



BANKING BRIEF

Pennsylvania • New Jersey • Delaware

First Quarter 2015

FEDERAL RESERVE BANK OF PHILADELPHIA
WWW.PHILADELPHIAFED.ORG

Summary Table of Bank Structure and Conditions — First Quarter 2015

	Small Banks						Large Banks			
	U.S.			Tristate			U.S.			
	\$ Billions	% Change from		\$ Billions	% Change from		\$ Billions	% Change from		
	2015Q1	2014Q4	2014Q1	2015Q1	2014Q4	2014Q1	2015Q1	2014Q4	2014Q1	
Total Assets	2,112.0	15.82	8.84	117.3	6.41	8.33	Total Assets	11,888.6	5.79	7.44
Total Loans	1,376.2	15.71	13.06	83.1	10.54	12.32	Total Loans	5,821.1	3.03	6.53
C&I	222.5	20.24	14.33	11.1	13.18	11.76	C&I	1,393.8	8.86	9.14
Real Estate	1,008.4	16.97	12.17	63.9	7.65	10.43	Real Estate	2,676.8	2.22	1.38
Consumer	56.3	-0.42	10.28	3.1	6.70	18.43	Consumer	849.6	-8.25	15.86
Total Deposits	1,748.7	16.88	7.66	94.7	6.77	5.98	Total Deposits	8,953.9	5.78	7.19
Ratios (in %)							Ratios (in %)			
	2015Q1	2014Q4	2014Q1	2015Q1	2014Q4	2014Q1		2015Q1	2014Q4	2014Q1
Net Income/Avg. Assets (ROAA)	0.99	0.97	0.96	0.89	0.88	0.83	Net Income/Avg. Assets (ROAA)	0.95	0.94	0.93
Net Interest Inc./Avg. Assets (NIM)	3.35	3.36	3.35	3.17	3.17	3.18	Net Interest Inc./Avg. Assets (NIM)	2.45	2.47	2.46
Noninterest Inc./Avg. Assets	0.92	0.91	0.94	1.22	1.22	1.25	Noninterest Inc./Avg. Assets	1.67	1.67	1.70
Noninterest Exp./Avg. Assets	2.92	2.94	3.02	3.10	3.11	3.18	Noninterest Exp./Avg. Assets	2.63	2.66	2.69
Loans/Deposits	78.70	78.90	74.94	87.72	86.96	82.76	Loans/Deposits	65.01	65.44	65.42
Equity/Assets	11.08	10.97	10.79	10.47	10.19	10.07	Equity/Assets	10.95	10.91	11.02
Nonperforming Loans/Total Loans	1.17	1.24	1.69	1.15	1.23	1.53	Nonperforming Loans/Total Loans	1.97	2.12	2.74

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

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

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

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

Small tristate banks are defined as those based in the tristate area that were not in the top 100 in assets as of December 31, 2014.

The *tristate* area consists of Pennsylvania, New Jersey, and Delaware.

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

U.S. excludes tristate banks.

The sample includes 158 small tristate banks, 4,899 small U.S. banks, and 102 large U.S. banks.



Part I: Earnings Ratios

Chart 1

Return on Average Assets

Percent

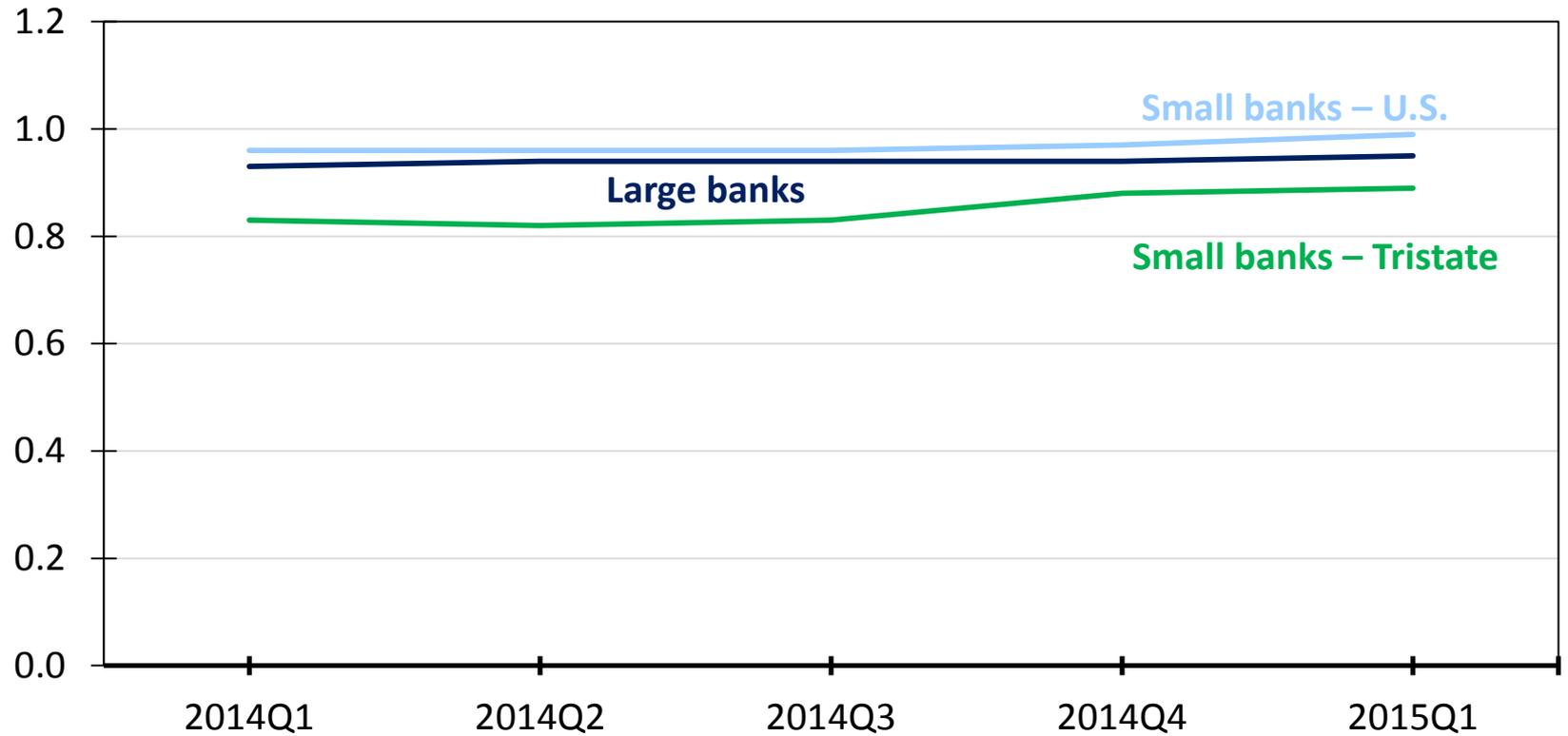


Chart 2

Net Interest Margin

Percent

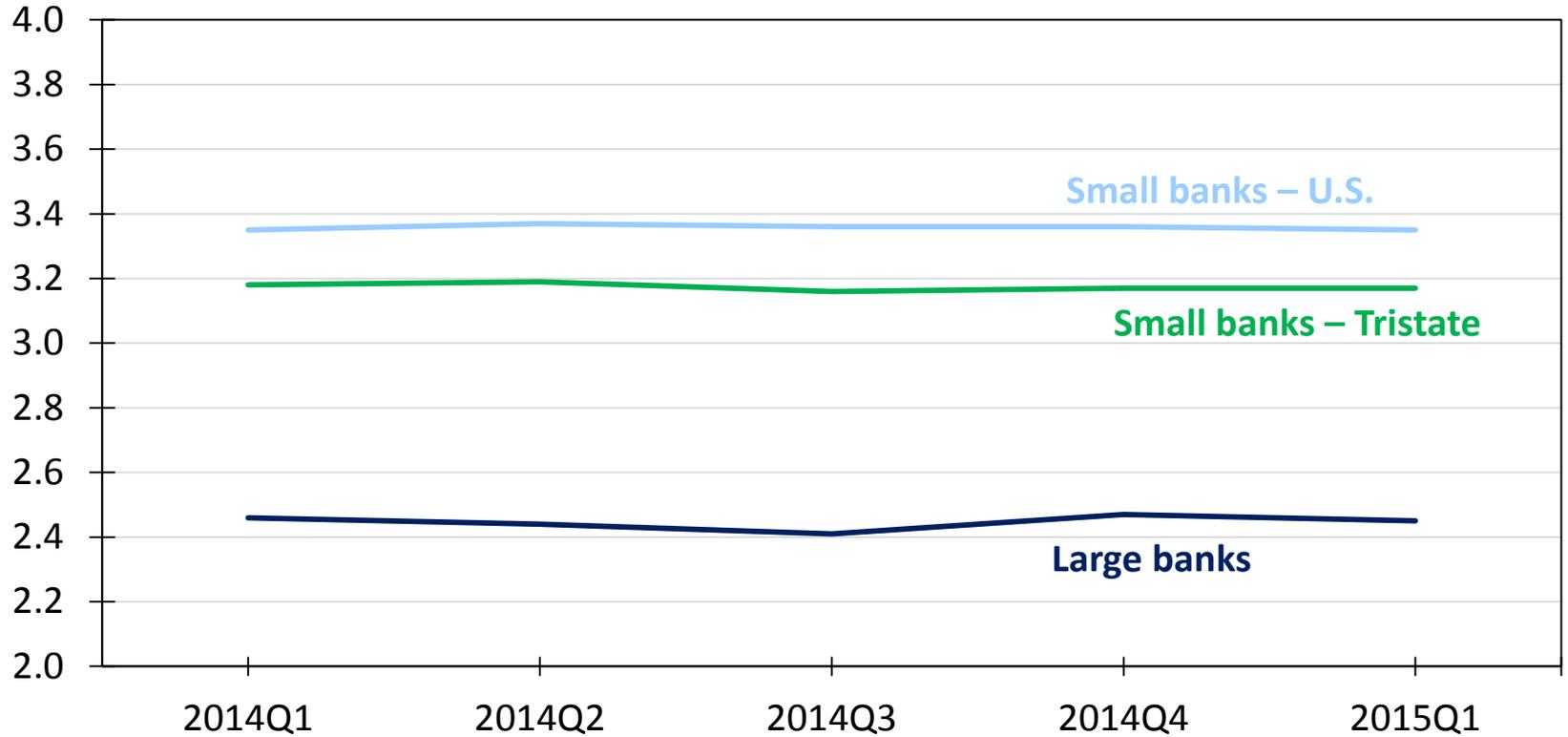
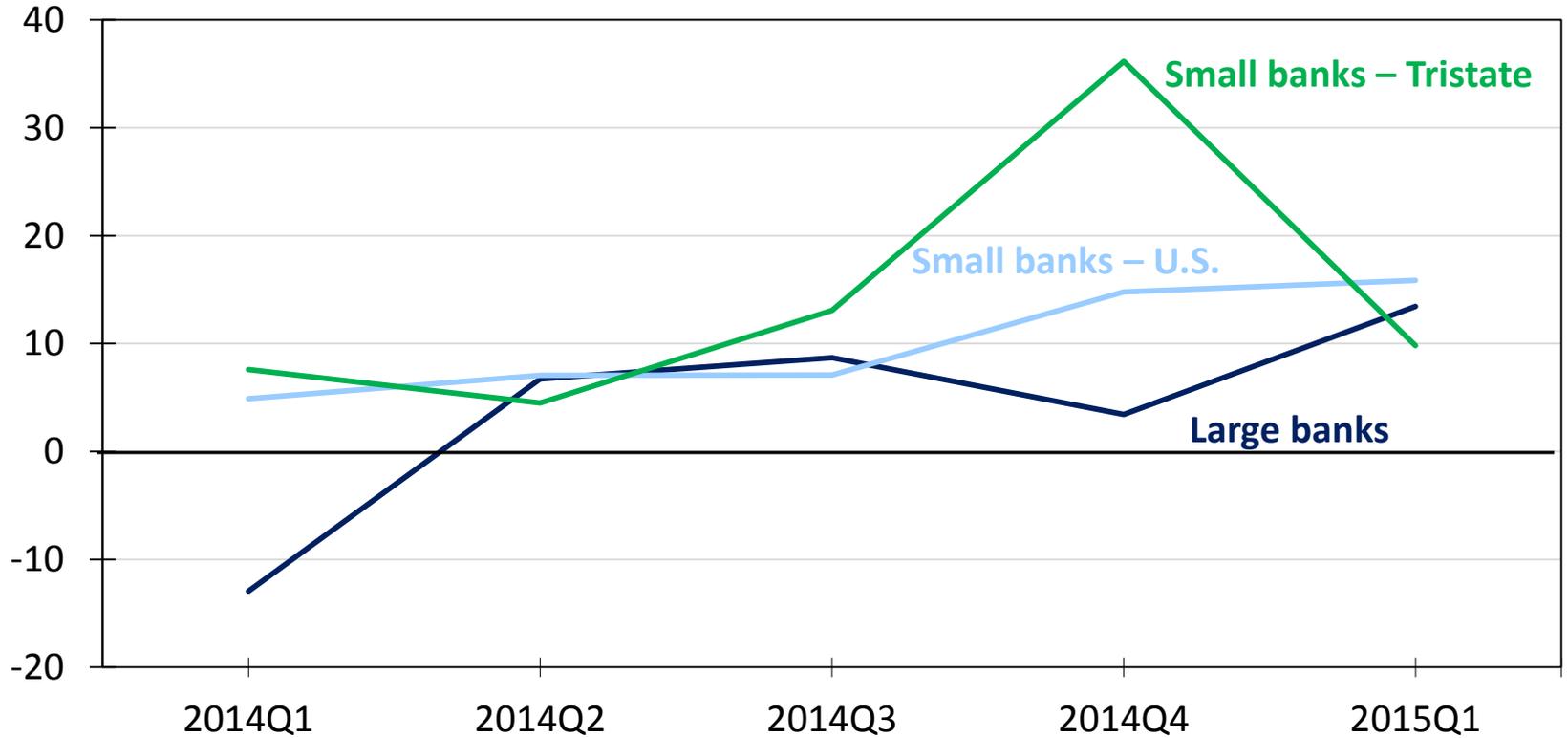


