Quarterly Banking Profile

FOURTH QUARTER 2007

INSURED INSTITUTION PERFORMANCE

- ***Industry Earned $5.8 Billion In Fourth Quarter***
- ***Expenses For Bad Loans, Trading Losses Weigh On Earnings***
- ***Noncurrent Rate On Mortgage Loans Reaches New High***
- ***Pace Of Reserve Building Picks Up***
- ***Net Income Totaled $105.5 Billion In 2007***

Quarterly Net Income Declines to a 16-Year Low

Record-high loan-loss provisions, record losses in trading activities and goodwill impairment expenses combined to dramatically reduce earnings at a number of FDIC-insured institutions in the fourth quarter of 2007. Fourth-quarter net income of $5.8 billion was the lowest amount reported by the industry since the fourth quarter of 1991, when earnings totaled $3.2 billion. It was $29.4 billion (83.5 percent) less than insured institutions earned in the fourth quarter of 2006. The average return on assets (ROA) in the quarter was 0.18 percent, down from 1.20 percent a year earlier. This is the lowest quarterly ROA since the fourth quarter of 1990, when it was a negative 0.19 percent. Insured institutions set aside a record $31.3 billion in provisions for loan losses in the fourth quarter, more than three times the $9.8 billion they set aside in the fourth quarter of 2006. Trading losses totaled $10.6 billion, marking the first time that the industry has posted a quarterly net trading loss. In the fourth quarter of 2006, the industry had trading revenue of $4.0 billion. Expenses for goodwill and other intangibles totaled $7.4 billion, compared to $1.6 billion a year earlier. Against these negative factors, net interest income remained one of the few positive elements in industry performance. Net interest income for the fourth quarter totaled $92.0 billion, an 11.8-percent ($9.7-billion) year-over-year increase.

One in Four Large Institutions Lost Money in the Fourth Quarter

Earnings weakness was fairly widespread in the fourth quarter. More than half of all institutions (51.2 percent) reported lower net income than in the fourth quarter of 2006, and 57.1 percent reported lower quarterly ROAs. However, the magnitude of the decline in industry earnings was attributable to a relatively small number of large institutions. In contrast to the steep 102 basis-point drop in the industry's ROA, the median ROA fell by only 14 basis points, from 0.93 percent to 0.79 percent. Seven large institutions accounted for more than half of the total year-over-year increase in loss provisions. Ten large institutions accounted for the entire decline in trading results. Five institutions accounted for three-quarters of the increase in goodwill and intangibles expenses, and sixteen institutions accounted for three-quarters of the year-over-year decline in quarterly net income. One out of every four institutions with assets greater than $10 billion reported a net loss for the fourth quarter. Institutions associated with subprime mortgage lending operations and institutions engaged in significant trading activity were among those reporting the largest earnings declines.

Margin Erosion Persists

As interest rates fell during the quarter, average asset yields declined more than average funding costs, and net interest margins (NIMs) narrowed slightly from third-quarter levels. The average NIM in the fourth quarter was 3.30 percent, compared to 3.36 percent in the third quarter. Except for the fourth quarter of 2006, when the accounting treatment of a few large corporate restructurings resulted in a reduction in reported net interest income, this is the lowest quarterly NIM for the industry since 1989. Almost 60 percent of all institutions had their margins decline from third-quarter levels. Margin erosion was especially pronounced at large mortgage lenders.

Full-Year Earnings Fall to Five-Year Low

For all of 2007, insured institutions earned $105.5 billion, a decline of $39.8 billion (27.4 percent) from 2006. This is the lowest annual net income for the industry since 2002 and is the first time since 1999-2000 that annual net income has declined. While much of the decline in industry earnings was concentrated among some of the largest institutions, evidence of broader weakness in earnings bespoke an operating environment that was less favorable than in previous years. Fewer than half of all insured institutions—49.2 percent—reported improved earnings in 2007, the first time in at least 23 years that a majority of insured institutions have not posted full-year earnings increases. The percentage of institutions that were unprofitable in 2007—11.6 percent—was the highest since 1991. The average ROA for the year was 0.86 percent, the lowest yearly average since 1991, when it was 0.42 percent, and the first time in 15 years that the industry's annual ROA has been below 1 percent. More than half of all institutions—59.2 percent—reported lower ROAs in 2007 than in 2006. Sharply higher loss provisions and a very rare decline in annual noninterest income were primarily responsible for the lower industry profits. Insured institutions set aside $68.2 billion in provisions for loan losses in 2007, more than twice the $29.5 billion they set aside in 2006. Loss provisions represented 11.6 percent of net operating revenue (net interest income plus total noninterest income), the highest proportion for the industry since 1992. Total noninterest income of $233.4 billion was $7.0 billion (2.9 percent) less than in 2006, as trading revenue fell from $19.0 billion in 2006 to only $4.1 billion in 2007, and net gains on loan sales fell by $5.1 billion (68.5 percent). This is the first time since the mid-1970s that full-year noninterest income has declined.[1] Noninterest expenses were $30.2 billion (9.1 percent) higher than a year earlier. Net interest income increased by $22.7 billion (6.9 percent) in 2007, even though the industry's full-year net interest margin declined to its lowest level since 1988, because interest-earning assets grew by 9.4 percent during the year.

Net Charge-Off Rate Rises to Five-Year High

Net charge-offs registered a sharp increase in the fourth quarter, rising to $16.2 billion, compared to $8.5 billion in the fourth quarter of 2006. The annualized net charge-off rate in the fourth quarter was 0.83 percent, the highest since the fourth quarter of 2002. Net charge-offs were up year-over-year in all major loan categories except loans to the farm sector (agricultural production loans and real estate loans secured by farmland). Net charge-offs of loans to commercial and industrial (C&I) borrowers were $1.6 billion (104.5 percent) higher than in the fourth quarter of 2006. Net charge-offs of residential mortgage loans were up by $1.3 billion (144.2 percent), and charge-offs of home equity lines of credit were $1.0 billion (378.4 percent) higher. Credit card charge-offs were up by $1.0 billion (33.0 percent), and charge-offs of other loans to individuals increased by $1.1 billion (58.4 percent).

Growth in Noncurrent Loans Accelerates

Despite the heightened level of charge-offs, the rising trend in noncurrent loans that began in mid-2006 continued to gain momentum in the fourth quarter. Total noncurrent loans — loans 90 days or more past due or in nonaccrual status — rose by $26.9 billion (32.5 percent) in the last three months of 2007. This is the largest percentage increase in a single quarter in the 24 years for which noncurrent loan data are available. Eight institutions accounted for half of the total increase in noncurrent loans in the fourth quarter, but noncurrent loans were up at half of all insured institutions. The percentage of loans that were noncurrent at year-end was 1.39 percent, the highest level since the third quarter of 2002. The

[1] Total noninterest income of FDIC-insured commercial banks declined by $1.0 billion (11.7 percent) between 1975 and 1976. Noninterest income data for insured savings institutions are not available for those years.

fourth-quarter increase in noncurrent loans was led by noncurrent residential mortgage loans, which grew by $11.1 billion (31.7 percent). The percentage of residential mortgage loans that were noncurrent rose from 1.57 percent to 2.06 percent during the quarter and is now at the highest level in the 17 years that noncurrent mortgage data have been reported. Noncurrent real estate construction and development loans increased by $8.4 billion (73.2 percent), noncurrent credit card loans rose by $1.9 billion (26.0 percent), noncurrent home equity loans were up by $1.6 billion (43.1 percent), and noncurrent other loans to individuals increased by $1.2 billion (26.6 percent). Only the farm loan categories registered declines in noncurrent amounts.

Large Boost to Loss Reserves Fails to Stem Decline in Coverage Ratio

Insured institutions' loss reserves posted their largest increase in 20 years in the fourth quarter, but this growth did not keep pace with the growth in noncurrent loans. The industry's $31.3-billion loss provision exceeded the $16.2 billion in net charge-offs by a considerable margin, and reserves grew by $14.8 billion (17.0 percent). The ratio of reserves to total loans and leases rose from 1.13 percent to 1.29 percent during the quarter, its highest level since the first quarter of 2005. But the "coverage ratio" of reserves to noncurrent loans fell from $1.05 in reserves for every $1.00 of noncurrent loans to 93 cents at the end of 2007. This is the first time since 1993 that the industry's noncurrent loans have exceeded its reserves. At year end, one in three institutions had noncurrent loans that exceeded reserves, compared to fewer than one in four institutions a year earlier.

Capital Ratios Exhibit Mixed Results

Total equity capital increased by $25.1 billion (1.9 percent) during the fourth quarter. This increase lagged behind the 2.6-percent increase in assets during the quarter, and the industry's equity-to-assets ratio declined from 10.44 percent to 10.37 percent. Goodwill accounted for almost one-third ($7.9 billion) of the increase in equity, despite large write-downs of goodwill at several institutions. The industry's leverage capital ratio registered a larger decline during the quarter, because leverage capital does not include goodwill. The leverage ratio fell from 8.14 percent to 7.98 percent, a four-year low. In contrast, the industry's total risk-based capital ratio, which includes loss reserves, increased from 12.74 percent to 12.79 percent. At the end of 2007, 99 percent of all insured institutions, representing more than 99 percent of total industry assets, met or exceeded the highest regulatory capital standards.

Asset Growth Remains Strong in the Fourth Quarter

Assets continued to grow strongly in the fourth quarter, but the focus of growth shifted away from residential mortgage loans. Total assets increased by $331.8 billion (2.6 percent) during the quarter. Fed funds sold and securities purchased under resale agreements increased by $71.5 billion (11.5 percent), assets in trading accounts grew by $64.6 billion (8.0 percent), C&I loans increased by $51.5 billion (3.7 percent), and credit card loans grew by $38.0 billion (9.9 percent). The industry's portfolio of mortgage-backed securities rose by $36.9 billion (3.1 percent). Real estate loans secured by nonfarm nonresidential properties increased by $29.0 billion (3.1 percent). Residential mortgage loans rose by only $7.1 billion (0.3 percent), compared to a $30.8-billion increase in the third quarter. Real estate construction and development loans increased by only $12.5 billion (2.0 percent) during the fourth quarter. This is the smallest quarterly increase since the fourth quarter of 2003. Despite the slowdown in growth of construction lending, the number of institutions with concentrations of exposure to construction lending continued to rise. During the fourth quarter, the number of institutions whose construction loans exceeded their total capital increased from 2,348 to 2,368.

Domestic Deposits Post Record Growth

Deposits in domestic offices of insured institutions increased by $170.6 billion (2.5 percent), the largest quarterly dollar increase ever reported by the industry. Deposits in noninterest-bearing accounts rose by $64.9 billion (5.8 percent), time deposits grew by $53.5 billion (2.1 percent), and deposits in other interest-bearing accounts increased by $49.1 billion (1.6 percent). Brokered deposits increased by $63.3 billion (12.4 percent). Nondeposit liabilities rose by $74.0 billion (2.3 percent), led by advances from Federal Home Loan Banks (up $38.4 billion, or 5.0 percent). Deposits in foreign offices grew by $62.2 billion (4.3 percent). The industry's ratio of deposits to total assets, which hit an all-time low of 64.4 percent at the end of the third quarter, rose slightly to 64.5 percent at year end.

Trust Income Rose in 2007

Both trust assets and income from trust activities registered strong growth in 2007. Total assets in trust accounts increased by $2.6 trillion (13.4 percent) during the year, with assets in managed accounts increasing by $68.6 billion (1.6 percent) and assets in non-managed accounts rising by $2.5 trillion (16.9 percent). Assets in custodial and safekeeping accounts increased by $9.8 trillion (20.3 percent) in 2007. Net income from trust activities totaled $12.8 billion in 2007, an increase of $2.8 billion (28.6 percent) over 2006. Five institutions accounted for 53 percent of the industry's net trust income in 2007.

Three Failures in 2007 Is Most Since 2004

The number of FDIC-insured institutions reporting financial results declined from 8,559 to 8,533 during the fourth quarter.[2] Fifty newly chartered institutions were added during the quarter, while 74 institutions were absorbed by mergers. One insured commercial bank failed in the fourth quarter. For the full year, 181 new insured institutions were chartered, 321 charters were absorbed in mergers, and three insured institutions failed. In the previous two years, there were no failures of FDIC-insured institutions, an interval unprecedented since the inception of the FDIC. In 2004, four insured institutions failed. Five mutually owned savings institutions, with combined assets of $4.8 billion, converted to stock ownership in the fourth quarter. For the entire year, ten insured savings institutions with total assets of $10.1 billion converted from mutual ownership to stock ownership. At the end of 2007, there were 76 FDIC-insured commercial banks and savings institutions on the "Problem List," with combined assets of $22.2 billion, up from 65 institutions with $18.5 billion at the end of the third quarter.

