

# QUARTERLY BANKING PROFILE Fourth Quarter 2021

## INSURED INSTITUTION PERFORMANCE

Negative Provision Expense Drove Full-Year 2021 Net Income Higher

Quarterly Net Income Continued to Increase Year Over Year

Net Interest Margin Remained Stable Quarter Over Quarter

Quarterly Loan Growth Occurred Across Most Major Loan Types

Asset Quality Continued to Improve

### Full-Year Net Income Increased in 2021

The banking industry reported full-year 2021 net income of \$279.1 billion, up \$132.0 billion (89.7 percent) from 2020. The increase was primarily attributable to negative provision expense, supported by continued economic growth and further improvement in credit quality. Relative to 2020, provision expense declined by \$163.3 billion (123.4 percent), noninterest income increased by \$20.3 billion (7.2 percent), and net interest income remained relatively stable, growing \$686.8 million (0.1 percent). The net interest margin (NIM) declined by 28 basis points from 2020 to 2.54 percent as the growth rate in average earning assets outpaced the growth rate in net interest income. The average return-on-assets (ROA) ratio increased from 0.72 percent in 2020 to 1.23 percent in 2021.

### Quarterly Net Income Continued to Increase Year Over Year

Quarterly net income totaled \$63.9 billion, an increase of \$4.4 billion (7.4 percent) from fourth quarter 2020, primarily due to a \$5.8 billion increase in net interest income and a \$4.0 billion decline in provision expense. A majority of banks (52.1 percent) reported annual improvement in quarterly net income. However, net income declined \$5.6 billion (8.1 percent) from third quarter 2021, driven by a quarter-to-quarter increase in provision expense (up \$4.5 billion to negative \$742.4 million). The banking industry reported an aggregate ROA ratio of 1.09 percent, on par with the 1.10 percent ROA ratio reported in fourth quarter 2020 but down from 1.21 percent reported in third quarter 2021.

### Growth in Net Interest Income Lifted Net Operating Revenue

Growth in net interest income of \$5.8 billion (4.4 percent) and in noninterest income of \$2.4 billion (3.4 percent) lifted net operating revenue to \$201.7 billion (4 percent) from fourth quarter 2020. Lower interest expense (down \$3.8 billion, 31.7 percent) generated most of the growth in net interest income, while higher trading revenue (up \$1.2 billion, 17.8 percent) and investment banking fees (up \$1.2 billion, 40 percent) drove the improvement in noninterest income. Improvements in net interest income were widespread, as nearly two-thirds of banks (65.6 percent) reported higher net interest income from one year ago. NIM was unchanged from the prior quarter at 2.56 percent, 6 basis points higher than the recent record low in the second quarter 2021 but down 12 basis points from the previous year. The growth rate in average earning assets outpaced the growth rate in net interest income. The yield on earning assets declined slightly to 2.71 percent (down 2 basis points quarter over quarter and 21 basis points year over year). Average funding costs declined 2 basis points from the previous quarter to a new record low of 0.15 percent.

Chart 1

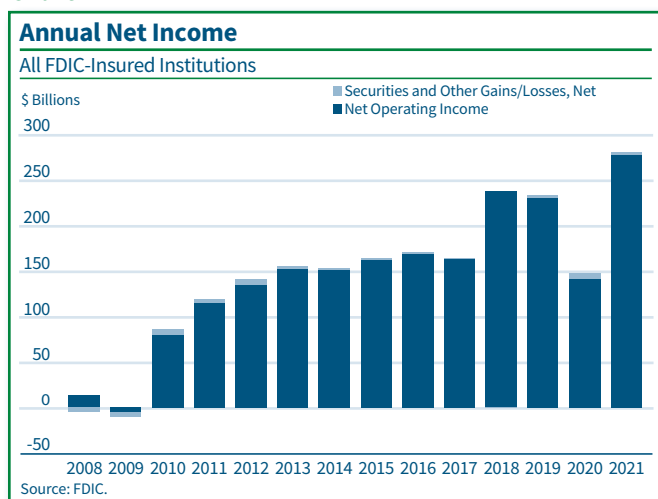
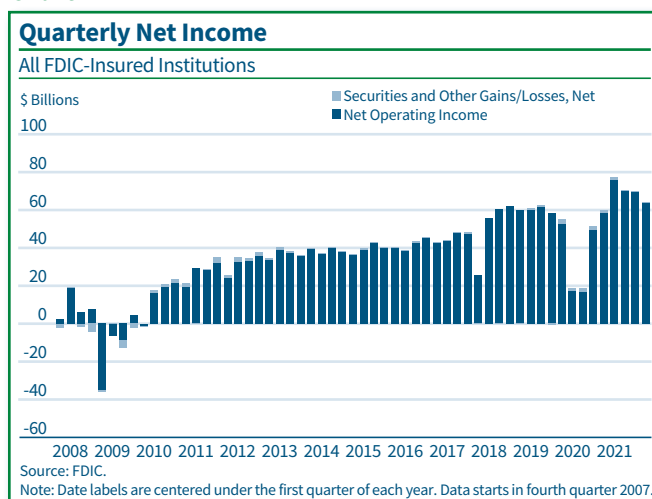


Chart 2



### Noninterest Expense Increased From the Year-Ago Quarter

Noninterest expense rose \$7.8 billion (6.2 percent) year over year, led by an increase in “all other noninterest expense” and salary and benefit expense.<sup>1</sup> Higher marketing and data processing expenses drove the increase in the “all other noninterest expense” category. Average assets per employee increased from a year ago to \$11.5 million. While 69.5 percent of banks reported higher noninterest expense compared with the year-ago quarter, noninterest expense as a percentage of average assets declined 6 basis points from fourth quarter 2020 to 2.28 percent.

### Negative Provision Expense Continued to Boost Earnings

Provisions have been negative for four consecutive quarters. However, provisions rose from negative \$5.2 billion in third quarter 2021 to negative \$742.4 million in fourth quarter 2021. Provision expense declined \$4 billion (123 percent) from the year-ago quarter.<sup>2</sup> Fifty-two percent of all institutions reported lower provisions compared with the year-ago quarter.

The net number of banks that have adopted current expected credit loss (CECL) accounting remained unchanged from third quarter 2021 at 308.<sup>3</sup> CECL adopters reported aggregate negative provisions of \$1.3 billion in fourth quarter, \$4.0 billion more than third quarter 2021 and \$2.5 billion less than one year ago. Provision expense for banks that have not adopted CECL accounting totaled \$595.5 million (up from \$156.5 million a quarter ago and down from \$2.0 billion one year ago).

### Allowance for Loan and Lease Losses to Total Loans Remained Higher Than the Pre-Pandemic Level

The allowance for loan and lease losses (ALLL) as a percentage of total loans and leases declined 60 basis points to 1.58 percent from the year-ago quarter due to negative provisions. However, the ratio of ALLL to total loans remains higher than the pre-pandemic level of 1.18 percent reported in fourth quarter 2019. Similarly, the ALLL as a percentage of loans 90 days or more past due or in nonaccrual status (coverage ratio) declined 5 percentage points from the year-ago quarter to 178.8 percent but remained well above the financial crisis average of 79.1 percent.<sup>4</sup> All insured institutions except the largest Quarterly Banking Profile (QBP) asset size group (greater than \$250 billion) reported higher aggregate coverage ratios compared with third quarter 2021.

<sup>1</sup>All other noninterest expenses include, but are not limited to, automated teller machine and interchange expenses, legal fees, advertising and marketing expenses, consulting expenses, data processing expenses, and FDIC deposit insurance assessments. Among banks that filled out schedule RI-E, higher marketing and data processing expenses drove the increase in all other noninterest expense.

<sup>2</sup>Provisions for credit losses include both losses for loans and securities for CECL adopters but only loan losses for non-adopters.

<sup>3</sup>Changes to the number of CECL accounting adopters may result from closures, mergers and acquisitions, or examination or audit findings.

<sup>4</sup>The financial crisis refers to the period between December 2007 and June 2009.

Chart 3

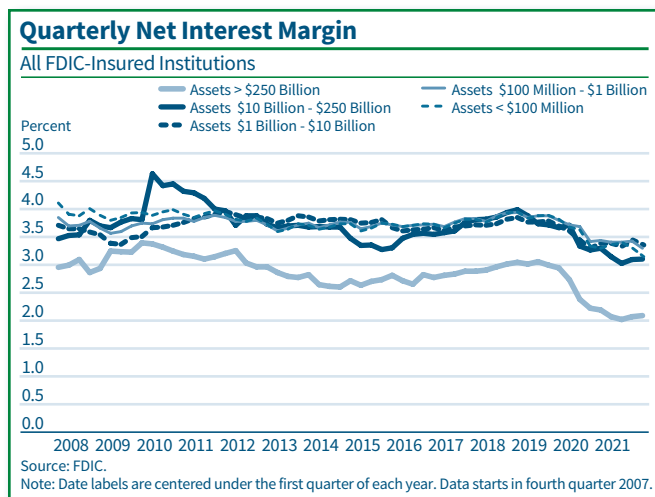
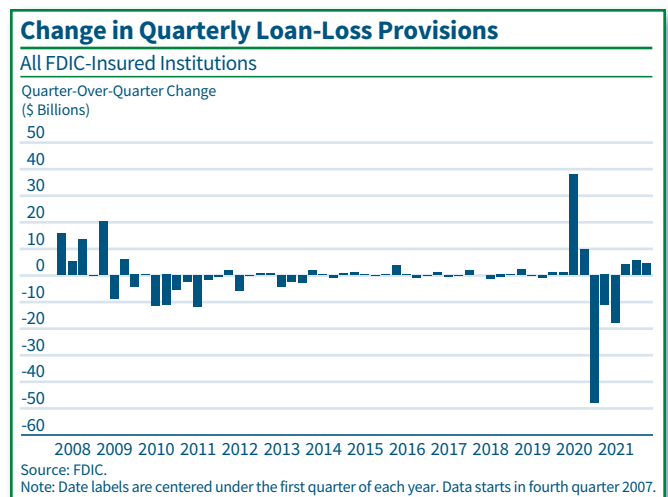


Chart 4



**Total Assets Increased From the Previous Quarter**

Total assets increased \$467.7 billion (2.0 percent) from third quarter 2021 to \$23.7 trillion. Total loan and lease balances increased \$326.0 billion (3.0 percent), while securities rose \$292.7 billion (4.9 percent). Growth in U.S. Treasury securities (up \$175.7 billion, or 13.9 percent) continued to drive the quarterly increases in total securities. Loans and securities with maturities greater than three years now make up 39.4 percent of total assets, up from 36 percent in fourth quarter 2019.

**Loan Growth Occurred Across Most Major Loan Types**

Total loan and lease balances increased \$326.0 billion (3.0 percent) from third quarter 2021. Several portfolios contributed meaningfully to the industry’s loan growth, including consumer loans (up \$84.9 billion, or 4.7 percent), commercial and industrial (C&I) loans (up \$70.8 billion, or 3.2 percent), and loans to nondepository institutions (up \$59.0 billion, or 9.1 percent).

Annually, total loan and lease balances increased \$383.2 billion (3.5 percent), as growth in consumer loans (up \$137.8 billion, or 7.9 percent), loans to nondepository institutions (up \$124.5 billion, or 21.5 percent), and nonfarm nonresidential commercial real estate (CRE) loan balances (up \$77.0 billion, or 4.9 percent) helped offset declines in C&I loans (down \$126.7 billion, or 5.2 percent). Paycheck Protection Program loan forgiveness and repayment drove the annual decline in C&I loan balances.

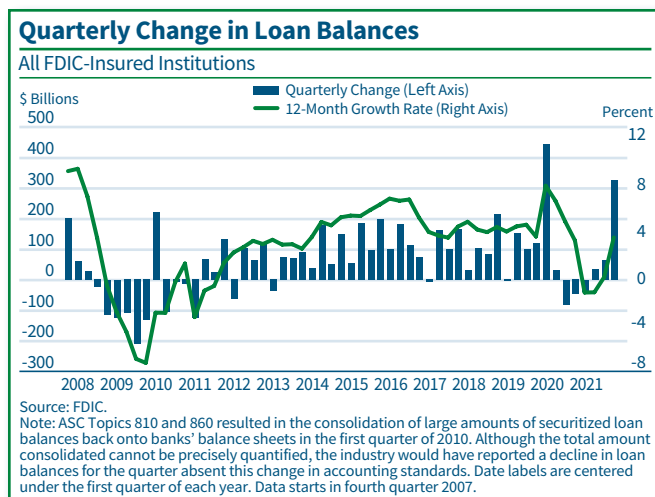
**Deposit Growth Accelerated From the Previous Quarter**

Deposits grew 2.8 percent (\$535.0 billion) in fourth quarter, faster than the 2.3 percent growth (\$436.0 billion) reported in third quarter 2021 but slower than the first quarter 2021 gain that was boosted by federal support programs. Deposits above \$250,000 continued to drive the quarterly increase (up \$414.4 billion, or 4.0 percent). Interest-bearing deposit growth (up \$446.8 billion, or 3.6 percent) outpaced that of noninterest-bearing deposits (up \$108.5 billion, or 2.0 percent). More than three-fourths (76.2 percent) of banks reported higher deposit balances compared with the previous quarter.

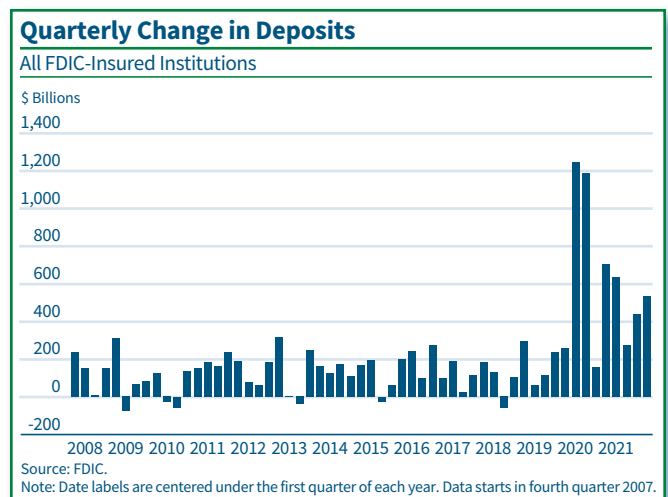
**Noncurrent Loan Balances Continued to Decline Quarter Over Quarter**

Loans and leases 90 days or more past due or in nonaccrual status (noncurrent loan balances) declined (down \$3.1 billion, or 3.0 percent) from third quarter 2021, supporting a 5 basis point reduction in the noncurrent rate to 0.89 percent. Noncurrent nonfarm nonresidential CRE loans declined the most among loan categories from the previous quarter (down \$2.3 billion, or 12.6 percent), followed by noncurrent C&I loans (down \$1 billion, or 6.0 percent). Fifty-nine percent of all banks reported a reduction in noncurrent loans from third quarter 2021.

**Chart 5**



**Chart 6**



**The Net Charge-Off Rate Remained Low**

Net charge-offs continued to decline (down \$5.6 billion, or 49.5 percent) from the year-ago quarter, reducing the net charge-off rate 21 basis points to 0.21 percent. A decline in net charge-offs of C&I loans (down \$2.2 billion, or 75 percent) and credit card loans (down \$1.8 billion, or 35.1 percent) drove three-fourths (72.3 percent) of the reduction in net charge-offs from the year-ago quarter.

**Some Capital Ratios Declined as Growth in Assets Outpaced Capital Formation**

Equity capital rose \$17.9 billion (0.8 percent) from third quarter 2021; however, the leverage capital ratio decreased 10 basis points to 8.74 percent as average asset growth outpaced tier 1 capital formation. Retained earnings supported equity formation with an increase of \$7.7 billion (51.6 percent) from third quarter. Banks distributed 64.8 percent of fourth quarter earnings as dividends, which were down \$13.3 billion (24.3 percent) from third quarter 2021. Thirty-five percent of banks reported higher dividends compared with the year-ago quarter. The number of institutions with capital ratios that did not meet Prompt Corrective Action requirements for the well-capitalized category decreased by one to seven from third quarter 2021.<sup>5</sup>

**No Banks Failed in Fourth Quarter 2021**

The number of FDIC-insured institutions declined from 4,914 in third quarter 2021 to 4,839. During fourth quarter 2021, 72 institutions merged with other FDIC-insured institutions, two banks merged with credit unions, one bank ceased operations, no new banks opened, and no banks failed.<sup>6</sup> The number of banks on the FDIC’s “Problem Bank List” declined by two from third quarter to 44, the lowest level since QBP data collection began in 1984. Total assets of problem banks increased to \$170.1 billion.<sup>7</sup>

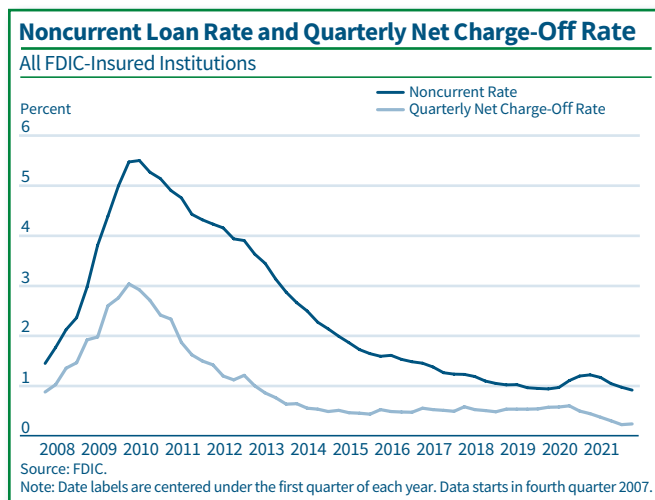
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<sup>5</sup> Prompt Corrective Action categories are assigned based on reported capital ratios only and do not include the effects of regulatory downgrades.

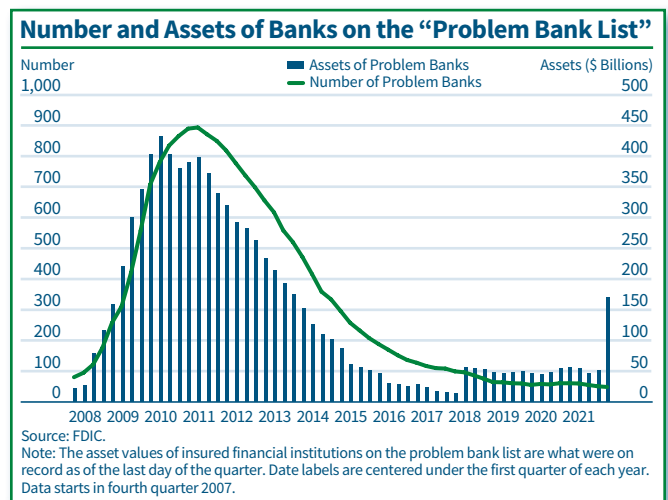
<sup>6</sup> The number of insured financial institutions excludes two banks that did not file Call Reports this quarter and one bank that did not file a Call Report last quarter that has since ceased operations.

