TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Marshall & Ilsley Corporation | **Submission date: 3/31/2009** | **Person to be contacted about this report: Gregory A. Smith**

PART I. QUANTITATIVE OVERVIEW

SCHEDULE A: CONSUMER LENDING (Millions $)	2008 DEC	2009 JAN	2009 FEB	Key	Comments
1. First Mortgage					
a. Average Loan Balance (Daily Average Total Outstanding)	$8,092	$8,133	$8,148	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.	**Origination volumes increased in February on a month-over-month basis due to high application volumes in January. February application volumes overall were down compared to January, due in part to higher mortgage rates and consistent with the reported decreases in application volumes experienced across the industry. We are seeing benefits from the prior channel expansion of our Home Lending Solutions subsidiary as its FHA pipeline continues to grow.**
b. Total Originations	$183	$263	$357	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.	
(1) Refinancings	$124	$231	$313		
(2) New Home Purchases	$59	$32	$43		
2. Home Equity					
a. Average Total Loan Balance	$2,682	$2,714	$2,737	Includes Home Equity Lines only	**Retail Home Equity outstanding balances remained flat month over month while new originations are seeing a seasonal increase in volume.**
b. Originations (New Lines+Line Increases)	$36	$42	$51		
c. Total Used and Unused Commitments	$5,172	$5,145	$5,128		
3. US Card - Managed					
a. Average Total Loan Balance - Managed	$275	$276	$269	Includes Consumer Card only.	
b. New Account Originations (Initial Line Amt)	$5	$5	$5		
c. Total Used and Unused Commitments	$1,377	$1,376	$1,382		
4. Other Consumer					
a. Average Total Loan Balance	$1,847	$1,879	$1,929	Includes consumer PRA & LOCs. Subcategories include Auto Leases, Dealer Finance, Personal, Securities Loans, and Student Loans.	**Student Loan balances increased month-over-month reflecting increased seasonal demand for funding students' educational needs through new and continuing loans. Dealer Finance also increased month-over-month in February due to reduced competition from the automaker's captive finance companies.**
b. Originations	$68	$77	$72	Includes Additional Notes and Refinances to existing customers and notes to new customers.	

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SCHEDULE B: COMMERCIAL LENDING (Millions $)	DEC	JAN	FEB	Key	Comments
1. C & I					
a. Average Total Loan and Lease Balance	$15,251	$15,330	$15,339	Includes A/R and Inventory, Dealer Commercial, Agricultural, IRB's and Muni, and Commercial Leases.	**Average balances were effectively unchanged in February. While Commercial Business notes saw a slight decrease, this was offset by an increase in new C&I commitments. Customers in construction (non-housing related) and ag related businesses, for instance, are beginning to borrow for seasonal working capital purposes, but not at historical levels.** **Consistent with prior years, renewals in February continue to decline and reflect annual renewal cycle. Many renewals occur in April/May timeframe upon receipt of annual financial audits from customers.**
b. Renewal of Existing Accounts	$431	$337	$240		
c. New Commitments	$199	$72	$78	Includes New Loans to New Customers and Unused Commitments to C&I (Also includes Unused Commitments to: Finance Agricultural Production and Other).	
2. Commercial Real Estate					
a. Average Total Loan and Lease Balance	$22,020	$21,594	$21,575	Includes Business Purpose 1-4 and Construction, Development, & Vacant Land (Commercial and Residential).	**Average balances were relatively unchanged in February. Construction and Land Development loans are contracting due to market trends which are currently offsetting, to some degree, increases in Business Real Estate loans.** **Construction and Land Development average balances went from $8.9 billion in Jan to $8.7 billion in Feb while Non-Construction Commercial Real Estate loans went from $12.7 billion in Jan to $12.9 billion in Feb. We expect to see further contraction in Construction and Land Development loans.**
b. Renewal of Existing Accounts	$127	$60	$36		
c. New Commitments	$157	$104	$59	Includes New Loans to New Customers and Unused Commitments for CRE (Also includes Unused Commitments to: New Construction, Land Development and Other Land; Farmland; 1-4 Family Residential Properties; Multi-Family (5 or more) Residential Properties).	
SCHEDULE C: OTHER INTERMEDIATION ACTIVITIES (Millions $)					
1. MBS/ABS Net Purchased Volume					
a. Mortgage Backed Securities	$384	$180	$43		**Normal investment activity strategy as mortgage backed securities were purchased for investment purposes.**
b. Asset Backed Securities	$0	$0	$0		
2. Secured Lending (Repo, PB, Margin Lending)					
a. Average Total Matched Book (Repo/Reverse Repo)[1]	N/A	N/A	N/A		
b. Average Total Debit Balances[2]	N/A	N/A	N/A		
3. Underwriting					
a. Total Equity Underwriting	N/A	N/A	N/A		
b. Total Debt Underwriting	N/A	N/A	N/A		

Notes:
1. Not applicable if matched book activity does not exceed $50 billion.
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.

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Reporting month(s): February 2009
Submission date: 3/31/2009
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 is a diversified financial services corporation headquartered in Milwaukee, Wisconsin. M&I Marshall & Ilsley Bank is the largest Wisconsin-based bank, with 193 offices throughout the state. In addition, M&I has 53 locations throughout Arizona; 32 offices in Indianapolis and nearby communities; 36 offices along Florida's west coast and in central Florida; 16 offices in Kansas City and nearby communities; 26 offices in metropolitan Minneapolis/St. Paul, and one in Duluth, Minn.; and one office in Las Vegas, Nev. M&I's Southwest Bank subsidiary has 17 offices in the greater St. Louis area.

The communities and customers M&I serves continue to face impacts from current recessionary conditions of the economy. Nonetheless, M&I extended approximately $380 million of new credit to new and existing customers in February for a total of $2.2 billion since the infusion of CPP capital in mid-November (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). 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 which M&I recently extended through June 30, 2009.

In C&I, we continue to see softness in overall borrowing demands. Declining economic conditions have resulted in borrowers reducing expenses and paying down debt, delaying capital expenditure programs, experiencing declines in working capital assets, and not engaging in acquisition activity, all of which reduces customer borrowing activity.

In Commercial Real Estate, we continue to see less investor activity in new construction projects. Developers, recognizing the state of the economy, have cancelled or postponed a large number of planned new projects. We are also seeing increased extensions due to the lack of liquidity in the CMBS/Conduit market and anticipate an increase in renewals as conditions remain.

In Residential Real Estate, origination volumes increased in February on a month-over-month basis due to high application volumes in January. February application volumes overall were down compared to January, due in part to higher mortgage rates and consistent with the reported decreases in application volumes experienced across the industry. We are seeing benefits from the prior channel expansion of our Home Lending Solutions subsidiary as its FHA pipeline continues to grow. Dealer Finance also increased month-over-month in February due to reduced competition from the automaker's captive finance companies.