



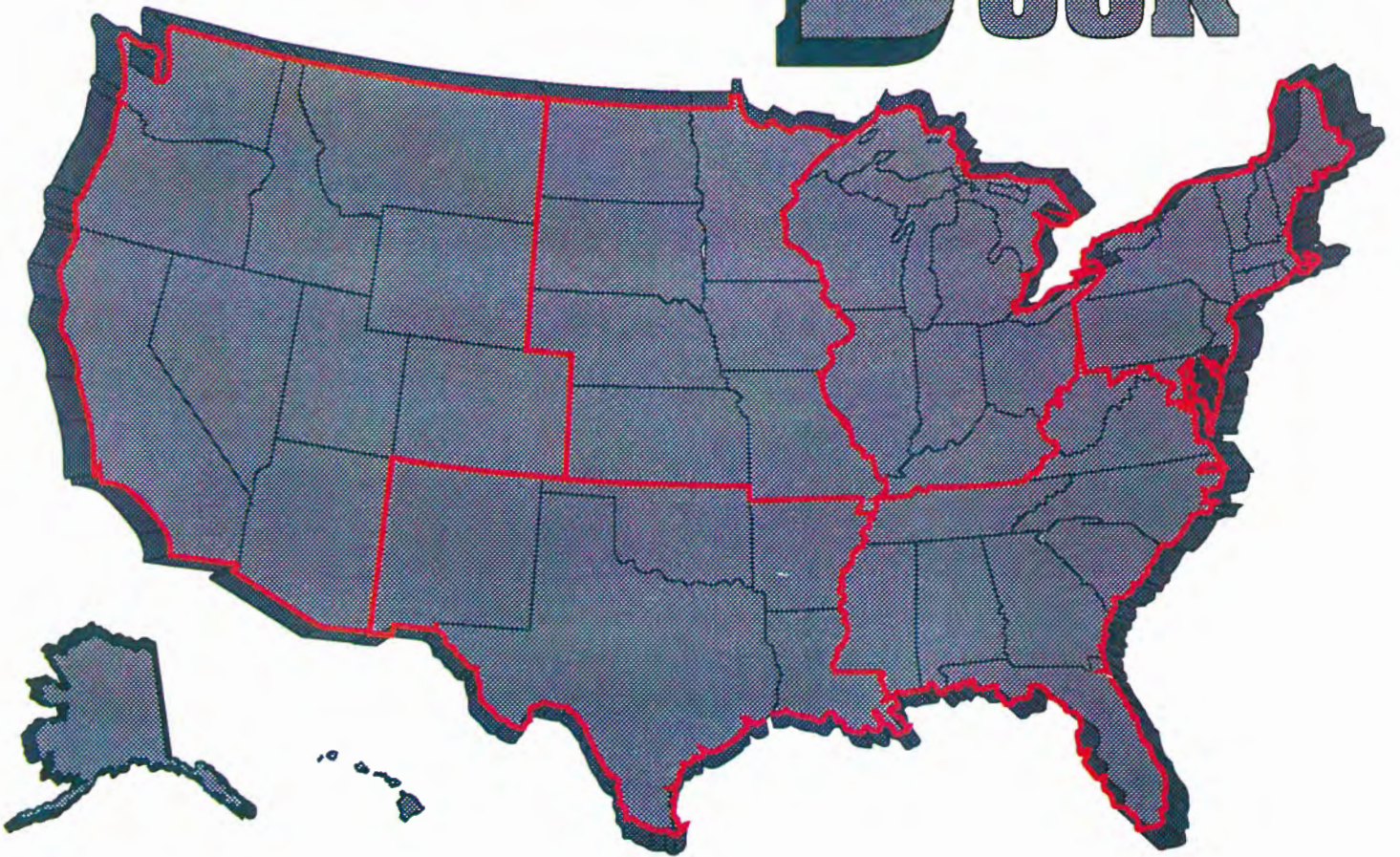
The FDIC

Quarterly

Andrew C. Hove Jr.,  
Chairman

Banking Profile

# Graph Book



Fourth Quarter 1993

Prepared by:  
Division of Research and Statistics

<b>Highlights</b> .....	1
<b>FDIC-Insured Commercial Banks</b>	
Quarterly Net Income and Margins .....	2
Annual Return on Assets (ROA) and Return on Equity (ROE) .....	3
Commercial and Industrial Loan Growth Rates by State .....	4
Commercial and Industrial Loan Growth Rates .....	5
Structural Changes Among FDIC-Insured Commercial Banks .....	6
Annual Net Charge-off Rates on Loans and Noncurrent Loan Rates .....	7
Spread Between Short-Term and Long-Term Yields and Quarterly Average Interest Rates .....	8
Debt Securities by Maturity as a Percent of Total Assets and by Region and Investment Securities Appreciation and Gains on Quarterly Sales .....	9
Investment Securities .....	10
Composition of U.S. Treasury Securities and U.S. Agency Securities .....	11
Loans and Investment Securities to Assets and Equity Capital Ratios .....	12
Loans, Investment Securities and Equity Capital Amounts .....	13
Troubled Real Estate Asset Rates by State .....	14
Troubled Real Estate Asset Growth Rates .....	15
Real Estate Assets as a Percent of Total Assets and Real Estate Loan Growth Rates .....	16
Noncurrent Real Estate Loan Rates by Region .....	17
Troubled Real Estate Asset Rates by Region .....	18
Noncurrent Commercial and Industrial Loan Rates by Region .....	19
Consumer Loans and Consumer Loan Delinquency Rates .....	20
Quarterly Return on Assets (ROA) and Return on Equity (ROE) .....	21
Return on Assets (ROA) and State Rankings by ROA Improvement .....	22
Annual Return on Assets (ROA), Return on Equity (ROE), and Net Income .....	23
<b>FDIC-Insured Savings Institutions</b>	
Quarterly Net Income and Margins .....	24
Troubled Real Estate Asset Rates by State .....	25
Troubled Real Estate Asset Growth Rates .....	26
Annual Return on Assets and Quarterly ROA's of Stock and Mutual Institutions .....	27
Assets and Number of Mutual and Stock Savings Institutions .....	28
Noncurrent Real Estate Loan Rates by Region .....	29
Troubled Real Estate Asset Rates by Region .....	30
Return on Assets (ROA) and State Rankings by ROA Improvement .....	31
Annual Return on Assets (ROA), Return on Equity (ROE), and Net Income .....	32
<b>All FDIC-Insured Institutions</b>	
Number and Assets of FDIC-Insured "Problem" Institutions .....	33
Capital Category Distribution and Definitions .....	34
Number of Failed FDIC-Insured Institutions .....	35
Assets of Failed FDIC-Insured Institutions .....	36
Total Liabilities and Equity Capital .....	37
<b>Notes to Users</b> .....	38

## FOURTH-QUARTER AND FULL-YEAR HIGHLIGHTS

- **COMMERCIAL BANKS EARN \$11.1 BILLION IN FOURTH QUARTER**

Fourth-quarter net income of \$11.1 billion is the second-highest quarterly total ever, after the \$11.5 billion banks earned in the third quarter of 1993. The average return on assets in the fourth quarter was 1.21 percent, marking the fourth quarter in a row that commercial banks' ROA has averaged over one percent.

- **FULL-YEAR EARNINGS OF \$43.4 BILLION SET NEW RECORD**

Full-year net income of \$43.4 billion was more than one-third higher than the previous record of \$32.0 billion, set in 1992. The average ROA for the year was 1.21 percent, well above the 0.93 percent average for 1992. This is the first year that commercial banks' ROA has exceeded one percent.

- **LOAN-LOSS PROVISIONS DECLINE TO 10-YEAR LOW IN 1993**

The most important source of earnings strength in 1993 was lower loan-loss provisioning, reflecting continued improvement in asset quality. Banks set aside \$16.6 billion in provisions for future losses in 1993; this is the smallest annual total since 1984 and is \$9.5 billion less than they set aside in 1992. Net loan losses in 1993 totaled \$17.5 billion, the lowest amount in six years.

- **EQUITY CAPITAL RISES ABOVE 8 PERCENT OF ASSETS AT YEAR-END**

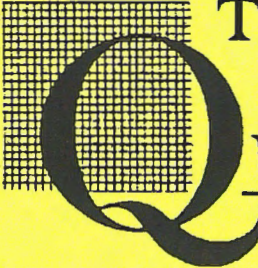
Equity capital growth remained strong in the fourth quarter, as commercial banks' equity-to-assets ratio surpassed 8 percent for the first time since 1963. Almost \$3 billion of the \$8.2 billion increase in equity capital in the fourth quarter resulted from the adoption by some banks of a new accounting rule that changes the way they report certain securities holdings.

- **LOAN GROWTH CONTINUES TO GAIN MOMENTUM IN FOURTH QUARTER**

Total loans grew by \$52.9 billion in the fourth quarter, the largest quarterly increase since the last quarter of 1986, when total loans and leases grew by \$73.5 billion. All major loan categories except real estate construction and development loans increased in 1993, with the largest growth in residential mortgage loans. Commercial and industrial loans grew by \$2.8 billion in 1993, the first time in four years that they have increased.

- **SAVINGS INSTITUTIONS ENJOY RECORD EARNINGS IN 1993**

FDIC-insured savings institutions earned \$7 billion in 1993, the largest full-year total ever registered by the industry. Although almost 95 percent of all savings institutions reported positive earnings for the year, the results were not evenly distributed. Some of the largest savings institutions continue to struggle with asset-quality problems; four of the ten largest savings institutions were unprofitable in 1993. The average ROA for the year was 0.72 percent, reflecting continuing improvement in asset quality for the industry as a whole.

The FDIC  
Quarterly  
Banking Profile

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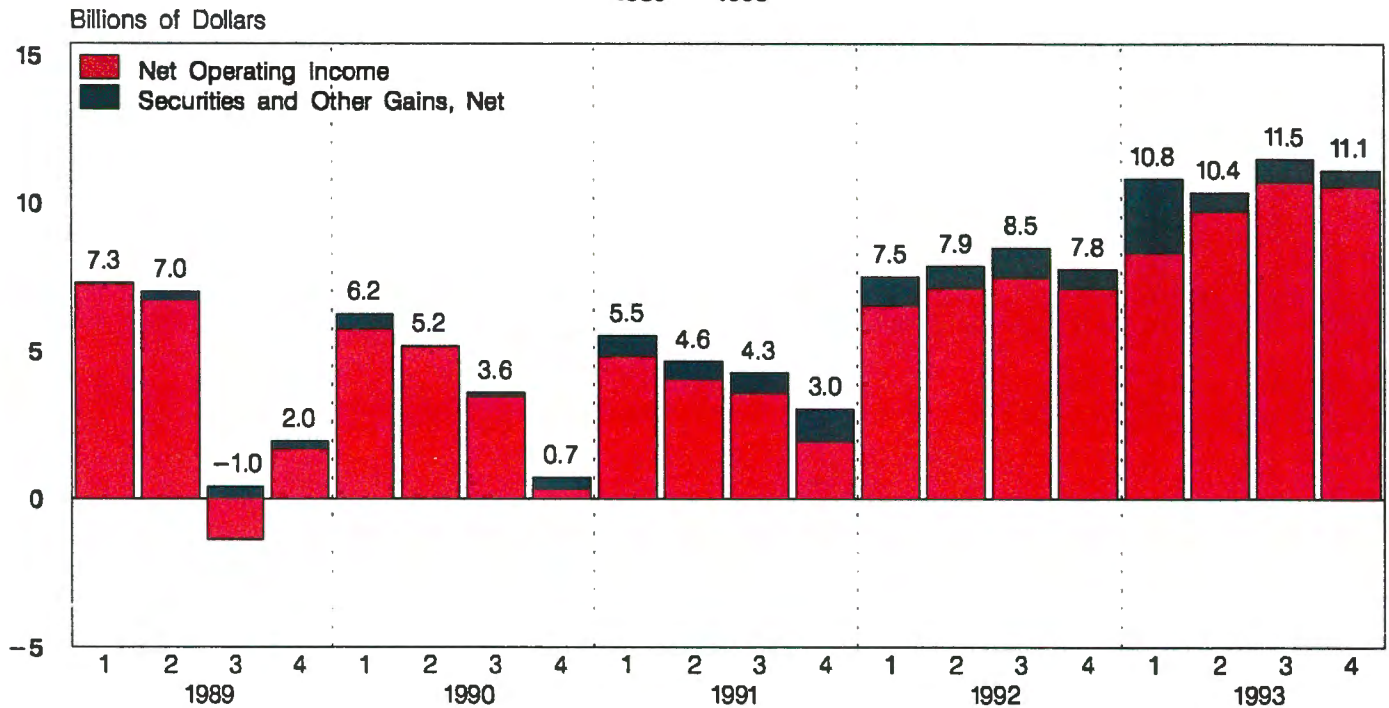
Andrew C. Hove Jr.,  
Chairman

FDIC-Insured  
Commercial Banks

Fourth Quarter 1993

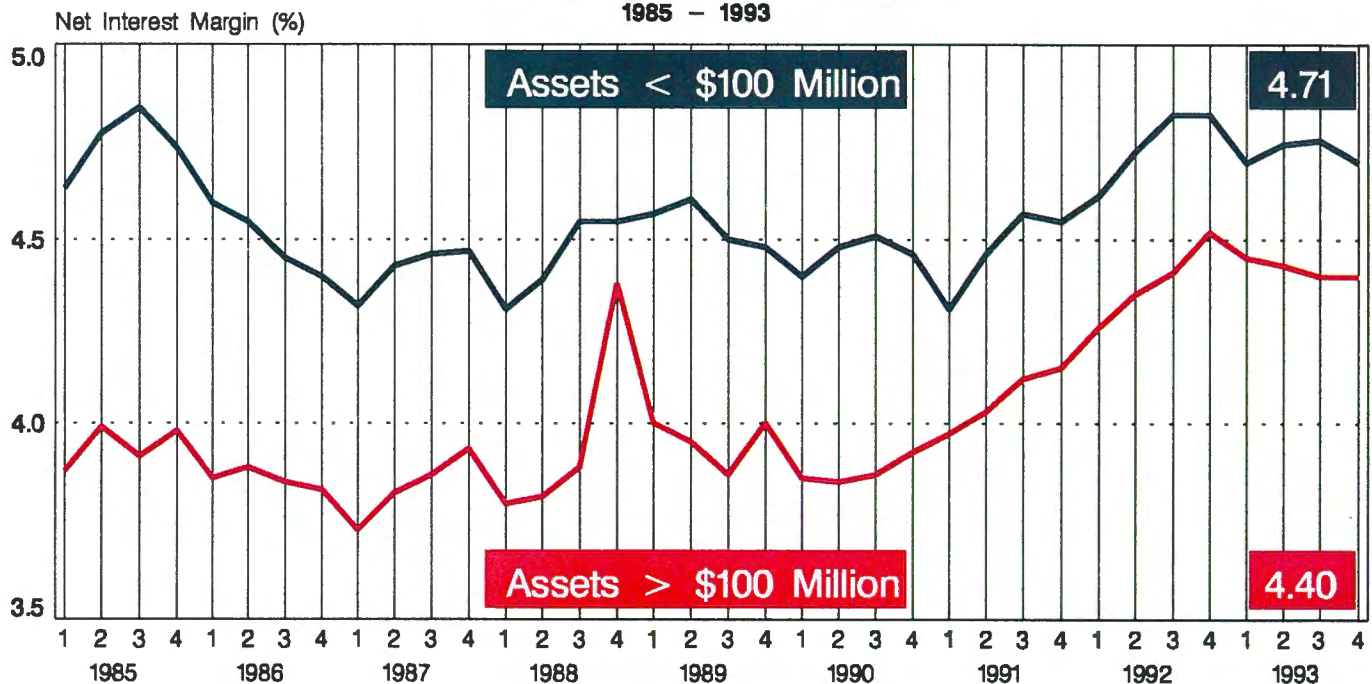
## Quarterly Net Income

1989 - 1993



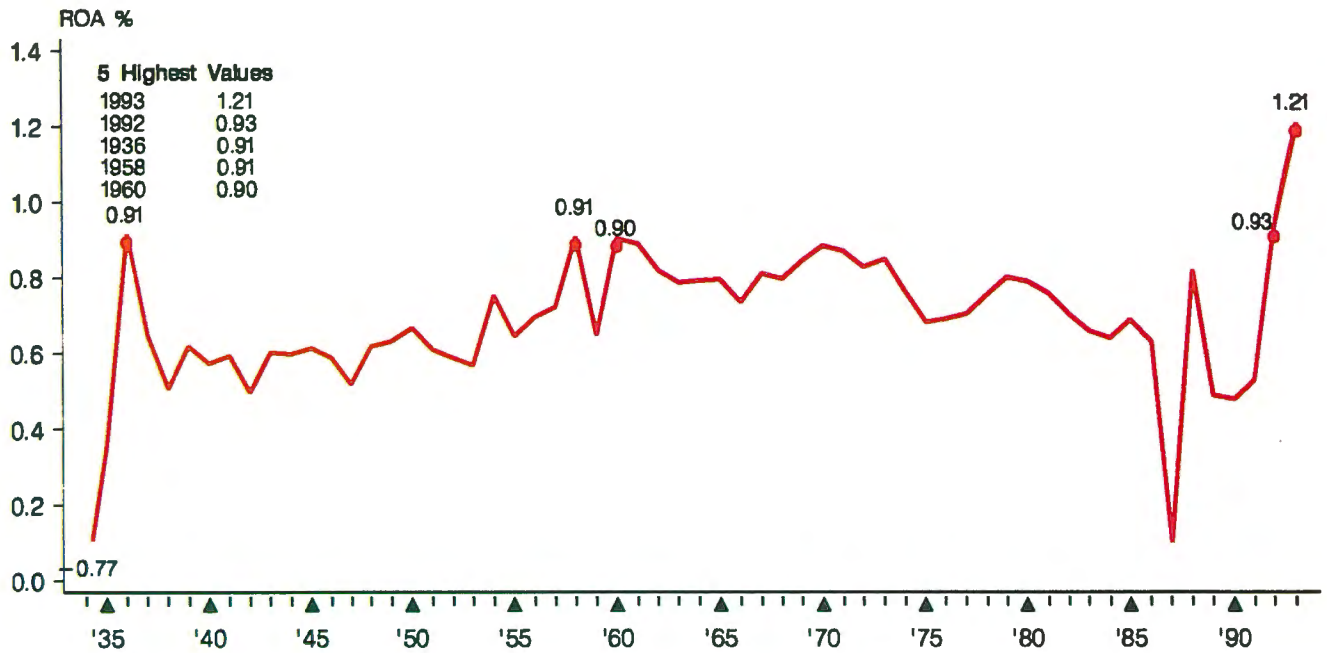
## Quarterly Net Interest Margins

1985 - 1993



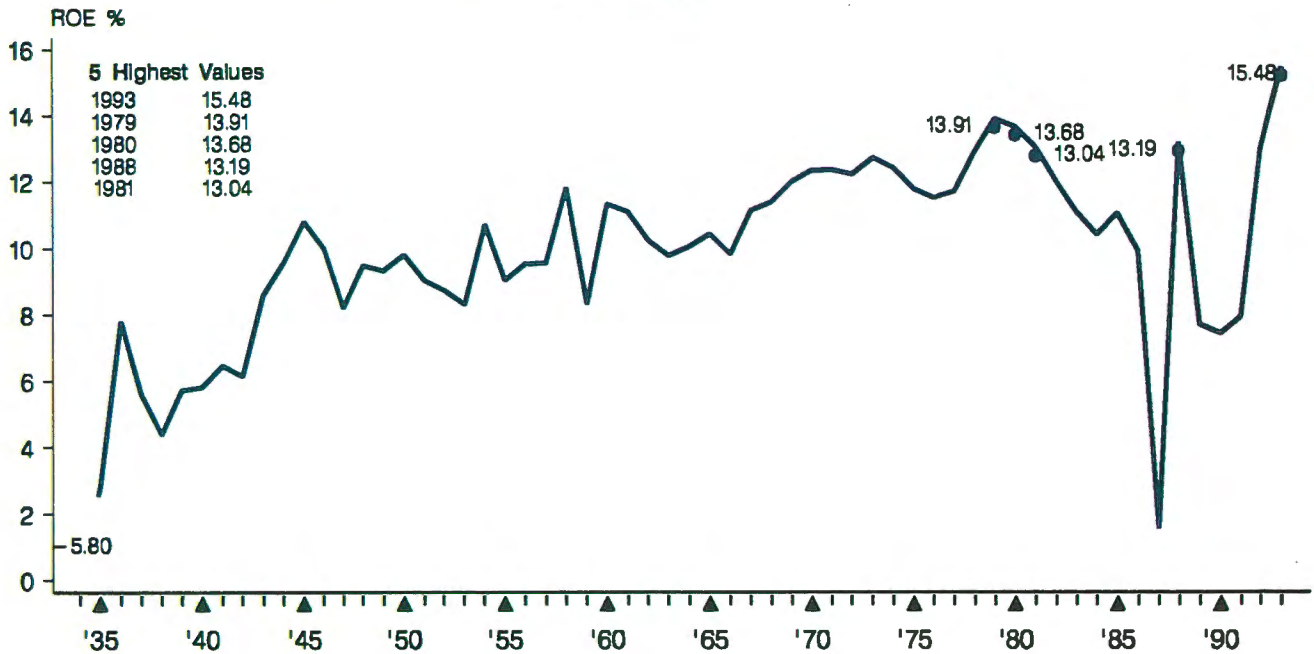
## Annual Return on Assets (ROA)

