Quarterly Banking Profile

Second Quarter 2023

INSURED INSTITUTION PERFORMANCE

- ***Net Income Decreased From the Prior Quarter, Driven by Lower Noninterest Income***
- ***The Net Interest Margin Declined for the Second Straight Quarter***
- ***Unrealized Losses on Securities Increased Quarter Over Quarter***
- ***Loan Balances Increased From Last Quarter and a Year Ago***
- ***Total Deposits Declined for a Fifth Consecutive Quarter***
- ***Asset Quality Metrics Remained Favorable Despite Modest Deterioration***

Net Income Declined Quarter Over Quarter but Increased Year Over Year

Net income for the 4,645 FDIC-insured commercial banks and savings institutions declined $9.0 billion (11.3 percent) from one quarter ago to $70.8 billion in second quarter 2023. Declines in noninterest income, reflecting the accounting treatment of the acquisition of three failed institutions, lower net interest income, and higher provision expense drove the decrease. Without the three failed-bank acquisitions in the past two quarters, net income would have been roughly flat from the prior quarter. Year-over-year net income increased $6.4 billion (9.9 percent), as growth in net interest income exceeded growth in provision expense and noninterest expense.

The banking industry reported an average return on assets (ROA) of 1.21 percent in the second quarter, down from 1.36 percent in first quarter 2023 but up from 1.08 percent in second quarter 2022.

The Net Interest Margin Declined for the Second Straight Quarter

Following a decline of 7 basis points in first quarter, the net interest margin (NIM) declined 3 basis points to 3.28 percent in the second quarter. The NIM remains 48 basis points higher than the year-ago quarter and above the pre-pandemic average of 3.25 percent.[1]

The decline in the NIM reflects the cost of funds (i.e., the interest banks pay on deposits and other borrowings) rising at a faster rate than yields on earning assets (i.e., the interest banks earn on loans and securities). The yield on earnings assets increased 40 basis points from first quarter 2023 to 5.32 percent, while the cost of funds increased 43 basis points to 2.05 percent.

Net Operating Revenue Declined Quarter Over Quarter but Rose Year Over Year

Net operating revenue (net interest income plus noninterest income) declined $9.2 billion (3.5 percent) from the prior quarter to $252.5 billion. Noninterest income declined $7.8 billion (9.1 percent) and net interest income declined $1.4 billion (0.8 percent). Excluding the accounting gains from the acquisition of the failed banks in the past two quarters, noninterest income would have increased $1.3 billion quarter over quarter due to higher "all other noninterest income."[2] Interest income increased $21.8 billion (8.4 percent) from first quarter 2023 but was more than offset by a $23.2 billion (27.2 percent) increase in interest expense. From the year-ago quarter, net operating

[1] The "pre-pandemic average" refers to the period first quarter 2015 through fourth quarter 2019 and is used consistently throughout this report.

[2] "All other noninterest income" includes material write-in items as well as income related to wire transfers and ATM fees, bank card and credit card interchange fees, safe deposit box rent, printing and sale of checks, earnings on/increase in value of cash surrender value of life insurance, and other noninterest sources.

revenue rose $24.5 billion (10.7 percent), as net interest income grew $23.2 billion (15.4 percent) and noninterest income increased $1.3 billion (1.7 percent).

Noninterest Expense Increased

Noninterest expense totaled $141.9 billion, up $559.3 million (0.4 percent) from the prior quarter. A decline in salary and employee benefits expense (down $2.2 billion, or 3.1 percent) was offset by higher "all other noninterest expense" (up $4.1 billion, or 7.3 percent).[3] Relative to a year ago, an increase in salary and employee benefits expense (up $3.3 billion, or 5.1 percent) and "all other noninterest expense" (up $3.3 billion, or 5.9 percent) drove the increase in noninterest expense.

Despite the aggregate growth in noninterest expense for the banking industry, the efficiency ratio (noninterest expense to net operating revenue) declined 3 percentage points from the year-ago quarter to 55.7 percent, led by strong growth in net interest income.[4] While the efficiency ratio declined for most Quarterly Banking Profile (QBP) asset size groups, it increased the most for those banks with between $1 and $10 billion in assets.

Provision Expense Increased Modestly From the Prior Quarter

Provisions for credit losses were $21.5 billion in second quarter 2023, up $726.9 million from the previous quarter and $10.4 billion from the year-ago quarter.[5] Only 191 FDIC-insured banks had not yet adopted CECL as of second quarter.

The reserve coverage ratio (the ratio of the allowance for credit losses to noncurrent loans) for all insured institutions increased to 224.8 percent in second quarter 2023, the highest level since QBP data collection began in 1984.

Banking Industry Assets Decreased From First Quarter 2023

Total assets of $23.5 trillion declined $254.4 billion (1.1 percent) from first quarter 2023. Securities led the decline (down $175.1 billion, or 3.1 percent), followed by cash and balances due from depository institutions (down $138.1 billion, or 4.9 percent).

Year over year, total assets decreased $252.8 billion (1.1 percent). The growth in total loan and lease balances (up $526.8 billion, or 4.5 percent) was offset by declines in total securities (down $712.2 billion, or 11.6 percent) and cash and balances due from depository institutions (down $118.0 billion, or 4.2 percent).

Unrealized Losses on Securities Increased Quarter Over Quarter[6]

Unrealized losses on securities totaled $558.4 billion in the second quarter, up $42.9 billion (8.3 percent) from the prior quarter. Unrealized losses on held-to-maturity securities totaled $309.6 billion in the second quarter, while unrealized losses on available-for-sale securities totaled $248.9 billion.[7]

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[3] "All other noninterest expense" includes material write-in items as well as expenses related to data processing, advertising and marketing, legal fees, intracompany transactions, and consulting and advisory fees.
[4] The reduction in this ratio indicates that the industry was more efficient in producing revenue.
[5] Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.
[6] Unrealized losses on securities reflect the difference between the market value as of quarter-end and the book value of non-equity securities. This calculation does not account for any unrealized gains or losses in "accumulated other comprehensive income" because unrealized gains and losses cannot be derived from Call Reports for the industry.
[7] Due to rounding, values do not add up to the aggregate value.

Loan Balances Increased From Last Quarter and a Year Ago

Total loan and lease balances increased $86.5 billion (0.7 percent) from the previous quarter. An increase in credit card loans (up $45.0 billion, or 4.6 percent) and loans to nondepository financial institutions (up $24.3 billion, 3.2 percent) drove loan growth.

Year over year, total loan and lease balances increased $526.8 billion (4.5 percent). One-to-four family residential loans (up $158.5 billion, or 6.7 percent) and credit card loans (up $124.4 billion, or 13.8 percent) led loan growth during the year ending second quarter.

Total Deposits Declined Quarter Over Quarter, but Insured Deposits Increased

Total deposits declined $98.6 billion (0.5 percent) between first and second quarter 2023. This was the fifth consecutive quarter that the industry reported lower levels of total deposits. A reduction in estimated uninsured deposits (down $180.6 billion, or 2.5 percent) drove the quarterly decline. Estimated insured deposits continued to increase (up $84.9 billion, or 0.8 percent) during the quarter. The decline in total deposits in second quarter 2023 was nearly offset by increased wholesale funding (up $79.9 billion, or 1.5 percent) from the previous quarter.[8] Wholesale funding as a percentage of total assets rose from 17.1 percent in the year ago quarter to 22.8 percent in second quarter 2023.

The Noncurrent Loan Rate Increased Slightly From the Prior Quarter

The share of loans and leases 90 days or more past due or in nonaccrual status increased 1 basis point from the prior quarter and the year-ago quarter to 0.76 percent. This ratio remains well below the pre-pandemic average noncurrent loan ratio of 1.28 percent. Higher noncurrent nonfarm, nonresidential (commercial real estate) loan balances drove the quarterly increase.

The Net Charge-Off Rate Returned to Its Pre-Pandemic Average

The net charge-off rate of 0.48 percent increased 7 basis points from the prior quarter and 25 basis points from the year-ago quarter. Higher credit card net charge-off balances led the quarterly and annual increase. The industry's net charge-off rate is now equal to its pre-pandemic average.

Capital Ratios Remained Stable

Equity capital declined $9.5 billion (0.4 percent) in second quarter 2023, led by a decline in accumulated other comprehensive income (down $18.3 billion) from first quarter as higher market interest rates decreased the value of some available-for-sale investment securities. Retained earnings contributed $19.8 billion to equity formation in the second quarter, as net income of $70.8 billion exceeded declared dividends of $51.0 billion.

The leverage capital ratio declined 4 basis points from a quarter ago to 9.10 percent as average asset growth outpaced capital formation. The total risk-based capital ratio increased 11 basis points to 15.17 percent, and the tier 1 risk-based capital ratio increased 9 basis points to 13.84 percent as capital formation grew and risk-weighted assets declined. The number of institutions with capital ratios that did not meet Prompt Corrective Action requirements for the well-capitalized category increased by two from first quarter 2022 to eight.[9]

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[8] Wholesale funding includes federal funds purchased and securities sold under agreement to repurchase, Federal Home Loan Bank and other borrowings, brokered and reciprocal deposits, listing service deposits, municipal and state deposits, and foreign deposits (which are not FDIC insured).

[9] Prompt Corrective Action categories are assigned based on reported capital ratios only and do not include the effects of regulatory downgrades.

Two New Banks Opened and One Bank Failed in Second Quarter 2023

The number of FDIC-insured institutions declined from 4,672 in first quarter to 4,645 this quarter. During the quarter, two banks opened, one bank failed, and 27 institutions merged. In addition, one bank failed during the third quarter and did not file a second quarter 2023 Call Report. The number of banks on the FDIC's "Problem Bank List" remained unchanged at 43.[10] Total assets of problem banks decreased from $58.0 billion to $46.0 billion.

[10] Banks on the FDIC's Problem Bank List have a CAMELS composite rating of "4" or "5" due to financial, operational, or managerial weaknesses, or a combination of such issues. It is common for banks to move on or off this list each quarter.

TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

	2023**	2022**	2022	2021	2020	2019	2018
Return on assets (%)	1.29	1.05	1.11	1.23	0.72	1.29	1.35
Return on equity (%)	13.57	10.97	11.82	12.21	6.85	11.38	11.98
Core capital (leverage) ratio (%)	9.10	8.74	8.98	8.73	8.82	9.66	9.70
Noncurrent assets plus other real estate owned to assets (%)	0.41	0.39	0.39	0.44	0.61	0.55	0.60
Net charge-offs to loans (%)	0.45	0.23	0.27	0.25	0.50	0.52	0.48
Asset growth rate (%)	-1.07	4.14	-0.51	8.46	17.29	3.92	3.03
Net interest margin (%)	3.31	2.67	2.95	2.54	2.82	3.36	3.40
Net operating income growth (%)	22.44	-13.63	-3.65	96.90	-38.77	-3.14	45.45
Number of institutions reporting	4,645	4,771	4,706	4,839	5,002	5,177	5,406
Commercial banks	4,071	4,179	4,127	4,232	4,375	4,518	4,715
Savings institutions	574	592	579	607	627	659	691
Percentage of unprofitable institutions (%)	4.13	4.76	3.51	3.10	4.68	3.73	3.46
Number of problem institutions	43	40	39	44	56	51	60
Assets of problem institutions (in billions)***	$46	$170	$47	$170	$56	$46	$48
Number of failed institutions	3	0	0	0	4	4	0

* Excludes insured branches of foreign banks (IBAs).

** Through June 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending June 30.

*** Assets shown are what were on record as of the last day of the quarter.

TABLE II-A. Aggregate Condition and Income Data, All FDIC-Insured Institutions

(dollar figures in millions)	2nd Quarter 2023	1st Quarter 2023	2nd Quarter 2022	%Change 22Q2-23Q2
Number of institutions reporting	4,645	4,672	4,771	-2.6
Total employees (full-time equivalent)	2,114,605	2,128,398	2,100,337	0.7
CONDITION DATA				
Total assets	$23,465,090	$23,719,547	$23,717,901	-1.1
Loans secured by real estate	5,849,575	5,801,496	5,499,188	6.4
1-4 Family residential mortgages	2,526,058	2,506,251	2,367,593	6.7
Nonfarm nonresidential	1,796,877	1,782,848	1,708,943	5.1
Construction and development	488,531	479,673	429,447	13.8
Home equity lines	269,118	269,803	266,734	0.9
Commercial & industrial loans	2,517,293	2,529,251	2,487,474	1.2
Loans to individuals	2,072,145	2,037,652	1,961,745	5.6
Credit cards	1,027,817	982,813	903,452	13.8
Farm loans	75,726	69,938	70,854	6.9
Other loans & leases	1,785,726	1,775,349	1,753,990	1.8
Less: Unearned income	1,943	1,636	1,508	28.9
Total loans & leases	12,298,521	12,212,050	11,771,745	4.5
Less: Reserve for losses*	209,023	202,213	179,204	16.6
Net loans and leases	12,089,498	12,009,837	11,592,541	4.3
Securities**	5,436,351	5,611,440	6,148,530	-11.6
Other real estate owned	2,841	2,687	2,807	1.2
Goodwill and other intangibles	435,999	435,470	421,402	3.5
All other assets	5,500,401	5,660,112	5,552,621	-0.9
Total liabilities and capital	23,465,090	23,719,547	23,717,901	-1.1
Deposits	18,643,919	18,742,490	19,562,789	-4.7
Domestic office deposits	17,197,919	17,303,968	18,077,010	-4.9
Foreign office deposits	1,446,000	1,438,522	1,485,779	-2.7
Other borrowed funds	1,738,616	1,900,803	1,138,443	52.7
Subordinated debt	59,450	60,822	63,463	-6.3
All other liabilities	769,765	752,701	732,830	5.0
Total equity capital (includes minority interests)	2,253,341	2,262,731	2,220,372	1.5
Bank equity capital	2,250,964	2,260,453	2,218,123	1.5
Loans and leases 30-89 days past due	62,250	63,502	56,914	9.4
Noncurrent loans and leases	92,991	92,128	87,999	5.7
Restructured loans and leases	21,155	13,150	42,193	-49.9
Mortgage-backed securities	2,962,311	3,032,157	3,379,239	-12.3
Earning assets	21,267,662	21,522,510	21,523,188	-1.2
FHLB Advances	658,681	804,438	325,742	102.2
Unused loan commitments	9,815,032	9,693,165	9,456,245	3.8
Trust assets	31,771,357	18,456,457	18,117,743	75.4
Assets securitized and sold	383,090	383,911	411,326	-6.9
Notional amount of derivatives	224,647,898	220,468,605	197,421,142	13.8

INCOME DATA	First Half 2023	First Half 2022	%Change	2nd Quarter 2023	2nd Quarter 2022	%Change 22Q2-23Q2
Total interest income	$542,542	$310,628	74.7	$283,192	$164,977	71.7
Total interest expense	193,441	22,259	769.1	108,861	13,851	685.9
Net interest income	349,102	288,369	21.1	174,331	151,126	15.4
Provision for credit losses***	42,184	16,288	159.0	21,464	11,078	93.8
Total noninterest income	163,853	153,400	6.8	78,185	76,887	1.7
Total noninterest expense	282,326	267,852	5.4	141,894	134,833	5.2
Securities gains (losses)	-3,410	-896	N/M	-1,236	-307	N/M
Applicable income taxes	34,521	32,213	7.2	17,017	17,074	-0.3
Extraordinary gains, net****	4	-249	N/M	-1	-249	N/M
Total net income (includes minority interests)	150,517	124,271	21.1	70,903	64,473	10.0
Bank net income	150,288	124,153	21.1	70,772	64,411	9.9
Net charge-offs	27,166	12,963	109.6	14,741	6,688	120.4
Cash dividends	95,127	57,708	64.8	50,994	29,081	75.4
Retained earnings	55,161	66,444	-17.0	19,777	35,330	-44.0
Net operating income	153,365	125,253	22.4	71,937	64,975	10.7

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision for loan and lease losses.

