

FDIC Quarterly

Quarterly Banking Profile: Fourth Quarter 2011

Highlights:

- *Banks Earned \$26.3 Billion in Fourth Quarter as Recovery Continued*
- *Full-Year Net Income Surpassed \$100 Billion for First Time Since 2006*
- *Reduced Loan-Loss Expenses Remained Key to Earnings Growth*
- *DIF Reserve Ratio Rises 1 Basis Point to 0.13 Percent*
- *\$1.4 Trillion Temporarily Insured in Noninterest-Bearing Transaction Accounts*

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

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FDIC Quarterly

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The FDIC Celebrates 25 Years of the Quarterly Banking Profile *See page ii.*

Quarterly Banking Profile: Fourth Quarter 2011

FDIC-insured institutions reported an aggregate profit of \$26.3 billion in the fourth quarter of 2011, a \$4.9 billion improvement from the \$21.4 billion in net income the industry reported in the fourth quarter of 2010. This is the tenth consecutive quarter that earnings have registered a year-over-year increase. Lower provisions for loan losses, reflecting an improving trend in asset quality, were responsible for most of the year-over-year improvement in earnings. *See page 1.*

Insurance Fund Indicators

Estimated insured deposits (based on \$250,000 coverage) increased by 3.1 percent during the fourth quarter of 2011. The Deposit Insurance Fund reserve ratio was 0.13 percent on December 31, 2011, up from 0.12 percent at September 30, 2011, and -0.12 percent four quarters earlier. Eighteen FDIC-insured institutions failed during the quarter. *See page 15.*

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The FDIC Celebrates 25 Years of the Quarterly Banking Profile



For the past 25 years, the FDIC's *Quarterly Banking Profile* (QBP) has chronicled the changing fortunes of the U.S. banking system. Whether the industry was in crisis or reporting record profits, the publication has remained a consistent scorecard and a gateway for public access to reliable information on banking.

Before 1987, the only regular FDIC publication with banking industry data was the *FDIC Annual Report*. But amid the banking crisis of the 1980s, then-Chairman L. William Seidman launched an effort to provide the public with more detailed and current information about the state of the industry. First published in March 1987, the QBP was envisioned as a tool to help reduce uncertainty about the condition and performance of commercial banks and to preserve and enhance public confidence in the banking system.

The QBP has changed significantly during its 25-year history. Initially just four pages long, the QBP provided analysis on just commercial banks, by size and location. By the early 1990s, when the FDIC received new responsibilities for insuring thrift institution deposits, information on savings institutions was added to the analysis. In the mid-1990s, the FDIC began publishing the QBP on the Internet, dramatically expanding public access to the data. At about this time, trends in the FDIC deposit insurance program were added to the QBP, and the agency began producing a companion publication—the *QBP Graph Book*.

In 2002, as the substantive difference between commercial banks and savings institutions became even less apparent, the QBP began the practice of combining data from insured commercial banks and savings institutions into a single industry analysis. At the same time, because of the increased importance of specialized charters, the QBP began to include comparative groupings based on business line concentrations. During the recent financial crisis, the QBP added information about the FDIC's Temporary Liquidity Guarantee Program. There is little doubt that the next 25 years will continue to bring important changes to the banking industry. As these changes unfold, the public can continue to rely on the QBP as the authoritative source for timely data and analysis on banking industry trends.

INSURED INSTITUTION PERFORMANCE

- **Banks Earned \$26.3 Billion in Fourth Quarter as Recovery Continued**
- **Full-Year Net Income Surpassed \$100 Billion for First Time Since 2006**
- **Reduced Loan-Loss Expenses Remained Key to Earnings Growth**
- **Asset Quality Indicators Registered Further Improvement**
- **Loan Portfolios Grew for Third Consecutive Quarter**

Quarterly Net Income Posts Tenth Consecutive Year-Over-Year Gain

Lower provisions for loan losses, reflecting an improving trend in asset quality, lifted fourth-quarter net income of FDIC-insured commercial banks and savings institutions. Fourth-quarter earnings totaled \$26.3 billion, an increase of \$4.9 billion (23.1 percent) compared with the same period of 2010. The year-over-year improvement in profits comprised a majority of insured institutions. Almost two out of every three banks (63.2 percent) reported higher quarterly net income than a year ago, and only 18.9 percent were unprofitable, compared with 27.1 percent in fourth quarter 2010. The average return on assets (ROA) rose to 0.76 percent, from 0.64 percent a year earlier.

Earnings Benefit Further from Lower Provisions for Loan Losses

Insured institutions set aside \$19.5 billion in provisions for loan losses in the fourth quarter, a decline of \$13.1 billion (40.1 percent) from fourth quarter 2010. Provisions represented 12.1 percent of the industry's net operating revenue (the sum of net interest income and total noninterest income), down from 19.7 percent a year ago, and well below the 51.7 percent peak level in this cycle registered in fourth quarter 2008. Loss provisions have fallen, year over year, for nine consecutive quarters. The trend of reduced provisioning was relatively broad: more than half of all institutions (54.6 percent) reported lower quarterly provisions than a year ago.

Chart 1

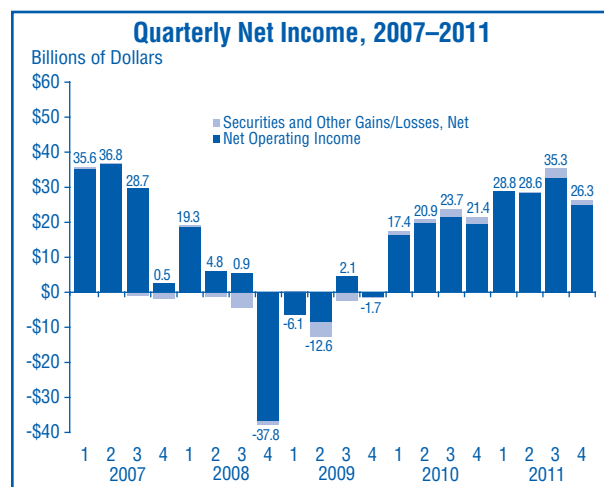
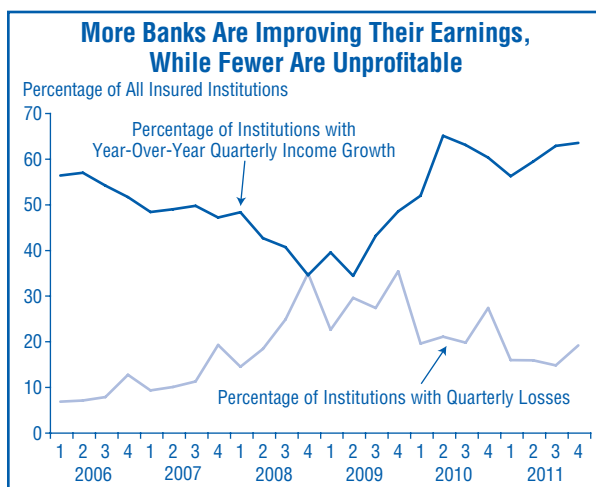


Chart 2



Overall Revenues Continue to Exhibit Weakness

For the third time in the last four quarters, net operating revenue posted a year-over-year decline. The \$3.8 billion (2.3 percent) drop was caused by a \$4.4 billion (7.4 percent) reduction in noninterest income. Gains on loan sales were \$1.9 billion (53 percent) below the level of a year ago, servicing income was \$1.4 billion (29.9 percent) lower, and trading income fell by \$812 million (23.5 percent). Increases in the market values of some large bank liabilities produced accounting losses in the fourth quarter that reversed some of the related gains in noninterest income that occurred in third quarter 2011.¹ Net interest income increased year over year for the first time in four quarters, rising by \$609 million (0.6 percent).

Full-Year Net Income Rises to Five-Year High

For all of 2011, net income totaled \$119.5 billion, an increase of \$34 billion (39.8 percent) from full-year 2010 earnings. This is the highest annual net income total since the industry earned \$145.2 billion in 2006. More than two out of every three banks (66.9 percent) reported improved earnings in 2011, and only 15.5 percent reported a net loss for the year. In 2010, 22.1 percent of all banks reported full-year net losses. The average ROA was 0.88 percent, up from 0.65 percent in 2010. The improvement in full-year net income was made possible by an \$81.1 billion reduction in loan loss provisions.

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

Full-Year Operating Revenues Are Lower than in 2010

Both net interest income and noninterest income were lower than in 2010, as full-year net operating revenue declined for only the second time since 1938 (the only other decline occurred in 2008). Net interest income posted its first full-year decline since 1971, falling by \$7.5 billion (1.7 percent). The average net interest margin in 2011 was 3.6 percent, down from 3.76 percent in 2010. Interest-bearing assets increased by 4.4 percent in 2011, but more than a third of this growth (35.7 percent) consisted of low-yielding balances with Federal Reserve Banks. Total noninterest income fell for a second consecutive year and the fourth time in the last five years, declining by \$5.3 billion (2.3 percent). Income from trust operations and trading income were higher than in 2010 (by \$1.6 billion and \$2.2 billion, respectively), but these improvements were outweighed by lower servicing income (down \$8 billion), reduced gains on loan sales (down \$4.8 billion), and lower income from service charges on deposit accounts, which fell by \$2.1 billion (5.9 percent). Realized gains on securities and other assets were \$3.6 billion (39.5 percent) lower than in 2010. Insured institutions paid \$77.9 billion in dividends during 2011, an increase of \$24 billion (44.5 percent) from 2010, but below the record level of \$110.3 billion paid out in 2007.

Loan Losses Fall to Lowest Level in 15 Quarters

Net charge-offs totaled \$25.4 billion in the fourth quarter, a decline of \$17.1 billion (40.2 percent) from a year ago. The fourth-quarter total represents the lowest level for quarterly charge-offs since first quarter 2008. This is the sixth consecutive quarter in which charge-offs have

Chart 3

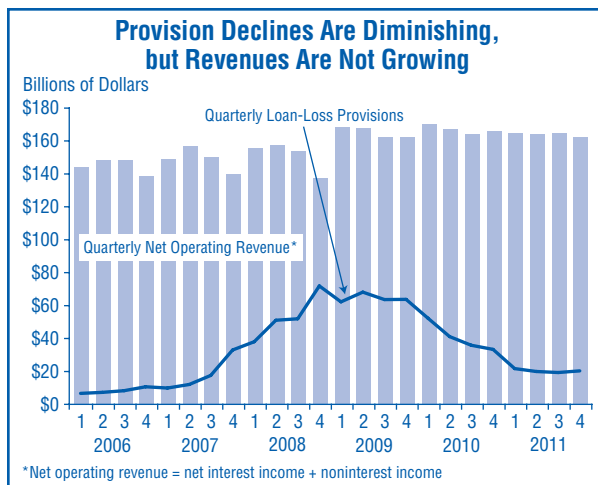
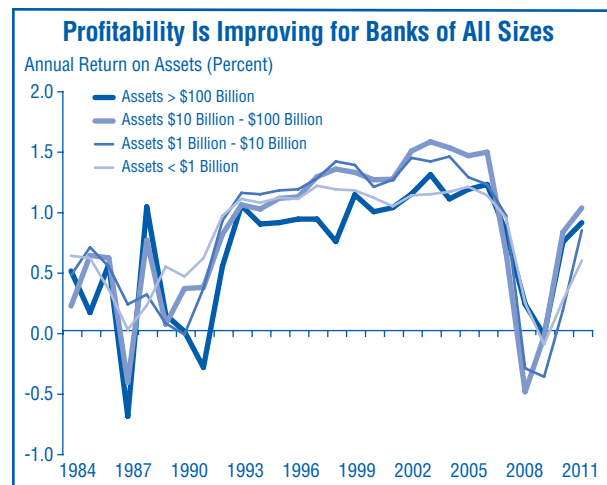


Chart 4



posted a year-over-year decline. Improvements occurred across all major loan types. The largest declines were in credit cards (down \$5.4 billion, or 42.2 percent), real estate construction and land development loans (down \$3.3 billion, or 62.4 percent), residential mortgage loans (down \$2.4 billion, or 31.8 percent) and loans to commercial and industrial (C&I) borrowers (down \$2 billion, or 43.5 percent).

