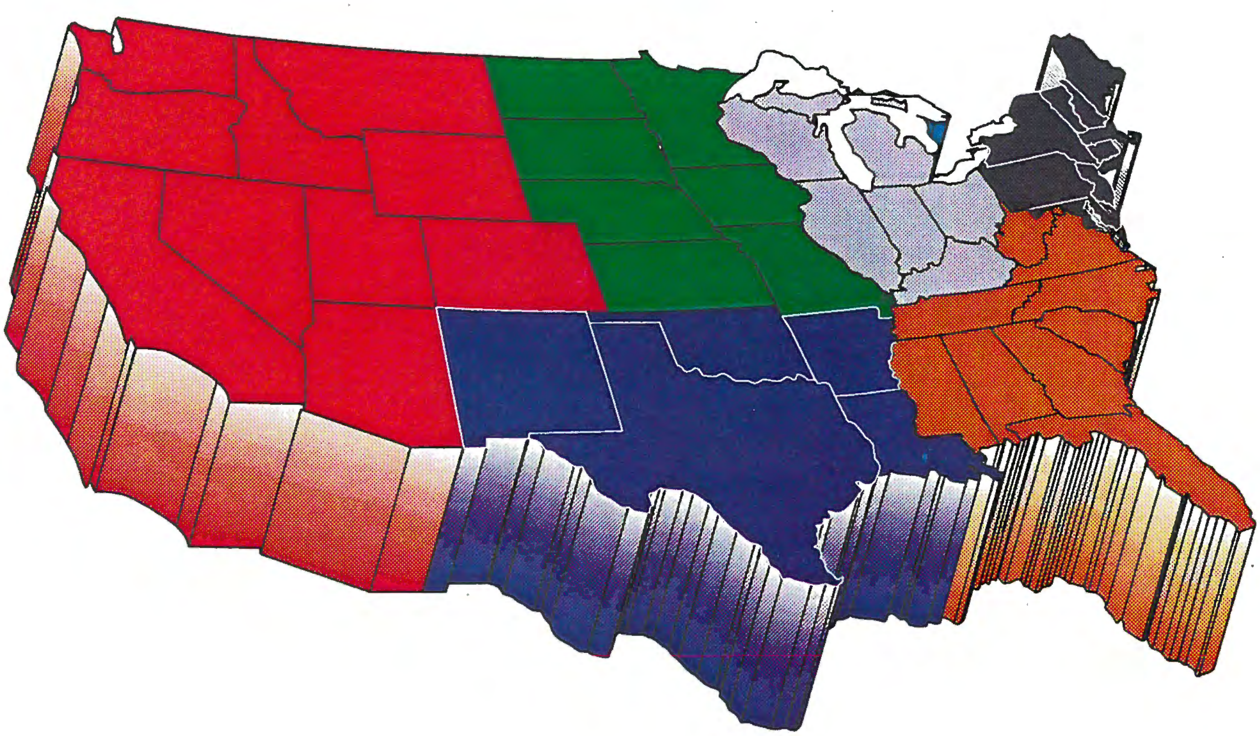
The FDIC Quarterly Banking Profile

Ricki Helfer, Chairman

GRAPH BOOK



Third Quarter 1996

Prepared by:
FDIC Division of Research and Statistics

The Graph Book is now available on the Internet:
WWW.FDIC.GOV

THIRD-QUARTER HIGHLIGHTS

- ***Bank Earnings Surpass $13 Billion***
  Insured commercial banks reported $13.2 billion in net income for the third quarter. This is the third-highest quarterly earnings total ever reported. The average annualized return on assets (ROA) was 1.19 percent for the quarter. More than 95 percent of all commercial banks were profitable, and almost 60 percent reported higher earnings than a year earlier. For the first nine months of 1996, industry earnings totaled $38.6 billion, an increase of 4.8 percent from the same period of 1995. The average annualized ROA for the first three quarters was 1.19 percent, the same as in the first three quarters of 1995.

- ***Banks Contribute $1 Billion to Capitalize Savings Association Insurance Fund***
  A special assessment was levied against SAIF-assessable deposits in the third quarter to enable the SAIF to become fully capitalized. Fewer than 830 commercial banks have any SAIF deposits, but together they account for more than one-fourth of all SAIF deposits. Their share of the special assessment totaled approximately $1 billion, and reduced their after-tax earnings by around $650 million.

- ***Dividends Rise Sharply to Support Stock Buy-Back Programs***
  Banks paid $10.7 billion in dividends in the third quarter, a 54-percent increase from the third quarter of 1995. During the quarter, 827 banks paid more in dividends than they earned, with the difference coming out of equity capital. The conversion of equity into dividends at these banks totaled $3.5 billion. Much of the increased dividends went to bank holding companies that have announced stock buy-back programs.

- ***Asset-Quality Indicators Remain Mostly Favorable***
  The percentage of banks' loans that were noncurrent fell to 1.11 percent at the end of September. This is the lowest percentage reported in the fifteen years that banks have been reporting noncurrent loan data. In general, asset-quality improvement was evident in commercial loan categories, while some deterioration occurred in consumer loan categories. Net loan charge-offs of $3.8 billion were $574 million higher than a year ago. Almost two-thirds of all loans charged-off in the quarter were credit-card loans.

- ***SAIF Assessment Leads to Net Loss For Thrift Industry***
  Insured savings institutions reported an aggregate net loss for the third quarter of $55 million. The loss was caused by a $3.5-billion special assessment paid by 1,621 savings institutions with $511 billion in SAIF deposits. This assessment reduced thrifts' after-tax earnings by about $2.2 billion. Almost two-thirds of all savings institutions reported net losses for the quarter. Of the 340 savings institutions with no SAIF deposits, less than 5 percent were unprofitable. Apart from the special assessment, the industry's underlying profitability was only slightly below the record level of the previous quarter.

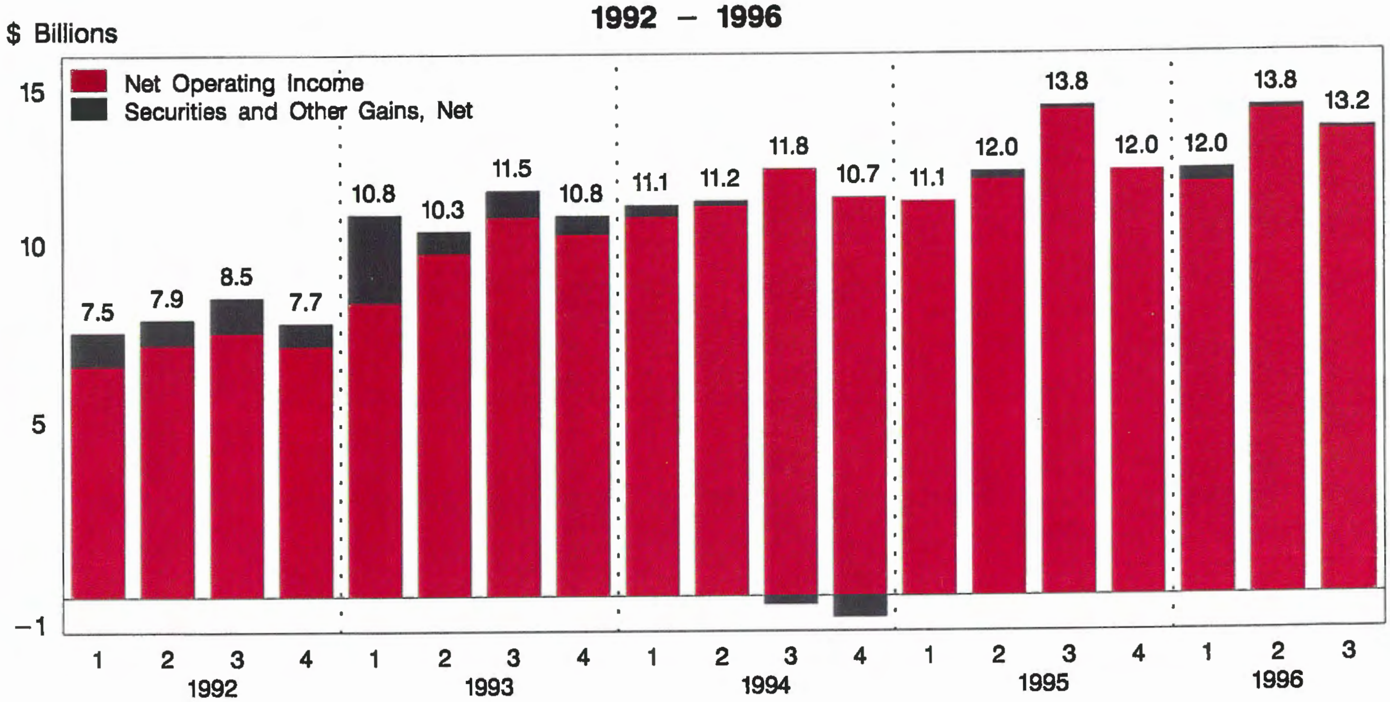
- ***Special Assessment Brings The SAIF to Full Capitalization***
  The Deposit Insurance Funds Act of 1996 included a one-time special assessment on SAIF deposits that raised $4.5 billion and brought the SAIF reserve ratio to the statutory mandate of 1.25 percent of insured deposits, as of October 1. The legislation also spread the cost of interest payments on FICO bonds to all insured institutions. Effective January 1, 1997, deposit insurance premiums for SAIF members will be lowered substantially, to the levels now in effect for BIF members.

The FDIC Quarterly Banking Profile

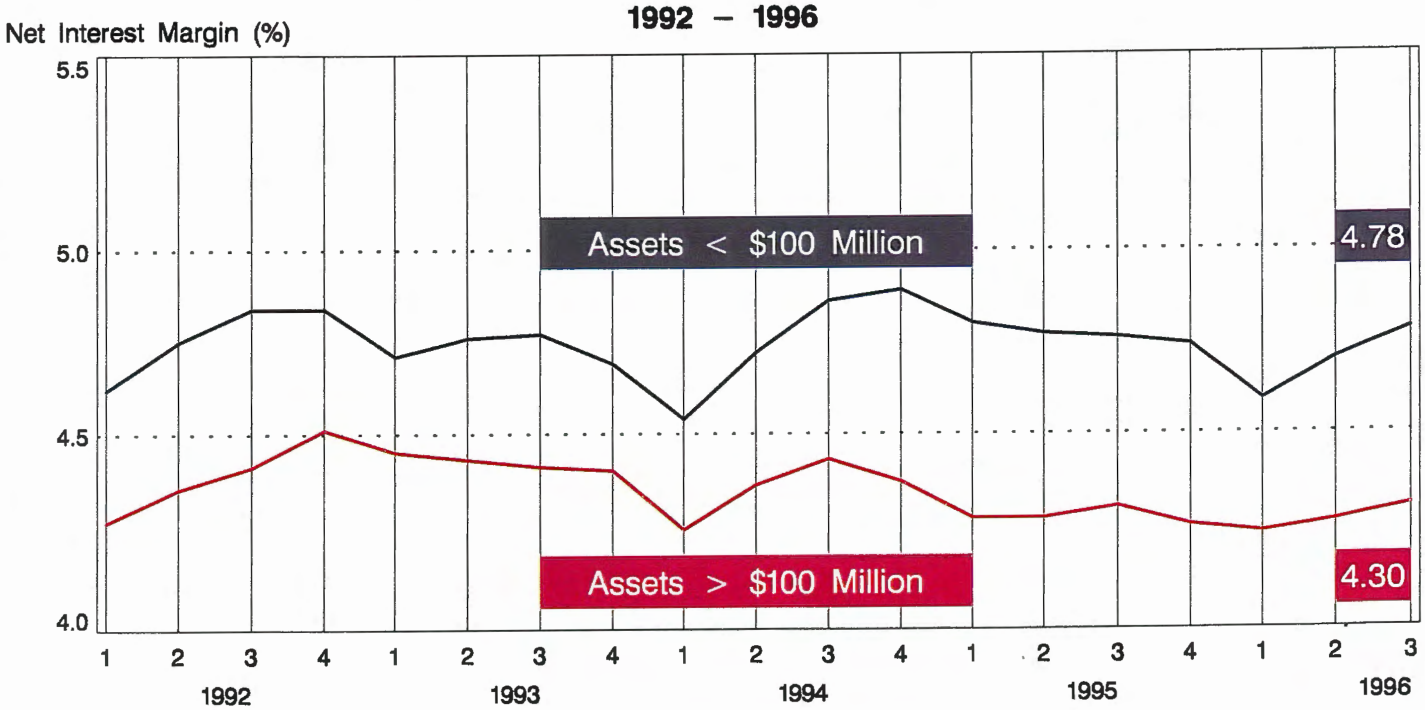
Ricki Helfer, Chairman

FDIC - Insured Commercial Banks

Quarterly Net Income
1992 – 1996

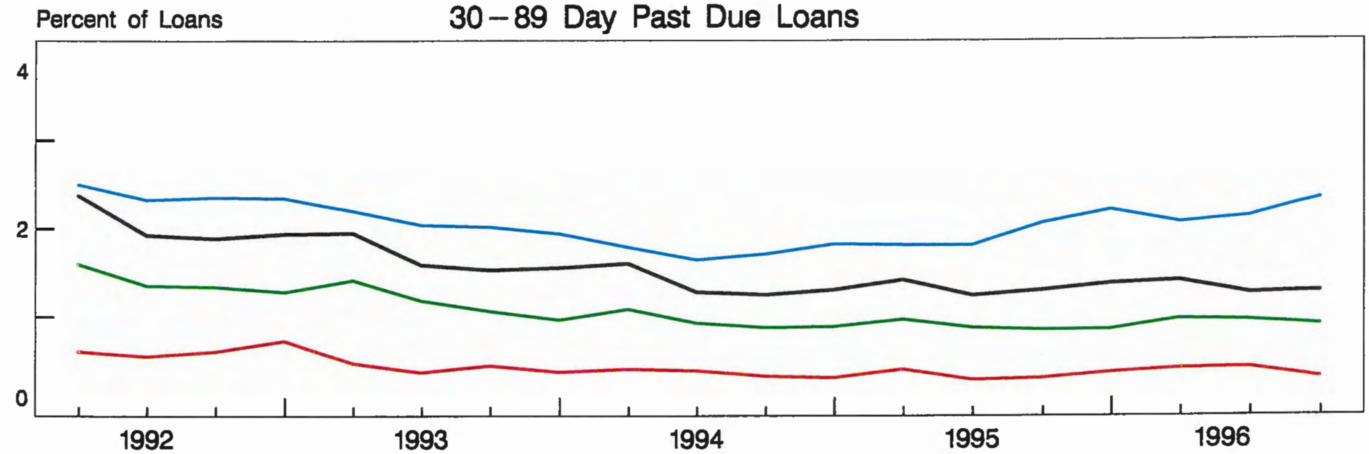


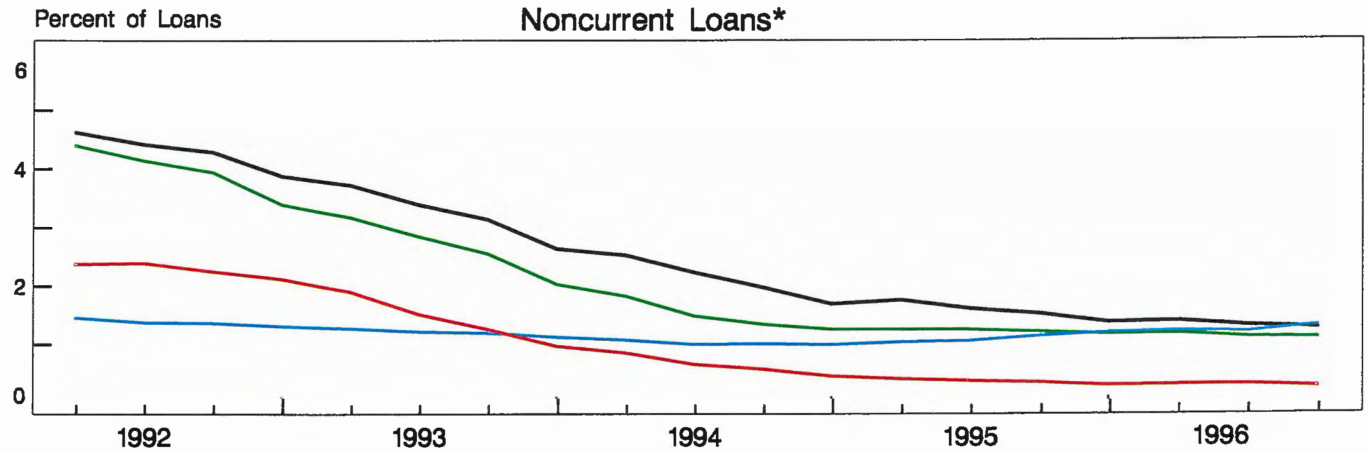
Quarterly Net Interest Margins, Annualized
1992 – 1996

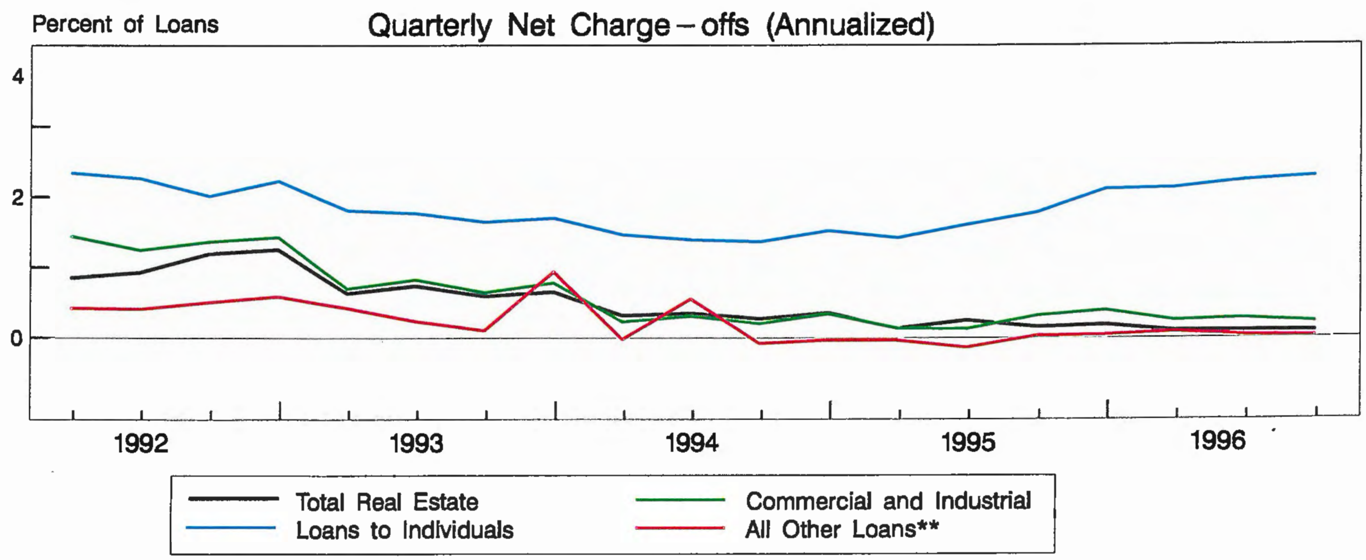


Loan Quality

1992 – 1996



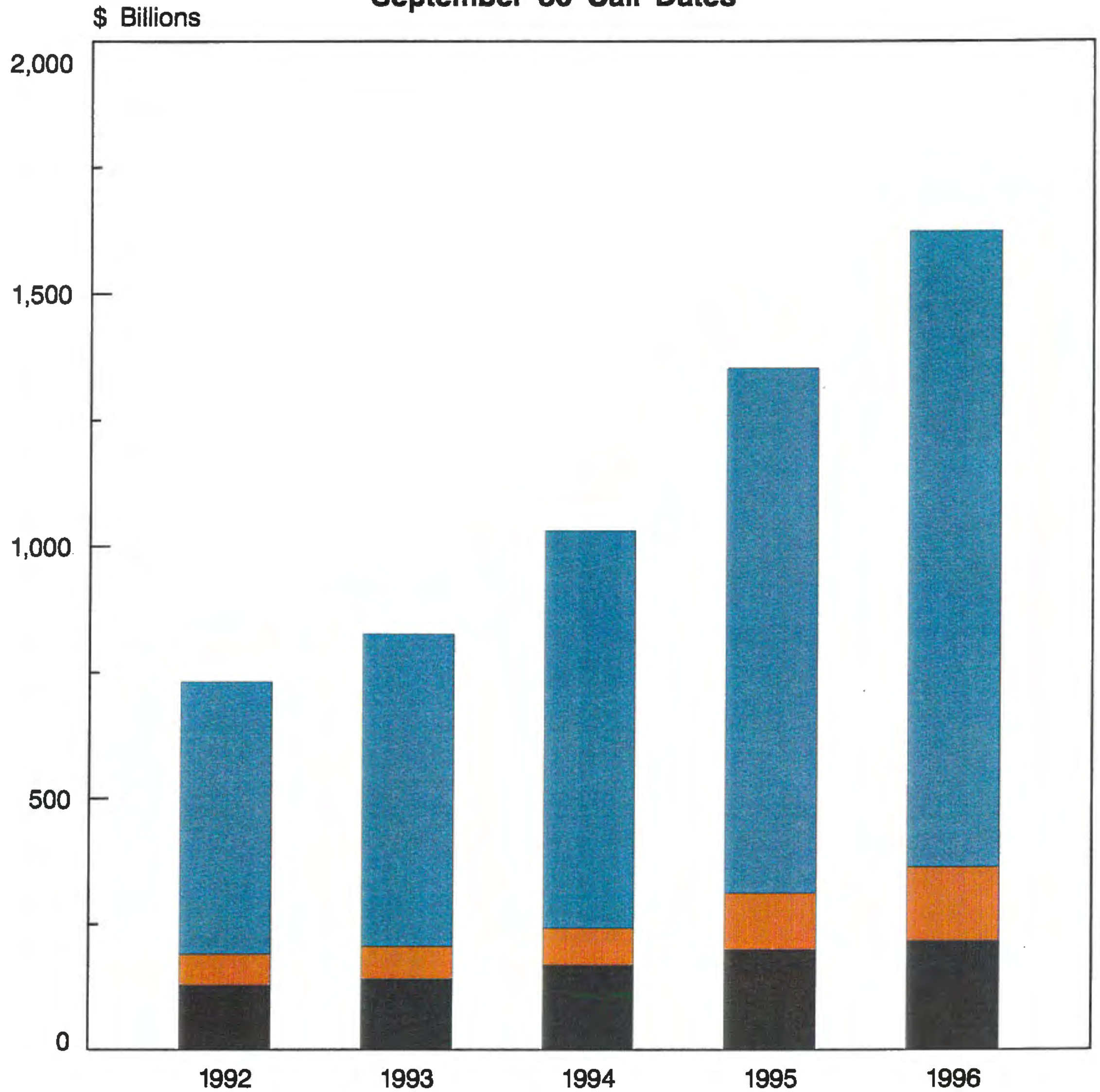




*Loans past due 90 or more days or in nonaccrual status.
**Includes loans to foreign governments, depository institutions and lease receivables.

Expansion of Credit Card Lines, 1992 – 1996

September 30 Call Dates*



Loans outstanding ($ Billions)

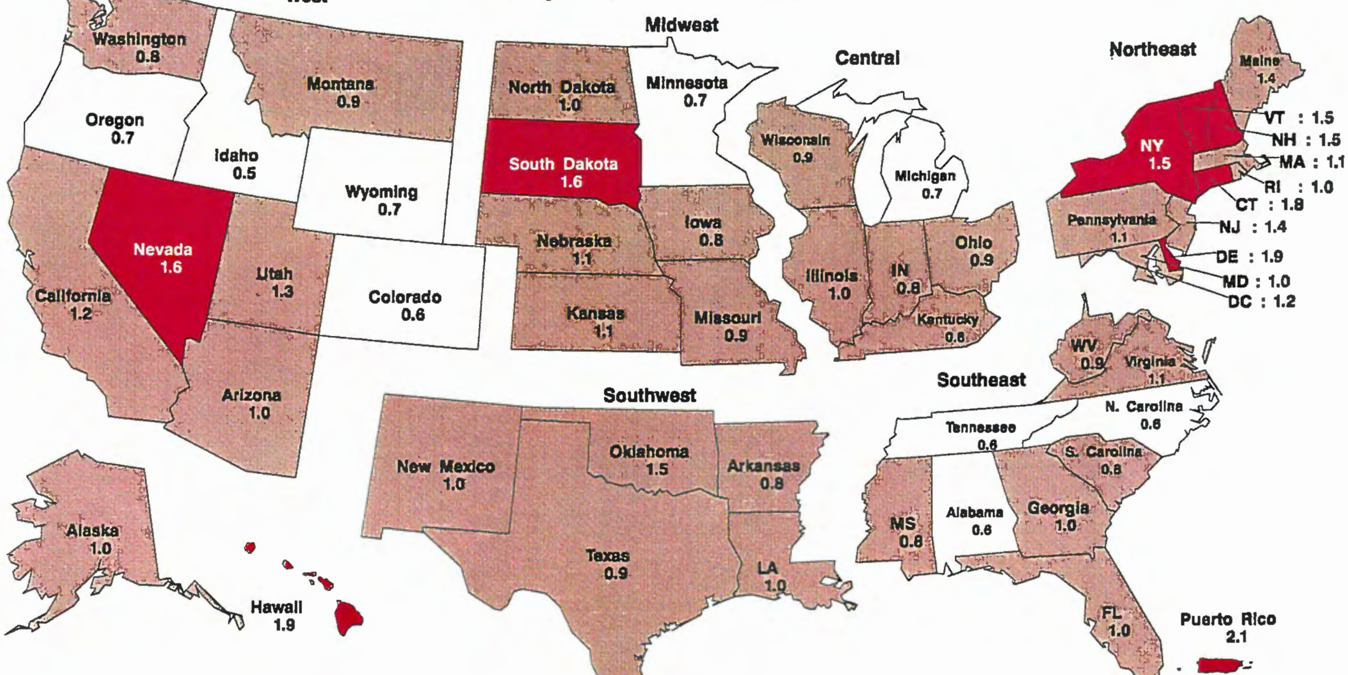
	1992	1993	1994	1995	1996
Held on–balance–sheet	129.7	141.9	169.8	200.6	217.6
Securitized & sold **	60.5	64.1	72.7	111.5	145.7
Unused commitments **	541.4	620.9	789.2	1,041.4	1,261.5
Total	731.7	827.0	1,031.7	1,353.4	1,624.8

* Prior to 1996, credit card loans securitized and sold without recourse were reported only on the September 30 Call Report.

