 2000



* Growth rate for most recent twelve-month period.

Mutual Fund and Annuity Sales*

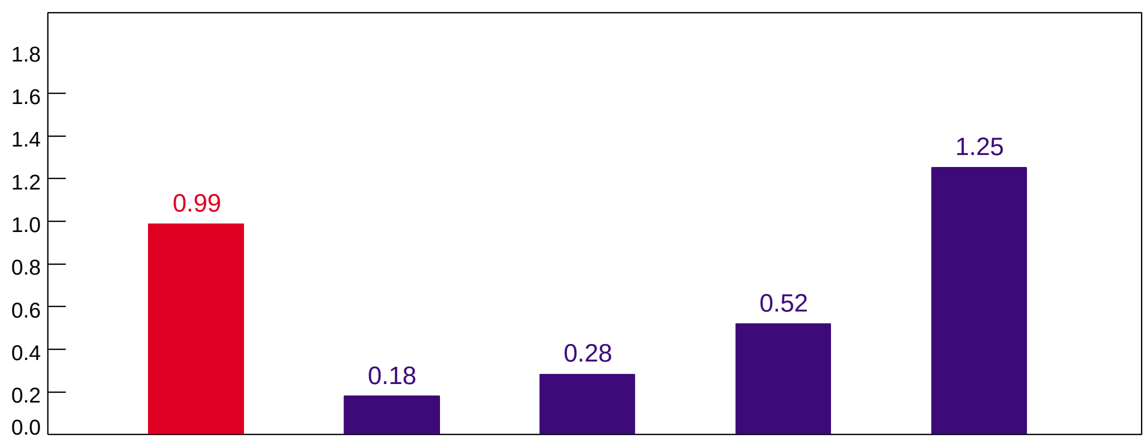
1999 - 2000

Quarterly Sales ($ Millions)	6/99	9/99	12/99	3/00	6/00
Money Market Funds	$445,238	$465,853	$566,774	$611,611	$577,229
Debt Securities Funds	6,791	5,258	5,925	6,617	4,526
Equity Securities	18,576	19,948	25,380	36,646	30,675
Other Mutual Funds	2,573	2,345	2,828	3,299	2,862
Annuities	5,254	5,477	5,195	5,613	6,105
Proprietary Mutual Fund and Annuity Sales included above	439,126	452,497	556,651	606,950	567,779

* Domestic office sales of proprietary, private label and third-party funds and annuities. Does not reflect redemptions.

Fee Income from Sales and Service of Mutual Funds and Annuities

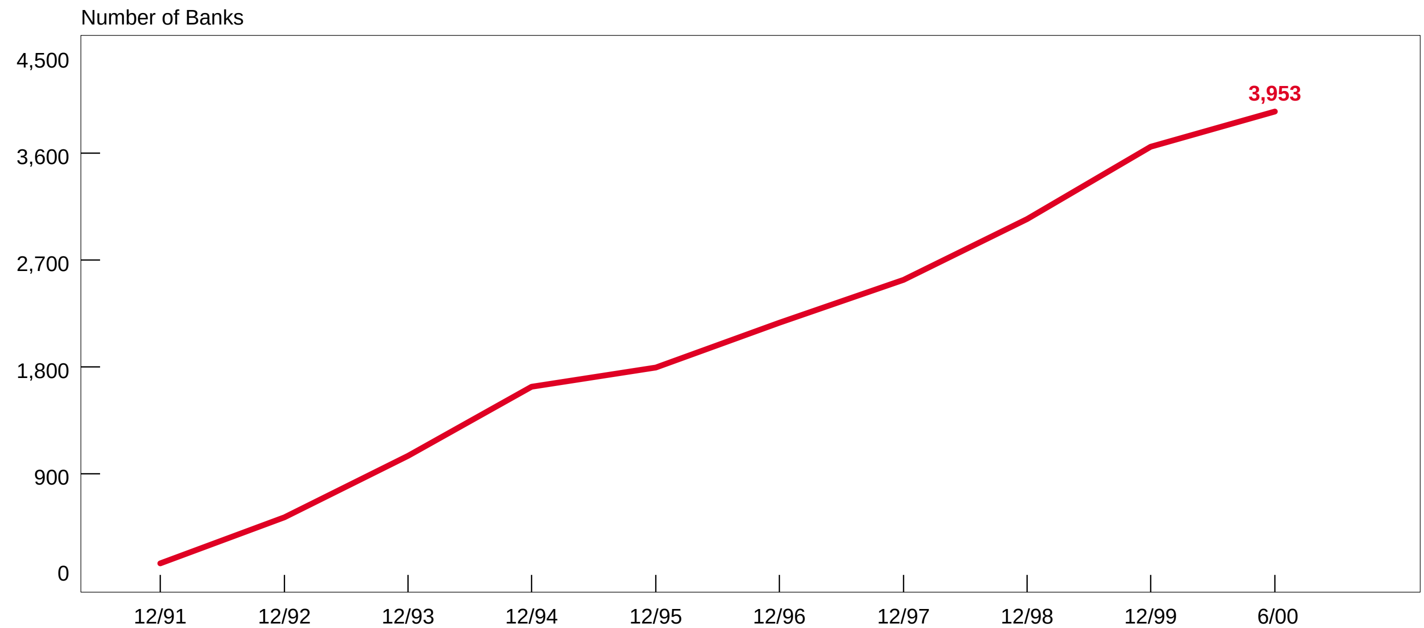
2000 YTD



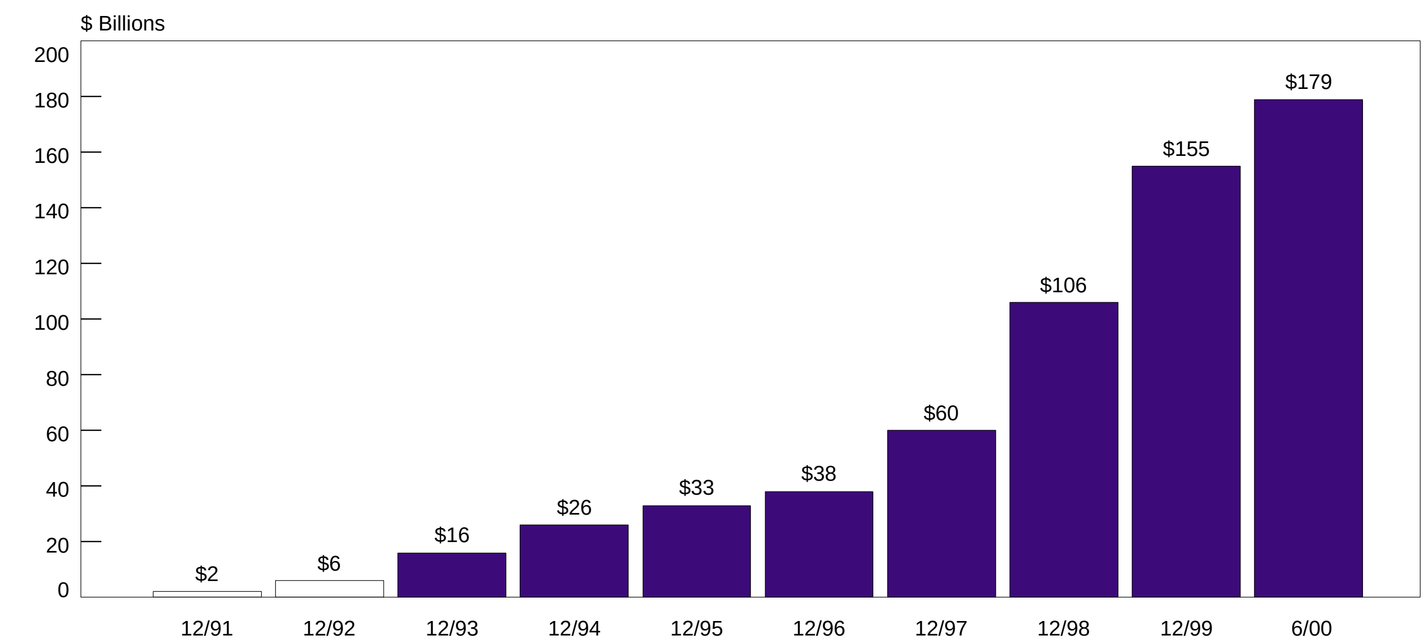
($ Millions)	All Banks	Under $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Over $10 Billion
Mutual Fund and Annuity Fee Income	**$2,767**	**$18**	**$97**	**$211**	**$2,441**
Gross Operating Income	**$280,294**	**$10,257**	**$34,434**	**$40,597**	**$195,006**
Number of Banks Reporting These Fees	**2,047**	**602**	**1,178**	**196**	**71**
Percent of Banks Reporting These Fees	**24.1%**	**11.9%**	**38.5%**	**65.6%**	**86.6%**

**Gross operating income is the total of interest income and noninterest income.

Number of Commercial Banks with FHLB Advances*
1991 - 2000

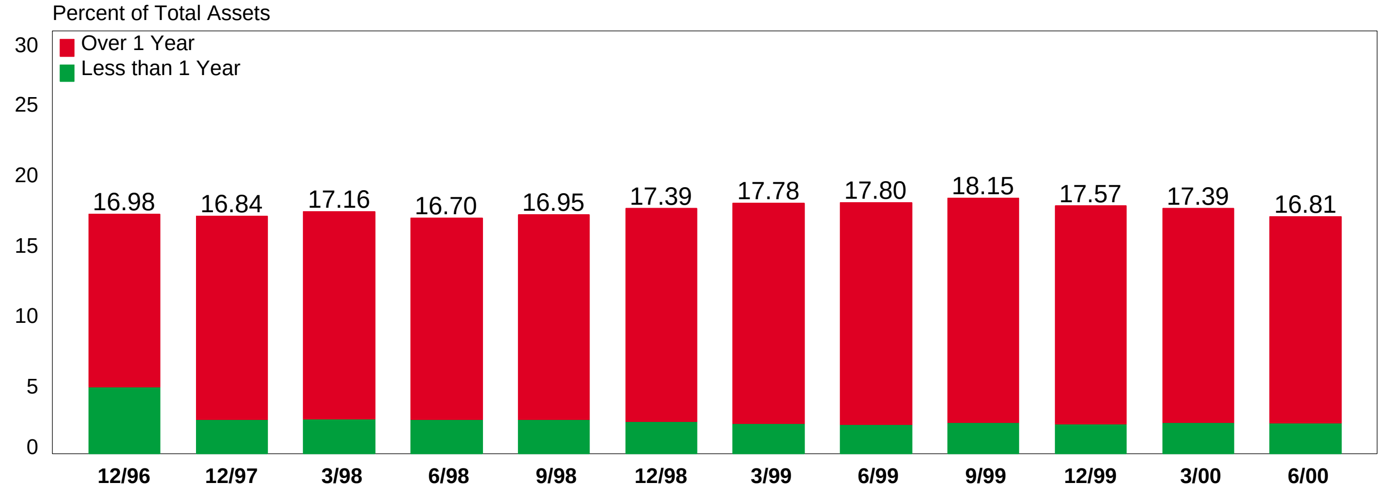


Amount of FHLB Advances Outstanding*
1991 - 2000



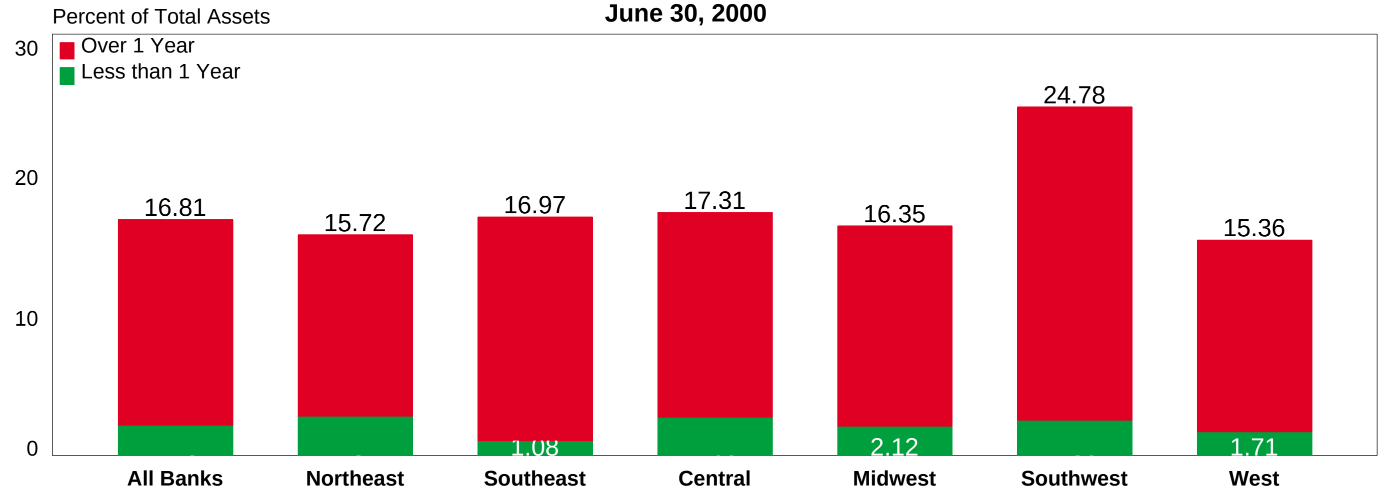
* Source: FHFB

Debt Securities by Maturity or Repricing Frequency . . .



. . . and by Region

June 30, 2000



Total Securities (Debt and Equity)

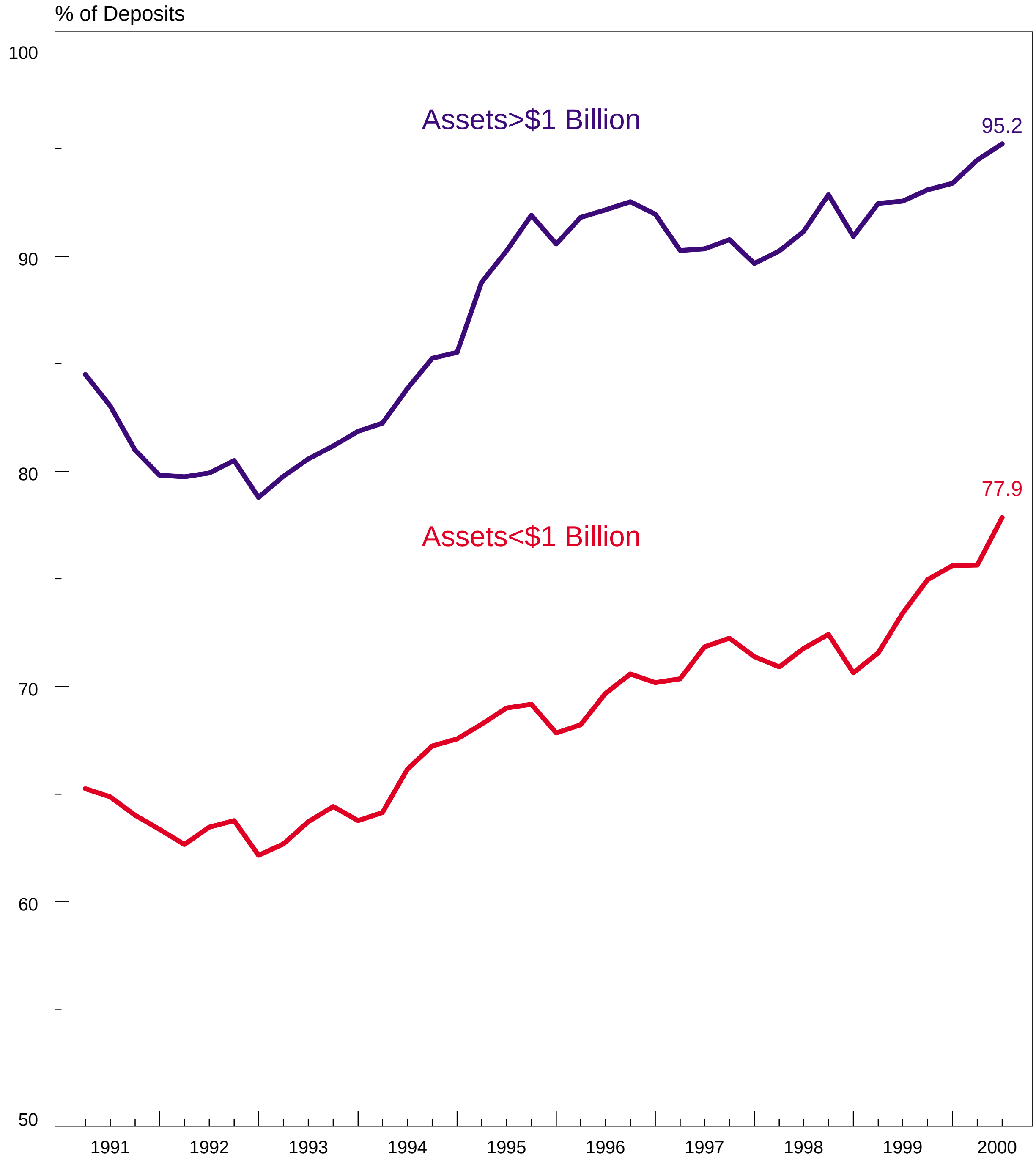
($ Billions)

	6/98	9/98	12/98	3/99	6/99	9/99	12/99	3/00	6/00
U.S. Government Obligations:	$309	$286	$287	$317	$318	$320	$321	$328	$326
U.S. Treasury	150	125	116	129	118	115	113	109	102
U.S. Agencies	159	162	171	188	199	205	208	218	224
Mortgage Pass-through Securities	252	277	311	291	282	285	285	286	285
Collateralized Mortgage Obligations	141	156	159	164	164	170	170	175	168
State, County, Municipal Obligations	80	84	87	88	88	89	89	89	90
Other Debt Securities	84	90	103	102	123	138	145	139	138
Equity Securities	28	29	32	32	33	34	37	39	40
Total Securities	$894	$923	$980	$996	$1,007	$1,036	$1,046	$1,056	$1,047
Memoranda									
Fair Value of High-risk Mortgage Securities	3	5	7	*	*	*	*	*	*
Fair Value of Structured Notes	8	6	5	4	4	4	4	3	3

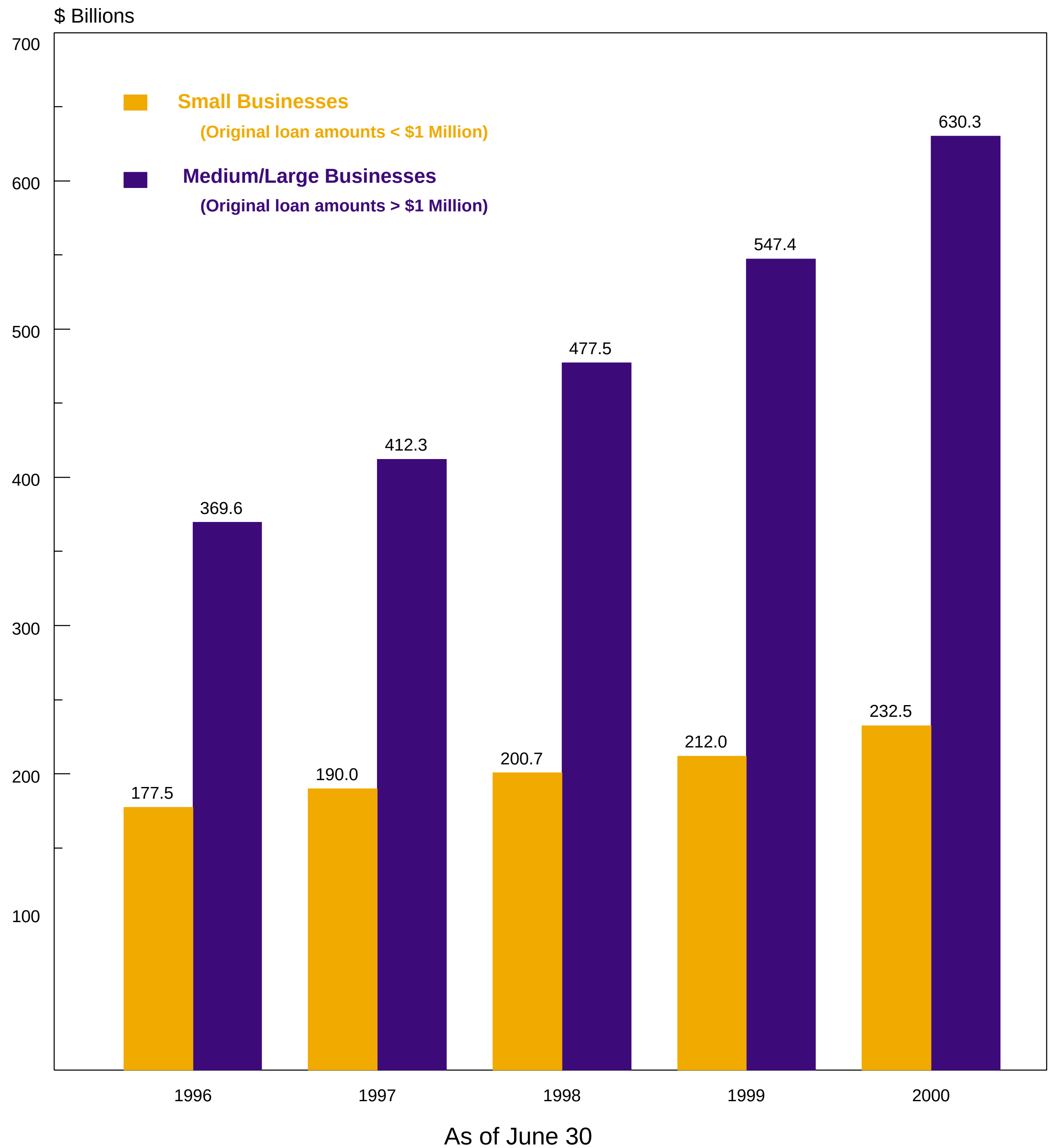
* Not reported after 12/31/98.

