

# The FDIC Quarterly Banking Profile

L. William Seidman, Chairman

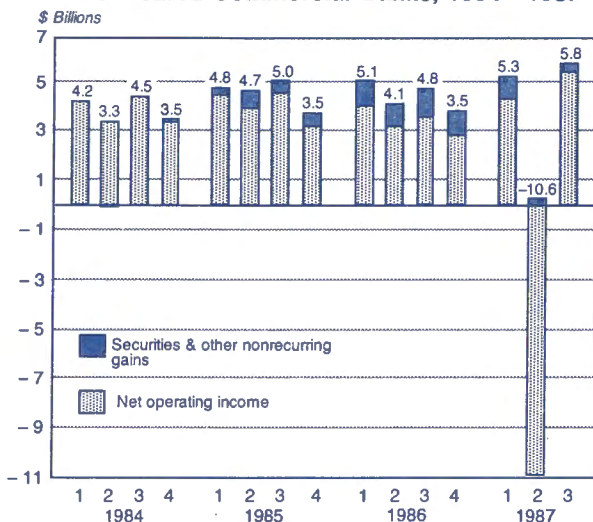
Third Quarter 1987

## COMMERCIAL BANKING PERFORMANCE — THIRD QUARTER, 1987

- **BANKS EARN RECORD \$5.8 BILLION IN THIRD QUARTER**
- **SECOND QUARTER ADDITIONS TO RESERVES LEAD TO THIRD QUARTER IMPROVEMENT**
- **SMALL BANKS CONTINUE TO IMPROVE IN MIDWEST, STRUGGLE IN SOUTHWEST**
- **NUMBER OF BANK FAILURES IN 1987 PASSES LAST YEAR'S RECORD LEVEL**

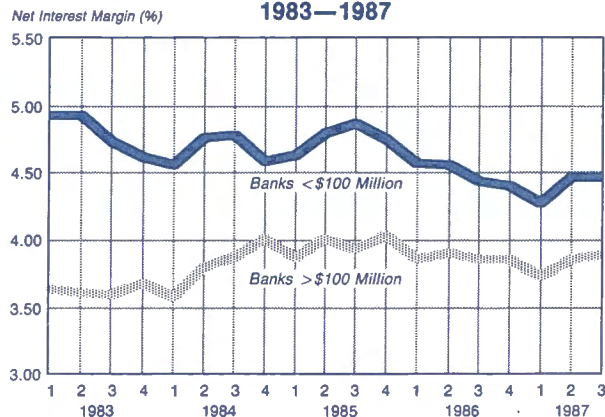
In a sharp rebound from its second-quarter results, the commercial banking industry reported record high earnings for the quarter ending September 30. Bank income totalled \$5.8 billion, surpassing the previous high of \$5.3 billion registered in the first quarter of this year. The earnings in the first and third quarters more than offset the record \$10.6 billion second-quarter loss, so that income through the first nine months amounted to \$480 million. Third-quarter income was 22 percent higher than a year ago. Realized gains from investment securities were down markedly from year-ago levels, indicating that the improvement reflects more profitable operations. Net operating income — income before realized securities gains and nonrecurring gains — was \$5.4 billion, \$1.8 billion higher than in the third quarter of 1986, a gain of 51 percent.

**Chart A — Quarterly Net Income of FDIC-Insured Commercial Banks, 1984—1987**



spreads have been another source of earnings strength, following two years of deterioration. As interest-rate levels have risen through much of the year, yields on loans and investment securities appear to have increased somewhat faster than deposit and other liability costs. As a result, third-quarter net interest income was \$1.4 billion higher than in the third quarter of 1986, and net interest margins widened.

**Chart B — Quarterly Net Interest Margins 1983—1987**



As expected, the ten largest banks, which reported massive operating losses at mid-year stemming from unprecedented second-quarter provisions for possible loan losses, showed the most marked improvement over third-quarter 1986 results. Bottom-line income increased 50 percent and net operating income soared 77 percent, as six of the ten reported higher earnings. The exceptional loss provisioning of the previous quarter substantially reduced the need for these banks to add to reserves during the third quarter, resulting in provisions that were 52 percent lower than a year earlier. Additionally, the losses booked in the second quarter encouraged some banks to realize gains on over-funded pension plans and asset sales, and resulted in other tax benefits that enhanced third-quarter profits.

