

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: CIT Group Inc.

Submission date: June 30, 2010

Person to be contacted about this report: Peter Justini

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions \$)	MAR	2010 APR	MAY	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	N/A	N/A	N/A		CIT is currently not engaged in this activity
b. Total Originations	N/A	N/A	N/A		
(1) Refinancings	N/A	N/A	N/A		
(2) New Home Purchases	N/A	N/A	N/A		
2. Home Equity					
a. Average Total Loan Balance	N/A	N/A	N/A		CIT is currently not engaged in this activity
b. Originations (New Lines+Line Increases)	N/A	N/A	N/A		
c. Total Used and Unused Commitments	N/A	N/A	N/A		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	N/A	N/A	N/A		CIT is currently not engaged in this activity
b. New Account Originations (Initial Line Amt)	N/A	N/A	N/A		
c. Total Used and Unused Commitments	N/A	N/A	N/A		
4. Other Consumer					
a. Average Total Loan Balance	\$9,570	\$9,341	\$9,007	Consumer Lending assets consist primarily of our Student Lending business, which is in run-off mode and approximately 95% government guaranteed.	CIT ceased underwriting new business in the 2nd QTR of 2008.
b. Originations	\$0	\$0	\$0		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	MAR	APR	MAY	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	\$34,007	\$33,006	\$32,009	Included in the C & I asset balances is approximately \$10.9 Billion of operating leases	Our commercial and industrial business consists of: - Corporate Finance-Lending, leasing and other financial services to principally small and middle-market companies, through industry focused sales teams. - Transportation Finance- Large ticket equipment lease and other secured financing to companies in aerospace, rail and defense industries. - Trade Finance- Factoring, lending, credit protection, receivables management and other trade products to retail supply chain companies. - Vendor Finance- Financing and leasing solutions to manufacturers, distributors and customer end-users around the globe.
b. Renewal of Existing Accounts	\$2,419	\$2,169	\$2,062	The Renewal of Existing Accounts is predominately from our Trade Finance business.	
c. New Commitments	\$320	\$352	\$335	The bulk of our new commitments were generated from Global Vendor Finance.	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$261	\$259	\$254	Some of our other businesses- Small Business Administration lending, and Energy financing, may also have some of their loans secured by real estate. Those businesses are included in the appropriate section of the report	CIT's Commercial Real Estate business ceased underwriting new business in the first half of 2008.
b. Renewal of Existing Accounts	\$0	\$0	\$0		
c. New Commitments	\$0	\$0	\$0		
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$1,078	\$1,107	\$1,141		CIT is a leader in small business lending with our SBA preferred leader operations recognized as the nation's #1 SBA Lender (based on 7(a) program volume) in each of the last nine years.
b. Originations	\$10	\$12	\$11		
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	N/A	N/A	N/A		CIT is currently not engaged in this activity
b. Asset Backed Securities	N/A	N/A	N/A		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	N/A	N/A	N/A		CIT is currently not engaged in this activity
b. Average Total Debit Balances ²	N/A	N/A	N/A		
3. Underwriting					
a. Total Equity Underwriting	N/A	N/A	N/A		CIT is currently not engaged in this activity
b. Total Debt Underwriting	N/A	N/A	N/A		
Notes: 1. Not applicable if matched book activity does not exceed \$50 billion. 2. Applicable only for institutions offering prime brokerage or other margin lending services to clients. 3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

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Reporting month(s): **May 2010**

Submission date: June 30, 2010

Person to be contacted regarding this report: Peter Justini – 973-422-3678

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

Transportation Finance – Business Aircraft

May corporate jet data shows results indicative of a stable market and in line with previous results continuing from Q1 2010. This recent plateau follows increases in industry data over eight prior quarters, going back to late 2008. While this data continues to reflect a stable market, a straight up measure of absolute business conditions improved substantially in May, following last month's decline. This indicates a slight increase in overall market conditions since the prior quarter. General market consensus continues to reflect improving customer interest and a strong 12-month outlook, although it is still weighed down by very high used inventory levels exceeding 12% of available fleet. Pricing in most models is off 30-40% from peak levels and while the decline has moderated, indications still show a modest downtrend. Overall, resellers of newer model used aircrafts cited a declining willingness to add to their inventories this time, reflecting skepticism around near-term pricing/liquidity. Despite the continuous improvement in the market, buyer's interest/outlook continues to be significant oversupply on the used market, particularly in small and midsize aircraft, which will continue to negatively impact new aircraft orders. Newer aircraft inventories continue to show a significant oversupply of high quality young used aircraft. Financing availability continues to reflect a steady incremental improvement but with very limited market participants. Flight operations have stabilized after showing their highest levels in 20 months. This growth in flight activity is a strong indicator of improvement in the overall corporate aircraft market, although on an uneven trend.

Transportation Finance – Commercial Aircraft

The aircraft lease market appears to be improving modestly from very low levels, as air passenger and freight traffic recovers from the temporary dip in passenger traffic caused by the volcano ash cloud in Europe in April and May. As in previous months, CIT continues to experience pressure on margins, reflecting lower lease rates on new deliveries and newly remarketed aircraft. CIT is focused on optimal deployment of assets, maintenance of critical relationships and executing on opportunities for profitable growth. Commercial air revenues remained strong for May as a result of high asset utilization.

Transportation Finance – Rail Cars

While market conditions have stabilized (weekly rail loadings have improved), weak car loadings and improved train speeds have resulted in significant excess capacity in the rail network; approximately 24% of the North American fleet is being stored as carriers and shippers continue to reduce costs and

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rationalize fleet size. In this market environment, the goal for many leasing companies is to sacrifice rate to keep rail cars on lease to mitigate storage and freight charges, as well as position the fleet for industry turn around.

Leveraged Finance (relative to the Transportation Sector)

The leveraged finance transaction flow in our core aerospace and transportation markets is showing signs of a significant increase across the spectrum of deal types: acquisition-related, re-financings and dividend recapitalizations. The increase in merger and acquisition loans has been particularly strong. Weakness remains in certain CIT portfolio accounts that are tied to commercial airline servicing which in some sectors lags the increase in commercial airline activity. The leveraged loan market has become more active as the high yield bond market has been negatively impacted by the global credit market decline caused in large part by the weakness in Europe. High yield bond spreads have increased to a point where senior loans for core middle market issuers look relatively more attractive for the first time in several months.

Corporate Finance / Loan Syndication

After a strong performance during the first four months of 2010, the leveraged loan market experienced a correction during the month of May 2010 driven by a combination of headline news, such as reports about Europe's fiscal debt problems, and technical conditions in the loan market in particular. The leveraged loan market in May was characterized by an increased supply of new loans, a rise in all-in new issue spreads, more conservative loan structures, falling secondary prices, declining returns and declining default rates.

Total leveraged loan volume during May was \$24.3 billion, up from an average of \$17.4 billion over the first four months of 2010 but slightly less than the \$26.2 billion issued in April.

Against this increasing supply backdrop, demand has become more selective given the decrease in repayment rates and softer conditions in the high-yield market. Repayments in May fell to a 4-month low of \$9.9 billion, from \$11.9 billion in April and from an average of \$10.6 billion from January through March. New-issue high-yield volume fell in May to a 14-month low of \$9.2 billion, from \$30.3 billion in April and from an average of \$23.8 billion a month in the first quarter, leaving less cash in investors' coffers. With 36% of high yield bond proceeds issued YTD May 2010 used to refinance bank debt, the high yield market slowdown has negatively impacted the leveraged loan market.

New issue spreads, as a result, widened out to approximately 6.0% - 7.0% during May, depending on issuer quality, compared to the 5.0% - 5.5% all-in yields enjoyed by issuers during April. Conditions in the market have caused issuers to find new clearing prices, which were found through a combination of incremental spread, upfront fees as well as prepayment fees. Moreover, the supply-demand imbalance

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allowed investors to be more selective. Only issuers with a strong story that includes ratings, yield, size and purpose tested the market.

The middle market, which typically lags the broader market, experienced a decline in volume in May to \$1.1 billion compared to \$1.4 billion in April and an average of \$1.2 billion during the first four months of 2010. Middle market new issue spreads widened as well, although more modestly than the broader market, from roughly 7% in April to about 7.5% in May, with the final clearing price dependent here on the credit story and purpose. For smaller club-type transactions, however, the market was less affected by technical conditions, as new issue all-in spreads ranged from 6.0% - 6.5%, as pricing at this end of the market is oftentimes a function of ancillary business offered to banks, the typical club investor.

Trade Finance

Conditions in the marketplace have changed somewhat from the previous month; loan demand from our continuing client base is down compared with last year and demand from new clients has significantly decreased. Loan pricing has been coming down and after the return to higher standards that we have commented on for a number of months, we have seen a loosening of terms and structures (i.e. loan documentation, covenants and collateral perfection).