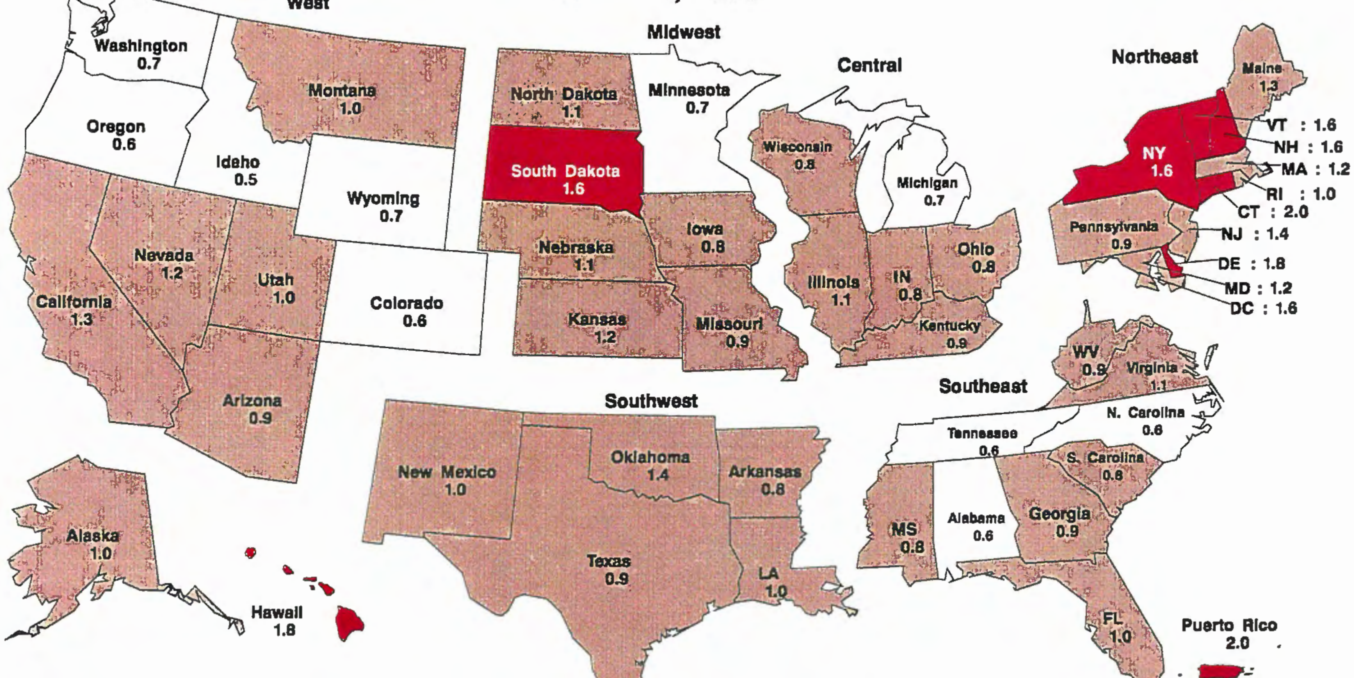
** Off–balance–sheet

Noncurrent Loan Rates*

September 30, 1996



June 30, 1996

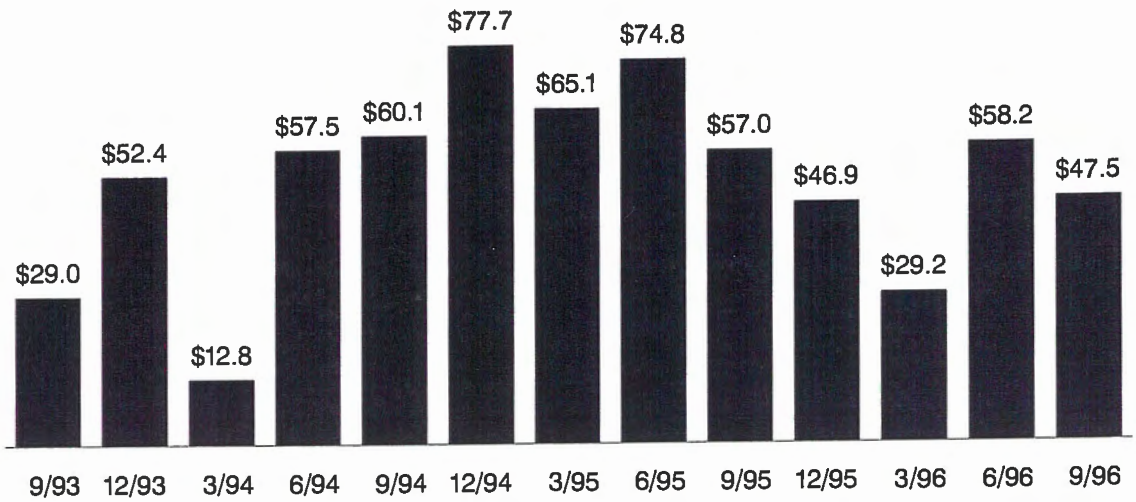


- Greater than 1.5%
- Between .75% and 1.5%
- Less than .75%

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

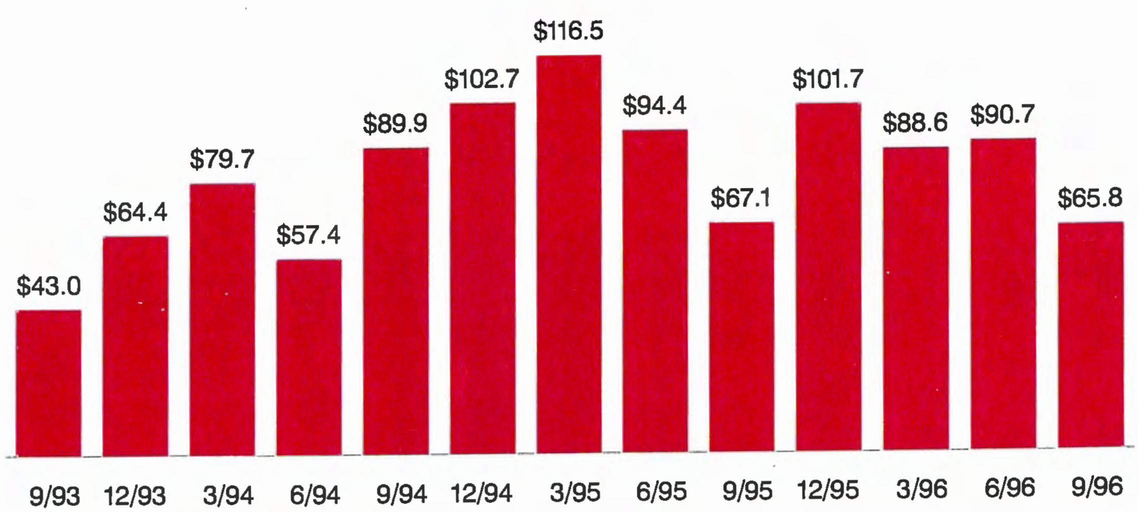
Growth in Credit Available to Businesses and Consumers

Quarterly Increase in Loans Outstanding ($ Billions)



In the third quarter of 1996, commercial and industrial loans increased by $13.3 billion, real estate loans increased by $12.4 billion and loans to individuals increased by $11.3 billion.

Quarterly Increase in Unused Loan Commitments ($ Billions)

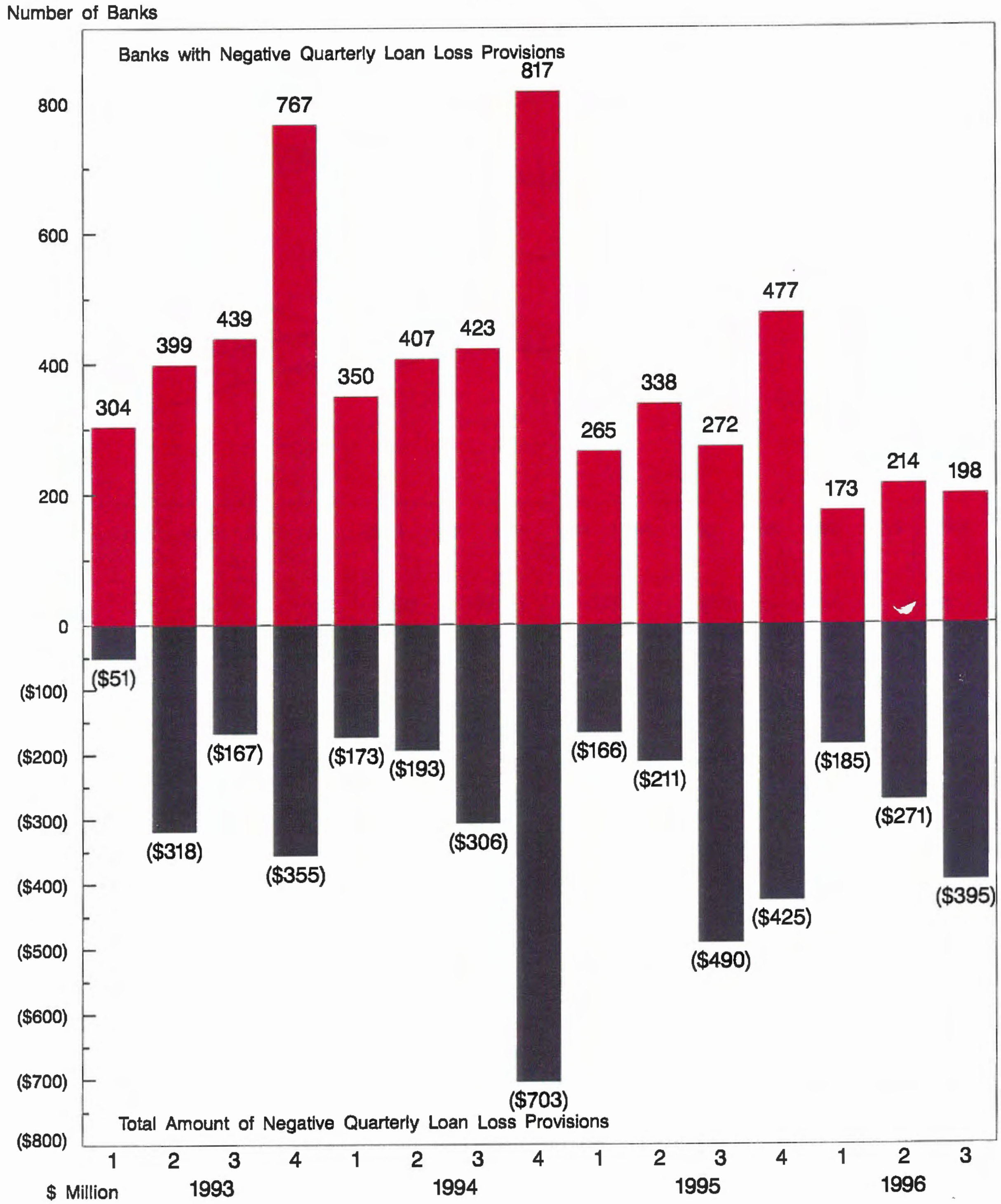


In the third quarter of 1996, unused credit card commitments increased by $40.1 billion and unused commitments for loans to businesses increased by $20.1 billion.

Converting Reserves Back Into Income

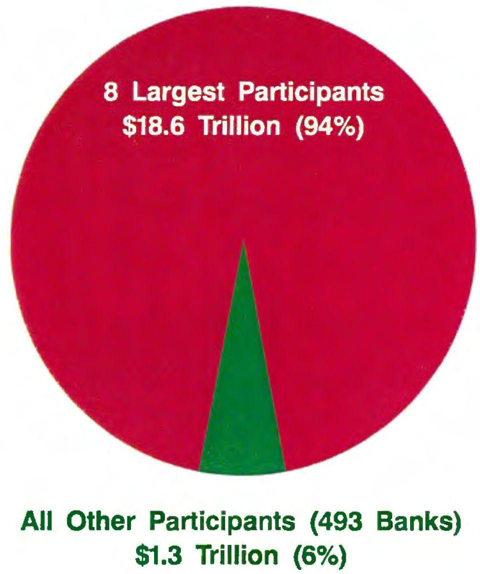
Banks Reporting Negative Loan Loss Provisions

1993 – 1996



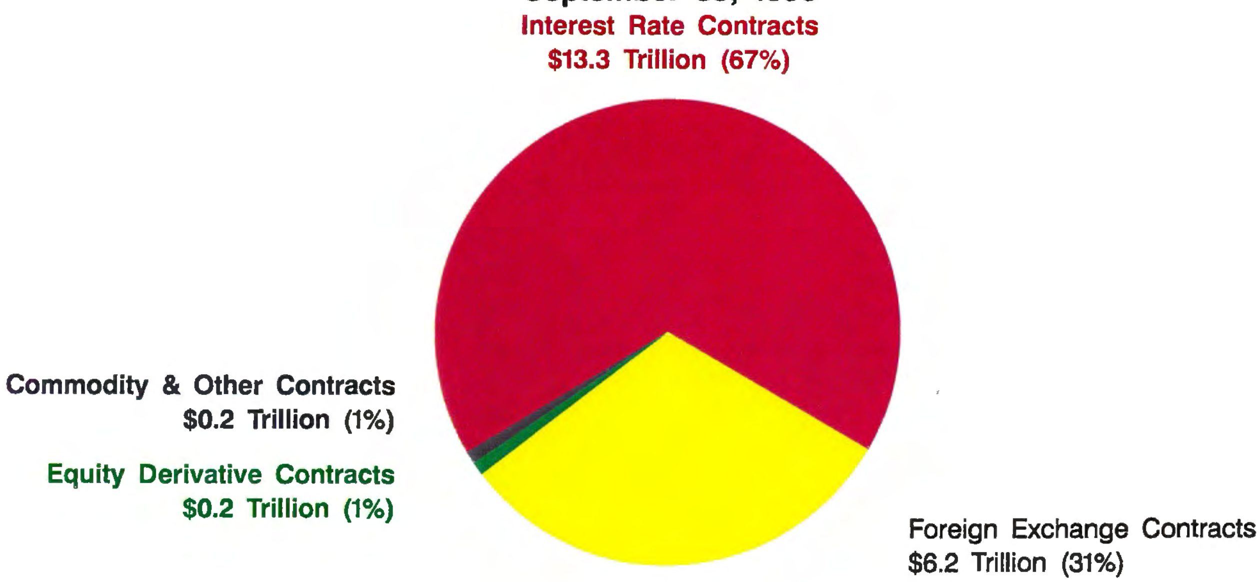
Concentration of Off – Balance – Sheet Derivatives*

Notional Amounts
September 30, 1996



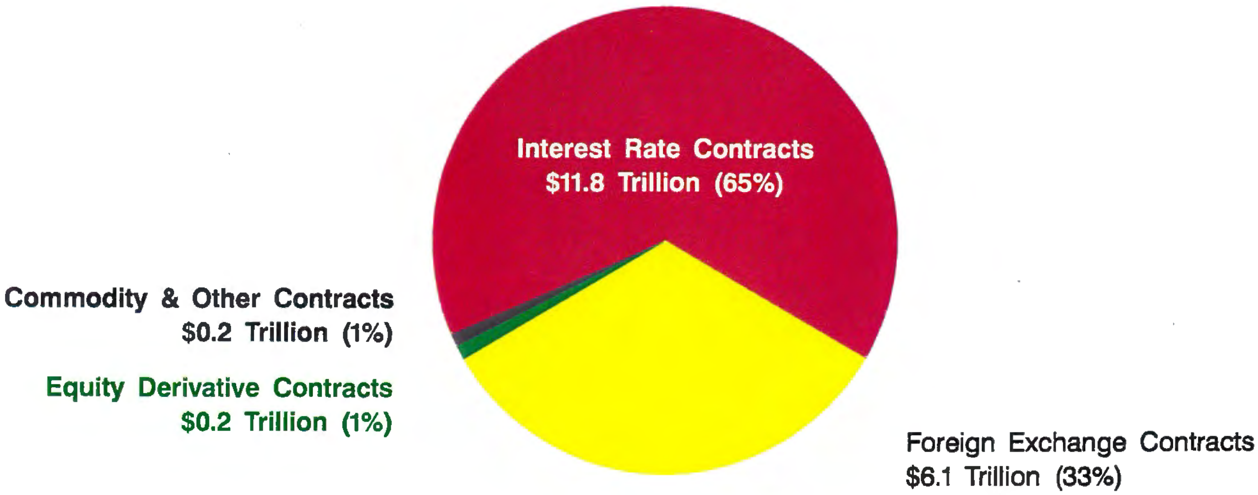
Composition of Off – Balance – Sheet Derivatives*

Notional Amounts
September 30, 1996

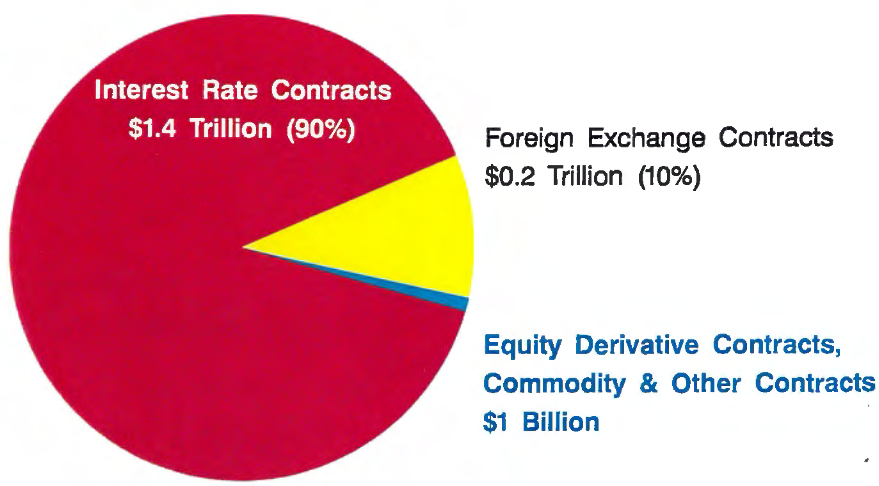


*Amounts do not represent either the net market position or the credit exposure of banks' off – balance – sheet derivative activities. They represent the gross value of all contracts written. Spot foreign exchange contracts of $536 billion for the eight largest participants and $31 billion for all others are not included.

Purpose of Off–Balance–Sheet Derivatives*
Held for Trading
Notional Amounts
September 30, 1996



Not Held for Trading
Notional Amounts
September 30, 1996



* Notional amounts do not represent either the net market position or the credit exposure of banks' off–balance–sheet derivative activities: They represent the gross value of all contracts written. Spot foreign exchange contracts of $567 billion are not included.

Positions of Off–Balance–Sheet Derivatives
Gross Fair Values
September 30, 1996
($ Millions)

Held for Trading

131 Banks Held Derivative Contracts for Trading
(Marked to Market)

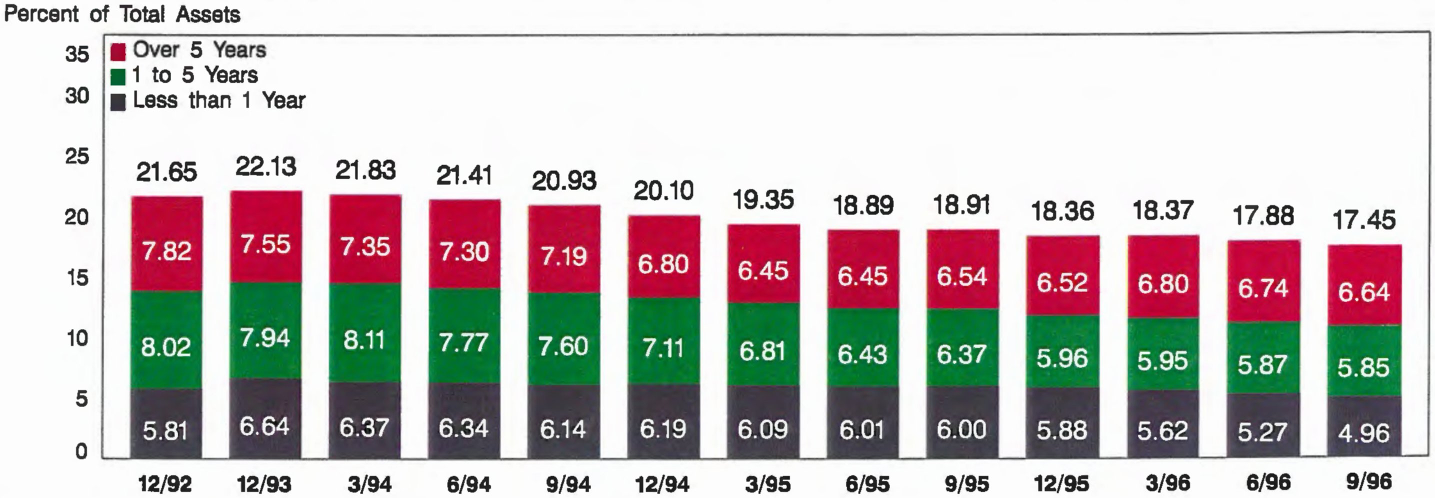
	Interest Rate	Foreign Exchange	Equity Derivatives	Commodity & Other	Total	Net
Eight Largest Participants						**191**
Gross positive fair value	108,103	79,086	6,858	6,531	200,579	
Gross negative fair value	104,278	82,830	6,673	6,607	200,387	
All other participants						**314**
Gross positive fair value	1,341	2,178	5	63	3,587	
Gross negative fair value	1,218	1,993	0	62	3,273	
Total						**505**
Gross positive fair value	109,444	81,264	6,863	6,594	204,165	
Gross negative fair value	105,496	84,822	6,673	6,669	203,660	

Held for Purposes Other than Trading

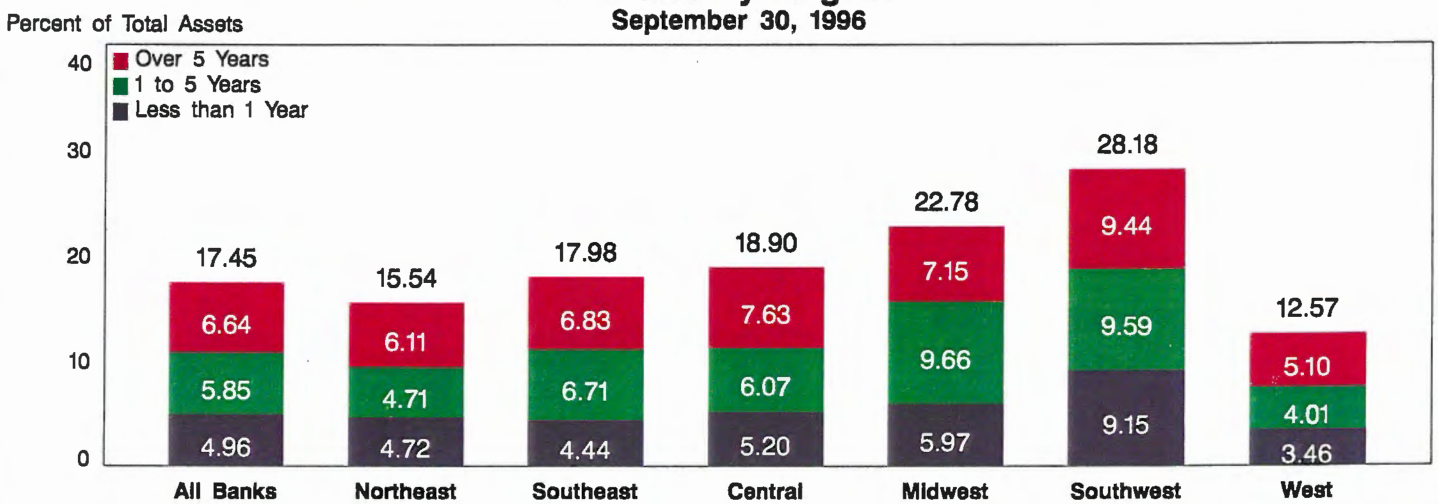
476 Banks Held Derivative Contracts for Purposes Other than Trading

	Interest Rate	Foreign Exchange	Equity Derivatives	Commodity & Other	Total	Net
Marked to Market						**(104)**
Gross positive fair value	452	100	0	2	554	
Gross negative fair value	563	95	0	0	658	
Not Marked to Market						**(444)**
Gross positive fair value	7,366	322	10	25	7,723	
Gross negative fair value	7,790	267	3	108	8,167	
Total						**(548)**
Gross positive fair value	7,818	422	10	28	8,277	
Gross negative fair value	8,353	361	3	108	8,825	

Debt Securities by Maturity or Repricing Frequency . . .



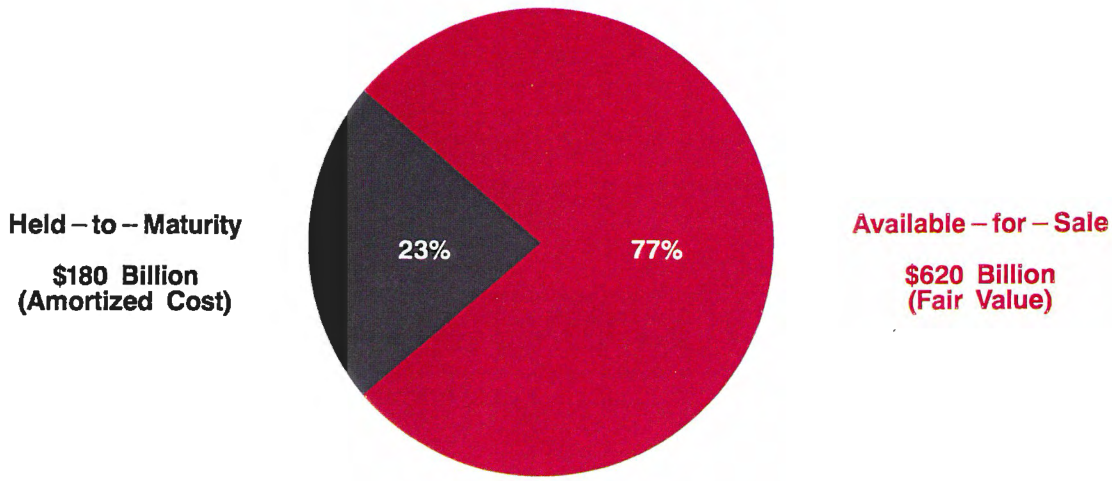
. . . and by Region
September 30, 1996



Total Securities (Debt and Equity)
($ Billions)

	9/94	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
U.S. Government Obligations:	$352	$342	$342	$334	$333	$324	$317	$316	$311
U.S. Treasury	259	244	238	220	214	198	194	191	184
U.S. Agencies	93	98	103	114	120	126	122	125	127
Mortgage Pass-through Securities	187	187	183	183	196	202	212	216	215
Collateralized Mortgage Obligations	144	140	137	137	133	127	124	117	113
State, County, Municipal Obligations	78	77	76	75	74	74	74	74	74
Other Debt Securities	61	61	60	60	64	66	66	65	67
Equity Securities	15	16	16	17	18	19	19	19	20
Total Securities	$837	$823	$813	$806	$819	$811	$812	$806	$800
Memoranda									
Fair Value of High-risk Mortgage Securities	NA	NA	3	3	3	3	3	2	2
Fair Value of Structured Notes	NA	NA	21	22	21	18	16	13	11

Total Securities*
September 30, 1996



Total Securities*
September 30, 1996
($ Millions)

	Held – to – Maturity		Available – for – Sale			
	Amortized Cost	Fair Value to Amortized Cost (%)	Fair Value	Fair Value to Amortized Cost (%)	Total Securities	Fair Value to Amortized Cost (%)
U.S. Government Obligations						
U.S. Treasury	$33,258	99.9	$151,112	99.6	$184,370	99.7
U.S. Agencies	37,280	99.1	89,789	99.2	127,069	99.2
Mortgage Pass – through Securities	39,988	99.2	174,853	99.2	214,840	99.2
Collateralized Mortgage Obligations	24,973	99.3	87,686	98.8	112,660	98.9
State, County, Municipal Obligations	37,604	101.7	36,095	102.0	73,699	101.9
Other Debt Securities	6,925	94.8	59,647	103.3	66,572	102.6
Equity Securities	**	**	20,465	108.5	20,465	108.5
Total Securities	$180,028	99.7	$619,647	99.9	$799,675	99.9
Memoranda***						
High – risk Mortgage Securities	2,276		2,214			97.3
Structured Notes	11,439		11,234			98.2

* Excludes trading account assets.
** Equity Securities are classified as 'Available – for – Sale'.
*** High risk securities and structured notes are included in the 'Held – to – Maturity' or 'Available – for – Sale' accounts.

