



# BANKING BRIEF

Pennsylvania • New Jersey • Delaware

## Second Quarter 2017

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

# Summary Table of Bank Structure and Conditions — Second Quarter 2017

	Small Banks						Large Banks			
	U.S.			Tristate			U.S.			
	\$ Billion	% Change From		\$ Billion	% Change From		\$ Billion	% Change From		
	2017Q2	2017Q1	2016Q2	2017Q2	2017Q1	2016Q2	2017Q2	2017Q1	2016Q2	
Total Assets	2,215.3	4.88	6.56	129.7	7.38	9.19	Total Assets	12,899.1	2.35	2.48
Total Loans	1,530.7	11.90	8.63	96.1	12.09	11.92	Total Loans	6,646.9	6.55	2.48
C&I	238.1	12.53	7.30	12.9	18.53	12.63	C&I	1,599.2	2.74	1.64
Real Estate	1,126.6	10.63	9.39	75.3	10.93	11.79	Real Estate	3,027.2	5.00	2.54
Consumer	63.8	10.27	8.22	4.0	25.23	20.42	Consumer	941.1	8.00	2.39
Total Deposits	1,826.1	1.36	6.76	104.8	2.85	9.37	Total Deposits	9,863.6	0.42	4.12
<b>Ratios (in %)</b>	<b>2017Q2</b>	<b>2017Q1</b>	<b>2016Q2</b>	<b>2017Q2</b>	<b>2017Q1</b>	<b>2016Q2</b>	<b>Ratios (in %)</b>	<b>2017Q2</b>	<b>2017Q1</b>	<b>2016Q2</b>
Net Income/Avg. Assets (ROA)	1.04	1.03	1.04	0.94	0.93	0.89	Net Income/Avg. Assets (ROA)	1.03	1.00	0.95
Net Interest Inc./Avg. Assets (NIM)	3.33	3.32	3.32	3.16	3.14	3.14	Net Interest Inc./Avg. Assets (NIM)	2.49	2.45	2.40
Noninterest Inc./Avg. Assets	0.96	0.98	0.95	1.13	1.14	1.14	Noninterest Inc./Avg. Assets	1.55	1.55	1.57
Noninterest Exp./Avg. Assets	2.82	2.84	2.85	2.93	2.94	3.03	Noninterest Exp./Avg. Assets	2.38	2.37	2.41
Loans/Deposits	83.82	81.77	82.37	91.77	89.82	89.68	Loans/Deposits	67.39	66.40	68.47
Equity/Assets	11.15	10.93	11.16	10.77	10.65	10.65	Equity/Assets	11.12	10.99	11.11
Nonperforming Loans/Total Loans	0.82	0.86	0.92	0.86	0.91	0.94	Nonperforming Loans/Total Loans	1.27	1.40	1.60

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, 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, 2016.

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, 2016, including assets of only their commercial bank subsidiaries.

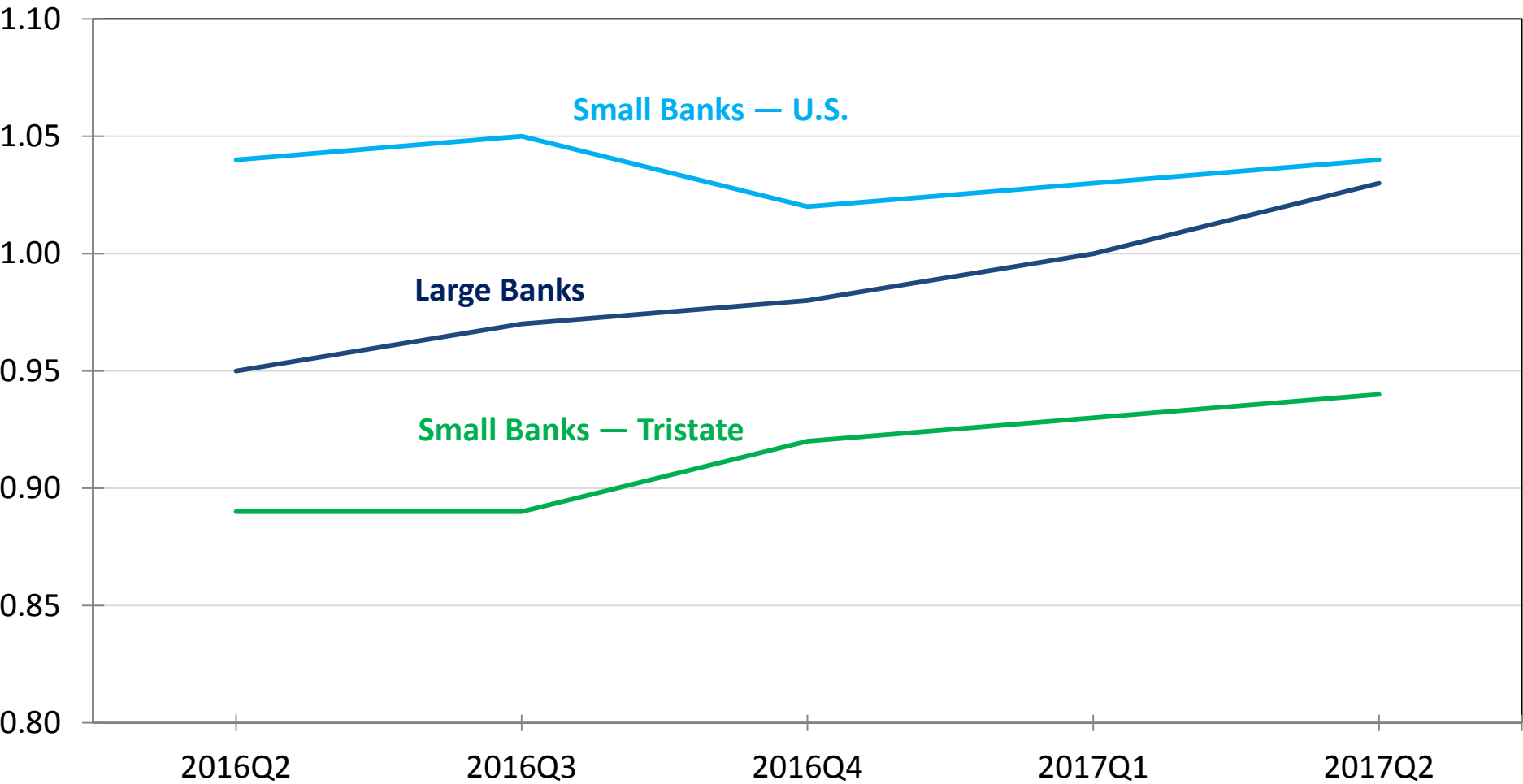
*U.S.* excludes tristate banks.

The sample includes 140 small tristate banks, 4,454 small U.S. banks, and 104 large U.S. banks.

# Part I: Earnings Ratios

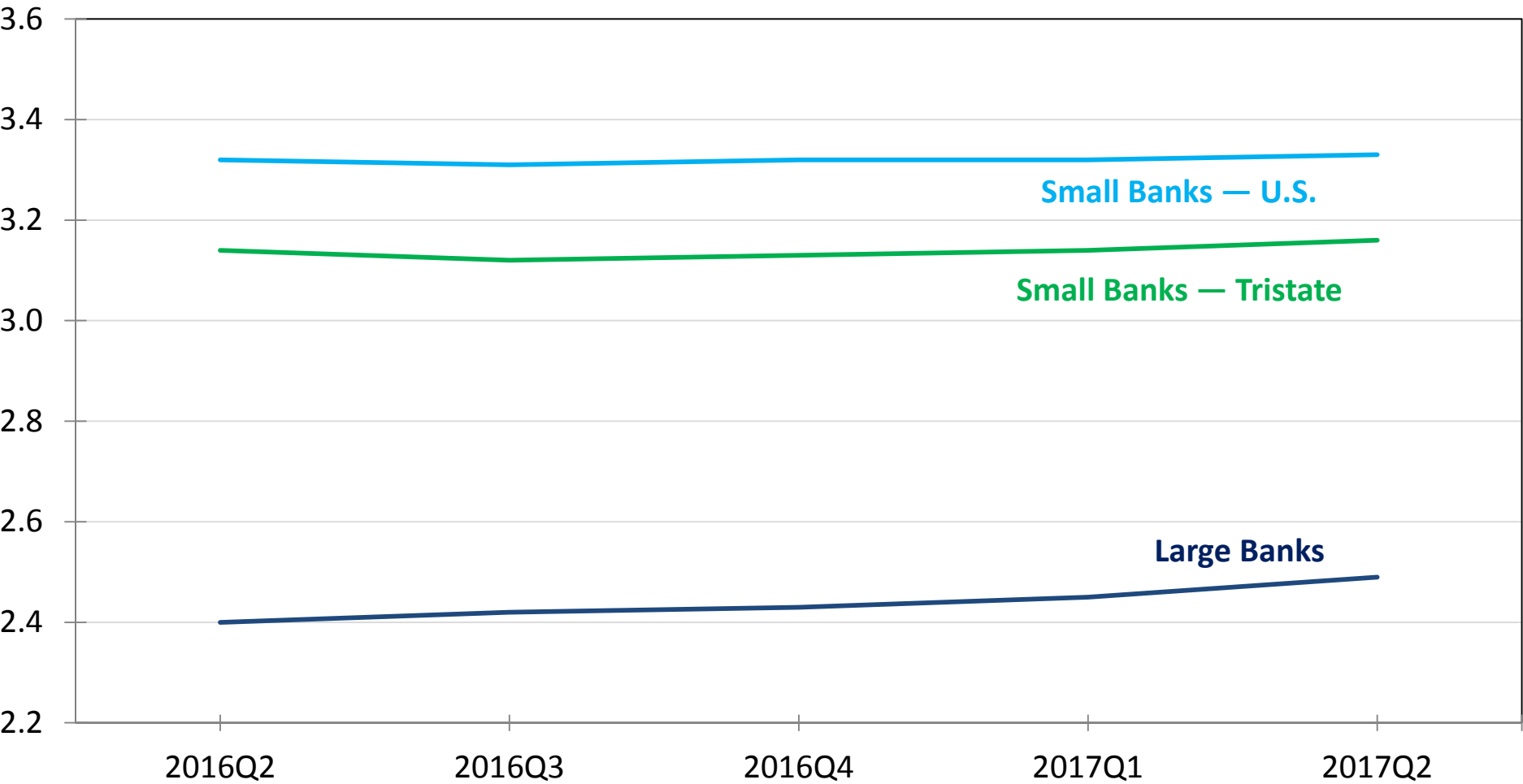
**CHART 1**  
**Return on Average Assets**

