

## TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Citigroup

Submission date: October 29, 2010

Person to be contacted about this report: Peter Bieszard

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)	2010			Key	Comments
	JUL	AUG	SEP		
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$120,909	\$120,267	\$120,154	Consists of residential whole loans. Excludes assets classified as trading assets that are not part of the core mortgage portfolio.	End of period 1st mortgage loan balances decreased \$1.35 billion or 1.2% from the prior period. Increase in loan originations for the period was \$6.9 billion and asset sales were \$7 billion, with the remaining fluctuation due to normal runoff not being replaced by new product activity.
b. Total Originations	\$4,775	\$6,455	\$6,793	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	\$2,298	\$2,820	\$3,066	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	\$571	\$567	\$410		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$55,856	\$55,173	\$54,457	Includes HELOC and 2nd mortgages.	Home equity loans are primarily sourced through Retail Bank branches and are included in Citi's loss mediation and loan modification programs. Citi continues 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 and the Home Affordable Mortgage Program, Citi modified approximately 10,000 first and second mortgage loans totaling more than \$1.9 billion in September.
b. Originations (New Lines+Line Increases)	\$97	\$374	\$100	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	\$70,730	\$69,884	\$68,263		
<b>3. US Card - Managed</b>					
a. Average Total Loan Balance - Managed	\$124,523	\$123,835	\$122,510	Balances do not include commercial card activity.	Purchase sales were down 7% versus prior month and down 13.2% versus same month of prior year. Average receivables were down from prior month. Card members continued to participate in Citi's expanded eligibility forbearance programs; total balances in these programs increased 6.6% vs. prior year and were flat vs. August with more than 122,000 card member sign-ups in September.
b. New Account Originations (Initial Line Amt)	\$5,953	\$6,264	\$6,418		
c. Total Used and Unused Commitments	\$716,280	\$710,851	\$706,694		
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$67,180	\$66,413	\$62,865	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 loan balances and originations are down due to restructuring measures taken within the auto loan business, including a \$3.2B sale of the portfolio and the transfer of servicing/originations to a third party in 3Q10.
b. Originations	\$582	\$648	\$530		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUL	AUG	SEP	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$17,756	\$17,470	\$17,362	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.	<b>Overall change in C&amp;I balances is due to decreases in renewals of existing accounts.</b>
b. Renewal of Existing Accounts	\$788	\$1,009	\$158		
c. New Commitments	\$2,153	\$2,240	\$1,093		
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$21,910	\$18,938	\$16,931	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.	<b>Average Total Loan and Lease Balances decreased due to a decrease in sales from August to September. Renewal of existing accounts and new commitments were down 5%.</b>
b. Renewal of Existing Accounts	\$60	\$72	\$173		
c. New Commitments	\$475	\$540	\$408		
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$9,068	\$8,945	\$8,758		<b>Average balances were down 2.1% month on month and originations were up 12.2%.</b>
b. Originations	\$78	\$69	\$78		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$868	-\$2,323	-\$1,870	Does not include maturities and pay downs. Net Purchased Volume is reported using cost basis.	<b>Volume increased due to an increase in profitable trading opportunities.</b>
b. Asset Backed Securities	\$563	-\$129	\$1,231		
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	\$124,368	\$114,942	\$121,935	Average Total Matched Book (Repo/Reverse Repo) is before FIN 41 netting. Includes security lending activity.	
b. Average Total Debit Balances <sup>2</sup>	\$14,312	\$14,492	\$15,222		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$29	\$28	\$488	Equity Underwriting represents Citi's portion of underwritten issue.	<b>Industry stats include:</b> <b>1. 65 High Yield deals in September for a total of \$32.5 billion compared to 50 deals in August for \$23.8 billion.</b> <b>2. 329 Investment Grade deals in September for a total of \$115.7 billion compared to 255 deals in August for \$81.2 billion.</b> <b>3. 58 Equity and Linked deals in September for a total of \$11.9 billion compared to 43 deals in August for \$10.8 billion.</b>
b. Total Debt Underwriting	\$9,294	\$12,907	\$22,406	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.	
<b>Notes:</b>					
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: **Citigroup**  
Reporting month(s): September 2010  
Submission date: October 29, 2010  
Person to be contacted regarding this report: 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 August 2010, unless otherwise noted.

**Consumer Lending:** Citi originated \$13.8 billion in new loans to U.S. consumers and small businesses in September, roughly flat compared with the prior month. U.S. unemployment of 9.6 percent was unchanged from August.

Citi's first mortgage loan originations totaled \$6.8 billion, up more than 5 percent from August. Average mortgage loan balances of \$120.2 billion were flat month-to-month.

Average home equity loan balances were \$54.5 billion, a decline of more than 1 percent from August. Used and unused commitments totaled \$68.3 billion, down more than 2 percent from the prior month.

As in previous months, Citi continues 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, CitiFinancial's proprietary modification program and the Home Affordable Mortgage Program, Citi modified approximately 10,000 first and second mortgage loans totaling more than \$1.9 billion in September.

In September, Citi issued new credit card lines totaling \$6.4 billion, up more than 2 percent from August. Purchase sales were down 7 percent month-to-month and more than 13 percent from September 2009. Average total card balances declined just over 1 percent to \$122.5 billion.

