FDIC Quarterly

Quarterly Banking Profile: First Quarter 2018

Highlights:

- Net Income Increases 27.5 Percent From a Year Earlier Due to Higher Net Operating Revenue and a Lower Effective Tax Rate
- Loan Balances Rise 4.9 Percent Over 12 Months
- Community Bank Net Income Rises 17.7 Percent Annually on Higher Net Interest Income and Lower Income Tax Expenses
- Estimated Insured Deposits Grow by 2.6 Percent
- DIF Reserve Ratio Is Unchanged at 1.30 Percent

2018
Volume 12, Number 2

Federal Deposit Insurance Corporation

The ***FDIC Quarterly*** is published by the Division of Insurance and Research of the Federal Deposit Insurance Corporation and contains a comprehensive summary of the most current financial results for the banking industry. Feature articles appearing in the ***FDIC Quarterly*** range from timely analysis of economic and banking trends at the national and regional level that may affect the risk exposure of FDIC-insured institutions to research on issues affecting the banking system and the development of regulatory policy.

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2018 FDIC QUARTERLY

Volume 12 • Number 2

Quarterly Banking Profile: First Quarter 2018

FDIC-insured institutions reported aggregate net income of $56 billion in first quarter 2018, up $12.1 billion (27.5 percent) from a year earlier. The improvement in earnings was attributable to higher net operating revenue and a lower effective tax rate. Of the 5,606 insured institutions reporting first quarter financial results, more than 70 percent reported year-over-year growth in quarterly earnings. *See page 1.*

Community Bank Performance

Community banks—which represent 92 percent of insured institutions—reported net income of $6.1 billion in the first quarter, up $913.1 million (17.7 percent) from a year earlier. Higher net operating revenue and a lower effective tax rate boosted first quarter net income. *See page 15.*

Insurance Fund Indicators

The Deposit Insurance Fund (DIF) balance increased by $2.3 billion during the quarter to $95.1 billion on March 31, driven by assessment income. The DIF's reserve ratio (the fund balance as a percent of estimated insured deposits) was 1.30 percent on March 31, 2018, unchanged from year-end 2017 due primarily to strong first quarter growth in estimated insured deposits. *See page 23.*

INSURED INSTITUTION PERFORMANCE

Net Income Increases 27.5 Percent From a Year Earlier Due to Higher Net Operating Revenue and a Lower Effective Tax Rate

Net Interest Income Rises 8.5 Percent From the Year Before

Noninterest Income Increases 7.9 Percent From a Year Earlier

Loan Balances Rise 4.9 Percent Over 12 Months

Net Income Increases 27.5 Percent From a Year Earlier Due to Higher Net Operating Revenue and a Lower Effective Tax Rate

Aggregate net income for the 5,606 FDIC-insured commercial banks and savings institutions reporting first quarter performance totaled $56 billion in first quarter 2018, an increase of $12.1 billion (27.5 percent) from a year earlier.[1] Improvement in net income was attributable to higher net operating revenue (the sum of net interest income and noninterest income) and a lower effective tax rate, but was offset in part by higher loan-loss provisions and noninterest expense. Using the effective tax rate before the new tax law, estimated net income would have been $49.4 billion, an increase of $5.5 billion (12.6 percent) from first quarter 2017.[2] The average return on assets rose by 24 basis points from first quarter 2017 to 1.28 percent. Less than 4 percent of institutions were unprofitable during the quarter, the lowest level since first quarter 1996.

Net Interest Income Rises 8.5 Percent From the Year Before

Net interest income rose by $10.3 billion (8.5 percent), as more than four out of five banks (85.9 percent) reported an increase from 12 months ago. For the past seven consecutive quarters, the annual growth rate for net interest income has exceeded 7.4 percent. The net interest margin (NIM) increased from 3.19 percent in first quarter 2017 to 3.32 percent, due to growth in interest income as interest-bearing assets rose by 3.6 percent. The improvement in NIM was widespread, as more than two out of three banks (69.4 percent) reported increases from a year earlier.

[1] One insured institution had not filed a March 31 Call Report at the time this report was prepared.

[2] This estimate of net income applies the average effective quarterly tax rate between fourth quarter 2011 and third quarter 2017 to income before taxes and discontinued operations.

Chart 1

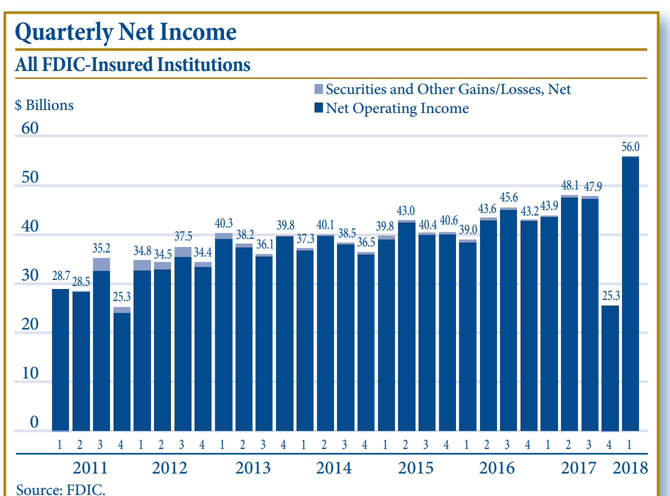
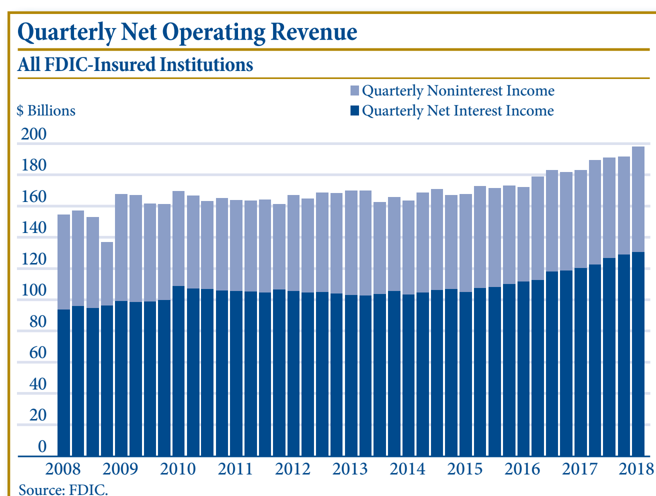


Chart 2



Noninterest Income Increases 7.9 Percent From a Year Earlier

Over the past 12 months, noninterest income grew by $4.9 billion (7.9 percent) to $67.4 billion. This increase is the highest 12-month growth rate since third quarter 2014. The annual increase in noninterest income was led by higher trading revenue (up $1.1 billion, or 14.9 percent) and other noninterest income (up $2.4 billion, or 8.8 percent).[3] More than half (55.1 percent) of all banks reported increases in noninterest income compared with first quarter 2017.

Noninterest Expense Increases 5.8 Percent From a Year Earlier

Noninterest expenses were $6.3 billion (5.8 percent) higher than first quarter 2017, as almost three out of four banks (74 percent) reported increases. Other noninterest expense rose by $3.7 billion (8.6 percent), and salary and employee benefits grew by $2.3 billion (4.3 percent). Average assets per employee increased from $8.2 million in first quarter 2017 to $8.4 million.

Provisions Increase Modestly From First Quarter 2017

In the first quarter, banks allocated $12.4 billion in loan-loss provisions, an increase of $356.6 million (3 percent) from a year earlier. Almost 37 percent of institutions reported higher loan-loss provisions than in first quarter 2017. The increase is due to higher net charge-offs, and a growing loan portfolio. Loan-loss provisions as a percent of net operating revenue totaled 6.2 percent for the first quarter, down from 6.6 percent a year ago.

Net Charge-Off Rate Remains Stable

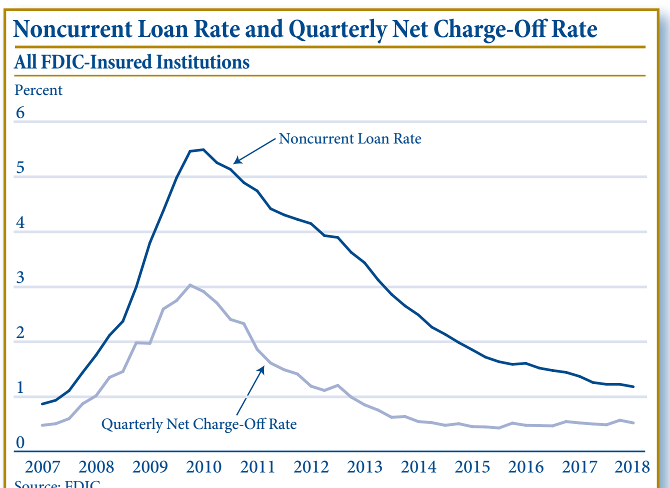
Banks charged off $12.1 billion in uncollectable loans during the quarter, an increase of $540.6 million (4.7 percent) from a year earlier. The annual increase in net charge-offs was led by credit card balances (up $1.1 billion, or 16.3 percent). However, less than half (42.9 percent) of all banks reported a year-over-year increase, and net charge-offs were lower for most major loan categories. The average net-charge off rate remained stable (0.50 percent) from a year earlier.

Noncurrent Loan Rate Declines Modestly

Noncurrent loan balances (90 days or more past due or in nonaccrual status) were $3.9 billion (3.4 percent) lower compared with the previous quarter. Slightly more than half (50.8 percent) of all banks reported declines in their noncurrent loan balances during the quarter. The decline in noncurrent loan balances was led by residential mortgages (down $2.8 billion, or 4.9 percent), commercial and industrial loans (down $617.2 million, or 3.4 percent), and credit cards (down $436.4 million, or 3.7 percent). The average noncurrent rate declined by 5 basis points from the previous quarter to 1.15 percent.

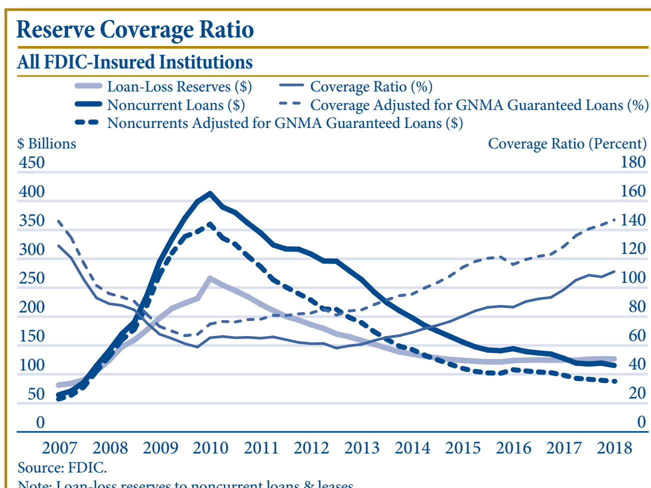
[3] Other noninterest income includes information technology costs, legal fees, consulting services, and audit fees.

Chart 3



Source: FDIC.

Chart 4



Source: FDIC.
Note: Loan-loss reserves to noncurrent loans & leases.

Coverage Ratio Rises to 110 Percent

Banks reduced their loan-loss reserves by $15 million from the previous quarter, with less than one-third (23.8 percent) of all banks reporting a quarterly decline. Banks with assets greater than $1 billion, which itemize their reserves, reported the largest quarterly increase in reserves for credit card losses (up $850.2 million, or 2.3 percent).[4] Reserves declined for residential real estate losses (down $654.3 million, or 4.5 percent) and commercial loan losses (down $368.5 million, or 1.1 percent). With noncurrent loan balances declining at a faster quarterly rate than loan-loss reserves, the coverage ratio (loan-loss reserves to noncurrent loan balances) increased from 106.3 percent in fourth quarter 2017 to 110 percent. This marks the fourth consecutive quarter that the coverage ratio was above 100 percent.

Equity Capital Rises Modestly

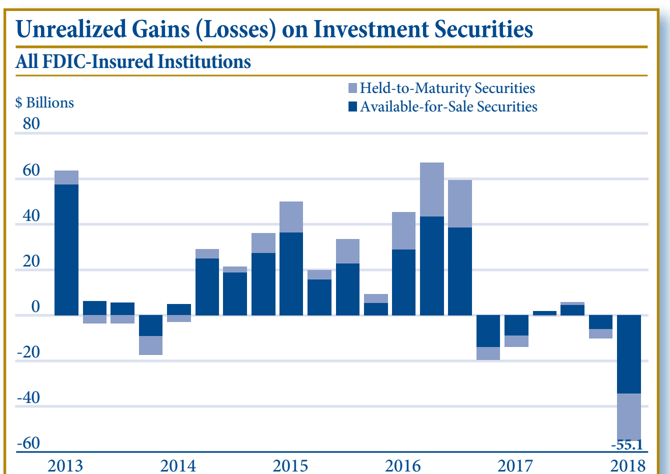
Bank equity capital rose by $11.2 billion (0.6 percent) from the previous quarter. Retained earnings contributed $25.3 billion to equity growth, but were offset in part by the decline in the market value of available-for-sale securities, which reduced accumulated other comprehensive income by $25.8 billion. Declared dividends in the first quarter totaled $30.7 billion, an increase of $3.3 billion (12.2 percent) from the year-earlier quarter. At the end of the quarter, 99.5 percent of all insured institutions, which account for 99.98 percent of total industry assets, met or exceeded the requirements for the highest regulatory capital category as defined for Prompt Corrective Action purposes.

Banks Increase Their Federal Reserve Bank Balances

Total assets increased by $116.1 billion (0.7 percent) from the previous quarter. Balances at Federal Reserve banks increased by $41.9 billion (3.6 percent). The securities portfolio declined by $32.9 billion (0.9 percent) from the previous quarter, as available-for-sale accounts fell by $11 billion (0.4 percent) and held-to-maturity accounts were reduced by $26.7 billion (2.6 percent). This marks the first time since third quarter 2010 that securities held-to-maturity declined.

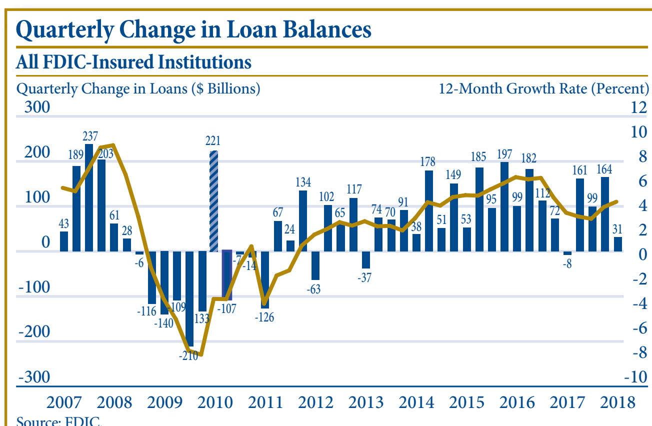
[4] Banks with assets greater than $1 billion represent almost 91 percent of total industry loan-loss reserves.

Chart 5



Source: FDIC.

Chart 6



Source: FDIC.

Note: FASB Statements 166 and 167 resulted in the consolidation of large amounts of securitized loan balances back onto banks' balance sheets in the first quarter of 2010. Although the total amount consolidated cannot be precisely quantified, the industry would have reported a decline in loan balances for the quarter absent this change in accounting standards.