Percent



# CHART 2 Net Interest Margin

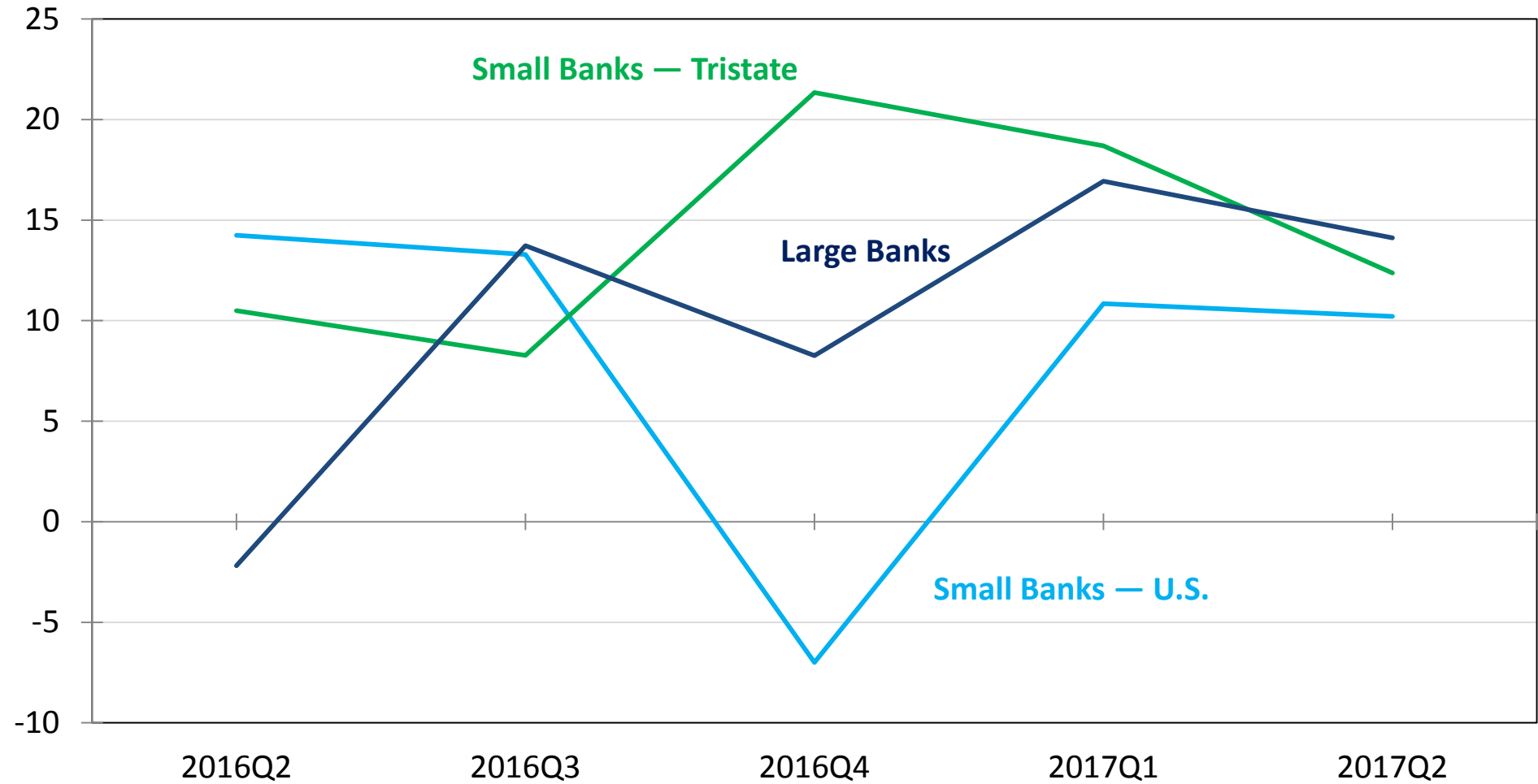
Percent



# Part II: Annual Growth Rates

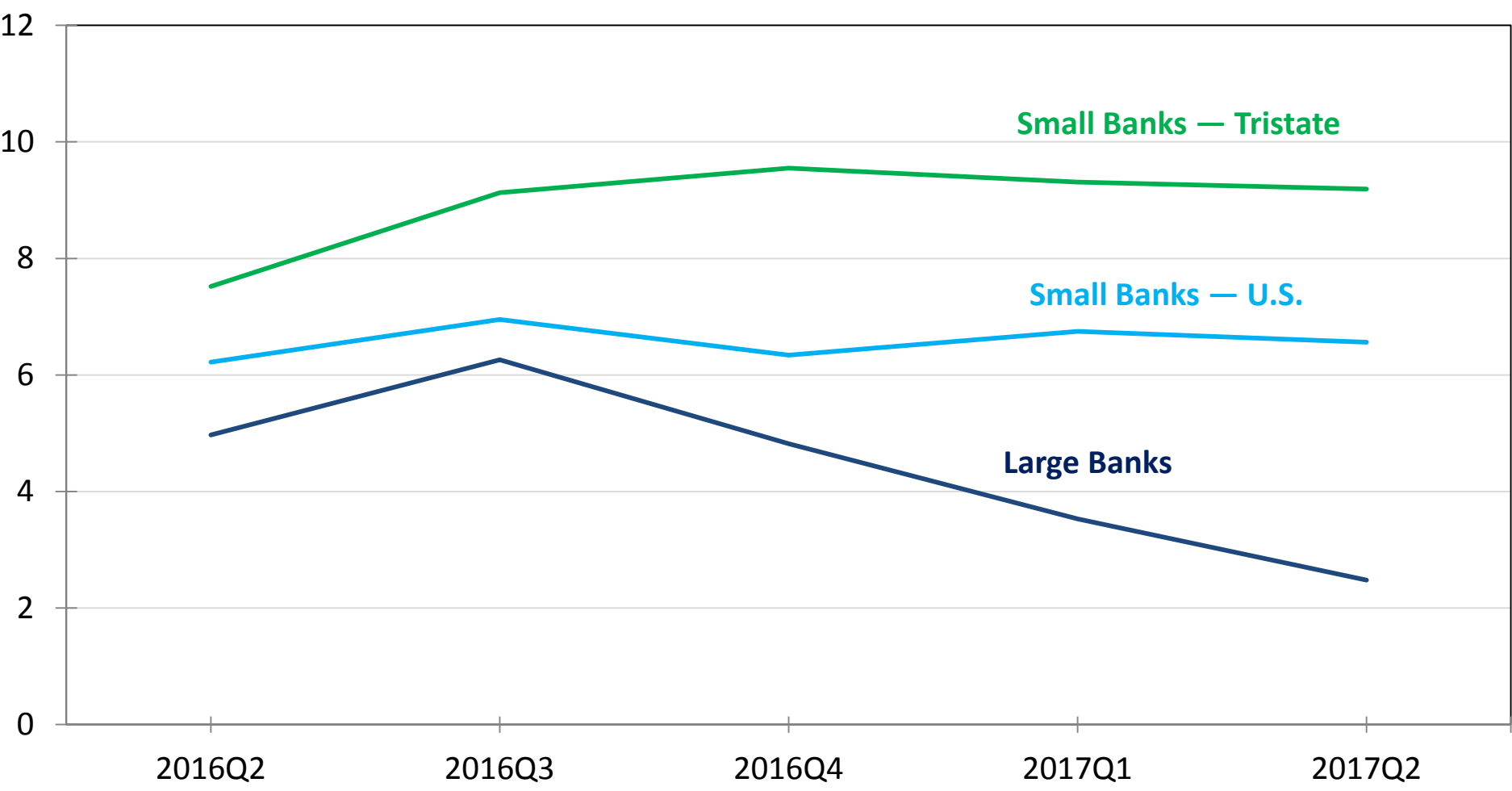
# CHART 3 Annual Growth of Quarterly Net Income

