First Quarter 2015
## Summary Table of Bank Structure and Conditions — First Quarter 2015

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Tristate</th>
<th>Large Banks</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Billions</td>
<td>% Change from</td>
<td>$ Billions</td>
<td>% Change from</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>2,112.0</td>
<td>15.82%</td>
<td>117.3</td>
<td>6.41%</td>
</tr>
<tr>
<td><strong>Total Loans</strong></td>
<td>1,376.2</td>
<td>15.71%</td>
<td>83.1</td>
<td>10.54%</td>
</tr>
<tr>
<td>C&amp;I</td>
<td>222.5</td>
<td>20.24%</td>
<td>11.1</td>
<td>13.18%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1,008.4</td>
<td>16.97%</td>
<td>63.9</td>
<td>7.65%</td>
</tr>
<tr>
<td>Consumer</td>
<td>56.3</td>
<td>-0.42%</td>
<td>3.1</td>
<td>6.70%</td>
</tr>
<tr>
<td><strong>Total Deposits</strong></td>
<td>1,748.7</td>
<td>16.88%</td>
<td>94.7</td>
<td>6.77%</td>
</tr>
<tr>
<td><strong>Ratios (in %)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income/Avg. Assets (ROAA)</td>
<td>0.99</td>
<td>0.97%</td>
<td>0.89</td>
<td>0.88%</td>
</tr>
<tr>
<td>Net Interest Inc./Avg. Assets (NIM)</td>
<td>3.35</td>
<td>3.36%</td>
<td>3.17</td>
<td>3.17%</td>
</tr>
<tr>
<td>Noninterest Inc./Avg. Assets</td>
<td>0.92</td>
<td>0.91%</td>
<td>1.22</td>
<td>1.22%</td>
</tr>
<tr>
<td>Noninterest Exp./Avg. Assets</td>
<td>2.92</td>
<td>2.94%</td>
<td>3.10</td>
<td>3.11%</td>
</tr>
<tr>
<td>Loans/Deposits</td>
<td>78.70</td>
<td>78.90%</td>
<td>87.72</td>
<td>86.96%</td>
</tr>
<tr>
<td>Equity/Assets</td>
<td>11.08</td>
<td>10.97%</td>
<td>10.47</td>
<td>10.19%</td>
</tr>
<tr>
<td>Nonperforming Loans/Total Loans</td>
<td>1.17</td>
<td>1.24%</td>
<td>1.15</td>
<td>1.23%</td>
</tr>
</tbody>
</table>

Source: Unless otherwise noted, all data are from Federal Financial Institutions Examination Council (FFIEC) Call Reports.

Notes: The data are adjusted for mergers. Quarterly percentage changes are compound annualized rates except where noted. Ratios are aggregates; that is, the numerators and denominators are summed across all banks in the group, then divided.

Large U.S. banks are defined as banking organizations such as bank holding companies that are ranked in the top 100 in banking assets as of December 31, 2014, including assets of only their commercial bank subsidiaries. Large banks typically operate in multiple regions. The number of large banks may exceed 100 if during the calendar year some banking organizations’ assets grow larger than those of the 100th largest bank at the beginning of the year.

A banking organization is an independent bank or all the banks within a highest-level bank holding company; however, banks less than five years old and special-purpose banks, such as credit card banks, are excluded.

Small tristate banks are defined as those located in the tristate area that were not in the top 100 in assets as of December 31, 2014. The tristate area consists of Pennsylvania, New Jersey, and Delaware.

Small U.S. banks are defined as those located outside the tristate area that were not in the top 100 in assets as of December 31, 2014, including assets of only their commercial bank subsidiaries. U.S. excludes tristate banks.

The sample includes 158 small tristate banks, 4,899 small U.S. banks, and 102 large U.S. banks.
Part I: Earnings Ratios
Chart 2
Net Interest Margin

Percent

Small banks – U.S.
Small banks – Tristate
Large banks

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Chart 3

Annual Growth of Quarterly Net Income

Percent

Large banks
Small banks – U.S.
Small banks – Tristate

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Part II: Annual Growth Rates
Chart 4

Annual Growth of Total Assets

Percent

0  1  2  3  4  5  6  7  8  9  10

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1

Small banks – Tristate
Small banks – U.S.
Large banks
Chart 5

Annual Growth of Total Loans

Percent

Small banks – Tristate
Small banks – U.S.
Large banks

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Chart 6

Annual Growth of Total Deposits

Percent

Large banks

Small banks – U.S.

Small banks – Tristate

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Part III: Asset Quality Ratios
Chart 7
Ratio of Nonperforming Loans to Total Loans

Large banks
Small banks – U.S.
Small banks – Tristate

Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.
Chart 8

Ratio of Nonperforming Assets to Total Assets

Note: Nonperforming assets consist of nonperforming loans plus other real estate owned (OREO).
Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.
Chart 10

**Commercial Real Estate NPL Ratio**

Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.
Chart 11
Commercial & Industrial NPL Ratio

Percent

- Large banks
- Small banks – Tristate
- Small banks – U.S.

Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.
Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.
Part IV: Loan Loss Provisioning and Reserves
Chart 13

Ratio of Loan Loss Reserves to Total Assets

Percent

Small banks – U.S.
Small banks – Tristate
Large banks

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Chart 14

Ratio of Net Charge-Offs to Loan Loss Provision

Percent

250
200
150
100
50
0

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1

Large banks
Small banks – U.S.
Small banks – Tristate

Large banks
Chart 15

Ratio of Loan Loss Provision to Operating Income

Large banks
Small banks – Tristate
Small banks – U.S.

Percent

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Chart 16
Loan Loss Coverage Ratio

Note: The loan loss coverage ratio is the ratio of loan loss reserves to nonperforming loans.
Part V: Capital Ratios
Chart 17

Ratio of Total Equity to Total Assets

- Large banks
- Small banks – U.S.
- Small banks – Tristate

Per cent

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Note: A bank’s tier one leverage ratio is calculated by dividing its tier one capital (the numerator of the ratio) by its average total consolidated assets (the denominator of the ratio). For a more detailed definition, see 12 CFR part 225, Appendix D.
Chart 19
Risk-Based Capital Ratios

Note: A bank’s risk-based capital ratio is calculated by dividing its qualifying capital (the numerator of the ratio) by its weighted risk assets (the denominator). For a more detailed definition, see 12 CFR part 225, Appendix A.
Part VI: Liquidity Ratios
Chart 20

Ratio of Total Loans to Total Deposits

Percent

Large banks

Small banks – Tristate

Small banks – U.S.

2014Q1 2014Q2 2014Q3 2014Q4 2015Q1
Chart 21
Ratio of Core Deposits to Total Deposits

Note: Core deposits are basically insured deposits minus brokered and foreign deposits. The FDIC insurance limit was raised from $100,000 to $250,000 in 2008. Brokered deposits are generally short-term deposits obtained through a third party from a depositor with no other relationship with the bank.
Note: Liquid assets include cash, central bank reserves, government securities, and other assets that can be converted to cash quickly if needed to meet a bank’s near-term obligations such as withdrawals by depositors.
Part VII: Market Conditions
Chart 23
Mortgage Delinquency and Foreclosure Rates

Source: Mortgage Bankers Association via Haver Analytics.
Questions and comments may be directed to James V. DiSalvo at 215-574-3820 or jim.disalvo@phil.frb.org.
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