Quarterly Banking Profile

SECOND QUARTER 2006

- ***Profits Continue To Reach New Highs As Net Income Surpasses $38 Billion***
- ***Strong Loan Demand Supports Revenue Growth***
- ***Industry Added Over $1 Trillion In Assets During Past 12 Months***
- ***Institutions Increase Reliance On Volatile Funding Sources***
- ***Industry Consolidation Slows***

Earnings Set New Record for Fifth Time in Last Six Quarters

Strong commercial and consumer loan demand outweighed the disadvantages of rising interest rates and a flat yield curve, enabling insured commercial banks and savings institutions to continue to post record profits in the second quarter. Quarterly net income of $38.1 billion was $1.2 billion (3.2 percent) higher than the previous record set in the first quarter, and $3.7 billion (10.9 percent) higher than in the second quarter of 2005, when trading revenues at large institutions were especially weak. The improvement in net income compared to year-earlier levels came from higher noninterest income, which was $6.7 billion (12.1 percent) higher, and from increased net interest income, which was up by $4.4 billion (5.4 percent). Much of the improvement in noninterest income came from a rebound in trading revenues (up $2.2 billion, or 90.1 percent), and servicing fees (up $1.4 billion, or 46.7 percent). Lower gains on sales of securities and other assets (down $2.0 billion, or 87.8 percent) and higher noninterest expenses (up $3.3 billion, or 4.0 percent) limited the year-over-year improvement in quarterly earnings. Loan-loss provisions were only slightly changed from a year earlier, declining by $17 million (0.3 percent). The average return on assets (ROA) was 1.34 percent, unchanged from both the first quarter of 2006 and the second quarter of 2005. While industry earnings continue to grow, many institutions are struggling with the flat yield curve environment. Only 56.6 percent of all institutions reported higher quarterly net income than a year ago, and fewer than half of all institutions (48.7 percent) had higher ROAs than in the second quarter of 2005.

Profitability Trends Are Closely Tied to Trends in Net Interest Margins

The proportion of institutions reporting improved net interest margins (45.7 percent) is very close to the proportion reporting improved ROAs. Almost three out of every four institutions (71.9 percent) that reported higher quarterly net interest margins (NIM) than a year ago also reported higher ROAs. An almost identical proportion of institutions (71.2 percent) that experienced declining NIMs also had year-over-year declines in their quarterly

Chart 1

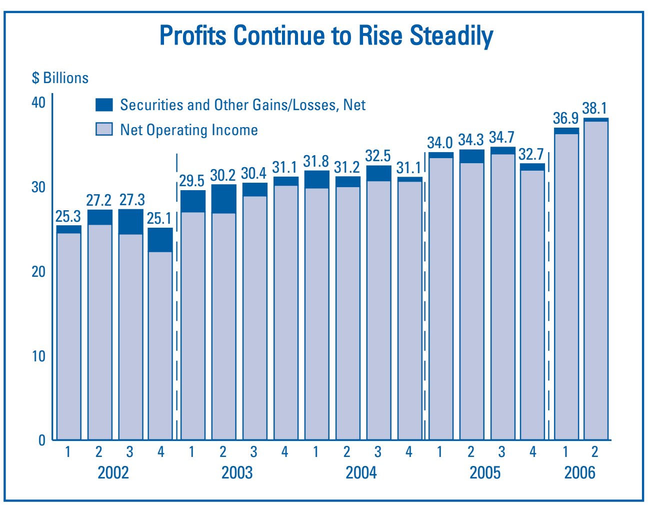
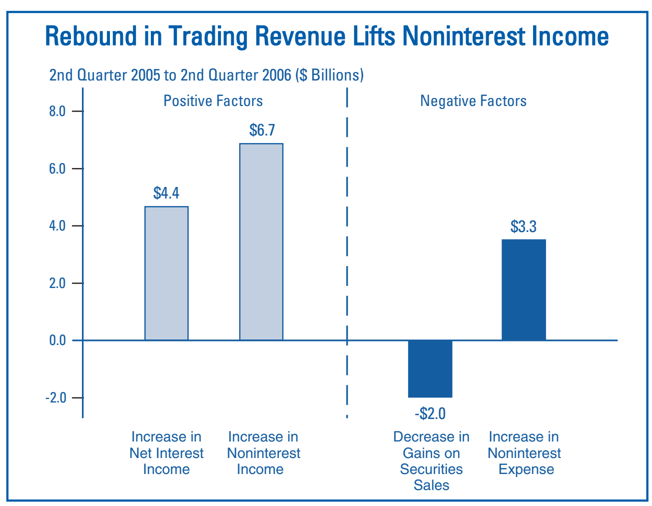


Chart 2



ROAs. The industry's NIM in the second quarter remained unchanged from the fifteen-year low posted in the first quarter, but was 18 basis points lower than in the second quarter of 2005. As short-term interest rates have risen faster than long-term rates, increases in institutions' funding costs have outpaced increases in the yields on their investments. The resulting margin squeeze has been more pronounced at larger institutions, which rely more on short-term, interest-sensitive liabilities to fund their assets. Margins have declined at smaller institutions as well. They obtain more of their funding from retail deposits, which reprice upwards more slowly when interest rates rise, and their average funding costs have remained below the industry average. However, their assets include a larger proportion of longer-maturity loans and other investments, which reprice more slowly when interest rates rise, so the average yields on their assets have risen more slowly than other institutions.'

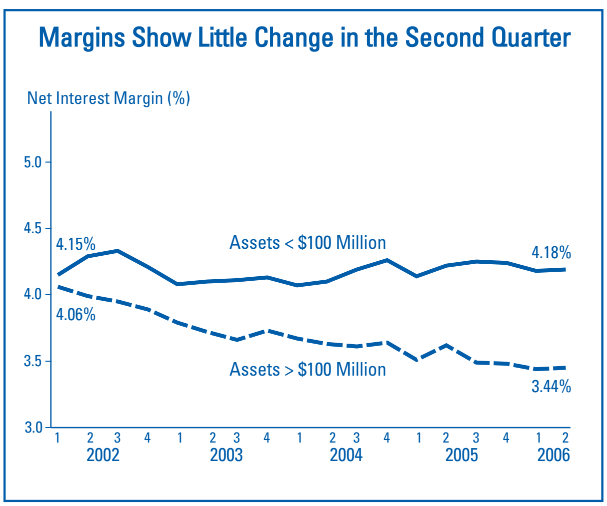
Losses on Credit Cards Have Not Yet Risen Back to Pre-Bankruptcy Reform Levels

Asset quality indicators continue to show few if any signs of weakness. Net charge-offs of loans and leases were $683 million (10.1 percent) lower than in the second quarter of 2005. Charge-offs on credit cards remained well below normal levels for a second consecutive quarter after a surge in the fourth quarter of 2005 prompted by the implementation of new bankruptcy rules. The $3.2 billion in credit card loans that were charged off during the second quarter was $333 million (11.4 percent) above the level of the first quarter, but was still $764 million (19.0 percent) less than the industry charged off during the second quarter of 2005. Charge-offs of other loans to individuals also remained below year-earlier levels, declining by $143 million (10.3 percent). Net charge-offs of loans to commercial and industrial (C&I) borrowers were $91 million (12.7 percent) higher than a year earlier, the first time in 15 quarters that quarterly C&I charge-offs have had year-over-year growth. However, because of growth in C&I loan portfolios, the industry's net charge-off rate on C&I loans was slightly lower than in last year's second quarter, at 0.28 percent, down from 0.29 percent. Small increases were also registered in charge-offs in real estate construction and development loan portfolios, and in residential mortgage loans. Loan losses remain very low by historical standards. The annualized net charge-off rate on total loans and leases averaged 0.35 percent in the second quarter, matching the second-lowest level in the 23 years that all insured institutions have reported quarterly charge-off data.

Noncurrent Loans Increase, But Noncurrent Loan Rate Reaches All-Time Low

The industry's noncurrent loans (loans 90 days or more past due or in nonaccrual status) registered a modest $514-million (1.1-percent) increase during the second quarter. Noncurrent credit card loans increased by $652 million (10.4 percent), while noncurrent real estate construction and development loans rose by $215 million (10.8 percent), and noncurrent C&I loans grew by $160 million (2.0 percent). This is the first increase in noncurrent C&I loans in 15 quarters, but it was the second consecutive quarterly increase in noncurrent construction and development loans. Since the end of last year, when it reached its lowest level in the 16 years that insured institutions have reported noncurrent construction and development loan data, the noncurrent rate on these loans has risen in the past two quarters, from 0.38 percent to 0.43 percent. The increases in noncurrent construction loans, C&I, and

Chart 3



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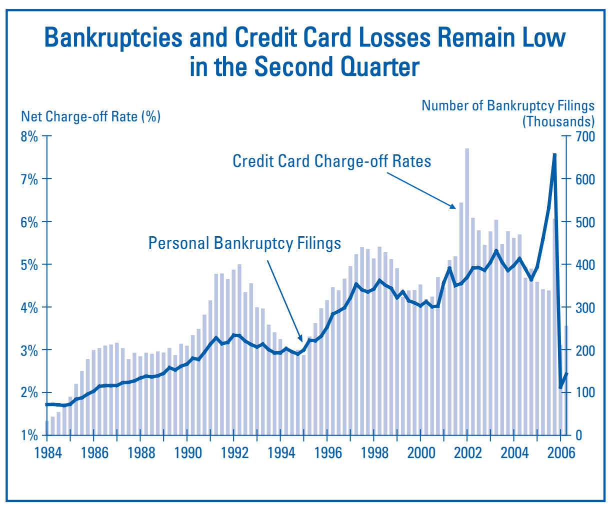


credit card loans were partially offset by a $397-million (2.1-percent) decline in noncurrent 1-4 family residential mortgages. This decline was caused by a $682-million decline in noncurrent rebooked GNMA mortgage loans. Despite the growth in total noncurrent loans during the quarter, the industry's noncurrent loan rate declined by one basis point to 0.70 percent, the lowest level in the 23 years that insured institutions have reported total noncurrent loan data.

Reserve Growth Lags Behind Growth in Loans

After two years of declines, industry loan-loss reserves have increased modestly in each of the first two quarters of this year. During the second quarter, reserves grew by $252 million (0.3 percent), following a $305-million (0.4-percent) increase in the first quarter. Insured institutions added $6.4 billion in loan-loss provisions to their reserves, while net charge-offs siphoned off $6.1 billion. The small increase in reserves did not keep pace with growth in total loans and noncurrent loans. The industry's ratio of reserves to total loans and leases fell for the fourteenth quarter in a row. At 1.10 percent, it is at its lowest level since 1985. The industry's "coverage ratio" of reserves to noncurrent loans declined from $1.60 in reserves for every $1.00 in noncurrent loans to $1.59 during the quarter. The slippage in reserve ratios and coverage ratios occurred across all sizes of institutions.

Capital Indicators Remain Robust

Equity capital increased by $20.6 billion (1.8 percent) during the second quarter. Retained earnings contributed $16.4 billion to the increase. The industry's ratio of equity capital to assets fell from 10.38 percent to 10.27 percent during the quarter. The core capital (leverage ratio) had a smaller decline, from 8.27 percent to 8.24 percent. The tier 1 risk based capital ratio slipped from 10.76 percent to 10.75 percent, while the total risk-based capital ratio improved from 13.06 percent to 13.08 percent, as the industry added more assets with low risk weights in the second quarter. All capital ratios remained near long-term highs. At the end of June, more than 99 percent of all insured institutions met or exceeded the requirements of the highest regulatory capital standards.