Noncurrent Loan Balances Decline in Most Major Loan Categories

The amount of loan balances that were noncurrent (90 days or more past due or in nonaccrual status) declined for the seventh quarter in a row, falling by \$4.3 billion (1.4 percent). The decline was led by real estate construction and land development loans, where noncurrent balances fell by \$4.9 billion (13.2 percent), C&I loans, where noncurrents declined by \$1.8 billion (9.5 percent), and nonfarm nonresidential real estate loans, where noncurrent balances fell by \$1.6 billion (4 percent). The only significant increase in noncurrent loans occurred in residential mortgage portfolios, where noncurrent balances rose by \$5.2 billion (3.1 percent). This increase reflected the addition of \$6.3 billion in rebooked “GNMA loans” that were 90 days or more past due.²

Reductions in Reserves Continue to Track Declines in Noncurrent Loans

Loan-loss reserves fell for a seventh consecutive quarter, declining by \$6.3 billion (3.2 percent), as net charge-offs of \$25.4 billion exceeded loss provisions of \$19.5

² See “GNMA Buy-Back Option” in *Notes to Users*.

billion. As has been the case throughout the recent period of reserve reductions, most of the declines have been concentrated among large institutions. Half of all banks increased their reserves during the fourth quarter, whereas 70 percent of the 50 largest banks reduced their reserves. The industry’s “coverage ratio” of reserves to noncurrent loans and leases declined slightly, from 63.7 percent to 62.5 percent during the quarter.

Equity Capital Registers a Small Decline

Lower unrealized gains on available-for-sale securities and other financial instruments contributed to a \$7.7 billion (0.5 percent) decline in the industry’s total equity capital during the fourth quarter. Unrealized gains are not included in regulatory capital, and tier 1 leverage capital increased by \$2.4 billion (0.2 percent). This is the smallest quarterly increase in leverage capital in the past 13 quarters. Retained earnings contributed \$3.7 billion to capital growth in the quarter, as banks paid \$22.6 billion of their \$26.3 billion in quarterly earnings in dividends.

Loan Balances Post Largest Real Growth in Four Years

Total assets of insured institutions increased by \$76.1 billion (0.6 percent) in the fourth quarter, as loan balances rose by \$130.1 billion (1.8 percent). This is the third consecutive quarter in which total loan balances have increased and, apart from first quarter 2010 when accounting rule changes caused a \$221 billion increase in reported balances, it represents the largest quarterly increase since fourth quarter 2007.³

³ See “ASC Topics 860 & 810” in *Notes to Users*.

Chart 5

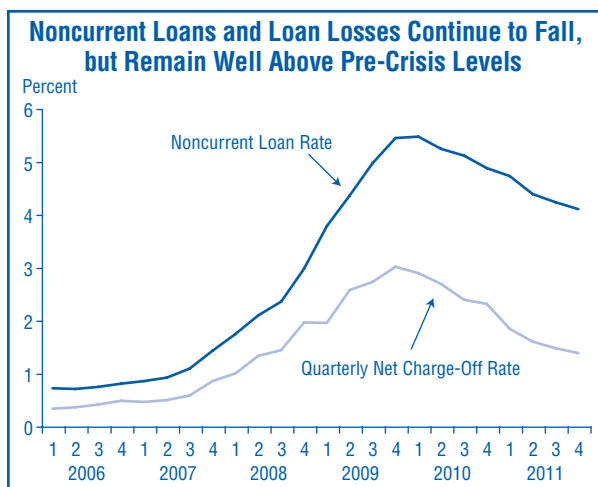
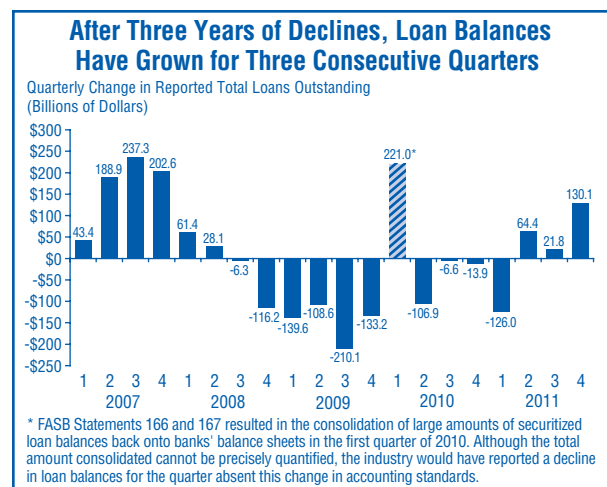


Chart 6



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

As in the prior two quarters, overall loan growth was led by C&I loans, which rose by \$62.8 billion (4.9 percent), accounting for almost half of the total increase in loans and leases during the quarter. C&I loans have increased in each of the last six quarters. Additionally, C&I loans to small businesses (C&I loans in original amounts of \$1 million or less) increased by \$2.8 billion (1 percent). This is the first time in the seven quarters for which data on quarterly changes in these loans are available that small C&I loan balances have increased. Residential mortgage loans increased by \$26 billion (1.4 percent), following a \$23.6 billion increase in the third quarter. Credit card balances posted a seasonal increase of \$21.3 billion (3.2 percent). Real estate construction and development loans declined for a 15th consecutive quarter, falling by \$14.7 billion (5.8 percent). Investment securities portfolios increased by \$61.6 billion (2.2 percent), with mortgage-backed securities rising by \$45.0 billion (2.8 percent), and state, county, and municipal securities increasing by \$13.3 billion (6.5 percent). Assets in trading accounts declined by \$36 billion (4.8 percent), while interest-bearing balances due from depository institutions fell by \$34.9 billion (3.3 percent).

Money Continues to Flow into Fully Insured Deposit Accounts

Deposit balances registered strong growth for a sixth consecutive quarter, as large-denomination transaction accounts that offer unlimited insurance coverage through the end of 2012 continue to attract new depositors. Total deposits at insured institutions increased by

\$183.2 billion (1.8 percent). Over the last six quarters, deposits at FDIC-insured institutions have risen by more than \$1 trillion. Most of the growth has consisted of large-denomination noninterest-bearing transaction deposits that are fully insured until the end of 2012. Balances in these accounts increased by \$191.2 billion (13.7 percent) during the fourth quarter, and totaled \$1.58 trillion at the end of the year. In contrast, nondeposit liabilities declined by \$99.5 billion (4.5 percent), while deposits in foreign offices fell by \$66.6 billion (4.5 percent).

“Problem List” Shrinks for Third Consecutive Quarter

The number of institutions reporting financial results fell from 7,437 to 7,357 in the fourth quarter. During the quarter, 54 institutions were merged into other institutions, and 18 insured institutions failed. There were two institutions whose December financial reports had not been received at the time this publication was prepared. The number of institutions on the FDIC’s “Problem List” declined from 844 to 813 during the quarter, and total assets of “problem” institutions fell from \$339 billion to \$319.4 billion. For the full year, the number of reporting institutions declined by 301, as 3 new reporters were added, 92 institutions failed, and 198 were absorbed by mergers. During 2011, the number of full-time-equivalent employees at insured institutions increased from 2,088,579 to 2,107,976.

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Chart 7

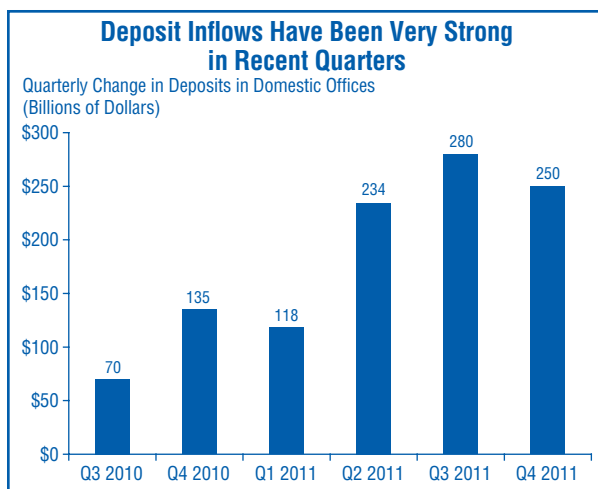


Chart 8

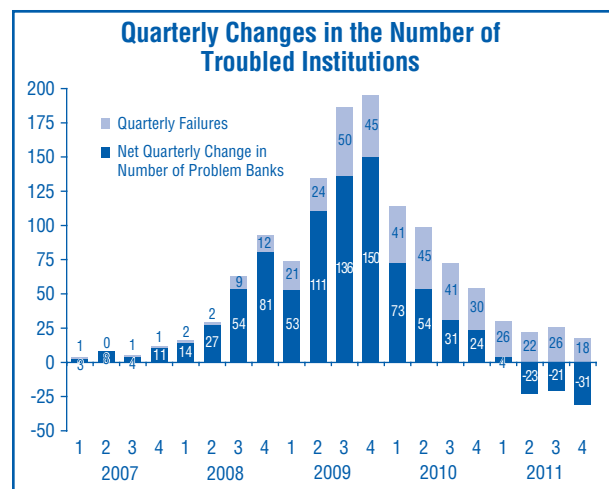


TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

	2011	2010	2009	2008	2007	2006	2005
Return on assets (%)	0.88	0.65	-0.07	0.03	0.81	1.28	1.28
Return on equity (%)	7.86	5.85	-0.72	0.35	7.75	12.30	12.43
Core capital (leverage) ratio (%)	9.09	8.89	8.60	7.47	7.97	8.22	8.24
Noncurrent assets plus other real estate owned to assets (%)	2.55	3.11	3.36	1.91	0.95	0.54	0.50
Net charge-offs to loans (%)	1.55	2.55	2.52	1.29	0.59	0.39	0.49
Asset growth rate (%)	4.24	1.77	-5.45	6.19	9.88	9.03	7.64
Net interest margin (%)	3.60	3.76	3.49	3.16	3.29	3.31	3.47
Net operating income growth (%)	44.74	1,607.78	-155.50	-90.71	-27.59	8.52	11.40
Number of institutions reporting	7,357	7,658	8,012	8,305	8,534	8,680	8,833
Commercial banks	6,290	6,530	6,840	7,087	7,284	7,401	7,526
Savings institutions	1,067	1,128	1,172	1,218	1,250	1,279	1,307
Percentage of unprofitable institutions (%)	15.52	22.07	30.84	24.89	12.10	7.95	6.22
Number of problem institutions	813	884	702	252	76	50	52
Assets of problem institutions (in billions)	\$319	\$390	\$403	\$159	\$22	\$8	\$7
Number of failed institutions	92	157	140	25	3	0	0
Number of assisted institutions	0	0	8	5	0	0	0

* Excludes insured branches of foreign banks (IBAs).

