1-1-2006

The Changing Financial Structure of the Commercial Banking Industry (1992-2004)

Surendra K. Kaushik
Pace University

Raymond H. Lopez
Pace University

THE CHANGING FINANCIAL STRUCTURE OF THE COMMERCIAL BANKING INDUSTRY (1992-2004)

by

Surendra S. Kaushik, Ph.D.

and

Raymond H. Lopez, Ph.D.

Surendra K. Kaushik, is Professor of Finance, Lubin School of Business, Pace University.

Raymond H. Lopez, is Professor of Finance, Lubin School of Business, Pace University and Chairman of the Board of Directors of the Academic Federal Credit Union.

ACKNOWLEDGEMENTS

The authors wish to thank Jigar Shah, graduate assistant, for his data gathering efforts and Diana Powell Ward, editor, and Nicola Simpson, for the publication of this paper.

ABSTRACT

The consolidation trend experienced by the commercial banking industry over more than two decades has had a significant effect on the financial structure of these institutions. This study examines commercial bank balance sheets by various asset size institutions; identifies the changing patterns of assets, liabilities, and equity accounts for these banks. The most interesting findings have been the significant growth in residential real estate loans at larger banks, financed by relatively inexpensive money market deposits, and the fact that equity accounts of every asset category in these banks have expanded significantly, reflecting the growing financial strength of the industry.

INTRODUCTION

Dramatic changes in the scale, scope, and structure of the financial services industry have been observed over the last two decades. Deregulation legislation has affected the operational profile of every institution within the industry. The consolidation trend, first observed in the late 1970s, accelerated in the l980s, 1990s and in more recent years. Competition between industry segments as well as within them has steadily increased, as has the effects of global firms headquartered outside the U.S.

The prime objective of this study is to examine the financial statements of commercial banks since the early 1990s. How has the industry responded to the challenges of this period, in structuring their balance sheets? What product and service categories have banks chosen to meet the demands of a changing marketplace, as well as the requirements of their shareholders? Have the banks been successful at meeting competition in the marketplace?

The number of commercial banks has declined in each year over the past two decades. And the average asset size and structure of these banks has evolved in response to market forces and managerial strategies. Asset portfolios have been changing in response to changes in market demand as well as pressures from competing organizations (savings banks, credit unions, finance companies, etc.).

Commercial banks have also repositioned their financing structure between different liability categories as well as equity. In addition to these overall industry adjustments, there have been significant changes in the balance sheets of different size commercial banks. The analyses of these patterns of performance are the main focus of this research effort.

FINANCIAL SERVICES

Prior to the deregulation era of the last quarter century there were relatively clear lines of distinction between the products and services offered by institutions in the financial services marketplace. The largest participants, measured by either assets or operating income, were commercial banks whose prime focus was making commercial loans to individuals or businesses, while financing those operations with checkable deposits. Mutual savings banks as well as savings and loan associations offered pass book savings accounts and certificates of deposit while holding asset portfolios primarily composed of residential mortgage loans.

Captive finance subsidiaries of manufacturing or service corporations (General Electric Credit Corporation, Ford Motor Credit, General Motors Acceptance Corporation, etc.) made commercial loans to support the sales efforts of their parent corporations. Finance companies, such as Household Finance and Beneficial Finance, made consumer loans and installment loans at times to more risky borrowers at higher rates than would be made or charged by banks. Credit unions (financial cooperatives) offered share savings accounts on which dividends were paid, using these funds to make consumer installment loans to their members.

Branching out further, insurance companies sold policies covering health and accident and casualty losses in return for premiums made periodically. Investment bankers and brokerage firms provided services to firms needing financing as well as portfolio services to a wide variety of investors.

Over the last three decades, the relatively unique characteristics and distinctions of these institutions have blurred. From a rather narrow market focus participants in each of the above-mentioned categories has expanded and diversified their product and service portfolios of offerings to lenders, borrowers, and investors. Much of this diversification strategy has been followed by firms (both public and private) in order to reduce risk and enhance shareholder values.

Simultaneously, these firms as well as money market mutual funds and mutual fund families were quite creative in developing and providing new savings and investment instruments. They advertised and marketed these products nationwide within in the U.S. and to rapidly expanding global markets. Repeal of the Glass-Steagall Act in 1999 was the final legislative act that allowed for the creation of the first "one–stop" financial services institution.

Interestingly, in the last two years, we have seen some of the most diversified financial institutions, which were first to achieve the "one-stop" status, retreat somewhat from that position. The sale of its insurance business in 2004-2005 by Citigroup may have been the beginning of a rationalization trend, where firms realize that some parts of their "financial supermarkets" are best left to specialists. The next few years are likely to clarify this story (1).

INDUSTRY CONSOLIDATION & ENHANCED COMPETITIVENESS

There was a sizeable decline in the operation of commercial banks in the United States over the last two decades. In 1992, 11,462 commercial banks were fully operated, but at the end of 2004, the number had dropped to 7,630 banks. More than half of this decline occurred in the smallest asset category, banks with assets under $100 million. While a small number of these banks stopped business operation, some chose either to merge or sell out to larger organizations.

Within the industry, asset growth has been greatest in the largest banks, those with assets exceeding $10 billion. Their assets have expanded from $l,445 trillion in 1992 to $6,297 trillion in 2004, an increase of 335.7 percent. In contrast, the under $100 million asset banks experienced a 45.4 percent decline in total assts, from $346 million in 1992 to only $189 million in 2004. All other groups experienced asset expansion, except for a small 6.0 percent decline in the $1 to 10 billion category.

The growth of large commercial banks (over $1 billion in assets) has been facilitated by the creation of bank holding companies (BHCs). In 1990, the 50 largest BHCs held 55.3 percent of industry assets. By 1999 it was 68.1 percent and in recent years the figure has exceeded 70 percent. Mergers have been responsible for this trend. Of the 50 largest BHCs in 1990, only 23 were "transferred" to the 223 surviving institutions (2).

It should also be remembered that some of the asset growth in the BHCs has come from their global expansion. Some of the largest banks have expanded around the world by purchasing all or part of banks in Asia, South America, and Europe.

Rapid technological innovation has also continued to depend on the viability and profitability of the BHCs. Larger organizations are better able to afford the investments needed to develop transaction and distribution networks such as ATMs and on-line banking operations. They benefit from economics of scale and scope by averaging large information technology investments across a broad spectrum of products and customers in their asset portfolios. The results are informational advantages and enhanced cross-selling opportunities in every segment of their global business (3).

Another evolving characteristic of the movement to larger commercial banking organizations has been a more diversified portfolio of assets that results in reduced cyclicality of operating performance. Commercial bank profits have been growing steadily through the 1990s and the early years of the 21st century. Problem loans have been reduced and larger proportions of operating income streams are being generated by non-interest sources (fees, etc.)

The largest banks have been in the forefront of these trends and patterns of performance. In addition, improved risk management has also contributed to enhanced operating efficiency and bank profitability. Asset securitization, loan syndication, and hedging via derivative instruments have also reduced risk on bank balance sheets and resulted in enhanced valuations for shareholders.

DATA PRESENTATION AND ANALYSIS

The data tables prepared for this study examines the charging structure of commercial bank balance sheets by asset size for the 1992 through 2004 time period. The asset profiles of commercial banks are presented in absolute dollars, followed by percentage of total asset data for all banks, and (Tables 1 through 7) each of six asset size bank categories. The percentage change for each of these asset categories is summarized in Table 15. A similar format is presented for major liability and equity categories (Tables 8 through 14) with percentage change summaries in Table 16.

COMMERCIAL BANK ASSETS–ENTIRE INDUSTRY (Table 1 & 1.1)

Every major asset category has shown growth and expansion over the last 13 years. The smallest growth has been in the cash account, not surprisingly because this is generally the lowest yielding asset on the books.

Commercial loans have also grown, but in relative terms their position has deteriorated significantly. Competition from the commercial paper market for short-term sources of funds in the corporate sector has taken its toll on the industry. These loans had grown each year from 1992 through 2000, but declined in each of the next three years by a total of just over 17 percent. In 2004, with a strengthening economy, they bounced back by 4.5 percent (Table 1).

The overall story of the industry has been growth in residential real estate loans and the "other loans" category. Both have expanded by more than 200 percent in the last 13 years and clearly show a major strategic shift in industry asset holdings. They represented 30.5 percent and 25.1 percent, respectfully of total industry assets in 2004, up from 24 percent and 18.4 percent in 1992. Also significant is the fact that each of these asset categories has grown in each year of the analysis period, with accelerating expansion in the last few years. With commercial real estate loans growing by over 180 percent in the data period, the evolving focus of the industry is clearly observed (Table 1.1).

Asset Group - Under $100 Million

The number of commercial banks in this asset category has declined consistently throughout our data period. Interestingly, the individual loan category has shown the largest decline of any asset, 61.6 percent over the 13 year period, followed closely by a 59.7 percent decline in securities holdings (Table 2). In the real estate category, resident loans contract by almost 42 percent, yet commercial loans were quite steady, declining only 4.5 percent. Non-real estate commercial loans suffered a 38 percent drop, while "other loans" declined 52.5 percent. There seems to be no question that this smallest of bank asset categories is rapidly declining in size and scope as the industry grows (Table 2.1).