[2] At the time this issue of the *Quarterly Banking Profile* went to press, one insured commercial bank with assets of $1.2 billion had not yet submitted a year-end 2007 Call report.

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

	2007	2006	2005	2004	2003	2002	2001
Return on assets (%)	0.86	1.28	1.28	1.28	1.38	1.30	1.14
Return on equity (%)	8.17	12.30	12.43	13.20	15.05	14.08	13.02
Core capital (leverage) ratio (%)	7.98	8.22	8.25	8.11	7.88	7.86	7.79
Noncurrent assets plus other real estate owned to assets (%)	0.94	0.54	0.50	0.53	0.75	0.90	0.87
Net charge-offs to loans (%)	0.59	0.39	0.49	0.56	0.78	0.97	0.83
Asset growth rate (%)	9.94	9.03	7.64	11.36	7.58	7.20	5.44
Net interest margin (%)	3.29	3.31	3.47	3.52	3.73	3.96	3.78
Net operating income growth (%)	-23.72	8.50	11.39	4.02	16.39	17.58	-0.48
Number of institutions reporting	8,533	8,680	8,833	8,976	9,181	9,354	9,614
Commercial banks	7,282	7,401	7,526	7,631	7,770	7,888	8,080
Savings institutions	1,251	1,279	1,307	1,345	1,411	1,466	1,534
Percentage of unprofitable institutions (%)	11.56	7.93	6.22	5.97	5.99	6.67	8.24
Number of problem institutions	76	50	52	80	116	136	114
Assets of problem institutions (in billions)	$22	$8	$7	$28	$30	$39	$40
Number of failed/assisted institutions	3	0	0	4	3	11	4

* Excludes insured branches of foreign banks (IBAs)

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

(dollar figures in millions)	4th Quarter 2007	3rd Quarter 2007	4th Quarter 2006	%Change 06:4-07:4
Number of institutions reporting	8,533	8,559	8,680	-1.7
Total employees (full-time equivalent)	2,214,621	2,220,559	2,206,656	0.4
CONDITION DATA				
Total assets	$13,038,765	$12,706,982	$11,860,042	9.9
Loans secured by real estate	4,780,631	4,701,042	4,507,714	6.1
1-4 Family residential mortgages	2,245,323	2,238,248	2,175,790	3.2
Nonfarm nonresidential	968,401	939,426	904,368	7.1
Construction and development	628,918	616,447	565,282	11.3
Home equity lines	607,396	591,363	559,307	8.6
Commercial & industrial loans	1,440,314	1,388,804	1,214,754	18.6
Loans to individuals	1,059,143	1,013,345	955,263	10.9
Credit cards	422,481	384,506	384,980	9.7
Farm loans	56,783	56,166	54,257	4.7
Other loans & leases	571,798	546,314	503,608	13.5
Less: Unearned income	2,313	2,237	2,401	-3.7
Total loans & leases	7,906,357	7,703,433	7,233,196	9.3
Less: Reserve for losses	101,715	86,948	77,533	31.2
Net loans and leases	7,804,643	7,616,485	7,155,663	9.1
Securities	1,954,086	1,989,074	1,980,497	-1.3
Other real estate owned	12,138	9,806	6,057	100.4
Goodwill and other intangibles	465,680	461,065	413,434	12.6
All other assets	2,802,218	2,630,552	2,304,391	21.6
Total liabilities and capital	13,038,765	12,706,982	11,860,042	9.9
Deposits	8,414,356	8,181,581	7,825,219	7.5
Domestic office deposits	6,911,780	6,741,172	6,631,184	4.2
Foreign office deposits	1,502,575	1,440,409	1,194,036	25.8
Other borrowed funds	2,517,336	2,454,143	2,121,086	18.7
Subordinated debt	185,409	177,474	160,547	15.5
All other liabilities	569,405	566,582	505,335	12.7
Equity capital	1,352,259	1,327,202	1,247,855	8.4
Loans and leases 30-89 days past due	110,937	92,233	71,507	55.1
Noncurrent loans and leases	109,914	82,974	57,387	91.5
Restructured loans and leases	6,991	4,130	2,608	168.1
Direct and indirect investments in real estate	1,104	1,098	1,091	1.2
Mortgage-backed securities	1,236,031	1,199,169	1,206,913	2.4
Earning assets	11,306,104	11,031,937	10,336,488	9.4
FHLB advances	808,781	770,363	620,914	30.3
Unused loan commitments	8,359,380	8,302,064	7,572,935	10.4
Trust assets	21,865,518	21,501,132	19,277,633	13.4
Assets securitized and sold**	1,773,817	1,741,732	1,310,475	35.4
Notional amount of derivatives**	164,780,773	173,284,358	132,182,732	24.7

INCOME DATA	Full Year 2007	Full Year 2006	%Change	4th Quarter 2007	4th Quarter 2006	%Change 06:4-07:4
Total interest income	$725,156	$643,459	12.7	$189,149	$171,499	10.3
Total interest expense	372,311	313,353	18.8	97,117	89,180	8.9
Net interest income	352,845	330,106	6.9	92,032	82,319	11.8
Provision for loan and lease losses	68,164	29,545	130.7	31,253	9,852	217.2
Total noninterest income	233,419	240,430	-2.9	47,831	55,917	-14.5
Total noninterest expense	362,540	332,307	9.1	100,128	81,044	23.6
Securities gains (losses)	-1,331	1,969	N/M	-3,633	513	N/M
Applicable income taxes	47,019	68,081	-30.9	-731	14,709	N/M
Extraordinary gains, net	-1,740	2,669	N/M	237	2,094	-88.7
Net income	105,470	145,242	-27.4	5,816	35,238	-83.5
Net charge-offs	43,903	27,016	62.5	16,155	8,509	89.9
Cash dividends	110,160	93,445	17.9	20,550	34,104	-39.7
Retained earnings	-4,690	51,797	N/M	-14,734	1,134	N/M
Net operating income	107,852	141,388	-23.7	7,762	32,879	-76.4

** Call Report filers only.

N/M - Not Meaningful

TABLE III-A. Full Year 2007, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FULL YEAR (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	8,533	27	5	1,591	4,773	786	108	374	813	56
Commercial banks	7,282	23	5	1,586	4,279	183	83	332	749	42
Savings institutions	1,251	4	0	5	494	603	25	42	64	14
Total assets (in billions)	$13,038.8	$479.3	$2,784.3	$157.5	$4,619.1	$1,333.6	$94.3	$37.9	$110.1	$3,422.5
Commercial banks	11,176.1	437.9	2,784.3	157.1	4,158.8	211.9	41.2	29.5	95.1	3,260.3
Savings institutions	1,862.7	41.4	0.0	0.4	460.3	1,121.7	53.2	8.4	15.0	162.3
Total deposits (in billions)	8,414.4	153.6	1,706.1	128.2	3,268.7	738.3	71.3	26.7	90.1	2,231.4
Commercial banks	7,308.9	143.2	1,706.1	127.8	2,966.0	79.2	27.4	21.1	78.2	2,159.9
Savings institutions	1,105.5	10.4	0.0	0.3	302.8	659.1	43.8	5.6	11.8	71.5
Net income (in millions)	105,470	15,390	14,893	1,808	38,261	3,931	1,179	959	1,111	27,938
Commercial banks	99,511	13,799	14,893	1,804	36,979	1,814	786	627	1,019	27,789
Savings institutions	5,959	1,591	0	4	1,282	2,117	393	332	92	149
Performance Ratios (%)										
Yield on earning assets	6.76	13.18	6.23	7.15	6.88	6.57	7.61	5.49	6.56	6.23
Cost of funding earning assets	3.47	4.63	3.64	3.18	3.29	3.93	3.34	2.45	2.86	3.30
Net interest margin	3.29	8.56	2.59	3.97	3.59	2.63	4.26	3.04	3.70	2.94
Noninterest income to assets	1.90	10.50	1.97	0.68	1.26	0.93	2.54	11.07	1.03	1.88
Noninterest expense to assets	2.94	8.34	2.83	2.69	2.77	2.23	3.53	9.84	3.05	2.74
Loan and lease loss provision to assets	0.55	3.72	0.59	0.17	0.38	0.59	1.04	0.09	0.13	0.34
Net operating income to assets	0.88	3.34	0.57	1.21	0.91	0.33	1.24	2.58	1.02	0.91
Pretax return on assets	1.24	5.39	0.75	1.45	1.26	0.47	1.99	3.88	1.27	1.27
Return on assets	0.86	3.46	0.58	1.21	0.86	0.30	1.27	2.60	1.04	0.89
Return on equity	8.17	15.12	7.44	10.88	7.94	3.14	11.69	13.11	9.11	8.34
Net charge-offs to loans and leases	0.59	3.95	0.76	0.22	0.35	0.40	0.87	0.29	0.21	0.39
Loan and lease loss provision to net charge-offs	155.26	126.17	176.05	113.69	154.02	209.60	143.98	122.56	113.56	160.85
Efficiency ratio	59.37	44.54	66.95	61.94	59.45	61.10	52.61	70.95	68.46	60.50
% of unprofitable institutions	11.56	7.41	0.00	3.08	14.33	14.25	10.19	24.60	4.06	5.36
% of institutions with earnings gains	49.19	55.56	40.00	61.28	47.18	32.70	49.07	44.92	55.23	46.43
Condition Ratios (%)										
Earning assets to total assets	86.71	80.98	83.66	91.04	88.45	92.03	91.27	88.15	91.62	85.08
Loss allowance to:										
Loans and leases	1.29	4.15	1.46	1.27	1.23	0.86	1.22	1.33	1.18	0.92
Noncurrent loans and leases	92.54	207.47	103.22	121.50	93.62	45.74	61.51	172.87	123.83	80.15
Noncurrent assets plus										
other real estate owned to assets	0.94	1.54	0.67	0.83	1.06	1.52	1.65	0.23	0.66	0.68
Equity capital ratio	10.37	21.26	8.01	11.17	11.03	8.61	12.63	20.04	11.46	10.32
Core capital (leverage) ratio	7.98	14.57	6.38	10.32	8.48	7.89	9.87	18.59	11.05	7.43
Tier 1 risk-based capital ratio	10.12	13.26	8.59	13.70	9.74	12.94	11.33	41.05	18.13	9.86
Total risk-based capital ratio	12.79	15.88	12.50	14.75	11.83	14.94	13.12	42.07	19.24	12.78
Net loans and leases to deposits	92.75	229.92	71.46	80.85	98.54	126.71	105.89	33.55	68.80	81.82
Net loans to total assets	59.86	73.70	43.79	65.78	69.73	70.15	79.99	23.65	56.27	53.35
Domestic deposits to total assets	53.01	29.57	26.68	81.37	68.18	55.29	74.58	68.15	81.79	53.36
Structural Changes										
New Charters	181	1	0	5	49	5	0	120	1	0
Institutions absorbed by mergers	321	1	0	24	254	12	2	2	7	19
Failed Institutions	3	0	0	0	0	2	0	0	0	1
PRIOR FULL YEARS (The way it was...)										
Number of institutions 2006	8,680	26	4	1,634	4,713	817	123	411	895	57
2004	8,976	34	5	1,731	4,423	990	132	466	1,120	75
2002	9,354	40	5	1,823	4,070	1,107	196	488	1,525	100
Total assets (in billions) 2006	$11,860.0	$408.4	$2,337.2	$149.2	$4,904.7	$1,445.0	$109.9	$42.2	$119.6	$2,343.9
2004	10,105.9	383.0	1,881.3	138.7	3,301.4	1,503.6	104.1	52.0	143.3	2,598.4
2002	8,435.7	299.3	1,273.1	123.8	2,960.6	1,342.0	166.5	60.2	197.4	2,013.0
Return on assets (%) 2006	1.28	4.19	1.01	1.23	1.28	0.94	1.75	1.54	1.04	1.26
2004	1.28	4.03	0.76	1.22	1.29	1.18	1.66	1.68	1.10	1.32
2002	1.30	3.60	0.74	1.24	1.30	1.31	1.35	1.08	1.14	1.32
Net charge-offs to loans & leases (%) 2006	0.39	3.48	0.48	0.17	0.22	0.15	1.40	0.42	0.20	0.22
2004	0.56	4.66	0.91	0.22	0.30	0.12	1.57	0.59	0.29	0.25
2002	0.97	6.12	1.77	0.29	0.65	0.20	1.07	1.36	0.35	0.81
Noncurrent assets plus										
OREO to assets (%) 2006	0.54	1.37	0.40	0.67	0.55	0.56	0.85	0.20	0.56	0.45
2004	0.53	1.50	0.57	0.68	0.51	0.43	0.53	0.31	0.59	0.45
2002	0.90	1.68	1.19	0.85	0.87	0.71	1.28	0.59	0.70	0.75
Equity capital ratio (%) 2006	10.52	22.88	7.75	10.73	11.16	9.91	14.16	21.12	10.98	9.78
2004	10.28	20.54	8.05	10.78	10.10	10.55	11.36	17.47	10.79	10.23
2002	9.20	15.48	7.14	10.76	9.36	9.07	7.35	17.18	10.62	9.10