<sup>7</sup> The asset value of insured financial institutions on the problem bank list is the amount known on the last day of third quarter 2021, the most current information available on December 31, 2021.

**Chart 7**



**Chart 8**



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

	2021	2020	2019	2018	2017	2016	2015
Return on assets (%)	1.23	0.72	1.29	1.35	0.97	1.04	1.04
Return on equity (%)	12.21	6.85	11.38	11.98	8.60	9.27	9.29
Core capital (leverage) ratio (%)	8.74	8.82	9.66	9.70	9.63	9.48	9.59
Noncurrent assets plus other real estate owned to assets (%)	0.44	0.61	0.55	0.60	0.73	0.86	0.97
Net charge-offs to loans (%)	0.25	0.50	0.52	0.48	0.50	0.47	0.44
Asset growth rate (%)	8.46	17.29	3.92	3.03	3.79	5.09	2.66
Net interest margin (%)	2.54	2.82	3.36	3.40	3.25	3.13	3.08
Net operating income growth (%)	96.92	-38.78	-3.14	45.45	-3.27	4.43	7.11
Number of institutions reporting	4,839	5,002	5,177	5,406	5,670	5,913	6,182
Commercial banks	4,231	4,375	4,518	4,715	4,918	5,112	5,338
Savings institutions	608	627	659	691	752	801	844
Percentage of unprofitable institutions (%)	3.02	4.68	3.73	3.44	5.61	4.48	4.82
Number of problem institutions	44	56	51	60	95	123	183
Assets of problem institutions (in billions)**	\$170	\$56	\$46	\$48	\$14	\$28	\$47
Number of failed institutions	0	4	4	0	8	5	8

\* Excludes insured branches of foreign banks (IBAs).  
 \*\* Assets shown are what were on record as of the last day of the quarter.

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

(dollar figures in millions)	4th Quarter 2021	3rd Quarter 2021	4th Quarter 2020	%Change 20Q4-21Q4	
Number of institutions reporting	4,839	4,914	5,002	-3.3	
Total employees (full-time equivalent)	2,069,049	2,056,568	2,065,603	0.2	
<b>CONDITION DATA</b>					
Total assets	\$23,719,316	\$23,251,583	\$21,868,854	8.5	
Loans secured by real estate	5,258,361	5,182,429	5,117,942	2.7	
1-4 Family residential mortgages	2,259,000	2,221,817	2,210,914	2.2	
Nonfarm nonresidential	1,645,582	1,619,367	1,568,587	4.9	
Construction and development	401,094	402,055	386,080	3.9	
Home equity lines	265,084	270,286	300,311	-11.7	
Commercial & industrial loans	2,314,011	2,243,238	2,440,690	-5.2	
Loans to individuals	1,881,972	1,797,057	1,744,177	7.9	
Credit cards	871,083	805,961	822,028	6.0	
Farm loans	74,103	73,096	71,781	3.2	
Other loans & leases	1,720,559	1,627,468	1,492,232	15.3	
Less: Unearned income	2,133	2,409	3,196	-33.3	
Total loans & leases	11,246,874	10,920,878	10,863,626	3.5	
Less: Reserve for losses*	178,212	185,067	236,621	-24.7	
Net loans and leases	11,068,662	10,735,811	10,627,005	4.2	
Securities**	6,245,881	5,953,189	5,112,405	22.2	
Other real estate owned	2,961	3,817	4,626	-36.0	
Goodwill and other intangibles	404,363	396,651	386,755	4.6	
All other assets	5,997,450	6,162,114	5,738,062	4.5	
Total liabilities and capital	23,719,316	23,251,583	21,868,854	8.5	
Deposits	19,701,592	19,166,641	17,823,559	10.5	
Domestic office deposits	18,189,214	17,633,864	16,289,740	11.7	
Foreign office deposits	1,512,378	1,532,777	1,533,819	-1.4	
Other borrowed funds	955,412	989,701	1,091,994	-12.5	
Subordinated debt	66,395	66,246	68,230	-2.7	
All other liabilities	636,346	687,084	658,109	-3.3	
Total equity capital (includes minority interests)	2,359,570	2,341,912	2,226,963	6.0	
Bank equity capital	2,357,373	2,339,473	2,224,357	6.0	
Loans and leases 30-89 days past due	56,256	47,759	63,213	-11.0	
Noncurrent loans and leases	99,660	102,734	128,802	-22.6	
Restructured loans and leases	42,749	45,355	49,317	-13.3	
Mortgage-backed securities	3,557,067	3,488,704	3,043,762	16.9	
Earning assets	21,767,607	21,241,497	19,920,260	9.3	
FHLB Advances	188,537	190,103	255,985	-26.3	
Unused loan commitments	9,042,033	9,074,841	8,449,642	7.0	
Trust assets	20,314,536	19,979,395	18,878,927	7.6	
Assets securitized and sold	450,501	464,570	480,386	-6.2	
Notional amount of derivatives	179,313,801	187,643,808	165,711,801	8.2	
<b>INCOME DATA</b>					
Total interest income	\$563,467	\$603,762	\$145,337	\$143,345	1.4
Total interest expense	36,116	77,098	8,184	11,979	-31.7
Net interest income	527,351	526,664	137,153	131,366	4.4
Provision for credit losses***	-31,007	132,260	-742	3,219	-123.1
Total noninterest income	300,506	280,225	72,652	70,289	3.4
Total noninterest expense	510,131	498,986	133,555	125,794	6.2
Securities gains (losses)	3,009	8,145	573	1,516	-62.2
Applicable income taxes	72,455	36,335	13,674	14,643	-6.6
Extraordinary gains, net****	47	-101	15	9	77.2
Total net income (includes minority interests)	279,333	147,352	63,907	59,524	7.4
Bank net income	279,131	147,116	63,872	59,462	7.4
Net charge-offs	27,354	54,113	5,716	11,311	-49.5
Cash dividends	155,963	84,066	41,387	21,825	89.6
Retained earnings	123,168	63,050	22,485	37,637	-40.3
Net operating income	276,854	140,589	63,426	58,137	9.1

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

N/M - Not Meaningful

TABLE III-A. Full Year 2021, All FDIC-Insured Institutions

FULL YEAR (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	4,839	12	5	1,121	2,417	293	33	357	506	95	
Commercial banks	4,231	11	5	1,110	2,187	80	21	326	412	79	
Savings institutions	608	1	0	11	230	213	12	31	94	16	
Total assets (in billions)	\$23,719.3	\$499.8	\$5,827.2	\$302.8	\$7,372.2	\$776.3	\$352.9	\$83.4	\$130.1	\$8,374.6	
Commercial banks	22,195.2	413.8	5,827.2	297.2	6,927.9	122.9	345.2	77.7	104.3	8,078.9	
Savings institutions	1,524.1	86.1	0.0	5.5	444.2	653.4	7.7	5.7	25.8	295.7	
Total deposits (in billions)	19,701.6	351.3	4,618.9	260.0	6,226.4	694.5	301.2	70.7	112.8	7,065.9	
Commercial banks	18,410.3	286.2	4,618.9	256.5	5,877.7	106.2	294.6	66.4	91.2	6,812.6	
Savings institutions	1,291.3	65.1	0.0	3.5	348.7	588.3	6.7	4.2	21.5	253.3	
Bank net income (in millions)	279,131	26,040	62,871	3,873	87,234	6,203	6,510	1,317	1,316	83,766	
Commercial banks	263,122	22,029	62,871	3,686	82,027	1,529	6,447	574	1,157	82,803	
Savings institutions	16,008	4,011	0	187	5,207	4,674	63	743	160	963	
<b>Performance Ratios (%)</b>											
Yield on earning assets	2.71	10.95	1.98	3.74	3.14	1.85	3.99	2.66	3.46	2.30	
Cost of funding earning assets	0.17	0.97	0.11	0.38	0.21	0.14	0.63	0.23	0.32	0.11	
Net interest margin	2.54	9.98	1.87	3.37	2.93	1.71	3.35	2.43	3.14	2.19	
Noninterest income to assets	1.32	5.57	1.57	0.70	1.00	0.84	1.27	2.99	1.27	1.22	
Noninterest expense to assets	2.24	8.17	2.06	2.31	2.23	1.41	1.69	3.27	2.99	2.09	
Credit loss provision to assets**	-0.14	-0.05	-0.23	0.07	-0.08	-0.01	0.14	0.03	0.05	-0.16	
Net operating income to assets	1.22	5.31	1.09	1.31	1.23	0.86	1.96	1.60	1.03	1.04	
Pretax return on assets	1.55	6.93	1.41	1.52	1.57	1.13	2.60	2.05	1.22	1.29	
Return on assets	1.23	5.32	1.09	1.33	1.24	0.88	1.98	1.67	1.06	1.05	
Return on equity	12.21	40.72	12.15	12.08	11.39	10.24	21.05	12.32	9.50	10.60	
Net charge-offs to loans and leases	0.25	2.00	0.38	0.05	0.11	0.01	0.27	0.08	0.04	0.20	
Loan and lease loss provision to net charge-offs	-106.66	-2.75	-178.28	221.35	-118.70	-479.70	79.03	138.74	248.62	-164.83	
Efficiency ratio	61.15	53.91	63.38	59.40	59.67	56.21	38.27	61.66	70.68	64.62	
% of unprofitable institutions	3.02	0.00	0.00	1.96	2.07	5.80	9.09	9.24	3.95	1.05	
% of institutions with earnings gains	75.55	100.00	80.00	72.61	83.04	63.82	75.76	50.98	67.98	85.26	
<b>Condition Ratios (%)</b>											
Earning assets to total assets	91.77	94.71	89.70	93.86	92.29	97.64	93.71	94.19	93.96	91.82	
Loss allowance to:											
Loans and leases	1.58	6.97	1.72	1.46	1.27	0.67	1.98	1.61	1.35	1.32	
Noncurrent loans and leases	178.82	763.75	209.81	200.81	149.62	102.48	289.43	207.31	211.75	131.60	
Noncurrent assets plus other real estate owned to assets	0.44	0.78	0.28	0.47	0.55	0.18	0.48	0.27	0.39	0.46	
Equity capital ratio	9.94	12.56	9.20	10.78	10.71	8.17	9.00	12.97	10.79	9.75	
Core capital (leverage) ratio	8.74	13.72	7.99	10.37	9.26	8.63	9.70	12.64	10.67	8.34	
Common equity tier 1 capital ratio***	14.04	15.30	15.68	14.43	12.55	24.73	15.35	27.89	17.59	13.76	
Tier 1 risk-based capital ratio***	14.14	15.44	15.75	14.43	12.63	24.73	15.38	27.89	17.60	13.90	
Total risk-based capital ratio***	15.46	17.17	17.13	15.53	13.85	25.16	16.35	28.82	18.69	15.32	
Net loans and leases to deposits	56.18	113.24	39.27	66.79	71.98	29.18	80.08	33.01	59.80	51.90	
Net loans to total assets	46.67	79.59	31.13	57.34	60.79	26.11	68.34	27.96	51.83	43.79	
Domestic deposits to total assets	76.69	69.06	56.81	85.86	84.29	89.31	85.35	84.71	86.65	82.18	
<b>Structural Changes</b>											
New reporters	9	0	0	0	2	0	0	7	0	0	
Institutions absorbed by mergers	164	0	0	37	118	1	0	1	3	4	
Failed institutions	0	0	0	0	0	0	0	0	0	0	
<b>PRIOR FULL YEARS (The way it was...)</b>											
Number of institutions	2020	5,002	11	5	1,163	2,667	291	36	277	485	67
	2018	5,406	12	5	1,346	2,866	401	69	227	431	49
	2016	5,913	13	5	1,429	3,025	462	65	300	549	65
Total assets (in billions)	2020	\$21,868.9	\$492.6	\$5,539.4	\$287.7	\$7,591.1	\$684.0	\$144.8	\$51.5	\$105.7	\$6,972.0
	2018	17,943.0	651.7	4,285.9	286.8	6,373.8	346.0	218.3	36.7	75.9	5,667.9
	2016	16,779.7	519.0	4,052.7	284.9	5,628.2	331.5	256.0	51.1	97.5	5,558.8
Return on assets (%)	2020	0.72	1.92	0.70	1.29	0.74	0.92	1.59	2.59	1.10	0.53
	2018	1.35	2.96	1.17	1.32	1.26	1.13	1.42	2.94	1.12	1.40
	2016	1.04	2.27	0.93	1.21	0.97	0.98	0.96	2.85	0.92	1.06
Net charge-offs to loans & leases (%)	2020	0.50	3.73	0.69	0.15	0.25	0.05	0.52	0.19	0.07	0.43
	2018	0.48	3.87	0.50	0.15	0.18	0.02	0.76	1.41	0.17	0.37
	2016	0.47	3.34	0.55	0.15	0.22	0.07	0.56	0.22	0.17	0.41
Noncurrent assets plus OREO to assets (%)	2020	0.61	0.92	0.38	0.69	0.76	0.30	0.26	0.34	0.56	0.66
	2018	0.60	1.26	0.39	0.83	0.63	1.28	0.49	0.43	0.73	0.62
	2016	0.86	1.14	0.61	0.77	0.87	1.97	0.70	0.63	0.94	0.96
Equity capital ratio (%)	2020	10.17	12.61	8.95	11.37	11.22	8.40	9.21	15.79	11.81	9.90
	2018	11.25	15.29	9.88	11.34	11.94	11.08	10.51	16.74	12.31	11.04
	2016	11.10	14.84	9.97	11.30	11.81	11.26	10.04	15.23	11.41	10.85

\* See Table V-A (page 10) for explanations.

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

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

TABLE III-A. Full Year 2021, All FDIC-Insured Institutions

FULL YEAR (The way it is...)	All Insured Institutions	Asset Size Distribution					Geographic Regions*						
		Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco	
Number of institutions reporting	4,839	817	3,049	813	147	13	577	551	1,040	1,237	1,075	359	
Commercial banks	4,231	712	2,702	675	130	12	299	502	897	1,198	1,006	329	
Savings institutions	608	105	347	138	17	1	278	49	143	39	69	30	
Total assets (in billions)	\$23,719.3	\$49.9	\$1,125.0	\$2,221.7	\$7,076.0	\$13,246.6	\$4,454.4	\$4,787.8	\$5,666.0	\$4,198.7	\$2,041.5	\$2,570.9	
Commercial banks	22,195.2	44.0	988.0	1,866.0	6,471.1	12,826.1	4,017.7	4,645.8	5,574.0	4,152.1	1,389.1	2,416.6	
Savings institutions	1,524.1	5.9	136.9	355.8	605.0	420.5	436.7	142.0	92.1	46.6	652.4	154.3	
Total deposits (in billions)	19,701.6	42.0	966.9	1,878.2	5,929.0	10,885.6	3,690.7	4,028.5	4,519.7	3,503.0	1,776.6	2,183.1	
Commercial banks	18,410.3	37.5	854.1	1,584.8	5,441.1	10,492.9	3,340.3	3,909.2	4,450.8	3,464.1	1,188.0	2,057.8	
Savings institutions	1,291.3	4.6	112.8	293.4	487.8	392.7	350.4	119.3	68.8	38.9	588.6	125.3	
Bank net income (in millions)	279,131	505	13,899	29,677	97,243	137,806	45,990	57,315	68,067	45,657	21,286	40,816	
Commercial banks	263,122	426	11,855	25,845	89,728	135,268	41,628	56,694	65,912	45,218	17,618	36,053	
Savings institutions	16,008	79	2,044	3,833	7,515	2,538	4,362	621	2,155	439	3,668	4,763	
<b>Performance Ratios (%)</b>													
Yield on earning assets	2.71	3.65	3.70	3.62	3.33	2.14	2.62	2.75	2.27	2.71	2.88	3.63	
Cost of funding earning assets	0.17	0.38	0.35	0.28	0.24	0.10	0.20	0.15	0.12	0.18	0.18	0.28	
Net interest margin	2.54	3.27	3.35	3.34	3.08	2.04	2.42	2.60	2.16	2.53	2.70	3.35	
Noninterest income to assets	1.32	1.88	1.36	1.26	1.30	1.34	1.22	1.13	1.62	1.17	0.93	1.76	
Noninterest expense to assets	2.24	3.64	2.95	2.61	2.40	2.04	2.09	2.19	2.19	2.27	2.16	2.75	
Credit loss provision to assets**	-0.14	0.06	0.08	0.04	-0.11	-0.20	-0.03	-0.20	-0.21	-0.18	-0.04	-0.03	
Net operating income to assets	1.22	1.03	1.27	1.38	1.44	1.07	1.06	1.25	1.25	1.09	1.11	1.68	
Pretax return on assets	1.55	1.20	1.52	1.77	1.88	1.34	1.38	1.51	1.59	1.40	1.36	2.23	
Return on assets	1.23	1.04	1.29	1.41	1.46	1.07	1.08	1.26	1.25	1.10	1.12	1.71	
Return on equity	12.21	7.53	11.76	12.90	13.76	11.26	10.34	11.97	13.10	11.19	11.27	16.60	
Net charge-offs to loans and leases	0.25	0.07	0.06	0.12	0.30	0.27	0.26	0.26	0.19	0.31	0.10	0.33	
Loan and lease loss provision to net charge-offs	-106.66	175.43	235.84	45.45	-57.49	-178.54	-25.91	-147.30	-249.83	-111.94	-81.18	-15.07	
Efficiency ratio	61.15	74.18	65.10	59.13	57.08	63.82	60.53	62.20	61.13	64.85	61.78	55.60	
% of unprofitable institutions	3.02	9.91	1.97	0.49	0.68	0.00	3.99	5.44	3.37	1.54	2.70	2.79	
% of institutions with earnings gains	75.55	60.22	75.53	88.07	91.16	84.62	82.32	78.04	69.71	72.92	77.67	80.50	
<b>Condition Ratios (%)</b>													
Earning assets to total assets	91.77	92.49	94.09	93.75	93.07	90.55	91.33	91.18	90.82	91.31	94.37	94.42	
Loss allowance to:													
Loans and leases	1.58	1.48	1.38	1.34	1.74	1.55	1.59	1.56	1.44	1.70	1.26	1.88	
Noncurrent loans and leases	178.82	149.30	227.28	210.81	182.35	166.02	176.48	191.27	179.10	166.57	85.38	328.50	
Noncurrent assets plus other real estate owned to assets	0.44	0.59	0.42	0.44	0.56	0.37	0.45	0.40	0.37	0.49	0.69	0.35	
Equity capital ratio	9.94	13.48	10.83	10.86	10.31	9.50	10.32	10.21	9.52	9.81	9.64	10.14	
Core capital (leverage) ratio	8.74	13.31	10.64	10.23	9.24	8.05	9.04	8.26	8.33	8.81	8.88	9.76	
Common equity tier 1 capital ratio***	14.04	23.56	15.81	14.33	13.62	14.14	14.83	13.28	14.34	13.52	15.03	14.48	
Tier 1 risk-based capital ratio***	14.14	23.61	15.83	14.36	13.85	14.18	14.44	13.37	14.40	13.60	15.16	14.74	
Total risk-based capital ratio**	15.46	24.70	16.94	15.42	15.03	15.63	15.75	14.46	15.55	15.59	16.20	15.88	
Net loans and leases to deposits	56.18	59.84	67.72	73.10	67.86	45.86	57.97	54.35	52.84	55.26	50.75	69.36	
Net loans to total assets	46.67	50.35	58.21	61.79	56.86	37.69	48.03	45.73	42.15	46.10	44.17	58.90	
Domestic deposits to total assets	76.69	84.13	85.94	84.45	81.86	71.81	77.86	81.56	70.63	68.68	86.99	83.81	
<b>Structural Changes</b>													
New reporters	9	9	0	0	0	0	0	3	3	0	1	2	
Institutions absorbed by mergers	164	33	100	27	4	0	16	17	28	56	35	12	
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0	
<b>PRIOR FULL YEARS (The way it was...)</b>													
Number of institutions	2020	5,002	946	3,129	776	138	13	593	570	1,069	1,292	1,107	371
	2018	5,406	1,278	3,353	638	128	9	659	626	1,163	1,379	1,182	397
	2016	5,913	1,541	3,637	621	105	9	724	720	1,271	1,485	1,268	445
Total assets (in billions)	2020	\$21,868.9	\$57.2	\$1,101.4	\$2,069.8	\$6,358.5	\$12,282.0	\$4,015.1	\$4,485.3	\$5,205.7	\$4,134.1	\$1,792.6	\$2,236.1
	2018	17,943.0	75.9	1,108.6	1,734.8	6,202.3	8,821.4	3,362.0	3,677.0	4,042.6	3,670.8	1,133.1	2,057.6
	2016	16,779.7	91.5	1,173.9	1,761.8	5,305.7	8,446.9	3,096.4	3,507.3	3,784.3	3,633.9	1,010.7	1,747.0
Return on assets (%)	2020	0.72	0.84	1.21	1.11	0.71	0.61	0.62	0.59	0.87	0.49	0.98	1.03
	2018	1.35	1.01	1.23	1.33	1.46	1.29	1.22	1.44	1.26	1.25	1.40	1.74
	2016	1.04	0.89	1.08	1.01	1.07	1.03	0.87	1.02	1.00	1.09	1.02	1.40
Net charge-offs to loans & leases (%)	2020	0.50	0.13	0.12	0.22	0.66	0.51	0.48	0.54	0.41	0.53	0.31	0.70
	2018	0.48	0.18	0.16	0.20	0.70	0.43	0.59	0.55	0.23	0.50	0.24	0.73
	2016	0.47	0.21	0.14	0.25	0.64	0.47	0.52	0.54	0.27	0.53	0.31	0.58
Noncurrent assets plus OREO to assets (%)	2020	0.61	0.74	0.60	0.65	0.83	0.50	0.60	0.55	0.52	0.70	1.08	0.48
	2018	0.60	0.97	0.73	0.64	0.62	0.57	0.58	0.65	0.54	0.68	0.76	0.44
	2016	0.86	1.10	0.96	0.84	0.78	0.90	0.70	1.03	0.79	1.00	1.06	0.53
Equity capital ratio (%)	2020	10.17	13.44	11.27	10.94	10.84	9.58	10.49	10.78	9.59	9.83	10.08	10.44
	2018	11.25	13.57	11.50	11.91	12.08	10.49	12.53	12.07	10.35	10.23	11.81	11.02
	2016	11.10	12.70	11.14	11.55	11.87	10.50	12.11	12.05	10.32	9.87	10.92	11.79