Mutual Fund and Annuity Sales*

1995 – 1996

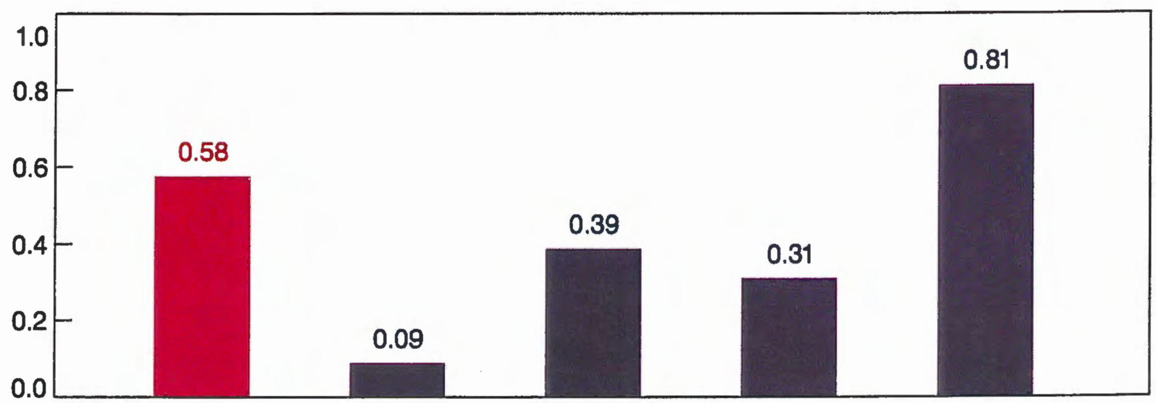
Quarterly Sales ($ Millions)	9/95	12/95	3/96	6/96	9/96
Money Market Funds	$174,475	$199,231	$211,968	$206,860	$221,716
Debt Securities Funds	3,022	3,531	3,693	3,323	3,131
Equity Securities	5,340	5,970	7,529	8,085	7,279
Other Mutual Funds	1,092	1,229	1,583	1,491	1,445
Annuities	2,231	2,198	2,660	3,723	3,356
Proprietary Mutual Fund and Annuity Sales included above	167,204	187,445	199,843	194,763	210,311

* Domestic office sales of proprietary, private label and third–party funds and annuities. Does not reflect redemptions.

Fee Income from Sales and Service of Mutual Funds and Annuities

1996 YTD

Percent of Gross Operating Income**

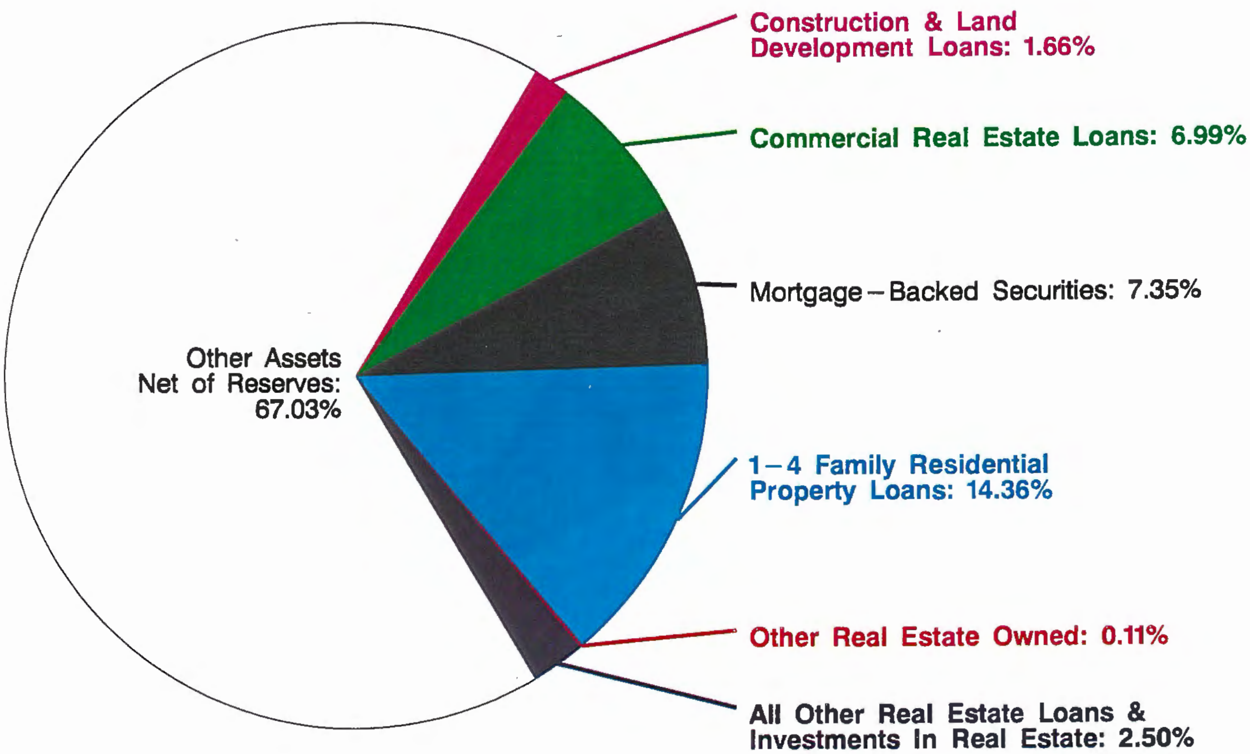


($ Millions)	All Banks	Under $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Over $10 Billion
Mutual Fund and Annuity Fee Income	**$1,729**	**$16**	**$176**	**$237**	**$1,300**
Gross Operating Income	**$300,504**	**$18,282**	**$45,578**	**$76,609**	**$160,035**
Number of Banks Reporting These Fees	**2,159**	**766**	**1,115**	**215**	**63**
Percent of Banks Reporting These Fees	**22.5%**	**12.1%**	**39.1%**	**65.2%**	**92.6%**

**Gross operating income is the total of interest income and noninterest income.

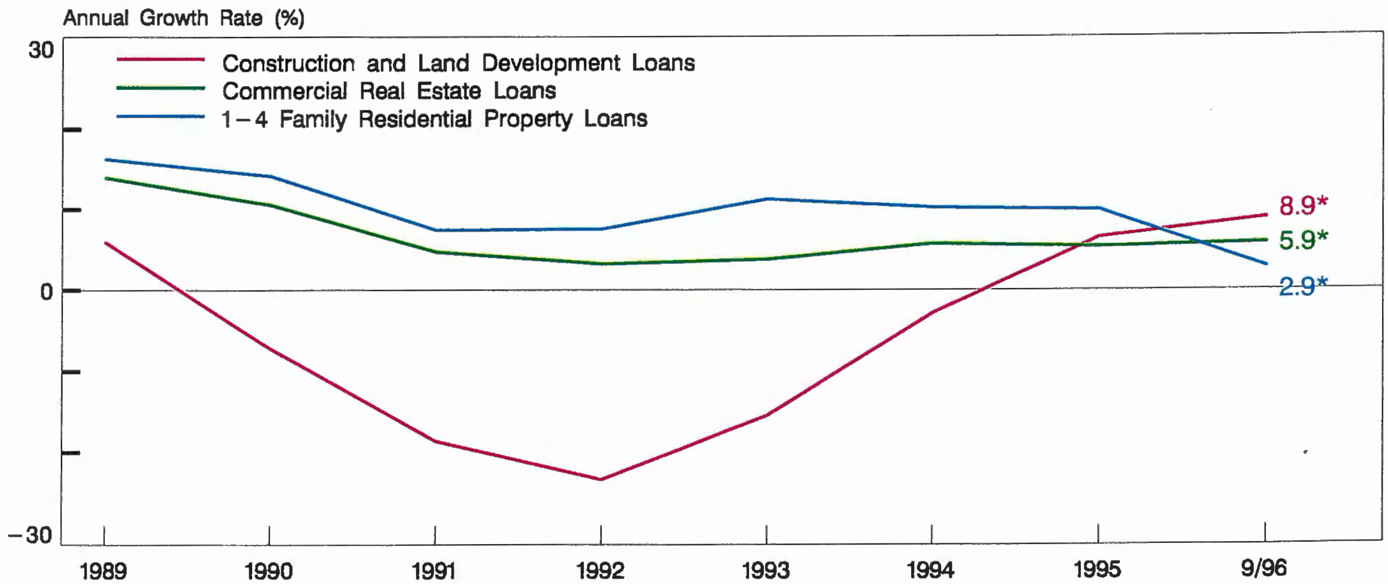
Real Estate Assets as a Percent of Total Assets

September 30, 1996



Real Estate Loan Growth Rates

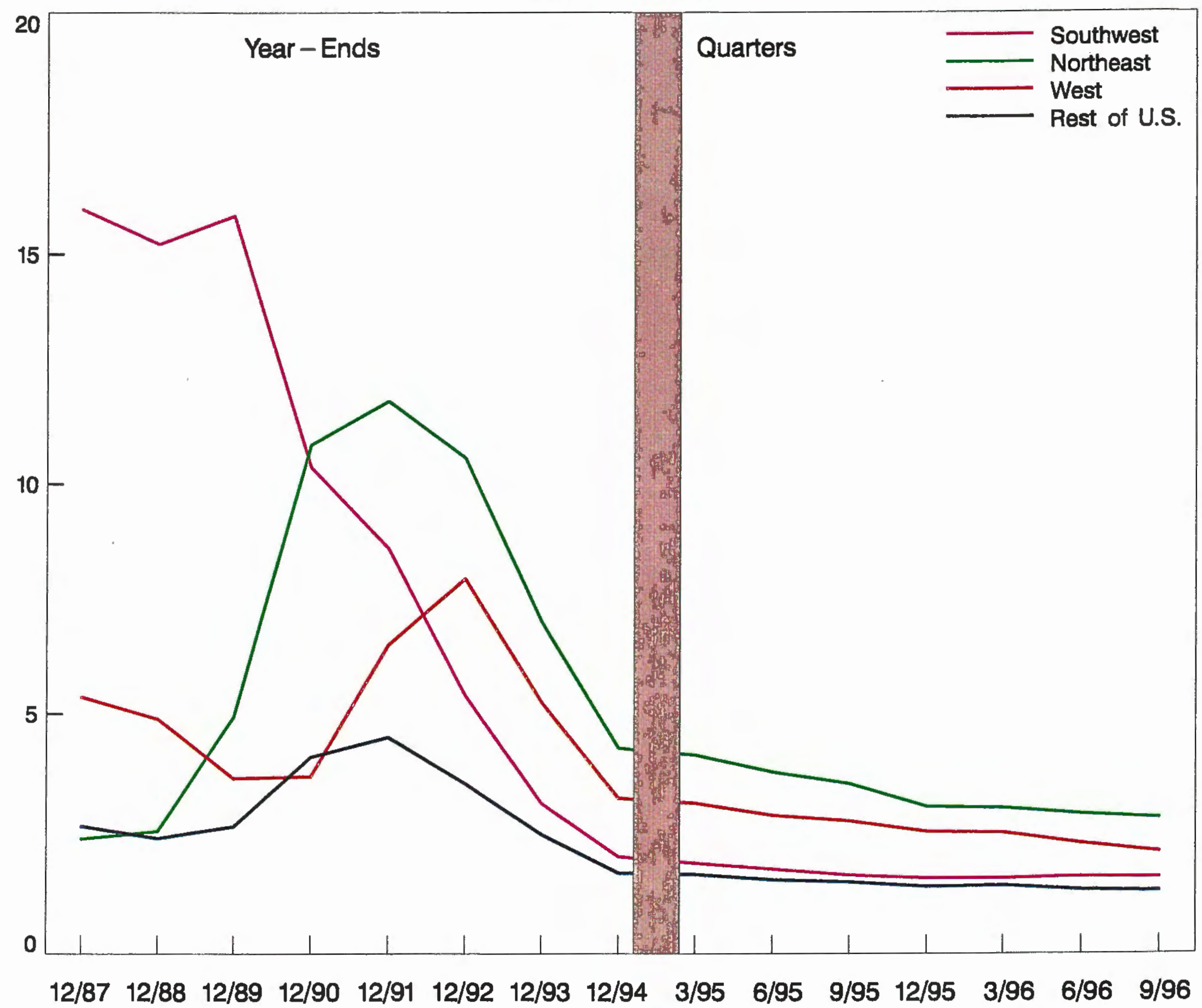
1989 – 1996



* Growth rate for most recent twelve-month period.

Troubled Real Estate Asset Rates*

1987 – 1996

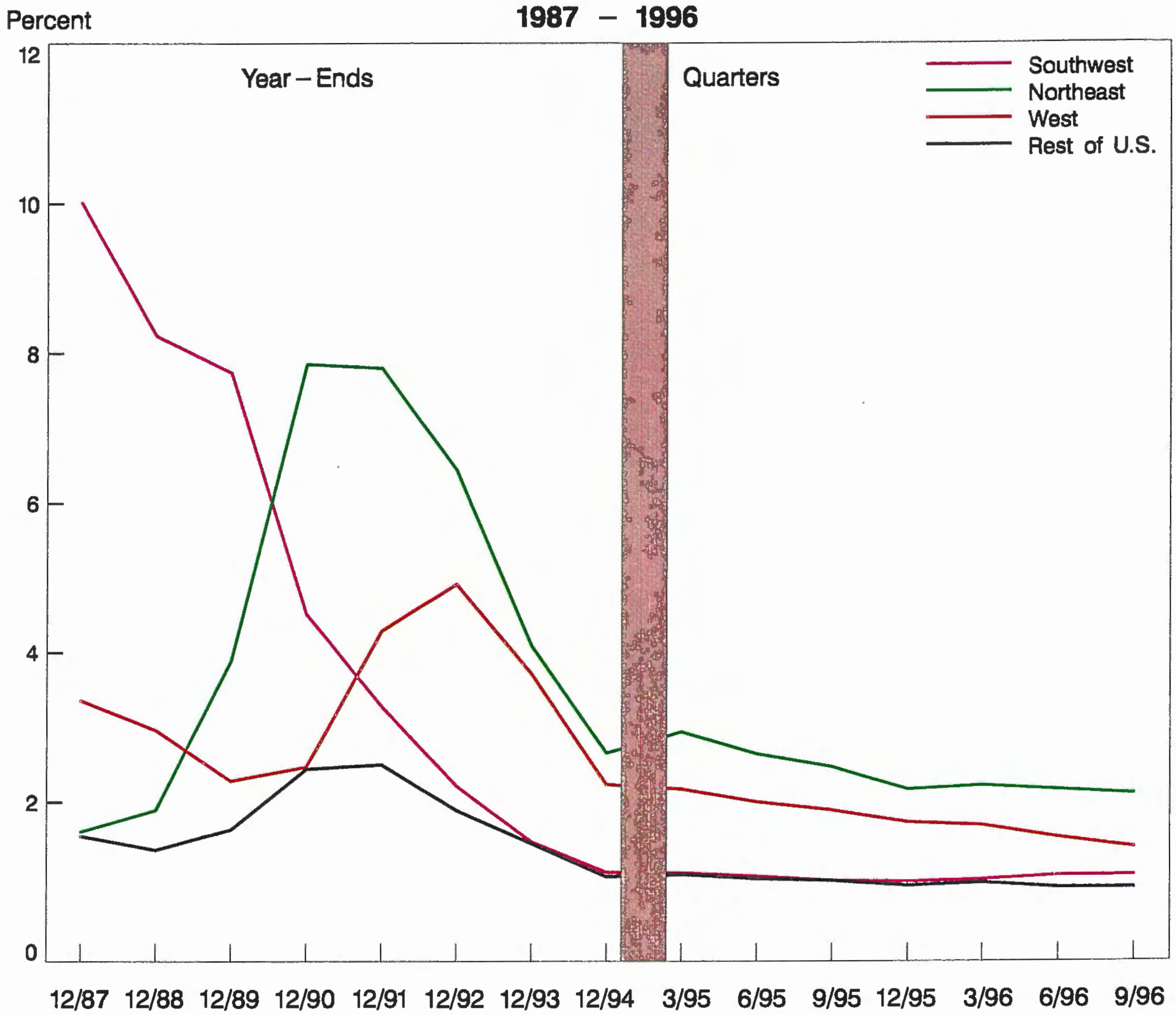


	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Southwest	15.96	15.20	15.82	10.35	8.58	5.38	3.04	1.88	1.73	1.60	1.47	1.40	1.40	1.45	1.42
Northeast	2.27	2.43	4.93	10.85	11.79	10.56	7.00	4.24	4.10	3.73	3.47	2.97	2.94	2.82	2.73
West	5.35	4.86	3.58	3.62	6.48	7.92	5.24	3.15	3.04	2.78	2.66	2.42	2.40	2.17	1.99
Rest of U.S.	2.54	2.28	2.53	4.05	4.48	3.47	2.36	1.52	1.49	1.37	1.32	1.22	1.25	1.15	1.13
Total U.S.	4.45	3.91	4.52	6.59	7.47	6.66	4.33	2.64	2.53	2.31	2.18	1.94	1.93	1.81	1.73

*Loans secured by real estate past due 90 days or more or in nonaccrual status plus other real estate owned (OREO) as a percent of total real estate loans plus OREO.

Noncurrent Real Estate Loan Rates*

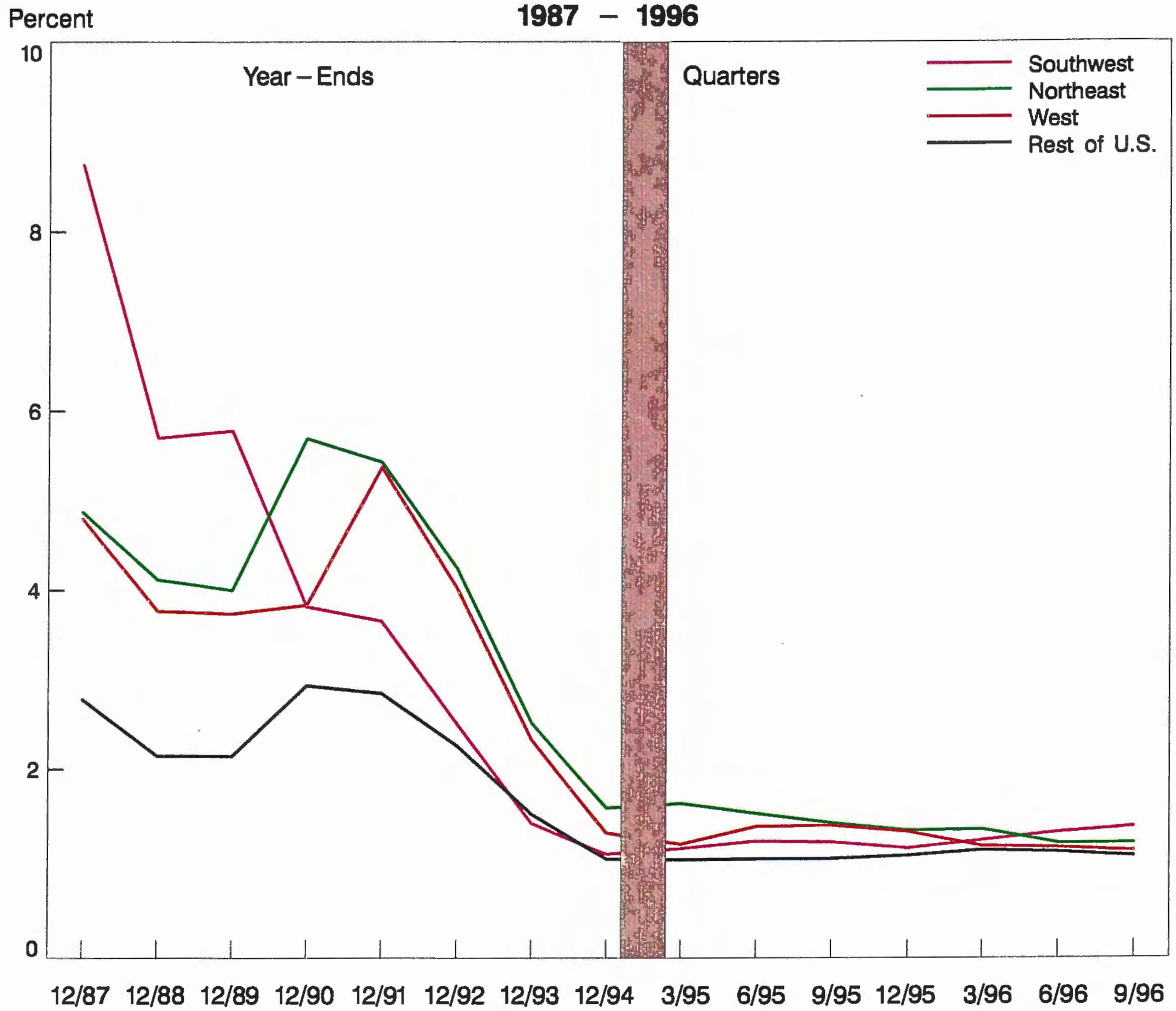
1987 – 1996



	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Southwest	10.01	8.23	7.74	4.51	3.28	2.22	1.46	1.05	1.04	1.00	0.94	0.93	0.95	1.01	1.01
Northeast	1.60	1.89	3.89	7.86	7.80	6.43	4.09	2.65	2.93	2.64	2.47	2.17	2.22	2.16	2.10
West	3.35	2.96	2.28	2.47	4.28	4.91	3.71	2.23	2.17	2.00	1.89	1.72	1.68	1.52	1.38
Rest of U.S.	1.54	1.35	1.63	2.44	2.50	1.89	1.44	0.99	1.02	0.96	0.94	0.87	0.91	0.84	0.84
Total U.S.	2.79	2.38	2.94	4.33	4.58	3.88	2.65	1.70	1.77	1.62	1.54	1.39	1.41	1.33	1.29

*Loans secured by real estate past due 90 days or more or in nonaccrual status as a percent of total real estate loans.

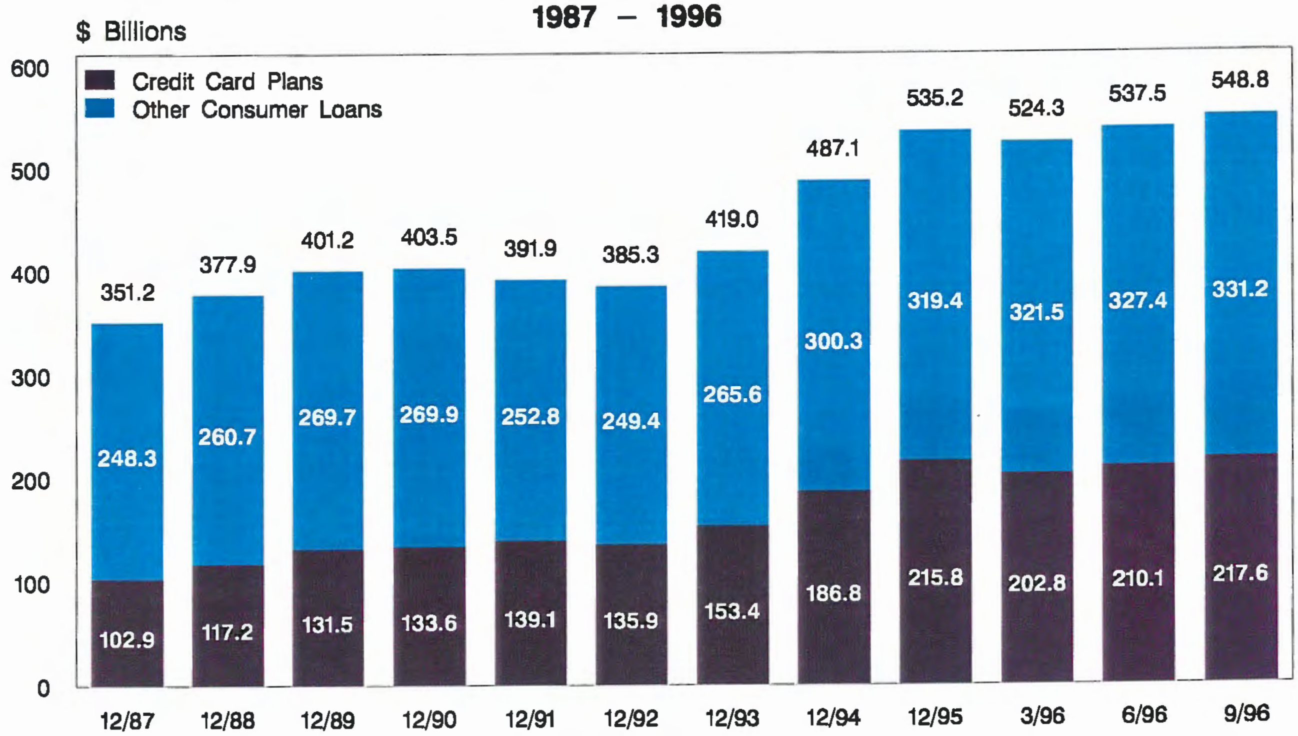
Noncurrent Commercial and Industrial Loan Rates*



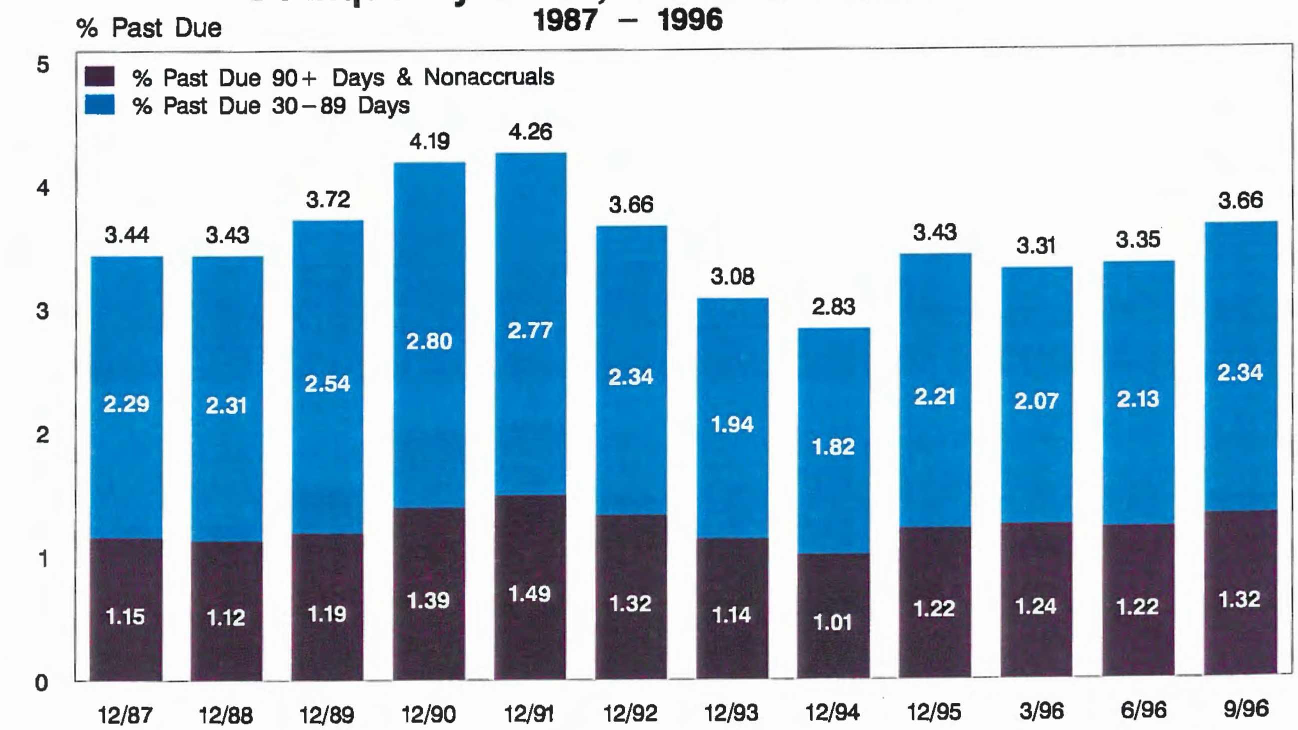
	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Southwest	8.75	5.69	5.78	3.81	3.65	2.51	1.39	1.05	1.11	1.19	1.18	1.11	1.20	1.29	1.35
Northeast	4.87	4.11	4.00	5.69	5.43	4.24	2.52	1.57	1.62	1.50	1.40	1.31	1.33	1.17	1.17
West	4.79	3.76	3.73	3.83	5.37	4.02	2.33	1.29	1.16	1.36	1.37	1.30	1.14	1.12	1.08
Rest of U.S.	2.78	2.15	2.15	2.93	2.85	2.26	1.50	1.00	0.98	0.99	1.00	1.03	1.09	1.07	1.03
Total U.S.	4.54	3.54	3.47	4.32	4.42	3.40	2.04	1.27	1.27	1.26	1.22	1.19	1.20	1.13	1.11

*Commercial and industrial loans past due 90 days or more or in nonaccrual status as a percent of total commercial and industrial loans.

