April 2007

Report on the Condition of the U.S. Banking Industry: First Quarter, 2006

Change in Reporting Panel

This report presents aggregate time-series data drawn primarily from the FR Y-9C (Consolidated Financial Statements for Bank Holding Companies) and the FR Y-9LP (Parent Company Only Financial Statements for Large Bank Holding Companies) regulatory report forms submitted to the Federal Reserve each quarter by large bank holding companies (defined within this report as ‘‘all reporting bank holding companies’’). Beginning with the quarter ended March 31, 2006, the Federal Reserve updated the filing requirements for these reports. Most notably, it raised the asset threshold at which bank holding companies are required to file reports to $500 million from $150 million.[1] The changes to the filing requirements mitigated regulatory reporting burden because it substantially reduced the number of required respondents. Compared with those that filed as of December 31, 2005, the number of top-tier bank holding companies that filed these reports as of March 31, 2006, fell by more than 1,200 companies.[2]

Despite the large drop in the number of filers, reporting bank holding companies still represented a substantial majority of all bank holding company assets. At quarter-end, 5,129 top-tier bank holding companies held roughly $11.9 trillion in consolidated assets.[3] Among these companies, 1,003 with aggregate consolidated assets of $11.4 trillion filed the FR Y-9C, representing more than 95 percent of total bank holding company assets.[4]

Although the effect of the reporting change on the volume of bank holding company assets included in this report was relatively modest, the substantial reduction in the number of filers enhanced, on the aggregate, the already significant influence of the largest companies, moving some measures included on table 1, ‘‘Financial characteristics of all reporting bank holding companies in the United States,’’ closer to the levels for the same measures at the fifty large bank holding companies summarized in table 2. For example, the capital ratios for all reporting bank holding companies are slightly lower than they were before the change in the reporting requirements, and the loan to deposit ratio is higher. In addition, by trimming the number of companies covered in the reports by more than half, the numbers shown for both domestic financial holding companies and bank holding companies engaged in nonbanking activities were reduced. (See table 4, ‘‘Nonfinancial characteristics of reporting bank holding companies.’’) Also, the fifty large bank holding companies now account for 79 percent of all reporting companies’ assets, an increase of nearly 3 percentage points.

The quarterly comparisons below focus on the subset of bank holding companies that filed the FR Y-9C as of March 31, 2006, and the accompanying tables (except for the fifty large companies) append a column of modified year-end financial statistics for these first-quarter FR Y-9C respondents. It should be noted that the December 31, 2005, data include the results for a small number of top-tier FR Y-9C filers that subsequently merged into top-tier bank holding companies included in the March 31, 2006, fixed panel. Including these companies in the December 2005 data improves the comparability of data for these periods.

Summary of Current Developments for the Fixed Panel of Reporters

Assets of reporting bank holding companies increased 4.1 percent ($446 billion) over the first quarter, to $11.4 trillion, mainly in money market assets and loans. Net income rose sharply from the fourth quarter of 2005, owing to robust capital markets revenues and exceptional credit quality, which allowed a sizable reduction in provisions for loan losses.

1. In addition, certain lower tier bank holding companies that formerly filed the FR Y-9C are no longer required to file this report.

2. Some bank holding companies with consolidated assets less than the reporting threshold of $500 million continue to file the FR Y-9C and the FR Y-9LP reports voluntarily or for supervisory purposes.

3. Consolidated assets for bank holding companies that do not file the FR Y-9C are approximated using financial data for bank subsidiaries reported on the Call Report.

4. The remaining bank holding companies submit a semiannual FR Y-9SP (Parent Company Only Financial Statements for Small Bank Holding Companies) regulatory report.

Growth in securities and money market assets generated more than half of the asset expansion, as balances rose 7.0 percent ($280 billion), to $4.3 trillion, from year-end 2005. A $155 billion buildup in federal funds sold and securities purchased under agreements to resell, which was accompanied by a corresponding rise in money market liabilities ($179 billion), contributed to most of this increase. Investment securities expanded 4.0 percent ($71 billion), to $1.8 trillion.

Aggregate loans grew at a slower pace, rising 2.4 percent ($130 billion), to $5.6 trillion. Increases in home equity loans and construction, land development, and other land loans were relatively strong. Commercial and industrial loans also advanced substantially, increasing 4.4 percent ($43 billion). Unused commitments to lend expanded 2.4 percent ($127 billion), to $5.5 trillion.