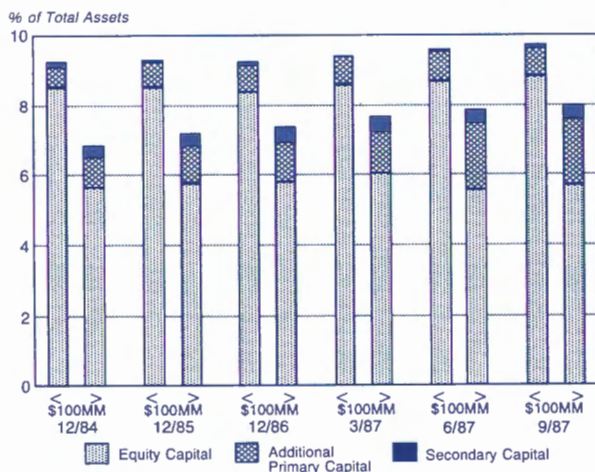
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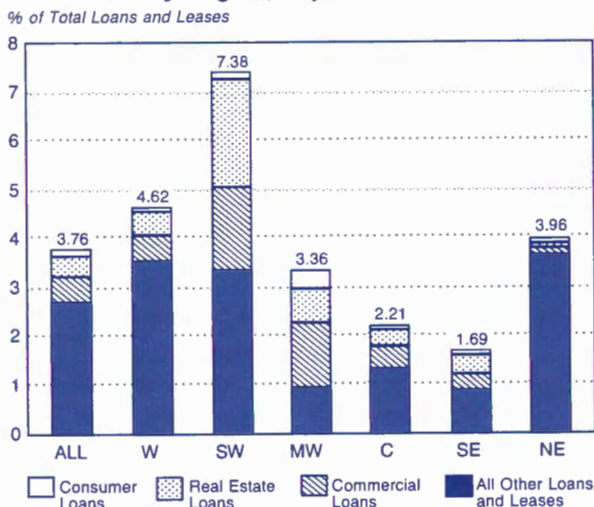
Improved third-quarter results were attributable in part to lower loan-loss expenses which, while much lower than in the previous quarter, were also \$1.2 billion less than in the third quarter a year ago. Wider interest-rate

**Chart C — Composition of Commercial Banks' Net Worth, December 1984—September 1987**



Other large banks also reported earnings gains. The 72 other banks with assets greater than \$5 billion had a 13 percent aggregate increase in net income over last year's third quarter, with those reporting increases outnumbering those with decreases by a 3-to-1 margin. Banks in the \$1 billion to \$5 billion asset-size range reported significantly higher quarterly net income as well, up more than 16 percent over the same quarter a year ago. Third-quarter earnings at regional banks, like those at money-center institutions, were aided by special loan loss provisions taken in the second quarter, and earnings through the first nine months remain a bit below last year's levels. Noninterest expenses were up 16 percent from a year ago for banks larger than \$5 billion, partly due to acquisitions by some regional banks.

**Chart D — Composition of Nonperforming\* Loans by Region, September 30, 1987**



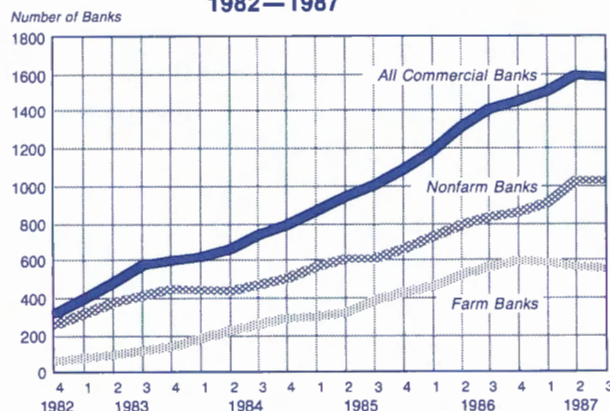
\*Nonperforming loans = loans 90 days or more past due, nonaccrual and restructured loans

Smaller banks are showing signs that their financial condition has improved from a year ago. Banks with less than \$100 million in assets saw their net income in the third quarter climb 14.3 percent above their earnings in the year-earlier quarter. Their net operating income gain

was an even more dramatic 43 percent. For the first three quarters of 1987, net operating income is almost 18 percent above the level of a year ago. Net income fell slightly over the same period, however, because of smaller gains from securities sales.