Chart 3

Annual Growth of Quarterly Net Income

Percent



Part II: Annual Growth Rates

Chart 4

Annual Growth of Total Assets

Percent

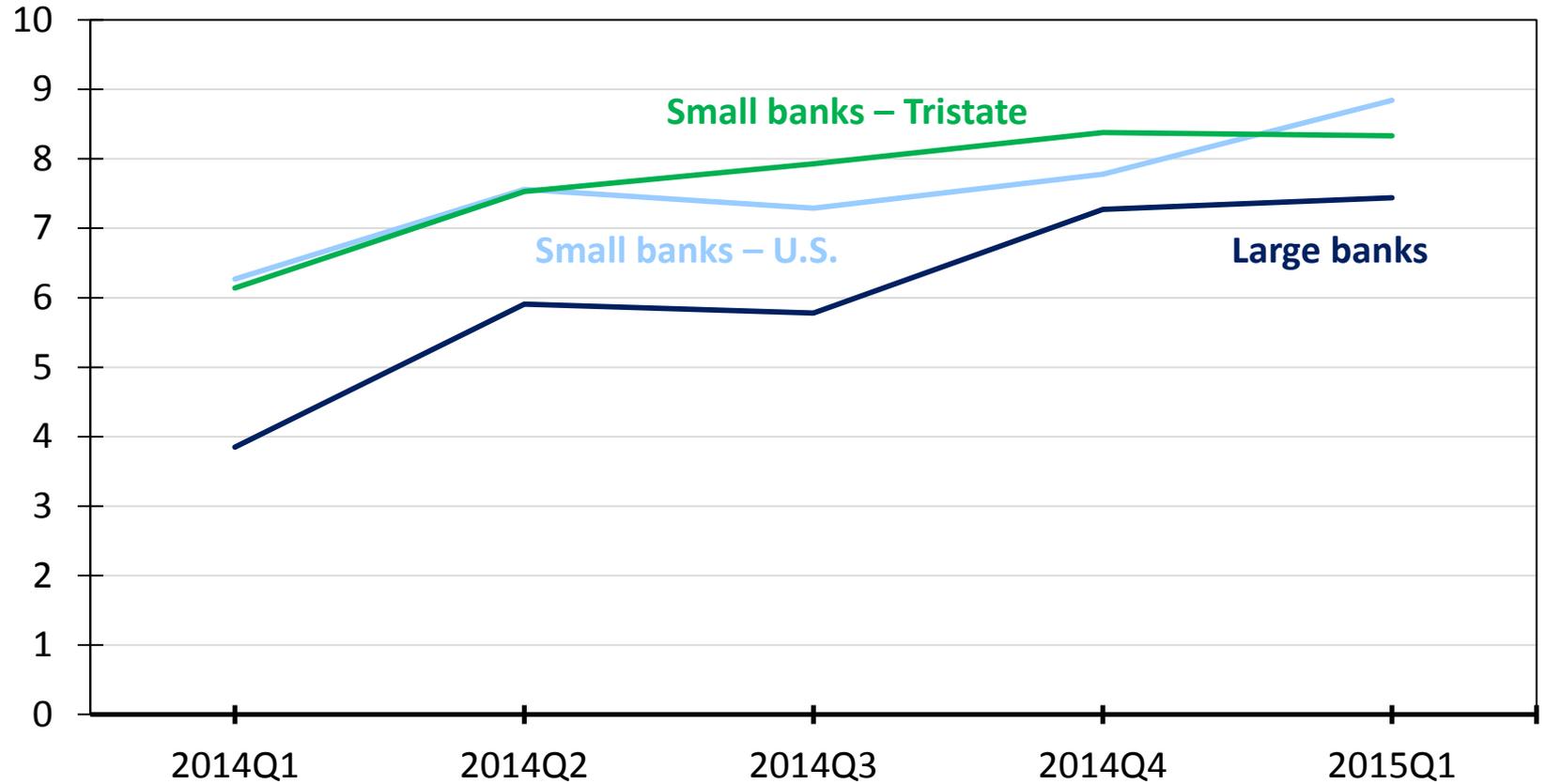


Chart 5

Annual Growth of Total Loans

Percent

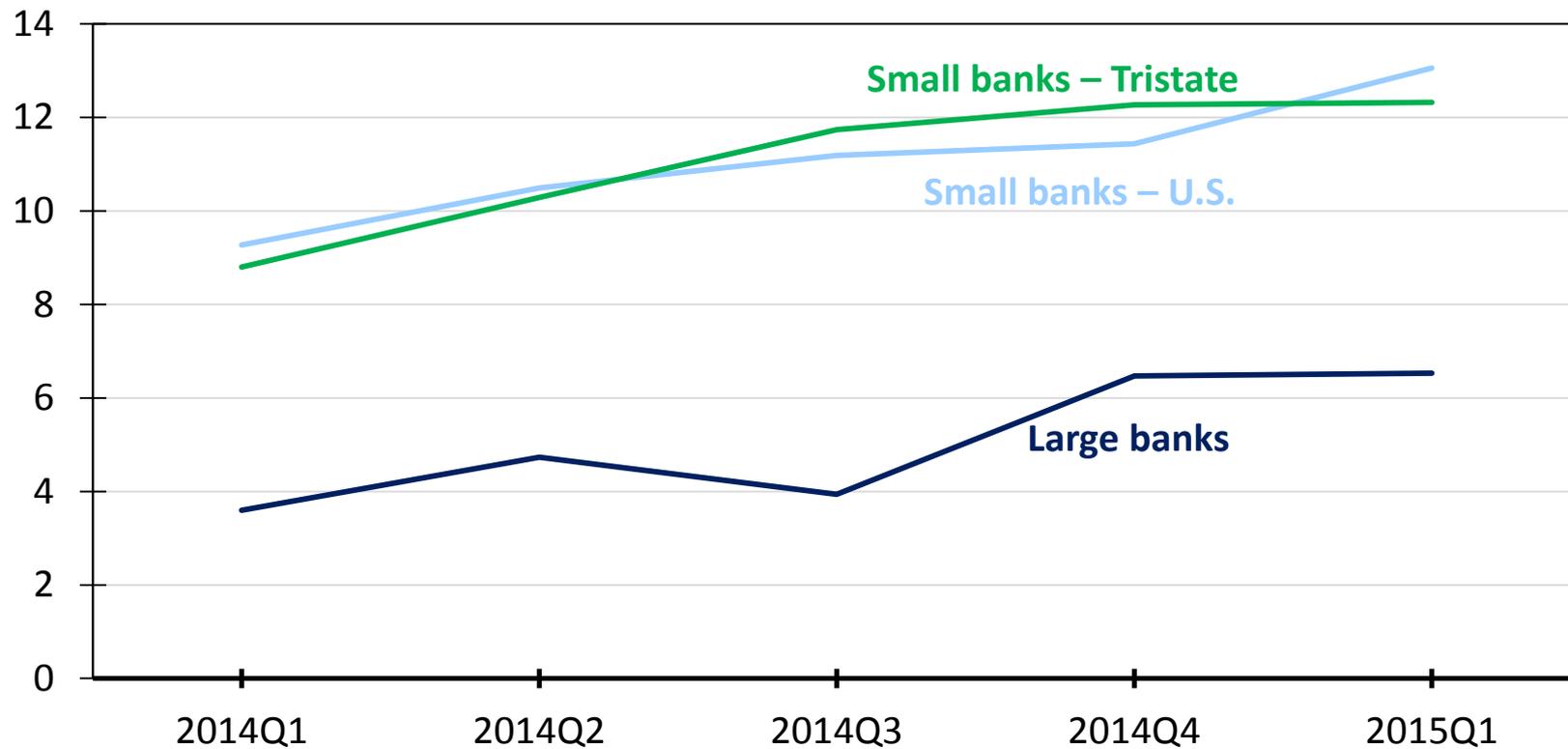
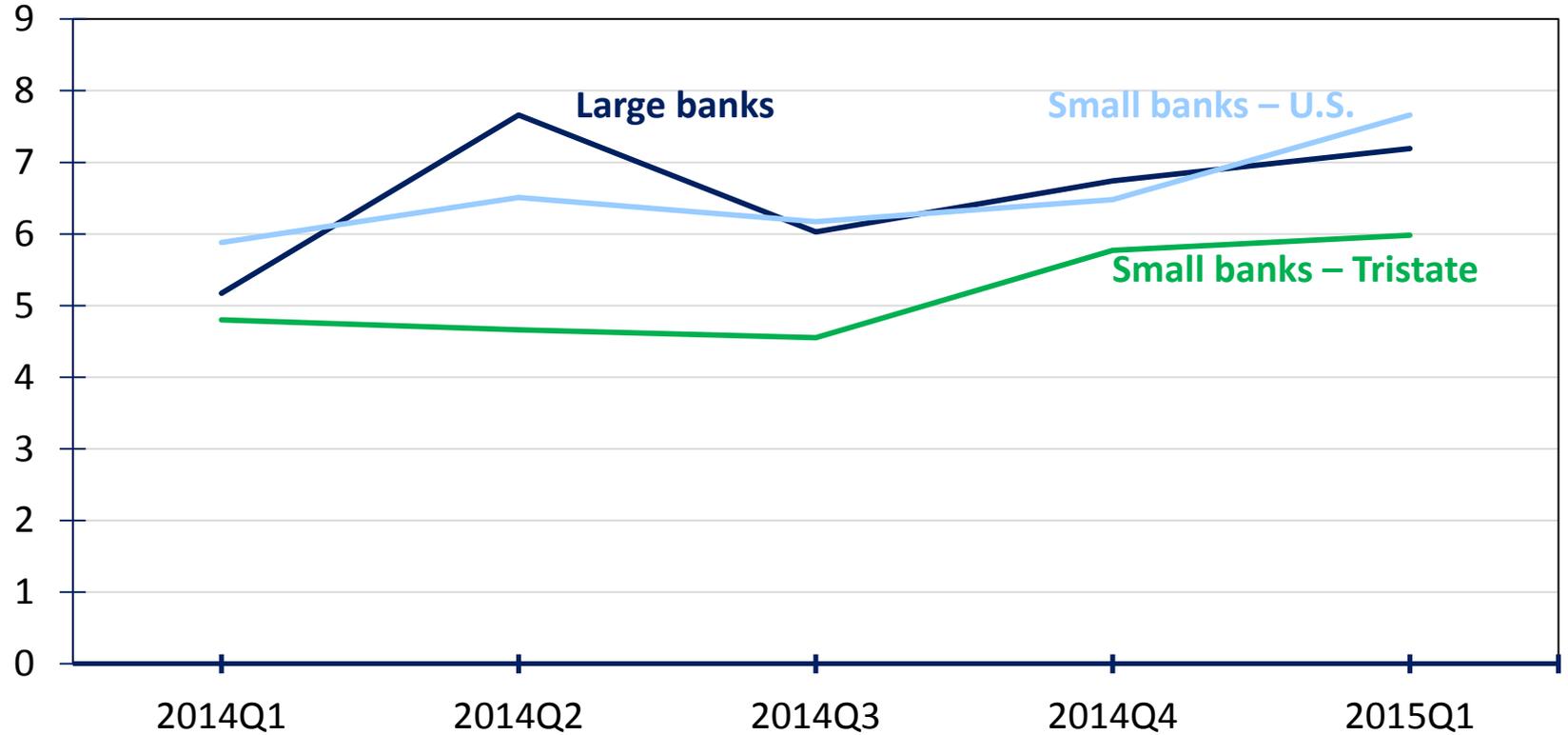


