### Western WI and US Banking Conditions -- First Quarter 2020

Banks = 39, BHCs = 35 -- Data from quarterly call reports

-- Small increase in bank profits
-- Large decline in loan growth
-- Large increase in problem loans

<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>14.75%</td>
<td>-78 bps</td>
<td>-163 bps</td>
</tr>
</tbody>
</table>

### Asset Quality

- Noncurrent and Delinquent Loans as a Percent of Capital and Allowance
  - Median: 11.84%
  - Change: 324 bps
  - Previous Year Change: 445 bps

- Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance
  - Median: 0.00%
  - Change: 0 bps
  - Previous Year Change: 0 bps

- Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance
  - Median: 1.77%
  - Change: -21 bps
  - Previous Year Change: 5 bps

### Earnings

- Return on Average Assets
  - Median: 1.15%
  - Change: 2 bps
  - Previous Year Change: 13 bps

- Net Interest Margin
  - Median: 3.72%
  - Change: -13 bps
  - Previous Year Change: -12 bps

- Provisions as a Percent of Average Assets

### Liquidity

- Noncore Funding as a Percent of Liabilities
  - Median: 17.82%
  - Change: -69 bps
  - Previous Year Change: -125 bps

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

- Median: 1.02%
  - Change: -168 bps
  - Previous Year Change: -510 bps

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### Nation

<table>
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<tr>
<td>Total Risk Based Capital Ratio</td>
<td>15.30%</td>
<td>-90 bps</td>
<td>-89 bps</td>
</tr>
</tbody>
</table>

### Asset Quality

- Noncurrent and Delinquent Loans as a Percent of Capital and Allowance
  - Median: 7.21%
  - Change: 104 bps
  - Previous Year Change: 52 bps

- Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance
  - Median: 0.00%
  - Change: 0 bps
  - Previous Year Change: 0 bps

- Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance
  - Median: 1.12%
  - Change: 32 bps
  - Previous Year Change: 20 bps

### Earnings

- Return on Average Assets
  - Median: 1.00%
  - Change: -15 bps
  - Previous Year Change: -11 bps

- Net Interest Margin
  - Median: 3.74%
  - Change: -14 bps
  - Previous Year Change: -11 bps

- Provisions as a Percent of Average Assets

### Liquidity

- Noncore Funding as a Percent of Liabilities
  - Median: 19.58%
  - Change: -29 bps
  - Previous Year Change: -16 bps

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

- Median: 4.37%
  - Change: 10 bps
  - Previous Year Change: -108 bps