



PRESS RELEASE

Federal Deposit Insurance Corporation

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COMMERCIAL LOAN LOSSES CONTINUE TO GROW, FDIC REPORT SHOWS

Bank losses on commercial and industrial loans grew again in the fourth quarter of 2001, while key measures of capital and loan loss reserve adequacy also rose, according to a report issued today by the Federal Deposit Insurance Corporation (FDIC). The analysis of year-end Call Report data also notes some weakening in credit quality at smaller banks and in loan types other than commercial loans. The banking industry as a whole remains well-positioned to withstand the economic downturn, with a ratio of equity capital to assets that is higher than levels one year ago.

The report's findings are summarized in *FYI*, an e-mail bulletin that summarizes FDIC analysis of emerging issues in banking and the economy. *FYI* is available on the FDIC Web site at www.fdic.gov, where those interested in receiving each issue electronically may subscribe. A copy of *FYI* is attached.

This issue of *FYI* also provides links to a Webcast to be held Thursday, February 28, at 10:00 a.m., that will summarize the full results of the FDIC *Preliminary Bank Earnings Report* for the fourth quarter of 2001.

Attachment: [February 27, 2002, FYI](#)



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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