Asset Group - $100-$300 Million

These banks have actually seen their total assets grow 22 percent (Table 3). There has been a greater divergence in the percentage variations in asset categories than the previous asset category. These banks seemed to excel at making farm loans, which expanded by almost 183 percent, though they are still the smallest assist category, at 2.94 percent in 2004. Commercial real estate loans grew almost 151 percent in the data period and were 28.3 percent of total assets in 2004, up from only 13.8 percent in 1992. Security holdings were 31.4 percent in 1992 and declined in both absolute dollars and relative position, to 22.5 percent of assets in 2004. While commercial loans held steady in relative terms, individual loans declined significantly, from 9.8 percent of assets to only 5.1 percent.

Asset Group - $300-$500 Million

Total assets for these banks expanded by 63.6 percent over the data period, with farm loans growing the fastest of any asset category, 354.7 percent (Table 4). Yet they were the smallest asset category, increasing from .7 percent of assets to only 1.86 percent over these years. Commercial real estate loans drove these banks' portfolio expansions, increasing 249.1 percent and growing from 14.6 percent of total assets to 31.1 percent. None of the other loan categories grew in relative terms, while the weakest asset performance was seen in the significant absolute decline in individual loans. Without the strength of real estate lending, these banks would probably have seen their total assets decline over the period.

Asset Group - $500 Million to $1 Billion

Assets of these banks grew a bit slower, at 56.4 percent, than the previous group. Once again, farm loans showed the strongest growth, up 359.1 percent, but were also the smallest asset category (Table 5). From .43 cent in 1992 they expanded to only 1.3 percent in 2004 (Table 5.1).

Commercial real estate loans showed a very strong performance, growing by 257.9 percent, to become the largest asset category in 2004, at 30.4 percent. Securities holding held up relatively well, declining from 25.7 percent of assets to 22.2 percent. The weakest category was loans to individuals, which declined by 37.2 percent over the data period, representing only 5.5 percent of bank assets in 2004.

Asset Group - $1 to 10 Billion

Interestingly this is the only asset group other than the under $100 million asset category where assets actually declined over the years, by a small 5.9 percent (Table 6). The smallest asset category, farm loans, experienced the largest increase over the period, 183.1 percent. Real estate loans, both residential and commercial also increased, but not enough to compensate for a decline of 54.2 percent in individual loans, 23.6 percent in other loans, and 23 percent in commercial loans.

Commercial real estate loans in 2004 were the largest asset category, 23.2 percent, followed by securities holdings at 22.9 percent (Table 6.1). Every other asset category except farm loans declined in relative performance over the period. There seemed to be a bit more volatility in some asset categories, suggesting that merger deals could have affected these totals from year to year. For example, the sale of one or two large banks could put downward pressure on group assets, while mergers of small banks could bring more assets into the category.

Asset Group - Above $10 Billion

There is no doubt from data in Tables 7 and 7.1 that these banks have dominated changing asset holdings like no other category. In every asset group, growth over the data period was higher than for any other asset banks. Total assets expanded by 335.7 percent, led by strong growth in the two real estate loan categories, residential up 330.9 percent. Individual loans grew 486.1 percent and farm loans expanded by 466.1 percent.

The "other loan" category is now the largest component of this above $10 billion category, making up 3.02 percent of bank assets. This is even larger than the combined real estate category, which reached 25.8 percent of assets in 2004.

When looking at the largest banks data in comparison to the entire commercial banking industry, it is quite clear that they have had the greatest impact on the growth and composition of asset structure. The consolidation trend of the last two decades and the growth of bank holding companies (BHCs) have contributed to these trends and patterns of performance. It seems quite likely that, coupled with the growing control of bank assets outside the United States, these BHCs will continue to dominate bank asset growth as well as the composition of bank asset portfolios.

COMMERCIAL BANK LIABILITIES AND EQUITY ENTIRE INDUSTRY (Table 8 & 8.1)

Over the 13 years of this study, money market deposits accounts (MMDAs) grew most rapidly, at almost 316 percent, to become the third largest category on the liability and equity side of commercial bank balance sheets. The largest category in 2004 was "other liabilities," followed closely by "Other Non-Transaction Accounts." The second fastest growing category was equity, which expanded from 7.5 percent of total assets in 1992 to 10.1 percent in 2004. This growth was quite steady and reflects the determined efforts of industry management to reduce risks and strengthen their balance sheets, after the difficult period of the late 1980s.

Liabilities and Equity Group - Under $100 Million

As the liabilities and equity of these banks declined by 45.4 percent, almost every item contributed to this weakness (Table 9). Other "non transaction accounts" declined by 49.9 percent, money market deposits by 47.5 percent, and transition accounts by 45.9 percent. Only "Other Liabilities" grew by 64.8 percent.

The largest financing source has been "other non transaction accounts," 51 percent in 1992 to 46.8 percent in 2004 (Table 9.1), followed by transaction accounts, quite stable at 24 to 26 percent of totals. The equity accounts have consistently been higher than the industry average, by 1.8 percentage points in 1992. By 2004, this gap had declined marginally to approximately 1.4 percentage points; 10.11 percent for all banks, compared with 11.52 percent for these smaller banks.

Liabilities and Equity Group - $100 to $300 Million

The banks in this group experienced growth in every financing source category, from a 231.5 percent increase in “other liabilities” to 14.4 percent in “other non transaction accounts” (Table 10). Equity expanded strongly by 45.1 percent. From 8.5 percent of total assets in 1992, this account expanded fairly steadily to 10.1 percent in 2004 (Table 10.1).

Liabilities and Equity Group - $300-500 Million

Growth in total liabilities and equity expanded by 63.6 percent - significantly more than the 21.6 percent for the $100-$300 million group (Table 11). “Other non-transition accounts,” the largest financing source (45.8 percent in 2004) grew at almost the same rate as the totals, 62.4 percent. Money market deposit accounts expanded by 93.4 percent, almost equal to the equity growth of 94.7 percent. In 2004, equity was at 9.6 percent of total assets, up from 8.1 percent in 1992 (Table 11.1).

Liabilities and Equity Group - $500 Million to $1 Billion

With the growth of these banks, “other liabilities” expanded by more than 154 percent in the last 13 years, almost three times as fast as assets. Money market deposit accounts more than doubled, to help support expansion of these banks (Table 12). The largest source of financing by these banks has been the “other non transition accounts,” over 44 percent of assets in 2004. (Table 12.1) Although a relatively expensive source of funds, the equity percentage has grown modestly from 7.75 percent in 1992 to 10.2 percent in 2004. This has contributed to the financial strength of banks in this asset category.

Liabilities and Equity Group - $1 to $10 Billion

It is interesting to note some general patterns of financing and asset growth in this bank asset group. The dynamic changes in this asset category seem to have changed the direction of some of the major financing sources.

The first interesting statistic for these banks is their overall decline in total liabilities and equity. Although the decline is only slightly under 6 percent for the entire 13 year period, the low was in the year 2000. Since that time, there has been an annual expansion in the group.

Money market deposit accounts have expanded 52 percent in absolute dollars (Table 13) and their relative position from 14.5 percent in 1992 to 23.5 percent in 2004. Equity and “other liabilities” produced growth rates of 33.9 percent and 42 percent, respectively. In contrast, transaction accounts declined by 61.5 percent, while federal funds dropped by 21.3 percent. These changes, unlike most other groups, were much more volatile over the period. Many trends seem to have changed direction between 1998 and 2001.

Liabilities and Equity Group - $10 Billion Plus

One quick look at Table 14 in relation to Table 8 (entire industry data) shows that the largest bank group has driven every pattern and trend in the evolving structure of commercial bank balance sheets. Asset growth of almost 336 percent has been driven primarily by money market accounts, up 759 percent "other liabilities" by 347 percent, and "other non transaction accounts" by 308 percent.

A strong performance was generated by a 555 percent expansion in equity, from 6.62 percent of assets in 1992 to 9.95 percent in 2004 (Table 14.1). While both of these percentages were lower than the industry number for those same years, it shows that these large banks generally used relatively expensive equity more prudently than the rest of the commercial banks. Their use of lower cost financing sources has contributed to their growing strength and relative position in the industry. The last two columns of data in Tables 15 and 16 summarize the impact of the $10 billion plus asset banks on industry balance sheets.

CONCLUSIONS

From 1992 to 2004, the consolidation trend in the commercial banking industry has had a significant effect on the composition of their balance sheets. Led by the absolute and relative growth and importance of the nation's largest banks, asset growth has been observed primarily in residential real estate loans and the "other loan" categories. In contrast, security investments, as well as commercial loans and individual loans, have grown in absolute dollars but declined as a percent of total assets.

Financing of these changing asset holdings has also exhibited some significant changes of this time period. Money market deposit accounts have shown the greatest absolute and relative growth, soaring almost 316 percent compared with asset growth of 140 percent. As of 2004, they were almost as large as the "other non-transaction accounts" category. While equity is the most costly source of funds on the balance sheet, the industry expanded this account significantly, from 7.5 percent of assets in 1992 to 10.1 percent in 2004. This performance, along with more diversified asset portfolios, has contributed to a decline in the investor risk profile of the industry.

Commercial banks, led by the largest bank holding companies, have been continually expanding operations, both domestically and on a global scale. Consolidation is likely to continue, with growth in size and performance expected to be strongest in the largest bank category over the next few years. While the performance of some large banks has slipped in the last few years (Citigroup, J.P. Morgan, Chase), these problems are being addressed by management, with enhanced efficiencies and performance expected to be achieved in a reasonable time frame. The investment marketplace still places a less than market multiple on many of these banks, so that stock market performance must come from profit and cash flow growth. If valuations can be increased incrementally over the next few years, investor reforms will be enhanced to an even greater extent. It will be interesting to observe patterns over time.

