



State Profile

Tennessee

Fourth Quarter 2017

ECONOMIC INDICATORS

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

	Q4-17	Q3-17	Q4-16	2017	2016
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.3%	1.3%	1.9%	1.5%	2.5%
Manufacturing (12%)	1.0%	1.0%	2.9%	1.4%	3.3%
Other (non-manufacturing) Goods-Producing (4%)	3.5%	4.2%	0.7%	4.2%	1.6%
Private Service-Providing (70%)	1.4%	1.4%	2.0%	1.6%	2.8%
Government (14%)	0.3%	0.5%	0.9%	0.5%	0.7%
Unemployment Rate (% of labor force)	3.3%	3.4%	4.7%	3.7%	4.7%

Other Indicators (change from year ago, unless noted)

	Q4-17	Q3-17	Q4-16	2017	2016
Single-Family Home Permits	2.7%	9.2%	13.5%	11.5%	12.8%
Multifamily Building Permits	-12.8%	71.1%	-41.4%	-5.1%	3.7%
Home Price Index	7.9%	8.1%	6.9%	7.6%	6.4%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	4.82	5.17	5.00	5.18	5.29

BANKING TRENDS

General Information

	Q4-17	Q3-17	Q4-16	2017	2016
Institutions (#)	151	151	157	151	157
Total Assets (in millions)	130,564	116,182	102,862	130,564	102,862
New Institutions (# < 3 years)	1	0	0	1	0
Subchapter S Institutions	31	30	33	31	33

Asset Quality

	Q4-17	Q3-17	Q4-16	2017	2016
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.52	1.38	1.72	1.52	1.72
Noncurrent Loans / Total Loans (median %)	0.67	0.68	0.80	0.67	0.80
ALLL/Total Loans (median %)	1.18	1.21	1.23	1.18	1.23
ALLL/Noncurrent Loans (median multiple)	1.49	1.54	1.63	1.49	1.63
Net Loan Losses / Total Loans (median %)	0.05	0.03	0.06	0.07	0.07

Capital / Earnings

	Q4-17	Q3-17	Q4-16	2017	2016
Tier 1 Leverage (median %)	10.35	10.48	10.41	10.35	10.41
Return on Assets (median %)	0.67	1.02	0.87	0.87	0.89
Pretax Return on Assets (median %)	1.24	1.34	1.11	1.23	1.21
Net Interest Margin (median %)	4.03	4.03	3.91	3.97	3.93
Yield on Earning Assets (median %)	4.61	4.61	4.42	4.53	4.47
Cost of Funding Earning Assets (median %)	0.52	0.51	0.45	0.49	0.46
Provisions to Avg. Assets (median %)	0.06	0.04	0.03	0.06	0.05
Noninterest Income to Avg. Assets (median %)	0.58	0.60	0.56	0.61	0.62
Overhead to Avg. Assets (median %)	3.06	3.00	3.03	2.98	3.00

Liquidity/Sensitivity

	Q4-17	Q3-17	Q4-16	2017	2016
Net Loans to Assets (median %)	68.73	68.88	69.03	68.73	69.03
Noncore Funding to Assets (median %)	9.35	9.60	9.19	9.35	9.19
Long-term Assets to Assets (median %, call filers)	26.90	27.68	27.36	26.90	27.36
Brokered Deposits (number of institutions)	69	67	66	69	66
Brokered Deposits to Assets (median % for those above)	5.36	5.01	5.54	5.36	5.54

Loan Concentrations (median % of Qualifying Total Capital)

	Q4-17	Q3-17	Q4-16	2017	2016
Commercial and Industrial	63.11	62.15	64.02	63.11	64.02
Commercial Real Estate	254.89	248.10	233.17	254.89	233.17
Construction & Development	58.00	53.09	55.84	58.00	55.84
Multifamily Residential Real Estate	8.52	8.20	7.17	8.52	7.17
Nonresidential Real Estate	166.40	162.26	154.96	166.40	154.96
Residential Real Estate	185.07	185.46	177.55	185.07	177.55
Consumer	25.80	24.76	21.91	25.80	21.91
Agriculture	14.56	14.34	15.36	14.56	15.36

BANKING PROFILE

Largest Deposit Markets (from 2017 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	
			Assets	Institutions
Nashville-Davidson--Murfreesboro--Franklin, TN	64	57,393	< \$100 million	24 (15.9%)
Memphis, TN-MS-AR	56	29,954	\$100 million to \$250 million	56 (37.1%)
Knoxville, TN	47	16,271	\$250 million to \$1 billion	55 (36.4%)
Chattanooga, TN-GA	27	9,708	\$1 billion to \$10 billion	14 (9.3%)
Kingsport-Bristol-Bristol, TN-VA	28	4,595	> \$10 billion	2 (1.3%)