1934 - 1993



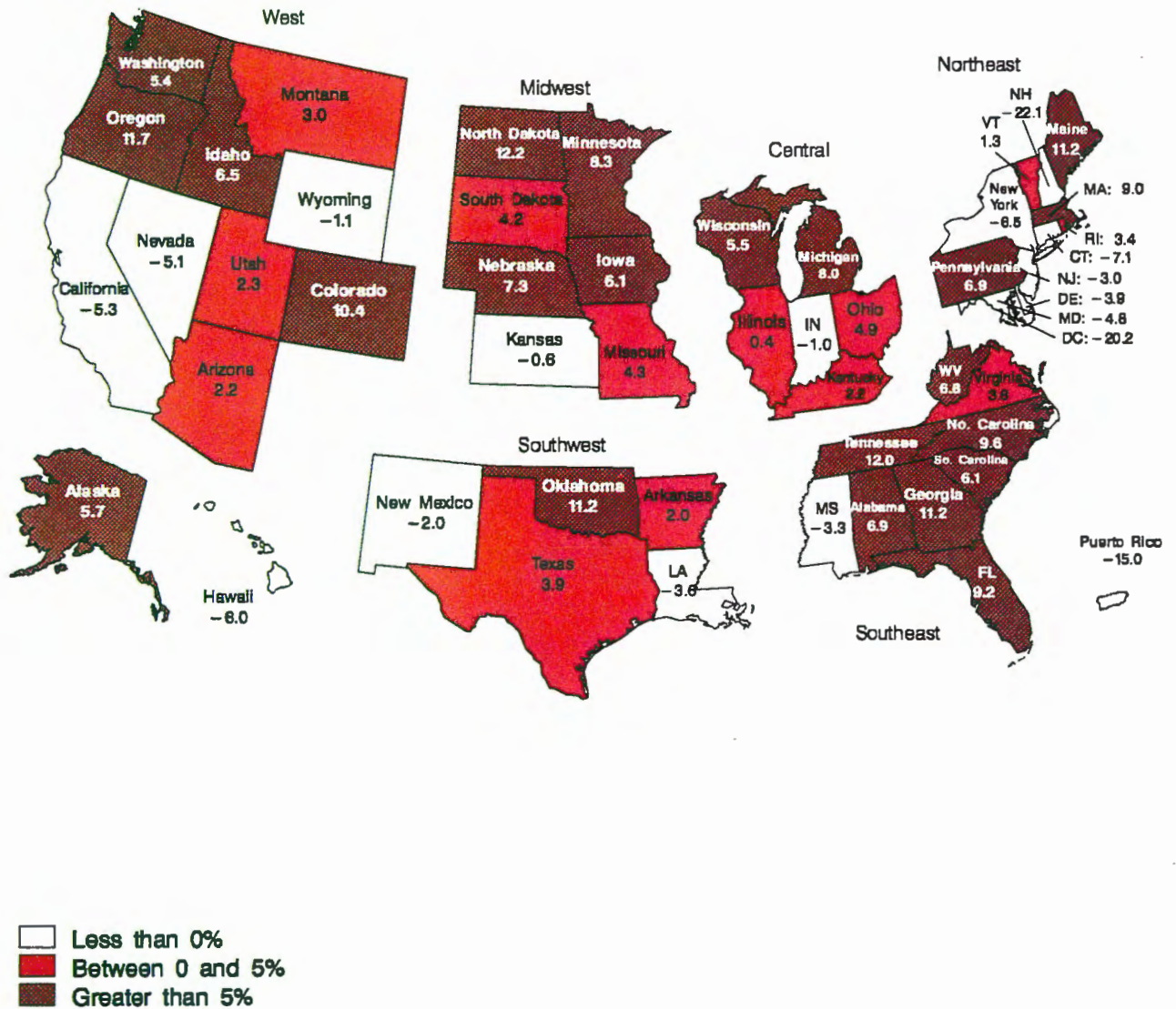
## Annual Return on Equity (ROE)

1934 - 1993



# Commercial and Industrial Loan Growth Rates

## December 31, 1992 – December 31, 1993



## Commercial and Industrial Loan Growth Rates

**December 31, 1993**

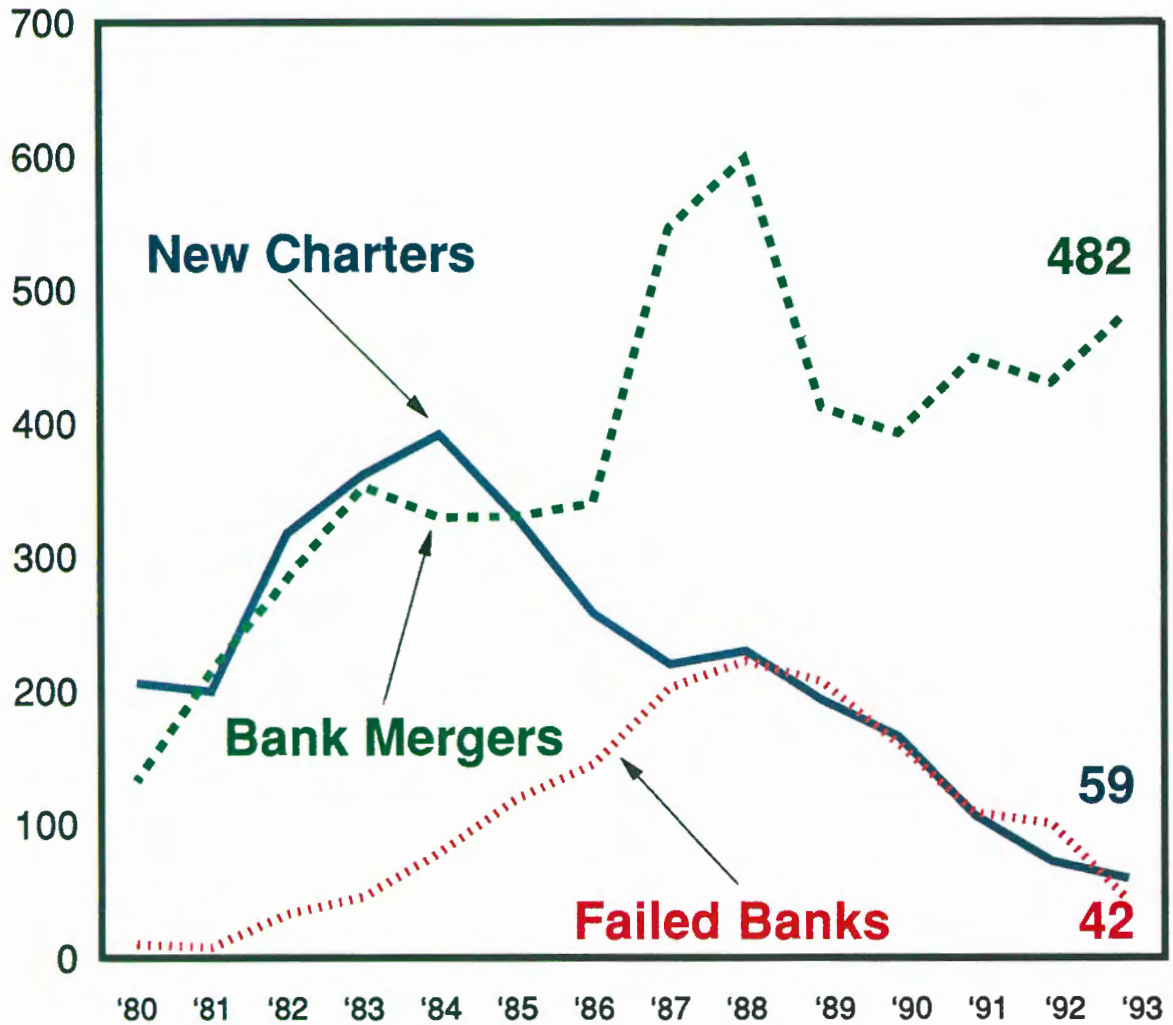
(dollar figures in millions)

		Commercial and Industrial Loans					Total	Total Assets
		Growth Rate 12/31/92 -12/31/93	as a % of Assets	Rank	Percent Noncurrent*	Rank		
1	North Dakota	12.23	10.41	34	1.65	28	\$846	\$8,124
2	Tennessee	11.95	12.84	22	0.80	50	7,319	57,016
3	Oregon	11.72	18.19	5	0.68	51	4,981	27,390
4	Maine	11.21	15.64	14	1.63	29	1,360	8,699
5	Georgia	11.19	16.47	10	1.06	46	14,835	90,074
6	Oklahoma	11.17	11.19	30	2.46	12	3,473	31,039
7	Colorado	10.35	8.43	45	1.36	39	2,901	34,427
8	North Carolina	9.63	16.15	11	0.89	48	16,794	103,972
9	Florida	9.18	8.48	44	1.85	25	12,738	150,192
10	Massachusetts	9.04	21.69	2	1.57	32	21,191	97,718
11	Minnesota	8.30	14.62	16	1.32	40	9,105	62,292
12	Michigan	8.02	19.03	4	1.03	47	20,162	105,957
13	Nebraska	7.33	9.51	39	1.79	26	2,294	24,116
14	Pennsylvania	6.91	17.59	6	1.55	33	33,485	190,393
15	Alabama	6.89	14.46	17	0.88	49	6,782	46,896
16	West Virginia	6.77	8.20	47	2.55	10	1,630	19,881
17	Idaho	6.47	14.41	18	0.57	52	1,576	10,941
18	South Carolina	6.07	10.41	35	1.52	34	2,881	27,690
19	Iowa	6.06	9.11	41	1.90	24	3,528	38,716
20	Alaska	5.72	15.44	15	1.57	31	769	4,979
21	Wisconsin	5.45	15.67	13	1.30	41	8,502	54,244
22	Washington	5.36	19.28	3	1.12	44	7,989	41,435
23	Ohio	4.89	14.30	19	1.44	36	19,008	132,919
24	Missouri	4.25	12.38	23	2.31	16	8,484	68,549
25	South Dakota	4.24	11.28	29	2.10	20	2,163	19,185
26	Texas	3.85	14.06	20	1.07	45	25,866	183,958
27	Virginia	3.59	11.32	28	2.33	14	8,418	74,380
28	Rhode Island	3.40	24.82	1	1.23	43	3,358	13,527
29	Montana	2.98	11.73	26	2.16	18	930	7,931
30	Utah	2.26	10.39	36	1.28	42	1,600	15,399
31	Kentucky	2.20	11.56	27	1.44	35	5,264	45,539
32	Arizona	2.18	7.29	49	2.00	22	2,705	37,104
33	Arkansas	1.98	8.33	46	1.38	38	2,167	26,019
34	Vermont	1.32	10.71	32	3.98	2	625	5,831
35	Illinois	0.41	16.65	8	1.75	27	35,294	211,968
36	Kansas	(0.56)	10.13	37	2.29	17	3,071	30,333
37	Indiana	(0.95)	12.09	24	1.97	23	7,437	61,500
38	Wyoming	(1.05)	9.73	38	2.45	13	501	5,154
39	New Mexico	(2.00)	8.17	48	2.32	15	1,045	12,788
40	New Jersey	(2.98)	12.07	25	3.68	3	12,100	100,286
41	Mississippi	(3.30)	9.37	40	2.11	19	2,288	24,419
42	Louisiana	(3.58)	8.72	42	2.48	11	3,493	40,062
43	Delaware	(3.92)	5.78	51	1.62	30	4,966	85,848
44	Maryland	(4.78)	10.56	33	2.93	5	5,488	51,992
45	Nevada	(5.06)	4.33	52	2.94	4	779	17,999
46	California	(5.34)	16.57	9	2.85	7	54,422	328,533
47	Hawaii	(5.99)	15.80	12	2.07	21	3,517	22,261
48	New York	(6.47)	16.91	7	2.84	8	130,264	770,463
49	Connecticut	(7.11)	13.55	21	2.79	9	4,463	32,929
50	Puerto Rico	(14.97)	10.91	31	2.88	6	2,344	21,486
51	District of Columbia	(20.24)	8.54	43	4.76	1	1,135	13,293
52	New Hampshire	(22.10)	5.97	50	1.39	37	440	7,366
	U.S. and Territories	0.52	14.54		2.04		\$538,952	\$3,705,947

\*Commercial and Industrial loans past due 90 days or more or in nonaccrual status

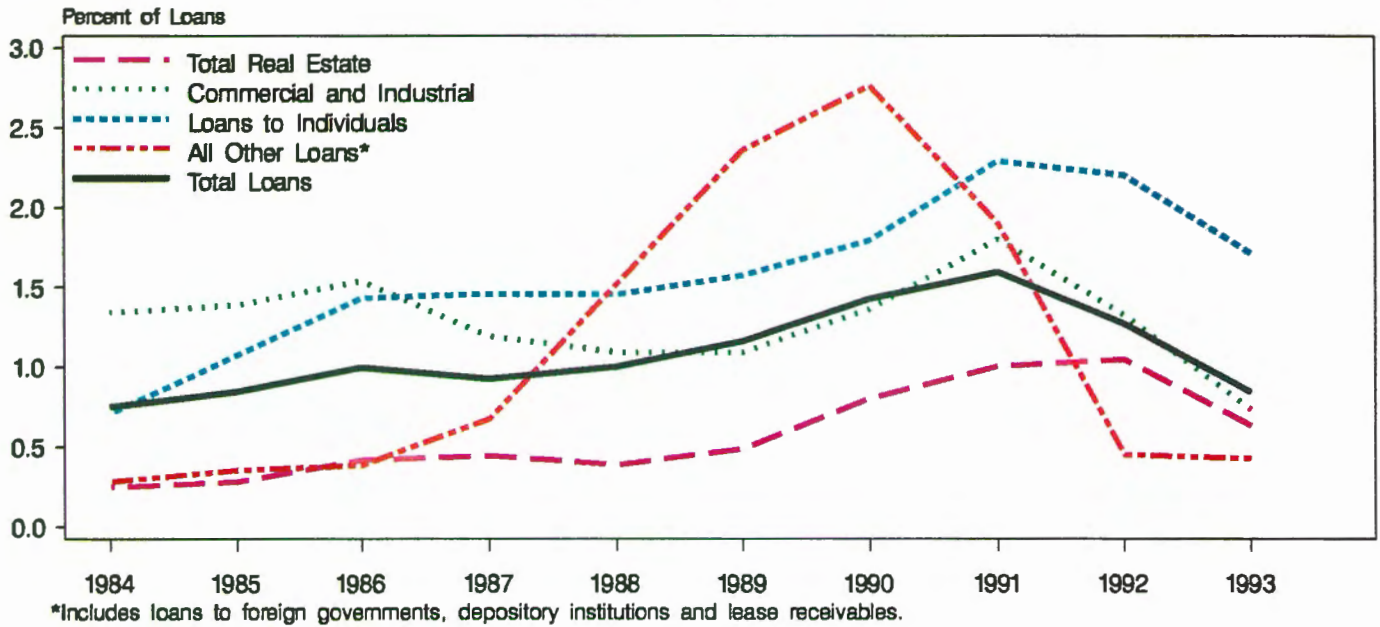


## Structural Changes Among FDIC-Insured Commercial Banks, 1980 - 1993

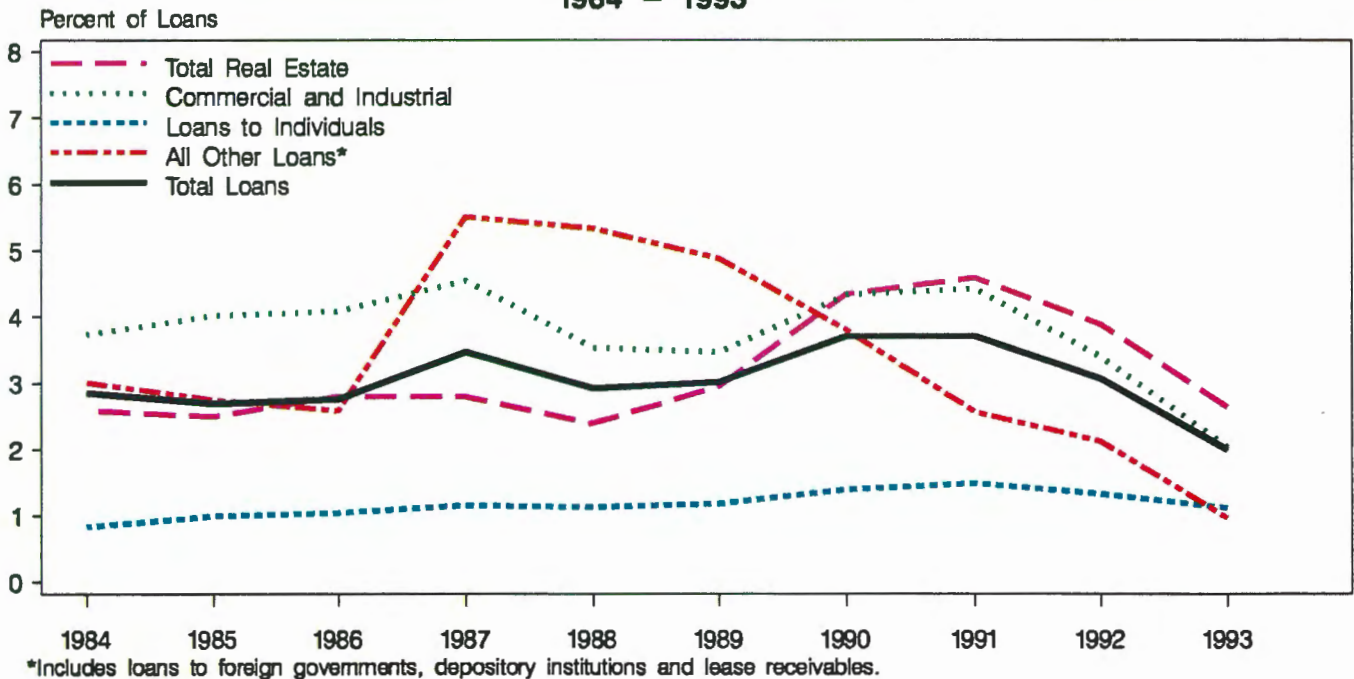


New Charters	205	199	317	361	391	330	257	219	229	192	165	106	72	59
Bank Mergers	132	214	283	352	329	330	339	545	597	411	392	448	429	482
Failed Banks	10	7	32	45	78	118	144	201	221	206	159	108	100	42

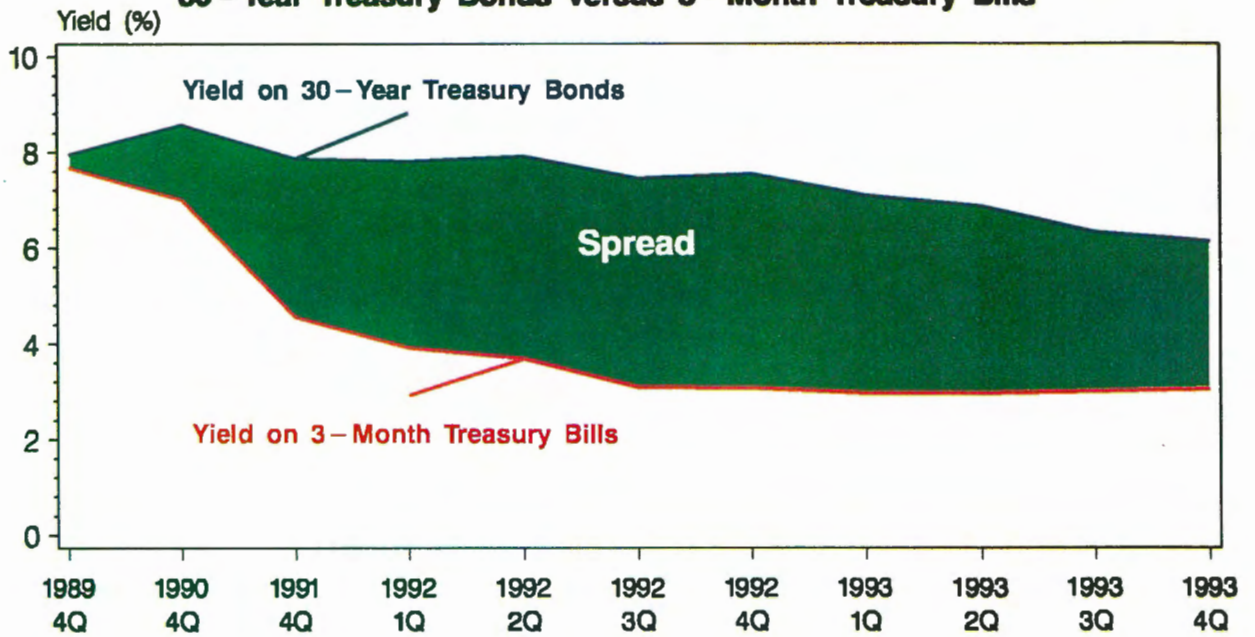
## Annual Net Charge-off Rates on Loans 1984 - 1993



## Noncurrent Loan Rates at Year-end 1984 - 1993



## Spread Between Short-Term and Long-Term Yields 30-Year Treasury Bonds Versus 3-Month Treasury Bills



<b>30-Year Bonds</b>	7.93	8.55	7.85	7.80	7.90	7.44	7.53	7.08	6.86	6.32	6.13
<b>3-Month Bills</b>	7.65	6.99	4.54	3.91	3.68	3.08	3.07	2.96	2.97	3.00	3.06
<b>Spread</b>	0.28	1.56	3.31	3.89	4.22	4.36	4.46	4.12	3.89	3.32	3.07

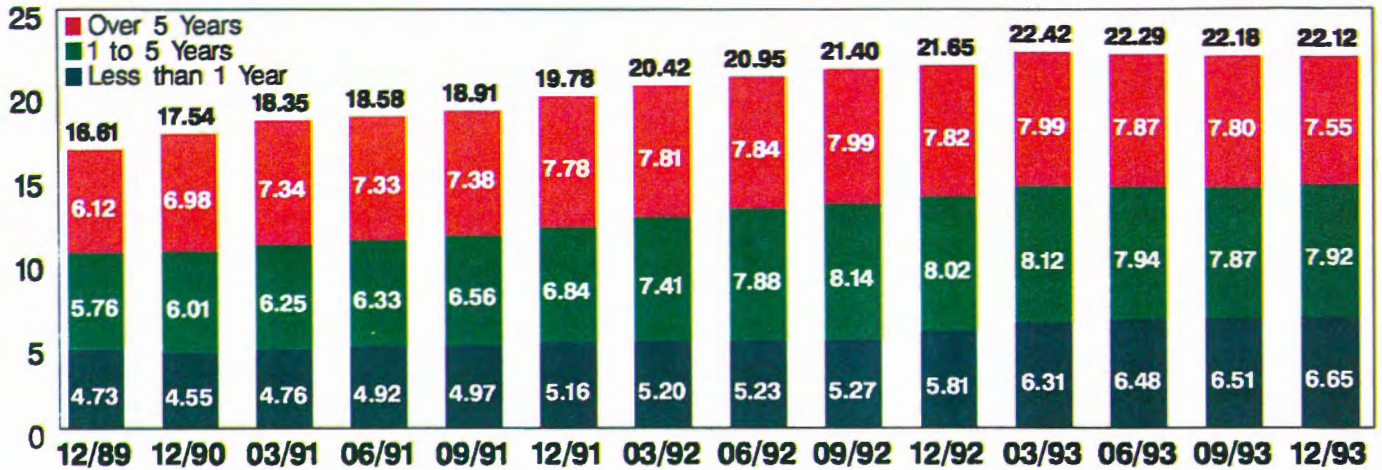
### Quarterly Average Interest Rates

	4th Qtr 1989	4th Qtr 1990	4th Qtr 1991	1st Qtr 1992	2nd Qtr 1992	3rd Qtr 1992	4th Qtr 1992	1st Qtr 1993	2nd Qtr 1993	3rd Qtr 1993	4th Qtr 1993
<b>Fed Funds (effective rate)</b>	8.61	7.74	4.82	4.02	3.77	3.26	3.04	3.04	3.00	3.06	2.99
<b>U.S. Treasury by Maturity:</b>											
3-Month	7.65	6.99	4.54	3.91	3.68	3.08	3.07	2.96	2.97	3.00	3.06
1-Year	7.83	7.30	4.87	4.36	4.22	3.42	3.56	3.41	3.38	3.42	3.53
5-Year	7.84	8.03	6.56	6.59	6.65	5.61	5.91	5.48	5.18	4.95	4.97
30-Year	7.93	8.55	7.85	7.80	7.90	7.44	7.53	7.08	6.86	6.32	6.13
<b>Conventional Home Mortgages (effective rate - new homes)</b>											
	10.09	9.88	8.74	8.55	8.53	7.98	7.95	7.68	7.35	7.07	6.84

Source: Federal Reserve Board and Federal Housing Finance Board.

