

# FDIC Quarterly

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*Quarterly Banking Profile:  
Third Quarter 2011*

*Highlights from the 2011  
Summary of Deposits*



2011, Volume 5, Number 4

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2011, Volume 5, Number 4

## **Quarterly Banking Profile: Third Quarter 2011**

FDIC-insured institutions reported an aggregate profit of \$35.3 billion in the third quarter of 2011, an \$11.5 billion improvement from the \$23.8 billion in net income the industry reported in the third quarter of 2010. This is the ninth consecutive quarter that earnings registered a year-over-year increase. Lower provisions for loan losses were responsible for most of the year-over-year improvement in earnings. Third-quarter loss provisions totaled \$18.6 billion, almost 50 percent less than the \$35.1 billion that insured institutions set aside for losses in the third quarter of 2010. [See page 1.](#)

### *Insurance Fund Indicators*

Estimated insured deposits (based on \$250,000 coverage) increased by 3.6 percent during the third quarter of 2011. The Deposit Insurance Fund reserve ratio was 0.12 percent on September 30, 2011, up from 0.06 percent at June 30, 2011, and -0.15 percent four quarters earlier. Twenty-six FDIC-insured institutions failed during the quarter. [See page 14.](#)

## **Highlights from the 2011 Summary of Deposits**

Each year as of June 30, the FDIC surveys each FDIC-insured institution to collect information on bank and thrift deposits and operating branches and offices. The resulting Summary of Deposits (SOD) is a valuable resource for analyzing deposit and office trends as well as domestic deposit market share. This article highlights findings from the 2011 SOD. [See page 26.](#)

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## INSURED INSTITUTION PERFORMANCE

- **Net Income Tops \$35 Billion as Provision Expenses Fall Further**
- **Deposit Inflows Continue to Grow**
- **Loan Balances Post a Second Consecutive Quarterly Increase**
- **“Problem List” Shrinks for a Second Quarter in a Row**

### Net Income Rose to \$35.3 Billion in the Third Quarter

FDIC-insured institutions reported net income of \$35.3 billion in third quarter 2011, an increase of \$11.5 billion (48.6 percent) compared with third quarter 2010. This is the highest level for industry profits since second quarter 2007. Earnings have improved year over year for nine quarters in a row, with most of the improvement consisting of lower expenses for loan-loss provisions. A rising proportion of insured institutions are included in the overall improvement in industry results. Almost two-thirds of all institutions (63 percent) reported improved earnings compared with a year ago. Only 14.3 percent of institutions reported a net loss for the quarter, the smallest proportion since first quarter 2008. The average return on assets rose to 1.03 percent, from 0.72 percent a year earlier.

### Loss Provisions Decline for an Eighth Consecutive Quarter

Loan-loss provisions totaled \$18.6 billion, a decline of \$16.5 billion (47 percent) from third quarter 2010, but only \$504 million (2.6 percent) less than the total that banks set aside in second quarter 2011. This is the lowest quarterly industry loss provision since third quarter 2007. More than half of all banks (51.1 percent) reported year-over-year declines in their quarterly loss provisions. Provision reductions remained most prevalent among large banks. Seventeen of the 20 largest banks reported lower quarterly provisions compared with a year ago. Some of the biggest reductions in loss provisions occurred at credit card lenders that had large additions to their loss reserves in first quarter 2010.

Chart 1

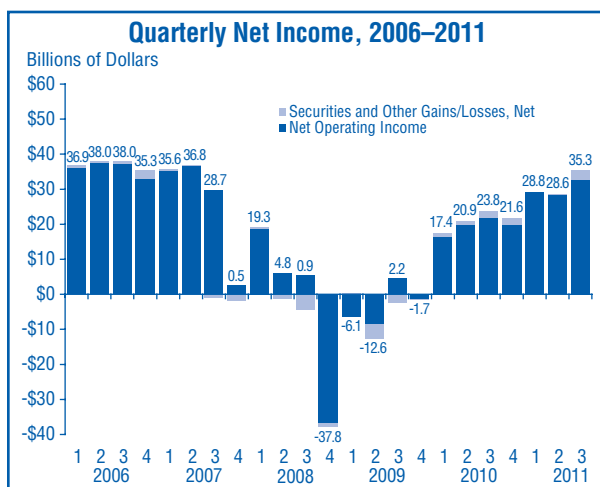
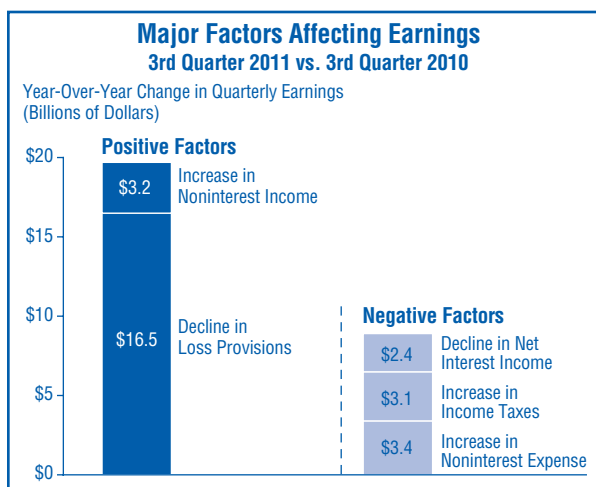


Chart 2



## Reported Revenues Include Accounting Gains at Large Banks

Net operating revenue (net interest income plus total noninterest income) was \$864 million (0.5 percent) higher than a year ago. Noninterest income, which had posted year-over-year declines in each of the previous six quarters, was up by \$3.2 billion (5.8 percent). A portion of the \$3.2 billion increase consisted of accounting gains booked by a few large banks, triggered by declines in the market values of some of their liabilities.<sup>1</sup> Absent these unrealized gains, net operating revenue would have posted a year-over-year decline for a third consecutive quarter. Trading revenue was \$8.8 billion (198.1 percent) higher than a year ago, while servicing income was \$4.6 billion lower. Both of these revenue changes were limited to a few of the largest banks. Gains on sales of loans and other assets were \$2.9 billion (81.6 percent) lower than a year ago. Income from service charges on deposit accounts posted a year-over-year increase for the first time in twelve quarters, rising by \$69 million (0.8 percent). Net interest income declined for a third consecutive quarter, falling by \$2.4 billion (2.2 percent). The drop in the industry's net interest income reflected declines at large banks, where average asset yields fell more rapidly than average funding costs. More than 60 percent of all institutions reported year-over-year increases in net interest income. The average net interest margin (NIM) in the third quarter was 3.56 percent, down from 3.75 percent in third quarter 2010. Slightly more institutions (50.3 percent) reported year-over-year declines in their NIMs than reported increases (48.3 percent).

<sup>1</sup> See ASC Topic 820 (FAS 157) and ASC Topic 825 (FAS 159) in *Notes to Users*.

## Loan Losses Post Fifth Quarterly Decline in a Row

Net charge-offs (NCOs) totaled \$26.7 billion in the third quarter, a decline of \$17.2 billion (39.2 percent) compared with third quarter 2010. This is the lowest quarterly NCO total since second quarter 2008. All major loan categories had year-over-year NCO declines. The reductions were led by credit cards (down \$5.5 billion, or 37.8 percent), real estate construction loans (down \$3 billion, or 57.7 percent), and commercial and industrial (C&I) loans (down \$2.6 billion, or 48.9 percent). More than half of all institutions (52.4 percent) reported lower NCOs than a year ago; fewer than 40 percent (39.6 percent) reported increased NCOs.

## Noncurrent Loan Levels Continue to Fall

The amount of loans and leases that were noncurrent (90 days or more past due or in nonaccrual status) fell for a sixth consecutive quarter, declining during the quarter by \$10.5 billion (3.3 percent). Noncurrent loan balances at the end of the third quarter were down from midyear levels in all major loan categories. Noncurrent real estate construction loans fell by \$4.2 billion (10.2 percent), while noncurrent C&I loans declined by \$1.6 billion (7.6 percent), and noncurrent residential mortgage loans were reduced by \$1.3 billion (0.7 percent). A majority of insured institutions (52.3 percent) reported reductions in noncurrent loan balances during the quarter.

Chart 3

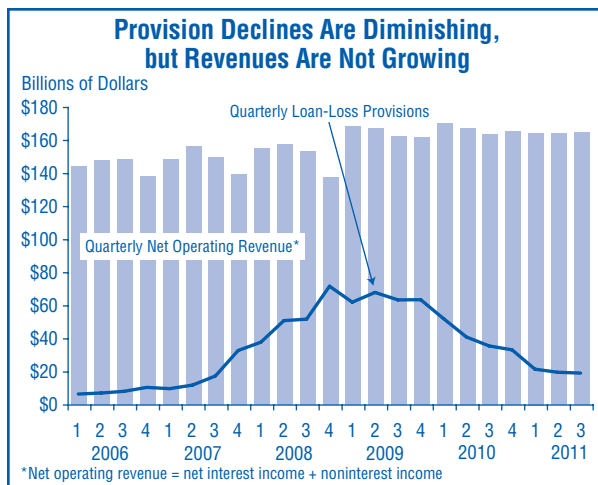
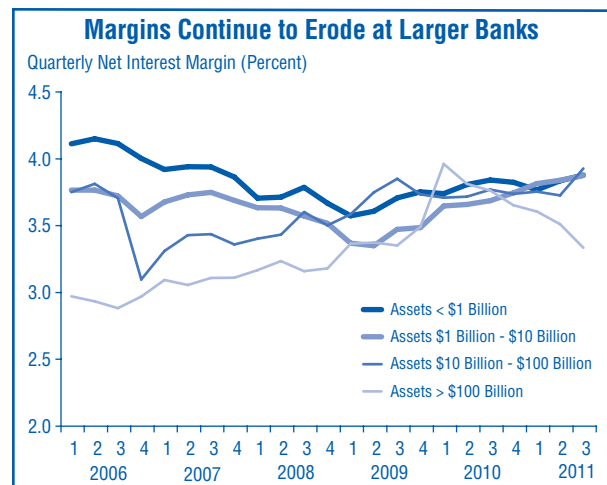


Chart 4



### Reserves Decline for Sixth Quarter in a Row

Loan-loss reserves fell by \$10.4 billion (5 percent) during the quarter, as net charge-offs exceeded provisions by \$8.2 billion. A majority of banks (54.5 percent) increased their reserves, but the 38.2 percent that reduced reserves included 17 of the 20 largest banks. The reduction in total reserves caused the industry's "coverage ratio" of reserves to noncurrent loans to fall from 64.9 percent to 63.7 percent during the quarter. The industry's ratio of reserves to total loans and leases also declined, from 2.84 percent to 2.69 percent.

### Internal Capital Growth Improves

Total equity capital increased by \$24.5 billion (1.6 percent), as retained earnings contributed \$15.5 billion to equity growth. Retained earnings were \$5 billion (48.2 percent) higher than in third quarter 2010, and represent the largest quarterly total since third quarter 2006. The growth in retained earnings came on top of a \$6.5 billion (48.9 percent) year-over-year increase in quarterly dividend payments. Equity received an additional boost from unrealized gains on securities held for sale, which rose by \$7.7 billion (38.5 percent) during the quarter. Tier 1 regulatory capital, which does not include unrealized securities gains, increased by \$15.1 billion (1.3 percent). Total regulatory capital had a smaller increase—\$10.9 billion, or 0.8 percent—due to the reductions in loan-loss reserves. At the end of the quarter, more than 96 percent of all FDIC-insured institutions, representing more than 99 percent of total industry assets, met or exceeded the quantitative requirements for well-capitalized status, as defined for Prompt Corrective Action purposes.

### Commercial Lending Activity Rises

Total assets of insured institutions increased by \$207.1 billion (1.5 percent) during the quarter. Most of the asset growth occurred in securities portfolios and trading accounts, while loan balances registered a second consecutive quarterly increase. Mortgage-backed securities holdings increased by \$54.4 billion (3.5 percent), while banks' U.S. Treasury securities rose by \$10.4 billion (6.4 percent). Assets in trading accounts increased by \$61 billion (8.8 percent). Balances with Federal Reserve banks, which had grown by \$253 billion in the first six months of 2011, declined by \$91.2 billion (12.2 percent). Total loans and leases increased for a second consecutive quarter, rising by \$21.8 billion (0.3 percent). The largest growth was in C&I loans, which increased by \$44.8 billion (3.6 percent). This is the fifth consecutive quarter that C&I loan balances have risen. Small C&I loans (loans with original balances of less than \$1 million) declined by \$3.1 billion (1.1 percent). Residential mortgage loan balances increased by \$23.7 billion, the largest quarterly increase since third quarter 2007. Real estate construction loan balances fell for a 14th consecutive quarter, declining by \$20.3 billion (7.4 percent). Loans to depository institutions declined by \$37.1 billion (25.3 percent), as a result of the elimination of intracompany loans between two affiliated banks that merged during the third quarter. Adjusted for the impact of this transaction, overall loan growth in the third quarter was comparable to the growth reported in the previous quarter. The larger increases in securities produced a decline in the average risk weighting of the industry's assets. The ratio of risk-weighted assets to total assets fell to 67 percent at the end of the quarter, the lowest level since first quarter 1994.

Chart 5

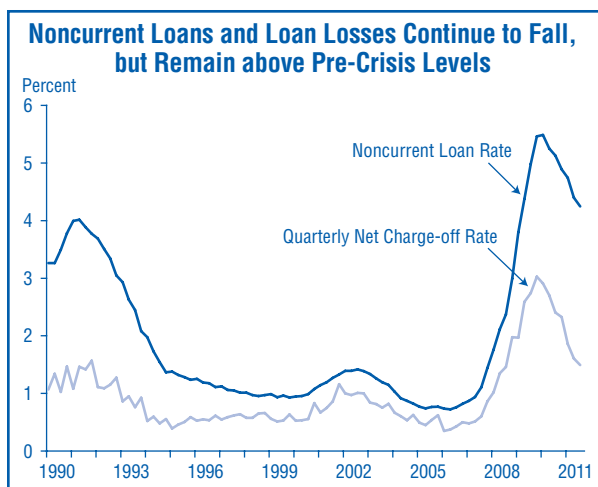
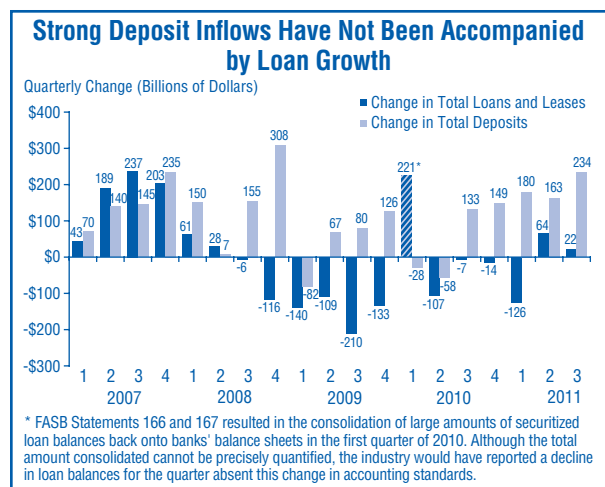


Chart 6



## The Flow of Large-Denomination Deposits into Large Banks Increases

Total deposits increased by \$234.5 billion (2.4 percent) in the third quarter. Deposits in foreign offices declined by \$45 billion (2.9 percent) while domestic deposits rose by \$279.5 billion (3.4 percent). About two-thirds of the increase in domestic deposits (\$183.8 billion) consisted of large-denomination (balances greater than \$250,000) noninterest-bearing transaction deposits, which have temporary unlimited deposit insurance coverage through the end of 2012. Three-quarters of the increase in these large deposits occurred at the ten largest banks, although more than half of all banks (55.9 percent) reported increases in these accounts. Nondeposit liabilities declined by \$51.2 billion (2.2 percent), as banks reduced their Federal Home Loan Bank advances by \$17.9 billion (5.2 percent).

## No New Charters Were Added in the Quarter

The number of insured institutions reporting financial results declined to 7,436 at the end of the quarter, from 7,513 in the second quarter. Mergers absorbed 49 institutions during the quarter, and 26 institutions failed. One institution had not yet reported third-quarter results. For only the second time in the 39 years for which data are available, no new charters were added during the quarter (the other occasion was second quarter 2010). The number of institutions on the FDIC's "problem list" declined from 865 to 844 during the quarter. Total assets of "problem" institutions fell from \$372 billion to \$339 billion. The number of full-time equivalent employees at FDIC-insured commercial banks and savings institutions increased by 5,012 (0.2 percent) during the quarter, to 2,109,911.