Chart 6

Annual Growth of Total Deposits

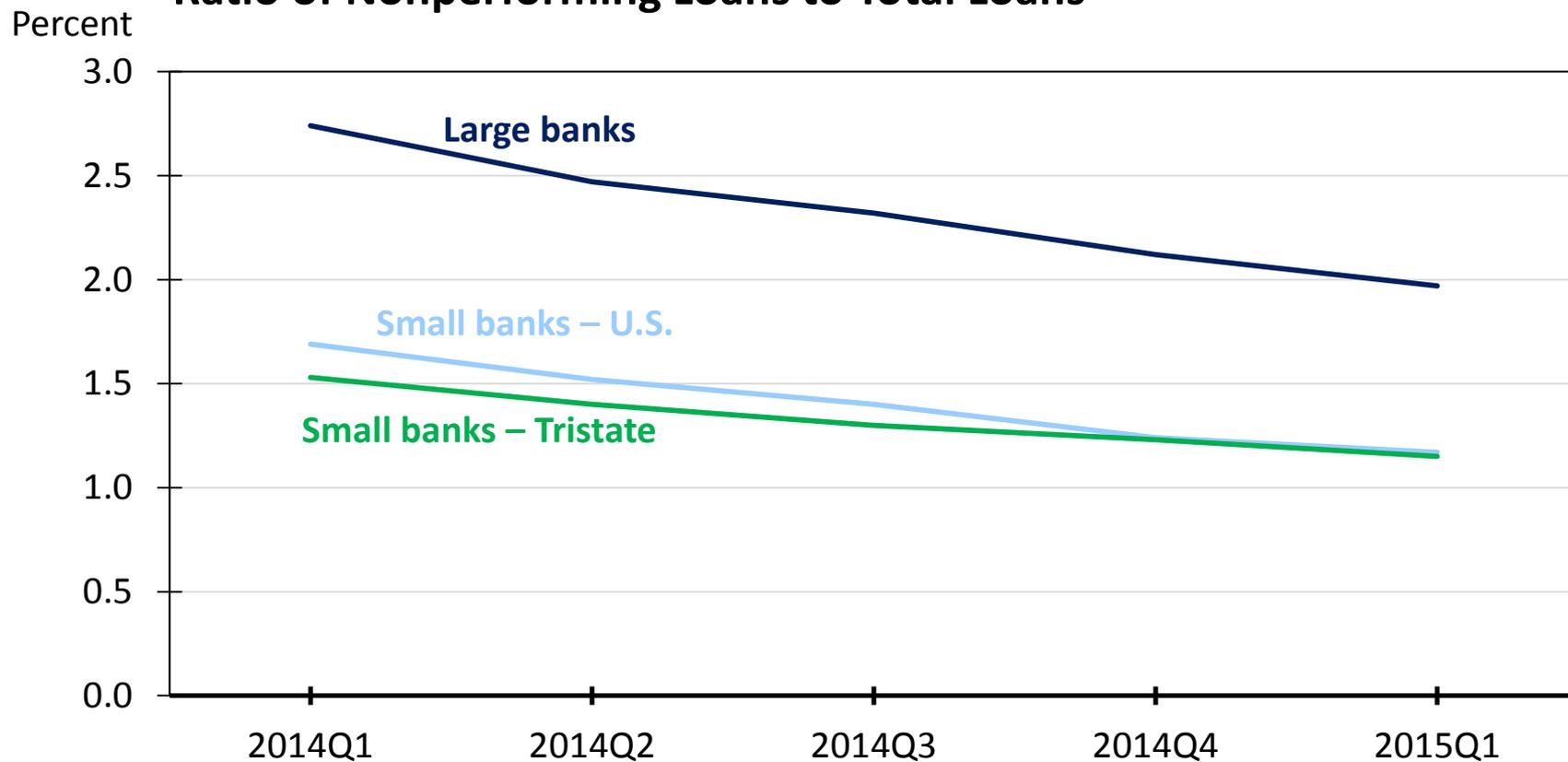
Percent



Part III: Asset Quality Ratios

Chart 7

Ratio of Nonperforming Loans to Total Loans

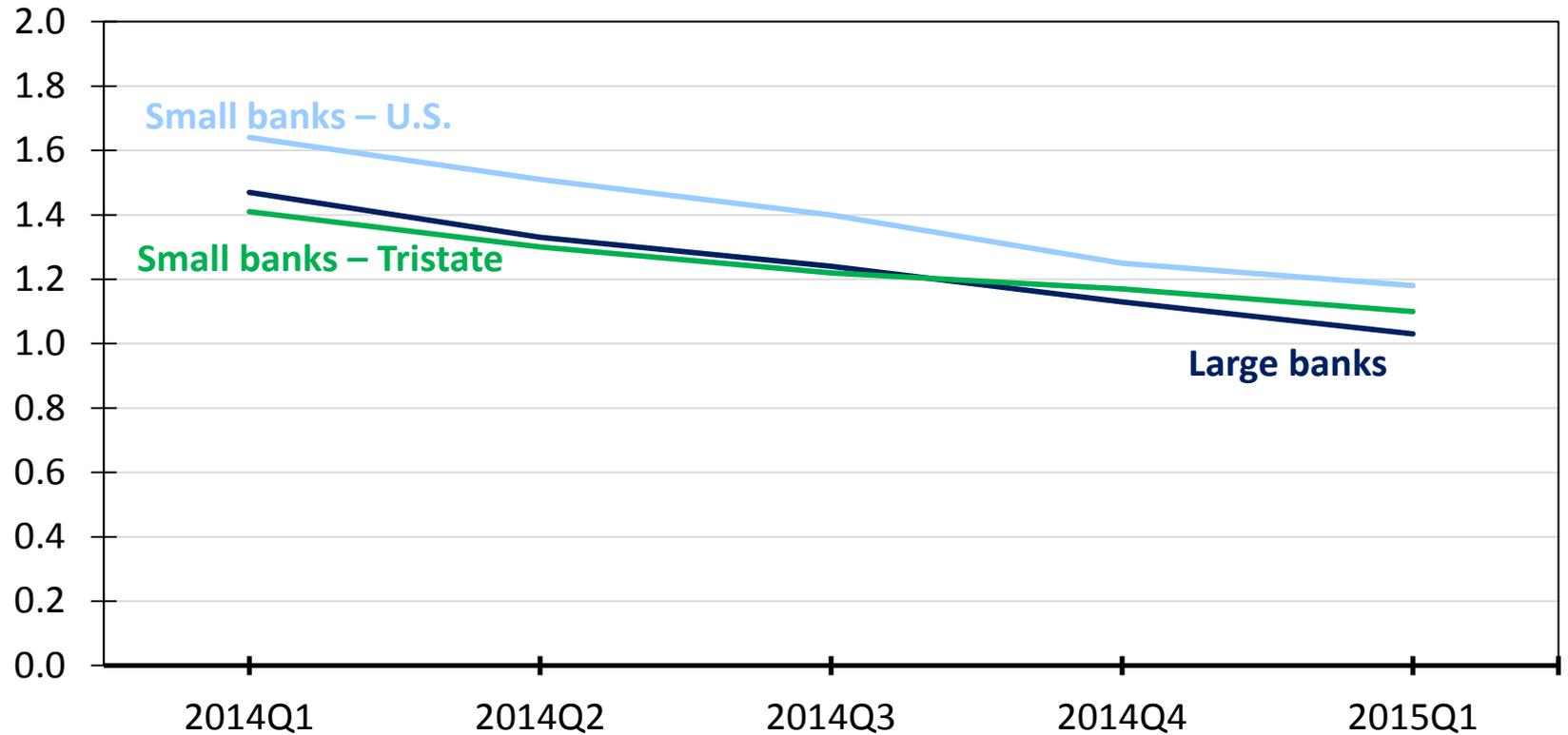


Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.

