

FDIC State Profile

Tennessee

First Quarter 2018

ECONOMIC INDICATORS

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

	Q1-18	Q4-17	Q1-17	2017	2016
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.6%	1.3%	1.8%	1.5%	2.5%
Manufacturing (12%)	0.3%	1.0%	2.3%	1.4%	3.3%
Other (non-manufacturing) Goods-Producing (4%)	2.1%	3.5%	4.1%	4.2%	1.6%
Private Service-Providing (70%)	2.0%	1.4%	1.9%	1.6%	2.8%
Government (14%)	0.7%	0.3%	0.3%	0.5%	0.7%
Unemployment Rate (% of labor force)	3.4%	3.3%	4.4%	3.7%	4.7%

Other Indicators (change from year ago, unless noted)

	Q1-18	Q4-17	Q1-17	2017	2016
Single-Family Home Permits	-1.8%	2.7%	21.3%	11.5%	12.8%
Multifamily Building Permits	-39.6%	-12.8%	-54.6%	-5.1%	3.7%
Home Price Index	7.7%	8.0%	6.7%	7.5%	6.4%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	5.15	4.81	5.43	5.18	5.29

BANKING TRENDS

General Information

	Q1-18	Q4-17	Q1-17	2017	2016
Institutions (#)	148	151	155	151	157
Total Assets (in millions)	131,197	130,584	105,654	130,584	102,862
New Institutions (# < 3 years)	1	1	0	1	0
Subchapter S Institutions	31	31	33	31	33

Asset Quality

	Q1-18	Q4-17	Q1-17	2017	2016
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.39	1.52	1.66	1.52	1.72
Noncurrent Loans / Total Loans (median %)	0.67	0.67	0.75	0.67	0.80
ALLL/Total Loans (median %)	1.16	1.18	1.24	1.18	1.23
ALLL/Noncurrent Loans (median multiple)	1.55	1.47	1.52	1.47	1.63
Net Loan Losses / Total Loans (median %)	0.02	0.05	0.03	0.07	0.07

Capital / Earnings

	Q1-18	Q4-17	Q1-17	2017	2016
Tier 1 Leverage (median %)	10.38	10.34	10.41	10.34	10.41
Return on Assets (median %)	1.02	0.66	0.86	0.87	0.89
Pretax Return on Assets (median %)	1.29	1.24	1.19	1.23	1.21
Net Interest Margin (median %)	4.00	4.03	3.87	3.97	3.93
Yield on Earning Assets (median %)	4.63	4.60	4.40	4.53	4.47
Cost of Funding Earning Assets (median %)	0.55	0.52	0.46	0.49	0.46
Provisions to Avg. Assets (median %)	0.05	0.06	0.03	0.06	0.05
Noninterest Income to Avg. Assets (median %)	0.56	0.58	0.55	0.61	0.62
Overhead to Avg. Assets (median %)	2.98	3.06	2.92	2.98	3.00

Liquidity/Sensitivity

	Q1-18	Q4-17	Q1-17	2017	2016
Net Loans to Assets (median %)	69.15	68.73	67.99	68.73	69.03
Noncore Funding to Assets (median %)	9.36	9.35	9.06	9.35	9.19
Long-term Assets to Assets (median %, call filers)	27.12	26.90	27.23	26.90	27.36
Brokered Deposits (number of institutions)	68	69	68	69	66
Brokered Deposits to Assets (median % for those above)	5.42	5.36	5.59	5.36	5.54

Loan Concentrations (median % of Qualifying Total Capital)

	Q1-18	Q4-17	Q1-17	2017	2016
Commercial and Industrial	61.51	63.62	64.20	63.62	64.02
Commercial Real Estate	244.65	254.00	233.12	254.00	233.17
Construction & Development	61.03	58.00	54.63	58.00	55.84
Multifamily Residential Real Estate	9.31	8.52	8.45	8.52	7.17
Nonresidential Real Estate	167.32	166.22	157.04	166.22	154.96
Residential Real Estate	188.64	185.07	174.87	185.07	177.55
Consumer	25.33	26.07	22.70	26.07	21.91
Agriculture	15.73	14.65	14.78	14.65	15.36

BANKING PROFILE

Largest Deposit Markets (from 2017 Summary of Deposits)

	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Nashville-Davidson--Murfreesboro--Franklin, TN	64	57,393	< \$100 million	23 (15.5%)
Memphis, TN-MS-AR	56	29,954	\$100 million to \$250 million	55 (37.2%)
Knoxville, TN	47	16,271	\$250 million to \$1 billion	53 (35.8%)
Chattanooga, TN-GA	27	9,708	\$1 billion to \$10 billion	15 (10.1%)
Kingsport-Bristol-Bristol, TN-VA	28	4,595	> \$10 billion	2 (1.4%)