Loan Balances Rise 4.9 Percent Over 12 Months

Total loan and lease balances rose by $31.3 billion (0.3 percent) from fourth quarter 2017. Commercial and industrial loans increased by $38.6 billion (1.9 percent), nonfarm nonresidential loans grew by $11.5 billion (0.8 percent), and residential mortgage loans rose by $8.8 billion (0.4 percent). Credit card balances posted a seasonal decline of $44.6 billion (5.2 percent). Over the past 12 months, total loan and lease balances rose by $455.2 billion (4.9 percent), exceeding last quarter's annual growth rate of 4.5 percent. Commercial and industrial loans increased by $91.8 billion (4.7 percent), residential mortgage loans grew by $87.8 billion (4.4 percent), credit card balances rose by $64.3 billion (8.5 percent), and nonfarm nonresidential loans increased by $56.1 billion (4.2 percent). Home equity lines of credit declined by $31.6 billion (7.3 percent) over the past 12 months. Unused loan commitments increased by 5.5 percent from a year earlier, the highest annual growth rate since first quarter 2016.

Deposits Increase From the Previous Quarter

Total deposits grew by $129.7 billion (1 percent) in the first quarter. Domestic interest-bearing deposits increased by $176.1 billion (2 percent), while noninterest-bearing deposits fell by $655.9 million (0.02 percent). Nondeposit liabilities declined by $24.1 billion (1.2 percent), led by other liabilities (down $30.7 billion, or 1.9 percent) and borrowings from Federal Home Loan Banks (down $28.6 billion, or 4.9 percent). Domestic deposits in accounts less than $250,000 rose by $169.7 billion (2.9 percent) from fourth quarter 2017.

Three New Charters Added in First Quarter 2018

There were 5,607 FDIC-insured commercial banks and savings institutions at the end of first quarter 2018, a decline from 5,670 the year before. The number of institutions on the FDIC's "Problem Bank List" fell from 95 to 92. During the quarter, 65 institutions were absorbed by merger transactions, three new charters were added, and there were no failures.

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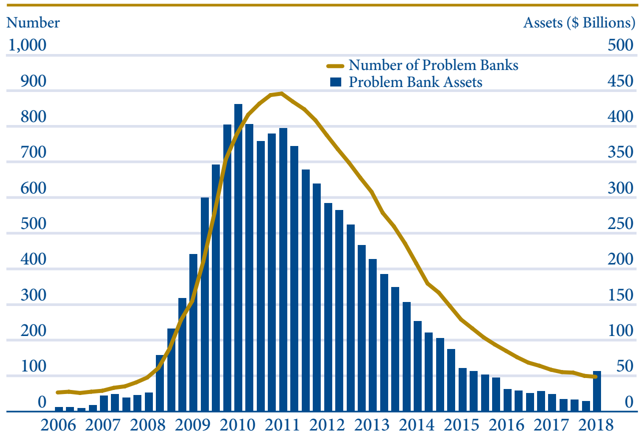
Chart 7

Number and Assets of Banks on the 'Problem Bank List'



Source: FDIC.

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

	2018**	2017**	2017	2016	2015	2014	2013
Return on assets (%)	1.28	1.04	0.97	1.04	1.04	1.01	1.07
Return on equity (%)	11.44	9.36	8.61	9.29	9.29	9.01	9.54
Core capital (leverage) ratio (%)	9.66	9.57	9.63	9.48	9.59	9.44	9.40
Noncurrent assets plus other real estate owned to assets (%)	0.69	0.81	0.72	0.86	0.97	1.20	1.63
Net charge-offs to loans (%)	0.50	0.50	0.50	0.47	0.44	0.49	0.69
Asset growth rate (%)	3.34	4.13	3.79	5.09	2.66	5.59	1.94
Net interest margin (%)	3.32	3.19	3.25	3.13	3.07	3.14	3.26
Net operating income growth (%)	28.14	13.52	-3.24	4.57	7.11	-0.73	12.82
Number of institutions reporting	5,606	5,856	5,670	5,913	6,182	6,509	6,812
Commercial banks	4,880	5,062	4,918	5,112	5,338	5,607	5,847
Savings institutions	726	794	752	801	844	902	965
Percentage of unprofitable institutions (%)	3.89	4.32	5.57	4.46	4.80	6.27	8.16
Number of problem institutions	92	112	95	123	183	291	467
Assets of problem institutions (in billions)	$56	$24	$14	$28	$47	$87	$153
Number of failed institutions	0	3	8	5	8	18	24

* Excludes insured branches of foreign banks (IBAs).
** Through March 31, ratios annualized where appropriate. Asset growth rates are for 12 months ending March 31.

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

(dollar figures in millions)	1st Quarter 2018	4th Quarter 2017	1st Quarter 2017	%Change 17Q1-18Q1
Number of institutions reporting	5,606	5,670	5,856	-4.3
Total employees (full-time equivalent)	2,076,862	2,076,128	2,081,563	-0.2
CONDITION DATA				
Total assets	$17,531,466	$17,415,377	$16,965,542	3.3
Loans secured by real estate	4,795,158	4,773,641	4,626,271	3.7
1-4 Family residential mortgages	2,072,605	2,063,782	1,984,814	4.4
Nonfarm nonresidential	1,402,606	1,391,145	1,346,536	4.2
Construction and development	344,189	338,318	319,233	7.8
Home equity lines	398,436	411,152	429,988	-7.3
Commercial & industrial loans	2,051,912	2,013,292	1,960,091	4.7
Loans to individuals	1,634,565	1,677,991	1,545,190	5.8
Credit cards	820,415	865,053	756,134	8.5
Farm loans	75,618	80,853	75,254	0.5
Other loans & leases	1,197,395	1,177,586	1,092,355	9.6
Less: Unearned income	2,283	2,290	2,034	12.2
Total loans & leases	9,752,364	9,721,072	9,297,126	4.9
Less: Reserve for losses	123,737	123,752	121,781	1.6
Net loans and leases	9,628,627	9,597,320	9,175,345	4.9
Securities	3,598,927	3,631,821	3,583,868	0.4
Other real estate owned	8,129	8,453	10,368	-21.6
Goodwill and other intangibles	388,719	383,383	370,338	5.0
All other assets	3,907,063	3,794,399	3,825,622	2.1
Total liabilities and capital	17,531,466	17,415,377	16,965,542	3.3
Deposits	13,528,840	13,399,154	13,083,807	3.4
Domestic office deposits	12,256,800	12,081,403	11,812,761	3.8
Foreign office deposits	1,272,040	1,317,751	1,271,046	0.1
Other borrowed funds	1,471,149	1,496,086	1,416,069	3.9
Subordinated debt	69,853	68,929	79,764	-12.4
All other liabilities	493,046	493,135	489,298	0.8
Total equity capital (includes minority interests)	1,968,579	1,958,072	1,896,602	3.8
Bank equity capital	1,964,980	1,953,733	1,891,375	3.9
Loans and leases 30-89 days past due	63,139	67,582	61,369	2.9
Noncurrent loans and leases	112,489	116,425	124,958	-10.0
Restructured loans and leases	58,443	60,185	64,022	-8.7
Mortgage-backed securities	2,113,372	2,133,348	2,034,512	3.9
Earning assets	15,883,545	15,760,901	15,325,848	3.6
FHLB Advances	553,953	582,545	522,554	6.0
Unused loan commitments	7,721,846	7,516,027	7,319,365	5.5
Trust assets	20,360,228	20,333,867	18,210,185	11.8
Assets securitized and sold	656,289	677,871	731,228	-10.2
Notional amount of derivatives	205,986,323	173,483,932	180,496,035	14.1

INCOME DATA	Full Year 2017	Full Year 2016	%Change	1st Quarter 2018	1st Quarter 2017	%Change 17Q1-18Q1
Total interest income	$572,280	$515,793	11.0	$154,939	$136,610	13.4
Total interest expense	73,254	54,391	34.7	23,592	15,529	51.9
Net interest income	499,026	461,402	8.2	131,347	121,081	8.5
Provision for loan and lease losses	51,125	48,108	6.3	12,397	12,041	3.0
Total noninterest income	255,253	253,641	0.6	67,420	62,500	7.9
Total noninterest expense	442,525	423,299	4.5	115,593	109,303	5.8
Securities gains (losses)	2,129	3,786	-43.8	242	549	-56.0
Applicable income taxes	97,961	76,015	28.9	14,940	18,801	-20.5
Extraordinary gains, net*	-87	-323	N/M	-8	-3	N/M
Total net income (includes minority interests)	164,710	171,086	-3.7	56,070	43,983	27.5
Bank net income	164,374	170,745	-3.7	55,977	43,892	27.5
Net charge-offs	46,801	42,432	10.3	12,060	11,520	4.7
Cash dividends	121,367	102,761	18.1	30,650	27,318	12.2
Retained earnings	43,007	67,984	-36.7	25,327	16,574	52.8
Net operating income	163,286	168,748	-3.2	55,882	43,608	28.1

* See Notes to Users for explanation. N/M - Not Meaningful

TABLE III-A. First Quarter 2018, All FDIC-Insured Institutions

FIRST QUARTER (The way it is...)	All Insured Institutions	Asset Concentration Groups* Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	5,606	11	5	1,355	2,934	412	61	273	497	58
Commercial banks	4,880	10	5	1,341	2,633	112	46	248	437	48
Savings institutions	726	1	0	14	301	300	15	25	60	10
Total assets (in billions)	$17,531.5	$542.0	$4,278.6	$270.6	$6,143.4	$353.4	$278.1	$45.2	$86.2	$5,533.9
Commercial banks	16,327.8	462.4	4,278.6	265.4	5,633.4	100.9	166.8	41.1	73.4	5,305.9
Savings institutions	1,203.7	79.6	0.0	5.2	510.1	252.5	111.3	4.2	12.8	228.0
Total deposits (in billions)	13,528.8	297.7	3,106.5	225.3	4,845.7	275.0	232.8	36.7	73.3	4,435.8
Commercial banks	12,570.9	239.7	3,106.5	222.4	4,455.9	81.9	139.7	33.9	62.7	4,228.2
Savings institutions	957.9	58.0	0.0	2.8	389.9	193.1	93.2	2.8	10.5	207.7
Bank net income (in millions)	55,977	3,641	12,805	885	18,816	947	981	359	217	17,326
Commercial banks	51,903	3,149	12,805	853	17,149	364	689	177	196	16,521
Savings institutions	4,074	492	0	33	1,667	583	292	182	21	805
Performance Ratios (annualized, %)										
Yield on earning assets	3.92	12.65	3.07	4.32	4.09	3.51	4.29	3.21	3.97	3.48
Cost of funding earning assets	0.60	1.76	0.59	0.59	0.58	0.60	0.59	0.36	0.46	0.50
Net interest margin	3.32	10.89	2.48	3.73	3.50	2.91	3.70	2.84	3.51	2.98
Noninterest income to assets	1.54	2.63	2.03	0.61	1.23	1.18	1.12	7.32	0.87	1.47
Noninterest expense to assets	2.65	5.60	2.51	2.52	2.71	2.57	2.44	6.06	2.87	2.38
Loan and lease loss provision to assets	0.28	3.65	0.18	0.09	0.17	-0.01	0.42	0.06	0.12	0.18
Net operating income to assets	1.28	2.64	1.20	1.31	1.23	1.06	1.42	3.22	1.01	1.25
Pretax return on assets	1.62	3.43	1.54	1.48	1.54	1.39	1.88	3.79	1.15	1.60
Return on assets	1.28	2.64	1.21	1.31	1.23	1.08	1.42	3.19	1.01	1.25
Return on equity	11.44	16.95	12.31	11.67	10.34	9.62	14.19	20.09	8.68	11.30
Net charge-offs to loans and leases	0.50	4.26	0.55	0.06	0.19	0.04	0.61	0.15	0.15	0.40
Loan and lease loss provision to net charge-offs	102.79	106.74	87.27	221.77	124.03	-31.00	95.65	142.11	143.91	92.59
Efficiency ratio	57.53	43.59	58.96	61.19	60.73	65.01	50.87	60.92	69.18	56.43
% of unprofitable institutions	3.89	0.00	0.00	2.80	3.14	7.77	3.28	8.42	5.43	6.90
% of institutions with earnings gains	74.19	81.82	100.00	69.67	78.80	68.69	80.33	67.40	66.00	77.59
Condition Ratios (%)										
Earning assets to total assets	90.60	92.37	88.33	93.55	91.12	94.81	97.65	92.14	93.00	90.79
Loss allowance to:										
Loans and leases	1.27	4.70	1.33	1.42	1.03	0.74	0.82	1.48	1.27	1.13
Noncurrent loans and leases	110.00	300.42	113.54	127.28	121.59	25.77	143.35	104.23	118.56	76.85
Noncurrent assets plus other real estate owned to assets	0.69	1.25	0.44	0.87	0.69	1.77	0.42	0.55	0.81	0.77
Equity capital ratio	11.21	16.03	9.81	11.20	11.90	11.27	10.05	15.71	11.57	11.06
Core capital (leverage) ratio	9.66	13.50	8.75	11.08	10.19	11.05	10.23	15.52	11.87	9.13
Common equity tier 1 capital ratio	13.06	13.49	13.13	14.74	12.42	22.25	18.14	33.86	20.33	12.85
Tier 1 risk-based capital ratio	13.14	13.61	13.22	14.76	12.51	22.27	18.34	33.86	20.35	12.92
Total risk-based capital ratio	14.54	15.69	14.61	15.89	13.81	23.16	19.20	34.82	21.46	14.41
Net loans and leases to deposits	71.17	138.50	49.94	79.90	88.26	75.83	84.58	33.79	64.94	61.84
Net loans to total assets	54.92	76.07	36.26	66.51	69.61	59.00	70.82	27.43	55.20	49.57
Domestic deposits to total assets	69.91	54.00	47.80	83.24	78.60	77.53	83.72	81.19	84.99	76.76
Structural Changes										
New reporters	3	0	0	0	0	0	0	3	0	0
Institutions absorbed by mergers	65	0	0	7	54	1	0	0	2	1
Failed institutions	0	0	0	0	0	0	0	0	0	0

PRIOR FRST QUARTERS (The way it was...)		All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions	2017	5,856	13	4	1,399	2,987	454	61	309	563	66
	2015	6,419	15	4	1,464	3,150	557	58	387	713	71
	2013	7,019	16	5	1,491	3,483	619	49	450	827	79
Total assets (in billions)	2017	$16,965.5	$506.1	$4,001.0	$271.2	$5,730.6	$339.1	$258.2	$52.2	$102.7	$5,704.5
	2015	15,778.0	489.9	3,855.3	254.9	4,926.8	461.8	181.7	63.6	132.4	5,411.8
	2013	14,423.8	594.5	3,838.6	231.1	4,223.0	566.2	106.3	69.4	148.9	4,645.8
Return on assets (%)	2017	1.04	2.07	0.94	1.18	0.98	0.91	1.08	2.53	0.91	1.06
	2015	1.02	3.04	0.90	1.17	0.91	0.76	1.02	2.19	0.90	1.02
	2013	1.12	3.11	0.95	1.14	0.89	0.94	1.48	1.52	0.93	1.22
Net charge-offs to loans & leases (%)	2017	0.50	3.93	0.66	0.10	0.20	0.09	0.65	0.12	0.13	0.38
	2015	0.43	2.80	0.63	0.02	0.15	0.15	0.60	0.13	0.14	0.41
	2013	0.83	3.41	1.17	0.10	0.51	0.42	1.18	0.34	0.29	0.63
Noncurrent assets plus OREO to assets (%)	2017	0.81	1.14	0.56	0.84	0.82	1.92	0.68	0.56	0.90	0.86
	2015	1.10	0.83	0.78	0.80	1.06	1.94	1.11	0.70	1.31	1.33
	2013	2.08	1.04	1.30	1.07	2.12	2.57	0.92	1.05	1.68	2.85
Equity capital ratio (%)	2017	11.15	15.52	10.03	11.30	11.91	10.89	10.14	14.81	11.52	10.80
	2015	11.18	15.30	9.52	11.44	11.98	11.34	9.93	14.71	11.69	11.23
	2013	11.28	14.94	8.97	11.27	11.95	11.44	9.50	14.56	11.49	12.07