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

TABLE III-A. Full Year 2007, All FDIC-Insured Institutions

		Asset Size Distribution				Geographic Regions*					
FULL YEAR **(The way it is...)**	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	8,533	3,440	4,425	549	119	1,042	1,220	1,763	1,987	1,743	778
Commercial banks	7,282	3,065	3,706	425	86	548	1,075	1,455	1,880	1,618	706
Savings institutions	1,251	375	719	124	33	494	145	308	107	125	72
Total assets (in billions)	$13,038.8	$181.9	$1,310.1	$1,420.3	$10,126.5	$2,439.7	$3,329.1	$2,842.7	$977.9	$738.7	$2,710.7
Commercial banks	11,176.1	162.9	1,062.1	1,112.7	8,838.4	1,759.6	3,060.6	2,685.7	935.2	621.2	2,113.9
Savings institutions	1,862.7	19.0	247.9	307.5	1,288.2	680.1	268.6	157.0	42.7	117.5	596.9
Total deposits (in billions)	8,414.4	148.1	1,039.9	1,008.1	6,218.3	1,512.9	2,184.0	1,828.3	691.1	547.1	1,650.9
Commercial banks	7,308.9	133.8	854.8	792.0	5,528.4	1,066.5	2,023.6	1,717.8	661.1	476.6	1,363.2
Savings institutions	1,105.5	14.3	185.1	216.1	690.0	446.4	160.4	110.5	30.0	70.5	287.7
Net income (in millions)	105,470	1,322	12,440	13,473	78,235	18,068	26,050	23,630	13,304	7,192	17,226
Commercial banks	99,511	1,282	10,804	11,519	75,905	17,126	27,097	23,028	13,116	6,331	12,813
Savings institutions	5,959	39	1,636	1,954	2,330	942	-1,047	602	187	861	4,413
Performance Ratios (%)											
Yield on earning assets	6.76	6.96	7.14	7.07	6.65	6.81	6.56	6.08	7.61	7.15	7.25
Cost of funding earning assets	3.47	2.91	3.29	3.37	3.52	3.45	3.47	3.35	3.26	3.28	3.73
Net interest margin	3.29	4.05	3.86	3.70	3.13	3.36	3.08	2.73	4.34	3.86	3.52
Noninterest income to assets	1.90	1.22	1.13	1.43	2.08	2.18	1.53	2.05	3.36	1.37	1.56
Noninterest expense to assets	2.94	3.77	3.13	2.83	2.92	3.14	2.57	2.77	4.21	3.19	2.89
Loan and lease loss provision to assets	0.55	0.21	0.25	0.42	0.62	0.67	0.37	0.39	0.85	0.32	0.80
Net operating income to assets	0.88	0.74	0.98	1.05	0.84	0.83	0.88	0.87	1.44	1.01	0.68
Pretax return on assets	1.24	0.97	1.31	1.48	1.20	1.22	1.20	1.27	2.09	1.36	0.93
Return on assets	0.86	0.75	0.99	0.99	0.82	0.79	0.84	0.87	1.46	1.02	0.66
Return on equity	8.17	5.39	9.44	8.79	7.98	6.45	8.10	9.66	14.29	10.00	6.17
Net charge-offs to loans and leases	0.59	0.23	0.24	0.41	0.68	0.90	0.33	0.46	0.78	0.29	0.76
Loan and lease loss provision to net charge-offs	155.26	145.31	149.06	149.28	156.29	130.05	184.23	154.10	154.18	165.05	164.10
Efficiency ratio	59.37	76.03	66.10	57.57	58.43	56.25	59.87	61.13	57.70	64.13	59.60
% of unprofitable institutions	11.56	18.11	7.12	6.19	11.76	16.03	17.54	10.72	6.14	8.20	19.41
% of institutions with earnings gains	49.19	50.00	49.58	45.17	29.41	37.33	39.02	47.14	55.41	58.92	47.94
Condition Ratios (%)											
Earning assets to total assets	86.71	91.70	91.80	90.51	85.43	86.67	86.09	86.00	86.55	89.91	87.45
Loss Allowance to:											
Loans and leases	1.29	1.28	1.17	1.29	1.30	1.52	1.06	1.29	1.39	1.16	1.36
Noncurrent loans and leases	92.54	107.04	95.86	96.09	91.30	121.32	91.96	83.62	81.59	95.20	86.53
Noncurrent assets plus											
other real estate owned to assets	0.94	0.95	1.06	1.06	0.90	0.76	0.81	0.95	1.37	0.97	1.09
Equity capital ratio	10.37	13.74	10.52	11.37	10.15	12.07	10.32	9.24	9.75	10.23	10.35
Core capital (leverage) ratio	7.98	13.53	9.97	9.44	7.41	8.68	7.07	7.17	8.09	8.88	9.02
Tier 1 risk-based capital ratio	10.12	19.67	13.21	11.95	9.32	11.86	8.93	8.79	9.46	11.14	11.59
Total risk-based capital ratio	12.79	20.70	14.30	13.26	12.40	13.92	11.64	11.72	12.18	12.80	14.66
Net loans and leases to deposits	92.75	76.66	87.98	96.38	93.35	90.83	93.25	84.19	97.15	89.09	102.72
Net loans to total assets	59.86	62.40	69.83	68.41	57.32	56.32	61.18	54.14	68.66	65.99	62.56
Domestic deposits to total assets	53.01	81.39	79.26	70.31	46.68	52.94	58.30	50.45	63.54	73.19	39.97
Structural Changes											
New Charters	181	174	5	2	0	22	53	16	12	33	45
Institutions absorbed by mergers	321	114	167	31	9	74	45	77	48	46	31
Failed Institutions	3	2	0	1	0	1	1	1	0	0	0
PRIOR FULL YEARS **(The way it was...)**											
Number of institutions 2006	8,680	3,632	4,399	530	119	1,092	1,218	1,826	2,018	1,753	773
2004	8,976	4,093	4,286	480	117	1,129	1,219	1,951	2,094	1,834	749
2002	9,354	4,680	4,118	450	106	1,212	1,237	2,055	2,167	1,901	782
Total assets (in billions) 2006	$11,860.0	$189.9	$1,290.0	$1,397.5	$8,982.6	$2,214.3	$2,911.4	$2,746.2	$859.8	$652.3	$2,476.1
2004	10,105.9	211.7	1,199.6	1,317.0	7,377.6	2,855.0	2,177.1	2,387.6	768.2	603.1	1,315.1
2002	8,435.7	237.8	1,124.9	1,279.1	5,793.9	2,892.6	1,711.2	1,572.0	440.1	581.5	1,238.3
Return on assets (%) 2006	1.28	0.92	1.16	1.22	1.31	1.27	1.31	1.10	1.76	1.23	1.29
2004	1.28	1.00	1.19	1.45	1.27	1.37	1.34	0.88	1.55	1.26	1.60
2002	1.30	0.99	1.16	1.44	1.31	1.11	1.32	1.28	1.58	1.41	1.58
Net charge-offs to loans & leases (%) 2006	0.39	0.18	0.16	0.20	0.47	0.72	0.19	0.28	0.55	0.21	0.43
2004	0.56	0.28	0.27	0.39	0.65	0.88	0.31	0.41	0.74	0.27	0.60
2002	0.97	0.32	0.41	0.69	1.18	1.45	0.71	0.77	1.19	0.44	0.81
Noncurrent assets plus											
OREO to assets (%) 2006	0.54	0.73	0.59	0.52	0.53	0.51	0.33	0.57	1.05	0.62	0.56
2004	0.53	0.74	0.56	0.51	0.53	0.58	0.35	0.55	0.81	0.61	0.51
2002	0.90	0.85	0.74	0.69	0.98	1.01	0.78	1.00	0.82	0.81	0.74
Equity capital ratio (%) 2006	10.52	13.01	10.39	10.97	10.42	12.48	10.05	9.07	10.64	10.42	10.92
2004	10.28	11.82	10.19	10.89	10.15	11.21	8.74	9.36	10.62	10.78	12.10
2002	9.20	11.28	10.06	10.06	8.76	8.85	9.38	8.57	10.34	9.60	9.98

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

TABLE IV-A. Fourth Quarter 2007, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FOURTH 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	8,533	27	5	1,591	4,773	786	108	374	813	56
Commercial banks	7,282	23	5	1,586	4,279	183	83	332	749	42
Savings institutions	1,251	4	0	5	494	603	25	42	64	14
Total assets (in billions)	$13,038.8	$479.3	$2,784.3	$157.5	$4,619.1	$1,333.6	$94.3	$37.9	$110.1	$3,422.5
Commercial banks	11,176.1	437.9	2,784.3	157.1	4,158.8	211.9	41.2	29.5	95.1	3,260.3
Savings institutions	1,862.7	41.4	0.0	0.4	460.3	1,121.7	53.2	8.4	15.0	162.3
Total deposits (in billions)	8,414.4	153.6	1,706.1	128.2	3,268.7	738.3	71.3	26.7	90.1	2,231.4
Commercial banks	7,308.9	143.2	1,706.1	127.8	2,966.0	79.2	27.4	21.1	78.2	2,159.9
Savings institutions	1,105.5	10.4	0.0	0.3	302.8	659.1	43.8	5.6	11.8	71.5
Net income (in millions)	5,816	3,027	-1,383	424	3,948	-3,230	156	214	258	2,402
Commercial banks	10,540	2,797	-1,383	423	5,097	448	153	117	237	2,651
Savings institutions	-4,724	230	0	1	-1,148	-3,678	3	97	21	-249
Performance Ratios (annualized, %)										
Yield on earning assets	6.78	13.36	6.20	7.15	6.93	6.38	7.84	5.60	6.61	6.32
Cost of funding earning assets	3.48	4.40	3.57	3.17	3.35	3.86	3.41	2.50	2.87	3.36
Net interest margin	3.30	8.97	2.63	3.99	3.58	2.52	4.43	3.10	3.73	2.96
Noninterest income to assets	1.49	10.43	1.01	0.71	1.05	0.78	2.57	11.20	1.07	1.43
Noninterest expense to assets	3.11	8.32	2.83	2.83	2.97	2.72	3.77	10.26	3.18	2.90
Loan and lease loss provision to assets	0.97	5.37	0.98	0.20	0.72	1.13	1.71	0.09	0.20	0.68
Net operating income to assets	0.24	2.49	-0.19	1.09	0.36	-0.58	0.65	2.28	0.92	0.35
Pretax return on assets	0.16	4.10	-0.63	1.32	0.49	-1.34	1.14	3.61	1.14	0.26
Return on assets	0.18	2.61	-0.20	1.10	0.35	-0.94	0.66	2.30	0.95	0.29
Return on equity	1.74	11.96	-2.55	9.73	3.14	-10.51	5.29	11.46	8.24	2.78
Net charge-offs to loans and leases	0.83	4.23	1.05	0.31	0.60	0.66	1.03	0.26	0.33	0.55
Loan and lease loss provision to net charge-offs	193.46	167.80	209.30	95.69	170.12	240.30	201.17	136.68	104.18	231.63
Efficiency ratio	66.27	42.33	86.38	64.66	63.50	68.46	54.48	73.26	70.43	71.27
% of unprofitable institutions	17.68	11.11	40.00	10.75	20.18	20.87	20.37	28.07	8.86	12.50
% of institutions with earnings gains	47.56	48.15	0.00	58.39	43.08	47.20	51.85	46.26	53.38	46.43
Structural Changes										
New Charters	50	0	0	1	17	1	0	31	0	0
Institutions absorbed by mergers	74	0	0	2	63	4	0	0	4	1
Failed Institutions	1	0	0	0	0	1	0	0	0	0
PRIOR FOURTH QUARTERS **(The way it was...)**										
Return on assets (%) 2006	1.20	3.43	0.96	1.06	1.20	0.91	1.54	2.17	1.00	1.21
2004	1.25	3.72	0.77	1.04	1.25	1.22	1.50	1.74	0.99	1.25
2002	1.20	3.74	0.43	1.02	1.28	1.36	1.41	-0.80	1.02	1.17
Net charge-offs to loans & leases (%) 2006	0.47	3.88	0.36	0.30	0.35	0.19	1.62	0.32	0.28	0.29
2004	0.60	4.64	1.10	0.31	0.35	0.15	1.44	0.54	0.36	0.24
2002	0.98	5.36	1.73	0.45	0.65	0.29	1.15	2.33	0.49	0.90

