## Fole <br> Quarterly

## Quarterly Banking Profile: Fourth Quarter 2017

## Highlights:

- Quarterly Net Income Is 40.9 Percent Lower Than a Year Ago Largely Due to One-Time Changes From the New Tax Law
- Net Interest Income Rises 8.5 Percent From Fourth Quarter 2016
- Community Bank Net Income Falls 14.2 Percent From a Year Ago Largely Due to One-Time Changes From the New Tax Law
- Deposit Insurance Fund Increases by $\$ 2.2$ Billion
- DIF Reserve Ratio Rises 2 Basis Points to 1.30 Percent

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## Quarterly Banking Profile: Fourth Quarter 2017

FDIC-insured institutions reported aggregate net income of $\$ 25.5$ billion in the fourth quarter of 2017, down $\$ 17.7$ billion (40.9 percent) from a year earlier. Higher income taxes, reflecting one-time income tax effects enacted from the new tax law, coupled with higher noninterest expense and loan-loss provisions, lowered quarterly net income. Excluding one-time income tax effects, estimated quarterly net income would have been $\$ 42.2$ billion, down 2.3 percent. See page 1.

| Community Bank Performance | Community banks-which represent 92 percent of insured institutions-reported net <br> income of $\$ 4.1$ billion in the fourth quarter, down $\$ 681$ million (14.2 percent) from a year <br> ago. Excluding one-time income tax charges, estimated fourth quarter net income would <br> have increased by 17 percent from a year earlier. See page 15. |
| :--- | :--- |
| Insurance Fund Indicators | The Deposit Insurance Fund (DIF) balance increased by $\$ 2.2$ billion, to $\$ 92.7$ billion, <br> during the fourth quarter, driven by assessment income, including surcharges on large <br> banks. The DIF reserve ratio rose to 1.30 percent at year-end 2017, up from 1.28 percent <br> at September 30, 2017, and 1.20 percent at year-end 2016. Estimated insured deposits rose <br> 0.8 percent in the fourth quarter. See page 23. |

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## INSURED INSTITUTION PERFORMANCE

Quarterly Net Income Is 40.9 Percent Lower Than a Year Ago Largely Due to One-Time Changes From the New Tax Law
Excluding Changes From the New Tax Law, Estimated Quarterly Net Income Would Have Been \$42.2 Billion, Down 2.3 Percent From a Year Ago
Net Interest Income Rises 8.5 Percent From Fourth Quarter 2016
Total Loan and Lease Balances Increase \$164.1 Billion During the Fourth Quarter
"Problem Bank List" Falls Below 100

Quarterly Net Income Is 40.9 Percent Lower Than a Year Ago Largely Due to One-Time Changes From the New Tax Law

In the fourth quarter, 5,670 insured institutions reported quarterly net income of $\$ 25.5$ billion, down $\$ 17.7$ billion (40.9 percent) from a year ago. Higher income taxes, reflecting one-time income tax effects enacted from the new tax law, coupled with higher noninterest expense and loan-loss provisions, lowered quarterly net income. ${ }^{1}$ Excluding one-time income tax effects, estimated quarterly net income would have been $\$ 42.2$ billion, down 2.3 percent. ${ }^{2}$

Full-Year 2017 Net Income Declines 3.5 Percent Due to One-Time Tax Changes

Net income for full-year 2017 totaled $\$ 164.8$ billion, a decline of $\$ 6$ billion ( 3.5 percent) compared to 2016. The decline in full-year net income was due to higher income taxes (up $\$ 21.6$ billion, or 28.4 percent), which reflects one-time changes from the new tax law, combined with higher noninterest expense (up $\$ 19.5$ billion, or 4.6 percent) and higher loan-loss provisions (up $\$ 3$ billion, or 6.2 percent). Net operating revenue (the sum of net interest income and total noninterest income) increased by $\$ 39.5$ billion from 2016, as net interest income rose by $\$ 37.7$ billion ( 8.2 percent) and noninterest income grew by $\$ 1.8$ billion ( 0.7 percent). The average net interest margin (NIM) increased to 3.25 percent from 3.13 percent in 2016. Without the one-time tax charges in the fourth quarter, estimated full-year 2017 net income would have been $\$ 183.1$ billion, an increase of 7.2 percent from 2016. ${ }^{3}$

[^1]
## Chart 1



Chart 2


## Net Interest Income Rises

8.5 Percent From

Fourth Quarter 2016

Net operating revenue of $\$ 192.2$ billion, was $\$ 10$ billion ( 5.5 percent) higher than fourth quarter 2016. Net interest income grew by $\$ 10.2$ billion ( 8.5 percent), while noninterest income fell by $\$ 202.4$ million ( 0.3 percent). More than four out of five banks ( 86.4 percent) reported higher net interest income from a year ago, as interest-bearing assets increased (up 4.4 percent) and the average NIM increased to 3.31 percent from 3.16 percent a year ago. This is the highest quarterly NIM for the industry since fourth quarter 2012. More than two out of three banks ( 70 percent) reported higher net interest margins than a year earlier.

## Provisions Increase

8.9 Percent From a Year Ago

Loan-loss provisions totaled $\$ 13.6$ billion in the fourth quarter, an increase of $\$ 1.1$ billion (8.9 percent) from a year ago. More than one in three (38.9 percent) institutions reported higher loan-loss provisions than in fourth quarter 2016. Fourth quarter loan-loss provisions totaled 7.1 percent of net operating revenue, up from 6.8 percent a year ago.

## Noninterest Expense

Increases From a Year Ago

Noninterest expense for the banking industry was $\$ 9.4$ billion (8.6 percent) higher than fourth quarter 2016, led by an increase in "other" noninterest expense (up $\$ 6.3$ billion, or 14.1 percent). Other noninterest expense includes, but is not limited to, information technology costs, legal fees, consulting services, and audit fees. Salary and employee benefits rose by $\$ 3.2$ billion ( 6.3 percent) from a year ago. Full-time equivalent employees at FDICinsured institutions rose by 1.1 percent from a year ago, while industry assets increased by 3.8 percent. Average assets per employee rose to $\$ 8.4$ million from $\$ 8.2$ million in fourth quarter 2016.

Net Charge-Off Rate Increases Slightly

Banks charged off $\$ 13.2$ billion in uncollectable loans during the quarter, an increase of $\$ 1$ billion ( 8.6 percent) from a year ago. This marks a ninth consecutive quarter that net charge-offs increased. Less than half ( 45.3 percent) of all banks reported an annual increase in their quarterly net charge-offs. The increase in net charge-offs was led by credit card balances, which grew by $\$ 1.1$ billion ( 15.7 percent). Net charge-offs declined for commercial and industrial loans (down $\$ 210.3$ million, 8.6 percent), home equity loans (down $\$ 178.1$ million, or 68.6 percent), and residential mortgage loans (down $\$ 68.3$ million, or 36.4 percent). The average net charge-off rate rose from 0.52 percent in fourth quarter 2016 to 0.55 percent.

Chart 3


Chart 4


## Noncurrent Loan Rate Remains Stable

After declining for the past six consecutive quarters, noncurrent balances (90 days or more past due or in nonaccrual status) for total loans and leases increased by $\$ 1.5$ billion (1.3 percent) during the fourth quarter. The increase in noncurrent balances was led by residential mortgages (up 2.8 billion, or 5.2 percent) and credit cards (up $\$ 1.2$ billion, or 11.5 percent), and was partially offset by a decline in noncurrent commercial and industrial loans (down $\$ 1.7$ billion, or 8.5 percent). Despite the overall dollar increase, the average noncurrent loan rate remained unchanged at 1.20 percent from the previous quarter.

Loan-Loss Reserves Increase From the Previous Quarter

Banks continued to increase their loan-loss reserves (up $\$ 236.2$ million, or 0.2 percent) during the quarter, as loan-loss provisions of $\$ 13.6$ billion exceeded net charge-offs of $\$ 13.2$ billion. Banks that itemize their reserves (banks with assets greater than $\$ 1$ billion) reported higher reserves for credit card losses (up $\$ 1.9$ billion, or 5.2 percent) from the previous quarter, and lower reserves for residential real estate losses (down $\$ 827.2$ million, or 5.4 percent) and commercial and industrial loan losses (down $\$ 723.5$ million, or 2.2 percent) during the quarter. The coverage ratio (loan-loss reserves to noncurrent loan balances) declined slightly to 106.3 percent, but has been above 100 percent for the past three quarters.

Equity Capital Rises Modestly

Total equity capital increased by $\$ 3.6$ billion ( 0.2 percent) in fourth quarter 2017. Declared dividends of $\$ 30.1$ billion exceeded the quarterly net income of $\$ 25.5$ billion during the quarter, reducing retained earnings by $\$ 4.6$ billion. Accumulated other comprehensive income declined by $\$ 8.5$ billion in the quarter, which was led by a decline in the market value of available-for-sale securities. The equity-to-assets ratio declined to 11.22 percent from 11.31 percent in third quarter 2017, but remained above the year-ago ratio of 11.10 percent. At year-end 2017, 99.4 percent of all insured institutions, which account for 99.97 percent of total industry assets, met or exceeded the requirements for the highest regulatory capital category, as defined for Prompt Corrective Action purposes.

Chart 5


Chart 6


Total Loan and Lease
Balances Increase
\$164.1 Billion During the Fourth Quarter

Total loan and lease balances increased by $\$ 164.1$ billion ( 1.7 percent) from third quarter 2017, as balances in all major loan categories increased. Credit card balances increased by $\$ 69.6$ billion ( 8.8 percent) from the previous quarter, commercial and industrial loans grew by $\$ 24.5$ billion ( 1.2 percent), and residential mortgage loans rose by $\$ 21.7$ billion (1.1 percent). Unused loan commitments were $\$ 108.9$ billion (1.5 percent) higher than the previous quarter, led by higher unused credit card lines (up $\$ 57.7$ billion, or 1.6 percent). Over the past 12 months, loan and lease balances increased by $\$ 416.1$ billion ( 4.5 percent), exceeding last quarter's annual growth rate of 3.5 percent. The 12 -month increase in loan and lease balances was led by commercial and industrial loans (up $\$ 78.4$ billion, or 4.1 percent), residential mortgage loans (up $\$ 68.7$ million, or 3.4 percent), nonfarm nonresidential loans (up $\$ 67.1$ billion, or 5.1 percent), and credit card balances (up $\$ 65.2$ billion, or 8.2 percent). Home equity lines of credit continued with the year-over-year decline (down $\$ 23$ billion, or 5.3 percent). Unused loan commitments increased 4.4 percent from a year ago, the largest annual growth rate since third quarter 2016.

Deposits Grew 1.4 Percent From the Previous Quarter

Total deposits increased by $\$ 179.8$ billion (1.4 percent) in the fourth quarter. Balances in domestic interest-bearing accounts rose by $\$ 153.7$ billion ( 1.8 percent), and balances in noninterest-bearing accounts grew by $\$ 7.8$ billion ( 0.2 percent). Domestic deposits in accounts larger than $\$ 250,000$ increased by $\$ 159.6$ billion ( 2.5 percent) from third quarter 2017. Nondeposit liabilities declined by $\$ 8.9$ billion ( 0.4 percent), as other liabilities were down $\$ 29.3$ billion ( 7.3 percent).
'Problem Bank List' Falls Below 100

The FDIC's Problem Bank List declined from 104 to 95 at year-end 2017, the lowest number of problem banks since first quarter 2008. Total assets of problem banks were down from $\$ 16$ billion in the third quarter to $\$ 13.9$ billion. During the quarter, merger transactions absorbed 64 institutions, two institutions failed, and one new charter was added. For full-year 2017, five new charters were added, 230 institutions were absorbed by mergers, and eight institutions failed.

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## Chart 7



## Chart 8



QUARTERLY BANKING PROFILE
TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

|  | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Return on assets (\%) | 0.97 | 1.04 | 1.04 | 1.01 | 1.07 | 1.00 | 0.88 |
| Return on equity (\%) | 8.64 | 9.29 | 9.29 | 9.01 | 9.54 | 8.90 | 7.79 |
| Core capital (leverage) ratio (\%) | 9.62 | 9.48 | 9.59 | 9.44 | 9.40 | 9.15 | 9.07 |
| Noncurrent assets plus other real estate owned to assets (\%) | 0.72 | 0.86 | 0.97 | 1.20 | 1.63 | 2.20 | 2.61 |
| Net charge-offs to loans (\%) | 0.50 | 0.47 | 0.44 | 0.49 | 0.69 | 1.10 | 1.55 |
| Asset growth rate (\%) | 3.79 | 5.09 | 2.66 | 5.59 | 1.94 | 4.02 | 4.30 |
| Net interest margin (\%) | 3.25 | 3.13 | 3.07 | 3.14 | 3.26 | 3.42 | 3.60 |
| Net operating income growth (\%) | -3.03 | 4.62 | 7.11 | -0.73 | 12.82 | 17.76 | 43.60 |
| Number of institutions reporting | 5,670 | 5,913 | 6,182 | 6,509 | 6,812 | 7,083 | 7,357 |
| Commercial banks | 4,918 | 5,112 | 5,338 | 5,607 | 5,847 | 6,072 | 6,275 |
| Savings institutions | 752 | 801 | 844 | 902 | 965 | 1,011 | 1,082 |
| Percentage of unprofitable institutions (\%) | 5.40 | 4.45 | 4.80 | 6.27 | 8.16 | 11.00 | 16.23 |
| Number of problem institutions | 95 | 123 | 183 | 291 | 467 | 651 | 813 |
| Assets of problem institutions (in billions) | \$14 | \$28 | \$47 | \$87 | \$153 | \$233 | \$319 |
| Number of failed institutions | 8 | 5 | 8 | 18 | 24 | 51 | 92 |
| Number of assisted institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

* Excludes insured branches of foreign banks (IBAs).

TABLE II-A. Aggregate Condition and Income Data, All FDIC-Insured Institutions

| (dollar figures in millions) |  | 4th Quarter 2017 | 3rd Quarter 2017 |  | 4th Quarter 2016 | $\begin{array}{r} \text { \%Change } \\ \text { 1604-1704 } \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of institutions reporting |  | 5,670 | 5,738 |  | 5,913 | -4.1 |
| Total employees (full-time equivalent) |  | $2,076,106$ $2,084,080$  |  |  |  |  |
| CONDITION DATA |  |  |  |  |  |  |
| Total assets |  | \$17,416,262 | \$17,242,418 |  | \$16,779,598 | 3.8 |
| Loans secured by real estate |  | 4,773,568 | 4,730,472 |  | 4,603,243 | 3.7 |
| 1-4 Family residential mortgages |  | 2,063,771 | 2,042,064 |  | 1,995,060 | 3.4 |
| Nonfarm nonresidential |  | 1,391,075 | 1,377,643 |  | 1,323,979 | 5.1 |
| Construction and development |  | 338,338 | 330,747 |  | 313,019 | 8.1 |
| Home equity lines |  | 411,154 | 417,298 |  | 434,129 | -5.3 |
| Commercial \& industrial loans |  | 2,013,426 | 1,988,897 |  | 1,934,998 | 4.1 |
| Loans to individuals |  | 1,677,964 | 1,602,614 |  | 1,589,466 | 5.6 |
| Credit cards |  | 865,050 | 795,425 |  | 799,842 | 8.2 |
| Farm loans |  | 80,852 | 80,882 |  | 79,901 | 1.2 |
| Other loans \& leases |  | 1,177,533 | 1,156,140 |  | 1,099,540 | 7.1 |
| Less: Unearned income |  | 2,291 | 2,059 |  | 2,175 | 5.3 |
| Total loans \& leases |  | 9,721,053 | 9,556,945 |  | 9,304,973 | 4.5 |
| Less: Reserve for losses |  | 123,740 | 123,503 |  | 121,682 | 1.7 |
| Net loans and leases |  | 9,597,313 | 9,433,442 |  | 9,183,291 | 4.5 |
| Securities |  | 3,631,824 | 3,615,281 |  | 3,559,771 | 2.0 |
| Other real estate owned |  | 8,451 | 9,099 |  | 10,932 | -22.7 |
| Goodwill and other intangibles |  | 383,389 | 378,113 |  | 369,229 | 3.8 |
| All other assets |  | 3,795,286 | 3,806,483 |  | 3,656,374 | 3.8 |
| Total liabilities and capital |  | 17,416,262 | 17,242,418 |  | 16,779,598 | 3.8 |
| Deposits |  | 13,399,022 | 13,219,252 |  | 12,894,563 | 3.9 |
| Domestic office deposits |  | 12,081,255 | 11,919,768 |  | 11,647,119 | 3.7 |
| Foreign office deposits |  | 1,317,767 | 1,299,484 |  | 1,247,444 | 5.6 |
| Other borrowed funds |  | 1,496,033 | 1,474,161 |  | 1,413,454 | 5.8 |
| Subordinated debt |  | 68,929 | 75,110 |  | 83,904 | -17.8 |
| All other liabilities |  | 493,826 | 518,383 |  | 518,506 | -4.8 |
| Total equity capital (includes minority interests) |  | 1,958,451 | 1,955,512 |  | 1,869,171 | 4.8 |
| Bank equity capital |  | 1,954,112 | 1,950,477 |  | 1,863,006 | 4.9 |
| Loans and leases 30-89 days past due |  | 67,595 | 64,083 |  | 65,692 | 2.9 |
| Noncurrent loans and leases |  | 116,385 | 114,837 |  | 132,013 | -11.8 |
| Restructured loans and leases |  | 60,214 | 61,530 |  | 65,503 | -8.1 |
| Mortgage-backed securities |  | 2,133,347 | 2,117,153 |  | 2,005,022 | 6.4 |
| Earning assets |  | 15,760,921 | 15,586,363 |  | 15,103,316 | 4.4 |
| FHLB Advances |  | 582,533 | 575,406 |  | 563,263 | 3.4 |
| Unused loan commitments |  | 7,516,809 | 7,407,905 |  | 7,200,727 | 4.4 |
| Trust assets |  | 20,334,391 | 19,709,519 |  | 17,663,958 | 15.1 |
| Assets securitized and sold |  | 677,875 | 699,463 |  | 737,059 | -8.0 |
| Notional amount of derivatives |  | 173,490,303 | 190,595,890 |  | 166,783,334 | 4.0 |
| INCOME DATA | Full Year 2017 | Full Year 2016 | 4th Quarter |  | 4th Quarter | \%Change |
|  |  |  | \%Change | 2017 | 2016 | 1604-1704 |
| Total interest income | \$572,329 | \$515,794 | 11.0 | \$150,638 | \$133,688 | 12.7 |
| Total interest expense | 73,259 | 54,389 | 34.7 | 21,118 | 14,354 | 47.1 |
| Net interest income | 499,070 | 461,405 | 8.2 | 129,520 | 119,334 | 8.5 |
| Provision for loan and lease losses | 51,089 | 48,096 | 6.2 | 13,568 | 12,462 | 8.9 |
| Total noninterest income | 255,479 | 253,643 | 0.7 | 62,657 | 62,859 | -0.3 |
| Total noninterest expense | 442,757 | 423,219 | 4.6 | 117,954 | 108,599 | 8.6 |
| Securities gains (losses) | 2,129 | 3,786 | -43.8 | 24 | 632 | -96.2 |
| Applicable income taxes | 97,616 | 76,046 | 28.4 | 34,854 | 18,451 | 88.9 |
| Extraordinary gains, net* | -87 | -323 | N/M | -222 | -28 | N/M |
| Total net income (includes minority interests) | 165,129 | 171,150 | -3.5 | 25,602 | 43,285 | -40.9 |
| Bank net income | 164,793 | 170,810 | -3.5 | 25,532 | 43,186 | -40.9 |
| Net charge-offs | 46,783 | 42,421 | 10.3 | 13,161 | 12,114 | 8.7 |
| Cash dividends | 121,352 | 102,761 | 18.1 | 30,082 | 28,624 | 5.1 |
| Retained earnings | 43,442 | 68,049 | -36.2 | -4,550 | 14,562 | N/M |
| Net operating income | 163,704 | 168,813 | -3.0 | 25,753 | 42,870 | -39.9 |

[^2]$2018 \cdot$ Volume 12 • Number 1
TABLE III-A. Full Year 2017, All FDIC-Insured Institutions

