



# Quarterly Banking Profile

FIRST QUARTER 2004

- **Earnings Climb To Fifth Consecutive Quarterly Record**
- **Lower Loss Provisions, Strong Gains On Securities Sales Lift Net Income**
- **Mortgage Demand Contributes To Record Growth In Interest-Earning Assets**
- **Falling Interest Rates Reduce Net Interest Margins**

## ROA Remains at Historically High Level

Strength in mortgage lending and lower expenses for loan losses helped bank and thrift earnings reach a new record in the first quarter of 2004. Industry earnings of \$31.9 billion were \$858 million (2.8 percent) higher than the previous quarterly record, set in the fourth quarter of 2003. Lower interest rates helped sustain mortgage refinancing activity and made it possible for institutions to realize higher gains on sales of fixed-rate securities and other assets. The industry's return on assets (ROA) was 1.38 percent, slightly below the all-time quarterly record of 1.39 percent recorded in the first quarter of 2003. More than half of all institutions (55 percent) reported higher earnings than in the first quarter of 2003, while half (50.3 percent) reported higher ROAs. The percentage of unprofitable institutions fell to 5.5 percent, compared to 5.9 percent a year earlier. This is the lowest percentage of unprofitable

institutions the industry has had in almost six years, since the second quarter of 1998.

## Lower Servicing Income Causes Decline in Noninterest Revenue

Insured banks and thrifts realized gains of \$2.6 billion on sales of securities and other assets during the quarter. This was up from \$736 million in the fourth quarter, but below the \$3.7 billion in gains recorded in the first quarter of 2003. The industry's net operating income, which excludes these gains as well as other extraordinary items, was down slightly, by \$155 million, from the level of the fourth quarter, but still represented the second-highest quarterly total ever reported. Provisions for loan losses totaled \$7.6 billion, the lowest quarterly amount since the third quarter of 2000, and \$1.3 billion (14.6 percent) less than banks and thrifts set aside in

Chart 1

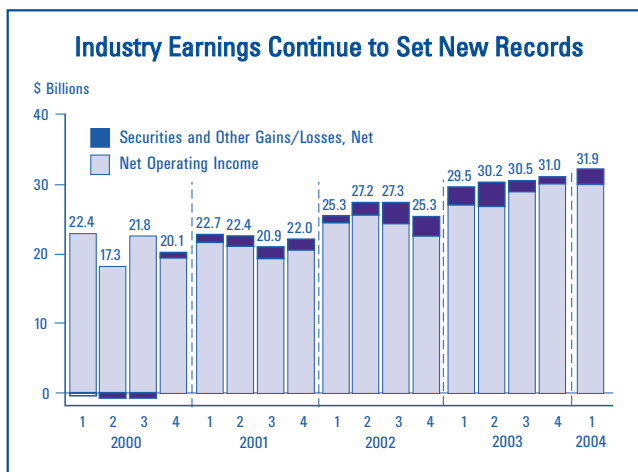
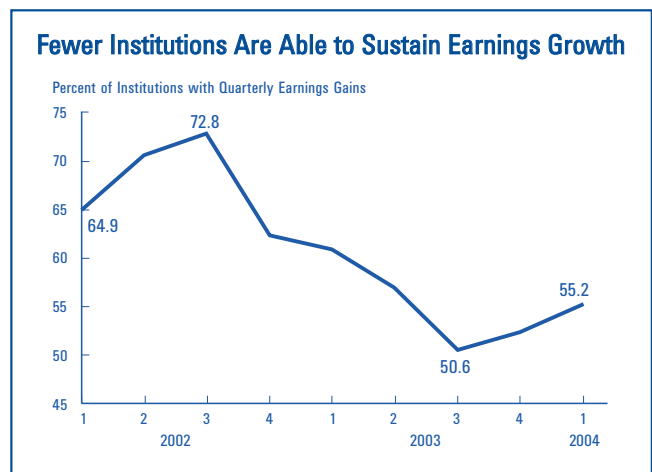


Chart 2

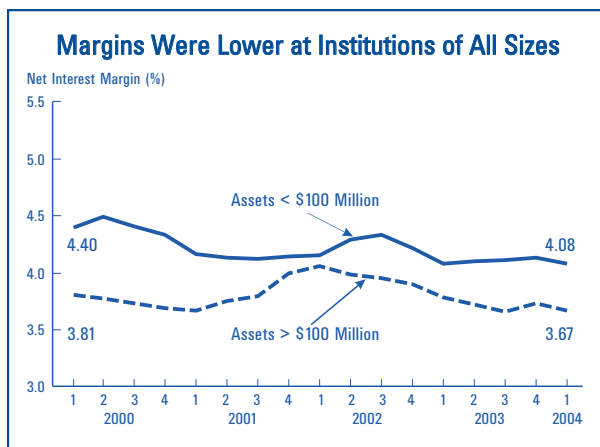


the fourth quarter. Net interest income was only \$1.1 billion (1.5 percent) higher, and noninterest income fell by \$1.7 billion. The weak growth in net interest income was attributable to narrower net interest margins. The decline in noninterest income was caused primarily by a \$2.2-billion drop in servicing fees. It is likely that much of this decline reflected the negative impact of mortgage loan refinancings on the values of mortgage servicing assets. An increase of \$1.5 billion (63.9 percent) in trading revenue partially offset the lower servicing income. Net income from banks' international operations totaled \$2.7 billion, an increase of \$1.7 billion (154.7 percent) from the fourth quarter.

**Falling Interest Rates Cause Decline in Net Interest Margins**

Net interest margins fell for the seventh time in the last eight quarters. The average margin of 3.68 percent was only one basis point above the level recorded in the third quarter of 2003, which represented a 12-year low. The low level of short-term interest rates, and depository institutions' reliance on short-term funding sources, make it difficult for the industry to reduce its average funding costs when falling interest rates cause asset yields to decline. Margin compression was greatest among international banks and mortgage lenders; in contrast, at credit-card lenders, margins registered a second consecutive quarter of strong improvement as average asset yields rose. Margins declined during the quarter at 58.6 percent of insured institutions.

Chart 3



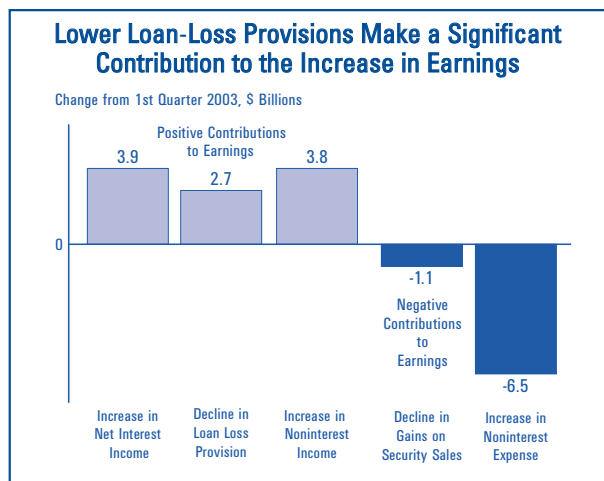
**Provisions Decline at Large Banks**

The improving trend in loan-loss provisions, which have fallen in four of the last five quarters, mirrors improvements in loan charge-offs and noncurrent loans. Net loan charge-offs have also declined in four of the past five quarters, while noncurrent loans have declined for six consecutive quarters. These improvements continue to be concentrated among large banks. While 38 percent of all institutions reported lower loss provisions than in the first quarter of 2003, four banks accounted for more than two-thirds of the total decline.

**Credit Losses on C&I Loans Continue to Shrink**

Much of the improvement in asset quality indicators continues to come from improvements in the commercial and industrial (C&I) loan portfolios of large banks. Net charge-offs of C&I loans were \$919 million (36.6 percent) lower than in the fourth quarter; this decline accounted for 47.7 percent of the \$1.9-billion (18.0 percent) reduction in total net charge-offs. Net charge-offs of residential mortgage loans declined by \$642 million (64.5 percent), while net charge-offs of non-credit card consumer loans fell by \$202 million (10.8 percent). Net charge-offs of credit card loans increased by \$221 million (5.1 percent) during the quarter. Credit card loans accounted for more than half—52.4 percent—of all loan charge-offs in the quarter.

Chart 4



### Improvement in Noncurrent Loans Is Best in Almost 10 Years

The amount of C&I loans that were noncurrent—either 90 days or more past due or in nonaccrual status—also declined during the first quarter, falling by \$1.8 billion (9.5 percent). This represented 39.3 percent of the \$4.6-billion decline in total noncurrent loans during the quarter. The decline in noncurrent loans was the largest in almost 10 years, since the second quarter of 1994. Other sizable declines in noncurrent loans occurred in the industry’s credit card portfolios (down \$994 million, or 13.4 percent), and in residential mortgage loans (down \$951 million, or 6.2 percent).

### Coverage Ratio Improves Despite Fall in Loss Reserves

The industry’s total net charge-offs of \$8.8 billion were \$1.2 billion greater than total loss provisions. This is the fifth consecutive quarter that loss provisions have lagged behind charge-offs. As a result, loss reserves fell by \$1.3 billion (1.5 percent), and the reserve ratio (reserves as a percentage of total loans) fell from 1.57 percent to 1.52 percent. This is the eighth consecutive quarter that the reserve ratio has declined, and it is now at its lowest level since September, 2000. Even as reserves fell, the sharp decrease in noncurrent loans during the quarter meant that the industry’s coverage ratio improved to \$1.50 in reserves for every \$1 of noncurrent loans. This is the sixth consecutive quarter-

ly improvement in the coverage ratio, which is now at its highest level since September, 2000.

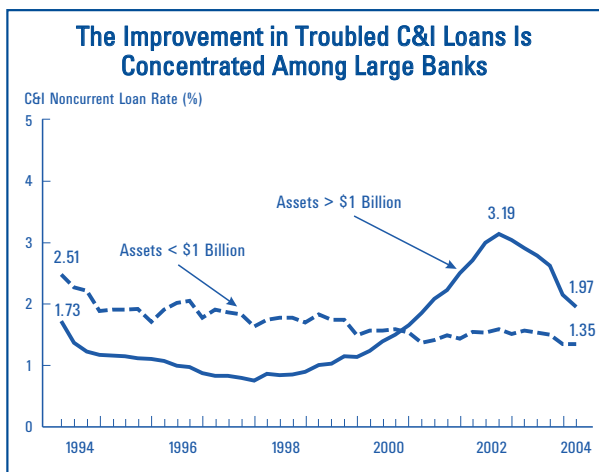
### Internal Capital Growth Exhibits Strength

Retained earnings reached a record level in the first quarter, increasing to \$17.0 billion from \$2.8 billion in the fourth quarter and \$12.0 billion in the first quarter of 2003. This contributed to a \$55.2-billion (6.6-percent) increase in equity capital that eclipsed the previous quarterly record increase of \$32.5 billion, set in the third quarter of 2001. However, the largest part of this increase was caused by a structural change in one holding company that resulted in more than \$24 billion in equity capital being double-counted.<sup>1</sup>

### Asset Growth Remains Strong

Total assets increased by \$302 billion (3.3 percent) during the quarter, the second-largest increase ever, after the \$317-billion increase recorded in the second quarter of 2003. Interest-bearing assets grew by a record \$354 billion (4.5 percent). Mortgage activity was chiefly responsible for the increases. Residential mortgage loans, mortgage-backed securities (MBS) and home equity loans increased by \$214 billion (7.3 percent), which represented 60.4 percent of the increase in interest-bearing assets and 71.0 percent of the increase in total assets during the quarter. Mortgage-backed securities alone increased by \$121 billion, as the industry’s MBS

Chart 5



<sup>1</sup> On February 1, 2004, Washington Mutual Bank FSB of Salt Lake City, Utah became a subsidiary of Washington Mutual Bank FA of Stockton, California. This reorganization was followed by the contribution of \$23 billion of securities by the Stockton parent to the Salt Lake City subsidiary, which contributed to an increase of more than \$24 billion in the equity capital of the subsidiary. Because the parent institution consolidates the financial data of its subsidiary in its own quarterly reports while the subsidiary still files a separate report, the amounts in the subsidiary institution are double-counted.

portfolio rose above \$1 trillion for the first time. Strong growth was also registered in commercial real estate loans, which were up by \$17.7 billion (2.6 percent), and real estate construction and development loans, which increased by \$13.3 billion (4.9 percent). Commercial and industrial (C&I) loans declined for the thirteenth quarter in a row, dropping by \$12.0 billion (1.3 percent). As has been the case during most of the period that C&I loans have been declining, the shrinkage is concentrated among a few large banks, and most institutions are growing their C&I loans. Two banks accounted for more than 90 percent of the decline in the industry's C&I loans in the first quarter. More than half of all institutions—55 percent—increased their C&I loans in the quarter.

