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## **HIGHLIGHTS -- FOURTH QUARTER AND FULL YEAR 1998**

- **COMMERCIAL BANK EARNINGS DECLINE IN FOURTH QUARTER**

Insured commercial banks earned \$14.9 billion in the fourth quarter, a decline of \$148 million from the third quarter, and \$379 million less than their earnings in the fourth quarter of 1997. High noninterest expenses, caused by restructuring charges at several large banks, were a major factor in the decline. The average return on assets (ROA) was 1.11 percent in the fourth quarter, down from 1.15 percent in the third quarter and 1.24 percent a year ago.

- **FULL-YEAR EARNINGS OF \$61.9 BILLION SET A NEW RECORD**

For all of 1998, industry earnings were \$2.8 billion higher than in 1997. Strong growth in noninterest income, especially fee income, helped boost industry profits. Sales of securities yielded \$1.3 billion more in gains in 1998 than in the previous year.

- **BANKS' NET INTEREST MARGINS DECLINE FOR SIXTH CONSECUTIVE YEAR**

The industry's net interest margin -- the difference between the average yield on its interest-earning assets and the average cost of funding those assets -- averaged 4.07 percent in 1998, a decline of 14 basis points from the 4.21 margin recorded in 1997. This is the sixth consecutive year that the industry's margin has declined. Banks' ability to maintain high levels of profitability has increasingly depended on growing the relative earnings contribution from fees and other noninterest income sources. In 1998, noninterest income accounted for 40.4 percent of the industry's net operating revenues (net interest income plus noninterest income); six years ago, noninterest income provided less than 33 percent of net operating revenues.

- **THRIFT INDUSTRY HAS RECORD YEAR FOR PROFITABILITY**

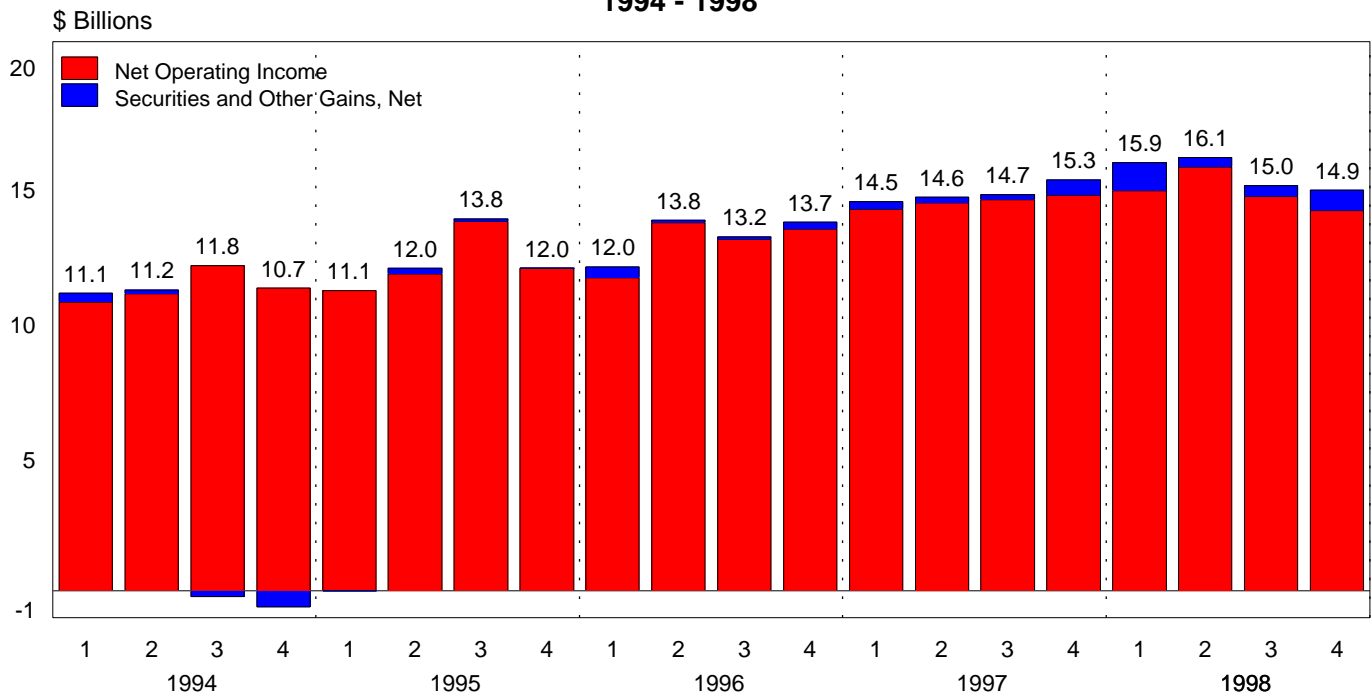
Despite a decline in earnings in the fourth quarter, insured savings institutions reported record high profits for 1998. Full-year earnings totaled \$10.2 billion, and the industry's ROA for the year rose to 1.01 percent, its highest level since 1946. A year ago, the industry earned \$8.8 billion, and posted an ROA of 0.93 percent. The improved earnings were attributable to lower expenses for credit losses, growth in interest-earning assets, and increased gains from sales of securities and other assets. Fourth-quarter earnings of \$2.0 billion were \$921 million less than in the third quarter, and \$272 million (11.8 percent) below the fourth quarter of 1997. The decline in earnings in the last quarter of the year was caused primarily by lower gains from asset sales and one-time expenses arising from a few large mergers.

- **INSURED-DEPOSIT GROWTH CAUSES BIF RESERVE TO FALL**

Insured deposits rose sharply during the fourth quarter of 1998. Total FDIC-insured deposits grew \$85 billion during the three-month period, including increases of \$75 billion in deposits insured by the Bank Insurance Fund (BIF) and \$10 billion in deposits insured by the Savings Association Insurance Fund (SAIF). This deposit growth caused the BIF reserve ratio to fall to 1.38 percent on December 31 from 1.41 percent on September 30. The SAIF reserve ratio remained at 1.39 percent. A legislative mandate to establish a SAIF Special Reserve on January 1, 1999, lowered the SAIF reserve ratio to 1.25 percent as of that date. No insured institutions failed in the fourth quarter, leaving the total number of failures for 1998 at three.

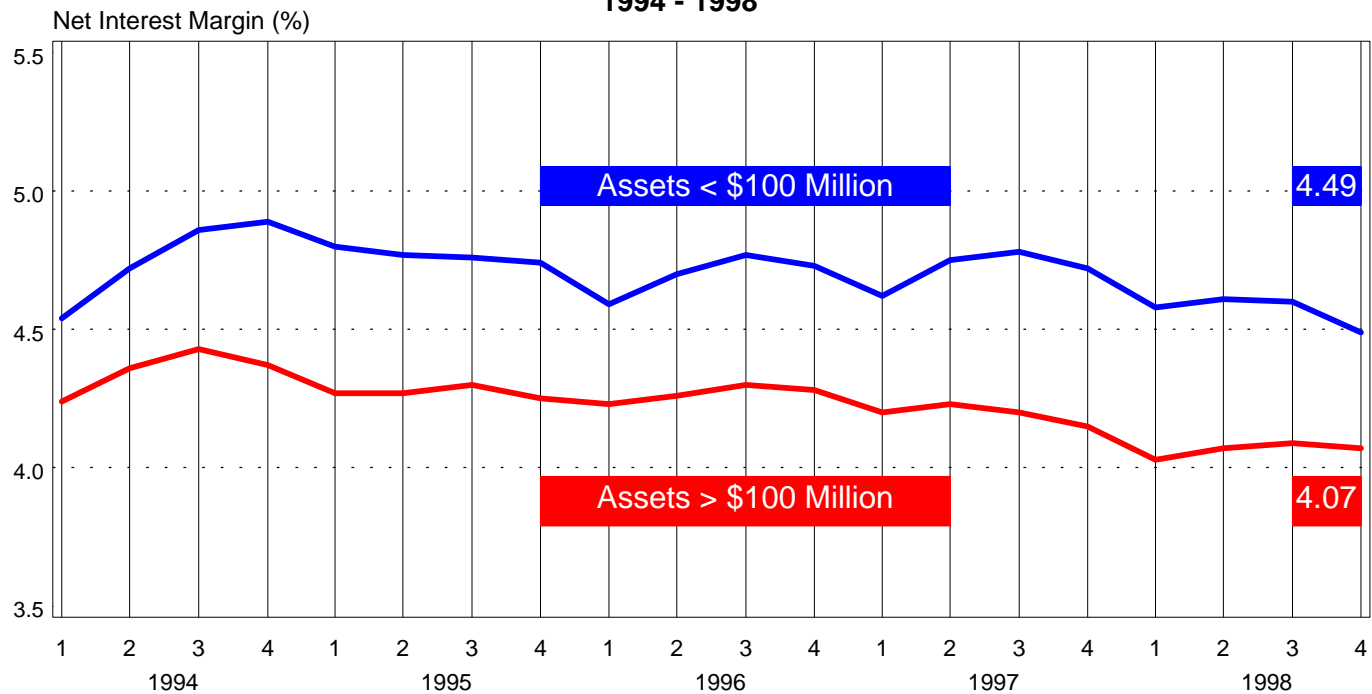
## Quarterly Net Income

1994 - 1998



## Quarterly Net Interest Margins, Annualized

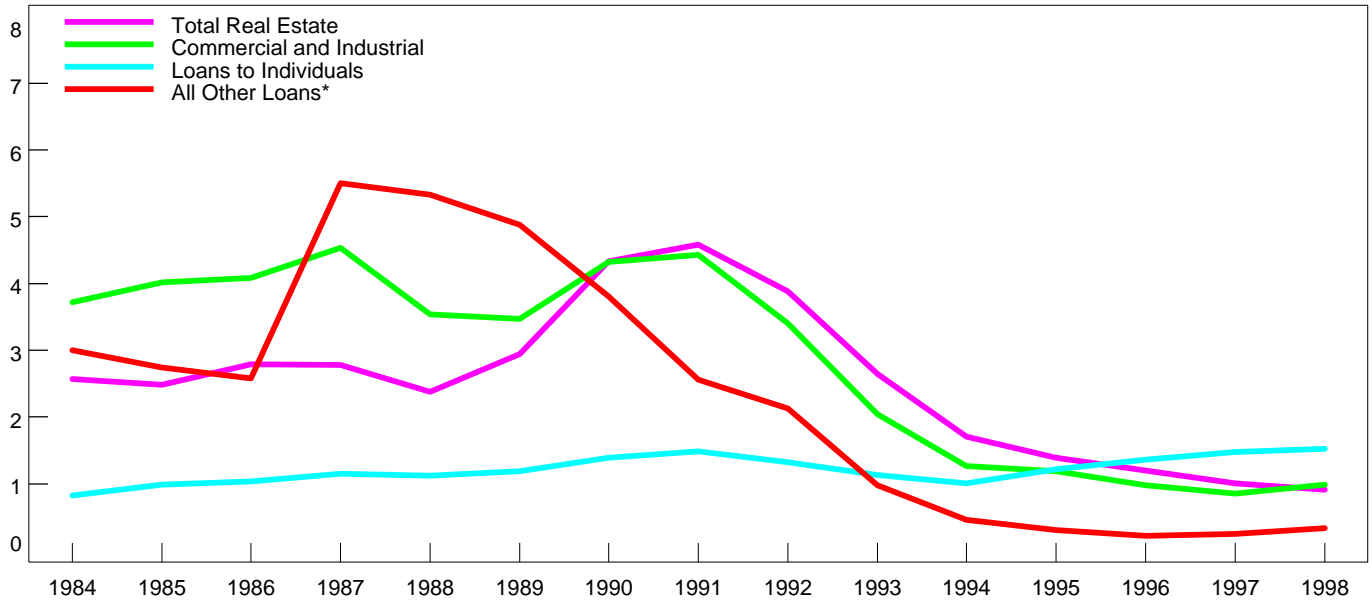
1994 - 1998



## Noncurrent Loan Rates at Year-end

1984 - 1998

Percent of Loans

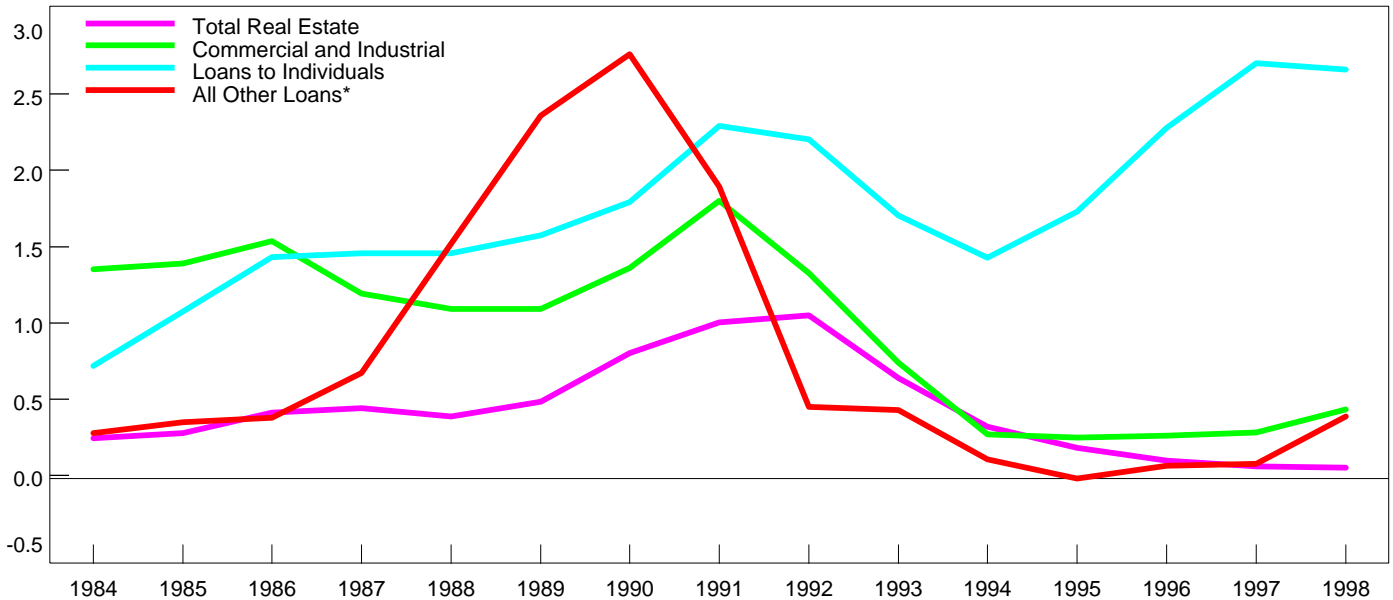


Note: Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status.

## Annual Net Charge-off Rates on Loans

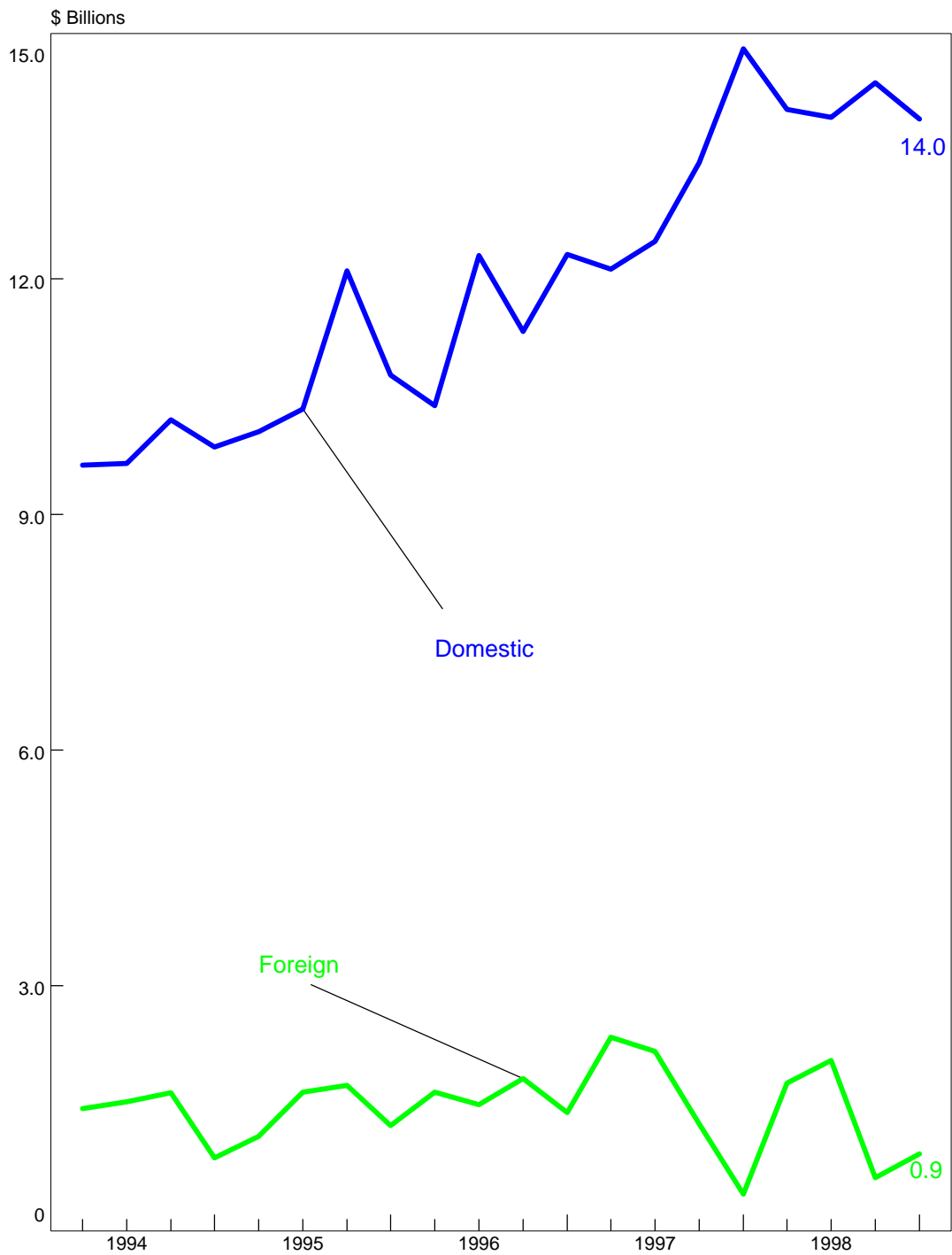
1984 - 1998

Percent of Loans



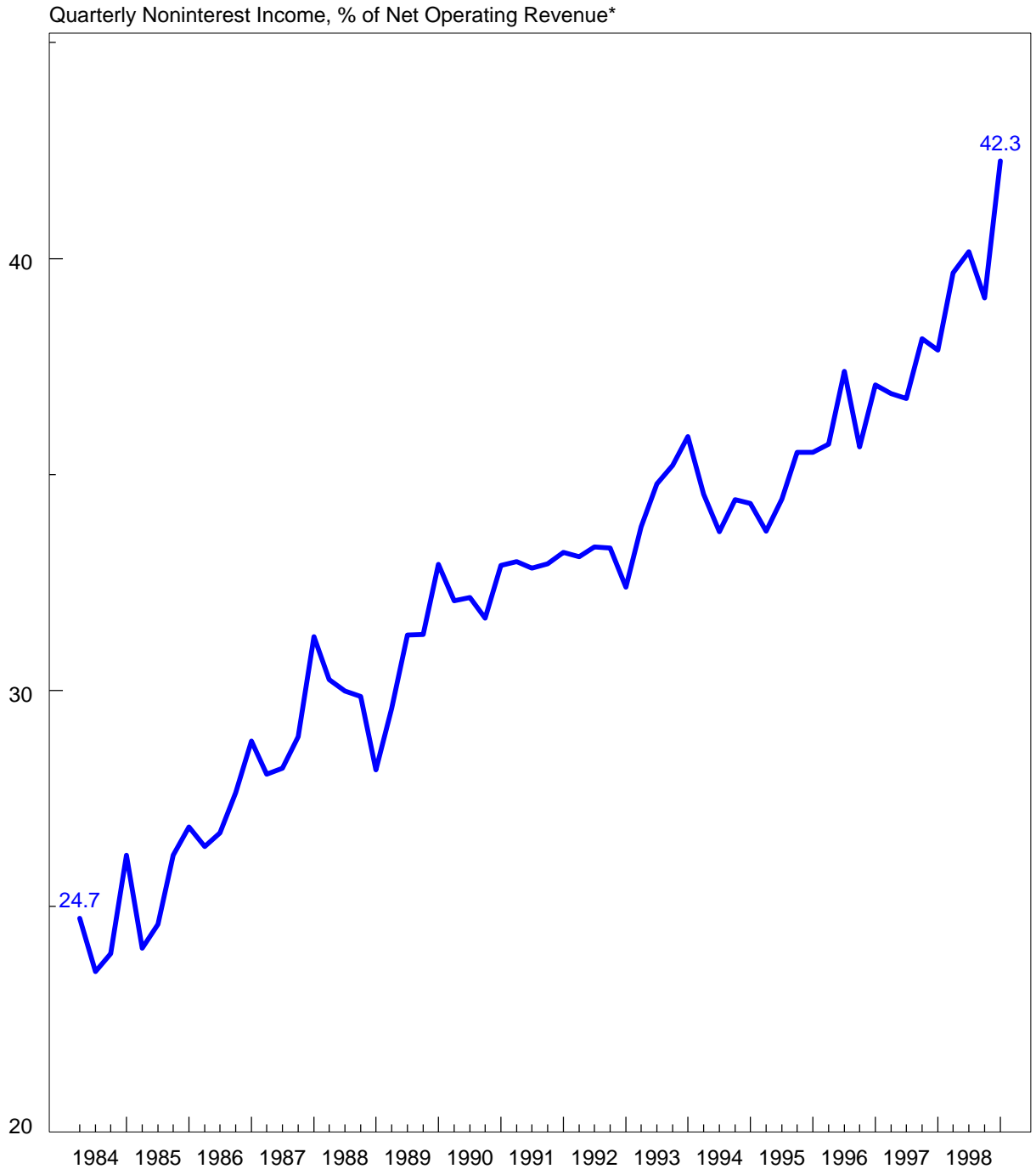
\*Includes loans to foreign governments, depository institutions and lease receivables.

# Net Income from Domestic and Foreign Operations 1994 - 1998



# Noninterest Income Provides a Growing Proportion of Bank Revenue

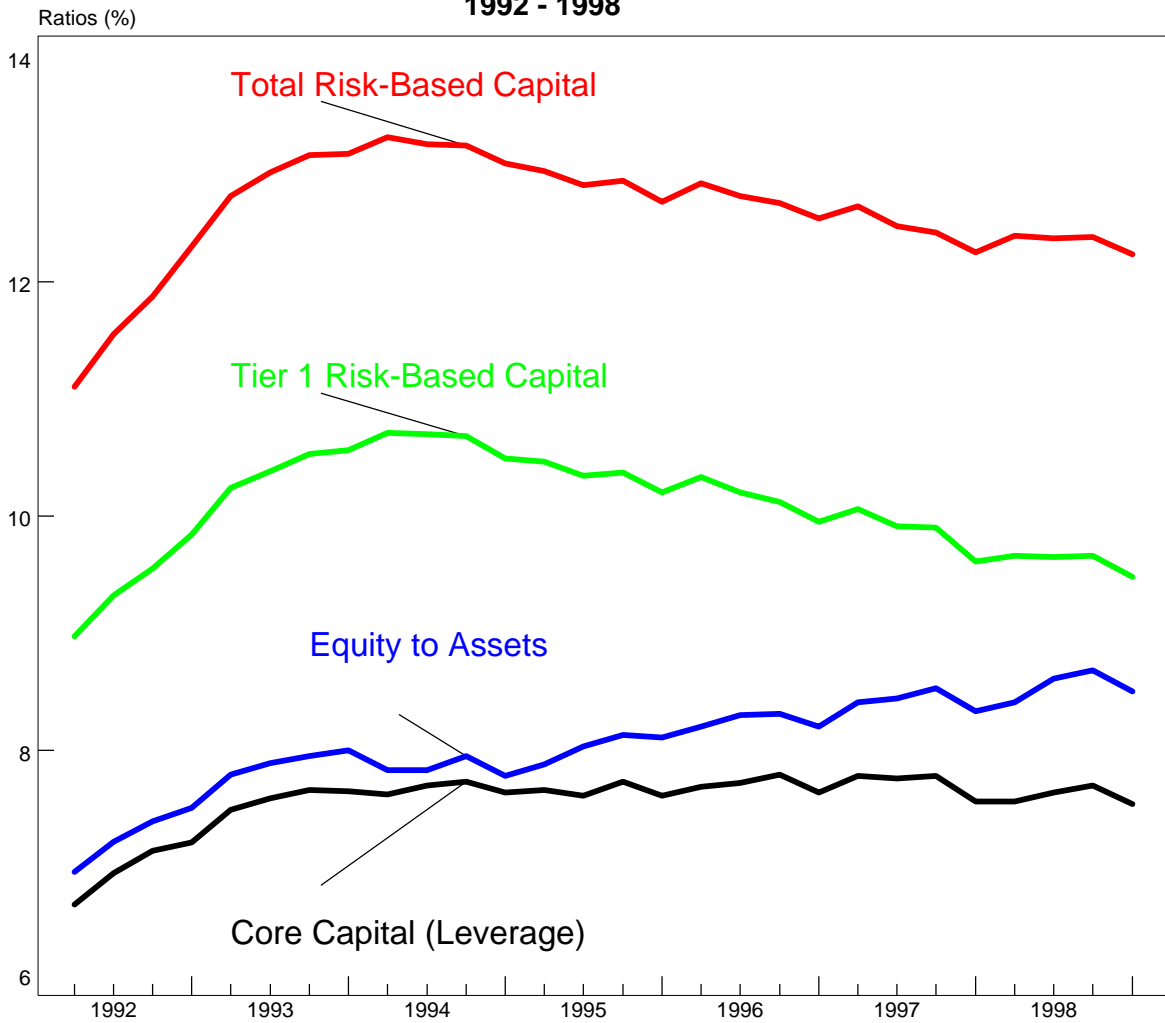
1984 - 1998



\*Net operating revenue equals net interest income plus noninterest income.

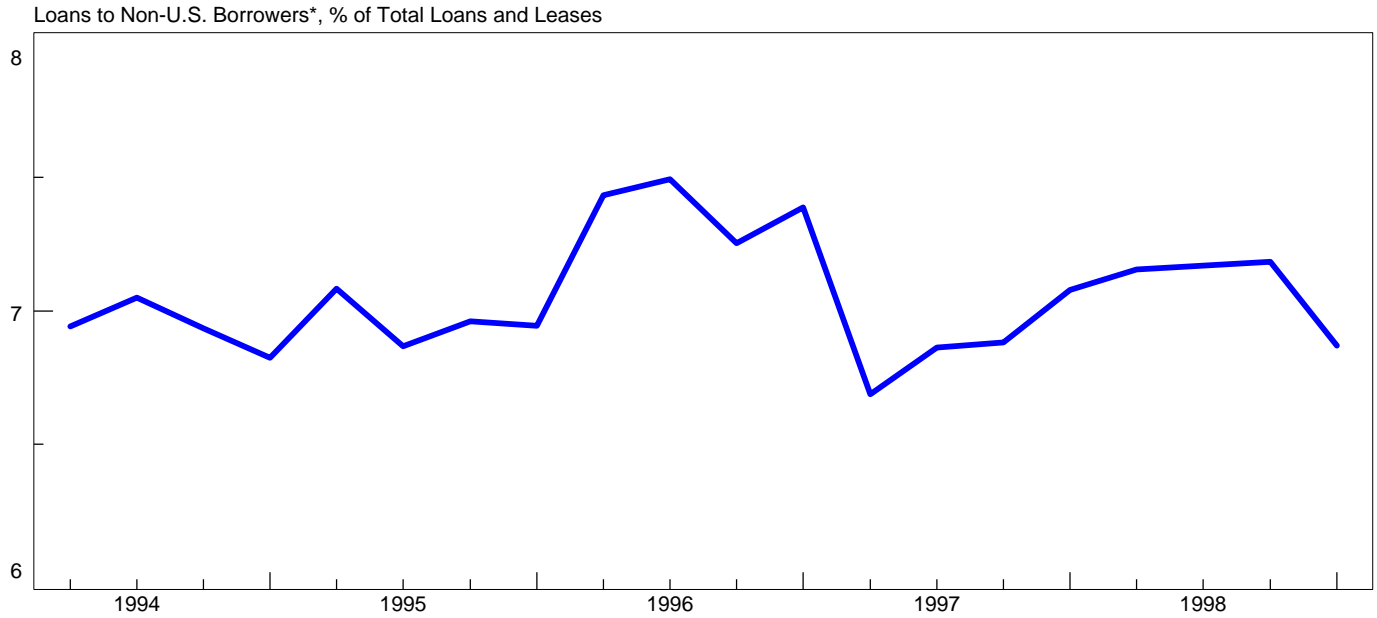
# Capital Ratios

1992 - 1998



	12/92	12/93	12/94	12/95	12/96	12/97	12/98
<b>Total Risk-Based Capital</b>	<b>12.30</b>	<b>13.09</b>	<b>13.01</b>	<b>12.68</b>	<b>12.54</b>	<b>12.25</b>	<b>12.23</b>
<b>Tier 1 Risk-Based Capital</b>	<b>9.84</b>	<b>10.56</b>	<b>10.49</b>	<b>10.20</b>	<b>9.95</b>	<b>9.61</b>	<b>9.48</b>
<b>Equity to Assets</b>	<b>7.51</b>	<b>8.00</b>	<b>7.78</b>	<b>8.11</b>	<b>8.20</b>	<b>8.33</b>	<b>8.50</b>
<b>Core Capital (Leverage)</b>	<b>7.21</b>	<b>7.65</b>	<b>7.64</b>	<b>7.61</b>	<b>7.64</b>	<b>7.56</b>	<b>7.54</b>

## Banks' Lending Exposure to Foreign Borrowers 1994 - 1998



\* Includes leases and commercial and industrial loans to non-U.S. addresses, loans to foreign governments, real estate loans in foreign offices, and loans to banks in foreign countries.

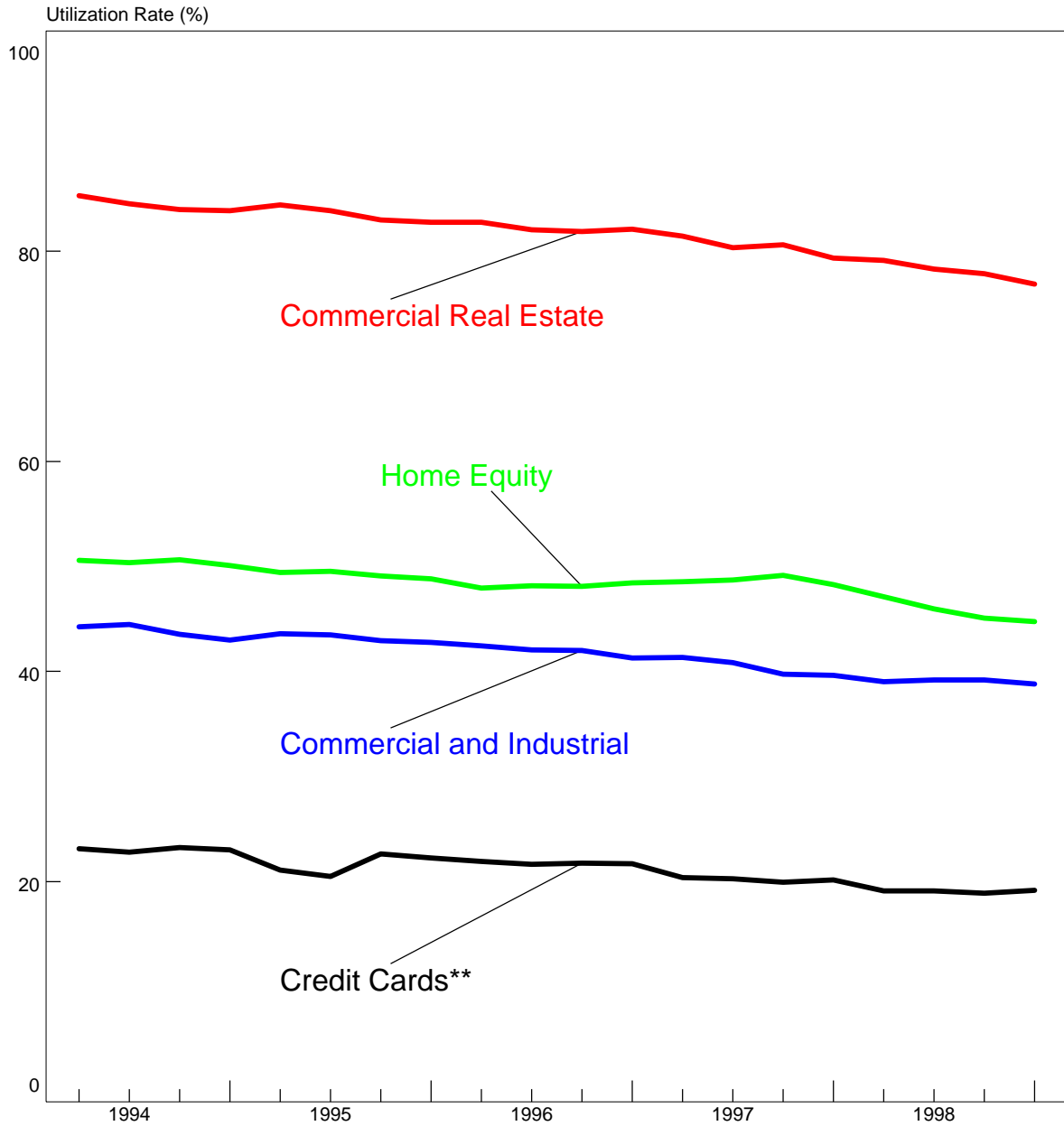
## International Operations' Contribution to Bank Earnings 1994 - 1998





## Utilization Rates on Loan Commitments\*

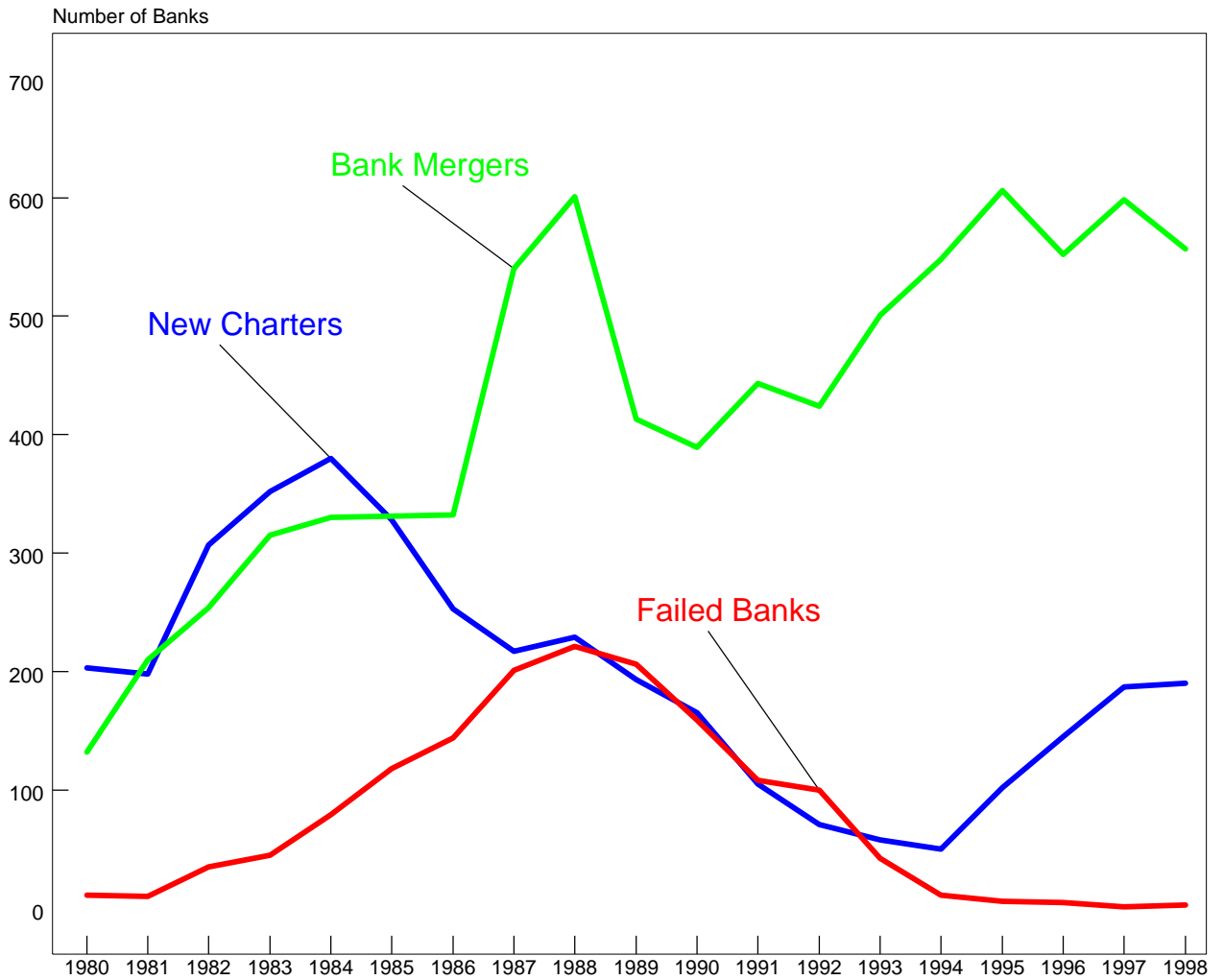
1994 - 1998



\* Utilization rates represent outstanding loan amounts as a percentage of unused loan commitments plus outstanding loan amounts.

\*\* Includes on-balance-sheet loans and off-balance-sheet securitized receivables. For 1st, 2nd, and 4th quarter Call data before 1996, loans securitized and sold are estimated using amounts reported as of 9/30.