Vendor Finance

CIT's Vendor Finance's "VF" lending levels are up as economic conditions remain soft. Overall economic conditions continue to contribute to soft sales by our vendor partners.

Consolidation of funding sources within the global vendor markets has increased the overall demand for VF type products and services. CIT's May volume increased 3% versus April primarily driven by taking market share, as vendor sales remain soft. Softness in volume seen in Europe and Latin America and in the Tech and Communications space.

CIT's losses (charge offs + specific reserves) decreased 26% in May compared to April. The slow down on restructure requests from customers continued in May and early stage delinquency trends continue to be stable and continue to improve in the majority of the regions.

As for the macroeconomics across the Vendor Finance business segments, CIT is seeing/ experiencing the following:

- **Canada** – While the economy performed better than anticipated in the last quarter of 2009 with real GDP growth of 5% (annualized rate), the 2010 outlook is for moderate growth of 3% -3.5%. This moderation is due to changes in drivers of the current growth namely personal expenditures and investment in residential structures. The elimination of a Federal home renovation tax credit in January could negatively impact consumer spending. The current strength of the Canadian dollar will allow industries to purchase updated technology, however

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due to Canada's reliance on the USA, its largest trading partner, our recovery will be directly impacted by the demand from them for our products. The unemployment rate remains unchanged at 8.1%, although still high by pre-recession standards. A stabilized unemployment rate at the beginning of Q1 and an increase in exports in comparison to imports are positive signs for 2010 GDP growth.

- **Latin American** – While the overall regional economy contracted by 1% in 2009, the anticipation is for GDP growth of about 2.5% in 2010 according to forecast by Moody's. Brazil is forecasted to top the region with the highest GDP growth for the period at 5.5% -6.5 %. Growth in Brazil is mainly the result of recoveries experienced in the commodities market and an increase in domestic demand. The resulting inflationary concerns caused by the this growth pattern sparked the intervention of the Brazil central bank which tightened monetary policy in Q1 by increasing minimum reserve requirements by 2% and is anticipated to increase interest rates in Q2. Even Mexico which experienced a 6.7 % decline in GDP for 2009 heavily impacted by economic contraction in U.S. is forecasted to for GDP growth of about 3%-4% in 2010 as outlined by a recent S&P report. This growth is based on the improvement in the U.S economy (Mexico's largest export market) and a better pricing benchmark for Crude Oil (Mexico's largest export) among others. Credit availability and liquidity are improving in all Latin American markets where we operate. In Chile, the earthquake will impact the economy short term; it is expected to pick up in Q4 2010 and early 2011.
- **Europe UK** – Core European Countries (UK, Germany, France) are now showing GDP growth in 1Q10 of 0.3%, 0.2% & 0.1% respectively. Eurozone overall 0.2% (excl UK) growth in 1Q10. EU's economic size in terms of total GDP matches the US's at 20% of global GDP. The Eurozone debt remains high with all breaching Euro convergence rules (Govt debt <60% of GDP and annual Govt. deficit < 3% of GDP). Greece is the worst offender at 115.1% of GDP and a deficit of 13.6% of GDP. Italy's debt as a % of GDP is 115.6% and Spain's deficit of GDP is 11.2%; Germany is 73.2% & 3.3%, and UK 68.1% & 11.5%. The Eurozone unemployment is high - 10%. UK & Germany both 7.3%, Spain is the worst at 19.1%.
- **US** - US economic conditions continue to recover, however at a slow pace. Impact from EU Credit crisis on the US economy is of concern. Unemployment remains high at 9.7% and recent jobless figures show new claims increased unexpectedly in recent weeks. Consumer sentiment continues to be weak although slightly improved from earlier in the year. Unlike previous recessions, it is unlikely that the US Consumer will lead the recovery due to high unemployment, reductions in income and net worth. However Business spending has improved with businesses investing in new equipment and technology. April industrial output increased 0.7% followed by 1.2% in May. Manufacturing output in particular rose 0.9% in May, its third consecutive monthly gain of about 1%, and was 7.9% above its year-earlier level. The stock markets while down from 2010 highs reached in April, remain up more than 55% from the lows seen in March 2009. At the April Federal Open Market Committee meeting the Federal Reserve announced rates would remain at low rates as inflation remains tame and short term GDP growth will be low. The CEO Confidence Index and the Composite of Leading Economic Indicators and Semi conductor

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demand continue the improvement we have seen over the last several quarters. Clearly the recovery continues, but not as quickly or as robustly as in the past.

Small Business Lending

In May the volume of loans funded dropped from levels reached in April. This partially reflects the reduction in applications in April some of which would have been converted to funded loans in May. It is also indicative of CIT's ongoing market reentry and transition intended to target higher credit quality transactions.

For the second consecutive month, the overall confidence level of small business owners edged higher in May according to several national surveys. The confidence level, however, remains near historical lows and may decline if the economic recovery flounders.

General creditworthiness of small businesses is weak but improving. Many small businesses have ceased operations thereby reducing competition for the remaining establishments. Alternatively, lower retail sales in May following several months of gains, are a negative indicator for small business prospects.

The SBA secondary market is providing liquidity to lenders. Pricing for the guaranteed portion of 7(a) is attractive to sellers and to investors seeking low risk assets. In addition, the administration's \$30 billion Small Business Loan Fund proposal was passed by the House of Representatives.

Estimates of retail sales, which influence many small businesses, fell 1.2% from April indicating weakness in consumer spending despite continued improvement in consumer confidence. At the same time, unemployment was down marginally in May. It appears that the economy is generally expanding but there is conflicting data from month-to-month. Consistent and broad based economic expansion is needed to stimulate small business growth.

Consumer Lending

Q2 losses are tracking at 57% of the Q1 losses on improved collection effectiveness on our career loans and graduate loans. The Consumer unsecured portfolio continues to liquidate quickly and finance receivables are now below \$80M. The charge-off and delinquency numbers continues to show a positive trend month over month and we expect the trend to continue.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Citigroup		Submission date: June 30, 2010		Person to be contacted about this report: Carol Hayles or Peter Bieszard	
PART I. QUANTITATIVE OVERVIEW					
SCHEDULE A: CONSUMER LENDING (Millions \$)					
	MAR	2010 APR	MAY	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	\$129,446	\$127,074	\$125,184	Consists of residential whole loans. Excludes assets classified as trading assets that are not part of the core mortgage portfolio.	End of period first mortgage loan balances decreased \$1.4 billion or 1.2% from April levels, with held for sale and held for investment loans declining \$213 million and \$1.4 billion, respectively. Held for investment loans decreased due to portfolio loan sales, normal run off due to payments, payoffs and charge offs.
b. Total Originations	\$3,905	\$3,214	\$3,085	Originations includes new loans whether for refinancing of an existing home or the purchase of a home. It does not include troubled debt restructurings which usually includes a restructuring of terms and not additional extensions of credit.	
(1) Refinancings	\$2,098	\$1,813	\$1,811	If on a refinancing, amounts were added to the existing loan balance, the total amount of the new loan is reported. Originations include both loans originated for the balance sheet as well as loans originated for sale.	
(2) New Home Purchases	\$438	\$463	\$444		
2. Home Equity					
a. Average Total Loan Balance	\$58,408	\$57,778	\$57,109	Includes HELOC and 2nd mortgages.	Home equity loans are now primarily sourced through Retail Bank branches resulting in lower originations than in prior month, and are included in Citi's loss mediation and loan modification programs. Citi continues to place significant focus on loss mediation efforts and assisting customers in modifying their loan terms as appropriate. This includes both assisting customers who have contacted Citi regarding their particular loan situation, and Citi reaching out to targeted loan populations that are deemed to be at risk. Various programs, including the Citi Homeownership Assistance Program (CHAP) are in place for these mediation efforts. In May, approximately 15,800 first mortgage and home equity loans totaling of \$2.8 billion were modified.
b. Originations (New Lines+Line Increases)	\$104	\$72	\$59	If a line is increased, only the amount of the increase is included in originations. If we originated a new HELOC or 2nd, we included the amount drawn in the Ending and Average Balances, and we included the total new line in originations.	
c. Total Used and Unused Commitments	\$73,887	\$72,961	\$72,286		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	\$128,317	\$126,917	\$125,613	Balances do not include commercial card activity.	Purchase sales were up 3% versus prior month. Average receivables were down 1% to prior month. New Lines established during May were up 10% versus prior month. Total Used and Unused Commitments were down 1% to prior month. Card members continued to participate in Citi's expanded eligibility forbearance programs; total balances in these programs increased 0.3% vs. April with more than 125,000 card member sign-ups in May.
b. New Account Originations (Initial Line Amt)	\$5,057	\$5,121	\$5,652		
c. Total Used and Unused Commitments	\$736,088	\$730,389	\$723,590		
4. Other Consumer					
a. Average Total Loan Balance	\$70,003	\$69,429	\$68,463	Includes auto, student and personal loans. Student loans includes related deferred fees and lines of credit with schools (which are secured by student loans).	Average balances are down due to continuous liquidation of the auto loan portfolio.
b. Originations	\$818	\$792	\$756		Originations are down due to seasonality of Student Loan business.

