

Upper Peninsula of MI and US Banking Conditions -- Second Quarter 2018

Banks = 17, BHCs = 16 -- Data from quarterly call reports

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

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	18.30%	40 bps	114 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	13.81%	138 bps	153 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	3.91%	-109 bps	-163 bps
Earnings			
Return on Average Assets	0.86%	2 bps	2 bps
Net Interest Margin	3.83%	-10 bps	-6 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	16.66%	-169 bps	-9 bps
Net Loan Growth (over last four quarters)	1.91%	-248 bps	-237 bps

Nation

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	16.02%	17 bps	19 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	6.24%	-59 bps	-14 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	0.88%	-11 bps	-7 bps
Earnings			
Return on Average Assets	1.11%	3 bps	15 bps
Net Interest Margin	3.85%	3 bps	9 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	18.97%	0 bps	-17 bps
Net Loan Growth (over last four quarters)	5.67%	-18 bps	-27 bps