TREASURY DEPARTMENT MONTHLY LENDING AND INTERMEDIATION SNAPSHOT

Summary Analysis for November 2009

Summary Analysis

Economic Environment

Treasury's twelfth survey of banks' activities was conducted as economic and financial conditions continued to improve, though the economy remained weak. Real GDP grew 2.2 percent in the third quarter, the first rise in four quarters. Data released for November and December suggest the economy will grow solidly in the quarter, as components of spending continued to improve. Consumer spending increased in November for the second straight month. Consumer purchases of autos rose throughout the fourth quarter, and consumer optimism improved in December. Home sales were mixed in November, with existing home sales rising but new home sales falling. House prices stabilized, and some measures have moved higher over the past few months through October. Mortgage rates remained at low levels in November and December, providing some support to sales. Business spending on durable goods continued to rise through November, pointing to some stabilization in business investment spending. Labor market conditions remained weak in November and December, but suggested the employment situation was stabilizing. The unemployment rate remained at 10 percent in November and December, which was down slightly from October although it remained near 26-year highs. Payroll jobs posted a small gain in November – the first increase since December 2007 – but payrolls fell noticeably again in December. Payroll job losses have been getting smaller during 2009; losses averaged about 200,000 in the third quarter, but a much smaller 69,000 per month in the fourth quarter. Measures of financial risk suggest that some markets have improved. The LIBOR-OIS spread narrowed from a peak of 365 basis points on October 10, 2008 to around 10 basis points in November and December 2009. The spread between Baa corporate bonds and the 10-year Treasury note averaged about 280 basis points in November and December, nearly half its level of a year earlier. The VIX, which hit an all-time high in October 2008, has returned to pre-crisis norms. Private forecasters expect the economy to continue to grow in 2010, although the unemployment rate is projected to remain high throughout 2010, as payroll jobs increase modestly.

November Survey Results

Annual Results[1]

The total average outstanding balance of all loans increased 6 percent from November 2008 to November 2009 and total originations increased 17 percent from November 2008.

Compared to November 2008, the total outstanding mortgage balance increased 22 percent. Total mortgage originations increased 91 percent from November 2008 to November 2009. Refinancing originations drove the increase, rising 170 percent over the year, while new home purchases rose 43 percent. Low interest rates over the past year contributed to the dramatic increases. The total outstanding balance of home equity lines of credit (HELOCs) increased 8 percent from November 2008 to November 2009. Respondents noted however that through 2009 demand for new HELOC lines and loans was below 2008 levels. Accordingly, HELOC originations declined 45 percent from November 2008 to November 2009. Since November 2008, the total outstanding balance of credit card loans decreased 8 percent and total originations of credit card loans decreased 28 percent. In other consumer lending products, the total outstanding balance increased 15 percent from November 2008 to November 2009, and total originations increased 15 percent.

Respondents consistently indicated that demand in the commercial sector was muted during the past year. The total outstanding balance of commercial and industrial (C&I) loans fell 6 percent from November 2008 to November 2009, while renewals increased 7 percent and new commitments decreased 3 percent. The total outstanding balance of commercial real estate (CRE) loans increased 18 percent from November 2008 to November 2009. Total renewals of CRE loans increased 23 percent from November 2008 to November 2009, while new CRE commitments decreased 51 percent.

Monthly Results

The overall outstanding loan balance (of all respondents) was flat from October to November at the top 22 participants in the Capital Purchase Program (CPP), while total originations of new loans increased 2 percent from October to November. In November, the 22 surveyed institutions originated approximately $244 billion in new loans. Total originations of loans by all respondents rose in 4 categories (mortgages, credit card loans, C&I renewals of existing accounts, and C&I new commitments) and fell in 4 loan categories (HELOCs, other consumer lending products, CRE renewals of existing accounts, and CRE new commitments).

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[1] Year over year changes will be calculated only for the original Top 21 CPP recipients and will exclude data from Hartford Financial Services Group as data begin in June 2009. Year over year increases may in part be reflective of acquisition activity (namely Bank of America's acquisition of Merrill Lynch, PNC Financial Services Group's acquisition of National City Corporation and Wells Fargo & Company's acquisition of Wachovia Corporation) as data are not merger adjusted.