\* See Table V-A (page 11) for explanations.

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

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

TABLE IV-A. Fourth Quarter 2021, All FDIC-Insured Institutions

FOURTH 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	4,839	12	5	1,121	2,417	293	33	357	506	95	
Commercial banks	4,231	11	5	1,110	2,187	80	21	326	412	79	
Savings institutions	608	1	0	11	230	213	12	31	94	16	
Total assets (in billions)	\$23,719.3	\$499.8	\$5,827.2	\$302.8	\$7,372.2	\$776.3	\$352.9	\$83.4	\$130.1	\$8,374.6	
Commercial banks	22,195.2	413.8	5,827.2	297.2	6,927.9	122.9	345.2	77.7	104.3	8,078.9	
Savings institutions	1,524.1	86.1	0.0	5.5	444.2	653.4	7.7	5.7	25.8	295.7	
Total deposits (in billions)	19,701.6	351.3	4,618.9	260.0	6,226.4	694.5	301.2	70.7	112.8	7,065.9	
Commercial banks	18,410.3	286.2	4,618.9	256.5	5,877.7	106.2	294.6	66.4	91.2	6,812.6	
Savings institutions	1,291.3	65.1	0.0	3.5	348.7	588.3	6.7	4.2	21.5	253.3	
Bank net income (in millions)	63,872	5,399	12,586	794	20,638	1,639	1,626	332	275	20,583	
Commercial banks	60,077	4,636	12,586	750	19,264	378	1,612	93	239	20,517	
Savings institutions	3,795	763	0	43	1,374	1,260	14	239	36	66	
<b>Performance Ratios (annualized, %)</b>											
Yield on earning assets	2.71	11.65	2.01	3.53	3.09	1.82	4.05	2.52	3.30	2.29	
Cost of funding earning assets	0.15	0.92	0.10	0.32	0.18	0.12	0.54	0.21	0.27	0.10	
Net interest margin	2.56	10.74	1.91	3.21	2.92	1.70	3.51	2.31	3.03	2.19	
Noninterest income to assets	1.24	6.17	1.41	0.55	0.99	0.74	1.31	3.20	1.19	1.10	
Noninterest expense to assets	2.28	9.21	2.14	2.33	2.28	1.35	1.79	3.40	3.03	2.05	
Credit loss provision to assets**	-0.01	1.46	-0.13	0.08	-0.02	-0.02	0.30	0.04	0.06	-0.03	
Net operating income to assets	1.08	4.40	0.86	1.00	1.13	0.85	1.89	1.53	0.82	0.99	
Pretax return on assets	1.32	5.69	1.11	1.22	1.42	1.10	2.53	2.04	0.98	1.10	
Return on assets	1.09	4.42	0.86	1.06	1.14	0.87	1.90	1.61	0.86	1.00	
Return on equity	10.90	34.02	9.46	9.70	10.52	10.30	20.63	12.12	7.81	10.15	
Net charge-offs to loans and leases	0.21	1.58	0.28	0.07	0.09	0.01	0.34	0.21	0.07	0.17	
Loan and lease loss provision to net charge-offs	-8.48	110.35	-123.23	183.19	-41.70	-593.16	137.42	65.71	147.50	-38.74	
Efficiency ratio	63.20	55.94	68.16	64.82	61.33	56.18	38.87	62.95	74.99	65.57	
% of unprofitable institutions	7.81	0.00	0.00	11.60	4.05	9.90	9.09	18.77	9.88	1.05	
% of institutions with earnings gains	52.06	58.33	60.00	47.55	55.65	56.31	63.64	43.14	47.23	54.74	
<b>Structural Changes</b>											
New reporters	0	0	0	0	0	0	0	0	0	0	
Institutions absorbed by mergers	72	0	0	14	55	0	0	0	1	2	
Failed institutions	0	0	0	0	0	0	0	0	0	0	
<b>PRIOR FOURTH QUARTERS (The way it was...)</b>											
Return on assets (%)	2020	1.10	4.49	1.05	1.15	1.15	0.90	2.34	2.68	1.05	0.83
	2018	1.33	3.36	1.03	1.22	1.26	1.12	1.32	3.96	1.11	1.42
	2016	1.03	2.20	1.03	1.08	0.91	1.00	0.80	3.22	0.83	1.03
Net charge-offs to loans & leases (%)	2020	0.42	2.78	0.54	0.18	0.24	0.06	0.45	0.17	0.09	0.37
	2018	0.50	3.85	0.49	0.21	0.21	0.06	0.80	0.25	0.22	0.39
	2016	0.52	3.76	0.61	0.25	0.27	0.06	0.60	0.33	0.23	0.42

\* See Table V-A (page 10) for explanations.

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



TABLE IV-A. Fourth Quarter 2021, All FDIC-Insured Institutions

FOURTH QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution					Geographic Regions*						
		Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco	
Number of institutions reporting	4,839	817	3,049	813	147	13	577	551	1,040	1,237	1,075	359	
Commercial banks	4,231	712	2,702	675	130	12	299	502	897	1,198	1,006	329	
Savings institutions	608	105	347	138	17	1	278	49	143	39	69	30	
Total assets (in billions)	\$23,719.3	\$49.9	\$1,125.0	\$2,221.7	\$7,076.0	\$13,246.6	\$4,454.4	\$4,787.8	\$5,666.0	\$4,198.7	\$2,041.5	\$2,570.9	
Commercial banks	22,195.2	44.0	988.0	1,866.0	6,471.1	12,826.1	4,017.7	4,645.8	5,574.0	4,152.1	1,389.1	2,416.6	
Savings institutions	1,524.1	5.9	136.9	355.8	605.0	420.5	436.7	142.0	92.1	46.6	652.4	154.3	
Total deposits (in billions)	19,701.6	42.0	966.9	1,878.2	5,929.0	10,885.6	3,690.7	4,028.5	4,519.7	3,503.0	1,776.6	2,183.1	
Commercial banks	18,410.3	37.5	854.1	1,584.8	5,441.1	10,492.9	3,340.3	3,909.2	4,450.8	3,464.1	1,188.0	2,057.8	
Savings institutions	1,291.3	4.6	112.8	293.4	487.8	392.7	350.4	119.3	68.8	38.9	588.6	125.3	
Bank net income (in millions)	63,872	82	3,133	7,212	22,220	31,226	11,170	13,965	15,097	8,974	4,830	9,836	
Commercial banks	60,077	70	2,590	6,137	20,769	30,510	9,953	13,837	14,584	8,866	3,956	8,881	
Savings institutions	3,795	12	543	1,074	1,450	716	1,217	128	513	108	874	955	
<b>Performance Ratios (annualized, %)</b>													
Yield on earning assets	2.71	3.45	3.57	3.56	3.29	2.16	2.62	2.77	2.26	2.72	2.79	3.63	
Cost of funding earning assets	0.15	0.33	0.30	0.24	0.21	0.09	0.17	0.14	0.11	0.15	0.15	0.23	
Net interest margin	2.56	3.12	3.27	3.33	3.08	2.07	2.45	2.62	2.15	2.57	2.64	3.39	
Noninterest income to assets	1.24	1.79	1.28	1.21	1.30	1.20	1.22	0.96	1.48	1.09	0.84	1.83	
Noninterest expense to assets	2.28	3.82	2.99	2.63	2.45	2.06	2.13	2.20	2.16	2.41	2.14	2.84	
Credit loss provision to assets**	-0.01	0.08	0.08	0.08	0.09	-0.09	0.04	-0.02	-0.10	-0.08	0.02	0.19	
Net operating income to assets	1.08	0.66	1.09	1.29	1.27	0.95	1.00	1.19	1.07	0.85	0.96	1.54	
Pretax return on assets	1.32	0.78	1.32	1.65	1.64	1.10	1.29	1.18	1.37	1.10	1.17	2.03	
Return on assets	1.09	0.66	1.13	1.32	1.28	0.95	1.01	1.19	1.07	0.85	0.97	1.56	
Return on equity	10.90	4.81	10.30	12.08	12.26	9.97	9.75	11.51	11.25	8.72	9.88	15.31	
Net charge-offs to loans and leases	0.21	0.09	0.08	0.14	0.23	0.22	0.21	0.21	0.15	0.26	0.10	0.28	
Loan and lease loss provision to net charge-offs	-8.48	169.12	183.37	82.41	63.70	-94.03	38.20	-14.38	-130.02	-64.49	30.14	110.90	
Efficiency ratio	63.20	81.37	68.45	60.42	58.21	66.68	61.37	64.90	62.66	69.96	63.98	55.98	
% of unprofitable institutions	7.81	24.48	5.48	1.11	1.36	0.00	4.33	8.71	7.40	10.19	7.63	5.57	
% of institutions with earnings gains	52.06	45.41	51.39	59.90	57.14	76.92	58.75	52.63	47.31	44.79	59.26	57.66	
<b>Structural Changes</b>													
New reporters	0	0	0	0	0	0	0	0	0	0	0	0	
Institutions absorbed by mergers	72	12	39	19	2	0	7	7	12	28	13	5	
Failed institutions	0	0	0	0	0	0	0	0	0	0	0	0	
<b>PRIOR FOURTH QUARTERS (The way it was...)</b>													
Return on assets (%)	2020	1.10	0.65	1.22	1.30	1.34	0.94	0.89	1.08	1.24	0.88	1.04	1.67
	2018	1.33	0.87	1.24	1.32	1.49	1.24	1.25	1.45	1.19	1.19	1.34	1.81
	2016	1.03	0.69	1.04	0.86	1.05	1.05	0.87	0.99	1.07	1.08	0.79	1.33
Net charge-offs to loans & leases (%)	2020	0.42	0.15	0.15	0.24	0.52	0.42	0.42	0.41	0.37	0.43	0.25	0.58
	2018	0.50	0.25	0.19	0.21	0.73	0.44	0.58	0.58	0.24	0.51	0.30	0.78
	2016	0.52	0.36	0.23	0.35	0.71	0.49	0.61	0.58	0.30	0.59	0.33	0.67

\* See Table V-A (page 11) for explanations.

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

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

December 31, 2021	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
<b>Percent of Loans 30-89 Days Past Due</b>										
All loans secured by real estate	0.42	0.25	0.36	0.39	0.32	0.36	0.21	0.77	0.58	0.65
Construction and development	0.34	0.00	0.42	0.43	0.30	1.08	0.11	0.58	0.38	0.42
Nonfarm nonresidential	0.19	0.11	0.35	0.26	0.17	0.21	0.02	0.53	0.36	0.22
Multifamily residential real estate	0.14	0.00	0.16	0.10	0.13	0.30	0.10	0.10	0.06	0.15
Home equity loans	0.42	0.00	0.48	0.42	0.36	0.19	0.20	0.45	0.47	0.51
Other 1-4 family residential	0.68	0.28	0.44	0.70	0.62	0.35	0.24	1.12	0.77	0.90
Commercial and industrial loans	0.41	0.45	0.81	0.50	0.26	0.18	0.23	0.80	0.63	0.44
Loans to individuals	1.02	1.08	0.65	0.89	0.80	0.26	1.57	1.10	1.10	1.20
Credit card loans	0.88	1.09	0.62	1.51	1.38	0.77	0.91	1.92	0.95	0.81
Other loans to individuals	1.15	0.93	0.72	0.82	0.76	0.25	1.58	1.06	1.10	1.38
All other loans and leases (including farm)	0.30	0.26	0.47	0.30	0.22	0.03	0.06	0.44	0.51	0.23
Total loans and leases	0.50	1.01	0.54	0.40	0.33	0.33	1.04	0.78	0.62	0.61
<b>Percent of Loans Noncurrent**</b>										
All real estate loans	1.29	0.81	1.46	0.72	1.03	0.72	0.32	0.83	0.66	1.90
Construction and development	0.47	0.08	1.94	0.40	0.34	0.50	0.19	0.65	0.39	0.69
Nonfarm nonresidential	0.69	1.16	0.75	0.70	0.61	0.49	0.20	0.78	0.81	1.00
Multifamily residential real estate	0.25	2.60	0.16	0.33	0.24	0.51	0.16	0.26	0.20	0.37
Home equity loans	2.09	0.00	5.71	0.24	1.17	0.47	3.68	0.32	0.36	2.77
Other 1-4 family residential	2.04	0.74	1.78	0.57	2.18	0.77	0.29	0.87	0.64	2.40
Commercial and industrial loans	0.68	0.29	1.02	1.00	0.68	0.64	0.96	0.65	0.64	0.53
Loans to individuals	0.64	0.98	0.52	0.36	0.43	0.07	0.78	0.42	0.38	0.57
Credit card loans	0.83	1.03	0.62	0.37	1.01	0.42	0.95	0.69	0.47	0.76
Other loans to individuals	0.47	0.34	0.25	0.36	0.39	0.06	0.78	0.40	0.38	0.48
All other loans and leases (including farm)	0.23	0.39	0.24	0.65	0.26	0.09	0.09	0.73	0.58	0.19
Total loans and leases	0.89	0.91	0.82	0.73	0.85	0.65	0.68	0.78	0.64	1.00
<b>Percent of Loans Charged-Off (net, YTD)</b>										
All real estate loans	0.01	0.06	-0.06	0.02	0.02	0.00	-0.01	-0.03	0.01	0.00
Construction and development	0.01	0.18	0.03	0.06	0.01	0.02	-0.18	-0.08	-0.05	0.01
Nonfarm nonresidential	0.06	0.44	0.04	0.04	0.07	0.07	0.02	-0.11	0.04	0.03
Multifamily residential real estate	0.02	0.00	0.00	0.06	0.02	0.12	0.01	0.00	0.00	0.01
Home equity loans	-0.17	0.00	-0.60	0.04	-0.09	-0.05	-0.20	-0.07	0.01	-0.17
Other 1-4 family residential	-0.02	0.01	-0.06	0.02	-0.02	-0.01	-0.01	0.02	0.00	0.00
Commercial and industrial loans	0.19	0.74	0.28	0.14	0.19	-0.11	0.11	0.01	0.11	0.13
Loans to individuals	1.19	2.15	1.60	0.25	0.57	0.22	0.42	0.58	0.21	0.89
Credit card loans	2.17	2.22	2.09	0.83	3.05	1.78	1.13	0.16	0.83	2.16
Other loans to individuals	0.36	1.20	0.30	0.18	0.41	0.17	0.41	0.60	0.20	0.30
All other loans and leases (including farm)	0.09	0.29	0.06	0.03	0.11	0.09	0.11	1.21	0.07	0.10
Total loans and leases	0.25	2.00	0.38	0.05	0.11	0.01	0.27	0.08	0.04	0.20
<b>Loans Outstanding (in billions)</b>										
All real estate loans	\$5,258.4	\$2.8	\$570.7	\$112.5	\$2,809.4	\$175.3	\$51.9	\$17.8	\$53.9	\$1,464.1
Construction and development	401.1	0.1	17.0	7.7	293.4	5.5	0.4	1.8	4.2	71.0
Nonfarm nonresidential	1,645.6	0.3	62.0	30.0	1,181.4	15.7	6.5	6.5	12.4	330.9
Multifamily residential real estate	512.6	0.0	85.8	4.0	331.3	4.1	0.8	0.6	1.8	84.1
Home equity loans	265.1	0.0	24.3	1.7	141.5	7.1	0.7	0.5	1.7	87.5
Other 1-4 family residential	2,259.0	2.3	326.5	25.4	811.6	142.1	43.6	7.2	29.9	870.2
Commercial and industrial loans	2,314.0	42.5	341.6	21.6	1,070.5	7.3	35.0	3.0	5.9	786.5
Loans to individuals	1,882.0	381.6	385.2	6.3	283.0	14.1	150.2	1.8	5.4	654.3
Credit card loans	871.1	358.8	282.4	0.6	17.2	0.4	1.4	0.1	0.1	210.2
Other loans to individuals	1,010.9	22.8	102.9	5.7	265.8	13.7	148.8	1.7	5.3	444.2
All other loans and leases (including farm)	1,794.7	0.7	548.2	35.8	378.1	7.4	8.9	1.2	3.2	811.2
Total loans and leases (plus unearned income)	11,249.0	427.6	1,845.8	176.2	4,541.0	204.1	246.1	23.7	68.4	3,716.2
<b>Memo: Other Real Estate Owned (in millions)</b>										
All other real estate owned	2,960.6	2.7	232.0	117.0	1,630.4	52.4	10.4	41.4	72.7	801.6
Construction and development	567.6	0.2	1.0	12.6	465.4	7.9	0.0	15.3	27.5	37.6
Nonfarm nonresidential	1,498.1	2.4	88.0	53.0	844.9	22.1	0.3	18.3	23.9	445.2
Multifamily residential real estate	42.9	0.0	0.0	3.0	34.7	0.2	0.1	0.0	4.7	0.1
1-4 family residential	779.3	0.1	135.0	17.3	258.0	21.2	10.0	6.3	15.2	316.3
Farmland	64.0	0.0	0.0	31.2	26.7	1.0	0.0	1.5	1.4	2.2