**Growth in Deposits Falls Short of Growth in Assets**

Deposit growth was relatively strong in the first quarter. Deposits in domestic offices increased by \$134.1 billion (2.6 percent), while foreign office deposits grew by \$38.7 billion (5.2 percent). Most of the growth in domestic deposits occurred in interest-bearing accounts, which increased by \$110.9 bil-

lion (2.6 percent). Noninterest-bearing deposits in domestic offices rose by \$23.8 billion (2.4 percent). Nondeposit liabilities increased by \$73.8 billion (3.2 percent) in the first quarter.

**Three Institutions Fail During First Quarter**

The number of insured commercial banks and savings institutions filing quarterly financial reports declined from 9,181 to 9,116 during the quarter. Mergers absorbed 91 institutions, while three institutions failed. There were 27 new institutions that began financial reporting in the first quarter. The number of insured institutions operating as Subchapter S corporations increased to 2,137 from 2,020 at the beginning of the year. Almost one out of every four banks and thrifts with assets of \$1 billion or less—24.6 percent—has elected Subchapter S status. The number of institutions on the FDIC's "Problem List" fell from 116 to 114 during the quarter, and assets of "problem" institutions remained at \$29.9 billion. Seven savings institutions, with combined assets of \$2.1 billion, converted from mutual to stock ownership during the quarter.

Chart 6

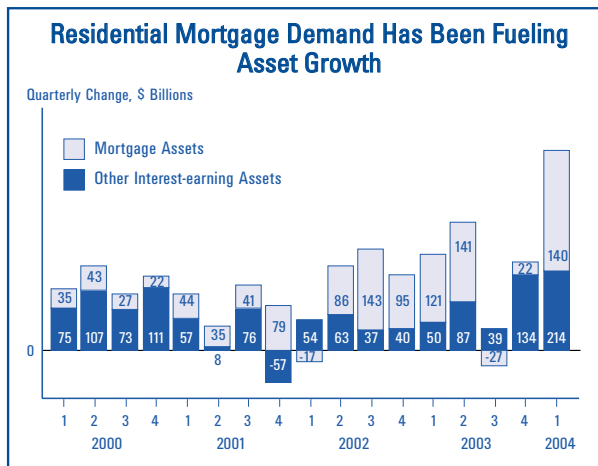


Chart 7

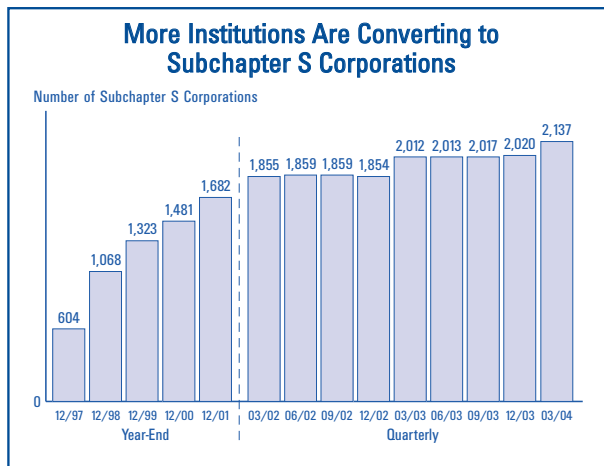


TABLE I-A. Selected Indicators, All FDIC-Insured Institutions\*

	2004**	2003**	2003	2002	2001	2000	1999
Return on assets (%) .....	1.38	1.39	1.38	1.30	1.14	1.14	1.26
Return on equity (%) .....	14.86	15.07	15.05	14.12	12.97	13.53	14.71
Core capital (leverage) ratio (%) .....	8.17	7.88	7.88	7.86	7.78	7.71	7.80
Noncurrent assets plus other real estate owned to assets (%) .....	0.67	0.86	0.75	0.90	0.87	0.71	0.63
Net charge-offs to loans (%) .....	0.64	0.81	0.78	0.97	0.83	0.59	0.53
Asset growth rate (%) .....	8.96	10.00	7.58	7.20	5.44	8.41	5.40
Net interest margin (%) .....	3.68	3.80	3.74	3.96	3.78	3.77	3.89
Net operating income growth (%) .....	10.59	10.19	16.02	18.33	-0.84	1.71	19.75
Number of institutions reporting .....	9,116	9,314	9,181	9,354	9,614	9,904	10,222
Commercial banks .....	7,712	7,865	7,770	7,888	8,079	8,315	8,580
Savings institutions .....	1,404	1,449	1,411	1,466	1,535	1,589	1,642
Percentage of unprofitable institutions (%) .....	5.53	5.85	5.84	6.67	8.23	7.53	7.64
Number of problem institutions .....	114	129	116	136	114	94	79
Assets of problem institutions (in billions) .....	\$30	\$35	\$30	\$39	\$40	\$24	\$10
Number of failed/assisted institutions .....	3	1	3	11	4	7	8

\* Excludes insured branches of foreign banks (IBAs)

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

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

(dollar figures in millions)	1st Quarter 2004	4th Quarter 2003	1st Quarter 2003	%Change 03:1-04:1		
Number of institutions reporting .....	9,116	9,181	9,314	-2.1		
Total employees (full-time equivalent) .....	2,131,060	2,045,975	2,029,745	5.0		
<b>CONDITION DATA</b>						
Total assets .....	\$9,377,080	\$9,075,324	\$8,605,717	9.0		
Loans secured by real estate .....	3,274,331	3,143,079	2,925,734	11.9		
1-4 Family residential mortgages .....	1,673,392	1,610,623	1,545,817	8.3		
Commercial real estate .....	699,499	681,799	641,654	9.0		
Construction and development .....	285,437	272,163	250,531	13.9		
Home equity lines .....	376,580	346,077	276,151	36.4		
Commercial & industrial loans .....	910,191	922,207	947,948	-4.0		
Loans to individuals .....	831,677	848,315	752,503	10.5		
Credit cards .....	313,978	339,441	265,950	18.1		
Farm loans .....	44,135	46,782	44,672	-1.2		
Other loans & leases .....	491,111	476,916	458,729	7.1		
Less: Unearned income .....	2,918	3,004	3,624	-19.5		
Total loans & leases .....	5,548,527	5,434,297	5,125,961	8.2		
Less: Reserve for losses .....	84,268	85,545	85,855	-1.8		
Net loans and leases .....	5,464,259	5,348,751	5,040,107	8.4		
Securities .....	1,907,788	1,770,808	1,694,986	12.6		
Other real estate owned .....	5,263	5,336	5,437	-3.2		
Goodwill and other intangibles .....	188,912	189,450	156,814	20.5		
All other assets .....	1,810,857	1,760,980	1,708,373	6.0		
Total liabilities and capital .....	9,377,080	9,075,324	8,605,717	9.0		
Deposits .....	6,127,066	5,954,309	5,678,639	7.9		
Domestic office deposits .....	5,347,244	5,213,138	5,025,817	6.4		
Foreign office deposits .....	779,822	741,171	652,823	19.5		
Other borrowed funds .....	1,812,581	1,734,570	1,590,248	14.0		
Subordinated debt .....	107,196	106,683	100,507	6.7		
All other liabilities .....	444,278	448,998	444,824	-0.1		
Equity capital .....	885,959	830,763	791,498	11.9		
Loans and leases 30-89 days past due .....	47,368	54,908	55,482	-14.6		
Noncurrent loans and leases .....	56,326	60,923	67,194	-16.2		
Restructured loans and leases .....	2,538	3,403	2,933	-13.5		
Direct and indirect investments in real estate .....	1,921	713	690	178.5		
Mortgage-backed securities .....	1,103,083	982,123	980,522	12.5		
Earning assets .....	8,208,852	7,854,255	7,458,071	10.1		
FHLB Advances .....	521,523	479,720	449,277	16.1		
Unused loan commitments .....	6,112,066	5,848,358	5,775,110	5.8		
Trust assets .....	13,902,049	13,013,613	10,742,609	29.4		
Assets securitized and sold*** .....	863,572	870,786	849,791	1.6		
Notional amount of derivatives*** .....	77,244,111	71,370,011	62,036,541	24.5		
<b>INCOME DATA</b>						
	Full Year 2003	Full Year 2002	%Change	1st Quarter 2004	1st Quarter 2003	%Change 03:1-04:1
Total interest income .....	\$404,576	\$429,515	-5.8	\$103,052	\$102,908	0.1
Total interest expense .....	122,640	152,897	-19.8	29,284	32,992	-11.2
Net interest income .....	281,936	276,618	1.9	73,768	69,916	5.5
Provision for loan and lease losses .....	37,289	51,496	-27.6	7,563	10,298	-26.6
Total noninterest income .....	202,630	183,486	10.4	51,990	48,182	7.9
Total noninterest expense .....	279,645	263,717	6.0	73,765	67,255	9.7
Securities gains (losses) .....	11,390	12,040	-5.4	2,599	3,709	-29.9
Applicable income taxes .....	58,853	51,923	13.4	15,352	14,719	4.3
Extraordinary gains, net .....	426	-49	N/M	185	-20	N/M
Net income .....	120,596	104,959	14.9	31,863	29,515	8.0
From international operations .....	7,329	5,964	22.9	2,717	2,095	29.6
Net charge-offs .....	40,762	47,007	-13.3	8,769	10,359	-15.4
Cash dividends .....	90,720	75,472	20.2	14,821	17,529	-15.5
Retained earnings .....	29,876	29,487	1.3	17,042	11,986	42.2
Net operating income .....	112,416	96,895	16.0	29,887	27,025	10.6

\*\*\* Commercial banks only.

