# PRESS RELEASE

Federal Deposit Insurance Corporation

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## FDIC Revises March 31, 2004, Reserve Ratios for Deposit Insurance Funds

**FOR IMMEDIATE RELEASE**

The FDIC today announced revisions to the March 31, 2004, reserve ratios reported on May 27, 2004, for its two deposit insurance funds - the Bank Insurance Fund (BIF) and the Savings Association Insurance Fund (SAIF). The reserve ratios are calculated by dividing the balance of each deposit insurance fund by the deposits in financial institutions estimated to be insured by each fund. The fund balances previously reported, $34.2 billion for the BIF and $12.4 billion for the SAIF, remain unchanged. The revised March 31 ratio for the BIF is 1.32 percent compared to the previously reported 1.31 percent. The revised ratio for the SAIF is 1.36 percent compared to the previously reported 1.39 percent.

As a result of the FDIC's error in allocating estimated deposits insured by each fund, the deposits in financial institutions estimated to be insured by the BIF were overstated by $20.5 billion and the deposits estimated to be insured by the SAIF were correspondingly understated. After properly allocating the estimated deposits insured by each fund on March 31, 2004, the BIF insured an estimated $2.587 trillion in deposits and the SAIF insured an estimated $914 billion in deposits.

While these revisions will not trigger adjustments to premiums previously paid by insured institutions and do not affect the levels of the FDIC insurance funds, the FDIC will review its processes and make appropriate changes.