Quarterly Banking Profile

Second Quarter 2010

INSURED INSTITUTION PERFORMANCE

- ***Insured Institutions Reported $21.6 Billion in Net Income***
- ***Provisions for Loan Losses Fell to Lowest Level in Two Years***
- ***Asset Quality Indicators Improved During the Quarter***
- ***Balance Sheets Continued to Shrink***

Quarterly Earnings Are Highest in Almost Three Years

Reductions in loan-loss provisions underscored improvement in asset quality indicators during second quarter 2010. The industry's quarterly earnings of $21.6 billion are up dramatically from the year-ago loss of $4.4 billion and represent the highest quarterly earnings since third quarter 2007. Almost two out of three institutions (65.5 percent) reported higher year-over-year quarterly net income. The proportion of institutions reporting quarterly net losses remained high at 20 percent but was down from more than 29 percent a year earlier.

Reduced Loan-Loss Provisions Boost Net Income

Insured institutions added $40.3 billion in provisions to their loan-loss allowances in the second quarter. While still high by historic standards, this is the smallest total since the industry set aside $37.2 billion in first quarter 2008 and is $27.1 billion (40.2 percent) less than the industry's provisions in second quarter 2009. Fewer than half of all institutions (41.3 percent) reported year-over-year reductions in quarterly loss provisions. Only 40 percent of community banks (institutions with less than $1 billion in assets) reported year-over-year declines. Reductions were more prevalent among larger institutions. More than half (56.2 percent) of institutions with assets greater than $1 billion had lower provisions in the second quarter.

Margins Improve at a Majority of Banks

Net interest income was $8.5 billion (8.6 percent) higher than a year ago, as more than 70 percent of all institutions reported year-over-year increases. Net interest margins at almost 60 percent of institutions (58.6 percent) improved from a year earlier, as average funding costs fell more rapidly than average asset yields. The magnitude of the increase in net interest income was largely attributable to the application of Financial Accounting Standards Board (FASB) Statements 166 and 167 in 2010 at a small number of institutions with significant levels of securitized consumer loans; among other things, the new rules require that revenues from securitized loan pools that had previously been included in noninterest income be reflected in net interest income.[1]

Noninterest Income Is Lower

Noninterest expense was $1.5 billion (1.5 percent) less than in second quarter 2009, when insured institutions paid $5.6 billion in a special assessment to bolster the Deposit Insurance Fund. More than half of all institutions (52.1 percent) reported year-over-year reductions in quarterly noninterest expense. Noninterest income was $7.6 billion (11.0 percent) lower than a year earlier, with some of the decline reflecting reporting changes attributable to FASB 166 and 167. The components of noninterest income that registered the largest year-over-year declines were servicing income (down $6.9 billion, or 63.9 percent) and gains on sales of loans and other assets (down $4.4 billion, or 89 percent). Income from service charges on deposit accounts was $752 million (7.1 percent) lower than a year earlier at banks that filed Call Reports. This is the seventh consecutive quarter that service charge income has declined year-over-year.

---

[1] See *Notes to Users.*

Charge-Offs Fall for First Time Since 2006

Net charge-offs totaled $49 billion in the second quarter, a $214-million (0.4 percent) decline from a year earlier and the first year-over-year decline since fourth quarter 2006. Charge-offs were lower than a year ago in most major loan categories except for credit cards and real estate loans secured by nonfarm nonresidential properties. Charge-offs on loans to commercial and industrial (C&I) borrowers were $3.1 billion (37.0 percent) lower than a year ago, while charge-offs on real estate construction and development (C&D) loans were $2.7 billion (34.6 percent) lower. Charge-offs of one-to-four family residential mortgage loans were down by $1.4 billion (16.0 percent). Credit card charge-offs were $8.6 billion (86 percent) higher than in second quarter 2009. Most, if not all, of this increase was attributable to the inclusion of charge-offs on securitized credit card balances, which were not included in reported charge-offs in previous years. The change in reporting was the result of the application of FASB 166 and 167. In contrast, the $1.8 billion (107.2 percent) year-over-year increase in charge-offs of nonfarm nonresidential real estate loans reflected further deterioration in commercial real estate portfolios. Almost half (49.1 percent) of insured institutions with more than $1 billion in assets reported lower net charge-offs, while only 43.6 percent of community banks reported year-over-year declines.

Noncurrent Loans Post First Decline in More than Four Years

The amount of loans and leases that were noncurrent (90 days or more past due or in nonaccrual status) declined by $19.6 billion (4.8 percent) during the second quarter. This is the first quarterly decline in noncurrent loans since first quarter 2006. Noncurrent levels declined in most major loan categories during the quarter. The sole exception was nonfarm nonresidential real estate loans, where noncurrents increased by $547 million (1.2 percent), the smallest quarterly increase in three years. The largest reduction in noncurrent loans in the quarter occurred in real estate C&D loans, where noncurrents fell by $5.9 billion (8.3 percent). This is the third consecutive quarter that noncurrent C&D loans have declined. Noncurrent C&I loans also declined for a third straight quarter, falling by $2.7 billion (7.3 percent), while noncurrent residential mortgage loans declined by $4.7 billion (2.5 percent) and noncurrent credit cards fell by $4.2 billion (19 percent). Slightly fewer than half of all institutions (48.9 percent) reported declines in their noncurrent loan balances during the quarter. Noncurrent loan balances *fell* by 5.3 percent at institutions with more than $1 billion in assets and *rose* by 0.3 percent at community banks.

Reserves Fall as Large Banks Reduce Loan-Loss Provisions

Total loan-loss reserves of insured institutions fell for the first time since fourth quarter 2006, declining by $11.8 billion (4.5 percent), as net charge-offs of $49 billion exceeded loss provisions of $40.3 billion. Almost two out of three institutions (61.7 percent) *increased* their loss reserves in the second quarter, but a number of large banks reduced their loss provisions, producing net declines in their reserve balances. In particular, some institutions that converted equity capital into reserves in the first quarter in accordance with the requirements of FASB 166 and 167 reported lower provisioning in the second quarter. Although the industry's ratio of reserves to total loans fell from 3.50 percent to 3.40 percent during the quarter, it is still the second-highest level for this ratio in the 63 years for which data are available. The industry's "coverage ratio" of reserves to noncurrent loans improved for a second consecutive quarter, from 64.9 percent to 65.1 percent, as the reduction in noncurrent loans slightly outpaced the decline in loss reserves.

Rising Securities Values Contribute to Equity Capital Growth

Bank equity capital increased by $27.4 billion (1.9 percent), as retained earnings contributed $8.7 billion and appreciation of securities holdings added $13.7 billion. More than half of all institutions (52.7 percent) increased their leverage capital ratios during the quarter, while an even larger percentage (57.6 percent) increased their total risk-based capital ratios. Insured institutions paid $12.9 billion in dividends in the second quarter, more than double the $6.1 billion they paid a year earlier.

Loan Balances Continue to Decline

Industry assets declined for the fifth time in the past six quarters. Total assets fell by $136.2 billion (1 percent), as net loan and lease balances declined by $95.7 billion (1.3 percent). All major loan categories had reduced balances during the quarter. Real estate C&D loans fell by $34.7 billion (8.3 percent), credit card balances dropped by $17.6 billion (2.5 percent), residential mortgage loans declined by $13.2 billion (0.7 percent), and C&I loans were down $12.1 billion (1 percent). Loans to small businesses and farms declined by $13.3 billion (1.8 percent) during the quarter, while loans to larger businesses and farms fell by $5.3 billion (0.4 percent). Balances at Federal Reserve banks declined by $49 billion (8.2 percent) during the quarter at banks that filed Call reports. Intangible assets fell by $15.1 billion (3.6 percent), led by a $13.9 billion (18.7 percent) decline in mortgage servicing assets. The few areas of asset growth in the second quarter included federal funds sold and securities purchased under resale agreements (up $11.3 billion, or 2.7 percent), and U.S. Treasury securities (up $8.1 billion, or 5.2 percent). The industry continued to reduce holdings of riskier assets; the ratio of risk-weighted assets (as defined for risk-based capital purposes) to total assets fell from 69.4 percent to 69.1 percent during the quarter. This is the lowest level for this ratio since the second quarter of 1995.

Banks Reduce Nondeposit Funding

Deposits fell for the second quarter in a row, declining by $57.8 billion (0.6 percent). Interest-bearing deposits in domestic offices were down by $45.4 billion (0.7 percent), while noninterest-bearing domestic deposits increased by $20.8 billion (1.4 percent). Deposits in foreign offices declined by $33.2 billion (2.2 percent). Nondeposit liabilities fell by $105.4 billion (3.9 percent), as institutions reduced Federal Home Loan Bank advances by $35 billion (7.3 percent) and short-term unsecured borrowings by $48.2 billion (23 percent).

No New Charters Were Added During the Quarter

The number of FDIC-insured institutions reporting financial results fell by 104 in the second quarter, from 7,934 to 7,830. This is the first time in almost ten years that the number of reporting institutions has fallen by more than 100 in a single quarter (the number declined by 113 in third quarter 2000). During the quarter, 57 institutions were absorbed by mergers into other charters, including 29 charters that were consolidated as part of a single corporate reorganization, and 45 insured institutions failed. For the first time in the 38 years for which data are available, no new insured institutions were added during the quarter. The number of institutions on the FDIC's "Problem List" increased from 775 to 829 during the quarter. Total assets of "problem" institutions fell, from $431 billion to $403 billion.

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

	2010**	2009**	2009	2008	2007	2006	2005
Return on assets (%)	0.61	0.03	0.07	0.03	0.81	1.28	1.28
Return on equity (%)	5.48	0.30	0.71	0.35	7.75	12.30	12.43
Core capital (leverage) ratio (%)	8.77	8.24	8.63	7.47	7.97	8.22	8.24
Noncurrent assets plus other real estate owned to assets (%)	3.31	2.77	3.36	1.91	0.95	0.54	0.50
Net charge-offs to loans (%)	2.74	2.25	2.50	1.29	0.59	0.39	0.49
Asset growth rate (%)	-0.60	0.00	-5.30	6.19	9.88	9.03	7.64
Net interest margin (%)	3.81	3.43	3.47	3.16	3.29	3.31	3.47
Net operating income growth (%)	567.08	-77.21	50.78	-90.70	-27.59	8.52	11.40
Number of institutions reporting	7,830	8,195	8,012	8,305	8,534	8,680	8,833
Commercial banks	6,676	6,995	6,839	7,086	7,283	7,401	7,526
Savings institutions	1,154	1,200	1,173	1,219	1,251	1,279	1,307
Percentage of unprofitable institutions (%)	20.32	27.70	30.68	24.88	12.09	7.94	6.22
Number of problem institutions	829	416	702	252	76	50	52
Assets of problem institutions (in billions)	$403	$300	$403	$159	$22	$8	$7
Number of failed institutions	86	45	140	25	3	0	0
Number of assisted institutions	0	0	8	5	0	0	0

* Excludes insured branches of foreign banks (IBAs)
** Through June 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending June 30.

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

(dollar figures in millions)	2nd Quarter 2010	1st Quarter 2010	2nd Quarter 2009	%Change 09Q2-10Q2
Number of institutions reporting	7,830	7,934	8,195	-4.5
Total employees (full-time equivalent)	2,033,662	2,027,247	2,093,066	-2.8
CONDITION DATA				
Total assets	$13,220,551	$13,356,798	$13,300,007	-0.6
Loans secured by real estate	4,336,825	4,401,538	4,651,638	-6.8
1-4 Family residential mortgages	1,874,335	1,887,551	2,012,537	-6.9
Nonfarm nonresidential	1,081,004	1,090,644	1,086,496	-0.5
Construction and development	383,313	418,017	535,733	-28.5
Home equity lines	654,450	659,871	672,906	-2.7
Commercial & industrial loans	1,174,939	1,187,070	1,364,713	-13.9
Loans to individuals	1,359,543	1,380,445	1,037,135	31.1
Credit cards	699,404	716,998	398,233	75.6
Farm loans	58,270	55,600	58,352	-0.1
Other loans & leases	468,562	480,905	516,323	-9.3
Less: Unearned income	2,794	2,711	2,903	-3.7
Total loans & leases	7,395,345	7,502,849	7,625,258	-3.0
Less: Reserve for losses	251,290	263,065	211,157	19.0
Net loans and leases	7,144,055	7,239,783	7,414,102	-3.6
Securities	2,527,735	2,531,647	2,336,957	8.2
Other real estate owned	49,285	46,265	33,928	45.3
Goodwill and other intangibles	409,757	424,879	431,395	-5.0
All other assets	3,089,719	3,114,224	3,083,625	0.2
Total liabilities and capital	13,220,551	13,356,798	13,300,007	-0.6
Deposits	9,140,980	9,198,770	9,021,146	1.3
Domestic office deposits	7,667,695	7,692,326	7,555,214	1.5
Foreign office deposits	1,473,285	1,506,444	1,465,932	0.5
Other borrowed funds	1,911,837	2,051,791	2,159,362	-11.5
Subordinated debt	150,986	150,540	168,125	-10.2
All other liabilities	510,148	476,035	529,986	-3.7
Total equity capital (includes minority interests)	1,506,599	1,479,662	1,421,388	6.0
Bank equity capital	1,487,435	1,459,993	1,403,711	6.0
Loans and leases 30-89 days past due	125,191	141,492	141,247	-11.4
Noncurrent loans and leases	385,805	405,395	331,899	16.2
Restructured loans and leases	71,614	64,412	46,577	53.8
Mortgage-backed securities	1,381,160	1,386,427	1,365,416	1.2
Earning assets	11,389,950	11,554,019	11,436,792	-0.4
FHLB Advances	445,400	480,364	634,642	-29.8
Unused loan commitments	6,007,195	6,104,579	6,305,132	-4.7
Trust assets	17,606,001	18,096,538	16,975,455	3.7
Assets securitized and sold	1,411,808	1,413,926	1,865,371	-24.3
Notional amount of derivatives***	225,433,522	218,068,203	208,656,901	8.0

