

FDIC State Profile

Texas

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)	3.2%	2.9%	1.6%	1.8%	1.2%
Manufacturing (7%)	2.9%	3.3%	1.4%	0.5%	-3.7%
Other (non-manufacturing) Goods-Producing (8%)	9.5%	7.7%	3.2%	2.5%	-4.4%
Private Service-Providing (70%)	3.2%	2.9%	1.7%	2.0%	2.3%
Government (16%)	0.3%	0.2%	0.5%	1.0%	1.9%
Unemployment Rate (% of labor force, seasonally adjusted)	3.9%	4.1%	4.0%	4.3%	4.6%

Other Indicators (change from year ago, unless noted)

	Q3-18	Q2-18	Q3-17	2017	2016
Single-Family Home Permits	12.4%	5.6%	5.1%	10.1%	2.4%
Multifamily Building Permits	8.1%	50.4%	-20.8%	1.2%	-19.7%
Home Price Index	6.8%	7.2%	8.1%	8.0%	7.6%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	1.12	1.15	1.11	1.15	1.13

BANKING TRENDS

General Information

	Q3-18	Q2-18	Q3-17	2017	2016
Institutions (#)	444	448	456	454	464
Total Assets (in millions)	505,053	503,618	491,916	499,086	476,379
New Institutions (# < 3 years)	1	1	1	1	0
Subchapter S Institutions	216	220	233	233	237

Asset Quality

	Q3-18	Q2-18	Q3-17	2017	2016
Past-Due and Nonaccrual Loans / Total Loans (median %)	1.10	1.13	1.15	1.17	1.23
Noncurrent Loans / Total Loans (median %)	0.39	0.40	0.42	0.39	0.44
ALLL/Total Loans (median %)	1.21	1.23	1.24	1.22	1.25
ALLL/Noncurrent Loans (median multiple)	2.18	2.05	2.13	2.12	2.26
Net Loan Losses / Total Loans (median %)	0.01	0.01	0.02	0.06	0.07

Capital / Earnings

	Q3-18	Q2-18	Q3-17	2017	2016
Tier 1 Leverage (median %)	10.79	10.65	10.54	10.37	10.25
Return on Assets (median %)	1.26	1.23	1.15	1.04	1.01
Pretax Return on Assets (median %)	1.40	1.35	1.35	1.22	1.16
Net Interest Margin (median %)	4.02	3.90	3.86	3.78	3.72
Yield on Earning Assets (median %)	4.54	4.37	4.21	4.14	4.07
Cost of Funding Earning Assets (median %)	0.51	0.45	0.36	0.35	0.31
Provisions to Avg. Assets (median %)	0.05	0.06	0.07	0.09	0.10
Noninterest Income to Avg. Assets (median %)	0.57	0.57	0.58	0.58	0.59
Overhead to Avg. Assets (median %)	2.84	2.80	2.82	2.85	2.85

Liquidity/Sensitivity

	Q3-18	Q2-18	Q3-17	2017	2016
Net Loans to Assets (median %)	60.06	59.60	60.00	59.60	58.89
Noncore Funding to Assets (median %)	7.39	7.50	7.50	7.34	7.16
Long-term Assets to Assets (median %, call filers)	28.48	30.02	29.09	29.56	31.21
Brokered Deposits (number of institutions)	93	98	134	129	121
Brokered Deposits to Assets (median % for those above)	3.86	3.24	2.70	3.06	3.03

Loan Concentrations (median % of Qualifying Total Capital)

	Q3-18	Q2-18	Q3-17	2017	2016
Commercial and Industrial	65	66	66	65	69
Commercial Real Estate	193	186	185	191	186
Construction & Development	40	40	42	40	42
Multifamily Residential Real Estate	5	5	6	5	5
Nonresidential Real Estate	120	120	121	121	117
Residential Real Estate	105	108	108	108	108
Consumer	17	17	19	18	20
Agriculture	31	31	33	32	33

BANKING PROFILE

Largest Deposit Markets (from 2018 Summary of Deposits)

	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Dallas-Fort Worth-Arlington, TX	164	274,507	< \$100 million	95 (21.4%)
Houston-The Woodlands-Sugar Land, TX	97	245,633	\$100 million to \$250 million	135 (30.4%)
San Antonio-New Braunfels, TX	61	110,986	\$250 million to \$1 billion	151 (34%)
Austin-Round Rock, TX	67	42,293	\$1 billion to \$10 billion	57 (12.8%)
McAllen-Edinburg-Mission, TX	21	9,502	> \$10 billion	6 (1.4%)