# FRBSF ECONOMIC LETTER

Number 2002-12, April 26, 2002

## Is There a Credit Crunch?

Recently, some concerns about a "credit crunch" in the U.S. economy have appeared in the business press. In the commercial paper market, a number of large firms were reportedly unable to borrow from this market, as investors reassessed the credit risk of these firms amid growing accounting concerns. In the bank loan market, total commercial and industrial (C&I) lending has fallen quite substantially. Business credit is the lifeblood of economic activity, so it is very important that the credit market function properly and smoothly. This *Economic Letter* examines recent developments on credit availability to businesses, focusing specifically on the issue of a credit crunch, or credit rationing, in which creditworthy borrowers are denied credit.

### The commercial paper market

Commercial paper—short-term, unsecured promissory notes issued by corporations—is a low-cost alternative to bank loans. In order to offer commercial paper at competitive rates, the issuers must be large and reputable firms, so that institutional investors can trust in their creditworthiness. The market for nonfinancial commercial paper has grown rapidly in recent years, peaking at \$351 billion in November 2000. Since then, it has fallen over 40% to about \$200 billion. While some of the recent drop-off was related to the well-publicized problems faced by a few large companies that could no longer tap the commercial paper market, the decline started much earlier. Part of the decline is due to the softening demand for short-term financing as economic activity slowed in early 2001. Indeed, the current downturn in commercial paper started just a few months before the economy went into a recession.

It is important to gain some perspective on the recent instances where a number of large firms were shut out of the commercial paper market. In providing very short-term, unsecured financing, commercial paper investors place a high value on safety, and they deal almost exclusively with only high-quality borrowers. Thus, whenever there is even a small doubt about a firm's creditworthiness, investors simply bypass this firm's commercial paper altogether. At the same time, it may not be economical for the firm to raise its commercial paper

yield to entice investors, as the firm may find it cheaper to borrow from a specialized lender like a bank, which usually provides back-up lines of credit to commercial paper issuers. Thus, the recent episode reflects more about how the commercial paper market works than about an environment of unusual credit rationing. So far, there is little evidence to suggest that high-quality borrowers cannot access this market.

In addition, the interest rate on high-grade commercial paper continues to track the default-free Treasury rate very closely. Thus, there is no sign that high-quality borrowers have to pay more on commercial paper financing. Nevertheless, the spread between the highest grade and the second-tier commercial paper has widened somewhat recently. This may be due to the heightened sensitivity to credit risk in this market amid growing concerns about accounting practices and transparency among several large commercial paper issuers. Overall, the relatively small interest rate differentiation in the commercial paper market again suggests that only high-quality borrowers can access this market.

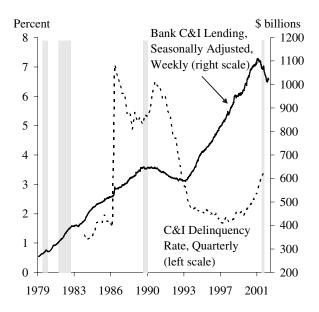
### Bank C&I lending

In the bank loan market, commercial banks also have been tightening their standards for C&I lending to both large and small borrowers for quite some time, as indicated in the Federal Reserve Senior Loan Officer Opinion Survey (2002). At the same time, the survey also points to falling loan demand faced by banks amid a slowing economy. With both supply and demand factors at work, seasonally adjusted bank C&I lending has fallen 7.5% to around \$1 trillion since the recession started (Figure 1), a much steeper decline than in prior recessions.

At issue in determining whether there is a credit crunch is what is happening on the supply side. Specifically, are the tighter lending standards a response to the changing creditworthiness of the borrowers, or are they driven by something else? Tightening in response to declining repayment capability of the borrowers is a rational business decision that is the key to a healthy banking sector; however, tightening that is unrelated to the borrowers' fundamentals is a cause for concern. So

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Figure 1
Bank C&I lending

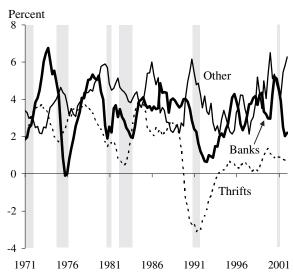


far, the evidence seems to suggest the former, not the latter.

First, the C&I loan delinquency rate has been climbing steadily since 2000 and shows signs of acceleration towards the end of 2001 (Figure 1). Part of the pickup in loan defaults has to do with banks' lax lending standards during the boom years. Thus, facing a growing bad loan problem, it seems logical for banks to rein in their lending standards to be more in line with economic fundamentals. Second, the slowing economy was expected to worsen borrowers' repayment capability going forward. Indeed, the Loan Officer Survey indicated that concerns about the economic outlook were the main reason banks tightened their lending standards. Hence, while some borrowers may see their credit rating downgraded by banks and must incur higher borrowing costs, other marginal borrowers would no longer meet the bank's minimal lending standards and must be denied credit. Quite clearly, this kind of tightening is a rational response to the borrower's changing condition and should not be confused with credit rationing. Third, banks in general are highly profitable and have strong capital positions. Unlike the early 1990s, when banks restrained lending due to low capital, now we do not seem to see readily identifiable supply factors in the banking industry that may cause banks to refuse to lend to creditworthy borrowers.

