Quarterly Analysis of Institutions in the Capital Purchase Program
2009 Q1

Introduction

Throughout 2008, the Federal Government launched a series of financial initiatives aimed at stabilizing the economy. The Treasury Department ("Treasury") launched one of its largest initiatives, the Capital Purchase Program (CPP), under the Emergency Economic Stabilization Act (EESA) in October 2008. Through the CPP, Treasury purchased shares of preferred stock (or comparable instruments) from qualifying financial institutions. By strengthening the capital bases of these financial institutions through CPP, Treasury aimed to enhance market confidence in the entire banking system, thereby increasing the capacity of these institutions to lend to U.S. businesses and consumers and to support the U.S. economy under the difficult financial market conditions.

In an effort to understand better how CPP and other stabilization initiatives may have affected financial institutions and their activities, an interagency group convened to determine and conduct appropriate analyses. The interagency group consists of representatives from Treasury, the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board (Fed), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS).

Identifying the effects of EESA programs on lending presents significant conceptual and practical challenges, especially at this early date. Foremost among these challenges are the inherent difficulties in disentangling the relative importance of reduced demand for credit due to weaker economic activity, reduced supply of credit because borrowers appear less creditworthy, or reduced supply of credit because lenders face pressures that restrain them from extending credit, such as possible concerns about their capital. The close proximity in time of many actions by the U.S. and other governments, including the initial announcement of the CPP and other U.S. initiatives, adds to the challenges of identifying effects of specific programs or groups of programs. Over time, significant repayments of CPP funds will present further analytical challenges as the panel of CPP recipients and their characteristics shift over time. Notwithstanding these challenges, in the interest of providing information to the market and the U.S. public, the interagency group has undertaken, and will continue to produce, this summary of the activities of institutions receiving TARP capital.

By regulation, depository institutions are required each quarter to submit financial data (i.e. income statement, balance sheet, and supporting schedules) to their primary federal regulator in Call Reports and Thrift Financial Reports. Many depository institutions are owned by bank holding companies that may also own securities broker-dealers and other non-depository financial institutions. Large bank holding companies are required to submit consolidated financial data to the Federal Reserve Board each quarter in Y-9C Reports. The first section

("Section A") of this report analyzes Call Reports and Thrift Financial Reports, and the second section ("Section B") analyzes Y-9C data.[1]

The interagency group selected line items from regulatory filings that measure the status of financial institutions in a concise manner. Summary tables based on regulatory filing data include items in three broad categories: balance sheet and off-balance sheet items, performance ratios, and asset quality measures. The selected line items appear in the following tables, which contain data from fourth quarter 2008 and first quarter 2009.[2] The interagency group recognized that both institution size and the timing of CPP capital investments would likely have a bearing on this type of analysis. Accordingly, these tables distinguish four groups of financial institutions: the largest 21 CPP participant institutions as of the end of March 2009 (Group I), other participant institutions that received CPP funds in the fourth quarter of 2008 (Group II), other participant institutions that received CPP funds in the first quarter of 2009 (Group III), and the remaining institutions who submitted reports but were not participants in the CPP as of the end of March 2009 (Group IV).

While these data accurately reflect the financial results of these different groups, it is difficult to draw specific conclusions about the effectiveness of the CPP program from solely these ratios. First, only one quarter of data is presented. Many more quarters will be needed to fully understand the effects of the CPP program on both individual institutions as well as on the financial system as a whole. And second, more analysis needs to occur to create a more accurate control group. This report presents all banks that did not participate in the CPP program as the comparison group (Group IV). There are substantial differences between these banks and the CPP participants (asset size being a major difference) that need to be accounted for before indicative comparisons can be made. This will be a focus of the next Quarterly Report.

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[1] Detailed information on reporting can be found at the Federal Financial Institutions Examinations Council website (http://www.ffiec.gov) and at the Board of Governors website (http://www.federalreserve.gov) under "Reporting Forms". In general only bank holding companies with consolidated assets greater than $500 million are required to submit Y-9C reports.

[2] See "Appendix A: Notes to Call and Thrift Financial Report Users" and "Appendix B: Notes to Y-9C Report Users" for a more detailed description of the data.

Section A: Call and Thrift Financial Report Analysis

The Call and Thrift Financial Report data are organized into four tables, by group:

Group	Description	Number of CPP participants	Number of Insured institutions	Average asset size of insured institution (billions)
Group I	Subsidiaries of the 21 Largest CPP Participants (as of March 31, 2009)	**21**	**67**	**$125.6**
Group II	Subsidiaries of CPP Participants that were funded in Q4 2008	**193**	**295**	**$3.0**
Group III	Subsidiaries of CPP Participants that were funded in Q1 2009	**318**	**368**	**$1.0**
Group IV	Non CPP Participants (as of March 31, 2009)	**NA**	**7,516**	**$0.5**

Summary of Findings

Note: All changes refer to the change between fourth quarter 2008 and first quarter 2009, unless otherwise noted.

<u>Selected Balance and Off-Balance Sheet Items</u>

Overall Asset Growth

Banks in all Groups had positive asset growth in Q4 2008, though that growth slowed or turned negative for all Groups in Q1 2009 except Group III, which received CPP capital that quarter.

Loans

Changes in outstanding loan balances varied both by loan type and Group. In all Groups, construction and development (C&D) loan balances and commercial and industrial (C&I) loan balances decreased, while outstanding balances for closed-end 1-4 family residential mortgages, home equity loans, and commercial real estate (CRE) loans increased. In credit card loans, all Groups saw decreases in outstanding balances except Group IV, which saw an increase. The outstanding balance of total loans increased slightly in Group III (0.6 %) and was virtually flat (an increase of 0.1 %) in Group IV banks. Loan balances declined for Group I, the largest CPP recipients, and Group II, which received CPP capital in Q4 2008.

Unused commitments decreased in all Groups. Group I had the largest percentage decrease (-8.4%), while Group II had the smallest percentage decrease (-3.0%). The outstanding principal balance of assets sold and securitized with servicing retained also decreased across all groups. Group III had the largest percentage decrease (-3.1%) and Group II had the smallest percentage decrease (-0.2%).