Assets Continue to Grow at Double-Digit Annual Rate

Total assets of insured institutions increased by $314 billion (2.8 percent) during the second quarter, as loan demand remained strong. During the 12 months ended June 30, industry assets increased by more than $1 trillion, the first time that an increase of this magnitude has occurred over a 12-month period. Loans and leases accounted for almost two-thirds of the increase in assets during the second quarter. Residential mortgage loans registered the largest increase, growing by $54.3 billion (2.6 percent). C&I loans rose by $31.7 billion (2.8 percent), followed by real estate construction and development loans, which increased by $30.4 billion (6.3 percent). During the last 12 months, construction and development loans have grown by $123.9 billion (31.8 percent). Other loan categories that exhibited significant growth include loans secured by commercial real estate properties, which were up by $21.3 billion (2.5 percent) during the quarter, and credit card loans, which increased by $15.7 billion (4.4 percent). In addition to the growth in residential mortgage loans, the industry also saw its mortgage-backed securities (MBS) increase by $25.5 billion (2.1 percent) during the quarter. Data on loans to small businesses and

Chart 5

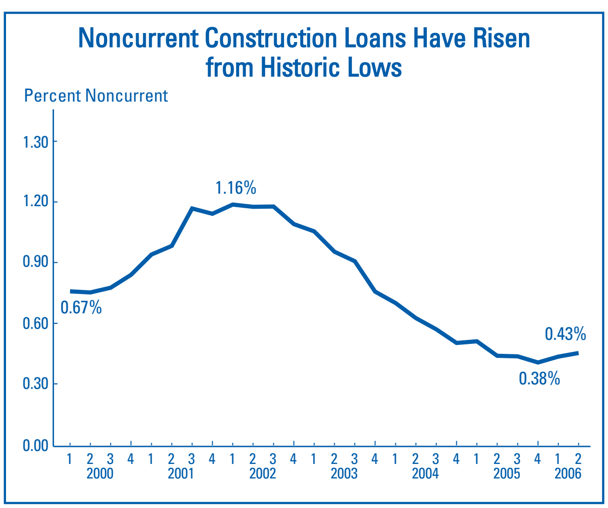
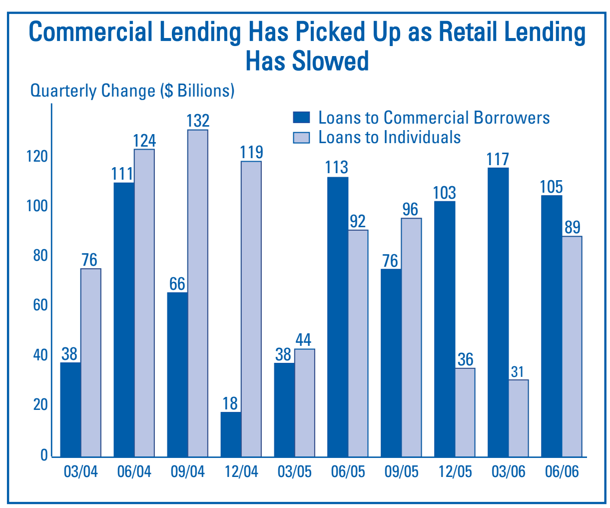


Chart 6



farms, which is reported each June 30, show that lending to small domestic commercial borrowers grew at a more rapid rate in the 12 months ended June 30 than in the 12 months ended June 30, 2005. However, the data also show that growth in loans to larger domestic commercial borrowers remains stronger. During the last 12 months, C&I loans with original amounts of $1 million or less increased by $12.7 billion (4.5 percent), while larger C&I loans grew by $80.5 billion (13.0 percent). Commercial real estate loans with original amounts of $1 million or less increased by $20.7 million (6.6 percent), while larger loans grew by $55.6 billion (11.9 percent). Agricultural production loans with original amounts of $500 thousand or less increased by $1.5 billion (4.9 percent), while larger agricultural loans rose by $3.0 billion (17.6 percent). Real estate loans secured by farmland with original amounts of $500 thousand or less increased by $921 million (2.8 percent), while larger farm real estate loans increased by $2.9 billion (20.3 percent).

Retail Deposit Growth Slows

Total deposits increased by $186.1 billion (2.5 percent), with much of the growth coming from deposits in foreign offices (up by $80.2 billion, or 8.1 percent), and large domestic time deposits (up by $64.4 billion, or 4.9 percent). Brokered deposits increased by $43.1 billion (8.8 percent). "Core" or retail deposits, which include all deposits in domestic offices other than time deposits in denominations of $100,000 or more, increased by $41.5 billion (0.8 percent), the smallest quarterly increase in almost three years. Nondeposit liabilities increased by $107.1 billion (3.9 percent). Institutions' dependence on volatile liabilities — foreign office deposits, large-denomination time deposits, overnight funds and other borrowings — has risen to a record-high level, even as core deposits' share of total funding has fallen to an all-time low, which means that funding costs have become more sensitive to changes in short-term interest rates.

More Than Two Years Since Last Bank Failure

The number of FDIC-insured commercial banks and savings institutions reporting financial results declined from 8,790 to 8,778 during the second quarter. This is the second-smallest net decline in the number of insured institutions in any quarter since the industry began consolidating in 1986. During the 12 months ended June 30, the industry had a net contraction of 90 institutions, the first 12-month period in 20 years that has not had a net decline of more than 100 insured institutions. There were 55 new institutions added during the second quarter, while 67 insured institutions were absorbed by mergers. For the eighth consecutive quarter, no FDIC-insured institution failed. The length of time since the last bank failure, which now exceeds two years (the last failure occurred on June 25, 2004), is unprecedented in the 73-year history of federal deposit insurance. The number of insured institutions on the FDIC's "Problem List" increased from 48 to 50 during the quarter, and total assets of "problem" institutions increased from $5.4 billion to $5.5 billion, but these numbers remain near historic lows for the industry. Four insured savings institutions with $1.7 billion in assets converted from mutual to stock ownership in the second quarter.

Chart 7

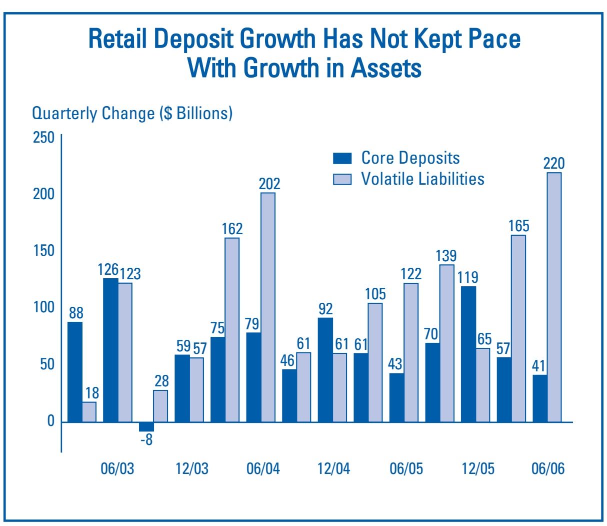


Chart 8

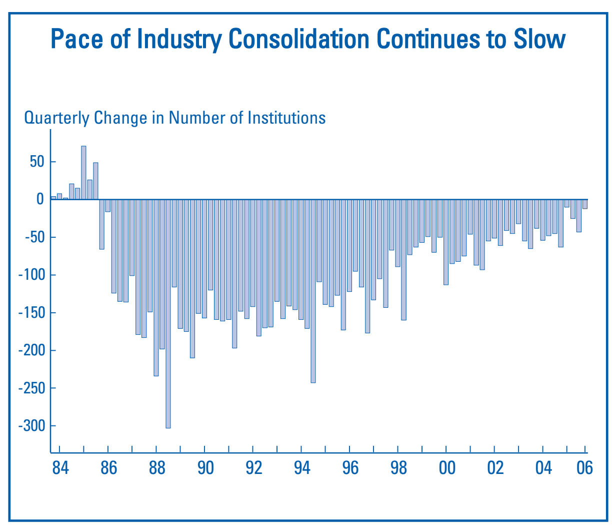


TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

	2006**	2005**	2005	2004	2003	2002	2001
Return on assets (%)	1.34	1.34	1.30	1.28	1.38	1.30	1.14
Return on equity (%)	12.99	13.18	12.73	13.20	15.05	14.08	13.02
Core capital (leverage) ratio (%)	8.24	8.26	8.25	8.11	7.88	7.86	7.79
Noncurrent assets plus other real estate owned to assets (%)	0.47	0.48	0.50	0.53	0.75	0.90	0.87
Net charge-offs to loans (%)	0.34	0.45	0.50	0.56	0.78	0.97	0.83
Asset growth rate (%)	10.02	8.56	7.64	11.35	7.58	7.20	5.44
Net interest margin (%)	3.45	3.57	3.52	3.54	3.73	3.96	3.78
Net operating income growth (%)	13.33	10.35	11.42	4.04	16.39	17.58	-0.48
Number of institutions reporting	8,778	8,868	8,833	8,976	9,181	9,354	9,614
Commercial banks	7,480	7,549	7,526	7,631	7,770	7,888	8,080
Savings institutions	1,298	1,319	1,307	1,345	1,411	1,466	1,534
Percentage of unprofitable institutions (%)	6.74	5.53	6.22	5.96	5.99	6.67	8.24
Number of problem institutions	50	74	52	80	116	136	114
Assets of problem institutions (in billions)	$6	$22	$7	$28	$30	$39	$40
Number of failed/assisted institutions	0	0	0	4	3	11	4

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

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

(dollar figures in millions)	2nd Quarter 2006	1st Quarter 2006	2nd Quarter 2005	%Change 05:2-06:2
Number of institutions reporting	8,778	8,790	8,868	-1.0
Total employees (full-time equivalent)	2,198,643	2,172,999	2,130,266	3.2
CONDITION DATA				
Total assets	$11,523,517	$11,209,806	$10,474,304	10.0
Loans secured by real estate	4,383,902	4,247,132	3,932,148	11.5
1-4 Family residential mortgages	2,155,859	2,101,607	1,950,716	10.5
Commercial real estate	859,410	838,073	783,175	9.7
Construction and development	513,883	483,483	389,992	31.8
Home equity lines	555,996	530,604	533,854	4.1
Commercial & industrial loans	1,164,628	1,132,911	1,042,165	11.8
Loans to individuals	933,077	923,574	907,687	2.8
Credit cards	374,351	358,627	366,447	2.2
Farm loans	52,768	49,324	48,274	9.3
Other loans & leases	527,432	514,233	477,878	10.4
Less: Unearned income	2,433	3,344	3,084	-21.1
Total loans & leases	7,059,374	6,863,830	6,405,069	10.2
Less: Reserve for losses	77,911	77,659	79,053	-1.4
Net loans and leases	6,981,463	6,786,171	6,326,016	10.4
Securities	1,970,914	1,956,246	1,888,572	4.4
Other real estate owned	5,217	5,117	4,093	27.5
Goodwill and other intangibles	390,425	380,786	322,362	21.1
All other assets	2,175,498	2,081,486	1,933,261	12.5
Total liabilities and capital	11,523,517	11,209,806	10,474,304	10.0
Deposits	7,504,873	7,318,785	6,820,986	10.0
Domestic office deposits	6,436,832	6,330,974	5,925,818	8.6
Foreign office deposits	1,068,041	987,811	895,168	19.3
Other borrowed funds	2,215,173	2,118,161	2,017,261	9.8
Subordinated debt	142,875	135,458	123,091	16.1
All other liabilities	476,788	474,158	426,086	11.9
Equity capital	1,183,807	1,163,243	1,086,880	8.9
Loans and leases 30-89 days past due	55,206	56,334	47,404	16.5
Noncurrent loans and leases	49,107	48,593	45,820	7.2
Restructured loans and leases	4,169	3,306	2,755	51.3
Direct and indirect investments in real estate	1,122	1,102	912	23.0
Mortgage-backed securities	1,212,620	1,187,113	1,141,222	6.3
Earning assets	10,054,033	9,795,064	9,142,318	10.0
FHLB Advances	622,535	598,299	585,377	6.3
Unused loan commitments	7,557,470	7,297,374	6,681,630	13.1
Trust assets	17,565,286	17,432,442	15,470,980	13.5
Assets securitized and sold***	996,684	962,339	971,376	2.6
Notional amount of derivatives***	120,205,341	111,134,408	96,942,524	24.0

