



# BANKING BRIEF

Pennsylvania • New Jersey • Delaware

## Fourth Quarter 2019

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

# Summary Table of Bank Structure and Conditions — Fourth Quarter 2019

	Small Banks						Large Banks			
	U.S.			Tristate			U.S.			
	\$ Billion	% Change From		\$ Billion	% Change From		\$ Billion	% Change From		
	2019Q4	2019Q3	2018Q4	2019Q4	2019Q3	2018Q4		2019Q4	2019Q3	2018Q4
Total Assets	2,405.0	10.62	7.90	163.4	5.49	7.47	Total Assets*	14,119.1	4.61	4.97
Total Loans	1,694.9	9.59	7.87	123.9	4.34	7.63	Total Loans*	7,424.4	3.22	4.59
C&I	259.8	9.06	7.50	18.0	14.31	14.52	C&I	1,819.1	0.13	7.28
Real Estate	1,255.4	11.03	8.10	91.3	0.83	3.87	Real Estate	3,226.2	1.92	1.99
Consumer	68.5	6.87	6.69	7.5	49.57	40.14	Consumer*	1,126.5	7.30	4.97
Total Deposits	1,983.8	10.28	7.58	133.3	4.26	7.94	Total Deposits	10,810.3	7.13	5.78
<b>Ratios (in %)</b>	<b>2019Q4</b>	<b>2019Q3</b>	<b>2018Q4</b>	<b>2019Q4</b>	<b>2019Q3</b>	<b>2018Q4</b>	<b>Ratios (in %)</b>	<b>2019Q4</b>	<b>2019Q3</b>	<b>2018Q4</b>
Net Income/Avg. Assets (ROA)	1.26	1.26	1.23	1.11	1.13	1.14	Net Income/Avg. Assets (ROA)	1.21	1.26	1.29
Net Interest Inc./Avg. Assets (NIM)	3.48	3.49	3.48	3.14	3.20	3.22	Net Interest Inc./Avg. Assets (NIM)	2.65	2.73	2.69
Noninterest Inc./Avg. Assets	0.96	0.93	0.92	1.08	1.05	1.08	Noninterest Inc./Avg. Assets	1.45	1.48	1.53
Noninterest Exp./Avg. Assets	2.81	2.80	2.80	2.72	2.74	2.76	Noninterest Exp./Avg. Assets	2.37	2.40	2.42
Loans/Deposits	85.44	85.57	85.21	92.93	92.91	93.19	Loans/Deposits	68.25	68.71	68.59
Equity/Assets	11.79	11.85	11.36	11.11	11.13	10.87	Equity/Assets	11.23	11.23	11.08
Nonperforming Loans/Total Loans	0.70	0.72	0.71	0.62	0.62	0.68	Nonperforming Loans/Total Loans	0.84	0.86	0.95

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, 2018, 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, 2018.

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, 2018, including assets of only their commercial bank subsidiaries.

*U.S.* excludes tristate banks.

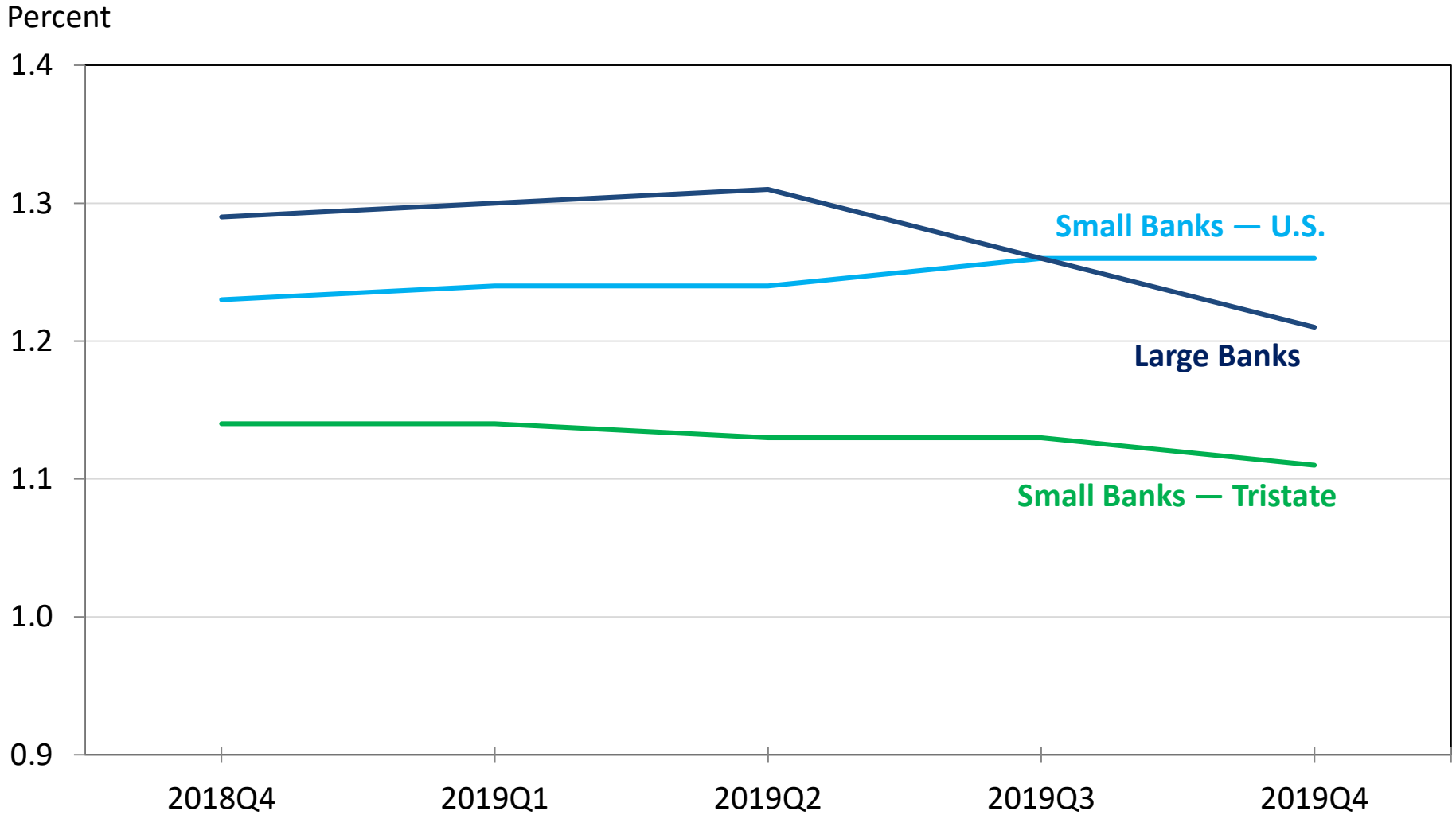
The sample includes 123 small tristate banks, 4,042 small U.S. banks, and 102 large U.S. banks.

\*Data for Large Banks were adjusted due to an internal merger at one institution during the second quarter in which credit card loans previously held at a nonbanking subsidiary were brought onto the bank's balance sheet, thus making assets, loans, and consumer loans appear to grow at an extremely and artificially high rate.

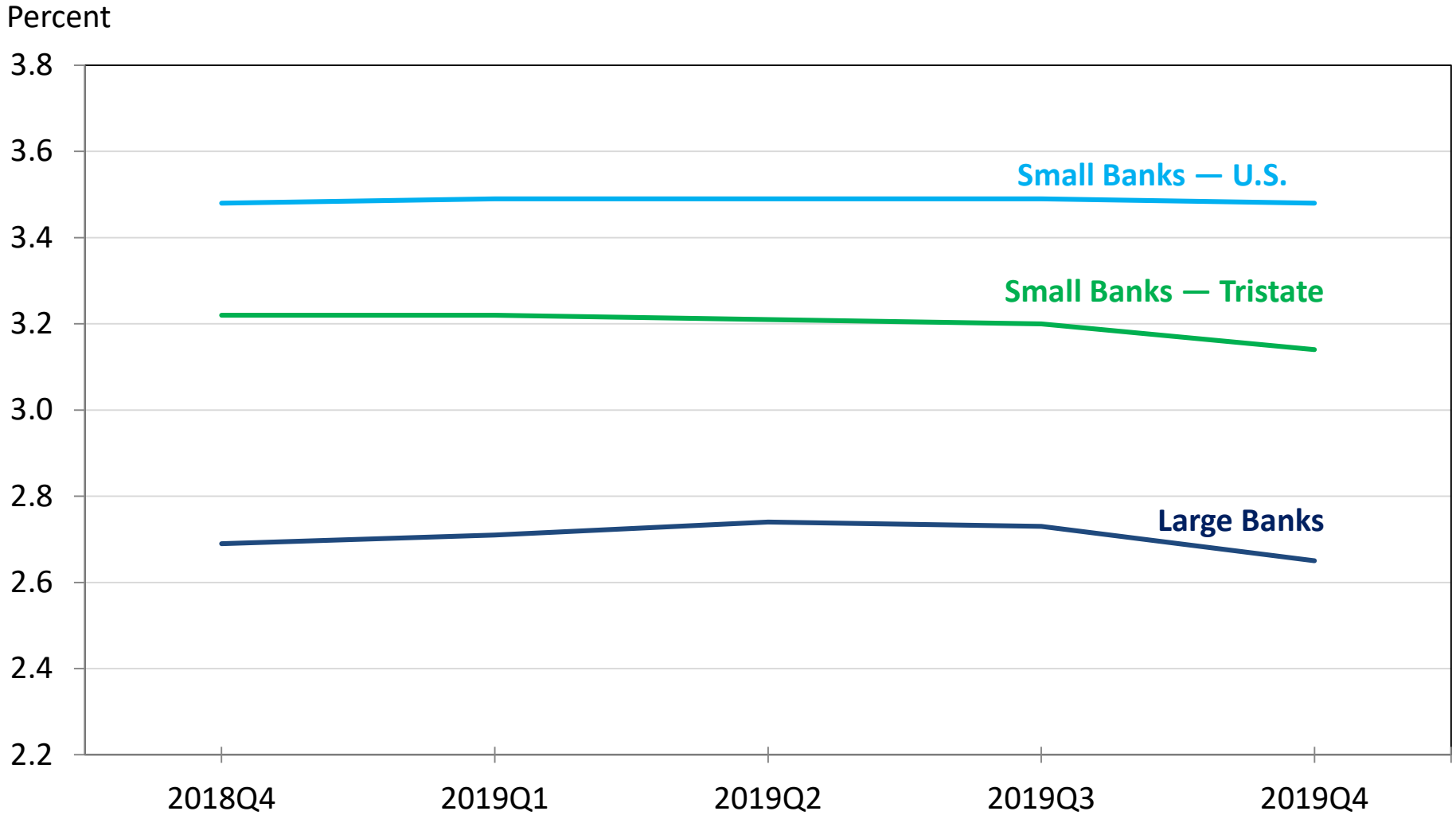


# Part I: Earnings Ratios

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



# CHART 2 Net Interest Margin



# Part II: Annual Growth Rates

**CHART 3**  
**Annual Growth of Quarterly Net Income**

Percent

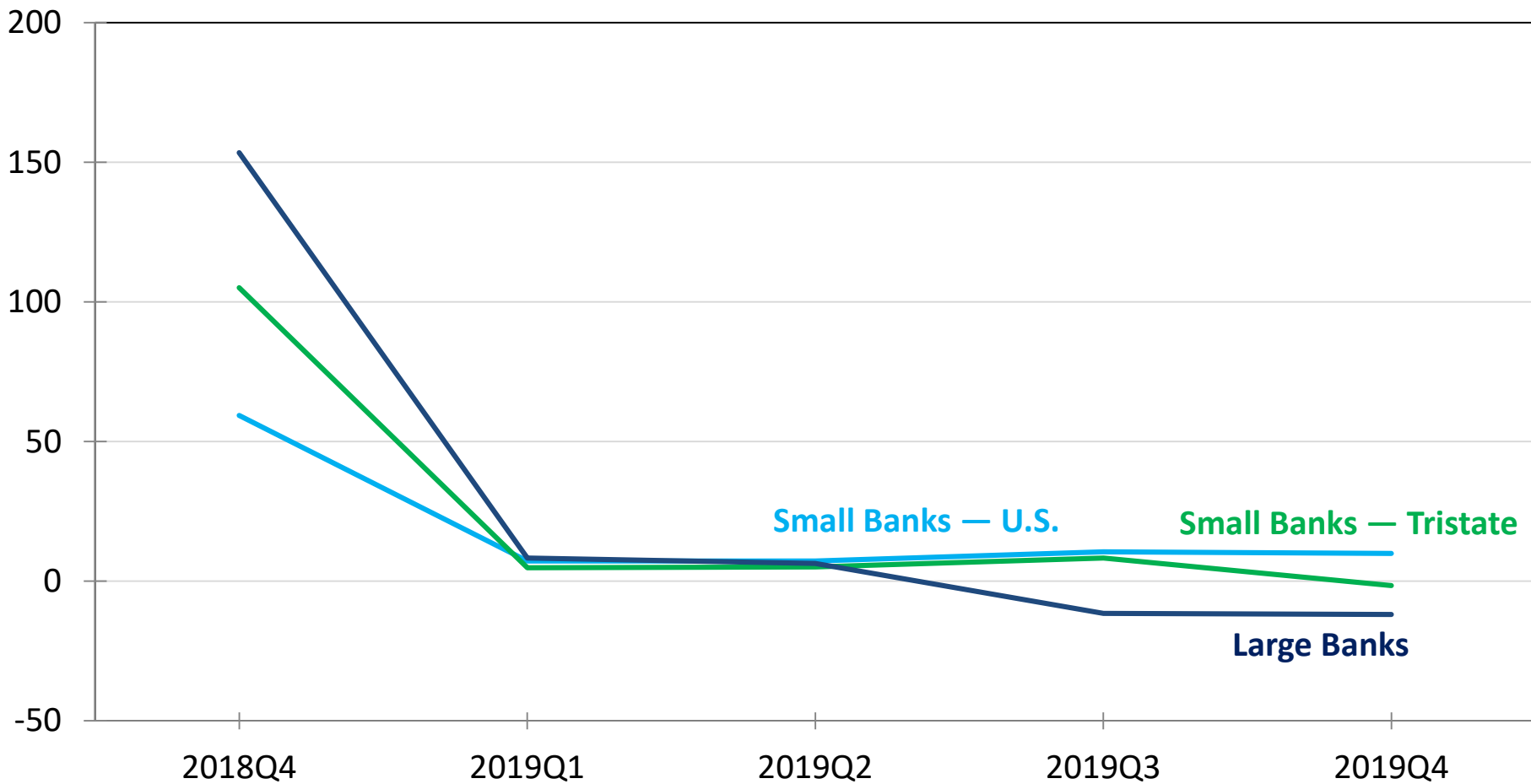
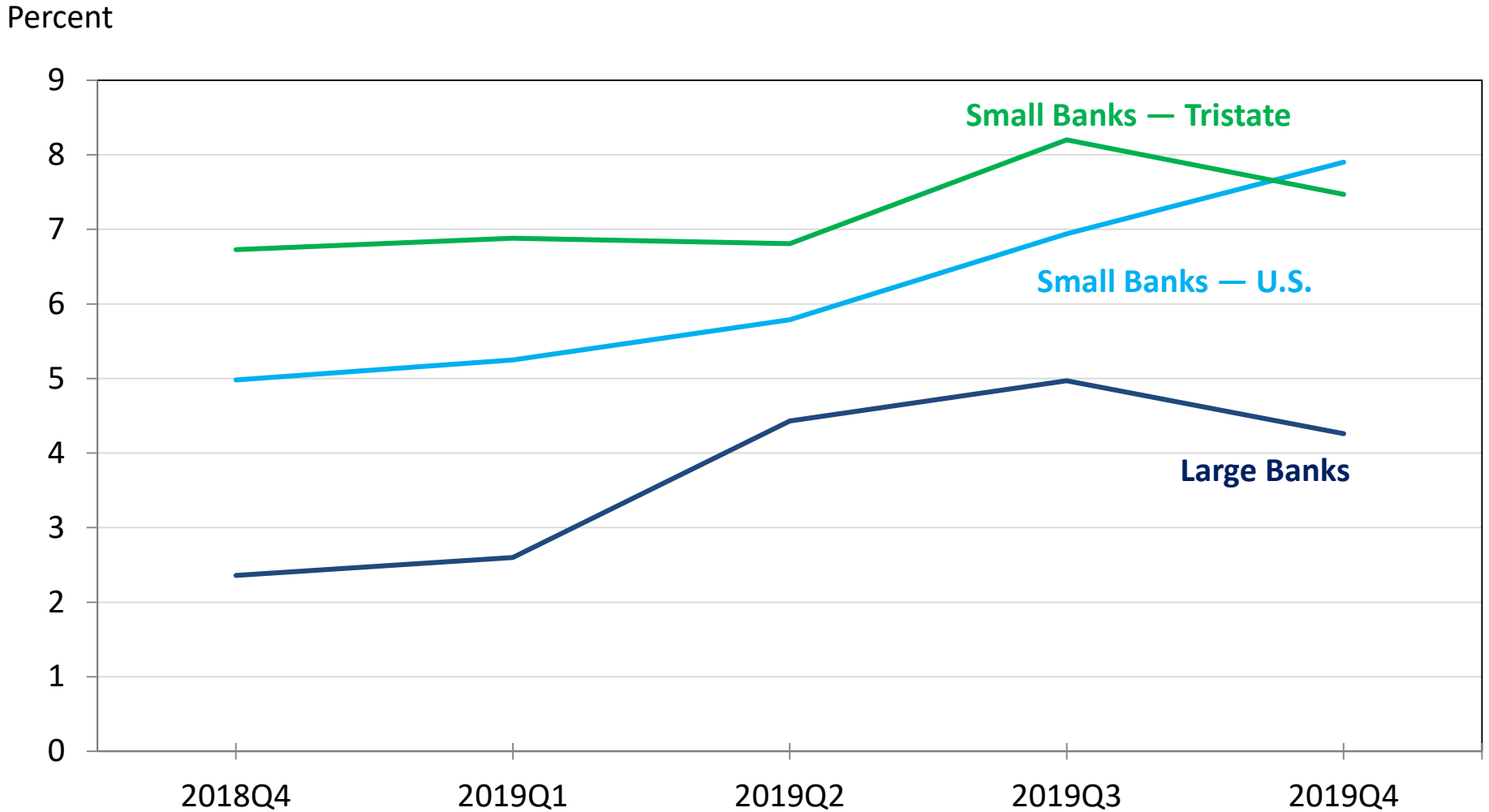