Securities on Balance Sheet

Mortgage-backed securities (MBS) increased in all groups that received CPP capital. The largest percentage increase was in Group III, which saw an 8.1% increase in MBS. Non-mortgage asset-backed securities (ABS) increased in all groups except Group II, where ABS decreased by 2.4%. The largest increase in ABS was in Group III, which saw a 15.6% increase.

Liabilities/Deposits
Group I experienced negative deposit growth (-3.0%), though this decrease was smaller than the decrease in total liabilities (-5.2%). Deposits grew in all other Groups.

Equity
As expected, growth in equity capital was strong in Q4 2008 for Group I (14.9% increase) and Group II (7.7% increase), as both received CPP funds in Q4 2008. Similarly, stock sales and transactions with the parent holding company during the quarter increased dramatically in Q4 2008 for Group I (158.4% increase) and Group II (1056.1% increase). Following that trend, equity capital grew 16.3% in Q1 2009 for Group III, which received CPP funds during Q1 2009. Stock sales and transactions with the parent holding company during the quarter increased dramatically for Group III in Q1 2009 as well (increase of 992.1%). Group IV, which did not receive any CPP funds as of March 31, 2009, saw negative growth in equity capital in Q4 2008 (-7.6%) and modest growth in Q1 2009 (4.1%); stock sales and transactions with the parent holding company during the quarter experienced modest growth in Q4 2008 (35.3%) and Q1 2009 (11.4%).

Performance Ratios

Capital Ratios
Overall, average capital ratios increased in all Groups. The largest increases were in Group III, which received CPP capital in Q1. The only decrease in any average capital ratio was in the tier 1 leverage ratio of Group II, which decreased by seven basis points. In Q1 2009, Group III had the highest average tier 1 leverage ratio (9.4%), and Group IV had the highest average tier 1 risk based capital ratio (12.5%) and total risk based capital ratio (14.0%). This is expected, as smaller banks (which make up the majority of Group IV) usually have higher capital ratios.

Earnings Ratios
Return on equity and return on assets increased for all Groups. The largest increases were seen in Group I. Net interest margins decreased in every Group except Group I, where they increased by 16 basis points. During Q1 2009, Group I had the only positive earnings ratios. Return on equity for Group I was 5.8% and return on assets was 0.5%. Group II had the lowest earnings ratios; return on equity was -15.4% and return on assets was -1.6%.

Loss Coverage Ratios
Coverage ratios (allowance for loan and lease losses to noncurrent loans) declined in all Groups. The largest decrease was in Group I (986 basis points), and the smallest decrease was in Group III (376 basis points). In Q1 2009, Group I had the highest coverage ratio (71.8%), while Group IV had the lowest coverage ratio (56.0%).

The ratio of loss provisions to net charge-offs (for the quarter) decreased across all Groups. Over both quarters, Group I had the highest ratio of net charge-offs to average loans and leases

(2.1% in Q4 2008, 2.4% in Q1 2009), while Group IV had the lowest ratio of net charge-offs to average loans and leases (1.6% in Q4 2008, 1.2% in Q1 2009).

Asset Quality

Noncurrent loans as a percentage of total loans increased across virtually all Groups and loan types. Group I experienced the largest increases in noncurrent loans as a percentage of total loans. In Q1 2009, Group I had the highest ratio of total noncurrent loans to total loans (4.2%) while Group IV had the lowest ratio of total noncurrent loans to total loans (3.2%).

I. Subsidiaries of 21 Largest BHCs Receiving TARP Funds to Date

Entities in CPP 21	Insured Institution Count 67		TARP CPP Funds to Group $171,385	
(dollars in millions)	Q4 2008		Q1 2009	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$8,750,631	1.6%	$8,415,859	-3.8%
Loans	$4,471,958	-3.1%	$4,353,138	-2.7%
Construction & development	$197,258	-4.7%	$188,779	-4.3%
Closed-end 1-4 family residential	$1,144,201	-4.7%	$1,145,865	0.1%
Home Equity	$475,956	1.6%	$479,606	0.8%
Credit Card	$339,533	6.2%	$292,775	-13.8%
Other Consumer	$372,951	-5.2%	$376,231	0.9%
Commercial & Industrial	$975,234	-1.1%	$930,294	-4.6%
Commercial Real Estate	$323,167	0.8%	$324,632	0.5%
Unused commitments	$5,397,572	-8.1%	$4,942,826	-8.4%
Securitization outstanding principal	$1,815,758	1.0%	$1,790,264	-1.4%
Mortgage-Backed Securities (GSE and Private Issue)	$746,831	2.4%	$766,597	2.6%
Asset-Backed Securities	$112,022	-41.4%	$119,931	7.1%
Cash & Balances Due	$817,540	45.3%	$766,933	-6.2%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$162,765	-5.1%	$265,854	63.3%
Open-end HELOCs originated for sale (quarter)	$5,678	69.3%	$6,214	9.4%
Closed-end mortgage originations sold (quarter)	$164,276	-16.2%	$260,358	58.5%
Open-end HELOC originations sold (quarter)	$4,316	28.6%	$6,324	46.5%
Liabilities	$7,973,522	1.9%	$7,562,687	-5.2%
Deposits	$5,340,572	3.1%	$5,181,636	-3.0%
Equity				
Equity Capital at quarter end	$776,122	14.9%	$839,102	8.1%
Stock sales and transactions with parent holding company during quarter	$59,065	158.4%	$49,027	-17.0%
Performance Ratios				
	Q4 2008		**Q1 2009**	
Tier 1 leverage ratio	6.8%		7.5%	
Tier 1 risk based capital ratio	9.1%		10.0%	
Total risk based capital ratio	12.6%		13.3%	
Return on equity[1]	-8.8%		5.8%	
Return on assets[1]	-0.8%		0.5%	
Net interest margin[1]	3.3%		3.4%	
Coverage ratio (ALLL/Noncurrent loans)	81.6%		71.8%	
Loss provision to net charge-offs (qtr)	194.2%		165.7%	
Net charge-offs to average loans and leases[1]	2.1%		2.4%	
[1] *Quarterly, annualized.*				
Asset Quality (% of Total Loan Type)	**Noncurrent Loans**		**Gross Charge-Offs**	
	Q4 2008	**Q1 2009**	**Q4 2008**	**Q1 2009**
Construction & development	7.8%	10.4%	1.3%	0.8%
Closed-end 1-4 family residential	6.2%	8.1%	0.3%	0.4%
Home Equity	1.9%	2.4%	0.5%	0.7%
Credit Card	2.8%	3.7%	1.7%	2.2%
Other Consumer	1.6%	1.8%	0.9%	1.0%
Commercial & Industrial	1.8%	2.4%	0.5%	0.5%
Commercial Real Estate	1.5%	2.4%	0.2%	0.1%
Total Loans	3.2%	4.2%	0.5%	0.6%