ENDNOTES

1. Lopez, Raymond H., and Surendra K. Kaushik. 2005. "Consolidation of the Commercial Banking Industry; Will the Past Be Prologue?" *Business Journal* (Fall/Spring): 48-57.

2. Stiroh, Kevin J., and Jennifer P. Poole. 2000. "Explaining the Rising Concentration of Banking Assets in the 1990s," *Current Issues in Economics and Finance*, Federal Review Bank of New York 6, no. 9, (August).

3. DeYoung, Robert. 2000. "Mergers and the Changing Landscape of Commercial Banking (Part II)," *Chicago Fed Letter*, Federal Reserve Bank of Chicago 150, (February 2000).

BIBLIOGRAPHY

Akhavein, Jalal D., Allen N. Berger and David B. Humphrey. "The Effects of Mega Mergers on Efficiency and Prices: Evidence from a Bank Profit Function," *Review of Industrial Organization* 12 (1997): 95-139.

Berger, Allen N., and Loretta J. Mester. "Inside the Black Box: What Explains Differences in the Efficiencies of Financial Institutions?" *Journal of Banking and Finance* 21, no. 7 (July 1997): 895–947.

Berger, Allen N., Rebecca S. Dunsetz, and Philip E. Strahan. "Consolidation of the Financial Services Industry: Courses, Consequences and Implications for the Future," *Journal of Banking and Finance* 23, no. 2-4 (1999): 135–194.

Carlson, Mark, and Roberto Perli. "Profit and Balance Sheet Developments at U.S. Commercial Banks in 2002," *Federal Reserve Bulletin* (June 2003): 243–270.

DeYoung, Robert. "Merger and the Changing Landscape of Commercial Banking (Part II)," *Chicago Fed Letter,* Federal Reserve Bank of Chicago, no. 150 (February 2000).

Dunsetz, Rebecca S., and Philip E. Strahan. "Historical Patterns and Percent Changes in the Relationship between Bank Holding Company Size and Risk," *Economic Policy Review*, Federal Resume Bank of New York (July 1995): 13–26.

English, William B. "Financial Consolidation and Monetary Policy," *Economic Policy Review*, Federal Reserve Bank of New York (May 2002): 271–284.

Ennis, Huberto M. "On the Size Distribution of Banks," *Economic Quarterly*, Federal Reserve Bank of Richmond 874 (Fall 2001):1–25.

Ennis, Huberto M. "Some Present Trends in Commercial Banking," *Economic Quarterly,* Federal Reserve Bank of Richmond 90, no. 2 (Spring 2004): 41–61.

Gilbert, R. Alton, and Gregory E. Sierra. "The Financial Condition of U.S. Banks: How Different Are Community Banks?" *Review*, Federal Reserve Bank of St. Louis, (January/February 2003): 43–56.

Gunther, Jeffrey W., and Robert R. Moon. "Small Bank's Competition Loom Large," *Southwest Economy*, Federal Reserve Bank of Dallas, Issue 1 (January/February 2004).

Hein, Scott E., Timothy W. Koch and S. Scott MacDonald. "On the Uniqueness of Community Banks," *Economic Review*, Federal Reserve Bank of Atlanta (First Quarter 2005): 15–36.

Hughes, Joseph P, William Lang, Loretta J. Mester, and Choon-Geol Moon. "The Dollars and Sense of Bank Consolidation," *Journal of Banking and Finance* 23 (1999).

Keeton, William. George A. Kahn, Linda Schroeder, and Stuart Weiner. "The Role of Community Banks in the U.S. Economy," *Economic Review*, Federal Reserve Bank of Kansas City 88, no. 2 (Second Quarter 2003): 15–43.

Kwan, Simon. "Banking Consolidation," *FRBSF Economic Letter*, Federal Reserve Bank of San Francisco, no.15 (June 18, 2004).

Lopez, Jose A. "The Current Strength of the U.S. Banking Sector," *FRBSF Economic Letter*, Federal Reserve Bank of San Francisco, nos. 2003,-37 (December 19, 2003).

Lopez, Raymond H., and Surendra K. Kaushik. "Consolidation of the Commercial Banking Industry; Will the Past Be Prologue?" *Business Journal* (Fall/Spring 2005): 48–57.

Stiroh, Kevin J., and Jennifer Poole. "Explaining the Rising Concentration of Banking Assets in the 1990s," *Current Issues in Economics and Finance*, Federal Reserve Bank of New York 6, no. 9 (August 2000).

EXHIBITS

Table 1
Asset Profile Structure of All Commercial Banks

Year	Cash	Securities	Real Estate	Real Estate	Farm	Commercial	Individual	Other	Total Assets
			Residential Loans	Commercial Loans	Loans	Loans	Loans	Loans	
2004	387.53	1,551.26	1,570.02	1,001.70	44.60	908.49	838.98	2,110.27	8,412.84
2003	387.44	1,456.31	1,358.34	874.94	40.70	869.35	770.35	1,843.71	7,601.14
2002	383.85	1,334.83	1,232.36	801.51	38.07	910.81	703.75	1,671.41	7,076.58
2001	390.34	1,172.54	1,029.10	734.43	35.53	981.13	629.41	1,579.93	6,552.42
2000	369.93	1,078.98	978.13	663.16	34.10	1,051.99	606.69	1,462.57	6,245.56
1999	366.46	1,046.54	892.61	585.17	31.90	969.26	558.50	1,284.71	5,735.13
1998	356.70	989.87	808.59	506.36	29.10	898.56	571.04	1,282.38	5,442.60
1997	355.15	871.88	759.99	456.84	27.07	795.00	565.03	1,187.57	5,018.53
1996	335.99	800.65	693.58	417.35	24.96	709.60	562.29	1,033.90	4,578.32
1995	306.52	810.87	661.78	391.14	23.91	661.42	535.35	921.70	4,312.67
1994	303.55	823.02	628.26	342.99	22.65	589.09	487.10	813.86	4,010.51
1993	272.96	836.71	545.56	355.06	20.94	538.57	419.05	717.32	3,706.16
1992	298.08	772.94	490.71	356.35	19.95	536.13	385.30	646.21	3,505.66
13 Year									
Change	30.01%	100.70%	219.95%	181.10%	123.55%	69.45%	117.74%	226.56%	139.98%

Note : Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 1.1
Asset Profile Structure of All Commercial Banks
(In Percents)

Year	Cash	Securities	Real Estate	Real Estate	Farm	Commercial	Individual	Other	Total Assets
			Residential Loans	Commercial Loans	Loans	Loans	Loans	Loans	
2004	4.61%	18.44%	18.66%	11.91%	0.53%	10.80%	9.97%	25.08%	100.00%
2003	5.10%	19.16%	17.87%	11.51%	0.54%	11.44%	10.13%	24.26%	100.00%
2002	5.42%	18.86%	17.41%	11.33%	0.54%	12.87%	9.94%	23.62%	100.00%
2001	5.96%	17.89%	15.71%	11.21%	0.54%	14.97%	9.61%	24.11%	100.00%
2000	5.92%	17.28%	15.66%	10.62%	0.55%	16.84%	9.71%	23.42%	100.00%
1999	6.39%	18.25%	15.56%	10.20%	0.56%	16.90%	9.74%	22.40%	100.00%
1998	6.55%	18.19%	14.86%	9.30%	0.53%	16.51%	10.49%	23.56%	100.00%
1997	7.08%	17.37%	15.14%	9.10%	0.54%	15.84%	11.26%	23.66%	100.00%
1996	7.34%	17.49%	15.15%	9.12%	0.55%	15.50%	12.28%	22.58%	100.00%
1995	7.11%	18.80%	15.34%	9.07%	0.55%	15.34%	12.41%	21.37%	100.00%
1994	7.57%	20.52%	15.67%	8.55%	0.56%	14.69%	12.15%	20.29%	100.00%
1993	7.37%	22.58%	14.72%	9.58%	0.57%	14.53%	11.31%	19.35%	100.00%
1992	8.50%	22.05%	14.00%	10.16%	0.57%	15.29%	10.99%	18.43%	100.00%

Source: Table 1

Table 2
Asset Profile Structure of Commercial Banks with Assets Under $100 Million

Year	Cash	Securities	Real Estate	Real Estate	Farm	Commercial	Individual	Other	Total Assets
			Residential Loans	Commercial Loans	Loans	Loans	Loans	Loans	
2004	10.01	46.77	32.51	40.73	9.94	18.55	11.53	19.02	189.05
2003	11.96	50.13	34.17	41.14	9.98	19.88	13.01	20.54	200.81
2002	12.66	50.66	36.81	40.89	10.04	21.65	14.76	23.88	211.35
2001	12.67	53.20	38.86	40.64	9.98	23.24	16.88	26.19	221.65
2000	11.61	58.69	41.46	40.11	10.29	24.50	19.19	25.10	230.95
1999	13.71	65.17	42.35	40.61	10.70	24.70	20.26	24.97	242.47
1998	14.02	67.11	42.82	38.59	10.43	24.45	21.11	33.80	252.32
1997	13.84	73.84	48.17	40.23	10.59	25.80	23.64	31.73	267.84
1996	14.87	83.09	49.03	40.78	10.52	26.24	24.71	30.82	280.04
1995	15.76	91.11	50.94	41.70	10.63	27.24	26.23	34.28	297.89
1994	16.88	103.46	54.24	43.94	10.88	27.92	27.91	30.71	315.93
1993	19.07	113.05	55.12	43.38	10.57	28.67	28.60	36.64	335.09
1992	21.60	115.94	55.75	42.62	10.16	29.89	30.03	40.04	346.03
13 Year									
Change	-53.66%	-59.66%	-41.68%	-4.45%	-2.17%	-37.96%	-61.61%	-52.50%	-45.37%

