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

<table>
<thead>
<tr>
<th></th>
<th>Small Banks</th>
<th></th>
<th>Large Banks</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S.</td>
<td>Tristate</td>
<td>U.S.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ Billions</td>
<td>% Change From</td>
<td>$ Billions</td>
<td>% Change From</td>
</tr>
<tr>
<td></td>
<td>2015Q4</td>
<td>2015Q3</td>
<td>2014Q4</td>
<td>2015Q4</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,140.1</td>
<td>9.46</td>
<td>8.73</td>
<td>124.3</td>
</tr>
<tr>
<td>Total Loans</td>
<td>1,434.9</td>
<td>10.73</td>
<td>11.90</td>
<td>90.1</td>
</tr>
<tr>
<td>C&amp;I</td>
<td>227.7</td>
<td>12.28</td>
<td>13.05</td>
<td>11.8</td>
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<tr>
<td>Real Estate</td>
<td>1,049.1</td>
<td>10.58</td>
<td>11.82</td>
<td>69.5</td>
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<tr>
<td>Consumer</td>
<td>59.6</td>
<td>7.11</td>
<td>7.09</td>
<td>3.2</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>1,763.5</td>
<td>9.24</td>
<td>8.22</td>
<td>99.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ratios (in %)</th>
<th>2015Q4</th>
<th>2015Q3</th>
<th>2014Q4</th>
<th>2015Q4</th>
<th>2015Q3</th>
<th>2014Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income/Avg.</td>
<td>1.02</td>
<td>1.00</td>
<td>0.97</td>
<td>0.88</td>
<td>0.90</td>
<td>0.88</td>
</tr>
<tr>
<td>(ROAA)</td>
<td></td>
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</tr>
<tr>
<td>Net Interest Inc.</td>
<td>3.32</td>
<td>3.34</td>
<td>3.35</td>
<td>3.13</td>
<td>3.16</td>
<td>3.17</td>
</tr>
<tr>
<td>(NIM)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noninterest Inc.</td>
<td>0.95</td>
<td>0.95</td>
<td>0.92</td>
<td>1.16</td>
<td>1.18</td>
<td>1.19</td>
</tr>
<tr>
<td>(Avg. Assets)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noninterest Exp.</td>
<td>2.88</td>
<td>2.92</td>
<td>2.95</td>
<td>3.02</td>
<td>3.04</td>
<td>3.09</td>
</tr>
<tr>
<td>(Avg. Assets)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans/Deposits</td>
<td>81.37</td>
<td>81.09</td>
<td>78.69</td>
<td>90.94</td>
<td>89.65</td>
<td>86.98</td>
</tr>
<tr>
<td>Equity/Assets</td>
<td>10.97</td>
<td>11.13</td>
<td>10.95</td>
<td>10.21</td>
<td>10.44</td>
<td>10.18</td>
</tr>
<tr>
<td>Nonperforming Loans/Total Loans</td>
<td>0.95</td>
<td>1.01</td>
<td>1.21</td>
<td>0.98</td>
<td>1.06</td>
<td>1.24</td>
</tr>
</tbody>
</table>

|                  | 2015Q4      | 2015Q3          | 2014Q4      | 2015Q4          | 2015Q3          | 2014Q4          |
|                  |             |                 |             |                 |                 |                 |
| Net Income/Avg.  | 0.98        | 0.98            | 0.94        | 1.63            | 1.64            | 1.67            |
| (ROAA)           |             |                 |             |                 |                 |                 |
| Net Interest Inc. | 2.39        | 2.46            | 2.48        | 1.63            | 1.64            | 1.67            |
| (NIM)            |             |                 |             |                 |                 |                 |
| Noninterest Inc. | 1.63        | 1.64            | 1.67        | 2.45            | 2.53            | 2.66            |
| (Avg. Assets)    |             |                 |             |                 |                 |                 |
| Noninterest Exp. | 2.45        | 2.53            | 2.66        | 11.11           | 11.15           | 10.91           |
| (Avg. Assets)    |             |                 |             |                 |                 |                 |
| Loans/Deposits   | 67.92       | 67.28           | 65.56       | 11.11           | 11.15           | 10.91           |
| Equity/Assets    |             |                 |             |                 |                 |                 |
| Nonperforming Loans/Total Loans | 1.68 | 1.73 | 2.12 | 1.68 | 1.73 | 2.12 |

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 based 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 based 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 152 small tristate banks, 4,727 small U.S. banks, and 103 large U.S. banks.
Part I: Earnings Ratios
CHART 1
Return on Average Assets

Small Banks – U.S.

Large Banks

Small Banks – Tristate

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
CHART 2
Net Interest Margin

Percent

Small Banks – U.S.
Small Banks – Tristate
Large Banks
CHART 3
Annual Growth of Quarterly Net Income

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

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
Part II: Annual Growth Rates
CHART 4
Annual Growth of Total Assets

Percent

Small Banks – U.S.
Small Banks – Tristate
Large Banks

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
CHART 5
Annual Growth of Total Loans

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Small Banks – U.S.
Small Banks – Tristate
Large Banks
CHART 6
Annual Growth of Total Deposits

Small Banks – U.S.
Small Banks – Tristate
Large Banks
Part III: Asset Quality Ratios
CHART 7
Nonperforming Loans as a Share of Total Loans

Percent

Large Banks
Small Banks – Tristate
Small Banks – U.S.

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
CHART 8
Nonperforming Assets as a Share of Total Assets

Percent

0.8 0.9 1.0 1.1 1.2 1.3

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Small Banks – U.S.
Small Banks – Tristate
Large Banks
CHART 9
Residential Real Estate Nonperforming Loan Ratio

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Large Banks

Small Banks – Tristate

Small Banks – U.S.
CHART 10
Commercial Real Estate Nonperforming Loan Ratio

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Small Banks – U.S.
Small Banks – Tristate
Large Banks
CHART 11
Commercial and Industrial Nonperforming Loan Ratio

Percent

Small Banks – Tristate

Small Banks – U.S.

Large Banks

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
CHART 12
Consumer Nonperforming Loan Ratio

Percent

Large Banks
Small Banks – U.S.
Small Banks – Tristate

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
Part IV: Loan Loss Provisioning and Reserves
CHART 13
Loan Loss Reserves as a Share of Total Assets

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Small Banks – U.S.
Small Banks – Tristate
Large Banks
CHART 14
Net Charge-Offs as a Share of Loan Loss Provisions

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Small Banks – Tristate
Small Banks – U.S.
Large Banks
CHART 15
Loan Loss Provision as a Share of Operating Income

Percent

Large Banks
Small Banks – Tristate
Small Banks – U.S.
Part V: Capital Ratios
CHART 17
Total Equity as a Share of Total Assets

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

Percent

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
CHART 18
Tier One Leverage Ratio

Percent

Small Banks – U.S.
Small Banks – Tristate
Large Banks

2014Q4  2015Q1  2015Q2  2015Q3  2015Q4
Part VI: Liquidity Ratios
CHART 20
Total Loans as a Share of Total Deposits

Percent

100
90
80
70
60
50

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4

Small Banks – Tristate
Small Banks – U.S.
Large Banks
CHART 21
Core Deposits as a Share of Total Deposits

Percent

Small Banks – U.S.
Small Banks – Tristate
Large Banks
CHART 22
Liquid Assets as Share of Total Assets

Percent

Large Banks
Small Banks – U.S.
Small Banks – Tristate

2014Q4 2015Q1 2015Q2 2015Q3 2015Q4
Part VII: Market Conditions
Sources: U.S. Census Bureau and National Association of Realtors, 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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