| FULL YEAR <br> (The way it is...) |  | All Insured Institutions | Asset Concentration Groups* |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Credit Card Banks | International Banks | Agricultural Banks | Commercial Lenders | Mortgage Lenders | Consumer Lenders | Other <br> Specialized <\$1 Billion | All Other <\$1 Billion | All Other >\$1 Billion |
| Number of institutions reporting |  |  | 5,670 | 11 | 5 | 1,390 | 2,943 | 421 | 59 | 272 | 509 | 60 |
| Commercial banks |  | 4,918 | 10 | 5 | 1,376 | 2,632 | 106 | 45 | 245 | 447 | 52 |
| Savings institutions |  | 752 | 1 | 0 | 14 | 311 | 315 | 14 | 27 | 62 | 8 |
| Total assets (in billions) |  | \$17,416.3 | \$562.7 | \$4,197.0 | \$282.6 | \$6,025.9 | \$349.4 | \$270.9 | \$46.9 | \$88.8 | \$5,592.2 |
| Commercial banks |  | 16,219.7 | 483.5 | 4,197.0 | 277.4 | 5,546.8 | 95.4 | 163.0 | 42.7 | 76.7 | 5,337.3 |
| Savings institutions |  | 1,196.6 | 79.2 | 0.0 | 5.3 | 479.1 | 254.0 | 107.8 | 4.2 | 12.1 | 254.9 |
| Total deposits (in billions) |  | 13,399.0 | 309.7 | 3,064.1 | 234.1 | 4,733.5 | 274.5 | 227.6 | 38.0 | 74.7 | 4,442.7 |
| Commercial banks |  | 12,468.2 | 251.9 | 3,064.1 | 231.3 | 4,375.1 | 81.3 | 137.7 | 35.1 | 64.9 | 4,226.8 |
| Savings institutions |  | 930.8 | 57.8 | 0.0 | 2.9 | 358.4 | 193.3 | 89.9 | 2.9 | 9.8 | 215.8 |
| Bank net income (in millions) |  | 164,793 | 7,847 | 25,933 | 2,902 | 59,530 | 3,128 | 2,677 | 1,202 | 813 | 60,761 |
| Commercial banks |  | 152,185 | 6,284 | 25,933 | 2,790 | 54,299 | 1,336 | 1,906 | 617 | 736 | 58,282 |
| Savings institutions |  | 12,608 | 1,563 | 0 | 112 | 5,231 | 1,792 | 771 | 585 | 77 | 2,479 |
| Performance Ratios (\%) |  |  |  |  |  |  |  |  |  |  |  |
| Yield on earning assets |  | 3.73 | 12.45 | 2.91 | 4.24 | 3.90 | 3.32 | 4.02 | 3.09 | 3.88 | 3.31 |
| Cost of funding earning assets |  | 0.48 | 1.54 | 0.49 | 0.52 | 0.47 | 0.48 | 0.46 | 0.33 | 0.41 | 0.37 |
| Net interest margin |  | 3.25 | 10.92 | 2.43 | 3.72 | 3.42 | 2.84 | 3.56 | 2.75 | 3.47 | 2.93 |
| Noninterest income to assets |  | 1.50 | 2.48 | 1.82 | 0.64 | 1.27 | 1.31 | 1.18 | 6.41 | 0.90 | 1.46 |
| Noninterest expense to assets |  | 2.60 | 5.35 | 2.42 | 2.67 | 2.73 | 2.52 | 2.45 | 5.59 | 2.88 | 2.33 |
| Loan and lease loss provision to assets |  | 0.30 | 3.92 | 0.19 | 0.15 | 0.16 | 0.01 | 0.46 | 0.06 | 0.09 | 0.21 |
| Net operating income to assets |  | 0.96 | 1.53 | 0.62 | 1.04 | 1.02 | 0.90 | 1.02 | 2.57 | 0.92 | 1.09 |
| Pretax return on assets |  | 1.54 | 3.19 | 1.34 | 1.30 | 1.49 | 1.50 | 1.76 | 3.33 | 1.17 | 1.59 |
| Return on assets |  | 0.97 | 1.52 | 0.62 | 1.05 | 1.02 | 0.93 | 1.02 | 2.60 | 0.93 | 1.10 |
| Return on equity |  | 8.64 | 9.85 | 6.29 | 9.27 | 8.57 | 8.33 | 10.20 | 17.37 | 7.81 | 9.98 |
| Net charge-offs to loans and leases |  | 0.50 | 3.95 | 0.56 | 0.16 | 0.21 | 0.05 | 0.60 | 0.22 | 0.15 | 0.43 |
| Loan and lease loss provision to net charge-offs |  | 109.21 | 124.63 | 95.36 | 134.72 | 113.64 | 22.97 | 106.55 | 92.06 | 107.84 | 95.52 |
| Efficiency ratio |  | 57.94 | 42.26 | 60.65 | 64.64 | 61.61 | 62.75 | 51.69 | 62.49 | 69.50 | 55.73 |
| \% of unprofitable institutions |  | 5.40 | 0.00 | 0.00 | 3.02 | 5.23 | 10.69 | 8.47 | 9.93 | 6.09 | 3.33 |
| \% of institutions with earnings gains |  | 56.16 | 27.27 | 40.00 | 54.68 | 57.87 | 50.36 | 49.15 | 54.78 | 55.99 | 68.33 |
| Condition Ratios (\%) |  |  |  |  |  |  |  |  |  |  |  |
| Earning assets to total assets |  | 90.50 | 92.21 | 88.37 | 93.02 | 90.93 | 94.74 | 97.53 | 92.31 | 92.73 | 90.66 |
| Loss allowance to: |  |  |  |  |  |  |  |  |  |  |  |
| Loans and leases |  | 1.27 | 4.39 | 1.36 | 1.40 | 1.03 | 0.75 | 0.83 | 1.43 | 1.26 | 1.14 |
| Noncurrent loans and leases |  | 106.32 | 285.81 | 107.71 | 146.06 | 119.63 | 27.78 | 170.63 | 107.79 | 114.21 | 73.16 |
| Noncurrent assets plus other real estate owned to assets |  | 0.72 | 1.24 | 0.48 | 0.76 | 0.70 | 1.70 | 0.36 | 0.58 | 0.81 | 0.82 |
| Equity capital ratio |  | 11.22 | 15.10 | 9.84 | 11.18 | 11.95 | 11.22 | 10.00 | 15.25 | 11.94 | 11.09 |
| Core capital (leverage) ratio |  | 9.62 | 13.13 | 8.66 | 10.89 | 10.16 | 10.90 | 10.12 | 14.72 | 11.85 | 9.19 |
| Common equity tier 1 capital ratio |  | 13.11 | 12.75 | 13.32 | 14.41 | 12.37 | 21.81 | 17.94 | 32.01 | 20.32 | 13.06 |
| Tier 1 risk-based capital ratio |  | 13.19 | 12.87 | 13.39 | 14.43 | 12.46 | 21.83 | 18.14 | 32.02 | 20.34 | 13.13 |
| Total risk-based capital ratio |  | 14.57 | 14.98 | 14.75 | 15.55 | 13.78 | 22.74 | 19.01 | 33.00 | 21.46 | 14.60 |
| Net loans and leases to deposits |  | 71.63 | 140.73 | 49.89 | 80.59 | 88.51 | 75.67 | 84.84 | 34.48 | 65.91 | 62.83 |
| Net loans to total assets |  | 55.11 | 77.46 | 36.43 | 66.76 | 69.53 | 59.46 | 71.29 | 27.96 | 55.45 | 49.91 |
| Domestic deposits to total assets |  | 69.37 | 54.42 | 48.24 | 82.84 | 78.27 | 78.29 | 84.02 | 81.08 | 84.13 | 74.85 |
| Structural Changes |  |  |  |  |  |  |  |  |  |  |  |
| New reporters |  | 5 | 0 | 0 | 0 | 3 | 0 | 0 | 2 | 0 | 0 |
| Institutions absorbed by mergers |  | 230 | 0 | 0 | 33 | 176 | 8 | 0 | 1 | 10 | 2 |
| Failed institutions |  | 8 | 0 | 0 | 1 | 4 | 2 | 0 | 0 | 1 | 0 |
| PRIOR FULL YEARS (The way it was...) |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions | 2016 | 5,913 | 13 | 5 | 1,429 | 3,025 | 462 | 65 | 300 | 549 | 65 |
|  | 2014 | 6,509 | 15 | 3 | 1,515 | 3,222 | 553 | 52 | 374 | 708 | 67 |
|  | 2012 | 7,083 | 19 | 5 | 1,537 | 3,499 | 659 | 51 | 414 | 826 | 73 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Total assets (in billions) | 2016 | \$16,779.6 | \$519.0 | \$4,052.7 | \$284.9 | \$5,628.2 | \$331.5 | \$256.0 | \$51.0 | \$97.5 | \$5,558.7 |
|  | 2014 | 15,553.7 | 484.2 | 3,735.6 | 273.5 | 4,878.5 | 439.6 | 175.9 | 61.9 | 129.1 | 5,375.5 |
|  | 2012 | 14,450.4 | 600.7 | 3,808.4 | 239.8 | 4,338.9 | 628.3 | 101.6 | 64.9 | 145.8 | 4,522.0 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Return on assets (\%) | 2016 | 1.04 | 2.28 | 0.93 | 1.21 | 0.97 | 0.99 | 0.96 | 2.84 | 0.93 | 1.06 |
|  | 2014 | 1.01 | 3.22 | 0.72 | 1.17 | 0.94 | 0.96 | 1.05 | 2.20 | 0.86 | 1.06 |
|  | 2012 | 1.00 | 3.13 | 0.80 | 1.27 | 0.89 | 0.87 | 1.46 | 1.23 | 0.86 | 1.00 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Net charge-offs to loans \& leases (\%) | 2016 | 0.47 | 3.34 | 0.55 | 0.15 | 0.22 | 0.07 | 0.56 | 0.22 | 0.17 | 0.41 |
|  | 2014 | 0.49 | 2.81 | 0.73 | 0.13 | 0.24 | 0.21 | 0.62 | 0.34 | 0.25 | 0.41 |
|  | 2012 | 1.10 | 3.69 | 1.41 | 0.24 | 0.74 | 0.82 | 1.31 | 0.45 | 0.45 | 0.94 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Noncurrent assets plus |  |  |  |  |  |  |  |  |  |  |  |
|  | 2014 | 0.86 1.20 | 1.14 0.88 | 0.65 | 0.77 | 1.87 | 1.97 | 1.19 | 0.63 | 0.94 1.39 | 1.43 |
|  | 2012 | 2.20 | 1.11 | 1.39 | 1.11 | 2.21 | 2.70 | 0.88 | 1.04 | 1.67 | 3.06 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Equity capital ratio (\%) | 2016 | 11.10 | 14.85 | 9.97 | 11.30 | 11.81 | 11.28 | 10.04 | 15.21 | 11.42 | 10.85 |
|  | 2014 | 11.15 | 15.13 | 9.45 | 11.42 | 11.97 | 12.07 | 9.88 | 14.78 | 11.81 | 11.11 |
|  | 2012 | 11.17 | 14.67 | 8.93 | 11.14 | 11.93 | 11.09 | 9.57 | 14.27 | 11.47 | 11.85 |

* See Table V-A (page 10) for explanations.

QUARTERLY BANKING PROFILE
TABLE III-A. Full Year 2017, All FDIC-Insured Institutions

| FULL YEAR <br> (The way it is...) | All Insured Institutions | Asset Size Distribution |  |  |  |  | Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Less Than $\$ 100$ Million | $\begin{array}{r} \$ 100 \\ \text { Million to } \\ \$ 1 \text { Billion } \\ \hline \end{array}$ | $\begin{array}{r} \text { \$1 Billion } \\ \text { to } \$ 10 \\ \text { Billion } \end{array}$ | $\begin{array}{r} \$ 10 \text { Billion } \\ \text { to } \$ 250 \\ \text { Billion } \end{array}$ | Greater Than \$250 Billion | New York | Atlanta | Chicago | Kansas City | Dallas | San <br> Francisco |
| Number of institutions reporting | 5,670 | 1,407 | 3,513 | 627 | 114 | 9 | 693 | 668 | 1,214 | 1,438 | 1,235 | 422 |
| Commercial banks | 4,918 | 1,238 | 3,061 | 510 | 100 | 9 | 363 | 605 | 1,019 | 1,389 | 1,158 | 384 |
| Savings institutions | 752 | 169 | 452 | 117 | 14 | 0 | 330 | 63 | 195 | 49 | 77 | 38 |
| Total assets (in billions) | \$17,416.3 | \$83.7 | \$1,154.1 | \$1,751.7 | \$5,699.1 | \$8,727.6 | \$3,248.0 | \$3,601.0 | \$3,918.1 | \$3,684.1 | \$1,090.0 | \$1,875.1 |
| Commercial banks | 16,219.7 | 74.2 | 983.5 | 1,413.4 | 5,021.0 | 8,727.6 | 2,812.9 | 3,497.7 | 3,806.6 | 3,642.9 | 955.9 | 1,503.7 |
| Savings institutions | 1,196.6 | 9.5 | 170.7 | 338.3 | 678.1 | 0.0 | 435.0 | 103.3 | 111.5 | 41.2 | 134.1 | 371.5 |
| Total deposits (in billions) | 13,399.0 | 70.0 | 961.8 | 1,390.0 | 4,340.0 | 6,637.2 | 2,462.4 | 2,828.3 | 2,928.1 | 2,819.2 | 889.0 | 1,472.1 |
| Commercial banks | 12,468.2 | 62.6 | 827.2 | 1,133.1 | 3,808.1 | 6,637.2 | 2,131.6 | 2,746.4 | 2,851.1 | 2,788.8 | 781.0 | 1,169.4 |
| Savings institutions | 930.8 | 7.4 | 134.6 | 257.0 | 531.9 | 0.0 | 330.8 | 81.9 | 77.0 | 30.4 | 108.0 | 302.7 |
| Bank net income (in millions) | 164,793 | 686 | 11,700 | 17,711 | 57,416 | 77,281 | 26,852 | 35,154 | 38,512 | 28,357 | 11,684 | 24,235 |
| Commercial banks | 152,185 | 640 | 10,151 | 14,868 | 49,246 | 77,281 | 23,725 | 34,556 | 37,288 | 27,974 | 10,297 | 18,343 |
| Savings institutions | 12,608 | 46 | 1,549 | 2,842 | 8,170 | 0 | 3,127 | 597 | 1,224 | 383 | 1,386 | 5,891 |
| Performance Ratios (\%) |  |  |  |  |  |  |  |  |  |  |  |  |
| Yield on earning assets | 3.73 | 4.18 | 4.24 | 4.14 | 4.21 | 3.26 | 3.85 | 3.85 | 3.00 | 3.82 | 4.10 | 4.41 |
| Cost of funding earning assets | 0.48 | 0.46 | 0.50 | 0.50 | 0.55 | 0.42 | 0.59 | 0.40 | 0.40 | 0.55 | 0.39 | 0.49 |
| Net interest margin | 3.25 | 3.72 | 3.74 | 3.64 | 3.66 | 2.83 | 3.26 | 3.44 | 2.60 | 3.27 | 3.71 | 3.92 |
| Noninterest income to assets | 1.50 | 1.18 | 1.15 | 1.24 | 1.53 | 1.58 | 1.34 | 1.45 | 1.85 | 1.25 | 1.35 | 1.74 |
| Noninterest expense to assets | 2.60 | 3.46 | 3.13 | 2.79 | 2.69 | 2.44 | 2.56 | 2.58 | 2.58 | 2.51 | 3.00 | 2.74 |
| Loan and lease loss provision to assets | 0.30 | 0.14 | 0.13 | 0.21 | 0.50 | 0.21 | 0.39 | 0.35 | 0.13 | 0.27 | 0.20 | 0.53 |
| Net operating income to assets | 0.96 | 0.83 | 1.03 | 1.04 | 1.04 | 0.89 | 0.85 | 1.00 | 1.00 | 0.76 | 1.12 | 1.34 |
| Pretax return on assets | 1.54 | 1.02 | 1.38 | 1.63 | 1.68 | 1.47 | 1.32 | 1.61 | 1.47 | 1.44 | 1.57 | 2.17 |
| Return on assets | 0.97 | 0.83 | 1.04 | 1.05 | 1.04 | 0.90 | 0.86 | 1.00 | 1.00 | 0.78 | 1.12 | 1.36 |
| Return on equity | 8.64 | 6.39 | 9.22 | 9.00 | 8.60 | 8.53 | 6.93 | 8.24 | 9.61 | 7.77 | 9.98 | 11.45 |
| Net charge-offs to loans and leases | 0.50 | 0.21 | 0.15 | 0.22 | 0.71 | 0.47 | 0.58 | 0.61 | 0.27 | 0.51 | 0.28 | 0.67 |
| Loan and lease loss provision to net charge-offs | 109.21 | 109.45 | 128.11 | 131.38 | 118.08 | 94.37 | 120.99 | 99.50 | 94.33 | 102.09 | 111.06 | 129.08 |
| Efficiency ratio | 57.94 | 74.94 | 67.41 | 59.73 | 54.48 | 58.58 | 59.13 | 56.29 | 61.40 | 58.67 | 62.23 | 49.86 |
| \% of unprofitable institutions | 5.40 | 10.66 | 4.04 | 1.75 | 2.63 | 0.00 | 7.36 | 9.28 | 5.68 | 3.27 | 4.21 | 5.92 |
| \% of institutions with earnings gains | 56.16 | 53.80 | 55.96 | 60.93 | 64.04 | 66.67 | 51.08 | 53.74 | 57.08 | 55.35 | 59.51 | 58.53 |
| Condition Ratios (\%) |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loans and leases | 1.27 | 1.39 | 1.25 | 1.10 | 1.38 | 1.24 | 1.29 | 1.29 | 1.16 | 1.32 | 1.11 | 1.43 |
| Noncurrent loans and leases | 106.32 | 115.44 | 141.59 | 141.24 | 127.36 | 83.87 | 120.96 | 96.48 | 96.68 | 86.08 | 107.05 | 209.26 |
| Noncurrent assets plus other real estate owned to assets | 0.72 | 1.01 | 0.83 | 0.66 | 0.70 | 0.73 | 0.65 | 0.83 | 0.64 | 0.86 | 0.81 | 0.45 |
| Equity capital ratio | 11.22 | 13.01 | 11.30 | 11.82 | 12.13 | 10.48 | 12.34 | 12.06 | 10.42 | 9.99 | 11.49 | 11.58 |
| Core capital (leverage) ratio | 9.62 | 12.91 | 11.10 | 10.72 | 10.38 | 8.69 | 10.31 | 9.55 | 9.14 | 8.92 | 10.21 | 10.71 |
| Common equity tier 1 capital ratio | 13.11 | 20.56 | 15.35 | 13.85 | 13.14 | 12.54 | 13.29 | 12.80 | 12.97 | 12.43 | 13.15 | 14.99 |
| Tier 1 risk-based capital ratio | 13.19 | 20.59 | 15.39 | 13.87 | 13.30 | 12.57 | 13.36 | 12.91 | 13.01 | 12.49 | 13.25 | 15.14 |
| Total risk-based capital ratio | 14.57 | 21.66 | 16.48 | 14.87 | 14.77 | 14.03 | 14.72 | 14.27 | 14.22 | 14.36 | 14.32 | 16.22 |
| Net loans and leases to deposits | 71.63 | 70.55 | 81.31 | 87.91 | 78.96 | 62.03 | 73.67 | 73.07 | 66.04 | 68.57 | 79.38 | 77.71 |
| Net loans to total assets | 55.11 | 58.99 | 67.76 | 69.76 | 60.13 | 47.17 | 55.85 | 57.39 | 49.35 | 52.48 | 64.74 | 61.01 |
| Domestic deposits to total assets | 69.37 | 83.61 | 83.33 | 79.11 | 72.91 | 63.11 | 68.9 | 75.98 | 65.31 | 59.71 | 81.52 | 77.88 |
| Structural Changes |  |  |  |  |  |  |  |  |  |  |  |  |
| New reporters | 5 | 3 | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 3 | 1 |
| Institutions absorbed by mergers | 230 | 55 | 137 | 35 | 3 | 0 | 34 | 42 | 52 | 42 | 40 | 20 |
| Failed institutions | 8 | 3 | 3 | 2 | 0 | 0 | 1 | 0 | 4 | 1 | 1 | 1 |
| PRIOR FULL YEARS (The way it was...) |  |  |  |  |  |  |  |  |  |  |  |  |
| $\begin{array}{ll}\text { Number of institutions } & 2016 \\ 2014 \\ 2012\end{array}$ | 5,913 | 1,541 | 3,637 | 621 | 105 | 9 | 724 | 720 | 1,271 | 1,485 | 1,268 | 445 |
|  | 6,509 | 1,871 | 3,957 | 574 | 98 | 9 | 807 | 812 | 1,406 | 1,599 | 1,372 | 513 |
|  | 7,083 | 2,204 | 4,217 | 555 | 99 | 8 | 873 | 904 | 1,515 | 1,716 | 1,490 | 585 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total assets (in billions) 2016 <br> 2014  <br> 2012  | \$16,779.6 | \$91.5 | \$1,173.9 | \$1,761.7 | \$5,305.7 | \$8,446.8 | \$3,096.4 | \$3,507.3 | \$3,784.3 | \$3,633.8 | \$1,010.7 | \$1,747.0 |
|  | 15,553.7 | 109.7 | 1,232.1 | 1,576.4 | 4,534.2 | 8,101.3 | 2,956.4 | 3,217.9 | 3,595.8 | 3,404.0 | 904.4 | 1,475.2 |
|  | 14,450.4 | 128.1 | 1,275.0 | 1,454.7 | 4,468.7 | 7,123.9 | 2,896.1 | 3,056.1 | 3,298.1 | 3,068.7 | 870.4 | 1,261.0 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Return on assets (\%) 2016 <br> 2014  <br> 2012  | 1.04 | 0.89 | 1.08 | 1.02 | 1.07 | 1.03 | 0.87 | 1.02 | 1.00 | 1.09 | 1.02 | 1.40 |
|  | 1.01 | 0.79 | 1.00 | 1.09 | 1.09 | 0.95 | 0.83 | 1.00 | 0.88 | 1.07 | 1.14 | 1.49 |
|  | 1.00 | 0.68 | 0.80 | 1.13 | 1.13 | 0.94 | 0.96 | 0.77 | 0.90 | 1.10 | 1.01 | 1.72 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net charge-offs to loans \& leases (\%) 2016 <br> 2014 <br> 2012 | 0.47 | 0.21 | 0.14 | 0.25 | 0.64 | 0.47 | 0.52 | 0.54 | 0.27 | 0.53 | 0.31 | 0.58 |
|  | 0.49 | 0.23 | 0.23 | 0.27 | 0.60 | 0.54 | 0.55 | 0.54 | 0.36 | 0.60 | 0.23 | 0.47 |
|  | 1.10 | 0.43 | 0.64 | 0.73 | 1.30 | 1.17 | 1.24 | 1.19 | 0.85 | 1.37 | 0.56 | 0.84 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Noncurrent assets plus  <br> OREO to assets (\%) 2016 <br>  2014 <br>  2012 |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 0.86 | 1.10 | 0.96 | 0.84 | 0.78 | 0.90 | 0.70 | 1.03 | 0.79 | 1.00 | 1.06 | 0.53 |
|  | 1.20 | 1.45 | 1.38 | 1.41 | 0.83 | 1.32 | 0.89 | 1.55 | 1.11 | 1.46 | 1.18 | 0.65 |
|  | 2.20 | 2.10 | 2.37 | 2.46 | 1.40 | 2.61 | 1.46 | 3.23 | 2.00 | 2.45 | 2.05 | 1.38 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Equity capital ratio (\%) 2016 <br> 2014  <br> 2012  | 11.10 | 12.70 | 11.14 | 11.55 | 11.87 | 10.50 | 12.11 | 12.05 | 10.32 | 9.87 | 10.92 | 11.79 |
|  | 11.15 | 12.28 | 11.20 | 11.90 | 12.39 | 10.28 | 11.81 | 12.45 | 9.80 | 10.20 | 11.06 | 12.47 |
|  | 11.17 | 12.00 | 10.90 | 11.77 | 12.37 | 10.32 | 12.18 | 12.03 | 9.10 | 10.86 | 10.70 | 13.24 |

* See Table V-A (page 11) for explanations.