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Chart 7

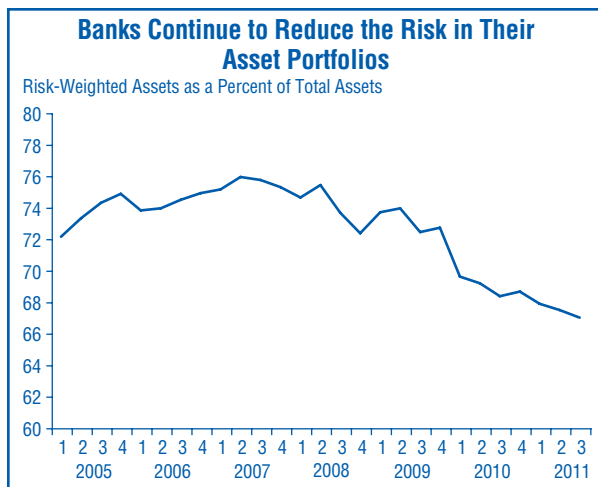


Chart 8

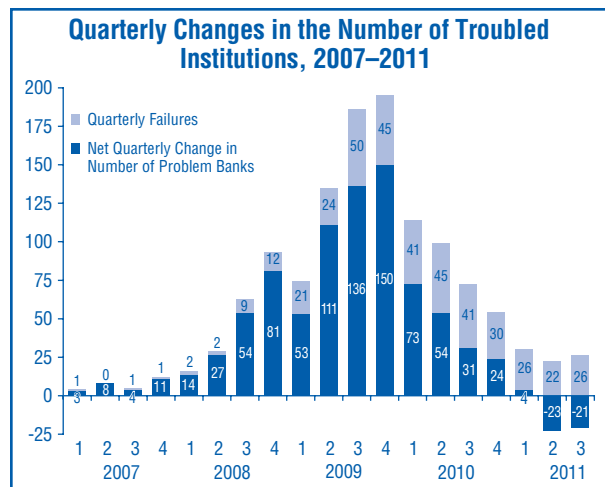




TABLE I-A. Selected Indicators, All FDIC-Insured Institutions\*

	2011**	2010**	2010	2009	2008	2007	2006
Return on assets (%)	0.92	0.64	0.65	-0.07	0.03	0.81	1.28
Return on equity (%)	8.20	5.83	5.87	-0.72	0.35	7.75	12.30
Core capital (leverage) ratio (%)	9.17	8.96	8.89	8.60	7.47	7.97	8.22
Noncurrent assets plus other real estate owned to assets (%)	2.62	3.24	3.11	3.36	1.91	0.95	0.54
Net charge-offs to loans (%)	1.61	2.64	2.55	2.52	1.29	0.59	0.39
Asset growth rate (%)	3.25	1.11	1.78	-5.45	6.19	9.88	9.03
Net interest margin (%)	3.61	3.79	3.76	3.49	3.16	3.29	3.31
Net operating income growth (%)	51.81	1,004.52	1,632.37	-154.76	-90.71	-27.59	8.52
Number of institutions reporting	7,436	7,761	7,658	8,012	8,305	8,534	8,680
Commercial banks	6,352	6,623	6,530	6,840	7,087	7,284	7,401
Savings institutions	1,084	1,138	1,128	1,172	1,218	1,250	1,279
Percentage of unprofitable institutions (%)	15.57	20.99	22.07	30.84	24.89	12.10	7.95
Number of problem institutions	844	860	884	702	252	76	50
Assets of problem institutions (in billions)	\$339	\$379	\$390	\$403	\$159	\$22	\$8
Number of failed institutions	74	127	157	140	25	3	0
Number of assisted institutions	0	0	0	8	5	0	0

\* Excludes insured branches of foreign banks (IBAs).

\*\* Through September 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending September 30.

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

(dollar figures in millions)	3rd Quarter 2011	2nd Quarter 2011	3rd Quarter 2010	%Change 10Q3-11Q3	
Number of institutions reporting	7,436	7,513	7,761	-4.2	
Total employees (full-time equivalent)	2,109,911	2,104,899	2,042,106	3.3	
<b>CONDITION DATA</b>					
Total assets	\$13,807,683	\$13,600,584	\$13,372,951	3.3	
Loans secured by real estate	4,113,653	4,122,587	4,302,513	-4.4	
1-4 Family residential mortgages	1,852,006	1,828,340	1,882,535	-1.6	
Nonfarm nonresidential	1,055,475	1,059,532	1,072,729	-1.6	
Construction and development	254,589	274,916	354,137	-28.1	
Home equity lines	608,252	615,512	647,919	-6.1	
Commercial & industrial loans	1,283,618	1,238,860	1,165,735	10.1	
Loans to individuals	1,284,570	1,289,549	1,328,440	-3.3	
Credit cards	666,477	668,340	683,944	-2.6	
Farm loans	59,802	57,668	59,104	1.2	
Other loans & leases	595,462	607,260	535,519	11.2	
Less: Unearned income	1,728	2,310	2,127	-18.8	
Total loans & leases	7,335,378	7,313,613	7,389,184	-0.7	
Less: Reserve for losses	197,212	207,664	241,989	-18.5	
Net loans and leases	7,138,166	7,105,949	7,147,194	-0.1	
Securities	2,788,702	2,721,750	2,641,552	5.6	
Other real estate owned	50,485	51,300	53,160	-5.0	
Goodwill and other intangibles	372,712	388,398	384,146	-3.0	
All other assets	3,457,618	3,333,188	3,146,899	9.9	
Total liabilities and capital	13,807,683	13,600,584	13,372,951	3.3	
Deposits	10,000,070	9,765,593	9,273,697	7.8	
Domestic office deposits	8,505,121	8,225,628	7,738,109	9.9	
Foreign office deposits	1,494,949	1,539,965	1,535,588	-2.6	
Other borrowed funds	1,475,155	1,600,166	1,866,933	-21.0	
Subordinated debt	136,524	138,871	150,820	-9.5	
All other liabilities	616,947	540,776	567,336	8.7	
Total equity capital (includes minority interests)	1,578,984	1,555,177	1,514,164	4.3	
Bank equity capital	1,560,746	1,536,265	1,495,119	4.4	
Loans and leases 30-89 days past due	100,240	101,128	123,775	-19.0	
Noncurrent loans and leases	309,626	320,064	377,174	-17.9	
Restructured loans and leases	126,953	119,691	75,645	67.8	
Mortgage-backed securities	1,600,933	1,546,500	1,440,577	11.1	
Earning assets	11,916,533	11,816,502	11,547,621	3.2	
FHLB Advances	323,290	341,200	402,404	-19.7	
Unused loan commitments	5,720,248	5,701,042	6,061,452	-5.6	
Trust assets	15,414,297	19,684,965	18,602,057	-17.1	
Assets securitized and sold***	965,061	970,383	992,115	-2.7	
Notional amount of derivatives***	250,463,084	251,259,019	236,472,991	5.9	
<b>INCOME DATA</b>					
	First Three Quarters 2011	First Three Quarters 2010	3rd Quarter 2011	3rd Quarter 2010	%Change 10Q3-11Q3
Total interest income	\$381,892	\$405,844	\$125,824	\$133,481	-5.7
Total interest expense	65,887	81,791	20,589	25,873	-20.4
Net interest income	316,006	324,053	105,235	107,607	-2.2
Provision for loan and lease losses	57,514	125,754	-54.3	35,052	-47.0
Total noninterest income	175,547	176,496	59,495	56,259	5.8
Total noninterest expense	304,662	288,836	100,430	97,005	3.5
Securities gains (losses)	3,772	6,879	3,097	3,168	-2.2
Applicable income taxes	40,143	28,210	13,812	10,750	28.5
Extraordinary gains, net	770	-510	532	-330	N/M
Total net income (includes minority interests)	93,775	64,118	35,542	23,898	48.7
Bank net income	93,209	63,616	35,317	23,769	48.6
Net charge-offs	87,764	145,633	26,748	43,980	-39.2
Cash dividends	55,251	30,631	19,835	13,322	48.9
Retained earnings	37,958	32,984	15,482	10,447	48.2
Net operating income	90,255	59,454	32,718	21,757	50.4

\*\*\* Call Report filers only.

N/M - Not Meaningful

**TABLE III-A. Third Quarter 2011, All FDIC-Insured Institutions**

THIRD 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.....	7,436	18	5	1,552	3,854	713	71	363	801	59
Commercial banks.....	6,352	15	5	1,545	3,450	185	52	335	715	50
Savings institutions.....	1,084	3	0	7	404	528	19	28	86	9
Total assets (in billions).....	\$13,807.7	\$532.0	\$3,665.3	\$208.5	\$4,171.1	\$800.1	\$98.8	\$54.0	\$136.4	\$4,141.5
Commercial banks.....	12,559.9	503.8	3,665.3	207.8	3,703.0	228.3	42.3	47.8	112.4	4,049.3
Savings institutions.....	1,247.8	28.2	0.0	0.8	468.1	571.8	56.5	6.2	24.0	92.2
Total deposits (in billions).....	10,000.1	263.5	2,454.0	172.6	3,221.7	580.3	85.0	42.9	113.1	3,066.9
Commercial banks.....	9,077.0	245.4	2,454.0	172.0	2,889.3	149.9	35.1	38.3	94.3	2,998.9
Savings institutions.....	923.0	18.1	0.0	0.6	332.5	430.4	50.0	4.6	18.8	68.0
Bank net income (in millions).....	35,317	4,056	9,761	657	7,991	1,541	507	280	361	10,163
Commercial banks.....	32,695	3,733	9,761	656	6,985	662	243	160	290	10,205
Savings institutions.....	2,622	323	0	1	1,006	879	264	120	70	-42
<b>Performance Ratios (annualized, %)</b>										
Yield on earning assets.....	4.25	11.83	3.44	4.90	4.67	4.07	5.42	3.66	4.68	3.43
Cost of funding earning assets.....	0.70	1.12	0.67	0.95	0.81	1.05	0.91	0.72	0.94	0.43
Net interest margin.....	3.56	10.71	2.77	3.95	3.85	3.02	4.51	2.93	3.74	3.01
Noninterest income to assets.....	1.74	3.29	2.09	0.61	1.28	0.75	2.18	5.37	1.14	1.91
Noninterest expense to assets.....	2.94	5.47	2.76	2.58	3.10	2.00	2.78	5.17	3.03	2.79
Loan and lease loss provision to assets.....	0.54	2.75	0.43	0.27	0.58	0.42	0.54	0.05	0.31	0.38
Net operating income to assets.....	0.96	3.05	0.97	1.20	0.74	0.75	2.07	2.04	1.00	0.88
Pretax return on assets.....	1.44	4.75	1.36	1.48	1.08	1.19	3.15	2.91	1.31	1.42
Return on assets.....	1.03	3.04	1.07	1.27	0.78	0.78	2.08	2.11	1.06	1.00
Return on equity.....	9.15	18.99	12.15	11.15	6.55	7.33	21.23	13.61	9.21	7.99
Net charge-offs to loans and leases.....	1.47	5.07	1.68	0.41	1.14	0.77	1.56	0.26	0.54	1.27
Loan and lease loss provision to net charge-offs.....	69.44	65.75	75.21	105.52	76.85	96.02	48.69	67.88	103.19	56.17
Efficiency ratio.....	59.69	40.48	61.49	60.30	64.82	54.31	42.44	63.82	66.14	61.05
% of unprofitable institutions.....	14.28	5.56	0.00	3.99	20.58	11.92	9.86	10.74	8.74	8.47
% of institutions with earnings gains.....	62.98	66.67	80.00	68.36	62.77	56.80	57.75	61.71	60.42	55.93
<b>Structural Changes</b>										
New charters.....	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers.....	49	0	1	12	28	1	0	1	3	3
Failed institutions.....	26	0	0	0	25	1	0	0	0	0
<b>PRIOR THIRD QUARTERS (The way it was...)</b>										
Return on assets (%).....2010	0.72	2.04	0.63	1.08	0.35	0.70	1.52	1.94	0.89	0.93
.....2008	0.03	0.36	0.49	1.01	-0.13	-1.34	0.94	0.12	0.61	0.27
.....2006	1.31	4.09	0.92	1.30	1.32	1.06	1.60	2.12	1.07	1.35
Net charge-offs to loans & leases (%).....2010	2.38	8.94	2.05	0.58	1.96	1.33	1.97	0.98	0.52	1.64
.....2008	1.43	6.24	1.44	0.43	1.23	1.02	2.04	0.43	0.38	1.11
.....2006	0.40	3.86	0.64	0.15	0.19	0.18	1.21	0.12	0.17	0.23

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

TABLE III-A. Third Quarter 2011, All FDIC-Insured Institutions

THIRD QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting.....	7,436	2,490	4,279	561	106	923	974	1,563	1,792	1,555	629
Commercial banks.....	6,352	2,208	3,626	434	84	484	864	1,289	1,698	1,444	573
Savings institutions.....	1,084	282	653	127	22	439	110	274	94	111	56
Total assets (in billions).....	\$13,807.7	\$142.8	\$1,273.5	\$1,425.5	\$10,965.9	\$2,842.1	\$2,949.9	\$3,170.0	\$2,902.0	\$801.9	\$1,141.7
Commercial banks.....	12,559.9	126.8	1,047.8	1,110.0	10,275.4	2,188.8	2,833.2	3,046.2	2,843.1	706.3	942.3
Savings institutions.....	1,247.8	16.0	225.7	315.6	690.5	653.3	116.7	123.8	58.9	95.7	199.4
Total deposits (in billions).....	10,000.1	120.6	1,055.3	1,096.1	7,728.1	1,992.8	2,212.5	2,206.3	2,119.6	655.0	813.8
Commercial banks.....	9,077.0	107.8	875.2	855.0	7,239.1	1,521.4	2,125.5	2,112.3	2,072.7	576.7	668.4
Savings institutions.....	923.0	12.8	180.1	241.1	489.0	471.4	87.0	94.0	46.9	78.4	145.4
Bank net income (in millions).....	35,317	223	2,158	3,174	29,763	6,837	5,619	7,558	9,162	2,006	4,134
Commercial banks.....	32,695	214	1,810	2,614	28,056	5,953	5,460	7,349	9,055	1,617	3,260
Savings institutions.....	2,622	8	348	560	1,706	884	159	208	107	389	874
<b>Performance Ratios (annualized, %)</b>											
Yield on earning assets.....	4.25	4.88	4.86	4.76	4.10	4.70	3.76	3.54	4.70	4.63	4.89
Cost of funding earning assets.....	0.70	0.94	1.00	0.89	0.63	0.82	0.55	0.64	0.75	0.71	0.75
Net interest margin.....	3.56	3.94	3.86	3.88	3.47	3.88	3.21	2.90	3.95	3.92	4.13
Noninterest income to assets.....	1.74	0.86	1.02	1.02	1.93	1.62	1.74	2.10	1.71	1.38	1.41
Noninterest expense to assets.....	2.94	3.41	3.19	2.80	2.92	2.91	2.98	2.95	2.92	3.19	2.73
Loan and lease loss provision to assets.....	0.54	0.36	0.55	0.58	0.54	0.66	0.60	0.44	0.55	0.46	0.44
Net operating income to assets.....	0.96	0.54	0.60	0.80	1.02	0.96	0.63	0.89	1.20	0.94	1.37
Pretax return on assets.....	1.44	0.77	0.90	1.26	1.53	1.45	1.05	1.30	1.72	1.35	2.15
Return on assets.....	1.03	0.63	0.68	0.90	1.10	0.98	0.77	0.97	1.27	1.02	1.46
Return on equity.....	9.15	5.26	6.36	7.58	9.72	7.70	6.32	11.35	11.28	9.14	10.70
Net charge-offs to loans and leases.....	1.47	0.62	0.90	1.02	1.63	1.78	1.70	1.02	1.66	0.93	1.05
Loan and lease loss provision to net charge-offs.....	69.44	98.58	96.41	90.18	65.01	69.54	63.15	96.90	59.94	80.32	67.99
Efficiency ratio.....	59.69	76.12	69.55	61.35	58.23	56.43	65.83	63.38	55.65	64.44	51.86
% of unprofitable institutions.....	14.28	15.86	14.14	9.98	5.66	10.94	29.16	13.12	9.99	9.90	22.10
% of institutions with earnings gains.....	62.98	61.61	63.17	65.95	71.70	57.96	60.78	61.74	67.19	63.34	63.91
<b>Structural Changes</b>											
New charters.....	0	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers.....	49	21	22	4	2	6	4	11	11	11	6
Failed institutions.....	26	5	18	3	0	1	13	4	1	4	3
<b>PRIOR THIRD QUARTERS (The way it was...)</b>											
Return on assets (%).....2010	0.72	0.40	0.35	0.26	0.83	0.77	0.58	0.61	0.99	0.78	0.74
.....2008	0.03	0.27	-0.02	-0.60	0.12	0.01	0.22	0.10	0.50	0.18	-0.59
.....2006	1.31	1.02	1.23	1.27	1.33	1.12	1.37	1.01	1.79	1.22	1.82
Net charge-offs to loans & leases (%).....2010	2.38	0.87	1.16	1.75	2.70	3.04	2.31	1.94	2.77	1.21	2.28
.....2008	1.43	0.44	0.71	1.11	1.63	1.49	1.28	1.36	1.61	0.85	1.80
.....2006	0.40	0.16	0.14	0.20	0.49	0.63	0.18	0.27	0.46	0.23	0.62