INCOME DATA	First Half 2006	First Half 2005	%Change	2nd Quarter 2006	2nd Quarter 2005	%Change 05:2-06:2
Total interest income	$314,073	$246,365	27.5	$162,939	$129,832	25.5
Total interest expense	145,483	89,189	63.1	77,252	48,513	59.2
Net interest income	168,589	157,175	7.3	85,687	81,319	5.4
Provision for loan and lease losses	12,327	12,807	-3.8	6,394	6,410	-0.3
Total noninterest income	123,425	109,684	12.5	62,395	55,659	12.1
Total noninterest expense	169,336	157,080	7.8	84,995	81,710	4.0
Securities gains (losses)	945	3,101	-69.5	276	2,252	-87.8
Applicable income taxes	36,843	32,849	12.2	19,154	16,771	14.2
Extraordinary gains, net	481	11	N/M	278	7	N/M
Net income	74,935	67,235	11.5	38,093	34,346	10.9
Net charge-offs	11,514	13,859	-16.9	6,058	6,741	-10.1
Cash dividends	40,617	33,647	20.7	21,729	19,074	13.9
Retained earnings	34,318	33,589	2.2	16,364	15,272	7.2
Net operating income	73,844	65,159	13.3	37,635	32,863	14.5

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

TABLE III-A. Second Quarter 2006, All FDIC-Insured Institutions

		Asset Concentration Groups*								
SECOND QUARTER **(The way it is...)**	All Insured Institutions	Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	8,778	29	5	1,681	4,707	863	123	404	911	55
Commercial banks	7,480	26	5	1,677	4,248	195	96	361	829	43
Savings institutions	1,298	3	0	4	459	668	27	43	82	12
Total assets (in billions)	$11,523.5	$376.8	$2,097.8	$146.6	$4,550.2	$1,766.7	$97.5	$44.4	$117.2	$2,326.3
Commercial banks	9,602.3	360.2	2,097.8	146.2	4,116.1	419.0	49.9	35.1	100.0	2,278.0
Savings institutions	1,921.3	16.5	0.0	0.3	434.1	1,347.7	47.6	9.4	17.2	48.3
Total deposits (in billions)	7,504.9	104.8	1,288.0	118.5	3,271.5	1,013.7	71.1	31.1	95.9	1,510.2
Commercial banks	6,383.0	102.4	1,288.0	118.2	2,989.2	259.0	34.5	24.8	82.3	1,484.6
Savings institutions	1,121.8	2.4	0.0	0.3	282.3	754.7	36.6	6.3	13.6	25.6
Net income (in millions)	38,093	4,325	5,191	471	14,977	4,639	437	387	302	7,364
Commercial banks	32,901	4,152	5,191	470	14,051	1,113	246	201	287	7,189
Savings institutions	5,193	174	0	1	925	3,526	191	186	14	175
Performance Ratios (annualized,%)										
Yield on earning assets	6.57	13.53	5.83	6.78	6.80	6.22	7.84	5.24	6.14	6.01
Cost of funding earning assets	3.12	4.04	3.29	2.68	2.95	3.43	3.14	1.91	2.40	3.02
Net interest margin	3.46	9.49	2.54	4.10	3.86	2.79	4.70	3.33	3.75	3.00
Noninterest income to assets	2.20	10.91	2.68	0.67	1.56	1.23	2.48	10.35	1.10	2.30
Noninterest expense to assets	2.99	8.94	3.08	2.71	2.86	2.19	3.27	8.57	3.13	2.71
Loan and lease loss provision to assets	0.23	2.22	0.19	0.17	0.17	0.10	0.84	0.15	0.11	0.12
Net operating income to assets	1.33	4.40	1.02	1.31	1.35	0.96	1.71	3.20	1.03	1.29
Pretax return on assets	2.02	7.23	1.50	1.56	1.94	1.67	2.77	4.70	1.30	2.02
Return on assets	1.34	4.64	1.01	1.30	1.33	1.07	1.79	3.37	1.03	1.29
Return on equity	12.99	17.10	12.45	12.02	13.04	9.92	18.38	15.64	9.53	13.96
Net charge-offs to loans and leases	0.35	3.43	0.59	0.17	0.17	0.13	0.92	0.54	0.18	0.19
Loan and lease loss provision to net charge-offs	105.54	94.30	74.50	144.64	142.72	110.60	116.49	114.79	109.12	121.09
Efficiency ratio	56.00	45.71	62.57	60.51	56.22	56.81	48.17	64.31	68.51	54.61
% of unprofitable institutions	6.76	10.34	0.00	3.15	6.97	8.00	4.07	22.52	4.83	0.00
% of institutions with earnings gains	56.65	72.41	100.00	54.37	64.86	30.94	49.59	45.54	48.41	49.09
Structural Changes										
New Charters	55	0	0	2	15	1	0	36	1	0
Institutions absorbed by mergers	67	0	0	11	53	2	0	0	0	1
Failed Institutions	0	0	0	0	0	0	0	0	0	0
PRIOR SECOND QUARTERS **(The way it was...)**										
Return on assets (%) 2005	1.34	3.18	0.71	1.35	1.39	1.22	1.40	1.60	1.09	1.60
2003	1.38	4.01	1.04	1.26	1.31	1.49	1.49	0.65	1.08	1.29
2001	1.18	2.81	0.90	1.21	1.20	1.07	1.14	1.33	1.05	1.00
Net charge-offs to loans & leases (%) 2005	0.43	4.18	0.66	0.15	0.22	0.09	1.11	0.40	0.34	0.18
2003	0.79	5.37	1.39	0.25	0.56	0.18	0.89	0.55	0.31	0.56
2001	0.72	4.01	0.65	0.23	0.60	0.16	1.02	0.38	0.34	0.75

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

TABLE III-A. Second Quarter 2006, All FDIC-Insured Institutions

SECOND QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	8,778	3,806	4,332	518	122	1,104	1,234	1,864	2,043	1,777	756
Commercial banks	7,480	3,403	3,593	395	89	578	1,088	1,539	1,938	1,654	683
Savings institutions	1,298	403	739	123	33	526	146	325	105	123	73
Total assets (in billions)	$11,523.5	$198.6	$1,269.5	$1,422.2	$8,633.3	$2,951.5	$2,861.6	$2,679.3	$825.3	$629.3	$1,576.6
Commercial banks	9,602.3	178.0	1,019.7	1,090.7	7,314.0	2,304.0	2,675.2	2,526.3	789.8	527.2	779.8
Savings institutions	1,921.3	20.6	249.8	331.5	1,319.3	647.5	186.5	153.0	35.5	102.1	796.8
Total deposits (in billions)	7,504.9	162.6	1,015.6	1,006.3	5,320.4	1,946.6	1,883.8	1,689.9	601.9	477.1	905.5
Commercial banks	6,383.0	146.9	828.0	776.4	4,631.6	1,530.1	1,760.8	1,582.3	578.5	417.6	513.7
Savings institutions	1,121.8	15.7	187.6	229.9	688.7	416.5	123.0	107.6	23.4	59.5	391.8
Net income (in millions)	38,093	502	4,052	4,675	28,863	9,392	9,260	7,164	3,350	2,015	6,912
Commercial banks	32,901	458	3,444	3,874	25,125	7,889	8,835	6,754	3,273	1,700	4,449
Savings institutions	5,193	44	609	801	3,738	1,503	425	410	77	315	2,463
Performance Ratios (annualized,%)											
Yield on earning assets	6.57	6.60	6.89	6.72	6.49	6.45	6.37	5.98	7.25	6.88	7.64
Cost of funding earning assets	3.12	2.42	2.77	2.96	3.21	3.20	3.07	3.16	2.86	2.83	3.23
Net interest margin	3.46	4.18	4.12	3.76	3.28	3.25	3.30	2.82	4.38	4.05	4.41
Noninterest income to assets	2.20	1.23	1.30	1.61	2.45	2.55	1.89	2.14	3.13	1.46	1.99
Noninterest expense to assets	2.99	3.62	3.18	2.89	2.97	3.11	2.66	2.79	4.16	3.22	3.03
Loan and lease loss provision to assets	0.23	0.18	0.17	0.18	0.24	0.31	0.12	0.12	0.28	0.15	0.43
Net operating income to assets	1.33	1.01	1.28	1.30	1.34	1.29	1.31	1.11	1.68	1.27	1.63
Pretax return on assets	2.02	1.30	1.75	1.98	2.08	1.93	2.01	1.61	2.42	1.73	2.77
Return on assets	1.34	1.01	1.29	1.34	1.36	1.29	1.32	1.09	1.63	1.29	1.78
Return on equity	12.99	8.09	12.59	12.31	13.30	11.65	13.68	12.10	15.46	12.67	14.34
Net charge-offs to loans and leases	0.35	0.15	0.15	0.20	0.42	0.56	0.15	0.23	0.37	0.22	0.54
Loan and lease loss provision to net charge-offs	105.54	190.30	169.79	132.54	98.53	101.94	128.36	99.27	108.31	115.26	102.66
Efficiency ratio	56.00	70.97	62.11	56.56	54.70	55.96	54.70	59.58	58.69	62.20	49.53
% of unprofitable institutions	6.76	11.93	2.95	1.74	1.64	9.51	9.64	5.53	4.85	5.01	10.32
% of institutions with earnings gains	56.65	51.47	60.06	64.86	62.30	42.03	68.15	46.14	54.33	65.56	70.50
Structural Changes											
New Charters	55	53	2	0	0	5	20	7	4	6	13
Institutions absorbed by mergers	67	30	35	2	0	6	14	7	18	7	15
Failed Institutions	0	0	0	0	0	0	0	0	0	0	0
PRIOR SECOND QUARTERS (The way it was...)											
Return on assets (%) 2005	1.34	1.09	1.24	1.36	1.36	1.29	1.58	0.95	1.56	1.28	1.63
2003	1.38	0.89	1.19	1.50	1.41	1.25	1.39	1.34	1.57	1.41	1.64
2001	1.18	0.92	1.11	1.20	1.20	1.15	1.23	0.98	1.33	1.23	1.36
Net charge-offs to loans & leases (%) 2005	0.43	0.19	0.19	0.24	0.52	0.69	0.20	0.27	0.51	0.23	0.63
2003	0.79	0.30	0.31	0.65	0.94	1.14	0.57	0.68	1.05	0.39	0.70
2001	0.72	0.26	0.30	0.77	0.82	0.81	0.63	0.62	0.95	0.40	0.85

