



# Office of Thrift Supervision Cost of Funds



**REPORT**

1700 G Street, N.W., Washington, D.C. 20552  
www.ots.treas.gov

Announcement Date  
**12/15/08**

Index	Index Period	Index Rate*	Announcement Date
National Monthly Median Cost of Funds Ratio for OTS Regulated Institutions**	October 2008	2.95%	12/15/08
Quarterly Average Cost of Funds for OTS Regulated Institutions	July-September 2008	2.93%	12/15/08
Semi-annual National Average Cost of Funds for OTS Regulated Institutions	January-June 2008	3.31%	09/15/08

*Note: The cost of funds indices are among those that federally chartered institutions may use in changing rates on adjustable-rate mortgage loans made in accordance with OTS Regulation 560.35.*

## National Average Cost of Funds Ratio for OTS Regulated Institutions

Announcement Date	Index Period	Index Rate%
<b>Semi-annual Period</b>		
Mar 15, 2006	Jul-Dec 2005	3.01
Sep 15, 2006	Jan-Jun 2006	3.48
Mar 15, 2007	Jul-Dec 2006	4.05
Sep 14, 2007	Jan-Jun 2007	4.07
Mar 14, 2008	Jul-Dec 2007	4.12
Sep 15, 2008	Jan-Jun 2008	3.31
<b>Quarterly Period</b>		
Mar 15, 2007	Oct-Dec 2006	4.08
June 15, 2007	Jan-Mar 2007	4.02
Sep 14, 2007	Apr-Jun 2007	4.13
Dec 14, 2007	Jul-Sept 2007	4.17
Mar 14, 2008	Oct-Dec 2007	4.06
June 16, 2008	Jan-Mar 2008	3.59
Sep 15, 2008	Apr-Jun 2008	3.04
Dec 15, 2008	Jul-Sept 2008	2.93

## National Monthly Median Cost of Funds Ratio for OTS Regulated Institutions

Announcement Date	Index Month	Index Rate%
August 15, 2007	June 2007	3.79
September 14, 2007	July 2007	3.81
October 15, 2007	August 2007	3.84
November 15, 2007	September 2007	3.85
December 14, 2007	October 2007	3.83
January 15, 2008	November 2007	3.81
February 15, 2008	December 2007	3.77
March 14, 2008	January 2008	3.74
April 15, 2008	February 2008	3.59
May 15, 2008	March 2008	3.45
June 16, 2008	April 2008	3.32
July 15, 2008	May 2008	3.22
August 15, 2008	June 2008	3.10
September 15, 2008	July 2008	3.06
October 15, 2008	August 2008	3.02
November 14, 2008	September 2008	2.99
December 15, 2008	October 2008	2.95

### Definitions and Footnotes

\*The average cost of funds ratio is defined as the sum of the period interest paid and accrued on deposits (excluding escrow deposits), FHLB advances, and other borrowings, divided by the average period balance of deposits (excluding escrow deposits), FHLB advances, and other borrowings. The median cost of funds is the midpoint value of individual institutions' cost of funds ratios, adjusted for variation in length of month. All series reflect the cost of funds for OTS Regulated, SAIF Insured Institutions required to file the monthly Cost of Funds reports.

\*\*The Federal Deposit Insurance Reform Act of 2005 created a single insurance fund by merging Savings Association Insurance Fund (SAIF) and Bank Insurance Fund (BIF), effective March 31, 2006, to be known as the Deposit Insurance Fund (DIF). NOTE: Institutions designated as BIF insured prior to March 31, 2006, that were not required to file cost of funds reports will continue to be excluded from the calculation.

(1) Effective with the January 1999 index, the OTS is using a revised methodology that dampens significantly the month-to-month volatility in the index caused by the change in the number of days in the month. In addition to some other technical modifications, the new methodology assumes an average length of month of 30.4375 days, the average number of days in a month over a four-year period. The index value for January 1999 using the old methodology would have been 4.71%.