Q1 2009	**Less than $1 Billion**	**$1 - $10 Billion**	**$10 - $100 Billion**	**More than $100 Billion**
Insured Institutions by Asset Size	**8**	**18**	**24**	**17**

Source: FDIC Analysis of Call and Thrift Financial Report Data

II. Independent Banks and Subsidiaries of Smaller BHCs Receiving TARP Capital in Q4 2008

Entities in CPP 193	Insured Institution Count 295		TARP CPP Funds to Group $19,543	
(dollars in millions)	**Q4 2008**		**Q1 2009**	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$893,297	2.5%	$889,581	-0.4%
Loans	$646,118	0.3%	$638,916	-1.1%
Construction & development	$96,835	-4.7%	$93,335	-3.6%
Closed-end 1-4 family residential	$117,959	-0.3%	$118,238	0.2%
Home Equity	$43,208	4.4%	$44,083	2.0%
Credit Card	$2,091	0.0%	$2,021	-3.3%
Other Consumer	$30,124	-2.8%	$28,217	-6.3%
Commercial & Industrial	$126,351	1.0%	$122,669	-2.9%
Commercial Real Estate	$169,687	2.7%	$171,472	1.1%
Unused commitments	$181,435	-4.4%	$175,978	-3.0%
Securitization outstanding principal	$41,752	2.5%	$41,663	-0.2%
Mortgage-Backed Securities (GSE and Private Issue)	$91,029	12.4%	$95,963	5.4%
Asset-Backed Securities	$2,933	-16.0%	$2,862	-2.4%
Cash & Balances Due	$30,189	44.4%	$34,487	14.2%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$6,439	-31.3%	$15,598	142.2%
Open-end HELOCs originated for sale (quarter)	$41	35.7%	$46	12.4%
Closed-end mortgage originations sold (quarter)	$6,114	-47.7%	$13,862	126.7%
Open-end HELOC originations sold (quarter)	$20	34.4%	$19	-3.7%
Liabilities	$799,231	2.1%	$796,852	-0.3%
Deposits	$634,325	4.0%	$647,137	2.0%
Equity				
Equity capital at quarter end	$93,973	7.7%	$91,804	-2.3%
Stock sales and transactions with parent holding company during quarter	$9,558	1056.1%	$1,501	-84.3%
Performance Ratios				
	Q4 2008		**Q1 2009**	
Tier 1 leverage ratio	8.5%		8.4%	
Tier 1 risk based capital ratio	10.1%		10.3%	
Total risk based capital ratio	12.3%		12.5%	
Return on equity[1]	-16.9%		-15.4%	
Return on assets[1]	-1.7%		-1.6%	
Net interest margin[1]	3.5%		3.4%	
Coverage ratio (ALLL/Noncurrent loans)	66.9%		59.5%	
Loss provision to net charge-offs (qtr)	170.4%		141.7%	
Net charge-offs to average loans and leases[1]	1.8%		1.8%	
[1] *Quarterly, annualized.*				
Asset Quality (% of Total Loan Type)	**Noncurrent Loans**		**Gross Charge-Offs**	
	Q4 2008	**Q1 2009**	**Q4 2008**	**Q1 2009**
Construction & development	8.9%	11.0%	1.4%	1.2%
Closed-end 1-4 family residential	2.5%	3.4%	0.2%	0.2%
Home Equity	0.8%	1.0%	0.3%	0.3%
Credit Card	2.5%	2.8%	1.5%	1.7%
Other Consumer	0.7%	0.8%	0.6%	0.9%
Commercial & Industrial	1.6%	2.1%	0.5%	0.6%
Commercial Real Estate	1.4%	2.0%	0.1%	0.1%
Total Loans	2.8%	3.4%	0.5%	0.5%
Q1 2009	**Less than $1 Billion**	**$1 - $10 Billion**	**$10 - $100 Billion**	**More than $100 Billion**
Insured Institutions by Asset Size	**156**	**114**	**25**	**0**