Chart 8

Ratio of Nonperforming Assets to Total Assets

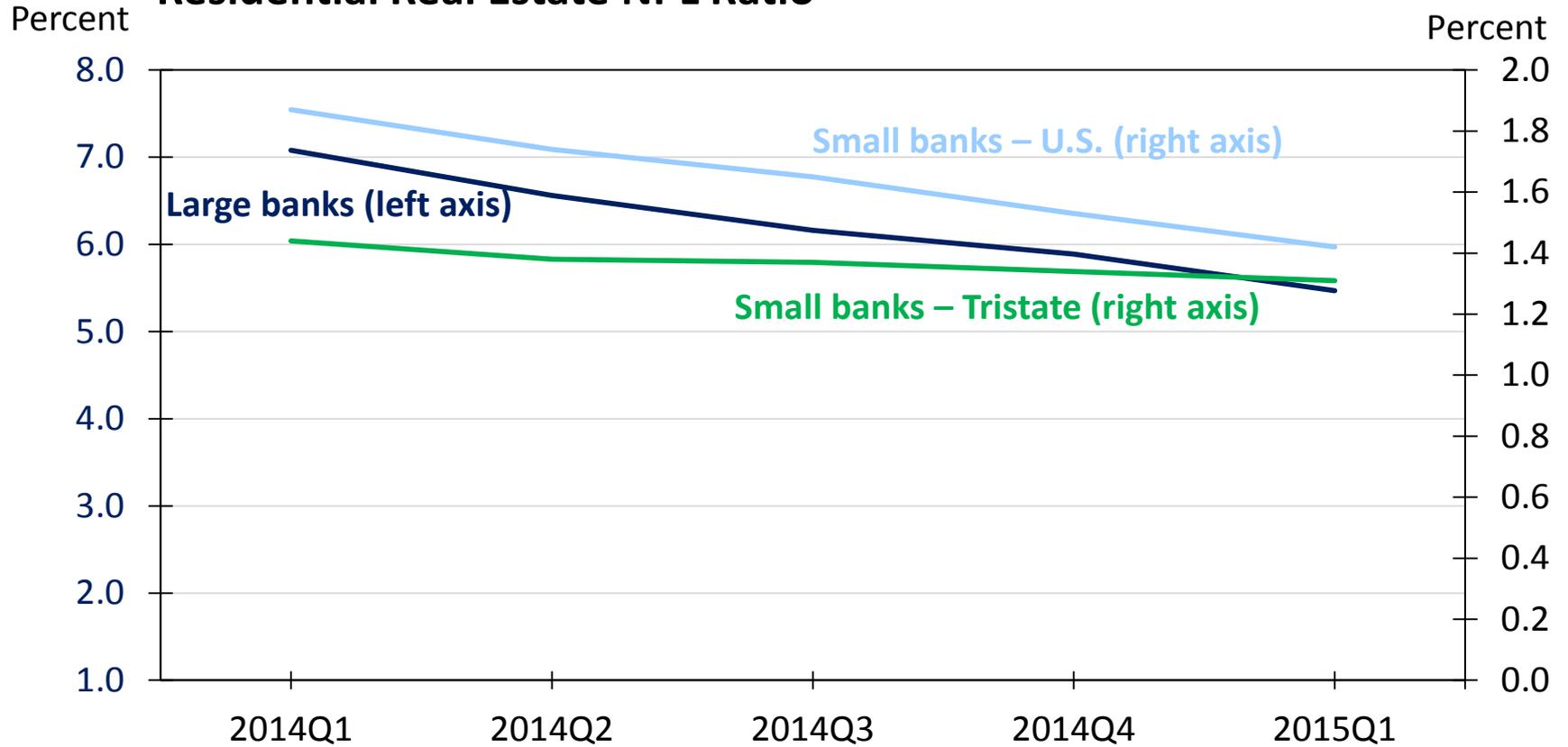
Percent



Note: Nonperforming assets consist of nonperforming loans plus other real estate owned (OREO).

Chart 9

Residential Real Estate NPL Ratio

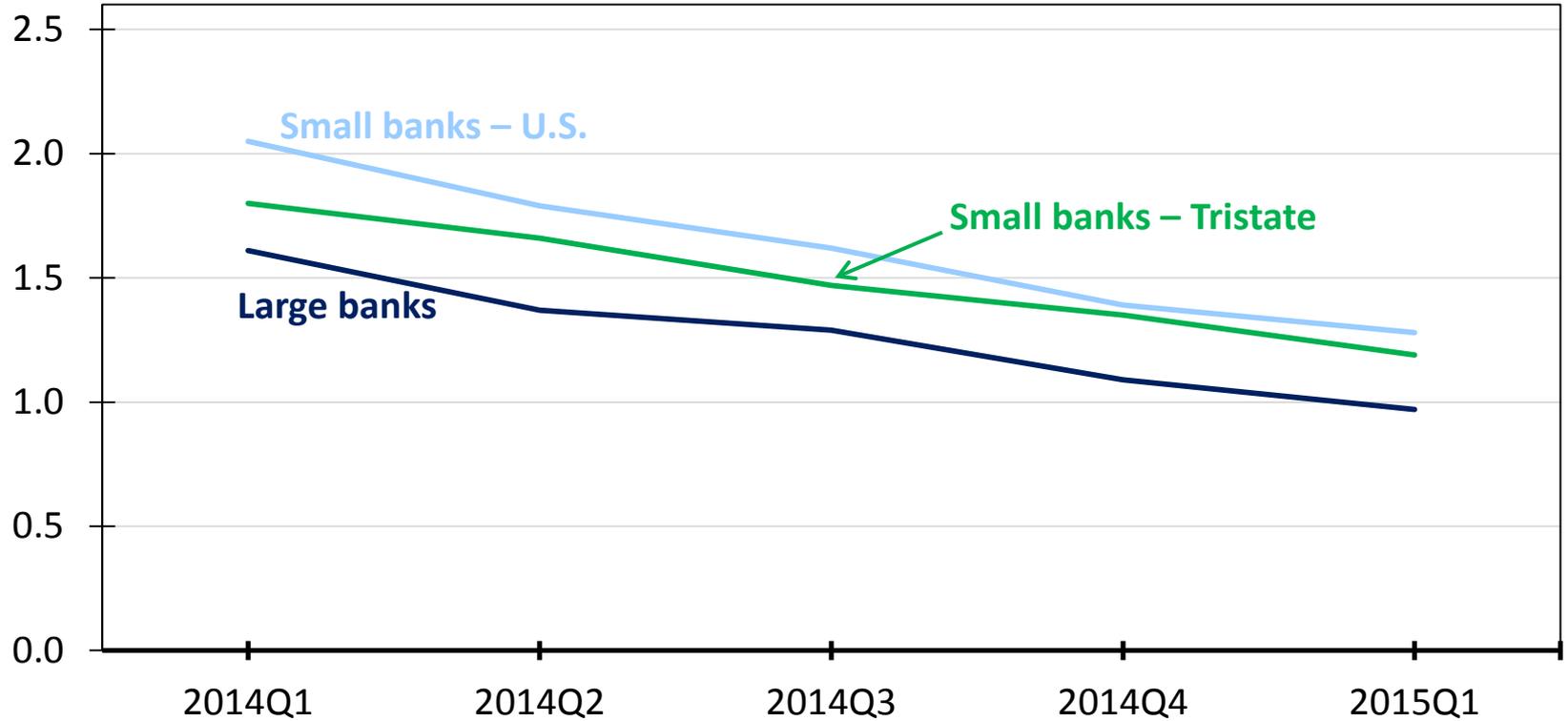


Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.

Chart 10

Commercial Real Estate NPL Ratio

Percent

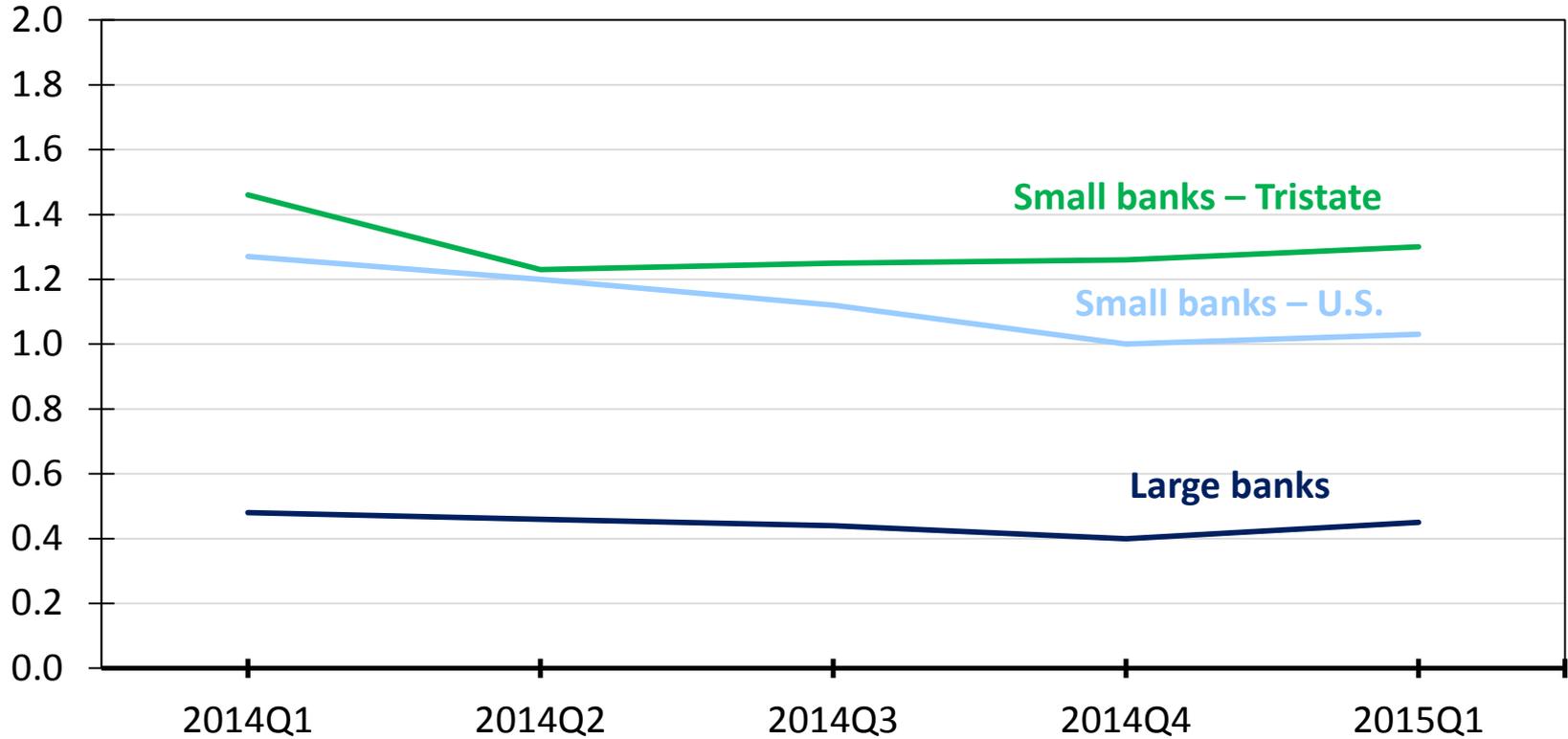


Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.