Banks in the Midwest region account for much of the improvement in small-bank profitability this year. Net income of banks in the Midwest climbed 38.8 percent from third-quarter 1986 to third-quarter 1987, while nonperforming assets dropped by 10 percent and net charge-offs were down 42 percent. At the same time, the number of farm banks on the "Problem List" has fallen to 564 as of September 30, having peaked at 609 in January. The total number of "problem" commercial banks declined slightly in the third quarter, from 1,609 to 1,591. However, the number of commercial banks to have failed or received assistance during the year rose to 151 through the third quarter, surpassing 1986's full-year total of 144. Over half of 1987's record number of bank failures have been in the Southwest, where banks continue to struggle with asset-quality problems. Nonperforming assets continued to grow at a faster rate in the Southwest than loan-loss reserves, and net charge-offs were down only slightly through the first nine months of this year. So far this year, nearly one out of every three banks in the Southwest has been unprofitable.

**Chart E — Problem Commercial Banks 1982—1987**



Fourth-quarter results will be greatly influenced by loan-loss provisioning. Provisions should remain lower and net operating income should be up at large banks, after their additions to reserves in the second quarter. Results will be mixed at smaller banks, which tend to book most of their annual loan-loss expenses in the fourth quarter. There are indications that the drop in the stock market has resulted in an increase in bank deposits. Combined with the drop in interest rates caused by recent stock market turmoil, this could reduce funding costs and further bolster interest spreads. If asset-quality problems and overhead expenses are contained in the fourth quarter, industry earnings should surpass the \$3.5 billion level recorded in the fourth quarter of each of the last three years. Regardless of fourth-quarter results, however, full-year industry profitability will be at its lowest level since 1934.



**Table I. Aggregate Condition and Income Data, FDIC-Insured Commercial Banks**  
(dollar figures in millions)

	Preliminary 3rd Qtr 1987	2nd Qtr 1987	3rd Qtr 1986	% Change 86:3-87:3		
Number of banks reporting .....	13,800	13,947	14,307	-3.5		
Total employees (full-time equivalent) .....	1,554,797	1,622,358	1,568,220	-0.9		
<b>CONDITION DATA</b>						
Total Assets .....	\$2,941,711	\$2,913,101	\$2,801,844	5.0		
Real estate loans .....	578,361	556,559	486,868	18.8		
Commercial & industrial loans .....	580,170	582,853	572,082	1.4		
Loans to individuals .....	341,629	332,963	326,046	4.8		
Farm loans .....	30,985	30,840	34,204	-9.4		
Other loans and leases .....	265,953	265,193	263,938	0.8		
Total loans and leases .....	1,797,098	1,768,408	1,683,137	6.8		
LESS: Reserve for losses .....	47,396	47,208	27,271	73.8		
Net loans and leases .....	1,749,702	1,721,200	1,655,866	5.7		
Temporary investments .....	446,428	449,673	450,958	-1.0		
Securities over 1 year .....	387,107	375,865	343,075	12.8		
All other assets .....	358,474	366,363	351,945	1.9		
Total liabilities and capital .....	\$2,941,711	\$2,913,101	\$2,801,844	5.0		
Noninterest-bearing deposits .....	450,510	471,706	446,562	0.9		
Interest-bearing deposits .....	1,814,770	1,793,308	1,713,078	5.9		
Other borrowed funds .....	367,627	350,571	339,187	8.4		
Subordinated debt .....	17,432	17,283	16,496	5.7		
All other liabilities .....	111,083	104,910	107,046	3.8		
Equity capital .....	180,289	175,323	179,475	0.5		
Primary Capital .....	231,443	225,889	210,243	10.1		
Nonperforming assets .....	76,057	75,746	58,765	29.4		
Loan commitments and letters of credit .....	773,665	766,473	745,756	3.7		
Domestic office assets .....	2,517,843	2,495,189	2,385,743	5.5		
Foreign office assets .....	423,868	417,912	416,101	1.9		
Domestic office deposits .....	1,920,882	1,929,024	1,834,804	4.7		
Foreign office deposits .....	344,398	335,990	324,836	6.0		
Earning Assets .....	2,583,249	2,546,738	2,449,900	5.4		
<b>INCOME DATA</b>						
	Preliminary 1st 3 Qtrs 1987	1st 3 Qtrs 1986	% Change	Preliminary 3rd Qtr 1987	3rd Qtr 1986	% Change
Total interest income .....	\$180,312	\$179,939	-0.2	\$61,649	58,351	5.7
Total interest expense .....	106,355	109,231	-2.6	36,445	34,570	5.4
Net interest income .....	73,957	70,708	4.6	25,204	23,781	6.0
Provisions for loan losses .....	29,222	15,133	93.1	3,870	5,105	-24.2
Total noninterest income .....	29,404	26,040	12.9	10,349	9,081	14.0
Total noninterest expense .....	71,197	66,049	7.8	24,228	22,465	7.8
Applicable income taxes .....	4,038	4,804	-15.9	2,012	1,683	19.5
Net operating income .....	-1,096	10,762	N/M	5,443	3,609	50.8
Securities gains, net .....	1,393	2,982	-53.3	262	1,096	-76.1
Extraordinary gains, net .....	183	212	-13.7	128	67	91.0
Net Income .....	480	13,956	-96.6	5,833	4,772	22.2
Net charge-offs .....	10,644	11,097	-4.1	3,713	4,160	-10.7
Net additions to capital stock .....	1,105	993	11.3	361	602	-40.0
Cash dividends on capital stock .....	6,989	5,982	15.3	2,297	1,966	16.8

