



# BANKING BRIEF

Pennsylvania • New Jersey • Delaware

## Third Quarter 2016

FEDERAL RESERVE BANK OF PHILADELPHIA  
[WWW.PHILADELPHIAFED.ORG](http://WWW.PHILADELPHIAFED.ORG)

# Summary Table of Bank Structure and Conditions — Third Quarter 2016

	Small Banks						Large Banks			
	U.S.			Tristate			U.S.			
	\$ Billions	% Change From		\$ Billions	% Change From		\$ Billions	% Change From		
	2016Q3	2016Q2	2015Q3	2016Q3	2016Q2	2015Q3		2016Q3	2016Q2	2015Q3
Total Assets	2,207.0	8.56	7.64	118.1	12.60	8.51	Total Assets	12,669.7	5.44	6.14
Total Loans	1,503.1	9.95	9.98	85.7	13.31	10.70	Total Loans	6,478.7	3.23	6.65
C&I	233.9	3.25	7.77	11.3	18.56	10.05	C&I	1,573.8	2.04	8.26
Real Estate	1,102.6	10.60	10.51	67.3	12.90	10.72	Real Estate	2,932.7	3.62	5.42
Consumer	63.1	13.34	7.51	3.4	15.24	8.64	Consumer	929.8	5.77	5.54
Total Deposits	1,816.4	9.38	7.32	96.1	15.76	9.27	Total Deposits	9,634.7	10.00	6.89
<b>Ratios (in %)</b>	<b>2016Q3</b>	<b>2016Q2</b>	<b>2015Q3</b>	<b>2016Q3</b>	<b>2016Q2</b>	<b>2015Q3</b>	<b>Ratios (in %)</b>	<b>2016Q3</b>	<b>2016Q2</b>	<b>2015Q3</b>
Net Income/Avg. Assets (ROA)	1.05	1.03	0.98	0.90	0.89	0.92	Net Income/Avg. Assets (ROA)	0.97	0.95	0.98
Net Interest Inc./Avg. Assets (NIM)	3.30	3.32	3.34	3.13	3.15	3.17	Net Interest Inc./Avg. Assets (NIM)	2.42	2.40	2.46
Noninterest Inc./Avg. Assets	0.96	0.95	0.96	1.21	1.21	1.25	Noninterest Inc./Avg. Assets	1.56	1.57	1.63
Noninterest Exp./Avg. Assets	2.83	2.85	2.95	3.04	3.07	3.14	Noninterest Exp./Avg. Assets	2.38	2.41	2.53
Loans/Deposits	82.75	82.64	80.75	89.25	89.72	88.09	Loans/Deposits	67.24	68.32	67.40
Equity/Assets	11.14	11.17	11.12	10.83	10.71	10.72	Equity/Assets	11.04	11.11	11.15
Nonperforming Loans/Total Loans	0.90	0.92	1.01	0.95	0.98	1.08	Nonperforming Loans/Total Loans	1.54	1.61	1.72

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 and 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, 2015, 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, 2015.

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, 2015, including assets of only their commercial bank subsidiaries.

*U.S.* excludes tristate banks.

The sample includes 141 small tristate banks, 4,577 small U.S. banks, and 99 large U.S. banks.