***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 the 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.

TABLE IV-A. Fourth Quarter 2007, All FDIC-Insured Institutions

		Asset Size Distribution				Geographic Regions*					
FOURTH QUARTER **(The way it is...)**	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	8,533	3,440	4,425	549	119	1,042	1,220	1,763	1,987	1,743	778
Commercial banks	7,282	3,065	3,706	425	86	548	1,075	1,455	1,880	1,618	706
Savings institutions	1,251	375	719	124	33	494	145	308	107	125	72
Total assets (in billions)	$13,038.8	$181.9	$1,310.1	$1,420.3	$10,126.5	$2,439.7	$3,329.1	$2,842.7	$977.9	$738.7	$2,710.7
Commercial banks	11,176.1	162.9	1,062.1	1,112.7	8,838.4	1,759.6	3,060.6	2,685.7	935.2	621.2	2,113.9
Savings institutions	1,862.7	19.0	247.9	307.5	1,288.2	680.1	268.6	157.0	42.7	117.5	596.9
Total deposits (in billions)	8,414.4	148.1	1,039.9	1,008.1	6,218.3	1,512.9	2,184.0	1,828.3	691.1	547.1	1,650.9
Commercial banks	7,308.9	133.8	854.8	792.0	5,528.4	1,066.5	2,023.6	1,717.8	661.1	476.6	1,363.2
Savings institutions	1,105.5	14.3	185.1	216.1	690.0	446.4	160.4	110.5	30.0	70.5	287.7
Net income (in millions)	5,816	221	2,489	2,484	622	1,709	1,249	4,322	2,385	1,110	-4,960
Commercial banks	10,540	221	2,150	2,163	6,006	2,993	2,959	4,304	2,366	1,054	-3,136
Savings institutions	-4,724	0	339	321	-5,385	-1,284	-1,709	18	19	57	-1,824
Performance Ratios (annualized, %)											
Yield on earning assets	6.78	7.07	7.12	7.08	6.68	6.86	6.66	6.20	7.65	7.09	7.05
Cost of funding earning assets	3.48	2.99	3.30	3.39	3.53	3.44	3.57	3.40	3.22	3.25	3.64
Net interest margin	3.30	4.08	3.82	3.69	3.15	3.42	3.08	2.80	4.43	3.83	3.42
Noninterest income to assets	1.49	1.28	1.11	1.00	1.61	2.18	1.00	2.08	3.21	1.30	0.31
Noninterest expense to assets	3.11	4.12	3.23	2.63	3.15	3.44	2.65	2.94	4.29	3.39	3.08
Loan and lease loss provision to assets	0.97	0.29	0.41	0.75	1.09	0.97	0.76	0.70	1.52	0.58	1.41
Net operating income to assets	0.24	0.46	0.76	0.69	0.11	0.39	0.28	0.61	0.97	0.60	-0.67
Pretax return on assets	0.16	0.66	0.99	0.98	-0.07	0.58	0.04	0.86	1.26	0.79	-1.35
Return on assets	0.18	0.49	0.77	0.71	0.02	0.28	0.15	0.62	1.00	0.61	-0.73
Return on equity	1.74	3.55	7.30	6.23	0.24	2.32	1.50	6.77	10.05	5.93	-6.95
Net charge-offs to loans and leases	0.83	0.36	0.42	0.60	0.94	1.00	0.56	0.74	1.10	0.46	1.09
Loan and lease loss provision to net charge-offs	193.46	126.15	138.87	179.53	199.30	171.70	222.53	172.84	196.92	189.26	203.52
Efficiency ratio	66.27	81.69	67.93	57.38	66.98	56.21	70.15	63.36	59.62	67.45	83.58
% of unprofitable institutions	17.68	24.65	12.86	11.29	25.21	20.54	25.16	16.39	13.89	13.20	24.81
% of institutions with earnings gains	47.56	48.02	48.47	42.08	25.21	45.30	36.48	47.19	53.40	54.79	37.66
Structural Changes											
New Charters	50	50	0	0	0	8	13	4	5	9	11
Institutions absorbed by mergers	74	30	39	5	0	12	5	33	12	6	6
Failed Institutions	1	1	0	0	0	0	0	1	0	0	0
PRIOR FOURTH QUARTERS **(The way it was...)**											
Return on assets (%) 2006	1.20	0.68	1.08	1.10	1.24	1.26	1.21	1.19	1.82	1.10	0.94
2004	1.25	0.89	1.14	1.36	1.25	1.37	1.19	0.85	1.66	1.18	1.59
2002	1.20	0.84	0.99	1.47	1.20	0.94	1.21	1.14	1.57	1.36	1.66
Net charge-offs to loans & leases (%) 2006	0.47	0.31	0.26	0.26	0.55	0.94	0.26	0.38	0.70	0.25	0.40
2004	0.60	0.39	0.34	0.45	0.69	0.88	0.33	0.59	0.70	0.34	0.59
2002	0.98	0.47	0.53	0.66	1.17	1.36	0.81	0.79	1.18	0.55	0.86

*** 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

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

December 31, 2007	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	1.58	2.87	2.71	1.32	1.30	1.85	2.55	1.25	1.73	1.41
Construction and development	1.83	0.00	2.01	2.47	1.84	3.37	1.43	0.96	1.47	1.28
Nonfarm nonresidential	0.78	0.00	0.60	1.04	0.75	0.64	1.59	0.98	1.27	0.85
Multifamily residential real estate	0.56	0.00	0.37	0.86	0.77	0.21	1.34	1.63	0.85	0.31
Home equity loans	1.14	2.98	1.05	0.70	0.84	1.75	0.82	1.33	1.13	1.16
Other 1-4 family residential	2.11	2.02	3.87	1.94	1.74	1.97	3.59	1.39	2.11	1.76
Commercial and industrial loans	0.73	2.80	0.41	1.45	0.81	1.01	1.05	1.25	1.55	0.54
Loans to individuals	2.07	2.33	2.15	2.27	1.75	1.52	1.92	1.76	2.63	2.07
Credit card loans	2.32	2.30	2.57	1.39	2.33	2.32	1.21	1.96	1.25	2.26
Other loans to individuals	1.90	2.57	1.95	2.33	1.68	0.98	2.16	1.74	2.68	2.03
All other loans and leases (including farm)	0.47	0.15	0.40	0.81	0.77	0.50	0.14	0.75	0.66	0.26
Total loans and leases	1.40	2.28	1.62	1.27	1.20	1.81	2.15	1.31	1.74	1.19
Percent of Loans Noncurrent**										
All real estate loans	1.71	1.81	1.95	1.20	1.62	1.94	3.17	0.82	0.99	1.60
Construction and development	3.15	0.00	1.91	4.12	3.05	6.08	3.35	2.28	2.16	3.00
Nonfarm nonresidential	0.81	0.00	0.56	1.26	0.85	0.64	2.60	0.70	1.23	0.58
Multifamily residential real estate	0.76	0.00	0.39	1.08	0.97	0.43	6.79	3.15	0.77	0.47
Home equity loans	0.86	1.98	0.75	0.49	0.61	1.47	0.13	0.14	0.57	0.87
Other 1-4 family residential	2.06	0.31	2.69	0.99	1.81	2.02	4.64	0.64	0.84	2.05
Commercial and industrial loans	0.66	2.21	0.34	1.35	0.74	0.88	0.73	1.21	1.16	0.54
Loans to individuals	1.43	2.10	2.09	0.73	0.67	0.96	0.94	0.49	0.78	0.83
Credit card loans	2.22	2.11	3.04	1.10	1.80	2.05	1.19	0.76	0.70	2.03
Other loans to individuals	0.91	2.03	1.66	0.71	0.54	0.24	0.85	0.47	0.79	0.59
All other loans and leases (including farm)	0.56	0.03	1.10	0.57	0.38	0.38	0.11	0.35	0.52	0.21
Total loans and leases	1.39	2.00	1.42	1.05	1.31	1.87	1.97	0.77	0.95	1.15
Percent of Loans Charged-off (net, YTD)										
All real estate loans	0.23	1.80	0.39	0.09	0.22	0.27	0.09	0.03	0.07	0.16
Construction and development	0.36	0.00	0.25	0.38	0.38	0.80	0.06	0.10	0.14	0.14
Nonfarm nonresidential	0.09	0.00	0.04	0.11	0.11	0.04	0.01	-0.03	0.08	0.04
Multifamily residential real estate	0.12	0.00	0.04	0.15	0.19	0.02	0.00	0.00	0.10	0.01
Home equity loans	0.47	1.90	0.49	0.07	0.36	0.82	0.16	0.09	0.05	0.42
Other 1-4 family residential	0.21	1.52	0.44	0.10	0.20	0.20	0.09	0.05	0.06	0.11
Commercial and industrial loans	0.54	4.54	0.35	0.69	0.44	0.74	2.48	0.26	0.49	0.38
Loans to individuals	2.50	4.17	2.80	0.64	1.16	3.28	1.65	0.90	0.71	1.60
Credit card loans	4.06	4.16	3.36	2.07	3.37	7.07	2.70	3.49	1.96	4.03
Other loans to individuals	1.52	4.24	2.56	0.55	0.90	0.56	1.29	0.50	0.67	1.14
All other loans and leases (including farm)	0.25	0.01	0.06	0.00	0.54	0.42	0.02	0.86	0.00	0.24
Total loans and leases	0.59	3.95	0.76	0.22	0.35	0.40	0.87	0.29	0.21	0.39
Loans Outstanding (in billions)										
All real estate loans	$4,780.6	$1.6	$484.6	$58.8	$2,201.6	$882.3	$36.2	$5.4	$43.9	$1,066.3
Construction and development	628.9	0.0	9.8	5.8	502.6	24.6	0.8	0.4	3.0	82.0
Nonfarm nonresidential	968.4	0.0	26.6	16.1	711.9	34.5	3.7	1.5	10.2	164.1
Multifamily residential real estate	202.7	0.0	11.8	1.0	115.9	42.0	0.2	0.1	0.7	31.0
Home equity loans	607.4	1.4	96.3	1.1	191.2	101.6	9.9	0.1	1.7	204.1
Other 1-4 family residential	2,245.3	0.2	288.2	15.3	641.3	678.9	21.5	3.1	25.2	571.7
Commercial and industrial loans	1,440.3	46.6	321.0	14.8	663.2	15.7	4.3	1.1	6.5	367.0
Loans to individuals	1,059.1	300.8	224.1	6.5	228.1	40.0	34.9	1.7	7.7	215.4
Credit card loans	422.5	266.0	70.6	0.4	23.8	16.0	9.0	0.2	0.3	36.3
Other loans to individuals	636.7	34.8	153.5	6.1	204.2	24.0	25.9	1.6	7.4	179.1
All other loans and leases (including farm)	628.6	19.6	208.2	24.9	169.3	5.7	1.0	0.8	4.7	194.5
Total loans and leases	7,908.7	368.5	1,237.8	105.0	3,262.2	943.6	76.5	9.1	62.8	1,843.2
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	12,138.3	N/M	1,060.3	208.0	6,232.5	2,530.1	45.3	18.1	125.3	1,937.0
Construction and development	2,224.0	0.0	0.0	64.2	1,972.6	130.7	4.8	1.5	16.2	34.0
Nonfarm nonresidential	1,526.5	0.0	11.0	66.7	1,171.4	38.5	23.9	11.4	46.8	156.8
Multifamily residential real estate	361.9	0.0	0.0	5.9	247.1	22.4	0.3	0.4	8.3	77.5
1-4 family residential	6,643.1	1.2	544.3	48.1	2,549.9	2,299.5	16.1	3.4	50.0	1,130.7
Farmland	68.7	0.0	0.0	22.8	40.2	0.2	0.3	0.4	3.7	1.1