Finally, data on total credit flows indicates that, while C&I loans and commercial paper volume

Figure 2
Net household borrowing and
business external financing relative to GDP



are contracting, total business debt is still growing at a healthy pace. In particular, Figure 2 shows that the decline in bank lending is more or less offset by the robust credit extension by other lenders, including finance companies, long-term bond holders, as well as real estate and other asset-based lenders. This was not the case in prior recessions.

#### Conclusions

The significant drop-off in nonfinancial commercial paper and the sharp decline in bank C&I lending have raised concerns about credit availability to business borrowers. But so far, there is no indication that truly creditworthy borrowers cannot obtain credit, as evidenced by the healthy growth in total business debt. The declines in commercial paper and C&I lending both coincided with slowing economic activity and are consistent with falling demand for short-term credit by businesses. To the extent that firms that were squeezed out of the credit market are indeed marginal borrowers, this is nothing more than normal market forces at work.

Simon Kwan Research Advisor

#### Reference

January 2002 Senior Loan Officer Opinion Survey on Bank Lending Practices, Board of Governors of the Federal Reserve System.

BANKS HEADQUARTERED BY REGION
DECEMBER 31, 2001
(NOT SEASONALLY ADJUSTED, PRELIMINARY DATA)
(BANKS WITH ASSETS LESS THAN OR EQUAL TO \$1 BILLION ARE DEFINED AS SMALL)

