

INSURED INSTITUTION PERFORMANCE

- Full-Year 2022 Net Income Was Lower Than in 2021, but Still Higher Than the Pre-Pandemic Average¹
- Lower Noninterest Income and Higher Provisions Drove a Modest Decline in Net Income Quarter Over Quarter
- The Net Interest Margin Widened for the Third Consecutive Quarter
- Unrealized Losses on Securities Declined Quarter Over Quarter but Remain Elevated
- Broad-Based Loan Growth Continued in the Fourth Quarter
- Asset Quality Remained Favorable Despite Modest Deterioration
- Insured Deposits Increased Moderately

FULL-YEAR 2022 NET INCOME WAS LOWER THAN IN 2021, BUT STILL HIGHER THAN THE PRE-PANDEMIC AVERAGE

The banking industry reported full-year 2022 net income that was above the pre-pandemic average but lower than full-year 2021 net income. Net income in 2022 was \$263.0 billion, down \$16.1 billion (5.8 percent) from 2021. The decrease was primarily attributable to higher provision expenses (up \$82.6 billion) and higher noninterest expense (up \$27.4 billion) that more than offset an increase in net interest income (up \$105.5 billion). The aggregate return on average assets (ROAA) ratio decreased from 1.23 percent in 2021 to 1.12 percent in 2022.

QUARTERLY NET INCOME DECREASED FROM THE THIRD QUARTER

Quarterly net income totaled \$68.4 billion in fourth quarter 2022, a decrease of \$3.3 billion (4.6 percent) from the third quarter. Lower noninterest income and higher provision expense more than offset an increase in net interest income. Year-over-year net income grew \$4.5 billion (7.1 percent) from fourth quarter 2021 as growth in net interest income exceeded growth in provision expense.

Chart 1
Full-Year Net Income

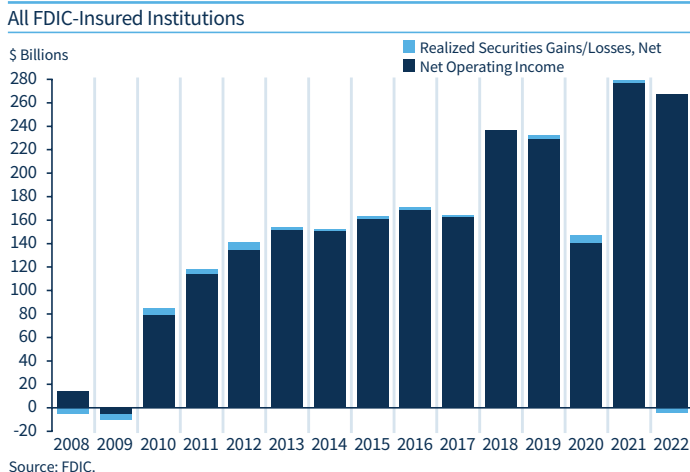
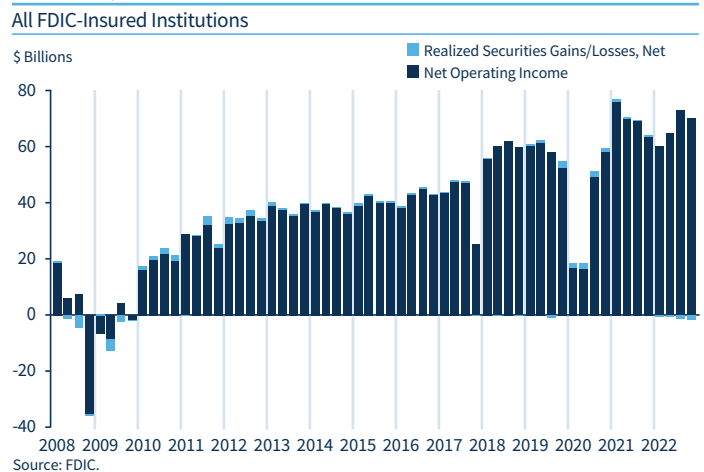


Chart 2
Quarterly Net Income



¹The “pre-pandemic average” refers to the period first quarter 2015 through fourth quarter 2019 and is used consistently throughout this report.

The banking industry reported an ROAA of 1.16 percent in the fourth quarter, down from 1.21 percent in the third quarter but up from 1.09 percent in the year-ago quarter.

THE NET INTEREST MARGIN WIDENED FOR THE THIRD CONSECUTIVE QUARTER

The net interest margin (NIM) increased 23 basis points from a quarter ago and 82 basis points from the year-ago quarter to 3.37 percent, above the pre-pandemic average of 3.25 percent. The year-over-year growth in the NIM was the largest reported basis point increase in the history of the *Quarterly Banking Profile* (QBP).

The average yield on earning assets increased 76 basis points from third quarter 2022 to 4.54 percent due to strong loan growth and higher market interest rates. This was a slight acceleration over the 73 basis-point increase reported in the prior quarter. Yields on total loans increased 73 basis points quarter over quarter to 5.76 percent, a slight increase from the previous quarter's increase of 65 basis points. Yields on other earning assets, including balances due from other institutions and fed funds sold, also increased.

Average funding costs increased 53 basis points from the prior quarter to 1.17 percent. Higher deposit interest expense was responsible for 76.3 percent of the quarterly increase in average funding costs. The cost of deposits increased 46 basis points quarter over quarter, to 0.99 percent, an increase over the previous quarter's 34 basis point increase.

Chart 3
Quarterly Net Interest Margin

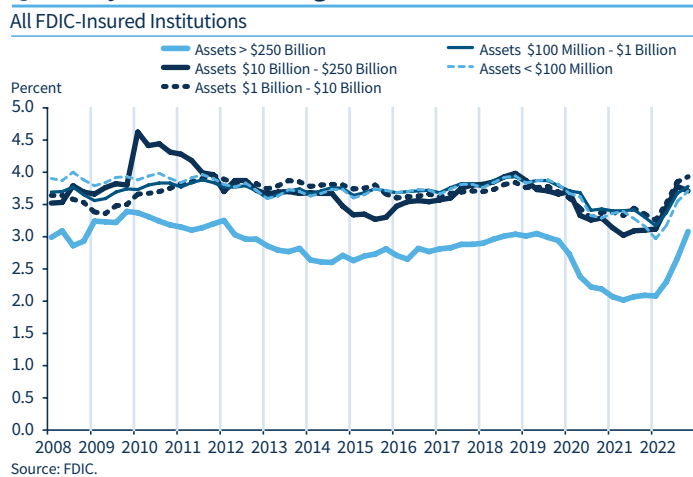
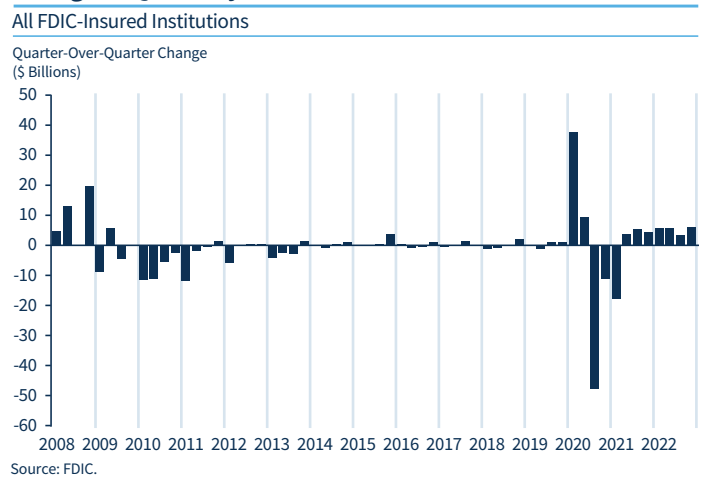


Chart 4
Change in Quarterly Loan-Loss Provisions



NET OPERATING REVENUE DECLINED 1 PERCENT QUARTER OVER QUARTER BUT ROSE SUBSTANTIALLY YEAR OVER YEAR

Net operating revenue (net interest income plus noninterest income) decreased 1.0 percent quarter over quarter to \$242.9 billion in fourth quarter 2022 as lower noninterest income (down \$13.8 billion, or 17.9 percent) nearly offset strong net interest income growth (up \$11.3 billion, or 6.7 percent). Lower “all other noninterest income” and lower income on foreign exchange contracts drove the decline in noninterest income.² Interest income grew \$39.5 billion (19.5 percent) from third quarter 2022 and partially offset a \$28.2 billion (82.9 percent) increase in interest expense. From the year-ago quarter, net operating revenue rose \$33.3 billion (15.9 percent) as net interest income grew \$42.9 billion (31.3 percent), more than offsetting a \$9.6 billion (13.2 percent) decline in noninterest income.

NONINTEREST EXPENSE DECLINED QUARTER OVER QUARTER

Noninterest expense declined \$3.4 billion (2.5 percent) quarter over quarter. A decline in “all other noninterest expense” offset increased premises and fixed asset costs and increased compensation costs, driving the decline in noninterest expense during the quarter.³ Year over year, noninterest expense rose \$2.0 billion (1.5 percent), outpacing average asset growth of 0.6 percent. As a result, the ratio of noninterest expense to average assets increased 2 basis points from the year-ago quarter to 2.30 percent but remained well below the pre-pandemic average of 2.61 percent.

Chart 5
Quarterly Change in Loan Balances

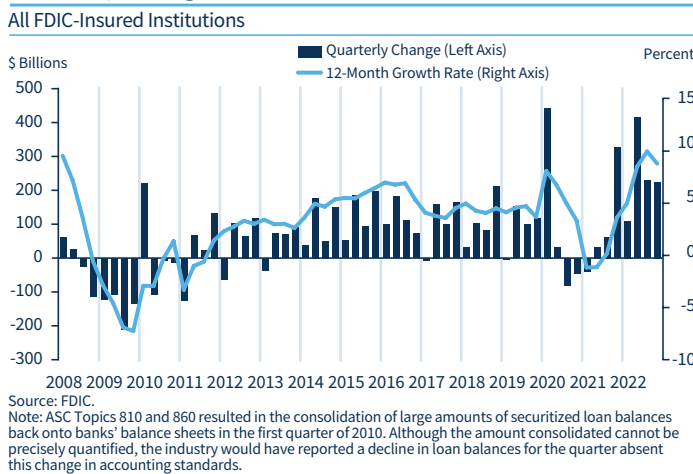
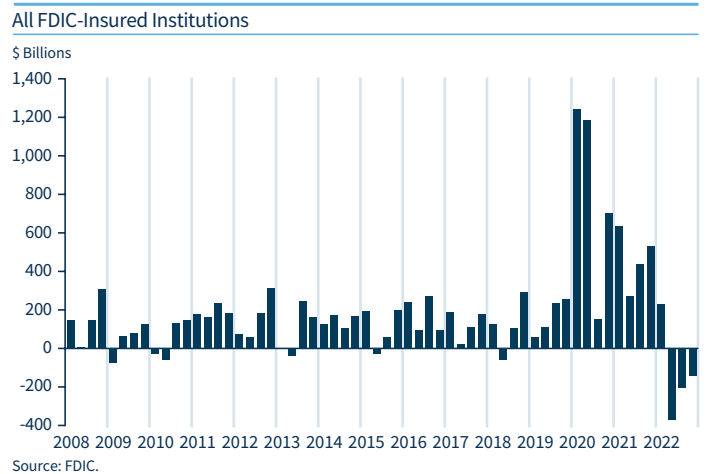


Chart 6
Quarterly Change in Deposits



² “All other noninterest income” includes, but is not limited to, income on bank and credit card interchange fees, income from fees on wire transfers, intracompany transactions, and earnings on the cash surrender value of life insurance.

³ “All other noninterest expense” includes, but is not limited to, expenses related to data processing, advertising and marketing, legal fees, intracompany transactions, and consulting and advisory fees.

Although the industry reported an aggregate increase in noninterest expense year over year, the efficiency ratio (noninterest expense to net operating revenue) declined 8.0 percentage points from the year-ago quarter to 55.2 percent, led by strong growth in net interest income. The efficiency ratio declined for all QBP asset size groups.

THE LARGEST BANKS CONTINUED TO DRIVE THE INCREASE IN PROVISION EXPENSE

Provision expense increased to \$20.7 billion from \$14.7 billion last quarter and negative \$732.0 million in the year-ago quarter.⁴ The net number of banks reporting adoption of current expected credit loss (CECL) accounting increased by 43 from third quarter 2022 to 392.⁵ CECL adopters reported aggregate provisions of \$19.1 billion in fourth quarter, \$7.4 billion more than third quarter 2022 and \$20.7 billion more than one year ago. Provision expense for banks that have not adopted CECL accounting totaled \$1.7 billion, down \$1.3 billion from a quarter ago but up \$774.7 million from one year ago.

The reserve coverage ratio (the ratio of the allowance for credit losses to noncurrent loans) for all insured institutions was 217.6 percent at fourth quarter 2022, a modest increase from the third quarter 2022 level of 214.8 percent. The fourth quarter 2022 figure is the highest since the data series began in first quarter 1984.⁶

Chart 7
Noncurrent Loan Rate and Quarterly Net Charge-Off Rate

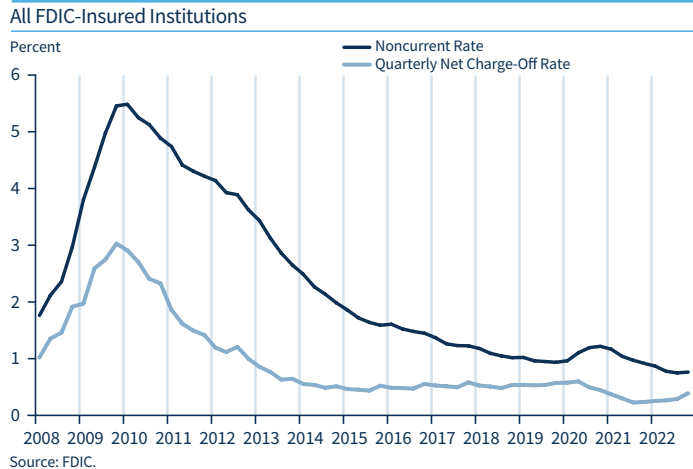
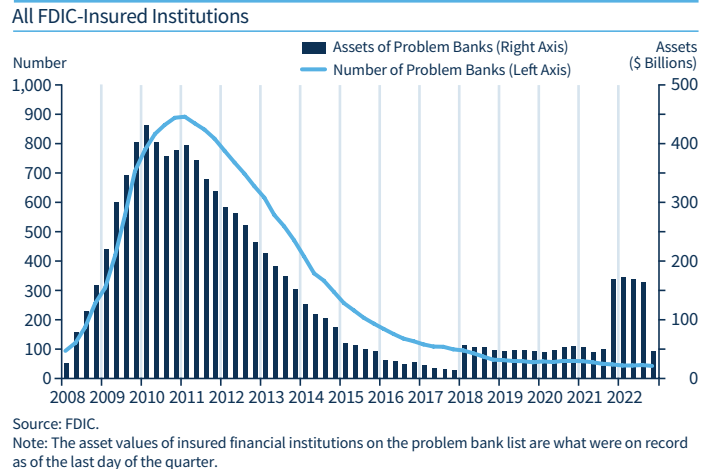


Chart 8
Number and Assets of Banks on the “Problem Bank List”



⁴Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.

⁵Changes to the number of CECL accounting adopters may result from closures, mergers and acquisitions, or examination or audit findings.

⁶The reserve coverage ratio is the ratio of the allowance for credit losses to the total of loans that are 90 days or more past due plus the total of loans in nonaccrual status.

**BANKING INDUSTRY
ASSETS DECLINED**

Total assets declined \$31.6 billion (0.1 percent) from third quarter 2022 to \$23.6 trillion. While total loan and lease balances increased \$225.5 billion (1.9 percent) from third quarter 2022, cash and balances due from depository institutions declined \$111.9 billion (4.2 percent), assets in trading accounts declined \$95.5 billion (11.6 percent), and total securities declined \$40.1 billion (0.7 percent).

Annually, total assets decreased \$119.8 billion (0.5 percent). Total loan and lease balances increased \$979.9 billion (8.7 percent) but were more than offset by declines in cash and balances due from depository institutions of \$981.2 billion (27.6 percent). Securities also declined \$361.9 billion (5.8 percent) from one year ago.

**UNREALIZED LOSSES ON
SECURITIES REMAIN ELEVATED**

Unrealized losses on securities totaled \$620.4 billion in the fourth quarter, down 10.1 percent (\$69.5 billion) from the prior quarter. Unrealized losses on held-to-maturity securities totaled \$340.9 billion while unrealized losses on available-for-sale securities totaled \$279.5 billion in the fourth quarter.

**LOAN BALANCES INCREASED
FROM THE PREVIOUS QUARTER
AND A YEAR AGO**

Total loan and lease balances increased \$225.5 billion (1.9 percent) from the previous quarter. The banking industry reported growth in several loan portfolios during the quarter, including credit card loans (up \$74.0 billion, or 7.9 percent) and 1–4 family residential loans (up \$43.8 billion, or 1.8 percent).

Year over year, total loan and lease balances increased \$979.9 billion (8.7 percent), driven by growth in commercial and industrial (C&I) loans (up \$223.3 billion, or 9.7 percent), 1–4 family residential mortgages (up \$220.5 billion, or 9.8 percent), and consumer loans (up \$188.6 billion, or 10 percent). The annual increase in loan balances was the second largest in the history of the QBP, surpassed only by the increase last quarter.

**TOTAL DEPOSITS DECLINED
MODERATELY FOR THE THIRD
QUARTER IN A ROW, BUT
INSURED DEPOSITS INCREASED**

Despite an increase in insured deposits in the fourth quarter, total deposits declined \$143.3 billion (0.7 percent) between third quarter 2022 and fourth quarter 2022. This was the third consecutive quarter that the industry reported lower levels of total deposits. A reduction in uninsured deposits was the primary driver of the quarterly decline. A decline in deposit accounts with balances greater than \$250,000 (down \$226.4 billion, or 2.2 percent) led the quarterly reduction. As of fourth quarter 2022, deposits represented 81.4 percent of total assets, well above the pre-pandemic average of 76.7 percent. The decline in deposits in fourth quarter 2022 was accompanied by a \$322.5 billion (7.5 percent) increase in wholesale funding for the industry from the prior quarter.⁷

**EARLY-STAGE DELINQUENCIES
CONTINUED TO RISE MODESTLY**

The rate of loans and leases 30 to 89 days past due increased 4 basis points from the last quarter and 5 basis points from the year-ago quarter to 0.56 percent. The quarterly increase was driven by an increase in past-due 1-4 residential mortgage loans and auto loans. Despite the recent increase, the overall past-due rate remains below the pre-pandemic average of 0.66 percent.