## Changes in the Number of FDIC-Insured Commercial Banks 1980 - 1998

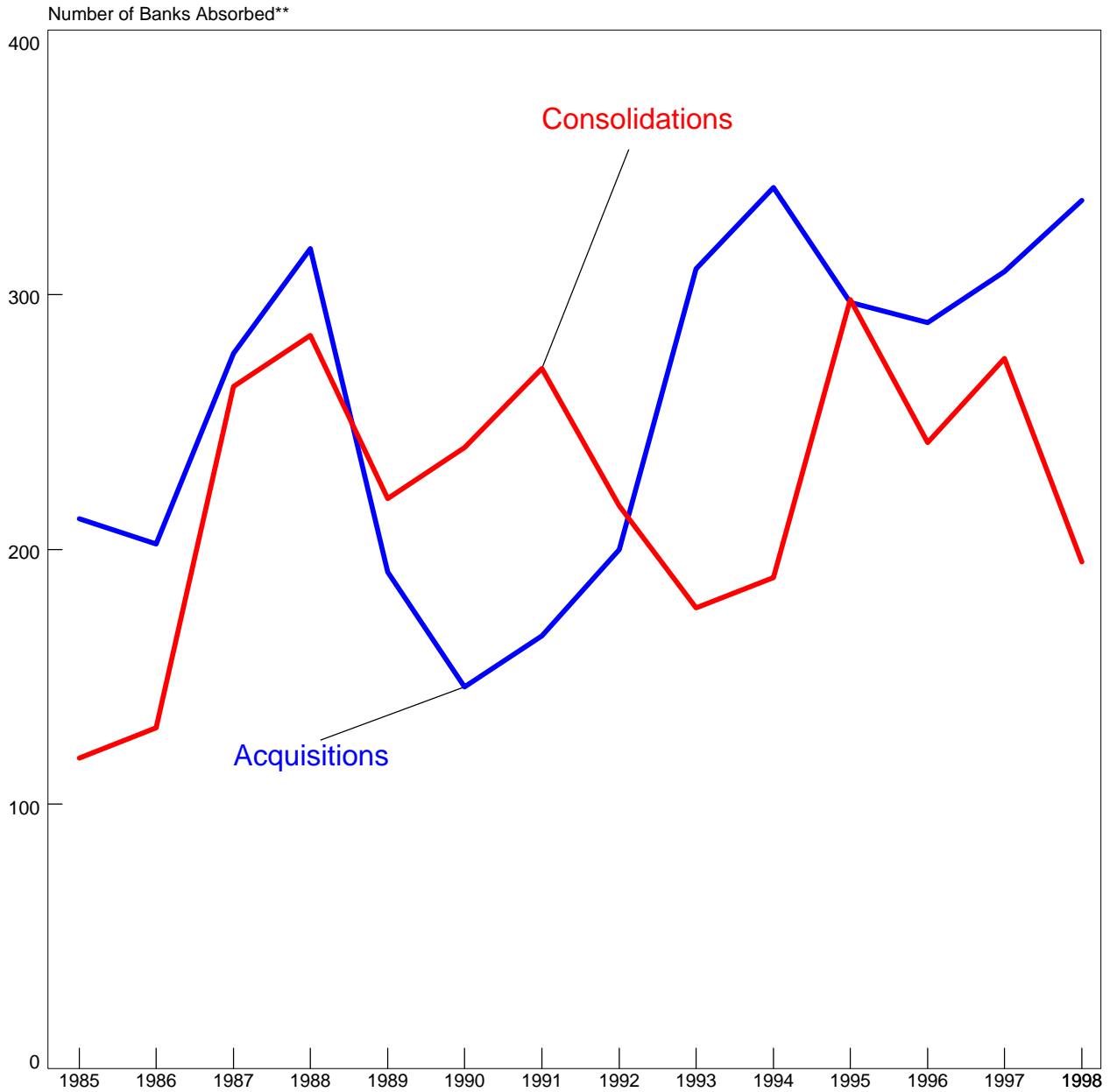


<b>New Charters</b>	203	198	307	352	380	328	253	217	229	193	165	105	71	58	50	102	145	187	190
<b>Bank Mergers</b>	132	210	254	315	330	331	332	540	601	413	389	443	424	501	548	606	552	598	557
<b>Failed Banks</b>	11	10	35	45	79	118	144	201	221	206	159	108	100	42	11	6	5	1	3
Other Changes, Net*	10	2	19	26	43	45	15	28	13	12	17	24	-6	-19	2	-1	0	28	2
Net Change in Number of Banks	70	-20	37	18	14	-76	-208	-496	-580	-414	-366	-422	-459	-504	-507	-511	-412	-384	-368

\* Includes charter conversions, voluntary liquidations, adjustments for open-bank assistance transactions and other changes.

## Bank Mergers: Acquisitions vs. Consolidations\*

1985 - 1998

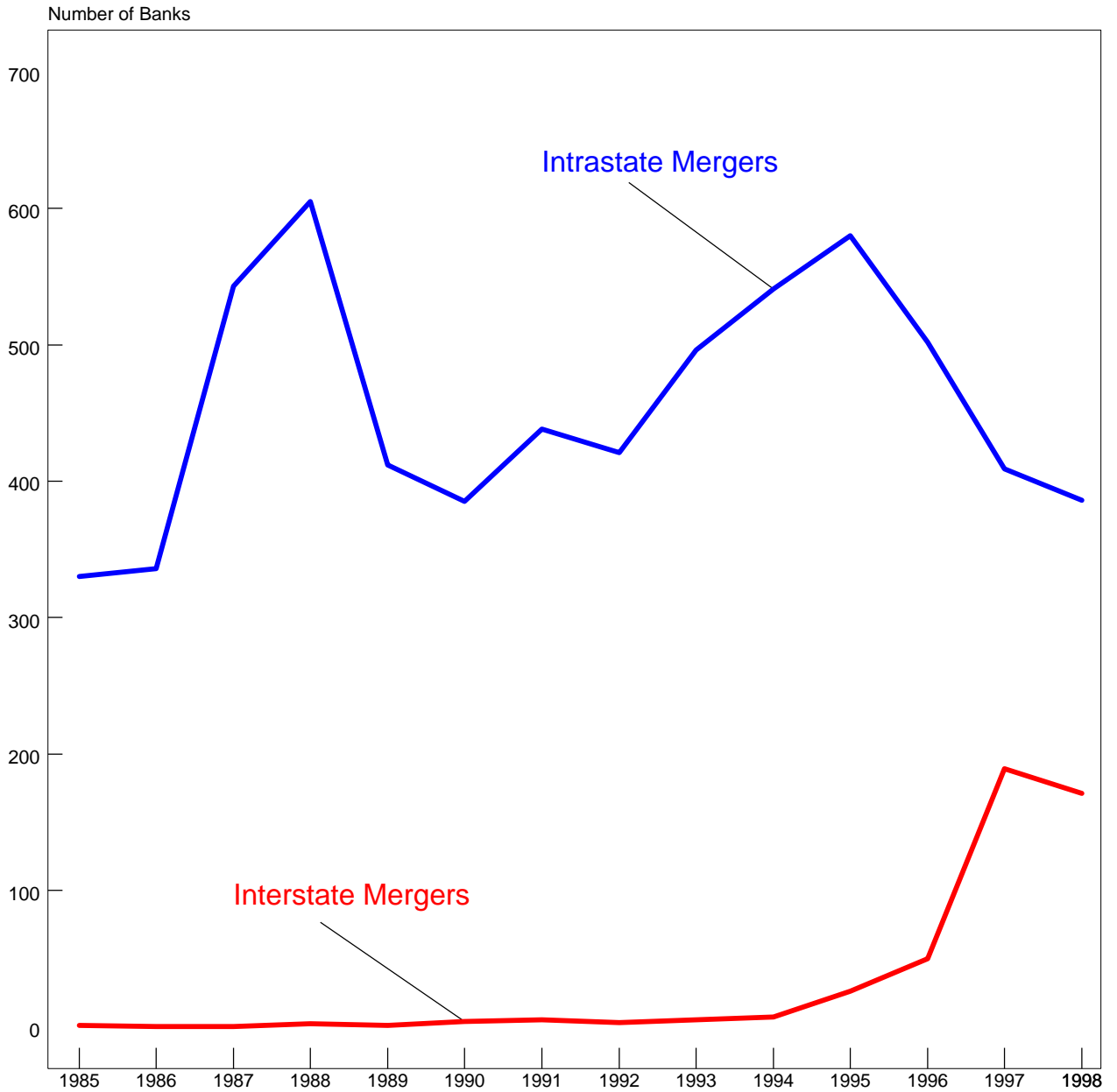


<b>Acquisitions</b>	<b>212</b>	<b>202</b>	<b>277</b>	<b>318</b>	<b>191</b>	<b>146</b>	<b>166</b>	<b>200</b>	<b>310</b>	<b>342</b>	<b>297</b>	<b>289</b>	<b>309</b>	<b>337</b>
<b>Consolidations</b>	<b>118</b>	<b>130</b>	<b>264</b>	<b>284</b>	<b>220</b>	<b>240</b>	<b>271</b>	<b>217</b>	<b>177</b>	<b>189</b>	<b>298</b>	<b>242</b>	<b>275</b>	<b>195</b>

\* Acquisitions = change in holding company ownership within 12 months of merger.  
 Consolidations = no change in ownership within 12 months of merger.

\*\* Does not include commercial banks merged into savings institutions.

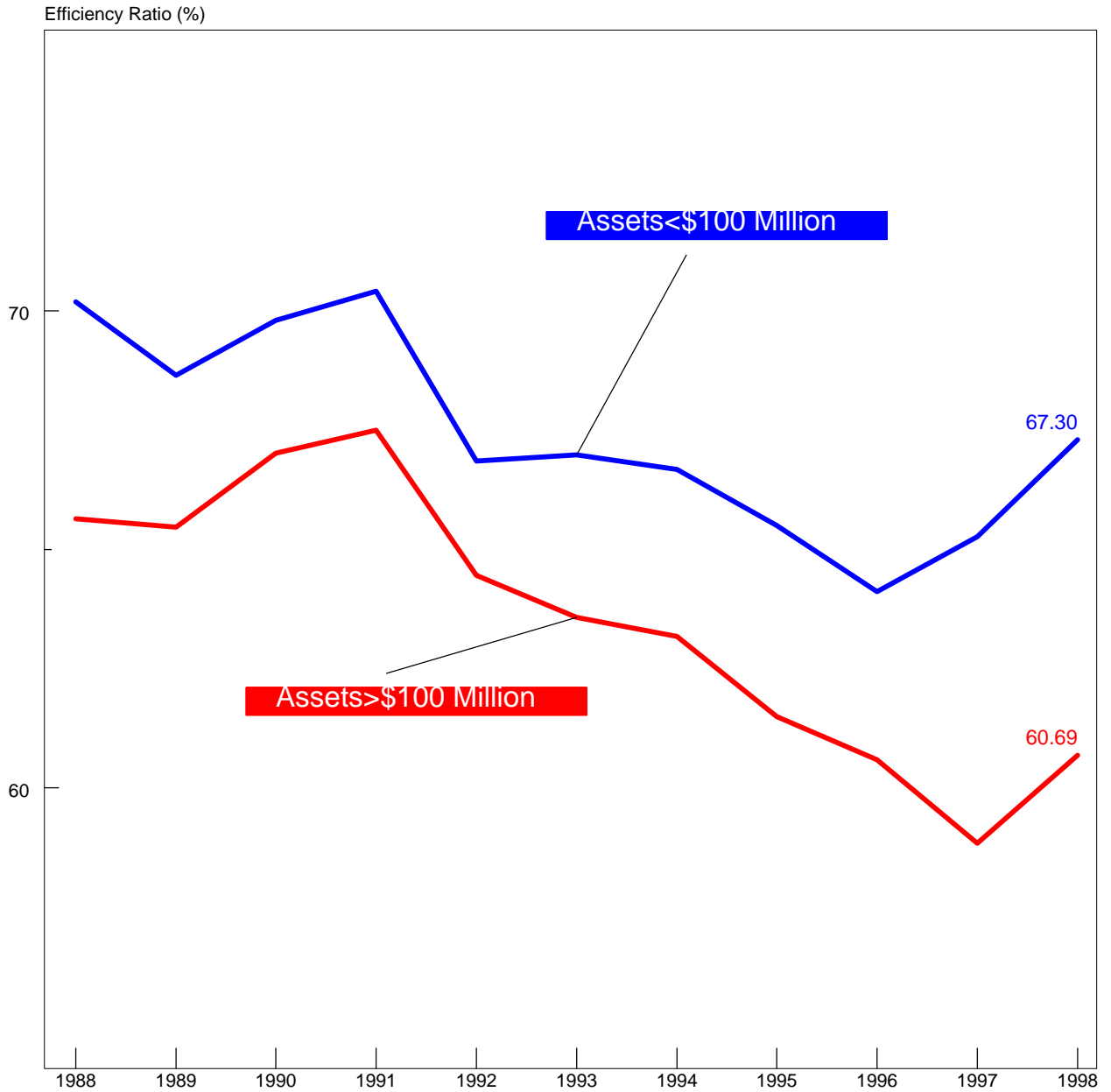
## Bank Mergers: Interstate vs. Intrastate 1985 - 1998



<b>Intrastate Mergers</b>	<b>330</b>	<b>336</b>	<b>543</b>	<b>605</b>	<b>412</b>	<b>385</b>	<b>438</b>	<b>421</b>	<b>496</b>	<b>541</b>	<b>580</b>	<b>502</b>	<b>409</b>	<b>386</b>
<b>Interstate Mergers</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>7</b>	<b>26</b>	<b>50</b>	<b>189</b>	<b>171</b>

## Annual Efficiency Ratios\*

1988 - 1998

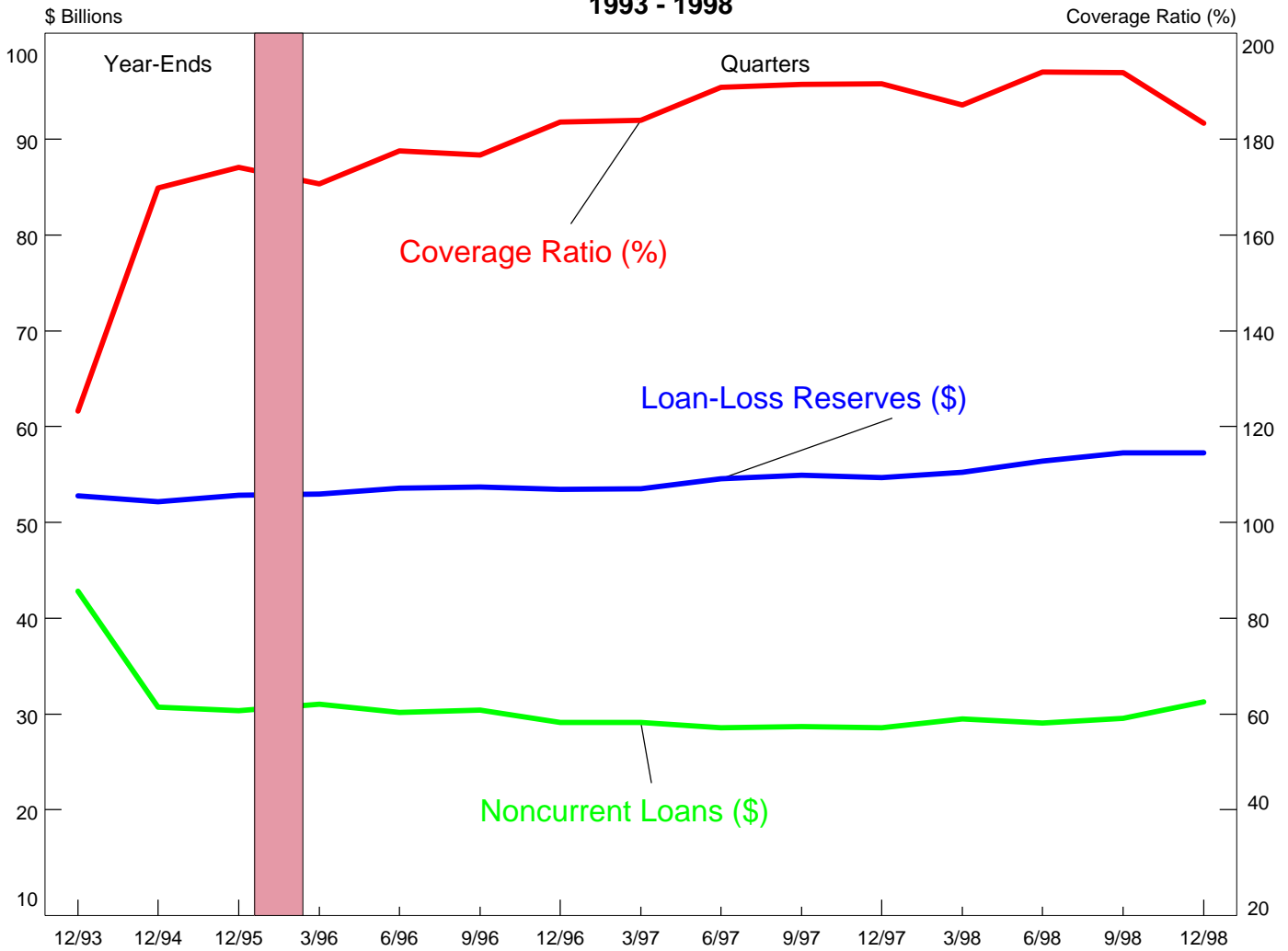


<b>Assets &lt; \$100 Million</b>	<b>70.19</b>	<b>68.65</b>	<b>69.80</b>	<b>70.41</b>	<b>66.85</b>	<b>66.98</b>	<b>66.67</b>	<b>65.50</b>	<b>64.11</b>	<b>65.27</b>	<b>67.30</b>
<b>Assets &gt; \$100 Million</b>	<b>65.64</b>	<b>65.46</b>	<b>67.01</b>	<b>67.50</b>	<b>64.46</b>	<b>63.58</b>	<b>63.17</b>	<b>61.50</b>	<b>60.59</b>	<b>58.84</b>	<b>60.69</b>
<b>Total</b>	<b>66.17</b>	<b>65.80</b>	<b>67.29</b>	<b>67.78</b>	<b>64.68</b>	<b>63.85</b>	<b>63.44</b>	<b>61.76</b>	<b>60.79</b>	<b>59.16</b>	<b>60.98</b>

\*Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income.

# Reserve Coverage Ratio\*

1993 - 1998



## Noncurrent Loans (\$ Billions)

42.8 30.7 30.4 31.0 30.2 30.4 29.1 29.1 28.6 28.7 28.5 29.5 29.1 29.5 31.3

## Loan-Loss Reserves (\$ Billions)

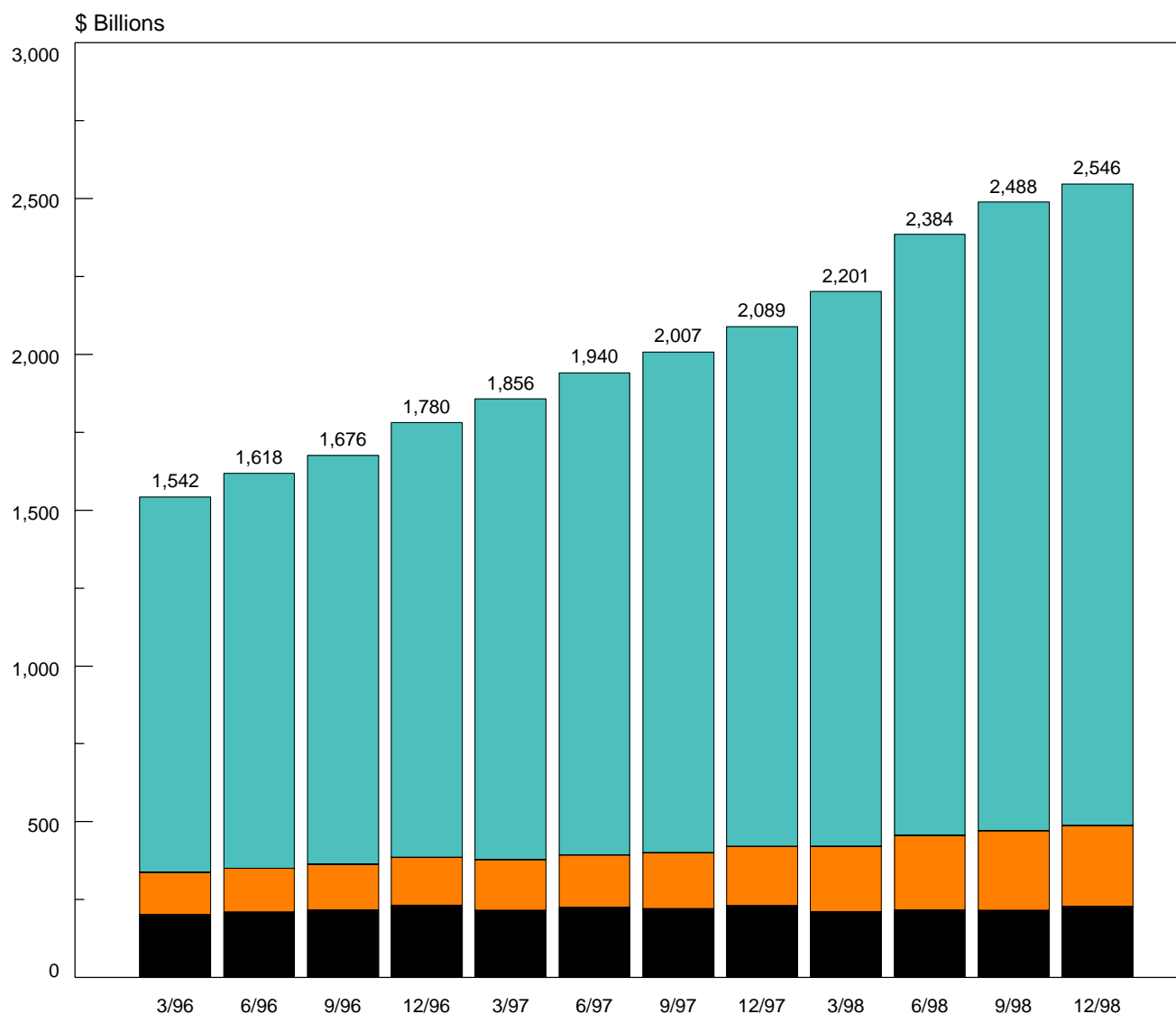
52.8 52.1 52.8 53.0 53.6 53.7 53.5 53.5 54.5 54.9 54.7 55.2 56.4 57.3 57.3

## Coverage Ratio (%)

123 170 174 171 178 177 184 184 191 191 192 187 194 194 183

\*Loan-loss reserves to noncurrent loans.

## Expansion of Credit Card Lines 1996 - 1998



### Loans outstanding (\$ Billions)

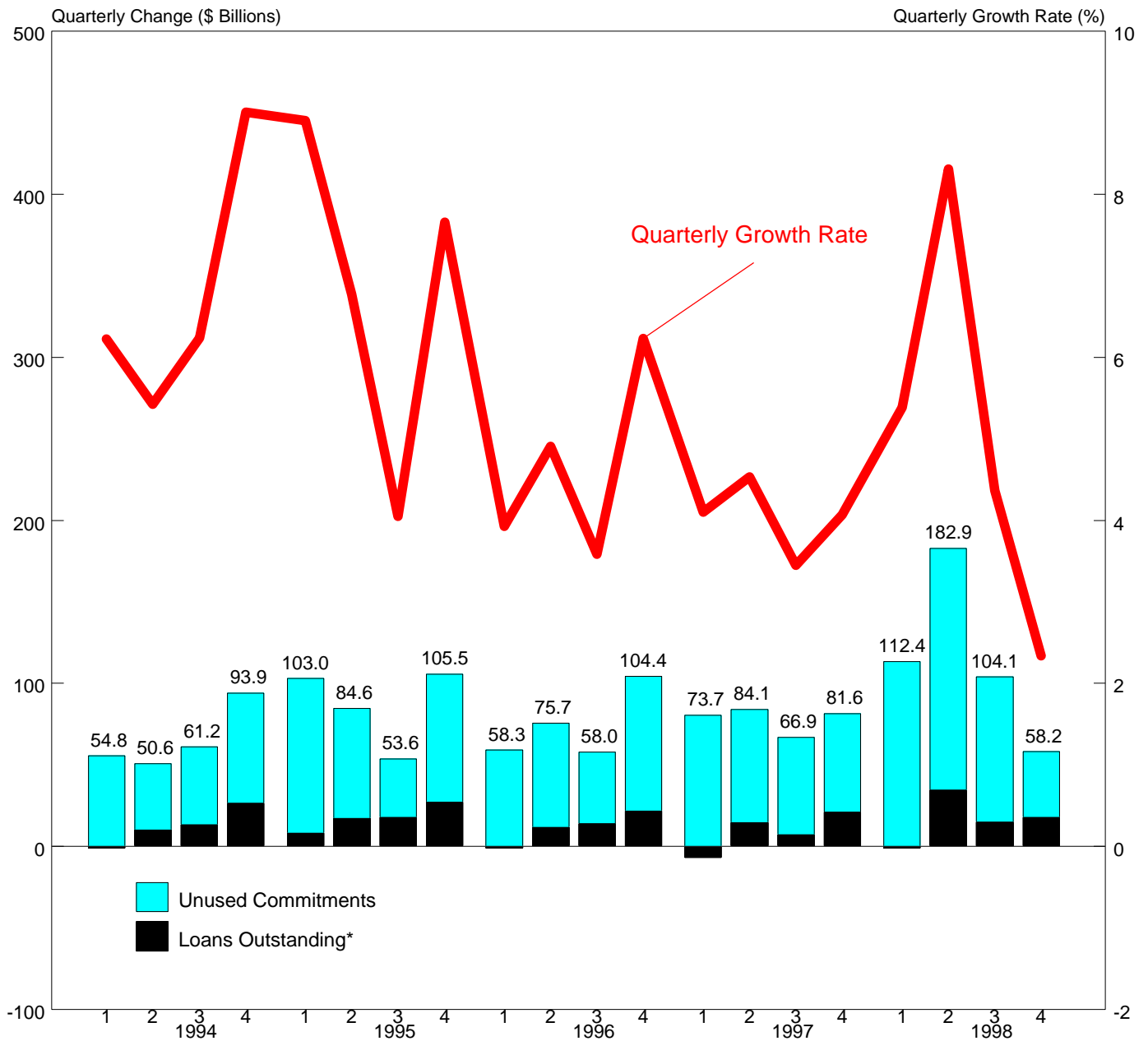
■ Held on-balance-sheet	203.1	210.4	217.8	231.7	215.8	225.2	220.4	231.1	211.8	216.9	216.1	229.0
■ Securitized & sold *	135.4	139.8	146.6	154.4	163.1	168.4	180.4	190.8	209.2	238.7	254.4	259.3
■ Unused commitments *	1,203.4	1,267.4	1,311.3	1,394.0	1,477.3	1,546.7	1,606.4	1,666.9	1,780.2	1,928.6	2,017.7	2,058.0
<b>Total</b>	<b>1,541.9</b>	<b>1,617.6</b>	<b>1,675.7</b>	<b>1,780.0</b>	<b>1,856.1</b>	<b>1,940.3</b>	<b>2,007.2</b>	<b>2,088.8</b>	<b>2,201.2</b>	<b>2,384.1</b>	<b>2,488.2</b>	<b>2,546.4</b>

\* Off-balance-sheet

## Quarterly Credit Card Growth Rate

### Credit Card Loans and Unused Commitments

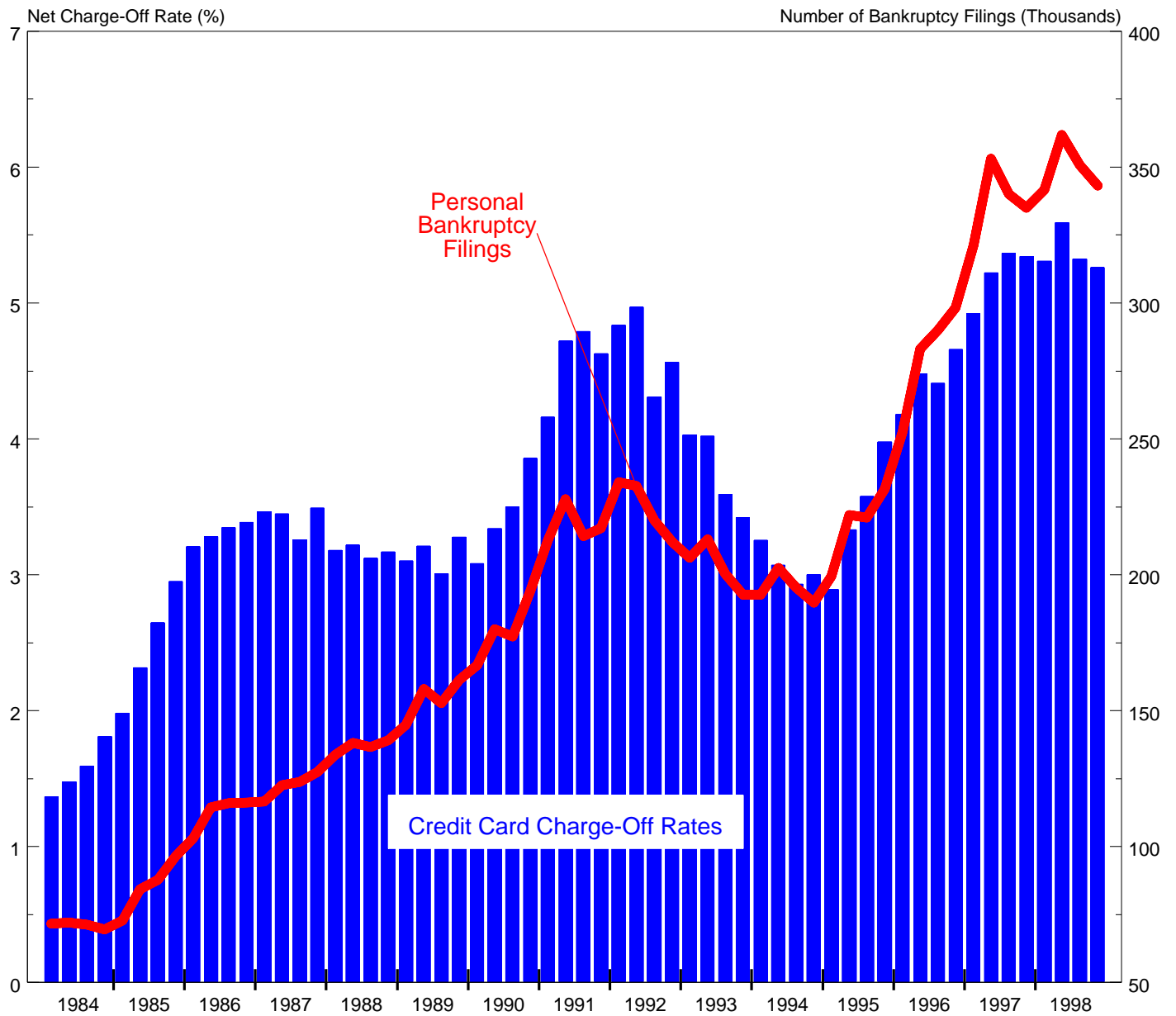
1994 - 1998



\*Includes on-balance-sheet loans and off-balance-sheet securitized receivables. For 1st, 2nd, and 4th quarter Call data before 1996, loans securitized and sold are estimated using amounts reported as of 9/30.



# Credit Card Loss Rates and Personal Bankruptcy Filings 1984 - 1998



Sources: Bankruptcies - Administrative Office of the United States Courts  
 Charge-Off Rates - Commercial Bank Call Reports

## Credit Card Loss Rates and Personal Bankruptcy Filings

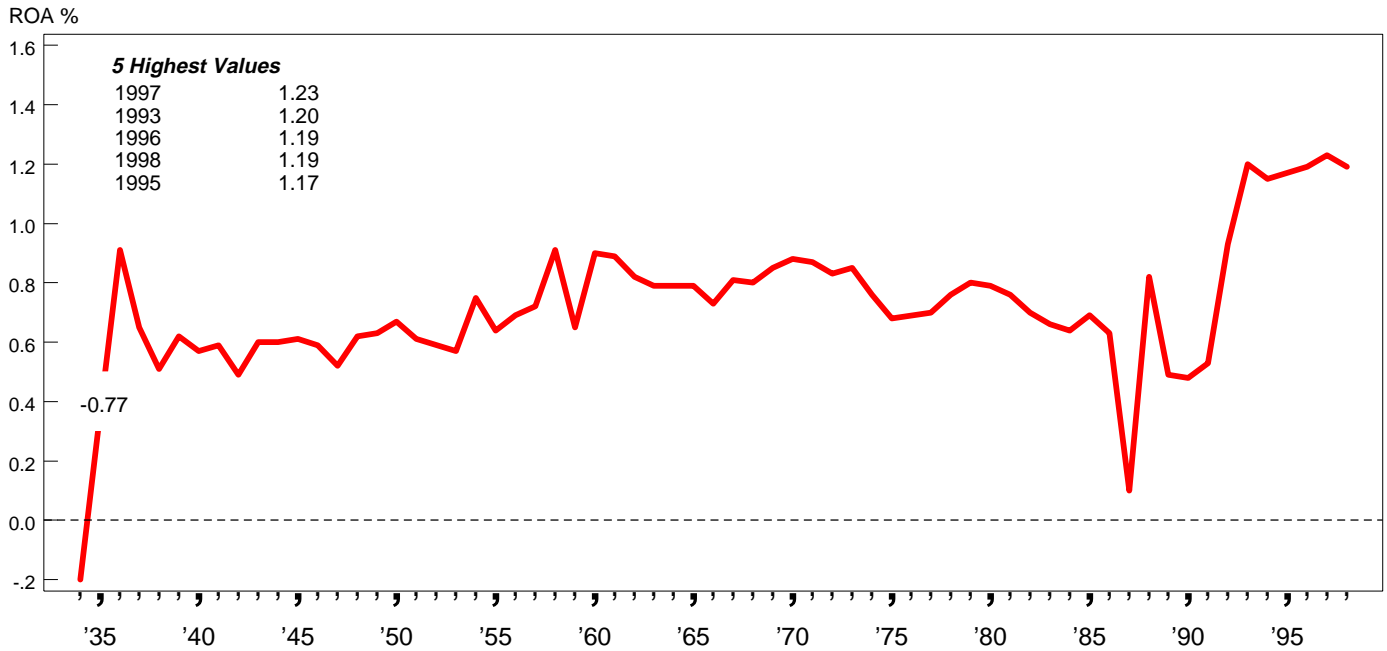
1984 - 1998

Date	Net Charge-Off Rate	Number of Bankruptcy Filings
3/31/84	1.37	71,697
6/30/84	1.48	71,955
9/30/84	1.59	71,201
12/31/84	1.81	69,554
3/31/85	1.98	72,887
6/30/85	2.31	84,243
9/30/85	2.65	87,727
12/31/85	2.95	96,376
3/31/86	3.21	103,088
6/30/86	3.28	114,384
9/30/86	3.35	116,037
12/31/86	3.38	116,204
3/31/87	3.46	116,578
6/30/87	3.45	122,689
9/30/87	3.26	123,868
12/31/87	3.49	127,409
3/31/88	3.18	133,712
6/30/88	3.22	138,245
9/30/88	3.12	136,561
12/31/88	3.17	139,215
3/31/89	3.10	144,711
6/30/89	3.21	157,955
9/30/89	3.01	152,696
12/31/89	3.28	161,404
3/31/90	3.08	166,694
6/30/90	3.34	179,943
9/30/90	3.50	177,351
12/31/90	3.86	193,872
3/31/91	4.16	212,913
6/30/91	4.72	227,853
9/30/91	4.79	214,174
12/31/91	4.63	217,160

Date	Net Charge-Off Rate	Number of Bankruptcy Filings
3/31/92	4.84	233,973
6/30/92	4.97	232,657
9/30/92	4.31	220,021
12/31/92	4.57	212,112
3/31/93	4.03	206,271
6/30/93	4.02	212,982
9/30/93	3.59	200,329
12/31/93	3.42	192,617
3/31/94	3.25	192,707
6/30/94	3.07	202,596
9/30/94	2.93	195,308
12/31/94	3.00	189,695
3/31/95	2.89	199,503
6/30/95	3.33	222,086
9/30/95	3.58	220,945
12/31/95	3.98	231,603
3/31/96	4.18	252,761
6/30/96	4.48	283,170
9/30/96	4.41	290,111
12/31/96	4.66	298,244
3/31/97	4.92	321,242
6/30/97	5.22	353,177
9/30/97	5.37	340,059
12/31/97	5.34	335,032
3/31/98	5.31	341,708
6/30/98	5.59	361,908
9/30/98	5.32	350,859
12/31/98	5.26	343,220

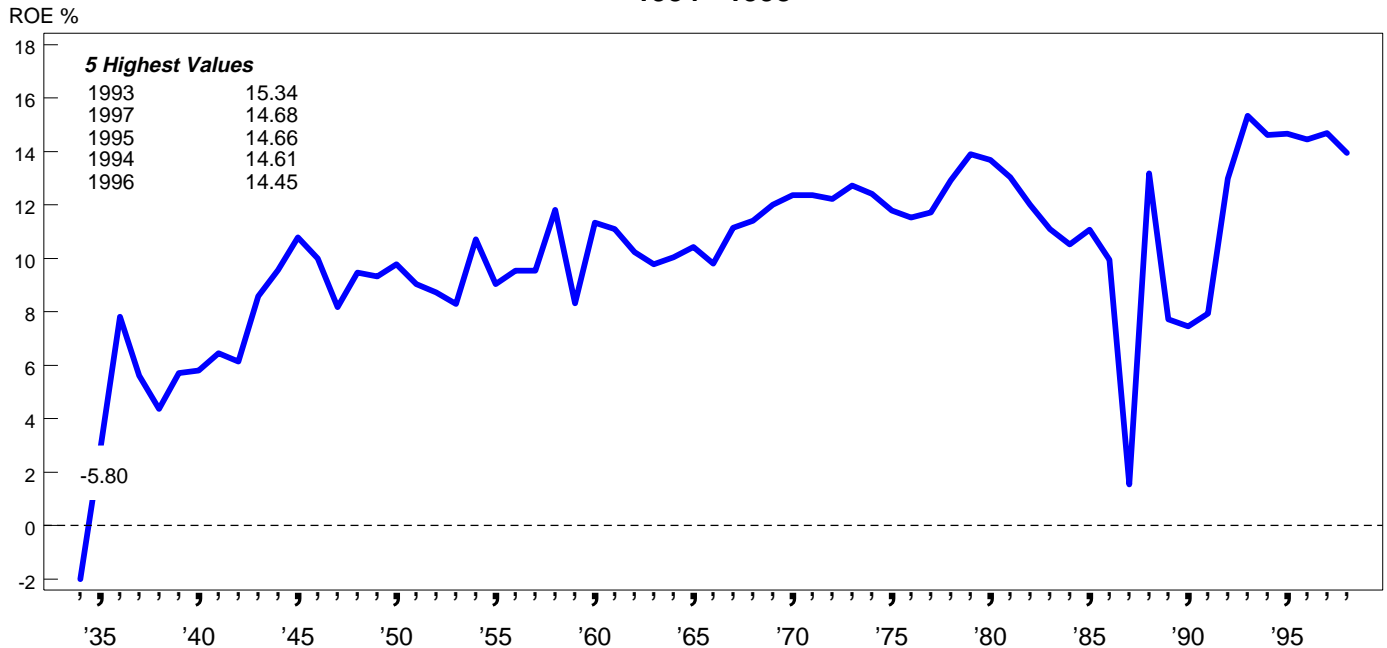
## Annual Return on Assets (ROA)