		ι	JNITED STATES		TWELFTH DISTRICT				
		ALL	SMALL	LARGE	ALL	SMALL	LARGE		
		ASSETS AND	LIABILITIES — \$	MILLION					
ASSETS	TOTAL	6,509,496	1,039,358	5,470,139	642,538	93,684	548,85		
	FOREIGN DOMESTIC	738,057 5,771,439	941 1,038,416	737,116 4,733,023	3,879 638,659	18 93,667	3,86 544,99		
LOANS	TOTAL	3,863,261	666,598	3,196,664	406,145	63,079	343,06		
	FOREIGN	286,024	863	285,161	2,601	48	2,5		
	DOMESTIC	3,577,238	665,735	2,911,503	403,545	63,031	340,5		
	REAL ESTATE	1,754,087	431,264	1,322,823	212,116	40,066	172,0		
	COMMERCIAL RE	503,974	157,768	346,206	75,991	21,207	54,78		
	SINGLE FAMILY RES COMMERCIAL	959,279 822,697	184,391	774,887 705.456	96,867 89.583	8,062 13.951	88,8		
	CONSUMER	572.445	117,241 74,996	705,456 497.450	78.400	6.585	75,65 71,8		
	CREDIT CARDS	231,201	74,996	497,450 223.874	78,400 53.337	1.534	71,8 51.8		
	AGRICULTURAL	46,741	29,762	16,978	6,282	1,534	4,7		
	OTHER LOANS	381,267	12,472	368,795	17,164	928	16,2		
INV. SECURITIES	TOTAL	1,156,867	238,564	918,303	123,253	16,108	107,1		
	U.S. TREASURIES	44,203	11,808	32,395	3,327	814	2,5		
	U.S. AGENCIES, TOTAL	700,571	160,726	539,845	51,762	10,483	41,2		
	U.S. AGENCIES, MBS	515,593	73,491	442,103	37,905	5,466	32,4		
	OTHER MBS	88,080	4,171	83,909	12,243	581	11,6		
	OTHER SECURITIES	324,013	61,859	262,154	55,920	4,230	51,6		
LIABILITIES	TOTAL	5,906,544	935,981	4,970,563	574,608	83,539	491,06		
	DOMESTIC	5,168,487	935,040	4,233,447	570,729	83,522	487,20		
DEPOSITS	TOTAL	4,357,869	854,635	3,503,234	436,015	75,242	360,7		
	FOREIGN	629,254	1,508	627,746	12,668	44	12,6		
	DOMESTIC	3,728,615	853,128	2,875,488	423,346	75,197	348,1		
	DEMAND	570,667	121,282 239,755	449,385	58,268 238,896	12,037	46,2		
	MMDA & SAVINGS SMALL TIME	1,711,585 736.011	239,755	1,471,830 473,229	238,896 51.971	27,118 15.429	211,7 36.5		
	LARGE TIME	736,011 542,280	136,390	473,229 405,890	51,9/1 60.320	15,429 15.675	36,5 44.6		
	OTHER DEPOSITS	168,072	92,919	75,153	13,892	4,938	8,9		
OTHER ROBBOWING		450.400	04.450	400.000	42,591	4.550	44.0		
OTHER BORROWINGS	5	453,190 593,298	24,158	429,032		1,553	41,0		
OAN LOSS RESERVE		71,683	103,340 9,549	489,958 62,133	67,761 8,774	10,142	57,6		
OAN COMMITMENTS		4,866,898	654,816	4,212,083	780,736	1,300 322,694	7,4° 458,0		
FIER1 CAPITAL RATIO		0.099	0.135	0.093	0.108	0.127	0.10		
		0.099							
		0.407							
TOTAL CAPITAL RATIO	)	0.127	0.146	0.124	0.136	0.140			
TOTAL CAPITAL RATIO LEVERAGE RATIO		0.078	0.095	0.075	0.089	0.100	0.0		
TOTAL CAPITAL RATIO LEVERAGE RATIO	RATIO	0.078 1.856	0.095 1.433	0.075 1.944			0.0		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	RATIO QUA	0.078 1.856 RTERLY EARNIN	0.095 1.433 GS AND RETUR	0.075 1.944 NS — \$ MILLION	0.089 2.160	0.100 2.060	0.08 2.17		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	RATIO QUAI	0.078 1.856 RTERLY EARNIN 145,972	0.095 1.433 <b>GS AND RETUR</b> 21,480	0.075 1.944 NS — \$ MILLION 124,492	0.089 2.160	0.100 2.060 2,329	0.00 2.17 11,20		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	RATIO QUA	0.078 1.856 RTERLY EARNIN	0.095 1.433 GS AND RETUR	0.075 1.944 NS — \$ MILLION	0.089 2.160	0.100 2.060	0.13 0.08 2.17 11,26 7,79		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	RATIO QUAL TOTAL INTEREST FEES & CHARGES	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226	0.089 2.160 13,593 9,480 519	0.100 2.060 2,329 1,687 77	11,21 7,75		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	RATIO QUAI TOTAL INTEREST FEES & CHARGES TOTAL	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161	0.089 2.160 13,593 9,480 519 9,517	0.100 2.060 2,329 1,687 77	0.00 2.11 11,21 7,79 44		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	TOTAL INTEREST FEES & CHARGES TOTAL INTEREST	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311	0.089 2.160 13,593 9,480 519 9,517 2,657	0.100 2.060 2,329 1,687 77 1,923 529	0.00 2.11 11,21 7,7: 4- 7,5: 2,1:		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	TOTAL INTEREST FEES & CHARGES TOTAL INTEREST SALARIES	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964 4,548	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088	0.100 2.060 2,329 1,687 77 1,923 529 527	7,55 2,1:		
TOTAL CAPITAL RATIO LEVERAGE RATIO LOAN LOSS RESERVE	TOTAL INTEREST FEES & CHARGES TOTAL INTEREST	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311	0.089 2.160 13,593 9,480 519 9,517 2,657	0.100 2.060 2,329 1,687 77 1,923 529	7,55 2,11 1,56 1,20		
TOTAL CAPITAL RATIC LEVERAGE RATIO LOAN LOSS RESERVE INCOME	RATIO  QUA  TOTAL  INTEREST  FEES & CHARGES  TOTAL  INTEREST  SALARIES  LOAN LOSS PROVISION	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763	0.075 1.944 NS — S MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344	0.100 2.060 2,329 1,687 77 1,923 529 527 222 645	7,56 2,11 11,20 7,79 4 7,56 2,11 1,50 1,20 2,60		
