



State Profile

Indiana

Third Quarter 2018

ECONOMIC INDICATORS (NOT SEASONALLY ADJUSTED, UNLESS NOTED)

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

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|--|-------|-------|-------|------|-------|
| Total Nonfarm (share of trailing four quarter employment in parentheses) | 1.3% | 0.7% | 0.9% | 1.0% | 1.3% |
| Manufacturing (17%) | 0.5% | 0.9% | 1.6% | 1.5% | 1.0% |
| Other (non-manufacturing) Goods-Producing (5%) | 5.5% | 4.0% | 3.8% | 4.1% | 3.0% |
| Private Service-Providing (65%) | 1.2% | 0.7% | 0.6% | 0.9% | 1.6% |
| Government (14%) | 0.8% | -0.5% | 0.7% | 0.0% | -0.1% |
| Unemployment Rate (% of labor force, seasonally adjusted) | 3.5% | 3.2% | 3.6% | 3.6% | 4.4% |

Other Indicators (change from year ago, unless noted)

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|---|-------|-------|--------|-------|--------|
| Single-Family Home Permits | 7.6% | 5.7% | 6.1% | 10.4% | 14.3% |
| Multifamily Building Permits | 60.5% | 10.6% | -55.7% | -8.4% | -27.9% |
| Home Price Index | 7.4% | 7.8% | 5.0% | 4.9% | 3.7% |
| Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level) | 3.48 | 3.90 | 3.52 | 3.45 | 3.59 |

BANKING TRENDS

General Information

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|--------------------------------|--------|--------|--------|--------|--------|
| Institutions (#) | 104 | 105 | 108 | 108 | 111 |
| Total Assets (in millions) | 92,891 | 92,855 | 90,177 | 94,885 | 85,352 |
| New Institutions (# < 3 years) | 0 | 0 | 0 | 0 | 0 |
| Subchapter S Institutions | 19 | 19 | 18 | 18 | 18 |

Asset Quality

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|--|-------|-------|-------|------|------|
| Past-Due and Nonaccrual Loans / Total Loans (median %) | 1.38 | 1.35 | 1.43 | 1.35 | 1.47 |
| Noncurrent Loans / Total Loans (median %) | 0.64 | 0.64 | 0.78 | 0.68 | 0.75 |
| ALLL/Total Loans (median %) | 1.21 | 1.21 | 1.25 | 1.22 | 1.26 |
| ALLL/Noncurrent Loans (median multiple) | 1.79 | 1.76 | 1.59 | 1.62 | 1.67 |
| Net Loan Losses / Total Loans (median %) | 0.03 | 0.01 | 0.01 | 0.05 | 0.09 |

Capital / Earnings

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|--|-------|-------|-------|-------|-------|
| Tier 1 Leverage (median %) | 10.72 | 10.59 | 10.47 | 10.44 | 10.23 |
| Return on Assets (median %) | 1.03 | 0.99 | 0.93 | 0.82 | 0.85 |
| Pretax Return on Assets (median %) | 1.30 | 1.15 | 1.22 | 1.19 | 1.15 |
| Net Interest Margin (median %) | 3.77 | 3.71 | 3.67 | 3.62 | 3.54 |
| Yield on Earning Assets (median %) | 4.43 | 4.30 | 4.14 | 4.07 | 3.93 |
| Cost of Funding Earning Assets (median %) | 0.64 | 0.58 | 0.45 | 0.43 | 0.41 |
| Provisions to Avg. Assets (median %) | 0.06 | 0.06 | 0.04 | 0.05 | 0.07 |
| Noninterest Income to Avg. Assets (median %) | 0.66 | 0.65 | 0.72 | 0.71 | 0.74 |
| Overhead to Avg. Assets (median %) | 2.84 | 2.88 | 2.86 | 2.84 | 2.89 |

Liquidity/Sensitivity

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|--|-------|-------|-------|-------|-------|
| Net Loans to Assets (median %) | 70.16 | 69.06 | 67.89 | 68.14 | 66.70 |
| Noncore Funding to Assets (median %) | 10.14 | 9.06 | 9.40 | 8.65 | 8.82 |
| Long-term Assets to Assets (median %, call filers) | 39.15 | 39.23 | 40.94 | 39.84 | 42.83 |
| Brokered Deposits (number of institutions) | 40 | 38 | 45 | 43 | 44 |
| Brokered Deposits to Assets (median % for those above) | 3.43 | 3.96 | 3.42 | 3.44 | 2.62 |

Loan Concentrations (median % of Qualifying Total Capital)

| | Q3-18 | Q2-18 | Q3-17 | 2017 | 2016 |
|-------------------------------------|-------|-------|-------|------|------|
| Commercial and Industrial | 52 | 51 | 53 | 53 | 55 |
| Commercial Real Estate | 150 | 150 | 143 | 148 | 136 |
| Construction & Development | 24 | 23 | 22 | 24 | 21 |
| Multifamily Residential Real Estate | 10 | 10 | 10 | 11 | 9 |
| Nonresidential Real Estate | 102 | 105 | 94 | 94 | 99 |
| Residential Real Estate | 210 | 211 | 216 | 218 | 212 |
| Consumer | 16 | 16 | 15 | 16 | 16 |
| Agriculture | 34 | 33 | 36 | 35 | 38 |

BANKING PROFILE

Largest Deposit Markets (from 2018 Summary of Deposits)

| | Institutions in Market | Deposits (\$ millions) | Asset Distribution | Institutions |
|------------------------------------|------------------------|------------------------|--------------------------------|--------------|
| Chicago-Naperville-Elgin, IL-IN-WI | 189 | 398,015 | < \$100 million | 17 (16.3%) |
| Cincinnati, OH-KY-IN | 64 | 112,269 | \$100 million to \$250 million | 34 (32.7%) |
| Indianapolis-Carmel-Anderson, IN | 49 | 50,847 | \$250 million to \$1 billion | 37 (35.6%) |
| Louisville/Jefferson County, KY-IN | 40 | 27,650 | \$1 billion to \$10 billion | 15 (14.4%) |
| Fort Wayne, IN | 25 | 8,001 | > \$10 billion | 1 (1%) |