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

**TABLE IV-A. First Three Quarters 2011, All FDIC-Insured Institutions**

FIRST THREE QUARTERS (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.....	7,436	18	5	1,552	3,854	713	71	363	801	59
Commercial banks.....	6,352	15	5	1,545	3,450	185	52	335	715	50
Savings institutions.....	1,084	3	0	7	404	528	19	28	86	9
<b>Total assets (in billions).....</b>	<b>\$13,807.7</b>	<b>\$532.0</b>	<b>\$3,665.3</b>	<b>\$208.5</b>	<b>\$4,171.1</b>	<b>\$800.1</b>	<b>\$98.8</b>	<b>\$54.0</b>	<b>\$136.4</b>	<b>\$4,141.5</b>
Commercial banks.....	12,559.9	503.8	3,665.3	207.8	3,703.0	228.3	42.3	47.8	112.4	4,049.3
Savings institutions.....	1,247.8	28.2	0.0	0.8	468.1	571.8	56.5	6.2	24.0	92.2
Total deposits (in billions).....	10,000.1	263.5	2,454.0	172.6	3,221.7	580.3	85.0	42.9	113.1	3,066.9
Commercial banks.....	9,077.0	245.4	2,454.0	172.0	2,889.3	149.9	35.1	38.3	94.3	2,998.9
Savings institutions.....	923.0	18.1	0.0	0.6	332.5	430.4	50.0	4.6	18.8	68.0
Bank net income (in millions).....	93,209	14,710	21,306	1,758	21,794	3,630	1,258	701	926	27,125
Commercial banks.....	86,547	13,578	21,306	1,755	19,059	2,072	709	469	796	26,802
Savings institutions.....	6,662	1,132	0	3	2,735	1,558	549	232	130	324
<b>Performance Ratios (annualized, %)</b>										
Yield on earning assets.....	4.36	11.77	3.55	4.88	4.66	4.13	5.50	3.79	4.71	3.69
Cost of funding earning assets.....	0.75	1.18	0.72	1.01	0.86	1.09	0.96	0.81	1.00	0.50
Net interest margin.....	3.61	10.60	2.83	3.88	3.80	3.05	4.54	2.98	3.71	3.18
Noninterest income to assets.....	1.74	3.17	2.08	0.60	1.26	0.68	1.99	4.99	1.03	1.97
Noninterest expense to assets.....	3.02	5.20	2.94	2.61	3.08	2.13	2.82	5.23	3.03	2.91
Loan and lease loss provision to assets.....	0.57	1.91	0.42	0.27	0.61	0.50	0.80	0.04	0.32	0.52
Net operating income to assets.....	0.89	3.60	0.83	1.10	0.68	0.58	1.75	1.80	0.88	0.83
Pretax return on assets.....	1.32	5.61	1.08	1.33	1.00	0.93	2.69	2.40	1.14	1.32
Return on assets.....	0.92	3.62	0.81	1.14	0.72	0.61	1.75	1.78	0.92	0.89
Return on equity.....	8.20	23.34	8.93	10.25	6.13	5.83	18.24	11.71	8.11	7.22
Net charge-offs to loans and leases.....	1.61	5.58	2.07	0.36	1.20	0.90	1.78	0.47	0.50	1.30
Loan and lease loss provision to net charge-offs.....	65.53	41.39	58.92	120.30	76.74	97.55	61.81	32.54	117.43	73.96
Efficiency ratio.....	60.64	39.20	64.71	62.17	65.21	59.11	44.12	67.33	67.89	60.82
% of unprofitable institutions.....	15.57	0.00	0.00	3.74	22.78	14.31	8.45	10.19	9.11	6.78
% of institutions with earnings gains.....	63.03	88.89	40.00	65.72	65.08	54.00	53.52	56.75	59.30	62.71
<b>Condition Ratios (%)</b>										
Earning assets to total assets.....	86.30	90.42	82.70	91.65	88.81	93.68	96.14	91.01	91.81	84.27
Loss allowance to:										
Loans and leases.....	2.69	5.52	3.98	1.61	2.18	1.49	2.03	1.81	1.62	2.42
Noncurrent loans and leases.....	63.69	322.77	90.77	86.57	58.26	36.64	135.97	77.57	67.34	43.49
<b>Noncurrent assets plus other real estate owned to assets.....</b>										
Equity capital ratio.....	11.30	15.79	8.81	11.51	11.94	10.61	9.86	15.50	11.68	12.38
Core capital (leverage) ratio.....	9.17	13.66	7.04	10.23	10.11	9.93	9.68	14.16	11.01	9.18
Tier 1 risk-based capital ratio.....	13.16	15.04	12.05	14.69	13.35	20.47	13.26	31.92	18.91	12.12
Total risk-based capital ratio.....	15.52	17.49	14.77	15.84	15.27	21.59	14.43	32.90	20.04	14.95
Net loans and leases to deposits.....	71.38	157.60	47.49	73.08	83.34	76.78	81.27	34.01	64.62	69.90
Net loans to total assets.....	51.70	78.05	31.80	60.48	64.38	55.69	69.89	27.02	53.59	51.76
Domestic deposits to total assets.....	61.60	43.48	35.71	82.76	76.30	72.45	86.00	79.22	82.92	67.35
<b>Structural Changes</b>										
New charters.....	3	0	0	0	2	0	0	1	0	0
Institutions absorbed by mergers.....	144	0	1	26	93	4	2	4	8	6
Failed institutions.....	74	0	0	2	71	1	0	0	0	0
<b>PRIOR FIRST THREE QUARTERS (The way it was...)</b>										
Number of institutions.....2010	7,761	22	5	1,583	4,172	725	81	320	789	64
.....2008	8,384	26	4	1,588	4,810	827	100	298	691	40
.....2006	8,743	29	4	1,691	4,710	845	125	398	886	55
Total assets (in billions).....2010	\$13,373.0	\$695.1	\$3,278.2	\$194.0	\$4,442.7	\$789.5	\$102.9	\$44.5	\$131.6	\$3,694.6
.....2008	13,572.5	467.9	3,263.3	168.1	6,077.4	1,060.5	71.0	36.0	93.8	2,334.5
.....2006	11,754.2	382.0	2,128.6	151.5	4,673.1	1,790.4	107.1	42.4	117.4	2,361.8
Return on assets (%).....2010	0.64	1.47	0.79	1.04	0.28	0.70	1.42	1.57	0.71	0.74
.....2008	0.32	2.42	0.31	1.12	0.23	-0.35	1.01	1.57	0.88	0.36
.....2006	1.33	4.42	1.03	1.29	1.32	1.07	1.69	1.33	1.07	1.31
Net charge-offs to loans & leases (%).....2010	2.64	11.94	2.27	0.53	1.89	1.22	2.20	0.81	0.51	1.96
.....2008	1.18	5.64	1.28	0.29	0.98	0.74	1.84	0.43	0.30	0.88
.....2006	0.36	3.38	0.59	0.14	0.18	0.14	1.00	0.53	0.17	0.20
Noncurrent assets plus OREO to assets (%).....2010	3.24	1.97	2.36	1.70	3.84	3.13	1.05	1.06	1.96	3.78
.....2008	1.55	1.73	1.17	1.15	1.93	2.30	0.80	0.28	0.92	0.85
.....2006	0.50	1.35	0.40	0.67	0.52	0.52	0.65	0.20	0.52	0.37
Equity capital ratio (%).....2010	11.18	14.62	9.06	11.40	11.38	10.11	10.59	17.17	11.41	12.33
.....2008	9.62	20.85	7.13	11.07	10.66	7.95	9.14	19.61	11.25	8.61
.....2006	10.41	27.18	7.82	10.94	10.39	10.54	9.76	22.46	11.11	9.73

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

TABLE IV-A. First Three Quarters 2011, All FDIC-Insured Institutions

	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
<b>FIRST THREE QUARTERS (The way it is...)</b>											
Number of institutions reporting.....	7,436	2,490	4,279	561	106	923	974	1,563	1,792	1,555	629
Commercial banks.....	6,352	2,208	3,626	434	84	484	864	1,289	1,698	1,444	573
Savings institutions.....	1,084	282	653	127	22	439	110	274	94	111	56
<b>Total assets (in billions).....</b>	<b>\$13,807.7</b>	<b>\$142.8</b>	<b>\$1,273.5</b>	<b>\$1,425.5</b>	<b>\$10,965.9</b>	<b>\$2,842.1</b>	<b>\$2,949.9</b>	<b>\$3,170.0</b>	<b>\$2,902.0</b>	<b>\$801.9</b>	<b>\$1,141.7</b>
Commercial banks.....	12,559.9	126.8	1,047.8	1,110.0	10,275.4	2,188.8	2,833.2	3,046.2	2,843.1	706.3	942.3
Savings institutions.....	1,247.8	16.0	225.7	315.6	690.5	653.3	116.7	123.8	58.9	95.7	199.4
<b>Total deposits (in billions).....</b>	<b>10,000.1</b>	<b>120.6</b>	<b>1,055.3</b>	<b>1,096.1</b>	<b>7,728.1</b>	<b>1,992.8</b>	<b>2,212.5</b>	<b>2,206.3</b>	<b>2,119.6</b>	<b>655.0</b>	<b>813.8</b>
Commercial banks.....	9,077.0	107.8	875.2	855.0	7,239.1	1,521.4	2,125.5	2,112.3	2,072.7	576.7	668.4
Savings institutions.....	923.0	12.8	180.1	241.1	489.0	471.4	87.0	94.0	46.9	78.4	145.4
<b>Bank net income (in millions).....</b>	<b>93,209</b>	<b>579</b>	<b>5,743</b>	<b>9,085</b>	<b>77,801</b>	<b>22,011</b>	<b>13,521</b>	<b>18,448</b>	<b>21,200</b>	<b>5,652</b>	<b>12,377</b>
Commercial banks.....	86,547	566	4,929	7,440	73,612	20,101	12,983	18,143	20,965	4,801	9,554
Savings institutions.....	6,662	13	814	1,646	4,189	1,910	538	305	236	851	2,823
<b>Performance Ratios (annualized, %)</b>											
Yield on earning assets.....	4.36	4.88	4.88	4.78	4.23	4.84	4.05	3.57	4.75	4.65	4.89
Cost of funding earning assets.....	0.75	1.00	1.07	0.94	0.68	0.88	0.64	0.69	0.80	0.77	0.78
Net interest margin.....	3.61	3.88	3.82	3.84	3.55	3.96	3.41	2.88	3.96	3.88	4.11
Noninterest income to assets.....	1.74	0.85	0.98	1.17	1.92	1.64	1.65	2.03	1.76	1.35	1.66
Noninterest expense to assets.....	3.02	3.42	3.18	2.91	3.01	2.97	3.05	3.04	3.04	3.17	2.86
Loan and lease loss provision to assets.....	0.57	0.34	0.55	0.61	0.57	0.56	0.74	0.42	0.63	0.44	0.49
Net operating income to assets.....	0.89	0.50	0.56	0.79	0.95	1.04	0.53	0.76	1.07	0.93	1.39
Pretax return on assets.....	1.32	0.67	0.80	1.21	1.41	1.61	0.86	1.13	1.38	1.29	2.20
<b>Return on assets.....</b>	<b>0.92</b>	<b>0.54</b>	<b>0.61</b>	<b>0.86</b>	<b>0.97</b>	<b>1.07</b>	<b>0.62</b>	<b>0.81</b>	<b>0.99</b>	<b>0.97</b>	<b>1.48</b>
Return on equity.....	8.20	4.67	5.79	7.42	8.62	8.45	5.16	9.48	8.74	8.91	10.91
<b>Net charge-offs to loans and leases.....</b>	<b>1.61</b>	<b>0.58</b>	<b>0.83</b>	<b>1.17</b>	<b>1.81</b>	<b>1.97</b>	<b>1.72</b>	<b>1.19</b>	<b>1.94</b>	<b>0.87</b>	<b>1.18</b>
Loan and lease loss provision to net charge-offs.....	65.53	101.84	101.86	83.23	61.05	52.44	76.59	78.54	58.28	81.92	66.93
Efficiency ratio.....	60.64	77.62	70.67	61.53	59.26	56.45	66.07	66.36	57.04	64.77	51.76
% of unprofitable institutions.....	15.57	17.31	15.28	11.59	7.55	13.11	33.16	14.01	10.38	10.35	23.53
% of institutions with earnings gains.....	63.03	59.48	63.38	73.62	76.42	60.56	61.40	60.20	64.84	62.96	71.22
<b>Condition Ratios (%)</b>											
Earning assets to total assets.....	86.30	90.95	91.49	90.36	85.11	86.83	84.77	85.07	85.26	90.52	92.06
Loss allowance to:											
Loans and leases.....	2.69	1.77	1.90	2.06	2.92	2.59	2.77	2.86	3.04	2.00	2.03
Noncurrent loans and leases.....	63.69	70.10	56.93	51.66	66.13	84.08	49.29	62.54	69.12	62.34	69.72
<b>Noncurrent assets plus other real estate owned to assets.....</b>	<b>2.62</b>	<b>2.39</b>	<b>3.18</b>	<b>3.27</b>	<b>2.48</b>	<b>1.79</b>	<b>3.67</b>	<b>2.40</b>	<b>2.78</b>	<b>2.73</b>	<b>2.17</b>
<b>Equity capital ratio.....</b>	<b>11.30</b>	<b>11.99</b>	<b>10.82</b>	<b>11.87</b>	<b>11.28</b>	<b>12.55</b>	<b>12.20</b>	<b>8.62</b>	<b>11.19</b>	<b>11.16</b>	<b>13.71</b>
Core capital (leverage) ratio.....	9.17	11.33	10.15	10.54	8.85	10.21	8.94	7.07	9.18	10.03	12.39
Tier 1 risk-based capital ratio.....	13.16	18.16	15.08	15.52	12.58	15.10	12.23	10.76	12.79	14.48	17.16
Total risk-based capital ratio.....	15.52	19.29	16.29	16.79	15.22	17.04	15.18	13.74	14.87	16.14	18.58
Net loans and leases to deposits.....	71.38	67.80	75.32	79.75	69.71	72.98	72.69	62.20	72.53	73.87	83.79
Net loans to total assets.....	51.70	57.28	62.42	61.32	49.13	51.18	54.52	43.29	52.97	60.34	59.72
Domestic deposits to total assets.....	61.60	84.49	82.84	76.33	56.92	61.53	69.65	55.54	51.41	81.21	69.88
<b>Structural Changes</b>											
New charters.....	3	0	2	1	0	0	3	0	0	0	0
Institutions absorbed by mergers.....	144	50	76	15	3	22	13	29	33	37	10
Failed institutions.....	74	13	55	6	0	1	38	13	2	10	10
<b>PRIOR FIRST THREE QUARTERS (The way it was...)</b>											
Number of institutions.....	2010 7,761	2,682	4,414	556	109	961	1,041	1,609	1,841	1,637	672
.....	2008 8,384	3,240	4,470	560	114	1,027	1,197	1,721	1,943	1,719	777
.....	2006 8,743	3,731	4,369	523	120	1,097	1,232	1,848	2,027	1,767	772
<b>Total assets (in billions).....</b>	<b>2010 \$13,373.0</b>	<b>\$151.1</b>	<b>\$1,315.8</b>	<b>\$1,400.7</b>	<b>\$10,505.4</b>	<b>\$2,724.6</b>	<b>\$2,957.1</b>	<b>\$2,948.0</b>	<b>\$1,649.5</b>	<b>\$788.5</b>	<b>\$2,305.2</b>
.....	2008 13,572.5	174.9	1,338.2	1,474.7	10,584.7	2,689.0	3,427.5	3,324.7	1,009.2	770.8	2,351.4
.....	2006 11,754.2	194.2	1,283.5	1,422.5	8,854.0	2,963.5	2,928.6	2,736.1	814.5	644.3	1,667.3
Return on assets (%).....	2010 0.64	0.40	0.37	0.26	0.73	0.72	0.36	0.62	0.79	0.73	0.80
.....	2008 0.32	0.47	0.44	0.18	0.33	0.59	0.30	0.31	0.93	0.56	-0.22
.....	2006 1.33	1.01	1.20	1.30	1.36	1.24	1.34	1.07	1.68	1.27	1.77
Net charge-offs to loans & leases (%).....	2010 2.64	0.73	1.02	1.71	3.07	3.77	2.51	2.04	3.02	1.22	2.35
.....	2008 1.18	0.31	0.49	0.88	1.37	1.31	0.98	1.15	1.36	0.65	1.49
.....	2006 0.36	0.14	0.14	0.19	0.43	0.56	0.16	0.24	0.39	0.20	0.56
Noncurrent assets plus OREO to assets (%).....	2010 3.24	2.42	3.41	3.69	3.17	2.18	4.04	3.06	4.59	3.27	2.72
.....	2008 1.55	1.40	1.82	2.03	1.46	0.98	1.67	1.56	1.90	1.63	1.85
.....	2006 0.50	0.72	0.57	0.46	0.49	0.44	0.31	0.54	0.89	0.62	0.63
Equity capital ratio (%).....	2010 11.18	12.19	10.36	11.22	11.26	12.48	11.55	9.06	11.56	10.77	11.76
.....	2008 9.62	13.14	10.18	10.87	9.32	10.92	10.14	8.56	9.66	9.87	8.79
.....	2006 10.41	13.04	10.46	11.00	10.25	11.13	9.76	9.03	11.18	10.36	12.20