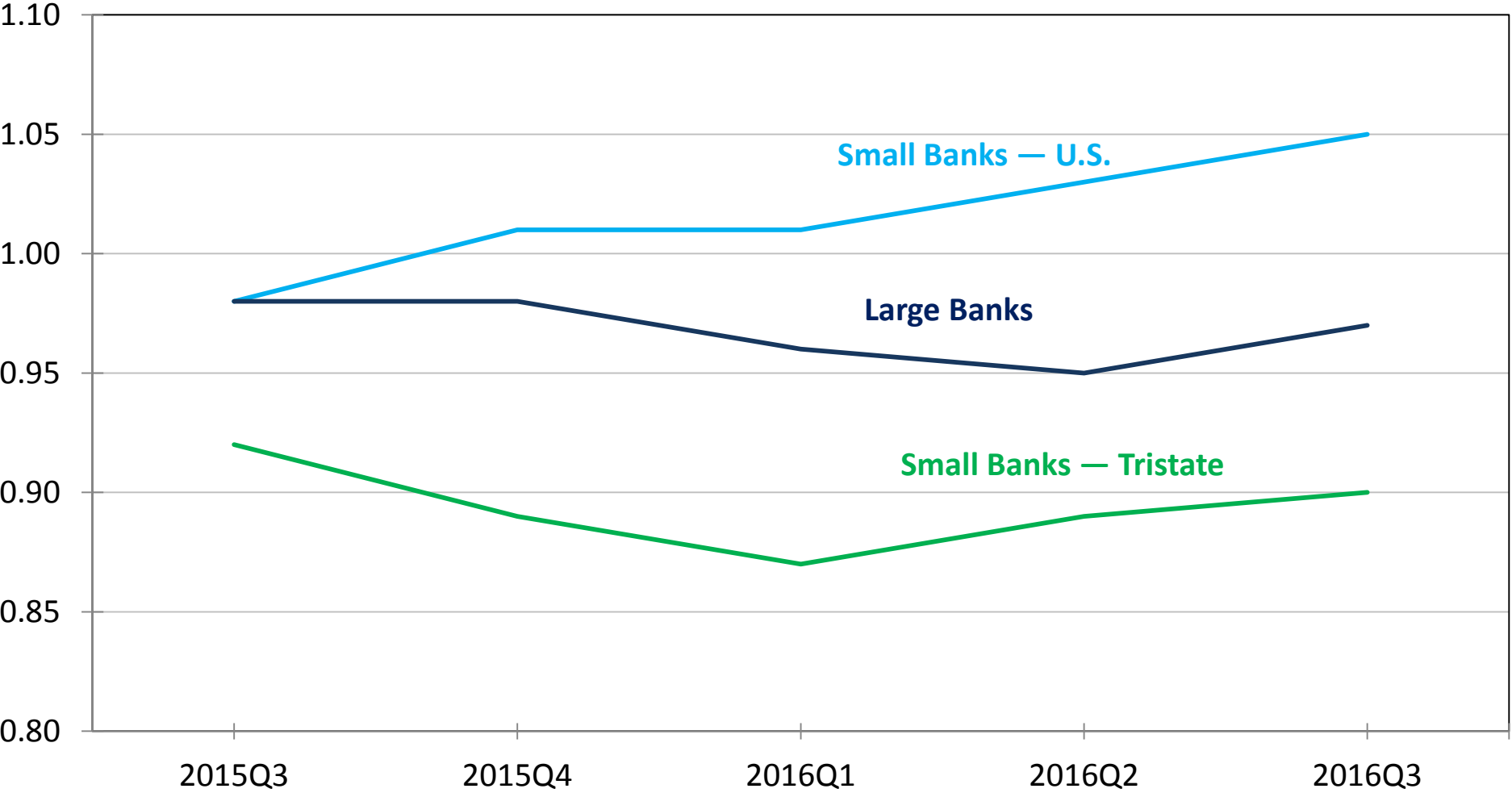


# Part I: Earnings Ratios

# CHART 1

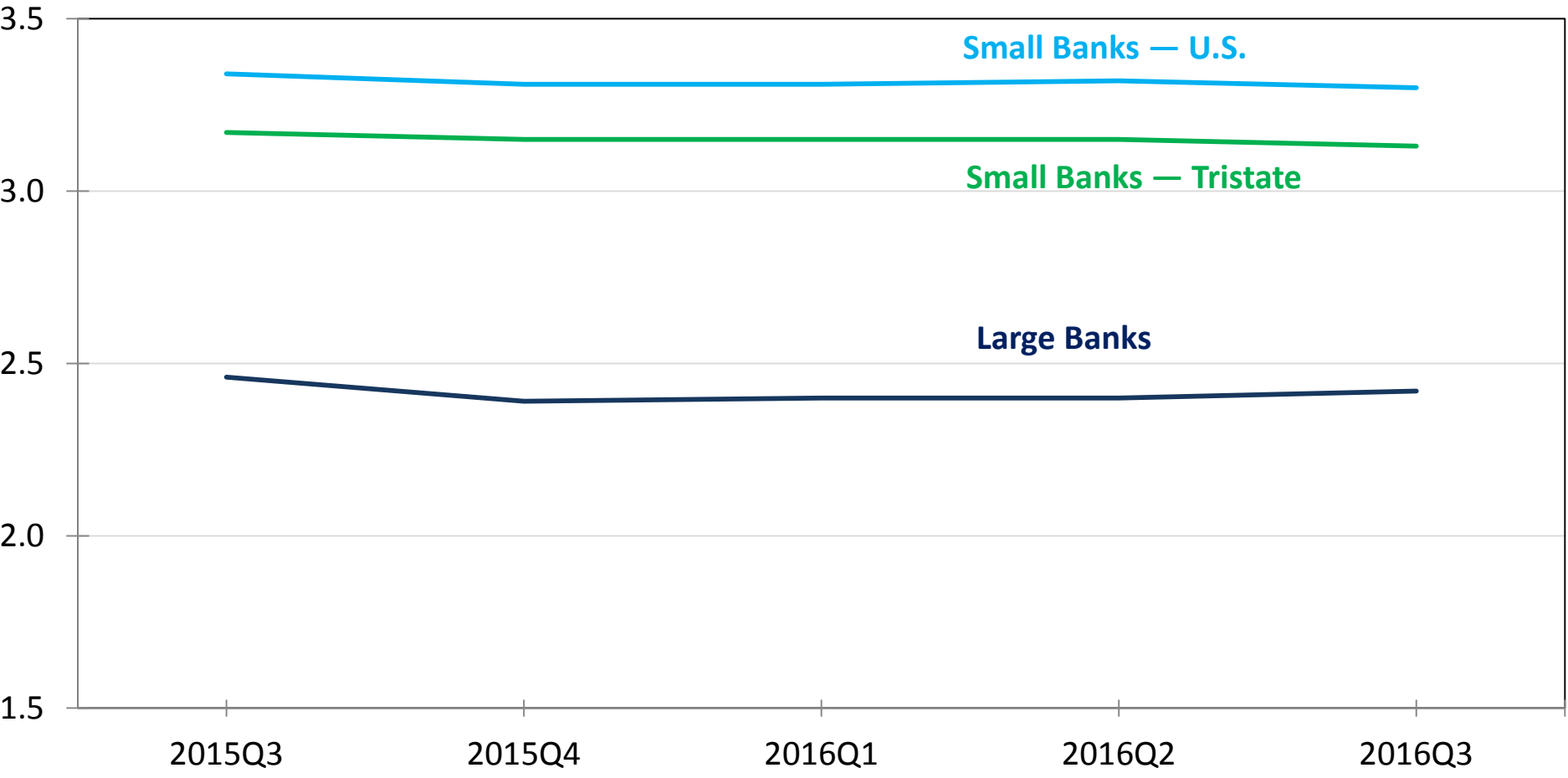
## Return on Average Assets

Percent



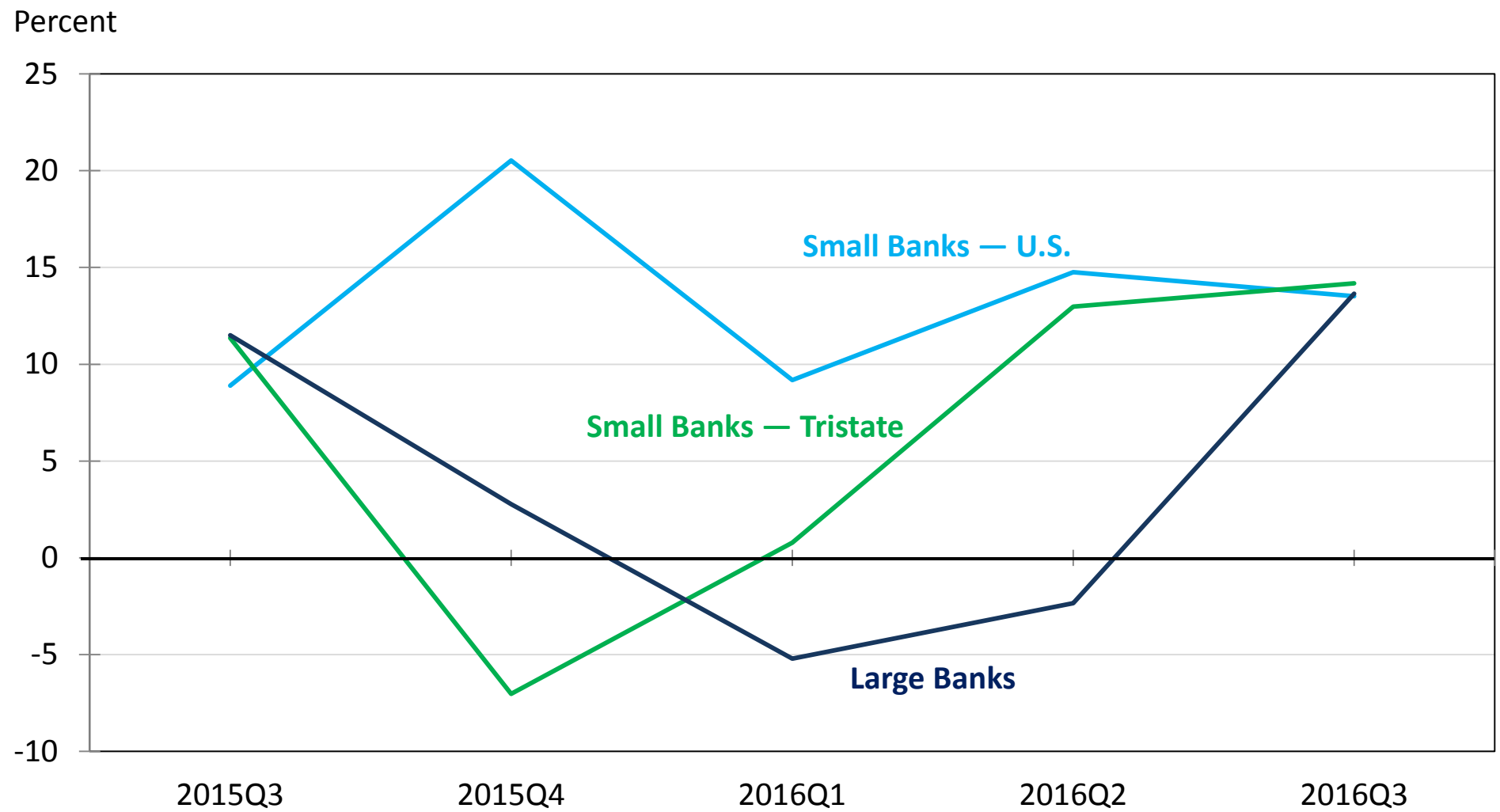
# CHART 2 Net Interest Margin

Percent

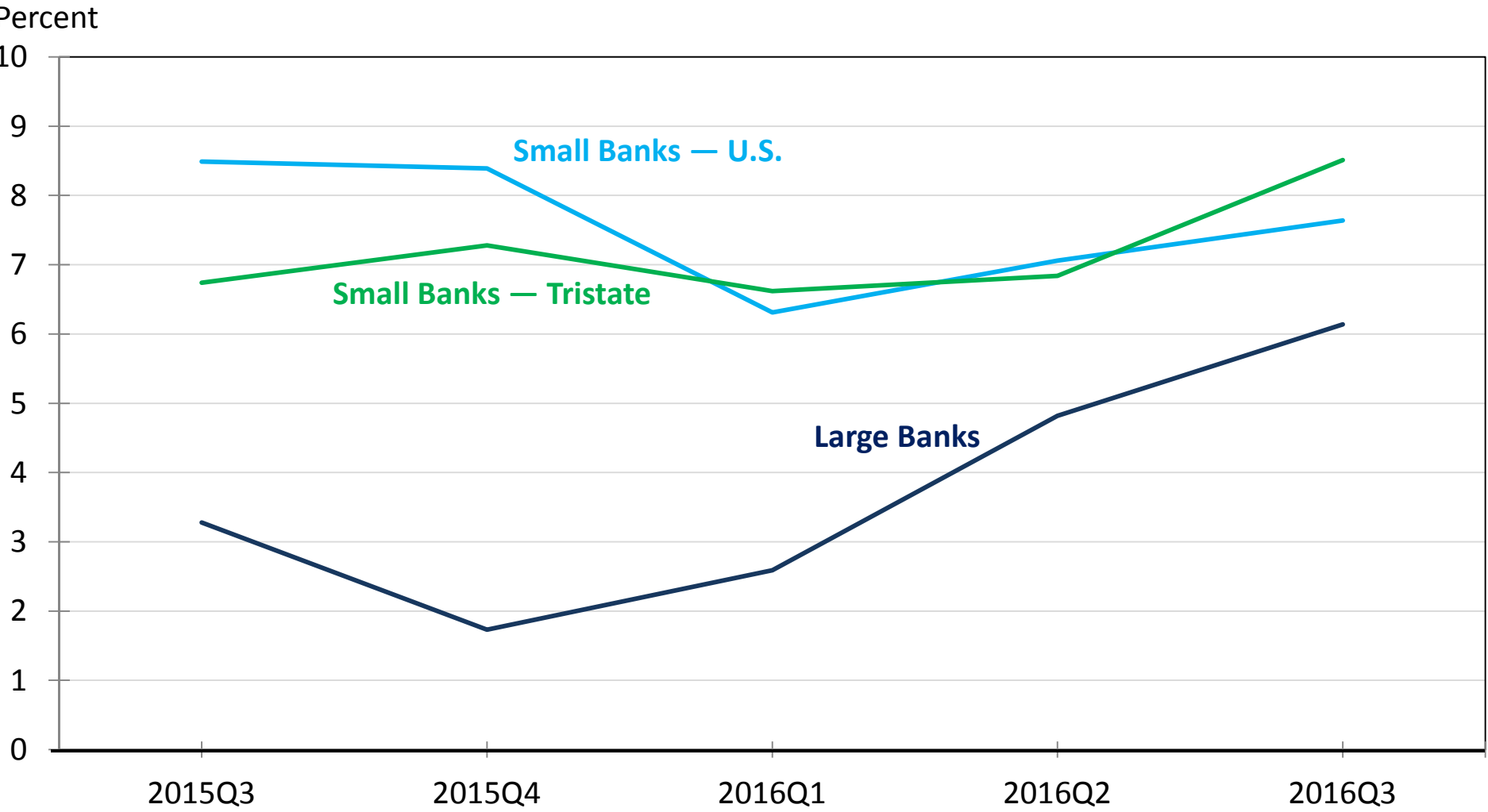


# Part II: Annual Growth Rates

# CHART 3 Annual Growth of Quarterly Net Income



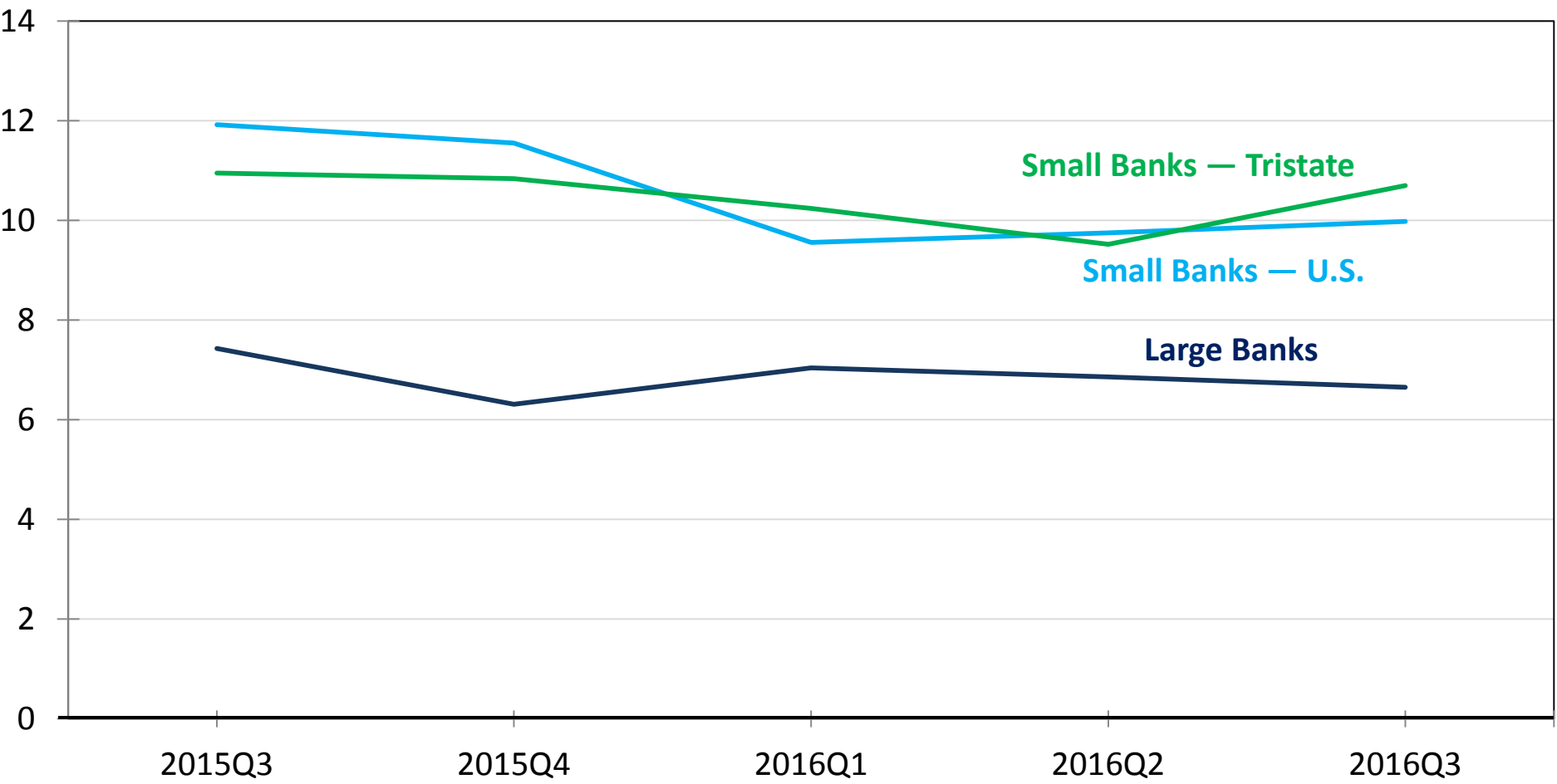