Note : Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 2.1
Asset Profile Structure of Commercial Banks with Assets Under $100 Million
(In Percents)

Year	Cash	Securities	Real Estate	Real Estate	Farm	Commercial	Individual	Other	Total Assets
			Residential Loans	Commercial Loans	Loans	Loans	Loans	Loans	
2004	5.29%	24.74%	17.20%	21.54%	5.26%	9.81%	6.10%	10.06%	100.00%
2003	5.96%	24.96%	17.02%	20.49%	4.97%	9.90%	6.48%	10.23%	100.00%
2002	5.99%	23.97%	17.42%	19.35%	4.75%	10.24%	6.99%	11.30%	100.00%
2001	5.72%	24.00%	17.53%	18.34%	4.50%	10.49%	7.61%	11.82%	100.00%
2000	5.03%	25.41%	17.95%	17.37%	4.46%	10.61%	8.31%	10.87%	100.00%
1999	5.65%	26.88%	17.46%	16.75%	4.41%	10.19%	8.36%	10.30%	100.00%
1998	5.56%	26.60%	16.97%	15.29%	4.13%	9.69%	8.36%	13.39%	100.00%
1997	5.17%	27.57%	17.98%	15.02%	3.96%	9.63%	8.82%	11.85%	100.00%
1996	5.31%	29.67%	17.51%	14.56%	3.76%	9.37%	8.82%	11.00%	100.00%
1995	5.29%	30.59%	17.10%	14.00%	3.57%	9.14%	8.81%	11.51%	100.00%
1994	5.34%	32.75%	17.17%	13.91%	3.44%	8.84%	8.83%	9.72%	100.00%
1993	5.69%	33.74%	16.45%	12.95%	3.16%	8.56%	8.53%	10.93%	100.00%
1992	6.24%	33.51%	16.11%	12.32%	2.94%	8.64%	8.68%	11.57%	100.00%

Source: Table 2

Table 3
Asset Profile Structure of Commercial Banks with Assets from $100-300 Millions

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	16.89	96.09	82.69	121.11	12.57	44.16	21.61	32.44	427.56
2003	19.56	100.37	79.04	110.50	11.53	43.47	23.67	32.47	420.61
2002	20.22	95.43	79.52	99.29	10.54	43.57	25.50	35.43	409.50
2001	19.34	90.58	78.77	90.28	9.25	44.25	27.90	36.49	396.86
2000	17.57	93.46	79.86	85.13	9.02	45.58	29.76	30.92	391.30
1999	18.40	97.50	75.69	77.64	8.46	43.24	30.18	28.93	380.03
1998	18.14	100.98	73.51	69.40	7.67	40.18	30.73	36.71	377.33
1997	17.88	99.04	73.67	66.28	7.01	39.12	31.99	31.94	366.93
1996	18.11	102.53	71.74	62.81	6.43	38.87	34.85	30.52	365.86
1995	18.15	104.45	68.63	59.10	5.88	36.76	35.25	32.33	360.56
1994	17.78	108.33	67.89	55.68	5.34	35.29	35.37	26.42	352.10
1993	17.15	112.96	65.64	50.62	4.79	34.23	34.11	30.38	349.88
1992	18.89	110.02	64.93	48.27	4.44	35.26	34.23	34.84	350.89
13 Year Change	-10.60%	-12.66%	27.35%	150.88%	182.92%	25.25%	-36.87%	-6.90%	21.85%

Note : Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 3.1
Asset Profile Structure of Commercial Banks with Assets from $100--300 Millions
(In Percents)

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	3.95%	22.47%	19.34%	28.33%	2.94%	10.33%	5.05%	7.59%	100.00%
2003	4.65%	23.86%	18.79%	26.27%	2.74%	10.34%	5.63%	7.72%	100.00%
2002	4.94%	23.30%	19.42%	24.25%	2.57%	10.64%	6.23%	8.65%	100.00%
2001	4.87%	22.82%	19.85%	22.75%	2.33%	11.15%	7.03%	9.20%	100.00%
2000	4.49%	23.89%	20.41%	21.76%	2.30%	11.65%	7.61%	7.90%	100.00%
1999	4.84%	25.66%	19.92%	20.43%	2.23%	11.38%	7.94%	7.61%	100.00%
1998	4.81%	26.76%	19.48%	18.39%	2.03%	10.65%	8.15%	9.73%	100.00%
1997	4.87%	26.99%	20.08%	18.06%	1.91%	10.66%	8.72%	8.70%	100.00%
1996	4.95%	28.02%	19.61%	17.17%	1.76%	10.62%	9.52%	8.34%	100.00%
1995	5.03%	28.97%	19.04%	16.39%	1.63%	10.20%	9.78%	8.97%	100.00%
1994	5.05%	30.77%	19.28%	15.81%	1.52%	10.02%	10.05%	7.50%	100.00%
1993	4.90%	32.29%	18.76%	14.47%	1.37%	9.78%	9.75%	8.68%	100.00%
1992	5.38%	31.36%	18.50%	13.76%	1.27%	10.05%	9.76%	9.93%	100.00%

Source: Table 3

Table 4
Asset Profile Structure of Commercial Banks with Assets from $300-500 Millions

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	9.27	52.86	47.28	77.29	4.62	26.05	11.54	19.56	248.47
2003	10.15	52.94	42.00	65.49	4.00	24.26	12.93	17.54	229.29
2002	9.24	46.16	38.84	55.51	3.47	22.14	12.94	17.72	206.01
2001	9.05	44.00	37.51	48.84	3.11	21.94	13.01	17.57	195.02
2000	8.31	39.56	35.38	39.45	2.51	20.29	13.39	15.16	174.05
1999	7.94	41.12	33.39	35.25	1.96	19.22	15.03	14.05	167.96
1998	7.71	42.81	31.29	30.54	1.69	17.63	13.25	15.36	160.27
1997	7.79	39.30	30.37	27.45	1.41	16.28	13.53	13.79	149.91
1996	8.93	39.83	31.75	26.84	1.30	17.87	17.44	14.06	158.00
1995	8.68	39.98	31.45	22.98	1.35	16.38	16.92	13.59	151.32
1994	8.35	41.14	30.49	21.68	1.23	15.48	20.02	11.27	149.66
1993	8.20	44.04	29.92	22.64	1.10	16.05	18.35	12.86	153.15
1992	9.22	41.41	29.37	22.14	1.02	17.04	16.98	14.73	151.90
13 Year Change	0.64%	27.66%	60.99%	249.05%	354.72%	52.84%	-32.07%	32.78%	63.57%

Note : Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 4.1
Asset Profile Structure of Commercial Banks with Assets from $300-500 Millions
(In Percents)

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	3.73%	21.28%	19.03%	31.11%	1.86%	10.48%	4.64%	7.87%	100.00%
2003	4.43%	23.09%	18.32%	28.56%	1.74%	10.58%	5.64%	7.65%	100.00%
2002	4.48%	22.40%	18.85%	26.95%	1.68%	10.74%	6.28%	8.60%	100.00%
2001	4.64%	22.56%	19.23%	25.04%	1.59%	11.25%	6.67%	9.01%	100.00%
2000	4.77%	22.73%	20.33%	22.67%	1.44%	11.66%	7.70%	8.71%	100.00%
1999	4.72%	24.48%	19.88%	20.99%	1.17%	11.44%	8.95%	8.37%	100.00%
1998	4.81%	26.71%	19.52%	19.05%	1.06%	11.00%	8.27%	9.58%	100.00%
1997	5.20%	26.21%	20.26%	18.31%	0.94%	10.86%	9.03%	9.20%	100.00%
1996	5.65%	25.21%	20.09%	16.98%	0.82%	11.31%	11.04%	8.90%	100.00%
1995	5.73%	26.42%	20.78%	15.18%	0.89%	10.82%	11.18%	8.98%	100.00%
1994	5.58%	27.49%	20.37%	14.49%	0.82%	10.34%	13.38%	7.53%	100.00%
1993	5.35%	28.76%	19.53%	14.78%	0.72%	10.48%	11.98%	8.40%	100.00%
1992	6.07%	27.26%	19.33%	14.58%	0.67%	11.22%	11.18%	9.69%	100.00%

Source: Table 4

Table 5
Asset Profile Structure of Commercial Banks with Assets from $500 Millions-1 Billion

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	9.56	61.57	49.66	84.45	3.54	30.81	15.11	22.71	277.40
2003	10.64	61.92	45.62	73.19	2.99	29.23	14.14	22.35	260.07
2002	11.25	58.56	47.56	65.42	2.61	30.10	15.72	23.09	254.31
2001	9.56	51.04	43.03	54.05	2.16	28.30	17.56	21.84	227.55
2000	9.21	48.44	40.75	44.55	1.99	25.83	18.82	18.67	208.26
1999	9.48	50.56	41.60	41.73	2.04	24.37	19.66	17.68	207.13
1998	8.88	51.42	36.63	32.21	1.64	22.97	18.16	17.53	189.44
1997	11.24	53.79	42.84	34.27	1.74	23.74	23.16	20.12	210.90
1996	10.43	49.52	38.64	28.72	1.44	19.95	24.72	16.18	189.59
1995	10.72	47.71	35.95	26.17	1.15	20.33	26.17	16.61	184.81
1994	11.62	48.00	34.10	25.72	0.97	19.16	27.29	14.24	181.10
1993	10.73	47.93	31.69	23.95	0.85	19.77	22.48	16.50	173.90
1992	12.32	45.61	31.35	23.60	0.77	21.37	24.08	18.30	177.39
13 Year Change	-22.40%	34.98%	58.40%	257.89%	359.09%	44.17%	-37.24%	24.12%	56.38%