N/M - Not Meaningful

# FDIC Quarterly Banking Profile

## TABLE III-A. First Quarter 2004, All FDIC-Insured Institutions

FIRST QUARTER (The way it is...)	Asset Concentration Groups*										
	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <\$1 Billion	All Other <\$1 Billion	All Other >\$1 Billion	
Number of institutions reporting .....	9,116	35	6	1,730	4,276	1,028	140	520	1,294	87	
Commercial banks .....	7,712	31	6	1,725	3,889	258	105	452	1,177	69	
Savings institutions .....	1,404	4	0	5	387	770	35	68	117	18	
Total assets (in billions) .....	\$9,377.0	\$332.5	\$1,492.7	\$127.7	\$2,898.4	\$1,396.3	\$506.3	\$58.8	\$167.5	\$2,396.7	
Commercial banks .....	7,817.7	324.7	1,492.7	127.2	2,628.3	325.7	456.9	46.7	146.4	2,269.0	
Savings institutions .....	1,559.3	7.7	0.0	0.6	270.0	1,070.6	49.4	12.2	21.1	127.7	
Total deposits (in billions) .....	6,127.1	108.5	880.7	105.6	2,103.0	841.3	334.4	44.5	138.3	1,571.0	
Commercial banks .....	5,180.2	106.3	880.7	105.1	1,923.9	193.8	302.3	35.2	121.2	1,511.8	
Savings institutions .....	946.9	2.2	0.0	0.4	179.1	647.5	32.1	9.3	17.1	59.2	
Net income (in millions) .....	31,863	3,305	4,121	404	9,523	3,991	1,927	202	462	7,927	
Commercial banks .....	27,286	3,119	4,121	403	8,530	1,162	1,714	156	423	7,657	
Savings institutions .....	4,577	185	0	1	993	2,829	213	47	39	270	
<b>Performance Ratios (annualized,%)</b>											
Yield on earning assets .....	5.14	11.22	4.41	5.59	5.29	4.90	5.43	4.34	5.37	4.56	
Cost of funding earning assets .....	1.46	2.13	1.54	1.61	1.36	1.77	1.04	1.30	1.54	1.33	
Net interest margin .....	3.68	9.08	2.87	3.98	3.92	3.13	4.39	3.04	3.83	3.23	
Noninterest income to assets .....	2.26	11.39	3.12	0.67	1.45	1.22	2.50	6.42	1.15	2.01	
Noninterest expense to assets .....	3.20	9.24	3.50	2.69	2.94	2.38	3.51	7.10	3.13	2.82	
Loan and lease loss provision to assets .....	0.33	3.99	0.32	0.13	0.25	0.10	0.47	0.07	0.17	0.03	
Net operating income to assets .....	1.30	3.77	1.09	1.24	1.25	1.03	1.50	1.31	1.06	1.26	
Pretax return on assets .....	2.05	6.11	1.64	1.55	1.90	1.80	2.40	2.05	1.44	2.05	
Return on assets .....	1.38	3.94	1.12	1.27	1.33	1.17	1.52	1.38	1.11	1.36	
Return on equity .....	14.86	23.30	15.15	11.87	14.12	12.89	17.46	8.37	10.41	14.88	
Net charge-offs to loans and leases .....	0.64	5.22	1.30	0.12	0.31	0.12	0.71	0.70	0.24	0.34	
Loan and lease loss provision to net charge-offs .....	86.24	101.10	62.63	183.39	122.05	116.23	86.14	34.62	124.26	19.30	
Efficiency ratio .....	57.44	45.99	63.81	61.82	57.55	57.82	54.76	76.92	66.68	58.12	
% of unprofitable institutions .....	5.53	8.57	16.67	2.60	6.24	6.03	5.00	11.73	4.33	2.30	
% of institutions with earnings gains .....	55.24	74.29	83.33	54.34	58.98	46.21	55.71	46.54	54.25	52.87	
<b>Condition Ratios(%)</b>											
Earning assets to total assets .....	87.54	84.47	81.22	92.26	90.44	91.57	87.82	89.68	92.10	85.38	
Loss allowance to:											
Loans and leases .....	1.52	5.09	2.15	1.55	1.46	0.63	1.20	1.67	1.40	1.40	
Noncurrent loans and leases .....	149.61	273.76	102.25	128.31	175.25	81.33	110.22	160.11	138.44	179.96	
Noncurrent assets plus other real estate owned to assets .....	0.67	1.45	0.85	0.85	0.65	0.61	0.91	0.37	0.68	0.46	
Equity capital ratio .....	9.45	17.61	7.41	10.82	9.51	9.07	8.90	16.59	10.72	9.50	
Core capital (leverage) ratio .....	8.17	15.40	6.44	10.13	8.32	7.65	7.28	14.41	10.06	8.12	
Tier 1 risk-based capital ratio .....	10.93	13.98	8.85	14.92	10.29	12.92	9.00	32.40	16.93	11.00	
Total risk-based capital ratio .....	13.37	17.27	11.96	16.07	12.40	14.54	11.62	33.69	18.15	13.82	
Net loans and leases to deposits .....	89.18	217.07	63.71	72.43	91.46	114.01	115.88	35.08	66.55	77.26	
Net loans to total assets .....	58.27	70.81	37.59	59.86	66.36	68.69	76.52	26.51	54.94	50.64	
Domestic deposits to total assets .....	57.03	28.58	26.29	82.65	70.47	59.16	63.03	74.30	82.51	57.78	
<b>Structural Changes</b>											
New Charters .....	27	0	0	0	7	2	0	16	2	0	
Institutions absorbed by mergers .....	91	0	0	7	55	5	12	3	5	4	
Failed Institutions .....	3	0	0	0	2	0	0	0	1	0	
<b>PRIOR FIRST QUARTERS (The way it was...)</b>											
Number of institutions .....	2003	9,314	41	5	1,800	4,100	1,072	172	501	1,524	99
..... 2001	9,822	57	6	1,941	3,972	1,251	250	496	1,765	84	
..... 1999	10,391	65	10	2,219	3,456	1,415	275	653	2,218	80	
Total assets (in billions) .....	2003	\$8,605.7	\$289.3	\$1,275.2	\$121.7	\$3,054.1	\$1,418.3	\$366.0	\$59.1	\$201.9	\$1,820.2
..... 2001	7,572.7	334.1	1,185.7	116.0	3,775.9	1,064.5	89.8	52.2	206.8	747.7	
..... 1999	6,521.9	248.7	1,424.7	120.9	2,844.3	1,076.9	77.5	66.0	264.0	398.8	
Return on Assets (%) .....	2003	1.39	3.59	1.08	1.23	1.32	1.53	1.57	1.23	1.13	1.25
..... 2001	1.21	2.87	1.14	1.19	1.21	1.01	0.79	1.83	1.05	0.92	
..... 1999	1.26	3.12	1.05	1.19	1.27	0.99	1.29	1.88	1.12	1.54	
Net charge-offs to loans & leases (%) .....	2003	0.81	5.49	1.51	0.15	0.55	0.18	0.90	0.36	0.25	0.61
..... 2001	0.64	3.78	0.55	0.17	0.52	0.13	0.68	0.45	0.20	0.68	
..... 1999	0.53	4.00	0.48	0.13	0.39	0.11	0.65	0.32	0.22	0.44	
Noncurrent assets plus OREO to assets (%) .....	2003	0.86	1.54	1.10	0.97	0.86	0.68	0.81	0.63	0.72	0.76
..... 2001	0.75	1.49	0.67	0.80	0.81	0.51	1.19	0.24	0.61	0.62	
..... 1999	0.67	1.66	0.64	0.87	0.66	0.58	1.09	0.32	0.60	0.48	
Equity capital ratio (%) .....	2003	9.20	16.59	7.20	10.78	9.36	9.01	8.45	16.06	10.57	8.97
..... 2001	8.63	12.07	6.62	10.82	8.99	8.26	7.73	16.94	10.48	7.69	
..... 1999	8.67	14.14	6.87	10.68	8.93	8.28	8.97	14.41	10.23	8.21	

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

TABLE III-A. First Quarter 2004, All FDIC-Insured Institutions

FIRST QUARTER (The way it is...)	Asset Size Distribution					Geographic Regions*					
	All Insured Institutions	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 .....	9,116	4,300	4,238	465	113	1,162	1,231	1,996	2,122	1,853	752
Commercial banks .....	7,712	3,831	3,462	335	84	607	1,075	1,635	2,011	1,718	666
Savings institutions .....	1,404	469	776	130	29	555	156	361	111	135	86
Total assets (in billions) .....	\$9,377.0	\$221.8	\$1,169.2	\$1,282.1	\$6,703.8	\$3,186.7	\$1,995.5	\$1,700.1	\$738.8	\$571.0	\$1,184.8
Commercial banks .....	7,817.7	197.5	921.4	911.5	5,787.2	2,635.4	1,861.7	1,553.9	693.2	476.3	597.2
Savings institutions .....	1,559.3	24.3	247.8	370.6	916.5	551.3	133.9	146.2	45.5	94.7	587.6
Total deposits (in billions) .....	6,127.1	185.2	936.1	864.3	4,141.5	2,013.6	1,356.7	1,111.0	509.8	429.6	706.4
Commercial banks .....	5,180.2	166.1	747.7	624.0	3,642.4	1,656.4	1,261.9	1,006.5	481.2	377.1	397.3
Savings institutions .....	946.9	19.1	188.4	240.3	499.1	357.2	94.8	104.5	28.7	52.5	309.2
Net income (in millions) .....	31,863	553	3,386	4,691	23,232	10,374	6,410	5,844	2,810	1,909	4,517
Commercial banks .....	27,286	497	2,883	3,401	20,505	8,752	6,062	5,360	2,722	1,502	2,888
Savings institutions .....	4,577	56	504	1,290	2,727	1,622	347	484	88	408	1,628
<b>Performance Ratios (annualized, %)</b>											
Yield on earning assets .....	5.14	5.61	5.56	5.30	5.01	4.92	5.09	4.91	5.87	5.35	5.52
Cost of funding earning assets .....	1.46	1.53	1.58	1.50	1.43	1.57	1.48	1.47	1.18	1.35	1.35
Net interest margin .....	3.68	4.08	3.98	3.80	3.58	3.35	3.61	3.44	4.69	4.00	4.17
Noninterest income to assets .....	2.26	1.19	1.30	1.85	2.54	2.79	1.95	1.92	2.63	1.52	1.93
Noninterest expense to assets .....	3.20	3.54	3.20	3.08	3.21	3.42	3.10	2.89	3.90	3.22	2.78
Loan and lease loss provision to assets .....	0.33	0.17	0.20	0.30	0.36	0.35	0.15	0.27	0.65	0.22	0.52
Net operating income to assets .....	1.30	0.96	1.12	1.31	1.34	1.24	1.22	1.26	1.48	1.25	1.54
Pretax return on assets .....	2.05	1.29	1.62	2.16	2.13	1.96	1.96	2.01	2.26	1.82	2.46
Return on assets .....	1.38	1.00	1.17	1.48	1.41	1.33	1.32	1.38	1.52	1.36	1.57
Return on equity .....	14.86	8.60	11.60	13.98	16.00	14.58	15.24	16.02	14.81	14.13	14.03
Net charge-offs to loans and leases .....	0.64	0.19	0.23	0.44	0.78	0.96	0.36	0.43	0.92	0.34	0.66
Loan and lease loss provision to net charge-offs .....	86.24	145.82	133.80	110.76	80.05	73.91	68.03	95.58	98.71	108.84	109.68
Efficiency ratio .....	57.44	71.46	63.95	56.80	56.13	59.62	60.24	56.38	56.15	62.03	47.75
% of unprofitable institutions .....	5.53	9.28	2.24	1.51	2.65	6.20	8.77	4.41	3.68	4.86	9.04
% of institutions with earnings gains .....	55.24	52.33	57.17	61.72	67.26	57.57	60.76	47.44	53.86	56.72	63.56
<b>Condition Ratios(%)</b>											
Earning assets to total assets .....	87.54	91.93	92.18	91.44	85.84	85.42	86.58	89.17	88.26	90.48	90.69
Loss Allowance to:											
Loans and leases .....	1.52	1.41	1.33	1.43	1.58	1.84	1.27	1.50	1.71	1.32	1.24
Noncurrent loans and leases .....	149.61	126.64	161.51	173.13	144.90	138.51	191.13	141.06	153.89	136.00	153.03
Noncurrent assets plus other real estate owned to assets .....	0.67	0.84	0.66	0.59	0.68	0.69	0.46	0.79	0.88	0.75	0.64
Equity capital ratio .....	9.45	11.72	10.19	10.71	9.00	9.13	8.58	8.74	10.44	9.64	12.07
Core capital (leverage) ratio .....	8.17	11.30	9.59	9.42	7.56	7.82	7.35	7.91	8.37	8.72	10.38
Tier 1 risk-based capital ratio .....	10.93	17.43	13.74	13.42	9.84	10.69	9.63	9.98	10.60	12.63	14.87
Total risk-based capital ratio .....	13.37	18.54	14.97	15.04	12.67	13.34	12.08	12.80	12.70	14.01	16.85
Net loans and leases to deposits .....	89.18	71.41	80.30	91.94	91.41	75.18	85.56	97.87	102.42	79.49	118.71
Net loans to total assets .....	58.27	59.62	64.29	61.98	56.47	47.51	58.17	63.96	70.68	59.81	70.78
Domestic deposits to total assets .....	57.03	83.48	79.96	66.71	50.30	46.24	62.01	60.05	66.97	74.98	58.43
<b>Structural Changes</b>											
New Charters .....	27	27	0	0	0	2	12	1	2	5	5
Institutions absorbed by mergers .....	91	34	41	14	2	12	7	13	20	17	22
Failed Institutions .....	3	3	0	0	0	2	1	0	0	0	0
<b>PRIOR FIRST QUARTERS (The way it was...)</b>											
Number of institutions .....	2003 9,314	4,614	4,135	456	109	1,201	1,243	2,046	2,159	1,893	772
.....	2001 9,822	5,379	3,909	434	100	1,282	1,300	2,172	2,255	1,993	820
.....	1999 10,391	6,065	3,793	443	90	1,333	1,334	2,329	2,379	2,160	856
Total assets (in billions) .....	2003 \$8,605.7	\$235.8	\$1,138.2	\$1,292.0	\$5,939.7	\$2,938.4	\$1,749.1	\$1,608.2	\$437.1	\$591.7	\$1,281.3
.....	2001 7,572.7	261.1	1,032.6	1,220.7	5,058.3	2,650.4	1,559.2	1,316.1	457.2	507.7	1,082.1
.....	1999 6,521.9	286.2	969.7	1,232.7	4,033.4	2,290.7	1,133.4	1,051.7	410.1	553.5	1,082.5
Return on Assets (%) .....	2003 1.39	1.02	1.19	1.33	1.45	1.26	1.36	1.40	1.53	1.39	1.64
.....	2001 1.21	0.95	1.12	1.24	1.24	1.15	1.13	1.04	1.21	1.20	1.71
.....	1999 1.26	1.04	1.21	1.54	1.21	1.25	1.23	1.31	1.45	1.15	1.26
Net charge-offs to loans & leases (%) .....	2003 0.81	0.19	0.27	0.49	1.03	1.24	0.62	0.63	1.04	0.37	0.65
.....	2001 0.64	0.18	0.24	0.60	0.77	0.74	0.57	0.57	0.79	0.31	0.72
.....	1999 0.53	0.16	0.27	0.69	0.57	0.71	0.44	0.38	0.64	0.37	0.51
Noncurrent assets plus OREO to assets (%) .....	2003 0.86	0.92	0.76	0.69	0.92	0.94	0.76	0.98	0.82	0.83	0.72
.....	2001 0.75	0.72	0.62	0.72	0.79	0.73	0.84	0.79	0.71	0.72	0.67
.....	1999 0.67	0.75	0.64	0.73	0.66	0.73	0.59	0.60	0.62	0.69	0.67
Equity capital ratio (%) .....	2003 9.20	11.35	10.02	10.09	8.76	8.88	9.22	8.60	10.61	9.60	9.97
.....	2001 8.63	11.41	9.96	9.12	8.10	8.31	8.98	8.03	9.83	9.19	8.89
.....	1999 8.67	11.20	9.90	9.62	7.90	8.23	9.27	8.67	9.04	8.78	8.76