**** See Notes to Users for explanation.

N/M - Not Meaningful

TABLE III-A. Second Quarter 2023, All FDIC-Insured Institutions

		Asset Concentration Groups*								
SECOND QUARTER (The way it is...)	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	4,645	10	5	1,018	2,521	326	41	254	403	67
Commercial banks	4,071	9	5	1,006	2,285	95	32	231	352	56
Savings institutions	574	1	0	12	236	231	9	23	51	11
Total assets (in billions)	$23,465.1	$476.2	$5,889.3	$289.3	$8,347.3	$686.5	$385.9	$56.2	$92.0	$7,242.4
Commercial banks	22,191.4	375.4	5,889.3	282.0	7,928.6	129.5	380.1	51.4	82.2	7,073.1
Savings institutions	1,273.7	100.7	0.0	7.3	418.7	557.0	5.9	4.8	9.9	169.4
Total deposits (in billions)	18,643.9	364.6	4,481.8	245.0	6,681.9	549.6	317.6	47.6	79.6	5,876.3
Commercial banks	17,625.2	286.6	4,481.8	241.0	6,354.4	99.8	312.6	44.4	71.5	5,733.1
Savings institutions	1,018.8	78.0	0.0	4.0	327.5	449.8	5.0	3.2	8.0	143.2
Bank net income (in millions)	70,772	2,979	19,232	868	22,655	1,098	1,425	483	240	21,792
Commercial banks	68,240	2,443	19,232	832	21,754	261	1,419	343	224	21,732
Savings institutions	2,531	536	0	36	901	837	6	140	16	60
Performance Ratios (annualized, %)										
Yield on earning assets	5.32	13.76	5.25	4.87	5.21	3.26	6.86	4.17	4.47	5.10
Cost of funding earning assets	2.05	3.44	2.39	1.43	1.85	1.73	3.23	1.02	1.05	1.92
Net interest margin	3.28	10.32	2.86	3.44	3.36	1.53	3.63	3.15	3.42	3.17
Noninterest income to assets	1.33	6.36	1.80	0.54	0.86	0.69	1.17	5.96	0.82	1.24
Noninterest expense to assets	2.42	9.18	2.33	2.29	2.35	1.33	2.06	4.43	2.74	2.24
Credit loss provision to assets**	0.37	3.78	0.30	0.08	0.21	0.01	0.57	0.07	0.08	0.42
Net operating income to assets	1.23	2.54	1.37	1.22	1.10	0.63	1.49	3.39	1.06	1.20
Pretax return on assets	1.50	3.31	1.65	1.38	1.35	0.82	1.94	4.38	1.18	1.45
Return on assets	1.21	2.53	1.32	1.21	1.08	0.63	1.49	3.41	1.04	1.19
Return on equity	12.60	24.30	14.15	13.35	10.87	9.98	17.93	31.21	11.86	12.39
Net charge-offs to loans and leases	0.48	3.54	0.56	0.06	0.18	0.02	0.84	0.17	0.10	0.61
Loan and lease loss provision to net charge-offs	151.16	128.37	176.55	212.56	175.77	182.78	85.65	161.00	138.82	148.21
Efficiency ratio	55.66	55.96	53.20	60.38	59.07	61.67	44.91	49.62	67.98	54.04
% of unprofitable institutions	5.08	10.00	0.00	3.05	4.01	14.11	14.63	10.24	4.96	7.46
% of institutions with earnings gains	52.42	50.00	60.00	58.64	50.61	41.10	41.46	64.17	51.36	49.25
Structural Changes										
New reporters	2	0	0	0	0	0	0	2	0	0
Institutions absorbed by mergers	26	0	0	6	17	0	0	1	1	1
Failed institutions	1	0	0	0	0	0	0	0	0	1
PRIOR SECOND QUARTERS (The way it was...)										
Return on assets (%) 2022	1.08	4.00	0.95	1.22	1.11	0.89	1.93	1.56	0.99	0.94
2020	0.36	0.11	0.28	1.41	0.50	1.16	0.51	3.00	1.29	0.14
2018	1.37	2.73	1.23	1.34	1.28	1.07	1.20	3.75	1.14	1.45
Net charge-offs to loans & leases (%) 2022	0.23	2.14	0.30	0.03	0.08	0.02	0.45	0.11	0.03	0.18
2020	0.57	4.26	0.79	0.19	0.28	0.02	0.34	0.36	0.07	0.50
2018	0.48	4.02	0.50	0.19	0.16	0.01	1.14	0.05	0.09	0.36

* See Table IV-A for explanations.

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

TABLE III-A. Second Quarter 2023, All FDIC-Insured Institutions

		Asset Size Distribution					Geographic Regions*					
SECOND QUARTER (The way it is...)	All Insured Institutions	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,645	733	2,920	836	142	14	547	528	994	1,188	1,043	345
Commercial banks	4,071	642	2,589	700	127	13	288	482	858	1,151	977	315
Savings institutions	574	91	331	136	15	1	259	46	136	37	66	30
Total assets (in billions)	$23,465.1	$44.3	$1,080.1	$2,306.1	$6,465.7	$13,568.9	$4,519.3	$4,774.0	$5,962.9	$4,163.5	$2,013.5	$2,031.9
Commercial banks	22,191.4	39.3	948.7	1,968.8	5,995.0	13,239.6	4,147.7	4,722.5	5,887.9	4,105.1	1,456.7	1,871.5
Savings institutions	1,273.7	5.0	131.4	337.3	470.7	329.4	371.6	51.5	75.0	58.4	556.8	160.4
Total deposits (in billions)	18,643.9	37.0	916.1	1,888.6	5,160.4	10,641.7	3,594.1	3,838.9	4,554.9	3,379.8	1,643.1	1,633.1
Commercial banks	17,625.2	33.3	810.5	1,623.6	4,787.9	10,370.0	3,298.2	3,801.4	4,502.7	3,330.7	1,188.3	1,504.0
Savings institutions	1,018.8	3.7	105.6	265.0	372.6	271.8	295.9	37.5	52.3	49.2	454.8	129.1
Bank net income (in millions)	70,772	110	3,326	6,870	19,881	40,583	11,789	14,459	20,572	11,086	5,158	7,707
Commercial banks	68,240	102	2,953	6,226	18,664	40,296	11,111	14,434	20,284	10,845	4,576	6,992
Savings institutions	2,531	9	374	644	1,218	287	679	25	289	242	583	714
Performance Ratios (annualized, %)												
Yield on earning assets	5.32	4.75	4.91	5.29	5.84	5.11	5.55	5.13	5.01	5.42	4.68	6.60
Cost of funding earning assets	2.05	1.00	1.37	1.74	2.20	2.08	2.47	1.79	1.91	2.06	1.73	2.38
Net interest margin	3.28	3.75	3.54	3.55	3.64	3.03	3.08	3.33	3.10	3.36	2.95	4.22
Noninterest income to assets	1.33	1.65	1.13	1.06	1.32	1.40	1.18	1.11	1.70	1.04	0.82	2.23
Noninterest expense to assets	2.42	3.87	2.89	2.65	2.62	2.24	2.28	2.28	2.37	2.39	2.20	3.48
Credit loss provision to assets**	0.37	0.08	0.09	0.20	0.47	0.37	0.35	0.40	0.32	0.35	0.12	0.73
Net operating income to assets	1.23	1.01	1.25	1.21	1.24	1.22	1.05	1.21	1.45	1.07	1.03	1.52
Pretax return on assets	1.50	1.17	1.46	1.49	1.58	1.46	1.32	1.42	1.72	1.34	1.23	1.98
Return on assets	1.21	0.99	1.24	1.20	1.23	1.19	1.05	1.20	1.39	1.06	1.02	1.51
Return on equity	12.60	7.88	12.94	12.16	12.69	12.63	10.41	12.25	14.67	11.15	12.34	15.78
Net charge-offs to loans and leases	0.48	0.04	0.07	0.22	0.52	0.58	0.46	0.62	0.35	0.45	0.15	0.88
Loan and lease loss provision to net charge-offs	151.16	340.08	189.55	135.54	141.09	158.69	145.02	131.26	207.73	163.85	161.13	124.90
Efficiency ratio	55.66	75.21	64.78	60.22	55.38	54.12	57.01	54.86	52.36	58.12	61.02	55.53
% of unprofitable institutions	5.08	12.82	3.90	2.75	3.52	0.00	7.50	7.01	5.23	3.28	3.45	8.99
% of institutions with earnings gains	52.42	62.07	52.43	44.86	46.48	57.14	45.70	59.66	52.31	49.33	55.51	53.62
Structural Changes												
New reporters	2	2	0	0	0	0	0	0	1	0	0	1
Institutions absorbed by mergers	26	11	10	4	1	0	3	2	10	5	6	0
Failed institutions	1	0	0	0	1	0	0	0	0	0	0	1
PRIOR SECOND QUARTERS (The way it was...)												
Return on assets (%) 2022	1.08	0.81	1.13	1.24	1.33	0.92	0.91	1.06	1.03	1.05	1.10	1.59
2020	0.36	0.98	1.29	1.09	0.38	0.14	0.13	0.32	0.51	-0.09	0.86	0.96
2018	1.37	1.08	1.27	1.29	1.47	1.34	1.20	1.50	1.30	1.27	1.42	1.76
Net charge-offs to loans & leases (%) 2022	0.23	0.04	0.04	0.12	0.30	0.24	0.21	0.29	0.16	0.24	0.07	0.37
2020	0.57	0.17	0.13	0.23	0.74	0.60	0.54	0.61	0.45	0.63	0.45	0.73
2018	0.48	0.11	0.11	0.27	0.69	0.43	0.60	0.54	0.25	0.49	0.21	0.70

* See Table IV-A for explanations.

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

TABLE IV-A. First Half 2023, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FIRST HALF (The way it is...)	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	4,645	10	5	1,018	2,521	326	41	254	403	67
Commercial banks	4,071	9	5	1,006	2,285	95	32	231	352	56
Savings institutions	574	1	0	12	236	231	9	23	51	11
Total assets (in billions)	$23,465.1	$476.2	$5,889.3	$289.3	$8,347.3	$686.5	$385.9	$56.2	$92.0	$7,242.4
Commercial banks	22,191.4	375.4	5,889.3	282.0	7,928.6	129.5	380.1	51.4	82.2	7,073.1
Savings institutions	1,273.7	100.7	0.0	7.3	418.7	557.0	5.9	4.8	9.9	169.4
Total deposits (in billions)	18,643.9	364.6	4,481.8	245.0	6,681.9	549.6	317.6	47.6	79.6	5,876.3
Commercial banks	17,625.2	286.6	4,481.8	241.0	6,354.4	99.8	312.6	44.4	71.5	5,733.1
Savings institutions	1,018.8	78.0	0.0	4.0	327.5	449.8	5.0	3.2	8.0	143.2
Bank net income (in millions)	150,288	6,608	37,212	1,770	54,649	2,265	2,702	815	481	43,787
Commercial banks	145,096	5,542	37,212	1,694	52,779	538	2,691	523	450	43,667
Savings institutions	5,192	1,066	0	76	1,870	1,726	11	292	31	120
Performance Ratios (annualized, %)										
Yield on earning assets	5.14	13.63	5.01	4.70	5.05	3.16	6.67	4.08	4.34	4.93
Cost of funding earning assets	1.83	3.25	2.17	1.25	1.62	1.48	2.99	0.90	0.92	1.73
Net interest margin	3.31	10.39	2.84	3.45	3.42	1.67	3.69	3.17	3.42	3.20
Noninterest income to assets	1.41	6.42	1.79	0.54	1.13	0.66	1.11	5.28	0.79	1.19
Noninterest expense to assets	2.42	9.13	2.31	2.30	2.38	1.41	2.09	4.50	2.71	2.24
Credit loss provision to assets**	0.36	3.53	0.30	0.06	0.25	0.01	0.66	0.08	0.08	0.38
Net operating income to assets	1.32	2.85	1.33	1.25	1.35	0.65	1.41	2.87	1.06	1.22
Pretax return on assets	1.59	3.71	1.64	1.39	1.60	0.84	1.82	3.63	1.18	1.45
Return on assets	1.29	2.85	1.28	1.23	1.33	0.65	1.42	2.87	1.05	1.20
Return on equity	13.57	27.05	13.78	13.83	13.42	10.77	17.21	27.12	12.08	12.55
Net charge-offs to loans and leases	0.45	3.35	0.52	0.05	0.17	0.03	0.85	0.21	0.09	0.56
Loan and lease loss provision to net charge-offs	153.69	126.24	169.36	184.15	210.26	159.36	109.52	129.66	145.22	142.38
Efficiency ratio	54.28	55.30	53.27	60.56	54.41	62.11	45.54	54.48	67.66	54.40
% of unprofitable institutions	4.13	0.00	0.00	2.16	3.17	12.27	14.63	8.66	4.47	5.97
% of institutions with earnings gains	60.00	60.00	60.00	68.76	58.35	46.63	43.90	67.72	57.82	47.76
Condition Ratios (%)										
Earning assets to total assets	90.64	96.04	88.90	93.67	90.94	95.87	94.07	91.72	93.51	90.50
Loss Allowance to:										
Loans and leases	1.70	6.88	1.86	1.34	1.28	0.62	2.07	1.57	1.28	1.76
Noncurrent loans and leases	224.78	524.73	279.64	272.21	188.09	154.45	332.96	213.54	207.85	191.10
Noncurrent assets plus other real estate owned to assets	0.41	1.09	0.24	0.34	0.48	0.15	0.47	0.23	0.37	0.46
Equity capital ratio	9.59	10.36	9.28	9.00	10.01	6.74	8.42	11.14	8.78	9.68
Core capital (leverage) ratio	9.10	10.88	8.34	10.81	9.57	9.84	9.71	14.84	11.24	8.81
Common equity tier 1 capital ratio***	13.78	12.55	15.86	13.84	12.06	26.25	14.50	33.60	17.28	14.01
Tier 1 risk-based capital ratio***	13.84	12.70	15.93	13.84	12.12	26.25	14.53	33.60	17.28	14.06
Total risk-based capital ratio***	15.17	14.69	17.09	14.93	13.43	26.72	15.55	34.45	18.34	15.56
Net loans and leases to deposits	64.84	101.40	44.97	75.37	82.37	44.00	89.38	31.51	63.58	58.28
Net loans and leases to total assets	51.52	77.64	34.22	63.82	65.93	35.23	73.55	26.68	54.96	47.29
Domestic deposits to total assets	73.29	76.57	54.48	84.68	79.95	79.90	82.29	84.68	86.42	78.88
Structural Changes										
New reporters	3	0	0	0	0	0	0	3	0	0
Institutions absorbed by mergers	57	0	0	12	41	0	0	1	2	1
Failed institutions	3	0	0	0	1	0	0	0	0	2
PRIOR FIRST HALVES (The way it was...)										
Number of institutions 2022	4,771	11	5	1,074	2,438	295	35	342	481	90
2020	5,066	11	5	1,198	2,790	296	39	217	442	68
2018	5,542	12	5	1,383	2,894	406	71	246	474	51
Total assets (in billions) 2022	$23,717.9	$528.6	$5,920.0	$299.4	$7,448.3	$333.7	$364.4	$78.4	$116.6	$8,628.6
2020	21,139.3	504.9	5,241.5	280.1	7,467.5	610.4	129.4	38.1	86.0	6,781.6
2018	17,532.9	626.4	4,222.2	283.8	6,167.6	356.4	216.8	39.7	80.4	5,539.6
Return on assets (%) 2022	1.05	4.31	0.87	1.16	1.08	0.92	1.81	1.42	0.94	0.92
2020	0.37	0.11	0.36	1.34	0.35	1.06	1.29	2.98	1.10	0.28
2018	1.33	2.71	1.22	1.32	1.24	1.08	1.31	3.63	1.07	1.35
Net charge-offs to loans & leases (%) 2022	0.23	2.03	0.29	0.02	0.09	0.01	0.42	0.11	0.02	0.17
2020	0.56	4.30	0.77	0.14	0.26	0.02	0.41	0.34	0.07	0.49
2018	0.49	4.02	0.53	0.13	0.17	0.02	0.97	0.11	0.13	0.37
Noncurrent assets plus OREO to assets (%) 2022	0.39	0.81	0.25	0.41	0.47	0.30	0.48	0.22	0.35	0.38
2020	0.59	1.10	0.37	0.88	0.66	0.24	0.38	0.37	0.64	0.68
2018	0.65	1.05	0.43	0.88	0.65	1.61	0.47	0.44	0.76	0.71
Equity capital ratio (%) 2022	9.35	12.25	8.87	8.80	9.95	8.76	8.56	10.59	9.01	9.06
2020	10.16	11.48	8.99	11.46	11.15	8.61	9.58	16.40	12.36	9.90
2018	11.30	15.29	10.02	11.31	11.91	11.23	10.35	16.62	11.86	11.12

***Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):**
Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.
International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.
Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of their total loans and leases.
Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.
Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.
Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.
Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.
All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.
*** Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