TOTAL CAPITAL RATIC LEVERAGE RATIO .OAN LOSS RESERVE  NCOME  EXPENSES	RATIO  QUA  TOTAL  INTEREST  FEES & CHARGES  TOTAL  INTEREST  SALARIES  LOAN LOSS PROVISION	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964 4,548 1,215	0.075 1.944 NS S MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429	0.100 2.060 2,329 1,687 77 1,923 529 527 222	7,5 2,1 11,2 7,7 4 7,5 2,1 1,5 1,2 2,6		
TOTAL CAPITAL RATIC LEVERAGE RATIO LOAN LOSS RESERVE INCOME  EXPENSES  TAXES NET INCOME	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES  LOAN LOSS PROVISION OTHER	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473	2,329 1,687 77 1,923 529 527 222 645 140 232	7,55 2,11 1,20 7,55 2,11 1,55 1,20 2,60		
TOTAL CAPITAL RATIO LOAN LOSS RESERVE NCOME EXPENSES  TAXES NET INCOME ROA (% ANNUALIZED)	TOTAL INTEREST FEES & CHARGES TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886	0.095 1.433 <b>GS AND RETUR</b> 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369	2,329 1,687 77 1,923 529 527 222 645	0.00 2.11 11,21 7,7; 4, 7,5; 2,1; 1,5; 1,2; 2,6; 1,2; 2,2;		
FOTAL CAPITAL RATIC LEVERAGE RATIO .OAN LOSS RESERVE  NCOME  EXPENSES  FAXES SACE (% ANNUALIZED) ROG (% ANNUALIZED) ROG (% ANNUALIZED) ROG (% ANNUALIZED)	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES  LOAN LOSS PROVISION OTHER	0.078 1.856 1.859 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190	0.095 1.433 GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773	0.075 1.944 NS — \$MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232	0.08 2.17 11,26 7,79		
TOTAL CAPITAL RATIO LEVERAGE RATIO OAN LOSS RESERVE  NCOME  EXPENSES  TAXES WET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) ROE (% ANNUALIZED) ROE (% ANNUALIZED)	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES  LOAN LOSS PROVISION OTHER	0.078 1.856 1.859 1.45,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1,190 13,019 3,709	0.095 1.433 GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1,083 10,733	0.075 1.944  NS — \$MILLION  124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670  7,798 16,538 1,210 13,501 3,648	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599	2,329 1,687 77 1,923 529 527 222 645 140 232 0,999 9,133	0.08 2.11 11,26 7,75 44 7,56 2,12 1,56 1,22 2,68 1,22 2,24		
FOTAL CAPITAL RATIC LEVERAGE RATIO .OAN LOSS RESERVE  NCOME  EXPENSES  FAXES NET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) NET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709 ASSET QUALIT	0.095 1.433  GS ADD RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038 Y—PERCENT C	0.075 1.944  NS — \$MILLION 124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670 7,798 16,538 1,210 13,501 3,648	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 4,356	0.100 2.060 2.329 1.687 77 1.933 5.23 5.27 2.22 645 140 2.32 0.999 9.133 4.999	0.00 2.1: 11,21 7,7: 4 7,5: 2,1: 1,5: 1,2: 2,6: 1,2: 2,2: 1.6: 15.5: 4.2:		
TOTAL CAPITAL RATIC LEVERAGE RATIO LOAN LOSS RESERVE  INCOME  EXPENSES  TAXES NET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) NET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038  Y—PERCENT C	0.075 1.944  NS — \$ MILLION  124,492 83.169 6.226  98.161 33,311 20,983 14,197 29,670  7,798 16,598 1.210 13.501 3.648  9F LOANS	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	0.00 2.1: 11,21 7,7;7;4 4 7,5;2,1: 1,5;1,2;2,6; 1,2: 2,6; 1,2: 2,2: 1,6;4,2;4 1,5;5;4,2;4 1,5;5;4,2;4 1,5;5;4,2;4		
	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE	0.078 1.856  RTERLY EARNIN 145,972 100,469 7,344 115,656 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13,019 3,709  ASSET QUALIT 1.341 0,220	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1,083 10,733 4,038  Y—PERCENT C 0.567 0,144	0.075 1.944  NS — \$ MILLION  124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670  7,798 16,538 1,210 13,501 3,649  PF LOANS  1.503 0.244	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 4,356	0.100 2.060 2.329 1.667 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	0.00 2.1: 11,22 7,7; 4,7 5,5; 2,1; 1,5; 1,2; 2,6; 4,2; 1,6; 1,2; 2,2; 4,2; 4,2; 4,2; 4,2; 4,2; 4,2; 4		
FOTAL CAPITAL RATIC LEVERAGE RATIO .OAN LOSS RESERVE  NCOME  EXPENSES  FAXES NET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) NET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709 ASSET QUALIT 1.341 0.220 2.512	0.095 1.493 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038 Y—PERCENT 0 0.567 0.144 1,239	0.075 1.944  NS — \$MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648  F LOANS  1.503 0.244 2.687	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	0.00 2.1: 11,2i 7,7: 4- 7,5: 2,1: 1,5: 1,2: 2,6: 1,2: 2,2: 1.6: 4.2: 1.5: 5.5: 6.2: 1.5: 5.5: 6.2: 1.5: 6.2: 1.5: 6.2: 1.5: 6.2: 6.2: 6.2: 6.2: 6.2: 6.2: 6.2: 6.2		