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

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

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

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

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

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

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

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

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

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

\*\* 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

December 31, 2021	All Insured Institutions	Asset Size Distribution					Geographic Regions*					
		Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
<b>Percent of Loans 30-89 Days Past Due</b>												
All loans secured by real estate	0.42	0.80	0.37	0.24	0.38	0.58	0.41	0.48	0.46	0.50	0.45	0.20
Construction and development	0.34	0.54	0.28	0.31	0.28	0.55	0.37	0.26	0.29	0.42	0.29	0.46
Nonfarm nonresidential	0.19	0.62	0.22	0.14	0.17	0.26	0.25	0.15	0.17	0.20	0.19	0.13
Multifamily residential real estate	0.14	0.42	0.16	0.09	0.14	0.18	0.18	0.16	0.14	0.16	0.10	0.04
Home equity loans	0.42	0.30	0.30	0.25	0.40	0.50	0.35	0.46	0.51	0.48	0.35	0.22
Other 1-4 family residential	0.68	1.13	0.62	0.42	0.65	0.78	0.66	0.77	0.71	0.79	0.91	0.26
Commercial and industrial loans	0.41	0.69	0.44	0.34	0.24	0.54	0.30	0.37	0.44	0.61	0.32	0.34
Loans to individuals	1.02	1.19	1.14	1.38	0.94	1.06	0.86	1.52	0.60	0.91	0.77	1.16
Credit card loans	0.88	1.50	1.71	2.63	1.01	0.71	1.02	1.06	0.59	0.74	0.48	1.02
Other loans to individuals	1.15	1.19	1.10	1.11	0.87	1.39	0.75	1.89	0.61	1.22	0.87	1.27
All other loans and leases (including farm)	0.30	0.38	0.30	0.24	0.20	0.35	0.25	0.16	0.46	0.35	0.16	0.19
Total loans and leases	0.50	0.76	0.41	0.32	0.44	0.61	0.44	0.61	0.48	0.55	0.42	0.45
<b>Percent of Loans Noncurrent**</b>												
All real estate loans	1.29	0.97	0.60	0.60	1.39	1.77	1.23	1.29	1.28	1.61	1.97	0.47
Construction and development	0.47	0.45	0.43	0.37	0.29	1.01	0.91	0.29	0.87	0.23	0.19	0.27
Nonfarm nonresidential	0.69	1.06	0.58	0.54	0.70	0.93	1.01	0.59	0.70	0.76	0.45	0.51
Multifamily residential real estate	0.25	0.53	0.27	0.28	0.22	0.26	0.34	0.62	0.18	0.11	0.16	0.09
Home equity loans	2.09	0.23	0.54	0.45	1.14	3.56	1.86	1.58	2.57	4.12	0.83	0.65
Other 1-4 family residential	2.04	0.98	0.64	0.87	2.57	2.20	1.75	1.99	1.73	2.43	5.21	0.54
Commercial and industrial loans	0.68	1.32	0.71	0.83	0.62	0.69	0.73	0.52	0.65	0.80	0.71	0.78
Loans to individuals	0.64	0.64	0.42	0.70	0.69	0.59	0.69	0.77	0.33	0.64	0.49	0.75
Credit card loans	0.83	0.87	1.36	2.22	0.97	0.67	1.03	0.97	0.55	0.73	0.83	0.89
Other loans to individuals	0.47	0.64	0.35	0.37	0.43	0.52	0.46	0.62	0.16	0.47	0.39	0.63
All other loans and leases (including farm)	0.23	0.94	0.63	0.27	0.28	0.19	0.13	0.14	0.27	0.29	0.18	0.34
Total loans and leases	0.89	0.99	0.61	0.63	0.95	0.94	0.90	0.82	0.80	1.02	1.48	0.57
<b>Percent of Loans Charged-Off (net, YTD)</b>												
All real estate loans	0.01	0.02	0.01	0.03	0.03	-0.03	0.03	0.00	-0.02	0.00	0.01	0.01
Construction and development	0.01	-0.01	0.00	0.00	0.01	0.04	0.10	-0.05	0.02	0.00	0.00	-0.04
Nonfarm nonresidential	0.06	0.03	0.01	0.06	0.09	0.02	0.08	0.05	0.06	0.04	0.04	0.06
Multifamily residential real estate	0.02	-0.01	0.01	0.01	0.03	0.01	0.03	0.04	0.00	0.02	0.01	0.00
Home equity loans	-0.17	-0.01	0.00	-0.03	-0.09	-0.28	-0.11	-0.20	-0.23	-0.17	-0.17	-0.07
Other 1-4 family residential	-0.02	0.01	0.00	0.00	-0.01	-0.03	-0.01	-0.01	-0.04	-0.01	-0.01	-0.01
Commercial and industrial loans	0.19	0.15	0.14	0.18	0.20	0.19	0.20	0.17	0.21	0.21	0.18	0.17
Loans to individuals	1.19	0.29	0.51	1.23	1.22	1.19	1.26	1.07	0.94	1.71	0.65	1.21
Credit card loans	2.17	3.55	3.20	4.82	2.14	2.12	2.46	2.07	1.93	2.32	1.53	2.20
Other loans to individuals	0.36	0.26	0.31	0.45	0.40	0.33	0.47	0.26	0.17	0.65	0.37	0.42
All other loans and leases (including farm)	0.09	0.11	0.14	0.07	0.09	0.09	0.10	0.12	0.07	0.08	0.08	0.12
Total loans and leases	0.25	0.07	0.06	0.12	0.30	0.27	0.26	0.26	0.19	0.31	0.10	0.33
<b>Loans Outstanding (in billions)</b>												
All real estate loans	\$5,258.4	\$17.3	\$509.5	\$1,002.7	\$1,941.7	\$1,787.2	\$1,122.6	\$891.0	\$1,051.2	\$858.2	\$595.7	\$739.6
Construction and development	401.1	1.1	50.8	104.1	165.2	80.0	78.2	61.4	64.6	56.6	91.4	48.9
Nonfarm nonresidential	1,645.6	3.6	193.8	438.9	658.3	350.9	381.3	303.3	249.2	214.1	246.2	251.5
Multifamily residential real estate	512.6	0.5	28.8	107.8	229.6	146.0	176.5	41.4	128.7	49.8	26.6	89.7
Home equity loans	265.1	0.3	14.4	33.5	99.9	116.9	64.6	58.5	64.2	35.2	17.8	24.9
Other 1-4 family residential	2,259.0	8.2	171.2	284.9	772.7	1,021.9	416.8	414.0	519.7	401.5	193.0	314.0
Commercial and industrial loans	2,314.0	3.1	88.3	241.5	838.7	1,142.4	420.3	536.2	528.4	392.7	174.5	261.9
Loans to individuals	1,882.0	1.6	26.1	79.6	816.2	958.5	340.3	439.2	375.8	295.2	69.5	362.1
Credit card loans	871.1	0.0	1.9	14.1	388.8	466.2	135.7	197.8	166.1	191.2	16.3	164.0
Other loans to individuals	1,010.9	1.6	24.1	65.4	427.4	492.3	204.6	241.4	209.6	104.0	53.2	198.2
All other loans and leases (including farm)	1,794.7	3.5	40.5	68.4	499.0	1,183.3	291.9	358.2	467.8	423.2	73.9	179.8
Total loans and leases (plus unearned income)	11,249.0	25.5	664.3	1,392.2	4,095.6	5,071.3	2,175.1	2,224.5	2,423.2	1,969.2	913.5	1,543.4
<b>Memo: Other Real Estate Owned (in millions)</b>												
All other real estate owned	2,960.6	39.4	617.0	782.8	679.6	841.8	443.1	763.2	613.1	444.3	557.4	139.5
Construction and development	567.6	7.5	246.7	184.2	108.4	20.7	62.8	140.5	60.5	109.1	163.5	31.2
Nonfarm nonresidential	1,498.1	12.3	217.2	473.0	301.8	493.7	147.5	462.3	318.9	217.1	298.0	54.3
Multifamily residential real estate	42.9	6.2	24.5	5.6	6.0	0.6	6.4	9.4	1.7	5.5	13.2	6.8
1-4 family residential	779.3	11.7	92.3	94.7	261.9	318.7	226.1	145.4	220.5	84.9	65.0	37.4
Farmland	64.0	1.7	36.2	24.6	1.5	0.0	0.4	5.6	10.8	19.7	17.7	9.9

\* 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

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

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

	4th Quarter 2021	3rd Quarter 2021	2nd Quarter 2021	1st Quarter 2021	4th Quarter 2020	% Change 20Q4-21Q4	Asset Size Distribution				
							Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion
(dollar figures in millions; notional amounts unless otherwise indicated)											
<b>ALL DERIVATIVE HOLDERS</b>											
Number of institutions reporting derivatives	1,307	1,358	1,373	1,388	1,388	-5.8	22	617	521	134	13
Total assets of institutions reporting derivatives	\$21,889,826	\$21,479,239	\$21,030,025	\$20,815,146	\$20,135,034	8.7	\$1,514	\$302,206	\$1,601,414	\$6,738,069	\$13,246,623
Total deposits of institutions reporting derivatives	18,158,080	17,677,856	17,273,942	17,013,885	16,393,952	10.8	1,226	258,288	1,357,651	5,655,310	10,885,604
Total derivatives	179,313,801	187,643,808	186,058,289	191,684,273	165,711,801	8.2	210	15,904	188,152	4,260,642	174,848,892
<b>Derivative Contracts by Underlying Risk Exposure</b>											
Interest rate	126,263,377	131,804,111	133,334,810	137,477,490	116,058,438	8.8	210	15,081	181,230	2,476,581	123,590,274
Foreign exchange*	43,668,294	45,631,510	43,728,636	45,257,498	41,448,704	5.4	0	0	2,770	1,560,231	42,105,293
Equity	4,256,115	4,649,081	4,254,960	4,004,712	3,774,715	12.8	0	23	48	76,981	4,179,063
Commodity & other (excluding credit derivatives)	1,584,207	1,703,480	1,631,946	1,582,254	1,394,504	13.6	0	0	75	98,041	1,486,092
Credit	3,540,460	3,854,151	3,106,414	3,361,030	3,034,285	16.7	0	16	3,466	48,807	3,488,171
Total	179,312,453	187,642,333	186,056,766	191,682,984	165,710,646	8.2	210	15,120	187,589	4,260,642	174,848,892
<b>Derivative Contracts by Transaction Type</b>											
Swaps	109,290,037	111,081,251	106,971,001	107,719,719	96,423,495	13.3	0	2,010	120,688	2,318,480	106,848,859
Futures & forwards	31,179,822	35,311,292	37,583,984	40,934,399	32,350,455	-3.6	0	3,021	16,177	1,573,070	29,587,554
Purchased options	16,490,297	17,182,098	17,945,500	18,603,556	16,098,917	2.4	0	363	15,105	142,133	16,332,697
Written options	16,963,118	17,050,718	17,894,265	18,371,380	15,891,741	6.7	0	2,390	12,075	133,867	16,814,786
Total	173,923,274	180,625,360	180,394,750	185,629,054	160,764,608	8.2	0	7,784	164,044	4,167,550	169,583,895
<b>Fair Value of Derivative Contracts</b>											
Interest rate contracts	55,248	63,671	63,856	69,365	70,648	-21.8	0	24	592	5,797	48,835
Foreign exchange contracts	-4,023	11,247	10,331	13,849	-11,466	NM	0	0	5	905	-4,932
Equity contracts	-8,794	-10,450	-13,321	-6,866	-7,165	NM	0	4	2	-1,104	-7,696
Commodity & other (excluding credit derivatives)	6,479	15,125	6,125	3,967	-452	NM	0	0	1	230	6,249
Credit derivatives as guarantor**	24,091	22,626	16,825	16,748	14,331	68.1	0	0	13	-71	24,149
Credit derivatives as beneficiary**	-28,518	-25,233	-21,074	-18,373	-18,166	NM	0	0	-10	-313	-28,195
<b>Derivative Contracts by Maturity***</b>											
Interest rate contracts											
< 1 year	68,042,217	73,184,579	71,258,971	76,501,727	62,457,197	8.9	28	3,402	20,249	1,103,366	66,915,172
1-5 years	41,249,959	41,533,803	45,947,286	44,407,789	39,201,919	5.2	5	1,683	46,216	770,730	40,431,324
> 5 years	20,474,533	22,926,827	22,279,948	22,231,036	20,844,428	-1.8	0	2,998	80,392	465,503	19,925,640
Foreign exchange and gold contracts											
< 1 year	30,953,966	31,560,013	30,839,509	32,130,016	29,434,113	5.2	0	0	2,048	1,437,913	29,514,005
1-5 years	4,863,871	4,723,452	4,557,853	4,336,231	4,404,492	10.4	0	0	262	92,216	4,771,393
> 5 years	2,551,933	2,576,222	2,502,654	2,405,347	2,402,103	6.2	0	0	11	11,860	2,540,062
Equity contracts											
< 1 year	3,880,771	4,079,641	3,806,830	3,504,313	3,287,136	18.1	0	7	3	37,463	3,843,298
1-5 years	1,055,173	1,135,840	957,152	870,551	770,821	36.9	0	16	21	35,135	1,020,001
> 5 years	144,720	159,126	153,371	124,452	138,573	4.4	0	0	5	2,065	142,651
Commodity & other contracts (including credit derivatives, excluding gold contracts)											
< 1 year	2,195,295	2,417,770	2,234,059	2,149,899	1,820,961	20.6	0	3	134	37,339	2,157,819
1-5 years	2,569,198	2,478,994	2,137,329	2,050,971	2,023,406	27.0	0	18	861	40,863	2,527,457
> 5 years	236,524	519,222	215,849	435,795	215,486	9.8	0	75	1,799	7,157	227,493
<b>Risk-Based Capital: Credit Equivalent Amount</b>											
Total current exposure to tier 1 capital (%)	19.4	24.9	24.8	25.6	30.2		0.0	0.3	1.6	3.7	31.6
Total potential future exposure to tier 1 capital (%)	34.1	37.3	34.9	34.0	31.0		0.0	0.2	1.0	4.9	56.7
Total exposure (credit equivalent amount) to tier 1 capital (%)	53.4	62.3	59.7	59.6	61.2		0.0	0.5	2.7	8.7	88.2
<b>Credit losses on derivatives****</b>	17.9	21.2	21.5	6.8	137.3	-86.9	0.0	6.4	-0.7	5.6	6.7
<b>HELD FOR TRADING</b>											
Number of institutions reporting derivatives	185	188	190	188	187	-1.1	0	18	89	67	11
Total assets of institutions reporting derivatives	16,931,219	16,663,510	16,311,705	16,167,781	15,870,969	6.7	0	9,166	367,964	4,151,617	12,402,472
Total deposits of institutions reporting derivatives	13,957,568	13,628,595	13,321,986	13,125,102	12,847,286	8.6	0	7,905	310,178	3,517,380	10,122,105
<b>Derivative Contracts by Underlying Risk Exposure</b>											
Interest rate	122,237,175	127,448,311	129,126,796	133,860,018	112,807,097	8.4	0	536	43,964	1,177,357	121,015,319
Foreign exchange	41,349,240	41,961,260	40,661,753	42,039,817	39,084,210	5.8	0	0	2,594	1,477,337	39,869,310
Equity	4,231,348	4,620,993	4,225,427	3,976,351	3,746,888	12.9	0	0	36	67,948	4,163,364
Commodity & other	1,543,080	1,664,064	1,592,567	1,544,723	1,358,385	13.6	0	0	9	93,253	1,449,818
Total	169,360,843	175,694,627	175,606,542	181,420,909	156,996,580	7.9	0	536	46,602	2,815,894	166,497,811
<b>Trading Revenues: Cash &amp; Derivative Instruments</b>											
Interest rate**	278	-323	3,373	-29	3,625	-92.3	0	0	2	-59	335
Foreign exchange**	3,747	3,998	1,546	6,343	18	20,716.7	0	0	6	374	3,367
Equity**	3,534	1,729	2,384	2,388	2,480	42.5	0	0	12	45	3,478
Commodity & other (including credit derivatives)**	-28	1,415	754	1,785	191	-114.7	0	0	0	32	-60
Total trading revenues**	7,531	6,819	8,057	10,487	6,314	19.3	0	0	19	392	7,120
<b>Share of Revenue</b>											
Trading revenues to gross revenues (%)**	5.4	4.8	5.8	7.5	4.6		0.0	0.0	0.5	1.1	7.1
Trading revenues to net operating revenues (%)**	18.3	15.4	18.1	21.0	16.8		0.0	0.0	1.5	3.8	24
<b>HELD FOR PURPOSES OTHER THAN TRADING</b>											
Number of institutions reporting derivatives	577	607	609	615	623	-7.4	0	129	310	125	13
Total assets of institutions reporting derivatives	20,931,820	20,529,306	19,988,674	19,820,456	19,249,586	8.7	0	67,606	1,171,023	6,446,568	13,246,623
Total deposits of institutions reporting derivatives	17,350,292	16,878,746	16,400,333	16,180,006	15,655,539	10.8	0	57,575	986,831	5,420,281	10,885,604
<b>Derivative Contracts by Underlying Risk Exposure</b>											
Interest rate	3,998,706	4,320,508	4,170,881	3,573,201	3,192,677	25.2	0	7,226	117,300	1,299,225	2,574,955
Foreign exchange	497,831	542,719	548,414	569,053	511,407	-2.7	0	0	64	38,610	459,157
Equity	24,767	28,088	29,534	28,361	27,826	-11.0	0	23	12	9,033	15,699
Commodity & other	41,128	39,417	39,380	37,531	36,119	13.9	0	0	66	4,788	36,273
Total notional amount	4,562,432	4,930,733	4,788,208	4,208,145	3,768,028	21.1	0	7,248	117,442	1,351,556	3,086,085

All line items are reported on a quarterly basis.