**Table II. Selected Indicators, FDIC-Insured Commercial Banks**

	1981	1982	1983	1984	1985	1986	1987*
Return on assets .....	0.78%	0.71%	0.66%	0.65%	0.70%	0.64%	0.02%
Return on equity .....	13.08	12.11	10.70	10.73	11.31	10.18	0.35
Equity capital to assets .....	5.83	5.87	6.00	6.15	6.20	6.21	6.13
Primary capital to assets .....	6.39	6.47	6.59	6.98	6.94	7.03	7.75
Nonperforming assets to assets ..	N/A	1.85	1.97	1.97	1.87	1.95	2.59
Net charge-offs to loans .....	0.37	0.56	0.67	0.76	0.84	0.99	0.80
Asset growth rate .....	9.36	8.12	6.75	7.11	8.86	7.62	4.99
Net operating income growth .....	7.60	-0.62	-3.69	3.40	6.30	-16.20	N/M
Number of unprofitable banks ....	741	1,196	1,530	1,891	2,453	2,784	2,287
Number of problem banks .....	196	326	603	800	1,098	1,457	1,591
Number of failed/assisted banks ..	7	34	45	78	118	144	151

\*For 1987, return on assets, return on equity and net charge-off ratios are annualized.

N/A — Not available

N/M — Not meaningful.