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

TABLE IV-A. First Half 2006, All FDIC-Insured Institutions

FIRST HALF (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	8,778	29	5	1,681	4,707	863	123	404	911	55
Commercial banks	7,480	26	5	1,677	4,248	195	96	361	829	43
Savings institutions	1,298	3	0	4	459	668	27	43	82	12
Total assets (in billions)	$11,523.5	$376.8	$2,097.8	$146.6	$4,550.2	$1,766.7	$97.5	$44.4	$117.2	$2,326.3
Commercial banks	9,602.3	360.2	2,097.8	146.2	4,116.1	419.0	49.9	35.1	100.0	2,278.0
Savings institutions	1,921.3	16.5	0.0	0.3	434.1	1,347.7	47.6	9.4	17.2	48.3
Total deposits (in billions)	7,504.9	104.8	1,288.0	118.5	3,271.5	1,013.7	71.1	31.1	95.9	1,510.2
Commercial banks	6,383.0	102.4	1,288.0	118.2	2,989.2	259.0	34.5	24.8	82.3	1,484.6
Savings institutions	1,121.8	2.4	0.0	0.3	282.3	754.7	36.6	6.3	13.6	25.6
Net income (in millions)	74,935	8,436	10,781	925	29,564	9,057	959	298	599	14,316
Commercial banks	64,596	8,178	10,781	923	27,464	2,098	535	40	562	14,016
Savings institutions	10,339	259	0	2	2,100	6,959	425	258	37	300
Performance Ratios (annualized,%)										
Yield on earning assets	6.43	13.03	5.76	6.62	6.64	6.08	7.71	5.39	6.02	5.89
Cost of funding earning assets	2.98	3.82	3.20	2.54	2.80	3.27	3.05	1.95	2.29	2.89
Net interest margin	3.45	9.21	2.56	4.08	3.84	2.81	4.66	3.43	3.73	3.00
Noninterest income to assets	2.21	11.04	2.90	0.66	1.53	1.21	2.52	9.53	1.07	2.24
Noninterest expense to assets	3.03	8.98	3.23	2.70	2.84	2.19	3.23	10.24	3.11	2.74
Loan and lease loss provision to assets	0.22	2.29	0.22	0.15	0.16	0.08	0.59	0.02	0.10	0.11
Net operating income to assets	1.32	4.39	1.09	1.29	1.33	0.96	1.94	1.18	1.02	1.27
Pretax return on assets	2.00	7.15	1.57	1.55	1.93	1.66	3.05	2.36	1.29	1.95
Return on assets	1.34	4.59	1.08	1.28	1.33	1.06	2.00	1.28	1.03	1.27
Return on equity	12.99	18.14	13.06	11.93	13.05	9.76	20.53	5.89	9.48	13.64
Net charge-offs to loans and leases	0.34	3.15	0.55	0.14	0.17	0.12	0.94	0.70	0.15	0.19
Loan and lease loss provision to net charge-offs	107.06	102.49	89.68	163.44	139.63	95.44	79.56	10.54	123.68	102.01
Efficiency ratio	56.45	45.69	62.62	60.90	56.46	57.14	47.49	67.63	68.76	55.96
% of unprofitable institutions	6.74	6.90	0.00	2.86	7.20	8.23	4.07	21.29	4.50	0.00
% of institutions with earnings gains	57.48	68.97	100.00	53.06	67.30	30.94	52.03	44.55	46.10	54.55
Condition Ratios (%)										
Earning assets to total assets	87.25	74.66	83.69	91.91	88.73	91.68	91.09	86.49	91.64	85.56
Loss Allowance to:										
Loans and leases	1.10	4.19	1.30	1.38	1.14	0.47	1.46	1.47	1.23	0.82
Noncurrent loans and leases	158.66	228.73	145.13	156.28	196.64	70.82	203.61	202.48	161.58	130.01
Noncurrent assets plus other real estate owned to assets	0.47	1.28	0.40	0.67	0.46	0.54	0.60	0.21	0.53	0.36
Equity capital ratio	10.27	27.09	8.05	10.72	10.21	10.65	9.92	21.54	10.80	9.13
Core capital (leverage) ratio	8.24	18.08	6.30	10.51	8.34	9.36	9.39	17.61	10.86	7.01
Tier 1 risk-based capital ratio	10.72	16.68	8.65	14.20	9.80	15.26	11.74	41.02	18.05	9.58
Total risk-based capital ratio	13.08	19.49	12.14	15.30	11.98	16.81	12.75	42.47	19.23	11.93
Net loans and leases to deposits	93.03	239.84	68.00	81.69	95.58	123.92	107.35	32.20	67.69	80.98
Net loans to total assets	60.58	66.73	41.75	66.05	68.72	71.10	78.26	22.56	55.38	52.57
Domestic deposits to total assets	55.86	24.72	30.10	80.86	69.21	57.00	72.29	68.17	81.82	53.33
Structural Changes										
New Charters	98	0	0	3	27	1	2	61	4	0
Institutions absorbed by mergers	152	0	0	17	120	6	0	4	2	3
Failed Institutions	0	0	0	0	0	0	0	0	0	0
PRIOR FIRST HALVES (The way it was...)										
Number of institutions 2005	8,868	29	6	1,731	4,545	953	118	422	1,005	59
2003	9,268	37	6	1,826	4,118	1,045	183	524	1,429	100
2001	9,747	61	6	1,960	4,008	1,234	257	457	1,679	85
Total assets (in billions) 2005	$10,474.3	$372.3	$1,927.3	$139.0	$3,648.0	$1,642.0	$146.2	$49.9	$127.5	$2,422.2
2003	8,923.3	294.1	1,429.3	127.7	3,122.3	1,407.6	379.6	64.6	195.2	1,902.9
2001	7,635.9	335.7	1,187.9	120.6	3,799.3	1,082.0	140.6	46.5	200.9	722.4
Return on assets (%) 2005	1.34	3.18	0.81	1.31	1.35	1.21	1.35	1.58	1.14	1.55
2003	1.38	3.79	1.06	1.24	1.32	1.51	1.53	0.95	1.08	1.27
2001	1.20	2.82	1.02	1.20	1.20	1.04	1.06	1.60	1.05	0.97
Net charge-offs to loans & leases (%) 2005	0.45	4.26	0.70	0.13	0.22	0.09	1.16	0.32	0.29	0.19
2003	0.80	5.36	1.42	0.20	0.56	0.18	0.90	0.45	0.28	0.58
2001	0.68	3.86	0.60	0.20	0.56	0.14	1.08	0.48	0.27	0.71
Noncurrent assets plus OREO to assets (%) 2005	0.48	1.17	0.53	0.68	0.48	0.41	0.44	0.26	0.60	0.37
2003	0.81	1.42	1.00	1.00	0.81	0.66	0.81	0.42	0.74	0.67
2001	0.79	1.40	0.74	0.86	0.84	0.54	1.22	0.27	0.62	0.62
Equity capital ratio (%) 2005	10.38	21.70	8.46	10.96	10.09	10.89	12.08	18.41	11.06	9.91
2003	9.09	17.13	7.08	10.87	9.39	9.01	8.58	15.34	11.04	8.51
2001	8.72	12.07	6.69	10.79	9.07	8.28	7.75	17.87	10.37	8.08

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

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

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

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

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

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

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

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

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

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

TABLE IV-A. First Half 2006, All FDIC-Insured Institutions

		Asset Size Distribution				Geographic Regions*					
FIRST HALF **(The way it is...)**	All Insured Institutions	Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	8,778	3,806	4,332	518	122	1,104	1,234	1,864	2,043	1,777	756
Commercial banks	7,480	3,403	3,593	395	89	578	1,088	1,539	1,938	1,654	683
Savings institutions	1,298	403	739	123	33	526	146	325	105	123	73
Total assets (in billions)	$11,523.5	$198.6	$1,269.5	$1,422.2	$8,633.3	$2,951.5	$2,861.6	$2,679.3	$825.3	$629.3	$1,576.6
Commercial banks	9,602.3	178.0	1,019.7	1,090.7	7,314.0	2,304.0	2,675.2	2,526.3	789.8	527.2	779.8
Savings institutions	1,921.3	20.6	249.8	331.5	1,319.3	647.5	186.5	153.0	35.5	102.1	796.8
Total deposits (in billions)	7,504.9	162.6	1,015.6	1,006.3	5,320.4	1,946.6	1,883.8	1,689.9	601.9	477.1	905.5
Commercial banks	6,383.0	146.9	828.0	776.4	4,631.6	1,530.1	1,760.8	1,582.3	578.5	417.6	513.7
Savings institutions	1,121.8	15.7	187.6	229.9	688.7	416.5	123.0	107.6	23.4	59.5	391.8
Net income (in millions)	74,935	993	7,432	9,234	57,276	18,454	18,330	14,157	6,572	4,017	13,405
Commercial banks	64,596	905	6,304	7,644	49,743	15,528	17,443	13,443	6,425	3,391	8,366
Savings institutions	10,339	88	1,128	1,590	7,533	2,927	888	714	147	626	5,039
Performance Ratios (annualized,%)											
Yield on earning assets	6.43	6.48	6.73	6.58	6.36	6.31	6.23	5.90	7.07	6.71	7.43
Cost of funding earning assets	2.98	2.32	2.64	2.82	3.08	3.05	2.94	3.06	2.69	2.69	3.06
Net interest margin	3.45	4.15	4.09	3.76	3.28	3.26	3.30	2.84	4.38	4.01	4.38
Noninterest income to assets	2.21	1.21	1.26	1.61	2.47	2.58	1.89	2.18	3.03	1.43	2.02
Noninterest expense to assets	3.03	3.59	3.24	2.90	3.00	3.21	2.66	2.84	4.13	3.21	3.02
Loan and lease loss provision to assets	0.22	0.16	0.16	0.17	0.24	0.30	0.10	0.14	0.26	0.15	0.43
Net operating income to assets	1.32	0.99	1.18	1.31	1.35	1.28	1.32	1.11	1.64	1.24	1.63
Pretax return on assets	2.00	1.29	1.64	1.98	2.07	1.90	2.00	1.62	2.38	1.71	2.73
Return on assets	1.34	1.01	1.19	1.34	1.37	1.29	1.32	1.09	1.62	1.30	1.75
Return on equity	12.99	8.02	11.64	12.39	13.44	11.83	13.66	12.05	15.34	12.76	14.09
Net charge-offs to loans and leases	0.34	0.13	0.13	0.19	0.40	0.51	0.15	0.23	0.36	0.19	0.53
Loan and lease loss provision to net charge-offs	107.06	199.22	181.00	134.12	99.91	104.54	111.79	108.41	103.38	128.54	106.36
Efficiency ratio	56.45	71.19	62.81	56.79	55.16	56.91	54.92	59.99	59.17	63.01	49.37
% of unprofitable institutions	6.74	12.19	2.82	0.97	0.82	9.96	10.29	5.53	4.45	4.78	10.05
% of institutions with earnings gains	57.48	51.18	61.52	67.18	69.67	42.93	70.58	47.32	54.28	64.83	73.81
Condition Ratios (%)											
Earning assets to total assets	87.25	91.97	91.75	90.52	85.94	85.73	87.22	86.53	86.61	89.42	90.83
Loss Allowance to:											
Loans and leases	1.10	1.31	1.18	1.16	1.07	1.23	0.92	1.14	1.23	1.16	1.08
Noncurrent loans and leases	158.66	146.84	191.82	197.77	148.30	173.35	228.60	141.23	115.82	135.66	144.82
Noncurrent assets plus other real estate owned to assets	0.47	0.70	0.52	0.45	0.47	0.41	0.29	0.51	0.82	0.64	0.62
Equity capital ratio	10.27	12.51	10.22	10.91	10.12	11.04	9.49	8.92	10.62	10.17	12.42
Core capital (leverage) ratio	8.24	12.70	9.90	9.50	7.68	8.29	7.36	7.16	9.05	8.66	10.99
Tier 1 risk-based capital ratio	10.72	18.66	13.41	12.43	9.89	11.46	9.40	9.06	11.02	12.08	14.06
Total risk-based capital ratio	13.08	19.74	14.55	13.71	12.62	14.11	11.60	11.76	13.42	13.42	15.93
Net loans and leases to deposits	93.03	76.70	85.58	92.78	94.99	83.23	93.31	86.58	93.47	81.10	131.51
Net loans to total assets	60.58	62.82	68.46	65.65	58.54	54.89	61.43	54.61	68.17	61.48	75.53
Domestic deposits to total assets	55.86	81.89	79.89	70.04	49.39	47.29	59.02	52.69	69.24	75.19	56.84
Structural Changes											
New Charters	98	94	2	2	0	11	39	10	7	13	18
Institutions absorbed by mergers	152	61	79	11	1	16	34	24	34	22	22
Failed Institutions	0	0	0	0	0	0	0	0	0	0	0
PRIOR FIRST HALVES **(The way it was...)**											
Number of institutions 2005	8,868	3,996	4,266	492	114	1,109	1,214	1,897	2,079	1,812	757
2003	9,268	4,509	4,183	466	110	1,194	1,236	2,034	2,145	1,884	775
2001	9,747	5,288	3,923	436	100	1,272	1,293	2,145	2,240	1,982	815
Total assets (in billions) 2005	$10,474.3	$207.5	$1,209.7	$1,351.2	$7,705.9	$2,729.8	$2,579.4	$2,426.9	$765.4	$570.0	$1,402.8
2003	8,923.3	231.4	1,153.9	1,303.1	6,234.8	3,053.6	1,867.2	1,678.4	439.6	596.4	1,288.0
2001	7,635.9	258.6	1,043.9	1,238.8	5,094.5	2,655.4	1,574.5	1,334.8	448.9	511.0	1,111.3
Return on assets (%) 2005	1.34	1.07	1.23	1.34	1.36	1.28	1.51	0.98	1.61	1.28	1.63
2003	1.38	0.96	1.19	1.46	1.42	1.25	1.37	1.36	1.55	1.41	1.66
2001	1.20	0.94	1.11	1.22	1.22	1.15	1.17	1.00	1.27	1.21	1.53
Net charge-offs to loans & leases (%) 2005	0.45	0.15	0.18	0.25	0.55	0.72	0.21	0.29	0.55	0.21	0.63
2003	0.80	0.25	0.29	0.59	0.98	1.19	0.59	0.66	1.04	0.38	0.67
2001	0.68	0.22	0.27	0.69	0.79	0.78	0.60	0.59	0.87	0.35	0.79
Noncurrent assets plus OREO to assets (%) 2005	0.48	0.72	0.54	0.44	0.47	0.49	0.31	0.55	0.76	0.58	0.47
2003	0.81	0.93	0.74	0.66	0.84	0.87	0.66	0.95	0.79	0.79	0.68
2001	0.79	0.78	0.66	0.73	0.83	0.76	0.86	0.85	0.75	0.77	0.67
Equity capital ratio (%) 2005	10.38	12.16	10.29	10.86	10.26	10.70	10.00	9.30	10.83	9.64	12.34
2003	9.09	11.44	10.07	10.33	8.57	8.80	8.80	8.57	10.76	9.57	10.12
2001	8.72	11.37	9.98	9.25	8.19	8.41	9.06	8.15	9.78	9.34	8.93