**THE NONCURRENT LOAN RATE
INCREASED SLIGHTLY FROM
THE PRIOR QUARTER**

The share of loans and leases 90 days or more past due or in nonaccrual status increased 1 basis point from the prior quarter and decreased 15 basis points from the year-ago quarter to 0.73 percent. From the prior quarter, noncurrent credit card loan balances increased most among noncurrent loan categories, resulting in an 18 basis point increase in the credit card noncurrent rate to 1.19 percent. Half of all banks (50.0 percent) reported lower noncurrent loan balances compared with third quarter 2022.

**AN INCREASE IN NET LOSSES ON
CREDIT CARD AND AUTO LOANS
DROVE AN INCREASE IN THE
NET CHARGE-OFF RATE**

The annual increase in the net charge off rate for auto loans (up 83 basis points to 1.13 percent) and credit card loans (up 87 basis points to 2.50 percent) drove a 15 basis point increase in the total net charge-off rate for all loans and leases to 0.36 percent from the year-ago quarter. Despite this increase, the industry's net charge-off rate remains near historic lows.

⁷Wholesale funding includes federal funds purchased and securities sold under agreement to repurchase; Federal Home Loan Bank borrowings; brokered (net of reciprocal deposits), municipal and state, and foreign deposits (which are not FDIC insured); other borrowings; and listing services.

**CAPITAL RATIOS
REMAINED STRONG**

The leverage capital ratio increased 11 basis points from a quarter ago to 8.98 percent. The total risk-based capital ratio increased 11 basis points to 14.94 percent, and the tier 1 risk-based capital ratio increased 7 basis points to 13.65 percent as capital formation outpaced risk-weighted asset growth. Equity capital increased \$42.6 billion (2.0 percent) in fourth quarter 2022, boosted by an improvement in accumulated other comprehensive income (up \$21.8 billion) from third quarter as stabilization in certain market interest rates improved the value of some available-for-sale investment securities.

Retained earnings decreased \$22.5 billion (66.6 percent) from a quarter ago. Banks distributed 83.5 percent of fourth quarter earnings as dividends, up from 52.8 percent reported in third quarter 2022. The number of institutions with capital ratios that did not meet Prompt Corrective Action requirements for the well-capitalized category increased by 1 from third quarter 2022 to 11.⁸

**THREE BANKS OPENED AND
NO BANKS FAILED IN
FOURTH QUARTER 2022**

The number of FDIC-insured institutions declined from 4,746 in third quarter to 4,706 this quarter. In fourth quarter, three banks opened and 36 institutions merged with other FDIC-insured institutions. Seven institutions ceased operations. The number of banks on the FDIC's "Problem Bank List" decreased by 3 from third quarter to 39, the lowest level in QBP history. Total assets of problem banks declined \$116.3 billion to \$47.5 billion.⁹ No banks failed in the fourth quarter.

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⁸Prompt Corrective Action categories are assigned based on reported capital ratios only and do not include the effects of regulatory downgrades.

⁹The asset value of insured financial institutions on the Problem Bank List is the amount known on the last day of third quarter 2022, the most current information available on December 31, 2022.

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

	2022	2021	2020	2019	2018	2017	2016
Return on assets (%)	1.12	1.23	0.72	1.29	1.35	0.97	1.04
Return on equity (%)	11.83	12.21	6.85	11.38	11.98	8.60	9.27
Core capital (leverage) ratio (%)	8.98	8.73	8.82	9.66	9.70	9.63	9.48
Noncurrent assets plus other real estate owned to assets (%)	0.39	0.44	0.61	0.55	0.60	0.73	0.86
Net charge-offs to loans (%)	0.27	0.25	0.50	0.52	0.48	0.50	0.47
Asset growth rate (%)	-0.51	8.46	17.29	3.92	3.03	3.79	5.09
Net interest margin (%)	2.95	2.54	2.82	3.36	3.40	3.25	3.13
Net operating income growth (%)	-3.60	96.89	-38.77	-3.14	45.45	-3.27	4.43
Number of institutions reporting	4,706	4,839	5,002	5,177	5,406	5,670	5,913
Commercial banks	4,127	4,232	4,375	4,518	4,715	4,918	5,112
Savings institutions	579	607	627	659	691	752	801
Percentage of unprofitable institutions (%)	3.40	3.10	4.68	3.73	3.46	5.61	4.48
Number of problem institutions	39	44	56	51	60	95	123
Assets of problem institutions (in billions)**	\$47	\$170	\$56	\$46	\$48	\$14	\$28
Number of failed institutions	0	0	4	4	0	8	5

* Excludes insured branches of foreign banks (IBAs).

** Assets shown are what were on record as of the last day of the quarter.

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

(dollar figures in millions)	4th Quarter 2022	3rd Quarter 2022	4th Quarter 2021	%Change 21Q4-22Q4		
Number of institutions reporting	4,706	4,746	4,839	-2.7		
Total employees (full-time equivalent)	2,124,274	2,114,159	2,069,043	2.7		
CONDITION DATA						
Total assets	\$23,600,014	\$23,631,650	\$23,719,827	-0.5		
Loans secured by real estate	5,766,020	5,651,736	5,259,867	9.6		
1-4 Family residential mortgages	2,479,491	2,435,702	2,259,041	9.8		
Nonfarm nonresidential	1,777,451	1,746,329	1,646,474	8.0		
Construction and development	467,649	447,240	401,583	16.5		
Home equity lines	273,008	270,561	265,103	3.0		
Commercial & industrial loans	2,533,139	2,502,942	2,309,808	9.7		
Loans to individuals	2,070,610	2,001,069	1,881,992	10.0		
Credit cards	1,009,401	935,418	871,083	15.9		
Farm loans	76,759	74,555	74,103	3.6		
Other loans & leases	1,782,289	1,772,993	1,723,336	3.4		
Less: Unearned income	1,942	1,897	2,130	-8.8		
Total loans & leases	12,226,876	12,001,398	11,246,976	8.7		
Less: Reserve for losses*	195,300	185,556	178,207	9.6		
Net loans and leases	12,031,576	11,815,842	11,068,769	8.7		
Securities**	5,884,011	5,924,089	6,245,863	-5.8		
Other real estate owned	2,596	2,731	2,962	-12.3		
Goodwill and other intangibles	430,077	425,538	404,354	6.4		
All other assets	5,251,754	5,463,450	5,997,879	-12.4		
Total liabilities and capital	23,600,014	23,631,650	23,719,827	-0.5		
Deposits	19,214,554	19,357,843	19,701,959	-2.5		
Domestic office deposits	17,725,365	17,892,188	18,189,582	-2.6		
Foreign office deposits	1,489,189	1,465,655	1,512,378	-1.5		
Other borrowed funds	1,351,863	1,254,368	955,344	41.5		
Subordinated debt	65,187	63,299	66,395	-1.8		
All other liabilities	761,090	791,405	636,516	19.6		
Total equity capital (includes minority interests)	2,207,319	2,164,735	2,359,612	-6.5		
Bank equity capital	2,205,131	2,162,573	2,357,415	-6.5		
Loans and leases 30-89 days past due	67,938	61,309	57,149	18.9		
Noncurrent loans and leases	89,772	86,378	99,712	-10.0		
Restructured loans and leases	44,047	43,436	42,763	3.0		
Mortgage-backed securities	3,150,227	3,201,072	3,557,068	-11.4		
Earning assets	21,399,647	21,397,390	21,767,776	-1.7		
FHLB Advances	587,434	444,563	188,537	211.6		
Unused loan commitments	9,569,225	9,498,940	9,031,541	6.0		
Trust assets	18,095,425	17,544,643	20,321,262	-11.0		
Assets securitized and sold	392,093	407,752	450,501	-13.0		
Notional amount of derivatives	192,875,611	198,385,321	179,313,889	7.6		
INCOME DATA						
	Full Year 2022	Full Year 2021	%Change	4th Quarter 2022	4th Quarter 2021	%Change 21Q4-22Q4
Total interest income	\$750,904	\$563,569	33.2	\$242,241	\$145,382	66.6
Total interest expense	117,968	36,143	226.4	62,324	8,327	648.5
Net interest income	632,935	527,427	20.0	179,917	137,055	31.3
Provision for credit losses***	51,571	-30,998	N/M	20,746	-732	N/M
Total noninterest income	290,957	300,416	-3.2	63,028	72,600	-13.2
Total noninterest expense	537,570	510,165	5.4	135,419	133,453	1.5
Securities gains (losses)	-3,903	3,010	N/M	-1,742	574	N/M
Applicable income taxes	67,328	72,409	-7.0	16,592	13,627	21.8
Extraordinary gains, net****	-232	47	N/M	28	16	75.0
Total net income (includes minority interests)	263,288	279,324	-5.7	68,476	63,896	7.2
Bank net income	263,029	279,121	-5.8	68,410	63,862	7.1
Net charge-offs	31,428	27,359	14.9	10,863	5,720	89.9
Cash dividends	152,293	156,162	-2.5	57,116	41,499	37.6
Retained earnings	110,735	122,960	-9.9	11,293	22,362	-49.5
Net operating income	266,876	276,843	-3.6	70,055	63,413	10.5

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

**** See Notes to Users for explanation.

N/M - Not Meaningful

TABLE III-A. Full Year 2022, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	Inter- national Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <\$1 Billion	All Other <\$1 Billion	All Other >\$1 Billion
Number of institutions reporting	4,706	10	5	1,054	2,501	320	35	300	410	71
Commercial banks	4,127	9	5	1,041	2,268	94	27	275	349	59
Savings institutions	579	1	0	13	233	226	8	25	61	12
Total assets (in billions)	\$23,600.0	\$452.7	\$5,745.9	\$298.5	\$8,139.1	\$720.6	\$590.4	\$70.3	\$95.9	\$7,486.6
Commercial banks	22,319.5	356.4	5,745.9	292.4	7,730.4	151.6	584.8	65.6	81.8	7,310.5
Savings institutions	1,280.6	96.3	0.0	6.1	408.8	569.0	5.6	4.6	14.1	176.1
Total deposits (in billions)	19,214.6	339.2	4,488.3	257.5	6,660.1	631.7	494.2	61.1	84.2	6,198.2
Commercial banks	18,132.6	264.9	4,488.3	253.5	6,333.4	125.0	489.5	58.0	72.4	6,047.6
Savings institutions	1,082.0	74.3	0.0	4.0	326.7	506.8	4.7	3.1	11.8	150.6
Bank net income (in millions)	263,029	15,015	55,970	3,584	93,074	6,641	7,444	1,461	974	78,865
Commercial banks	250,014	12,112	55,970	3,425	89,012	1,669	7,416	642	896	78,870
Savings institutions	13,015	2,903	0	159	4,062	4,971	28	819	78	-4
Performance Ratios (%)										
Yield on earning assets	3.50	11.87	2.99	3.84	3.75	2.31	4.27	2.96	3.57	3.21
Cost of funding earning assets	0.55	1.51	0.67	0.46	0.45	0.36	0.93	0.32	0.35	0.50
Net interest margin	2.95	10.36	2.32	3.38	3.30	1.96	3.34	2.64	3.22	2.71
Noninterest income to assets	1.23	6.84	1.56	0.56	0.89	0.40	1.02	5.93	0.87	1.12
Noninterest expense to assets	2.28	9.51	2.15	2.25	2.27	1.16	1.96	5.71	2.68	2.10
Credit loss provision to assets**	0.22	2.49	0.19	0.05	0.14	0.02	0.47	0.03	0.04	0.21
Net operating income to assets	1.13	3.68	0.99	1.25	1.19	0.88	1.32	2.06	1.03	1.04
Pretax return on assets	1.40	4.77	1.23	1.39	1.48	1.10	1.74	2.48	1.15	1.27
Return on assets	1.12	3.68	0.95	1.22	1.18	0.86	1.33	1.99	1.02	1.03
Return on equity	11.83	31.61	10.58	13.26	11.81	13.48	15.63	17.98	11.36	10.97
Net charge-offs to loans and leases	0.27	2.12	0.32	0.04	0.11	0.01	0.38	0.13	0.04	0.31
Loan and lease loss provision to net charge-offs	159.84	138.39	172.80	196.46	180.97	406.53	161.62	85.47	211.07	155.15
Efficiency ratio	57.71	56.26	59.06	59.94	57.47	50.15	46.84	68.45	68.83	58.25
% of unprofitable institutions	3.40	0.00	0.00	1.80	2.52	9.06	8.57	10.67	2.20	7.04
% of institutions with earnings gains	56.25	30.00	20.00	45.92	60.06	58.13	51.43	59.33	56.59	60.56
Condition Ratios (%)										
Earning assets to total assets	90.68	95.70	88.43	93.38	90.92	96.12	94.28	92.76	93.52	90.86
Loss allowance to:										
Loans and leases	1.60	6.46	1.88	1.34	1.21	0.62	1.46	1.60	1.26	1.61
Noncurrent loans and leases	217.55	520.12	275.64	267.97	176.06	152.38	333.71	236.67	227.23	189.08
Noncurrent assets plus other real estate owned to assets	0.39	1.06	0.23	0.35	0.48	0.15	0.34	0.22	0.33	0.42
Equity capital ratio	9.34	10.71	9.26	8.66	9.76	5.27	8.15	10.27	8.35	9.38
Core capital (leverage) ratio	8.98	11.53	8.20	10.58	9.55	8.70	9.23	14.02	10.94	8.68
Common equity tier 1 capital ratio***	13.56	12.87	16.01	13.68	11.83	23.08	12.47	29.03	17.31	13.78
Tier 1 risk-based capital ratio***	13.65	13.03	16.08	13.68	11.90	23.08	13.40	29.03	17.31	13.83
Total risk-based capital ratio***	14.94	14.90	17.26	14.75	13.14	23.55	14.42	29.90	18.35	15.30
Net loans and leases to deposits	62.62	106.37	41.37	72.14	80.59	38.93	89.70	30.88	61.47	56.49
Net loans to total assets	50.98	79.69	32.31	62.24	65.94	34.13	75.08	26.85	53.97	46.77
Domestic deposits to total assets	75.11	74.91	55.46	86.28	81.73	87.51	83.70	86.97	87.77	80.41
Structural Changes										
New reporters	15	0	0	1	0	0	0	14	0	0
Institutions absorbed by mergers	134	0	1	20	98	2	0	4	3	6
Failed institutions	0	0	0	0	0	0	0	0	0	0
PRIOR FULL YEARS (The way it was...)										
Number of institutions										
2021	4,839	12	5	1,121	2,417	293	33	357	506	95
2019	5,177	12	5	1,291	2,733	393	58	210	428	47
2017	5,670	11	5	1,389	2,944	420	59	272	510	60
Total assets (in billions)										
2021	\$23,719.8	\$499.8	\$5,827.2	\$302.8	\$7,372.1	\$776.3	\$353.0	\$83.4	\$130.4	\$8,374.9
2019	18,645.7	530.8	4,481.5	283.6	6,735.8	392.7	230.7	38.3	76.3	5,876.2
2017	17,415.4	562.7	4,196.0	282.6	6,026.0	349.2	270.9	46.9	88.8	5,592.2
Return on assets (%)										
2021	1.23	5.32	1.09	1.33	1.24	0.88	1.98	1.66	1.06	1.05
2019	1.29	3.27	1.23	1.33	1.18	1.20	1.21	3.56	1.17	1.27
2017	0.97	1.52	0.62	1.05	1.02	0.93	1.02	2.61	0.91	1.10
Net charge-offs to loans & leases (%)										
2021	0.25	2.00	0.38	0.05	0.11	0.01	0.27	0.08	0.04	0.20
2019	0.52	4.15	0.72	0.18	0.20	0.03	0.82	0.17	0.13	0.39
2017	0.50	3.95	0.56	0.16	0.21	0.04	0.60	0.23	0.15	0.43
Noncurrent assets plus OREO to assets (%)										
2021	0.44	0.78	0.28	0.47	0.55	0.18	0.48	0.27	0.39	0.46
2019	0.55	1.39	0.33	0.81	0.60	1.18	0.48	0.45	0.62	0.52
2017	0.73	1.25	0.51	0.77	0.70	1.70	0.36	0.59	0.81	0.82
Equity capital ratio (%)										
2021	9.94	12.56	9.20	10.78	10.71	8.17	9.00	12.96	10.79	9.74
2019	11.32	12.81	10.20	11.85	12.27	10.94	10.41	18.48	12.79	10.93
2017	11.22	15.10	9.83	11.18	11.95	11.21	10.00	15.26	11.94	11.09

* See Table V-A (page 14) for explanations.

