

Banks at a Glance: Hawaii

Economic and Banking Highlights

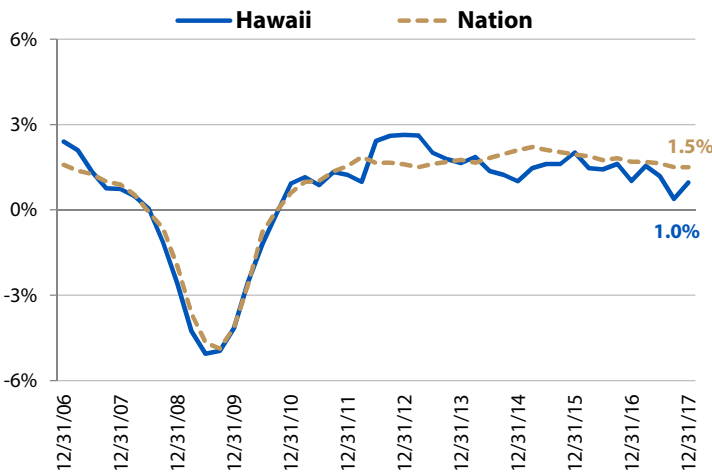
Data as of 12/31/2017

- Hawaii's economy remained resilient while facing labor constraints. The labor force had little room for expansion, and migration outflows grew in 2017, causing the unemployment rate to fall to the lowest in the country. Rising wages drove the demand for housing and propelled home price growth, but the low permit activity continued to strain affordability.
- Overall, Hawaii's commercial banks performed relatively on par with the nation in 2017 in terms of average profitability and loan growth. The average return on average assets ratio fell due to one-time tax reform-related deferred tax asset write-downs and a larger year-over-year provision expense. The average nonperforming assets ratio remained the lowest in the nation, having fully recovered from the crisis, and was also the lowest level that Hawaii has seen in at least 25 years. The average share of assets held in securities and liquid investments continued to trend lower as loan growth outpaced total asset growth.

Key Economic Metrics (ranking #1 = highest in the nation)

Year-over-Year Job Growth: 1.0%

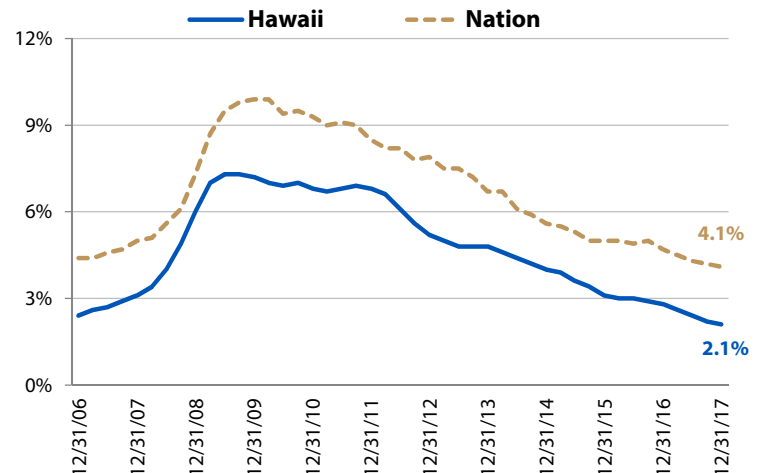
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Establishment Survey, nonfarm payrolls, quarterly average, seasonally adjusted
Source: Bureau of Labor Statistics

Unemployment: 2.1%

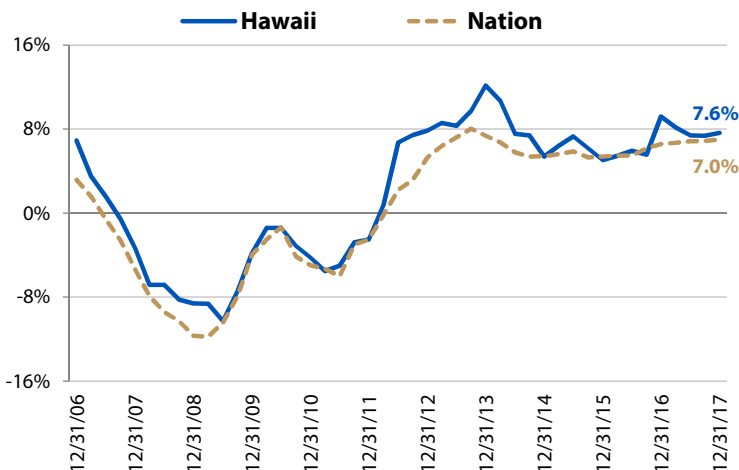
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Household Employment Survey, end of period, seasonally adjusted
Source: Bureau of Labor Statistics