Note : Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 5.1
Asset Profile Structure of Commercial Banks with Assets from $500 Millions-1 Billion
(In Percents)

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	3.45%	22.19%	17.90%	30.44%	1.27%	11.11%	5.45%	8.19%	100.00%
2003	4.09%	23.81%	17.54%	28.14%	1.15%	11.24%	5.44%	8.59%	100.00%
2002	4.43%	23.03%	18.70%	25.72%	1.03%	11.83%	6.18%	9.08%	100.00%
2001	4.20%	22.43%	18.91%	23.75%	0.95%	12.44%	7.72%	9.60%	100.00%
2000	4.42%	23.26%	19.57%	21.39%	0.95%	12.40%	9.04%	8.97%	100.00%
1999	4.58%	24.41%	20.09%	20.15%	0.99%	11.77%	9.49%	8.54%	100.00%
1998	4.69%	27.14%	19.33%	17.00%	0.87%	12.13%	9.58%	9.25%	100.00%
1997	5.33%	25.51%	20.31%	16.25%	0.82%	11.26%	10.98%	9.54%	100.00%
1996	5.50%	26.12%	20.38%	15.15%	0.76%	10.52%	13.04%	8.53%	100.00%
1995	5.80%	25.82%	19.45%	14.16%	0.62%	11.00%	14.16%	8.99%	100.00%
1994	6.42%	26.51%	18.83%	14.20%	0.54%	10.58%	15.07%	7.86%	100.00%
1993	6.17%	27.56%	18.22%	13.77%	0.49%	11.37%	12.93%	9.49%	100.00%
1992	6.94%	25.71%	17.67%	13.30%	0.43%	12.05%	13.57%	10.31%	100.00%

Source: Table 5

Table 6
Asset Profile Structure of Commercial Banks with Assets from $1-10 Billions

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	33.01	223.06	183.39	226.05	6.20	113.77	73.04	114.53	973.04
2003	48.52	241.43	168.03	190.44	5.24	105.91	78.26	109.40	947.24
2002	51.11	229.15	162.70	166.37	4.17	109.18	92.43	122.33	937.43
2001	48.75	213.76	160.71	159.13	4.09	113.81	98.42	116.52	915.19
2000	48.59	198.36	159.63	145.38	4.26	123.86	97.65	101.51	879.25
1999	44.81	215.85	164.03	133.12	3.65	127.50	119.26	106.89	915.10
1998	50.29	200.69	160.90	111.82	3.30	119.47	158.59	116.66	921.72
1997	54.41	185.58	159.79	103.53	3.34	125.10	169.86	104.68	906.29
1996	69.25	196.11	170.65	113.73	3.21	140.85	190.04	118.53	1,002.37
1995	70.27	210.21	179.95	110.94	2.96	142.59	206.75	129.18	1,052.84
1994	73.05	233.96	183.67	114.21	2.63	140.41	198.07	126.26	1,072.26
1993	71.34	255.07	169.59	114.11	2.29	139.84	179.30	132.13	1,063.67
1992	83.97	237.21	138.98	114.80	2.19	147.65	159.50	149.86	1,034.16
13 Year Change	-60.69%	-5.97%	31.96%	96.92%	183.06%	-22.95%	-54.21%	-23.58%	-5.91%

Note : Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 6.1
Asset Profile Structure of Commercial Banks with Assets from $1-10 Billions
(In Percents)

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	3.39%	22.92%	18.85%	23.23%	0.64%	11.69%	7.51%	11.77%	100.00%
2003	5.12%	25.49%	17.74%	20.10%	0.55%	11.18%	8.26%	11.55%	100.00%
2002	5.45%	24.44%	17.36%	17.75%	0.44%	11.65%	9.86%	13.05%	100.00%
2001	5.33%	23.36%	17.56%	17.39%	0.45%	12.44%	10.75%	12.73%	100.00%
2000	5.53%	22.56%	18.16%	16.53%	0.48%	14.09%	11.11%	11.54%	100.00%
1999	4.90%	23.59%	17.92%	14.55%	0.40%	13.93%	13.03%	11.68%	100.00%
1998	5.46%	21.77%	17.46%	12.13%	0.36%	12.96%	17.21%	12.66%	100.00%
1997	6.00%	20.48%	17.63%	11.42%	0.37%	13.80%	18.74%	11.55%	100.00%
1996	6.91%	19.56%	17.02%	11.35%	0.32%	14.05%	18.96%	11.82%	100.00%
1995	6.67%	19.97%	17.09%	10.54%	0.28%	13.54%	19.64%	12.27%	100.00%
1994	6.81%	21.82%	17.13%	10.65%	0.24%	13.09%	18.47%	11.77%	100.00%
1993	6.71%	23.98%	15.94%	10.73%	0.22%	13.15%	16.86%	12.42%	100.00%
1992	8.12%	22.94%	13.44%	11.10%	0.21%	14.28%	15.42%	14.49%	100.00%

Source: Table 6

Table 7

Asset Profile Structure of Commercial Banks with Assets above $10 Billions

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	308.79	1,070.91	1,174.49	452.07	7.73	675.15	706.15	1,902.04	6,297.33
2003	286.61	949.53	989.48	394.17	6.97	646.60	628.33	1,641.41	5,543.10
2002	279.37	854.87	866.93	374.04	7.23	684.17	542.39	1,448.97	5,057.97
2001	290.97	719.96	670.23	341.48	6.95	749.59	455.65	1,361.32	4,596.14
2000	274.64	640.48	621.04	308.53	6.03	811.93	427.87	1,271.20	4,361.73
1999	272.12	576.34	535.54	256.82	5.09	730.23	354.10	1,092.18	3,822.42
1998	257.65	516.85	463.44	223.80	4.37	673.86	329.21	1,072.33	3,541.51
1997	249.99	420.33	405.14	185.08	2.99	564.96	302.86	985.31	3,116.65
1996	214.39	329.57	331.78	144.48	2.07	465.83	270.53	823.80	2,582.46
1995	182.95	317.40	294.85	130.25	1.94	418.12	224.02	695.71	2,265.24
1994	175.87	288.12	230.49	109.14	1.59	350.85	178.43	604.96	1,939.45
1993	146.47	263.66	193.59	100.37	1.35	300.01	136.20	488.81	1,630.46
1992	152.08	222.75	170.34	104.92	1.37	284.92	120.48	388.44	1,445.28
13 Year Change	103.05%	380.78%	589.52%	330.87%	466.08%	136.96%	486.12%	389.66%	335.72%

Note : Amount in Billions of Dollars

Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 7.1

Asset Profile Structure of Commercial Banks with Assets Above $10 Billions

(In Percents)

Year	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
2004	4.90%	17.01%	18.65%	7.18%	0.12%	10.72%	11.21%	30.20%	100.00%
2003	5.17%	17.13%	17.85%	7.11%	0.13%	11.66%	11.34%	29.61%	100.00%
2002	5.52%	16.90%	17.14%	7.40%	0.14%	13.53%	10.72%	28.65%	100.00%
2001	6.33%	15.66%	14.58%	7.43%	0.15%	16.31%	9.91%	29.62%	100.00%
2000	6.30%	14.68%	14.24%	7.07%	0.14%	18.61%	9.81%	29.14%	100.00%
1999	7.12%	15.08%	14.01%	6.72%	0.13%	19.10%	9.26%	28.57%	100.00%
1998	7.28%	14.59%	13.09%	6.32%	0.12%	19.03%	9.30%	30.28%	100.00%
1997	8.02%	13.49%	13.00%	5.94%	0.10%	18.13%	9.72%	31.61%	100.00%
1996	8.30%	12.76%	12.85%	5.59%	0.08%	18.04%	10.48%	31.90%	100.00%
1995	8.08%	14.01%	13.02%	5.75%	0.09%	18.46%	9.89%	30.71%	100.00%
1994	9.07%	14.86%	11.88%	5.63%	0.08%	18.09%	9.20%	31.19%	100.00%
1993	8.98%	16.17%	11.87%	6.16%	0.08%	18.40%	8.35%	29.98%	100.00%
1992	10.52%	15.41%	11.79%	7.26%	0.09%	19.71%	8.34%	26.88%	100.00%

Source: Table 7

Table 8

Liabilities And Capital Structure of All Commercial Banks

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liabilities	Equity	Total Liabilities + Equity
2004	756.82	1,894.93	2,075.18	577.92	2,257.74	850.26	8,412.84
2003	732.73	1,668.58	1,892.58	527.90	2,087.43	691.93	7,601.14
2002	710.55	1,452.19	1,869.08	571.65	1,825.67	647.45	7,076.58
2001	745.95	1,219.22	1,782.87	503.06	1,707.62	593.70	6,552.42
2000	679.29	991.88	1,801.73	475.36	1,766.94	530.36	6,245.56
1999	686.72	836.27	1,652.48	445.31	1,634.66	479.69	5,735.13
1998	753.55	796.65	1,559.16	436.49	1,434.53	462.23	5,442.60
1997	763.10	651.86	1,480.51	416.05	1,288.96	418.05	5,018.53
1996	798.62	560.70	1,364.24	317.89	1,161.63	375.24	4,578.32
1995	826.50	476.43	1,270.55	326.51	1,063.12	349.57	4,312.67
1994	852.82	429.00	1,160.71	312.51	943.40	312.08	4,010.51
1993	854.68	457.38	1,112.27	274.67	710.67	296.49	3,706.16
1992	810.33	455.53	1,146.03	252.38	578.00	263.40	3,505.66
13 Year Change	-6.60%	315.98%	81.08%	128.99%	290.61%	222.80%	139.98%