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

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

September 30, 2011	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
<b>Percent of Loans 30-89 Days Past Due</b>										
All loans secured by real estate .....	1.72	1.89	2.48	0.95	1.26	1.49	1.09	1.27	1.66	2.26
Construction and development .....	1.71	0.00	1.57	1.36	1.69	1.51	0.51	1.58	1.65	1.84
Nonfarm nonresidential .....	0.93	0.43	0.43	0.99	0.93	0.94	2.27	0.96	1.25	0.96
Multifamily residential real estate .....	0.66	0.00	0.32	0.91	0.75	0.74	0.86	1.43	0.96	0.64
Home equity loans .....	1.15	3.36	1.72	0.59	0.87	0.76	0.92	0.43	0.92	1.20
Other 1-4 family residential .....	2.55	1.50	3.76	1.61	1.81	1.64	1.19	1.56	2.02	3.28
Commercial and industrial loans .....	0.48	1.81	0.39	1.21	0.55	0.60	1.30	0.92	1.18	0.32
Loans to individuals .....	1.71	1.65	1.94	1.65	1.57	0.93	1.40	1.73	2.05	1.77
Credit card loans .....	1.71	1.63	2.06	0.99	1.04	1.44	0.89	1.06	2.04	1.78
Other loans to individuals .....	1.71	2.00	1.74	1.66	1.65	0.86	1.63	1.78	2.05	1.76
All other loans and leases (including farm) .....	0.22	0.11	0.13	0.30	0.29	0.28	0.53	0.79	0.34	0.25
Total loans and leases .....	1.37	1.65	1.50	0.87	1.08	1.43	1.32	1.26	1.56	1.60
<b>Percent of Loans Noncurrent**</b>										
All real estate loans .....	6.50	4.81	8.94	2.40	4.86	4.33	1.17	2.86	2.78	9.25
Construction and development .....	14.57	0.00	11.99	10.07	14.48	10.12	3.72	10.29	9.76	16.34
Nonfarm nonresidential .....	3.92	0.00	3.10	3.11	3.86	3.89	3.38	3.33	2.70	4.40
Multifamily residential real estate .....	2.91	0.00	1.96	3.48	3.03	2.64	1.95	2.19	2.67	3.49
Home equity loans .....	1.77	2.57	2.45	0.87	1.43	1.14	0.82	0.73	0.97	1.89
Other 1-4 family residential .....	9.07	7.13	14.85	1.71	4.87	4.64	1.11	1.72	2.26	13.53
Commercial and industrial loans .....	1.49	1.98	1.57	2.17	1.74	1.79	0.87	1.55	2.04	1.06
Loans to individuals .....	1.42	1.71	1.70	0.72	1.27	0.49	1.63	0.94	0.82	0.96
Credit card loans .....	1.71	1.69	1.76	0.53	1.50	1.29	0.93	1.29	1.35	1.96
Other loans to individuals .....	1.11	1.94	1.60	0.72	1.23	0.39	1.96	0.92	0.80	0.72
All other loans and leases (including farm) .....	0.77	0.08	0.93	0.57	0.81	0.29	0.45	1.38	0.65	0.59
Total loans and leases .....	4.22	1.71	4.38	1.86	3.73	4.07	1.49	2.34	2.40	5.57
<b>Percent of Loans Charged-off (net, YTD)</b>										
All real estate loans .....	1.36	6.85	1.84	0.36	1.30	0.90	1.38	0.41	0.45	1.54
Construction and development .....	3.39	0.00	1.37	2.01	3.96	2.50	0.85	1.73	1.93	2.35
Nonfarm nonresidential .....	0.83	0.00	1.16	0.41	0.90	0.61	0.74	0.42	0.43	0.65
Multifamily residential real estate .....	0.74	0.00	0.67	0.45	0.85	0.23	0.34	0.03	0.47	0.57
Home equity loans .....	2.12	5.35	2.37	0.82	1.38	1.46	1.99	0.69	0.41	2.70
Other 1-4 family residential .....	1.25	9.15	2.18	0.29	1.03	0.86	0.84	0.19	0.33	1.36
Commercial and industrial loans .....	0.94	7.10	1.02	0.73	1.01	0.80	5.92	1.14	0.75	0.45
Loans to individuals .....	3.71	5.54	4.96	0.49	1.37	1.05	1.70	-0.34	0.78	2.28
Credit card loans .....	5.83	5.49	6.50	1.41	4.55	4.55	3.41	2.47	4.63	7.49
Other loans to individuals .....	1.24	6.40	2.23	0.42	0.75	0.53	0.77	-0.49	0.55	0.92
All other loans and leases (including farm) .....	0.25	0.00	0.27	0.00	0.46	0.37	2.94	1.69	0.00	0.12
Total loans and leases .....	1.61	5.58	2.07	0.36	1.20	0.90	1.77	0.47	0.50	1.30
<b>Loans Outstanding (in billions)</b>										
All real estate loans .....	\$4,113.7	\$0.1	\$479.9	\$75.9	\$1,830.2	\$416.8	\$17.2	\$10.0	\$56.2	\$1,227.3
Construction and development .....	254.6	0.0	6.8	4.0	171.5	7.1	0.4	0.7	3.4	60.7
Nonfarm nonresidential .....	1,055.5	0.0	29.2	21.8	730.8	30.3	0.9	3.4	14.3	224.9
Multifamily residential real estate .....	216.8	0.0	36.3	1.8	131.8	10.2	0.1	0.2	1.5	34.9
Home equity loans .....	608.3	0.0	108.7	1.6	198.8	34.9	8.2	0.4	2.4	253.4
Other 1-4 family residential .....	1,852.0	0.0	247.4	20.1	564.5	333.1	7.5	4.7	31.0	643.7
Commercial and industrial loans .....	1,283.6	20.9	222.2	16.3	568.7	13.0	2.3	2.0	6.7	431.5
Loans to individuals .....	1,284.6	415.6	260.1	6.1	205.3	19.0	51.1	2.1	6.4	318.8
Credit card loans .....	666.5	392.7	164.2	0.1	29.6	2.2	16.4	0.1	0.3	60.9
Other loans to individuals .....	618.1	22.8	96.0	6.0	175.7	16.8	34.7	1.9	6.1	258.0
All other loans and leases (including farm) .....	655.3	2.9	252.0	29.9	141.3	3.5	0.3	0.8	5.0	219.5
Total loans and leases (plus unearned income) .....	7,337.1	439.4	1,214.3	128.2	2,745.6	452.3	70.9	14.9	74.3	2,197.1
<b>Memo: Other Real Estate Owned (in millions)</b>										
All other real estate owned .....	50,485.2	-1.5	4,528.7	893.1	29,789.1	2,959.5	64.9	176.7	737.7	11,337.1
Construction and development .....	17,009.5	0.0	25.3	332.0	14,046.1	403.3	15.2	69.3	221.0	1,897.2
Nonfarm nonresidential .....	10,902.3	0.0	170.6	296.2	8,059.4	242.5	17.0	55.7	214.3	1,846.7
Multifamily residential real estate .....	2,543.9	0.0	752.0	34.0	1,166.0	51.4	4.3	6.1	12.7	517.3
1-4 family residential .....	11,900.3	0.3	1,009.6	178.4	5,601.7	1,358.6	26.0	41.1	241.5	3,443.1
Farmland .....	404.2	0.0	0.0	51.7	297.4	3.4	2.4	4.6	24.3	20.4
GNMA properties .....	7,575.2	0.0	2,436.0	0.8	599.3	902.7	0.0	0.0	23.9	3,612.5

**\* 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 their 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

September 30, 2011	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
<b>Percent of Loans 30-89 Days Past Due</b>											
All loans secured by real estate .....	1.72	1.63	1.28	1.13	1.96	1.30	1.93	1.68	2.43	1.40	0.90
Construction and development .....	1.71	1.86	1.77	1.39	1.82	1.98	1.49	1.94	2.26	1.27	1.34
Nonfarm nonresidential .....	0.93	1.45	1.10	0.85	0.87	0.93	0.94	0.98	1.11	0.83	0.69
Multifamily residential real estate .....	0.66	1.12	0.95	0.72	0.57	0.64	0.87	0.67	0.83	0.59	0.40
Home equity loans .....	1.15	1.03	0.80	0.76	1.21	0.73	1.38	1.34	1.16	0.95	0.46
Other 1-4 family residential .....	2.55	2.10	1.58	1.59	2.86	1.68	2.75	2.42	3.93	2.23	1.27
Commercial and industrial loans .....	0.48	1.40	0.99	0.68	0.39	0.73	0.35	0.49	0.43	0.59	0.43
Loans to individuals .....	1.71	2.07	1.67	1.68	1.71	1.71	1.98	1.49	1.98	1.20	1.22
Credit card loans .....	1.71	1.69	2.08	1.76	1.70	1.61	2.02	1.38	2.09	0.88	1.25
Other loans to individuals .....	1.71	2.07	1.64	1.66	1.71	2.00	1.96	1.53	1.82	1.36	1.19
All other loans and leases (including farm) .....	0.22	0.38	0.31	0.26	0.20	0.21	0.16	0.29	0.18	0.30	0.23
Total loans and leases .....	1.37	1.49	1.21	1.07	1.43	1.26	1.51	1.26	1.69	1.18	0.85
<b>Percent of Loans Noncurrent**</b>											
All real estate loans .....	6.50	3.00	3.80	4.85	7.57	4.39	8.64	7.19	7.28	4.18	4.30
Construction and development .....	14.57	9.33	12.17	14.61	15.78	16.90	17.07	13.35	13.40	9.08	16.30
Nonfarm nonresidential .....	3.92	3.54	3.41	3.89	4.20	3.61	4.64	3.98	3.93	3.04	3.94
Multifamily residential real estate .....	2.91	3.47	2.84	3.40	2.75	1.98	4.27	3.12	2.66	4.44	2.85
Home equity loans .....	1.77	1.12	1.37	1.34	1.84	1.24	1.89	2.00	2.11	1.10	0.82
Other 1-4 family residential .....	9.07	2.42	2.80	4.54	10.91	4.63	11.93	11.54	11.25	4.47	4.18
Commercial and industrial loans .....	1.49	2.47	2.32	2.27	1.30	1.88	1.19	1.67	1.44	1.59	1.30
Loans to individuals .....	1.42	1.01	0.80	1.04	1.46	1.59	1.23	1.22	1.63	0.61	1.37
Credit card loans .....	1.71	0.93	1.45	1.51	1.71	1.72	1.74	1.83	1.79	0.86	1.53
Other loans to individuals .....	1.11	1.01	0.75	0.87	1.16	1.19	0.96	1.01	1.41	0.49	1.23
All other loans and leases (including farm) .....	0.77	0.61	0.74	0.69	0.78	0.31	0.51	0.67	1.18	0.98	0.87
Total loans and leases .....	4.22	2.53	3.33	3.98	4.41	3.08	5.63	4.58	4.40	3.21	2.90
<b>Percent of Loans Charged-off (net, YTD)</b>											
All real estate loans .....	1.36	0.57	0.81	1.16	1.55	0.81	1.93	1.35	1.64	0.82	0.94
Construction and development .....	3.39	2.52	2.85	4.18	3.29	2.65	4.80	3.82	2.14	1.80	3.80
Nonfarm nonresidential .....	0.83	0.58	0.60	0.87	0.92	0.69	1.13	1.03	0.68	0.47	0.75
Multifamily residential real estate .....	0.74	0.98	0.76	0.79	0.71	0.56	1.22	0.67	1.32	0.66	0.34
Home equity loans .....	2.12	0.61	0.71	1.04	2.32	0.90	2.84	1.78	2.85	1.51	0.78
Other 1-4 family residential .....	1.25	0.39	0.58	0.76	1.45	0.70	1.53	1.16	1.84	0.77	0.86
Commercial and industrial loans .....	0.94	1.00	1.15	1.08	0.89	1.39	0.67	0.87	0.94	0.85	1.06
Loans to individuals .....	3.71	0.57	0.98	1.72	3.93	5.13	2.95	1.90	4.73	1.43	2.05
Credit card loans .....	5.83	2.34	5.36	4.37	5.87	5.98	6.55	4.88	6.56	2.97	3.77
Other loans to individuals .....	1.24	0.49	0.61	0.69	1.34	2.14	0.87	0.87	2.06	0.56	0.58
All other loans and leases (including farm) .....	0.25	0.12	0.30	0.48	0.24	0.09	0.21	0.08	0.48	0.44	0.08
Total loans and leases .....	1.61	0.57	0.83	1.16	1.81	1.97	1.72	1.19	1.94	0.86	1.18
<b>Loans Outstanding (in billions)</b>											
All real estate loans .....	\$4,113.7	\$57.7	\$631.6	\$649.5	\$2,774.9	\$819.1	\$995.7	\$791.2	\$803.6	\$331.0	\$373.0
Construction and development .....	254.6	3.7	59.2	59.0	132.7	39.8	75.4	41.7	37.2	40.1	20.4
Nonfarm nonresidential .....	1,055.5	17.0	252.3	264.6	521.6	227.2	228.3	187.2	159.6	121.7	131.4
Multifamily residential real estate .....	216.8	1.8	31.0	45.7	138.3	65.8	29.0	60.9	22.2	10.1	28.8
Home equity loans .....	608.3	1.7	33.7	47.7	525.1	90.7	172.2	151.4	134.6	22.1	37.4
Other 1-4 family residential .....	1,852.0	25.4	221.3	219.4	1,385.9	389.2	481.8	334.9	374.4	124.8	146.8
Commercial and industrial loans .....	1,283.6	10.4	103.1	136.5	1,033.5	195.0	307.9	260.8	292.2	92.5	135.3
Loans to individuals .....	1,284.6	5.6	36.6	71.0	1,171.3	380.4	229.0	185.1	286.0	45.9	158.2
Credit card loans .....	666.5	0.1	2.5	19.2	644.7	285.9	80.6	45.8	165.8	15.3	73.0
Other loans to individuals .....	618.1	5.5	34.2	51.8	526.6	94.5	148.5	139.2	120.2	30.6	85.2
All other loans and leases (including farm) .....	655.3	9.5	39.3	36.1	570.3	98.9	121.7	175.9	204.1	24.6	30.1
Total loans and leases (plus unearned income) .....	7,337.1	83.3	810.6	893.2	5,550.1	1,493.4	1,654.3	1,413.0	1,585.9	494.0	696.6
<b>Memo: Other Real Estate Owned (in millions)</b>											
All other real estate owned .....	50,485.2	1,274.3	13,291.4	10,882.2	25,037.3	4,702.9	14,159.7	11,130.7	10,068.8	5,920.9	4,502.2
Construction and development .....	17,009.5	437.0	6,145.0	5,372.5	5,055.1	1,233.5	5,490.7	2,436.0	2,938.3	2,941.7	1,969.4
Nonfarm nonresidential .....	10,902.3	415.1	3,760.6	2,939.6	3,787.0	1,151.5	2,534.6	2,183.2	2,327.7	1,481.2	1,224.1
Multifamily residential real estate .....	2,543.9	45.0	406.4	409.2	1,683.3	278.9	510.6	395.4	1,008.3	156.4	194.3
1-4 family residential .....	11,900.3	347.3	2,719.9	1,977.2	6,855.9	1,653.6	3,750.1	2,414.7	2,146.1	1,177.2	758.6
Farmland .....	404.2	30.1	210.3	103.7	60.1	21.3	80.4	83.7	81.7	102.5	34.6
GNMA properties .....	7,575.2	0.5	51.6	81.5	7,441.6	344.2	1,793.6	3,618.5	1,434.2	61.9	322.8

\* Regions:

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

Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia

Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas

San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

\*\* Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

**TABLE VI-A. Derivatives, All FDIC-Insured Commercial Banks and State-Chartered Savings Banks**

	3rd Quarter 2011	2nd Quarter 2011	1st Quarter 2011	4th Quarter 2010	3rd Quarter 2010	%Change 10Q3-11Q3	Asset Size Distribution			
							Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion
(dollar figures in millions; notional amounts unless otherwise indicated)										
<b>ALL DERIVATIVE HOLDERS</b>										
Number of institutions reporting derivatives.....	1,186	1,165	1,146	1,169	1,208	-1.8	87	725	295	79
Total assets of institutions reporting derivatives.....	\$11,345,772	\$11,163,731	\$10,946,165	\$10,836,152	\$10,890,221	4.2	\$6,260	\$298,869	\$847,865	\$10,192,779
Total deposits of institutions reporting derivatives.....	8,105,537	7,895,133	7,707,825	7,547,346	7,403,759	9.5	5,261	244,284	662,556	7,193,435
Total derivatives.....	250,463,084	251,259,019	246,084,145	232,210,986	236,472,991	5.9	271	24,053	72,380	250,366,380
<b>Derivative Contracts by Underlying Risk Exposure</b>										
Interest rate.....	202,130,503	204,635,890	199,547,660	193,498,016	196,558,951	2.8	266	23,647	64,847	202,041,742
Foreign exchange*.....	29,283,191	28,389,032	28,788,641	22,002,935	22,531,799	30.0	0	66	66	29,276,802
Equity.....	1,786,008	1,654,652	1,471,402	1,363,903	1,679,272	6.4	4	101	750	1,785,154
Commodity & other (excluding credit derivatives).....	1,602,067	1,351,825	1,377,484	1,195,150	1,153,316	38.9	1	20	217	1,601,829
Credit.....	15,661,315	15,227,620	14,898,959	14,150,982	14,549,653	7.6	0	218	245	15,660,852
Total.....	250,463,084	251,259,019	246,084,145	232,210,986	236,472,991	5.9	271	24,053	72,380	250,366,380
<b>Derivative Contracts by Transaction Type</b>										
Swaps.....	156,143,299	156,064,620	152,747,072	149,256,496	146,962,845	6.2	23	8,630	39,632	156,095,014
Futures & forwards.....	39,797,247	41,100,081	39,084,285	35,712,449	39,643,697	0.4	87	7,234	16,238	39,773,688
Purchased options.....	18,511,497	18,861,618	19,021,419	16,174,403	16,911,569	9.5	20	660	4,454	18,506,362
Written options.....	17,862,059	18,099,420	18,256,170	15,904,132	16,697,482	7.0	140	7,269	11,243	17,843,406
Total.....	232,314,102	234,125,739	229,108,946	217,047,480	220,215,592	5.5	271	23,793	71,567	232,218,470
<b>Fair Value of Derivative Contracts</b>										
Interest rate contracts.....	93,010	88,683	92,291	92,057	107,166	-13.2	1	6	-61	93,065
Foreign exchange contracts.....	33,038	15,548	8,198	12,340	-7,464	N/M	0	0	98	32,941
Equity contracts.....	6,441	299	1,763	-2,126	-1,777	N/M	0	2	10	6,428
Commodity & other (excluding credit derivatives).....	773	148	-916	-1,068	-721	N/M	0	1	1	771
Credit derivatives as guarantor.....	-370,779	-67,253	-40,236	-68,248	-131,318	182.4	0	0	2	-370,780
Credit derivatives as beneficiary.....	387,580	75,397	50,612	82,772	150,801	157.0	0	-1	-2	387,583
<b>Derivative Contracts by Maturity**</b>										
Interest rate contracts.....										
< 1 year.....	95,376,905	94,641,843	92,443,045	90,842,757	90,921,258	4.9	68	10,021	15,102	95,351,714
1-5 years.....	34,134,333	35,300,470	34,896,890	33,496,919	35,145,262	-2.9	29	2,957	19,931	34,111,416
> 5 years.....	24,968,981	25,211,196	24,922,242	24,308,863	24,550,151	1.7	30	2,613	12,812	24,953,526
Foreign exchange contracts.....										
< 1 year.....	19,219,846	17,820,001	18,023,979	14,467,367	13,362,678	43.8	0	24	3,700	19,216,122
1-5 years.....	2,990,392	3,180,412	2,741,047	2,432,756	2,582,310	15.8	0	1	132	2,990,259
> 5 years.....	1,474,701	1,530,257	1,432,790	1,289,279	1,431,627	3.0	0	0	287	1,474,413
Equity contracts.....										
< 1 year.....	375,359	358,257	349,774	296,219	352,018	6.6	0	26	82	375,251
1-5 years.....	241,995	226,000	204,271	190,983	217,706	11.2	0	25	188	241,781
> 5 years.....	97,743	93,112	84,177	84,629	86,713	12.7	0	2	14	97,727
Commodity & other contracts.....										
< 1 year.....	434,161	438,496	504,234	382,507	311,897	39.2	0	10	109	434,042
1-5 years.....	266,044	237,875	225,140	239,847	241,288	10.3	0	5	44	265,996
> 5 years.....	29,127	30,222	25,209	26,176	33,836	-13.9	0	0	0	29,127
<b>Risk-Based Capital: Credit Equivalent Amount</b>										
Total current exposure to tier 1 capital (%).....	52.5	38.3	37.7	41.3	48.6		0.1	0.7	1.5	59.3
Total potential future exposure to tier 1 capital (%).....	82.8	87.3	87.4	84.0	83.1		0.1	0.2	0.4	93.6
Total exposure (credit equivalent amount) to tier 1 capital (%).....	135.3	125.7	125.0	125.2	131.7		0.2	0.9	1.9	153.0
<b>Credit losses on derivatives***</b> .....	1,764.0	149.0	77.0	668.0	587.0	200.5	0.0	1.0	9.0	1,754.0
<b>HELD FOR TRADING</b>										
Number of institutions reporting derivatives.....	194	198	194	196	201	-3.5	10	72	55	57
Total assets of institutions reporting derivatives.....	9,458,375	9,306,152	9,075,427	8,968,778	9,001,809	5.1	608	32,359	228,280	9,197,129
Total deposits of institutions reporting derivatives.....	6,772,143	6,604,984	6,419,032	6,279,414	6,139,890	10.3	497	26,096	176,543	6,569,007
<b>Derivative Contracts by Underlying Risk Exposure</b>										
Interest rate.....	198,249,545	200,741,525	196,013,965	191,773,865	194,585,711	1.9	17	1,694	11,369	198,236,465
Foreign exchange.....	26,370,081	26,070,060	26,299,021	20,791,379	20,641,367	27.8	0	0	3,603	26,366,479
Equity.....	1,779,267	1,648,685	1,465,412	1,357,525	1,672,913	6.4	0	0	72	1,779,195
Commodity & other.....	1,581,316	1,331,805	1,356,822	1,184,245	1,145,723	38.0	1	10	93	1,581,213
Total.....	227,980,210	229,792,075	225,135,219	215,107,014	218,045,714	4.6	18	1,704	15,136	227,963,352
<b>Trading Revenues: Cash &amp; Derivative Instruments</b>										
Interest rate.....	6,747	4,553	4,351	1,413	4,150	62.6	0	0	-11	6,758
Foreign exchange.....	2,632	497	29	1,892	-1,087	N/M	0	0	2	2,630
Equity.....	1,535	735	747	365	405	279.0	0	0	0	1,534
Commodity & other (including credit derivatives).....	2,199	1,810	2,043	-226	609	261.1	0	0	0	2,198
Total trading revenues.....	13,112	7,595	7,170	3,444	4,077	221.6	0	0	-9	13,121
<b>Share of Revenue</b>										
Trading revenues to gross revenues (%).....	11.2	6.4	6.1	2.9	3.5		0.0	0.0	-0.3	11.5
Trading revenues to net operating revenues (%).....	62.7	47.2	39.4	25.5	28.4		0.0	0.0	-2.5	64.0
<b>HELD FOR PURPOSES OTHER THAN TRADING</b>										
Number of institutions reporting derivatives.....	1,078	1,056	1,036	1,058	1,085	-0.6	77	663	264	74
Total assets of institutions reporting derivatives.....	11,124,529	10,825,285	10,594,769	10,477,496	10,536,789	5.6	5,652	271,601	750,355	10,096,920
Total deposits of institutions reporting derivatives.....	7,936,585	7,727,003	7,497,971	7,334,938	7,200,127	10.2	4,764	222,304	583,877	7,125,639
<b>Derivative Contracts by Underlying Risk Exposure</b>										
Interest rate.....	3,880,958	3,894,365	3,533,694	1,724,151	1,973,241	96.7	249	21,953	53,478	3,805,277
Foreign exchange.....	425,443	413,312	413,380	199,032	182,687	132.9	0	25	2,151	423,266
Equity.....	6,741	5,967	5,990	6,378	6,359	6.0	4	101	678	5,958
Commodity & other.....	20,751	20,020	20,662	10,905	7,593	173.3	0	10	124	20,616
Total notional amount.....	4,333,892	4,333,664	3,973,727	1,940,466	2,169,879	99.7	253	22,090	56,431	4,255,118