# CHART 4 Annual Growth of Total Assets



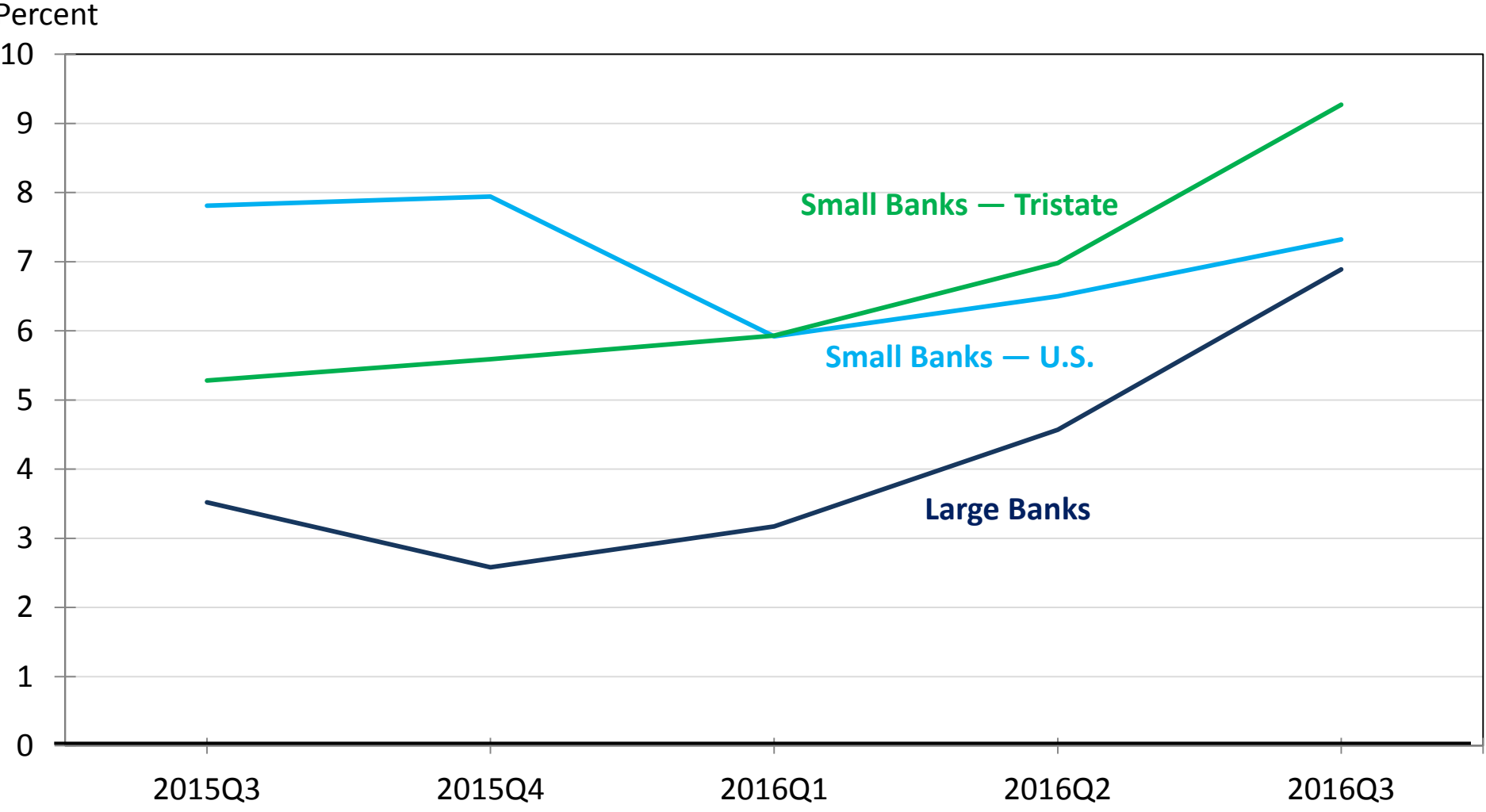


# CHART 5 Annual Growth of Total Loans

Percent

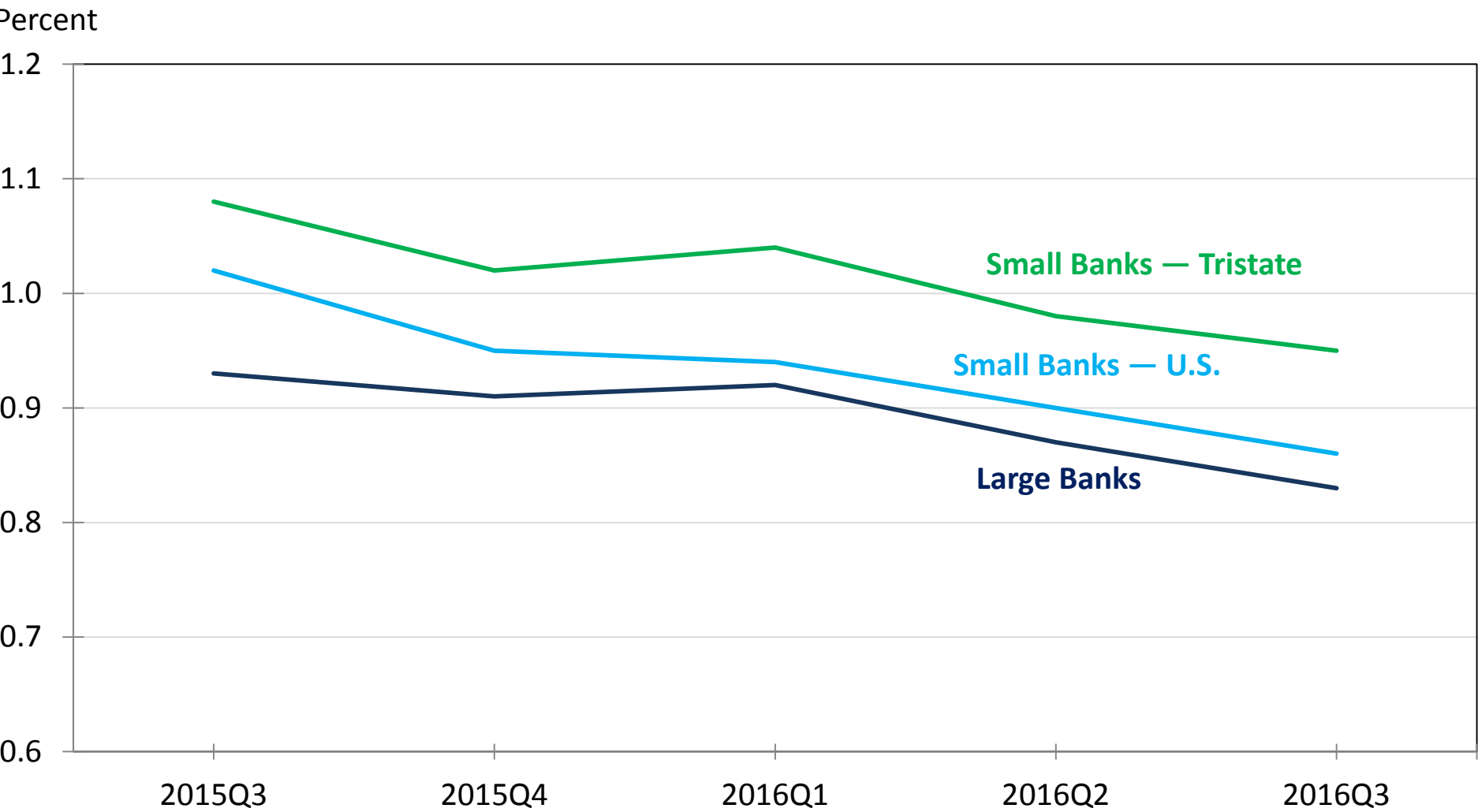


# CHART 6 Annual Growth of Total Deposits



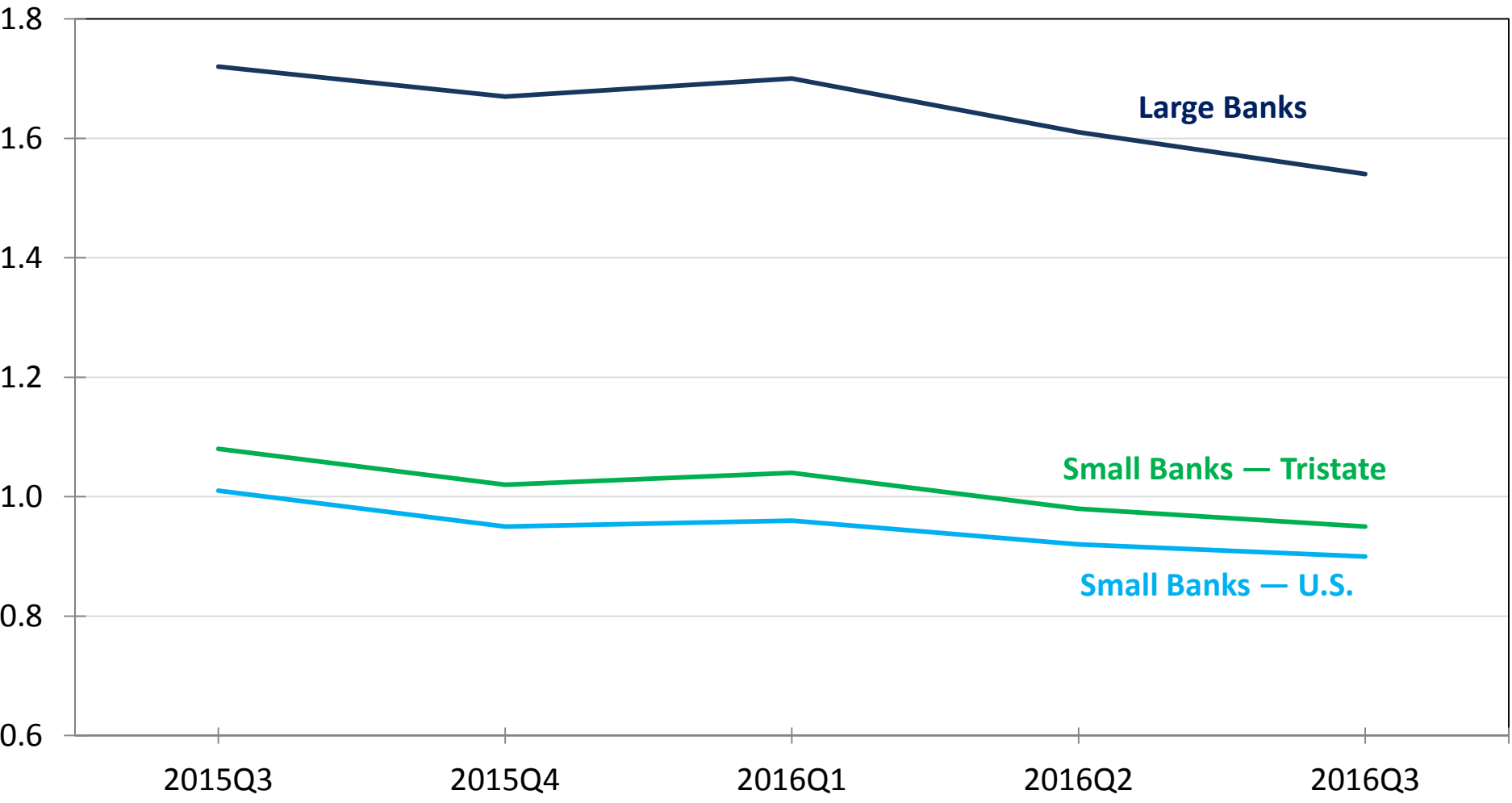
# Part III: Asset Quality Ratios

# CHART 7 Nonperforming Assets as a Share of Total Assets



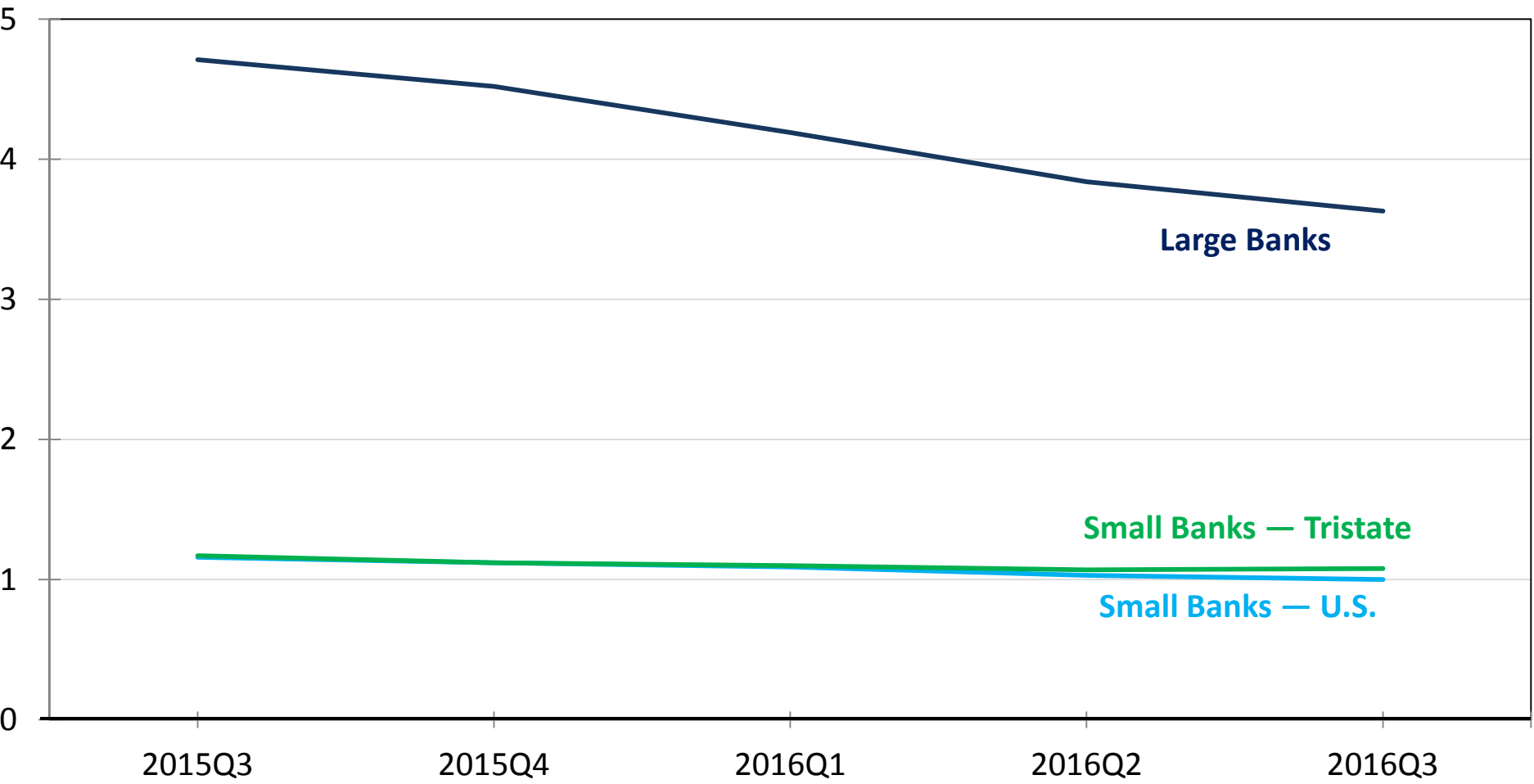
# CHART 8 Nonperforming Loans as a Share of Total Loans