INCOME DATA	First Half 2010	First Half 2009	%Change	2nd Quarter 2010	2nd Quarter 2009	%Change 09Q2-10Q2
Total interest income	$273,091	$279,906	-2.4	$135,182	$137,832	-1.9
Total interest expense	56,617	81,498	-30.5	27,648	38,786	-28.7
Net interest income	216,474	198,409	9.1	107,534	99,047	8.6
Provision for loan and lease losses	91,145	128,197	-28.9	40,303	67,370	-40.2
Total noninterest income	122,275	136,630	-10.5	60,865	68,419	-11.0
Total noninterest expense	192,790	196,686	-2.0	97,930	99,449	-1.5
Securities gains (losses)	3,737	839	345.7	2,148	-927	N/M
Applicable income taxes	17,928	4,900	265.9	10,307	315	N/M
Extraordinary gains, net	-174	-3,655	N/M	-232	-3,624	N/M
Total net income (includes minority interests)	40,449	2,440	N/M	21,775	-4,221	N/M
Bank net income	40,080	2,022	N/M	21,597	-4,376	N/M
Net charge-offs	100,747	86,723	16.2	48,959	49,173	-0.4
Cash dividends	17,317	13,374	29.5	12,934	6,139	110.7
Retained earnings	22,763	-11,352	N/M	8,662	-10,515	N/M
Net operating income	37,904	5,682	567.1	20,487	-161	N/M

*** Call Report filers only. N/M - Not Meaningful

TABLE III-A. Second Quarter 2010, All FDIC-Insured Institutions

SECOND QUARTER (The way it is...)	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
Number of institutions reporting	7,830	20	4	1,579	4,265	745	83	293	779	62
Commercial banks	6,676	16	4	1,575	3,809	195	67	263	698	49
Savings institutions	1,154	4	0	4	456	550	16	30	81	13
Total assets (in billions)	$13,220.6	$718.5	$3,059.4	$189.0	$4,358.4	$794.9	$96.8	$38.1	$124.4	$3,841.1
Commercial banks	11,969.0	694.4	3,059.4	188.5	3,894.1	203.4	51.1	33.2	102.0	3,743.0
Savings institutions	1,251.5	24.1	0.0	0.5	464.3	591.5	45.8	4.8	22.4	98.1
Total deposits (in billions)	9,141.0	272.4	1,980.5	155.0	3,323.2	530.1	80.6	28.6	102.7	2,668.0
Commercial banks	8,242.6	257.9	1,980.5	154.6	3,002.5	99.0	40.1	25.2	85.0	2,597.8
Savings institutions	898.3	14.4	0.0	0.4	320.6	431.2	40.5	3.5	17.7	70.1
Bank net income (in millions)	21,597	2,582	7,737	489	2,271	1,287	304	145	145	6,638
Commercial banks	19,706	2,277	7,737	488	1,762	547	171	91	241	6,392
Savings institutions	1,891	305	0	1	508	740	133	54	-96	246
Performance Ratios (annualized,%)										
Yield on earning assets	4.72	12.58	3.45	5.30	4.91	4.53	5.77	3.85	4.99	3.97
Cost of funding earning assets	0.97	1.40	0.73	1.35	1.15	1.44	1.27	1.03	1.28	0.70
Net interest margin	3.76	11.19	2.72	3.95	3.76	3.09	4.50	2.82	3.71	3.27
Noninterest income to assets	1.84	2.90	2.23	0.66	1.37	1.04	1.98	6.82	0.94	2.04
Noninterest expense to assets	2.95	4.14	2.81	2.65	3.08	2.10	2.68	7.22	3.60	2.84
Loan and lease loss provision to assets	1.22	6.37	0.44	0.47	1.32	0.69	1.55	0.17	0.31	0.92
Net operating income to assets	0.62	1.30	0.92	1.01	0.16	0.71	1.27	1.45	0.41	0.71
Pretax return on assets	0.96	2.22	1.39	1.20	0.37	1.08	2.00	2.05	0.49	1.00
Return on assets	0.65	1.41	1.00	1.04	0.21	0.65	1.27	1.53	0.47	0.70
Return on equity	5.86	8.74	11.05	9.23	1.91	6.56	11.98	8.48	4.12	5.65
Net charge-offs to loans and leases	2.64	11.60	1.81	0.65	1.96	1.13	2.20	0.61	0.46	1.90
Loan and lease loss provision to net charge-offs	82.32	64.87	68.46	114.10	99.52	102.77	93.43	107.20	119.58	91.91
Efficiency ratio	56.47	30.83	61.34	61.25	63.59	53.05	42.51	76.70	71.01	57.61
% of unprofitable institutions	20.22	15.00	0.00	8.36	28.32	14.50	7.23	13.65	10.65	4.84
% of institutions with earnings gains	65.53	85.00	100.00	67.19	64.97	70.34	73.49	53.58	62.90	74.19
Structural Changes										
New Charters	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers	57	0	0	8	46	0	0	0	1	2
Failed Institutions	45	0	0	1	42	0	0	0	1	1
PRIOR SECOND QUARTERS (The way it was...)										
Return on assets (%) 2009	-0.13	-0.73	-0.54	0.78	-0.20	0.56	0.64	1.28	0.70	0.29
2007	1.22	3.34	0.99	1.26	1.18	0.91	3.04	2.31	1.10	1.26
2005	1.28	3.18	0.71	1.35	1.35	1.22	1.40	1.60	1.09	1.37
Net charge-offs to loans & leases (%) 2009	2.56	10.78	3.07	0.61	2.07	1.27	2.80	0.71	0.51	2.31
2007	0.49	3.89	0.60	0.15	0.28	0.25	1.85	0.25	0.18	0.32
2005	0.42	4.18	0.66	0.15	0.21	0.09	1.11	0.40	0.34	0.17

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

TABLE III-A. Second Quarter 2010, All FDIC-Insured Institutions

		Asset Size Distribution				Geographic Regions*					
SECOND QUARTER (The way it is...)	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	7,830	2,745	4,425	555	105	969	1,064	1,619	1,852	1,643	683
Commercial banks	6,676	2,434	3,737	421	84	506	939	1,332	1,754	1,524	621
Savings institutions	1,154	311	688	134	21	463	125	287	98	119	62
Total assets (in billions)	$13,220.6	$154.6	$1,325.1	$1,428.5	$10,312.3	$2,692.6	$2,987.3	$2,866.0	$1,656.3	$787.6	$2,230.7
Commercial banks	11,969.0	137.5	1,083.5	1,086.8	9,661.2	2,017.0	2,864.2	2,738.1	1,607.8	695.3	2,046.6
Savings institutions	1,251.5	17.1	241.6	341.7	651.1	675.6	123.2	127.9	48.5	92.3	184.1
Total deposits (in billions)	9,141.0	129.2	1,089.2	1,083.1	6,839.4	1,743.4	2,099.3	1,951.8	1,207.3	617.5	1,521.6
Commercial banks	8,242.6	115.8	899.8	823.6	6,403.5	1,271.1	2,008.4	1,856.5	1,170.4	543.0	1,393.1
Savings institutions	898.3	13.5	189.5	259.5	435.9	472.4	90.9	95.3	36.9	74.5	128.5
Bank net income (in millions)	21,597	217	948	506	19,926	5,000	1,649	5,538	3,029	1,419	4,962
Commercial banks	19,706	170	877	234	18,424	4,069	1,683	5,557	3,013	1,155	4,228
Savings institutions	1,891	47	70	272	1,502	932	-34	-20	15	264	734
Performance Ratios (annualized,%)											
Yield on earning assets	4.72	5.26	5.21	4.95	4.61	5.38	4.38	3.86	5.81	4.95	4.62
Cost of funding earning assets	0.97	1.34	1.43	1.29	0.85	1.13	0.92	0.82	0.84	1.03	1.09
Net interest margin	3.76	3.93	3.79	3.66	3.77	4.25	3.46	3.04	4.98	3.91	3.52
Noninterest income to assets	1.84	1.38	0.94	1.19	2.05	1.71	1.58	2.08	2.19	1.66	1.80
Noninterest expense to assets	2.95	3.78	3.21	2.93	2.91	2.79	2.83	3.01	3.55	3.44	2.63
Loan and lease loss provision to assets	1.22	0.49	0.83	1.24	1.27	1.53	1.32	0.75	1.89	0.86	0.93
Net operating income to assets	0.62	0.52	0.24	0.14	0.73	0.73	0.19	0.66	0.74	0.69	0.88
Pretax return on assets	0.96	0.73	0.42	0.33	1.12	1.10	0.38	1.10	1.08	0.94	1.32
Return on assets	0.65	0.56	0.29	0.14	0.77	0.75	0.22	0.76	0.73	0.72	0.89
Return on equity	5.86	4.64	2.82	1.29	6.85	5.83	1.95	8.57	6.31	6.87	7.71
Net charge-offs to loans and leases	2.64	0.69	1.12	1.91	3.03	4.09	2.55	1.90	2.93	1.24	2.09
Loan and lease loss provision to net charge-offs	82.32	115.56	110.74	100.47	78.62	66.46	92.10	80.96	92.73	105.35	86.34
Efficiency ratio	56.47	76.04	71.46	63.10	53.81	49.75	60.91	62.84	51.79	65.80	53.06
% of unprofitable institutions	20.22	20.62	19.59	23.96	16.19	15.58	39.57	17.67	15.12	13.27	33.24
% of institutions with earnings gains	65.53	62.11	67.10	67.93	76.19	75.13	61.65	63.62	66.09	63.48	65.89
Structural Changes											
New Charters	0	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers	57	16	31	10	0	3	30	5	13	5	1
Failed Institutions	45	9	26	9	1	4	11	12	6	2	10
PRIOR SECOND QUARTERS (The way it was...)											
Return on assets (%) 2009	-0.13	0.04	-0.17	-0.83	-0.03	-0.56	-0.05	0.18	0.74	0.21	-0.71
2007	1.22	0.85	1.14	1.11	1.25	1.05	1.25	1.05	1.54	1.15	1.41
2005	1.28	1.09	1.24	1.35	1.28	1.29	1.34	0.93	1.55	1.28	1.63
Net charge-offs to loans & leases (%) 2009	2.56	0.91	1.14	2.23	2.89	2.91	2.26	2.40	2.56	1.32	3.39
2007	0.49	0.14	0.18	0.33	0.57	0.84	0.26	0.37	0.63	0.23	0.59
2005	0.42	0.19	0.19	0.24	0.51	0.69	0.18	0.26	0.51	0.23	0.63

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

TABLE IV-A. First Half 2010, All FDIC-Insured Institutions

		Asset Concentration Groups*								
FIRST HALF **(The way it is...)**	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	7,830	20	4	1,579	4,265	745	83	293	779	62
Commercial banks	6,676	16	4	1,575	3,809	195	67	263	698	49
Savings institutions	1,154	4	0	4	456	550	16	30	81	13
Total assets (in billions)	$13,220.6	$718.5	$3,059.4	$189.0	$4,358.4	$794.9	$96.8	$38.1	$124.4	$3,841.1
Commercial banks	11,969.0	694.4	3,059.4	188.5	3,894.1	203.4	51.1	33.2	102.0	3,743.0
Savings institutions	1,251.5	24.1	0.0	0.5	464.3	591.5	45.8	4.8	22.4	98.1
Total deposits (in billions)	9,141.0	272.4	1,980.5	155.0	3,323.2	530.1	80.6	28.6	102.7	2,668.0
Commercial banks	8,242.6	257.9	1,980.5	154.6	3,002.5	99.0	40.1	25.2	85.0	2,597.8
Savings institutions	898.3	14.4	0.0	0.4	320.6	431.2	40.5	3.5	17.7	70.1
Bank net income (in millions)	40,080	3,647	13,579	945	4,765	2,851	648	269	397	12,979
Commercial banks	36,038	3,128	13,579	943	3,816	1,398	418	164	473	12,119
Savings institutions	4,042	520	0	1	949	1,453	230	105	-76	859
Performance Ratios (annualized,%)										
Yield on earning assets	4.81	14.65	3.52	5.28	4.91	4.55	5.89	3.87	5.02	4.02
Cost of funding earning assets	1.00	1.65	0.73	1.37	1.18	1.47	1.33	1.05	1.31	0.73
Net interest margin	3.81	12.99	2.79	3.91	3.73	3.08	4.56	2.82	3.70	3.29
Noninterest income to assets	1.85	3.07	2.22	0.63	1.35	0.97	1.97	6.94	0.92	2.15
Noninterest expense to assets	2.92	4.49	2.84	2.64	3.01	1.96	2.68	7.40	3.31	2.80
Loan and lease loss provision to assets	1.38	7.97	0.65	0.44	1.35	0.72	1.45	0.19	0.30	1.11
Net operating income to assets	0.57	1.03	0.80	0.98	0.18	0.74	1.38	1.39	0.60	0.69
Pretax return on assets	0.88	1.72	1.19	1.16	0.35	1.14	2.17	1.94	0.75	0.99
Return on assets	0.61	1.11	0.87	1.01	0.22	0.72	1.38	1.43	0.64	0.68
Return on equity	5.48	6.02	9.79	9.03	2.03	7.41	13.00	7.91	5.70	5.57
Net charge-offs to loans and leases	2.74	13.44	2.16	0.53	1.89	1.16	2.39	0.56	0.43	2.09
Loan and lease loss provision to net charge-offs	90.47	73.72	85.72	128.21	104.77	104.29	78.94	127.94	125.51	100.25
Efficiency ratio	55.37	29.79	61.31	62.17	63.06	50.79	42.14	77.52	70.61	55.20
% of unprofitable institutions	20.32	10.00	0.00	7.92	28.82	14.77	6.02	14.68	9.76	1.61
% of institutions with earnings gains	61.07	90.00	100.00	61.18	61.17	66.31	75.90	49.49	55.97	75.81
Condition Ratios (%)										
Earning assets to total assets	86.15	86.18	83.97	91.76	88.31	93.23	94.43	89.24	91.69	83.29
Loss Allowance to:										
Loans and leases	3.40	9.87	4.04	1.55	2.60	1.51	2.85	1.79	1.42	2.94
Noncurrent loans and leases	65.13	377.17	59.77	78.84	55.95	33.05	227.76	82.92	67.10	44.45
Noncurrent assets plus other real estate owned to assets	3.31	2.18	2.61	1.70	3.90	3.03	1.04	0.79	1.59	3.70
Equity capital ratio	11.25	16.62	9.27	11.33	11.01	10.02	10.65	18.34	11.37	12.29
Core capital (leverage) ratio	8.77	11.53	7.24	10.13	9.09	9.25	10.37	16.11	10.63	8.79
Tier 1 risk-based capital ratio	12.44	13.36	12.22	14.10	11.78	19.00	14.12	35.95	17.75	11.84
Total risk-based capital ratio	15.09	16.39	15.34	15.24	14.01	20.05	15.87	36.86	18.90	14.97
Net loans and leases to deposits	78.15	198.47	52.82	77.61	86.75	87.40	87.49	34.25	66.42	72.81
Net loans to total assets	54.04	75.24	34.19	63.64	66.14	58.29	72.82	25.77	54.84	50.57
Domestic deposits to total assets	58.00	33.66	31.95	82.00	74.74	66.61	82.19	74.83	82.56	59.77
Structural Changes										
New Charters	3	0	0	0	2	0	0	0	0	1
Institutions absorbed by mergers	94	0	0	12	74	0	0	0	2	6
Failed Institutions	86	0	0	2	79	2	0	1	1	1
PRIOR FIRST HALVES **(The way it was...)**										
Number of institutions 2009	8,195	24	5	1,551	4,637	808	80	294	743	53
2007	8,614	26	4	1,645	4,731	805	118	377	851	57
2005	8,868	29	6	1,731	4,545	953	118	422	1,005	59
Total assets (in billions) 2009	$13,300.0	$484.8	$3,204.0	$170.1	$5,947.0	$933.4	$84.0	$36.0	$101.7	$2,338.9
2007	12,261.4	395.0	2,544.3	155.6	4,789.0	1,551.0	117.7	42.4	113.1	2,553.3
2005	10,474.4	372.3	1,927.3	139.0	3,648.1	1,642.0	146.2	49.9	127.5	2,422.2
Return on assets (%) 2009	0.03	-1.04	0.05	0.88	-0.18	0.57	0.28	0.73	0.79	0.42
2007	1.21	3.58	0.96	1.22	1.15	0.91	2.54	2.23	1.07	1.27
2005	1.31	3.18	0.81	1.31	1.34	1.21	1.35	1.58	1.14	1.44
Net charge-offs to loans & leases (%) 2009	2.25	9.57	2.73	0.47	1.76	1.13	2.71	0.81	0.42	2.04
2007	0.47	3.84	0.58	0.15	0.25	0.24	1.86	0.23	0.16	0.31
2005	0.44	4.26	0.70	0.13	0.21	0.09	1.16	0.31	0.29	0.17
Noncurrent assets plus OREO to assets (%) 2009	2.77	2.45	2.25	1.45	3.36	2.96	1.14	0.72	1.30	2.23
2007	0.62	1.28	0.41	0.81	0.70	0.81	0.63	0.23	0.60	0.46
2005	0.48	1.17	0.53	0.68	0.48	0.41	0.44	0.26	0.60	0.37
Equity capital ratio (%) 2009	10.55	24.51	8.42	11.08	10.54	9.47	9.95	16.59	11.36	10.91
2007	10.43	23.96	7.64	11.13	10.68	10.22	13.73	20.98	11.10	10.39
2005	10.38	21.70	8.46	10.96	10.09	10.89	12.08	18.40	11.06	9.91

***Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive)**

Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.

International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.

Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of their total loans and leases.

Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.

Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.

Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.

Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.

All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.

All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.

TABLE IV-A. First Half 2010, All FDIC-Insured Institutions

FIRST HALF (The way it is...)	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	7,830	2,745	4,425	555	105	969	1,064	1,619	1,852	1,643	683
Commercial banks	6,676	2,434	3,737	421	84	506	939	1,332	1,754	1,524	621
Savings institutions	1,154	311	688	134	21	463	125	287	98	119	62
Total assets (in billions)	$13,220.6	$154.6	$1,325.1	$1,428.5	$10,312.3	$2,692.6	$2,987.3	$2,866.0	$1,656.3	$787.6	$2,230.7
Commercial banks	11,969.0	137.5	1,083.5	1,086.8	9,661.2	2,017.0	2,864.2	2,738.1	1,607.8	695.3	2,046.6
Savings institutions	1,251.5	17.1	241.6	341.7	651.1	675.6	123.2	127.9	48.5	92.3	184.1
Total deposits (in billions)	9,141.0	129.2	1,089.2	1,083.1	6,839.4	1,743.4	2,099.3	1,951.8	1,207.3	617.5	1,521.6
Commercial banks	8,242.6	115.8	899.8	823.6	6,403.5	1,271.1	2,008.4	1,856.5	1,170.4	543.0	1,393.1
Savings institutions	898.3	13.5	189.5	259.5	435.9	472.4	90.9	95.3	36.9	74.5	128.5
Bank net income (in millions)	40,080	429	2,398	1,657	35,596	8,892	4,063	9,336	5,760	2,873	9,155
Commercial banks	36,038	342	2,108	876	32,711	7,056	4,013	9,402	5,646	2,436	7,484
Savings institutions	4,042	87	290	781	2,884	1,836	50	-66	114	437	1,671
Performance Ratios (annualized,%)											
Yield on earning assets	4.81	5.27	5.23	4.98	4.72	5.55	4.47	3.91	5.91	4.94	4.66
Cost of funding earning assets	1.00	1.37	1.47	1.33	0.88	1.19	0.95	0.84	0.88	1.05	1.10
Net interest margin	3.81	3.89	3.76	3.64	3.84	4.37	3.52	3.07	5.03	3.89	3.56
Noninterest income to assets	1.85	1.39	0.91	1.22	2.07	1.72	1.70	2.06	2.26	1.53	1.76
Noninterest expense to assets	2.92	3.79	3.15	2.87	2.89	2.81	2.78	3.03	3.48	3.31	2.57
Loan and lease loss provision to assets	1.38	0.47	0.76	1.23	1.50	1.71	1.48	0.94	2.10	0.85	1.11
Net operating income to assets	0.57	0.52	0.31	0.21	0.66	0.66	0.25	0.55	0.70	0.68	0.81
Pretax return on assets	0.88	0.72	0.49	0.44	0.99	1.00	0.42	0.88	1.03	0.94	1.22
Return on assets	0.61	0.56	0.36	0.23	0.69	0.67	0.27	0.64	0.69	0.73	0.82
Return on equity	5.48	4.62	3.60	2.14	6.16	5.20	2.42	7.28	6.00	7.01	7.21
Net charge-offs to loans and leases	2.74	0.65	0.98	1.76	3.23	4.10	2.63	2.11	3.13	1.22	2.22
Loan and lease loss provision to net charge-offs	90.47	118.93	115.31	107.69	87.56	75.20	98.78	90.88	98.31	105.44	96.89
Efficiency ratio	55.37	76.51	71.58	61.76	52.63	49.18	58.31	63.21	50.09	65.18	51.69
% of unprofitable institutions	20.32	20.95	19.73	22.52	17.14	15.38	40.60	17.36	13.77	13.15	37.77
% of institutions with earnings gains	61.07	58.11	62.01	66.31	71.43	73.27	57.52	57.88	60.53	59.10	63.10
Condition Ratios (%)											
Earning assets to total assets	86.15	91.10	91.40	90.36	84.82	86.12	83.92	86.22	87.01	90.17	87.04
Loss Allowance to:											
Loans and leases	3.40	1.64	1.82	2.32	3.86	3.77	3.27	3.29	3.78	2.14	3.41
Noncurrent loans and leases	65.13	61.60	50.66	51.75	68.42	102.33	51.82	57.87	63.36	56.93	68.83
Noncurrent assets plus other real estate owned to assets	3.31	2.37	3.38	3.62	3.28	2.22	4.04	3.17	4.62	3.16	2.93
Equity capital ratio	11.25	12.20	10.23	11.08	11.39	12.95	11.44	9.15	11.55	10.59	11.65
Core capital (leverage) ratio	8.77	11.56	9.60	9.60	8.50	9.73	8.00	7.28	9.12	9.46	10.12
Tier 1 risk-based capital ratio	12.44	17.78	13.73	13.91	12.00	13.88	11.21	10.97	11.19	13.23	15.15
Total risk-based capital ratio	15.09	18.89	14.95	15.30	15.02	16.23	14.40	14.30	13.81	14.95	16.89
Net loans and leases to deposits	78.15	72.58	79.87	82.94	77.23	83.01	77.20	70.12	90.62	81.77	72.85
Net loans to total assets	54.04	60.65	65.65	62.89	51.22	53.75	54.25	47.76	66.05	64.10	49.70
Domestic deposits to total assets	58.00	83.56	82.15	75.27	52.12	57.43	62.57	53.85	66.98	77.86	44.20
Structural Changes											
New Charters	3	0	1	2	0	0	2	0	0	1	0
Institutions absorbed by mergers	94	33	48	12	1	7	34	9	22	11	11
Failed Institutions	86	20	49	16	1	7	25	16	11	5	22
PRIOR FIRST HALVES (The way it was...)											
Number of institutions 2009	8,195	3,013	4,484	582	116	996	1,164	1,685	1,914	1,680	756
2007	8,614	3,582	4,371	538	123	1,070	1,216	1,806	2,000	1,750	772
2005	8,868	3,996	4,266	492	114	1,109	1,214	1,897	2,079	1,812	757
Total assets (in billions) 2009	$13,300.0	$165.4	$1,347.9	$1,500.8	$10,286.0	$2,458.2	$3,493.7	$3,124.6	$1,063.0	$777.4	$2,383.0
2007	12,261.4	189.8	1,295.4	1,410.7	9,365.4	2,261.8	3,004.5	2,830.9	910.0	674.4	2,579.7
2005	10,474.4	207.5	1,209.8	1,351.2	7,705.9	2,729.8	2,579.4	2,426.9	765.4	570.0	1,402.8
Return on assets (%) 2009	0.03	0.15	0.06	-0.50	0.10	-0.24	0.12	0.15	0.65	-0.25	-0.17
2007	1.21	0.85	1.11	1.13	1.24	1.09	1.23	1.06	1.64	1.13	1.30
2005	1.31	1.07	1.23	1.34	1.32	1.28	1.40	0.97	1.61	1.28	1.63
Net charge-offs to loans & leases (%) 2009	2.25	0.76	0.95	1.81	2.57	2.56	1.97	2.01	2.35	1.13	3.03
2007	0.47	0.14	0.16	0.29	0.56	0.82	0.24	0.34	0.63	0.21	0.58
2005	0.44	0.15	0.18	0.24	0.54	0.72	0.19	0.29	0.55	0.21	0.63
Noncurrent assets plus OREO to assets (%) 2009	2.77	2.04	2.94	3.44	2.67	1.81	3.08	2.87	3.12	2.44	3.13
2007	0.62	0.81	0.75	0.67	0.59	0.60	0.42	0.63	1.10	0.66	0.68
2005	0.48	0.72	0.54	0.44	0.47	0.49	0.31	0.55	0.76	0.58	0.47
Equity capital ratio (%) 2009	10.55	12.44	9.92	10.60	10.60	12.52	10.97	8.55	10.79	9.96	10.63
2007	10.43	13.42	10.48	11.28	10.24	12.48	9.83	9.01	10.00	10.57	11.01
2005	10.38	12.16	10.29	10.86	10.26	10.70	10.00	9.30	10.83	9.64	12.34

* 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

		Asset Concentration Groups*								
June 30, 2010	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
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	1.96	1.25	2.78	1.13	1.59	1.89	1.07	1.34	1.66	2.35
Construction and development	2.36	0.00	2.48	1.88	2.31	5.90	0.46	0.77	1.97	2.24
Nonfarm nonresidential	1.14	0.00	0.62	1.00	1.19	1.49	1.84	0.90	1.21	1.00
Multifamily residential real estate	1.06	0.00	0.56	1.34	1.27	1.68	3.87	1.16	1.85	0.64
Home equity loans	1.16	1.95	1.53	0.62	0.85	1.18	0.94	0.49	0.82	1.25
Other 1-4 family residential	2.79	1.18	4.28	1.67	2.13	1.89	1.14	1.86	1.97	3.44
Commercial and industrial loans	0.80	2.60	0.43	1.36	0.96	1.03	1.29	1.01	1.63	0.55
Loans to individuals	2.06	2.22	2.07	1.82	1.74	1.51	1.70	1.93	2.02	2.07
Credit card loans	2.19	2.18	2.62	1.48	1.70	3.16	1.11	2.50	1.63	2.49
Other loans to individuals	1.91	3.02	1.86	1.83	1.75	1.06	1.98	1.86	2.03	1.99
All other loans and leases (including farm)	0.51	0.08	0.35	0.78	0.54	0.76	0.32	0.76	0.68	0.59
Total loans and leases	1.69	2.23	1.86	1.11	1.43	1.85	1.51	1.34	1.63	1.84
Percent of Loans Noncurrent**										
All real estate loans	7.32	4.89	10.63	2.38	5.81	4.81	1.15	2.66	2.38	9.99
Construction and development	16.87	0.00	19.04	10.12	16.53	15.06	4.51	6.98	7.09	18.78
Nonfarm nonresidential	4.28	0.00	5.64	2.87	4.01	3.67	2.56	2.37	2.79	5.44
Multifamily residential real estate	4.16	0.00	4.17	2.88	4.38	3.20	1.74	3.60	3.51	3.62
Home equity loans	1.71	2.28	1.93	0.80	1.18	1.79	0.82	0.90	0.82	2.09
Other 1-4 family residential	9.75	6.11	17.67	1.61	5.41	4.93	1.14	2.33	1.85	14.26
Commercial and industrial loans	2.91	2.95	5.25	2.34	2.51	3.02	0.72	1.38	2.35	2.34
Loans to individuals	1.95	2.61	2.06	0.75	1.43	1.07	1.32	0.95	0.71	1.18
Credit card loans	2.58	2.57	2.61	0.75	2.87	3.16	1.14	1.21	0.84	2.85
Other loans to individuals	1.28	3.32	1.86	0.75	1.12	0.50	1.40	0.92	0.71	0.87
All other loans and leases (including farm)	1.49	0.17	2.03	0.96	1.33	0.42	1.15	0.85	0.98	1.24
Total loans and leases	5.21	2.62	6.75	1.97	4.65	4.57	1.24	2.15	2.11	6.61
Percent of Loans Charged-off (net, YTD)										
All real estate loans	1.97	4.91	2.42	0.48	1.91	1.04	1.66	0.47	0.34	2.38
Construction and development	5.14	0.00	2.78	2.96	5.54	6.21	1.68	0.80	1.76	4.18
Nonfarm nonresidential	1.12	0.00	1.10	0.50	1.16	0.69	0.51	0.35	0.26	1.16
Multifamily residential real estate	1.20	0.00	0.98	0.83	1.37	0.91	1.70	1.63	0.72	0.92
Home equity loans	2.89	9.02	2.80	0.68	1.42	3.72	2.25	0.22	0.31	4.13
Other 1-4 family residential	1.65	4.24	2.99	0.34	1.45	0.75	1.08	0.47	0.23	1.89
Commercial and industrial loans	1.90	17.20	1.46	1.31	1.72	1.53	5.57	0.56	0.95	1.10
Loans to individuals	7.01	13.72	3.32	0.55	2.56	3.42	2.36	1.09	0.65	3.04
Credit card loans	12.15	13.73	6.27	2.35	8.12	10.53	5.06	5.17	2.85	9.57
Other loans to individuals	2.18	13.62	2.24	0.50	1.39	1.30	1.18	0.60	0.61	1.65
All other loans and leases (including farm)	0.74	0.01	0.68	0.00	1.20	0.55	3.05	0.35	0.27	0.58
Total loans and leases	2.74	13.44	2.16	0.53	1.89	1.16	2.37	0.56	0.43	2.09
Loans Outstanding (in billions)										
All real estate loans	$4,336.8	$0.1	$526.1	$72.1	$2,041.9	$434.8	$18.0	$6.7	$50.8	$1,186.2
Construction and development	383.3	0.0	8.5	4.5	273.9	8.4	0.4	0.5	3.1	83.8
Nonfarm nonresidential	1,081.0	0.0	31.3	20.7	783.7	27.4	0.9	2.2	12.6	202.1
Multifamily residential real estate	214.7	0.0	40.9	1.6	128.6	9.0	0.1	0.2	1.2	33.1
Home equity loans	654.5	0.0	131.4	1.5	220.7	26.6	9.1	0.2	2.3	262.5
Other 1-4 family residential	1,874.3	0.1	266.3	19.2	593.6	362.4	7.5	3.2	28.3	593.8
Commercial and industrial loans	1,174.9	32.4	191.6	15.7	553.7	11.0	3.9	1.3	6.7	358.7
Loans to individuals	1,359.5	564.6	206.1	6.3	217.5	21.5	50.5	1.3	7.1	284.6
Credit card loans	699.4	537.4	56.1	0.1	39.3	4.6	16.3	0.1	0.1	45.2
Other loans to individuals	660.1	27.1	150.0	6.1	178.2	16.9	34.2	1.2	6.9	239.4
All other loans and leases (including farm)	526.8	2.7	167.4	28.1	147.4	3.2	0.7	0.6	4.7	172.0
Total loans and leases (plus unearned income)	7,398.1	599.8	1,091.3	122.2	2,960.5	470.5	73.2	10.0	69.2	2,001.5
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	49,285.2	-15.5	3,967.0	787.5	31,844.5	2,459.7	41.1	72.7	505.5	9,622.8
Construction and development	18,002.8	0.0	28.0	278.4	15,522.4	467.7	13.4	26.9	142.7	1,523.4
Nonfarm nonresidential	8,980.2	0.0	157.0	236.1	7,191.2	208.2	8.8	24.4	137.8	1,016.7
Multifamily residential real estate	2,790.3	0.0	852.0	39.7	1,252.3	46.1	0.1	1.2	25.4	573.6
1-4 family residential	13,722.1	0.1	1,219.0	172.4	6,749.3	1,540.7	18.5	19.4	189.0	3,813.8
Farmland	317.6	0.0	0.0	60.7	233.4	8.8	0.3	0.8	10.6	3.0
GNMA properties	5,280.5	0.0	1,514.0	0.3	882.2	191.8	0.0	0.0	0.0	2,692.3