All line items are reported on a quarterly basis.

N/M - Not Meaningful

\*Include 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.

\*\* 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 to those banks filing the FFIEC 041 report form that have \$300 million or more in total assets.



TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Commercial Banks and State-Chartered Savings Banks)

	3rd Quarter 2011	2nd Quarter 2011	1st Quarter 2011	4th Quarter 2010	3rd Quarter 2010	% Change 10Q3- 11Q3	Asset Size Distribution			
							Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion
(dollar figures in millions)										
<b>Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements</b>										
Number of institutions reporting securitization activities .....	142	139	137	136	134	6.0	20	69	23	30
<b>Outstanding Principal Balance by Asset Type</b>										
1-4 family residential loans.....	\$749,814	\$758,033	\$757,270	\$755,948	\$763,534	-1.8	\$68	\$1,296	\$3,576	\$744,874
Home equity loans.....	0	1,028	0	0	0	0.0	0	0	0	0
Credit card receivables.....	10,326	10,624	11,607	13,748	14,320	-27.9	0	683	0	9,643
Auto loans.....	1,034	228	234	298	329	214.3	0	0	27	1,007
Other consumer loans.....	4,979	4,667	4,792	4,620	4,721	5.5	0	0	0	4,979
Commercial and industrial loans.....	82	72	252	263	4,340	-98.1	15	11	29	27
All other loans, leases, and other assets** .....	198,826	195,730	207,019	194,842	204,870	-3.0	1	13	105	198,708
Total securitized and sold.....	965,061	970,383	981,175	969,719	992,115	-2.7	83	2,003	3,737	959,238
<b>Maximum Credit Exposure by Asset Type</b>										
1-4 family residential loans.....	4,116	4,321	4,511	4,661	4,849	-15.1	1	44	52	4,019
Home equity loans.....	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables.....	561	531	552	609	574	-2.3	0	244	0	316
Auto loans.....	3	56	4	5	6	-50.0	0	0	3	0
Other consumer loans.....	216	202	201	185	207	4.3	0	0	0	216
Commercial and industrial loans.....	0	0	0	0	9	-100.0	0	0	0	0
All other loans, leases, and other assets.....	697	476	489	521	932	-25.2	0	4	0	693
Total credit exposure.....	5,592	5,584	5,757	5,981	6,577	-15.0	1	293	54	5,244
Total unused liquidity commitments provided to institution's own securitizations.....	129	124	125	208	211	-38.9	0	0	8	121
<b>Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)</b>										
1-4 family residential loans.....	4.2	4.0	4.7	5.6	6.0		0.0	1.3	2.2	4.2
Home equity loans.....	0.0	1.5	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Credit card receivables.....	1.6	1.3	1.1	1.1	1.2		0.0	2.2	0.0	1.6
Auto loans.....	0.1	1.9	1.5	1.6	1.4		0.0	0.0	1.6	0.1
Other consumer loans.....	4.4	4.5	4.1	4.2	3.9		0.0	0.0	0.0	4.4
Commercial and industrial loans.....	0.0	0.0	0.0	0.6	0.0		0.0	0.0	0.0	0.0
All other loans, leases, and other assets.....	1.4	0.9	1.3	1.1	1.5		0.0	0.0	0.1	1.4
Total loans, leases, and other assets.....	3.6	3.3	3.9	4.7	5.0		0.0	1.6	2.2	3.6
<b>Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)</b>										
1-4 family residential loans.....	6.4	6.9	9.0	9.4	10.5		0.0	1.2	3.4	6.4
Home equity loans.....	0.0	3.2	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Credit card receivables.....	0.6	0.5	0.5	0.5	0.5		0.0	2.3	0.0	0.5
Auto loans.....	0.0	0.2	0.0	0.3	0.3		0.0	0.0	0.0	0.0
Other consumer loans.....	4.6	4.7	4.1	3.8	4.0		0.0	0.0	0.0	4.6
Commercial and industrial loans.....	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.....	6.6	6.2	5.8	7.3	9.9		0.0	0.0	1.1	6.6
Total loans, leases, and other assets.....	6.4	6.7	8.2	8.8	10.1		0.0	1.6	3.3	6.4
<b>Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)</b>										
1-4 family residential loans.....	0.9	0.6	0.3	1.9	1.4		0.0	0.0	0.0	0.9
Home equity loans.....	0.0	1.6	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Credit card receivables.....	4.1	2.9	1.4	7.9	6.2		0.0	5.9	0.0	4.0
Auto loans.....	0.0	1.1	0.0	1.4	0.9		0.0	0.0	-0.2	0.0
Other consumer loans.....	0.9	0.6	0.3	1.6	1.3		0.0	0.0	0.0	0.9
Commercial and industrial loans.....	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.....	0.2	0.1	0.1	0.4	0.2		0.0	0.0	0.0	0.2
Total loans, leases, and other assets.....	0.8	0.5	0.3	1.7	1.2		0.0	2.0	0.0	0.8
<b>Seller's Interests in Institution's Own Securitizations - Carried as Loans</b>										
Home equity loans.....	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables.....	9,252	9,115	8,157	7,350	6,073	52.3	0	37	0	9,216
Commercial and industrial loans.....	6	2	2	2	2	200.0	6	0	0	0
<b>Seller's Interests in Institution's Own Securitizations - Carried as Securities</b>										
Home equity loans.....	0	447	0	0	0	0.0	0	0	0	0
Credit card receivables.....	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
<b>Assets Sold with Recourse and Not Securitized</b>										
Number of institutions reporting asset sales.....	861	864	858	856	847	1.7	154	545	124	38
<b>Outstanding Principal Balance by Asset Type</b>										
1-4 family residential loans.....	52,371	54,882	64,404	63,007	60,734	-13.8	1,122	10,862	4,754	35,632
Home equity, credit card receivables, auto, and other consumer loans .....	1,296	1,360	1,417	1,455	571	127.0	0	6	21	1,269
Commercial and industrial loans.....	70	147	102	379	455	-84.6	0	43	10	16
All other loans, leases, and other assets.....	55,111	54,922	54,961	53,860	53,588	2.8	0	53	119	54,939
Total sold and not securitized.....	108,847	111,310	120,885	118,701	115,349	-5.6	1,122	10,965	4,904	91,856
<b>Maximum Credit Exposure by Asset Type</b>										
1-4 family residential loans.....	12,707	12,996	13,519	15,315	14,720	-13.7	110	1,805	2,635	8,156
Home equity, credit card receivables, auto, and other consumer loans .....	188	192	193	190	28	571.4	0	3	5	179
Commercial and industrial loans.....	53	127	81	90	77	-31.2	0	33	10	9
All other loans, leases, and other assets.....	13,789	13,513	13,420	13,115	12,969	6.3	0	38	17	13,733
Total credit exposure.....	26,735	26,828	27,213	28,711	27,793	-3.8	110	1,880	2,667	22,078
<b>Support for Securitization Facilities Sponsored by Other Institutions</b>										
Number of institutions reporting securitization facilities sponsored by others .....	158	159	164	168	155	1.9	20	87	35	16
Total credit exposure.....	44,284	38,047	38,595	38,210	37,384	18.5	23	258	142	43,861
Total unused liquidity commitments .....	593	632	626	514	547	8.4	0	0	0	593
<b>Other</b>										
Assets serviced for others**.....	5,637,315	5,755,677	5,748,104	5,783,312	5,892,026	-4.3	3,933	89,962	103,404	5,440,016
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others.....	11,484	10,109	9,895	10,009	11,639	-1.3	4	1	50	11,428
Unused liquidity commitments to conduits sponsored by institutions and others .....	71,757	70,504	61,988	60,991	74,285	-3.4	0	0	1,102	70,655
Net servicing income (for the quarter).....	-1,652	2,447	4,339	4,792	2,963	-155.8	34	108	41	-1,835
Net securitization income (for the quarter).....	179	138	99	148	165	8.5	0	6	4	169
Total credit exposure to Tier 1 capital (%)***.....	6.30	5.90	6.00	6.30	6.20		0.80	1.90	2.00	7.70

\* Line item titled "All other loans and all leases" for quarters prior to March 31, 2006.

\*\* The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than \$10 million.

\*\*\* Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

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## INSURANCE FUND INDICATORS

- **Insured Deposits Grow by 3.6 Percent**
- **DIF Reserve Ratio Rises 6 Basis Points to 0.12 Percent**
- **26 Institutions Fail During Third Quarter**
- **\$1.2 Trillion Temporarily Insured in Noninterest-Bearing Transaction Accounts**

Total assets of the 7,436 FDIC-insured institutions increased by 1.5 percent (\$207.1 billion) during third quarter 2011. Total deposits increased by 2.4 percent (\$234.5 billion), domestic office deposits increased by 3.4 percent (\$279.5 billion), and foreign office deposits decreased by 2.9 percent (\$45 billion). Domestic noninterest-bearing deposits increased by 9.5 percent (\$182.2 billion) and savings deposits and interest-bearing checking accounts increased by 3 percent (\$133.4 billion), while domestic time deposits decreased by 1.9 percent (\$36.1 billion). For the 12 months ending September 30, total domestic deposits grew by 9.9 percent (\$767.0 billion), with interest-bearing deposits increasing by 4.6 percent (\$280.2 billion) and noninterest-bearing deposits rising by 30.3 percent (\$486.8 billion).<sup>1</sup> Foreign deposits fell by 2.6 percent and other borrowed funds declined by 21.0 percent over the same period.<sup>2</sup>

At the end of the third quarter, domestic deposits funded 61.6 percent of industry assets, the largest share since the first quarter of 1996, when domestic deposits funded 62.1 percent of assets. Insured institutions had \$2.1 trillion in domestic noninterest-bearing deposits on September 30, 2011, 67 percent of which (\$1.4 trillion) was in noninterest-bearing transaction accounts larger than \$250,000. Of this total, \$1.2 trillion exceeded the basic coverage limit of \$250,000 per account, but is fully insured until the end of 2012.<sup>3</sup> Deposits receiving the

temporary coverage funded 4 percent of assets at banks with less than \$10 billion in total assets and 10.1 percent of assets at banks with more than \$10 billion in assets. The total amount receiving temporary coverage increased by 16.6 percent (\$174.3 billion) during the third quarter, following growth of 17.2 percent (\$153.7 billion) during the second quarter. The following table shows the distribution of accounts receiving unlimited coverage on noninterest-bearing transaction accounts by institution asset size.

Total estimated insured deposits increased by 3.6 percent in the quarter ending September 30, and rose by a total of 25 percent over the past four quarters.<sup>4</sup> The large four-quarter increase was primarily attributable to the additional temporary coverage of noninterest-bearing transaction accounts authorized by the Dodd-Frank Act. For institutions existing at the start and the end of the most recent quarter, insured deposits increased during the quarter at 4,250 institutions (57 percent), decreased at 3,153 institutions (42 percent), and remained unchanged at 29 institutions.

The condition of the Deposit Insurance Fund (DIF) continues to improve. The DIF increased by \$3.9 billion during third quarter 2011 to \$7.8 billion (unaudited), the seventh consecutive quarterly increase. Assessment income of \$3.6 billion and a \$763 million negative provision for insurance losses were the primary contributors to the improvement in the DIF balance. Interest earnings, combined with other net revenue, increased the fund by another \$113 million. Operating expenses and unrealized losses on available-for-sale securities reduced the fund balance by \$621 million. For the first three quarters of 2011, 74 insured institutions failed, with combined assets of \$30.4 billion, at a current estimated cost to the DIF of \$6.4 billion. The DIF's reserve ratio was 0.12 percent on September 30, 2011, up from 0.06 percent at June 30, 2011, and negative 0.15 percent four quarters ago.

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<sup>1</sup> Throughout the insurance fund discussion, FDIC-insured institutions include insured commercial banks and savings associations and, except where noted, exclude insured branches of foreign banks.

<sup>2</sup> Other borrowed funds include federal funds purchased, securities sold under agreement to repurchase, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases, trading liabilities, less revaluation losses on assets held in trading accounts.

<sup>3</sup> The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), enacted on July 21, 2010, provides temporary unlimited deposit insurance coverage for noninterest-bearing transaction accounts from December 31, 2010, through December 31, 2012, regardless of the balance in the account and the ownership capacity of the funds. The unlimited coverage is available to all depositors, including consumers, businesses and government entities. The coverage is separate from, and in addition to, the insurance coverage provided for a depositor's other accounts held at an FDIC-insured bank.

<sup>4</sup> Figures for estimated insured deposits in this discussion include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.

Table 1

Insured Commercial Banks and Savings Institutions as of September 30, 2011							
Distribution of Noninterest-Bearing Domestic Deposits, by Asset Size							
Asset Size	Number of Institutions	Total Assets (\$ Bil.)	Dodd-Frank Domestic Noninterest-Bearing Transaction Accounts Larger than \$250,000*				Other Noninterest-Bearing Deposits* (\$ Bil.)
			Total (\$ Bil.)	Amount above the \$250,000 Coverage Limit (\$ Bil.)	Average Account Size (\$000)	Average Number of Accounts per Institution	
Less than \$1 Billion	6,769	\$1,416.3	\$64.9	\$41.4	\$691	14	\$116.2
\$1 - \$10 Billion	561	1,425.5	96.8	71.6	961	180	79.7
\$10 - \$50 Billion	69	1,325.7	114.5	94.6	1,441	1,152	57.9
\$50 - \$100 Billion	18	1,275.9	106.1	91.5	1,821	3,237	48.1
Over \$100 Billion	19	8,364.3	1,016.4	922.6	2,709	19,751	394.2
<b>Total</b>	<b>7,436</b>	<b>13,807.7</b>	<b>1,398.7</b>	<b>1,221.8</b>	<b>1,977</b>	<b>95</b>	<b>696.0</b>
June 30, 2011	7,513	13,600.6	1,214.9	<b>1,047.5</b>	1,814	89	697.6
March 31, 2011	7,574	13,414.7	1,053.3	<b>893.8</b>	1,651	84	694.0
December 31, 2010	7,658	13,319.4	1,015.7	<b>858.9</b>	1,619	82	673.8

\* Includes noninterest-bearing transaction accounts smaller than \$250,000 and noninterest-bearing deposits not classified as transaction accounts.

Table 2

Distribution of the Assessment Base for FDIC-Insured Institutions* by Asset Size				
Data as of September 30, 2011				
Asset Size	Number of Institutions	Percent of Total Institutions	Assessment Base** (\$ Bil.)	Percent of Base
Less than \$1 Billion	6,769	91.0%	\$1,260	10.5%
\$1 - \$10 Billion	561	7.5%	1,262	10.5%
\$10 - \$50 Billion	69	0.9%	1,156	9.7%
\$50 - \$100 Billion	18	0.2%	1,099	9.2%
Over \$100 Billion	19	0.3%	7,188	60.1%
<b>Total</b>	<b>7,436</b>	<b>100.0%</b>	<b>11,966</b>	<b>100.0%</b>

\* Excludes insured U.S. branches of foreign banks.  
 \*\* Average consolidated total assets minus average tangible equity, with adjustments for banker's banks and custodial banks.

Effective April 1, 2011, the deposit insurance assessment base changed to average consolidated total assets minus average tangible equity.<sup>5</sup> Revisions to insurance assessment rates and risk-based pricing rules for large banks (banks with assets greater than \$10 billion) also became effective on that date. The Fourth Quarter 2010 Quarterly Banking Profile includes a more detailed explanation of these changes. Table 2 shows the distribution of the assessment base as of September 30, 2011, by institution asset size category.

