



# State Profile

Tennessee

## Second Quarter 2012

### ECONOMIC INDICATORS

<b>Employment Growth Rates (change from year ago, unless noted)</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Total Nonfarm (share of trailing four quarter employment in parentheses)	1.5%	1.8%	1.2%	1.6%	-0.2%
Manufacturing (11%)	3.1%	1.8%	1.5%	1.7%	-3.3%
Other (non-manufacturing) Goods-Producing (4%)	5.4%	10.3%	2.7%	4.3%	-4.3%
Private Service-Producing (68%)	0.7%	1.3%	2.0%	1.8%	0.3%
Government (16%)	2.5%	2.0%	-2.4%	-0.2%	1.0%
Unemployment Rate (% of labor force)	7.9%	8.0%	9.4%	9.2%	9.8%
<b>Other Indicators (change from year ago, unless noted)</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Single-Family Home Permits	21.2%	19.6%	-21.0%	-5.2%	-1.7%
Multifamily Building Permits	133.8%	164.5%	-28.9%	-24.7%	75.1%
Home Price Index	-0.1%	-0.9%	-2.9%	-2.2%	-2.6%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	6.62	7.04	7.12	7.18	7.73

### BANKING TRENDS

<b>General Information</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Institutions (#)	185	186	190	188	191
Total Assets (in millions)	85,480	85,480	86,954	84,909	86,568
New Institutions (# < 3 years)	0	0	1	0	1
Subchapter S Institutions	40	40	41	40	41
<b>Asset Quality</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Past-Due and Nonaccrual Loans / Total Loans (median %)	3.65	3.88	3.61	3.79	4.27
Noncurrent Loans / Total Loans (median %)	1.94	1.97	1.99	2.03	1.93
ALLL/Total Loans (median %)	1.71	1.81	1.63	1.77	1.71
ALLL/Noncurrent Loans (median multiple)	0.83	0.84	0.84	0.82	0.82
Net Loan Losses / Total Loans (median %)	0.27	0.25	0.37	0.60	0.62
<b>Capital / Earnings</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Tier 1 Leverage (median %)	9.70	9.67	9.42	9.64	9.25
Return on Assets (median %)	0.82	0.81	0.64	0.65	0.50
Pretax Return on Assets (median %)	1.09	1.08	0.80	0.84	0.64
Net Interest Margin (median %)	3.86	3.91	4.00	3.99	3.90
Yield on Earning Assets (median %)	4.79	4.85	5.17	5.14	5.43
Cost of Funding Earning Assets (median %)	0.86	0.92	1.18	1.14	1.58
Provisions to Avg. Assets (median %)	0.21	0.25	0.31	0.41	0.56
Noninterest Income to Avg. Assets (median %)	0.56	0.57	0.55	0.57	0.62
Overhead to Avg. Assets (median %)	2.99	2.98	3.03	3.06	3.04
<b>Liquidity/Sensitivity</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Net Loans to Assets (median %)	63.45	63.07	65.60	64.71	67.14
Noncore Funding to Assets (median %)	25.55	25.73	27.19	26.97	27.85
Long-term Assets to Assets (median %, call filers)*	23.58	23.34	21.41	21.97	19.89
Brokered Deposits (number of institutions)	74	75	83	79	86
Brokered Deposits to Assets (median % for those above)	3.52	3.95	3.83	3.66	4.30
<b>Loan Concentrations (median % of Total Risk-Based Capital)</b>	<b>Q2-12</b>	<b>Q1-12</b>	<b>Q2-11</b>	<b>2011</b>	<b>2010</b>
Commercial and Industrial	56.49	60.07	63.81	61.26	63.29
Commercial Real Estate	243.17	246.65	258.59	249.32	267.40
Construction & Development	49.50	49.08	59.64	51.90	67.99
Multifamily Residential Real Estate	8.59	8.47	8.49	8.95	7.34
Nonresidential Real Estate	171.83	176.51	175.05	177.96	186.12
Residential Real Estate	212.70	209.20	212.83	213.47	221.88
Consumer	25.77	25.98	28.58	28.09	32.39
Agriculture	15.95	15.76	18.16	17.55	17.59

### BANKING PROFILE

<b>Largest Deposit Markets (from 2011 Summary of Deposits)</b>	<b>Institutions in Market</b>	<b>Deposits (\$ millions)</b>	<b>Asset Distribution</b>	<b>Institutions</b>
Nashville-Davidson-Murfreesboro-Franklin, TN	63	37,916	< \$100 million	30 (16.2%)
Memphis, TN-MS-AR	61	22,701	\$100 million to \$250 million	80 (43.2%)
Knoxville, TN	44	13,676	\$250 million to \$1 billion	66 (35.7%)
Chattanooga, TN-GA	30	8,479	\$1 billion to \$10 billion	8 (4.3%)
Kingsport-Bristol-Bristol, TN-VA	31	4,433	> \$10 billion	1 (0.5%)

\* Prior to 2012, does not include data for insured savings institutions that filed Thrift Financial Reports. Beginning in 2012, all insured institutions file Call Reports.