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

*** Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

TABLE III-A. Full Year 2022, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Size Distribution					Geographic Regions*						
		Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco	
Number of institutions reporting	4,706	761	2,964	823	145	13	558	534	1,011	1,198	1,053	352	
Commercial banks	4,127	666	2,632	687	130	12	295	488	874	1,161	987	322	
Savings institutions	579	95	332	136	15	1	263	46	137	37	66	30	
Total assets (in billions)	\$23,600.0	\$46.3	\$1,098.1	\$2,277.3	\$7,091.4	\$13,086.9	\$4,547.5	\$4,614.2	\$5,575.4	\$4,243.2	\$1,992.9	\$2,626.8	
Commercial banks	22,319.5	41.1	968.0	1,945.7	6,626.5	12,738.1	4,177.3	4,560.1	5,504.3	4,187.9	1,416.6	2,473.2	
Savings institutions	1,280.6	5.2	130.1	331.6	464.9	348.7	370.2	54.0	71.0	55.3	576.3	153.6	
Total deposits (in billions)	19,214.6	39.0	948.4	1,899.1	5,796.8	10,531.2	3,690.8	3,825.2	4,360.7	3,468.8	1,710.9	2,158.2	
Commercial banks	18,132.6	35.2	841.9	1,631.7	5,418.7	10,205.2	3,388.5	3,786.6	4,309.0	3,421.7	1,192.4	2,034.3	
Savings institutions	1,082.0	3.9	106.6	267.4	378.1	326.0	302.3	38.5	51.7	47.0	518.5	123.9	
Bank net income (in millions)	263,029	400	12,854	28,652	86,391	134,732	45,803	53,739	61,713	40,775	22,778	38,220	
Commercial banks	250,014	354	11,149	25,788	81,135	131,587	43,075	53,992	60,221	40,170	17,902	34,652	
Savings institutions	13,015	46	1,704	2,864	5,256	3,145	2,728	-253	1,492	605	4,875	3,568	
Performance Ratios (%)													
Yield on earning assets	3.50	3.58	3.88	4.11	3.92	3.14	3.52	3.48	3.10	3.60	3.36	4.29	
Cost of funding earning assets	0.55	0.36	0.42	0.48	0.59	0.55	0.70	0.41	0.53	0.61	0.37	0.64	
Net interest margin	2.95	3.22	3.46	3.63	3.33	2.58	2.82	3.07	2.57	2.98	3.00	3.65	
Noninterest income to assets	1.23	1.56	1.09	1.10	1.22	1.27	1.16	1.03	1.47	1.08	0.81	1.79	
Noninterest expense to assets	2.28	3.50	2.84	2.65	2.38	2.12	2.16	2.18	2.21	2.35	2.14	2.80	
Credit loss provision to assets**	0.22	0.03	0.08	0.19	0.29	0.20	0.23	0.24	0.17	0.17	0.09	0.45	
Net operating income to assets	1.13	0.87	1.21	1.32	1.27	1.02	1.05	1.16	1.11	0.98	1.13	1.52	
Pretax return on assets	1.40	0.98	1.39	1.62	1.61	1.26	1.30	1.37	1.38	1.24	1.37	1.95	
Return on assets	1.12	0.84	1.19	1.30	1.25	1.01	1.03	1.15	1.09	0.97	1.13	1.49	
Return on equity	11.83	6.73	12.39	13.14	12.82	11.02	10.43	11.64	12.03	10.34	13.45	15.51	
Net charge-offs to loans and leases	0.27	0.06	0.05	0.15	0.28	0.32	0.26	0.34	0.18	0.27	0.09	0.43	
Loan and lease loss provision to net charge-offs	159.84	105.64	246.96	192.78	160.89	153.28	169.01	137.53	206.15	137.50	184.40	161.81	
Efficiency ratio	57.71	76.75	65.28	58.59	54.69	58.58	57.59	56.69	58.04	61.82	58.89	53.23	
% of unprofitable institutions	3.40	10.38	2.19	1.58	2.07	0.00	4.66	5.24	3.56	1.75	2.47	6.53	
% of institutions with earnings gains	56.25	51.77	56.34	60.39	55.17	46.15	59.86	70.04	54.10	42.82	64.77	55.97	
Condition Ratios (%)													
Earning assets to total assets	90.68	92.70	93.60	92.85	92.12	89.26	90.54	89.94	89.30	90.37	92.84	93.97	
Loss allowance to:													
Loans and leases	1.60	1.39	1.29	1.29	1.57	1.75	1.57	1.60	1.52	1.69	1.18	1.90	
Noncurrent loans and leases	217.55	162.78	272.50	201.47	218.13	216.90	181.14	222.72	226.19	217.61	145.42	335.22	
Noncurrent assets plus other real estate owned to assets	0.39	0.51	0.34	0.47	0.46	0.35	0.47	0.39	0.33	0.39	0.44	0.37	
Equity capital ratio	9.34	12.37	9.23	9.65	9.51	9.20	9.84	9.73	9.24	9.21	7.83	9.38	
Core capital (leverage) ratio	8.98	14.19	11.03	10.43	9.42	8.29	9.32	8.61	8.68	8.79	9.36	9.70	
Common equity tier 1 capital ratio***	13.56	22.28	15.24	13.37	12.89	13.91	13.67	12.64	14.18	13.21	14.38	13.77	
Tier 1 risk-based capital ratio***	13.65	22.28	15.29	13.41	13.08	13.95	13.72	12.70	14.24	13.29	14.50	14.02	
Total risk-based capital ratio***	14.94	23.31	16.38	14.44	14.33	15.33	15.03	13.85	15.60	14.86	15.57	15.14	
Net loans and leases to deposits	62.62	62.57	72.80	81.01	75.71	51.18	64.99	62.62	58.48	58.16	59.10	76.84	
Net loans to total assets	50.98	52.74	62.88	67.55	61.89	41.18	52.75	51.92	45.74	47.55	50.74	63.13	
Domestic deposits to total assets	75.11	84.28	86.37	83.29	80.29	69.9	76.96	80.29	69.02	66.57	85.82	81.38	
Structural Changes													
New reporters	15	15	0	0	0	0	3	4	0	1	2	5	
Institutions absorbed by mergers	134	29	67	29	9	0	26	11	23	39	29	6	
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0	
PRIOR FULL YEARS (The way it was...)													
Number of institutions	2021	4,839	817	3,049	813	147	13	577	551	1,040	1,237	1,075	359
	2019	5,177	1,156	3,225	656	130	10	625	587	1,118	1,330	1,138	379
	2017	5,670	1,407	3,513	627	114	9	693	668	1,214	1,438	1,235	422
Total assets (in billions)	2021	\$23,719.8	\$50.0	\$1,125.0	\$2,221.9	\$7,076.0	\$13,246.9	\$4,454.8	\$4,787.8	\$5,666.0	\$4,198.7	\$2,041.6	\$2,570.9
	2019	18,645.7	68.6	1,087.9	1,753.9	6,071.6	9,663.8	3,407.7	3,847.5	4,235.6	3,796.7	1,204.6	2,153.7
	2017	17,415.4	83.7	1,154.2	1,751.7	5,699.2	8,726.7	3,248.1	3,601.0	3,918.1	3,683.2	1,090.0	1,875.1
Return on assets (%)	2021	1.23	1.04	1.29	1.41	1.46	1.07	1.08	1.26	1.25	1.10	1.12	1.71
	2019	1.29	1.02	1.29	1.30	1.35	1.26	1.09	1.29	1.34	1.20	1.32	1.66
	2017	0.97	0.83	1.04	1.05	1.04	0.89	0.85	1.00	1.00	0.76	1.12	1.36
Net charge-offs to loans & leases (%)	2021	0.25	0.07	0.06	0.12	0.30	0.27	0.26	0.26	0.19	0.31	0.10	0.33
	2019	0.52	0.21	0.14	0.21	0.70	0.51	0.48	0.58	0.42	0.53	0.24	0.78
	2017	0.50	0.21	0.15	0.22	0.71	0.47	0.58	0.61	0.27	0.51	0.28	0.67
Noncurrent assets plus OREO to assets (%)	2021	0.44	0.58	0.42	0.44	0.56	0.37	0.45	0.39	0.37	0.49	0.69	0.35
	2019	0.55	0.94	0.70	0.57	0.62	0.48	0.51	0.57	0.49	0.61	0.84	0.42
	2017	0.73	1.01	0.83	0.66	0.70	0.74	0.65	0.83	0.67	0.86	0.81	0.45
Equity capital ratio (%)	2021	9.94	13.49	10.83	10.86	10.31	9.50	10.32	10.21	9.52	9.81	9.64	10.14
	2019	11.32	14.27	12.01	12.03	11.86	10.76	11.83	12.23	10.89	10.24	12.16	11.15
	2017	11.22	13.01	11.29	11.82	12.13	10.47	12.34	12.06	10.42	9.99	11.49	11.58

* See Table V-A (page 15) for explanations.

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

*** Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

TABLE IV-A. Fourth Quarter 2022, All FDIC-Insured Institutions

FOURTH QUARTER (The way it is...)	All Insured Institutions	Asset Concentration Groups*									
		Credit Card Banks	Inter- national Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <\$1 Billion	All Other <\$1 Billion	All Other >\$1 Billion	
Number of institutions reporting	4,706	10	5	1,054	2,501	320	35	300	410	71	
Commercial banks	4,127	9	5	1,041	2,268	94	27	275	349	59	
Savings institutions	579	1	0	13	233	226	8	25	61	12	
Total assets (in billions)	\$23,600.0	\$452.7	\$5,745.9	\$298.5	\$8,139.1	\$720.6	\$590.4	\$70.3	\$95.9	\$7,486.6	
Commercial banks	22,319.5	356.4	5,745.9	292.4	7,730.4	151.6	584.8	65.6	81.8	7,310.5	
Savings institutions	1,280.6	96.3	0.0	6.1	408.8	569.0	5.6	4.6	14.1	176.1	
Total deposits (in billions)	19,214.6	339.2	4,488.3	257.5	6,660.1	631.7	494.2	61.1	84.2	6,198.2	
Commercial banks	18,132.6	264.9	4,488.3	253.5	6,333.4	125.0	489.5	58.0	72.4	6,047.6	
Savings institutions	1,082.0	74.3	0.0	4.0	326.7	506.8	4.7	3.1	11.8	150.6	
Bank net income (in millions)	68,410	3,460	14,897	894	26,092	1,609	1,486	480	254	19,238	
Commercial banks	65,695	2,903	14,897	858	24,845	322	1,480	219	225	19,946	
Savings institutions	2,714	557	0	36	1,247	1,287	6	261	28	-709	
Performance Ratios (annualized, %)											
Yield on earning assets	4.54	13.24	4.29	4.38	4.65	2.89	5.14	3.65	4.05	4.21	
Cost of funding earning assets	1.17	2.57	1.51	0.76	0.98	0.81	1.82	0.54	0.57	1.04	
Net interest margin	3.37	10.68	2.78	3.61	3.67	2.09	3.32	3.11	3.49	3.16	
Noninterest income to assets	1.07	6.80	1.43	0.56	0.81	0.39	0.87	6.54	0.81	0.79	
Noninterest expense to assets	2.30	9.48	2.25	2.39	2.31	1.26	1.99	6.14	2.77	1.98	
Credit loss provision to assets**	0.35	3.63	0.28	0.10	0.22	0.02	0.65	0.00	0.07	0.38	
Net operating income to assets	1.19	3.15	1.07	1.28	1.30	0.89	1.02	2.70	1.10	1.07	
Pretax return on assets	1.44	3.93	1.31	1.38	1.61	1.10	1.36	3.35	1.20	1.25	
Return on assets	1.16	3.15	1.03	1.21	1.30	0.88	1.02	2.73	1.06	1.02	
Return on equity	12.56	29.05	11.30	14.19	13.46	16.39	12.48	27.29	12.98	10.96	
Net charge-offs to loans and leases	0.36	2.54	0.40	0.10	0.15	0.02	0.55	0.21	0.07	0.44	
Loan and lease loss provision to net charge-offs	187.71	168.75	217.32	151.76	204.82	389.63	151.22	-3.40	170.34	182.09	
Efficiency ratio	55.19	55.21	57.51	60.14	55.00	52.44	49.71	64.84	67.76	53.55	
% of unprofitable institutions	5.65	10.00	0.00	6.17	3.60	12.81	17.14	12.00	5.12	8.45	
% of institutions with earnings gains	69.97	40.00	60.00	70.78	70.13	65.00	54.29	73.00	72.20	61.97	
Structural Changes											
New reporters	3	0	0	1	0	0	0	2	0	0	
Institutions absorbed by mergers	36	0	0	5	30	0	0	0	0	1	
Failed institutions	0	0	0	0	0	0	0	0	0	0	
PRIOR FOURTH QUARTERS (The way it was...)											
Return on assets (%)	2021	1.09	4.42	0.86	1.06	1.14	0.88	1.90	1.57	0.86	1.00
	2019	1.19	3.17	1.18	1.27	1.13	1.20	0.54	4.48	1.07	1.09
	2017	0.58	-0.04	-0.43	0.48	0.90	0.65	0.69	2.86	0.78	1.04
Net charge-offs to loans & leases (%)	2021	0.21	1.58	0.28	0.08	0.09	0.00	0.34	0.23	0.07	0.17
	2019	0.54	4.07	0.76	0.25	0.23	0.05	0.87	0.36	0.18	0.42
	2017	0.55	4.18	0.56	0.24	0.23	0.06	0.62	0.36	0.18	0.51

* See Table V-A (page 14) for explanations.

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

TABLE IV-A. Fourth Quarter 2022, All FDIC-Insured Institutions

FOURTH QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution					Geographic Regions*					
		Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,706	761	2,964	823	145	13	558	534	1,011	1,198	1,053	352
Commercial banks	4,127	666	2,632	687	130	12	295	488	874	1,161	987	322
Savings institutions	579	95	332	136	15	1	263	46	137	37	66	30
Total assets (in billions)	\$23,600.0	\$46.3	\$1,098.1	\$2,277.3	\$7,091.4	\$13,086.9	\$4,547.5	\$4,614.2	\$5,575.4	\$4,243.2	\$1,992.9	\$2,626.8
Commercial banks	22,319.5	41.1	968.0	1,945.7	6,626.5	12,738.1	4,177.3	4,560.1	5,504.3	4,187.9	1,416.6	2,473.2
Savings institutions	1,280.6	5.2	130.1	331.6	464.9	348.7	370.2	54.0	71.0	55.3	576.3	153.6
Total deposits (in billions)	19,214.6	39.0	948.4	1,899.1	5,796.8	10,531.2	3,690.8	3,825.2	4,360.7	3,468.8	1,710.9	2,158.2
Commercial banks	18,132.6	35.2	841.9	1,631.7	5,418.7	10,205.2	3,388.5	3,786.6	4,309.0	3,421.7	1,192.4	2,034.3
Savings institutions	1,082.0	3.9	106.6	267.4	378.1	326.0	302.3	38.5	51.7	47.0	518.5	123.9
Bank net income (in millions)	68,410	100	3,545	7,745	20,608	36,411	12,514	14,294	17,409	9,933	5,955	8,304
Commercial banks	65,695	85	3,021	6,827	20,074	35,687	11,489	15,010	17,024	9,733	4,883	7,556
Savings institutions	2,714	15	524	918	533	724	1,025	-716	385	200	1,072	748
Performance Ratios (annualized, %)												
Yield on earning assets	4.54	4.21	4.46	4.84	4.96	4.25	4.73	4.32	4.23	4.66	4.18	5.26
Cost of funding earning assets	1.17	0.51	0.70	0.92	1.28	1.19	1.51	0.77	1.17	1.30	0.80	1.33
Net interest margin	3.37	3.69	3.76	3.91	3.69	3.06	3.22	3.55	3.07	3.37	3.37	3.93
Noninterest income to assets	1.07	1.56	1.06	1.02	1.11	1.05	1.04	0.55	1.37	0.96	0.80	1.79
Noninterest expense to assets	2.30	3.93	2.95	2.70	2.47	2.08	2.18	1.86	2.31	2.48	2.31	2.93
Credit loss provision to assets**	0.35	0.03	0.10	0.26	0.46	0.33	0.35	0.41	0.26	0.29	0.14	0.74
Net operating income to assets	1.19	0.87	1.33	1.37	1.25	1.12	1.13	1.24	1.25	0.96	1.24	1.41
Pretax return on assets	1.44	1.02	1.51	1.70	1.50	1.36	1.39	1.47	1.53	1.21	1.43	1.67
Return on assets	1.16	0.85	1.30	1.38	1.18	1.11	1.11	1.23	1.24	0.94	1.20	1.27
Return on equity	12.56	7.01	14.31	14.43	12.45	12.16	11.39	12.70	13.75	10.28	15.45	13.68
Net charge-offs to loans and leases	0.36	0.09	0.09	0.20	0.36	0.44	0.34	0.46	0.24	0.35	0.12	0.59
Loan and lease loss provision to net charge-offs	187.71	57.23	170.16	185.48	195.07	183.72	190.76	166.87	234.59	169.95	208.93	189.68
Efficiency ratio	55.19	78.50	63.98	57.68	53.90	54.50	54.72	48.63	55.96	61.77	58.31	53.06
% of unprofitable institutions	5.65	15.11	4.08	2.55	6.21	0.00	4.66	5.81	5.14	5.68	6.08	7.10
% of institutions with earnings gains	69.97	69.91	70.99	66.71	68.28	69.23	65.77	76.03	69.83	69.28	71.70	65.06
Structural Changes												
New reporters	3	3	0	0	0	0	1	1	0	0	0	1
Institutions absorbed by mergers	36	7	20	7	2	0	6	3	4	14	9	0
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0
PRIOR FOURTH QUARTERS (The way it was...)												
Return on assets (%)	2021	1.09	0.66	1.12	1.32	1.28	1.01	1.19	1.07	0.85	0.97	1.56
	2019	1.19	0.86	1.24	1.27	1.29	1.02	1.15	1.28	1.02	1.14	1.70
	2017	0.58	0.59	0.85	0.73	0.78	0.59	0.69	0.83	-0.13	0.89	1.10
Net charge-offs to loans & leases (%)	2021	0.21	0.09	0.08	0.14	0.23	0.21	0.21	0.15	0.26	0.10	0.28
	2019	0.54	0.27	0.24	0.22	0.70	0.51	0.60	0.45	0.56	0.27	0.77
	2017	0.55	0.29	0.23	0.29	0.76	0.64	0.69	0.26	0.56	0.33	0.75

* See Table V-A (page 15) for explanations.