Chart 11

Commercial & Industrial NPL Ratio

Percent

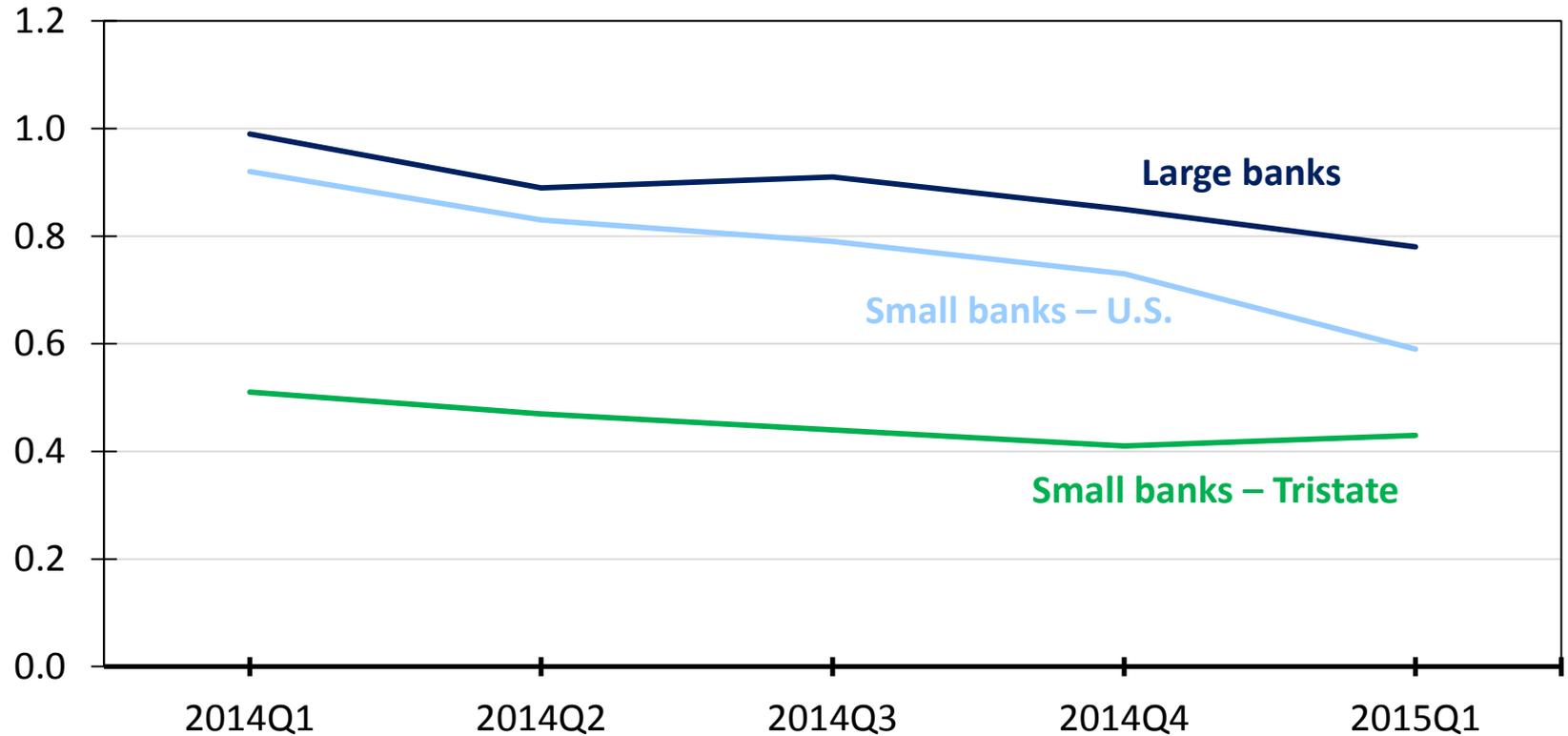


Note: Nonperforming loans (NPL) are those more than 90 days past due plus nonaccruing loans.