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

(dollar figures in millions)	4th Quarter 2011	3rd Quarter 2011	4th Quarter 2010	%Change 10Q4-11Q4
Number of institutions reporting	7,357	7,437	7,658	-3.9
Total employees (full-time equivalent)	2,107,976	2,109,346	2,088,579	0.9
CONDITION DATA				
Total assets	\$13,883,363	\$13,807,302	\$13,318,987	4.2
Loans secured by real estate	4,127,600	4,113,905	4,267,026	-3.3
1-4 Family residential mortgages	1,877,967	1,852,005	1,899,657	-1.1
Nonfarm nonresidential	1,059,232	1,055,537	1,071,184	-1.1
Construction and development	240,010	254,687	321,451	-25.3
Home equity lines	603,374	608,257	636,886	-5.3
Commercial & industrial loans	1,346,038	1,283,253	1,185,101	13.6
Loans to individuals	1,307,621	1,284,568	1,317,600	-0.8
Credit cards	687,753	666,477	702,060	-2.0
Farm loans	61,337	59,802	59,328	3.4
Other loans & leases	624,829	595,816	548,815	13.9
Less: Unearned income	1,696	1,724	2,440	-30.5
Total loans & leases	7,465,728	7,335,621	7,375,430	1.2
Less: Reserve for losses	190,974	197,294	231,445	-17.5
Net loans and leases	7,274,754	7,138,326	7,143,985	1.8
Securities	2,850,345	2,788,740	2,667,704	6.8
Other real estate owned	46,075	50,514	52,623	-12.4
Goodwill and other intangibles	368,033	372,689	393,728	-6.5
All other assets	3,344,155	3,457,032	3,060,946	9.3
Total liabilities and capital	13,883,363	13,807,302	13,318,987	4.2
Deposits	10,183,395	10,000,210	9,422,882	8.1
Domestic office deposits	8,755,002	8,505,261	7,873,121	11.2
Foreign office deposits	1,428,392	1,494,949	1,549,760	-7.8
Other borrowed funds	1,413,975	1,475,165	1,718,374	-17.7
Subordinated debt	133,047	136,524	146,830	-9.4
All other liabilities	582,006	616,874	519,461	12.0
Total equity capital (includes minority interests)	1,570,940	1,578,526	1,511,441	3.9
Bank equity capital	1,552,613	1,560,288	1,484,584	4.6
Loans and leases 30-89 days past due	100,909	100,203	117,867	-14.4
Noncurrent loans and leases	305,474	309,808	358,987	-14.9
Restructured loans and leases	129,326	127,267	82,322	57.1
Mortgage-backed securities	1,646,013	1,600,991	1,484,688	10.9
Earning assets	12,064,654	11,917,229	11,555,214	4.4
FHLB Advances	327,422	323,422	386,521	-15.3
Unused loan commitments	5,744,138	5,719,997	5,662,751	1.4
Trust assets	16,554,442	15,356,352	19,335,067	-14.4
Assets securitized and sold**	944,666	965,039	969,719	-2.6
Notional amount of derivatives**	231,879,401	250,463,179	232,211,007	-0.1
INCOME DATA				
Total interest income	\$507,308	\$536,913	\$126,150	-4.3
Total interest expense	84,777	106,886	19,099	-24.8
Net interest income	422,531	430,027	107,051	0.6
Provision for loan and lease losses	76,930	158,010	19,548	-40.1
Total noninterest income	230,350	235,681	54,864	-7.4
Total noninterest expense	411,632	391,791	107,479	3.8
Securities gains (losses)	5,518	9,115	1,760	-21.9
Applicable income taxes	50,580	38,420	10,357	1.2
Extraordinary gains, net	1,073	-450	308	414.5
Total net income (includes minority interests)	120,330	86,151	26,599	23.4
Bank net income	119,505	85,498	26,340	23.1
Net charge-offs	112,955	187,672	25,365	-40.2
Cash dividends	77,878	53,899	22,645	-2.7
Retained earnings	41,626	31,599	3,696	N/M
Net operating income	115,166	79,565	24,941	27.1

** Call Report filers only.

N/M - Not Meaningful

TABLE III-A. Full Year 2011, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <\$1 Billion	All Other <\$1 Billion	All Other >\$1 Billion
Number of institutions reporting.....	7,357	18	4	1,545	3,768	732	59	378	790	63
Commercial banks.....	6,290	15	4	1,536	3,376	211	47	353	695	53
Savings institutions.....	1,067	3	0	9	392	521	12	25	95	10
Total assets (in billions).....	\$13,883.4	\$538.7	\$3,456.4	\$215.7	\$4,082.5	\$828.6	\$97.2	\$57.1	\$138.6	\$4,468.5
Commercial banks.....	12,639.7	509.0	3,456.4	214.5	3,617.7	264.5	40.2	51.7	115.1	4,370.7
Savings institutions.....	1,243.6	29.7	0.0	1.2	464.8	564.1	57.0	5.4	23.5	97.8
Total deposits (in billions).....	10,183.4	278.9	2,371.0	179.6	3,165.8	609.1	82.5	45.0	115.8	3,335.8
Commercial banks.....	9,253.9	259.1	2,371.0	178.6	2,834.0	177.7	32.1	41.2	96.9	3,263.4
Savings institutions.....	929.5	19.7	0.0	1.0	331.8	431.4	50.5	3.8	19.0	72.4
Bank net income (in millions).....	119,505	18,907	25,166	2,324	26,113	4,608	1,594	1,067	1,255	38,470
Commercial banks.....	110,880	17,467	25,166	2,314	22,449	2,904	915	701	1,051	37,913
Savings institutions.....	8,625	1,441	0	10	3,664	1,704	679	366	204	557
Performance Ratios (%)										
Yield on earning assets.....	4.32	11.64	3.60	4.84	4.64	4.06	5.55	3.70	4.67	3.60
Cost of funding earning assets.....	0.72	1.09	0.70	0.97	0.83	1.08	0.92	0.76	0.95	0.48
Net interest margin.....	3.60	10.55	2.90	3.87	3.81	2.98	4.63	2.94	3.72	3.12
Noninterest income to assets.....	1.70	3.21	1.86	0.60	1.25	0.75	1.98	4.73	1.05	2.02
Noninterest expense to assets.....	3.04	5.27	2.87	2.62	3.16	2.19	2.85	4.87	3.04	2.95
Loan and lease loss provision to assets.....	0.57	2.03	0.44	0.27	0.59	0.52	0.96	0.07	0.32	0.49
Net operating income to assets.....	0.85	3.48	0.76	1.08	0.62	0.56	1.68	1.82	0.88	0.81
Pretax return on assets.....	1.26	5.43	0.97	1.29	0.93	0.84	2.58	2.51	1.16	1.29
Return on assets.....	0.88	3.49	0.74	1.12	0.66	0.57	1.69	1.86	0.93	0.89
Return on equity.....	7.86	22.65	8.30	10.02	5.62	5.49	17.16	12.26	8.23	7.28
Net charge-offs to loans and leases.....	1.55	5.26	1.97	0.40	1.17	0.90	1.87	0.48	0.53	1.26
Loan and lease loss provision to net charge-offs.....	68.11	46.73	62.31	111.15	76.12	99.38	71.21	51.26	106.95	76.14
Efficiency ratio.....	61.37	39.71	65.73	62.74	65.69	60.89	44.04	64.86	67.81	61.92
% of unprofitable institutions.....	15.52	0.00	0.00	3.75	23.17	13.93	6.78	9.52	8.48	3.17
% of institutions with earnings gains.....	66.90	88.89	75.00	69.90	68.55	56.83	55.93	62.70	64.68	68.25
Condition Ratios (%)										
Earning assets to total assets.....	86.90	90.81	84.23	91.46	89.03	93.95	96.55	91.15	91.76	84.61
Loss allowance to:										
Loans and leases.....	2.56	5.10	3.75	1.59	2.09	1.44	2.03	2.12	1.57	2.32
Noncurrent loans and leases.....	62.52	297.84	89.17	93.64	59.37	37.37	120.96	84.21	73.73	41.98
Noncurrent assets plus other real estate owned to assets.....										
Equity capital ratio.....	11.18	15.11	8.89	11.22	11.71	10.40	9.82	15.64	11.46	12.11
Core capital (leverage) ratio.....	9.09	13.23	7.07	10.10	10.05	9.69	9.61	14.18	10.79	8.98
Tier 1 risk-based capital ratio.....	13.04	14.35	11.88	14.57	13.21	20.03	13.18	31.79	18.56	12.16
Total risk-based capital ratio.....	15.33	16.74	14.56	15.72	15.08	21.13	14.34	32.85	19.70	14.86
Net loans and leases to deposits.....	71.44	151.25	50.79	71.33	83.91	78.04	83.99	35.30	64.28	66.83
Net loans to total assets.....	52.40	78.30	34.84	59.40	65.06	57.37	71.33	27.81	53.70	49.89
Domestic deposits to total assets.....	63.06	45.96	39.33	83.27	76.73	73.42	84.93	77.84	83.54	66.79
Structural Changes										
New reporters.....	3	0	0	0	2	0	0	1	0	0
Institutions absorbed by mergers.....	198	0	4	35	129	6	2	4	11	7
Failed institutions.....	92	0	0	2	89	1	0	0	0	0
PRIOR FULL YEARS (The way it was...)										
Number of institutions.....2010	7,658	22	4	1,559	4,085	718	73	314	814	69
.....2008	8,305	26	5	1,559	4,753	839	91	279	709	44
.....2006	8,680	26	4	1,634	4,713	817	123	411	895	57
Total assets (in billions).....2010	\$13,319.0	\$705.4	\$3,038.1	\$199.9	\$4,094.6	\$789.0	\$114.4	\$42.9	\$132.2	\$4,202.6
.....2008	13,841.2	513.0	3,410.1	168.8	5,461.2	997.1	122.2	34.4	94.8	3,039.6
.....2006	11,861.9	408.4	2,337.2	149.3	4,905.1	1,445.0	109.9	42.2	119.6	2,345.4
Return on assets (%).....2010	0.65	1.82	0.72	0.98	0.20	0.68	1.28	1.48	0.70	0.80
.....2008	0.03	1.70	0.25	1.00	-0.13	-0.48	-0.01	1.43	0.82	-0.09
.....2006	1.28	4.19	1.01	1.23	1.28	0.94	1.75	1.54	1.04	1.26
Net charge-offs to loans & leases (%).....2010	2.55	10.83	2.29	0.59	1.90	1.14	2.36	0.64	0.56	1.87
.....2008	1.29	5.94	1.44	0.41	1.14	0.86	1.74	0.35	0.35	0.74
.....2006	0.39	3.48	0.48	0.17	0.22	0.15	1.40	0.42	0.20	0.22
Noncurrent assets plus OREO to assets (%).....2010										
Equity capital ratio (%).....2010	11.15	14.96	8.93	10.86	11.40	10.05	11.00	16.31	11.01	12.04
.....2008	9.33	20.47	7.01	10.99	10.04	7.45	9.85	18.63	11.28	9.11
.....2006	10.52	22.88	7.75	10.73	11.16	9.91	14.16	21.12	10.97	9.78

* See Table IV-A (page 8) for explanations.