Card members continued to participate in Citi's expanded eligibility forbearance programs in September. More than 122,000 card members enrolled in these programs during the month, compared with 133,000 in August. Total balances covered by Citi's forbearance programs were flat on a month-to-month basis, and were up more than 6 percent from the prior-year period.

Originations in other consumer lending categories decreased more than 18 percent to \$530 million, primarily due to a decrease in the Company's auto loan business.

## TREASURY MONTHLY INTERMEDIATION SNAPSHOT

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**Commercial Lending:** In September, Citi originated \$24.7 billion in corporate loans, up more than 47 percent from August.

New Commercial & Industrial (C&I) loan commitments totaled \$1.1 billion, a decrease of 51 percent month-to-month. Loan renewals in September totaled \$158 million, down more than 84 percent from August. Average total C&I loan balances were \$17.4 billion, declining less than one percent from August balances.

New Commercial Real Estate (CRE) loan commitments were \$407.7 million, a decrease of more than 24 percent from August. Loan renewals totaled \$172.6 million, up 140 percent month-to-month. Average total CRE loan and lease balances of \$16.9 billion were down nearly 11 percent from August.

**Other Intermediation Activities:** Citi recorded net sales of \$639 million in mortgage- and asset-backed securities (MBS/ABS) in September, compared with net sales of \$2.5 billion in August. Although net balances were down, volumes increased due to an increase in profitable trading opportunities.

Citi's total debt underwriting was \$22.4 billion in September, an increase of more than 73 percent month-to-month that reflects higher average per deal and deal volume. High yield underwriting activity included 65 deals totaling \$32.5 billion, compared with 50 transactions with a cumulative total of \$23.8 billion in August. Citi lead managed 14 high yield deals with an aggregate value of \$2.6 billion. In September, Citi also participated in 329 investment grade transactions with an aggregate value of \$115.7 billion, compared with 255 deals totaling \$81.2 billion in August. Citi lead managed 61 of these transactions with a total value of \$14.1 billion. Citi also participated in 58 equity and linked deals with an aggregate value of \$11.9 billion in September, compared with 43 deals totaling \$10.8 billion in August. Citi lead managed 9 deals with a total value of \$643.9 million.

**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

<b>Name of institution: Fifth Third Bancorp</b>		<b>Submission date: October 29, 2010</b>		<b>Person to be contacted about this report: Blane Scarberry</b>	
<b>PART I. QUANTITATIVE OVERVIEW</b>					
<b>SCHEDULE A: CONSUMER LENDING (Millions \$)</b>					
	<b>JUL</b>	<b>2010 AUG</b>	<b>SEP</b>	<b>Key</b>	<b>Comments</b>
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$10,292	\$10,579	\$10,723	Average balance consists of 1-4 family residential mortgage loans consistent with the classification of the FR Y9C report. This includes loans held for sale and held for investment.	<b>Total originations for the month totaled approximately \$2.3 billion driven by \$1.9 billion of refinancing activity and \$437 million of new home purchases.</b>
b. Total Originations	\$1,476	\$2,008	\$2,311		
(1) Refinancings	\$1,047	\$1,584	\$1,874		
(2) New Home Purchases	\$428	\$424	\$437		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$11,394	\$11,344	\$11,286	Average balance consists of HELOC and HELOAN accounts consistent with the classification of the FR Y9C report.	<b>Fifth Third extended \$91 million of new home equity lines of credit during the month.</b>
b. Originations (New Lines+Line Increases)	\$65	\$91	\$91		
c. Total Used and Unused Commitments	\$19,445	\$19,353	\$19,250		
<b>3. US Card - Managed</b>					
a. Average Total Loan Balance - Managed	\$2,138	\$2,120	\$2,147	Average balance consists of US cards for consumer obligors only, consistent with the classification of the FR Y9C report. Business cards are included in C&I balances.	<b>September new credit card extensions were \$116 million, a decrease from \$118 million of extensions in August.</b>
b. New Account Originations (Initial Line Amt)	\$92	\$118	\$116		
c. Total Used and Unused Commitments	\$12,109	\$12,142	\$12,146		
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$10,708	\$10,845	\$10,948	Average balance consists of auto and other consumer loans and leases consistent with the classification of the FR Y9C report.	<b>Other consumer loan originations, which include new car loans, were \$524 million in September. This was a decrease of approximately \$36 million from August.</b>
b. Originations	\$573	\$560	\$524		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUL	AUG	SEP	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$27,499	\$27,788	\$28,128	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 September 2010 increased to \$1.64 billion compared to \$1.61 billion in August 2010.
b. Renewal of Existing Accounts	\$1,759	\$2,169	\$2,985	Includes renewed funded loans and renewed commitments.	
c. New Commitments	\$1,442	\$1,614	\$1,643	Includes new commitments both funded and unfunded	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$16,261	\$16,168	\$16,015	Average balance consists of real estate secured commercial loans consistent with the classification of the FR Y9C report.	New CRE commitments originated in September 2010 were \$173 million, compared to \$115 million in August 2010. Renewal levels for existing accounts increased in September 2010 to \$864 million compared to \$599 million in August 2010..
b. Renewal of Existing Accounts	\$458	\$599	\$864	Includes renewed funded loans and renewed commitments.	
c. New Commitments	\$106	\$115	\$173	Includes new commitments both funded and unfunded	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$4,966	\$4,921	\$4,870	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 September 2010 were \$441 million, which was up from \$352 million in August 2010.
b. Originations	\$287	\$352	\$441		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$831	\$471	-\$52	Consists of MBS purchases less sales for the month.	ABS auto purchases totaled \$200 million and net Agency MBS sales totaled \$52 million.
b. Asset Backed Securities	\$0	\$0	\$200	Consists of ABS purchases less sales for the month.	
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	NA	NA	NA		
b. Average Total Debit Balances <sup>2</sup>	NA	NA	NA		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	NA	NA	NA		
b. Total Debt Underwriting	\$697	\$1,150	\$1,594		
<b>Notes:</b>					
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): September 2010

