



# PRESS RELEASE

Federal Deposit Insurance Corporation

September 5, 2001

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## COMMERCIAL BANKS EARN ALMOST \$20 BILLION IN SECOND QUARTER, 2001

### FOR IMMEDIATE RELEASE

Insured commercial banks earned \$19.2 billion in the second quarter of 2001, the Federal Deposit Insurance Corporation announced Wednesday.

Through the first six months of the year, banks earned a record \$39 billion.

The industry's return on assets (ROA) for the second quarter was 1.21 percent.

It was the fifth most profitable quarter the banking industry has ever reported.

However, fewer than half of all banks - 49.4 percent - reported quarterly earnings higher than a year ago.

Slower growth and narrower net interest margins lowered earnings for many community banks, while a number of larger banks wrote off more commercial and consumer loans than in earlier quarters.

"Life hasn't been quite as easy as it has been, but that doesn't mean it has been difficult," said FDIC Chairman Donald E. Powell. "The industry did well in the second quarter, but not quite as well as in previous quarters."

Attachment: [Chairman's Statement](#)

Attachment: [The FDIC Preliminary Bank Earnings Report Second Quarter, 2001](#)



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.

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