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	MAR	APR	MAY	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	\$45,212	\$45,335	\$20,221	Renewals and new commitments are on a facility basis. Facilities may include L/Cs. Renewals represent credit facilities that expired/matured and were renewed during the period.	Average Total Loan Balances were down due to reduction in financial customer loans. The decrease in new commitments was primarily due to a reduction in mergers and acquisition activity.
b. Renewal of Existing Accounts	\$3,472	\$2,213	\$1,602		
c. New Commitments	\$3,466	\$1,769	\$1,367		
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$23,813	\$23,176	\$22,411	Renewals and new commitments are on a facility basis. Facilities may include L/Cs. Renewals represent credit facilities that expired/matured and were renewed during the period.	New commitments were up due to new letters of credit.
b. Renewal of Existing Accounts	\$112	\$89	\$77		
c. New Commitments	\$1,416	\$68	\$128		
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$9,569	\$9,446	\$9,367		Average balances were down 0.8% month on month and originations were up 41.8%.
b. Originations	\$84	\$56	\$80		
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	-\$3,699	-\$5,636	-\$5,911	Does not include maturities and pay downs. Net Purchased Volume is reported using cost basis.	Volume declined due to lower pass-through bond secondary trading activity with clients.
b. Asset Backed Securities	\$929	-\$675	-\$481		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	\$168,200	\$156,341	\$150,756	Average Total Matched Book (Repo/Reverse Repo) is before FIN 41 netting. Includes security lending activity.	
b. Average Total Debit Balances ²	\$14,932	\$15,053	\$14,790		
3. Underwriting					
a. Total Equity Underwriting	\$50	\$63	\$55	Equity Underwriting represents Citi's portion of underwritten issue.	Industry stats include: 1. 34 High Yield deals in May for a total of \$11.7 billion compared to 77 deals in April for \$31.9 billion. 2. 174 Investment Grade deals in May for a total of \$49.8 billion compared to 144 deals in April for \$37.8 billion. 3. 69 Equity and Linked deals in May for a total of \$11.1 billion compared to 76 deals in April for \$18.6 billion.
b. Total Debt Underwriting	\$14,684	\$12,083	\$6,491	Debt underwriting represents Citi's portion of underwritten issue and extensions of credit to finance specific individual Community Development projects that are in bond form.	
Notes:					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

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Person to be contacted regarding this report: Carol Hayles or Peter Bieszard

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

Company description: Citigroup Inc. ("Citi") does business in the United States through Citibank, Citi Institutional Clients Group, The Citi Private Bank, CitiFinancial, CitiMortgage and Citi Cards.

All data cited below reflect comparisons to April 2010, unless otherwise noted.

Consumer Lending: Citi originated \$9.6 billion in new loans to U.S. consumers and small businesses in May, up nearly 4 percent from the prior month. Further improvement in the U.S. economy and moderate job growth contributed to a moderate decline in unemployment to 9.7 percent, from 9.9 percent in April.

In May, first mortgage loan originations totaled \$3.1 billion, down 4 percent from April. Average mortgage loan balances were \$125.2 billion, declining 2 percent month-to-month. Average balances were impacted by decreases in both investment loans and "held for sale" loans.

Average home equity loan balances were \$57.1 billion, a decline of 1 percent from April. Used and unused commitments totaled \$72.3 billion, a month-to-month decline of 1 percent.

Citi continued to expand participation in its loss mitigation efforts and programs focused on helping homeowners facing financial difficulty to modify their loans. Through initiatives like the Citi Homeownership Assistance Program, the CitiFinancial Home Affordable Mortgage Program and the Home Affordable Mortgage Program, Citi modified approximately 15,800 first mortgage and home equity loans with a total value of approximately \$2.8 billion in May.

In May, Citi issued new credit card lines totaling \$5.7 billion, an increase of 10 percent from April. Purchase sales rose 3 percent from April, but were down 12 percent compared with May 2008. Average total card balances declined 1 percent from April to \$125.6 billion.

Card members continued to participate in Citi's expanded eligibility forbearance programs in May. More than 125,000 card members enrolled in these programs during the month, compared with 129,000 in April. Total balances covered by Citi's forbearance programs increased less than 1 percent on a month-to-month basis, and rose 30 percent from the prior year period.

Originations in other consumer lending categories decreased 5 percent to \$756 million, reflecting seasonal decreases in student loan disbursements.

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Commercial Lending: In May, Citi originated \$9.7 billion in corporate loans, down 40 percent compared with April.

New Commercial & Industrial (C&I) loan commitments totaled \$1.4 billion, decreasing 23 percent from April. New loan commitments reflected lower month-to-month mergers and acquisitions activity. Loan renewals in May totaled \$1.6 billion, compared with \$2.2 billion in the prior month. Renewals were down due to the change of accounting standards covering consolidations. Average total C&I loan balances were \$20.2 billion, or 55 percent lower than April balances.

New Commercial Real Estate (CRE) loan commitments were \$128.5 million, an increase of nearly 89 percent from April due to new letters of credit. Loan renewals totaled \$76.6 million, a decrease of 14 percent month-to-month. Average total CRE loan and lease balances were \$22.4 billion, down 3 percent from April.

Other Intermediation Activities: Citi recorded net sales of \$6.4 billion in mortgage- and asset-backed securities (MBS/ABS) in May. As in the prior month, MBS activity reflected a decrease in customer demand for agency bonds.

Citi's total debt underwriting was \$6.5 billion in May, a decrease of 46 percent month-to-month reflecting lower average principal per deal and lower deal volumes. High yield underwriting activity included 34 deals totaling \$11.7 billion, compared with 77 transactions with a cumulative value of \$31.9 billion in April. Citi lead managed 7 high yield deals with an aggregate value of \$934 million. In May, Citi also participated in 174 investment grade transactions with an aggregate value of \$49.8 billion, compared with 144 deals totaling \$37.8 billion in April. Citi lead managed 17 of these transactions with a total value of \$6.1 billion. Citi participated in 69 equity and linked deals with an aggregate value of \$11.1 billion in May, compared with 76 deals totaling \$18.6 billion in April. Citi lead managed 18 of these deals with a total value of \$1 billion.

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	MAR	APR	MAY	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	\$27,807	\$27,678	\$27,525	Average balance consists of non-real estate commercial loans and leases consistent with the classification of the FR Y9C report. This includes business cards.	New C&I commitments originated in May 2010 decreased to \$1.61 billion compared to \$1.98 billion in April 2010. Renewal levels for existing accounts in May 2010 of \$1.78 billion were up from April 2010 at \$1.47 billion.
b. Renewal of Existing Accounts	\$2,550	\$1,472	\$1,782	Includes renewed funded loans and renewed commitments.	
c. New Commitments	\$3,668	\$1,980	\$1,612	Includes new commitments both funded and unfunded	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$17,169	\$16,948	\$16,843	Average balance consists of real estate secured commercial loans consistent with the classification of the FR Y9C report.	New CRE commitments originated in May 2010 were \$148 million, compared to \$86 million in April 2010. Renewal levels for existing accounts increased in May 2010 to \$534 million versus April 2010 at \$350 million.
b. Renewal of Existing Accounts	\$964	\$350	\$534	Includes renewed funded loans and renewed commitments.	
c. New Commitments	\$288	\$86	\$148	Includes new commitments both funded and unfunded	
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$5,141	\$5,077	\$5,032	Small business loans are those classified as small business under standards established by Fifth Third Bank. These loans are already presented within the C&I and CRE categories. Thus, this disclosure is a subset of schedule B items 1 and 2.	Small Business commitments originated in May 2010 were \$259 million, which was up slightly from \$246 million in April 2010.
b. Originations	\$372	\$246	\$259		
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	\$0	-\$60	\$0	Consists of MBS purchases less sales for the month.	
b. Asset Backed Securities	\$0	\$0	\$0	Consists of ABS purchases less sales for the month.	
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	NA	NA	NA		
b. Average Total Debit Balances ²	NA	NA	NA		
3. Underwriting					
a. Total Equity Underwriting	NA	NA	NA		
b. Total Debt Underwriting	\$356	\$1,123	\$355		
Notes:					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Fifth Third Bancorp**

Reporting month(s): May 2010

Submission date: June 30, 2010

Person to be contacted regarding this report: **Blane Scarberry**

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

Commercial sections

CRE: Average CRE balances decreased by approximately 0.6% in May 2010 compared to April 2010. New CRE commitments originated in May 2010 were \$148 million, compared to \$86 million in April 2010. Renewal levels for existing accounts increased in May 2010 to \$534 million versus April 2010 at \$350 million. Payments and dispositions of troubled CRE outpaced the volume of renewals and new originations in May causing the overall balances to continue to decline. As commercial vacancy rates continue to increase, Fifth Third continues to monitor the CRE portfolios and continues to suspend lending on new non-owner occupied properties and on new homebuilder and developer projects in order to manage existing portfolio positions. We feel this is prudent given that we do not believe added exposure in those sectors is warranted given our expectation for continued elevated loss trends in the performance of those portfolios.