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| FOURTH QUARTER (The way it is...) | All Insured Institutions | Asset Concentration Groups* |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{gathered} \text { Credit } \\ \text { Card } \\ \text { Banks } \end{gathered}$ | International Banks | Agricultural Banks | Commercial Lenders | Mortgage Lenders | Consumer Lenders | Other Specialized <\$1 Billion | $\begin{array}{r} \text { All Other } \\ \text { <\$1 Billion } \end{array}$ | $\begin{array}{r} \text { All Other } \\ >\$ 1 \text { Billion } \end{array}$ |
| Number of institutions reporting | 5,670 | 11 | 5 | 1,390 | 2,943 | 421 | 59 | 272 | 509 | 60 |
| Commercial banks | 4,918 | 10 | 5 | 1,376 | 2,632 | 106 | 45 | 245 | 447 | 52 |
| Savings institutions | 752 | 1 | 0 | 14 | 311 | 315 | 14 | 27 | 62 | 8 |
| Total assets (in billions) | \$17,416.3 | \$562.7 | \$4,197.0 | \$282.6 | \$6,025.9 | \$349.4 | \$270.9 | \$46.9 | \$88.8 | \$5,592.2 |
| Commercial banks | 16,219.7 | 483.5 | 4,197.0 | 277.4 | 5,546.8 | 95.4 | 163.0 | 42.7 | 76.7 | 5,337.3 |
| Savings institutions | 1,196.6 | 79.2 | 0.0 | 5.3 | 479.1 | 254.0 | 107.8 | 4.2 | 12.1 | 254.9 |
| Total deposits (in billions) | 13,399.0 | 309.7 | 3,064.1 | 234.1 | 4,733.5 | 274.5 | 227.6 | 38.0 | 74.7 | 4,442.7 |
| Commercial banks | 12,468.2 | 251.9 | 3,064.1 | 231.3 | 4,375.1 | 81.3 | 137.7 | 35.1 | 64.9 | 4,226.8 |
| Savings institutions | 930.8 | 57.8 | 0.0 | 2.9 | 358.4 | 193.3 | 89.9 | 2.9 | 9.8 | 215.8 |
| Bank net income (in millions) | 25,532 | -39 | -4,175 | 335 | 13,511 | 563 | 464 | 223 | 175 | 14,474 |
| Commercial banks | 22,809 | -407 | -4,175 | 308 | 12,353 | 220 | 400 | 150 | 159 | 13,801 |
| Savings institutions | 2,723 | 368 | 0 | 28 | 1,158 | 342 | 64 | 73 | 16 | 673 |
| Performance Ratios (annualized, \%) |  |  |  |  |  |  |  |  |  |  |
| Yield on earning assets | 3.85 | 12.86 | 3.01 | 4.31 | 4.02 | 3.48 | 4.20 | 3.07 | 3.91 | 3.39 |
| Cost of funding earning assets | 0.54 | 1.70 | 0.55 | 0.56 | 0.53 | 0.56 | 0.53 | 0.34 | 0.43 | 0.44 |
| Net interest margin | 3.31 | 11.17 | 2.46 | 3.75 | 3.49 | 2.92 | 3.67 | 2.73 | 3.48 | 2.95 |
| Noninterest income to assets | 1.45 | 2.51 | 1.68 | 0.64 | 1.24 | 1.28 | 1.19 | 4.79 | 0.88 | 1.44 |
| Noninterest expense to assets | 2.73 | 5.65 | 2.43 | 3.16 | 2.80 | 2.66 | 2.65 | 5.29 | 2.88 | 2.55 |
| Loan and lease loss provision to assets | 0.31 | 3.99 | 0.21 | 0.16 | 0.15 | 0.00 | 0.46 | 0.07 | 0.10 | 0.23 |
| Net operating income to assets | 0.60 | -0.03 | -0.39 | 0.48 | 0.91 | 0.63 | 0.69 | 1.87 | 0.79 | 1.04 |
| Pretax return on assets | 1.40 | 3.12 | 1.20 | 0.81 | 1.44 | 1.39 | 1.65 | 2.00 | 1.13 | 1.34 |
| Return on assets | 0.59 | -0.03 | -0.40 | 0.48 | 0.91 | 0.65 | 0.69 | 1.91 | 0.79 | 1.04 |
| Return on equity | 5.24 | -0.19 | -4.01 | 4.21 | 7.56 | 5.75 | 6.89 | 12.52 | 6.58 | 9.35 |
| Net charge-offs to loans and leases | 0.55 | 4.18 | 0.56 | 0.24 | 0.23 | 0.06 | 0.62 | 0.28 | 0.18 | 0.51 |
| Loan and lease loss provision to net charge-offs | 103.09 | 119.02 | 102.54 | 98.48 | 96.53 | 12.97 | 103.00 | 85.35 | 97.62 | 88.81 |
| Efficiency ratio | 60.51 | 43.69 | 62.47 | 76.02 | 62.49 | 65.41 | 54.52 | 72.29 | 69.88 | 60.84 |
| \% of unprofitable institutions | 16.23 | 36.36 | 20.00 | 10.36 | 17.40 | 26.37 | 23.73 | 19.12 | 14.54 | 13.33 |
| \% of institutions with earnings gains | 46.05 | 27.27 | 20.00 | 54.68 | 41.56 | 43.23 | 32.20 | 51.47 | 49.71 | 50.00 |
| Structural Changes |  |  |  |  |  |  |  |  |  |  |
| New reporters | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| Institutions absorbed by mergers | 64 | 0 | 0 | 6 | 54 | 2 | 0 | 0 | 2 | 0 |
| Failed institutions | 2 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| PRIOR FOURTH QUARTERS <br> (The way it was...) |  |  |  |  |  |  |  |  |  |  |
| Return on assets (\%) 2016 | 1.03 | 2.21 | 1.03 | 1.08 | 0.91 | 1.01 | 0.80 | 3.21 | 0.87 | 1.04 |
| 2014 | 0.95 | 3.08 | 0.46 | 1.09 | 0.98 | 0.91 | 0.93 | 2.48 | 0.79 | 1.05 |
| 2012 | 0.96 | 3.08 | 0.70 | 1.13 | 0.88 | 0.85 | 1.16 | 1.02 | 0.79 | 0.99 |
|  | 0.52 | 3.76 | 0.61 | 0.25 | 0.27 | 0.06 | 0.60 | 0.33 | 0.23 | 0.42 |
| Netcharge-ofs 2014 | 0.48 | 2.74 | 0.73 | 0.20 | 0.25 | 0.12 | 0.64 | 0.50 | 0.32 | 0.38 |
| 2012 | 0.97 | 3.36 | 1.04 | 0.35 | 0.72 | 0.60 | 1.50 | 0.65 | 0.47 | 0.85 |

* See Table V-A (page 10) for explanations.

QUARTERLY BANKING PROFILE

|  |  | Asset Size Distribution |  |  |  |  | Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| FOURTH QUARTER <br> (The way it is...) | All Insured Institutions | $\begin{array}{r} \text { Less Than } \\ \$ 100 \\ \text { Million } \\ \hline \end{array}$ | $\begin{array}{r} \$ 100 \\ \text { Million to } \\ \text { \$1 Billion } \\ \hline \end{array}$ | $\begin{array}{r} \text { \$1 Billion } \\ \text { to } \$ 10 \\ \text { Billion } \\ \hline \end{array}$ | $\begin{array}{r} \$ 10 \text { Billion } \\ \text { to } \$ 250 \\ \text { Billion } \\ \hline \end{array}$ | Greater <br> Than $\$ 250$ <br> Billion | New York | Atlanta | Chicago | $\begin{array}{r} \text { Kansas } \\ \text { City } \\ \hline \end{array}$ | Dallas | San Francisco |
| Number of institutions reporting | 5,670 | 1,407 | 3,513 | 627 | 114 | 9 | 693 | 668 | 1,214 | 1,438 | 1,235 | 422 |
| Commercial banks | 4,918 | 1,238 | 3,061 | 510 | 100 | 9 | 363 | 605 | 1,019 | 1,389 | 1,158 | 384 |
| Savings institutions | 752 | 169 | 452 | 117 | 14 | 0 | 330 | 63 | 195 | 49 | 77 | 38 |
| Total assets (in billions) | \$17,416.3 | \$83.7 | \$1,154.1 | \$1,751.7 | \$5,699.1 | \$8,727.6 | \$3,248.0 | \$3,601.0 | \$3,918.1 | \$3,684.1 | \$1,090.0 | \$1,875.1 |
| Commercial banks | 16,219.7 | 74.2 | 983.5 | 1,413.4 | 5,021.0 | 8,727.6 | 2,812.9 | 3,497.7 | 3,806.6 | 3,642.9 | 955.9 | 1,503.7 |
| Savings institutions | 1,196.6 | 9.5 | 170.7 | 338.3 | 678.1 | 0.0 | 435.0 | 103.3 | 111.5 | 41.2 | 134.1 | 371.5 |
| Total deposits (in billions) | 13,399.0 | 70.0 | 961.8 | 1,390.0 | 4,340.0 | 6,637.2 | 2,462.4 | 2,828.3 | 2,928.1 | 2,819.2 | 889.0 | 1,472.1 |
| Commercial banks | 12,468.2 | 62.6 | 827.2 | 1,133.1 | 3,808.1 | 6,637.2 | 2,131.6 | 2,746.4 | 2,851.1 | 2,788.8 | 781.0 | 1,169.4 |
| Savings institutions | 930.8 | 7.4 | 134.6 | 257.0 | 531.9 | 0.0 | 330.8 | 81.9 | 77.0 | 30.4 | 108.0 | 302.7 |
| Bank net income (in millions) | 25,532 | 18 | 2,467 | 3,099 | 10,958 | 8,989 | 4,747 | 6,163 | 8,146 | -813 | 2,365 | 4,924 |
| Commercial banks | 22,809 | 122 | 2,171 | 2,541 | 8,985 | 8,989 | 4,137 | 6,042 | 7,888 | -911 | 2,190 | 3,461 |
| Savings institutions | 2,723 | -104 | 296 | 559 | 1,973 | 0 | 610 | 120 | 258 | 98 | 174 | 1,463 |
| Performance Ratios (annualized, \%) |  |  |  |  |  |  |  |  |  |  |  |  |
| Yield on earning assets | 3.85 | 4.21 | 4.32 | 4.21 | 4.41 | 3.34 | 3.99 | 3.95 | 3.12 | 3.88 | 4.18 | 4.66 |
| Cost of funding earning assets | 0.54 | 0.48 | 0.53 | 0.55 | 0.63 | 0.48 | 0.66 | 0.47 | 0.46 | 0.60 | 0.43 | 0.58 |
| Net interest margin | 3.31 | 3.74 | 3.79 | 3.66 | 3.78 | 2.86 | 3.33 | 3.48 | 2.66 | 3.28 | 3.75 | 4.09 |
| Noninterest income to assets | 1.45 | -0.01 | 1.16 | 1.21 | 1.54 | 1.49 | 1.29 | 1.44 | 1.76 | 1.19 | 1.28 | 1.69 |
| Noninterest expense to assets | 2.73 | 3.25 | 3.20 | 2.83 | 2.81 | 2.58 | 2.64 | 2.64 | 2.66 | 2.76 | 3.05 | 2.93 |
| Loan and lease loss provision to assets | 0.31 | 0.16 | 0.14 | 0.21 | 0.52 | 0.23 | 0.42 | 0.35 | 0.13 | 0.29 | 0.20 | 0.56 |
| Net operating income to assets | 0.60 | 0.10 | 0.86 | 0.72 | 0.78 | 0.42 | 0.60 | 0.71 | 0.84 | -0.10 | 0.88 | 1.07 |
| Pretax return on assets | 1.40 | 0.02 | 1.35 | 1.54 | 1.65 | 1.22 | 1.21 | 1.55 | 1.34 | 1.13 | 1.47 | 2.04 |
| Return on assets | 0.59 | 0.09 | 0.86 | 0.72 | 0.78 | 0.41 | 0.59 | 0.69 | 0.83 | -0.09 | 0.88 | 1.07 |
| Return on equity | 5.24 | 0.66 | 7.57 | 6.03 | 6.40 | 3.92 | 4.77 | 5.68 | 7.99 | -0.88 | 7.65 | 9.14 |
| Net charge-offs to loans and leases | 0.55 | 0.28 | 0.22 | 0.28 | 0.76 | 0.51 | 0.64 | 0.69 | 0.26 | 0.56 | 0.32 | 0.74 |
| Loan and lease loss provision to net charge-offs | 103.09 | 95.84 | 92.68 | 105.23 | 111.26 | 93.61 | 116.11 | 87.68 | 100.89 | 97.01 | 94.22 | 122.88 |
| Efficiency ratio | 60.51 | 94.26 | 68.08 | 60.68 | 55.43 | 63.08 | 60.80 | 57.20 | 63.82 | 64.89 | 63.85 | 51.89 |
| \% of unprofitable institutions | 16.23 | 21.82 | 14.32 | 14.19 | 16.67 | 22.22 | 28.28 | 23.80 | 14.42 | 11.40 | 12.39 | 17.30 |
| \% of institutions with earnings gains | 46.05 | 52.59 | 45.72 | 34.77 | 38.60 | 33.33 | 30.45 | 39.22 | 46.95 | 52.43 | 52.55 | 39.10 |
| Structural Changes |  |  |  |  |  |  |  |  |  |  |  |  |
| New reporters | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Institutions absorbed by mergers | 64 | 10 | 41 | 11 | 2 | 0 | 12 | 12 | 8 | 9 | 11 | 12 |
| Failed institutions | 2 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 |
| PRIOR FOURTH QUARTERS (The way it was...) |  |  |  |  |  |  |  |  |  |  |  |  |
| Return on assets (\%) 2016 | 1.03 | 0.69 | 1.05 | 0.86 | 1.05 | 1.06 | 0.87 | 0.99 | 1.07 | 1.09 | 0.79 | 1.33 |
| 2014 | 0.95 | 0.67 | 1.00 | 1.08 | 1.11 | 0.82 | 0.79 | 1.01 | 0.84 | 0.86 | 1.11 | 1.46 |
| 2012 | 0.96 | 0.50 | 0.70 | 1.00 | 1.18 | 0.87 | 0.92 | 0.82 | 0.88 | 1.01 | 0.90 | 1.55 |
| Net charge-offs to loans \& leases (\%) 2016 | 0.52 | 0.36 | 0.23 | 0.35 | 0.71 | 0.49 | 0.61 | 0.58 | 0.30 | 0.59 | 0.33 | 0.67 |
| 2014 | 0.48 | 0.29 | 0.32 | 0.25 | 0.58 | 0.52 | 0.51 | 0.50 | 0.38 | 0.61 | 0.28 | 0.44 |
| 2012 | 0.97 | 0.54 | 0.74 | 0.72 | 1.15 | 0.97 | 1.09 | 1.17 | 0.65 | 1.17 | 0.61 | 0.71 |

* See Table V-A (page 11) for explanations.

QUARTERLY BANKING PROFILE
TABLE V-A. Loan Performance, All FDIC-Insured Institutions

| December 31, 2017 | All Insured Institutions | Asset Size Distribution |  |  |  |  | Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{array}{r} \text { Less Than } \\ \$ 100 \\ \text { Million } \\ \hline \end{array}$ | $\begin{array}{r} \$ 100 \\ \text { Million to } \\ \text { \$1 Billion } \end{array}$ | $\begin{array}{r} \text { \$1 Billion } \\ \text { to } \\ \$ 10 \text { Billion } \\ \hline \end{array}$ | $\begin{array}{r} \$ 10 \text { Billion } \\ \text { to } \$ 250 \\ \text { Billion } \\ \hline \end{array}$ | $\begin{array}{r} \text { Greater } \\ \text { Than } \$ 250 \\ \text { Billion } \\ \hline \end{array}$ | New York | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Percent of Loans 30-89 Days Past Due |  |  |  |  |  |  |  |  |  |  |  |  |
| All loans secured by real estate | 0.71 | 1.17 | 0.60 | 0.37 | 0.56 | 1.07 | 0.51 | 0.86 | 0.77 | 1.02 | 0.64 | 0.31 |
| Construction and development | 0.35 | 0.86 | 0.43 | 0.31 | 0.29 | 0.42 | 0.41 | 0.28 | 0.33 | 0.40 | 0.35 | 0.28 |
| Nonfarm nonresidential | 0.25 | 0.89 | 0.36 | 0.22 | 0.20 | 0.28 | 0.27 | 0.25 | 0.28 | 0.25 | 0.32 | 0.15 |
| Multifamily residential real estate | 0.12 | 0.64 | 0.23 | 0.10 | 0.10 | 0.13 | 0.14 | 0.08 | 0.12 | 0.17 | 0.18 | 0.08 |
| Home equity loans | 0.74 | 0.62 | 0.51 | 0.41 | 0.57 | 0.97 | 0.56 | 0.81 | 0.86 | 0.88 | 0.50 | 0.36 |
| Other 1-4 family residential | 1.22 | 1.68 | 0.99 | 0.67 | 1.02 | 1.56 | 0.88 | 1.43 | 1.18 | 1.67 | 1.33 | 0.51 |
| Commercial and industrial loans | 0.28 | 1.18 | 0.58 | 0.41 | 0.25 | 0.24 | 0.24 | 0.21 | 0.27 | 0.30 | 0.45 | 0.35 |
| Loans to individuals | 1.48 | 2.03 | 1.61 | 1.34 | 1.37 | 1.60 | 1.21 | 2.07 | 1.06 | 1.43 | 1.03 | 1.47 |
| Credit card loans | 1.33 | 5.31 | 2.24 | 2.83 | 1.44 | 1.15 | 1.16 | 1.56 | 1.15 | 1.16 | 0.74 | 1.72 |
| Other loans to individuals | 1.64 | 1.96 | 1.57 | 1.07 | 1.28 | 2.05 | 1.29 | 2.59 | 1.02 | 1.87 | 1.17 | 1.24 |
| All other loans and leases (including farm) | 0.25 | 0.50 | 0.46 | 0.28 | 0.24 | 0.24 | 0.13 | 0.17 | 0.36 | 0.23 | 0.47 | 0.36 |
| Total loans and leases | 0.70 | 1.14 | 0.63 | 0.43 | 0.65 | 0.82 | 0.57 | 0.86 | 0.63 | 0.79 | 0.63 | 0.60 |
| Percent of Loans Noncurrent** |  |  |  |  |  |  |  |  |  |  |  |  |
| All real estate loans | 1.66 | 1.21 | 0.87 | 0.73 | 1.31 | 2.80 | 1.31 | 2.08 | 1.84 | 2.52 | 1.01 | 0.50 |
| Construction and development | 0.52 | 0.96 | 1.05 | 0.54 | 0.28 | 0.45 | 0.57 | 0.82 | 0.47 | 0.36 | 0.42 | 0.41 |
| Nonfarm nonresidential | 0.61 | 1.37 | 0.77 | 0.58 | 0.57 | 0.58 | 0.72 | 0.64 | 0.68 | 0.58 | 0.57 | 0.41 |
| Multifamily residential real estate | 0.15 | 0.84 | 0.45 | 0.14 | 0.10 | 0.12 | 0.14 | 0.12 | 0.16 | 0.26 | 0.22 | 0.06 |
| Home equity loans | 2.43 | 0.42 | 0.59 | 0.61 | 1.29 | 3.91 | 2.28 | 3.07 | 2.35 | 2.90 | 1.08 | 0.63 |
| Other 1-4 family residential | 2.75 | 1.29 | 1.00 | 1.15 | 2.34 | 3.94 | 2.16 | 3.15 | 2.77 | 4.18 | 2.02 | 0.63 |
| Commercial and industrial loans | 0.90 | 1.58 | 1.08 | 1.13 | 0.98 | 0.77 | 0.91 | 0.78 | 0.78 | 0.99 | 1.49 | 0.86 |
| Loans to individuals | 0.97 | 0.84 | 0.70 | 0.82 | 1.14 | 0.81 | 1.02 | 1.16 | 0.57 | 0.93 | 0.84 | 1.02 |
| Credit card loans | 1.37 | 2.94 | 1.63 | 2.88 | 1.51 | 1.15 | 1.25 | 1.49 | 1.18 | 1.20 | 1.25 | 1.76 |
| Other loans to individuals | 0.54 | 0.80 | 0.64 | 0.44 | 0.62 | 0.47 | 0.64 | 0.81 | 0.33 | 0.49 | 0.65 | 0.32 |
| All other loans and leases (including farm) | 0.20 | 1.01 | 0.70 | 0.38 | 0.25 | 0.12 | 0.20 | 0.13 | 0.15 | 0.24 | 0.32 | 0.33 |
| Total loans and leases | 1.20 | 1.20 | 0.88 | 0.78 | 1.09 | 1.47 | 1.07 | 1.34 | 1.20 | 1.53 | 1.04 | 0.68 |
| Percent of Loans Charged-Off (net, YTD) |  |  |  |  |  |  |  |  |  |  |  |  |
| All real estate loans | 0.03 | 0.07 | 0.05 | 0.04 | 0.04 | 0.02 | 0.06 | 0.05 | 0.03 | 0.01 | 0.03 | -0.01 |
| Construction and development | -0.02 | 0.04 | 0.04 | 0.01 | -0.04 | -0.06 | 0.04 | 0.02 | -0.02 | -0.10 | 0.00 | -0.12 |
| Nonfarm nonresidential | 0.04 | 0.09 | 0.05 | 0.04 | 0.05 | 0.00 | 0.05 | 0.05 | 0.05 | 0.01 | 0.04 | 0.00 |
| Multifamily residential real estate | -0.01 | 0.04 | -0.01 | 0.01 | -0.01 | -0.01 | 0.00 | -0.02 | -0.01 | -0.01 | -0.01 | 0.00 |
| Home equity loans | 0.14 | 0.04 | 0.05 | 0.06 | 0.12 | 0.18 | 0.13 | 0.23 | 0.13 | 0.13 | 0.04 | 0.00 |
| Other 1-4 family residential | 0.02 | 0.07 | 0.05 | 0.05 | 0.04 | 0.00 | 0.07 | 0.01 | 0.02 | 0.01 | 0.03 | 0.00 |
| Commercial and industrial loans | 0.38 | 0.53 | 0.43 | 0.47 | 0.43 | 0.31 | 0.36 | 0.48 | 0.25 | 0.29 | 0.52 | 0.50 |
| Loans to individuals | 2.26 | 0.99 | 1.11 | 1.75 | 2.53 | 2.08 | 2.36 | 2.36 | 1.58 | 2.52 | 1.50 | 2.44 |
| Credit card loans | 3.61 | 10.35 | 6.18 | 6.19 | 3.87 | 3.19 | 3.20 | 3.87 | 3.40 | 3.38 | 2.70 | 4.61 |
| Other loans to individuals | 0.91 | 0.68 | 0.77 | 0.78 | 0.76 | 1.07 | 0.94 | 0.85 | 0.89 | 1.27 | 0.94 | 0.63 |
| All other loans and leases (including farm) | 0.16 | 0.27 | 0.27 | 0.31 | 0.16 | 0.13 | 0.21 | 0.15 | 0.12 | 0.15 | 0.27 | 0.10 |
| Total loans and leases | 0.50 | 0.21 | 0.15 | 0.22 | 0.71 | 0.47 | 0.58 | 0.61 | 0.27 | 0.51 | 0.28 | 0.67 |
| Loans Outstanding (in billions) |  |  |  |  |  |  |  |  |  |  |  |  |
| All real estate loans | \$4,773.6 | \$34.2 | \$612.5 | \$907.3 | \$1,544.7 | \$1,674.7 | \$971.1 | \$917.5 | \$994.3 | \$874.5 | \$456.8 | \$559.3 |
| Construction and development | 338.3 | 2.0 | 57.2 | 86.5 | 121.3 | 71.3 | 62.1 | 60.4 | 57.3 | 52.4 | 70.0 | 36.1 |
| Nonfarm nonresidential | 1,391.1 | 8.5 | 232.3 | 372.6 | 489.9 | 287.7 | 317.2 | 273.3 | 214.4 | 193.8 | 189.5 | 202.9 |
| Multifamily residential real estate | 403.9 | 0.9 | 33.7 | 100.4 | 149.9 | 119.1 | 144.9 | 41.2 | 107.5 | 33.4 | 20.0 | 56.9 |
| Home equity loans | 411.2 | 0.8 | 24.2 | 45.9 | 142.8 | 197.5 | 80.9 | 104.0 | 102.0 | 74.4 | 21.2 | 28.7 |
| Other 1-4 family residential | 2,063.8 | 15.5 | 214.4 | 279.1 | 624.2 | 930.5 | 361.6 | 424.3 | 490.0 | 427.0 | 138.3 | 222.6 |
| Commercial and industrial loans | 2,013.4 | 5.8 | 98.4 | 188.4 | 744.5 | 976.3 | 305.6 | 493.5 | 437.2 | 411.1 | 139.1 | 226.9 |
| Loans to individuals | 1,678.0 | 3.3 | 32.1 | 73.2 | 818.8 | 750.5 | 366.8 | 413.5 | 226.9 | 324.8 | 65.0 | 281.0 |
| Credit card loans | 865.1 | 0.1 | 2.0 | 11.3 | 479.6 | 372.1 | 230.4 | 210.4 | 65.8 | 200.3 | 20.9 | 137.2 |
| Other loans to individuals | 812.9 | 3.2 | 30.2 | 61.9 | 339.2 | 378.4 | 136.3 | 203.1 | 161.1 | 124.5 | 44.2 | 143.7 |
| All other loans and leases (including farm) | 1,258.4 | 6.8 | 49.2 | 67.1 | 367.9 | 767.5 | 194.7 | 269.4 | 298.1 | 349.4 | 53.0 | 93.9 |
| Total loans and leases (plus unearned income) | 9,723.3 | 50.1 | 792.3 | 1,236.1 | 3,475.9 | 4,169.0 | 1,838.2 | 2,094.0 | 1,956.5 | 1,959.7 | 713.9 | 1,161.0 |
| Memo: Other Real Estate Owned (in millions) |  |  |  |  |  |  |  |  |  |  |  |  |
| All other real estate owned | 8,450.5 | 237.2 | 2,561.6 | 1,865.3 | 1,925.4 | 1,861.1 | 1,585.2 | 1,859.9 | 1,601.3 | 1,508.9 | 1,386.8 | 508.5 |
| Construction and development | 2,470.7 | 60.7 | 1,122.6 | 708.9 | 347.0 | 231.5 | 256.3 | 651.4 | 307.3 | 508.8 | 566.7 | 180.2 |
| Nonfarm nonresidential | 2,361.2 | 71.0 | 843.7 | 626.1 | 511.5 | 309.0 | 441.0 | 479.1 | 452.6 | 358.3 | 486.3 | 143.8 |
| Multifamily residential real estate | 134.2 | 8.1 | 58.8 | 33.7 | 9.2 | 24.3 | 32.9 | 27.4 | 21.6 | 30.0 | 13.5 | 8.8 |
| 1-4 family residential | 2,919.0 | 72.2 | 458.3 | 439.4 | 930.5 | 1,018.5 | 764.9 | 647.1 | 676.8 | 403.8 | 277.3 | 149.0 |
| Farmland | 141.3 | 25.1 | 77.8 | 32.2 | 4.9 | 1.4 | 9.1 | 16.8 | 21.0 | 47.8 | 35.7 | 10.9 |
| GNMA properties | 384.3 | 0.2 | 0.3 | 25.1 | 122.3 | 236.4 | 81.0 | 38.0 | 121.9 | 120.2 | 7.4 | 15.8 |