* 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

		Asset Size Distribution				Geographic Regions*					
December 31, 2007	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.58	1.71	1.32	1.11	1.74	1.20	1.56	2.00	1.16	1.40	1.77
Construction and development	1.83	1.86	1.90	1.63	1.90	1.81	1.59	2.57	1.65	1.43	1.86
Nonfarm nonresidential	0.78	1.32	0.92	0.66	0.74	1.18	0.53	1.01	0.67	0.73	0.47
Multifamily residential real estate	0.56	1.29	0.89	0.94	0.37	0.39	0.68	1.43	0.73	0.67	0.27
Home equity loans	1.14	0.94	0.95	0.81	1.18	0.77	1.30	0.92	1.19	0.73	1.42
Other 1-4 family residential	2.11	2.23	1.55	1.32	2.28	1.24	2.07	2.92	1.35	2.34	2.52
Commercial and industrial loans	0.73	1.46	1.14	0.98	0.64	1.07	0.49	0.87	1.00	0.66	0.52
Loans to individuals	2.07	2.79	2.00	2.20	2.05	2.24	1.86	1.87	2.59	1.72	2.00
Credit card loans	2.32	2.05	2.50	2.42	2.31	2.31	2.78	2.12	2.26	1.21	2.42
Other loans to individuals	1.90	2.81	1.96	2.06	1.87	2.12	1.72	1.79	2.89	1.84	1.70
All other loans and leases (including farm)	0.47	0.73	0.65	0.70	0.43	0.51	0.37	0.72	0.34	0.70	0.24
Total loans and leases	1.40	1.66	1.31	1.16	1.45	1.35	1.31	1.60	1.26	1.25	1.47
Percent of Loans Noncurrent**											
All real estate loans	1.71	1.27	1.32	1.53	1.84	1.17	1.48	2.23	2.35	1.51	1.83
Construction and development	3.15	2.27	2.98	3.05	3.31	2.82	2.89	4.12	3.10	2.27	3.50
Nonfarm nonresidential	0.81	1.27	0.89	0.81	0.74	1.06	0.57	1.21	0.76	0.75	0.44
Multifamily residential real estate	0.76	1.02	1.02	1.47	0.48	0.41	0.88	2.35	0.61	1.24	0.29
Home equity loans	0.86	0.64	0.55	0.60	0.90	0.53	1.00	0.76	0.71	0.33	1.14
Other 1-4 family residential	2.06	1.17	0.96	1.40	2.31	1.13	1.58	2.81	4.28	2.00	2.37
Commercial and industrial loans	0.66	1.37	1.08	0.82	0.58	1.09	0.49	0.60	0.86	0.66	0.56
Loans to individuals	1.43	0.95	0.61	1.06	1.51	1.77	0.84	0.95	1.35	0.58	1.93
Credit card loans	2.22	1.06	1.44	2.02	2.24	2.26	2.33	1.81	1.88	1.10	2.50
Other loans to individuals	0.91	0.95	0.54	0.49	0.98	0.90	0.62	0.64	0.90	0.46	1.53
All other loans and leases (including farm)	0.56	0.60	0.51	0.43	0.58	0.68	0.17	0.59	0.23	0.51	1.18
Total loans and leases	1.39	1.19	1.22	1.34	1.43	1.25	1.16	1.55	1.70	1.22	1.57
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.23	0.12	0.14	0.21	0.26	0.10	0.19	0.33	0.28	0.18	0.29
Construction and development	0.36	0.29	0.33	0.42	0.35	0.28	0.31	0.51	0.41	0.31	0.36
Nonfarm nonresidential	0.09	0.10	0.08	0.11	0.09	0.07	0.06	0.14	0.07	0.12	0.09
Multifamily residential real estate	0.12	0.21	0.13	0.36	0.04	0.01	0.31	0.31	0.07	0.22	0.04
Home equity loans	0.47	0.19	0.14	0.28	0.51	0.22	0.46	0.40	0.68	0.26	0.64
Other 1-4 family residential	0.21	0.11	0.11	0.12	0.23	0.08	0.13	0.35	0.20	0.12	0.31
Commercial and industrial loans	0.54	0.58	0.50	0.53	0.54	0.98	0.33	0.31	0.94	0.33	0.65
Loans to individuals	2.50	0.67	1.02	2.09	2.64	3.33	1.31	1.52	2.94	1.08	3.20
Credit card loans	4.06	2.44	5.28	3.69	4.08	4.22	4.00	3.44	4.27	2.45	4.11
Other loans to individuals	1.52	0.64	0.69	1.27	1.63	1.78	0.92	0.84	1.78	0.77	2.60
All other loans and leases (including farm)	0.25	0.14	0.28	0.32	0.25	0.21	0.32	0.35	0.13	0.37	0.12
Total loans and leases	0.59	0.23	0.24	0.41	0.68	0.90	0.33	0.46	0.78	0.29	0.76
Loans Outstanding (in billions)											
All real estate loans	$4,780.6	$77.4	$717.5	$716.1	$3,269.6	$805.9	$1,374.4	$870.0	$384.1	$330.2	$1,016.1
Construction and development	628.9	10.8	147.0	165.1	306.0	65.1	204.0	122.6	52.1	87.8	97.3
Nonfarm nonresidential	968.4	22.1	243.5	233.8	469.1	182.4	249.7	193.2	88.2	104.8	150.1
Multifamily residential real estate	202.7	1.7	27.5	40.9	132.5	47.5	30.4	29.7	8.8	6.9	79.3
Home equity loans	607.4	2.5	33.7	42.0	529.2	58.3	193.0	152.9	75.9	21.6	105.7
Other 1-4 family residential	2,245.3	31.4	238.5	220.4	1,755.0	448.2	676.1	355.6	140.9	98.7	525.9
Commercial and industrial loans	1,440.3	16.7	123.0	153.6	1,147.0	203.3	345.7	349.3	121.6	102.1	318.4
Loans to individuals	1,059.1	9.0	49.4	79.2	921.6	291.9	179.5	175.8	102.9	40.8	268.3
Credit card loans	422.5	0.1	3.6	29.5	389.2	186.0	23.5	46.1	48.0	7.8	111.2
Other loans to individuals	636.7	8.9	45.8	49.7	532.4	105.9	156.0	129.7	54.8	33.0	157.1
All other loans and leases (including farm)	628.6	11.9	36.2	36.0	544.5	94.4	159.7	164.4	72.5	20.3	117.3
Total loans and leases	7,908.7	115.0	926.1	984.9	5,882.6	1,395.6	2,059.2	1,559.4	681.0	493.3	1,720.2
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	12,138.3	356.1	2,616.9	1,798.3	7,367.0	951.3	3,028.1	2,809.0	1,763.9	1,156.0	2,430.0
Construction and development	2,224.0	70.0	1,021.6	712.2	420.2	201.1	782.4	348.2	299.9	391.7	200.8
Nonfarm nonresidential	1,526.5	115.2	667.6	307.2	436.6	148.5	367.0	393.5	250.6	292.1	74.9
Multifamily residential real estate	361.9	13.1	100.3	95.2	153.3	30.8	114.4	121.5	29.5	23.7	42.0
1-4 family residential	6,643.1	143.7	792.6	670.5	5,036.4	540.4	1,720.7	1,399.0	637.4	398.7	1,946.9
Farmland	68.7	13.6	32.4	11.2	11.5	15.0	6.7	8.7	9.1	27.2	1.9

* 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 Commercial Banks and State-Chartered Savings Banks

(dollar figures in millions; notional amounts unless otherwise indicated)	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007	1st Quarter 2007	4th Quarter 2006	%Change 06:4-07:4	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
ALL DERIVATIVE HOLDERS										
Number of institutions reporting derivatives	1,042	1,025	1,058	1,056	1,014	2.8	67	632	264	79
Total assets of institutions reporting derivatives	$9,826,802	$9,460,260	$9,147,067	$8,871,745	$8,834,288	11.2	$4,954	$275,039	$821,793	$8,725,016
Total deposits of institutions reporting derivatives	6,324,177	6,031,920	5,900,355	5,750,636	5,751,266	10.0	3,969	216,148	588,151	5,515,908
Total derivatives	164,780,773	173,284,358	153,678,084	144,098,922	132,182,732	24.7	94	17,670	101,276	164,661,733
Derivative Contracts by Underlying Risk Exposure										
Interest rate	129,587,559	138,789,177	123,340,595	116,751,425	107,434,665	20.6	75	17,256	83,520	129,486,707
Foreign exchange*	17,174,474	16,696,567	15,117,713	14,167,853	12,564,160	36.7	8	30	5,170	17,169,265
Equity	2,533,531	2,783,712	2,491,034	2,173,375	2,270,942	11.6	11	186	12,162	2,521,172
Commodity & other (excluding credit derivatives)	1,073,116	1,025,685	951,725	840,505	893,310	20.1	0	0	207	1,072,908
Credit	14,412,094	13,989,217	11,777,017	10,165,765	9,019,655	59.8	0	198	216	14,411,679
Total	164,780,773	173,284,358	153,678,084	144,098,922	132,182,732	24.7	94	17,670	101,276	164,661,733
Derivative Contracts by Transaction Type										
Swaps	103,100,934	111,410,085	95,320,189	88,006,970	81,339,865	26.8	19	10,639	59,484	103,030,791
Futures & forwards	18,967,549	17,202,716	16,198,687	15,307,497	14,881,758	27.5	18	1,621	16,017	18,949,894
Purchased options	13,784,021	14,562,615	14,298,899	14,737,699	12,944,893	6.5	5	3,109	20,357	13,760,550
Written options	13,956,210	15,033,429	14,773,476	14,601,673	13,332,489	4.7	44	2,088	4,884	13,949,194
Total	149,808,714	158,208,844	140,591,251	132,653,840	122,499,005	22.3	86	17,457	100,742	149,690,429
Fair Value of Derivative Contracts										
Interest rate contracts	33,902	30,716	20,001	24,423	23,275	45.7	0	45	58	33,799
Foreign exchange contracts	6,569	3,119	5,661	74,088	5,324	23.4	0	0	-7	6,576
Equity contracts	-18,947	-20,872	-24,473	-18,499	-17,845	6.2	0	10	59	-19,016
Commodity & other (excluding credit derivatives)	1,422	1,664	1,946	22,530	2,658	-46.5	0	0	0	1,421
Credit derivatives as guarantor	-212,447	-104,120	-22,960	9,032	31,583	N/M	0	0	-16	-212,431
Credit derivatives as beneficiary	222,426	110,905	23,824	-9,668	-32,745	N/M	0	0	7	222,419
Derivative Contracts by Maturity**										
Interest rate contracts < 1 year	39,085,024	48,917,897	39,403,807	32,457,730	29,551,704	32.3	11	2,067	23,077	39,059,868
1-5 years	37,222,439	36,310,944	33,846,133	33,802,189	31,385,640	18.6	9	10,311	27,112	37,185,007
> 5 years	27,722,186	27,875,202	24,588,177	24,684,533	23,273,618	19.1	12	2,552	27,038	27,692,583
Foreign exchange contracts < 1 year	11,592,113	10,094,603	8,948,450	8,372,488	7,690,210	50.7	0	7	3,801	11,588,305
1-5 years	1,604,898	1,831,220	1,667,700	1,571,241	1,415,846	13.4	0	4	17	1,604,878
> 5 years	618,960	718,390	676,071	624,415	592,897	4.4	0	5	10	618,945
Equity contracts < 1 year	473,413	464,820	442,652	397,237	341,346	38.7	0	22	148	473,242
1-5 years	297,419	330,227	283,520	236,563	220,856	34.7	5	74	400	296,940
> 5 years	70,485	95,900	62,916	74,332	44,858	57.1	0	1	37	70,447
Commodity & other contracts < 1 year	288,125	278,442	280,133	271,647	235,107	22.6	0	0	158	287,967
1-5 years	337,075	308,298	261,410	200,458	272,314	23.8	0	0	27	337,048
> 5 years	26,387	27,617	27,273	23,931	21,581	22.3	0	0	0	26,387
Risk-Based Capital: Credit Equivalent Amount										
Total current exposure to tier 1 capital (%)	45.6	38.0	30.7	28.3	29.2		0.2	0.4	1.9	52.8
Total potential future exposure to tier 1 capital (%)	109.8	115.1	113.4	106.8	97.7		0.1	0.4	0.9	127.5
Total exposure (credit equivalent amount) to tier 1 capital (%)	155.4	153.1	144.1	135.1	126.9		0.3	0.8	2.7	180.3
Credit losses on derivatives***	156.0	125.0	6.0	-3.0	-25.0	N/M	0.0	1.0	0.0	155.0
HELD FOR TRADING										
Number of institutions reporting derivatives	166	159	167	156	147	12.9	11	45	57	53
Total assets of institutions reporting derivatives	8,307,238	7,977,733	7,640,639	7,388,068	7,223,404	15.0	760	22,358	250,499	8,033,621
Total deposits of institutions reporting derivatives	5,354,783	5,083,233	4,917,948	4,770,665	4,712,089	13.6	599	17,483	175,641	5,161,060
Derivative Contracts by Underlying Risk Exposure										
Interest rate	127,126,919	136,068,953	120,820,791	114,003,913	104,692,154	21.4	9	304	30,489	127,096,117
Foreign exchange	16,483,269	15,489,462	13,683,371	12,769,131	11,788,161	39.8	0	12	4,486	16,478,771
Equity	2,515,242	2,767,663	2,474,617	2,168,932	2,266,778	11.0	0	1	347	2,514,894
Commodity & other	1,072,230	1,024,998	951,236	840,237	893,087	20.1	0	0	148	1,072,082
Total	147,197,659	155,351,076	137,930,014	129,782,212	119,640,180	23.0	9	317	35,470	147,161,864
Trading Revenues: Cash & Derivative Instruments										
Interest rate	-5,658	1,364	2,939	2,405	1,151	N/M	0	0	13	-5,671
Foreign exchange	1,873	2,005	1,265	1,830	1,613	16.1	0	0	9	1,864
Equity	211	-92	1,020	1,732	1,214	-82.6	0	0	0	211
Commodity & other (including credit derivatives)	-6,400	-1,017	907	1,053	-111	N/M	0	0	1	-6,401
Total trading revenues	-9,974	2,260	6,131	7,020	3,866	N/M	0	0	23	-9,997
Share of Revenue										
Trading revenues to gross revenues (%)	-7.2	1.5	4.1	4.9	3.0		0.0	0.0	0.7	-7.4
Trading revenues to net operating revenues (%)	-233.9	12.6	27.0	33.0	19.6		0.0	-0.4	7.3	-256.0
HELD FOR PURPOSES OTHER THAN TRADING										
Number of institutions reporting derivatives	959	949	971	969	935	2.6	56	591	237	75
Total assets of institutions reporting derivatives	9,651,581	9,300,460	8,967,342	8,637,459	8,604,674	12.2	4,160	254,949	749,334	8,643,139
Total deposits of institutions reporting derivatives	6,204,217	5,923,372	5,776,699	5,582,898	5,589,964	11.0	3,336	200,320	536,933	5,463,628
Derivative Contracts by Underlying Risk Exposure										
Interest rate	2,460,640	2,720,224	2,519,804	2,747,512	2,742,511	-10.3	66	16,952	53,031	2,390,591
Foreign exchange	131,240	120,808	124,526	119,405	111,928	17.3	0	4	366	130,870
Equity	18,289	16,048	16,417	4,443	4,164	339.2	11	185	11,815	6,279
Commodity & other	886	687	489	268	223	297.3	0	0	59	826
Total notional amount	2,611,055	2,857,768	2,661,237	2,871,628	2,858,826	-8.7	77	17,140	65,272	2,528,566