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

# FDIC Quarterly Banking Profile

**TABLE IV-A. Full Year 2003, All FDIC-Insured Institutions**

	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 .....	9,181	36	6	1,766	4,252	1,033	157	529	1,311	91	
Commercial banks .....	7,770	34	6	1,762	3,875	253	119	456	1,192	73	
Savings institutions .....	1,411	2	0	4	377	780	38	73	119	18	
Total assets (in billions) .....	\$9,075.3	\$348.4	\$1,447.9	\$129.1	\$2,923.7	\$1,657.6	\$146.6	\$60.9	\$171.7	\$2,189.4	
Commercial banks .....	7,601.2	339.4	1,447.9	128.8	2,671.8	580.0	97.6	47.5	147.6	2,140.6	
Savings institutions .....	1,474.1	9.0	0.0	0.3	251.9	1,077.5	49.0	13.5	24.1	48.8	
Total deposits (in billions) .....	5,954.3	120.1	848.5	106.9	2,128.2	1,026.0	70.6	45.2	141.7	1,467.1	
Commercial banks .....	5,029.0	115.3	848.5	106.7	1,959.0	365.2	40.0	35.0	122.2	1,437.3	
Savings institutions .....	925.3	4.8	0.0	0.3	169.2	660.8	30.7	10.2	19.5	29.9	
Net income (in millions) .....	120,596	12,505	15,351	1,512	36,321	22,248	1,859	1,112	1,774	27,913	
Commercial banks .....	102,546	12,114	15,351	1,509	33,266	9,171	1,142	901	1,596	27,496	
Savings institutions .....	18,050	392	0	3	3,055	13,077	717	211	179	416	
<b>Performance Ratios</b>											
Yield on earning assets .....	5.36	10.63	4.70	5.91	5.48	5.17	6.88	4.58	5.69	4.83	
Cost of funding earning assets .....	1.62	2.35	1.67	1.89	1.56	1.81	1.97	1.50	1.83	1.38	
Net interest margin .....	3.74	8.27	3.03	4.02	3.92	3.36	4.91	3.08	3.86	3.45	
Noninterest income to assets .....	2.32	12.36	2.82	0.70	1.61	1.52	2.36	8.84	0.99	2.09	
Noninterest expense to assets .....	3.20	9.19	3.26	2.73	2.99	2.58	3.45	9.29	2.99	2.88	
Loan and lease loss provision to assets .....	0.43	3.80	0.45	0.21	0.35	0.12	1.39	0.26	0.26	0.23	
Net operating income to assets .....	1.29	4.04	1.01	1.18	1.23	1.16	1.26	1.29	0.99	1.26	
Pretax return on assets .....	2.05	6.41	1.61	1.48	1.87	2.15	2.08	2.56	1.37	1.97	
Return on assets .....	1.38	4.08	1.10	1.21	1.28	1.38	1.32	1.82	1.06	1.33	
Return on equity .....	15.05	24.83	15.11	11.16	13.99	15.07	17.57	11.42	10.01	14.64	
Net charge-offs to loans and leases .....	0.78	5.22	1.40	0.27	0.46	0.18	2.10	1.22	0.39	0.62	
Loan and lease loss provision to net charge-offs .....	91.48	97.10	79.35	127.10	114.16	96.83	82.05	74.98	119.31	67.32	
Efficiency ratio .....	56.59	45.32	62.12	61.92	57.06	56.43	50.12	79.51	65.58	56.72	
% of unprofitable institutions .....	5.84	2.78	0.00	2.89	6.98	5.03	3.18	12.29	4.81	2.20	
% of institutions with earnings gains .....	58.50	63.89	66.67	50.91	67.69	50.82	57.32	39.70	52.48	59.34	
<b>Condition Ratios(%)</b>											
Earning assets to total assets .....	86.55	84.51	78.17	91.59	90.05	89.84	91.94	88.09	91.77	84.12	
Loss Allowance to:											
Loans and leases .....	1.57	4.80	2.28	1.53	1.47	0.72	1.70	1.78	1.38	1.51	
Noncurrent loans and leases .....	140.42	236.49	102.23	133.19	166.44	75.66	158.31	183.45	129.65	158.47	
Noncurrent assets plus											
other real estate owned to assets .....	0.75	1.62	0.93	0.80	0.68	0.73	0.99	0.33	0.71	0.59	
Equity capital ratio .....	9.15	16.04	7.39	10.64	9.24	9.10	7.30	16.74	10.45	8.87	
Core capital (leverage) ratio .....	7.88	14.64	6.33	10.10	8.13	7.37	7.60	14.44	9.94	7.47	
Tier 1 risk-based capital ratio .....	10.47	12.19	8.84	14.77	10.14	11.81	9.18	32.46	16.70	9.82	
Total risk-based capital ratio .....	13.00	15.37	12.11	15.91	12.26	13.93	12.34	33.66	17.92	12.70	
Net loans and leases to deposits .....	89.83	211.94	65.84	72.47	90.74	109.78	168.75	35.46	66.54	79.83	
Net loans to total assets .....	58.94	73.04	38.58	60.03	66.05	67.95	81.32	26.30	54.91	53.49	
Domestic deposits to total assets .....	57.44	30.28	25.32	82.84	70.78	60.14	48.08	73.07	82.49	59.88	
<b>Structural Changes</b>											
New Charters .....	118	0	0	2	27	4	0	84	1	0	
Institutions absorbed by mergers .....	273	1	1	27	162	37	4	2	14	25	
Failed Institutions .....	3	0	1	0	1	1	0	0	0	0	
<b>PRIOR FULL YEARS (The way it was...)</b>											
Number of institutions .....	2002	9,354	40	5	1,823	4,070	1,107	196	488	1,525	100
.....	2000	9,904	56	7	1,977	3,954	1,266	288	512	1,755	89
.....	1998	10,464	69	11	2,279	3,372	1,452	273	652	2,264	92
Total assets (in billions) .....	2002	\$8,436.0	\$299.3	\$1,273.5	\$123.8	\$2,960.4	\$1,342.0	\$166.5	\$60.1	\$197.4	\$2,013.0
.....	2000	7,462.9	295.1	1,229.4	120.4	3,823.3	1,000.2	87.8	50.8	205.4	650.5
.....	1998	6,531.1	258.0	1,443.9	125.0	2,786.3	1,078.6	81.4	67.9	270.4	419.6
Return on Assets (%) .....	2002	1.30	3.61	0.74	1.24	1.30	1.31	1.35	1.08	1.14	1.33
.....	2000	1.14	3.00	1.06	1.22	1.12	0.96	1.09	1.42	1.13	0.91
.....	1998	1.16	2.88	0.60	1.20	1.29	1.05	1.25	1.70	1.13	1.40
Net charge-offs to loans & leases (%) .....	2002	0.97	6.12	1.77	0.29	0.65	0.20	1.07	1.36	0.35	0.81
.....	2000	0.59	3.72	0.51	0.23	0.50	0.11	0.49	1.62	0.28	0.62
.....	1998	0.59	4.35	0.58	0.24	0.36	0.19	0.65	0.83	0.35	0.60
Noncurrent assets plus											
OREO to assets (%) .....	2002	0.90	1.68	1.19	0.85	0.87	0.71	1.28	0.59	0.70	0.75
.....	2000	0.71	1.56	0.66	0.69	0.76	0.48	1.11	0.22	0.57	0.58
.....	1998	0.66	1.75	0.65	0.74	0.62	0.60	1.01	0.31	0.59	0.53
Equity capital ratio (%) .....	2002	9.20	15.49	7.14	10.76	9.36	9.07	7.35	17.18	10.62	9.10
.....	2000	8.49	12.25	6.73	10.43	8.66	8.28	7.94	16.15	10.30	7.90
.....	1998	8.52	13.51	6.71	10.60	8.79	8.30	8.50	14.23	10.01	8.07

\*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. Full Year 2003, All FDIC-Insured Institutions