Chart 12

Consumer NPL Ratio

Percent



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

Part IV: Loan Loss Provisioning and Reserves

Chart 13

Ratio of Loan Loss Reserves to Total Assets

Percent

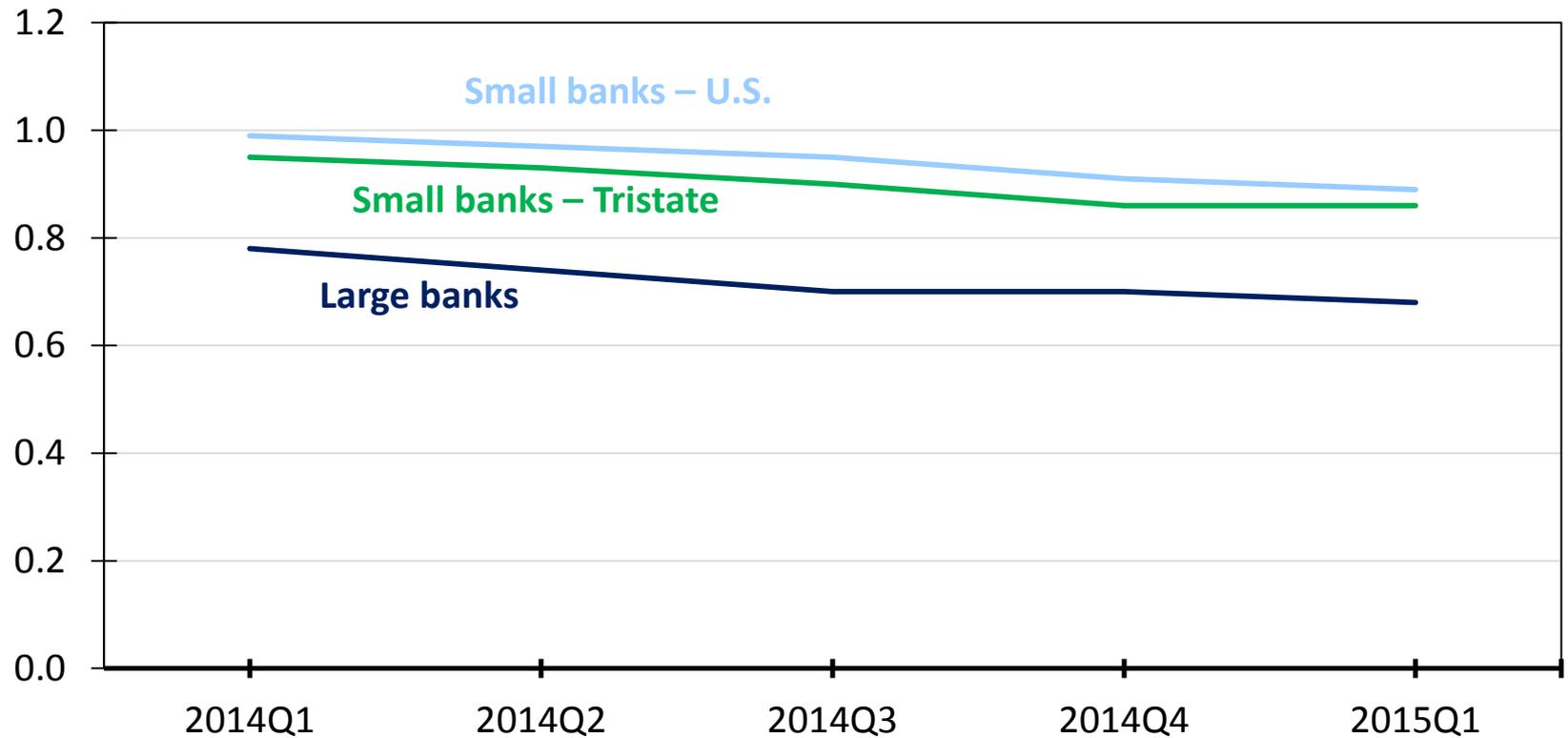


Chart 14

Ratio of Net Charge-Offs to Loan Loss Provision

Percent

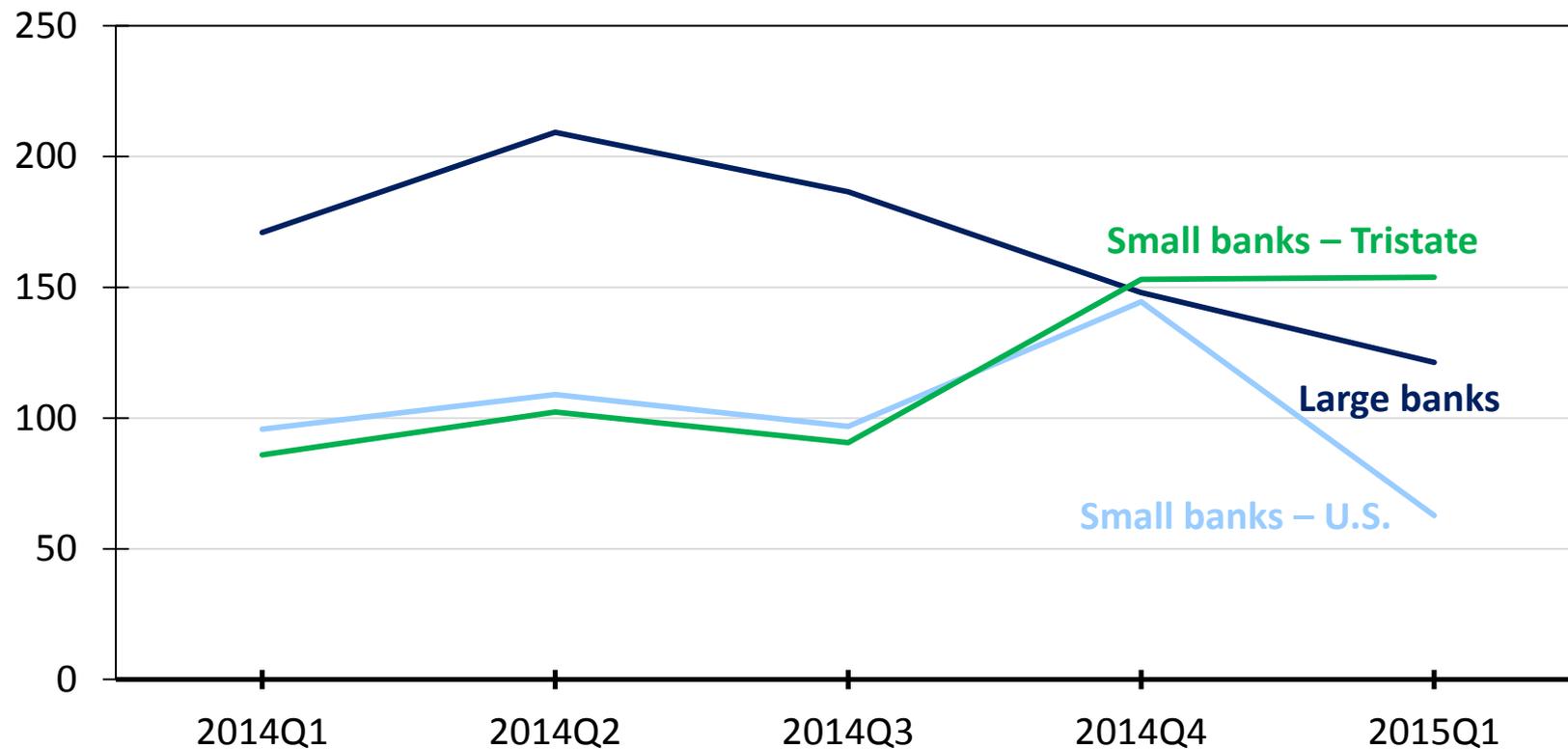


Chart 15

Ratio of Loan Loss Provision to Operating Income

Percent

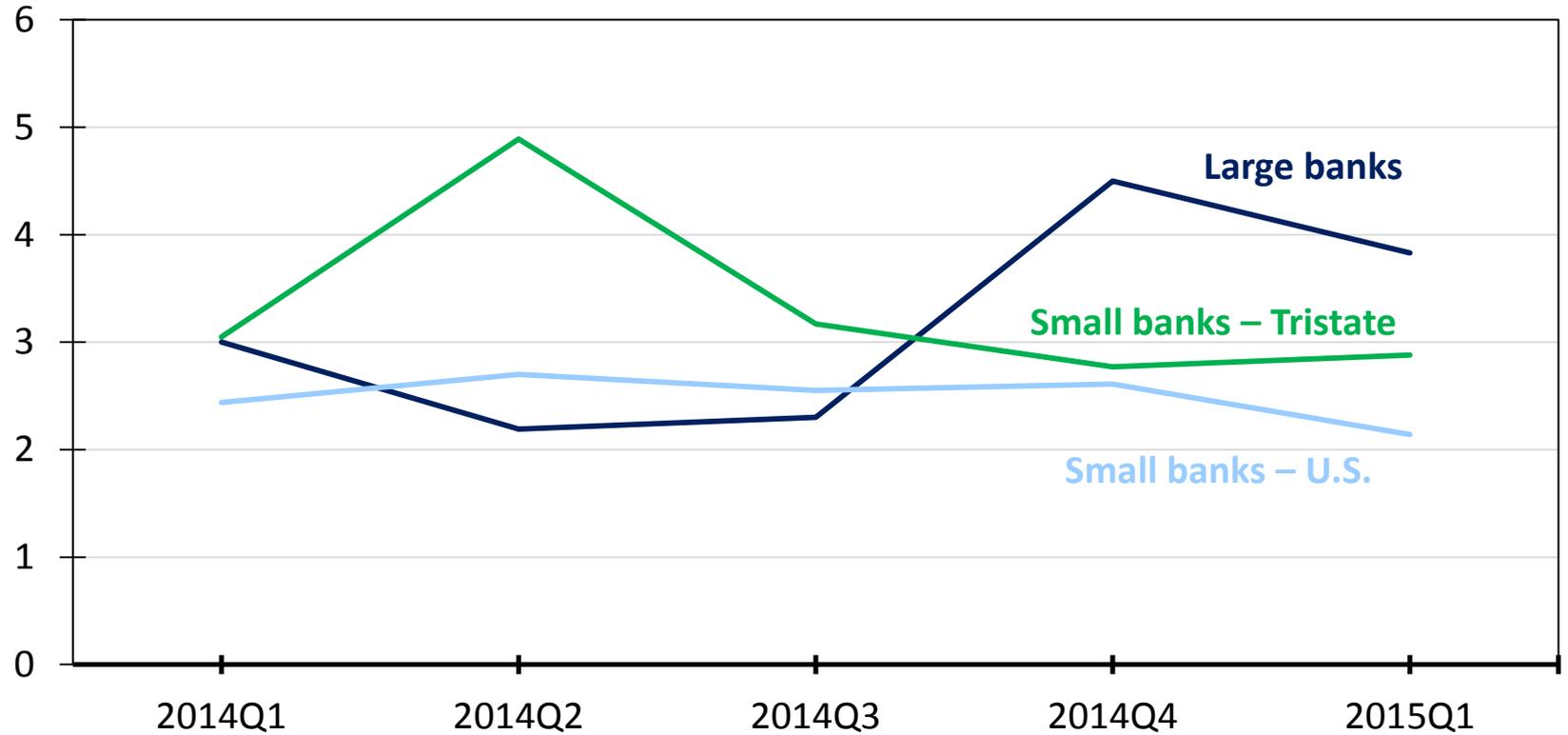
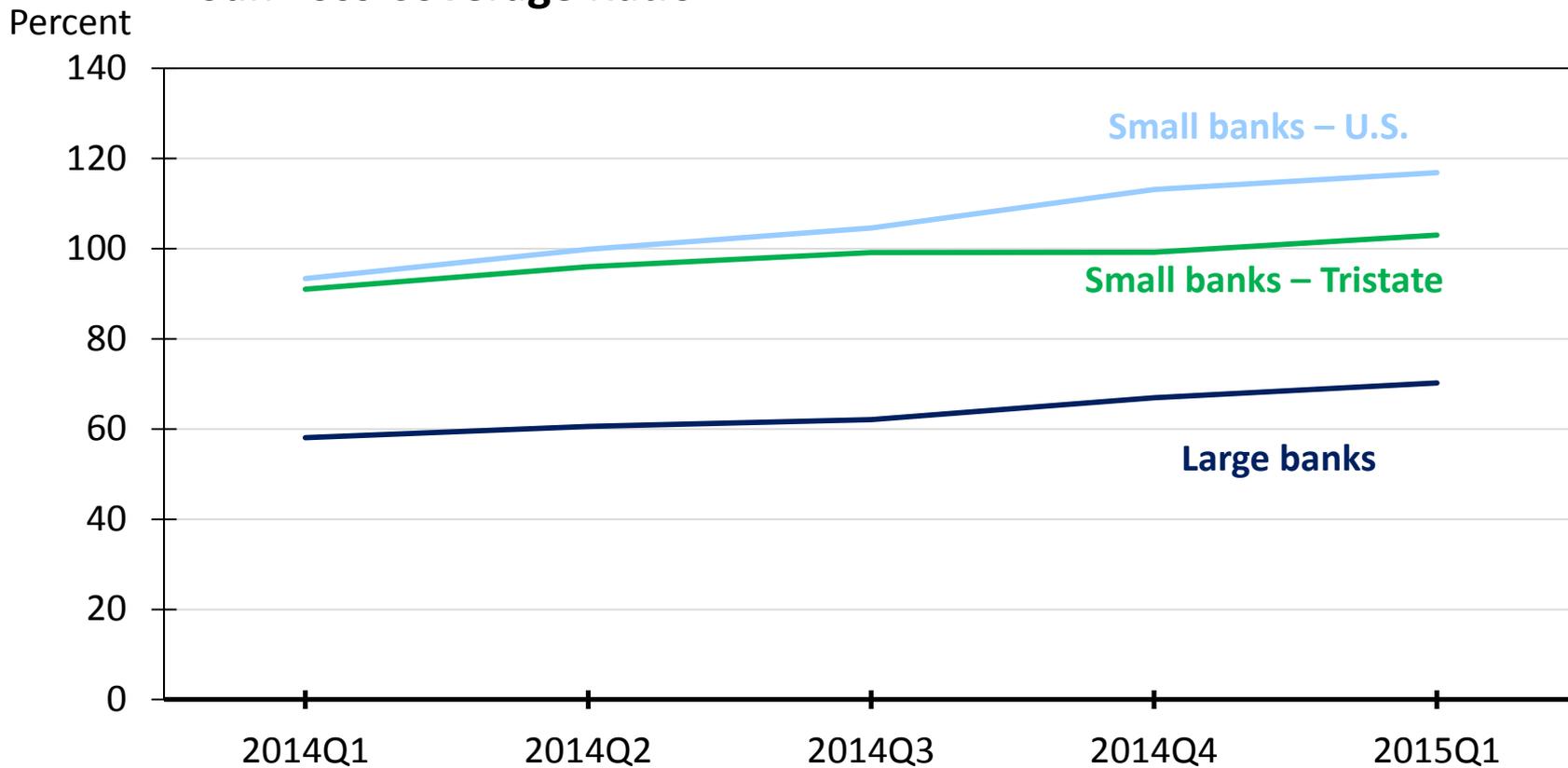


Chart 16
Loan Loss Coverage Ratio



Note: The loan loss coverage ratio is the ratio of loan loss reserves to nonperforming loans.

Part V: Capital Ratios

Chart 17

Ratio of Total Equity to Total Assets

Percent

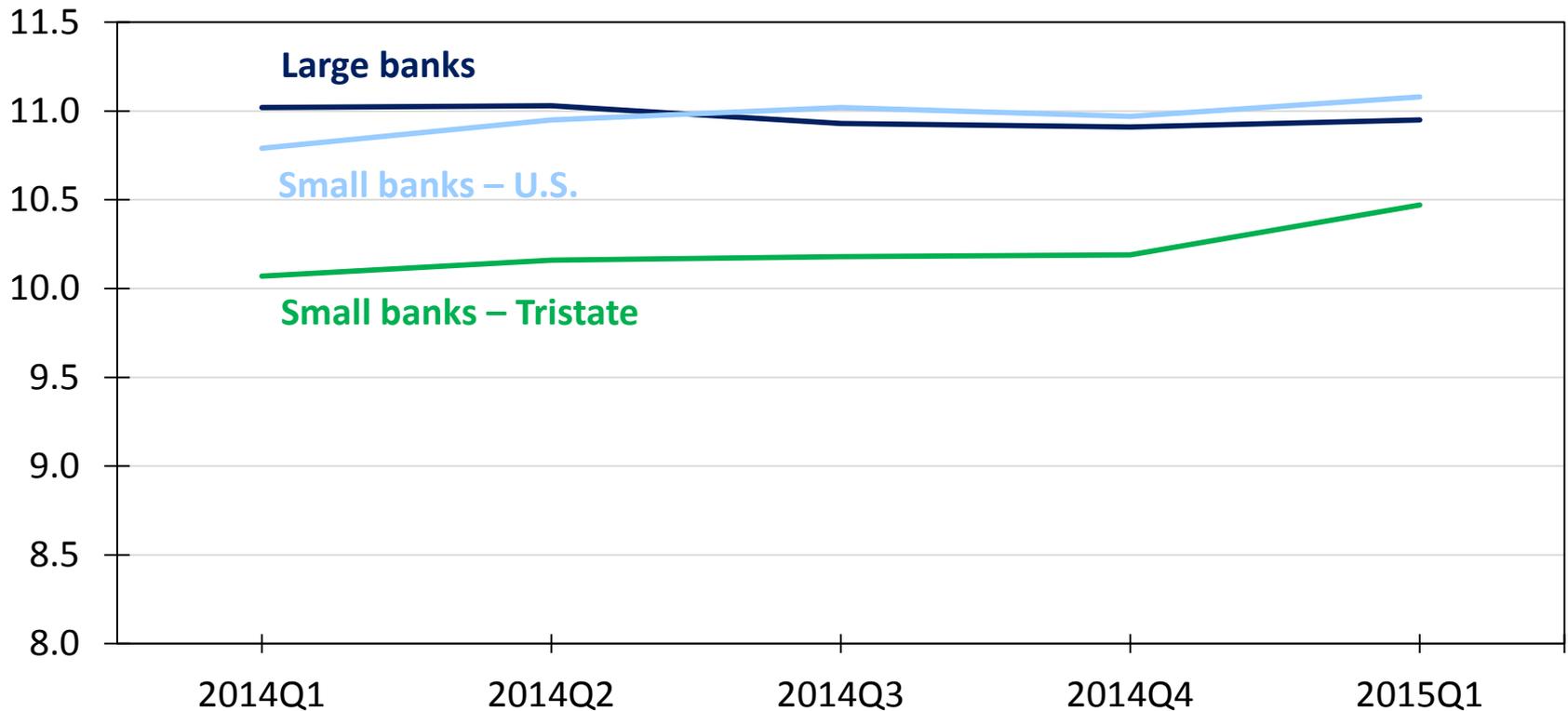
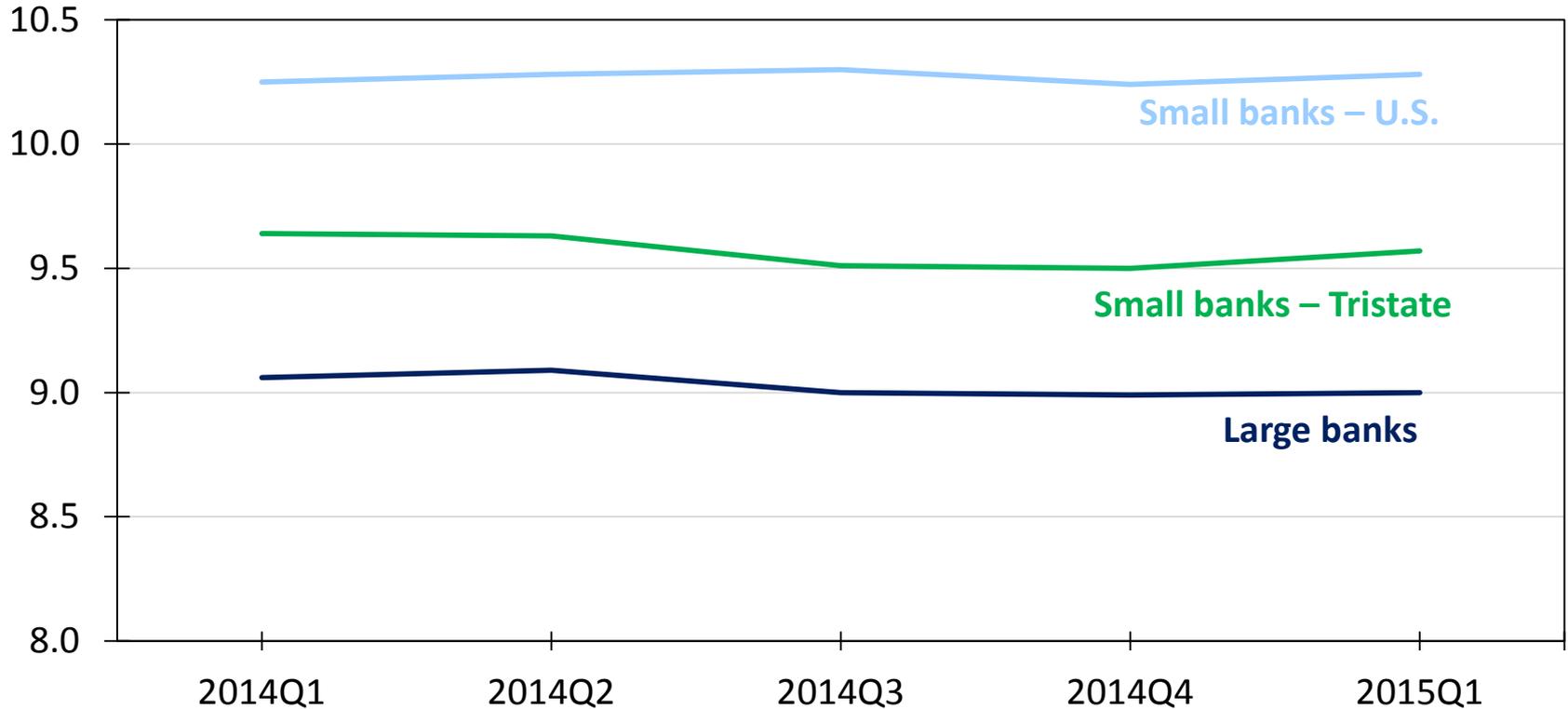