*** Regions:**

New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico Rhode Island, Vermont, U.S. Virgin Islands

Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia

Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas

San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

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

June 30, 2006	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
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	0.70	2.59	0.81	1.05	0.63	0.76	1.15	1.08	1.28	0.69
Construction and development	0.57	0.00	1.00	1.37	0.54	0.77	0.56	1.41	1.06	0.44
Commercial real estate	0.47	0.00	0.55	0.96	0.48	0.38	0.48	0.66	1.01	0.28
Multifamily residential real estate	0.28	0.00	1.30	0.57	0.33	0.13	0.29	0.49	0.68	0.21
Home equity loans	0.48	2.57	0.60	0.60	0.41	0.48	0.28	1.06	0.74	0.51
Other 1-4 family residential	0.92	2.66	0.93	1.56	0.95	0.85	1.61	1.29	1.52	0.93
Commercial and industrial loans	0.60	2.15	0.60	1.44	0.61	0.58	1.07	1.43	1.36	0.37
Loans to individuals	1.64	2.08	1.91	2.06	1.31	1.00	1.36	1.78	1.85	1.40
Credit card loans	2.06	2.14	2.10	1.62	1.90	1.60	1.25	3.23	1.61	2.01
Other loans to individuals	1.37	1.44	1.79	2.09	1.25	0.75	1.40	1.63	1.86	1.28
All other loans and leases (including farm)	0.37	0.32	0.32	0.65	0.48	0.47	0.16	0.67	0.66	0.26
Total loans and leases	0.78	2.05	0.88	1.08	0.67	0.76	1.24	1.20	1.32	0.67
Percent of Loans Noncurrent**										
All real estate loans	0.66	1.93	1.07	0.85	0.57	0.66	0.47	0.69	0.78	0.78
Construction and development	0.43	0.00	1.13	0.82	0.40	0.55	0.20	0.42	0.83	0.45
Commercial real estate	0.57	0.00	1.07	1.06	0.55	0.44	0.34	0.73	1.05	0.53
Multifamily residential real estate	0.29	0.00	0.47	0.99	0.33	0.15	0.21	0.34	0.75	0.34
Home equity loans	0.26	1.84	0.28	0.29	0.23	0.28	0.03	0.10	0.27	0.28
Other 1-4 family residential	0.87	2.06	1.34	0.81	0.82	0.75	0.67	0.79	0.71	1.09
Commercial and industrial loans	0.70	1.29	0.83	1.32	0.66	0.83	1.28	1.29	1.02	0.53
Loans to individuals	1.14	1.89	1.56	0.74	0.63	0.52	0.79	0.57	0.58	0.53
Credit card loans	1.84	1.98	1.86	1.68	1.48	1.31	1.07	0.92	1.23	1.67
Other loans to individuals	0.66	1.04	1.37	0.68	0.53	0.20	0.69	0.54	0.55	0.31
All other loans and leases (including farm)	0.24	0.06	0.16	0.72	0.33	0.58	0.14	0.41	0.47	0.13
Total loans and leases	0.70	1.83	0.90	0.88	0.58	0.66	0.72	0.73	0.76	0.63
Percent of Loans Charged-off (net, YTD)										
All real estate loans	0.05	0.89	0.10	0.04	0.06	0.04	0.06	0.01	0.05	0.04
Construction and development	0.03	0.00	0.14	0.01	0.03	0.04	0.01	-0.01	0.02	-0.01
Commercial real estate	0.03	7.15	0.01	0.08	0.03	0.02	-0.04	0.03	0.09	0.01
Multifamily residential real estate	0.02	0.00	-0.09	0.01	0.03	0.00	0.00	0.00	0.09	0.00
Home equity loans	0.12	1.36	0.13	0.01	0.15	0.07	0.04	0.01	0.08	0.10
Other 1-4 family residential	0.06	0.41	0.09	0.05	0.08	0.04	0.08	0.01	0.04	0.04
Commercial and industrial loans	0.25	2.92	0.03	0.50	0.28	0.16	2.27	0.27	0.31	0.19
Loans to individuals	1.86	3.26	2.23	0.53	0.78	1.60	1.27	3.42	0.53	1.08
Credit card loans	3.28	3.43	2.98	4.03	2.71	4.03	2.26	10.11	2.99	3.25
Other loans to individuals	0.90	1.48	1.76	0.32	0.56	0.67	0.87	0.91	0.44	0.65
All other loans and leases (including farm)	0.11	0.00	0.00	0.00	0.28	0.55	0.27	0.12	0.00	0.06
Total loans and leases	0.34	3.15	0.55	0.14	0.17	0.12	0.93	0.69	0.15	0.19
Loans Outstanding (in billions)										
All real estate loans	$4,383.9	$2.3	$252.1	$54.1	$2,120.8	$1,152.0	$26.8	$6.6	$46.1	$723.2
Construction and development	513.9	0.0	7.3	4.7	414.8	29.5	0.6	0.6	3.2	53.1
Commercial real estate	859.4	0.0	18.9	14.5	662.4	47.8	2.1	1.9	11.1	100.6
Multifamily residential real estate	192.3	0.0	2.1	1.0	121.6	52.5	0.1	0.1	0.8	14.0
Home equity loans	556.0	1.2	67.4	1.0	214.2	114.1	6.7	0.2	1.8	149.2
Other 1-4 family residential	2,155.9	1.0	113.1	14.9	675.8	907.2	17.1	3.5	26.1	397.2
Commercial and industrial loans	1,164.6	11.3	227.2	14.0	640.7	41.8	7.7	1.3	6.6	214.0
Loans to individuals	933.1	243.9	194.0	6.7	227.2	59.9	41.7	1.6	8.7	149.3
Credit card loans	374.4	221.7	75.3	0.4	23.7	17.2	11.2	0.2	0.3	24.4
Other loans to individuals	558.7	22.2	118.7	6.3	203.6	42.8	30.5	1.5	8.4	124.9
All other loans and leases (including farm)	580.2	4.9	214.6	23.5	175.9	8.4	1.4	0.7	4.4	146.5
Total loans and leases	7,061.8	262.4	887.9	98.2	3,164.6	1,262.2	77.6	10.2	65.8	1,233.0
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	5,217.5	-0.2	419.1	119.2	2,713.2	1,163.6	28.0	16.8	117.9	639.8
Construction and development	434.9	0.3	1.0	4.9	345.3	59.6	0.5	0.7	8.4	14.2
Commercial real estate	1,242.0	0.1	6.0	51.2	995.8	74.0	7.1	9.6	49.2	49.1
Multifamily residential real estate	261.9	0.0	0.0	3.3	230.5	8.9	0.1	0.0	5.8	13.3
1-4 family residential	2,289.9	1.2	94.1	38.3	938.2	830.3	19.8	6.1	50.2	311.6
Farmland	66.4	0.0	0.0	21.4	36.5	0.9	0.6	0.3	4.1	2.5

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

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

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

June 30, 2006	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	0.70	1.22	0.73	0.53	0.72	0.65	0.56	0.88	0.76	0.93	0.69
Construction and development	0.57	0.90	0.63	0.50	0.55	0.56	0.33	0.95	0.69	0.62	0.43
Commercial real estate	0.47	0.97	0.59	0.44	0.38	0.49	0.29	0.66	0.54	0.55	0.39
Multifamily residential real estate	0.28	0.72	0.51	0.33	0.20	0.15	0.21	0.69	0.56	0.63	0.17
Home equity loans	0.48	0.84	0.52	0.47	0.47	0.43	0.45	0.53	0.54	0.37	0.42
Other 1-4 family residential	0.92	1.66	0.99	0.67	0.93	0.79	0.78	1.13	1.07	1.63	0.90
Commercial and industrial loans	0.60	1.35	0.93	0.84	0.49	0.67	0.37	0.58	0.72	0.81	0.75
Loans to individuals	1.64	2.26	1.50	1.44	1.66	1.78	1.39	1.40	1.78	1.27	1.88
Credit card loans	2.06	2.02	2.64	1.49	2.08	1.93	2.14	1.81	2.13	0.80	2.37
Other loans to individuals	1.37	2.26	1.40	1.43	1.34	1.63	1.27	1.28	1.48	1.37	0.98
All other loans and leases (including farm)	0.37	0.66	0.55	0.46	0.34	0.31	0.21	0.59	0.39	0.57	0.33
Total loans and leases	0.78	1.27	0.79	0.65	0.79	0.84	0.57	0.84	0.87	0.92	0.85
Percent of Loans Noncurrent**											
All real estate loans	0.66	0.82	0.57	0.55	0.70	0.57	0.38	0.89	1.24	0.92	0.60
Construction and development	0.43	0.65	0.52	0.41	0.38	0.63	0.27	0.63	0.54	0.42	0.31
Commercial real estate	0.57	0.91	0.61	0.58	0.52	0.59	0.41	0.80	0.66	0.66	0.35
Multifamily residential real estate	0.29	0.70	0.47	0.33	0.22	0.16	0.36	0.69	0.49	0.89	0.10
Home equity loans	0.26	0.25	0.24	0.28	0.26	0.19	0.22	0.32	0.40	0.17	0.19
Other 1-4 family residential	0.87	0.87	0.60	0.69	0.93	0.55	0.45	1.27	2.46	1.63	0.82
Commercial and industrial loans	0.70	1.31	0.92	0.83	0.63	0.69	0.46	0.84	0.72	0.85	0.78
Loans to individuals	1.14	0.85	0.58	0.54	1.23	1.42	0.69	0.70	1.15	0.46	1.57
Credit card loans	1.84	1.18	1.91	1.16	1.88	1.74	1.50	1.58	1.86	0.66	2.22
Other loans to individuals	0.66	0.84	0.46	0.34	0.72	1.10	0.57	0.43	0.53	0.41	0.39
All other loans and leases (including farm)	0.24	0.84	0.51	0.46	0.18	0.15	0.12	0.36	0.34	0.75	0.29
Total loans and leases	0.70	0.89	0.61	0.59	0.72	0.71	0.40	0.81	1.06	0.85	0.75
Percent of Loans Charged-off (net, YTD)											
All real estate loans	0.05	0.04	0.03	0.04	0.06	0.04	0.04	0.11	0.05	0.06	0.03
Construction and development	0.03	0.02	0.04	0.03	0.02	0.01	0.02	0.05	0.03	0.06	0.01
Commercial real estate	0.03	0.03	0.03	0.03	0.02	0.03	0.02	0.07	-0.01	0.07	-0.01
Multifamily residential real estate	0.02	0.06	0.02	0.02	0.02	0.00	0.09	0.03	0.01	0.06	0.00
Home equity loans	0.12	0.06	0.04	0.12	0.12	0.05	0.10	0.19	0.15	0.13	0.02
Other 1-4 family residential	0.06	0.06	0.04	0.05	0.06	0.04	0.04	0.12	0.04	0.05	0.04
Commercial and industrial loans	0.25	0.34	0.32	0.39	0.21	0.18	0.16	0.14	0.43	0.36	0.66
Loans to individuals	1.86	0.54	0.93	1.08	2.01	2.28	0.96	1.03	1.80	0.71	3.03
Credit card loans	3.28	2.13	5.63	1.98	3.31	2.97	3.27	2.60	3.12	1.28	4.14
Other loans to individuals	0.90	0.51	0.47	0.80	0.97	1.62	0.58	0.52	0.60	0.57	0.85
All other loans and leases (including farm)	0.11	0.09	0.14	0.26	0.10	0.06	0.14	0.15	0.07	0.34	0.11
Total loans and leases	0.34	0.13	0.13	0.19	0.40	0.51	0.15	0.23	0.36	0.19	0.53
Loans Outstanding (in billions)											
All real estate loans	$4,383.9	$84.0	$679.8	$686.0	$2,934.1	$837.5	$1,196.9	$859.8	$339.8	$268.0	$881.9
Construction and development	513.9	10.5	129.2	135.6	238.6	57.3	171.6	105.7	42.6	62.6	74.0
Commercial real estate	859.4	23.7	232.8	212.6	390.3	168.5	220.2	182.3	77.2	82.1	129.0
Multifamily residential real estate	192.3	1.9	27.0	44.3	119.0	52.8	24.6	30.7	8.6	6.1	69.5
Home equity loans	556.0	2.9	34.9	46.4	471.7	65.1	178.4	154.4	71.7	17.7	68.7
Other 1-4 family residential	2,155.9	35.2	232.5	236.6	1,651.6	450.2	585.8	370.5	123.5	90.9	535.1
Commercial and industrial loans	1,164.6	18.4	115.5	148.3	882.4	285.0	275.0	317.1	93.7	68.1	125.8
Loans to individuals	933.1	10.7	51.0	74.5	796.9	323.9	157.3	160.3	83.5	39.0	169.0
Credit card loans	374.4	0.2	4.2	18.0	352.0	160.0	21.2	37.9	38.8	7.1	109.3
Other loans to individuals	558.7	10.5	46.8	56.5	444.9	163.9	136.2	122.4	44.7	32.0	59.7
All other loans and leases (including farm)	580.2	13.4	33.8	36.5	496.5	194.8	145.4	143.1	52.7	16.6	27.7
Total loans and leases	7,061.8	126.5	880.1	945.3	5,109.9	1,641.2	1,774.6	1,480.2	569.7	391.6	1,204.4
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	5,217.5	249.5	1,175.7	682.1	3,110.1	510.5	1,031.8	1,594.5	723.8	666.4	690.5
Construction and development	434.9	30.3	188.7	114.3	101.6	18.1	117.8	73.6	50.8	137.7	36.9
Commercial real estate	1,242.0	103.5	510.7	252.5	375.3	123.9	315.4	309.4	156.1	261.2	76.0
Multifamily residential real estate	261.9	7.3	45.0	27.8	181.8	2.1	194.3	28.2	9.3	23.4	4.6
1-4 family residential	2,289.9	93.8	381.0	268.7	1,546.4	289.7	376.7	771.5	252.9	182.6	416.5
Farmland	66.4	14.1	33.0	15.3	4.0	4.9	5.4	4.8	15.2	22.0	14.1