	All Insured Institutions	Asset Size Distribution				Geographic Regions*						
		Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco	
Number of institutions reporting	9,181	4,390	4,210	471	110	1,173	1,227	2,011	2,133	1,866	771	
Commercial banks	7,770	3,912	3,434	341	83	612	1,071	1,650	2,021	1,731	685	
Savings institutions	1,411	478	776	130	27	561	156	361	112	135	86	
Total assets (in billions)	\$9,075.3	\$225.7	\$1,160.5	\$1,312.6	\$6,376.6	\$3,084.8	\$1,882.7	\$1,693.9	\$456.3	\$563.3	\$1,394.3	
Commercial banks	7,601.2	200.8	910.0	947.3	5,543.1	2,557.3	1,751.9	1,550.3	411.7	471.5	858.5	
Savings institutions	1,474.1	24.9	250.4	365.4	833.4	527.5	130.8	143.6	44.6	91.8	535.7	
Total deposits (in billions)	5,954.3	188.8	926.9	882.1	3,956.5	1,959.5	1,288.2	1,102.4	291.0	424.1	889.0	
Commercial banks	5,029.0	169.1	736.9	645.8	3,477.3	1,609.9	1,196.0	998.0	263.1	371.2	590.8	
Savings institutions	925.3	19.7	190.1	236.3	479.3	349.6	92.2	104.4	27.9	53.0	298.2	
Net income (in millions)	120,596	2,076	13,190	17,663	87,666	37,866	24,787	21,648	7,192	7,501	21,601	
Commercial banks	102,546	1,815	11,061	13,165	76,505	32,139	23,511	19,927	6,820	5,948	14,201	
Savings institutions	18,050	262	2,130	4,498	11,160	5,727	1,276	1,720	372	1,553	7,400	
<b>Performance Ratios</b>												
Yield on earning assets	5.36	5.86	5.82	5.48	5.22	5.18	5.33	5.22	6.25	5.64	5.55	
Cost of funding earning assets	1.62	1.79	1.82	1.68	1.57	1.75	1.59	1.66	1.66	1.56	1.38	
Net interest margin	3.74	4.07	4.00	3.80	3.66	3.43	3.73	3.56	4.59	4.08	4.17	
Noninterest income to assets	2.32	1.43	1.46	1.93	2.58	2.70	2.15	1.94	2.73	1.90	2.21	
Noninterest expense to assets	3.20	3.71	3.33	3.10	3.18	3.29	3.17	2.86	3.90	3.55	3.08	
Loan and lease loss provision to assets	0.43	0.25	0.28	0.36	0.47	0.49	0.26	0.47	0.70	0.28	0.43	
Net operating income to assets	1.29	0.89	1.09	1.28	1.34	1.20	1.28	1.19	1.58	1.28	1.52	
Pretax return on assets	2.05	1.26	1.63	2.11	2.15	1.91	2.03	1.91	2.34	1.85	2.55	
Return on assets	1.38	0.95	1.18	1.42	1.42	1.28	1.38	1.31	1.63	1.37	1.62	
Return on equity	15.05	8.15	11.77	13.89	16.33	14.27	15.32	15.31	15.38	14.34	16.13	
Net charge-offs to loans and leases	0.78	0.31	0.36	0.53	0.94	1.16	0.54	0.72	1.09	0.40	0.58	
Loan and lease loss provision to net charge-offs	91.48	137.62	118.95	109.39	86.61	85.27	78.24	100.97	93.00	113.69	105.63	
Efficiency ratio	56.59	71.68	64.52	56.58	54.80	57.84	58.57	55.02	55.34	62.86	51.31	
% of unprofitable institutions	5.84	9.89	2.23	1.49	0.91	5.71	9.21	5.12	3.28	5.79	9.73	
% of institutions with earnings gains	58.50	52.57	63.52	66.67	68.18	60.78	65.69	57.43	54.66	53.48	69.13	
<b>Condition Ratios(%)</b>												
Earning assets to total assets	86.55	91.51	91.79	90.52	84.60	83.79	85.18	88.92	89.76	90.16	89.09	
Loss Allowance to:												
Loans and leases	1.57	1.41	1.33	1.49	1.65	1.93	1.33	1.54	2.12	1.34	1.25	
Noncurrent loans and leases	140.42	128.50	153.96	165.00	134.98	131.26	167.72	131.36	199.94	135.13	129.09	
Noncurrent assets plus other real estate owned to assets	0.75	0.83	0.68	0.62	0.78	0.78	0.56	0.86	0.84	0.76	0.76	
Equity capital ratio	9.15	11.48	10.06	10.35	8.66	9.05	8.78	8.49	10.58	9.61	10.04	
Core capital (leverage) ratio	7.88	11.11	9.50	9.16	7.74	7.41	7.87	9.01	8.69	8.14	8.14	
Tier 1 risk-based capital ratio	10.47	17.08	13.74	13.22	9.22	10.62	9.54	9.80	11.78	12.68	11.10	
Total risk-based capital ratio	13.00	18.20	14.96	14.91	12.16	13.31	12.11	12.66	13.51	14.08	13.46	
Net loans and leases to deposits	89.83	71.84	79.97	89.98	92.96	76.26	87.71	98.33	107.52	79.57	111.39	
Net loans to total assets	58.94	60.09	63.88	60.47	57.68	48.44	60.01	63.99	68.58	59.91	71.02	
Domestic deposits to total assets	57.44	83.63	79.78	66.43	50.60	46.19	63.78	59.89	63.78	75.03	61.63	
<b>Structural Changes</b>												
New Charters	118	114	3	1	0	9	36	7	13	19	34	
Institutions absorbed by mergers	273	120	121	26	6	47	42	58	44	42	40	
Failed Institutions	3	2	1	0	0	1	0	1	0	0	1	
<b>PRIOR FULL YEARS (The way it was...)</b>												
Number of institutions	2002	9,354	4,681	4,117	450	106	1,212	1,237	2,055	2,167	1,901	782
	2000	9,904	5,464	3,898	437	105	1,292	1,307	2,197	2,268	2,014	826
	1998	10,464	6,110	3,817	450	87	1,350	1,341	2,346	2,390	2,180	857
Total assets (in billions)	2002	\$8,436.0	\$237.9	\$1,124.8	\$1,279.0	\$5,794.3	\$2,893.0	\$1,711.1	\$1,571.9	\$440.1	\$581.5	\$1,238.3
	2000	7,462.9	262.1	1,018.5	1,199.1	4,983.2	2,580.7	1,570.8	1,255.4	461.9	561.2	1,032.9
	1998	6,531.1	288.6	972.0	1,259.8	4,010.6	2,282.7	1,141.4	1,065.4	413.2	548.8	1,079.6
Return on Assets (%)	2002	1.30	1.00	1.16	1.44	1.31	1.11	1.34	1.28	1.58	1.41	1.58
	2000	1.14	0.95	1.15	1.20	1.14	1.23	1.02	1.02	1.33	1.04	1.23
	1998	1.16	1.09	1.21	1.41	1.07	1.05	1.29	1.20	1.45	1.18	1.08
Net charge-offs to loans & leases (%)	2002	0.97	0.32	0.41	0.69	1.18	1.45	0.71	0.77	1.19	0.44	0.81
	2000	0.59	0.37	0.27	0.59	0.67	0.67	0.61	0.39	0.76	0.37	0.67
	1998	0.59	0.28	0.36	0.83	0.59	0.79	0.44	0.39	0.68	0.43	0.64
Noncurrent assets plus OREO to assets (%)	2002	0.90	0.85	0.74	0.69	0.98	1.01	0.78	1.00	0.82	0.81	0.74
	2000	0.71	0.66	0.59	0.67	0.75	0.71	0.82	0.74	0.62	0.66	0.62
	1998	0.66	0.72	0.64	0.75	0.64	0.78	0.54	0.58	0.57	0.63	0.67
Equity capital ratio (%)	2002	9.20	11.29	10.05	10.06	8.76	8.85	9.37	8.57	10.33	9.60	9.98
	2000	8.49	11.33	9.82	8.94	7.96	8.31	8.61	7.98	9.48	8.78	8.75
	1998	8.52	11.13	9.84	9.36	7.76	8.13	9.17	8.42	8.80	8.73	8.58

\* 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

# FDIC Quarterly Banking Profile

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

March 31, 2004	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <\$1 Billion	All Other <\$1 Billion	All Other >\$1 Billion
<b>Percent of Loans 30-89 Days Past Due</b>										
All loans secured by real estate .....	0.75	0.56	0.95	1.35	0.71	0.75	0.90	1.28	1.39	0.64
Construction and development .....	0.69	0.00	3.95	1.50	0.67	0.73	1.07	1.18	1.10	0.41
Commercial real estate .....	0.61	0.12	0.74	1.23	0.63	0.53	0.26	0.82	1.21	0.46
Multifamily residential real estate .....	0.25	0.00	0.00	0.54	0.30	0.19	0.12	0.79	0.79	0.16
Home equity loans .....	0.36	0.47	0.19	0.70	0.37	0.34	0.32	0.41	0.61	0.38
Other 1-4 family residential .....	0.94	1.46	0.91	1.68	1.00	0.84	1.31	1.62	1.60	0.79
Commercial and industrial loans .....	0.71	1.89	0.58	1.86	0.88	0.75	0.56	1.16	1.63	0.41
Loans to individuals .....	1.66	2.15	1.95	2.15	1.33	0.82	1.44	2.23	2.02	1.28
Credit card loans .....	2.13	2.17	2.28	2.16	2.24	1.09	1.72	3.37	2.72	1.81
Other loans to individuals .....	1.37	1.91	1.77	2.15	1.25	0.78	1.38	2.08	1.98	1.19
All other loans and leases (including farm) .....	0.45	0.01	0.52	1.46	0.69	0.60	0.43	0.87	0.82	0.20
Total loans and leases .....	0.85	2.01	1.02	1.52	0.79	0.75	0.96	1.38	1.47	0.59
<b>Percent of Loans Noncurrent**</b>										
All real estate loans .....	0.76	0.36	1.19	1.07	0.71	0.78	1.24	0.85	0.98	0.55
Construction and development .....	0.68	0.34	2.29	1.18	0.59	1.22	0.98	1.19	0.93	0.58
Commercial real estate .....	0.84	0.56	2.06	1.26	0.80	0.81	0.99	0.97	1.45	0.80
Multifamily residential real estate .....	0.30	0.00	0.45	0.75	0.36	0.16	0.38	0.73	0.81	0.25
Home equity loans .....	0.21	0.21	0.11	0.20	0.23	0.16	0.24	0.25	0.33	0.23
Other 1-4 family residential .....	0.86	1.88	0.91	0.94	0.86	0.87	1.76	0.79	0.83	0.50
Commercial and industrial loans .....	1.88	1.55	4.10	1.91	1.32	1.60	1.24	2.07	1.59	1.73
Loans to individuals .....	1.36	2.01	2.59	0.79	0.60	0.31	0.64	1.14	0.84	0.68
Credit card loans .....	2.04	2.06	2.32	1.80	1.65	0.94	1.86	3.65	2.46	1.78
Other loans to individuals .....	0.95	1.42	2.74	0.76	0.51	0.24	0.39	0.80	0.75	0.48
All other loans and leases (including farm) .....	0.53	0.00	0.47	1.21	0.76	0.51	0.77	0.89	0.74	0.38
Total loans and leases .....	1.01	1.86	2.09	1.20	0.83	0.78	1.08	1.04	1.01	0.78
<b>Percent of Loans Charged-off (net, YTD)</b>										
All real estate loans .....	0.08	0.11	0.06	0.03	0.09	0.04	0.17	0.03	0.07	0.09
Construction and development .....	0.05	0.00	0.00	0.02	0.05	0.03	0.08	-0.30	0.08	0.04
Commercial real estate .....	0.07	0.00	0.00	0.09	0.08	0.06	0.09	0.01	0.13	0.04
Multifamily residential real estate .....	0.01	0.00	0.00	0.02	0.02	-0.02	0.13	0.00	0.03	0.01
Home equity loans .....	0.12	0.11	0.00	0.03	0.13	0.05	0.26	0.10	0.05	0.10
Other 1-4 family residential .....	0.09	0.10	0.02	0.06	0.14	0.04	0.15	0.08	0.06	0.10
Commercial and industrial loans .....	0.70	4.75	1.00	0.24	0.54	0.52	0.93	1.29	0.40	0.61
Loans to individuals .....	2.99	5.62	3.51	0.58	1.31	1.35	2.23	3.49	1.03	1.31
Credit card loans .....	5.63	5.70	5.98	4.07	4.78	2.45	6.47	24.70	7.67	4.31
Other loans to individuals .....	1.31	4.53	2.08	0.47	0.97	1.20	1.35	0.66	0.66	0.77
All other loans and leases (including farm) .....	0.19	0.00	0.14	0.00	0.42	0.20	0.23	0.27	0.11	0.12
Total loans and leases .....	0.60	5.20	1.30	0.10	0.30	0.10	0.70	0.70	0.20	0.30
<b>Loans Outstanding (in billions)</b>										
All real estate loans .....	\$3,274.3	\$13.5	\$117.2	\$41.4	\$1,281.1	\$879.2	\$242.0	\$10.8	\$65.0	\$624.2
Construction and development .....	285.4	0.0	1.8	2.1	200.5	22.8	10.1	0.8	3.5	43.8
Commercial real estate .....	699.5	0.1	7.2	10.0	469.1	50.2	30.6	3.1	15.5	113.7
Multifamily residential real estate .....	156.7	0.0	1.4	0.8	88.0	46.4	3.2	0.4	1.2	15.3
Home equity loans .....	376.6	12.2	13.2	0.7	125.9	73.4	59.6	0.4	2.8	88.3
Other 1-4 family residential .....	1,673.4	1.2	65.7	13.0	374.7	685.4	137.0	5.9	38.0	352.5
Commercial and industrial loans .....	910.2	11.4	140.6	11.4	405.4	31.0	42.7	1.9	10.1	255.7
Loans to individuals .....	831.7	218.4	159.6	6.3	163.3	46.5	85.2	2.3	12.6	137.6
Credit card loans .....	314.0	202.7	56.4	0.2	13.6	5.0	14.6	0.3	0.6	20.5
Other loans to individuals .....	517.7	15.6	103.1	6.2	149.7	41.5	70.5	2.1	11.9	117.1
All other loans and leases (including farm) .....	535.2	4.9	157.3	18.6	103.1	8.7	22.3	0.8	5.8	213.7
Total loans and leases .....	5,551.4	248.1	574.7	77.7	1,953.0	965.3	392.2	15.9	93.5	1,231.2
<b>Memo: Other Real Estate Owned (in millions)</b>										
All other real estate owned .....	5,263.1	7.0	245.4	142.8	2,612.2	1,026.6	334.4	42.0	184.3	668.6
Construction and development .....	607.1	0.0	0.0	7.0	431.1	70.0	1.3	1.9	16.0	79.8
Commercial real estate .....	1,812.7	0.3	60.3	55.2	1,173.2	113.1	77.6	22.8	78.4	231.9
Multifamily residential real estate .....	124.3	0.0	4.0	2.9	101.7	4.2	0.2	0.9	2.2	8.2
1-4 family residential .....	2,510.6	6.7	114.1	41.7	853.6	840.0	248.6	15.2	80.9	309.9
Farmland .....	115.7	0.0	0.0	36.0	56.9	0.2	6.9	1.2	6.7	7.9