TABLE IV-A. First Half 2023, All FDIC-Insured Institutions

		Asset Size Distribution					Geographic Regions*					
FIRST HALF (The way it is...)	All Insured Institutions	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,645	733	2,920	836	142	14	547	528	994	1,188	1,043	345
Commercial banks	4,071	642	2,589	700	127	13	288	482	858	1,151	977	315
Savings institutions	574	91	331	136	15	1	259	46	136	37	66	30
Total assets (in billions)	$23,465.1	$44.3	$1,080.1	$2,306.1	$6,465.7	$13,568.9	$4,519.3	$4,774.0	$5,962.9	$4,163.5	$2,013.5	$2,031.9
Commercial banks	22,191.4	39.3	948.7	1,968.8	5,995.0	13,239.6	4,147.7	4,722.5	5,887.9	4,105.1	1,456.7	1,871.5
Savings institutions	1,273.7	5.0	131.4	337.3	470.7	329.4	371.6	51.5	75.0	58.4	556.8	160.4
Total deposits (in billions)	18,643.9	37.0	916.1	1,888.6	5,160.4	10,641.7	3,594.1	3,838.9	4,554.9	3,379.8	1,643.1	1,633.1
Commercial banks	17,625.2	33.3	810.5	1,623.6	4,787.9	10,370.0	3,298.2	3,801.4	4,502.7	3,330.7	1,188.3	1,504.0
Savings institutions	1,018.8	3.7	105.6	265.0	372.6	271.8	295.9	37.5	52.3	49.2	454.8	129.1
Bank net income (in millions)	150,288	224	6,564	13,425	49,370	80,706	25,375	38,090	38,520	24,116	10,283	13,904
Commercial banks	145,096	205	5,799	12,100	46,972	80,021	23,966	37,975	37,921	23,665	9,079	12,491
Savings institutions	5,192	19	764	1,325	2,399	685	1,409	115	599	452	1,205	1,412
Performance Ratios (annualized, %)												
Yield on earning assets	5.14	4.59	4.77	5.17	5.65	4.92	5.32	4.95	4.83	5.24	4.54	6.44
Cost of funding earning assets	1.83	0.87	1.20	1.55	1.96	1.88	2.22	1.56	1.72	1.88	1.49	2.16
Net interest margin	3.31	3.72	3.57	3.62	3.68	3.05	3.10	3.39	3.11	3.35	3.05	4.28
Noninterest income to assets	1.41	1.61	1.07	1.02	1.65	1.38	1.22	1.50	1.63	1.13	0.77	2.15
Noninterest expense to assets	2.42	3.81	2.88	2.65	2.64	2.24	2.26	2.28	2.38	2.37	2.23	3.56
Credit loss provision to assets**	0.36	0.06	0.08	0.21	0.49	0.35	0.31	0.44	0.31	0.34	0.12	0.73
Net operating income to assets	1.32	1.02	1.24	1.22	1.56	1.22	1.15	1.62	1.38	1.16	1.04	1.41
Pretax return on assets	1.59	1.18	1.44	1.48	1.90	1.47	1.42	1.82	1.66	1.45	1.24	1.84
Return on assets	1.29	1.01	1.23	1.18	1.55	1.19	1.13	1.60	1.32	1.15	1.02	1.38
Return on equity	13.57	8.08	12.98	12.05	16.05	12.71	11.33	16.41	13.99	12.19	12.59	14.44
Net charge-offs to loans and leases	0.45	0.04	0.06	0.22	0.50	0.53	0.42	0.56	0.32	0.41	0.13	0.87
Loan and lease loss provision to net charge-offs	153.69	291.82	199.73	139.67	150.86	156.50	134.72	148.40	205.66	162.92	180.71	127.32
Efficiency ratio	54.28	75.02	65.00	59.91	50.94	54.20	55.72	49.57	53.27	56.61	61.35	55.06
% of unprofitable institutions	4.13	10.50	3.22	1.79	3.52	7.14	6.03	5.68	4.12	2.27	3.16	8.12
% of institutions with earnings gains	60.00	68.89	60.96	50.36	51.41	57.14	51.37	69.70	58.15	59.60	62.32	58.55
Condition Ratios (%)												
Earning assets to total assets	90.64	92.78	93.66	92.93	92.05	89.32	90.02	90.05	89.77	90.44	92.80	94.14
Loss Allowance to:												
Loans and leases	1.70	1.44	1.29	1.34	1.77	1.80	1.67	1.68	1.56	1.79	1.27	2.29
Noncurrent loans and leases	224.78	174.19	263.59	233.78	224.87	220.38	191.17	230.48	230.74	226.10	155.26	344.15
Noncurrent assets plus other real estate owned to assets	0.41	0.49	0.36	0.43	0.52	0.36	0.48	0.40	0.34	0.41	0.47	0.46
Equity capital ratio	9.59	12.63	9.55	9.84	9.67	9.51	10.04	9.87	9.44	9.54	8.44	9.64
Core capital (leverage) ratio	9.10	14.44	11.28	10.54	9.45	8.50	9.36	8.62	8.82	8.98	9.79	10.04
Common equity tier 1 capital ratio***	13.78	22.64	15.45	13.47	13.11	14.13	13.80	12.95	14.34	13.24	14.88	14.29
Tier 1 risk-based capital ratio***	13.84	22.64	15.48	13.50	13.22	14.16	13.83	13.00	14.39	13.33	14.99	14.34
Total risk-based capital ratio***	15.17	23.69	16.59	14.56	14.55	15.55	15.09	14.23	15.79	14.90	16.13	15.60
Net loans and leases to deposits	64.84	64.56	75.81	83.64	78.54	53.92	65.74	64.45	62.37	59.97	64.52	81.13
Net loans and leases to total assets	51.52	53.93	64.30	68.49	62.69	42.29	52.28	51.82	47.64	48.68	52.65	65.20
Domestic deposits to total assets	73.29	83.52	84.81	81.80	78.45	68.43	75.51	77.92	67.66	66.33	81.58	80.05
Structural Changes												
New reporters	3	3	0	0	0	0	0	0	2	0	0	1
Institutions absorbed by mergers	57	16	26	12	3	0	4	8	20	11	12	2
Failed institutions	3	0	0	0	3	0	1	0	0	0	0	2
PRIOR FIRST HALVES (The way it was...)												
Number of institutions 2022	4,771	785	3,010	817	146	13	564	544	1,025	1,219	1,062	357
2020	5,066	1,010	3,153	755	135	13	607	576	1,085	1,306	1,121	371
2018	5,542	1,372	3,399	637	125	9	675	645	1,195	1,412	1,205	410
Total assets (in billions) 2022	$23,717.9	$47.9	$1,107.7	$2,193.1	$7,101.8	$13,267.4	$4,520.6	$4,682.7	$5,733.5	$4,170.4	$2,027.7	$2,583.0
2020	21,139.3	60.6	1,096.0	2,024.4	6,097.9	11,860.4	3,870.1	4,363.0	4,957.6	4,123.9	1,684.2	2,140.6
2018	17,532.9	81.8	1,112.2	1,706.7	5,951.5	8,680.7	3,276.4	3,614.2	3,957.2	3,626.7	1,114.0	1,944.4
Return on assets (%) 2022	1.05	0.81	1.07	1.22	1.31	0.88	0.93	1.06	0.96	0.97	1.04	1.56
2020	0.37	0.93	1.18	0.94	0.12	0.33	0.34	0.18	0.50	0.20	0.82	0.51
2018	1.33	1.02	1.23	1.28	1.42	1.29	1.17	1.41	1.29	1.22	1.38	1.70
Net charge-offs to loans & leases (%) 2022	0.23	0.04	0.03	0.11	0.30	0.23	0.21	0.29	0.15	0.24	0.07	0.35
2020	0.56	0.15	0.12	0.22	0.75	0.57	0.52	0.62	0.44	0.58	0.38	0.77
2018	0.49	0.15	0.10	0.22	0.71	0.44	0.61	0.55	0.25	0.51	0.21	0.72
Noncurrent assets plus OREO to assets (%) 2022	0.39	0.54	0.36	0.43	0.48	0.33	0.43	0.37	0.33	0.41	0.45	0.35
2020	0.59	0.91	0.69	0.66	0.74	0.50	0.56	0.52	0.52	0.74	0.79	0.55
2018	0.65	0.99	0.80	0.69	0.63	0.63	0.61	0.72	0.60	0.74	0.76	0.46
Equity capital ratio (%) 2022	9.35	12.24	9.35	9.74	9.85	9.01	9.80	9.89	8.87	9.39	8.20	9.53
2020	10.16	13.59	11.19	10.82	10.88	9.56	10.61	10.64	9.62	9.57	10.41	10.49
2018	11.30	13.35	11.32	11.74	12.14	10.61	12.49	12.08	10.49	10.26	11.55	11.26

* Regions:
New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands
Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia
Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas
San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

** For institutions that have adopted ASU 2016-13, the numerator represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, the numerator represents the provision for loan and lease losses.

*** Beginning March 2020, does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

TABLE V-A. Loan Performance, All FDIC-Insured Institutions

June 30, 2023	All Insured Institutions	Asset Concentration Groups*: Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.37	0.27	0.26	0.39	0.36	0.31	0.14	0.69	0.62	0.47
Construction and development	0.34	0.29	0.33	0.63	0.31	0.34	0.06	0.47	0.52	0.49
Nonfarm nonresidential	0.19	0.16	0.34	0.27	0.17	0.16	0.03	0.49	0.38	0.26
Multifamily residential real estate	0.12	0.00	0.03	0.06	0.16	0.08	0.05	0.18	0.16	0.04
Home equity loans	0.48	0.00	0.68	0.46	0.46	0.32	0.65	0.52	0.50	0.48
Other 1-4 family residential	0.56	0.27	0.29	0.58	0.71	0.32	0.16	0.98	0.79	0.59
Commercial and industrial loans	0.32	0.84	0.58	0.65	0.24	0.57	0.60	0.77	0.83	0.27
Loans to individuals	1.40	1.45	0.97	0.85	1.02	0.33	2.20	1.16	1.20	1.65
Credit card loans	1.36	1.48	0.98	1.17	1.51	1.48	2.45	1.19	1.19	1.57
Other loans to individuals	1.44	1.16	0.95	0.81	0.99	0.30	2.20	1.16	1.20	1.73
All other loans and leases (including farm)	0.19	0.86	0.25	0.37	0.22	0.04	0.05	0.49	0.42	0.10
Total loans and leases	0.51	1.37	0.46	0.44	0.37	0.31	1.44	0.74	0.67	0.59
Percent of Loans Noncurrent**										
All real estate loans	0.94	0.81	0.92	0.47	0.75	0.43	0.21	0.75	0.58	1.66
Construction and development	0.41	0.00	1.36	0.29	0.34	0.60	0.43	0.32	0.24	0.56
Nonfarm nonresidential	0.82	3.06	0.76	0.49	0.60	0.38	0.40	0.73	0.69	2.06
Multifamily residential real estate	0.21	2.50	0.07	0.31	0.20	0.21	0.05	0.00	0.09	0.51
Home equity loans	1.71	0.00	5.41	0.20	1.03	0.39	0.78	0.65	0.25	2.60
Other 1-4 family residential	1.22	0.61	0.95	0.42	1.26	0.44	0.17	0.86	0.59	1.64
Commercial and industrial loans	0.68	0.68	0.80	0.75	0.74	0.42	0.69	0.99	0.72	0.52
Loans to individuals	0.88	1.40	0.79	0.33	0.49	0.12	0.80	0.48	0.49	0.94
Credit card loans	1.33	1.48	0.98	0.40	1.29	0.89	2.78	0.13	0.75	1.50
Other loans to individuals	0.45	0.43	0.19	0.32	0.43	0.09	0.77	0.49	0.49	0.40
All other loans and leases (including farm)	0.15	0.61	0.16	0.43	0.20	0.01	0.03	0.39	1.10	0.10
Total loans and leases	0.76	1.31	0.66	0.49	0.68	0.40	0.62	0.74	0.61	0.92
Percent of Loans Charged-Off (net, YTD)										
All real estate loans	0.05	0.00	0.01	0.01	0.04	0.00	-0.01	-0.06	0.02	0.14
Construction and development	0.01	0.00	0.00	0.02	0.02	0.01	0.01	-0.01	0.00	-0.02
Nonfarm nonresidential	0.17	-0.01	0.28	0.01	0.09	0.02	-0.01	0.00	0.00	0.57
Multifamily residential real estate	0.02	0.00	0.00	-0.01	0.01	0.00	0.00	0.00	0.00	0.09
Home equity loans	-0.07	0.00	-0.29	0.01	-0.03	-0.06	-0.35	0.06	0.00	-0.12
Other 1-4 family residential	0.01	0.01	-0.01	0.00	0.00	0.01	0.00	-0.07	0.03	0.03
Commercial and industrial loans	0.29	2.18	0.28	0.16	0.28	0.05	0.62	0.25	0.14	0.20
Loans to individuals	2.05	3.54	2.04	0.45	1.08	0.32	1.27	1.53	0.33	2.10
Credit card loans	3.26	3.67	2.53	1.97	4.16	2.75	7.48	1.07	1.06	3.47
Other loans to individuals	0.88	2.03	0.46	0.28	0.87	0.25	1.19	1.55	0.32	0.82
All other loans and leases (including farm)	0.11	3.33	0.08	0.05	0.11	0.04	0.03	1.22	0.62	0.12
Total loans and leases	0.45	3.35	0.52	0.05	0.17	0.03	0.85	0.21	0.09	0.56
Loans Outstanding (in billions)										
All real estate loans	$5,849.6	$5.2	$700.2	$121.0	$3,458.9	$214.1	$61.7	$11.0	$39.6	$1,237.8
Construction and development	488.5	0.1	22.0	8.9	385.8	5.9	0.6	1.1	2.9	61.2
Nonfarm nonresidential	1,796.9	0.4	73.4	31.6	1,383.9	15.4	8.5	3.9	8.8	271.1
Multifamily residential real estate	600.2	0.0	114.1	4.6	398.2	5.4	1.0	0.3	1.2	75.4
Home equity loans	269.1	0.0	20.9	1.9	172.5	8.9	0.6	0.3	1.3	62.7
Other 1-4 family residential	2,526.1	4.6	430.1	28.2	1,057.7	177.6	50.9	4.8	22.0	750.1
Commercial and industrial loans	2,517.3	41.9	368.3	23.1	1,250.6	7.2	39.1	1.9	4.5	780.7
Loans to individuals	2,072.1	348.4	424.8	6.5	367.1	14.9	174.5	1.5	4.1	730.4
Credit card loans	1,027.8	319.7	323.0	0.7	23.9	0.4	2.4	0.0	0.0	357.7
Other loans to individuals	1,044.3	28.7	101.8	5.9	343.2	14.5	172.0	1.5	4.1	372.8
All other loans and leases (including farm)	1,861.5	1.5	560.2	36.5	500.0	7.3	14.6	0.8	3.1	737.4
Total loans and leases (plus unearned income)	12,300.5	397.0	2,053.5	187.2	5,576.6	243.5	289.9	15.3	51.3	3,486.4
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	2,841.3	0.9	274.3	72.1	1,632.4	40.6	3.7	17.5	27.6	772.3
Construction and development	453.9	0.0	5.0	4.5	385.1	10.2	0.9	8.0	12.7	27.5
Nonfarm nonresidential	1,463.4	0.9	117.0	34.8	813.5	9.8	0.3	6.6	8.5	472.1
Multifamily residential real estate	70.5	0.0	0.0	2.1	68.3	0.0	0.0	0.0	0.2	0.0
1-4 family residential	794.0	0.0	150.3	10.8	328.6	20.6	2.5	2.7	5.6	272.7
Farmland	56.3	0.0	0.0	19.9	35.7	0.0	0.0	0.1	0.6	0.0

* See Table IV-A (page 8) for explanations.