**OTS Regulated Institutions**  
**Cost of Funds / Average Savings and Borrowed Money (Annualized)**

Announcement Date	SEP 2008 12/15/08	JUN 2008 09/15/08	MAR 2008 06/16/08	DEC 2007 03/14/08	SEP 2007 12/14/07	JUN 2007 09/14/07	MAR 2007 06/14/07
<b>United States</b>	<b>2.93</b>	<b>3.04</b>	<b>3.59</b>	<b>4.06</b>	<b>4.17</b>	<b>4.13</b>	<b>4.02</b>
District 1: Boston	1.98	2.11	2.59	2.80	2.75	2.65	2.61
District 2: New York	2.46	2.64	3.56	3.68	3.37	3.59	3.77
District 3: Pittsburgh	2.97	2.97	3.48	3.98	4.26	4.21	4.23
District 4: Atlanta	3.19	3.52	3.95	4.37	4.38	4.36	3.86
District 5: Cincinnati	3.35	3.31	3.84	4.31	4.37	4.24	4.16
District 6: Indianapolis	3.48	3.63	3.97	4.25	4.45	4.34	4.31
District 7: Chicago	3.43	3.52	3.88	4.09	4.09	3.97	3.88
District 8: Des Moines	2.85	2.97	3.43	3.81	3.95	3.93	3.78
District 9: Dallas	2.50	2.53	3.17	3.78	3.89	3.88	3.75
District 10: Topeka	3.19	3.22	3.62	4.01	4.12	3.99	3.90
District 11: San Francisco	2.24	2.81	3.43	4.02	4.20	4.12	4.16
District 12: Seattle	3.15	3.38	3.70	4.31	4.41	4.27	4.07
Alabama	3.55	3.66	4.14	4.53	4.42	4.39	4.28
Alaska	1.77	1.98	2.33	2.39	2.40	2.55	2.54
Arizona	3.64	3.71	4.00	4.19	4.13	4.06	3.96
Arkansas	2.96	3.17	3.54	3.82	3.94	4.30	3.36
California	3.16	3.75	4.35	4.78	5.00	5.03	5.01
Colorado	2.02	2.10	2.49	3.00	3.19	3.14	3.13
Connecticut	1.69	1.83	2.23	2.45	2.39	2.34	2.30
Delaware	3.28	3.23	3.85	4.49	4.91	4.80	4.83
District of Columbia	2.78	2.90	3.07	3.33	3.43	3.49	3.44
Florida	2.99	3.10	3.72	4.24	4.35	4.27	4.13
Georgia	3.08	3.44	3.82	4.13	4.18	4.34	4.24
Guam	1.16	1.32	1.71	1.72	1.72	1.49	1.45
Hawaii	1.63	2.29	2.43	2.67	2.67	2.59	2.56
Idaho	2.66	2.83	3.15	3.39	3.33	3.26	3.16
Illinois	3.60	3.68	4.02	4.12	4.06	3.95	3.85
Indiana	2.89	3.01	3.38	3.73	3.83	3.73	3.68
Iowa	2.73	2.82	3.23	3.57	3.49	3.54	3.47
Kansas	3.48	3.56	3.91	4.29	4.42	4.27	4.17
Kentucky	3.23	3.36	3.72	3.99	4.04	3.95	3.83
Louisiana	2.82	2.95	3.23	3.38	3.42	3.32	3.22
Maine	3.04	3.22	3.50	3.69	3.78	3.70	3.54
Maryland	3.26	3.45	3.85	4.12	4.15	4.08	3.94
Massachusetts	2.82	2.94	3.23	3.43	3.48	3.42	3.32
Michigan	3.78	3.95	4.25	4.50	4.73	4.63	4.62
Minnesota	3.08	3.29	3.66	3.96	4.16	4.04	3.89
Mississippi	3.57	3.79	4.00	4.17	4.22	4.07	3.87
Missouri	2.94	3.04	3.59	4.03	4.34	4.31	4.08
Montana	2.52	2.62	2.83	3.09	3.11	2.97	2.86
Nebraska	3.26	3.13	3.63	3.98	4.00	3.86	3.72
Nevada	0.72	2.60	3.23	3.85	4.01	3.90	3.97
New Hampshire	2.34	2.55	2.85	3.13	3.05	2.95	3.01
New Jersey	2.71	2.82	3.21	3.56	3.59	3.30	3.86
New Mexico	3.31	3.50	3.78	4.05	3.81	3.81	3.70
New York	2.38	2.59	3.67	3.72	3.28	3.71	3.66
North Carolina	3.08	3.27	3.73	4.11	4.16	4.04	3.93
North Dakota	2.17	2.36	2.93	3.28	3.49	3.38	3.30
Ohio	3.41	3.33	3.89	4.40	4.46	4.33	4.24
Oklahoma	2.79	2.97	3.35	3.65	3.67	3.61	3.56
Oregon	2.37	2.63	2.78	2.86	2.77	2.60	2.42
Pennsylvania	2.65	2.71	3.11	3.47	3.61	3.63	3.72
Puerto Rico	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rhode Island	3.49	3.23	3.92	4.19	4.43	3.57	3.38
South Carolina	3.06	3.18	3.62	3.93	3.89	3.69	3.61
South Dakota	2.59	2.64	3.06	3.53	3.56	3.52	3.45
Tennessee	2.88	3.06	3.40	3.65	3.63	3.53	3.42
Texas	2.41	2.42	3.12	3.79	3.92	3.92	3.82
Utah	3.47	3.60	4.01	5.06	5.41	5.28	4.95
Vermont	2.51	2.59	3.03	3.44	3.48	3.37	3.37
Virgin Islands	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Virginia	3.24	3.65	4.02	4.43	4.42	4.44	3.66
Washington	3.46	3.71	4.09	4.33	4.26	4.17	3.11
West Virginia	2.98	3.12	3.34	3.41	3.35	3.27	3.13
Wisconsin	3.14	3.25	3.64	4.04	4.15	4.01	3.94
Wyoming	2.53	2.79	3.13	3.39	3.39	3.34	3.27

Ratios are calculated using merger adjusted data. Beginning September 1988, includes estimated data for associations acquired by purchase. Beginning with June 1996, Cost of Funds indices are reported on a consolidated basis. There were no OTS regulated thrift institutions in Puerto Rico as of September 1998. There were no OTS regulated institutions in the Virgin Islands as of October 2000.