

# FDIC State Profile

Minnesota

## Second Quarter 2021

### ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)

#### Employment Growth Rates (% change from year ago, unless noted)

	Q2-21	Q1-21	Q2-20	2020	2019
Total Nonfarm (share of trailing four quarter employment in parentheses)	8.1%	-7.0%	-12.3%	-6.9%	0.7%
Manufacturing (11%)	2.6%	-4.8%	-6.9%	-4.8%	0.7%
Other (non-manufacturing) Goods-Producing (5%)	4.5%	-5.0%	-5.3%	-3.3%	4.1%
Private Service-Providing (70%)	10.2%	-7.8%	-14.4%	-8.0%	0.6%
Government (15%)	3.8%	-5.0%	-8.0%	-4.6%	0.1%
Unemployment Rate (% of labor force, seasonally adjusted)	4.0%	4.4%	9.7%	6.2%	3.1%

#### Other Indicators (% change of 4-qtr moving total, unless noted)

	Q2-21	Q1-21	Q2-20	2020	2019
Single-Family Home Permits	34.3%	18.8%	-0.8%	9.7%	2.1%
Multifamily Building Permits	6.8%	1.0%	13.1%	-9.5%	26.3%
Home Price Index (change from year ago)	11.1%	6.3%	3.5%	4.6%	4.4%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	1.04	0.95	1.30	1.23	1.70

### BANKING TRENDS

#### General Information

	Q2-21	Q1-21	Q2-20	2020	2019
Institutions (#)	269	274	277	276	281
Total Assets (in millions)	103,481	102,592	92,248	98,511	79,636
New Institutions (# < 3 years)	0	0	0	0	0
Subchapter S Institutions (#)	178	181	185	183	191

#### Asset Quality

	Q2-21	Q1-21	Q2-20	2020	2019
Past-Due and Nonaccrual Loans / Total Loans (median %)	0.58	0.68	0.96	0.77	1.11
Noncurrent Loans / Total Loans (median %)	0.28	0.30	0.42	0.29	0.49
Loan and Lease Allowance / Total Loans (median %)	1.32	1.32	1.22	1.30	1.25
Loan and Lease Allowance / Noncurrent Loans (median multiple)	3.07	3.02	2.29	3.08	1.98
Net Loan Losses / Total Loans (median %, year-to-date annualized)	0.00	0.00	0.00	0.02	0.02

#### Capital / Earnings (year-to-date annualized, unless noted)

	Q2-21	Q1-21	Q2-20	2020	2019
Tier 1 Leverage (median %, end of period)	9.25	9.33	9.89	9.49	10.48
Return on Assets (median %)	1.31	1.32	1.22	1.15	1.22
Pretax Return on Assets (median %)	1.43	1.43	1.36	1.28	1.35
Net Interest Margin (median %)	3.43	3.48	3.89	3.73	3.97
Yield on Earning Assets (median %)	3.79	3.83	4.57	4.33	4.76
Cost of Funding Earning Assets (median %)	0.33	0.35	0.61	0.53	0.72
Provisions to Avg. Assets (median %)	0.00	0.00	0.13	0.13	0.06
Noninterest Income to Avg. Assets (median %)	0.42	0.43	0.40	0.39	0.40
Overhead to Avg. Assets (median %)	2.35	2.34	2.64	2.57	2.80

#### Liquidity/Sensitivity

	Q2-21	Q1-21	Q2-20	2020	2019
Net Loans to Assets (median %)	59.00	59.65	67.68	62.51	68.80
Noncore Funding to Assets (median %)	3.95	4.29	6.21	4.98	6.45
Long-term Assets to Assets (median %, call filers)	23.68	21.38	18.30	19.19	17.56
Brokered Deposits (number of institutions)	82	86	100	90	101
Brokered Deposits to Assets (median % for those above)	2.67	3.15	3.86	3.27	4.31

#### Loan Concentrations

##### (median % of Tier 1 Capital plus the Reserve for Loan and Lease Losses)

	Q2-21	Q1-21	Q2-20	2020	2019
Commercial and Industrial	92	100	116	89	76
Commercial Real Estate	145	150	157	149	157
Construction & Development	20	19	20	19	20
Multifamily Residential Real Estate	7	7	8	7	8
Nonresidential Real Estate	103	103	105	103	109
Residential Real Estate	107	111	112	113	120
Consumer	17	17	18	18	20
Agriculture	70	72	84	76	84

### BANKING PROFILE

#### Largest Deposit Markets (from 2021 Summary of Deposits)

	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Minneapolis-St. Paul-Bloomington, MN-WI	137	184,444	< \$100 million	95 (35.3%)
Fargo, ND-MN	29	12,723	\$100 million to \$250 million	82 (30.5%)
Rochester, MN	35	7,193	\$250 million to \$1 billion	79 (29.4%)
St. Cloud, MN	32	6,722	\$1 billion to \$10 billion	12 (4.5%)
Duluth, MN-WI	28	5,847	> \$10 billion	1 (0.4%)