Percent



# CHART 4 Annual Growth of Total Assets

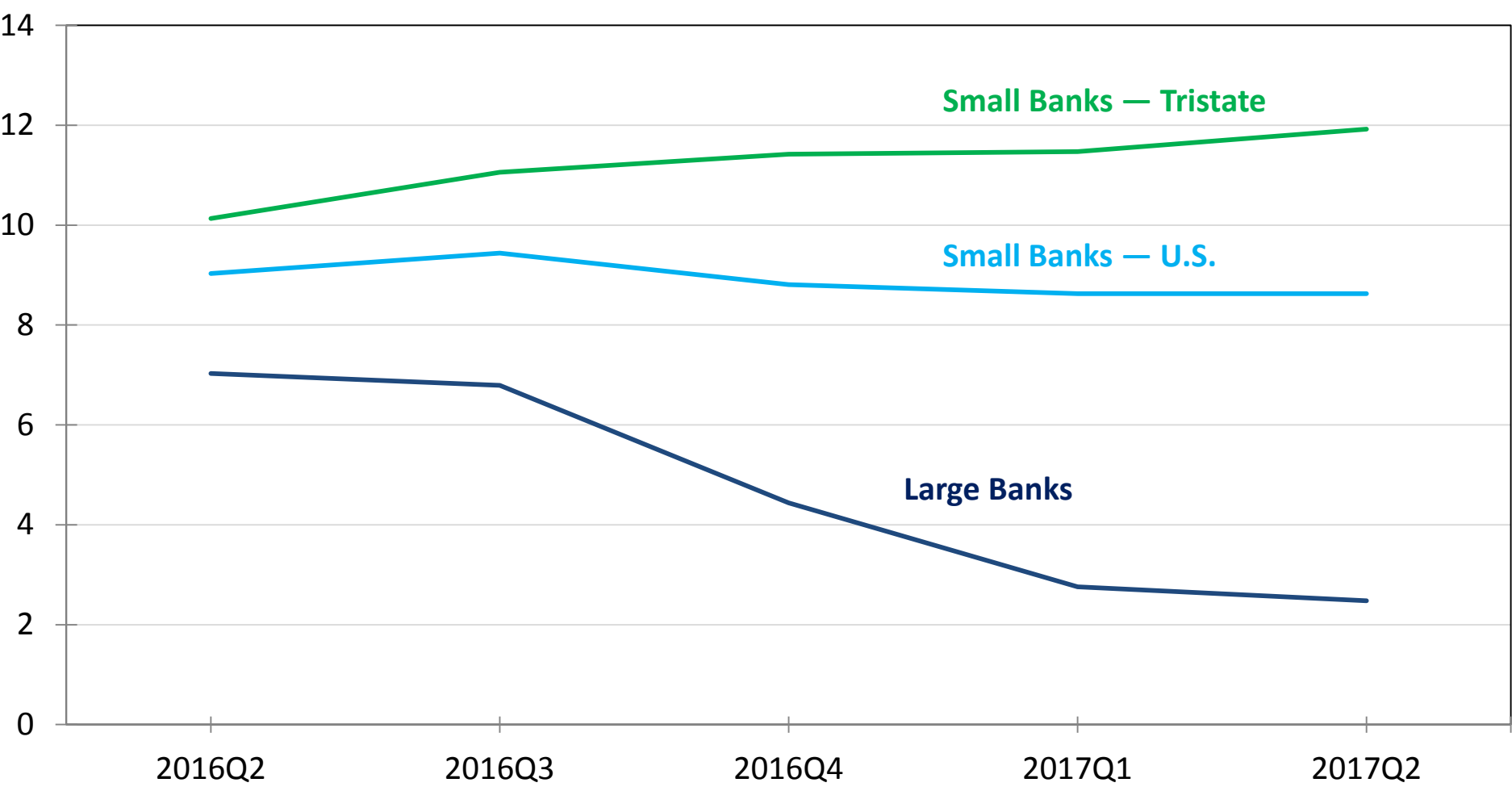
Percent





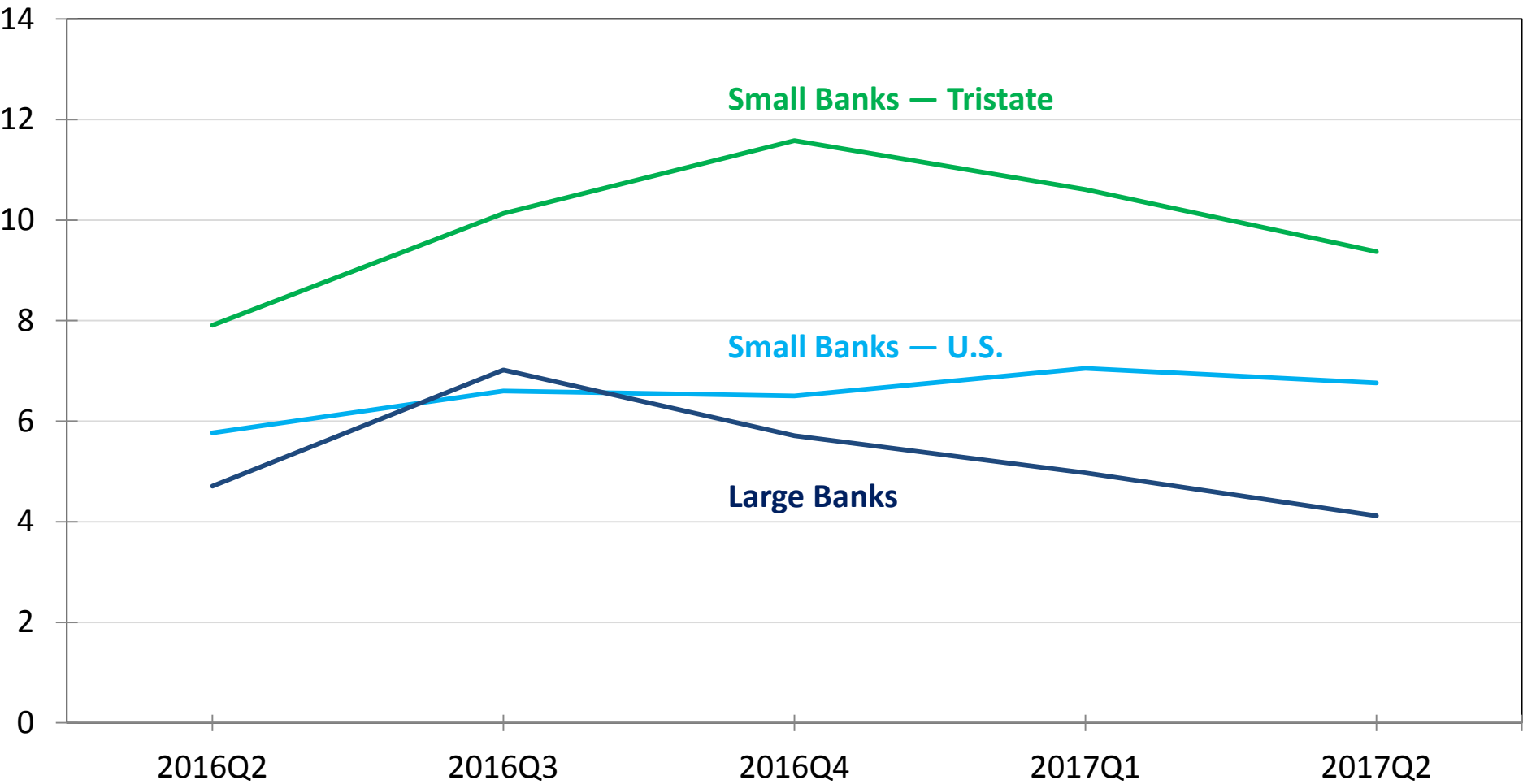
# CHART 5 Annual Growth of Total Loans

Percent



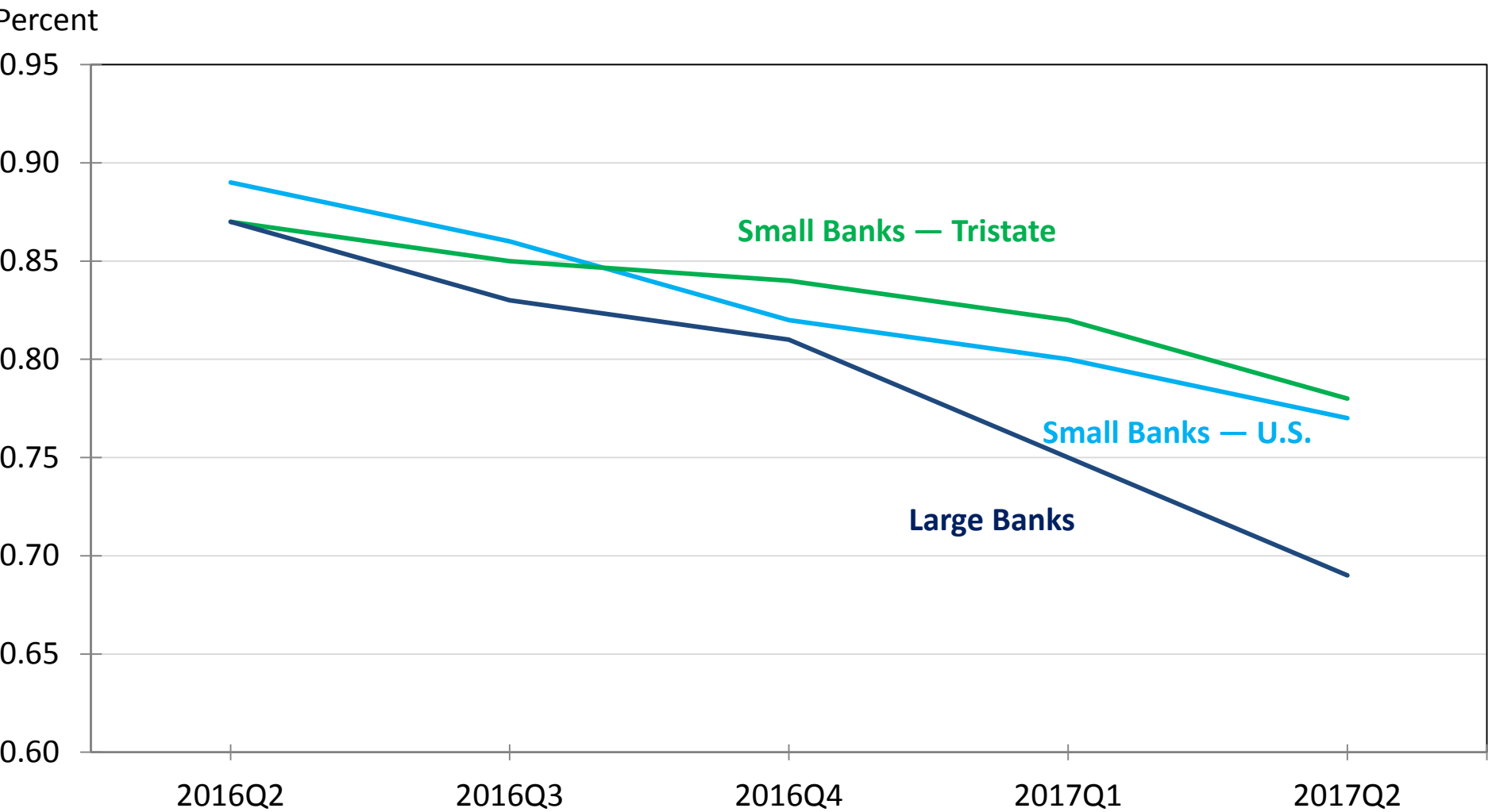
# CHART 6 Annual Growth of Total Deposits

Percent

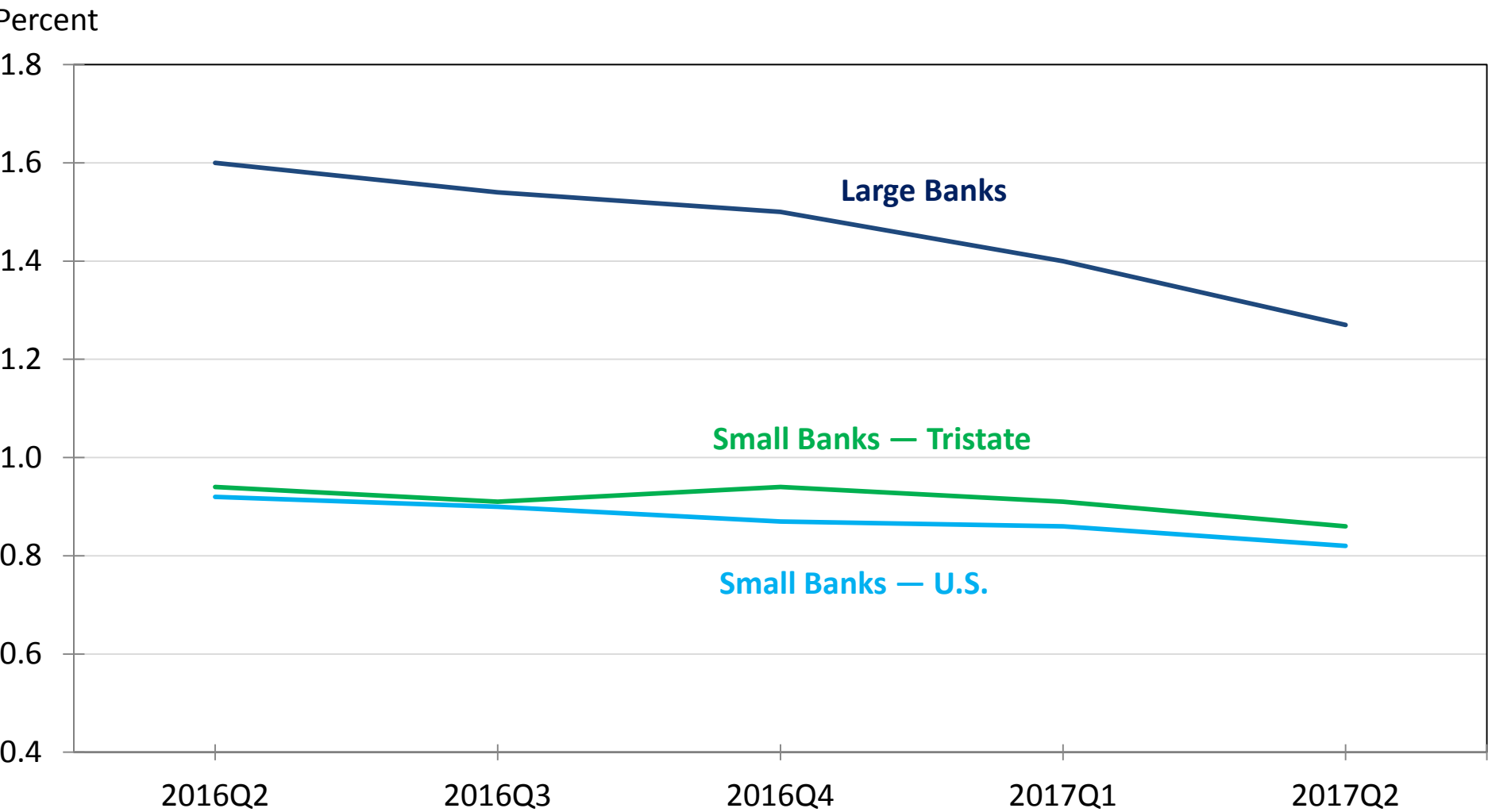


# Part III: Asset Quality Ratios

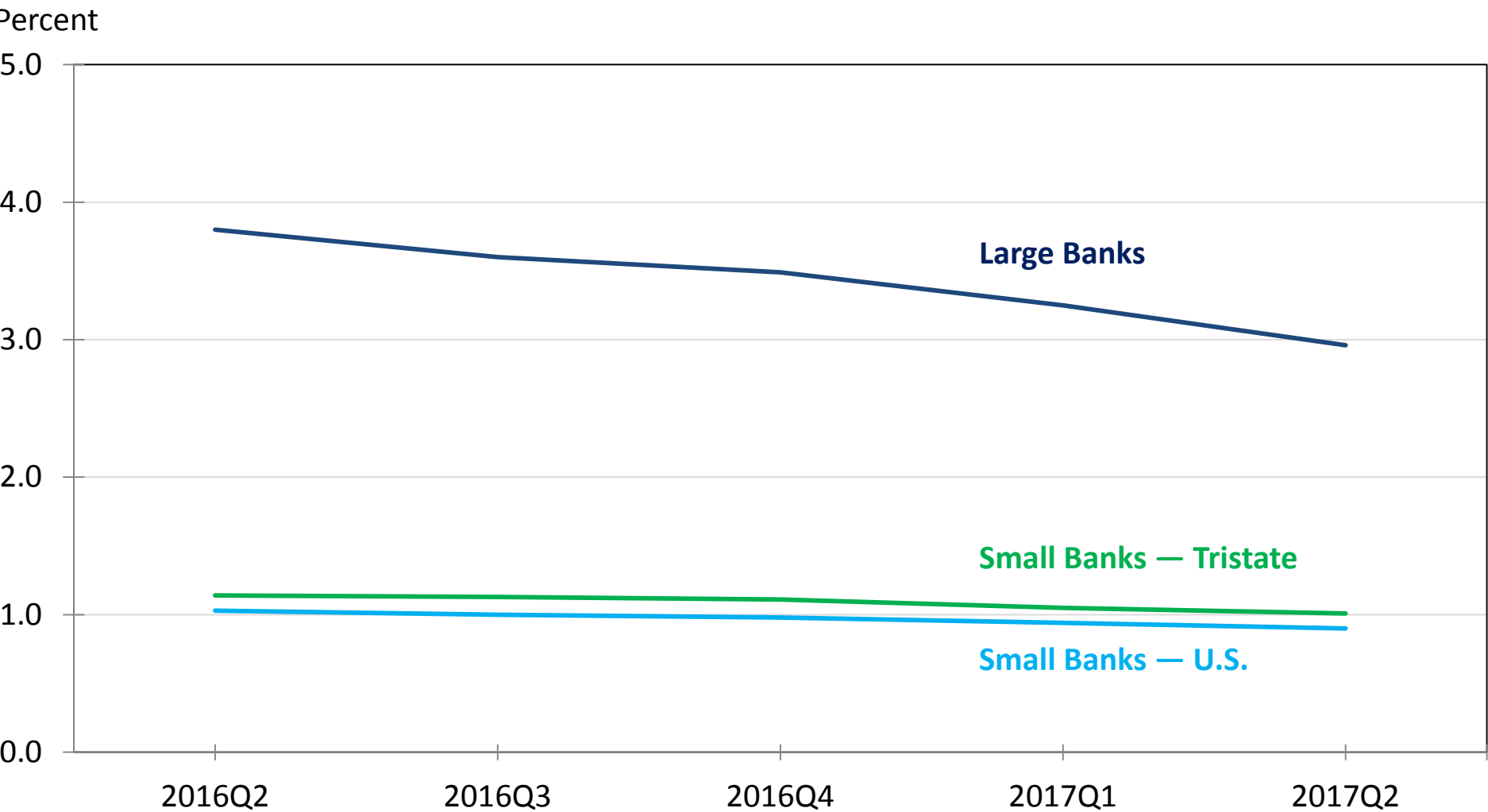
# CHART 7 Nonperforming Assets as a Share of Total Assets