Net Loans and Leases to Deposits

1991 - 2000

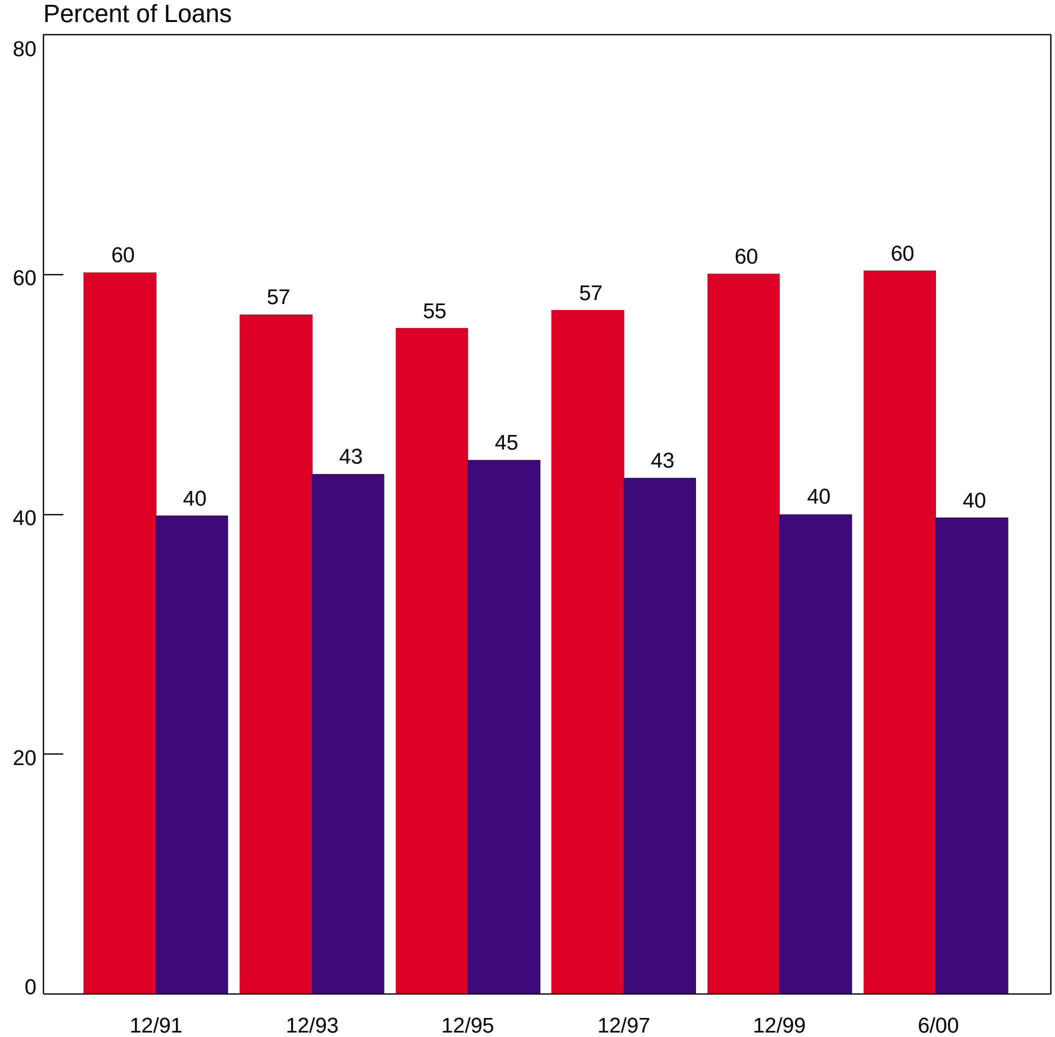


Commercial and Industrial Loans to Small Businesses
1996 - 2000



Credit Risk Diversification

Consumer Loans versus Loans to Commercial Borrowers
(as a Percent of Total Loans)
1991 - 2000



Loans ($ Billions):

	12/91	12/93	12/95	12/97	12/99	6/00
Commercial Borrowers	$1,241	$1,222	$1,447	$1,695	$2,097	$2,235
Consumer Loans	823	935	1,161	1,280	1,398	1,472

Loans to Commercial Borrowers (Credit Risk Concentrated) - These are loans that can have relatively large balances at risk to a single borrower. A single loan may represent a significant portion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, commercial real estate, construction loans, and agricultural loans.

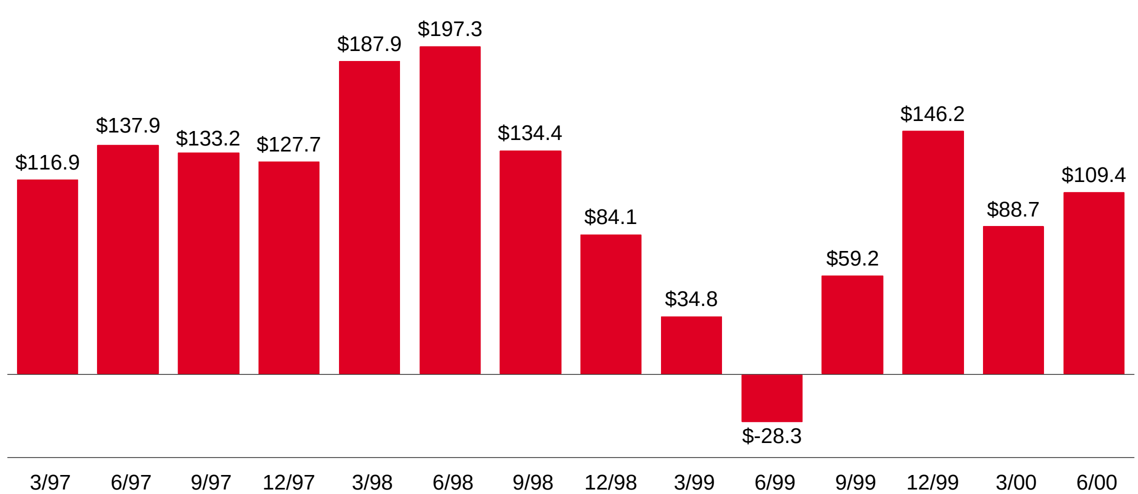
Consumer Loans (Credit Risk Diversified) - These are loans that typically have relatively small balances spread among a large number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1-4 family residential mortgages and home equity loans.

Quarterly Change in Reported Loans Outstanding
($ Billions)

*In the first quarter of 1997, reporting changes resulted in a $61.7 billion decline in foreign office loans. Loans in domestic offices increased by $23.2 billion during the quarter.

In the second quarter of 2000, 1-4 family loans increased by $41.5 billion, commercial and industrial loans increased by $33.5 billion, and credit card loans increased by $11.4 billion.

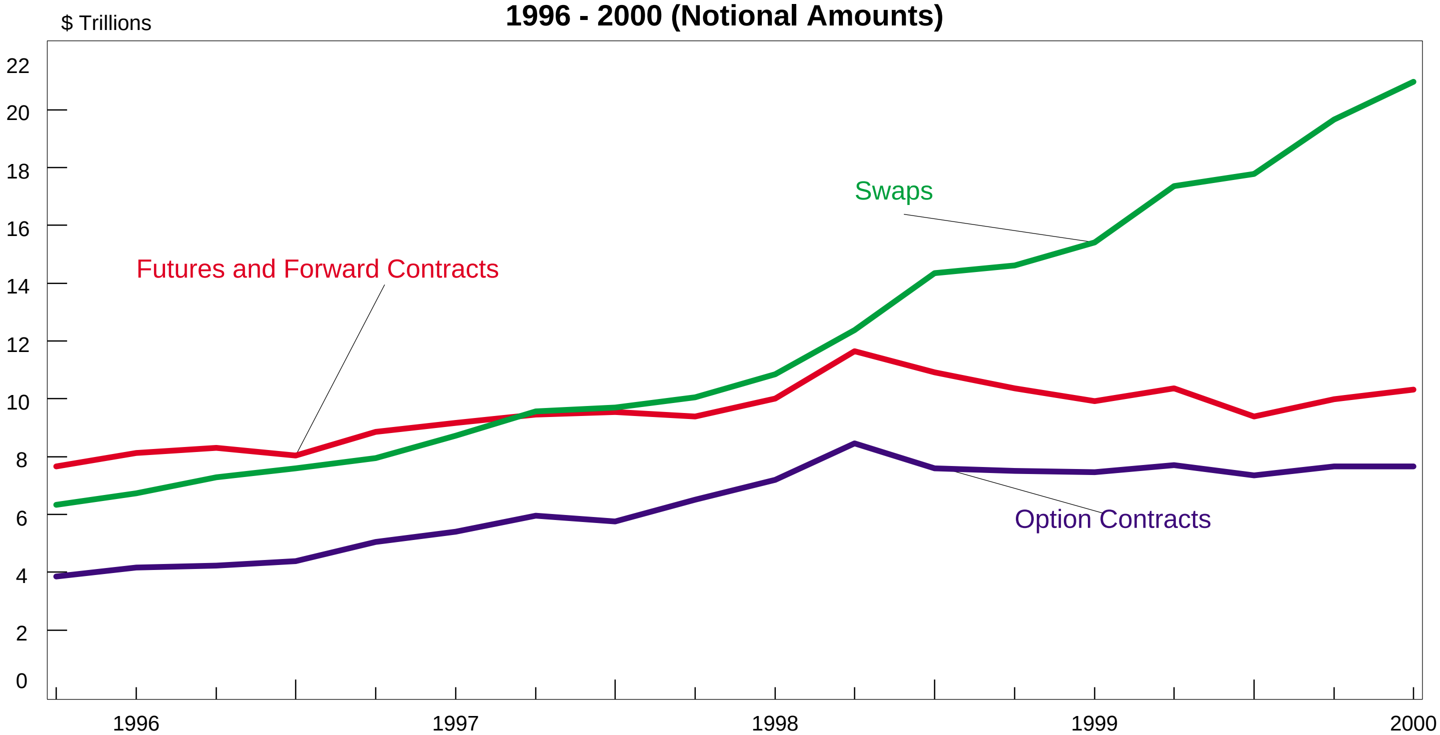
Quarterly Change in Unused Loan Commitments
($ Billions)



In the second quarter of 2000, unused credit card commitments increased by $81.4 billion while unused commitments for loans to businesses increased by $11.7 billion.

Off-Balance-Sheet Derivatives

1996 - 2000 (Notional Amounts)

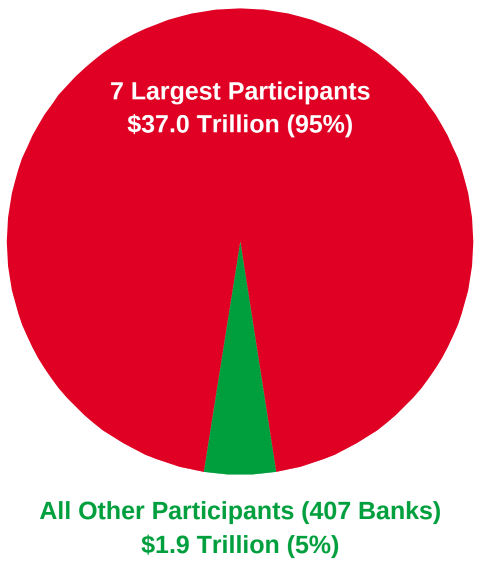


	12/96	12/97	12/98	12/99	3/00	6/00
Total Derivatives (off-balance-sheet)	$20,035	$25,009	$32,861	$34,531	$37,324	$38,940
(Notional Amounts, in billions of dollars)						
Futures and Forward Contracts	**8,041**	**9,551**	**10,924**	**9,390**	**9,989**	**10,327**
Interest rate contracts	3,201	4,083	5,521	5,096	5,495	5,519
Foreign exchange rate contracts	4,739	5,359	5,308	4,175	4,380	4,683
Other futures and forwards*	102	109	95	119	115	126
Option Contracts	**4,393**	**5,754**	**7,591**	**7,361**	**7,669**	**7,657**
Interest rate options	3,156	3,985	5,679	5,795	5,992	6,004
Foreign currency options	1,033	1,457	1,393	965	939	897
Other option contracts*	204	312	520	601	738	755
Swaps	**7,601**	**9,705**	**14,345**	**17,780**	**19,666**	**20,957**
Interest rate swaps	7,069	9,018	13,590	16,882	18,674	19,905
Foreign exchange rate swaps	471	614	686	774	822	886
Other swaps*	61	73	69	123	169	166
Memoranda						
Spot Foreign Exchange Contracts	262	317	375	66	490	382
Credit Derivatives	NA	55	144	287	302	362
Number of banks reporting derivatives	484	460	447	417	390	414
Replacement cost of interest rate and foreign exchange rate contracts **	246	355	471	361	361	344

* Not reported by banks with less than $300 million in assets.
** Reflects replacement cost of interest rate and foreign exchange contracts covered by risk-based-capital requirements. Does not include foreign exchange rate contracts with an original maturity of 14 days or less or futures contracts.

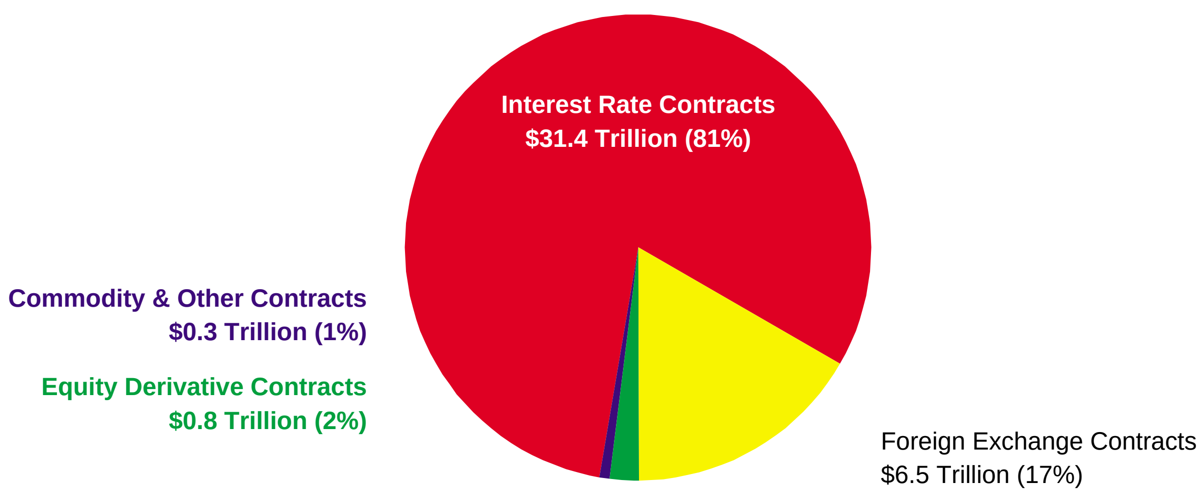
Concentration of Off-Balance-Sheet Derivatives*

Notional Amounts
June 30, 2000



Composition of Off-Balance-Sheet Derivatives*

Notional Amounts
June 30, 2000

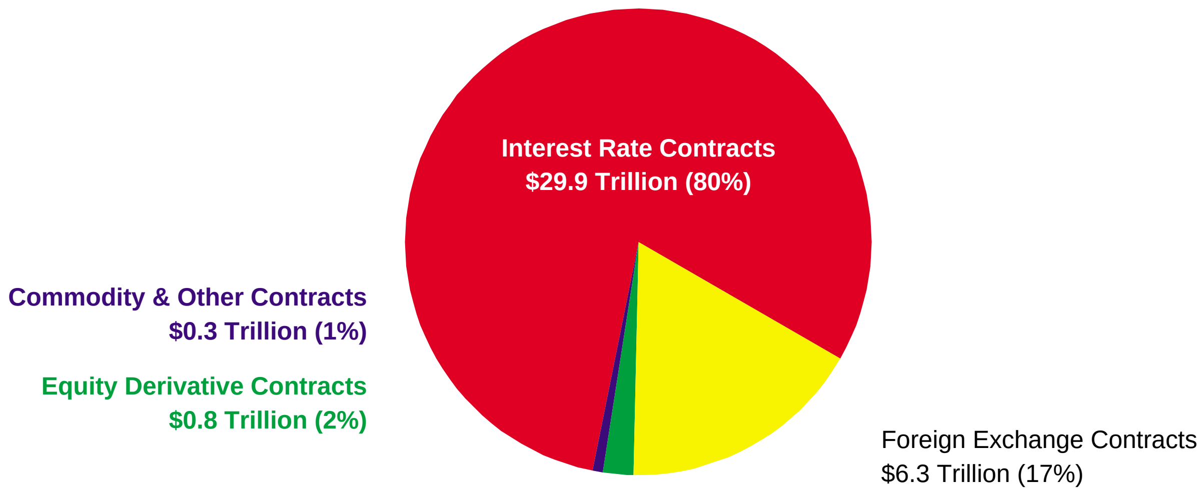


*Amounts do not represent either the net market position or the credit exposure of banks' off-balance-sheet derivative activities. They represent the gross value of all contracts written. Spot foreign exchange contracts of $350 billion for the seven largest participants and $33 billion for all others are not included.