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

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

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

June 30, 2010	All Insured Institutions	Asset Size Distribution				Geographic Regions*					
		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	1.96	1.69	1.46	1.29	2.25	1.54	2.14	1.94	2.32	1.64	2.07
Construction and development	2.36	2.15	2.13	1.98	2.62	2.89	1.92	2.39	2.91	1.87	2.97
Nonfarm nonresidential	1.14	1.46	1.25	1.05	1.12	1.21	1.24	1.28	1.04	0.99	0.92
Multifamily residential real estate	1.06	1.13	1.29	1.01	1.02	0.85	1.54	1.21	0.91	1.27	0.65
Home equity loans	1.16	0.88	0.84	0.83	1.22	0.68	1.38	1.23	1.13	0.97	1.12
Other 1-4 family residential	2.79	2.11	1.67	1.48	3.22	1.81	3.08	2.80	3.64	2.37	3.14
Commercial and industrial loans	0.80	1.73	1.27	0.92	0.72	1.24	0.62	0.78	1.03	0.91	0.47
Loans to individuals	2.06	2.22	1.81	1.91	2.07	2.09	2.15	1.65	2.53	1.38	1.92
Credit card loans	2.19	2.38	2.49	2.06	2.19	2.04	2.35	1.92	2.70	1.01	2.17
Other loans to individuals	1.91	2.22	1.76	1.86	1.93	2.28	2.04	1.56	2.27	1.57	1.77
All other loans and leases (including farm)	0.51	0.78	0.66	0.65	0.48	0.34	0.24	0.72	1.01	0.43	0.23
Total loans and leases	1.69	1.63	1.41	1.26	1.81	1.59	1.78	1.59	2.05	1.43	1.58
Percent of Loans Noncurrent**											
All real estate loans	7.32	3.09	4.08	5.39	8.64	4.78	8.92	8.15	8.88	4.83	6.58
Construction and development	16.87	10.28	12.85	16.42	18.82	17.93	17.60	16.27	16.92	10.78	23.18
Nonfarm nonresidential	4.28	3.35	3.28	3.96	4.98	3.76	4.77	4.58	4.53	2.76	4.86
Multifamily residential real estate	4.16	2.80	3.50	4.56	4.21	3.12	4.88	4.56	3.58	3.80	4.90
Home equity loans	1.71	1.39	1.22	1.35	1.78	0.94	1.93	1.61	2.39	1.05	1.39
Other 1-4 family residential	9.75	2.22	2.75	4.05	12.04	4.71	12.19	13.03	13.46	5.28	7.45
Commercial and industrial loans	2.91	2.69	2.44	2.49	3.03	2.92	2.27	2.62	2.77	1.68	4.75
Loans to individuals	1.95	1.02	0.80	1.07	2.04	2.38	1.48	1.27	2.25	0.70	2.14
Credit card loans	2.58	1.10	1.68	1.72	2.61	2.59	2.62	2.42	2.74	0.92	2.64
Other loans to individuals	1.28	1.01	0.75	0.84	1.36	1.62	0.88	0.90	1.49	0.59	1.84
All other loans and leases (including farm)	1.49	1.03	1.02	1.14	1.57	0.95	0.74	1.72	1.35	1.41	2.55
Total loans and leases	5.21	2.66	3.58	4.48	5.65	3.69	6.31	5.69	5.97	3.76	4.95
Percent of Loans Charged-off (net, YTD)											
All real estate loans	1.97	0.58	0.91	1.75	2.30	1.04	2.73	2.09	2.02	1.22	2.10
Construction and development	5.14	2.68	3.18	5.91	5.65	4.28	5.61	6.11	4.25	3.31	7.06
Nonfarm nonresidential	1.12	0.50	0.57	1.19	1.38	0.90	1.35	1.31	0.79	0.59	1.59
Multifamily residential real estate	1.20	0.76	0.78	1.50	1.21	0.99	1.32	1.25	0.82	0.81	1.67
Home equity loans	2.89	0.65	0.68	1.23	3.18	0.82	4.28	2.08	3.79	1.55	2.56
Other 1-4 family residential	1.65	0.36	0.60	0.91	1.97	0.72	2.16	1.98	1.75	0.90	1.98
Commercial and industrial loans	1.90	1.31	1.37	1.54	2.02	3.25	1.48	1.92	1.89	1.06	1.63
Loans to individuals	7.01	0.77	1.40	2.66	7.52	11.91	4.65	2.87	9.04	1.96	3.76
Credit card loans	12.15	4.41	7.45	8.16	12.28	14.17	11.09	7.95	14.98	4.23	6.23
Other loans to individuals	2.18	0.71	1.00	1.01	2.40	4.92	1.63	1.38	1.87	0.93	2.26
All other loans and leases (including farm)	0.74	0.00	0.48	0.86	0.77	0.52	0.41	1.48	0.76	0.49	0.45
Total loans and leases	2.74	0.64	0.98	1.76	3.22	4.10	2.63	2.11	3.13	1.22	2.21
Loans Outstanding (in billions)											
All real estate loans	$4,336.8	$65.6	$694.2	$680.6	$2,896.4	$826.5	$1,068.5	$852.1	$637.0	$357.5	$595.4
Construction and development	383.3	5.3	83.4	86.0	208.7	51.6	122.5	62.9	55.1	55.3	35.9
Nonfarm nonresidential	1,081.0	19.6	267.4	269.0	525.0	219.8	244.9	194.5	151.4	125.1	145.4
Multifamily residential real estate	214.7	1.9	32.0	41.6	139.2	58.0	34.3	62.3	18.3	9.3	32.5
Home equity loans	654.5	2.1	38.2	48.2	565.9	87.2	191.2	176.0	116.1	24.3	59.6
Other 1-4 family residential	1,874.3	28.1	239.6	224.4	1,382.3	404.2	459.6	340.0	271.7	131.5	267.4
Commercial and industrial loans	1,174.9	12.4	111.1	136.3	915.1	179.7	274.0	251.2	172.8	89.8	207.4
Loans to individuals	1,359.5	6.7	41.4	71.4	1,240.0	415.3	228.9	195.9	231.6	44.8	243.0
Credit card loans	699.4	0.1	2.4	18.7	678.2	324.7	79.3	47.6	141.3	15.0	91.6
Other loans to individuals	660.1	6.7	38.9	52.7	561.8	90.6	149.6	148.4	90.3	29.8	151.4
All other loans and leases (including farm)	526.8	10.6	39.8	32.2	444.2	82.8	104.1	116.1	95.8	24.1	103.9
Total loans and leases (plus unearned income)	7,398.1	95.4	886.5	920.6	5,495.7	1,504.3	1,675.6	1,415.4	1,137.1	516.2	1,149.6
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	49,285.2	1,088.7	12,872.6	10,356.2	24,967.6	4,052.3	14,702.4	9,965.5	8,583.2	5,361.5	6,620.4
Construction and development	18,002.8	353.0	6,239.5	5,570.4	5,839.8	1,119.8	5,975.9	2,621.7	2,896.9	2,692.6	2,695.8
Nonfarm nonresidential	8,980.2	330.4	3,183.1	2,185.0	3,281.7	928.2	1,973.8	2,039.5	1,560.0	1,211.6	1,267.0
Multifamily residential real estate	2,790.3	36.9	444.9	413.3	1,895.2	258.4	437.2	421.3	530.5	151.1	991.7
1-4 family residential	13,722.1	342.3	2,832.8	2,028.3	8,518.8	1,499.5	4,681.7	2,794.0	2,189.3	1,188.2	1,369.4
Farmland	317.6	24.6	171.4	90.4	31.2	15.8	46.8	67.5	58.1	99.3	30.1
GNMA properties	5,280.5	2.0	5.0	71.3	5,202.3	217.6	1,586.9	2,019.1	1,348.7	18.6	89.6