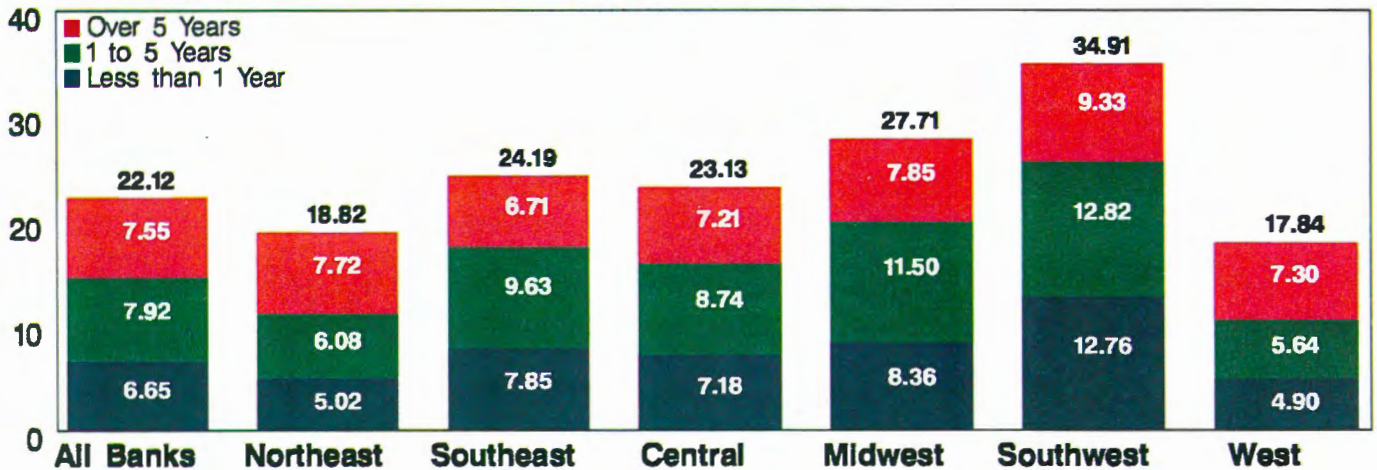
## Debt Securities by Maturity or Repricing Interval . . .

Percent of Total Assets



## . . . and By Region December 31, 1993

Percent of Total Assets



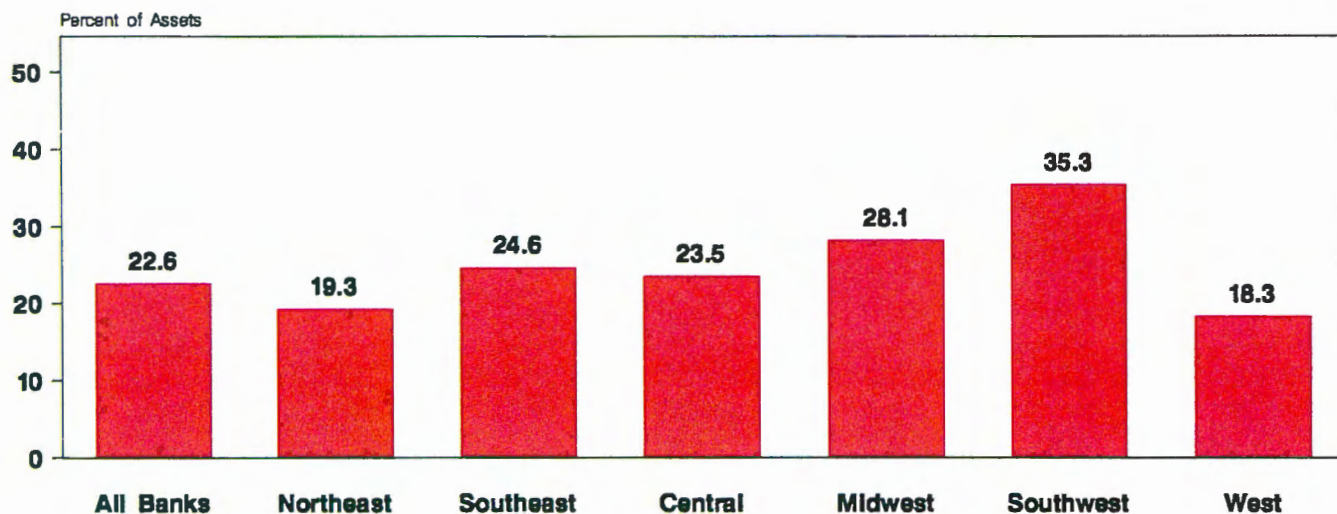
## Investment Securities Appreciation and Gains on Quarterly Sales (\$ Millions)

	Appreciation: Market Value minus Book Value	Appreciation as a Percent of Total Securities	Gains on Quarterly Sales	Yield on 1-Year U.S. Treasury Bond*
12/93 **	11,489	1.37	393	3.63
09/93	21,921	2.67	987	3.39
06/93	21,730	2.68	746	3.45
03/93	22,966	2.86	992	3.32
12/92	16,510	2.14	766	3.61
09/92	26,208	3.45	1,289	3.06
06/92	18,811	2.56	817	4.05
03/92	12,249	1.71	1,112	4.54
12/91	24,492	3.54	1,450	4.12
09/91	15,557	2.35	688	5.42
06/91	5,724	0.90	374	6.32
03/91	7,155	1.14	432	6.28
12/90	4,979	0.82	252	6.82

\* As of the business day closest to the end of the quarter. Source: Federal Reserve Board.

\*\* Figures reflect partial implementation of FASB 115

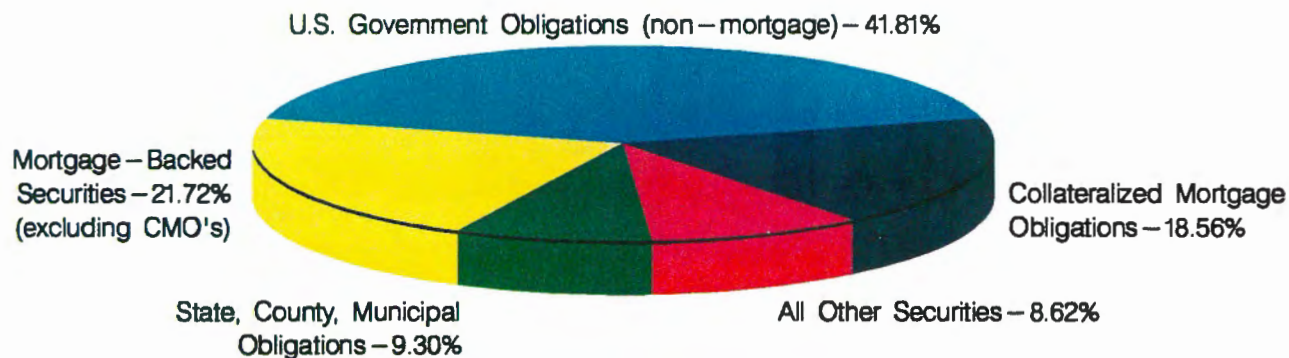
## Investment Securities as a Percent of Assets December 31, 1993



### Investment Securities (dollar amounts in billions)

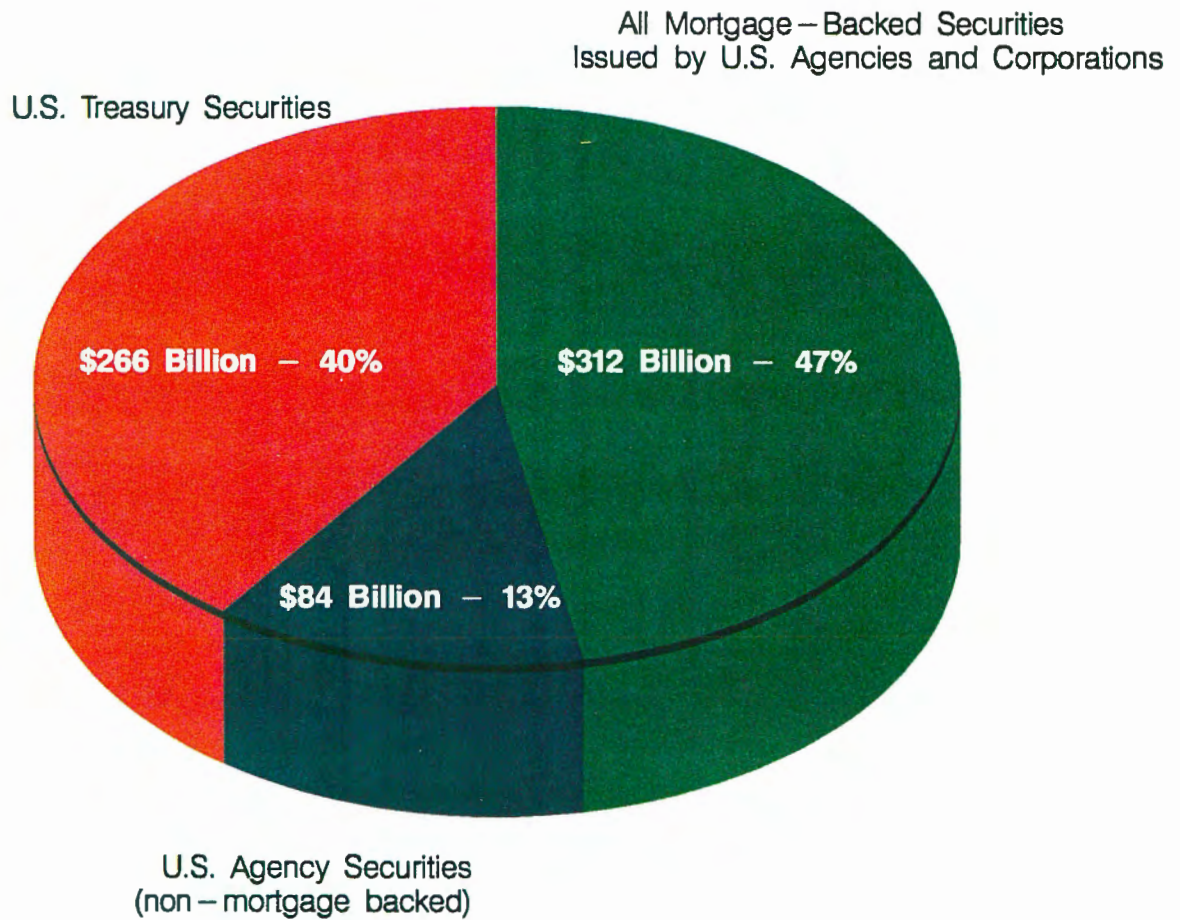
	12/91	03/92	06/92	09/92	12/92	03/93	06/93	09/93	12/93
U.S. Government Obligations (non-mortgage)	\$272	\$292	\$306	\$317	\$327	\$338	\$335	\$340	\$350
Mortgage-Backed Securities (excluding CMO's)	159	160	159	158	161	171	176	178	182
Collateralized Mortgage Obligations	119	125	131	144	145	153	159	160	155
State, County, Municipal Obligations	73	72	71	72	72	72	73	76	78
All Other Securities	69	66	67	68	68	69	67	66	72
Total Investment Securities	691	715	734	759	773	802	810	821	837
Securities as a Percent of Assets	20.15%	20.82%	21.34%	21.80%	22.05%	22.84%	22.69%	22.61%	22.57%

