

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

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

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

	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	16.97%	-92 bps	-94 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	10.25%	-196 bps	-276 bps
Construction and Land Development Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	0.00%	0 bps	-4 bps
Commercial Real Estate Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	3.00%	-133 bps	-134 bps
Earnings			
Return on Average Assets	0.82%	-8 bps	11 bps
Net Interest Margin	4.00%	0 bps	16 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	15.50%	-7 bps	-153 bps
Net Loan Growth (over last four quarters)	1.12%	-64 bps	-265 bps

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	Median	Change from previous quarter	Change from previous year
Capital			
Total Risk Based Capital Ratio	16.06%	-1 bps	27 bps
Asset Quality			
Noncurrent and Delinquent Loans as a Percent of Capital and Allowance	6.27%	-12 bps	-12 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	0.80%	-9 bps	-11 bps
Earnings			
Return on Average Assets	1.13%	0 bps	20 bps
Net Interest Margin	3.90%	1 bps	8 bps
Provisions as a Percent of Average Assets			
Liquidity			
Noncore Funding as a Percent of Liabilities	19.53%	-17 bps	49 bps
Net Loan Growth (over last four quarters)	5.44%	-19 bps	-46 bps