**Table III. Third Quarter 1987 Bank Data (Dollar figures in billions, ratios in %)**

	All Banks	Asset Size Distribution						Geographic Distribution					
		Less than \$100 Million	\$100-300 Million	\$300-1,000 Million	\$1-5 Billion	Greater than \$5 Billion	Ten Largest Banks	EAST			WEST		
								Northeast Region	Southeast Region	Central Region	Midwest Region	Southwest Region	West Region
Number of banks reporting .....	13,800	11,053	1,877	528	260	72	10	1,080	1,920	3,066	3,254	2,945	1,534
Total assets .....	\$2,941.8	\$393.1	\$301.3	\$267.3	\$562.6	\$720.8	\$696.6	\$1,163.2	\$389.3	\$465.8	\$201.7	\$279.0	\$442.8
Total deposits .....	2,265.3	349.4	263.8	221.3	428.1	497.6	505.1	841.2	307.9	372.0	156.1	227.4	360.7
% total banks .....	100.0%	80.1%	13.6%	3.8%	1.9%	0.5%	0.1%	7.8%	13.9%	22.2%	23.6%	21.3%	11.1%
Asset share (%) .....	100.0	13.4	10.2	9.1	19.1	24.5	23.7	39.5	13.2	15.8	6.9	9.5	15.1
Deposit share (%) .....	100.0	15.4	11.6	9.8	18.9	22.0	22.3	37.1	13.6	16.4	6.9	10.1	15.9
Number of unprofitable banks ...	2,167	1,917	180	52	14	3	1	75	183	211	424	928	345
Number of failed/assisted banks .....	52	46	5	1	0	0	0	1	2	0	6	33	10
<b>Performance ratios (annualized)</b>													
Yield on earning assets .....	9.61%	9.70%	9.69%	9.78%	9.62%	9.54%	9.90%	9.83%	9.86%	9.33%	9.79%	9.30%	9.97%
Cost of funding earning assets .....	5.68	5.23	5.23	5.32	5.33	5.74	6.76	6.26	5.35	5.44	5.53	5.75	5.17
Net interest margin ...	3.93	4.47	4.46	4.46	4.29	3.80	3.14	3.57	4.51	3.88	4.29	3.55	4.80
Net noninterest expense to earning assets .....	2.16	2.85	2.67	2.61	2.31	1.60	1.62	1.73	2.55	2.21	1.97	2.58	2.98
Net operating income to assets ....	0.74	0.57	0.75	0.66	0.78	0.84	0.71	0.85	1.02	0.89	1.02	-0.57	0.72
Return on assets .....	0.80	0.63	0.78	0.69	0.81	0.91	0.79	0.94	1.06	0.92	0.99	-0.48	0.76
Return on equity .....	13.12	7.17	10.19	9.64	12.56	17.09	20.12	17.55	15.10	13.65	13.14	-7.45	13.71
Net charge-offs to loans and leases ....	0.83	1.11	0.78	0.96	0.82	0.87	0.70	0.58	0.57	0.66	1.38	2.19	0.96
<b>Condition Ratios</b>													
Loss allowance to loans and leases ....	2.64%	1.63%	1.55%	1.68%	1.75%	2.73%	4.54%	3.06%	1.41%	2.12%	2.30%	2.91%	2.97%
Nonperforming assets to assets .....	2.59	2.31	1.95	2.03	1.92	2.28	3.98	2.51	1.18	1.39	2.03	5.47	3.54
Equity capital ratio ....	6.13	8.80	7.74	7.18	6.52	5.36	3.97	5.41	7.03	6.79	7.61	6.45	5.62
Primary capital ratio ...	7.75	9.57	9.10	8.80	8.29	7.93	7.17	7.44	7.78	8.00	8.81	7.88	7.72
Net loans and leases to assets .....	59.48	51.83	56.91	61.22	64.01	61.79	58.17	59.49	60.83	58.18	53.73	54.90	65.09
Net assets repriceable in one year or less to assets .....	-7.29	-10.37	-8.58	-7.90	-7.88	-7.58	-3.97	-5.26	-11.90	-5.75	-15.24	-10.63	-4.44
<b>Growth Rates (year-to-year)</b>													
Assets .....	5.0%	4.5%	7.2%	10.5%	12.1%	10.5%	2.6%	9.2%	8.8%	5.6%	4.3%	-5.4%	-1.4%
Earning assets .....	5.4	4.9	7.9	11.2	13.1	11.3	2.2	9.7	9.5	5.8	4.6	-5.8	-0.5
Loans and leases .....	6.8	6.2	10.5	14.4	16.8	12.9	0.3	11.0	14.1	9.7	4.6	-8.1	-0.6
Loss reserve .....	73.8	13.8	22.4	30.0	39.5	88.9	154.9	131.1	23.7	57.0	26.1	23.8	62.4
Net charge-offs .....	-10.7	-14.8	-11.7	18.0	16.8	5.9	-26.5	7.6	11.9	18.4	-42.1	-8.2	-27.5
Nonperforming assets ..	29.4	2.3	8.9	20.5	31.6	49.5	56.4	69.6	22.7	-3.0	-10.4	27.4	11.7
Deposits .....	4.9	4.8	7.0	9.2	10.2	11.5	4.2	9.7	9.0	5.1	1.8	-5.3	-0.6
Equity capital .....	0.5	3.4	7.8	7.9	13.8	4.1	-17.6	-0.7	11.6	1.1	3.6	-10.8	-1.2
Interest income .....	5.7	0.3	5.6	9.5	14.1	13.4	6.4	14.0	7.5	3.8	-0.3	-5.5	-2.3
Interest expense .....	5.4	-4.6	1.0	6.3	11.6	15.3	11.0	17.5	4.9	1.3	-2.5	-7.0	-6.9
Net interest income ...	6.0	6.7	11.5	13.5	17.4	10.6	-2.2	8.3	10.8	7.5	2.6	-2.8	3.2
Loan loss expense ....	-24.2	-21.1	-9.2	-4.9	15.9	-17.6	-52.3	-12.8	4.1	-22.1	-52.5	-12.9	-42.3
Noninterest income ...	14.0	9.8	9.7	19.9	17.1	24.9	12.6	30.5	7.8	-1.1	23.9	7.4	-7.5
Noninterest expense ..	7.8	7.6	10.5	11.7	12.7	16.0	8.8	13.2	7.8	7.5	4.0	5.3	1.8
Net operating income ..	50.8	43.2	23.0	41.1	27.2	49.6	77.6	41.2	14.4	15.7	555.4	N/M	94.2
Net income .....	22.2	14.3	1.3	9.7	16.2	13.0	50.7	28.3	6.6	2.9	38.8	N/M	63.3