Note: Amount in Billions of Dollars

Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 8.1

Liabilities And Capital Structure of All Commercial Banks

(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	9.00%	22.52%	24.67%	6.87%	26.84%	10.11%	100.00%
2003	9.64%	21.95%	24.90%	6.94%	27.46%	9.10%	100.00%
2002	10.04%	20.52%	26.41%	8.08%	25.80%	9.15%	100.00%
2001	11.38%	18.61%	27.21%	7.68%	26.06%	9.06%	100.00%
2000	10.88%	15.88%	28.85%	7.61%	28.29%	8.49%	100.00%
1999	11.97%	14.58%	28.81%	7.76%	28.50%	8.36%	100.00%
1998	13.85%	14.64%	28.65%	8.02%	26.36%	8.49%	100.00%
1997	15.21%	12.99%	29.50%	8.29%	25.68%	8.33%	100.00%
1996	17.44%	12.25%	29.80%	6.94%	25.37%	8.20%	100.00%
1995	19.16%	11.05%	29.46%	7.57%	24.65%	8.11%	100.00%
1994	21.26%	10.70%	28.94%	7.79%	23.52%	7.78%	100.00%
1993	23.06%	12.34%	30.01%	7.41%	19.18%	8.00%	100.00%
1992	23.11%	12.99%	32.69%	7.20%	16.49%	7.51%	100.00%

Source: Table 8

Table 9
Liabilities And Capital Structire of Commercial Banks with Assets Under 100$ Millions

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	49.69	20.03	88.46	1.72	7.37	21.79	189.05
2003	51.60	21.69	95.78	1.70	7.41	22.64	200.81
2002	52.02	22.10	104.24	1.64	7.86	23.50	211.35
2001	54.18	21.87	111.63	2.02	7.79	24.17	221.65
2000	55.80	20.97	117.94	2.59	8.06	25.59	230.95
1999	59.96	22.82	123.02	3.09	7.66	25.93	242.47
1998	64.40	22.28	129.16	2.03	6.82	27.63	252.32
1997	67.82	22.64	139.91	2.50	6.02	28.95	267.85
1996	72.55	23.88	146.19	2.71	5.19	29.52	280.04
1995	77.78	25.34	155.81	2.75	5.18	31.04	297.89
1994	86.52	30.66	158.35	4.34	4.99	31.07	315.93
1993	91.72	36.00	166.76	3.30	4.61	32.71	335.09
1992	91.84	38.14	176.45	2.69	4.47	32.44	346.03
13 Year Change	-45.89%	-47.49%	-49.87%	-36.09%	64.81%	-32.84%	-45.37%

Note: Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 9.1
Liabilities And Capital Structire of Commercial Banks with Assets Under 100$ Millions
(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	26.28%	10.59%	46.79%	0.91%	3.90%	11.52%	100.00%
2003	25.69%	10.80%	47.70%	0.85%	3.69%	11.27%	100.00%
2002	24.61%	10.46%	49.32%	0.77%	3.72%	11.12%	100.00%
2001	24.44%	9.87%	50.36%	0.91%	3.52%	10.90%	100.00%
2000	24.16%	9.08%	51.07%	1.12%	3.49%	11.08%	100.00%
1999	24.73%	9.41%	50.74%	1.28%	3.16%	10.69%	100.00%
1998	25.52%	8.83%	51.19%	0.81%	2.70%	10.95%	100.00%
1997	25.32%	8.45%	52.23%	0.93%	2.25%	10.81%	100.00%
1996	25.91%	8.53%	52.20%	0.97%	1.85%	10.54%	100.00%
1995	26.11%	8.51%	52.30%	0.92%	1.74%	10.42%	100.00%
1994	27.39%	9.70%	50.12%	1.37%	1.58%	9.83%	100.00%
1993	27.37%	10.74%	49.77%	0.98%	1.37%	9.76%	100.00%
1992	26.54%	11.02%	50.99%	0.78%	1.29%	9.38%	100.00%

Source: Table 9

Table 10
Liabilities And Capital Structure of Commercial Banks with Assets From $100-300 Millions

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	103.98	56.17	193.82	7.43	22.96	43.20	427.56
2003	101.43	55.19	192.25	7.82	21.87	42.04	420.61
2002	96.13	51.50	193.20	6.68	20.93	41.04	409.50
2001	92.60	48.38	189.83	7.59	19.58	38.89	396.87
2000	89.31	45.75	191.37	8.23	18.53	38.11	391.30
1999	90.54	44.60	181.83	9.41	18.02	35.65	380.03
1998	94.65	42.15	183.72	6.70	13.34	36.78	377.33
1997	91.10	39.28	181.33	7.32	11.77	36.14	366.93
1996	91.95	39.26	181.25	7.59	10.35	35.47	365.86
1995	92.36	39.28	176.67	7.57	9.61	35.07	360.56
1994	95.69	40.65	166.15	9.43	8.58	31.60	352.10
1993	95.18	43.51	164.27	6.93	8.44	31.55	349.88
1992	93.24	45.16	169.46	6.33	6.92	29.77	350.89
13 Year Change	11.52%	24.37%	14.38%	17.34%	231.56%	45.12%	21.85%

Note: Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 10.1
Liabilities And Capital Structure of Commercial Banks with Assets From $100-300 Millions
(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	24.32%	13.14%	45.33%	1.74%	5.37%	10.10%	100.00%
2003	24.12%	13.12%	45.71%	1.86%	5.20%	9.99%	100.00%
2002	23.48%	12.58%	47.18%	1.63%	5.11%	10.02%	100.00%
2001	23.33%	12.19%	47.83%	1.91%	4.93%	9.80%	100.00%
2000	22.82%	11.69%	48.91%	2.10%	4.74%	9.74%	100.00%
1999	23.82%	11.74%	47.85%	2.47%	4.74%	9.38%	100.00%
1998	25.08%	11.17%	48.69%	1.77%	3.53%	9.75%	100.00%
1997	24.83%	10.70%	49.42%	1.99%	3.21%	9.85%	100.00%
1996	25.13%	10.73%	49.54%	2.07%	2.83%	9.69%	100.00%
1995	25.61%	10.89%	49.00%	2.10%	2.67%	9.73%	100.00%
1994	27.18%	11.54%	47.19%	2.68%	2.44%	8.97%	100.00%
1993	27.20%	12.44%	46.95%	1.98%	2.41%	9.02%	100.00%
1992	26.57%	12.87%	48.29%	1.80%	1.97%	8.48%	100.00%

Source: Table 10

Table 11
Liabilities And Capital Structure of Commercial Banks with Assets From $300-500 Millions

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	45.08	40.58	113.80	6.79	18.37	23.84	248.47
2003	42.75	38.16	103.35	6.09	16.73	22.22	229.29
2002	36.96	34.88	94.80	4.89	14.25	20.22	206.01
2001	35.21	33.10	89.87	5.37	13.06	18.42	195.02
2000	31.67	26.60	83.56	4.79	11.19	16.24	174.05
1999	32.31	25.41	76.77	6.18	11.13	16.17	167.96
1998	33.52	23.16	73.50	5.47	9.39	15.23	160.27
1997	32.60	19.09	71.32	4.43	8.26	14.20	149.91
1996	37.29	18.64	71.74	6.43	8.98	14.94	158.01
1995	36.89	18.40	70.32	4.90	6.97	13.84	151.32
1994	38.69	18.34	64.86	6.73	7.64	13.40	149.66
1993	39.78	20.69	67.66	6.35	5.37	13.29	153.15
1992	38.41	20.98	70.07	5.31	4.89	12.24	151.91
13 Year Change	17.36%	93.41%	62.41%	28.00%	275.80%	94.70%	63.57%

Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 11.1
Liabilities And Capital Structure of Commercial Banks with Assets From $300-500 Millions
(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	18.14%	16.33%	45.80%	2.73%	7.39%	9.59%	100.00%
2003	18.64%	16.64%	45.07%	2.66%	7.30%	9.69%	100.00%
2002	17.94%	16.93%	46.02%	2.38%	6.92%	9.82%	100.00%
2001	18.05%	16.97%	46.08%	2.75%	6.69%	9.45%	100.00%
2000	18.20%	15.28%	48.01%	2.75%	6.43%	9.33%	100.00%
1999	19.24%	15.13%	45.71%	3.68%	6.63%	9.63%	100.00%
1998	20.92%	14.45%	45.86%	3.41%	5.86%	9.50%	100.00%
1997	21.75%	12.74%	47.58%	2.96%	5.51%	9.47%	100.00%
1996	23.60%	11.79%	45.40%	4.07%	5.68%	9.45%	100.00%
1995	24.38%	12.16%	46.47%	3.24%	4.60%	9.14%	100.00%
1994	25.85%	12.26%	43.34%	4.50%	5.11%	8.95%	100.00%
1993	25.97%	13.51%	44.18%	4.15%	3.51%	8.68%	100.00%
1992	25.29%	13.81%	46.13%	3.49%	3.22%	8.06%	100.00%

