

## Minnesota and US Banking Conditions -- Second Quarter 2019

Banks = 273, BHCs = 214 -- Data from quarterly call reports

- Large increase in bank profits
- Loan growth was flat
- Small decline in problem loans

	<b>Median</b>	<b>Change from previous quarter</b>	<b>Change from previous year</b>
<b>Capital</b>			
Total Risk Based Capital Ratio	15.57%	-23 bps	20 bps
<b>Asset Quality</b>			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	6.96%	-72 bps	-44 bps
Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.00%	0 bps	0 bps
Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.29%	-14 bps	-51 bps
<b>Earnings</b>			
Return on Average Assets	1.24%	8 bps	5 bps
Net Interest Margin	4.01%	5 bps	3 bps
Provisions as a Percent of Average Assets			
<b>Liquidity</b>			
Noncore Funding as a Percent of Liabilities	15.94%	115 bps	143 bps
<b>Net Loan Growth (over last four quarters)</b>	4.82%	1 bps	19 bps

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## Nation

	<b>Median</b>	<b>Change from previous quarter</b>	<b>Change from previous year</b>
<b>Capital</b>			
Total Risk Based Capital Ratio	16.17%	-2 bps	15 bps
<b>Asset Quality</b>			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	6.05%	-63 bps	-19 bps
Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.00%	0 bps	0 bps
Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.78%	-13 bps	-9 bps
<b>Earnings</b>			
Return on Average Assets	1.14%	2 bps	2 bps
Net Interest Margin	3.89%	3 bps	4 bps
Provisions as a Percent of Average Assets			
<b>Liquidity</b>			
Noncore Funding as a Percent of Liabilities	20.17%	42 bps	119 bps
<b>Net Loan Growth (over last four quarters)</b>	5.08%	-37 bps	-59 bps