Chart 18

Tier One Leverage Ratios

Percent



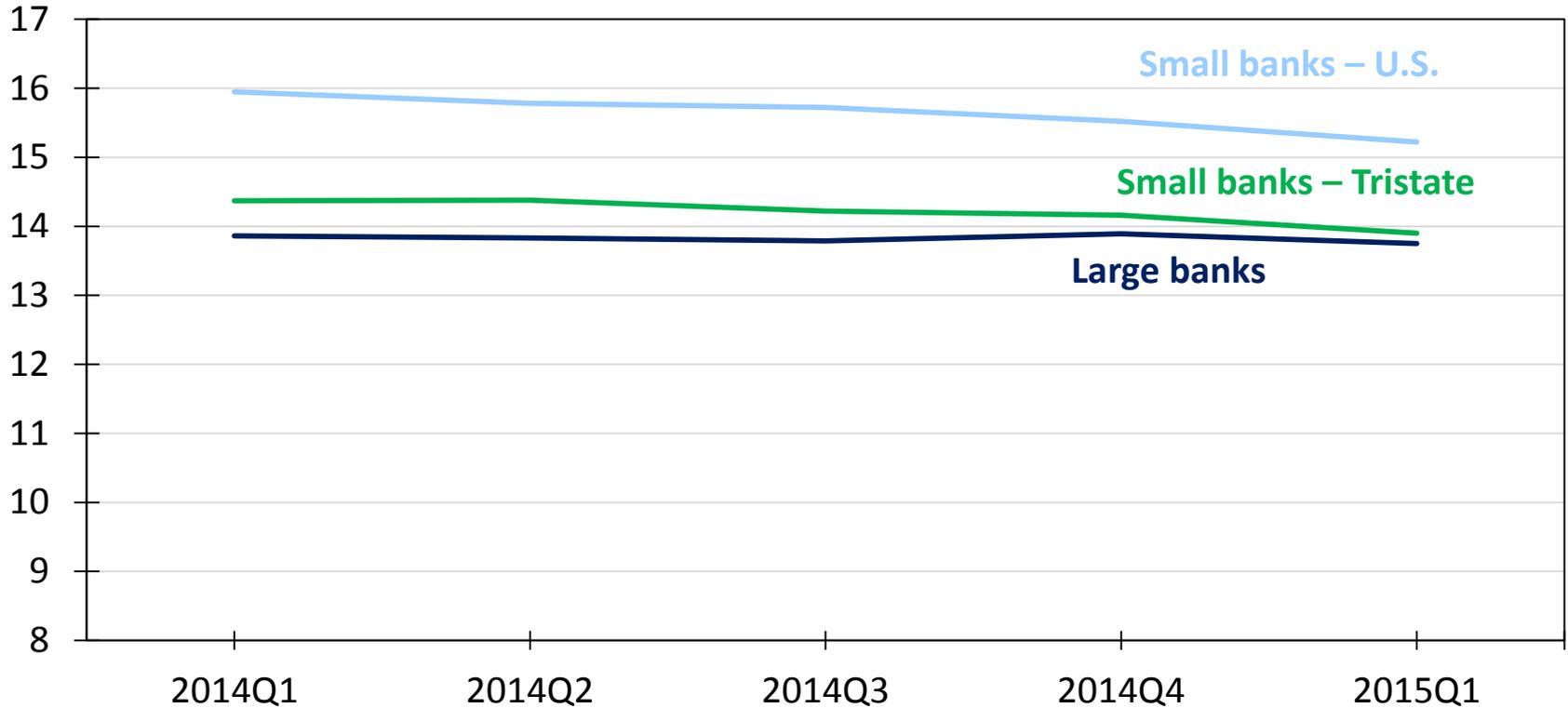
Note: A bank's tier one leverage ratio is calculated by dividing its tier one capital (the numerator of the ratio) by its average total consolidated assets (the denominator of the ratio). For a more detailed definition, see [12 CFR part 225, Appendix D](#).



Chart 19

Risk-Based Capital Ratios

Percent



Note: A bank's risk-based capital ratio is calculated by dividing its qualifying capital (the numerator of the ratio) by its weighted risk assets (the denominator). For a more detailed definition, see [12 CFR part 225, Appendix A](#).



Part VI: Liquidity Ratios

Chart 20

Ratio of Total Loans to Total Deposits

Percent

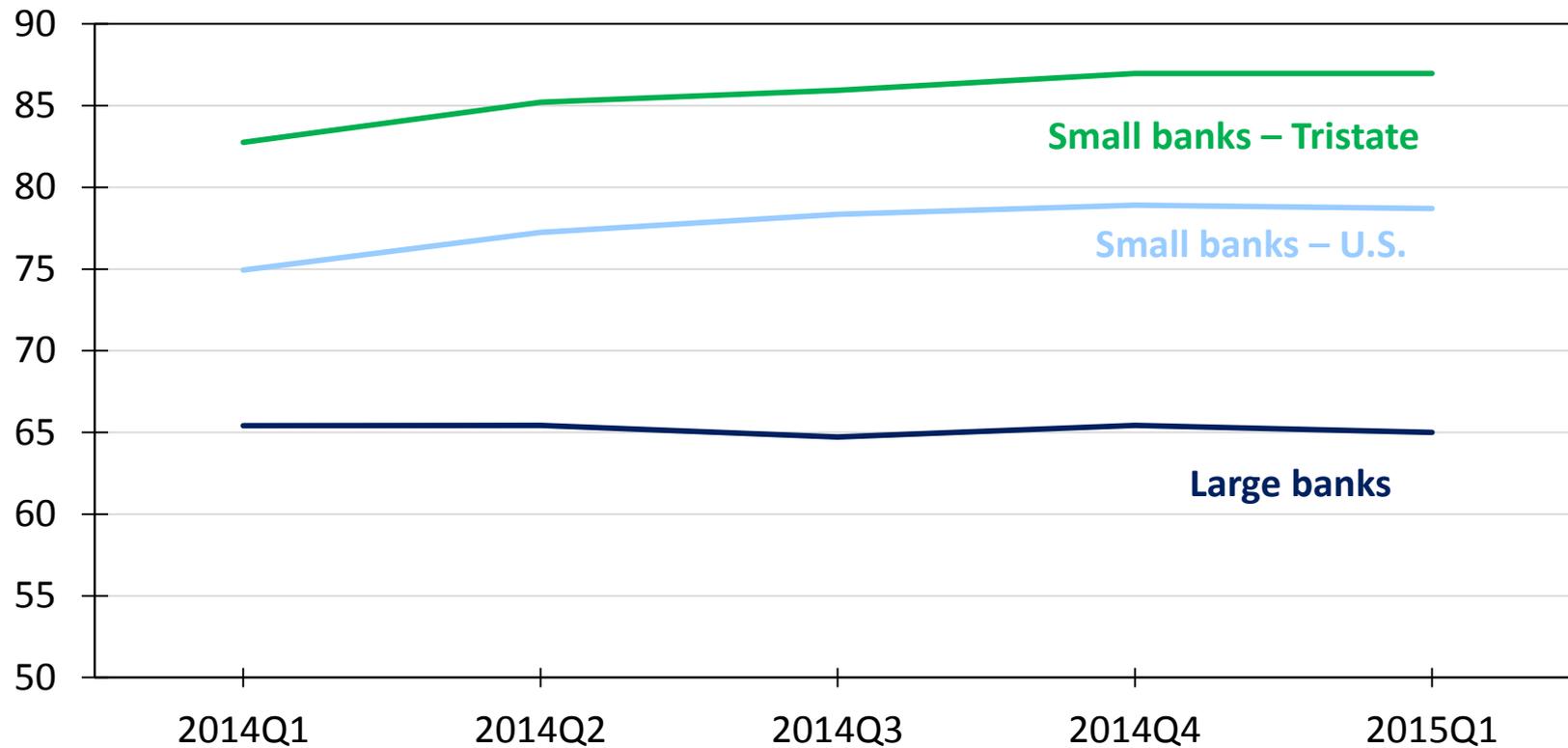
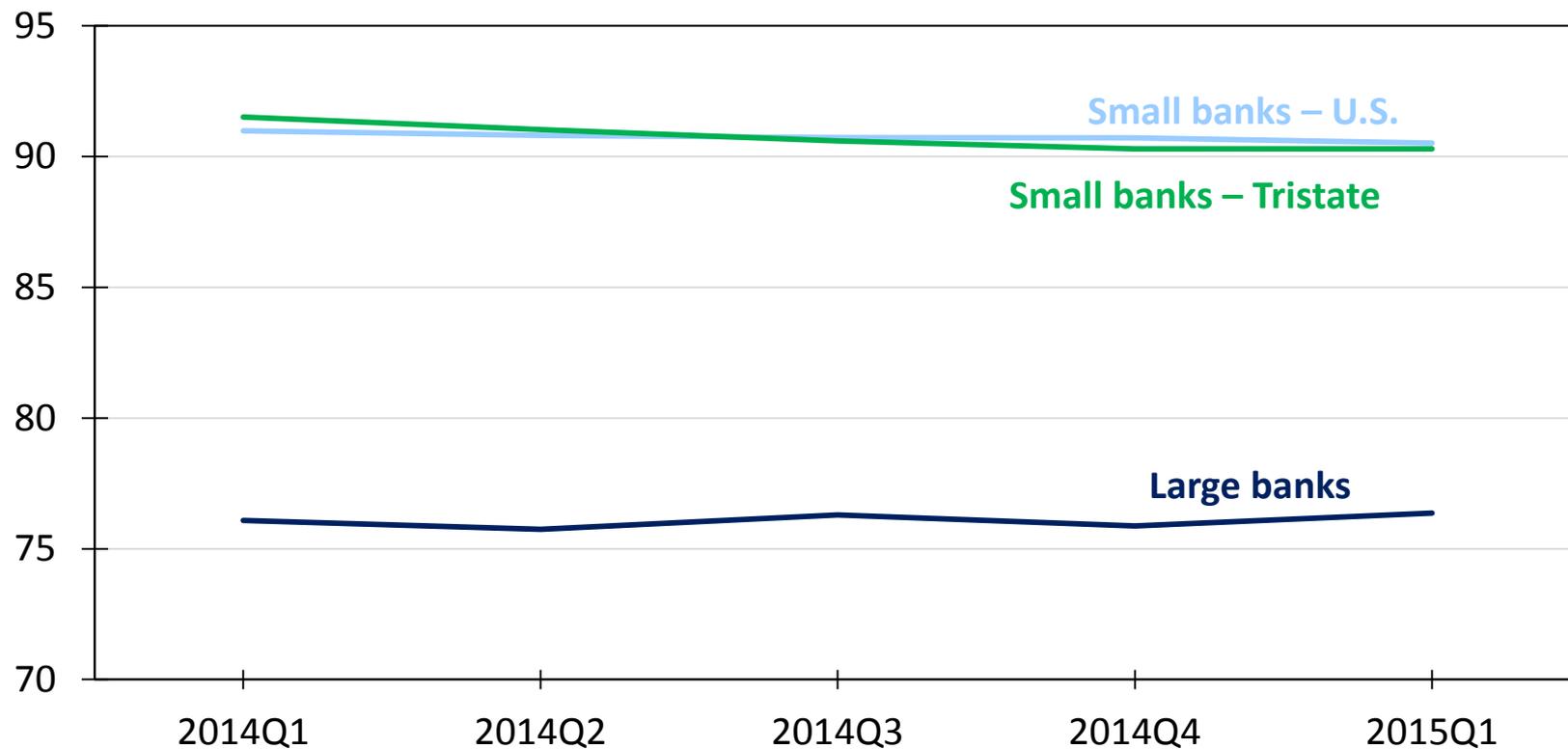