### Investment Securities December 31, 1993

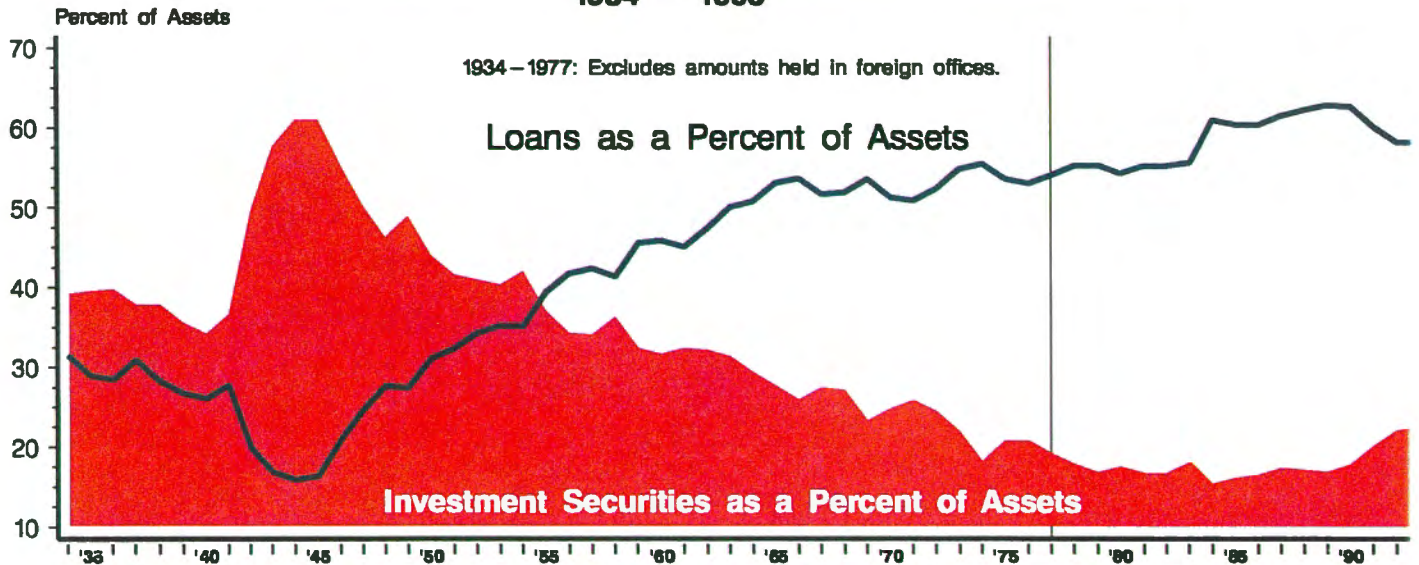


# Composition of U.S. Treasury Securities and U.S. Agency Securities

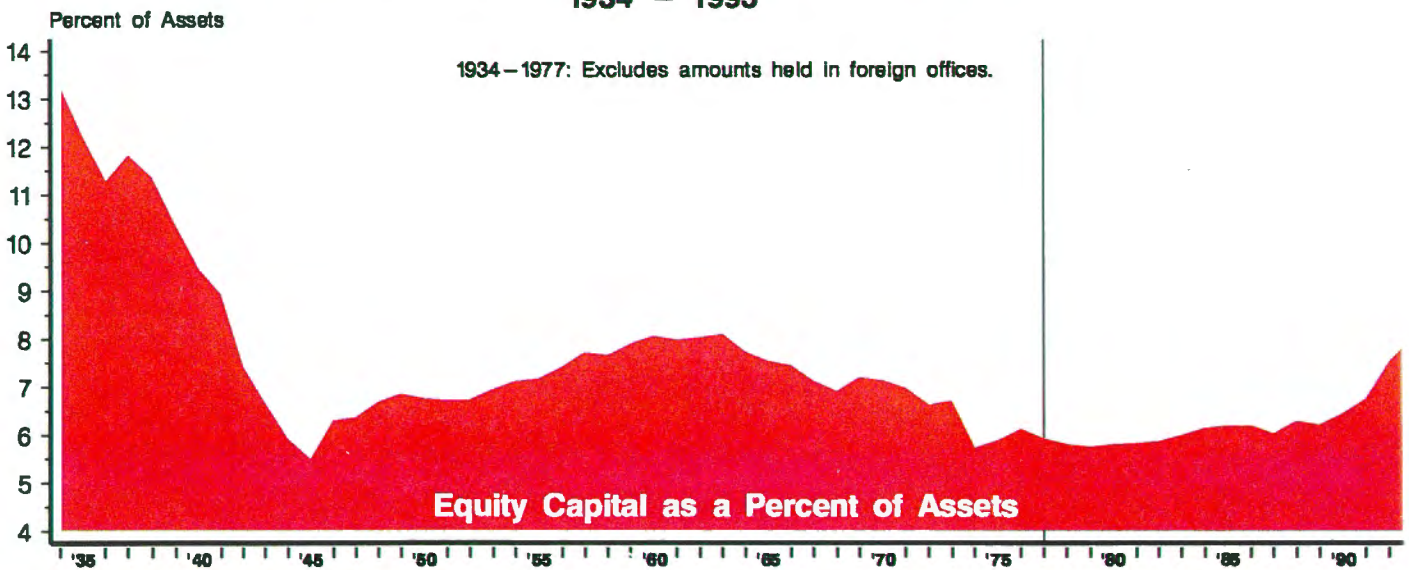
December 31, 1993



## Loans and Investment Securities as a Percent of Assets 1934 - 1993



## Equity Capital as a Percent of Assets 1934 - 1993



## Loans, Investment Securities and Equity Capital

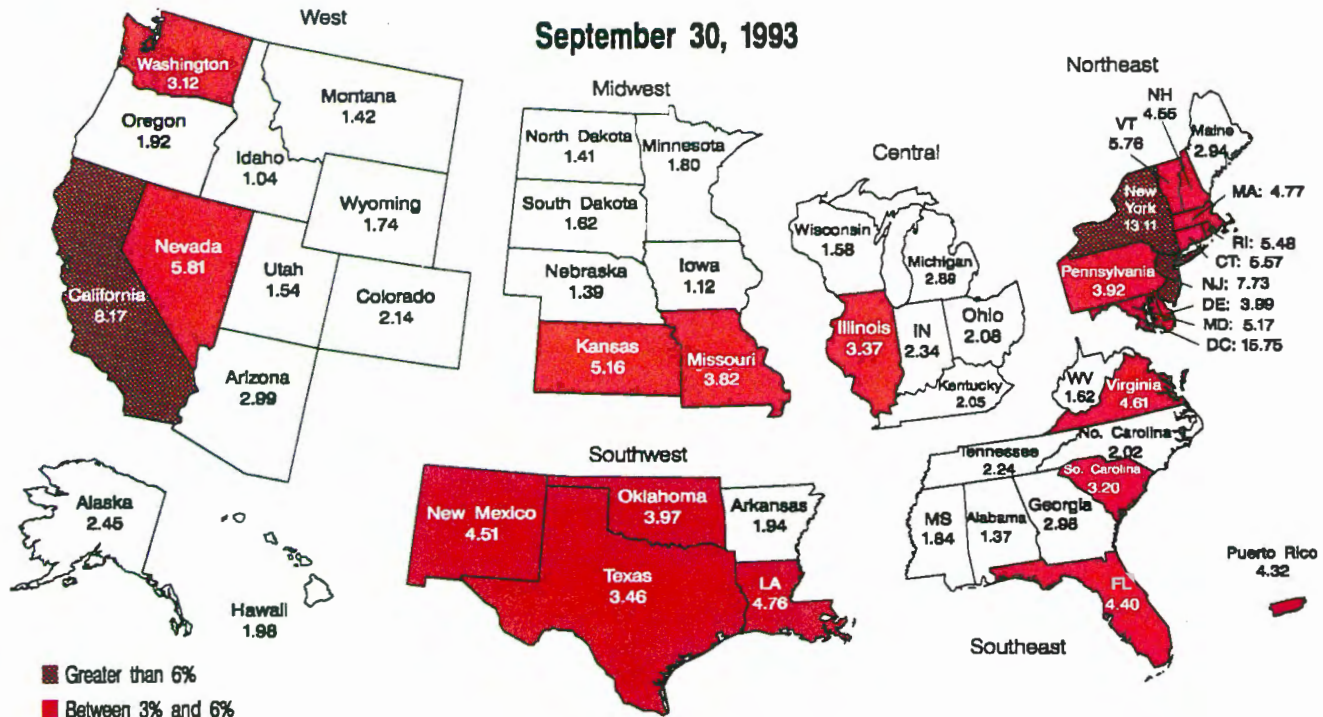
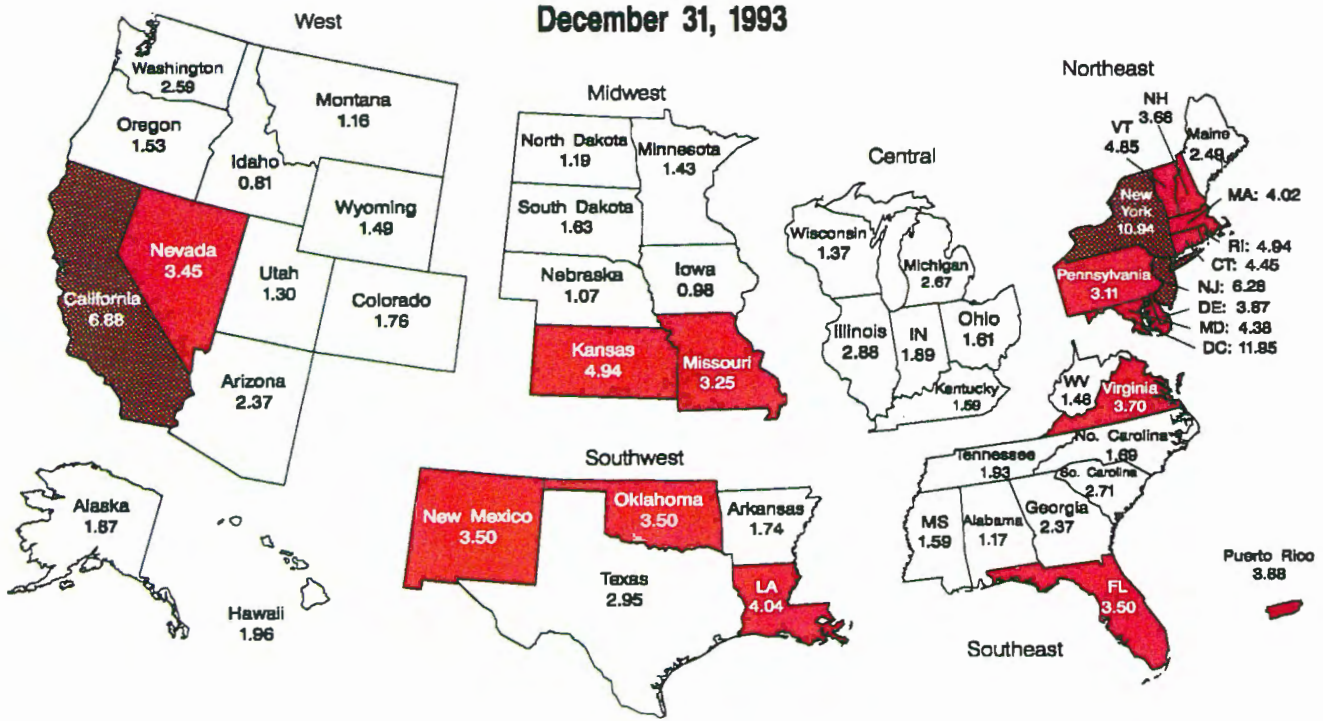
December 31, 1934 - December 31, 1993

(dollar figures in millions)

Year End	Number of Institutions	Investment Securities	Total Loans & Leases	Total Assets	Equity Capital	as a Percent of Total Assets		
						Securities	Loans	Equity
1993	10,957	836,562	2,149,815	3,705,947	296,822	22.6	58.0	8.01
1992	11,462	772,875	2,031,858	3,505,522	263,419	22.0	58.0	7.51
1991	11,921	691,384	2,052,724	3,430,609	231,701	20.2	59.8	6.75
1990	12,343	604,622	2,110,164	3,389,465	218,617	17.8	62.3	6.45
1989	12,709	558,639	2,058,195	3,299,363	204,823	16.9	62.4	6.21
1988	13,123	535,995	1,932,376	3,130,796	196,545	17.1	61.7	6.28
1987	13,703	520,713	1,829,174	2,999,949	180,651	17.4	61.0	6.02
1986	14,199	484,865	1,756,438	2,940,699	182,144	16.5	59.7	6.19
1985	14,407	439,407	1,630,790	2,730,672	169,118	16.1	59.7	6.19
1984	14,483	385,549	1,508,601	2,508,871	154,103	15.4	60.1	6.14
1983	14,460	424,198	1,316,854	2,341,955	140,459	18.1	56.2	6.00
1982	14,446	367,008	1,224,405	2,193,867	128,698	16.7	55.8	5.87
1981	14,408	339,674	1,131,312	2,029,151	118,241	16.7	55.8	5.83
1980	14,435	325,015	1,016,476	1,855,695	107,599	17.5	54.8	5.80
1979	14,364	284,146	944,809	1,692,080	97,242	16.8	55.8	5.75
1978	14,391	269,290	840,972	1,508,331	87,418	17.9	55.8	5.80
1977	14,412	257,261	729,723	1,339,392	79,280	19.2	54.5	5.92
1976	14,411	246,132	633,031	1,182,390	72,248	20.8	53.5	6.11
1975	14,384	225,639	590,111	1,086,409	63,854	20.8	54.3	5.88
1974	14,228	188,807	583,871	1,037,338	59,221	18.2	56.3	5.71
1973	13,976	179,401	455,197	820,515	54,957	21.9	55.5	6.70
1972	13,733	178,459	388,902	730,903	48,387	24.4	53.2	6.62
1971	13,612	163,681	328,226	633,573	44,062	25.8	51.8	6.96
1970	13,511	141,370	298,190	570,167	40,590	24.8	52.3	7.12
1969	13,473	122,019	286,752	524,665	37,687	23.3	54.7	7.18
1968	13,488	135,242	264,671	500,238	34,518	27.0	52.9	6.90
1967	13,517	123,264	237,518	450,713	32,022	27.3	52.7	7.11
1966	13,541	104,286	220,332	402,946	29,963	25.9	54.7	7.44
1965	13,547	103,651	203,061	375,394	28,252	27.6	54.1	7.53
1964	13,493	100,960	178,649	345,130	26,627	29.3	51.8	7.72
1963	13,291	97,472	158,928	311,790	25,193	31.3	51.0	8.08
1962	13,124	94,912	142,718	295,983	23,732	32.1	48.2	8.02
1961	13,115	89,662	127,414	277,374	22,101	32.3	45.9	7.97
1960	13,126	81,020	119,878	256,322	20,635	31.6	46.8	8.05
1959	13,114	78,582	112,867	243,422	19,206	32.3	46.4	7.89
1958	13,124	86,056	100,087	237,474	18,164	36.2	42.1	7.65
1957	13,165	75,330	95,577	221,534	17,059	34.0	43.1	7.70
1956	13,218	73,947	91,705	216,146	15,992	34.2	42.4	7.40
1955	13,237	77,240	83,628	209,145	14,980	36.9	40.0	7.16
1954	13,323	84,142	71,412	200,589	14,255	41.9	35.6	7.11
1953	13,432	76,851	68,227	191,062	13,243	40.2	35.7	6.93
1952	13,439	76,280	64,728	186,682	12,560	40.9	34.7	6.73
1951	13,455	73,673	58,184	177,449	11,905	41.5	32.8	6.71
1950	13,446	73,198	52,482	166,792	11,261	43.9	31.5	6.75
1949	13,436	75,824	43,047	155,319	10,628	48.8	27.7	6.84
1948	13,419	70,339	42,388	152,163	10,139	46.2	27.9	6.66
1947	13,403	76,712	37,592	152,773	9,707	50.2	24.6	6.35
1946	13,359	81,469	30,740	147,365	9,254	55.3	20.9	6.28
1945	13,302	96,066	25,769	157,582	8,631	61.0	16.4	5.48
1944	13,268	82,053	21,355	134,613	7,944	61.0	15.9	5.90
1943	13,274	64,678	18,843	112,246	7,454	57.6	16.8	6.64
1942	13,347	47,344	18,907	95,459	7,056	49.6	19.8	7.39
1941	13,427	28,032	21,262	76,827	6,842	36.5	27.7	8.91
1940	13,438	24,163	18,398	70,720	6,673	34.2	26.0	9.44
1939	13,534	22,428	16,866	63,147	6,524	35.5	26.7	10.33
1938	13,657	21,451	16,024	56,800	6,435	37.8	28.2	11.33
1937	13,795	20,476	16,750	54,212	6,404	37.8	30.9	11.81
1936	13,969	22,307	15,965	56,210	6,329	39.7	28.4	11.26
1935	14,123	20,116	14,719	50,926	6,210	39.5	28.9	12.20
1934	14,137	18,172	14,614	46,448	6,152	39.1	31.5	13.24



# Troubled Real Estate Asset Rates\*



- Greater than 6%
- Between 3% and 6%
- Less than 3%

\* Noncurrent real estate loans plus other real estate owned as a percent of total real estate loans plus OREO.

## Troubled Real Estate Asset Growth Rates

December 31, 1993

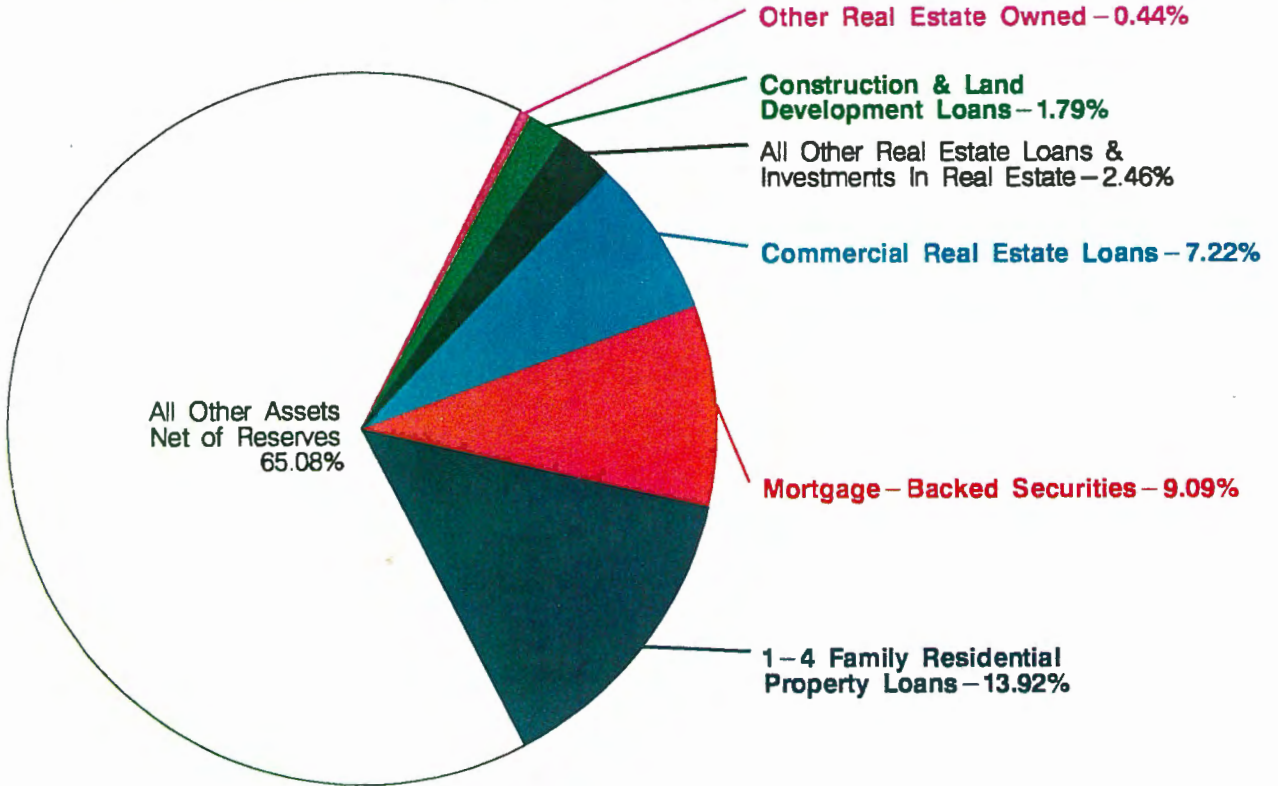
(dollar figures in millions)

		Troubled Real Estate Assets*			Real Estate Loans			Total Assets
		Growth Rate 9/30/93 - 12/31/93	Percent of RE Loans Plus OREO	Rank	as a % of Assets	Rank	Total	
1	South Dakota	3.95	1.63	37	9.24	51	\$1,772	\$19,185
2	Hawaii	1.52	1.96	30	36.14	4	8,045	22,261
3	Kansas	(2.39)	4.94	6	22.48	39	6,820	30,333
4	Delaware	(3.97)	3.87	13	5.29	52	4,537	85,848
5	Michigan	(6.57)	2.67	25	27.28	30	28,907	105,957
6	Puerto Rico	(6.86)	3.88	12	24.47	34	5,257	21,486
7	West Virginia	(7.19)	1.46	43	33.15	10	6,590	19,881
8	Tennessee	(7.33)	1.93	31	30.98	18	17,665	57,016
9	Arkansas	(7.45)	1.74	35	28.91	22	7,521	26,019
10	Oklahoma	(8.43)	3.50	17	21.44	43	6,655	31,039
11	Alabama	(10.36)	1.17	48	34.09	7	15,984	46,896
12	Iowa	(10.90)	0.98	51	24.00	36	9,290	38,716
13	Wisconsin	(10.95)	1.37	45	32.18	13	17,456	54,244
14	Mississippi	(11.68)	1.59	39	28.07	26	6,855	24,419
15	Pennsylvania	(11.94)	3.11	21	28.89	23	55,007	190,393
16	Utah	(12.34)	1.30	46	26.72	32	4,115	15,399
17	Wyoming	(12.42)	1.49	42	22.08	40	1,138	5,154
18	North Carolina	(12.93)	1.69	36	29.29	20	30,457	103,972
19	Louisiana	(12.96)	4.04	10	21.20	44	8,495	40,062
20	Rhode Island	(13.12)	4.94	5	31.77	15	4,298	13,527
21	Texas	(13.47)	2.95	22	20.66	48	37,999	183,958
22	South Carolina	(13.70)	2.71	24	36.18	3	10,018	27,690
23	North Dakota	(14.29)	1.19	47	21.55	42	1,751	8,124
24	Illinois	(14.37)	2.88	23	21.07	46	44,659	211,968
25	Missouri	(14.72)	3.25	20	28.73	24	19,696	68,549
26	Vermont	(15.04)	4.85	7	50.47	1	2,943	5,831
27	Colorado	(15.47)	1.76	34	23.66	37	8,145	34,427
28	New York	(15.80)	10.94	2	13.61	50	104,831	770,463
29	Maine	(15.88)	2.49	27	35.00	5	3,045	8,699
30	Indiana	(16.06)	1.89	32	31.19	17	19,182	61,500
31	Washington	(16.25)	2.59	26	32.65	12	13,528	41,435
32	Oregon	(16.48)	1.53	41	29.09	21	7,967	27,390
33	California	(16.54)	6.88	3	34.99	6	114,943	328,533
34	Montana	(16.68)	1.16	49	21.19	45	1,681	7,931
35	Maryland	(16.88)	4.38	9	31.56	16	16,409	51,992
36	Massachusetts	(17.10)	4.02	11	24.05	35	23,497	97,718
37	Virginia	(17.45)	3.70	14	28.29	25	21,043	74,380
38	Arizona	(17.76)	2.37	28	22.02	41	8,171	37,104
39	Nebraska	(17.95)	1.07	50	20.87	47	5,032	24,116
40	New Jersey	(18.14)	6.28	4	33.89	8	33,988	100,286
41	Idaho	(18.56)	0.81	52	23.17	38	2,535	10,941
42	Connecticut	(18.57)	4.45	8	33.10	11	10,899	32,929
43	Florida	(18.75)	3.50	16	37.75	2	56,692	150,192
44	District of Columbia	(18.89)	11.95	1	27.44	29	3,648	13,293
45	Kentucky	(20.11)	1.59	40	32.12	14	14,628	45,539
46	Ohio	(20.14)	1.61	38	26.74	31	35,537	132,919
47	Minnesota	(20.36)	1.43	44	29.66	19	18,473	62,292
48	Georgia	(21.00)	2.37	29	27.54	28	24,810	90,074
49	New Hampshire	(21.98)	3.66	15	33.77	9	2,488	7,366
50	New Mexico	(22.76)	3.50	18	28.02	27	3,584	12,788
51	Alaska	(22.78)	1.87	33	26.68	33	1,328	4,979
52	Nevada	(37.79)	3.45	19	14.03	49	2,526	17,999
	U.S. and Territories	(15.71)	4.34		24.90		\$922,643	\$3,705,947

\*Real estate loans past due 90 days or more, plus real estate loans in nonaccrual status, plus other real estate owned.

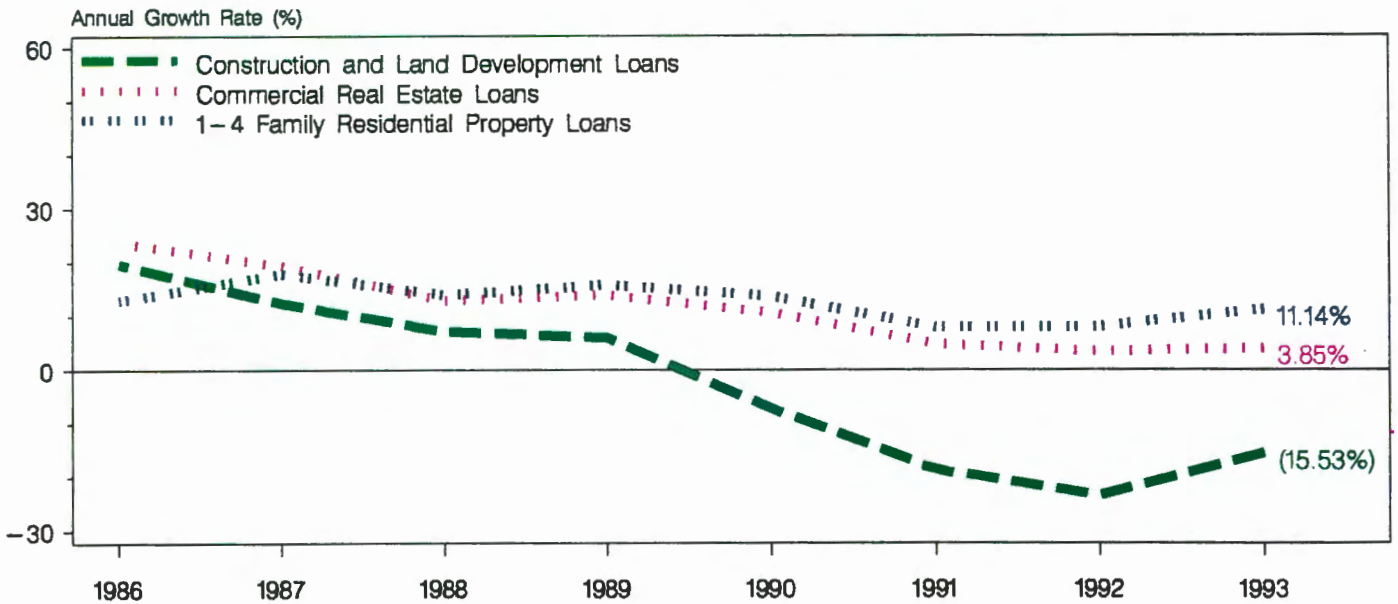
# Real Estate Assets as a Percent of Total Assets