Submission date: October 29, 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 0.9% in September 2010 compared to August 2010. New CRE commitments originated in September 2010 were \$173 million, compared to \$115 million in August 2010. Renewal levels for existing accounts increased in September 2010 to \$864 million compared to \$599 million in August 2010. 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 increased by approximately 1.2% in September 2010 compared to August 2010. New C&I commitments originated in September 2010 increased to \$1.64 billion compared to \$1.61 billion in August 2010. Renewal levels for existing accounts in September 2010 of \$2.99 billion compared to \$2.17 billion in August 2010. 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. In general, customers continue to remain deleveraged and liquid through reduced inventories versus expanding operations and capacity.

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 though a modest increase has been observed recently. Terms and covenants continue to be somewhat tighter than historical averages, which has also served to constrain demand. Credit spreads are slightly down since last month but have been somewhat stable through the summer months. The non-investment grade rating categories saw spreads widen around the May 2010 timeframe and have stayed at those elevated levels, which has served to constrain demand.

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Fifth Third Bancorp**

Reporting month(s): September 2010

Submission date: October 29, 2010

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

*Small Business:* Average Small Business balances decreased by approximately 1.0% in September 2010 compared to August 2010. Small Business commitments originated in September 2010 were \$441 million, which was up from \$352 million in August 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 up 0.4% in September 2010 compared to August 2010. We continue to actively work out problem loans and receive principal payments from borrowers, however, new originations in C&I more than offset collections and repayments in the month of September 2010.

## *Consumer section*

*Consumer:* September new credit card extensions were \$116 million, a decrease from \$118 million of extensions in August. Other consumer loan originations, which include new car loans, were \$524 million in September. This was a decrease of approximately \$36 million from August. We also extended \$91 million of new home equity lines of credit during the month.

September 2010 mortgage lending continued to be driven by attractive interest rates. Total originations for the month totaled approximately \$2.3 billion driven by \$1.9 billion of refinancing activity and \$437 million of new home purchases. This was an increase of approximately \$303 million from August.

During the month of September, 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 September of 2010, Fifth Third's portfolio of consumer loans and leases was flat relative to August 2010.

## *Treasury section*

*Treasury:* September investment portfolio activity included the partial re-investment of portfolio cash flows into MBS and the allocation additional balance sheet liquidity into ABS auto securities. For the month, ABS auto purchases totaled \$200 million and net Agency MBS sales totaled \$52 million.



**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: **KeyCorp** Submission date: **10/27/10** Person to be contacted about this report: **Robert L. Morris**