C&I: Average C&I balances decreased by approximately 0.6% in May 2010 compared to April 2010. New C&I commitments originated in May 2010 decreased to \$1.61 billion compared to \$1.98 billion in April 2010. Renewal levels for existing accounts in May 2010 of \$1.78 billion were up from April 2010 at \$1.47 billion. Lending in the Commercial segment continues to qualified borrowers exhibiting average risk or better. Continued emphasis is placed on prudent underwriting and demonstrated ability to repay as well as industry segment. Loan inquiries have begun to slowly increase, but we are continuing to see caution from our C&I customers as they attempt to gauge the actual strength of the recovery which to this point has been influenced by geography. Business investment growth has begun to increase however not all of that investment requires debt financing. In general, customers continue to remain deleveraged and liquid through reduced inventories versus expanding operations and purchasing equipment.

The primary market for syndicated credit and large corporate deals has seen a modest increase in 2010. Given a cautionary outlook for the economy and uncertainty in global markets, many companies continue to defer plans for significant capital expenditures and inventory build, which in turn has reduced the need for large, new financing. Financing for merger and acquisition activity has continued to remain relatively slow. Terms and covenants continue to be somewhat tighter than usual, which has also served to constrain demand. Credit spreads have narrowed somewhat in recent months, including

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Fifth Third Bancorp**
Reporting month(s): May 2010
Submission date: June 30, 2010
Person to be contacted regarding this report: **Blane Scarberry**

the non-investment grade rating categories, which could favorably impact volume if spreads continue to fall.

Small Business: Average Small Business balances decreased by approximately 0.9% in May 2010 compared to April 2010. Small Business commitments originated in May 2010 were \$259 million, which was up slightly from \$246 million in April 2010. Demand for Small Business credit has been in a relatively stable range with a slight bias to run off over new production. Business Banking loan originations continue to be made using prudent underwriting standards.

Overall, average total commercial loan and lease balances were down 0.6% in May 2010 compared to April 2010. We continue to actively work out problem loans and receive principal payments from borrowers, which more than offset new loan volume in the month of May 2010.

Consumer section

Consumer: May 2010 overall loan volume for non-mortgage consumer credit (home equity, credit card and auto) was down compared to April 2010 given decrease in credit card and home equity demand.

May 2010 mortgage lending continued to be driven by attractive interest rates. Total originations for the month totaled approximately \$1.2 billion driven by \$671 million of refinancing activity and \$521 million of new home purchases. We also extended \$76 million of new home equity lines of credit during the month.

May new credit card extensions were \$77 million, a slight decrease from our \$79 million of extensions in April. Other consumer loan originations, which include new car loans, were \$384 million in May. This was an increase of approximately \$9 million from April.

During the month of May, Fifth Third continued to monitor the need for prudent adjustments to consumer lending standards, consistent with peer institutions as reported by the Federal Reserve and as observed in the market.

In May of 2010, Fifth Third's portfolio of consumer loans and leases was flat relative to April 2010.

Treasury section

There was no purchase or sale activity in ABS or MBS during the month of May.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **KeyCorp** Submission date: **6/30/10** Person to be contacted about this report: **Robert L. Morris**

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions \$)	MAR	2010 APR	MAY	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	\$3,076	\$3,085	\$3,058	First Mortgage includes loans secured by 1-4 family residential properties including home equity loans secured by first liens.	Loan application volume has declined during the past two months.
b. Total Originations	\$152	\$142	\$141	Total Originations include both portfolio and held-for-sale loan originations.	
(1) Refinancings	\$90	\$69	\$65		
(2) New Home Purchases	\$62	\$73	\$76		
2. Home Equity					
a. Average Total Loan Balance	\$8,330	\$8,316	\$8,316	Home Equity includes home equity lines of credit only (Home equity loans secured by first liens are included with First Mortgages above).	Demand for Home Equity credit remains weak as loan application volume declined rapidly following KeyCorp's spring promotions in March and April. May application volume was down 33% from April's level.
b. Originations (New Lines+Line Increases)	\$83	\$83	\$80		
c. Total Used and Unused Commitments	\$16,263	\$16,236	\$16,209		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	N/A	N/A	N/A		
b. New Account Originations (Initial Line Amt)	N/A	N/A	N/A		
c. Total Used and Unused Commitments	N/A	N/A	N/A		
4. Other Consumer					
a. Average Total Loan Balance	\$9,784	\$9,485	\$9,358	Other Consumer includes all other non-revolving consumer loans.	Loan application volume in May declined 11% from the April level as consumer credit demand was weak across all products.
b. Originations	\$20	\$13	\$9		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	MAR	APR	MAY	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	\$25,510	\$24,994	\$24,556	C & I includes lease financing receivables, commercial and industrial loans, agricultural loans, loans to depository institutions and other nonconsumer loans.	Overall, commercial loan demand increased slightly in May. Although renewal activity decreased from the April level, loan approvals to new and existing C&I clients increased. The Middle Market, Leasing and Institutional Bank segments experienced the highest volume of loan approvals in May.
b. Renewal of Existing Accounts	\$1,028	\$1,149	\$1,005	Renewals of existing accounts include outstanding balances and unused commitments for which the terms were extended or changed. A renewed commitment may or may not have an active draw.	
c. New Commitments	\$440	\$513	\$514	New commitments include outstanding balances and unused commitments. Commitment amounts exclude standby letters of credit.	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$15,028	\$14,792	\$14,462	Commercial Real Estate includes construction and land loans, loans secured by multi-family residential properties and by other nonresidential properties.	CRE new loan demand remained very weak during May. KeyCorp's primary lending activities in CRE continue to be extending and modifying existing credits given the lack of liquidity and refinancing options available in the CRE market. Management expects loan extensions and modifications to continue throughout 2010. Primary refinancing activity continues to occur in the multifamily space, with Fannie Mae, Freddie Mac, and FHA agencies financing these assets.
b. Renewal of Existing Accounts	\$560	\$374	\$410	Renewals of existing accounts include outstanding balances and unused commitments for which the terms were extended or changed. A renewed commitment may or may not have an active draw.	
c. New Commitments	\$21	\$23	\$11	New commitments include outstanding balances and unused commitments. Commitment amounts exclude standby letters of credit.	
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$3,147	\$3,125	\$3,104	Small Business includes loans guaranteed by the Small Business Administration ("SBA") and other loans internally classified as small business loans.	In May, KeyCorp experienced the third straight month of year-over-year improvement in new loan approval volume. In May, new loan approvals reached \$76 million, which is double the May 2009 level. SBA approvals for May remained strong at \$17 million and are in line with the 2010 monthly average approval level. Overall SBA lending volume for the first five months of 2010 is 88% higher than the comparable 2009 level. May loan renewals totaled \$158 million.
b. Originations	\$59	\$74	\$51		
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	\$342	\$921	\$531	May mortgage backed securities ("MBS") net purchased volume includes \$831 million in purchases and \$300 million in sales, paydowns, calls and maturities.	The purchase of \$831 million of collateralized mortgage obligations issued by government-sponsored entities in May supports KeyCorp's strategies for improving overall balance sheet liquidity and managing interest rate risk.
b. Asset Backed Securities	\$0	\$0	\$0		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	N/A	N/A	N/A		
b. Average Total Debit Balances ²	N/A	N/A	N/A		
3. Underwriting					
a. Total Equity Underwriting	\$41	\$137	\$167	Represents KeyCorp's equity underwriting commitments.	KeyCorp was the co-manager on five equity deals, which totaled \$167 million in underwriting commitments, compared to the May 2009, total of thirteen deals totaling \$231 million. Taxable debt underwriting consisted of six deals totaling \$73 million in underwriting commitments, of which four deals were investment grade and two were high yield. Municipal debt underwriting totaled \$157 million in underwriting commitments.
b. Total Debt Underwriting	\$412	\$179	\$230	Represents KeyCorp's taxable and municipal debt underwriting commitments.	
Notes:					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **KeyCorp**

Reporting month(s): **May 2010**

Submission date: **6/30/10**

Person to be contacted regarding this report: **Robert L. Morris**

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

Cleveland-based KeyCorp is one of the nation's largest bank-based financial services companies, with consolidated total assets of approximately \$95 billion at March 31, 2010. Through KeyBank and certain other subsidiaries, KeyCorp provides a wide range of retail and commercial banking, commercial leasing, investment management, consumer finance, and investment banking products and services to individual, corporate and institutional clients through two major business groups, Community Banking and National Banking. The Community Banking group serves consumers and small to mid-sized businesses through the company's 14-state branch network, which is organized into three internally defined geographic regions: Rocky Mountains and Northwest, Great Lakes, and Northeast. The National Banking group includes those corporate and consumer business units that operate nationally, within and beyond KeyCorp's 14-state branch network, as well as internationally.