New home purchases fell in November while refinancing originations rose in November. Seasonality contributed to the decline in new home purchases despite favorable rates. HELOCs saw a decrease in total originations, and institutions indicated that demand remains below 2008 levels. Outstanding credit card balances held by the surveyed institutions fell 1 percent in November despite modest increases in consumer spending due to the holiday season. Other consumer lending declined as November is a seasonally slow time. Banks reported that demand in the commercial sector remain well below normal levels. Despite low demand, C&I renewals and new commitments rose in November. CRE renewals and new commitments declined in November. Small business loan originations also deceased in November.

- The total average outstanding balance of all loans was flat from October to November. The median change in total average outstanding balances was a decrease of 1 percent. Of the 22 respondents, 4 reported increases in total outstanding balances from October to November (the largest increase was 7 percent) while 18 respondents experienced decreases in total outstanding balances (the largest decrease was 2 percent). Total originations of all loans increased 2 percent from October to November. Across all institutions, the median change in total originations was a decrease of 1 percent. Of the 22 respondents, 10 experienced increases in total originations from October to November and 12 experienced decreases in total originations.

- The total outstanding mortgage balance of all respondents was flat. Total mortgage originations by all respondents increased by 4 percent, driven by increases in refinancing originations. The median change in total mortgage originations was an increase of 7 percent. Refinancing mortgage originations rose 12 percent from October to November. New home purchase originations decreased 5 percent from October to November. Seasonality contributed to the decline in new home purchases despite favorable rates. The favorable rates, however, boosted refinancing originations.

- The total outstanding balance of HELOCs fell by 1 percent from October to November. Total HELOC originations fell 15 percent in November. The median change in originations was a decrease of 11 percent from October to November. Respondents noted that the pool of qualified HELOC borrowers has declined as home values have depreciated and that demand remained below 2008 levels.

- The total credit card outstanding balance of all respondents fell 1 percent in November. Of the 14 respondents active in the credit card business, 5 experienced increases in outstanding balances and 9 experienced decreases in outstanding balances. Total credit card originations by all respondents increased by 14 percent in November, though the median change in credit card originations was a decrease of 4 percent.

- The total outstanding balance of other consumer lending products was flat in November. Of the 19 institutions active in other consumer lending, 7 institutions experienced increases in outstanding balances, while 12 institutions experienced decreases in outstanding balances. Total other consumer loan originations decreased by 28 percent from October to November. The median percentage change in other consumer loan originations was a decrease of 14 percent.

- The total outstanding balance of C&I loans was flat in November; the median change in average outstanding C&I balances was an increase of 1 percent. Economic uncertainty has caused businesses to downsize, cut costs, reduce inventories, and delay capital expenditures. Lower overall merger and acquisition activity further contributed to the decreased demand for C&I credit. Nearly all respondents indicated that, throughout the recession, demand in C&I lending has remained well below pre-recession levels. Companies continued to focus on preserving liquidity, strengthening their balance sheets, building cash reserves and paying down existing debt rather than taking on new debt.

  Total renewals of existing C&I accounts increased 1 percent in November, and the median change in renewals was a decrease of 2 percent. Total new C&I commitments increased 6 percent in November, and the median change in new commitments was an increase of 20 percent.

- Demand for new CRE loans remains low due to the lack of new construction activity. Real estate developers are reluctant to begin new projects or purchase existing projects under current poor economic conditions, which include a surplus of office space as firms downsize and vacancies rise. Finally, nearly all respondents indicated that they are actively reducing their exposure to CRE loans, as banks expect CRE loan delinquencies to persist and forecasters expect weakness in the CRE market to continue. The outstanding balance of CRE loans of all respondents was flat in November, and the median change in outstanding balances was a decrease of 1 percent.

  Total renewals of existing CRE accounts decreased 4 percent from October to November. The median change in CRE renewals from October to November was an increase of 4 percent. Total new CRE commitments decreased 20 percent from October to November, and the median change in new commitments was a decrease of 14 percent.

- In November, total small business outstanding balances[2] were flat, and the median change in small business outstanding balances was a decrease of 1 percent. Total small business originations decreased by 18 percent. The median change in small business originations was a decrease of 9 percent.