Purpose of Off-Balance-Sheet Derivatives*

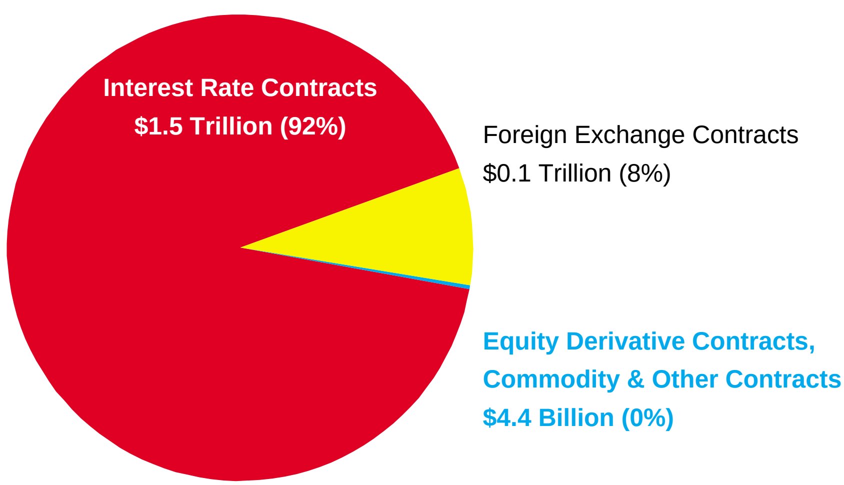
Held for Trading

Notional Amounts
June 30, 2000



Not Held for Trading

Notional Amounts
June 30, 2000



* Notional amounts do not represent either the net market position or the credit exposure of banks' off-balance-sheet derivative activities. They represent the gross value of all contracts written. Spot foreign exchange contracts of $382 billion are not included.

Positions of Off-Balance-Sheet Derivatives
Gross Fair Values

June 30, 2000
($ Millions)

Held for Trading

104 Banks Held Derivative Contracts for Trading

(Marked to Market)

	Interest Rate	Foreign Exchange	Equity Derivatives	Commodity & Other	Total	Net
Seven Largest Participants						
Gross positive fair value	219,665	105,737	56,230	15,287	396,920	9,443
Gross negative fair value	215,360	101,988	55,420	14,707	387,476	
All other participants						
Gross positive fair value	5,657	5,252	1,307	2,733	14,949	131
Gross negative fair value	5,799	4,933	1,255	2,830	14,818	
Total						
Gross positive fair value	225,322	110,989	57,537	18,020	411,868	9,574
Gross negative fair value	221,159	106,921	56,675	17,538	402,294	

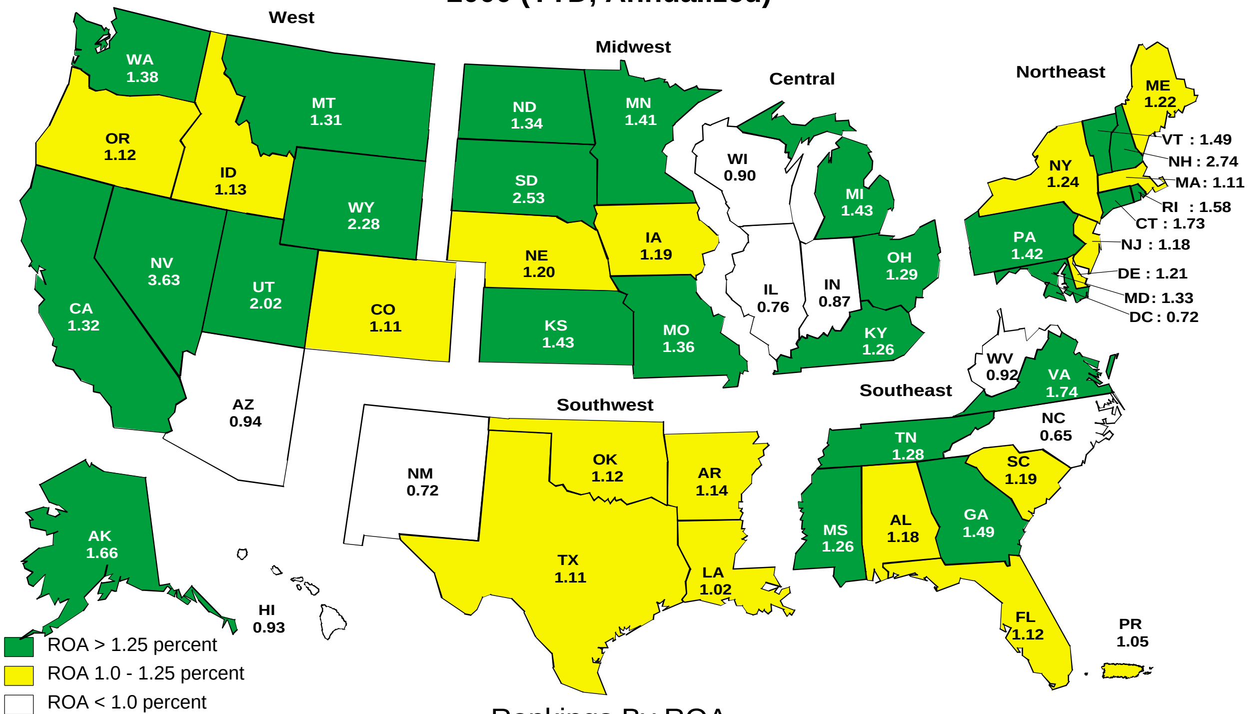
Held for Purposes Other than Trading

390 Banks Held Derivative Contracts for Purposes Other than Trading

	Interest Rate	Foreign Exchange	Equity Derivatives	Commodity & Other	Total	Net
Marked to Market						
Gross positive fair value	1,651	269	108	0	2,028	520
Gross negative fair value	1,340	108	58	2	1,508	
Not Marked to Market						
Gross positive fair value	5,404	482	160	31	6,077	(3,935)
Gross negative fair value	9,208	748	10	47	10,013	
Total						
Gross positive fair value	7,056	751	268	31	8,106	(3,415)
Gross negative fair value	10,548	856	68	49	11,521	

Return On Assets (ROA)

2000 (YTD, Annualized)



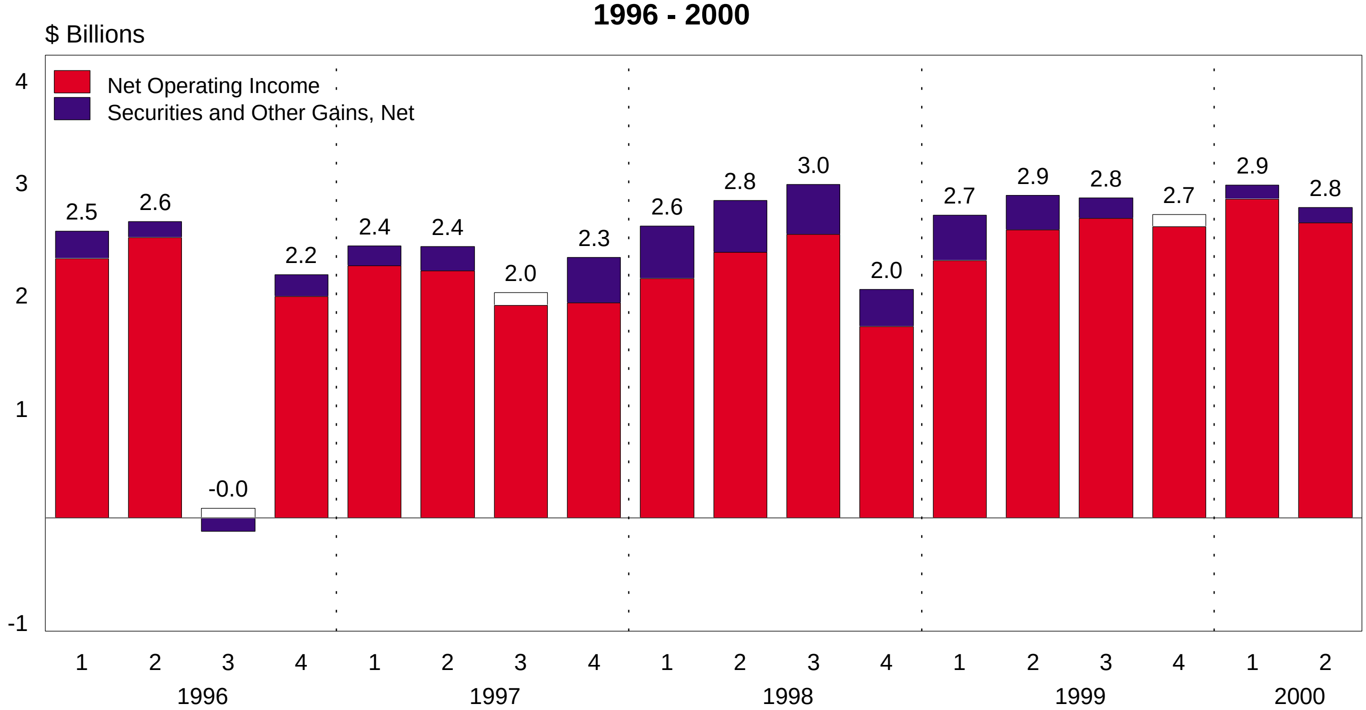
Rankings By ROA

		No. of Inst. as of 6/30/00	YTD 2000	YTD 1999	Change*
1	Nevada	30	3.63	3.04	59
2	New Hampshire	17	2.74	4.21	(147)
3	South Dakota	100	2.53	2.99	(46)
4	Wyoming	50	2.28	2.07	21
5	Utah	54	2.02	2.63	(61)
6	Virginia	148	1.74	1.77	(3)
7	Connecticut	22	1.73	1.40	33
8	Alaska	6	1.66	1.67	(1)
9	Rhode Island	6	1.58	1.57	1
10	Georgia	343	1.49	1.65	(16)
11	Vermont	18	1.49	0.21	128
12	Kansas	375	1.43	1.24	19
13	Michigan	173	1.43	1.66	(23)
14	Pennsylvania	192	1.42	1.21	21
15	Minnesota	500	1.41	1.64	(23)
16	Washington	83	1.38	1.30	8
17	Missouri	363	1.36	1.34	2
18	North Dakota	111	1.34	1.76	(42)
19	Maryland	76	1.33	1.23	10
20	California	316	1.32	1.24	8
21	Montana	85	1.31	1.47	(16)
22	Ohio	218	1.29	1.39	(10)
23	Tennessee	194	1.28	1.31	(3)
24	Kentucky	250	1.26	1.28	(2)
25	Mississippi	99	1.26	1.34	(8)
26	New York	149	1.24	0.81	43
27	Maine	16	1.22	1.15	7
28	Delaware	32	1.21	3.34	(213)
29	Nebraska	289	1.20	1.33	(13)
30	Iowa	442	1.19	1.20	(1)
31	South Carolina	79	1.19	1.40	(21)
32	Alabama	158	1.18	1.26	(8)
33	New Jersey	77	1.18	1.28	(10)
34	Arkansas	194	1.14	1.19	(5)
35	Idaho	17	1.13	1.10	3
36	Florida	264	1.12	1.12	0
37	Oklahoma	295	1.12	1.09	3
38	Oregon	44	1.12	1.49	(37)
39	Colorado	187	1.11	1.48	(37)
40	Massachusetts	44	1.11	1.19	(8)
41	Texas	736	1.11	1.20	(9)
42	Puerto Rico	12	1.05	1.23	(18)
43	Louisiana	153	1.02	1.13	(11)
44	Arizona	45	0.94	2.61	(167)
45	Hawaii	9	0.93	1.05	(12)
46	West Virginia	79	0.92	1.14	(22)
47	Wisconsin	317	0.90	1.33	(43)
48	Indiana	154	0.87	1.83	(96)
49	Illinois	721	0.76	0.98	(22)
50	District of Col.	6	0.72	0.71	1
51	New Mexico	52	0.72	1.25	(53)
52	North Carolina	71	0.65	1.18	(53)
	U.S. and Terr.	8,477	1.17	1.28	(11)

*YTD ROA minus ROA for the same period one year ago equals change in basis points. Basis point=1/100 of a percent. Results for four of the states with the highest ROAs (SD, NV, DE, & NH) were significantly influenced by the presence of large credit card operations.

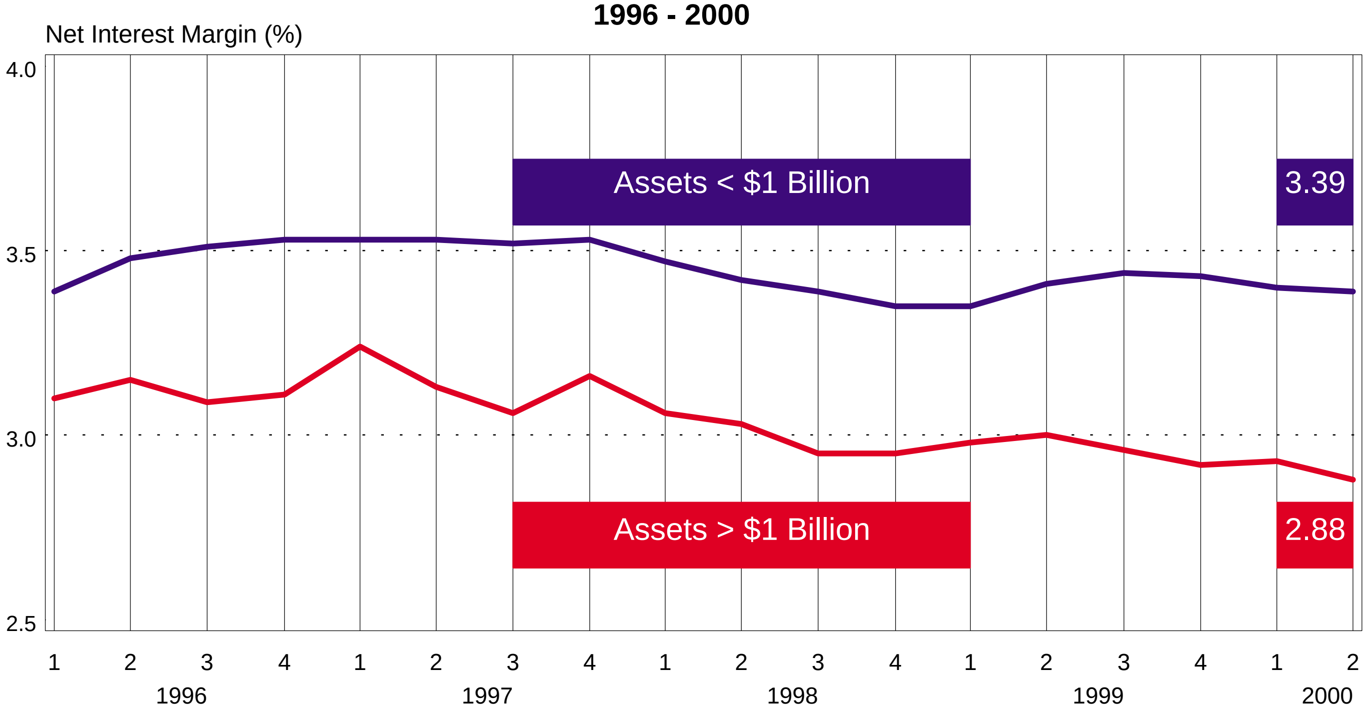
Quarterly Net Income

1996 - 2000



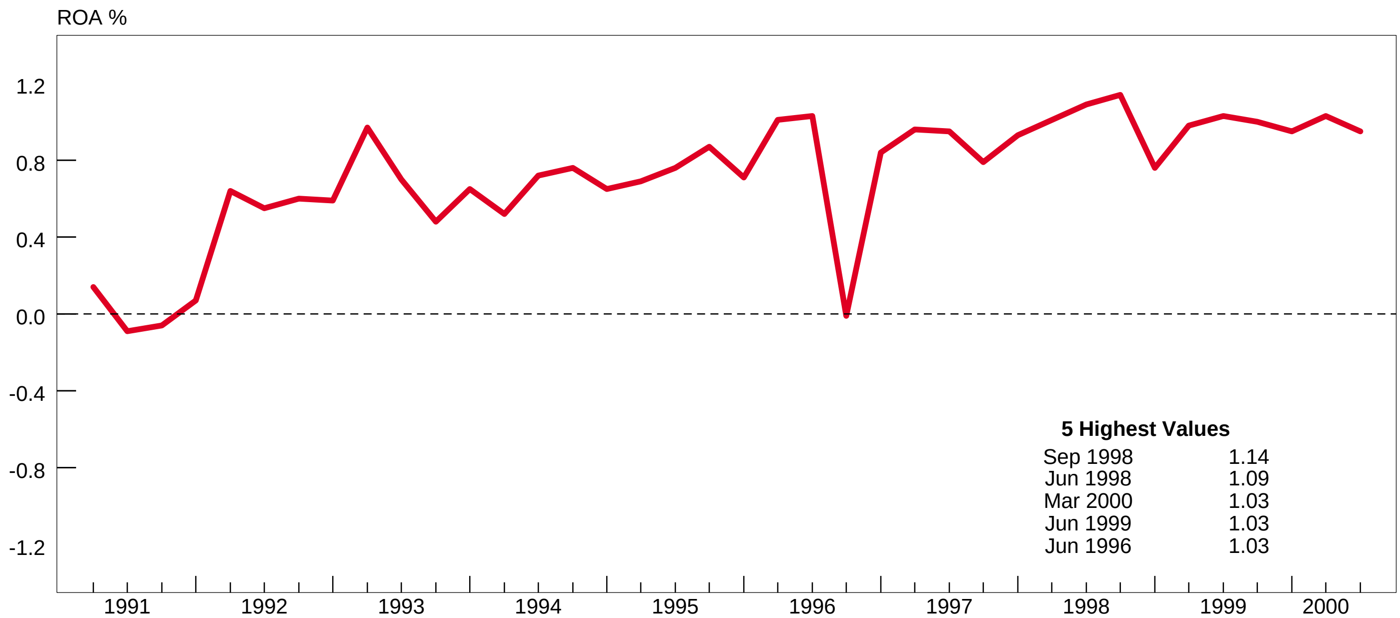
Quarterly Net Interest Margins, Annualized