Source: Table 11

Table 12
Liabilities And Capital Structure of Commercial Banks with Assets From $500Millions-1 Billion

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	38.85	54.57	122.31	10.00	23.39	28.27	277.40
2003	37.32	53.37	111.95	9.94	21.62	25.87	260.07
2002	34.47	50.81	113.25	9.29	21.87	24.62	254.31
2001	31.78	42.37	103.71	9.19	18.61	21.90	227.55
2000	28.77	38.74	95.29	8.88	16.74	19.84	208.26
1999	31.11	37.27	90.31	12.02	18.46	17.97	207.13
1998	32.70	33.08	82.56	10.14	13.62	17.35	189.44
1997	41.76	30.62	92.31	12.60	13.96	19.64	210.90
1996	41.57	23.78	85.36	11.39	10.54	16.94	189.59
1995	43.71	24.93	79.91	11.05	8.72	16.49	184.81
1994	45.52	22.78	75.96	12.20	9.62	15.04	181.10
1993	46.36	25.16	69.69	9.92	8.47	14.30	173.90
1992	47.01	26.92	72.54	7.98	9.19	13.75	177.39
13 Year Change	-17.36%	102.75%	68.62%	25.41%	154.41%	105.59%	56.38%

Note: Amount in Billions of Dollars
Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 12.1
Liabilities And Capital Structure of Commercial Banks with Assets From $500Millions-1 Billion
(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	14.01%	19.67%	44.09%	3.61%	8.43%	10.19%	100.00%
2003	14.35%	20.52%	43.05%	3.82%	8.31%	9.95%	100.00%
2002	13.56%	19.98%	44.53%	3.65%	8.60%	9.68%	100.00%
2001	13.97%	18.62%	45.58%	4.04%	8.18%	9.62%	100.00%
2000	13.81%	18.60%	45.76%	4.26%	8.04%	9.53%	100.00%
1999	15.02%	18.00%	43.60%	5.80%	8.91%	8.68%	100.00%
1998	17.26%	17.46%	43.58%	5.35%	7.19%	9.16%	100.00%
1997	19.80%	14.52%	43.77%	5.97%	6.62%	9.31%	100.00%
1996	21.93%	12.54%	45.02%	6.01%	5.56%	8.94%	100.00%
1995	23.65%	13.49%	43.24%	5.98%	4.72%	8.92%	100.00%
1994	25.13%	12.58%	41.94%	6.73%	5.31%	8.30%	100.00%
1993	26.66%	14.47%	40.08%	5.71%	4.87%	8.22%	100.00%
1992	26.50%	15.17%	40.89%	4.50%	5.18%	7.75%	100.00%

Source: Table 12

Table 13

Liabilities And Capital Structure of Commercial Banks with Assets From $1-10 Billions

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	97.76	228.47	329.20	79.46	131.78	106.38	973.04
2003	94.49	222.25	318.99	78.39	132.94	100.17	947.24
2002	90.19	206.20	332.53	83.88	127.70	96.93	937.43
2001	94.29	184.58	335.55	80.58	131.34	88.86	915.19
2000	93.89	170.49	338.76	73.73	123.62	78.78	879.25
1999	109.18	164.14	338.97	80.06	139.69	83.07	915.10
1998	129.57	158.24	331.23	71.83	143.70	87.15	921.72
1997	142.72	131.89	330.70	76.25	141.75	82.98	906.29
1996	182.59	144.97	354.38	90.65	141.86	87.91	1,002.37
1995	219.65	134.98	356.34	103.46	148.19	90.22	1,052.84
1994	247.18	132.46	353.67	110.52	143.34	85.10	1,072.26
1993	260.33	149.66	347.24	103.60	116.40	86.44	1,063.67
1992	253.58	150.24	356.92	100.90	93.04	79.47	1,034.16
13 Year Change	-61.45%	52.06%	-7.77%	-21.26%	41.64%	33.86%	-5.91%

Note: Amount in Billions of Dollars

Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 13.1

Liabilities And Capital Structure of Commercial Banks with Assets From $1-10 Billions

(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2003	9.98%	23.46%	33.68%	8.28%	14.03%	10.58%	100.00%
2002	9.62%	22.00%	35.47%	8.95%	13.62%	10.34%	100.00%
2001	10.30%	20.17%	36.66%	8.80%	14.35%	9.71%	100.00%
2000	10.68%	19.39%	38.53%	8.39%	14.06%	8.96%	100.00%
1999	11.93%	17.94%	37.04%	8.75%	15.26%	9.08%	100.00%
1998	14.06%	17.17%	35.94%	7.79%	15.59%	9.46%	100.00%
1997	15.75%	14.55%	36.49%	8.41%	15.64%	9.16%	100.00%
1996	18.22%	14.46%	35.35%	9.04%	14.15%	8.77%	100.00%
1995	20.86%	12.82%	33.85%	9.83%	14.08%	8.57%	100.00%
1994	23.05%	12.35%	32.98%	10.31%	13.37%	7.94%	100.00%
1993	24.47%	14.07%	32.65%	9.74%	10.94%	8.13%	100.00%
1992	24.52%	14.53%	34.51%	9.76%	9.00%	7.68%	100.00%

Source: Table 13

Table 14

Liabilities And Capital Structure of Commercial Banks with Assets More than $10 Billions

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	421.45	1,495.11	1,227.58	472.59	2,053.72	626.82	6,297.26
2003	405.14	1,277.91	1,070.26	423.96	1,886.85	478.99	5,543.10
2002	400.72	1,086.69	1,031.06	465.27	1,633.09	441.14	5,057.97
2001	437.90	888.92	952.29	398.33	1,517.25	401.46	4,596.14
2000	379.84	689.34	974.80	377.15	1,588.80	351.80	4,361.73
1999	363.63	542.03	841.59	334.56	1,439.71	300.90	3,822.42
1998	398.71	517.75	758.99	340.32	1,247.66	278.07	3,541.51
1997	387.09	408.33	664.94	312.96	1,107.21	236.13	3,116.65
1996	372.67	310.19	525.32	199.10	984.72	190.46	2,582.46
1995	356.12	233.49	431.49	196.78	884.45	162.91	2,265.24
1994	339.22	184.11	341.73	169.29	769.23	135.88	1,939.45
1993	321.32	182.37	296.64	144.56	567.38	118.20	1,630.46
1992	286.24	174.08	300.58	129.17	459.49	95.73	1,445.28
13 Year Change	47.24%	758.85%	308.40%	265.87%	346.96%	554.80%	335.71%

Note: Amount in Billions of Dollars

Source: Federal Deposit Insurance Corporation Statistics on Depository Institution Report

Table 14.1

Liabilities And Capital Structure of Commercial Banks with Assets More than $10 Billions

(In Percents)

Year	Transaction Accounts	Money Market Deposits	Other Non Transaction Accounts	Federal Funds	Other Liablities	Equity	Total Liabilities + Equity
2004	6.69%	23.74%	19.49%	7.50%	32.61%	9.95%	100.00%
2003	7.31%	23.05%	19.31%	7.65%	34.04%	8.64%	100.00%
2002	7.92%	21.48%	20.38%	9.20%	32.29%	8.72%	100.00%
2001	9.53%	19.34%	20.72%	8.67%	33.01%	8.73%	100.00%
2000	8.71%	15.80%	22.35%	8.65%	36.43%	8.07%	100.00%
1999	9.51%	14.18%	22.02%	8.75%	37.66%	7.87%	100.00%
1998	11.26%	14.62%	21.43%	9.61%	35.23%	7.85%	100.00%
1997	12.42%	13.10%	21.33%	10.04%	35.53%	7.58%	100.00%
1996	14.43%	12.01%	20.34%	7.71%	38.13%	7.38%	100.00%
1995	15.72%	10.31%	19.05%	8.69%	39.04%	7.19%	100.00%
1994	17.49%	9.49%	17.62%	8.73%	39.66%	7.01%	100.00%
1993	19.71%	11.18%	18.19%	8.87%	34.80%	7.25%	100.00%
1992	19.81%	12.04%	20.80%	8.94%	31.79%	6.62%	100.00%

Source: Table 14

Table 15

13 Year change in Asset Structure of Commercial Banks
(In Percents)

Commercial Bank Asset Size	Cash	Securities	Real Estate Residential Loans	Real Estate Commercial Loans	Farm Loans	Commercial Loans	Individual Loans	Other Loans	Total Assets
All Commercial Banks	30.01%	100.70%	219.95%	181.10%	123.55%	69.45%	117.74%	226.56%	139.98%
Below $100 Millions	-53.66%	-59.66%	-41.68%	-4.45%	-2.17%	-37.96%	-61.61%	-52.50%	-45.37%
$100-300 Millions	-10.60%	-12.66%	27.35%	150.88%	182.92%	25.25%	-36.87%	-6.90%	21.85%
$300-500 Millions	0.64%	27.66%	60.99%	249.05%	354.72%	52.84%	-32.07%	32.78%	63.57%
$500 Millions - 1 Billion	-22.40%	34.98%	58.40%	257.89%	359.09%	44.17%	-37.24%	24.12%	56.38%
$1 - 10 Billions	-60.69%	-5.97%	31.96%	96.92%	183.06%	-22.95%	-54.21%	-23.58%	-5.91%
Above $10 Billions	103.05%	380.78%	589.52%	330.87%	466.08%	136.96%	486.12%	389.66%	335.72%

Source: Tables 1 -7

Table 16

13 Year change in Liability Structure of Commercial Banks
(In Percents)

Commercial Bank Asset Size	Transaction Accounts	Money Market Deposits	Other Non - Transaction Accounts	Federal Funds	Other Liabilities	Equity	Total Liablities + Equity
All Commercial Banks	-6.60%	315.98%	81.08%	128.99%	290.61%	222.80%	139.98%
Below $100 Millions	-45.89%	-47.49%	-49.87%	-36.09%	64.81%	-32.84%	-45.37%
$100-300 Millions	11.52%	24.37%	14.38%	17.34%	231.56%	45.12%	21.85%
$300-500 Millions	17.36%	93.41%	62.41%	28.00%	275.80%	94.70%	63.57%
$500 Millions - 1 Billion	-17.36%	102.75%	68.62%	25.41%	154.41%	105.59%	56.38%
$1 - 10 Billions	-61.45%	52.06%	-7.77%	-21.26%	41.64%	33.86%	-5.91%
Above $10 Billions	47.24%	758.85%	308.40%	265.87%	346.96%	554.80%	335.71%

Source : Tables 8 - 14

DEFINITIONS - ASSETS

1) Cash

Total cash and balances due from depository institutions including both interest-bearing and non interest-bearing balances.