General

While Commercial Real Estate ("CRE") and Consumer loan demand remains weak, KeyCorp continued to experience a slight improvement in credit demand in our Commercial Lending ("C & I") portfolios, notably in the Middle Market, Leasing, and Institutional lending segments.

Consumer

Underlying consumer credit demand continues to be weak as loan application volumes declined rapidly following KeyCorp's spring lending promotions in March and April. All consumer lending products experienced declining application volumes in May to levels 18% below the year-ago levels.

There were no material changes in KeyCorp's underwriting standards in May.

C & I

C & I new loan approval volume continues to improve at a modest pace. The Middle Market segment experienced its strongest month in over 18 months with over \$350 million in loan approvals to new and existing clients. Loan approvals in the Institutional, Business Banking, and Leasing portfolios improved from the May 2009 approval levels. Leasing new loan approvals totaled \$258 million in May 2010.

Commercial Real Estate

Overall real estate loan demand remained nominal during May, with new originations declining to their lowest monthly level since the monthly TARP reporting began. The CRE market outlook continues to be weak. New originations were concentrated in the Middle Market, Business Banking, and Community Development Lending portfolios.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **KeyCorp**

Reporting month(s): **May 2010**

Submission date: **6/30/10**

Person to be contacted regarding this report: **Robert L. Morris**

During May, KeyCorp continued to extend and modify existing credits given the lack of liquidity and refinancing options available in the CRE market. Renewal volume increased slightly to \$410 million from the April level of \$374 million. Approximately \$333 million of the May renewal volume was attributable to performing commercial and multifamily development projects for which refinancing options remain constrained. For CRE development projects, KeyCorp has created a fixed-rate 3-5 year loan program to modify and extend qualifying loans for existing customers. In the Institutional CRE portfolio, most real estate investment trusts (“REITs”) have issued additional equity and reduced debt levels over the last several quarters, allowing their credit lines to be modified and extended.

Small Business

May represented KeyCorp’s third straight month of year-over-year improvement in the amount of new loan approvals. In total, loan approvals are up 38% from the same year-to-date period in 2009. As previously noted, small businesses are continuing to show signs of investing in their owner-occupied real estate. SBA lending remains strong. SBA year-to-date loan approvals are 88% higher than the same period last year. Loan approvals to companies with sales of over \$1 million have improved to levels experienced prior to 2009.

Investment Portfolio

KeyCorp continues to use the securities available-for-sale portfolio to support strategies for managing interest rate risk and liquidity. In May, KeyCorp increased the size of its investment portfolio with the purchase of an additional \$831 million of collateralized mortgage obligations issued by government-sponsored entities.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Marshall & Ilsley Corporation**

Submission date: **06/30/10**

Person to be contacted about this report: **Gregory A. Smith**

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions \$)	MAR	2010 APR	MAY	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	\$6,736	\$6,714	\$6,637	Includes all closed end residential RE; First Mortgages and Home Equity Loans (Approximately 80% of Home Equity Loans are held in first position). This excludes construction and vacant land loans which are included in the Commercial Real Estate section as average loan balances. 1-4 Family Residential Mortgage Originations - includes loans held by M&I Portfolio and loans originated to be sold into the secondary market. This excludes construction and vacant land loans which are included in the Commercial Real Estate section as new commitments.	Mortgage originations decreased slightly from April to May driven primarily by a decrease in refinance activity due to interest rates increasing in April. The Average Loan Balance decline year-over-year is attributed to originations being sold in the secondary market, periodic sales of non-performing loans and amortization of the portfolio.
b. Total Originations	\$192	\$192	\$173		
(1) Refinancings	\$123	\$99	\$83		
(2) New Home Purchases	\$69	\$93	\$90		
2. Home Equity					
a. Average Total Loan Balance	\$2,685	\$2,664	\$2,648	Includes Home Equity Lines only.	Home Equity balances, originations and commitments were effectively flat month-over-month.
b. Originations (New Lines+Line Increases)	\$63	\$65	\$66		
c. Total Used and Unused Commitments	\$4,857	\$4,827	\$4,803		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	\$274	\$278	\$276	Includes Consumer Card only.	Average Balances decreased, however month end balances were higher than April, due to strong spending leading up to and through the Memorial Day weekend. New originations were effectively flat from April to May.
b. New Account Originations (Initial Line Amt)	\$6	\$6	\$6		
c. Total Used and Unused Commitments	\$1,303	\$1,305	\$1,289		
4. Other Consumer					
a. Average Total Loan Balance	\$1,996	\$1,984	\$1,956	Includes consumer PRA & LOCs. Subcategories include Auto Leases, Dealer Finance, Personal, Securities Loans, and Student Loans.	Average Loan Balances and Originations were down month-over-month. New loan production in dealer finance was down due, in part, to manufacturer incentives.
b. Originations	\$74	\$65	\$62		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	MAR	APR	MAY	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	\$12,569	\$12,359	\$12,352	Includes A/R and Inventory, Dealer Commercial, Agricultural, IRB's and Muni, and Commercial Leases.	Average balances continue to decline as line utilization rates are at historical lows. Companies continue to defer capital expenditures, pay down debt, use internally generated cash and delay investments in infrastructure, all of which influences customer borrowing needs.
b. Renewal of Existing Accounts	\$68	\$127	\$106	Renewals include renewal of existing accounts where new money is requested, terms are modified, or new master line is established.	
c. New Commitments	\$51	\$68	\$73	Includes New Loans to New Customers and Unused Commitments to C&I (Also includes Unused Commitments to: Finance Agricultural Production and Other).	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$18,889	\$18,566	\$18,326	Includes Business Purpose 1-4 and Construction, Development, & Vacant Land (Commercial and Residential).	Continuing with prior month trends, Commercial Real Estate average balances decreased month-over-month led by Construction and Development loans. This is consistent with our corporate goal of reducing Construction and Development concentrations to no more than 10% of total loans. Commercial Real Estate average balances are expected to continue contracting due to portfolio amortization.
b. Renewal of Existing Accounts	\$54	\$39	\$43	Renewals include renewal of existing accounts where new money is requested, terms are modified, or new master line is established.	
c. New Commitments	\$54	\$23	\$39	Includes New Loans to New Customers and Unused Commitments for CRE (Also includes Unused Commitments to: New Construction, Land Development and Other Land; Farmland; 1-4 Family Residential Properties; Multi-Family (5 or more) Residential Properties).	
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$3,342	\$3,309	\$3,281	Includes SBA-guaranteed loans and Business Loans & Commitments < \$1 million to customers with Revenue < \$1 million. Excludes Letters of Credit.	Average Balances decreased slightly from April to May, led by a decrease in 1-4 Family Residential Real Estate - Business Purpose Loans. May originations were higher than April led by Commercial Real Estate Loans. Pipelines and origination again ran lower due to a decrease in demand as customers continue to address impacts from current economic conditions.
b. Originations	\$22	\$11	\$20		
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	\$194	\$1	\$4	Includes Mortgage Backed security purchase activities net of any security MBS sale activities, within the consolidated investment holdings. At Qtr-end this may also include Traded-not-settled transactions.	
b. Asset Backed Securities	\$0	\$0	\$0		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	N/A	N/A	N/A		
b. Average Total Debit Balances ²	N/A	N/A	N/A		
3. Underwriting					
a. Total Equity Underwriting	N/A	N/A	N/A		
b. Total Debt Underwriting	N/A	N/A	N/A		
Notes:					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Marshall & Ilsley Corporation
Reporting month(s): May 2010
Submission date: 06/30/2010
Person to be contacted regarding this report: **Gregory A. Smith**

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

Marshall & Ilsley Corporation (M&I) is a diversified financial services corporation headquartered in Milwaukee, Wisconsin. M&I Marshall & Ilsley Bank is the largest Wisconsin-based bank, with 192 offices throughout the state. In addition, M&I has 53 locations throughout Arizona; 32 offices in Indianapolis and nearby communities; 36 offices along Florida's west coast and in central Florida; 15 offices in Kansas City and nearby communities; 26 offices in metropolitan Minneapolis/St. Paul, and one in Duluth, Minn.; and one office in Las Vegas, Nev. M&I's Southwest Bank subsidiary has 17 offices in the greater St. Louis area.