1996 - 2000



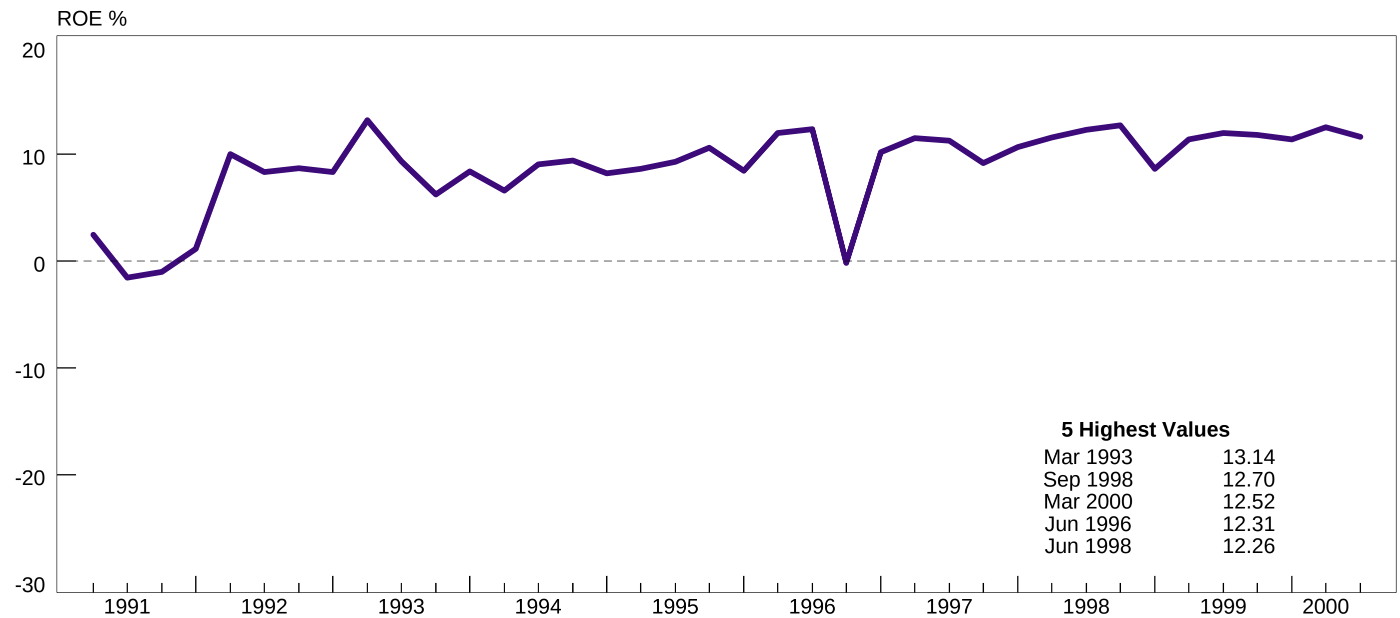
Quarterly Return on Assets (ROA), Annualized

1991 - 2000



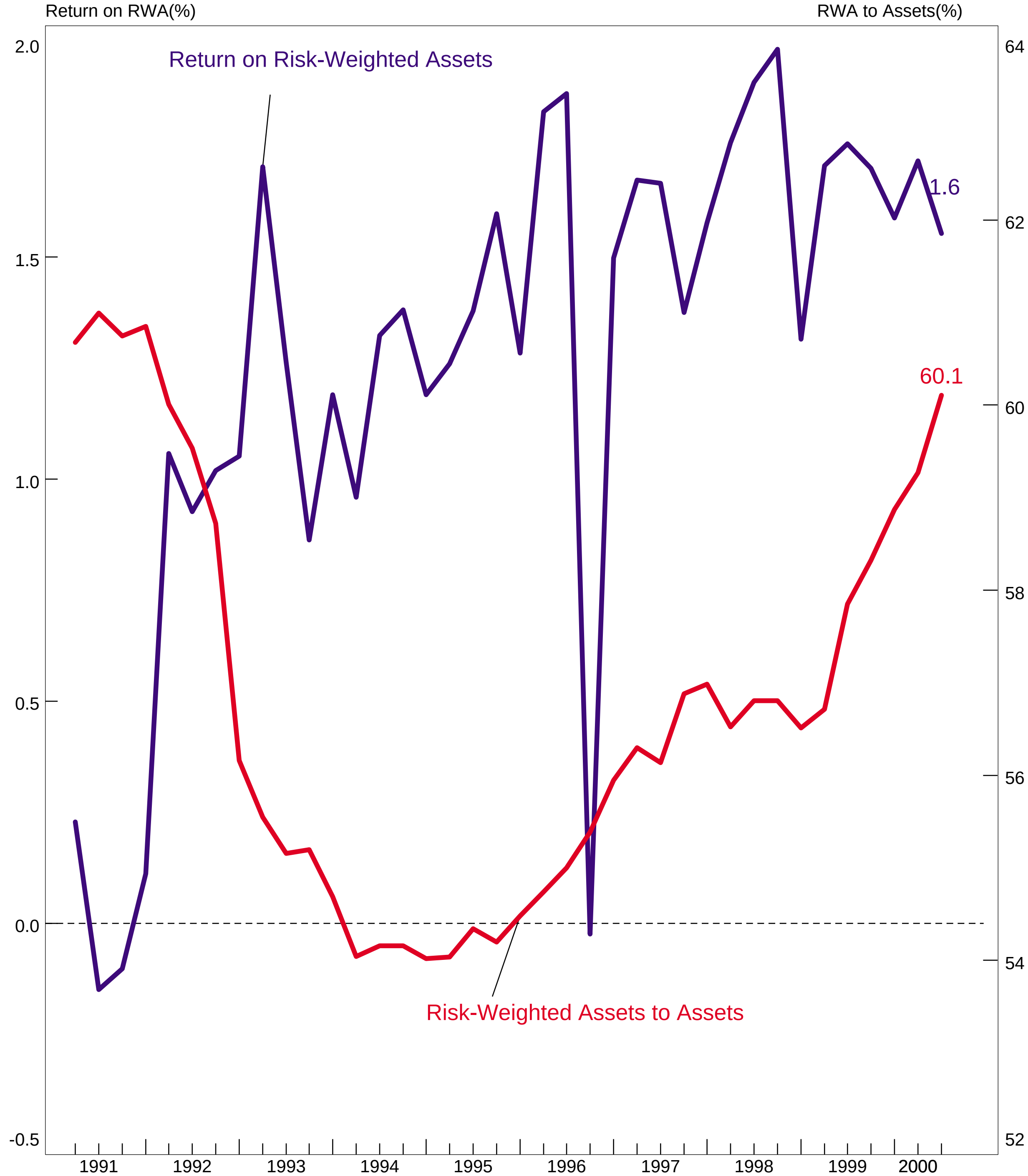
Quarterly Return on Equity (ROE), Annualized

1991 - 2000



Quarterly Return on Risk-Weighted Assets (RWA)* and RWA to Total Assets

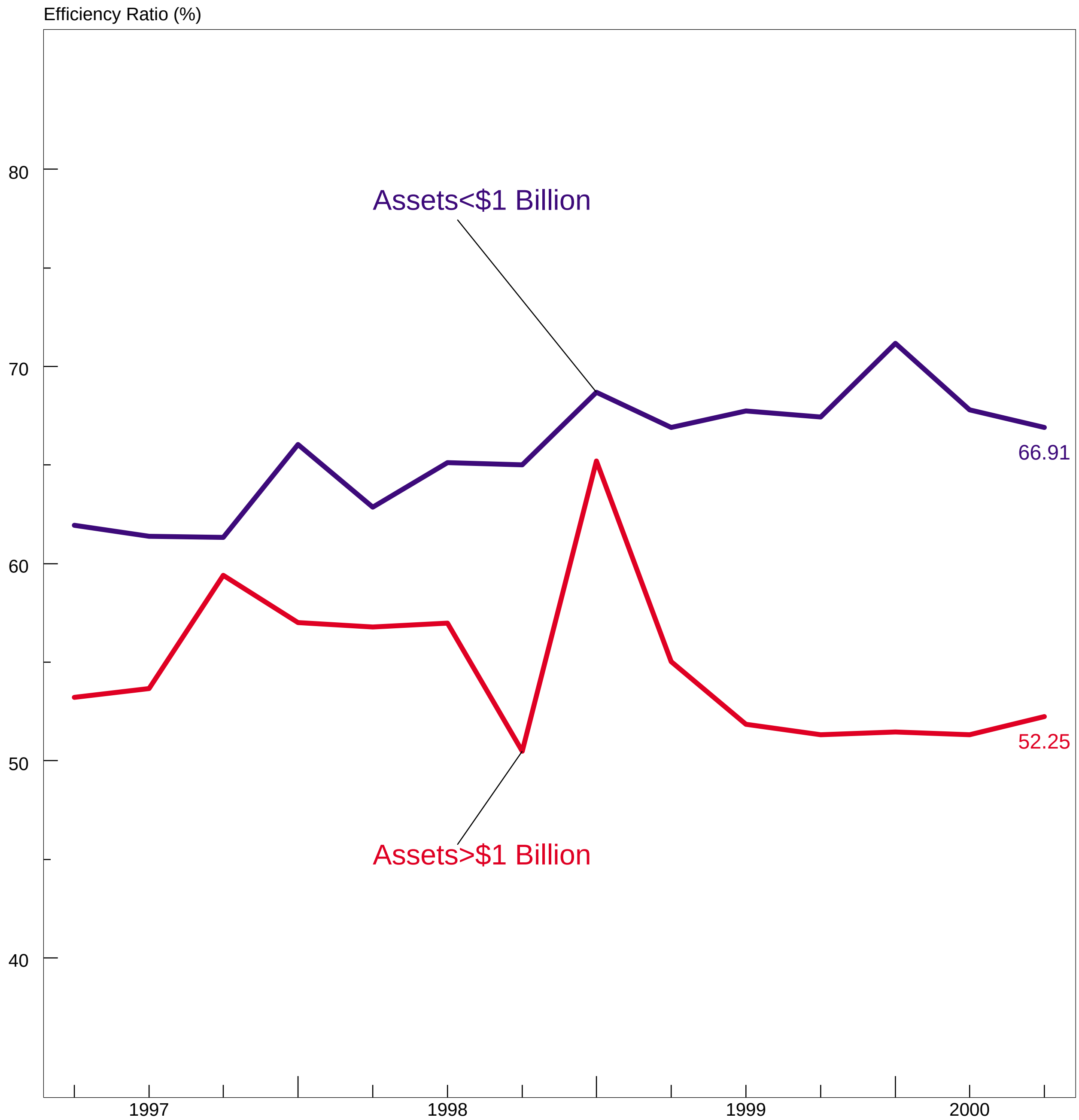
1991 - 2000



* Assets weighted according to risk categories used in regulatory capital computations.

Quarterly Efficiency Ratios*

1997 - 2000

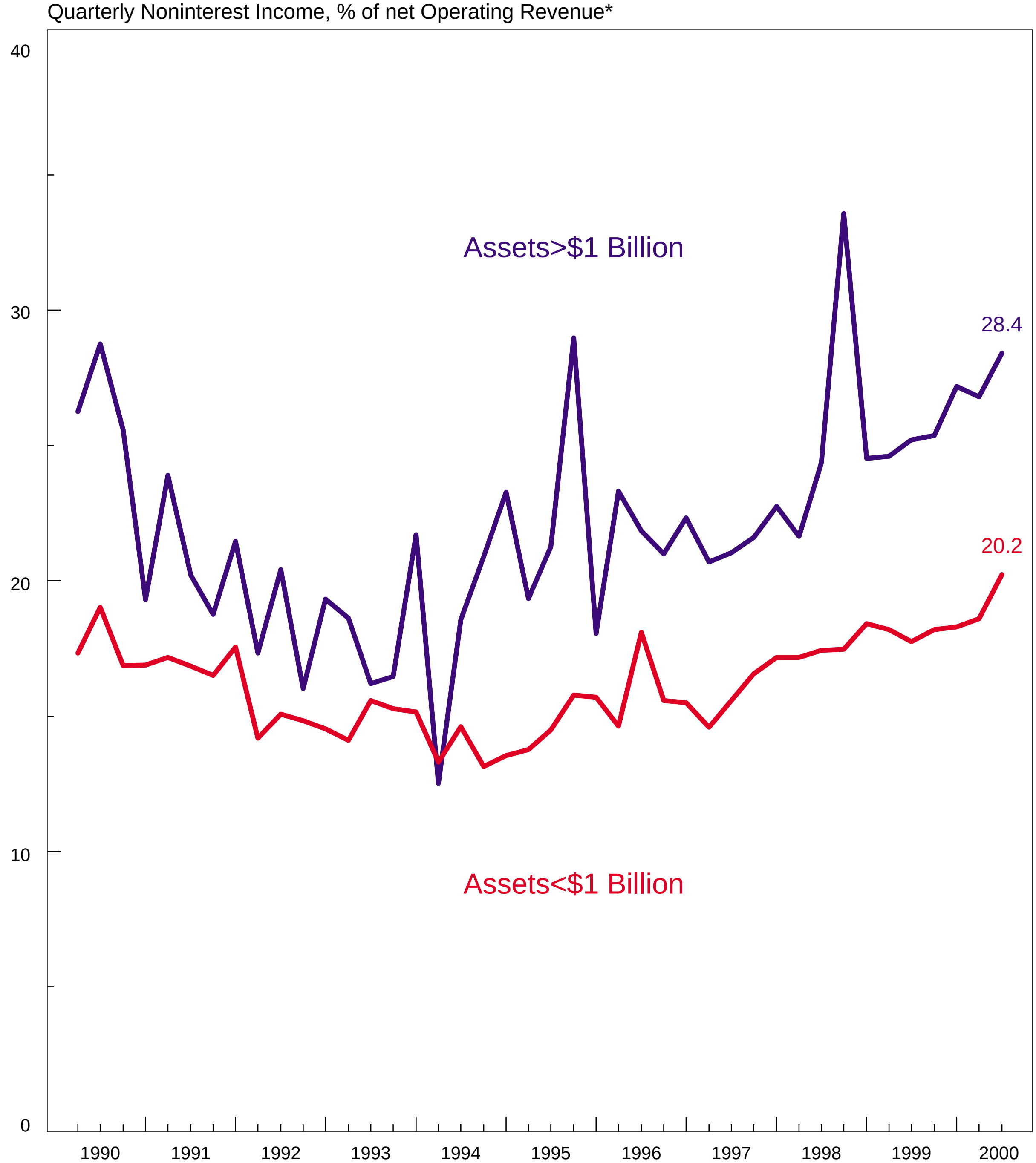


Assets<$1 Billion	**61.95**	**61.39**	**61.33**	**66.03**	**62.86**	**65.12**	**65.00**	**68.69**	**66.89**	**67.75**	**67.43**	**71.17**	**67.80**	**66.91**
Assets>$1 Billion	**53.20**	**53.66**	**59.39**	**57.01**	**56.77**	**56.99**	**50.47**	**65.20**	**55.02**	**51.84**	**51.31**	**51.46**	**51.32**	**52.25**
Total	**55.92**	**56.07**	**59.99**	**59.73**	**58.62**	**59.30**	**54.28**	**66.15**	**58.13**	**55.89**	**55.44**	**56.48**	**55.45**	**55.92**

* Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income.

Noninterest Income as a Percentage of Net Operating Revenue*

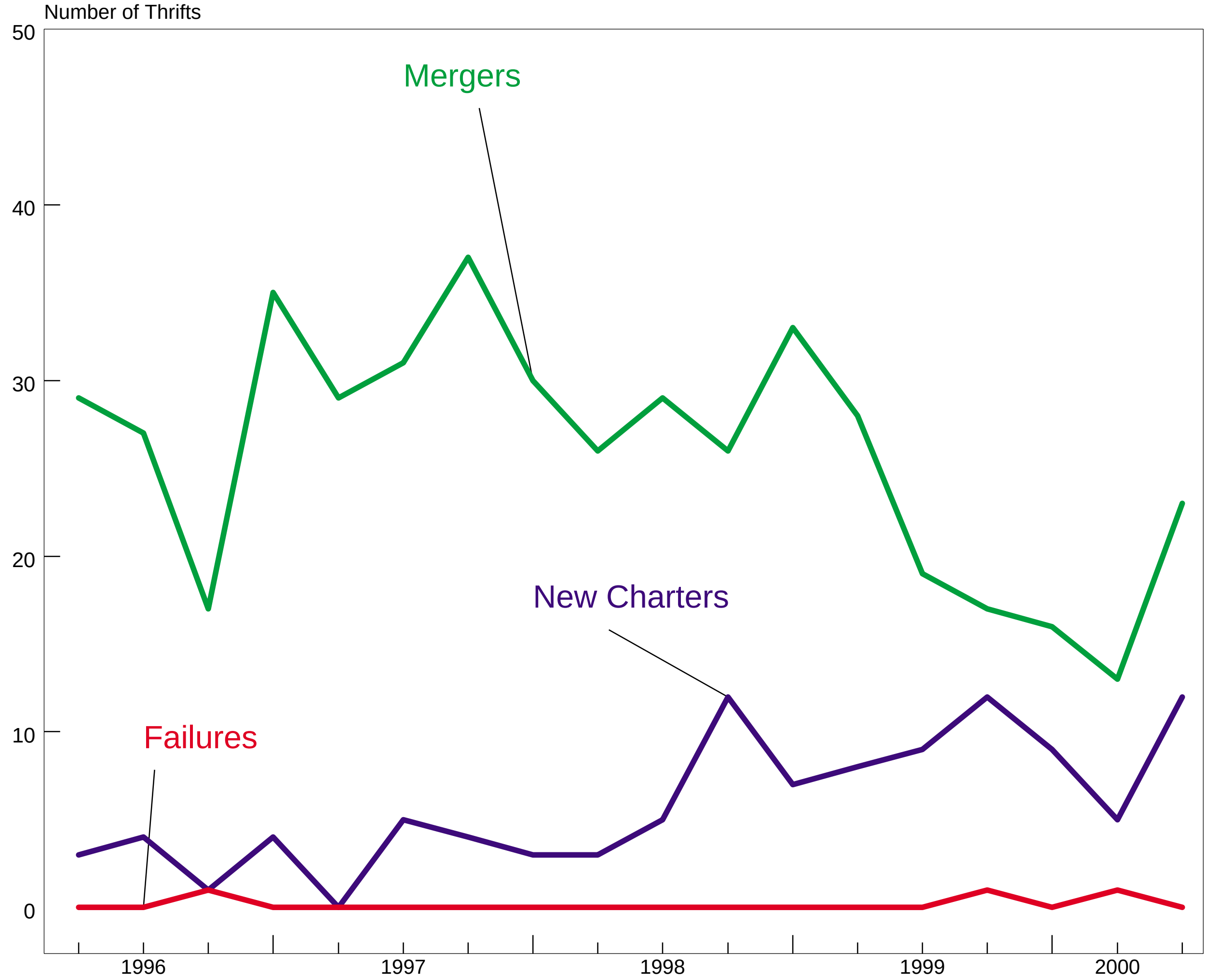
1990 - 2000



*Net operating revenue equals net interest income plus noninterest income.