Deposits grew 2.3 percent (or $126 billion) at the same time that customer sensitivity to the increased yields available on time deposits caused a shift away from transaction deposits. The growth in deposits largely kept pace with loan expansion, but nondeposit borrowings (including the $179 billion increase in federal funds purchased and securities sold under agreements to repurchase noted above) funded most of the asset growth over the quarter, rising 7.2 percent ($257 billion), to $3.8 trillion.

Shareholders' equity at all reporting bank holding companies rose 3.6 percent, to $930 billion. Merger adjustments (related, in particular, to the combination of Bank of America Corporation and MBNA Corporation) and, to a lesser extent, retained earnings enlarged the equity base. Risk-based capital ratios, which exclude goodwill from the capital base, remained largely stable. Compared with year-end 2005, the total risk-based capital ratio edged down 1 basis point, to 11.75 percent and the tier one capital ratio decreased 2 basis points, to 8.96 percent. The leverage ratio dropped 5 basis points, to 6.33 percent.

First-quarter net income for reporting bank holding companies climbed 7.0 percent, or $2.2 billion, from the fourth quarter of 2005 to $34.3 billion in the first quarter of 2006. The strong earnings growth boosted returns on assets (up 4 basis points, to 1.21 percent) and equity (up 34 basis points, to 14.88 percent). Higher non-interest income (particularly trading revenues and net servicing fees) and lower provisions (down 28 percent, or $2.6 billion) bolstered earnings growth. In addition, reflecting significant realized losses booked in the last quarter of 2005 in conjunction with efforts to restructure interest rate risk positions, lower realized securities losses contributed almost $700 million of the improvement in quarterly net income. However, elevated non-interest expenses, related to incentive-based compensation, weighed on earnings growth. Moreover, a still flatter term structure and growth in higher-cost certificates of deposit exerted downward pressure on the aggregate net interest margin (down 9 basis points, to 2.96 percent).

Nonperforming assets edged down 2 basis points, to 0.67 percent of total loans and related assets. Nonaccrual loans contracted 3.9 percent, or $1.2 billion (mostly in first-lien residential mortgages and consumer loans), as inflows of nonperforming loans fell considerably. The ratio of net charge-offs to average loans improved markedly, shrinking to a historically low 0.45 percent from 0.74 percent in the fourth quarter of 2005 when credit losses were elevated by an increase in personal bankruptcy filings related to a change in the bankruptcy law.