Source: FDIC Analysis of Call and Thrift Financial Report Data

III. Independent Banks and Subsidiaries of Smaller BHCs Receiving TARP Capital in Q1 2009

Entities in CPP 318	Insured Institution Count 368		TARP CPP Funds to Group $7,841	
(dollars in millions)	**Q4 2008**		**Q1 2009**	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$352,022	3.2%	$364,472	3.5%
Loans	$261,981	3.8%	$263,486	0.6%
Construction & development	$33,725	-1.5%	$32,848	-2.6%
Closed-end 1-4 family residential	$53,210	0.0%	$55,440	4.2%
Home Equity	$10,858	4.9%	$11,119	2.4%
Credit Card	$27,331	32.0%	$25,881	-5.3%
Other Consumer	$11,710	0.3%	$11,966	2.2%
Commercial & Industrial	$39,775	2.4%	$39,603	-0.4%
Commercial Real Estate	$64,840	3.8%	$66,104	2.0%
Unused commitments	$253,761	-3.9%	$237,895	-6.3%
Securitization outstanding principal	$23,410	-17.4%	$22,695	-3.1%
Mortgage-Backed Securities (GSE and Private Issue)	$29,983	8.7%	$32,411	8.1%
Asset-Backed Securities	$927	14.2%	$1,071	15.6%
Cash & Balances Due	$16,418	12.8%	$14,586	-11.2%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$5,248	9.3%	$9,780	86.4%
Open-end HELOCs originated for sale (quarter)	$0	-100.0%	$0	n/a
Closed-end mortgage originations sold (quarter)	$5,030	2.1%	$9,190	82.7%
Open-end HELOC originations sold (quarter)	$0	36.4%	$0	-100.0%
Liabilities	$320,073	3.7%	$327,264	2.2%
Deposits	$265,689	3.6%	$273,720	3.0%
Equity				
Equity capital at quarter end	$31,781	0.3%	$36,960	16.3%
Stock sales and transactions with parent holding company during quarter	$488	-11.5%	$5,325	992.1%
Performance Ratios				
	4Q 2008		**1Q 2009**	
Tier 1 leverage ratio	8.2%		9.4%	
Tier 1 risk based capital ratio	10.0%		11.8%	
Total risk based capital ratio	11.3%		13.1%	
Return on equity[1]	-13.0%		-0.5%	
Return on assets[1]	-1.2%		-0.04%	
Net interest margin[1]	3.7%		3.6%	
Coverage ratio (ALLL/Noncurrent loans)	72.4%		68.6%	
Loss provision to net charge-offs (qtr)	201.0%		176.2%	
Net charge-offs to average loans and leases[1]	1.9%		1.6%	
[1] *Quarterly, annualized.*				
Asset Quality (% of Total Loan Type)	**Noncurrent Loans**		**Gross Charge-Offs**	
	Q4 2008	**Q1 2009**	**Q4 2008**	**Q1 2009**
Construction & development	8.0%	8.5%	1.2%	0.7%
Closed-end 1-4 family residential	3.1%	3.6%	0.2%	0.2%
Home Equity	0.8%	1.1%	0.2%	0.2%
Credit Card	2.7%	3.3%	1.5%	1.9%
Other Consumer	0.9%	0.9%	0.7%	0.6%
Commercial & Industrial	1.6%	2.6%	0.4%	0.3%
Commercial Real Estate	1.6%	2.1%	0.1%	0.1%
Total Loans	2.8%	3.3%	0.5%	0.4%
Q1 2009	**Less than $1 Billion**	**$1 - $10 Billion**	**$10 - $100 Billion**	**More than $100 Billion**
Insured Institutions by Asset Size	**293**	**70**	**5**	**0**

Source: FDIC Analysis of Call and Thrift Financial Report Data

IV. Insured Institutions Not in Groups Receiving TARP Funds

Insured Institution Count 7,516				
(dollars in millions)	Q4 2008		Q1 2009	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$3,823,411	2.8%	$3,871,718	1.3%
Loans	$2,480,695	0.8%	$2,482,610	0.1%
Construction & development	$261,535	-3.0%	$251,888	-3.7%
Closed-end 1-4 family residential	$718,481	0.2%	$725,672	1.0%
Home Equity	$135,498	4.9%	$139,526	3.0%
Credit Card	$75,737	9.4%	$82,394	8.8%
Other Consumer	$167,920	1.0%	$168,044	0.1%
Commercial & Industrial	$353,042	0.1%	$342,036	-3.1%
Commercial Real Estate	$508,370	2.7%	$514,650	1.2%
Unused commitments	$1,318,799	-13.7%	$1,262,886	-4.2%
Securitization outstanding principal	$29,963	1.8%	$29,696	-0.9%
Mortgage-Backed Securities (GSE and Private Issue)	$428,934	2.3%	$418,072	-2.5%
Asset-Backed Securities	$15,736	3.4%	$16,422	4.4%
Cash & Balances Due	$238,868	73.2%	$235,930	-1.2%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$40,358	-6.7%	$79,036	95.8%
Open-end HELOCs originated for sale (quarter)	$86	-41.0%	$43	-50.3%
Closed-end mortgage originations sold (quarter)	$41,447	-2.2%	$71,868	73.4%
Open-end HELOC originations sold (quarter)	$8	-58.4%	$327	4033.4%
Liabilities	$3,430,164	3.3%	$3,463,150	1.0%
Deposits	$2,788,189	4.3%	$2,851,939	2.3%
Equity				
Equity capital at quarter end	$389,943	-7.6%	$406,067	4.1%
Stock sales and transactions with parent holding company during quarter	$8,762	35.3%	$9,758	11.4%

Performance Ratios		
	Q4 2008	**Q1 2009**
Tier 1 leverage ratio	8.9%	9.0%
Tier 1 risk based capital ratio	12.2%	12.5%
Total risk based capital ratio	13.8%	14.0%
Return on equity[1]	-12.6%	-0.5%
Return on assets[1]	-1.3%	-0.1%
Net interest margin[1]	3.4%	3.3%
Coverage ratio (ALLL/Noncurrent loans)	64.2%	56.0%
Loss provision to net charge-offs (qtr)	175.9%	150.1%
Net charge-offs to average loans and leases[1]	1.6%	1.2%

[1] *Quarterly, annualized.*

Asset Quality (% of Total Loan Type)	**Noncurrent Loans**		**Gross Charge-Offs**	
	Q4 2008	**Q1 2009**	**Q4 2008**	**Q1 2009**
Construction & development	9.2%	11.6%	1.3%	0.7%
Closed-end 1-4 family residential	2.4%	3.1%	0.2%	0.2%
Home Equity	0.9%	1.1%	0.3%	0.4%
Credit Card	2.3%	2.7%	1.7%	1.7%
Other Consumer	0.5%	0.5%	0.5%	0.6%
Commercial & Industrial	1.4%	1.8%	0.4%	0.3%
Commercial Real Estate	1.8%	2.2%	0.1%	0.1%
Total Loans	2.5%	3.2%	0.4%	0.3%

Q1 2009	**Less than $1 Billion**	**$1 - $10 Billion**	**$10 - $100 Billion**	**More than $100 Billion**
Insured Institutions by Asset Size	**7,098**	**374**	**41**	**3**

Source: FDIC Analysis of Call and Thrift Financial Report Data

Appendix A: Notes to Call and Thrift Financial Report Users

The Treasury Department invested $199 billion in banking organizations participating in the Troubled Asset Relief Program's Capital Purchase Program between October 28, 2008, and March 31, 2009. These investments went to 532 independent banks and bank and thrift holding companies. Treasury and the bank regulatory agencies use quarterly Call Report data to analyze changes in balance sheets, loan provisioning, and intermediation activities. The summary tables present aggregated Call and Thrift Financial Report data for the FDIC-insured institutions in banking organizations that received TARP capital under the CPP.