REGIONS: Northeast — Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont

Southeast — Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia

Central — Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin

Midwest — Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Southwest — Arkansas, Louisiana, New Mexico, Oklahoma, Texas

West — Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming

**Table IV. First Three Quarters 1987 Bank Data** (*Dollar figures in billions, ratios in %*)

	All Banks	Asset Size Distribution						Geographic Distribution					
		Less than \$100 Million	\$100-300 Million	\$300-1,000 Million	\$1-5 Billion	Greater than \$5 Billion	Ten Largest Banks	EAST			WEST		
								Northeast Region	Southeast Region	Central Region	Midwest Region	Southwest Region	West Region
Number of unprofitable banks.....	2,287	2,006	170	56	27	18	10	95	199	186	438	978	390
Number of failed/assisted banks.....	151	140	10	1	0	0	0	2	6	6	26	86	25
<b>Performance ratios</b> (annualized)													
Yield on earning assets	9.42%	9.57%	9.46%	9.53%	9.35%	9.35%	9.79%	9.98%	9.56%	9.13%	9.64%	8.96%	9.73%
Cost of funding earning assets .....	5.56	5.17	5.10	5.13	5.15	5.60	6.68	6.36	5.14	5.31	5.44	5.52	5.04
Net interest margin ..	3.86	4.40	4.36	4.40	4.20	3.75	3.10	3.62	4.42	3.82	4.20	3.44	4.69
Net noninterest expense to earning assets .....	2.18	2.78	2.63	2.62	2.34	1.95	1.64	1.88	2.51	2.15	1.94	2.42	2.95
Net operating income to assets ...	-0.05	0.60	0.75	0.56	0.60	-0.02	-1.52	-0.49	0.94	0.39	0.62	-0.54	-0.21
Return on assets ....	0.02	0.68	0.82	0.62	0.66	0.05	-1.43	-0.39	1.00	0.44	0.66	-0.47	-0.16
Return on equity ....	0.35	7.79	10.75	8.65	10.18	0.94	-31.46	-6.88	14.51	6.44	8.89	-7.10	-2.82
Net charge-offs to loans and leases ...	0.80	1.03	0.73	0.91	0.75	0.80	0.77	0.58	0.53	0.55	1.41	1.92	1.00
<b>Growth Rates</b> (year to year)													
Net charge-offs .....	-4.1%	-12.5%	-2.8%	34.1%	14.2%	8.9%	-13.2%	9.6%	12.8%	-1.8%	-27.2%	-1.2%	-34.9%
Interest income .....	0.2	-3.2	0.7	3.5	7.1	7.1	0.5	7.0	2.9	-1.3	-3.8	-13.6	-5.1
Interest expense ....	-2.6	-8.5	-4.8	-2.3	1.2	4.8	1.8	6.9	-2.5	-5.7	-7.6	-15.5	-12.1
Net interest income ..	4.6	3.9	8.1	11.2	15.3	10.5	-2.3	7.4	10.1	5.5	1.5	-10.3	3.9
Loan loss expense ...	93.1	-15.9	-3.1	20.7	32.8	129.6	248.3	282.7	28.9	105.5	-15.8	-10.1	54.9
Noninterest income ..	12.9	9.6	10.1	14.4	13.4	20.6	15.3	20.8	9.9	6.5	21.0	5.5	2.4
Noninterest expense .	7.8	5.9	2.4	11.0	11.7	16.4	9.6	12.3	7.9	6.4	5.4	-0.6	5.6
Net operating income	N/M	17.7	8.9	-5.9	2.8	N/M	N/M	N/M	-5.7	-49.1	75.4	N/M	N/M
Net income .....	-96.6	-1.3	-2.2	-15.5	-2.2	-93.0	N/M	N/M	-0.3	-50.1	-9.2	N/M	N/M