1. Financial characteristics of all reporting bank holding companies in the United States

Millions of dollars except as noted, not seasonally adjusted

Account or ratio[1, 2]	2001	2002	2003	2004	2005	2004	2005				2005[r]	2006
						Q4	Q1	Q2	Q3	Q4	Q4	Q1
Balance sheet												
Total assets	**7,487,107**	**7,989,910**	**8,880,558**	**10,339,801**	**11,333,100**	**10,339,801**	**10,710,570**	**10,956,171**	**11,257,415**	**11,333,100**	**10,906,559**	**11,352,835**
Loans	3,835,237	4,083,169	4,435,653	5,109,493	5,659,808	5,109,493	5,192,276	5,363,646	5,525,962	5,659,808	5,431,492	5,561,703
Securities and money market	2,563,779	2,858,856	3,297,932	3,804,003	4,157,256	3,804,003	4,114,628	4,143,955	4,246,546	4,157,256	4,025,401	4,305,752
Allowance for loan losses	−68,829	−74,782	−73,817	−74,589	−73,031	−74,589	−73,378	−72,949	−74,097	−73,031	−70,146	−70,544
Other	1,156,920	1,122,668	1,220,790	1,500,894	1,589,068	1,500,894	1,477,045	1,521,520	1,559,005	1,589,068	1,519,813	1,555,924
Total liabilities	**6,900,721**	**7,347,694**	**8,176,868**	**9,452,623**	**10,393,243**	**9,452,623**	**9,819,629**	**10,034,472**	**10,327,938**	**10,393,243**	**10,008,645**	**10,422,650**
Deposits	4,026,460	4,356,585	4,705,045	5,249,494	5,700,850	5,249,494	5,349,427	5,448,059	5,563,636	5,700,850	5,427,593	5,553,762
Borrowings	2,072,505	2,242,717	2,629,293	3,157,578	3,586,922	3,157,578	3,424,013	3,525,137	3,667,710	3,586,922	3,568,417	3,825,102
Other[3]	801,756	748,392	842,531	1,045,552	1,105,471	1,045,552	1,046,189	1,061,277	1,096,593	1,105,471	1,012,636	1,043,787
Total equity	**586,386**	**642,216**	**703,690**	**887,178**	**939,857**	**887,178**	**890,941**	**921,699**	**929,477**	**939,857**	**897,914**	**930,185**
Off-balance-sheet												
Unused commitments to lend[4]	3,482,236	3,651,209	4,097,531	4,823,332	5,437,902	4,823,332	4,929,516	5,064,198	5,245,819	5,437,902	5,393,260	5,520,728
Securitizations outstanding[5]	276,717	295,001	298,348	353,978	389,726	353,978	366,430	367,887	375,142	389,726	387,875	394,600
Derivatives (notional value, billions)[6]	48,261	57,866	72,883	89,115	99,077	89,115	92,621	96,653	98,281	99,077	99,060	109,261
Income statement												
Net income[7]	67,208	86,013	107,885	113,317	133,047	28,653	32,598	33,072	34,543	32,837	32,036	34,266
Net interest income	224,127	245,251	256,562	278,075	295,789	70,822	72,434	73,153	74,848	75,363	72,678	72,726
Provisions for loan losses	40,665	45,089	33,052	28,608	32,618	7,793	6,580	6,824	9,972	9,243	9,292	6,662
Non-interest income	220,516	222,815	251,496	270,485	294,938	68,192	73,442	72,542	77,067	71,883	71,358	78,427
Non-interest expense	302,202	297,015	316,339	355,698	370,814	90,007	91,505	91,435	94,057	93,817	91,564	95,119
Memo												
Realized securities gains or losses	4,348	4,594	5,771	5,043	1,332	81	417	1,478	484	−1,047	−1,141	−474
Ratios (percent)												
Return on average equity	11.98	14.14	16.24	14.35	14.68	13.27	14.71	14.73	15.04	14.23	14.54	14.88
Return on average assets	.92	1.12	1.26	1.16	1.21	1.11	1.22	1.21	1.24	1.15	1.17	1.21
Net interest margin[8]	3.61	3.74	3.51	3.37	3.09	3.29	3.16	3.08	3.07	3.05	3.05	2.96
Efficiency ratio[7]	66.71	62.24	61.65	63.40	61.70	64.13	61.12	61.47	61.74	63.92	63.77	61.93
Nonperforming assets to loans and related assets	1.44	1.44	1.15	.82	.69	.82	.76	.71	.70	.69	.69	.67
Net charge-offs to average loans	.91	1.04	.84	.67	.62	.71	.57	.52	.65	.72	.74	.45
Loans to deposits	95.25	93.72	94.27	97.33	99.28	97.33	97.06	98.45	99.32	99.28	100.07	100.14
Regulatory capital ratios												
Tier 1 risk-based	8.94	9.24	9.59	9.35	9.14	9.35	9.28	9.27	9.17	9.14	8.98	8.96
Total risk-based	11.93	12.30	12.61	12.22	11.87	12.22	12.15	12.03	11.91	11.87	11.76	11.75
Leverage	6.69	6.73	6.88	6.59	6.50	6.59	6.49	6.53	6.54	6.50	6.38	6.33
Number of bank holding companies	1,842	1,979	2,134	2,254	2,268	2,254	2,282	2,296	2,290	2,268	1,016	1,003

Footnotes appear on p. B6.