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

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

December 31, 2022	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	Inter-national Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <\$1 Billion	All Other <\$1 Billion	All Other >\$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.42	0.28	0.36	0.40	0.39	0.32	0.08	0.69	0.70	0.60
Construction and development	0.30	0.68	0.20	0.51	0.28	0.73	0.41	0.25	0.60	0.39
Nonfarm nonresidential	0.25	0.04	0.66	0.29	0.18	0.20	0.01	0.42	0.33	0.52
Multifamily residential real estate	0.15	0.00	0.25	0.04	0.10	0.01	0.00	0.19	0.03	0.32
Home equity loans	0.50	0.00	0.64	0.38	0.49	0.32	0.12	0.54	0.56	0.51
Other 1-4 family residential	0.64	0.29	0.36	0.74	0.83	0.32	0.09	1.09	0.93	0.69
Commercial and industrial loans	0.37	0.77	0.68	0.55	0.29	0.28	0.46	0.55	0.78	0.34
Loans to individuals	1.38	1.42	0.89	1.03	1.14	0.30	2.14	1.26	1.33	1.62
Credit card loans	1.25	1.44	0.87	1.54	1.54	1.09	2.16	0.81	1.24	1.41
Other loans to individuals	1.51	1.18	0.94	0.97	1.12	0.28	2.14	1.27	1.33	1.80
All other loans and leases (including farm)	0.29	1.36	0.35	0.28	0.30	0.04	0.03	0.26	0.59	0.26
Total loans and leases	0.56	1.34	0.53	0.42	0.41	0.31	0.92	0.71	0.75	0.68
Percent of Loans Noncurrent**										
All real estate loans	0.90	0.77	1.10	0.50	0.73	0.43	0.10	0.68	0.55	1.51
Construction and development	0.37	0.00	1.92	0.32	0.27	0.31	0.02	0.44	0.20	0.57
Nonfarm nonresidential	0.54	0.82	0.42	0.43	0.49	0.33	0.09	0.49	0.62	0.91
Multifamily residential real estate	0.17	3.39	0.07	0.47	0.15	0.12	0.00	0.00	0.09	0.45
Home equity loans	1.71	0.00	5.62	0.25	1.01	0.34	0.53	0.50	0.27	2.67
Other 1-4 family residential	1.35	0.65	1.29	0.46	1.43	0.47	0.12	0.91	0.60	1.79
Commercial and industrial loans	0.67	0.51	0.74	0.72	0.74	0.37	0.60	0.83	0.79	0.54
Loans to individuals	0.85	1.33	0.67	0.34	0.68	0.12	0.85	0.59	0.51	0.83
Credit card loans	1.19	1.41	0.81	0.47	1.18	0.66	2.47	0.23	0.57	1.34
Other loans to individuals	0.51	0.40	0.18	0.32	0.64	0.10	0.83	0.60	0.51	0.36
All other loans and leases (including farm)	0.19	0.91	0.39	0.22	0.22	0.12	0.01	0.50	0.31	0.14
Total loans and leases	0.73	1.24	0.68	0.50	0.69	0.40	0.44	0.68	0.55	0.85
Percent of Loans Charged-Off (net, YTD)										
All real estate loans	0.00	-0.01	-0.05	0.01	0.01	0.00	0.00	-0.01	0.00	-0.01
Construction and development	-0.01	0.00	-0.01	-0.01	-0.01	-0.05	0.00	-0.05	0.00	-0.02
Nonfarm nonresidential	0.02	0.02	0.00	0.01	0.02	0.01	-0.01	-0.01	-0.02	0.03
Multifamily residential real estate	0.01	0.00	0.00	-0.01	0.01	0.04	0.00	0.00	0.00	0.00
Home equity loans	-0.15	0.00	-0.54	0.01	-0.08	-0.09	-0.04	-0.06	0.01	-0.20
Other 1-4 family residential	-0.01	0.00	-0.05	0.01	0.00	0.00	0.00	0.01	0.01	0.00
Commercial and industrial loans	0.17	1.06	0.17	0.21	0.17	0.01	0.23	0.08	0.07	0.12
Loans to individuals	1.30	2.27	1.30	0.37	0.79	0.21	0.89	0.90	0.28	1.27
Credit card loans	2.09	2.35	1.64	1.41	3.17	2.17	4.10	1.27	0.95	2.19
Other loans to individuals	0.61	1.33	0.28	0.25	0.64	0.15	0.85	0.90	0.27	0.53
All other loans and leases (including farm)	0.12	0.69	0.11	0.00	0.12	0.12	0.02	0.98	0.12	0.12
Total loans and leases	0.27	2.12	0.32	0.04	0.11	0.01	0.38	0.13	0.04	0.31
Loans Outstanding (in billions)										
All real estate loans	\$5,766.0	\$4.2	\$571.1	\$122.0	\$3,345.3	\$217.6	\$199.6	\$14.2	\$40.7	\$1,251.4
Construction and development	467.6	0.1	17.4	8.9	366.3	7.3	4.2	1.7	3.1	58.6
Nonfarm nonresidential	1,777.5	0.3	63.2	32.4	1,355.6	18.1	20.2	5.1	8.8	273.8
Multifamily residential real estate	598.4	0.0	92.1	4.8	396.8	6.7	22.6	0.4	1.2	73.8
Home equity loans	273.0	0.0	20.2	2.0	170.6	8.8	3.4	0.4	1.4	66.3
Other 1-4 family residential	2,479.5	3.7	335.7	27.8	997.4	175.9	149.2	5.6	22.9	761.4
Commercial and industrial loans	2,533.1	40.1	356.0	23.1	1,251.7	7.3	42.2	2.2	4.4	806.2
Loans to individuals	2,070.6	341.0	414.9	6.5	377.5	15.6	176.6	1.9	4.3	732.4
Credit card loans	1,009.4	314.6	319.4	0.6	23.9	0.5	2.3	0.0	0.0	348.1
Other loans to individuals	1,061.2	26.4	95.5	5.9	353.6	15.2	174.3	1.8	4.2	384.3
All other loans and leases (including farm)	1,859.0	0.4	550.3	36.8	460.2	7.0	31.5	0.9	3.1	768.8
Total loans and leases (plus unearned income)	12,228.8	385.7	1,892.3	188.3	5,434.7	247.6	449.9	19.2	52.4	3,558.7
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	2,595.9	0.9	224.0	88.6	1,468.3	56.5	6.1	23.6	30.8	696.9
Construction and development	414.0	0.0	1.0	8.4	344.7	9.8	0.9	12.1	12.2	24.8
Nonfarm nonresidential	1,257.7	0.9	72.0	45.7	726.4	17.3	0.6	6.6	9.8	378.3
Multifamily residential real estate	27.9	0.0	0.0	1.2	25.3	0.1	0.0	0.0	1.3	0.0
1-4 family residential	828.7	0.0	149.0	9.9	330.7	29.3	4.6	4.4	7.1	293.7
Farmland	64.3	0.0	0.0	23.5	40.0	0.0	0.0	0.5	0.4	0.0

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

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

December 31, 2022	All Insured Institutions	Asset Size Distribution					Geographic Regions*					
		Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due												
All loans secured by real estate	0.42	0.96	0.40	0.22	0.44	0.53	0.39	0.46	0.35	0.55	0.62	0.24
Construction and development	0.30	0.79	0.41	0.22	0.31	0.32	0.52	0.34	0.19	0.25	0.23	0.26
Nonfarm nonresidential	0.25	0.83	0.24	0.12	0.21	0.51	0.23	0.26	0.20	0.46	0.19	0.19
Multifamily residential real estate	0.15	0.15	0.11	0.06	0.12	0.28	0.14	0.15	0.12	0.42	0.08	0.07
Home equity loans	0.50	0.33	0.42	0.37	0.54	0.50	0.48	0.45	0.58	0.58	0.48	0.34
Other 1-4 family residential	0.64	1.30	0.65	0.43	0.75	0.62	0.59	0.66	0.49	0.74	1.48	0.31
Commercial and industrial loans	0.37	0.82	0.52	0.43	0.32	0.39	0.25	0.33	0.40	0.47	0.36	0.49
Loans to individuals	1.38	1.44	1.33	1.69	1.26	1.44	1.12	2.01	0.81	1.24	0.85	1.67
Credit card loans	1.25	3.60	4.45	3.63	1.30	1.16	1.46	1.54	0.82	1.02	0.63	1.48
Other loans to individuals	1.51	1.43	1.22	1.30	1.23	1.81	0.87	2.42	0.81	1.70	0.91	1.84
All other loans and leases (including farm)	0.29	0.47	0.28	0.30	0.29	0.29	0.17	0.30	0.27	0.41	0.37	0.24
Total loans and leases	0.56	0.91	0.44	0.36	0.55	0.63	0.45	0.71	0.42	0.61	0.57	0.62
Percent of Loans Noncurrent**												
All real estate loans	0.90	0.78	0.45	0.43	0.85	1.39	0.95	0.92	1.04	1.09	0.96	0.36
Construction and development	0.37	0.27	0.28	0.26	0.26	0.83	0.74	0.23	0.72	0.11	0.16	0.24
Nonfarm nonresidential	0.54	0.93	0.44	0.38	0.59	0.73	0.82	0.62	0.49	0.50	0.31	0.35
Multifamily residential real estate	0.17	0.33	0.21	0.15	0.14	0.24	0.26	0.21	0.09	0.19	0.07	0.11
Home equity loans	1.71	0.29	0.39	0.38	0.97	3.08	1.49	1.30	2.20	3.85	0.68	0.46
Other 1-4 family residential	1.35	0.82	0.51	0.66	1.40	1.67	1.30	1.29	1.47	1.56	2.38	0.44
Commercial and industrial loans	0.67	1.51	0.69	1.55	0.60	0.54	1.15	0.49	0.49	0.60	0.62	0.78
Loans to individuals	0.85	0.72	0.41	0.98	0.83	0.85	0.90	1.06	0.44	0.80	0.52	1.04
Credit card loans	1.19	1.88	1.53	3.69	1.27	1.08	1.45	1.46	0.73	0.96	0.89	1.42
Other loans to individuals	0.51	0.71	0.37	0.43	0.50	0.55	0.49	0.70	0.17	0.44	0.41	0.71
All other loans and leases (including farm)	0.19	0.72	0.42	0.29	0.19	0.17	0.11	0.12	0.24	0.26	0.17	0.18
Total loans and leases	0.73	0.85	0.47	0.64	0.72	0.80	0.86	0.72	0.67	0.77	0.81	0.57
Percent of Loans Charged-Off (net, YTD)												
All real estate loans	0.00	0.00	0.00	0.01	0.01	-0.02	0.01	0.01	-0.03	-0.01	-0.01	0.01
Construction and development	-0.01	0.01	-0.01	-0.01	-0.01	-0.02	0.00	-0.04	-0.01	0.00	-0.01	0.01
Nonfarm nonresidential	0.02	-0.02	0.00	0.02	0.03	0.02	0.06	0.02	0.01	0.00	0.00	0.02
Multifamily residential real estate	0.01	0.00	0.00	0.01	0.02	0.00	0.02	0.00	0.01	0.01	0.00	0.01
Home equity loans	-0.15	-0.01	0.00	-0.01	-0.08	-0.27	-0.09	-0.19	-0.20	-0.21	-0.10	-0.02
Other 1-4 family residential	-0.01	0.01	0.00	-0.01	0.00	-0.02	-0.02	0.03	-0.04	-0.01	-0.01	0.00
Commercial and industrial loans	0.17	0.23	0.16	0.17	0.22	0.13	0.17	0.16	0.15	0.08	0.16	0.35
Loans to individuals	1.30	0.39	0.60	1.79	1.25	1.31	1.31	1.35	0.90	1.55	0.74	1.55
Credit card loans	2.09	8.07	3.09	6.50	2.17	1.93	2.45	2.15	1.54	1.95	1.61	2.48
Other loans to individuals	0.61	0.33	0.52	0.77	0.60	0.59	0.53	0.69	0.35	0.77	0.49	0.80
All other loans and leases (including farm)	0.12	0.02	0.11	0.07	0.07	0.14	0.08	0.20	0.10	0.13	0.12	0.02
Total loans and leases	0.27	0.06	0.05	0.15	0.28	0.32	0.26	0.34	0.18	0.27	0.09	0.43
Loans Outstanding (in billions)												
All real estate loans	\$5,766.0	\$17.0	\$547.2	\$1,140.4	\$2,235.3	\$1,826.2	\$1,253.4	\$972.3	\$1,113.7	\$893.9	\$687.6	\$845.1
Construction and development	467.6	1.1	57.6	124.9	201.1	83.0	86.2	73.0	72.1	66.9	112.6	56.9
Nonfarm nonresidential	1,777.5	3.6	203.1	480.8	741.4	348.6	412.2	327.2	265.8	221.8	276.8	273.6
Multifamily residential real estate	598.4	0.4	32.2	127.6	276.8	161.4	204.8	50.4	145.6	57.3	33.5	106.8
Home equity loans	273.0	0.3	15.9	37.7	107.6	111.4	71.7	58.6	63.4	30.8	20.4	28.1
Other 1-4 family residential	2,479.5	8.2	186.0	331.1	890.4	1,063.8	472.8	449.0	540.9	427.6	220.9	368.3
Commercial and industrial loans	2,533.1	2.9	84.7	246.6	900.0	1,298.8	465.7	622.9	584.4	425.8	191.5	242.8
Loans to individuals	2,070.6	1.6	27.5	103.2	803.2	1,135.2	391.7	481.5	402.8	307.7	77.8	409.2
Credit card loans	1,009.4	0.0	0.9	17.3	349.2	642.0	168.4	225.8	195.8	211.3	17.8	190.4
Other loans to individuals	1,061.2	1.6	26.6	85.8	454.0	493.2	223.3	255.7	207.0	96.4	60.0	218.8
All other loans and leases (including farm)	1,859.0	3.3	40.3	69.0	521.1	1,225.4	326.5	358.0	488.9	424.9	66.9	193.9
Total loans and leases (plus unearned income)	12,228.8	24.8	699.8	1,559.2	4,459.6	5,485.5	2,437.3	2,434.6	2,589.8	2,052.2	1,023.7	1,691.1
Memo: Other Real Estate Owned (in millions)												
All other real estate owned	2,595.9	23.1	427.0	615.3	609.8	920.7	429.0	629.0	506.4	455.2	409.6	166.7
Construction and development	414.0	4.4	153.9	178.5	59.6	17.6	49.5	81.2	35.6	90.8	124.5	32.4
Nonfarm nonresidential	1,257.7	9.7	165.2	318.5	221.0	543.3	128.2	390.5	214.4	269.5	210.7	44.3
Multifamily residential real estate	27.9	1.3	10.4	2.2	13.1	0.9	6.6	2.5	8.4	2.5	4.2	3.8
1-4 family residential	828.7	5.9	69.5	95.6	300.9	356.8	244.6	153.3	240.4	66.5	57.7	66.2
Farmland	64.3	1.8	27.9	19.4	15.3	0.0	0.1	1.0	6.9	23.9	12.5	20.0

* Regions:

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

Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia

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

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

Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas

San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

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

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

	4th Quarter 2022	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	% Change 21Q4-22Q4	Asset Size Distribution				
							Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion
ALL DERIVATIVE HOLDERS											
Number of institutions reporting derivatives	1,140	1,212	1,254	1,295	1,310	-13.0	16	473	504	134	13
Total assets of institutions reporting derivatives	\$21,631,568	\$21,656,938	\$21,873,500	\$22,148,804	\$21,896,421	-1.2	\$1,120	\$247,519	\$1,603,938	\$6,692,111	\$13,086,880
Total deposits of institutions reporting derivatives	17,562,245	17,674,023	17,982,505	18,368,954	18,163,919	-3.3	895	210,389	1,334,328	5,485,401	10,531,231
Total derivatives	192,875,611	198,385,321	197,421,142	203,157,729	179,313,889	7.6	97	9,218	176,989	4,219,908	188,469,398
Derivative Contracts by Underlying Risk Exposure											
Interest rate	139,774,246	141,989,523	142,884,741	145,900,883	126,263,465	10.7	97	8,456	169,991	2,415,031	137,180,671
Foreign exchange*	43,001,986	45,988,455	44,459,158	46,356,534	43,668,294	-1.5	0	0	2,427	1,569,041	41,430,518
Equity	4,423,904	4,409,702	4,330,864	4,489,264	4,256,115	3.9	0	27	31	49,118	4,374,728
Commodity & other (excluding credit derivatives)	1,432,977	1,606,776	1,779,436	1,905,829	1,584,207	-9.5	0	0	59	121,947	1,310,971
Credit	4,241,352	4,389,784	3,965,766	4,504,316	3,540,460	19.8	0	15	4,055	64,772	4,172,510
Total	192,874,465	198,384,240	197,419,965	203,156,826	179,312,541	7.6	97	8,498	176,563	4,219,908	188,469,398
Derivative Contracts by Transaction Type											
Swaps	118,597,661	121,132,626	121,285,181	124,396,704	109,290,037	8.5	0	1,615	121,765	2,561,825	115,912,456
Futures & forwards	28,748,693	31,661,060	32,045,336	33,523,101	31,179,813	-7.8	0	1,289	7,336	1,231,688	27,508,380
Purchased options	19,695,467	19,118,334	18,596,675	18,875,284	16,490,297	19.4	0	48	20,449	167,691	19,507,279
Written options	19,693,855	18,780,453	18,958,408	19,054,957	16,963,154	16.1	0	830	8,666	150,623	19,533,736
Total	186,735,677	190,692,473	190,885,599	195,850,046	173,923,300	7.4	0	3,782	158,216	4,111,827	182,461,852
Fair Value of Derivative Contracts											
Interest rate contracts	72,895	77,730	77,213	71,615	55,248	31.9	0	64	1,832	-6,358	77,357
Foreign exchange contracts	-14,980	15,025	11,233	11,938	-4,023	N/M	0	0	5	851	-15,836
Equity contracts	4,403	16,949	12,308	-3,383	-8,794	N/M	0	-1	2	934	3,467
Commodity & other (excluding credit derivatives)	8,892	18,933	22,615	21,140	6,479	37.2	0	0	1	112	8,779
Credit derivatives as guarantor**	5,346	-16,373	-18,433	13,388	24,091	-77.8	0	2	18	-67	5,394
Credit derivatives as beneficiary**	-4,002	23,163	22,643	-14,304	-28,518	N/M	0	0	-1	-204	-3,797
Derivative Contracts by Maturity***											
Interest rate contracts	92,694,359	97,477,065	96,672,591	102,946,312	68,047,961	36.2	3	1,454	17,929	1,356,166	91,318,806
< 1 year	27,375,719	26,085,681	26,253,904	26,322,685	41,247,368	-33.6	5	1,651	66,330	561,620	26,746,113
1-5 years	20,667,382	19,919,888	22,979,692	23,004,026	20,471,315	1.0	0	2,141	66,374	383,554	20,215,312
> 5 years	33,156,693	34,753,442	33,883,174	34,852,149	30,953,966	7.1	0	0	1,516	1,429,620	31,725,556
Foreign exchange and gold contracts	4,811,621	4,481,609	4,545,526	4,822,181	4,863,871	-1.1	0	0	362	117,787	4,693,471
< 1 year	2,444,283	2,226,842	2,476,418	2,618,402	2,551,933	-4.2	0	0	0	10,012	2,434,271
1-5 years	4,335,420	4,315,354	4,272,177	4,491,365	3,880,771	11.7	0	7	2	25,334	4,310,077
> 5 years	999,329	1,057,822	911,068	1,000,719	1,055,173	-5.3	0	19	4	16,389	982,916
Equity contracts	98,766	140,485	174,232	175,183	144,720	-31.8	0	0	7	1,448	97,311
Commodity & other contracts (including credit derivatives, excluding gold contracts)	2,743,038	2,933,679	3,007,398	3,560,248	2,195,295	25.0	0	2	210	55,558	2,687,368
< 1 year	2,844,771	2,819,537	2,653,707	2,658,498	2,569,198	10.7	0	8	976	51,509	2,792,278
1-5 years	272,418	468,669	680,264	469,467	236,524	15.2	0	67	2,349	9,491	260,511
> 5 years											
Risk-Based Capital: Credit Equivalent Amount											
Total current exposure to tier 1 capital (%)	14.9	21.0	17.5	16.7	19.4		0.0	0.8	2.9	4.3	23.1
Total potential future exposure to tier 1 capital (%)	31.8	32.2	35.2	38.6	34.0		0.0	0.2	0.9	4.9	52.7
Total exposure (credit equivalent amount) to tier 1 capital (%)	46.7	53.2	52.7	55.3	53.4		0.0	1.0	3.9	9.2	75.8
Credit losses on derivatives****											
	101.7	106.6	104.6	109.5	17.9	468.2	0.0	3.9	0.1	-6.2	104.0
HELD FOR TRADING											
Number of institutions reporting derivatives	165	173	172	180	185	-10.8	0	14	81	59	11
Total assets of institutions reporting derivatives	16,459,067	16,479,456	16,613,598	17,113,288	16,931,266	-2.8	0	7,527	360,931	3,739,259	12,351,350
Total deposits of institutions reporting derivatives	13,224,436	13,290,901	13,519,225	14,065,377	13,957,564	-5.3	0	6,316	298,170	3,044,452	9,875,497
Derivative Contracts by Underlying Risk Exposure											
Interest rate	135,502,496	137,555,249	138,592,472	141,764,396	122,237,175	10.9	0	289	43,867	1,026,739	134,431,600
Foreign exchange	40,604,230	42,216,283	41,401,741	43,028,040	41,349,240	-1.8	0	0	2,271	1,487,405	39,114,555
Equity	4,375,929	4,363,822	4,283,905	4,463,312	4,231,348	3.4	0	0	0	41,369	4,334,559
Commodity & other	1,391,961	1,565,817	1,737,954	1,865,296	1,543,080	-9.8	0	0	24	114,883	1,277,055
Total	181,874,616	185,701,171	186,016,071	191,121,044	169,360,843	7.4	0	289	46,161	2,670,397	179,157,769
Trading Revenues: Cash & Derivative Instruments											
Interest rate**	4,623	-1,179	894	415	277	1,569.0	0	0	5	38	4,580
Foreign exchange**	1,168	8,156	6,366	6,341	3,747	-68.8	0	0	1	206	961
Equity**	3,099	3,308	777	1,458	3,534	-12.3	0	0	2	61	3,036
Commodity & other (including credit derivatives)**	785	2,453	2,363	2,396	-390	-301.3	0	0	0	421	364
Total trading revenues**	9,675	12,739	10,401	10,610	7,169	35.0	0	0	8	726	8,941
Share of Revenue											
Trading revenues to gross revenues (%)**	4.8	7.1	6.8	7.4	5.2		0.0	0.0	0.2	1.7	5.8
Trading revenues to net operating revenues (%)**	20.8	27.7	25.6	28.5	17.4		0.0	0.0	0.6	7.3	25.4
HELD FOR PURPOSES OTHER THAN TRADING											
Number of institutions reporting derivatives	528	541	553	564	578	-8.7	0	94	293	128	13
Total assets of institutions reporting derivatives	20,707,304	20,731,670	20,822,601	21,092,019	20,934,951	-1.1	0	53,838	1,178,538	6,388,048	13,086,880
Total deposits of institutions reporting derivatives	16,786,151	16,883,460	17,089,680	17,465,139	17,353,129	-3.3	0	45,097	976,128	5,233,695	10,531,231
Derivative Contracts by Underlying Risk Exposure											
Interest rate	4,252,675	4,412,573	4,267,827	4,110,189	3,998,732	6.4	0	3,466	111,845	1,388,292	2,749,071
Foreign exchange	519,396	491,890	513,259	552,327	497,831	4.3	0	0	143	38,326	480,927
Equity	47,975	45,880	46,959	25,951	24,767	93.7	0	27	31	7,749	40,169
Commodity & other	41,016	40,959	41,482	40,534	41,128	-0.3	0	0	36	7,064	33,917
Total notional amount	4,861,061	4,991,302	4,869,528	4,729,001	4,562,458	6.5	0	3,493	112,055	1,441,431	3,304,083