* 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)	2nd Quarter 2010	1st Quarter 2010	4th Quarter 2009	3rd Quarter 2009	2nd Quarter 2009	%Change 09Q2-10Q2	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	1,159	1,148	1,131	1,175	1,214	-4.5	92	697	293	77
Total assets of institutions reporting derivatives	$10,671,060	$10,766,470	$10,568,242	$10,546,527	$10,593,191	0.7	$6,641	$294,434	$858,367	$9,511,619
Total deposits of institutions reporting derivatives	7,248,761	7,281,825	7,341,335	7,183,905	7,097,228	2.1	5,534	238,833	658,084	6,346,309
Total derivatives	225,433,522	218,068,203	213,563,296	210,008,291	208,656,901	8.0	295	20,307	74,544	225,338,376
Derivative Contracts by Underlying Risk Exposure										
Interest rate	188,614,063	181,989,212	179,565,399	176,204,154	175,648,997	7.4	284	19,791	69,985	188,524,003
Foreign exchange*	20,245,402	19,201,890	17,297,929	17,709,286	16,640,233	21.7	0	30	3,747	20,241,626
Equity	1,615,041	1,570,950	1,685,227	2,182,431	2,041,638	-20.9	10	147	631	1,614,253
Commodity & other (excluding credit derivatives)	1,082,812	941,687	978,922	926,295	909,250	19.1	0	75	135	1,082,602
Credit	13,876,204	14,364,464	14,035,819	12,986,125	13,416,784	3.4	0	265	46	13,875,892
Total	225,433,522	218,068,203	213,563,296	210,008,291	208,656,901	8.0	295	20,307	74,544	225,338,376
Derivative Contracts by Transaction Type										
Swaps	141,420,332	136,333,354	142,021,986	139,477,035	137,993,983	2.5	30	9,481	52,023	141,358,798
Futures & forwards	36,793,857	34,096,685	26,495,665	24,944,757	25,885,385	42.1	105	4,744	10,496	36,778,512
Purchased options	15,402,898	15,757,710	15,151,690	15,424,802	15,020,266	2.5	15	784	3,283	15,398,816
Written options	15,901,608	15,910,612	15,113,322	15,063,214	14,859,851	7.0	145	5,033	8,312	15,888,118
Total	209,518,695	202,098,362	198,782,664	194,909,809	193,759,485	8.1	295	20,041	74,114	209,424,245
Fair Value of Derivative Contracts										
Interest rate contracts	98,101	94,818	96,993	122,592	123,696	-20.7	4	-18	199	97,916
Foreign exchange contracts	-4,874	1,431	9,671	-5,037	-10,568	N/M	0	0	-16	-4,858
Equity contracts	305	-856	1,236	-253	670	-54.5	0	2	4	298
Commodity & other (excluding credit derivatives)	-574	994	1,623	3,615	1,156	N/M	0	4	2	-580
Credit derivatives as guarantor	-222,426	-121,491	-160,980	-234,357	-474,635	N/M	0	0	2	-222,427
Credit derivatives as beneficiary	242,561	141,273	188,641	266,208	523,242	-53.6	0	-3	-3	242,566
Derivative Contracts by Maturity**										
Interest rate contracts < 1 year	89,000,746	84,010,679	80,979,619	78,128,617	74,833,456	18.9	71	4,854	14,272	88,981,549
1-5 years	33,347,769	33,334,968	33,638,323	33,977,575	35,928,119	-7.2	17	7,095	25,460	33,315,196
> 5 years	23,099,477	24,119,721	26,141,315	26,620,986	28,371,872	-18.6	19	2,324	19,410	23,077,724
Foreign exchange contracts < 1 year	11,959,581	11,092,119	10,416,223	9,674,124	9,490,043	26.0	0	18	2,515	11,957,048
1-5 years	2,356,096	2,440,019	2,448,723	2,405,751	2,293,453	2.7	0	4	74	2,356,017
> 5 years	1,306,940	1,328,830	1,343,778	1,325,262	1,193,852	9.5	0	0	86	1,306,854
Equity contracts < 1 year	326,742	320,739	312,066	358,462	343,416	-4.9	3	25	129	326,586
1-5 years	205,283	220,441	227,854	301,995	291,182	-29.5	1	60	246	204,976
> 5 years	80,586	83,990	81,647	82,835	75,716	6.4	0	1	0	80,585
Commodity & other contracts < 1 year	324,203	287,660	261,429	237,860	252,705	28.3	0	39	51	324,113
1-5 years	210,319	177,250	223,654	233,829	211,329	-0.5	0	17	43	210,260
> 5 years	30,459	31,220	34,250	43,612	45,443	-33.0	0	0	0	30,459
Risk-Based Capital: Credit Equivalent Amount										
Total current exposure to tier 1 capital (%)	44.8	41.2	45.9	57.3	66.8		0.2	0.7	1.5	50.6
Total potential future exposure to tier 1 capital (%)	82.9	88.9	83.3	83.6	80.6		0.1	0.1	0.6	93.9
Total exposure (credit equivalent amount) to tier 1 capital (%)	127.7	130.2	129.2	140.9	147.3		0.3	0.8	2.1	144.5
Credit losses on derivatives***	222.2	103.6	767.1	605.3	384.7	-42.2	0.0	0.0	0.9	221.2
HELD FOR TRADING										
Number of institutions reporting derivatives	188	194	197	207	204	-7.8	6	67	58	57
Total assets of institutions reporting derivatives	8,882,861	8,949,197	8,873,918	8,911,543	8,911,914	-0.3	464	28,598	237,207	8,616,592
Total deposits of institutions reporting derivatives	6,078,554	6,095,242	6,145,573	6,014,547	5,990,076	1.5	381	22,820	181,893	5,873,460
Derivative Contracts by Underlying Risk Exposure										
Interest rate	186,774,353	180,109,272	177,717,314	174,199,745	173,339,084	7.8	25	1,115	21,022	186,752,191
Foreign exchange	18,072,001	17,462,255	16,437,639	15,510,657	15,051,809	20.1	0	1	2,273	18,069,727
Equity	1,608,817	1,563,707	1,677,767	2,175,796	2,034,228	-20.9	0	1	234	1,608,583
Commodity & other	1,077,566	934,851	974,849	924,183	906,325	18.9	0	0	32	1,077,535
Total	207,532,737	200,070,085	196,807,569	192,810,380	191,331,447	8.5	25	1,116	23,561	207,508,035
Trading Revenues: Cash & Derivative Instruments										
Interest rate	144	304	-1,182	5,436	900	-84.0	0	0	32	112
Foreign exchange	4,299	3,906	2,560	-1,535	2,132	101.6	0	0	2	4,297
Equity	378	965	144	153	-92	N/M	0	0	1	377
Commodity & other (including credit derivatives)	1,815	3,004	417	1,648	2,320	-21.8	0	0	0	1,816
Total trading revenues	6,636	8,178	1,940	5,702	5,260	26.2	0	0	35	6,601
Share of Revenue										
Trading revenues to gross revenues (%)	5.4	6.6	1.6	4.7	4.0		0.0	0.0	1.1	5.5
Trading revenues to net operating revenues (%)	45.8	74.0	107.9	88.1	96.9		0.0	0.0	-97.4	45.5
HELD FOR PURPOSES OTHER THAN TRADING										
Number of institutions reporting derivatives	1,047	1,032	1,010	1,048	1,086	-3.6	86	631	259	71
Total assets of institutions reporting derivatives	10,282,637	10,344,141	10,212,051	10,199,833	10,216,754	0.6	6,177	267,465	754,467	9,254,527
Total deposits of institutions reporting derivatives	7,015,474	7,034,900	7,098,523	6,955,097	6,847,472	2.5	5,153	217,162	576,815	6,216,343
Derivative Contracts by Underlying Risk Exposure										
Interest rate	1,839,711	1,879,940	1,848,085	2,004,409	2,309,913	-20.4	260	18,676	48,963	1,771,812
Foreign exchange	134,777	134,258	115,478	86,272	107,791	25.0	0	28	1,089	133,660
Equity	6,224	7,243	7,459	6,635	7,410	-16.0	10	146	397	5,670
Commodity & other	5,246	6,835	4,073	2,112	2,924	79.4	0	75	103	5,067
Total notional amount	1,985,957	2,028,276	1,975,095	2,099,429	2,428,038	-18.2	270	18,925	50,553	1,916,209

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

*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)	2nd Quarter 2010	1st Quarter 2010	4th Quarter 2009	3rd Quarter 2009	2nd Quarter 2009	%Change 09Q2-10Q2	Asset Size Distribution: Less Than $100 Million	$100 Million To $1 Billion	$1 Billion To $10 Billion	Greater Than $10 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements										
Number of institutions reporting securitization activities	129	127	142	142	139	-7.2	18	61	22	28
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	$1,180,361	$1,194,588	$1,209,474	$1,225,694	$1,222,193	-3.4	$262	$962	$2,147	$1,176,990
Home equity loans	0	15	5,947	6,205	6,594	-100.0	0	0	0	0
Credit card receivables	15,452	16,133	363,486	391,417	397,918	-96.1	0	830	0	14,623
Auto loans	486	600	7,182	8,277	10,266	-95.3	0	0	67	419
Other consumer loans	5,021	5,610	24,692	25,335	26,006	-80.7	0	0	0	5,020
Commercial and industrial loans	3,796	4,127	7,649	8,436	9,019	-57.9	1	7	628	3,161
All other loans, leases, and other assets*	206,692	192,853	198,835	192,077	193,374	6.9	5	43	158	206,486
Total securitized and sold	1,411,808	1,413,926	1,817,266	1,857,441	1,865,371	-24.3	268	1,841	3,000	1,406,700
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	5,009	5,166	5,780	6,115	6,058	-17.3	2	9	57	4,942
Home equity loans	0	14	1,023	1,006	1,063	-100.0	0	0	0	0
Credit card receivables	664	730	134,193	136,043	129,373	-99.5	0	215	0	449
Auto loans	6	6	637	745	722	-99.2	0	0	6	0
Other consumer loans	245	237	1,410	1,434	1,399	-82.5	0	0	0	245
Commercial and industrial loans	94	95	225	274	184	-48.9	0	0	86	8
All other loans, leases, and other assets	248	257	287	333	299	-17.1	0	4	0	244
Total credit exposure	6,266	6,506	143,555	145,950	139,100	-95.5	2	229	148	5,888
Total unused liquidity commitments provided to institution's own securitizations	166	162	387	358	378	-56.1	1	0	1	164
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)										
1-4 family residential loans	3.7	3.9	4.4	4.6	4.3		3.9	0.8	2.5	3.7
Home equity loans	0.0	0.0	1.3	1.3	0.8		0.0	0.0	0.0	0.0
Credit card receivables	1.5	1.5	2.7	2.9	2.6		0.0	2.4	0.0	1.5
Auto loans	1.2	1.2	2.3	2.4	2.2		0.0	0.0	1.0	1.2
Other consumer loans	3.7	3.3	3.9	3.6	2.9		0.0	0.0	0.0	3.7
Commercial and industrial loans	0.2	0.3	2.3	2.9	2.6		0.0	26.0	0.9	0.0
All other loans, leases, and other assets	2.6	2.2	3.5	1.2	1.9		0.0	0.0	0.0	2.6
Total loans, leases, and other assets	3.5	3.6	4.0	3.9	3.7		3.9	1.6	2.0	3.5
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)										
1-4 family residential loans	7.8	8.5	7.9	7.5	6.6		1.9	0.5	3.7	7.8
Home equity loans	0.0	0.0	2.0	1.8	0.9		0.0	0.0	0.0	0.0
Credit card receivables	0.7	0.8	3.0	2.6	2.9		0.0	3.1	0.0	0.5
Auto loans	0.2	0.3	0.2	0.3	0.2		0.0	0.0	0.1	0.2
Other consumer loans	2.7	2.7	3.6	3.6	3.3		0.0	0.0	0.0	2.7
Commercial and industrial loans	0.1	0.1	1.0	1.2	1.3		0.0	0.0	0.7	0.0
All other loans, leases, and other assets	8.5	7.5	4.3	3.7	1.6		9.1	0.0	0.9	8.6
Total loans, leases, and other assets	7.8	8.2	6.4	5.9	5.2		2.0	1.7	2.9	7.8
Securitized Loans, Leases, and Other Assets Charged-Off (net, YTD, annualized, %)										
1-4 family residential loans	0.4	0.2	1.0	0.7	0.5		0.0	0.0	0.0	0.4
Home equity loans	0.0	0.0	1.8	1.4	0.9		0.0	0.0	0.0	0.0
Credit card receivables	4.2	2.2	10.2	7.6	4.8		0.0	6.1	0.0	4.1
Auto loans	0.4	0.3	2.5	1.9	1.1		0.0	0.0	0.1	0.5
Other consumer loans	0.9	0.4	1.0	0.7	0.5		0.0	0.0	0.0	0.9
Commercial and industrial loans	0.0	0.0	13.9	10.0	6.9		0.0	0.0	0.1	0.0
All other loans, leases, and other assets	0.0	0.1	0.1	0.0	0.0		0.0	0.0	0.0	0.0
Total loans, leases, and other assets	0.4	0.2	2.8	2.1	1.4		0.0	2.7	0.0	0.4
Seller's Interests in Institution's Own Securitizations - Carried as Loans										
Home equity loans	0	0	316	396	134	-100.0	0	0	0	0
Credit card receivables	5,088	4,831	62,235	73,401	68,128	-92.5	0	55	0	5,033
Commercial and industrial loans	3	4	894	930	451	-99.3	0	2	0	0
Seller's Interests in Institution's Own Securitizations - Carried as Securities										
Home equity loans	0	0	1	2	4	-100.0	0	0	0	0
Credit card receivables	0	0	789	788	594	-100.0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0
Assets Sold with Recourse and Not Securitized										
Number of institutions reporting asset sales	833	820	826	821	827	0.7	169	507	115	42
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	62,232	62,219	66,978	68,000	70,505	-11.7	2,591	9,099	4,151	46,391
Home equity, credit card receivables, auto, and other consumer loans	41	40	908	1,024	1,159	-96.5	0	9	15	17
Commercial and industrial loans	541	669	2,654	2,844	3,195	-83.1	1	54	25	461
All other loans, leases, and other assets	52,400	48,372	48,757	47,971	47,560	10.2	1	79	301	52,019
Total sold and not securitized	115,215	111,299	119,298	119,840	122,419	-5.9	2,593	9,241	4,493	98,888
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	14,192	13,702	16,534	15,419	15,837	-10.4	102	1,214	2,445	10,431
Home equity, credit card receivables, auto, and other consumer loans	21	21	100	104	112	-81.3	0	7	3	11
Commercial and industrial loans	78	62	1,934	2,003	2,224	-96.5	1	40	25	12
All other loans, leases, and other assets	12,748	10,450	10,412	10,136	10,011	27.3	1	51	13	12,683
Total credit exposure	27,039	24,234	28,980	27,662	28,184	-4.1	104	1,312	2,486	23,137
Support for Securitization Facilities Sponsored by Other Institutions										
Number of institutions reporting securitization facilities sponsored by others	125	78	58	60	60	108.3	31	59	26	9
Total credit exposure	9,254	6,427	4,297	4,872	3,812	142.8	26	201	131	8,896
Total unused liquidity commitments	418	846	545	327	475	-12.0	0	0	0	418
Other										
Assets serviced for others**	5,956,144	5,995,522	6,010,523	5,977,515	5,878,337	1.3	4,065	80,879	93,972	5,777,228
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others	7,315	7,253	15,953	17,649	20,208	-63.8	5	0	84	7,226
Unused liquidity commitments to conduits sponsored by institutions and others	78,062	80,156	170,373	182,740	210,026	-62.8	0	0	1,145	76,917
Net servicing income (for the quarter)	3,916	4,835	8,019	5,995	10,845	-63.9	32	127	103	3,655
Net securitization income (for the quarter)	156	13	1,615	1,163	-142	-209.9	1	6	2	147
Total credit exposure to Tier 1 capital (%)***	3.7	3.3	15.9	16.2	15.8		0.7	1.4	2.1	4.4

*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.

INSURANCE FUND INDICATORS

- ***DIF Reserve Ratio Rises 10 Basis Points to -0.28 percent***
- ***$250,000 Standard Insurance Coverage Becomes Permanent***
- ***New Law Requires FDIC to Amend Regulations to Redefine the Assessment Base***
- ***45 Institutions Fail during Second Quarter***

Total assets of the nation's 7,830 FDIC-insured commercial banks and savings institutions decreased by 1.0 percent ($136.2 billion) during second quarter 2010. Total deposits decreased by 0.6 percent ($57.8 billion), foreign office deposits decreased by 2.2 percent ($33.2 billion), and domestic office deposits decreased by 0.3 percent ($24.6 billion). Domestic noninterest-bearing deposits increased by 1.4 percent ($20.8 billion), savings deposits and interest bearing checking accounts increased by 1.0 percent ($38.0 billion), and domestic time deposits decreased by 3.7 percent ($83.4 billion). For the 12 months ending June 30, total domestic deposits grew by 1.5 percent ($112.5 billion), with interest-bearing deposits increasing by 0.7 percent ($41.3 billion) and noninterest-bearing deposits rising by 4.8 percent ($71.2 billion).

The share of assets funded by domestic deposits increased from 56.8 percent to 58.0 percent during the past year. In contrast, Federal Home Loan Bank (FHLB) advances as a share of asset funding declined from 4.8 percent to 3.4 percent, repurchase agreements' share declined from 4.2 percent to 3.7 percent, and the share of foreign office deposits was flat at about 11.0 percent. FHLB advances decreased by 29.8 percent ($189.2 billion) during the 12 months ending June 30.