1934 - 1998



## Annual Return on Equity (ROE)

1934 - 1998



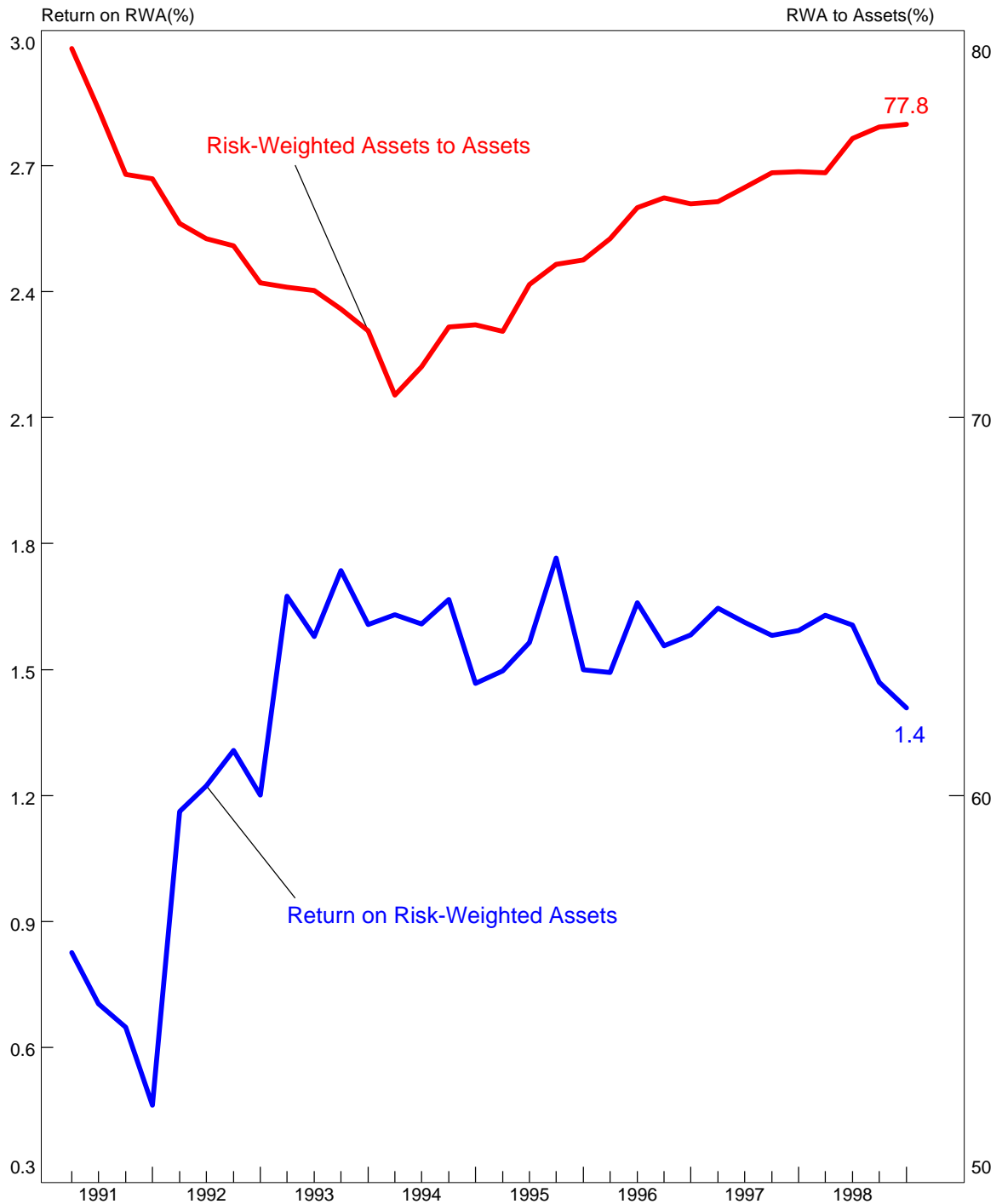
## Annual Return on Assets (ROA) and Equity (ROE), and Net Income 1934 - 1998

Year	ROA (Percent)	ROE (Percent)	Net Income (\$ Millions)
1998	1.19	13.95	61,921
1997	1.23	14.68	59,161
1996	1.19	14.45	52,351
1995	1.17	14.66	48,745
1994	1.15	14.61	44,622
1993	1.20	15.34	43,035
1992	0.93	12.98	31,987
1991	0.53	7.94	17,935
1990	0.48	7.45	15,991
1989	0.49	7.71	15,575
1988	0.82	13.19	24,812
1987	0.10	1.55	2,803
1986	0.63	9.94	17,418
1985	0.69	11.07	17,977
1984	0.64	10.52	15,500
1983	0.66	11.09	14,931
1982	0.70	12.02	14,844
1981	0.76	13.04	14,722
1980	0.79	13.68	14,010
1979	0.80	13.91	12,839
1978	0.76	12.91	10,758
1977	0.70	11.72	8,881
1976	0.69	11.53	7,844
1975	0.68	11.79	7,257
1974	0.76	12.42	7,092
1973	0.85	12.73	6,580
1972	0.83	12.23	5,654
1971	0.87	12.37	5,236
1970	0.88	12.36	4,837
1969	0.85	12.01	4,335
1968	0.80	11.40	3,792
1967	0.81	11.15	3,456
1966	0.73	9.81	2,857

Year	ROA (Percent)	ROE (Percent)	Net Income (\$ Millions)
1965	0.79	10.43	2,861
1964	0.79	10.04	2,602
1963	0.79	9.78	2,393
1962	0.82	10.24	2,348
1961	0.89	11.11	2,374
1960	0.90	11.33	2,257
1959	0.65	8.31	1,553
1958	0.91	11.82	2,082
1957	0.72	9.55	1,578
1956	0.69	9.53	1,476
1955	0.64	9.03	1,320
1954	0.75	10.72	1,473
1953	0.57	8.30	1,070
1952	0.59	8.73	1,067
1951	0.61	9.04	1,047
1950	0.67	9.79	1,072
1949	0.63	9.33	968
1948	0.62	9.48	941
1947	0.52	8.18	775
1946	0.59	10.00	894
1945	0.61	10.79	894
1944	0.60	9.56	736
1943	0.60	8.59	623
1942	0.49	6.13	426
1941	0.59	6.46	436
1940	0.57	5.80	383
1939	0.62	5.71	370
1938	0.51	4.37	281
1937	0.65	5.61	357
1936	0.91	7.81	490
1935	0.36	2.82	174
1934	(0.77)	(5.80)	(357)

## Quarterly Return on Risk-Weighted Assets (RWA),\* and RWA to Total Assets

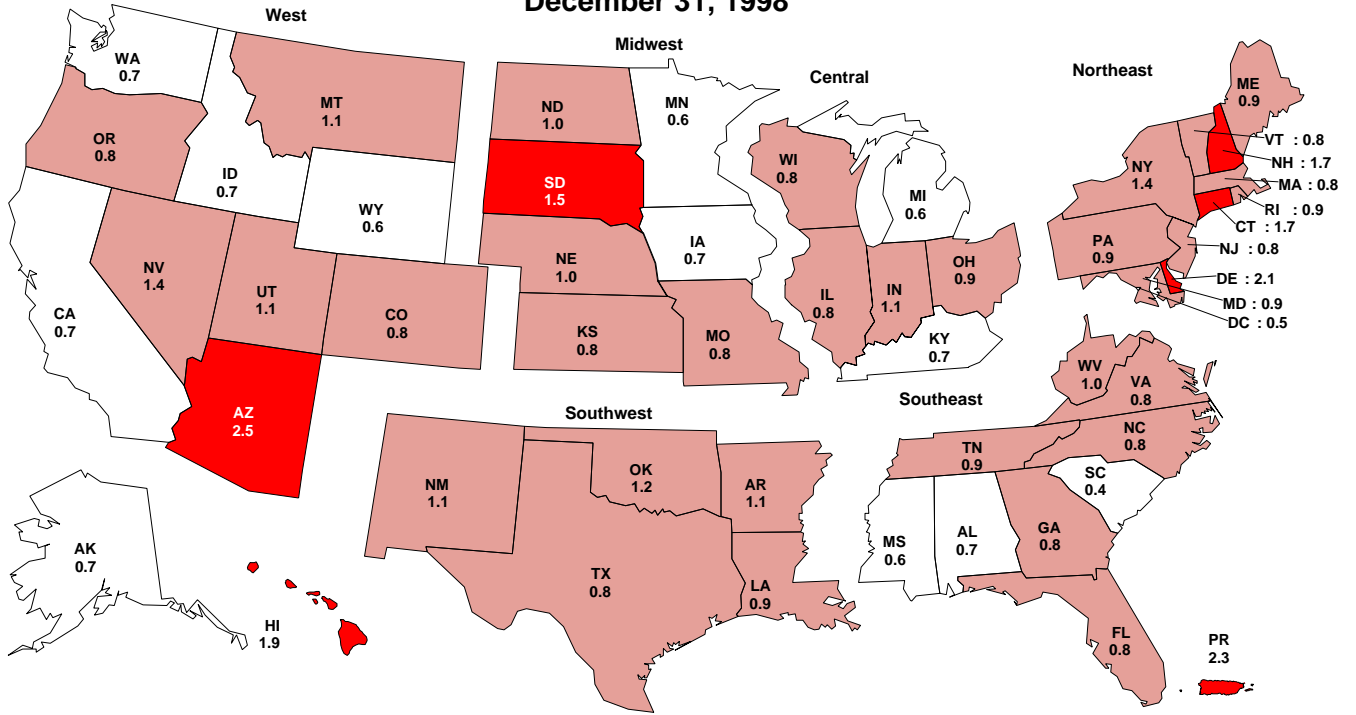
1991 - 1998



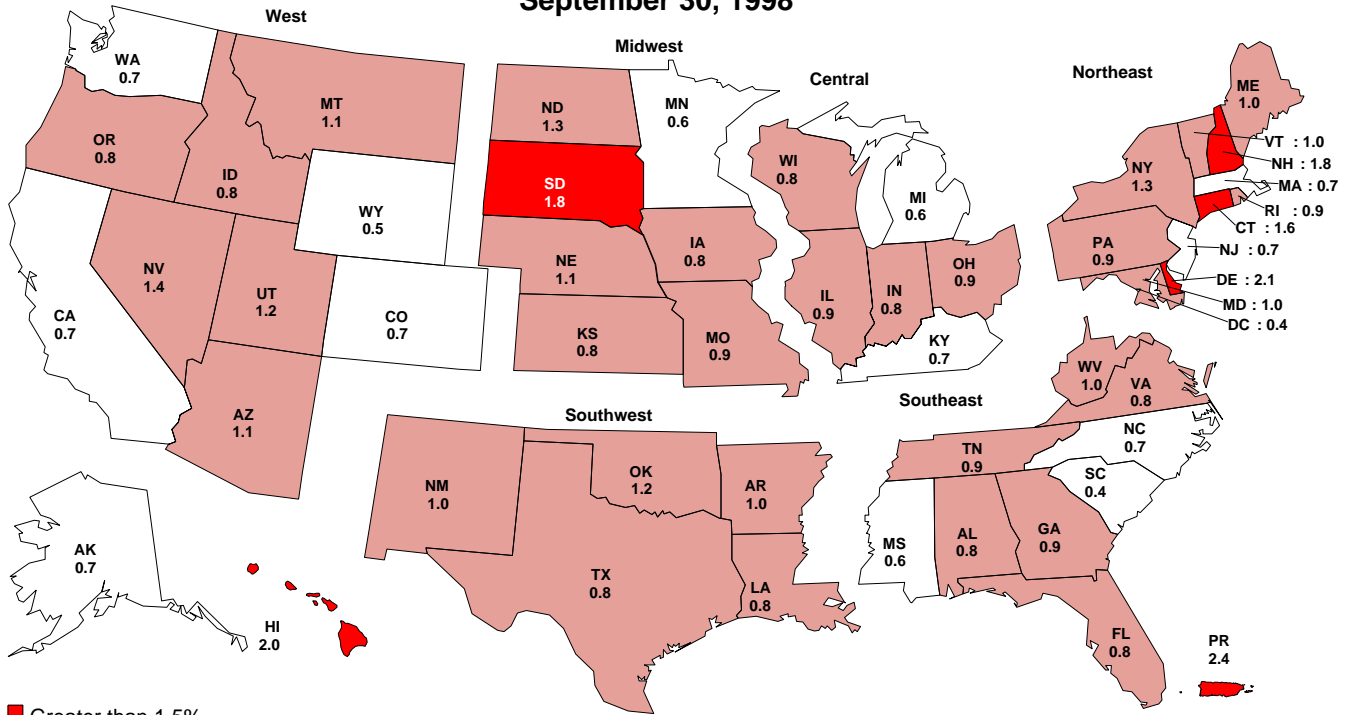
\* Assets weighted according to risk categories used in regulatory capital computations.

# Noncurrent Loan Rates\*

December 31, 1998



September 30, 1998



- Greater than 1.5%
- Between .75% and 1.5%
- Less than .75%

\* Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status.

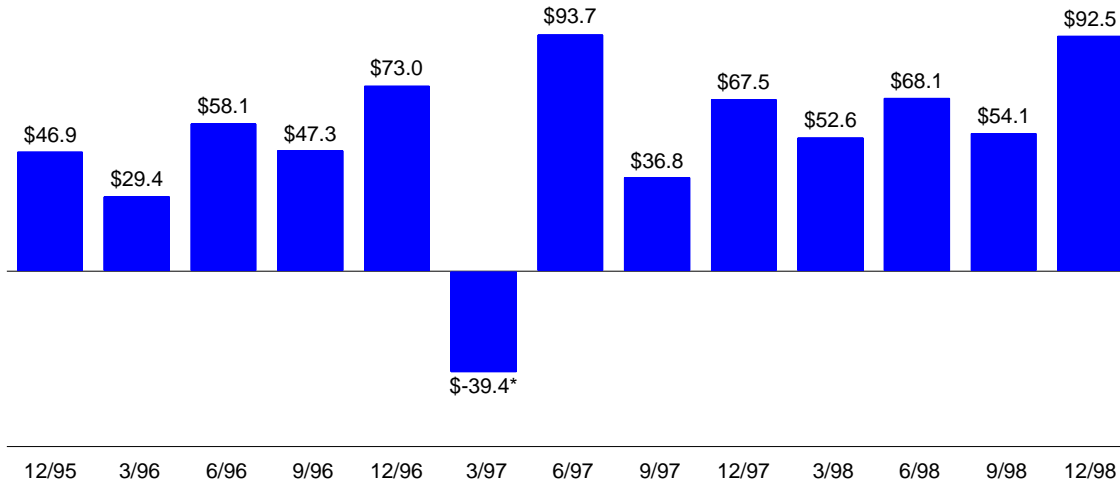
## Noncurrent Loan Rates\*

### September 30, 1998 - December 31, 1998

	Total Loans		Commercial & Industrial		Real Estate		Loans to Individuals		All Other Loans	
	12/31/98	9/30/98	12/31/98	9/30/98	12/31/98	9/30/98	12/31/98	9/30/98	12/31/98	9/30/98
Arizona	2.47	1.11	0.66	0.75	0.55	0.48	4.72	1.87	0.28	0.27
Puerto Rico	2.28	2.45	2.61	2.87	2.42	2.57	1.96	2.06	1.53	1.82
Delaware	2.07	2.08	0.78	1.12	0.98	1.06	2.36	2.35	0.24	0.18
Hawaii	1.91	2.03	2.02	2.44	2.16	2.16	1.01	0.97	0.94	0.99
New Hampshire	1.69	1.84	1.46	1.45	1.17	1.13	2.10	2.53	0.04	0.01
Connecticut	1.65	1.61	3.06	2.72	1.32	1.43	0.64	0.54	8.79	2.49
South Dakota	1.51	1.84	1.93	1.95	0.92	1.07	1.67	2.11	0.28	0.41
Nevada	1.44	1.38	0.95	0.80	0.66	0.87	1.74	1.59	0.37	1.32
New York	1.41	1.30	1.36	1.24	1.59	1.58	2.67	2.71	0.47	0.25
Oklahoma	1.18	1.24	2.06	2.06	1.10	1.20	0.70	0.69	0.33	0.50
New Mexico	1.12	1.01	1.51	1.51	1.17	0.99	0.68	0.77	0.73	0.56
Utah	1.08	1.15	0.97	0.94	0.53	0.65	1.48	1.54	0.82	0.94
Arkansas	1.06	1.02	1.61	1.54	1.09	1.08	0.82	0.80	0.05	0.05
Indiana	1.05	0.79	1.00	1.00	0.92	0.67	1.80	1.08	0.26	0.28
Montana	1.05	1.09	2.36	2.80	0.84	0.82	0.67	0.69	0.48	0.48
Nebraska	1.04	1.08	2.55	2.62	0.68	0.77	1.48	1.48	0.07	0.09
North Dakota	1.00	1.31	2.04	2.60	0.68	1.16	0.83	0.75	0.59	0.79
West Virginia	0.97	1.01	2.18	2.25	0.86	0.90	0.63	0.71	0.21	0.24
Tennessee	0.94	0.89	0.69	0.71	1.15	1.07	0.69	0.73	0.52	0.42
Louisiana	0.93	0.84	1.35	0.95	0.89	0.90	0.69	0.78	0.23	0.19
Ohio	0.87	0.90	0.94	1.06	0.80	0.85	1.20	1.02	0.49	0.60
Maryland	0.87	1.02	0.96	1.30	0.93	1.02	0.48	0.46	0.80	1.27
Maine	0.86	1.00	0.88	0.85	0.74	1.04	1.77	1.56	0.28	0.31
Pennsylvania	0.86	0.85	0.81	0.77	0.95	1.01	1.10	0.97	0.25	0.21
Texas	0.85	0.84	1.23	1.33	0.85	0.81	0.47	0.48	0.47	0.29
Rhode Island	0.85	0.91	0.44	0.32	0.58	0.90	2.29	2.30	0.17	0.31
Vermont	0.83	1.02	1.50	1.59	0.82	1.07	0.55	0.55	0.08	0.17
Georgia	0.82	0.88	0.71	0.76	0.60	0.62	1.52	1.66	0.07	0.12
Virginia	0.81	0.79	0.98	0.66	0.60	0.65	1.10	1.19	0.99	0.22
Kansas	0.80	0.83	1.48	1.60	0.61	0.65	1.09	1.07	0.20	0.16
Colorado	0.79	0.73	1.35	1.24	0.54	0.55	1.32	1.01	0.18	0.32
Oregon	0.78	0.78	1.29	1.18	0.63	0.58	1.00	1.50	0.03	0.02
Missouri	0.77	0.85	1.07	1.22	0.76	0.86	0.61	0.53	0.25	0.23
Illinois	0.77	0.85	0.82	0.93	0.86	0.96	0.93	0.80	0.21	0.24
Wisconsin	0.77	0.77	0.99	0.85	0.75	0.79	0.91	0.84	0.30	0.41
Massachusetts	0.77	0.70	0.60	0.58	0.95	0.89	1.70	1.37	0.26	0.23
Florida	0.76	0.80	0.80	0.92	0.83	1.02	0.62	0.61	0.32	0.07
North Carolina	0.75	0.67	0.64	0.52	0.95	0.91	0.80	0.84	0.26	0.15
New Jersey	0.75	0.71	0.88	0.86	0.79	0.75	0.70	0.58	0.15	0.15
Alabama	0.74	0.78	1.05	0.83	0.70	0.71	0.66	1.16	0.27	0.34
Idaho	0.73	0.84	1.79	2.08	0.39	0.43	0.40	0.52	0.00	0.00
Washington	0.70	0.74	0.96	0.95	0.67	0.73	0.38	0.49	0.12	0.09
Alaska	0.69	0.69	0.99	0.94	0.63	0.67	0.22	0.30	1.25	0.65
Iowa	0.69	0.76	1.48	1.81	0.55	0.58	0.71	0.69	0.19	0.22
California	0.68	0.70	0.85	0.80	0.88	0.94	0.37	0.38	0.18	0.20
Kentucky	0.68	0.72	0.80	1.05	0.72	0.74	0.62	0.69	0.33	0.20
Michigan	0.63	0.63	0.74	0.75	0.57	0.60	0.61	0.56	0.43	0.43
Mississippi	0.60	0.61	1.06	1.18	0.53	0.51	0.61	0.58	0.15	0.19
Minnesota	0.60	0.64	0.90	0.95	0.48	0.56	0.68	0.63	0.38	0.35
Wyoming	0.56	0.49	1.54	1.36	0.37	0.31	0.40	0.30	0.77	0.88
District of Columbia	0.54	0.36	0.94	0.62	0.17	0.08	0.65	0.88	0.00	1.57
South Carolina	0.39	0.38	0.36	0.42	0.38	0.35	0.54	0.54	0.20	0.18
U.S. and Territories	0.97	0.94	0.99	0.96	0.91	0.94	1.52	1.42	0.34	0.27

\* Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or in nonaccrual status.

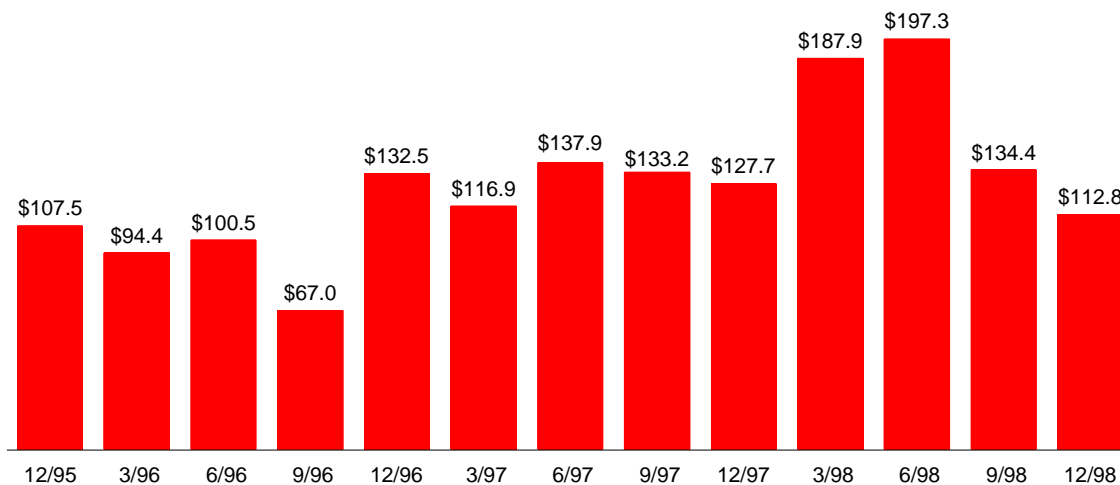
## Quarterly Change in Reported Loans Outstanding (\$ Billions)



\*In the first quarter of 1997, reporting changes resulted in a \$61.7 billion decline in foreign office loans. Loans in domestic offices increased by \$23.2 billion during the quarter.

In the fourth quarter of 1998, real estate loans increased by \$45.0 billion, commercial and industrial loans increased by \$24.8 billion, and loans to individuals increased by \$15.8 billion.

## Quarterly Change in Unused Loan Commitments (\$ Billions)

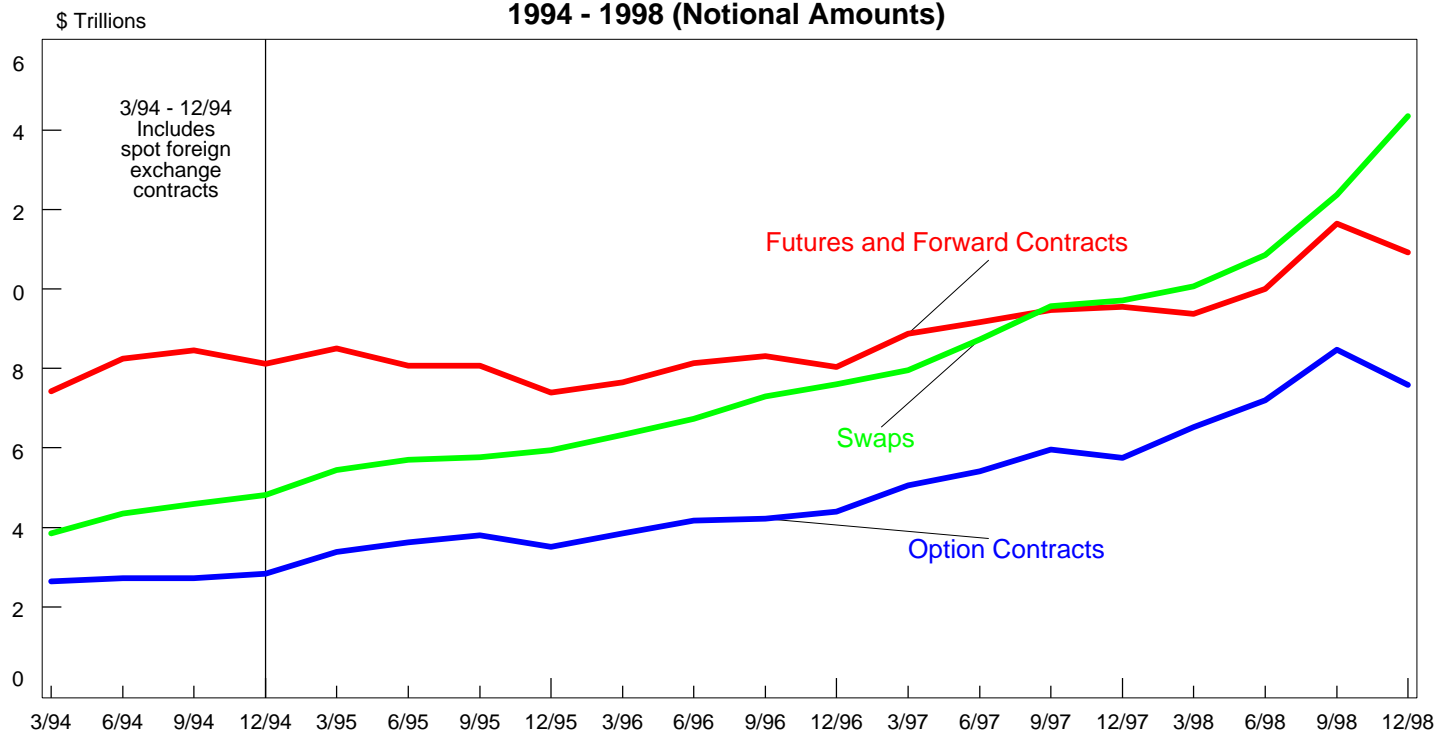


In the fourth quarter of 1998, unused commitments for loans to businesses increased by \$62.7 billion and unused credit card commitments increased by \$40.3 billion.



## Off-Balance-Sheet Derivatives

1994 - 1998 (Notional Amounts)



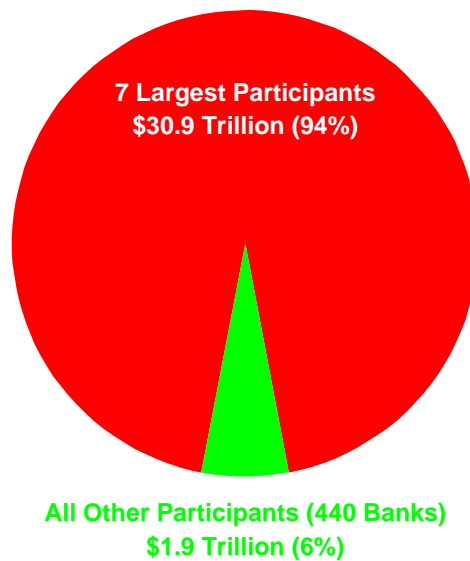
	12/94	12/95	12/96	12/97	3/98	6/98	9/98	12/98
Total Derivatives (off-balance-sheet) (Notional Amounts, in billions of dollars)	\$15,773	\$16,861	\$20,035	\$25,009	\$25,958	\$28,047	\$32,479	\$32,855
<b>Futures and Forward Contracts</b>	<b>8,110</b>	<b>7,399</b>	<b>8,041</b>	<b>9,551</b>	<b>9,380</b>	<b>10,003</b>	<b>11,644</b>	<b>10,918</b>
Interest rate contracts	3,435	3,063	3,201	4,083	4,399	4,818	5,938	5,515
Foreign exchange rate contracts	4,620	4,221	4,739	5,359	4,866	5,063	5,594	5,307
Other futures and forwards*	54	115	102	109	115	122	112	95
<b>Option Contracts</b>	<b>2,841</b>	<b>3,516</b>	<b>4,393</b>	<b>5,754</b>	<b>6,518</b>	<b>7,197</b>	<b>8,467</b>	<b>7,592</b>
Interest rate options	2,039	2,485	3,156	3,985	4,616	5,071	6,221	5,679
Foreign currency options	653	817	1,033	1,457	1,576	1,719	1,736	1,393
Other option contracts*	149	214	204	312	326	407	509	520
<b>Swaps</b>	<b>4,822</b>	<b>5,945</b>	<b>7,601</b>	<b>9,705</b>	<b>10,060</b>	<b>10,846</b>	<b>12,369</b>	<b>14,345</b>
Interest rate swaps	4,450	5,547	7,069	9,018	9,346	10,164	11,680	13,590
Foreign exchange rate swaps	331	350	471	614	626	607	624	686
Other swaps*	40	49	61	73	88	76	64	69
Memoranda								
Spot Foreign Exchange Contracts	NA	305	262	317	678	662	808	375
Credit Derivatives	NA	NA	NA	55	91	129	162	144
Number of banks reporting derivatives	638	560	484	460	452	461	465	447
Replacement cost of interest rate and foreign exchange rate contracts **	146	219	246	355	348	349	473	471

\* Not reported by banks with less than \$300 million in assets.

\*\* Reflects replacement cost of interest rate and foreign exchange contracts covered by risk-based-capital requirements.  
Does not include foreign exchange rate contracts with an original maturity of 14 days or less or futures contracts.

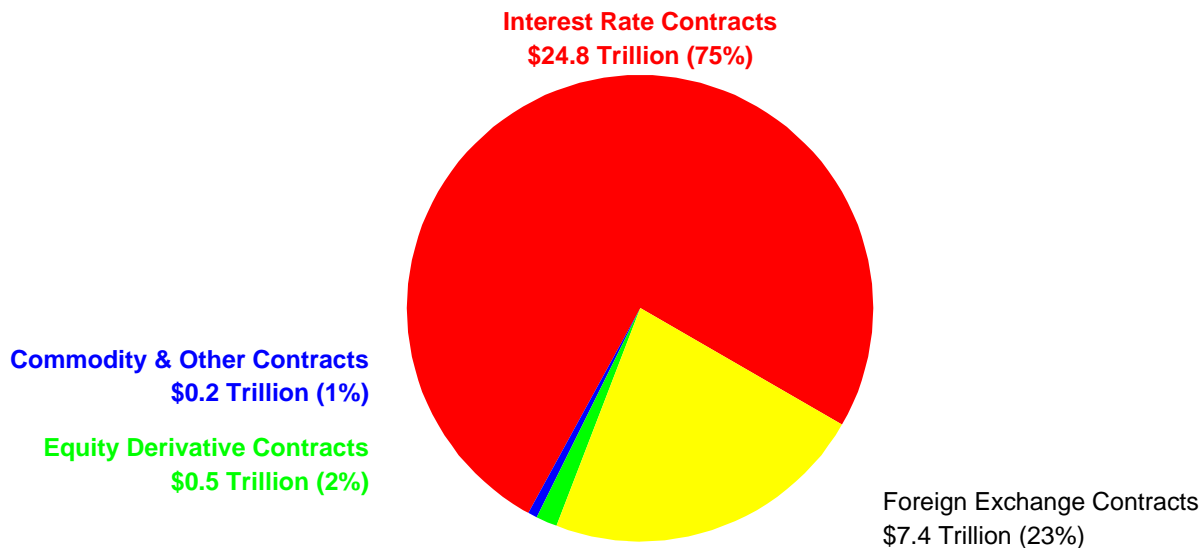
## Concentration of Off-Balance-Sheet Derivatives\*

Notional Amounts  
December 31, 1998



## Composition of Off-Balance-Sheet Derivatives\*

Notional Amounts  
December 31, 1998

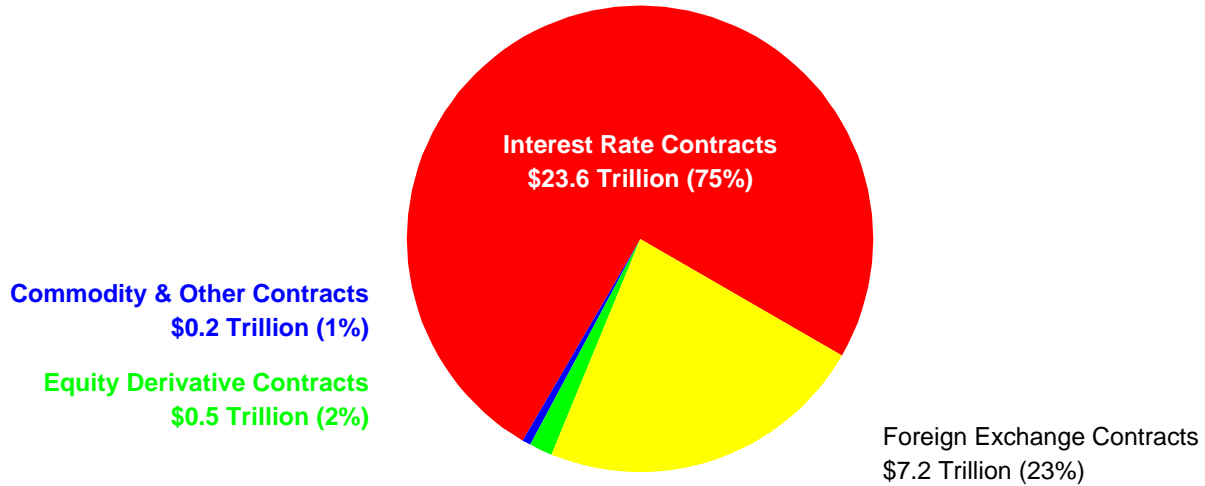


\*Amounts do not represent either the net market position or the credit exposure of banks' off-balance-sheet derivative activities. They represent the gross value of all contracts written. Spot foreign exchange contracts of \$357 billion for the seven largest participants and \$18 billion for all others are not included.

## Purpose of Off-Balance-Sheet Derivatives\* Held for Trading

Notional Amounts

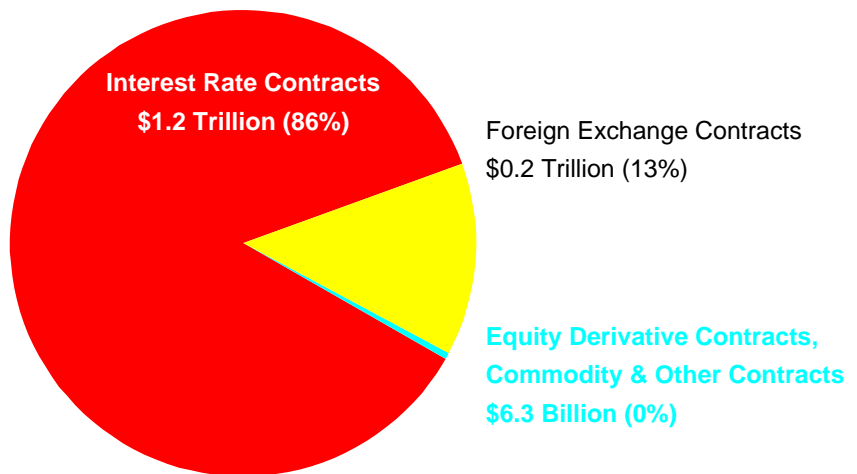
December 31, 1998



## Not Held for Trading

Notional Amounts

December 31, 1998



\* Notional amounts do not represent either the net market position or the credit exposure of banks' off-balance-sheet derivative activities. They represent the gross value of all contracts written. Spot foreign exchange contracts of \$375 billion are not included.