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

TABLE V-A. Loan Performance, All FDIC-Insured Institutions

June 30, 2023	All Insured Institutions	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due												
All loans secured by real estate	0.37	0.93	0.36	0.20	0.45	0.39	0.36	0.40	0.28	0.43	0.58	0.23
Construction and development	0.34	0.63	0.43	0.26	0.32	0.43	0.46	0.20	0.21	0.48	0.27	0.50
Nonfarm nonresidential	0.19	0.71	0.23	0.13	0.20	0.22	0.26	0.19	0.16	0.25	0.18	0.09
Multifamily residential real estate	0.12	0.38	0.12	0.08	0.21	0.03	0.20	0.19	0.05	0.06	0.20	0.04
Home equity loans	0.48	0.64	0.40	0.37	0.52	0.49	0.45	0.45	0.56	0.55	0.46	0.31
Other 1-4 family residential	0.56	1.27	0.51	0.31	0.78	0.50	0.49	0.60	0.37	0.59	1.33	0.39
Commercial and industrial loans	0.32	1.32	0.53	0.40	0.28	0.31	0.17	0.29	0.41	0.29	0.29	0.55
Loans to individuals	1.40	1.28	1.16	1.75	1.31	1.44	1.18	1.95	0.84	1.31	0.84	1.73
Credit card loans	1.36	3.57	3.72	3.38	1.37	1.29	1.56	1.70	0.91	1.15	0.64	1.51
Other loans to individuals	1.44	1.26	1.07	1.42	1.26	1.63	0.87	2.18	0.78	1.68	0.89	1.94
All other loans and leases (including farm)	0.19	0.50	0.36	0.30	0.24	0.15	0.09	0.13	0.27	0.17	0.16	0.31
Total loans and leases	0.51	0.94	0.41	0.33	0.56	0.53	0.42	0.62	0.39	0.48	0.52	0.72
Percent of Loans Noncurrent**												
All real estate loans	0.94	0.78	0.46	0.46	0.91	1.38	1.01	0.97	0.90	1.19	0.92	0.47
Construction and development	0.41	0.41	0.33	0.40	0.31	0.70	0.76	0.29	0.60	0.22	0.15	0.57
Nonfarm nonresidential	0.82	0.89	0.48	0.42	0.73	1.69	1.11	1.01	0.64	1.23	0.38	0.46
Multifamily residential real estate	0.21	0.20	0.19	0.25	0.19	0.21	0.33	0.33	0.14	0.11	0.11	0.12
Home equity loans	1.71	0.50	0.44	0.42	1.04	2.90	1.49	1.30	2.12	3.73	0.70	0.50
Other 1-4 family residential	1.22	0.83	0.47	0.59	1.44	1.39	1.17	1.10	1.12	1.42	2.15	0.56
Commercial and industrial loans	0.68	1.42	0.71	1.02	0.77	0.55	0.93	0.53	0.68	0.52	0.73	0.87
Loans to individuals	0.88	0.68	0.44	0.97	0.89	0.89	0.99	1.01	0.52	0.91	0.64	1.05
Credit card loans	1.33	1.93	2.05	3.21	1.39	1.24	1.61	1.61	0.88	1.13	1.03	1.44
Other loans to individuals	0.45	0.67	0.38	0.52	0.48	0.42	0.49	0.45	0.19	0.41	0.53	0.68
All other loans and leases (including farm)	0.15	0.61	0.56	0.37	0.13	0.13	0.13	0.09	0.22	0.12	0.28	0.13
Total loans and leases	0.76	0.83	0.49	0.57	0.79	0.82	0.87	0.73	0.68	0.79	0.82	0.66
Percent of Loans Charged-Off (net, YTD)												
All real estate loans	0.05	-0.02	0.00	0.01	0.05	0.10	0.06	0.11	0.06	0.02	0.02	0.05
Construction and development	0.01	-0.02	-0.01	0.00	0.04	0.00	0.04	-0.02	0.02	0.00	0.00	0.08
Nonfarm nonresidential	0.17	0.01	0.01	0.02	0.14	0.50	0.19	0.34	0.18	0.09	0.05	0.09
Multifamily residential real estate	0.02	0.00	-0.01	0.01	0.02	0.04	0.01	0.01	0.06	0.00	0.01	0.00
Home equity loans	-0.07	0.00	-0.01	0.01	-0.03	-0.15	-0.04	-0.12	-0.11	-0.09	-0.04	0.01
Other 1-4 family residential	0.01	-0.03	0.00	0.00	0.00	0.01	-0.01	0.00	0.03	0.00	0.00	0.02
Commercial and industrial loans	0.29	0.25	0.20	0.28	0.40	0.24	0.21	0.29	0.30	0.15	0.20	0.83
Loans to individuals	2.05	0.43	0.75	2.62	2.00	2.07	2.11	2.16	1.41	2.39	0.96	2.49
Credit card loans	3.26	14.30	4.09	9.31	3.40	3.03	3.80	3.50	2.32	3.05	2.00	3.84
Other loans to individuals	0.88	0.33	0.64	1.22	0.88	0.85	0.81	0.95	0.58	0.99	0.66	1.22
All other loans and leases (including farm)	0.11	-0.06	0.11	0.15	0.07	0.12	0.08	0.17	0.09	0.09	0.14	0.06
Total loans and leases	0.45	0.04	0.06	0.22	0.50	0.53	0.42	0.56	0.32	0.41	0.13	0.87
Loans Outstanding (in billions)												
All real estate loans	$5,849.6	$16.7	$552.8	$1,184.4	$2,048.3	$2,047.3	$1,252.9	$1,001.9	$1,328.3	$909.8	$724.4	$632.2
Construction and development	488.5	1.1	57.1	130.5	201.9	97.9	90.1	76.7	82.3	70.7	119.2	49.6
Nonfarm nonresidential	1,796.9	3.5	202.0	496.1	714.5	380.8	405.1	333.9	300.6	224.8	288.9	243.7
Multifamily residential real estate	600.2	0.4	32.9	135.3	238.2	193.5	189.7	54.3	177.8	61.1	37.2	80.1
Home equity loans	269.1	0.3	16.1	38.6	99.5	114.7	72.7	57.3	68.0	28.7	21.1	21.3
Other 1-4 family residential	2,526.1	8.2	192.2	345.1	776.8	1,203.8	489.8	464.0	673.1	437.3	234.0	227.8
Commercial and industrial loans	2,517.3	2.9	84.3	247.8	822.0	1,360.3	426.3	641.3	611.0	440.8	198.3	199.5
Loans to individuals	2,072.1	1.6	27.3	98.0	788.8	1,156.5	388.8	479.2	420.6	309.0	80.3	394.2
Credit card loans	1,027.8	0.0	0.8	16.6	353.4	657.0	172.2	233.0	200.1	213.2	17.7	191.6
Other loans to individuals	1,044.3	1.6	26.5	81.4	435.3	499.5	216.7	246.2	220.4	95.8	62.6	202.6
All other loans and leases (including farm)	1,861.5	3.0	39.5	71.4	468.0	1,279.4	335.0	394.1	526.2	404.5	71.1	130.6
Total loans and leases (plus unearned income)	12,300.5	24.3	703.9	1,601.7	4,127.1	5,843.5	2,403.1	2,516.5	2,886.0	2,064.2	1,074.2	1,356.5
Memo: Other Real Estate Owned (in millions)												
All other real estate owned	2,841.3	15.7	371.0	685.0	689.4	1,080.1	473.1	671.8	537.1	548.3	451.5	159.6
Construction and development	453.9	3.8	122.3	193.7	113.5	20.6	58.4	72.5	32.9	88.9	175.3	26.0
Nonfarm nonresidential	1,463.4	5.7	158.4	338.1	249.0	712.3	131.7	461.7	243.3	371.2	203.4	52.2
Multifamily residential real estate	70.5	0.4	11.9	47.2	6.4	4.6	47.7	3.0	10.7	6.9	2.2	0.0
1-4 family residential	794.0	5.8	62.4	84.0	305.1	336.6	235.3	133.1	242.4	66.2	53.5	63.4
Farmland	56.3	0.1	16.0	20.8	15.4	4.0	0.0	1.0	7.2	13.0	17.1	18.1

* See Table IV-A (page 9) for explanations.

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

TABLE VI-A. Derivatives, All FDIC-Insured Call Report Filers

							Asset Size Distribution				
(dollar figures in millions; notional amounts unless otherwise indicated)	2nd Quarter 2023	1st Quarter 2023	4th Quarter 2022	3rd Quarter 2022	2nd Quarter 2022	%Change 22Q2-23Q2	Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
ALL DERIVATIVE HOLDERS											
Number of institutions reporting derivatives	1,187	1,178	1,141	1,212	1,254	-5.3	10	506	526	131	14
Total assets of institutions reporting derivatives	$21,524,691	$21,778,638	$21,631,677	$21,656,127	$21,873,051	-1.6	$657	$262,110	$1,649,964	$6,043,034	$13,568,926
Total deposits of institutions reporting derivatives	17,039,067	17,123,918	17,562,378	17,673,277	17,982,075	-5.2	492	219,310	1,350,936	4,826,589	10,641,740
Total derivatives	224,647,898	220,468,605	192,875,723	198,385,321	197,421,142	13.8	125	10,659	205,991	4,698,930	219,732,192
Derivative Contracts by Underlying Risk Exposure											
Interest rate	164,098,782	160,283,100	139,774,359	141,989,523	142,884,741	14.8	125	10,149	198,435	2,791,496	161,098,578
Foreign exchange*	49,083,326	48,529,675	43,001,986	45,988,455	44,459,158	10.4	0	0	3,051	1,664,046	47,416,230
Equity	5,471,018	5,001,131	4,423,904	4,409,702	4,330,864	26.3	0	30	32	53,963	5,416,993
Commodity & other (excluding credit derivatives)	1,519,658	1,574,689	1,432,977	1,606,776	1,779,436	-14.6	0	0	141	126,787	1,392,730
Credit	4,474,144	5,079,273	4,241,352	4,389,784	3,965,766	12.8	0	40	3,805	62,638	4,407,661
Total	224,646,928	220,467,868	192,874,578	198,384,240	197,419,965	13.8	125	10,219	205,464	4,698,930	219,732,192
Derivative Contracts by Transaction Type											
Swaps	143,242,708	137,729,743	118,597,662	121,132,626	121,285,181	18.1	0	1,653	142,142	3,125,856	139,973,058
Futures & forwards	33,317,054	34,502,393	28,748,693	31,661,060	32,045,336	4.0	0	1,000	9,449	1,117,159	32,189,446
Purchased options	20,127,902	20,067,871	19,695,467	19,118,334	18,596,675	8.2	0	234	20,121	182,195	19,925,352
Written options	20,751,678	20,222,587	19,693,855	18,780,453	18,958,408	9.5	0	983	10,009	162,153	20,578,533
Total	217,439,342	212,522,593	186,735,678	190,692,473	190,885,599	13.9	0	3,870	181,720	4,587,362	212,666,389
Fair Value of Derivative Contracts											
Interest rate contracts	54,259	64,099	72,856	76,860	76,672	-29.2	0	61	1,946	-2,338	54,589
Foreign exchange contracts	9,782	2,918	-14,980	15,025	11,233	-12.9	0	0	1	1,287	8,493
Equity contracts	-7,184	-5,957	4,403	16,949	12,308	-158.4	0	0	8	-559	-6,634
Commodity & other (excluding credit derivatives)	1,819	2,790	8,892	18,933	22,615	-92.0	0	0	2	271	1,547
Credit derivatives as guarantor**	15,417	12,909	5,346	-16,373	-18,433	-183.6	0	4	16	-100	15,497
Credit derivatives as beneficiary**	-17,352	-14,434	-4,002	23,163	22,643	-176.6	0	0	-3	-483	-16,867
Derivative Contracts by Maturity* **											
Interest rate contracts < 1 year	112,943,731	109,261,325	92,694,359	97,477,065	96,672,591	16.8	0	1,484	27,789	1,621,997	111,292,461
1-5 years	29,392,067	30,208,347	27,375,717	26,085,681	26,253,904	12.0	5	2,516	83,241	619,090	28,687,217
> 5 years	21,500,104	21,259,200	20,667,400	19,919,888	22,979,692	-6.4	0	1,964	66,583	343,076	21,088,482
Foreign exchange and gold contracts < 1 year	35,713,887	36,896,856	33,156,693	34,753,442	33,883,174	5.4	0	0	1,794	1,533,849	34,178,243
1-5 years	5,264,822	4,979,588	4,811,621	4,481,609	4,545,526	15.8	0	0	312	103,351	5,161,160
> 5 years	3,320,695	2,528,186	2,444,283	2,226,842	2,476,418	34.1	0	0	1	6,556	3,314,138
Equity contracts < 1 year	5,331,649	4,990,234	4,335,420	4,315,354	4,272,177	24.8	0	7	2	23,085	5,308,555
1-5 years	1,142,298	1,150,946	999,329	1,057,822	911,068	25.4	0	23	4	7,293	1,134,980
> 5 years	132,964	106,507	98,766	140,485	174,232	-23.7	0	0	0	21,520	111,444
Commodity & other contracts (including credit < 1 year	2,903,697	3,102,480	2,743,038	2,933,679	3,007,398	-3.4	0	2	190	41,902	2,861,603
derivatives, excluding gold contracts) 1-5 years	3,038,310	3,290,726	2,844,783	2,819,537	2,653,707	14.5	0	14	1,420	64,429	2,972,448
> 5 years	270,488	487,503	272,418	468,669	680,264	-60.2	0	66	2,269	7,668	260,486
Risk-Based Capital: Credit Equivalent Amount											
Total current exposure to tier 1 capital (%)	14.4	13.0	14.9	21.0	17.5		0.0	0.7	2.8	4.7	21.2
Total potential future exposure to tier 1 capital (%)	31.6	32.0	31.8	32.2	35.2		0.0	0.2	0.9	5.2	49.9
Total exposure (credit equivalent amount) to tier 1 capital (%)	45.9	45.1	46.7	53.2	52.7		0.0	0.9	3.7	9.9	71.1
Credit losses on derivatives** **	-12.8	-12.5	101.1	106.6	104.6	-112.2	0.0	1.4	1.3	-0.3	-15.1
HELD FOR TRADING											
Number of institutions reporting derivatives	153	158	165	173	172	-11.0	0	12	73	56	12
Total assets of institutions reporting derivatives	16,286,963	16,517,738	16,459,085	16,478,700	16,613,157	-2.0	0	7,072	324,457	3,090,110	12,865,324
Total deposits of institutions reporting derivatives	12,811,834	12,895,162	13,224,437	13,290,145	13,518,784	-5.2	0	5,891	266,472	2,473,404	10,066,067
Derivative Contracts by Underlying Risk Exposure											
Interest rate	157,949,351	155,617,896	135,502,495	137,555,249	138,592,472	14.0	0	314	43,560	1,263,780	156,641,697
Foreign exchange	45,798,549	45,123,349	40,604,230	42,216,283	41,401,741	10.6	0	0	2,718	1,567,298	44,228,533
Equity	5,417,476	4,948,378	4,375,929	4,363,822	4,283,905	26.5	0	0	0	44,555	5,372,920
Commodity & other	1,476,394	1,532,080	1,391,961	1,565,817	1,737,954	-15.0	0	0	39	119,207	1,357,148
Total	210,641,770	207,221,703	181,874,615	185,701,171	186,016,071	13.2	0	314	46,317	2,994,840	207,600,299
Trading Revenues: Cash & Derivative Instruments											
Interest rate**	3,479	5,728	4,623	-1,179	894	289.1	0	0	5	91	3,383
Foreign exchange**	5,173	4,438	1,168	8,156	6,366	-18.7	0	0	2	215	4,956
Equity**	3,995	5,335	3,099	3,308	777	414.2	0	0	4	392	3,600
Commodity & other (including credit derivatives)**	1,027	2,086	785	2,453	2,363	-56.5	0	0	0	57	970
Total trading revenues**	13,674	17,586	9,675	12,739	10,401	31.5	0	0	10	755	12,908
Share of Revenue											
Trading revenues to gross revenues (%)**	5.6	7.6	4.8	7.1	6.8		0.0	0.0	0.2	1.7	6.6
Trading revenues to net operating revenues (%)**	27.0	33.5	20.8	27.7	25.6		0.0	0.0	1.0	8.5	31.6
HELD FOR PURPOSES OTHER THAN TRADING											
Number of institutions reporting derivatives	547	546	528	541	553	-1.1	0	104	304	125	14
Total assets of institutions reporting derivatives	20,738,050	20,871,019	20,707,301	20,730,909	20,822,169	-0.4	0	56,282	1,206,930	5,905,913	13,568,926
Total deposits of institutions reporting derivatives	16,387,383	16,454,728	16,786,145	16,882,713	17,089,251	-4.1	0	46,745	983,850	4,715,049	10,641,740
Derivative Contracts by Underlying Risk Exposure											
Interest rate	6,123,185	4,642,380	4,252,676	4,412,573	4,267,827	43.5	0	3,527	135,061	1,527,716	4,456,881
Foreign exchange	577,582	563,149	519,396	491,890	513,259	12.5	0	0	209	47,818	529,555
Equity	53,542	52,752	47,975	45,880	46,959	14.0	0	30	31	9,408	44,073
Commodity & other	43,264	42,609	41,016	40,959	41,482	4.3	0	0	102	7,580	35,582
Total notional amount	6,797,573	5,300,890	4,861,062	4,991,302	4,869,528	39.6	0	3,556	135,403	1,592,523	5,066,091

All line items are reported on a quarterly basis. N/M - Not Meaningful

* Includes spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.

** Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.

*** Derivative contracts subject to the risk-based capital requirements for derivatives.

**** Credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and banks filing the FFIEC 041 report form that have $300 million or more in total assets, but is not applicaable to banks filing the FFIEC 051 form.

TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Call Report Filers)*

(dollar figures in millions)	2nd Quarter 2023	1st Quarter 2023	4th Quarter 2022	3rd Quarter 2022	2nd Quarter 2022	%Change 22Q2-23Q2	Asset Size Distribution: Less Than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	$10 Billion to $250 Billion	Greater Than $250 Billion
Assets Sold and Securitized with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements											
Number of institutions reporting securitization activities	61	62	63	64	64	-4.7	0	4	11	36	10
Outstanding Principal Balance by Asset Type**											
1-4 family residential loans	$251,654	$254,891	$257,043	$270,421	$278,414	-9.6	$0	$4,864	$11,865	$60,704	$174,220
Home equity loans	4	4	5	5	6	-33.3	0	0	0	4	0
Credit card receivables	130	118	103	76	39	233.3	0	0	0	130	0
Auto loans	1,336	1,237	1,102	541	59	2,164.4	0	0	0	974	362
Other consumer loans	1,545	1,654	1,202	1,277	1,347	14.7	0	0	0	613	932
Commercial and industrial loans	4,648	4,703	4,988	4,626	5,265	-11.7	0	0	0	0	4,648
All other loans, leases, and other assets	111,473	109,531	110,712	113,555	114,372	-2.5	0	0	2,412	11,708	97,354
Total securitized and sold	370,790	372,138	375,155	390,501	399,502	-7.2	0	4,864	14,277	74,133	277,516
Maximum Credit Exposure by Asset Type**											
1-4 family residential loans	874	648	633	650	726	20.4	0	0	0	385	489
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Auto loans	12	12	19	19	0	0.0	0	0	0	0	12
Other consumer loans	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	210	207	219	203	226	-7.1	0	0	0	0	210
All other loans, leases, and other assets	2,767	2,783	2,790	2,975	2,525	9.6	0	0	63	342	2,363
Total credit exposure	3,863	3,650	3,661	3,847	3,477	11.1	0	0	63	727	3,074
Total unused liquidity commitments provided to institution's own securitizations	229	251	236	210	187	22.5	0	0	0	0	229
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)**											
1-4 family residential loans	2.7	2.3	2.9	2.5	2.4		0.0	1.8	2.5	2.8	2.7
Home equity loans	6.3	7.1	5.5	3.4	9.3		0.0	0.0	0.0	6.3	0.0
Credit card receivables	6.2	5.1	5.8	3.9	2.6		0.0	0.0	0.0	6.2	0.0
Auto loans	4.5	2.1	1.2	0.4	0.0		0.0	0.0	0.0	5.9	0.8
Other consumer loans	2.2	2.1	3.3	3.1	2.9		0.0	0.0	0.0	1.3	2.8
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.5	0.6	0.3	0.3	0.3		0.0	0.0	0.5	2.1	0.4
Total loans, leases, and other assets	2.0	1.7	2.0	1.8	1.8		0.0	0.0	0.0	3.1	1.9
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)**											
1-4 family residential loans	0.8	0.8	0.8	1.0	1.1		0.0	1.0	1.0	1.8	0.4
Home equity loans	27.0	28.6	28.1	27.5	26.0		0.0	0.0	0.0	27.0	0.0
Credit card receivables	6.2	6.8	5.8	2.6	0.0		0.0	0.0	0.0	6.2	0.0
Auto loans	0.3	0.2	0.0	0.0	0.0		0.0	0.0	0.0	0.4	0.0
Other consumer loans	1.5	1.7	2.8	2.8	2.5		0.0	0.0	0.0	0.7	2.0
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.9	0.6	0.6	0.9	0.7		0.0	0.0	0.8	0.7	0.9
Total loans, leases, and other assets	0.6	0.5	0.5	0.8	0.9		0.0	0.0	0.0	0.9	0.6
Securitized Loans, Leases, and Other Assets Charged-Off (net, YTD, annualized, %)**											
1-4 family residential loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
Home equity loans	1.2	0.1	4.0	2.1	2.3		0.0	0.0	0.0	1.2	0.0
Credit card receivables	10.0	4.2	1.9	0.0	0.0		0.0	0.0	0.0	10.0	0.0
Auto loans	0.4	0.2	0.0	0.0	0.0		0.0	0.0	0.0	0.6	0.0
Other consumer loans	0.8	0.4	0.6	0.4	0.3		0.0	0.0	0.0	0.6	0.9
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.1	0.1	0.2	0.1	0.1		0.0	0.0	0.0	0.8	0.1
Total loans, leases, and other assets	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.1	0.0
Seller's Interests in Institution's Own Securitizations - Carried as Securities or Loans***											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
Assets Sold with Recourse and Not Securitized											
Number of institutions reporting asset sales	307	307	311	316	308	-0.3	3	92	139	63	10
Outstanding Principal Balance by Asset Type											
1-4 family residential loans	20,352	20,297	24,182	27,018	27,429	-25.8	19	2,706	8,861	7,660	1,105
All other loans, leases, and other assets	146,945	144,741	144,016	142,239	141,862	3.6	0	31	136	41,553	105,225
Total sold and not securitized	167,297	165,038	168,198	169,257	169,291	-1.2	19	2,737	8,997	49,214	106,331
Maximum Credit Exposure by Asset Type											
1-4 family residential loans	6,487	6,349	8,620	9,015	9,893	-34.4	1	260	2,766	2,779	682
All other loans, leases, and other assets	43,182	41,996	41,742	41,221	41,203	4.8	0	30	392	12,869	29,891
Total credit exposure	49,669	48,344	50,362	50,235	51,095	-2.8	1	290	3,158	15,648	30,572
Support for Securitization Facilities Sponsored by Other Institutions											
Number of institutions reporting securitization facilities sponsored by others	33	34	36	36	36	-8.3	0	11	11	4	7
Total credit exposure	19,524	20,213	20,092	21,922	22,526	-13.3	0	0	0	0	19,524
Total unused liquidity commitments	2,722	3,049	3,165	3,576	1,995	36.4	0	0	0	295	2,427
Other											
Assets serviced for others****	6,238,594	6,226,181	6,329,175	6,178,078	6,111,536	2.1	2,560	208,279	417,395	1,449,693	4,160,667
Asset-backed commercial paper conduits											
Credit exposure to conduits sponsored by institutions and others	4,920	4,090	4,128	3,803	5,836	-15.7	0	0	0	28	4,892
Unused liquidity commitments to conduits sponsored by institutions and others	69,682	59,759	60,714	59,659	61,747	12.9	0	0	0	33	69,649
Net servicing income (for the quarter)	2,392	1,755	1,412	3,224	3,489	-31.4	6	117	481	799	990
Net securitization income (for the quarter)	30	29	38	-11	-2	N/M	0	1	4	9	16
Total credit exposure to Tier 1 capital (%)*****	3.2	3.2	3.1	3.3	3.3	-3.0	0.0	0.0	0.1	2.3	4.7

* Does not include banks filing the FFIEC 051 report form, which was introduced in first quarter 2017.

** Beginning in June 2018, for banks that file the FFIEC 041 report form, all other loans include home equity loans, credit card receivables, auto loans, other consumer loans, and commercial and industrial loans.

*** Beginning in June 2018, only includes banks that file the FFIEC 031 report form.

**** The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than $10 million.

***** Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

COMMUNITY BANK PERFORMANCE

Community banks are identified based on criteria defined in the FDIC's 2012 *Community Banking Study*. When comparing community bank performance across quarters, prior-quarter dollar amounts are based on community banks designated as such in the current quarter, adjusted for mergers. In contrast, prior-quarter ratios are based on community banks designated during the previous quarter.

- ***Net Income Increased Quarter Over Quarter***
- ***The Net Interest Margin Declined for the Second Straight Quarter***
- ***Unrealized Losses on Securities Increased Quarter Over Quarter***
- ***Loan Growth Continued and Was Broad-Based Across Most Portfolio Segments***
- ***Total Deposits Were Flat Quarter Over Quarter***
- ***Asset Quality Remained Favorable Overall***

Net Income Increased From First Quarter

Net income for the 4,198 community banks rose $236.2 million (3.4 percent) from one quarter ago to $7.1 billion in second quarter 2023. Higher noninterest income and lower losses on the sale of securities exceeded lower net interest income and higher noninterest expense. Less than half (42.5 percent) of all community banks reported higher net income compared with first quarter 2023. The share of unprofitable community banks rose slightly to 5.1 percent. The pretax return on assets (ROA) ratio rose 1 basis point from one quarter ago to 1.28 percent.

Net income increased $50.6 million (0.7 percent) from second quarter 2022, driven by higher net interest income that was largely offset by higher noninterest expense. Pretax ROA fell 7 basis points from the year-ago quarter.

The Net Interest Margin Declined for the Second Straight Quarter

Following a decline of 22 basis points in the first quarter, the community bank NIM declined 10 basis points in the second quarter. The NIM increased 5 basis points from the year-ago quarter. The quarterly decrease in the NIM was due mainly to the increase in cost of deposits outpacing the increase in yield on loans. The yield on earning assets rose 27 basis points quarter over quarter and 136 basis points year over year, while cost of funds rose 37 basis points quarter over quarter and 131 basis points year over year.

Net Operating Revenue Increased Quarter Over Quarter on Higher Noninterest Income

Community bank net operating revenue (net interest income plus noninterest income) increased $97.5 million (0.4 percent) from first quarter 2023. Higher interest expense, mainly on domestic deposits, drove the quarterly decline in net interest income. Noninterest income increased $428.4 million (9.2 percent) from the prior quarter due to higher net gains on sales of other assets, "all other noninterest income," and net gains on loan sales.[1] More than 56 percent of community banks reported lower net interest income in the second quarter.

From the year-ago quarter, a $1.3 billion increase in net interest income was only partially offset by a $140.1 million decline in noninterest income, resulting in a $1.2 billion (4.6 percent) increase in net operating revenue. Higher interest income on loans secured by farmland and nonfarm, nonresidential commercial real estate (CRE) and 1–4 family residential real estate loans drove the annual growth in

[1] "All other noninterest income" includes material write-in items as well as income related to wire transfers and ATM fees, bank card and credit card interchange fees, safe deposit box rent, printing and sale of checks, earnings on/increase in value of cash surrender value of life insurance, and other noninterest sources.

net interest income, while lower net gains on loan sales drove the annual decline in noninterest income.

Noninterest Expense Increased Quarter Over Quarter and Year Over Year

Noninterest expense of $17.0 billion was $245.4 million (1.5 percent) higher than a quarter ago and $1.2 billion (7.8 percent) higher than a year ago. The quarterly increase was attributed to "all other noninterest expense," while the annual increase was attributed to "all other noninterest expense" and salaries and benefits expense.[2] Noninterest expense as a share of average assets rose 3 basis points to 2.52 percent from one quarter ago as the increase in noninterest expense outpaced the increase in average assets. The community bank efficiency ratio (noninterest expense as a share of net operating revenue) rose 95 basis points from one quarter ago to 63.8 percent, as the increase in noninterest expense outpaced the increase in net operating revenue. The higher efficiency ratio indicates that banks were less efficient at generating revenue.

Provision Expense Increased Modestly From the Prior Quarter

Quarterly provision expense of $779.5 million was $23.6 million (3.1 percent) higher than one quarter ago and $232.0 million higher than one year ago.[3] As of second quarter 2023, only 169 community banks had not yet adopted current expected credit loss (CECL) accounting.

The reserve coverage ratio (the ratio of the allowance for credit losses to noncurrent loans) decreased 13.4 percentage points from the previous quarter, but increased 15.6 percentage points from the year-ago quarter to 259.6 percent. The reserve coverage ratio for community banks was 38.4 percentage points above the reserve coverage ratio for noncommunity banks.

Community Bank Assets Rose on Stronger Quarterly Loan Growth

Total assets increased $23.6 billion (0.9 percent) from first quarter 2023 and $123.4 billion (4.8 percent) from the previous year. Growth in total loans and leases rose from the prior quarter, increasing $47.1 billion (2.6 percent) in second quarter 2023 compared with $32.1 billion (1.8 percent) in first quarter 2023. Total loans and leases grew $206.0 billion (12.5 percent) from one year ago. The balance of securities fell $18.4 billion (3.1 percent) from first quarter 2023 and $45.1 billion (7.4 percent) from one year ago. Cash and balances due from depository institutions declined $8.1 billion (4.7 percent) from the previous quarter and $45.4 billion (21.8 percent) from the previous year.

Unrealized Losses on Securities Increased Quarter Over Quarter[4]

Unrealized losses on securities totaled $64.4 billion in the second quarter, up $5.5 billion (9.3 percent) from the prior quarter. Unrealized losses on held-to-maturity securities totaled $10.4 billion in second quarter 2023, while unrealized losses on available-for-sale securities totaled $54.0 billion.

Loan Growth Was Steady and Broad-Based

Total loan and lease balances in all major portfolios increased from one quarter ago. The majority of community banks (81.1 percent) reported quarterly loan growth. Growth in 1–4 family residential real estate loan balances ($13.7 billion, or 3.2 percent) and nonfarm, nonresidential CRE loan balances ($10.3 billion, or 1.8 percent) drove the quarterly increase.

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[2] "All other noninterest expense" includes material write-in items as well as expense related to data processing, advertising, and marketing, legal fees, and consulting and advisory fees.
[3] Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.
[4] Unrealized losses on securities reflect the difference between the market value as of quarter-end and the book value of non-equity securities.

Loan balances in all major portfolios also grew from one year ago, and 89.9 percent of community banks reported annual loan growth. Growth in 1–4 family residential real estate loan balances ($57.3 billion, or 14.9 percent) and nonfarm, nonresidential CRE loan balances ($57.0 billion, or 11.2 percent) drove the annual increase.

Deposits Were Flat From the Previous Quarter

Community banks reported a slight decline in total deposits of 0.1 percent ($1.5 billion) during second quarter 2023, down from growth of 0.5 percent reported in first quarter 2023. More than half of all community banks (60.3 percent) reported a decrease in deposit balances from the prior quarter. Growth in insured deposit accounts ($13.5 billion, 0.9 percent) was offset by a decline in uninsured balances ($14.2 billion, 2.1 percent). In the second quarter, growth in interest-bearing deposit balances ($16.1 billion, or 1.0 percent) was offset by a decline in noninterest-bearing deposits ($17.6 billion, 3.1 percent). Total deposits rose 1.0 percent ($22.5 billion) from one year ago.

Wholesale funds increased $39.0 billion (6.8 percent) in the quarter.[5] This increase largely consisted of growth in total borrowings of $19.2 billion (15.5 percent) and reciprocal deposits (net of brokered) of $16.4 billion (19.6 percent) from one quarter ago. The share of wholesale funds to total assets was 22.6 percent in second quarter, up from 21.1 percent in first quarter 2023.

The Noncurrent Loan Rate Increased Slightly From the Prior Quarter

The share of loans and leases 90 days or more past due or in nonaccrual status increased 2 basis points from first quarter 2023 to 0.47 percent. Slightly less than half of community banks (45.8 percent) reported quarter-over-quarter reductions in noncurrent loan balances. Noncurrent loan balances for most of the major portfolios increased from one quarter ago.

The Net Charge-Off Rate Remained Unchanged

The community bank net charge-off rate remained unchanged from one quarter ago but increased 5 basis points from one year ago to 0.09 percent. This ratio remains low compared to the average rate of the past decade. In addition, most annual increases in charge-off rates occurred in relatively small loan portfolio segments. The net charge-off rate for consumer loans (which account for 4.7 percent of total loan balances) increased 41 basis points from one year ago to 1.06 percent.

Capital Ratios Remained Stable

The tier one risk-based capital ratio for community banks that did not file the community bank leverage ratio (CBLR) was 13.74 percent, up 3 basis points from the prior quarter, as reductions in higher risk-weighted assets outpaced tier 1 capital declines. The average CBLR for the 1,632 community banks that elected to use the CBLR framework was 12.06 percent, up 13 basis points from first quarter 2023. The leverage capital ratio for community banks increased 12 basis points to 10.68 percent in second quarter 2023.

No Community Banks Opened or Failed in Second Quarter 2023

The number of community banks declined to 4,198 in the second quarter, down 32 from the previous quarter. No community banks opened or failed, several transitioned from community to noncommunity banks or vice versa, and 24 merged out of existence during the quarter.

[5] Wholesale funding includes federal funds purchased and securities sold under agreement to repurchase, Federal Home Loan Bank and other borrowings, brokered and reciprocal deposits, listing service deposits, municipal and state deposits, and foreign deposits (which are not FDIC insured).

Table I-B. Selected Indicators, FDIC-Insured Community Banks

	2023*	2022*	2022	2021	2020	2019	2018
Return on assets (%)	1.05	1.07	1.15	1.26	1.09	1.20	1.19
Return on equity (%)	11.12	10.84	12.00	11.70	9.72	10.24	10.51
Core capital (leverage) ratio (%)	10.68	10.30	10.50	10.16	10.32	11.14	11.13
Noncurrent assets plus other real estate owned to assets (%)	0.36	0.37	0.33	0.40	0.60	0.65	0.71
Net charge-offs to loans (%)	0.09	0.04	0.07	0.07	0.12	0.13	0.12
Asset growth rate (%)	-1.63	3.29	-1.62	8.86	12.15	2.55	0.23
Net interest margin (%)	3.44	3.23	3.45	3.28	3.39	3.66	3.73
Net operating income growth (%)	-3.66	-6.89	-3.77	29.70	-2.07	0.13	25.30
Number of institutions reporting	4,198	4,328	4,258	4,386	4,556	4,750	4,978
Percentage of unprofitable institutions (%)	4.14	4.94	3.57	3.26	4.52	3.96	3.66

* Through June 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending June 30.

Table II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks

(dollar figures in millions)	2nd Quarter 2023	1st Quarter 2023	2nd Quarter 2022	% Change 22Q2-23Q2
Number of institutions reporting	4,198	4,230	4,328	-3.0
Total employees (full-time equivalent)	373,279	372,883	387,196	-3.6
CONDITION DATA				
Total assets	$2,713,202	$2,715,072	$2,758,087	-1.6
Loans secured by real estate	1,430,459	1,416,364	1,362,302	5.0
1-4 Family residential mortgages	441,928	431,164	412,653	7.1
Nonfarm nonresidential	568,195	567,723	551,964	2.9
Construction and development	152,765	152,450	141,343	8.1
Home equity lines	44,422	43,460	42,097	5.5
Commercial & industrial loans	239,791	237,324	239,910	0.0
Loans to individuals	87,854	83,770	76,585	14.7
Credit cards	2,882	2,721	2,621	10.0
Farm loans	47,346	43,409	44,480	6.4
Other loans & leases	49,456	47,004	50,884	-2.8
Less: Unearned income	751	686	712	5.5
Total loans & leases	1,854,156	1,827,186	1,773,450	4.6
Less: Reserve for losses*	22,666	22,565	22,118	2.5
Net loans and leases	1,831,491	1,804,621	1,751,333	4.6
Securities**	564,829	586,168	628,958	-10.2
Other real estate owned	789	784	953	-17.2
Goodwill and other intangibles	17,900	18,058	19,783	-9.5
All other assets	298,193	305,442	357,061	-16.5
Total liabilities and capital	2,713,202	2,715,072	2,758,087	-1.6
Deposits	2,263,366	2,287,433	2,383,601	-5.0
Domestic office deposits	2,262,571	2,286,708	2,380,478	-5.0
Foreign office deposits	795	726	3,123	-74.5
Brokered deposits	112,290	105,959	60,913	84.3
Estimated insured deposits	1,597,938	1,601,662	1,590,625	0.5
Other borrowed funds	164,577	144,155	91,360	80.1
Subordinated debt	315	315	368	-14.4
All other liabilities	27,291	25,636	23,264	17.3
Total equity capital (includes minority interests)	257,653	257,532	259,490	-0.7
Bank equity capital	257,540	257,406	259,355	-0.7
Loans and leases 30-89 days past due	6,220	6,740	5,484	13.4
Noncurrent loans and leases	8,732	8,268	9,068	-3.7
Restructured loans and leases	2,654	2,617	4,309	-38.4
Mortgage-backed securities	230,212	238,856	266,219	-13.5
Earning assets	2,537,324	2,543,863	2,582,718	-1.8
FHLB Advances	116,750	109,368	65,461	78.4
Unused loan commitments	417,560	422,376	436,827	-4.4
Trust assets	347,667	301,038	401,058	-13.3
Assets securitized and sold	26,144	25,473	29,834	-12.4
Notional amount of derivatives	123,646	112,999	125,179	-1.2