Percent



# CHART 9 Residential Real Estate Nonperforming Loan Ratio

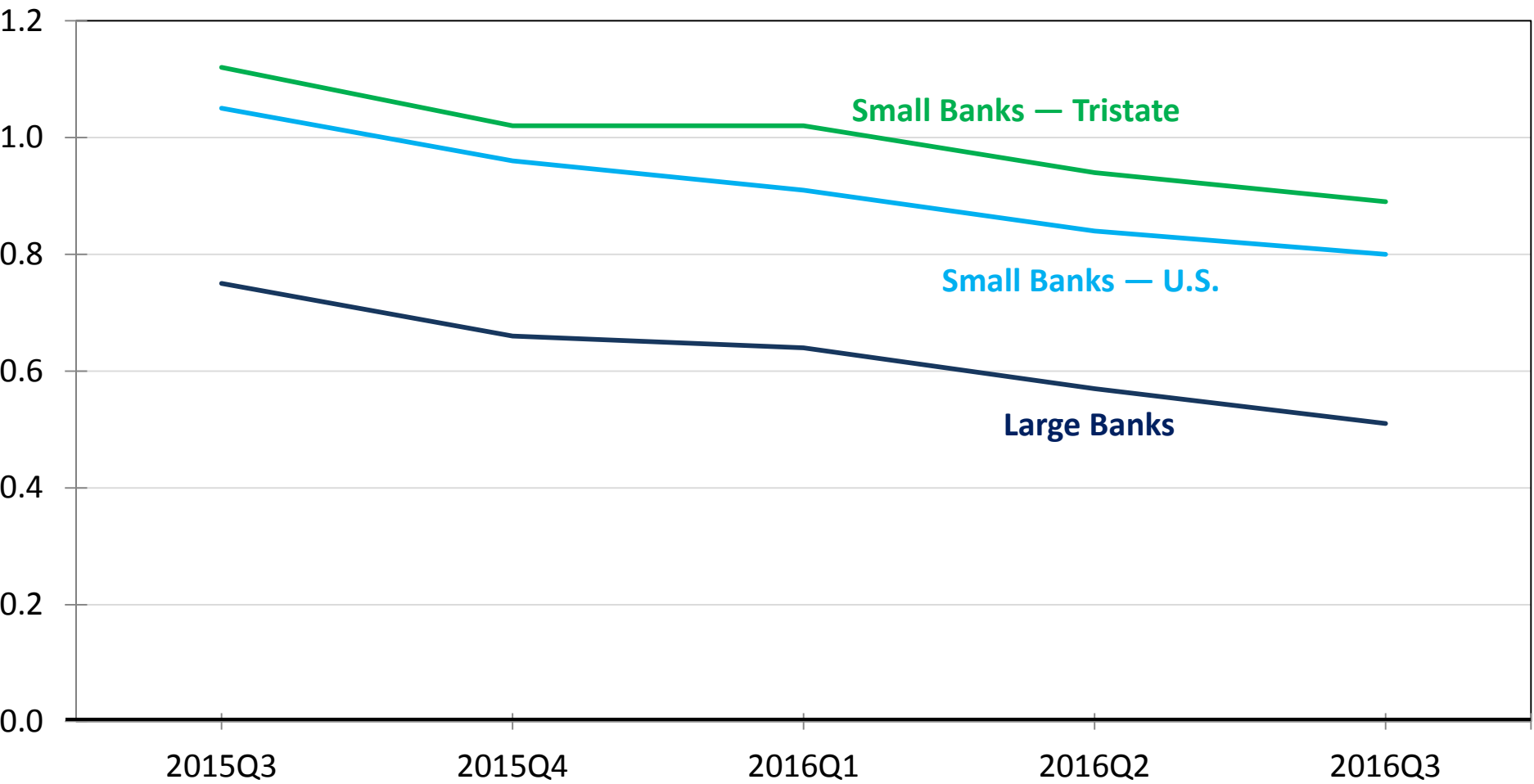
Percent



**CHART 10**

**Commercial Real Estate Nonperforming Loan Ratio**

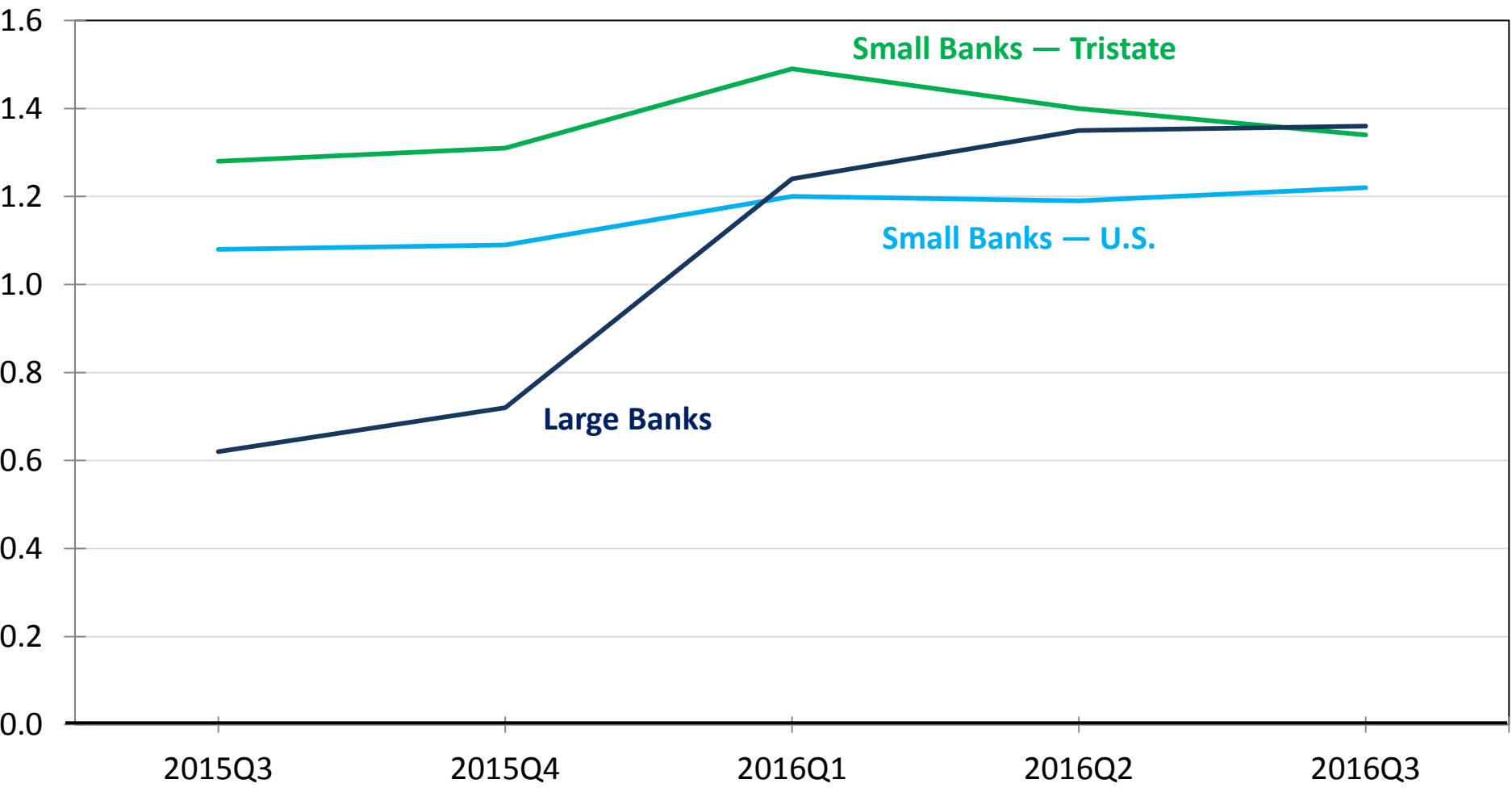
Percent



**CHART 11**

# Commercial and Industrial Nonperforming Loan Ratio

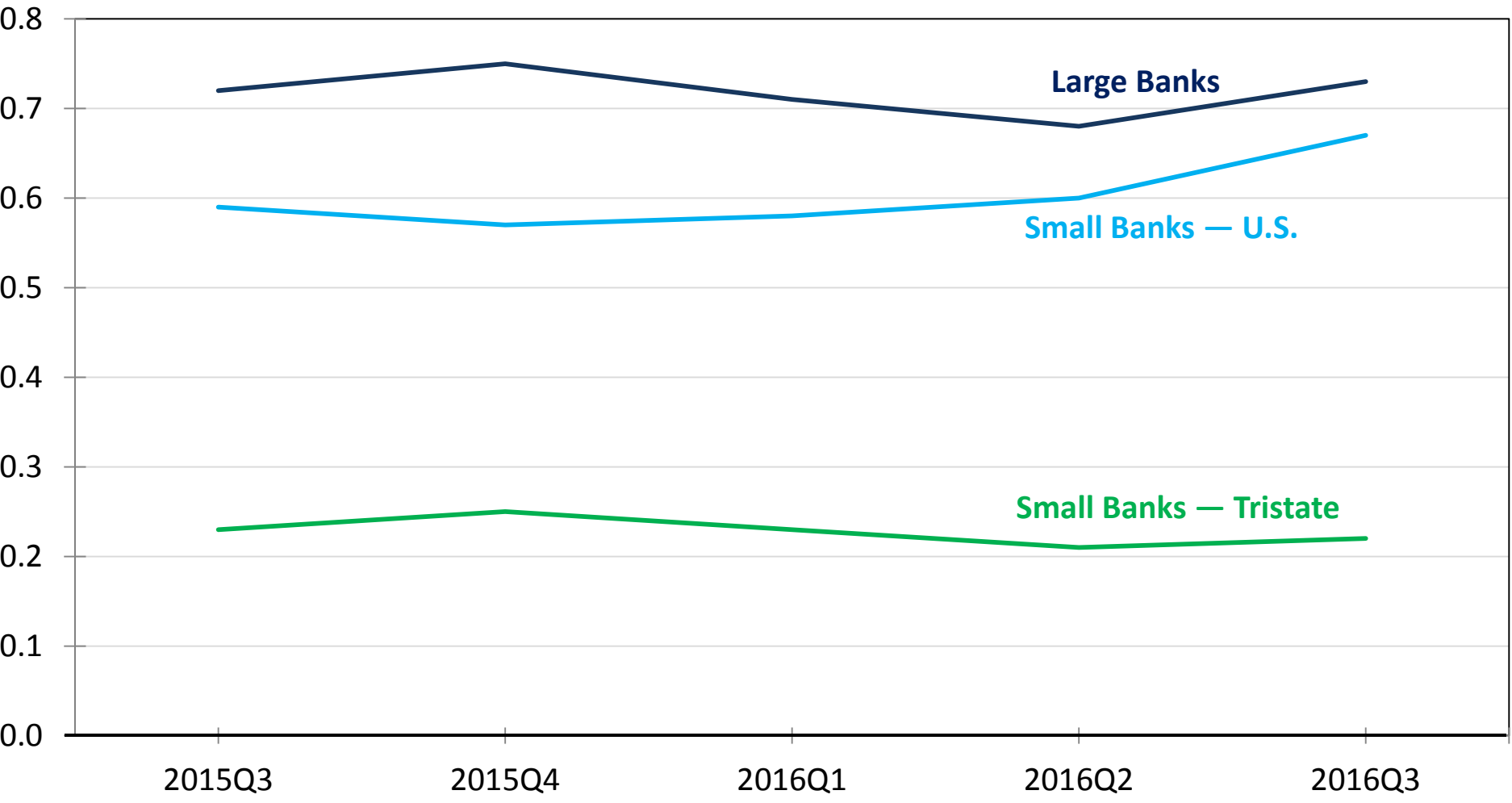
Percent





# CHART 12 Consumer Nonperforming Loan Ratio

Percent