December 31, 1993



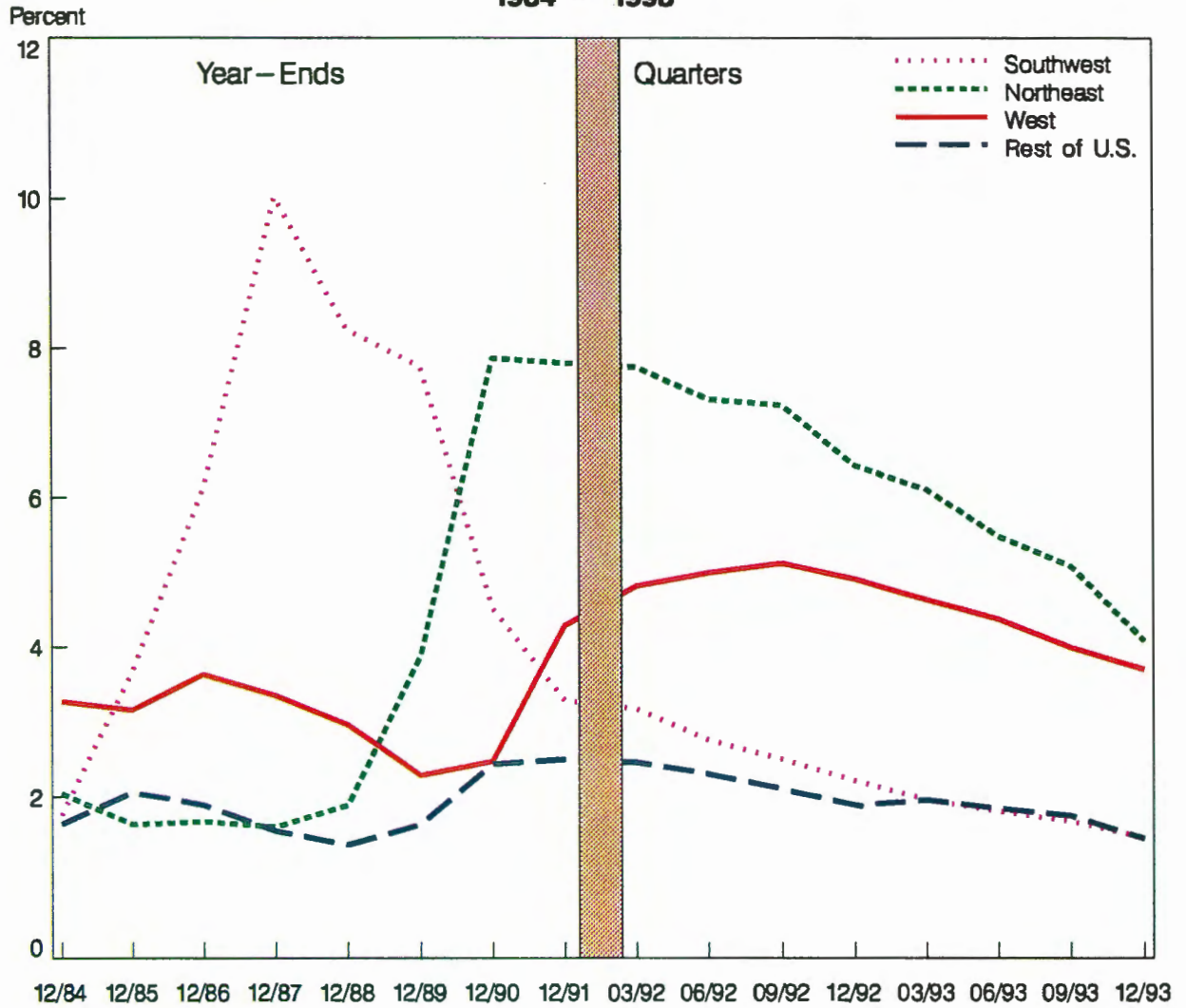
# Real Estate Loan Growth Rates

1986 - 1993



# Noncurrent Real Estate Loan Rates\*

1984 - 1993

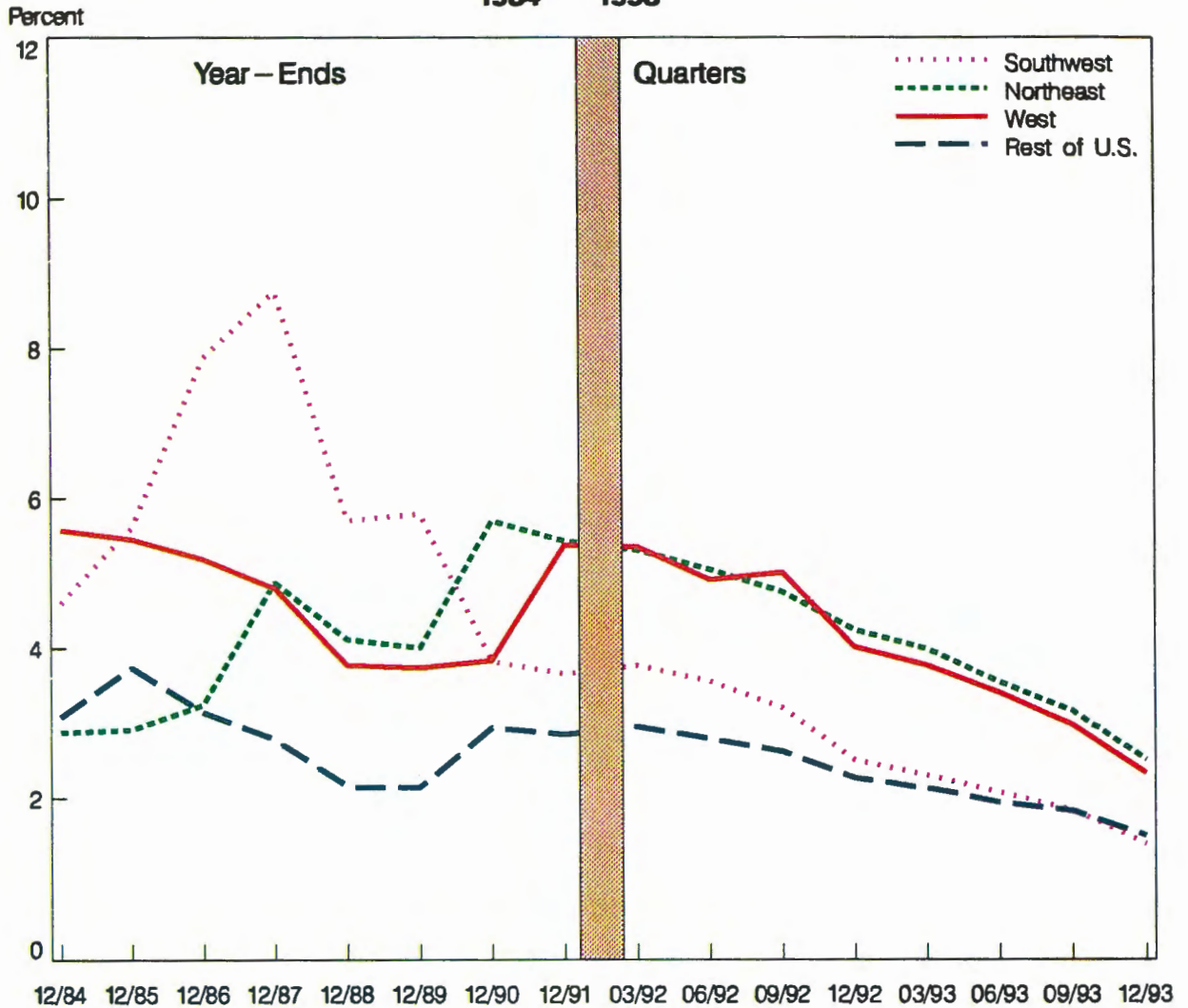


<b>Southwest</b>	1.74	3.67	6.11	10.01	8.23	7.74	4.51	3.28	3.17	2.76	2.50	2.22	1.97	1.81	1.68	1.46
<b>Northeast</b>	2.04	1.63	1.67	1.60	1.89	3.89	7.86	7.80	7.74	7.31	7.23	6.43	6.10	5.48	5.09	4.09
<b>West</b>	3.27	3.15	3.63	3.35	2.96	2.28	2.47	4.28	4.81	4.99	5.12	4.91	4.64	4.38	4.00	3.71
<b>Rest of U.S.</b>	1.63	2.06	1.89	1.54	1.35	1.63	2.44	2.50	2.46	2.31	2.11	1.89	1.96	1.85	1.75	1.44
<b>Total U.S.</b>	2.12	2.41	2.70	2.79	2.38	2.94	4.33	4.58	4.63	4.43	4.30	3.88	3.73	3.40	3.15	2.65

\*Loans secured by real estate past due 90 days or more or in nonaccrual status as a percent of total real estate loans.

# Noncurrent Commercial and Industrial Loan Rates\*

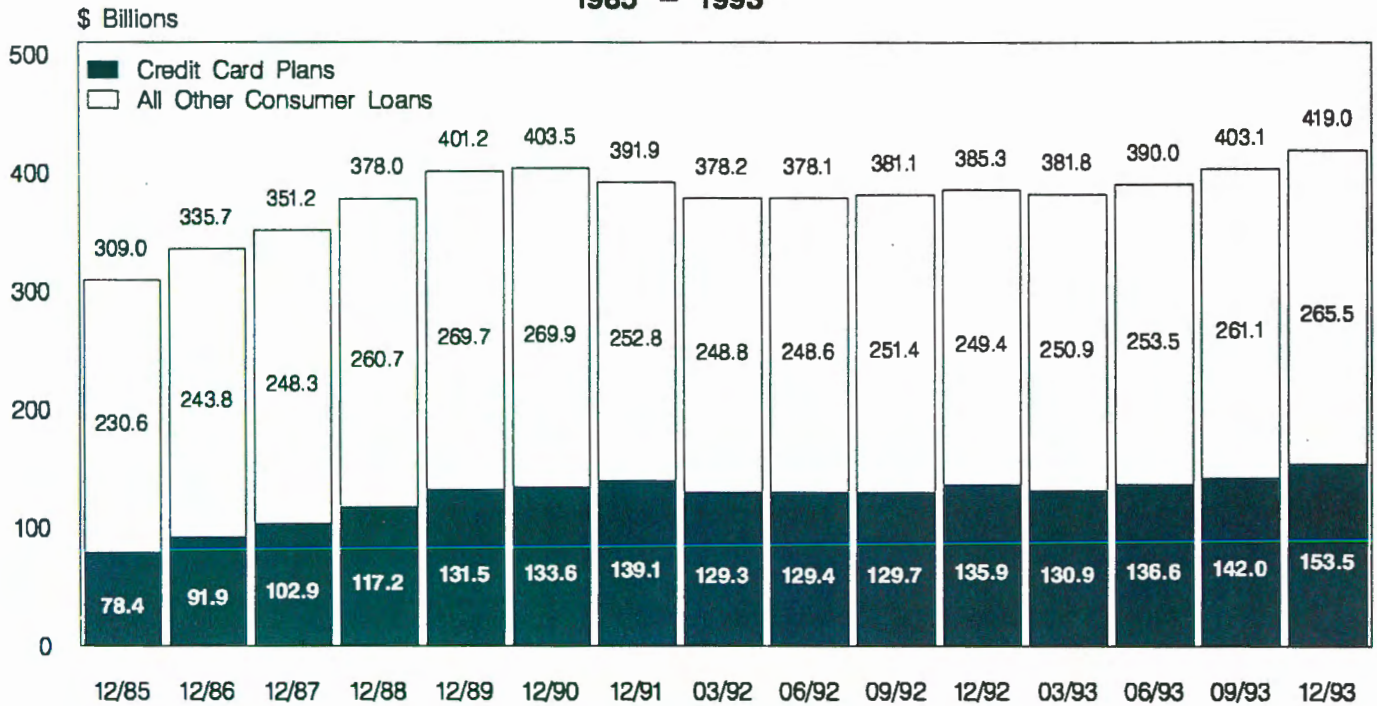
1984 - 1993



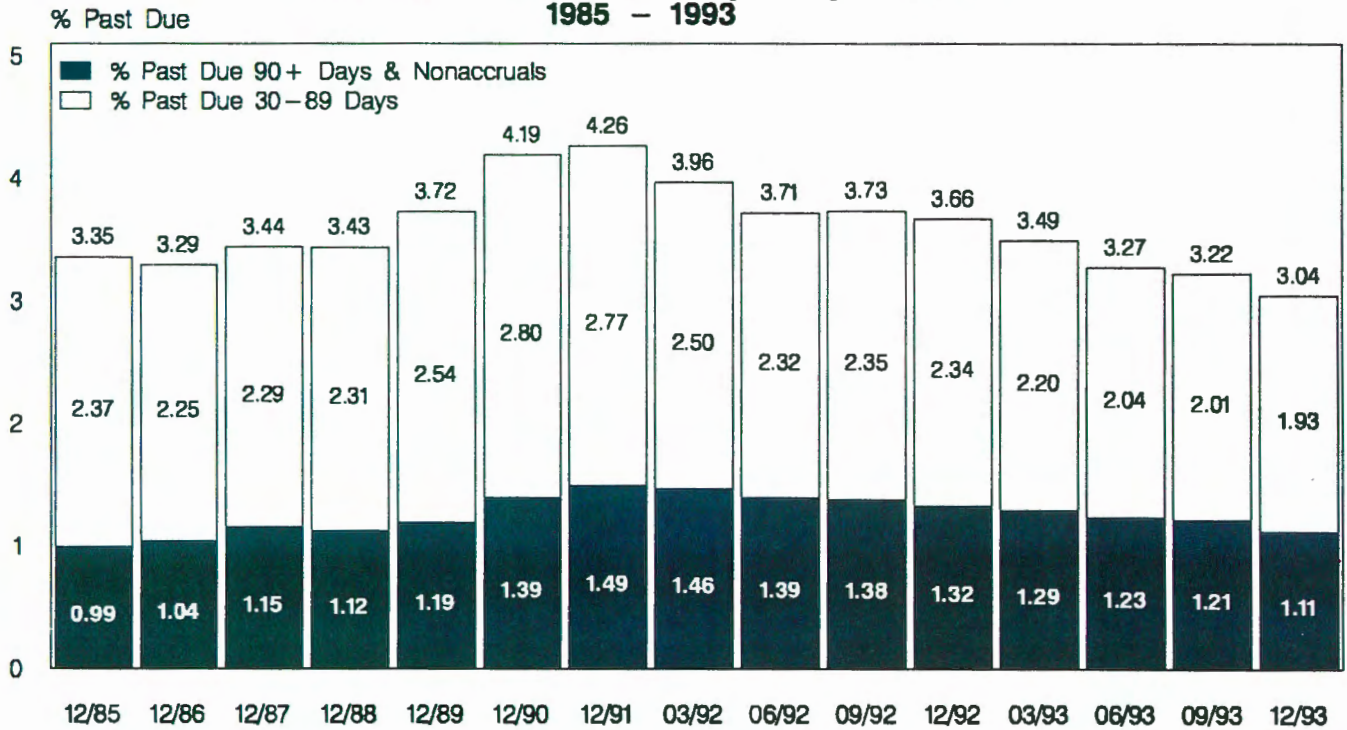
<b>Southwest</b>	4.59	5.60	7.86	8.75	5.69	5.78	3.81	3.65	3.77	3.56	3.20	2.51	2.31	2.08	1.85	1.40
<b>Northeast</b>	2.87	2.91	3.24	4.87	4.11	4.00	5.69	5.43	5.31	5.05	4.75	4.24	3.99	3.55	3.16	2.52
<b>West</b>	5.56	5.44	5.18	4.79	3.76	3.73	3.83	5.37	5.34	4.91	5.01	4.02	3.77	3.41	2.98	2.34
<b>Rest of U.S.</b>	3.07	3.73	3.14	2.78	2.15	2.15	2.93	2.85	2.95	2.79	2.62	2.26	2.14	1.95	1.83	1.50
<b>Total U.S.</b>	3.68	4.02	4.08	4.54	3.54	3.47	4.32	4.42	4.40	4.15	3.95	3.40	3.18	2.85	2.56	2.04

\*Commercial and industrial loans past due 90 days or more or in nonaccrual status as a percent of total commercial and industrial loans.

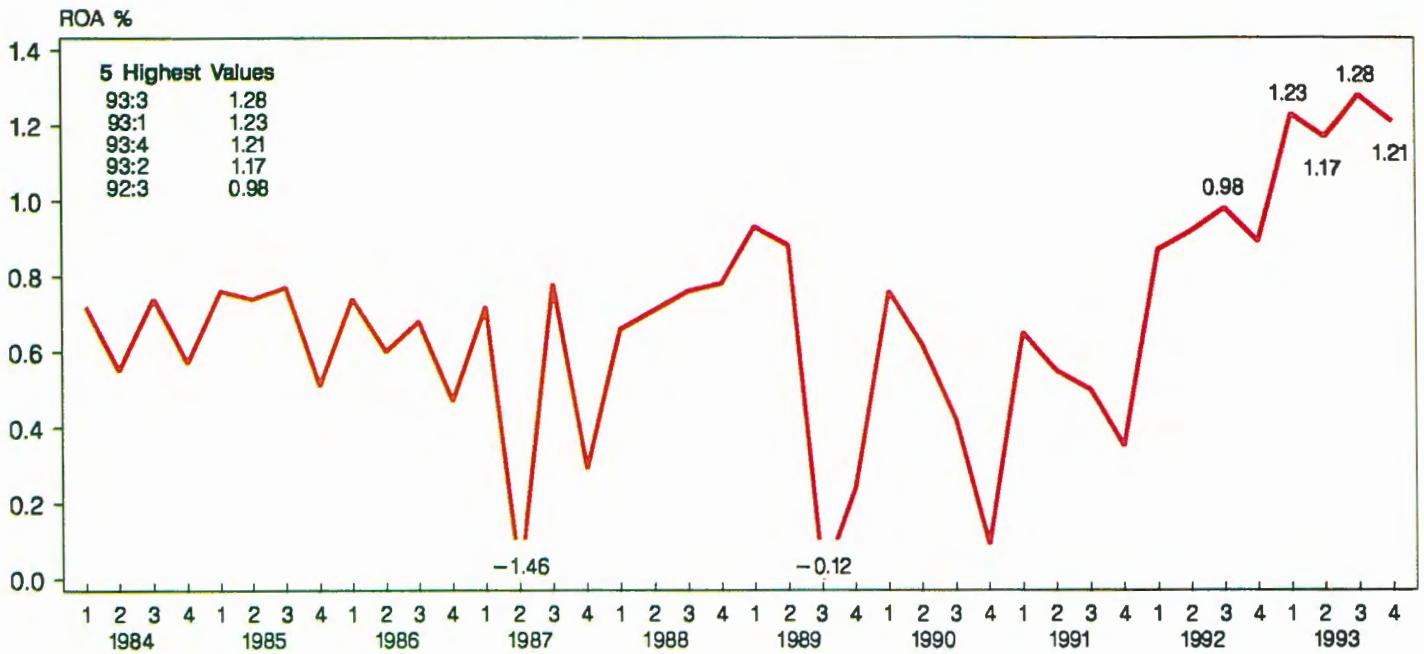
## Consumer Loans 1985 - 1993



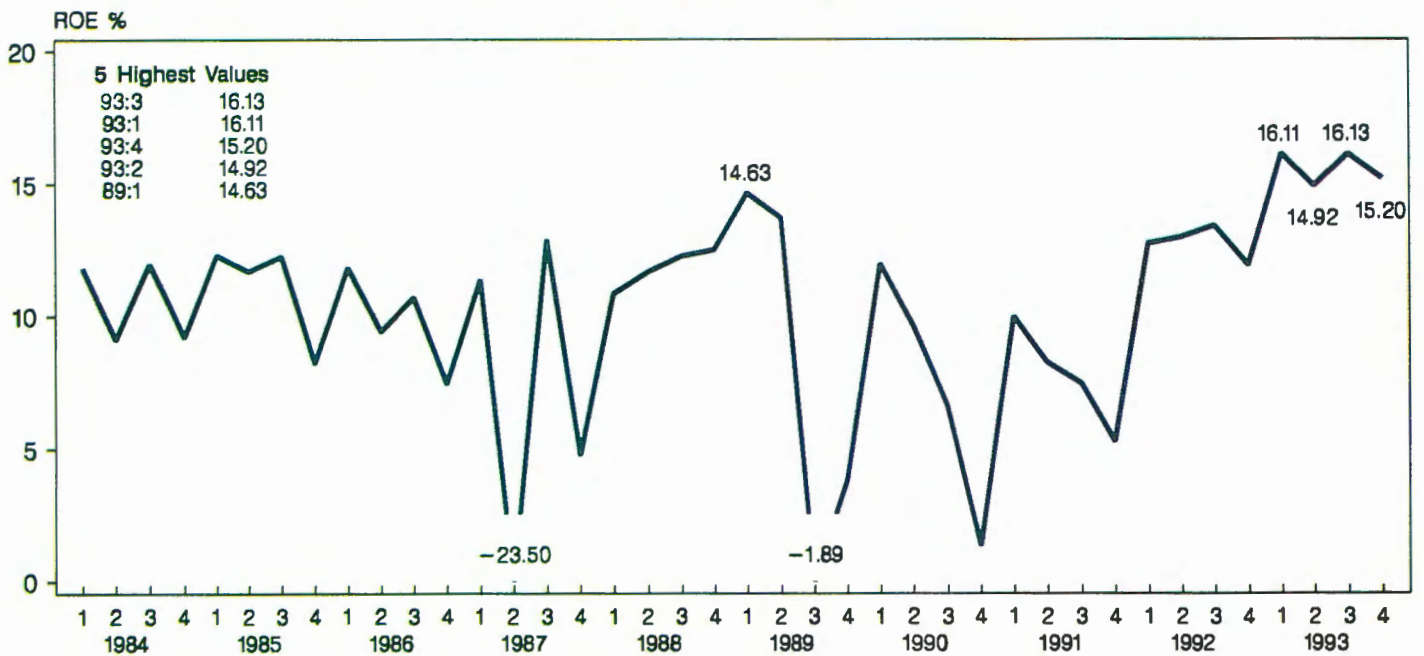
## Consumer Loan Delinquency Rates 1985 - 1993