FOTAL CAPITAL RATIC LEVERAGE RATIO .OAN LOSS RESERVE  NCOME  EXPENSES  FAXES NET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) NET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13,019 3,709  ASSET QUALIT 1,341 0,220 2,512 3,345	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10,733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648 F LOANS 1.503 0.244 2.687 3.539	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 4,356	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	0.00 2.11 11,2 7,7,4 4 7,5 2,1 1,5,5 1,2 2,6 1,2 2,2 2,2 1,6 15,5 4,2		
IOTAL CAPITAL RATIO LEVERAGE RATIO OAN LOSS RESERVE  NCOME  EXPENSES  TAXES WET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709 ASSET QUALIT 1.341 0.220 2.512	0.095 1.493 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038 Y—PERCENT 0 0.567 0.144 1,239	0.075 1.944  NS — \$MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648  F LOANS  1.503 0.244 2.687	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	0.00 2.11 11,22 7,7,4 7,5 2,1 1,5,5 1,2 2,6 1,2,2 2,2 1.6 15,55 4.2		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276	0.095 1.433  GS ADD RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038 Y—PERCENT C 0.144 1.239 1.925 8.324	0.075 1.944  NS — \$MILLION 124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648  PF LOANS  1.503 0.244 2.687 3.539 6.209	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	0.00 2.11 11,22 7,7,4 7,5 2,1 1,5,5 1,2 2,6 1,2,2 2,2 1.6 15,55 4.2		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276	0.095 1.433  GS ADD RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038 Y—PERCENT C 0.144 1.239 1.925 8.324	0.075 1.944  NS — \$MILLION 124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648  PLOANS  1.503 0.244 2.687 3.539 6.209	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999	11.22 7.7,7 4 7.5,5 2.1,1,5 1.2,2 2.6 1.2,2 2.2 1.6 15.5 4.2 1.5 0.1 1.2,2 4.6 6.2		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED)  TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  CRUAL TOTAL REAL ESTATE	0.078 1.856  RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276 0.347	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1.087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.567 0.144 1,239 1,925 8.324 0.418	0.075 1.944  NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670  7,798 16,539 1.210 13.501 3.648  PE LOANS  1.503 0.244 2.687 3.539 6.209 0.228	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356 1,485 0,107 2,159 4,727 6,422 -0.075	0.100 2.060  2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999  0.973 0.101 1.499 5.104 13.571 0.752	11,2,1 7,5,5 1,2,1 1,2,2 2,2,2 1,6,1 1,5,1 1,2,2 2,2,2 1,6,1 1,5,1		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL TOTAL	0.078 1.856  RTERLY EARNIN 145,972 100.469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13,019 3,709  ASSET OUALIT 1.341 0,220 2,512 3,345 6,276 0,347	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1.215 4,763 1.087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925 8.324 0.418	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1,210 13,501 3,649 F LOANS 1.503 0.244 2.687 3.539 6.209 0.228	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356 1,485 0,107 2,159 4,727 6,422 -0,075	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999 0.973 0.101 1.499 5.104 13.571 0.752	0.0 2.1: 11,2,2,6 1,2,1 1,5,5;		
FOTAL CAPITAL PATIC LEVERAGE PATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES WET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED)  TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  CRUAL TOTAL REAL ESTATE	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709  ASSET QUALIT 0.220 2.512 3.345 6.276 0.347 2.765 2.151	0.095 1.433  GS ADD RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.144 1,239 1,925 8,324 0,418 2,412 2,121 2,172 1,849	0.075 1.944  NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648  PF LOANS  1.503 0.244 2.687 3.539 6.209 0.228 2.838 2.161	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356 1,485 0,107 2,159 4,727 6,422 -0,075	0.100 2.060 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999 5.104 1.499 5.104 1.555	11,2,7,7,7,4 4,7,5,5,1 1,2,1,1,5,1 1,5,1,5,1 1,2,2,2,2,2,2,1 1,6,5,1,4,2,1 1,5,5,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL SRUAL TOTAL REAL ESTATE CONSTRUCTION	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 3.709  ASSET OUALIT 1.341 0.220 2.512 3.345 6.276 0.347 2.765 2.151 2.270	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10,733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925 8.324 0.418 2.412 2.121 2.172	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,229 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1,210 13,501 3,648 F LOANS 1.503 0.244 2.687 3.539 6.209 0.228 2.838 2.161 2.306	0.089 2.160 13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356 1,485 0,107 2,159 4,727 6,422 -0,075	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999 0.101 1.499 5.104 13.571 0.752	11,22 7,5,7 4 7,5,1 2,1,1 1,5,1 1,2,1 2,2 