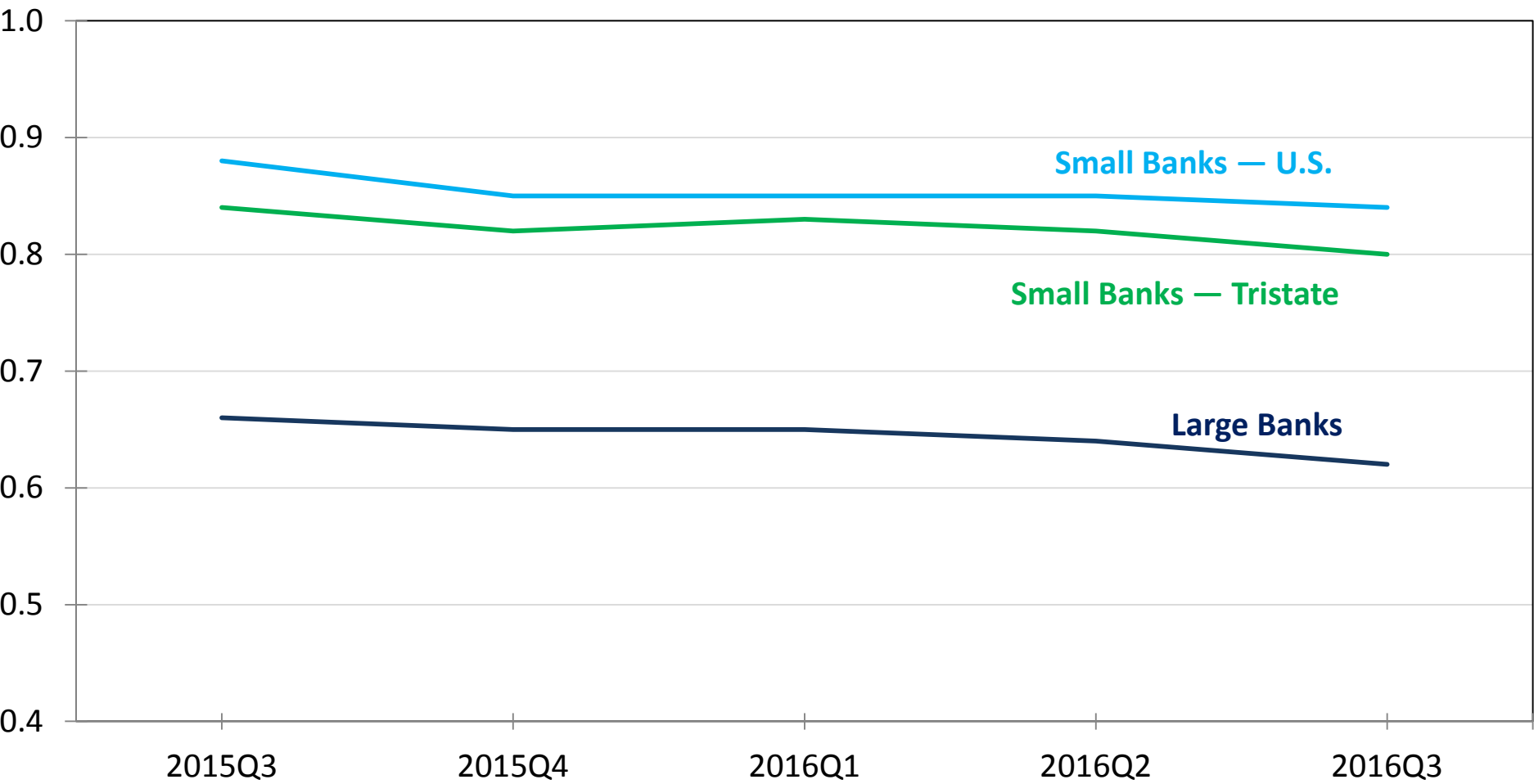


# Part IV: Loan Loss Provisioning and Reserves

# CHART 13

## Loan Loss Reserves as a Share of Total Assets

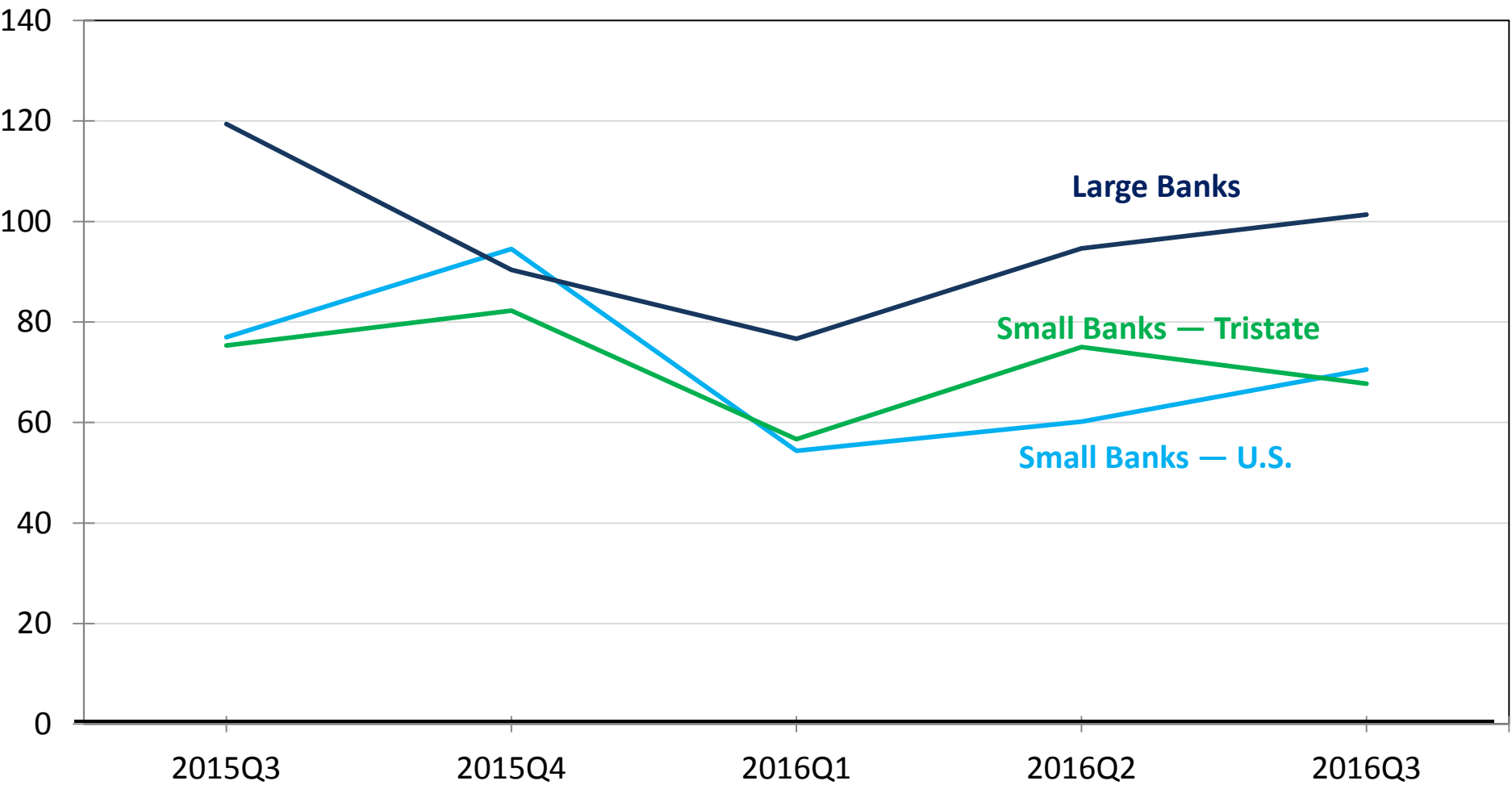
Percent



**CHART 14**

**Net Charge-Offs as a Share of Loan Loss Provisions**

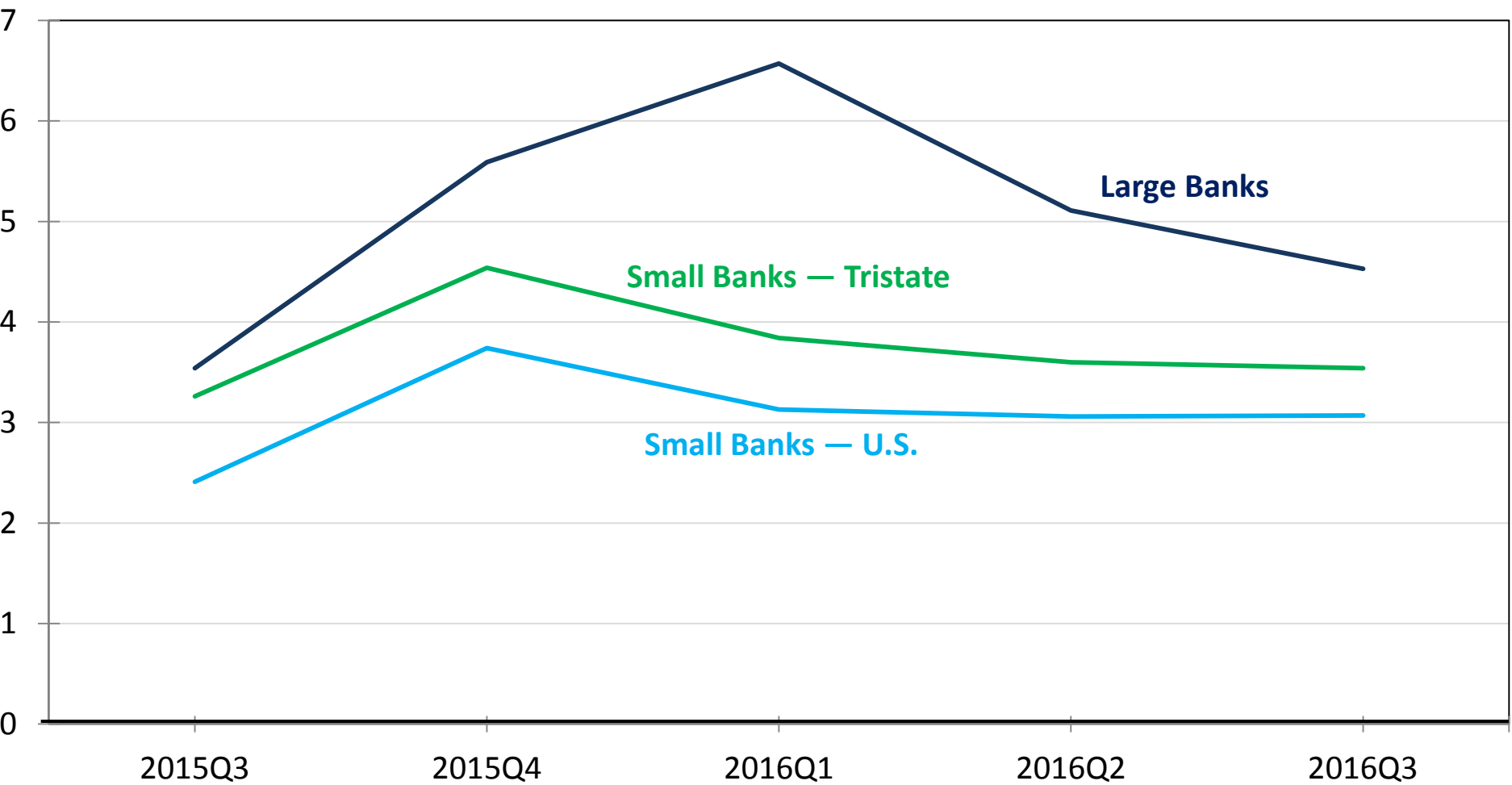
Percent



**CHART 15**

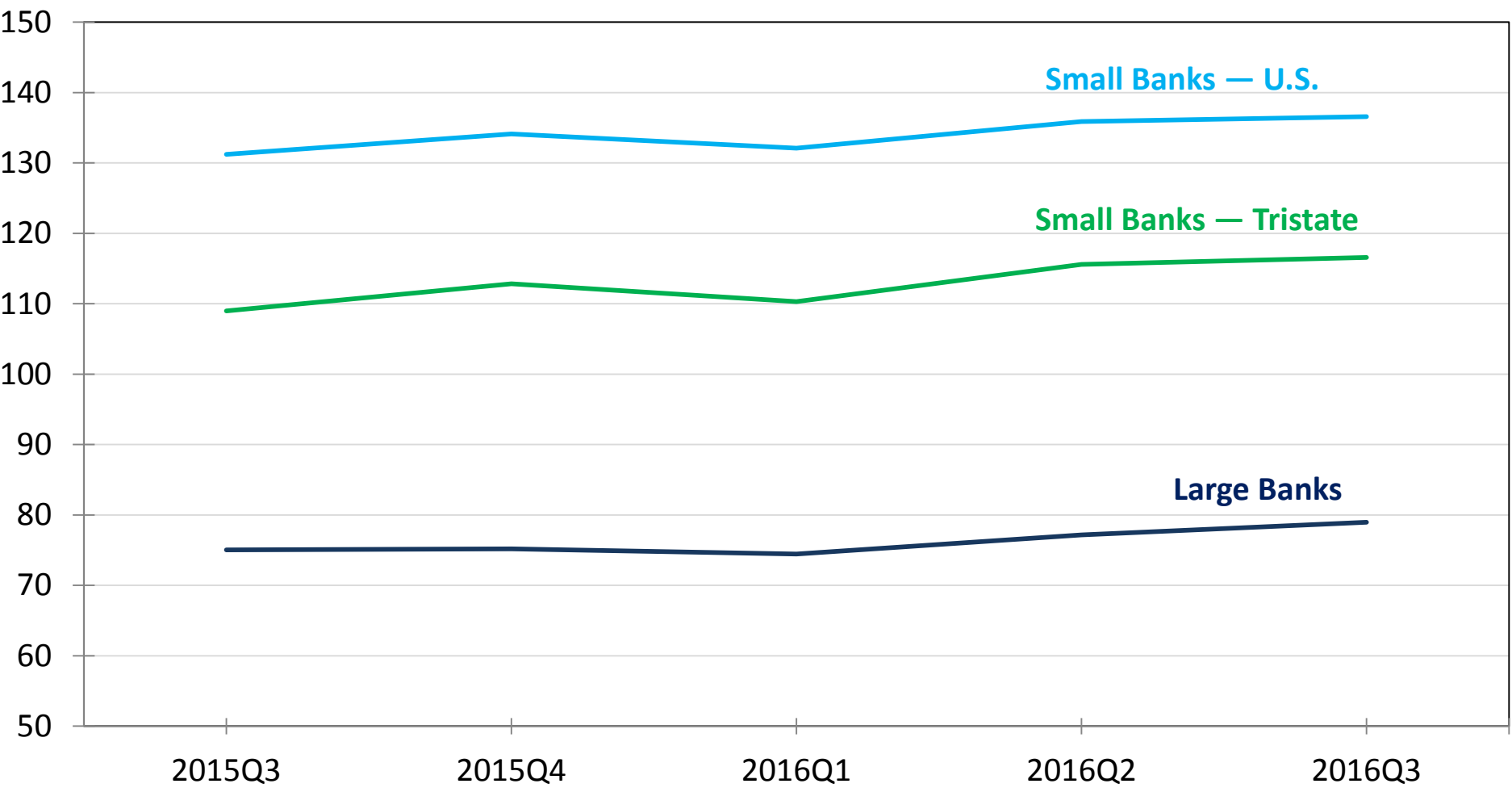
# Loan Loss Provision as a Share of Operating Income