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

TABLE III-A. First Quarter 2018, All FDIC-Insured Institutions

FIRST QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	5,606	1,392	3,453	629	123	9	684	656	1,208	1,425	1,214	419
Commercial banks	4,880	1,237	3,014	511	109	9	356	599	1,030	1,376	1,138	381
Savings institutions	726	155	439	118	14	0	328	57	178	49	76	38
Total assets (in billions)	$17,531.5	$83.1	$1,130.3	$1,701.8	$5,827.3	$8,789.0	$3,273.9	$3,604.2	$3,969.6	$3,674.4	$1,102.8	$1,906.6
Commercial banks	16,327.8	74.3	964.4	1,356.4	5,143.6	8,789.0	2,838.6	3,502.9	3,859.6	3,633.9	965.8	1,527.0
Savings institutions	1,203.7	8.8	165.8	345.3	683.7	0.0	435.3	101.2	110.0	40.4	137.1	379.6
Total deposits (in billions)	13,528.8	69.7	946.4	1,361.8	4,464.9	6,686.2	2,480.0	2,863.9	2,952.8	2,816.3	904.1	1,511.6
Commercial banks	12,570.9	62.9	815.0	1,095.4	3,911.4	6,686.2	2,148.6	2,783.4	2,876.3	2,785.1	793.0	1,184.5
Savings institutions	957.9	6.7	131.3	266.4	553.5	0.0	331.4	80.6	76.6	31.2	111.1	327.1
Bank net income (in millions)	55,977	201	3,344	5,383	19,848	27,201	9,360	11,803	12,531	10,834	3,689	7,761
Commercial banks	51,903	176	2,862	4,493	17,171	27,201	8,397	11,560	12,172	10,715	3,216	5,842
Savings institutions	4,074	26	481	890	2,677	0	963	243	359	119	472	1,919
Performance Ratios (annualized, %)												
Yield on earning assets	3.92	4.24	4.31	4.27	4.49	3.41	4.05	4.04	3.20	3.93	4.27	4.70
Cost of funding earning assets	0.60	0.50	0.56	0.60	0.70	0.54	0.73	0.52	0.51	0.65	0.48	0.65
Net interest margin	3.32	3.75	3.75	3.67	3.79	2.88	3.32	3.51	2.69	3.28	3.79	4.05
Noninterest income to assets	1.54	1.33	1.11	1.17	1.53	1.69	1.37	1.44	1.94	1.40	1.25	1.68
Noninterest expense to assets	2.65	3.58	3.11	2.77	2.74	2.49	2.54	2.61	2.66	2.60	2.96	2.80
Loan and lease loss provision to assets	0.28	0.11	0.11	0.19	0.48	0.19	0.37	0.30	0.12	0.26	0.15	0.57
Net operating income to assets	1.28	0.98	1.18	1.28	1.37	1.24	1.15	1.31	1.26	1.18	1.35	1.64
Pretax return on assets	1.62	1.09	1.39	1.61	1.76	1.57	1.45	1.68	1.59	1.51	1.62	2.13
Return on assets	1.28	0.97	1.19	1.28	1.37	1.24	1.15	1.31	1.27	1.18	1.35	1.64
Return on equity	11.44	7.37	10.54	10.88	11.24	11.89	9.30	10.90	12.23	11.77	11.74	14.23
Net charge-offs to loans and leases	0.50	0.16	0.08	0.18	0.74	0.46	0.62	0.56	0.24	0.53	0.20	0.73
Loan and lease loss provision to net charge-offs	102.79	121.59	197.16	151.56	106.63	88.90	106.07	94.03	95.75	92.77	112.92	124.47
Efficiency ratio	57.53	74.54	67.30	60.10	54.38	57.91	57.48	56.39	60.82	58.38	61.83	50.53
% of unprofitable institutions	3.89	9.55	2.20	1.27	0.81	0.00	4.82	5.49	4.47	2.81	2.97	4.53
% of institutions with earnings gains	74.19	63.22	75.82	86.01	91.06	88.89	78.95	76.52	70.86	71.72	74.38	80.19
Condition Ratios (%)												
Earning assets to total assets	90.60	92.73	93.29	92.72	91.23	89.40	90.12	89.79	89.52	90.75	91.99	94.12
Loss allowance to:												
Loans and leases	1.27	1.41	1.25	1.12	1.37	1.22	1.29	1.28	1.14	1.31	1.11	1.45
Noncurrent loans and leases	110.00	113.17	139.96	131.82	129.67	89.39	124.30	100.55	97.76	92.73	103.93	202.57
Noncurrent assets plus other real estate owned to assets	0.69	1.02	0.83	0.70	0.68	0.67	0.63	0.79	0.62	0.79	0.82	0.47
Equity capital ratio	11.21	13.11	11.25	11.77	12.19	10.43	12.36	12.04	10.37	10.04	11.48	11.51
Core capital (leverage) ratio	9.66	13.19	11.24	10.88	10.39	8.70	10.31	9.54	9.18	9.02	10.28	10.70
Common equity tier 1 capital ratio	13.06	21.14	15.50	14.16	13.20	12.33	13.36	12.76	12.84	12.24	13.35	15.06
Tier 1 risk-based capital ratio	13.14	21.18	15.53	14.18	13.36	12.37	13.42	12.86	12.88	12.33	13.45	15.19
Total risk-based capital ratio	14.54	22.25	16.62	15.16	14.84	13.84	14.85	14.19	14.06	14.24	14.53	16.26
Net loans and leases to deposits	71.17	69.68	80.92	86.75	78.83	61.52	73.50	71.68	66.22	68.36	78.47	76.93
Net loans to total assets	54.92	58.38	67.76	69.42	60.40	46.80	55.68	56.96	49.26	52.40	64.33	60.99
Domestic deposits to total assets	69.91	83.78	83.72	79.77	73.66	63.61	69.22	76.90	64.98	60.91	81.93	78.57
Structural Changes												
New reporters	3	3	0	0	0	0	0	1	0	0	0	2
Institutions absorbed by mergers	65	17	38	10	0	0	11	8	7	11	23	5
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0
PRIOR FIRST QUARTERS (The way it was...)												
Number of institutions 2017	5,856	1,501	3,605	632	109	9	719	708	1,253	1,471	1,264	441
2015	6,419	1,830	3,895	582	103	9	796	797	1,386	1,585	1,351	504
2013	7,019	2,161	4,196	553	102	7	867	894	1,500	1,701	1,480	577
Total assets (in billions) 2017	$16,965.5	$88.9	$1,166.2	$1,763.5	$5,363.5	$8,583.4	$3,114.5	$3,539.0	$3,839.3	$3,679.1	$1,032.1	$1,761.6
2015	15,778.0	107.6	1,219.7	1,572.9	4,684.3	8,193.5	3,020.2	3,273.1	3,633.2	3,424.9	923.6	1,503.1
2013	14,423.8	126.0	1,270.8	1,423.8	4,705.9	6,897.3	2,862.3	3,017.0	3,345.3	3,068.2	870.9	1,260.0
Return on assets (%) 2017	1.04	0.90	1.04	1.09	1.06	1.02	0.92	0.99	0.98	1.08	1.15	1.36
2015	1.02	0.86	1.01	1.05	1.03	1.01	0.83	0.98	0.94	1.16	1.03	1.35
2013	1.12	0.73	0.87	1.09	1.10	1.19	0.86	1.11	1.09	1.25	1.09	1.49
Net charge-offs to loans & leases (%) 2017	0.50	0.14	0.12	0.20	0.71	0.49	0.52	0.58	0.34	0.51	0.28	0.67
2015	0.43	0.15	0.11	0.20	0.53	0.50	0.46	0.52	0.27	0.54	0.16	0.46
2013	0.83	0.27	0.33	0.43	1.06	0.88	1.10	0.83	0.55	1.05	0.37	0.65
Noncurrent assets plus OREO to assets (%) 2017	0.81	1.09	0.93	0.81	0.75	0.82	0.69	0.97	0.73	0.92	0.99	0.51
2015	1.10	1.39	1.33	1.15	0.84	1.20	0.82	1.37	1.04	1.36	1.12	0.61
2013	2.08	2.04	2.30	2.17	1.36	2.50	1.41	3.03	1.87	2.34	2.00	1.28
Equity capital ratio (%) 2017	11.15	12.86	11.19	11.59	12.08	10.45	12.29	12.04	10.30	9.89	10.94	11.94
2015	11.18	12.45	11.28	11.87	12.47	10.28	11.76	12.47	9.89	10.25	11.08	12.53
2013	11.28	11.97	11.00	11.84	12.63	10.28	12.26	12.22	9.12	11.03	10.81	13.41

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

TABLE IV-A. Full Year 2017, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Concentration Groups* Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	5,670	11	5	1,390	2,943	420	59	272	510	60
Commercial banks	4,918	10	5	1,376	2,632	105	45	245	448	52
Savings institutions	752	1	0	14	311	315	14	27	62	8
Total assets (in billions)	$17,415.4	$562.7	$4,196.0	$282.6	$6,025.9	$349.2	$270.9	$46.9	$88.9	$5,592.2
Commercial banks	16,217.8	483.6	4,196.0	277.4	5,545.8	95.3	163.1	42.7	76.8	5,337.3
Savings institutions	1,197.5	79.2	0.0	5.3	480.1	254.0	107.8	4.2	12.1	254.9
Total deposits (in billions)	13,399.2	309.7	3,064.1	234.1	4,733.5	274.4	227.6	38.0	74.8	4,442.8
Commercial banks	12,467.5	251.9	3,064.1	231.3	4,374.3	81.2	137.7	35.1	65.0	4,227.0
Savings institutions	931.6	57.8	0.0	2.9	359.2	193.3	89.9	2.9	9.8	215.8
Bank net income (in millions)	164,374	7,837	25,587	2,898	59,459	3,151	2,678	1,205	799	60,761
Commercial banks	151,772	6,274	25,587	2,786	54,236	1,357	1,907	621	722	58,281
Savings institutions	12,602	1,563	0	112	5,223	1,793	771	584	76	2,479
Performance Ratios (%)										
Yield on earning assets	3.73	12.45	2.91	4.24	3.89	3.31	4.02	3.08	3.89	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	2.83	3.56	2.75	3.48	2.93
Noninterest income to assets	1.50	2.44	1.82	0.64	1.27	1.31	1.18	6.36	0.92	1.46
Noninterest expense to assets	2.60	5.32	2.42	2.67	2.73	2.51	2.45	5.52	2.91	2.33
Loan and lease loss provision to assets	0.30	3.92	0.19	0.15	0.16	0.00	0.46	0.06	0.10	0.21
Net operating income to assets	0.96	1.52	0.61	1.04	1.02	0.91	1.02	2.58	0.91	1.09
Pretax return on assets	1.54	3.19	1.34	1.30	1.49	1.51	1.76	3.35	1.15	1.59
Return on assets	0.97	1.52	0.62	1.05	1.02	0.94	1.02	2.61	0.91	1.10
Return on equity	8.61	9.84	6.21	9.26	8.56	8.40	10.20	17.37	7.66	9.98
Net charge-offs to loans and leases	0.50	3.95	0.56	0.16	0.21	0.04	0.60	0.23	0.15	0.43
Loan and lease loss provision to net charge-offs	109.24	124.63	95.36	134.52	113.81	5.10	106.58	90.99	111.51	95.52
Efficiency ratio	57.93	42.09	60.65	64.66	61.62	62.64	51.68	62.01	69.94	55.73
% of unprofitable institutions	5.57	0.00	0.00	3.17	5.50	10.24	8.47	10.29	6.27	3.33
% of institutions with earnings gains	55.84	27.27	40.00	54.53	57.59	50.48	47.46	53.68	55.10	68.33
Condition Ratios (%)										
Earning assets to total assets	90.50	92.20	88.39	93.02	90.93	94.74	97.52	92.30	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	106.29	284.47	107.71	145.07	119.72	27.72	169.94	105.91	113.86	73.16
Noncurrent assets plus other real estate owned to assets	0.72	1.25	0.48	0.77	0.70	1.70	0.36	0.59	0.81	0.82
Equity capital ratio	11.22	15.10	9.83	11.18	11.95	11.22	10.00	15.26	11.94	11.09
Core capital (leverage) ratio	9.63	13.12	8.66	10.89	10.16	10.90	10.12	14.73	11.84	9.19
Common equity tier 1 capital ratio	13.11	12.75	13.33	14.41	12.38	21.82	17.93	32.08	20.30	13.06
Tier 1 risk-based capital ratio	13.19	12.87	13.41	14.42	12.47	21.83	18.14	32.08	20.32	13.13
Total risk-based capital ratio	14.58	14.97	14.76	15.54	13.78	22.75	19.00	33.06	21.45	14.60
Net loans and leases to deposits	71.63	140.71	49.89	80.59	88.51	75.67	84.86	34.48	65.93	62.82
Net loans to total assets	55.11	77.45	36.44	66.76	69.53	59.46	71.30	27.95	55.47	49.91
Domestic deposits to total assets	69.37	54.42	48.25	82.84	78.27	78.29	84.00	81.07	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	$51.1	$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	2.27	0.93	1.21	0.97	0.99	0.96	2.85	0.92	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	0.19	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 OREO to assets (%) 2016	0.86	1.14	0.61	0.77	0.87	1.97	0.70	0.63	0.94	0.96
2014	1.20	0.88	0.85	0.83	1.17	2.19	1.19	0.73	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	14.84	9.97	11.30	11.81	11.28	10.04	15.24	11.41	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.

