## Twin Cities MSA and US Banking Conditions -- Fourth Quarter 2019

Banks = 69 -- Data from quarterly call reports

-- Large decline in bank profits
-- Small decline in loan growth
-- Problem loans were flat

<table>
<thead>
<tr>
<th>Capital</th>
<th>Median</th>
<th>Change from previous quarter</th>
<th>Change from previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Risk Based Capital Ratio</td>
<td>14.66%</td>
<td>-21 bps</td>
<td>-67 bps</td>
</tr>
</tbody>
</table>

### Asset Quality

- **Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**
  - Median: 4.26%
  - Change from previous quarter: 21 bps
  - Change from previous year: 35 bps

- **Construction and Land Development Noncurrent and Delinquent Loans**
  - Median: 0.00%
  - Change from previous quarter: 0 bps
  - Change from previous year: 0 bps

- **Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**
  - Median: 0.48%
  - Change from previous quarter: -17 bps
  - Change from previous year: -8 bps

### Earnings

- **Return on Average Assets**
  - Median: 1.21%
  - Change from previous quarter: -10 bps
  - Change from previous year: 3 bps

- **Net Interest Margin**
  - Median: 4.00%
  - Change from previous quarter: 0 bps
  - Change from previous year: 10 bps

- **Provisions as a Percent of Average Assets**

### Liquidity

- **Noncore Funding as a Percent of Liabilities**
  - Median: 12.17%
  - Change from previous quarter: -130 bps
  - Change from previous year: -213 bps

### Net Loan Growth (over last four quarters)

- Median: 6.52%
  - Change from previous quarter: -62 bps
  - Change from previous year: 35 bps

## Nation

<table>
<thead>
<tr>
<th>Capital</th>
<th>Median</th>
<th>Change from previous quarter</th>
<th>Change from previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Risk Based Capital Ratio</td>
<td>16.21%</td>
<td>-5 bps</td>
<td>14 bps</td>
</tr>
</tbody>
</table>

### Asset Quality

- **Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**
  - Median: 6.16%
  - Change from previous quarter: 21 bps
  - Change from previous year: -10 bps

- **Construction and Land Development Noncurrent and Delinquent Loans**
  - Median: 0.00%
  - Change from previous quarter: 0 bps
  - Change from previous year: 0 bps

- **Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**
  - Median: 0.79%
  - Change from previous quarter: -1 bps
  - Change from previous year: 0 bps

### Earnings

- **Return on Average Assets**
  - Median: 1.15%
  - Change from previous quarter: 0 bps
  - Change from previous year: 2 bps

- **Net Interest Margin**
  - Median: 3.88%
  - Change from previous quarter: -1 bps
  - Change from previous year: -1 bps

- **Provisions as a Percent of Average Assets**

### Liquidity

- **Noncore Funding as a Percent of Liabilities**
  - Median: 19.87%
  - Change from previous quarter: -50 bps
  - Change from previous year: 34 bps

### Net Loan Growth (over last four quarters)

- Median: 4.27%
  - Change from previous quarter: -32 bps
  - Change from previous year: -117 bps