N/M - Not Meaningful

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

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

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

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

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

	4th Quarter 2021	3rd Quarter 2021	2nd Quarter 2021	1st Quarter 2021	4th Quarter 2020	% Change 20Q4-21Q4	Asset Size Distribution				
							Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$500 Million	\$500 Million to \$1 Billion	Greater Than \$1 Billion
(dollar figures in millions)											
<b>Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements</b>											
Number of institutions reporting securitization activities	62	63	60	59	57	8.8	1	6	11	35	9
<b>Outstanding Principal Balance by Asset Type</b>											
1-4 family residential loans	\$324,821	\$344,767	\$356,054	\$358,230	\$382,125	-15.0	\$0	\$5,423	\$10,938	\$95,010	\$213,449
Home equity loans	6	6	7	7	8	-25.0	0	0	0	6	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Auto loans	169	209	316	392	289	-41.5	0	0	0	169	0
Other consumer loans	1,241	1,313	1,388	1,469	1,569	-20.9	0	0	0	613	628
Commercial and industrial loans	6,624	6,285	0	0	0	0.0	0	0	0	0	6,624
All other loans, leases, and other assets	106,355	101,198	95,055	91,085	87,334	21.8	3	0	7,252	7,019	92,081
Total securitized and sold	439,216	453,778	452,820	451,183	471,325	-6.8	3	5,423	18,190	102,817	312,783
<b>Maximum Credit Exposure by Asset Type</b>											
1-4 family residential loans	1,041	1,016	964	1,057	1,210	-14.0	0	0	51	476	514
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Auto loans	2	2	26	26	26	-92.3	0	0	0	2	0
Other consumer loans	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	275	257	0	0	0	0.0	0	0	0	0	275
All other loans, leases, and other assets	2,500	2,414	2,301	2,274	2,029	23.2	0	0	63	118	2,320
Total credit exposure	3,818	3,689	3,291	3,357	3,265	16.9	0	0	114	0	3,109
Total unused liquidity commitments provided to institution's own securitizations	241	255	67	76	71	239.4	0	0	0	0	241
<b>Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)</b>											
1-4 family residential loans	2.1	1.9	1.9	2.0	2.7	0.0	1.0	0.5	1.7	2.3	
Home equity loans	4.4	7.5	1.9	6.3	5.3	0.0	0.0	0.0	4.4	0	
Credit card receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	
Auto loans	1.6	1.4	2.0	1.9	4.2	0.0	0.0	0.0	1.6	0	
Other consumer loans	2.7	2.5	2.4	2.9	3.1	0.0	0.0	0.0	1.7	3.8	
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	
All other loans, leases, and other assets	0.5	0.4	0.6	0.5	0.6	0.0	0.0	0.5	1.7	0.4	
Total loans, leases, and other assets	1.7	1.6	1.7	1.8	2.5	0.0	0.0	0.0	1.4	1.7	
<b>Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)</b>											
1-4 family residential loans	1.9	2.2	2.4	2.7	3.0	0.0	2.0	1.0	2.6	1.6	
Home equity loans	28.1	26.3	27.3	24.5	28.9	0.0	0.0	0.0	28.1	0	
Credit card receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	
Auto loans	0.1	0.1	0.2	0.2	0.6	0.0	0.0	0.0	0.1	0	
Other consumer loans	2.5	2.3	2.2	2.4	2.4	0.0	0.0	0.0	1.0	3.8	
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	
All other loans, leases, and other assets	1.3	1.5	1.9	1.8	2.4	0.0	0.0	2.0	0.3	1.3	
Total loans, leases, and other assets	1.5	1.8	2.1	2.3	2.5	0.0	0.0	0.0	2.0	1.5	
<b>Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)</b>											
1-4 family residential loans	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0	
Home equity loans	2.9	3.0	1.7	1.8	11.9	0.0	0.0	0.0	2.9	0	
Credit card receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	
Auto loans	0.0	0.0	0.0	0.1	3.6	0.0	0.0	0.0	0.0	0	
Other consumer loans	0.5	0.3	0.2	0.1	1.0	0.0	0.0	0.0	0.3	0.8	
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	
All other loans, leases, and other assets	0.2	0.2	0.1	0.1	0.2	0.0	0.0	0.0	0.6	0.2	
Total loans, leases, and other assets	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	
<b>Seller's Interests in Institution's Own Securitizations - Carried as Loans</b>											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
<b>Seller's Interests in Institution's Own Securitizations - Carried as Securities</b>											
Home equity loans	0	0	0	0	0	0.0	0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0	0
<b>Assets Sold with Recourse and Not Securitized</b>											
Number of institutions reporting asset sales	329	342	345	340	343	-4.1	4	105	145	66	9
<b>Outstanding Principal Balance by Asset Type</b>											
1-4 family residential loans	32,269	33,775	37,950	36,084	35,364	-8.8	70	5,292	12,949	12,811	1,146
All other loans, leases, and other assets	139,581	137,571	135,583	135,492	131,293	6.3	0	13	55	38,591	100,922
Total sold and not securitized	171,849	171,346	173,533	171,577	166,657	3.1	70	5,306	13,004	51,402	102,068
<b>Maximum Credit Exposure by Asset Type</b>											
1-4 family residential loans	11,750	12,469	14,644	13,149	13,564	-13.4	2	606	4,100	6,462	580
All other loans, leases, and other assets	40,581	40,025	39,279	39,242	37,880	7.1	0	13	33	12,204	28,331
Total credit exposure	52,331	52,494	53,923	52,391	51,444	1.7	2	619	4,133	18,665	28,911
<b>Support for Securitization Facilities Sponsored by Other Institutions</b>											
Number of institutions reporting securitization facilities sponsored by others	36	37	37	38	37	-2.7	0	10	12	8	6
Total credit exposure	21,148	22,380	22,536	23,478	23,986	-11.8	0	0	0	1,480	19,668
Total unused liquidity commitments	425	432	408	415	418	1.7	0	0	0	295	130
<b>Other</b>											
Assets serviced for others**	5,880,634	5,809,510	5,704,667	5,624,426	5,782,059	1.7	27,213	167,639	388,919	1,364,281	3,932,581
Asset-backed commercial paper conduits											
Credit exposure to conduits sponsored by institutions and others	21,662	20,788	20,683	18,417	19,694	10.0	0	0	0	0	21,662
Unused liquidity commitments to conduits sponsored by institutions and others	51,794	55,177	54,035	56,072	56,904	-9.0	0	0	0	248	51,546
Net servicing income (for the quarter)	1,624	1,755	204	3,434	1,029	57.8	6	293	295	656	374
Net securitization income (for the quarter)	150	110	142	106	77	94.8	0	4	1	55	90
Total credit exposure to Tier 1 capital (%)***	3.4	3.4	3.4	3.5	3.6	0.0	0.1	0.3	2.3	5.1	

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

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

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

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

	All Insured Institutions					Asset Size Distribution				
	Dec 31 2021	Dec 31 2020	Dec 31 2019	Dec 31 2018	% Change 2020-2021	Less Than \$100 Million	\$100 Million to \$1 Billion	\$1 Billion to \$10 Billion	\$10 Billion to \$250 Billion	Greater Than \$250 Billion
<b>(dollar figures in millions)</b>										
Number of institutions reporting	4,839	5,002	5,177	5,406	-3.3	817	3,049	813	147	13
Number of institutions with fiduciary powers	1,528	1,578	1,627	1,686	-3.2	111	884	417	104	12
Commercial banks	1,416	1,461	1,500	1,561	-3.1	101	837	371	95	12
Savings institutions	112	117	127	125	-4.3	10	47	46	9	0
Number of institutions exercising fiduciary powers	1,135	1,171	1,207	1,260	-3.1	65	637	330	91	12
Commercial banks	1,046	1,079	1,106	1,162	-3.1	55	599	298	82	12
Savings institutions	89	92	101	98	-3.3	10	38	32	9	0
Number of institutions reporting fiduciary activity	1,081	1,118	1,147	1,199	-3.3	62	594	322	91	12
Commercial banks	1,001	1,034	1,055	1,106	-3.2	52	562	292	83	12
Savings institutions	80	84	92	93	-4.8	10	32	30	8	0
<b>Fiduciary and related assets - managed assets</b>										
Personal trust and agency accounts	829,855	744,217	709,267	630,296	11.5	20,646	60,424	109,152	321,881	317,750
Noninterest-bearing deposits	5,824	4,917	7,674	8,900	18.4	11	286	381	421	4,725
Interest-bearing deposits	83,238	77,995	69,079	76,197	6.7	95	2,932	8,078	15,867	56,266
U.S. Treasury and U.S. Government agency obligations	128,417	131,620	138,753	124,625	-2.4	1,575	2,199	12,658	51,767	60,218
State, county and municipal obligations	237,992	252,130	253,381	234,846	-5.6	4,218	8,788	18,535	91,634	114,816
Money market mutual funds	163,253	156,493	146,718	122,932	4.3	2,733	11,826	15,229	61,478	71,986
Other short-term obligations	183,013	160,426	132,383	135,186	14.1	92	106	386	4,865	177,563
Other notes and bonds	372,612	341,460	301,599	287,252	9.1	8,035	4,933	16,394	49,543	293,707
Common and preferred stocks	4,762,236	4,009,783	3,581,225	2,964,907	18.8	45,085	275,541	268,449	884,391	3,288,771
Real estate mortgages	1,792	2,048	2,125	2,087	-12.5	10	143	282	1,059	298
Real estate	55,982	49,113	52,582	49,756	14.0	1,135	7,996	7,564	17,205	22,082
Miscellaneous assets	164,833	143,307	130,782	107,310	15.0	2,083	6,030	16,574	44,678	95,468
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution	743,167	594,988	493,000	395,229	24.9	2,315	21,913	15,931	31,256	671,752
Employee benefit - defined benefit	686,683	634,612	602,747	508,367	8.2	4,203	3,204	20,975	25,194	633,107
Other employee benefit and retirement-related accounts	510,203	454,678	408,075	339,960	12.2	8,143	96,596	39,468	128,722	237,275
Corporate trust and agency accounts	23,813	27,836	23,739	15,607	-14.5	5	306	2,447	6,654	14,401
Investment management and investment advisory agency accounts	2,734,651	2,319,578	2,110,931	1,832,929	17.9	25,454	125,233	154,512	610,311	1,819,142
Other fiduciary accounts	630,819	553,382	468,541	391,609	14.0	4,306	13,104	22,046	98,890	492,473
Total managed fiduciary accounts:										
Assets	6,159,191	5,329,291	4,816,302	4,113,997	15.6	65,072	320,781	364,530	1,222,907	4,185,901
Number of accounts	2,051,292	1,953,763	1,892,284	1,852,807	5.0	85,913	538,637	327,343	523,121	576,278
<b>Fiduciary and related assets - nonmanaged assets</b>										
Personal trust and agency accounts	452,238	386,951	339,489	300,897	16.9	14,540	27,104	27,106	215,008	168,480
Employee benefit and retirement-related trust and agency accounts:										
Employee benefit - defined contribution	2,250,463	2,076,354	2,504,371	2,152,994	8.4	207,257	82,139	54,566	981,712	924,788
Employee benefit - defined benefit	2,978,739	3,036,632	4,697,794	4,432,130	-1.9	14,415	15,457	17,759	1,086,386	1,844,722
Other employee benefit and retirement-related accounts	772,607	773,596	1,620,838	1,489,228	-0.1	46,119	3,970	18,670	165,248	538,600
Corporate trust and agency accounts	4,157,859	3,846,196	3,584,494	3,338,071	8.1	5	3,457	305,078	382,459	3,466,860
Other fiduciary accounts	3,543,431	3,429,906	3,998,882	3,470,168	3.3	13,593	42,723	37,828	510,186	2,939,101
Total nonmanaged fiduciary accounts:										
Assets	14,155,345	13,549,635	16,745,867	15,183,488	4.5	295,929	174,860	461,007	3,341,000	9,882,550
Number of accounts	4,449,885	4,752,447	4,304,374	3,909,570	-6.4	2,006,831	160,949	118,417	366,195	1,797,493
Custody and safekeeping accounts:										
Assets	143,775,262	129,464,890	110,653,618	96,368,744	11.1	53,421	1,942,804	1,321,851	12,996,312	127,460,875
Number of accounts	24,150,693	13,479,805	13,731,356	13,286,592	79.2	184,657	10,035,030	9,478,837	2,081,042	2,371,127
<b>Fiduciary and related services income</b>										
Personal trust and agency accounts	5,228	4,700	4,584	4,745	11.2	138	243	626	2,011	2,210
Retirement-related trust and agency accounts:										
Employee benefit - defined contribution	1,127	1,030	1,195	1,373	9.4	29	96	181	297	524
Employee benefit - defined benefit	1,079	1,102	1,361	1,502	-2.1	11	21	26	312	710
Other employee benefit and retirement-related accounts	2,693	2,243	2,176	2,114	20.1	81	810	283	828	690
Corporate trust and agency accounts	1,736	1,885	1,875	1,774	-7.9	0	6	199	538	993
Investment management agency accounts	11,114	9,585	9,110	9,140	16.0	166	947	1,094	3,513	5,395
Other fiduciary accounts	509	606	803	775	-16.0	6	1	5	169	327
Custody and safekeeping accounts	17,752	16,127	14,535	14,927	10.1	10	664	284	2,179	14,614
Other fiduciary and related services income	1,079	1,032	926	983	4.6	10	36	190	269	575
Total gross fiduciary and related services income	42,623	38,540	36,841	37,511	10.6	458	2,950	2,974	10,201	26,040
Less: Expenses	35,625	34,306	34,622	35,122	3.8	289	2,112	2,023	7,916	23,286
Less: Net losses from fiduciary and related services	270	547	502	300	-50.6	1	4	5	41	218
Plus: Intracompany income credits for fiduciary and related services	6,274	7,335	10,137	9,307	-14.5	2	2	186	899	5,185
Net fiduciary and related services income	12,682	10,777	11,550	11,154	17.7	162	708	1,045	3,058	7,708
<b>Collective investment funds and common trust funds (market value)</b>										
Domestic equity funds	1,140,121	894,542	789,065	615,673	27.5	9,971	9,203	12,078	61,395	1,047,474
International/global equity funds	344,854	312,134	257,360	202,917	10.5	1,232	13,814	129	12,813	316,866
Stock/bond blend funds	225,365	209,306	175,200	148,831	7.7	2,350	515	897	37,990	183,613
Taxable bond funds	157,802	153,517	133,911	125,119	2.8	1,043	2,699	1,588	18,626	133,847
Municipal bond funds	2,030	2,106	2,287	2,004	-3.6	0	0	47	868	1,115
Short-term investments/money market funds	165,770	156,498	143,418	143,955	5.9	3,557	0	0	1,887	160,326
Specialty/other funds	70,819	62,117	61,674	58,833	14.0	0	9,186	32	9,168	52,433
Total collective investment funds	2,111,006	1,794,996	1,570,104	1,303,752	17.6	18,379	35,685	15,850	144,565	1,896,527

## COMMUNITY BANK PERFORMANCE

Community banks are identified based on criteria defined in the FDIC’s 2020 *Community Banking Study*. When comparing community bank performance across quarters, prior-quarter dollar amounts are based on community banks designated as such in the current quarter, adjusted for mergers. In contrast, prior-quarter ratios are based on community banks designated during the previous quarter.

### Full-Year 2021 Net Income Rose on Higher Net Interest Income

### Quarterly Net Income Continued to Increase Year Over Year

### Net Interest Margin Narrowed

### Loan and Lease Balances Increased From One Quarter and One Year Ago

### Asset Quality Continued to Improve

#### Full-Year Net Income Increased in 2021

Full-year 2021 net income increased \$7.4 billion (29.3 percent) to \$32.7 billion from 2020, driven by higher net interest income (up \$6.8 billion, 9.3 percent) and lower provision expense (down \$6.0 billion, 84.7 percent). A \$974.1 million increase in noninterest income also supported earnings growth, which was partially offset by a \$3.9 billion increase in noninterest expense and \$2.3 billion increase in income taxes. The net interest margin (NIM) fell 12 basis points from 2020 to 3.27 percent, as the 41 basis point decline in the yield on earning assets outpaced the 29 basis point decline in the cost of funds and growth in earning assets outpaced growth in net interest income. The average community bank full-year pretax return on assets (ROA) ratio increased 22 basis points to 1.52 percent in 2021. The percentage of unprofitable community banks declined from 4.5 percent to 3.2 percent, the lowest level on record.

#### Community Bank Quarterly Net Income Continued to Increase Year Over Year

Community bank quarterly net income increased by \$511.6 million (7.1 percent) from a year ago to \$7.8 billion in fourth quarter 2021. Higher net interest income and lower provision expense more than offset a decline in noninterest income and growth in noninterest expense. Just over half of all community banks (51.2 percent) reported annual improvements in quarterly net income. However, net income declined \$719.9 million (8.5 percent) from third quarter 2021 because of higher noninterest expense. The average community bank quarterly pretax ROA ratio decreased 1 basis point from one year ago and 16 basis points from one quarter ago to 1.40 percent, as average asset growth outpaced growth in earnings.