\* 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

March 31, 2004	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		Less than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Greater than \$10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
<b>Percent of Loans 30-89 Days Past Due</b>											
All loans secured by real estate .....	0.75	1.36	0.86	0.64	0.73	0.66	0.65	0.94	0.88	1.00	0.65
Construction and development .....	0.69	1.01	0.69	0.64	0.69	0.70	0.42	0.83	0.89	0.80	0.80
Commercial real estate .....	0.61	1.09	0.69	0.68	0.47	0.60	0.47	0.78	0.52	0.83	0.45
Multifamily residential real estate .....	0.25	0.74	0.41	0.22	0.21	0.12	0.38	0.46	0.26	0.68	0.15
Home equity loans .....	0.36	0.64	0.49	0.45	0.33	0.29	0.36	0.44	0.36	0.40	0.29
Other 1-4 family residential .....	0.94	1.74	1.19	0.71	0.91	0.73	0.87	1.29	1.21	1.30	0.78
Commercial and industrial loans .....	0.71	1.75	1.13	1.03	0.56	0.64	0.54	0.77	0.83	1.04	0.91
Loans to individuals .....	1.66	2.25	1.76	1.71	1.63	1.80	1.47	1.39	1.97	1.37	1.63
Credit card loans .....	2.13	1.72	3.68	2.58	2.05	2.12	2.41	2.35	2.49	0.82	1.88
Other loans to individuals .....	1.37	2.26	1.52	1.28	1.33	1.57	1.26	1.17	1.29	1.49	1.26
All other loans and leases (including farm) .....	0.45	1.38	0.92	0.38	0.40	0.54	0.17	0.38	0.78	1.02	0.46
Total loans and leases .....	0.85	1.51	0.97	0.80	0.82	0.88	0.68	0.88	1.05	1.05	0.81
<b>Percent of Loans Noncurrent**</b>											
All real estate loans .....	0.76	0.99	0.73	0.71	0.78	0.70	0.49	1.11	1.01	0.95	0.64
Construction and development .....	0.68	0.87	0.72	0.71	0.62	0.70	0.41	0.93	0.77	0.69	0.77
Commercial real estate .....	0.84	1.13	0.80	0.86	0.84	0.77	0.62	1.20	0.80	1.01	0.66
Multifamily residential real estate .....	0.30	0.55	0.46	0.35	0.22	0.15	0.21	0.64	0.57	1.44	0.08
Home equity loans .....	0.21	0.40	0.26	0.26	0.20	0.17	0.15	0.32	0.25	0.24	0.12
Other 1-4 family residential .....	0.86	0.95	0.74	0.73	0.91	0.69	0.53	1.43	1.41	0.98	0.74
Commercial and industrial loans .....	1.88	1.73	1.28	1.38	2.07	2.77	1.51	1.62	1.18	1.22	1.50
Loans to individuals .....	1.36	0.95	0.83	0.89	1.48	1.98	0.76	0.64	1.60	0.56	1.23
Credit card loans .....	2.04	1.43	3.09	1.84	2.04	2.23	1.73	1.64	2.50	0.75	1.74
Other loans to individuals .....	0.95	0.94	0.55	0.42	1.08	1.79	0.54	0.42	0.45	0.52	0.49
All other loans and leases (including farm) .....	0.53	1.18	0.95	0.64	0.47	0.59	0.29	0.42	0.76	1.41	0.86
Total loans and leases .....	1.01	1.11	0.82	0.83	1.09	1.33	0.67	1.07	1.11	0.97	0.81
<b>Percent of Loans Charged-off (net, YTD)</b>											
All real estate loans .....	0.08	0.05	0.05	0.07	0.10	0.05	0.06	0.16	0.08	0.14	0.04
Construction and development .....	0.05	0.11	0.05	0.04	0.05	0.02	0.01	0.09	0.10	0.06	0.03
Commercial real estate .....	0.07	0.04	0.04	0.09	0.08	0.04	0.04	0.10	0.11	0.10	0.07
Multifamily residential real estate .....	0.01	0.05	0.09	-0.01	0.00	0.02	0.02	0.07	0.05	-0.07	-0.02
Home equity loans .....	0.12	0.08	0.04	0.09	0.14	0.05	0.11	0.23	0.12	0.16	0.03
Other 1-4 family residential .....	0.09	0.06	0.05	0.07	0.10	0.04	0.07	0.21	0.06	0.24	0.04
Commercial and industrial loans .....	0.70	0.39	0.41	0.54	0.78	0.84	0.58	0.52	0.59	0.59	1.07
Loans to individuals .....	2.99	0.88	1.73	2.64	3.18	3.56	1.82	1.82	4.44	1.06	3.51
Credit card loans .....	5.63	2.71	9.88	5.72	5.53	5.71	5.99	5.13	7.20	2.25	4.66
Other loans to individuals .....	1.31	0.83	0.73	1.09	1.43	1.83	0.87	1.07	0.67	0.80	1.73
All other loans and leases (including farm) .....	0.19	0.10	0.24	0.20	0.19	0.18	0.12	0.23	0.15	0.35	0.26
Total loans and leases .....	0.60	0.20	0.20	0.40	0.80	1.00	0.40	0.40	0.90	0.30	0.70
<b>Loans Outstanding (in billions)</b>											
All real estate loans .....	\$3,274.3	\$87.6	\$570.1	\$562.9	\$2,053.8	\$735.1	\$740.0	\$617.7	\$323.9	\$232.9	\$624.8
Construction and development .....	285.4	8.6	74.9	67.2	134.8	33.7	88.3	62.8	25.2	38.8	36.7
Commercial real estate .....	699.5	24.6	201.9	169.3	303.6	140.3	166.7	153.4	68.6	73.2	97.3
Multifamily residential real estate .....	156.7	2.1	25.9	39.5	89.2	40.2	19.1	28.4	7.9	6.5	54.6
Home equity loans .....	376.6	2.9	32.9	41.3	299.5	79.9	90.4	97.1	52.8	15.2	41.2
Other 1-4 family residential .....	1,673.4	39.4	215.2	239.5	1,179.4	406.5	367.2	265.4	155.4	87.9	390.9
Commercial and industrial loans .....	910.2	20.2	106.1	117.5	666.3	284.2	191.4	217.6	73.8	60.0	83.2
Loans to individuals .....	831.7	13.5	57.0	89.0	672.2	320.2	136.9	124.3	89.6	39.5	121.3
Credit card loans .....	314.0	0.3	6.3	29.4	278.0	136.9	24.4	23.1	50.4	7.1	72.0
Other loans to individuals .....	517.7	13.2	50.7	59.6	394.2	183.3	112.4	101.2	39.1	32.4	49.3
All other loans and leases (including farm) .....	535.2	12.9	29.2	37.3	455.9	204.4	107.9	144.5	44.1	14.0	20.3
Total loans and leases .....	5,551.4	134.2	762.4	806.6	3,848.1	1,544.0	1,176.1	1,104.1	531.3	346.3	849.6
<b>Memo: Other Real Estate Owned (in millions)</b>											
All other real estate owned .....	5,263.1	353.3	1,403.9	927.3	2,578.7	655.2	1,039.6	1,414.5	583.9	910.1	659.8
Construction and development .....	607.1	43.7	221.4	172.5	169.4	27.8	127.6	148.3	72.1	185.6	45.6
Commercial real estate .....	1,812.7	135.6	652.4	378.9	645.9	190.1	411.8	378.8	238.1	371.7	222.3
Multifamily residential real estate .....	124.3	11.1	42.7	45.6	24.9	8.2	17.9	44.9	5.7	38.4	9.1
1-4 family residential .....	2,510.6	133.5	432.6	325.6	1,618.8	329.8	466.4	825.6	243.7	282.6	362.6
Farmland .....	115.7	29.5	56.6	8.2	21.4	2.0	17.8	17.5	26.4	32.9	19.1

\* 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.

## Insurance Fund Indicators

- **BIF Reserve Ratio Falls 1 Basis Point to 1.31 Percent**
- **SAIF Reserve Ratio Rises to 1.39 Percent**
- **Three Insured Institutions Fail During Quarter**

Total assets of the nation's 9,130 FDIC-insured institutions increased by \$301.6 billion (2.9 percent) from December 31 to March 31. Deposits, which increased by \$173 billion, funded about 57 percent of this growth. Deposits in domestic offices grew by \$134 billion (2.6 percent) while deposits in foreign offices increased by \$39 billion (5.2 percent). During this period, deposits insured by the FDIC increased by 1.5 percent (\$50 billion) to \$3.5 trillion. This was the largest quarterly rise since the first quarter of 2002, when total insured deposits increased by 3.0 percent (\$96 billion). Insured deposits increased at 5,439 institutions, remained unchanged at 60 institutions, and decreased at 3,589 institutions. The combined balances of the Bank Insurance Fund (BIF) and the Savings Association Insurance Fund (SAIF) increased by 1.2 percent during the quarter, ending at \$46.6 billion (unaudited). The combined BIF and SAIF reserve ratio (fund balances as a percent of insured deposits) for all insured institutions equaled 1.33 percent on March 31, 2004, unchanged from the previous quarter.

Deposits insured by the BIF grew by \$53 billion (2 percent) during the first quarter of 2004, significantly more than the \$30 billion increase for all 2003. Sweeps of brokerage originated cash management funds accounted for roughly \$7.5 billion of the first quarter increase in BIF insured deposits. Deposits insured by the SAIF shrank by 0.4 percent (\$3.2 billion) to \$894 billion, following a fourth quarter increase of 2.8 percent.

The Bank Insurance Fund (BIF) grew by 1.1 percent (\$382 million) during the first three months of 2004, ending the quarter with a balance of \$34.2 billion (unaudited). On March 31, 2004 the BIF reserve ratio was 1.31 percent, one basis point lower than the previous quarter. Insured deposit growth attributable to brokerage account sweeps accounted for roughly 38 percent of the BIF reserve ratio's one basis point decline. Two BIF member commercial banks with assets of \$104 million failed during the first quarter. The losses to the BIF for these two failures were estimated at \$0.3 million.

The Savings Association Insurance Fund (SAIF) grew by 1.3 percent to \$12.4 billion (unaudited). The SAIF reserve ratio increased three basis points to 1.39 percent. One small SAIF member institution with assets of \$15 million failed during the first quarter. Losses to the SAIF were estimated at \$0.7 million when this institution failed.

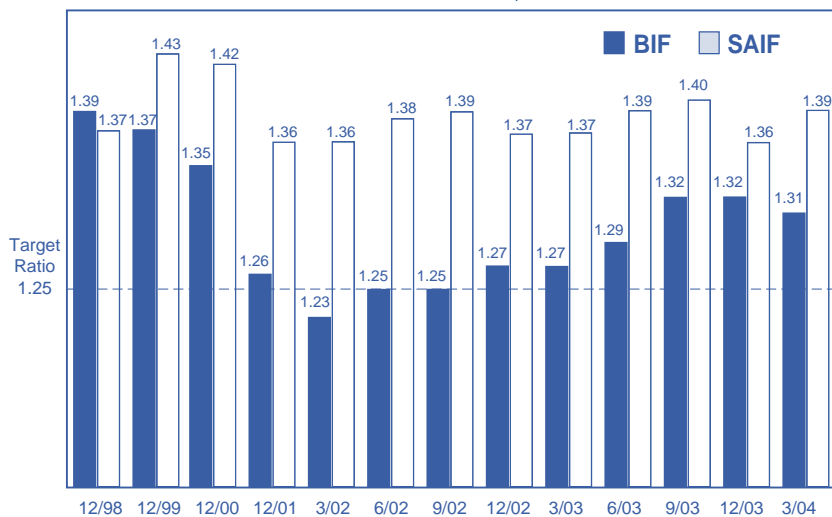
Sweeps of brokerage originated cash management funds into insured deposit accounts increased to \$97 billion, a new high. The BIF insured \$88 billion (91 percent) and the SAIF insured \$9 billion. These deposits have had the cumulative effect of reducing the BIF reserve ratio by roughly 4.6 basis points and the SAIF reserve ratio by 1.4 basis points.