- The chart on page 7 ("Change in Loan Originations, November 2009 vs. October 2009") illustrates the range of changes in loan originations among the 22 institutions. The bar

[2] Small business loan data were first reported in April 2009 data and are not included in the year over year reporting.

on the far right, for example, indicates that the median change of loan originations of all types was a decrease of 1 percent in from October to November; originations of all types fell by 6 percent for the institution at the 25th percentile, and originations of all types rose by 12 percent for the institution at the 75th percentile. There was considerable variability in lending activity across in the commercial sector (C&I and CRE).

Loan Originations, November 2009

($ Millions)

Name	First Mortgage	HELOC (Lines and Increases)	US Card (Managed): Initial Line Amount	Other Consumer Lending	C & I: Renewal of Existing Accounts	C & I: New Commitments	CRE: Renewal of Existing Accounts	CRE: New Commitments	Small Business[1]	Total Originations[2]	*Monthly Change in Total Originations*[3]
American Express	N/A	N/A	$1,257	N/A	N/A	N/A	N/A	N/A	N/A	**$1,257**	***6%***
Bank of America	$27,713	$919	$1,340	$1,447	$14,788	$8,648	$3,020	$154	$1,214	**$58,029**	***2%***
Bank of New York Mellon	$63	$3	N/A	$0	$38	$15	$89	$0	N/A	**$208**	***-35%***
BB&T	$1,867	$43	$151	$240	$492	$979	$1,353	$367	$786	**$5,491**	***-4%***
Capital One	$109	$17	$217	$332	$125	$342	$51	$159	$61	**$1,352**	***-10%***
CIT	N/A	N/A	N/A	$0	$2,465	$297	$0	$0	$9	**$2,762**	***-7%***
Citigroup	$3,338	$90	$6,874	$888	$1,404	$1,924	$139	$37	$128	**$14,693**	***18%***
Comerica	$34	$9	$18	$26	$2,935	$461	$326	$80	$151	**$3,889**	***43%***
Fifth Third	$1,648	$75	$103	$307	$1,548	$1,078	$471	$132	$275	**$5,362**	***0%***
Goldman Sachs	$17	$0	$0	$14	$820	$4,308	$282	$190	$10	**$5,631**	***207%***
Hartford	$0	$0	N/A	$0	$0	$0	$0	$0	$0	**$0**	***-100%***
JPMorgan Chase	$12,325	$122	$3,811	$2,479	$15,213	$14,474	$598	$542	$719	**$49,563**	***2%***
KeyCorp	$153	$71	$0	$17	$1,073	$519	$693	$72	$40	**$2,598**	***37%***
Marshall & Ilsley	$203	$64	$6	$43	$182	$65	$43	$40	$12	**$646**	***-6%***
Morgan Stanley	$15	$0	N/A	$289	$617	$3,292	$0	$0	$133	**$4,213**	***-67%***
Northern Trust	$105	$49	N/A	$112	$708	$295	$31	$83	$16	**$1,383**	***13%***
PNC	$761	$264	$137	$210	$3,607	$2,000	$401	$159	$241	**$7,539**	***-6%***
Regions	$689	$77	N/A	$76	$1,415	$862	$1,439	$173	$542	**$4,732**	***-2%***
State Street	N/A	N/A	N/A	N/A	$890	$482	$2	$0	N/A	**$1,374**	***58%***
SunTrust	$2,867	$89	$4	$316	$966	$851	$210	$171	$46	**$5,474**	***-3%***
U.S. Bancorp	$4,082	$326	$831	$732	$3,936	$2,191	$753	$462	$446	**$13,313**	***-5%***
Wells Fargo	$31,161	$379	$1,209	$1,809	$8,217	$9,223	$2,014	$862	$2,031	**$54,874**	***8%***
Total (All Institutions)	**$87,149**	**$2,597**	**$15,958**	**$9,336**	**$61,438**	**$52,307**	**$11,915**	**$3,684**	**$6,858**	**$244,383**	***2%***
Monthly change in Total (All Institutions)[3]	***4%***	***-15%***	***14%***	***-28%***	***1%***	***6%***	***-4%***	***-20%***	***-18%***	***2%***	
Annual change in Total (All Institutions)[4]	***91%***	***-45%***	***-28%***	***15%***	***7%***	***-3%***	***23%***	***-51%***	***---***	***17%***	