Percent



# CHART 16 Loan Loss Coverage Ratio

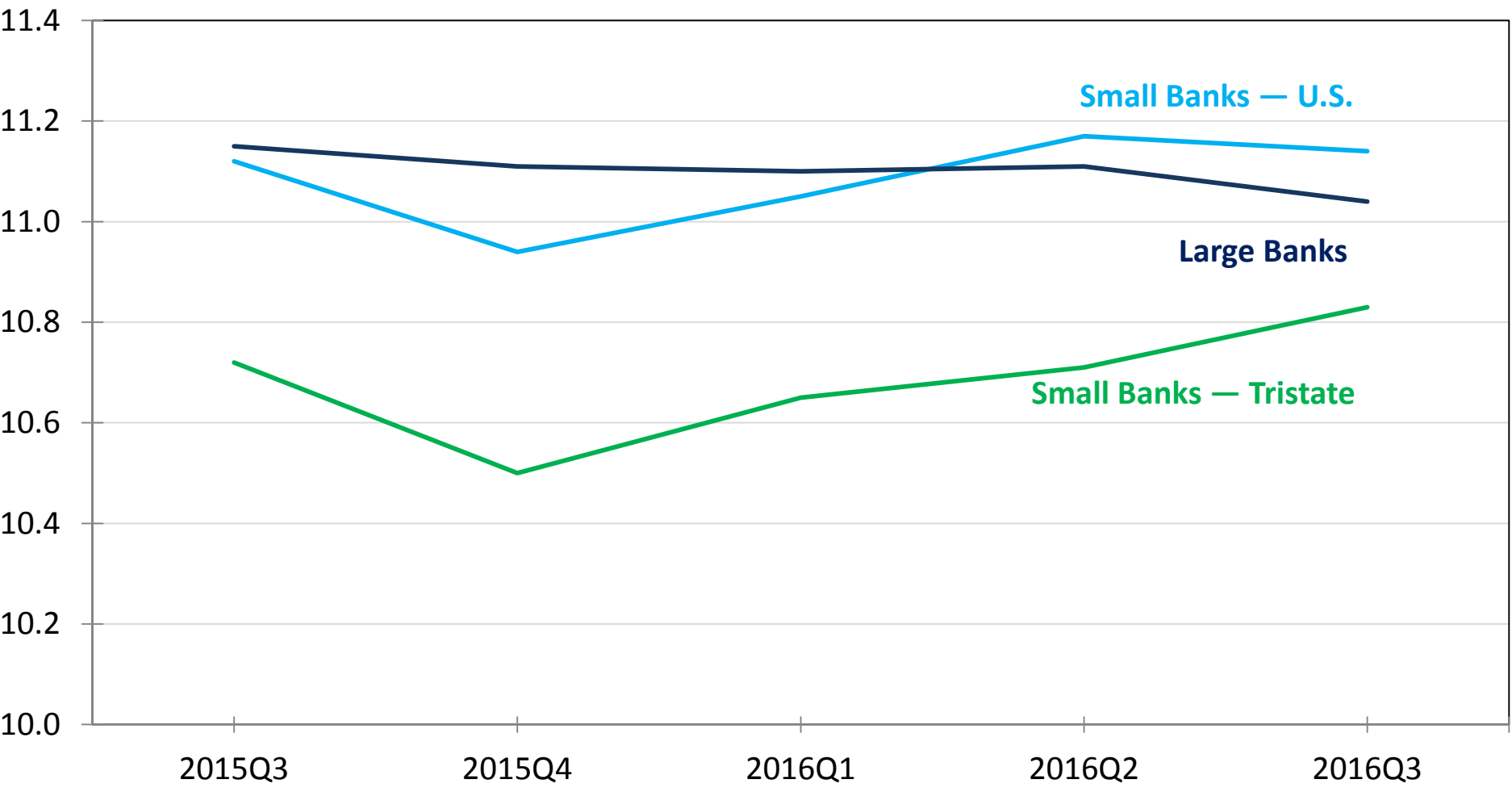
Percent



# Part V: Capital Ratios

# CHART 17 Total Equity as a Share of Total Assets

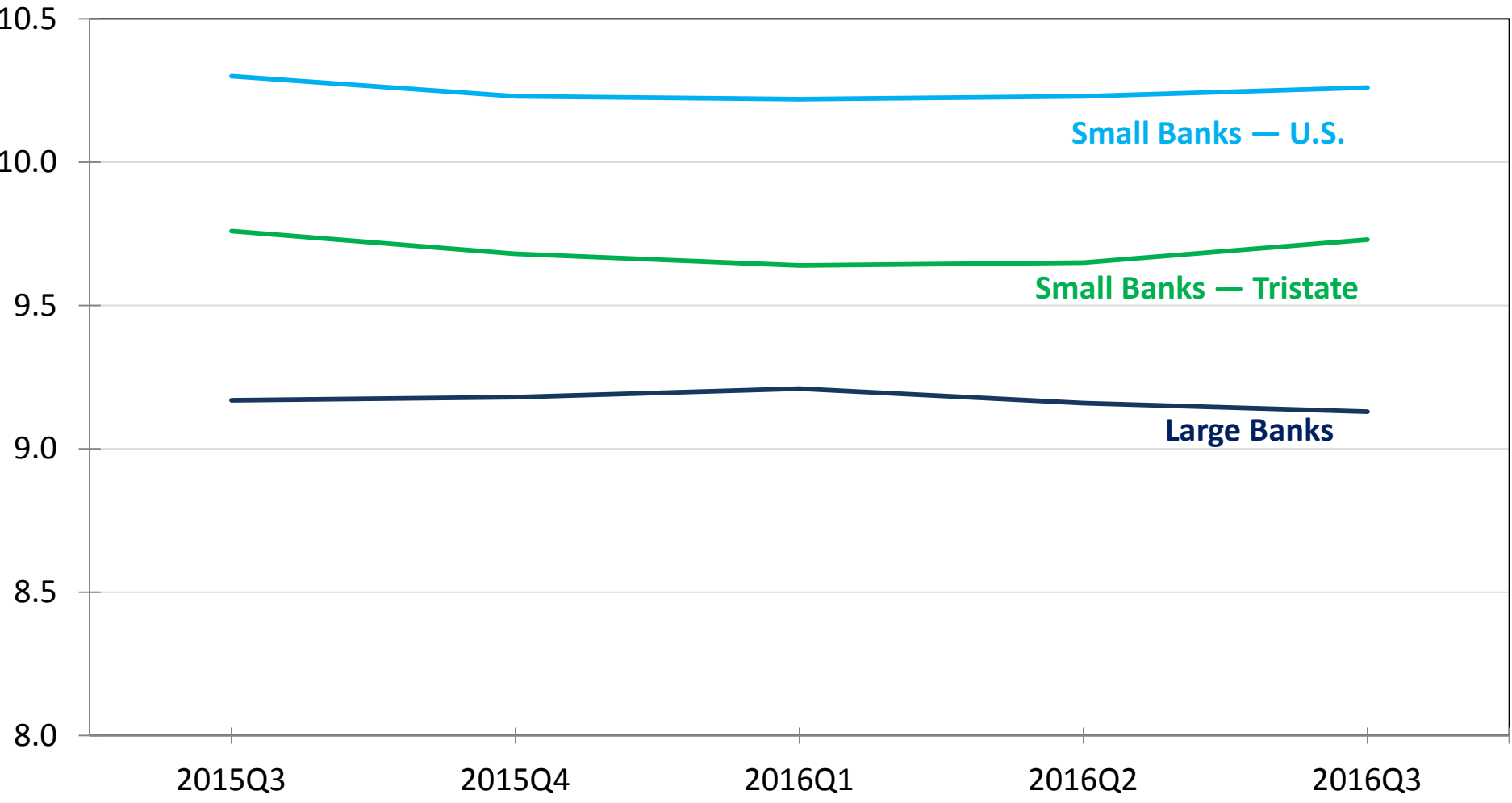
Percent





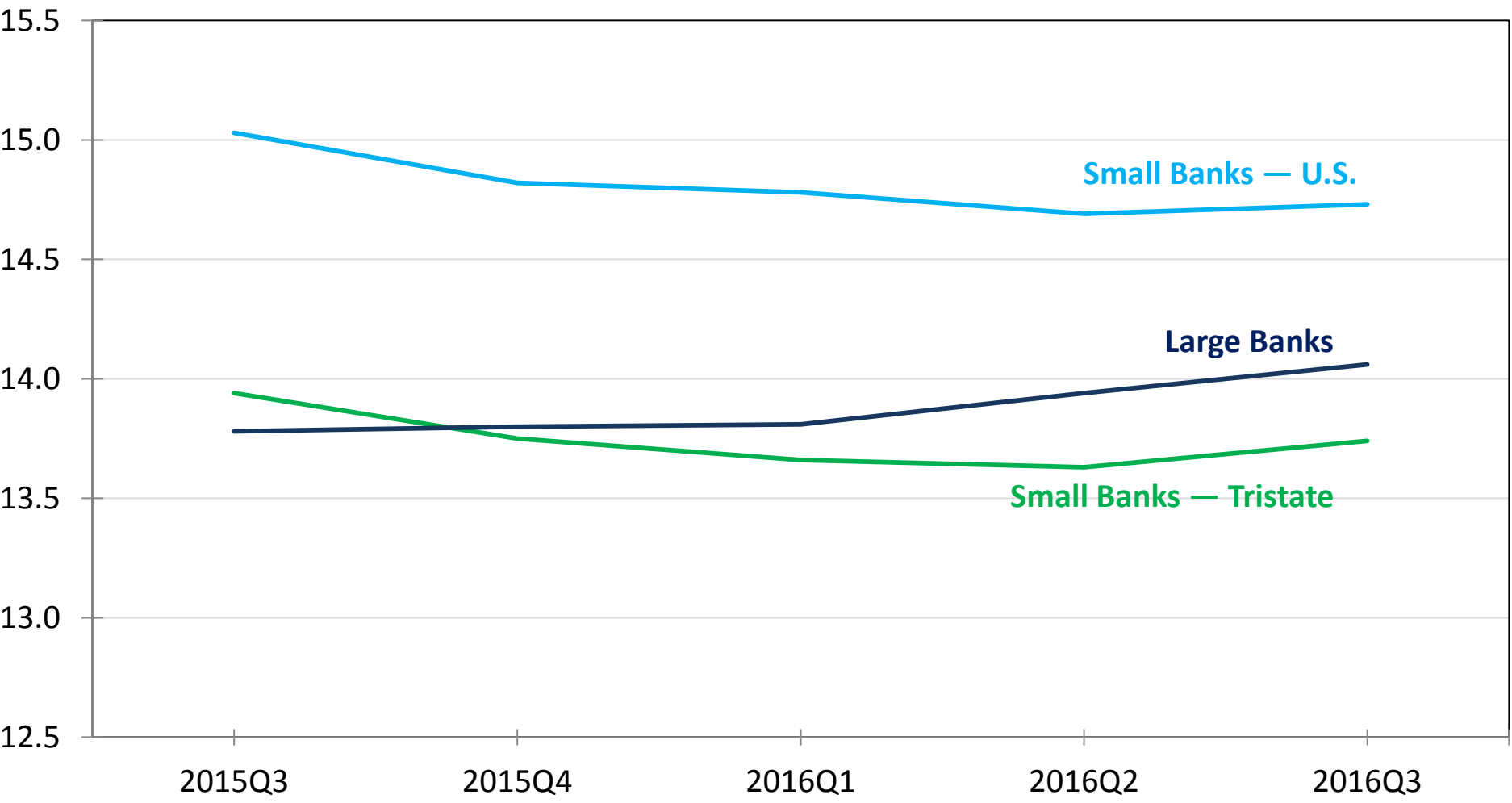
# CHART 18 Tier One Leverage Ratio

Percent



# CHART 19 Risk-Based Capital Ratio

Percent

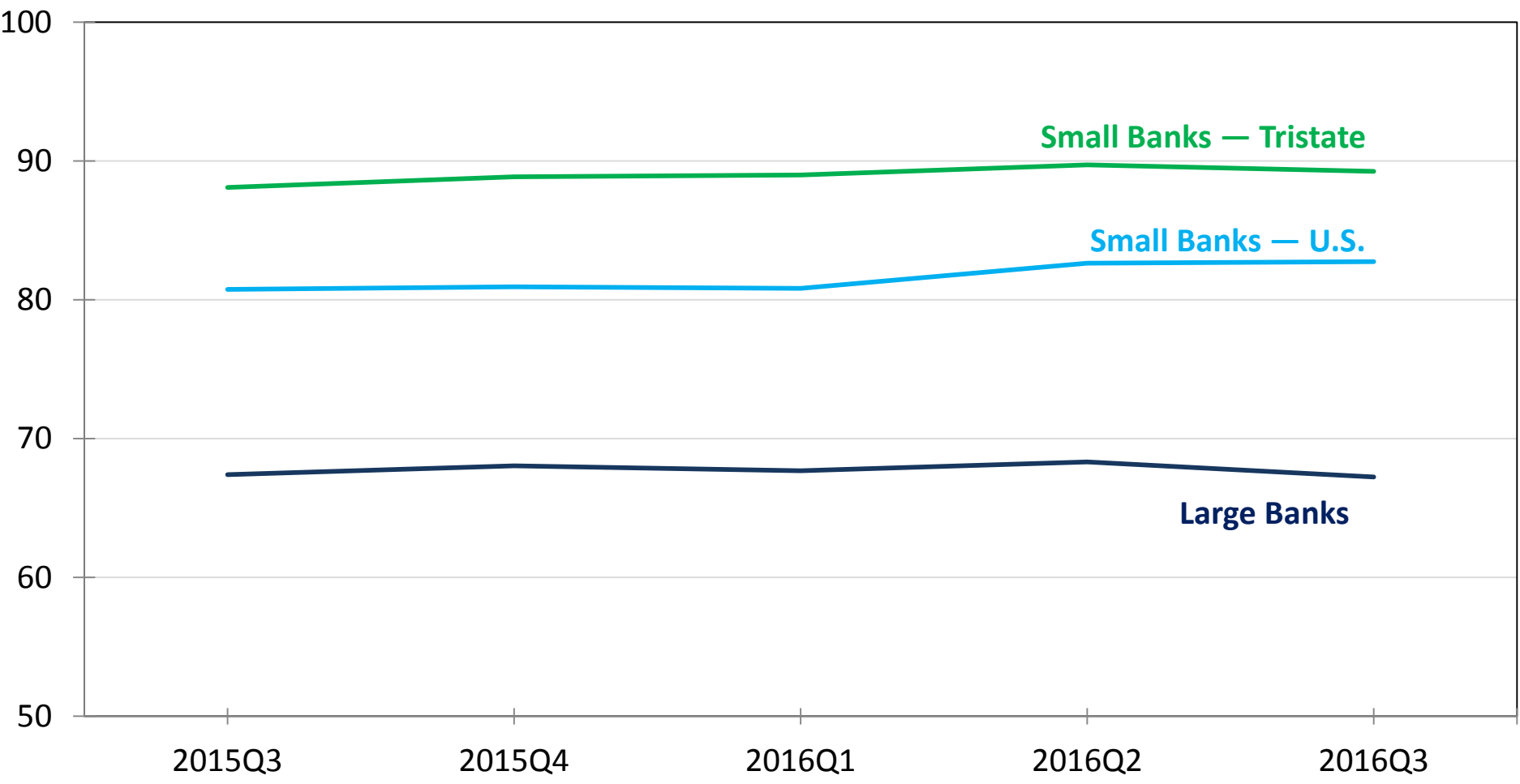


# Part VI: Liquidity Ratios

# CHART 20

## Total Loans as a Share of Total Deposits

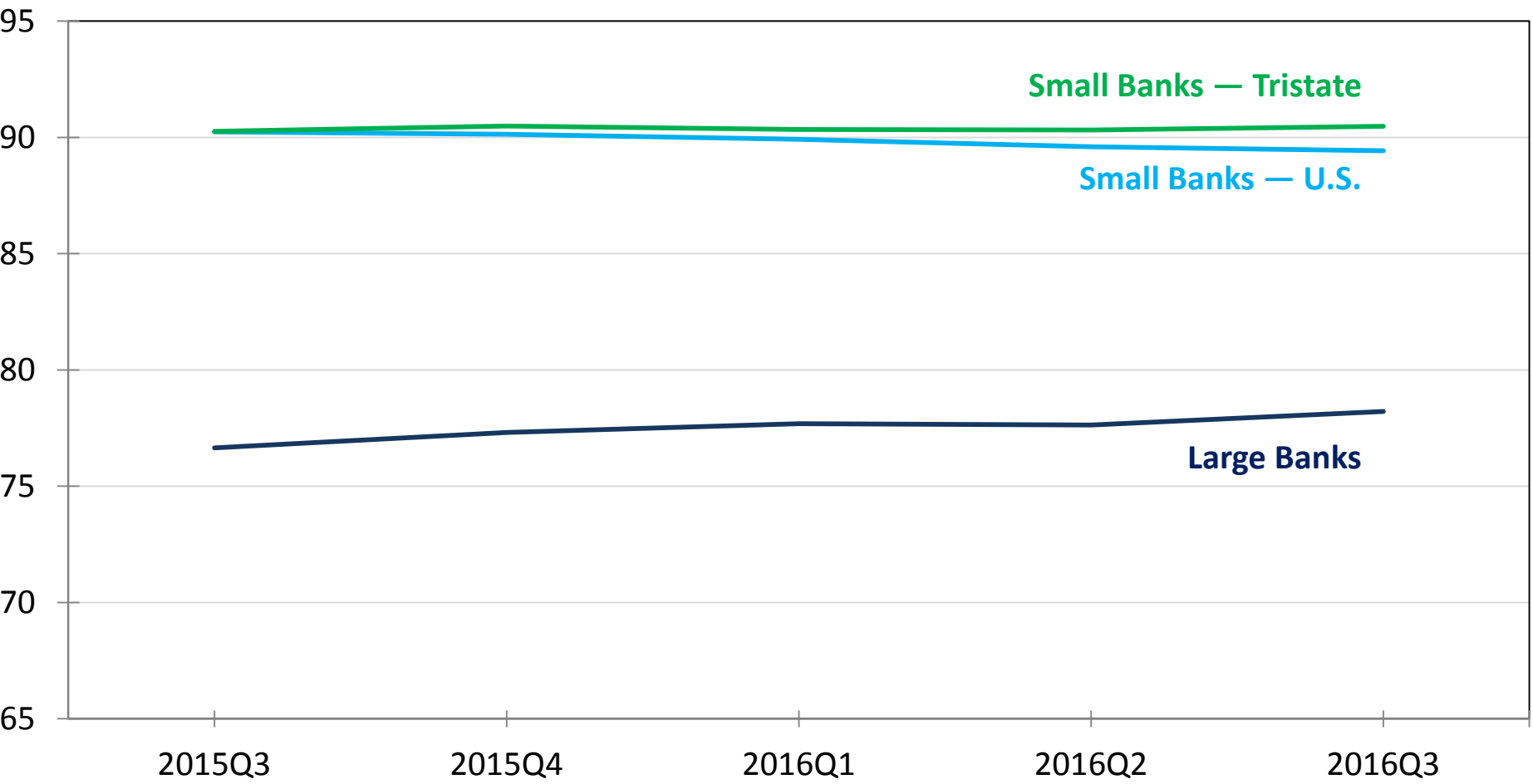
Percent