#### Growth in Net Interest Income Lifted Net Operating Revenue

Growth in net interest income of \$1.3 billion (6.7 percent) overcame a decline in noninterest income of \$707.0 million (10.4 percent) to lift net operating revenue \$588.4 million (2.3 percent) from fourth quarter 2020. Lower interest expense (down \$910.9 million, 35.1 percent) generated most of the growth in net interest income, while lower gains on loan sales (down \$1.5 billion, 50.6 percent) drove the decline in noninterest income. Quarterly NIM fell 11 basis points from the year-ago quarter to 3.22 percent, as growth in average earning assets outpaced growth in net interest income. The yield on earning assets fell 30 basis points and the cost of funding earning assets fell 19 basis points from the year-ago quarter. The average cost of funds of 0.26 percent reached the lowest level on record since Quarterly Banking Profile data collection began in first quarter 1984.

Chart 1

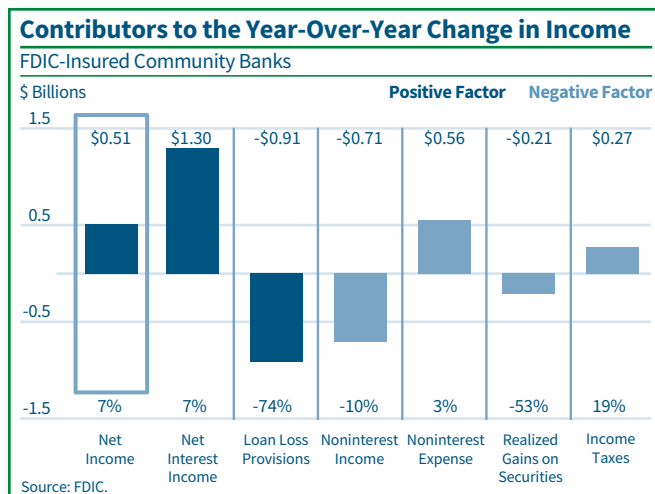
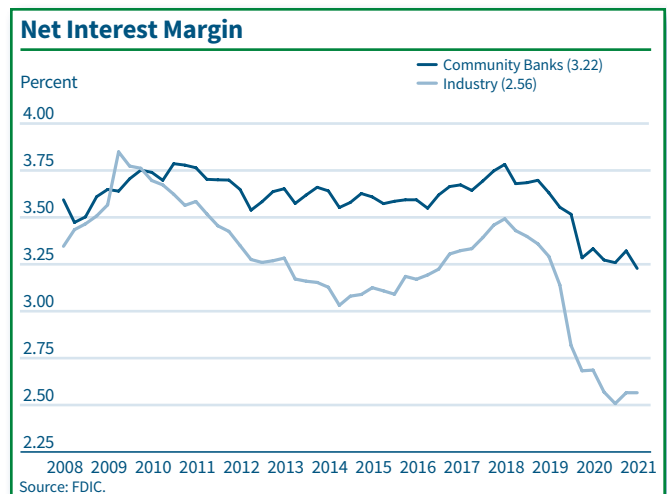


Chart 2



### Noninterest Expense Increased From the Year-Ago Quarter and Prior Quarter

Noninterest expense of \$17.1 billion was up \$555.9 million (3.4 percent) from fourth quarter 2020, driven by an increase in “all other noninterest expense” of \$372.0 million (7.5 percent).<sup>1</sup> Higher data processing and marketing expenses drove the increase in the “all other noninterest expense” category. An increase in salary and benefits expense of \$167.6 million (1.7 percent) also contributed to the annual growth in noninterest expense. Average assets per employee increased 10.0 percent to \$7.1 million from the year-ago quarter. While more than two-thirds of community banks (69.4 percent) reported higher noninterest expense compared with fourth quarter 2020, noninterest expense as a percentage of average assets declined 16 basis points from fourth quarter 2020 to 2.51 percent.

Quarterly, noninterest expense rose \$733.6 million (4.5 percent) because of both an increase in “all other noninterest expense” of \$390.0 million (7.9 percent) and an increase in salary and benefits expense of \$331.6 million (3.5 percent). Higher data processing expense drove the quarterly increase in the “all other noninterest expense” category.

### Provision Expense Decreased From One Year Ago but Increased From One Quarter Ago

Provision expense declined \$914.9 million (74.0 percent) from fourth quarter 2020 but increased \$39.2 million (13.9 percent) from third quarter 2021 to \$320.8 million. Eighty-two community banks had adopted current expected credit loss (CECL) accounting as of fourth quarter. Community bank CECL adopters reported negative provision expense of \$18.4 million in fourth quarter, an increase of \$50.0 million from the previous quarter and a reduction of \$173.9 million from one year ago. Provision expense for community banks that had not adopted CECL accounting totaled \$339.2 million, a decline of \$10.7 million from one quarter ago and \$740.9 million from one year ago.

### Allowance for Loan and Lease Losses to Total Loans Remained Higher Than the Pre-Pandemic Level

The allowance for loan and lease losses (ALLL) as a percentage of total loans and leases declined 3 basis points from the year-ago quarter to 1.29 percent. The ALLL as a percentage of loans 90 days or more past due or in nonaccrual status (coverage ratio) increased 53.7 percentage points from the year-ago quarter to 223.8 percent, a record high, due to declining noncurrent loan balances. This ratio is well above the 147.9 percent reported before the pandemic in fourth quarter 2019. The coverage ratio for community banks is 49.9 percentage points above the coverage ratio for noncommunity banks.

### Total Assets Increased From the Previous Quarter

Total assets increased \$60.3 billion (2.2 percent) from the previous quarter and \$262.9 billion (10.5 percent) from one year ago. Securities were the primary driver of both the quarterly and annual asset growth, increasing \$44.0 billion (7.9 percent) from one quarter ago and \$169.7 billion (39.0 percent) from one year ago. Despite a small decline in the quarter, cash and balances due from depository institutions remain elevated at 11.5 percent of total assets, higher than the pre-pandemic level (7.0 percent) reported in fourth quarter 2019.

<sup>1</sup>All other noninterest expense includes, but is not limited to, automated teller machine and interchange expenses, legal fees, advertising and marketing expenses, consulting expense, data processing expense, and FDIC deposit insurance assessments.

Chart 3

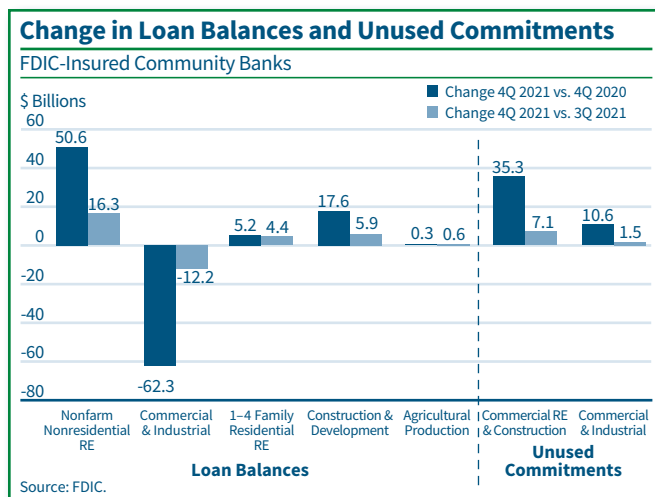
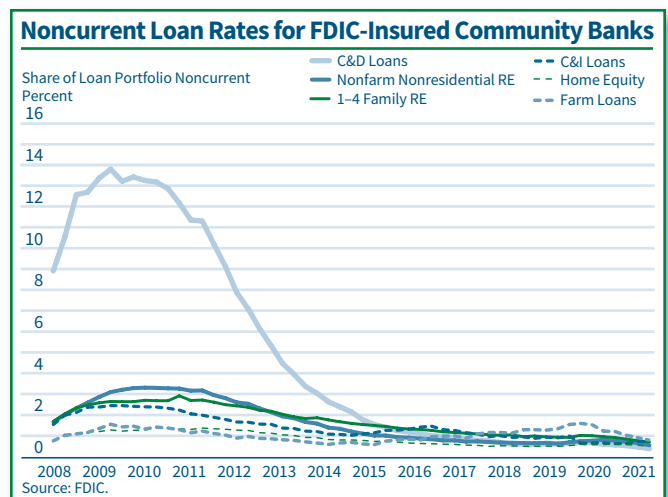


Chart 4





**Loan and Lease Balances Increased Modestly From the Previous Quarter and a Year Ago**

Community bank loan and lease balances increased \$24.3 billion (1.4 percent) between third and fourth quarter 2021. Growth in nonfarm nonresidential commercial real estate (CRE) loan balances of \$16.3 billion (3.1 percent) and construction and development loan balances of \$5.9 billion (4.7 percent) more than offset a \$12.2 billion (4.7 percent) decline in commercial and industrial (C&I) loan balances. An increase in unused CRE loan commitments of \$7.1 billion (5.8 percent) drove the quarter-over-quarter growth of \$11.0 billion (2.8 percent) in unused commitments.

All major loan categories except C&I grew in 2021, and 57.8 percent of community banks recorded annual loan growth. Total loans and leases balances increased \$34.2 billion (2.0 percent) from one year ago driven by growth in nonfarm nonresidential CRE loan balances of \$50.6 billion (10.4 percent). C&I loan balances declined \$62.3 billion (20.1 percent) from fourth quarter 2020. The annual decline in C&I loan balances was due to Paycheck Protection Program (PPP) loan repayment and forgiveness. PPP loan balances declined \$83.8 billion (75.0 percent) in the year ending fourth quarter 2021.

**Small Loans to Businesses Declined 12.8 Percent Year Over Year**

Community bank small loans to businesses fell \$43.4 billion (12.8 percent) in 2021 primarily due to a \$45.6 billion decline in small C&I loan balances. Small farmland and agricultural production loan balances also fell \$778.0 million, while small nonfarm nonresidential CRE loans rose \$3.0 billion (2.3 percent) over the year. Community banks hold 40.0 percent of total small loans to businesses, the same share as a year ago.

**Deposit Growth Accelerated From the Previous Quarter**

Community banks reported deposit growth of 2.8 percent (\$63.4 billion) during the fourth quarter, up from 2.6 percent (\$58.9 billion) in third quarter 2021 and 2.1 percent (\$46.0 billion) in second quarter 2021. More than 75 percent of community banks (76.6 percent) reported an increase in deposit balances. Growth in deposits of more than \$250,000 accounted for most of the deposit growth (up \$55.8 billion, or 5.1 percent). Growth in domestic deposit balances was largely in interest-bearing deposits (up 41.1 billion, or 2.5 percent), while noninterest-bearing deposits increased \$22.3 billion (3.5 percent).

**Noncurrent Loan Balances Continued to Decline Quarter Over Quarter**

Nearly 60 percent of community banks (59.1 percent) reported quarter-over-quarter reductions in the balance of loans and leases 90 days or more past due or in nonaccrual status (noncurrent loan balances). Noncurrent loan balances declined \$1.1 billion (10.0 percent) to \$11.1 billion from third quarter 2021. The quarterly decline in noncurrent loan balances was mainly attributable to a \$489.5 million (14.5 percent) decrease in nonfarm nonresidential CRE noncurrent balances, a \$214.9 million (7.4 percent) decrease in 1–4 family residential noncurrent balances, and a \$124.2 million (6.6 percent) decrease in C&I noncurrent balances. The noncurrent rate for total loans and leases dropped 7 basis points from third quarter to 0.58 percent, the lowest noncurrent rate on record for community banks.

**Net Charge-Offs Declined From One Year Ago**

Net charge-offs declined in all major loan categories from one year ago and in aggregate declined \$307.4 million (45.7 percent) to \$365.4 million. The largest contributors to the year-over-year decrease in net charge-offs were the C&I portfolio, which declined \$167.5 million (57.8 percent), and the nonfarm nonresidential CRE portfolio, which declined \$38.6 million (33.2 percent). The net charge-off rate for community banks declined 6 basis points from the year-ago quarter to 0.09 percent.

**Some Capital Ratios Declined as Growth in Assets Outpaced Capital Formation**

Equity capital grew \$2.5 billion (0.9 percent) to \$292.6 billion in fourth quarter. The leverage capital ratio declined 10 basis points to 10.16 percent in fourth quarter 2021, as growth in average assets outpaced tier 1 capital formation. The average tier 1 risk-based capital ratio among community banks that did not file the community bank leverage ratio (CBLR) was 14.36 percent, down 26 basis points from the prior quarter, as growth in risk-weighted assets outpaced tier 1 capital formation. The average CBLR for the 1,699 banks that elected to use the CBLR framework was 11.2 percent, nearly unchanged from third quarter 2021.

**One New Community Bank Opened and No Community Banks Failed in Fourth Quarter 2021**

The number of community banks declined to 4,391, down 59 from the previous quarter. Six banks transitioned from community to noncommunity banks, four banks transitioned from noncommunity to community banks, three community banks ceased operations, and 54 community banks merged during the quarter.

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**TABLE I-B. Selected Indicators, FDIC-Insured Community Banks**

	2021	2020	2019	2018	2017	2016	2015
Return on assets (%)	1.25	1.09	1.19	1.19	0.96	0.99	0.99
Return on equity (%)	11.61	9.72	10.24	10.57	8.65	8.81	8.85
Core capital (leverage) ratio (%)	10.16	10.32	11.15	11.09	10.80	10.69	10.67
Noncurrent assets plus other real estate owned to assets (%)	0.40	0.60	0.65	0.70	0.78	0.94	1.07
Net charge-offs to loans (%)	0.06	0.12	0.13	0.13	0.16	0.16	0.15
Asset growth rate (%)	8.69	14.06	-1.26	2.20	1.12	0.00	2.71
Net interest margin (%)	3.27	3.39	3.66	3.72	3.62	3.57	3.57
Net operating income growth (%)	28.51	-0.03	-4.14	27.90	0.19	0.00	9.56
Number of institutions reporting	4,391	4,557	4,748	4,979	5,227	5,461	5,734
Percentage of unprofitable institutions (%)	3.17	4.52	3.96	3.64	5.72	4.67	5.04

\* Excludes insured branches of foreign banks (IBAs).

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

(dollar figures in millions)	4th Quarter 2021	3rd Quarter 2021	4th Quarter 2020	%Change 20Q4-21Q4		
Number of institutions reporting	4,391	4,450	4,557	-3.6		
Total employees (full-time equivalent)	386,215	390,766	390,966	-1.2		
<b>CONDITION DATA</b>						
Total assets	\$2,757,175	\$2,737,509	\$2,536,765	8.7		
Loans secured by real estate	1,293,022	1,275,740	1,220,521	5.9		
1-4 Family residential mortgages	385,625	384,817	386,936	-0.3		
Nonfarm nonresidential	534,746	526,769	492,427	8.6		
Construction and development	129,988	126,064	115,173	12.9		
Home equity lines	40,329	40,759	42,143	-4.3		
Commercial & industrial loans	247,948	263,727	315,032	-21.3		
Loans to individuals	65,865	65,285	64,747	1.7		
Credit cards	2,159	2,024	2,101	2.8		
Farm loans	47,200	46,766	47,488	-0.6		
Other loans & leases	50,697	52,532	49,087	3.3		
Less: Unearned income	832	1,001	1,047	-20.5		
Total loans & leases	1,703,900	1,703,048	1,695,828	0.5		
Less: Reserve for losses*	22,051	22,516	22,451	-1.8		
Net loans and leases	1,681,848	1,680,532	1,673,377	0.5		
Securities**	604,552	570,038	443,288	36.4		
Other real estate owned	1,164	1,365	1,857	-37.3		
Goodwill and other intangibles	20,879	20,345	17,854	16.9		
All other assets	448,731	465,228	400,390	12.1		
Total liabilities and capital	2,757,175	2,737,509	2,536,765	8.7		
Deposits	2,362,931	2,334,106	2,117,890	11.6		
Domestic office deposits	2,360,525	2,331,687	2,115,490	11.6		
Foreign office deposits	2,405	2,419	2,401	0.2		
Brokered deposits	49,899	51,553	61,284	-18.6		
Estimated insured deposits	1,567,652	1,571,054	1,472,429	6.5		
Other borrowed funds	78,938	84,259	117,634	-32.9		
Subordinated debt	272	283	352	-22.6		
All other liabilities	22,301	24,636	24,558	-9.2		
Total equity capital (includes minority interests)	292,733	294,226	276,332	5.9		
Bank equity capital	292,604	294,099	276,211	5.9		
Loans and leases 30-89 days past due	5,609	5,312	7,532	-25.5		
Noncurrent loans and leases	9,853	11,056	13,198	-25.3		
Restructured loans and leases	4,693	4,987	5,521	-15.0		
Mortgage-backed securities	268,859	260,168	201,317	33.6		
Earning assets	2,592,251	2,568,774	2,372,272	9.3		
FHLB Advances	53,705	55,360	72,764	-26.2		
Unused loan commitments	397,960	392,532	347,378	14.6		
Trust assets	402,818	320,703	348,944	15.4		
Assets securitized and sold	24,368	24,361	23,259	4.8		
Notional amount of derivatives	126,487	142,538	181,390	-30.3		
<b>INCOME DATA</b>						
	Full Year 2021	Full Year 2020	%Change	4th Quarter 2021	4th Quarter 2020	%Change 20Q4-21Q4
Total interest income	\$88,059	\$88,371	-0.4	\$22,225	\$22,209	0.1
Total interest expense	7,635	13,389	-43.0	1,684	2,665	-36.8
Net interest income	80,423	74,981	7.3	20,541	19,544	5.1
Provision for credit losses***	1,080	7,026	-84.6	321	1,227	-73.9
Total noninterest income	24,641	24,181	1.9	6,119	6,962	-12.1
Total noninterest expense	64,921	62,336	4.1	17,056	16,798	1.5
Securities gains (losses)	854	1,086	-21.3	190	408	-53.4
Applicable income taxes	7,221	5,068	42.5	1,737	1,490	16.5
Extraordinary gains, net****	30	1	N/M	28	0	N/M
Total net income (includes minority interests)	32,725	25,820	26.7	7,765	7,399	4.9
Bank net income	32,690	25,767	26.9	7,768	7,382	5.2
Net charge-offs	1,081	2,014	-46.3	365	637	-42.7
Cash dividends	13,830	12,021	15.1	4,502	3,969	13.4
Retained earnings	18,860	13,745	37.2	3,266	3,412	-4.3
Net operating income	31,982	24,887	28.5	7,580	7,049	7.5