Loans to Individuals
1987 – 1996

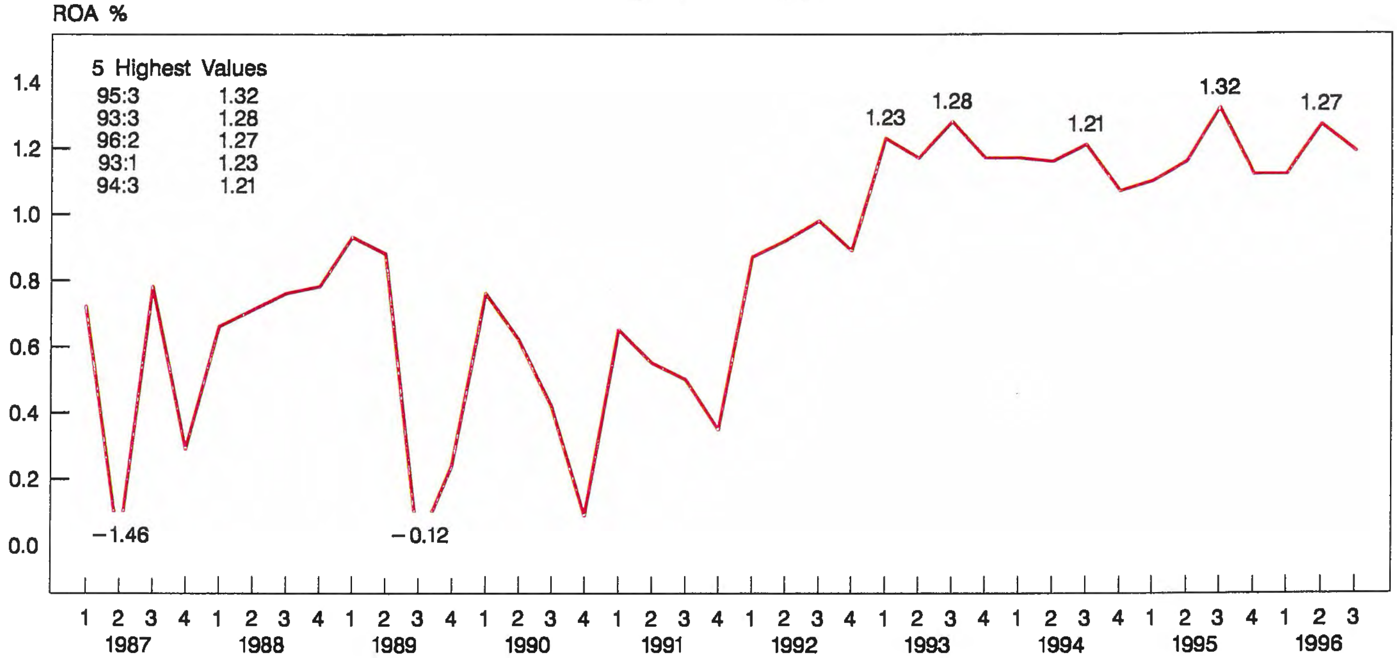


Delinquency Rates, Loans to Individuals
1987 – 1996



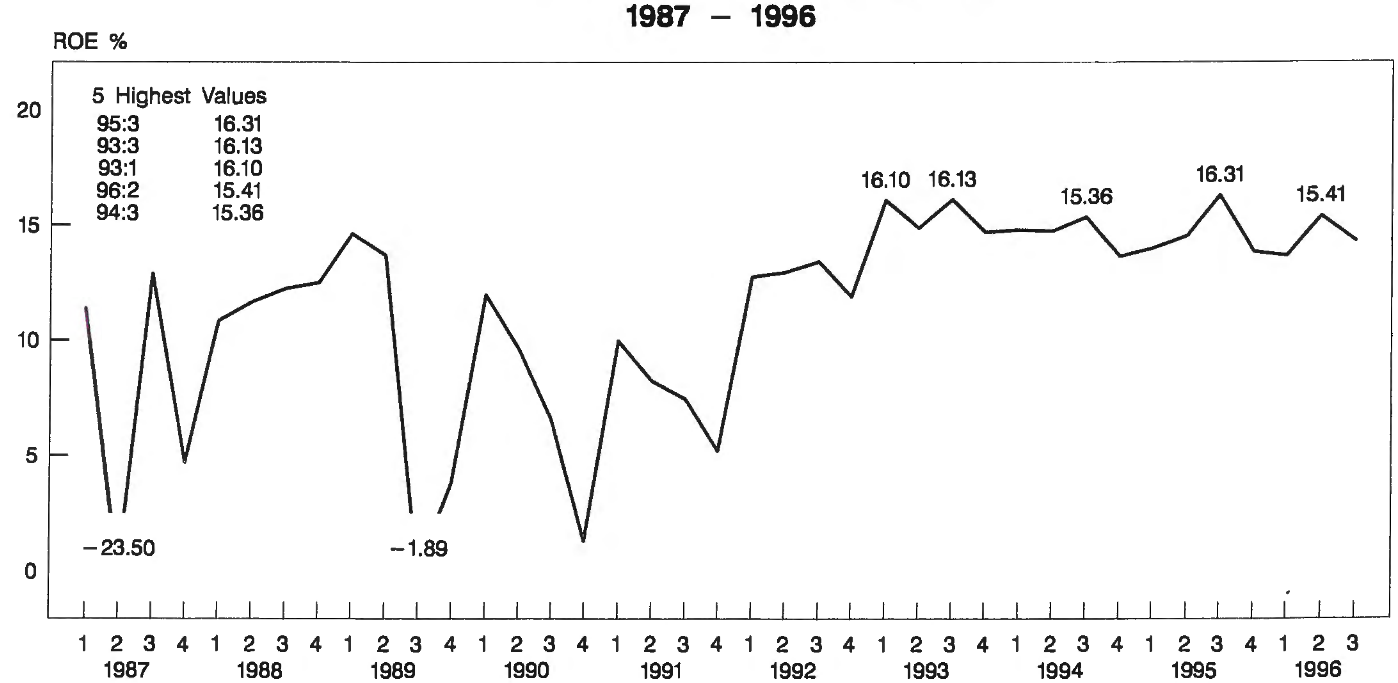
Quarterly Return on Assets (ROA), Annualized

1987 – 1996



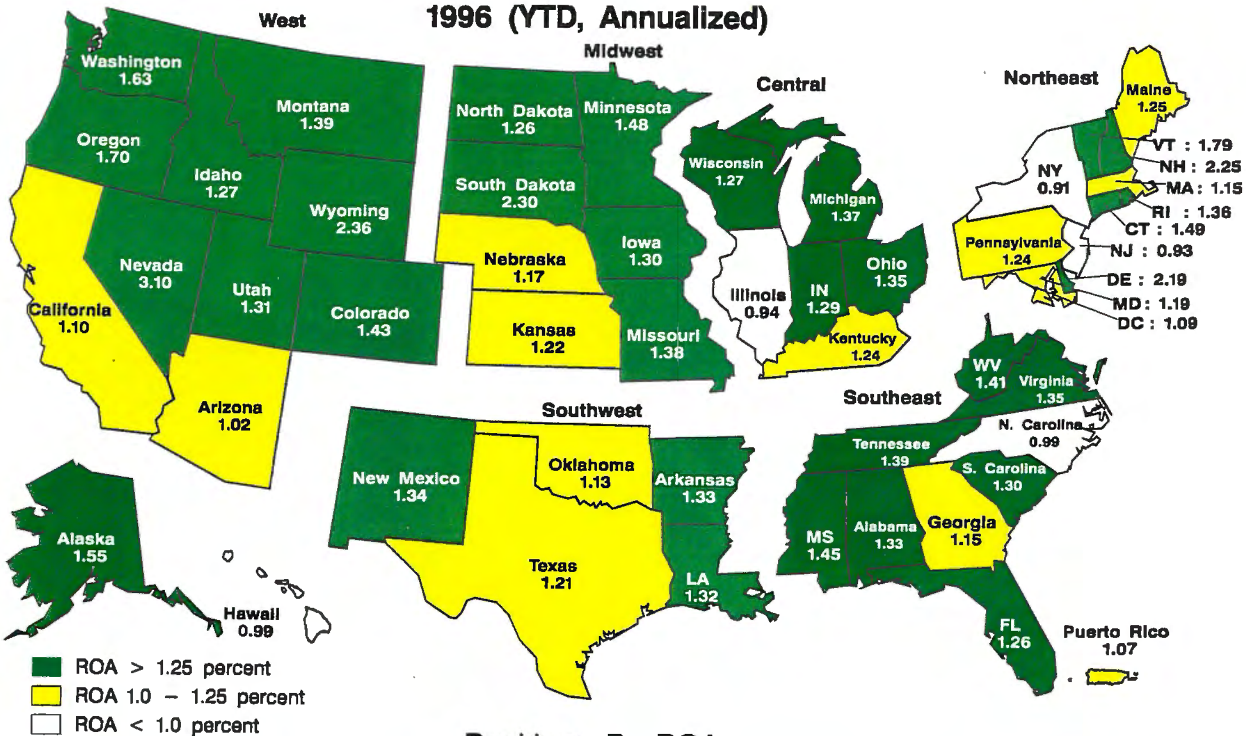
Quarterly Return on Equity (ROE), Annualized

1987 – 1996



Return On Assets (ROA)

1996 (YTD, Annualized)



Rankings By ROA

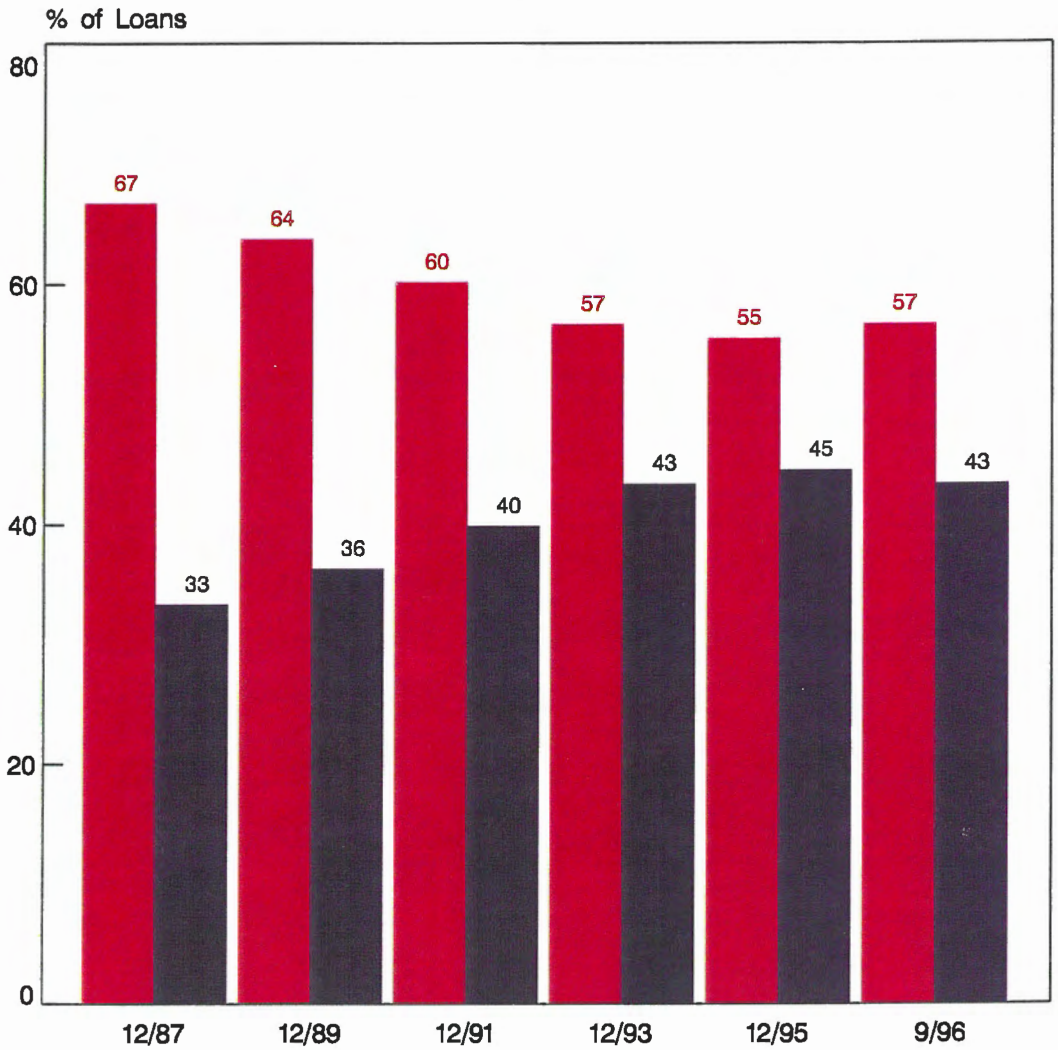
Rank	State	YTD 1996	YTD 1995	Change*
1	Nevada	3.10	3.18	(8)
2	Wyoming	2.36	1.97	39
3	South Dakota	2.30	3.33	(103)
4	New Hampshire	2.25	2.18	7
5	Delaware	2.19	2.61	(42)
6	Vermont	1.79	1.12	67
7	Oregon	1.70	1.74	(4)
8	Washington	1.63	1.68	(5)
9	Alaska	1.55	1.48	7
10	Connecticut	1.49	0.97	52
11	Minnesota	1.48	1.32	16
12	Mississippi	1.45	1.37	8
13	Colorado	1.43	1.40	3
14	West Virginia	1.41	1.36	5
15	Montana	1.39	1.50	(11)
16	Tennessee	1.39	1.32	7
17	Missouri	1.38	1.47	(9)
18	Michigan	1.37	1.24	13
19	Rhode Island	1.36	1.70	(34)
20	Ohio	1.35	1.36	(1)
21	Virginia	1.35	1.23	12
22	New Mexico	1.34	1.39	(5)
23	Alabama	1.33	1.26	7
24	Arkansas	1.33	1.25	8
25	Louisiana	1.32	1.41	(9)
26	Utah	1.31	1.21	10
27	Iowa	1.30	1.28	2
28	South Carolina	1.30	1.05	25
29	Indiana	1.29	1.22	7
30	Idaho	1.27	1.24	3
31	Wisconsin	1.27	1.36	(9)
32	Florida	1.26	1.27	(1)
33	North Dakota	1.26	1.26	0
34	Maine	1.25	1.22	3
35	Kentucky	1.24	1.26	(2)
36	Pennsylvania	1.24	1.17	7
37	Kansas	1.22	1.09	13
38	Texas	1.21	1.16	5
39	Maryland	1.19	1.30	(11)
40	Nebraska	1.17	1.44	(27)
41	Georgia	1.15	1.32	(17)
42	Massachusetts	1.15	1.03	12
43	Oklahoma	1.13	1.09	4
44	California	1.10	1.35	(25)
45	District of Columbia	1.09	1.91	(82)
46	Puerto Rico	1.07	0.99	8
47	Arizona	1.02	0.90	12
48	Hawaii	0.99	1.03	(4)
49	North Carolina	0.99	0.92	7
50	Illinois	0.94	0.98	(4)
51	New Jersey	0.93	1.01	(8)
52	New York	0.91	0.81	10
	U.S. and Territories	1.19	1.19	0

*YTD ROA minus ROA for the same period one year ago equals change in basis points. Basis point=1/100 of a percent. Results for four of the states with the highest ROAs (SD, NV, DE, & NH) were significantly influenced by the presence of large credit card operations.

Credit Risk Diversification

Consumer Loans versus Loans to Commercial Borrowers

(as a % of Total Loans)



Loans ($ Billions):

	12/87	12/89	12/91	12/93	12/95	9/96
Commercial Borrowers	$1,230	$1,321	$1,241	$1,222	$1,447	$1,554
Consumer Loans	614	752	823	935	1,161	1,189

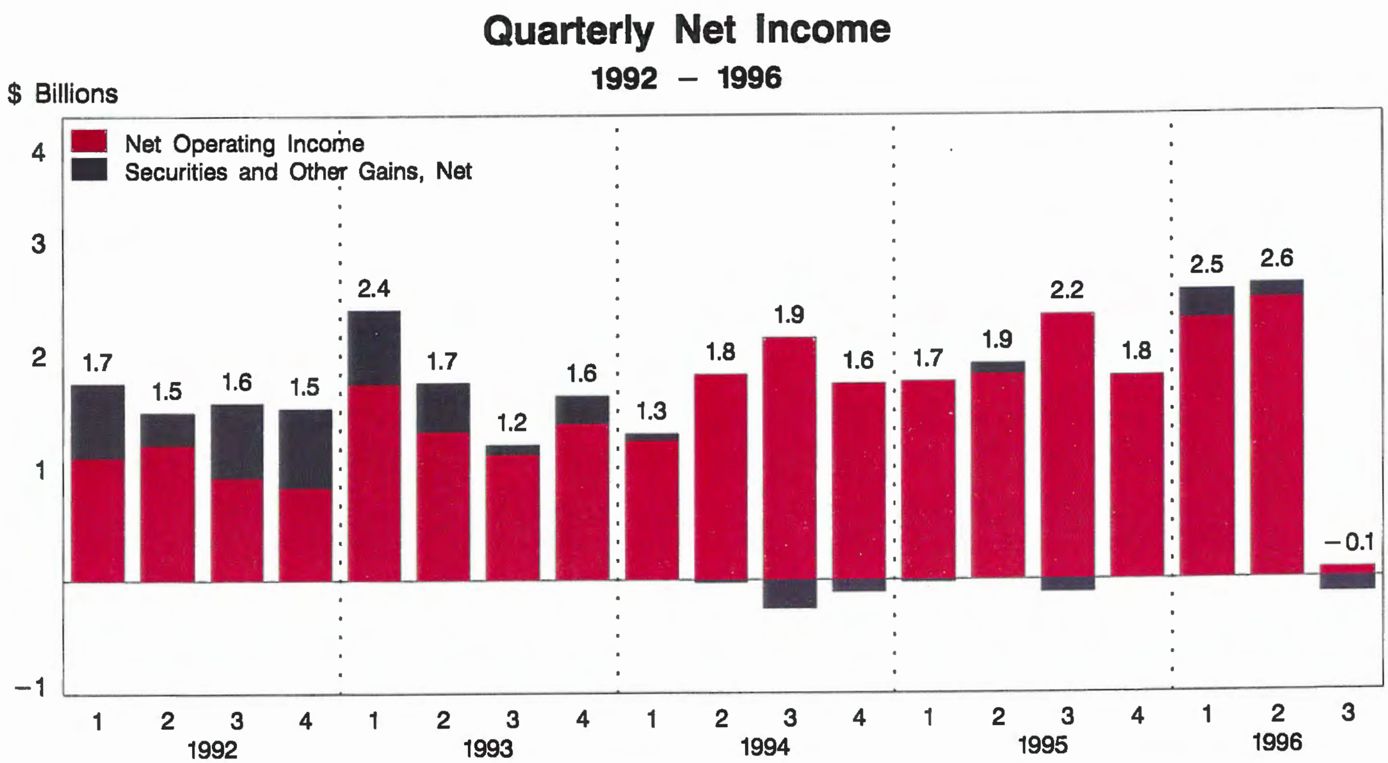
Loans to Commercial Borrowers (Credit Risk Concentrated) – These are loans that can have relatively large balances at risk to a single borrower. A single loan may represent a significant portion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, commercial real estate, construction loans, and agricultural loans.

Consumer Loans (Credit Risk Diversified) – These are loans that typically have relatively small balances spread among a large number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1–4 family residential mortgages and home equity loans.

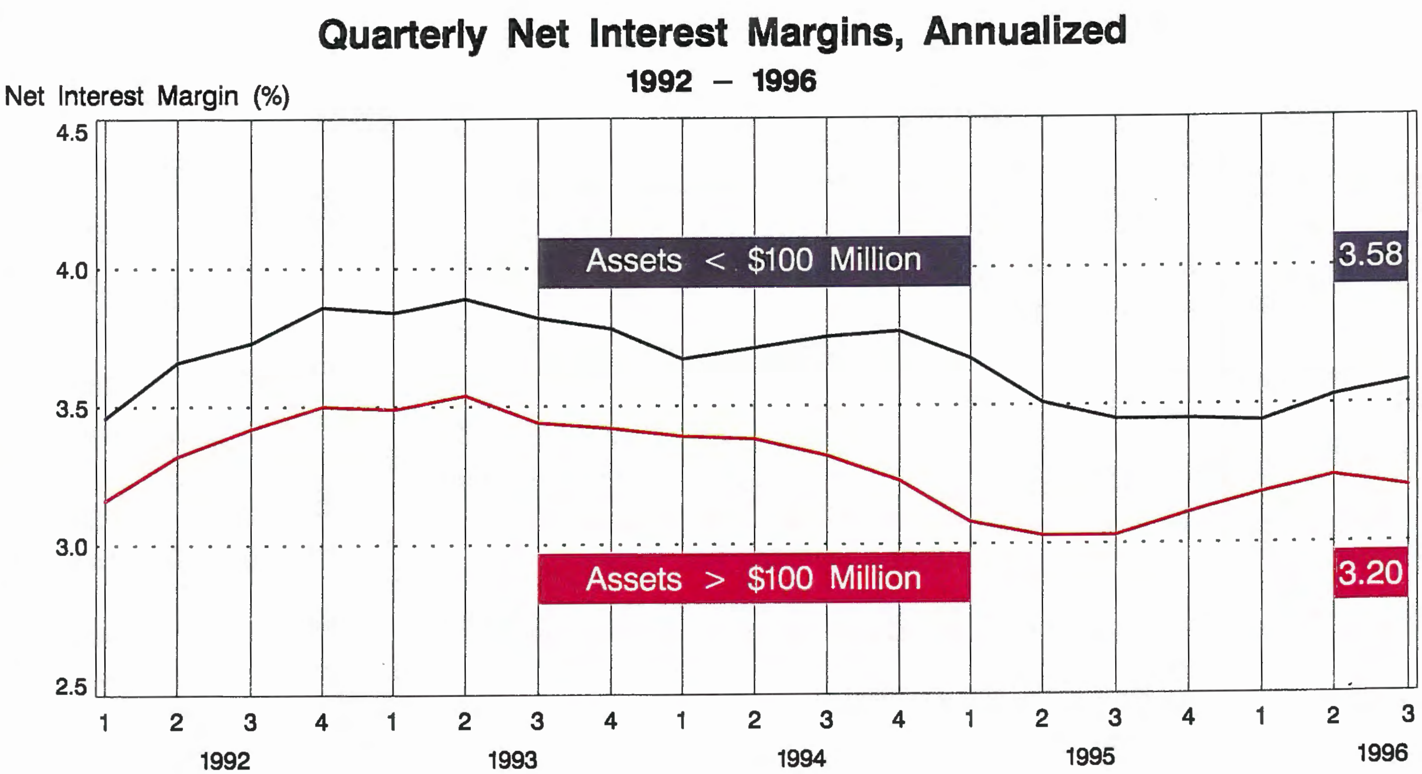
The FDIC Quarterly Banking Profile

Ricki Helfer, Chairman

FDIC - Insured Savings Institutions



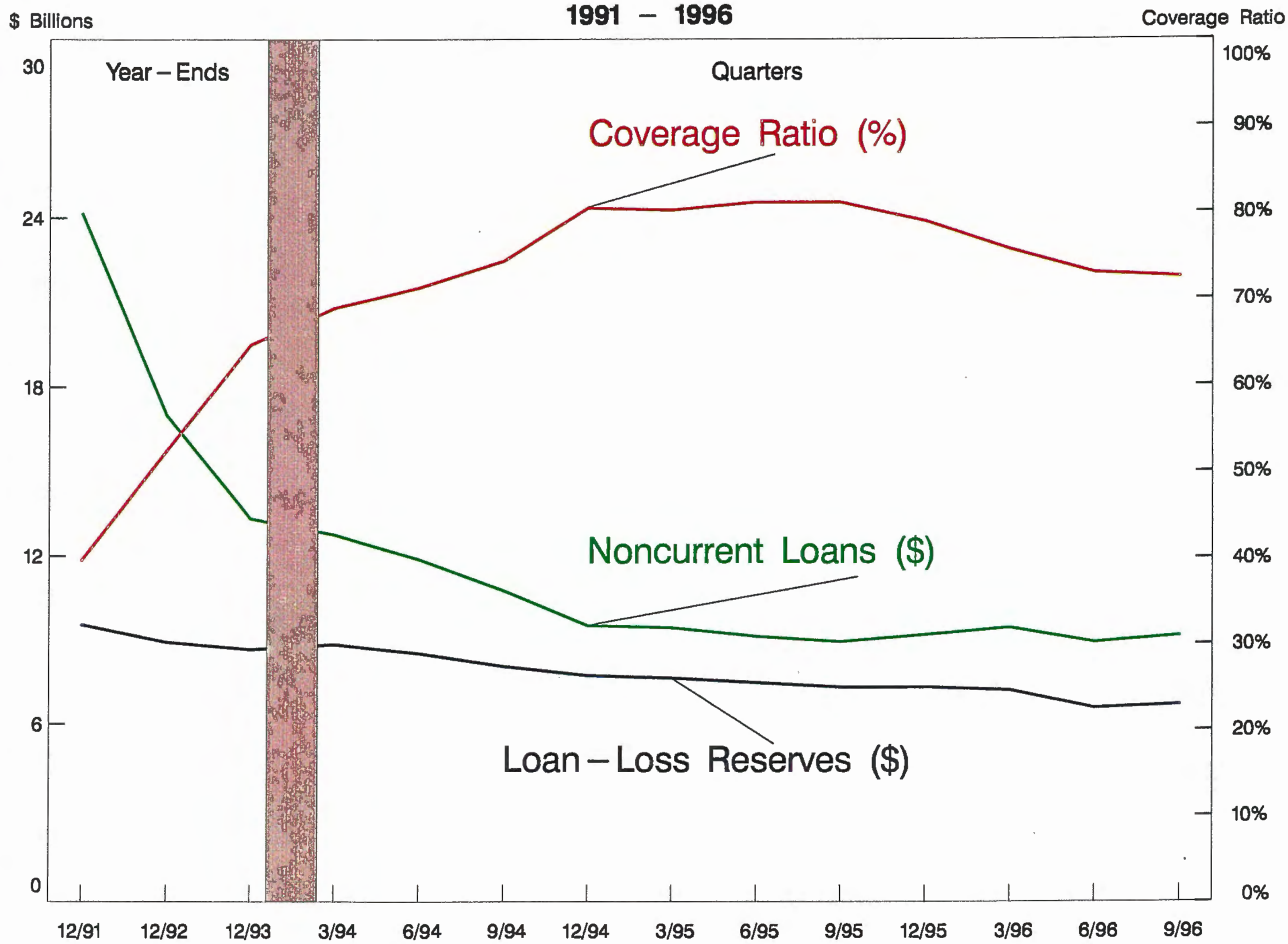
Quarterly Net Income
1992 – 1996
$ Billions
Net Operating Income
Securities and Other Gains, Net
4
3
2
1
–1
1.7
1.5
1.6
1.5
2.4
1.7
1.2
1.6
1.3
1.8
1.9
1.6
1.7
1.9
2.2
1.8
2.5
2.6
–0.1
1 2 3 4
1992
1 2 3 4
1993
1 2 3 4
1994
1 2 3 4
1995
1 2 3
1996



Quarterly Net Interest Margins, Annualized
1992 – 1996
Net Interest Margin (%)
4.5
4.0
3.5
3.0
2.5
Assets < $100 Million
3.58
Assets > $100 Million
3.20
1 2 3 4
1992
1 2 3 4
1993
1 2 3 4
1994
1 2 3 4
1995
1 2 3
1996