Year-over-Year Home Price Growth: 7.6%

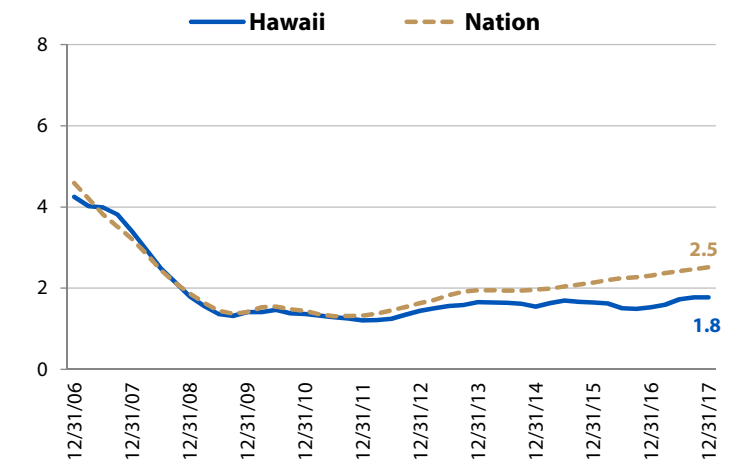
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Housing Price Index, year-over-year change of average home prices
Source: Federal Housing Finance Agency

Single Family Permits / 1,000 Residents: 1.8

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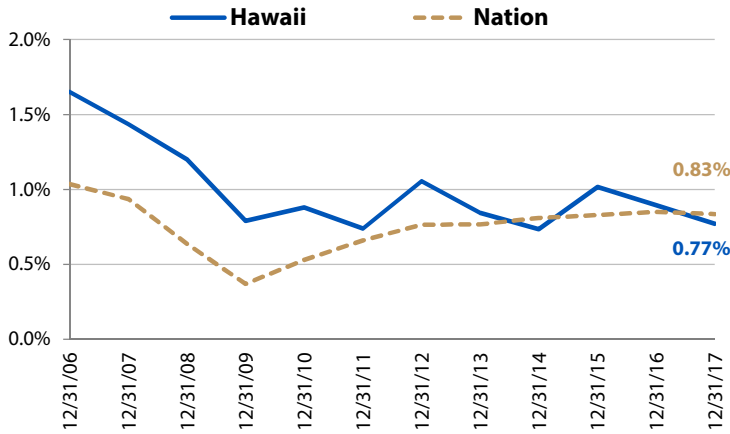


Trailing twelve month single family permits / average twelve month population in thousands, by state
Source: Census Bureau

Key Banking Metrics (averages across banks; ranking #1 = highest in the nation)

Year to Date Return on Average Assets: 0.77%

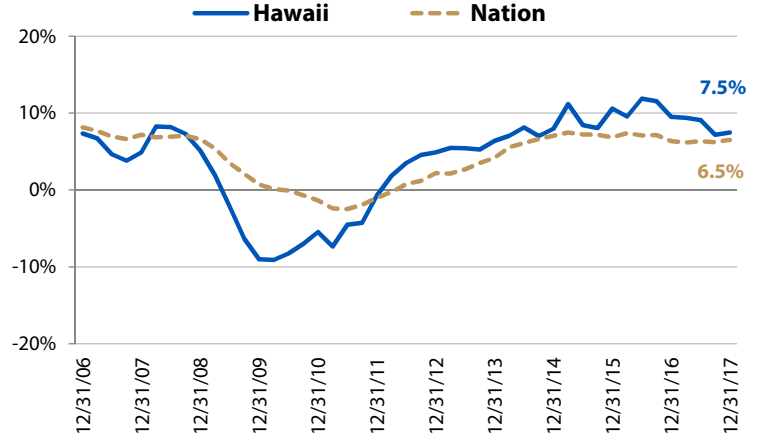
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Net income / average assets, adjusted for S-Corps, annualized

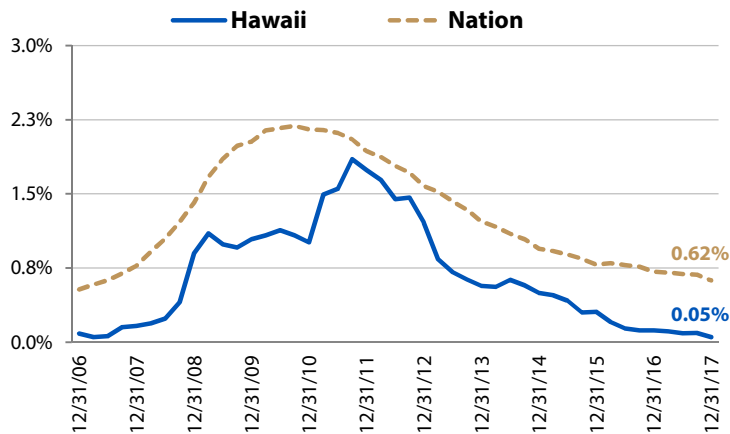
Year-over-Year Net Loan Growth: 7.5%

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Nonperforming Assets / Total Assets: 0.05%