[1] *These loans are already accounted for in either consumer lending, commercial lending, or a combination of both.*

[2] *Total Originations does not include the "Small Business Originations" column.*

[3] *Monthly percentage changes are calculated versus October 2009 figures.*

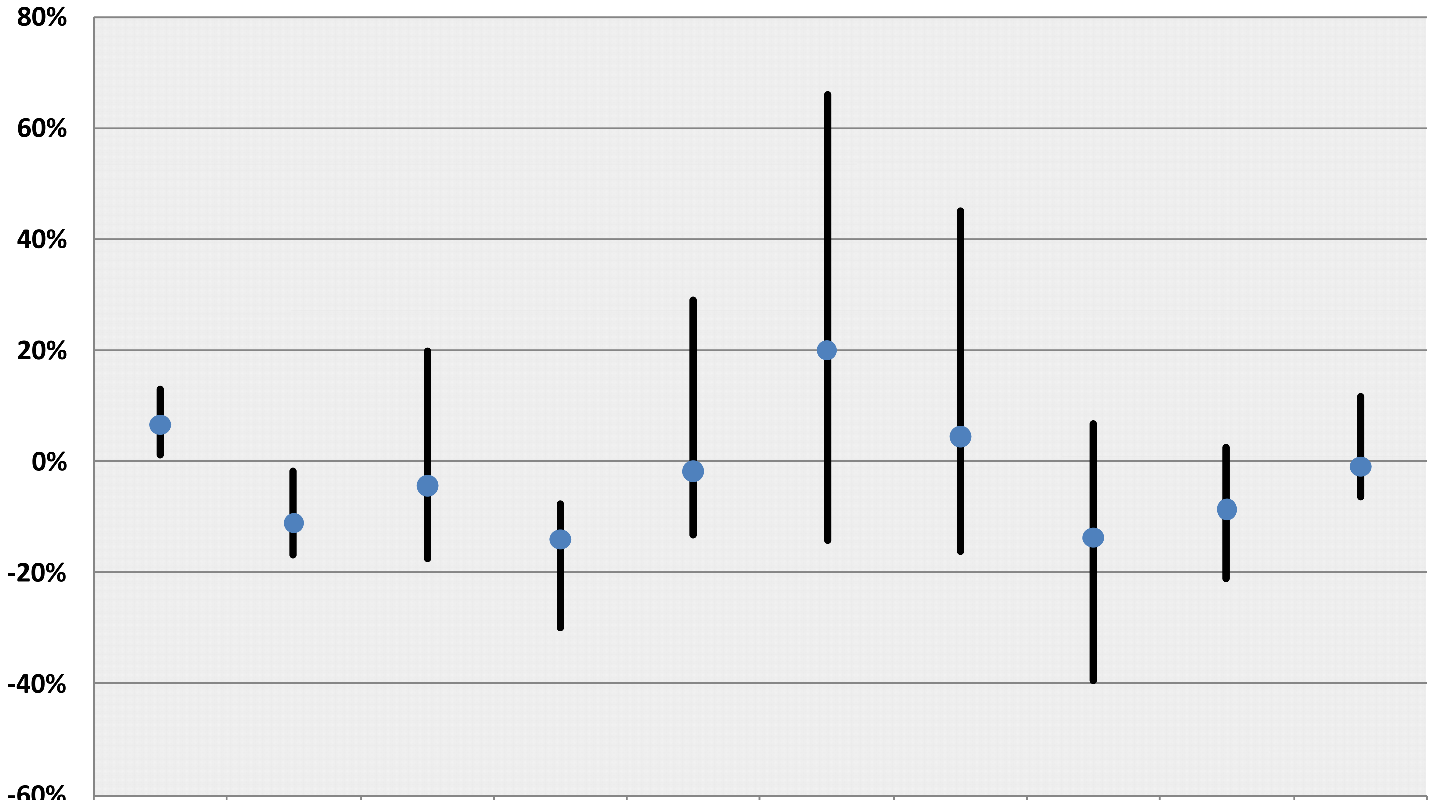
[3] *Annual percentage changes are calculated versus November 2008 figures. Annual changes will be calculated only for the original Top 21 CPP recipients and will exclude data from Hartford Financial Services Group as data begin in June 2009.*

Loan Category Key	
First Mortgages	Loans secured by first liens on residential real estate
HELOC	Home equity lines of credit
US Card (Managed)	US credit cards (managed)
C & I	Commercial and industrial
CRE	Commercial real estate
Small Business	Loans to small businesses
N/A	Denotes recipient is not active in this category

NOTE: Reliance on internal reporting means that aggregation by loan category varies for each reporting bank. Because of the differences in loan category definitions, comparisons of origination levels across firms may be imperfect.