Reserve Coverage Ratio*

1991 – 1996

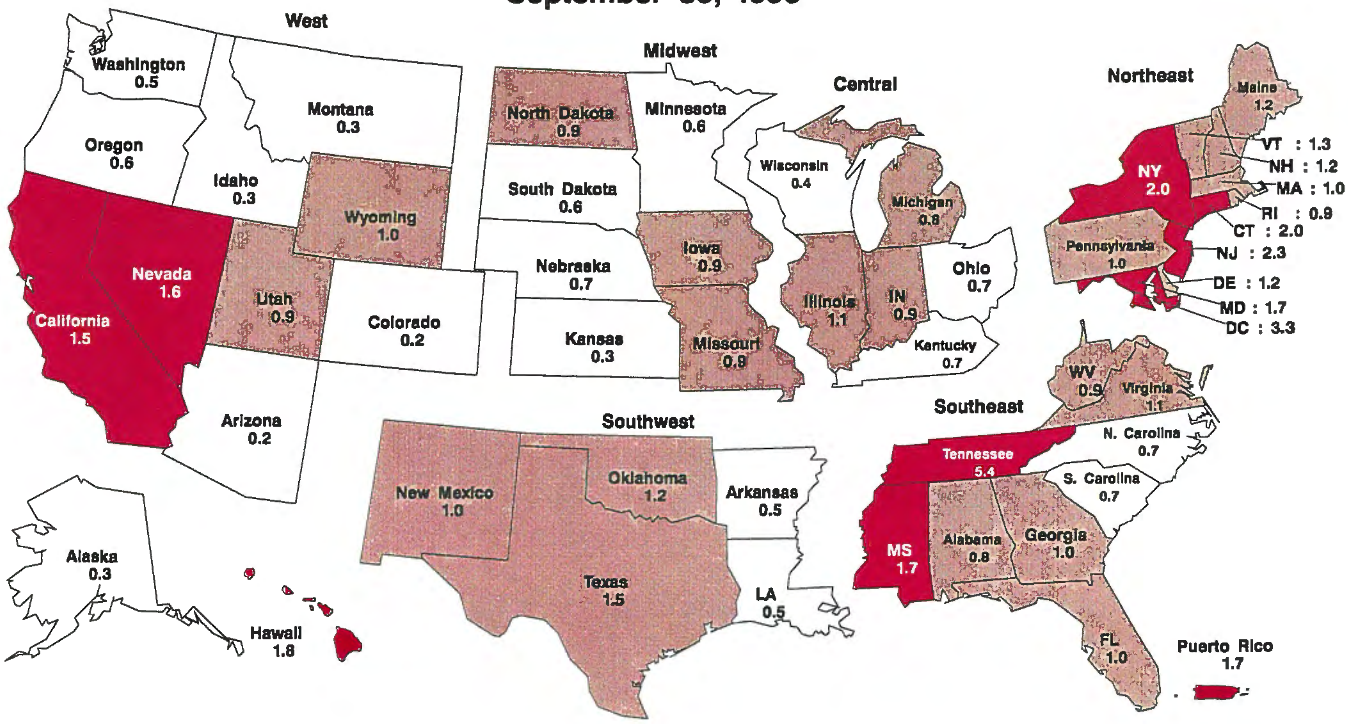


	12/91	12/92	12/93	3/94	6/94	9/94	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Noncurrent Loans ($ Billions)	24.2	17.0	13.3	12.8	11.9	10.8	9.5	9.4	9.1	8.9	9.2	9.4	8.9	9.1
Loan – Loss Reserves ($ Billions)	9.5	8.9	8.7	8.8	8.5	8.1	7.7	7.6	7.5	7.3	7.3	7.2	6.6	6.7
Coverage Ratio (%)	39	52	65	69	72	75	81	81	82	82	80	76	74	73

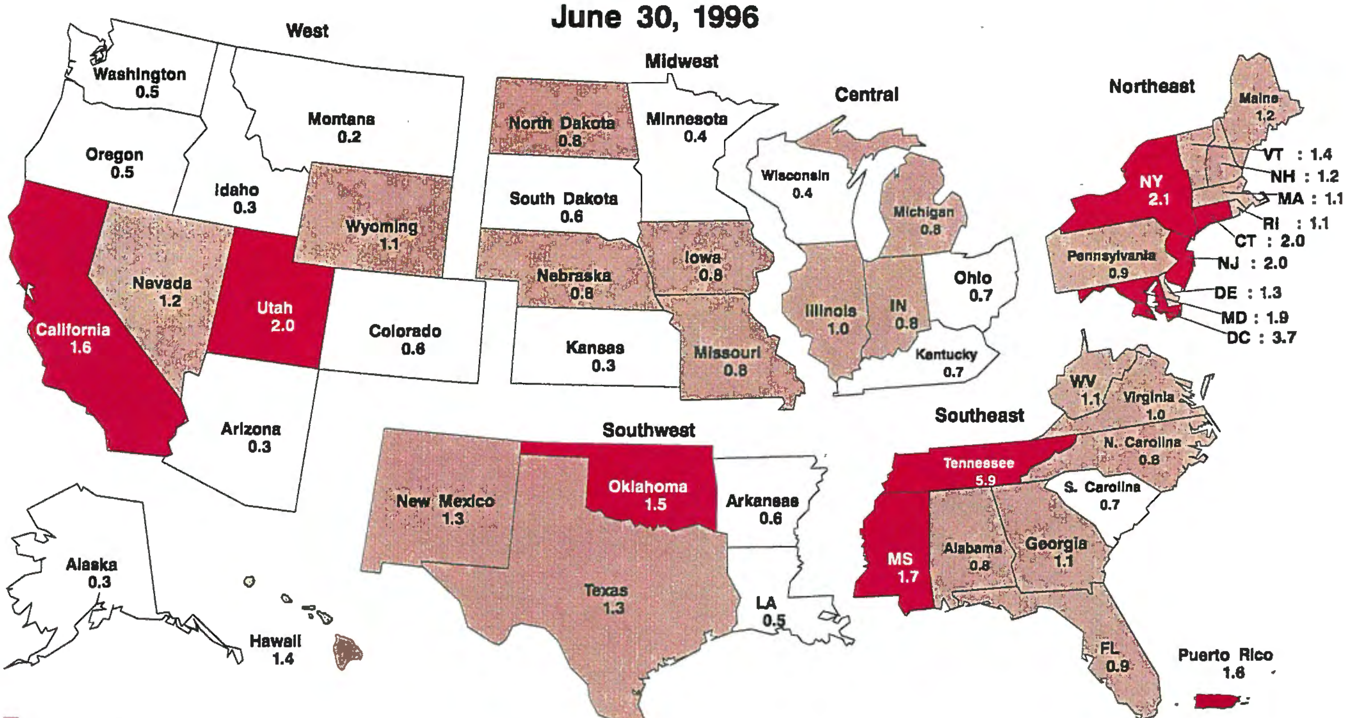
*Loan – loss reserves to noncurrent loans. Beginning with June 1996, TFR filers report noncurrent loans net of specific reserves. Accordingly, specific reserves have been subtracted from loan – loss reserves, beginning with June 1996, to make the coverage ratio more closely comparable to prior periods.

Noncurrent Loan Rates*

September 30, 1996



June 30, 1996



■ Greater than 1.5%

▩ Between .75% and 1.5%

□ Less than .75%

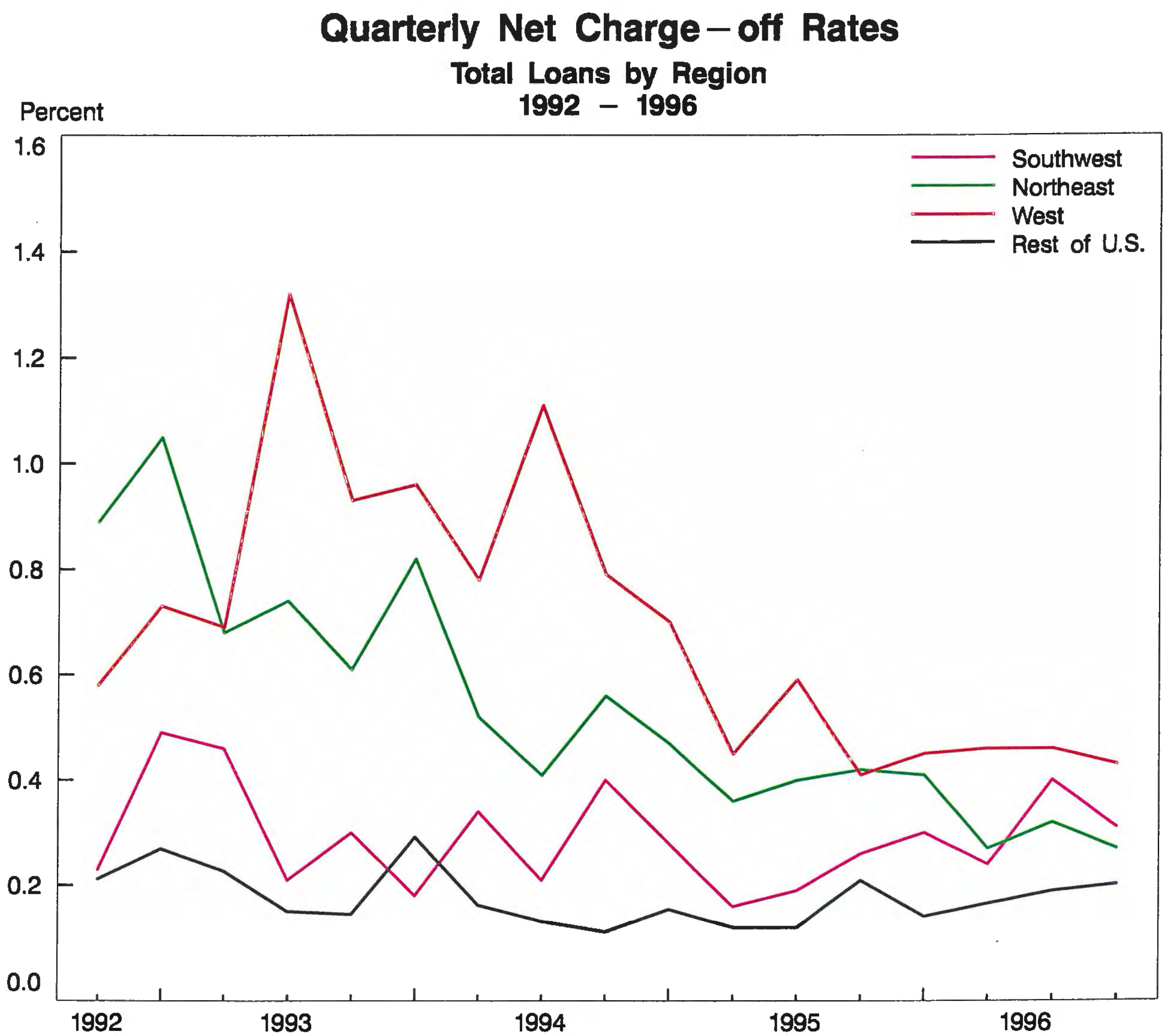
* Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status.

Noncurrent Loan Rates*

September 30, 1996

	Total Loans		Commercial & Industrial		Real Estate		Loans to Individuals	
	9/30/96	6/30/96	9/30/96	6/30/96	9/30/96	6/30/96	9/30/96	6/30/96
Tennessee	5.37	5.93	0.45	1.00	5.79	6.37	1.02	1.03
District of Columbia	3.28	3.65	0.00	0.00	4.91	5.24	0.00	0.19
New Jersey	2.33	2.02	3.77	3.75	2.29	1.98	2.05	2.08
New York	1.99	2.13	3.15	3.50	1.99	2.14	1.27	1.23
Connecticut	1.98	1.99	2.93	2.92	1.95	2.03	1.65	1.22
Hawaii	1.76	1.42	3.36	3.14	1.70	1.35	3.00	3.06
Puerto Rico	1.74	1.57	0.00	0.62	1.73	1.45	2.21	2.25
Maryland	1.71	1.86	6.42	3.20	1.64	1.85	0.73	0.60
Mississippi	1.65	1.73	0.24	1.16	1.72	1.82	0.73	0.48
Nevada	1.59	1.16	8.24	0.00	1.38	1.21	0.87	0.35
California	1.53	1.64	0.33	0.37	1.54	1.64	1.38	1.52
Texas	1.50	1.32	0.74	0.83	1.58	1.39	0.54	0.47
Vermont	1.31	1.43	0.40	0.99	1.35	1.41	2.10	2.12
Oklahoma	1.24	1.53	19.17	25.19	1.08	1.36	1.44	1.48
New Hampshire	1.20	1.19	1.41	1.52	1.34	1.29	0.43	0.44
Delaware	1.18	1.27	1.52	1.87	1.32	1.30	0.17	0.09
Maine	1.18	1.21	2.42	2.19	1.06	1.13	1.12	1.02
Virginia	1.06	1.04	1.89	2.46	0.87	0.81	1.48	1.88
Illinois	1.05	0.97	3.09	3.37	0.95	0.85	2.06	2.25
Massachusetts	1.02	1.09	1.88	2.18	1.01	1.07	0.47	0.47
Georgia	1.01	1.09	5.84	6.96	0.66	0.72	0.82	0.85
Pennsylvania	0.95	0.90	2.25	1.94	0.86	0.87	1.38	0.78
Florida	0.95	0.85	1.63	1.47	0.93	0.81	0.64	0.73
Wyoming	0.95	1.09	17.47	23.84	0.40	0.29	0.40	0.63
New Mexico	0.95	1.26	0.74	0.94	0.97	1.28	0.20	0.31
Iowa	0.94	0.81	4.57	4.09	0.64	0.46	1.56	1.58
West Virginia	0.94	1.10	4.95	4.96	0.63	0.82	1.67	1.68
North Dakota	0.92	0.84	0.13	0.23	1.05	1.00	0.55	0.41
Rhode Island	0.91	1.09	0.82	1.04	0.94	1.12	0.40	0.36
Utah	0.90	2.03	0.00	0.00	0.75	1.67	1.12	0.34
Indiana	0.90	0.80	2.03	1.20	0.84	0.75	0.57	0.70
Missouri	0.85	0.75	1.96	2.40	0.83	0.72	0.48	0.44
Michigan	0.79	0.80	0.85	1.43	0.77	0.77	0.89	0.89
Alabama	0.78	0.75	1.07	0.92	0.76	0.74	0.52	0.52
Kentucky	0.73	0.68	1.79	2.40	0.69	0.62	0.70	0.75
Nebraska	0.72	0.75	3.13	3.51	0.72	0.75	0.42	0.38
North Carolina	0.72	0.75	1.79	1.56	0.64	0.69	2.05	1.97
South Carolina	0.70	0.71	1.36	1.72	0.64	0.63	0.83	0.79
Ohio	0.69	0.65	1.50	1.44	0.67	0.63	0.64	0.49
South Dakota	0.64	0.63	2.06	2.13	0.52	0.56	0.48	0.40
Minnesota	0.58	0.43	0.45	0.38	0.39	0.32	1.54	0.94
Oregon	0.56	0.51	0.48	0.39	0.71	0.67	0.17	0.15
Arkansas	0.52	0.58	0.91	1.58	0.48	0.55	0.57	0.47
Louisiana	0.49	0.46	0.58	1.89	0.43	0.40	0.97	0.87
Washington	0.46	0.46	0.33	0.19	0.45	0.47	0.49	0.21
Wisconsin	0.37	0.36	1.65	0.79	0.27	0.27	0.99	0.97
Kansas	0.32	0.29	1.76	2.00	0.29	0.25	0.74	0.84
Alaska	0.32	0.28	0.00	0.00	0.34	0.27	0.00	0.57
Idaho	0.30	0.27	0.00	0.00	0.31	0.26	0.11	0.20
Montana	0.27	0.20	0.71	0.69	0.15	0.12	0.85	0.48
Colorado	0.21	0.57	0.10	0.00	0.20	0.58	0.25	0.33
Arizona	0.17	0.26	0.00	0.00	0.14	0.21	0.53	0.64
U.S. and Territories	1.33	1.34	1.90	1.93	1.32	1.33	1.02	0.91

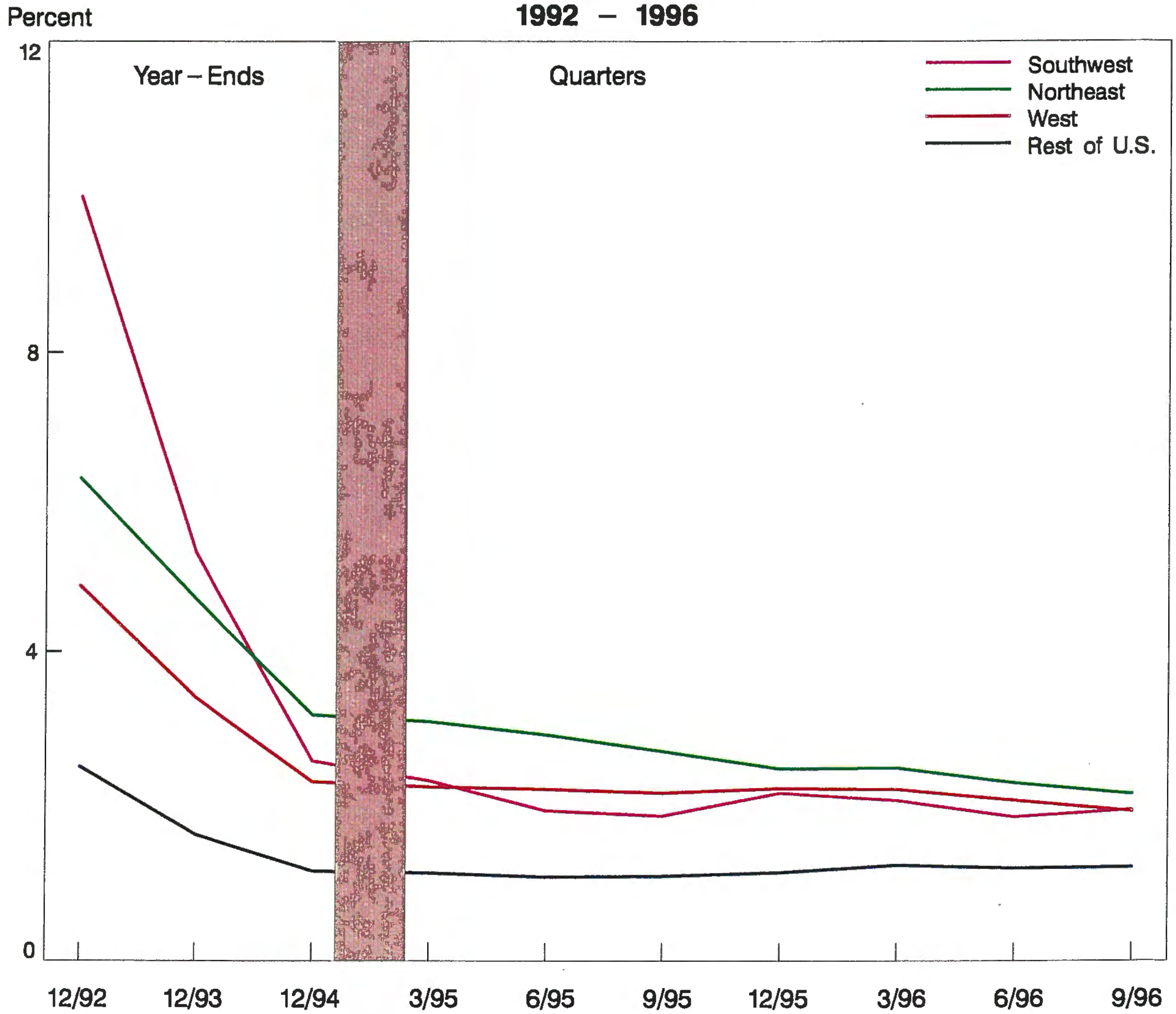
*Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or in nonaccrual status.



Southwest	0.23	0.49	0.46	0.21	0.30	0.18	0.34	0.21	0.40	0.28	0.16	0.19	0.26	0.30	0.24	0.40	0.31
Northeast	0.89	1.05	0.68	0.74	0.61	0.82	0.52	0.41	0.56	0.47	0.36	0.40	0.42	0.41	0.27	0.32	0.27
West	0.58	0.73	0.69	1.32	0.93	0.96	0.78	1.11	0.79	0.70	0.45	0.59	0.41	0.45	0.46	0.46	0.43
Rest of U.S.	0.21	0.27	0.23	0.15	0.15	0.29	0.16	0.13	0.11	0.15	0.12	0.12	0.21	0.14	0.17	0.19	0.20
Total U.S.	0.56	0.69	0.55	0.77	0.59	0.70	0.51	0.58	0.51	0.45	0.30	0.36	0.34	0.34	0.30	0.33	0.30

Troubled Real Estate Asset Rates*

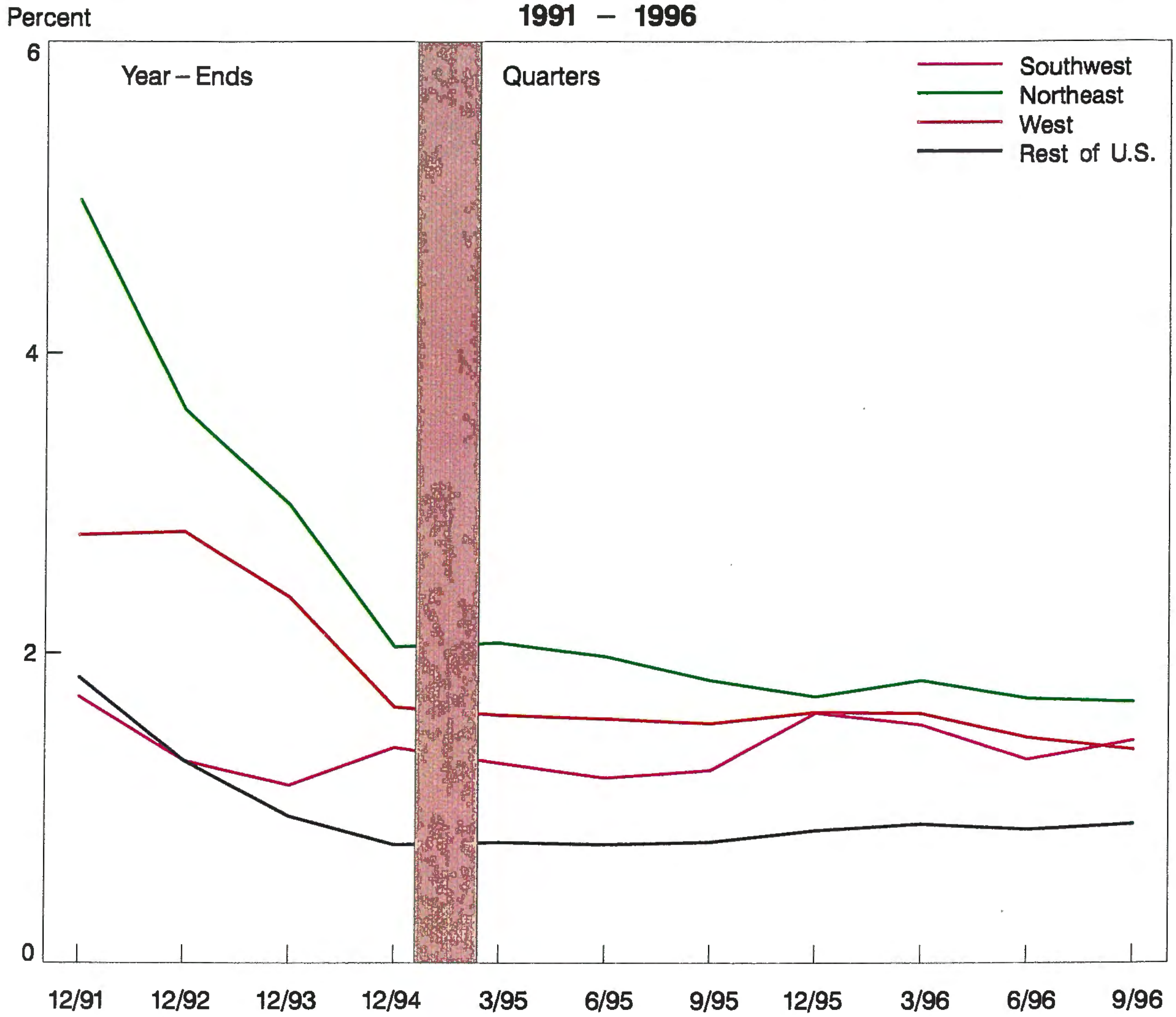
1992 – 1996



	12/92	12/93	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Southwest	10.07	5.32	2.53	2.26	1.86	1.79	2.10	2.00	1.78	1.88
Northeast	6.32	4.70	3.15	3.06	2.88	2.66	2.43	2.44	2.24	2.09
West	4.87	3.38	2.25	2.18	2.15	2.10	2.16	2.15	2.00	1.86
Rest of U.S.	2.46	1.55	1.06	1.03	0.98	0.99	1.04	1.14	1.10	1.11
Total U.S.	4.82	3.34	2.19	2.11	2.00	1.92	1.91	1.93	1.80	1.72

*Loans secured by real estate past due 90 days or more or in nonaccrual status plus other real estate owned (OREO) as a percent of total real estate loans plus OREO.

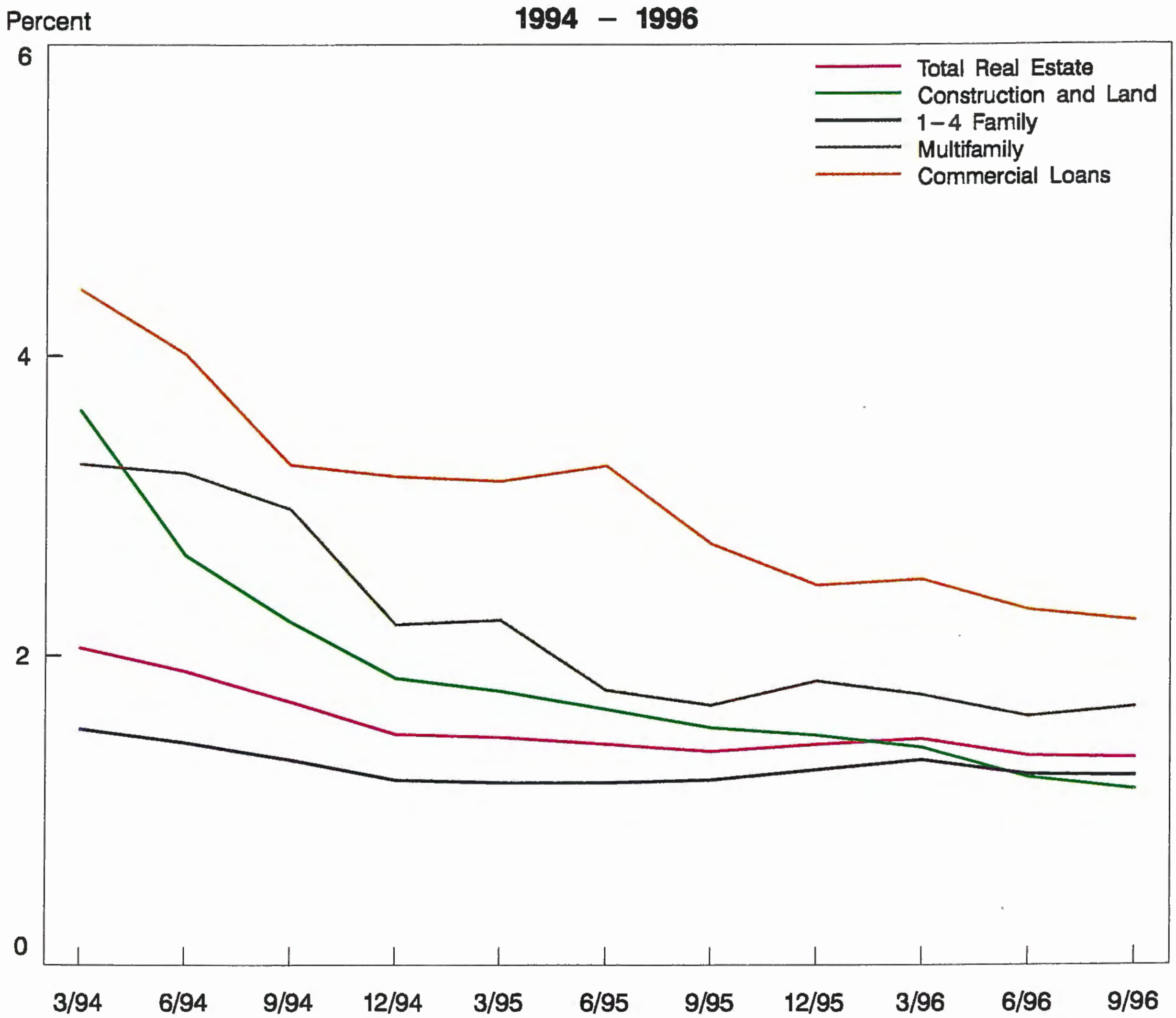
Noncurrent Real Estate Loan Rates*



	12/91	12/92	12/93	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Southwest	1.71	1.28	1.11	1.37	1.26	1.16	1.22	1.60	1.52	1.29	1.41
Northeast	5.02	3.62	2.99	2.04	2.06	1.98	1.81	1.71	1.82	1.70	1.67
West	2.79	2.81	2.37	1.64	1.58	1.56	1.53	1.60	1.60	1.44	1.35
Rest of U.S.	1.84	1.28	0.91	0.72	0.73	0.72	0.74	0.81	0.86	0.82	0.86
Total U.S.	3.20	2.56	2.09	1.47	1.45	1.41	1.36	1.41	1.44	1.33	1.32

*Loans secured by real estate past due 90 days or more or in nonaccrual status as a percent of total real estate loans.