The communities and customers M&I serves continue to face impacts from current recessionary conditions of the economy. Nonetheless, M&I extended approximately \$345 million of new credit to new and existing customers in May for a total of over \$7.8 billion since the infusion of CPP capital in mid-November 2008 (The "new credit" amount includes new and expanded extensions of credit, or commitments to extend credit, as well as renewals of existing credit where a new promissory note was executed). Included in the figures above are small business new credit extensions of \$30 million in May and over \$590 million since receipt of CPP capital. ("Small business" includes: (1) SBA-guaranteed loans and (2) Commercial purpose loans where the original note amount was \$1 million or less, outstanding commitments were \$1 million or less and the customer had (recorded) revenue of \$1 million or less). Additionally, M&I has continued with a franchise-wide foreclosure abatement program designed to keep families in their homes, including a foreclosure moratorium on certain owner-occupied residential loans through September 30, 2010.

In Commercial and Industrial loans, loan demand continues to be weak across all of our markets. Economic uncertainty has resulted in borrowers continuing to defer capital expenditures, delaying investment in infrastructure (plants and equipment) and experiencing excess liquidity, all of which influence customer borrowing needs.

In Commercial Real Estate, Construction and Development concentrations continue to decline in-line with our corporate goal of reducing credit exposure in this sector. Economic uncertainty has resulted in increased challenges for customers across a variety of sectors including retail, office and hospitality. Commercial Real Estate average balances are expected to continue contracting due to portfolio amortization.

In Residential Real Estate, we are primarily utilizing secondary market options to effectively address the demand for fixed rate mortgage originations and selectively using the balance sheet for adjustable rate mortgages. Mortgage originations decreased slightly from April to May driven primarily by a decrease in refinance activity due to a decrease in applications in April caused by a rise in mortgage rates. The

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Marshall & Ilsley Corporation

Reporting month(s): May 2010

Submission date: 06/30/2010

Person to be contacted regarding this report: **Gregory A. Smith**

Average Loan Balance decline year-over-year is attributed to originations being sold in the secondary market, periodic sales of non-performing loans and amortization of the portfolio.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Regions Financial Corporation

Submission date: June 30, 2010

Person to be contacted about this report: David Turner, Chief Financial Officer

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions \$)

	2010			Key	Comments
	Mar	Apr	May		
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	\$16,047	\$16,078	\$16,175	First and second residential 1-4 family mortgages, including residential mortgages held for sale.	The mortgage division originated mortgage loans totaling \$569 million in May 2010. Overall production decreased 4.8% from the prior month. New purchase originations increased from the prior month 4.9%, and refinancing activity decreased 17.6%. Application activity in May decreased 12% as compared to prior month. May originations included approximately \$34 million related to 200 loans refinanced under the Home Affordable Refinance Program.
b. Total Originations	\$573	\$597	\$569	Loan originations designated for the secondary market and those to be held in portfolio on Regions' balance sheet.	
(1) Refinancings	\$289	\$255	\$210	Total originations designated as refinance status.	
(2) New Home Purchases	\$284	\$342	\$358	Total originations designated as new purchase status.	
2. Home Equity					
a. Average Total Loan Balance	\$15,128	\$15,045	\$14,949	Average balances include Home Equity loans and HELOCs.	Overall Home Equity average balances declined \$95.3 million or 0.6% in May to \$14.9 billion. The HELOAN portfolio declined \$27.5 million, 1.6%, while HELOC balances declined \$67.8 million, 0.5%, reflecting portfolio paydowns in excess of production. Home Equity production declined 10% in May to \$102MM. The decline in production can be attributed to reduced application volume as well as reduced bookings. While down over prior month, Home Equity Lending production is up 1.7% over same period prior year.
b. Originations (New Lines+Line Increases)	\$102	\$113	\$102	New Home Equity loans, lines and increases.	
b. Originations (New Lines+Line Increases)	\$25,211	\$25,063	\$24,592	Total portfolio of Home Equity loans and funded and unfunded HELOCs. Funded portion included in average balance above.	
3. US Card - Managed					
a. Average Total Loan Balance - Managed	N/A	N/A	N/A	N/A - Regions Financial Corp is an Agent Bank.	N/A
b. New Account Originations (Initial Line Amt)	N/A	N/A	N/A		
c. Total Used and Unused Commitments	N/A	N/A	N/A		
4. Other Consumer					
a. Average Total Loan Balance	\$3,696	\$3,493	\$3,350	Includes consumer direct, indirect, other revolving (i.e., overdraft lines) and student loans held for sale.	Overall, Other Consumer Lending balances decreased 4% in May compared to April primarily driven by the continued run-off in the Indirect Lending portfolio and routine student loan sales.
b. Originations	\$120	\$96	\$78	Includes direct and student lending origination activity.	

SCHEDULE B: COMMERCIAL LENDING (Millions \$)					
1. C & I	Mar	Apr	May	Key	Comments
a. Average Total Loan and Lease Balance	\$33,995	\$33,845	\$33,728	Average outstanding funded balances (net of deferred fees and costs) for commercial related loans and leases. Also includes owner-occupied commercial real estate mortgage and construction loans made to operating businesses.	Loan demand remained soft in May as the stagnant economy continues to drive more conservative leverage positions. Outstanding loan balances decreased in May as compared to April levels. Commercial line utilization rates decreased in May as compared to April.
b. Renewal of Existing Accounts	\$1,557	\$2,272	\$1,612	Renewal of existing funded and unfunded commitments for commercial and owner-occupied real estate related loans based upon posting date of renewal. Also includes letters of credit.	
c. New Commitments	\$691	\$948	\$803	New funded and unfunded commitments for commercial and owner-occupied real estate related loans based upon posting date of the commitment. Also includes letters of credit and leases. Variable Rate Demand Note (VRDN) fundings are excluded from new commitment activity.	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$21,184	\$20,566	\$20,154	Average outstanding funded balances (net of deferred fees and costs) for commercial investor-owned real estate related loans. Also includes Commercial loans held for sale.	In May, commercial real estate balances decreased \$412 million from April levels. In May, new loan demand remained low. Developers are reluctant to begin new projects or purchase existing projects under current economic conditions. The focus in commercial real estate lending is on renewing and restructuring real estate loans with existing clients versus active pursuit of new real estate loans. Renewal activity includes loan restructuring, remargining and repricing, consistent with the current credit quality of the sponsor, the performance of the project and the current market.
b. Renewal of Existing Accounts	\$1,295	\$943	\$1,066	Renewal of existing funded and unfunded commitments for commercial investor-owned real estate related loans based upon posting date of renewal. Also includes letters of credit.	
c. New Commitments	\$97	\$27	\$36	New funded and unfunded commitments for commercial investor-owned real estate related loans based upon posting date of the commitment. Also includes letters of credit. Variable Rate Demand Note (VRDN) fundings are excluded from new commitment activity.	
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$13,424	\$13,322	\$13,248	Average outstanding funded balances (net of deferred fees and costs) for commercial and commercial real estate related loans made to small business clients, which we generally define as clients with revenues up to \$10 million. These balances are reflected as components of C&I, Commercial Real Estate and First Mortgage reported above.	Small businesses are experiencing lower working capital requirements resulting from lower sales volumes and are reluctant to make capital investments given the economic outlook. As a result, we are seeing small businesses build cash in their operating accounts. Small business line utilization rates remained flat in May as compared to April.
b. Originations	\$606	\$583	\$573	New and renewed production of funded and unfunded commitments made to small business clients, which we generally define as clients with revenues up to \$10 million. These originations are reflected as components of C&I and Commercial Real Estate reported above.	
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	\$0.4	\$0.5	\$866	Net purchase volume as captured in bond accounting system. Reflects settlement date.	Consists of Agency Fixed-Rate Mortgage-Backed Products.
b. Asset Backed Securities	\$0	\$0	\$0		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	N/A	N/A	N/A		
b. Average Total Debit Balances ²	\$825	\$819	\$916	Reflects average margin receivables as recorded on the general ledger.	
3. Underwriting					
a. Total Equity Underwriting	\$49	\$78	\$26	Total equity underwriting activity. Represents Regions' participation percentage.	The Morgan Keegan Equity department participated in 5 offerings in March, 5 in April and 3 in May. Gross debt issuance for March, April and May was \$15.2 billion, \$10.6 billion and \$4.4 billion respectively.
b. Total Debt Underwriting	\$1,371	\$1,015	\$1,000	Debt issuances delivered monthly. Represents Regions' participation percentage.	
Notes:					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): May 2010

Submission date: **June 30, 2010**

Person to be contacted regarding this report: **David Turner, Chief Financial Officer**

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

I. Company Description

Regions Financial Corporation ("Regions" or the "Company") is a financial holding company headquartered in Birmingham, Alabama, which operates throughout the South, Midwest and Texas. Regions provides traditional commercial, retail and mortgage banking services, as well as other financial services in the fields of investment banking, asset management, trust, securities brokerage, insurance and other specialty financing. At March 31, 2010, Regions had total consolidated assets of approximately \$137 billion.