Dodd-Frank requires that, for at least five years, the FDIC must make available to the public the reserve ratio and the DRR using both estimated insured deposits and the new assessment base. As of September 30, 2011, the FDIC reserve ratio would have been 0.07 percent using the new assessment base (compared with 0.12 percent using estimated insured deposits), and the 2 percent DRR using estimated insured deposits would have been 1.1 percent using the new assessment base.

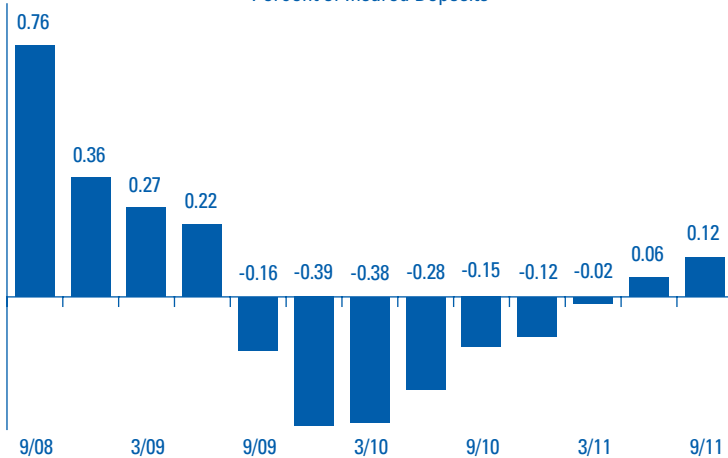
Author: Kevin Brown, Sr. Financial Analyst  
 Division of Insurance and Research  
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<sup>5</sup> There is an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank.

**Table I-B. Insurance Fund Balances and Selected Indicators**

	Deposit Insurance Fund*												
	3rd Quarter 2011	2nd Quarter 2011	1st Quarter 2011	4th Quarter 2010	3rd Quarter 2010	2nd Quarter 2010	1st Quarter 2010	4th Quarter 2009	3rd Quarter 2009	2nd Quarter 2009	1st Quarter 2009	4th Quarter 2008	3rd Quarter 2008
<i>(dollar figures in millions)</i>													
<b>Beginning Fund Balance</b> .....	\$3,916	-\$1,023	-\$7,352	-\$8,009	-\$15,247	-\$20,717	-\$20,862	-\$8,243	\$10,368	\$13,007	\$17,276	\$34,588	\$45,217
<b>Changes in Fund Balance:</b>													
Assessments earned.....	3,642	3,163	3,484	3,498	3,592	3,242	3,278	3,042	2,965	9,095	2,615	996	881
Interest earned on investment securities .....	30	37	28	39	40	64	62	76	176	240	212	277	526
Realized gain on sale of investments.....	0	0	0	0	0	0	0	0	732	521	136	302	473
Operating expenses.....	433	463	395	452	414	382	345	379	328	298	266	290	249
Provision for insurance losses.....	-763	-2,095	-3,089	2,446	-3,763	-2,552	3,021	17,766	21,694	11,615	6,637	19,163	11,930
All other income, net of expenses .....	83	80	66	48	94	55	22	2,721	308	375	2	15	16
Unrealized gain/(loss) on available-for-sale securities .....	-188	27	57	-30	163	-61	149	-313	-770	-957	-331	551	-346
<b>Total fund balance change</b> .....	<b>3,897</b>	<b>4,939</b>	<b>6,329</b>	<b>657</b>	<b>7,238</b>	<b>5,470</b>	<b>145</b>	<b>-12,619</b>	<b>-18,611</b>	<b>-2,639</b>	<b>-4,269</b>	<b>-17,312</b>	<b>-10,629</b>
<b>Ending Fund Balance</b> .....	<b>7,813</b>	<b>3,916</b>	<b>-1,023</b>	<b>-7,352</b>	<b>-8,009</b>	<b>-15,247</b>	<b>-20,717</b>	<b>-20,862</b>	<b>-8,243</b>	<b>10,368</b>	<b>13,007</b>	<b>17,276</b>	<b>34,588</b>
Percent change from four quarters earlier.....	NM	NM	NM	NM	NM	NM	NM	NM	NM	-77.07	-75.39	-67.04	-33.17
<b>Reserve Ratio (%)</b> .....	0.12	0.06	-0.02	-0.12	-0.15	-0.28	-0.38	-0.39	-0.16	0.22	0.27	0.36	0.76
<b>Estimated Insured Deposits**</b> .....	6,777,327	6,540,698	6,393,037	6,315,050	5,421,425	5,437,417	5,472,402	5,407,749	5,315,927	4,817,789	4,831,748	4,750,783	4,545,198
Percent change from four quarters earlier.....	25.01	20.29	16.82	16.78	1.98	12.86	13.26	13.83	16.96	7.83	8.87	10.68	7.13
<b>Domestic Deposits</b> .....	8,526,528	8,244,864	8,006,889	7,887,732	7,753,409	7,681,284	7,702,451	7,705,353	7,561,334	7,561,996	7,546,996	7,505,408	7,230,326
Percent change from four quarters earlier.....	9.97	7.34	3.95	2.37	2.54	1.58	2.06	2.66	4.58	7.47	6.65	8.43	7.15
<b>Number of institutions reporting</b> .....	7,445	7,522	7,584	7,668	7,771	7,840	7,944	8,022	8,109	8,205	8,257	8,315	8,394

**DIF Reserve Ratios**  
Percent of Insured Deposits



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

	DIF Balance	DIF-Insured Deposits
9/08	\$34,588	\$4,545,198
12/08	17,276	4,750,783
3/09	13,007	4,831,748
6/09	10,368	4,817,789
9/09	-8,243	5,315,927
12/09	-20,862	5,407,749
3/10	-20,717	5,472,402
6/10	-15,247	5,437,417
9/10	-8,009	5,421,425
12/10	-7,352	6,315,050
3/11	-1,023	6,393,037
6/11	3,916	6,540,698
9/11	7,813	6,777,327

**Table II-B. Problem Institutions and Failed/Assisted Institutions**

<i>(dollar figures in millions)</i>	2011***	2010***	2010	2009	2008	2007	2006
<b>Problem Institutions</b>							
Number of institutions .....	844	860	884	702	252	76	50
Total assets.....	\$338,992	\$379,230	\$390,017	\$402,782	\$159,405	\$22,189	\$8,265
<b>Failed Institutions</b>							
Number of institutions .....	74	127	157	140	25	3	0
Total assets.....	\$30,400	\$83,282	\$92,085	\$169,709	\$371,945	\$2,615	\$0
<b>Assisted Institutions****</b>							
Number of institutions .....	0	0	0	8	5	0	0
Total assets.....	\$0	\$0	\$0	\$1,917,482	\$1,306,042	0	0

\* Quarterly financial statement results are unaudited.

NM - Not meaningful

\*\* Beginning in the third quarter of 2009, estimates of insured deposits are based on a \$250,000 general coverage limit. The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) temporarily provides unlimited coverage for noninterest bearing transaction accounts for two years beginning December 31, 2010. Beginning in the fourth quarter of 2010, estimates of insured deposits include the entire balance of noninterest bearing transaction accounts.

\*\*\*Through September 30.

\*\*\*\* Assisted institutions represent five institutions under a single holding company that received assistance in 2008, and eight institutions under a different single holding company that received assistance in 2009.

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

(dollar figures in millions)

September 30, 2011	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
<b>Commercial Banks and Savings Institutions</b>				
FDIC-Insured Commercial Banks .....	6,352	\$12,559,925	\$7,582,210	\$5,938,580
FDIC-Supervised .....	4,193	1,982,314	1,512,331	1,223,555
OCC-Supervised.....	1,333	8,726,560	4,925,783	3,812,667
Federal Reserve-Supervised.....	826	1,851,051	1,144,096	902,358
FDIC-Insured Savings Institutions .....	1,084	1,247,758	922,911	818,470
OCC-Supervised Savings Institutions .....	636	923,258	678,013	602,752
FDIC-Supervised Savings Institutions.....	448	324,500	244,897	215,718
<b>Total Commercial Banks and Savings Institutions .....</b>	<b>7,436</b>	<b>13,807,683</b>	<b>8,505,121</b>	<b>6,757,050</b>
<b>Other FDIC-Insured Institutions</b>				
U.S. Branches of Foreign Banks .....	9	35,457	21,407	20,277
<b>Total FDIC-Insured Institutions.....</b>	<b>7,445</b>	<b>13,843,141</b>	<b>8,526,528</b>	<b>6,777,327</b>

\* Excludes \$1.5 trillion in foreign office deposits, which are uninsured.

**Table IV-B. Distribution of Institutions and Assessment Base by Assessment Rate Range**

Quarter Ending June 30, 2011 (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
2.50-5.00	1,077	14.32	\$941	7.91
5.01-7.50	2,075	27.59	1,165	9.80
7.51-10.00	2,074	27.57	3,529	29.68
10.01-15.00	1,297	17.24	4,962	41.73
15.01-20.00	111	1.48	553	4.65
20.01-25.00	670	8.91	540	4.54
25.01-30.00	32	0.43	87	0.73
30.01-35.00	152	2.02	76	0.64
greater than 35.00	34	0.45	38	0.32

\* 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.

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## 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 V-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured institutions, both commercial banks and savings institutions. Tables VI-A (Derivatives) and VII-A (Servicing, Securitization, and Asset Sales Activities) aggregate information only for insured commercial banks and state-chartered savings banks that file quarterly *Call Reports*. Table VIII-A (Trust Services) aggregates Trust asset and income information collected annually from all FDIC-insured 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 IV-B.

A separate set of tables (Tables I-B through IV-B) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed/assisted institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository institutions 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* submitted by all FDIC-insured depository institutions. 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*.

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.

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, e.g., institutions can move their home offices between regions, and savings institutions can convert to commercial banks or commercial banks may convert to savings institutions.

### ACCOUNTING CHANGES

**Goodwill Impairment Testing** – In September 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-08, "Testing Goodwill for Impairment," to address concerns about the cost and complexity of the existing goodwill impairment test in ASC Topic 350, Intangibles-Goodwill and Other (formerly FASB Statement No. 142, "Goodwill and Other Intangible Assets"). The ASU's amendments to ASC Topic 350 will be effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011 (i.e., for annual or interim tests performed on or after January 1, 2012, for institutions with a calendar year fiscal year). Early adoption of the ASU is permitted. Under ASU 2011-08, an institution has the option of first assessing qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test described in ASC Topic 350. If, after considering all relevant events and circumstances, an institution determines it is unlikely (that is, a likelihood of 50 percent or less) that the fair value of a reporting unit is less than its carrying amount (including goodwill), then the institution does not need to perform the two-step goodwill impairment test. If the institution instead concludes that the opposite is true (that is, it is likely that the fair value of a reporting unit is less than its carrying amount), then it is required to perform the first step and, if necessary, the second step of the two-step goodwill impairment test. Under ASU 2011-08, an institution may choose to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test.

**Extended Net Operating Loss Carryback Period** – The Worker, Homeownership, and Business Assistance Act of 2009, which was enacted on November 6, 2009, permits banks and other businesses, excluding those banking organizations that received capital from the U.S. Treasury under the Troubled Asset Relief Program, to elect a net operating loss carryback period of three, four, or five years instead of the usual carryback period of two years for any one tax year ending after December 31, 2007, and beginning before January 1, 2010. For calendar-year banks, this extended carryback period applies to either the 2008 or 2009 tax year. The amount of

the net operating loss that can be carried back to the fifth carryback year is limited to 50 percent of the available taxable income for that fifth year, but this limit does not apply to other carryback years.

Under generally accepted accounting principles, banks may not record the effects of this tax change in their balance sheets and income statements for financial and regulatory reporting purposes until the period in which the law was enacted, i.e., the fourth quarter of 2009. Therefore, banks should recognize the effects of this fourth quarter 2009 tax law change on their current and deferred tax assets and liabilities, including valuation allowances for deferred tax assets, in their *Call Reports* for December 31, 2009. Banks should not amend their *Call Reports* for prior quarters for the effects of the extended net operating loss carryback period.

The American Recovery and Reinvestment Act of 2009, which was enacted on February 17, 2009, permits qualifying small businesses, including FDIC-insured institutions, to elect a net operating loss carryback period of three, four, or five years instead of the usual carryback period of two years for any tax year ending in 2008 or, at the small business's election, any tax year beginning in 2008. Under generally accepted accounting principles, institutions may not record the effect of this tax change in their balance sheets and income statements for financial and regulatory reporting purposes until the period in which the law was enacted, i.e., the first quarter of 2009.

**Troubled Debt Restructurings and Current Market Interest Rates** – Many institutions are restructuring or modifying the terms of loans to provide payment relief for those borrowers who have suffered deterioration in their financial condition. Such loan restructurings may include, but are not limited to, reductions in principal or accrued interest, reductions in interest rates, and extensions of the maturity date. Modifications may be executed at the original contractual interest rate on the loan, a current market interest rate, or a below-market interest rate. Many of these loan modifications meet the definition of a troubled debt restructuring (TDR).

The TDR accounting and reporting standards are set forth in ASC Subtopic 310-40, *Receivables – Troubled Debt Restructurings by Creditors* (formerly FASB Statement No. 15, “Accounting by Debtors and Creditors for Troubled Debt Restructurings,” as amended). This guidance specifies that a restructuring of a debt constitutes a TDR if, at the date of restructuring, the creditor for economic or legal reasons related to a debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider.

In the *Call Report*, until a loan that is a TDR is paid in full or otherwise settled, sold, or charged off, it must be reported in the appropriate loan category, as well as identified as a performing TDR loan, if it is in compliance with its modified terms. If a TDR is not in compliance with its modified terms, it is reported as a past-due and nonaccrual loan in the appropriate loan category, as well as distinguished from other past due and nonaccrual loans. To be considered in compliance with its modified terms, a loan that is a TDR must not be in nonaccrual status and must be current or less than 30 days past due on its contractual principal and interest payments under the modified repayment terms. A loan restructured in a TDR is an impaired loan. Thus, all TDRs must be measured for impairment in accordance with ASC Subtopic 310-10,

*Receivables – Overall* (formerly FASB Statement No. 114, “Accounting by Creditors for Impairment of a Loan,” as amended), and the *Call Report Glossary* entry for “Loan Impairment.”

**Troubled Debt Restructurings and Accounting Standards Update No. 2011-02** – In April 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-02, “A Creditor's Determination of Whether a Restructuring Is a Troubled Debt Restructuring,” to provide additional guidance to help creditors determine whether a concession has been granted to a borrower and whether a borrower is experiencing financial difficulties. The guidance is also intended to reduce diversity in practice in identifying and reporting TDRs. This ASU is effective for public companies for interim and annual periods beginning on or after June 15, 2011, and should be applied retrospectively to the beginning of the annual period of adoption for purposes of identifying TDRs. The measurement of impairment for any newly identified TDRs resulting from retrospective application will be applied prospectively in the first interim or annual period beginning on or after June 15, 2011. (For most public institutions, the ASU takes effect July 1, 2011, but retrospective application begins as of January 1, 2011.) Nonpublic companies should apply the new guidance for annual periods ending after December 15, 2012, including interim periods within those annual periods. (For most nonpublic institutions, the ASU will take effect January 1, 2012.) Early adoption of the ASU is permitted for both public and nonpublic entities. Nonpublic entities that adopt early are subject to a retrospective identification requirement. For additional information, institutions should refer to ASU 2011-02, which is available at <http://www.fasb.org/jsp/FASB/Page/SectionPage&cid=1176156316498>.

**Accounting for Loan Participations** – Amended ASC Topic 860 (formerly FAS 166) modified the criteria that must be met in order for a transfer of a portion of a financial asset, such as a loan participation, to qualify for sale accounting. These changes apply to transfers of loan participations on or after the effective date of amended ASC Topic 860 (January 1, 2010, for banks with calendar year fiscal year), including advances under lines of credit that are transferred on or after the effective date of amended ASC Topic 860 even if the line of credit agreements were entered into before this effective date. Therefore, banks with a calendar-year fiscal year must account for transfers of loan participations on or after January 1, 2010, in accordance with amended ASC Topic 860. In general, loan participations transferred before the effective date of amended ASC Topic 860 are not affected by this new accounting standard.

Under amended ASC Topic 860, if a transfer of a portion of an entire financial asset meets the definition of a “participating interest,” then the transferor (normally the lead lender) must evaluate whether the transfer meets all of the conditions in this accounting standard to qualify for sale accounting.

**Other-Than-Temporary Impairment** – When the fair value of an investment in an individual available-for-sale or held-to-maturity security is less than its cost basis, the impairment is either temporary or other-than-temporary. The amount of the total other-than-temporary impairment related to credit loss must be recognized in earnings, but the amount of total impairment related to other factors must be recognized in other comprehensive income, net of applicable taxes. To

determine whether the impairment is other-than-temporary, an institution must apply the applicable accounting guidance – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2011mar/qbpnot.html>.

**ASC Topic 805 (formerly Business Combinations and Noncontrolling (Minority) Interests)** – In December 2007, the FASB issued Statement No. 141 (Revised), *Business Combinations* FAS 141(R)), and Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (FAS 160). Under FAS 141(R), all business combinations, including combinations of mutual entities, are to be accounted for by applying the acquisition method. FAS 160 defines a noncontrolling interest, also called a minority interest, as the portion of equity in an institution's subsidiary not attributable, directly or indirectly, to the parent institution. FAS 160 requires an institution to clearly present in its consolidated financial statements the equity ownership in and results of its subsidiaries that are attributable to the noncontrolling ownership interests in these subsidiaries. FAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Similarly, FAS 160 is effective for fiscal years beginning on or after December 15, 2008. Thus, for institutions with calendar-year fiscal years, these two accounting standards take effect in 2009. Beginning in March 2009, Institution equity capital and Noncontrolling interests are separately reported in arriving at Total equity capital and Net income.