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

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

TABLE VI-A. Derivatives, All FDIC-Insured Commercial Banks and State-Chartered Savings Banks

(dollar figures in millions; notional amounts unless otherwise indicated)	2nd Quarter 2006	1st Quarter 2006	4th Quarter 2005	3rd Quarter 2005	2nd Quarter 2005	%Change 05:2-06:2	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
ALL DERIVATIVE HOLDERS										
Number of institutions reporting derivatives	992	980	921	900	858	15.6	79	584	243	86
Total assets of institutions reporting derivatives	$8,275,783	$8,024,978	$7,718,457	$7,599,646	$7,431,780	11.4	$5,405	$242,942	$786,640	$7,240,796
Total deposits of institutions reporting derivatives	5,404,986	5,251,045	5,095,424	4,955,900	4,831,258	11.9	4,348	191,812	569,794	4,639,032
Total derivatives	120,205,341	111,134,408	101,925,539	99,594,535	96,942,524	24.0	168	11,240	101,942	120,091,992
Derivative Contracts by Underlying Risk Exposure										
Interest rate	98,734,765	92,291,239	84,530,154	82,894,378	81,859,828	20.6	138	10,762	90,675	98,633,190
Foreign exchange*	12,256,712	11,248,488	9,719,968	9,725,003	9,383,991	30.6	0	176	5,606	12,250,930
Equity	1,902,399	1,420,814	1,255,271	1,343,257	1,194,866	59.2	30	292	956	1,901,121
Commodity & other (excluding credit derivatives)	742,040	701,417	598,125	538,213	398,589	86.2	0	4	4,469	737,566
Credit	6,569,425	5,472,451	5,822,021	5,093,684	4,105,250	60.0	0	6	235	6,569,184
Total	120,205,341	111,134,408	101,925,539	99,594,535	96,942,524	24.0	168	11,240	101,942	120,091,992
Derivative Contracts by Transaction Type										
Swaps	74,448,898	68,887,072	64,745,267	62,133,965	60,920,541	22.2	31	3,870	68,652	74,376,345
Futures & forwards	13,788,772	13,044,992	12,056,681	11,928,478	11,919,720	15.7	48	2,233	17,413	13,769,078
Purchased options	12,367,848	11,584,222	9,419,433	9,796,561	9,428,221	31.2	18	2,760	8,599	12,356,470
Written options	12,081,016	11,207,434	9,451,156	9,841,334	9,837,801	22.8	71	2,342	6,183	12,072,421
Total	112,686,534	104,723,719	95,672,537	93,700,337	92,106,283	22.3	168	11,205	100,848	112,574,314
Fair Value of Derivative Contracts										
Interest rate contacts	21,193	20,306	21,587	22,445	20,937	1.2	2	-24	-260	21,475
Foreign exchange contacts	4,641	4,012	2,619	73	828	460.5	0	0	-25	4,665
Equity contracts	-9,358	-10,632	-10,428	-5,131	-2,269	N/M	1	3	44	-9,407
Commodity & other (excluding credit derivatives)	2,824	2,769	2,098	3,856	1,257	124.7	0	0	0	2,824
Credit derivatives as guarantor	7,311	10,229	-2,458	-368	-847	N/M	0	0	0	7,310
Credit derivatives as beneficiary	-8,992	-9,223	2,430	1,876	2,514	N/M	0	-4	0	-8,988
Derivative Contracts by Maturity**										
Interest rate contracts < 1 year	22,675,690	20,701,310	18,483,390	16,642,441	17,138,062	32.3	50	2,018	21,288	22,652,334
1-5 years	31,161,527	29,322,655	27,683,385	27,693,826	26,722,873	16.6	10	5,043	26,535	31,129,939
> 5 years	22,834,993	21,145,459	19,825,199	18,864,623	18,112,416	26.1	8	1,186	32,344	22,801,455
Foreign exchange contracts < 1 year	7,473,995	6,279,115	5,686,683	5,437,648	5,318,532	40.5	0	141	3,434	7,470,420
1-5 years	1,240,610	1,455,181	1,354,036	1,355,674	1,313,066	-5.5	0	2	65	1,240,543
> 5 years	518,620	721,164	687,179	687,274	684,755	-24.3	0	4	10	518,606
Equity contracts < 1 year	334,732	288,762	321,031	342,345	342,334	-2.2	5	43	197	334,486
1-5 years	219,638	200,405	1,427,663	1,097,572	952,801	-76.9	12	100	355	219,172
> 5 years	44,457	34,279	383,131	268,326	166,107	-73.2	0	0	166	44,292
Commodity & other contracts < 1 year	230,213	246,973	215,143	182,218	154,314	49.2	0	1	183	230,029
1-5 years	177,869	159,618	742,276	647,773	480,423	-63.0	0	3	131	177,734
> 5 years	10,426	7,540	176,858	163,351	81,626	-87.2	0	0	0	10,426
Risk-Based Capital: Credit Equivalent Amount										
Total current exposure to tier 1 capital (%)	33.5	32.8	34.2	38.7	37.6		0.4	0.3	0.8	39.3
Total potential future exposure to tier 1 capital (%)	90.2	88.5	81.2	73.5	76.5		0.2	0.2	1.1	105.8
Total exposure (credit equivalent amount) to tier 1 capital (%)	123.7	121.3	115.3	112.3	114.1		0.7	0.5	1.9	145.1
Credit losses on derivatives***	-3.3	3.6	46.7	38.5	15.5	-121.3		0.0	0.1	-3.4
HELD FOR TRADING										
Number of institutions reporting derivatives	150	149	132	129	121	24.0	7	39	46	58
Total assets of institutions reporting derivatives	6,808,610	6,586,394	6,190,838	6,095,883	5,912,444	15.2	504	16,439	214,223	6,577,444
Total deposits of institutions reporting derivatives	4,400,853	4,261,012	4,047,187	3,924,681	3,795,790	15.9	400	12,915	152,026	4,235,513
Derivative Contracts by Underlying Risk Exposure										
Interest rate	96,221,202	89,810,147	82,009,557	80,439,786	79,452,542	21.1	8	162	31,665	96,189,367
Foreign exchange	11,206,776	10,214,072	9,191,755	8,822,150	8,554,016	31.0	0	15	3,884	11,202,877
Equity	1,898,493	1,416,918	1,251,184	1,339,268	1,192,086	59.3	0	15	144	1,898,334
Commodity & other	737,910	697,262	593,933	534,963	398,536	85.2	0	0	439	737,471
Total	110,064,380	102,138,399	93,046,429	91,136,167	89,597,180	22.8	8	192	36,132	110,028,048
Trading Revenues: Cash & Derivative Instruments										
Interest rate	1,665	1,242	814	1,631	371	348.8	0	0	15	1,650
Foreign exchange	2,672	2,311	1,765	1,454	1,287	107.6	0	0	4	2,668
Equity	100	1,801	844	1,243	130	-23.1	0	0	1	100
Commodity & other (including credit derivatives)	272	313	-292	507	166	63.9	0	0	0	272
Total trading revenues	4,710	5,666	3,130	4,835	1,954	141.0	0	0	19	4,690
Share of Revenue										
Trading revenues to gross revenues (%)	3.6	4.6	2.8	4.4	1.9		0.0	0.0	0.4	3.7
Trading revenues to net operating revenues (%)	21.6	26.8	16.7	25.4	11.0		0.0	0.0	2.8	22.3
HELD FOR PURPOSES OTHER THAN TRADING										
Number of institutions reporting derivatives	918	904	857	838	797	15.2	73	544	219	82
Total assets of institutions reporting derivatives	8,113,722	7,862,477	7,531,232	7,411,951	7,290,596	11.3	4,959	226,490	717,534	7,164,740
Total deposits of institutions reporting derivatives	5,293,327	5,138,121	4,960,954	4,821,531	4,723,202	12.1	3,995	178,388	518,617	4,592,327
Derivative Contracts by Underlying Risk Exposure										
Interest rate	2,513,563	2,481,091	2,520,597	2,454,592	2,407,286	4.4	130	10,599	59,010	2,443,824
Foreign exchange	100,555	96,178	97,231	102,338	98,984	1.6	0	132	864	99,559
Equity	3,906	3,896	4,087	3,989	2,780	40.5	30	277	812	2,788
Commodity & other	4,130	4,155	4,192	3,250	53	N/M	0	4	4,031	95
Total notional amount	2,622,154	2,585,321	2,626,108	2,564,170	2,509,103	4.5	160	11,012	64,716	2,546,266

All line items are reported on a quarterly basis.
*Include spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.
** Derivative contracts subject to the risk-based capital requirements for derivatives.
*** The reporting of credit loses on derivatives is applicable to all banks filing the FFIEC 031 report form and to those banks filling the FFIEC 041 report form that have $300 milion or in total assets.

TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Commercial Banks and State-Chartered Savings Banks)

(dollar figures in millions)	2nd Quarter 2006	1st Quarter 2006	4th Quarter 2005	3rd Quarter 2005	2nd Quarter 2005	%Change 05:2-06:2	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements										
Number of institutions reporting securitization activities	125	120	118	113	108	15.7	12	44	24	45
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	$417,949	$390,805	$534,584	$480,873	$439,665	-4.9	$29	$525	$3,152	$414,243
Home equity loans	9,632	10,768	11,486	12,654	13,097	-26.5	0	0	488	9,144
Credit card receivables	395,891	402,214	402,939	401,782	397,797	-0.5	0	6,052	5,375	384,464
Auto loans	16,665	16,304	17,997	10,873	12,488	33.4	0	0	495	16,169
Other consumer loans	24,414	22,165	22,065	18,894	18,388	32.8	0	3	0	24,411
Commercial and industrial loans	10,622	10,703	8,534	8,267	8,780	21.0	0	26	4,653	5,942
All other loans, leases, and other assets*	121,512	109,379	117,593	90,122	81,161	49.7	1	132	1,146	120,233
Total securitized and sold	996,684	962,339	1,115,199	1,023,465	971,376	2.6	30	6,738	15,310	974,606
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	4,375	4,153	3,812	3,729	3,762	16.3	1	2	42	4,329
Home equity loans	2,358	2,387	2,410	2,439	2,432	-3.0	0	0	20	2,338
Credit card receivables	24,302	23,214	23,845	23,756	23,066	5.4	0	394	212	23,695
Auto loans	806	798	861	594	669	20.5	0	0	21	784
Other consumer loans	1,619	1,612	1,826	1,600	1,585	2.1	0	0	0	1,619
Commercial and industrial loans	455	464	470	557	584	-22.1	0	0	117	338
All other loans, leases, and other assets	727	777	1,017	2,970	2,538	-71.4	1	27	45	654
Total credit exposure	34,642	33,404	34,241	35,645	34,636	0.0	2	424	458	33,758
Total unused liquidity commitments provided to institution's own securitizations	9,359	10,867	11,448	7,719	8,452	10.7		0	0	9,359
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)										
1-4 family residential loans	2.1	1.7	2.4	2.3	2.3		0.0	0.0	1.4	2.1
Home equity loans	0.6	0.5	0.5	0.4	0.4		0.0	0.0	1.8	0.5
Credit card receivables	1.9	2.0	1.9	2.2	2.1		0.0	2.4	0.8	2.0
Auto loans	1.1	1.1	1.0	1.1	1.0		0.0	0.0	0.7	1.2
Other consumer loans	2.6	2.5	2.7	2.4	2.9		0.0	0.0	0.0	2.6
Commercial and industrial loans	1.2	1.2	1.7	2.4	2.0		0.0	0.0	1.5	1.1
All other loans, leases, and other assets	0.1	0.1	0.5	0.2	0.1		0.0	0.0	0.1	0.1
Total loans, leases, and other assets	1.8	1.6	2.0	2.0	2.0		0.0	2.1	1.1	1.8
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)										
1-4 family residential loans	1.1	1.1	1.3	1.1	1.1		0.0	0.0	0.9	1.1
Home equity loans	0.3	0.3	0.3	0.2	0.2		0.0	0.0	1.0	0.3
Credit card receivables	1.6	1.6	1.4	1.6	1.6		0.0	1.4	0.8	1.7
Auto loans	0.2	0.2	0.1	0.2	0.1		0.0	0.0	0.1	0.2
Other consumer loans	2.1	2.1	1.9	2.0	2.3		0.0	0.0	0.0	2.1
Commercial and industrial loans	0.9	0.9	1.0	1.2	1.1		0.0	0.0	1.4	0.5
All other loans, leases, and other assets	0.1	0.1	0.2	0.2	0.3		0.0	0.0	0.2	0.1
Total loans, leases, and other assets	1.2	1.2	1.2	1.2	1.3		0.0	1.3	0.9	1.2
Securitized Loans, Leases, and Other Assets Charged-Off (net, YTD, annualized, %)										
1-4 family residential loans	0.0	0.0	0.1	0.1	0.0		0.0	0.0	0.0	0.0
Home equity loans	0.1	0.1	0.2	0.1	0.1		0.0	0.0	0.7	0.1
Credit card receivables	1.9	0.9	5.8	4.4	3.0		0.0	1.7	1.0	2.0
Auto loans	0.3	0.2	0.4	0.5	0.3		0.0	0.0	0.2	0.3
Other consumer loans	0.7	0.5	3.0	1.9	1.6		0.0	0.0	0.0	0.7
Commercial and industrial loans	0.8	0.4	3.0	2.1	1.3		0.0	0.0	2.0	-0.1
All other loans, leases, and other assets	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Total loans, leases, and other assets	0.8	0.4	2.2	1.8	1.3		0.0	1.5	1.0	0.8
Seller's Interests in Institution's Own Securitizations - Carried as Loans										
Home equity loans	650	586	389	791	771	-15.7	0	0	4	647
Credit card receivables	81,477	72,954	98,534	96,371	96,244	-15.3	0	305	689	80,483
Commercial and industrial loans	3,284	2,523	2,885	2,886	2,529	29.9	0	0	1,696	1,588
Seller's Interests in Institution's Own Securitizations - Carried as Securities										
Home equity loans	12	12	55	52	124	-90.3	0	0	0	12
Credit card receivables	137	72	93	172	74	85.1	0	29	107	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0
Assets Sold with Recourse and Not Securitized										
Number of institutions reporting asset sales	696	689	672	642	633	10.0	162	405	85	44
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	54,071	58,643	50,125	45,580	45,539	18.7	975	5,980	1,650	45,466
Home equity, credit card receivables, auto, and other consumer loans	124	902	668	594	610	-79.7	4	34	14	73
Commercial and industrial loans	6,152	6,092	5,629	5,216	5,168	19.0	0	85	105	5,962
All other loans, leases, and other assets	12,998	16,607	16,159	15,558	14,428	-9.9	2	41	420	12,535
Total sold and not securitized	73,345	82,244	72,581	66,948	65,744	11.6	981	6,139	2,188	64,037
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	11,925	11,814	15,299	10,972	10,908	9.3	48	1,334	806	9,737
Home equity, credit card receivables, auto, and other consumer loans	64	485	169	79	79	-19.0	3	5	6	49
Commercial and industrial loans	4,240	4,112	3,693	3,373	3,188	33.0	0	76	96	4,067
All other loans, leases, and other assets	2,161	2,678	2,701	2,655	2,556	-15.5	2	15	334	1,811
Total credit exposure	18,389	19,089	21,862	17,079	16,730	9.9	53	1,430	1,242	15,663
Support for Securitization Facilities Sponsored by Other Institutions										
Number of institutions reporting securitization facilities sponsored by others	46	45	48	43	45	2.2	19	14	3	10
Total credit exposure	853	746	654	1,077	1,234	-30.9	7	124	32	690
Total unused liquidity commitments	4,251	3,278	2,201	2,523	2,425	75.3	0	0	0	4,251
Other										
Assets serviced for others**	2,837,530	2,613,604	2,600,248	2,498,958	2,428,833	16.8	7,399	71,497	110,447	2,648,188
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others	19,293	17,183	18,879	19,822	20,565	-6.2	2	65	0	19,226
Unused liquidity commitments to conduits sponsored by institutions and others	286,363	288,518	244,675	242,032	232,125	23.4	0	0	0	286,363
Net servicing income (for the quarter)	4,264	4,693	4,406	5,038	2,906	46.7	35	171	231	3,827
Net securitization income (for the quarter)	6,293	6,753	4,776	5,917	5,865	7.3	0	176	104	6,013
Total credit exposure to Tier 1 capital (%)***	5.9	6.0	6.5	6.3	6.3		0.20	1.60	1.30	7.80

*Line item titled "All other loans and all leases" for quarters prior to March 31, 2006.

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

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

Insurance Fund Indicators

- ***Insured Deposit Growth Slows To 0.9 Percent After Record First Quarter***
- ***DIF Reserve Ratio Is Unchanged At 1.23 Percent In The Second Quarter***
- ***The Second Quarter Marks The Eighth Consecutive Quarter Without A Failure***

Total assets of the nation's 8,778 FDIC insured institutions increased by $313.7 billion (2.8 percent) during the second quarter of 2006.[1] Deposits increased by $186.1 billion during the period, funding 59.3 percent of the growth. Deposits in domestic offices grew by $105.9 billion (1.7 percent), while deposits in foreign offices increased by $80.2 billion (8.1 percent). This was the largest quarterly dollar increase for foreign office deposits on record (1984-present), surpassing last quarter's record increase of $67.2 billion. Interest bearing deposits increased by $169.0 billion (2.8 percent), while noninterest-bearing deposits rose by only $17.1 billion (1.4 percent).

Estimated insured deposits grew by $37.4 billion (0.9 percent), which was significantly slower than the prior quarter's 2.8 percent growth rate. Among institutions in existence at the end of both the first and second quarters of 2006, estimated insured deposits increased during the second quarter at 5,034 institutions (57.7 percent), decreased at 3,639 institutions (41.7 percent), and remained unchanged at 50 institutions.

The DIF increased by 0.8 percent ($371 million) during the second quarter to $49,564 million (unaudited). The DIF received $442 million (net of expenses) from interest on securities and other revenue during the quarter, and $6 million from reducing reserves primarily associated with prior failures. A decline in the market value of available for sale securities reduced the fund by $77 million.

The quarterly growth of the DIF offset the increase in insured deposits, leaving the DIF reserve ratio unchanged from the first quarter of 2006 at 1.23 percent.

No insured institutions failed during the second quarter of 2006, making this the eighth consecutive quarter without a failure.

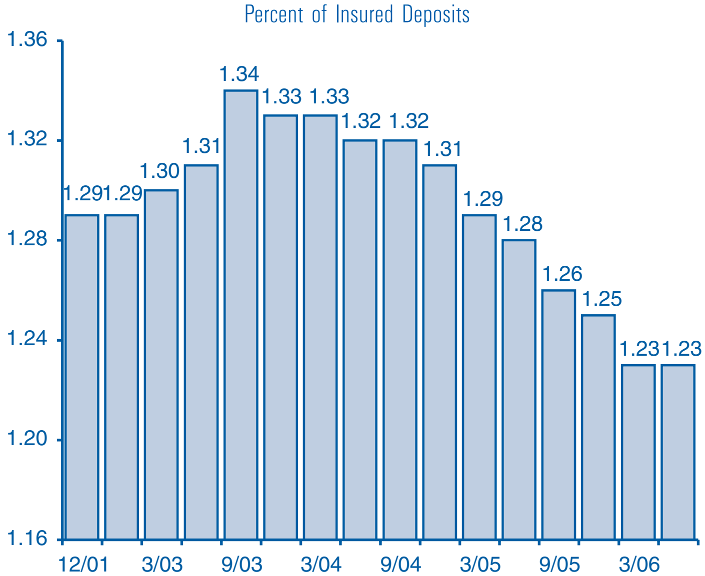
[1] Except for estimated insured deposits, figures on the numbers and deposits of insured institutions do not include 12 U.S. branches of foreign banks.

TABLE I-B. Insurance Fund Balances and Selected Indicators

(dollar figures in millions)	Deposit Insurance Fund						
	2nd Quarter 2006	1st Quarter 2006	4th Quarter 2005	3rd Quarter 2005	2nd Quarter 2005	1st Quarter 2005	4th Quarter 2004
Beginning Fund Balance*	$49,193	$48,597	$48,373	$48,023	$47,617	$47,507	$46,990
Changes in Fund Balance:							
Assessments earned	7	5	13	20	14	14	30
Interest earned on investment securities	665	478	675	536	657	474	536
Operating expenses	242	224	252	227	254	233	247
Provision for insurance losses	-6	-45	-19	-65	-57	-19	-231
All other income, net of expenses**	12	349	4	3	4	3	9
Unrealized gain/(loss) on available-for-sale securities	-77	-57	-235	-47	-72	-167	-42
Total fund balance change	371	596	224	350	406	110	517
Ending Fund Balance*	49,564	49,193	48,597	48,373	48,023	47,617	47,507
Percent change from four quarters earlier	3.21	3.31	2.29	2.94	3.23	2.27	3.23
Reserve Ratio (%)	1.23	1.23	1.25	1.26	1.28	1.29	1.31
Estimated Insured Deposits	4,037,769	4,000,399	3,890,908	3,830,907	3,757,660	3,688,510	3,622,058
Percent change from four quarters earlier	7.45	8.46	7.42	7.63	6.39	5.40	4.91
Assessment Base	6,389,529	6,262,482	6,168,135	6,030,969	5,872,856	5,793,555	5,667,610
Percent change from four quarters earlier	8.80	8.09	8.83	9.43	8.35	9.19	9.56
Number of institutions reporting	8,790	8,803	8,845	8,870	8,881	8,943	8,988

DIF Reserve Ratio*

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits*

($Millions)

	DIF Balance	DIF-Insured Deposits
12/01	41,374	3,210,737
12/02	43,797	3,383,679
3/03	44,288	3,399,215
6/03	44,883	3,438,358
9/03	45,648	3,414,317
12/03	46,022	3,452,503
3/04	46,558	3,499,469
6/04	46,521	3,531,806
9/04	46,990	3,559,489
12/04	47,507	3,622,058
3/05	47,617	3,688,510
6/05	48,023	3,757,660
9/05	48,373	3,830,907
12/05	48,597	3,890,908
3/06	49,193	4,000,399
6/06	49,564	4,037,769

TABLE II-B. Failed/Assisted Institutions

(dollar figures in millions)	2006***	2005***	2005	2004	2003	2002	2001
Problem Institutions							
Number of institutions	50	74	52	80	116	136	114
Total assets	$5,539	$21,748	$6,607	$28,250	$29,917	$38,927	$39,805
Failed/Assisted Institutions							
Number of institutions	0	0	0	4	3	11	4
Total assets	$0	$0	$0	$166	$1,097	$2,558	$2,254

* Prior to 2006, amounts represent sum of separate BIF and SAIF amounts.