TABLE III-A. Full Year 2011, All FDIC-Insured Institutions

FULL YEAR (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.....	7,357	2,416	4,284	550	107	916	957	1,552	1,772	1,542	618
Commercial banks.....	6,290	2,143	3,633	429	85	481	851	1,282	1,679	1,434	563
Savings institutions.....	1,067	273	651	121	22	435	106	270	93	108	55
Total assets (in billions).....	\$13,883.4	\$138.9	\$1,281.1	\$1,408.1	\$11,055.3	\$2,865.8	\$2,935.7	\$3,185.6	\$2,914.8	\$813.0	\$1,168.4
Commercial banks.....	12,639.7	123.3	1,056.1	1,100.7	10,359.6	2,216.1	2,818.5	3,065.2	2,855.0	719.1	965.8
Savings institutions.....	1,243.6	15.5	225.0	307.4	695.7	649.7	117.2	120.4	59.8	93.9	202.6
Total deposits (in billions).....	10,183.4	117.6	1,063.9	1,089.3	7,912.6	2,039.9	2,209.2	2,262.4	2,159.0	665.4	847.5
Commercial banks.....	9,253.9	105.1	884.3	853.9	7,410.6	1,567.6	2,122.0	2,171.6	2,110.8	588.0	693.8
Savings institutions.....	929.5	12.5	179.6	235.4	502.0	472.3	87.2	90.7	48.2	77.3	153.7
Bank net income (in millions).....	119,505	749	7,426	11,535	99,794	28,211	15,438	24,384	27,448	7,472	16,552
Commercial banks.....	110,880	712	6,368	9,414	94,386	25,935	14,701	23,948	27,143	6,400	12,753
Savings institutions.....	8,625	37	1,059	2,121	5,408	2,276	737	436	304	1,072	3,799
Performance Ratios (%)											
Yield on earning assets.....	4.32	4.87	4.83	4.79	4.19	4.76	4.01	3.55	4.72	4.61	4.88
Cost of funding earning assets.....	0.72	0.98	1.02	0.91	0.66	0.84	0.61	0.66	0.77	0.73	0.76
Net interest margin.....	3.60	3.88	3.81	3.88	3.53	3.92	3.40	2.89	3.96	3.88	4.12
Noninterest income to assets.....	1.70	1.05	0.98	1.18	1.86	1.62	1.63	1.94	1.71	1.34	1.70
Noninterest expense to assets.....	3.04	3.63	3.18	2.96	3.03	2.99	3.15	2.99	3.07	3.18	2.89
Loan and lease loss provision to assets.....	0.57	0.34	0.56	0.62	0.57	0.57	0.73	0.42	0.63	0.45	0.49
Net operating income to assets.....	0.85	0.50	0.54	0.77	0.90	1.00	0.42	0.75	1.02	0.93	1.39
Pretax return on assets.....	1.26	0.67	0.78	1.17	1.33	1.51	0.77	1.08	1.33	1.26	2.20
Return on assets.....	0.88	0.55	0.59	0.84	0.93	1.02	0.53	0.79	0.95	0.96	1.48
Return on equity.....	7.86	4.60	5.59	7.21	8.24	8.11	4.43	9.23	8.49	8.80	10.94
Net charge-offs to loans and leases.....	1.55	0.60	0.88	1.16	1.72	1.86	1.66	1.18	1.85	0.89	1.15
Loan and lease loss provision to net charge-offs.....	68.11	94.73	98.70	84.95	63.90	57.05	78.14	77.45	61.70	81.37	69.47
Efficiency ratio.....	61.37	78.84	70.72	62.21	60.06	57.55	67.05	66.52	58.17	65.01	51.94
% of unprofitable institutions.....	15.52	16.97	15.36	12.36	5.61	12.34	33.23	14.43	10.33	10.18	23.79
% of institutions with earnings gains.....	66.90	63.87	67.09	76.91	76.64	62.66	64.79	65.85	69.41	66.67	72.49
Condition Ratios (%)											
Earning assets to total assets.....	86.90	90.80	91.48	90.35	85.88	87.76	85.12	85.76	85.97	90.72	92.04
Loss allowance to:											
Loans and leases.....	2.56	1.78	1.86	2.01	2.75	2.45	2.71	2.71	2.88	1.90	1.89
Noncurrent loans and leases.....	62.52	73.06	59.30	53.33	64.02	81.46	48.93	61.73	65.66	62.70	73.50
Noncurrent assets plus other real estate owned to assets.....	2.55	2.33	3.00	3.11	2.43	1.77	3.60	2.30	2.75	2.60	1.95
Equity capital ratio.....	11.18	11.87	10.74	11.79	11.15	12.29	12.01	8.69	11.12	10.94	13.49
Core capital (leverage) ratio.....	9.09	11.27	10.10	10.42	8.77	9.97	8.90	7.09	9.13	9.80	12.30
Tier 1 risk-based capital ratio.....	13.04	18.14	15.13	15.33	12.46	14.77	12.32	10.82	12.56	14.29	16.78
Total risk-based capital ratio.....	15.33	19.26	16.34	16.60	15.01	16.60	15.26	13.69	14.59	15.89	18.18
Net loans and leases to deposits.....	71.44	66.96	74.71	79.70	69.93	72.64	72.67	62.79	72.47	74.36	83.48
Net loans to total assets.....	52.40	56.69	62.04	61.65	50.05	51.71	54.69	44.60	53.68	60.86	60.55
Domestic deposits to total assets.....	63.06	84.66	82.99	76.89	58.72	62.95	70.19	57.79	53.40	81.49	71.06
Structural Changes											
New reporters.....	3	0	2	1	0	0	3	0	0	0	0
Institutions absorbed by mergers.....	198	77	96	21	4	27	21	39	48	47	16
Failed institutions.....	92	16	69	7	0	2	45	15	6	12	12
PRIOR FULL YEARS (The way it was...)											
Number of institutions.....2010	7,658	2,625	4,367	559	107	949	1,022	1,602	1,825	1,601	659
.....2008	8,305	3,132	4,498	561	114	1,015	1,180	1,705	1,935	1,700	770
.....2006	8,680	3,632	4,399	530	119	1,092	1,218	1,826	2,018	1,753	773
Total assets (in billions).....2010	\$13,319.0	\$148.6	\$1,291.8	\$1,429.6	\$10,449.0	\$2,694.8	\$2,929.8	\$2,950.1	\$1,686.6	\$789.0	\$2,268.8
.....2008	13,841.2	170.9	1,354.7	1,489.8	10,825.8	2,594.2	3,745.9	3,264.3	1,057.2	780.9	2,398.7
.....2006	11,861.9	189.9	1,290.0	1,397.9	8,984.0	2,216.1	2,911.4	2,746.2	859.8	652.3	2,476.1
Return on assets (%).....2010	0.65	0.28	0.26	0.18	0.76	0.76	0.35	0.60	0.84	0.68	0.81
.....2008	0.03	0.25	0.24	-0.30	0.05	0.25	-0.14	0.29	0.56	0.51	-0.63
.....2006	1.28	0.92	1.16	1.22	1.31	1.27	1.31	1.10	1.76	1.23	1.29
Net charge-offs to loans & leases (%).....2010	2.55	0.80	1.12	1.81	2.93	3.58	2.43	2.03	2.88	1.28	2.29
.....2008	1.29	0.46	0.67	1.10	1.45	1.44	1.01	1.24	1.60	0.68	1.74
.....2006	0.39	0.18	0.16	0.20	0.47	0.72	0.19	0.28	0.55	0.21	0.43
Noncurrent assets plus OREO to assets (%).....2010	3.11	2.38	3.44	3.58	3.01	2.14	3.93	2.98	4.24	3.17	2.51
.....2008	1.91	1.66	2.16	2.46	1.80	1.20	2.02	1.93	2.28	1.80	2.33
.....2006	0.54	0.73	0.59	0.52	0.53	0.52	0.33	0.57	1.05	0.62	0.56
Equity capital ratio (%).....2010	11.15	11.70	10.15	11.18	11.26	12.58	11.59	8.71	11.33	10.54	12.11
.....2008	9.33	12.87	10.00	10.65	9.01	11.14	9.56	8.07	9.49	9.95	8.45
.....2006	10.52	13.01	10.39	10.97	10.42	12.47	10.05	9.07	10.64	10.42	10.92

* See Table IV-A (page 9) for explanations.

TABLE IV-A. Fourth Quarter 2011, All FDIC-Insured Institutions

FOURTH 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.....	7,357	18	4	1,545	3,768	732	59	378	790	63
Commercial banks.....	6,290	15	4	1,536	3,376	211	47	353	695	53
Savings institutions.....	1,067	3	0	9	392	521	12	25	95	10
Total assets (in billions).....	\$13,883.4	\$538.7	\$3,456.4	\$215.7	\$4,082.5	\$828.6	\$97.2	\$57.1	\$138.6	\$4,468.5
Commercial banks.....	12,639.7	509.0	3,456.4	214.5	3,617.7	264.5	40.2	51.7	115.1	4,370.7
Savings institutions.....	1,243.6	29.7	0.0	1.2	464.8	564.1	57.0	5.4	23.5	97.8
Total deposits (in billions).....	10,183.4	278.9	2,371.0	179.6	3,165.8	609.1	82.5	45.0	115.8	3,335.8
Commercial banks.....	9,253.9	259.1	2,371.0	178.6	2,834.0	177.7	32.1	41.2	96.9	3,263.4
Savings institutions.....	929.5	19.7	0.0	1.0	331.8	431.4	50.5	3.8	19.0	72.4
Bank net income (in millions).....	26,340	4,197	5,198	560	4,597	1,051	338	301	304	9,795
Commercial banks.....	24,344	3,888	5,198	558	3,662	709	210	167	251	9,700
Savings institutions.....	1,997	309	0	2	934	341	129	134	53	95
Performance Ratios (annualized, %)										
Yield on earning assets.....	4.21	11.32	3.52	4.73	4.55	4.04	5.38	3.59	4.55	3.48
Cost of funding earning assets.....	0.64	0.83	0.60	0.88	0.74	1.11	0.82	0.67	0.85	0.42
Net interest margin.....	3.57	10.49	2.92	3.86	3.81	2.93	4.55	2.92	3.69	3.05
Noninterest income to assets.....	1.59	3.37	1.43	0.63	1.23	0.92	1.99	5.17	1.11	1.95
Noninterest expense to assets.....	3.11	5.53	2.77	2.70	3.39	2.38	2.96	5.03	3.10	2.95
Loan and lease loss provision to assets.....	0.57	2.42	0.45	0.28	0.55	0.53	1.33	0.08	0.35	0.46
Net operating income to assets.....	0.72	3.15	0.59	1.03	0.44	0.56	1.39	1.92	0.84	0.77
Pretax return on assets.....	1.06	4.92	0.67	1.21	0.69	0.68	2.09	2.92	1.09	1.26
Return on assets.....	0.76	3.14	0.60	1.05	0.45	0.51	1.40	2.10	0.88	0.88
Return on equity.....	6.78	20.30	6.78	9.28	3.84	4.90	14.02	13.37	7.66	7.23
Net charge-offs to loans and leases.....	1.37	4.34	1.72	0.49	1.09	0.89	1.88	0.43	0.68	1.11
Loan and lease loss provision to net charge-offs.....	77.07	67.67	73.10	92.08	76.57	104.45	98.87	68.21	95.02	81.75
Efficiency ratio.....	63.69	41.24	70.47	64.40	67.53	64.12	45.92	63.88	68.69	63.55
% of unprofitable institutions.....	18.92	5.56	0.00	10.49	24.71	16.94	13.56	16.67	12.78	3.17
% of institutions with earnings gains.....	63.25	61.11	75.00	64.01	65.50	55.60	66.10	59.79	59.62	61.90
Structural Changes										
New reporters.....	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers.....	54	0	3	9	36	2	0	0	3	1
Failed institutions.....	18	0	0	0	18	0	0	0	0	0
PRIOR FOURTH QUARTERS (The way it was...)										
Return on assets (%).....2010	0.64	2.78	0.60	0.85	0.08	0.60	1.46	1.22	0.62	0.84
.....2008	-1.10	-0.21	-0.04	0.67	-1.84	-1.80	-1.68	0.58	0.58	-1.07
.....2006	1.20	3.43	0.96	1.06	1.20	0.91	1.54	2.17	1.00	1.21
Net charge-offs to loans & leases (%).....2010	2.30	7.68	2.25	0.73	2.02	1.06	2.32	0.75	0.75	1.60
.....2008	1.95	6.96	1.86	0.74	1.89	1.80	2.14	0.52	0.56	1.16
.....2006	0.47	3.88	0.36	0.30	0.35	0.19	1.62	0.32	0.28	0.29

*** Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):**

Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.

International Banks - Banks with assets greater than \$10 billion and more than 25 percent of total assets in foreign offices.

Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of the total loans and leases.

Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.

Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.

Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.

Other Specialized < \$1 Billion - Institutions with assets less than \$1 billion, whose loans and leases are less than 40 percent of total assets.

All Other < \$1 billion - Institutions with assets less than \$1 billion that do not meet any of the definitions above; they have significant lending activity with no identified asset concentrations.

All Other > \$1 billion - Institutions with assets greater than \$1 billion that do not meet any of the definitions above; they have significant lending activity with no identified asset concentrations.