TABLE IV-A. Full Year 2017, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	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	3,062	509	100	9	362	606	1,019	1,389	1,158	384
Savings institutions	752	169	451	118	14	0	331	62	195	49	77	38
Total assets (in billions)	$17,415.4	$83.7	$1,154.2	$1,751.7	$5,699.2	$8,726.6	$3,248.1	$3,601.0	$3,918.1	$3,683.1	$1,090.0	$1,875.1
Commercial banks	16,217.8	74.2	984.2	1,411.7	5,021.1	8,726.6	2,811.4	3,498.4	3,806.6	3,641.9	955.9	1,503.7
Savings institutions	1,197.5	9.5	170.0	340.0	678.1	0.0	436.7	102.6	111.5	41.2	134.1	371.5
Total deposits (in billions)	13,399.2	70.0	961.8	1,390.1	4,340.0	6,637.2	2,462.4	2,828.3	2,928.1	2,819.2	889.0	1,472.2
Commercial banks	12,467.5	62.6	827.8	1,131.8	3,808.1	6,637.2	2,130.3	2,747.0	2,851.1	2,788.8	781.0	1,169.5
Savings institutions	931.6	7.4	134.0	258.3	531.9	0.0	332.1	81.3	77.0	30.4	108.0	302.7
Bank net income (in millions)	164,374	685	11,686	17,691	57,377	76,935	26,827	35,146	38,508	28,007	11,697	24,190
Commercial banks	151,772	639	10,143	14,849	49,207	76,935	23,700	34,552	37,286	27,624	10,311	18,299
Savings institutions	12,602	47	1,544	2,841	8,170	0	3,126	594	1,221	383	1,386	5,892
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	1.33	1.45	1.85	1.25	1.35	1.74
Noninterest expense to assets	2.60	3.46	3.13	2.79	2.68	2.44	2.55	2.58	2.58	2.51	3.00	2.73
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	0.82	1.03	1.04	1.04	0.89	0.85	1.00	1.00	0.75	1.12	1.34
Pretax return on assets	1.54	1.02	1.38	1.63	1.67	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	0.89	0.85	1.00	1.00	0.77	1.12	1.36
Return on equity	8.61	6.38	9.21	8.99	8.59	8.49	6.93	8.24	9.61	7.67	9.99	11.43
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	109.24	110.34	128.65	131.35	118.11	94.37	121.03	99.55	94.34	102.10	111.10	129.14
Efficiency ratio	57.93	74.93	67.39	59.76	54.45	58.58	59.08	56.29	61.40	58.67	62.25	49.83
% of unprofitable institutions	5.57	10.73	4.30	1.75	2.63	0.00	7.65	9.73	5.93	3.34	4.29	5.92
% of institutions with earnings gains	55.84	53.30	55.68	60.93	63.16	66.67	51.08	53.59	56.51	55.08	59.19	58.06
Condition Ratios (%)												
Earning assets to total assets	90.50	92.36	93.04	92.35	91.16	89.35	90.06	89.74	89.48	90.55	91.73	94.02
Loss allowance to:												
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	106.29	115.59	141.50	141.33	127.25	83.87	120.77	96.48	96.65	86.08	107.20	209.24
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	11.29	11.82	12.13	10.47	12.34	12.06	10.42	9.99	11.49	11.58
Core capital (leverage) ratio	9.63	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	13.28	12.81	12.97	12.44	13.15	15.00
Tier 1 risk-based capital ratio	13.19	20.59	15.39	13.87	13.31	12.58	13.36	12.91	13.02	12.51	13.25	15.14
Total risk-based capital ratio	14.58	21.66	16.48	14.87	14.77	14.04	14.72	14.27	14.22	14.38	14.32	16.22
Net loans and leases to deposits	71.63	70.55	81.31	87.90	78.96	62.03	73.67	73.07	66.04	68.57	79.38	77.70
Net loans to total assets	55.11	58.99	67.76	69.76	60.13	47.18	55.85	57.39	49.35	52.49	64.74	61.01
Domestic deposits to total assets	69.37	83.61	83.33	79.12	72.91	63.12	68.90	75.98	65.31	59.72	81.51	77.89
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...)												
Number of institutions 2016	5,913	1,541	3,637	621	105	9	724	720	1,271	1,485	1,268	445
2014	6,509	1,871	3,957	574	98	9	807	812	1,406	1,599	1,372	513
2012	7,083	2,204	4,217	555	99	8	873	904	1,515	1,716	1,490	585
Total assets (in billions) 2016	$16,779.6	$91.5	$1,173.9	$1,761.8	$5,305.7	$8,446.8	$3,096.4	$3,507.3	$3,784.3	$3,633.8	$1,010.7	$1,747.0
2014	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
2012	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	1.04	0.89	1.08	1.01	1.07	1.03	0.87	1.02	1.00	1.09	1.02	1.40
2014	1.01	0.79	1.00	1.09	1.09	0.95	0.83	1.00	0.88	1.07	1.14	1.49
2012	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	0.47	0.21	0.14	0.25	0.64	0.47	0.52	0.54	0.27	0.53	0.31	0.58
2014	0.49	0.23	0.23	0.27	0.60	0.54	0.55	0.54	0.36	0.60	0.23	0.47
2012	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 OREO to assets (%) 2016	0.86	1.10	0.96	0.84	0.78	0.90	0.70	1.03	0.79	1.00	1.06	0.53
2014	1.20	1.45	1.38	1.41	0.83	1.32	0.89	1.55	1.11	1.46	1.18	0.65
2012	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	11.10	12.70	11.14	11.55	11.87	10.50	12.11	12.05	10.32	9.87	10.92	11.79
2014	11.15	12.28	11.20	11.90	12.39	10.28	11.81	12.45	9.80	10.20	11.06	12.47
2012	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.

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

March 31, 2018	All Insured Institutions	Asset Concentration Groups*: Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.66	0.17	0.79	0.80	0.46	0.86	0.34	1.28	1.16	1.00
Construction and development	0.38	0.00	0.09	0.60	0.35	0.56	0.51	1.03	0.72	0.55
Nonfarm nonresidential	0.32	0.00	0.37	0.58	0.28	0.27	0.27	0.98	0.96	0.40
Multifamily residential real estate	0.12	0.00	0.05	0.35	0.14	0.15	0.04	0.43	0.57	0.08
Home equity loans	0.66	0.00	0.99	0.35	0.50	0.55	0.31	0.49	0.71	0.80
Other 1-4 family residential	1.05	0.18	1.11	1.09	0.81	0.98	0.35	1.67	1.40	1.39
Commercial and industrial loans	0.29	0.96	0.35	0.98	0.29	0.51	0.27	0.94	1.03	0.22
Loans to individuals	1.32	1.45	1.09	1.21	1.17	0.98	0.71	1.47	1.66	1.59
Credit card loans	1.28	1.46	1.10	1.18	0.99	0.78	0.68	1.26	2.15	1.19
Other loans to individuals	1.37	1.33	1.06	1.21	1.19	1.00	0.72	1.48	1.64	1.84
All other loans and leases (including farm)	0.31	0.62	0.29	1.52	0.24	0.19	0.04	0.75	0.56	0.29
Total loans and leases	0.65	1.43	0.62	0.99	0.46	0.81	0.53	1.23	1.15	0.79
Percent of Loans Noncurrent**										
All real estate loans	1.60	0.81	2.22	1.08	0.89	3.03	0.80	1.57	1.12	2.79
Construction and development	0.47	0.00	0.27	0.70	0.49	0.39	0.61	2.33	0.99	0.37
Nonfarm nonresidential	0.61	0.00	0.48	1.02	0.58	0.68	0.60	1.21	1.25	0.67
Multifamily residential real estate	0.15	0.00	0.07	0.21	0.16	0.46	0.18	1.68	0.61	0.13
Home equity loans	2.45	73.35	4.24	0.39	1.25	1.19	1.64	0.47	0.44	3.82
Other 1-4 family residential	2.61	0.68	3.03	0.85	1.49	3.64	0.76	1.67	1.14	3.86
Commercial and industrial loans	0.85	0.88	0.84	1.37	0.97	4.44	0.39	1.44	0.99	0.65
Loans to individuals	0.96	1.59	0.89	0.52	0.74	0.46	0.53	0.86	1.17	0.70
Credit card loans	1.40	1.64	1.17	0.40	0.98	0.76	1.28	0.47	1.03	1.22
Other loans to individuals	0.51	0.67	0.32	0.53	0.71	0.43	0.36	0.88	1.17	0.39
All other loans and leases (including farm)	0.22	0.47	0.09	1.19	0.33	0.18	0.04	0.66	0.46	0.17
Total loans and leases	1.15	1.56	1.17	1.12	0.85	2.86	0.57	1.42	1.07	1.47
Percent of Loans Charged-Off (net, YTD)										
All real estate loans	0.02	0.11	0.06	0.00	0.02	0.01	-0.02	0.06	0.01	0.00
Construction and development	-0.03	0.00	0.00	-0.14	-0.04	0.01	0.01	0.42	-0.19	-0.02
Nonfarm nonresidential	0.01	0.00	-0.01	-0.01	0.03	-0.03	0.04	0.00	-0.01	-0.03
Multifamily residential real estate	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	-0.01	-0.01
Home equity loans	0.11	8.90	0.23	-0.08	0.10	-0.10	-0.05	-0.07	0.02	0.10
Other 1-4 family residential	0.02	0.10	0.06	0.03	0.02	0.02	-0.02	0.07	0.04	0.00
Commercial and industrial loans	0.28	2.94	0.27	0.16	0.32	-0.04	0.37	-0.04	0.88	0.17
Loans to individuals	2.43	4.32	2.63	0.51	1.16	1.12	1.05	0.61	0.60	1.92
Credit card loans	3.89	4.41	3.51	2.47	3.38	2.56	2.95	1.09	1.81	3.38
Other loans to individuals	0.90	2.35	0.78	0.33	0.84	0.98	0.60	0.59	0.56	1.02
All other loans and leases (including farm)	0.12	1.19	0.05	0.13	0.14	0.15	0.00	0.69	0.19	0.15
Total loans and leases	0.50	4.26	0.55	0.06	0.19	0.04	0.61	0.15	0.15	0.40
Loans Outstanding (in billions)										
All real estate loans	$4,795.2	$0.5	$574.2	$114.8	$2,653.0	$187.5	$62.5	$8.8	$36.9	$1,156.9
Construction and development	344.2	0.0	17.4	6.5	257.2	5.8	0.5	0.7	2.3	53.7
Nonfarm nonresidential	1,402.6	0.0	50.1	30.7	1,034.2	16.8	4.5	2.9	8.6	254.8
Multifamily residential real estate	411.0	0.0	77.1	3.7	278.0	4.8	1.2	0.2	1.0	45.0
Home equity loans	398.4	0.0	51.2	2.3	200.4	11.0	4.7	0.3	1.5	127.1
Other 1-4 family residential	2,072.6	0.4	328.5	27.7	836.3	148.2	51.5	4.1	20.4	655.4
Commercial and industrial loans	2,051.9	16.3	344.9	20.9	992.9	6.1	9.8	1.6	4.1	655.4
Loans to individuals	1,634.6	415.0	269.5	6.0	347.3	4.0	112.8	1.6	4.1	474.2
Credit card loans	820.4	395.0	181.1	0.5	43.2	0.4	20.8	0.1	0.1	179.2
Other loans to individuals	814.1	20.0	88.4	5.5	304.1	3.7	92.0	1.5	4.0	295.0
All other loans and leases (including farm)	1,273.0	0.8	384.2	40.9	329.4	12.5	13.6	0.6	3.0	488.0
Total loans and leases (plus unearned income)	9,754.6	432.6	1,572.7	182.6	4,322.6	210.2	198.7	12.6	48.2	2,774.5
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	8,129.2	0.2	498.1	314.9	5,243.1	242.3	32.4	69.5	178.0	1,550.7
Construction and development	2,314.7	0.0	5.2	70.4	1,934.6	50.3	4.8	29.4	53.2	166.6
Nonfarm nonresidential	2,290.7	0.0	67.0	107.5	1,691.9	20.3	6.1	22.8	56.1	319.1
Multifamily residential real estate	123.8	0.0	0.0	13.3	82.1	13.3	0.0	1.0	3.8	10.2
1-4 family residential	2,839.5	0.2	300.9	53.1	1,424.7	122.5	20.6	14.9	60.0	842.6
Farmland	182.9	0.0	0.0	70.5	72.0	2.4	0.9	1.1	4.5	31.4
GNMA properties	344.6	0.0	94.0	0.0	37.8	33.4	0.0	0.2	0.4	178.9

* Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):
Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.
International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.
Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of the total loans and leases.
Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.
Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.
Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.
Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.
All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
** 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 V-A. Loan Performance, All FDIC-Insured Institutions

		Asset Size Distribution					Geographic Regions*					
March 31, 2018	All Insured Institutions	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due												
All loans secured by real estate	0.66	1.20	0.64	0.38	0.52	0.94	0.51	0.75	0.66	0.96	0.62	0.36
Construction and development	0.38	0.74	0.51	0.43	0.31	0.34	0.49	0.41	0.20	0.40	0.39	0.37
Nonfarm nonresidential	0.32	0.94	0.47	0.29	0.23	0.37	0.37	0.22	0.31	0.44	0.37	0.21
Multifamily residential real estate	0.12	0.75	0.27	0.09	0.15	0.05	0.14	0.13	0.10	0.10	0.10	0.11
Home equity loans	0.66	0.78	0.49	0.38	0.50	0.85	0.53	0.79	0.72	0.71	0.48	0.31
Other 1-4 family residential	1.05	1.59	0.89	0.57	0.89	1.34	0.77	1.19	0.98	1.48	1.16	0.55
Commercial and industrial loans	0.29	1.22	0.65	0.46	0.25	0.25	0.24	0.23	0.29	0.30	0.48	0.37
Loans to individuals	1.32	1.66	1.20	1.29	1.23	1.42	1.14	1.76	0.97	1.31	0.83	1.32
Credit card loans	1.28	4.23	1.92	2.98	1.36	1.12	1.16	1.39	1.10	1.16	0.66	1.63
Other loans to individuals	1.37	1.61	1.16	0.99	1.07	1.72	1.10	2.13	0.92	1.55	0.91	1.04
All other loans and leases (including farm)	0.31	1.09	0.98	0.51	0.28	0.27	0.09	0.23	0.38	0.31	0.31	0.81
Total loans and leases	0.65	1.22	0.69	0.46	0.60	0.73	0.54	0.75	0.57	0.76	0.59	0.63
Percent of Loans Noncurrent**												
All real estate loans	1.60	1.25	0.88	0.74	1.27	2.63	1.27	2.00	1.80	2.34	1.04	0.48
Construction and development	0.47	0.95	0.98	0.58	0.27	0.31	0.51	0.72	0.43	0.38	0.37	0.39
Nonfarm nonresidential	0.61	1.47	0.78	0.61	0.53	0.59	0.72	0.59	0.66	0.64	0.60	0.39
Multifamily residential real estate	0.15	1.03	0.44	0.15	0.11	0.10	0.15	0.18	0.15	0.15	0.25	0.07
Home equity loans	2.45	0.41	0.57	0.62	1.27	3.99	2.33	3.09	2.38	2.91	1.06	0.63
Other 1-4 family residential	2.61	1.26	0.97	1.11	2.32	3.63	2.07	3.03	2.69	3.81	2.10	0.57
Commercial and industrial loans	0.85	1.57	1.09	1.51	0.92	0.65	0.83	0.71	0.76	0.80	1.51	1.07
Loans to individuals	0.96	0.85	0.66	0.85	1.13	0.79	1.06	1.08	0.55	0.93	0.82	1.02
Credit card loans	1.40	2.68	1.69	2.99	1.53	1.17	1.33	1.45	1.18	1.23	1.26	1.80
Other loans to individuals	0.51	0.82	0.60	0.47	0.60	0.42	0.64	0.72	0.30	0.47	0.62	0.33
All other loans and leases (including farm)	0.22	1.13	0.87	0.44	0.29	0.12	0.22	0.15	0.15	0.27	0.36	0.39
Total loans and leases	1.15	1.24	0.89	0.85	1.06	1.37	1.04	1.28	1.17	1.41	1.07	0.71
Percent of Loans Charged-Off (net, YTD)												
All real estate loans	0.02	0.02	0.01	0.01	0.03	0.02	0.04	0.03	0.02	0.02	0.01	-0.01
Construction and development	-0.03	0.02	-0.02	-0.06	-0.04	-0.02	0.01	-0.05	-0.02	-0.06	-0.01	-0.12
Nonfarm nonresidential	0.01	0.01	0.01	0.01	0.03	-0.02	0.03	0.04	0.01	-0.02	0.01	0.00
Multifamily residential real estate	0.00	0.11	-0.01	0.00	0.00	-0.01	0.00	0.00	0.00	-0.01	0.01	-0.01
Home equity loans	0.11	0.03	0.02	0.03	0.10	0.14	0.14	0.14	0.12	0.06	0.02	0.02
Other 1-4 family residential	0.02	0.04	0.03	0.02	0.03	0.01	0.05	0.01	0.01	0.04	0.02	0.00
Commercial and industrial loans	0.28	0.44	0.22	0.30	0.40	0.19	0.42	0.21	0.21	0.25	0.24	0.47
Loans to individuals	2.43	0.91	0.90	1.95	2.76	2.17	2.66	2.46	1.47	2.77	1.56	2.66
Credit card loans	3.89	18.97	6.69	7.78	4.16	3.41	3.63	4.04	3.68	3.63	2.83	4.76
Other loans to individuals	0.90	0.56	0.52	0.89	0.87	0.97	1.08	0.84	0.57	1.40	0.98	0.74
All other loans and leases (including farm)	0.12	0.27	0.15	0.16	0.10	0.12	0.11	0.13	0.11	0.11	0.13	0.11
Total loans and leases	0.50	0.16	0.08	0.18	0.74	0.46	0.62	0.56	0.24	0.53	0.20	0.73
Loans Outstanding (in billions)												
All real estate loans	$4,795.2	$34.1	$601.3	$877.0	$1,615.7	$1,667.1	$979.5	$913.7	$999.5	$867.7	$462.5	$572.1
Construction and development	344.2	2.0	56.2	81.5	132.7	71.7	64.3	59.5	58.4	52.7	71.9	37.4
Nonfarm nonresidential	1,402.6	8.6	228.7	358.3	520.0	287.1	320.7	273.0	216.4	194.3	192.9	205.4
Multifamily residential real estate	411.0	1.0	33.2	97.4	159.5	119.9	147.4	42.2	108.0	33.9	20.3	59.2
Home equity loans	398.4	0.9	23.1	42.1	143.1	189.3	79.2	100.4	98.8	71.0	20.9	28.2
Other 1-4 family residential	2,072.6	15.4	209.4	275.1	642.8	929.9	363.5	424.1	494.4	422.1	138.6	229.9
Commercial and industrial loans	2,051.9	5.8	96.9	184.1	769.2	995.9	310.6	495.0	450.0	425.4	140.7	230.1
Loans to individuals	1,634.6	3.1	31.1	71.9	800.9	727.5	353.3	402.0	224.8	309.8	63.7	280.9
Credit card loans	820.4	0.1	1.9	10.9	452.9	354.6	215.7	200.2	64.3	188.6	19.7	131.9
Other loans to individuals	814.1	3.1	29.3	60.9	348.0	372.9	137.6	201.9	160.5	121.2	44.0	149.0
All other loans and leases (including farm)	1,273.0	6.2	46.5	62.3	383.6	774.4	203.8	268.8	303.7	348.7	50.7	97.3
Total loans and leases (plus unearned income)	9,754.6	49.2	775.9	1,195.2	3,569.4	4,164.9	1,847.3	2,079.6	1,978.1	1,951.6	717.6	1,180.4
Memo: Other Real Estate Owned (in millions)												
All other real estate owned	8,129.2	231.1	2,424.5	1,806.5	1,924.8	1,742.3	1,506.0	1,870.3	1,516.8	1,412.0	1,350.9	473.2
Construction and development	2,314.7	61.6	1,051.7	646.7	379.4	175.2	246.9	624.7	286.6	435.2	555.4	166.0
Nonfarm nonresidential	2,290.7	66.8	793.6	613.0	511.0	306.2	435.3	487.5	424.9	353.0	456.1	133.9
Multifamily residential real estate	123.8	7.8	51.1	35.0	18.3	11.6	22.0	36.7	17.3	29.8	9.7	8.3
1-4 family residential	2,839.5	68.1	441.8	429.3	902.7	997.6	724.7	672.3	644.2	374.3	283.8	140.3
Farmland	182.9	26.6	84.2	62.8	8.0	1.3	8.5	15.0	23.4	85.6	38.9	11.5
GNMA properties	344.6	0.2	2.1	19.6	105.3	217.4	68.8	34.1	118.4	103.2	7.1	13.0