** First Quarter 2006 includes previously escrowed revenue from SAIF-member exit fees.

*** Through June 30.

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

(dollar figures in millions) June 30, 2006	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	7,480	9,602,259	5,315,140	3,179,407
FDIC-Supervised	4,797	1,781,969	1,311,050	877,819
OCC-Supervised	1,780	6,461,433	3,186,121	1,791,448
Federal Reserve-Supervised	903	1,358,856	817,969	510,141
FDIC-Insured Savings Institutions	1,298	1,921,258	1,121,692	857,226
OTS-Supervised Savings Institutions	854	1,585,958	885,365	677,771
FDIC-Supervised State Savings Banks	444	335,301	236,327	179,454
Total Commercial Banks and Savings Institutions	8,778	11,523,517	6,436,832	4,036,633
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	12	15,423	9,842	1,136
Total FDIC-Insured Institutions	8,790	11,538,940	6,446,674	4,037,769

* Excludes $1,068 billion in foreign office deposits, which are uninsured.

TABLE IV-B. Assessment Base Distribution and Rate Schedules

DIF Assessment Base Distribution, Assessable Deposits in Billions as of June 30, 2006

Supervisory and Capital Ratings for Second Semiannual Assessment Period, 2006

	Supervisory Risk Subgroup					
Capital Group	**A**		**B**		**C**	
1. Well-capitalized						
Number of institutions	8,345	94.9%	354	4.0%	42	0.5%
Assessable deposit base	$6,287	98.4%	$85	1.3%	$4	0.1%
2. Adequately capitalized						
Number of institutions	40	0.5%	3	0.0%	1	0.0%
Assessable deposit base	$11	0.2%	$0	0.0%	$0	0.0%
3. Undercapitalized						
Number of institutions	2	0.0%	0	0.0%	3	0.0%
Assessable deposit base	$2	0.0%	$0	0.0%	$0	0.0%

Note: Institutions are categorized based on capitalization and a supervisory subgroup rating, which is generally determined by on-site examinations.

Assessment Rate Schedule, Second Semiannual 2006 Assessment Period

Cents per $100 of Assessable Deposits

	Supervisory Risk Subgroup		
Capital Group	**A**	**B**	**C**
1. Well-capitalized	0	3	17
2. Adequately capitalized	3	10	24
3. Undercapitalized	10	24	27

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 VII-A.

The information presented in Tables I-A through V-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured Institutions, both commercial banks and savings institutions. Tables VI-A (Derivatives) and VII-A (Servicing, Securitization, and Asset Sales Activities) aggregate information only for insured commercial banks and state-chartered savings banks that file quarterly Call Reports. Some tables are arrayed by groups of FDIC-insured institutions based on predominant types of asset concentration, while other tables aggregate institutions by asset size and geographic region. Quarterly and full-year data are provided for selected indicators, including aggregate condition and income data, performance ratios, condition ratios and structural changes, as well as past due, noncurrent and charge-off information for loans outstanding and other assets.

Tables I-B through IV-B.

A separate set of tables (Tables I-B through IV-B) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed/assisted institutions, estimated FDIC-insured deposits and assessments. 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) *Call Reports* and the OTS *Thrift Financial Reports* submitted by all FDIC-insured depository institutions. This information is stored on and retrieved from the FDIC's Research Information System (RIS) data base.

COMPUTATION METHODOLOGY

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*. 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.

All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period.

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

ACCOUNTING CHANGES

Purchased Impaired Loans and Debt Securities – Statement of Position 03-3, *Accounting for Certain Loans or Debt Securities Acquired in a Transfer*. The SOP applies to loans and debt securities acquired in fiscal years beginning after December 15, 2004. In general, this Statement of Position applies to "purchased impaired loans and debt securities," i.e., loans and debt securities that a bank has purchased, including those acquired in a purchase business combination, when it is probable, at the purchase date, that the bank will be unable to collect all contractually required payments receivable. Banks must follow Statement of Position 03-3 for Call Report purposes. The SOP does not apply to the loans that a bank has originated, prohibits "carrying over" or creation of valuation allowances in the initial accounting and any subsequent valuation allowances reflect only those losses incurred by the investor after acquisition.

GNMA Buy-back Option – If an issuer of GNMA securities has the option to buy back the loans that collateralize the GNMA securities, when certain delinquency criteria are met, FASB Statement No. 140 requires that loans with this buy-back option must be brought back on the issuer's books as assets. The rebooking of GNMA loans is required regardless of whether the issuer intends to exercise the buy-back option. The banking agencies clarified in May 2005, that all GNMA loans that are rebooked because of delinquency should be reported as past due according to their contractual terms.

FASB Interpretation No. 45 – In November 2002, the FASB issued Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*. This interpretation clarifies that a guarantor is required to recognize, at the inception of a guarantee (financial standby letters of credit, performance standby letters of credit), a liability for the fair value of the obligation undertaken in issuing the guarantee. Banks apply the initial recognition and measurement provisions of Interpretation No. 45 on a prospective basis to guarantees issued or modified after December 31, 2002, irrespective of the bank's fiscal year end. A bank's previous accounting for guarantees issued prior to January 1, 2003, is not revised.

FASB Interpretation No. 46 – The FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities*, in January 2003 and revised it in December 2003. Generally, banks with variable interests in variable interest entities created after December 31, 2003, must consolidate them. The timing of consolidation varies with certain situations with application as late as 2005. The assets and liabilities of a consolidated variable interest entity are reported on a line-by-line basis according to the asset and liability categories shown on the bank's balance sheet, as well as related income items. Most small banks are unlikely to have any "variable interests" in variable interest entities.

FASB Statement No. 123 (Revised 2004) and Share-Based Payments – requires all entities to recognize compensation expense in an amount equal to the fair value of share-based payments, e.g., stock options and restricted stock, granted to employees. As of January 2006 all banks must adopt FAS 123(R). The compensation cost is typically recognized over the vesting period with a corresponding credit to equity. The recording of the compensation cost also gives rise to a deferred tax asset.

Goodwill and intangible assets – FAS 141 terminates the use of pooling-of-interest accounting for business combinations after 2001 and requires purchase accounting. Under FAS 142 amortization of goodwill is eliminated. Only intangible assets other than goodwill are amortized each quarter. In addition companies are required to test for impairment of both goodwill and other intangibles once each fiscal year. The year 2002, the first fiscal year affected by this accounting change, has been designated a transitional year and the amount of initial impairments are to be recorded as extraordinary losses on a "net of tax" basis (and not as noninterest expense). Subsequent annual review of intangibles and goodwill impairment may require additional noninterest expense recognition. FASB Statement No. 147 clarifies that acquisitions of financial institutions (except transactions between two or more mutual enterprises), including branch acquisitions that meet the definition of a business combination, should be accounted for by the purchase method under FASB Statement No. 141. This accounting standard includes transition provisions that apply to unidentifiable intangible assets previously accounted for in accordance with FASB Statement No. 72. If the transaction (such as a branch acquisition) in which an unidentifiable intangible asset arose does not meet the definition of a business combination, this intangible asset is not be reported as "Goodwill" on the Call Report balance sheet. Rather, this unidentifiable intangible asset is reported as "Other intangible assets," and must continue to be amortized and the amortization expense should be reported in the Call Report income statement.

FASB Statement No. 133 ***Accounting for Derivative Instruments and Hedging Activities*** – All banks must recognize derivatives as either assets or liabilities on the balance sheet, measured at fair value. A derivative may be specifically designated as a "fair value hedge," a "cash flow hedge," or a hedge of a foreign currency exposure. The accounting for changes in the value of a derivative (gains and losses) depends on the intended use of the derivative, its resulting designation, and the effectiveness of the hedge. Derivatives held for purposes other than trading are reported as "other assets" (positive fair values) or "other liabilities" (negative fair values). For a fair value hedge, the gain or loss is recognized in earnings and "effectively" offsets loss or gain on the hedged item attributable to the risk being hedged. Any ineffectiveness of the hedge could result in a net gain or loss on the income statement. Accumulated net gains (losses) on cash flow hedges are recorded on the balance sheet as "accumulated other comprehensive income" and the periodic change in the accumulated net gains (losses) for cash flow hedges is reflected directly in equity as the value of the derivative changes. FASB Statement No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities provides guidance on the circumstances in which a loan commitment must be accounted for as derivative. Under Statement No. 149, loan commitments that relate to the origination of mortgage loans that will be held for sale, commonly referred to as interest rate lock commitments, must be accounted for as derivatives on the balance sheet by the issuer of the commitment.

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, 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 distribution – assessable deposits consist of deposits in banks' domestic offices with certain adjustments. Each institution's assessment depends on its assigned risk-based capital category and supervisory risk subgroup:

(Percent)	Total Risk-Based Capital *		Tier 1 Risk-Based Capital *		Tier 1 Leverage		Tangible Equity
Well-capitalized	≥10	***and***	≥6	***and***	≥5		–
Adequately capitalized	≥8	***and***	≥4	***and***	≥4		–
Undercapitalized	≥6	***and***	≥3	***and***	≥3		–
Significantly undercapitalized	<6	***or***	<3	***or***	<3	***and***	>2
Critically undercapitalized	–		–		–		≤2

*As a percentage of risk-weighted assets.

For the purpose of DIF assessments, risk-based assessment rules combine the three lowest capital rating categories into a single "undercapitalized" group. Supervisory risk subgroup assignments are based on supervisory ratings. Generally, the strongest institutions (those rated 1 or 2) are in subgroup A, those rated 3 are in subgroup B, and those rated 4 or 5 are in subgroup C.

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

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. Prior to June 30, 2000 the uninsured estimate is calculated as the sum of the excess amounts in accounts over $100,000. Beginning June 30, 2000 the amount of estimated uninsured deposits is adjusted to consider a financial institution's own estimate of uninsured deposits when such an estimate is reported.

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 some insurance funds in order to continue operating.

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

Goodwill and other intangibles – intangible assets include servicing rights, purchased credit card relationships and other identifiable intangible assets. Goodwill is the excess of the purchase price over the fair market value of the net assets acquired.

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

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

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

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

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

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

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

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

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

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

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

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

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

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that file a Thrift Financial Report (TFR), the valuation allowance subtracted also includes allowances for other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances.

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

"Problem" institutions – federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a "4" or "5". For all insured commercial banks and for insured savings banks for which the FDIC is the primary federal regulator, FDIC composite ratings are used. For all institutions whose primary federal regulator is the OTS, the OTS composite rating is 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. Between March 31, 2001 and March 31, 2003 reserves for losses did not include the allocated transfer risk reserve, which was netted from loans and leases.

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

Return on equity – 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 100 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

Securities – excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity", which are reported at amortized cost (book value), and securities designated as "available-for-sale", reported at fair (market) value.

Securities gains (losses) – realized gains (losses) on held-to-maturity and available-for-sale securities, before adjustments for income taxes. Thrift Financial Report (TFR) filers also include gains (losses) on the sales of assets held for sale.

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

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

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

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

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

Volatile liabilities – the sum of large-denomination time deposits, foreign-office deposits, federal funds purchased, securities sold under agreements to repurchase, and other borrowings.

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

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Chairman	Sheila C. Bair
Director, Division of Insurance and Research	Arthur J. Murton
Media Inquiries	(202) 898-6993
Authors	Richard Brown Chief Economist, FDIC (202) 898-3927
	Kevin Brown (202) 898-6817
	Brian Lewis (202) 898-6510
	Ross Waldrop (202) 898-3951