TABLE IV-A. Fourth Quarter 2011, All FDIC-Insured Institutions

FOURTH 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.....	7,357	2,416	4,284	550	107	916	957	1,552	1,772	1,542	618
Commercial banks.....	6,290	2,143	3,633	429	85	481	851	1,282	1,679	1,434	563
Savings institutions.....	1,067	273	651	121	22	435	106	270	93	108	55
Total assets (in billions).....	\$13,883.4	\$138.9	\$1,281.1	\$1,408.1	\$11,055.3	\$2,865.8	\$2,935.7	\$3,185.6	\$2,914.8	\$813.0	\$1,168.4
Commercial banks.....	12,639.7	123.3	1,056.1	1,100.7	10,359.6	2,216.1	2,818.5	3,065.2	2,855.0	719.1	965.8
Savings institutions.....	1,243.6	15.5	225.0	307.4	695.7	649.7	117.2	120.4	59.8	93.9	202.6
Total deposits (in billions).....	10,183.4	117.6	1,063.9	1,089.3	7,912.6	2,039.9	2,209.2	2,262.4	2,159.0	665.4	847.5
Commercial banks.....	9,253.9	105.1	884.3	853.9	7,410.6	1,567.6	2,122.0	2,171.6	2,110.8	588.0	693.8
Savings institutions.....	929.5	12.5	179.6	235.4	502.0	472.3	87.2	90.7	48.2	77.3	153.7
Bank net income (in millions).....	26,340	146	1,662	2,736	21,797	6,198	2,001	5,870	6,302	1,760	4,210
Commercial banks.....	24,344	138	1,398	2,230	20,577	5,835	1,804	5,713	6,215	1,545	3,231
Savings institutions.....	1,997	8	263	506	1,219	363	197	157	86	215	978
Performance Ratios (annualized, %)											
Yield on earning assets.....	4.21	4.75	4.75	4.71	4.07	4.54	3.87	3.48	4.66	4.52	4.84
Cost of funding earning assets.....	0.64	0.87	0.92	0.81	0.58	0.75	0.53	0.56	0.68	0.65	0.71
Net interest margin.....	3.57	3.88	3.82	3.89	3.50	3.79	3.34	2.92	3.98	3.87	4.13
Noninterest income to assets.....	1.59	1.04	1.00	1.19	1.71	1.54	1.55	1.67	1.56	1.31	1.82
Noninterest expense to assets.....	3.11	3.76	3.25	3.06	3.09	3.05	3.42	2.84	3.16	3.23	2.99
Loan and lease loss provision to assets.....	0.57	0.36	0.60	0.65	0.55	0.60	0.68	0.39	0.64	0.49	0.51
Net operating income to assets.....	0.72	0.36	0.48	0.73	0.75	0.87	0.12	0.73	0.87	0.86	1.41
Pretax return on assets.....	1.06	0.52	0.71	1.06	1.11	1.20	0.48	0.94	1.19	1.12	2.18
Return on assets.....	0.76	0.42	0.52	0.78	0.79	0.87	0.27	0.74	0.87	0.87	1.46
Return on equity.....	6.78	3.51	4.84	6.62	7.05	7.00	2.25	8.51	7.78	7.92	10.77
Net charge-offs to loans and leases.....	1.37	0.69	1.03	1.16	1.46	1.53	1.45	1.18	1.58	0.96	1.06
Loan and lease loss provision to net charge-offs.....	77.07	88.48	91.15	89.03	74.08	74.53	83.94	73.60	74.02	81.66	78.23
Efficiency ratio.....	63.69	81.92	71.62	63.76	62.57	60.97	70.13	67.24	61.61	66.28	52.49
% of unprofitable institutions.....	18.92	23.18	17.39	14.36	7.48	14.96	33.12	17.85	15.63	14.72	25.40
% of institutions with earnings gains.....	63.25	61.92	63.45	66.91	66.36	58.84	67.61	61.86	64.05	63.23	64.24
Structural Changes											
New reporters.....	0	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers.....	54	27	20	6	1	5	8	10	15	10	6
Failed institutions.....	18	3	14	1	0	1	7	2	4	2	2
PRIOR FOURTH QUARTERS (The way it was...)											
Return on assets (%).....2010	0.64	-0.14	-0.09	-0.07	0.84	0.87	0.27	0.51	0.98	0.51	0.82
.....2008	-1.10	-0.47	-0.41	-1.77	-1.10	-0.76	-1.65	-0.26	-0.46	-0.01	-2.39
.....2006	1.20	0.67	1.08	1.10	1.24	1.26	1.21	1.19	1.82	1.10	0.94
Net charge-offs to loans & leases (%).....2010	2.30	1.08	1.42	2.04	2.50	2.98	2.18	1.97	2.53	1.44	2.13
.....2008	1.95	0.85	1.20	1.84	2.12	1.87	1.63	1.89	2.31	0.98	2.79
.....2006	0.47	0.31	0.26	0.26	0.55	0.94	0.26	0.38	0.70	0.25	0.40

* 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

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

December 31, 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
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	1.69	2.70	2.39	0.94	1.24	1.47	1.17	1.48	1.78	2.19
Construction and development	1.36	0.00	1.27	1.11	1.52	1.80	0.38	1.31	1.68	0.92
Nonfarm nonresidential	0.87	0.14	0.77	0.98	0.85	0.95	1.52	1.13	1.30	0.87
Multifamily residential real estate	0.72	0.00	0.66	1.04	0.73	0.75	0.24	0.75	1.63	0.69
Home equity loans	1.15	3.55	1.68	0.66	0.88	0.75	0.96	0.59	0.82	1.20
Other 1-4 family residential	2.55	3.15	3.50	1.62	1.91	1.61	1.40	1.98	2.18	3.32
Commercial and industrial loans	0.45	1.82	0.43	0.94	0.48	0.61	1.22	0.96	1.21	0.31
Loans to individuals	1.73	1.55	1.94	1.73	1.75	1.01	1.53	1.79	2.18	1.85
Credit card loans	1.59	1.52	1.93	1.09	0.98	1.34	0.84	0.95	1.16	1.62
Other loans to individuals	1.89	2.03	1.98	1.74	1.89	0.97	1.87	1.89	2.23	1.90
All other loans and leases (including farm)	0.36	0.05	0.33	0.33	0.34	0.24	0.89	0.50	0.80	0.40
Total loans and leases	1.35	1.55	1.49	0.84	1.07	1.42	1.44	1.38	1.70	1.57
Percent of Loans Noncurrent**										
All real estate loans	6.42	5.14	8.89	2.19	4.63	4.11	1.75	3.02	2.47	9.39
Construction and development	13.44	0.00	11.12	9.04	13.35	9.56	3.55	10.71	8.00	15.08
Nonfarm nonresidential	3.76	0.00	2.53	2.85	3.70	3.53	3.55	3.13	2.61	4.32
Multifamily residential real estate	2.53	0.00	1.32	3.62	2.72	2.22	5.89	0.29	2.32	3.07
Home equity loans	1.83	3.38	2.57	0.95	1.46	1.08	0.81	0.71	0.83	1.94
Other 1-4 family residential	9.22	7.49	14.90	1.64	4.89	4.43	2.43	1.93	2.04	14.15
Commercial and industrial loans	1.29	1.92	1.28	1.96	1.52	1.49	0.75	1.83	1.87	0.94
Loans to individuals	1.41	1.71	1.56	0.64	1.42	0.55	1.69	1.10	0.76	0.96
Credit card loans	1.68	1.70	1.70	0.53	1.47	1.29	0.91	0.72	0.84	1.86
Other loans to individuals	1.12	1.99	1.31	0.64	1.41	0.44	2.07	1.14	0.76	0.73
All other loans and leases (including farm)	0.65	0.09	0.75	0.51	0.69	0.25	1.13	1.46	0.61	0.54
Total loans and leases	4.09	1.71	4.20	1.70	3.51	3.86	1.67	2.51	2.13	5.52
Percent of Loans Charged-off (net, YTD)										
All real estate loans	1.33	7.08	1.71	0.41	1.27	0.89	1.82	0.45	0.49	1.52
Construction and development	3.33	0.00	0.47	2.16	3.88	2.99	0.74	1.91	2.16	2.42
Nonfarm nonresidential	0.84	0.00	0.99	0.51	0.91	0.72	0.56	0.38	0.47	0.68
Multifamily residential real estate	0.74	0.00	0.71	0.45	0.83	0.40	0.07	0.17	0.57	0.57
Home equity loans	2.05	6.10	2.31	0.76	1.36	1.42	2.26	0.50	0.41	2.55
Other 1-4 family residential	1.21	9.25	2.01	0.34	0.99	0.83	1.52	0.26	0.35	1.37
Commercial and industrial loans	0.89	6.73	0.94	0.78	0.96	0.90	6.09	1.16	0.82	0.46
Loans to individuals	3.50	5.23	4.76	0.54	1.36	1.12	1.67	-0.39	0.81	2.06
Credit card loans	5.45	5.19	6.18	2.22	4.29	4.39	3.33	2.15	4.20	6.27
Other loans to individuals	1.25	5.81	2.24	0.46	0.79	0.63	0.78	-0.55	0.60	0.95
All other loans and leases (including farm)	0.28	0.00	0.33	0.00	0.44	0.31	2.65	1.00	0.00	0.16
Total loans and leases	1.55	5.26	1.97	0.40	1.17	0.90	1.86	0.48	0.53	1.26
Loans Outstanding (in billions)										
All real estate loans	\$4,127.6	\$0.1	\$488.3	\$77.2	\$1,785.7	\$445.6	\$16.3	\$10.9	\$56.8	\$1,246.7
Construction and development	240.0	0.0	6.6	3.9	157.8	7.2	0.3	0.8	3.3	60.1
Nonfarm nonresidential	1,059.2	0.0	31.9	22.1	717.4	31.1	0.7	3.8	14.7	237.6
Multifamily residential real estate	218.5	0.0	36.4	1.9	130.6	11.0	0.1	0.2	1.4	36.9
Home equity loans	603.4	0.0	108.0	1.6	189.0	36.3	7.8	0.4	2.5	257.7
Other 1-4 family residential	1,878.0	0.0	252.5	20.4	559.2	358.7	7.4	5.0	31.1	643.5
Commercial and industrial loans	1,346.0	20.4	240.1	16.4	580.6	13.3	2.2	2.0	7.0	464.1
Loans to individuals	1,307.6	421.1	265.4	6.1	202.3	19.3	52.3	2.1	6.7	332.3
Credit card loans	687.8	399.3	171.2	0.1	30.9	2.4	17.2	0.2	0.3	66.2
Other loans to individuals	619.9	21.9	94.2	5.9	171.4	16.9	35.1	1.9	6.4	266.1
All other loans and leases (including farm)	686.2	2.9	257.7	30.5	145.0	4.2	0.3	1.2	5.1	239.2
Total loans and leases (plus unearned income)	7,467.4	444.4	1,251.5	130.2	2,713.6	482.3	71.1	16.2	75.7	2,282.3
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	46,075.4	-2.8	2,169.2	870.3	27,617.7	2,821.0	55.4	205.7	713.6	11,625.2
Construction and development	15,975.2	0.0	0.8	319.2	12,618.5	411.6	12.7	76.8	214.4	2,321.1
Nonfarm nonresidential	10,469.4	0.0	86.4	293.1	7,816.2	291.0	14.0	69.2	215.9	1,683.7
Multifamily residential real estate	1,445.7	0.0	30.3	26.5	1,034.1	61.1	3.0	12.9	13.2	264.7
1-4 family residential	11,637.6	0.1	895.8	168.6	5,222.6	1,385.1	24.9	42.6	241.4	3,656.3
Farmland	402.3	0.0	0.0	61.2	278.9	2.1	0.9	4.2	27.4	27.5
GNMA properties	6,002.0	0.0	1,030.0	1.7	625.1	674.1	0.0	0.0	1.3	3,669.8

* See Table IV-A (page 8) for explanations.