All line items are reported on a quarterly basis. N/M - Not Meaningful
 * Includes spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.
 ** Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.
 *** Derivative contracts subject to the risk-based capital requirements for derivatives.
 **** Credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and banks filing the FFIEC 041 report form that have \$300 million or more in total assets, but is not applicable to banks filing the FFIEC 051 form.

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

	4th Quarter 2022	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	% Change 21Q3- 22Q3	Asset Size Distribution				
							Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion
(dollar figures in millions)											
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements											
Number of institutions reporting securitization activities	64	64	64	62	62	3.2	0	5	11	39	9
Outstanding Principal Balance by Asset Type**											
1-4 family residential loans	\$257,640	\$275,921	\$286,245	\$285,743	\$324,821	-20.7	\$0	\$5,473	\$14,013	\$60,674	\$177,479
Home equity loans	5	5	6	6	6	-16.7	0	0	0	5	0
Credit card receivables	103	76	39	12	0	0.0	0	0	0	103	0
Auto loans	1,102	541	59	72	169	552.1	0	0	0	660	442
Other consumer loans	1,202	1,277	1,347	1,169	1,241	-3.1	0	0	0	677	525
Commercial and industrial loans	4,988	4,626	5,265	6,228	6,624	-24.7	0	0	0	0	4,988
All other loans, leases, and other assets	115,199	113,555	114,372	111,531	106,355	8.3	0	0	6,881	10,212	98,106
Total securitized and sold	380,239	396,001	407,333	404,761	439,216	-13.4	0	5,473	20,894	72,331	281,540
Maximum Credit Exposure by Asset Type**											
1-4 family residential loans	633	650	726	847	1,041	-39.2	0	0	0	408	225
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Auto loans	19	19	0	0	2	850.0	0	0	0	0	19
Other consumer loans	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	219	203	226	263	275	-20.4	0	0	0	0	219
All other loans, leases, and other assets	2,790	2,975	2,525	2,486	2,500	11.6	0	0	63	372	2,355
Total credit exposure	3,661	3,847	3,477	3,596	3,818	-4.1	0	0	63	780	2818
Total unused liquidity commitments provided to institution's own securitizations	236	210	187	225	241	-2.1	0	0	0	0	236
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)**											
1-4 family residential loans	2.9	2.5	2.4	2.2	2.1		0.0	1.6	0.2	3.3	3
Home equity loans	5.5	3.4	9.3	8.6	4.4		0.0	0.0	0.0	5.5	0
Credit card receivables	5.8	3.9	2.6	0.0	0.0		0.0	0.0	0.0	5.8	0
Auto loans	1.2	0.4	0.0	0.0	1.6		0.0	0.0	0.0	1.5	0.7
Other consumer loans	3.3	3.1	2.9	3.4	2.7		0.0	0.0	0.0	1.6	5.5
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
All other loans, leases, and other assets	0.3	0.3	0.3	0.3	0.5		0.0	0.0	1.0	2.0	0.1
Total loans, leases, and other assets	2.0	1.8	1.9	1.7	1.7		0.0	0.0	0.0	3.0	2
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)**											
1-4 family residential loans	0.8	1.1	1.4	1.6	1.9		0.0	1.1	0.0	1.9	0.5
Home equity loans	28.1	27.5	26.0	27.4	28.1		0.0	0.0	0.0	28.1	0
Credit card receivables	5.8	2.6	0.0	0.0	0.0		0.0	0.0	0.0	5.8	0
Auto loans	0.0	0.0	0.0	0.0	0.1		0.0	0.0	0.0	0.0	0
Other consumer loans	2.8	2.8	2.5	2.8	2.5		0.0	0.0	0.0	1.0	5.2
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
All other loans, leases, and other assets	0.5	0.9	0.7	1.1	1.3		0.0	0.0	1.1	0.6	0.5
Total loans, leases, and other assets	0.5	0.9	1.1	1.3	1.5		0.0	0.0	0.0	0.8	0.5
Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)**											
1-4 family residential loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
Home equity loans	4.0	2.1	2.3	2.0	2.9		0.0	0.0	0.0	4.0	0
Credit card receivables	1.9	0.0	0.0	0.0	0.0		0.0	0.0	0.0	1.9	0
Auto loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
Other consumer loans	0.6	0.4	0.3	0.1	0.5		0.0	0.0	0.0	0.5	0.7
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0
All other loans, leases, and other assets	0.2	0.1	0.1	0.0	0.2		0.0	0.0	0.0	1.3	0.1
Total loans, leases, and other assets	0.0	0.0	0.0	0.0	0.1		0.0	0.0	0.0	0.0	0
Seller's Interests in Institution's Own Securitizations - Carried as Securities or Loans ***											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
Assets Sold with Recourse and Not Securitized											
Number of institutions reporting asset sales	311	316	318	321	329	-5.5	3	97	141	61	9
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	24,182	27,018	27,429	29,138	32,291	-25.1	18	3,267	10,506	9,393	998
All other loans, leases, and other assets	144,016	142,239	141,862	140,553	139,554	3.2	0	30	473	40,231	103,281
Total sold and not securitized	168,198	169,257	169,291	169,691	171,844	-2.1	18	3,297	10,979	49,624	104,279
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	8,620	9,015	9,893	9,796	11,750	-26.6	1	298	3,406	4,368	548
All other loans, leases, and other assets	41,742	41,221	41,203	40,923	40,576	2.9	0	30	37	12,498	29,177
Total credit exposure	50,362	50,235	51,095	50,720	52,326	-3.8	1	328	3,443	16,866	29,725
Support for Securitization Facilities Sponsored by Other Institutions											
Number of institutions reporting securitization facilities sponsored by others	36	36	36	37	36	0.0	0	11	12	6	7
Total credit exposure	20,092	21,922	22,526	23,468	21,148	-5.0	0	0	0	795	19,297
Total unused liquidity commitments	3,165	3,576	1,995	2,194	425	644.7	0	0	0	295	2,870
Other											
Assets serviced for others****	6,329,054	6,178,078	6,111,536	6,046,070	5,881,678	7.6	2,759	251,827	418,962	1,438,390	4,217,116
Asset-backed commercial paper conduits											
Credit exposure to conduits sponsored by institutions and others	4,128	3,803	5,836	6,289	21,662	-80.9	0	0	0	0	4,128
Unused liquidity commitments to conduits sponsored by institutions and others	60,714	59,659	61,747	64,654	51,794	17.2	0	0	0	43	60,671
Net servicing income (for the quarter)	1,404	3,224	3,489	4,523	1,626	-13.7	6	106	453	185	653
Net securitization income (for the quarter)	38	-11	-2	-10	150	-74.7	0	-2	2	24	14
Total credit exposure to Tier 1 capital (%)*****	3.1	3.3	3.3	3.4	3.3	-6.1	0.0	0.1	0.2	2.1	4.8

* Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.
 ** Beginning June 2018, for banks that file the FFIEC 041 report form, all other loans include home equity loans, credit card receivables, auto loans, other consumer loans, and commercial and industrial loans.
 *** Beginning June 2018, only includes banks that file the FFIEC 031 report form.
 **** The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than \$10 million.
 ***** Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

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

	All Insured Institutions					Asset Size Distribution				
	Dec 31 2022	Dec 31 2021	Dec 31 2020	Dec 31 2019	% Change 2021-2022	Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion
(dollar figures in millions)										
Number of institutions reporting	4,706	4,839	5,002	5,177	-2.7	761	2,964	823	145	13
Number of institutions with fiduciary powers	1,499	1,530	1,578	1,627	-2.0	101	872	413	101	12
Commercial banks	1,390	1,418	1,461	1,500	-2.0	91	827	367	93	12
Savings institutions	109	112	117	127	-2.7	10	45	46	8	0
Number of institutions exercising fiduciary powers	1,115	1,136	1,171	1,207	-1.8	63	626	323	91	12
Commercial banks	1,028	1,048	1,079	1,106	-1.9	53	589	291	83	12
Savings institutions	87	88	92	101	-1.1	10	37	32	8	0
Number of institutions reporting fiduciary activity	1,053	1,082	1,118	1,147	-2.7	56	582	313	90	12
Commercial banks	974	1,002	1,034	1,055	-2.8	46	551	283	82	12
Savings institutions	79	80	84	92	-1.3	10	31	30	8	0
Fiduciary and related assets - managed assets										
Personal trust and agency accounts	724,516	829,606	744,217	709,267	-12.7	17,631	73,088	83,573	279,981	270,243
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution	602,362	743,274	594,988	493,000	-19.0	2,209	21,847	14,297	24,662	539,346
Employee benefit - defined benefit	528,127	687,040	634,612	602,747	-23.1	3,564	3,068	16,414	19,299	485,783
Other employee benefit and retirement-related accounts	426,705	511,222	454,678	408,075	-16.5	7,042	92,021	32,656	106,654	188,333
Corporate trust and agency accounts	22,076	23,800	27,836	23,739	-7.2	0	4,253	2,642	3,010	12,171
Investment management and investment advisory agency accounts	2,393,090	2,738,003	2,319,578	2,110,931	-12.6	21,302	135,962	133,713	549,102	1,553,012
Other fiduciary accounts	617,239	631,976	553,382	468,541	-2.3	3,933	12,616	19,077	89,617	491,996
Total managed fiduciary accounts:										
Number of accounts	2,144,131	2,056,398	1,953,763	1,892,284	4.3	81,012	627,749	325,811	533,571	575,988
Assets	5,314,115	6,164,921	5,329,291	4,816,302	-13.8	55,680	342,855	302,372	1,072,325	3,540,883
Noninterest-bearing deposits	3,216	5,748	4,917	7,674	-44.1	47	311	209	1,477	1,172
Interest-bearing deposits	89,978	83,343	77,995	69,079	8.0	112	3,684	8,286	15,681	62,214
U.S. Treasury and U.S. Government agency obligations	199,349	128,582	131,620	138,753	55.0	1,810	9,224	18,380	73,099	96,835
State, county and municipal obligations	233,459	238,219	252,130	253,381	-2.0	3,659	11,642	16,010	84,417	117,732
Money market mutual funds	169,202	163,651	156,493	146,718	3.4	1,970	17,702	18,268	63,632	67,629
Other short-term obligations	272,614	182,995	160,426	132,383	49.0	39	548	234	10,014	261,778
Other notes and bonds	336,408	372,688	341,460	301,599	-9.7	7,087	6,098	13,751	50,490	258,983
Common and preferred stocks	3,794,659	4,768,327	4,009,783	3,581,225	-20.4	37,543	276,124	203,115	712,150	2,565,728
Real estate mortgages	1,754	1,777	2,048	2,125	-1.3	10	172	128	1,156	288
Real estate	60,784	54,339	49,113	52,582	11.9	1,291	7,359	9,107	18,821	24,206
Miscellaneous assets	152,693	165,252	143,307	130,782	-7.6	2,113	9,991	14,882	41,388	84,318
Fiduciary and related assets - nonmanaged assets										
Personal trust and agency accounts	423,113	452,827	386,951	339,489	-6.6	13,481	24,781	24,618	203,579	156,653
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution	2,024,582	2,250,933	2,076,426	2,504,371	-10.1	185,326	77,397	56,932	835,700	869,227
Employee benefit - defined benefit	2,354,158	2,978,654	3,036,632	4,697,794	-21.0	11,062	17,244	15,080	847,376	1,463,395
Other employee benefit and retirement-related accounts	582,664	772,594	773,596	1,620,838	-24.6	45,542	5,495	15,205	125,486	390,936
Corporate trust and agency accounts	4,023,734	4,157,804	3,846,196	3,584,494	-3.2	4	77,200	294,368	312,947	3,339,215
Other fiduciary accounts	3,373,060	3,543,521	3,429,906	3,998,882	-4.8	12,868	39,969	47,810	427,557	2,844,856
Total nonmanaged fiduciary accounts:										
Assets	12,781,310	14,156,341	13,549,707	16,745,867	-9.7	268,283	242,086	454,014	2,752,646	9,064,282
Number of accounts	4,904,915	4,449,877	4,752,447	4,304,374	10.2	2,487,666	219,102	75,367	363,783	1,758,997
Custody and safekeeping accounts:										
Assets	127,319,047	143,798,619	129,464,890	110,653,618	-11.5	44,867	1,803,739	1,565,956	11,123,611	112,780,873
Number of accounts	15,726,954	24,613,652	13,479,805	13,731,356	-36.1	202,534	10,531,551	120,866	2,552,703	2,319,300
Fiduciary and related services income										
Personal trust and agency accounts	5,034	5,237	4,700	4,584	-3.9	147	300	613	1,936	2,038
Retirement-related trust and agency accounts:										
Employee benefit - defined contribution	1,051	1,128	1,030	1,195	-6.8	22	112	157	275	485
Employee benefit - defined benefit	998	1,079	1,102	1,361	-7.5	10	20	25	287	656
Other employee benefit and retirement-related accounts	2,715	2,700	2,243	2,176	0.6	78	1,034	254	664	685
Corporate trust and agency accounts	1,582	1,736	1,885	1,875	-8.9	0	122	184	491	784
Investment management agency accounts	11,021	11,135	9,585	9,110	-1.0	113	1,051	1,019	3,657	5,180
Other fiduciary accounts	522	509	606	803	2.6	6	2	6	166	342
Custody and safekeeping accounts	17,054	17,752	16,127	14,535	-3.9	9	611	335	2,100	13,998
Other fiduciary and related services income	1,057	1,079	1,032	926	-2.0	8	136	116	259	537
Total gross fiduciary and related services income	41,255	42,623	38,540	36,841	-3.2	394	3,500	2,775	9,881	24,705
Less: Expenses	36,363	35,702	34,306	34,623	1.9	278	2,696	1,964	7,662	23,763
Less: Net losses from fiduciary and related services	445	271	547	502	64.2	0	-2	9	50	387
Plus: Intracompany income credits for fiduciary and related services	9,312	6,276	7,335	10,137	48.4	1	211	372	1,724	7,003
Net fiduciary and related services income	13,523	12,644	10,777	11,550	7.0	115	902	1,109	3,849	7,549
Collective investment funds and common trust funds (market value)										
Domestic equity funds	893,341	1,140,121	894,542	789,065	-21.6	8,164	67,891	9,516	5,317	802,453
International/global equity funds	296,903	344,854	312,134	257,360	-13.9	1,096	20,169	35	2,844	272,759
Stock/bond blend funds	166,117	225,365	209,306	175,200	-26.3	1,947	1,258	0	17,213	145,699
Taxable bond funds	82,052	157,802	153,517	133,911	-48.0	701	14,787	1,103	3,542	61,919
Municipal bond funds	1,589	2,030	2,106	2,287	-21.7	0	0	36	710	843
Short-term investments/money market funds	143,746	165,770	156,498	143,418	-13.3	3,054	196	0	1,830	138,666
Specialty/other funds	66,439	70,819	62,117	61,674	-6.2	0	16,497	5	1,947	47,990
Total collective investment funds	1,653,795	2,111,006	1,794,996	1,570,104	-21.7	15,164	121,178	11,621	34,771	1,471,060

COMMUNITY BANK PERFORMANCE

Community banks are identified based on criteria defined in the FDIC’s 2012 [Community Banking Study](#). When comparing community bank performance across quarters, prior-quarter dollar amounts are based on community banks designated as such in the current quarter, adjusted for mergers. In contrast, prior-quarter ratios are based on community banks designated during the previous quarter.