## NOTES TO USERS

### COMPUTATION METHODOLOGY FOR PERFORMANCE AND CONDITION RATIOS

All income figures used in calculating performance ratios represent amounts for that period, annualized (multiplied by the number of periods in a year).

All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any periods in between, divided by the total number of periods).

All asset and liability figures used in calculating the condition ratios represent amounts as of the end of the quarter.

### DEFINITIONS

**"Problem" Banks**—Federal regulators assign to each financial institution a uniform composite rating, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" banks are those institutions with financial, operational or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either "4" or "5".

**Earning Assets**—all loans and other investments that earn interest, dividend or fee income.

**Yield on Earning Assets**—total interest, dividend and fee income earned on loans and investments as a percentage of average earning assets.

**Cost of Funding Earning Assets**—total interest expense paid on deposits and other borrowed money as a percentage of average earning assets.

**Net Interest Margin**—the difference between the yield on earning assets and the cost of funding them, i.e., the profit margin a bank earns on its loans and investments.

**Net Noninterest Expense**—total noninterest expense, excluding the expense of providing for loan losses, less total noninterest income. A measure of banks' overhead costs.

**Net Operating Income**—income after taxes and before gains (or losses) from securities transactions and from nonrecurring items. The profit earned on banks' regular banking business.

**Return on Assets**—net income (including securities transactions and nonrecurring items) as a percentage of average total assets. The basic yardstick of bank profitability.

**Return on Equity**—net income as a percentage of average total equity capital.

**Net Charge-offs**—total loans and leases charged off (removed from balance sheet because of uncollectibility) during the quarter, less amounts recovered on loans and leases previously charged off.

**Nonperforming Assets**—the sum of loans past-due 90 days or more, loans in nonaccrual status and noninvestment real estate owned other than bank premises.

**Primary Capital**—total equity capital plus the allowance for loan and lease losses plus minority interests in consolidated subsidiaries plus qualifying mandatory convertible debt (cannot exceed 20 percent of total primary capital), less intangible assets except purchased mortgage servicing rights.

**Net Loans and Leases**—total loans and leases less unearned income and the allowance for loan and lease losses.

**Net Assets Repriceable in One Year or Less**—all assets with interest rates that are repricable in one year or less plus assets with remaining maturity of one year or less, minus all liabilities that are repriced or due to mature within one year of the reporting date. A positive value indicates that banks' income from assets is more sensitive to movements in interest rates than is the expense of their liabilities, and vice-versa for a negative value.

**Temporary Investments**—the sum of interest-bearing balances due from depository institutions, federal funds sold and resold, trading-account assets and investment securities with remaining maturities of one year or less.

**Loan Loss Expense**—the quarterly addition to the loan loss reserve that will keep the balance of the reserve adequate to absorb the quarter's anticipated loan losses.

Additional information regarding bank performance, bank failures and economic issues affecting the banking industry is available in the **Banking and Economic Review**, published by the Office of Research and Strategic Planning, FDIC. Information on legislative issues and changes in state and federal laws and regulations governing banks is contained in the **Regulatory Review**, also published by the Office of Research and Strategic Planning. Single-copy subscriptions are available to the public free of charge. Requests should be mailed to:

Banking and Economic Review or Regulatory Review, Office of Research and Strategic Planning, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429