## Positions of Off-Balance-Sheet Derivatives Gross Fair Values

December 31, 1998

(\$ Millions)

### Held for Trading

94 Banks Held Derivative Contracts for Trading

(Marked to Market)

	Interest Rate	Foreign Exchange	Equity Derivatives	Commodity & Other	Total	Net
<b>Seven Largest Participants</b>						
Gross positive fair value	277,326	162,901	43,364	7,088	490,679	3,344
Gross negative fair value	272,466	163,450	44,777	6,642	487,335	
<b>All other participants</b>						
Gross positive fair value	5,166	8,292	153	360	13,971	431
Gross negative fair value	5,130	7,915	129	366	13,540	
<b>Total</b>						
Gross positive fair value	282,492	171,193	43,517	7,448	504,649	3,775
Gross negative fair value	277,596	171,364	44,905	7,008	500,874	

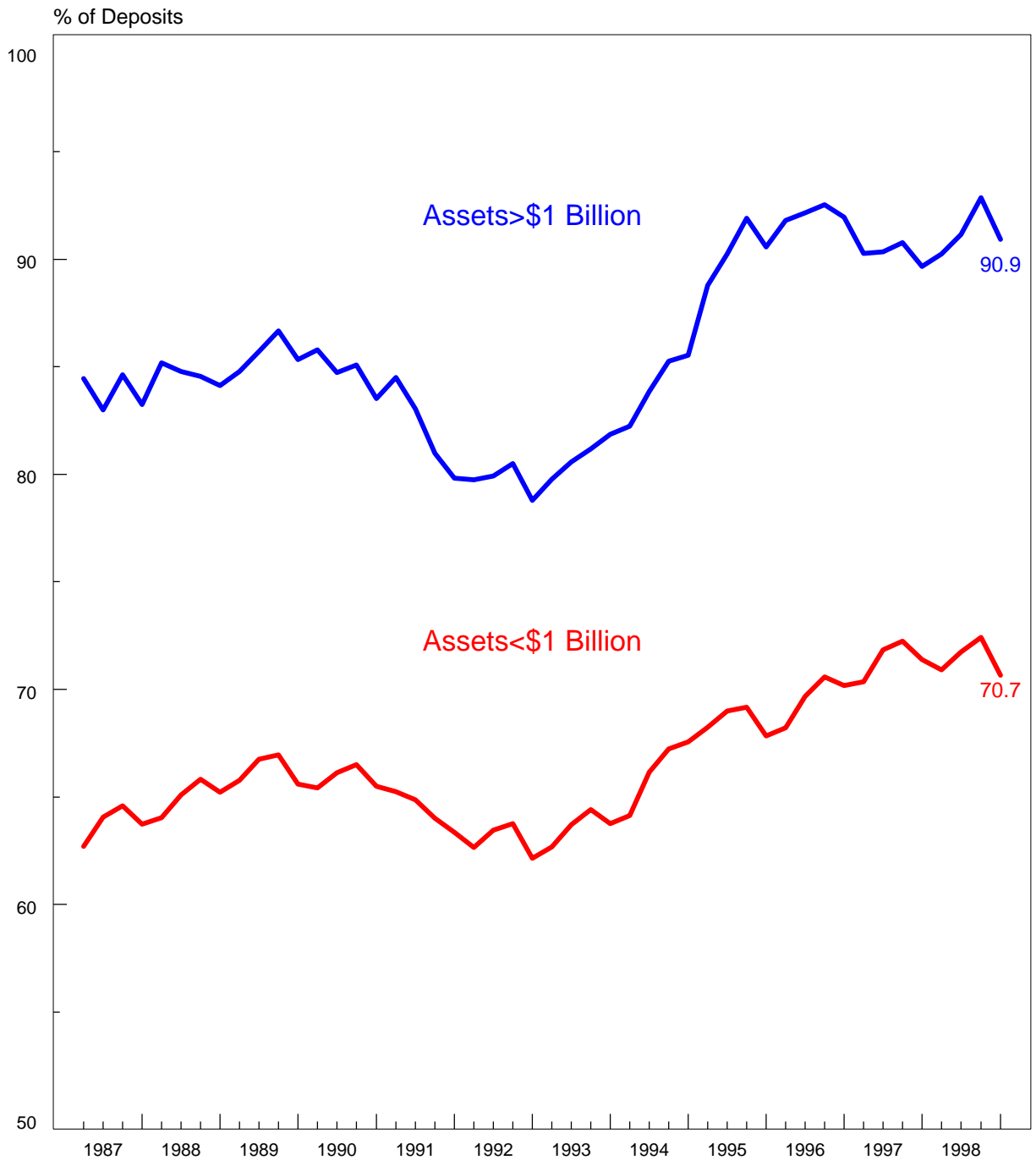
### Held for Purposes Other than Trading

430 Banks Held Derivative Contracts for Purposes Other than Trading

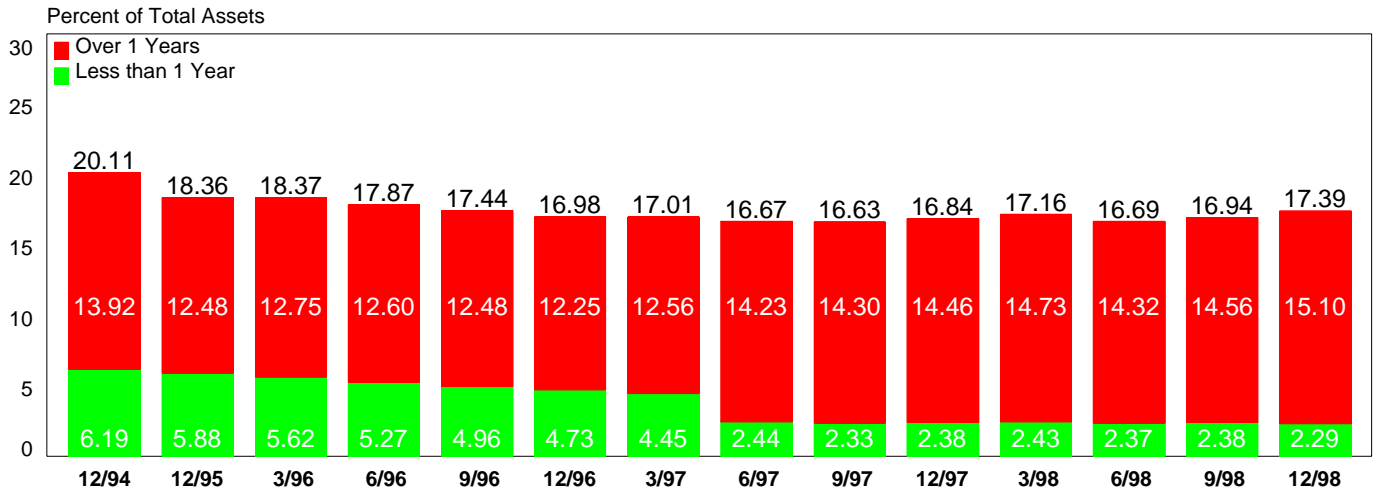
	Interest Rate	Foreign Exchange	Equity Derivatives	Commodity & Other	Total	Net
<b>Marked to Market</b>						
Gross positive fair value	2,057	172	30	0	2,258	695
Gross negative fair value	1,246	287	29	1	1,563	
<b>Not Marked to Market</b>						
Gross positive fair value	13,609	1,419	139	12	15,179	7,477
Gross negative fair value	6,229	1,245	133	95	7,702	
<b>Total</b>						
Gross positive fair value	15,666	1,591	169	12	17,437	8,173
Gross negative fair value	7,475	1,532	162	96	9,265	

# Net Loans and Leases to Deposits

1987 - 1998

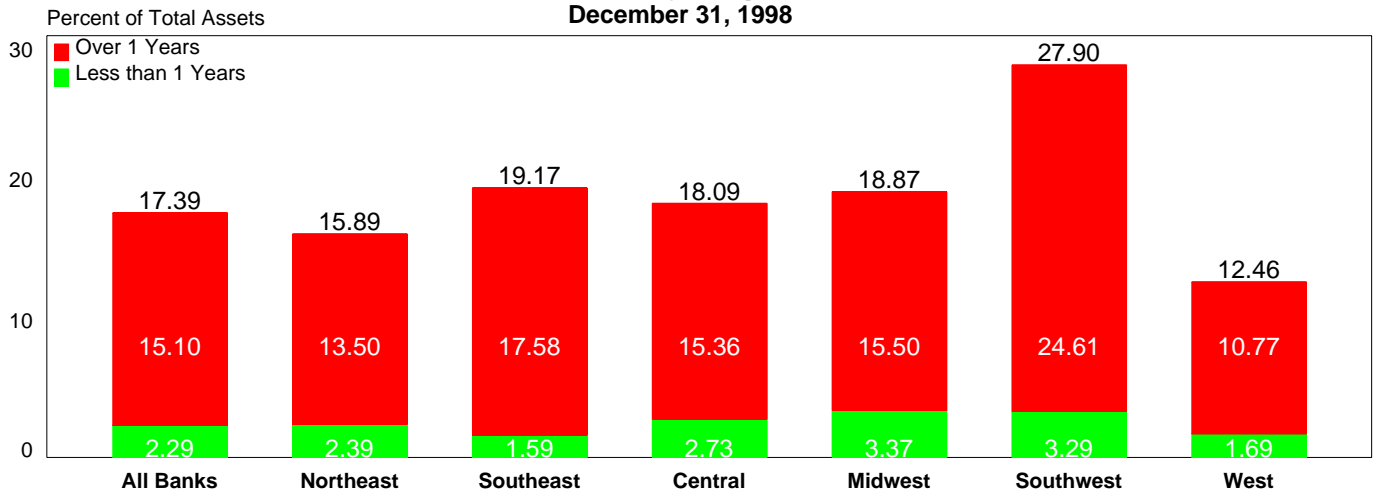


## Debt Securities by Maturity or Repricing Frequency . . .



## . . . and by Region

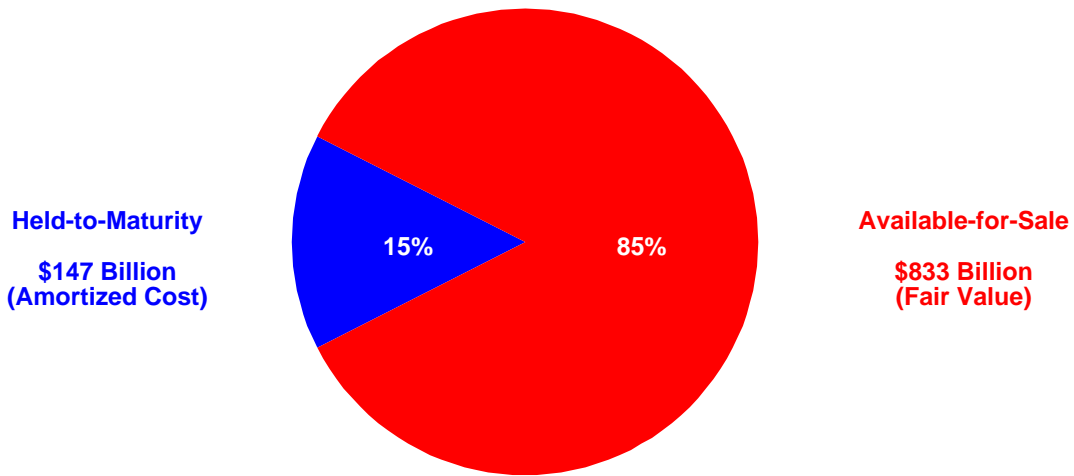
December 31, 1998



## Total Securities (Debt and Equity) (\$ Billions)

	12/96	3/97	6/97	9/97	12/97	3/98	6/98	9/98	12/98
U.S. Government Obligations:	\$300	\$305	\$304	\$299	\$303	\$314	\$309	\$286	\$287
U.S. Treasury	169	171	166	159	155	162	150	125	116
U.S. Agencies	131	134	139	140	148	151	159	162	171
Mortgage Pass-through Securities	224	231	235	244	256	268	252	277	311
Collateralized Mortgage Obligations	112	111	110	117	128	134	141	156	159
State, County, Municipal Obligations	75	75	75	76	77	78	80	84	87
Other Debt Securities	68	69	71	77	83	84	84	90	103
Equity Securities	<u>22</u>	<u>22</u>	<u>24</u>	<u>24</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>32</u>
<b>Total Securities</b>	<b>\$801</b>	<b>\$813</b>	<b>\$820</b>	<b>\$836</b>	<b>\$872</b>	<b>\$905</b>	<b>\$894</b>	<b>\$923</b>	<b>\$980</b>
Memoranda									
Fair Value of High-risk Mortgage Securities	2	2	2	2	3	3	3	5	7
Fair Value of Structured Notes	10	9	10	10	9	8	8	6	5

**Total Securities\***  
December 31, 1998



**Total Securities\***  
December 31, 1998  
(\$ Millions)

	Held-to-Maturity		Available-for-Sale		Total Securities	Fair Value to Amortized Cost (%)
	Amortized Cost	Fair Value to Amortized Cost (%)	Fair Value	Fair Value to Amortized Cost (%)		
U.S. Government Obligations						
U.S. Treasury	\$15,603	101.4	\$100,581	101.7	\$116,184	101.6
U.S. Agencies	39,360	100.5	131,633	100.6	170,993	100.6
Mortgage Pass-through Securities	29,601	101.1	281,464	100.8	311,065	100.8
Collateralized Mortgage Obligations	22,885	100.2	136,251	100.2	159,136	100.2
State, County, Municipal Obligations	31,521	103.6	55,309	103.2	86,830	103.3
Other Debt Securities	7,731	98.9	95,480	99.5	103,211	99.4
Equity Securities	**	**	32,235	108.1	32,235	108.1
<b>Total Securities</b>	<b>\$146,701</b>	<b>101.2</b>	<b>\$832,953</b>	<b>101.0</b>	<b>\$979,654</b>	<b>101.1</b>
Memoranda***						
High-risk Mortgage Securities	6,737		6,755			100.3
Structured Notes	4,706		4,683			99.5

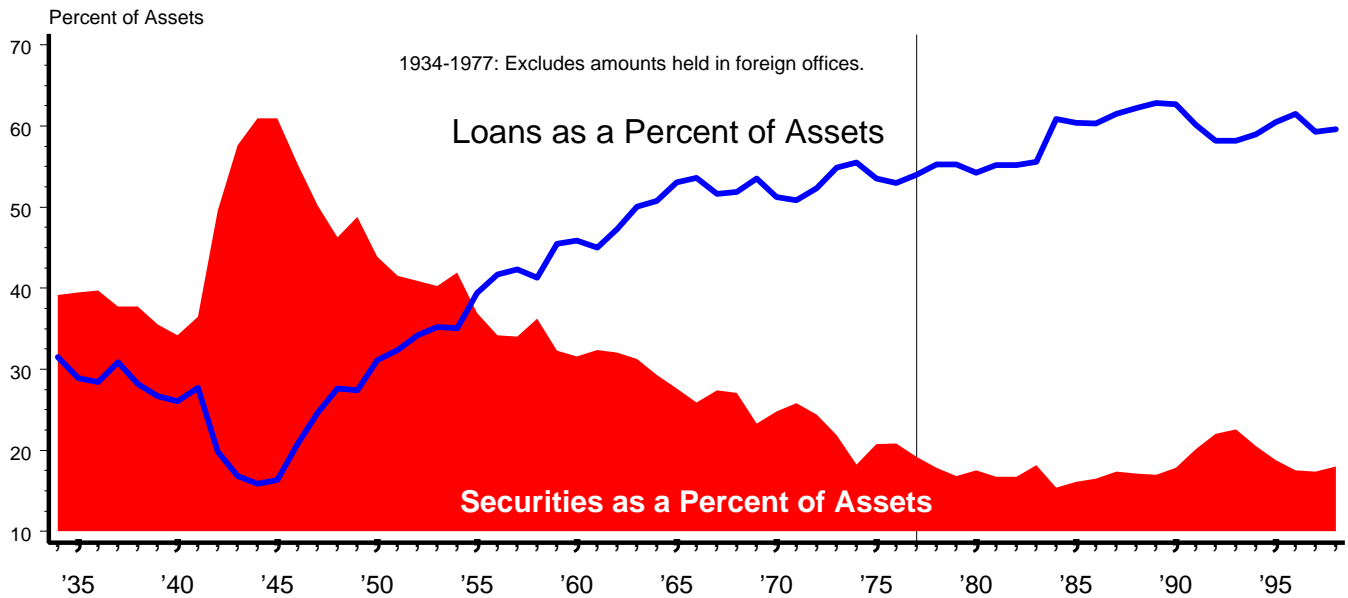
\* Excludes trading account assets.

\*\* Equity Securities are classified as 'Available-for-Sale'.

\*\*\* High risk securities and structured notes are included in the 'Held-to-Maturity' or 'Available-for-Sale' accounts.

## Loans and Securities\* as a Percent of Assets

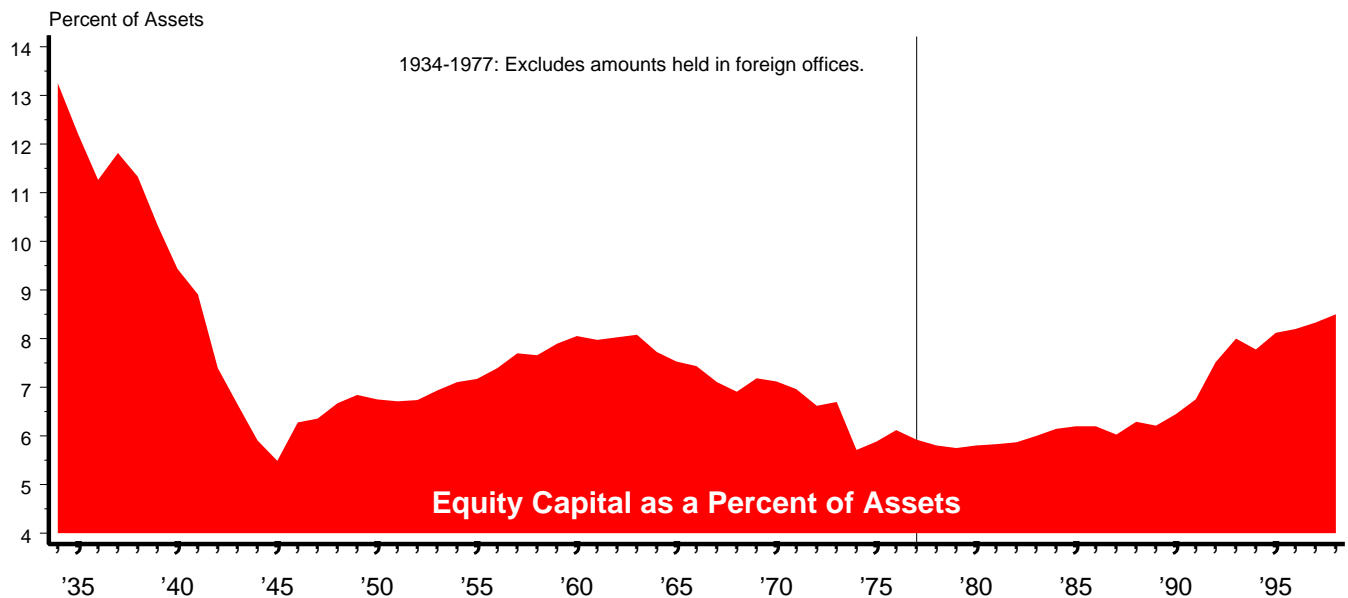
1934 - 1998



\*Excludes trading account assets

## Equity Capital as a Percent of Assets

1934 - 1998





# Loans, Securities,\* and Equity Capital

December 31, 1934 - December 31, 1998

(Dollar figures in Millions)

Year	Number of Institutions	Total Securities	Loans & Leases	Total Assets	Equity Capital	As a Percent of Total Assets		
						Securities	Loans	Capital
1998	8,774	979,654	3,238,559	5,440,943	462,225	18.0	59.5	8.50
1997	9,142	871,868	2,970,738	5,014,946	417,954	17.4	59.2	8.33
1996	9,527	800,648	2,811,279	4,578,314	375,275	17.5	61.4	8.20
1995	9,940	810,872	2,602,963	4,312,676	349,575	18.8	60.4	8.11
1994	10,451	823,024	2,358,212	4,010,517	312,089	20.5	58.8	7.78
1993	10,958	836,710	2,149,735	3,706,165	296,491	22.6	58.0	8.00
1992	11,462	772,939	2,031,974	3,505,663	263,403	22.0	58.0	7.51
1991	11,921	691,385	2,052,754	3,430,682	231,699	20.2	59.8	6.75
1990	12,343	604,622	2,110,170	3,389,490	218,616	17.8	62.3	6.45
1989	12,709	558,639	2,058,195	3,299,362	204,823	16.9	62.4	6.21
1988	13,123	535,995	1,932,376	3,130,796	196,545	17.1	61.7	6.28
1987	13,703	520,713	1,829,174	2,999,949	180,651	17.4	61.0	6.02
1986	14,199	484,865	1,756,438	2,940,699	182,144	16.5	59.7	6.19
1985	14,407	439,407	1,630,790	2,730,672	169,118	16.1	59.7	6.19
1984	14,482	385,540	1,508,513	2,508,749	154,091	15.4	60.1	6.14
1983	14,460	424,198	1,316,854	2,341,955	140,459	18.1	56.2	6.00
1982	14,446	367,008	1,224,405	2,193,867	128,698	16.7	55.8	5.87
1981	14,408	339,674	1,131,312	2,029,151	118,241	16.7	55.8	5.83
1980	14,435	325,015	1,016,476	1,855,695	107,599	17.5	54.8	5.80
1979	14,364	284,146	944,809	1,692,080	97,242	16.8	55.8	5.75
1978	14,391	269,290	840,972	1,508,331	87,418	17.9	55.8	5.80
1977	14,412	257,261	729,723	1,339,392	79,280	19.2	54.5	5.92
1976	14,411	246,132	633,031	1,182,390	72,248	20.8	53.5	6.11
1975	14,384	225,639	590,111	1,086,409	63,854	20.8	54.3	5.88
1974	14,228	188,807	583,871	1,037,338	59,221	18.2	56.3	5.71
1973	13,976	179,401	455,197	820,515	54,957	21.9	55.5	6.70
1972	13,733	178,459	388,902	730,903	48,387	24.4	53.2	6.62
1971	13,612	163,681	328,226	633,573	44,062	25.8	51.8	6.96
1970	13,511	141,370	298,190	570,167	40,590	24.8	52.3	7.12
1969	13,473	122,019	286,752	524,665	37,687	23.3	54.7	7.18
1968	13,488	135,242	264,671	500,238	34,518	27.0	52.9	6.90
1967	13,517	123,264	237,518	450,713	32,022	27.3	52.7	7.11
1966	13,541	104,286	220,332	402,946	29,963	25.9	54.7	7.44
1965	13,547	103,651	203,061	375,394	28,252	27.6	54.1	7.53
1964	13,493	100,960	178,649	345,130	26,627	29.3	51.8	7.72
1963	13,291	97,472	158,928	311,790	25,193	31.3	51.0	8.08
1962	13,124	94,912	142,718	295,983	23,732	32.1	48.2	8.02
1961	13,115	89,662	127,414	277,374	22,101	32.3	45.9	7.97
1960	13,126	81,020	119,878	256,322	20,635	31.6	46.8	8.05
1959	13,114	78,582	112,867	243,422	19,206	32.3	46.4	7.89
1958	13,124	86,056	100,087	237,474	18,164	36.2	42.1	7.65
1957	13,165	75,330	95,577	221,534	17,059	34.0	43.1	7.70
1956	13,218	73,947	91,705	216,146	15,992	34.2	42.4	7.40
1955	13,237	77,240	83,628	209,145	14,980	36.9	40.0	7.16
1954	13,323	84,142	71,412	200,589	14,255	41.9	35.6	7.11
1953	13,432	76,851	68,227	191,062	13,243	40.2	35.7	6.93
1952	13,439	76,280	64,728	186,682	12,560	40.9	34.7	6.73
1951	13,455	73,673	58,184	177,449	11,905	41.5	32.8	6.71
1950	13,446	73,198	52,482	166,792	11,261	43.9	31.5	6.75
1949	13,436	75,824	43,047	155,319	10,628	48.8	27.7	6.84
1948	13,419	70,339	42,388	152,163	10,139	46.2	27.9	6.66
1947	13,403	76,712	37,592	152,773	9,707	50.2	24.6	6.35
1946	13,359	81,469	30,740	147,365	9,254	55.3	20.9	6.28
1945	13,302	96,066	25,769	157,582	8,631	61.0	16.4	5.48
1944	13,268	82,053	21,355	134,613	7,944	61.0	15.9	5.90
1943	13,274	64,678	18,843	112,246	7,454	57.6	16.8	6.64
1942	13,347	47,344	18,907	95,459	7,056	49.6	19.8	7.39
1941	13,427	28,032	21,262	76,827	6,842	36.5	27.7	8.91
1940	13,438	24,163	18,398	70,720	6,673	34.2	26.0	9.44
1939	13,534	22,428	16,866	63,147	6,524	35.5	26.7	10.33
1938	13,657	21,451	16,024	56,800	6,435	37.8	28.2	11.33
1937	13,795	20,476	16,750	54,212	6,404	37.8	30.9	11.81
1936	13,969	22,307	15,965	56,210	6,329	39.7	28.4	11.26
1935	14,123	20,116	14,719	50,926	6,210	39.5	28.9	12.20
1934	14,137	18,172	14,614	46,448	6,152	39.1	31.5	13.24

\* Excludes trading account assets.

## Mutual Fund and Annuity Sales\*

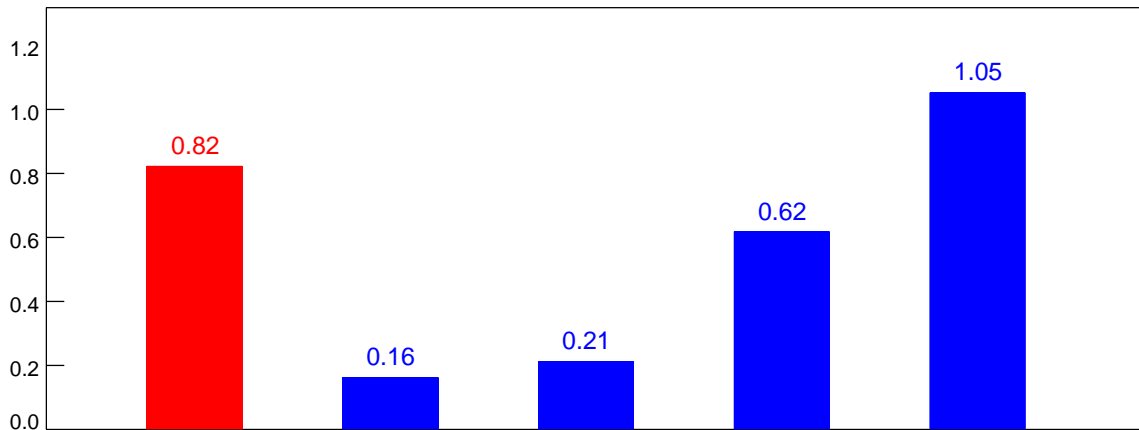
1997 - 1998

Quarterly Sales (\$ Millions)	12/97	3/98	6/98	9/98	12/98
Money Market Funds	\$297,445	\$323,857	\$333,043	\$324,954	\$380,231
Debt Securities Funds	5,520	6,192	8,043	7,973	7,508
Equity Securities	10,406	12,844	17,190	17,058	15,672
Other Mutual Funds	2,377	2,395	3,256	2,816	2,623
Annuities	3,535	3,558	4,205	4,038	3,801
Proprietary Mutual Fund and Annuity Sales included above	284,446	309,836	323,655	313,943	365,515

\* Domestic office sales of proprietary, private label and third-party funds and annuities. Does not reflect redemptions.

## Fee Income from Sales and Service of Mutual Funds and Annuities Calendar Year 1998

Percent of Gross Operating Income\*\*

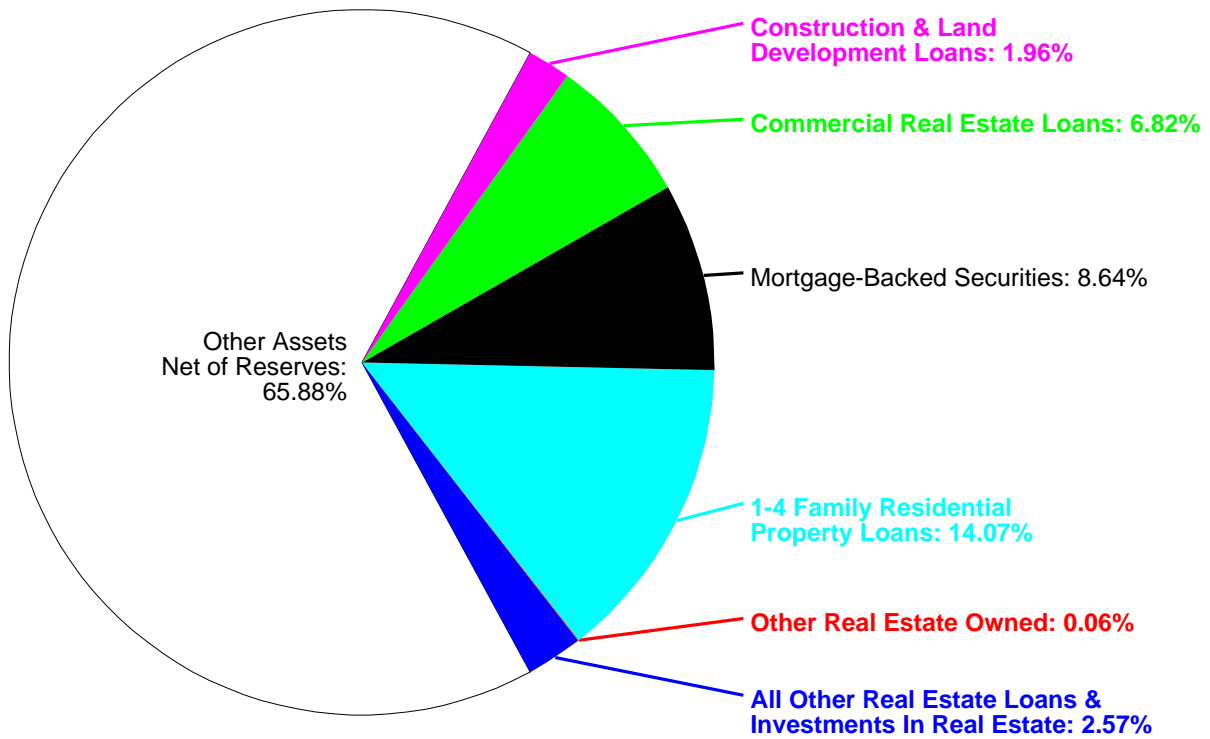


(\$ Millions)	All Banks	Under \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	Over \$10 Billion
Mutual Fund and Annuity Fee Income	<b>\$4,000</b>	<b>\$35</b>	<b>\$134</b>	<b>\$557</b>	<b>\$3,273</b>
Gross Operating Income	<b>\$485,819</b>	<b>\$21,739</b>	<b>\$62,992</b>	<b>\$90,145</b>	<b>\$310,942</b>
Number of Banks Reporting These Fees	<b>2,040</b>	<b>623</b>	<b>1,151</b>	<b>201</b>	<b>65</b>
Percent of Banks Reporting These Fees	<b>23.3%</b>	<b>11.5%</b>	<b>38.7%</b>	<b>62.6%</b>	<b>91.5%</b>

\*\*Gross operating income is the total of interest income and noninterest income.

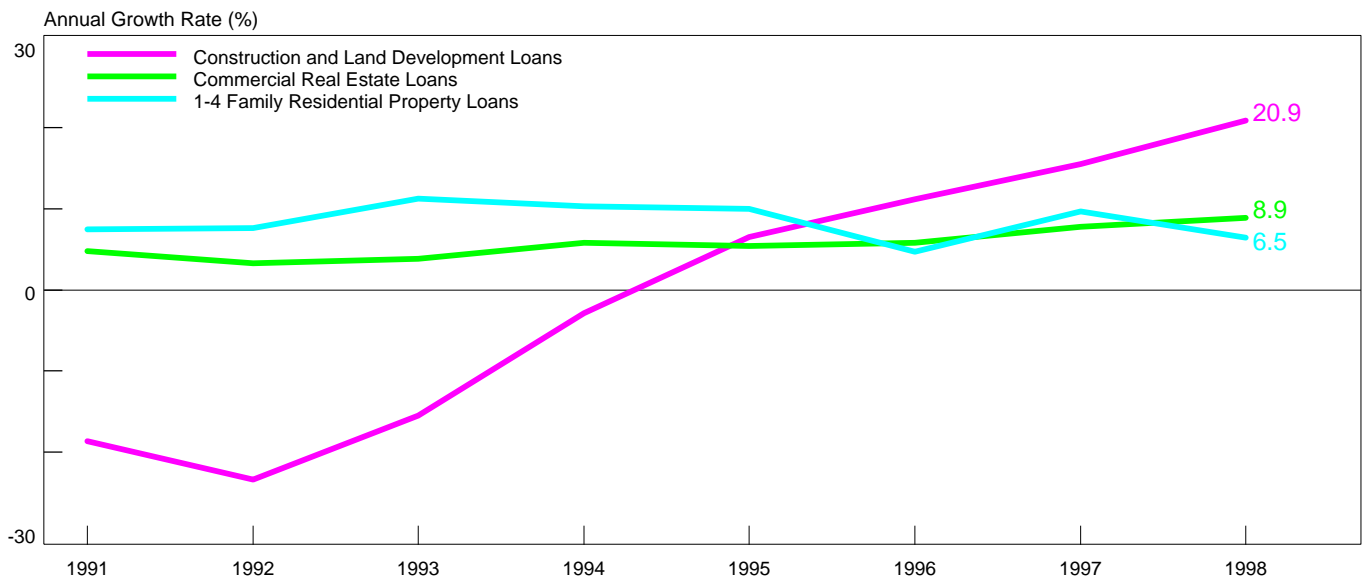
## Real Estate Assets as a Percent of Total Assets

December 31, 1998



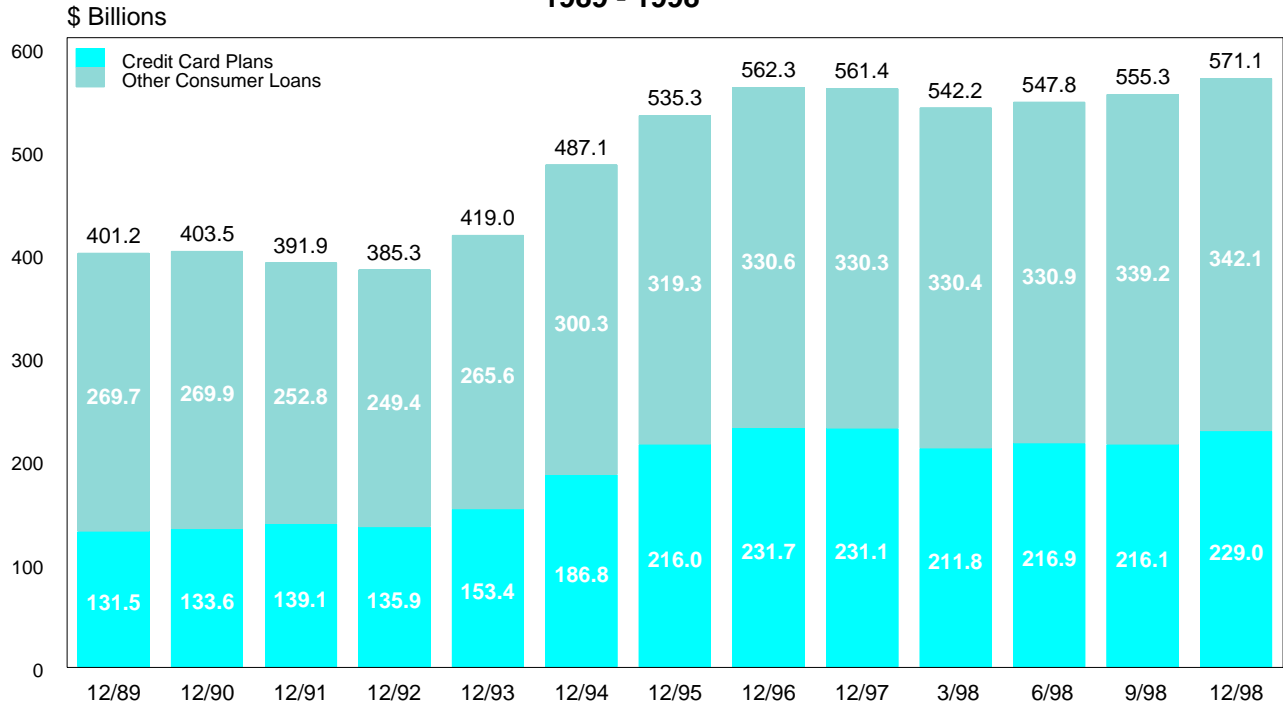
## Real Estate Loan Growth Rates

1991 - 1998



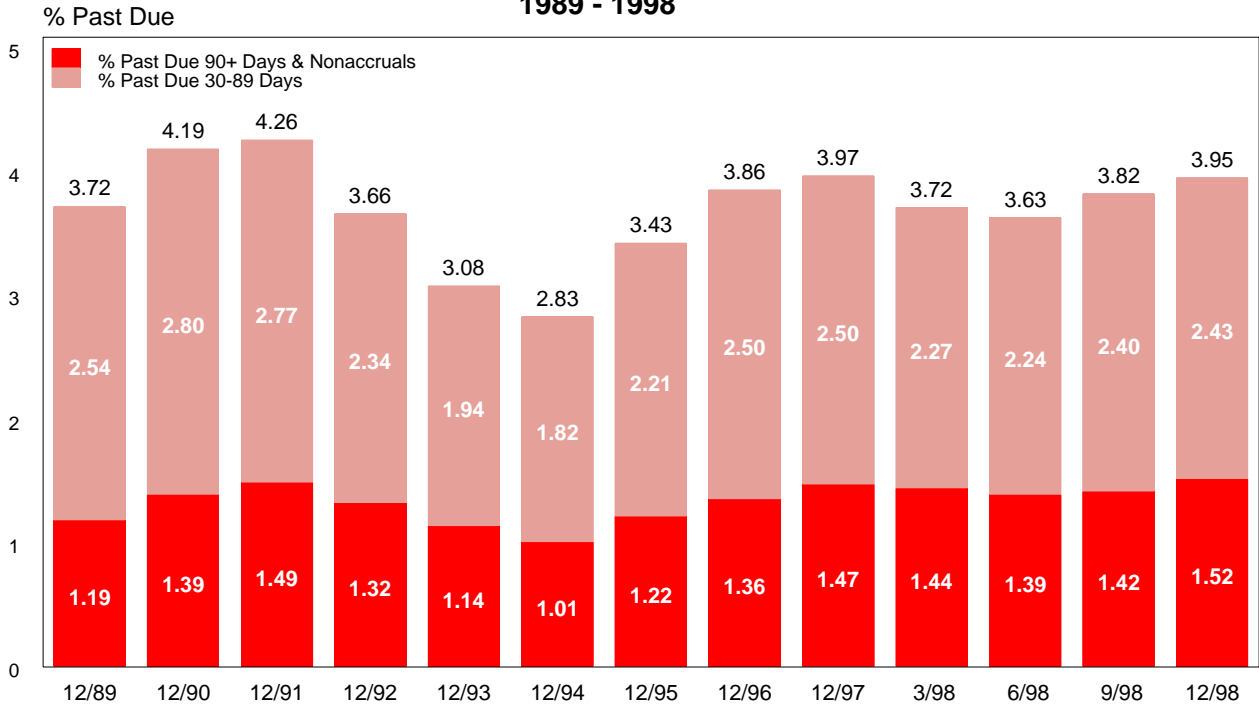
## Loans to Individuals

1989 - 1998



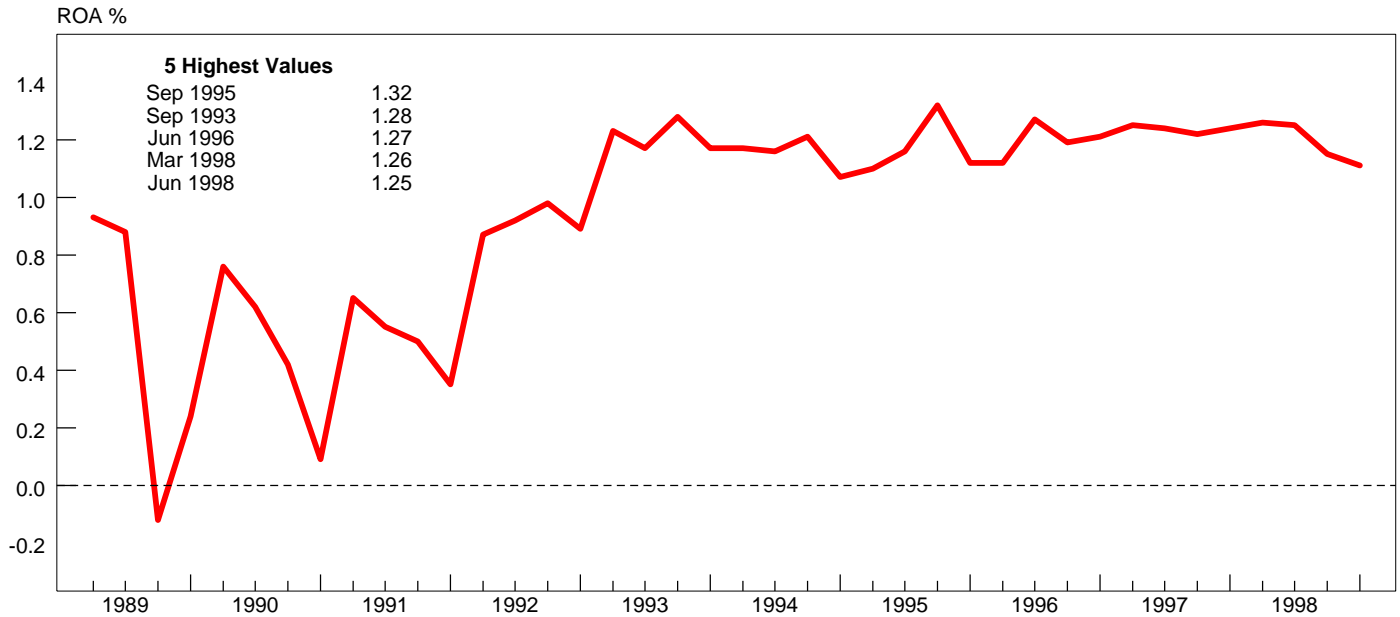
## Delinquency Rates, Loans to Individuals