** 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

December 31, 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
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.69	1.65	1.30	1.22	1.89	1.31	1.97	1.62	2.27	1.46	0.94
Construction and development	1.36	1.59	1.53	1.58	1.18	1.69	1.35	1.36	1.03	1.31	1.47
Nonfarm nonresidential	0.87	1.42	1.06	0.83	0.78	0.88	0.99	0.90	0.78	0.90	0.65
Multifamily residential real estate	0.72	1.06	0.95	0.83	0.63	0.69	0.57	0.89	0.65	1.11	0.51
Home equity loans	1.15	1.21	0.76	0.79	1.21	0.74	1.40	1.33	1.14	0.90	0.46
Other 1-4 family residential	2.55	2.20	1.75	1.82	2.79	1.73	2.83	2.36	3.84	2.20	1.33
Commercial and industrial loans	0.45	1.45	0.90	0.69	0.36	0.61	0.32	0.48	0.40	0.58	0.42
Loans to individuals	1.73	2.19	1.85	1.90	1.72	1.62	2.15	1.63	1.93	1.24	1.28
Credit card loans	1.59	1.65	1.88	1.73	1.59	1.48	1.91	1.31	1.95	0.84	1.18
Other loans to individuals	1.89	2.19	1.84	1.97	1.88	2.06	2.28	1.75	1.90	1.44	1.38
All other loans and leases (including farm)	0.36	0.46	0.35	0.34	0.36	0.36	0.26	0.44	0.32	0.34	0.54
Total loans and leases	1.35	1.53	1.23	1.15	1.40	1.23	1.54	1.25	1.60	1.22	0.89
Percent of Loans Noncurrent**											
All real estate loans	6.42	2.92	3.59	4.60	7.55	4.29	8.72	7.10	7.44	4.01	3.80
Construction and development	13.44	8.96	11.20	13.49	14.56	15.90	15.74	12.58	12.71	7.88	14.50
Nonfarm nonresidential	3.76	3.39	3.34	3.77	3.97	3.57	4.53	3.74	3.64	3.16	3.53
Multifamily residential real estate	2.53	3.20	2.74	3.16	2.26	1.70	3.95	2.60	2.37	3.59	2.66
Home equity loans	1.83	1.10	1.33	1.35	1.91	1.30	2.00	2.08	2.09	1.15	0.84
Other 1-4 family residential	9.22	2.48	2.70	4.43	11.09	4.63	12.48	11.54	11.88	4.38	3.69
Commercial and industrial loans	1.29	2.24	2.09	2.06	1.11	1.75	0.98	1.41	1.30	1.36	1.00
Loans to individuals	1.41	0.94	0.84	1.17	1.45	1.59	1.34	1.21	1.51	0.60	1.43
Credit card loans	1.68	0.80	1.40	1.50	1.69	1.71	1.75	1.79	1.73	0.84	1.50
Other loans to individuals	1.12	0.94	0.80	1.03	1.15	1.22	1.11	1.00	1.19	0.47	1.35
All other loans and leases (including farm)	0.65	0.58	0.68	0.71	0.64	0.27	0.45	0.47	1.04	0.88	0.95
Total loans and leases	4.09	2.43	3.13	3.76	4.30	3.00	5.54	4.38	4.38	3.04	2.57
Percent of Loans Charged-off (net, YTD)											
All real estate loans	1.33	0.63	0.85	1.15	1.49	0.80	1.90	1.33	1.56	0.84	0.92
Construction and development	3.33	2.72	3.03	4.08	3.15	2.73	4.74	3.67	1.98	1.84	3.79
Nonfarm nonresidential	0.84	0.63	0.66	0.91	0.89	0.71	1.13	1.03	0.66	0.54	0.75
Multifamily residential real estate	0.74	0.98	0.78	0.83	0.70	0.56	1.20	0.68	1.33	0.69	0.34
Home equity loans	2.05	0.64	0.73	1.03	2.23	0.86	2.75	1.75	2.72	1.56	0.78
Other 1-4 family residential	1.21	0.46	0.60	0.73	1.40	0.68	1.52	1.17	1.75	0.75	0.80
Commercial and industrial loans	0.89	1.07	1.19	1.08	0.84	1.28	0.66	0.83	0.90	0.84	0.99
Loans to individuals	3.50	0.26	1.11	1.70	3.70	4.81	2.66	1.90	4.54	1.45	2.03
Credit card loans	5.45	2.19	5.31	4.22	5.48	5.61	5.64	4.61	6.25	2.94	3.69
Other loans to individuals	1.25	0.21	0.73	0.72	1.34	2.04	0.91	0.95	2.04	0.61	0.57
All other loans and leases (including farm)	0.28	0.00	0.33	0.46	0.27	0.10	0.24	0.22	0.45	0.55	0.11
Total loans and leases	1.55	0.60	0.88	1.16	1.72	1.86	1.66	1.18	1.85	0.89	1.15
Loans Outstanding (in billions)											
All real estate loans	\$4,127.6	\$55.8	\$630.3	\$640.8	\$2,800.8	\$834.1	\$969.3	\$800.9	\$807.1	\$336.9	\$379.3
Construction and development	240.0	3.4	56.4	55.9	124.4	38.5	68.9	39.8	35.4	38.3	19.2
Nonfarm nonresidential	1,059.2	16.5	251.5	265.0	526.2	229.6	226.4	190.4	160.5	121.6	130.8
Multifamily residential real estate	218.5	1.7	31.0	47.1	138.7	67.9	28.8	60.8	22.0	9.9	29.1
Home equity loans	603.4	1.7	33.1	47.0	521.6	92.3	167.8	150.0	134.2	21.6	37.5
Other 1-4 family residential	1,878.0	24.6	223.8	212.6	1,417.0	399.0	468.6	344.5	378.0	133.5	154.4
Commercial and industrial loans	1,346.0	9.9	103.7	138.1	1,094.3	204.2	318.6	279.3	302.1	96.1	145.7
Loans to individuals	1,307.6	5.3	36.5	70.4	1,195.3	381.1	236.5	186.9	291.8	46.9	164.5
Credit card loans	687.8	0.1	2.7	19.9	665.1	286.4	85.6	48.2	173.1	16.1	78.3
Other loans to individuals	619.9	5.3	33.8	50.6	530.2	94.7	150.9	138.6	118.7	30.7	86.3
All other loans and leases (including farm)	686.2	9.2	39.7	37.2	600.0	99.9	125.8	193.1	210.3	24.8	32.2
Total loans and leases (plus unearned income)	7,467.4	80.2	810.2	886.6	5,690.5	1,519.3	1,650.3	1,460.2	1,611.3	504.6	721.6
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	46,075.4	1,254.0	12,893.5	10,275.2	21,652.8	4,761.3	13,303.6	9,229.5	8,795.5	5,735.8	4,249.8
Construction and development	15,975.2	409.5	5,851.0	4,955.2	4,759.5	1,269.5	5,029.8	2,191.8	2,920.7	2,792.4	1,770.9
Nonfarm nonresidential	10,469.4	404.5	3,841.3	2,863.8	3,359.7	1,178.0	2,460.3	2,029.0	2,014.8	1,538.7	1,248.4
Multifamily residential real estate	1,445.7	54.4	400.1	364.3	626.9	227.1	315.2	383.2	212.1	163.0	145.0
1-4 family residential	11,637.6	352.5	2,557.8	1,935.4	6,791.9	1,665.6	3,768.9	2,279.4	2,028.7	1,100.7	794.1
Farmland	402.3	31.5	216.7	96.0	58.1	18.0	82.6	79.7	85.3	94.5	42.2
GNMA properties	6,002.0	2.2	30.4	61.9	5,907.4	379.8	1,647.2	2,265.8	1,411.0	46.5	251.8

* See Table IV-A (page 9) for explanations.

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

	4th Quarter 2011	3rd Quarter 2011	2nd Quarter 2011	1st Quarter 2011	4th Quarter 2010	% Change 10Q4- 11Q4	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)										
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements										
Number of institutions reporting securitization activities.....	141	139	135	135	136	3.7	17	72	23	29
Outstanding Principal Balance by Asset Type										
1-4 family residential loans.....	\$730,853	\$749,804	\$758,015	\$757,260	\$755,948	-3.3	\$65	\$1,389	\$4,021	\$725,378
Home equity loans.....	0	0	1,028	0	0	0.0	0	0	0	0
Credit card receivables.....	11,818	10,326	10,624	11,607	13,748	-14.0	0	636	0	11,182
Auto loans.....	946	1,034	228	234	298	217.4	0	0	22	924
Other consumer loans.....	4,862	4,979	4,667	4,792	4,620	5.2	0	0	0	4,862
Commercial and industrial loans.....	63	70	72	72	82	-23.2	2	9	29	22
All other loans, leases, and other assets.....	196,124	198,826	195,725	207,198	195,023	0.6	1	15	101	196,008
Total securitized and sold.....	944,666	965,039	970,360	981,163	969,719	-2.6	68	2,049	4,173	938,377
Maximum Credit Exposure by Asset Type										
1-4 family residential loans.....	3,895	4,116	4,321	4,511	4,661	-16.4	1	53	51	3,790
Home equity loans.....	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables.....	550	561	531	552	609	-9.7	0	217	0	333
Auto loans.....	2	3	56	4	5	-60.0	0	0	2	0
Other consumer loans.....	208	216	202	201	185	12.4	0	0	0	208
Commercial and industrial loans.....	0	0	0	0	0	0.0	0	0	0	0
All other loans, leases, and other assets.....	1,309	697	476	489	521	151.2	0	4	0	1,305
Total credit exposure.....	5,964	5,592	5,584	5,757	5,981	-0.3	1	274	53	5,636
Total unused liquidity commitments provided to institution's own securitizations.....	121	129	124	125	208	-41.8	0	0	0	121
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)										
1-4 family residential loans.....	4.0	4.2	4.0	3.6	4.4		0.0	0.9	2.6	4.0
Home equity loans.....	0.0	0.0	1.5	0.0	0.0		0.0	0.0	0.0	0.0
Credit card receivables.....	1.4	1.6	1.3	1.1	1.1		0.0	1.9	0.0	1.4
Auto loans.....	0.4	0.1	1.9	1.5	1.6		0.0	0.0	1.5	0.4
Other consumer loans.....	5.6	4.4	4.5	4.1	4.2		0.0	0.0	0.0	5.6
Commercial and industrial loans.....	0.5	0.0	0.0	0.0	2.1		0.0	0.0	1.1	0.0
All other loans, leases, and other assets.....	0.6	1.4	0.9	1.3	1.1		0.0	0.0	0.0	0.6
Total loans, leases, and other assets.....	3.3	3.6	3.3	3.1	3.7		0.0	1.2	2.5	3.3
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)										
1-4 family residential loans.....	6.4	6.4	6.9	7.2	7.5		0.0	1.2	3.6	6.5
Home equity loans.....	0.0	0.0	3.2	0.0	0.0		0.0	0.0	0.0	0.0
Credit card receivables.....	0.6	0.6	0.5	0.5	0.5		0.0	2.5	0.0	0.5
Auto loans.....	0.0	0.0	0.2	0.0	0.3		0.0	0.0	0.0	0.0
Other consumer loans.....	6.2	4.6	4.7	4.1	3.8		0.0	0.0	0.0	6.2
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.....	7.5	6.6	6.2	5.8	7.3		0.0	0.0	0.0	7.5
Total loans, leases, and other assets.....	6.6	6.4	6.7	6.8	7.3		0.0	1.6	3.5	6.6
Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)										
1-4 family residential loans.....	1.2	0.9	0.6	0.3	1.9		0.0	0.0	0.0	1.2
Home equity loans.....	0.0	0.0	1.6	0.0	0.0		0.0	0.0	0.0	0.0
Credit card receivables.....	5.3	4.1	2.9	1.4	7.9		0.0	8.1	0.0	5.2
Auto loans.....	0.0	0.0	1.1	0.0	1.4		0.0	0.0	-0.2	0.0
Other consumer loans.....	1.2	0.9	0.6	0.3	1.6		0.0	0.0	0.0	1.2
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.....	0.4	0.2	0.1	0.1	0.4		0.0	0.0	0.0	0.4
Total loans, leases, and other assets.....	1.1	0.8	0.5	0.3	1.7		0.0	2.5	0.0	1.1
Seller's Interests in Institution's Own Securitizations - Carried as Loans										
Home equity loans.....	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables.....	9,052	9,252	9,115	8,157	7,350	23.2	0	79	0	8,973
Commercial and industrial loans.....	2	2	2	2	2	0.0	2	0	0	0
Seller's Interests in Institution's Own Securitizations - Carried as Securities										
Home equity loans.....	0	0	447	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.....	1	0	0	0	0	0.0	0	1	0	0
Assets Sold with Recourse and Not Securitized										
Number of institutions reporting asset sales.....	878	861	864	858	856	2.6	153	564	123	38
Outstanding Principal Balance by Asset Type										
1-4 family residential loans.....	52,898	52,348	55,181	64,694	62,994	-16.0	1,158	12,165	5,703	33,872
Home equity, credit card receivables, auto, and other consumer loans.....	913	1,296	1,360	1,417	1,455	-37.3	0	4	18	890
Commercial and industrial loans.....	58	70	147	102	379	-84.7	0	44	0	13
All other loans, leases, and other assets.....	53,528	55,111	54,922	54,757	53,860	-0.6	0	44	120	53,364
Total sold and not securitized.....	107,397	108,825	111,609	120,971	118,688	-9.5	1,158	12,257	5,842	88,140
Maximum Credit Exposure by Asset Type										
1-4 family residential loans.....	13,214	12,706	13,295	13,813	15,307	-13.7	140	2,420	2,951	7,703
Home equity, credit card receivables, auto, and other consumer loans.....	176	188	192	193	190	-7.4	0	4	4	168
Commercial and industrial loans.....	41	53	127	81	90	-54.4	0	33	0	7
All other loans, leases, and other assets.....	13,962	13,789	13,513	13,420	13,115	6.5	0	38	17	13,906
Total credit exposure.....	27,393	26,735	27,127	27,507	28,703	-4.6	141	2,495	2,972	21,785
Support for Securitization Facilities Sponsored by Other Institutions										
Number of institutions reporting securitization facilities sponsored by others.....	163	158	159	164	168	-3.0	19	93	35	16
Total credit exposure.....	62,009	44,284	38,047	38,595	38,210	62.3	19	264	153	61,574
Total unused liquidity commitments.....	567	593	632	626	514	10.3	0	0	0	567
Other										
Assets serviced for others*.....	5,471,029	5,637,360	5,755,688	5,748,115	5,783,312	-5.4	3,983	94,394	111,973	5,260,679
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others.....	11,671	11,484	10,109	9,895	10,009	16.6	4	1	67	11,599
Unused liquidity commitments to conduits sponsored by institutions and others.....	81,848	71,757	70,504	61,988	60,991	34.2	0	0	765	81,083
Net servicing income (for the quarter).....	3,357	-1,649	2,446	4,338	4,791	-29.9	35	108	103	3,111
Net securitization income (for the quarter).....	237	179	138	99	148	60.1	0	7	4	225
Total credit exposure to Tier 1 capital (%)**.....	7.8	6.3	5.9	6.1	6.3		1.00	2.40	2.20	9.50

