



PRESS RELEASE

Federal Deposit Insurance Corporation

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BUSINESS CREDIT FLOWING DESPITE RECESSION, FDIC REPORT SHOWS

Business credit is more available in this recession than in previous recessions over the past 30 years, according to the Federal Deposit Insurance Corporation (FDIC). Unlike the experience in three past recessions, total commercial credit continued to expand throughout 2001, despite a decline in commercial and industrial (C&I) loans held by commercial banks. A generally lower cost of capital, structural changes in banking and the financial markets, and a different regulatory landscape have contributed to the current trend, the FDIC noted in its publication, **Bank Trends**.

The report's findings are summarized in **FYI**, an e-mail bulletin covering FDIC analysis of emerging issues in banking and the economy. Both **FYI** and **Bank Trends** are 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.

Attachment: [February 21, 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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