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

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

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

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

N/M - Not Meaningful

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

(dollar figures in millions)	4th Quarter 2021	3rd Quarter 2021	4th Quarter 2020	%Change 20Q4-21Q4		
Number of institutions reporting	4,391	4,391	4,383	0.2		
Total employees (full-time equivalent)	386,215	386,319	382,963	0.8		
<b>CONDITION DATA</b>						
Total assets	\$2,757,175	\$2,696,906	\$2,494,277	10.5		
Loans secured by real estate	1,293,022	1,259,030	1,202,456	7.5		
1-4 Family residential mortgages	385,625	381,239	380,449	1.4		
Nonfarm nonresidential	534,746	518,472	484,167	10.4		
Construction and development	129,988	124,129	112,400	15.6		
Home equity lines	40,329	39,933	40,918	-1.4		
Commercial & industrial loans	247,948	260,143	310,265	-20.1		
Loans to individuals	65,865	64,696	60,853	8.2		
Credit cards	2,159	2,016	1,952	10.6		
Farm loans	47,200	46,617	46,855	0.7		
Other loans & leases	50,697	50,082	50,331	0.7		
Less: Unearned income	832	990	1,021	-18.5		
Total loans & leases	1,703,900	1,679,577	1,669,738	2.0		
Less: Reserve for losses*	22,051	22,195	22,222	-0.8		
Net loans and leases	1,681,848	1,657,383	1,647,516	2.1		
Securities**	604,552	560,529	434,814	39.0		
Other real estate owned	1,164	1,358	1,825	-36.2		
Goodwill and other intangibles	20,879	20,072	19,426	7.5		
All other assets	448,731	457,564	390,696	14.9		
Total liabilities and capital	2,757,175	2,696,906	2,494,277	10.5		
Deposits	2,362,931	2,299,510	2,081,428	13.5		
Domestic office deposits	2,360,525	2,297,091	2,079,027	13.5		
Foreign office deposits	2,405	2,419	2,401	0.2		
Brokered deposits	49,899	50,343	59,449	-16.1		
Estimated insured deposits	1,567,652	1,549,449	1,449,981	8.1		
Other borrowed funds	78,938	82,684	114,466	-31.0		
Subordinated debt	272	277	485	-43.9		
All other liabilities	22,301	24,197	24,023	-7.2		
Total equity capital (includes minority interests)	292,733	290,238	273,876	6.9		
Bank equity capital	292,604	290,111	273,756	6.9		
Loans and leases 30-89 days past due	5,609	5,278	7,477	-25.0		
Noncurrent loans and leases	9,853	10,952	13,240	-25.6		
Restructured loans and leases	4,693	4,940	5,453	-13.9		
Mortgage-backed securities	268,859	254,210	195,634	37.4		
Earning assets	2,592,251	2,530,537	2,330,314	11.2		
FHLB Advances	53,705	54,256	71,476	-24.9		
Unused loan commitments	397,960	386,991	336,082	18.4		
Trust assets	402,818	320,703	344,896	16.8		
Assets securitized and sold	24,368	24,361	23,130	5.4		
Notional amount of derivatives	126,487	141,053	180,974	-30.1		
<b>INCOME DATA</b>						
	Full Year 2021	Full Year 2020	%Change	4th Quarter 2021	4th Quarter 2020	%Change 20Q4-21Q4
Total interest income	\$88,059	\$86,603	1.7	\$22,225	\$21,841	1.8
Total interest expense	7,635	13,029	-41.4	1,684	2,595	-35.1
Net interest income	80,423	73,574	9.3	20,541	19,246	6.7
Provision for credit losses***	1,080	7,049	-84.7	321	1,236	-74.0
Total noninterest income	24,641	23,667	4.1	6,119	6,826	-10.4
Total noninterest expense	64,921	60,986	6.5	17,056	16,500	3.4
Securities gains (losses)	854	1,079	-20.9	190	402	-52.7
Applicable income taxes	7,221	4,952	45.8	1,737	1,465	18.5
Extraordinary gains, net****	30	1	N/M	28	0	N/M
Total net income (includes minority interests)	32,725	25,334	29.2	7,765	7,274	6.8
Bank net income	32,690	25,280	29.3	7,768	7,256	7.1
Net charge-offs	1,081	2,090	-48.3	365	673	-45.7
Cash dividends	13,830	11,996	15.3	4,502	3,938	14.3
Retained earnings	18,860	13,284	42.0	3,266	3,318	-1.6
Net operating income	31,982	24,407	31.0	7,580	6,929	9.4

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

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

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

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

N/M - Not Meaningful

**TABLE III-B. Aggregate Condition and Income Data by Geographic Region, FDIC-Insured Community Banks**

Fourth Quarter 2021 (dollar figures in millions)	All Community Banks	Geographic Regions*					
		New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	4,391	487	498	963	1,190	986	267
Total employees (full-time equivalent)	386,215	79,127	41,413	79,023	70,615	82,819	33,218
<b>CONDITION DATA</b>							
Total assets	\$2,757,175	\$696,394	\$291,915	\$494,678	\$469,347	\$528,197	\$276,643
Loans secured by real estate	1,293,022	377,341	134,466	221,311	204,755	230,350	124,800
1-4 Family residential mortgages	385,625	134,494	37,281	63,839	56,109	66,732	27,171
Nonfarm nonresidential	534,746	145,032	64,484	88,691	73,028	100,067	63,444
Construction and development	129,988	26,722	16,196	19,230	21,196	35,439	11,205
Home equity lines	40,329	11,491	5,351	8,980	4,679	4,567	5,261
Commercial & industrial loans	247,948	61,419	24,868	46,364	44,029	47,619	23,649
Loans to individuals	65,865	16,183	6,559	11,959	11,988	12,859	6,317
Credit cards	2,159	377	107	187	849	234	404
Farm loans	47,200	541	1,229	8,146	26,925	7,844	2,516
Other loans & leases	50,697	15,558	2,945	11,679	6,858	8,771	4,886
Less: Unearned income	832	145	150	77	101	200	159
Total loans & leases	1,703,900	470,896	169,917	299,381	294,452	307,243	162,009
Less: Reserve for losses**	22,051	5,350	2,156	3,914	4,193	4,124	2,315
Net loans and leases	1,681,848	465,547	167,761	295,467	290,260	303,120	159,694
Securities***	604,552	131,338	64,161	116,540	106,481	123,019	63,015
Other real estate owned	1,164	186	181	239	239	266	52
Goodwill and other intangibles	20,879	7,004	1,183	3,883	2,964	3,507	2,337
All other assets	448,731	92,319	58,629	78,549	69,403	98,285	51,545
Total liabilities and capital	2,757,175	696,394	291,915	494,678	469,347	528,197	276,643
Deposits	2,362,931	588,281	254,233	420,523	402,667	458,670	238,557
Domestic office deposits	2,360,525	587,673	254,227	420,523	402,667	458,670	236,766
Foreign office deposits	2,405	608	6	0	0	0	1,792
Brokered deposits	49,899	19,008	3,037	8,750	8,634	7,249	3,220
Estimated insured deposits	1,567,652	391,168	160,475	298,536	288,494	293,859	135,120
Other borrowed funds	78,938	21,724	6,156	18,387	14,838	11,248	6,586
Subordinated debt	272	190	6	19	6	40	10
All other liabilities	22,301	8,234	1,960	3,339	2,927	3,110	2,732
Total equity capital (includes minority interests)	292,733	77,965	29,561	52,410	48,909	55,129	28,758
Bank equity capital	292,604	77,939	29,559	52,319	48,908	55,121	28,756
Loans and leases 30-89 days past due	5,609	1,336	603	934	840	1,511	384
Noncurrent loans and leases	9,853	3,210	791	1,728	1,470	2,005	649
Restructured loans and leases	4,693	1,642	371	994	745	583	359
Mortgage-backed securities	268,859	69,740	29,581	44,985	38,946	49,504	36,104
Earning assets	2,592,251	654,529	274,528	464,457	442,102	495,971	260,664
FHLB Advances	53,705	15,925	4,574	12,663	9,940	7,374	3,229
Unused loan commitments	397,960	96,498	36,207	72,209	77,161	72,138	43,747
Trust assets	402,818	85,821	16,074	85,447	137,029	53,105	25,343
Assets securitized and sold	24,368	10,295	111	4,478	4,337	4,712	434
Notional amount of derivatives	126,487	55,312	10,304	18,620	22,389	11,621	8,242
<b>INCOME DATA</b>							
Total interest income	\$22,225	\$5,611	\$2,283	\$3,856	\$3,841	\$4,453	\$2,181
Total interest expense	1,684	451	158	303	342	320	111
Net interest income	20,541	5,160	2,125	3,553	3,499	4,133	2,070
Provision for credit losses****	321	0	26	62	84	108	40
Total noninterest income	6,119	1,468	615	1,514	1,018	1,016	488
Total noninterest expense	17,056	4,076	1,819	3,189	2,972	3,333	1,667
Securities gains (losses)	190	167	-2	4	13	7	1
Applicable income taxes	1,737	637	151	325	216	206	202
Extraordinary gains, net*****	28	0	0	3	3	22	0
Total net income (includes minority interests)	7,765	2,082	742	1,498	1,262	1,531	650
Bank net income	7,768	2,071	742	1,496	1,262	1,545	650
Net charge-offs	365	104	20	68	55	85	33
Cash dividends	4,502	816	290	1,075	901	1,065	355
Retained earnings	3,266	1,255	453	421	361	480	296
Net operating income	7,580	1,946	743	1,491	1,247	1,503	649

\* See Table V-A for explanation.

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

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

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

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

**Table IV-B. Fourth Quarter 2021, FDIC-Insured Community Banks**

Performance ratios (annualized, %)	All Community Banks		Fourth Quarter 2021, Geographic Regions*					
	4th Quarter 2021	3rd Quarter 2021	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	3.48	3.60	3.46	3.40	3.38	3.52	3.66	3.39
Cost of funding earning assets	0.26	0.29	0.28	0.23	0.27	0.31	0.26	0.17
Net interest margin	3.22	3.31	3.18	3.16	3.11	3.21	3.40	3.21
Noninterest income to assets	0.90	0.92	0.85	0.86	1.24	0.88	0.78	0.71
Noninterest expense to assets	2.51	2.45	2.36	2.54	2.62	2.56	2.57	2.44
Loan and lease loss provision to assets	0.05	0.04	0.00	0.04	0.05	0.07	0.08	0.06
Net operating income to assets	1.11	1.26	1.13	1.04	1.23	1.08	1.16	0.95
Pretax return on assets	1.40	1.56	1.57	1.25	1.50	1.28	1.35	1.25
Return on assets	1.14	1.27	1.20	1.04	1.23	1.09	1.19	0.95
Return on equity	10.69	11.87	10.73	10.13	11.54	10.33	11.25	9.13
Net charge-offs to loans and leases	0.09	0.07	0.09	0.05	0.09	0.08	0.11	0.08
Loan and lease loss provision to net charge-offs	87.79	100.16	0.42	130.19	91.51	152.59	127.13	120.97
Efficiency ratio	63.60	60.40	61.14	65.87	62.56	65.32	64.41	64.90
Net interest income to operating revenue	77.05	77.19	77.86	77.54	70.13	77.46	80.27	80.92
% of unprofitable institutions	8.36	4.36	4.93	9.24	7.48	10.59	8.11	7.12
% of institutions with earnings gains	51.29	65.91	57.70	52.61	46.94	44.71	59.03	53.56

**Table V-B. Full Year 2021, FDIC-Insured Community Banks**

Performance ratios (%)	All Community Banks		Full Year 2021, Geographic Regions*					
	Full Year 2021	Full Year 2020	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Yield on earning assets	3.58	4.00	3.49	3.53	3.48	3.70	3.79	3.48
Cost of funding earning assets	0.31	0.61	0.33	0.28	0.31	0.36	0.31	0.20
Net interest margin	3.27	3.39	3.15	3.25	3.17	3.34	3.48	3.28
Noninterest income to assets	0.94	1.02	0.77	0.86	1.31	0.97	0.92	0.78
Noninterest expense to assets	2.48	2.63	2.31	2.53	2.59	2.51	2.58	2.40
Loan and lease loss provision to assets	0.04	0.30	0.00	0.04	0.05	0.07	0.08	0.01
Net operating income to assets	1.22	1.05	1.08	1.09	1.35	1.31	1.33	1.12
Pretax return on assets	1.52	1.30	1.50	1.35	1.66	1.54	1.54	1.46
Return on assets	1.25	1.09	1.14	1.11	1.36	1.33	1.35	1.12
Return on equity	11.61	9.72	10.25	10.69	12.70	12.55	12.63	10.66
Net charge-offs to loans and leases	0.06	0.12	0.09	0.05	0.04	0.06	0.08	0.04
Loan and lease loss provision to net charge-offs	99.94	348.90	0.05	152.96	164.75	186.76	169.69	50.21
Efficiency ratio	61.42	62.34	61.49	64.26	60.21	60.80	61.43	61.78
Net interest income to operating revenue	76.55	75.61	79.32	78.01	69.45	76.45	77.88	79.72
% of unprofitable institutions	3.17	4.52	4.52	5.82	3.32	1.60	2.84	3.37
% of institutions with earnings gains	74.83	53.90	82.14	77.71	68.85	72.69	77.48	77.53

\* See Table V-A for explanation.

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

December 31, 2021	All Community Banks	Geographic Regions*					
		New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
<b>Percent of Loans 30-89 Days Past Due</b>							
All loans secured by real estate	0.28	0.25	0.29	0.33	0.25	0.40	0.17
Construction and development	0.22	0.09	0.24	0.30	0.23	0.27	0.14
Nonfarm nonresidential	0.17	0.16	0.12	0.17	0.13	0.28	0.12
Multifamily residential real estate	0.13	0.18	0.16	0.08	0.09	0.12	0.03
Home equity loans	0.26	0.29	0.27	0.24	0.25	0.37	0.16
Other 1-4 family residential	0.51	0.40	0.64	0.68	0.43	0.67	0.31
Commercial and industrial loans	0.34	0.26	0.48	0.24	0.34	0.44	0.40
Loans to individuals	1.31	1.43	1.26	0.60	0.88	2.44	0.97
Credit card loans	1.85	1.84	1.23	0.70	2.66	1.18	1.25
Other loans to individuals	1.30	1.42	1.26	0.60	0.74	2.46	0.96
All other loans and leases (including farm)	0.23	0.08	0.16	0.14	0.24	0.44	0.27
Total loans and leases	0.33	0.28	0.35	0.31	0.29	0.49	0.24
<b>Percent of Loans Noncurrent</b>							
All loans secured by real estate	0.57	0.69	0.45	0.61	0.48	0.61	0.34
Construction and development	0.38	0.65	0.23	0.45	0.32	0.25	0.41
Nonfarm nonresidential	0.54	0.68	0.37	0.65	0.50	0.57	0.26
Multifamily residential real estate	0.27	0.38	0.17	0.20	0.10	0.18	0.19
Home equity loans	0.49	0.65	0.35	0.35	0.38	0.30	0.76
Other 1-4 family residential	0.70	0.82	0.68	0.72	0.41	0.80	0.38
Commercial and industrial loans	0.71	0.88	0.59	0.62	0.57	0.79	0.65
Loans to individuals	0.48	0.42	0.34	0.22	0.31	1.11	0.29
Credit card loans	0.77	1.03	0.31	0.19	1.05	0.38	0.55
Other loans to individuals	0.47	0.40	0.34	0.22	0.25	1.12	0.28
All other loans and leases (including farm)	0.44	0.08	0.39	0.29	0.59	0.49	0.77
Total loans and leases	0.58	0.68	0.46	0.58	0.50	0.65	0.40
<b>Percent of Loans Charged-Off (net, YTD)</b>							
All loans secured by real estate	0.02	0.05	0.00	0.01	0.02	0.02	-0.01
Construction and development	0.01	0.06	-0.05	0.00	0.00	0.01	-0.05
Nonfarm nonresidential	0.04	0.08	0.02	0.04	0.04	0.03	0.00
Multifamily residential real estate	0.02	0.02	-0.01	0.00	0.06	0.03	0.00
Home equity loans	-0.01	-0.01	-0.04	-0.01	-0.01	0.04	0.00
Other 1-4 family residential	0.01	0.04	-0.01	-0.01	0.00	0.01	-0.01
Commercial and industrial loans	0.13	0.13	0.12	0.12	0.09	0.20	0.06
Loans to individuals	0.51	0.68	0.45	0.17	0.59	0.53	0.62
Credit card loans	3.73	3.38	0.80	1.08	7.04	1.26	1.35
Other loans to individuals	0.41	0.61	0.45	0.16	0.17	0.52	0.57
All other loans and leases (including farm)	0.10	0.04	0.20	0.09	0.06	0.12	0.29
Total loans and leases	0.06	0.09	0.05	0.04	0.06	0.08	0.04
<b>Loans Outstanding (in billions)</b>							
All loans secured by real estate	\$1,293.0	\$377.3	\$134.5	\$221.3	\$204.8	\$230.4	\$124.8
Construction and development	130.0	26.7	16.2	19.2	21.2	35.4	11.2
Nonfarm nonresidential	534.7	145.0	64.5	88.7	73.0	100.1	63.4
Multifamily residential real estate	123.4	57.3	6.7	22.6	14.0	9.2	13.6
Home equity loans	40.3	11.5	5.4	9.0	4.7	4.6	5.3
Other 1-4 family residential	385.6	134.5	37.3	63.8	56.1	66.7	27.2
Commercial and industrial loans	247.9	61.4	24.9	46.4	44.0	47.6	23.6
Loans to individuals	65.9	16.2	6.6	12.0	12.0	12.9	6.3
Credit card loans	2.2	0.4	0.1	0.2	0.8	0.2	0.4
Other loans to individuals	63.7	15.8	6.5	11.8	11.1	12.6	5.9
All other loans and leases (including farm)	97.9	16.1	4.2	19.8	33.8	16.6	7.4
Total loans and leases	1,704.7	471.0	170.1	299.5	294.6	307.4	162.2
<b>Memo: Unfunded Commitments (in millions)</b>							
Total Unfunded Commitments	397,960	96,498	36,207	72,209	77,161	72,138	43,747
Construction and development: 1-4 family residential	39,138	6,925	5,702	4,383	6,129	12,640	3,359
Construction and development: CRE and other	89,307	24,820	8,942	14,569	13,572	19,527	7,876
Commercial and industrial	123,608	30,683	10,015	26,074	22,335	20,592	13,909

\* See Table V-A for explanation.

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

## INSURANCE FUND INDICATORS

### Deposit Insurance Fund Increases by \$1.2 Billion

### Insured Deposits Grow by 1.6 Percent

### DIF Reserve Ratio Is Unchanged at 1.27 Percent

During the fourth quarter, the Deposit Insurance Fund (DIF) balance increased by \$1.2 billion to \$123.1 billion. Assessment income of \$2 billion drove the fund balance increase. Interest earned on investments of \$197 million and other miscellaneous income of \$47 million also added to the fund balance. Operating expenses of \$475 million, provisions for insurance losses of \$8 million, and unrealized losses on available-for-sale securities of \$536 million partially offset the increase in the fund balance. No insured institutions failed in the fourth quarter.

