



PRESS RELEASE

Federal Deposit Insurance Corporation

November 7, 2000

Media Contact:
David Barr (202) 898-6992

FDIC REPORTS THIRD QUARTER 2000 EARNINGS FOR INSURANCE FUNDS

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation (FDIC) today announced that the Bank Insurance Fund (BIF) reported comprehensive income (net income plus unrealized gain on available-for-sale securities) of \$1.141 billion for the first nine months of 2000. This is an increase of \$1.254 billion over the same period last year. BIF reported a comprehensive loss of \$198 million for 1999. As of September 30, 2000, the fund balance was \$30.6 billion, up from \$29.4 billion at year-end 1999. BIF revenues totaled \$1.422 billion for the first nine months of 2000, including \$1.359 billion in interest on investments in U.S. Treasury obligations and \$36 million in deposit insurance assessments.

The Savings Association Insurance Fund (SAIF) reported comprehensive income of \$425 million compared to \$365 million for the same period last year. As of September 30, 2000, the fund balance was \$10.7 billion, up from \$10.3 billion at year-end 1999. SAIF revenues totaled \$493 million for the first nine months of 2000, including \$479 million in interest on investments in U.S. Treasury obligations and \$14 million in deposit insurance assessments.

Four BIF-insured banks failed during the first nine months of 2000, with total assets at failure of \$224 million. One SAIF-insured thrift failed during the same period, with assets at failure of \$29.5 million.

The FSLIC Resolution Fund-Resolution Trust Corporation (FRF-RTC) made a payment of \$516 million to the Resolution Funding Corporation (REFCORP) during the third quarter of 2000. The proceeds were used by REFCORP to pay interest on bonds that were issued to fund early RTC thrift resolutions. Any such payments by FRF-RTC benefit the U.S. Treasury, which would otherwise be obligated to pay the interest on the bonds.

FRF assets in liquidation were reduced by 44 percent, or \$155 million, to \$354 million during the first nine months of 2000.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-79-2000