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)	JUL	2010 AUG	SEP	Key	Comments
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$3,028	\$3,008	\$2,998	First Mortgage includes loans secured by 1-4 family residential properties including home equity loans secured by first liens.	After three consecutive monthly increases, application volume decreased 9% in September from the August level. However, the September level represents the second highest application volume experienced during 2010.
b. Total Originations	\$140	\$177	\$184	Total Originations include both portfolio and held-for-sale loan originations.	
(1) Refinancings	\$83	\$118	\$127		
(2) New Home Purchases	\$57	\$59	\$57		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$8,273	\$8,253	\$8,237	Home Equity includes home equity lines of credit only (Home equity loans secured by first liens are included with First Mortgages above).	September application volume was flat compared to August 2010 and slightly higher than the September 2009 level.
b. Originations (New Lines+Line Increases)	\$68	\$71	\$68		
c. Total Used and Unused Commitments	\$16,121	\$16,056	\$15,973		
<b>3. US Card - Managed</b>					
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		
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$9,742	\$9,644	\$9,608	Other Consumer includes all other non-revolving consumer loans.	September loan originations increased due to higher approvals in August. While September new applications were down 7% from the August level, the application volume was up 7% from the September 2009 level.
b. Originations	\$10	\$10	\$16		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)					
	JUL	AUG	SEP	Key	
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$23,583	\$23,620	\$23,500	C & I includes lease financing receivables, commercial and industrial loans, agricultural loans, loans to depository institutions and other nonconsumer loans.	Over \$1 billion in new money was approved in September; the highest approval volumes came from the Leasing, Institutional Bank and Middle Market segments. This was the second highest monthly approval volume this year.
b. Renewal of Existing Accounts	\$1,441	\$1,059	\$919	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	\$1,015	\$838	\$789	New commitments include outstanding balances and unused commitments. Commitment amounts exclude standby letters of credit.	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$13,863	\$13,244	\$13,066	Commercial Real Estate includes construction and land loans, loans secured by multi-family residential properties and by other nonresidential properties.	The majority of renewals were in the Real Estate Capital and Middle Market segments. September new originations are at a high for the year, with 61% related to transactions with institutional borrowers in the Real Estate Capital segment. These borrowers are also active in the non-bank capital markets raising public debt and equity. The Middle Market activity represents a variety of transactions within KeyCorp's footprint.
b. Renewal of Existing Accounts	\$483	\$302	\$160	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	\$120	\$42	\$170	New commitments include outstanding balances and unused commitments. Commitment amounts exclude standby letters of credit.	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$3,042	\$3,019	\$2,993	Small Business includes loans guaranteed by the Small Business Administration ("SBA") and other loans internally classified as small business loans.	New loan approvals in September increased to \$99 million from the August level of \$88 million. September approvals are at their highest level since July 2008 and are more than double the September 2009 level. The increase is due to the continued improvement in KeyCorp's traditional loan approvals, particularly within the Midwest Region. Renewal activity of \$154 million is in line with this time of year.
b. Originations	\$46	\$43	\$48		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$398	\$998	-\$105	September mortgage backed securities ("MBS") net purchased volume includes \$398 million billion in purchases and \$503 million in sales, paydowns, calls and maturities.	The September purchases of collateralized mortgage obligations issued by government-sponsored entities was slightly less than the amount received in maturities, calls, and paydowns and reflects KeyCorp's efforts to support overall balance sheet liquidity management strategies.
b. Asset Backed Securities	\$0	\$0	\$0		
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	N/A	N/A	N/A		
b. Average Total Debit Balances <sup>2</sup>	N/A	N/A	N/A		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$20	\$150	\$136	Represents KeyCorp's equity underwriting commitments.	KeyCorp was the co-manager on six equity deals, totaling \$136 million in underwriting commitments, compared to eight deals totaling \$125 million in September 2009. Taxable debt underwriting consisted of twenty deals totaling \$325 million in underwriting commitments, of which fourteen deals were investment grade and six were high yield. Municipal debt underwriting totaled \$422 million in underwriting commitments.
b. Total Debt Underwriting	\$117	\$591	\$747	Represents KeyCorp's taxable and municipal debt underwriting commitments.	
<b>Notes:</b>					
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): **September 2010**

Submission date: **10/27/10**

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 \$94.0 billion at September 30, 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**

KeyCorp experienced overall credit demand improvement in September. Credit demand for Commercial and Industrial ("C & I") lending was strongest in the Institutional Banking and Leasing segments. Commercial Real Estate ("CRE") originations reached a year-to-date high and Business Banking demand continues to improve steadily. Consumer credit demand is also gaining momentum with the continued low interest rate environment.

### **Consumer**

Consumer credit demand is beginning to show improved year-over-year comparisons, due to the low interest rate environment promoting refinance activity and positive marketing momentum. Credit quality remains good for new business applicants.

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

### **C & I**

C & I loan approval volume was very strong in September, exceeded only by June's results this year. Approvals to new clients were strongest in the Institutional Bank (\$301 million) and Leasing (\$358 million) segments. Approvals to existing clients in the Middle Market segment were \$192 million.

### **Commercial Real Estate**

CRE approval volume increased in September from the August level, led by new loans to institutional borrowers, along with the continuation of renewals and extensions. The new volume is distributed across a variety of asset types and geographical regions. New Middle Market activity was consistent with the activity during the previous months. Overall, CRE balances continue to decline as principal repayments exceed new borrowings.

### **Small Business**

## TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **KeyCorp**

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

Submission date: **10/27/10**

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

For the month of September, approvals increased 12% to \$99 million from the August level of \$88 million. September approvals are at their highest level since July 2008. The growth in loan approvals is due to a notable increase in KeyCorp's traditional Business Banking lending. In addition to stable SBA lending activity, KeyCorp experienced a modest increase in approved owner-occupied CRE loans.

### **Investment Portfolio**

KeyCorp continues to use the available-for-sale securities portfolio to support strategies for managing overall balance sheet liquidity and interest rate risk. In September, the size of KeyCorp's investment portfolio slightly decreased, as purchases of \$398 million of collateralized mortgage obligations issued by government-sponsored entities were offset by \$503 million in paydowns and maturities.

**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: **Marshall & Ilsley Corporation**      Submission date: **10/29/10**      Person to be contacted about this report: **Gregory A. Smith**