# CHART 8 Nonperforming Loans as a Share of Total Loans



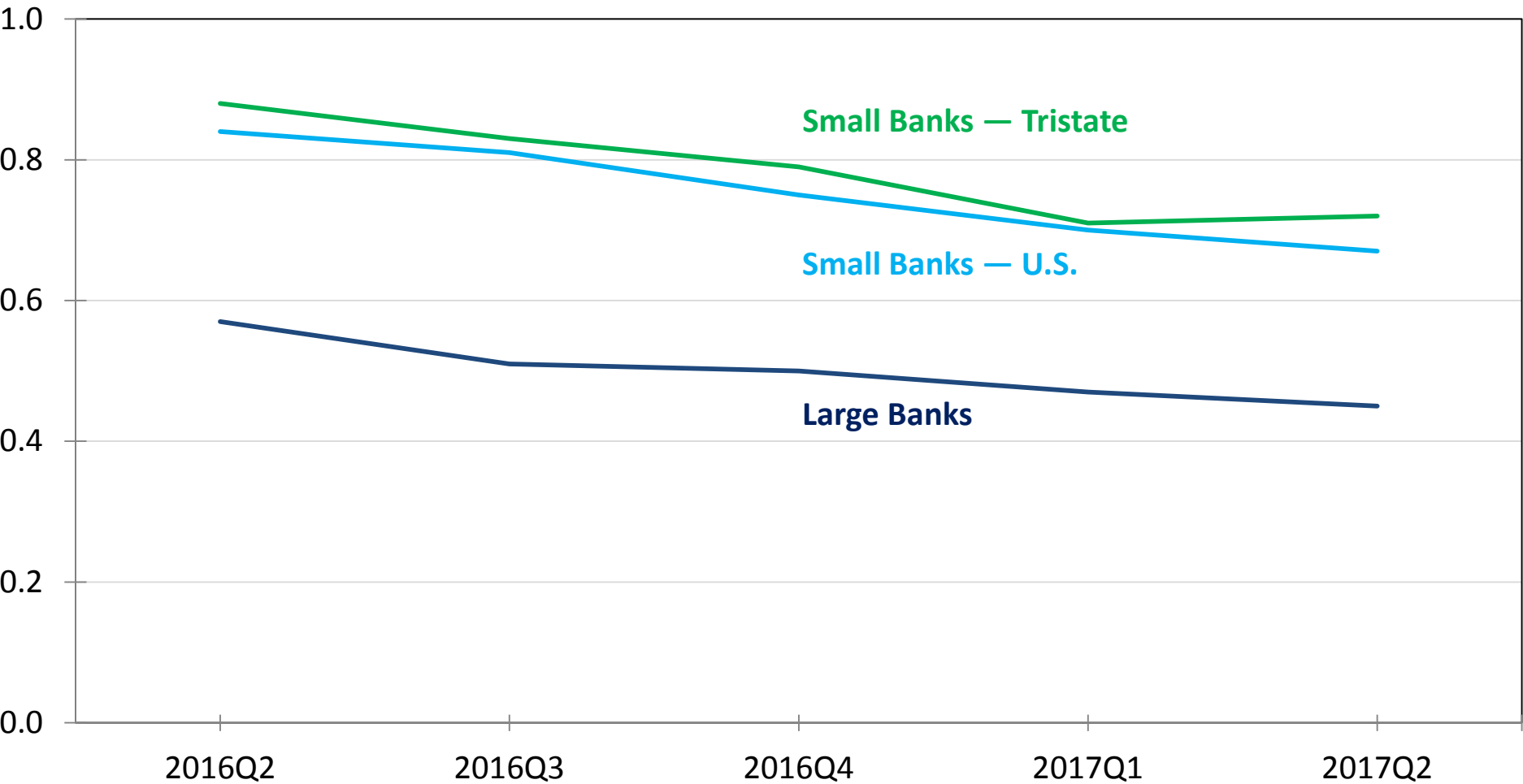
# CHART 9 Residential Real Estate Nonperforming Loan Ratio