Changes in Insurance Fund Balances														
<i>(dollar figures in millions)</i>	Bank Insurance Fund							Savings Association Insurance Fund						
	1st Qtr. 2004	4th Qtr. 2003	3rd Qtr. 2003	2nd Qtr. 2003	1st Qtr. 2003	4th Qtr. 2002	3rd Qtr. 2002	1st Qtr. 2004	4th Qtr. 2003	3rd Qtr. 2003	2nd Qtr. 2003	1st Qtr. 2003	4th Qtr. 2002	3rd Qtr. 2002
<b>Beginning Fund Balance</b>	\$33,782	\$33,462	\$32,800	\$32,382	\$32,050	\$31,383	\$31,187	\$12,240	\$12,186	\$12,083	\$11,906	\$11,747	\$11,586	\$11,323
Unrealized Gain (Loss) on														
Available-For-Sale Securities	175	-106	-45	38	103	-72	433	59	-37	-16	13	33	-26	147
Provision for Insurance Losses	-37	-246	-543	-133	-6	-497	447	1	10	-26	-45	-21	-70	-4
All Other Income, Net of Expenses	170	180	164	247	223	242	210	96	101	93	119	105	117	112
Total Fund Balance Change	382	320	662	418	332	667	196	154	54	103	177	159	161	263
<b>Ending Fund Balance</b>	\$34,164	\$33,782	\$33,462	\$32,800	\$32,382	\$32,050	\$31,383	\$12,394	\$12,240	\$12,186	\$12,083	\$11,906	\$11,747	\$11,586

TABLE I-B. Selected Insurance Fund Indicators\*

(dollar figures in millions)	Preliminary 1st Quarter 2004	4th Quarter 2003	1st Quarter 2003	%Change 03:1-04:1
<b>Bank Insurance Fund</b>				
Reserve ratio (%).....	1.31	1.32	1.27	3.0
Fund Balance .....	\$34,164	\$33,782	\$32,382	5.5
Estimated insured deposits .....	2,607,274	2,554,125	2,546,146	2.4
SAIF-member Oakars.....	102,523	100,898	97,574	5.1
BIF-members .....	2,504,752	2,453,227	2,448,573	2.3
Assessment base .....	4,252,092	4,140,560	3,959,658	7.4
SAIF-member Oakars.....	105,791	103,567	99,891	5.9
BIF-members .....	4,146,301	4,036,992	3,859,767	7.4
<b>Savings Association Insurance Fund</b>				
Reserve ratio (%) .....	1.39	1.36	1.37	1.1
Fund Balance .....	\$12,394	\$12,240	\$11,906	4.1
Estimated insured deposits .....	893,755	897,006	867,848	3.0
BIF-member Oakars .....	399,219	406,723	385,307	3.6
SAIF-member Sassadors .....	95,280	94,710	92,520	3.0
Other SAIF members .....	399,257	395,573	390,021	2.4
Assessment base .....	1,055,944	1,044,059	1,015,854	3.9
BIF-member Oakars .....	403,979	409,433	389,823	3.6
SAIF-member Sassadors .....	120,998	120,120	114,114	6.0
Other SAIF members .....	530,968	514,506	511,917	3.7

Insurance Fund Reserve Ratios\*  
Percent of Insured Deposits



Fund Balances and Insured Deposits\*  
(\$Millions)

	BIF Balance	BIF-Insured Deposits	SAIF Balance	SAIF-Insured Deposits
12/98	29,612	2,134,425	9,840	716,029
12/99	29,414	2,151,454	10,281	717,591
12/00	30,975	2,299,932	10,759	755,156
12/01	30,439	2,409,566	10,935	801,171
3/02	30,697	2,495,498	11,049	810,902
6/02	31,187	2,490,954	11,323	818,806
9/02	31,383	2,513,160	11,586	833,029
12/02	32,050	2,524,474	11,747	859,205
3/03	32,382	2,546,146	11,906	867,848
6/03	32,800	2,547,109	12,083	871,477
9/03	33,462	2,542,822	12,186	872,121
12/03	33,782	2,554,125	12,240	897,006
3/04	34,164	2,607,274	12,394	893,755

\* A reserve ratio is the fund balance as a percentage of estimated insured deposits. As with other Call Report items, prior periods may reflect adjustments. As a result, prior period reserve ratios may differ from previously reported values. Only year end fund balances are audited by GAO. Fund balances for the most recent period are unaudited. BIF-insured deposit totals include U.S. branches of foreign banks.

TABLE II-B. Closed/Assisted Institutions

(dollar figures in millions)	2004**	2003**	2003	2002	2001	2000	1999	1998
<b>BIF Members</b>								
Number of institutions .....	2	1	3	10	3	6	7	3
Total assets .....	\$104	\$1,052	\$1,097	\$2,508	\$54	\$378	\$1,490	\$371
<b>SAIF Members</b>								
Number of institutions .....	1	0	0	1	1	1	1	0
Total assets .....	\$15	\$0	\$0	\$50	\$2,200	\$30	\$71	\$0

\*\* Through March 31

# FDIC Quarterly Banking Profile

**TABLE III-B. Selected Indicators, By Fund Membership\***

(dollar figures in millions)	2004**	2003**	2003	2002	2001	2000	1999
<b>BIF Members</b>							
Number of institutions reporting .....	7,935	8,098	7,996	8,125	8,327	8,572	8,835
BIF-member Oakars .....	765	807	764	801	766	743	744
Other BIF-members .....	7,170	7,291	7,233	7,324	7,561	7,829	8,091
Total assets .....	\$8,138,174	\$7,464,370	\$7,897,859	\$7,335,995	\$6,857,472	\$6,510,744	\$5,980,127
Total deposits .....	5,366,041	4,949,191	5,210,288	4,854,908	4,567,604	4,337,661	3,987,336
Net income .....	28,538	25,967	106,281	92,497	76,500	73,430	73,952
Return on assets (%) .....	1.42	1.40	1.40	1.32	1.14	1.18	1.29
Return on equity (%) .....	15.50	15.25	15.22	14.32	12.91	13.86	15.11
Noncurrent assets plus OREO to assets (%) .....	0.68	0.88	0.76	0.91	0.89	0.72	0.62
Number of problem institutions .....	103	111	102	116	90	74	66
Assets of problem institutions .....	\$29,036	\$31,963	\$28,812	\$32,176	\$31,881	\$10,787	\$4,450
Number of failed/assisted institutions .....	2	1	3	10	3	6	7
Assets of failed/assisted institutions .....	\$104	\$1,052	\$1,097	\$2,508	\$54	\$378	\$1,490
<b>SAIF Members</b>							
Number of institutions reporting .....	1,181	1,216	1,186	1,229	1,287	1,332	1,387
SAIF-member Oakars .....	143	135	143	133	130	122	123
Other SAIF-members .....	1,038	1,081	1,043	1,096	1,157	1,210	1,264
Total assets .....	\$1,238,904	\$1,141,347	\$1,177,465	\$1,099,966	\$1,011,736	\$952,154	\$903,532
Total deposits .....	761,026	729,448	744,022	713,599	621,824	577,100	550,703
Net income .....	3,320	3,548	14,315	12,462	10,623	8,071	8,450
Return on assets (%) .....	1.11	1.27	1.25	1.17	1.11	0.89	0.99
Return on equity (%) .....	10.99	13.86	13.85	12.79	13.46	11.12	11.97
Noncurrent assets plus OREO to assets (%) .....	0.64	0.76	0.69	0.79	0.75	0.65	0.64
Number of problem institutions .....	11	18	14	20	24	20	13
Assets of problem institutions .....	\$836	\$2,718	\$1,105	\$6,751	\$7,923	\$13,053	\$5,524
Number of failed/assisted institutions .....	1	0	0	1	1	1	1
Assets of failed/assisted institutions .....	\$15	\$0	\$0	\$50	\$2,200	\$30	\$71

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

\*\* Through March 31, ratios annualized where appropriate.

**TABLE IV-B. Estimated FDIC-Insured Deposits by Fund Membership and Type of Institution**

(dollar figures in millions)	Number of Institutions	Total Assets	Domestic Deposits*	Estimated Insured Deposits		
				BIF	SAIF	Total
March 31, 2004						
<b>Commercial Banks and Savings Institutions</b>						
FDIC-Insured Commercial Banks .....	7,712	7,817,696	4,400,356	2,340,537	410,418	2,750,955
BIF-member .....	7,601	7,648,932	4,289,977	2,309,473	355,596	2,665,069
SAIF-member .....	111	168,763	110,379	31,065	54,822	85,886
FDIC-Supervised .....	4,810	1,429,459	1,056,235	653,512	90,304	743,816
OCC-Supervised .....	1,969	4,436,042	2,382,362	1,257,458	233,638	1,491,096
Federal Reserve-Supervised .....	933	1,952,195	961,760	429,567	86,476	516,043
FDIC-Insured Savings Institutions .....	1,404	1,559,216	946,888	265,805	483,337	749,142
OTS-Supervised Savings Institutions .....	923	1,194,450	694,455	133,953	411,972	545,926
BIF-member .....	42	195,817	94,083	65,673	12,715	78,388
SAIF-member .....	881	998,633	600,372	68,281	399,257	467,537
FDIC-Supervised State Savings Banks .....	481	364,766	252,433	131,851	71,365	203,217
BIF-member .....	292	293,409	202,724	128,674	30,907	159,581
SAIF-member .....	189	71,356	49,709	3,177	40,458	43,635
<b>Total Commercial Banks and Savings Institutions .....</b>	<b>9,116</b>	<b>9,376,912</b>	<b>5,347,244</b>	<b>2,606,342</b>	<b>893,755</b>	<b>3,500,098</b>
BIF-member .....	7,935	8,138,159	4,586,784	2,503,820	399,219	2,903,039
SAIF-member .....	1,181	1,238,753	760,460	102,523	494,536	597,059
<b>Other FDIC-Insured Institutions</b>						
U.S. Branches of Foreign Banks .....	14	9,907	4,701	932	0	932
<b>Total FDIC-Insured Institutions .....</b>	<b>9,130</b>	<b>9,386,819</b>	<b>5,351,945</b>	<b>2,607,274</b>	<b>893,755</b>	<b>3,501,030</b>

\* Excludes \$780 billion in foreign office deposits, which are uninsured.

TABLE V-B. Assessment Base Distribution and Rate Schedule

**BIF Assessment Base Distribution**  
**Assessable Deposits in Billions as of March 31, 2004**  
**Supervisory and Capital Ratings for First Semiannual Assessment Period, 2004**

Capital Group	Supervisory Risk Subgroup					
	A		B		C	
1. Well-capitalized						
Number of institutions .....	7,307	92.0%	465	5.9%	78	1.0%
Assessable deposit base .....	\$4,104	96.4%	\$119	2.9%	\$18	0.5%
2. Adequately capitalized						
Number of institutions .....	60	0.8%	9	0.1%	8	0.1%
Assessable deposit base .....	\$9	0.2%	\$1	0.0%	\$1	0.0%
3. Undercapitalized						
Number of institutions .....	2	0.0%	0	0.0%	6	0.1%
Assessable deposit base .....	\$0	0.0%	\$0	0.0%	\$0	0.0%

NOTE: "Number" reflects the number of SAIF members; "Base" reflects the SAIF-assessable deposits held by both BIF and SAIF members. Institutions are categorized based on capitalization and a supervisory subgroup rating, which is generally determined by on-site examinations.