Full-Year 2022 Net Income Was Higher Than the Pre-Pandemic Average but Flat Compared With 2021¹

Net Income Increased Modestly Quarter Over Quarter

The Net Interest Margin Widened but at a Slower Pace Compared to Last Quarter

Loan Growth Was Broad Based

Asset Quality Remained Favorable Overall

Total Deposits Remained Stable

FULL-YEAR 2022 NET INCOME WAS HIGHER THAN THE PRE-PANDEMIC AVERAGE BUT FLAT COMPARED WITH 2021

Community banks reported full-year 2022 net income of \$30.4 billion, higher than the pre-pandemic average but marginally lower than full-year 2021 net income. Net income in 2022 was \$87.1 million (0.3 percent) lower than in 2021. The decrease was attributable to lower noninterest income, higher noninterest expense, realized losses on securities, and higher provision expense. Together, these negative components largely offset higher net interest income. The share of unprofitable community banks rose slightly from 3.3 percent to 3.5 percent. The aggregate pretax return on average assets (ROAA) ratio decreased from 1.54 percent in 2021 to 1.40 percent in 2022. The full-year net interest margin (NIM) rose 17 basis points to 3.45 percent, the largest annual expansion since 1992.

Chart 1
Contributors to the Year-Over-Year Change in Income

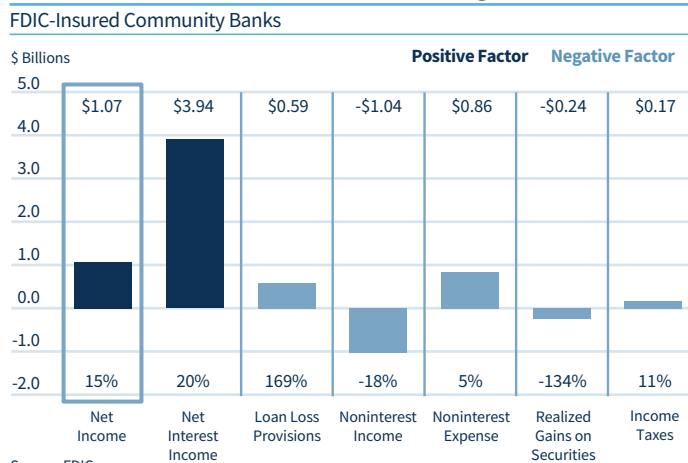
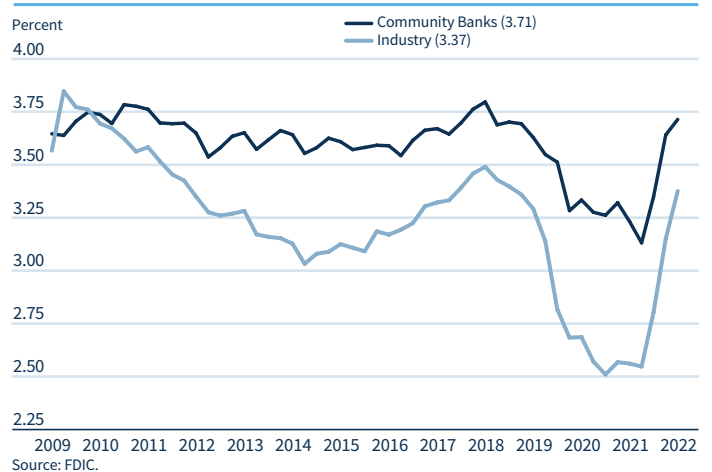


Chart 2
Net Interest Margin



¹“Pre-pandemic average” refers to the period first quarter 2015 through fourth quarter 2019 and is used consistently throughout this report.

QUARTERLY NET INCOME INCREASED MODESTLY FROM THIRD QUARTER

Quarterly net income for the 4,258 community banks rose \$33.0 million (0.4 percent) from one quarter ago to \$8.3 billion in fourth quarter 2022. Higher net interest income and lower losses on securities slightly exceeded increases in noninterest expense and provisions for credit losses. Slightly less than half (47.3 percent) of all community banks reported higher net income compared with third quarter 2022. The share of unprofitable community banks rose slightly to 5.8 percent. The pretax ROAA ratio fell 2 basis points from one quarter ago to 1.49 percent.

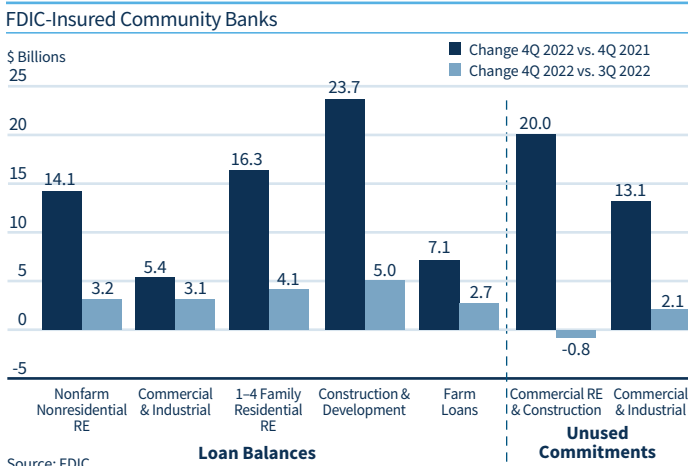
Net income increased \$1.1 billion (14.8 percent) from fourth quarter 2021, as higher net interest income offset lower noninterest income and higher noninterest expense. Pretax ROAA rose 10 basis points from the year-ago quarter to 1.40 percent.

THE NET INTEREST MARGIN CONTINUED TO WIDEN BUT AT A SLOWER PACE

The average community bank quarterly NIM increased 7 basis points from the prior quarter to 3.71 percent, surpassing the pre-pandemic average of 3.63 percent. The NIM widened 48 basis points from the year-ago quarter, the largest year-over-year basis point increase since third quarter 1985. The quarterly increase in the NIM was due mainly to growth in net interest income and a decline in average earning assets.

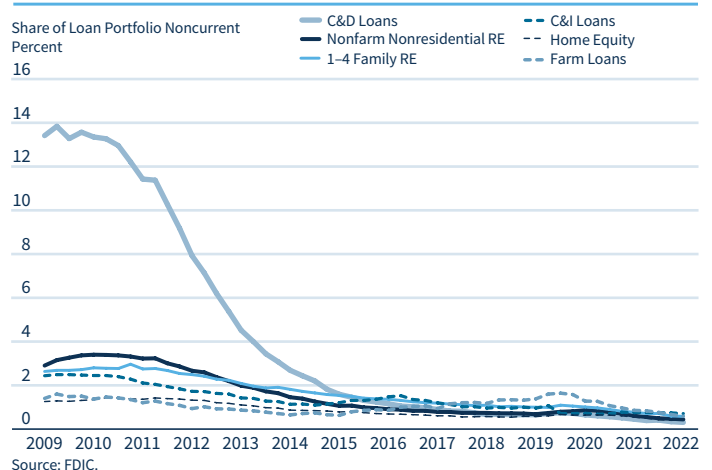
The average yield on earning assets rose 44 basis points from third quarter 2022 to 4.53 percent due to strong loan growth; this increase was slightly lower than the 47 basis point increase between the second quarter and third quarter. Yields on total loans increased 34 basis points from the prior quarter and 57 basis points from the year-ago quarter to 5.20 percent, largely due to higher yields on commercial and industrial (C&I) loans and 1-4 family residential real estate loans. Average funding costs increased 37 basis points from third quarter 2022 to 0.82 percent, more than double the 18 basis point increase from the second quarter to the third quarter. The cost of deposits increased 34 basis points from the prior quarter and 51 basis points from the year-ago quarter to 0.76 percent.

Chart 3
Change in Loan Balances and Unused Commitments



Source: FDIC.

Chart 4
Noncurrent Loan Rates for FDIC-Insured Community Banks



Source: FDIC.

NET OPERATING REVENUE ROSE 2.8 PERCENT QUARTER OVER QUARTER ON STRONG NET INTEREST INCOME GROWTH

Community bank net operating revenue (net interest income plus noninterest income) increased \$767.7 million (2.8 percent) from third quarter 2022. More than 70 percent of community banks reported higher net interest income, driving an aggregate increase of 3.3 percent (\$739.6 million) from the previous quarter. Higher interest income, particularly on loans secured by farmland and nonfarm, nonresidential commercial real estate (CRE), drove the quarterly growth in net interest income. Noninterest income grew marginally (0.6 percent) from the prior quarter as lower net gains on loan sales were offset by an increase in “all other noninterest income.”²

From the year-ago quarter, a \$3.9 billion increase in net interest income was only partially offset by a \$1.0 billion decline in noninterest income, resulting in a \$2.9 billion (11.5 percent) increase in net operating revenue. Lower net gains on loan sales drove the annual decline in noninterest income, while higher interest income on loans secured by farmland and nonfarm, nonresidential CRE and 1–4 family residential real estate loans drove the year-over-year growth in net interest income.

NONINTEREST EXPENSE ROSE QUARTER OVER QUARTER AND YEAR OVER YEAR

Noninterest expense rose \$765.4 million (4.7 percent) from third quarter and \$855.7 million (5.2 percent) from fourth quarter 2021 to \$17.2 billion. Higher compensation expense and data processing expense drove the quarterly and annual increase in noninterest expense. Noninterest expense as a share of average assets rose 6 basis points to 2.56 percent from one quarter ago as growth in noninterest expense outpaced growth in average assets. The community bank efficiency ratio (noninterest expense as a share of net operating revenue) rose 97 basis points from one quarter ago to 60.59 percent as growth in noninterest expense outpaced growth in net operating revenue.

PROVISION EXPENSE INCREASED

Quarterly provision expense of \$938.3 million was \$172.8 million (22.6 percent) higher than one quarter ago and \$589.2 million higher than one year ago.³ As of fourth quarter 2022, 164 community banks had adopted current expected credit loss (CECL) accounting. Community bank CECL adopters reported provision expense of \$270.1 million, an increase of \$100.5 million from the previous quarter and an increase of \$281.6 million from the previous year.⁴ Provision expense for community banks that had not adopted CECL accounting totaled \$668.3 million, an increase of \$72.3 million from one quarter ago and \$307.6 million from one year ago.

²“All other noninterest income” includes income and fees from ATMs and wire transfers, bank and credit card interchange fees, earnings on/increase in value of cash surrender value of life insurance, and safe deposit box rent. No category was the primary driver of the quarterly change.

³Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.

⁴The CECL analysis compares the quarterly provisions of the 161 community banks that identified as CECL adopters in fourth quarter with their provisions one year ago and one quarter ago.

The reserve coverage ratio (the ratio of the allowance for credit losses to noncurrent loans) increased 9.6 percentage points from the previous quarter and 51.4 percentage points from the year-ago quarter to 274.3 percent, the highest level in the history of the *Quarterly Banking Profile*, as noncurrent loan balances declined and the allowance for credit losses increased.⁵ The reserve coverage ratio for community banks was 62.3 percentage points above the reserve coverage ratio for noncommunity banks.

COMMUNITY BANK ASSETS ROSE ON STRONG LOAN GROWTH

Total assets increased \$41.9 billion (1.6 percent) from third quarter 2022 and \$119.4 billion (4.6 percent) from the previous year. Total loans and leases, which increased \$64.3 billion (3.7 percent) from one quarter ago and \$230.2 billion (14.4 percent) from one year ago, drove quarterly and annual asset growth. Declines in cash and balances due from depository institutions of \$24.0 billion (13.6 percent) from the previous quarter and \$148.7 billion (49.3 percent) from the previous year offset a portion of total loan and lease growth. The balance of securities fell \$866.9 million (0.1 percent) from third quarter 2022, weighing on quarterly asset growth, but remained \$23.5 billion higher than one year ago.

UNREALIZED LOSSES ON SECURITIES DECREASED BUT REMAIN ELEVATED

Unrealized losses on securities totaled \$68.0 billion in the fourth quarter, down from \$75.0 billion in the third quarter. Unrealized losses on held-to-maturity securities totaled \$11.2 billion, while unrealized losses on available-for-sale securities totaled \$56.9 billion in the fourth quarter.

LOAN GROWTH WAS STRONG AND BROAD BASED

Total loan and lease balances in all major portfolios increased from one quarter ago, and 82.1 percent of community banks reported quarterly loan growth. Growth in nonfarm, nonresidential CRE loan balances of \$17.5 billion (3.2 percent) and 1–4 family residential real estate loan balances of \$16.9 billion (4.1 percent) drove the quarterly increase in loan balances.

Loan balances in all portfolios also grew from one year ago, and 87.9 percent of community banks reported annual loan growth. Growth in nonfarm, nonresidential CRE loan balances of \$70.6 billion (14.1 percent) and 1–4 family residential real estate loan balances of \$59.8 billion (16.3 percent) drove the annual increase. C&I loan balances grew by just \$12.3 billion (5.4 percent) from fourth quarter 2021 primarily due to Paycheck Protection Program (PPP) loan repayment and forgiveness. PPP loan balances declined by \$24.1 billion (91.8 percent) from fourth quarter 2021 to \$2.2 billion. Excluding the effect of declines in PPP loans, annual total loan growth would have been 16.2 percent and annual C&I loan growth would have been 18.0 percent.

⁵The reserve coverage ratio is the ratio of the allowance for credit losses to the total of loans that are 90 days or more past due plus the total of loans in nonaccrual status.

DEPOSITS WERE NEARLY UNCHANGED FROM THE PREVIOUS QUARTER

Community banks reported a nominal deposit growth rate of 0.03 percent (\$621.6 million) during fourth quarter 2022, lower than the growth rate of 0.8 percent reported in third quarter 2022. However, more than half of all community banks (55.2 percent) reported a decrease in deposit balances from the prior quarter. Growth in deposit accounts with less than \$250,000 (up \$20.6 billion) drove total deposit growth and was almost entirely offset by a decline in uninsured balances. In the fourth quarter, growth in interest-bearing deposit balances (up \$19.5 billion, or 1.2 percent) was largely offset by a decline in noninterest-bearing deposits. Deposit balances rose 3.5 percent (\$77.2 billion) from one year ago.

Other borrowed money rose \$27.9 billion (34.6 percent) from one quarter ago because of an increase in Federal Home Loan Bank advances of \$27.0 billion (35.4 percent). The share of wholesale funds to total assets was 19.2 percent in fourth quarter, up from 17.2 percent in third quarter 2022 and above the pre-pandemic average of 17.5 percent.⁶

EARLY-STAGE DELINQUENCIES CONTINUED TO RISE MODESTLY

The rate of loans and leases 30 to 89 days past due grew 3 basis points from one quarter and one year ago to 0.36 percent, a level that remains below the pre-pandemic average of 0.55 percent. The residential real estate loan past-due rate rose 13 basis points from the prior quarter and 1 basis point from the year-ago quarter to 0.52 percent, but remained below the pre-pandemic average of 0.82 percent. The nonfarm, nonresidential CRE loan past-due rate rose 2 basis points from the prior quarter but remained the same as the year-ago quarter at 0.17 percent.

THE NONCURRENT LOAN RATE REACHED A NEW RECORD LOW

Loans and leases 90 days or more past due or in nonaccrual status (noncurrent loan balances) continued to decline, and the noncurrent rate decreased 2 basis points from third quarter 2022 to 0.44 percent. This is the lowest noncurrent rate on record for community banks since data collection began in first quarter 1984. Slightly more than half of community banks (50.8 percent) reported quarter-over-quarter reductions in noncurrent loan balances. Noncurrent loan balances for 1-4 family residential real estate and consumer loans increased slightly from the prior quarter; however, these increases were less than the declines community banks reported in the noncurrent loan balances of nonfarm, nonresidential CRE loans, farm loans, and C&I loans.

⁶ Wholesale funding includes federal funds purchased and securities sold under agreement to repurchase; Federal Home Loan Bank borrowings; brokered (net of reciprocal deposits), municipal and state, and foreign deposits (which are not FDIC insured); other borrowings; and listing services.

**THE NET CHARGE-OFF RATE
REMAINED LOW**

The community banks net charge-off rate increased to 0.11 percent from 0.09 percent in fourth quarter 2021. The net charge-off rate declined for larger portfolios such as nonfarm, nonresidential CRE (which make up 31.2 percent of total loan balances), which dropped 2 basis points to 0.04 percent. In contrast, the net charge-off rate for consumer loans (which account for 4.4 percent of total loan balances) increased 39 basis points from the prior quarter and more than doubled from one year ago to 1.23 percent.

**CAPITAL RATIOS
REMAINED STRONG**

The tier 1 risk-based capital ratio for community banks that did not file the community bank leverage ratio (CBLR) was 13.62 percent, down 11 basis points from the prior quarter, as growth in higher risk-weighted assets outpaced tier 1 capital formation. The average CBLR for the 1,608 community banks that elected to use the CBLR framework was 11.87 percent, up 5 basis points from third quarter 2022. The leverage capital ratio for community banks increased 8 basis points to 10.51 percent in fourth quarter 2022. Equity capital rose \$10.8 billion (4.5 percent) in fourth quarter 2022 as lower market interest rates improved the value of available-for-sale investment securities, resulting in a slight reversal in the negative accumulated other comprehensive income observed in previous quarters. However, no community banks are advanced approach institutions and, therefore, these losses did not directly affect their regulatory capital ratios.

**TWO COMMUNITY BANKS OPENED
AND NO COMMUNITY BANKS FAILED
IN FOURTH QUARTER 2022**

The number of community banks declined to 4,258 in the fourth quarter, down 45 from the previous quarter. Eleven banks transitioned from community to noncommunity banks, one bank transitioned from a noncommunity to a community bank, six community banks ceased operations, 31 community banks merged during the quarter, and two new community banks started reporting financial results.