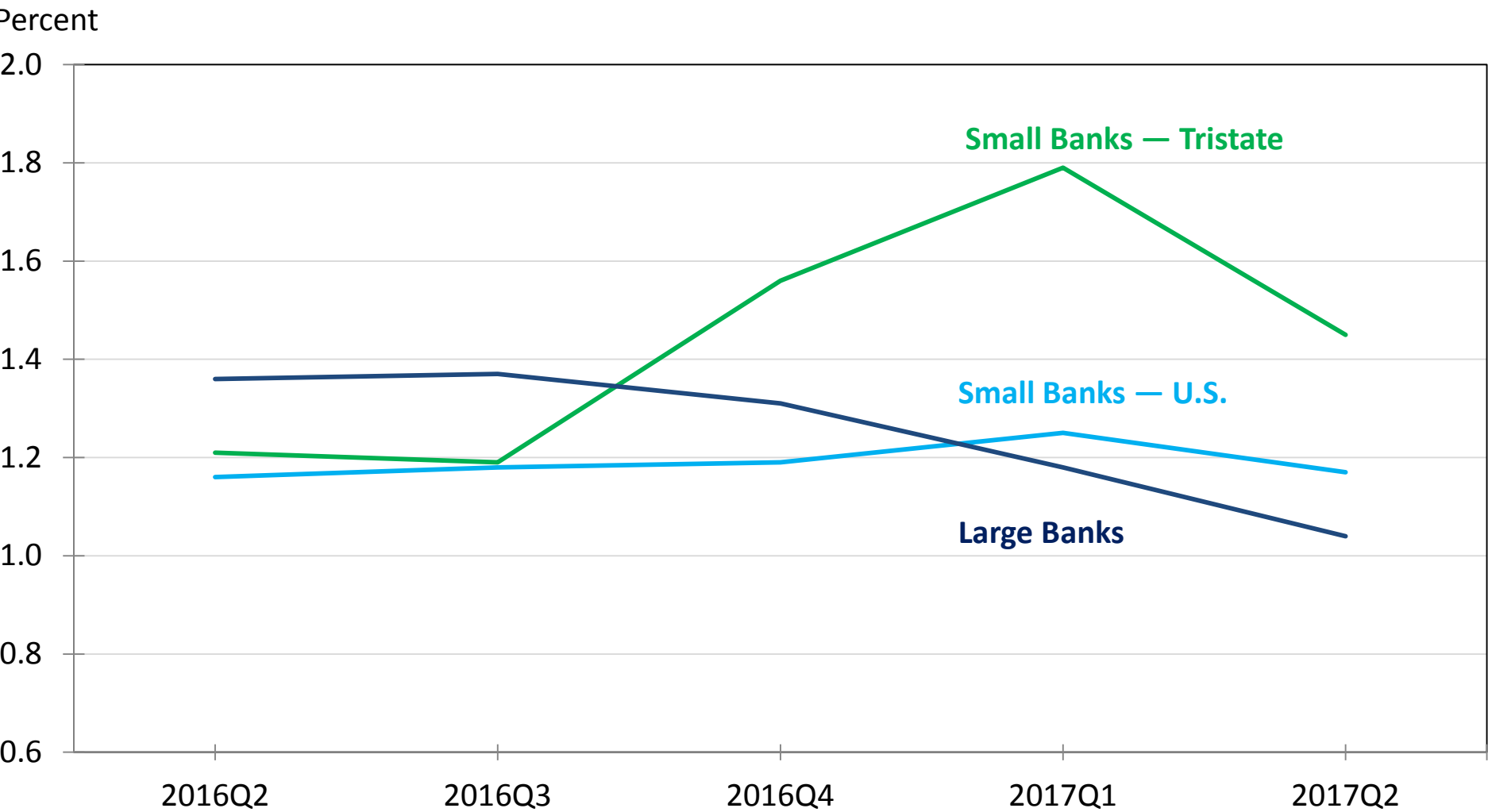
**CHART 10**

**Commercial Real Estate Nonperforming Loan Ratio**

Percent

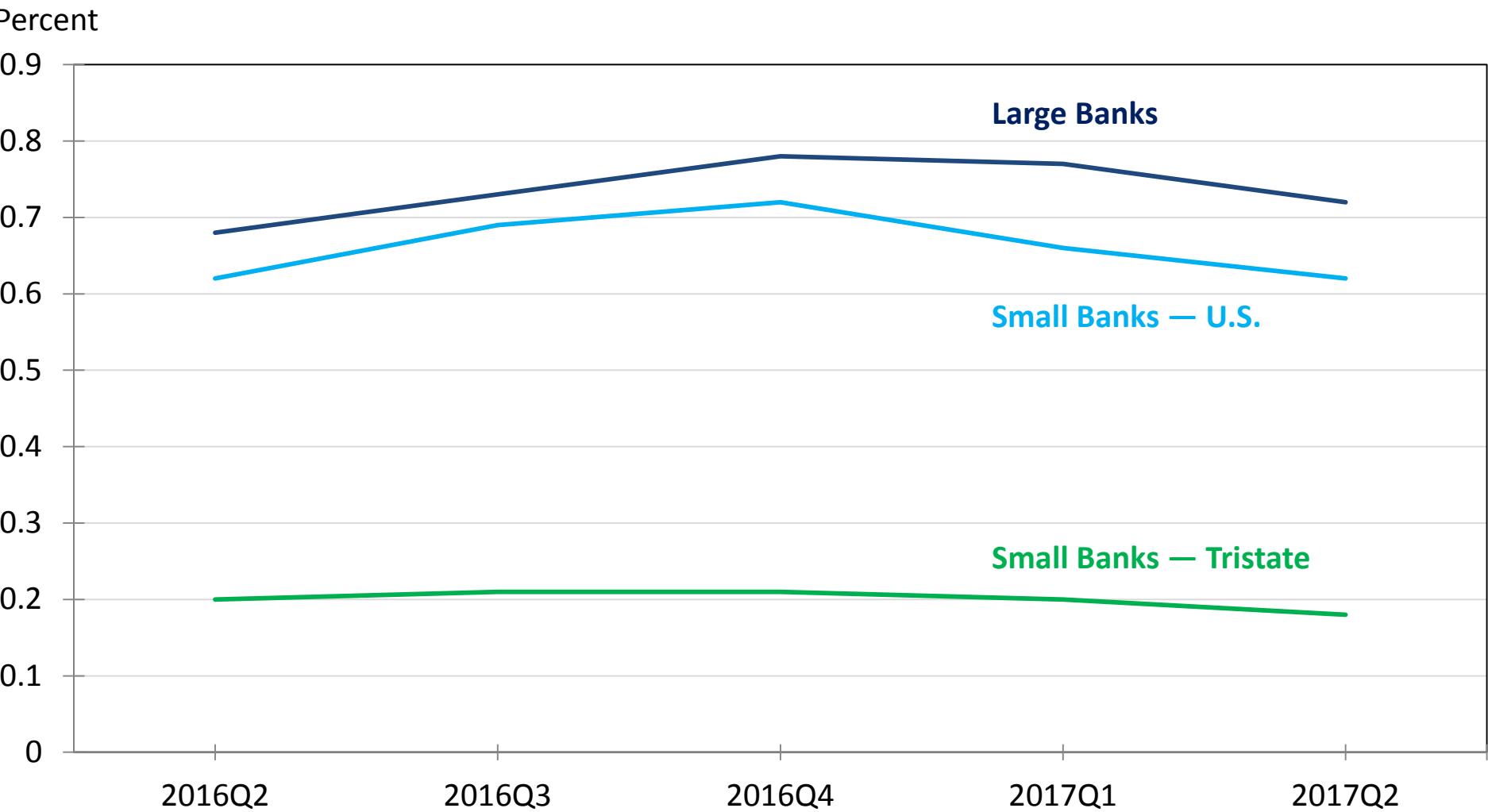


# CHART 11 Commercial and Industrial Nonperforming Loan Ratio





# CHART 12 Consumer Nonperforming Loan Ratio

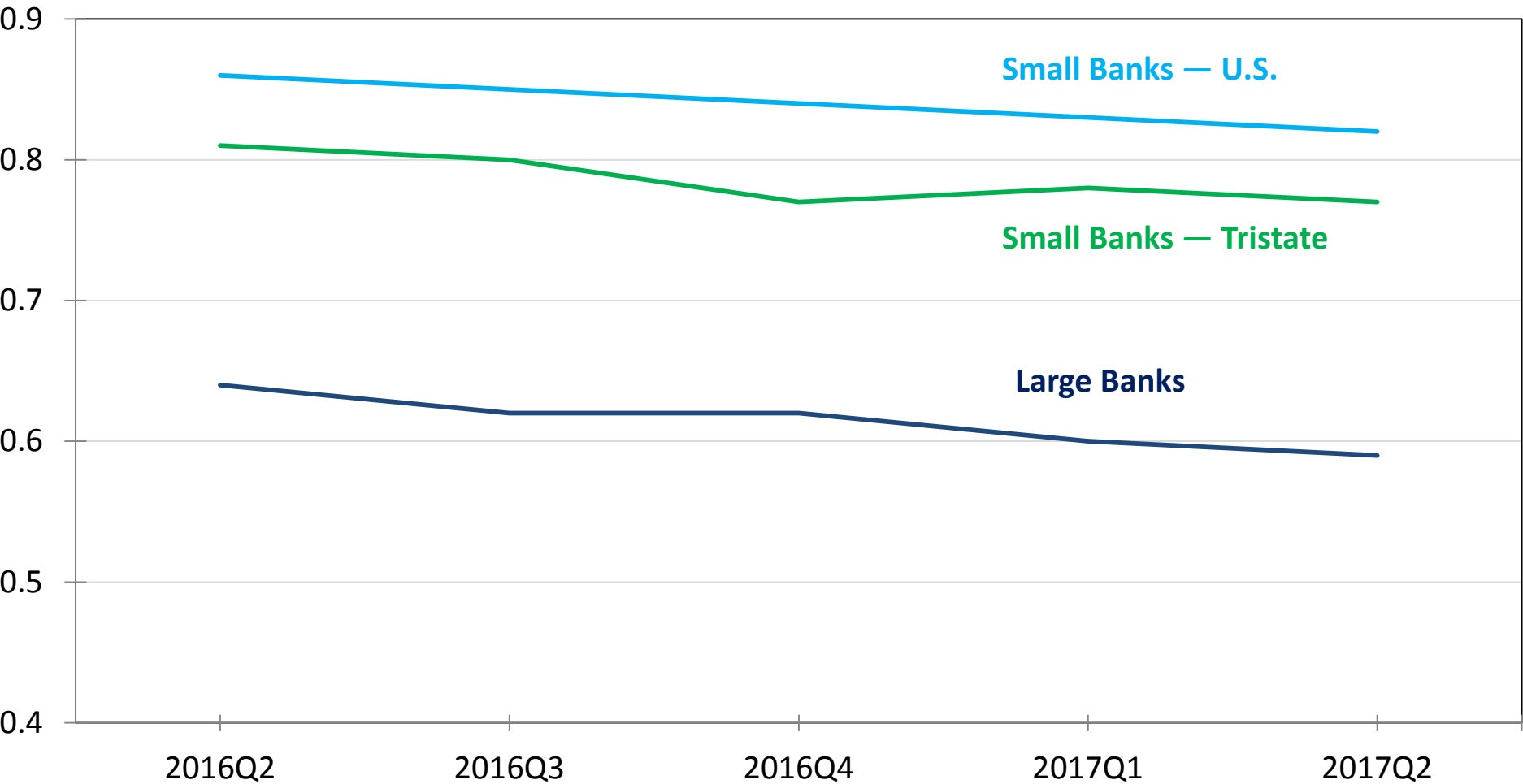


# Part IV: Loan Loss Provisioning and Reserves

# CHART 13

## Loan Loss Reserves as a Share of Total Assets

Percent



**CHART 14**  
**Net Charge-Offs as a Share of Loan Loss Provisions**

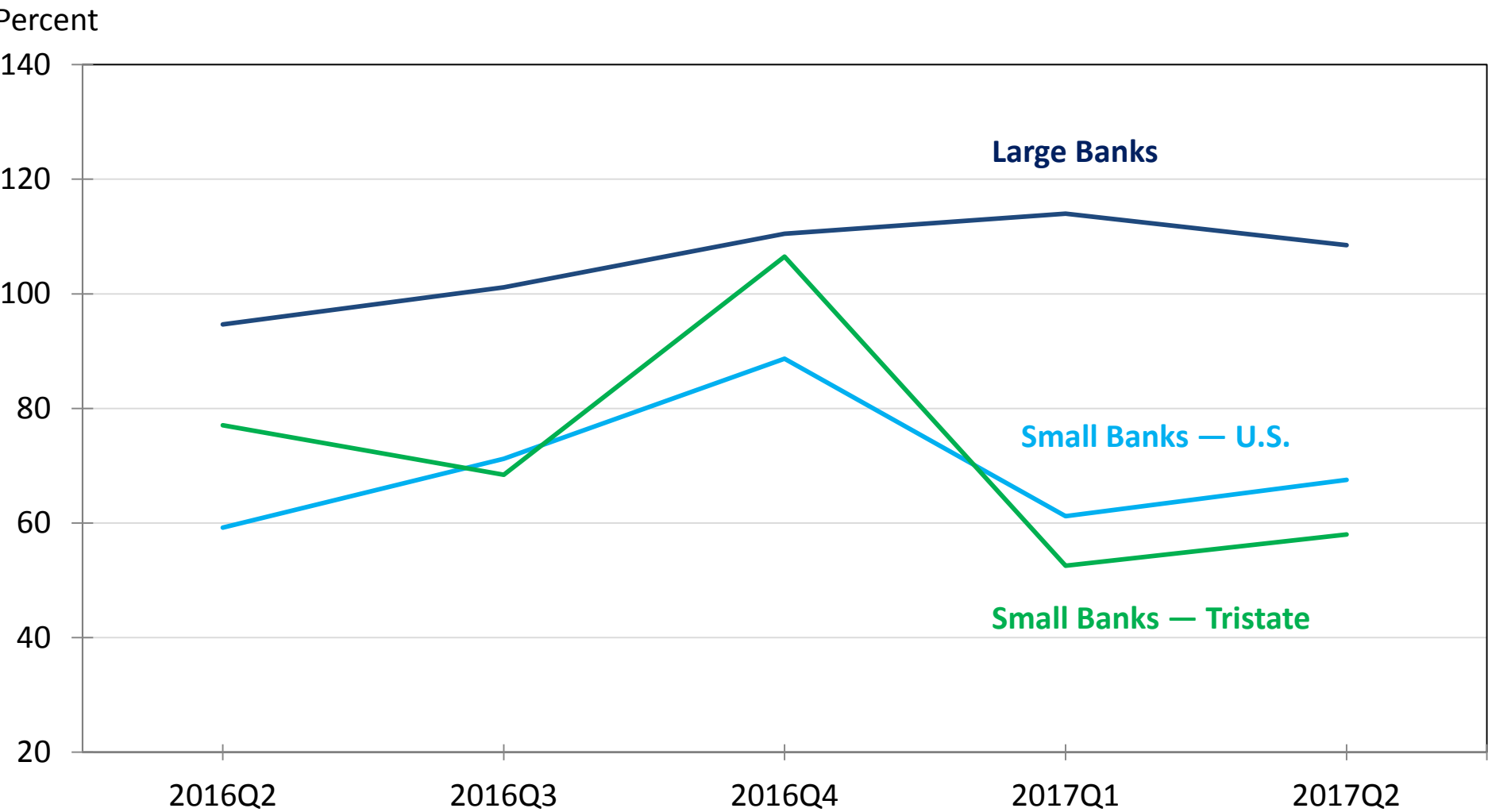
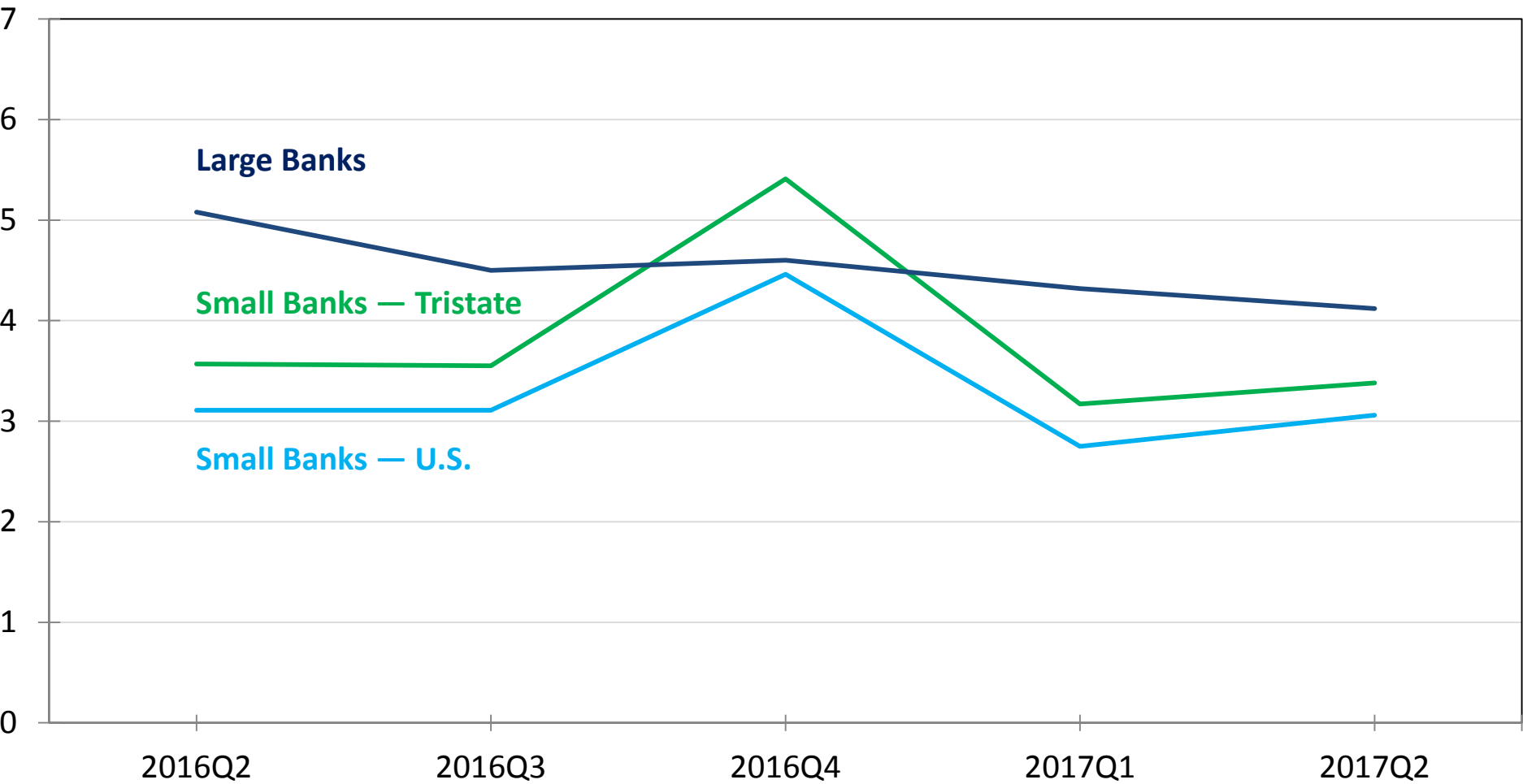


CHART 15

# Loan Loss Provision as a Share of Operating Income

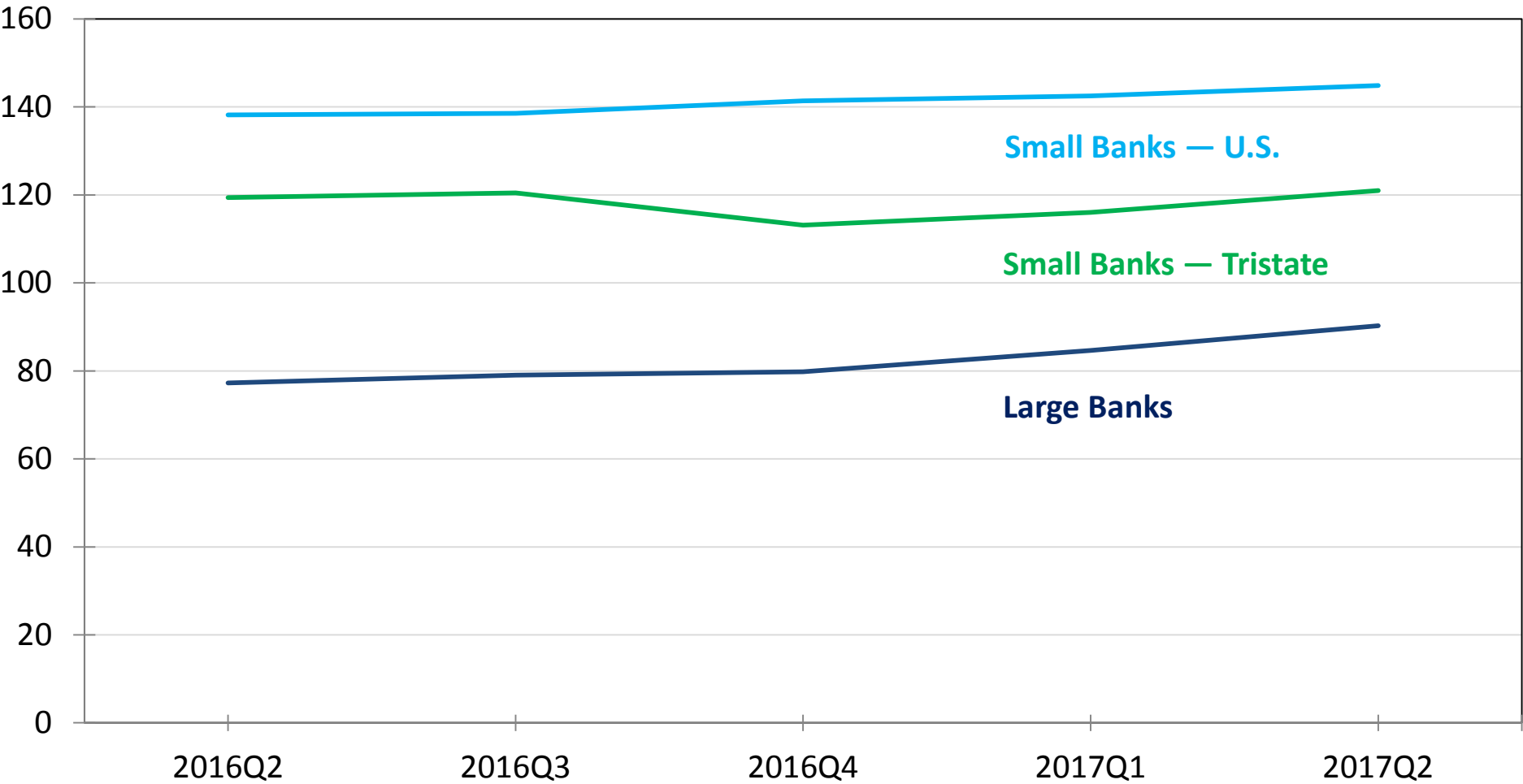
Percent



# CHART 16

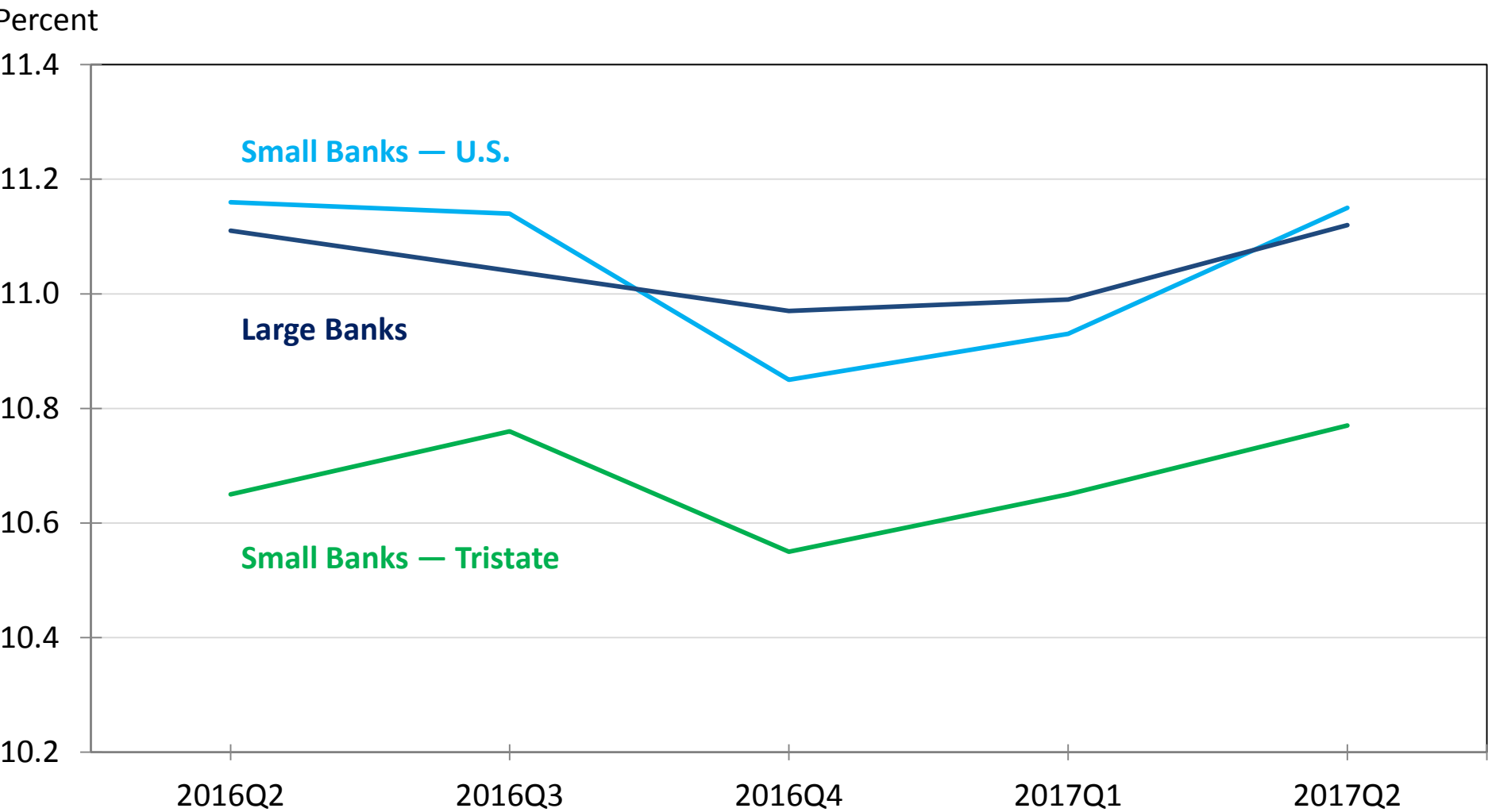
## Loan Loss Coverage Ratio

Percent



# Part V: Capital Ratios

**CHART 17**  
**Total Equity as a Share of Total Assets**

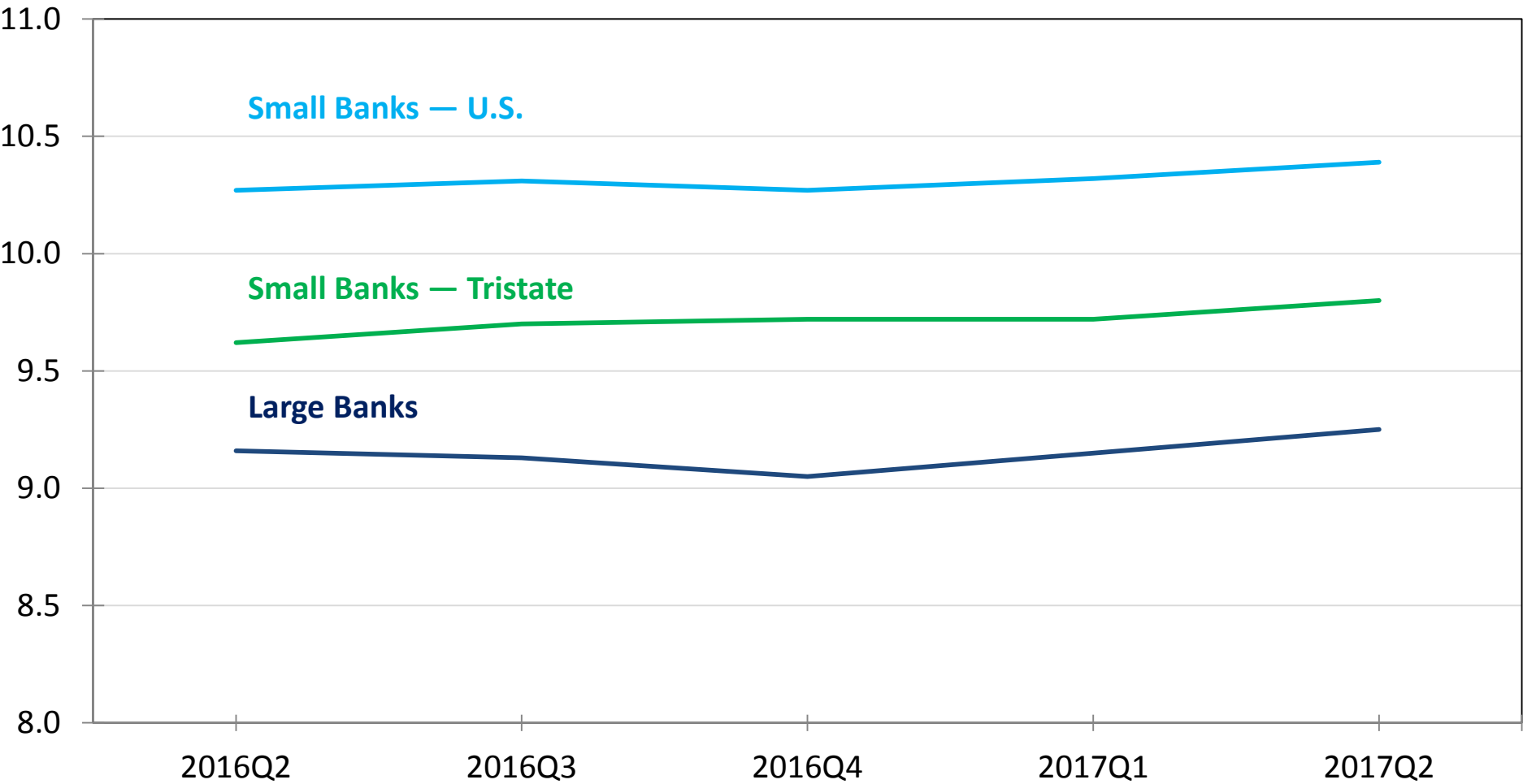