All line items are reported on a quarterly basis.
*Include 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.
** Derivative contracts subject to the risk-based capital requirements for derivatives.
*** The reporting of credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and to those banks filing the FFIEC 041 report form that have $300 million or more in total assets.

TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Commercial Banks and State-Chartered Savings Banks)

(dollar figures in millions)	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007	1st Quarter 2007	4th Quarter 2006	%Change 06:4-07:4	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
Assets Sold and Securitized with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements										
Number of institutions reporting securitization activities	124	122	126	126	123	0.8	14	49	20	41
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	$1,129,377	$1,111,554	$1,119,076	$1,088,151	$739,041	52.8	$44	$326	$9,074	$1,119,933
Home equity loans	9,353	9,894	10,640	9,339	8,905	5.0	0	0	232	9,120
Credit card receivables	389,502	379,662	372,481	367,796	362,467	7.5	0	2,939	11,713	374,850
Auto loans	9,019	10,433	12,547	14,132	16,263	-44.5	0	0	291	8,728
Other consumer loans	28,542	29,386	27,396	27,737	28,673	-0.5	0	7	0	28,536
Commercial and industrial loans	14,148	15,862	13,193	12,039	10,543	34.2	0	39	5,322	8,787
All other loans, leases, and other assets*	193,875	184,941	162,434	150,404	144,582	34.1	1	79	681	193,115
Total securitized and sold	1,773,817	1,741,732	1,717,767	1,669,598	1,310,475	35.4	45	3,389	27,313	1,743,069
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	6,891	6,856	6,502	6,047	6,580	4.7	17	4	35	6,836
Home equity loans	2,000	2,336	2,402	2,354	2,332	-14.2	0	0	10	1,990
Credit card receivables	19,196	19,120	18,711	17,685	19,182	0.1	0	167	601	18,428
Auto loans	380	426	555	628	724	-47.5	0	0	12	368
Other consumer loans	1,379	2,114	1,768	1,861	1,882	-26.7	0	0	0	1,379
Commercial and industrial loans	282	399	314	311	348	-19.0	0	0	71	211
All other loans, leases, and other assets	3,733	4,578	1,053	1,052	964	287.2	1	26	42	3,663
Total credit exposure	33,860	35,829	31,304	29,937	32,013	5.8	18	197	771	32,875
Total unused liquidity commitments provided to institution's own securitizations	4,686	5,095	5,667	6,116	6,503	-27.9	0	0	0	4,686
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)										
1-4 family residential loans	2.7	2.7	2.6	2.1	3.0		2.7	0.0	10.3	2.6
Home equity loans	0.8	0.7	0.6	0.7	0.7		0.0	0.0	2.4	0.8
Credit card receivables	2.2	2.1	1.9	1.9	2.0		0.0	1.2	1.6	2.2
Auto loans	2.5	2.0	1.7	1.5	1.7		0.0	0.0	1.1	2.5
Other consumer loans	3.1	2.8	2.8	2.4	3.0		0.0	0.0	0.0	3.1
Commercial and industrial loans	1.0	1.0	0.5	0.7	0.7		0.0	0.0	2.3	0.2
All other loans, leases, and other assets	0.1	0.1	0.1	0.1	0.2		0.0	0.0	0.2	0.1
Total loans, leases, and other assets	2.3	2.3	2.1	1.9	2.4		2.6	1.1	4.6	2.2
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)										
1-4 family residential loans	1.5	1.2	1.3	1.1	1.2		0.3	0.0	23.8	1.4
Home equity loans	0.5	0.4	0.3	0.4	0.5		0.0	0.0	1.1	0.5
Credit card receivables	1.9	1.7	1.6	1.8	1.7		0.0	1.1	1.3	1.9
Auto loans	0.3	0.2	0.2	0.2	0.3		0.0	0.0	0.1	0.4
Other consumer loans	2.4	2.1	2.1	2.0	2.1		0.0	0.0	0.0	2.4
Commercial and industrial loans	0.9	0.7	0.6	0.6	0.7		0.0	0.0	2.0	0.3
All other loans, leases, and other assets	0.1	0.1	0.2	0.1	0.2		0.0	1.9	0.0	0.1
Total loans, leases, and other assets	1.5	1.2	1.2	1.2	1.2		0.3	1.0	8.9	1.4
Securitized Loans, Leases, and Other Assets Charged-Off (net, YTD, annualized, %)										
1-4 family residential loans	0.1	0.0	0.0	0.0	0.0		0.0	0.0	3.1	0.0
Home equity loans	0.2	0.1	0.1	0.1	0.3		0.0	0.0	1.6	0.2
Credit card receivables	4.4	3.3	2.2	1.1	3.8		0.0	3.3	3.0	4.5
Auto loans	1.2	0.8	0.5	0.3	0.7		0.0	0.0	0.5	1.2
Other consumer loans	1.3	1.1	0.7	0.4	1.5		0.0	0.0	0.0	1.3
Commercial and industrial loans	2.0	1.3	0.7	0.4	1.3		0.0	0.0	4.2	0.7
All other loans, leases, and other assets	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Total loans, leases, and other assets	1.1	0.8	0.5	0.3	1.1		0.0	2.9	3.1	1.0
Seller's Interests in Institution's Own Securitizations - Carried as Loans										
Home equity loans	347	494	651	671	869	-60.1	0	0	0	347
Credit card receivables	86,748	77,451	73,405	61,569	75,225	15.3	0	251	4,699	81,798
Commercial and industrial loans	7,671	6,018	2,843	2,863	2,596	195.5	0	0	816	6,855
Seller's Interests in Institution's Own Securitizations - Carried as Securities										
Home equity loans	9	10	10	10	10	-10.0	0	0	0	9
Credit card receivables	436	374	327	281	322	35.4	0	62	374	0
Commercial and industrial loans	2	6	9	1	5	-60.0	0	0	0	2
Assets Sold with Recourse and Not Securitized										
Number of institutions reporting asset sales	757	749	738	731	716	5.7	154	455	103	45
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	57,554	57,407	55,156	55,719	55,777	3.2	939	6,857	2,719	47,040
Home equity, credit card receivables, auto, and other consumer loans	674	775	603	1,906	708	-4.8	1	60	13	600
Commercial and industrial loans	4,985	5,302	7,708	8,198	6,668	-25.2	0	172	390	4,423
All other loans, leases, and other assets	24,082	21,509	8,035	8,103	6,981	245.0	1	89	419	23,573
Total sold and not securitized	87,296	84,993	71,503	73,926	70,133	24.5	942	7,178	3,540	75,636
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	14,746	15,866	14,539	13,826	13,213	11.6	98	1,422	1,834	11,392
Home equity, credit card receivables, auto, and other consumer loans	605	742	575	1,871	663	-8.7	1	6	4	595
Commercial and industrial loans	3,650	3,671	4,453	4,543	4,499	-18.9	0	162	390	3,098
All other loans, leases, and other assets	6,968	6,447	2,383	2,428	2,530	175.4	1	14	107	6,845
Total credit exposure	25,969	26,726	21,951	22,668	20,904	24.2	100	1,604	2,335	21,930
Support for Securitization Facilities Sponsored by Other Institutions										
Number of institutions reporting securitization facilities sponsored by others	47	49	50	47	47	0.0	24	12	4	7
Total credit exposure	2,841	1,477	1,375	1,348	1,135	150.3	7	113	91	2,630
Total unused liquidity commitments	10,314	8,242	14,093	5,827	5,857	76.1	0	0	0	10,314
Other										
Assets serviced for others**	3,802,194	3,648,511	3,570,284	3,496,744	3,393,204	12.1	7,715	61,590	121,529	3,611,359
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others	22,226	22,592	22,211	21,404	20,714	7.3	2	0	130	22,094
Unused liquidity commitments to conduits sponsored by institutions and others	374,260	365,850	364,656	327,395	306,435	22.1	0	0	0	374,260
Net servicing income (for the quarter)	2,705	3,635	5,330	3,601	2,162	25.1	66	128	138	2,373
Net securitization income (for the quarter)	5,007	5,812	5,355	4,964	2,407	108.0	0	60	256	4,691
Total credit exposure to Tier 1 capital (%)***	6.3	6.5	5.6	5.7	5.8		0.50	1.50	2.50	8.00

*Line item titled "All other loans and all leases" for quarters prior to March 31, 2006.

**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.

TABLE VIII-A. Trust Services (All FDIC-Insured Institutions)