Changes in the Number of FDIC-Insured Savings Institutions

Quarterly, 1996 - 2000

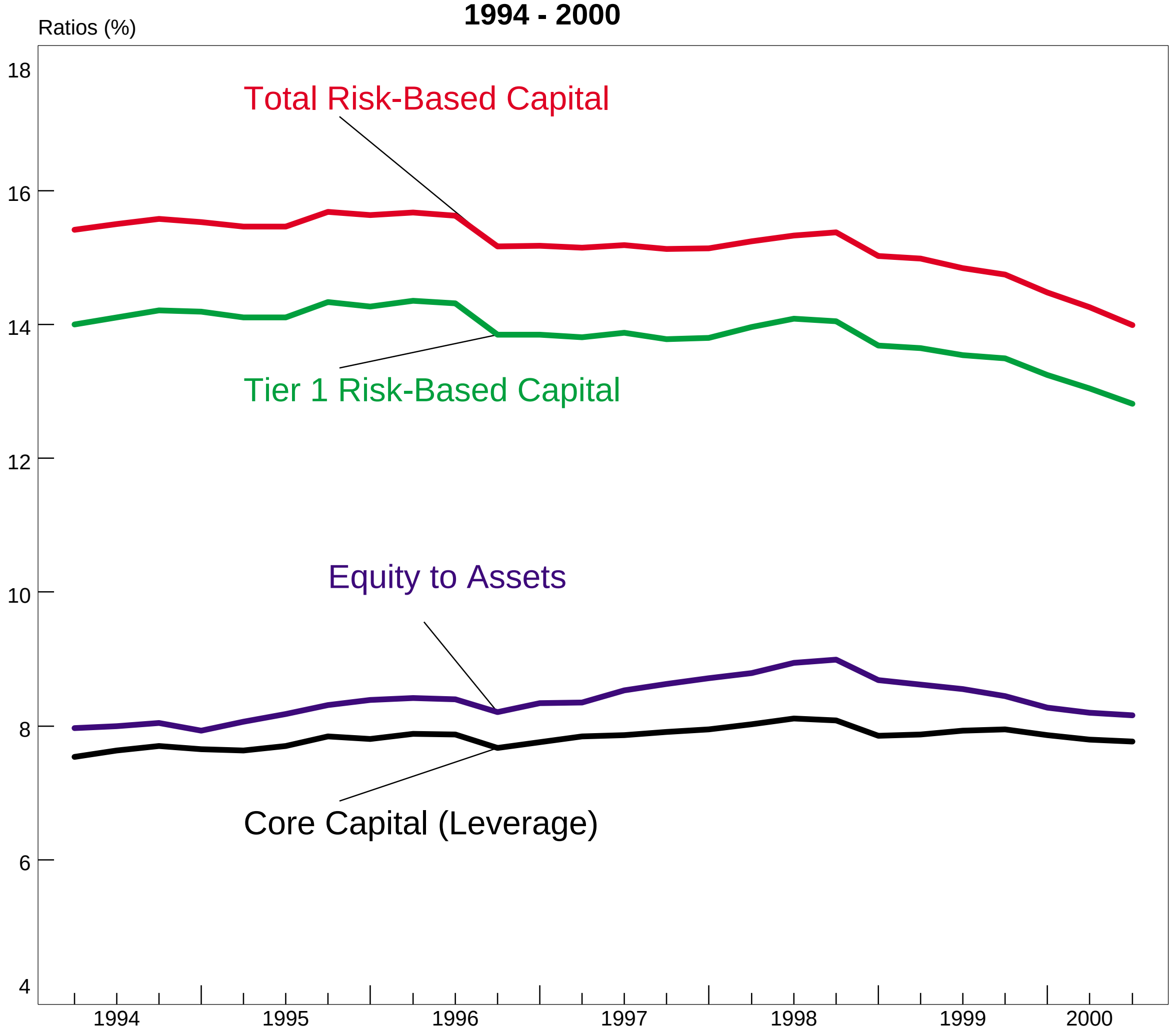


New Charters	3	4	1	4	0	5	4	3	3	5	12	7	8	9	12	9	5	12
Mergers	29	27	17	35	29	31	37	30	26	29	26	33	28	19	17	16	13	23
Failures	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0
Other Changes, Net*	1	-2	-1	-6	-9	-9	-6	-6	-1	-3	-2	2	-1	-5	2	-1	2	1
No. of Thrifts at end of quarter	2,005	1,980	1,962	1,925	1,887	1,852	1,813	1,780	1,756	1,729	1,713	1,689	1,668	1,653	1,649	1,641	1,634	1,624
Net Change during quarter	-25	-25	-18	-37	-38	-35	-39	-33	-24	-27	-16	-24	-21	-15	-4	-8	-7	-10

* Includes charter conversions, voluntary liquidations, adjustments for open-bank assistance transactions and other changes.

Capital Ratios

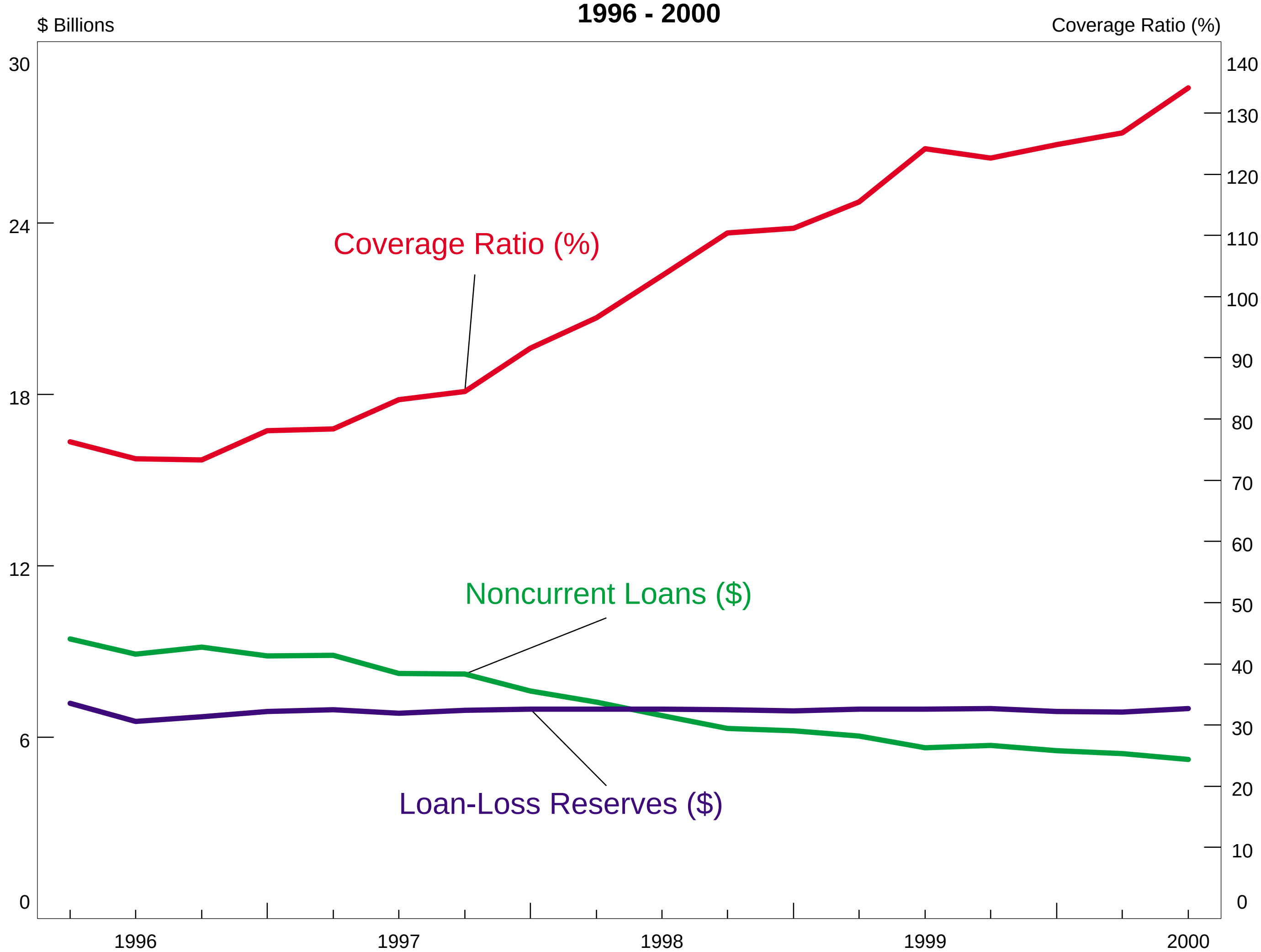
1994 - 2000



	12/94	12/95	12/96	12/97	12/98	12/99	6/00
Total Risk-Based Capital	**15.53**	**15.63**	**15.17**	**15.14**	**15.02**	**14.48**	**13.99**
Tier 1 Risk-Based Capital	**14.19**	**14.27**	**13.85**	**13.80**	**13.68**	**13.24**	**12.81**
Equity to Assets	**7.93**	**8.39**	**8.34**	**8.71**	**8.68**	**8.27**	**8.16**
Core Capital (Leverage)	**7.65**	**7.80**	**7.76**	**7.95**	**7.85**	**7.86**	**7.77**

Reserve Coverage Ratio*

1996 - 2000



Noncurrent Loans ($ Billions)																	
9.4	8.9	9.2	8.8	8.9	8.2	8.2	7.6	7.2	6.8	6.3	6.2	6.0	5.6	5.7	5.5	5.4	5.2
Loan-Loss Reserves ($ Billions)																	
7.2	6.6	6.7	6.9	7.0	6.8	6.9	7.0	7.0	7.0	7.0	6.9	7.0	7.0	7.0	6.9	6.9	7.0
Coverage Ratio (%)																	
76	74	73	78	78	83	84	92	97	103	110	111	115	124	123	125	127	134

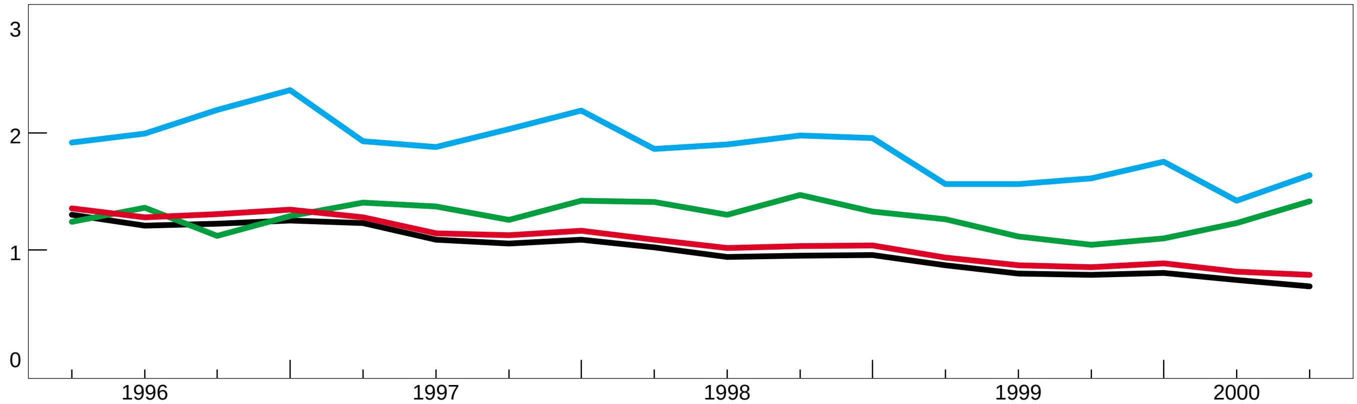
*Loan-loss reserves to noncurrent loans.

Loan Quality

1996 - 2000

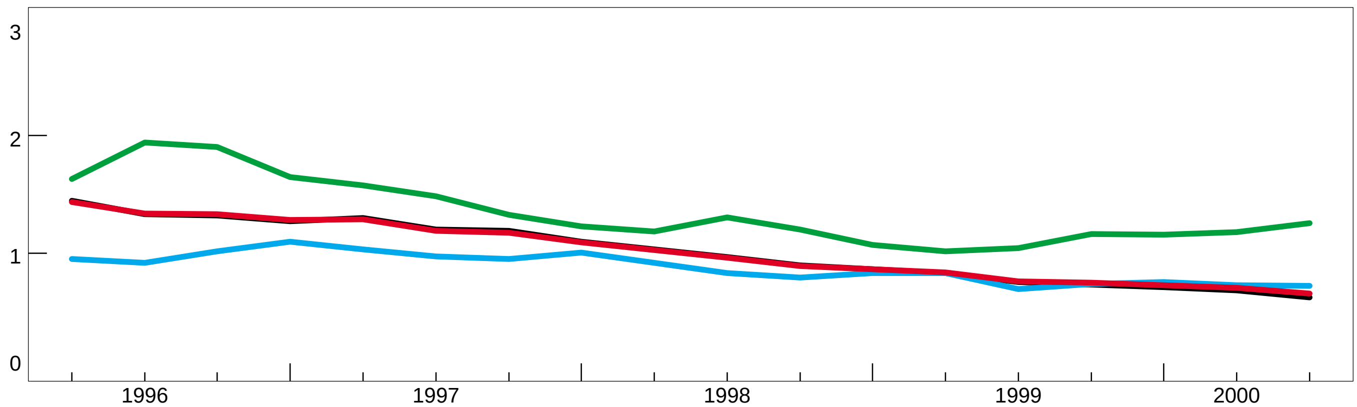
Percent of Loans

30-89 Day Past Due Loans



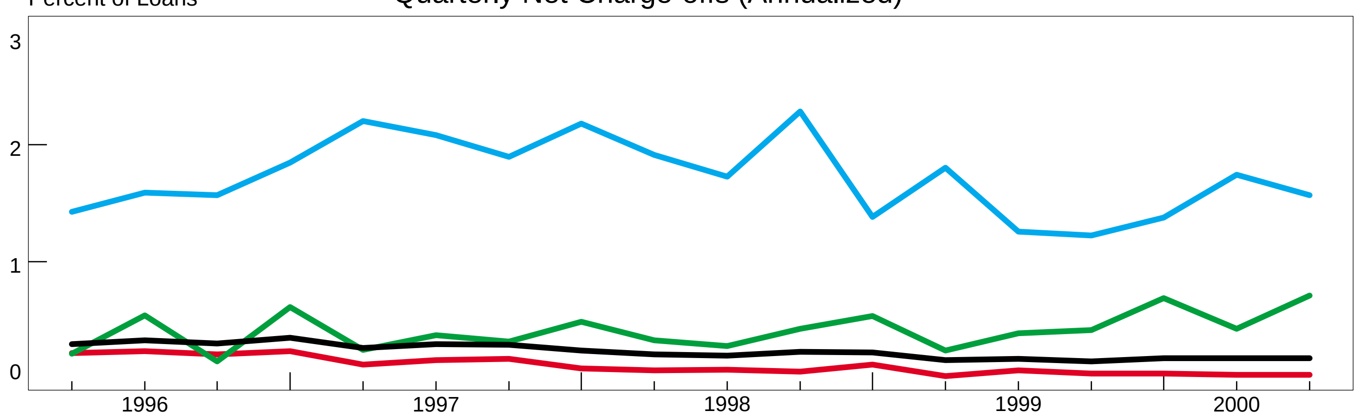
Percent of Loans

Noncurrent Loans*



Percent of Loans

Quarterly Net Charge-offs (Annualized)

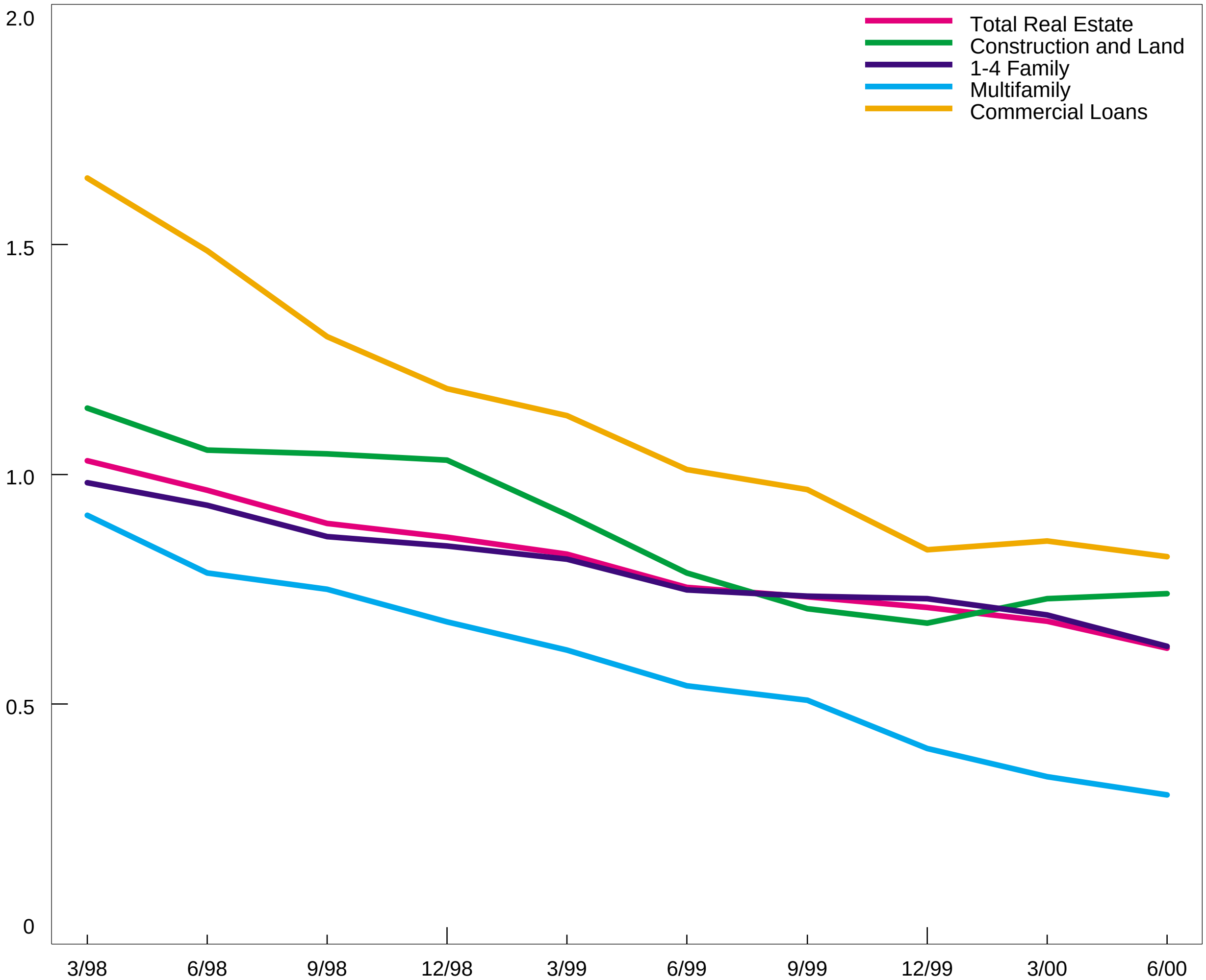


Total Real Estate
Loans to Individuals
Commercial and Industrial
Total Loans

*Loans past due 90 or more days or in nonaccrual status.