# CHART 18

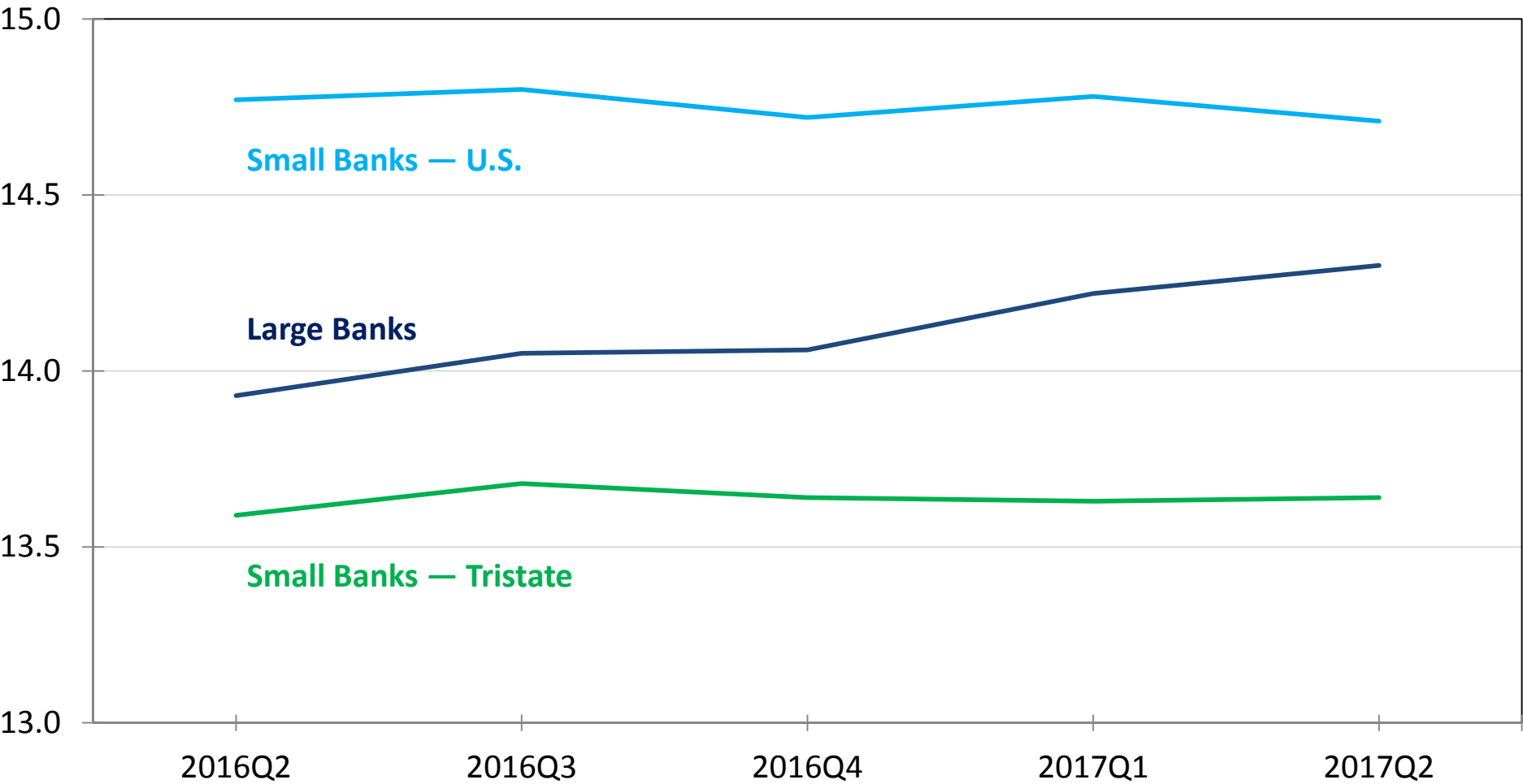
## Tier One Leverage Ratio

Percent



# CHART 19 Risk-Based Capital Ratio

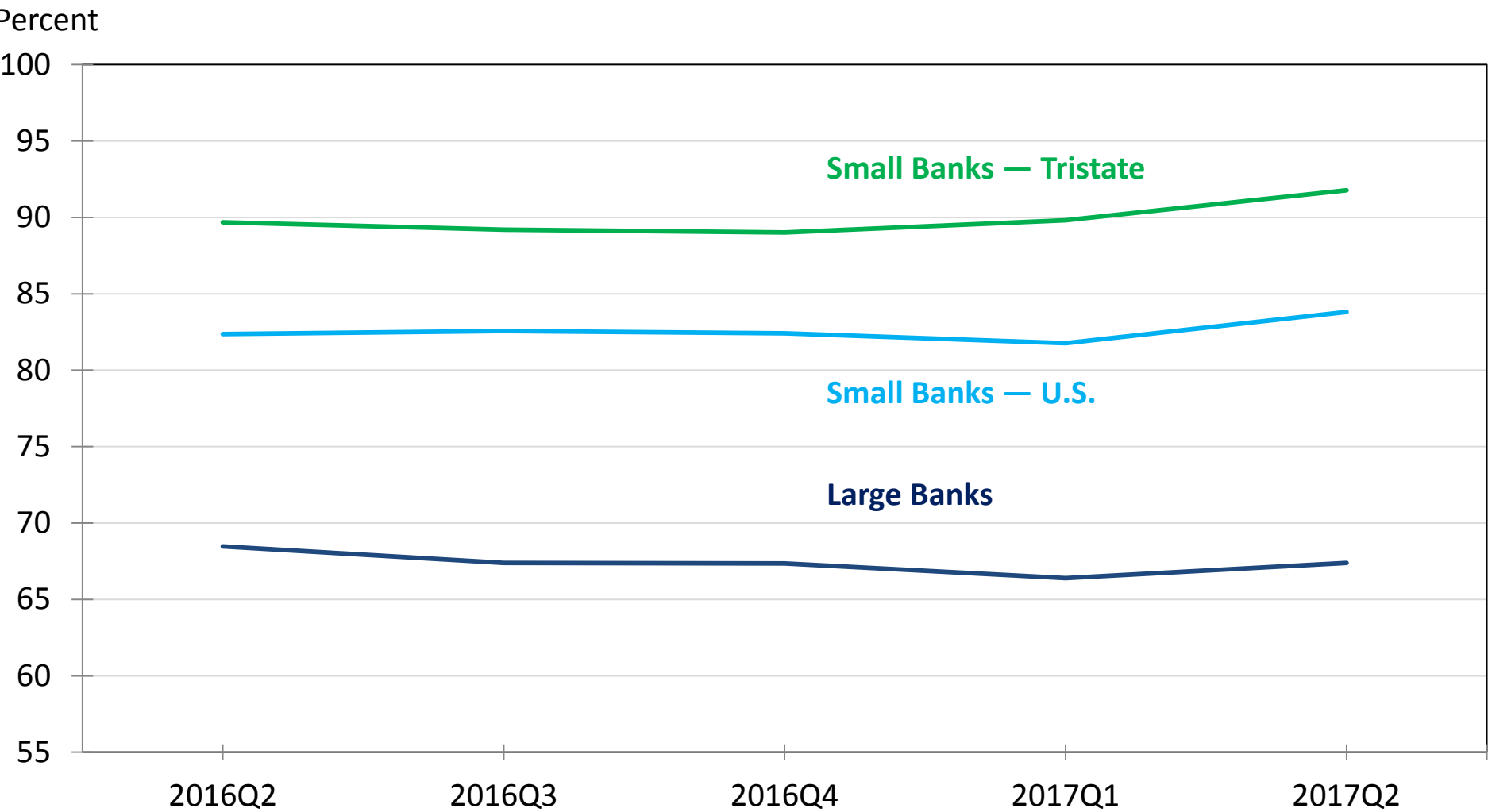
Percent



# Part VI: Liquidity Ratios

# CHART 20

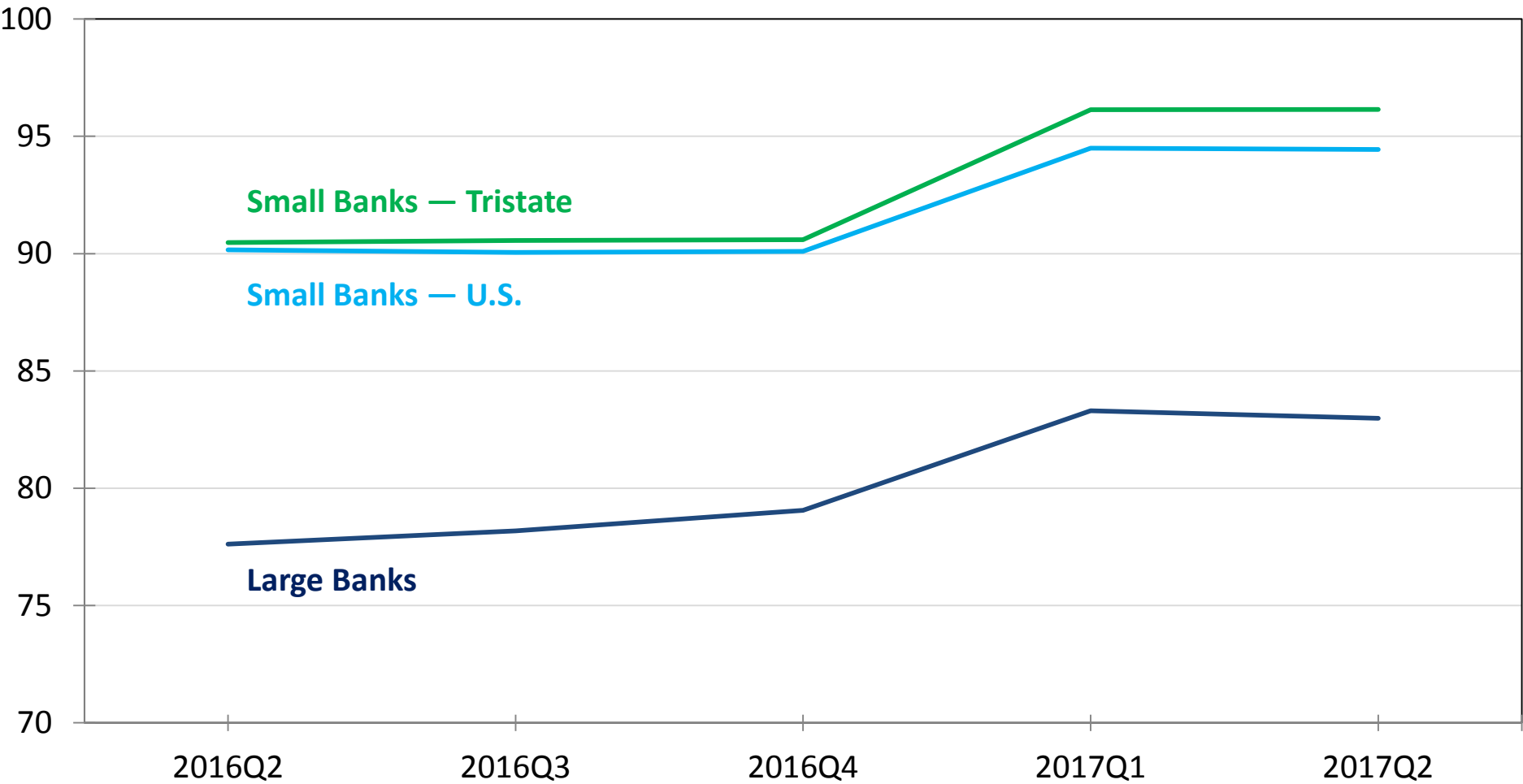
## Total Loans as a Share of Total Deposits