## Quarterly Return on Assets (ROA) 1984 - 1993

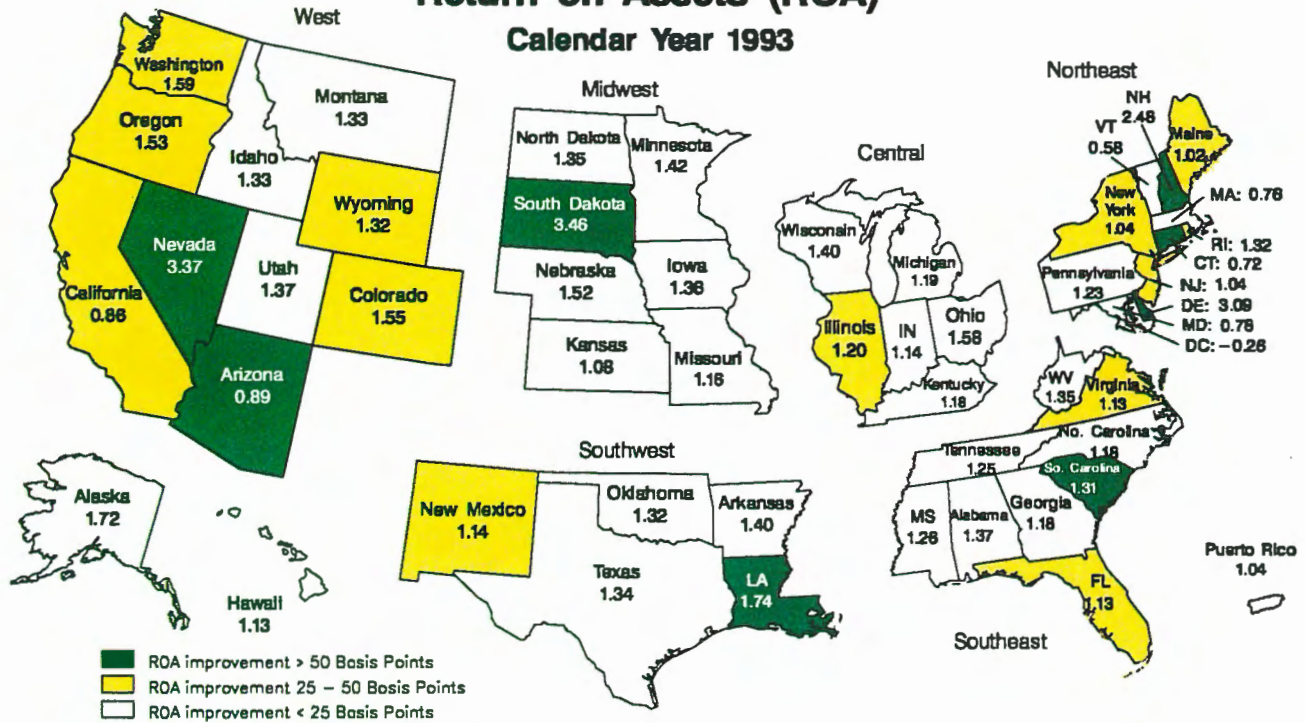


## Quarterly Return on Equity (ROE) 1984 - 1993



# Return on Assets (ROA)

Calendar Year 1993



## Rankings By ROA Improvement

	1993	1992	Change*	
1	New Hampshire	2.48	1.45	103
2	Connecticut	0.72	(0.03)	75
3	Nevada	3.37	2.69	68
4	Delaware	3.09	2.44	65
5	Louisiana	1.74	1.13	61
6	South Dakota	3.46	2.89	57
7	Arizona	0.89	0.35	54
8	South Carolina	1.31	0.80	51
9	Illinois	1.20	0.73	47
10	Maine	1.02	0.55	47
11	New Jersey	1.04	0.59	45
12	Rhode Island	1.32	0.87	45
13	Washington	1.59	1.16	43
14	Colorado	1.55	1.13	42
15	Virginia	1.13	0.72	41
16	New York	1.04	0.67	37
17	Oregon	1.53	1.22	31
18	Florida	1.13	0.84	29
19	California	0.86	0.58	28
20	New Mexico	1.14	0.89	25
21	Wyoming	1.32	1.07	25
22	Texas	1.34	1.10	24
23	Tennessee	1.25	1.03	22
24	North Dakota	1.35	1.13	22
25	Puerto Rico	1.04	0.85	19
26	West Virginia	1.35	1.17	18
27	Kentucky	1.18	1.01	17

	1993	1992	Change*	
28	Ohio	1.58	1.41	17
29	Michigan	1.19	1.03	16
30	Indiana	1.14	0.98	16
31	Maryland	0.78	0.62	16
32	Missouri	1.18	1.00	16
33	Pennsylvania	1.23	1.08	15
34	Mississippi	1.26	1.11	15
35	Wisconsin	1.40	1.28	14
36	Alabama	1.37	1.24	13
37	Oklahoma	1.32	1.19	13
38	Iowa	1.36	1.24	12
39	North Carolina	1.18	1.07	11
40	Nebraska	1.52	1.41	11
41	Arkansas	1.40	1.32	8
42	Kansas	1.08	1.00	8
43	Alaska	1.72	1.65	7
44	Idaho	1.33	1.28	7
45	Minnesota	1.42	1.35	7
46	Vermont	0.58	0.52	6
47	Montana	1.33	1.30	3
48	Hawaii	1.13	1.15	(2)
49	Georgia	1.18	1.25	(7)
50	Massachusetts	0.76	0.84	(8)
51	Utah	1.37	1.52	(15)
52	District of Columbia	(0.26)	(0.06)	(20)
	<b>U.S. and Territories</b>	<b>1.21</b>	<b>0.93</b>	<b>28</b>


\* 1993 ROA minus 1992 ROA equals change in Basis Points.  
Basis Point = 1/100 of a percent.



## Annual Returns on Assets (ROA), Equity (ROE), and Net Income 1934 - 1993

Year	ROA (Percent)	ROE (Percent)	Net Income (\$ Millions)
1993	1.21	15.48	43,430
1992	0.93	12.99	31,998
1991	0.53	7.94	17,936
1990	0.48	7.45	15,991
1989	0.49	7.71	15,575
1988	0.82	13.19	24,812
1987	0.10	1.55	2,803
1986	0.63	9.94	17,418
1985	0.69	11.07	17,977
1984	0.64	10.41	15,502
1983	0.65	11.09	14,931
1982	0.70	12.02	14,844
1981	0.75	13.03	14,722
1980	0.78	13.67	14,010
1979	0.80	13.90	12,839
1978	0.75	12.90	10,758
1977	0.70	11.72	8,881
1976	0.69	11.52	7,844
1975	0.68	11.79	7,257
1974	0.76	12.42	7,092
1973	0.84	12.73	6,580
1972	0.82	12.23	5,654
1971	0.87	12.37	5,236
1970	0.88	12.35	4,837
1969	0.84	12.00	4,335
1968	0.79	11.39	3,792
1967	0.80	11.14	3,456
1966	0.73	9.81	2,857
1965	0.79	10.42	2,861
1964	0.79	10.04	2,802

Year	ROA (Percent)	ROE (Percent)	Net Income (\$ Millions)
1963	0.78	9.78	2,393
1962	0.81	10.24	2,348
1961	0.88	11.11	2,374
1960	0.90	11.33	2,257
1959	0.64	8.31	1,553
1958	0.90	11.82	2,082
1957	0.72	9.55	1,578
1956	0.69	9.53	1,478
1955	0.64	9.03	1,320
1954	0.75	10.71	1,473
1953	0.56	8.29	1,070
1952	0.58	8.72	1,067
1951	0.60	9.04	1,047
1950	0.66	9.79	1,072
1949	0.62	9.32	968
1948	0.61	9.48	941
1947	0.51	8.17	775
1946	0.58	9.99	894
1945	0.61	10.78	894
1944	0.59	9.58	738
1943	0.59	8.58	623
1942	0.49	6.13	426
1941	0.59	8.45	438
1940	0.57	5.80	383
1939	0.61	5.71	370
1938	0.50	4.37	281
1937	0.64	5.80	357
1936	0.91	7.81	490
1935	0.35	2.81	174
1934	(0.76)	(5.80)	(357)

The FDIC  
Quarterly  
Andrew C. Hove Jr.,  
Chairman

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Banking Profile

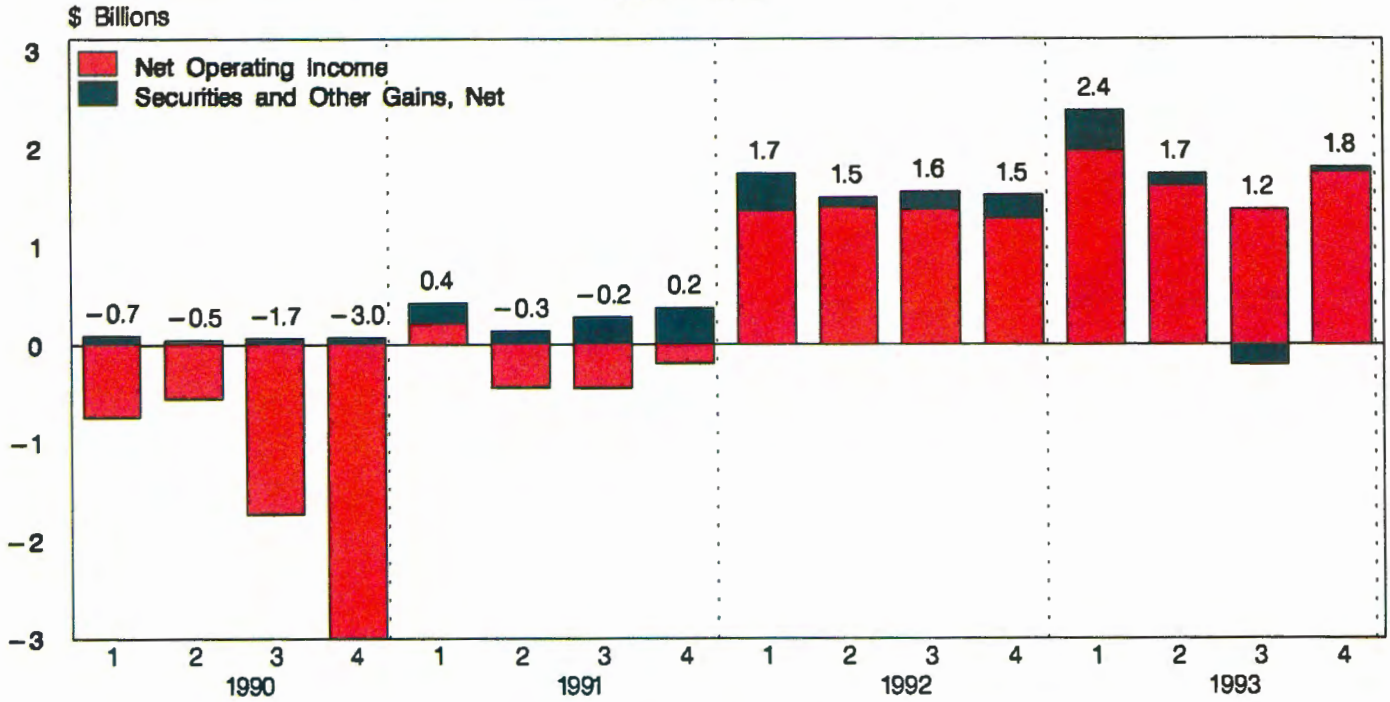
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FDIC-Insured  
Savings Institutions

Fourth Quarter 1993

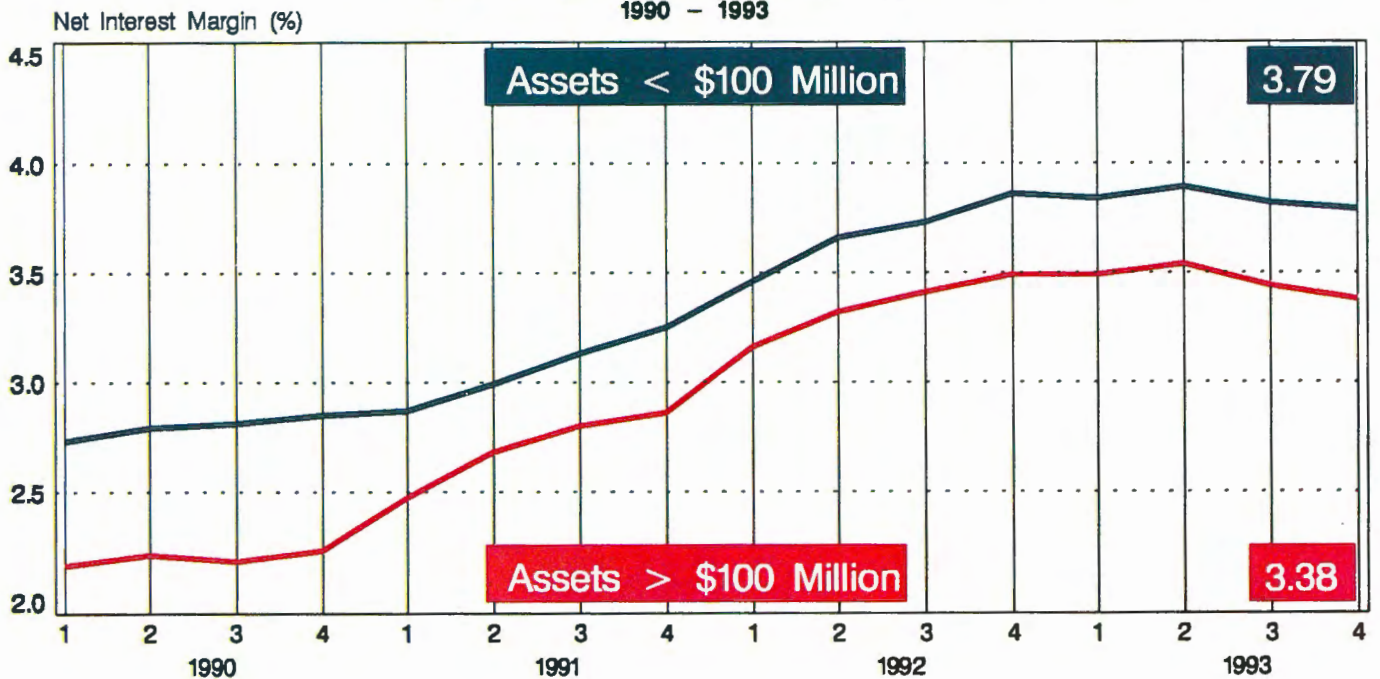
## Quarterly Net Income

1990 - 1993



## Quarterly Net Interest Margins

1990 - 1993



## Troubled Real Estate Asset Growth Rates

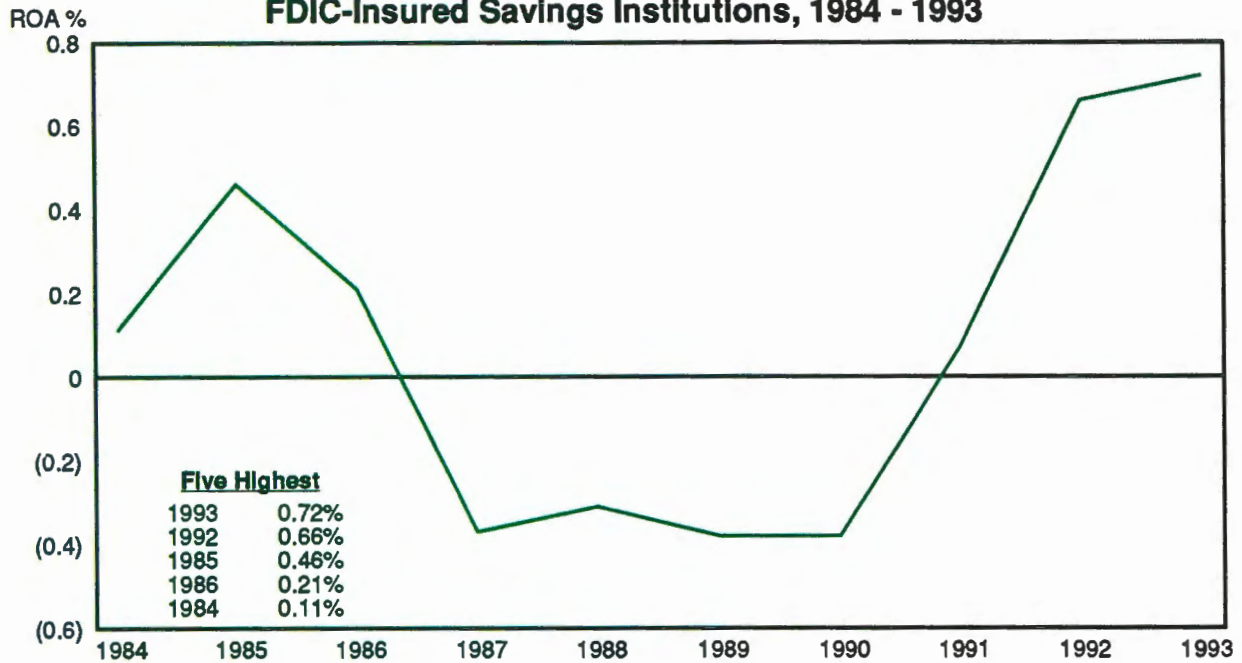
December 31, 1993

(dollar figures in millions)

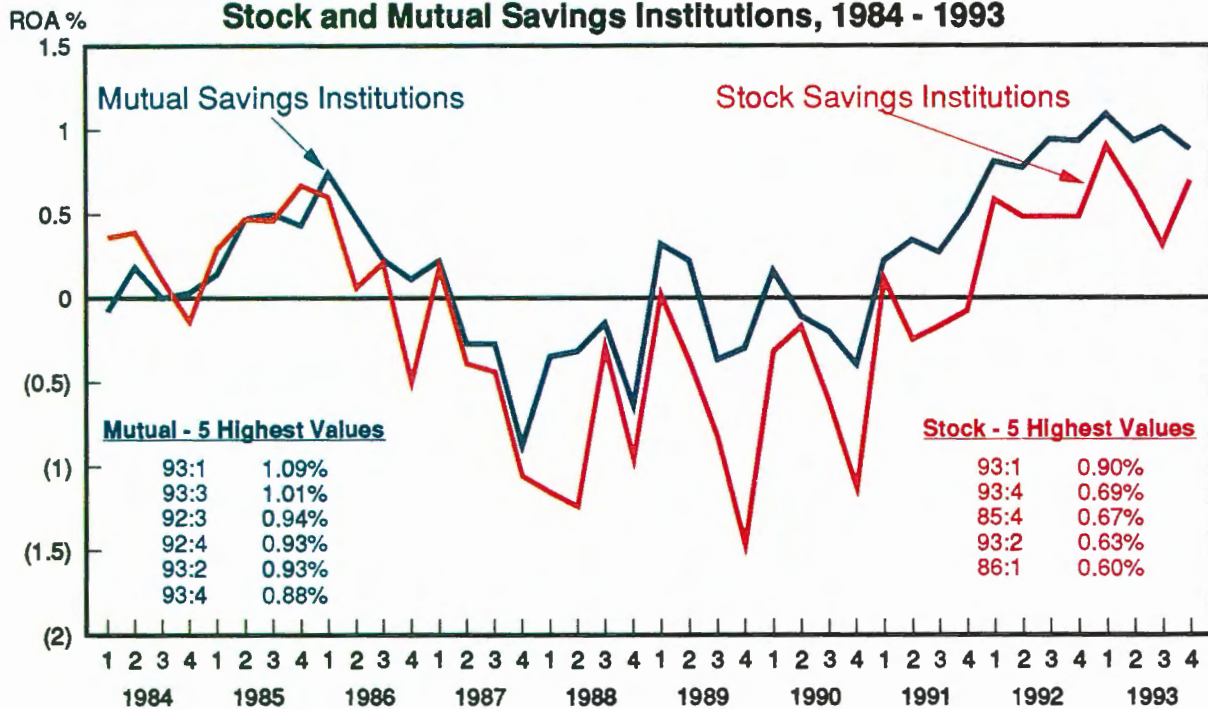
		Troubled Real Estate Assets*			Real Estate Loans			Total Assets
		Growth Rate 9/30/93 - 12/31/93	Percent of RE Loans Plus OREO	Rank	as a % of Assets	Rank	Total	
1	Mississippi	54.71	3.15	12	59.08	19	\$1,378	\$2,333
2	Idaho	28.96	0.55	50	55.29	30	275	498
3	Minnesota	11.97	1.16	39	58.99	20	3,862	6,546
4	South Dakota	11.41	1.47	32	46.35	46	365	788
5	District of Columbia	3.88	2.50	20	60.71	16	291	480
6	Alaska	3.44	3.02	14	38.54	49	84	219
7	Hawaii	2.17	0.72	48	72.83	2	3,590	4,930
8	Montana	(0.59)	0.45	51	49.69	41	706	1,422
9	Missouri	(0.62)	1.26	37	51.59	37	8,485	16,446
10	Colorado	(0.90)	0.77	47	55.88	28	1,217	2,178
11	Indiana	(2.46)	1.07	42	61.48	14	8,557	13,918
12	Arkansas	(3.04)	1.64	30	46.32	47	1,447	3,123
13	Maryland	(3.11)	5.71	3	57.37	24	9,587	16,710
14	Michigan	(4.40)	1.15	40	55.23	31	16,543	29,951
15	Kansas	(5.23)	1.28	36	57.67	23	4,214	7,307
16	Rhode Island	(5.65)	2.37	22	58.65	21	2,614	4,457
17	Wisconsin	(5.73)	0.66	49	61.57	13	12,208	19,826
18	South Carolina	(5.78)	2.08	25	62.36	11	5,954	9,547
19	Illinois	(6.07)	1.40	33	54.32	33	23,588	43,425
20	Tennessee	(6.87)	0.84	46	55.31	29	3,497	6,323
21	Connecticut	(7.59)	5.43	5	58.02	22	24,258	41,812
22	Louisiana	(7.87)	1.39	34	52.83	35	2,359	4,464
23	Vermont	(7.95)	4.65	6	59.66	18	1,380	2,313
24	Nebraska	(8.28)	1.31	35	62.27	12	4,727	7,590
25	New Mexico	(8.35)	1.77	29	60.41	17	757	1,253
26	North Carolina	(9.85)	1.84	27	67.44	4	7,928	11,756
27	New York	(10.43)	6.37	2	52.67	36	61,858	117,436
28	Pennsylvania	(10.65)	2.11	24	53.68	34	20,197	37,624
29	Virginia	(11.56)	3.28	11	61.42	15	8,831	14,379
30	Georgia	(12.19)	1.80	28	65.83	7	4,346	6,602
31	Massachusetts	(12.28)	3.38	10	56.13	27	29,769	53,036
32	Wyoming	(12.46)	1.59	31	39.15	48	335	855
33	Florida	(12.57)	2.60	19	56.48	26	18,579	32,894
34	Puerto Rico	(12.65)	5.69	4	32.23	51	1,468	4,556
35	Ohio	(12.76)	1.13	41	64.53	9	23,594	36,563
36	North Dakota	(12.86)	2.82	15	48.14	44	3,662	7,607
37	Kentucky	(14.98)	0.90	45	65.92	6	4,819	7,310
38	Utah	(15.31)	2.81	16	65.94	5	652	989
39	Oregon	(16.22)	2.05	26	48.67	42	2,562	5,264
40	West Virginia	(16.50)	1.18	38	54.45	32	698	1,281
41	Maine	(16.69)	3.13	13	62.79	10	4,005	6,378
42	California	(16.95)	3.76	8	71.69	3	189,852	264,829
43	Alabama	(17.84)	2.12	23	56.71	25	2,371	4,182
44	New Hampshire	(17.85)	2.73	17	46.83	45	4,836	10,328
45	Texas	(20.78)	6.51	1	38.28	50	16,455	42,984
46	Delaware	(26.60)	4.19	7	51.56	38	1,337	2,593
47	Arizona	(26.93)	0.15	52	88.92	1	194	218
48	Nevada	(27.69)	2.43	21	50.39	40	1,674	3,322
49	New Jersey	(30.37)	3.60	9	48.35	43	18,817	38,919
50	Washington	(30.81)	1.00	43	65.34	8	20,607	31,540
51	Iowa	(41.03)	0.98	44	51.12	39	2,381	4,658
52	Oklahoma	(56.89)	2.73	18	30.42	52	1,542	5,071
	U.S. and Territories	(14.46)	3.34		59.48		\$595,529	\$1,001,288