Chart 21

Ratio of Core Deposits to Total Deposits

Percent



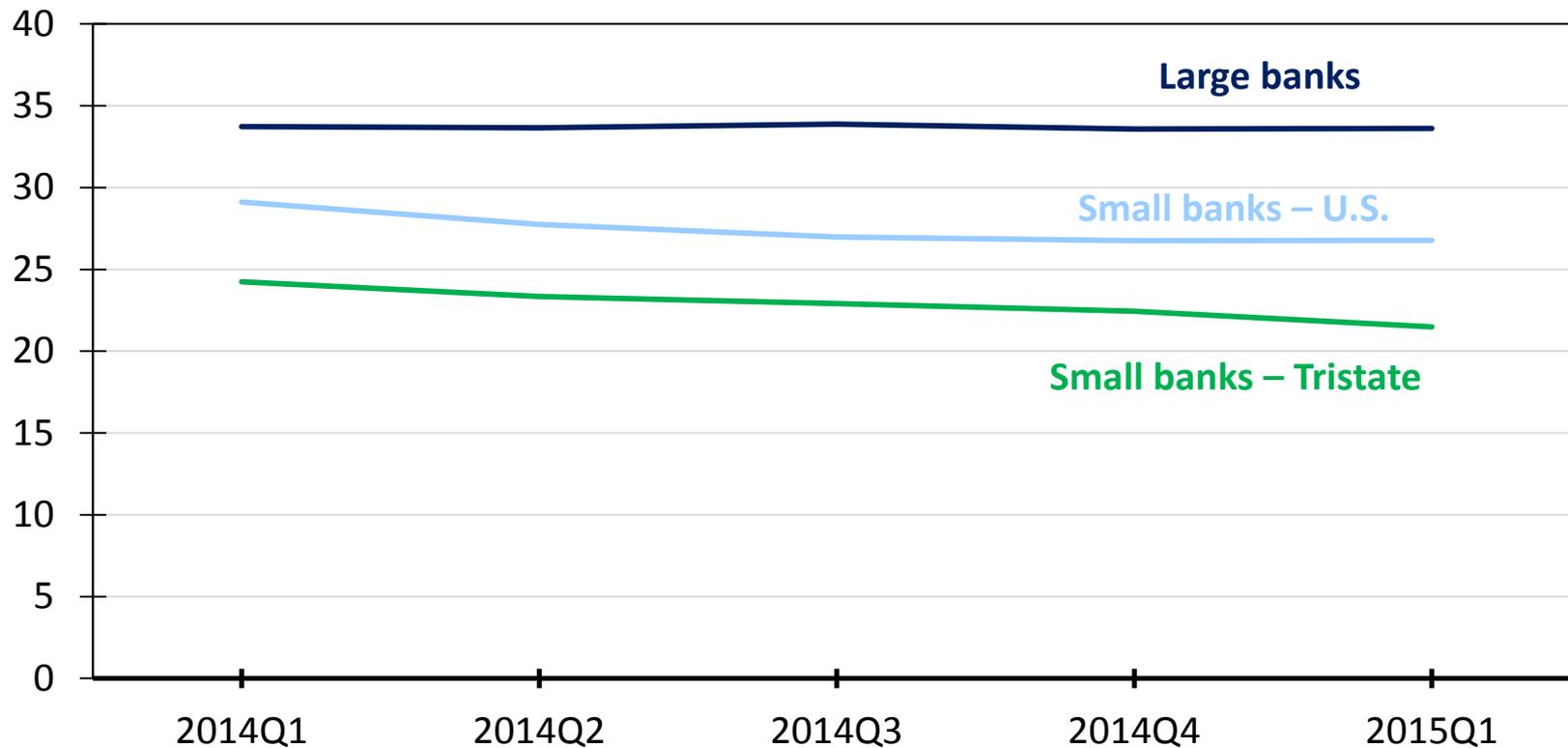
Note: Core deposits are basically insured deposits minus *brokered* and foreign deposits. The FDIC insurance limit was raised from \$100,000 to \$250,000 in 2008. Brokered deposits are generally short-term deposits obtained through a third party from a depositor with no other relationship with the bank.



Chart 22

Ratio of Liquid Assets to Total Assets

Percent



Note: Liquid assets include cash, central bank reserves, government securities, and other assets that can be converted to cash quickly if needed to meet a bank's near-term obligations such as withdrawals by depositors.

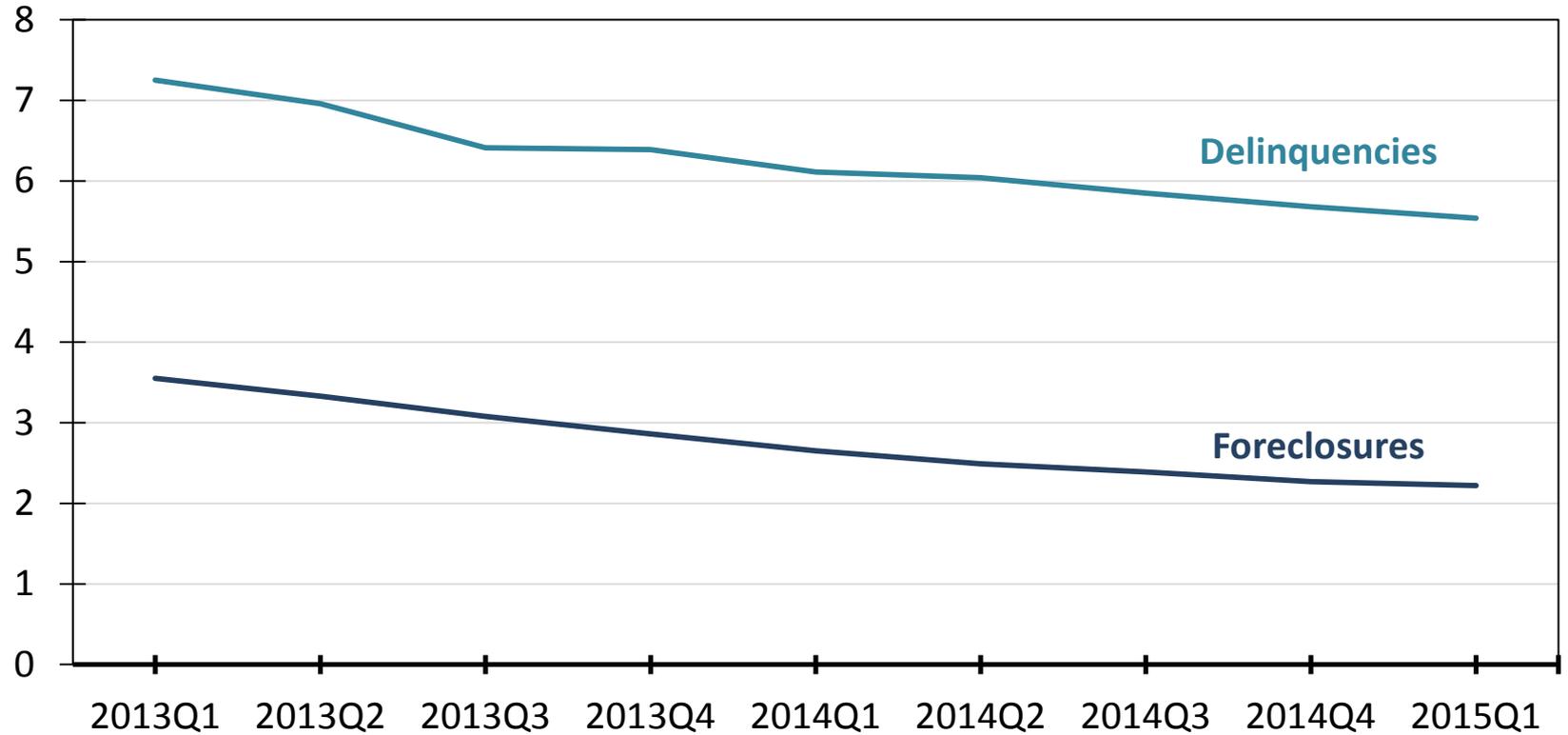


Part VII: Market Conditions

Chart 23

Mortgage Delinquency and Foreclosure Rates

Percent



Source: Mortgage Bankers Association via Haver Analytics.

Questions and comments may be directed to James V. DiSalvo at 215-574-3820 or jim.disalvo@phil.frb.org.

For methodology documentation and back issues, visit www.philadelphiafed.org/research-and-data/publications/banking-brief.

To receive e-mail notifications on the latest *Banking Brief*, please go to www.philadelphiafed.org/notifications/.





FEDERAL RESERVE BANK OF PHILADELPHIA