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)	JUL	2010 AUG	SEP	Key	Comments
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$6,463	\$6,416	\$6,379	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.	<b>Mortgage Originations continued to increase from August to September driven primarily by refinance activity. The increase in refinance activity is due to continued low interest rates on fixed rate mortgages.</b>
b. Total Originations	\$172	\$225	\$280		
(1) Refinancings	\$107	\$166	\$218		
(2) New Home Purchases	\$65	\$59	\$62		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$2,613	\$2,600	\$2,587	Includes Home Equity Lines only.	<b>Home Equity Lines Average Balances decreased month-over-month as consumers refinanced 1st lien products, rolling their first and second mortgages and HELOCs into new 1st lien products. Although Originations increased, Total Commitments decreased as runoff outpaced production.</b>
b. Originations (New Lines+Line Increases)	\$26	\$24	\$25		
c. Total Used and Unused Commitments	\$4,742	\$4,701	\$4,665		
<b>3. US Card - Managed</b>					
a. Average Total Loan Balance - Managed	\$277	\$278	\$279	Includes Consumer Card only.	<b>Average Total Outstanding Balances were effectively flat in September. The New Originations campaign continued its momentum in September, resulting in increases in Originations and Commitments.</b>
b. New Account Originations (Initial Line Amt)	\$6	\$9	\$10		
c. Total Used and Unused Commitments	\$1,302	\$1,310	\$1,319		
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$1,927	\$1,895	\$1,879	Includes consumer PRA & LOCs. Subcategories include Auto Leases, Dealer Finance, Personal, Securities Loans, and Student Loans.	<b>Average Loan Balances were down month-over-month. Originations were up in September, led by Dealer Finance activity.</b>
b. Originations	\$58	\$54	\$59	Includes Additional Notes and Refinances to existing customers and notes to new customers.	

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUL	AUG	SEP	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$12,175	\$12,067	\$12,006	Includes A/R and Inventory, Dealer Commercial, Agricultural, IRB's and Muni, and Commercial Leases.	Average Balances continue to decline, consistent with prior month trends. Renewals increased from August to September, reflecting variation in renewal cycles. New Commitments were higher month-over-month but still remain below historical averages as 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	\$149	\$86	\$239	Renewals include renewal of existing accounts where new money is requested, terms are modified, or new master line is established.	
c. New Commitments	\$122	\$56	\$70	Includes New Loans to New Customers and Unused Commitments to C&I (Also includes Unused Commitments to: Finance Agricultural Production and Other).	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$17,628	\$17,349	\$17,023	Includes Business Purpose 1-4 and Construction, Development, & Vacant Land (Commercial and Residential).	Continuing with past monthly trends, Commercial Real Estate Average Balances decreased month-over-month led by Construction and Development loans. Commercial Real Estate Average Balances are expected to continue contracting due to portfolio amortization. Renewals were down compared to previous months due to seasonal variations.
b. Renewal of Existing Accounts	\$60	\$42	\$22	Renewals include renewal of existing accounts where new money is requested, terms are modified, or new master line is established.	
c. New Commitments	\$27	\$39	\$76	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).	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$3,229	\$3,170	\$3,125	Includes SBA-guaranteed loans and Business Loans & Commitments < \$1 million to customers with Revenue < \$1 million. Excludes Letters of Credit.	Average Balances decreased from August to September led by a decrease in Commercial Real Estate Loans. September Originations were higher than August led by Commercial/Business Loans To Individuals. Pipelines and Originations remain at historically low levels due to a decrease in demand as customers continue to address impacts from current economic conditions.
b. Originations	\$20	\$14	\$16		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$8	-\$985	\$1	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		
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	N/A	N/A	N/A		
b. Average Total Debit Balances <sup>2</sup>	N/A	N/A	N/A		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	N/A	N/A	N/A		
b. Total Debt Underwriting	N/A	N/A	N/A		
<b>Notes:</b>					
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): September 2010  
Submission date: 10/29/2010  
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 (NYSE: MI) (M&I) is a diversified financial services corporation headquartered in Milwaukee, Wis. 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; 36 offices along Florida's west coast and in central Florida; 33 offices in Indianapolis and nearby communities; 26 offices in metropolitan Minneapolis/St. Paul, and one in Duluth, Minn.; 17 offices in the greater St. Louis area; 15 offices in Kansas City and nearby communities; and one office in Las Vegas, Nev. M&I also provides trust and investment management, equipment leasing, mortgage banking, asset-based lending, financial planning, investments, and insurance services from offices throughout the country and on the Internet ([www.mibank.com](http://www.mibank.com) or [www.micorp.com](http://www.micorp.com)).

The communities and customers M&I serves continue to face impacts from current recessionary conditions of the economy. Nonetheless, M&I extended approximately \$450 million of new credit to new and existing customers in September for a total of over \$9.3 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 \$21 million in September and over \$685 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 December 31, 2010.

In Commercial and Industrial loans, we continue to see stabilizing but low line utilization from existing customers, consistent with the slower economy. Customers continue to resize their revolving credit facilities to match their working capital 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 continued to increase from August to September driven primarily by

## TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Marshall & Ilsley Corporation

Reporting month(s): September 2010

Submission date: 10/29/2010

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

refinance activity. The increase in refinance activity is due to continued low interest rates on fixed rate mortgages. 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.