Brokered deposits decreased by 3.4 percent ($20.5 billion) during the second quarter and have declined by a total of 23.9 percent ($185.1 billion) since being added to the equation for pricing deposit insurance in second quarter 2009. At mid-year 2010, 44 percent (3,465) of FDIC-insured banks and thrifts used brokered deposits to fund a portion of their balance sheet. About 30 percent (1,053) had brokered deposits that exceeded 10 percent of their domestic deposits, down from 40 percent a year earlier. Reciprocal brokered deposits were used by 1,597 institutions to fund $31.3 billion worth of assets, representing 5.3 percent of total outstanding brokered deposits.[1]

Estimated insured deposits at all FDIC-insured institutions declined by 0.6 percent during second quarter 2010 but increased a net 12.9 percent during the past four quarters. For institutions existing as of March 31, 2010, and June 30, 2010, insured deposits increased during the second quarter at 4,280 institutions (55 percent), decreased at 3,515 institutions (45 percent), and remained unchanged at 35 institutions.

The Deposit Insurance Fund (DIF) increased by $5.5 billion during the second quarter to -$15.2 billion (unaudited). The increased amount included $3.2 billion from accrued assessment income, $2.6 billion from a decrease in provisions for insurance losses, and $119 million from interest on securities and other revenue. Unrealized losses on available-for-sale securities combined with operating expenses reduced the fund by $443 million.

Forty-five insured institutions with combined assets of $47.3 billion failed during second quarter 2010. For 2010 through the end of the second quarter, 86 insured institutions with combined assets of $69.4 billion failed, resulting in an estimated current cost to the DIF of $16.8 billion.

The DIF's reserve ratio was -0.28 percent on June 30, 2010, up from -0.38 percent on March 31, 2010, and down from 0.22 percent one year earlier. The June 30, 2010, figure marked a second consecutive increase; however, it is the third lowest reserve ratio on record, following the December 31, 2009, reserve ratio of -0.39

[1] Reciprocal brokered deposits are deposits that an insured depository institution receives through a deposit placement network on a reciprocal basis, such that: (1) for any deposit received, the institution (as agent for depositors) places the same amount with other insured depository institutions through the network; and (2) each member of the network sets the interest rate to be paid on the entire amount of funds it places with other network members.

percent and the March 31, 2010, reserve ratio of -0.38 percent. The deposit insurance coverage limit increase to $250,000 has been reflected in the reserve ratio since third quarter 2009.

Dodd-Frank Wall Street Reform and Consumer Protection Act

On July 21, 2010, President Barack Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act, which permanently increased the standard maximum deposit insurance coverage to $250,000 (the permanent limit of $100,000 for deposits other than retirement accounts had been temporarily increased to $250,000 until December 31, 2013). The new legislation also made the coverage increase retroactive to January 1, 2008, making the $250,000 deposit insurance limit applicable to six banks that failed between January 1, 2008, and October 3, 2008. The history of FDIC insurance coverage increases is as follows:

FDIC Insurance Coverage Limits 1934 - 2010[2]

Year	Standard Coverage Limit ($)
1934	2,500
1934 – 1949	5,000
1950 – 1965	10,000
1966 – 1968	15,000
1968 – 1973	20,000
1974 – 1979	40,000
1980 – 2007	100,000
2008	250,000

[2] On October 3, 2008, the Emergency Economic Stabilization Act of 2008 temporarily increased the standard deposit insurance coverage limit to $250,000 through December 31, 2009. On May 20, 2009, the Helping Families Save Their Homes Act of 2009 extended the temporary coverage increase to $250,000 through the end of 2013. On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 made the standard coverage limit to $250,000 permanent, and made the increased coverage limit retroactive to January 1, 2008. Coverage for certain retirement accounts increased to $250,000 in 2006. Initial coverage was $2,500 from January 1 to June 30, 1934.

The Act also directs the FDIC to amend its regulations to define the assessment base as average total consolidated assets minus average tangible equity during the assessment period, new terms which have not yet been defined by regulations. Following is a table that approximates how industry assets less tangible equity are stratified by institution asset size as of June 30, 2010.

Distribution of FDIC Insured Institutions
by Asset Size ($ Billions)

Asset Size As of June 30, 2010	Number of Institutions	Percent of Total Institutions	Total Domestic Deposits	Percent of Total Domestic Deposits	Total Assets Less Total Tangible Equity[3]	Percent of Total Assets Less Tangible Equity
Greater than $100 Billion	19	0.2%	3,785	49.2%	7,243	59.7%
$50 to $100 Billion	16	0.2%	670	8.7%	1,012	8.3%
$10 to $50 Billion	70	0.9%	920	12.0%	1,262	10.4%
$1 to $10 Billion	561	7.2%	1,092	14.2%	1,293	10.6%
Less than $1 Billion	7,174	91.5%	1,218	15.9%	1,333	11.0%
Total	7,840	100.0%	7,685	100.0%	12,143	100.0%

The Act eliminates the requirement that the FDIC dividend from the fund when the reserve ratio exceeds 1.35 percent, but continues to require dividends when the reserve ratio exceeds 1.50 percent. However, the FDIC Board of Directors may, in its sole discretion, suspend or limit the declaration of payment of assessment dividends. The Act eliminates the maximum limitation of the reserve ratio and raises the minimum reserve ratio that can be designated by the FDIC Board of Directors from 1.15 percent of estimated insured deposits to not less than 1.35 percent of estimated insured deposits or the comparable percentage of the assessment base. The FDIC is also required to take steps necessary to attain a 1.35 percent reserve ratio by September 30, 2020. When setting the assessments necessary to meet the increased minimum target for the reserve ratio, the FDIC is directed to offset the effect on insured depository institutions with assets less than $10 billion.

The new law will provide unlimited insurance for noninterest-bearing transaction accounts (separate from the standard $250,000 insurance limit) for two years beginning December 31, 2010. Participation will be mandatory for all insured depository institutions (no opt-outs) with no separate assessment fees for coverage. Only noninterest-bearing transaction accounts will be covered (NOW accounts and any other interest-bearing transaction accounts will not be covered). Beginning March 31, 2011, the noninterest-bearing transaction accounts will be included in insured deposit amounts used to calculate the DIF reserve ratio.

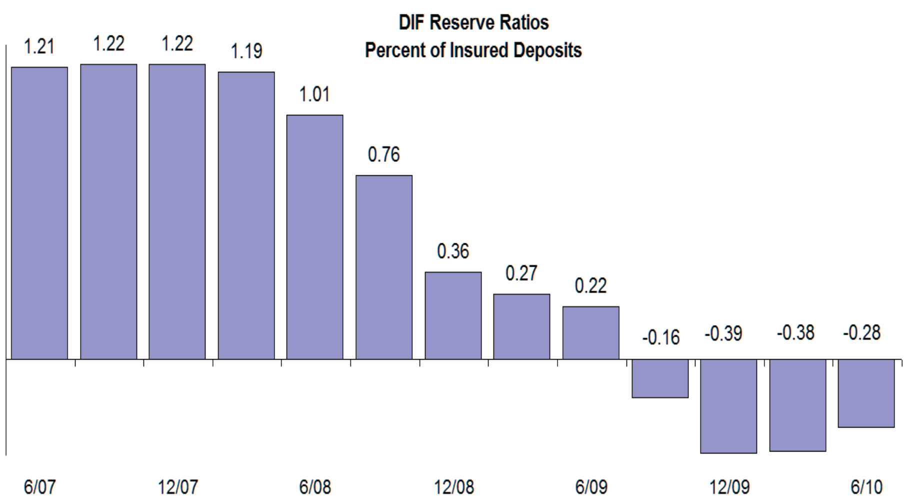
[3] Data is based on quarter-end balance sheet amounts as of June 30, 2010. These calculations are provided as a rough approximation of how industry assets less tangible equity are stratified by institution asset size; however these calculations are *not* the equivalent of the future deposit insurance assessment base as defined by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The assessment base, with possible exceptions will be based on an institution's average consolidated total assets during the assessment period; minus an institution's average tangible equity during the assessment period. These terms have not yet been defined by regulation.

Table I-B. Insurance Fund Balances and Selected Indicators

(dollar figures in millions)	Deposit Insurance Fund												
	2nd Quarter 2010*	1st Quarter 2010*	4th Quarter 2009	3rd Quarter 2009	2nd Quarter 2009	1st Quarter 2009	4th Quarter 2008	3rd Quarter 2008	2nd Quarter 2008	1st Quarter 2008	4th Quarter 2007	3rd Quarter 2007	2nd Quarter 2007
Beginning Fund Balance.............................	-$20,717	-$20,862	-$8,243	$10,368	$13,007	$17,276	$34,588	$45,217	$52,843	$52,413	$51,754	$51,227	$50,745
Changes in Fund Balance:													
Assessments earned....................................	3,242	3,278	3,042	2,965	9,095	2,615	996	881	640	448	239	170	140
Interest earned on investment securities............	64	62	76	176	240	212	277	526	651	618	585	640	748
Realized Gain on Sale of Investments..........	0	0	0	732	521	136	302	473	0	0	0	0	0
Operating expenses.....................................	382	345	379	328	298	266	290	249	256	238	262	243	248
Provision for insurance losses.........................	-2,552	3,021	17,766	21,694	11,615	6,637	19,163	11,930	10,221	525	39	132	-3
All other income, net of expenses....................	55	22	2,458	308	375	2	15	16	1	0	-2	24	1
Unrealized gain/(loss) on available-for-sale securities...	-61	149	-50	-770	-957	-331	551	-346	1,559	127	138	68	-162
Total fund balance change.............................	5,470	145	-12,619	-18,611	-2,639	-4,269	-17,312	-10,629	-7,626	430	659	527	482
Ending Fund Balance..................................	-15,247	-20,717	-20,862	-8,243	10,368	13,007	17,276	34,588	45,217	52,843	52,413	51,754	51,227
Percent change from four quarters earlier........	NM	NM	NM	NM	-77.07	-75.39	-67.04	-33.17	-11.73	4.13	4.48	3.52	3.36
Reserve Ratio (%).......................................	-0.28	-0.38	-0.39	-0.16	0.22	0.27	0.36	0.76	1.01	1.19	1.22	1.22	1.21
Estimated Insured Deposits**	5,438,866	5,473,345	5,406,174	5,315,551	4,817,617	4,831,366	4,750,638	4,545,116	4,467,587	4,437,887	4,292,211	4,242,607	4,235,044
Percent change from four quarters earlier........	12.90	13.29	13.80	16.95	7.83	8.87	10.68	7.13	5.49	4.54	3.33	3.47	4.81
Domestic Deposits	7,685,070	7,702,418	7,705,356	7,561,308	7,561,998	7,546,999	7,505,409	7,230,328	7,036,248	7,076,719	6,921,678	6,747,998	6,698,886
Percent change from four quarters earlier........	1.63	2.06	2.66	4.58	7.47	6.65	8.43	7.15	5.04	5.58	4.24	4.06	3.91
Number of institutions reporting..................	7,840	7,944	8,022	8,109	8,205	8,257	8,315	8,394	8,462	8,505	8,545	8,570	8,625

* For 2010, preliminary unaudited fund data, which are subject to change.

** The Emergency Economic Stabilization Act of 2008 directs the FDIC not to consider the temporary coverage increase to $250,000 in setting assessments. Therefore, we do not include the additional insured deposits in calculating the fund reserve ratio, which guides our assessment planning, from fourth quarter 2008 through the second quarter of 2009. The Helping Families Save Their Home Act of 2009 eliminated the prohibition against the FDIC's taking the temporary increase into account when setting assessments. Beginning in the third quarter of 2009, estimates of insured deposits include the temporary coverage increase to $250,000. The coverage increase to $250,000 became permanent on July 21, 2010, when the president signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act.



Deposit Insurance Fund Balance and Insured Deposits ($ Millions)

	DIF Balance	DIF-Insured Deposits
6/07	$51,227	$4,235,044
9/07	51,754	4,242,607
12/07	52,413	4,292,211
3/08	52,843	4,437,887
6/08	45,217	4,467,587
9/08	34,588	4,545,116
12/08	17,276	4,750,638
3/09	13,007	4,831,366
6/09	10,368	4,817,617
9/09	-8,243	5,315,551
12/09	-20,862	5,406,174
3/10	-20,717	5,473,345
6/10	-15,247	5,438,866

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

(dollar figures in millions)	2010****	2009****	2009	2008	2007	2006	2005
Problem Institutions							
Number of institutions..........................	829	416	702	252	76	50	52
Total assets......................................	$403,203	$299,837	$402,782	$159,405	$22,189	$8,265	$6,607
Failed Institutions							
Number of institutions..........................	86	45	140	25	3	0	0
Total assets......................................	$69,396	$35,868	$169,709	$371,945	$2,615	$0	$0
Assisted Institutions***							
Number of institutions..........................	0	8	8	5	0	0	0
Total assets......................................	$0	$1,917,482	$1,917,482	$1,306,042	0	0	0

***Assisted institutions represent five institutions under a single holding company that received assistance in 2008, and eight institutions under a different single holding company that received assistance in 2009.

****Through June 30

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

(dollar figures in millions) June 30, 2010	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	6,676	$11,969,017	$6,769,422	$4,623,909
FDIC-Supervised	4,413	1,931,329	1,463,157	1,168,089
OCC-Supervised	1,427	8,348,856	4,304,392	2,813,128
Federal Reserve-Supervised	836	1,688,832	1,001,873	642,692
FDIC-Insured Savings Institutions	1,154	1,251,535	898,273	801,516
OTS-Supervised Savings Institutions	753	932,199	661,760	594,265
FDIC-Supervised State Savings Banks	401	319,336	236,513	207,251
Total Commercial Banks and Savings Institutions	7,830	13,220,551	7,667,695	5,425,425
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	10	24,093	17,374	13,441
Total FDIC-Insured Institutions	7,840	13,244,645	7,685,070	5,438,866

* Excludes $1.47 trillion in foreign office deposits, which are uninsured.

