

FDIC State Profile

Pennsylvania

Third Quarter 2023

ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)

| Employment Growth Rates (% change from year ago, unless noted) | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
|---|--------|--------|--------|--------|--------|
| Total Nonfarm (share of trailing four quarter employment in parentheses) | 2.7% | 2.6% | 3.8% | 3.9% | 2.8% |
| Manufacturing (9%) | 0.1% | 0.7% | 3.8% | 3.6% | 1.2% |
| Other (non-manufacturing) Goods-Producing (5%) | 2.9% | 2.2% | 1.1% | 1.7% | 4.4% |
| Private Service-Providing (75%) | 3.2% | 3.0% | 4.7% | 4.7% | 3.5% |
| Government (11%) | 1.5% | 1.4% | -0.4% | 0.3% | -1.2% |
| Unemployment Rate (% of labor force, seasonally adjusted) | 3.5% | 4.0% | 4.3% | 4.4% | 6.0% |
| Other Indicators (% change of 4-qtr moving total, unless noted) | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
| Single-Family Home Permits | -16.0% | -19.5% | -13.7% | -25.0% | 26.9% |
| Multifamily Building Permits | -52.2% | -54.0% | 41.5% | -61.2% | 189.3% |
| Home Price Index (change from year ago) | 6.9% | 6.0% | 12.6% | 13.6% | 11.8% |
| Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level) | N/A | 0.85 | 0.76 | 0.73 | 0.77 |

BANKING TRENDS

| General Information | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
|--------------------------------|---------|---------|---------|---------|---------|
| Institutions (#) | 125 | 126 | 131 | 130 | 134 |
| Total Assets (in millions) | 313,629 | 313,841 | 299,625 | 305,260 | 304,009 |
| New Institutions (# < 3 years) | 0 | 0 | 0 | 0 | 0 |
| Subchapter S Institutions (#) | 3 | 3 | 3 | 3 | 3 |

| Asset Quality | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
|---|-------|-------|-------|------|------|
| Past-Due and Nonaccrual Loans / Total Loans (median %) | 0.79 | 0.73 | 0.66 | 0.79 | 0.83 |
| Noncurrent Loans / Total Loans (median %) | 0.42 | 0.36 | 0.39 | 0.38 | 0.48 |
| Loan and Lease Allowance / Total Loans (median %) | 0.98 | 1.03 | 1.06 | 1.01 | 1.07 |
| Loan and Lease Allowance / Noncurrent Loans (median multiple) | 2.18 | 2.50 | 2.72 | 2.23 | 2.10 |
| Net Loan Losses / Total Loans (median %, year-to-date annualized) | 0.00 | 0.00 | 0.01 | 0.01 | 0.01 |

| Capital / Earnings (year-to-date annualized, unless noted) | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
|--|-------|-------|-------|-------|------|
| Tier 1 Leverage (median %, end of period) | 9.92 | 9.91 | 9.98 | 10.05 | 9.52 |
| Return on Assets (median %) | 0.76 | 0.77 | 0.88 | 0.92 | 0.88 |
| Pretax Return on Assets (median %) | 0.97 | 0.96 | 1.08 | 1.12 | 1.10 |
| Net Interest Margin (median %) | 3.02 | 3.08 | 3.16 | 3.20 | 2.97 |
| Yield on Earning Assets (median %) | 4.52 | 4.43 | 3.51 | 3.66 | 3.41 |
| Cost of Funding Earning Assets (median %) | 1.44 | 1.27 | 0.38 | 0.47 | 0.38 |
| Provisions to Avg. Assets (median %) | 0.04 | 0.03 | 0.04 | 0.04 | 0.04 |
| Noninterest Income to Avg. Assets (median %) | 0.41 | 0.39 | 0.43 | 0.43 | 0.45 |
| Overhead to Avg. Assets (median %) | 2.35 | 2.34 | 2.27 | 2.32 | 2.26 |

| Liquidity/Sensitivity | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
|--|-------|-------|-------|-------|-------|
| Net Loans to Assets (median %) | 70.77 | 70.48 | 67.96 | 70.03 | 64.25 |
| Noncore Funding to Assets (median %) | 12.19 | 10.94 | 6.79 | 8.46 | 6.09 |
| Long-term Assets to Assets (median %, call filers) | 45.23 | 46.85 | 45.88 | 46.02 | 45.56 |
| Brokered Deposits (number of institutions) | 54 | 50 | 45 | 47 | 48 |
| Brokered Deposits to Assets (median % for those above) | 3.29 | 2.84 | 1.51 | 1.66 | 1.16 |

Loan Concentrations

| (median % of Tier 1 Capital plus the Reserve for Loan and Lease Losses) | Q3-23 | Q2-23 | Q3-22 | 2022 | 2021 |
|---|-------|-------|-------|------|------|
| Commercial and Industrial | 42 | 45 | 42 | 44 | 46 |
| Commercial Real Estate | 237 | 240 | 240 | 239 | 238 |
| Construction & Development | 20 | 19 | 23 | 23 | 21 |
| Multifamily Residential Real Estate | 27 | 26 | 25 | 25 | 24 |
| Nonresidential Real Estate | 170 | 173 | 165 | 173 | 163 |
| Residential Real Estate | 231 | 232 | 223 | 225 | 220 |
| Consumer | 5 | 5 | 5 | 5 | 5 |
| Agriculture | 1 | 1 | 1 | 1 | 1 |

BANKING PROFILE

| Largest Deposit Markets (from 2023 Summary of Deposits) | Institutions in Market | Deposits (\$ millions) | Asset Distribution | Institutions |
|---|------------------------|------------------------|--------------------------------|--------------|
| New York-Newark-Jersey City, NY-NJ-PA | 161 | 2,584,090 | < \$100 million | 9 (7.2%) |
| Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 95 | 598,320 | \$100 million to \$250 million | 16 (12.8%) |
| Pittsburgh, PA | 52 | 218,349 | \$250 million to \$1 billion | 56 (44.8%) |
| Reading, PA | 18 | 23,578 | \$1 billion to \$10 billion | 36 (28.8%) |
| Allentown-Bethlehem-Easton, PA-NJ | 32 | 21,957 | > \$10 billion | 8 (6.4%) |