Three groups of entities receiving TARP funds under CPP have been created for this report:

- (I) The 21 largest bank holding companies that have received TARP funds. The 67 insured subsidiaries of these BHCs include the largest domestic banks. These 21 entities each submit consolidated monthly lending reports to Treasury.[3]
- (II) Independent banks and smaller bank holding companies that received TARP funds in the fourth quarter of 2008.
- (III) Independent banks and smaller holding companies that received TARP funds in the first quarter of 2009.

These three groups represent 72 independent banks and 460 bank and thrift holding companies. A total of 658 insured institutions are subsidiaries of the 460 holding companies.

- (IV) The 7,516 FDIC-insured institutions that were not in groups that had received TARP capital as of March 31, 2009, make up the fourth group. About 94% of these institutions have total assets of less than $1 billion.

Templates summarizing selected balance sheet items and performance and condition ratios were developed after consultation with members of the interagency working group. Quarterly changes in loan balances, commitments, securities, and residential real estate loan originations for sale address banks' credit intermediation activities.[4] Changes in total equity capital at quarter-end, as well as changes in stock sales and transactions with parent holding companies during the quarter are summed for each group. (Banks were instructed to report TARP capital infusions in these

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[3] Treasury requested detailed consolidated monthly lending reports from the 21 largest bank holding companies in the program, supplemented by monthly reports by all TARP CPP participants of three data points: average consumer loans outstanding, average commercial loans outstanding, and total loans. These monthly reports have been published on the Treasury web site at http://www.financialstability.gov/impact/surveys.htm.

[4] Call Report filers with assets over $1 billion or more than $10 million in mortgage origination for two consecutive quarters report residential loans originated for sale.

items.) Weighted average performance ratios were calculated for each group, as were weighted average noncurrent rates and gross charge-off rates (not net of recoveries) for major loan types. These summary tables allow comparison of growth, asset quality, performance and condition between groups based on size, whether or not they received TARP capital, and timing of receipt of TARP capital.

Data were collected for four quarters, Q2 2008 through Q1 2009, and percent changes from the previous quarter were calculated for Q4 2008 and Q1 2009. Data items were “merger-adjusted” to include institutions that had been acquired during the period from June 30, 2008, to March 31, 2009.

Insured Institutions by Asset Size Category (as of Q1 2009)

	Entities in CPP	Insured Institutions	Less than $1 Billion	$1 - $10 Billion	$10 - $100 Billion	More than $100 Billion
(I) Subsidiaries of Largest BHCs Receiving TARP Funds	21	67	8	18	24	17
(II) Independent Banks and Subsidiaries of Smaller BHCs Receiving TARP Funds in 4Q 2008	193	295	156	114	25	0
(III) Independent Banks and Subsidiaries of Smaller BHCs Receiving TARP Funds in 1Q 2009	318	368	293	70	5	0
(IV) Insured Institutions Not in Groups Receiving TARP Funds		7,516	7,098	374	41	3
Total	**532**	**8,246**	**7,555**	**576**	**95**	**20**

Source: FDIC Analysis of Call and Thrift Financial Report Data

Section B: Y-9C Data

Many of Treasury's investments through CPP have been made in bank holding companies, which own subsidiary depository institutions and may also own other permitted types of subsidiaries.[5] Many institutions in CPP indicated their intention to "downstream" funds to their subsidiary depository institutions, which are the primary vehicles for financial intermediation and traditional lending activity. The activity of these depository subsidiaries is thus included in Call and Thrift Financial Report data, which are filed by individual depository institutions.

The Y-9C Report captures *consolidated* financial information from bank holding companies. That is, the Y-9C Report captures not only the financial information of the subsidiary depository institution(s) owned by a bank holding company, but also the financial information of any other subsidiary owned by that bank holding company. Examples of other subsidiaries that may be owned by bank holding companies include broker dealers, insurance companies, finance companies, and asset management firms. This type of information is not captured in Call and Thrift Financial Report data. As a result, Y-9C data typically present a fuller picture of banking-related activity for the banking organizations required to file them than Call and Thrift Financial Report data.

In order to examine the possible effects of CPP and other stabilization initiatives on a range of financial institutions, the interagency group chose to present Y-9C data in addition to Call and Thrift Financial Report data. However, the aggregated Y-9C data can be somewhat more volatile, particularly in this period of financial crisis, for multiple reasons. In some cases those bank holding companies with large non-depository subsidiaries were subject to greater or different market pressures. In addition, the population of reporting holding companies shifted significantly during this period as a noteworthy set of large financial firms chose to convert to bank holding company status between fourth quarter 2008 and first quarter 2009. Those institutions filed their first Y-9C reports in first quarter 2009, which resulted in large increases in line items from fourth quarter 2008 to first quarter 2009. The increases are most pronounced in Group I (the Top 21 CPP Participants). Four of the 21 institutions in Group I converted to bank holding companies in the fourth quarter of 2008. Similarly, two large financial firms in Group III (U.S. Top Tier Bank Holding Companies receiving TARP Funds in Q1 2009) converted to bank holding companies in the fourth quarter of 2008.

As these new bank holding companies file subsequent Y-9C Reports, trend analysis will become increasingly meaningful. Treasury intends to publish analysis to accompany the data tables in future reports.

[5] Investments were made at the bank holding company level for all depository institutions owned by a bank holding company. Similarly, investments were made at the thrift holding company level for all depository institutions owned by a thrift holding company. Thrift holding companies are not required to file consolidated financial reports.