The deposit insurance assessment base—average consolidated total assets minus average tangible equity—rose by 2.8 percent in the fourth quarter and 9.5 percent over 12 months.<sup>1,2</sup> Total estimated insured deposits increased by 1.6 percent in the fourth quarter of 2021 and by 6.6 percent year over year. The DIF's reserve ratio (the fund balance as a percent of insured deposits) was 1.27 percent on December 31, 2021, unchanged from the previous quarter and 2 basis points lower than the previous year. The 12-month decline in the reserve ratio was entirely the result of continued elevated insured deposit growth.

The Federal Deposit Insurance Act (the FDI Act) requires a minimum reserve ratio for the DIF of 1.35 percent. If the reserve ratio falls below 1.35 percent, the FDIC has eight years to return the reserve ratio to 1.35 percent. During the first half of 2020, due solely to extraordinary insured deposit growth, the reserve ratio dropped to 1.30 percent as of June 30, 2020. Because the reserve ratio fell below its statutory required minimum, the FDIC Board adopted a Fund Restoration Plan in September 2020 and has been providing semiannual updates to its analysis and projections.<sup>3</sup>

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<sup>1</sup>There are additional adjustments to the assessment base for banker's banks and custodial banks.

<sup>2</sup>Figures for estimated insured deposits and the assessment base include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.

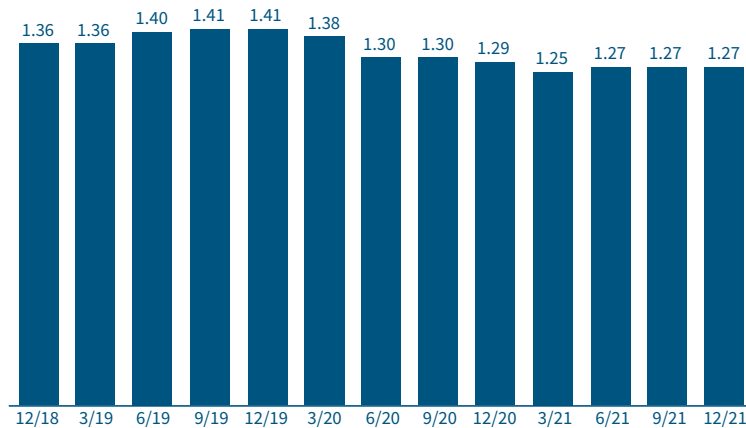
<sup>3</sup>See <https://www.fdic.gov/news/board-matters/2020/2020-09-15-notice-dis-a-fr.pdf>.

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

	Deposit Insurance Fund*													
	4th Quarter 2021	3rd Quarter 2021	2nd Quarter 2021	1st Quarter 2021	4th Quarter 2020	3rd Quarter 2020	2nd Quarter 2020	1st Quarter 2020	4th Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	1st Quarter 2019	4th Quarter 2018	
<i>(dollar figures in millions)</i>														
<b>Beginning Fund Balance</b>	\$121,935	\$120,547	\$119,362	\$117,897	\$116,434	\$114,651	\$113,206	\$110,347	\$108,940	\$107,446	\$104,870	\$102,609	\$100,204	
<b>Changes in Fund Balance:</b>														
Assessments earned	1,967	1,662	1,589	1,862	1,884	2,047	1,790	1,372	1,272	1,111	1,187	1,369	1,351	
Interest earned on investment securities	197	221	251	284	330	392	454	507	531	544	535	507	481	
Realized gain on sale of investments	0	0	0	0	0	0	0	0	0	0	0	0	0	
Operating expenses	475	448	466	454	470	451	465	460	460	443	459	434	453	
Provision for insurance losses	8	-53	-42	-57	-48	-74	-47	12	-88	-192	-610	-396	-236	
All other income, net of expenses	61	65	2	1	9	5	2	2	21	4	9	2	2	
Unrealized gain/(loss) on available-for-sale securities**	-536	-165	-233	-285	-338	-284	-383	1,450	-45	86	694	421	788	
<b>Total fund balance change</b>	<b>1,206</b>	<b>1,388</b>	<b>1,185</b>	<b>1,465</b>	<b>1,463</b>	<b>1,783</b>	<b>1,445</b>	<b>2,859</b>	<b>1,407</b>	<b>1,494</b>	<b>2,576</b>	<b>2,261</b>	<b>2,405</b>	
<b>Ending Fund Balance</b>	<b>123,141</b>	<b>121,935</b>	<b>120,547</b>	<b>119,362</b>	<b>117,897</b>	<b>116,434</b>	<b>114,651</b>	<b>113,206</b>	<b>110,347</b>	<b>108,940</b>	<b>107,446</b>	<b>104,870</b>	<b>102,609</b>	
Percent change from four quarters earlier	4.45	4.72	5.14	5.44	6.84	6.88	6.71	7.95	7.54	8.72	10.10	10.31	10.63	
<b>Reserve Ratio (%)</b>	<b>1.27</b>	<b>1.27</b>	<b>1.27</b>	<b>1.25</b>	<b>1.29</b>	<b>1.30</b>	<b>1.30</b>	<b>1.38</b>	<b>1.41</b>	<b>1.41</b>	<b>1.40</b>	<b>1.36</b>	<b>1.36</b>	
<b>Estimated Insured Deposits</b>	<b>9,729,408</b>	<b>9,580,694</b>	<b>9,490,290</b>	<b>9,513,987</b>	<b>9,123,046</b>	<b>8,924,313</b>	<b>8,839,109</b>	<b>8,181,190</b>	<b>7,824,835</b>	<b>7,744,445</b>	<b>7,695,179</b>	<b>7,699,035</b>	<b>7,522,972</b>	
Percent change from four quarters earlier	6.65	7.35	7.37	16.29	16.59	15.24	14.87	6.26	4.01	4.95	4.62	4.95	5.11	
<b>Domestic Deposits</b>	<b>18,236,831</b>	<b>17,676,691</b>	<b>17,203,234</b>	<b>16,980,316</b>	<b>16,339,026</b>	<b>15,716,702</b>	<b>15,563,637</b>	<b>14,351,881</b>	<b>13,262,843</b>	<b>13,020,253</b>	<b>12,788,773</b>	<b>12,725,363</b>	<b>12,659,406</b>	
Percent change from four quarters earlier	11.62	12.47	10.53	18.31	23.19	20.71	21.70	12.78	4.77	5.27	4.14	3.41	4.37	
<b>Assessment Base***</b>	<b>20,572,345</b>	<b>20,016,875</b>	<b>19,671,622</b>	<b>19,197,834</b>	<b>18,792,904</b>	<b>18,453,702</b>	<b>18,153,259</b>	<b>16,484,340</b>	<b>16,157,322</b>	<b>15,905,145</b>	<b>15,684,001</b>	<b>15,561,782</b>	<b>15,452,139</b>	
Percent change from four quarters earlier	9.47	8.47	8.36	16.46	16.31	16.02	15.74	5.93	4.56	4.44	3.77	3.27	3.01	
<b>Number of Institutions Reporting</b>	<b>4,848</b>	<b>4,923</b>	<b>4,960</b>	<b>4,987</b>	<b>5,011</b>	<b>5,042</b>	<b>5,075</b>	<b>5,125</b>	<b>5,186</b>	<b>5,267</b>	<b>5,312</b>	<b>5,371</b>	<b>5,415</b>	

**DIF Reserve Ratios**

Percent of Insured Deposits



**Deposit Insurance Fund Balance and Insured Deposits (\$ Millions)**

	DIF Balance	DIF-Insured Deposits
12/18	\$102,609	\$7,522,972
3/19	104,870	7,699,035
6/19	107,446	7,695,179
9/19	108,940	7,744,445
12/19	110,347	7,824,835
3/20	113,206	8,181,190
6/20	114,651	8,839,109
9/20	116,434	8,924,313
12/20	117,897	9,123,046
3/21	119,362	9,513,987
6/21	120,547	9,490,290
9/21	121,935	9,580,694
12/21	123,141	9,729,408

**Table II-C. Problem Institutions and Failed Institutions**

<i>(dollar figures in millions)</i>	2021	2020	2019	2018	2017	2016	2015
<b>Problem Institutions</b>							
Number of institutions	44	56	51	60	95	123	183
Total assets****	\$170,172	\$55,830	\$46,190	\$48,481	\$13,939	\$27,624	\$46,780
<b>Failed Institutions</b>							
Number of institutions	0	4	4	0	8	5	8
Total assets*****	\$0	\$455	\$209	\$0	\$5,082	\$277	\$6,706

\* Quarterly financial statement results are unaudited.  
 \*\* Includes unrealized postretirement benefit gain (loss).  
 \*\*\* Average consolidated total assets minus tangible equity, with adjustments for banker's banks and custodial banks.  
 \*\*\*\* Assets shown are what were on record as of the last day of the quarter.  
 \*\*\*\*\* Total assets are based on final Call Reports submitted by failed institutions.



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

<i>(dollar figures in millions)</i> December 31, 2021	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
<b>Commercial Banks and Savings Institutions</b>				
FDIC-Insured Commercial Banks	4,231	\$22,195,229	\$16,898,323	\$8,725,493
FDIC-Supervised	2,816	3,932,790	3,302,489	1,902,112
OCC-Supervised	747	14,740,620	10,946,478	5,636,046
Federal Reserve-Supervised	668	3,521,819	2,649,357	1,187,335
FDIC-Insured Savings Institutions	608	1,524,087	1,290,891	966,039
OCC-Supervised	266	626,717	509,526	409,771
FDIC-Supervised	306	403,659	322,665	239,574
Federal Reserve-Supervised	36	493,711	458,700	316,695
<b>Total Commercial Banks and Savings Institutions</b>	<b>4,839</b>	<b>23,719,316</b>	<b>18,189,214</b>	<b>9,691,532</b>
<b>Other FDIC-Insured Institutions</b>				
U.S. Branches of Foreign Banks	9	119,748	47,617	37,875
<b>Total FDIC-Insured Institutions</b>	<b>4,848</b>	<b>23,839,064</b>	<b>18,236,831</b>	<b>9,729,408</b>

\* Excludes \$1.5 trillion in foreign office deposits, which are not FDIC insured.

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

Quarter Ending September 30, 2021 *(dollar figures in billions)*

Annual Rate in Basis Points*	Number of Institutions	Percent of Total Institutions	Amount of Assessment Base	Percent of Total Assessment Base
1.50 - 3.00	2,934	59.6	\$8,370.2	41.82
3.01 - 6.00	1,441	29.3	10,991.0	54.91
6.01 - 10.00	459	9.3	555.4	2.77
10.01 - 15.00	35	0.7	85.4	0.43
15.01 - 20.00	53	1.1	14.7	0.07
20.01 - 25.00	1	0.0	0.2	0.00
>25.00	0	0.0	0.0	0.00

\* Beginning in the second quarter of 2011, the assessment base was changed to average consolidated total assets minus tangible equity, as required by the Dodd-Frank Act.

## Notes to Users

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

### Tables I-A through VIII-A.

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

### Tables I-B through VI-B.

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

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

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

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

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

The fourth step includes organizations that operate within a limited geographic scope. This limitation of scope is used as a proxy measure for a bank's relationship approach to banking. Banks that operate within a limited market area have more ease in managing relationships at a personal level. Under this step, four criteria are applied to each banking organization. They include both a minimum and maximum number of total banking offices, a maximum level of deposits for any one office, and location-based criteria. The limits on the number of and deposits per office are adjusted upward quarterly. For banking offices, banks must have

more than one office, and the maximum number of offices is 40 in 1985 and reached 87 in 2016. The maximum level of deposits for any one office is \$1.25 billion in deposits in 1985 and reached \$6.97 billion in deposits in 2016. The remaining geographic limitations are also based on maximums for the number of states (fixed at 3) and large metropolitan areas (fixed at 2) in which the organization maintains offices. Branch office data are based on the most recent data from the annual June 30 *Summary of Deposits Survey* that are available at the time of publication.

Finally, the definition establishes an asset-size limit, also adjusted upward quarterly and below which the limits on banking activities and geographic scope are waived. The asset-size limit is \$250 million in 1985 and reached \$1.39 billion in 2016. This final step acknowledges the fact that most of those small banks that are not excluded as specialty banks meet the requirements for banking activities and geographic limits in any event.

## Summary of FDIC Research Definition of Community Banking Organizations

Community banks are designated at the level of the banking organization.

(All charters under designated holding companies are considered community banking charters.)

**Exclude:** Any organization with:

- No loans or no core deposits
- Foreign Assets  $\geq$  10% of total assets
- More than 50% of assets in certain specialty banks, including:
  - credit card specialists
  - consumer nonbank banks<sup>1</sup>
  - industrial loan companies
  - trust companies
  - bankers' banks

**Include:** All remaining banking organizations with:

- Total assets < indexed size threshold<sup>2</sup>
- Total assets  $\geq$  indexed size threshold, where:
  - Loan to assets > 33%
  - Core deposits to assets > 50%
  - More than 1 office but no more than the indexed maximum number of offices.<sup>3</sup>
  - Number of large MSAs with offices  $\leq$  2
  - Number of states with offices  $\leq$  3
  - No single office with deposits > indexed maximum branch deposit size.<sup>4</sup>

### Tables I-C through IV-C.

A separate set of tables (Tables I-C through IV-C) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed institutions, estimated FDIC-

<sup>1</sup> Consumer nonbank banks are financial institutions with limited charters that can make commercial loans or take deposits, but not both.

<sup>2</sup> Asset size threshold indexed to equal \$250 million in 1985 and \$1.39 billion in 2016.

<sup>3</sup> Maximum number of offices indexed to equal 40 in 1985 and 87 in 2016.

<sup>4</sup> Maximum branch deposit size indexed to equal \$1.25 billion in 1985 and \$6.97 billion in 2016.

insured deposits, as well as assessment rate information. Depository institutions that are not insured by the FDIC through the DIF are not included in the *FDIC Quarterly Banking Profile*. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charters.

## DATA SOURCES

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

## COMPUTATION METHODOLOGY

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

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

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

## ACCOUNTING CHANGES

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

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

<https://www.fdic.gov/news/financial-institution-letters/2022/fil22003.html>

<https://www.fdic.gov/regulations/resources/call/call.html>

Further information on changes in financial statement presentation, income recognition and disclosure is available from the FASB. <http://www.fasb.org/jsp/FASB/Page/LandingPage&cid=1175805317350>.

## DEFINITIONS (in alphabetical order)

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

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

**Assessment base** – effective April 1, 2011, the deposit insurance assessment base changed to "average consolidated total assets minus average tangible equity" with an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank. Previously the assessment base was "assessable deposits" and consisted of deposits in banks' domestic offices with certain adjustments.

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

While risk categories for small institutions (except new institutions) were eliminated effective July 1, 2016, initial rates for small institutions are subject to minimums and maximums based on an institution's CAMELS composite rating. (Risk categories for large institutions were eliminated in 2011.)

The current assessment rate schedule became effective July 1, 2016. Under the current schedule, initial base assessment rates range from 3 to 30 basis points. An institution's total base assessment rate may differ from its initial rate due to three possible adjustments:

(1) Unsecured Debt Adjustment: An institution's rate may decrease

by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or 50 percent of an institution’s initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 3 basis points would have a maximum unsecured debt adjustment of 1.5 basis points and could not have a total base assessment rate lower than 1.5 basis points. (2) **Depository Institution Debt Adjustment:** For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution’s Tier 1 capital. (3) **Brokered Deposit Adjustment:** Rates for large institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits.

The assessment rate schedule effective July 1, 2016, is shown in the following table:

Total Base Assessment Rates*				
	Established Small Banks CAMELS Composite			Large and Highly Complex Institutions**
	1 or 2	3	4 or 5	
Initial Base Assessment Rate	3 to 16	6 to 30	16 to 30	3 to 30
Unsecured Debt Adjustment	-5 to 0	-5 to 0	-5 to 0	-5 to 0
Brokered Deposit Adjustment	N/A	N/A	N/A	0 to 10
Total Base Assessment Rate	1.5 to 16	3 to 30	11 to 30	1.5 to 40

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

\*\* Effective July 1, 2016, large institutions are also subject to temporary assessment surcharges in order to raise the reserve ratio from 1.15 percent to 1.35 percent. The surcharges amount to 4.5 basis points of a large institution’s assessment base (after making certain adjustments).

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

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

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

**Common equity Tier 1 capital ratio** – ratio of common equity Tier 1 capital to risk-weighted assets. Common equity Tier 1 capital includes common stock instruments and related surplus, retained earnings, accumulated other comprehensive income (AOCI), and limited amounts of common equity Tier 1 minority interest, minus applicable regulatory adjustments and deductions. Items that are

fully deducted from common equity Tier 1 capital include goodwill, other intangible assets (excluding mortgage servicing assets) and certain deferred tax assets; items that are subject to limits in common equity Tier 1 capital include mortgage servicing assets, eligible deferred tax assets, and certain significant investments. Beginning March 2020, this ratio does not include institutions that have a Community Bank Leverage Ratio election in effect at the report date.

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

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

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

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

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

**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). The Dodd–Frank Wall Street Reform and Consumer Protection Act enacted on July 21, 2010, made permanent the standard maximum deposit insurance amount (SMDIA) of \$250,000. Also, the Dodd–Frank Act amended the Federal Deposit Insurance Act to include noninterest-bearing transaction accounts as a new temporary deposit insurance account category. All funds held in noninterest-bearing transaction accounts were fully insured, without limit, from December 31, 2010, through December 31, 2012.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Small Business Lending Fund** – The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses by providing capital to qualified community institutions with assets of less than \$10 billion. The SBLF Program is administered by the U.S. Treasury Department (<https://home.treasury.gov/policy-issues/small-business-programs/small-business-lending-fund>).

Under the SBLF Program, the Treasury Department purchased noncumulative perpetual preferred stock from qualifying depository institutions and holding companies (other than Subchapter S and mutual institutions). When this stock has been issued by a depository institution, it is reported as “Perpetual preferred stock and related surplus.” For regulatory capital purposes, this noncumulative perpetual preferred stock qualifies as a component of Tier 1 capital. Qualifying Subchapter S corporations and mutual institutions issue unsecured subordinated debentures to the Treasury Department through the SBLF. Depository institutions that issued these debentures report them as “Subordinated notes and debentures.” For regulatory capital purposes, the debentures are eligible for inclusion in an institution’s Tier 2 capital in accordance with their primary federal regulator’s capital standards. To participate in the SBLF Program, an institution with outstanding securities issued to the Treasury Department under the Capital Purchase Program (CPP) was required to refinance or repay in full the CPP securities at the time of the SBLF funding. Any outstanding warrants that an institution issued to the Treasury Department under the CPP remain outstanding after the refinancing of the CPP stock through the SBLF Program unless the institution chooses to repurchase them.

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

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

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

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

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