**SAIF Assessment Base Distribution**  
**Assessable Deposits in Billions as of March 31, 2004**  
**Supervisory and Capital Ratings for First Semiannual Assessment Period, 2004**

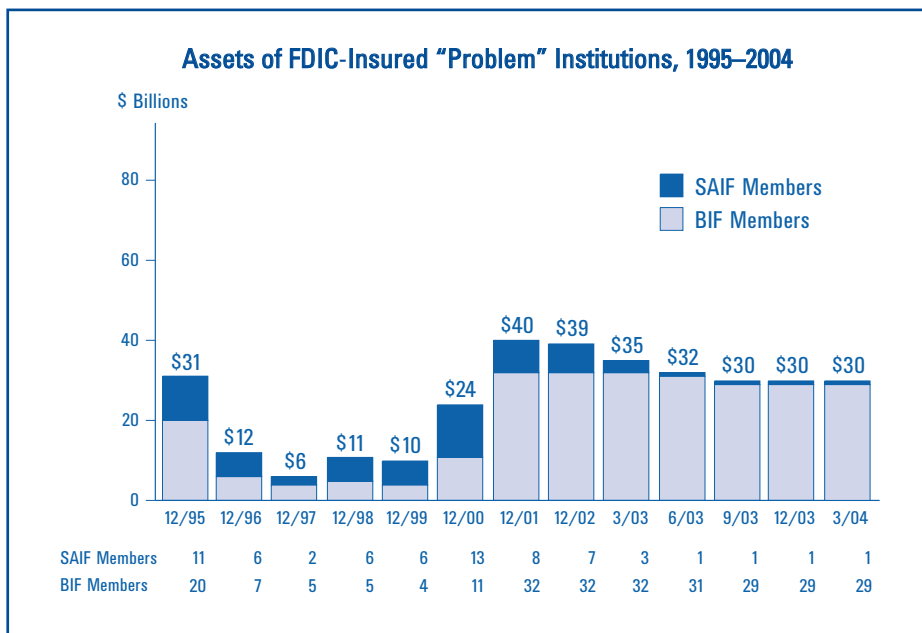
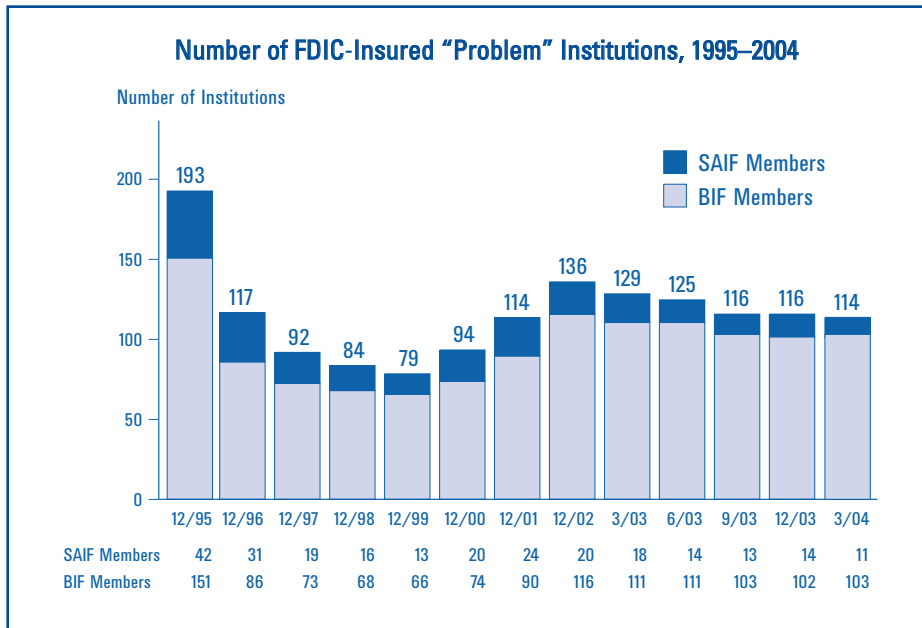
Capital Group	Supervisory Risk Subgroup					
	A		B		C	
1. Well-capitalized						
Number of institutions .....	1,097	92.9%	66	5.6%	12	1.0%
Assessable deposit base .....	\$1,030	97.5%	\$24	2.3%	\$1	0.1%
2. Adequately capitalized						
Number of institutions .....	4	0.3%	2	0.2%	0	0.0%
Assessable deposit base .....	\$1	0.1%	\$0	0.0%	\$0	0.0%
3. Undercapitalized						
Number of institutions .....	0	0.0%	0	0.0%	0	0.0%
Assessable deposit base .....	\$0	0.0%	\$0	0.0%	\$0	0.0%

NOTE: "Number" reflects the number of SAIF members; "Base" reflects the SAIF-assessable deposits held by both BIF and SAIF members. Institutions are categorized based on capitalization and a supervisory subgroup rating, which is generally determined by on-site examinations.

**Assessment Rate Schedule**  
**First Semiannual 2004 Assessment Period**  
**Cents per \$100 of Assessable Deposits**

Capital Group	Supervisory Risk Subgroup		
	A	B	C
1. Well-capitalized .....	0	3	17
2. Adequately capitalized .....	3	10	24
3. Undercapitalized .....	10	24	27

Note: Rates for the BIF and the SAIF are set separately by the FDIC. Currently, the rate schedules are identical.





## 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 V-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. 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 V-B.

A separate set of tables (Tables I-B through V-B) provides quarterly and annual data related to the bank (BIF) and savings association (SAIF) insurance funds, closed/assisted institutions, and assessments.

Summary balance-sheet and earnings data are provided for commercial banks and savings institutions according to insurance fund membership. BIF-member institutions may acquire SAIF-insured deposits, resulting in institutions with some deposits covered by both insurance funds. Also, SAIF members may acquire BIF-insured deposits. The insurance fund membership does not necessarily reflect which fund insures the largest percentage of an institution's deposits. Therefore, the BIF-member and the SAIF-member tables each include deposits from both insurance funds. Depository institutions that are not insured by the FDIC through either the BIF or SAIF 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 charter.

## DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) *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) data base.

## COMPUTATION METHODOLOGY

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*. 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.

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.

## ACCOUNTING CHANGES

**FASB Interpretation No. 45** — In November 2002, the FASB issued Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*. This interpretation clarifies that a guarantor is required to recognize, at the inception of a guarantee (financial standby letters of credit, performance standby letters of credit), a liability for the fair value of the obligation undertaken in issuing the guarantee. Banks apply the initial recognition and measurement provisions of Interpretation No. 45 on a prospective basis to guarantees issued or modified after December 31, 2002, irrespective of the bank's fiscal year end. A bank's previous accounting for guarantees issued prior to January 1, 2003, is not revised.

**FASB Interpretation No. 46** — The FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities*, in January 2003 and revised it in December 2003. Generally, banks with variable interests in variable interest entities created after December 31, 2003, must consolidate them. The timing of consolidation varies with certain situations with application as late as 2005 for public companies. The assets and liabilities of a consolidated variable interest entity are reported on a line-by-line basis according to the asset and liability categories shown on the bank's balance sheet, as well as related income items. Most small banks are unlikely to have any "variable interests" in variable interest entities.

**Goodwill and intangible assets** — FAS 141 terminates the use of pooling-of-interest accounting for business combinations after 2001 and requires purchase accounting. Under FAS 142 amortization of goodwill is eliminated. Only intangible assets other than goodwill are amortized each quarter. In addition companies are required to test for impairment of both goodwill and other intangibles once each fiscal year. The year 2002, the first fiscal year affected by this accounting change, has been designated a transitional year and the amount of initial impairments are to be recorded as extraordinary losses on a "net of tax" basis (and not as noninterest expense). Subsequent annual review of intangibles and goodwill impairment may require additional noninterest expense recognition. FASB Statement No. 147 clarifies that acquisitions of financial institutions (except transactions between two or more mutual enterprises), including branch acquisitions that meet the definition of a business combination, should be accounted for by the purchase method under FASB Statement No. 141. This accounting standard includes transition provisions that apply to unidentifiable intangible assets previously accounted for in accordance with FASB Statement No. 72. If the transaction (such as a branch acquisition) in which an unidentifiable intangible asset arose does not meet the definition of a business combination, this intangible asset is not reported as "Goodwill" on the Call Report balance sheet. Rather, this unidentifiable intangible asset is reported as "Other intangible assets," and must continue to be amortized and the amortization expense should be reported in the Call Report income statement.

**FASB Statement No. 133 Accounting for Derivative Instruments and Hedging Activities** — establishes new accounting and reporting standards. Derivatives were previously off-balance sheet items, but beginning in 2001 all banks must recognize derivatives as either assets or liabilities on the balance sheet, measured at fair value. A derivative may be specifically designated as a "fair value hedge," a "cash flow hedge," or a hedge of a foreign currency exposure. The accounting for changes in the value of a derivative (gains and losses) depends on the intended use of the derivative, its resulting designation, and the effectiveness of the hedge. Derivatives held for purposes other than trading are reported as "other assets" (positive fair values) or "other liabilities" (negative fair values). For a fair value hedge, the gain or loss is recognized in earnings and "effectively" offsets loss or gain on the hedged item attributable to the risk being hedged. Any ineffectiveness of the hedge could result

in a net gain or loss on the income statement. Accumulated net gains (losses) on cash flow hedges are recorded on the balance sheet as “accumulated other comprehensive income” and the periodic change in the accumulated net gains (losses) for cash flow hedges is reflected directly in equity as the value of the derivative changes.

Initial transition adjustments upon adoption of FAS 133 are reported as adjustments to net income in the income statement as extraordinary items. Upon implementing FAS 133, a bank may transfer any debt security categorized as held-to-maturity into the available-for-sale category or the trading category. Unrealized gains (losses) on transferred held-to-maturity debt securities on the date of initial application must be reflected as an adjustment to net income if transferred to the trading category or an adjustment to equity if transferred to the available-for-sale category.

**Subchapter S Corporations** — The Small Business Job Protection Act of 1996 changed the Internal Revenue Code to allow financial institutions to elect Subchapter S corporation status, beginning in 1997. 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. Its taxable income flows through to its shareholders in proportion to their stock ownership, and the shareholders generally pay federal income taxes on their share of this taxable income. This can have the effect of reducing institutions’ reported taxes and increasing their after-tax earnings.

The election of Subchapter S status may result in an increase in shareholders’ personal tax liability. Therefore, some S corporations may increase the amount of earnings distributed as dividends to compensate for higher personal taxes.

**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, 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 distribution** — assessable deposits consist of BIF and SAIF deposits in banks’ domestic offices with certain adjustments. Each institution’s assessment depends on its assigned risk-based capital category and supervisory risk subgroup:

(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.

For purpose of BIF and SAIF assessments, risk-based assessment rules combine the three lowest capital rating categories into a single “undercapitalized” group. Supervisory risk subgroup assignments are based on supervisory ratings. Generally, the strongest institutions (those rated 1 or 2) are in subgroup A, those rated 3 are in subgroup B, and those rated 4 or 5 are in subgroup C.

**Assets securitized and sold** — total outstanding principal balance of assets sold and securitized with servicing retained or other seller-provided credit enhancements.

**BIF-insured deposits (estimated)** — the portion of estimated insured

deposits that is insured by the BIF. For SAIF-member “Oakar” institutions, it represents the adjusted attributable amount acquired from BIF members.

**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.

**Derivatives (notional amount)** — represents the sum of the following: interest-rate contracts (defined as the “notional” value of interest-rate swap, futures, forward and option contracts), foreign-exchange-rate contracts, commodity contracts and equity contracts (defined similarly to interest-rate contracts).

**Futures and forward contracts** — a contract 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** — a contract 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** — an obligation 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.

**Domestic deposits to total assets** — total domestic office deposits as a percent of total assets on a consolidated basis.

**Earning assets** — all loans and other investments that earn interest or dividend income.

**Efficiency Ratio** — Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income. This ratio measures the proportion of net operating revenues that are absorbed by overhead expenses, so that a lower value indicates greater efficiency.

**Estimated insured deposits** — in general, insured deposits are total domestic deposits minus estimated uninsured deposits. While the uninsured estimate is calculated as the sum of the excess amounts in accounts over \$100,000, beginning June 30, 2000 the amount of estimated uninsured deposits was adjusted to consider a financial institution’s better estimate. Since March 31, 2002, all institutions provide a reasonable estimate of uninsured deposits from their systems and records.

**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 some insurance funds in

order to continue operating.

**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.

**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.

**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 nonaccrual status.

**Noncurrent loans & leases** — the sum of loans and leases 90 days or more past due, and loans and leases in nonaccrual status.

**Number of institutions reporting** — the number of institutions that actually filed a financial report.

**Other borrowed funds** — federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.

**Other real estate owned** — primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that file a Thrift Financial Report (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances.

**Percent of institutions with earnings gains** — the percent of institutions that increased their net income (or decreased their losses) compared to the same period a year earlier.

**“Problem” institutions** — federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. “Problem” institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a “4” or “5”. For all BIF-member institutions, and for all SAIF-member institutions for which the FDIC is the primary federal regulator, FDIC composite ratings are used. For all SAIF-member institutions whose primary feder-

al regulator is the OTS, the OTS composite rating is used.

**Reserves for losses** — the allowance for loan and lease losses on a consolidated basis. Between March 31, 2001 and March 31, 2003 reserves for losses did not include the allocated transfer risk reserve, which was netted from loans and leases.

**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** — net income (including gains or losses on securities and extraordinary items) as a percentage of average total assets. The basic yardstick of bank profitability.

**Return on equity** — net income (including gains or losses on securities and extraordinary items) as a percentage of average total equity capital.

**Risk-weighted assets** — assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 100 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

**SAIF-insured deposits (estimated)** — the portion of estimated insured deposits that is insured by the SAIF. For BIF-member “Oakar” institutions, it represents the adjusted attributable amount acquired from SAIF members.

**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.

**Troubled real estate asset rate** — noncurrent real estate loans plus other real estate owned as a percent of total real estate loans and other real estate owned.

**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.

**Volatile liabilities** — the sum of large-denomination time deposits, foreign-office deposits, federal funds purchased, securities sold under agreements to repurchase, and other borrowings.

**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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