Regions conducts its banking operations through Regions Bank, its brokerage and investment banking business through Morgan Keegan & Company, Inc. ("Morgan Keegan"), and its insurance brokerage business through Regions Insurance Group, Inc.

II. Overall Summary

In May, new and renewed commitments decreased by \$0.7 billion to \$4.3 billion for the month, and average balances were down \$0.6 billion from April to \$88.4 billion.

The month over month decrease in new and renewed commitments was driven by a \$0.7 billion decrease in C&I renewals.

III. Consumer Lending

A. Mortgage Lending

The mortgage division originated mortgage loans totaling \$569 million in May 2010. Overall production decreased 4.8% from the prior month. New purchase originations increased from the prior month 4.9%, and refinancing activity decreased 17.6%. Application activity in May decreased 12% as compared to prior month.

Regions' mortgage division rolled out the U.S. Treasury sponsored Home Affordable Refinance Program (HARP) in late March 2009, which provides borrowers who have an existing loan owned or securitized by Fannie Mae or Freddie Mac, the ability to refinance to more beneficial financing terms with no new or additional mortgage insurance required, even if their current loan-to-value ratio is higher than it was on the original loan. The loan-to-value ratio can not exceed 125%. May originations included approximately \$34 million related to 200 loans refinanced under the Home Affordable Refinance Program.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): May 2010

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Regions' has implemented the U. S. Treasury sponsored Home Affordable Modification Program (HMP) for FNMA/FHLMC loans serviced by Regions. This program is designed to assist mortgage borrowers who have an existing loan owned or securitized by Fannie Mae or Freddie Mac, and who are in imminent danger of default or are already in default to obtain modified financing terms prescribed by the program. On March 26, 2010, the U.S. Treasury announced program modifications to the existing HMP program. These program modifications are designed to expand flexibility for mortgage servicers and originators to assist more unemployed homeowners and to help more people who owe more on their mortgage than their home is worth because their local markets saw large declines in home values. The government is expected to provide details on the program changes by this fall. Once detailed guidelines are received, Regions will review them and implement as applicable for FNMA/FHLMC loans serviced by Regions. In accordance with the program guidelines, Regions has distributed approximately 1,489 modification packages to eligible borrowers subject to a ninety-day trial period. The first modifications under this program were seen in July 2009. In the month of May, Regions completed 86 modifications totaling \$13.0 million in unpaid principal. Regions currently services approximately \$20.6 billion of Fannie Mae and Freddie Mac mortgages.

B. Home Equity Lending

Home Equity production declined 10% in May to \$102MM. The decline in production can be attributed to reduced application volume as well as reduced bookings. While down over prior month, Home Equity Lending production is up 1.7% over same period prior year.

Overall Home Equity average balances declined \$95.3 million or 0.6% in May to \$14.9 billion. The HELOAN portfolio declined \$27.5 million, 1.6%, while HELOC balances declined \$67.8 million, 0.5%, reflecting portfolio paydowns in excess of production.

C. Other Consumer Lending

Overall, Other Consumer Lending balances decreased 4% in May compared to April primarily driven by the continued run-off in the Indirect Lending portfolio and routine student loan sales.

D. Customer Assistance Program

Regions' continues to work to meet the unique needs of financially troubled borrowers to stem foreclosures and keep customers in their homes. Well before the full effects of the credit crisis were realized, Regions launched an extensive Customer Assistance Program (CAP) for troubled borrowers. As unemployment levels continue to be elevated and the housing crisis lingers our goal remains the same - to ensure customers who encounter financial difficulty know they have options and that Regions wants to work with them.

As a result, Regions has taken steps including renegotiating the terms of mortgages and home equity loans, keeping families in their homes and allowing Regions to maintain a foreclosure rate well below industry average for residential first mortgages. Overall, the number of Regions first mortgage loans in

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

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the foreclosure process is less than half the national average. (2.07% for Regions vs. 4.63% nationally in the first quarter of 2010.) Since inception of the program, Regions has restructured more than \$2.1 billion in mortgages, including \$65 million in May 2010. Regions has assisted more than 31,000 homeowners with solutions.

In addition, Regions introduced the U.S. Treasury sponsored Home Affordable Modification Program for loans serviced on behalf of Fannie Mae and Freddie Mac back in late March. To date, we have initiated 1,489 trial period modifications for \$229 million, and of those, 900 have been completed for \$137 million.

IV. Commercial Lending

A. Commercial and Industrial Lending

Loan demand remained soft in May as the stagnant economy continues to drive more conservative leverage positions. Outstanding loan balances were down in May as compared to April levels. Commercial line utilization rates decreased in May as compared to April.

In the middle market, client appetite for additional debt remains low. Lower sales volumes have resulted in lower inventory and accounts receivable financing requirements. Businesses are less likely to invest in or expand their operations given the current economic outlook.

Regions defines small business, in general, as clients with revenues up to \$10 million. Small business lending activity is reflected within our Commercial and Industrial, Commercial Real Estate and First Mortgage outstanding loan balances and production.

Small businesses are experiencing lower working capital requirements resulting from lower sales volumes and are reluctant to make capital investments given the current economic outlook. As a result, we are seeing small businesses build cash in their operating accounts. Small business line utilization rates remained flat in May as compared to April.

B. Commercial Real Estate Lending

The focus in commercial real estate lending continues to be on renewing and restructuring real estate loans with existing clients versus active pursuit of new real estate loans. Renewal activity includes loan restructuring, remarking and repricing, consistent with the current credit quality of the sponsor, the performance of the project and the current market. As homebuilders sell existing inventory, we continue to convert lot loans to residential construction loans, in turn, reducing our land and lot portfolio.

In May, new loan demand remained low. Developers are reluctant to begin new projects or purchase existing projects under current economic conditions.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): May 2010

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V. Treasury Activities

Management of interest rate risk is among the most fundamental tenets in banking. Banking institutions utilize the Available for Sale investment portfolio as a primary tool to balance the inherent interest rate risk arising from core banking activities. Agency Mortgage-Backed securities provided an efficient means to offset asset sensitivity and maintain the desired liquidity profile, while offering a compelling risk adjusted return on the use of capital. Mortgage-Backed security activity in May totaled \$866 million, which consists of Agency Fixed-Rate Mortgage-Backed Products.

VI. Equity and Debt Activities at Morgan Keegan

In May the Morgan Keegan Equity department saw the IPO market come to an abrupt halt. The total dollars raised in May was the lowest for that month since 1995. We saw ten IPO's withdraw their registration statements with the SEC during one week, the highest in a week's time since October 2008. Also, the VIX (Chicago Board Options Exchange Volatility Index) moved up sharply in May continuing its slight upward trend from April. The most active sectors were the oil and gas sector followed by the real estate sector. If volatility remains in the marketplace, we would expect the continuation of a slow syndicate calendar. For the second month in a row, the Morgan Keegan Debt department saw lower volume than expected. We expect volume to stay flat in June and drop off thru Labor Day.

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: SunTrust Banks, Inc. Submission date: 06/29/10 Person to be contacted about this report: Barry Koling