1,6,1 1,5,5 1,2,1 2,2 2,2 1,6,1 1,5,5 1,5 1		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER GREDIT CARDS AGRICULTURAL CRUAL TOTAL REAL ESTATE CONSTRUCTION COMMERCIAL	0.078 1.856  RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276 0.347 2.765 2.151 2.270 1.867	0.095 1.433  GS ADD RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.144 1,239 1,925 8,324 0,418 2,412 2,121 2,172 1,849	0.075 1.944  NS — \$ MILLION  124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670 7,798 16,538  1.210 13,501 3,648  9F LOANS  1.503 0.244 2.687 3.539 6.209 0.228  2.838 2.161 2.306 1.875	0.089 2.160  13,593 9.480 519  9.517 2,657 2,088 1.429 3,344  1,369 2,473  1.579 14.599 4.356  1.485 0.107 2,159 4.727 6.422 -0.075  2.535 1.819 2.653 1.385	0.100 2.060  2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999  0.973 0.101 1.499 5.104 13.571 0.752  2.348 1.555 1.869 1.296	11,2,7,7,7,7,7,4 4,7,5,5,6 1,2,1,2,1,1,5,1,1,2,2,2,2,2,2,2,2,2,2,2,		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  ANNUALIZED  TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  REAL ESTATE CONSTRUCTION COMMERCIAL FARM	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276 0.347 2.765 2.151 2.270 1.867 2.567	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1,083 10,733 4,038  Y—PERCENT ( 0.144 1,239 1,925 8,324 0,418 2,412 2,112 2,112 1,849 2,264	0.075 1.944  NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648  F LOANS 1.503 0.244 2.687 3.539 6.209 0.228 2.838 2.161 2.306 1.875 3.236	0.089 2.160  13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356  1,485 0,107 2,159 4,727 6,422 -0,075	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999  0.973 0.101 1.499 5.104 13.571 0.752 2.348 1.555 1.899 1.296 4.665	11,2,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL TOTAL REAL ESTATE COMSTRUCTION COMMERCIAL TOTAL FARM HOME EQUITY LINES	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13.019 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276 0.347 2.765 2.151 2.270 1.867 2.567 1.304	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1.215 4,763 1,087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925 8.324 0.418 2.412 2.121 2.172 1.849 2.264 1.159	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1,210 13,501 3,648 0,544 2,687 3,539 6,209 0,228 2,838 2,161 2,306 1,875 3,236 1,323	0.089 2.160  13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 4,356  1,485 0,107 2,159 4,727 6,422 -0,075  2,536 1,819 2,653 1,385 4,557 1,134	0.100 2.060 2.329 1.687 77 1.923 5.29 5.27 2.22 6.45 1.40 2.32 0.999 9.133 4.999 0.973 0.101 1.499 5.104 13.571 0.752 2.348 1.555 1.869 1.296 4.665 1.000	11,2,7,7,7,7,4 4 7,5,5,4,2 1,1,5,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1		
IOTAL CAPITAL RATIC EVERAGE RATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES HET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  REAL ESTATE CONSTRUCTION COMMERCIAL TOTAL REAL ESTATE CONSTRUCTION COMMERCIAL FARM HOME EQUITY LINES MORTGAGES	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 3.709  ASSET QUALIT 1.341 0.220 2.512 3.345 6.276 0.347 2.765 2.151 2.270 1.867 2.567 1.304 2.616	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1,083 10,733 4,038  Y—PERCENT ( 0.567 0.144 1,239 1,925 8,324 0,418 2,412 2,121 2,172 1,849 2,264 1,159 2,264 1,159	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1.210 13,501 3,648 NF LOANS 1.503 0.244 2.687 3.539 6.209 0.228 2.838 2.161 2.306 1.875 3.296 1.323 2.640	0.089 2.160  13,593 9,480 519  9,517 2,657 2,088 1,429 3,344  1,369 2,473 1,579 14,599 4,356  1,485 0,107 2,159 4,727 6,422 -0,075  2,535 1,819 2,653 1,385 4,557 1,134 2,089	0.100 2.060  2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999  0.973 0.101 1.499 5.104 13.571 0.752 2.348 1.555 1.869 1.296 4.665 1.000 2.114	11,2,1 7,5,7 4 7,5,5 1,2,1 1,5,1 1,2,2 2,2,2 1,6,6 1,2,2 2,2 2,2 1,5,1 1		
FOTAL CAPITAL PATIC LEVERAGE PATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES WET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  TOTAL REAL ESTATE COMSTRUCTION COMMERCIAL FARM HOME EQUITY LINES MORTGAGES MULTI-FAMILY	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 13,019 3,709  ASSET OUALIT 1.341 0.220 2.512 2.512 3.345 6.276 0.347 2.765 2.151 2.270 1.867 2.567 1.304 2.616 1.117	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1.215 4,763 1.087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925 8.324 0.418 2.412 2.121 2.172 1.849 2.264 1.159 2.5522 1.159	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1,210 13,501 3,649 0,224 2,687 2,539 6,209 0,228 2,838 2,161 2,306 1,875 3,236 1,323 2,640 1,108	0.089 2.160  13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356  1,485 0,107 2,159 4,727 6,422 -0,075 2,595 1,819 2,653 1,385 4,557 1,134 2,089 0,707	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999 0.973 0.101 1.499 5.104 13.571 0.752 2.348 1.555 1.869 1.296 4.665 1.000 2.114 0.588	11,2,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7,7		