* Regions:

New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands

Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia
Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas
San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

Table VI-A. Derivatives, All FDIC-Insured Call Report Filers

| (dollar figures in millions; notional amounts unless otherwise indicated) | $\begin{array}{r} \text { 4th } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 3rd } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 2nd } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 1st } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 4th } \\ \text { Quarter } \\ 2016 \end{array}$ |  | Asset Size Distribution |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  | $\begin{array}{r} \text { Less } \\ \text { Than } \\ \$ 100 \\ \text { Million } \end{array}$ |  | $\begin{array}{r} \text { \$1 } \\ \text { Billion } \\ \text { to } \$ 10 \\ \text { Billion } \end{array}$ | $\begin{array}{r} \$ 10 \\ \text { Billion } \\ \text { to } \$ 250 \end{array}$ Billion | $\begin{aligned} & \text { Greater } \\ & \text { Than } \\ & \$ 250 \end{aligned}$ Billion |
| ALL DERIVATIVE HOLDERS |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions reporting derivatives | 1,368 | 1,395 | 1,422 | 1,417 | 1,427 | -4.1 | 43 | 786 | 423 | 107 | 9 |
| Total assets of institutions reporting derivatives | \$15,816,310 | \$15,658,866 | \$15,451,566 | \$15,361,637 | \$15,183,959 | 4.2 | \$3,249 | \$345,233 | \$1,339,145 | \$5,401,052 | \$8,727,631 |
| Total deposits of institutions reporting derivatives | 12,133,300 | 11,933,615 | 11,789,324 | 11,768,346 | 11,589,525 | 4.7 | 2,692 | 284,905 | 1,062,261 | 4,146,250 | 6,637,193 |
| Total derivatives | 173,490,303 | 190,595,890 | 187,860,427 | 180,491,094 | 166,783,334 | 4.0 | 189 | 18,401 | 132,094 | 49,913,185 | 123,426,433 |
| Derivative Contracts by Underlying Risk ExposureInterest rate |  |  |  |  |  |  |  |  |  |  |  |
|  | 130,429,413 | 141,264,920 | 139,826,426 | 132,697,581 | 124,479,973 | 4.8 | 184 | 18,311 | 126,948 | 43,674,737 | 86,609,233 |
| Foreign exchange* | 34,422,180 | 39,707,400 | 38,856,459 | 38,313,393 | 33,277,647 | 3.4 | 0 | 3 | 3,714 | 5,723,727 | 28,694,735 |
| Equity | 3,079,607 | 3,055,705 | 2,908,473 | 2,826,463 | 2,475,169 | 24.4 | 0 | 0 | 172 | 162,982 | 2,916,453 |
| Commodity \& other (excluding credit derivatives) | 1,372,891 | 1,477,532 | 1,334,384 | 1,349,981 | 1,257,180 | 9.2 | 0 | 0 | 18 | 82,168 | 1,290,704 |
| Credit | 4,186,122 | 5,090,240 | 4,934,591 | 5,303,594 | 5,293,365 | -20.9 | 0 | 1 | 1,242 | 269,571 | 3,915,308 |
| Total | 173,483,578 | 190,587,336 | 187,851,324 | 180,483,202 | 166,783,334 | 4.0 | 29 | 11,895 | 132,036 | 49,913,185 | 123,426,433 |
| Derivative Contracts by Transaction Type |  |  |  |  |  |  |  |  |  |  |  |
| Swaps | 94,523,862 | 101,820,942 | 103,004,241 | 99,182,539 | 96,383,754 | -1.9 | 19 | 6,572 | 85,682 | 25,697,866 | 68,733,723 |
| Futures \& forwards | 34,407,208 | 40,118,624 | 39,841,404 | 39,858,005 | 34,192,708 | 0.6 | 6 | 2,855 | 27,489 | 7,855,573 | 26,521,285 |
| Purchased options | 19,163,389 | 20,398,592 | 19,127,368 | 16,939,463 | 14,791,782 | 29.6 | 0 | 249 | 7,344 | 7,735,299 | 11,420,497 |
| Written options | 19,683,605 | 20,908,669 | 18,608,635 | 17,046,726 | 14,581,494 | 35.0 | 4 | 2,217 | 10,048 | 8,229,492 | 11,441,843 |
| Total | 167,778,064 | 183,246,827 | 180,581,649 | 173,026,733 | 159,949,739 | 4.9 | 29 | 11,894 | 130,563 | 49,518,230 | 118,117,349 |
| Fair Value of Derivative Contracts |  |  |  |  |  |  |  |  |  |  |  |
| Interest rate contracts | 49,030 | 52,123 | 68,960 | 65,746 | 62,629 | -21.7 | 0 | 78 | 274 | 10,747 | 37,931 |
| Foreign exchange contracts | 10,372 | 13,938 | -430 | 1,613 | 10,779 | -3.8 | 0 | 0 | -22 | 2,541 | 7,853 |
| Equity contracts | -7,514 | -5,742 | -4,898 | -4,921 | -2,181 | N/M | 0 | 0 | 1 | 235 | -7,750 |
| Commodity \& other (excluding credit derivatives) | -829 | -1,390 | -1,300 | 118 | 622 | N/M | 0 | 0 | 0 | 6 | -835 |
| Credit derivatives as guarantor** | 33,170 | 34,840 | 31,164 | 24,958 | 16,617 | 99.6 | 0 | 1 | -2 | 1,750 | 31,422 |
| Credit derivatives as beneficiary** | -34,547 | -37,666 | -31,788 | -24,932 | -15,028 | N/M | 0 | 0 | -31 | -1,882 | -32,633 |
| Derivative Contracts by Maturity*** |  |  |  |  |  |  |  |  |  |  |  |
| Interest rate contracts <1 year | 72,590,564 | 72,157,754 | 65,971,632 | 61,926,348 | 55,052,886 | 31.9 | 27 | 4,242 | 29,648 | 20,142,459 | 52,414,188 |
| 1-5 years | 36,154,531 | 43,431,393 | 48,374,437 | 46,450,818 | 43,262,490 | -16.4 | 28 | 2,221 | 33,797 | 8,162,399 | 27,956,086 |
| $>5$ years | 23,565,841 | 27,041,460 | 29,634,366 | 29,973,243 | 29,761,959 | -20.8 | 16 | 6,308 | 49,833 | 7,052,297 | 16,457,388 |
| Foreign exchange and gold contracts < 1 year | 24,379,652 | 28,416,443 | 27,411,021 | 27,320,407 | 23,910,532 | 2.0 | 0 | 3 | 2,192 | 4,013,345 | 20,364,112 |
| $1-5$ years | 4,805,216 | 4,987,149 | 4,813,394 | 4,772,294 | 4,453,265 | 7.9 | 0 | 0 | 888 | 813,236 | 3,991,092 |
| >5 years | 2,525,329 | 2,543,811 | 2,496,193 | 2,429,269 | 2,420,119 | 4.3 | 0 | 0 | 52 | 645,816 | 1,879,460 |
| Equity contracts <1 year | 2,295,686 | 2,159,633 | 2,236,472 | 2,197,689 | 1,842,304 | 24.6 | 0 | 0 | 16 | 47,595 | 2,248,075 |
| 1-5 years | 732,909 | 780,834 | 720,365 | 759,782 | 677,136 | 8.2 | 0 | 0 | 64 | 41,374 | 691,471 |
| $>5$ years | 113,150 | 119,191 | 126,774 | 84,970 | 122,956 | -8.0 | 0 | 0 | 0 | 7,050 | 106,101 |
| Commodity \& other contracts (including credit derivatives, excluding gold contracts) $<1$ year |  |  |  |  |  |  |  |  |  |  |  |
| derivatives, excluding gold contracts) $\begin{array}{r}<1 \text { year } \\ 1-5 \text { years }\end{array}$ | 2,172,996 | $\begin{aligned} & 2,542,161 \\ & 3,173,395 \end{aligned}$ | $2,544,432$ $3,069,752$ | $\begin{aligned} & 2,722,501 \\ & 3,054,143 \end{aligned}$ | $\begin{aligned} & 2,681,842 \\ & 3,198,687 \end{aligned}$ | -19.0 -12.0 | 0 | ${ }_{0}^{4}$ | 24 269 | 63,016 166,043 | 2,109,952 |
| $>5$ years | 312,753 | 524,420 | 311,157 | 487,184 | 339,228 | -7.8 | 0 | 26 | 373 | 32,271 | 280,083 |
| Risk-Based Capital: Credit Equivalent Amount |  |  |  |  |  |  |  |  |  |  |  |
| Total current exposure to tier 1 capital (\%) | 23.3 | 24.2 | 24.6 | 24.1 | 29.2 |  | 0.0 | 0.4 | 0.6 | 15.0 | 34.6 |
| Total potential future exposure to tier 1 capital (\%) | 38.6 | 45.1 | 46.9 | 48.1 | 44.0 |  | 0.1 | 0.3 | 0.8 | 18.9 | 61.5 |
| Total exposure (credit equivalent amount) to tier 1 capital (\%) | 61.9 | 69.4 | 71.5 | 72.3 | 73.2 |  | 0.1 | 0.7 | 1.4 | 33.9 | 96.1 |
| Credit losses on derivatives**** | 11.0 | 1.0 | 10.0 | 1.0 | 30.0 | -63.3 | 0.0 | 0.0 | 0.0 | 2.0 | 10 |
| HELD FOR TRADING |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions reporting derivatives | 201 | 200 | 205 | 201 | 260 | -22.7 | 2 | 37 | 93 | 61 |  |
| Total assets of institutions reporting derivatives | 12,486,978 | 12,403,492 | 12,228,056 | 12,124,176 | 12,093,915 | 3.3 | 168 | 17,334 | 330,465 | 3,699,674 | 8,439,337 |
| Total deposits of institutions reporting derivatives | 9,558,217 | 9,421,994 | 9,306,454 | 9,265,757 | 9,222,603 | 3.6 | 151 | 14,392 | 260,428 | 2,892,473 | 6,390,772 |
| Derivative Contracts by Underlying Risk Exposure Interest rate |  |  |  |  |  |  |  |  |  |  |  |
|  | 128,194,060 | 138,893,663 | 137,316,308 | 130,188,927 | 121,957,324 | 5.1 | 3 | 674 | 38,132 | 43,156,240 | 84,999,011 |
| Foreign exchange | 32,402,444 | 36,960,571 | 36,002,239 | 35,648,745 | 31,228,297 | 3.8 | 0 | 0 | 2,545 | 5,544,043 | 26,855,856 |
| Equity | 3,063,576 | 3,040,023 | 2,893,124 | 2,810,971 | 2,459,958 | 24.5 | 0 | 0 | 0 | 151,100 | 2,912,476 |
| Commodity \& other | 1,343,837 | 1,450,053 | 1,306,894 | 1,321,931 | 1,255,198 | 7.1 | 0 | 0 | 7 | 54,290 | 1,289,540 |
| Total | 165,003,917 | 180,344,309 | 177,518,566 | 169,970,575 | 156,900,778 | 5.2 | 3 | 674 | 40,683 | 48,905,673 | 116,056,884 |
| Trading Revenues: Cash \& Derivative Instruments |  |  |  |  |  |  |  |  |  |  |  |
| Interest rate** | 2,237 | 2,917 | 4,521 | 3,866 | -1,547 | N/M | 0 | 0 | 7 | 619 | 1,611 |
| Foreign exchange** | 1,795 | 1,540 | 681 | 1,684 | 5,941 | -69.8 | 0 | 0 | 3 | 213 | 1,580 |
| Equity** | 989 | 1,183 | 1,122 | 922 | 680 | 45.4 | 0 | 0 | 9 | 91 | 889 |
| Commodity \& other (including credit derivatives)** | 13 | 754 | 314 | 653 | 928 | -98.6 | 0 | 0 | 1 | -107 | 119 |
| Total trading revenues** | 5,035 | 6,394 | 6,637 | 7,126 | 6,003 | -16.1 | 0 | 0 | 20 | 816 | 4,199 |
| Share of Revenue |  |  |  |  |  |  |  |  |  |  |  |
| Trading revenues to gross revenues (\%)** | 3.6 | 4.6 | 4.8 | 5.4 | 4.6 |  | 0.0 | 0.0 | 0.5 | 2.0 | 4.4 |
| Trading revenues to net operating revenues (\%)** | 30.7 | 19.9 | 20.5 | 24.2 | 20.0 |  | 0.0 | 0.0 | 4.4 | 11.8 | 46.8 |
| HELD FOR PURPOSES OTHER THAN TRADING |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions reporting derivatives | 784 | 799 | 820 | 830 | 1,298 | -39.6 | 6 | 278 | 388 | 103 | 9 |
| Total assets of institutions reporting derivatives | 15,371,332 | 15,222,623 | 15,021,569 | 14,906,761 | 14,886,971 | 3.3 | 451 | 137,421 | 1,251,623 | 5,254,206 | 8,727,631 |
| Total deposits of institutions reporting derivatives | 11,775,352 | 11,580,060 | 11,438,123 | 11,394,184 | 11,348,675 | 3.8 | 376 | 113,690 | 992,732 | 4,031,361 | 6,637,193 |
| Derivative Contracts by Underlying Risk Exposure |  |  |  |  |  |  |  |  |  |  |  |
| Interest rate | 2,228,718 | 2,362,796 | 2,501,109 | 2,500,845 | 2,522,649 | -11.7 | 26 | 11,216 | 88,758 | 518,497 | 1,610,222 |
| Foreign exchange | 500,344 | 496,561 | 519,135 | 511,772 | 509,119 | -1.7 | 0 | 3 | 939 | 54,299 | 445,103 |
| Equity | 16,031 | 15,682 | 15,349 | 15,492 | 15,211 | 5.4 | 0 | 0 | 172 | 11,882 | 3,977 |
| Commodity \& other | 29,054 | 27,479 | 27,490 | 28,049 | 1,982 | 1,365.9 | 0 | 0 | 12 | 27,879 | 1,164 |
| Total notional amount | 2,774,147 | 2,902,518 | 3,063,083 | 3,056,158 | 3,048,961 | -9.0 | 26 | 11,220 | 89,879 | 612,557 | 2,060,465 |

All line items are reported on a quarterly basis. N/M - Not Meaningful.

* Includes spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.
** Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.
*** Derivative contracts subject to the risk-based capital requirements for derivatives.
**** The reporting of credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and banks filing the FFIEC 041 report form that have $\$ 300$ million or more in total assets, but is not applicable to banks filing the FFIEC 051 form.

TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (AII FDIC-Insured Call Report Filers)*

| (dollar figures in millions) | 4th <br> Quarter 2017 | $\begin{array}{r} \text { 3rd } \\ \text { Quarter } \\ 2017 \\ \hline \end{array}$ | $\begin{array}{r} \text { 2nd } \\ \text { Quarter } \\ 2017 \\ \hline \end{array}$ | $\begin{array}{r} \text { 1st } \\ \text { Quarter } \\ 2017 \\ \hline \end{array}$ | Quarter 2016 | $\begin{array}{r} \% \\ \text { Change } \\ 1604- \\ 1704 \\ \hline \end{array}$ | Asset Size Distribution |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  | Less Than $\$ 100$ Million | $\begin{array}{r} \$ 100 \\ \text { Million } \\ \text { to \$1 } \\ \text { Billion } \\ \hline \end{array}$ | $\begin{array}{r} \$ 1 \\ \text { Billion } \\ \text { to } \$ 10 \\ \text { Billion } \end{array}$ | $\$ 10$ Billion to $\$ 250$ Billion | $\begin{array}{r} \text { Greater } \\ \text { Than } \\ \$ 250 \\ \text { Billion } \\ \hline \end{array}$ |
| Assets Securitized and Sold with Servicing Retained or with |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions reporting securitization activities | 67 | 66 | 68 | 67 | 75 | -10.7 | 0 | 8 | 20 | 32 | 7 |
| Outstanding Principal Balance by Asset Type |  |  |  |  |  |  |  |  |  |  |  |
| 1-4 family residential loans | \$590,211 | \$606,755 | \$620,524 | \$634,480 | \$643,700 | -8.3 | \$0 | \$1,899 | \$14,132 | \$88,737 | \$485,444 |
| Home equity loans | 20 | 21 | 22 | 24 | 25 | -20.0 | 0 | 0 | 0 | 20 | 0 |
| Credit card receivables | 4,553 | 16,114 | 17,306 | 16,406 | 12,879 | -64.6 | 0 | 0 | 0 | 4,521 | 32 |
| Auto loans | 9,770 | 10,494 | 11,566 | 12,158 | 11,543 | -15.4 | 0 | 0 | 1,516 | 8,255 | 0 |
| Other consumer loans | 3,052 | 3,610 | 3,778 | 3,955 | 4,576 | -33.3 | 0 | 0 | 0 | 2,003 | 1,049 |
| Commercial and industrial loans | 380 | 316 | 309 | 312 | 276 | 37.7 | 0 | 0 | 0 | 0 | 380 |
| All other loans, leases, and other assets | 60,869 | 55,105 | 54,266 | 56,669 | 64,060 | -5.0 | 0 | 10 | 9,294 | 1,539 | 50,026 |
| Total securitized and sold | 668,855 | 692,414 | 707,771 | 724,004 | 737,059 | -9.3 | 0 | 1,909 | 24,942 | 105,075 | 536,930 |
| Maximum Credit Exposure by Asset Type |  |  |  |  |  |  |  |  |  |  |  |
| 1-4 family residential loans | 1,716 | 1,718 | 1,750 | 1,906 | 2,056 | -16.5 | 0 | 2 | 24 | 1,199 | 491 |
| Home equity loans | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| Credit card receivables | 353 | 1,405 | 1,508 | 1,443 | 1,162 | -69.6 | 0 | 0 | 0 | 353 | 0 |
| Auto loans | 147 | 161 | 183 | 125 | 428 | -65.7 | 0 | 0 | 13 | 134 | 0 |
| Other consumer loans | 86 | 87 | 96 | 100 | 97 | -11.3 | 0 | 0 | 0 | 0 | 86 |
| Commercial and industrial loans | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| All other loans, leases, and other assets | 1,131 | 908 | 874 | 875 | 1,142 | -1.0 | 0 | 0 | 142 | 0 | 989 |
| Total credit exposure | 3,431 | 4,279 | 4,410 | 4,448 | 4,884 | -29.8 | 0 | 2 | 178 | 1,686 | 1,566 |
| Total unused liquidity commitments provided to institution's own securitizations | 215 | 246 | 172 | 142 | 175 | 22.9 | 0 | 0 | 0 | 23 | 192 |
| Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (\%) |  |  |  |  |  |  |  |  |  |  |  |
| 1-4 family residential loans | 4.7 | 4.3 | 3.4 | 3.0 | 4.1 |  | 0.0 | 1.9 | 3.8 | 4.4 | 4.7 |
| Home equity loans | 9.7 | 5.9 | 8.2 | 5.6 | 6.9 |  | 0.0 | 0.0 | 0.0 | 9.7 | 0 |
| Credit card receivables | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |  | 0.0 | 0.0 | 0.0 | 0.3 | 0 |
| Auto loans | 2.1 | 1.6 | 1.4 | 1.2 | 1.7 |  | 0.0 | 0.0 | 4.6 | 1.6 | 0 |
| Other consumer loans | 4.7 | 4.2 | 4.1 | 4.0 | 4.6 |  | 0.0 | 0.0 | 0.0 | 2.5 | 8.9 |
| Commercial and industrial loans | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |  | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| All other loans, leases, and other assets | 0.5 | 0.7 | 1.3 | 0.9 | 0.7 |  | 0.0 | 0.0 | 0.3 | 0.0 | 0.5 |
| Total loans, leases, and other assets | 4.2 | 3.9 | 3.1 | 2.7 | 3.7 |  | 0.0 | 1.9 | 2.6 | 3.9 | 4.4 |
| Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (\%)1-4 family residential loans |  |  |  |  |  |  |  |  |  |  |  |
|  | 1.6 | 1.3 | 1.3 | 1.4 | 1.4 |  | 0.0 | 0.7 | 1.3 | 3.0 | 1.3 |
| Home equity loans | 45.7 | 47.1 | 47.4 | 47.8 | 47.1 |  | 0.0 | 0.0 | 0.0 | 45.7 | 0 |
| Credit card receivables | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 |  | 0.0 | 0.0 | 0.0 | 0.2 | 0 |
| Auto loans | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 |  | 0.0 | 0.0 | 0.6 | 0.3 | 0 |
| Other consumer loans | 4.6 | 4.2 | 4.0 | 4.1 | 4.2 |  | 0.0 | 0.0 | 0.0 | 1.1 | 11.2 |
| Commercial and industrial loans | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |  | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| All other loans, leases, and other assets | 1.2 | 1.2 | 1.4 | 1.6 | 1.3 |  | 0.0 | 0.0 | 0.2 | 0.0 | 1.4 |
| Total loans, leases, and other assets | 1.5 | 1.2 | 1.3 | 1.4 | 1.4 |  | 0.0 | 0.7 | 0.8 | 2.6 | 1.3 |
| Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, \%) |  |  |  |  |  |  |  |  |  |  |  |
| 1-4 family residential loans | 0.2 | 0.2 | 0.1 | 0.1 | 0.3 |  | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 |
| Home equity loans | 11.7 | 8.7 | 5.9 | 2.6 | 6.9 |  | 0.0 | 0.0 | 0.0 | 11.7 | 0 |
| Credit card receivables | 1.2 | 1.2 | 0.8 | 0.4 | 4.2 |  | 0.0 | 0.0 | 0.0 | 1.2 | 6.3 |
| Auto loans | 1.2 | 0.8 | 0.5 | 0.2 | 0.7 |  | 0.0 | 0.0 | 2.9 | 0.9 | 0 |
| Other consumer loans | 1.5 | 1.0 | 0.6 | 0.4 | 1.0 |  | 0.0 | 0.0 | 0.0 | 0.8 | 2.9 |
| Commercial and industrial loans | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |  | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| All other loans, leases, and other assets | 1.7 | 1.3 | 0.7 | 0.5 | 0.4 |  | 0.0 | 0.0 | 0.0 | 0.0 | 2.1 |
| Total loans, leases, and other assets | 0.4 | 0.3 | 0.2 | 0.1 | 0.4 |  | 0.0 | 0.0 | 0.2 | 0.1 | 0.4 |
| Seller's Interests in Institution's Own Securitizations - Carried as Loans |  |  |  |  |  |  |  |  |  |  |  |
| Home equity loans | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| Credit card receivables | 2,460 | 8,171 | 7,260 | 8,080 | 13,335 | -81.6 | 0 | 0 | 0 | 2,460 | 0 |
| Commercial and industrial loans | 463 | 401 | 334 | 365 | 327 | 41.6 | 0 | 0 | 0 | 0 | 463 |
| Seller's Interests in Institution's Own Securitizations - Carried as SecuritiesHome equity loans |  |  |  |  |  |  |  |  |  |  |  |
|  | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| Credit card receivables | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| Commercial and industrial loans | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0 | 0 |
| Assets Sold with Recourse and Not Securitized |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions reporting asset sales | 522 | 524 | 548 | 579 | 1,066 | -51.0 | 19 | 252 | 194 | 49 | 8 |
| Outstanding Principal Balance by Asset Type |  |  |  |  |  |  |  |  |  |  |  |
| 1-4 family residential loans | 180,743 | 26,404 | 26,211 | 25,919 | 38,320 | 371.7 | 193 | 161,081 | 10,155 | 5,332 | 3,982 |
| Home equity, credit card receivables, auto, and other consumer loans | 504 | 523 | 543 | 564 | 580 | -13.1 | 0 | 1 | 28 | 19 | 456 |
| Commercial and industrial loans | 154 | 190 | 188 | 230 | 364 | -57.7 | 0 | 13 | 36 | 74 | 32 |
| All other loans, leases, and other assets | 101,529 | 97,455 | 95,098 | 93,140 | 89,265 | 13.7 | 0 | 19 | 129 | 33,041 | 68,341 |
| Total sold and not securitized | 282,930 | 124,572 | 122,040 | 119,853 | 128,528 | 120.1 | 193 | 161,113 | 10,348 | 38,465 | 72,810 |
| Maximum Credit Exposure by Asset Type |  |  |  |  |  |  |  |  |  |  |  |
| 1-4 family residential loans | 162,216 | 7,895 | 7,932 | 7,655 | 10,885 | 1,390.3 | 11 | 155,597 | 3,065 | 2,153 | 1,390 |
| Home equity, credit card receivables, auto, and other consumer loans | 152 | 151 | 152 | 153 | 147 | 3.4 | 0 | 1 | 28 | 3 | 121 |
| Commercial and industrial loans | 93 | 116 | 133 | 175 | 308 | -69.8 | 0 | 13 | 6 | 74 | 0 |
| All other loans, leases, and other assets | 28,110 | 27,057 | 26,299 | 25,918 | 25,036 | 12.3 | 0 | 19 | 34 | 9,549 | 18,509 |
| Total credit exposure | 190,571 | 35,219 | 34,516 | 33,902 | 36,375 | 423.9 | 11 | 155,629 | 3,133 | 11,778 | 20,020 |
| Support for Securitization Facilities Sponsored by Other Institutions |  |  |  |  |  |  |  |  |  |  |  |
| Number of institutions reporting securitization facilities sponsored by others | 53 | 54 | 56 | 63 | 104 | -49.0 | 1 | 16 | 18 | 12 |  |
| Total credit exposure | 32,255 | 34,350 | 35,012 | 35,130 | 35,264 | -8.5 | 0 | 40 | 124 | 1,804 | 30,287 |
| Total unused liquidity commitments | 1,260 | 1,298 | 1,150 | 1,118 | 1,131 | 11.4 | 0 | 14 | 0 | 429 | 817 |
| Other |  |  |  |  |  |  |  |  |  |  |  |
| Assets serviced for others** | 5,994,620 | 5,928,869 | 5,946,667 | 5,944,659 | 5,982,208 | 0.2 | 4,684 | 196,602 | 284,014 | 1,310,993 | 4,198,328 |
| Asset-backed commercial paper conduits |  |  |  |  |  |  |  |  |  |  |  |
| Credit exposure to conduits sponsored by institutions and others | 16,909 | 16,618 | 16,698 | 17,521 | 21,720 | -22.2 | 0 | 0 | 0 | 0 | 16,909 |
| Unused liquidity commitments to conduits sponsored by institutions and others | 26,928 | 27,458 | 28,342 | 25,784 | 21,832 | 23.3 | 0 | 0 | 5 | 1,338 | 25,585 |
| Net servicing income (for the quarter) | 2,173 | 2,306 | 2,167 | 2,829 | 4,997 | -56.5 | -169 | 243 | 189 | 1,087 | 822 |
| Net securitization income (for the quarter) | 131 | 395 | 472 | 363 | 228 | -42.5 | 0 | 5 | 4 | 77 | 45 |
| Total credit exposure to Tier 1 capital (\%)*** | 13.9 | 4.6 | 4.6 | 4.7 | 4.9 |  | 0.1 | 123.0 | 1.9 | 2.7 | 7.0 |

* Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.
** The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than $\$ 10$ million.
*** Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

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TABLE VIII-A. Trust Services (AII FDIC-Insured Institutions)

| (dollar figures in millions) | All Insured Institutions |  |  |  |  | Asset Size Distribution |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{array}{r} \text { Dec } 31 \\ 2017 \\ \hline \end{array}$ | $\begin{array}{r} \text { Dec } 31 \\ 2016 \\ \hline \end{array}$ | $\begin{array}{r} \text { Dec } 31 \\ 2015 \\ \hline \end{array}$ | $\begin{array}{r} \text { Dec } 31 \\ 2014 \\ \hline \end{array}$ | \% Change 2016-2017 | $\begin{array}{r} \text { Less } \\ \text { Than \$100 } \\ \text { Million } \end{array}$ | $\begin{array}{r} \$ 100 \\ \text { Million to } \\ \text { \$1 Billion } \end{array}$ | $\begin{array}{r} \$ 1 \text { Billion } \\ \text { to } \\ \$ 10 \text { Billion } \end{array}$ | $\begin{array}{r} \$ 10 \text { Billion } \\ \text { to } \$ 250 \\ \text { Billion } \end{array}$ | $\begin{array}{r} \text { Greater } \\ \text { Than } \$ 250 \\ \text { Billion } \end{array}$ |
| Number of institutions reporting | 5,670 | 5,913 | 6,182 | 6,509 | -4.1 | 1,407 | 3,513 | 627 | 114 | 9 |
| Number of institutions with fiduciary powers | 1,746 | 1,807 | 1,857 | 1,923 | -3.4 | 215 | 1,098 | 344 | 80 | 9 |
| Commercial banks | 1,618 | 1,674 | 1,721 | 1,779 | -3.3 | 200 | 1,034 | 301 | 74 | 9 |
| Savings institutions | 128 | 133 | 136 | 144 | -3.8 | 15 | 64 | 43 | 6 | 0 |
| Number of institutions exercising fiduciary powers | 1,293 | 1,344 | 1,379 | 1,435 | -3.8 | 129 | 803 | 279 | 73 | 9 |
| Commercial banks | 1,190 | 1,235 | 1,271 | 1,318 | -3.6 | 115 | 751 | 248 | 67 | 9 |
| Savings institutions | 103 | 109 | 108 | 117 | -5.5 | 14 | 52 | 31 | 6 | 0 |
| Number of institutions reporting fiduciary activity | 1,225 | 1,267 | 1,298 | 1,357 | -3.3 | 120 | 752 | 272 | 72 | 9 |
| Commercial banks | 1,128 | 1,166 | 1,197 | 1,247 | -3.3 | 106 | 704 | 243 | 66 | 9 |
| Savings institutions | 97 | 101 | 101 | 110 | -4.0 | 14 | 48 | 29 | 6 | 0 |
| Fiduciary and related assets - managed assets |  |  |  |  |  |  |  |  |  |  |
| Personal trust and agency accounts | 684,146 | 632,625 | 642,115 | 687,945 | 8.1 | 17,583 | 55,002 | 75,962 | 264,713 | 270,886 |
| Noninterest-bearing deposits | 9,074 | 9,569 | 10,578 | 8,693 | -5.2 | 17 | 605 | 204 | 250 | 7,996 |
| Interest-bearing deposits | 70,967 | 74,682 | 80,050 | 79,642 | -5.0 | 238 | 4,527 | 6,761 | 12,701 | 46,740 |
| U.S. Treasury and U.S. Government agency obligations | 108,284 | 100,568 | 83,343 | 100,951 | 7.7 | 1,749 | 3,510 | 15,056 | 41,958 | 46,010 |
| State, county and municipal obligations | 219,069 | 199,526 | 194,887 | 180,255 | 9.8 | 5,584 | 11,325 | 19,055 | 84,821 | 98,285 |
| Money market mutual funds | 99,534 | 101,602 | 105,684 | 101,966 | -2.0 | 2,502 | 8,082 | 11,063 | 36,025 | 41,862 |
| Other short-term obligations | 151,809 | 149,233 | 162,046 | 189,900 | 1.7 | 94 | 93 | 776 | 118,609 | 32,237 |
| Other notes and bonds | 272,738 | 246,503 | 173,848 | 198,682 | 10.6 | 9,246 | 6,208 | 13,820 | 177,886 | 65,579 |
| Common and preferred stocks | 3,324,510 | 2,906,511 | 2,668,254 | 2,914,323 | 14.4 | 37,439 | 187,290 | 188,874 | 1,933,230 | 977,677 |
| Real estate mortgages | 1,861 | 2,034 | 1,957 | 1,989 | -8.5 | 328 | 285 | 304 | 535 | 408 |
| Real estate | 47,887 | 49,026 | 50,917 | 43,849 | -2.3 | 1,046 | 7,244 | 6,604 | 13,794 | 19,199 |
| Miscellaneous assets | 122,752 | 116,135 | 118,135 | 117,239 | 5.7 | 1,766 | 8,343 | 11,434 | 49,192 | 52,016 |
| Employee benefit and retirement-related trust and agency accounts: |  |  |  |  |  |  |  |  |  |  |
| Employee benefit - defined contribution | 428,440 | 396,726 | 342,054 | 361,774 | 8.0 | 1,475 | 6,685 | 14,175 | 357,835 | 48,270 |
| Employee benefit - defined benefit | 585,299 | 646,918 | 551,423 | 612,253 | -9.5 | 3,564 | 3,637 | 21,137 | 504,111 | 52,851 |
| Other employee benefit and retirement-related accounts | 373,359 | 312,368 | 290,760 | 310,073 | 19.5 | 5,037 | 49,930 | 26,284 | 150,393 | 141,715 |
| Corporate trust and agency accounts | 19,903 | 19,809 | 19,444 | 20,957 | 0.5 | 0 | 320 | 6,188 | 10,592 | 2,804 |
| Investment management and investment advisory agency accounts | 1,935,596 | 1,616,180 | 1,433,152 | 1,560,369 | 19.8 | 29,672 | 110,309 | 113,886 | 1,003,592 | 678,137 |
| Other fiduciary accounts | 401,741 | 330,764 | 370,752 | 384,119 | 21.5 | 2,680 | 11,629 | 16,320 | 177,765 | 193,347 |
| Total managed fiduciary accounts: |  |  |  |  |  |  |  |  |  |  |
| Assets | 4,428,484 | 3,955,390 | 3,649,700 | 3,937,490 | 12.0 | 60,010 | 237,512 | 273,951 | 2,469,001 | 1,388,009 |
| Number of accounts | 1,846,680 | 1,760,617 | 1,694,191 | 1,635,972 | 4.9 | 120,758 | 361,795 | 309,394 | 499,043 | 555,690 |
| Fiduciary and related assets - nonmanaged assets |  |  |  |  |  |  |  |  |  |  |
| Personal trust and agency accounts | 280,165 | 260,240 | 276,133 | 289,810 | 7.7 | 4,036 | 24,528 | 27,900 | 139,121 | 84,581 |
| Employee benefit and retirement-related trust and agency accounts: |  |  |  |  |  |  |  |  |  |  |
| Employee benefit - defined contribution | 2,333,041 | 2,112,375 | 2,036,329 | 2,208,911 | 10.4 | 115,280 | 31,900 | 62,828 | 1,512,578 | 610,454 |
| Employee benefit - defined benefit | 4,659,295 | 4,187,660 | 4,169,025 | 4,208,533 | 11.3 | 15,073 | 26,479 | 15,091 | 3,611,460 | 991,193 |
| Other employee benefit and retirement-related accounts | 1,627,419 | 1,303,939 | 1,303,086 | 1,612,404 | 24.8 | 992 | 45,025 | 16,593 | 1,325,578 | 239,231 |
| Corporate trust and agency accounts | 3,350,526 | 2,593,482 | 2,657,963 | 2,568,742 | 29.2 | 13 | 8,141 | 350,887 | 316,842 | 2,674,643 |
| Other fiduciary accounts | 3,655,462 | 3,250,872 | 3,035,378 | 3,503,127 | 12.4 | 6,742 | 34,348 | 32,019 | 1,842,055 | 1,740,298 |
| Total nonmanaged fiduciary accounts: |  |  |  |  |  |  |  |  |  |  |
| Assets | 15,905,908 | 13,708,569 | 13,477,912 | 14,391,526 | 16.0 | 142,135 | 170,421 | 505,316 | 8,747,635 | 6,340,400 |
| Number of accounts | 3,849,476 | 3,931,329 | 3,809,370 | 3,846,839 | -2.1 | 123,103 | 1,162,264 | 194,818 | 1,707,144 | 662,147 |
| Custody and safekeeping accounts: |  |  |  |  |  |  |  |  |  |  |
| Assets | 97,547,974 | 85,355,832 | 81,322,742 | 83,504,133 | 14.3 | 275,742 | 920,338 | 982,196 | 32,875,713 | 62,493,986 |
| Number of accounts | 9,272,643 | 8,567,235 | 8,290,770 | 9,368,787 | 8.2 | 2,322,075 | 4,932,745 | 113,105 | 594,684 | 1,310,034 |
| Fiduciary and related services income |  |  |  |  |  |  |  |  |  |  |
| Personal trust and agency accounts | 4,662 | 4,514 | 4,707 | 4,871 | 3.3 | 123 | 266 | 510 | 1,776 | 1,987 |
| Retirement-related trust and agency accounts: |  |  |  |  |  |  |  |  |  |  |
| Employee benefit - defined contribution | 1,333 | 1,229 | 1,199 | 1,190 | 8.5 | 20 | 47 | 187 | 602 | 477 |
| Employee benefit - defined benefit | 1,509 | 1,415 | 1,391 | 1,381 | 6.6 | 11 | 18 | 32 | 989 | 458 |
| Other employee benefit and retirement-related accounts | 1,910 | 1,655 | 1,519 | 1,498 | 15.4 | 50 | 436 | 236 | 676 | 512 |
| Corporate trust and agency accounts | 1,718 | 1,684 | 1,469 | 1,371 | 2.0 | 0 | 15 | 307 | 369 | 1,027 |
| Investment management agency accounts | 8,524 | 7,766 | 7,449 | 6,987 | 9.8 | 104 | 741 | 827 | 3,051 | 3,801 |
| Other fiduciary accounts | 812 | 764 | 684 | 827 | 6.3 | 3 | 27 | 9 | 381 | 391 |
| Custody and safekeeping accounts | 14,406 | 13,377 | 13,361 | 13,091 | 7.7 | 16 | 323 | 536 | 5,336 | 8,195 |
| Other fiduciary and related services income | 904 | 832 | 970 | 1,157 | 8.7 | 9 | 90 | 114 | 278 | 412 |
| Total gross fiduciary and related services income | 35,870 | 33,399 | 32,883 | 32,515 | 7.4 | 341 | 2,037 | 2,773 | 13,460 | 17,259 |
| Less: Expenses | 33,134 | 30,645 | 30,696 | 30,826 | 8.1 | 241 | 1,533 | 2,480 | 14,079 | 14,802 |
| Less: Net losses from fiduciary and related services | 256 | 207 | 367 | 220 | 23.7 | 0 | 5 | 4 | 101 | 146 |
| Plus: Intracompany income credits for fiduciary and related services | 7,410 | 5,757 | 4,946 | 5,406 | 28.7 | 1 | 18 | 329 | 3,844 | 3,219 |
| Net fiduciary and related services income | 9,731 | 8,139 | 6,631 | 6,730 | 19.6 | 97 | 442 | 576 | 3,085 | 5,531 |
| Collective investment funds and common trust funds (market value) |  |  |  |  |  |  |  |  |  |  |
| Domestic equity funds | 718,199 | 636,516 | 558,173 | 615,207 | 12.8 | 7,684 | 969 | 15,684 | 533,596 | 160,267 |
| International/global equity funds | 230,397 | 186,627 | 188,974 | 193,625 | 23.5 | 1,547 | 6,526 | 4,596 | 156,713 | 61,015 |
| Stock/bond blend funds | 141,328 | 142,755 | 137,835 | 143,065 | -1.0 | 1,332 | 722 | 6,439 | 76,070 | 56,764 |
| Taxable bond funds | 148,520 | 149,992 | 146,148 | 154,238 | -1.0 | 853 | 1,847 | 2,149 | 3,834 | 139,837 |
| Municipal bond funds | 3,001 | 3,291 | 3,924 | 4,373 | -8.8 | 36 | 295 | 41 | 1,529 | 1,100 |
| Short-term investments/money market funds | 154,093 | 161,560 | 145,387 | 178,284 | -4.6 | 2,194 | 0 | 67 | 90,791 | 61,041 |
| Specialty/other funds | 56,774 | 56,067 | 52,694 | 47,543 | 1.3 | 30 | 302 | 5,568 | 2,827 | 48,047 |
| Total collective investment funds | 1,452,312 | 1,336,808 | 1,233,135 | 1,336,336 | 8.6 | 13,676 | 10,661 | 34,544 | 865,361 | 528,071 |

## COMMUNTY BANK PERFORMANCE

Community banks are identified based on criteria defined in the FDIC's Community Banking Study. When comparing community bank performance across quarters, prior-quarter dollar amounts are based on community banks designated in the current quarter, adjusted for mergers. In contrast, prior-quarter performance ratios are based on community banks designated during the previous quarter.

Net Income Falls 14.2 Percent From a Year Ago Largely Due to One-Time Changes From the New Tax Law
Excluding Changes From the New Tax Law, Estimated Quarterly Net Income Would Have Been \$5.6 Billion,
Up 17 Percent From a Year Ago
Net Interest Margin Widens Year-Over-Year to 3.66 Percent
Loan and Lease Balances Rise 7.7 Percent Annually
Noncurrent Loans Decline, While Net Charge-Offs Remain Flat Year-Over-Year

Community Banks Report
Fourth Quarter Net Income of \$4.1 Billion

Net income of $\$ 4.1$ billion for 5,227 FDIC-insured community banks was down $\$ 681$ million (14.2 percent) compared with fourth quarter 2016, following a significant rise in income tax expenses. A reduction in corporate tax rates under the new tax law prompted significant one-time write-downs on deferred tax assets, which contributed to a $\$ 1.8$ billion increase in income tax expense compared with the same period last year. Excluding one-time income tax effects, estimated quarterly net income would have been $\$ 5.6$ billion at community banks, up 17 percent from fourth quarter 2016. ${ }^{1}$ Higher net interest income lifted the pretax return on assets (ROA) 13 basis points to 1.31 percent, compared with the same quarter last year. This improvement narrowed the gap between community and noncommunity bank pretax ROAs from 33 basis points at fourth quarter 2016 to 9 basis points at fourth quarter 2017. One de novo opened and two community banks failed during the quarter.

[^3]Chart 1


Chart 2


## Annual Net Income of \$20.6 Billion Is 4 Percent

 Higher Than 2016Annual net income of $\$ 20.6$ billion was up $\$ 757$ million (4 percent) from a year earlier, as the majority of community banks ( 56 percent) reported higher net income. Changes from the new tax law contributed to a $\$ 2.3$ billion ( 39 percent) increase in income tax expenses in 2017. Excluding these tax effects, estimated annual net income would have been $\$ 22.3$ billion, up from $\$ 19.8$ billion in 2016. ${ }^{2}$ A $\$ 5.8$ billion increase in net interest income during the year offset higher noninterest expense (up $\$ 2.4$ billion, or 4 percent) and boosted the pretax ROA by 5 basis points to 1.35 percent. Higher payroll expenses (up $\$ 1.7$ billion, or 5 percent) led the annual increase in noninterest expenses.

## Net Operating Revenue

 Rises More Than 7 Percent From the Previous YearHigher net interest income (up $\$ 1.6$ billion, or 9.4 percent) lifted net operating revenue 7.2 percent year-over-year to $\$ 23.4$ billion. Growth in other real estate loan income (up $\$ 1$ billion, or 13.3 percent) drove most of the increase in net interest income. ${ }^{3}$ The average net interest margin (NIM) at community banks widened 8 basis points year-over-year to 3.66 percent, but increased less than 1 basis point during the quarter. Higher earning asset yields, which increased at a faster rate than average funding costs, drove this improvement. NIM for community banks was 40 basis points wider than that of noncommunity banks. Noninterest income fell by $\$ 31.1$ million ( 0.6 percent) from fourth quarter 2016 largely due to a $\$ 261$ million decline in net gains on loan sales.

## Noninterest Expense Rises <br> 3 Percent Year-Over-Year

Higher payroll expenses drove most of the $\$ 502.8$ million (3.4 percent) year-over-year increase in noninterest expenses. Payroll expenses were up $\$ 393.1$ million (4.7 percent) as community banks added 7,547 full-time employees in 2017, a 1.8 percent increase. Average total assets per employee increased 4.8 percent to $\$ 5.2$ million during the same period. More than two out of three ( 68.5 percent) community banks reported higher noninterest expense, while noninterest expense as a percentage of average assets declined by 7 basis points to 2.83 percent from the year ago quarter.

[^4]
## Chart 3



## Chart 4

Noncurrent Loan Rates for FDIC-Insured Community Banks


Loan and Lease Balances
Increase 1.8 Percent During the Quarter

Loan and lease balances totaled $\$ 1.6$ trillion at year-end 2017, up 1.8 percent in the fourth quarter. Increases in nonfarm nonresidential loans of $\$ 9.7$ billion ( 2.2 percent), construction and development (C\&D) loans of $\$ 4.2$ billion (4.1 percent), commercial and industrial (C\&I) loans of $\$ 5.2$ billion ( 2.6 percent), and multifamily loans of $\$ 2.4$ billion (2.1 percent) contributed most to the quarterly growth. Unfunded commitments increased by $\$ 4$ billion (1.4 percent) during the quarter. Over the past 12 months, loan and lease balances increased by $\$ 111$ billion ( 7.7 percent), led by increases in nonfarm nonresidential loans (up 9.7 percent), 1-to- 4 family residential loans (up 4.9 percent), C\&I loans (up 7.4 percent), C\&D loans (up 12.2 percent), and multifamily loans (up 11.8 percent). Community banks made commitments to fund an additional $\$ 22.3$ billion ( 8.3 percent) in loans compared to a year ago. Annual growth in unfunded commitments was led by C\&D loans (up $\$ 10.2$ billion or 13.3 percent) and C\&I loans (up $\$ 5.9$ billion or 6.9 percent).

Community Banks Add
More Small Loans to
Businesses

Community banks funded an additional $\$ 9.2$ billion in small loans to businesses compared with fourth quarter 2016, increasing the total to $\$ 294.8$ billion (up 3.2 percent). Most of the growth in this category was in nonfarm nonresidential loans (up $\$ 4.3$ billion or 3.1 percent) and C\&I loans (up $\$ 3.6$ billion or 4.1 percent). The annual rate of increase in small loans to businesses of 3.2 percent was more than twice that of noncommunity banks.

## Noncurrent Loan Rate Declines

The noncurrent loan rate declined 6 basis points during the fourth quarter to 0.85 percent, following a quarterly 4.4 percent decline in noncurrent loan balances to $\$ 13.3$ billion. The noncurrent rate for C\&I loans improved most among major loan categories during the fourth quarter, declining by 13 basis points. Despite the improvement, C\&I loans had the highest noncurrent rate among major loan categories ( 1.13 percent) followed by 1-to- 4 family residential loans ( 1.12 percent). Additionally, nearly two out of three community banks ( 63.5 percent) reported lower or unchanged noncurrent rates from a year ago. Since fourth quarter 2016, the noncurrent rate declined 16 basis points ( 7.1 percent).