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

	2022	2021	2020	2019	2018	2017	2016
Return on assets (%)	1.15	1.26	1.09	1.20	1.19	0.96	0.97
Return on equity (%)	12.01	11.70	9.72	10.24	10.51	8.65	8.70
Core capital (leverage) ratio (%)	10.51	10.16	10.32	11.14	11.13	10.80	10.68
Noncurrent assets plus other real estate owned to assets (%)	0.33	0.40	0.60	0.65	0.71	0.79	0.94
Net charge-offs to loans (%)	0.07	0.07	0.12	0.13	0.12	0.16	0.16
Asset growth rate (%)	-1.61	8.86	12.15	2.55	0.23	0.36	3.31
Net interest margin (%)	3.45	3.28	3.39	3.66	3.73	3.62	3.57
Net operating income growth (%)	-3.60	29.68	-2.07	0.13	25.30	0.60	1.30
Number of institutions reporting	4,258	4,386	4,556	4,750	4,978	5,224	5,461
Percentage of unprofitable institutions (%)	3.45	3.26	4.52	3.96	3.66	5.72	4.69

* Excludes insured branches of foreign banks (IBAs).

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

(dollar figures in millions)	4th Quarter 2022	3rd Quarter 2022	4th Quarter 2021	%Change 21Q4-22Q4		
Number of institutions reporting	4,258	4,303	4,386	-2.9		
Total employees (full-time equivalent)	375,620	379,800	385,572	-2.6		
CONDITION DATA						
Total assets	\$2,711,770	\$2,704,138	\$2,756,197	-1.6		
Loans secured by real estate	1,410,210	1,377,009	1,297,969	8.6		
1-4 Family residential mortgages	426,110	415,262	389,740	9.3		
Nonfarm nonresidential	569,754	559,184	533,122	6.9		
Construction and development	150,811	145,502	130,834	15.3		
Home equity lines	43,905	42,892	39,918	10.0		
Commercial & industrial loans	240,700	237,022	248,159	-3.0		
Loans to individuals	80,250	78,773	66,027	21.5		
Credit cards	2,740	2,550	2,137	28.2		
Farm loans	48,083	47,138	46,971	2.4		
Other loans & leases	47,251	47,242	51,838	-8.8		
Less: Unearned income	748	709	856	-12.7		
Total loans & leases	1,825,746	1,786,475	1,710,108	6.8		
Less: Reserve for losses*	22,096	21,936	22,149	-0.2		
Net loans and leases	1,803,650	1,764,539	1,687,958	6.9		
Securities**	599,627	604,686	599,817	0.0		
Other real estate owned	793	862	1,157	-31.5		
Goodwill and other intangibles	18,565	18,288	20,847	-10.9		
All other assets	289,135	315,764	446,418	-35.2		
Total liabilities and capital	2,711,770	2,704,138	2,756,197	-1.6		
Deposits	2,303,514	2,331,387	2,362,315	-2.5		
Domestic office deposits	2,302,836	2,330,847	2,359,910	-2.4		
Foreign office deposits	677	541	2,405	-71.8		
Brokered deposits	84,257	64,680	50,186	67.9		
Estimated insured deposits	1,556,141	1,563,138	1,571,510	-1.0		
Other borrowed funds	130,729	103,703	78,357	66.8		
Subordinated debt	320	326	272	17.5		
All other liabilities	25,461	24,370	22,473	13.3		
Total equity capital (includes minority interests)	251,746	244,352	292,780	-14.0		
Bank equity capital	251,616	244,219	292,651	-14.0		
Loans and leases 30-89 days past due	6,527	5,838	5,655	15.4		
Noncurrent loans and leases	8,056	8,287	9,936	-18.9		
Restructured loans and leases	3,943	4,122	4,659	-15.4		
Mortgage-backed securities	243,444	246,589	266,701	-8.7		
Earning assets	2,533,930	2,529,136	2,591,883	-2.2		
FHLB Advances	103,346	78,234	53,412	93.5		
Unused loan commitments	427,064	433,906	396,972	7.6		
Trust assets	350,204	352,806	406,950	-13.9		
Assets securitized and sold	26,338	24,586	25,196	4.5		
Notional amount of derivatives	103,638	105,130	125,294	-17.3		
INCOME DATA						
	Full Year 2022	Full Year 2021	%Change	4th Quarter 2022	4th Quarter 2021	%Change 21Q4-22Q4
Total interest income	\$96,354	\$88,252	9.2	\$28,457	\$22,289	27.7
Total interest expense	11,152	7,655	45.7	5,175	1,690	206.1
Net interest income	85,202	80,596	5.7	23,283	20,599	13.0
Provision for credit losses***	2,558	1,091	134.4	938	333	181.6
Total noninterest income	19,945	24,900	-19.9	4,878	6,085	-19.8
Total noninterest expense	64,897	64,977	-0.1	17,168	17,075	0.5
Securities gains (losses)	-789	845	-193.4	-62	187	-133.0
Applicable income taxes	6,511	7,342	-11.3	1,741	1,719	1.3
Extraordinary gains, net****	23	30	-22.9	28	28	0.0
Total net income (includes minority interests)	30,414	32,960	-7.7	8,279	7,771	6.5
Bank net income	30,403	32,932	-7.7	8,279	7,774	6.5
Net charge-offs	1,107	1,097	0.9	498	370	34.6
Cash dividends	12,349	14,073	-12.2	3,791	4,547	-16.6
Retained earnings	18,053	18,859	-4.3	4,488	3,227	39.1
Net operating income	31,067	32,225	-3.6	8,330	7,589	9.8

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

**** See Notes to Users for explanation.

N/M - Not Meaningful

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

(dollar figures in millions)	4th Quarter 2022	3rd Quarter 2022	4th Quarter 2021	%Change 21Q4-22Q4		
Number of institutions reporting	4,258	4,256	4,245	0.3		
Total employees (full-time equivalent)	375,620	375,747	372,007	1.0		
CONDITION DATA						
Total assets	\$2,711,770	\$2,669,865	\$2,592,362	4.6		
Loans secured by real estate	1,410,210	1,359,161	1,214,442	16.1		
1-4 Family residential mortgages	426,110	409,167	366,287	16.3		
Nonfarm nonresidential	569,754	552,238	499,164	14.1		
Construction and development	150,811	143,595	121,964	23.7		
Home equity lines	43,905	42,419	37,719	16.4		
Commercial & industrial loans	240,700	233,377	228,391	5.4		
Loans to individuals	80,250	76,383	62,264	28.9		
Credit cards	2,740	2,540	1,915	43.0		
Farm loans	48,083	46,559	46,128	4.2		
Other loans & leases	47,251	46,626	45,117	4.7		
Less: Unearned income	748	706	778	-3.9		
Total loans & leases	1,825,746	1,761,399	1,595,564	14.4		
Less: Reserve for losses*	22,096	21,701	20,816	6.1		
Net loans and leases	1,803,650	1,739,698	1,574,747	14.5		
Securities**	599,627	600,494	576,088	4.1		
Other real estate owned	793	843	1,128	-29.7		
Goodwill and other intangibles	18,565	18,056	17,064	8.8		
All other assets	289,135	310,774	423,335	-31.7		
Total liabilities and capital	2,711,770	2,669,865	2,592,362	4.6		
Deposits	2,303,514	2,302,892	2,226,309	3.5		
Domestic office deposits	2,302,836	2,302,352	2,225,669	3.5		
Foreign office deposits	677	541	641	5.7		
Brokered deposits	84,257	63,639	45,588	84.8		
Estimated insured deposits	1,556,141	1,545,903	1,495,145	4.1		
Other borrowed funds	130,729	101,694	72,087	81.3		
Subordinated debt	320	320	234	36.7		
All other liabilities	25,461	24,048	20,172	26.2		
Total equity capital (includes minority interests)	251,746	240,911	273,560	-8.0		
Bank equity capital	251,616	240,778	273,438	-8.0		
Loans and leases 30-89 days past due	6,527	5,776	5,385	21.2		
Noncurrent loans and leases	8,056	8,223	9,230	-12.7		
Restructured loans and leases	3,943	4,088	4,505	-12.5		
Mortgage-backed securities	243,444	245,542	253,051	-3.8		
Earning assets	2,533,930	2,496,815	2,440,425	3.8		
FHLB Advances	103,346	76,376	48,084	114.9		
Unused loan commitments	427,064	428,299	368,994	15.7		
Trust assets	350,204	278,762	380,934	-8.1		
Assets securitized and sold	26,338	24,586	24,701	6.6		
Notional amount of derivatives	103,638	104,860	106,105	-2.3		
INCOME DATA						
	Full Year 2022	Full Year 2021	%Change	4th Quarter 2022	4th Quarter 2021	%Change 21Q4-22Q4
Total interest income	\$96,354	\$82,696	16.5	\$28,457	\$20,949	35.8
Total interest expense	11,152	7,224	54.4	5,175	1,602	223.0
Net interest income	85,202	75,472	12.9	23,283	19,347	20.3
Provision for credit losses***	2,558	1,154	121.7	938	349	168.7
Total noninterest income	19,945	23,700	-15.8	4,878	5,921	-17.6
Total noninterest expense	64,897	61,655	5.3	17,168	16,313	5.2
Securities gains (losses)	-789	802	-198.4	-62	179	-134.4
Applicable income taxes	6,511	6,660	-2.2	1,741	1,568	11.0
Extraordinary gains, net****	23	8	176.8	28	6	326.8
Total net income (includes minority interests)	30,414	30,513	-0.3	8,279	7,223	14.6
Bank net income	30,403	30,490	-0.3	8,279	7,211	14.8
Net charge-offs	1,107	999	10.8	498	343	45.2
Cash dividends	12,349	13,320	-7.3	3,791	4,350	-12.9
Retained earnings	18,053	17,170	5.1	4,488	2,860	56.9
Net operating income	31,067	29,835	4.1	8,330	7,068	17.9

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

**** See Notes to Users for explanation.

N/M - Not Meaningful

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

Fourth Quarter 2022 (dollar figures in millions)	All Community Banks	Geographic Regions*					
		New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,258	469	479	939	1,154	960	257
Total employees (full-time equivalent)	375,620	74,897	39,192	77,700	71,672	81,937	30,222
CONDITION DATA							
Total assets	\$2,711,770	\$656,637	\$288,265	\$504,424	\$495,255	\$521,456	\$245,732
Loans secured by real estate	1,410,210	388,930	150,354	252,298	239,993	255,368	123,268
1-4 Family residential mortgages	426,110	141,604	43,674	72,637	68,231	73,243	26,721
Nonfarm nonresidential	569,754	146,753	69,873	99,886	84,023	107,521	61,697
Construction and development	150,811	27,684	18,339	23,194	26,080	44,380	11,133
Home equity lines	43,905	11,499	5,885	10,420	5,618	5,320	5,163
Commercial & industrial loans	240,700	51,746	23,897	50,544	49,704	46,960	17,849
Loans to individuals	80,250	18,541	7,269	13,613	13,271	13,277	14,280
Credit cards	2,740	401	109	193	1,030	252	755
Farm loans	48,083	576	1,314	8,595	27,955	7,171	2,472
Other loans & leases	47,251	14,775	3,207	10,523	7,831	7,805	3,109
Less: Unearned income	748	118	110	71	119	201	129
Total loans & leases	1,825,746	474,451	185,930	335,502	338,635	330,380	160,848
Less: Reserve for losses**	22,096	4,962	2,237	4,032	4,451	4,209	2,205
Net loans and leases	1,803,650	469,488	183,694	331,470	334,184	326,170	158,644
Securities***	599,627	121,653	65,326	116,852	110,593	128,780	56,423
Other real estate owned	793	147	93	154	193	167	40
Goodwill and other intangibles	18,565	4,831	948	4,299	3,478	3,648	1,362
All other assets	289,135	60,518	38,205	51,650	46,808	62,691	29,263
Total liabilities and capital	2,711,770	656,637	288,265	504,424	495,255	521,456	245,732
Deposits	2,303,514	543,985	249,896	427,197	419,780	454,141	208,515
Domestic office deposits	2,302,836	543,337	249,890	427,197	419,780	454,141	208,490
Foreign office deposits	677	647	6	0	0	0	25
Brokered deposits	84,257	31,479	7,688	14,351	14,368	10,063	6,309
Estimated insured deposits	1,556,141	370,662	158,686	304,489	304,403	291,686	126,215
Other borrowed funds	130,729	39,227	11,041	27,278	27,324	16,394	9,465
Subordinated debt	320	148	0	16	6	139	10
All other liabilities	25,461	8,787	2,528	3,965	3,792	3,495	2,895
Total equity capital (includes minority interests)	251,746	64,490	24,801	45,968	44,352	47,287	24,847
Bank equity capital	251,616	64,465	24,799	45,876	44,351	47,277	24,846
Loans and leases 30-89 days past due	6,527	1,466	622	1,069	1,201	1,691	478
Noncurrent loans and leases	8,056	2,402	624	1,509	1,247	1,621	653
Restructured loans and leases	3,943	1,443	282	809	603	502	304
Mortgage-backed securities	243,444	62,338	29,132	42,551	36,148	46,612	26,662
Earning assets	2,533,930	614,247	269,695	470,112	462,851	486,365	230,659
FHLB Advances	103,346	34,268	9,024	21,526	20,211	12,016	6,301
Unused loan commitments	427,064	96,411	39,443	82,534	90,170	79,996	38,509
Trust assets	350,204	66,028	14,238	76,504	135,046	46,738	11,650
Assets securitized and sold	26,338	10,903	10	4,655	5,622	4,648	500
Notional amount of derivatives	103,638	43,111	10,442	14,685	20,450	7,272	7,678
INCOME DATA							
Total interest income	\$28,457	\$6,745	\$3,052	\$5,137	\$5,108	\$5,681	\$2,735
Total interest expense	5,175	1,461	482	923	1,042	885	381
Net interest income	23,283	5,284	2,570	4,214	4,066	4,796	2,353
Provision for credit losses****	938	208	111	131	148	214	126
Total noninterest income	4,878	937	439	1,176	894	908	524
Total noninterest expense	17,168	3,919	1,797	3,149	3,079	3,456	1,768
Securities gains (losses)	-62	161	-33	-62	-59	-48	-21
Applicable income taxes	1,741	523	198	354	230	220	216
Extraordinary gains, net*****	28	28	-1	0	0	0	0
Total net income (includes minority interests)	8,279	1,759	869	1,694	1,446	1,766	746
Bank net income	8,279	1,759	869	1,694	1,446	1,765	746
Net charge-offs	498	113	46	67	107	86	79
Cash dividends	3,791	553	381	903	760	882	311
Retained earnings	4,488	1,206	488	790	686	884	434
Net operating income	8,330	1,610	897	1,749	1,499	1,810	764

* See Table V-A for explanation.

** For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

*** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

**** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

***** See Notes to Users for explanation.

Table IV-B. Fourth Quarter 2022, FDIC-Insured Community Banks

Performance ratios (annualized, %)	All Community Banks		Fourth Quarter 2022, Geographic Regions*					
	4th Quarter 2022	3rd Quarter 2022	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	4.53	4.09	4.43	4.57	4.40	4.47	4.72	4.76
Cost of funding earning assets	0.82	0.46	0.96	0.72	0.79	0.91	0.74	0.66
Net interest margin	3.71	3.63	3.47	3.84	3.61	3.55	3.98	4.10
Noninterest income to assets	0.73	0.76	0.58	0.62	0.94	0.73	0.70	0.86
Noninterest expense to assets	2.56	2.50	2.41	2.52	2.52	2.52	2.68	2.89
Loan and lease loss provision to assets	0.14	0.12	0.13	0.15	0.10	0.12	0.17	0.21
Net operating income to assets	1.24	1.28	0.99	1.26	1.40	1.23	1.40	1.25
Pretax return on assets	1.49	1.51	1.40	1.49	1.64	1.37	1.54	1.57
Return on assets	1.23	1.25	1.08	1.22	1.35	1.18	1.37	1.22
Return on equity	13.47	13.56	11.11	14.30	15.10	13.37	15.43	12.30
Net charge-offs to loans and leases	0.11	0.07	0.10	0.10	0.08	0.13	0.11	0.20
Loan and lease loss provision to net charge-offs	185.64	241.71	179.99	243.03	189.28	137.65	241.71	161.50
Efficiency ratio	60.59	59.62	62.70	59.29	57.99	61.63	60.21	61.18
Net interest income to operating revenue	82.68	81.73	84.94	85.40	78.18	81.97	84.08	81.79
% of unprofitable institutions	5.75	3.60	5.33	5.85	5.22	5.81	5.94	7.39
% of institutions with earnings gains	70.57	63.10	64.61	76.83	69.97	69.50	73.02	67.70

* See Table V-A for explanation.

Table V-B. Full Year 2022, FDIC-Insured Community Banks

Performance ratios (%)	All Community Banks		Full Year 2022, Geographic Regions*					
	Full Year 2022	Full Year 2021	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	3.90	3.59	3.85	3.89	3.77	3.87	4.07	4.00
Cost of funding earning assets	0.45	0.31	0.51	0.39	0.44	0.51	0.41	0.35
Net interest margin	3.45	3.28	3.33	3.49	3.33	3.36	3.66	3.65
Noninterest income to assets	0.76	0.95	0.58	0.64	0.97	0.80	0.76	0.83
Noninterest expense to assets	2.46	2.48	2.31	2.45	2.45	2.44	2.56	2.74
Loan and lease loss provision to assets	0.10	0.04	0.10	0.10	0.07	0.09	0.12	0.13
Net operating income to assets	1.18	1.23	1.00	1.12	1.29	1.23	1.33	1.07
Pretax return on assets	1.40	1.54	1.23	1.35	1.54	1.41	1.49	1.39
Return on assets	1.15	1.26	0.95	1.10	1.27	1.21	1.32	1.06
Return on equity	12.01	11.70	9.38	12.22	13.34	12.96	14.12	10.43
Net charge-offs to loans and leases	0.07	0.07	0.08	0.05	0.04	0.07	0.07	0.08
Loan and lease loss provision to net charge-offs	226.90	99.95	173.03	304.87	270.11	191.62	275.05	258.88
Efficiency ratio	61.36	61.22	62.07	61.93	59.60	61.16	60.88	63.94
Net interest income to operating revenue	81.03	76.40	84.38	83.59	76.35	79.77	81.80	80.51
% of unprofitable institutions	3.45	3.26	5.54	5.22	3.41	1.82	2.50	7.39
% of institutions with earnings gains	56.20	74.72	59.91	71.40	53.57	42.81	65.94	54.47

* See Table V-A for explanation.