**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: Regions Financial Corporation

Submission date: October 29, 2010

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

**PART I. QUANTITATIVE OVERVIEW**

**SCHEDULE A: CONSUMER LENDING (Millions \$)**

	2010				
<u>1. First Mortgage</u>	Jul	Aug	Sep	<u>Key</u>	<u>Comments</u>
a. Average Loan Balance (Daily Average Total Outstanding)	\$16,395	\$16,534	\$16,758	First and second residential 1-4 family mortgages, including residential mortgages held for sale.	The mortgage division originated mortgage loans totaling \$911 million in September 2010. Overall production increased 9.2% from the prior month. New purchase originations decreased 1.5% from prior month, and refinancing activity increased from the prior month 14%. Application activity in September decreased 13.5% as compared to prior month. September originations included approximately \$122.3 million related to 739 loans refinanced under the Home Affordable Refinance Program.
b. Total Originations	\$653	\$835	\$911	Loan originations designated for the secondary market and those to be held in portfolio on Regions' balance sheet.	
(1) Refinancings	\$382	\$576	\$656	Total originations designated as refinance status.	
(2) New Home Purchases	\$271	\$259	\$255	Total originations designated as new purchase status.	
<b><u>2. Home Equity</u></b>					
a. Average Total Loan Balance	\$14,776	\$14,687	\$14,586	Average balances include Home Equity loans and HELOCs.	Home Equity average balances declined \$101 million or 0.69% in September to \$14.6 billion. The HELOAN portfolio declined \$25.5 million, 1.6%, while HELOC balances declined \$75 million or 0.57%. Portfolio run-off continues as payoffs/paydowns outpace production.
b. Originations (New Lines+Line Increases)	\$98	\$110	\$117	New Home Equity loans, lines and increases.	
c. Total Used and Unused Commitments	\$24,253	\$24,070	\$23,889	Total portfolio of Home Equity loans and funded and unfunded HELOCs. Funded portion included in average balance above.	
<b><u>3. US Card - Managed</u></b>					
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		
<b><u>4. Other Consumer</u></b>					
a. Average Total Loan Balance	\$3,121	\$3,022	\$2,909	Includes consumer direct, indirect, other revolving (i.e., overdraft lines) and student loans held for sale.	Other Consumer Lending balances decreased 3.7% to \$2.9 billion in September compared to August primarily driven by the continued run-off in the Indirect Lending portfolio and routine student loan sales.
b. Originations	\$61	\$61	\$62	Includes direct and student lending origination activity.	

SCHEDULE B: COMMERCIAL LENDING (Millions \$)					
1. C & I	Jul	Aug	Sep	Key	Comments
a. Average Total Loan and Lease Balance	\$33,654	\$33,777	\$33,893	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 the middle market as the stagnant economy continues to drive more conservative leverage positions; however, more robust loan demand is seen in the upper end of the market and in certain industries. Outstanding loan balances increased \$116 million in September as compared to August levels. Commercial line utilization rates increased slightly in September as compared to August.
b. Renewal of Existing Accounts	\$2,045	\$2,166	\$1,796	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	\$1,235	\$1,051	\$1,103	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.	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$19,096	\$18,810	\$18,463	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 September, commercial real estate balances decreased \$347 million from August levels. In September, 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. 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.
b. Renewal of Existing Accounts	\$978	\$1,011	\$1,149	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	\$38	\$29	\$40	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.	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$13,197	\$13,098	\$13,148	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.
b. Originations	\$579	\$691	\$644	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.	
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$471	\$772	\$264	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	\$37	Net purchase volume as captured in bond accounting system. Reflects settlement date. Consists of both private label and agency commercial mortgage backed securities.	
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	N/A	N/A	N/A		
b. Average Total Debit Balances <sup>2</sup>	\$1,085	\$1,041	\$1,008	Reflects average margin receivables as recorded on the general ledger.	
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$17	\$67	\$74	Total equity underwriting activity. Represents Regions' participation percentage.	The Morgan Keegan Equity department participated in 1 offering in July, 5 in August and 6 in September. Gross debt issuance for July, August and September was \$9.7 billion, \$7.9 billion and \$5.9 billion respectively.
b. Total Debt Underwriting	\$880	\$1,187	\$1,378	Debt issuances delivered monthly. Represents Regions' participation percentage.	
<b>Notes:</b>					
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): September 2010

Submission date: **October 29, 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 September 30, 2010, Regions had total consolidated assets of approximately \$133 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 September, new and renewed commitments decreased by \$0.1 billion to \$5.2 billion for the month, and average balances were down \$0.2 billion from August to \$86.6 billion.

The month over month decrease in new and renewed commitments was driven primarily by a \$0.4 billion decrease in C&I renewals, partially offset by a \$0.1 billion (14%) increase in mortgage refinancings as a result of continuing attractive interest rates.

### III. Consumer Lending

#### A. Mortgage Lending

The mortgage division originated mortgage loans totaling \$911 million in September 2010. Overall production increased 9.2% from the prior month. New purchase originations decreased 1.5% from prior month, and refinancing activity increased from the prior month 14%. Application activity in September decreased 13.5% 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 cannot exceed 125%. September originations included approximately \$122 million related to 739 loans refinanced under the Home Affordable Refinance Program.

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): September 2010

Submission date: **October 29, 2010**

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

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. Regions has adopted the recent changes applicable for FNMA/FHLMC loans which include a new forbearance program for unemployed borrowers and a shortsale program for borrowers who do not maintain good standing with the HAMP program. In accordance with the program guidelines, Regions has distributed approximately 1,850 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 September, Regions completed 70 modifications totaling \$10.7 million in unpaid principal. Regions currently services approximately \$23.2 billion of Fannie Mae and Freddie Mac mortgages.

## B. Home Equity Lending

Home Equity production increased 6% in September to \$116.5MM from prior month and increased 8% versus same period prior year. To help improve production 140,000 pre-approved HELOC offers were mailed in August. In addition, we continue to gain momentum from the point of sale preapproved Equity offers at DDA account opening.