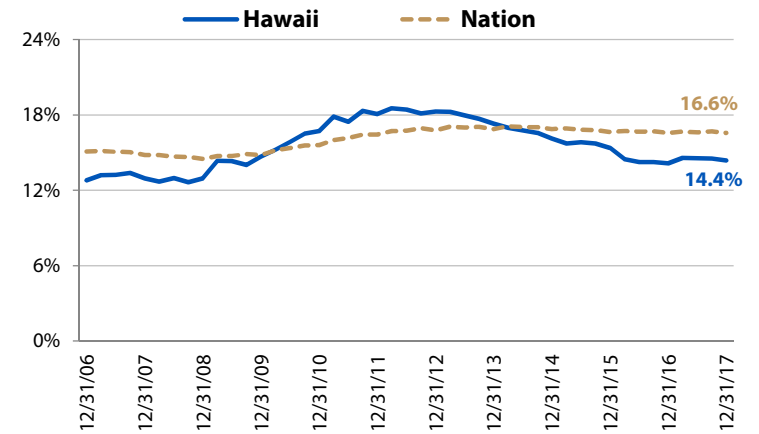
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90+ days past due + nonaccruals + other real estate owned / total assets

Total Risk-Based Capital Ratio: 14.4%

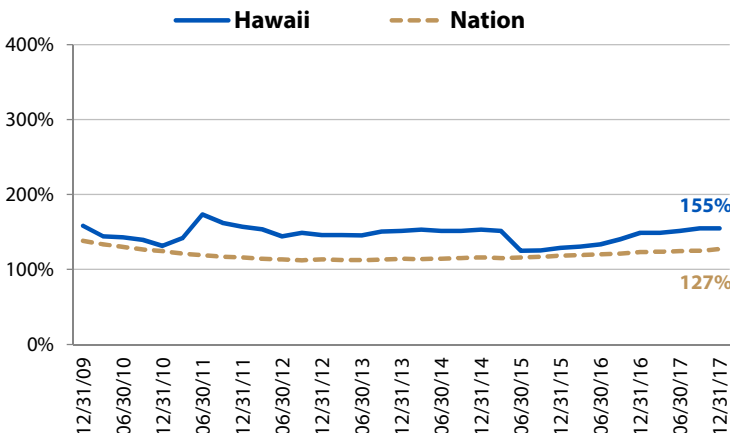
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Total capital / risk-weighted assets

CRE Concentration: 155%

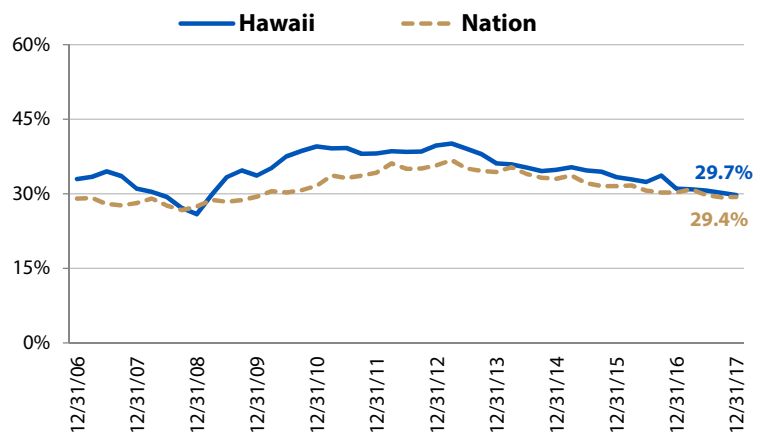
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Total nonowner-occupied commercial real estate / total capital (data first available in 2009)

Securities and Liquid Invest. / Total Assets: 29.7%

Rank: #17



Liquid investments = cash, due from balances, interest bearing bank balances, and Fed funds sold and securities purchased under agreements to resell

Source: Call Report data for commercial banks based upon headquarters location. Averages are calculated on a "trimmed" basis by removing the highest 10% and lowest 10% of ratio values prior to averaging to prevent distortion from outliers. All charts display quarterly data, except for return on average assets which displays the same quarter in each year. Growth rates are not adjusted for mergers. Graphics and data exclude "De Novo" banks (banks less than five years old). As of the latest period, the count of banks included in these statistics were five for the state and 4,882 for the nation.