*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.

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

	All Insured Institutions					Asset Size Distribution				
	Dec 31 2011	Dec 31 2010	Dec 31 2009	Dec 31 2008	% Change 2010-2011	Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater Than \$10 Billion	
<i>(dollar figures in millions)</i>										
Number of institutions reporting.....	7,357	7,658	8,012	8,305	-3.9	2,416	4,284	550	107	
Number of institutions with fiduciary powers.....	2,102	2,182	2,243	2,320	-3.7	353	1,335	341	73	
Commercial banks.....	1,944	2,011	2,063	2,126	-3.3	340	1,244	294	66	
Savings institutions.....	158	171	180	194	-7.6	13	91	47	7	
Number of institutions exercising fiduciary powers.....	1,549	1,630	1,674	1,722	-5.0	219	978	288	64	
Commercial banks.....	1,425	1,496	1,533	1,570	-4.7	206	912	249	58	
Savings institutions.....	124	134	141	152	-7.5	13	66	39	6	
Number of institutions reporting fiduciary activity.....	1,473	1,554	1,592	1,633	-5.2	203	929	278	63	
Commercial banks.....	1,355	1,425	1,455	1,487	-4.9	190	866	242	57	
Savings institutions.....	118	129	137	146	-8.5	13	63	36	6	
Fiduciary and related assets - managed assets										
Personal trust and agency accounts.....	622,334	618,785	611,039	616,799	0.6	9,234	81,128	64,715	467,257	
Noninterest-bearing deposits*.....	2,591	4,271	4,650	16	-39.3	20	584	654	1,332	
Interest-bearing deposits*.....	32,577	30,624	27,665	11,911	6.4	423	5,142	7,055	19,957	
U.S. Treasury and U.S. government agency obligations* ..	105,518	112,675	114,967	26,760	-6.4	1,351	5,193	15,792	83,181	
State, county and municipal obligations*.....	193,485	197,148	199,348	65,278	-1.9	1,821	12,534	21,355	157,775	
Money market mutual funds*.....	121,409	104,316	161,893	56,914	16.4	1,747	6,619	13,745	99,298	
Other short-term obligations*.....	168,266	212,906	223,076	9,722	-21.0	19	319	1,636	166,292	
Other notes and bonds*.....	252,023	377,259	411,250	23,324	-33.2	1,104	7,551	20,656	222,711	
Common and preferred stocks*.....	1,926,856	2,052,120	2,069,520	348,319	-6.1	53,826	135,950	125,916	1,611,164	
Real estate mortgages*.....	1,669	1,814	1,957	1,565	-8.0	25	283	349	1,012	
Real estate*.....	53,967	41,198	42,230	36,045	31.0	812	17,055	6,026	30,074	
Miscellaneous assets*.....	112,446	95,155	107,315	37,113	18.2	18,794	8,318	8,652	76,683	
Employee benefit and retirement-related trust and agency accounts:**										
Employee benefit - defined contribution**.....	350,104	368,047	364,924	283,179	-4.9	53,499	40,175	11,863	244,566	
Employee benefit - defined benefit**.....	509,150	612,586	679,355	691,568	-16.9	1,513	7,213	19,406	481,018	
Other employee benefit and retirement-related accounts**.....	226,498	214,543	187,182	330,034	5.6	1,694	20,119	14,349	190,335	
Corporate trust and agency accounts**.....	26,209	22,259	17,912	27,834	17.7	20	488	5,729	19,972	
Investment management and investment advisory agency accounts**.....	1,008,438	1,167,145	1,278,356	1,228,759	-13.6	23,858	44,615	85,237	854,727	
Other fiduciary accounts**.....	227,397	226,612	231,692	164,799	0.3	1,327	5,888	20,083	200,099	
Total managed fiduciary accounts:										
Assets.....	2,970,130	3,229,976	3,370,460	3,342,971	-8.0	91,146	199,627	221,383	2,457,973	
Number of accounts.....	1,412,053	1,356,364	1,378,112	1,439,099	4.1	56,106	257,969	229,354	868,624	
Fiduciary and related assets - nonmanaged assets										
Personal trust and agency accounts.....	270,044	252,653	242,286	307,018	6.9	3,958	10,422	23,792	231,872	
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution.....	2,244,285	2,091,490	1,911,271	1,606,669	7.3	727,226	23,397	107,854	1,385,808	
Employee benefit - defined benefit.....	3,921,210	4,464,146	4,052,542	3,990,826	-12.2	8,576	18,734	64,406	3,829,494	
Other employee benefit and retirement-related accounts ..	1,815,775	1,533,330	1,287,793	1,544,038	18.4	700,516	20,953	64,752	1,029,554	
Corporate trust and agency accounts.....	2,813,121	3,798,608	3,919,699	3,887,784	-25.9	38	13,300	423,035	2,376,748	
Other fiduciary accounts.....	2,519,876	3,964,863	3,332,845	2,595,184	-36.4	1,918	21,668	18,311	2,477,980	
Total nonmanaged fiduciary accounts:										
Assets.....	13,584,312	16,105,091	14,746,437	13,931,519	-15.7	1,442,231	108,474	702,151	11,331,455	
Number of accounts.....	13,395,006	13,182,994	14,687,177	18,671,943	1.6	9,419,722	477,717	232,693	3,264,874	
Custody and safekeeping accounts:										
Assets.....	74,661,330	67,874,030	56,895,105	50,499,372	10.0	49,624	876,873	573,584	73,161,249	
Number of accounts.....	11,125,834	10,985,596	10,641,448	10,676,227	1.3	258,901	7,667,770	281,384	2,917,779	
Fiduciary and related services income										
Personal trust and agency accounts.....	4,375	4,300	4,577	4,894	1.7	71	223	485	3,597	
Retirement-related trust and agency accounts:										
Employee benefit - defined contribution.....	1,172	1,122	1,175	1,095	4.5	158	83	155	775	
Employee benefit - defined benefit.....	1,755	1,464	1,450	1,997	19.9	29	37	65	1,623	
Other employee benefit and retirement-related accounts ..	1,041	975	991	1,004	6.8	30	152	128	731	
Corporate trust and agency accounts.....	1,636	1,729	2,080	2,529	-5.4	0	19	267	1,350	
Investment management agency accounts.....	4,948	4,756	4,139	4,450	4.0	96	288	573	3,991	
Other fiduciary accounts.....	1,640	2,043	1,851	2,161	-19.7	2	24	19	1,594	
Custody and safekeeping accounts.....	9,348	8,121	6,920	8,337	15.1	12	279	442	8,615	
Other fiduciary and related services income.....	2,137	2,071	2,308	3,272	3.2	9	71	101	1,957	
Total gross fiduciary and related services income.....	28,215	26,749	25,689	30,017	5.5	411	1,282	2,253	24,269	
Less: Expenses.....	25,085	20,076	19,256	20,564	25.0	317	921	1,833	22,014	
Less: Net losses from fiduciary and related services.....	206	244	572	944	-15.6	2	4	6	193	
Plus: Intracompany income credits for fiduciary and related services.....	5,375	2,983	2,770	3,497	80.2	2	23	262	5,088	
Net fiduciary and related services income.....	8,133	9,242	8,433	11,728	-12.0	89	272	657	7,114	
Collective investment funds and common trust funds (market value)										
Domestic equity funds.....	385,630	291,568	260,241	220,466	32.3	8,671	112,545	8,075	256,339	
International/global equity funds.....	123,324	131,932	112,941	94,391	-6.5	619	1,274	4,549	116,881	
Stock/bond blend funds.....	99,901	94,639	88,898	127,218	5.6	2,444	202	1,636	95,619	
Taxable bond funds.....	216,239	217,257	189,969	159,443	-0.5	1,704	54,471	4,390	155,675	
Municipal bond funds.....	5,983	6,151	7,098	7,007	-2.7	45	422	364	5,151	
Short-term investments/money market funds.....	204,107	213,868	251,618	249,266	-4.6	1,148	6,742	52	196,165	
Specialty/other funds.....	301,352	69,350	75,351	97,791	334.5	30,602	222,321	4,595	43,834	
Total collective investment funds.....	1,336,535	1,024,765	986,117	955,583	30.4	45,233	397,978	23,661	869,663	

* After 2008, includes personal trust and agency accounts, investment management agency accounts, employee benefit accounts, retirement-related accounts, and all other managed asset accounts.

** After 2008, included in managed assets, above.

N/M - Not Meaningful

INSURANCE FUND INDICATORS

- **Insured Deposits Grow by 3.1 Percent**
- **DIF Reserve Ratio Rises 1 Basis Point to 0.13 Percent**
- **18 Institutions Fail During Fourth Quarter**
- **\$1.4 Trillion Temporarily Insured in Noninterest-Bearing Transaction Accounts**

Total assets of the nation's 7,357 FDIC-insured commercial banks and savings institutions increased by 0.6 percent (\$76.1 billion) in the fourth quarter of 2011. Total deposits increased by 1.8 percent (\$183.2 billion), domestic office deposits increased by 2.9 percent (\$249.7 billion), and foreign office deposits decreased by 4.5 percent (\$66.6 billion). Domestic noninterest-bearing deposits increased by 8.3 percent (\$173.2 billion) and savings deposits and interest bearing checking accounts increased by 2.3 percent (\$103.8 billion), while domestic time deposits decreased by 1.5 percent (\$27.3 billion). For all of 2011, total domestic deposits grew by 11.2 percent (\$881.9 billion), with domestic noninterest-bearing deposits rising by 34.2 percent (\$578.1 billion) and domestic interest-bearing deposits increasing by 4.9 percent (\$303.7 billion).