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions \$)	MAR	2010 APR	MAY	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	\$31,429	\$31,659	\$31,599	Consists of (1-4 family) residential whole loans and closed end loans secured by junior liens originated as part of a home purchase or refinance transactions. Includes loans retained in SunTrust's loan portfolio and loans currently recorded in loans held for sale.	Originations decreased 11% from prior month to \$2.1 billion in May 2010. The decrease was primarily due to the 25% decrease in refinancings. Average balances decreased \$60 million, or 0.2%, from April 2010.
b. Total Originations	\$2,217	\$2,368	\$2,105		
(1) Refinancings	\$1,246	\$1,221	\$917		
(2) New Home Purchases	\$971	\$1,147	\$1,188		
2. Home Equity					
a. Average Total Loan Balance	\$17,239	\$17,164	\$17,095	Average balance, originations, and commitments include both Home Equity Lines and Home Equity Loans.	Average balances outstanding declined 0.4% in May, and originations decreased 23% compared to April.
b. Originations (New Lines+Line Increases)	\$126	\$131	\$101		
c. Total Used and Unused Commitments	\$32,468	\$32,215	\$31,989		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	\$1,065	\$1,063	\$1,056	Purchases drawn against SunTrust consumer and commercial credit card lines of credit are booked in the calendar month transacted.	May originations remained stable at \$15 million. Total line commitments and usage declined fractionally from April.
b. New Account Originations (Initial Line Amt)	\$14	\$15	\$15	SunTrust issues both commercial and consumer credit card lines of credit. New line commitments are recognized when approved and cards are issued.	
c. Total Used and Unused Commitments	\$4,021	\$3,975	\$3,905	This is the line commitment total for all credit card accounts of record.	
4. Other Consumer					
a. Average Total Loan Balance	\$12,704	\$12,785	\$12,847	Average balances and originations include student loans, direct installment loans (auto and non-auto), indirect installment loans (auto and marine), and unsecured personal credit lines.	Average balances increased fractionally and originations decreased 12% compared to April 2010.
b. Originations	\$563	\$578	\$507		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	MAR	APR	MAY	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	\$33,227	\$33,078	\$33,030	Includes average outstandings for Commercial & Industrial loans and leases extended to small business, commercial, middle market, and large corporate clients.	Average loan balances decreased fractionally compared to April. May originations of new and renewing credit facilities increased 23% from April 2010.
b. Renewal of Existing Accounts	\$1,328	\$887	\$1,122	Renewals represent credit facilities and stand-alone notes that matured and were renewed during the reporting period. Includes funded loans and unfunded commitments, but does not include letters of credit or derivatives.	
c. New Commitments	\$1,286	\$924	\$1,104	Includes new facilities, stand-alone notes, and leases extended to new or existing clients. Reflects both funded loans and unfunded commitments. Does not include takedowns under existing commitments, letters of credit, or derivatives.	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	\$21,389	\$21,070	\$20,764	Includes commercial loans secured by owner occupied or non-owner occupied real estate. Includes loans extended for real estate financing as well as loans made for other purposes and collateralized by real estate.	Commercial real estate demand has remained soft. Both new commitments and renewals of existing accounts decreased compared to April.
b. Renewal of Existing Accounts	\$349	\$198	\$174	Renewals represent credit facilities and stand-alone notes that matured and were renewed during the reporting period. Includes funded loans and unfunded commitments, but does not include letters of credit or derivatives.	
c. New Commitments	\$228	\$163	\$157	Includes new facilities and stand-alone notes extended to new or existing clients. Reflects both funded loans and unfunded commitments. Does not include takedowns under existing commitments, letters of credit, or derivatives.	
SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)					
4. Small Business Loans³					
a. Average Total Loan Balance	\$5,210	\$5,173	\$5,128	Average balances and originations include loans originated in the business banking group which includes loans guaranteed by the SBA. Business Banking primarily serves clients with annual sales of \$5 million or less.	The persistent decline in monthly average balances continued, however, at a rate of less than 1% per month. Originations increased from April by \$16 million.
b. Originations	\$48	\$33	\$49		
SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	\$508	\$585	\$2,966	The numbers represent net purchase volume within the reporting period. These securities are reported in SunTrust's available-for-sale and trading portfolios.	In May, SunTrust purchased an additional \$3 billion of U.S. government and agency issued mortgage-backed securities for the available for sale portfolio and sold \$2.7 billion in lower yielding U.S. Treasury and Agency securities to extend the duration of the portfolio.
b. Asset Backed Securities	\$0	\$0	\$0	The numbers represent net purchase volume within the reporting period. These figures include securities reported in SunTrust's available-for-sale and trading portfolios.	
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo) ¹	n/a	n/a	n/a	SunTrust Bank has less than \$50 billion in matched book repos. SunTrust Robinson Humphrey "STRH", an institutional broker dealer, is fully disclosed on the equity side through a third party service provider and does not hold customer accounts.	
b. Average Total Debit Balances ²	n/a	n/a	n/a	Although STRH self-clears institutional fixed income transactions, STRH does not carry customer accounts.	
3. Underwriting					
a. Total Equity Underwriting	\$57	\$46	\$31	Includes total dollars allocated to STRH in equity underwriting transactions that settled within the reporting period.	Total debt underwriting consisted of investment-grade debt underwriting of \$90 million, municipal underwriting of \$72 million, and \$85 million of high-yield offerings in May. Equity underwriting transactions for May totaled \$31 million.
b. Total Debt Underwriting	\$763	\$538	\$247	Includes total dollars allocated to STRH in investment grade fixed income, high yield fixed income, and municipal debt underwriting transactions that settled within the reporting period.	
Notes:					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **SunTrust Banks, Inc.**

Reporting month(s): May 2010

Submission date: 6/29/10

Person to be contacted regarding this report: **Barry Koling**

PART II. QUALITATIVE OVERVIEW

Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.

SunTrust Banks, Inc., with total assets of \$171.8 billion on March 31, 2010, is one of the nation's largest financial holding companies. Through its banking subsidiaries, the Company provides deposit, credit, trust, and investment services to a broad range of retail, business, and institutional clients. Other subsidiaries provide mortgage banking, brokerage, investment management, equipment leasing, and capital market services. SunTrust operates 1,678 retail branches in Alabama, Arkansas, Florida, Georgia, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia, and the District of Columbia. In addition, SunTrust services clients in select markets nationally.

Average loans in May, including loans held for sale, totaled \$116.4 billion, down \$428 million or 0.4% from April. These totals do not include loans extended to clients and sold to third parties. This fact is particularly relevant when considering the mortgage portfolio, since the majority of new originations and refinanced mortgage loans are sold to third parties. Total new loan originations, commitments, and renewals extended to all borrowers in May totaled \$5.3 billion, an increase of 0.4% from April.

Consumer Lending

Mortgage originations totaled \$2.1 billion during May, representing an 11% decrease from April. Loans funded for new home purchases in May increased by 4% relative to April, while refinancings declined 25% during the same period as the number of borrowers with interest rate related refinance opportunities and eligibility continues to decline. Factors influencing the increase in new home mortgage originations in May included seasonality, the federal home-buyer tax credit incentives and attractive mortgage rates. Average mortgage balances decreased by \$60 million during May.

Home equity borrowing remains stagnant as evidenced by the fractional monthly decline of both total commitments and outstanding balances over the last three months. During May, total used and unused commitments decreased \$226 million while average funded balances decreased \$69 million. Both changes represent relative decreases of less than 1% in comparison to April. In May, new equity loan and line originations decreased 23% to \$101 million. Growth levels remain constrained by the decline in home values and the generally reduced demand for credit.

Credit card balances represent a small percentage of SunTrust's loan portfolio and drive a relatively immaterial percentage of SunTrust's total annual loan originations. In May, new credit card originations totaled \$15 million, with \$11 million related to new consumer accounts and \$4 million related to new business and corporate accounts.

Other consumer loans are primarily composed of student, auto, and other loans. May fundings for indirect auto, student, and other consumer loans decreased 12% from April, as May student loan originations decreased \$21 million, or 13%, from April due to seasonality associated with semester

TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **SunTrust Banks, Inc.**

Reporting month(s): May 2010

Submission date: 6/29/10

Person to be contacted regarding this report: **Barry Koling**

tuition payments and student enrollments. Also, indirect auto production decreased by \$32 million, or 10%, from April.

Commercial Lending

Average C&I loan balances decreased \$48 million, or 0.1%, in May to \$33 billion. Renewals of existing credit facilities and stand-alone notes totaled \$1.1 billion in May, an increase of 26% from April. Combined new commitments and new funded loans also increased in May by \$180 million, a 19% increase compared to April. C & I originations and renewals are often impacted by client preferences and seasonality.

Commercial Real Estate

Average Commercial Real Estate loans decreased \$306 million, or 1%, compared to the April average. New residential home builder loan demand was negligible and demand for commercial development projects remained low as property values remained depressed and investment activity was limited. Total Commercial Real Estate renewals and originations in May decreased \$30 million, or 8%, compared to April activity. The majority of originations were associated with large commercial or corporate businesses. During May, average balances of commercial real estate loans secured by owner-occupied real estate remained stable, while a decline in investor-owned real estate loans drove the decrease in average total commercial real estate balances.

Small Business Lending

Most small business loans are originated in the business banking group which primarily serves clients with annual sales of \$5 million or less. In May, the average loan balance was \$5.1 billion, down 1% from April. Compared to April, May originations increased slightly to \$49 million.

Other Intermediation Activities

Beyond lending to consumers and businesses, SunTrust participates in various additional intermediation activities. In May 2010, SunTrust purchased an additional \$3 billion of U. S. government and agency issued mortgage-backed securities for the available for sale portfolio and sold \$2.7 billion in lower yielding U.S. Treasury and Agency securities to extend the duration of the portfolio.

SunTrust participated in twenty-one debt issues in May with a total notional value of \$6.4 billion. SunTrust's allocation of underwritten debt included \$90 million in investment-grade fixed-income issues, \$72 million in municipal debt issues, and \$85 million in high-yield fixed-income offerings, which in the aggregate was \$291 million below April totals.

In May, SunTrust participated in two equity offerings with a total notional value of \$329 million, of which our allocation was \$31 million.