1989 - 1998



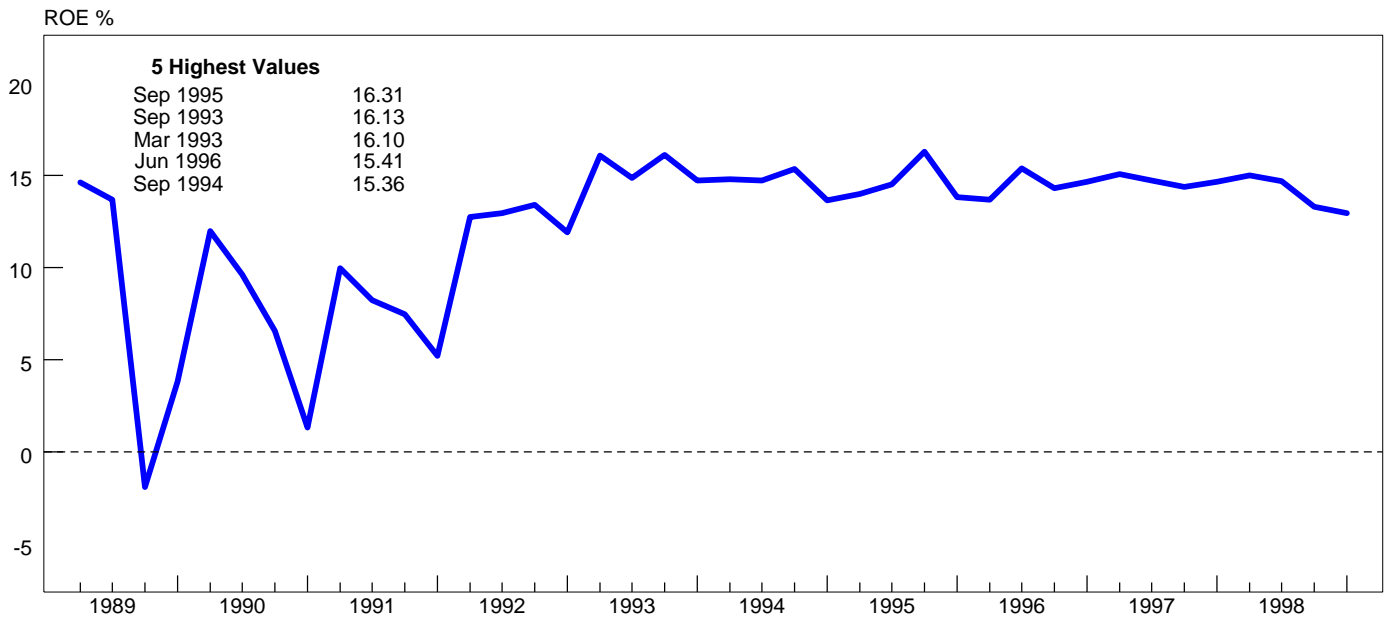
## Quarterly Return on Assets (ROA), Annualized

1989 - 1998



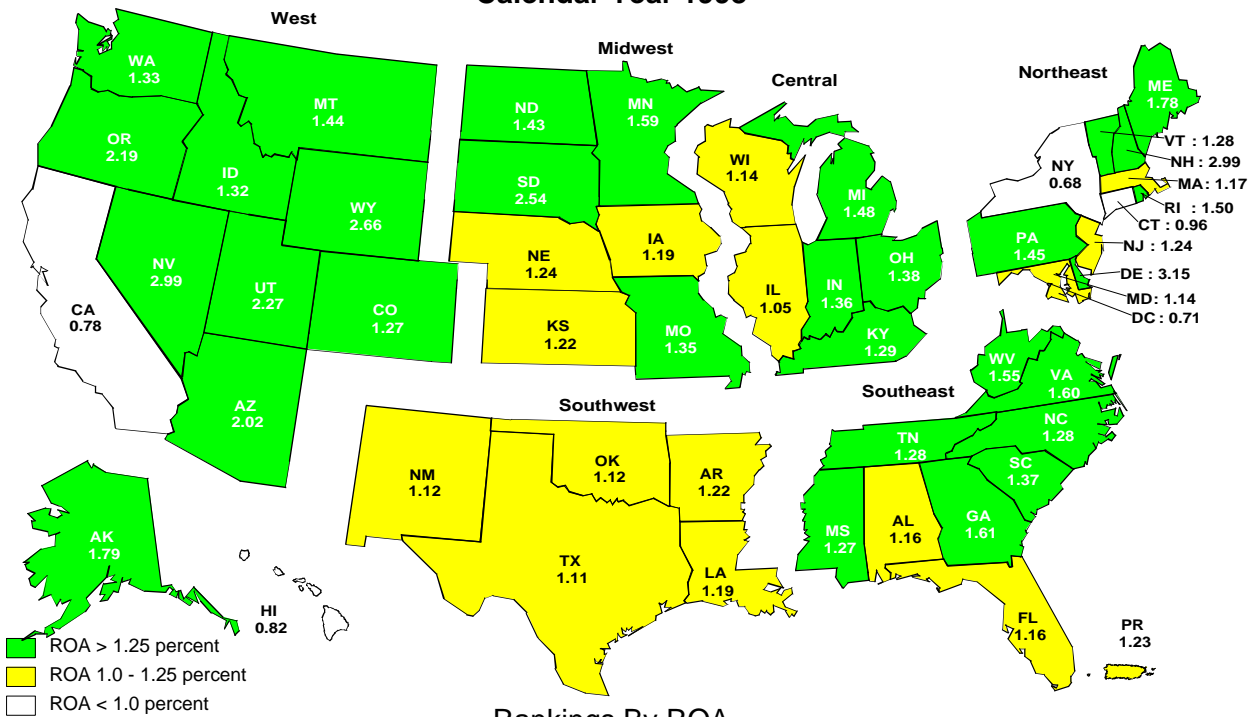
## Quarterly Return on Equity (ROE), Annualized

1989 - 1998



# Return On Assets (ROA)

Calendar Year 1998



## Rankings By ROA

	No. of Inst. as of 12/31/98	1998	1997	Change*		No. of Inst. as of 12/31/98	1998	1997	Change*
1 Delaware	34	3.15	2.15	100	28 Tennessee	204	1.28	1.47	(19)
2 Nevada	26	2.99	2.31	68	29 Vermont	21	1.28	1.33	(5)
3 New Hampshire	19	2.99	2.57	42	30 Colorado	195	1.27	1.33	(6)
4 Wyoming	52	2.66	2.37	29	31 Mississippi	96	1.27	1.31	(4)
5 South Dakota	104	2.54	2.09	45	32 Nebraska	315	1.24	1.24	0
6 Utah	50	2.27	1.96	31	33 New Jersey	72	1.24	1.23	1
7 Oregon	42	2.19	1.85	34	34 Puerto Rico	12	1.23	1.24	(1)
8 Arizona	43	2.02	1.49	53	35 Arkansas	202	1.22	1.28	(6)
9 Alaska	6	1.79	1.79	0	36 Kansas	393	1.22	1.25	(3)
10 Maine	17	1.78	1.32	46	37 Iowa	443	1.19	1.37	(18)
11 Georgia	349	1.61	1.35	26	38 Louisiana	150	1.19	1.19	0
12 Virginia	152	1.60	1.34	26	39 Massachusetts	44	1.17	1.24	(7)
13 Minnesota	514	1.59	1.48	11	40 Alabama	160	1.16	1.23	(7)
14 West Virginia	89	1.55	1.33	22	41 Florida	250	1.16	1.21	(5)
15 Rhode Island	7	1.50	1.51	(1)	42 Maryland	80	1.14	1.25	(11)
16 Michigan	165	1.48	1.41	7	43 Wisconsin	344	1.14	1.24	(10)
17 Pennsylvania	197	1.45	1.42	3	44 New Mexico	58	1.12	1.29	(17)
18 Montana	89	1.44	1.53	(9)	45 Oklahoma	309	1.12	1.15	(3)
19 North Dakota	114	1.43	1.18	25	46 Texas	799	1.11	1.23	(12)
20 Ohio	220	1.38	1.50	(12)	47 Illinois	745	1.05	1.06	(1)
21 South Carolina	77	1.37	1.28	9	48 Connecticut	28	0.96	1.20	(24)
22 Indiana	169	1.36	1.31	5	49 Hawaii	12	0.82	1.02	(20)
23 Missouri	382	1.35	1.27	8	50 California	336	0.78	1.22	(44)
24 Washington	78	1.33	1.44	(11)	51 District of Col.	7	0.71	0.99	(28)
25 Idaho	17	1.32	1.18	14	52 New York	153	0.68	0.89	(21)
26 Kentucky	261	1.29	1.26	3					
27 North Carolina	67	1.28	1.13	15	U.S. and Terr.	8,774	1.19	1.23	(4)

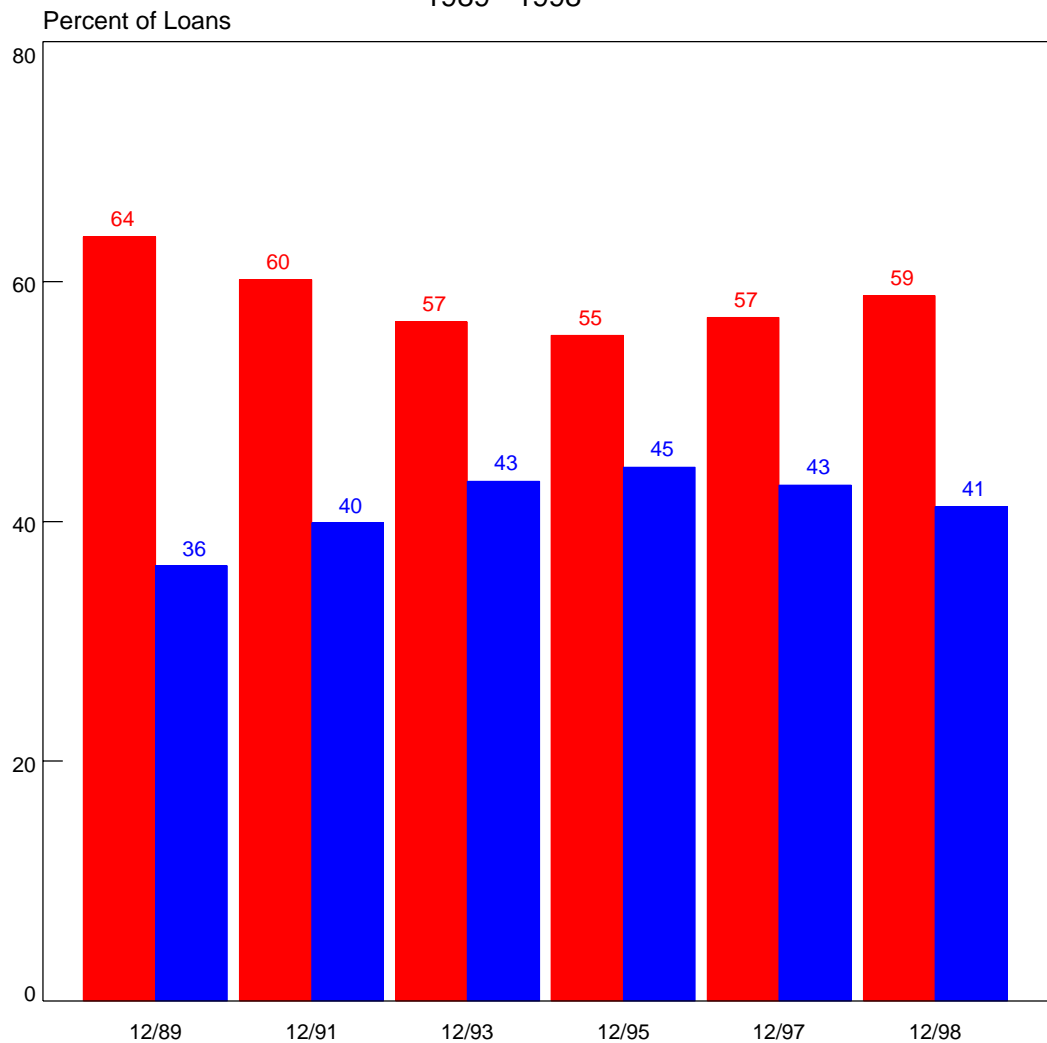
\*ROA minus ROA for the same period one year ago equals change in basis points. Basis point=1/100 of a percent.

Results for four of the states with the highest ROAs (SD, NV, DE, & NH) were significantly influenced by the presence of large credit card operations.

## Credit Risk Diversification

### Consumer Loans versus Loans to Commercial Borrowers (as a Percent of Total Loans)

1989 - 1998



#### Loans (\$ Billions):

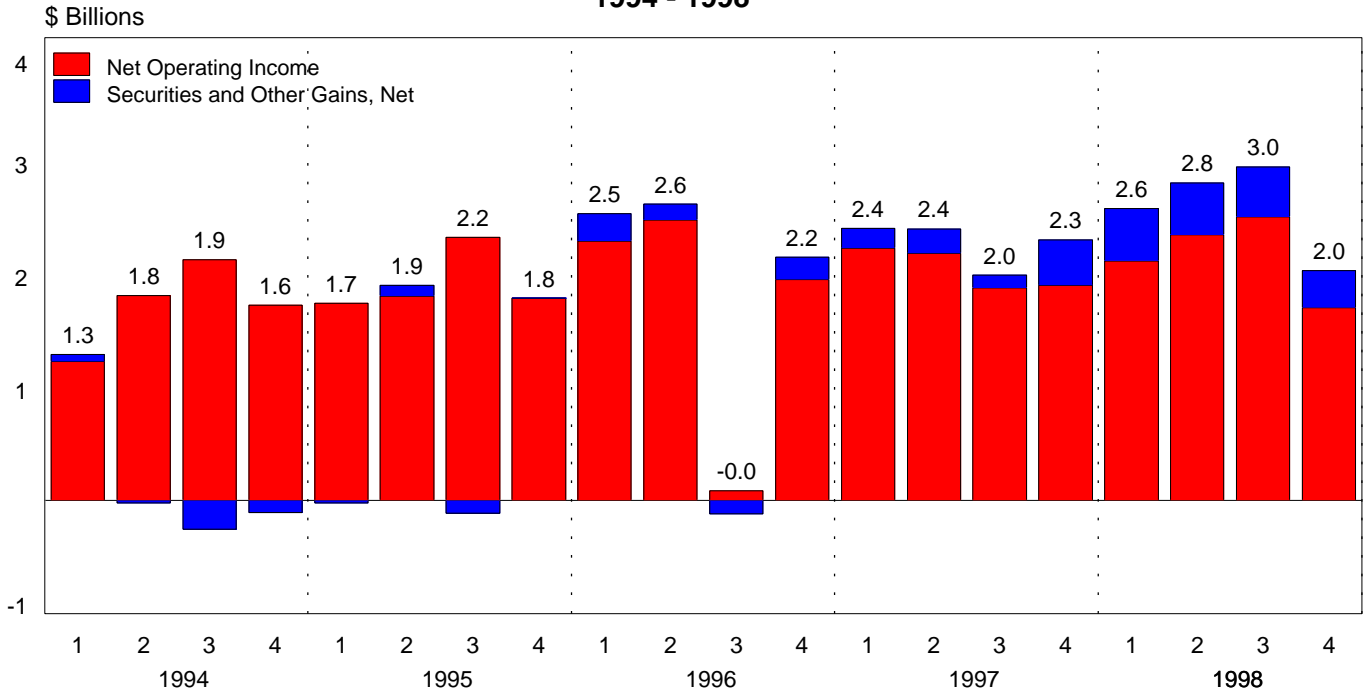
■ Commercial Borrowers	\$1,321	\$1,241	\$1,222	\$1,447	\$1,695	\$1,906
■ Consumer Loans	752	823	935	1,161	1,280	1,336

**Loans to Commercial Borrowers (Credit Risk Concentrated)** - These are loans that can have relatively large balances at risk to a single borrower. A single loan may represent a significant portion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, commercial real estate, construction loans, and agricultural loans.

**Consumer Loans (Credit Risk Diversified)** - These are loans that typically have relatively small balances spread among a large number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1-4 family residential mortgages and home equity loans.

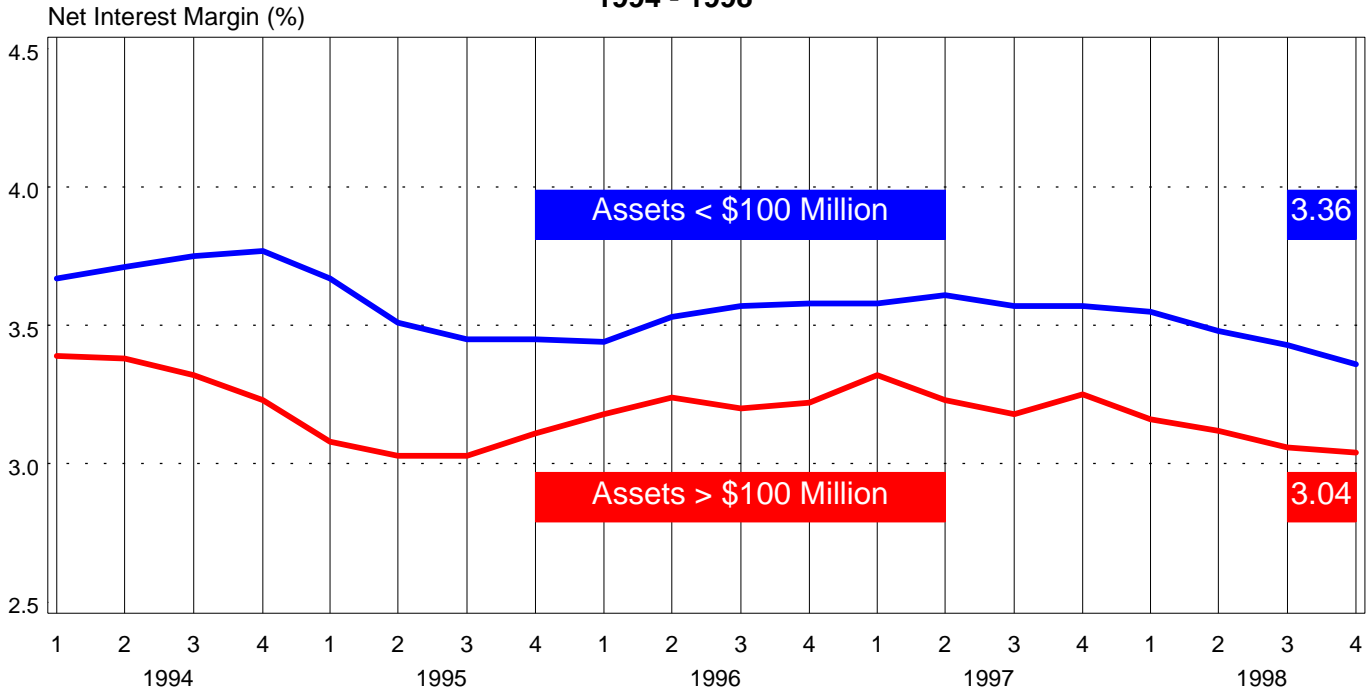
# Quarterly Net Income

1994 - 1998



# Quarterly Net Interest Margins, Annualized

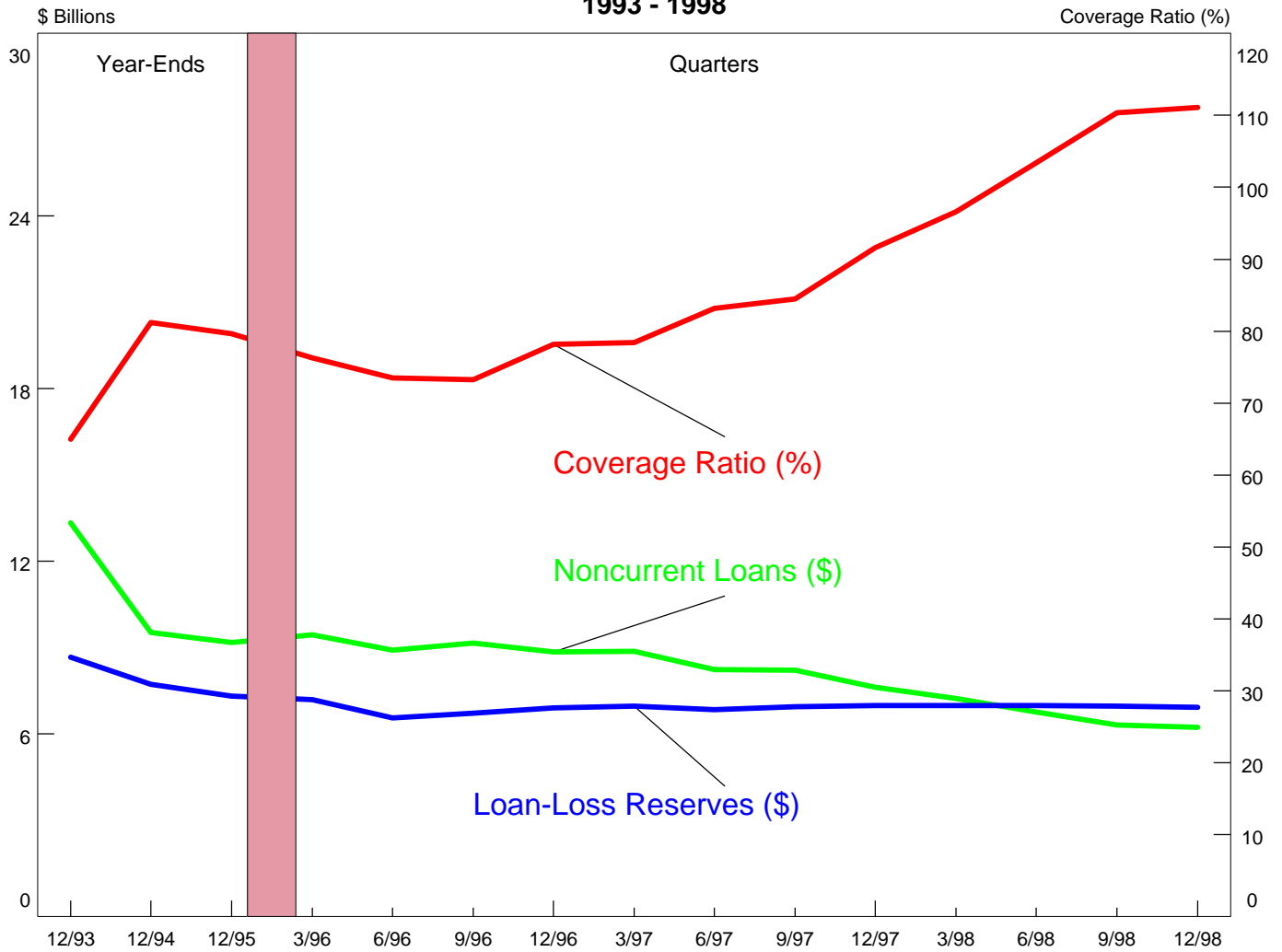
1994 - 1998





# Reserve Coverage Ratio\*

1993 - 1998



## Noncurrent Loans (\$ Billions)

13.3 9.5 9.2 9.4 8.9 9.2 8.8 8.9 8.2 8.2 7.6 7.2 6.8 6.3 6.2

## Loan-Loss Reserves (\$ Billions)

8.7 7.7 7.3 7.2 6.6 6.7 6.9 7.0 6.8 6.9 7.0 7.0 7.0 7.0 7.0 6.9

## Coverage Ratio (%)

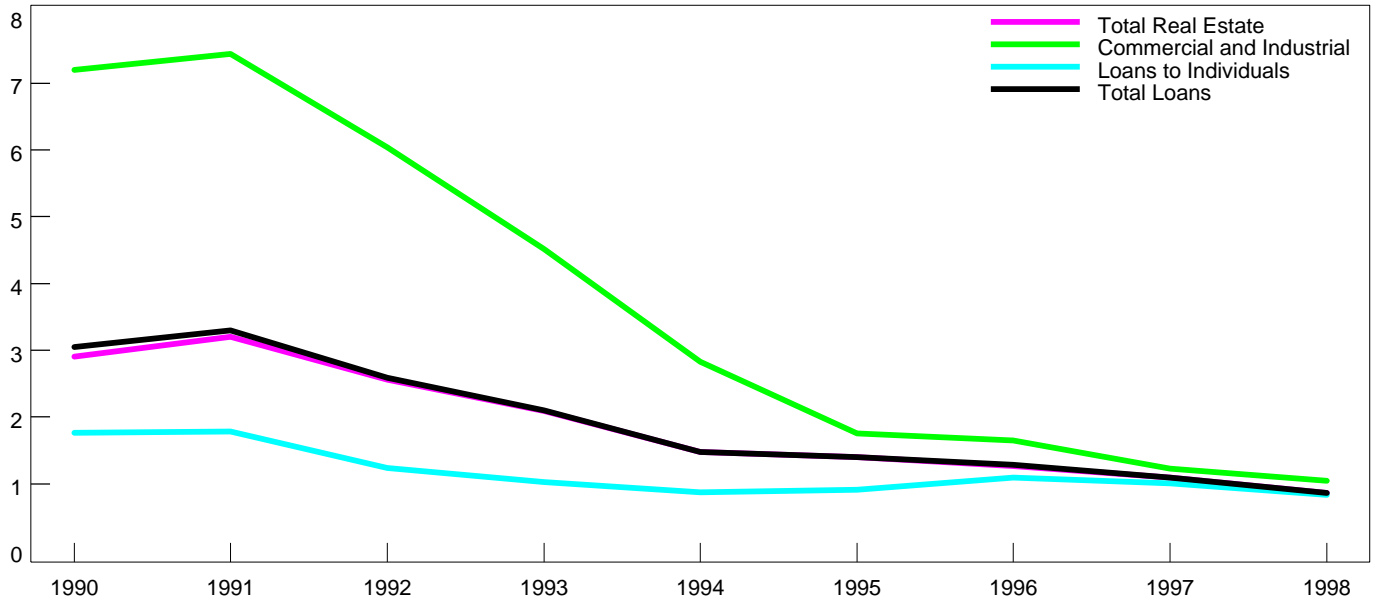
65 81 80 76 74 73 78 78 83 84 92 97 103 110 111

\*Loan-loss reserves to noncurrent loans.

## Noncurrent Loan Rates at Year-end

1990 - 1998

Percent of Loans

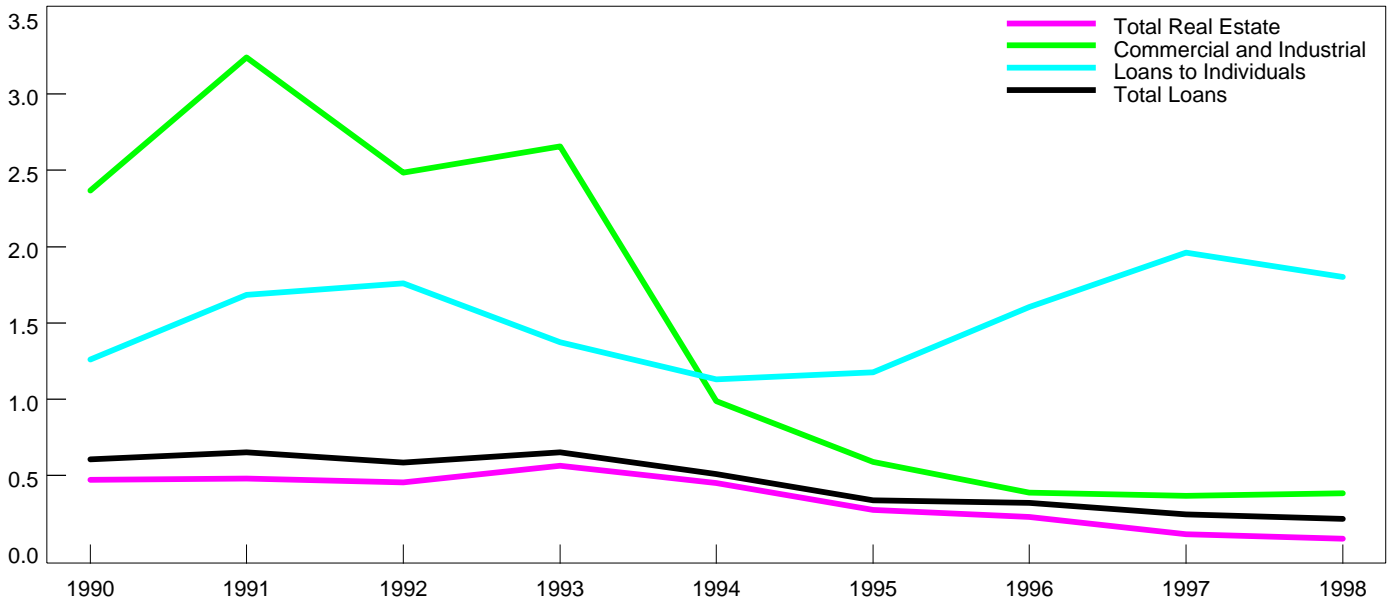


Note: Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status.

## Annual Net Charge-off Rates on Loans

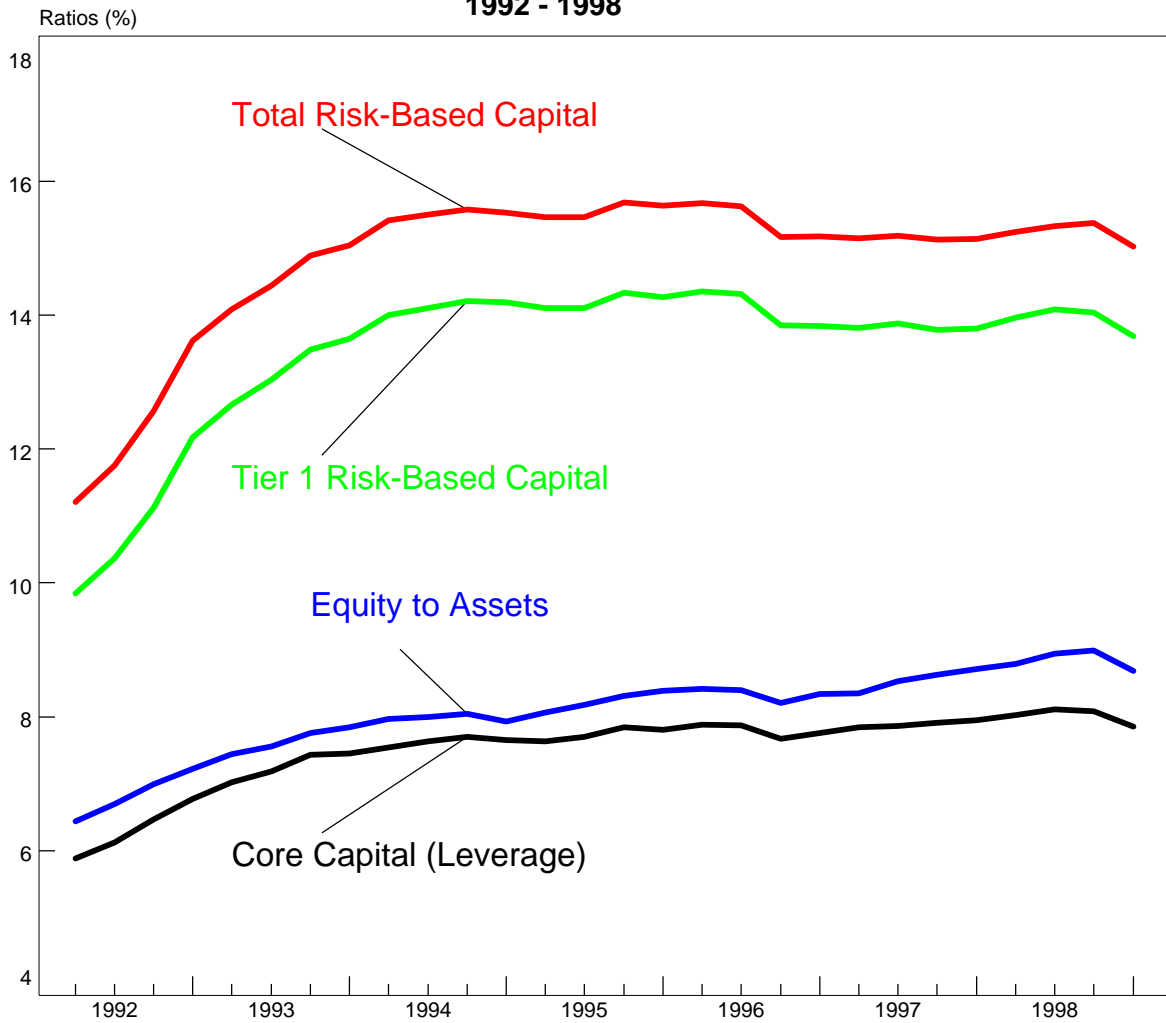
1990 - 1998

Percent of Loans



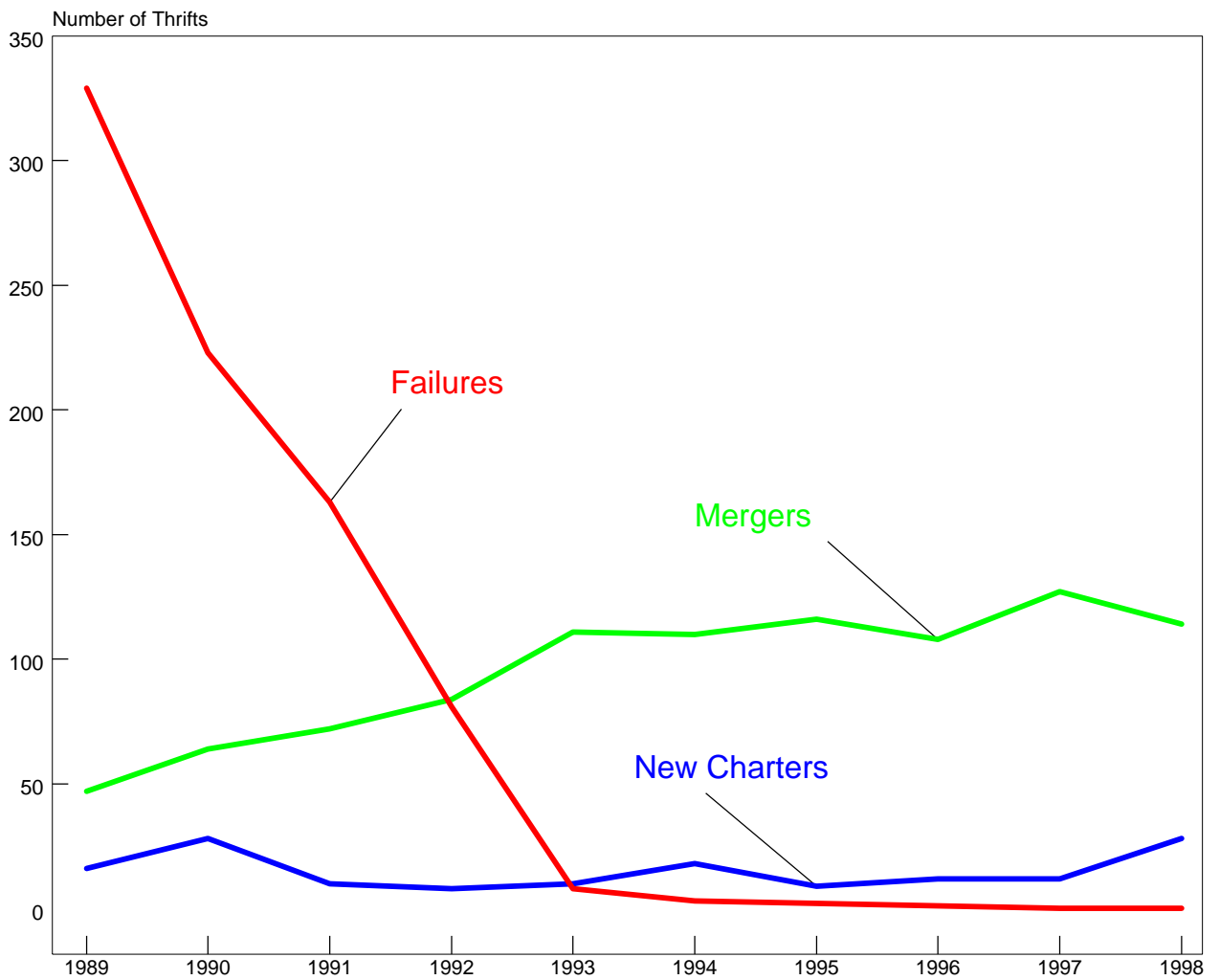
## Capital Ratios

1992 - 1998



	12/92	12/93	12/94	12/95	12/96	12/97	12/98
<b>Total Risk-Based Capital</b>	<b>13.62</b>	<b>15.04</b>	<b>15.53</b>	<b>15.63</b>	<b>15.17</b>	<b>15.14</b>	<b>15.02</b>
<b>Tier 1 Risk-Based Capital</b>	<b>12.17</b>	<b>13.64</b>	<b>14.19</b>	<b>14.27</b>	<b>13.84</b>	<b>13.80</b>	<b>13.68</b>
<b>Equity to Assets</b>	<b>7.22</b>	<b>7.84</b>	<b>7.93</b>	<b>8.39</b>	<b>8.34</b>	<b>8.71</b>	<b>8.68</b>
<b>Core Capital (Leverage)</b>	<b>6.77</b>	<b>7.45</b>	<b>7.65</b>	<b>7.80</b>	<b>7.76</b>	<b>7.95</b>	<b>7.85</b>

## Changes in the Number of FDIC-Insured Savings Institutions 1989 - 1998

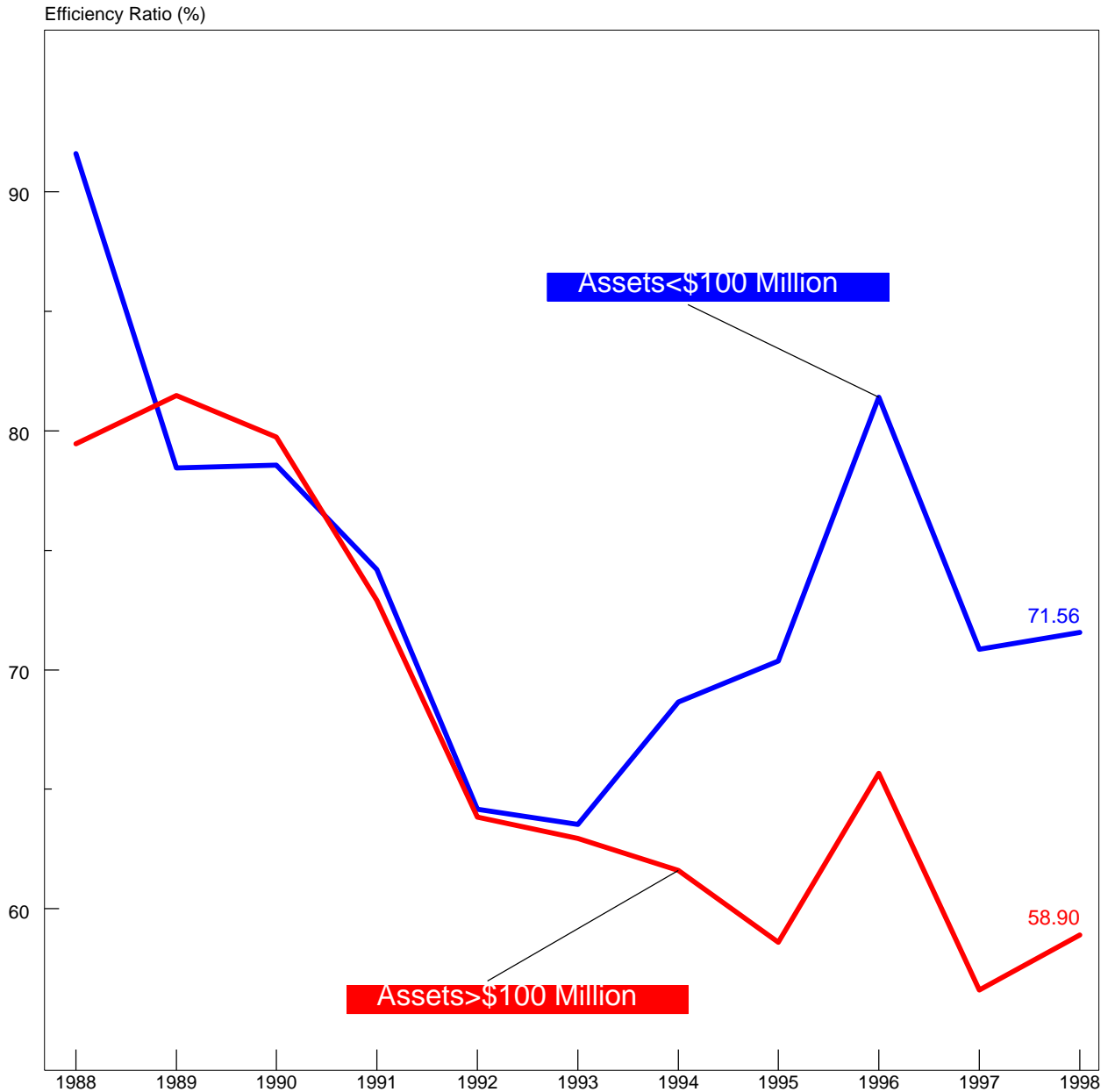


<b>New Charters</b>	<b>16</b>	<b>28</b>	<b>10</b>	<b>8</b>	<b>10</b>	<b>18</b>	<b>9</b>	<b>12</b>	<b>12</b>	<b>28</b>
<b>Mergers</b>	<b>47</b>	<b>64</b>	<b>72</b>	<b>84</b>	<b>111</b>	<b>110</b>	<b>116</b>	<b>108</b>	<b>127</b>	<b>114</b>
<b>Failures</b>	<b>329</b>	<b>223</b>	<b>163</b>	<b>81</b>	<b>8</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>
Other Changes, Net*	9	-11	-29	-14	-19	-15	-13	-7	-30	-8
Net Change in Number of Thrifts	-351	-272	-254	-171	-128	-110	-122	-106	-145	-93

\* Includes charter conversions, voluntary liquidations, adjustments for open-bank assistance transactions and other changes.