Table IV-B. Distribution of Institutions and Domestic Deposits Among Risk Categories

Quarter Ending March 31, 2010

(dollar figures in billions)	Annual Rate in Basis Points*	Number of Institutions	Percent of Total Institutions	Domestic Deposits	Percent of Total Domestic Deposits
Risk Category I	7.00-12.00	1,717	21.61	619	8.03
	12.01- 14.00	1,509	19.00	1,555	20.19
	14.01- 15.99	2,130	26.81	2,197	28.52
	16.00-24.00	442	5.56	495	6.43
Risk Category II	17.00-22.00	1,043	13.13	2,030	26.35
	22.01-43.00	290	3.65	466	6.05
Risk Category III	27.00-32.00	433	5.45	128	1.67
	32.01-58.00	180	2.27	111	1.44
Risk Category IV	40.00-45.00	121	1.52	46	0.59
	45.01-77.50	79	0.99	56	0.72

Note: Institutions are categorized based on supervisory ratings, debt ratings and financial data as of March 31, 2010.
Rates do not reflect the application of assessment credits. See Notes to Users for further information on risk categories and rates.
* Assessment rates with a given risk category vary for several reasons, see 12 CFR Part 327
http://www.fdic.gov/deposit/insurance/initiative/09FinalAD35.pdf

TEMPORARY LIQUIDITY GUARANTEE PROGRAM

- ***Debt Guarantee Program Ended October 31, 2009***
- ***Transaction Account Guarantee Program Extended to December 31, 2010***
- ***$263 Billion Guaranteed in Transaction Accounts over $250,000***
- ***$304 Billion Outstanding in Debt Guarantee Program***

FDIC Responds to Market Disruptions with TLGP

The FDIC Board approved the Temporary Liquidity Guarantee Program (TLGP) on October 13, 2008, as major disruptions in credit markets blocked access to liquidity for financial institutions.[1] The TLGP improved access to liquidity through two programs: the Transaction Account Guarantee Program (TAGP), which fully guarantees noninterest-bearing transaction deposit accounts above $250,000, regardless of dollar amount; and the Debt Guarantee Program (DGP), which guarantees eligible senior unsecured debt issued by eligible institutions.

All insured depository institutions were eligible to participate in the TAGP. Institutions eligible for participation in the DGP were insured depository institutions, U.S. bank holding companies, certain U.S. savings and loan holding companies, and other affiliates of insured depository institutions that the FDIC designated as eligible entities.

FDIC Extends Guarantee Programs

Although financial markets improved significantly in the first half of 2009, portions of the industry were still affected by the recent economic turmoil. To facilitate the orderly phase-out of the TLGP, and to continue access to FDIC guarantees where they were needed, the FDIC Board extended both the DGP and TAGP.

On March 17, 2009, the Board of Directors of the FDIC voted to extend the deadline for issuance of guaranteed debt from June 30, 2009, to October 31, 2009. The Board also extended the expiration date of the guarantee from June 30, 2012, to the earlier of maturity of the debt or December 31, 2012. The FDIC imposed a surcharge on debt issued with a maturity of one year or more beginning in second quarter 2009.[2] The Board adopted a final rule on October 20, 2009, that allowed the DGP to expire on October 31, 2009.[3]

A final rule extending the TAGP six months, to June 30, 2010, was adopted on August 26, 2009. Entities participating in the TAGP had the opportunity to opt out of the extended program. Depository institutions that remained in the extended program were subject to increased fees that were adjusted to reflect the institution's risk.[4]

On June 22, 2010, the FDIC adopted a final rule extending the TAGP for another six months, through December 31, 2010. Under the final rule, which is almost identical to an interim rule adopted on April 13, the FDIC could extend the program for an additional 12 months without further rulemaking.[5]

Noninterest-Bearing Transaction Accounts Fully Insured under Dodd-Frank Reform Bill

An amendment to the Dodd-Frank Wall Street Reform and Consumer Protection Act requires that noninterest-bearing transaction accounts at all FDIC-insured institutions be fully insured for two years. This amendment takes effect on December 31, 2010. Coverage of noninterest-bearing transaction accounts is separate from the

---

[1] The FDIC invoked the systemic risk exception pursuant to section 141 of the Federal Deposit Improvement Act of 1991, 12 U.S.C 1823(c)(4) on October 13, 2008. For further information on the TLGP, see http://www.fdic.gov/regulations/resources/TLGP/index.html.

[2] See http://www.fdic.gov/news/board/Mar1709rule.pdf.

[3] See http://www.fdic.gov/regulations/laws/federal/2009/09finalAD37Oct23.pdf.

[4] See http://www.fdic.gov/news/board/aug26no3.pdf. The final rule requires that interest rates on qualifying NOW accounts offered by banks participating in the program be reduced to 0.25 percent from 0.50 percent. The rule also requires TAGP assessment reporting to be based on average daily balances but makes no changes to the assessment rates for participating institutions.

[5] See http://www.fdic.gov/news/news/press/2010/pr10139.html.

regular insurance limit of $250,000. Assessments for noninterest-bearing transaction accounts will be included in insured institutions' regular assessments.[6]

Program Funded by Industry Fees and Assessments

The TLGP does not rely on taxpayer funding or the Deposit Insurance Fund. Both the TAGP and the DGP are paid for by direct user fees. Institutions participating in the TAGP through year-end 2009 were assessed an annual fee of 10 basis points. Fees for qualifying noninterest-bearing transaction accounts guaranteed between January 1, 2010 and June 30, 2010, were based on the participating entity's risk category assignment under the FDIC's risk-based premium system. Annualized fees are 15, 20, or 25 basis points, depending on an institution's risk category.

Fees for participation in the DGP were based on the maturity of debt issued and ranged from 50 to 100 basis points (annualized). A surcharge was imposed on debt issued with a maturity of one year or greater after April 1, 2009. For debt that was not issued under the extension, that is, debt issued on or before June 30, 2009, and maturing on or before June 30, 2012, surcharges were 10 basis points (annualized) on debt issued by insured depository institutions and 20 basis points (annualized) on debt issued by other participating entities. For debt issued under the extension, that is, debt issued after June 30, 2009, or debt that matures after June 30, 2012, surcharges were 25 basis points (annualized) on debt issued by insured depository institutions and 50 basis points (annualized) on debt issued by other participating entities. As of June 30, 2010, fees totaling $10.4 billion had been assessed under the DGP.

A Majority of Eligible Entities Have Chosen to Participate in the TLGP

Almost 80 percent of FDIC-insured institutions opted in to the TAGP extension through June 30, 2010. More than half of all eligible entities elected to opt in to the DGP. A list of institutions that opted out of the guarantee programs is posted at http://www.fdic.gov/regulations/resources/TLGP/optout.html.

$263 Billion Guaranteed in Transaction Accounts over $250,000

According to second quarter 2010 Call and Thrift Financial Reports, insured institutions reported 319,734 noninterest-bearing transaction accounts over $250,000, about half the number of accounts reported at year-end 2009. These deposit accounts totaled $343 billion, of which $263 billion was guaranteed under the TAGP. More than 5,500 FDIC-insured institutions reported noninterest-bearing transaction accounts over $250,000 in value.

$304 Billion in FDIC-Guaranteed Debt Outstanding at June 30, 2010

Guaranteed debt outstanding at the end of second quarter 2010 totaled $304 billion. This debt was issued by 71 financial entities—42 insured depository institutions and 29 bank and thrift holding companies and nonbank affiliates. Some banking groups issued FDIC-guaranteed debt at both the subsidiary and holding company level, but most guaranteed debt was issued by holding companies or nonbank affiliates of depository institutions. Bank and thrift holding companies and nonbank affiliates issued 81 percent of FDIC-guaranteed debt outstanding at June 30, 2010.

Debt outstanding at June 30, 2010, had longer terms at issuance, compared to debt outstanding at year-end 2008. Less than 1 percent of debt outstanding matures in one year or less, compared to 49 percent at year-end 2008; and 80 percent matures more than two years after issuance, compared to 39 percent at December 31, 2008. Among types of debt instruments, 91 percent was in medium-term notes, compared to 44 percent at year-end. The share of outstanding debt in commercial paper fell to less than 0.01 percent from 43 percent at year-end 2008.

[6] See http://www.fdic.gov/regulations/reform/summary.html.

Table I-C. Participation in Temporary Liquidity Guarantee Program

June 30, 2010	Total Eligible Entities	Number Opting In	Percent Opting In
Transaction Account Guarantee Program Extension to June 30, 2010			
Depository Institutions with Assets <= $10 Billion	7,734	6,168	79.8%
Depository Institutions with Assets > $10 Billion	105	66	62.9%
Total Depository Institutions *	7,839	6,234	79.5%
Debt Guarantee Program			
Depository Institutions with Assets <= $10 Billion	7,734	4,079	52.7%
Depository Institutions with Assets > $10 Billion	105	95	90.5%
Total Depository Institutions *	7,839	4,174	53.2%
Bank and Thrift Holding Companies and Non-Insured Affiliates	5,992	3,363	56.1%
All Entities	13,831	7,537	54.5%

* Depository institutions include insured branches of foreign banks (IBAs).

Table II-C. Cap on FDIC-Guaranteed Debt for Opt-In Entities

June 30, 2010 (dollar figures in millions)	Opt-In Entities with Senior Unsecured Debt Outstanding at 9/30/2008			Opt-In Depository Institutions with no Senior Unsecured Debt at 9/30/2008			
	Number	Debt Amount as of 9/30/2008	Initial Cap	Number	2% Liabilities as of 9/30/2008	Total Entities	Total Initial Cap
Depository Institutions with Assets <= $10 Billion *	112	$3,442	$4,302	3,967	$30,165	4,079	$34,467
Depository Institutions with Assets > $10 Billion *	39	269,228	336,535	56	23,767	95	360,303
Bank and Thrift Holding Companies, Non-Insured Affiliates	81	397,714	497,143	3,282	N/A	3,363	497,143
Total	232	670,384	837,980	7,305	53,932	7,537	891,913

* Depository institutions include insured branches of foreign banks (IBAs).

N/A - Not applicable

Table III-C. Transaction Account Guarantee Program

(dollar figures in millions)	June 30, 2009	September 30, 2009	December 31, 2009	March 31, 2010	June 30, 2010	% Change 10Q1-10Q2
Number of Noninterest-Bearing Transaction Accounts over $250,000	681,776	647,755	688,835	308,434	319,734	3.7%
Amount in Noninterest-Bearing Transaction Accounts over $250,000	$905,395	$928,093	$1,009,429	$354,675	$343,316	-3.2%
Amount Guaranteed	$734,951	$766,154	$837,220	$277,567	$263,382	-5.1%

Table IV-C. Debt Outstanding in Guarantee Program

June 30, 2010 (dollar figures in millions)	Number	Debt Outstanding	Cap[1] for Group	Debt Outstanding Share of Cap
Insured Depository Institutions				
Assets <= $10 Billion	28	$1,586	$1,667	95.2%
Assets > $10 Billion	14	55,584	125,391	44.3%
Bank and Thrift Holding Companies, Non-Insured Affiliates	29	246,901	387,485	63.7%
All Issuers	71	304,071	514,542	59.1%

[1] The amount of FDIC-guaranteed debt that can be issued by each eligible entity, or its "cap," is based on the amount of senior unsecured debt outstanding as of September 30, 2008. The cap for a depository institution with no senior unsecured debt outstanding at September 30, 2008, is set at 2 percent of total liabilities. See http://www2.fdic.gov/qbp/2008dec/tlgp2c.html for more information.

Table V-C. Fees Assessed Under TLGP

(dollar figures in millions)	Debt Guarantee Program			Transaction Account Guarantee Program*
	Fees Assessed	Surcharges	Total Fee Amount	Fees Collected
Fourth Quarter 2008	$3,437		$3,437	
First Quarter 2009	3,433		3,433	90
Second Quarter 2009	1,413	385	1,797	179
Third Quarter 2009	691	280	971	182
Fourth Quarter 2009	503	207	709	188
First Quarter 2010**	14		14	207
Second Quarter 2010				115
Total	$9,491	$872	$10,363	$961

*Pro-rated payment in arrears

** A review of data systems led us to recognize a nominal fee amount that had been dropped in error from previously reported amounts.

Table VI-C. Term at Issuance of Debt Instruments Outstanding

June 30, 2010 (dollar figures in millions)	Commercial Paper	Interbank Eurodollar Deposits	Medium Term Notes	Other Interbank Deposits	Other Senior Unsecured Debt	Other Term Notes	All Debt	*Share by Term*
Term at Issuance								
90 days or less	$0	$0	$0	$0	$0	$0	$0	*0.0%*
91 - 180 days	0	0	0	0	0	0	0	*0.0%*
181 - 364 days	0	0	0	17	0	0	17	*0.0%*
1 - 2 years	0	0	56,626	2	0	4,773	61,400	*20.2%*
Over 2 - 3 years	0	0	80,447	0	3,352	6,003	89,801	*29.5%*
Over 3 years	1	0	139,985	4	3,713	9,151	152,853	*50.3%*
Total	**1**	**0**	**277,057**	**23**	**7,064**	**19,926**	**304,071**	
Share of Total	*0.0%*	*0.0%*	*91.1%*	*0.0%*	*2.3%*	*6.6%*		

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) *Consolidated Reports of Condition and Income* (*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

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

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

Extended Net Operating Loss Carryback Period – The Worker, Homeownership, and Business Assistance Act of 2009, which was enacted on November 6, 2009, permits banks and other businesses, excluding those banking organizations that received capital from the U.S. Treasury under the Troubled Asset Relief Program, to elect a net operating loss carryback period of three, four, or five years instead of the usual carryback period of two years for any one tax year ending after December 31, 2007, and beginning before January 1, 2010. For calendar year banks, this extended carryback period applies to either the 2008 or 2009 tax year. The amount of the net operating loss that can be carried back to the fifth carryback year is limited to 50 percent of the available taxable income for that fifth year, but this limit does not apply to other carryback years.

Under generally accepted accounting principles, banks may not record the effects of this tax change in their balance sheets and income statements for financial and regulatory reporting purposes until the period in which the law was enacted, i.e., the fourth quarter of 2009. Therefore, banks should recognize the effects of this fourth quarter 2009 tax law change on their current and deferred tax assets and liabilities, including valuation allowances for deferred tax assets, in their Call Reports for December 31, 2009. Banks should not amend their Call Reports for prior quarters for the effects of the extended net operating loss carryback period.

The American Recovery and Reinvestment Act of 2009, which was enacted on February 17, 2009, permits qualifying small businesses, including FDIC-insured institutions, to elect a net operating loss carryback period of three, four, or five years instead of the usual carryback period of two years for any tax year ending in 2008 or, at the small business's election, any tax year beginning in 2008. Under generally accepted accounting principles, institutions may not record the effect of this tax change in their balance sheets and income statements for financial and regulatory reporting purposes until the period in which the law was enacted, i.e., the first quarter of 2009.