Noncurrent Real Estate Loan Rates by Type*

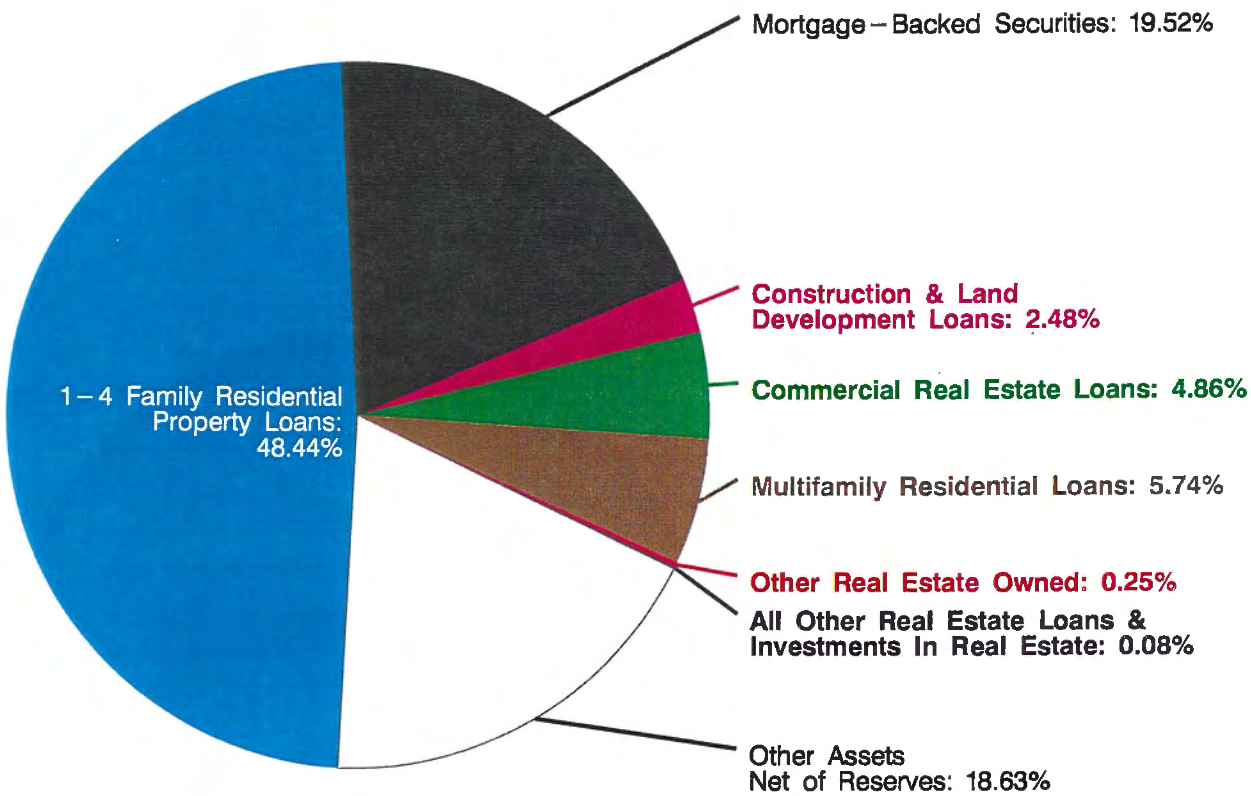


	3/94	6/94	9/94	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Construction and Land	3.64	2.67	2.22	1.85	1.76	1.64	1.52	1.47	1.38	1.18	1.10
1–4 Family	1.51	1.42	1.30	1.17	1.15	1.15	1.17	1.24	1.30	1.20	1.19
Multifamily	3.28	3.22	2.98	2.20	2.23	1.77	1.67	1.83	1.74	1.59	1.65
Commercial	4.44	4.01	3.27	3.19	3.16	3.26	2.74	2.47	2.51	2.31	2.23
Total	2.05	1.89	1.69	1.47	1.45	1.41	1.36	1.41	1.44	1.33	1.32

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

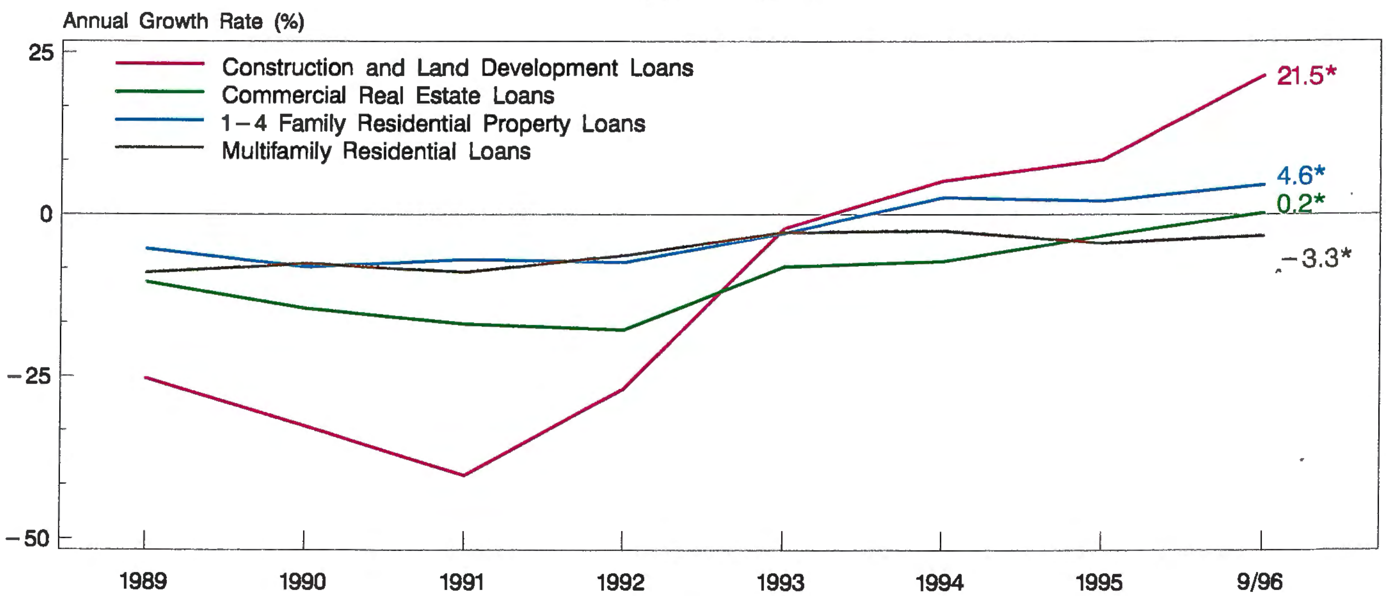
Real Estate Assets as a Percent of Total Assets

September 30, 1996



Real Estate Loan Growth Rates

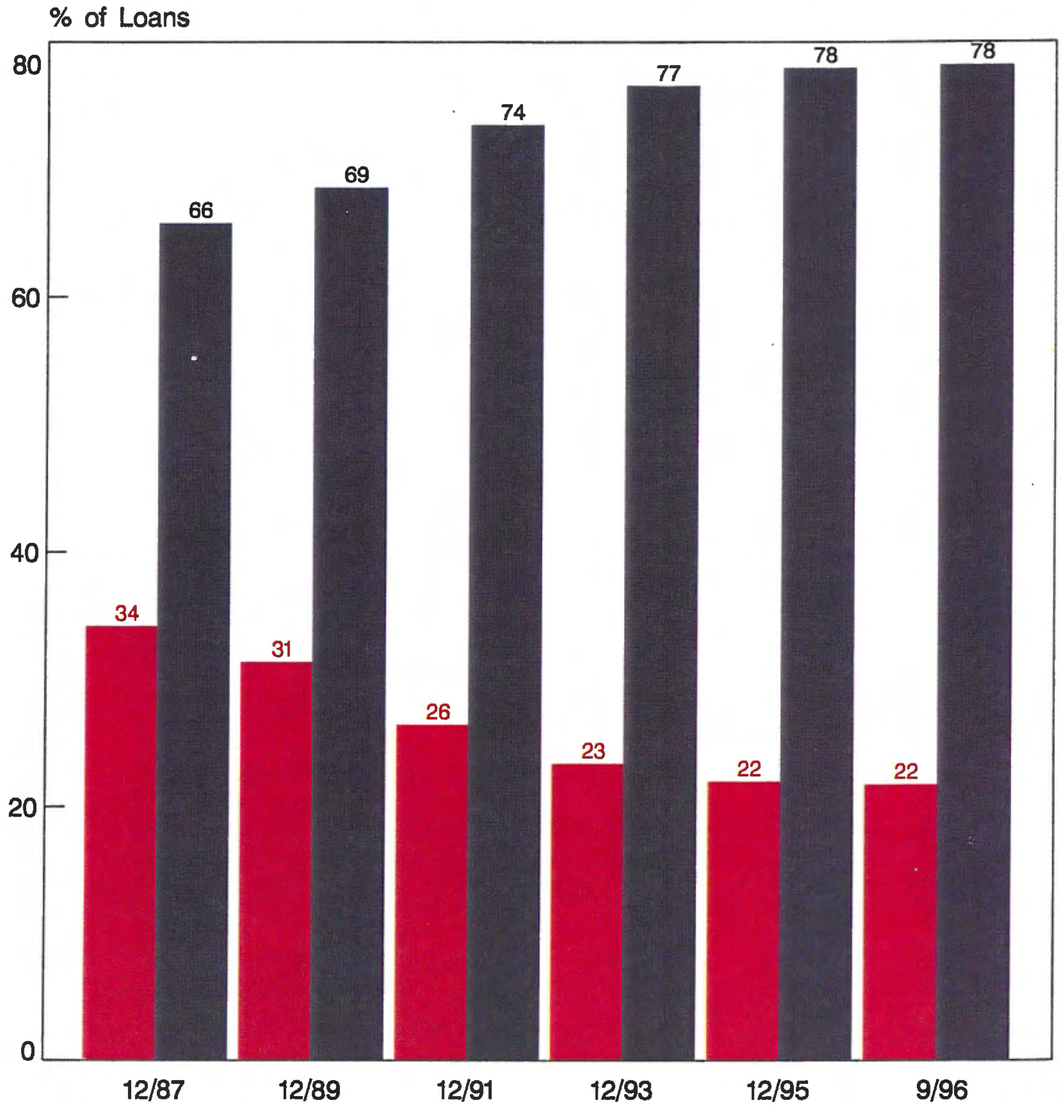
1989 - 1996



* Growth rate for most recent twelve-month period.

Credit Risk Diversification

Consumer Loans versus Loans to Commercial Borrowers
(as a % of Total Loans)



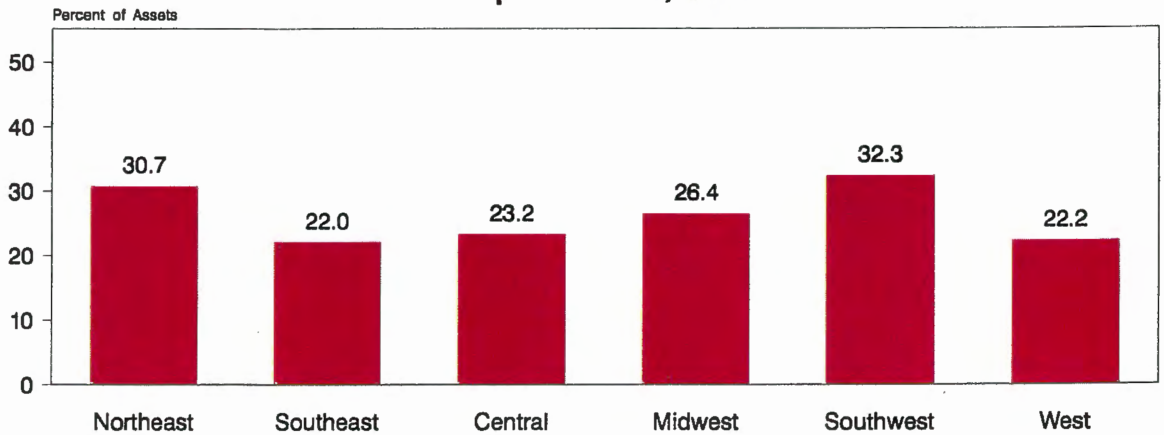
Loans ($ Billions):

	12/87	12/89	12/91	12/93	12/95	9/96
Commercial Borrowers	$328	$298	$197	$151	$146	$152
Consumer Loans	631	651	547	493	518	547

<u>Loans to Commercial Borrowers (Credit Risk Concentrated)</u> – These are loans that can have relatively large balances at risk to a single borrower. A single loan may represent a significant portion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, commercial real estate, construction loans, and agricultural loans.

<u>Consumer Loans (Credit Risk Diversified)</u> – These are loans that typically have relatively small balances spread among a large number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1–4 family residential mortgages and home equity loans.

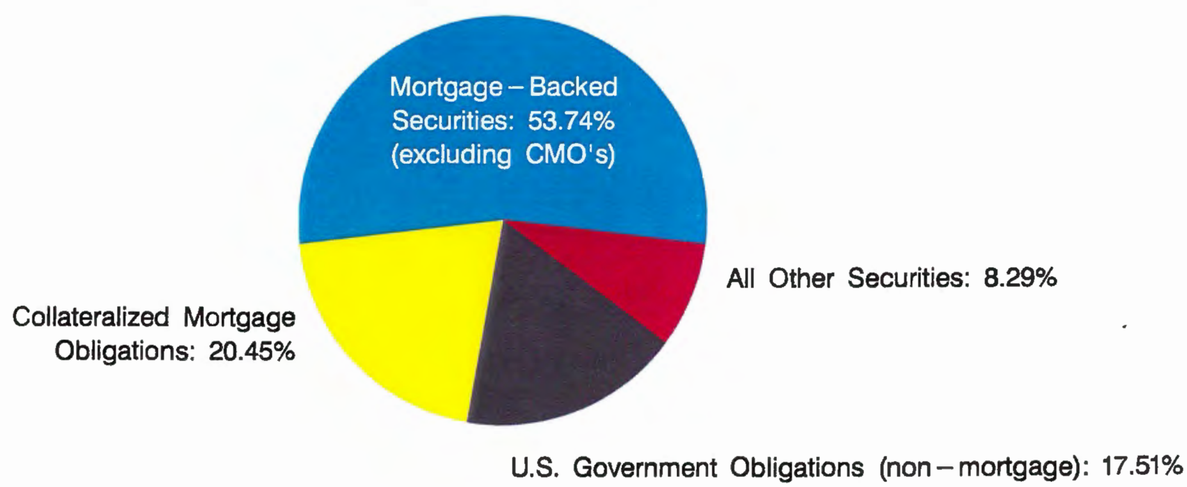
Total Securities* as a Percent of Assets
September 30, 1996



Total Securities*
($ Billions)

	9/94	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
U.S. Government Obligations (non-mortgage)	$54	$53	$51	$49	$54	$48	$47	$49	$48
Mortgage-Backed Securities (excluding CMO's)	156	155	156	156	153	157	150	150	146
Collateralized Mortgage Obligations	60	59	58	60	59	59	58	57	56
All Other Securities	26	23	21	24	24	24	24	24	23
Total Securities	296	290	286	289	290	289	279	280	272
Securities as a Percent of Assets	29.43%	28.78%	28.19%	28.44%	28.35%	28.13%	27.47%	27.34%	26.30%
Memoranda:									
Amortized Cost of Total Held-to-Maturity Sec.	215	212	212	216	211	132	129	134	132
Fair Value of Total Available-for-Sale Sec.	81	78	74	73	79	157	150	146	142

Total Securities*
September 30, 1996



*Excludes trading account assets for savings institutions filing a Call Report. Trading account assets for savings institutions filing a TFR are netted out of "All Other Securities".

Mutual Fund and Annuity Sales*

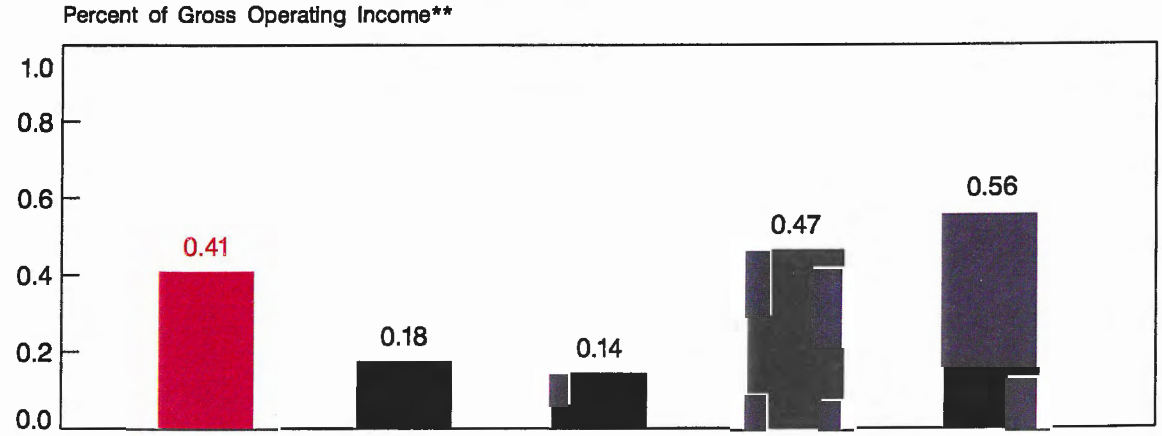
1995 – 1996

Quarterly Sales ($ Millions)	9/95	12/95	3/96	6/96	9/96
Money Market Funds	$ 363	$ 395	$ 421	$ 622	$ 530
Debt Securities Funds	337	371	518	473	407
Equity Securities	339	466	587	546	458
Other Mutual Funds	131	145	183	179	157
Annuities	836	885	922	1,194	1,152
Proprietary Mutual Fund and Annuity Sales included above	466	555	551	961	839

*Domestic office sales of proprietary, private label and third–party funds and annuities. Does not reflect redemptions.

Fee Income from Sales and Service of Mutual Funds and Annuities

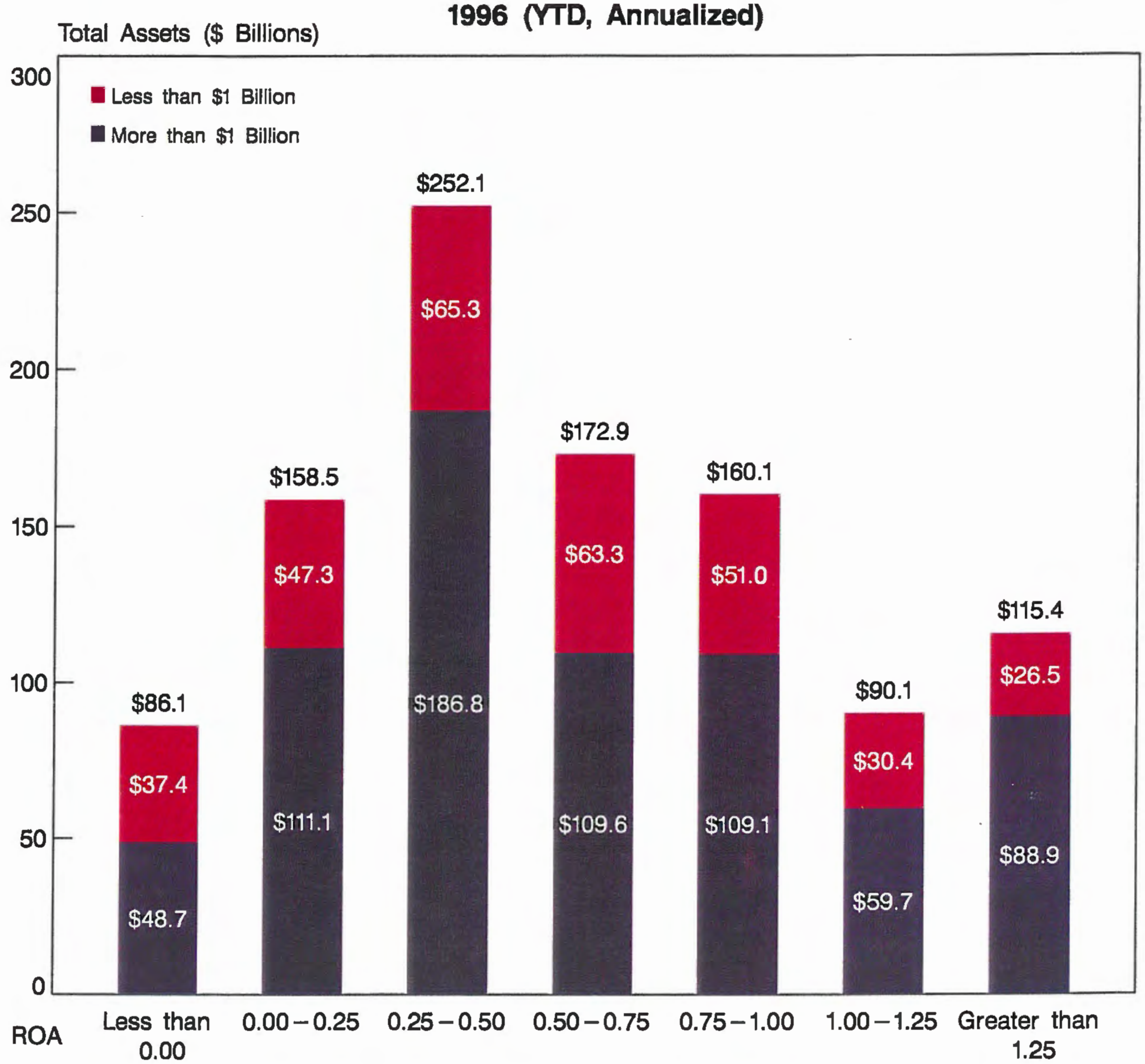
1996 YTD



($ Millions)	All Institutions	Under $100 Million	$100 Million to $1 Billion	$1 Billion to $5 Billion	Over $5 Billion
Mutual Fund and Annuity Fee Income	$249	$5	$23	$69	$152
Gross Operating Income	$60,464	$2,643	$15,975	$14,900	$26,946
Number of Institutions Reporting These Fees	429	44	266	90	29
Percent of Institutions Reporting These Fees	21.9%	5.1%	28.3%	72.6%	78.4%

**Gross operating income is the total of interest income and noninterest income.

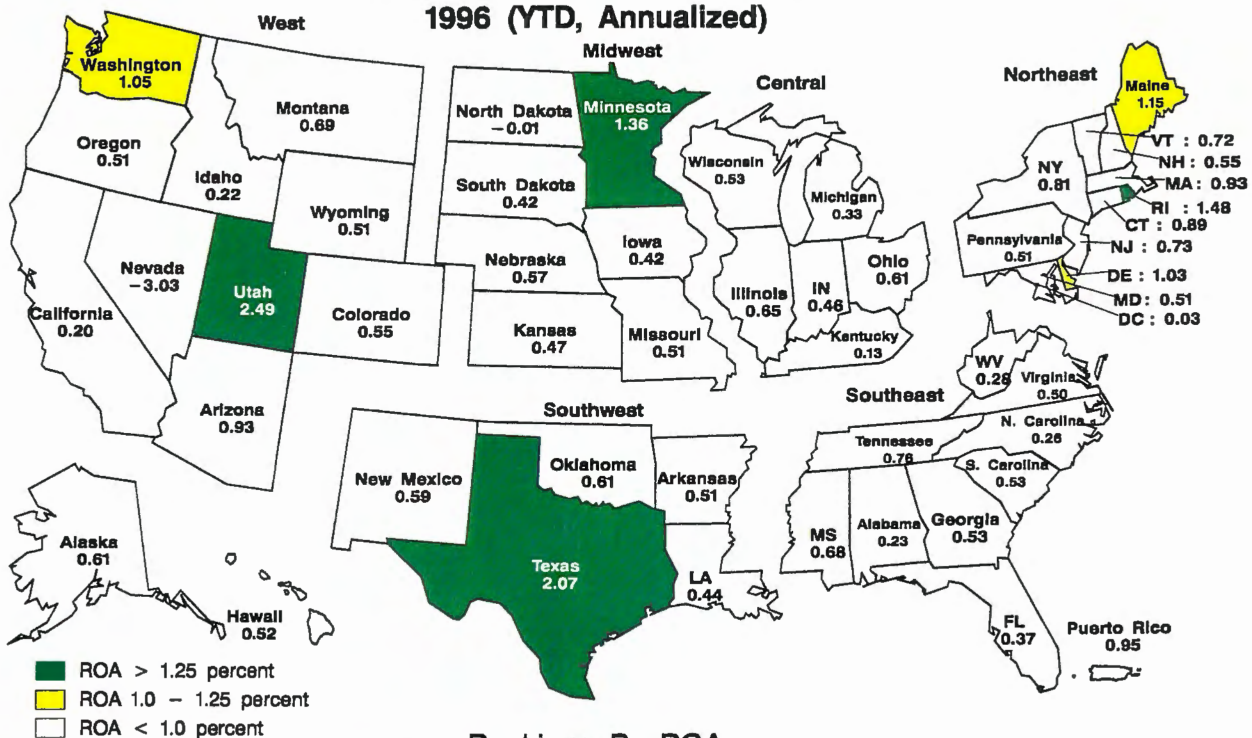
Return on Assets (ROA)
By Asset Size
1996 (YTD, Annualized)



Asset Size	Number of Institutions						
Less than $1 Billion	341	307	349	320	246	124	113
More than $1 Billion	12	14	31	35	25	22	22
Total	353	321	380	355	271	146	135

Return on Assets (ROA)

1996 (YTD, Annualized)