INCOME DATA	First Half 2023	First Half 2022	% Change	2nd Quarter 2023	2nd Quarter 2022	% Change 22Q2-23Q2
Total interest income	$60,803	$44,676	36.1	$31,464	$23,276	35.2
Total interest expense	17,643	3,324	430.8	10,044	1,776	465.5
Net interest income	43,159	41,353	4.4	21,420	21,499	-0.4
Provision for credit losses***	1,535	901	70.3	779	599	30.1
Total noninterest income	9,689	11,129	-12.9	5,060	5,528	-8.5
Total noninterest expense	33,722	33,159	1.7	16,989	16,713	1.7
Securities gains (losses)	-524	-538	-2.4	-85	-430	-80.2
Applicable income taxes	3,008	3,211	-6.3	1,475	1,666	-11.5
Extraordinary gains, net****	4	1	N/M	0	1	N/M
Total net income (includes minority interests)	14,064	14,674	-4.2	7,151	7,620	-6.2
Bank net income	14,060	14,666	-4.1	7,148	7,615	-6.1
Net charge-offs	839	327	156.7	421	194	116.8
Cash dividends	6,136	6,160	-0.4	3,330	3,194	4.3
Retained earnings	7,924	8,506	-6.8	3,818	4,422	-13.7
Net operating income	14,558	15,111	-3.7	7,235	7,964	-9.2

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.
** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.
*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the provision
**** See Notes to Users for explanation.
N/M - Not Meaningful

Table II-B. Aggregate Condition and Income Data, FDIC-Insured Community Banks
Prior Periods Adjusted for Mergers

(dollar figures in millions)	2nd Quarter 2023	1st Quarter 2023	2nd Quarter 2022	% Change 22Q2-23Q2
Number of institutions reporting	4,198	4,198	4,191	0.2
Total employees (full-time equivalent)	373,279	370,258	369,932	0.9
CONDITION DATA				
Total assets	$2,713,202	$2,689,631	$2,589,830	4.8
Loans secured by real estate	1,430,459	1,398,518	1,263,768	13.2
1-4 Family residential mortgages	441,928	428,217	384,603	14.9
Nonfarm nonresidential	568,195	557,894	511,190	11.2
Construction and development	152,765	150,302	129,571	17.9
Home equity lines	44,422	43,178	39,295	13.0
Commercial & industrial loans	239,791	234,709	222,538	7.8
Loans to individuals	87,854	82,995	71,129	23.5
Credit cards	2,882	2,716	2,400	20.1
Farm loans	47,346	43,257	43,613	8.6
Other loans & leases	49,456	48,297	47,694	3.7
Less: Unearned income	751	686	636	18.1
Total loans & leases	1,854,156	1,807,089	1,648,107	12.5
Less: Reserve for losses*	22,666	22,294	20,743	9.3
Net loans and leases	1,831,491	1,784,795	1,627,364	12.5
Securities**	564,829	583,185	609,950	-7.4
Other real estate owned	789	776	902	-12.5
Goodwill and other intangibles	17,900	17,813	16,885	6.0
All other assets	298,193	303,062	334,729	-10.9
Total liabilities and capital	2,713,202	2,689,631	2,589,830	4.8
Deposits	2,263,366	2,264,850	2,240,915	1.0
Domestic office deposits	2,262,571	2,264,124	2,240,167	1.0
Foreign office deposits	795	726	747	6.4
Brokered deposits	112,290	103,567	48,834	129.9
Estimated insured deposits	1,597,938	1,584,439	1,496,397	6.8
Other borrowed funds	164,577	143,146	84,886	93.9
Subordinated debt	315	315	330	-4.5
All other liabilities	27,291	25,396	21,049	29.7
Total equity capital (includes minority interests)	257,653	255,924	242,646	6.2
Bank equity capital	257,540	255,798	242,521	6.2
Loans and leases 30-89 days past due	6,220	6,653	5,210	19.4
Noncurrent loans and leases	8,732	8,154	8,269	5.6
Restructured loans and leases	2,654	2,544	4,077	-34.9
Mortgage-backed securities	230,212	237,777	254,143	-9.4
Earning assets	2,537,324	2,519,460	2,426,489	4.6
FHLB Advances	116,750	107,547	58,793	98.6
Unused loan commitments	417,560	422,920	409,523	2.0
Trust assets	347,667	307,058	319,963	8.7
Assets securitized and sold	26,144	25,473	24,919	4.9
Notional amount of derivatives	123,646	111,600	106,109	16.5

INCOME DATA	First Half 2023	First Half 2022	% Change	2nd Quarter 2023	2nd Quarter 2022	% Change 22Q2-23Q2
Total interest income	$60,803	$41,738	45.7	$31,464	$21,740	44.7
Total interest expense	17,643	3,075	473.8	10,044	1,632	515.6
Net interest income	43,159	38,663	11.6	21,420	20,108	6.5
Provision for credit losses***	1,535	830	85.0	779	548	42.4
Total noninterest income	9,689	10,380	-6.7	5,060	5,200	-2.7
Total noninterest expense	33,722	31,147	8.3	16,989	15,753	7.8
Securities gains (losses)	-524	-545	-3.8	-85	-392	-78.3
Applicable income taxes	3,008	2,911	3.3	1,475	1,514	-2.6
Extraordinary gains, net****	4	1	N/M	0	1	N/M
Total net income (includes minority interests)	14,064	13,610	3.3	7,151	7,102	0.7
Bank net income	14,060	13,603	3.4	7,148	7,098	0.7
Net charge-offs	839	298	182.1	421	177	137.6
Cash dividends	6,136	5,788	6.0	3,330	3,001	11.0
Retained earnings	7,924	7,815	1.4	3,818	4,097	-6.8
Net operating income	14,558	14,052	3.6	7,235	7,416	-2.4

* For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.
** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.
*** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the
**** See Notes to Users for explanation.

N/M - Not Meaningful

Table III-B. Aggregate Condition and Income Data by Geographic Region, FDIC-Insured Community Banks
Second Quarter 2023

(dollar figures in millions)	All Community Banks	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
		Geographic Regions*					
Number of institutions reporting	4,198	455	473	921	1,143	950	256
Total employees (full-time equivalent)	373,279	72,225	38,893	78,196	71,732	82,118	30,115
CONDITION DATA							
Total assets	$2,713,202	$634,037	$286,284	$511,305	$501,937	$525,552	$254,087
Loans secured by real estate	1,430,459	377,245	151,342	263,303	248,342	265,140	125,087
1-4 Family residential mortgages	441,928	142,864	45,522	76,814	71,610	77,703	27,414
Nonfarm nonresidential	568,195	137,358	69,135	102,986	86,239	110,415	62,061
Construction and development	152,765	26,302	18,361	24,422	27,381	45,319	10,979
Home equity lines	44,422	11,071	5,858	10,982	5,825	5,503	5,184
Commercial & industrial loans	239,791	47,390	23,270	51,947	52,295	47,228	17,661
Loans to individuals	87,854	17,630	7,583	13,908	13,966	13,637	21,131
Credit cards	2,882	407	117	189	1,041	249	880
Farm loans	47,346	507	1,440	7,630	27,123	7,939	2,707
Other loans & leases	49,456	14,593	3,057	12,991	8,028	7,671	3,116
Less: Unearned income	751	127	98	73	131	189	133
Total loans & leases	1,854,156	457,238	186,595	349,706	349,622	341,426	169,569
Less: Reserve for losses**	22,666	4,682	2,288	4,332	4,515	4,486	2,363
Net loans and leases	1,831,491	452,555	184,306	345,375	345,107	336,941	167,206
Securities***	564,829	110,562	63,238	110,822	106,302	121,333	52,571
Other real estate owned	789	187	100	125	180	161	36
Goodwill and other intangibles	17,900	4,450	783	4,488	3,501	3,518	1,161
All other assets	298,193	66,282	37,856	50,496	46,846	63,599	33,113
Total liabilities and capital	2,713,202	634,037	286,284	511,305	501,937	525,552	254,087
Deposits	2,263,366	515,331	247,754	426,574	416,362	448,998	208,347
Domestic office deposits	2,262,571	514,561	247,753	426,574	416,362	448,998	208,323
Foreign office deposits	795	770	1	0	0	0	24
Brokered deposits	112,290	34,158	11,874	21,770	18,707	15,139	10,642
Estimated insured deposits	1,597,938	365,157	168,181	312,979	311,078	301,147	139,397
Other borrowed funds	164,577	46,982	10,642	32,484	35,352	23,252	15,865
Subordinated debt	315	148	0	16	1	139	10
All other liabilities	27,291	8,512	2,596	4,600	4,279	4,012	3,292
Total equity capital (includes minority interests)	257,653	63,064	25,292	47,631	45,943	49,151	26,572
Bank equity capital	257,540	63,051	25,294	47,540	45,942	49,142	26,572
Loans and leases 30-89 days past due	6,220	1,326	592	1,026	1,227	1,619	430
Noncurrent loans and leases	8,732	2,398	703	1,686	1,353	1,848	744
Restructured loans and leases	2,654	663	230	692	464	466	138
Mortgage-backed securities	230,212	56,898	28,792	41,054	34,811	44,412	24,244
Earning assets	2,537,324	592,328	268,288	476,747	470,182	490,570	239,209
FHLB Advances	116,750	37,838	7,949	24,636	24,131	14,514	7,682
Unused loan commitments	417,560	93,716	37,890	82,991	90,148	75,537	37,279
Trust assets	347,667	72,388	13,585	71,769	134,155	44,676	11,093
Assets securitized and sold	26,144	11,152	10	3,815	5,969	4,647	553
Notional amount of derivatives	123,646	47,969	14,277	16,765	26,215	8,683	9,737

INCOME DATA	All Community Banks	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Total interest income	$31,464	$7,066	$3,363	$5,777	$5,717	$6,385	$3,156
Total interest expense	10,044	2,577	1,004	1,827	1,931	1,846	859
Net interest income	21,420	4,489	2,359	3,950	3,787	4,539	2,297
Provision for credit losses****	779	163	87	117	135	148	129
Total noninterest income	5,060	1,019	467	1,132	965	960	516
Total noninterest expense	16,989	3,738	1,770	3,135	3,065	3,424	1,856
Securities gains (losses)	-85	30	-4	-76	-12	-14	-8
Applicable income taxes	1,475	363	176	308	209	232	187
Extraordinary gains, net*****	0	0	0	0	0	0	0
Total net income (includes minority interests)	7,151	1,274	787	1,446	1,332	1,681	631
Bank net income	7,148	1,273	788	1,445	1,332	1,680	631
Net charge-offs	421	111	36	43	66	89	76
Cash dividends	3,330	833	172	755	616	715	239
Retained earnings	3,818	440	615	690	715	965	393
Net operating income	7,235	1,247	790	1,520	1,342	1,694	641

* See Table V-A for explanation.

** For institutions that have adopted ASU 2016-13, this item represents the allowance for credit losses on loans and leases held for investment and allocated transfer risk.

*** For institutions that have adopted ASU 2016-13, securities are reported net of allowances for credit losses.

**** For institutions that have adopted ASU 2016-13, this item represents provisions for credit losses on a consolidated basis; for institutions that have not adopted ASU 2016-13, this item represents the

***** See Notes to Users for explanation.

Table IV-B. Second Quarter 2023, FDIC-Insured Community Banks

	All Community Banks		Second Quarter 2023, Geographic Regions*					
	2nd Quarter 2023	1st Quarter 2023	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Performance ratios (annualized, %)								
Yield on earning assets	4.98	4.71	4.78	5.03	4.88	4.89	5.22	5.31
Cost of funding earning assets	1.59	1.22	1.74	1.50	1.54	1.65	1.51	1.45
Net interest margin	3.39	3.49	3.03	3.53	3.34	3.24	3.71	3.87
Noninterest income to assets	0.75	0.68	0.64	0.66	0.89	0.77	0.73	0.82
Noninterest expense to assets	2.52	2.49	2.36	2.48	2.47	2.46	2.61	2.94
Loan and lease loss provision to assets	0.12	0.11	0.10	0.12	0.09	0.11	0.11	0.20
Net operating income to assets	1.07	1.10	0.79	1.11	1.20	1.08	1.29	1.02
Pretax return on assets	1.28	1.27	1.03	1.35	1.38	1.24	1.46	1.30
Return on assets	1.06	1.04	0.80	1.10	1.14	1.07	1.28	1.00
Return on equity	11.15	11.13	8.06	12.52	12.18	11.62	13.75	9.71
Net charge-offs to loans and leases	0.09	0.09	0.10	0.08	0.05	0.08	0.11	0.18
Loan and lease loss provision to net charge-offs	187.87	167.15	147.54	247.57	278.06	207.04	172.05	169.41
Efficiency ratio	63.78	62.83	67.60	62.22	61.25	64.06	61.85	65.72
Net interest income to operating revenue	80.89	82.83	81.49	83.47	77.72	79.68	82.54	81.67
% of unprofitable institutions	5.15	4.42	8.35	7.19	5.10	3.41	3.68	8.98
% of institutions with earnings gains	52.33	67.45	43.30	61.10	51.03	49.08	56.53	55.86

*See Table IV-A for explanation.

Table V-B. First Half 2023, FDIC-Insured Community Banks

	All Community Banks		First Half 2023, Geographic Regions*					
	First Half 2023	First Half 2022	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Performance ratios (%)								
Yield on earning assets	4.84	3.49	4.67	4.90	4.74	4.75	5.06	5.16
Cost of funding earning assets	1.41	0.26	1.56	1.30	1.36	1.46	1.32	1.29
Net interest margin	3.44	3.23	3.11	3.60	3.37	3.29	3.75	3.87
Noninterest income to assets	0.72	0.82	0.63	0.63	0.85	0.77	0.71	0.73
Noninterest expense to assets	2.51	2.43	2.36	2.47	2.46	2.46	2.60	2.96
Loan and lease loss provision to assets	0.11	0.07	0.09	0.12	0.09	0.10	0.11	0.24
Net operating income to assets	1.08	1.11	0.84	1.15	1.20	1.12	1.32	0.85
Pretax return on assets	1.27	1.31	1.08	1.40	1.39	1.27	1.48	0.95
Return on assets	1.05	1.07	0.84	1.14	1.14	1.10	1.30	0.63
Return on equity	11.12	10.84	8.43	13.05	12.32	12.13	14.12	6.24
Net charge-offs to loans and leases	0.09	0.04	0.09	0.07	0.05	0.08	0.09	0.27
Loan and lease loss provision to net charge-offs	176.23	269.83	133.24	250.74	288.69	179.70	198.94	135.96
Efficiency ratio	63.43	62.82	66.59	61.41	61.07	63.54	61.32	67.49
Net interest income to operating revenue	81.67	78.80	82.15	84.30	78.72	80.09	83.10	83.26
% of unprofitable institutions	4.14	4.94	6.59	5.92	3.91	2.36	3.26	8.59
% of institutions with earnings gains	60.48	40.27	49.67	71.04	58.31	59.76	63.47	60.16

*See Table IV-A for explanation.