## Annual Efficiency Ratios\*

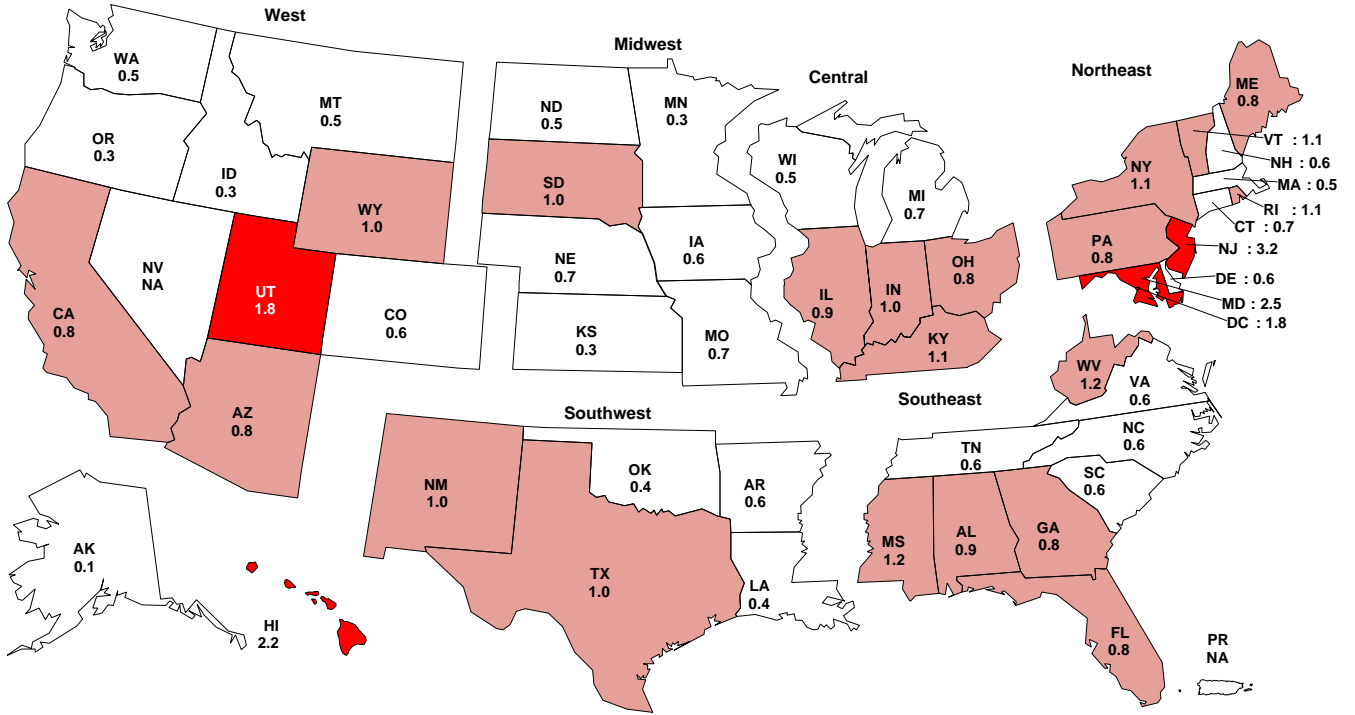
1988 - 1998



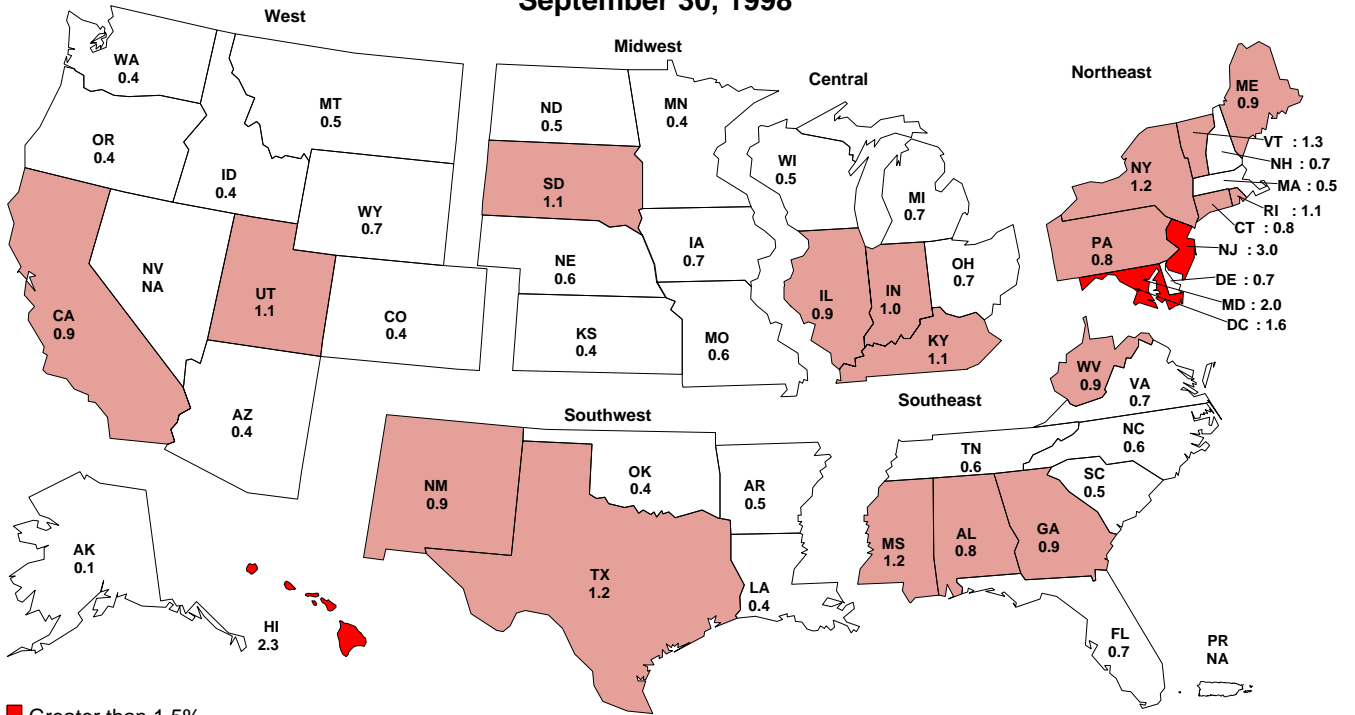
<b>Assets &lt; \$100 Million</b>	<b>91.59</b>	<b>78.45</b>	<b>78.57</b>	<b>74.18</b>	<b>64.16</b>	<b>63.52</b>	<b>68.66</b>	<b>70.36</b>	<b>81.40</b>	<b>70.85</b>	<b>71.56</b>
<b>Assets &gt; \$100 Million</b>	<b>79.45</b>	<b>81.48</b>	<b>79.73</b>	<b>72.89</b>	<b>63.84</b>	<b>62.94</b>	<b>61.60</b>	<b>58.59</b>	<b>65.67</b>	<b>56.60</b>	<b>58.90</b>
<b>Total</b>	<b>80.18</b>	<b>81.29</b>	<b>79.66</b>	<b>72.96</b>	<b>63.86</b>	<b>62.97</b>	<b>61.99</b>	<b>59.17</b>	<b>66.38</b>	<b>57.25</b>	<b>59.37</b>

\* Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income.

# Noncurrent Loan Rates\* December 31, 1998



# September 30, 1998



- Greater than 1.5%
- Between .75% and 1.5%
- Less than .75%

\* Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status.

## Noncurrent Loan Rates\*

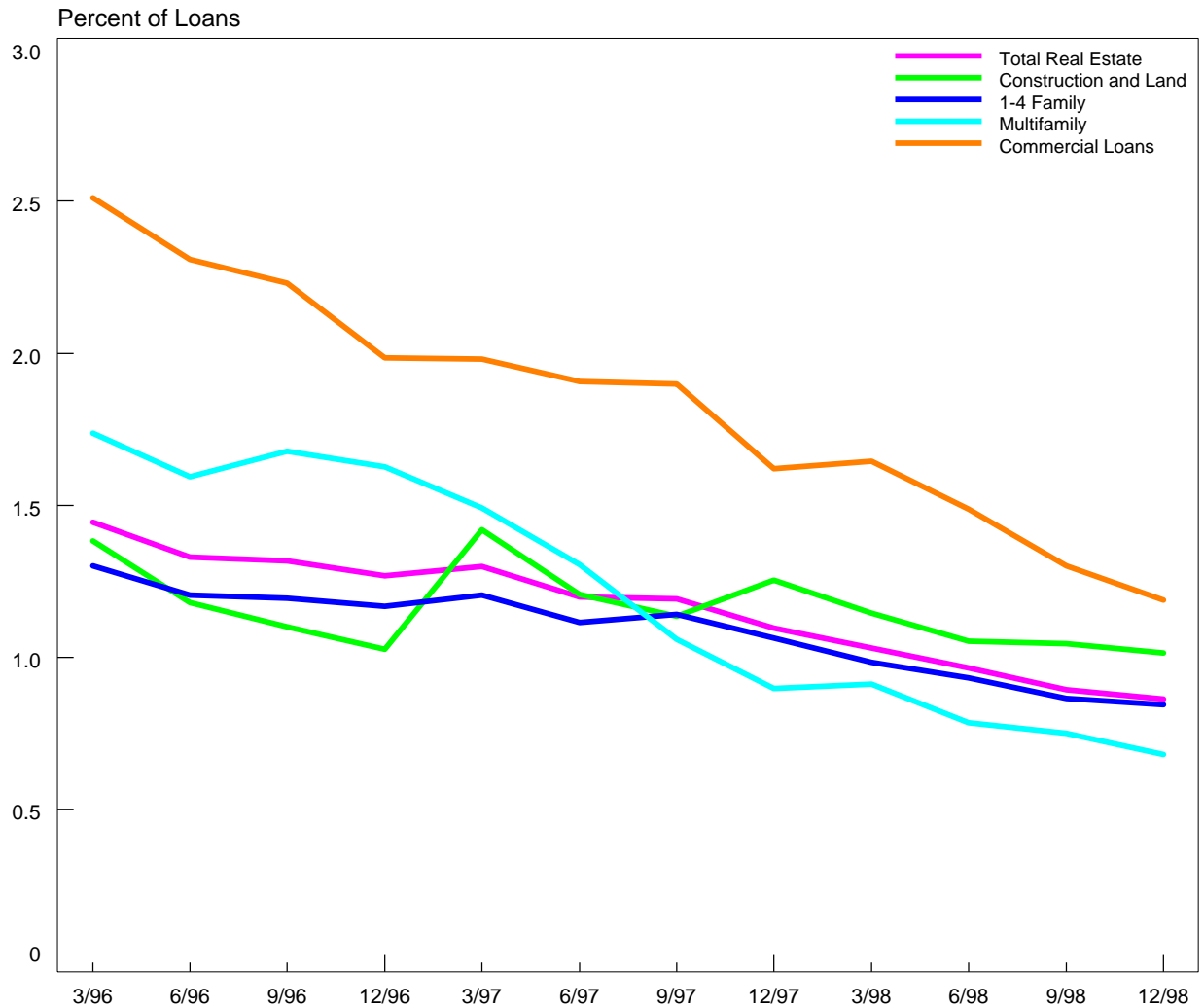
### September 30, 1998 - December 31, 1998

	Total Loans		Commercial & Industrial		Real Estate		Loans to Individuals	
	12/31/98	9/30/98	12/31/98	9/30/98	12/31/98	9/30/98	12/31/98	9/30/98
New Jersey	3.18	2.98	1.00	2.74	3.24	3.02	2.94	2.27
Maryland	2.50	2.00	2.27	1.84	2.61	2.05	0.47	0.50
Hawaii	2.15	2.27	2.53	2.97	2.20	2.32	0.87	0.70
Utah	1.83	1.08	8.04	21.20	1.87	0.91	1.37	2.54
District of Columbia	1.75	1.62	0.00	0.00	2.81	2.59	0.03	0.01
Mississippi	1.23	1.18	0.26	0.20	1.23	1.17	1.69	1.61
West Virginia	1.22	0.87	3.77	0.29	1.04	0.78	2.15	1.73
New York	1.08	1.17	2.34	1.91	1.04	1.15	1.62	0.93
Kentucky	1.08	1.05	1.78	2.15	1.02	0.98	1.54	1.39
Rhode Island	1.05	1.09	2.22	1.60	1.01	1.08	0.90	0.92
Vermont	1.05	1.26	1.57	2.15	1.02	1.22	1.14	1.39
Indiana	1.03	1.00	1.01	0.71	1.04	1.02	1.08	0.97
South Dakota	1.03	1.05	1.54	2.52	0.82	0.66	1.29	1.26
Texas	1.01	1.20	1.33	2.05	1.17	1.21	0.40	0.98
Wyoming	0.98	0.67	3.91	2.73	0.90	0.58	0.69	0.84
New Mexico	0.96	0.88	0.01	0.28	0.99	0.90	1.06	0.85
Alabama	0.88	0.83	0.70	0.61	0.82	0.83	2.04	0.85
Illinois	0.87	0.89	1.68	1.01	0.79	0.83	1.36	1.40
Maine	0.84	0.87	1.31	1.40	0.77	0.82	1.25	1.07
Georgia	0.84	0.94	0.63	1.27	0.75	0.82	1.96	1.82
California	0.83	0.88	0.63	0.52	0.83	0.89	1.30	0.82
Florida	0.79	0.71	1.22	1.44	0.78	0.68	0.81	0.83
Ohio	0.79	0.69	1.93	2.57	0.77	0.69	0.85	0.56
Pennsylvania	0.78	0.77	0.88	1.01	0.80	0.78	0.65	0.61
Arizona	0.75	0.44	0.00	0.00	0.75	0.44	0.25	0.06
Connecticut	0.69	0.81	1.07	1.49	0.66	0.75	0.64	0.87
Michigan	0.69	0.66	0.96	0.47	0.68	0.68	0.65	0.57
Nebraska	0.69	0.64	0.88	0.59	0.67	0.69	0.75	0.33
Missouri	0.68	0.63	1.63	4.57	0.66	0.55	0.71	0.71
New Hampshire	0.64	0.66	0.71	0.64	0.68	0.71	0.38	0.41
Delaware	0.62	0.69	2.24	1.91	0.63	0.70	0.43	0.54
Tennessee	0.62	0.61	0.84	0.78	0.62	0.61	0.54	0.56
Arkansas	0.61	0.51	0.42	0.33	0.70	0.58	0.26	0.20
Iowa	0.60	0.70	1.72	2.55	0.52	0.59	0.53	0.48
Virginia	0.59	0.73	0.29	0.34	0.51	0.68	1.14	1.10
South Carolina	0.59	0.52	0.31	0.35	0.57	0.50	0.93	0.77
North Carolina	0.57	0.55	0.70	0.86	0.56	0.55	0.94	0.65
Colorado	0.55	0.35	0.35	1.01	0.57	0.34	0.26	0.24
North Dakota	0.54	0.46	3.02	3.15	0.44	0.34	0.33	0.27
Montana	0.53	0.53	0.70	0.14	0.37	0.42	1.12	1.27
Massachusetts	0.49	0.54	0.73	0.93	0.49	0.53	0.39	0.36
Wisconsin	0.49	0.45	0.90	1.35	0.49	0.37	0.40	0.87
Washington	0.45	0.42	0.39	0.41	0.44	0.42	0.53	0.37
Oklahoma	0.43	0.42	0.56	2.07	0.25	0.30	2.87	1.26
Louisiana	0.39	0.43	1.16	1.29	0.34	0.39	0.97	0.73
Minnesota	0.34	0.37	0.88	0.60	0.31	0.37	0.29	0.25
Kansas	0.34	0.44	0.63	0.58	0.32	0.43	0.71	0.75
Oregon	0.32	0.35	2.55	1.31	0.27	0.32	0.49	0.35
Idaho	0.28	0.35	0.14	0.00	0.29	0.38	0.24	0.31
Alaska	0.09	0.14	0.00	1.49	0.11	0.00	0.00	0.24
Nevada	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Puerto Rico	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
U.S. and Territories	0.86	0.89	1.05	1.20	0.86	0.89	0.83	0.79

\* Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or in nonaccrual status.

## Noncurrent Real Estate Loan Rates by Type\*

1996 - 1998



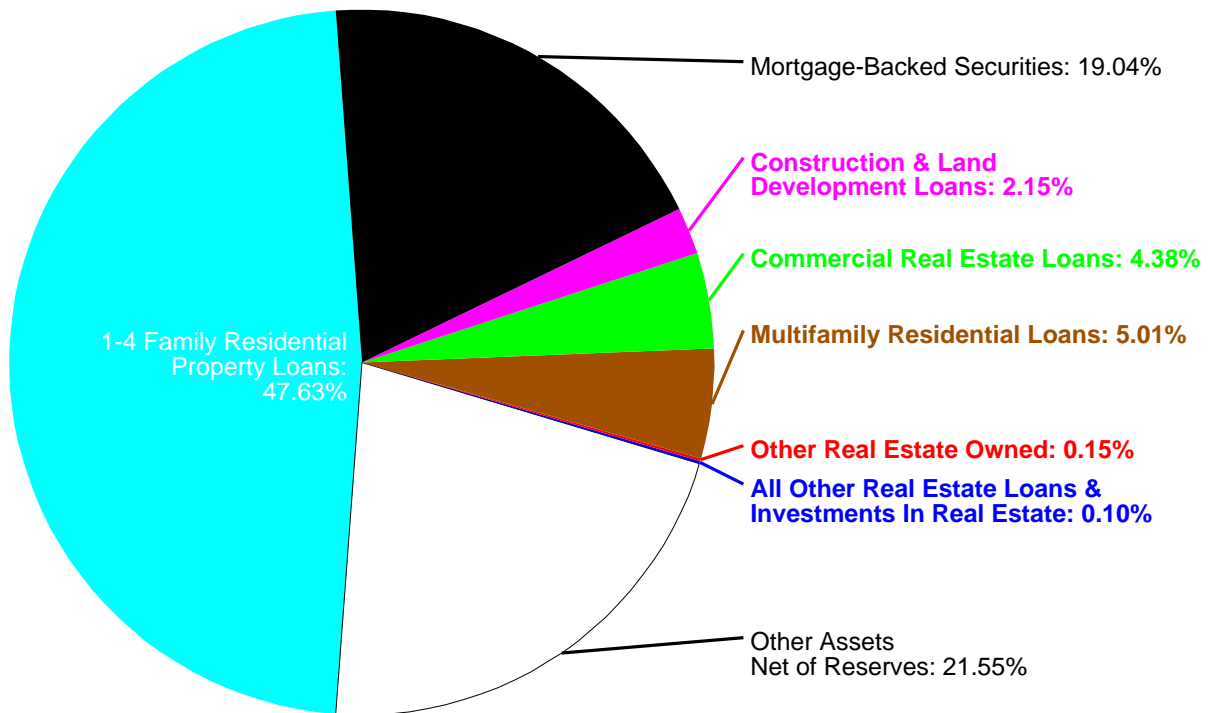
<b>Construction and Land</b>	<b>1.38</b>	<b>1.18</b>	<b>1.10</b>	<b>1.03</b>	<b>1.42</b>	<b>1.21</b>	<b>1.14</b>	<b>1.25</b>	<b>1.14</b>	<b>1.05</b>	<b>1.04</b>	<b>1.01</b>
<b>1-4 Family</b>	<b>1.30</b>	<b>1.20</b>	<b>1.19</b>	<b>1.17</b>	<b>1.20</b>	<b>1.11</b>	<b>1.14</b>	<b>1.06</b>	<b>0.98</b>	<b>0.93</b>	<b>0.86</b>	<b>0.84</b>
<b>Multifamily</b>	<b>1.74</b>	<b>1.59</b>	<b>1.68</b>	<b>1.63</b>	<b>1.49</b>	<b>1.30</b>	<b>1.06</b>	<b>0.90</b>	<b>0.91</b>	<b>0.79</b>	<b>0.75</b>	<b>0.68</b>
<b>Commercial</b>	<b>2.51</b>	<b>2.31</b>	<b>2.23</b>	<b>1.98</b>	<b>1.98</b>	<b>1.91</b>	<b>1.90</b>	<b>1.62</b>	<b>1.65</b>	<b>1.49</b>	<b>1.30</b>	<b>1.19</b>
<b>Total</b>	<b>1.44</b>	<b>1.33</b>	<b>1.32</b>	<b>1.27</b>	<b>1.30</b>	<b>1.20</b>	<b>1.19</b>	<b>1.10</b>	<b>1.03</b>	<b>0.96</b>	<b>0.89</b>	<b>0.86</b>

\*Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or in nonaccrual status.



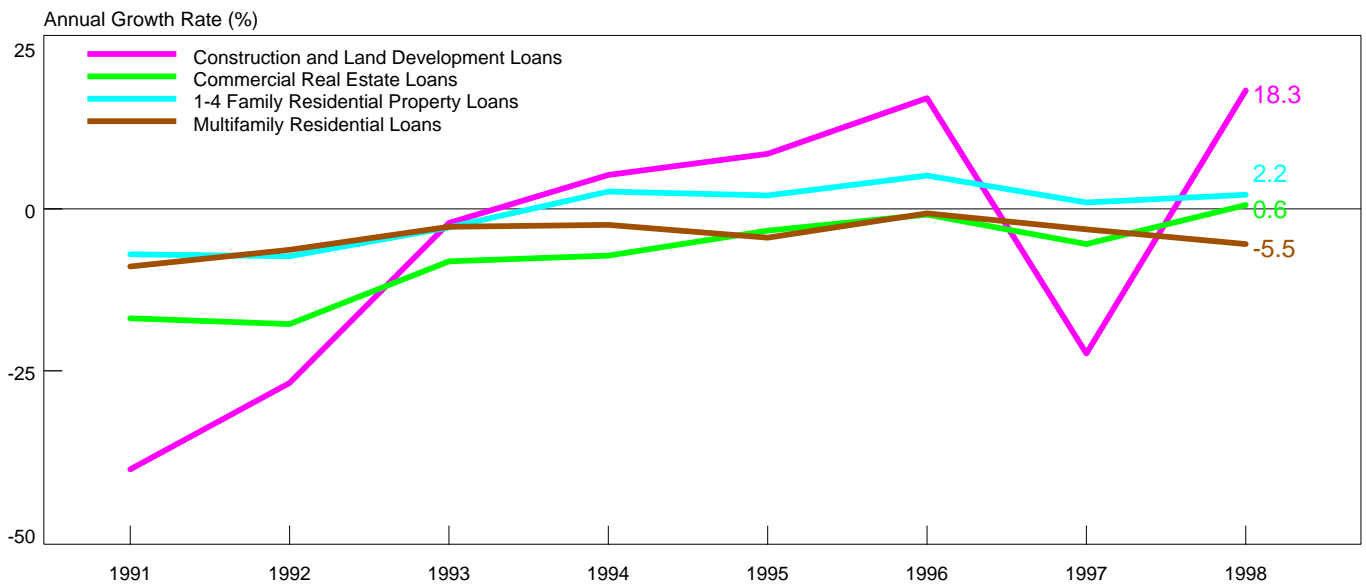
## Real Estate Assets as a Percent of Total Assets

December 31, 1998



## Real Estate Loan Growth Rates

1991 - 1998



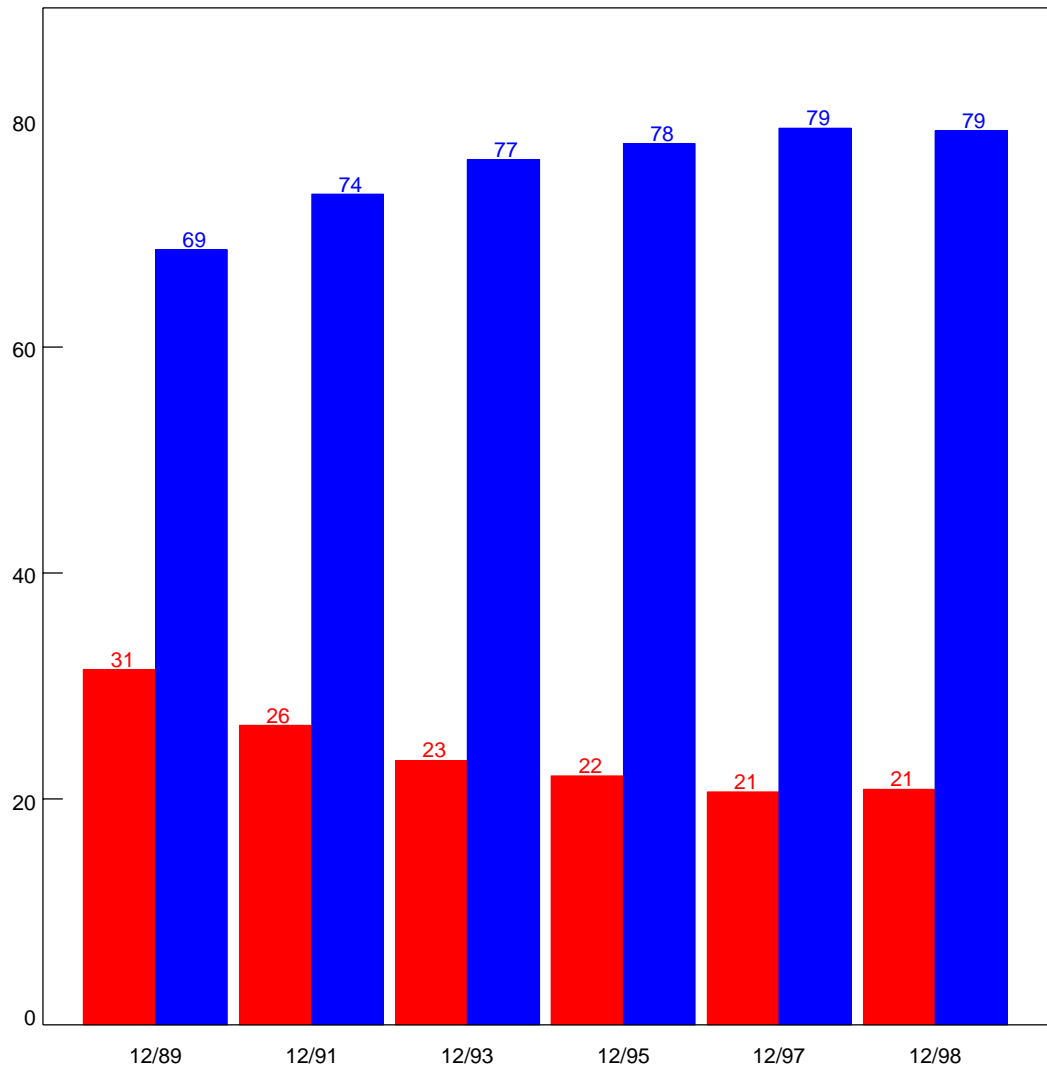
Beginning in March 1997, TFR filers report balances net of loans in process.

## Credit Risk Diversification

### Consumer Loans versus Loans to Commercial Borrowers (as a Percent of Total Loans)

Percent of Loans

1989 - 1998



#### Loans (\$ Billions):

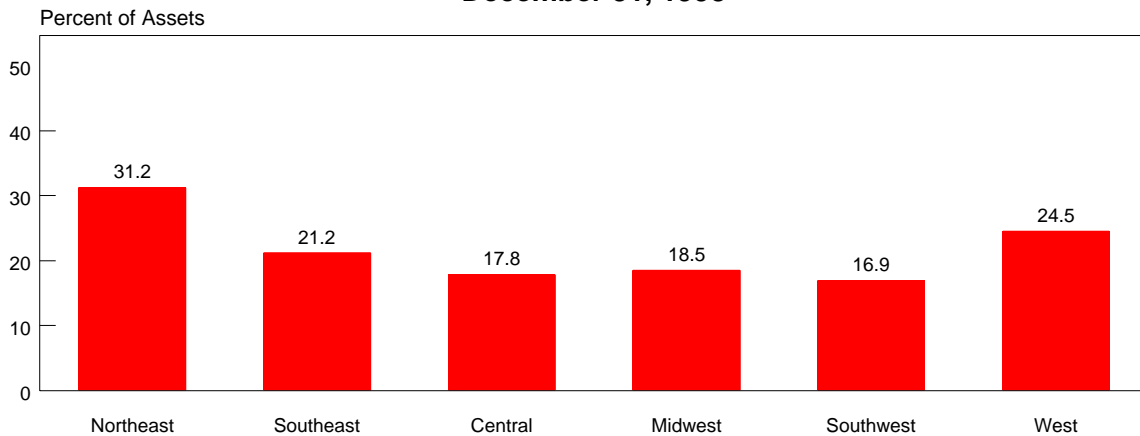
Commercial Borrowers	\$298	\$197	\$151	\$146	\$144	\$150
Consumer Loans	651	547	493	518	555	571

**Loans to Commercial Borrowers (Credit Risk Concentrated)** - These are loans that can have relatively large balances at risk to a single borrower. A single loan may represent a significant portion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, commercial real estate, construction loans, and agricultural loans.

**Consumer Loans (Credit Risk Diversified)** - These are loans that typically have relatively small balances spread among a large number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1-4 family residential mortgages and home equity loans.

## Total Securities\* as a Percent of Assets

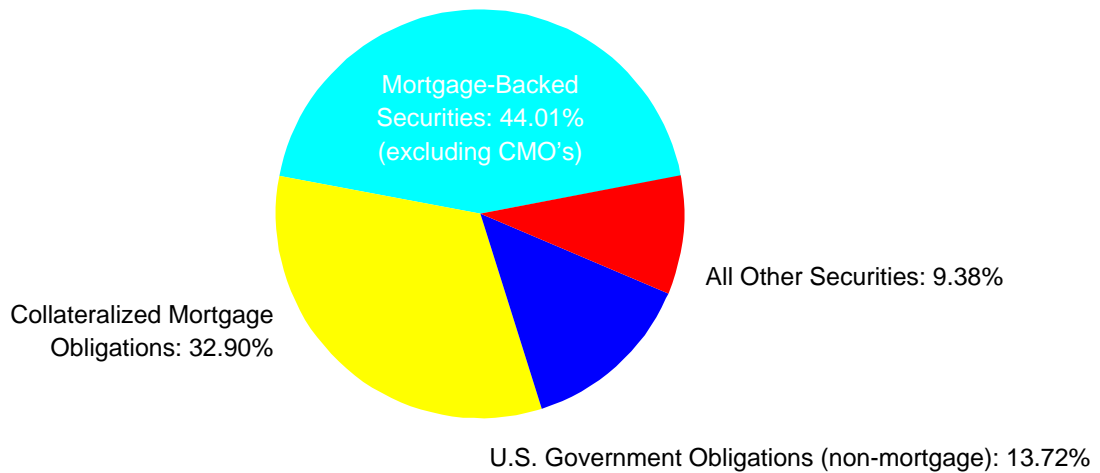
December 31, 1998



## Total Securities\* (\$ Billions)

	12/96	3/97	6/97	9/97	12/97	3/98	6/98	9/98	12/98
U.S. Government Obligations (non-mortgage)	\$46	\$46	\$47	\$46	\$46	\$45	\$43	\$39	\$37
Mortgage-Backed Securities (excluding CMO's)	140	138	137	132	131	128	123	119	118
Collateralized Mortgage Obligations	54	54	53	51	50	55	65	74	89
All Other Securities	<u>23</u>	<u>20</u>	<u>20</u>	<u>19</u>	<u>22</u>	<u>21</u>	<u>22</u>	<u>24</u>	<u>25</u>
Total Securities	262	258	258	247	249	249	252	255	269
Securities as a Percent of Assets	25.51%	25.25%	25.09%	24.21%	24.23%	23.95%	24.12%	24.14%	24.75%
Memoranda:									
Amortized Cost of Total Held-to-Maturity Sec.	124	117	114	113	103	99	98	94	90
Fair Value of Total Available-for-Sale Sec.	138	141	144	134	145	150	154	161	179

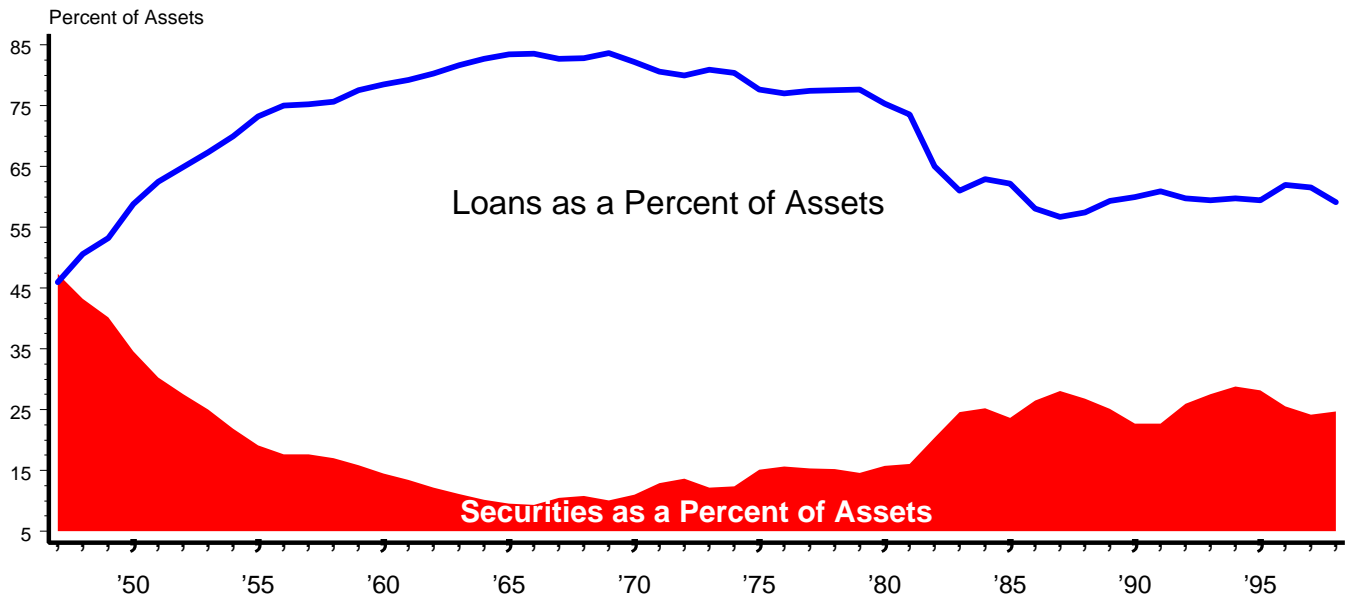
## Total Securities\* December 31, 1998



\*Excludes trading account assets for savings institutions filing a Call Report. Trading account assets for savings institutions filing a TFR are netted out of "All Other Securities".