CHART 4

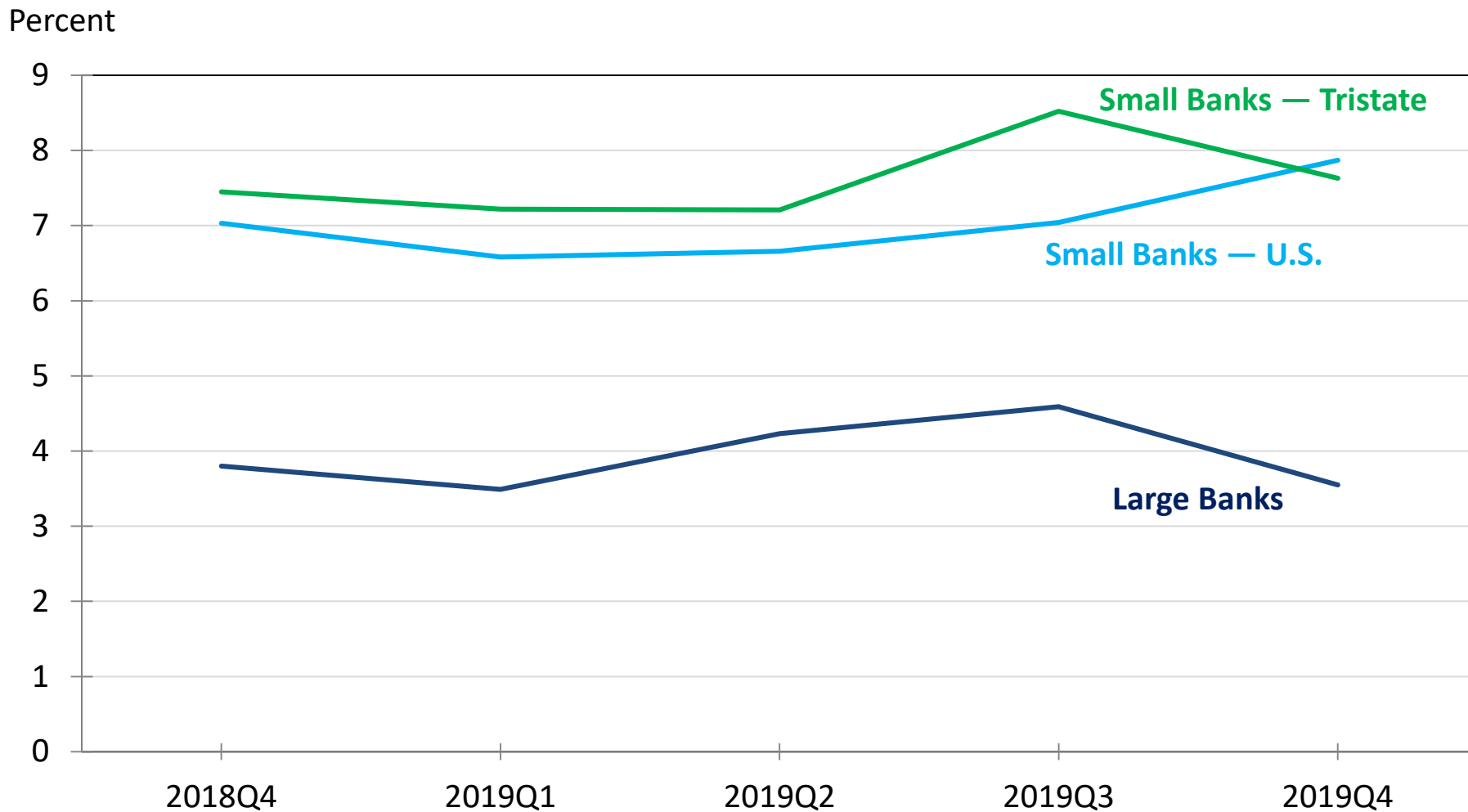
Annual Growth of Total Assets\*



\*Data for Large Banks were adjusted due to an internal merger at one institution during the second quarter in which credit card loans previously held at a nonbanking subsidiary were brought onto the bank's balance sheet, thus making assets, loans, and consumer loans appear to grow at an extremely and artificially high rate.



# CHART 5 Annual Growth of Total Loans\*



\*Data for Large Banks were adjusted due to an internal merger at one institution during the second quarter in which credit card loans previously held at a nonbanking subsidiary were brought onto the bank's balance sheet, thus making assets, loans, and consumer loans appear to grow at an extremely and artificially high rate.

CHART 5a

# Annual Growth of RRE Loans

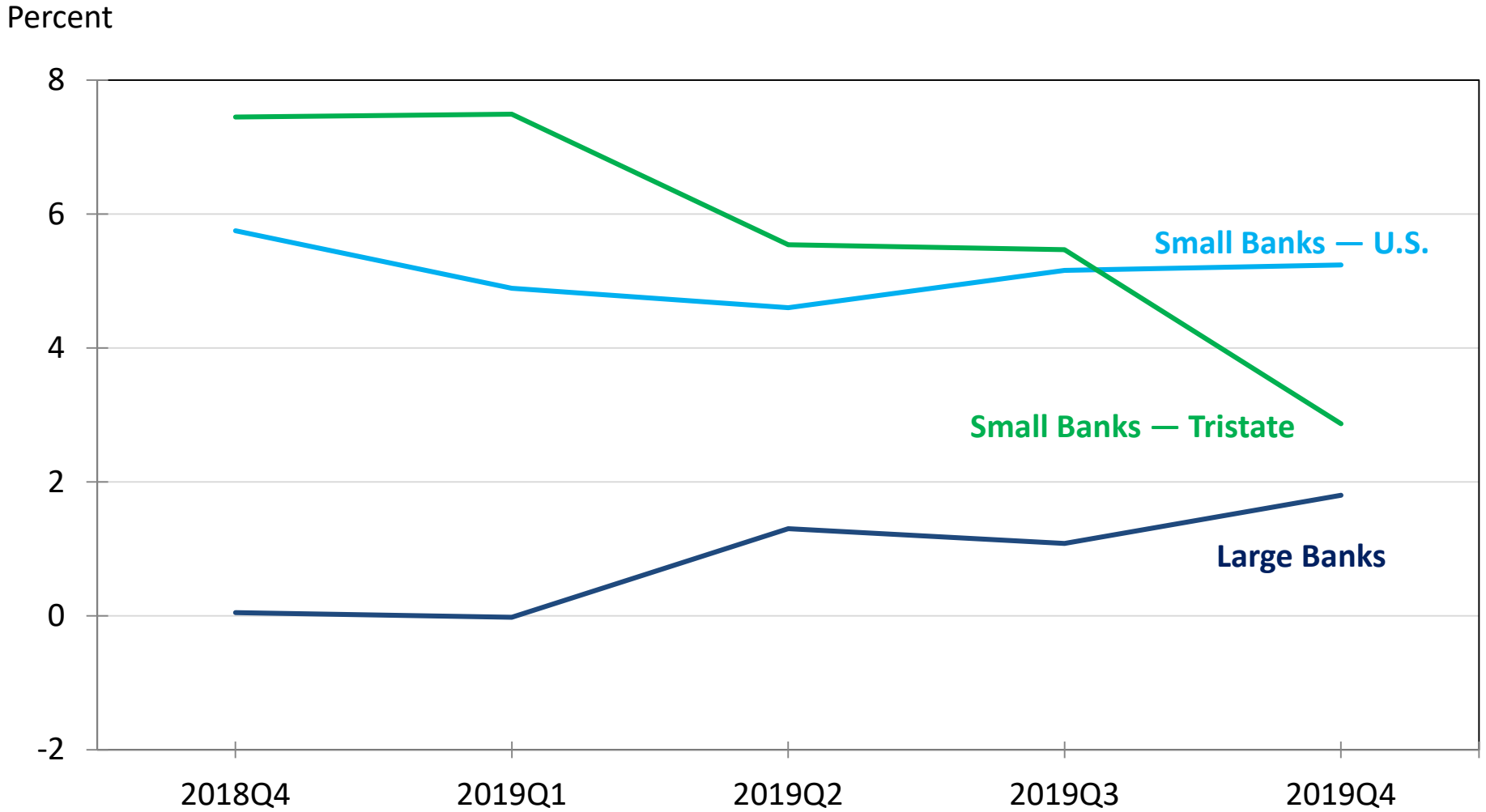


CHART 5b

# Annual Growth of CRE Loans

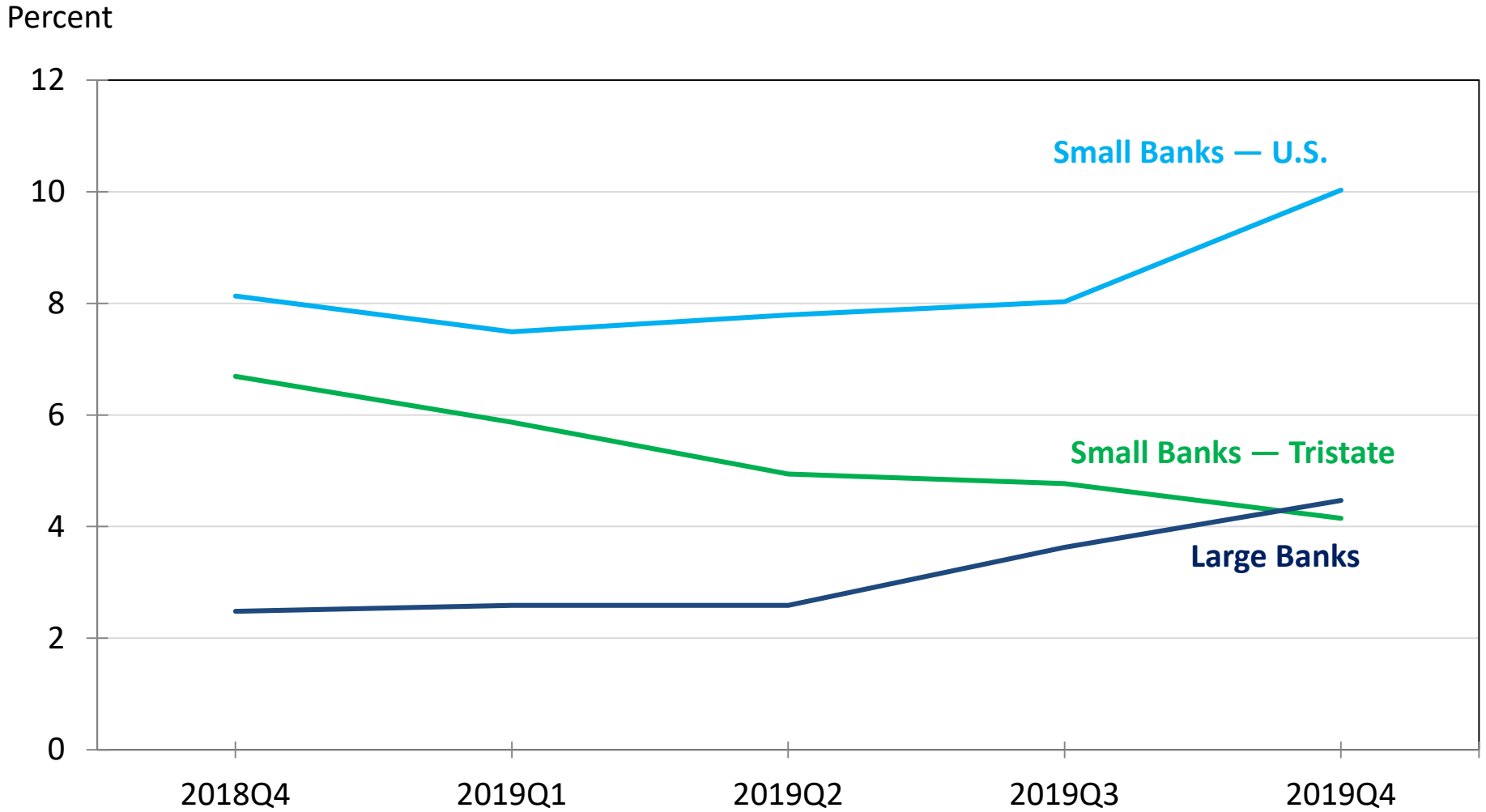


CHART 5c

# Annual Growth of Construction Loans

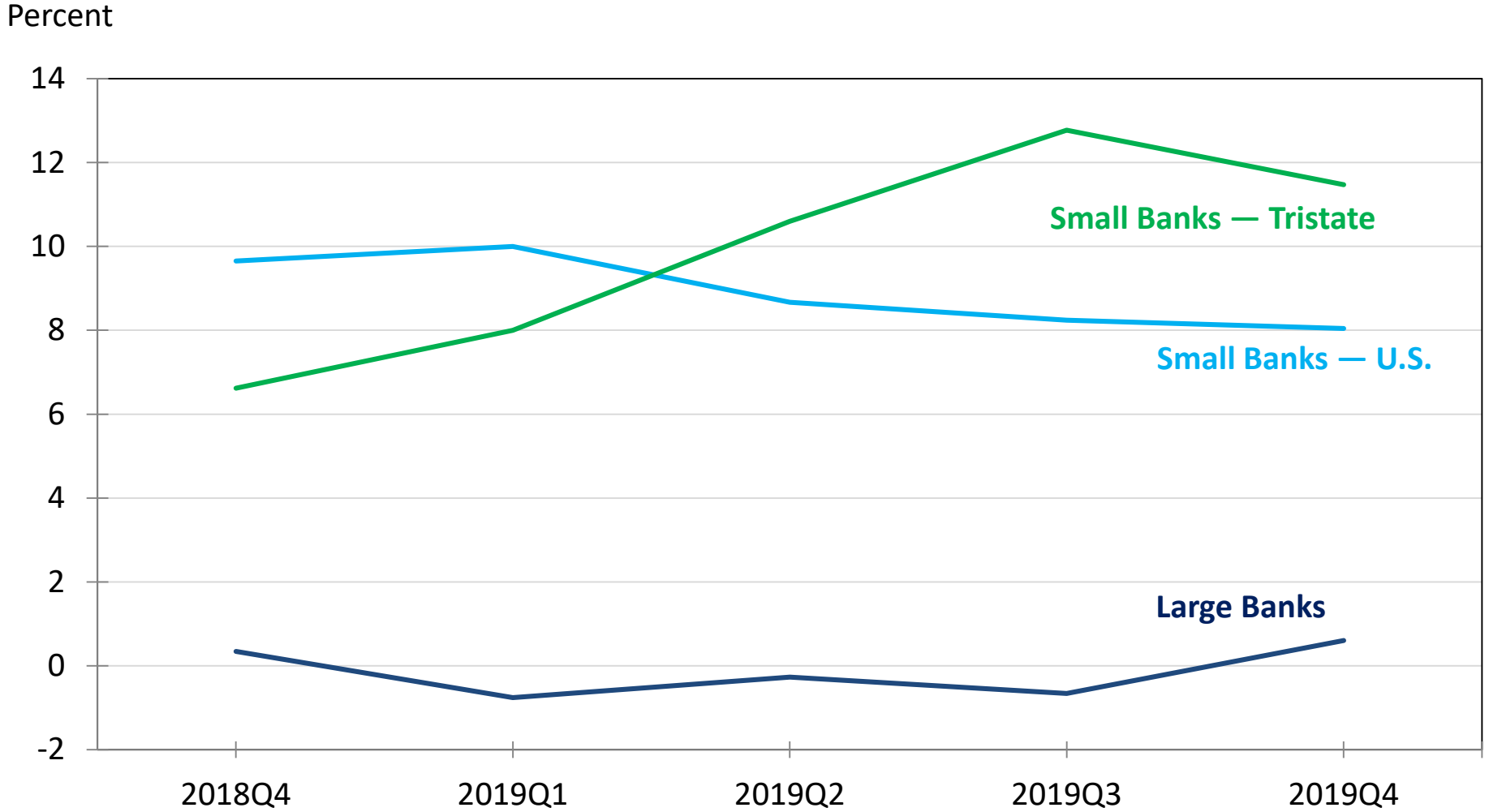


CHART 5d

# Annual Growth of Loans Secured by Multifamily Properties

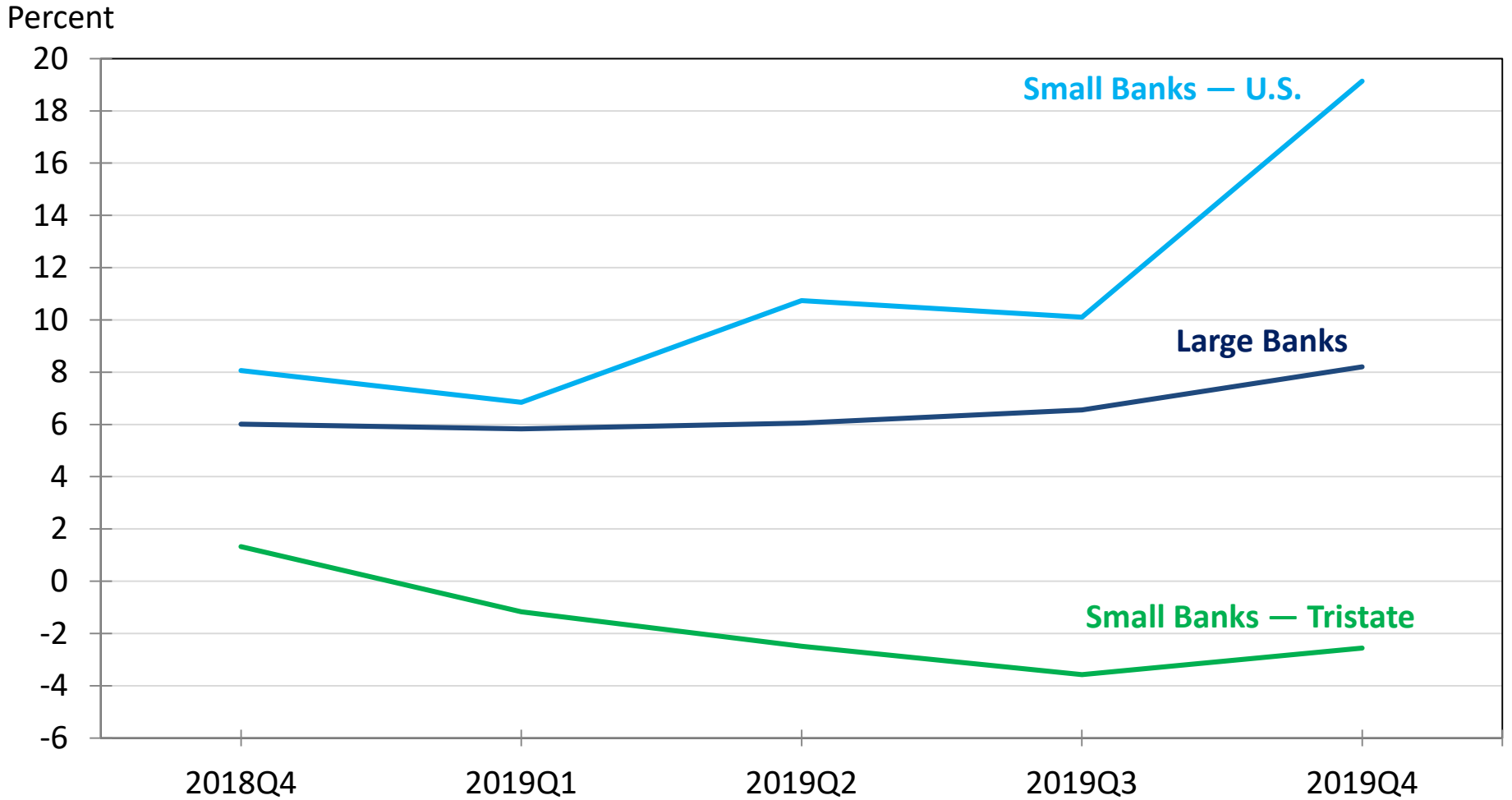


CHART 5e

# Annual Growth of Commercial Mortgages

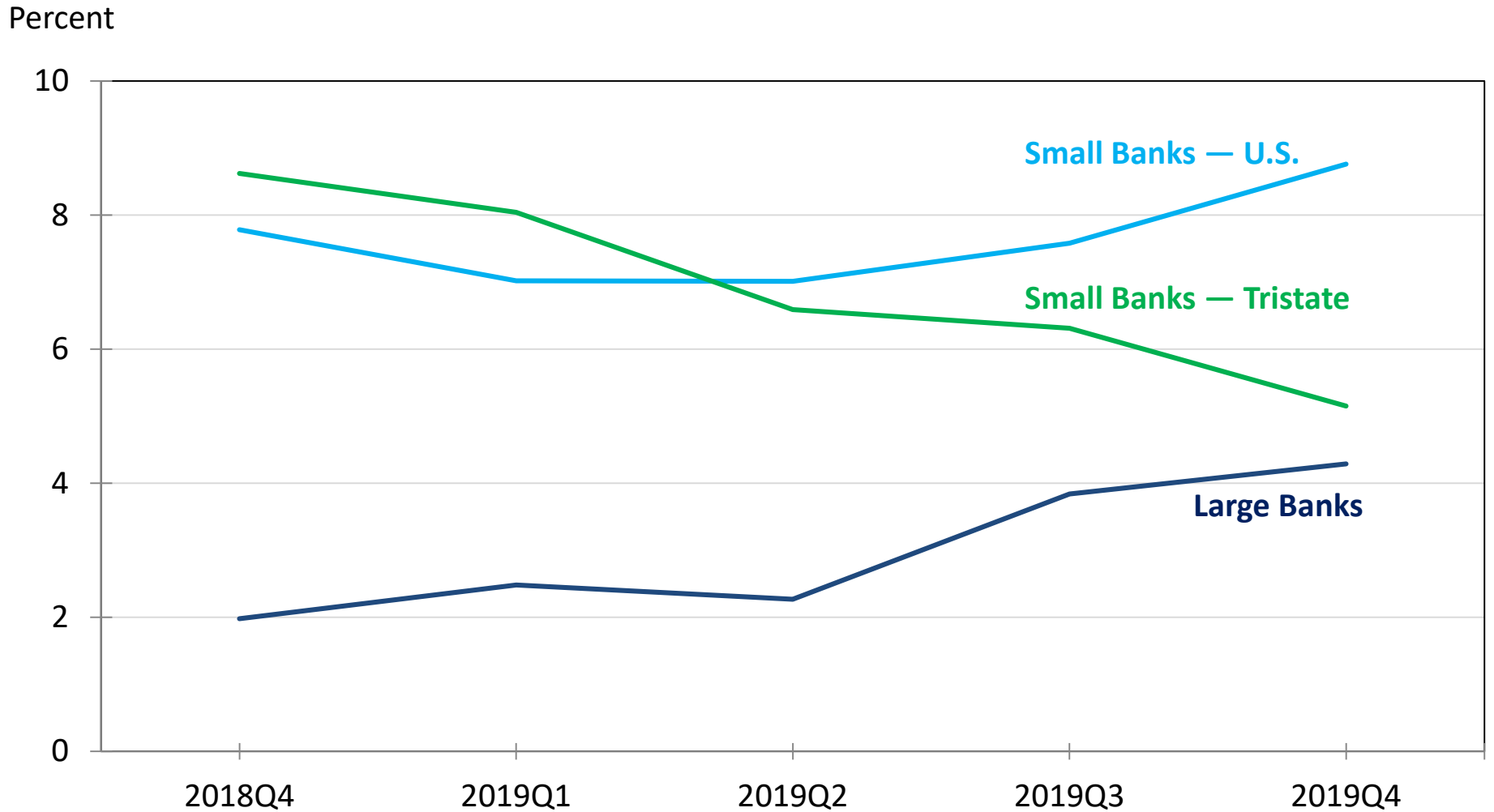


CHART 5f

# Annual Growth of Commercial & Industrial Loans

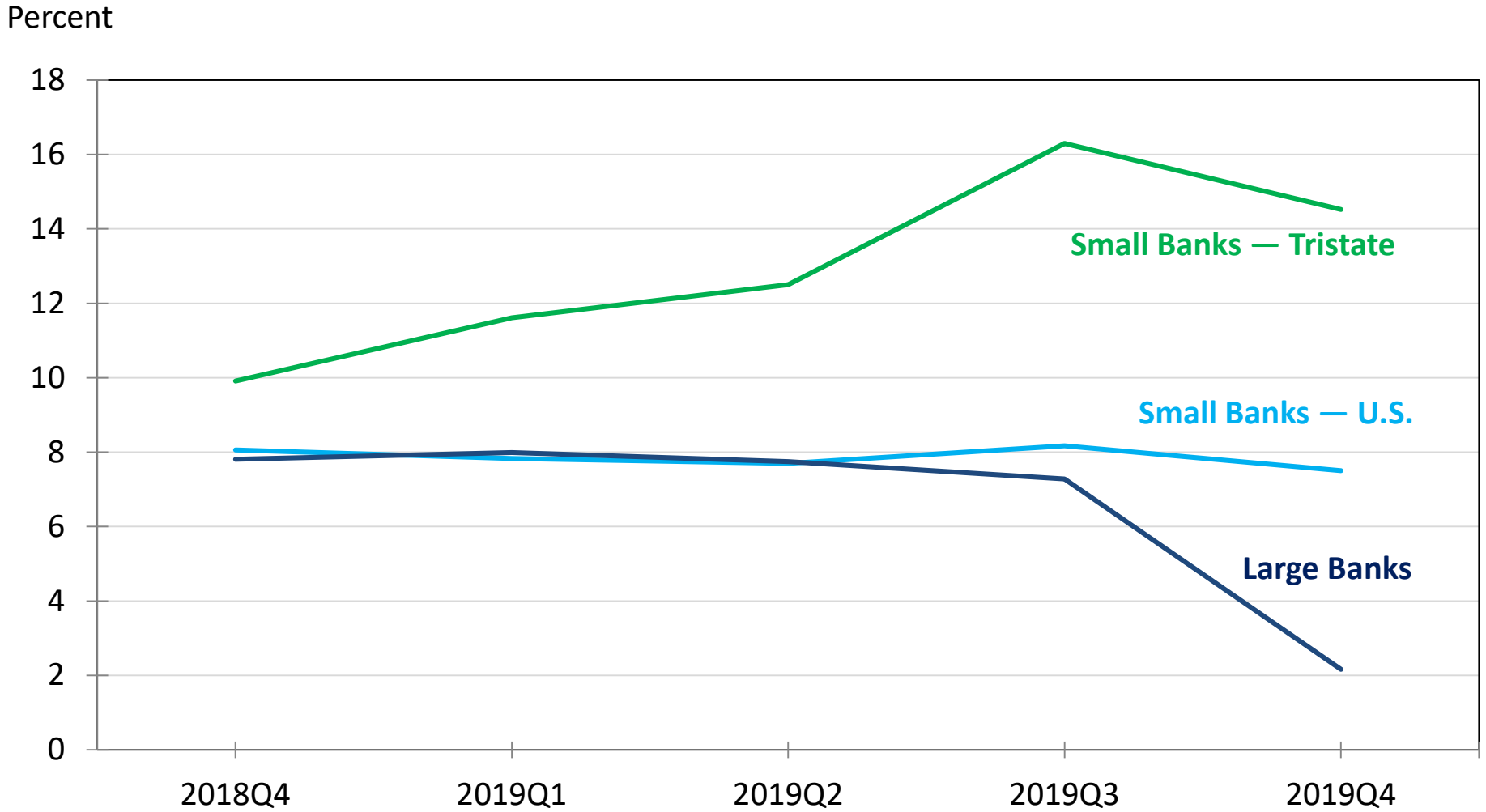
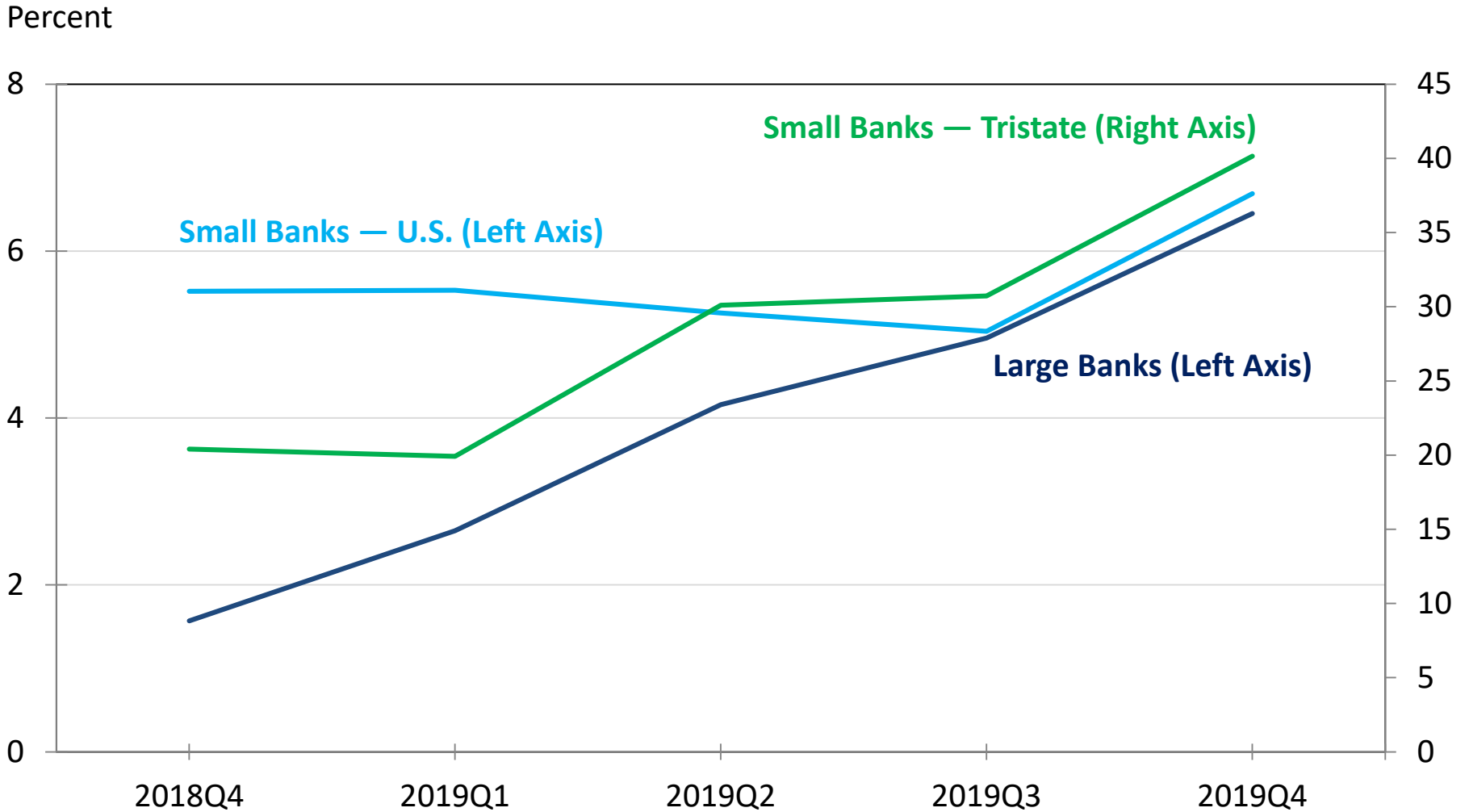


CHART 5g

# Annual Growth of Consumer Loans\*

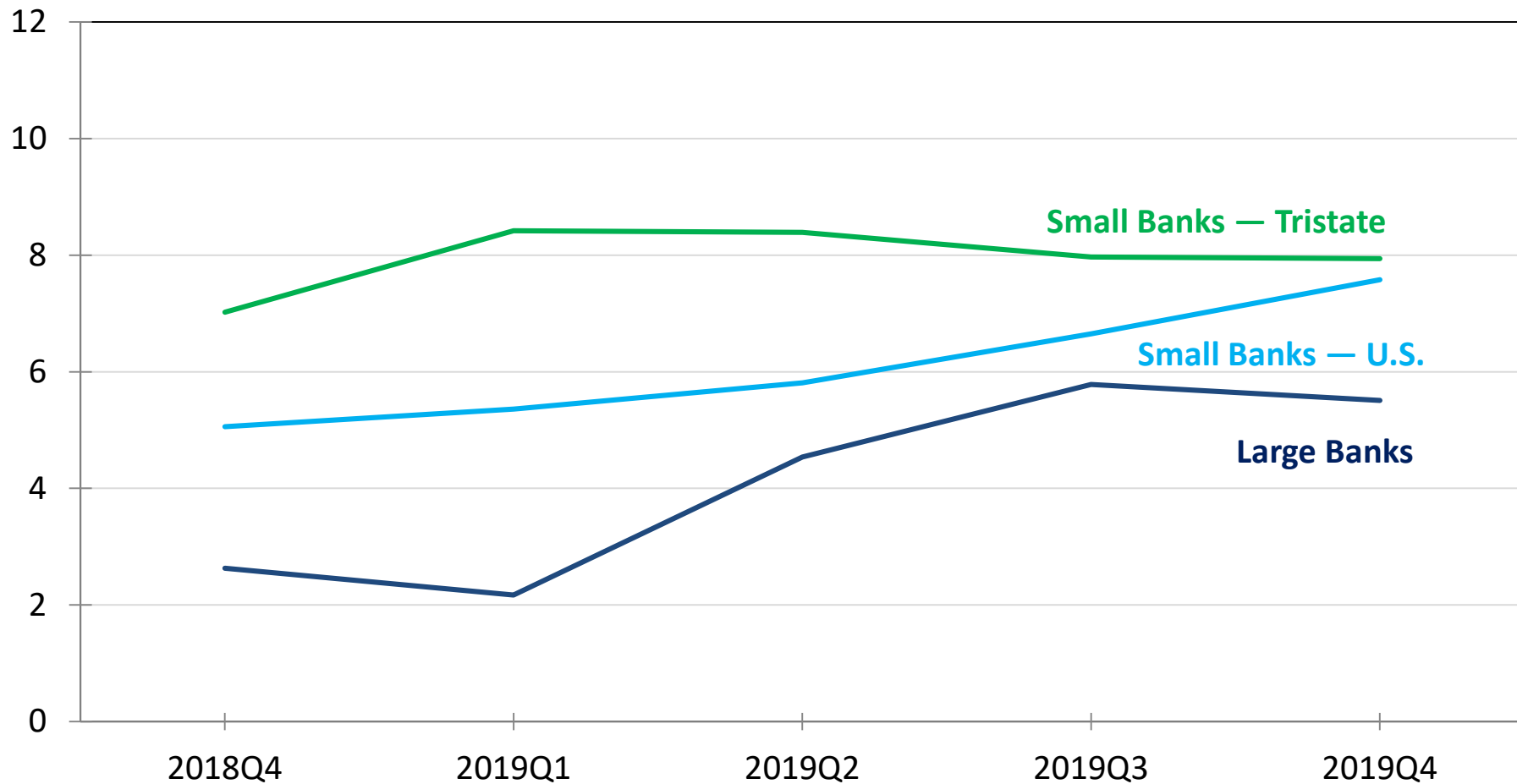


\*Data for Large Banks were adjusted due to an internal merger at one institution during the second quarter in which credit card loans previously held at a nonbanking subsidiary were brought onto the bank's balance sheet, thus making assets, loans, and consumer loans appear to grow at an extremely and artificially high rate.



# CHART 6 Annual Growth of Total Deposits

Percent

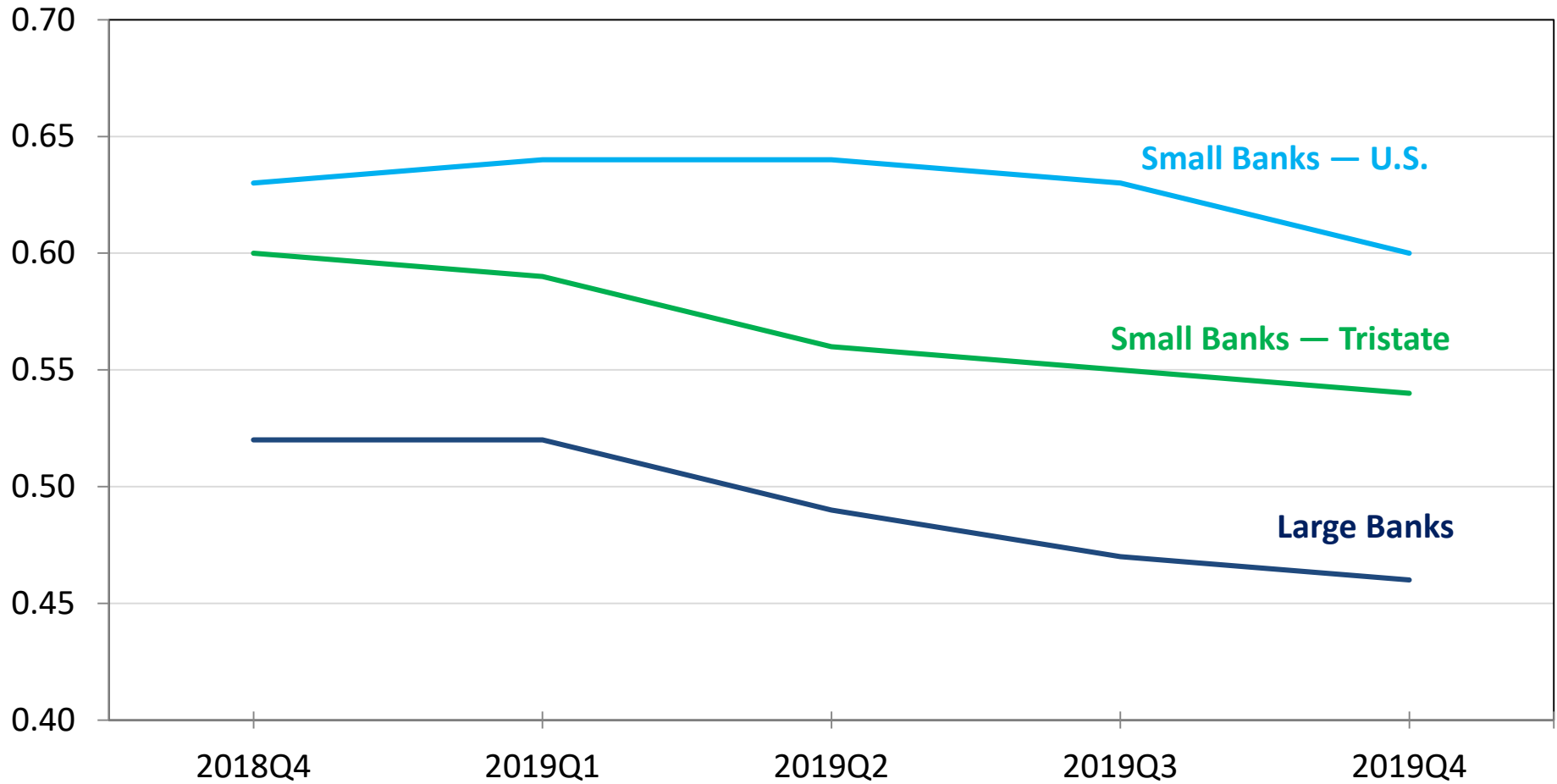


# Part III: Asset Quality Ratios

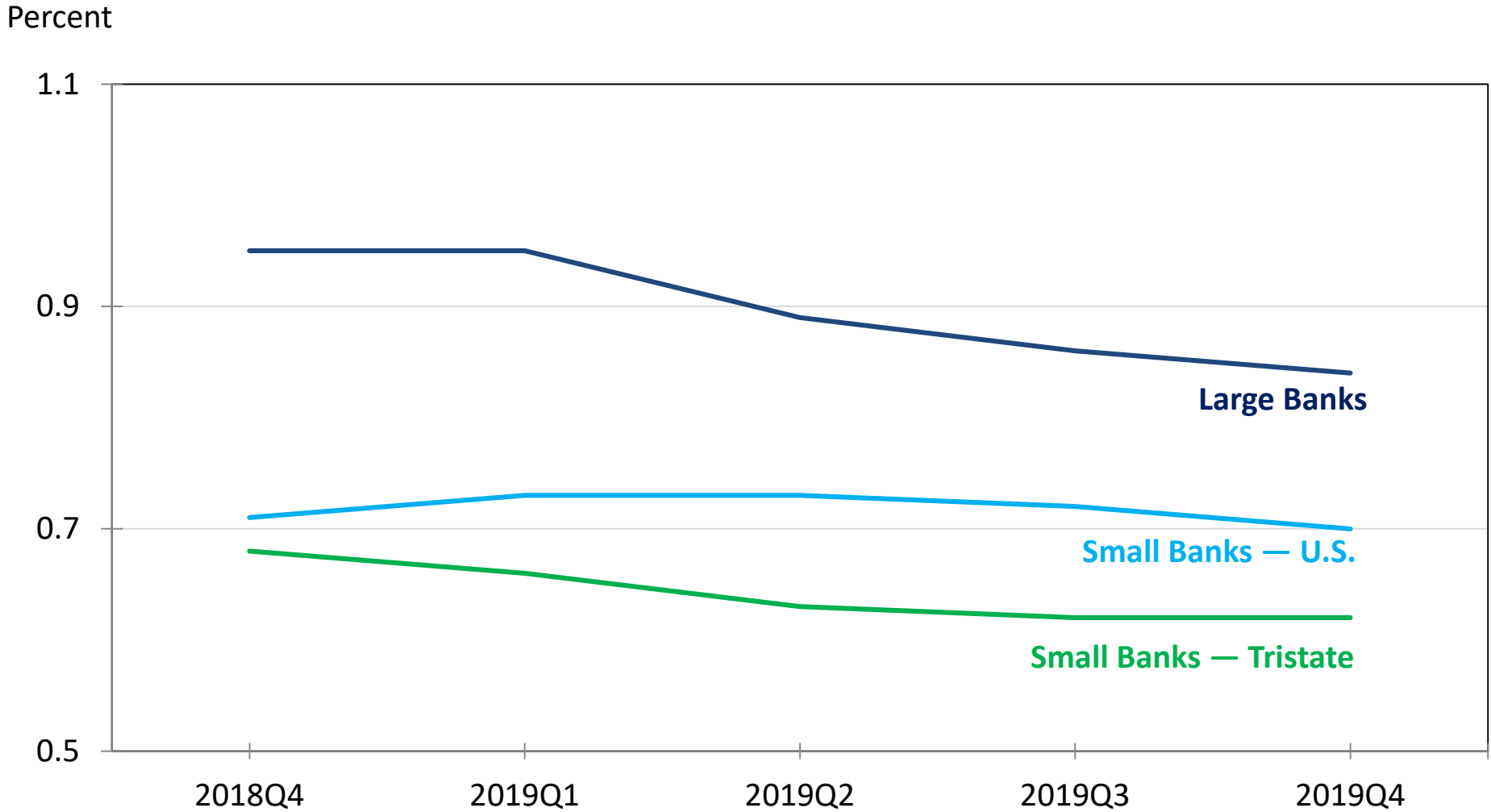
CHART 7

# Nonperforming Assets as a Share of Total Assets

Percent



# CHART 8 Nonperforming Loans as a Share of Total Loans



# CHART 9 Residential Real Estate Nonperforming Loan Ratio

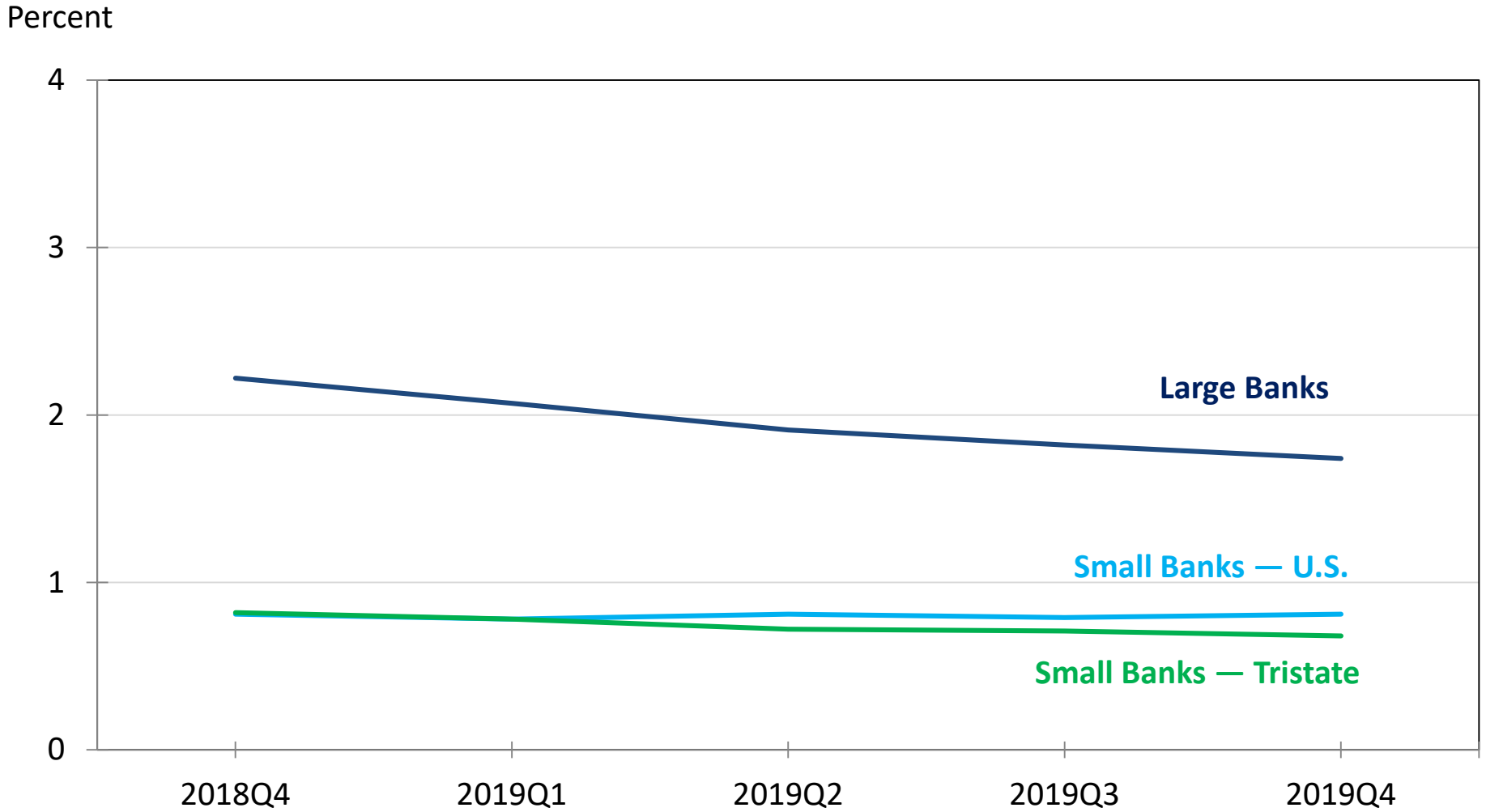


CHART 10

# Commercial Real Estate Nonperforming Loan Ratio

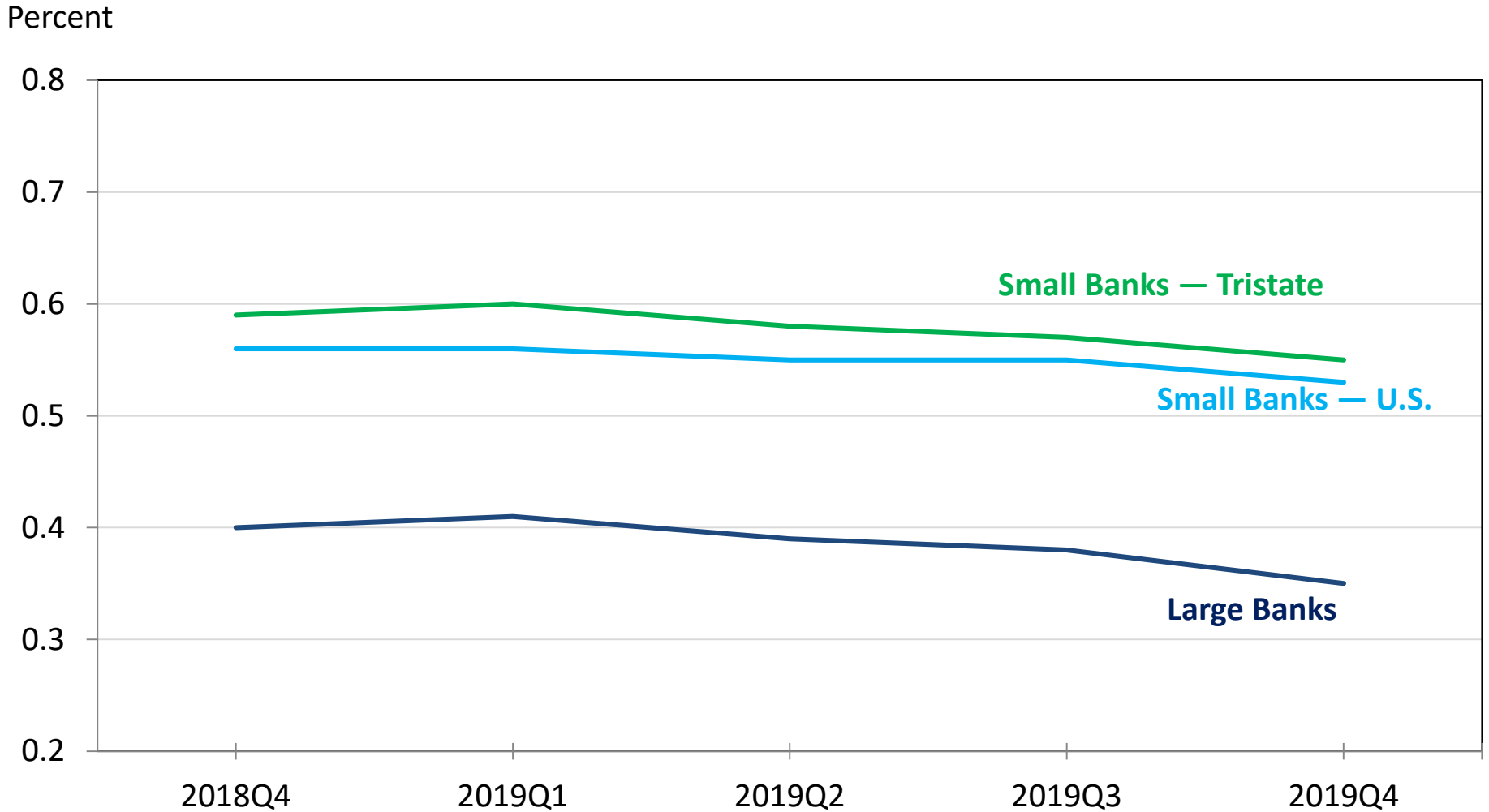


CHART 11

# Commercial and Industrial Nonperforming Loan Ratio

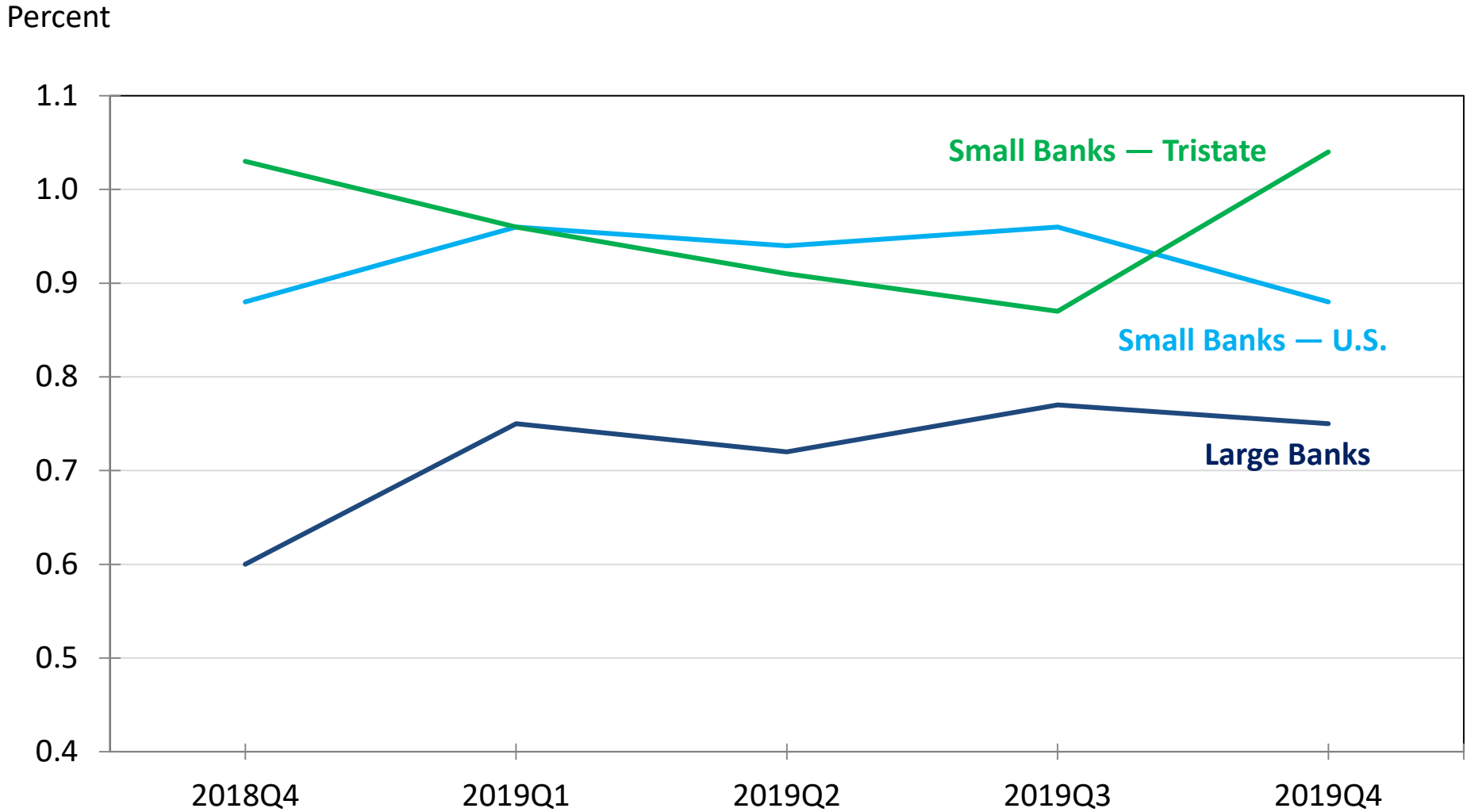
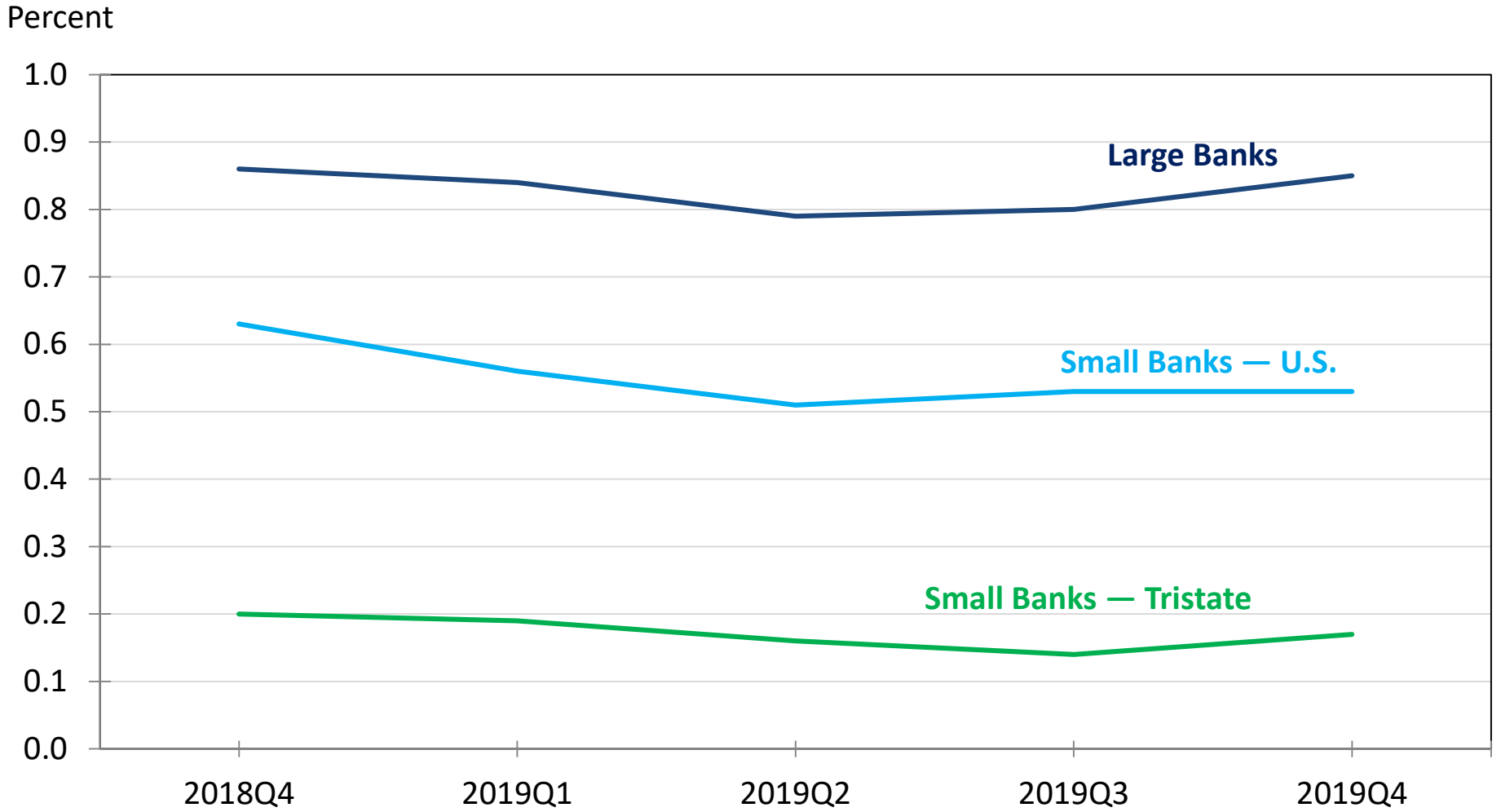


CHART 12

# Consumer Nonperforming Loan Ratio





# Part IV: Loan Loss Provisioning and Reserves

CHART 13

# Loan Loss Reserves as a Share of Total Assets

Percent

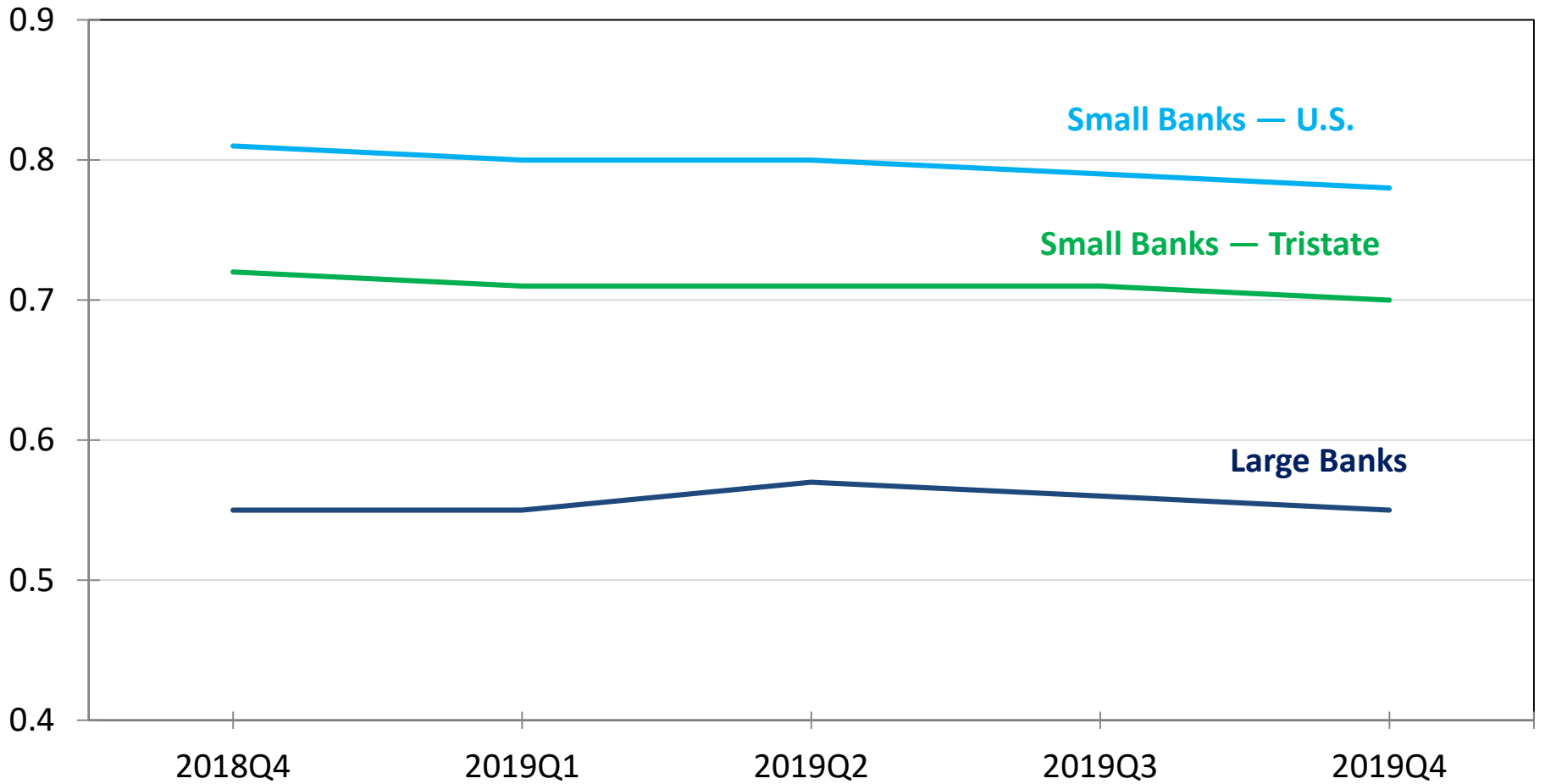


CHART 14

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

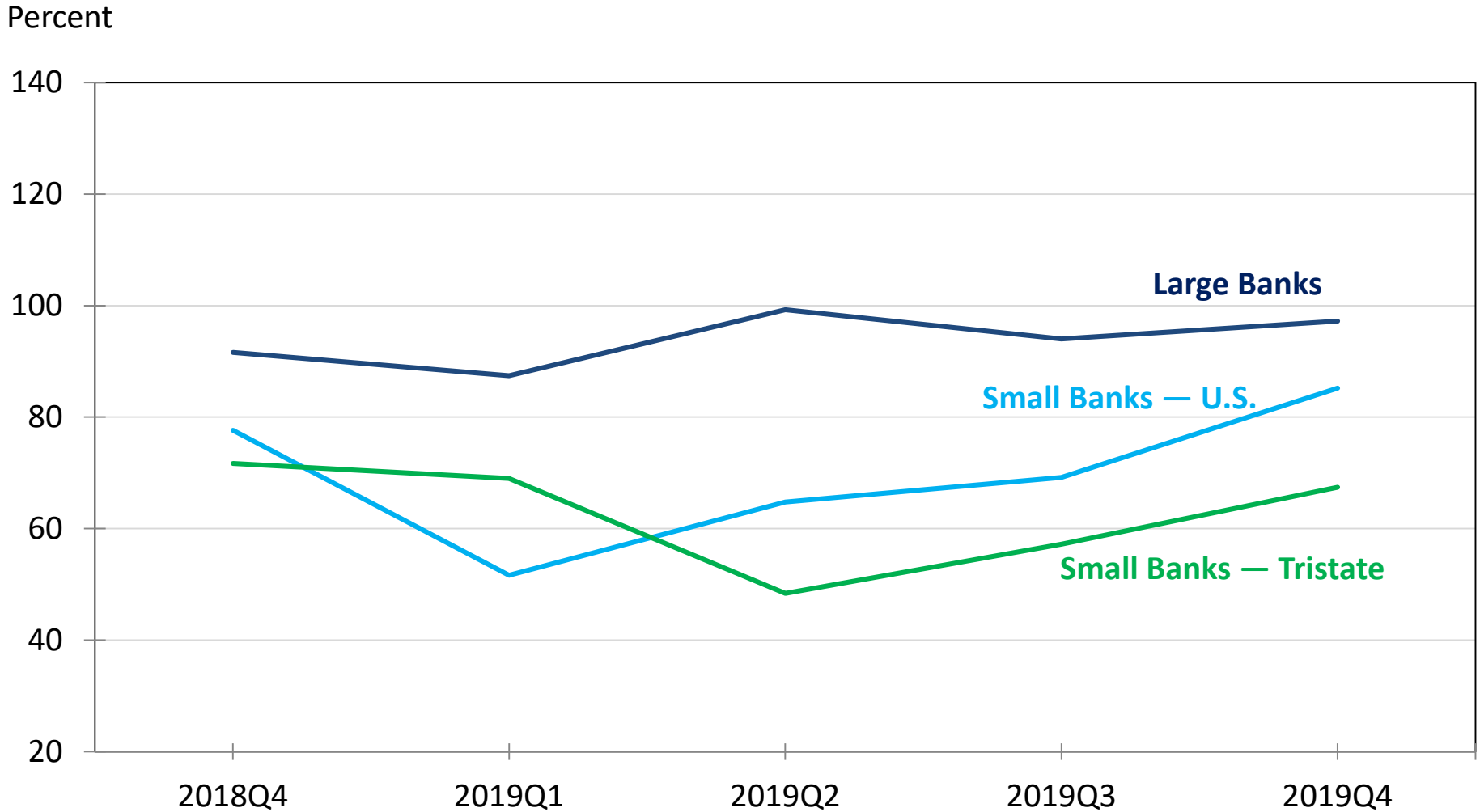


CHART 15

# Loan Loss Provision as a Share of Operating Income

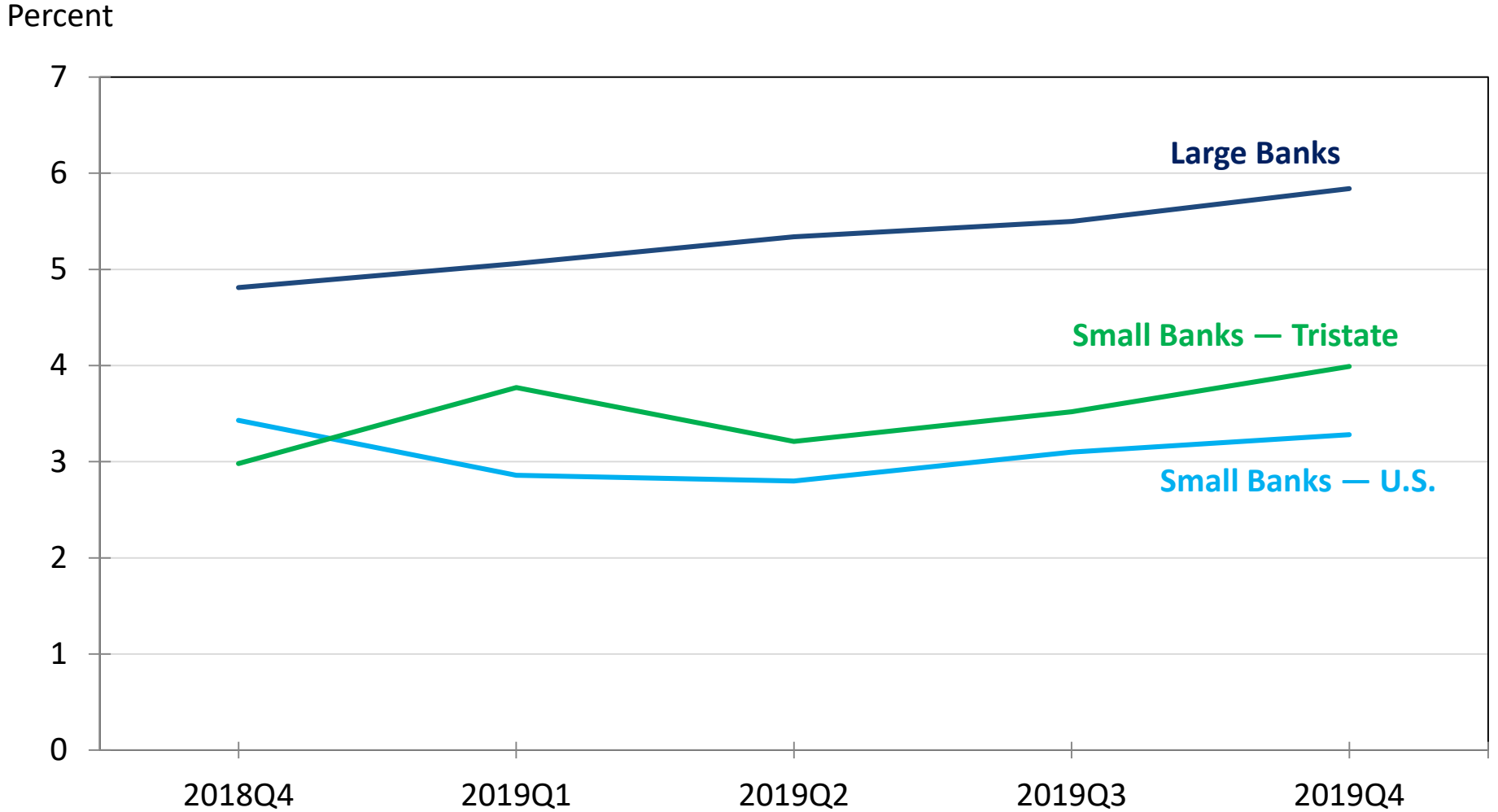
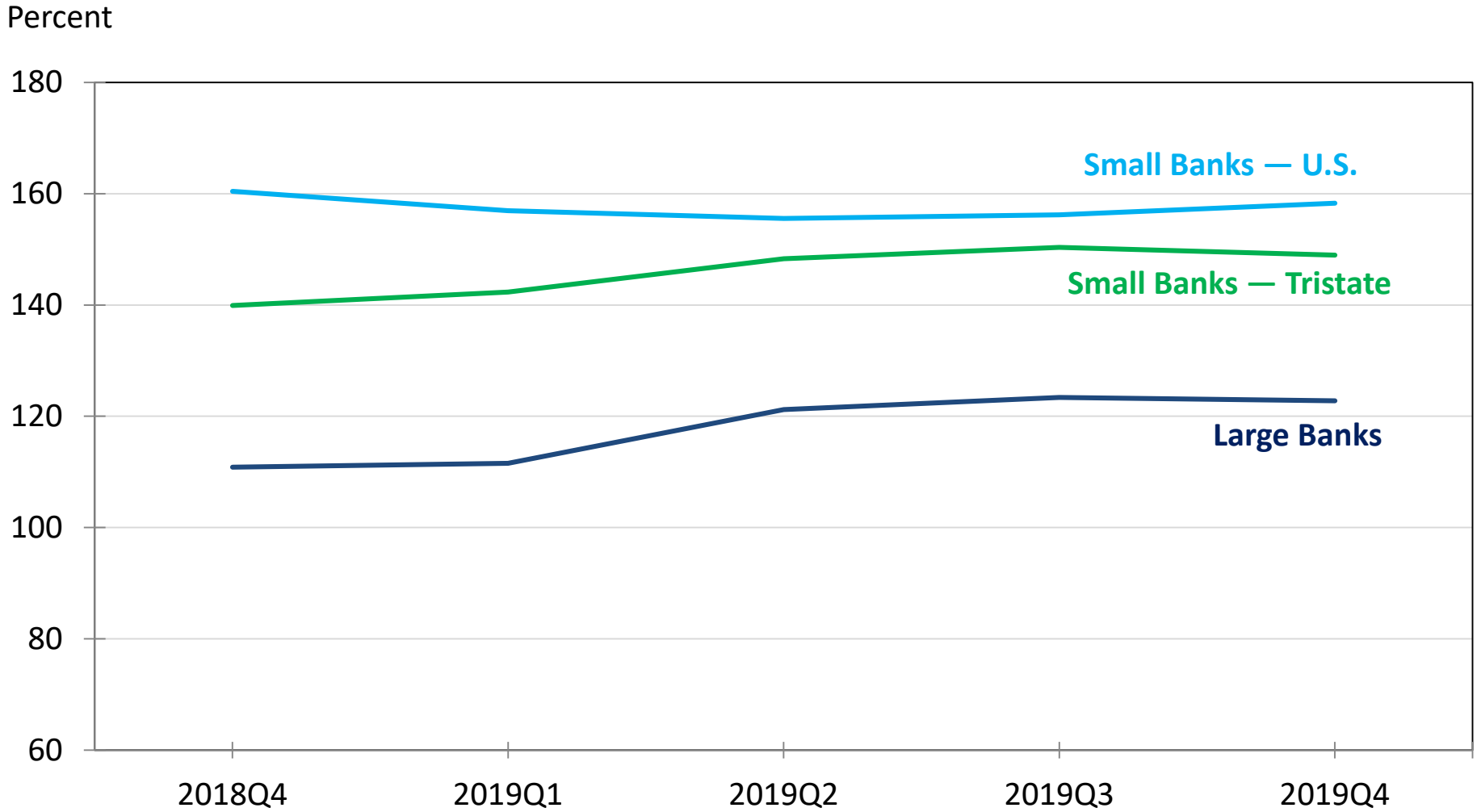


CHART 16

# Loan Loss Coverage Ratio



# Part V: Capital Ratios

CHART 17

# Total Equity as a Share of Total Assets

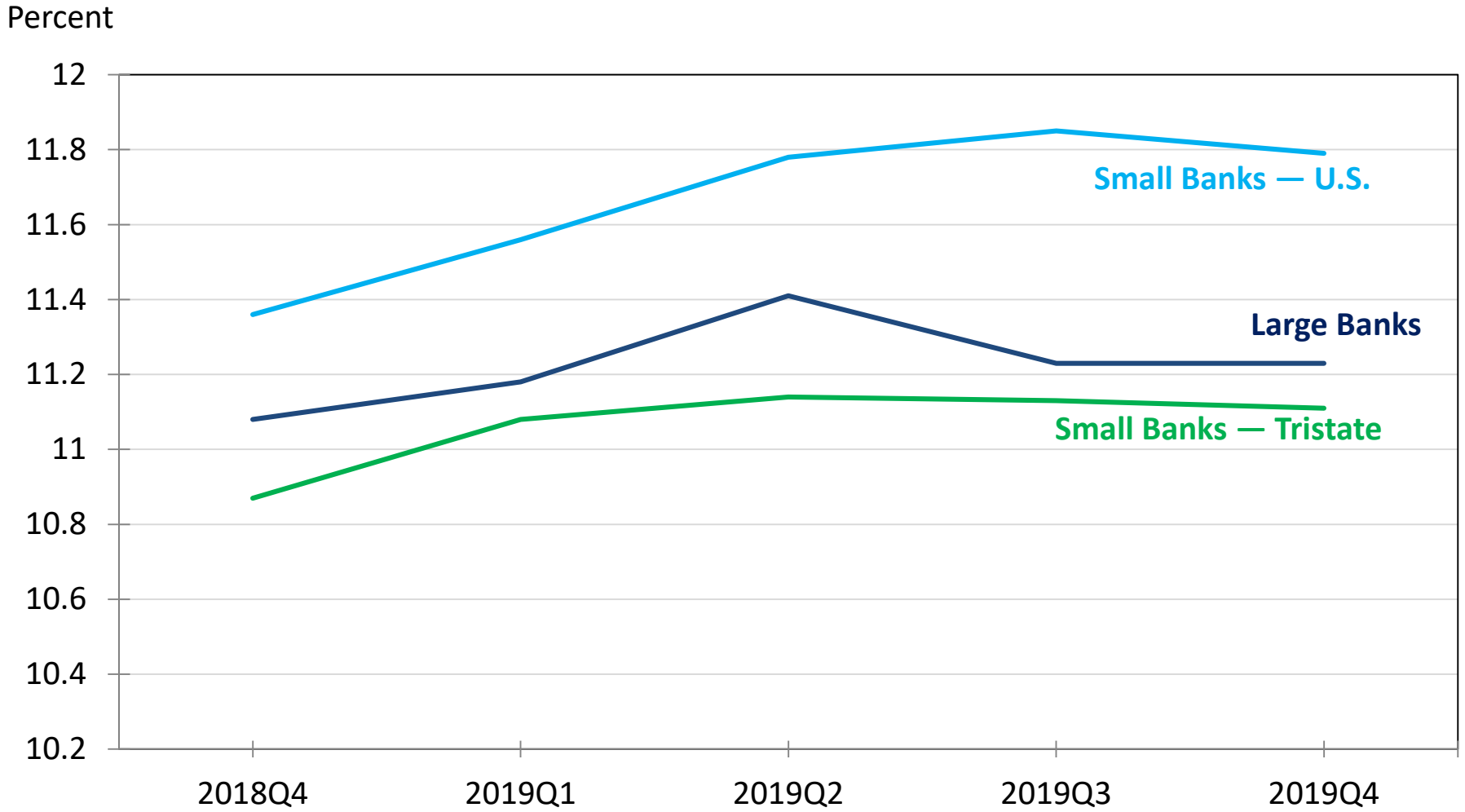


CHART 18

# Tier One Leverage Ratio

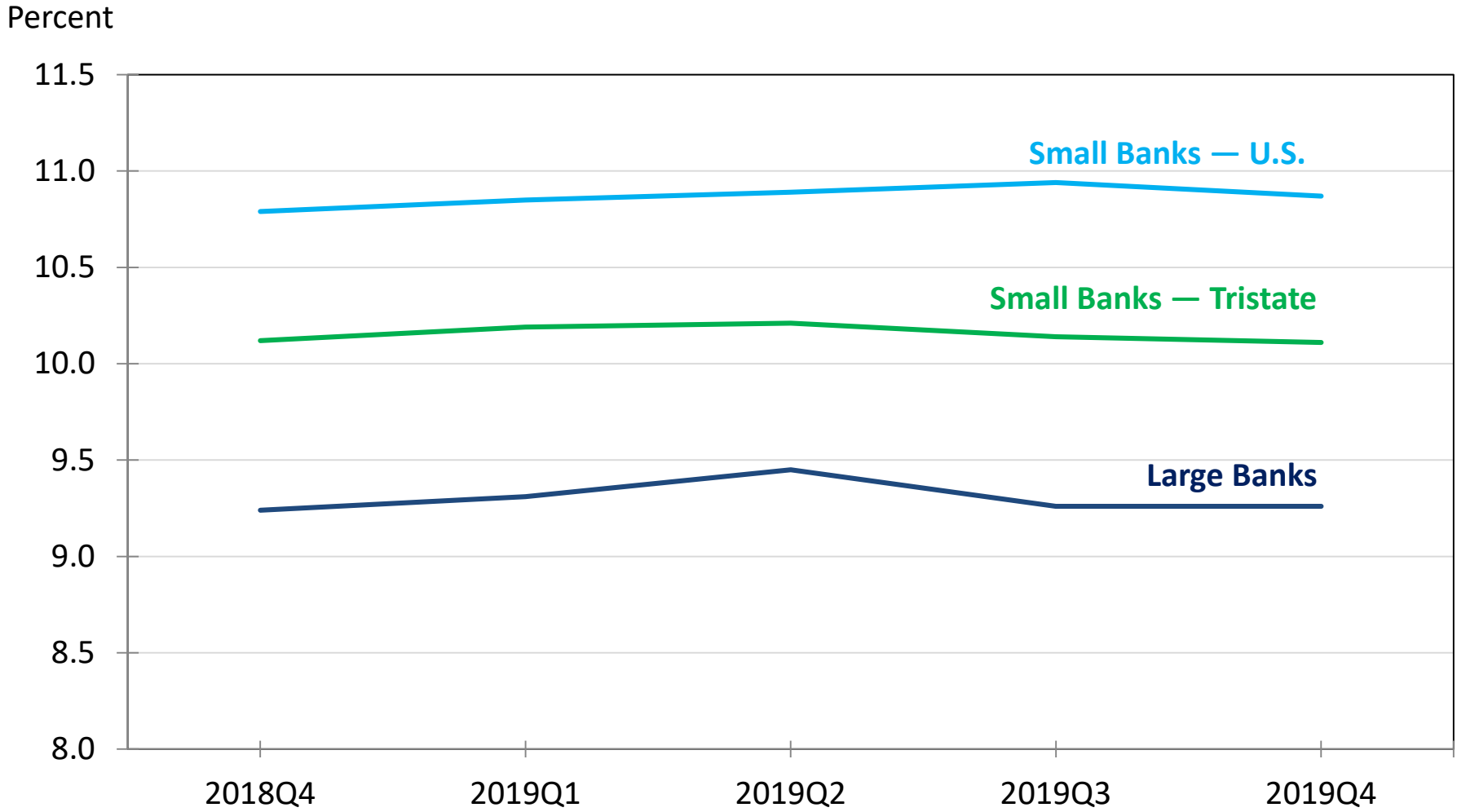
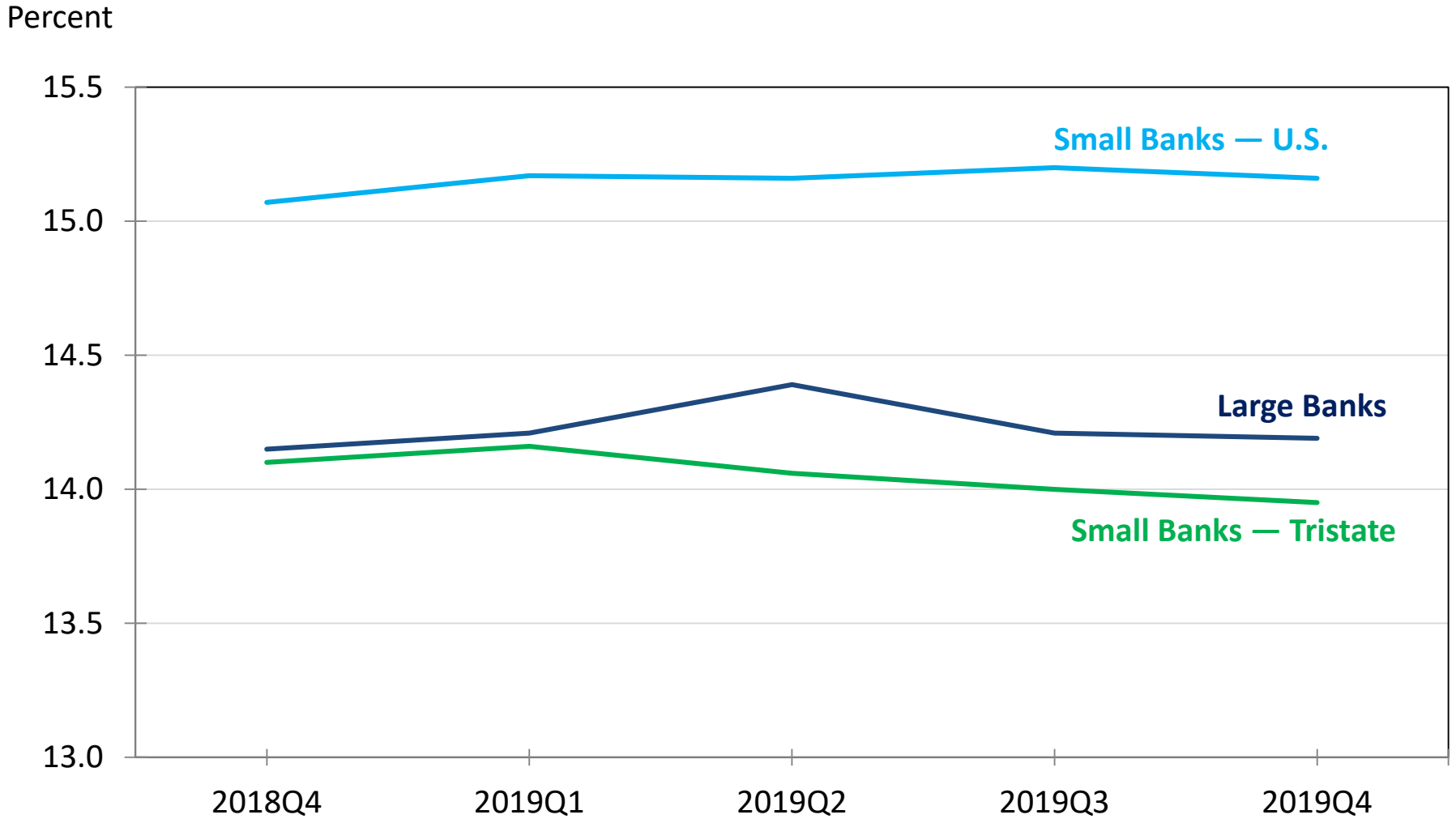