**ASC Topic 820 (formerly FASB Statement No. 157 Fair Value Measurements issued in September 2006) and ASC Topic 825 (formerly FASB Statement No. 159 The Fair Value Option for Financial Assets and Financial Liabilities) issued in February 2007** – both are effective in 2008 with early adoption permitted in 2007. FAS 157 defines fair value and establishes a framework for developing fair value estimates for the fair value measurements that are already required or permitted under other standards. FASB FSP 157-4, issued in April 2009, provides additional guidance for estimating fair value in accordance with FAS 157 when the volume and level of activity for the asset or liability have significantly decreased. The FSP also includes guidance on identifying circumstances that indicate a transaction is not orderly. The FSP is effective for interim and annual reporting periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009.

Fair value continues to be used for derivatives, trading securities, and available-for-sale securities. Changes in fair value go through earnings for trading securities and most derivatives. Changes in the fair value of available-for-sale securities are reported in other comprehensive income. Available-for-sale securities and held-to-maturity debt securities are written down to fair value if impairment is other than temporary and loans held for sale are reported at the lower of cost or fair value.

FAS 159 allows institutions to report certain financial assets and liabilities at fair value with subsequent changes in fair value included in earnings. In general, an institution may elect the fair value option for an eligible financial asset or liability when it first recognizes the instrument on its balance sheet or enters into an eligible firm commitment.

**ASC Topic 715 (formerly FASB Statement No. 158 Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans)** – issued in September 2006, requires a bank to recognize in 2007, and subsequently, the funded status of its post-retirement plans on its balance sheet. An overfunded plan is recognized as an asset and an underfunded plan is recognized as a liability. An adjustment is made to equity as accumulated other comprehensive income (AOCI) upon application of FAS 158, and AOCI is adjusted in subsequent periods as net periodic benefit costs are recognized in earnings.

**ASC Topic 860 (formerly FASB Statement No. 156 Accounting for Servicing of Financial Assets)** – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2011mar/qbpnot.html>.

**ASC Topic 815 (formerly FASB Statement No. 155 Accounting for Certain Hybrid Financial Instruments)** – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2011mar/qbpnot.html>.

**Purchased Impaired Loans and Debt Securities – ASC Topic 310 (formerly Statement of Position 03-3, Accounting for Certain Loans or Debt Securities Acquired in a Transfer)** – The SOP applies to loans and debt securities acquired in fiscal years beginning after December 15, 2004. In general, this Statement of Position applies to “purchased impaired loans and debt securities” (i.e., loans and debt securities that a bank has purchased, including those acquired in a purchase business combination, when it is probable, at the purchase date, that the bank will be unable to collect all contractually required payments receivable). Banks must follow Statement of Position 03-3 for Call Report purposes. The SOP does not apply to the loans that a bank has originated, prohibits “carrying over” or creation of valuation allowances in the initial accounting, and any subsequent valuation allowances reflect only those losses incurred by the investor after acquisition.

**GNMA Buy-back Option** – If an issuer of GNMA securities has the option to buy back the loans that collateralize the GNMA securities, when certain delinquency criteria are met, ASC Topic 860 (formerly FASB Statement No. 140) requires that loans with this buy-back option must be brought back on the issuer's books as assets. The rebooking of GNMA loans is required regardless of whether the issuer intends to exercise the buy-back option. The banking agencies clarified in May 2005 that all GNMA loans that are rebooked because of delinquency should be reported as past due according to their contractual terms.

**ASC Topics 860 & 810 (formerly FASB Statements 166 & 167)** – In June 2009, the FASB issued Statement No. 166, *Accounting for Transfers of Financial Assets* (FAS 166), and Statement No. 167, *Amendments to FASB Interpretation No. 46(R)* (FAS 167), which change the way entities account for securitizations and special purpose entities. FAS 166 revised FASB Statement No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, by eliminating the concept of a “qualifying special-purpose entity,” creating the concept of a “participating interest,” changing the requirements for derecognizing financial assets, and requiring additional disclosures. FAS 167 revised FASB Interpretation No. 46(R), *Consolidation of Variable Interest Entities*, by changing how a bank or other company determines when an entity that is insufficiently capitalized or



is not controlled through voting or similar rights, i.e., a “variable interest entity” (VIE), should be consolidated. Under FAS 167, a bank must perform a qualitative assessment to determine whether its variable interest or interests give it a controlling financial interest in a VIE. If a bank’s variable interest or interests provide it with the power to direct the most significant activities of the VIE, and the right to receive benefits or the obligation to absorb losses that could potentially be significant to the VIE, the bank is the primary beneficiary of, and therefore must consolidate, the VIE.

Both FAS 166 and FAS 167 take effect as of the beginning of each bank’s first annual reporting period that begins after November 15, 2009, for interim periods therein, and for interim and annual reporting periods thereafter (i.e., as of January 1, 2010, for banks with a calendar year fiscal year). Earlier application is prohibited. Banks are expected to adopt FAS 166 and FAS 167 for *Call Report* purposes in accordance with the effective date of these two standards. Also, FAS 166 has modified the criteria that must be met in order for a transfer of a portion of a financial asset, such as a loan participation, to qualify for sale accounting. These changes apply to transfers of loan participations on or after the effective date of FAS 166. Therefore, banks with a calendar year fiscal year must account for transfers of loan participations on or after January 1, 2010, in accordance with FAS 166. In general, loan participations transferred before the effective date of FAS 166 (January 1, 2010, for calendar year banks) are not affected by this new accounting standard and pre-FAS 166 participations that were properly accounted for as sales under FASB Statement No. 140 will continue to be reported as having been sold.

**ASC Topic 740 (formerly FASB Interpretation No. 48 on Uncertain Tax Positions)** – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2011mar/qbpnot.html>.

**ASC Topic 718 (formerly FASB Statement No. 123 (Revised 2004) and Share-Based Payments)** – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2008dec/qbpnot.html>.

**ASC Topic 815 (formerly FASB Statement No. 133 Accounting for Derivative Instruments and Hedging Activities)** – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2008dec/qbpnot.html>.

**Accounting Standards Codification** – In June 2009, the FASB issued Statement No. 168, *The FASB Accounting Standards Codification™ and the Hierarchy of Generally Accepted Accounting Principles* (FAS 168), to establish the FASB Codification as the single source of authoritative nongovernmental U.S. generally accepted accounting principles (U.S. GAAP). The FASB Codification reorganizes existing U.S. accounting and reporting standards issued by the FASB and other related private-sector standard setters, and all guidance contained in the FASB Codification carries an equal level of authority. All previously existing accounting standards documents are superseded as described in FAS 168. All other accounting literature not included in the FASB Codification is nonauthoritative. The FASB Codification can be accessed at <http://asc.fasb.org/>.

The FASB Codification is effective for interim and annual periods ending after September 15, 2009.

This an FFIEC reference guide at [http://www.ffiec.gov/pdf/ffiec\\_forms/CodificationIntroduction\\_201006.pdf](http://www.ffiec.gov/pdf/ffiec_forms/CodificationIntroduction_201006.pdf).

## 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 has 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 DIF deposits (deposits insured by the FDIC Deposit Insurance Fund) in banks’ domestic offices with certain adjustments.

**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 classified in a bank’s balance sheet as “Other liabilities.”

**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 non-interest 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 amends 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 are 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.

**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 uncollectibility), 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 non-accrual 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 charters** – 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 file 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.

**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-based capital groups** – definition:

(Percent)	Total Risk-Based Capital*		Tier 1 Risk-Based Capital*		Tier 1 Leverage	Tangible Equity
Well-capitalized	≥10	and	≥6	and	≥5	–
Adequately capitalized	≥8	and	≥4	and	≥4	–
Undercapitalized	≥6	and	≥3	and	≥3	–
Significantly undercapitalized	<6	or	<3	or	<3	and >2
Critically undercapitalized	–		–		–	≤2

\* As a percentage of risk-weighted assets.

**Risk Categories and Assessment Rate Schedule** – The current risk categories became effective January 1, 2007. Capital ratios and supervisory ratings distinguish one risk category from another. Effective April 1, 2011, risk categories for large institutions (generally those with at least \$10 billion in assets) are eliminated. The following table shows the relationship of risk categories (I, II, III, IV) for small institutions to capital and supervisory groups as well as the initial base assessment rates (in basis points) for each risk category. Supervisory Group A generally includes institutions with CAMELS composite ratings of 1 or 2; Supervisory Group B generally includes institutions with a CAMELS composite rating of 3; and Supervisory Group C generally includes institutions with CAMELS composite ratings of 4 or 5. For purposes of risk-based assessment capital groups, undercapitalized includes institutions that are significantly or critically undercapitalized.

Capital Category	Supervisory Group		
	A	B	C
1. Well Capitalized	I 5–9 bps	II 14 bps	III 23 bps
2. Adequately Capitalized	II 14 bps		
3. Undercapitalized		III 23 bps	IV 35 bps

Effective April 1, 2011, the initial base assessment rates are 5 to 35 basis points. An institution’s total assessment rate may be less than or greater than its initial base assessment rate as a result of additional risk adjustments.

The base assessment rates for small institutions in Risk Category I are based on a combination of financial ratios and CAMELS component ratings (the financial ratios method).

As required by Dodd-Frank, the calculation of risk-based assessment rates for large institutions no longer relies on long-term debt issuer ratings. Rates for large institutions are based on CAMELS ratings and certain forward-looking 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). In general, a highly complex institution is an institution (other than a credit card bank) with more than \$500 billion in total assets that is controlled by a parent or intermediate parent company with more than \$500 billion in total assets or a processing bank or trust company with total fiduciary assets of \$500 billion or more. The FDIC retains its ability to take additional information into account

to make a limited adjustment to an institution's total score (the large bank adjustment), which will be used to determine an institution's initial base assessment rate.

Effective April 1, 2011, the three possible adjustments to an institution's initial base assessment rate are as follows: (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 5 basis points would have a maximum unsecured debt adjustment of 2.5 basis points and could not have a total base assessment rate lower than 2.5 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 small institutions that are not in Risk Category I and 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. After applying all possible adjustments (excluding the Depository Institution Debt Adjustment), minimum and maximum total base assessment rates for each risk category are as follows:

Total Base Assessment Rates*					
	Risk Category I	Risk Category II	Risk Category III	Risk Category IV	Large and Highly Complex Institutions
Initial base assessment rate	5-9	14	23	35	5-35
Unsecured debt adjustment	-4.5-0	-5-0	-5-0	-5-0	-5-0
Brokered deposit adjustment	—	0-10	0-10	0-10	0-10
Total Base Assessment rate	2.5-9	9-24	18-33	30-45	2.5-45

\* 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.

Beginning in 2007, 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.

**Special Assessment** – On May 22, 2009, the FDIC board approved a final rule that imposed a 5 basis point special assessment as of June 30, 2009. The special assessment was levied on each insured depository institution's assets minus its Tier 1 capital as reported in its report of condition as of June 30, 2009. The special assessment was collected September 30, 2009, at the same time that the risk-based assessment for the second quarter of 2009 was collected. The special assessment for any institution was capped at 10 basis points of the institution's assessment base for the second quarter of 2009 risk-based assessment.

**Prepaid Deposit Insurance Assessments** – In November 2009, the FDIC Board of Directors adopted a final rule requiring insured depository institutions (except those that are exempted) to prepay their quarterly risk-based deposit insurance assessments for the fourth quarter of 2009, and for all of 2010, 2011, and 2012, on December 30, 2009. Each institution's regular risk-based deposit insurance assessment for the third quarter of 2009, which is paid in arrears, also was payable on December 30, 2009. For regulatory capital purposes, an institution may assign a zero-percent risk weight to the amount of its prepaid deposit assessment asset.

**Risk-weighted assets** – assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 200 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

**Securities** – excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity," which are reported at amortized cost (book value), and securities designated as "available-for-sale," reported at fair (market) value.

**Securities gains (losses)** – realized gains (losses) on held-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.

**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), which was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010, is a \$30 billion fund that encourages lending to small businesses by providing capital to qualified community institutions with assets of less than \$10 billion. The U.S. Treasury Department is administering the SBLF Program (<http://www.treasury.gov/resource-center/sb-programs/Pages/Small-Business-Lending-Fund.aspx>).

Under the SBLF Program, the Treasury Department purchases noncumulative perpetual preferred stock from qualifying depository institutions and holding companies (other than Subchapter S and mutual institutions). When this stock is 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 issue these 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.

**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 & 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.

## Highlights from the 2011 Summary of Deposits

Each year as of June 30, the Federal Deposit Insurance Corporation (FDIC) collects deposit data for branches and offices of all FDIC-insured institutions. The resulting Summary of Deposits (SOD) is a valuable resource for analyzing deposit gathering and branching trends, as well as domestic deposit market share.<sup>1</sup> The SOD data are available on the FDIC's Web site at <http://www2.fdic.gov/sod/index.asp>. This summary highlights some key findings from the 2011 SOD, focusing on national trends in domestic deposits and banking offices, and presents information by state and metropolitan area and for selected institutions.

### The Number of Offices Continued to Contract While Deposit Growth Accelerated

The number of offices operated by FDIC-insured institutions fell a modest 0.3 percent to 97,678 for the year ending June 30, 2011, a decline of 274 offices. This is the second consecutive yearly decline in offices, following a 1 percent (991-office) decrease in 2010.

Contraction in the number of offices reflects the continuing decline in the number of FDIC-insured institutions. The number of FDIC-insured institutions declined by 317 during the year ending June 30, 2011, compared with declines of 365 and 256 in the previous two years, respectively.

Despite a contraction in offices, FDIC-insured institutions reported strong deposit growth in 2011.<sup>2</sup> Total deposit volume increased 7.5 percent in 2011, well above the 1.7 percent growth rate reported in 2010

<sup>1</sup> This analysis reflects updates in SOD data through October 4, 2011. All FDIC-insured institutions that operate branch offices beyond their headquarters must submit responses to SOD surveys to the FDIC. Institutions that previously filed the Branch Office Survey administered by the Office of Thrift Supervision (OTS) are now required to file the SOD as of June 2011. Automated teller machines are not considered offices for the purposes of the survey. Call Report information on banks with a single headquarters office has been combined with branch office data to form the SOD database.

<sup>2</sup> The SOD covers offices in the 50 states and the District of Columbia but not those in U.S. territories. The SOD data include domestic deposits only, referred to in this report as "deposits."

Chart 1

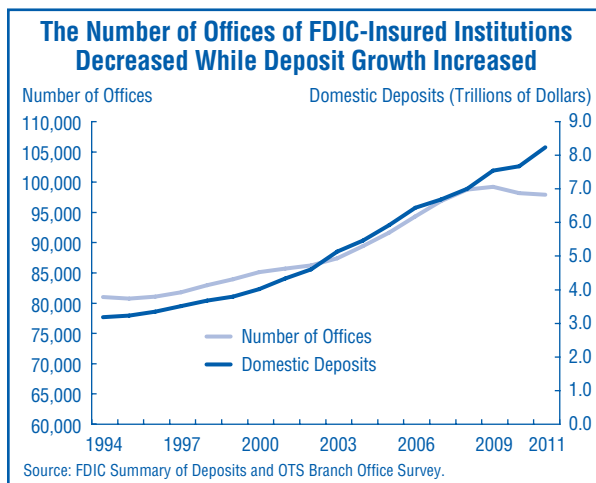
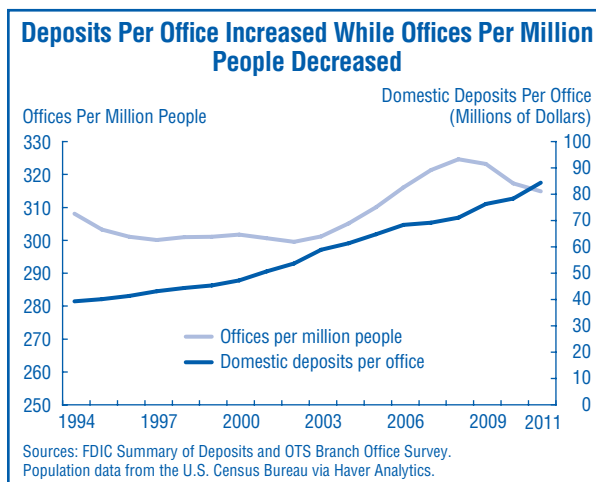


Chart 2



(see Chart 1) and higher than the five-year compound annual growth rate for total deposits of 5.1 percent.<sup>3</sup>

The number of offices per million people fell 0.7 percent to 314 for the year ending June 30, 2011, the lowest level for this ratio since 2005 (see Chart 2).

<sup>3</sup> The compound annual growth rate is a methodology for smoothing annual growth over time. It can sometimes be a better indication of a trend than a single year's growth, which may have been atypical. The compound annual growth rate is the  $n$ th root of the percentage change, where  $n$  is the number of years in the period.

Table 1

Metropolitan Areas Experienced the Highest Deposit Growth and Slowest Rate of Office Decline						
	Metropolitan Areas		Micropolitan Areas		Other Areas	
	Number of Offices	Domestic Deposits (\$ billions)	Number of Offices	Domestic Deposits (\$ billions)	Number of Offices	Domestic Deposits (\$ billions)
June 2011	75,204	\$7,358	12,061	\$510	9,682	\$327
June 2010	75,362	6,794	12,145	506	9,740	321
June 2006	71,510	5,663	11,941	443	9,757	281
1-Year Growth Rate	-0.2%	8.3%	-0.7%	0.7%	-0.6%	1.9%
5-Year Compound Growth Rate	1.0%	5.4%	0.2%	2.9%	-0.2%	3.1%

Source: FDIC Summary of Deposits and OTS Branch Office Survey.

Note: Includes deposit-taking offices only. Metropolitan statistical areas have urban clusters of greater than 50,000 inhabitants. Micropolitan statistical areas have urban clusters of between 10,000 and 50,000 inhabitants. "Other" areas have populations of 10,000 or fewer inhabitants. See U.S. Census Bureau definitions for greater detail.

However, due to overall growth in deposits, total deposits per office grew 7.8 percent to \$84 million in 2011, which was the highest year-over-year growth rate since 2003 and well above the five-year compound annual growth rate of 4.3 percent.