Table VI-B. Loan Performance, FDIC-Insured Community Banks

June 30, 2023	All Community Banks	Geographic Regions* New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due							
All loans secured by real estate	0.27	0.23	0.24	0.28	0.30	0.37	0.15
Construction and development	0.34	0.35	0.18	0.23	0.47	0.41	0.25
Nonfarm nonresidential	0.18	0.17	0.12	0.19	0.21	0.22	0.09
Multifamily residential real estate	0.09	0.07	0.03	0.15	0.15	0.11	0.05
Home equity loans	0.37	0.43	0.32	0.33	0.36	0.45	0.32
Other 1-4 family residential	0.40	0.30	0.45	0.45	0.38	0.58	0.26
Commercial and industrial loans	0.39	0.28	0.58	0.29	0.41	0.44	0.56
Loans to individuals	1.29	1.77	1.10	0.72	1.12	2.57	0.60
Credit card loans	3.44	1.99	1.39	1.05	5.30	1.38	3.26
Other loans to individuals	1.21	1.77	1.10	0.72	0.79	2.59	0.48
All other loans and leases (including farm)	0.28	0.18	0.21	0.21	0.31	0.45	0.26
Total loans and leases	0.34	0.29	0.32	0.29	0.35	0.47	0.25
Percent of Loans Noncurrent							
All loans secured by real estate	0.43	0.48	0.35	0.49	0.35	0.43	0.36
Construction and development	0.31	0.52	0.13	0.32	0.32	0.16	0.62
Nonfarm nonresidential	0.43	0.46	0.38	0.57	0.37	0.43	0.24
Multifamily residential real estate	0.25	0.31	0.35	0.29	0.15	0.14	0.10
Home equity loans	0.42	0.48	0.23	0.30	0.34	0.35	0.91
Other 1-4 family residential	0.48	0.56	0.37	0.53	0.32	0.54	0.42
Commercial and industrial loans	0.75	1.02	0.60	0.57	0.57	0.91	0.87
Loans to individuals	0.47	0.45	0.33	0.23	0.43	1.14	0.29
Credit card loans	2.29	1.64	0.54	0.39	2.15	1.70	3.56
Other loans to individuals	0.41	0.42	0.32	0.23	0.29	1.13	0.15
All other loans and leases (including farm)	0.44	0.08	0.34	0.33	0.37	0.77	1.43
Total loans and leases	0.47	0.52	0.38	0.48	0.39	0.54	0.44
Percent of Loans Charged-Off (net, YTD)							
All loans secured by real estate	0.01	0.01	-0.01	0.01	0.00	0.01	0.02
Construction and development	0.00	0.00	-0.02	-0.01	0.01	0.00	0.00
Nonfarm nonresidential	0.02	0.02	-0.01	0.02	0.00	0.03	0.03
Multifamily residential real estate	0.01	0.00	0.00	0.05	-0.01	0.00	0.01
Home equity loans	0.01	-0.02	-0.01	-0.01	0.00	0.00	0.13
Other 1-4 family residential	0.00	0.00	0.00	0.00	0.00	0.01	0.02
Commercial and industrial loans	0.23	0.33	0.23	0.10	0.12	0.17	0.74
Loans to individuals	1.13	1.11	1.01	0.32	1.49	1.24	1.46
Credit card loans	9.92	4.30	1.74	1.28	15.19	1.33	11.90
Other loans to individuals	0.83	1.04	1.00	0.31	0.38	1.24	0.96
All other loans and leases (including farm)	0.10	0.11	0.37	0.13	0.00	0.09	0.39
Total loans and leases	0.09	0.09	0.07	0.05	0.08	0.09	0.27
Loans Outstanding (in billions)							
All real estate loans	$1,430.5	$377.2	$151.3	$263.3	$248.3	$265.1	$125.1
Construction and development	152.8	26.3	18.4	24.4	27.4	45.3	11.0
Nonfarm nonresidential	568.2	137.4	69.1	103.0	86.2	110.4	62.1
Multifamily residential real estate	137.6	57.5	7.8	28.5	18.3	9.8	15.9
Home equity loans	44.4	11.1	5.9	11.0	5.8	5.5	5.2
Other 1-4 family residential	441.9	142.9	45.5	76.8	71.6	77.7	27.4
Commercial and industrial loans	239.8	47.4	23.3	51.9	52.3	47.2	17.7
Loans to individuals	87.9	17.6	7.6	13.9	14.0	13.6	21.1
Credit card loans	2.9	0.4	0.1	0.2	1.0	0.2	0.9
Other loans to individuals	85.0	17.2	7.5	13.7	12.9	13.4	20.3
All other loans and leases (including farm)	96.8	15.1	4.5	20.6	35.2	15.6	5.8
Total loans and leases (plus unearned income)	1,854.9	457.4	186.7	349.8	349.8	341.6	169.7
Memo: Unfunded Commitments (in millions)							
Total Unfunded Commitments	417,560	93,716	37,890	82,991	90,148	75,537	37,279
Construction and development: 1-4 family residential	34,900	5,710	5,209	4,451	5,697	11,424	2,410
Construction and development: CRE and other	97,019	20,708	9,570	18,982	17,521	23,133	7,105
Commercial and industrial	127,161	31,954	10,210	28,368	25,246	20,633	10,751

* See Table IV-A for explanation.

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

INSURANCE FUND INDICATORS

- ***Deposit Insurance Fund Increases by $0.9 Billion***
- ***DIF Reserve Ratio Falls 1 Basis Point, Ends Second Quarter at 1.10 Percent***
- ***One Institution Fails During the Second Quarter***

During the second quarter, the Deposit Insurance Fund (DIF) balance increased by $897 million to $117.0 billion. The rise in the DIF was primarily driven by assessment income of $3.1 billion. Net investment income (including the effect of unrealized and realized gains and losses) added $0.3 billion. These gains were partially offset by additional provisions for insurance losses of $2.0 billion, and operating expenses of $0.5 billion. One insured institution, First Republic Bank, failed during the second quarter at an estimated cost to the Fund of $15.6 billion.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—increased by 0.7 percent in the second quarter and fell by 1.0 percent over the last 12 months.[1][2]

The FDIC recognized a substantial portion of the estimated loss to the Fund associated with First Republic Bank as part of the $16.4 billion in loss provisions recorded for first quarter 2023. As a result, the $2.0 billion in loss provisions recorded for second quarter 2023 is considerably below the expected loss for that institution.

Total estimated insured deposits increased by 0.8 percent in the second quarter, bringing year-over-year insured deposit growth to 4.7 percent. The DIF's reserve ratio (the fund balance as a percent of insured deposits) was 1.10 percent on June 30, 2023, down 1 basis point from the previous quarter and 13 basis points lower than the previous year.

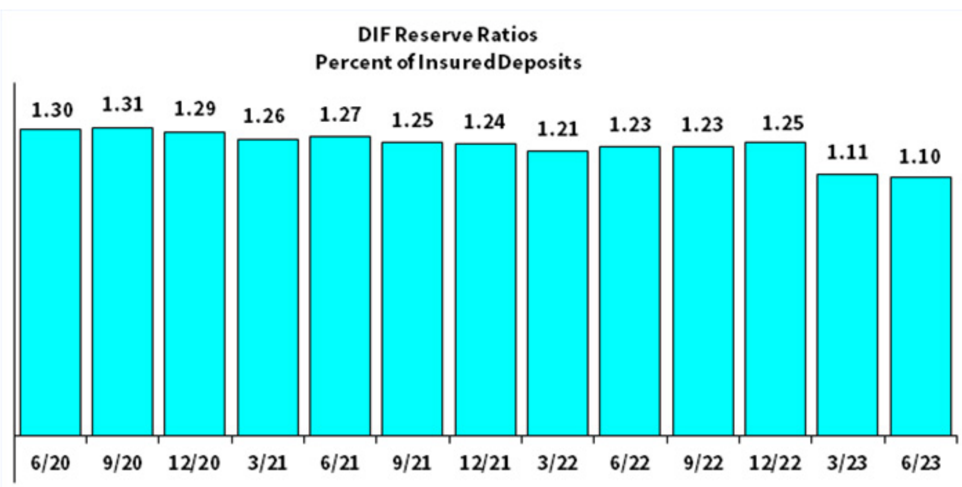
The FDIC adopted a DIF Restoration Plan on September 15, 2020, that would return the reserve ratio to 1.35 percent, the statutory minimum, by September 2028 as required by law. Assuming reasonable growth in the DIF balance and insured deposits, the reserve ratio remains on track to reach 1.35 percent by the statutory deadline. The FDIC will continue to monitor factors affecting the reserve ratio, including but not limited to, insured deposit growth and potential losses due to bank failures and related reserves, as required under the current Restoration Plan.

[1] There are additional adjustments to the assessment base for banker's banks and custodial banks.

[2] Figures for estimated insured deposits and the assessment base include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.

Table I-C. Insurance Fund Balances and Selected Indicators*

(dollar figures in millions)	2nd Quarter 2023	1st Quarter 2023	4th Quarter 2022	3rd Quarter 2022	2nd Quarter 2022	1st Quarter 2022	4th Quarter 2021	3rd Quarter 2021	2nd Quarter 2021	1st Quarter 2021	4th Quarter 2020	3rd Quarter 2020	2nd Quarter 2020
	Deposit Insurance Fund**												
Beginning Fund Balance	$116,071	$128,218	$125,457	$124,458	$123,039	$123,141	$121,935	$120,547	$119,362	$117,897	$116,434	$114,651	$113,206
Changes in Fund Balance:													
Assessments earned	3,127	3,306	2,142	2,145	2,086	1,938	1,967	1,662	1,589	1,862	1,884	2,047	1,790
Interest earned on investment securities	673	661	498	332	225	191	197	221	251	284	330	392	454
Realized gain on sale of investments	96	-1,666	0	0	0	0	0	0	0	0	0	0	0
Operating expenses	497	508	515	456	460	453	475	448	466	454	470	451	465
Provision for insurance losses	2,033	16,402	-48	-49	-86	100	8	-53	-42	-57	-48	-74	-47
All other income, net of expenses	3	12	114	6	29	8	61	65	2	1	9	5	2
Unrealized gain/(loss) on available-for-sale securities***	-472	2,450	474	-1,077	-547	-1,686	-536	-165	-233	-285	-338	-284	-383
Total fund balance change	897	-12,147	2,761	999	1,419	-102	1,206	1,388	1,185	1,465	1,463	1,783	1,445
Ending Fund Balance	116,968	116,071	128,218	125,457	124,458	123,039	123,141	121,935	120,547	119,362	117,897	116,434	114,651
Percent change from four quarters earlier	-6.02	-5.66	4.12	2.89	3.24	3.08	4.45	4.72	5.14	5.44	6.84	6.88	6.71
Reserve Ratio (%)	1.10	1.11	1.25	1.23	1.23	1.21	1.24	1.25	1.27	1.26	1.29	1.31	1.30
Estimated Insured Deposits	10,586,340	10,500,158	10,277,910	10,177,105	10,106,822	10,165,899	9,928,576	9,760,577	9,485,856	9,510,760	9,120,806	8,919,069	8,833,508
Percent change from four quarters earlier	4.74	3.29	3.52	4.27	6.55	6.89	8.86	9.43	7.38	16.53	16.78	15.39	14.93
Percent of Total Deposit Liabilites After Exclusions	59.74	58.94	56.39	55.31	54.49	53.86	53.12	53.79	53.67	54.55	54.35	55.13	55.20
Estimated Uninsured Deposits	7,134,119	7,313,616	7,948,806	8,224,040	8,441,148	8,707,077	8,760,646	8,384,394	8,189,845	7,923,389	7,661,187	7,260,002	7,169,617
Percent change from four quarters earlier	-15.48	-16.00	-9.27	-1.91	3.07	9.89	14.35	15.49	14.23	19.75	30.43	27.32	30.53
Percent of Total Deposit Liabilites After Exclusions	40.26	41.06	43.61	44.69	45.51	46.14	46.88	46.21	46.33	45.45	45.65	44.87	44.80
Total Deposit Liabilities After Exclusions****	17,720,459	17,813,774	18,226,716	18,401,145	18,547,971	18,872,976	18,689,222	18,144,972	17,675,701	17,434,148	16,781,993	16,179,071	16,003,125
Percent change from four quarters earlier	-4.46	-5.61	-2.47	1.41	4.93	8.25	11.36	12.15	10.45	17.97	22.64	20.46	21.43
Assessment Base*****	20,846,656	20,709,839	21,012,144	21,027,114	21,059,588	20,942,681	20,683,058	20,128,425	19,776,253	19,310,353	18,909,418	18,575,113	18,267,307
Percent change from four quarters earlier	-1.01	-1.11	1.59	4.46	6.49	8.45	9.38	8.36	8.26	16.43	16.23	15.93	15.71
Number of Institutions Reporting	4,654	4,681	4,715	4,755	4,780	4,805	4,848	4,923	4,959	4,987	5,011	5,042	5,075



Deposit Insurance Fund Balance and Insured Deposits ($ Millions)

	DIF Balance	DIF-Insured Deposits
6/20	$114,651	$8,833,508
9/20	116,434	8,919,069
12/20	117,897	9,120,806
3/21	119,362	9,510,760
6/21	120,547	9,485,856
9/21	121,935	9,760,577
12/21	123,141	9,928,576
3/22	123,039	10,165,899
6/22	124,458	10,106,822
9/22	125,457	10,177,105
12/22	128,218	10,277,910
3/23	116,071	10,500,158
6/23	116,968	10,586,340

Table II-C. Problem Institutions and Failed Institutions

(dollar figures in millions)	2023******	2022******	2022	2021	2020	2019	2018	2017
Problem Institutions								
Number of institutions	43	40	39	44	56	51	60	95
Total assets*******	$46,014	$170,387	$47,463	$170,172	$55,830	$46,190	$48,481	$13,939
Failed Institutions								
Number of institutions	3	0	0	0	4	4	0	8
Total assets********	$532,029	$0	$0	$0	$455	$209	$0	$5,082

* Includes insured branches of foreign banks (IBAs) and any revisions to prior quarter data.
** Quarterly financial statement results are unaudited.
*** Includes unrealized postretirement benefit gain (loss).
**** Does not equal total deposits and domestic office deposits in the tables above due to adjustments to align with the determination of deposit insurance coverage in the event of a bank failure.
***** Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.
****** Through June 30.
******* Assets shown are what were on record as of the last day of the quarter.
******** Total assets are based on final Call Reports submitted by failed institutions.

Table III-C. Estimated FDIC-Insured Deposits by Type of Institution

(dollar figures in millions) June 30, 2023	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	4,071	$22,191,409	$16,179,508	$9,692,086
FDIC-Supervised	2,697	3,874,594	3,093,975	2,106,435
OCC-Supervised	712	14,868,595	10,592,720	6,183,419
Federal Reserve-Supervised	662	3,448,220	2,492,812	1,402,233
FDIC-Insured Savings Institutions	574	1,273,681	1,018,411	848,168
OCC-Supervised	251	551,843	434,715	369,916
FDIC-Supervised	286	309,569	244,941	183,993
Federal Reserve-Supervised	37	412,270	338,755	294,260
Total Commercial Banks and Savings Institutions	4,645	23,465,090	17,197,919	10,540,254
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	94,813	52,811	46,085
Total FDIC-Insured Institutions	4,654	23,559,904	17,250,730	10,586,340

* Excludes $1.4 trillion in foreign office deposits, which are not FDIC insured.

Table IV-C. Distribution of Institutions and Assessment Base by Assessment Rate Range

Quarter Ending March 31, 2023 (dollar figures in billions)

Annual Rate in Basis Points	Number of Institutions	Percent of Total Institutions	Amount of Assessment Base	Percent of Total Assessment Base
2.50 - 5.00	2,875	61.4	$7,222.0	34.87
5.01 - 8.00	1,266	27.0	11,605.7	56.04
8.01 - 12.00	428	9.1	1,498.8	7.24
12.01 - 17.00	57	1.2	303.1	1.46
17.01 - 22.00	55	1.2	80.1	0.39
22.01 - 27.00	0	0.0	0.0	0.00
> 27.00	0	0.0	0.0	0.00

Notes to Users

This publication contains financial data and other information for depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). These notes are an integral part of this publication and provide information regarding the comparability of source data and reporting differences over time.

Tables I-A through VIII-A.
The information presented in Tables I-A through VIII-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured Call Report filers, both commercial banks and savings institutions. Some tables are arrayed by groups of FDIC-insured institutions based on predominant types of asset concentration, while other tables aggregate institutions by asset size and geographic region. Quarterly and full-year data are provided for selected indicators, including aggregate condition and income data, performance ratios, condition ratios, and structural changes, as well as past due, noncurrent, and charge-off information for loans outstanding and other assets.

Tables I-B through VI-B.
The information presented in Tables I-B through VI-B is aggregated for all FDIC-insured commercial banks and savings institutions meeting the criteria for community banks that were developed for the FDIC's *Community Banking Study,* published in December, 2012: https://www.fdic.gov/resources/community-banking/cbi-study.html.

The determination of which insured institutions are considered community banks is based on five steps.

The first step in defining a community bank is to aggregate all charter-level data reported under each holding company into a single banking organization. This aggregation applies both to balance-sheet measures and the number and location of banking offices. Under the FDIC definition, if the banking organization is designated as a community bank, every charter reporting under that organization is also considered a community bank when working with data at the charter level.

The second step is to exclude any banking organization where more than 50 percent of total assets are held in certain specialty banking charters, including: *credit card specialists, consumer nonbank banks, industrial loan companies, trust companies, bankers' banks*, and banks holding 10 percent or more of total assets in foreign offices.

Once the specialty organizations are removed, the third step involves including organizations that engage in basic banking activities as measured by the total loans-to-assets ratio (greater than 33 percent) and the ratio of core deposits to assets (greater than 50 percent). Core deposits are defined as non-brokered deposits in domestic offices. Analysis of the underlying data shows that these thresholds establish meaningful levels of basic lending and deposit gathering and still allow for a degree of diversity in how individual banks construct their balance sheets.

The fourth step includes organizations that operate within a limited geographic scope. This limitation of scope is used as a proxy measure for a bank's relationship approach to banking. Banks that operate within a limited market area have more ease in managing relationships at a personal level. Under this step, four criteria are applied to each banking organization. They include both a minimum and maximum number of total banking offices, a maximum level of deposits for any one office, and location-based criteria. The limits on the number of and deposits per office are adjusted upward quarterly. For banking offices, banks must have more than one office, and the maximum number of offices is 40 in 1985 and reached 104 in 2023. The maximum level of deposits for any one office is $1.25 billion in deposits in 1985 and reached $10.28 billion in deposits in 2023. The remaining geographic limitations are also based on maximums for the number of states (fixed at 3) and large metropolitan areas (fixed at 2) in which the organization maintains offices. Branch office data are based on the most recent data from the annual June 30 *Summary of Deposits Survey* that are available at the time of publication.

Finally, the definition establishes an asset-size limit, also adjusted upward quarterly and below which the limits on banking activities and geographic scope are waived. The asset-size limit is $250 million in 1985 and reached $2.06 billion in 2023. This final step acknowledges the fact that most of those small banks that are not excluded as specialty banks meet the requirements for banking activities and geographic limits in any event.

Summary of FDIC Research Definition of Community Banking Organizations
Community banks are designated at the level of the banking.
(All charters under designated holding companies are considered community banking charters.)
Exclude: Any organization with:
- No loans or no core deposits
- Assets held in foreign branches ≥ 10% of total assets
- More than 50% of assets in certain specialty banks, including:
  - credit card specialists
  - consumer nonbank banks[1]
  - industrial loan companies
  - trust companies
  - bankers' banks

Include: All remaining banking organizations with:
- Total assets < indexed size threshold[2]
- Total assets ≥ indexed size threshold, where:
  - Loan to assets > 33%
  - Core deposits to assets > 50%
  - More than 1 office but no more than the indexed maximum number of offices.[3]
  - Number of large MSAs with offices ≤ 2
  - Number of states with offices ≤ 3
  - No single office with deposits > indexed maximum branch deposit size.[4]

[1] Consumer nonbank banks are financial institutions with limited charters that can make commercial loans or take deposits, but not both.
[2] Asset size threshold indexed to equal $250 million in 1985 and $2.06 billion in 2023.
[3] Maximum number of offices indexed to equal 40 in 1985 and 104 in 2023.
[4] Maximum branch deposit size indexed to equal $1.25 billion in 1985 and $10.28 billion in 2023.