## Net Charge-Off Rate Holds Steady From a Year Ago

The net charge-off rate of 0.21 percent at year-end 2017 was down 1 basis point from fourth quarter 2016. The net charge-off rate at community banks was 40 basis points below that of noncommunity banks ( 0.61 percent). Net charge-off rates increased from a year ago in two major loan categories: C\&I loans (up 7 basis points) and C\&D loans (up 3 basis points), while it declined by 3 basis points for nonfarm nonresidential loans.

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| TABLE I-B. Selected Indicators, FDIC-Insured Community Banks |  |  |  |  |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
|  | $\mathbf{2 0 1 7}$ | $\mathbf{2 0 1 6}$ | $\mathbf{2 0 1 5}$ | $\mathbf{2 0 1 4}$ | $\mathbf{2 0 1 3}$ | $\mathbf{2 0 1 2}$ |
|  | 0.96 | 0.99 | 0.99 | 0.93 | 0.90 | 0.83 |
| Return on assets (\%) | 8.67 | 8.81 | 8.85 | 8.45 | 8.27 | 7.68 |
| Return on equity (\%) | 10.80 | 10.69 | 10.67 | 10.57 | 10.43 | 10.18 |
| Core capital (leverage) ratio (\%) | 0.78 | 0.95 |  |  |  |  |
| Noncurrent assets plus other real estate owned to assets (\%) | 0.16 | 0.94 | 1.07 | 1.34 | 1.73 | 2.27 |
| Net charge-offs to loans (\%) | 0.16 | 0.15 | 0.21 | 0.32 | 0.58 | 0.84 |
| Asset growth rate (\%) | 0.85 | 2.97 | 2.71 | 2.21 | 0.39 | 2.25 |
| Net interest margin (\%) | 3.62 | 3.57 | 3.57 | 3.61 | 3.59 | 3.67 |
| Net operating income growth (\%) | 0.04 | 3.64 |  |  |  |  |
| Number of institutions reporting | 2.47 | 9.54 | 4.81 | 14.64 | 56.17 | 207.86 |
| Percentage of unprofitable institutions (\%) | 5,227 | 5,461 | 5,735 | 6,037 | 6,307 | 6,542 |

TABLE II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks

| (dollar figures in millions) |  | 4th Quarter | 3rd Quarter 2017 |  | 4th Quarter 2016 | $\begin{array}{r} \text { \%Change } \\ \text { 1604-1704 } \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of institutions reporting |  | 5,227 | 5,295 |  | 5,461 | -4.3 |
| Total employees (full-time equivalent) |  | 416,241 | 422,859 |  | 431,061 | -3.4 |
| CONDITION DATA |  |  |  |  |  |  |
| Total assets |  | \$2,201,554 | \$2,226,349 |  | \$2,182,948 | 0.9 |
| Loans secured by real estate |  | 1,194,926 | 1,201,706 |  | 1,160,745 | 2.9 |
| 1-4 Family residential mortgages |  | 395,464 | 399,703 |  | 389,906 | 1.4 |
| Nonfarm nonresidential |  | 456,967 | 458,397 |  | 445,339 | 2.6 |
| Construction and development |  | 106,817 | 104,868 |  | 101,907 | 4.8 |
| Home equity lines |  | 49,748 | 50,087 |  | 50,721 | -1.9 |
| Commercial \& industrial loans |  | 204,968 | 206,565 |  | 203,277 | 0.8 |
| Loans to individuals |  | 61,823 | 61,863 |  | 60,901 | 1.5 |
| Credit cards |  | 2,039 | 2,048 |  | 2,215 | -8.0 |
| Farm loans |  | 51,657 | 52,685 |  | 50,717 | 1.9 |
| Other loans \& leases |  | 38,879 | 39,620 |  | 39,697 | -2.1 |
| Less: Unearned income |  | 699 | 687 |  | 660 | 5.9 |
| Total loans \& leases |  | 1,551,555 | 1,561,752 |  | 1,514,678 | 2.4 |
| Less: Reserve for losses |  | 18,063 | 18,481 |  | 18,680 | -3.3 |
| Net loans and leases |  | 1,533,492 | 1,543,272 |  | 1,495,998 | 2.5 |
| Securities |  | 408,789 | 420,143 |  | 422,963 | -3.4 |
| Other real estate owned |  | 3,913 | 4,238 |  | 5,052 | -22.6 |
| Goodwill and other intangibles |  | 13,526 | 14,370 |  | 14,407 | -6.1 |
| All other assets |  | 241,834 | 244,326 |  | 244,528 | -1.1 |
| Total liabilities and capital |  | 2,201,554 | 2,226,349 |  | 2,182,948 | 0.9 |
| Deposits |  | 1,804,513 | 1,819,074 |  | 1,793,683 | 0.6 |
| Domestic office deposits |  | 1,804,024 | 1,818,403 |  | 1,793,205 | 0.6 |
| Foreign office deposits |  | 490 | 671 |  | 478 | 2.4 |
| Brokered deposits |  | 90,705 | 90,019 |  | 81,074 | 11.9 |
| Estimated insured deposits |  | 1,328,226 | 1,343,869 |  | 1,329,677 | -0.1 |
| Other borrowed funds |  | 135,316 | 137,752 |  | 131,754 | 2.7 |
| Subordinated debt |  | 865 | 1,007 |  | 806 | 7.4 |
| All other liabilities |  | 15,850 | 17,310 |  | 16,067 | -1.4 |
| Total equity capital (includes minority interests) |  | 245,009 | 251,206 |  | 240,637 | 1.8 |
| Bank equity capital |  | 244,885 | 251,091 |  | 240,540 | 1.8 |
| Loans and leases 30-89 days past due |  | 8,381 | 7,688 |  | 8,661 | -3.2 |
| Noncurrent loans and leases |  | 13,254 | 14,195 |  | 15,325 | -13.5 |
| Restructured loans and leases |  | 7,016 | 7,356 |  | 8,291 | -15.4 |
| Mortgage-backed securities |  | 173,569 | 179,559 |  | 181,023 | -4.1 |
| Earning assets |  | 2,052,647 | 2,076,129 |  | 2,029,748 | 1.1 |
| FHLB Advances |  | 111,168 | 111,808 |  | 104,002 | 6.9 |
| Unused loan commitments |  | 291,083 | 293,301 |  | 284,791 | 2.2 |
| Trust assets |  | 331,438 | 282,638 |  | 294,187 | 12.7 |
| Assets securitized and sold |  | 24,080 | 21,762 |  | 14,704 | 63.8 |
| Notional amount of derivatives |  | 66,662 | 71,407 |  | 59,764 | 11.5 |
| INCOME DATA | Full Year 2017 | Full Year 2016 | \%Change 4 th | $\begin{array}{r} \hline \text { Quarter } \\ 2017 \end{array}$ | 4th Quarter 2016 | $\begin{array}{r} \text { \%Change } \\ \text { 1604-1704 } \end{array}$ |
| Total interest income | \$82,231 | \$79,191 | 3.8 | \$21,470 | \$20,420 | 5.1 |
| Total interest expense | 10,322 | 9,133 | 13.0 | 2,850 | 2,369 | 20.3 |
| Net interest income | 71,909 | 70,058 | 2.6 | 18,621 | 18,052 | 3.2 |
| Provision for loan and lease losses | 3,111 | 3,266 | -4.7 | 823 | 1,170 | -29.7 |
| Total noninterest income | 18,699 | 19,939 | -6.2 | 4,779 | 5,137 | -7.0 |
| Total noninterest expense | 59,099 | 59,986 | -1.5 | 15,428 | 15,664 | -1.5 |
| Securities gains (losses) | 351 | 638 | -45.0 | 26 | 50 | -48.8 |
| Applicable income taxes | 8,161 | 6,566 | 24.3 | 3,050 | 1,650 | 84.9 |
| Extraordinary gains, net* | 2 | -9 | N/M | -2 | -9 | N/M |
| Total net income (includes minority interests) | 20,590 | 20,808 | -1.0 | 4,122 | 4,746 | -13.1 |
| Bank net income | 20,567 | 20,786 | -1.1 | 4,117 | 4,741 | -13.1 |
| Net charge-offs | 2,381 | 2,245 | 6.1 | 814 | 833 | -2.3 |
| Cash dividends | 9,934 | 10,213 | -2.7 | 2,976 | 3,052 | -2.5 |
| Retained earnings | 10,633 | 10,572 | 0.6 | 1,141 | 1,689 | -32.5 |
| Net operating income | 20,320 | 20,312 | 0.0 | 4,101 | 4,717 | -13.0 |

[^5]N/M - Not Meaningful

TABLE II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks Prior Periods Adjusted for Mergers

| (dollar figures in millions) |  | 4th Quarter 2017 | 3rd Quarter 2017 |  | 4th Quarter 2016 | $\begin{array}{r} \hline \text { \%Change } \\ \text { 1604-1704 } \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of institutions reporting |  | 5,227 | 5,226 |  | 5,223 | 0.1 |
| Total employees (full-time equivalent) |  | 416,241 | 414,148 |  | 408,694 | 1.8 |
| CONDITION DATA |  |  |  |  |  |  |
| Total assets |  | \$2,201,554 | \$2,169,540 |  | \$2,081,691 | 5.8 |
| Loans secured by real estate |  | 1,194,926 | 1,173,256 |  | 1,105,085 | 8.1 |
| 1-4 Family residential mortgages |  | 395,464 | 391,272 |  | 376,530 | 5.0 |
| Nonfarm nonresidential |  | 456,967 | 447,272 |  | 416,373 | 9.7 |
| Construction and development |  | 106,817 | 102,614 |  | 95,234 | 12.2 |
| Home equity lines |  | 49,748 | 49,322 |  | 48,015 | 3.6 |
| Commercial \& industrial loans |  | 204,968 | 199,760 |  | 190,818 | 7.4 |
| Loans to individuals |  | 61,823 | 61,388 |  | 58,878 | 5.0 |
| Credit cards |  | 2,039 | 1,984 |  | 2,090 | -2.5 |
| Farm loans |  | 51,657 | 52,576 |  | 50,184 | 2.9 |
| Other loans \& leases |  | 38,879 | 37,642 |  | 36,240 | 7.3 |
| Less: Unearned income |  | 699 | 685 |  | 637 | 9.7 |
| Total loans \& leases |  | 1,551,555 | 1,523,936 |  | 1,440,568 | 7.7 |
| Less: Reserve for losses |  | 18,063 | 18,139 |  | 17,579 | 2.8 |
| Net loans and leases |  | 1,533,492 | 1,505,798 |  | 1,422,989 | 7.8 |
| Securities |  | 408,789 | 407,132 |  | 407,484 | 0.3 |
| Other real estate owned |  | 3,913 | 4,175 |  | 4,859 | -19.5 |
| Goodwill and other intangibles |  | 13,526 | 13,140 |  | 12,381 | 9.2 |
| All other assets |  | 241,834 | 239,295 |  | 233,979 | 3.4 |
| Total liabilities and capital |  | 2,201,554 | 2,169,540 |  | 2,081,691 | 5.8 |
| Deposits |  | 1,804,513 | 1,777,866 |  | 1,712,332 | 5.4 |
| Domestic office deposits |  | 1,804,024 | 1,777,288 |  | 1,711,869 | 5.4 |
| Foreign office deposits |  | 490 | 578 |  | 463 | 5.8 |
| Brokered deposits |  | 90,705 | 88,251 |  | 77,789 | 16.6 |
| Estimated insured deposits |  | 1,328,226 | 1,317,617 |  | 1,275,333 | 4.1 |
| Other borrowed funds |  | 135,316 | 129,915 |  | 124,304 | 8.9 |
| Subordinated debt |  | 865 | 822 |  | 612 | 41.4 |
| All other liabilities |  | 15,850 | 16,641 |  | 15,242 | 4.0 |
| Total equity capital (includes minority interests) |  | 245,009 | 244,296 |  | 229,201 | 6.9 |
| Bank equity capital |  | 244,885 | 244,180 |  | 229,123 | 6.9 |
| Loans and leases 30-89 days past due |  | 8,381 | 7,518 |  | 8,388 | -0.1 |
|  |  | 13,254 | 13,865 |  | 14,267 | -7.1 |
| Noncurrent loans and leasesRestructured loans and leases |  | 7,016 | 7,235 |  | 8,043 | -12.8 |
| Mortgage-backed securities |  | 173,569 | 171,836 |  | 172,965 | 0.3 |
| Earning assets |  | 2,052,647 | 2,024,127 |  | 1,936,836 | 6.0 |
| FHLB Advances |  | 111,168 | 105,544 |  | 98,818 | 12.5 |
| Unused loan commitments |  | 291,083 | 287,056 |  | 268,814 | 8.3 |
| Trust assets |  | 331,438 | 280,154 |  | 295,170 | 12.3 |
| Assets securitized and sold |  | 24,080 | 21,762 |  | 14,704 | 63.8 |
|  |  | 66,662 | 69,869 |  | 55,772 | 19.5 |
| INCOME DATA |  |  | 4th Quarter |  | 4th Quarter | \%Change |
|  | Full Year 2017 | Full Year 2016 | \%Change | 2017 | 2016 | 1604-1704 |
| Total interest income | \$82,231 | \$74,707 | 10.1 | \$21,470 | \$19,258 | 11.5 |
| Total interest expense | 10,322 | 8,640 | 19.5 | 2,850 | 2,236 | 27.4 |
| Net interest income | 71,909 | 66,067 | 8.8 | 18,621 | 17,022 | 9.4 |
| Provision for loan and lease losses | 3,111 | 2,859 | 8.8 | 823 | 852 | -3.5 |
| Total noninterest income | 18,699 | 18,650 | 0.3 | 4,779 | 4,810 | -0.6 |
| Total noninterest expense | 59,099 | 56,748 | 4.1 | 15,428 | 14,925 | 3.4 |
| Securities gains (losses) | 351 | 602 | -41.7 | 26 | 48 | -46.3 |
| Applicable income taxes | 8,161 | 5,872 | 39.0 | 3,050 | 1,289 | 136.6 |
| Extraordinary gains, net** | 2 | -9 | N/M | -2 | -9 | N/M |
| Total net income (includes minority interests) | 20,590 | 19,831 | 3.8 | 4,122 | 4,804 | -14.2 |
| Bank net income | 20,567 | 19,809 | 3.8 | 4,117 | 4,799 | -14.2 |
| Net charge-offs | 2,381 | 2,153 | 10.6 | 814 | 789 | 3.2 |
| Cash dividends | 9,934 | 9,382 | 5.9 | 2,976 | 2,792 | 6.6 |
| Retained earnings | 10,633 | 10,428 | 2.0 | 1,141 | 2,007 | -43.1 |
| Net operating income | 20,320 | 19,362 | 5.0 | 4,101 | 4,776 | -14.1 |

[^6]N/M - Not Meaningful

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TABLE III-B. Aggregate Condition and Income Data by Geographic Region, FDIC-Insured Community Banks

| Fourth Quarter 2017 (dollar figures in millions) | All Community Banks | Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | New York | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Number of institutions reporting | 5,227 | 601 | 612 | 1,145 | 1,385 | 1,155 | 329 |
| Total employees (full-time equivalent) | 416,241 | 84,520 | 50,547 | 87,273 | 70,118 | 91,106 | 32,677 |
| CONDITION DATA |  |  |  |  |  |  |  |
| Total assets | \$2,201,554 | \$591,514 | \$244,508 | \$397,108 | \$347,914 | \$421,398 | \$199,112 |
| Loans secured by real estate | 1,194,926 | 370,514 | 135,461 | 206,799 | 167,600 | 206,741 | 107,811 |
| 1-4 Family residential mortgages | 395,464 | 136,456 | 42,294 | 71,782 | 51,459 | 66,374 | 27,099 |
| Nonfarm nonresidential | 456,967 | 130,805 | 59,122 | 75,445 | 55,902 | 84,394 | 51,299 |
| Construction and development | 106,817 | 23,955 | 15,469 | 14,951 | 14,636 | 28,940 | 8,868 |
| Home equity lines | 49,748 | 16,336 | 7,544 | 10,970 | 5,157 | 4,890 | 4,852 |
| Commercial \& industrial loans | 204,968 | 49,481 | 20,655 | 39,699 | 34,958 | 41,532 | 18,643 |
| Loans to individuals | 61,823 | 14,534 | 7,068 | 12,192 | 10,407 | 13,071 | 4,551 |
| Credit cards | 2,039 | 443 | 159 | 400 | 581 | 238 | 219 |
| Farm loans | 51,657 | 588 | 1,202 | 8,699 | 28,825 | 9,535 | 2,807 |
| Other loans \& leases | 38,879 | 11,300 | 3,452 | 7,246 | 5,983 | 7,531 | 3,366 |
| Less: Unearned income | 699 | 168 | 105 | 54 | 93 | 135 | 143 |
| Total loans \& leases | 1,551,555 | 446,249 | 167,732 | 274,582 | 247,681 | 278,276 | 137,034 |
| Less: Reserve for losses | 18,063 | 4,521 | 1,911 | 3,206 | 3,251 | 3,430 | 1,746 |
| Net loans and leases | 1,533,492 | 441,728 | 165,822 | 271,376 | 244,430 | 274,847 | 135,289 |
| Securities | 408,789 | 93,090 | 45,009 | 79,775 | 64,468 | 90,426 | 36,021 |
| Other real estate owned | 3,913 | 659 | 901 | 696 | 641 | 797 | 219 |
| Goodwill and other intangibles | 13,526 | 4,023 | 1,415 | 2,550 | 1,973 | 2,544 | 1,021 |
| All other assets | 241,834 | 52,013 | 31,362 | 42,710 | 36,402 | 52,785 | 26,563 |
| Total liabilities and capital | 2,201,554 | 591,514 | 244,508 | 397,108 | 347,914 | 421,398 | 199,112 |
| Deposits | 1,804,513 | 466,986 | 202,840 | 327,685 | 287,239 | 353,802 | 165,962 |
| Domestic office deposits | 1,804,024 | 466,541 | 202,840 | 327,667 | 287,239 | 353,802 | 165,935 |
| Foreign office deposits | 490 | 444 | 0 | 18 | 0 | 0 | 27 |
| Brokered deposits | 90,705 | 28,785 | 7,922 | 16,352 | 14,934 | 12,537 | 10,175 |
| Estimated insured deposits | 1,328,226 | 333,711 | 149,364 | 257,592 | 223,752 | 253,514 | 110,293 |
| Other borrowed funds | 135,316 | 52,012 | 13,023 | 22,232 | 20,203 | 18,667 | 9,179 |
| Subordinated debt | 865 | 485 | 257 | 46 | 10 | 52 | 15 |
| All other liabilities | 15,850 | 5,493 | 1,649 | 2,764 | 1,875 | 2,394 | 1,675 |
| Total equity capital (includes minority interests) | 245,009 | 66,539 | 26,738 | 44,380 | 38,587 | 46,484 | 22,280 |
| Bank equity capital | 244,885 | 66,471 | 26,724 | 44,363 | 38,586 | 46,462 | 22,280 |
| Loans and leases 30-89 days past due | 8,381 | 2,163 | 1,072 | 1,501 | 1,237 | 1,989 | 419 |
| Noncurrent loans and leases | 13,254 | 4,419 | 1,459 | 2,369 | 1,782 | 2,517 | 709 |
| Restructured loans and leases | 7,016 | 2,116 | 886 | 1,610 | 983 | 991 | 431 |
| Mortgage-backed securities | 173,569 | 52,395 | 19,069 | 30,472 | 20,750 | 33,466 | 17,417 |
| Earning assets | 2,052,647 | 555,666 | 226,004 | 369,346 | 324,002 | 390,677 | 186,953 |
| FHLB Advances | 111,168 | 46,132 | 11,114 | 17,030 | 15,237 | 14,824 | 6,831 |
| Unused loan commitments | 291,083 | 76,059 | 30,265 | 54,208 | 49,447 | 51,130 | 29,974 |
| Trust assets | 331,438 | 75,609 | 12,636 | 85,523 | 97,099 | 50,845 | 9,726 |
| Assets securitized and sold | 24,080 | 8,821 | 76 | 8,007 | 2,541 | 777 | 3,857 |
| Notional amount of derivatives | 66,662 | 27,427 | 7,422 | 13,889 | 6,917 | 8,350 | 2,657 |
| INCOME DATA |  |  |  |  |  |  |  |
| Total interest income | \$21,470 | \$5,537 | \$2,423 | \$3,805 | \$3,428 | \$4,264 | \$2,013 |
| Total interest expense | 2,850 | 915 | 298 | 491 | 462 | 484 | 199 |
| Net interest income | 18,621 | 4,622 | 2,125 | 3,313 | 2,966 | 3,780 | 1,814 |
| Provision for loan and lease losses | 823 | 301 | 57 | 115 | 131 | 175 | 44 |
| Total noninterest income | 4,779 | 1,020 | 528 | 1,238 | 724 | 930 | 340 |
| Total noninterest expense | 15,428 | 3,741 | 1,861 | 2,962 | 2,398 | 3,106 | 1,360 |
| Securities gains (losses) | 26 | 47 | -2 | -8 | -7 | 0 | -4 |
| Applicable income taxes | 3,050 | 997 | 452 | 498 | 301 | 401 | 401 |
| Extraordinary gains, net** | -2 | 0 | -3 | 0 | 0 | 0 | 0 |
| Total net income (includes minority interests) | 4,122 | 650 | 278 | 968 | 853 | 1,028 | 346 |
| Bank net income | 4,117 | 648 | 277 | 967 | 853 | 1,027 | 346 |
| Net charge-offs | 814 | 244 | 73 | 151 | 140 | 185 | 21 |
| Cash dividends | 2,976 | 326 | 307 | 760 | 587 | 799 | 197 |
| Retained earnings | 1,141 | 322 | -30 | 207 | 265 | 228 | 149 |
| Net operating income | 4,101 | 611 | 281 | 975 | 857 | 1,029 | 348 |

[^7]** See Notes to Users for explanation.

| Performance ratios (annualized, \%) | All Community Banks |  | Fourth Quarter 2017, Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{array}{r} \text { 4th Quarter } \\ 2017 \\ \hline \end{array}$ | $\begin{array}{r} \text { 3rd Quarter } \\ 2017 \\ \hline \end{array}$ | New York | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Yield on earning assets | 4.22 | 4.20 | 4.02 | 4.33 | 4.15 | 4.27 | 4.40 | 4.35 |
| Cost of funding earning assets | 0.56 | 0.54 | 0.66 | 0.53 | 0.54 | 0.58 | 0.50 | 0.43 |
| Net interest margin | 3.66 | 3.65 | 3.36 | 3.80 | 3.61 | 3.69 | 3.90 | 3.92 |
| Noninterest income to assets | 0.88 | 0.89 | 0.70 | 0.87 | 1.26 | 0.84 | 0.89 | 0.69 |
| Noninterest expense to assets | 2.83 | 2.76 | 2.55 | 3.07 | 3.00 | 2.79 | 2.97 | 2.76 |
| Loan and lease loss provision to assets | 0.15 | 0.14 | 0.21 | 0.09 | 0.12 | 0.15 | 0.17 | 0.09 |
| Net operating income to assets | 0.75 | 1.07 | 0.42 | 0.46 | 0.99 | 1.00 | 0.98 | 0.71 |
| Pretax return on assets | 1.31 | 1.42 | 1.12 | 1.20 | 1.49 | 1.34 | 1.37 | 1.52 |
| Return on assets | 0.75 | 1.08 | 0.44 | 0.46 | 0.98 | 0.99 | 0.98 | 0.70 |
| Return on equity | 6.75 | 9.61 | 3.92 | 4.15 | 8.73 | 8.85 | 8.86 | 6.24 |
| Net charge-offs to loans and leases | 0.21 | 0.13 | 0.22 | 0.18 | 0.22 | 0.23 | 0.27 | 0.06 |
| Loan and lease loss provision to net charge-offs | 101.05 | 154.10 | 123.49 | 78.41 | 75.92 | 93.41 | 94.69 | 205.67 |
| Efficiency ratio | 65.31 | 63.83 | 64.71 | 69.79 | 64.75 | 64.61 | 65.71 | 62.86 |
| Net interest income to operating revenue | 79.58 | 79.24 | 81.93 | 80.11 | 72.79 | 80.39 | 80.26 | 84.21 |
| \% of unprofitable institutions | 16.13 | 4.17 | 28.95 | 24.02 | 14.59 | 10.97 | 12.55 | 17.63 |
| \% of institutions with earnings gains | 46.55 | 66.59 | 30.12 | 40.36 | 46.99 | 52.71 | 52.73 | 38.91 |