	All Insured Institutions					Asset Size Distribution			
(dollar figures in millions)	Dec 31 2007	Dec 31 2006	Dec 31 2005	Dec 31 2004	% Change 2006-2007	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
Number of institutions reporting	8,533	8,680	8,833	8,976	-1.7	3,440	4,425	549	119
Number of institutions with fiduciary powers	2,407	2,463	2,515	2,573	-2.3	559	1,431	335	82
Commercial banks	2,213	2,268	2,312	2,369	-2.4	537	1,327	281	68
Savings institutions	194	195	203	204	-0.5	22	104	54	14
Number of institutions exercising fiduciary powers	1,783	1,826	1,866	1,897	-2.4	356	1,072	283	72
Commercial banks	1,631	1,672	1,708	1,740	-2.5	337	995	237	62
Savings institutions	152	154	158	157	-1.3	19	77	46	10
Number of institutions reporting fiduciary activity	1,692	1,739	1,791	1,820	-2.7	333	1,015	275	69
Commercial banks	1,549	1,593	1,642	1,670	-2.8	314	943	232	60
Savings institutions	143	146	149	150	-2.1	19	72	43	9
Fiduciary and related assets - managed assets									
Personal trust and agency accounts	801,832	764,549	735,821	740,141	4.9	10,663	71,742	64,841	654,586
Noninterest-bearing deposits	-55	-4	364	553	N/M	13	115	54	-236
Interest-bearing deposits	11,573	9,368	8,012	7,507	23.5	251	2,410	1,613	7,298
U.S. Treasury and U.S. Government agency obligations	31,725	32,866	34,664	34,519	-3.5	551	4,589	5,084	21,501
State, county and municipal obligations	67,161	70,908	73,332	77,554	-5.3	890	5,810	5,394	55,067
Money market mutual funds	51,290	38,133	33,640	33,442	34.5	944	4,387	4,480	41,479
Other short-term obligations	21,942	9,566	8,601	7,168	129.4	32	420	254	21,236
Other notes and bonds	25,429	26,894	27,268	31,964	-5.4	584	2,211	1,979	20,655
Common and preferred stocks	523,469	514,944	491,075	496,357	1.7	6,080	41,298	38,422	437,670
Real estate mortgages	1,531	1,604	1,476	1,495	-4.6	25	238	195	1,073
Real estate	34,269	31,876	29,721	26,812	7.5	685	4,110	3,718	25,756
Miscellaneous assets	33,474	27,937	27,520	22,770	19.8	609	6,131	3,649	23,086
Retirement related trust and agency accounts:									
Employee benefit - defined contribution	329,048	307,193	226,768	206,460	7.1	1,255	92,359	11,095	224,338
Employee benefit - defined benefit	1,060,203	1,153,825	1,067,293	1,067,158	-8.1	1,494	12,672	46,179	999,857
Other retirement accounts	414,981	309,451	249,466	211,635	34.1	6,625	8,723	12,588	387,046
Corporate trust and agency accounts	25,247	31,457	42,634	27,650	-19.7	33	1,001	2,566	21,647
Investment management agency accounts	1,592,442	1,505,170	1,311,707	1,287,407	5.8	27,091	93,013	65,178	1,407,160
Other fiduciary accounts	236,787	320,331	266,515	203,554	-26.1	3,764	1,938	5,419	225,666
Total managed fiduciary accounts:									
Assets	4,460,539	4,391,975	3,900,205	3,744,006	1.6	50,926	281,448	207,865	3,920,299
Number of accounts	3,337,630	2,998,573	2,915,478	3,994,184	11.3	71,461	217,422	194,463	2,854,284
Fiduciary and related assets - non-managed assets									
Personal trust and agency accounts	355,027	309,352	286,571	273,147	14.8	2,614	20,560	15,361	316,492
Retirement related trust and agency accounts:									
Employee benefit - defined contribution	1,824,711	1,779,447	1,525,454	1,325,041	2.5	5,815	490,374	77,232	1,251,291
Employee benefit - defined benefit	5,333,474	4,542,943	3,567,201	3,415,480	17.4	14,948	17,384	75,156	5,225,987
Other retirement accounts	2,097,068	2,121,450	2,107,183	1,538,809	-1.1	2,442	734,417	38,757	1,321,452
Corporate trust and agency accounts	4,427,690	2,961,810	2,567,357	2,155,927	49.5	5,227	12,567	637,748	3,772,148
Other fiduciary accounts	3,367,009	3,170,657	2,580,461	2,447,526	6.2	4,501	6,515	12,261	3,343,732
Total non-managed fiduciary accounts:									
Assets	17,404,979	14,885,658	12,634,226	11,155,930	16.9	35,547	1,281,817	856,514	15,231,101
Number of accounts	16,425,153	16,039,580	15,695,352	22,042,098	2.4	28,764	11,752,525	513,891	4,129,973
Custody and safekeeping accounts:									
Assets	58,167,932	48,360,083	36,798,168	33,496,968	20.3	267,264	934,499	840,542	56,125,627
Number of accounts	11,335,508	11,207,692	11,513,512	16,220,035	1.1	562,128	9,031,550	349,862	1,391,968
Fiduciary and related services income									
Personal trust and agency accounts	5,767	5,147	5,244	4,878	12.0	82	374	433	4,877
Retirement related trust and agency accounts:									
Employee benefit - defined contribution	1,183	1,305	1,187	1,173	-9.3	10	288	119	765
Employee benefit - defined benefit	1,808	1,949	1,789	1,465	-7.2	16	101	87	1,603
Other retirement accounts	1,034	871	753	710	18.7	36	69	113	816
Corporate trust and agency accounts	2,439	2,054	1,877	2,350	18.7	204	30	421	1,784
Investment management agency accounts	4,159	3,683	3,562	3,178	12.9	100	407	279	3,373
Other fiduciary accounts	2,156	1,440	1,350	992	49.7	4	22	24	2,106
Custody and safekeeping accounts	8,166	8,011	7,167	5,945	1.9	165	467	435	7,099
Other fiduciary and related services income	2,420	1,855	1,577	2,431	30.5	7	116	91	2,207
Total gross fiduciary and related services income	29,292	26,142	24,781	23,130	12.0	633	1,997	2,031	24,631
Less: Expenses	20,502	19,094	17,266	16,639	7.4	236	1,458	1,494	17,313
Less: Net losses from fiduciary and related services	360	155	190	202	132.3	1	1	7	351
Plus: Intracompany income credits for fiduciary and related services	4,543	2,897	1,302	1,135	56.8	1	29	1,479	3,035
Net fiduciary and related services income	12,809	9,962	8,424	7,417	28.6	384	443	1,981	10,001
Collective investment funds and common trust funds (market value)									
Domestic equity funds	448,225	449,079	478,087	482,294	-0.2	6,566	16,668	7,752	417,238
International/global equity funds	206,551	171,114	129,572	119,084	20.7	1,171	3,390	2,041	199,950
Stock/bond blend funds	215,849	217,734	77,526	69,116	-0.9	1,882	745	2,678	210,543
Taxable bond funds	214,145	185,398	248,050	243,403	15.5	943	46,454	2,376	164,372
Municipal bond funds	8,328	8,695	60,308	11,127	-4.2	4	607	348	7,369
Short term investments/money market funds	395,025	352,341	365,759	386,342	12.1	2,655	3,197	161	389,013
Specialty/other funds	121,628	96,902	102,112	93,594	25.5	549	33,703	1,126	86,249
Total collective investment funds	1,609,751	1,481,262	1,461,414	1,404,959	8.7	13,770	104,764	16,482	1,474,734

Insurance Fund Indicators

- ***Insured Deposits Grow by 1.2 Percent in the Fourth Quarter***
- ***DIF Reserve Ratio Is Unchanged at 1.22 Percent***
- ***Three Insured Institutions Fail During the Year***

From September 30 to December 31, total assets of the nation's 8,533 FDIC-insured commercial banks and savings institutions increased by $331.8 billion (2.6 percent). Total deposits, which increased by $232.8 billion, funded about 70 percent of this asset growth. During the fourth quarter, total domestic deposits grew by 2.5 percent, the highest quarterly percentage increase since the fourth quarter of 2004. Brokered deposits increased by 12.4 percent, the largest quarterly percentage increase since the fourth quarter of 2000 when brokered deposits increased by 13.0 percent. Five institutions accounted for approximately two-thirds of this growth.

Domestic time deposits increased by 2.1 percent, while other domestic interest-bearing deposits increased by 1.7 percent and domestic non-interest bearing deposits increased by 5.8 percent. Over the 12 months ending December 31, total domestic deposits increased by 4.2 percent, with domestic interest-bearing deposits rising by 5.7 percent but domestic noninterest-bearing deposits declining by 2.2 percent.

Over the past year, the share of assets funded by domestic deposits declined from 56 percent to 53 percent. By contrast, foreign deposits as a percent of total assets rose during 2007 from 10.1 percent to 11.5 percent, and Federal Home Loan Bank (FHLB) advances' share of asset funding increased from 5.2 percent to 6.2 percent. In 2007, foreign office deposits increased by 25.8 percent ($308.5 billion) and FHLB advances increased by 30.3 percent ($187.9 billion).

Estimated insured deposits (including U.S. branches of foreign banks) increased by 1.2 percent during the fourth quarter of 2007, compared to nearly flat growth (0.2 percent increase) for the previous quarter. For all of 2007, insured deposits increased by 3.4 percent, down from 6.8 percent in 2006. For institutions reporting as of December 31, 2007 and September 30, 2007, insured deposits increased during the fourth quarter at 5,178 institutions (62 percent), decreased at 3,259 institutions (38 percent) and remained unchanged at 46 institutions.

The Deposit Insurance Fund (DIF) increased by 1.3 percent ($659 million) during the fourth quarter to $52,413 million. Accrued assessment income added $239 million to the DIF during the fourth quarter. The fund received $138 million from unrealized gains on available for sale securities, and took in $321 million from interest on securities and other revenue, net of operating expenses. The DIF was reduced by $39 million in additional provisions for insurance losses. For the year, the fund balance grew by 4.5 percent, up from 3.2 percent growth in 2006.

The DIF's reserve ratio equaled 1.22 percent on December 31, 2007, unchanged from the previous quarter. During 2007, the reserve ratio increased by one basis point, from 1.21 percent at year-end 2006.

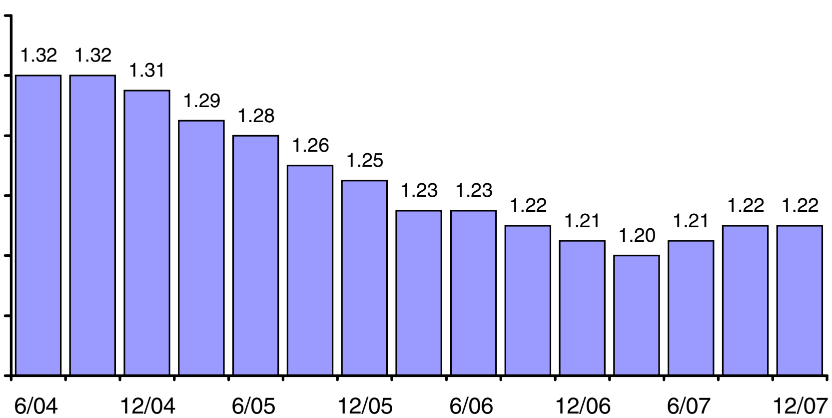
Only one FDIC-insured institution failed during the fourth quarter of 2007, a small commercial bank. At the time of failure, this institution had $93 million in assets and an estimated failure cost of $3 million. For all of 2007, three FDIC-insured institutions failed with assets of $2.3 billion and an estimated failure cost of $120 million. These are the first failures since 2004, during which four institutions failed.

Table I-B. Insurance Fund Balances and Selected Indicators

(dollar figures in millions)	Deposit Insurance Fund									
	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007	1st Quarter 2007	4th Quarter 2006	3rd Quarter 2006	2nd Quarter 2006	1st Quarter 2006	4th Quarter 2005	3rd Quarter 2005
Beginning Fund Balance*	$51,754	$51,227	$50,745	$50,165	$49,992	$49,564	$49,193	$48,597	$48,373	$48,023
Changes in Fund Balance:										
Assessments earned	239	170	140	94	10	10	7	5	13	20
Interest earned on investment securities	585	640	748	567	476	622	665	478	675	536
Operating expenses	262	243	248	239	248	237	242	224	252	227
Provision for insurance losses	39	132	-3	-73	49	-50	-6	-45	-19	-65
All other income, net of expenses**	-2	24	1	4	5	1	12	349	4	3
Unrealized gain/(loss) on available-for-sale securities	138	68	-162	81	-21	-18	-77	-57	-235	-47
Total fund balance change	659	527	482	580	173	428	371	596	224	350
Ending Fund Balance*	52,413	51,754	51,227	50,745	50,165	49,992	49,564	49,193	48,597	48,373
Percent change from four quarters earlier	4.48	3.52	3.36	3.15	3.23	3.35	3.21	3.31	2.29	2.94
Reserve Ratio (%)	1.22	1.22	1.21	1.20	1.21	1.22	1.23	1.23	1.25	1.26
Estimated Insured Deposits	4,293,201	4,243,894	4,234,835	4,245,148	4,153,764	4,100,013	4,040,353	4,001,906	3,890,941	3,830,950
Percent change from four quarters earlier	3.36	3.51	4.81	6.08	6.75	7.02	7.52	8.50	7.42	7.63
Assessment Base	7,052,552	6,879,633	6,821,486	6,801,520	6,594,750	6,439,326	6,386,864	6,272,505	6,177,429	6,038,857
Percent change from four quarters earlier	6.94	6.84	6.80	8.43	6.76	6.63	8.64	8.15	8.88	9.47
Number of institutions reporting	8,544	8,571	8,625	8,661	8,692	8,755	8,790	8,803	8,846	8,871

DIF Reserve Ratios*

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits*

($Millions)

	DIF Balance	DIF-Insured Deposits
6/04	46,521	3,531,806
9/04	46,990	3,559,489
12/04	47,507	3,622,068
3/05	47,617	3,688,562
6/05	48,023	3,757,728
9/05	48,373	3,830,950
12/05	48,597	3,890,941
3/06	49,193	4,001,906
6/06	49,564	4,040,353
9/06	49,992	4,100,013
12/06	50,165	4,153,764
3/07	50,745	4,245,148
6/07	51,227	4,234,835
9/07	51,754	4,243,894
12/07	52,413	4,293,201

Table II-B. Problem Institutions and Failed/Assisted Institutions

(dollar figures in millions)	2007	2006	2005	2004	2003	2002
Problem Institutions						
Number of institutions	76	50	52	80	116	136
Total assets	$22,189	$8,265	$6,607	$28,250	$29,917	$38,927
Failed/Assisted Institutions						
Number of institutions	3	0	0	4	3	11
Total assets	$2,345	$0	$0	$166	$1,097	$2,558

* Prior to 2006, amounts represent sum of separate BIF and SAIF amounts.