Data Tables

Because the content of the Y-9C report closely follows that of the Call Report and Thrift Financial Report, the same line items that appear in the Call and Thrift Financial Report tables appear in the Y-9C data tables. For more detailed information on the data tables, see Appendix B: Note to Y-9C Users.

The data tables are split into four groups which mirror the four reporting groups presented in the Call and Thrift Financial Report tables. The groups, which consist solely of top tier bank holding companies, are:

Group	Description	Number of Institutions
Group I	The 21 Largest CPP Participants (as of March 31, 2009)	**21**
Group II	CPP Participants that were funded in Q4 2008	**150**
Group III	CPP Participants that were funded in Q1 2009	**250**
Group IV	Non-CPP Participants (as of March 31, 2009)	**609***

** In Q1 2009. Data are not merger adjusted, as such, the number of non-CPP participants varies from quarter to quarter.*

While percentage changes from previous quarters are presented for balance sheet items, these numbers should be used with caution for reasons discussed above.

I. Top 21 CPP Participants[1]

Entities in CPP 21	CPP Funds to Group $171,385			
(dollars in millions)	Q4 2008		Q1 2009	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$9,557,630	8.3%	$11,225,532	17.5%
Loans	$4,521,980	11.5%	$4,615,432	2.1%
Construction & development	$194,790	13.5%	$188,233	-3.4%
Closed-end 1-4 family residential	$1,169,954	18.2%	$1,196,790	2.3%
Home Equity	$462,618	13.8%	$475,274	2.7%
Credit Card	$396,535	6.2%	$369,828	-6.7%
Other Consumer	$479,054	4.4%	$498,292	4.0%
Commercial & Industrial	$961,573	13.0%	$947,774	-1.4%
Commercial Real Estate	$323,510	24.8%	$334,734	3.5%
Unused commitments	$5,124,479	-3.8%	$4,959,733	-3.2%
Securitization outstanding principal	$2,729,392	6.2%	$2,554,020	-6.4%
Mortgage-Backed Securities (GSE and Private Issue)	$753,649	17.8%	$549,696	-27.1%
Asset-Backed Securities	$138,781	-42.0%	$143,552	3.4%
Cash & Balances Due	$792,175	47.3%	$881,624	11.3%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$160,052	-5.0%	$279,797	74.8%
Open-end HELOCs originated for sale (quarter)	$2,538	49.5%	$2,933	15.6%
Closed-end mortgage originations sold (quarter)	$213,008	-8.8%	$341,116	60.1%
Open-end HELOC originations sold (quarter)	$2,230	16.6%	$3,252	45.8%
Liabilities	$8,720,923	7.1%	$10,200,463	17.0%
Deposits	$4,879,878	14.2%	$4,836,840	-0.9%
Equity				
Equity Capital at quarter end	$824,390	21.6%	$1,008,262	22.3%
Stock sales and related transactions (during quarter)	$172,473	2169.2%	$44,038	-74.5%

Performance Ratios		
	Q4 2008	**Q1 2009**
Tier 1 leverage ratio	7.9%	7.3%
Tier 1 risk based capital ratio	10.2%	11.0%
Total risk based capital ratio	13.9%	14.6%
Return on equity[2]	-2.0%	5.5%
Return on assets[2]	-0.2%	0.5%
Net interest margin[2]	2.3%	2.4%
Coverage ratio (ALLL/Noncurrent loans)	78.8%	69.9%
Loss provision to net charge-offs (qtr)	177.3%	164.0%
Net charge-offs to average loans and leases[2]	1.7%	2.5%

[2] *Quarterly, annualized.*

Asset Quality (% of Total Loan Type)	**Noncurrent Loans**		**Gross Charge-Offs**	
	Q4 2008	**Q1 2009**	**Q4 2008**	**Q1 2009**
Construction & development	7.8%	10.6%	1.4%	0.9%
Closed-end 1-4 family residential	6.6%	8.3%	0.4%	0.5%
Home Equity	2.2%	2.5%	0.4%	0.5%
Credit Card	2.6%	3.2%	1.6%	2.1%
Other Consumer	1.5%	1.8%	1.1%	1.2%
Commercial & Industrial	2.0%	2.8%	0.5%	0.5%
Commercial Real Estate	1.5%	2.6%	0.2%	0.1%
Total Loans	3.5%	4.4%	0.6%	0.7%

Source: Federal Reserve Board Analysis of Y9-C

1/ The top 21 CPP recipients include Bank Of America, American Express Co, Bank Of NY Mellon, BB&T Corp, Capital One, CIT Group, Citigroup, Comerica, Fifth Third BC, Goldman Sachs Group, JPMorgan Chase & Co, Keycorp, Marshall & Ilsley Corp, Morgan Stanley, Northern Trust Corp, PNC Financial Service Group, Regions FC, State Street Corp, SunTrust Banks, U S Bancorp, Wells Fargo & Co. Y9-c data was used for all institutions in 2009. American Express Centurion Bank, Morgan Stanley Bank and Goldman Sachs Bank Call Report data was used in place of unavailable BHC Y9-C data for 2008.

2/ Quarterly, annualized

II. U.S. Top Tier Bank Holding Companies receiving TARP Funds in Q4 2008

Excluding the Top 21 CPP Participants[1]

Entities in CPP 150	TARP CPP Funds to Group $18,265			
(dollars in millions)	Q4 2008		Q1 2009	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$807,671	2.9%	$808,831	0.1%
Loans	$581,365	0.7%	$579,631	-0.3%
Construction & development	$87,756	-3.2%	$85,710	-2.3%
Closed-end 1-4 family residential	$96,859	-0.6%	$98,272	1.5%
Home Equity	$39,004	4.5%	$40,053	2.7%
Credit Card	$4,407	0.4%	$4,251	-3.6%
Other Consumer	$30,285	-2.4%	$28,534	-5.8%
Commercial & Industrial	$119,116	1.4%	$116,635	-2.1%
Commercial Real Estate	$155,276	2.9%	$158,308	2.0%
Unused commitments	$170,505	-3.7%	$165,746	-2.8%
Securitization outstanding principal	$41,718	-8.2%	$41,630	-0.2%
Mortgage-Backed Securities (GSE and Private Issue)	$79,266	12.2%	$84,203	6.2%
Asset-Backed Securities	$2,738	-12.9%	$2,787	1.8%
Cash & Balances Due	$27,661	53.2%	$32,136	16.2%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$6,180	-32.8%	$14,945	141.8%
Open-end HELOCs originated for sale (quarter)	$25	34.1%	$26	1.9%
Closed-end mortgage originations sold (quarter)	$9,155	-35.0%	$17,609	92.4%
Open-end HELOC originations sold (quarter)	$204	1931.2%	$14	-93.4%
Liabilities	$719,492	1.3%	$724,510	0.7%
Deposits	$560,998	3.5%	$579,391	3.3%
Equity				
Equity Capital at quarter end	$87,563	18.3%	$83,374	-4.8%
Stock sales and related transactions (during quarter)	$17,863	4384.5%	$205	-98.9%