FOTAL CAPITAL PATIC LEVERAGE PATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES WET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED)  TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  CONSTRUCTION COMMERCIAL FARM HOME EQUITY LINES MORTGAGES MULTI-FAMILY COMMERCIAL COMMERCIAL FARM COMMERCI	0.078   1.856   1.856   1.856   1.856   1.856   1.45,972   100,469   7,344   115,650   40,275   25,530   15,412   34,433   8,886   19,311   1.190   13.019   3.709   ASSET QUALIT   0.220   2.512   3.345   6.276   0.347   2.765   2.151   2.270   1.867   2.567   1.304   2.616   1.117   3.416   1.117   3.416	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1.087 2,773 1.083 10.733 4.038  Y—PERCENT 6 0.144 1,239 1,925 8,324 0.418  2.412 2.121 2.172 1.849 2.264 1.159 2.252 1.150 2.854	0.075 1.944  NS — \$ MILLION 124,492 83,169 6,226 98,161 33,311 20,983 14,197 29,670  7,798 16,538 1,210 13,501 3,648  DF LOANS  1.503 0,244 2,687 3,539 6,209 0,228  2,838 2,161 2,306 1,323 2,640 1,108 3,493	0.089 2.160  13,593 9,480 519 9,517 2,657 2,088 1,429 3,344 1,369 2,473 1,579 14,599 4,356  1.485 0,107 2,159 4,727 6,422 -0,075  2,535 1,819 2,653 1,385 4,557 1,134 2,089 0,707 3,460	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999 0.973 0.101 1.499 5.104 13.571 0.752 2.348 1.555 1.869 1.296 4.665 1.000 2.114 0.588	11,21,7,7,7,4 4,7,5,5,1 1,2,1 1,5,1 1,2,2,2 1,6,6 1,2,2,2 2,2,2 2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,2,2 1,6,6 1,6 1,6 1,6 1,6 1,6 1,6 1,6 1,6 1		
FOTAL CAPITAL PATIC LEVERAGE PATIO OAN LOSS RESERVE NCOME EXPENSES  FAXES WET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) WET INTEREST MARG	TOTAL INTEREST FEES & CHARGES  TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED)  ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  REAL ESTATE CONSTRUCTION COMMERCIAL FARM HOME EQUITY LINES MORTGAGES MULTI-FAMILY COMMERCIAL CONSUMER CONSUMER	0.078 1.856 RTERLY EARNIN 145,972 100,469 7,344 115,650 40,275 25,530 15,412 34,433 8,886 19,311 1.190 3.709  ASSET OUALIT 1.341 0.220 2.512 2.345 6.276 0.347 2.765 2.151 2.270 1.867 1.304 2.616 1.117 3.416 3.945	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1,087 2,773 1.083 10,733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925 8.324 0.418 2.412 2.121 2.172 1.849 2.264 1.159 2.264 1.159 2.252 1.150 2.854 3.623	0.075 1.944 NS — \$ MILLION 124,492 83,169 6,229 98,161 33,311 20,983 14,197 29,670 7,798 16,538 1,210 13,501 3,648 F LOANS 1.503 0.244 2.687 3,539 6.209 0.228 2.838 2.161 2.306 1.875 3.236 1.323 2.640 1.108 3.493 3.998	0.089 2.160  13,593 9,480 519 9,517 2,657 2,088 1,429 3,344  1,369 2,473 1,579 14,599 4,356  1,485 0,107 2,159 4,727 6,422 -0,075  2,535 1,819 2,653 1,385 1	0.100 2.060 2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999 0.973 0.101 1.499 5.104 13.571 0.752 2.348 1.555 1.869 1.296 4.665 1.000 2.114 0.588 2.973 5.866	11,2,12,12,12,12,12,12,12,12,12,12,12,12		
TOTAL CAPITAL RATIC LEVERAGE RATIO LOAN LOSS RESERVE  INCOME  EXPENSES  TAXES NET INCOME ROA (% ANNUALIZED) ROE (% ANNUALIZED) NET INTEREST MARG	TOTAL INTEREST FEES & CHARGES TOTAL INTEREST SELS & CHARGES TOTAL INTEREST SALARIES LOAN LOSS PROVISION OTHER  IN (% ANNUALIZED) TOTAL REAL ESTATE COMMERCIAL CONSUMER CREDIT CARDS AGRICULTURAL  CONSTRUCTION COMMERCIAL FARM HOME EQUITY LINES MORTGAGES MULTI-FAMILY COMMERCIAL CONSUMER COMMERCIAL FARM HOME EQUITY LINES MORTGAGES MULTI-FAMILY COMMERCIAL CONSUMER COMMERCIAL CONSUMER COMMERCIAL CONSUMER COMMERCIAL CONSUMERCIAL CONSUMER CREDIT CARDS	0.078   1.856   1.856   1.856   1.856   1.856   1.45,972   100,469   7,344   115,650   40,275   25,530   15,412   34,433   8,886   19,311   1.190   13.019   3.709   ASSET QUALIT   0.220   2.512   3.345   6.276   0.347   2.765   2.151   2.270   1.867   2.567   2.567   1.304   2.616   1.117   3.416   3.945   4.844   4.	0.095 1.433  GS AND RETUR 21,480 17,299 1,118 17,489 6,964 4,548 1,215 4,763 1.087 2,773 1.083 10.733 4.038  Y—PERCENT C 0.567 0.144 1.239 1.925 8.324 0.418  2.412 2.172 2.172 1.849 2.264 1.159 2.522 1.150 2.854 3.623 8.218	0.075 1.944  NS — \$ MILLION  124,492 83,169 6,226  98,161 33,311 20,983 14,197 29,670  7,798 16,538 1.210 13,501 3,648  PELOANS  1.503 0.244 2.687 3.539 6.209 0.228  2.838 2.161 2.306 2.838 2.161 2.306 1.875 3.236 1.323 2.640 1.108 3.493 3.989 4.734	0.089 2.160  13.593 9.480 519 9.517 2.657 2.088 1.429 3.344 1.369 2.473 1.579 14.599 4.356  1.485 0.107 2.159 4.727 6.422 -0.075  2.535 1.819 2.653 1.385 4.557 1.134 2.089 0.707 3.460 3.471 4.057	0.100 2.060  2.329 1.687 77 1.923 529 527 222 645 140 232 0.999 9.133 4.999  0.973 0.101 1.499 5.104 13.571 0.752  2.348 1.555 1.869 1.296 4.665 1.000 2.114 0.588 2.973 5.866 12.577	0.00 2.1: 11,21 7,7: 4 7,5: 2,1: 1,5: 1,2: 2,6: 1,2: 2,2: 1.6: 15.5: 4.2:		