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

December 31, 2022	All Community Banks	Geographic Regions*					
		New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due							
All loans secured by real estate	0.29	0.25	0.27	0.32	0.30	0.40	0.20
Construction and development	0.28	0.24	0.14	0.27	0.39	0.31	0.33
Nonfarm nonresidential	0.17	0.17	0.12	0.18	0.20	0.22	0.10
Multifamily residential real estate	0.08	0.10	0.05	0.07	0.02	0.22	0.06
Home equity loans	0.39	0.45	0.43	0.37	0.32	0.44	0.24
Other 1-4 family residential	0.52	0.38	0.58	0.63	0.47	0.72	0.44
Commercial and industrial loans	0.41	0.26	0.54	0.27	0.49	0.53	0.55
Loans to individuals	1.47	1.84	1.11	0.76	1.26	2.74	0.86
Credit card loans	3.81	2.04	1.33	1.00	6.12	1.58	3.41
Other loans to individuals	1.39	1.83	1.11	0.76	0.85	2.76	0.72
All other loans and leases (including farm)	0.23	0.14	0.25	0.15	0.23	0.42	0.25
Total loans and leases	0.36	0.31	0.33	0.32	0.35	0.51	0.30
Percent of Loans Noncurrent							
All loans secured by real estate	0.41	0.47	0.31	0.47	0.34	0.42	0.29
Construction and development	0.25	0.40	0.13	0.32	0.23	0.14	0.36
Nonfarm nonresidential	0.38	0.44	0.29	0.49	0.33	0.40	0.24
Multifamily residential real estate	0.16	0.18	0.12	0.18	0.14	0.13	0.13
Home equity loans	0.36	0.46	0.19	0.28	0.35	0.28	0.61
Other 1-4 family residential	0.53	0.62	0.44	0.59	0.35	0.59	0.34
Commercial and industrial loans	0.65	0.88	0.51	0.49	0.49	0.67	1.03
Loans to individuals	0.54	0.53	0.32	0.26	0.44	1.23	0.39
Credit card loans	2.03	1.49	0.47	0.35	2.22	0.75	3.14
Other loans to individuals	0.49	0.51	0.32	0.26	0.29	1.24	0.24
All other loans and leases (including farm)	0.33	0.11	0.29	0.20	0.35	0.41	0.98
Total loans and leases	0.44	0.51	0.34	0.45	0.37	0.49	0.41
Percent of Loans Charged-Off (net, YTD)							
All loans secured by real estate	0.01	0.01	-0.01	0.01	0.01	0.00	0.00
Construction and development	0.00	0.02	-0.03	-0.01	0.01	-0.01	-0.02
Nonfarm nonresidential	0.02	0.02	0.00	0.03	0.02	0.01	0.00
Multifamily residential real estate	0.01	0.01	0.00	0.00	0.02	-0.01	0.00
Home equity loans	-0.01	-0.02	-0.03	-0.01	0.00	0.00	0.00
Other 1-4 family residential	0.00	0.00	-0.02	0.00	0.00	0.00	0.00
Commercial and industrial loans	0.15	0.29	0.19	0.11	0.10	0.15	-0.02
Loans to individuals	0.86	0.89	0.78	0.26	1.08	0.98	1.24
Credit card loans	6.51	3.33	0.86	0.97	11.49	1.40	5.24
Other loans to individuals	0.67	0.83	0.78	0.25	0.26	0.97	1.03
All other loans and leases (including farm)	0.07	0.05	0.16	0.06	0.04	0.11	0.19
Total loans and leases	0.07	0.08	0.05	0.04	0.07	0.07	0.08
Loans Outstanding (in billions)							
All real estate loans	\$1,410.2	\$388.9	\$150.4	\$252.3	\$240.0	\$255.4	\$123.3
Construction and development	150.8	27.7	18.3	23.2	26.1	44.4	11.1
Nonfarm nonresidential	569.8	146.8	69.9	99.9	84.0	107.5	61.7
Multifamily residential real estate	135.1	58.9	8.0	26.6	17.5	9.0	15.1
Home equity loans	43.9	11.5	5.9	10.4	5.6	5.3	5.2
Other 1-4 family residential	426.1	141.6	43.7	72.6	68.2	73.2	26.7
Commercial and industrial loans	240.7	51.7	23.9	50.5	49.7	47.0	17.8
Loans to individuals	80.2	18.5	7.3	13.6	13.3	13.3	14.3
Credit card loans	2.7	0.4	0.1	0.2	1.0	0.3	0.8
Other loans to individuals	77.5	18.1	7.2	13.4	12.2	13.0	13.5
All other loans and leases (including farm)	95.3	15.4	4.5	19.1	35.8	15.0	5.6
Total loans and leases	1,826.5	474.6	186.0	335.6	338.8	330.6	161.0
Memo: Unfunded Commitments (in millions)							
Total Unfunded Commitments	427,064	96,411	39,443	82,534	90,170	79,996	38,509
Construction and development: 1-4 family residential	39,013	6,678	5,820	4,460	6,031	13,157	2,868
Construction and development: CRE and other	104,404	25,052	10,278	18,924	18,116	24,690	7,344
Commercial and industrial	126,799	30,332	10,174	28,632	25,903	20,918	10,840

* See Table V-A for explanation.

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

INSURANCE FUND INDICATORS

Deposit Insurance Fund Increases by \$2.8 Billion

Insured Deposits Rise by 1.4 Percent

DIF Reserve Ratio Increases to 1.27 Percent

During the fourth quarter, the Deposit Insurance Fund (DIF) balance increased by \$2.8 billion to \$128.2 billion. Assessment revenue of \$2.1 billion was the largest source of income. Interest earned on investments of \$498 million, a net decrease in unrealized losses on available-for-sale securities of \$474 million, negative provisions for insurance losses of \$48 million, and other miscellaneous income of \$114 million (largely attributable to an unrealized postretirement benefit gain) also added to the fund balance. Operating expenses of \$515 million partially offset the increase in the fund balance. No insured institutions failed in the fourth quarter.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—increased by 0.3 percent in the fourth quarter, though it rose by 1.9 percent over the last 12 months.^{1,2}

Total estimated insured deposits increased by 1.4 percent in the fourth quarter of 2022 and increased by 3.3 percent year over year. The DIF's reserve ratio (the fund balance as a percent of insured deposits) was 1.27 percent on December 31, 2022, up 1 basis point from the previous quarter and 1 basis point higher than the previous year.

The FDIC adopted a restoration plan on September 15, 2020, to restore the reserve ratio to 1.35 percent, the statutory minimum, by September 2028 as required by law. In October, the FDIC Board finalized a rule to increase initial base deposit insurance assessment rates by 2 basis points, beginning in the first quarter of 2023. These actions were undertaken to improve the likelihood that the reserve ratio reaches the statutory minimum of 1.35 percent before the statutory deadline while reducing the potential for a pro-cyclical increase in assessment rates should the banking industry enter a period of stress in the interim.

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

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

Table I-C. Insurance Fund Balances and Selected Indicators

	Deposit Insurance Fund*													
	4th Quarter 2022	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	3rd Quarter 2021	2nd Quarter 2021	1st Quarter 2021	4th Quarter 2020	3rd Quarter 2020	2nd Quarter 2020	1st Quarter 2020	4th Quarter 2019	
<i>(dollar figures in millions)</i>														
Beginning Fund Balance	\$125,457	\$124,458	\$123,039	\$123,141	\$121,935	\$120,547	\$119,362	\$117,897	\$116,434	\$114,651	\$113,206	\$110,347	\$108,940	
Changes in Fund Balance:														
Assessments earned	2,142	2,145	2,086	1,938	1,967	1,662	1,589	1,862	1,884	2,047	1,790	1,372	1,272	
Interest earned on investment securities	498	332	225	191	197	221	251	284	330	392	454	507	531	
Realized gain on sale of investments	0	0	0	0	0	0	0	0	0	0	0	0	0	
Operating expenses	515	456	460	453	475	448	466	454	470	451	465	460	460	
Provision for insurance losses	-48	-49	-86	100	8	-53	-42	-57	-48	-74	-47	12	-88	
All other income, net of expenses	114	6	29	8	61	65	2	1	9	5	2	2	21	
Unrealized gain/(loss) on available-for-sale securities**	474	-1,077	-547	-1,686	-536	-165	-233	-285	-338	-284	-383	1,450	-45	
Total fund balance change	2,761	999	1,419	-102	1,206	1,388	1,185	1,465	1,463	1,783	1,445	2,859	1,407	
Ending Fund Balance	128,218	125,457	124,458	123,039	123,141	121,935	120,547	119,362	117,897	116,434	114,651	113,206	110,347	
Percent change from four quarters earlier	4.12	2.89	3.24	3.08	4.45	4.72	5.14	5.44	6.84	6.88	6.71	7.95	7.54	
Reserve Ratio (%)	1.27	1.26	1.26	1.23	1.26	1.27	1.27	1.25	1.29	1.30	1.30	1.38	1.41	
Estimated Insured Deposits	10,067,996	9,925,602	9,912,197	9,972,566	9,743,587	9,588,373	9,493,550	9,519,014	9,128,608	8,926,807	8,840,599	8,181,082	7,824,654	
Percent change from four quarters earlier	3.33	3.52	4.41	4.76	6.74	7.41	7.39	16.35	16.66	15.46	15.02	6.37	4.09	
Domestic Deposits	17,778,227	17,941,721	18,127,766	18,426,384	18,237,199	17,677,035	17,203,426	16,980,411	16,339,026	15,716,702	15,563,637	14,351,881	13,262,843	
Percent change from four quarters earlier	-2.52	1.50	5.37	8.52	11.62	12.47	10.54	18.31	23.19	20.71	21.70	12.78	4.77	
Assessment Base***	20,975,808	20,917,208	20,946,769	20,830,967	20,575,077	20,019,250	19,673,388	19,199,696	18,796,136	18,456,376	18,155,443	16,487,165	16,159,565	
Percent change from four quarters earlier	1.95	4.49	6.47	8.50	9.46	8.47	8.36	16.45	16.32	16.03	15.75	5.94	4.57	
Number of Institutions Reporting	4,715	4,755	4,780	4,805	4,848	4,923	4,959	4,987	5,011	5,042	5,075	5,125	5,186	

Table II-C. Problem Institutions and Failed Institutions

<i>(dollar figures in millions)</i>	2022	2021	2020	2019	2018	2017	2016
Problem Institutions							
Number of institutions	39	44	56	51	60	95	123
Total assets****	\$47,463	\$170,172	\$55,830	\$46,190	\$48,481	\$13,939	\$27,624
Failed Institutions							
Number of institutions	0	0	4	4	0	8	5
Total assets*****	\$0	\$0	\$455	\$209	\$0	\$5,082	\$277

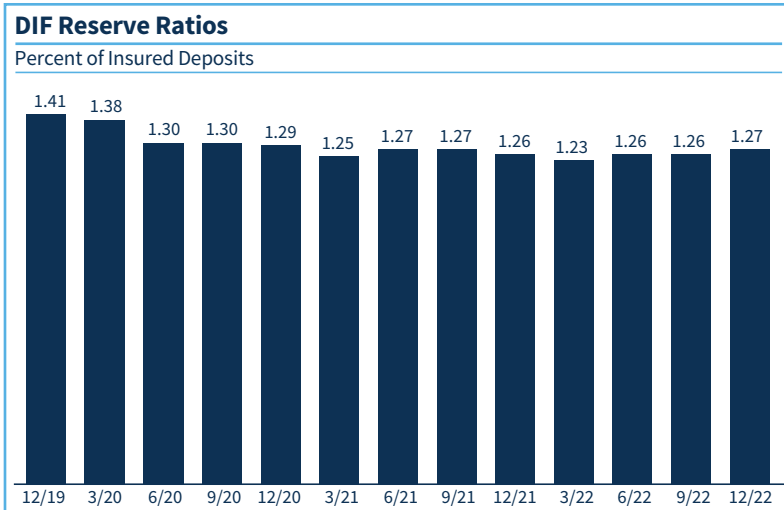
* Quarterly financial statement results are unaudited.

** Includes unrealized postretirement benefit gain (loss).

*** Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.

**** Assets shown are what were on record as of the last day of the quarter.

***** Total assets are based on final Call Reports submitted by failed institutions.



Deposit Insurance Fund Balance and Insured Deposits (\$ Millions)

	DIF Balance	DIF-Insured Deposits
12/19	\$110,347	\$7,824,654
3/20	113,206	8,181,082
6/20	114,651	8,840,599
9/20	116,434	8,926,807
12/20	117,897	9,128,608
3/21	119,362	9,519,014
6/21	120,547	9,493,550
9/21	121,935	9,588,373
12/21	123,141	9,743,587
3/22	123,039	9,972,566
6/22	124,458	9,912,197
9/22	125,457	9,925,602
12/22	128,218	10,067,996

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

(dollar figures in millions)
December 31, 2022

	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	4,127	\$22,319,462	\$16,643,794	\$9,159,536
FDIC-Supervised	2,743	4,135,162	3,395,264	2,076,819
OCC-Supervised	720	14,620,354	10,588,290	5,777,948
Federal Reserve-Supervised	664	3,563,946	2,660,240	1,304,769
FDIC-Insured Savings Institutions	579	1,280,551	1,081,571	864,751
OCC-Supervised	253	539,499	429,842	358,192
FDIC-Supervised	289	307,909	251,115	183,697
Federal Reserve-Supervised	37	433,143	400,614	322,863
Total Commercial Banks and Savings Institutions	4,706	23,600,014	17,725,365	10,024,287
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	105,313	52,862	43,709
Total FDIC-Insured Institutions	4,715	23,705,326	17,778,227	10,067,996

* Excludes \$1.5 trillion in foreign office deposits, which are not FDIC insured.

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

Quarter Ending September 30, 2022 (dollar figures in billions)

Annual Rate in Basis Points*	Number of Institutions	Percent of Total Institutions	Amount of Assessment Base	Percent of Total Assessment Base
1.50 - 3.00	2,865	60.3	\$6,629.5	31.69
3.01 - 6.00	1,381	29.0	12,912.0	61.73
6.01 - 10.00	422	8.9	1,284.3	6.14
10.01 - 15.00	44	0.9	78.5	0.38
15.01 - 20.00	43	0.9	12.8	0.06
20.01 - 25.00	0	0.0	0.0	0.00
>25.00	0	0.0	0.0	0.00

* Values do not reflect updates to assessment rates which took effect starting January 1, 2023.

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NOTES TO USERS

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

TABLES I-A THROUGH VIII-A.

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

TABLES I-B THROUGH VI-B.

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

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

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

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

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

The fourth step includes organizations that operate within a limited geographic scope. This limitation of scope is used as a proxy measure for a bank's relationship approach to banking. Banks that operate within a limited market area have more ease in managing relationships at a personal level. Under this step, four criteria are applied to each banking organization. They include both a minimum and maximum number of total banking offices, a maximum level of deposits for any one office, and location-based criteria. The limits on the number of and deposits per office are adjusted upward quarterly. For banking

offices, banks must have more than one office, and the maximum number of offices is 40 in 1985 and reached 87 in 2016. The maximum level of deposits for any one office is \$1.25 billion in deposits in 1985 and reached \$6.97 billion in deposits in 2016. The remaining geographic limitations are also based on maximums for the number of states (fixed at 3) and large metropolitan areas (fixed at 2) in which the organization maintains offices. Branch office data are based on the most recent data from the annual June 30 *Summary of Deposits Survey* that are available at the time of publication.

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

**SUMMARY OF FDIC RESEARCH
DEFINITION OF COMMUNITY
BANKING ORGANIZATIONS**

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

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

Exclude: Any organization with:

- No loans or no core deposits
- Assets held in foreign branches $\geq 10\%$ of total assets
- More than 50% of assets in certain specialty banks, including:
 - credit card specialists
 - consumer nonbank banks¹
 - industrial loan companies
 - trust companies
 - bankers' banks

Include: All remaining banking organizations with:

- Total assets < indexed size threshold²
- Total assets \geq indexed size threshold, where:
 - Loan to assets > 33%
 - Core deposits to assets > 50%
 - More than 1 office but no more than the indexed maximum number of offices.³
 - Number of large MSAs with offices ≤ 2
 - Number of states with offices ≤ 3
 - No single office with deposits > indexed maximum branch deposit size.⁴

TABLES I-C THROUGH IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository institutions that are not insured

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

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

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

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

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

DATA SOURCES

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

COMPUTATION METHODOLOGY

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

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

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

ACCOUNTING CHANGES

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

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

<https://www.fdic.gov/news/financial-institution-letters/2022/fil22054.html>

<https://www.fdic.gov/resources/bankers/call-reports/index.html>

Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB.

<https://www.fasb.org/page/index?pageId=standards/index.html>

DEFINITIONS (IN ALPHABETICAL ORDER)

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

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

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

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

Initial rates for small institutions are subject to minimums and maximums based on an institution's CAMELS composite rating.

The current assessment rate schedule became effective January 1, 2023. Under the current schedule, initial base assessment rates range from 5 to 32 basis points. An institution's total base assessment rate may differ from its initial rate due to three possible adjustments: (1) **Unsecured Debt Adjustment**: An institution's rate may decrease by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or

50 percent of an institution’s initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 5 basis points would have a maximum unsecured debt adjustment of 2.5 basis points and could not have a total base assessment rate lower than 2.5 basis points. (2) Depository Institution Debt Adjustment: For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution’s Tier 1 capital. (3) Brokered Deposit Adjustment: Rates for large institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits.

The assessment rate schedule effective January 1, 2023, is shown in the following table:

Total Base Assessment Rates*				
	Established Small Banks			Large and Highly Complex Institutions
	CAMELS Composite			
	1 or 2	3	4 or 5	
Initial Base Assessment Rate	5 to 18	8 to 32	18 to 32	5 to 32
Unsecured Debt Adjustment	-5 to 0	-5 to 0	-5 to 0	-5 to 0
Brokered Deposit Adjustment	N/A	N/A	N/A	0 to 10
Total Base Assessment Rate	2.5 to 18	4 to 32	13 to 32	2.5 to 42

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

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

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

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

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

and certain significant investments. Beginning March 2020, this ratio does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

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

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

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

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

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

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

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

Derivatives transaction types:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Small Business Lending Fund – The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses by providing capital to qualified community institutions with assets of less than \$10 billion. The SBLF Program is administered by the U.S. Treasury Department (<https://home.treasury.gov/policy-issues/small-business-programs/small-business-lending-fund>).

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

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

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

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

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

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