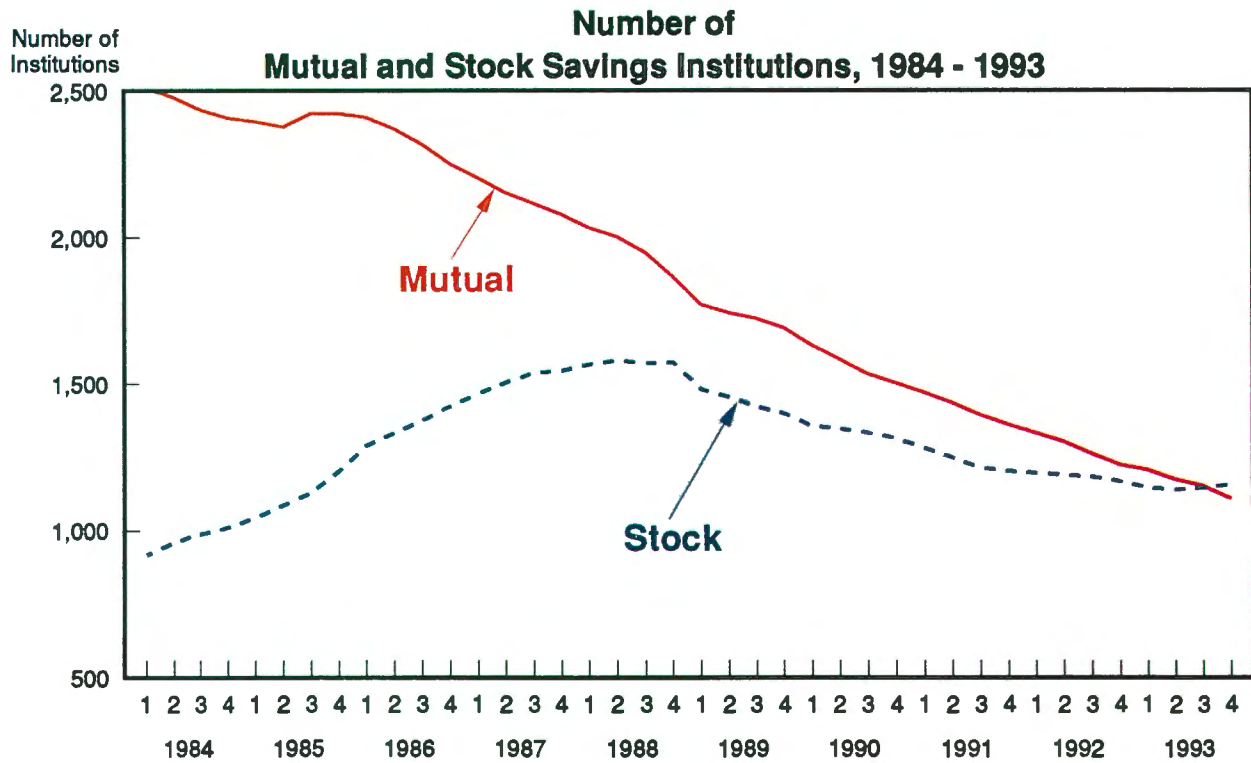
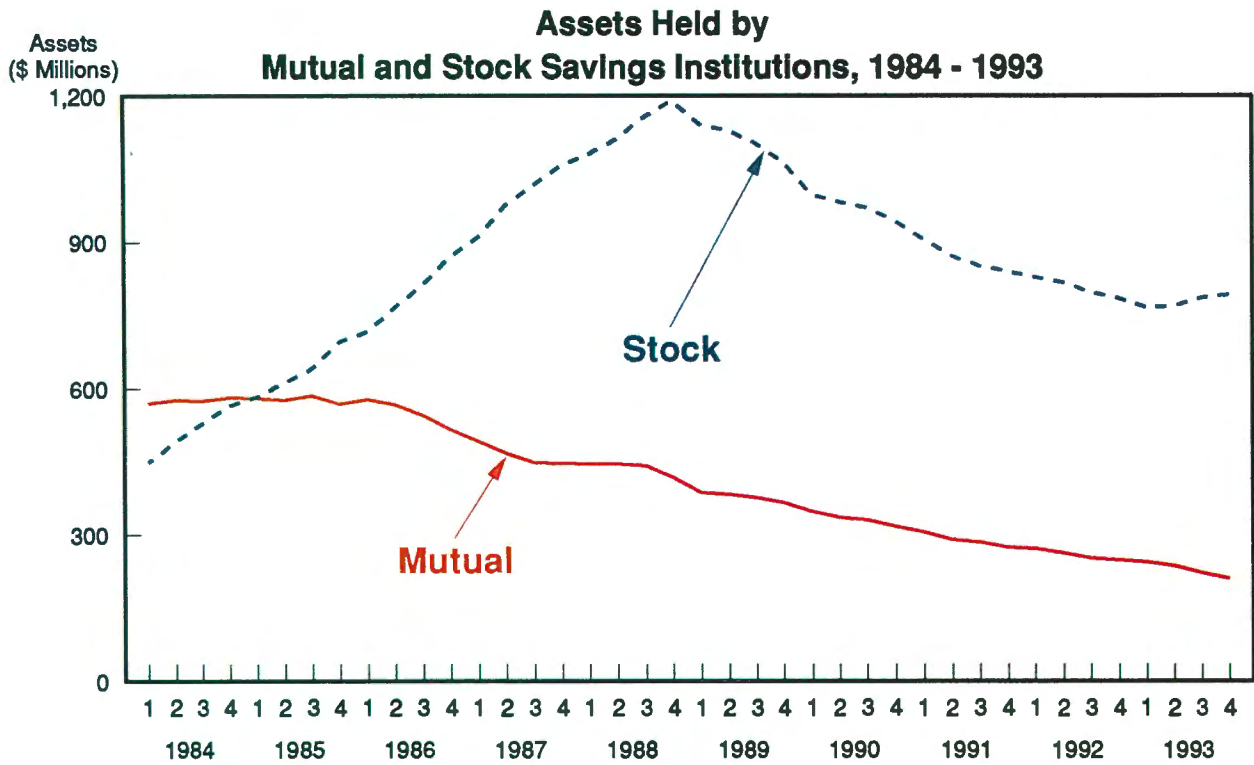
\*Real estate loans past due 90 days or more, plus real estate loans in nonaccrual status, plus other real estate owned.

### Annual Return on Assets (ROA) FDIC-Insured Savings Institutions, 1984 - 1993



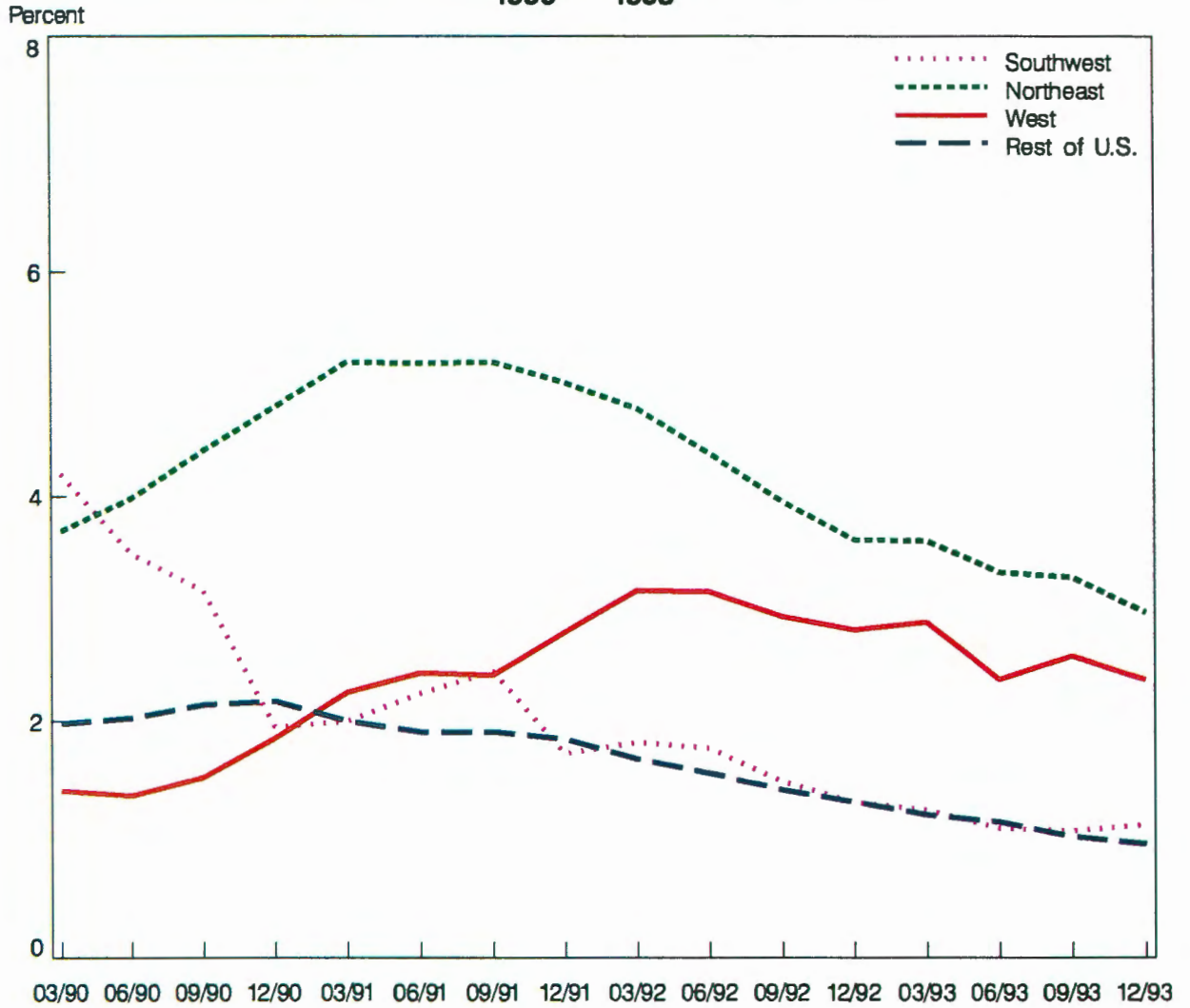
### Quarterly Return on Assets (ROA) of FDIC-Insured Stock and Mutual Savings Institutions, 1984 - 1993





## Noncurrent Real Estate Loan Rates\*

1990 - 1993

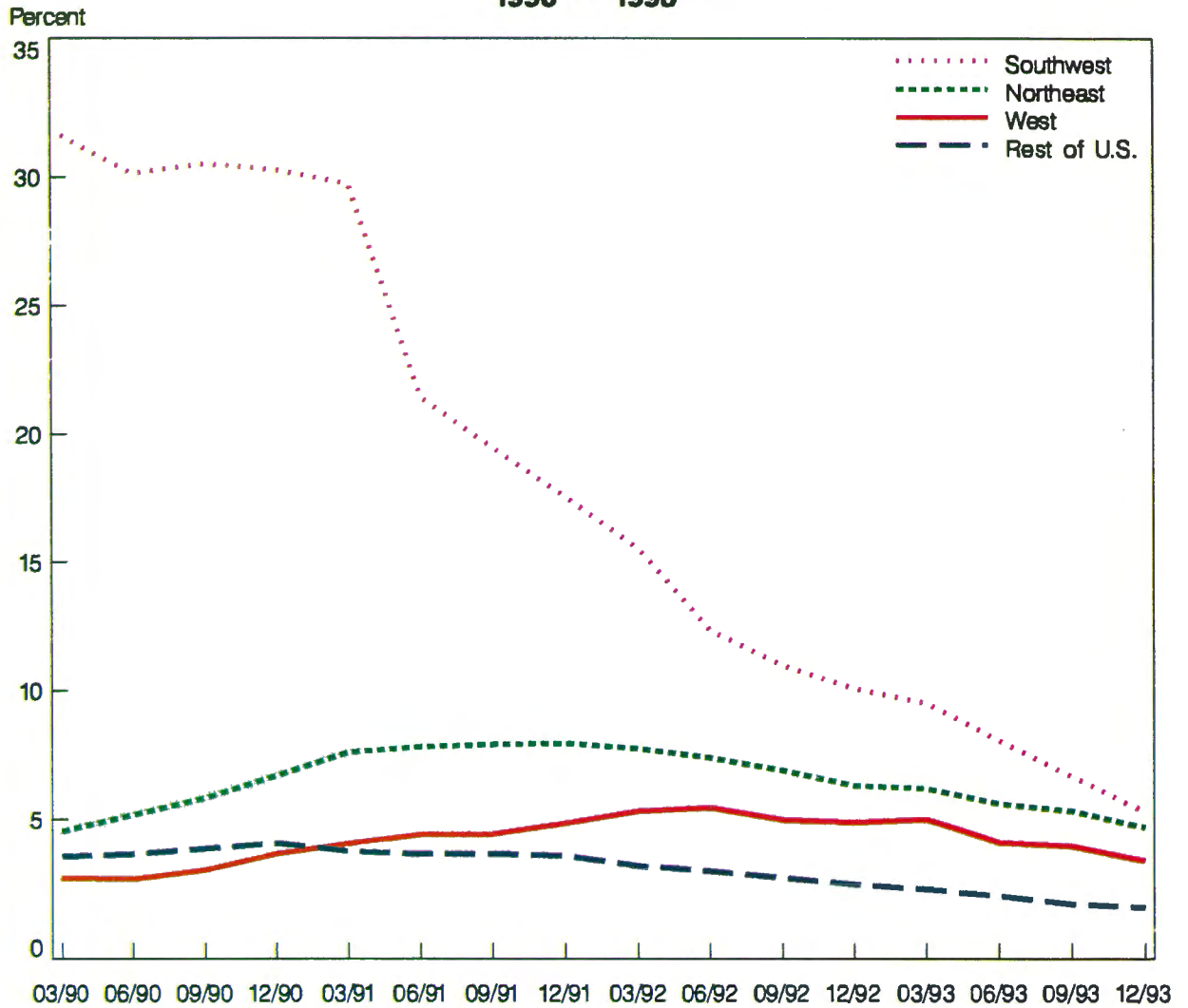


<b>Southwest</b>	4.20	3.49	3.16	1.95	2.00	2.25	2.44	1.71	1.81	1.76	1.46	1.28	1.21	1.05	1.03	1.08
<b>Northeast</b>	3.69	3.98	4.40	4.79	5.19	5.18	5.19	5.01	4.78	4.38	3.95	3.61	3.60	3.32	3.28	2.97
<b>West</b>	1.38	1.34	1.50	1.85	2.26	2.43	2.41	2.79	3.16	3.15	2.93	2.81	2.88	2.37	2.58	2.37
<b>Rest of U.S.</b>	1.98	2.03	2.14	2.17	2.00	1.90	1.91	1.84	1.66	1.54	1.39	1.28	1.17	1.10	0.97	0.91
<b>Total U.S.</b>	2.43	2.48	2.68	2.90	3.13	3.15	3.15	3.20	3.21	3.04	2.76	2.56	2.55	2.24	2.28	2.09

\*Loans secured by real estate past due 90 days or more or in nonaccrual status as a percent of total real estate loans.

## Troubled Real Estate Asset Rates\*

1990 - 1993



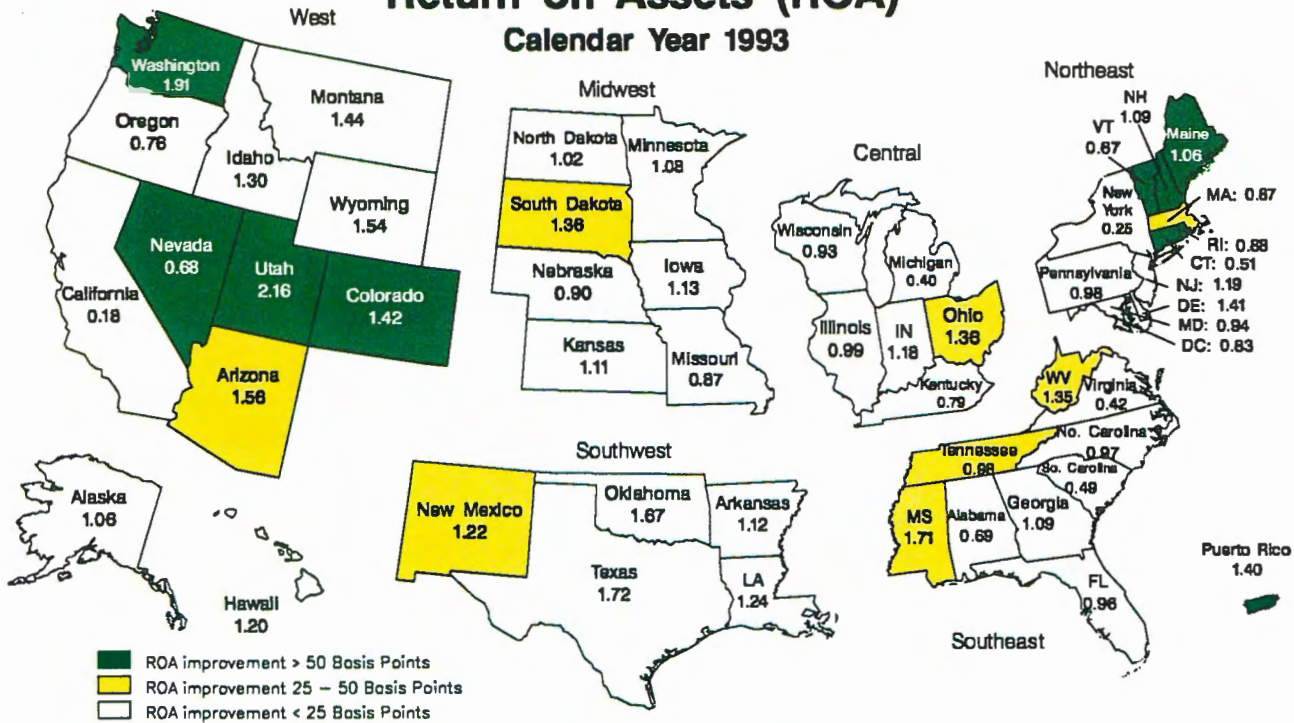
<b>Southwest</b>	31.59	30.12	30.51	30.26	29.73	21.39	19.42	17.52	15.49	12.32	10.97	10.07	9.50	8.03	6.67	5.29
<b>Northeast</b>	4.51	5.14	5.82	6.67	7.61	7.81	7.89	7.95	7.73	7.39	6.90	6.30	6.18	5.60	5.31	4.69
<b>West</b>	2.69	2.64	2.98	3.62	4.03	4.37	4.40	4.82	5.30	5.43	4.96	4.88	4.99	4.10	3.95	3.39
<b>Rest of U.S.</b>	3.53	3.63	3.83	4.04	3.75	3.63	3.64	3.54	3.18	2.97	2.70	2.46	2.26	2.00	1.70	1.56
<b>Total U.S.</b>	5.04	5.04	5.39	5.87	6.26	5.92	5.91	5.96	5.88	5.62	5.15	4.82	4.74	4.11	3.83	3.34

\*Loans secured by real estate past due 90 days or more or in nonaccrual status plus other real estate owned as a percent of total real estate loans plus OREO.



# Return on Assets (ROA)

Calendar Year 1993



ROA improvement > 50 Basis Points  
 ROA improvement 25 – 50 Basis Points  
 ROA improvement < 25 Basis Points

## Rankings By ROA Improvement


	1993	1992	Change*	
1	Colorado	1.42	(0.68)	210
2	Rhode Island	0.88	0.02	86
3	Washington	1.91	1.12	79
4	Vermont	0.67	(0.11)	78
5	Puerto Rico	1.40	0.66	74
6	Utah	2.16	1.44	72
7	Maine	1.06	0.37	69
8	Nevada	0.68	0.08	60
9	New Hampshire	1.09	0.54	55
10	Connecticut	0.51	0.00	51
11	Mississippi	1.71	1.24	47
12	New Mexico	1.22	0.77	45
13	Arizona	1.56	1.12	44
14	District of Columbia	0.83	0.48	35
15	Tennessee	0.98	0.64	34
16	West Virginia	1.35	1.02	33
17	Ohio	1.36	1.04	32
18	South Dakota	1.36	1.07	29
19	Massachusetts	0.87	0.62	25
20	Idaho	1.30	1.06	24
21	Maryland	0.94	0.71	23
22	Minnesota	1.08	0.85	23
23	Georgia	1.09	0.88	21
24	Texas	1.72	1.52	20
25	New Jersey	1.19	1.01	18
26	Montana	1.44	1.27	17
27	North Carolina	0.97	0.81	16

	1993	1992	Change*	
28	Pennsylvania	0.98	0.82	16
29	Florida	0.96	0.81	15
30	Nebraska	0.90	0.75	15
31	Hawaii	1.20	1.06	14
32	Illinois	0.99	0.87	12
33	Arkansas	1.12	1.01	11
34	Indiana	1.18	1.07	11
35	Wisconsin	0.93	0.87	6
36	Kansas	1.11	1.06	5
37	Alabama	0.69	0.65	4
38	Delaware	1.41	1.42	(1)
39	Iowa	1.13	1.15	(2)
40	Oregon	0.76	0.80	(4)
41	Missouri	0.87	0.92	(5)
42	California	0.18	0.24	(6)
43	Wyoming	1.54	1.61	(7)
44	Louisiana	1.24	1.32	(8)
45	Kentucky	0.79	0.88	(9)
46	Virginia	0.42	0.55	(13)
47	Alaska	1.06	1.28	(22)
48	South Carolina	0.49	0.76	(27)
49	Michigan	0.40	0.70	(30)
50	New York	0.25	0.60	(35)
51	Oklahoma	1.67	2.42	(75)
52	North Dakota	1.02	2.38	(136)
	U.S. and Territories	0.72	0.66	6

\* 1993 ROA minus 1992 ROA equals change in Basis Points.  
Basis Point = 1/100 of a percent.