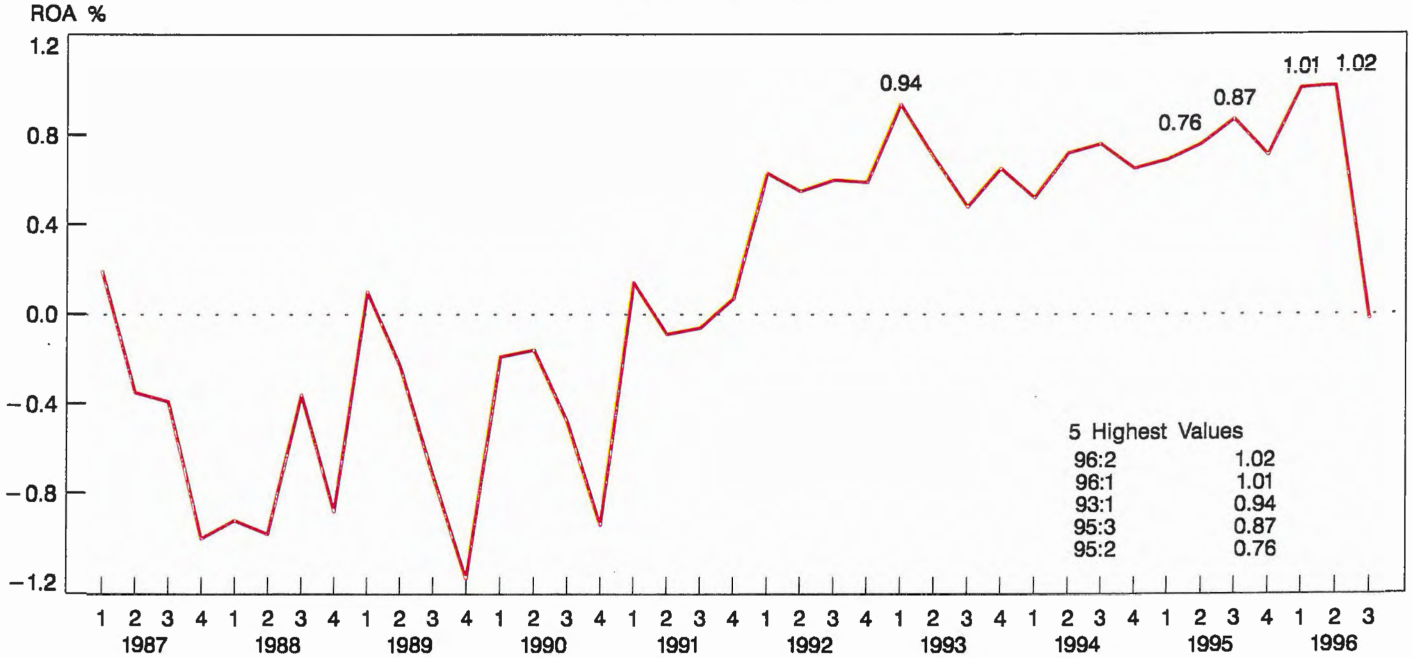


Rankings By ROA

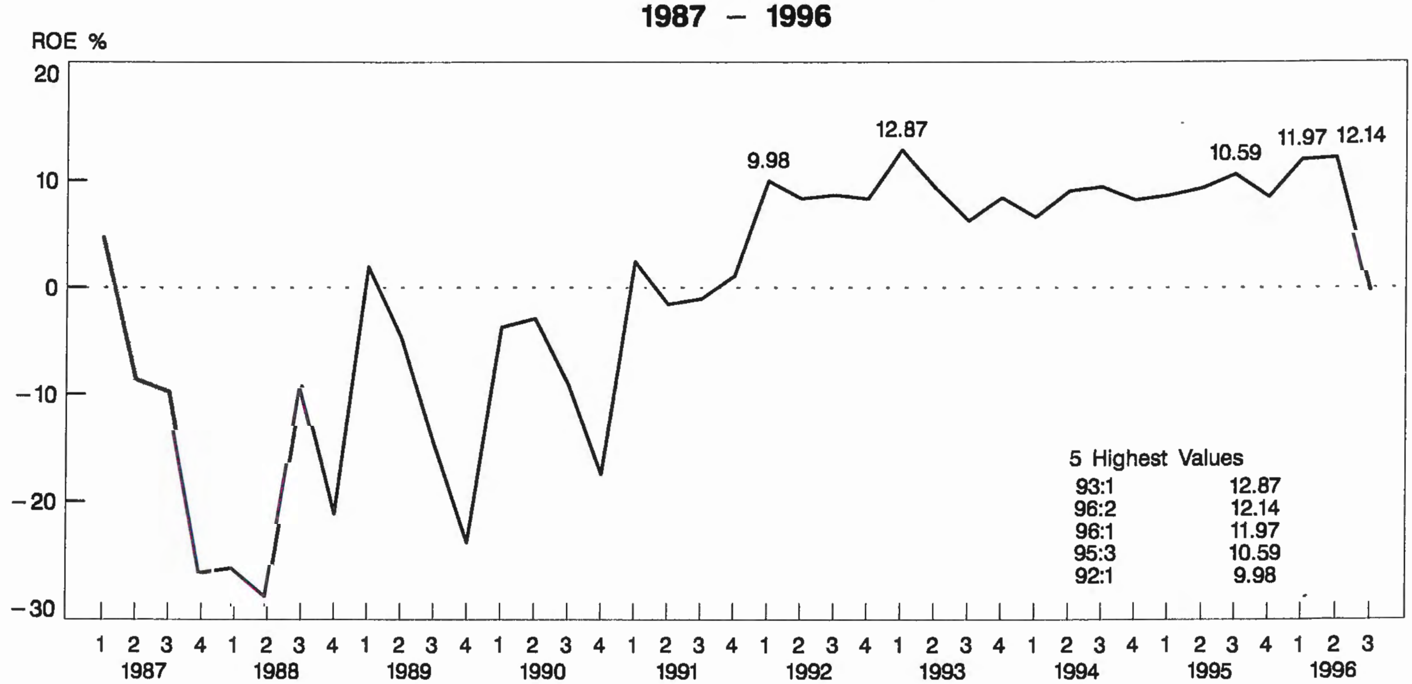
		YTD 1996	YTD 1995	Change*
1	Utah	2.49	1.35	114
2	Texas	2.07	0.94	113
3	Rhode Island	1.48	0.89	59
4	Minnesota	1.36	1.71	(35)
5	Maine	1.15	1.19	(4)
6	Washington	1.05	1.17	(12)
7	Delaware	1.03	2.23	(120)
8	Puerto Rico	0.95	1.13	(18)
9	Arizona	0.93	0.80	13
10	Massachusetts	0.93	0.91	2
11	Connecticut	0.89	0.90	(1)
12	New York	0.81	0.83	(2)
13	Tennessee	0.76	1.19	(43)
14	New Jersey	0.73	0.91	(18)
15	Vermont	0.72	0.82	(10)
16	Montana	0.69	0.97	(28)
17	Mississippi	0.68	1.36	(68)
18	Illinois	0.65	1.09	(44)
19	Alaska	0.61	0.76	(15)
20	Ohio	0.61	0.95	(34)
21	Oklahoma	0.61	0.76	(15)
22	New Mexico	0.59	1.16	(57)
23	Nebraska	0.57	0.80	(23)
24	Colorado	0.55	0.80	(25)
25	New Hampshire	0.55	1.30	(75)
26	Georgia	0.53	1.03	(50)
27	South Carolina	0.53	0.94	(41)
28	Wisconsin	0.53	0.85	(32)
29	Hawaii	0.52	0.81	(29)
30	Arkansas	0.51	0.91	(40)
31	Maryland	0.51	0.82	(31)
32	Missouri	0.51	0.76	(25)
33	Oregon	0.51	0.48	3
34	Pennsylvania	0.51	0.89	(38)
35	Wyoming	0.51	0.81	(30)
36	Virginia	0.50	0.74	(24)
37	Kansas	0.47	0.76	(29)
38	Indiana	0.46	0.92	(46)
39	Louisiana	0.44	1.00	(56)
40	Iowa	0.42	0.75	(33)
41	South Dakota	0.42	0.74	(32)
42	Florida	0.37	0.78	(41)
43	Michigan	0.33	0.64	(31)
44	West Virginia	0.28	0.99	(71)
45	North Carolina	0.26	0.84	(58)
46	Alabama	0.23	0.68	(45)
47	Idaho	0.22	0.75	(53)
48	California	0.20	0.44	(24)
49	Kentucky	0.13	0.93	(80)
50	District of Columbia	0.03	0.59	(56)
51	North Dakota	(0.01)	1.72	(173)
52	Nevada	(3.03)	0.66	(369)
	U.S. and Territories	0.65	0.80	(15)

*YTD ROA minus ROA for the same period one year ago equals change in basis points. Basis point = 1/100 of a percent.

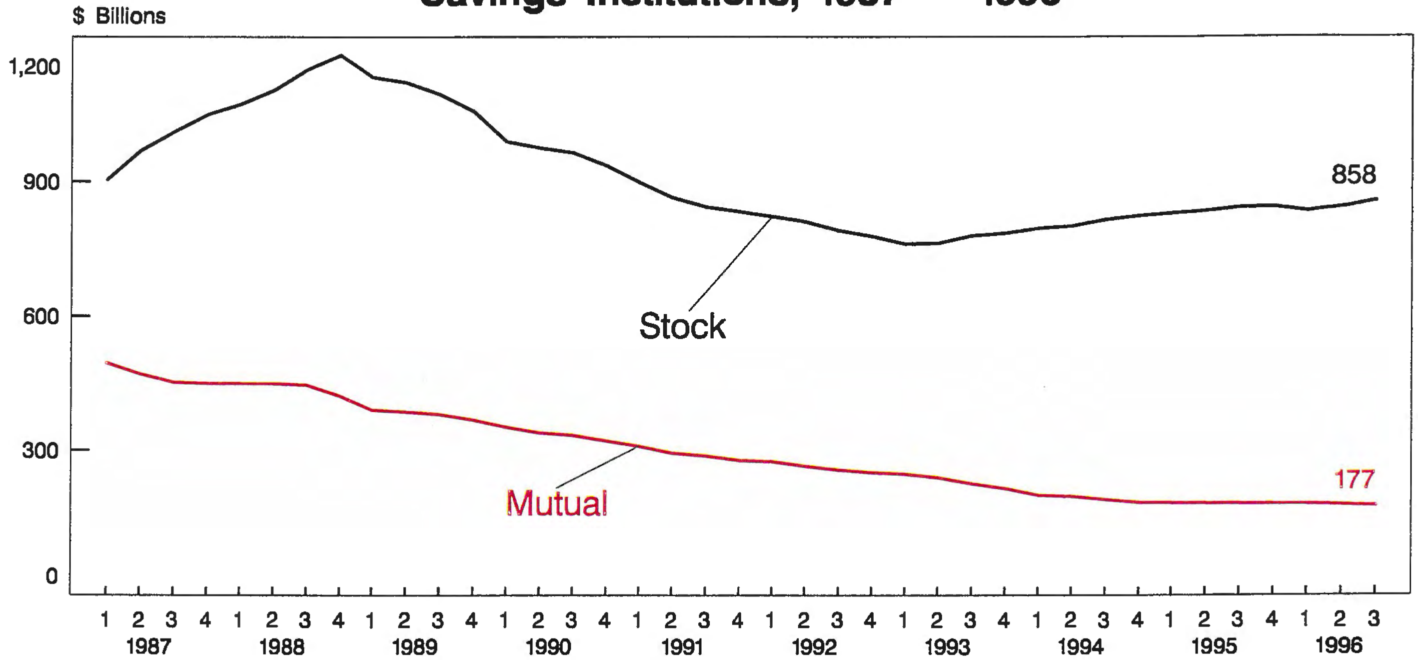
Quarterly Return on Assets (ROA), Annualized
1987 – 1996



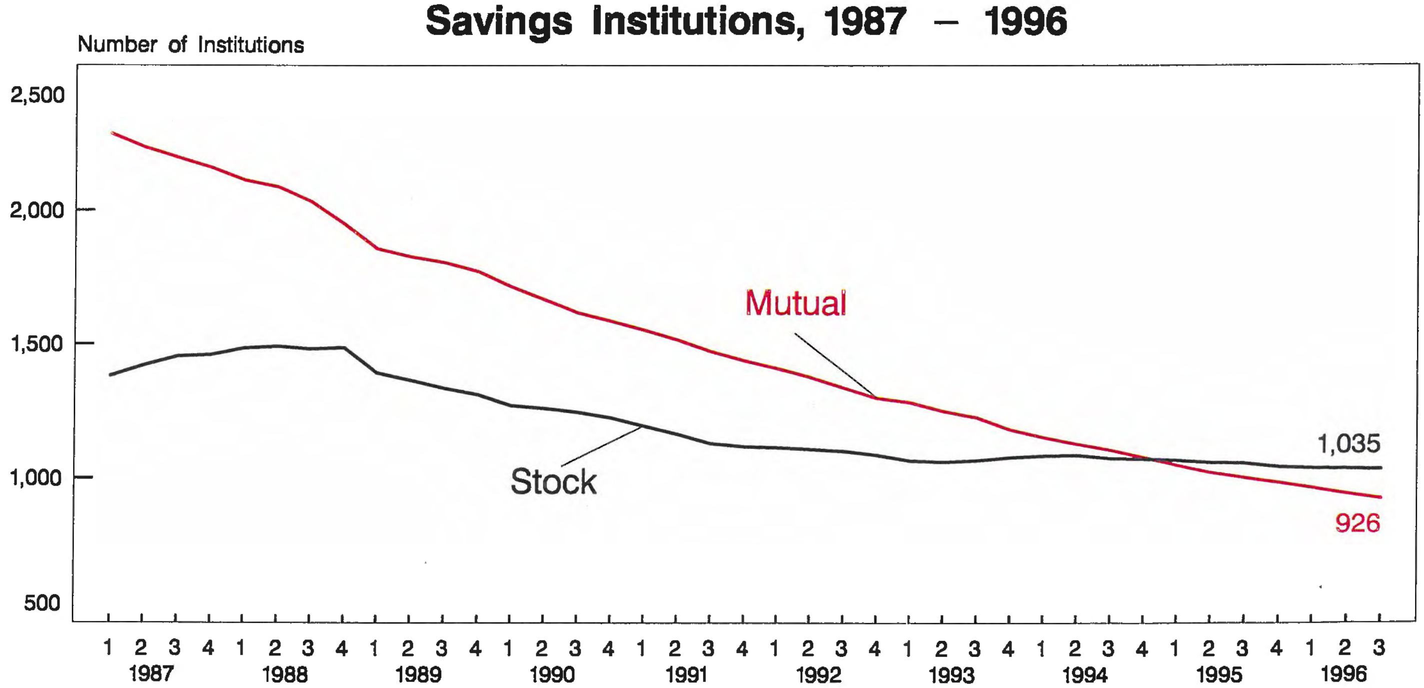
Quarterly Return on Equity (ROE), Annualized
1987 – 1996



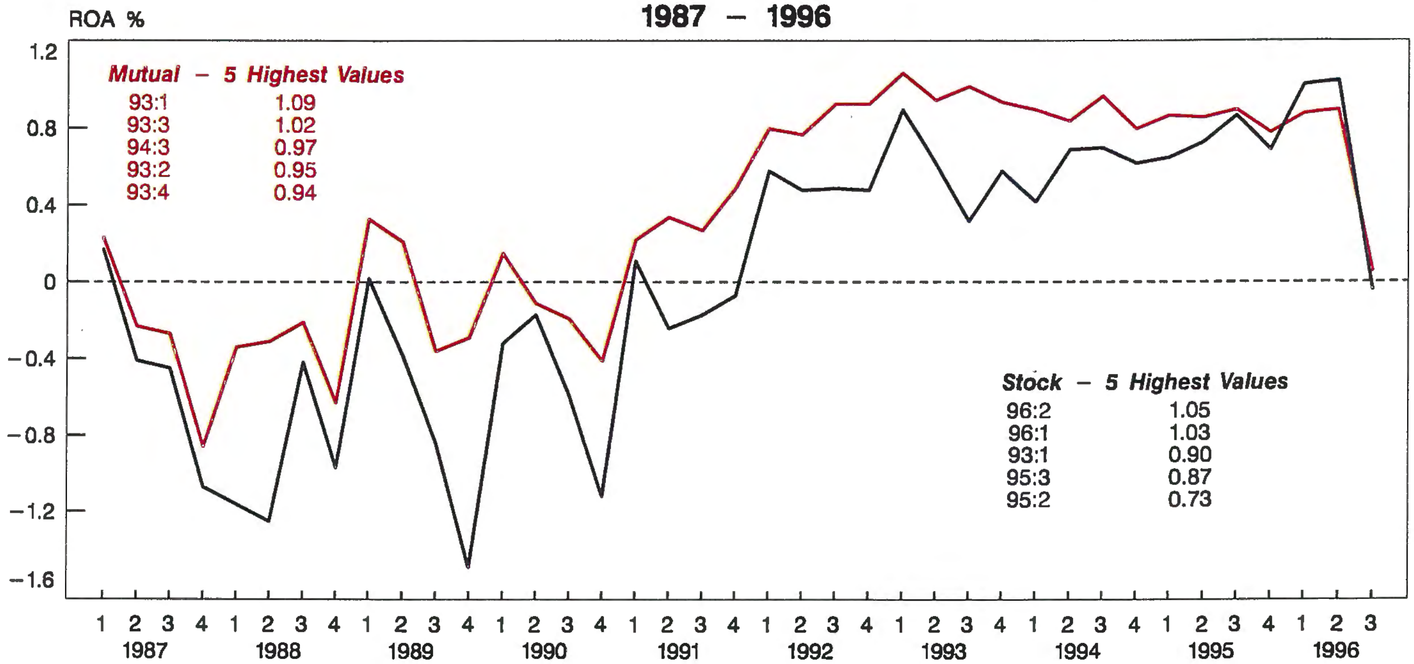
Assets of Mutual and Stock Savings Institutions, 1987 – 1996



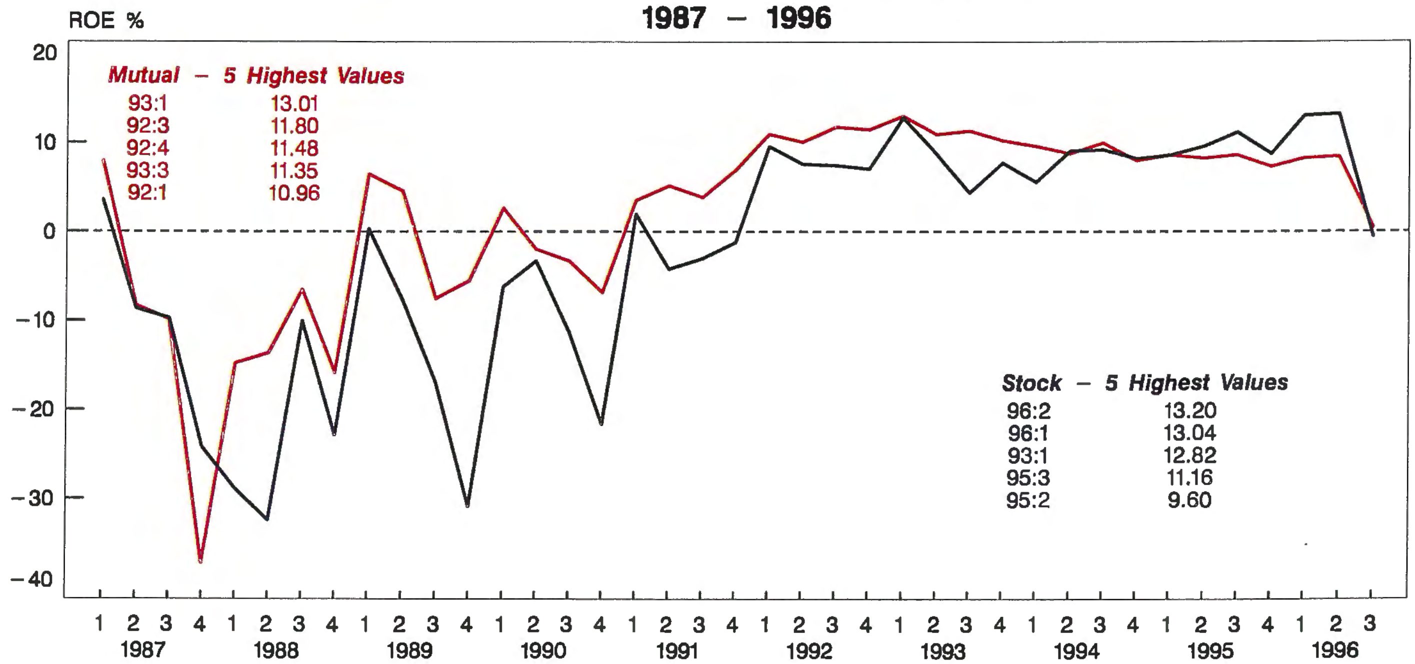
Number of Mutual and Stock Savings Institutions, 1987 – 1996



Quarterly Return on Assets (ROA), Annualized
Mutual and Stock Savings Institutions
1987 – 1996



Quarterly Return on Equity (ROE), Annualized
Mutual and Stock Savings Institutions
1987 – 1996



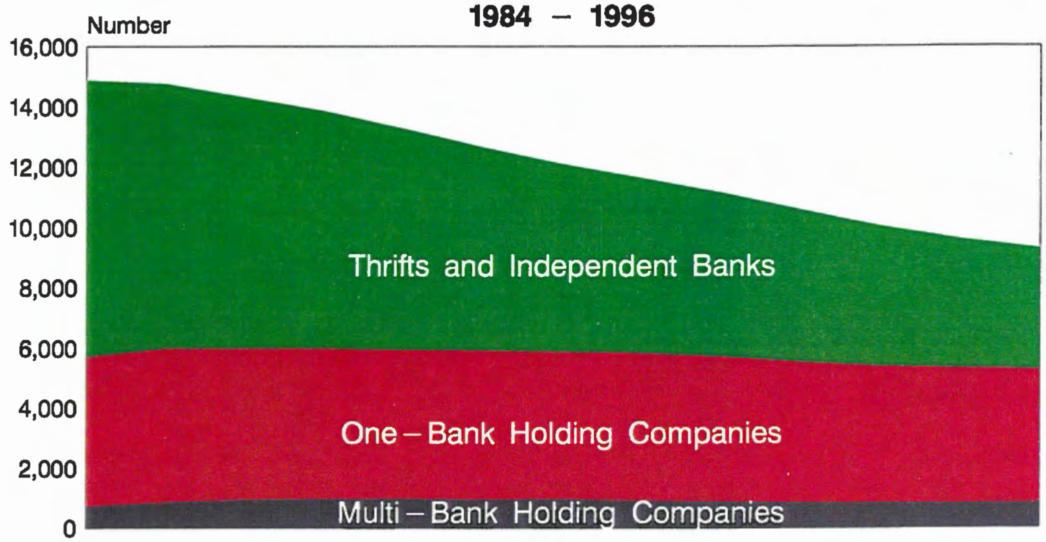
The FDIC Quarterly Banking Profile

Ricki Helfer, Chairman

All FDIC - Insured Institutions

Number of FDIC-Insured Banking Organizations

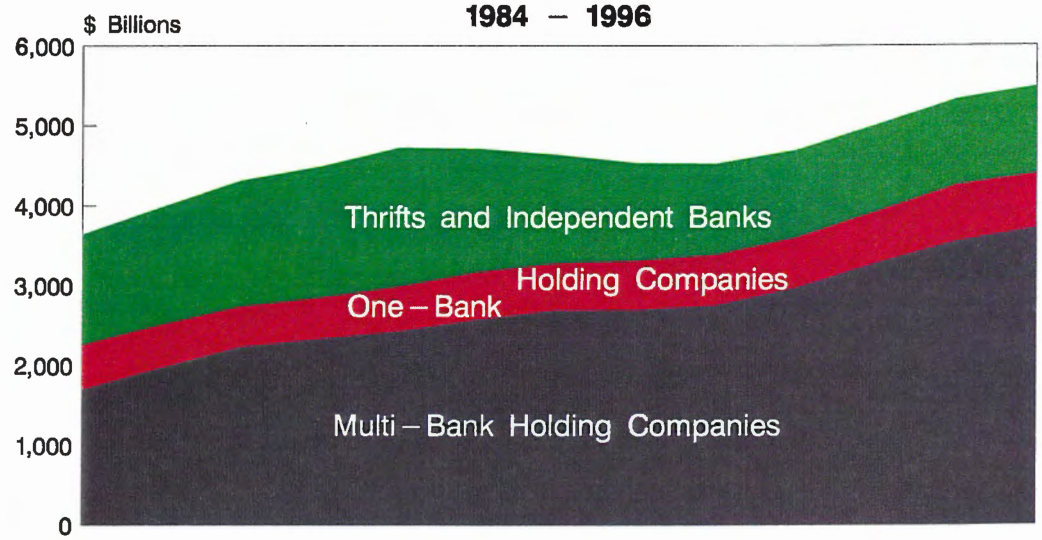
1984 - 1996



	12/84	12/85	12/86	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	12/95	9/96
Thrifts* and Independent Banks	9,180	8,800	8,331	7,880	7,342	6,743	6,240	5,815	5,455	5,065	4,663	4,282	4,026
One-Bank Holding Co.'s	4,975	5,101	5,024	5,000	4,963	4,957	4,909	4,905	4,835	4,682	4,545	4,506	4,424
Multi-Bank Holding Co.'s	732	876	960	981	977	957	967	924	878	851	841	817	843
Total	14,887	14,777	14,315	13,861	13,282	12,657	12,116	11,644	11,168	10,598	10,049	9,605	9,293

Assets of FDIC-Insured Banking Organizations

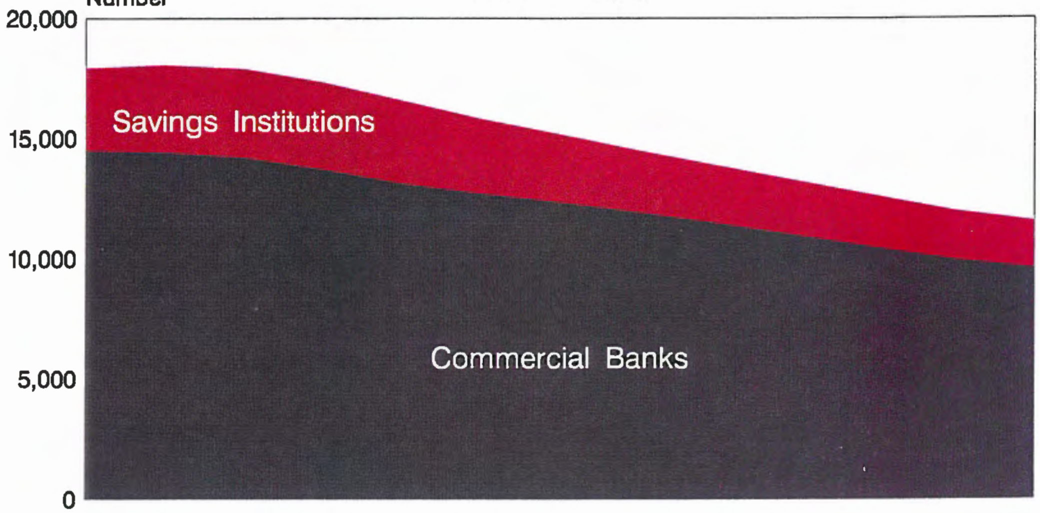
1984 - 1996



	12/84	12/85	12/86	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	12/95	9/96
Thrifts* and Independent Banks	1,386	1,475	1,582	1,646	1,741	1,544	1,361	1,224	1,140	1,096	1,084	1,072	1,090
One-Bank Holding Co.'s	562	538	505	511	559	595	586	614	633	631	645	706	676
Multi-Bank Holding Co.'s	1,705	1,981	2,241	2,345	2,437	2,587	2,702	2,706	2,763	2,980	3,290	3,561	3,727
Total	3,653	3,993	4,328	4,502	4,737	4,727	4,649	4,544	4,536	4,707	5,019	5,338	5,494

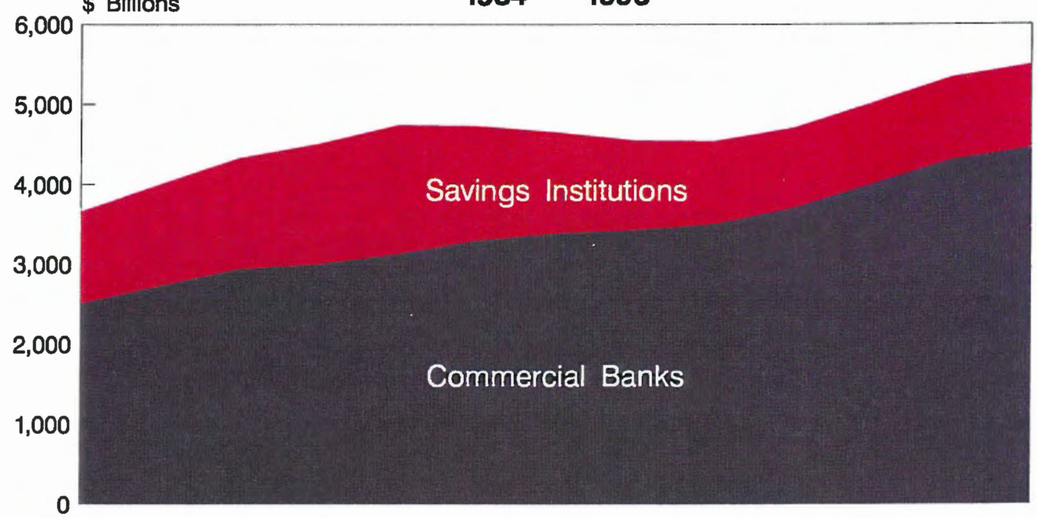
* Includes thrifts owned by unitary thrift holding companies or multi-thrift holding companies.