*** 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

							Asset Size Distribution				
(dollar figures in millions; notional amounts unless otherwise indicated)	1st Quarter 2018	4th Quarter 2017	3rd Quarter 2017	2nd Quarter 2017	1st Quarter 2017	% Change 17Q1-18Q1	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
ALL DERIVATIVE HOLDERS											
Number of institutions reporting derivatives	1,360	1,367	1,397	1,423	1,417	-4.0	46	766	424	115	9
Total assets of institutions reporting derivatives	$15,927,968	$15,815,205	$15,675,909	$15,459,961	$15,361,609	3.7	$3,331	$332,335	$1,293,603	$5,509,712	$8,788,985
Total deposits of institutions reporting derivatives	12,246,999	12,133,126	11,947,177	11,796,323	11,768,346	4.1	2,791	275,640	1,032,280	4,250,137	6,686,150
Total derivatives	205,986,323	173,483,932	190,609,917	187,865,984	180,496,035	14.1	179	21,875	138,538	61,719,588	144,106,144
Derivative Contracts by Underlying Risk Exposure											
Interest rate	155,478,150	130,423,041	141,278,946	139,831,983	132,702,523	17.2	173	21,341	133,404	54,552,457	100,770,774
Foreign exchange*	41,064,224	34,422,180	39,707,400	38,856,459	38,313,393	7.2	0	2	3,579	6,606,699	34,453,946
Equity	3,466,899	3,079,607	3,055,705	2,908,473	2,826,463	22.7	0	0	260	184,151	3,282,487
Commodity & other (excluding credit derivatives)	1,631,020	1,372,891	1,477,532	1,334,384	1,349,981	20.8	0	0	50	103,616	1,527,354
Credit	4,345,494	4,186,122	5,090,240	4,934,591	5,303,594	-18.1	0	1	1,245	272,666	4,071,582
Total	205,976,568	173,477,207	190,601,362	187,856,881	180,488,143	14.1	38	12,328	138,472	61,719,588	144,106,144
Derivative Contracts by Transaction Type											
Swaps	105,094,180	94,523,862	101,820,942	103,004,241	99,182,539	6.0	17	6,545	78,335	28,749,450	76,259,833
Futures & forwards	45,497,476	34,407,165	40,132,650	39,846,961	39,862,946	14.1	12	2,794	33,150	10,917,744	34,543,776
Purchased options	23,840,769	19,163,376	20,398,592	19,127,368	16,939,463	40.7	0	264	13,051	10,565,665	13,261,779
Written options	24,973,407	19,677,290	20,908,669	18,608,635	17,046,726	46.5	8	2,723	12,586	11,056,543	13,901,546
Total	199,405,823	167,771,692	183,260,854	180,587,205	173,031,675	15.2	38	12,326	137,122	61,289,402	137,966,934
Fair Value of Derivative Contracts											
Interest rate contracts	51,499	49,031	52,123	68,960	65,746	-21.7	0	105	1,155	8,818	41,420
Foreign exchange contracts	27,846	10,372	13,938	-430	1,613	1,626.3	0	0	-26	5,004	22,868
Equity contracts	6,582	-7,514	-5,742	-4,898	-4,921	N/M	0	0	2	-19	6,599
Commodity & other (excluding credit derivatives)	-867	-829	-1,390	-1,300	118	N/M	0	0	0	130	-997
Credit derivatives as guarantor**	33,701	33,170	34,840	31,164	24,958	35.0	0	-1	-2	1,364	32,340
Credit derivatives as beneficiary**	-34,976	-34,547	-37,666	-31,788	-24,932	N/M	0	0	-32	-1,475	-33,469
Derivative Contracts by Maturity* **											
Interest rate contracts < 1 year	95,439,463	72,590,569	72,171,780	65,977,189	61,931,290	54.1	22	4,816	32,279	28,207,444	67,194,902
1-5 years	40,334,499	36,154,531	43,431,393	48,374,437	46,450,818	-13.2	26	2,280	34,293	8,409,525	31,888,375
> 5 years	23,687,736	23,565,841	27,041,460	29,634,366	29,973,243	-21.0	20	6,532	49,455	6,767,744	16,863,985
Foreign exchange and gold contracts < 1 year	29,696,500	24,379,652	28,385,819	27,411,021	27,320,407	8.7	0	90	1,949	4,807,556	24,886,905
1-5 years	5,021,957	4,805,216	4,987,149	4,813,394	4,772,294	5.2	0	340	940	836,849	4,183,828
> 5 years	2,630,013	2,525,329	2,574,435	2,496,193	2,429,269	8.3	0	0	119	674,748	1,955,146
Equity contracts < 1 year	2,747,190	2,295,686	2,159,633	2,236,176	2,197,689	25.0	0	0	100	62,619	2,684,471
1-5 years	843,259	732,909	780,834	730,676	720,348	17.1	0	0	64	41,517	801,679
> 5 years	139,432	113,150	119,191	116,759	124,404	12.1	0	0	0	6,363	133,069
Commodity & other contracts (including credit derivatives, excluding gold contracts) < 1 year	2,314,371	2,172,996	2,542,161	2,544,432	2,722,501	-15.0	0	4	38	63,023	2,251,305
1-5 years	2,862,714	2,814,096	3,173,395	3,069,752	3,054,143	-6.3	0	1	295	176,370	2,686,047
> 5 years	527,870	312,753	524,420	311,157	487,184	8.4	0	26	316	37,660	489,868
Risk-Based Capital: Credit Equivalent Amount											
Total current exposure to tier 1 capital (%)	25.5	23.3	24.2	24.6	24.2		0.1	0.5	1.2	14.3	39.3
Total potential future exposure to tier 1 capital (%)	41.3	38.5	45.1	46.9	48.1		0.1	0.4	0.8	19.4	66.7
Total exposure (credit equivalent amount) to tier 1 capital (%)	66.7	61.9	69.3	71.4	72.3		0.2	0.9	2.0	33.7	106.1
Credit losses on derivatives******	-1.1	11.4	1.2	9.9	1.2	-191.7	0.0	0.0	0.2	-0.4	-0.9
HELD FOR TRADING											
Number of institutions reporting derivatives	199	201	200	205	201	-1.0	2	36	89	64	8
Total assets of institutions reporting derivatives	12,561,019	12,486,011	12,403,492	12,228,056	12,124,176	3.6	169	18,125	295,591	3,752,979	8,494,155
Total deposits of institutions reporting derivatives	9,624,399	9,558,217	9,421,994	9,306,454	9,265,757	3.9	153	15,048	234,269	2,940,377	6,434,552
Derivative Contracts by Underlying Risk Exposure											
Interest rate	153,264,480	128,187,734	138,893,663	137,316,308	130,188,927	17.7	3	736	33,102	54,007,387	99,223,253
Foreign exchange	38,353,254	32,402,444	36,960,571	36,002,239	35,648,745	7.6	0	1	2,989	6,413,826	31,936,439
Equity	3,450,109	3,063,576	3,040,023	2,893,124	2,810,971	22.7	0	0	86	171,705	3,278,318
Commodity & other	1,602,648	1,343,837	1,450,053	1,306,894	1,321,931	21.2	0	0	33	76,474	1,526,141
Total	196,670,491	164,997,591	180,344,309	177,518,566	169,970,575	15.7	3	737	36,209	60,669,391	135,964,150
Trading Revenues: Cash & Derivative Instruments											
Interest rate**	2,648	2,237	2,917	4,521	3,866	-31.5	0	0	8	345	2,296
Foreign exchange**	2,894	1,795	1,540	681	1,684	71.9	0	0	5	389	2,501
Equity**	1,865	989	1,183	1,122	922	102.3	0	0	12	21	1,832
Commodity & other (including credit derivatives)**	789	13	754	314	653	20.8	0	0	0	182	607
Total trading revenues**	8,197	5,035	6,394	6,637	7,126	15.0	0	0	25	937	7,235
Share of Revenue											
Trading revenues to gross revenues (%)**	5.5	3.6	4.6	4.8	5.4		0.0	0.0	0.7	2.2	7.1
Trading revenues to net operating revenues (%)**	21.4	31.3	19.9	20.5	24.2		0.0	0.0	2.9	8.6	27.3
HELD FOR PURPOSES OTHER THAN TRADING											
Number of institutions reporting derivatives	757	783	801	821	830	-8.8	10	239	388	111	9
Total assets of institutions reporting derivatives	15,474,554	15,370,172	15,239,665	15,029,964	14,906,732	3.8	743	117,081	1,208,650	5,359,094	8,788,985
Total deposits of institutions reporting derivatives	11,880,222	11,775,177	11,593,623	11,445,122	11,394,184	4.3	638	97,576	964,106	4,131,752	6,686,150
Derivative Contracts by Underlying Risk Exposure											
Interest rate	2,204,451	2,228,673	2,376,823	2,506,666	2,505,787	-12.0	35	11,589	100,236	545,070	1,547,521
Foreign exchange	485,719	500,344	496,561	519,135	511,772	-5.1	0	0	486	35,354	449,880
Equity	16,790	16,031	15,682	15,349	15,492	8.4	0	0	174	12,446	4,169
Commodity & other	28,371	29,054	27,479	27,490	28,049	1.1	0	0	17	27,141	1,213
Total notional amount	2,735,331	2,774,101	2,916,545	3,068,640	3,061,100	-10.6	35	11,589	100,913	620,011	2,002,784

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 (All FDIC-Insured Call Report Filers)*

