## Minnesota and US Banking Conditions -- Third Quarter 2020

Banks = 265, BHCs = 207 -- Data from quarterly call reports

-- Small decline in bank profits
-- Medium decline in loan growth
-- Small decline in problem loans

<table>
<thead>
<tr>
<th>Capital</th>
<th>Median</th>
<th>Change from previous quarter</th>
<th>Change from previous year</th>
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<tbody>
<tr>
<td>Total Risk Based Capital Ratio</td>
<td>15.25%</td>
<td>21 bps</td>
<td>-24 bps</td>
</tr>
</tbody>
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### Asset Quality

- **Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**: 4.74%  
  - Change from previous quarter: -62 bps  
  - Change from previous year: -202 bps

- **Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**: 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**: 0.16%  
  - Change from previous quarter: -9 bps  
  - Change from previous year: -16 bps

### Earnings

- **Return on Average Assets**: 1.25%  
  - Change from previous quarter: -1 bps  
  - Change from previous year: -3 bps

- **Net Interest Margin**: 3.83%  
  - Change from previous quarter: -15 bps  
  - Change from previous year: -22 bps

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

### Liquidity

- **Noncore Funding as a Percent of Liabilities**: 14.44%  
  - Change from previous quarter: -80 bps  
  - Change from previous year: -228 bps

### Nation

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<td>Total Risk Based Capital Ratio</td>
<td>15.49%</td>
<td>23 bps</td>
<td>-77 bps</td>
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### Asset Quality

- **Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**: 5.08%  
  - Change from previous quarter: -40 bps  
  - Change from previous year: -86 bps

- **Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance**: 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**: 0.67%  
  - Change from previous quarter: -2 bps  
  - Change from previous year: -13 bps

### Earnings

- **Return on Average Assets**: 1.03%  
  - Change from previous quarter: 0 bps  
  - Change from previous year: -13 bps

- **Net Interest Margin**: 3.62%  
  - Change from previous quarter: -8 bps  
  - Change from previous year: -28 bps

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

### Liquidity

- **Noncore Funding as a Percent of Liabilities**: 17.70%  
  - Change from previous quarter: -81 bps  
  - Change from previous year: -267 bps

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

- **Nation**: 8.81%  
  - Change from previous quarter: -86 bps  
  - Change from previous year: 426 bps

- **Total Risk Based Capital Ratio**: 15.25%  
  - Change from previous quarter: 21 bps  
  - Change from previous year: -24 bps