Other-Than-Temporary Impairment – When the fair value of an investment in a debt or equity security is less than its cost basis, the impairment is either temporary or other-than-temporary. To determine whether the impairment is other-than-temporary, an institution must apply other pertinent guidance such as paragraph

16 of FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*; FASB Staff Position (FSP) FAS 115-1 and FAS 124-1, *The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments*; FSP FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments*; paragraph 6 of Accounting Principles Board Opinion No. 18, *The Equity Method of Accounting for Investments in Common Stock*; Emerging Issues Task Force (EITF) Issue No. 99-20, *Recognition of Interest Income and Impairment on Purchased Beneficial Interests and Beneficial Interests That Continue to Be Held by a Transferor in Securitized Financial Assets*; and FSP EITF 99-20-1, *Amendments to the Impairment Guidance of EITF Issue No. 99-20*.

Under FSP FAS 115-2 and FAS 124-2 issued on April 9, 2009, if the present value of cash flows expected to be collected on a debt security is less than its amortized cost basis, a credit loss exists. In this situation, if an institution does not intend to sell the security and it is not more likely than not that the institution will be required to sell the debt security before recovery of its amortized cost basis less any current-period credit loss, an other-than-temporary impairment has occurred. The amount of the total other-than-temporary impairment related to the credit loss must be recognized in earnings, but the amount of the total impairment related to other factors must be recognized in other comprehensive income, net of applicable taxes. Although the debt security would be written down to its fair value, its new amortized cost basis is the previous amortized cost basis less the other-than-temporary impairment recognized in earnings. In addition, if an institution intends to sell a debt security whose fair value is less than its amortized costs basis or it is more likely than not that the institution will be required to sell the debt security before recovery of its amortized cost basis, an other-than-temporary impairment has occurred and the entire difference between the security's amortized cost basis and its fair value must be recognized in earnings.

For any debt security held at the beginning of the interim period in which FSP FAS 115-2 and FAS 124-2 is adopted for which an other-than-temporary impairment loss has been previously recognized, if an institution does not intend to sell such a debt security and it is not more likely than not that the institution will be required to sell the debt security before recovery of its amortized cost basis, the institution should recognize the cumulative effect of initially applying the FSP as an adjustment to the interim period's opening balance of retained earnings, net of applicable taxes, with a corresponding adjustment to accumulated other comprehensive income. The cumulative effect on retained earnings must be calculated by comparing the present value of the cash flows expected to be collected on the debt security with the security's amortized cost basis as of the beginning of the interim period of adoption.

FSP FAS 115-2 and FAS 124-2 are effective for interim and annual reporting periods ending after June 15, 2009. Early adoption of this FSP is permitted for periods ending after March 15, 2009, if certain conditions are met. Institutions are expected to adopt FSP FAS 115-2 and 124-2 for regulatory reporting purposes in accordance with the FSP's effective date.

Business Combinations and Noncontrolling (Minority) Interests – In December 2007, the FASB issued Statement No. 141 (Revised), *Business Combinations* (FAS 141(R)), and Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (FAS 160). Under FAS 141(R), all business combinations, including combinations of mutual entities, are to be accounted for by applying the acquisition method. FAS 160 defines a noncontrolling interest, also called a minority interest, as the portion of equity in an institution's subsidiary not attributable, directly or indirectly, to the parent institution. FAS 160 requires an institution to clearly present in its consolidated financial statements the equity ownership in and results of its subsidiaries that are attributable to the noncontrolling ownership interests in these subsidiaries. FAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Similarly, FAS 160 is effective for fiscal years beginning on or after December 15, 2008. Thus, for institutions with calendar year fiscal years, these two accounting standards take effect in 2009. Beginning in March 2009, Institution equity capital and Noncontrolling interests are separately reported in arriving at Total equity capital and Net income.

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 fair value and establishes a framework for developing fair value estimates for the fair value measurements that are already required or permitted under other standards. FASB FSP 157-4, issued in April 2009, provides additional guidance for estimating fair value in accordance with FAS 157 when the volume and level of activity for the asset or liability have significantly decreased. The FSP also includes guidance on identifying circumstances that indicate a transaction is not orderly. The FSP is effective for interim and annual reporting periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009.

Fair value continues to be used for derivatives, trading securities, and available-for-sale securities. Changes in fair value go through earnings for trading securities and most derivatives. Changes in the fair value of available-for-sale securities are reported in other comprehensive income. Available-for-sale securities and held-to-maturity debt securities are written down to fair value if impairment is other than temporary and loans held for sale are reported at the lower of cost or fair value.

FAS 159 allows institutions to report certain financial assets and liabilities at fair value with subsequent changes in fair value included in earnings. In general, an institution may elect the fair value option for an eligible financial asset or liability when it first recognizes the instrument on its balance sheet or enters into an eligible firm commitment.

FASB Statement No. 158 *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans* – issued in September 2006 requires a bank to recognize in 2007, and subsequently, 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.

FASB Statement No. 155 *Accounting for Certain Hybrid Financial Instruments* – issued in February 2006, requires bifurcation of certain derivatives embedded in interests in securitized financial assets and permits fair value measurement (i.e., a fair value option) for any hybrid financial instrument that contains an embedded derivative that would otherwise require bifurcation under FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities* (FAS 133). In addition, FAS 155 clarifies which interest-only and principal-only strips are not subject to FAS 133.

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 Statements 166 & 167 – In June 2009, the FASB issued Statement No. 166, Accounting for Transfers of Financial Assets (FAS 166), and Statement No. 167, Amendments to FASB Interpretation No. 46(R) (FAS 167), which change the way entities account for securitizations and special purpose entities. FAS 166 revises FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, by eliminating the concept of a "qualifying special-purpose entity," creating the concept of a "participating interest," changing the requirements for derecognizing financial assets, and requiring additional disclosures. FAS 167 revises FASB Interpretation No. 46(R), Consolidation of Variable Interest Entities, by changing how a bank or other company determines when an entity that is insufficiently capitalized or is not controlled through voting or similar rights, i.e., a "variable interest entity" (VIE), should be consolidated. Under FAS 167, a bank must perform a qualitative assessment to determine whether its variable interest or interests give it a controlling financial interest in a VIE. If a bank's variable interest or interests provide it with the power to direct the most significant activities of the VIE, and the right to receive benefits or the obligation to absorb losses that could potentially be significant to the VIE, the bank is the primary beneficiary of, and therefore must consolidate, the VIE.

Both FAS 166 and FAS 167 take effect as of the beginning of each bank's first annual reporting period that begins after November 15, 2009, for interim periods therein, and for interim and annual reporting periods thereafter (i.e., as of January 1, 2010, for banks with a calendar year fiscal year). Earlier application is prohibited. Banks are expected to adopt FAS 166 and FAS 167 for Call Report purposes in accordance with the effective date of these two standards. Also, FAS 166 has modified the criteria that must be met in order for a transfer of a portion of a financial asset, such as a loan participation, to qualify for sale accounting. These changes apply to transfers of loan participations on or after the effective date of FAS 166. Therefore, banks with a calendar year fiscal year must account for transfers of loan participations on or after January 1, 2010, in accordance with FAS 166. In general, loan participations transferred before the effective date of FAS 166 (January 1, 2010, for calendar year banks) are not affected by this new accounting standard and pre-FAS 166 participations that were properly accounted for as sales under FASB Statement No. 140 will continue to be reported as having been sold.

FASB Interpretation No. 48 on Uncertain Tax Positions – FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FIN 48), was issued in June 2006 as an interpretation of FASB Statement No. 109, *Accounting for Income Taxes*. Under FIN 48, the term "tax position" refers to "a position in a previously filed tax return or a position expected to be taken in a future tax return that is reflected in measuring current or deferred income tax assets and liabilities." FIN 48 further states that a "tax position can result in a permanent reduction of income taxes payable, a deferral of income taxes otherwise currently payable to future years, or a change in the expected realizability of deferred tax assets." FIN 48 was originally issued effective for fiscal years beginning after December 15, 2006. Banks must adopt FIN 48 for Call Report purposes in accordance with the interpretation's effective date except as follows. On December 31, 2008, the FASB decided to defer the effective date of FIN 48 for eligible nonpublic enterprises and to require those enterprises to adopt FIN 48 for annual periods beginning after December 15, 2008. A nonpublic enterprise under certain conditions is eligible for deferral, even if it opted to issue interim or quarterly financial information in 2007 under earlier guidance that reflected the adoption of FIN 48.

FASB Statement No. 123 (Revised 2004) and Share-Based Payments - **refer to previously published Quarterly Banking Profile notes:** http://www2.fdic.gov/qbp/2008dec/qbpnot.html

FASB Statement No. 133 *Accounting for Derivative Instruments and Hedging Activities* - **refer to previously published Quarterly Banking Profile notes:** http://www2.fdic.gov/qbp/2008dec/qbpnot.html

DEFINITIONS (in alphabetical order)

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

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

Assessment base – 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.

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

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. Beginning March 31, 2008, for institutions that file Call reports, insured deposits are total assessable deposits minus estimated uninsured deposits. Beginning September 30, 2009, insured deposits include deposits in accounts of $100,000 to $250,000 that are covered by a temporary increase in the FDIC's standard maximum deposit insurance amount (SMDIA).

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

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

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

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

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

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

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

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

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

Net charge-offs – total loans and leases charged off (removed from balance sheet because of 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.

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

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

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that 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." The number and assets of "problem" institutions are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

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

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

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

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

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

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

Risk-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 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 initial base assessment rates (in basis points), effective April 1, 2009 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 Category</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
12 – 16 bps</td><td rowspan="2">II
22 bps</td><td rowspan="2">III
32 bps</td></tr>
<tr><td>2. Adequately Capitalized</td><td>II
22 bps</td></tr>
<tr><td>3. Undercapitalized</td><td colspan="2">III
32 bps</td><td>IV
45 bps</td></tr>
</table>

Effective April 1, 2009, the initial base assessment rates are 12 to 45 basis points. An institution's total assessment rate may be less than or greater than its initial base assessment rate as a result of additional risk adjustments.

The base assessment rates for most institutions in Risk Category I are based on a combination of financial ratios and CAMELS component ratings (the financial ratios method).

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 are determined by equally weighting the institution's CAMELS component ratings, long-term debt issuer ratings, and the financial ratios method assessment rate. For all large Risk Category I institutions, additional risk factors are 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 is limited to no more than one basis point.

Effective April 1, 2009, the FDIC introduced three possible adjustments to an institution's initial base assessment rate: (1) a decrease of up to 5 basis points for long-term unsecured debt and, for small institutions, a portion of Tier 1 capital; (2) an increase not to exceed 50 percent of an institution's assessment rate before the increase for secured liabilities in excess of 25 percent of domestic deposits; and (3) for non-Risk Category I institutions, an increase not to exceed 10 basis points for brokered deposits in excess of 10 percent of domestic deposits. After applying all possible adjustments, minimum and maximum total base assessment rates for each risk category are as follows:

Total Base Assessment Rates*

	Risk Category I	Risk Category II	Risk Category III	Risk Category IV
Initial base assessment rate	12 – 16	22	32	45
Unsecured debt adjustment	- 5 – 0	- 5 – 0	- 5 – 0	- 5 – 0
Secured liability adjustment	0 – 8	0 – 11	0 – 16	0 – 22.5
Brokered deposit adjustment	–	0 – 10	0 – 10	0 – 10
Total base assessment rate	7 – 24.0	17 – 43.0	27 – 58.0	40 – 77.5

*All amounts for all risk categories are in basis points annually. Total base rates that are not the minimum or maximum rate will vary between these rates.

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 is generally due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes are effective for assessment purposes as of the examination transmittal date. For institutions with long-term debt issuer ratings, changes in ratings are effective for assessment purposes as of the date the change was announced.

Special Assessment – On May 22, 2009, the FDIC board approved a final rule that imposed a 5 basis point special assessment as of June 30, 2009. The special assessment was levied on each insured depository institution's assets minus its Tier 1 capital as reported in its report of condition as of June 30, 2009. The special assessment will be collected September 30, 2009, at the same time that the risk-based assessment for the second quarter of 2009 is collected. The special assessment for any institution was capped at 10 basis points of the institution's assessment base for the second quarter of 2009 risk-based assessment.

Prepaid Deposit Insurance Assessments -- On November 12, 2009, the FDIC Board of Directors adopted a final rule requiring insured depository institutions (except those that are exempted) to prepay their quarterly risk-based deposit insurance assessments for the fourth quarter of 2009, and for all of 2010, 2011, and 2012, on December 30, 2009. Each institution's regular risk-based deposit insurance assessment for the third quarter of 2009, which is paid in arrears, also is payable on December 30, 2009.

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

Securities – excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity," 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.

Temporary Liquidity Guarantee Program (TLGP) – was approved by the FDIC Board on October 13, 2008. The TLGP was designed to help relieve the crisis in the credit markets by giving banks access to liquidity during a time of global financial distress. Participation in the TLGP is voluntary. The TLGP has two components:

Transaction Account Guarantee Program (TAGP) provides a full guarantee of non-interest-bearing deposit transaction accounts above $250,000, at depository institutions that elected to participate in the program. On August 26, 2009, the FDIC Board voted to extend the TAGP six months beyond its original expiration date to June 30, 2010. On April 13, 2010, the FDIC Board adopted an interim rule extending the TAG program for six months through December 31, 2010, with a possibility of an additional 12-month extension, through December 31, 2011.

Debt Guarantee Program (DGP) provides a full guarantee of senior unsecured debt[1] issued by eligible institutions after October 14, 2008. Initially, debt issued before June 30, 2009, and maturing on or before June 30, 2012, could be guaranteed. On March 17, 2009, the deadline for issuance under the program was extended to October 31, 2009, and the expiration of the guarantee was set at the earlier of maturity of the debt or December 31, 2012. Institutions eligible for participation in the debt guarantee program include insured depository institutions, U.S. bank holding companies, certain U.S. savings and loan holding companies, and other affiliates of an insured depository institution that the FDIC designates as eligible entities. The FDIC Board adopted a final rule on October 20, 2009, that established a limited six-month emergency guarantee facility upon expiration of the DGP.

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.

[1] Senior unsecured debt generally includes term Federal funds purchased, promissory notes, commercial paper, unsubordinated unsecured notes, certificates of deposit (CDs) standing to the credit of a bank, and U.S. dollar denominated bank deposits owed to an insured depository institution.