### Metropolitan Areas Report Strong Deposit Growth

Deposits and offices continue to be concentrated in metropolitan areas. As of June 30, 2011, about 78 percent of deposit-taking offices and 90 percent of deposits were held by insured institutions in metropolitan areas, compared with 77 percent of deposit-taking offices and 89 percent of deposits in the prior year. All types of geographic areas reported deposit growth and office contraction from 2010 to 2011. Deposit growth was centered in metropolitan areas, while office contraction was more pronounced in micropolitan and "other" areas (see Table 1).<sup>4</sup>

Deposits held within metropolitan areas grew 8.3 percent in 2011, a rate significantly higher than in micropolitan and "other" areas. Deposit growth in metropolitan areas was also much higher than the five-year compound annual growth rate, while deposit growth in micropolitan and "other" areas was well below their five-year compound annual growth rates. The number of offices in metropolitan areas fell 0.2 percent from 2010 to 2011, compared with declines of 0.7 percent and 0.6 percent for micropolitan and "other" areas, respectively. Metropolitan areas

<sup>4</sup> Metropolitan statistical areas have urban clusters of greater than 50,000 inhabitants. Micropolitan statistical areas have urban clusters of between 10,000 and 50,000 inhabitants. "Other" areas have populations of 10,000 or fewer inhabitants.

reported the highest five-year compound annual growth rate in the number of offices, while "other" areas reported the only negative five-year compound annual growth rate in the number of offices of any geographic area.

### Number of Traditional Brick-and-Mortar Commercial Bank Branches Held Steady

Traditional brick-and-mortar offices represented 90 percent of all commercial banking offices in 2011, a share unchanged from the previous year. The SOD survey covers all banking offices, including retail (e.g., offices in supermarkets or other stores), drive-through offices, and "other" office types. The "other" category, which primarily represents mobile or seasonal offices and those that provide back-office support for Internet deposit operations, was less than 1 percent of all offices, but was the fastest-growing office type for the third consecutive year. Retail offices grew 3.3 percent after declining 1.5 percent in 2010. Drive-through facilities were the only commercial office type to show a one-year decline and the only commercial bank office category to show a negative five-year compound annual growth rate (see Table 2).

### Large Institutions Reported the Strongest Deposit Growth

Large institutions (those with more than \$10 billion in total deposits) continued to report the largest share of banking offices and deposits among FDIC-insured institutions. In addition, large institutions reported much higher deposit growth than small (those with less than \$1 billion in total deposits) or midsize (those with between \$1 billion and \$10 billion in total deposits)

Table 2

<b>“Other” Banking Offices Increased at the Fastest Rate for the Second Year</b>					
	<b>Brick and Mortar Offices</b>	<b>Retail Offices</b>	<b>Drive-Through Facilities</b>	<b>“Other” Office Types</b>	<b>Total</b>
June 2011	77,997	5,433	2,473	805	86,708
June 2010	77,996	5,258	2,479	762	86,495
June 2006	71,120	4,627	2,600	617	78,964
1-Year Growth Rate	0.0%	3.3%	-0.2%	5.6%	0.2%
5-Year Compound Growth Rate	1.9%	3.3%	-1.0%	5.5%	1.9%

Source: FDIC Summary of Deposits.

Note: Includes only deposit-taking offices of commercial banks and thrifts that file Call Reports. Excludes U.S. branches of foreign institutions. For the first time, 2011 SOD data now show similar office breakdowns for thrifts, so comparisons of trends in thrift office types prior to 2011 are not available. Of the 10,229 thrift banking offices reported in 2011, 9,533 were brick and mortar offices, 517 were retail offices, 92 were drive-through facilities and 87 were “other” office types.

institutions in the year ending June 30, 2011. Large institutions reported deposit growth of 11.5 percent over the past year, midsize institutions reported growth of 1.6 percent, and small institutions reported a decline of 2.8 percent. The one-year growth rate of deposits at large institutions was considerably higher than the five-year compound annual growth rate, while deposit growth at midsize institutions was below the five-year compound annual growth rate (see Table 3).

Deposit growth is affected by a number of factors, including prevailing macroeconomic conditions and normal organic growth of individual institutions, as well as longer-term trends such as mergers and acquisition activity and institution failures. As in previous years, most institutions that have failed or been acquired have been small and midsize institutions, depressing growth for these categories. For example, of the 198 institutions acquired through merger transac-

tions in the year ending June 30, 2011, 179 were small, 17 were midsize, and two were large. Of the 119 that failed in the same period, 114 were small and five were midsize.

The same factors that affect deposits can affect office growth as well, although local market conditions and competitive issues also play a role. Local factors could explain why small institutions was the only category that experienced a slight increase in offices (23 offices, or a growth rate of 0.1 percent) for the past year, despite the decline in deposits for these institutions.

### **The Number of Banking Organizations Operating in 15 or More States Was Unchanged**

The number of banking organizations operating in at least 15 states remained unchanged from the previous year at 15 institutions (see Table 4). As of June 30,

Table 3

	<b>Large Institutions</b>			<b>Mid-sized Institutions</b>			<b>Small Institutions</b>		
	<b>Number of Institutions</b>	<b>Number of Offices</b>	<b>Domestic Deposits (\$ billions)</b>	<b>Number of Institutions</b>	<b>Number of Offices</b>	<b>Domestic Deposits (\$ billions)</b>	<b>Number of Institutions</b>	<b>Number of Offices</b>	<b>Domestic Deposits (\$ billions)</b>
June 2011	77	46,886	\$5,728	440	18,974	\$1,151	6,985	31,077	\$1,296
June 2010	76	47,016	5,138	438	19,120	1,133	6,967	31,054	1,334
June 2006	76	45,846	4,294	431	17,325	934	6,629	27,849	994
1-Year Growth Rate	1.3%	-0.3%	11.5%	0.5%	-0.8%	1.6%	0.3%	0.1%	-2.8%
5-Year Compound Growth Rate	0.3%	0.4%	5.9%	0.4%	1.8%	4.3%	1.1%	2.2%	5.4%

Source: FDIC Summary of Deposits and OTS Branch Office Survey.

Note: Merger-adjusted data. Deposit-taking offices only. Excludes U.S. branches of foreign institutions. Small = Institutions with consolidated deposits less than \$1 billion. Midsize = Institutions with consolidated deposits of \$1 billion to \$10 billion. Large = Institutions with consolidated deposits greater than \$10 billion.



Table 4

The Same Number of Banking Organizations Operate in 15 or More States as Last Year				
Name of Company	Number of States with Deposit Offices	Reported Number of Deposit Offices	Domestic Deposits (\$ billions)	Share of Total Domestic Deposits (%)
Wells Fargo & Company	40	6,386	\$793.6	9.7%
Bank of America Corporation	36	5,841	1,066.7	13.0%
U.S. Bancorp	25	3,135	198.5	2.4%
JPMorgan Chase & Co.	24	5,404	769.0	9.4%
Beal Bank SSB	21	34	2.5	0.0%
BNP Paribas	20	713	50.3	0.6%
First Citizens Bancshares, Inc.	18	427	17.7	0.2%
Woodforest Financial Group, Inc.	17	765	3.0	0.0%
Dickinson Financial Corporation	17	167	1.8	0.0%
Northern Trust Corporation	17	83	30.4	0.4%
PNC Financial Services Group	16	2,588	180.8	2.2%
Regions Financial Corporation	16	1,768	98.4	1.2%
Toronto-Dominion Bank	16	1,293	151.5	1.8%
Citigroup Inc.	16	1,057	316.8	3.9%
KeyCorp	15	1,053	59.8	0.7%

Source: FDIC Summary of Deposits and OTS Branch Office Survey.  
 Note: Deposit-taking offices only. See SOD instructions for definition of deposit offices.

2011, Bank of America Corporation remained the only organization reporting more than a 10 percent share of aggregate domestic deposits; its share increased to 13 percent of domestic deposits versus 11.9 percent in 2010. Of the three organizations with the greatest share of domestic deposits—Bank of America Corporation, JPMorgan Chase, and Wells Fargo—two experienced double-digit deposit growth over the past year. Domestic deposits at Bank of America and JPMorgan Chase grew 16.4 percent and 17.8 percent, respectively, from 2010 to 2011, while domestic deposits at Wells Fargo grew 5.9 percent over the same period. The total number of deposit offices at Bank of America and Wells Fargo declined 3.3 percent and 2.6 percent, respectively, while the total number of deposit offices at JPMorgan increased 3.3 percent. Toronto-Dominion Bank was added to the list and Capitol Bancorp was eliminated from the list in 2011. Toronto-Dominion Bank reported operations in 16 states in 2011, compared with 13 states in 2010. Capitol Bancorp reported operations in 14 states in 2011, compared with 16 states in 2010.

**Office Growth Was Strongest in the Northeast and West, Weakest in the Midwest and South**

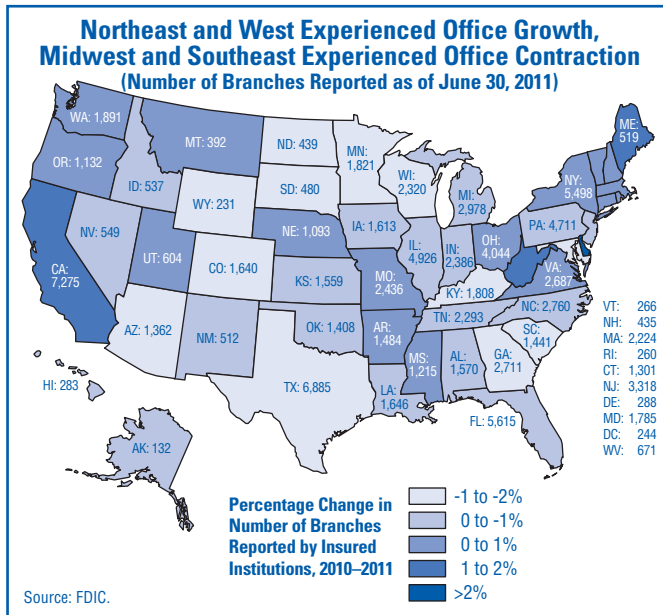
Changes in the number of banking offices within each state were mixed between 2010 and 2011. In general, states in the Northeast and West experienced an

increase in the total number of offices, while states in the Midwest and Southeast experienced office contraction (see Map 1). Delaware, Maine, California, and West Virginia experienced the highest percentage increases in the number of offices from 2010 to 2011 and were the only states to experience growth of more than 1 percent. Office growth in these states can be attributed to branch network expansion made by a few large institutions.

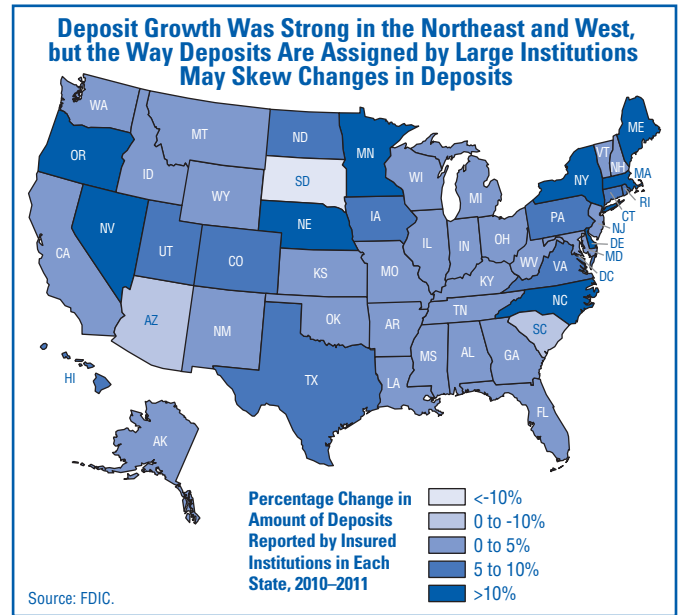
The number of banking offices grew in 16 states and declined in 30 states over the past year. The number of offices was unchanged in four states and the District of Columbia. Several states that experienced office contraction from 2010 to 2011 experienced office expansion over the past five years. For example, Texas, South Carolina, Colorado, Arizona, and Wyoming experienced more than a 1 percent decline in the number of offices between 2010 and 2011, but have each experienced more than a 1 percent increase in the number of offices over the past five years. No state experiencing office growth in 2011 experienced office contraction over the past five years.

South Carolina, South Dakota, and Arizona were the only states to experience a decline in total deposits from 2010 to 2011 (see Map 2). All other states and the District of Columbia experienced deposit growth over the past five years. State-specific deposits often do

Map 1



Map 2



not correlate directly with office patterns, however, because institutions have significant flexibility in the way they associate deposits with offices when completing the SOD. For large institutions in particular, deposits may be assigned to offices according to the proximity to the account holder’s address, the office where the deposit account is most active, the office where the account originated, or the office assignment used when establishing direct deposit of employee compensation.

### Twenty of the 25 Largest Markets Are “Highly Concentrated” or “Moderately Concentrated”

By law, bank regulatory agencies and the Department of Justice must consider market concentration in their analysis of proposed mergers and acquisitions. The Herfindahl-Hirschman Index (HHI) is a commonly used measure of market concentration.<sup>5</sup> The HHI measures increases in market concentration as banking organizations increase their deposit market share in a particular trade area. As of June 30, 2011, four of the 25 largest metropolitan areas had an HHI in the “highly

<sup>5</sup> Under the Department of Justice (DOJ) guidelines, markets with an HHI of less than 1,000 are considered “unconcentrated,” those with an HHI between 1,000 and 1,800 are considered “moderately concentrated,” and those with an HHI greater than 1,800 are considered “highly concentrated.” For more details, see the joint Federal Trade Commission and DOJ Web site on “Horizontal Merger Guidelines” at [http://www.usdoj.gov/atr/public/guidelines/horz\\_book/hmg1.html](http://www.usdoj.gov/atr/public/guidelines/horz_book/hmg1.html).

concentrated” range, and another 16 metropolitan areas had an HHI in the “moderately concentrated” range (see Table 5). The number of metropolitan areas with HHI scores in the “highly concentrated” range stayed the same, while those in the “moderately concentrated” range increased by one compared with last year’s HHI scores.<sup>6</sup> In addition, HHI scores for 18 of the 25 largest metropolitan areas increased during the year ending June 30, 2011, versus 15 markets experiencing increased HHIs in 2010.

Because of changes in population, the San Antonio-New Braunfels, TX, metropolitan area was added to the list of large markets in 2011, and the Cincinnati-Middletown, OH-KY-IN, metropolitan area was taken off the list. The HHI score for the San Antonio-New Braunfels, TX, metropolitan area is the highest of any of the top 25 metropolitan areas in 2011, and increased from 4,066 in the previous year to 4,483. Its high HHI score reflects the volume of deposits reported by USAA Federal Savings Bank, an institution that has a nationwide remote banking business model but assigns its deposits to its brick-and-mortar headquarters office within the area.

Although the San Antonio-New Braunfels, TX, market is reported to be the most concentrated, some large

<sup>6</sup> The Tampa-St. Petersburg MSA reported an HHI score below 1,000 in 2010 and above 1,000 in 2011.

Table 5

<b>Four of the Largest Metropolitan Areas Are Characterized as “Highly Concentrated” Markets According to the Department of Justice’s Herfindahl-Hirschman Index Measurement (Top 25 metropolitan areas by population as of June 30, 2011)</b>				
Metropolitan Area	Herfindahl-Hirschman Index	Population Estimate (millions)	5-Year Compound Growth Rate in Offices	5-Year Compound Growth Rate in Deposits
San Antonio-New Braunfels, TX	4,483	2.2	4.0	12.7
Pittsburgh, PA	2,551	2.4	0.1	5.8
San Francisco-Oakland-Fremont, CA	2,509	4.4	1.1	8.2
Minneapolis-St. Paul-Bloomington, MN-WI	2,396	3.3	0.0	13.6
Phoenix-Mesa-Scottsdale, AZ	1,761	4.4	2.8	1.9
Houston-Sugar Land-Baytown, TX	1,759	6.1	2.6	11.3
Portland-Vancouver-Beaverton, OR-WA	1,615	2.3	1.3	8.6
Dallas-Fort Worth-Arlington, TX	1,521	6.6	0.8	1.5
Baltimore-Towson, MD	1,452	2.7	-0.2	5.6
Atlanta-Sandy Springs-Marietta, GA	1,397	5.4	-0.2	1.1
Detroit-Warren-Livonia, MI	1,388	4.3	-0.8	0.7
New York-Northern New Jersey-Long Island, NY-NJ-PA	1,385	19.0	1.4	4.7
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	1,309	6.0	0.0	10.3
Sacramento--Arden-Arcade--Roseville, CA	1,283	2.2	0.7	2.5
Denver-Aurora, CO	1,262	2.6	1.4	6.3
Seattle-Tacoma-Bellevue, WA	1,249	3.5	0.6	2.0
San Diego-Carlsbad-San Marcos, CA	1,236	3.1	1.7	3.8
Boston-Cambridge-Quincy, MA-NH	1,153	4.6	0.9	6.2
Riverside-San Bernardino-Ontario, CA	1,108	4.3	2.3	-0.9
Tampa-St. Petersburg-Clearwater, FL	1,007	2.8	0.4	4.9
Washington-Arlington-Alexandria, DC-VA-MD-WV	955	5.7	2.1	3.7
Los Angeles-Long Beach-Santa Ana, CA	949	13.0	1.1	2.6
Chicago-Naperville-Joliet, IL-IN-WI	724	9.6	0.4	2.3
Miami-Fort Lauderdale-Pompano Beach, FL	712	5.3	0.8	1.7
St. Louis, MO-IL	640	2.9	1.9	7.6

Sources: FDIC Summary of Deposits and OTS Branch Office Survey and Moody’s Economy.com.  
 Note: The Herfindahl-Hirschman Index (HHI), a commonly accepted measure of market concentration, is calculated by squaring the market share of each firm competing in the market and then summing the resulting numbers. Markets in which the HHI is between 1,000 and 1,800 points are considered to be “moderately concentrated,” and those in which the HHI is in excess of 1,800 points are considered to be “highly concentrated.” For more information, please refer to the joint U.S. Department of Justice and Federal Trade Commission Web site at <http://www.usdoj.gov/atr/public/testimony/hhi.htm>. Population estimates for 2011 are from Moody’s Economy.com.

institutions within other markets continue to exert significant, and in some cases growing, local market power. In 15 of the 25 largest metropolitan areas, one institution, most often a large institution, reported a market share in 2011 of at least one-fourth of domestic deposits, versus 11 metropolitan areas in 2010 with that level of concentration.

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