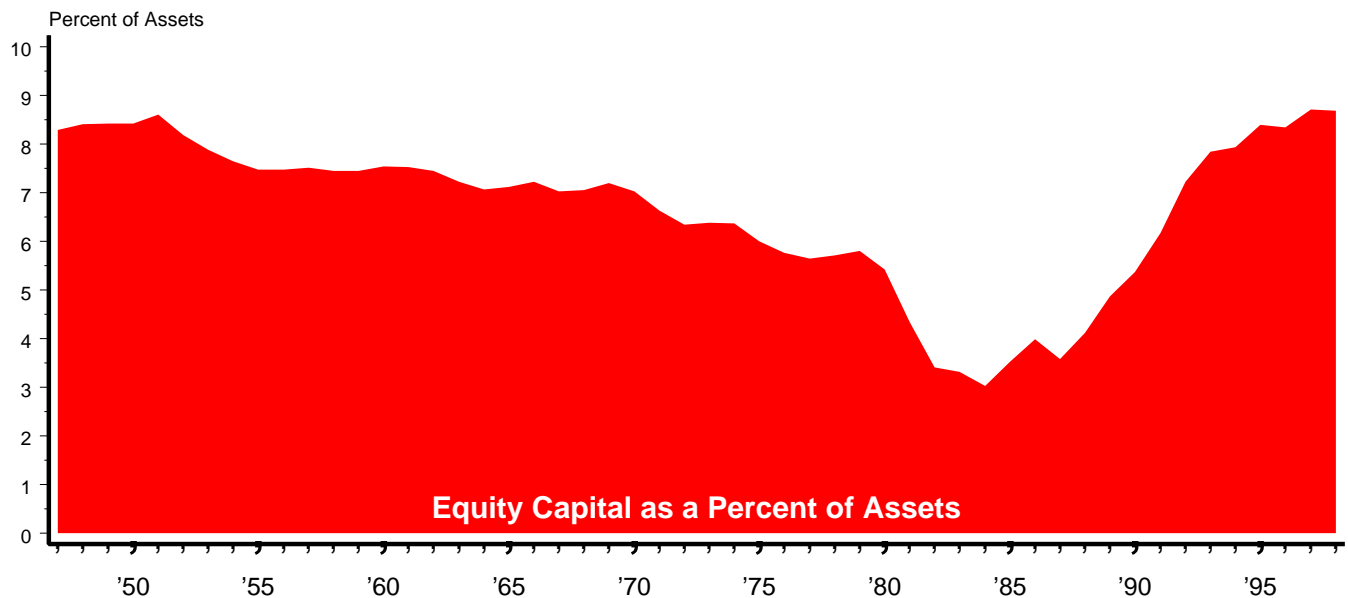
## Real Estate Loans and Securities as a Percent of Assets

1947 - 1998



## Equity Capital as a Percent of Assets

1947 - 1998



# Real Estate Loans, Securities, and Equity Capital

December 31, 1947 - December 31, 1998

(Dollar figures in Millions)

Year	Number of Institutions	Total Securities	Real Estate Loans	Total Assets	Equity Capital	As a Percent of Total Assets		
						Total Securities	Real Estate Loans	Equity Capital
1998	1,687	269,246	643,734	1,087,684	94,427	24.8	59.2	8.68
1997	1,780	248,681	631,881	1,026,186	89,332	24.2	61.6	8.71
1996	1,925	262,356	637,185	1,028,294	85,795	25.5	62.0	8.34
1995	2,030	288,582	609,955	1,025,742	86,054	28.1	59.5	8.39
1994	2,152	290,276	602,917	1,008,568	79,935	28.8	59.8	7.93
1993	2,262	275,773	595,433	1,000,891	78,421	27.6	59.5	7.84
1992	2,390	267,585	616,095	1,030,214	74,350	26.0	59.8	7.22
1991	2,561	252,942	678,083	1,113,002	68,628	22.7	60.9	6.17
1990	2,815	285,420	755,717	1,259,178	67,535	22.7	60.0	5.36
1989	3,087	358,114	846,902	1,427,512	69,371	25.1	59.3	4.86
1988	3,438	431,027	922,815	1,606,489	65,997	26.8	57.4	4.11
1987	3,622	421,685	852,444	1,502,111	53,754	28.1	56.7	3.58
1986	3,677	367,276	805,443	1,386,866	55,377	26.5	58.1	3.99
1985	3,626	298,591	785,048	1,262,654	44,386	23.6	62.2	3.52
1984	3,418	288,205	720,471	1,144,247	34,671	25.2	63.0	3.03
1983	3,477	243,501	603,801	989,887	32,747	24.6	61.0	3.31
1982	3,664	173,894	555,565	854,829	29,096	20.3	65.0	3.40
1981	4,116	130,849	599,224	814,388	35,393	16.1	73.6	4.35
1980	4,328	121,635	582,248	773,191	41,886	15.7	75.3	5.42
1979	4,363	104,750	555,786	715,220	41,449	14.6	77.7	5.80
1978	4,378	100,218	508,654	655,663	37,419	15.3	77.6	5.71
1977	4,388	89,551	451,173	582,198	32,865	15.4	77.5	5.64
1976	4,373	79,161	388,109	504,013	29,023	15.7	77.0	5.76
1975	4,407	66,147	339,693	437,539	26,228	15.1	77.6	5.99
1974	4,461	47,753	308,470	383,812	24,435	12.4	80.4	6.37
1973	4,485	43,643	289,686	357,810	22,828	12.2	81.0	6.38
1972	4,517	44,330	259,148	323,999	20,546	13.7	80.0	6.34
1971	4,598	35,974	223,932	277,876	18,429	12.9	80.6	6.63
1970	4,694	26,443	196,746	239,266	16,808	11.1	82.2	7.02
1969	4,769	22,359	185,390	221,505	15,925	10.1	83.7	7.19
1968	4,804	22,601	173,947	209,936	14,804	10.8	82.9	7.05
1967	4,820	20,675	162,423	196,439	13,806	10.5	82.7	7.03
1966	4,842	17,037	152,230	182,094	13,153	9.4	83.6	7.22
1965	4,837	16,640	146,055	175,076	12,458	9.5	83.4	7.12
1964	4,790	16,535	133,744	161,696	11,416	10.2	82.7	7.06
1963	4,749	16,245	119,426	146,173	10,558	11.1	81.7	7.22
1962	4,663	15,799	104,012	129,496	9,648	12.2	80.3	7.45
1961	4,551	15,435	91,113	115,049	8,654	13.4	79.2	7.52
1960	4,423	14,880	80,538	102,522	7,729	14.5	78.6	7.54
1959	4,247	14,473	70,817	91,293	6,795	15.9	77.6	7.44
1958	4,122	13,843	61,686	81,500	6,069	17.0	75.7	7.45
1957	4,011	12,761	54,305	72,130	5,418	17.7	75.3	7.51
1956	3,889	11,410	48,492	64,620	4,829	17.7	75.0	7.47
1955	3,764	10,999	42,238	57,656	4,307	19.1	73.3	7.47
1954	3,651	11,035	35,216	50,348	3,846	21.9	69.9	7.64
1953	3,523	11,003	29,564	43,927	3,462	25.0	67.3	7.88
1952	3,378	10,556	24,830	38,268	3,132	27.6	64.9	8.18
1951	3,222	10,084	20,825	33,333	2,867	30.3	62.5	8.60
1950	3,054	10,247	17,420	29,598	2,493	34.6	58.9	8.42
1949	2,948	10,575	14,024	26,338	2,218	40.2	53.2	8.42
1948	2,809	10,331	12,068	23,865	2,005	43.3	50.6	8.40
1947	2,730	10,423	10,115	22,027	1,825	47.3	45.9	8.29

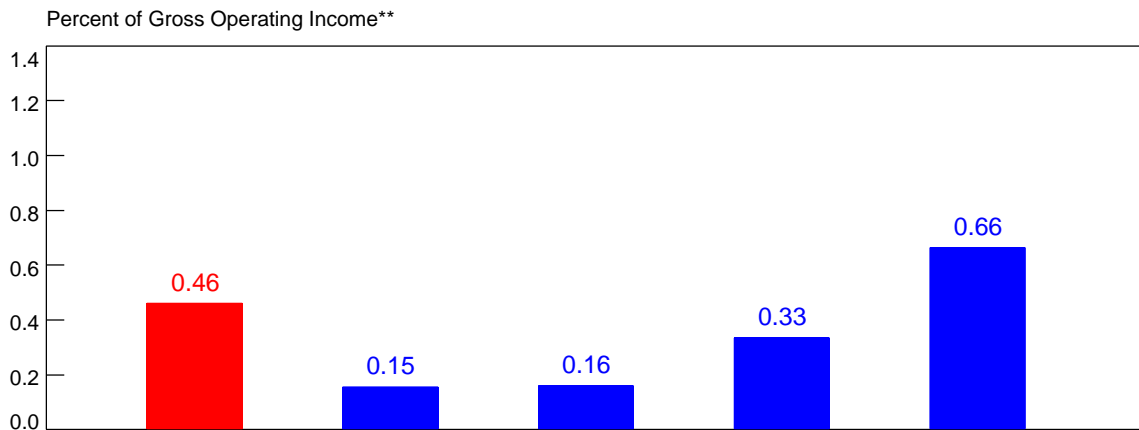
## Mutual Fund and Annuity Sales\*

1997 - 1998

Quarterly Sales (\$ Millions)	12/97	3/98	6/98	9/98	12/98
Money Market Funds	\$ 551	\$ 880	\$ 492	\$ 560	\$ 657
Debt Securities Funds	570	659	775	792	878
Equity Securities	614	762	875	839	902
Other Mutual Funds	194	203	266	259	189
Annuities	1,079	957	1,297	1,220	1,123
Proprietary Mutual Fund and Annuity Sales included above	905	861	669	548	900

\*Domestic office sales of proprietary, private label and third-party funds and annuities. Does not reflect redemptions.

## Fee Income from Sales and Service of Mutual Funds and Annuities Calendar Year 1998



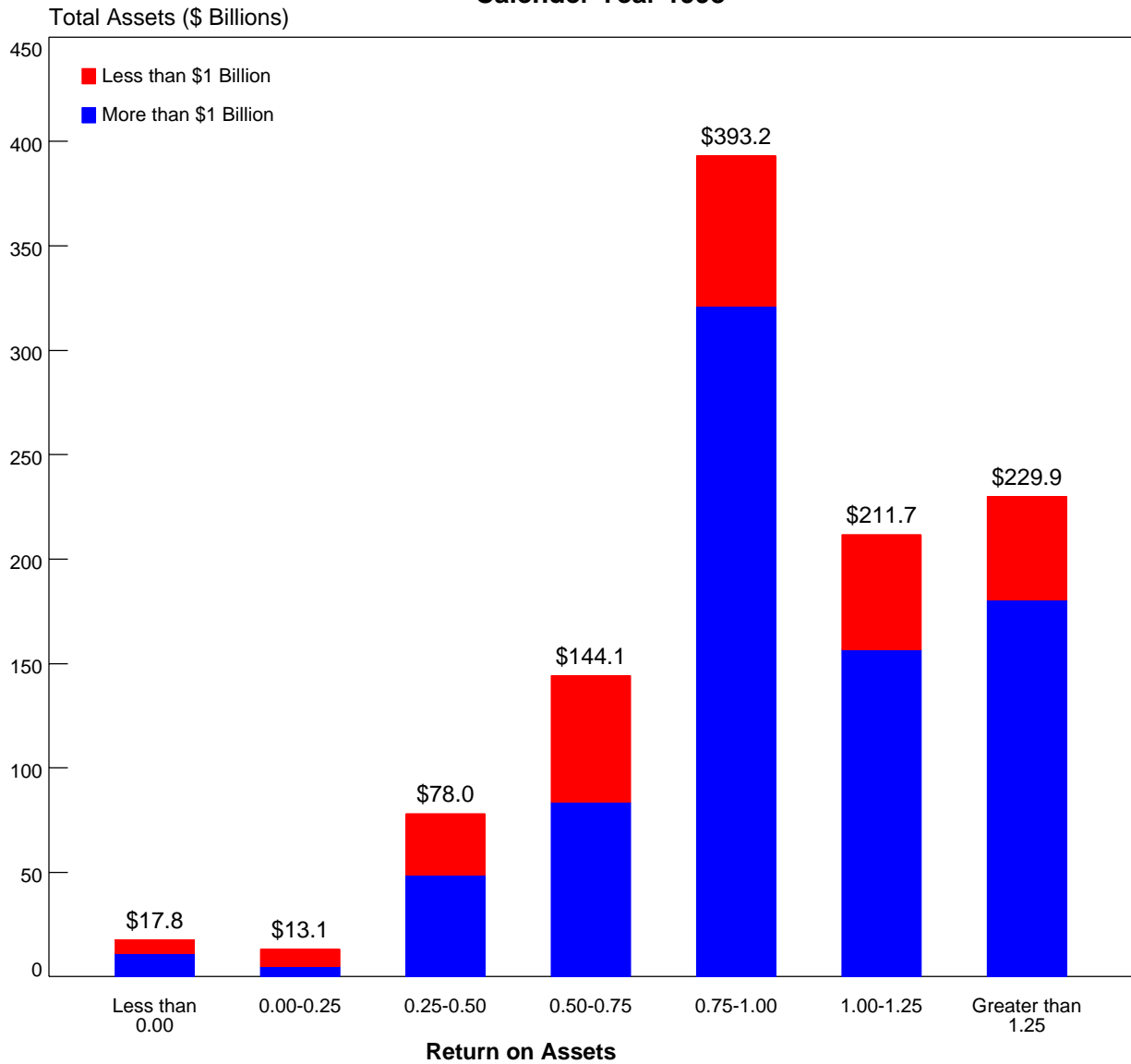
(\$ Millions)	All Institutions	Under \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$5 Billion	Over \$5 Billion
Mutual Fund and Annuity Fee Income	<b>\$370</b>	<b>\$4</b>	<b>\$29</b>	<b>\$57</b>	<b>\$280</b>
Gross Operating Income	<b>\$80,259</b>	<b>\$2,820</b>	<b>\$18,304</b>	<b>\$16,932</b>	<b>\$42,203</b>
Number of Institutions Reporting These Fees	<b>359</b>	<b>34</b>	<b>231</b>	<b>69</b>	<b>25</b>
Percent of Institutions Reporting These Fees	<b>21.3%</b>	<b>4.9%</b>	<b>27.5%</b>	<b>62.2%</b>	<b>73.5%</b>

\*\*Gross operating income is the total of interest income and noninterest income.

# Return on Assets (ROA)

## By Asset Size

Calendar Year 1998



### Total Assets

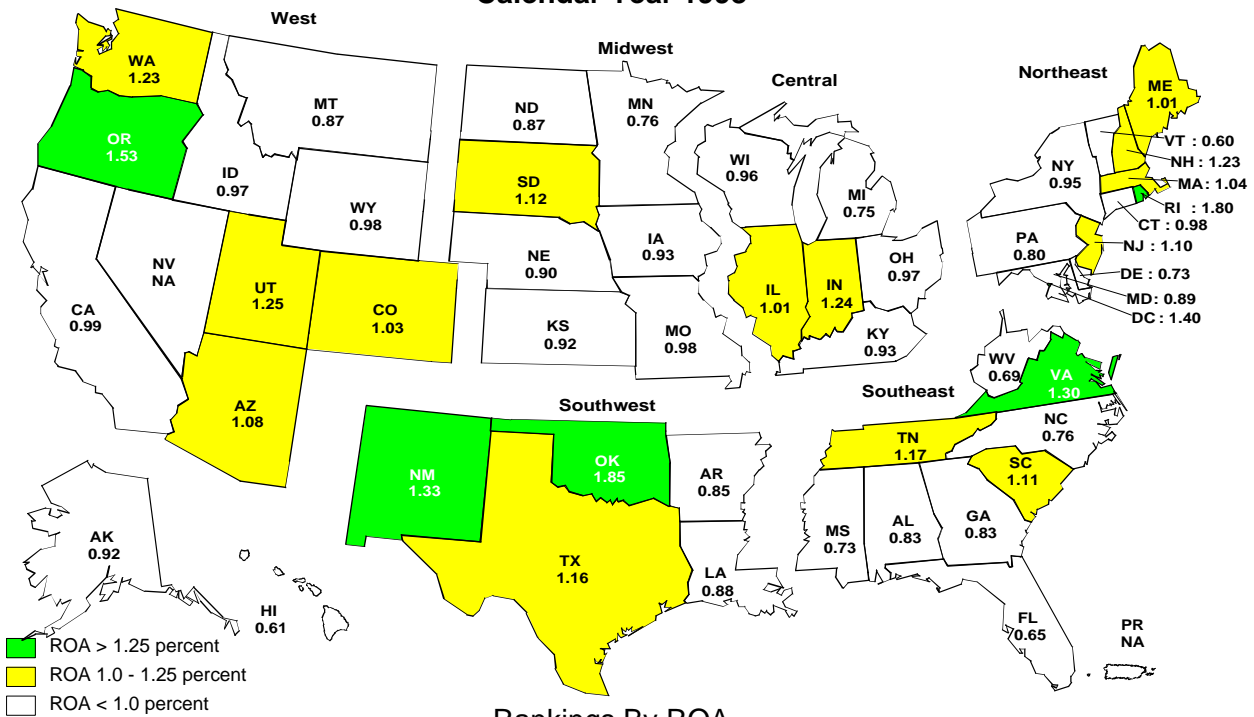
<b>Less than \$1 Billion</b>	<b>6.6</b>	<b>8.1</b>	<b>29.2</b>	<b>60.6</b>	<b>72.0</b>	<b>54.9</b>	<b>49.4</b>
<b>More than \$1 Billion</b>	<b>11.2</b>	<b>5.0</b>	<b>48.8</b>	<b>83.5</b>	<b>321.1</b>	<b>156.8</b>	<b>180.5</b>

### Number of Institutions

<b>Less than \$1 Billion</b>	<b>85</b>	<b>65</b>	<b>210</b>	<b>366</b>	<b>369</b>	<b>234</b>	<b>213</b>
<b>More than \$1 Billion</b>	<b>5</b>	<b>2</b>	<b>11</b>	<b>18</b>	<b>41</b>	<b>31</b>	<b>37</b>
<b>Total</b>	<b>90</b>	<b>67</b>	<b>221</b>	<b>384</b>	<b>410</b>	<b>265</b>	<b>250</b>

# Return on Assets (ROA)

Calendar Year 1998



Rankings By ROA

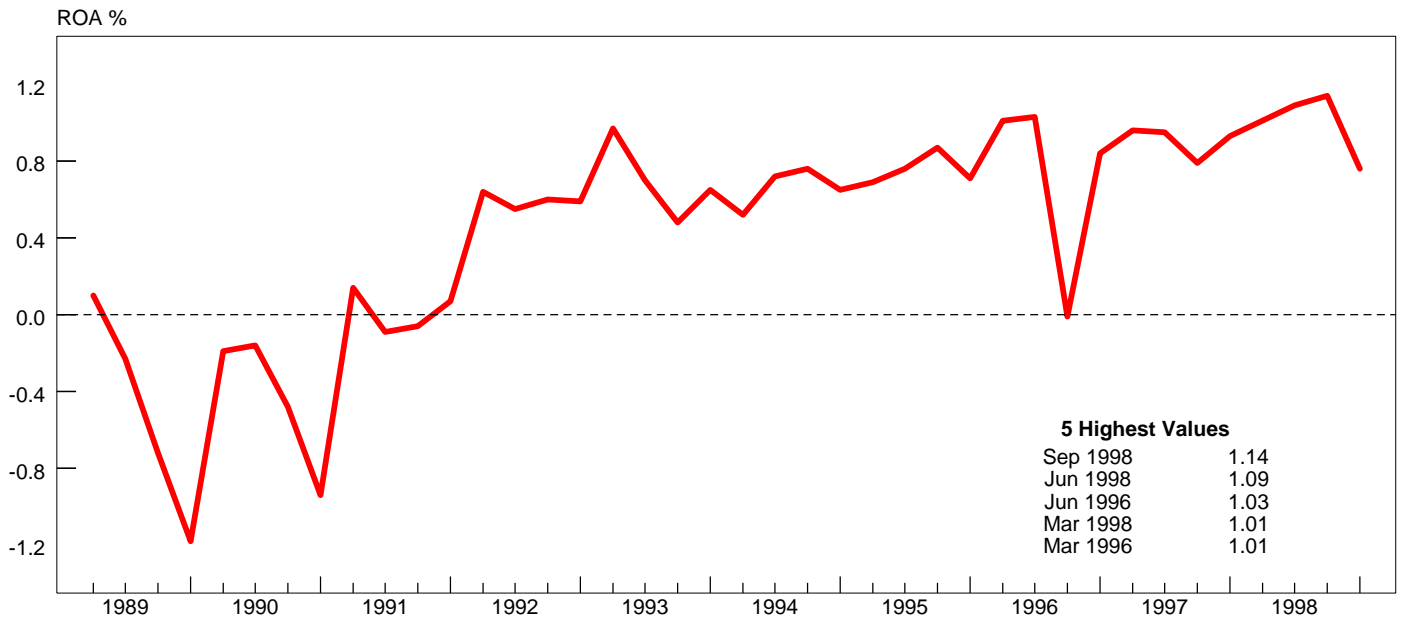
	No. of Inst. as of 12/31/98	1998	1997	Change*		No. of Inst. as of 12/31/98	1998	1997	Change*
1 Oklahoma	12	1.85	(0.88)	273	28 New York	91	0.95	0.98	(3)
2 Rhode Island	6	1.80	1.82	(2)	29 Iowa	23	0.93	0.98	(5)
3 Oregon	7	1.53	(0.07)	160	30 Kentucky	40	0.93	0.98	(5)
4 District of Col.	1	1.40	0.60	80	31 Alaska	2	0.92	1.02	(10)
5 New Mexico	10	1.33	1.26	7	32 Kansas	18	0.92	1.07	(15)
6 Virginia	20	1.30	0.83	47	33 Nebraska	13	0.90	1.01	(11)
7 Utah	3	1.25	1.27	(2)	34 Maryland	66	0.89	0.91	(2)
8 Indiana	69	1.24	1.01	23	35 Louisiana	33	0.88	0.96	(8)
9 New Hampshire	20	1.23	1.03	20	36 Montana	5	0.87	1.00	(13)
10 Washington	21	1.23	1.31	(8)	37 North Dakota	3	0.87	0.86	1
11 Tennessee	25	1.17	1.02	15	38 Arkansas	12	0.85	0.92	(7)
12 Texas	52	1.16	1.27	(11)	39 Alabama	12	0.83	0.71	12
13 South Dakota	4	1.12	1.14	(2)	40 Georgia	28	0.83	0.32	51
14 South Carolina	30	1.11	0.95	16	41 Pennsylvania	116	0.80	0.84	(4)
15 New Jersey	78	1.10	1.18	(8)	42 Minnesota	22	0.76	0.90	(14)
16 Arizona	3	1.08	1.11	(3)	43 North Carolina	56	0.76	0.97	(21)
17 Massachusetts	190	1.04	1.02	2	44 Michigan	24	0.75	0.64	11
18 Colorado	11	1.03	1.00	3	45 Delaware	5	0.73	0.56	17
19 Illinois	124	1.01	0.98	3	46 Mississippi	12	0.73	0.46	27
20 Maine	28	1.01	1.16	(15)	47 West Virginia	7	0.69	0.81	(12)
21 California	49	0.99	0.84	15	48 Florida	42	0.65	0.90	(25)
22 Connecticut	49	0.98	0.98	0	49 Hawaii	3	0.61	0.77	(16)
23 Missouri	42	0.98	1.01	(3)	50 Vermont	5	0.60	0.96	(36)
24 Wyoming	4	0.98	1.03	(5)	51 Puerto Rico	0	NA	1.10	NM
25 Idaho	3	0.97	0.93	4	52 Nevada	0	NA	NA	NM
26 Ohio	140	0.97	0.98	(1)					
27 Wisconsin	45	0.96	0.77	19					
					U.S. and Terr.	1,687	1.01	0.93	8

\*ROA minus ROA for the same period one year ago equals change in basis points. Basis point = 1/100 of a percent.



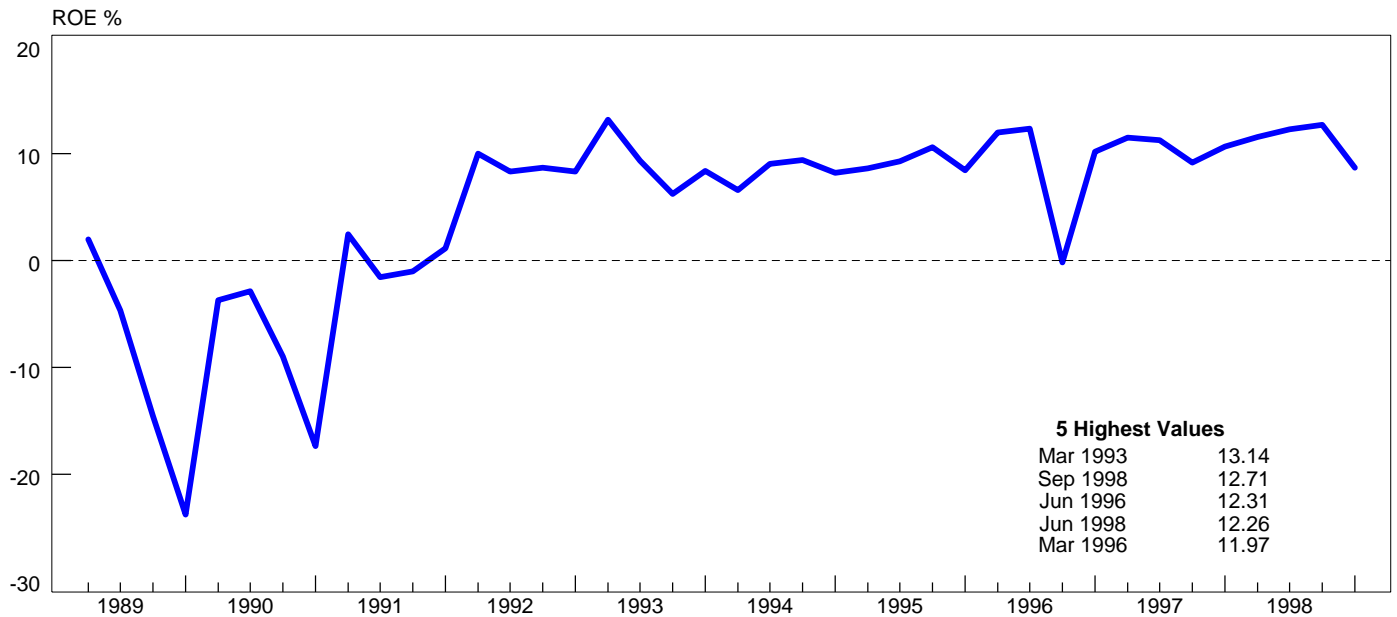
## Quarterly Return on Assets (ROA), Annualized

1989 - 1998

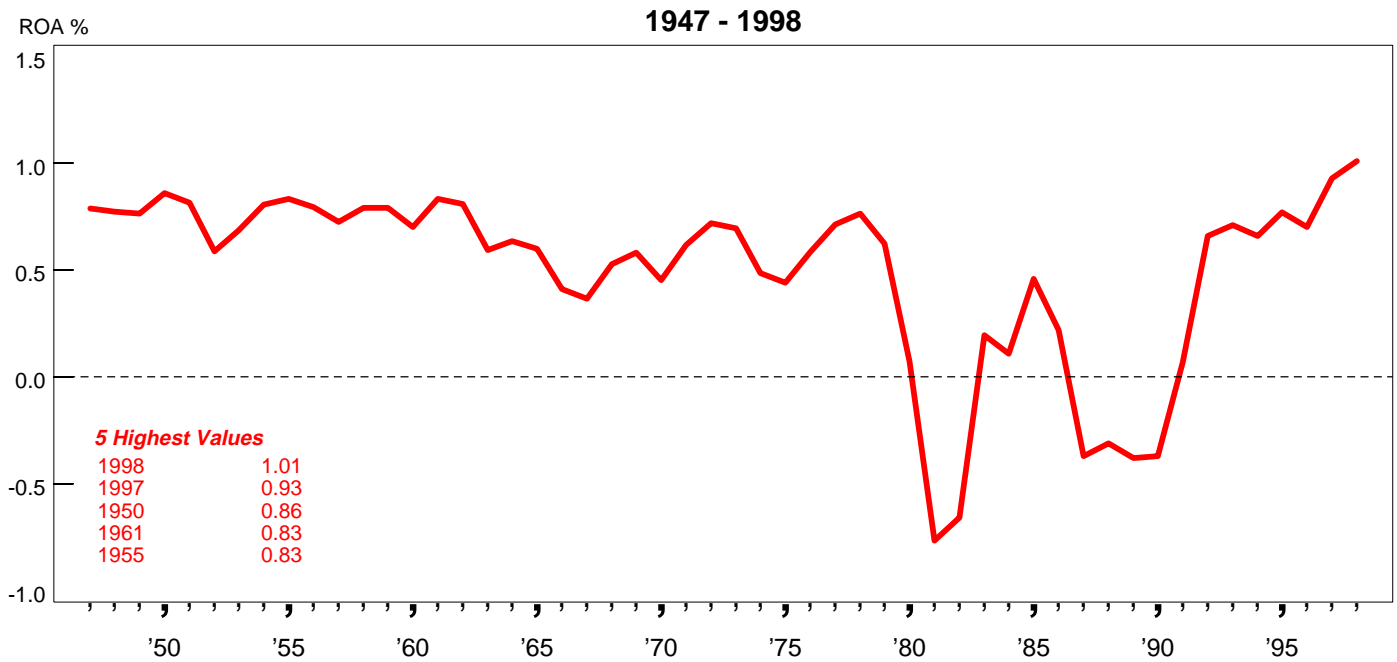


## Quarterly Return on Equity (ROE), Annualized

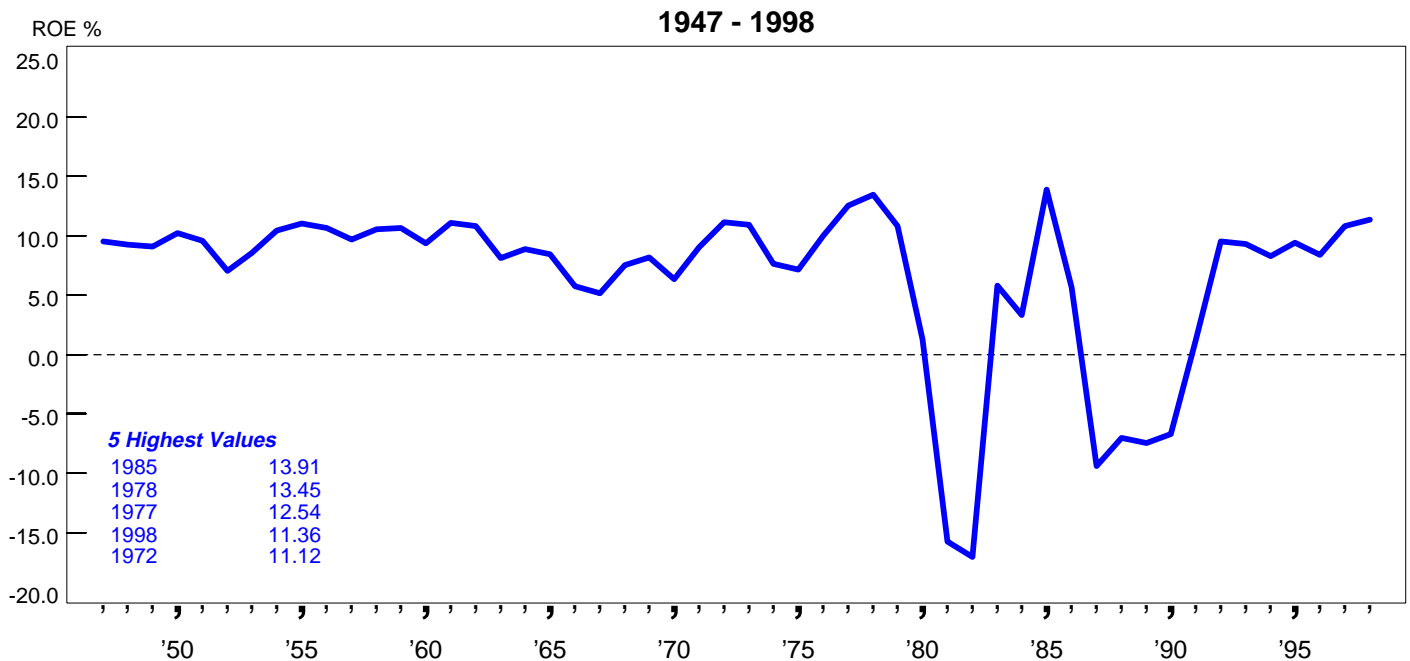
1989 - 1998



## Annual Return on Assets (ROA)



## Annual Return on Equity (ROE)

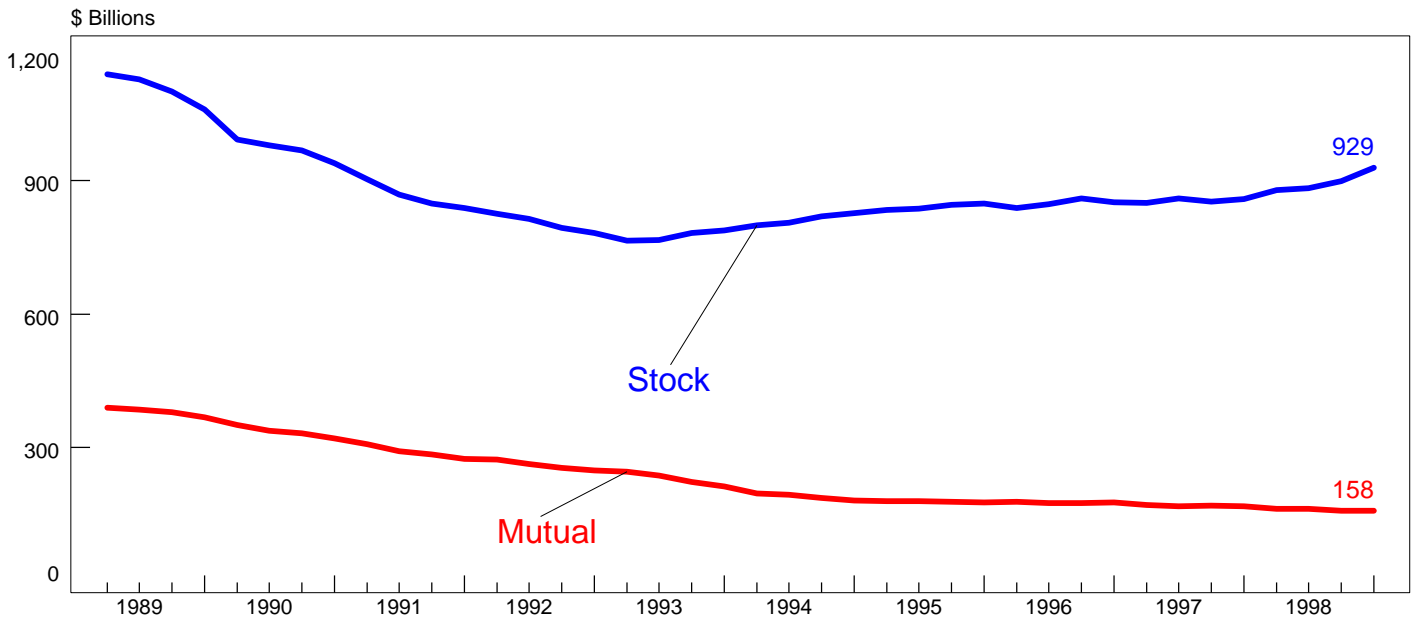


## Annual Returns on Assets (ROA) Equity (ROE), and Net Income 1947 - 1998

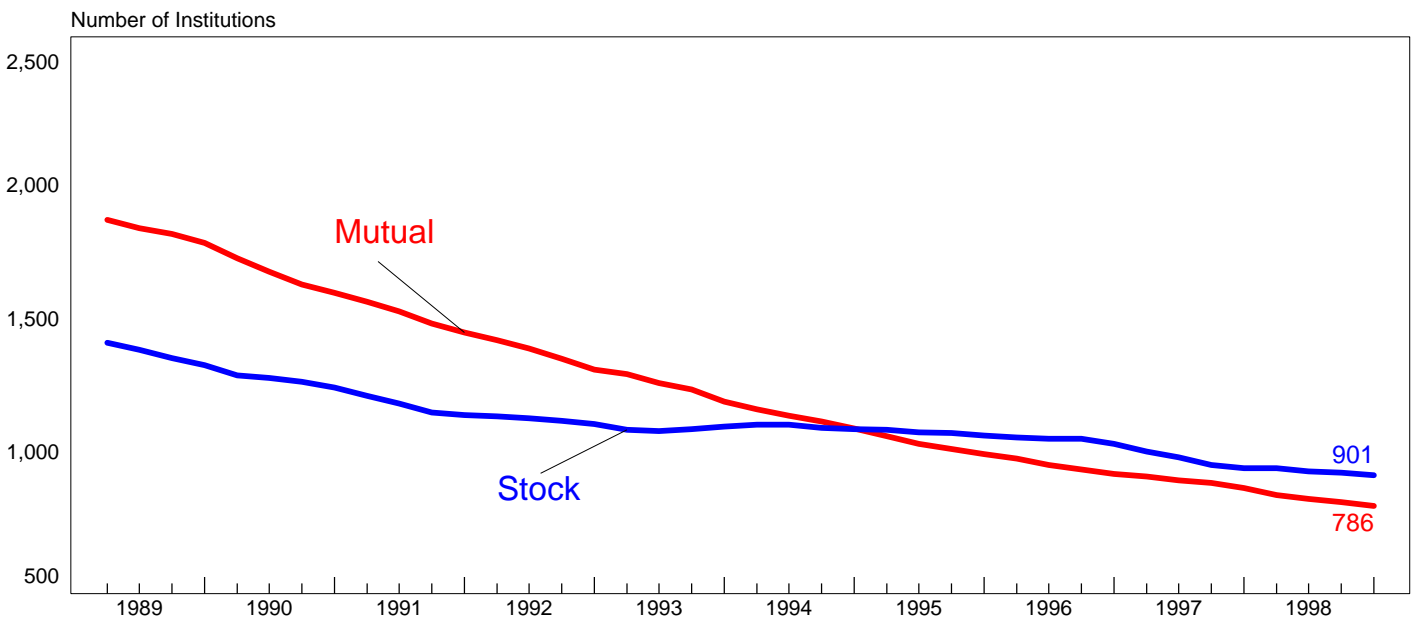
Year	ROA (Percent)	ROE (Percent)	Net Income (\$ Millions)
1998	1.01	11.36	10,157
1997	0.93	10.84	8,789
1996	0.70	8.40	7,016
1995	0.77	9.40	7,619
1994	0.66	8.28	6,362
1993	0.71	9.32	6,844
1992	0.66	9.51	6,692
1991	0.07	1.23	838
1990	(0.37)	(6.68)	(4,723)
1989	(0.38)	(7.44)	(5,582)
1988	(0.31)	(7.04)	(4,727)
1987	(0.37)	(9.38)	(5,341)
1986	0.22	5.62	2,836
1985	0.46	13.91	5,531
1984	0.11	3.35	1,155
1983	0.19	5.81	1,797
1982	(0.65)	(17.05)	(5,499)
1981	(0.76)	(15.73)	(6,078)
1980	0.07	1.28	534
1979	0.62	10.82	4,270
1978	0.76	13.45	4,727
1977	0.71	12.54	3,881
1976	0.58	9.98	2,758
1975	0.44	7.16	1,814
1974	0.48	7.61	1,800
1973	0.69	10.94	2,374