**CHART 21**

# Core Deposits as a Share of Total Deposits

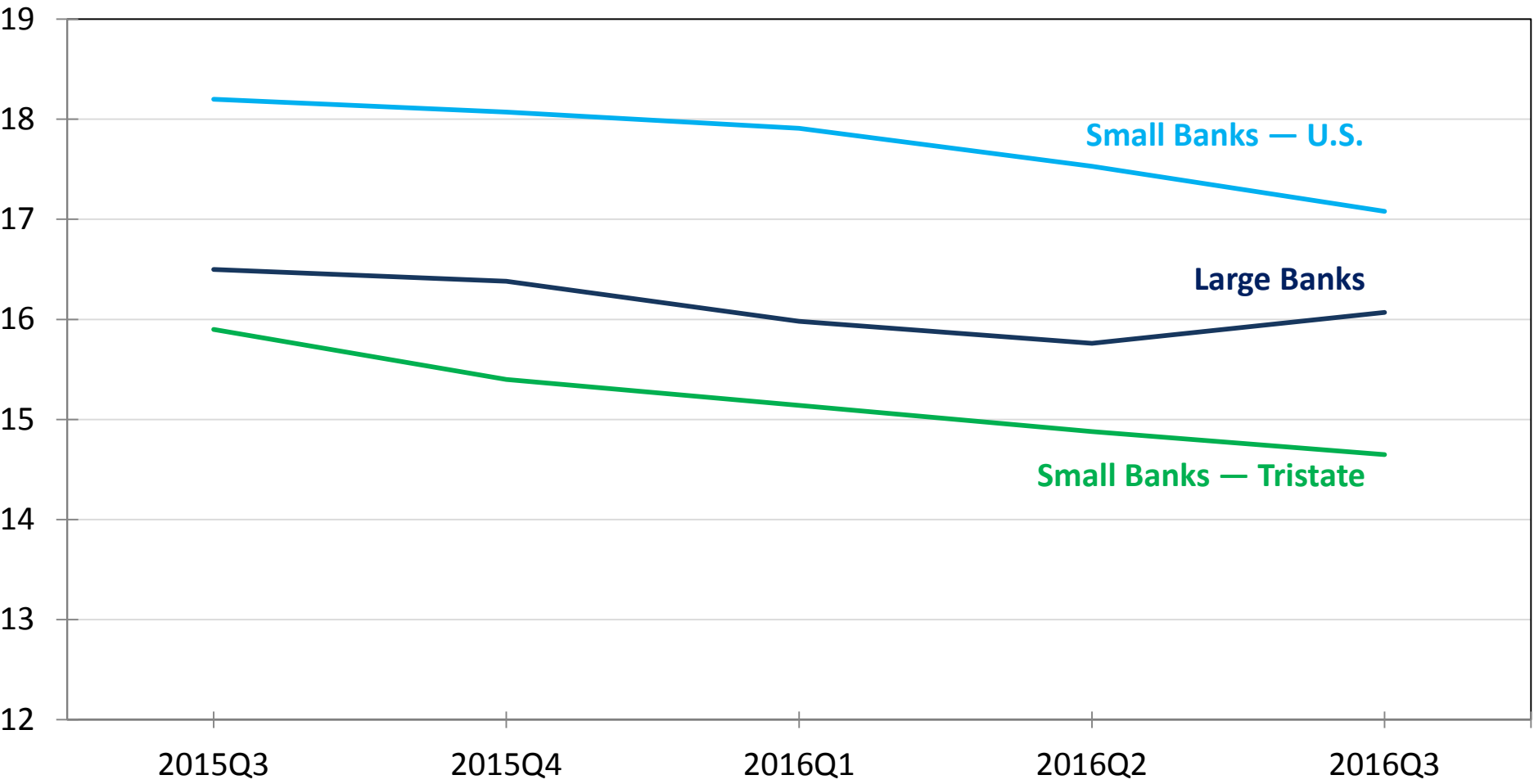
Percent



**CHART 22**

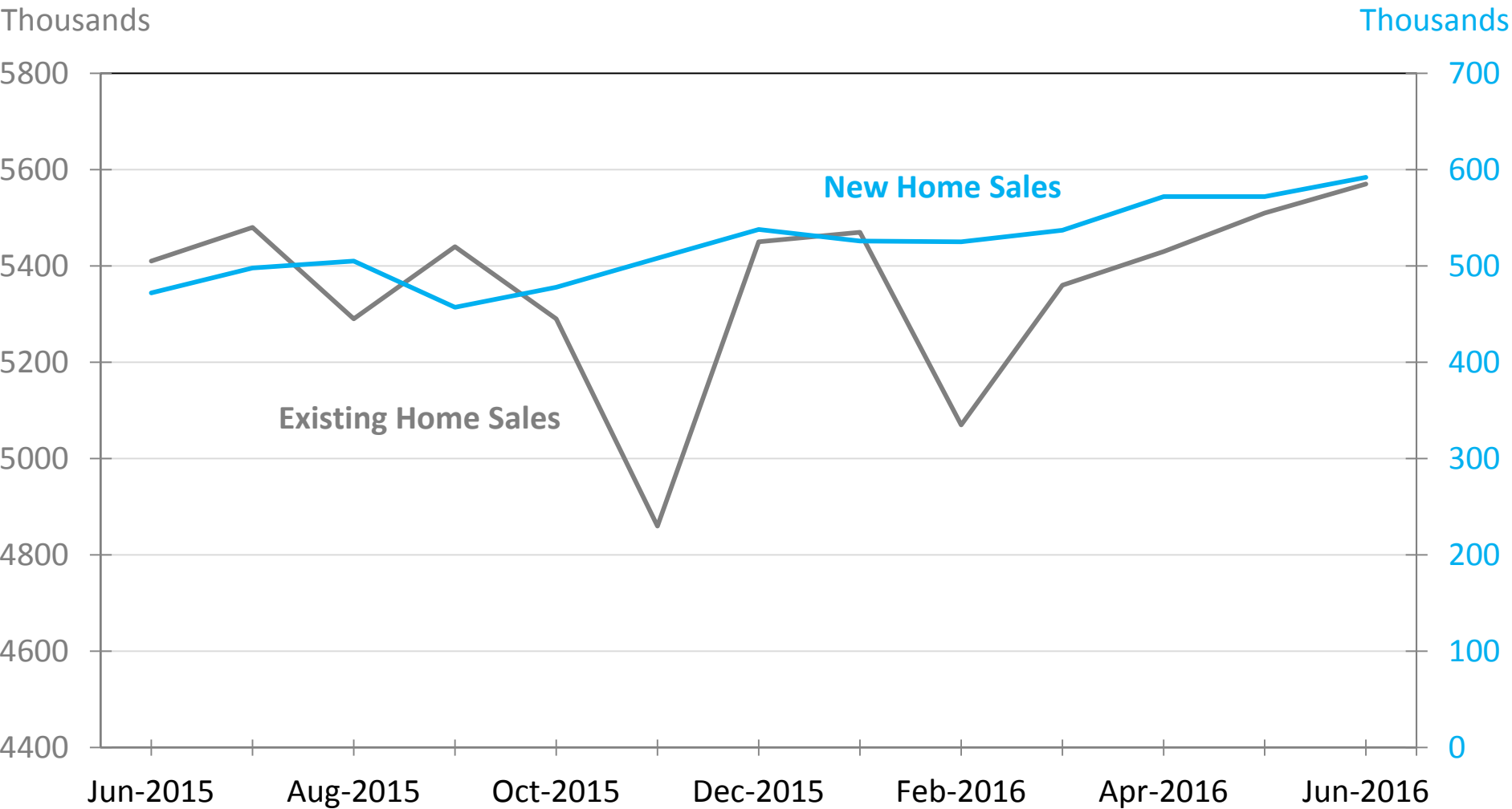
**Liquid Assets as a Share of Total Assets**

Percent



# Part VII: Market Conditions

# CHART 23 New and Existing Home Sales

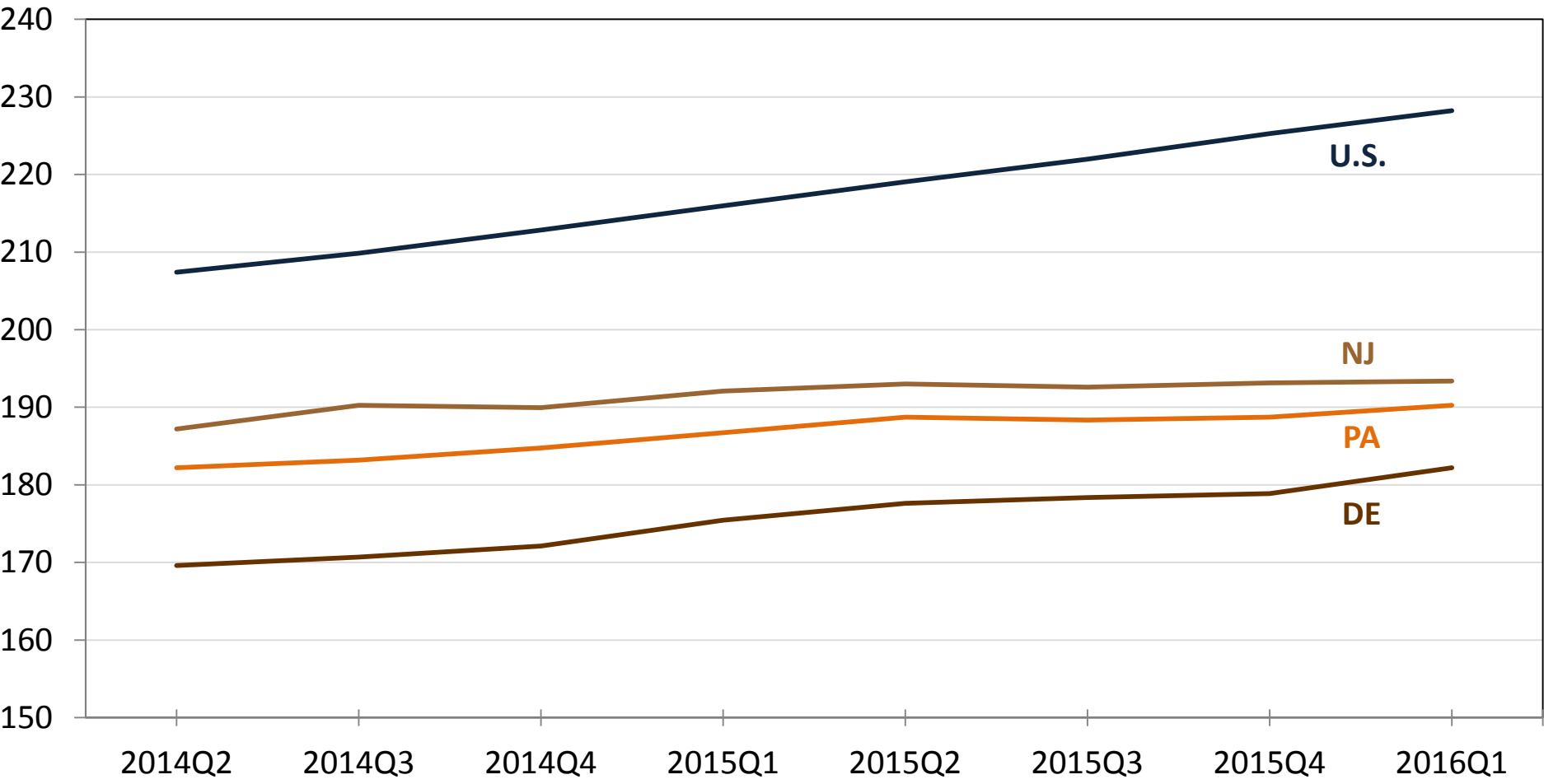


Sources: U. S. Census Bureau and National Association of Realtors, via Haver Analytics.



# CHART 24

## FHFA House Price Index

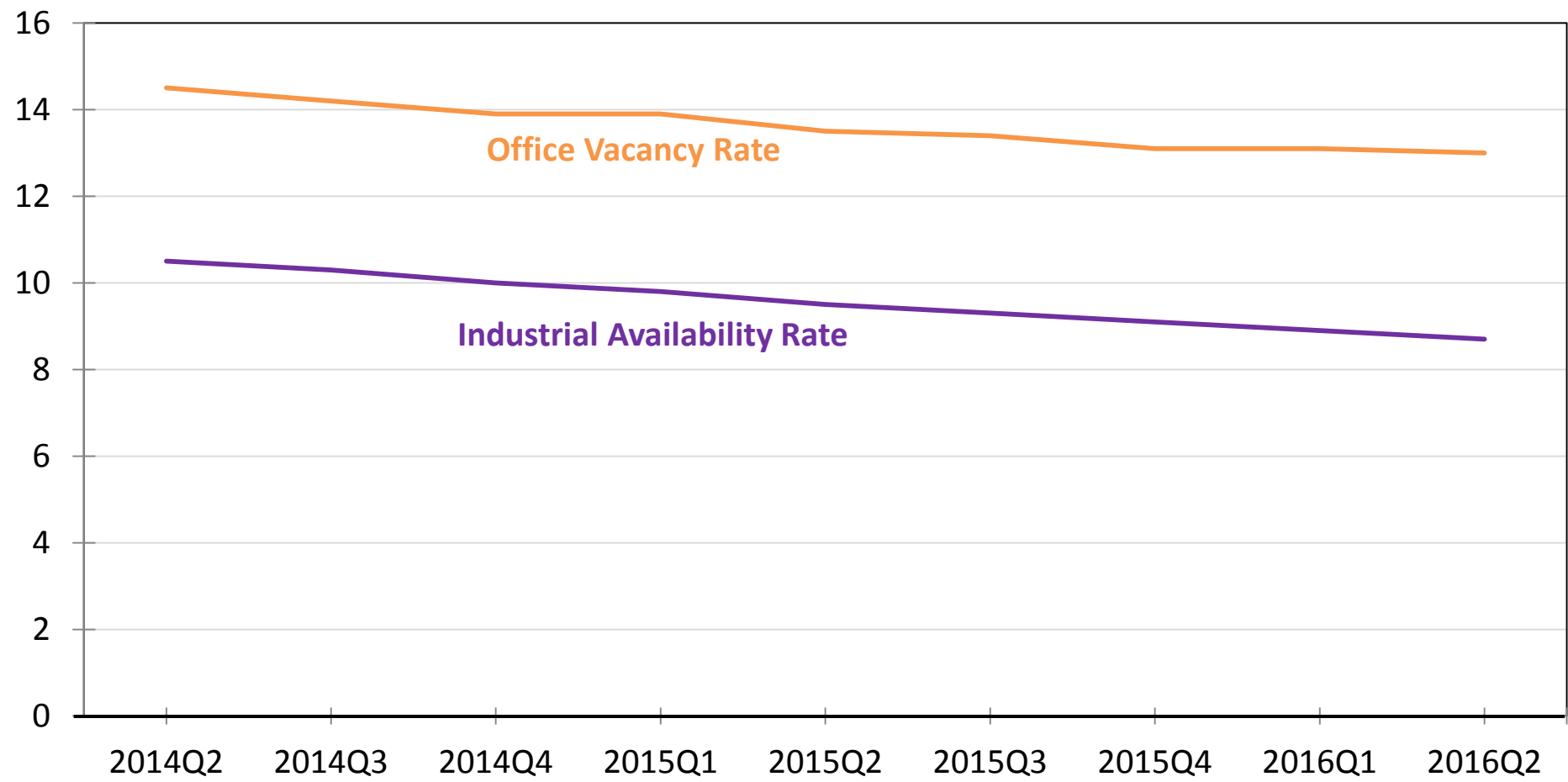


Source: Federal Housing Finance Agency (FHFA), via Haver Analytics.

Note: For the FHFA House Price Index, 1991=100.

# CHART 25 Commercial Real Estate Markets

Percent



Source: CB Richard Ellis, via Haver Analytics.

Questions and comments may be directed to James V. DiSalvo at 215-574-3820 or [jim.disalvo@phil.frb.org](mailto:jim.disalvo@phil.frb.org).

For methodology documentation and back issues, visit [www.philadelphiafed.org/research-and-data/publications/banking-brief](http://www.philadelphiafed.org/research-and-data/publications/banking-brief).

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