Number of FDIC-Insured Institutions
1984 – 1996



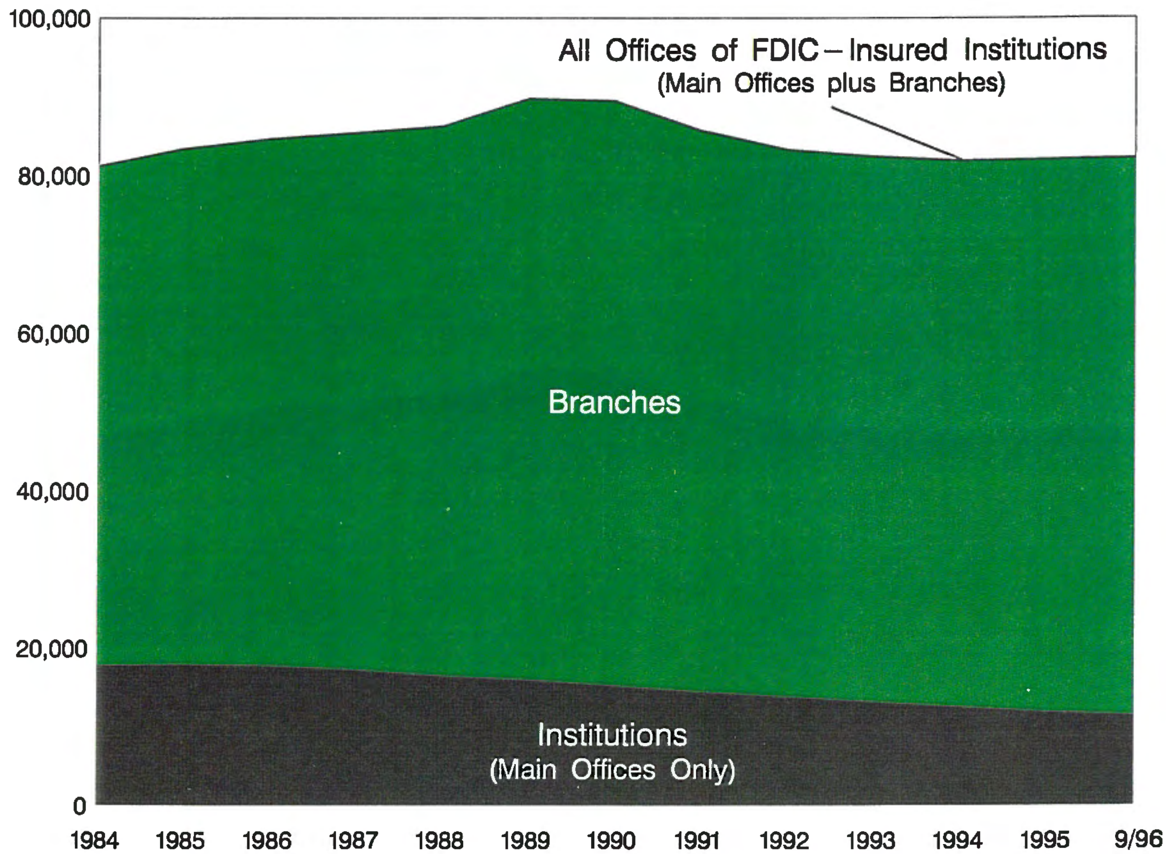
	12/84	12/85	12/86	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	12/95	9/96
Savings Institutions	3,418	3,626	3,677	3,622	3,438	3,087	2,815	2,561	2,390	2,262	2,152	2,030	1,961
Commercial Banks	14,483	14,407	14,199	13,703	13,123	12,709	12,343	11,921	11,462	10,958	10,451	9,940	9,586
Total	17,901	18,033	17,876	17,325	16,561	15,796	15,158	14,482	13,852	13,220	12,603	11,970	11,547

Assets of FDIC-Insured Institutions
1984 – 1996



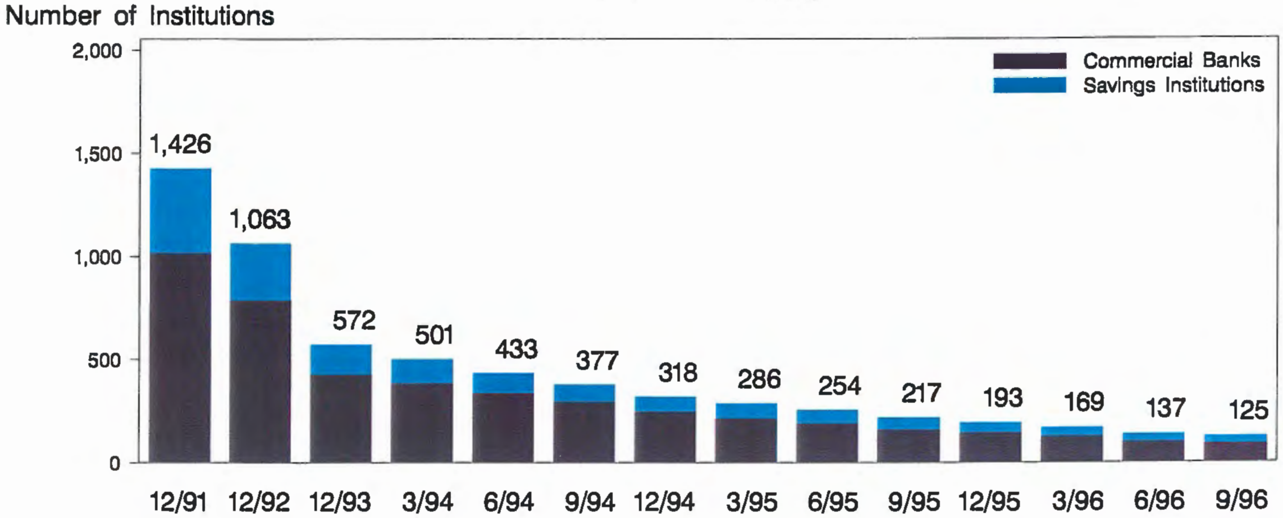
	12/84	12/85	12/86	12/87	12/88	12/89	12/90	12/91	12/92	12/93	12/94	12/95	9/96
Savings Institutions	1,144	1,263	1,387	1,502	1,606	1,428	1,259	1,113	1,030	1,001	1,009	1,026	1,035
Commercial Banks	2,509	2,731	2,941	3,000	3,131	3,299	3,389	3,431	3,506	3,706	4,011	4,313	4,458
Total	3,653	3,993	4,328	4,502	4,737	4,727	4,649	4,544	4,536	4,707	5,019	5,338	5,494

Offices of FDIC – Insured Institutions
1984 – 1996



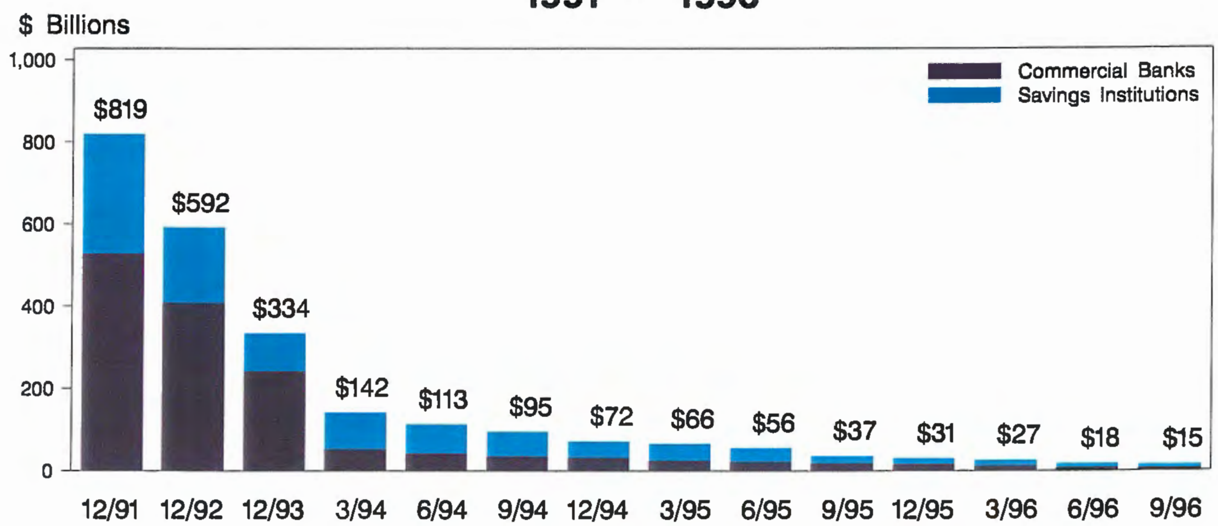
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	9/96
Savings Institutions													
Main Offices	3,418	3,626	3,677	3,622	3,438	3,365	2,993	2,652	2,471	2,325	2,154	2,030	1,961
Branches	20,305	20,994	21,329	21,652	21,789	22,498	20,554	18,085	16,387	15,309	13,977	13,410	13,308
Total Offices	23,723	24,620	25,006	25,274	25,227	25,863	23,547	20,737	18,858	17,634	16,131	15,440	15,269
Commercial Banks													
Main Offices	14,483	14,407	14,199	13,703	13,123	12,709	12,343	11,921	11,462	10,958	10,450	9,941	9,586
Branches	42,830	44,238	45,303	46,273	47,728	51,001	53,398	52,871	52,793	53,655	55,144	56,513	57,188
Total Offices	57,313	58,645	59,502	59,976	60,851	63,710	65,741	64,792	64,255	64,613	65,594	66,454	66,774
All FDIC – Insured Institutions													
Main Offices	17,901	18,033	17,876	17,325	16,561	16,074	15,336	14,573	13,933	13,283	12,604	11,971	11,547
Branches	63,135	65,232	66,632	67,925	69,517	73,499	73,952	70,956	69,180	68,964	69,121	69,923	70,496
Total Offices	81,036	83,265	84,508	85,250	86,078	89,573	89,288	85,529	83,113	82,247	81,725	81,894	82,043

Number of FDIC – Insured "Problem" Institutions 1991 – 1996



	12/91	12/92	12/93	3/94	6/94	9/94	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Savings Institutions	410	276	146	118	95	84	71	71	64	59	49	42	38	36
Commercial Banks	1,016	787	426	383	338	293	247	215	190	158	144	127	99	89

Assets of FDIC – Insured "Problem" Institutions 1991 – 1996



	12/91	12/92	12/93	3/94	6/94	9/94	12/94	3/95	6/95	9/95	12/95	3/96	6/96	9/96
Savings Institutions	291	184	92	89	71	59	39	39	33	17	14	13	10	8
Commercial Banks	528	408	242	53	42	36	33	27	23	20	17	13	8	7

Capital Category Distribution

September 30, 1996

BIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	9,721	98.4%	$4,710.7	99.5%
Adequately Capitalized	151	1.5%	$22.0	0.5%
Undercapitalized	8	0.1%	$0.6	0.0%
Significantly Undercapitalized	3	0.0%	$0.3	0.0%
Critically Undercapitalized	1	0.0%	$0.0	0.0%

SAIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	1,594	95.9%	$719.2	94.6%
Adequately Capitalized	65	3.9%	$40.1	5.3%
Undercapitalized	3	0.2%	$0.7	0.1%
Significantly Undercapitalized	0	0.0%	$0.0	0.0%
Critically Undercapitalized	1	0.1%	$0.0	0.0%

Note: These tables are based solely on Call Report data and do not reflect supervisory upgrades or downgrades.

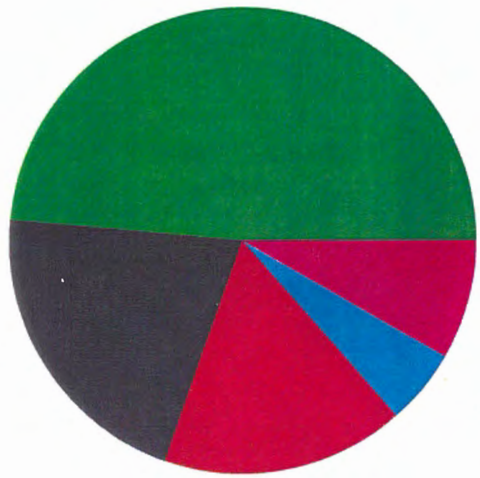
Capital Category Definitions

	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.

Note: Standards vary in some instances for the strongest institutions, those anticipating growth, and those subject to supervisory agreements or directives.

Total Liabilities and Equity Capital

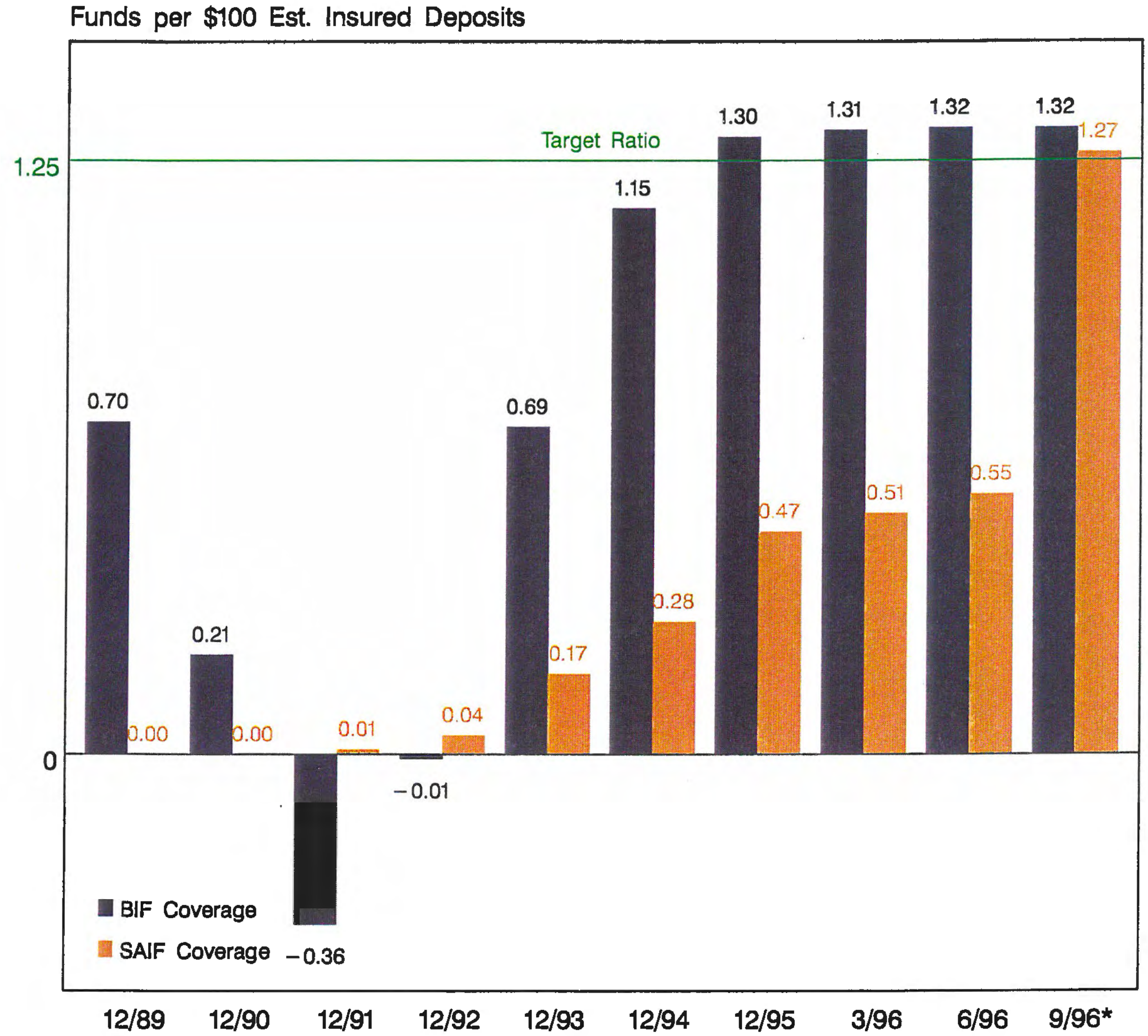


($ Billions)	9/30/95	9/30/96**	% Change
Insured Deposits (estimated)	2,627	2,668	1.6
BIF – Insured	1,916	1,979	3.3
SAIF – Insured	710	688	–3.1
Uninsured Deposits	1,047	1,158	10.6
In Foreign Offices	450	451	0.3
Other Borrowed Funds*	859	927	7.9
All Other Liabilities	292	285	–2.4
Subordinated Debt	46	51	10.1
Equity Capital	429	455	6.1
Total Liabilities and Equity Capital	5,254	5,494	4.6

* Other borrowed funds include federal funds purchased, securites sold under agreement to repurchase, FHLB and FRB borrowings and other indebtedness.

** Insured deposits reflect a shift of $23.894 billion from SAIF to BIF insurance, as required by the Deposit Insurance Funds Act of 1996.

Insurance Fund Reserve Ratios
December 31, 1989 – September 30, 1996



($ Billions)

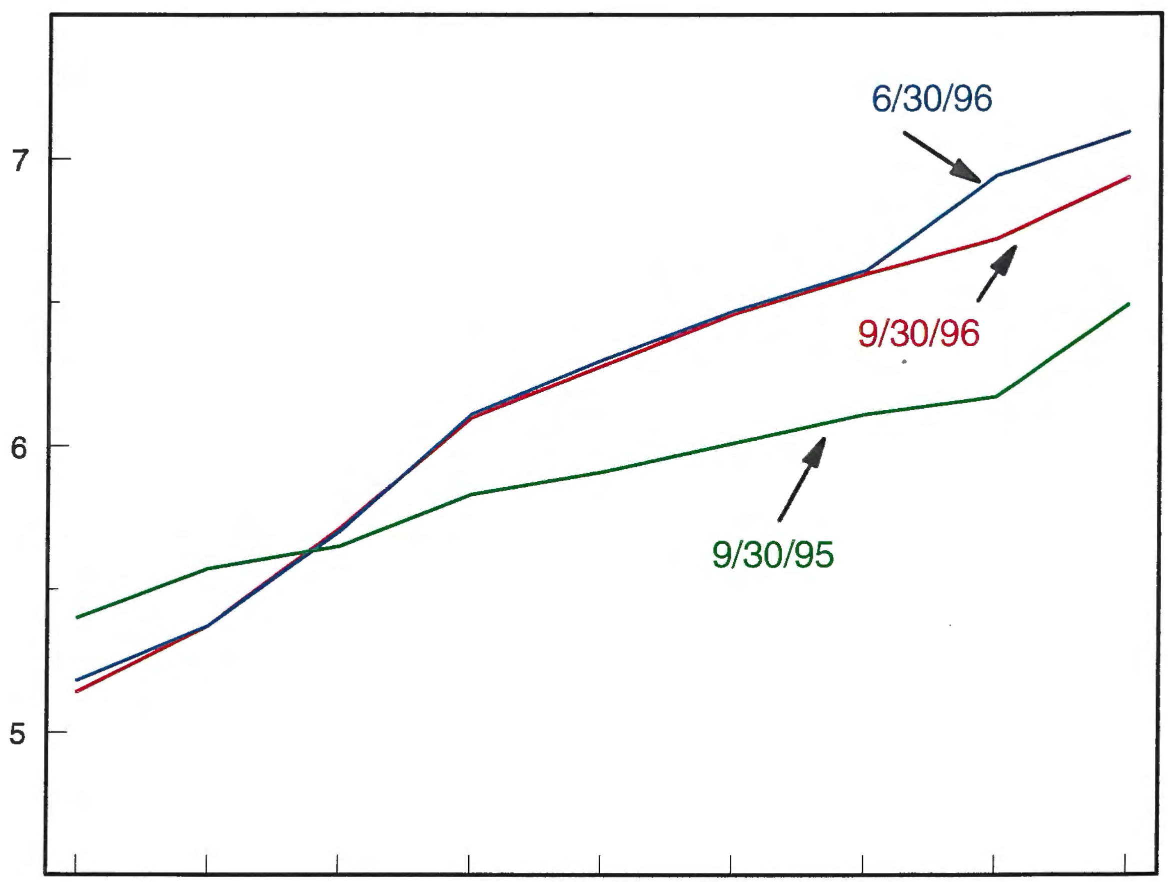
	12/89	12/90	12/91	12/92	12/93	12/94	12/95	3/96	6/96	9/96*
BIF										
Fund Balance	13.2	4.0	−7.0	−0.1	13.1	21.8	25.5	25.7	25.8	26.1
Est. Insured Deposits	1,873.8	1,929.6	1,957.7	1,945.6	1,905.3	1,895.2	1,951.7	1,959.5	1,957.9	1,981.1
SAIF										
Fund Balance	0.0	0.0	0.1	0.3	1.2	1.9	3.4	3.7	3.9	8.7
Est. Insured Deposits	882.9	830.0	776.4	732.2	697.6	693.4	712.4	716.3	713.2	688.2

Note: Includes insured branches of foreign banks.

* SAIF fund balance includes a special assessment of $4.495 billion that was recognized on October 1, 1996.
Insured deposits reflect a shift of $23.894 billion from SAIF to BIF insurance, as required by the Deposit Insurance Funds Act of 1996.

U.S. Treasury Yield Curve

September 30, 1995 - September 30, 1996



Maturity	3-Month	6-Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	30 Year
9/30/96	5.14	5.37	5.71	6.10	6.28	6.46	6.60	6.72	6.93
6/30/96	5.18	5.37	5.70	6.11	6.30	6.47	6.61	6.94	7.09
3/31/96	5.13	5.20	5.41	5.79	5.91	6.10	6.30	6.34	6.67
12/31/95	5.10	5.17	5.18	5.18	5.25	5.38	5.49	5.58	5.96
9/30/95	5.40	5.57	5.65	5.83	5.91	6.01	6.11	6.17	6.49

Source: Federal Reserve's H.15 Statistical Release

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. The information presented in the *FDIC Quarterly Banking Profile* is divided into the following groups of institutions:

FDIC-Insured Commercial Banks

This section covers commercial banks insured by the FDIC either through the Bank Insurance Fund (BIF) or through the Savings Association Insurance Fund (SAIF). These institutions are regulated by and submit financial reports to one of the three federal commercial bank regulators (the Board of Governors of the Federal Reserve System, the FDIC or the Office of the Comptroller of the Currency).

FDIC-Insured Savings Institutions

This section covers savings institutions insured by either BIF or SAIF that operate under state or federal banking codes applicable to thrift institutions, except for one self-liquidating institution primarily funded by the FSLIC Resolution Fund (FRF). Savings institutions that have been placed in Resolution Trust Corporation conservatorship are also excluded from these tables while in conservatorship. The institutions covered in this section are regulated by and submit financial reports to one of two Federal regulators – the FDIC or the Office of Thrift Supervision (OTS).

FDIC-Insured Institutions by Insurance Fund

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. 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*. Beginning with June 1996, the *Thrift Financial Report* is completed on a fully consolidated basis, with the exception of subsidiary depository institutions being reported on the equity method of accounting. Prior to this time, this report reflected the consolidation of the parent thrift with finance subsidiaries. All other subsidiaries were reported on an equity or cost basis. Some accounting differences exist, such as asset sales with recourse, for which the data necessary to reconcile these differences are not reported.

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. Tables III and IV do not provide growth rates for the "Asset Size Distribution" since many institutions migrate between size groups.

Asset Migrations

All data are collected and presented based on the location of each reporting institution's main office. When a main office is relocated to another state, adjustments to prior-period data may be made to more accurately reflect geographic growth rates. In other situations, no adjustments are possible. For example, reported data may include assets and liabilities located outside of the reporting institution's home state. Also, institutions may change their charters, resulting in an inter-industry migration, e.g. savings institutions can convert to commercial banks. These situations can affect state and regional totals.

RECENT ACCOUNTING CHANGES

FASB Statement 115, "Accounting for Certain Investments in Debt and Equity Securities" requires that securities that are not held in trading accounts be measured at either amortized cost or fair (market) value, depending on their classification category ("available-for-sale" or "held-to-maturity"). For additional details, see "Notes to Users," First Quarter, 1994, *Quarterly Banking Profile*.

On November 15, 1995 the FASB released a guide to the implementation of Statement 115 and provided a window (November 15, 1995 through December 31, 1995) during which banks could elect to sell or reclassify securities between categories without violating the provisions of the accounting rule. In most cases, Statement 115 requires an automatic marking-to-market of the entire held-to-maturity portfolio (previously valued at amortized cost) if any held-to-maturity security is sold or transferred. The one-time opportunity to avoid this requirement was designed to allow the sale or reclassification of securities from the held-to-maturity category to available-for-sale or the trading portfolio without tainting the entire held-to-maturity category. The FASB announcement and guide also sought to provide further clarification of Statement 115, and correct misinterpretations of the original pronouncement.

DEFINITIONS (in alphabetical order)

Capital category distribution – each institution's capital category is calculated or estimated from its financial report and does not reflect supervisory upgrades or downgrades:

(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.

Construction and development loans – includes loans for all property types under construction, as well as loans for land acquisition and development.

Derivative contracts, gross fair values (positive/negative) – are reported separately and represent the amount at which a contract could be exchanged in a transaction between willing parties, other than in a forced or liquidation sale. If a quoted market price is available for a contract, the fair value reported for that contract is calculated using this market price. If quoted market prices are not available, the reporting banks use the best estimate of fair value based on quoted market prices of similar contracts or on valuation techniques such as discounted cash flows. This information is reported only by banks with assets greater than $100 million.

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.

Mortgage-backed securities – certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Effective 3/31/94, the full implementation of FASB 115 meant that a portion of banks' mortgage-backed securities portfolio is now reported based upon fair (market) values; previously, all mortgage-backed securities not held in trading accounts were reported at either amortized cost or lower of cost or market.

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 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 debt securities and other assets were not included prior to March 1991.

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

Off-balance-sheet derivatives – 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 underlying at a specified price or yield. These contracts exist for a variety of underlyings, including the 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 underlying 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 underlying 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 of the underlying (notional principal) by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged. to buy from or sell to another party some specified amount of underlying 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 underlying at the discretion of the buyer of the contract.

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.

"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 federal regulator is the OTS, the OTS composite rating is used.

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.

Securities – excludes securities held in trading accounts. Effective 3/31/94, the full implementation of FASB 115 meant that a portion of banks' securities portfolios is now reported based upon fair (market) values; previously, all securities not held in trading accounts were reported at either amortized cost or lower of cost or market.

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.

REGIONS

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

Southeast — Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia

Central — Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

Midwest — Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Southwest — Arkansas, Louisiana, New Mexico, Oklahoma, Texas

West — Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming