

Banking Brief

RESEARCH DEPARTMENT

Third Quarter 2021

Part 1. [Earnings Ratios](#)

Part 2. [Annual Growth Rates](#)

Part 3. [Asset Quality Ratios](#)

Part 4. [Loan Loss Provisioning and Reserves](#)

Part 5. [Capital Ratios](#)

Part 6. [Liquidity Ratios](#)

Part 7. [Market Conditions](#)

Summary Table of Bank Structure and Conditions

Third Quarter 2021	Small Banks						Large Banks		
	U.S.			Tristate			U.S.		
	\$ Billion	% Change From		\$ Billion	% Change From		\$ Billion	% Change From	
	21Q3	21Q2	20Q3	21Q3	21Q2	20Q3	21Q3	21Q2	20Q3
Total Assets	3,072.9	9.11	11.56	209.7	6.84	8.12	17,798.4	8.25	9.61
Total Loans	1,894.9	-1.31	-0.64	144.5	-8.16	0.66	7,725.1	2.44	-0.29
C&I	327.3	-39.68	-23.17	29.5	-51.11	-15.63	1,784.3	-8.55	-9.35
Real Estate	1,375.9	9.70	6.36	101.9	8.08	5.01	3,278.7	4.03	-1.68
Consumer	75.7	16.25	10.21	8.8	29.96	21.93	1,146.8	7.24	4.39
Total Deposits	2,620.1	11.14	15.03	174.1	17.52	12.64	14,604.8	9.24	11.67
Ratios (in %)	21Q3	21Q2	20Q3	21Q3	21Q2	20Q3	21Q3	21Q2	20Q3
Net Income/Avg. Assets (ROA)	1.32	1.28	1.06	1.30	1.18	0.79	1.10	1.05	0.59
Net Interest Inc./Avg. Assets (NIM)	3.08	3.08	3.27	3.00	2.91	2.96	2.00	2.03	2.31
Noninterest Inc./Avg. Assets	1.09	1.13	1.07	1.08	1.08	1.04	1.28	1.29	1.34
Noninterest Exp./Avg. Assets	2.52	2.54	2.74	2.43	2.42	2.59	2.06	2.09	2.29
Loans/Deposits	72.32	74.51	83.73	83.03	88.31	92.91	52.89	53.75	59.24
Equity/Assets	10.60	10.60	10.88	10.24	10.14	10.06	9.89	9.94	10.17
Nonperforming Loans/Total Loans	0.64	0.69	0.77	0.62	0.65	0.70	0.89	0.96	1.10

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, 2020, 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, 2020. 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, 2020, including assets of only their commercial bank subsidiaries. *U.S.* excludes tristate banks. The sample includes 114 small tristate banks, 3,766 small U.S. banks, and 100 large U.S. banks. *Data for Large Banks were adjusted due to an internal merger at one institution during the second quarter of 2019 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 1: Earnings Ratios

CHART 1

Return on Average Assets

Percent

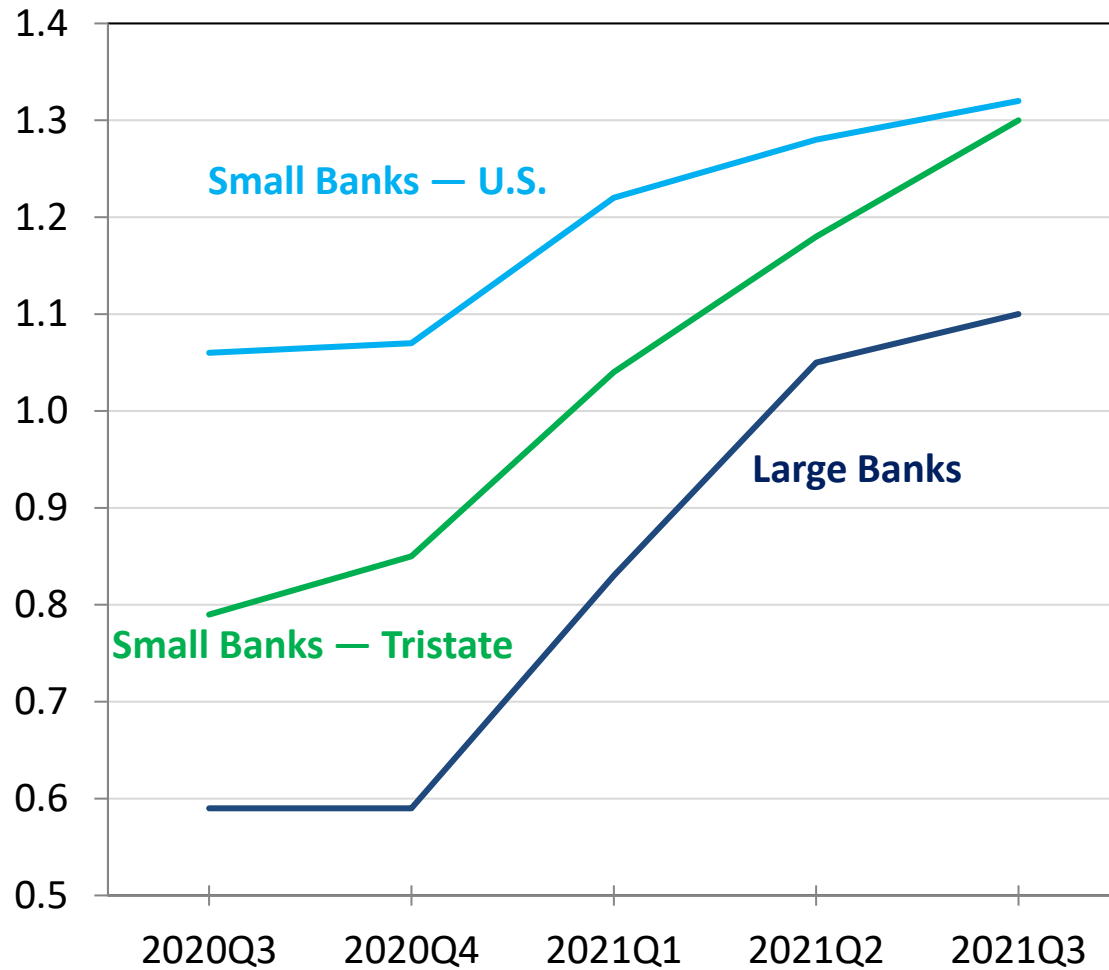
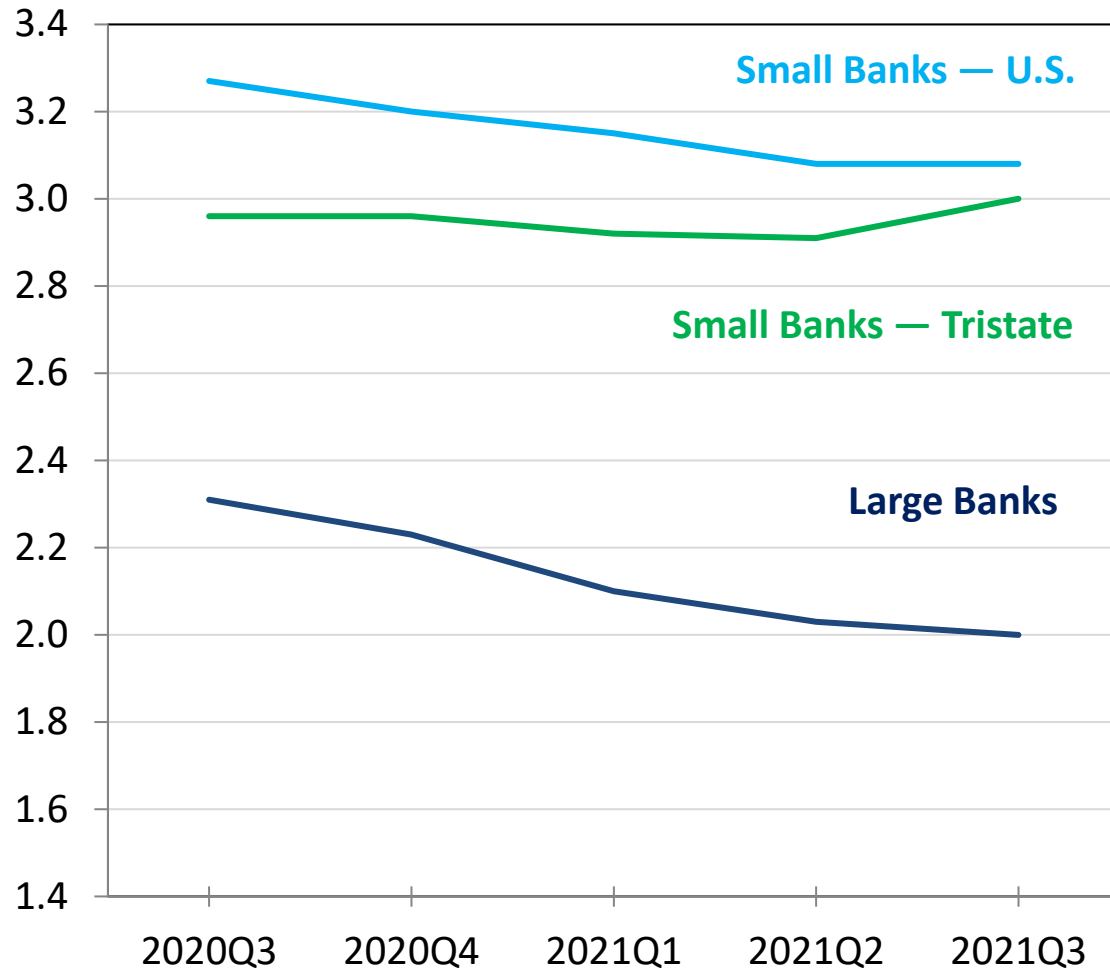


CHART 2

Net Interest Margin

Percent



Part 2: Annual Growth Rates

CHART 3

Annual Growth of Quarterly Net Income Percent

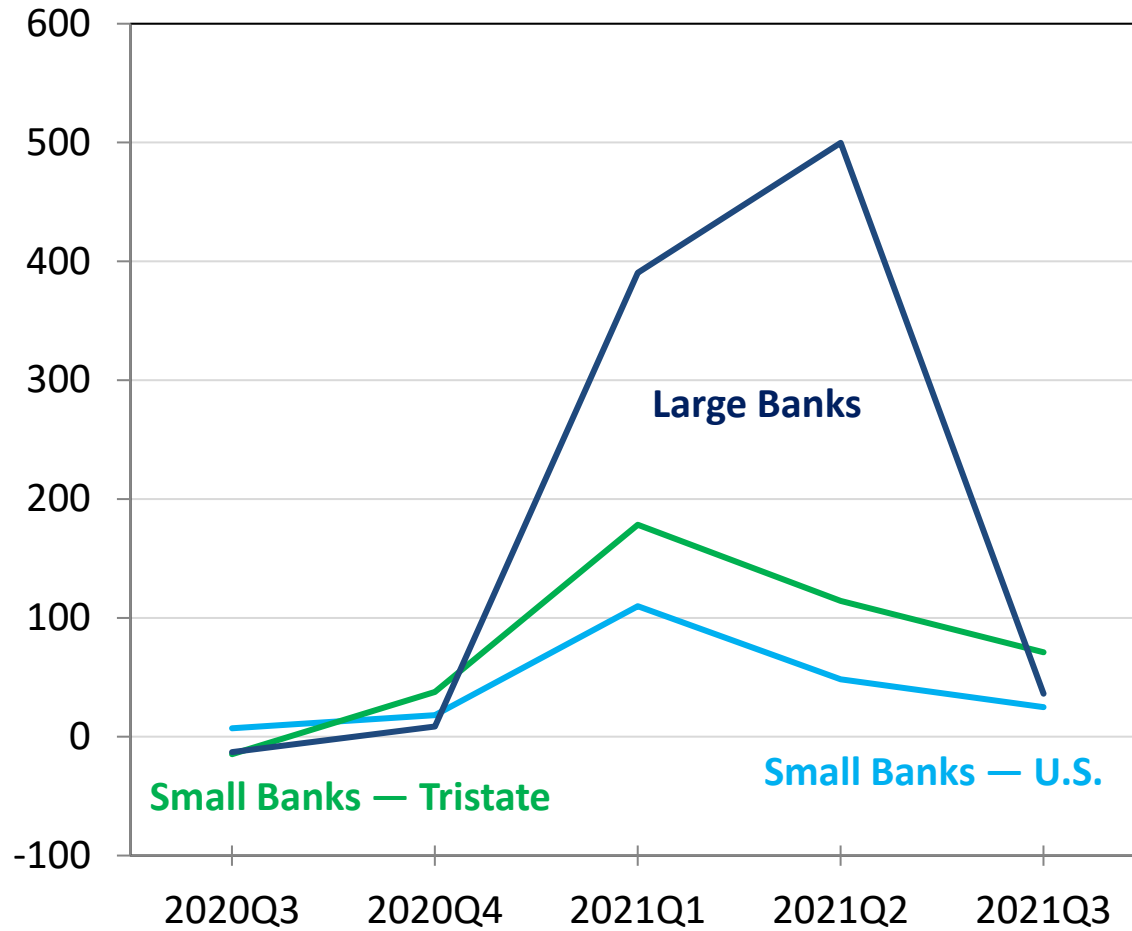


CHART 4

Annual Growth of Total Assets

Percent

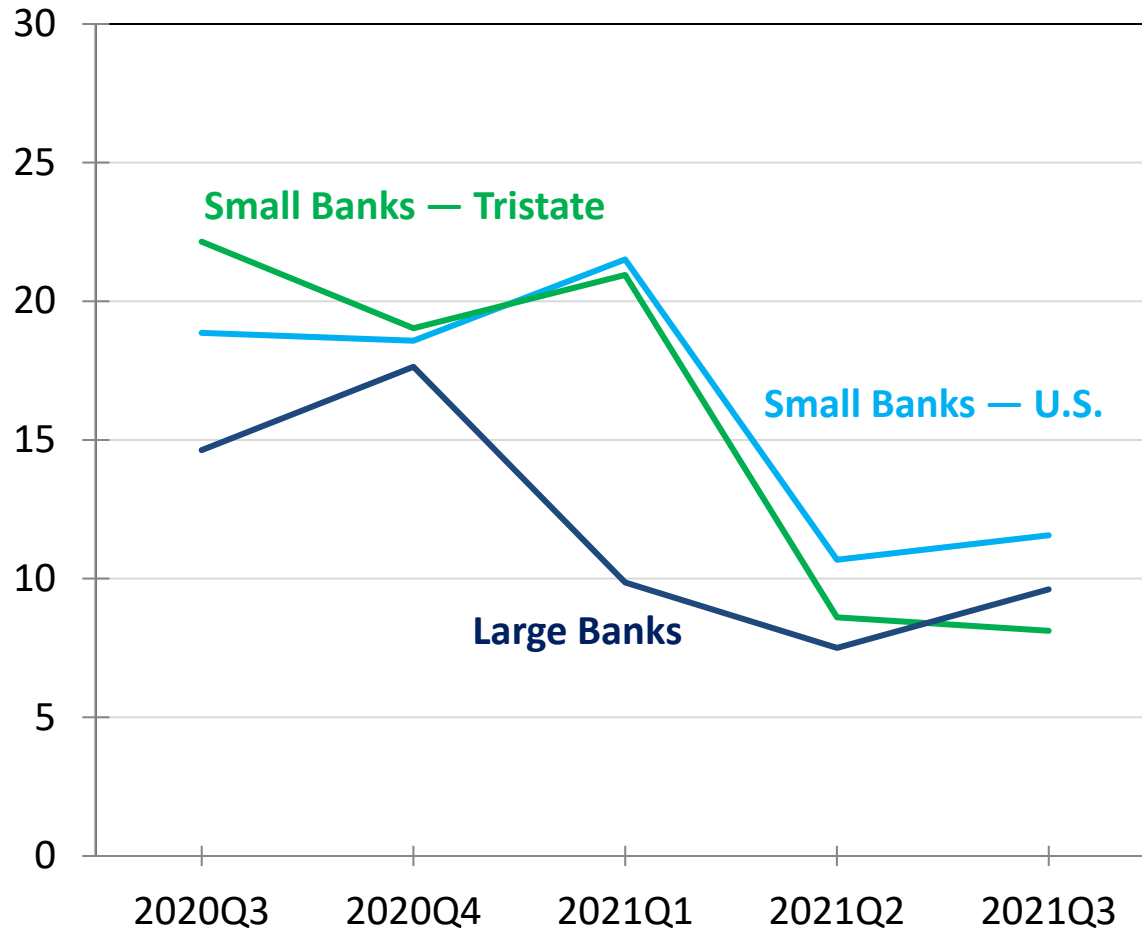


CHART 5

Annual Growth of Total Loans

Percent

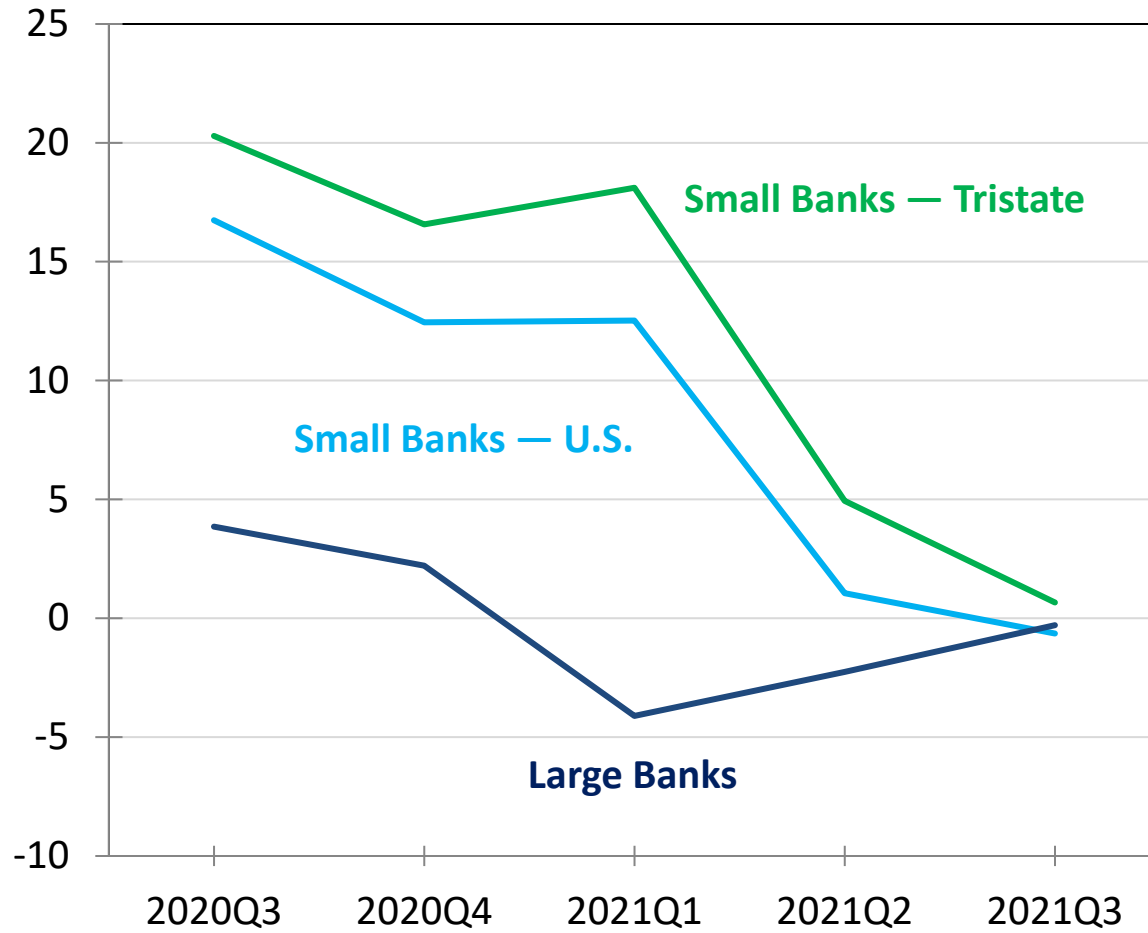


CHART 5a

Annual Growth of RRE Loans

Percent

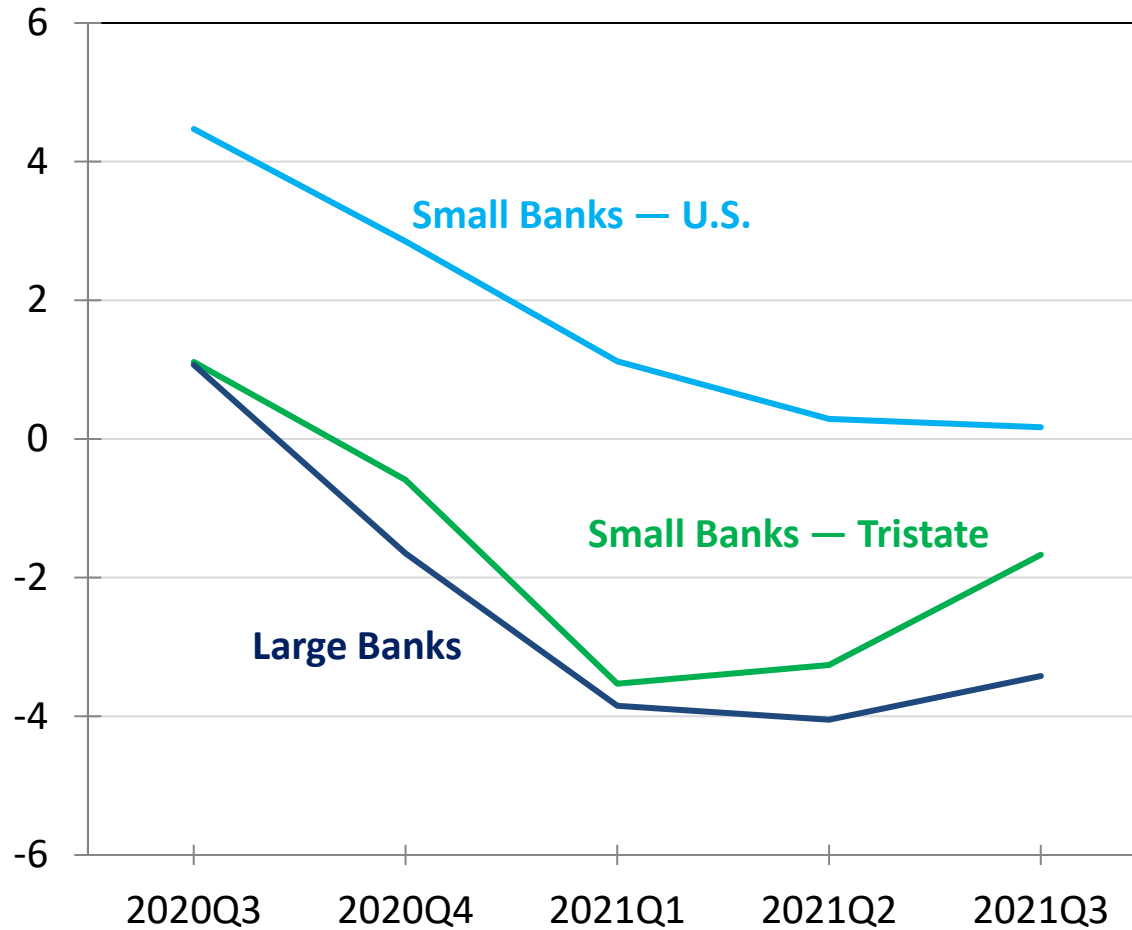


CHART 5b

Annual Growth of CRE Loans

Percent

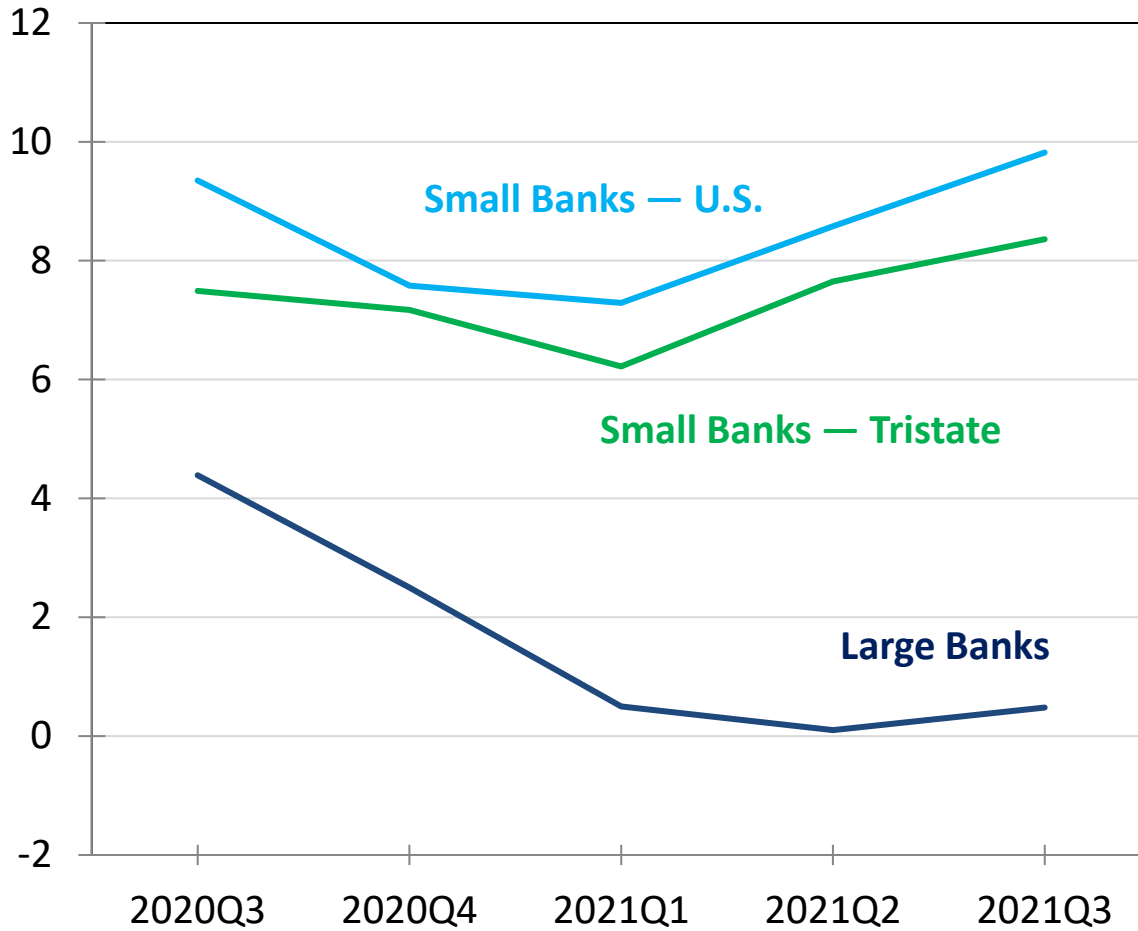


CHART 5c

Annual Growth of Construction Loans

Percent

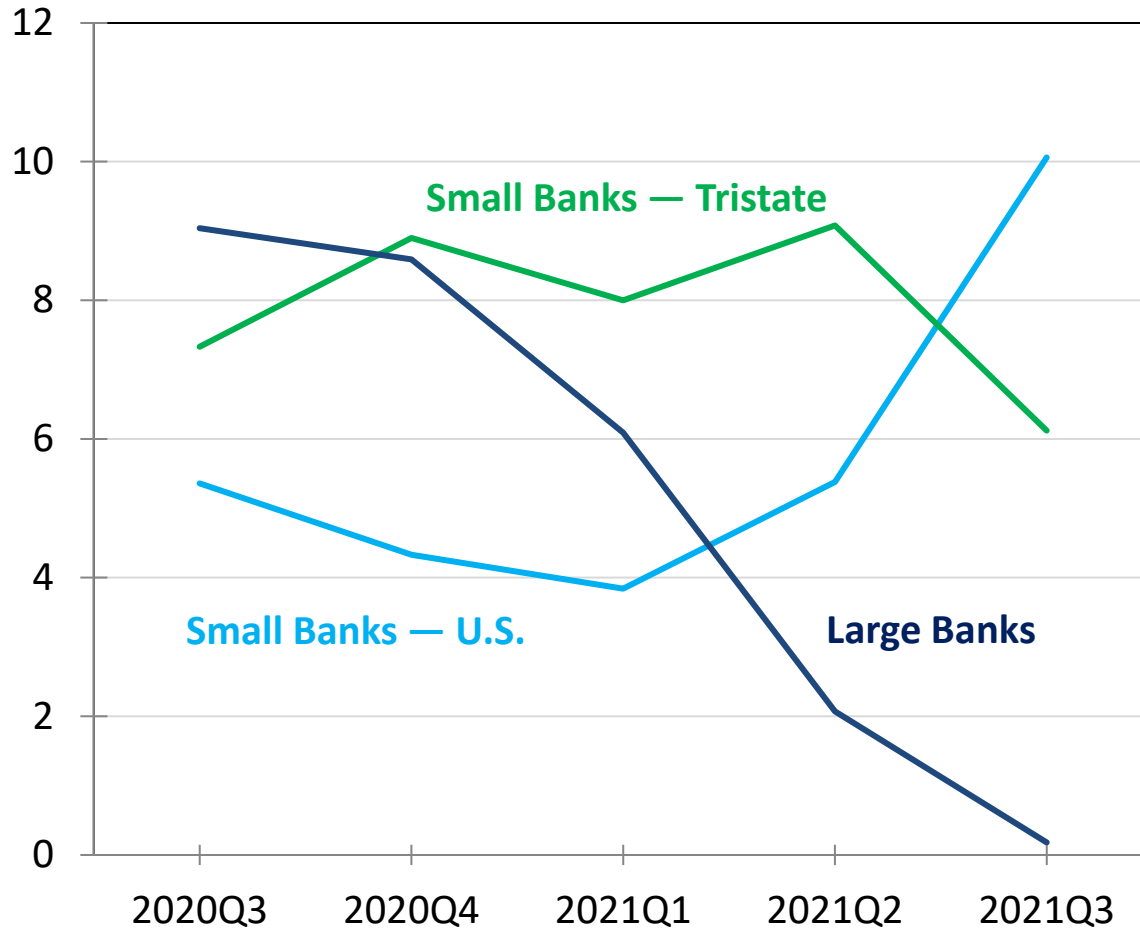


CHART 5d

Annual Growth of Loans Secured by Multifamily Properties

Percent

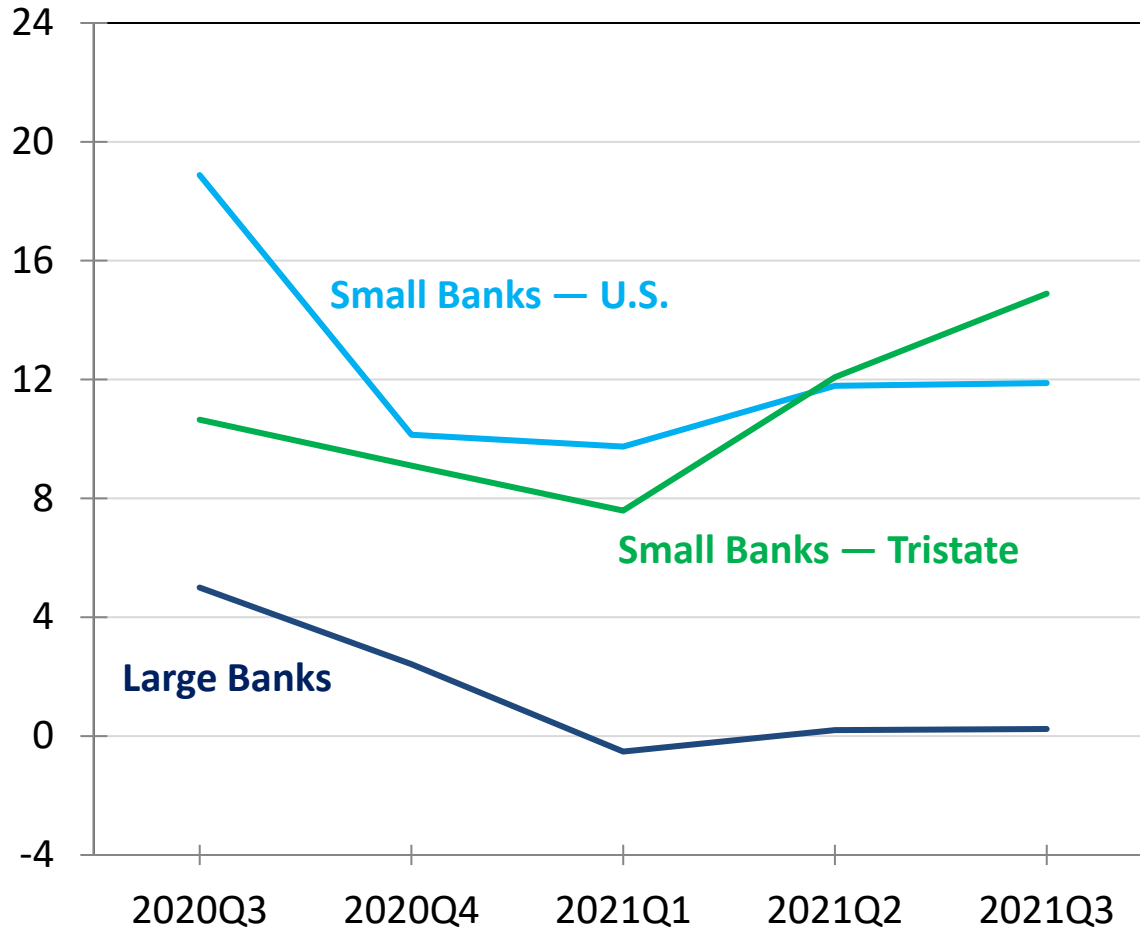


CHART 5e

Annual Growth of Commercial Mortgages

Percent

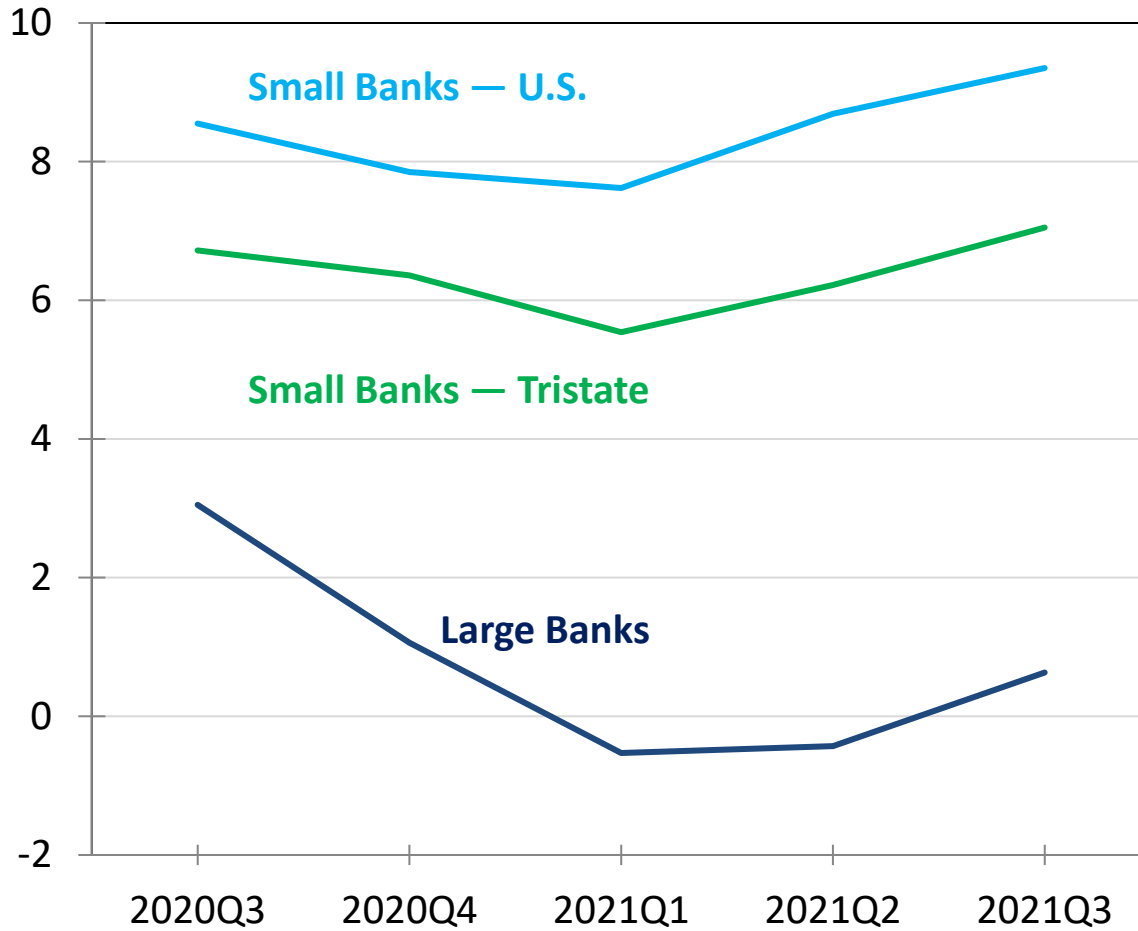


CHART 5f

Annual Growth of Commercial and Industrial Loans

Percent

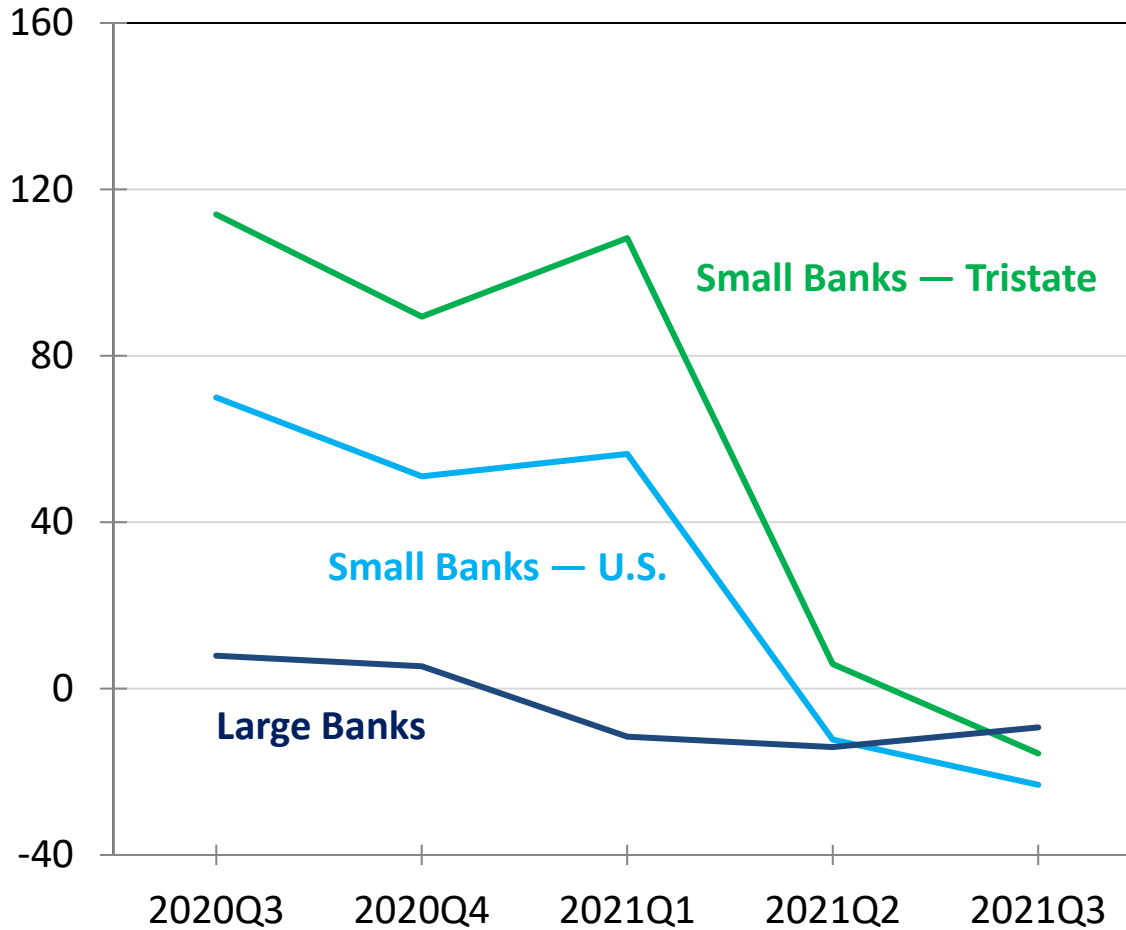


CHART 5g

Annual Growth of Consumer Loans

Percent

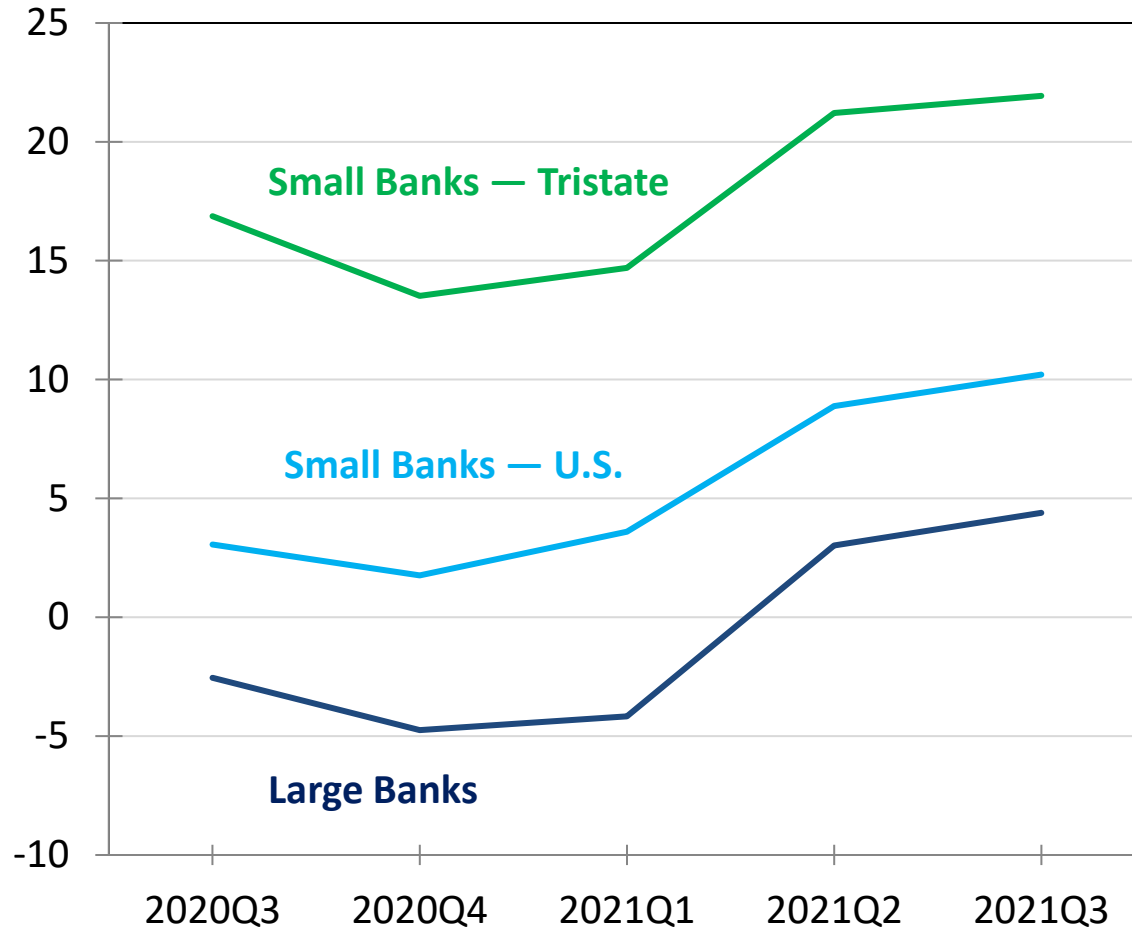
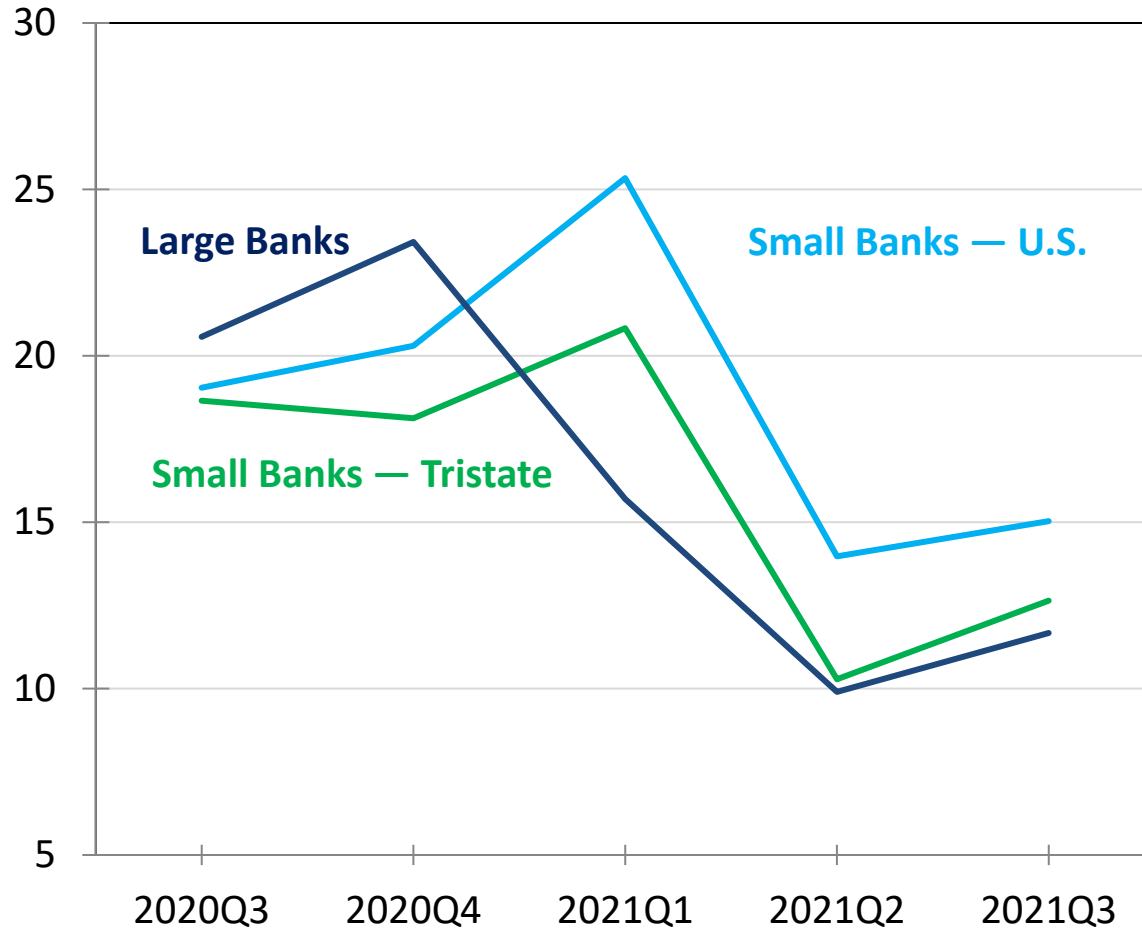


CHART 6

Annual Growth of Total Deposits

Percent



Part 3: Asset Quality Ratios

CHART 7

Nonperforming Assets as a Share of Total Assets

Percent

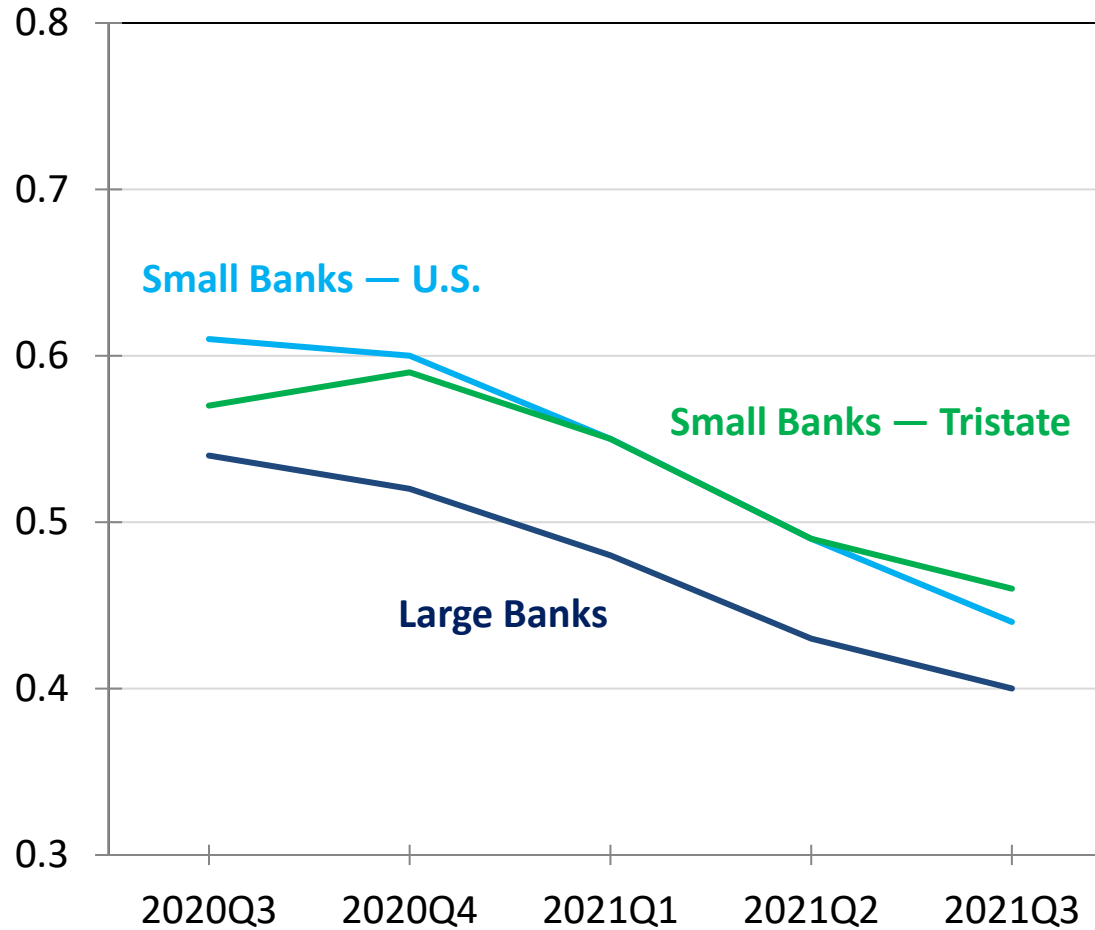


CHART 8

Nonperforming Loans as a Share of Total Loans

Percent

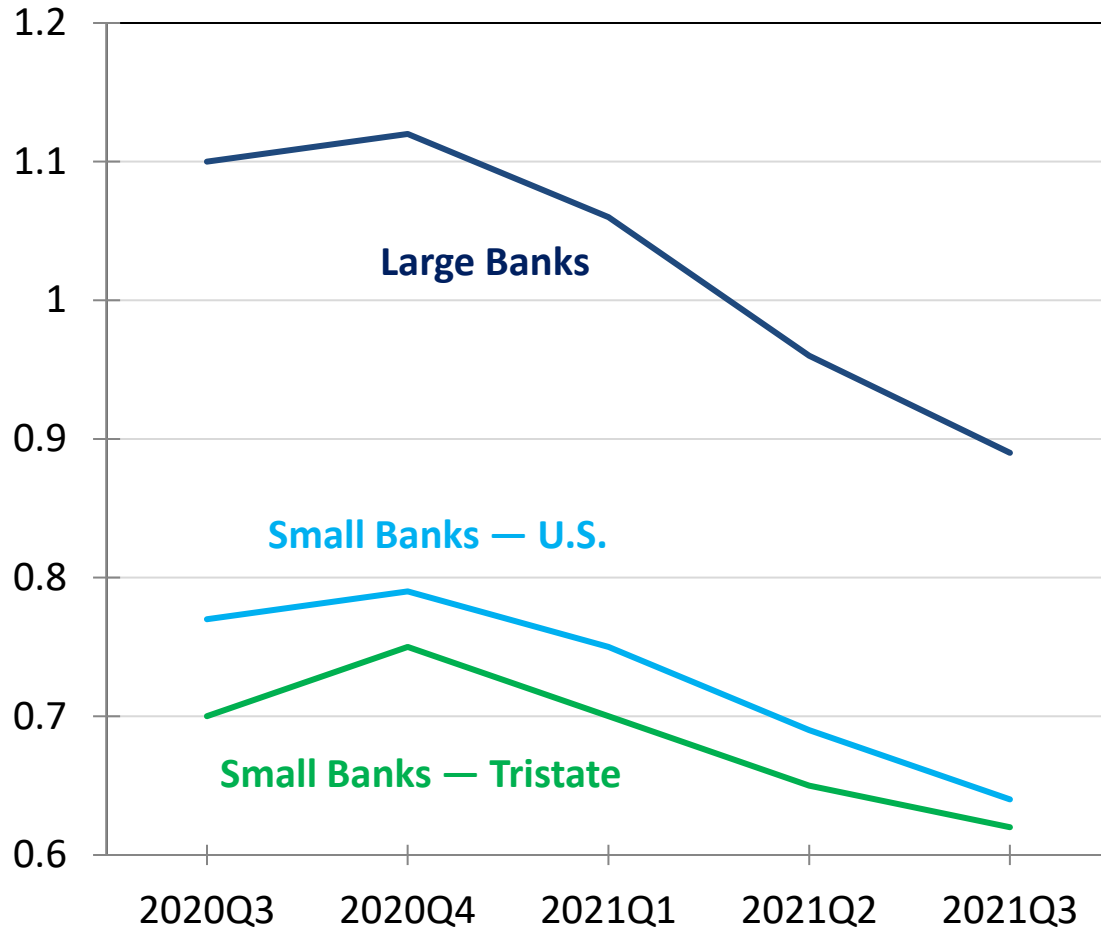


CHART 9

Residential Real Estate Nonperforming Loan Ratio

Percent

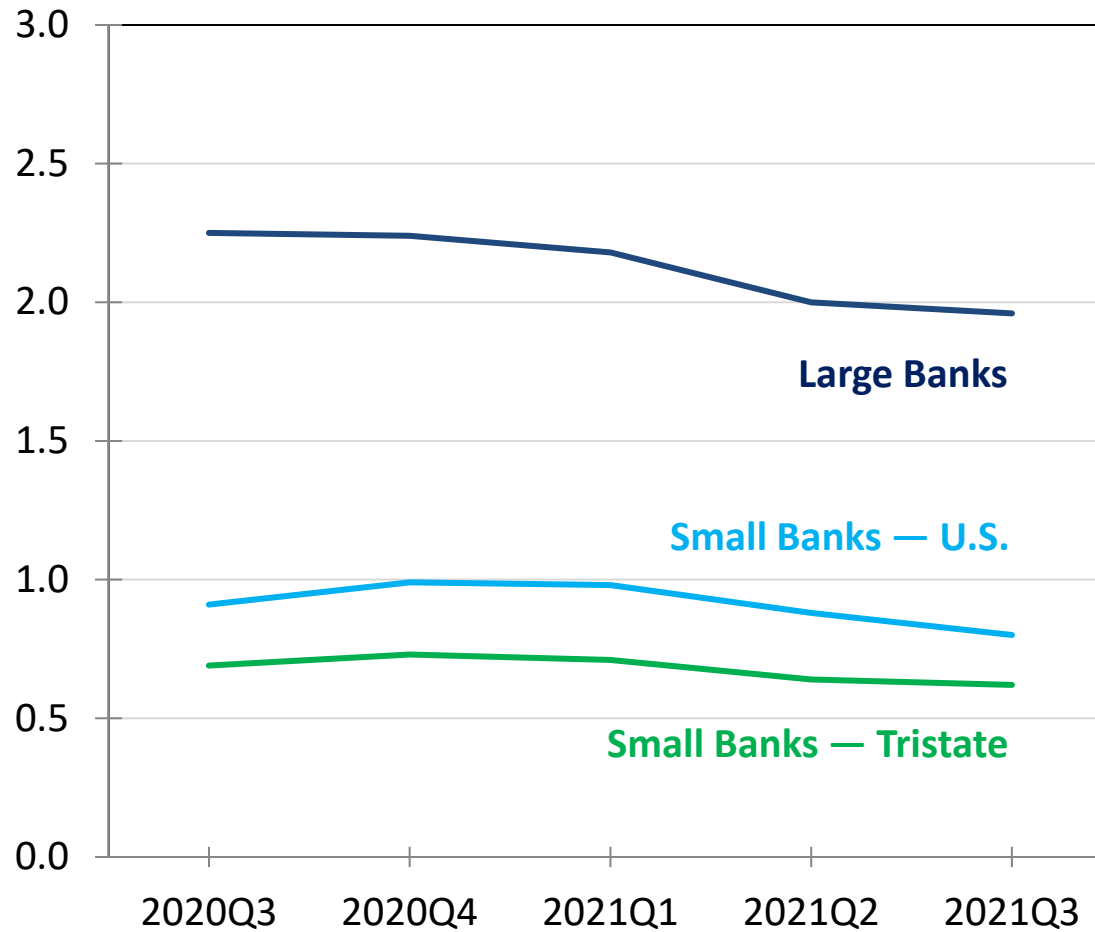


CHART 10

Commercial Real Estate Nonperforming Loan Ratio

Percent

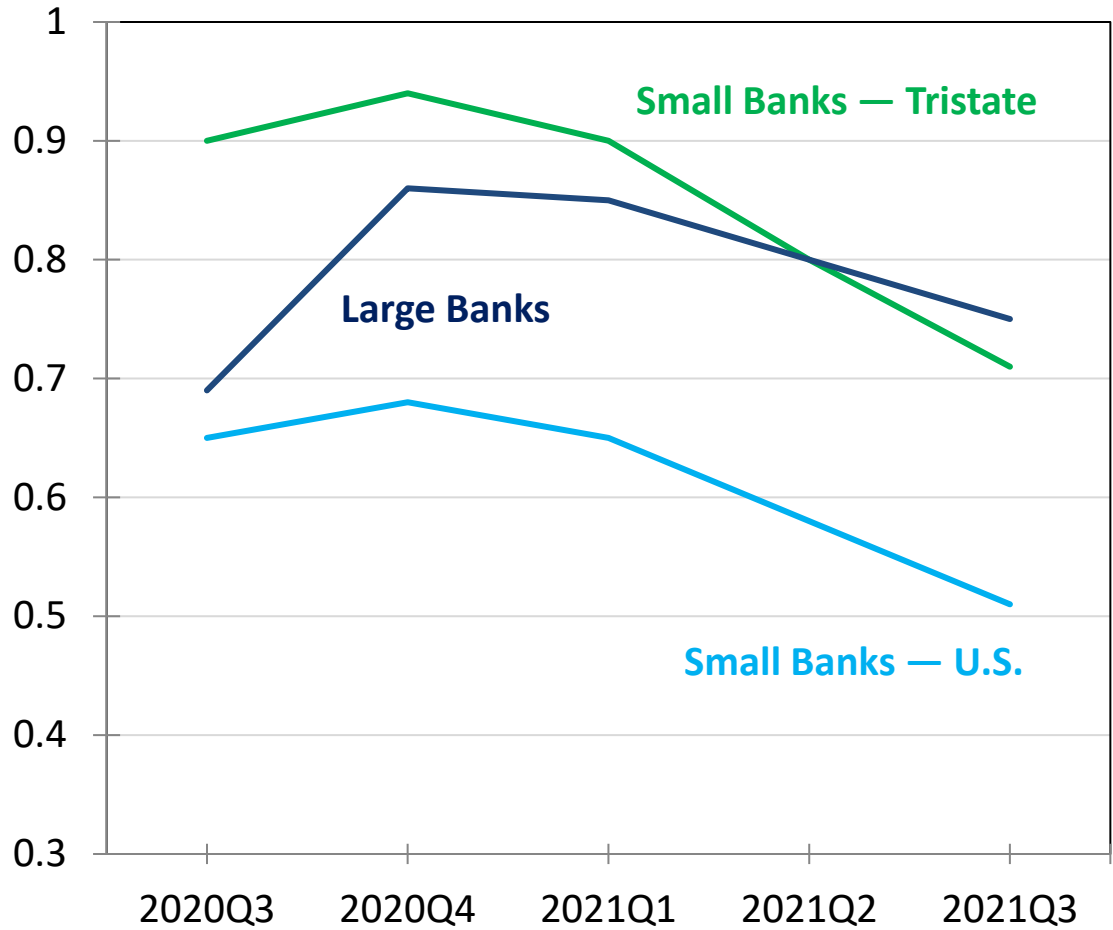


CHART 11

Commercial and Industrial Nonperforming Loan Ratio

Percent

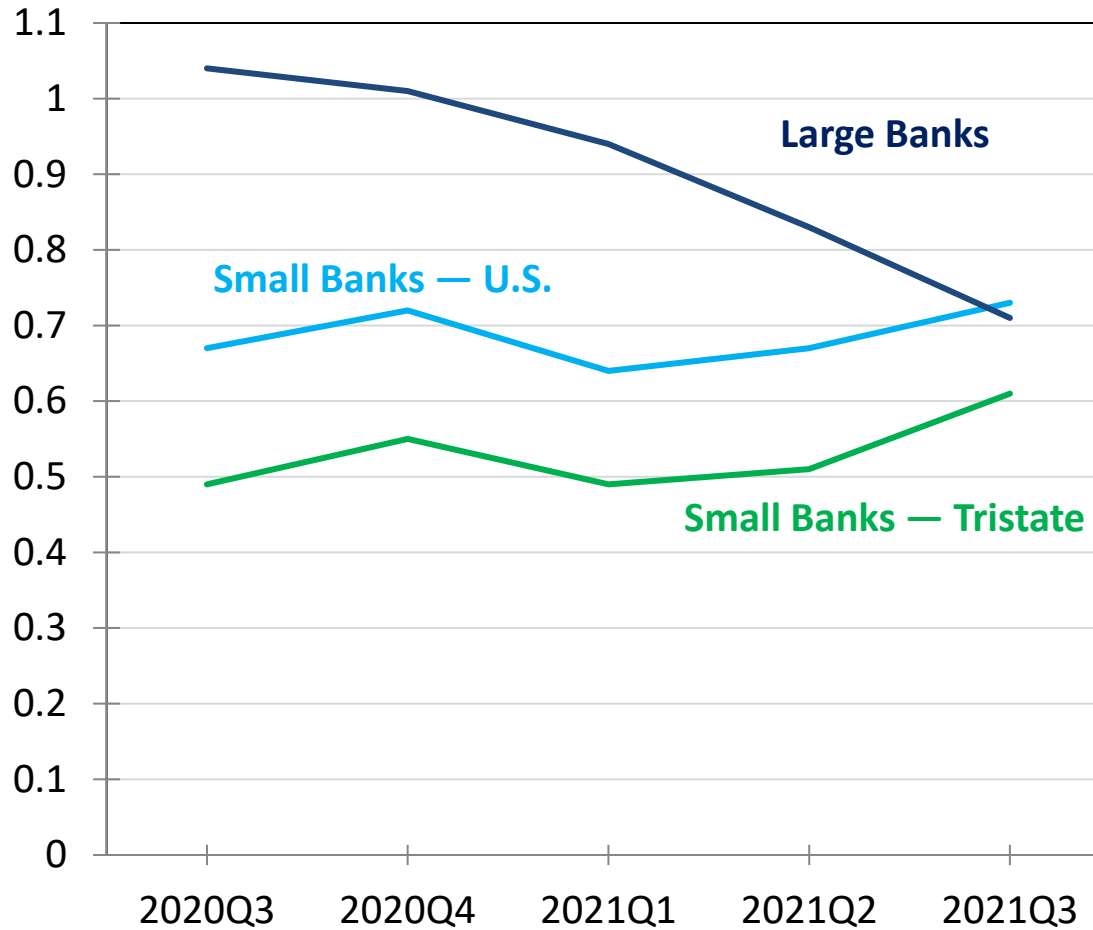
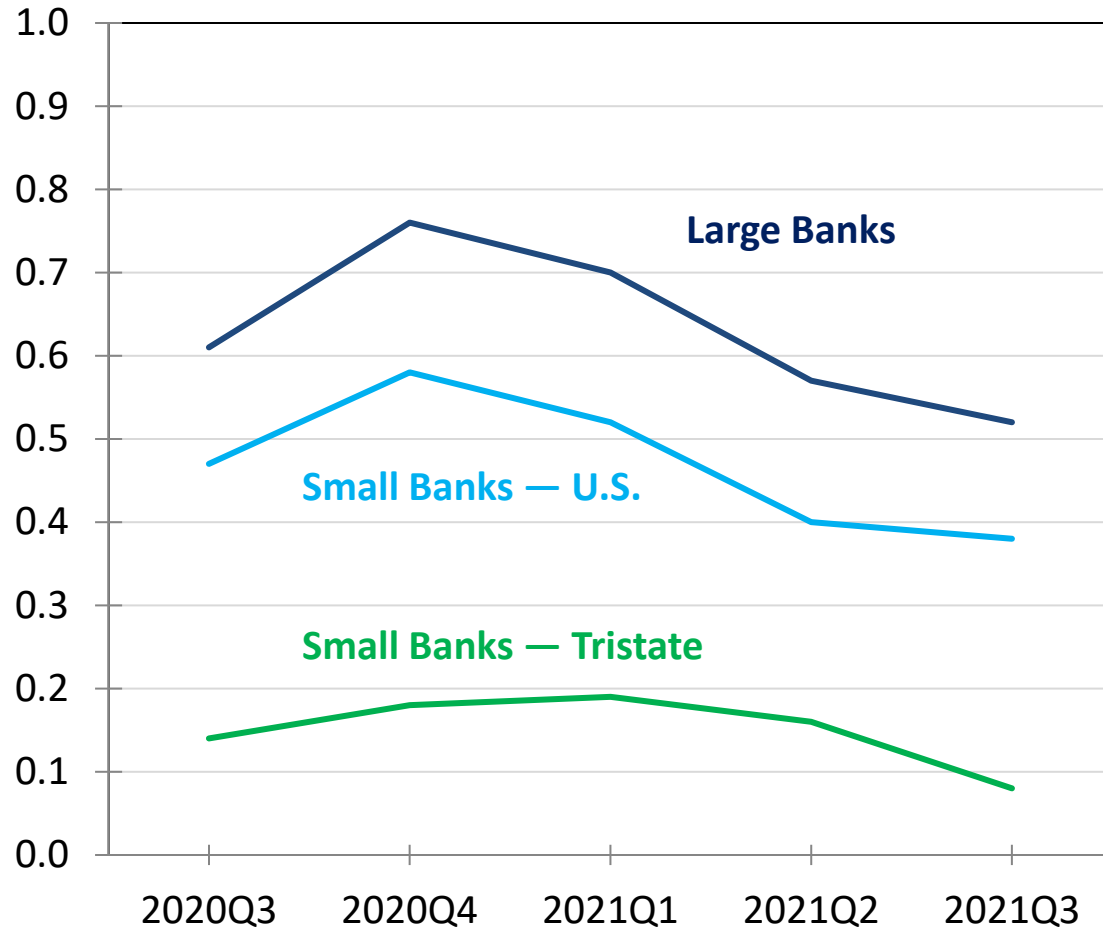


CHART 12

Consumer Nonperforming Loan Ratio

Percent



Part 4: Loan Loss Provisioning and Reserves

CHART 13

Loan Loss Reserves as a Share of Total Assets

Percent

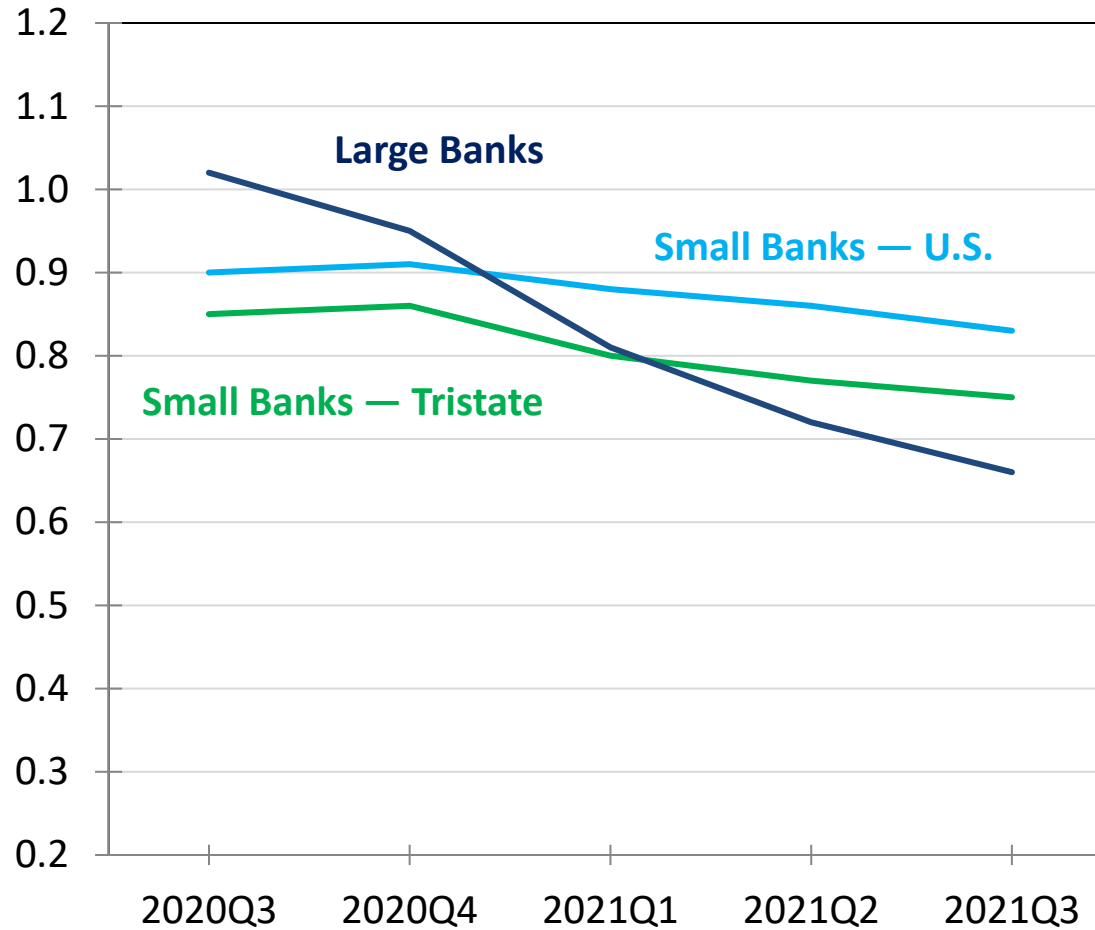


CHART 14

Net Charge-Offs as a Share of Loan Loss Provisions

Percent

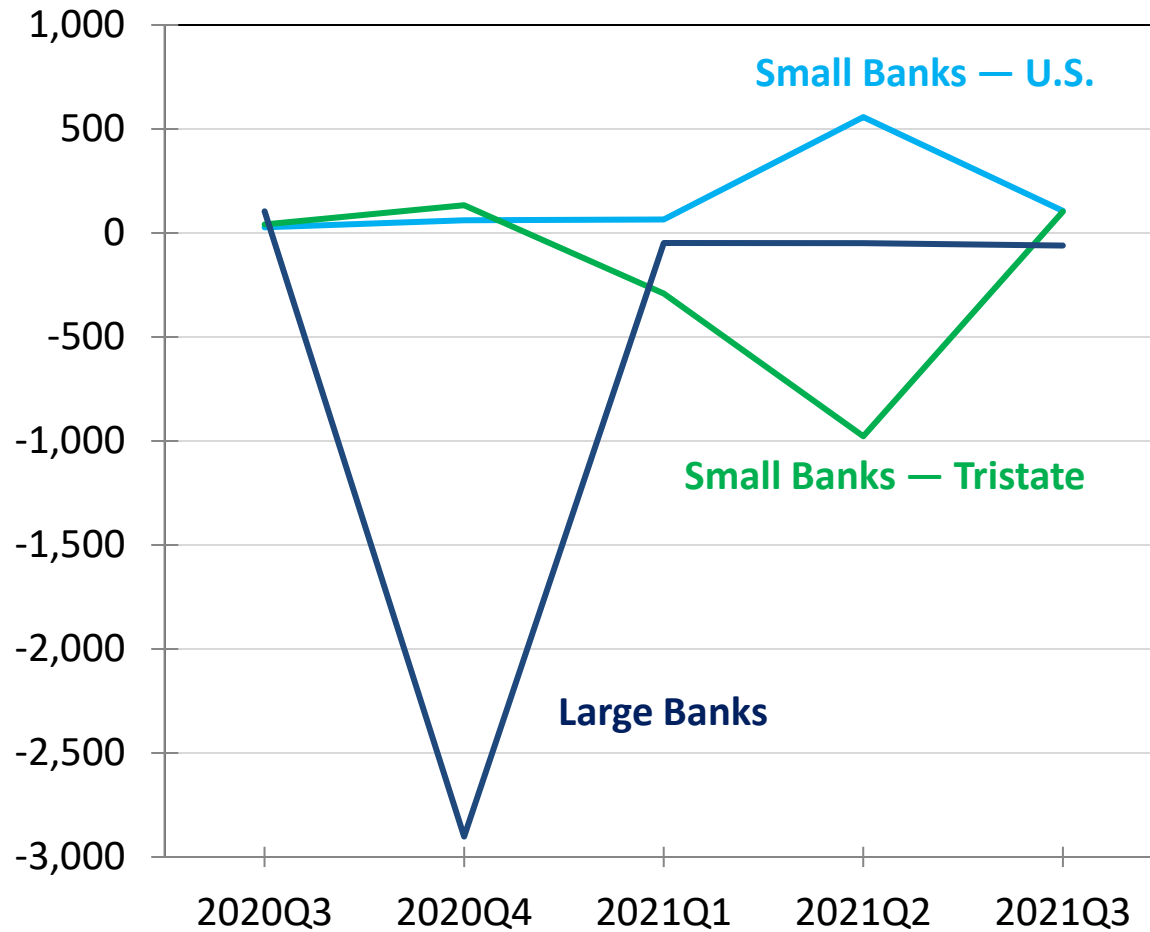


CHART 15

Loan Loss Provision as a Share of Operating Income

Percent

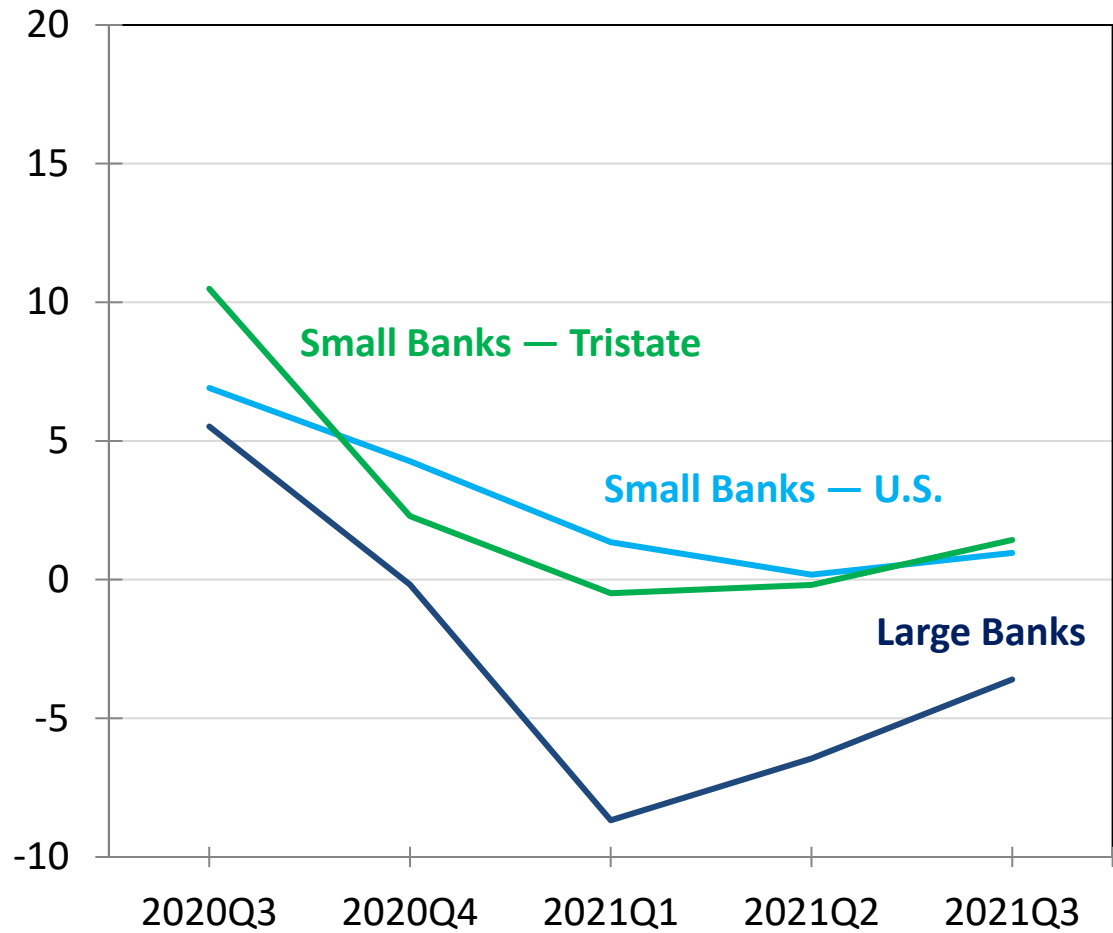
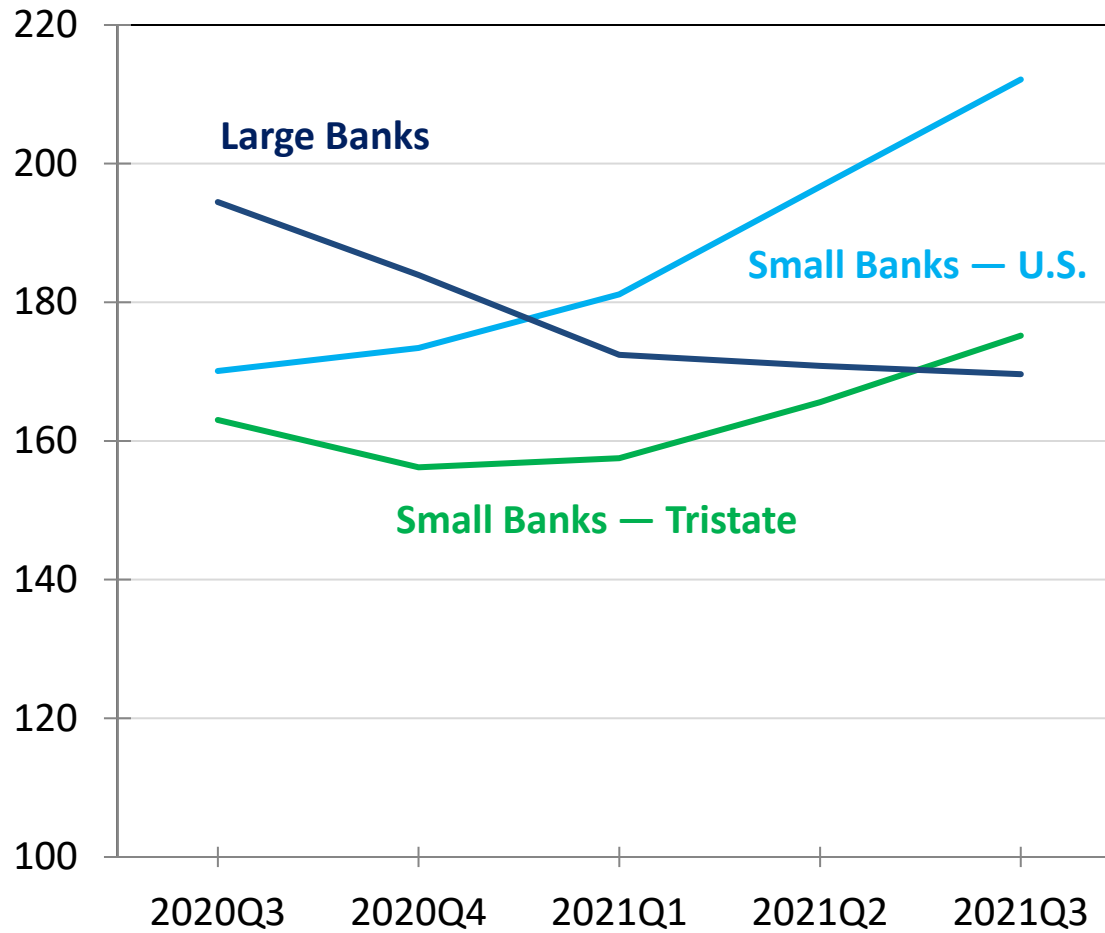


CHART 16

Loan Loss Coverage Ratio

Percent



Part 5: Capital Ratios

CHART 17

Total Equity as a Share of Total Assets

Percent

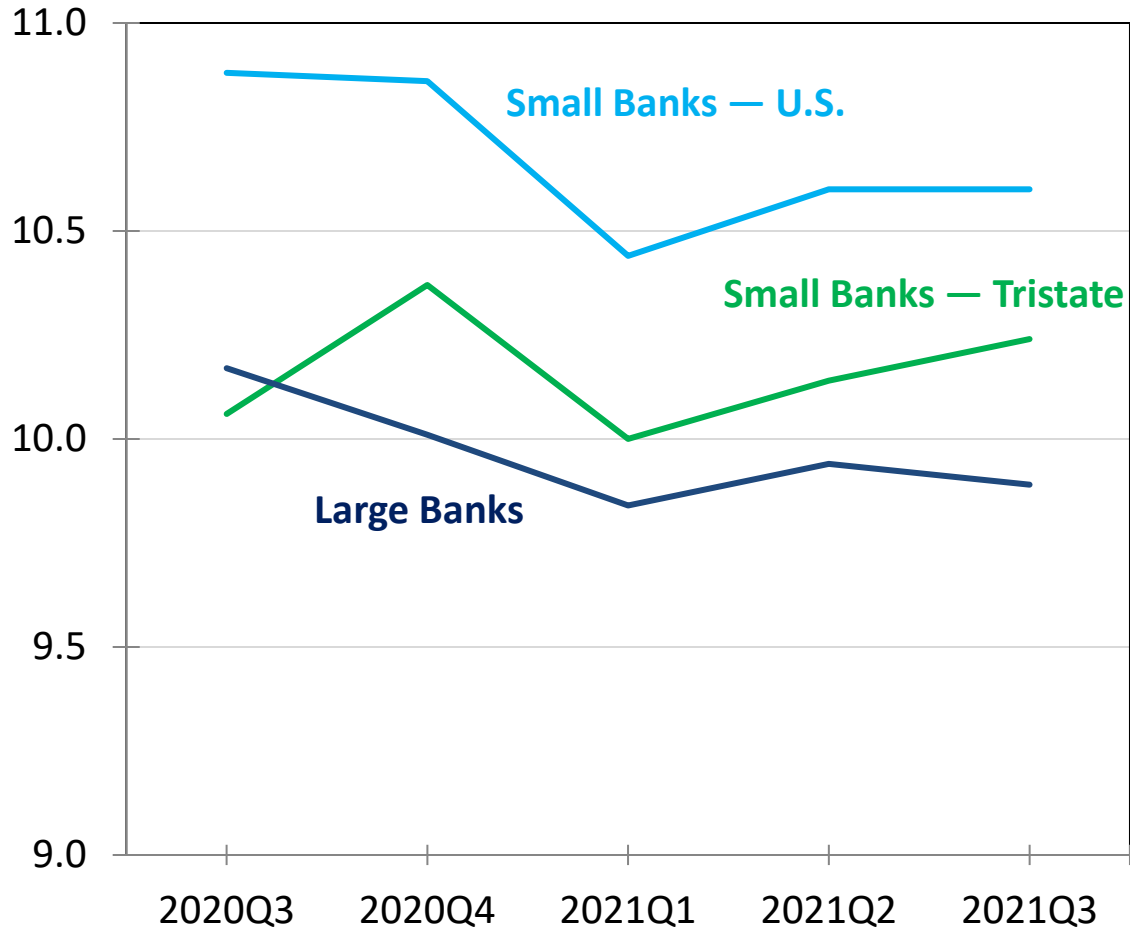


CHART 18

Tier One Leverage Ratio

Percent

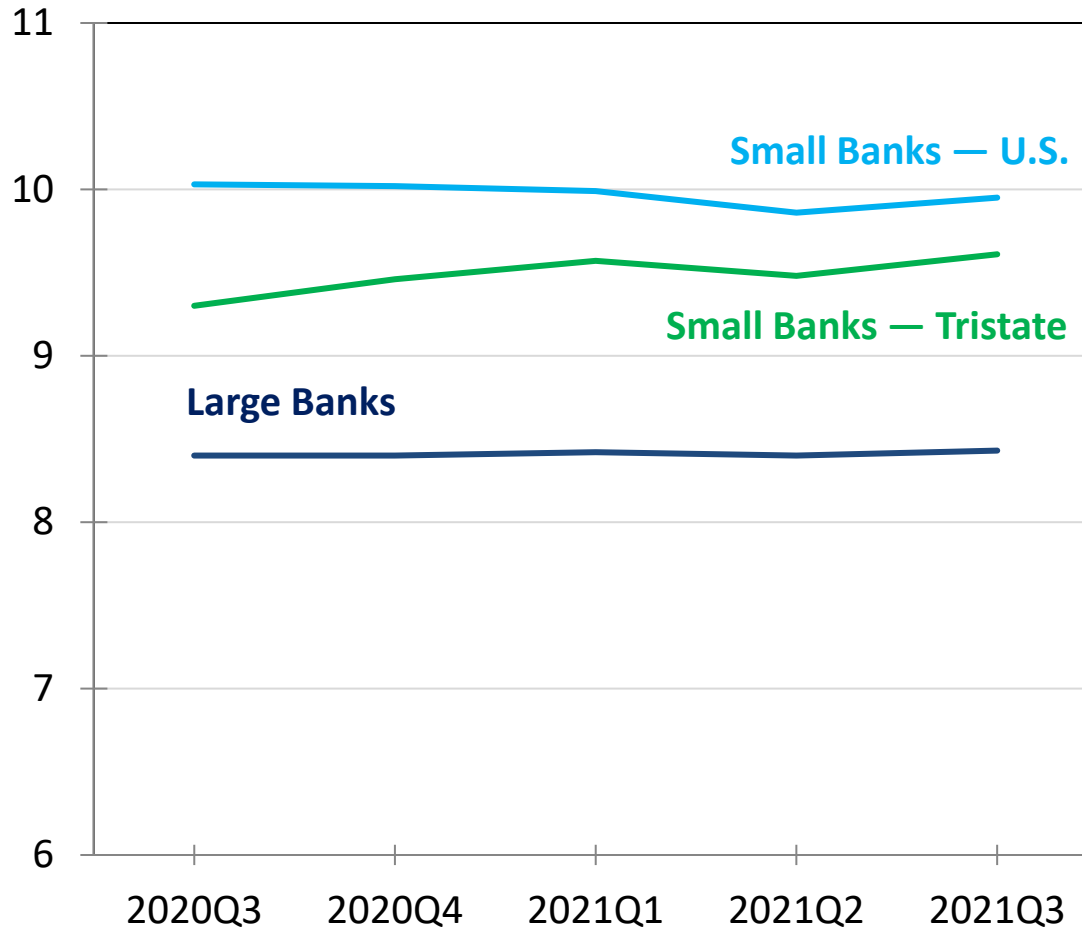
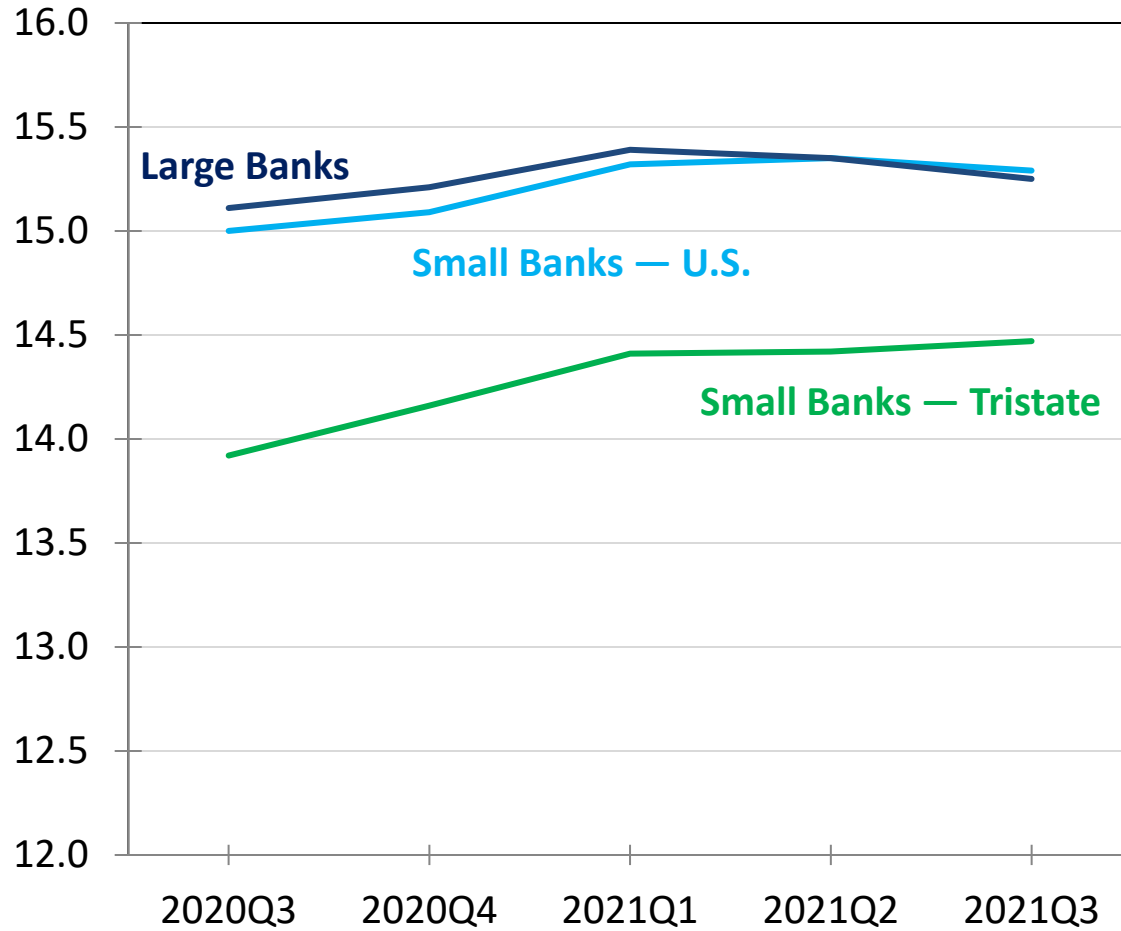


CHART 19

Risk-Based Capital Ratio

Percent



Part 6: Liquidity Ratios

CHART 20

Total Loans as a Share of Total Deposits

Percent

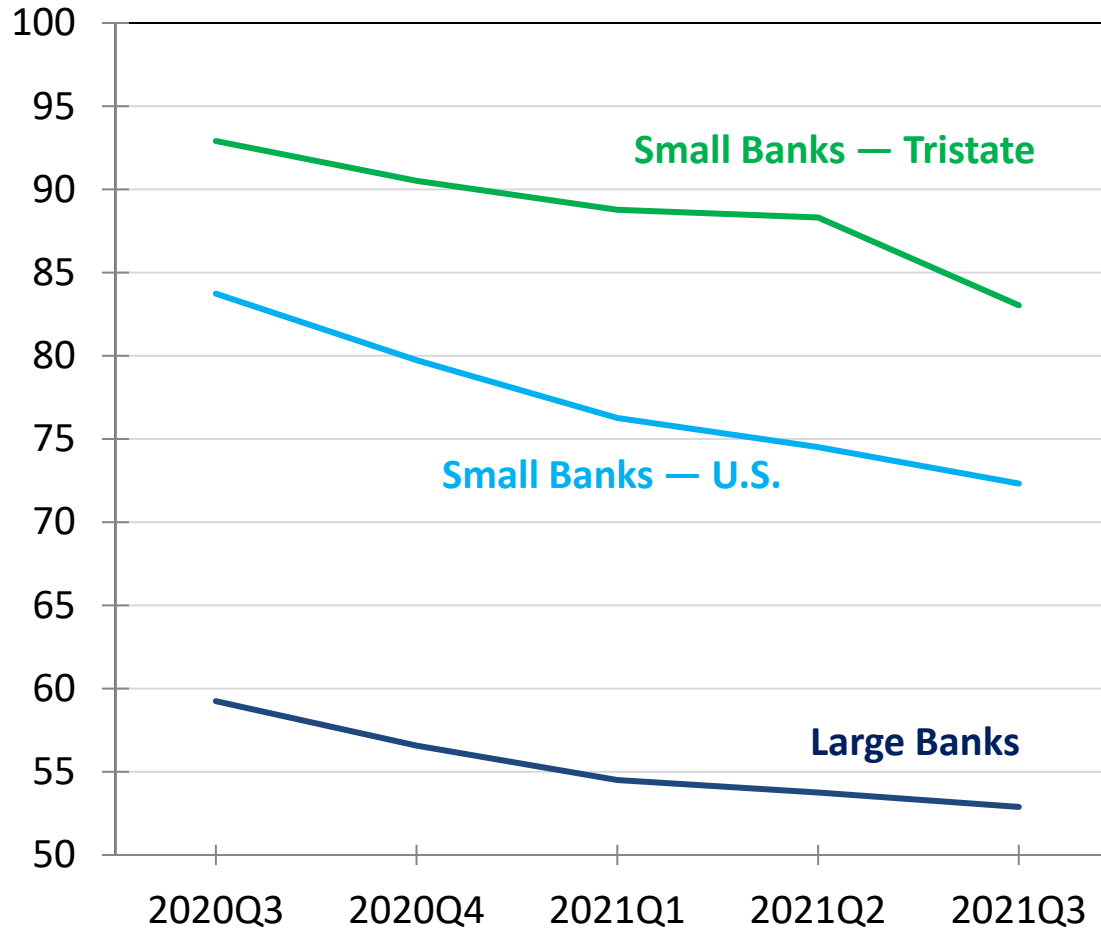


CHART 21

Core Deposits as a Share of Total Deposits

Percent

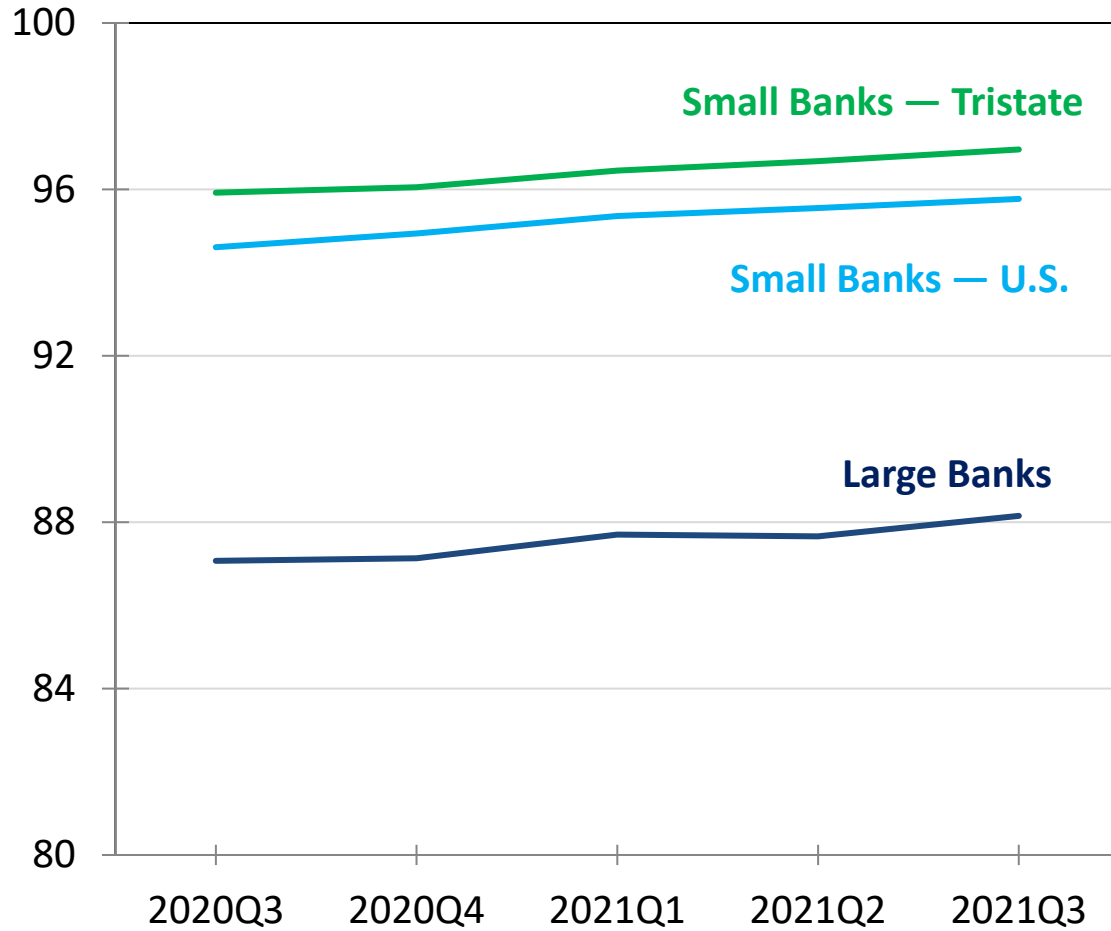
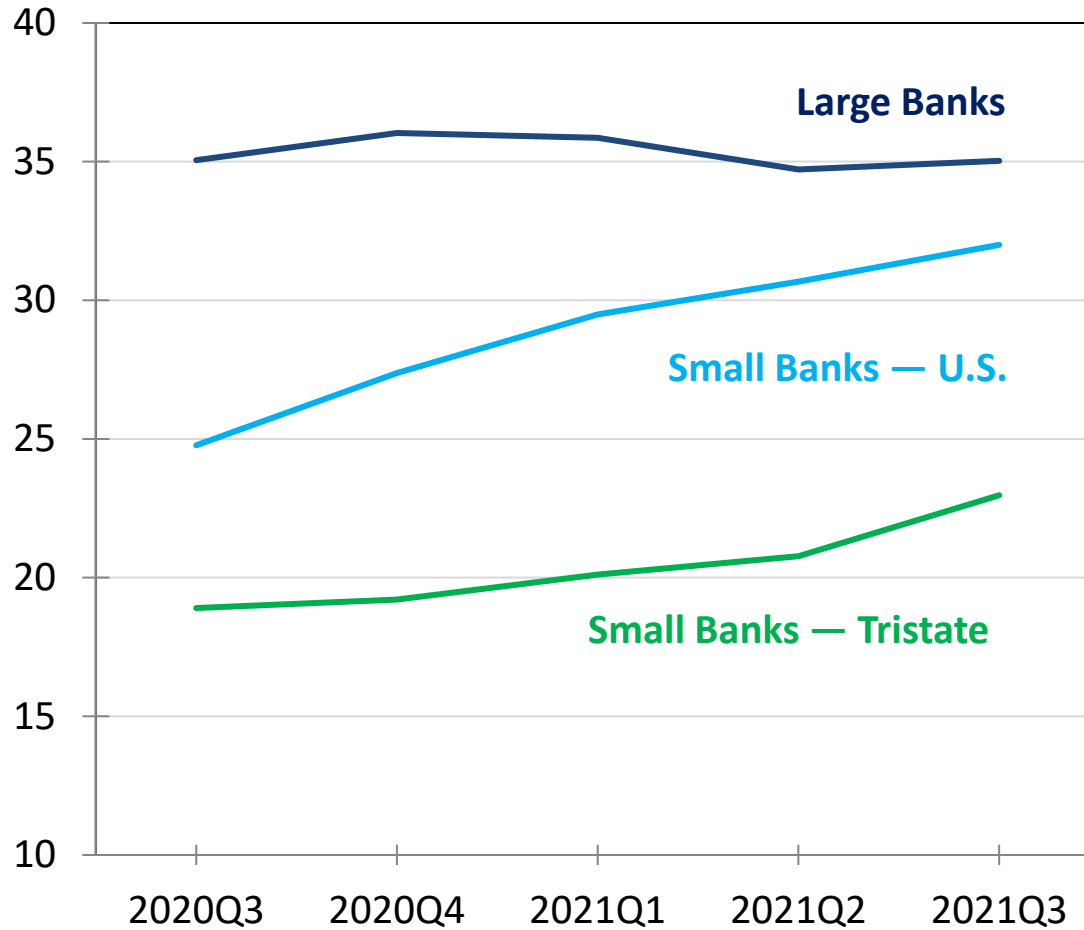


CHART 22

Liquid Assets as a Share of Total Assets

Percent

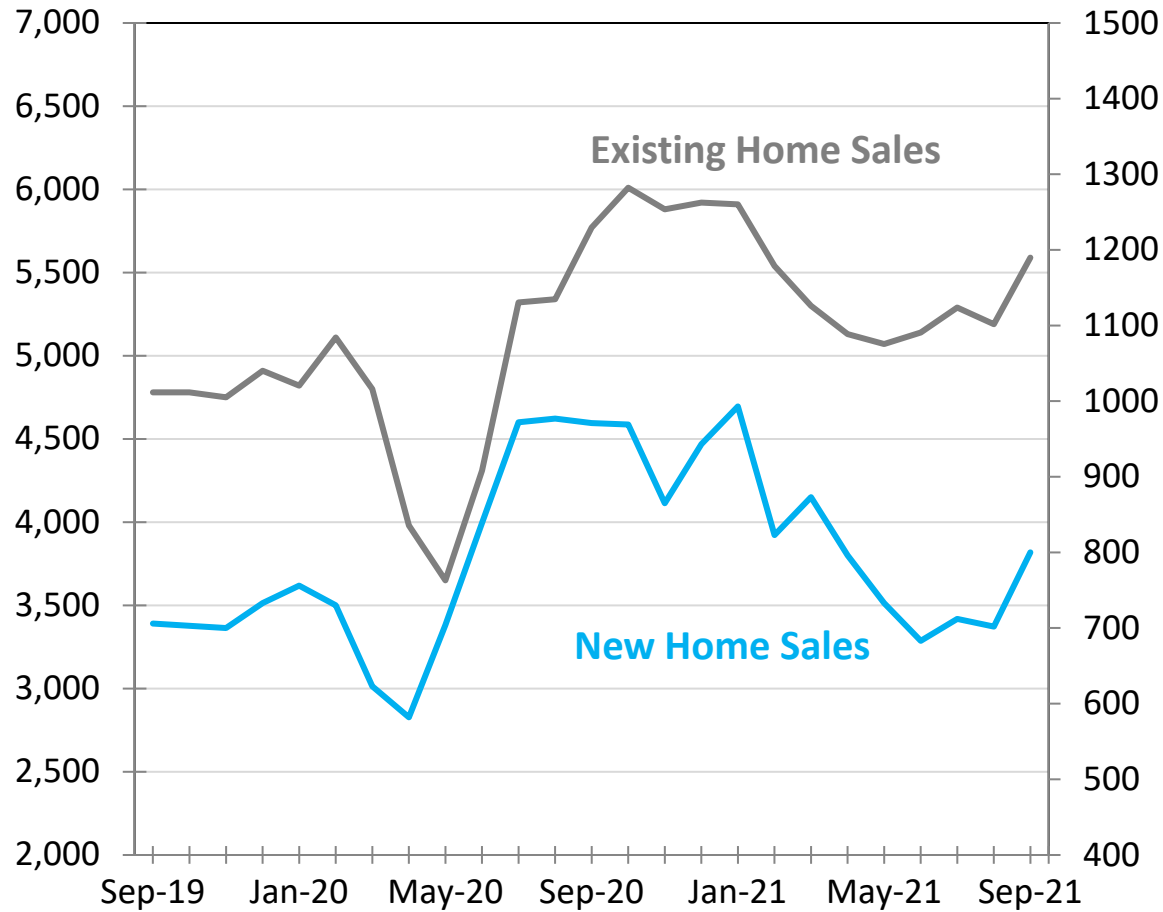


Part 7: Market Conditions

CHART 23

New and Existing Home Sales

Percent



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/the-economy/banking-and-financial-markets/banking-brief.

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