At the end of the fourth quarter, domestic deposits funded 63.1 percent of industry assets, the largest share of assets funded by domestic deposits since the fourth quarter of 1994, when the share was 63.3 percent. Insured institutions had \$2.3 trillion in domestic noninterest-bearing deposits on December 31, 2011, 70 percent of which (\$1.6 trillion) were in noninterest-bearing transaction accounts larger than \$250,000. Of this total, \$1.4 trillion exceeded the basic coverage limit of \$250,000 per account, but is fully insured until the end of 2012.¹ Deposits receiving the temporary coverage funded 4.2 percent of assets at banks with less than \$10 billion in total assets and 11.6 percent of assets at banks with more than \$10 billion in assets. The total amount receiving temporary coverage increased by 15.2 percent (\$185.1 billion) during the fourth quarter. For all of 2011, deposits receiving the

temporary coverage increased by 63.2 percent. Table 1 shows the distribution of accounts receiving unlimited coverage on noninterest-bearing transaction accounts by institution asset size.

Total estimated insured deposits increased by 3.1 percent in the quarter ending December 31, and by 10.5 percent for all of 2011.² The large increase in 2011 was primarily attributable to the growth in noninterest-bearing transaction account balances receiving temporary coverage. For institutions existing at the start and the end of the most recent quarter, insured deposits increased during the quarter at 4,339 institutions (59 percent), decreased at 2,989 institutions (41 percent), and remained unchanged at 26 institutions.

The DIF balance increased in the fourth quarter to \$9.2 billion (unaudited) from \$7.8 billion in the third quarter, the eighth consecutive quarterly increase. Accrued assessment income added \$3.2 billion; interest earnings and unrealized gains on available-for-sale securities added another \$127 million. Insurance loss provisions subtracted \$1.5 billion while operating expenses and all other income (net of expenses) subtracted \$375 million, resulting in a \$1.4 billion fourth quarter increase in the DIF balance.

The DIF's reserve ratio was 0.13 percent on December 31, 2011, up from 0.12 percent at September 30, 2011, and up from -0.12 percent at the end of 2010. Eighteen FDIC-insured institutions with combined assets of \$4.5 billion failed during the fourth quarter of 2011. For all of 2011, 92 insured institutions with combined assets of \$34.9 billion failed, down from 157 failures with combined assets of \$92.1 billion in 2010.

Effective April 1, 2011, the deposit insurance assessment base changed to average consolidated total assets

¹ 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.

² 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 December 31, 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	6,700	\$1,420.0	\$70.8	\$46.0	\$713	15	\$119.8
\$1 - \$10 Billion	550	1,408.1	98.1	72.1	943	189	80.4
\$10 - \$50 Billion	70	1,352.4	104.4	84.0	1,284	1,161	57.5
\$50 - \$100 Billion	18	1,320.9	144.3	128.4	2,276	3,522	42.0
Over \$100 Billion	19	8,382.0	1,167.3	1,071.4	3,043	20,190	383.1
Total	7,357	13,883.4	1,584.8	1,401.9	2,166	99	682.8
September 30, 2011	7,437	13,807.3	1,393.7	1,216.8	1,970	95	700.8
June 30, 2011	7,513	13,600.0	1,214.9	1,047.5	1,814	89	697.7
March 31, 2011	7,574	13,414.3	1,053.3	893.8	1,651	84	694.0
December 31, 2010	7,658	13,319.0	1,015.8	858.9	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 December 31, 2011				
Asset Size	Number of Institutions	Percent of Total Institutions	Assessment Base** (\$ Bil.)	Percent of Base
Less than \$1 Billion	6,700	91.1%	\$1,265	10.5%
\$1 - \$10 Billion	550	7.5%	1,256	10.4%
\$10 - \$50 Billion	70	1.0%	1,208	10.0%
\$50 - \$100 Billion	18	0.2%	1,105	9.2%
Over \$100 Billion	19	0.3%	7,238	60.0%
Total	7,357	100.0%	12,071	100.0%

* 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.

minus average tangible equity.³ 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 detailed explanation of these changes. Table 2 shows the distribution of the assessment base as of December 31, 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

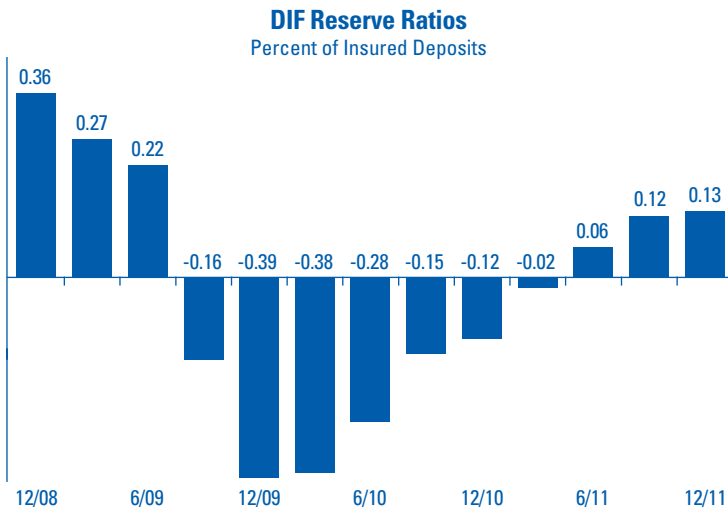
³ There is an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank.

ratio and the Designated Reserve Ratio (DRR) using both estimated insured deposits and the new assessment base. As of December 31, 2011, the FDIC reserve ratio would be 0.08 percent using the new assessment base (compared to 0.13 percent using estimated insured deposits). The 2 percent DRR using estimated insured deposits would be 1.2 percent using the new assessment base.

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Table I-B. Insurance Fund Balances and Selected Indicators

	Deposit Insurance Fund*												
	4th Quarter 2011	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
<i>(dollar figures in millions)</i>													
Beginning Fund Balance	\$7,813	\$3,916	-\$1,023	-\$7,352	-\$8,009	-\$15,247	-\$20,717	-\$20,862	-\$8,243	\$10,368	\$13,007	\$17,276	\$34,588
Changes in Fund Balance:													
Assessments earned.....	3,210	3,642	3,163	3,484	3,498	3,592	3,242	3,278	3,042	2,965	9,095	2,615	996
Interest earned on investment securities.....	25	30	37	28	39	40	64	62	76	176	240	212	277
Realized gain on sale of investments.....	0	0	0	0	0	0	0	0	0	732	521	136	302
Operating expenses.....	334	433	463	395	452	414	382	345	379	328	298	266	290
Provision for insurance losses.....	1,533	-763	-2,095	-3,089	2,446	-3,763	-2,552	3,021	17,766	21,694	11,615	6,637	19,163
All other income, net of expenses.....	-41	83	80	66	48	94	55	22	2,721	308	375	2	15
Unrealized gain/(loss) on available-for-sale securities.....	102	-188	27	57	-30	163	-61	149	-313	-770	-957	-331	551
Total fund balance change	1,429	3,897	4,939	6,329	657	7,238	5,470	145	-12,619	-18,611	-2,639	-4,269	-17,312
Ending Fund Balance	9,242	7,813	3,916	-1,023	-7,352	-8,009	-15,247	-20,717	-20,862	-8,243	10,368	13,007	17,276
Percent change from four quarters earlier.....	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	-77.07	-75.39	-67.04
Reserve Ratio (%)	0.13	0.12	0.06	-0.02	-0.12	-0.15	-0.28	-0.38	-0.39	-0.16	0.22	0.27	0.36
Estimated Insured Deposits**	6,979,126	6,772,466	6,541,718	6,393,953	6,315,302	5,421,425	5,437,417	5,472,402	5,407,757	5,315,927	4,817,789	4,831,748	4,750,783
Percent change from four quarters earlier.....	10.51	24.92	20.31	16.84	16.78	1.98	12.86	13.26	13.83	16.96	7.83	8.87	10.68
Domestic Deposits	8,779,282	8,526,668	8,244,865	8,006,888	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
Percent change from four quarters earlier.....	11.30	9.97	7.34	3.95	2.37	2.54	1.58	2.06	2.66	4.58	7.47	6.65	8.43
Number of institutions reporting	7,366	7,446	7,523	7,584	7,668	7,771	7,840	7,944	8,022	8,109	8,205	8,257	8,315



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

	DIF Balance	DIF-Insured Deposits
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	5,407,757
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	6,315,302
3/11	-1,023	6,393,953
6/11	3,916	6,541,718
9/11	7,813	6,772,466
12/11	9,242	6,979,126

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

<i>(dollar figures in millions)</i>	2011	2010	2009	2008	2007	2006
Problem Institutions						
Number of institutions.....	813	884	702	252	76	50
Total assets.....	\$319,432	\$390,017	\$402,782	\$159,405	\$22,189	\$8,265
Failed Institutions						
Number of institutions.....	92	157	140	25	3	0
Total assets.....	\$34,923	\$92,085	\$169,709	\$371,945	\$2,615	\$0
Assisted Institutions***						
Number of institutions.....	0	0	8	5	0	0
Total assets.....	\$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.
 *** 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)*

December 31, 2011	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	6,290	\$12,639,738	\$7,825,638	\$6,133,835
FDIC-Supervised	4,150	2,015,995	1,543,506	1,246,769
OCC-Supervised.....	1,312	8,732,395	5,062,740	3,939,555
Federal Reserve-Supervised.....	828	1,891,348	1,219,392	947,512
FDIC-Insured Savings Institutions	1,067	1,243,625	929,364	822,373
OCC-Supervised Savings Institutions	619	918,346	684,454	606,632
FDIC-Supervised Savings Institutions.....	448	325,279	244,910	215,741
Total Commercial Banks and Savings Institutions	7,357	13,883,363	8,755,002	6,956,208
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	47,583	24,280	22,918
Total FDIC-Insured Institutions.....	7,366	13,930,946	8,779,282	6,979,126

* Excludes \$1.4 trillion in foreign office deposits, which are uninsured.

Table IV-B. Distribution of Institutions and Assessment Base by Assessment Rate Range*Quarter Ending September 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	1,117	15.00	\$816	6.80
5.01-7.50	2,117	28.43	1,397	11.65
7.51-10.00	2,024	27.18	3,821	31.86
10.01-15.00	1,237	16.61	4,816	40.17
15.01-20.00	93	1.25	566	4.72
20.01-25.00	652	8.76	333	2.78
25.01-30.00	24	0.32	137	1.14
30.01-35.00	155	2.08	70	0.58
greater than 35.00	27	0.36	34	0.28

* 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.

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.” Consistent with ASC Subtopic 310-10, TDRs may be aggregated and measured for impairment with other impaired loans that share common risk characteristics by using historical statistics, such as average recovery period and average amount recovered, along with a composite effective interest rate. However, the outcome of such an aggregation approach must be consistent with the impairment measurement methods prescribed in ASC Subtopic 310-10 and *Call Report* instructions for loans that are “individually” considered impaired instead of the measurement method prescribed in ASC Subtopic 450-20, *Contingencies – Loss Contingencies* (formerly FASB Statement No. 5, “Accounting for Contingencies”) for loans not individually considered impaired that are collectively evaluated for impairment. When a loan not previously considered individually impaired is restructured and determined to be a TDR, absent a partial charge-off, it generally is not appropriate for the impairment estimate on the loan to decline as a result of the change from the impairment measurement method prescribed in ASC Subtopic 450-20 to the methods prescribed in ASC Subtopic 310-10.

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) – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2011mar/qbpnot.html>.

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>.

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 – refer to previously published *Quarterly Banking Profile* notes: <http://www2.fdic.gov/qbp/2011sep/qbpnot.html>.

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 valu-

ation 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. To participate in the SBLF Program, an institution with outstanding securities issued to the Treasury Department under the Capital Purchase Program (CPP) is required to refinance or repay in full the CPP securities at the time of the SBLF funding. Any outstanding warrants that an institution issued to the Treasury Department under the CPP remain outstanding after the refinancing of the CPP stock through the SBLF Program unless the institution chooses to repurchase them.

Subchapter S corporation – a Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. This can have the effect of reducing institutions' reported taxes and increasing their after-tax earnings.

Trust assets – market value, or other reasonably available value of fiduciary and related assets, to include marketable securities, and other financial and physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods. Such fiduciary assets are not included in the assets of the financial institution.

Unearned income & 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.



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