

# FDIC State Profile

Hawaii

## 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)    | 1.7%  | 2.9%  | 3.9%  | 5.3%   | 4.8%  |
| Manufacturing (2%)  | 1.6%  | 3.2%  | 2.2%  | 3.4%   | 0.8%  |
| Other (non-manufacturing) Goods-Producing (6%)                              | 1.4%  | 0.5%  | 0.8%  | 0.7%   | 0.8%  |
| Private Service-Providing (73%)   | 1.9%  | 3.1%  | 5.1%  | 7.2%   | 7.0%  |
| Government (19%)  | 1.0%  | 2.5%  | 0.5%  | 0.5%   | -0.7% |
| Unemployment Rate (% of labor force, seasonally adjusted)                   | 2.8%  | 3.1%  | 3.6%  | 3.5%   | 6.0%  |
| Other Indicators (% change of 4-qtr moving total, unless noted)             | Q3-23 | Q2-23 | Q3-22 | 2022   | 2021  |
| Single-Family Home Permits  | -0.7% | -5.8% | -8.3% | -14.1% | 6.8%  |
| Multifamily Building Permits  | 20.6% | 10.4% | 14.9% | 78.5%  | 17.8% |
| Home Price Index (change from year ago)                                     | 0.2%  | 6.5%  | 24.0% | 20.4%  | 10.0% |
| Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level) | N/A   | 0.73  | 0.70  | 0.64   | 0.81  |

### BANKING TRENDS

| General Information  | Q3-23  | Q2-23  | Q3-22  | 2022   | 2021   |
|--|--------|--------|--------|--------|--------|
| Institutions (#)   | 7      | 7      | 7      | 7      | 7      |
| Total Assets (in millions)   | 69,377 | 70,258 | 68,230 | 68,736 | 67,936 |
| New Institutions (# < 3 years)   | 0      | 0      | 0      | 0      | 0      |
| Subchapter S Institutions (#)  | 0      | 0      | 0      | 0      | 0      |
| Asset Quality  | Q3-23  | Q2-23  | Q3-22  | 2022   | 2021   |
| Past-Due and Nonaccrual Loans / Total Loans (median %)   | 0.39   | 0.38   | 0.35   | 0.32   | 0.36   |
| Noncurrent Loans / Total Loans (median %)  | 0.16   | 0.22   | 0.15   | 0.15   | 0.20   |
| Loan and Lease Allowance / Total Loans (median %)  | 1.17   | 1.12   | 1.19   | 1.15   | 1.33   |
| Loan and Lease Allowance / Noncurrent Loans (median multiple)                                  | 7.73   | 5.21   | 8.07   | 8.51   | 6.47   |
| Net Loan Losses / Total Loans (median %, year-to-date annualized)                              | 0.06   | 0.06   | 0.01   | 0.03   | 0.05   |
| Capital / Earnings (year-to-date annualized, unless noted)                                     | Q3-23  | Q2-23  | Q3-22  | 2022   | 2021   |
| Tier 1 Leverage (median %, end of period)  | 9.13   | 9.10   | 7.75   | 8.13   | 7.86   |
| Return on Assets (median %)  | 0.80   | 0.79   | 0.90   | 0.86   | 1.12   |
| Pretax Return on Assets (median %)   | 1.06   | 1.02   | 1.15   | 1.10   | 1.47   |
| Net Interest Margin (median %)   | 2.96   | 3.01   | 2.75   | 3.00   | 2.93   |
| Yield on Earning Assets (median %)   | 4.01   | 3.94   | 3.03   | 3.10   | 2.98   |
| Cost of Funding Earning Assets (median %)  | 1.16   | 1.04   | 0.13   | 0.22   | 0.09   |
| Provisions to Avg. Assets (median %)   | 0.04   | 0.04   | -0.01  | 0.00   | -0.16  |
| Noninterest Income to Avg. Assets (median %)   | 0.63   | 0.71   | 0.60   | 0.61   | 0.75   |
| Overhead to Avg. Assets (median %)   | 2.14   | 2.18   | 2.15   | 2.21   | 2.23   |
| Liquidity/Sensitivity  | Q3-23  | Q2-23  | Q3-22  | 2022   | 2021   |
| Net Loans to Assets (median %)   | 59.09  | 58.82  | 59.83  | 59.67  | 56.09  |
| Noncore Funding to Assets (median %)   | 15.58  | 17.58  | 10.51  | 13.25  | 9.76   |
| Long-term Assets to Assets (median %, call filers)   | 53.49  | 55.67  | 58.41  | 57.53  | 58.04  |
| Brokered Deposits (number of institutions)   | 0      | 0      | 0      | 0      | 0      |
| Brokered Deposits to Assets (median % for those above)   | 0.00   | 0.00   | 0.00   | 0.00   | 0.00   |
| Loan Concentrations<br>(median % of Tier 1 Capital plus the Reserve for Loan and Lease Losses) | Q3-23  | Q2-23  | Q3-22  | 2022   | 2021   |
| Commercial and Industrial  | 68     | 69     | 68     | 71     | 83     |
| Commercial Real Estate   | 210    | 212    | 204    | 211    | 187    |
| Construction & Development   | 25     | 22     | 21     | 23     | 17     |
| Multifamily Residential Real Estate  | 38     | 38     | 35     | 35     | 27     |
| Nonresidential Real Estate   | 142    | 144    | 140    | 145    | 125    |
| Residential Real Estate  | 354    | 360    | 360    | 365    | 342    |
| Consumer   | 34     | 35     | 27     | 31     | 15     |
| Agriculture  | 0      | 0      | 0      | 0      | 0      |

### BANKING PROFILE

| Largest Deposit Markets (from 2023 Summary of Deposits) | Institutions in Market | Deposits (\$ millions) | Asset Distribution             | Institutions |
|---|------------------------|------------------------|--------------------------------|--------------|
| Urban Honolulu, HI                                      | 13                     | 46,595                 | < \$100 million                | 0 (0%)       |
| Kahului-Wailuku-Lahaina, HI                             | 7                      | 4,930                  | \$100 million to \$250 million | 0 (0%)       |
|   |                        |                        | \$250 million to \$1 billion   | 2 (28.6%)    |
|   |                        |                        | \$1 billion to \$10 billion    | 3 (42.9%)    |
|   |                        |                        | > \$10 billion                 | 2 (28.6%)    |