Noncurrent Real Estate Loan Rates by Type*

1998 - 2000

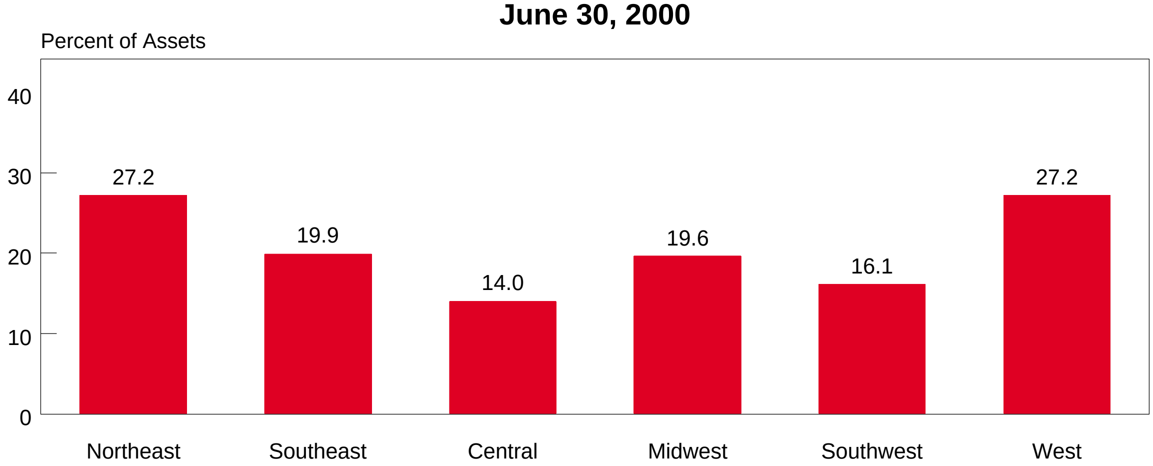


	3/98	6/98	9/98	12/98	3/99	6/99	9/99	12/99	3/00	6/00
Construction and Land	**1.14**	**1.05**	**1.04**	**1.03**	**0.91**	**0.79**	**0.71**	**0.68**	**0.73**	**0.74**
1-4 Family	**0.98**	**0.93**	**0.86**	**0.84**	**0.82**	**0.75**	**0.73**	**0.73**	**0.69**	**0.63**
Multifamily	**0.91**	**0.79**	**0.75**	**0.68**	**0.62**	**0.54**	**0.51**	**0.40**	**0.34**	**0.30**
Commercial	**1.65**	**1.49**	**1.30**	**1.19**	**1.13**	**1.01**	**0.97**	**0.84**	**0.85**	**0.82**
Total	**1.03**	**0.96**	**0.89**	**0.86**	**0.83**	**0.75**	**0.73**	**0.71**	**0.68**	**0.62**

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

Total Securities* as a Percent of Assets

June 30, 2000



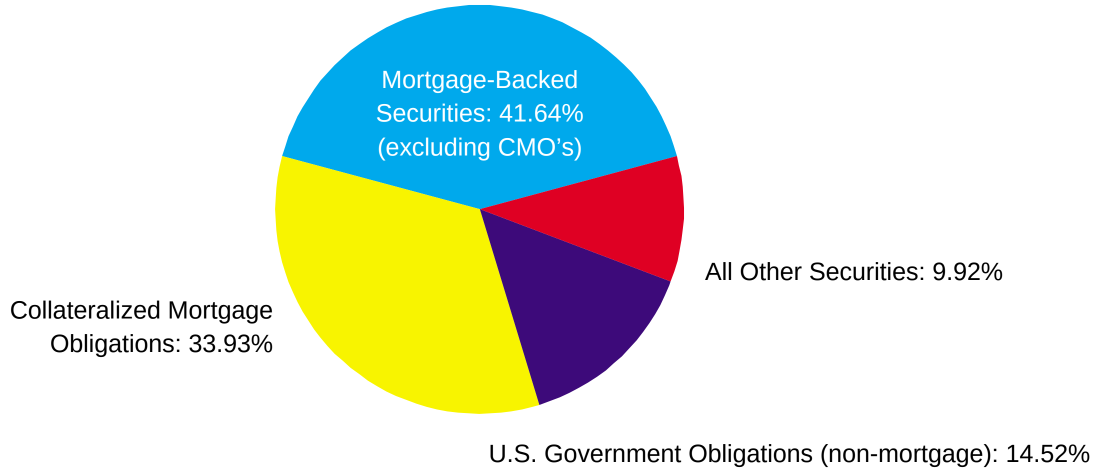
Total Securities*

($ Billions)

	6/98	9/98	12/98	3/99	6/99	9/99	12/99	3/00	6/00
U.S. Government Obligations (non-mortgage)	$43	$39	$37	$40	$41	$42	$41	$41	$40
Mortgage-Backed Securities (excluding CMO's)	123	119	119	125	125	123	122	117	116
Collateralized Mortgage Obligations	65	74	89	98	96	91	99	102	94
All Other Securities	22	24	25	26	28	28	28	23	28
Total Securities	252	255	270	288	290	284	291	283	278
Securities as a Percent of Assets	24.12%	24.14%	24.76%	25.94%	25.78%	24.82%	25.37%	24.45%	23.61%
Memoranda:									
Amortized Cost of Total Held-to-Maturity Sec.	98	94	90	92	94	89	95	93	95
Fair Value of Total Available-for-Sale Sec.	154	161	179	196	197	194	197	191	184

Total Securities*

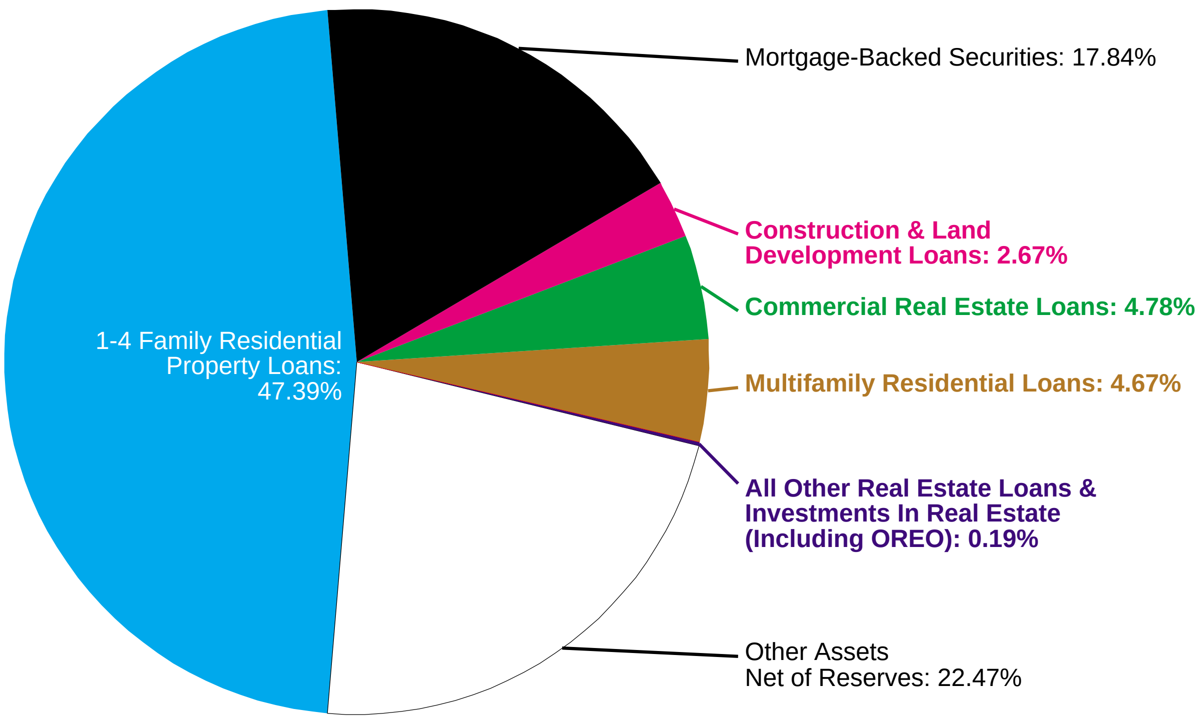
June 30, 2000



*Excludes trading account assets for savings institutions filing a Call Report. Trading account assets for savings institutions filing a TFR are netted out of "All Other Securities".

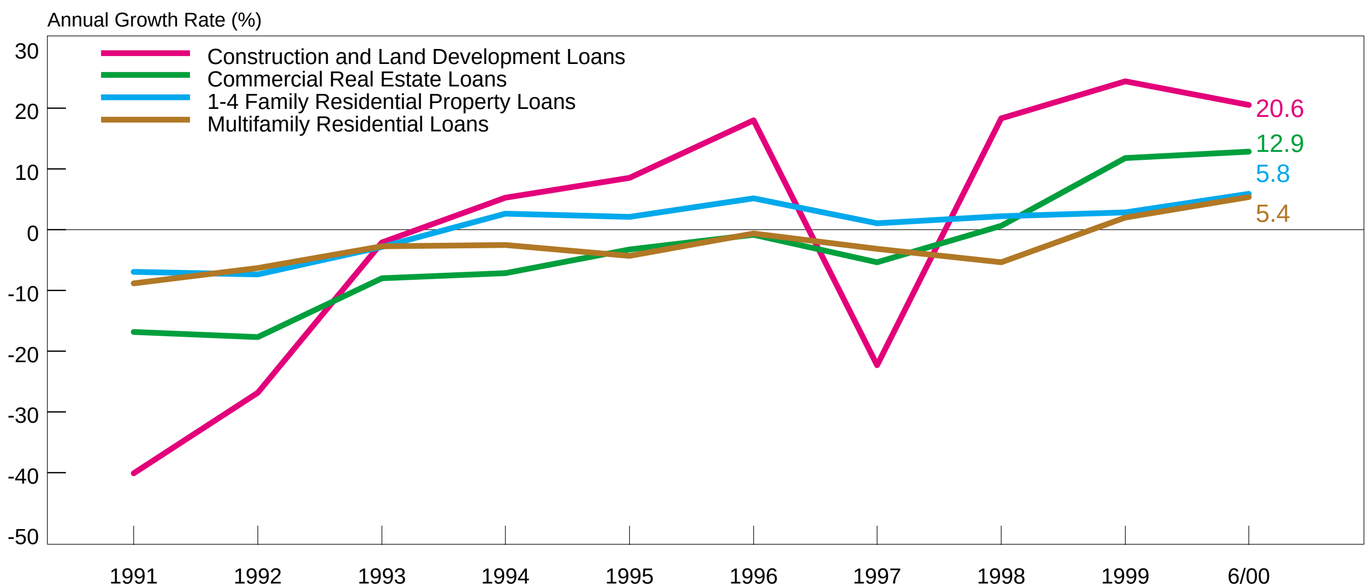
Real Estate Assets as a Percent of Total Assets

June 30, 2000



Real Estate Loan Growth Rates*

1991 - 2000



*Beginning in March 1997, TFR filers report balances net of loans in process.

Mutual Fund and Annuity Sales*

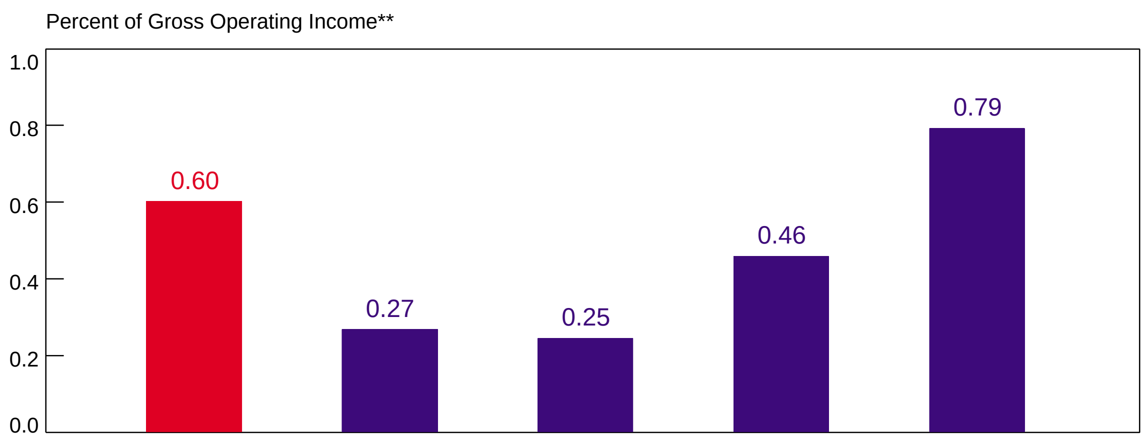
1999 - 2000

Quarterly Sales ($ Millions)	6/99	9/99	12/99	3/00	6/00
Money Market Funds	$ 474	$ 501	$ 651	$ 1,167	$ 1,068
Debt Securities Funds	741	535	461	380	365
Equity Securities	827	631	572	575	538
Other Mutual Funds	346	335	348	455	329
Annuities	1,545	1,665	1,656	1,784	1,929
Proprietary Mutual Fund and Annuity Sales included above	868	700	895	1,171	978

*Domestic office sales of proprietary, private label and third-party funds and annuities. Does not reflect redemptions.

Fee Income from Sales and Service of Mutual Funds and Annuities

2000 YTD

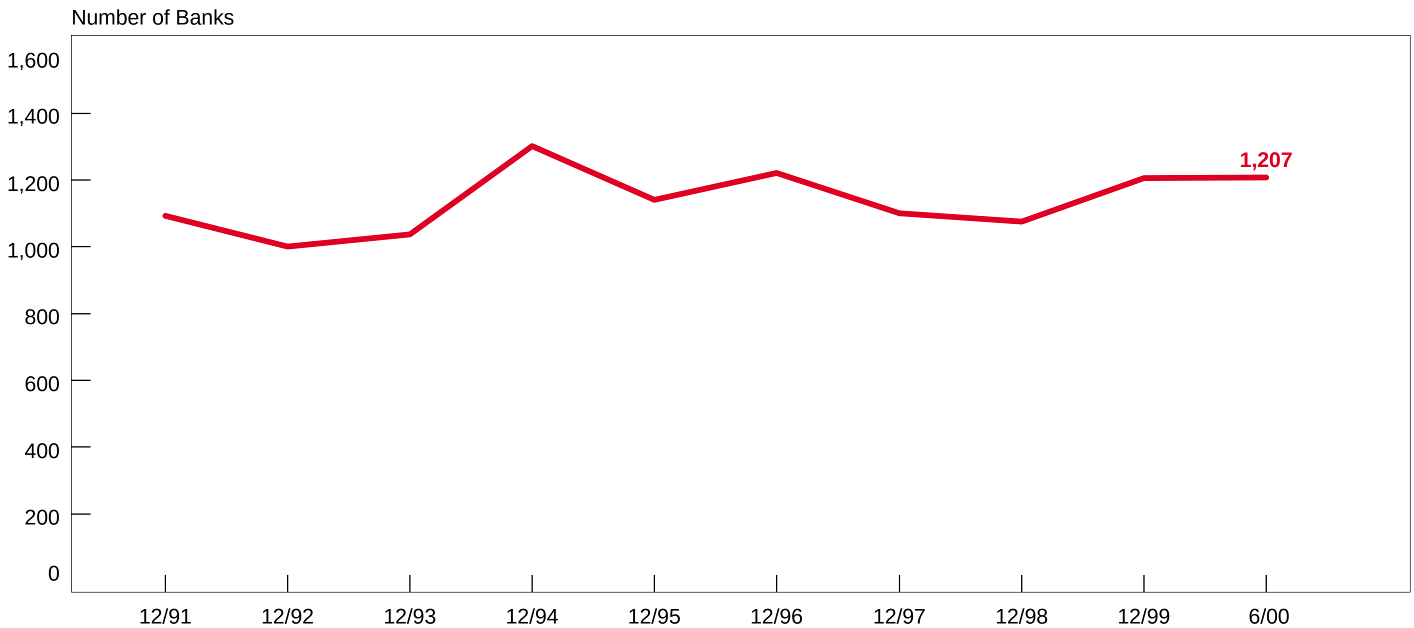


($ Millions)	All Institutions	Under $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Over $5 Billion
Mutual Fund and Annuity Fee Income	**$277**	**$4**	**$23**	**$41**	**$210**
Gross Operating Income	**$46,028**	**$1,342**	**$9,402**	**$8,838**	**$26,446**
Number of Institutions Reporting These Fees	**348**	**28**	**229**	**66**	**25**
Percent of Institutions Reporting These Fees	**21.4%**	**4.4%**	**27.4%**	**59.5%**	**71.4%**

**Gross operating income is the total of interest income and noninterest income.

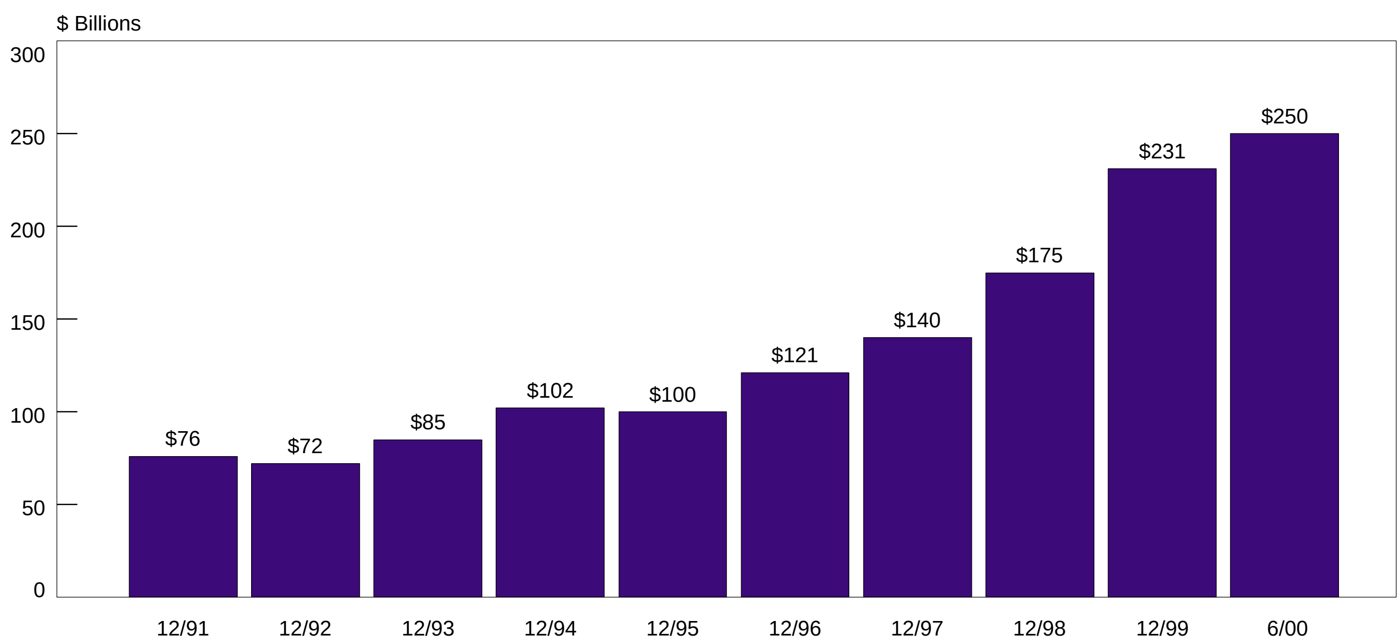
Number of Savings Institutions with FHLB Advances*