2) Securities

Total investment securities (excludes securities held in trading accounts). The full implementation of FASB 115 became effective as of January 1, 1994. Beginning on that date, a portion of banks' securities portfolios are reported based upon fair (market) values; previously, all securities not held in trading accounts were reported at either amortized cost or the lower of cost or market. A negative total securities amount indicates Thrift Financial Reports TFR Reporters with assets held in trading accounts that exceed total securities.

3) All real estate loans

Loans secured primarily by real estate, whether originated by the bank or purchased.

4) Individual real estate loans

- **Multifamily residential real estate**
  Multifamily (5 or more) residential property loans secured by real estate held in domestic offices.
- **1-4 family residential loans**
  Total loans secured by 1-4 family residential properties (including revolving and open-end loans) held in domestic offices.
  Note: Prior to 2004 the savings institutions that file a thrift financial report did not report the 1-4 family loans by the sub category first liens and second liens. The data is not available prior to this year. Commercial banks began reporting that data in 1991.

5) Commercial real estate

Nonresidential loans (excluding farm loans) primarily secured by real estate held in domestic offices. Please note: Thrift Financial Reporters include mortgages on properties that are used for farming in this item.

6) Farm loans

Loans to finance agricultural production and other loans to farmers. Excludes savings institutions filing a TFR Report.

7) Commercial loans

Commercial and industrial loans. Excludes all loans secured by real estate, loans to individuals, loans to depository institutions and foreign governments, loans to states and political subdivisions, and lease financing receivables.

8) Individuals loans

Loans to individuals for household, family, and other personal expenditures including outstanding credit card balances and other secured and unsecured consumer loans.

9) Other Loans

All other loans on a consolidated basis plus prepaid taxes and insurance on mortgage loans for TFR Reporters.

DEFINITIONS – LIABILITIES & EQUITY CAPITAL

1) Transaction accounts

The sum of the following accounts held in domestic offices: demand deposits, NOW accounts, Automated Transfer Service (ATS) accounts and telephone or preauthorized transfer accounts. Prior to 2004, this item is not available for TFR Reporters.

2) Money market deposit accounts (MMDAs)

Total money market deposit accounts held in domestic offices.
Prior to 2004, this item is not available for TFR Reporters.

3) Other Non Transaction accounts

Total savings deposits held in domestic offices, aside from money market deposit accounts. Prior to 2004, this item is not available for TFR Reporters.

4) Federal Funds

Total federal funds purchased and securities sold under agreements to repurchase in domestic offices. Thrift Financial Reports include only federal funds purchased.

5) Other Liabilities

The bank's liability on acceptances executed and outstanding, interest and other expenses accrued and unpaid (including accrued income taxes payable), net deferred tax liabilities and minority interest in consolidated subsidiaries.

As of March 1997, limited-life preferred stock and related surplus are no longer reported here but as a part of subordinated debt. Effective January 1, 1994, revaluation losses on assets held in trading accounts are included in trading liabilities.

6) Equity

Total equity capital (includes preferred and common stock, surplus and undivided profits).

7) Perpetual preferred stock

Perpetual preferred stock is preferred stock that does not have a stated maturity date or that cannot be redeemed at the option of the holder. It includes those issues of preferred stock that automatically convert into common stock at a stated date.

8) Common stock

Common stock issued by the institution.

9) Surplus

That portion of an institution's capital received for shares of stock sold in excess of par value (excludes all surplus related to preferred stock).

10) Undivided profits

Undivided profits, capital reserves, net unrealized holdings gains (losses) on available-for-sale securities, other equity capital components, and accumulated gains (losses) on cash flow hedges.

DEFINITIONS – INCOME STATEMENT

Income Categories

1) Interest income

Sum of income on loans and leases, plus investment income, interest on interest bearing bank balances, interest on federal funds sold and interest on trading account assets earned by the institution.

2) Additional Noninterest Income

Includes the following noninterest income:

A) Investment banking, advisory, brokerage, and underwriting

Investment banking, advisory, brokerage, and underwriting fees and commissions are available beginning in March 2001. It includes, as an example, report fees and commissions from underwriting securities, private placements of securities, investment advisory and management services, or merger and acquisition services.

B) Venture capital revenue

Venture capital revenue on a consolidated basis available beginning in March 2001. Reported net gains or (losses) on venture capital activities and any fee income from those activities that is not reported in one of the preceding items on the income statement. This item is not available for TFR Reporters

C) Net servicing fees

Reported income from servicing real estate mortgages, credit cards, and other financial assets held by others. Including any premiums received in lieu of regular servicing. Available beginning in March 2001.

D) Net securitization income

Reported net gains or (losses) on assets sold in securitization transactions. Included are fees, other than servicing fees, earned from the bank's securitization transactions and unrealized losses (and recoveries of unrealized losses) on loans and leases held for sale in securitization transactions. Available beginning in March 2001. This item is not available for TFR Reporters.

E) Insurance commission fees and income

Reported income from underwriting insurance, from the sale of insurance or from reinsurance. Including fees, commissions, service charges, etc Available beginning in March 2001. This item is not available for TFR Reporters.

F) Net gains (losses) on sales of loans

Reported net gains or (losses) on sales or other disposal of loans and leases. This includes unrealized losses on loans and leases held for sale. Prior to March 2001 this was reported as a memoranda item only and was included in all other non-interest income. Also prior to March 2001 gains or losses on the sale of loans were reported as either non-interest income or noninterest expense.

G) Net gains (losses) on sales of real estate owned

Reported net gains or (losses) on the sales or other disposals of other real estate owned, increases and decreases in the valuation allowance for already foreclosed real estate, and write-downs charged to expense.

H) Net gains (losses) on sales of other assets (excluding securities)

Reported net gains or (losses) on sales or other disposal of other assets (e.g. premises and fixed assets, personal property acquired for debts previously contracted (such as automobiles, boats, equipment, and appliances); and coins, art, and other similar assets. Prior to March 2001 this was reported as a memoranda item only and was included in all other noninterest income. Also, prior to March 2001, gains and losses on sale of premises and fixed assets were reported as either noninterest income or noninterest expense.

I) Other additional noninterest income

All noninterest income of the bank not required to be reported elsewhere, including (but exclusive to):

1. Income and fees from the rental of safe deposit boxes;

2. Income and fees from the sale of checks, money orders, cashiers' checks, and travelers' checks;

3. Income and fees from the use of the bank's ATMs;

4. Income from performing data processing services for others;

5. Earnings on or other increases in the value of the cash surrender value of bank-owned life insurance policies;

6. Rent and other income from Real Estate Owned.

3) Other Noninterest Income

Includes the following other noninterest income

A) Fiduciary activities

Income from services rendered by the institution's trust department or by any of its consolidated subsidiaries acting in any fiduciary capacity.
This item is not available for TRF Reporters.

B) Service charges on deposit accounts

Service charges on deposit accounts held in domestic offices.
This item is not available for TRF Reporters.

C) Trading account gains and fees

Net gains and losses from trading cash instruments and off-balance sheet derivative contracts (including commodity contracts) that have been recognized during the accounting period.

Expense Categories

1) Interest expense

Total interest expense.

2) Salaries and employee benefits

Salaries and employee benefits expense.

3) Premises and equipment expense

Expenses of bank premises and fixed assets, net of rental income. Excludes salaries and employee benefits and mortgage interest.

4) Additional noninterest expense

This includes all other operating expenses of the institution. These may consist of net (gains) or losses on OREO, loans sales, fixed assets sales, amortization of intangible assets, or other itemized expenses. Beginning in June 1996, this does not include losses on asset sales for TFR Reporters. Such gains (losses) are included net in noninterest income.

5) Provision for loan and lease losses

The amount needed to make the allowance for loan and lease losses adequate to absorb expected loan and lease losses (based upon management's evaluation of the bank's current loan and lease portfolio). Prior to 2001, an allowance for transfer risk is also included to cover losses on international assets for Call Report filers. Additionally, from 1997 to 2000, includes provision for credit losses on off-balance sheet credit exposures for Call Report filers.

6) Total charge-offs

The total amount of charged-off loans and lease financing receivables debited to the allowance for loan and lease losses established by the institution.

7) Credit cards and related plans

Total credit cards and related plans to individuals for household, family, and other personal expenditures that have been charged-off and debited to the allowance for loan and lease losses established by the institution.