CHART 19

# Risk-Based Capital Ratio



# Part VI: Liquidity Ratios

CHART 20

# Total Loans as a Share of Total Deposits

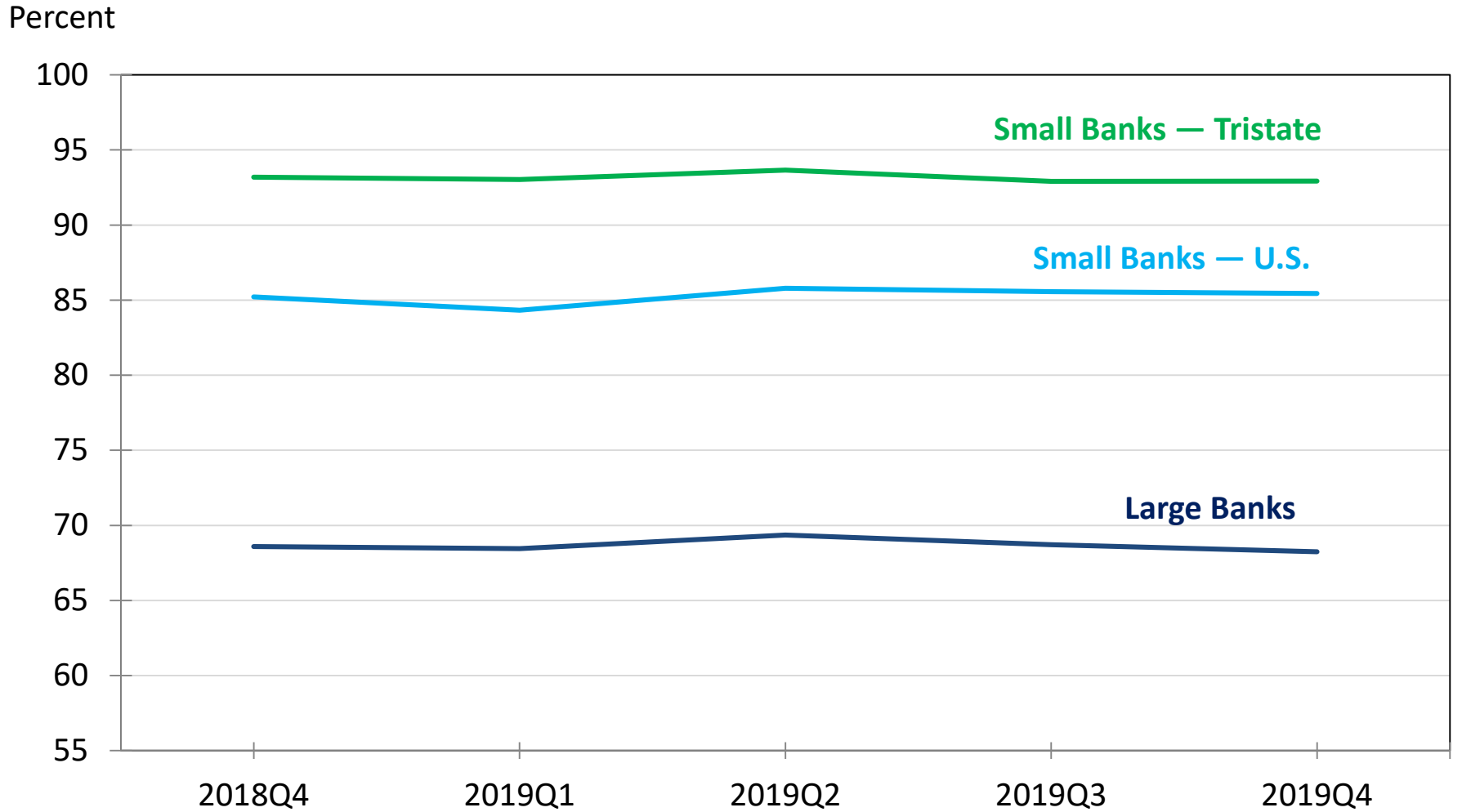


CHART 21

# Core Deposits as a Share of Total Deposits

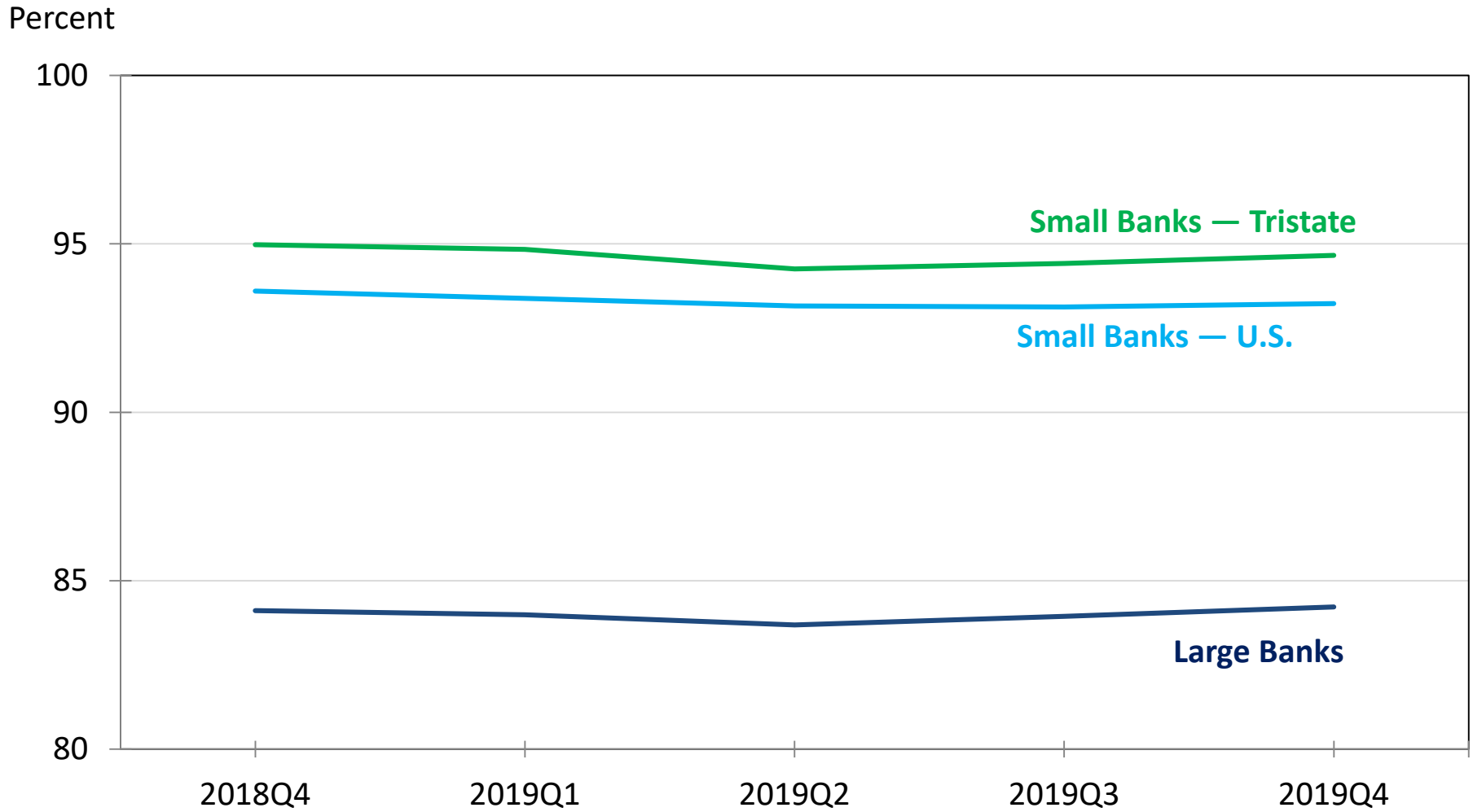
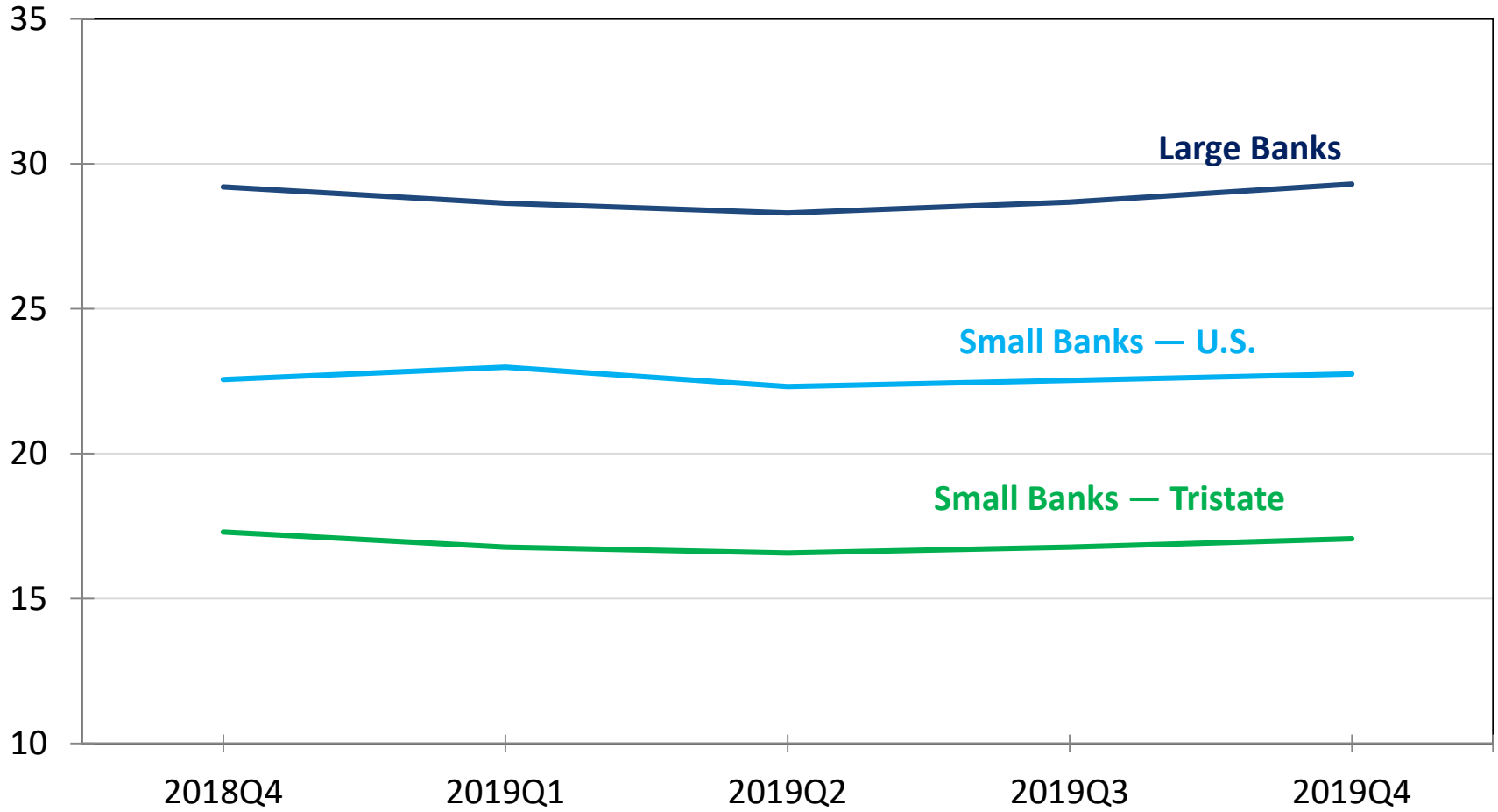


CHART 22

# Liquid Assets as a Share of Total Assets

Percent



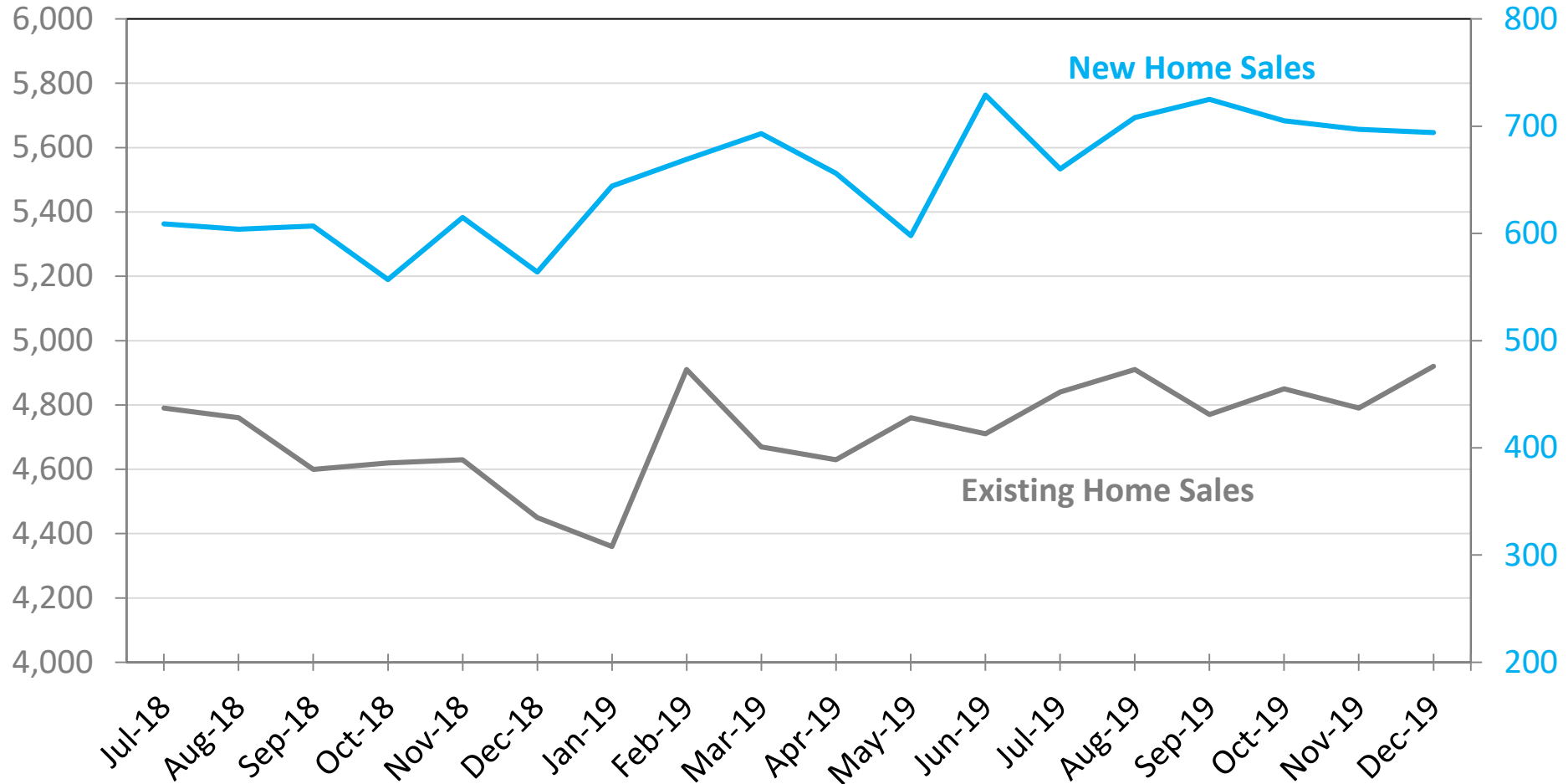
# Part VII: Market Conditions

CHART 23

# New and Existing Home Sales

Thousands

Thousands



Sources: Census Bureau and National Association of Realtors, 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).

To receive e-mail notifications on the latest *Banking Brief*, please go to [www.philadelphiafed.org/notifications/](http://www.philadelphiafed.org/notifications/).







FEDERAL RESERVE BANK OF PHILADELPHIA