Change in Loan Originations

November 2009 vs. October 2009



	First Mortgage	HELOC (Lines and Increases)	US Card (Managed): Initial Line Amount	Other Consumer Lending	C & I: Renewal of Existing Accounts	C & I: New Commitments	CRE: Renewal of Existing Accounts	CRE: New Commitments	Small Business Originations	Total
75th Percentile	13%	-2%	20%	-7%	29%	66%	45%	7%	3%	12%
25th Percentile	1%	-17%	-18%	-30%	-13%	-14%	-16%	-39%	-21%	-6%
Median	7%	-11%	-4%	-14%	-2%	20%	4%	-14%	-9%	-1%
Total (Across All Institutions)	4%	-15%	14%	-28%	1%	6%	-4%	-20%	-18%	2%

Total Outstanding Loan Balances, Top 21 CPP Participants

November 2008 vs. November 2009

$ Billions

	November 2008	November 2009	Change
First Mortgage	$718.6	$876.3	21.9%
HELOC	$509.2	$551.1	8.2%
US Card (Managed)	$644.5	$591.7	-8.2%
Other Consumer Lending	$413.1	$475.2	15.0%
C & I	$1,160.4	$1,092.1	-5.9%
CRE	$443.9	$523.7	18.0%
Small Business[1]	N/A	$256.8	---
Total Outstanding Loan Balances	$3,889.6	$4,110.1	5.7%

Total Loan Originations, Top 21 CPP Participants

November 2008 vs. November 2009

$ Billions

	November 2008	November 2009	Change
First Mortgage	$45.6	$87.1	91.1%
HELOC (Lines and Increases)	$4.7	$2.6	-45.2%
US Card (Managed): Initial Line Amount	$22.1	$16.0	-27.9%
Other Consumer Lending	$8.1	$9.3	14.6%
C & I: Renewal of Existing Accounts	$57.3	$61.4	7.3%
C & I: New Commitments	$54.0	$52.3	-3.2%
CRE: Renewal of Existing Accounts	$9.7	$11.9	23.3%
CRE: New Commitments	$7.5	$3.7	-51.0%
Small Business[1]	N/A	$6.9	---
Total Originations	$209.1	$244.4	16.9%

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Notes:

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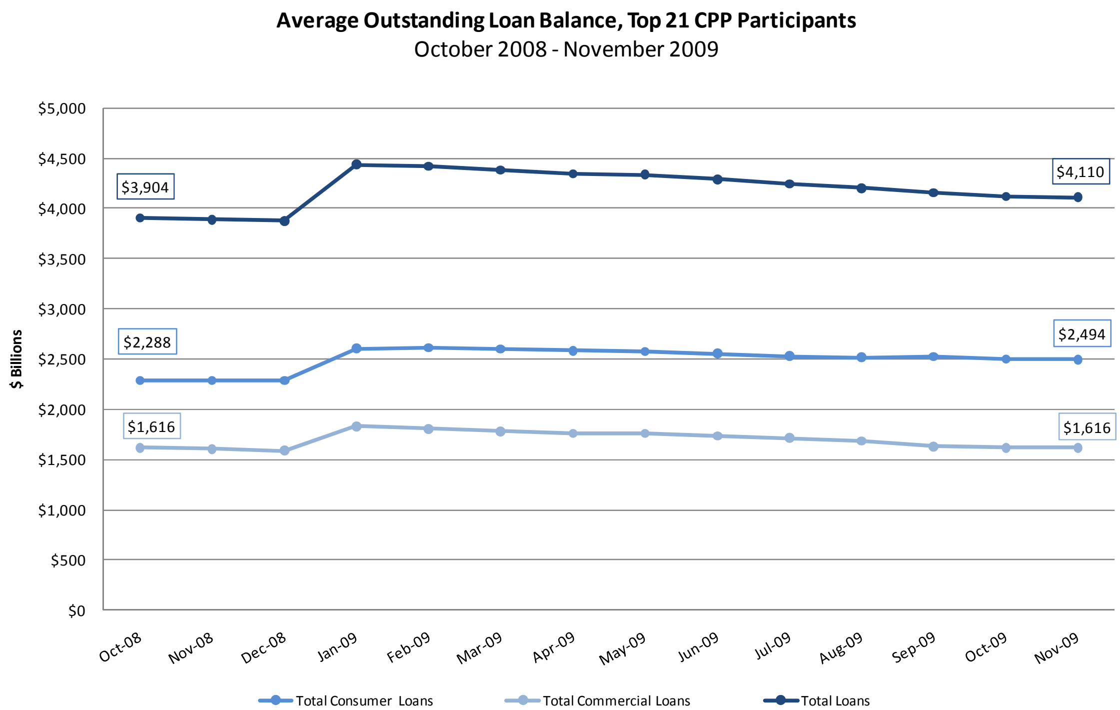
All totals exclude data from Hartford Financial Services, which began reporting in June 2009.