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### **ECONOMIC RESEARCH**

# FEDERAL RESERVE BANK OF SAN FRANCISCO

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INTEREST RATES ON LOANS											
		NOV	FEB	MAY	AUG	NOV	FEB	MAY	AUG	NOV	FEB
TYPE OF LOAN		1999	2000	2000	2000	2000	2001	2001	2001	2001	2002
COMMERCIAL and INDUSTRIAL LOANS											
TOTAL	U.S.	7.03	7.44	7.78	8.28	8.15	7.19	6.22	5.61	3.89	3.66
	DISTRICT	6.98	7.04	7.42	7.90	7.85	7.04	5.94	5.22	3.58	3.36
BY RISK RATING:											
MINIMAL RISK	U.S.	6.01	6.47	6.82	7.42	7.54	6.23	6.01	4.50	2.97	2.10
	DISTRICT	6.36	6.49	6.19	7.25	6.66	6.54	4.98	4.46	2.88	2.59
LOW RISK	U.S.	6.52	6.87	7.15	7.55	7.57	6.54	5.44	4.81	3.08	3.41
	DISTRICT	6.74	6.79	6.99	7.65	7.68	6.53	5.42	4.66	3.14	2.91
MODERATE RISK	U.S.	7.22	7.54	7.97	8.41	8.33	7.28	6.38	5.57	4.25	3.89
	DISTRICT	7.15	7.15	7.57	8.06	8.04	7.51	6.35	5.54	3.84	3.48
OTHER	U.S.	7.71	8.24	8.63	8.95	8.85	7.97	6.82	6.16	4.31	4.01
	DISTRICT	6.93	7.23	7.57	8.00	7.79	7.70	6.64	6.35	4.39	3.98
BY MATURITY/REPRICING INTERVAL:											
DAILY	U.S.	6.43	6.84	7.21	7.74	7.84	6.88	5.94	5.15	3.67	3.10
	DISTRICT	7.08	6.87	7.59	7.94	7.85	7.22	6.03	5.33	3.91	3.71
2 TO 30 DAYS	U.S.	6.80	7.42	7.60	8.18	7.60	6.94	5.80	5.84	3.66	3.61
	DISTRICT	6.86	7.00	7.37	7.83	7.78	6.96	5.87	5.16	3.47	3.25
31 TO 365 DAYS	U.S.	7.58	7.67	8.04	8.13	8.04	7.22	5.90	5.42	3.94	3.74
	DISTRICT	6.85	6.96	7.05	7.70	7.68	6.39	5.47	4.72	3.23	2.88
OVER 365 DAYS	U.S.	8.02	8.81	8.37	8.84	8.37	8.48	7.61	7.02	6.09	5.66
	DISTRICT	8.28	7.90	4.64	8.72	9.03	7.36	7.70	7.30	5.08	5.71
CONSUMER, AUTOMOBILE	U.S.	8.66	8.88	9.21	9.62	9.63	9.17	8.67	8.31	7.86	7.50
	DISTRICT	9.07	9.28	9.23	9.87	9.87	9.94	9.34	8.34	8.54	8.32
CONSUMER, PERSONAL	U.S.	13.52	13.76	13.88	13.85	14.12	13.71	13.28	13.25	12.62	11.72
	DISTRICT	14.45	14.41	14.89	13.25	13.25	13.67	12.48	13.22	12.45	14.39
CONSUMER, CREDIT CARD	U.S.	15.13	15.47	15.39	15.98	15.99	15.66	15.07	14.60	14.22	13.65
	DISTRICT	15.63	15.60	15.76	16.16	16.25	16.94	15.54	15.28	15.01	13.21

SOURCES: SURVEY OF TERMS OF BUSINESS LENDING AND TERMS OF CONSUMER CREDIT