Year	ROA (Percent)	ROE (Percent)	Net Income (\$ Millions)
1972	0.72	11.11	2,167
1971	0.61	9.04	1,594
1970	0.45	6.36	1,041
1969	0.58	8.16	1,253
1968	0.52	7.50	1,073
1967	0.36	5.15	695
1966	0.41	5.72	733
1965	0.59	8.44	1,008
1964	0.63	8.88	976
1963	0.59	8.10	818
1962	0.80	10.80	988
1961	0.83	11.07	907
1960	0.70	9.36	679
1959	0.79	10.64	684
1958	0.79	10.56	607
1957	0.72	9.67	495
1956	0.79	10.64	486
1955	0.83	11.02	449
1954	0.80	10.41	380
1953	0.68	8.56	282
1952	0.58	7.02	210
1951	0.81	9.57	256
1950	0.86	10.21	240
1949	0.76	9.07	191
1948	0.77	9.27	177
1947	0.78	9.50	165

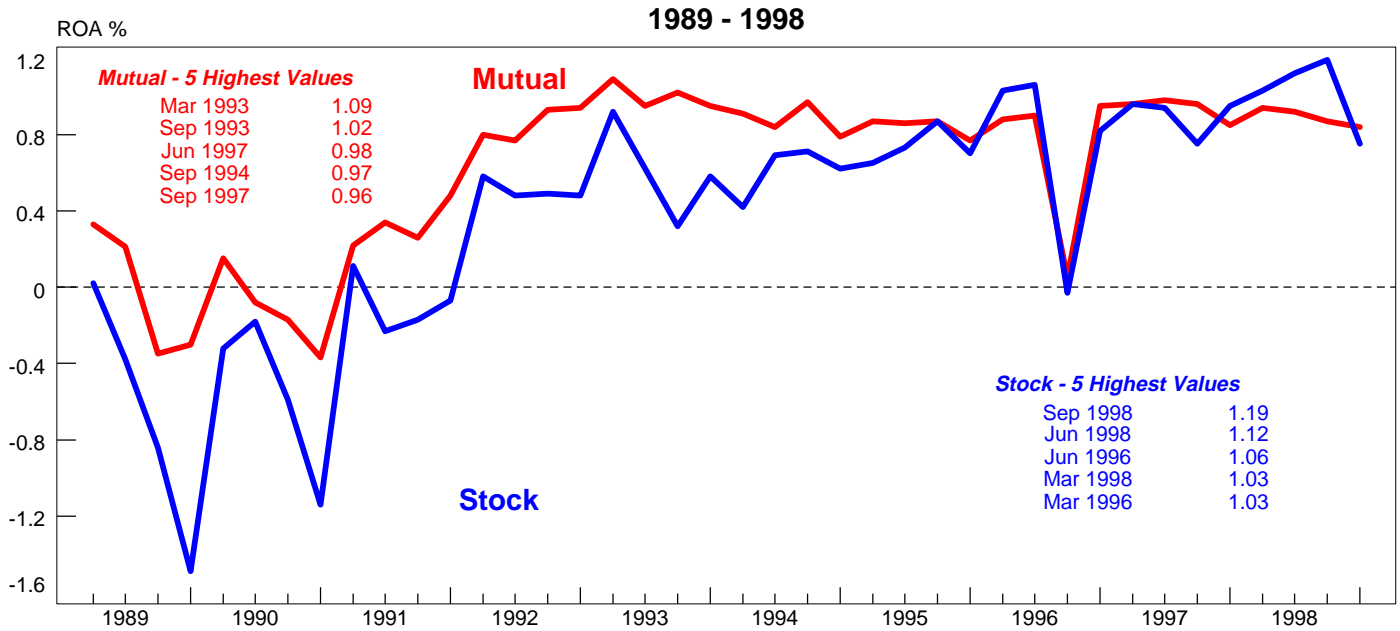
## Assets of Mutual and Stock Savings Institutions 1989 - 1998



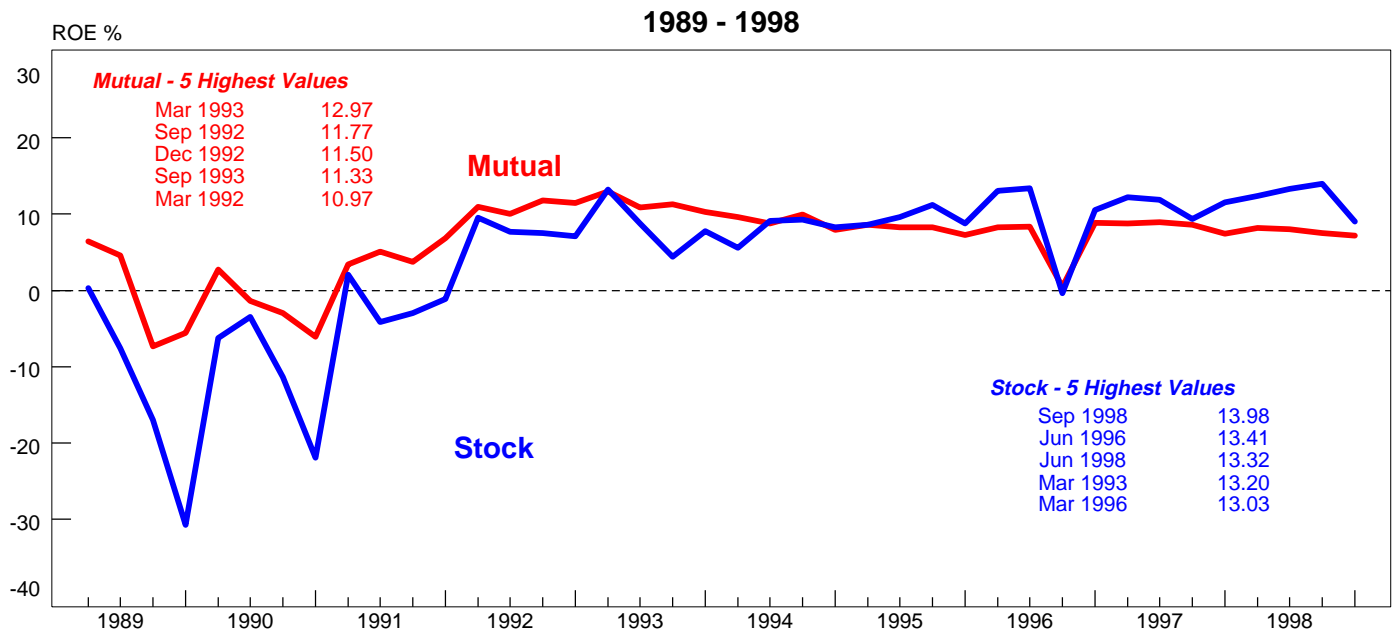
## Number of Mutual and Stock Savings Institutions 1989 - 1998



## Quarterly Return on Assets (ROA), Annualized Mutual and Stock Savings Institutions

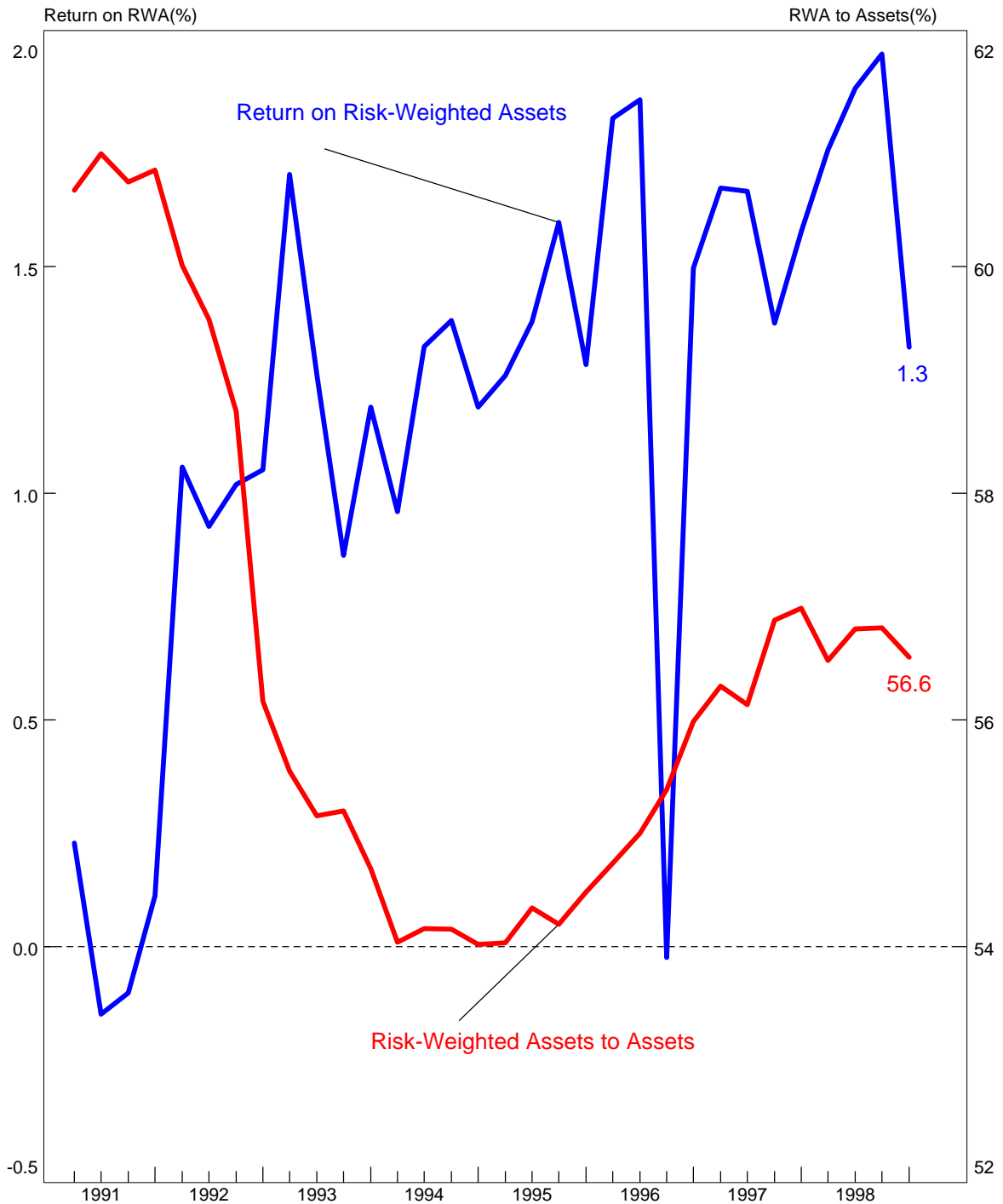


## Quarterly Return on Equity (ROE), Annualized Mutual and Stock Savings Institutions



## Quarterly Return on Risk-Weighted Assets (RWA),\* and RWA to Total Assets

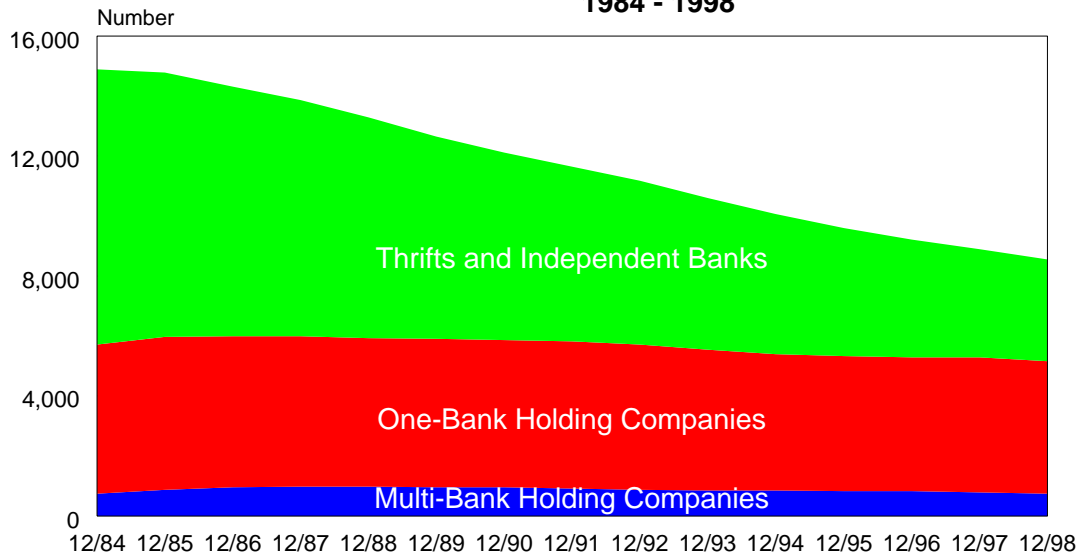
1991 - 1998



\* Assets weighted according to risk categories used in regulatory capital computations.

## Number of FDIC-Insured Banking Organizations

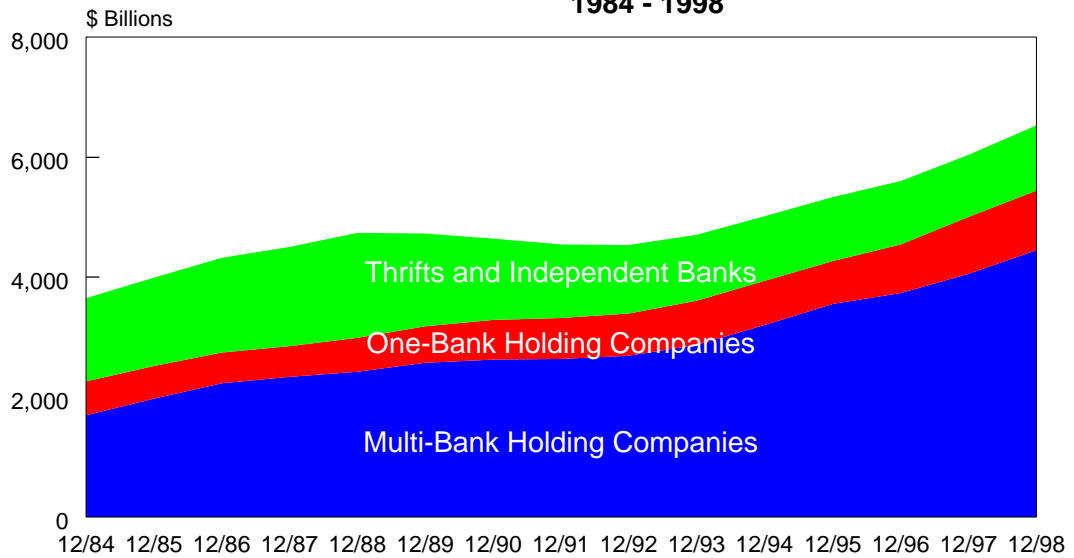
1984 - 1998



Thrifts* and Indpt Banks	9,183	8,803	8,333	7,882	7,350	6,747	6,247	5,818	5,455	5,067	4,663	4,262	3,935	3,620	3,389
One-Bank Holding Co.'s	4,974	5,097	5,025	5,002	4,956	4,956	4,908	4,907	4,838	4,688	4,553	4,510	4,458	4,487	4,430
Multi-Bank Holding Co.'s	729	875	957	979	975	955	963	920	875	848	839	821	820	788	735
Total	14,886	14,775	14,315	13,863	13,281	12,658	12,118	11,645	11,168	10,603	10,055	9,593	9,213	8,895	8,554

## Assets of FDIC-Insured Banking Organizations

1984 - 1998

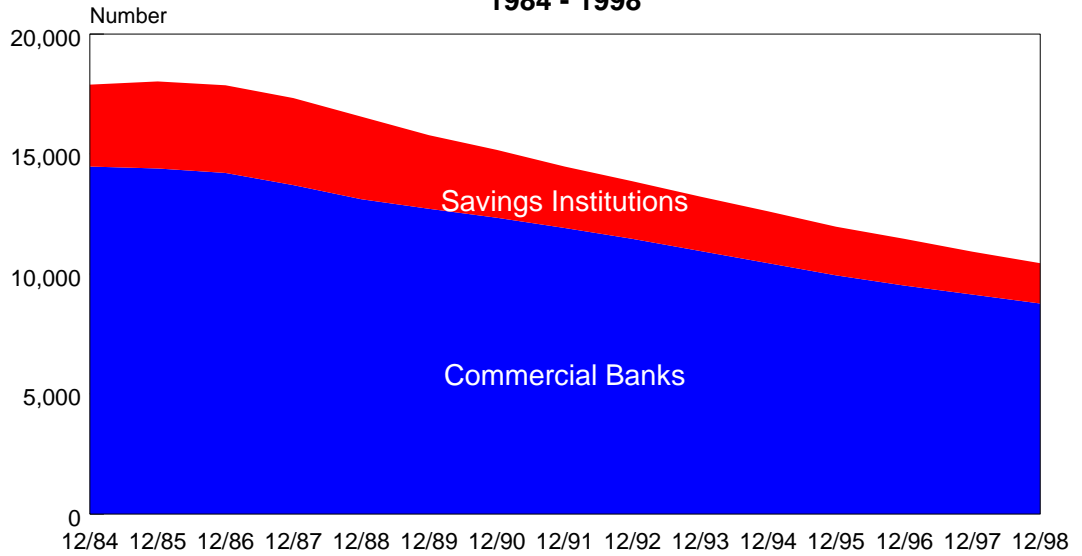


Thrifts* and Indpt Banks	1,386	1,475	1,584	1,648	1,745	1,547	1,363	1,225	1,140	1,097	1,084	1,071	1,061	1,035	1,081
One-Bank Holding Co.'s	566	537	512	516	563	603	655	684	710	739	728	714	814	950	990
Multi-Bank Holding Co.'s	1,700	1,981	2,232	2,338	2,429	2,578	2,631	2,635	2,687	2,871	3,207	3,553	3,732	4,056	4,457
Total	3,653	3,993	4,328	4,502	4,737	4,727	4,649	4,544	4,536	4,707	5,019	5,338	5,607	6,041	6,529

\* Includes thrifts owned by unitary thrift holding companies or multi-thrift holding companies.

## Number of FDIC-Insured Institutions

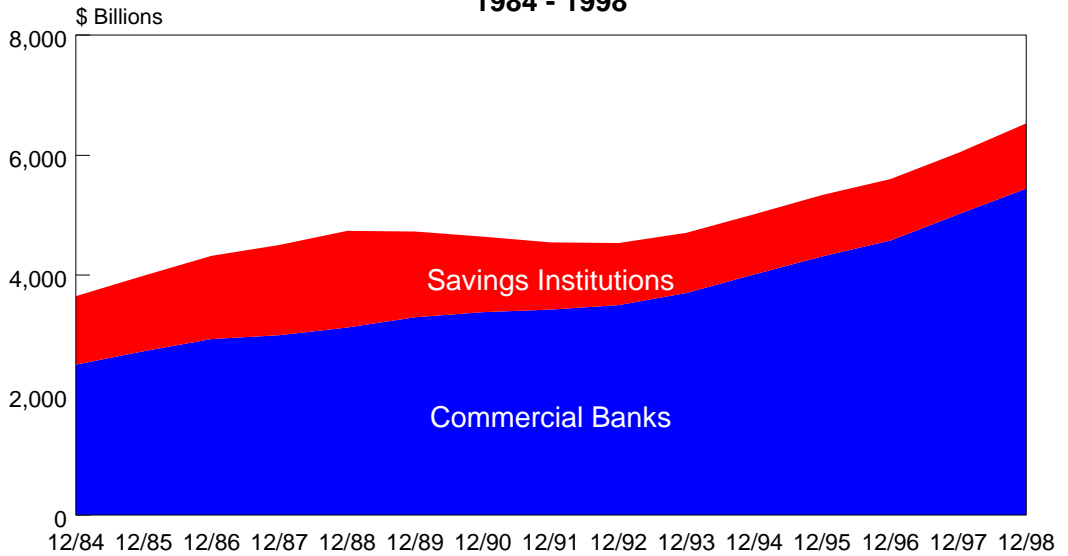
1984 - 1998



Savings Institutions	3,418	3,626	3,677	3,622	3,438	3,087	2,815	2,561	2,390	2,262	2,152	2,030	1,925	1,780	1,687
Commercial Banks	14,482	14,407	14,199	13,703	13,123	12,709	12,343	11,921	11,462	10,958	10,451	9,940	9,527	9,142	8,774
Total	17,900	18,033	17,876	17,325	16,561	15,796	15,158	14,482	13,852	13,220	12,603	11,970	11,452	10,922	10,461

## Assets of FDIC-Insured Institutions

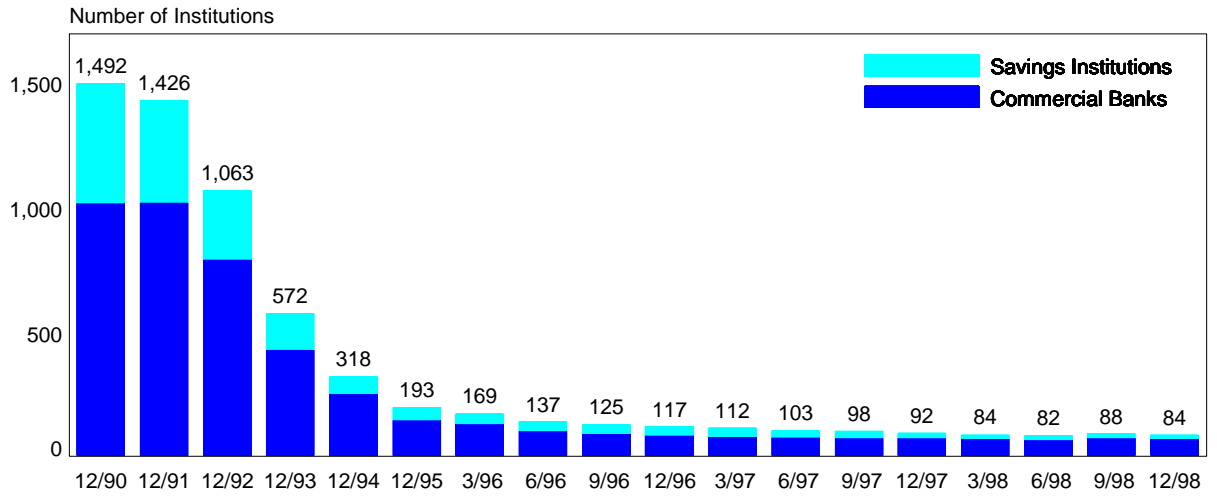
1984 - 1998



Savings Institutions	1,144	1,263	1,387	1,502	1,606	1,428	1,259	1,113	1,030	1,001	1,009	1,026	1,028	1,026	1,088
Commercial Banks	2,509	2,731	2,941	3,000	3,131	3,299	3,389	3,431	3,506	3,706	4,011	4,313	4,578	5,015	5,441
Total	3,653	3,993	4,328	4,502	4,737	4,727	4,649	4,544	4,536	4,707	5,019	5,338	5,607	6,041	6,529

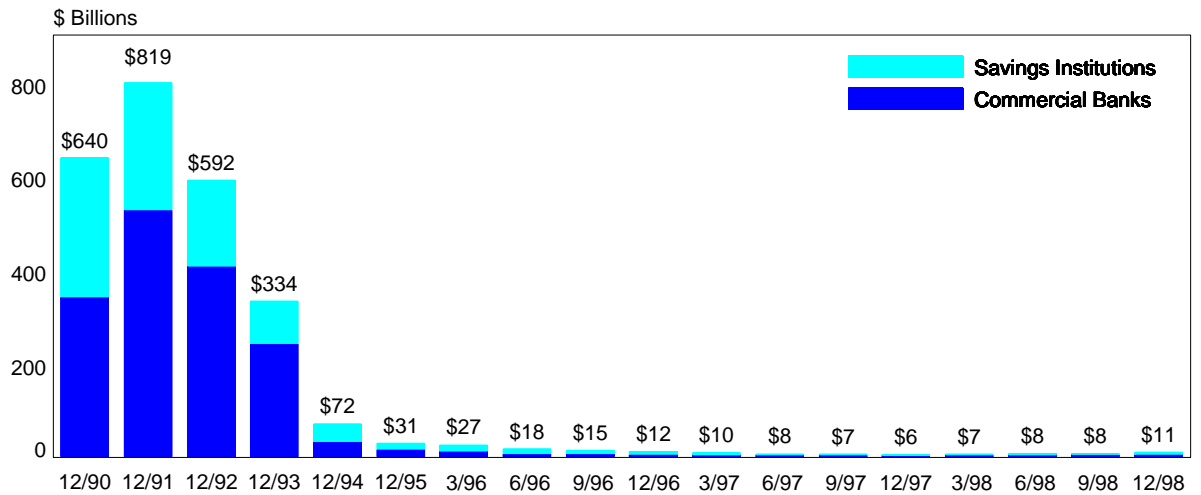


## Number of FDIC-Insured "Problem" Institutions 1990 - 1998



Savings Institutions	480	410	276	146	71	49	42	38	36	35	35	29	27	21	16	18	18	15
Commercial Banks	1,012	1,016	787	426	247	144	127	99	89	82	77	74	71	71	68	64	70	69

## Assets of FDIC-Insured "Problem" Institutions 1990 - 1998



Savings Institutions	298	291	184	92	39	14	13	10	8	7	5	3	2	2	2	3	3	6
Commercial Banks	342	528	408	242	33	17	13	8	7	5	5	5	5	5	5	5	5	5

## Capital Category Distribution

December 31, 1998

### BIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	8,821	97.7%	\$5,629.1	98.7%
Adequately Capitalized	192	2.1%	\$69.9	1.2%
Undercapitalized	12	0.1%	\$1.6	0.0%
Significantly Undercapitalized	3	0.0%	\$0.2	0.0%
Critically Undercapitalized	3	0.0%	\$0.0	0.0%

### SAIF-Member Institutions

	Institutions		Assets	
	Number of	Percent of Total	In Billions	Percent of Total
Well Capitalized	1,396	97.6%	\$814.5	98.4%
Adequately Capitalized	31	2.2%	\$13.0	1.6%
Undercapitalized	2	0.1%	\$0.1	0.0%
Significantly Undercapitalized	1	0.1%	\$0.1	0.0%
Critically Undercapitalized	0	0.0%	\$0.0	0.0%

Note: These tables are based solely on Call Report data and do not reflect supervisory upgrades or downgrades.

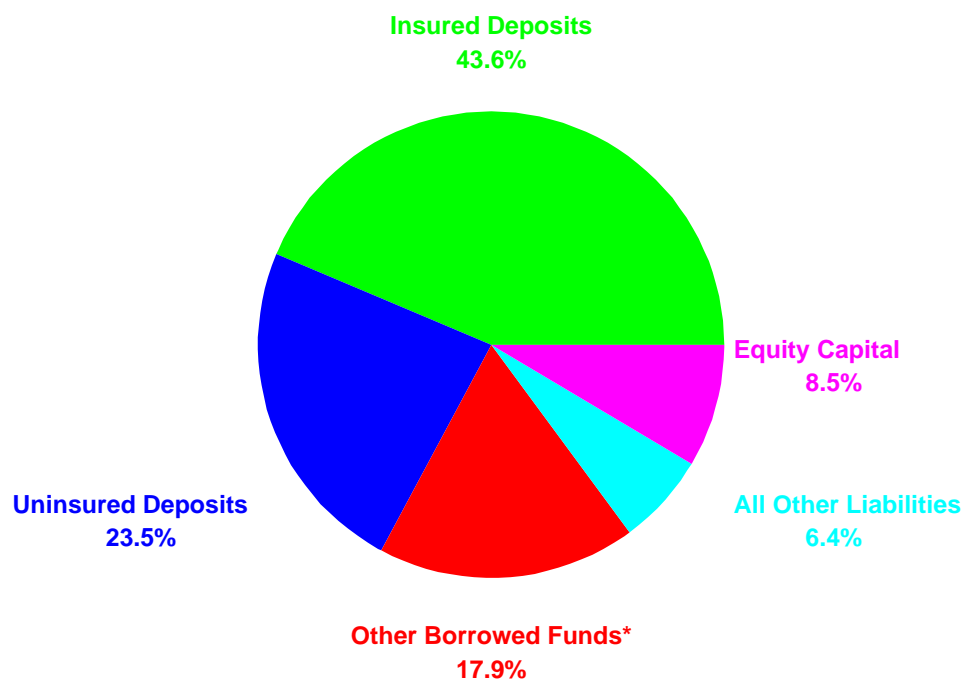
### Capital Category Definitions

	Total Risk-Based Capital*		Tier 1 Risk-Based Capital*		Tier 1 Leverage		Tangible Equity
Well Capitalized	>=10%	and	>=6%	and	>=5%		--
Adequately Capitalized	>=8%	and	>=4%	and	>=4%		--
Undercapitalized	>=6%	and	>=3%	and	>=3%		--
Significantly Undercapitalized	<6%	or	<3%	or	<3%	and	>2%
Critically Undercapitalized	--		--		--		<=2%

\* As a percentage of risk-weighted assets.

Note: Standards vary in some instances for the strongest institutions, those anticipating growth, and those subject to supervisory agreements or directives.

## Total Liabilities and Equity Capital

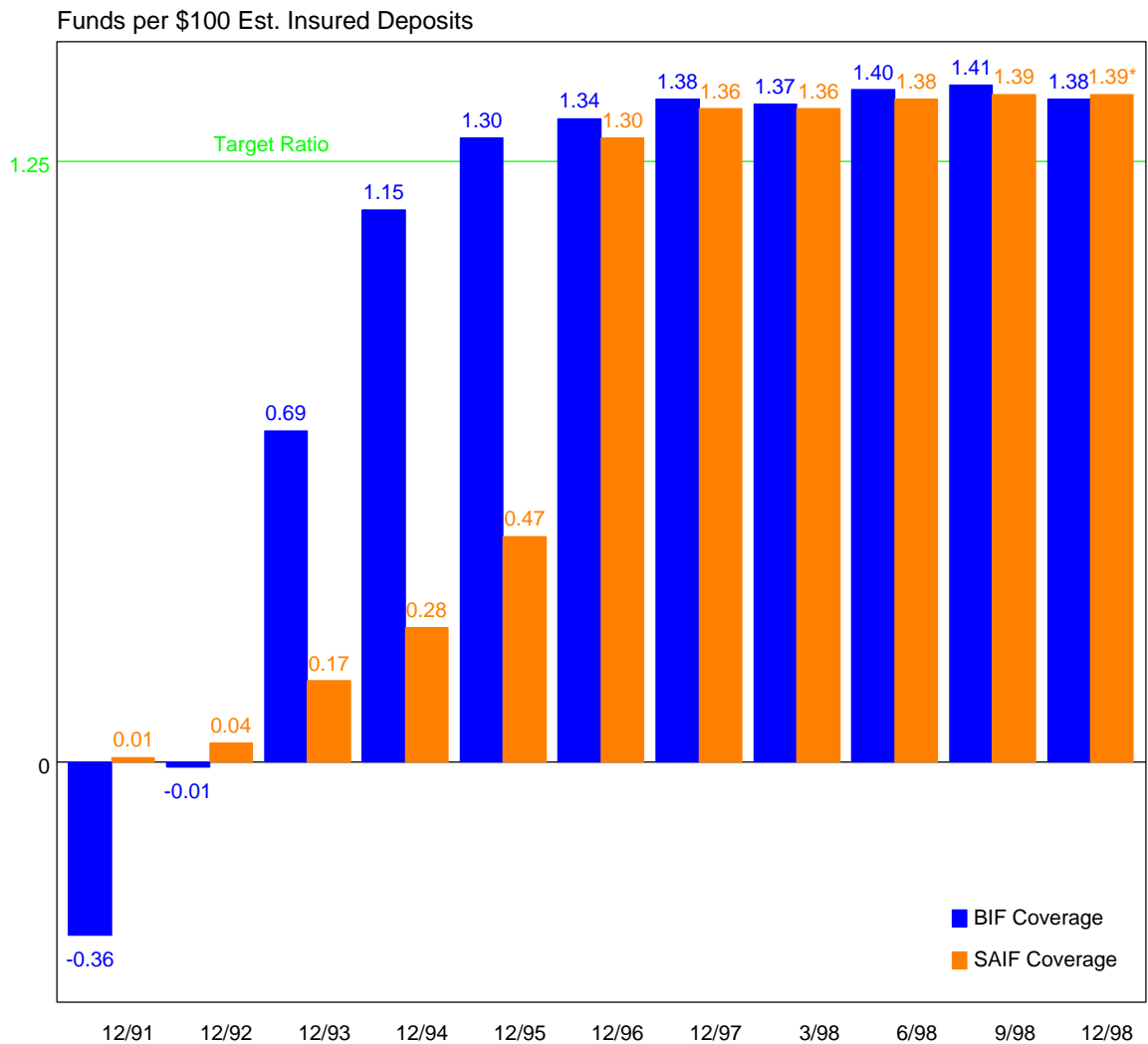


(\$ Billions)	12/31/97	12/31/98	% Change
<b>Insured Deposits (estimated)</b>	<b>2,745</b>	<b>2,849</b>	<b>3.8</b>
BIF - Insured	2,055	2,140	4.1
SAIF - Insured	690	709	2.7
<b>Uninsured Deposits</b>	<b>1,381</b>	<b>1,537</b>	<b>11.3</b>
In Foreign Offices	526	572	8.7
<b>Other Borrowed Funds*</b>	<b>1,039</b>	<b>1,171</b>	<b>12.7</b>
<b>All Other Liabilities</b>	<b>369</b>	<b>415</b>	<b>12.5</b>
Subordinated Debt	65	76	16.9
<b>Equity Capital</b>	<b>507</b>	<b>557</b>	<b>9.9</b>
<b>Total Liabilities and Equity Capital</b>	<b>6,041</b>	<b>6,529</b>	<b>8.1</b>

\* Other borrowed funds include federal funds purchased, securities sold under agreement to repurchase, FHLB and FRB borrowings and other indebtedness.

## Insurance Fund Reserve Ratios

### December 31, 1991 - December 31, 1998



**(\$ Billions)**

**BIF**

Fund Balance	-7.0	-0.1	13.1	21.8	25.5	26.9	28.3	28.6	28.9	29.1	29.6
Est. Insured Deposits	1,957.7	1,945.6	1,905.2	1,895.3	1,952.0	2,007.4	2,055.9	2,079.1	2,071.8	2,065.5	2,141.3

**SAIF**

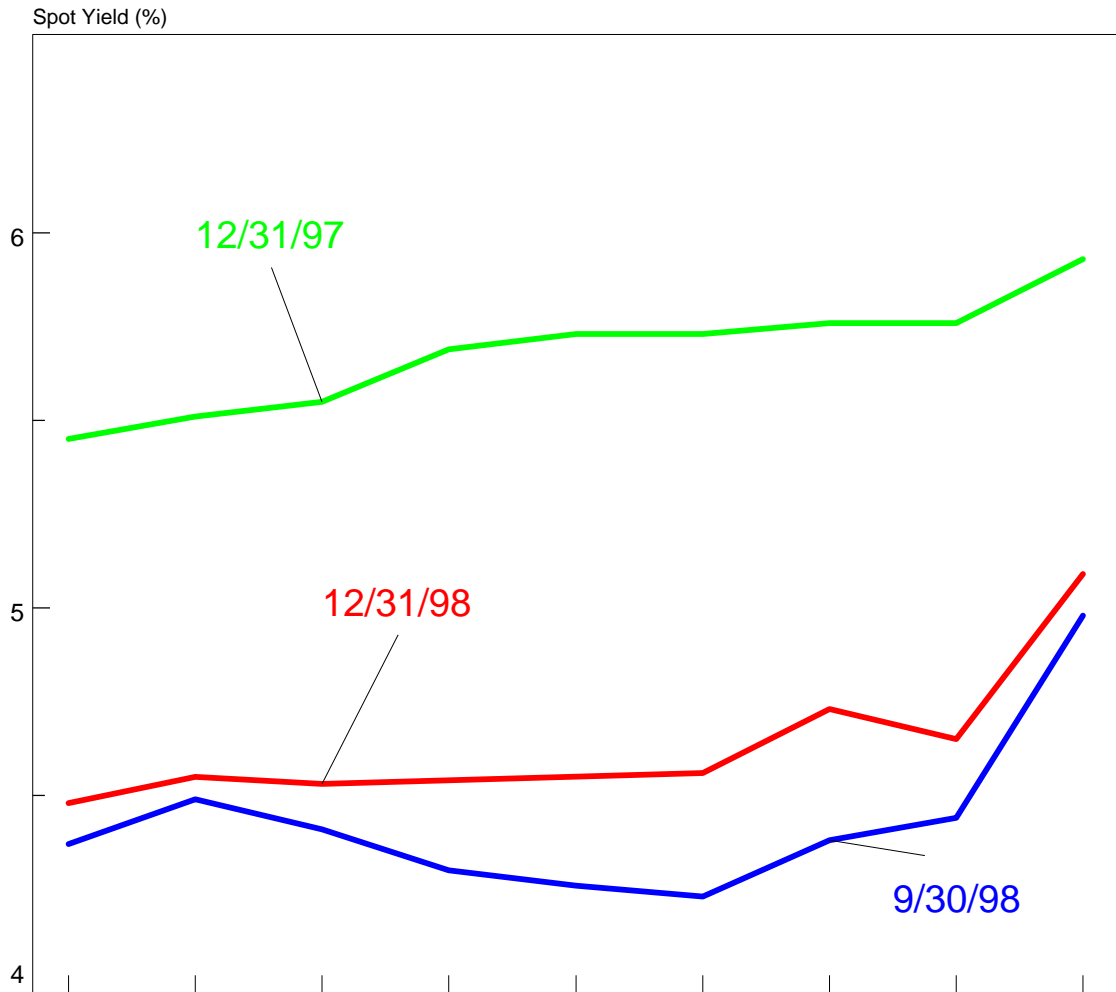
Fund Balance	0.1	0.3	1.2	1.9	3.4	8.9	9.4	9.5	9.6	9.7	9.8
Est. Insured Deposits	776.4	732.2	697.9	693.6	711.9	683.1	690.1	698.1	697.4	700.1	709.0

Note: Includes insured branches of foreign banks. 1998 fund balances are unaudited.

\*Effective January 1, 1999, approximately \$978 million was moved to a SAIF Special Reserve, reducing the SAIF reserve ratio to 1.25 percent.

# U.S. Treasury Yield Curve

December 31, 1997 - December 31, 1998



Maturity	3-Month	6-Month	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	30 Year
12/31/98	4.48	4.55	4.53	4.54	4.55	4.56	4.73	4.65	5.09
9/30/98	4.37	4.49	4.41	4.30	4.26	4.23	4.38	4.44	4.98
6/30/98	5.10	5.24	5.38	5.49	5.49	5.47	5.52	5.44	5.62
3/31/98	5.13	5.27	5.41	5.60	5.61	5.64	5.74	5.67	5.94
12/31/97	5.45	5.51	5.55	5.69	5.73	5.73	5.76	5.76	5.93

Source: Federal Reserve's H.15 Statistical Release