(dollar figures in millions)	1st Quarter 2018	4th Quarter 2017	3rd Quarter 2017	2nd Quarter 2017	1st Quarter 2017	% Change 17Q1-18Q1	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements											
Number of institutions reporting securitization activities	64	67	66	68	67	-4.5	0	6	19	32	7
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	$569,744	$590,211	$606,755	$620,524	$634,480	-10.2	$0	$1,935	$13,924	$85,436	$468,448
Home equity loans	18	20	21	22	24	-25.0	0	0	0	18	0
Credit card receivables	4,781	4,553	16,114	17,306	16,406	-70.9	0	0	0	4,752	29
Auto loans	8,221	9,770	10,494	11,566	12,158	-32.4	0	0	1,332	6,889	0
Other consumer loans	2,914	3,052	3,610	3,778	3,955	-26.3	0	0	0	1,905	1,009
Commercial and industrial loans	381	380	316	309	312	22.1	0	0	0	0	381
All other loans, leases, and other assets	62,410	60,869	55,105	54,266	56,669	10.1	0	9	9,162	1,545	51,694
Total securitized and sold	648,470	668,855	692,414	707,771	724,004	-10.4	0	1,945	24,418	100,546	521,561
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	1,527	1,716	1,718	1,750	1,906	-19.9	0	0	26	1,097	405
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	392	353	1,405	1,508	1,443	-72.8	0	0	0	392	0
Auto loans	164	147	161	183	125	31.2	0	0	13	151	0
Other consumer loans	88	86	87	96	100	-12.0	0	0	0	0	88
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
All other loans, leases, and other assets	1,194	1,131	908	874	875	36.5	0	0	142	0	1,052
Total credit exposure	3,365	3,431	4,279	4,410	4,448	-24.3	0	0	180	1,640	1,545
Total unused liquidity commitments provided to institution's own securitizations	143	215	246	172	142	0.7	0	0	0	21	122
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)											
1-4 family residential loans	3.2	4.7	4.3	3.4	3.0		0.0	1.4	1.3	3.0	3.3
Home equity loans	9.5	9.7	6.0	8.2	5.6		0.0	0.0	0.0	9.5	0.0
Credit card receivables	0.3	0.3	0.4	0.4	0.4		0.0	0.0	0.0	0.3	0.0
Auto loans	1.6	2.1	1.6	1.4	1.2		0.0	0.0	3.2	1.3	0.0
Other consumer loans	4.5	4.7	4.2	4.1	4.0		0.0	0.0	0.0	2.5	8.2
Commercial and industrial loans	0.0	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	0.3	0.5	0.7	1.3	1.0		0.0	0.0	0.1	0.0	0.3
Total loans, leases, and other assets	2.9	4.2	3.9	3.1	2.7		0.0	1.4	0.9	2.7	3.0
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)											
1-4 family residential loans	1.5	1.6	1.3	1.3	1.4		0.0	0.9	1.3	2.4	1.3
Home equity loans	44.1	45.7	47.1	47.4	47.8		0.0	0.0	0.0	44.1	0.0
Credit card receivables	0.2	0.2	0.3	0.3	0.3		0.0	0.0	0.0	0.2	0.0
Auto loans	0.3	0.4	0.3	0.3	0.3		0.0	0.0	0.5	0.3	0.0
Other consumer loans	4.3	4.6	4.3	4.0	4.1		0.0	0.0	0.0	1.0	10.7
Commercial and industrial loans	0.0	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	1.3	1.2	1.3	1.4	1.6		0.0	0.0	0.4	0.0	1.4
Total loans, leases, and other assets	1.4	1.5	1.3	1.3	1.4		0.0	0.9	0.9	2.1	1.3
Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)											
1-4 family residential loans	-0.1	0.2	0.2	0.1	0.1		0.0	0.0	0.0	0.0	-0.1
Home equity loans	4.9	11.7	8.7	6.0	2.6		0.0	0.0	0.0	4.9	0.0
Credit card receivables	0.3	1.2	1.3	0.8	0.4		0.0	0.0	0.0	0.3	3.5
Auto loans	0.4	1.2	0.8	0.5	0.2		0.0	0.0	0.9	0.3	0.0
Other consumer loans	0.3	1.5	1.0	0.6	0.4		0.0	0.0	0.0	0.2	0.5
Commercial and industrial loans	0.0	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	0.0	1.7	1.3	0.7	0.5		0.0	0.0	0.0	0.0	0.0
Total loans, leases, and other assets	-0.1	0.4	0.3	0.2	0.1		0.0	0.0	0.1	0.0	-0.1
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	1,730	2,460	8,171	7,260	8,080	-78.6	0	0	0	1,730	0
Commercial and industrial loans	426	463	401	334	365	16.7	0	0	0	0	426
Seller's Interests in Institution's Own Securitizations – Carried as Securities											
Home 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	476	521	524	548	579	-17.8	14	204	197	53	8
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	24,578	180,742	26,404	26,211	25,919	-5.2	168	5,397	10,999	5,452	2,562
Home equity, credit card receivables, auto, and other consumer loans	478	504	523	543	564	-15.2	0	0	27	17	434
Commercial and industrial loans	143	154	190	188	230	-37.8	0	2	39	72	31
All other loans, leases, and other assets	102,630	101,529	97,455	95,098	93,140	10.2	0	17	126	33,341	69,147
Total sold and not securitized	127,830	282,929	124,572	122,040	119,853	6.7	168	5,416	11,190	38,881	72,174
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	8,033	162,216	7,895	7,932	7,655	4.9	54	777	3,708	2,173	1,320
Home equity, credit card receivables, auto, and other consumer loans	150	152	151	152	153	-2.0	0	0	27	3	120
Commercial and industrial loans	80	93	116	133	175	-54.3	0	2	6	72	0
All other loans, leases, and other assets	28,449	28,110	27,057	26,299	25,918	9.8	0	17	33	9,682	18,718
Total credit exposure	36,712	190,570	35,219	34,516	33,902	8.3	54	796	3,774	11,930	20,158
Support for Securitization Facilities Sponsored by Other Institutions											
Number of institutions reporting securitization facilities sponsored by others	50	53	54	56	63	-20.6	1	13	18	12	6
Total credit exposure	29,694	32,255	34,350	35,012	35,130	-15.5	0	30	131	1,612	27,920
Total unused liquidity commitments	1,149	1,260	1,298	1,150	1,118	2.8	0	11	0	323	815
Other											
Assets serviced for others**	6,010,536	5,994,390	5,928,869	5,946,667	5,944,659	1.1	4,600	187,542	287,062	1,328,023	4,203,310
Asset-backed commercial paper conduits											
Credit exposure to conduits sponsored by institutions and others	15,554	16,909	16,618	16,698	17,521	-11.2	0	0	0	0	15,554
Unused liquidity commitments to conduits sponsored by institutions and others	29,497	26,928	27,458	28,342	25,784	14.4	0	0	4	2,107	27,387
Net servicing income (for the quarter)	3,652	2,352	2,306	2,167	2,829	29.1	9	251	250	1,351	1,791
Net securitization income (for the quarter)	151	131	395	472	363	-58.4	0	3	15	74	58
Total credit exposure to Tier 1 capital (%)***	4.2	13.9	4.6	4.6	4.7		0.5	0.7	2.3	2.6	6.7

* 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.

COMMUNITY 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 as such 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 Rises 17.7 Percent Annually on Higher Net Interest Income and Lower Income Tax Expenses

Community Banks Grow Loan and Leases 7.4 Percent Over 12 Months

Net Interest Margin Widens to 3.64 Percent From a Year Earlier

Noncurrent Loan Rate Declines 15 Basis Points Year-Over-Year

More Than 70 Percent of Community Banks Report Higher Quarterly Earnings

Net income of $6.1 billion was up $913.1 million (17.7 percent) compared with first quarter 2017, on higher net interest income and lower income tax expenses, offsetting increases in both noninterest expense and loan loss provisions. Excluding the effect of a lower corporate tax rate, estimated quarterly net income would have been $5.6 billion—up 9.2 percent from the $5.1 billion reported in first quarter 2017.[1] More than seven out of ten community banks (73 percent) reported higher net income compared with a year earlier. The pretax return on assets held steady at 1.33 percent, up 2 basis points since year-end 2017 and up 1 basis point since first quarter 2017. The number of community banks totaled 5,168, reflecting three new community bank charters and no community bank failures.[2]

Net Interest Income Rises 9.7 Percent Year-Over-Year

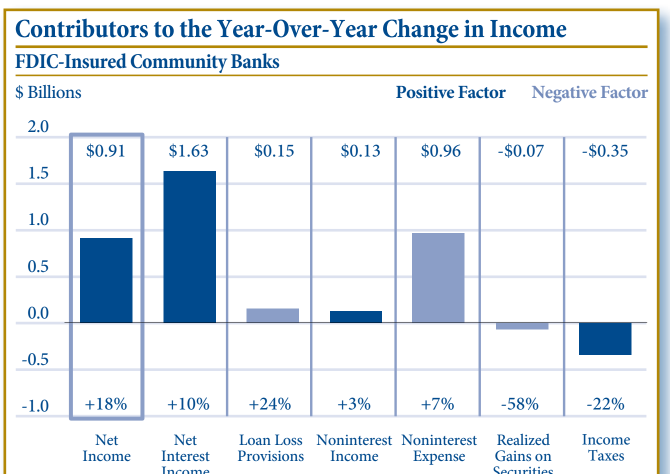
Net interest income increased by $1.6 billion (9.7 percent) compared with first quarter 2017. More than four out of five community banks (85.6 percent) reported higher net interest income compared to the year before. Growth in non 1-to-4 family real estate loan income (up $1.1 billion or 14.6 percent) contributed most to this increase.[3] The average net interest margin (NIM) at community banks widened 10 basis points to 3.64 percent during the year as the increase in earning asset yields outpaced the increase in funding costs. The average NIM at community banks was 36 basis points higher than that of noncommunity banks, although the two ratios have been converging year-over-year since first quarter 2015.

[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.

[2] One insured institution had not filed a March 31 Call Report at the time this report was prepared.

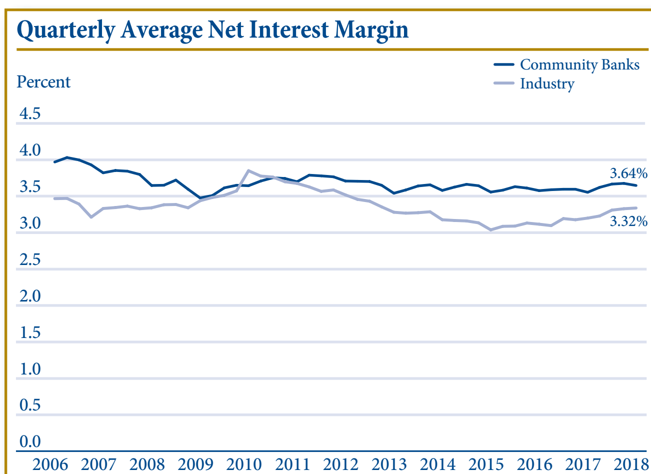
[3] Non 1-to-4 family real estate loans include construction and development, farmland, multifamily, and nonfarm nonresidential loans.

Chart 1



Source: FDIC.

Chart 2



Source: FDIC.

Noninterest Income Grows 2.9 Percent During the Year

Noninterest income rose by $127.6 million (2.9 percent) to $4.5 billion primarily because of growth in other noninterest income, which increased $122.3 million (6.9 percent) during the year.[4] Higher noninterest income offset the decline in net gains on loan sales and sales of other assets. More than half of community banks (54.2 percent) reported higher noninterest income during the year.

Noninterest Expense Climbs 6.9 Percent From a Year Earlier

Noninterest expense increased $963.9 million (6.9 percent) to $15 billion compared with first quarter 2017, driven by an increase in salary and employee benefits of $556.6 million (6.9 percent). The number of full-time equivalent employees increased by 9,003 (2.2 percent) during the year, while average assets per employee rose by 4.4 percent to $5.3 million.

Community Bank Loan and Lease Growth Rate Exceeds That of the Industry

Loan and lease balances increased by $14.4 billion (0.9 percent) during the quarter to $1.5 trillion. More than half (56.7 percent) of community banks reported higher loan and lease balances compared with the previous quarter. Quarterly loan growth was led by the following categories: nonfarm nonresidential loans, up $8.7 billion or 1.9 percent; multifamily residential loans, up $2.9 billion or 2.5 percent; and commercial and industrial (C&I) loans, up $2.3 billion or 1.1 percent.

Loan and lease balances rose by $107.3 billion (7.4 percent) during the year, reflecting a growth rate that was 3 percentage points higher than that of noncommunity banks. Nearly 80 percent of community banks reported higher loan balances compared with one year earlier. Annual loan growth was led by the following loan categories: nonfarm nonresidential loans, up $38.9 billion or 9.2 percent; 1-to-4 family residential loans, up $20.5 billion or 4.9 percent; C&I loans, up $14.1 billion or 7.4 percent; multifamily residential loans, up $11.3 billion or 10.7 percent; and construction and development (C&D) loans, up $10.9 billion or 11.4 percent. Unused loan commitments of $297.4 billion were up $24.1 billion (8.8 percent) from the year before. Commitments to lend against commercial real estate properties—including C&D properties—increased by $9.9 billion (12.8 percent) during the year. Loan and lease balances at community banks represented 70.3 percent of total assets, a ratio nearly 15 percentage points higher than that of noncommunity banks.

[4] Other noninterest income includes items that are greater than $100,000 and exceed 3 percent of all other noninterest income reported. These items include income and fees from printing and sale of checks, earnings on increase in value of cash surrender value of life insurance, income and fees from automated teller machines, rent and other income from other real estate owned, safe deposit box rent, net change in the fair values of financial instruments accounted for under a fair value option, bank card and credit card interchange fees, gains on bargain purchases, and other miscellaneous items.

Chart 3

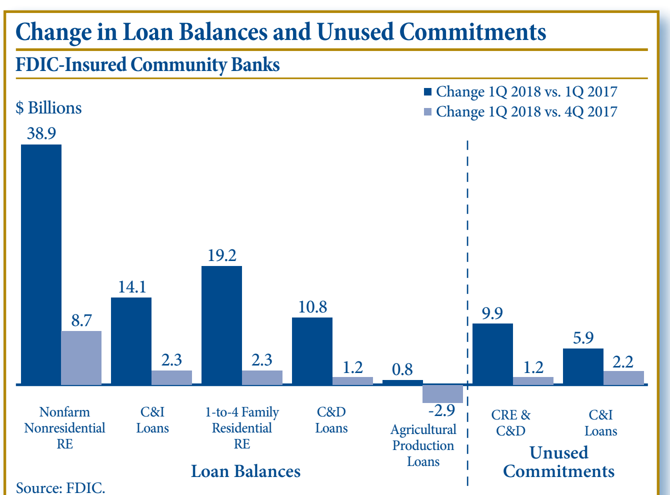
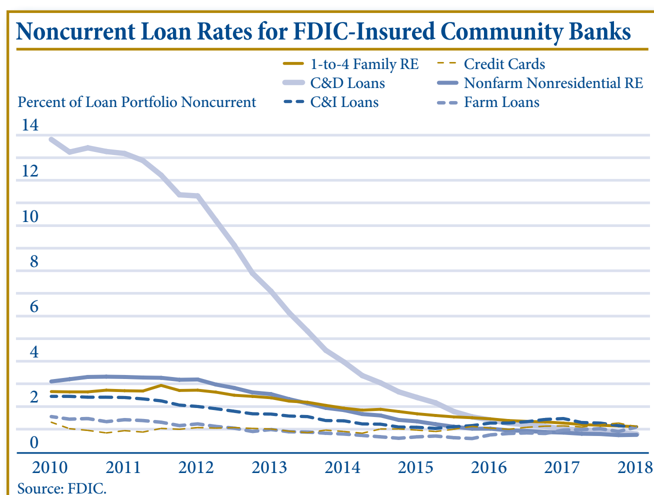


Chart 4



Noncurrent Loan Balances Decline

More than three out of five (61 percent) community banks reported lower or unchanged noncurrent loan balances compared with the previous quarter. Total noncurrent loan and lease balances declined by $25.6 million (0.2 percent), leading to a slight decline in the noncurrent rate of 1 basis point to 0.85 percent—36 basis points below that of noncommunity banks. The noncurrent rate for all major loan categories—except nonfarm nonresidential loans—declined compared with the previous quarter. The noncurrent rate for nonfarm nonresidential loans increased 1 basis point to 0.73 percent, while the past-due rate (loans 30 to 89 days past due) for nonfarm nonresidential loans increased 9 basis points to 0.40 percent. Noncurrent rates for C&I and C&D loans improved the most among major loan categories—decreasing by 7 basis points each. The noncurrent rate for farm loans increased 21 basis points during the quarter to 1.09 percent due to increases in the noncurrent rates for farmland loans (up 20 basis points to 1.28 percent) and agricultural production loans (up 18 basis points to 0.79 percent).

Net Charge-Off Rate Increases Slightly From a Year Earlier

Compared with first quarter 2017, the net charge-off rate for community banks increased 2 basis points to 0.13 percent, but was well below the net charge-off rate of noncommunity banks. The net charge-off rate on all major loan categories—except C&I—declined or remained unchanged from a year earlier. The net-charge off rate on C&I loans increased 21 basis points to 0.48 percent compared with first quarter 2017.

Regulatory Capital Ratios Grow During the Quarter

Equity capital totaled $243.8 billion, up $1.7 billion (0.7 percent) compared with fourth quarter 2017. However, net unrealized losses on available-for-sale securities increased by $4.5 billion to $5.6 billion and contributed to a decline in the total equity capital ratio of 4 basis points. The following regulatory capital ratios increased in the first quarter: the tier 1 risk-based capital ratio, up 13 basis points to 14.71 percent; the total risk-based capital ratio, up 12 basis points to 15.77 percent; and the leverage capital ratio, up 10 basis points to 10.90 percent. The first quarter 2018 leverage capital ratio represents a 30-year high for community banks.