Tables I-C through IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository institutions that are not insured by the FDIC through the DIF are not included in the *FDIC Quarterly Banking Profile*. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charters.

DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) *Consolidated Reports of Condition and Income* (*Call Reports)* and the OTS *Thrift Financial Reports* (TFR) submitted by all FDIC-insured depository institutions. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.) This information is stored on and retrieved from the FDIC's Research Information System (RIS) database.

COMPUTATION METHODOLOGY

Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data. Additionally, certain adjustments are made to the OTS *Thrift Financial Reports* to provide closer conformance with the reporting and accounting requirements of the FFIEC *Call Reports*. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

All condition and performance ratios represent weighted averages, which is the sum of the individual numerator values divided by the sum of individual denominator values. All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets, since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period. For the community bank subgroup, growth rates will reflect changes over time in the number and identities of institutions designated as community banks, as well as changes in the assets and liabilities, and income and expenses of group members. Unless indicated otherwise, growth rates are not adjusted for mergers or other changes in the composition of the community bank subgroup. When community bank growth rates are adjusted for mergers, prior period balances used in the calculations represent totals for the current group of community bank reporters, plus prior period amounts for any institutions that were subsequently merged into current community banks.

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may relocate across state lines or change their charters, resulting in an inter-regional or inter-industry migration; institutions can move their home offices between regions, savings institutions can convert to commercial banks, or commercial banks may convert to savings institutions.

ACCOUNTING CHANGES

Financial accounting pronouncements by the Financial Accounting Standards Board (FASB) can result in changes in an individual bank's accounting policies and in the Call Reports they submit. Such accounting changes can affect the aggregate amounts presented in the QBP for the current period and the period-to-period comparability of such financial data.

The current quarter's Financial Institution Letter (FIL) and related Call Report supplemental instructions can provide additional explanation to the QBP reader beyond any material accounting changes discussed in the QBP analysis.

https://www.fdic.gov/news/financial-institutionletters/2023/fil23033.html

https://www.fdic.gov/resources/bankers/call-reports/index.html

Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB.

https://www.fasb.org/page/index?pageId=standards/index.html

DEFINITIONS (in alphabetical order)

All other assets – total cash, balances due from depository institutions, premises, fixed assets, direct investments in real estate, investment in unconsolidated subsidiaries, customers' liability on acceptances outstanding, assets held in trading accounts, federal funds sold, securities purchased with agreements to resell, fair market value of derivatives, prepaid deposit insurance assessments, and other assets.

All other liabilities – bank's liability on acceptances, limited-life preferred stock, allowance for estimated off-balance-sheet credit losses, fair market value of derivatives, and other liabilities.

Assessment base – Effective April 1, 2011, the deposit insurance assessment base changed to "average consolidated total assets minus average tangible equity" with an additional adjustment to the assessment base for banker's banks and custodial banks. Previously, the assessment base consisted of deposit liabilities after exclusions.

Assessment rate schedule – Initial base assessment rates for small institutions (except new institutions) are based on a combination of financial ratios and CAMELS component ratings. Initial rates for large institutions—generally those with at least $10 billion in assets—are also based on CAMELS component ratings and certain financial measures combined into two scorecards—one for most large institutions and another for the remaining very large institutions that are structurally and operationally complex or that pose unique challenges and risks in case of failure (highly complex institutions). The FDIC may take additional information into account to make a limited adjustment to a large institution's scorecard results, which are used to determine a large institution's initial base assessment rate.

Initial rates for small institutions are subject to minimums and maximums based on an institution's CAMELS composite rating.

The current assessment rate schedule became effective January 1, 2023. Under the current schedule, initial base assessment rates range from 5 to 32 basis points. An institution's total base assessment rate may differ from its initial rate due to three possible adjustments: (1) Unsecured Debt Adjustment: An institution's rate may decrease by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or 50 percent of an institution's initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 5 basis points would have a maximum unsecured debt adjustment of 2.5 basis points and could not have a total base assessment rate lower than 2.5 basis points. (2) Depository Institution Debt Adjustment: For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution's Tier 1 capital. (3) Brokered Deposit Adjustment: Rates for large institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits.

The assessment rate schedule effective January 1, 2023, is shown in the following table:

Total Base Assessment Rates*

	Established Small Banks			Large & Highly Complex Institutions
	CAMELS Composite			
	1 or 2	3	4 or 5	
Initial Base Assessment Rate	5 to 18	8 to 32	18 to 32	5 to 32
Unsecured Debt Adjustment	-5 to 0	-5 to 0	-5 to 0	-5 to 0
Brokered Deposit Adjustment	N/A	N/A	N/A	0 to 10
Total Base Assessment Rate	2.5 to 18	4 to 32	13 to 32	2.5 to 42

* All amounts for all categories are in basis points annually. Total base rates that are not the minimum or maximum rate will vary between these rates. Total base assessment rates do not include the depository institution debt adjustment.

Each institution is assigned a risk-based rate for a quarterly assessment period near the end of the quarter following the assessment period. Payment is generally due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes are effective for assessment purposes as of the examination transmittal date.

Assets securitized and sold – total outstanding principal balance of assets securitized and sold with servicing retained or other seller-provided credit enhancements.

Capital Purchase Program (CPP) – As announced in October 2008 under the TARP, the Treasury Department purchase of noncumulative perpetual preferred stock and related warrants that is treated as Tier 1 capital for regulatory capital purposes is included in "Total equity capital." Such warrants to purchase common stock or noncumulative preferred stock issued by publicly-traded banks are reflected as well in "Surplus." Warrants to purchase common stock or noncumulative preferred stock of not-publicly-traded bank stock are classified in a bank's balance sheet as "Other liabilities."

Common equity Tier 1 capital ratio – ratio of common equity Tier 1 capital to risk-weighted assets. Common equity Tier 1 capital includes common stock instruments and related surplus, retained earnings, accumulated other comprehensive income (AOCI), and limited amounts of common equity Tier 1 minority interest, minus applicable regulatory adjustments and deductions. Items that are fully deducted from common equity Tier 1 capital include goodwill, other intangible assets (excluding mortgage servicing assets) and certain deferred tax assets; items that are subject to limits in common equity Tier 1 capital include mortgage servicing assets, eligible deferred tax assets, and certain significant investments. Beginning March 2020, this ratio does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

Construction and development loans – includes loans for all property types under construction, as well as loans for land acquisition and development.

Core capital – common equity capital plus noncumulative perpetual preferred stock plus minority interest in consolidated subsidiaries, less goodwill and other ineligible intangible assets. The amount of eligible intangibles (including servicing rights) included in core capital is limited in accordance with supervisory capital regulations.

Cost of funding earning assets – total interest expense paid on deposits and other borrowed money as a percentage of average earning assets.

Credit enhancements – techniques whereby a company attempts to reduce the credit risk of its obligations. Credit enhancement may be provided by a third party (external credit enhancement) or by the originator (internal credit enhancement), and more than one type of enhancement may be associated with a given issuance.

Deposit Insurance Fund (DIF) – the Bank (BIF) and Savings Association (SAIF) Insurance Funds were merged in 2006 by the Federal Deposit Insurance Reform Act to form the DIF.

Deposits liabilities after exclusions – amount equal to gross total deposit liabilities meeting the statutory definition of a deposit in Section 3(l) of the Federal Deposit Insurance Act, before deducting allowable exclusions. Deposit liabilities after exclusions may differ from amounts reported for total deposits or total domestic deposits due to adjustments made to align with the determination of deposit insurance coverage in the event of a bank failure, including reporting based on an unconsolidated single FDIC certificate number basis.

Derivatives notional amount – the notional, or contractual, amounts of derivatives represent the level of involvement in the types of derivatives transactions and are not a quantification of market risk or credit risk. Notional amounts represent the amounts used to calculate contractual cash flows to be exchanged.

Derivatives credit equivalent amount – the fair value of the derivative plus an additional amount for potential future credit exposure based on the notional amount, the remaining maturity and type of the contract.

Derivatives transaction types:

Futures and forward contracts – contracts in which the buyer agrees to purchase and the seller agrees to sell, at a specified future date, a specific quantity of an underlying variable or index at a specified price or yield. These contracts exist for a variety of variables or indices, (traditional agricultural or physical commodities, as well as currencies and interest rates). Futures contracts are standardized and are traded on organized exchanges which set limits on counterparty credit exposure. Forward contracts do not have standardized terms and are traded over the counter.

Option contracts – contracts in which the buyer acquires the right to buy from or sell to another party some specified amount of an underlying variable or index at a stated price (strike price) during a period or on a specified future date, in return for compensation (such as a fee or premium). The seller is obligated to purchase or sell the variable or index at the discretion of the buyer of the contract.

Swaps – obligations between two parties to exchange a series of cash flows at periodic intervals (settlement dates), for a specified period. The cash flows of a swap are either fixed, or determined for each settlement date by multiplying the quantity (notional principal) of the underlying variable or index by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

Derivatives underlying risk exposure – the potential exposure characterized by the level of banks' concentration in particular underlying instruments, in general. Exposure can result from market risk, credit risk, and operational risk, as well as, interest rate risk.

Domestic deposits to total assets – total domestic office deposits as a percent of total assets on a consolidated basis.

Earning assets – all loans and other investments that earn interest or dividend income.

Efficiency ratio – Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income. This ratio measures the proportion of net operating revenues that are absorbed by overhead expenses, so that a lower value indicates greater efficiency.

Estimated insured deposits – In general, insured deposits are total deposit liabilities after exclusions minus estimated uninsured deposits. Beginning September 30, 2009, insured deposits reflect an increase in the FDIC's standard maximum deposit insurance amount from $100,000 to $250,000. From December 31, 2010, through December 31, 2012, insured deposits also include all funds held in noninterest-bearing transaction accounts, without limit.

Estimated uninsured deposits – In general, institutions with $1 billion or more in total assets report estimated uninsured deposits in domestic offices of the bank and in insured branches in Puerto Rico and U.S. territories and possessions, including related interest accrued and unpaid. For institutions that do not report estimated uninsured deposits, the FDIC calculates this amount as the amount of deposit and retirement accounts with balances greater than the standard maximum deposit insurance amount (SMDIA), currently $250,000, minus the portion that is insured. The amount that is insured is estimated by multiplying the number of accounts with balances greater than the SMDIA, as reported on the Call Report, by the SMDIA. For example, under the current SMDIA, if an institution reports a number and amount of deposit and retirement accounts with balances greater than $250,000 of 1,000 and $500 million, respectively, estimated uninsured deposits as calculated by the FDIC would equal $250 million ($500,000,000 – 1,000 * $250,000).

Failed/assisted institutions – An institution fails when regulators take control of the institution, placing the assets and liabilities into a bridge bank, conservatorship, receivership, or another healthy institution. This action may require the FDIC to provide funds to cover losses. An institution is defined as "assisted" when the institution remains open and receives assistance in order to continue operating.

Fair Value – the valuation of various assets and liabilities on the balance sheet—including trading assets and liabilities, available-for-sale securities, loans held for sale, assets and liabilities accounted for under the fair value option, and foreclosed assets—involves the use of fair values. During periods of market stress, the fair values of some financial instruments and nonfinancial assets may decline.

FHLB advances – all borrowings by FDIC-insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers, and by TFR filers prior to March 31, 2012.

Goodwill and other intangibles – Intangible assets include servicing rights, purchased credit card relationships, and other identifiable intangible assets. Goodwill is the excess of the purchase price over the fair market value of the net assets acquired, less subsequent impairment adjustments. Other intangible assets are recorded at fair value, less subsequent quarterly amortization and impairment adjustments.

Loans secured by real estate – includes home equity loans, junior liens secured by 1-4 family residential properties, and all other loans secured by real estate.

Loans to individuals – includes outstanding credit card balances and other secured and unsecured consumer loans.

Long-term assets (5+ years) – loans and debt securities with remaining maturities or repricing intervals of over five years.

Maximum credit exposure – the maximum contractual credit exposure remaining under recourse arrangements and other seller-provided credit enhancements provided by the reporting bank to securitizations.

Mortgage-backed securities – certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Also, see "Securities," below.

Net charge-offs – total loans and leases charged off (removed from balance sheet because of uncollectability), less amounts recovered on loans and leases previously charged off.

Net interest margin – the difference between interest and dividends earned on interest-bearing assets and interest paid to depositors and other creditors, expressed as a percentage of average earning assets. No adjustments are made for interest income that is tax exempt.

Net loans to total assets – loans and lease financing receivables, net of unearned income, allowance and reserves, as a percent of total assets on a consolidated basis.

Net operating income – income excluding discretionary transactions such as gains (or losses) on the sale of investment securities and extraordinary items. Income taxes subtracted from operating income have been adjusted to exclude the portion applicable to securities gains (or losses).

Noncurrent assets – the sum of loans, leases, debt securities, and other assets that are 90 days or more past due, or in nonaccrual status.

Noncurrent loans & leases – the sum of loans and leases 90 days or more past due, and loans and leases in nonaccrual status.

Number of institutions reporting – the number of institutions that actually filed a financial report.

New reporters – insured institutions filing quarterly financial reports for the first time.

Other borrowed funds – federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that filed a Thrift Financial Report (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

Percent of institutions with earnings gains – the percent of institutions that increased their net income (or decreased their losses) compared to the same period a year earlier.

"Problem" institutions – Federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a "4" or "5." The number and assets of "problem" institutions are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

Recourse – an arrangement in which a bank retains, in form or in substance, any credit risk directly or indirectly associated with an asset it has sold (in accordance with generally accepted accounting principles) that exceeds a pro rata share of the bank's claim on the asset. If a bank has no claim on an asset it has sold, then the retention of any credit risk is recourse.

Reserves for losses – the allowance for loan and lease losses on a consolidated basis.

Restructured loans and leases – loan and lease financing receivables with terms restructured from the original contract. Excludes restructured loans and leases that are not in compliance with the modified terms.

Retained earnings – net income less cash dividends on common and preferred stock for the reporting period.

Return on assets – bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total (consolidated) assets. The basic yardstick of bank profitability.

Return on equity – bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total equity capital.

Risk-weighted assets – assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 200 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

Securities – excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity" (reported at amortized cost (book value)), securities designated as "available-for-sale" (reported at fair (market) value), and equity securities with readily determinable fair values not held for trading.

Securities gains (losses) – realized gains (losses) on held-to-maturity and available-for-sale securities, before adjustments for income taxes. Thrift Financial Report (TFR) filers also include gains (losses) on the sales of assets held for sale. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

Seller's interest in institution's own securitizations – the reporting bank's ownership interest in loans and other assets that have been securitized, except an interest that is a form of recourse or other seller-provided credit enhancement. Seller's interests differ from the securities issued to investors by the securitization structure. The principal amount of a seller's interest is generally equal to the total principal amount of the pool of assets included in the securitization structure less the principal amount of those assets attributable to investors, i.e., in the form of securities issued to investors.

Small Business Lending Fund – The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses by providing capital to qualified community institutions with assets of less than $10 billion. The SBLF Program is administered by the U.S. Treasury Department (https://home.treasury.gov/policy-issues/small-business-programs/small-business-lending-fund). Under the SBLF Program, the Treasury Department purchased noncumulative perpetual preferred stock from qualifying depository institutions and holding companies (other than Subchapter S and mutual institutions). When this stock has been issued by a depository institution, it is reported as "Perpetual preferred stock and related surplus." For regulatory capital purposes, this noncumulative perpetual preferred stock qualifies as a component of Tier 1 capital. Qualifying Subchapter S corporations and mutual institutions issue unsecured subordinated debentures to the Treasury Department through the SBLF. Depository institutions that issued these debentures report them as "Subordinated notes and debentures." For regulatory capital purposes, the debentures are eligible for inclusion in an institution's Tier 2 capital in accordance with their primary federal regulator's capital standards. To participate in the SBLF Program, an institution with outstanding securities issued to the Treasury Department under the Capital Purchase Program (CPP) was required to refinance or repay in full the CPP securities at the time of the SBLF funding. Any outstanding warrants that an institution issued to the Treasury Department under the CPP remain outstanding after the refinancing of the CPP stock through the SBLF Program unless the institution chooses to repurchase them.

Subchapter S Corporation – A Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. This can have the effect of reducing institutions' reported taxes and increasing their after-tax earnings.

Trust assets – market value, or other reasonably available value of fiduciary and related assets, to include marketable securities, and other financial and physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods. Such fiduciary assets are not included in the assets of the financial institution.

Unearned income and contra accounts – unearned income for Call Report filers only.

Unused loan commitments – includes credit card lines, home equity lines, commitments to make loans for construction, loans secured by commercial real estate, and unused commitments to originate or purchase loans. (Excluded are commitments after June 2003 for originated mortgage loans held for sale, which are accounted for as derivatives on the balance sheet.)

Yield on earning assets – total interest, dividend, and fee income earned on loans and investments as a percentage of average earning assets.