## Table V-B. Full Year 2017, FDIC-Insured Community Banks

| Performance ratios (\%) | All Community Banks |  | Full Year 2017, Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Full Year 2017 | Full Year 2016 | New York | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Yield on earning assets | 4.14 | 4.04 | 3.95 | 4.23 | 4.05 | 4.20 | 4.32 | 4.26 |
| Cost of funding earning assets | 0.52 | 0.47 | 0.62 | 0.49 | 0.49 | 0.54 | 0.46 | 0.40 |
| Net interest margin | 3.62 | 3.57 | 3.33 | 3.74 | 3.56 | 3.67 | 3.87 | 3.86 |
| Noninterest income to assets | 0.88 | 0.95 | 0.66 | 0.91 | 1.23 | 0.86 | 0.92 | 0.73 |
| Noninterest expense to assets | 2.77 | 2.85 | 2.48 | 3.01 | 2.96 | 2.74 | 2.93 | 2.72 |
| Loan and lease loss provision to assets | 0.15 | 0.15 | 0.20 | 0.11 | 0.10 | 0.15 | 0.17 | 0.08 |
| Net operating income to assets | 0.95 | 0.96 | 0.68 | 0.80 | 1.09 | 1.13 | 1.13 | 1.01 |
| Pretax return on assets | 1.35 | 1.30 | 1.14 | 1.25 | 1.48 | 1.41 | 1.41 | 1.57 |
| Return on assets | 0.96 | 0.99 | 0.70 | 0.80 | 1.09 | 1.14 | 1.14 | 1.02 |
| Return on equity | 8.67 | 8.81 | 6.27 | 7.29 | 9.77 | 10.21 | 10.33 | 9.08 |
| Net charge-offs to loans and leases | 0.16 | 0.16 | 0.20 | 0.13 | 0.13 | 0.15 | 0.22 | 0.05 |
| Loan and lease loss provision to net charge-offs | 130.69 | 145.51 | 132.82 | 126.13 | 115.06 | 142.20 | 120.61 | 221.05 |
| Efficiency ratio | 64.84 | 66.13 | 65.01 | 68.67 | 64.85 | 63.53 | 64.76 | 62.11 |
| Net interest income to operating revenue | 79.36 | 77.85 | 82.62 | 79.18 | 72.97 | 79.83 | 79.64 | 83.15 |
| \% of unprofitable institutions | 5.49 | 4.63 | 7.65 | 9.48 | 5.76 | 3.39 | 4.24 | 6.38 |
| \% of institutions with earnings gains | 55.71 | 64.24 | 50.25 | 52.94 | 56.42 | 55.38 | 58.53 | 59.88 |

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Table VI-B. Loan Performance, FDIC-Insured Community Banks

| December 31, 2017 | All Community Banks | Geographic Regions* |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | New York | Atlanta | Chicago | Kansas City | Dallas | San Francisco |
| Percent of Loans 30-89 Days Past Due |  |  |  |  |  |  |  |
| All loans secured by real estate | 0.51 | 0.47 | 0.61 | 0.57 | 0.48 | 0.65 | 0.24 |
| Construction and development | 0.39 | 0.34 | 0.46 | 0.39 | 0.33 | 0.47 | 0.24 |
| Nonfarm nonresidential | 0.31 | 0.29 | 0.33 | 0.34 | 0.33 | 0.36 | 0.17 |
| Multifamily residential real estate | 0.13 | 0.12 | 0.06 | 0.19 | 0.14 | 0.28 | 0.05 |
| Home equity loans | 0.46 | 0.51 | 0.52 | 0.46 | 0.26 | 0.53 | 0.32 |
| Other 1-4 family residential | 0.90 | 0.80 | 1.15 | 0.97 | 0.76 | 1.16 | 0.45 |
| Commercial and industrial loans | 0.44 | 0.30 | 0.55 | 0.32 | 0.49 | 0.64 | 0.43 |
| Loans to individuals | 1.55 | 1.72 | 1.68 | 1.05 | 1.11 | 2.33 | 0.94 |
| Credit card loans | 2.13 | 1.59 | 1.33 | 1.31 | 4.01 | 1.50 | 1.03 |
| Other loans to individuals | 1.53 | 1.73 | 1.69 | 1.04 | 0.94 | 2.34 | 0.94 |
| All other loans and leases (including farm) | 0.44 | 0.33 | 0.29 | 0.48 | 0.44 | 0.50 | 0.54 |
| Total loans and leases | 0.54 | 0.48 | 0.64 | 0.55 | 0.50 | 0.71 | 0.31 |
| Percent of Loans Noncurrent** |  |  |  |  |  |  |  |
| All loans secured by real estate | 0.84 | 0.96 | 0.91 | 0.91 | 0.69 | 0.80 | 0.48 |
| Construction and development | 0.84 | 0.89 | 1.27 | 0.90 | 0.81 | 0.61 | 0.66 |
| Nonfarm nonresidential | 0.72 | 0.83 | 0.74 | 0.84 | 0.70 | 0.69 | 0.32 |
| Multifamily residential real estate | 0.22 | 0.16 | 0.39 | 0.42 | 0.29 | 0.26 | 0.05 |
| Home equity loans | 0.55 | 0.63 | 0.56 | 0.54 | 0.26 | 0.59 | 0.49 |
| Other 1-4 family residential | 1.12 | 1.41 | 1.14 | 1.10 | 0.60 | 1.07 | 0.86 |
| Commercial and industrial loans | 1.13 | 1.54 | 0.75 | 0.85 | 0.98 | 1.41 | 0.74 |
| Loans to individuals | 0.65 | 0.47 | 0.69 | 0.35 | 0.44 | 1.36 | 0.39 |
| Credit card loans | 1.25 | 1.62 | 0.70 | 0.93 | 1.79 | 0.58 | 0.76 |
| Other loans to individuals | 0.63 | 0.43 | 0.69 | 0.33 | 0.36 | 1.37 | 0.37 |
| All other loans and leases (including farm) | 0.60 | 0.33 | 0.44 | 0.65 | 0.70 | 0.60 | 0.59 |
| Total loans and leases | 0.85 | 0.99 | 0.87 | 0.86 | 0.72 | 0.90 | 0.52 |
| Percent of Loans Charged-Off (net, YTD) |  |  |  |  |  |  |  |
| All loans secured by real estate | 0.05 | 0.07 | 0.04 | 0.06 | 0.04 | 0.04 | -0.02 |
| Construction and development | 0.03 | 0.14 | 0.01 | 0.04 | -0.06 | 0.03 | -0.05 |
| Nonfarm nonresidential | 0.06 | 0.07 | 0.05 | 0.07 | 0.08 | 0.05 | -0.02 |
| Multifamily residential real estate | 0.00 | 0.01 | 0.01 | 0.00 | 0.01 | 0.00 | 0.00 |
| Home equity loans | 0.05 | 0.05 | 0.06 | 0.06 | 0.04 | 0.03 | -0.02 |
| Other 1-4 family residential | 0.06 | 0.08 | 0.04 | 0.07 | 0.04 | 0.05 | -0.01 |
| Commercial and industrial loans | 0.51 | 0.87 | 0.36 | 0.29 | 0.31 | 0.66 | 0.17 |
| Loans to individuals | 0.98 | 0.98 | 0.99 | 0.67 | 1.22 | 1.11 | 0.96 |
| Credit card loans | 6.85 | 3.98 | 1.65 | 5.02 | 15.74 | 1.67 | 2.56 |
| Other loans to individuals | 0.78 | 0.88 | 0.97 | 0.52 | 0.37 | 1.10 | 0.88 |
| All other loans and leases (including farm) | 0.29 | 0.47 | 0.25 | 0.21 | 0.17 | 0.49 | 0.25 |
| Total loans and leases | 0.16 | 0.20 | 0.13 | 0.13 | 0.15 | 0.22 | 0.05 |
| Loans Outstanding (in billions) |  |  |  |  |  |  |  |
| All loans secured by real estate | \$1,194.9 | \$370.5 | \$135.5 | \$206.8 | \$167.6 | \$206.7 | \$107.8 |
| Construction and development | 106.8 | 24.0 | 15.5 | 15.0 | 14.6 | 28.9 | 8.9 |
| Nonfarm nonresidential | 457.0 | 130.8 | 59.1 | 75.4 | 55.9 | 84.4 | 51.3 |
| Multifamily residential real estate | 114.6 | 60.6 | 6.7 | 16.9 | 9.4 | 8.6 | 12.2 |
| Home equity loans | 49.7 | 16.3 | 7.5 | 11.0 | 5.2 | 4.9 | 4.9 |
| Other 1-4 family residential | 395.5 | 136.5 | 42.3 | 71.8 | 51.5 | 66.4 | 27.1 |
| Commercial and industrial loans | 205.0 | 49.5 | 20.7 | 39.7 | 35.0 | 41.5 | 18.6 |
| Loans to individuals | 61.8 | 14.5 | 7.1 | 12.2 | 10.4 | 13.1 | 4.6 |
| Credit card loans | 2.0 | 0.4 | 0.2 | 0.4 | 0.6 | 0.2 | 0.2 |
| Other loans to individuals | 59.8 | 14.1 | 6.9 | 11.8 | 9.8 | 12.8 | 4.3 |
| All other loans and leases (including farm) | 90.5 | 11.9 | 4.7 | 15.9 | 34.8 | 17.1 | 6.2 |
| Total loans and leases | 1,552.3 | 446.4 | 167.8 | 274.6 | 247.8 | 278.4 | 137.2 |
| Memo: Unfunded Commitments (in millions) |  |  |  |  |  |  |  |
| Total Unfunded Commitments | 291,083 | 76,059 | 30,265 | 54,208 | 49,447 | 51,130 | 29,974 |
| Construction and development: 1-4 family residential | 25,446 | 5,283 | 4,196 | 2,979 | 3,219 | 6,909 | 2,859 |
| Construction and development: CRE and other | 61,241 | 18,635 | 6,701 | 10,048 | 7,797 | 12,994 | 5,065 |
| Commercial and industrial | 92,024 | 23,187 | 8,394 | 19,073 | 15,464 | 16,063 | 9,843 |

* See Table V-A for explanation
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.


## Insurance Fund Indicators

## Deposit Insurance Fund Increases by \$2.2 Billion

## Insured Deposits Grow by 0.8 Percent

## DIF Reserve Ratio Rises 2 Basis Points to 1.30 Percent

The Deposit Insurance Fund (DIF) balance increased by $\$ 2.2$ billion, to $\$ 92.7$ billion, during the fourth quarter. Assessment income of $\$ 2.7$ billion, which includes temporary assessment surcharges on large banks, was the largest source of the increase. Interest income and other revenue of $\$ 308$ million, and a negative provision for insurance losses of $\$ 203$ million, also increased the fund balance. Operating expenses of $\$ 443$ million, unrealized losses on avail-able-for-sale securities of $\$ 461$ million, and other unrealized losses of $\$ 20$ million partially offset the increase in the fund balance. ${ }^{1}$ Two insured institutions with combined assets of $\$ 199$ million failed in the fourth quarter. Eight insured institutions with combined assets of $\$ 5.1$ billion failed in all of 2017.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity-increased by 1.1 percent in the fourth quarter and by 3.0 percent over 12 months. ${ }^{2,3}$ Total estimated insured deposits increased by 0.8 percent in the fourth quarter of 2017 and by 3.5 percent year-over-year. The DIF's reserve ratio (the fund balance as a percent of estimated insured deposits) rose to 1.30 percent on December 31, 2017, from 1.28 percent at September 30, 2017, and 1.20 percent four quarters ago. The December 31, 2017, reserve ratio is the highest for the DIF since December 31, 2004, when the reserve ratio was 1.31 percent. ${ }^{4}$

By law, the reserve ratio must reach a minimum of 1.35 percent by September 30, 2020. The law also requires that, in setting assessments, the FDIC offset the effect of the increase in the reserve ratio from 1.15 to 1.35 percent on banks with less than $\$ 10$ billion in assets. To satisfy these requirements, large banks are subject to a temporary surcharge of 4.5 basis points of their assessment base, after making certain adjustments. ${ }^{5,6}$ Surcharges began in the third quarter of 2016 and will continue through the quarter in which the reserve ratio reaches or exceeds 1.35 percent. If, however, the reserve ratio has not reached 1.35 percent by the end of 2018, large banks will pay a shortfall assessment in early 2019 to close the gap.

Small banks will receive credits to offset the portion of their assessments that help to raise the reserve ratio from 1.15 percent to 1.35 percent. When the reserve ratio is at or above 1.38 percent, the FDIC will automatically apply a small bank's credits to reduce its regular assessment up to the entire amount of the assessment.

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Table I-C. Insurance Fund Balances and Selected Indicators

|  | Deposit Insurance Fund* |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| (dollar figures in millions) | $\begin{array}{r} \text { 4th } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 3rd } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 2nd } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 1st } \\ \text { Quarter } \\ 2017 \end{array}$ | $\begin{array}{r} \text { 4th } \\ \text { Quarter } \\ 2016 \end{array}$ | $\begin{array}{r} \text { 3rd } \\ \text { Quarter } \\ 2016 \end{array}$ | $\begin{array}{r} \text { 2nd } \\ \text { Quarter } \\ 2016 \end{array}$ | $\begin{array}{r} \text { 1st } \\ \text { Quarter } \\ 2016 \end{array}$ | Quarter 2015 | $\begin{array}{r} \text { 3rd } \\ \text { Quarter } \\ 2015 \end{array}$ | $\begin{array}{r} \text { 2nd } \\ \text { Quarter } \\ 2015 \end{array}$ | $\begin{array}{r} \text { 1st } \\ \text { Quarter } \\ 2015 \end{array}$ | $\begin{array}{r} \text { 4th } \\ \text { Quarter } \\ 2014 \end{array}$ |
| Beginning Fund Balance | \$90,506 | \$87,588 | \$84,928 | \$83,162 | \$80,704 | \$77,910 | \$75,120 | \$72,600 | \$70,115 | \$67,589 | \$65,296 | \$62,780 | \$54,320 |
| Changes in Fund Balance: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Assessments earned | 2,656 | 2,568 | 2,634 | 2,737 | 2,688 | 2,643 | 2,328 | 2,328 | 2,160 | 2,170 | 2,328 | 2,189 | 2,030 |
| Interest earned on investment securities | 305 | 274 | 251 | 227 | 189 | 171 | 164 | 147 | 128 | 122 | 113 | 60 | 70 |
| Realized gain on sale of investments | 443 | 404 | 450 | 442 | 437 | 422 | 441 | 415 | 447 | 410 | 434 | 396 | 408 |
| Operating expenses | -203 | -512 | -233 | 765 | -332 | -566 | -627 | -43 | -930 | -578 | -317 | -426 | -6,787 |
| Provision for insurance losses | 3 | 1 | 4 | 2 | 3 | 3 | 2 | 5 | 12 | 2 | 3 | 6 | -43 |
| All other income, net of expenses | 1 | 4 | 2 | 3 | 3 | 2 | 5 | 12 | 2 | 3 | 6 | -43 | 6 |
| Unrealized gain/(loss) on available-for-sale securities** | -481 | -33 | -12 | 7 | -317 | -167 | 110 | 412 | -298 | 64 | -34 | 231 | 24 |
| Total fund balance change | 2,242 | 2,918 | 2,660 | 1,766 | 2,457 | 2,794 | 2,790 | 2,520 | 2,485 | 2,526 | 2,293 | 2,516 | 8,460 |
| Ending Fund Balance | 92,747 | 90,506 | 87,588 | 84,928 | 83,162 | 80,704 | 77,910 | 75,120 | 72,600 | 70,115 | 67,589 | 65,296 | 62,780 |
| Percent change from four quarters earlier | 11.53 | 12.14 | 12.42 | 13.06 | 14.55 | 15.10 | 15.27 | 15.05 | 15.64 | 29.08 | 32.37 | 33.55 | 33.03 |
| Reserve Ratio (\%) | 1.30 | 1.28 | 1.24 | 1.20 | 1.20 | 1.18 | 1.17 | 1.13 | 1.11 | 1.09 | 1.07 | 1.03 | 1.01 |
| Estimated Insured Deposits | 7,151,060 | 7,094,564 | 7,042,522 | 7,075,496 | 6,910,931 | 6,813,252 | 6,672,294 | 6,659,996 | 6,519,715 | 6,406,678 | 6,333,620 | 6,333,948 | 6,195,554 |
| Percent change from four quarters earlier | 3.47 | 4.13 | 5.55 | 6.24 | 6.00 | 6.35 | 5.35 | 5.15 | 5.23 | 4.61 | 3.91 | 3.70 | 3.29 |
| Domestic Deposits | 12,129,301 | 11,966,431 | 11,827,933 | 11,856,691 | 11,691,571 | 11,505,077 | 11,240,160 | 11,154,723 | 10,950,122 | 10,695,506 | 10,629,335 | 10,616,458 | 10,408,187 |
| Percent change from four quarters earlier | 3.74 | 4.01 | 5.23 | 6.29 | 6.77 | 7.57 | 5.75 | 5.07 | 5.21 | 4.72 | 5.25 | 6.56 | 5.93 |
| Assessment Base*** | 15,000,399 | 14,833,722 | 14,703,046 | 14,620,904 | 14,563,389 | 14,383,059 | 14,193,993 | 13,994,467 | 13,833,119 | 13,662,699 | 13,589,502 | 13,533,471 | 13,345,986 |
| Percent change from four quarters earlier | 3.00 | 3.13 | 3.59 | 4.48 | 5.28 | 5.27 | 4.45 | 3.41 | 3.65 | 4.19 | 5.33 | 5.78 | 4.61 |
| Number of Institutions Reporting | 5,679 | 5,747 | 5,796 | 5,865 | 5,922 | 5,989 | 6,067 | 6,131 | 6,191 | 6,279 | 6,357 | 6,428 | 6,518 |

DIF Reserve Ratios
Percent of Insured Deposits


Deposit Insurance Fund Balance and Insured Deposits (\$ Millions)

|  | DIF <br> Balance | DIF-Insured Deposits |
| :---: | :---: | :---: |
| 12/14 | \$62,780 | \$6,195,554 |
| 3/15 | 65,296 | 6,333,948 |
| 6/15 | 67,589 | 6,333,620 |
| 9/15 | 70,115 | 6,406,678 |
| 12/15 | 72,600 | 6,519,715 |
| 3/16 | 75,120 | 6,659,996 |
| 6/16 | 77,910 | 6,672,294 |
| 9/16 | 80,704 | 6,813,252 |
| 12/16 | 83,162 | 6,910,931 |
| 3/17 | 84,928 | 7,075,496 |
| 6/17 | 87,588 | 7,042,522 |
| 9/17 | 90,506 | 7,094,564 |
| 12/17 | 92,747 | 7,151,060 |

Table II-C. Problem Institutions and Failed Institutions

| (dollar figures in millions) | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Problem Institutions |  |  |  |  |  |  |  |
| Number of institutions | 95 | 123 | 183 | 291 | 467 | 651 | 813 |
| Total assets | \$13,939 | \$27,624 | \$46,780 | \$86,712 | \$152,687 | \$232,701 | \$319,432 |
| Failed Institutions |  |  |  |  |  |  |  |
| Number of institutions | 8 | 5 | 8 | 18 | 24 | 51 | 92 |
| Total assets**** | \$5,082 | \$277 | \$6,706 | \$2,914 | \$6,044 | \$11,617 | \$34,923 |

[^10]QUARTERLY BANKING PROFILE

| (dollar figures in millions) December 31, 2017 | Number of Institutions | Total Assets | Domestic Deposits* | Est. Insured Deposits |
| :---: | :---: | :---: | :---: | :---: |
| Commercial Banks and Savings Institutions |  |  |  |  |
| FDIC-Insured Commercial Banks | 4,918 | \$16,219,706 | \$11,150,570 | \$6,364,865 |
| FDIC-Supervised | 3,266 | 2,540,344 | 1,995,967 | 1,369,032 |
| OCC-Supervised | 874 | 10,977,727 | 7,284,900 | 3,982,408 |
| Federal Reserve-Supervised | 778 | 2,701,636 | 1,869,703 | 1,013,425 |
| FDIC-Insured Savings Institutions | 752 | 1,196,556 | 930,685 | 745,079 |
| OCC-Supervised | 344 | 768,862 | 605,826 | 492,292 |
| FDIC-Supervised | 371 | 399,957 | 303,142 | 235,507 |
| Federal Reserve-Supervised | 37 | 27,738 | 21,716 | 17,280 |
| Total Commercial Banks and Savings Institutions | 5,670 | 17,416,262 | 12,081,255 | 7,109,943 |
| Other FDIC-Insured Institutions |  |  |  |  |
| U.S. Branches of Foreign Banks | 9 | 89,249 | 48,046 | 41,117 |
| Total FDIC-Insured Institutions | 5,679 | 17,505,511 | 12,129,301 | 7,151,060 |

* Excludes $\$ 1.3$ trillion in foreign office deposits, which are not FDIC insured.

Table IV-C. Distribution of Institutions and Assessment Base by Assessment Rate Range Quarter Ending September 30, 2017 (dollar figures in billions)

| Annual Rate in Basis Points* | Number of Institutions | Percent of Total Institutions | Amount of Assessment Base** | Percent of Total Assessment Base |
| :---: | :---: | :---: | :---: | :---: |
| 1.50-3.00 | 3,419 | 59.49 | \$3,723.4 | 25.10 |
| 3.01-6.00 | 1,583 | 27.54 | 10,233.5 | 68.99 |
| 6.01-10.00 | 555 | 9.66 | 687.5 | 4.63 |
| 10.01-15.00 | 76 | 1.32 | 153.6 | 1.04 |
| 15.01-20.00 | 94 | 1.64 | 17.4 | 0.12 |
| 20.01-25.00 | 9 | 0.16 | 1.8 | 0.01 |
| > 25.00 | 11 | 0.19 | 16.5 | 0.11 |

[^11]
## Notes to Users

This publication contains financial data and other information for depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). These notes are an integral part of this publication and provide information regarding the comparability of source data and reporting differences over time.

## Tables I-A through VIII-A.

The information presented in Tables I-A through VIII-A of the FDIC Quarterly Banking Profile is aggregated for all FDIC-insured Call Report filers, both commercial banks and savings institutions. Some tables are arrayed by groups of FDIC-insured institutions based on predominant types of asset concentration, while other tables aggregate institutions by asset size and geographic region. Quarterly and full-year data are provided for selected indicators, including aggregate condition and income data, performance ratios, condition ratios, and structural changes, as well as past due, noncurrent, and charge-off information for loans outstanding and other assets.