Because of the differences in loan category definitions, comparisons of figures across firms may be imperfect.



Total consumer loans are defined as first mortgages, home equity lines of credit, credit card loans, and other consumer loans. Total commercial loans are defined as commercial & industrial loans and commercial real estate loans. Total loans are defined as the sum of total consumer loans and total commercial loans. All totals exclude data from Hartford Financial Services, which began reporting in June 2009.
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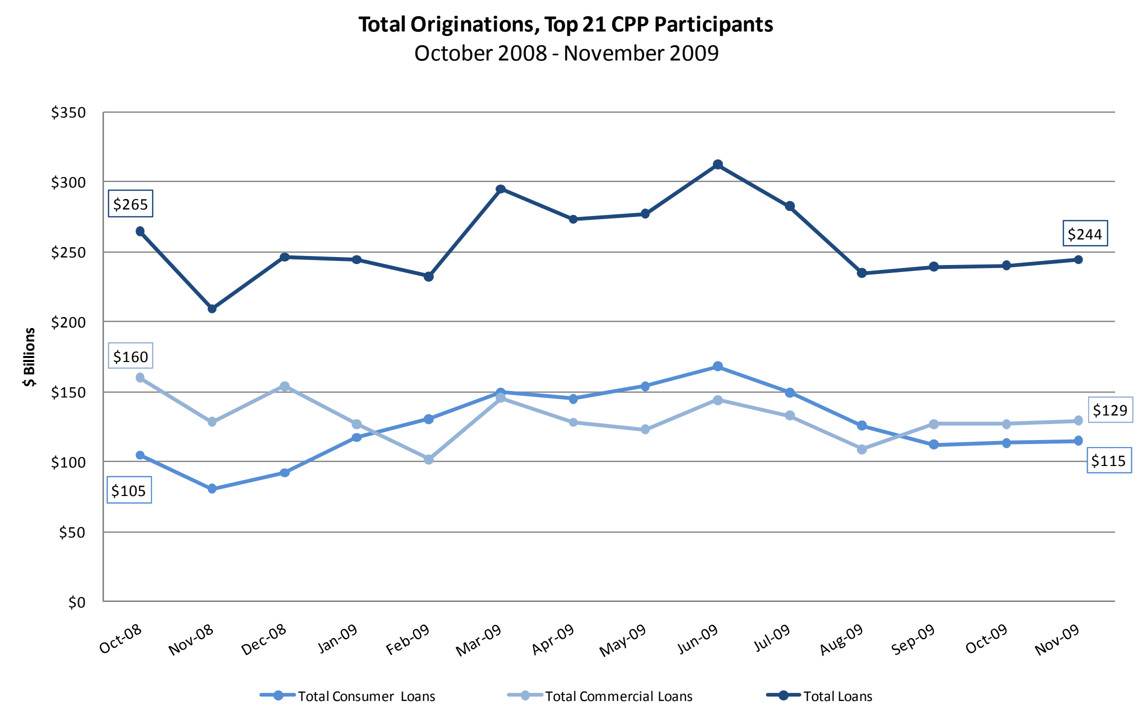

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