** First Quarter 2006 includes previously escrowed revenue from SAIF-member exit fees.

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

(dollar figures in millions) December 31, 2007	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	7,282	11,176,096	5,806,795	3,426,148
FDIC-Supervised	4,772	1,874,698	1,370,557	927,470
OCC-Supervised	1,632	7,782,387	3,590,744	1,995,866
Federal Reserve-Supervised	878	1,519,012	845,494	502,812
FDIC-Insured Savings Institutions	1,251	1,862,669	1,104,986	860,936
OTS-Supervised Savings Institutions	826	1,556,670	892,592	696,835
FDIC-Supervised State Savings Banks	425	305,999	212,394	164,101
Total Commercial Banks and Savings Institutions	8,533	13,038,765	6,911,780	4,287,084
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	11	16,614	8,886	6,116
Total FDIC-Insured Institutions	8,544	13,055,379	6,920,667	4,293,201

* Excludes $1.50 trillion in foreign office deposits, which are uninsured.

Table IV-B. Distribution of Institutions and Assessment Base Among Risk Categories

Quarter Ending September 30, 2007

(dollar figures in billions)

Risk Category	Annual Rate in Basis Points	Number of Institutions	Percent of Total Institutions	Assessment Base	Percent of Total Assessment Base
I - Minimum	5	2,709	31.6%	3,872	56.3%
I - Middle	5.01- 6.00	3,088	36.0%	2,078	30.2%
I - Middle	6.01- 6.99	1,422	16.6%	456	6.6%
I - Maximum	7	859	10.0%	296	4.3%
II	10	422	4.9%	163	2.4%
III	28	64	0.7%	14	0.2%
IV	43	7	0.1%	1	0.0%

Note: Institutions are categorized based on supervisory ratings, debt ratings and financial data as of September 30, 2007.

Rates do not reflect the application of assessment credits. See notes to users for further information on risk categories and rates.

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 V-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured Institutions, both commercial banks and savings institutions. Tables VI-A (Derivatives) and VII-A (Servicing, Securitization, and Asset Sales Activities) aggregate information only for insured commercial banks and state-chartered savings banks that file quarterly Call Reports. Table VIII-A Trust Services aggregates Trust asset and income information collected annually from all FDIC-insured 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 IV-B.

A separate set of tables (Tables I-B through IV-B) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed/assisted 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) *Call Reports* and the OTS *Thrift Financial Reports* submitted by all FDIC-insured depository institutions. This information is stored on and retrieved from the FDIC's Research Information System (RIS) data base.

COMPUTATION METHODOLOGY

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*. 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.

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.

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, e.g., institutions can move their home offices between regions, and savings institutions can convert to commercial banks or commercial banks may convert to savings institutions.

ACCOUNTING CHANGES

FASB Statement No. 157 *Fair Value Measurements* issued in September 2006 and FASB Statement No. 159 *The Fair Value Option for Financial Assets and Financial Liabilities* issued in February 2007 – both are effective in 2008 with early adoption permitted in 2007. FAS 157 defines a fair value measurement framework, while FAS 159 allows banks to elect a fair value option when assets are recognized on the balance sheet and to report certain financial assets and liabilities at fair value with subsequent changes in fair value included in earnings. Existing eligible items can be fair-valued as early as January 2007 under FAS 159, if a bank adopts FAS 157.

FASB Statement 158 *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans* – issued in September 2006 requires a bank to recognize in 2007 the funded status of its postretirement plans on its balance sheet. An overfunded plan is recognized as an asset and an underfunded plan is recognized as a liability. An adjustment is made to equity as accumulated other comprehensive income (AOCI) upon application of FAS 158 and AOCI is adjusted in subsequent periods as net periodic benefit costs are recognized in earnings.

FASB Statement No. 156 Accounting for Servicing of Financial Assets – issued in March 2006 and effective in 2007, requires all separately recognized servicing assets and liabilities to be initially measured at fair value and allows a bank the option to subsequently adjust that value by periodic revaluation and recognition of earnings or by periodic amortization to earnings.

Purchased Impaired Loans and Debt Securities – Statement of Position 03-3, *Accounting for Certain Loans or Debt Securities Acquired in a Transfer*. The SOP applies to loans and debt securities acquired in fiscal years beginning after December 15, 2004. In general, this Statement of Position applies to "purchased impaired loans and debt securities," i.e., loans and debt securities that a bank has purchased, including those acquired in a purchase business combination, when it is probable, at the purchase date, that the bank will be unable to collect all contractually required payments receivable. Banks must follow Statement of Position 03-3 for Call Report purposes. The SOP does not apply to the loans that a bank has originated, prohibits "carrying over" or creation of valuation allowances in the initial accounting and any subsequent valuation allowances reflect only those losses incurred by the investor after acquisition.

GNMA Buy-back Option – If an issuer of GNMA securities has the option to buy back the loans that collateralize the GNMA securities, when certain delinquency criteria are met, FASB Statement No. 140 requires that loans with this buy-back option must be brought back on the issuer's books as assets. The rebooking of GNMA loans is required regardless of whether the issuer intends to exercise the buy-back option. The banking agencies clarified in May 2005 that all GNMA loans that are rebooked because of delinquency should be reported as past due according to their contractual terms.

FASB Interpretation No. 45 – In November 2002, the FASB issued Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*. This interpretation clarifies that a guarantor is required to recognize, at the inception of a guarantee (financial standby letters of credit, performance standby letters of credit), a liability for the fair value of the obligation undertaken in issuing the guarantee. Banks apply the initial recognition and measurement provisions of Interpretation No. 45 on a prospective basis to guarantees issued or modified after December 31, 2002, irrespective of the bank's fiscal year end. A bank's previous accounting for guarantees issued prior to January 1, 2003, is not revised.

FASB Interpretation No. 46 – The FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities*, in January 2003 and revised it in December 2003. Generally, banks with variable interests in variable interest entities created after December 31, 2003, must consolidate them. The timing of consolidation varies with certain situations with application as late as 2005. The assets and liabilities of a consolidated variable interest entity are reported on a line-by-line basis according to the asset and liability categories shown on the bank's balance sheet, as well as related income items. Most small banks are unlikely to have any "variable interests" in variable interest entities.

FASB Statement No. 123 (Revised 2004) and Share-Based Payments – requires all entities to recognize compensation expense in an amount equal to the fair value of share-based payments, e.g., stock options and restricted stock, granted to employees. As of January 2006 all banks must adopt FAS 123(R). The compensation cost is typically recognized over the vesting period with a corresponding credit to equity. The recording of the compensation cost also gives rise to a deferred tax asset.

Goodwill and intangible assets – FAS 141 terminates the use of pooling-of-interest accounting for business combinations after 2001 and requires purchase accounting. Under FAS 142 amortization of goodwill is eliminated. Only intangible assets other than goodwill are amortized each quarter. In addition companies are required to test for impairment of both goodwill and other intangibles once each fiscal year. The year 2002, the first fiscal year affected by this accounting change, has been designated a transitional year and the amount of initial impairments are to be recorded as extraordinary losses on a "net of tax" basis (and not as noninterest expense). Subsequent annual review of intangibles and goodwill impairment may require additional noninterest expense recognition. FASB Statement No. 147 clarifies that acquisitions of financial institutions (except transactions between two or more mutual enterprises), including branch acquisitions that meet the definition of a business combination, should be accounted for by the purchase method under FASB Statement No. 141. This accounting standard includes transition provisions that apply to unidentifiable intangible assets previously accounted for in accordance with FASB Statement No. 72. If the transaction (such as a branch acquisition) in which an unidentifiable intangible asset arose does not meet the definition of a business combination, this intangible asset is not be reported as "Goodwill" on the Call Report balance sheet. Rather, this unidentifiable intangible asset is reported as "Other intangible assets," and must continue to be amortized and the amortization expense should be reported in the Call Report income statement.

FASB Statement No. 133 ***Accounting for Derivative Instruments and Hedging Activities*** – All banks must recognize derivatives as either assets or liabilities on the balance sheet, measured at fair value. A derivative may be specifically designated as a "fair value hedge," a "cash flow hedge," or a hedge of a foreign currency exposure. The accounting for changes in the value of a derivative (gains and losses) depends on the intended use of the derivative, its resulting designation, and the effectiveness of the hedge. Derivatives held for purposes other than trading are reported as "other assets" (positive fair values) or "other liabilities" (negative fair values). For a fair value hedge, the gain or loss is recognized in earnings and "effectively" offsets loss or gain on the hedged item attributable to the risk being hedged. Any ineffectiveness of the hedge could result in a net gain or loss on the income statement. Accumulated net gains (losses) on cash flow hedges are recorded on the balance sheet as "accumulated other comprehensive income" and the periodic change in the accumulated net gains (losses) for cash flow hedges is reflected directly in equity as the value of the derivative changes. FASB Statement No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities provides guidance on the circumstances in which a loan commitment must be accounted for as derivative. Under Statement No. 149, loan commitments that relate to the origination of mortgage loans that will be held for sale, commonly referred to as interest rate lock commitments, must be accounted for as derivatives on the balance sheet by the issuer of the commitment.

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, 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 –assessable deposits consist of DIF deposits (deposits insured by the FDIC Deposit Insurance Fund) in banks' domestic offices with certain adjustments.

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

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.

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 domestic deposits minus estimated uninsured deposits. Prior to June 30, 2000, the uninsured estimate is calculated as the sum of the excess amounts in accounts over $100,000. Beginning June 30, 2000, the amount of estimated uninsured deposits is adjusted to consider a financial institution's own estimate of uninsured deposits when such an estimate is reported. Beginning in 2006, the uninsured deposits estimate also considers IRA accounts over $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 some insurance funds in order to continue operating.

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.

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.

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 uncollectibility), 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.

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 file 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.

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”. For all insured commercial banks and for insured savings banks for which the FDIC is the primary federal regulator, FDIC composite ratings are used. For all institutions whose primary federal regulator is the OTS, the OTS composite rating is 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 – net income (including gains or losses on securities and extraordinary items) as a percentage of average total assets. The basic yardstick of bank profitability.

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

Risk-based capital groups – definition:

(Percent)	Total Risk-Based Capital *		Tier 1 Risk-Based Capital *		Tier 1 Leverage		Tangible Equity
Well-capitalized	≥10	***and***	≥6	***and***	≥5		–
Adequately capitalized	≥8	***and***	≥4	***and***	≥4		–
Undercapitalized	≥6	***and***	≥3	***and***	≥3		–
Significantly undercapitalized	<6	***or***	<3	***or***	<3	***and***	>2
Critically undercapitalized	–		–		–		≤2

*As a percentage of risk-weighted assets.

Risk Categories and Assessment Rate Schedule – The current risk categories and assessment rate schedule became effective January 1, 2007. Capital ratios and supervisory ratings distinguish one risk category from another. The following table shows the relationship of risk categories (I, II, III, IV) to capital and supervisory groups as well as the assessment rates (in basis points) for each risk category. Supervisory Group A generally includes institutions with CAMELS composite ratings of 1 or 2; Supervisory Group B generally includes institutions with a CAMELS composite rating of 3; and Supervisory Group C generally includes institutions with CAMELS composite ratings of 4 or 5. For purposes of risk-based assessment capital groups, undercapitalized includes institutions that are significantly or critically undercapitalized.

<table>
<tr><th rowspan="2">Capital Group</th><th colspan="3">Supervisory Group</th></tr>
<tr><th>A</th><th>B</th><th>C</th></tr>
<tr><td>1. Well Capitalized</td><td>I
5-7 bps</td><td rowspan="2">II
10 bps</td><td rowspan="2">III
28 bps</td></tr>
<tr><td>2. Adequately Capitalized</td><td></td></tr>
<tr><td>3. Undercapitalized</td><td colspan="2">III
28 bps</td><td>IV
43 bps</td></tr>
</table>

Assessment rates are 3 basis points above the base rate schedule. The FDIC may adjust rates up or down by 3 basis points from the base rate schedule without notice and comment, provided that any single adjustment from one quarter to the next cannot move rates more than 3 basis points.

For most institutions in Risk Category I, the assessment rate assigned will be based on a combination of financial ratios and CAMELS component ratings.

For large institutions in Risk Category I (generally those with at least $10 billion in assets) that have long-term debt issuer ratings, assessment rates will be determined by weighting CAMELS component ratings 50 percent and long-term debt issuer ratings 50 percent. For all large Risk Category I institutions, additional risk factors will be considered to determine whether assessment rates should be adjusted. This additional information includes market data, financial performance measures, considerations of the ability of an institution to withstand financial stress, and loss severity indicators. Any adjustment will be limited to no more than ½ basis point.

Beginning in 2007, each institution is assigned a risk-based rate for a quarterly assessment period near the end of the quarter following the assessment period. Payment will generally be due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes will be effective for assessment purposes as of the examination transmittal date. For institutions with long-term debt issuer ratings, changes in ratings will be effective for assessment purposes as of the date the change was announced.

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 100 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”, which are reported at amortized cost (book value), and securities designated as “available-for-sale”, reported at fair (market) value.

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.

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.

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 & 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.)

Volatile liabilities – the sum of large-denomination time deposits, foreign-office deposits, federal funds purchased, securities sold under agreements to repurchase, and other borrowings.

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