**Annual Return on Assets (ROA), Return on Equity (ROE) and Net Income  
1984 - 1993**

<b>YEAR</b>	<b>ROA (Percent)</b>	<b>ROE (Percent)</b>	<b>Net Income (\$ Millions)</b>
1984	0.11	3.35	1,155,512
1985	0.46	13.92	5,527,257
<b>1986</b>	<b>0.21</b>	<b>5.64</b>	<b>2,832,868</b>
<b>1987</b>	<b>(0.37)</b>	<b>(9.37)</b>	<b>(5,333,752)</b>
1988	(0.31)	(7.09)	(4,728,383)
1989	(0.38)	(7.41)	(5,555,400)
<b>1990</b>	<b>(0.38)</b>	<b>(6.82)</b>	<b>(4,819,476)</b>
<b>1991</b>	<b>0.07</b>	<b>1.2</b>	<b>818,893</b>
1992	0.66	9.53	6,722,595
1993	0.72	9.45	7,005,629

The FDIC  
Quarterly  
Andrew C. Hove Jr.,  
Chairman

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Banking Profile

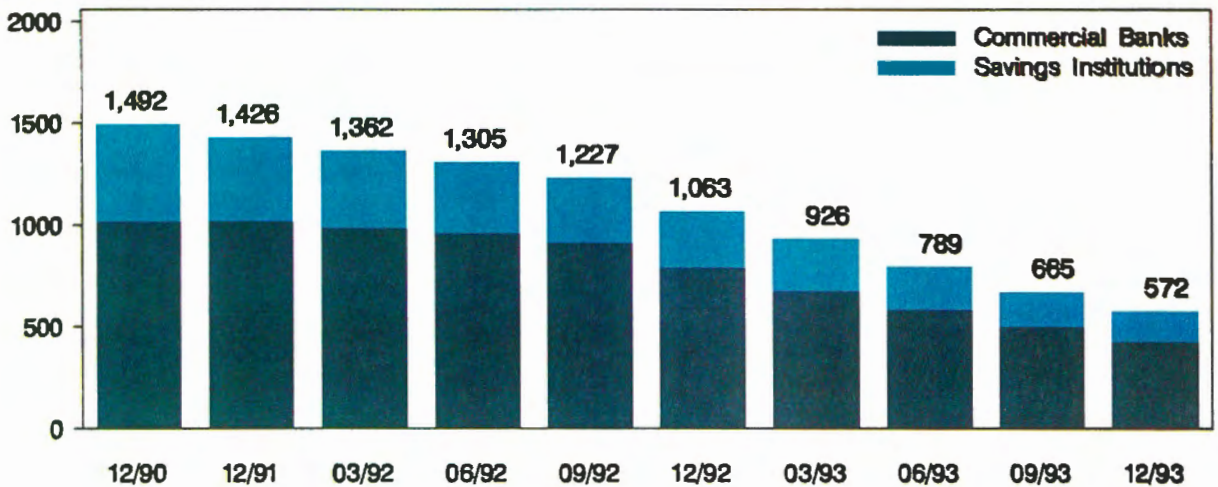
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All FDIC-Insured  
Institutions

Fourth Quarter 1993

## Number of FDIC – Insured "Problem" Institutions 1990 – 1993

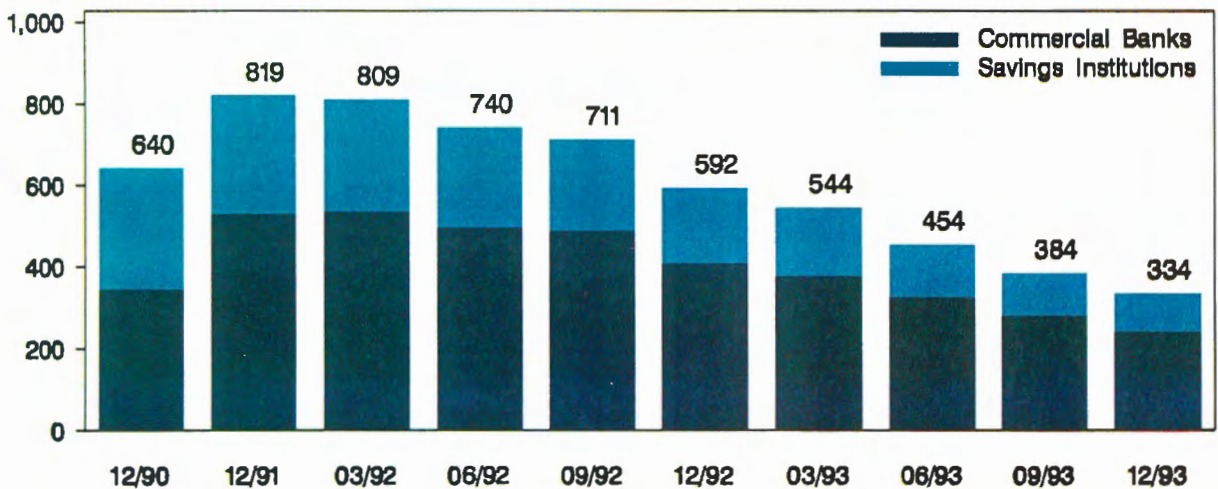
Number of Institutions



Savings Institutions	480	410	381	349	318	276	255	209	169	146
Commercial Banks	1,012	1,016	981	956	909	787	671	580	496	426

## Assets of FDIC – Insured "Problem" Institutions 1990 – 1993

Amounts in Billions



Savings Institutions	298	291	274	245	223	184	167	128	103	92
Commercial Banks	342	528	535	495	488	408	377	326	281	242

## Capital Category Distribution

December 31, 1993

### BIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	11,065	98.0%	\$3,801.1	96.2%
Adequately Capitalized	176	1.6%	\$141.0	3.6%
Undercapitalized	18	0.2%	\$1.4	0.0%
Significantly Undercapitalized	22	0.2%	\$4.9	0.1%
Critically Undercapitalized	10	0.1%	\$1.4	0.0%

### SAIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	1,822	94.4%	\$670.3	88.5%
Adequately Capitalized	97	5.0%	\$85.1	11.2%
Undercapitalized	9	0.5%	\$1.8	0.2%
Significantly Undercapitalized	1	0.1%	\$0.1	0.0%
Critically Undercapitalized	1	0.1%	\$0.1	0.0%

Note: These tables are based solely on Call Report and Thrift Financial Report data and do not reflect supervisory upgrades or downgrades. Of the 11 institutions categorized as Critically Undercapitalized, one institution with assets of \$603 million recapitalized, two institutions with assets of \$139 million merged, and one institution with assets of \$39 million was upgraded to significantly undercapitalized, between January 1 and March 9.

### Capital Category Definitions

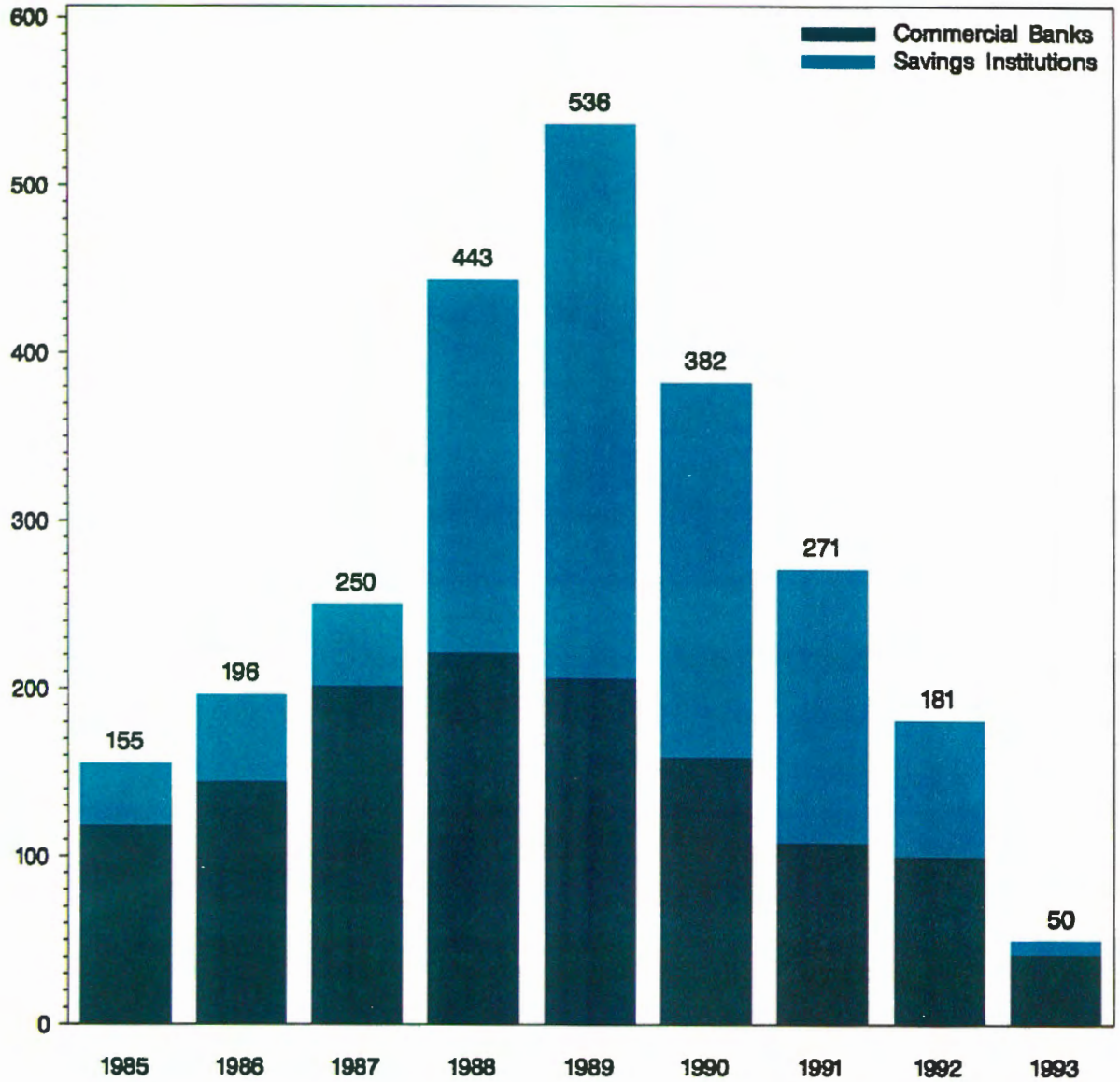
	Total Risk-Based Capital*		Tier 1 Risk-Based Capital*		Tier 1 Leverage	Tangible Equity
Well Capitalized	>= 10%	and	>= 6%	and	>= 5%	--
Adequately Capitalized	>= 8%	and	>= 4%	and	>= 4%	--
Undercapitalized	< 8%	or	< 4%	or	< 4%	--
Significantly Undercapitalized	< 6%	or	< 3%	or	< 3%	--
Critically Undercapitalized	--		--		--	<= 2%

\* As a percentage of risk-weighted assets.

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

## Number of Failed FDIC – Insured Institutions 1985 – 1993

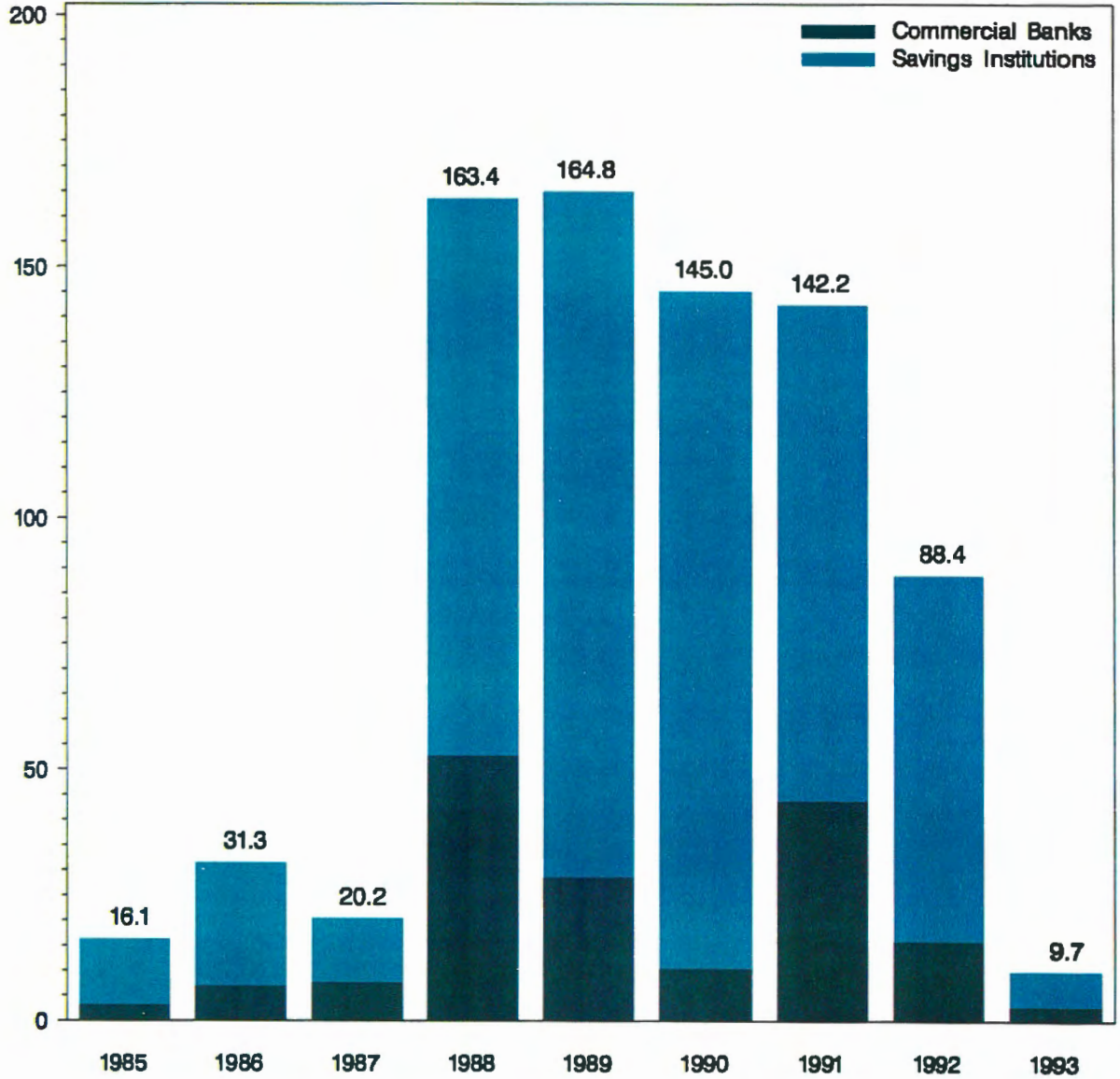
Number of Institutions



Savings Institutions	37	52	49	222	330	223	163	81	8
Commercial Banks	118	144	201	221	206	159	108	100	42

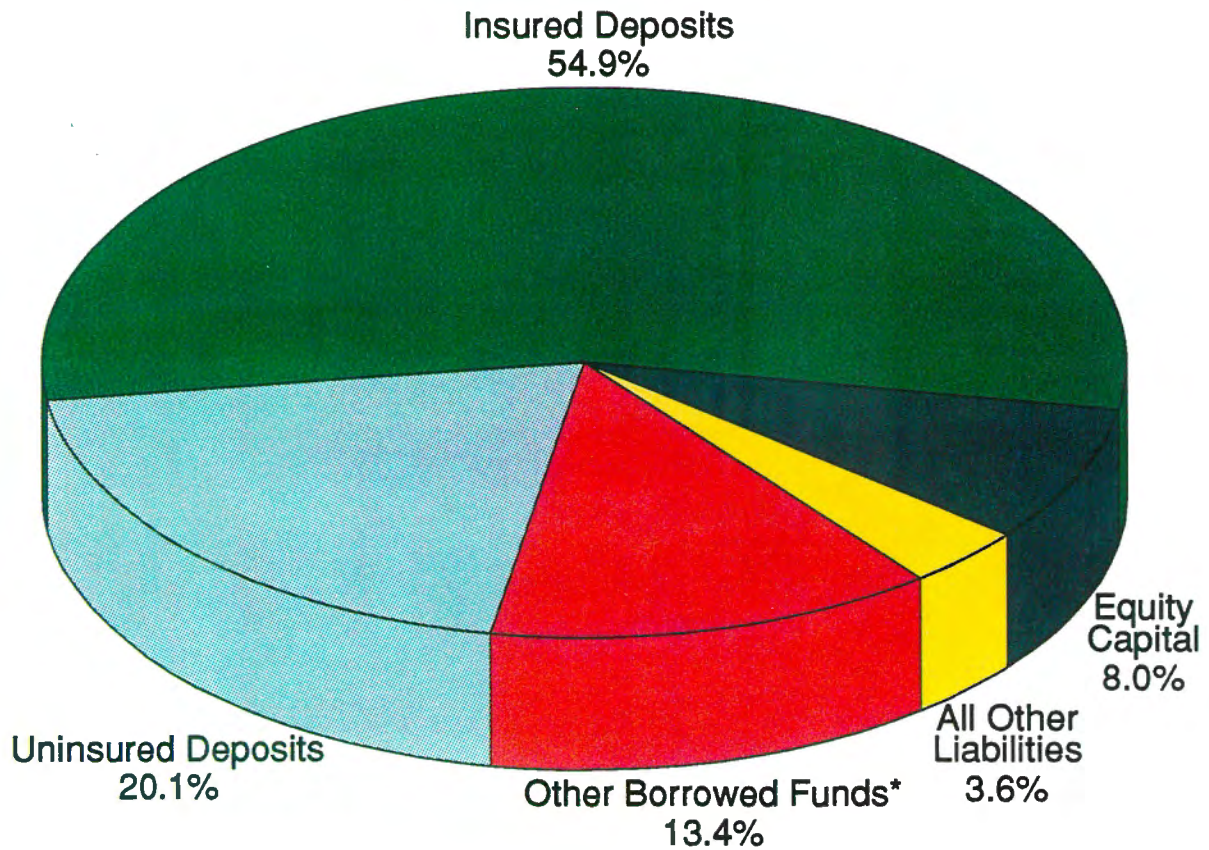
## Assets of Failed FDIC – Insured Institutions 1985 – 1993

Amounts in Billions



Savings Institutions	13.1	24.6	12.7	110.8	136.3	134.6	98.5	72.7	6.9
Commercial Banks	3.0	6.8	7.5	52.6	28.5	10.4	43.7	15.7	2.8

**Total Liabilities and Equity Capital  
December 31, 1993**



(\$ Billions)	<u>12/31/93</u>	<u>12/31/92</u>	<u>% Change</u>
Insured Deposits (Estimated)	2,582	2,645	(2.4)
BIF - Insured	1,905	1,946	(2.1)
SAIF - Insured	678	698	(2.9)
Uninsured Deposits (Estimated)	946	882	7.2
In Foreign Offices	330	287	15.1
Other Borrowed Funds*	632	520	21.5
All Other Liabilities	172	151	13.7
Subordinated Debt	40	37	8.5
Equity Capital	375	338	11.2
<b>Total Liabilities and Equity Capital</b>	<b>4,707</b>	<b>4,536</b>	<b>3.8</b>

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



## 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). Most institutions included in this publication are traditional full-service commercial banks. However, several types of more specialized institutions are also included, which under existing legislative definitions and regulatory practices are considered commercial banks. These institutions include banks primarily engaged in credit card operations, home equity lending or consumer-oriented activities, banks created primarily to benefit parent company operations, and banks that limit or restrict their activities or scope of operations. 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 that have been placed in Resolution Trust Corporation conservatorship are also excluded from these tables while in conservatorship. 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).

### All 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. Efforts are made to include financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that are 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 Financial Time Series (FTS) 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*. The detailed schedules of the *Thrift Financial Report* reflect the consolidation of the parent thrift with all finance subsidiaries. All other subsidiaries are reported as investments on an equity basis or a cost basis. Some accounting differences exist, such as asset sales with recourse,

for which the data necessary to reconcile these differences is not reported.

All year-to-date and quarterly income statement figures used in calculating performance ratios represent amounts for that period, annualized (multiplied by the number of periods in a year). Quarterly income figures from the *Thrift Financial Report* are accumulated for each reporting institution to obtain a year-to-date income statement. For institutions that file a *Call Report*, the reported year-to-date income statement figures for two periods are used to derive a quarterly income statement after making adjustments to account for "pooling-of-interest" mergers since they include year-to-date income for all merged institutions.

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. All asset and liability figures used in calculating the condition ratios represent amounts reported at the end of the quarter. 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. Tables III and IV do not provide growth rates for the "Asset Size Distribution" since many institutions migrate between the size groups.

### DEFINITIONS (in alphabetical order)

**Capital Category Distribution** — each institution's capital category is calculated or estimated from its financial report and does not reflect supervisory upgrades or downgrades:

	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	<8%	or	<4%	or	<4%		—
Significantly undercapitalized	<6%	or	<3%	or	<3%		—
Critically undercapitalized	—		—		—		≤2%

\*As a percentage of risk-weighted assets.

**Investment securities** — excludes securities held in trading accounts where possible.

**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.

**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 non-acrual status. Noncurrent debt securities and other assets were not included prior to March 1991.

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

**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.

## 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

**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 based on 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.

**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.