**CHART 21**

# Core Deposits as a Share of Total Deposits

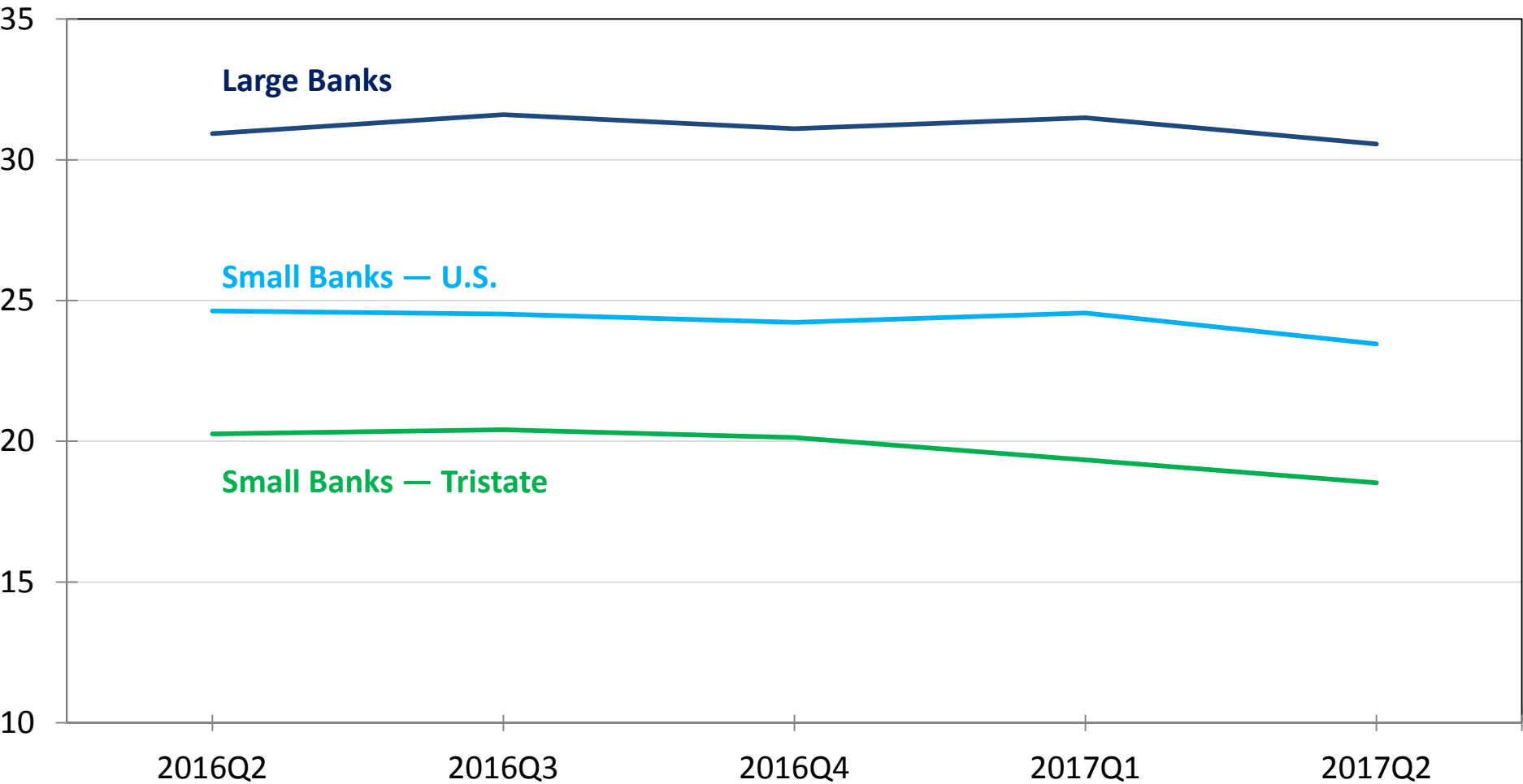
Percent



**CHART 22**

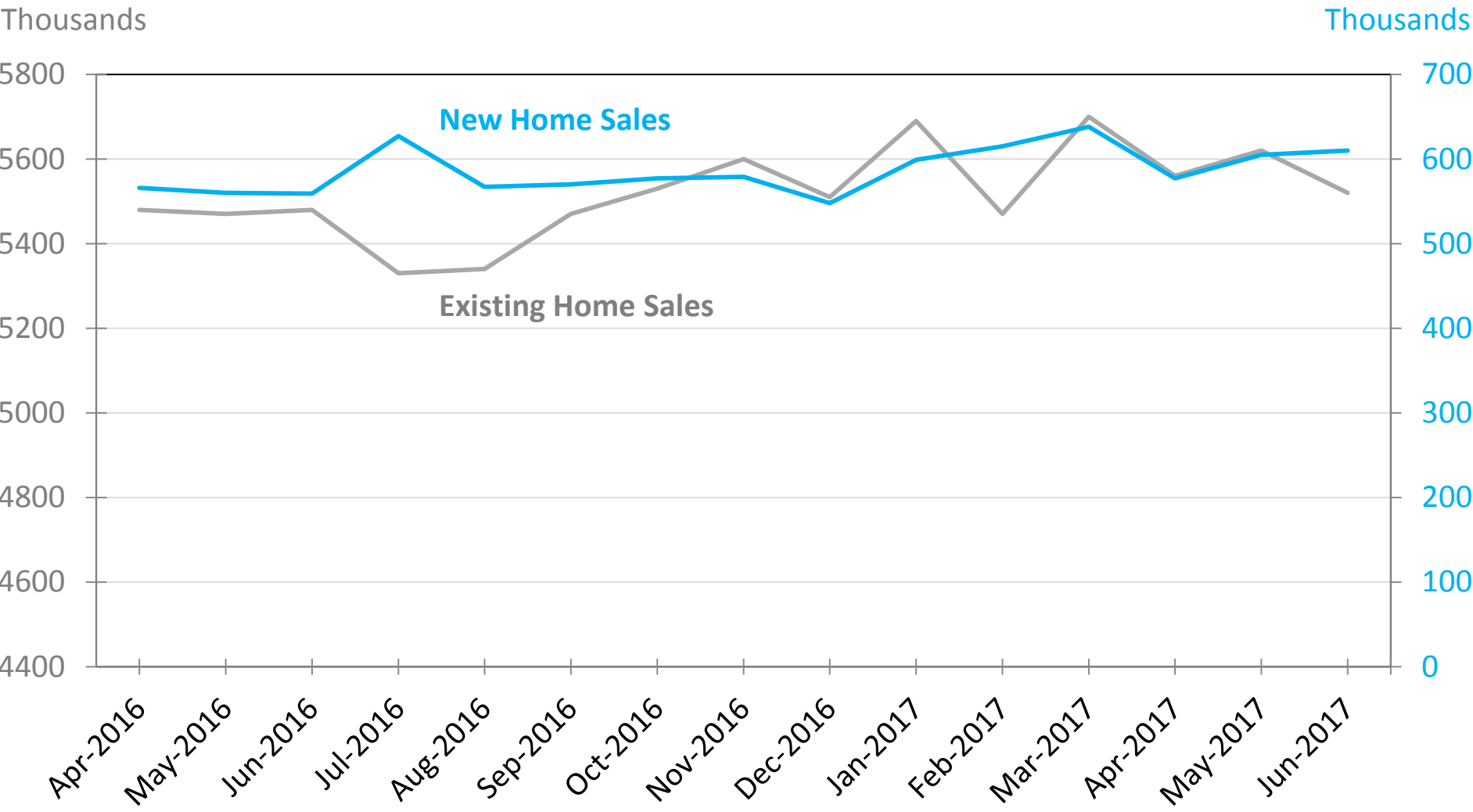
**Liquid Assets as a Share of Total Assets**

Percent



# Part VII: Market Conditions

# CHART 23 New and Existing Home Sales

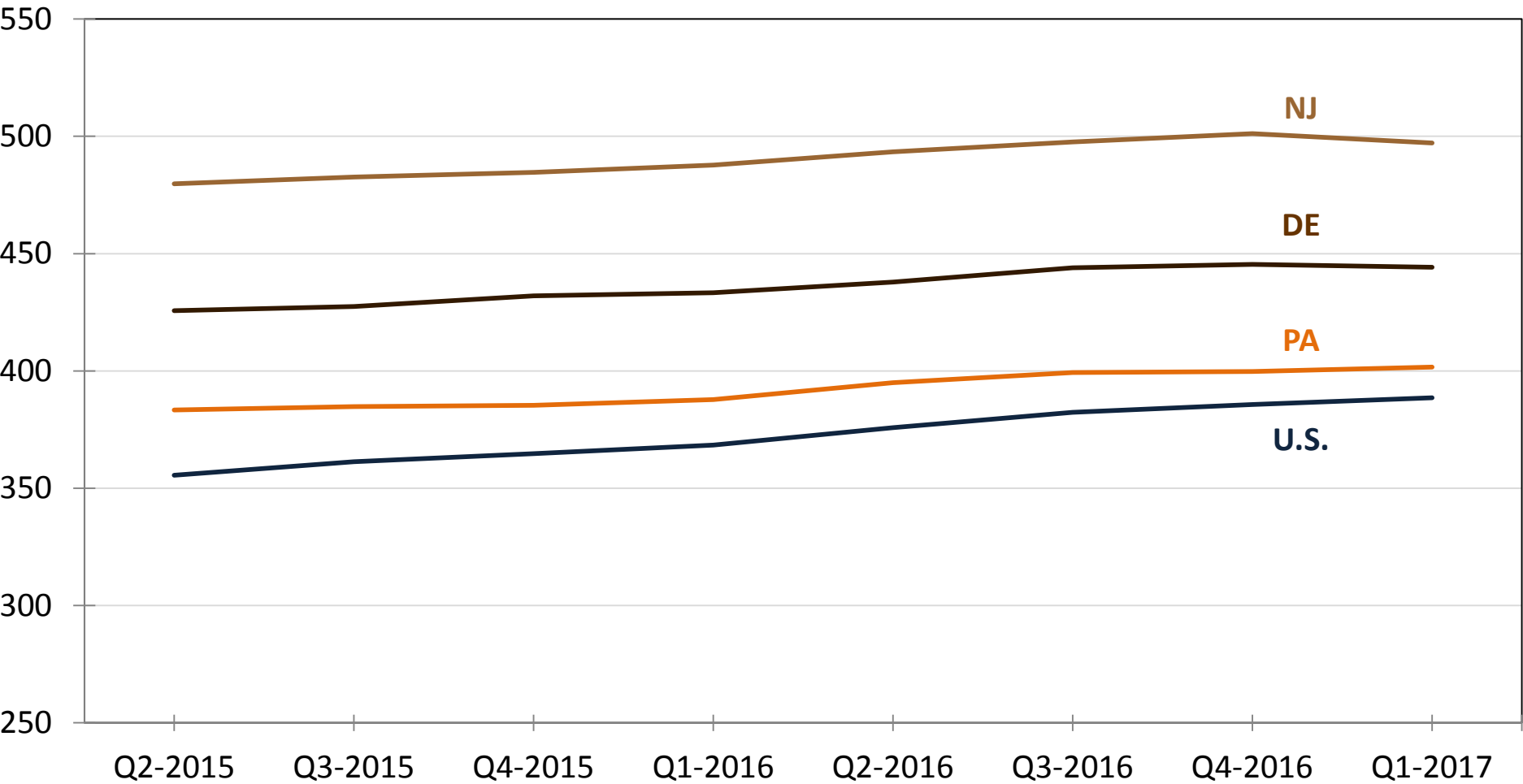


Sources: Census Bureau and National Association of Realtors, via Haver Analytics.



# CHART 24

## FHFA House Price Index



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

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

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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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