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TABLE I-B. Selected Indicators, FDIC-Insured Community Banks

	2018*	2017*	2017	2016	2015	2014	2013
Return on assets (%)	1.11	1.01	0.96	0.99	0.99	0.93	0.90
Return on equity (%)	10.00	9.13	8.66	8.81	8.85	8.45	8.27
Core capital (leverage) ratio (%)	10.90	10.73	10.80	10.69	10.67	10.57	10.43
Noncurrent assets plus other real estate owned to assets (%)	0.77	0.91	0.78	0.94	1.07	1.34	1.73
Net charge-offs to loans (%)	0.13	0.11	0.16	0.16	0.15	0.21	0.32
Asset growth rate (%)	-0.66	4.11	0.85	2.97	2.71	2.21	0.39
Net interest margin (%)	3.64	3.54	3.62	3.57	3.57	3.61	3.59
Net operating income growth (%)	10.29	8.74	-0.03	2.42	9.54	4.81	14.64
Number of institutions reporting	5,168	5,401	5,227	5,461	5,735	6,037	6,307
Percentage of unprofitable institutions (%)	4.06	4.55	5.70	4.65	5.02	6.44	8.40

* Through March 31, ratios annualized where appropriate. Asset growth rates are for 12 months ending March 31.

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

(dollar figures in millions)	1st Quarter 2018	4th Quarter 2017	1st Quarter 2017	%Change 17Q1-18Q1
Number of institutions reporting	5,168	5,227	5,401	-4.3
Total employees (full-time equivalent)	411,542	416,263	428,773	-4.0
CONDITION DATA				
Total assets	$2,200,587	$2,201,581	$2,215,225	-0.7
Loans secured by real estate	1,196,115	1,195,000	1,179,830	1.4
1-4 Family residential mortgages	394,000	395,474	394,914	-0.2
Nonfarm nonresidential	459,216	457,040	451,608	1.7
Construction and development	105,991	106,797	102,530	3.4
Home equity lines	48,308	49,746	50,024	-3.4
Commercial & industrial loans	204,497	204,836	203,605	0.4
Loans to individuals	61,406	61,879	60,636	1.3
Credit cards	1,923	2,038	2,109	-8.8
Farm loans	48,594	51,658	48,373	0.5
Other loans & leases	38,159	38,905	38,308	-0.4
Less: Unearned income	694	698	667	4.1
Total loans & leases	1,548,077	1,551,581	1,530,084	1.2
Less: Reserve for losses	18,140	18,079	18,843	-3.7
Net loans and leases	1,529,937	1,533,502	1,511,241	1.2
Securities	405,387	408,787	432,396	-6.2
Other real estate owned	3,777	3,915	4,782	-21.0
Goodwill and other intangibles	14,021	13,535	14,719	-4.7
All other assets	247,465	241,842	252,087	-1.8
Total liabilities and capital	2,200,587	2,201,581	2,215,225	-0.7
Deposits	1,812,310	1,804,510	1,823,141	-0.6
Domestic office deposits	1,811,520	1,804,020	1,822,690	-0.6
Foreign office deposits	789	490	451	74.9
Brokered deposits	92,583	90,765	84,733	9.3
Estimated insured deposits	1,335,694	1,328,244	1,354,785	-1.4
Other borrowed funds	128,275	135,383	129,364	-0.8
Subordinated debt	630	865	767	-17.8
All other liabilities	15,462	15,856	16,276	-5.0
Total equity capital (includes minority interests)	243,910	244,967	245,677	-0.7
Bank equity capital	243,796	244,844	245,552	-0.7
Loans and leases 30-89 days past due	8,962	8,366	8,950	0.1
Noncurrent loans and leases	13,172	13,275	15,287	-13.8
Restructured loans and leases	6,607	7,005	7,796	-15.3
Mortgage-backed securities	174,030	173,570	186,602	-6.7
Earning assets	2,056,721	2,052,645	2,064,421	-0.4
FHLB Advances	106,075	111,179	102,227	3.8
Unused loan commitments	297,365	290,991	292,422	1.7
Trust assets	286,832	331,171	262,935	9.1
Assets securitized and sold	19,462	24,076	21,535	-9.6
Notional amount of derivatives	69,529	66,616	64,134	8.4

INCOME DATA	Full Year 2017	Full Year 2016	%Change	1st Quarter 2018	1st Quarter 2017	%Change 17Q1-18Q1
Total interest income	$82,221	$79,190	3.8	$21,563	$20,531	5.0
Total interest expense	10,321	9,133	13.0	3,036	2,433	24.8
Net interest income	71,900	70,057	2.6	18,528	18,098	2.4
Provision for loan and lease losses	3,139	3,277	-4.2	804	685	17.4
Total noninterest income	18,690	19,937	-6.3	4,497	4,802	-6.3
Total noninterest expense	59,094	59,983	-1.5	14,992	15,080	-0.6
Securities gains (losses)	351	638	-45.1	52	128	-59.3
Applicable income taxes	8,146	6,566	24.1	1,221	1,720	-29.0
Extraordinary gains, net*	2	-9	N/M	2	7	N/M
Total net income (includes minority interests)	20,563	20,797	-1.1	6,061	5,550	9.2
Bank net income	20,540	20,774	-1.1	6,058	5,545	9.2
Net charge-offs	2,394	2,256	6.1	489	413	18.3
Cash dividends	9,950	10,213	-2.6	2,439	2,593	-6.0
Retained earnings	10,590	10,561	0.3	3,619	2,952	22.6
Net operating income	20,294	20,301	0.0	6,016	5,455	10.3

* See Notes to Users for explanation.

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)	1st Quarter 2018	4th Quarter 2017	1st Quarter 2017	%Change 17Q1-18Q1
Number of institutions reporting	5,168	5,165	5,162	0.1
Total employees (full-time equivalent)	411,542	409,786	402,539	2.2
CONDITION DATA				
Total assets	$2,200,587	$2,176,109	$2,090,201	5.3
Loans secured by real estate	1,196,115	1,180,843	1,110,036	7.8
1-4 Family residential mortgages	394,000	391,706	374,806	5.1
Nonfarm nonresidential	459,216	450,518	420,364	9.2
Construction and development	105,991	104,750	95,160	11.4
Home equity lines	48,308	48,813	46,969	2.9
Commercial & industrial loans	204,497	202,207	190,430	7.4
Loans to individuals	61,406	61,422	58,390	5.2
Credit cards	1,923	2,022	2,000	-3.8
Farm loans	48,594	51,480	47,797	1.7
Other loans & leases	38,159	38,387	34,769	9.7
Less: Unearned income	694	694	646	7.5
Total loans & leases	1,548,077	1,533,645	1,440,777	7.4
Less: Reserve for losses	18,140	17,907	17,633	2.9
Net loans and leases	1,529,937	1,515,738	1,423,144	7.5
Securities	405,387	405,284	411,640	-1.5
Other real estate owned	3,777	3,877	4,598	-17.9
Goodwill and other intangibles	14,021	13,135	12,193	15.0
All other assets	247,465	238,075	238,626	3.7
Total liabilities and capital	2,200,587	2,176,109	2,090,201	5.3
Deposits	1,812,310	1,784,519	1,725,829	5.0
Domestic office deposits	1,811,520	1,784,029	1,725,378	5.0
Foreign office deposits	789	490	451	74.9
Brokered deposits	92,583	88,785	79,813	16.0
Estimated insured deposits	1,335,694	1,315,282	1,289,778	3.6
Other borrowed funds	128,275	133,096	117,465	9.2
Subordinated debt	630	618	582	8.2
All other liabilities	15,462	15,645	15,268	1.3
Total equity capital (includes minority interests)	243,910	242,231	231,056	5.6
Bank equity capital	243,796	242,119	230,950	5.6
Loans and leases 30-89 days past due	8,962	8,340	8,594	4.3
Noncurrent loans and leases	13,172	13,197	14,134	-6.8
Restructured loans and leases	6,607	6,942	7,479	-11.7
Mortgage-backed securities	174,030	171,960	174,433	-0.2
Earning assets	2,056,721	2,029,328	1,949,553	5.5
FHLB Advances	106,075	109,030	93,781	13.1
Unused loan commitments	297,365	286,028	273,316	8.8
Trust assets	286,832	329,637	263,395	8.9
Assets securitized and sold	19,462	24,076	21,535	-9.6
Notional amount of derivatives	69,529	64,570	57,844	20.2

INCOME DATA	Full Year 2017	Full Year 2016	%Change	1st Quarter 2018	1st Quarter 2017	%Change 17Q1-18Q1
Total interest income	$80,928	$73,563	10.0	$21,563	$19,150	12.6
Total interest expense	10,163	8,511	19.4	3,036	2,255	34.6
Net interest income	70,765	65,052	8.8	18,528	16,895	9.7
Provision for loan and lease losses	3,114	2,841	9.6	804	650	23.7
Total noninterest income	18,137	18,095	0.2	4,497	4,369	2.9
Total noninterest expense	57,890	55,608	4.1	14,992	14,029	6.9
Securities gains (losses)	343	593	-42.2	52	124	-57.7
Applicable income taxes	7,992	5,818	37.4	1,221	1,569	-22.2
Extraordinary gains, net*	2	-9	N/M	2	7	N/M
Total net income (includes minority interests)	20,251	19,464	4.0	6,061	5,148	17.7
Bank net income	20,233	19,447	4.0	6,058	5,144	17.7
Net charge-offs	2,364	2,150	9.9	489	380	28.6
Cash dividends	9,663	9,241	4.6	2,439	2,348	3.9
Retained earnings	10,570	10,206	3.6	3,619	2,797	29.4
Net operating income	19,988	19,001	5.2	6,016	5,057	19.0

* See Notes to Users for explanation.

N/M - Not Meaningful

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

First Quarter 2018 (dollar figures in millions)	All Community Banks	Geographic Regions* New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	5,168	593	601	1,139	1,372	1,138	325
Total employees (full-time equivalent)	411,542	84,938	46,984	86,655	69,803	90,480	32,682
CONDITION DATA							
Total assets	$2,200,587	$603,592	$226,658	$398,208	$348,879	$424,022	$199,228
Loans secured by real estate	1,196,115	377,303	123,622	208,190	168,679	209,118	109,203
1-4 Family residential mortgages	394,000	138,024	39,146	71,907	51,421	66,466	27,037
Nonfarm nonresidential	459,216	133,966	53,428	76,385	56,653	86,336	52,449
Construction and development	105,991	24,578	13,868	15,041	14,519	29,010	8,975
Home equity lines	48,308	16,179	6,673	10,745	5,081	4,845	4,786
Commercial & industrial loans	204,497	49,920	18,567	40,325	35,370	41,563	18,754
Loans to individuals	61,406	14,934	6,720	12,110	10,297	12,812	4,531
Credit cards	1,923	423	153	373	551	225	198
Farm loans	48,594	583	1,222	8,029	27,312	8,822	2,626
Other loans & leases	38,159	11,614	3,129	7,260	5,843	7,019	3,295
Less: Unearned income	694	168	101	54	95	130	147
Total loans & leases	1,548,077	454,185	153,160	275,861	247,406	279,203	138,262
Less: Reserve for losses	18,140	4,584	1,797	3,245	3,295	3,449	1,771
Net loans and leases	1,529,937	449,602	151,363	272,616	244,111	275,754	136,492
Securities	405,387	94,419	42,559	79,265	63,945	89,864	35,335
Other real estate owned	3,777	651	851	651	613	807	204
Goodwill and other intangibles	14,021	4,647	1,067	2,586	1,986	2,684	1,051
All other assets	247,465	54,273	30,818	43,091	38,225	54,913	26,146
Total liabilities and capital	2,200,587	603,592	226,658	398,208	348,879	424,022	199,228
Deposits	1,812,310	478,264	190,389	329,717	290,147	358,258	165,534
Domestic office deposits	1,811,520	477,542	190,389	329,677	290,147	358,258	165,507
Foreign office deposits	789	722	0	40	0	0	27
Brokered deposits	92,583	30,295	7,182	17,141	15,823	12,858	9,284
Estimated insured deposits	1,335,694	339,352	142,322	260,494	226,314	256,672	110,540
Other borrowed funds	128,275	51,578	10,347	21,623	18,417	16,730	9,580
Subordinated debt	630	508	10	45	10	42	15
All other liabilities	15,462	5,519	1,450	2,591	1,836	2,458	1,607
Total equity capital (includes minority interests)	243,910	67,723	24,461	44,231	38,470	46,534	22,491
Bank equity capital	243,796	67,654	24,457	44,212	38,469	46,512	22,491
Loans and leases 30-89 days past due	8,962	2,253	997	1,531	1,605	2,052	524
Noncurrent loans and leases	13,172	4,233	1,381	2,420	1,957	2,475	706
Restructured loans and leases	6,607	2,050	761	1,571	908	903	413
Mortgage-backed securities	174,030	53,334	18,201	30,498	20,671	34,101	17,225
Earning assets	2,056,721	567,028	209,882	371,825	326,435	394,097	187,455
FHLB Advances	106,075	46,161	8,566	17,050	13,939	13,110	7,249
Unused loan commitments	297,365	79,136	26,958	56,105	51,400	53,350	30,415
Trust assets	286,832	63,471	9,091	73,183	88,677	44,071	8,340
Assets securitized and sold	19,462	7,259	74	7,923	2,651	781	774
Notional amount of derivatives	69,529	29,404	6,195	14,894	9,036	7,203	2,797
INCOME DATA							
Total interest income	$21,563	$5,652	$2,251	$3,829	$3,467	$4,300	$2,065
Total interest expense	3,036	986	284	527	499	523	217
Net interest income	18,528	4,666	1,966	3,303	2,968	3,777	1,848
Provision for loan and lease losses	804	323	62	95	113	141	70
Total noninterest income	4,497	928	451	1,148	710	931	328
Total noninterest expense	14,992	3,699	1,666	2,929	2,343	3,027	1,329
Securities gains (losses)	52	39	6	3	-4	2	7
Applicable income taxes	1,221	347	121	258	146	183	166
Extraordinary gains, net**	2	0	0	0	0	0	1
Total net income (includes minority interests)	6,061	1,265	576	1,171	1,073	1,357	620
Bank net income	6,058	1,263	576	1,169	1,073	1,357	620
Net charge-offs	489	235	33	41	57	95	29
Cash dividends	2,439	245	220	633	595	550	196
Retained earnings	3,619	1,018	355	537	478	808	424
Net operating income	6,016	1,232	571	1,169	1,076	1,356	612

* See Table V-A for explanation.
** See Notes to Users for explanation.