Overall Home Equity average balances declined \$101 million or 0.7% in September to \$14.6 billion. The HELOAN portfolio declined \$25.5 million, 1.6%, while HELOC balances declined \$75 million or 0.6%. Portfolio run-off continues as payoffs/paydowns outpace production.

## C. Other Consumer Lending

Direct Lending and Other Revolving production has increased as consumers are choosing to match their debt instrument to their collateral. During September production increased 6% to \$47.5MM from prior month and increased 17% versus same period prior year. To improve production approximately 114,000 pre-approved Auto/Unsecured Line of Credit offers were mailed to existing customers in August. In addition, at the end of July we introduced Auto/Unsecured preapproved point of sale offers at DDA account opening similar to Equity.

Overall, Other Consumer Lending balances decreased 3.7% to \$2.9 billion in September compared to August primarily driven by the continued run-off in the Indirect Lending portfolio and routine student loan sales.

## D. Customer Assistance Program

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): September 2010

Submission date: **October 29, 2010**

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

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 the foreclosure process is less than half the national average. (2.05% for Regions vs. 4.57% nationally in the second quarter of 2010.) Since inception of the program, Regions has restructured more than \$2.4 billion in mortgages, including \$24 million in September 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 2009. To date, we have initiated 1,850 trial period modifications for \$282 million, and of those, 1,168 have been completed for \$177 million.

## IV. Commercial Lending

### A. Commercial and Industrial Lending

Loan demand remained soft in the middle market as the stagnant economy continues to drive more conservative leverage positions; however, more robust loan demand is seen in the upper end of the market and in certain industries. Outstanding loan balances increased \$116 million in September as compared to August levels. Commercial line utilization rates increased slightly in September as compared to August.

In the middle market, 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. Loan demand in our specialized industries and in the upper end of the commercial market has outperformed the general middle market.

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. Small business line utilization rates decreased slightly in September as compared to August.

### B. Commercial Real Estate Lending

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): September 2010

Submission date: **October 29, 2010**

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

The focus in commercial real estate lending continues to be on renewing and restructuring real estate loans with existing clients. 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. As homebuilders sell existing inventory, we continue to convert lot loans to residential construction loans, in turn, reducing our land and lot portfolio.

In September, new loan demand remained low. Developers are reluctant to begin new projects or purchase existing projects under current economic conditions. The demand for financing for purchase of existing properties also remains limited as transaction volume remains low.

## 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 September totaled \$264 million, which consists of Agency Fixed-Rate Mortgage-Backed Products. Commercial Mortgage-Backed securities totaling \$37 million were also purchased in September.

## VI. Equity and Debt Activities at Morgan Keegan

The Equity market in September has seen names like HCA, Inc., General Motors, Skype and Vera Bradley and these have brought a buzz to the IPO market with the street hopeful these offerings will price during the fourth quarter of 2010. Morgan Keegan's backlog is building with technology leading the way. If the stock market provides an opportunistic window, October and the first half of November may provide issuers a chance to launch their IPO and raise capital. The Morgan Keegan Debt underwriting department expects overall taxable and tax free issuance to rise throughout the fourth quarter and see a peak in December 2010.

**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: SunTrust Banks, Inc. Submission date: 10/28/10 Person to be contacted about this report: Craig Smith

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)	JUL	2010 AUG	SEP	Key	Comments
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$31,928	\$32,079	\$32,656	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.  Includes all loans originated or purchased by SunTrust through the Retail and Wholesale channels. Volumes include all activity regardless of whether the loans are retained in the loan portfolio, or recorded in loans held for sale and ultimately sold to a third party.	Originations decreased 2% from prior month to \$2.8 billion in September 2010. September refinancings increased due to low market mortgage rates while originations for new purchases decreased. Average balances increased \$577 million due to increased holdings of federally guaranteed loans.
b. Total Originations	\$2,349	\$2,839	\$2,776		
(1) Refinancings	\$1,334	\$1,899	\$2,016		
(2) New Home Purchases	\$1,014	\$940	\$760		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$16,887	\$16,769	\$16,700	Average balance, originations, and commitments include both Home Equity Lines and Home Equity Loans.	Average balances outstanding declined fractionally in September and originations increased \$33 million compared to August. Average line utilization increased slightly to 54%.
b. Originations (New Lines+Line Increases)	\$119	\$106	\$139		
c. Total Used and Unused Commitments	\$31,612	\$31,386	\$31,096		
<b>3. US Card - Managed</b>					
a. Average Total Loan Balance - Managed	\$1,055	\$1,036	\$1,057	Purchases drawn against SunTrust consumer and commercial credit card lines of credit are booked in the calendar month transacted.	September originations increased to \$16 million. Total line commitments and usage declined 1% from August. Average line utilization remained stable at 28% compared to August.
b. New Account Originations (Initial Line Amt)	\$21	\$14	\$16	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	\$3,821	\$3,782	\$3,759	This is the line commitment total for all credit card accounts of record.	
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$13,181	\$14,075	\$14,316	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 2% due to the full-month impact of a high-quality indirect auto loan portfolio acquired in August. Indirect auto loan originations decreased 2% from August and drove the overall 1% decline in Other Consumer originations for September.
b. Originations	\$616	\$656	\$652		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUL	AUG	SEP	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$33,208	\$33,540	\$33,759	Includes average outstandings for Commercial & Industrial loans and leases extended to small business, commercial, middle market, and large corporate clients.	Average loan balances increased \$219 million compared to August. The increase was driven primarily by higher balances in our asset-backed commercial paper conduit. Combined September originations of new and renewing credit facilities increased 7% compared to August due to client preferences.
b. Renewal of Existing Accounts	\$1,652	\$1,350	\$1,190	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	\$1,235	\$1,151	\$1,492	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.	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$19,430	\$19,175	\$18,971	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 average balances declined \$204 million in September compared to August. The majority of the decline was due to pay downs and payoffs. Loan demand has remained soft. Combined September originations of new and renewing credit facilities increased slightly compared to August.
b. Renewal of Existing Accounts	\$278	\$273	\$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	\$178	\$156	\$270	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.	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$4,993	\$4,944	\$4,909	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 as September totals were 1% less than August. September originations decreased \$12 million from August to \$39 million in September.
b. Originations	\$43	\$51	\$39		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	-\$568	\$1,511	\$992	The numbers represent net purchase volume within the reporting period. These securities are reported in SunTrust's available-for-sale and trading portfolios.	In September, SunTrust purchased an additional \$992 million of U.S. government and agency issued mortgage-backed securities for the available-for-sale portfolio.
b. Asset Backed Securities	\$20	\$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.	
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	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 <sup>2</sup>	n/a	n/a	n/a	Although STRH self-clears institutional fixed income transactions, STRH does not carry customer accounts.	
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$0	\$16	\$21	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 \$253 million, municipal underwriting of \$140 million and high-yield debt underwriting of \$339 million in September. Equity underwriting transactions for September totaled \$21 million.
b. Total Debt Underwriting	\$690	\$456	\$732	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.	
<b>Notes:</b>					
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): September 2010