1991 - 2000



Amount of FHLB Advances Outstanding*

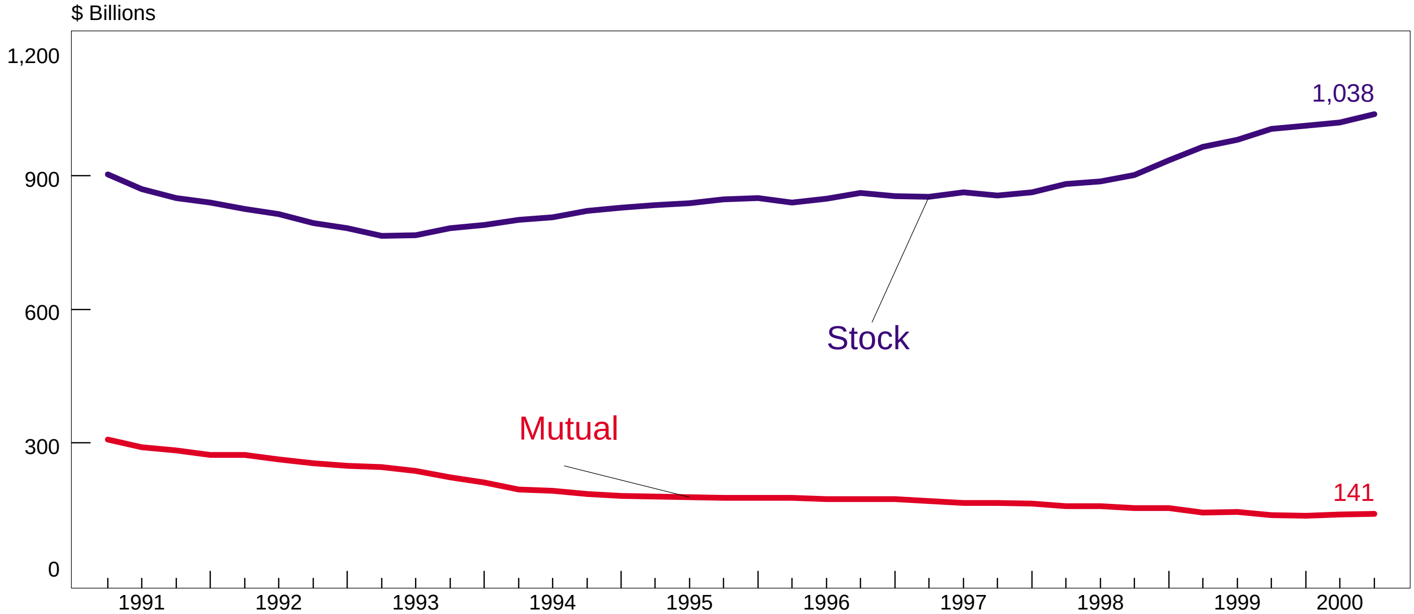
1991 - 2000



* Source: FHFB

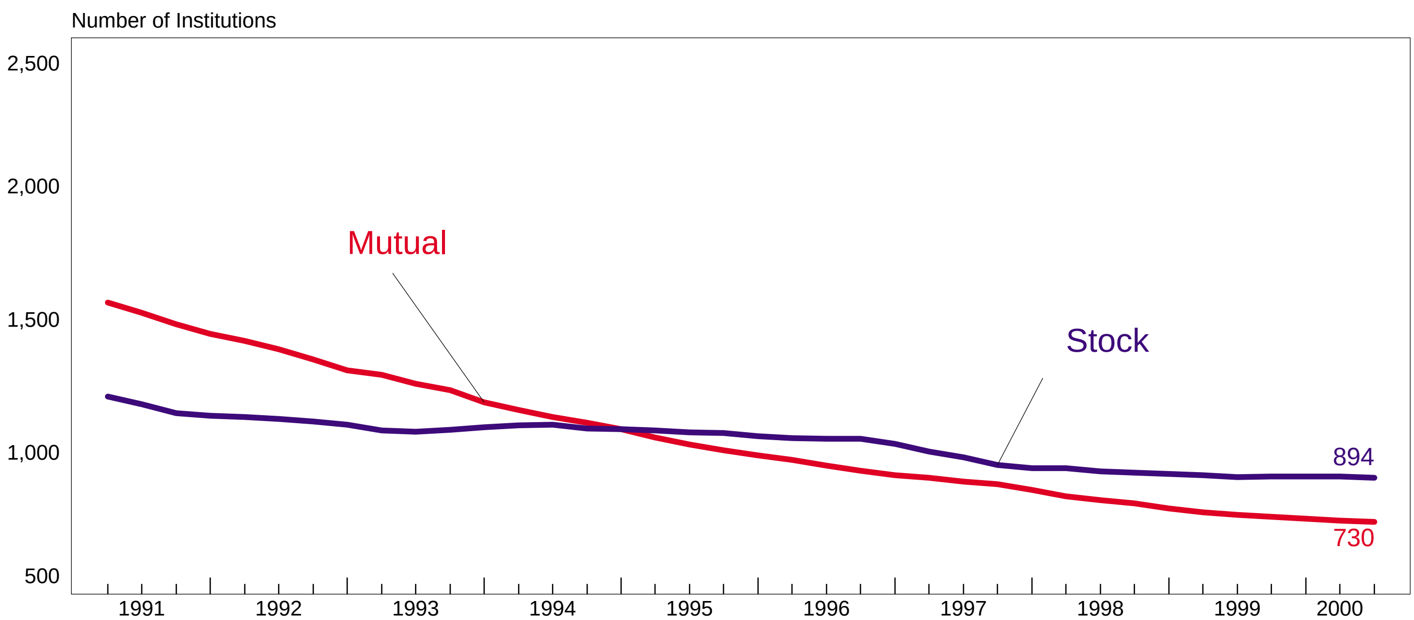
Assets of Mutual and Stock Savings Institutions

1991 - 2000



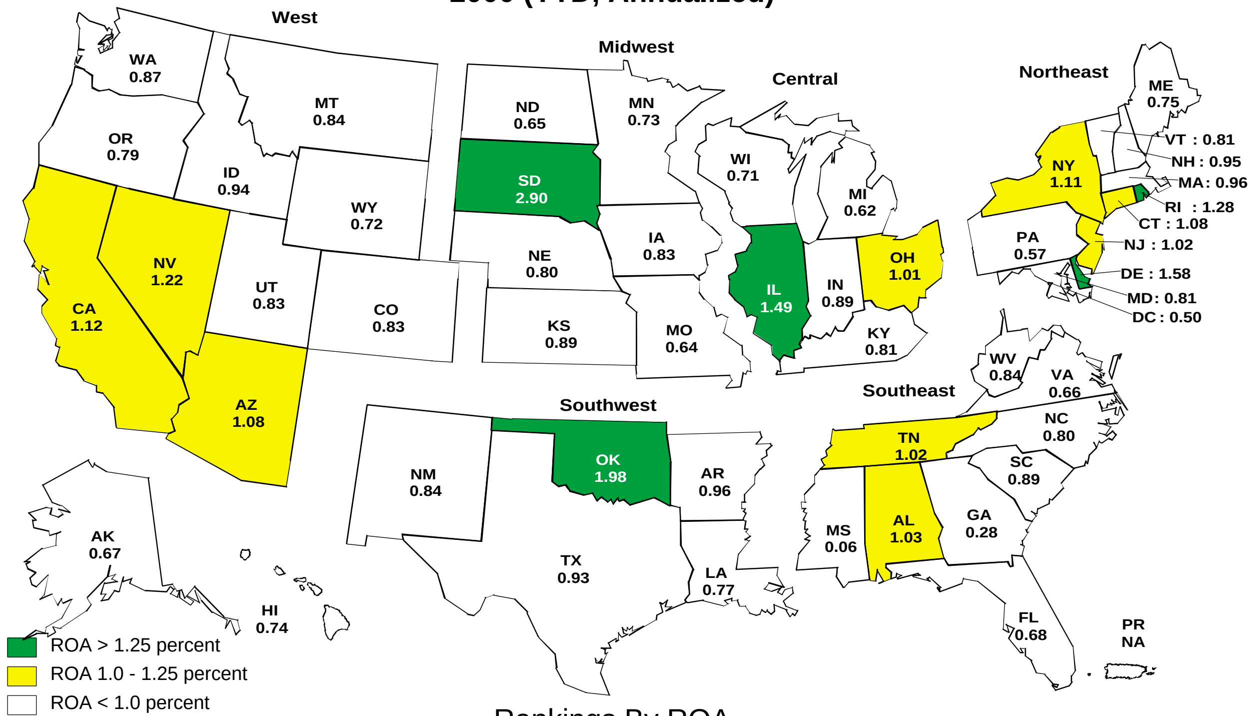
Number of Mutual and Stock Savings Institutions

1991 - 2000



Return on Assets (ROA)

2000 (YTD, Annualized)



Rankings By ROA

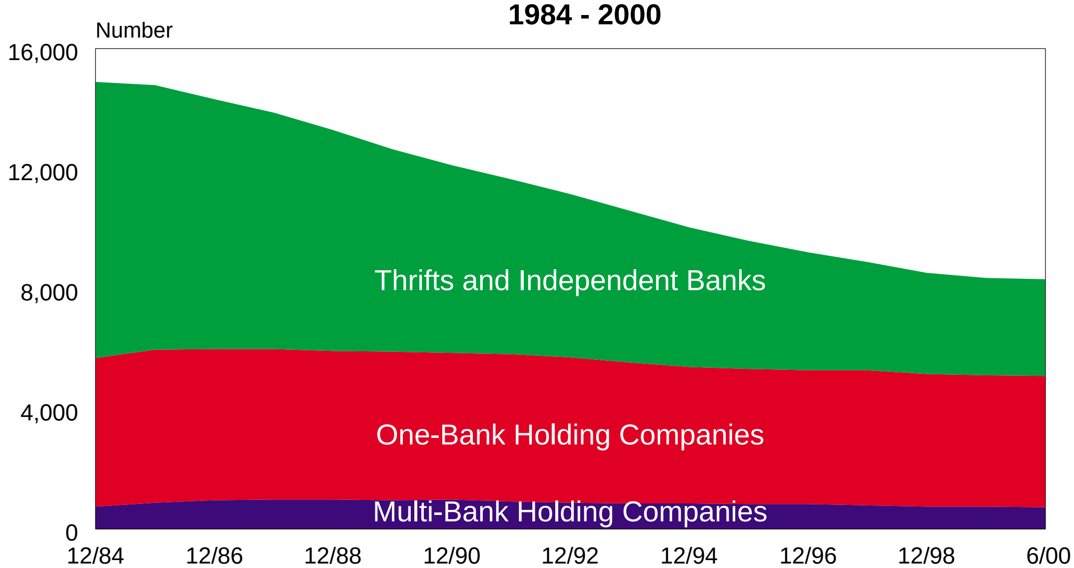
	State	No. of Inst. as of 6/30/00	YTD 2000	YTD 1999	Change*
1	South Dakota	4	2.90	1.03	187
2	Oklahoma	10	1.98	2.14	(16)
3	Delaware	5	1.58	1.44	14
4	Illinois	118	1.49	1.41	8
5	Rhode Island	6	1.28	1.24	4
6	Nevada	2	1.22	0.32	90
7	California	46	1.12	1.00	12
8	New York	85	1.11	0.99	12
9	Arizona	4	1.08	1.48	(40)
10	Connecticut	48	1.08	1.07	1
11	Alabama	12	1.03	0.88	15
12	New Jersey	72	1.02	1.05	(3)
13	Tennessee	25	1.02	1.13	(11)
14	Ohio	130	1.01	1.15	(14)
15	Arkansas	10	0.96	0.90	6
16	Massachusetts	185	0.96	0.94	2
17	New Hampshire	19	0.95	1.15	(20)
18	Idaho	2	0.94	0.91	3
19	Texas	50	0.93	1.08	(15)
20	Indiana	70	0.89	0.94	(5)
21	Kansas	17	0.89	0.98	(9)
22	South Carolina	30	0.89	1.11	(22)
23	Washington	23	0.87	1.13	(26)
24	Montana	5	0.84	0.79	5
25	New Mexico	10	0.84	1.28	(44)
26	West Virginia	7	0.84	0.82	2
27	Colorado	10	0.83	1.15	(32)

	State	No. of Inst. as of 6/30/00	YTD 2000	YTD 1999	Change*
28	Iowa	25	0.83	0.78	5
29	Utah	5	0.83	5.40	(457)
30	Kentucky	34	0.81	0.81	0
31	Maryland	66	0.81	0.88	(7)
32	Vermont	5	0.81	0.84	(3)
33	Nebraska	15	0.80	0.78	2
34	North Carolina	44	0.80	0.80	0
35	Oregon	5	0.79	0.72	7
36	Louisiana	33	0.77	0.82	(5)
37	Maine	27	0.75	0.94	(19)
38	Hawaii	3	0.74	0.69	5
39	Minnesota	22	0.73	0.68	5
40	Wyoming	4	0.72	0.87	(15)
41	Wisconsin	40	0.71	0.76	(5)
42	Florida	46	0.68	0.73	(5)
43	Alaska	2	0.67	0.68	(1)
44	Virginia	20	0.66	0.92	(26)
45	North Dakota	4	0.65	0.89	(24)
46	Missouri	40	0.64	0.74	(10)
47	Michigan	24	0.62	0.65	(3)
48	Pennsylvania	118	0.57	0.87	(30)
49	District of Col.	1	0.50	0.48	2
50	Georgia	25	0.28	1.18	(90)
51	Mississippi	8	0.06	0.77	(71)
52	Puerto Rico	0	NA	NA	NM
	U.S. and Terr.	1,624	0.99	1.01	(2)

*YTD ROA minus ROA for the same period one year ago equals change in basis points. Basis point = 1/100 of a percent.

Number of FDIC-Insured Banking Organizations

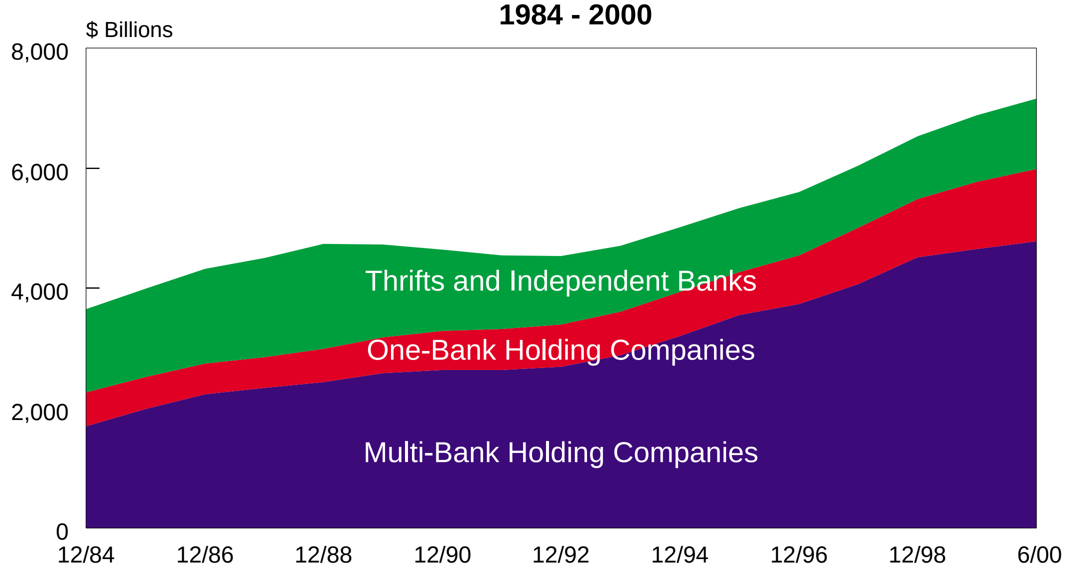
1984 - 2000



	12/84	12/86	12/88	12/90	12/92	12/94	12/96	12/98	6/00
Thrifts* and Indpt Banks	9,183	8,333	7,350	6,247	5,453	4,661	3,934	3,353	3,210
One-Bank Holding Co.'s	4,970	5,021	4,952	4,904	4,833	4,549	4,454	4,421	4,374
Multi-Bank Holding Co.'s	731	959	977	965	878	841	822	746	726
Total	14,884	14,313	13,279	12,116	11,164	10,051	9,210	8,520	8,310

Assets of FDIC-Insured Banking Organizations

1984 - 2000

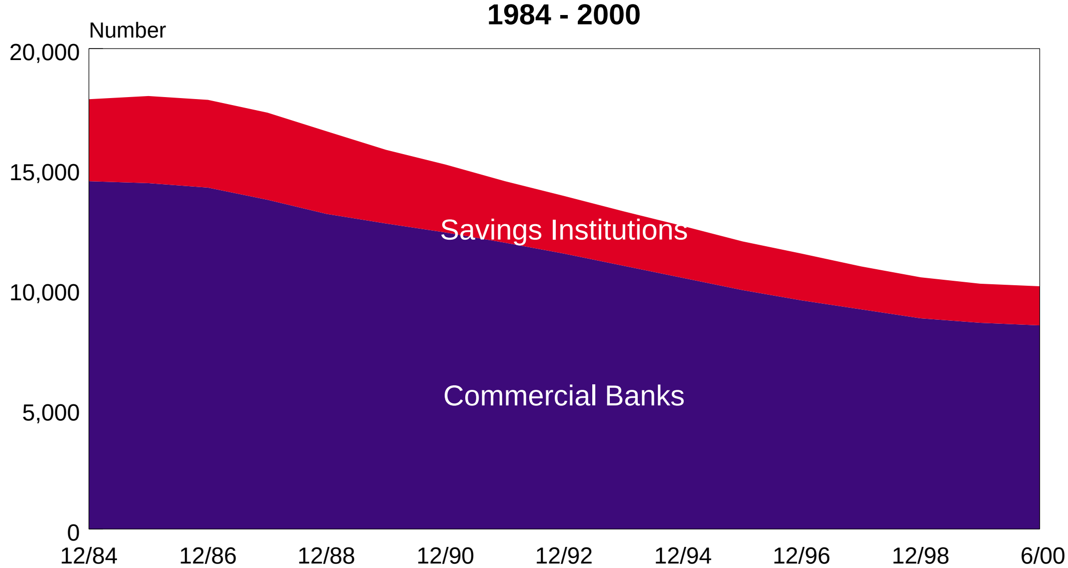


	12/84	12/86	12/88	12/90	12/92	12/94	12/96	12/98	6/00
Thrifts* and Indpt Banks	1,386	1,584	1,745	1,363	1,139	1,084	1,061	1,044	1,172
One-Bank Holding Co.'s	566	510	561	653	704	727	809	968	1,212
Multi-Bank Holding Co.'s	1,701	2,234	2,431	2,633	2,693	3,208	3,737	4,518	4,779
Total	3,653	4,328	4,737	4,649	4,536	5,019	5,607	6,531	7,163

* Includes thrifts owned by unitary thrift holding companies or multi-thrift holding companies.