Performance Ratios		
	Q4 2008	**Q1 2009**
Tier 1 leverage ratio	9.9%	9.5%
Tier 1 risk based capital ratio	11.5%	11.4%
Total risk based capital ratio	14.2%	14.0%
Return on equity[2]	-4.1%	-18.6%
Return on assets[2]	-0.4%	-1.9%
Net interest margin[2]	3.1%	3.1%
Coverage ratio (ALLL/Noncurrent loans)	67.1%	59.1%
Loss provision to net charge-offs (qtr)	155.4%	142.9%
Net charge-offs to average loans and leases[2]	1.2%	1.9%

[2] *Quarterly, annualized.*

Asset Quality (% of Total Loan Type)	**Noncurrent Loans**		**Gross Charge-Offs**	
	Q4 2008	**Q1 2009**	**Q4 2008**	**Q1 2009**
Construction & development	9.1%	2.2%	1.4%	1.3%
Closed-end 1-4 family residential	2.8%	3.8%	0.3%	0.3%
Home Equity	0.8%	0.1%	0.2%	0.2%
Credit Card	1.2%	1.3%	0.7%	0.8%
Other Consumer	0.6%	0.8%	0.6%	1.0%
Commercial & Industrial	1.6%	2.1%	0.4%	0.6%
Commercial Real Estate	1.4%	2.0%	0.1%	0.1%
Total Loans	2.9%	3.6%	0.5%	0.5%

Source: Federal Reserve Board Analysis of Y9-C

1/ The top 21 CPP recipients include Bank Of America, American Express Co, Bank Of NY Mellon, BB&T Corp, Capital One, CIT Group, Citigroup, Comerica, Fifth Third BC, Goldman Sachs Group, JPMorgan Chase & Co, Keycorp, Marshall & Ilsley Corp, Morgan Stanley, Northern Trust Corp, PNC Financial Service Group, Regions FC, State Street Corp, SunTrust Banks, U S Bancorp, Wells Fargo & Co. Y9-c data was used for all institutions in 2009. American Express Centurion Bank, Morgan Stanley Bank and Goldman Sachs Bank Call Report data was used in place of unavailable BHC Y9-C data for 2008.

2/ Quarterly, annualized

III. U.S. Top Tier Bank Holding Companies receiving TARP Funds in Q1 2009

Excluding the Top 21 CPP Participants[1]

Entities in CPP 250	TARP CPP Funds to Group $6,957			
(dollars in millions)	Q4 2008		Q1 2009	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$234,478	3.2%	$291,250	24.2%
Loans	$170,285	2.2%	$205,788	20.8%
Construction & development	$25,544	-1.7%	$26,248	2.8%
Closed-end 1-4 family residential	$34,064	1.8%	$35,026	2.8%
Home Equity	$7,655	5.3%	$8,087	5.6%
Credit Card	$749	9.6%	$26,367	3419.9%
Other Consumer	$8,710	-0.6%	$10,649	22.3%
Commercial & Industrial	$30,468	1.9%	$32,186	5.6%
Commercial Real Estate	$48,522	4.8%	$51,596	6.3%
Unused commitments	$36,529	-4.4%	$224,298	514.0%
Securitization outstanding principal	$598	0.2%	$23,289	3793.4%
Mortgage-Backed Securities (GSE and Private Issue)	$23,605	8.0%	$25,170	6.6%
Asset-Backed Securities	$107	29.3%	$1,330	1145.9%
Cash & Balances Due	$7,785	54.5%	$11,540	48.2%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$5,076	10.1%	$9,765	92.4%
Open-end HELOCs originated for sale (quarter)	$0	-100.0%	$0	0.0%
Closed-end mortgage originations sold (quarter)	$6,123	6.5%	$11,021	80.0%
Open-end HELOC originations sold (quarter)	$0	-30.5%	$0	-100.0%
Liabilities	$215,946	3.6%	$259,889	20.3%
Deposits	$176,292	3.8%	$214,231	21.5%
Equity				
Equity Capital at quarter end	$18,443	-0.8%	$31,309	69.8%
Stock sales and related transactions (during quarter)	$121	18.6%	$6,037	4906.1%
Performance Ratios				
	Q4 2008		Q1 2009	
Tier 1 leverage ratio	7.9%		10.8%	
Tier 1 risk based capital ratio	9.7%		12.7%	
Total risk based capital ratio	11.4%		14.3%	
Return on equity[2]	0.4%		0.5%	
Return on assets[2]	0.0%		0.1%	
Net interest margin[2]	3.1%		3.3%	
Coverage ratio (ALLL/Noncurrent loans)	56.3%		73.8%	
Loss provision to net charge-offs (qtr)	159.3%		180.2%	
Net charge-offs to average loans and leases[2]	0.8%		1.7%	
[2] *Quarterly, annualized.*				
Asset Quality (% of Total Loan Type)	Noncurrent Loans		Gross Charge-Offs	
	Q4 2008	Q1 2009	Q4 2008	Q1 2009
Construction & development	8.1%	0.5%	1.2%	0.7%
Closed-end 1-4 family residential	3.1%	3.6%	0.2%	0.1%
Home Equity	0.6%	0.0%	0.2%	0.1%
Credit Card	0.4%	3.2%	0.5%	3.7%
Other Consumer	0.8%	0.7%	0.8%	0.8%
Commercial & Industrial	1.7%	2.8%	0.3%	0.3%
Commercial Real Estate	1.6%	2.0%	0.1%	0.1%
Total Loans	2.8%	3.3%	0.4%	0.5%