Table IV-B. First Quarter 2018, FDIC-Insured Community Banks

Performance ratios (annualized, %)	All Community Banks		First Quarter 2018, Geographic Regions*					
	1st Quarter 2018	4th Quarter 2017	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	4.23	4.22	4.04	4.32	4.14	4.27	4.40	4.44
Cost of funding earning assets	0.60	0.56	0.70	0.55	0.57	0.62	0.54	0.47
Net interest margin	3.64	3.66	3.34	3.78	3.57	3.66	3.87	3.97
Noninterest income to assets	0.82	0.88	0.62	0.80	1.16	0.82	0.88	0.66
Noninterest expense to assets	2.75	2.83	2.48	2.96	2.95	2.69	2.88	2.69
Loan and lease loss provision to assets	0.15	0.16	0.22	0.11	0.10	0.13	0.13	0.14
Net operating income to assets	1.10	0.75	0.83	1.01	1.18	1.24	1.29	1.24
Pretax return on assets	1.33	1.31	1.08	1.24	1.44	1.40	1.46	1.59
Return on assets	1.11	0.75	0.85	1.02	1.18	1.23	1.29	1.25
Return on equity	10.00	6.70	7.57	9.42	10.59	11.16	11.72	11.13
Net charge-offs to loans and leases	0.13	0.22	0.21	0.09	0.06	0.09	0.14	0.08
Loan and lease loss provision to net charge-offs	164.44	102.77	137.55	188.42	233.75	198.53	149.37	240.32
Efficiency ratio	64.81	65.37	65.83	68.59	65.47	63.30	64.05	60.84
Net interest income to operating revenue	80.47	79.58	83.40	81.33	74.20	80.70	80.23	84.92
% of unprofitable institutions	4.06	16.53	5.40	5.66	4.57	2.92	3.16	4.92
% of institutions with earnings gains	73.34	46.13	77.57	75.21	69.97	71.57	73.73	80.00

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	3.73	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	0.16	0.20	0.11	0.10	0.15	0.17	0.08
Net operating income to assets	0.95	0.96	0.67	0.79	1.09	1.13	1.13	1.01
Pretax return on assets	1.35	1.30	1.14	1.24	1.48	1.40	1.41	1.57
Return on assets	0.96	0.99	0.70	0.80	1.09	1.13	1.14	1.02
Return on equity	8.66	8.81	6.26	7.26	9.76	10.20	10.33	9.07
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	131.14	145.31	133.24	129.29	114.73	142.38	120.67	223.32
Efficiency ratio	64.85	66.13	65.01	68.66	64.87	63.54	64.77	62.12
Net interest income to operating revenue	79.37	77.85	82.63	79.16	72.97	79.85	79.66	83.16
% of unprofitable institutions	5.70	4.65	7.99	9.97	6.03	3.47	4.33	6.69
% of institutions with earnings gains	55.37	64.24	50.25	52.78	55.81	55.09	58.18	59.27

* See Table V-A for explanation.

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

March 31, 2018	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	0.54	0.47	0.63	0.56	0.55	0.69	0.30
Construction and development	0.48	0.56	0.53	0.27	0.42	0.52	0.49
Nonfarm nonresidential	0.40	0.42	0.37	0.39	0.38	0.52	0.22
Multifamily residential real estate	0.16	0.16	0.11	0.27	0.17	0.12	0.02
Home equity loans	0.43	0.50	0.49	0.39	0.29	0.52	0.31
Other 1-4 family residential	0.78	0.64	1.06	0.86	0.68	1.06	0.43
Commercial and industrial loans	0.51	0.39	0.55	0.41	0.57	0.64	0.61
Loans to individuals	1.29	1.55	1.43	0.82	0.89	1.87	0.81
Credit card loans	2.30	3.46	1.24	1.14	3.28	1.16	1.40
Other loans to individuals	1.26	1.50	1.43	0.81	0.75	1.88	0.78
All other loans and leases (including farm)	0.81	0.35	0.34	0.70	1.17	0.66	0.83
Total loans and leases	0.58	0.50	0.65	0.55	0.65	0.73	0.38
Percent of Loans Noncurrent**							
All loans secured by real estate	0.83	0.93	0.95	0.91	0.74	0.78	0.45
Construction and development	0.77	0.69	1.36	0.81	0.82	0.53	0.67
Nonfarm nonresidential	0.73	0.84	0.78	0.85	0.72	0.66	0.32
Multifamily residential real estate	0.22	0.18	0.40	0.37	0.22	0.33	0.08
Home equity loans	0.54	0.62	0.58	0.56	0.25	0.55	0.49
Other 1-4 family residential	1.09	1.37	1.15	1.08	0.60	1.02	0.66
Commercial and industrial loans	1.07	1.18	0.75	0.94	1.01	1.36	0.79
Loans to individuals	0.66	0.59	0.73	0.34	0.44	1.29	0.34
Credit card loans	1.10	0.70	0.72	1.15	1.69	0.60	1.05
Other loans to individuals	0.64	0.59	0.73	0.31	0.37	1.30	0.30
All other loans and leases (including farm)	0.74	0.33	0.44	0.71	0.92	0.77	0.83
Total loans and leases	0.85	0.93	0.90	0.88	0.79	0.89	0.51
Percent of Loans Charged-Off (net, YTD)							
All loans secured by real estate	0.02	0.04	0.00	0.01	0.01	0.02	-0.03
Construction and development	-0.03	0.02	-0.08	-0.10	-0.04	0.03	-0.10
Nonfarm nonresidential	0.02	0.04	0.00	0.02	0.02	0.02	0.00
Multifamily residential real estate	0.00	0.00	-0.01	-0.03	0.04	0.01	0.00
Home equity loans	0.02	0.06	0.02	0.01	-0.04	0.00	-0.05
Other 1-4 family residential	0.02	0.04	0.03	0.03	0.03	0.02	-0.07
Commercial and industrial loans	0.48	1.31	0.36	0.15	0.11	0.34	0.15
Loans to individuals	1.05	0.88	0.88	0.56	1.22	1.22	2.23
Credit card loans	7.06	4.51	1.75	3.03	16.98	1.81	2.55
Other loans to individuals	0.85	0.77	0.86	0.47	0.31	1.21	2.21
All other loans and leases (including farm)	0.15	0.12	0.14	0.14	0.11	0.21	0.29
Total loans and leases	0.13	0.21	0.09	0.06	0.09	0.14	0.08
Loans Outstanding (in billions)							
All loans secured by real estate	$1,196.1	$377.3	$123.6	$208.2	$168.7	$209.1	$109.2
Construction and development	106.0	24.6	13.9	15.0	14.5	29.0	9.0
Nonfarm nonresidential	459.2	134.0	53.4	76.4	56.7	86.3	52.4
Multifamily residential real estate	116.8	62.2	6.2	17.3	9.6	8.9	12.5
Home equity loans	48.3	16.2	6.7	10.7	5.1	4.8	4.8
Other 1-4 family residential	394.0	138.0	39.1	71.9	51.4	66.5	27.0
Commercial and industrial loans	204.5	49.9	18.6	40.3	35.4	41.6	18.8
Loans to individuals	61.4	14.9	6.7	12.1	10.3	12.8	4.5
Credit card loans	1.9	0.4	0.2	0.4	0.6	0.2	0.2
Other loans to individuals	59.5	14.5	6.6	11.7	9.7	12.6	4.3
All other loans and leases (including farm)	86.8	12.2	4.4	15.3	33.2	15.8	5.9
Total loans and leases	1,548.8	454.4	153.3	275.9	247.5	279.3	138.4
Memo: Unfunded Commitments (in millions)							
Total Unfunded Commitments	297,365	79,136	26,958	56,105	51,400	53,350	30,415
Construction and development: 1-4 family residential	24,515	5,036	3,344	2,967	3,091	7,164	2,913
Construction and development: CRE and other	61,486	19,338	6,126	10,490	7,594	12,800	5,138
Commercial and industrial	92,545	24,288	7,228	19,357	15,364	16,389	9,919

* 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 $2.3 Billion

Estimated Insured Deposits Grow by 2.6 Percent

DIF Reserve Ratio Is Unchanged at 1.30 Percent

The Deposit Insurance Fund (DIF) balance increased by $2.3 billion, to $95.1 billion, during the first quarter. Assessment income of $2.9 billion, which includes temporary assessment surcharges on large banks, was the main driver of the fund balance increase. Interest on investments of $338 million and a negative provision for insurance losses of $65 million also added to the fund. Operating expenses of $433 million and unrealized losses on available-for-sale securities of $496 million partially offset the increase in the fund balance. No banks failed during the quarter.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—increased by 0.4 percent in the first quarter and by 3.1 percent over 12 months.[1,2] Total estimated insured deposits increased by 2.6 percent in the first quarter of 2018 and by 3.7 percent year-over-year. The DIF's reserve ratio (the fund balance as a percent of estimated insured deposits) was 1.30 percent on March 31, 2018, unchanged from year-end 2017 due primarily to strong first quarter growth in estimated insured deposits. The reserve ratio increased by ten basis points from one year earlier.

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.[3,4] Surcharges began in the third quarter of 2016 and will continue through the quarter in which the reserve ratio first meets 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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[1] There are additional adjustments to the assessment base for banker's banks and custodial banks.

[2] Figures for estimated insured deposits and the assessment base include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.

[3] Large banks are generally those with assets of $10 billion or more.

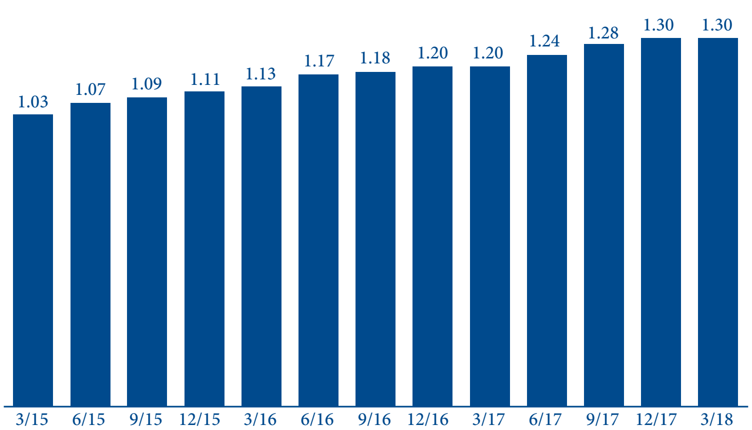
[4] The assessment base for the surcharge is a large bank's regular assessment base reduced by $10 billion (and subject to additional adjustment for affiliated banks).

Table I-C. Insurance Fund Balances and Selected Indicators

	Deposit Insurance Fund*												
(dollar figures in millions)	1st Quarter 2018	4th Quarter 2017	3rd Quarter 2017	2nd Quarter 2017	1st Quarter 2017	4th Quarter 2016	3rd Quarter 2016	2nd Quarter 2016	1st Quarter 2016	4th Quarter 2015	3rd Quarter 2015	2nd Quarter 2015	1st Quarter 2015
Beginning 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
Changes in Fund Balance:													
Assessments earned	2,850	2,656	2,568	2,634	2,737	2,688	2,643	2,328	2,328	2,160	2,170	2,328	2,189
Interest earned on investment securities	338	305	274	251	227	189	171	164	147	128	122	113	60
Realized gain on sale of investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating expenses	433	443	404	450	442	437	422	441	415	447	410	434	396
Provision for insurance losses	-65	-203	-512	-233	765	-332	-566	-627	-43	-930	-578	-317	-426
All other income, net of expenses	1	3	1	4	2	3	3	2	5	12	2	3	6
Unrealized gain/(loss) on available-for-sale securities**	-496	-481	-33	-12	7	-317	-167	110	412	-298	64	-34	231
Total fund balance change	2,325	2,242	2,918	2,660	1,766	2,457	2,794	2,790	2,520	2,485	2,526	2,293	2,516
Ending Fund Balance	95,072	92,747	90,506	87,588	84,928	83,162	80,704	77,910	75,120	72,600	70,115	67,589	65,296
Percent change from four quarters earlier	11.95	11.53	12.14	12.42	13.06	14.55	15.10	15.27	15.05	15.64	29.08	32.37	33.55
Reserve Ratio (%)	1.30	1.30	1.28	1.24	1.20	1.20	1.18	1.17	1.13	1.11	1.09	1.07	1.03
Estimated Insured Deposits	7,334,558	7,150,843	7,094,228	7,042,277	7,075,295	6,910,931	6,813,252	6,672,294	6,659,996	6,519,715	6,406,678	6,333,620	6,333,948
Percent change from four quarters earlier	3.66	3.47	4.12	5.55	6.24	6.00	6.35	5.35	5.15	5.23	4.61	3.91	3.70
Domestic Deposits	12,305,735	12,129,449	11,966,432	11,827,933	11,856,691	11,693,371	11,506,877	11,242,960	11,156,523	10,952,922	10,698,306	10,632,635	10,618,958
Percent change from four quarters earlier	3.79	3.73	3.99	5.20	6.28	6.76	7.56	5.74	5.06	5.21	4.75	5.28	6.59
Assessment Base* **	15,067,900	15,001,354	14,834,412	14,703,143	14,620,990	14,563,517	14,383,150	14,194,051	13,994,519	13,833,119	13,662,701	13,589,504	13,533,515
Percent change from four quarters earlier	3.06	3.01	3.14	3.59	4.48	5.28	5.27	4.45	3.41	3.65	4.19	5.33	5.78
Number of Institutions Reporting	5,615	5,679	5,747	5,796	5,865	5,922	5,989	6,067	6,131	6,191	6,279	6,357	6,428

DIF Reserve Ratios

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits ($ Millions)

	DIF Balance	DIF-Insured Deposits
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	7,075,295
6/17	87,588	7,042,277
9/17	90,506	7,094,228
12/17	92,747	7,150,843
3/18	95,072	7,334,558

Table II-C. Problem Institutions and Failed Institutions

(dollar figures in millions)	2018****	2017****	2017	2016	2015	2014	2013	2012
Problem Institutions								
Number of institutions	92	112	95	123	183	291	467	651
Total assets	$56,445	$23,675	$13,939	$27,624	$46,780	$86,712	$152,687	$232,701
Failed Institutions								
Number of institutions	0	3	8	5	8	18	24	51
Total assets*****	$0	$490	$5,082	$277	$6,706	$2,914	$6,044	$11,617

* 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.
****Through March 31.
***** Total assets are based on final Call Reports submitted by failed institutions.

Table III-C. Estimated FDIC-Insured Deposits by Type of Institution

(dollar figures in millions) March 31, 2018	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	4,880	$16,327,788	$11,298,929	$6,522,266
FDIC-Supervised	3,245	2,556,412	2,015,956	1,390,461
OCC-Supervised	867	11,048,021	7,381,926	4,099,093
Federal Reserve-Supervised	768	2,723,355	1,901,047	1,032,712
FDIC-Insured Savings Institutions	726	1,203,678	957,871	773,675
OCC-Supervised	336	772,797	630,520	517,152
FDIC-Supervised	352	400,745	303,633	237,484
Federal Reserve-Supervised	38	30,136	23,718	19,039
Total Commercial Banks and Savings Institutions	5,606	17,531,466	12,256,800	7,295,941
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	89,222	48,935	38,617
Total FDIC-Insured Institutions	5,615	17,620,688	12,305,735	7,334,558

* 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 December 31, 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	3,334	58.71	$2,684.8	17.90
3.01 - 6.00	1,587	27.95	11,331.2	75.53
6.01 - 10.00	584	10.28	817.8	5.45
10.01 - 15.00	68	1.20	134.3	0.89
15.01 - 20.00	91	1.60	14.3	0.10
20.01 - 25.00	8	0.14	5.7	0.04
> 25.00	7	0.12	13.4	0.09

* 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.

Note: Certain row labels in Table I-C were incorrect in the printed version of the Fourth Quarter 2017 *Quarterly Banking Profile* (as published within the *FDIC Quarterly*, Volume 12, Number 1). The labels have been corrected in Table I-C and can be obtained on the FDIC website at https://www.fdic.gov/bank/analytical/qbp/2017dec/qbp.pdf. Alternatively, you may request a copy from the FDIC Public Information Center by calling 877-275-3342.

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 ≥ 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 ≥ 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 ≤ 2
- Number of states with offices ≤ 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-

[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.

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 double-counting. 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/fil18017.html

https://www.fdic.gov/news/news/financial/2018/fil18017.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 institutions—generally 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 seller-provided 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-for-sale 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 seller-provided 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" (reported at amortized cost (book value)), securities designated as "available-for-sale" (reported at fair (market) value), and equity securities with readily determinable fair values not held for trading.

Securities gains (losses) – realized gains (losses) on held-to-maturity 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 S corporation – 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 loan 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.