Number of FDIC-Insured Institutions

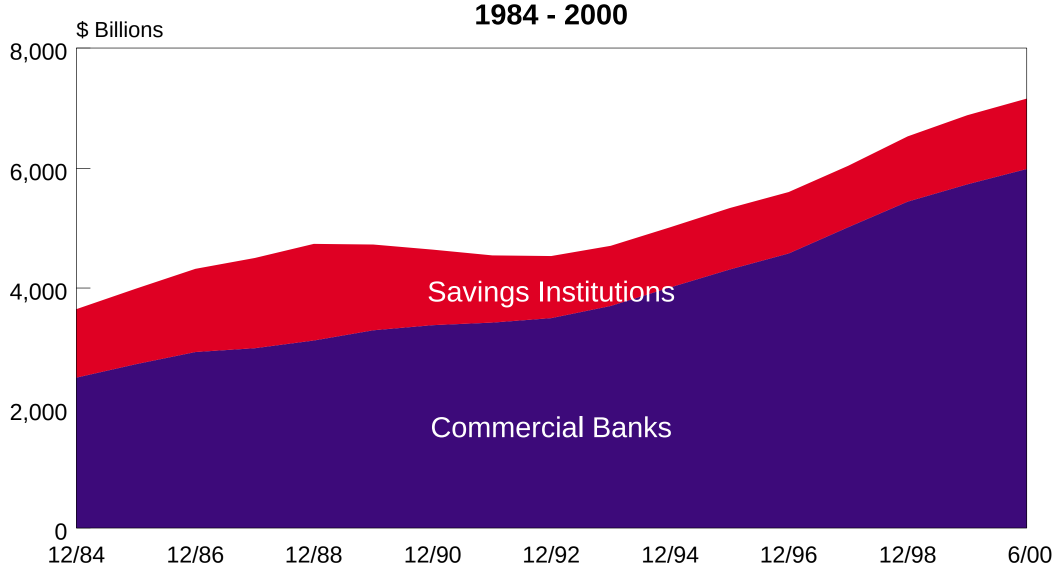
1984 - 2000



	12/84	12/86	12/88	12/90	12/92	12/94	12/96	12/98	6/00
Savings Institutions	3,418	3,677	3,438	2,815	2,390	2,152	1,926	1,689	1,624
Commercial Banks	14,482	14,199	13,123	12,343	11,462	10,451	9,527	8,774	8,477
Total	17,900	17,876	16,561	15,158	13,852	12,603	11,453	10,463	10,101

Assets of FDIC-Insured Institutions

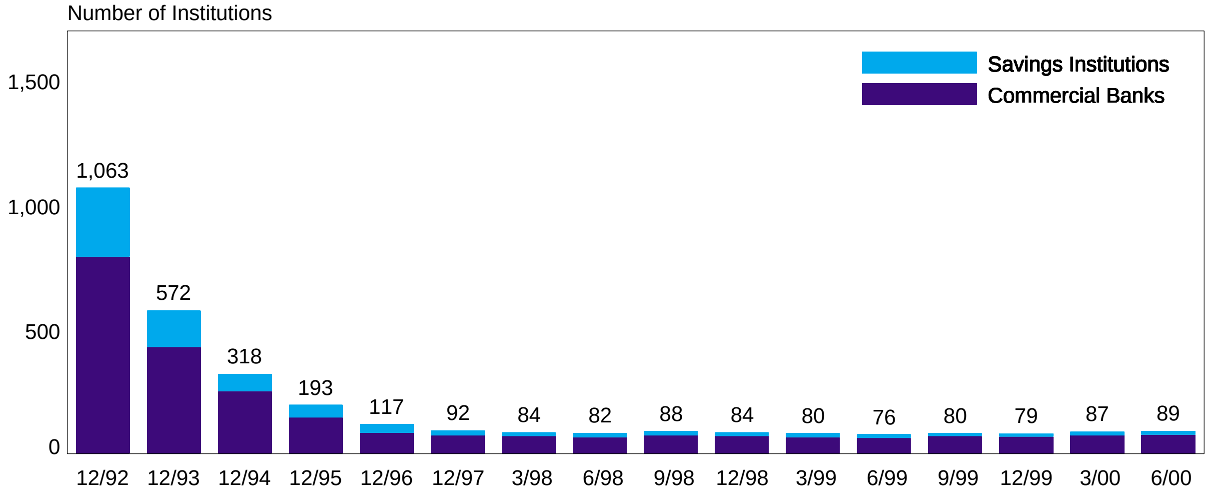
1984 - 2000



	12/84	12/86	12/88	12/90	12/92	12/94	12/96	12/98	6/00
Savings Institutions	1,144	1,387	1,606	1,259	1,030	1,009	1,029	1,088	1,179
Commercial Banks	2,509	2,941	3,131	3,389	3,506	4,011	4,578	5,443	5,983
Total	3,653	4,328	4,737	4,649	4,536	5,019	5,607	6,531	7,163

Number of FDIC-Insured "Problem" Institutions

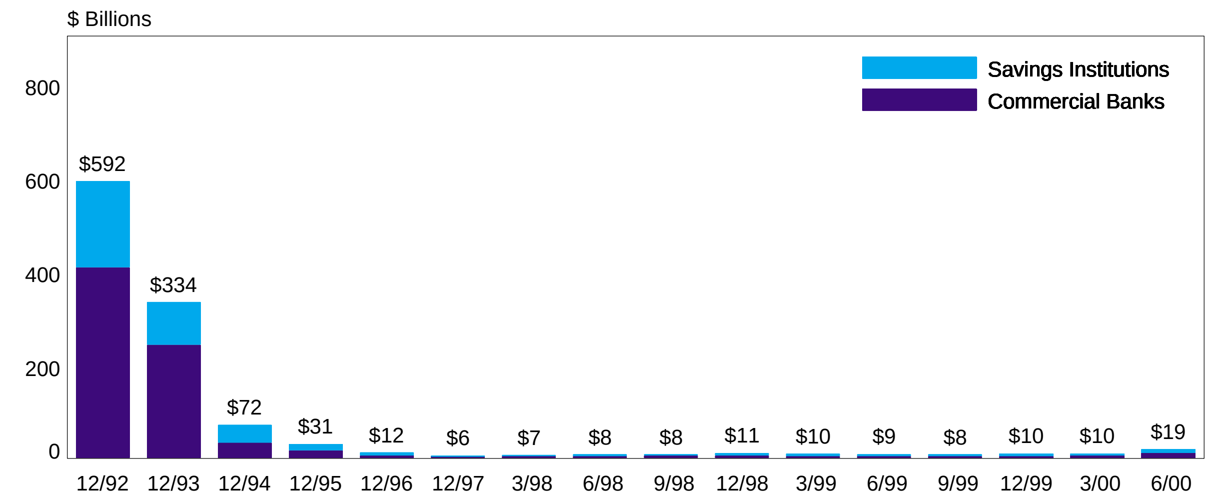
1992 - 2000



Savings Institutions	276	146	71	49	35	21	16	18	18	15	16	14	11	13	15	16
Commercial Banks	787	426	247	144	82	71	68	64	70	69	64	62	69	66	72	73

Assets of FDIC-Insured "Problem" Institutions

1992 - 2000



Savings Institutions	184	92	39	14	7	2	2	3	3	6	5	4	4	6	5	8
Commercial Banks	408	242	33	17	5	5	5	5	5	5	5	5	4	4	5	11

Capital Category Distribution

June 30, 2000

BIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	8,494	97.3%	$6,190.1	99.3%
Adequately Capitalized	226	2.6%	$42.1	0.7%
Undercapitalized	8	0.1%	$0.5	0.0%
Significantly Undercapitalized	3	0.0%	$0.1	0.0%
Critically Undercapitalized	2	0.0%	$0.0	0.0%

SAIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	1,336	97.7%	$920.0	98.9%
Adequately Capitalized	30	2.2%	$9.8	1.1%
Undercapitalized	0	0.0%	$0.0	0.0%
Significantly Undercapitalized	2	0.1%	$0.1	0.0%
Critically Undercapitalized	0	0.0%	$0.0	0.0%

Note: These tables are based solely on Call Report data and do not reflect supervisory upgrades or downgrades. Of the two institutions categorized as critically undercapitalized, one institution with assets of $26 million failed.

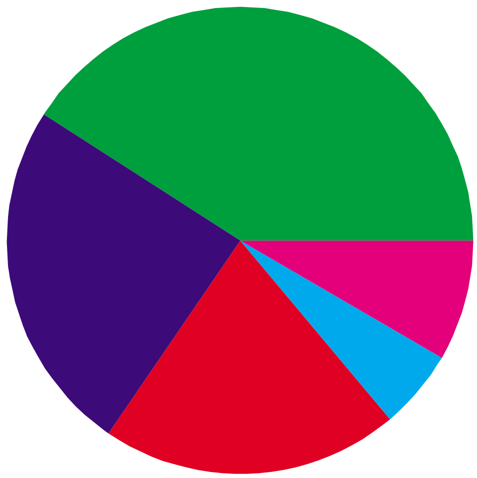
Capital Category Definitions

	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.

Note: Standards vary in some instances for the strongest institutions, those anticipating growth, and those subject to supervisory agreements or directives.

Total Liabilities and Equity Capital

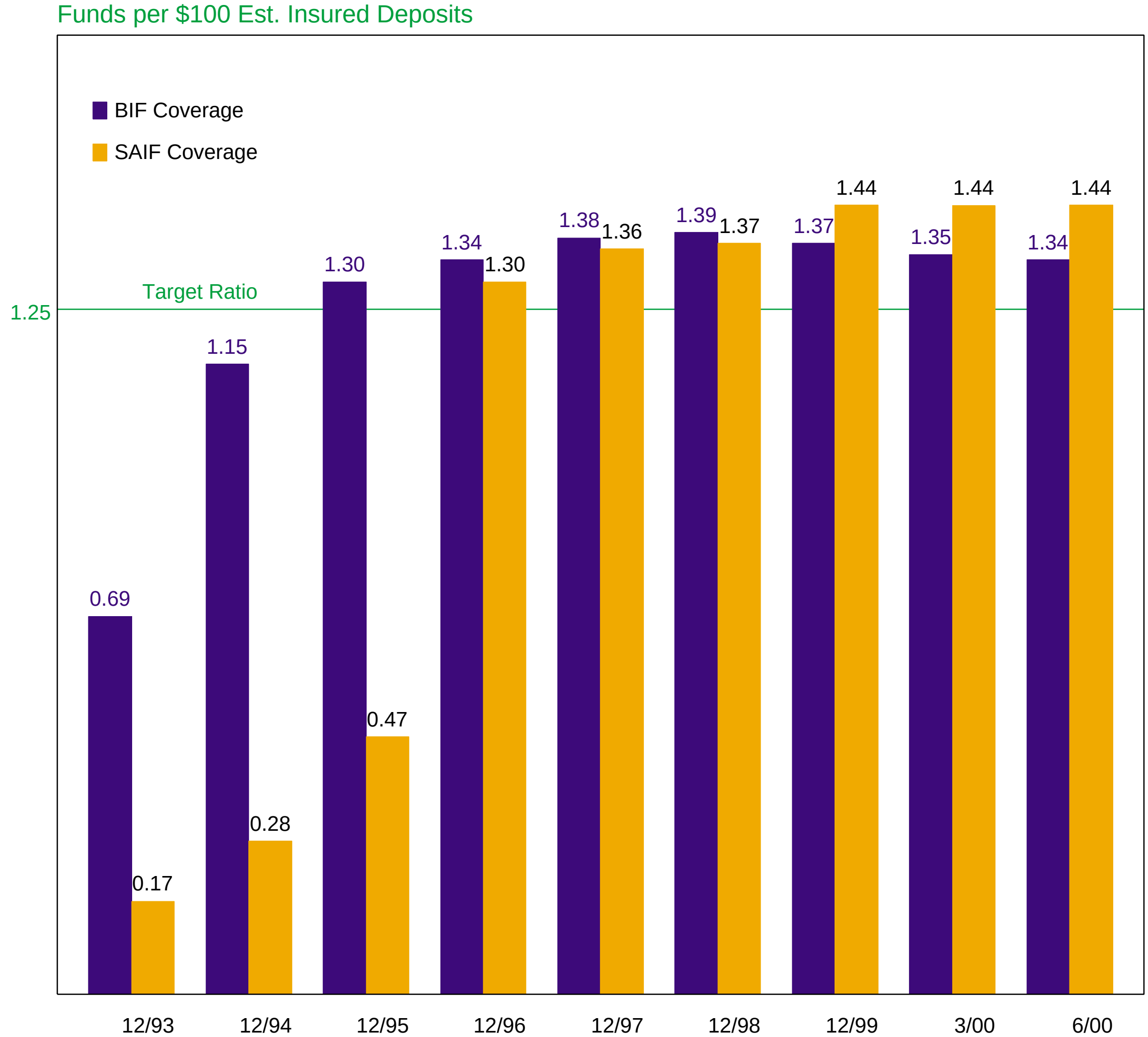


($ Billions)	6/30/99	6/30/00	% Change
Insured Deposits (estimated)	2,832	2,930	3.5
BIF - Insured	2,128	2,221	4.4
SAIF - Insured	704	731	3.9
Uninsured Deposits	1,548	1,760	13.7
In Foreign Offices	594	685	15.3
Other Borrowed Funds*	1,275	1,477	15.8
All Other Liabilities	377	396	5.0
Subordinated Debt	78	85	9.0
Equity Capital	562	600	6.8
Total Liabilities and Equity Capital	6,595	7,163	8.6

* Other borrowed funds include federal funds purchased, securites sold under agreement to repurchase, FHLB and FRB borrowings and other indebtedness.

Insurance Fund Reserve Ratios

December 31, 1993 - June 30, 2000

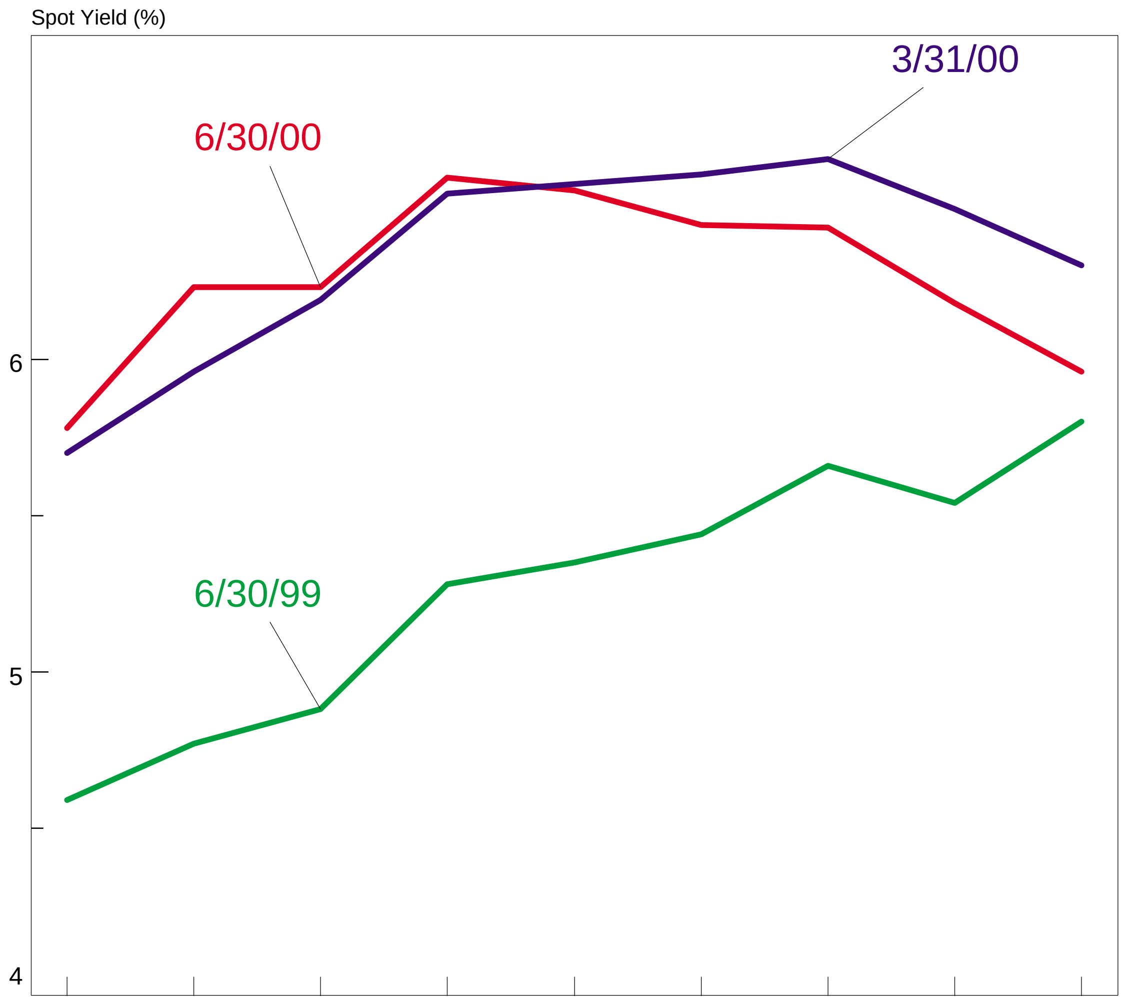


($ Billions)	12/93	12/94	12/95	12/96	12/97	12/98	12/99	3/00	6/00
BIF									
Fund Balance	13.1	21.8	25.5	26.9	28.3	29.6	29.4	29.7	29.8
Est. Insured Deposits	1,905.2	1,895.3	1,952.0	2,007.4	2,055.9	2,134.4	2,153.5	2,194.9	2,222.8
SAIF									
Fund Balance	1.2	1.9	3.4	8.9	9.4	9.8	10.3	10.4	10.5
Est. Insured Deposits	697.9	693.6	711.9	683.1	690.1	716.0	715.5	725.0	730.8

Note: Includes insured branches of foreign banks. 2000 fund balances are unaudited. Insured deposits for prior periods may reflect adjustments.

U.S. Treasury Yield Curve

June 30, 1999 - June 30, 2000



Maturity	3-Month	6-Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	30 Year
6/30/00	5.78	6.23	6.23	6.58	6.54	6.43	6.42	6.18	5.96
3/31/00	5.70	5.96	6.19	6.53	6.56	6.59	6.64	6.48	6.30
12/31/99	5.20	5.44	5.61	5.94	6.00	6.06	6.29	6.14	6.25
9/30/99	4.79	4.97	5.16	5.63	5.71	5.77	6.07	5.88	6.04
6/30/99	4.59	4.77	4.88	5.28	5.35	5.44	5.66	5.54	5.80

Source: Federal Reserve's H.15 Statistical Release. The quarterly average rates shown above represent a 3-month average of the monthly average rates published by the Federal Reserve.

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

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

This section covers savings institutions insured by either BIF or SAIF that operate under state or federal banking codes applicable to thrift institutions, except for one self-liquidating institution primarily funded by the FSLIC Resolution Fund (FRF). Savings institutions in Resolution Trust Corporation conservatorships, are also 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

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*. Beginning in March 1997, both *Thrift Financial Reports* and *Call Reports* are completed on a fully consolidated basis. Previously, the consolidation of subsidiary depository institutions was prohibited. Now, 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.

RECENT ACCOUNTING CHANGES

Adoption of GAAP Reporting – Effective with the March 31, 1997 *Call Reports*, generally accepted accounting principles (GAAP) were adopted as the reporting basis for the balance sheet, income statement and supporting schedules. New reporting instructions for 1997 and 1998 changed the amounts reported for a number of items used in the *Quarterly Banking Profile*, so that comparability with prior periods may be affected. Among the items most significantly affected by the new reporting rules are: loans & leases, reserve for losses, loss provisions, goodwill and other intangibles, all other assets and equity capital (see definitions below). More information on changes to the *Call Report* in March 1997 and in March 1998 is contained in Financial Institution Letters FIL-27-97 and FIL-28-98, which are available through the FDIC World Wide Web site at www.fdic.gov, or from the FDIC Public Information Center, 801 17th Street, NW, Washington, DC 20434; telephone (800) 276-6003. Information on changes to the March 31, 1997 *Thrift Financial Reports* is available from the Office of Thrift Supervision, 1700 G Street, NW, Washington, DC 20552; telephone (202) 906-5900.

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)

BIF-insured deposits (estimated) – the amount of deposits in accounts of less than $100,000 insured by the BIF. For SAIF-member "Oakar" institutions, it represents the adjusted attributable amount acquired from BIF members.

Capital category distribution – each institution's capital category is calculated or estimated from its financial report and does not reflect supervisory upgrades or downgrades:

(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 last three capital rating categories into a single "undercapitalized" category. Supervisory risk subgroup assignments are based on supervisory ratings. 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.

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

Derivative contracts, gross fair values (positive/negative) – are reported separately and represent the amount at which a contract could be exchanged in a transaction between willing parties, other than in a forced or liquidation sale. If a quoted market price is available for a contract, the fair value reported for that contract is calculated using this market price. If quoted market prices are not available, the reporting banks use the best estimate of fair value based on quoted market prices of similar contracts or on valuation techniques such as discounted cash flows. This information is reported only by banks with assets greater than $100 million.

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.

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.

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.

Off-balance-sheet derivatives – 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.

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.

"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 and the allocated transfer risk reserve on a consolidated basis. Prior to March 31, 1997, institutions filing a *Thrift Financial Report (TFR)* included specific reserves, while *Call Report* filers included only general valuation allowances. Beginning March 31, 1997, *TFR* reporters net these specific reserves against each loan balance. Also beginning March 31, 1997, the allowance for off-balance-sheet credit exposures was moved to "Other liabilities"; previously, it had been included in the general valuation allowance.

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 amount of deposits in accounts of less than $100,000 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.

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.

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