Source: Federal Reserve Board analysis of Y9-C data

1/ The top 21 CPP recipients include Bank Of America, American Express Co, Bank Of NY Mellon, BB&T Corp, Capital One, CIT Group, Citigroup, Comerica, Fifth Third BC, Goldman Sachs Group, JPMorgan Chase & Co, Keycorp, Marshall & Ilsley Corp, Morgan Stanley, Northern Trust Corp, PNC Financial Service Group, Regions FC, State Street Corp, SunTrust Banks, U S Bancorp, Wells Fargo & Co. Y9-c data was used for all institutions in 2009. American Express Centurion Bank, Morgan Stanley Bank and Goldman Sachs Bank Call Report data was used in place of unavailable BHC Y9-C data for 2008.

2/ Quarterly, annualized

IV. Non-CPP Participants

Entities in Q4 2008 554	Entities in Q1 2009 609		TARP CPP Funds to Group $0	
(dollars in millions)	Q4 2008		Q1 2009	
Selected balance and off-balance sheet items	$ millions	%chg from prev	$ millions	%chg from prev
Assets	$3,623,679	-11.3%	$3,582,819	-1.1%
Loans	$1,543,834	-0.7%	$1,603,911	3.9%
Construction & development	$152,304	-1.6%	$149,407	-1.9%
Closed-end 1-4 family residential	$355,939	-2.3%	$369,096	3.7%
Home Equity	$76,242	5.5%	$78,509	3.0%
Credit Card	$74,104	-0.3%	$69,776	-5.8%
Other Consumer	$119,754	-1.5%	$149,473	24.8%
Commercial & Industrial	$241,961	0.6%	$260,025	7.5%
Commercial Real Estate	$315,042	2.3%	$322,234	2.3%
Unused commitments	$693,618	-5.8%	$650,362	-6.2%
Securitization outstanding principal	$93,557	8.0%	$226,795	142.4%
Mortgage-Backed Securities (GSE and Private Issue)	$259,796	-2.4%	$375,600	44.6%
Asset-Backed Securities	$24,103	-13.5%	$25,321	5.1%
Cash & Balances Due	$263,459	67.1%	$201,658	-23.5%
Residential Mortgage Originations				
Closed-end mortgages originated for sale (quarter)	$31,335	1.7%	$70,977	126.5%
Open-end HELOCs originated for sale (quarter)	$224	102.1%	$18	-92.0%
Closed-end mortgage originations sold (quarter)	$62,042	-0.2%	$97,163	56.6%
Open-end HELOC originations sold (quarter)	$181	492.0%	$188	3.9%
Liabilities	$3,374,666	-12.0%	$3,320,577	-1.6%
Deposits	$1,512,267	7.1%	$1,461,150	-3.4%
Equity				
Equity Capital at quarter end	$240,121	-1.3%	$253,652	5.6%
Stock sales and related transactions (during quarter)	$7,396	165.8%	$3,684	-50.2%
Performance Ratios				
	Q4 2008		Q1 2009	
Tier 1 leverage ratio		4.6%		5.2%
Tier 1 risk based capital ratio		8.0%		8.4%
Total risk based capital ratio		9.8%		10.2%
Return on equity[1]		-4.6%		-0.8%
Return on assets[1]		-0.3%		-0.1%
Net interest margin[1]		2.5%		2.4%
Coverage ratio (ALLL/Noncurrent loans)		75.5%		65.5%
Loss provision to net charge-offs (qtr)		141.0%		144.8%
Net charge-offs to average loans and leases[1]		1.6%		1.8%
[1] *Quarterly, annualized.*				
Asset Quality (% of Total Loan Type)	Noncurrent Loans		Gross Charge-Offs	
	Q4 2008	Q1 2009	Q4 2008	Q1 2009
Construction & development	10.6%	13.3%	1.5%	0.9%
Closed-end 1-4 family residential	3.8%	5.6%	0.4%	0.4%
Home Equity	1.2%	1.6%	0.2%	0.3%
Credit Card	3.2%	3.6%	1.9%	2.6%
Other Consumer	3.4%	2.4%	1.1%	1.2%
Commercial & Industrial	1.3%	2.1%	0.4%	0.3%
Commercial Real Estate	1.7%	2.1%	0.1%	0.1%
Total Loans	3.1%	4.1%	0.6%	0.5%

Source: Federal Reserve Board Analysis of Y9-C data

1/ Quarterly, annualized

Appendix B: Notes to Y-9C Report Users

- Data are from the Consolidated Financial Statements for Bank Holding Companies Y-9C Report Form.

- Data are not adjusted to reflect subsequent mergers between bank holding companies, which can contribute to shifts in the population after the date of the merger.

- Unused commitments include home equity lines, credit card lines, securities underwriting, other unused commitments and unused commitments (unsecured and secured by real estate) to fund commercial real estate, construction, and land development.

- Securitization outstanding principal includes the principal balance of assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements.

- Residential Mortgage Origination data comes from schedule HC-P of the Y-9C which is completed only by bank holding companies with $1,000,000,000 or more in total assets; and by bank holding companies with less than $1,000,000,000 in total assets with 1-4 family mortgage originations and purchases for resale exceeding $10,000,000 two quarters in a row.

- Stock sales and related transactions equals the sale of perpetual preferred and common stock net of conversion or retirement of like stock plus sale of treasury stock net of purchase adjusted to provide quarterly figures.

- The ratios ROE, ROA, net interest margin, net charge-offs to average loans are annualized.

- Coverage ratio equals the allowance for loan and lease losses as a percentage of nonaccrual loans or loans past due 90 or more days and still accruing.

- Gross charge-off rates use average of period end assets for denominator and are adjusted to provide quarterly figures.

Source: Federal Reserve Board Analysis of Y-9C Data