## Tables I-B through VI-B.

The information presented in Tables I-B through VI-B is aggregated for all FDIC-insured commercial banks and savings institutions meeting the criteria for community banks that were developed for the FDIC's Community Banking Study, published in December, 2012: http://fdic.gov/regulations/resources/cbi/report/cbi-full.pdf.
The determination of which insured institutions are considered community banks is based on five steps.
The first step in defining a community bank is to aggregate all charter-level data reported under each holding company into a single banking organization. This aggregation applies both to balance-sheet measures and the number and location of banking offices. Under the FDIC definition, if the banking organization is designated as a community bank, every charter reporting under that organization is also considered a community bank when working with data at the charter level.
The second step is to exclude any banking organization where more than 50 percent of total assets are held in certain specialty banking charters, including: credit card specialists, consumer nonbank banks, industrial loan companies, trust companies, bankers' banks, and banks holding 10 percent or more of total assets in foreign offices.
Once the specialty organizations are removed, the third step involves including organizations that engage in basic banking activities as measured by the total loans-to-assets ratio (greater than 33 percent) and the ratio of core deposits to assets (greater than 50 percent). Core deposits are defined as non-brokered deposits in domestic offices. Analysis of the underlying data shows that these thresholds establish meaningful levels of basic lending and deposit gathering and still allow for a degree of diversity in how individual banks construct their balance sheets.
The fourth step includes organizations that operate within a limited geographic scope. This limitation of scope is used as a proxy measure for a bank's relationship approach to banking. Banks that operate within a limited market area have more ease in managing relationships at a personal level. Under this step, four criteria are applied to each banking organization. They include both a minimum and maximum number of total banking offices, a maximum level of deposits for any one office, and location-based criteria. The limits on the number of and deposits per office are adjusted upward quarterly. For banking offices, banks must have more than one office, and the maximum number of offices is 40 in 1985 and
reached 87 in 2016. The maximum level of deposits for any one office is $\$ 1.25$ billion in deposits in 1985 and reached $\$ 6.97$ billion in deposits in 2016. The remaining geographic limitations are also based on maximums for the number of states (fixed at 3) and large metropolitan areas (fixed at 2) in which the organization maintains offices. Branch office data are based on the most recent data from the annual June 30 Summary of Deposits Survey that are available at the time of publication.
Finally, the definition establishes an asset-size limit, also adjusted upward quarterly and below which the limits on banking activities and geographic scope are waived. The asset-size limit is $\$ 250$ million in 1985 and reached $\$ 1.39$ billion in 2016. This final step acknowledges the fact that most of those small banks that are not excluded as specialty banks meet the requirements for banking activities and geographic limits in any event.

## Summary of FDIC Research Definition of Community Banking Organizations

Community banks are designated at the level of the banking organization.
(All charters under designated holding companies are considered community banking charters.)
Exclude: Any organization with:

- No loans or no core deposits
- Foreign Assets $\geq 10 \%$ of total assets
- More than $50 \%$ of assets in certain specialty banks, including:
- credit card specialists
- consumer nonbank banks ${ }^{1}$
- industrial loan companies
- trust companies
- bankers' banks

Include: All remaining banking organizations with:

- Total assets < indexed size threshold ${ }^{2}$
- Total assets $\geq$ indexed size threshold, where:
- Loan to assets > 33\%
- Core deposits to assets $>50 \%$
- More than 1 office but no more than the indexed maximum number of offices. ${ }^{3}$
- Number of large MSAs with offices $\leq 2$
- Number of states with offices $\leq 3$
- No single office with deposits > indexed maximum branch deposit size. ${ }^{4}$


## Tables I-C through IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository insti-

[^12]tutions that are not insured by the FDIC through the DIF are not included in the FDIC Quarterly Banking Profile. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charters.

## DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) Consolidated Reports of Condition and Income (Call Reports) and the OTS Thrift Financial Reports (TFR) submitted by all FDIC-insured depository institutions. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.) This information is stored on and retrieved from the FDIC's Research Information System (RIS) database.

## COMPUTATION METHODOLOGY

Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the Quarterly Banking Profile tables, which can lead to doublecounting. No adjustments are made for any double-counting of subsidiary data. Additionally, certain adjustments are made to the OTS Thrift Financial Reports to provide closer conformance with the reporting and accounting requirements of the FFIEC Call Reports. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)
All condition and performance ratios represent weighted averages, which is the sum of the individual numerator values divided by the sum of individual denominator values. All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets, since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12 -month period in totals for institutions in the base period to totals for institutions in the current period. For the community bank subgroup, growth rates will reflect changes over time in the number and identities of institutions designated as community banks, as well as changes in the assets and liabilities, and income and expenses of group members. Unless indicated otherwise, growth rates are not adjusted for mergers or other changes in the composition of the community bank subgroup. When community bank growth rates are adjusted for mergers, prior period balances used in the calculations represent totals for the current group of community bank reporters, plus prior period amounts for any institutions that were subsequently merged into current community banks. All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may relocate across state lines or change their charters, resulting in an inter-regional or inter-industry migration; institutions can move their home offices between regions, savings institutions can convert to commercial banks, or commercial banks may convert to savings institutions.

## ACCOUNTING CHANGES

Financial accounting pronouncements by the Financial Accounting Standards Board (FASB) can result in changes in an individual bank's accounting policies and in the Call Reports they submit. Such accounting changes can affect the aggregate amounts presented in the QBP for the current period and the period-to-period comparability of such financial data.
The current quarter's Financial Institution Letter (FIL) and related Call Report supplemental instructions can provide additional explanation to the QBP reader beyond any material accounting changes discussed in the QBP analysis.
https://www.fdic.gov/news/news/financial/2018/fil18001.html https://www.fdic.gov/news/news/financial/2018/fil18001.pdf https://www.fdic.gov/regulations/resources/call/call.html
Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB. http:// www.fasb.org/jsp/FASB/Page/LandingPage\&cid=1175805317350.

## DEFINITIONS (in alphabetical order)

All other assets - total cash, balances due from depository institutions, premises, fixed assets, direct investments in real estate, investment in unconsolidated subsidiaries, customers' liability on acceptances outstanding, assets held in trading accounts, federal funds sold, securities purchased with agreements to resell, fair market value of derivatives, prepaid deposit insurance assessments, and other assets.
All other liabilities - bank's liability on acceptances, limited-life preferred stock, allowance for estimated off-balance-sheet credit losses, fair market value of derivatives, and other liabilities.
Assessment base - effective April 1, 2011, the deposit insurance assessment base changed to "average consolidated total assets minus average tangible equity" with an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank. Previously the assessment base was "assessable deposits" and consisted of deposits in banks' domestic offices with certain adjustments.
Assessment rate schedule - Initial base assessment rates for small institutions are based on a combination of financial ratios and CAMELS component ratings. Initial rates for large institutionsgenerally those with at least $\$ 10$ billion in assets-are also based on CAMELS component ratings and certain financial measures combined into two scorecards-one for most large institutions and another for the remaining very large institutions that are structurally and operationally complex or that pose unique challenges and risks in case of failure (highly complex institutions). The FDIC may take additional information into account to make a limited adjustment to a large institution's scorecard results, which are used to determine a large institution's initial base assessment rate.
While risk categories for small institutions (except new institutions) were eliminated effective July 1, 2016, initial rates for small institutions are subject to minimums and maximums based on an institution's CAMELS composite rating. (Risk categories for large institutions were eliminated in 2011.)
The current assessment rate schedule became effective July 1, 2016. Under the current schedule, initial base assessment rates range from 3 to 30 basis points. An institution's total base assessment rate
may differ from its initial rate due to three possible adjustments: (1) Unsecured Debt Adjustment: An institution's rate may decrease by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or 50 percent of an institution's initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 3 basis points would have a maximum unsecured debt adjustment of 1.5 basis points and could not have a total base assessment rate lower than 1.5 basis points. (2) Depository Institution Debt Adjustment: For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution's Tier 1 capital. (3) Brokered Deposit Adjustment: Rates for large institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits.
The assessment rate schedule effective July 1, 2016, is shown in the following table:

| Total Base Assessment Rates* |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Established Small Banks |  |  | Large and Highly Complex Institutions* |
|  | CAMELS Composite |  |  |  |
|  | 1 or 2 | 3 | 4 or 5 |  |
| Initial Base Assessment Rate | 3 to 16 | 6 to 30 | 16 to 30 | 3 to 30 |
| Unsecured Debt Adjustment | -5 to 0 | -5 to 0 | -5 to 0 | -5 to 0 |
| Brokered Deposit Adjustment | N/A | N/A | N/A | 0 to 10 |
| Total Base Assessment Rate | 1.5 to 16 | 3 to 30 | 11 to 30 | 1.5 to 40 |

* All amounts for all categories are in basis points annually. Total base rates that are not the minimum or maximum rate will vary between these rates. Total base assessment rates do not include the depository institution debt adjustment.
** Effective July 1, 2016, large institutions are also subject to temporary assessment surcharges in order to raise the reserve ratio from 1.15 percent to 1.35 percent. The surcharges amount to 4.5 basis points of a large institution's assessment base (after making certain adjustments).

Each institution is assigned a risk-based rate for a quarterly assessment period near the end of the quarter following the assessment period. Payment is generally due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes are effective for assessment purposes as of the examination transmittal date.
Assets securitized and sold - total outstanding principal balance of assets securitized and sold with servicing retained or other sellerprovided credit enhancements.
Capital Purchase Program (CPP) - as announced in October 2008 under the TARP, the Treasury Department purchase of noncumulative perpetual preferred stock and related warrants that is treated as Tier 1 capital for regulatory capital purposes is included in "Total equity capital." Such warrants to purchase common stock or noncumulative preferred stock issued by publicly-traded banks are reflected as well in "Surplus." Warrants to purchase common stock or noncumulative preferred stock of not-publicly-traded bank stock are classified in a bank's balance sheet as "Other liabilities."
Common equity Tier 1 capital ratio - ratio of common equity Tier 1 capital to risk-weighted assets. Common equity Tier 1 capital includes common stock instruments and related surplus, retained earnings, accumulated other comprehensive income (AOCI), and limited amounts of common equity Tier 1 minority interest, minus
applicable regulatory adjustments and deductions. Items that are fully deducted from common equity Tier 1 capital include goodwill, other intangible assets (excluding mortgage servicing assets) and certain deferred tax assets; items that are subject to limits in common equity Tier 1 capital include mortgage servicing assets, eligible deferred tax assets, and certain significant investments.
Construction and development loans - includes loans for all property types under construction, as well as loans for land acquisition and development.
Core capital - common equity capital plus noncumulative perpetual preferred stock plus minority interest in consolidated subsidiaries, less goodwill and other ineligible intangible assets. The amount of eligible intangibles (including servicing rights) included in core capital is limited in accordance with supervisory capital regulations.
Cost of funding earning assets - total interest expense paid on deposits and other borrowed money as a percentage of average earning assets.
Credit enhancements - techniques whereby a company attempts to reduce the credit risk of its obligations. Credit enhancement may be provided by a third party (external credit enhancement) or by the originator (internal credit enhancement), and more than one type of enhancement may be associated with a given issuance.
Deposit Insurance Fund (DIF) - the Bank (BIF) and Savings Association (SAIF) Insurance Funds were merged in 2006 by the Federal Deposit Insurance Reform Act to form the DIF.
Derivatives notional amount - the notional, or contractual, amounts of derivatives represent the level of involvement in the types of derivatives transactions and are not a quantification of market risk or credit risk. Notional amounts represent the amounts used to calculate contractual cash flows to be exchanged.
Derivatives credit equivalent amount - the fair value of the derivative plus an additional amount for potential future credit exposure based on the notional amount, the remaining maturity and type of the contract.

## Derivatives transaction types:

Futures and forward contracts - contracts in which the buyer agrees to purchase and the seller agrees to sell, at a specified future date, a specific quantity of an underlying variable or index at a specified price or yield. These contracts exist for a variety of variables or indices, (traditional agricultural or physical commodities, as well as currencies and interest rates). Futures contracts are standardized and are traded on organized exchanges which set limits on counterparty credit exposure. Forward contracts do not have standardized terms and are traded over the counter.
Option contracts - contracts in which the buyer acquires the right to buy from or sell to another party some specified amount of an underlying variable or index at a stated price (strike price) during a period or on a specified future date, in return for compensation (such as a fee or premium). The seller is obligated to purchase or sell the variable or index at the discretion of the buyer of the contract.
Swaps - obligations between two parties to exchange a series of cash flows at periodic intervals (settlement dates), for a specified period. The cash flows of a swap are either fixed, or determined for each settlement date by multiplying the quantity (notional principal) of the underlying variable or index by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

Derivatives underlying risk exposure - the potential exposure characterized by the level of banks' concentration in particular underlying instruments, in general. Exposure can result from market risk, credit risk, and operational risk, as well as, interest rate risk.
Domestic deposits to total assets - total domestic office deposits as a percent of total assets on a consolidated basis.
Earning assets - all loans and other investments that earn interest or dividend income.
Efficiency ratio - Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income. This ratio measures the proportion of net operating revenues that are absorbed by overhead expenses, so that a lower value indicates greater efficiency.
Estimated insured deposits - in general, insured deposits are total domestic deposits minus estimated uninsured deposits. Beginning March 31, 2008, for institutions that file Call Reports, insured deposits are total assessable deposits minus estimated uninsured deposits. Beginning September 30, 2009, insured deposits include deposits in accounts of $\$ 100,000$ to $\$ 250,000$ that are covered by a temporary increase in the FDIC's standard maximum deposit insurance amount (SMDIA). The Dodd-Frank Wall Street Reform and Consumer Protection Act enacted on July 21, 2010, made permanent the standard maximum deposit insurance amount (SMDIA) of $\$ 250,000$. Also, the Dodd-Frank Act amended the Federal Deposit Insurance Act to include noninterest-bearing transaction accounts as a new temporary deposit insurance account category. All funds held in noninterest-bearing transaction accounts were fully insured, without limit, from December 31, 2010, through December 31, 2012.
Failed/assisted institutions - an institution fails when regulators take control of the institution, placing the assets and liabilities into a bridge bank, conservatorship, receivership, or another healthy institution. This action may require the FDIC to provide funds to cover losses. An institution is defined as "assisted" when the institution remains open and receives assistance in order to continue operating.
Fair Value - the valuation of various assets and liabilities on the balance sheet-including trading assets and liabilities, available-forsale securities, loans held for sale, assets and liabilities accounted for under the fair value option, and foreclosed assets-involves the use of fair values. During periods of market stress, the fair values of some financial instruments and nonfinancial assets may decline.
FHLB advances - all borrowings by FDIC-insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers, and by TFR filers prior to March 31, 2012.
Goodwill and other intangibles - intangible assets include servicing rights, purchased credit card relationships, and other identifiable intangible assets. Goodwill is the excess of the purchase price over the fair market value of the net assets acquired, less subsequent impairment adjustments. Other intangible assets are recorded at fair value, less subsequent quarterly amortization and impairment adjustments.
Loans secured by real estate - includes home equity loans, junior liens secured by 1-4 family residential properties, and all other loans secured by real estate.
Loans to individuals - includes outstanding credit card balances and other secured and unsecured consumer loans.
Long-term assets ( $5+$ years) - loans and debt securities with remaining maturities or repricing intervals of over five years.

Maximum credit exposure - the maximum contractual credit exposure remaining under recourse arrangements and other sellerprovided credit enhancements provided by the reporting bank to securitizations.
Mortgage-backed securities - certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Also, see "Securities," below.
Net charge-offs - total loans and leases charged off (removed from balance sheet because of uncollectability), less amounts recovered on loans and leases previously charged off.
Net interest margin - the difference between interest and dividends earned on interest-bearing assets and interest paid to depositors and other creditors, expressed as a percentage of average earning assets. No adjustments are made for interest income that is tax exempt.
Net loans to total assets - loans and lease financing receivables, net of unearned income, allowance and reserves, as a percent of total assets on a consolidated basis.
Net operating income - income excluding discretionary transactions such as gains (or losses) on the sale of investment securities and extraordinary items. Income taxes subtracted from operating income have been adjusted to exclude the portion applicable to securities gains (or losses).
Noncurrent assets - the sum of loans, leases, debt securities, and other assets that are 90 days or more past due, or in nonaccrual status.
Noncurrent loans \& leases - the sum of loans and leases 90 days or more past due, and loans and leases in nonaccrual status.
Number of institutions reporting - the number of institutions that actually filed a financial report.
New reporters - insured institutions filing quarterly financial reports for the first time.
Other borrowed funds - federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.
Other real estate owned - primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that filed a Thrift Financial Report (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)
Percent of institutions with earnings gains - the percent of institutions that increased their net income (or decreased their losses) compared to the same period a year earlier.
"Problem" institutions - federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a " 4 " or " 5 ." The number and assets of "problem" institutions are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

Recourse - an arrangement in which a bank retains, in form or in substance, any credit risk directly or indirectly associated with an asset it has sold (in accordance with generally accepted accounting principles) that exceeds a pro rata share of the bank's claim on the asset. If a bank has no claim on an asset it has sold, then the retention of any credit risk is recourse.
Reserves for losses - the allowance for loan and lease losses on a consolidated basis.
Restructured loans and leases - loan and lease financing receivables with terms restructured from the original contract. Excludes restructured loans and leases that are not in compliance with the modified terms.
Retained earnings - net income less cash dividends on common and preferred stock for the reporting period.
Return on assets - bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total (consolidated) assets. The basic yardstick of bank profitability.
Return on equity - bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total equity capital.
Risk-weighted assets - assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 200 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.
Securities - excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity," which are reported at amortized cost (book value), and securities designated as "available-for-sale," reported at fair (market) value.
Securities gains (losses) - realized gains (losses) on held-tomaturity and available-for-sale securities, before adjustments for income taxes. Thrift Financial Report (TFR) filers also include gains (losses) on the sales of assets held for sale. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)
Seller's interest in institution's own securitizations - the reporting bank's ownership interest in loans and other assets that have been securitized, except an interest that is a form of recourse or other seller-provided credit enhancement. Seller's interests differ from the securities issued to investors by the securitization structure. The principal amount of a seller's interest is generally equal to the total principal amount of the pool of assets included in the securitization structure less the principal amount of those assets attributable to investors, i.e., in the form of securities issued to investors.
Small Business Lending Fund - The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses
by providing capital to qualified community institutions with assets of less than $\$ 10$ billion. The SBLF Program is administered by the U.S. Treasury Department (http://www.treasury.gov/resource-center/ sb-programs/Pages/Small-Business-Lending-Fund.aspx).
Under the SBLF Program, the Treasury Department purchased noncumulative perpetual preferred stock from qualifying depository institutions and holding companies (other than Subchapter S and mutual institutions). When this stock has been issued by a depository institution, it is reported as "Perpetual preferred stock and related surplus." For regulatory capital purposes, this noncumulative perpetual preferred stock qualifies as a component of Tier 1 capital. Qualifying Subchapter $S$ corporations and mutual institutions issue unsecured subordinated debentures to the Treasury Department through the SBLF. Depository institutions that issued these debentures report them as "Subordinated notes and debentures." For regulatory capital purposes, the debentures are eligible for inclusion in an institution's Tier 2 capital in accordance with their primary federal regulator's capital standards. To participate in the SBLF Program, an institution with outstanding securities issued to the Treasury Department under the Capital Purchase Program (CPP) was required to refinance or repay in full the CPP securities at the time of the SBLF funding. Any outstanding warrants that an institution issued to the Treasury Department under the CPP remain outstanding after the refinancing of the CPP stock through the SBLF Program unless the institution chooses to repurchase them.
Subchapter Scorporation - a Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. This can have the effect of reducing institutions' reported taxes and increasing their after-tax earnings.
Trust assets - market value, or other reasonably available value of fiduciary and related assets, to include marketable securities, and other financial and physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods. Such fiduciary assets are not included in the assets of the financial institution.
Unearned income and contra accounts - unearned income for Call Report filers only.
Unused Ioan commitments - includes credit card lines, home equity lines, commitments to make loans for construction, loans secured by commercial real estate, and unused commitments to originate or purchase loans. (Excluded are commitments after June 2003 for originated mortgage loans held for sale, which are accounted for as derivatives on the balance sheet.)
Yield on earning assets - total interest, dividend, and fee income earned on loans and investments as a percentage of average earning assets.


[^0]:    The views expressed are those of the authors and do not necessarily reflect official positions of the Federal Deposit Insurance Corporation. Some of the information used in the preparation of this publication was obtained from publicly available sources that are considered reliable. However, the use of this information does not constitute an endorsement of its accuracy by the Federal Deposit Insurance Corporation. Articles may be reprinted or abstracted if the publication and author(s) are credited. Please provide the FDIC's Division of Insurance and Research with a copy of any publications containing reprinted material.

[^1]:    ${ }^{1}$ See FIL-6-2018, New Tax Law: Accounting and Reporting Implications, https://www.fdic.gov/news/news/financial/2018/ fil18006.html.
    ${ }^{2}$ This estimate of net income applies the average quarterly tax rate between fourth quarter 2011 and third quarter 2017 to income before taxes and discontinued operations
    ${ }^{3}$ This estimate of net income applies the average annual tax rate between 2011 and 2016 to income before taxes and discontinued operations.

[^2]:    * See Notes to Users for explanation.

[^3]:    ${ }^{1}$ This estimate of net income applies the average quarterly tax rate at community banks between fourth quarter 2011 and third quarter 2017 to income before taxes and discontinued operations.

[^4]:    ${ }^{2}$ This estimate of net income applies the average annual tax rate at community banks between 2011 and 2016 to income before taxes and discontinued operations.
    ${ }^{3}$ Other real estate loan income includes income from construction and development, farmland, multifamily, and nonfarm nonresidential loans.

[^5]:    * See Notes to Users for explanation.

[^6]:    * See Notes to Users for explanation.

[^7]:    See Table V-A for explanation

[^8]:    * See Table V-A for explanation.

[^9]:    ${ }^{1}$ Includes unrealized postretirement benefit loss.
    ${ }^{2}$ There are additional adjustments to the assessment base for banker's banks and custodial banks.
    ${ }^{3}$ Figures for estimated insured deposits and the assessment base include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.
    ${ }^{4}$ The reserve ratio at December 31, 2004, represents the combined balances of the Bank Insurance Fund and Savings Association Insurance Fund as a percent of estimated insured deposits.
    ${ }^{5}$ Large banks are generally those with assets of $\$ 10$ billion or more.
    ${ }^{6}$ The assessment base for the surcharge is a large bank's regular assessment base reduced by $\$ 10$ billion (and subject to additional adjustment for affiliated banks).

[^10]:    * Quarterly financial statement results are unaudited.
    ** Includes unrealized postretirement benefit gain (loss).
    *** Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.
    **** Total assets are based on final Call Reports submitted by failed institutions.

[^11]:    Assessment rates do not incorporate temporary surcharges on large banks.
    ** Beginning in the second quarter of 2011, the assessment base was changed to average consolidated total assets minus tangible equity, as required by the Dodd-Frank Act.

[^12]:    ${ }^{1}$ Consumer nonbank banks are financial institutions with limited charters that can make commercial loans or take deposits, but not both.
    ${ }^{2}$ Asset size threshold indexed to equal $\$ 250$ million in 1985 and $\$ 1.39$ billion in 2016.
    ${ }^{3}$ Maximum number of offices indexed to equal 40 in 1985 and 87 in 2016.
    ${ }^{4}$ Maximum branch deposit size indexed to equal $\$ 1.25$ billion in 1985 and $\$ 6.97$ billion in 2016.