Submission date: 10/28/10

Person to be contacted regarding this report: **Craig 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.*

SunTrust Banks, Inc., with total assets of \$174.7 billion on September 30, 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 1,670 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 September, including loans held for sale, totaled \$117.5 billion, up \$786 million, or 0.7%, from August. 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 September totaled \$6.7 billion, an increase of 2.5% from August.

### **Consumer Lending**

Mortgage originations totaled \$2.8 billion during September, representing a 2% decrease from August. Mortgage refinancings increased in September by 6%, whereas loans funded for new home purchases decreased in September by 19% relative to August. The availability of low market mortgage rates drove the increase in refinancings in September. Total average mortgage balances increased by \$577 million during September due to increased holdings of federally guaranteed loans.

Home equity borrowings remain stable as evidenced by the consistent fractional monthly declines of both total commitments and average outstanding balances over the last three months. During September, total used and unused commitments decreased \$290 million and average funded balances decreased \$69 million. Both changes represent relative decreases of less than 1% in comparison to August. Total equity loan and line originations in September increased to \$139 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 September, new credit card originations totaled \$16 million, with \$9 million related to new consumer accounts and \$7 million related to new business and corporate accounts.

Other Consumer loans are primarily composed of student, auto, and other loans. Average Other Consumer loan balances increased \$241 million, or 2%, compared to August due to the full-month impact of a high-quality indirect auto loan portfolio acquired in August. September fundings for indirect

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auto, student, and other consumer loans decreased 1% from August, primarily due to a decline in indirect auto loan originations of \$9 million, or 2%, compared to August.

## **Commercial Lending**

Average C&I loan balances increased \$219 million, or 1%, in September. The increase was driven by higher balances in our asset-backed commercial paper conduit. Total Commercial Lending originations and renewals were \$2.7 billion in September, a 7% increase over August. Renewals of existing credit facilities and stand-alone notes totaled \$1.2 billion in September, a decrease of 12% from August. In contrast, combined new commitments and new funded loans increased in September by \$341 million, a 30% increase compared to August. The timing of C & I originations and renewals is impacted by client needs, seasonality and current commitment expirations.

## **Commercial Real Estate**

Average Commercial Real Estate loans decreased \$204 million, or 1%, compared to the August average. The majority of the decline was due to large pay downs and pay offs. 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. In September, Commercial Real Estate renewals of existing accounts decreased \$99 million, or 36%, while total Commercial Real Estate new commitments increased \$114 million, or 73%, compared to August. The majority of originations were associated with large commercial or corporate businesses.

## **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 September, the average loan balance was \$4.9 billion, down 1% from August. September originations totaled \$39 million, a decrease of \$12 million, or 24%, compared to August.

## **Other Intermediation Activities**

Beyond lending to consumers and businesses, SunTrust participates in various additional intermediation activities. In September, SunTrust purchased \$992 million of U. S. government and agency issued mortgage-backed securities for the available for sale portfolio related to repositioning the investment portfolio.

SunTrust participated in forty debt issues in September with a total notional value of \$12.1 billion. SunTrust's allocation of underwritten debt included \$253 million in investment-grade fixed-income issues, \$140 million in municipal debt issues and \$339 million in high-yield debt issues, which in the aggregate was \$276 million above August totals.

In September, SunTrust participated in two equity offerings with a total notional value of \$426 million, of which our allocation was \$21 million.