2. Financial characteristics of fifty large bank holding companies in the United States

Millions of dollars except as noted, not seasonally adjusted

Account or ratio[2, 9]	2001	2002	2003	2004	2005	2004	2005				2006
						Q4	Q1	Q2	Q3	Q4	Q1
Balance sheet											
Total assets	**5,896,783**	**6,256,824**	**6,926,108**	**7,963,241**	**8,645,888**	**7,963,241**	**8,226,990**	**8,440,266**	**8,515,432**	**8,645,888**	**8,970,662**
Loans	2,968,905	3,153,028	3,404,117	3,945,799	4,351,995	3,945,799	4,001,893	4,121,526	4,241,636	4,351,995	4,456,423
Securities and money market	2,050,129	2,276,872	2,628,112	2,913,583	3,188,236	2,913,583	3,147,849	3,210,407	3,200,593	3,188,236	3,378,174
Allowance for loan losses	−56,737	−61,324	−59,548	−59,656	−57,219	−59,656	−58,287	−57,595	−58,368	−57,219	−57,413
Other	934,487	888,248	953,428	1,163,516	1,162,877	1,163,516	1,135,535	1,165,928	1,131,572	1,162,877	1,193,478
Total liabilities	**5,446,449**	**5,767,409**	**6,393,247**	**7,271,689**	**7,918,171**	**7,271,689**	**7,531,639**	**7,725,734**	**7,797,427**	**7,918,171**	**8,212,994**
Deposits	3,036,830	3,273,801	3,531,832	3,967,576	4,297,653	3,967,576	4,038,580	4,102,410	4,172,538	4,297,653	4,402,954
Borrowings	1,875,435	2,037,450	2,358,631	2,712,748	3,077,129	2,712,748	2,896,505	3,024,117	3,097,466	3,077,129	3,248,232
Other[3]	534,184	456,158	502,784	591,365	543,390	591,365	596,555	599,207	527,423	543,390	561,808
Total equity	**450,334**	**489,415**	**532,862**	**691,552**	**727,717**	**691,552**	**695,351**	**714,532**	**718,005**	**727,717**	**757,668**
Off-balance-sheet											
Unused commitments to lend[4]	3,242,175	3,391,837	3,807,849	4,490,684	5,050,405	4,490,684	4,582,671	4,702,953	4,867,314	5,050,405	5,166,727
Securitizations outstanding[5]	271,825	289,905	293,046	348,986	384,996	348,986	361,524	363,221	370,518	384,996	391,756
Derivatives (notional value, billions)[6]	48,144	57,746	72,692	88,671	98,749	88,671	92,136	96,300	97,994	98,749	108,963
Income statement											
Net income[7]	53,411	68,756	87,858	90,408	106,132	23,455	26,168	25,326	27,761	26,881	29,074
Net interest income	166,848	183,553	192,195	206,579	215,352	52,844	53,289	53,668	54,200	54,204	55,423
Provisions for loan losses	35,767	39,400	28,573	25,197	29,128	6,748	5,765	6,035	9,031	8,297	6,034
Non-interest income	176,226	174,233	196,967	210,812	230,868	55,061	57,860	55,123	59,997	57,884	64,299
Non-interest expense	225,124	216,533	230,158	259,732	266,747	66,870	66,560	65,694	66,693	67,799	71,902
MEMO											
Realized security gains or losses	4,330	5,022	5,217	4,174	1,702	133	227	1,426	469	−420	−117
Ratios (percent)											
Return on average equity	12.38	14.74	17.43	14.83	15.05	13.90	15.10	14.46	15.57	15.04	15.51
Return on average assets	.93	1.13	1.31	1.19	1.25	1.18	1.28	1.20	1.30	1.24	1.30
Net interest margin[8]	3.39	3.56	3.36	3.21	2.92	3.17	3.01	2.91	2.89	2.86	2.83
Efficiency ratio[7]	64.36	59.40	58.63	60.57	58.70	61.39	58.03	58.81	58.28	61.29	59.28
Nonperforming assets to loans and related assets	1.56	1.55	1.21	.84	.70	.84	.78	.72	.71	.70	.68
Net charge-offs to average loans	1.03	1.20	.97	.79	.74	.83	.69	.62	.78	.86	.53
Loans to deposits	97.76	96.31	96.38	99.45	101.26	99.45	99.09	100.47	101.66	101.26	101.21
Regulatory capital ratios											
Tier 1 risk-based	8.26	8.55	8.83	8.59	8.45	8.59	8.54	8.48	8.48	8.45	8.43
Total risk-based	11.61	11.98	12.21	11.86	11.56	11.86	11.81	11.61	11.62	11.56	11.55
Leverage	6.26	6.28	6.38	6.18	6.16	6.18	6.10	6.08	6.17	6.16	6.10

Footnotes appear on p. B6.

3. Financial characteristics of all other reporting bank holding companies in the United States

Millions of dollars except as noted, not seasonally adjusted

Account[1, 10]	2001	2002	2003	2004	2005	2004	2005				2005[r]	2006
						Q4	Q1	Q2	Q3	Q4	Q4	Q1
Balance sheet												
Total assets	**1,277,090**	**1,401,227**	**1,527,308**	**1,686,798**	**1,846,496**	**1,686,798**	**1,717,675**	**1,767,744**	**1,816,198**	**1,846,496**	**1,512,393**	**1,533,908**
Loans	812,179	875,986	952,217	1,081,393	1,222,260	1,081,393	1,108,765	1,155,948	1,194,967	1,222,260	996,041	1,015,838
Securities and money market	357,366	406,771	446,237	470,040	465,922	470,040	468,314	463,460	467,758	465,922	383,635	386,457
Allowance for loan losses	−11,727	−13,021	−13,852	−14,533	−15,343	−14,533	−14,654	−14,901	−15,253	−15,343	−12,526	−12,704
Other	119,273	131,491	142,706	149,898	173,656	149,898	155,251	163,236	168,725	173,656	145,242	144,318
Total liabilities	**1,162,232**	**1,271,919**	**1,387,290**	**1,531,062**	**1,678,565**	**1,531,062**	**1,562,077**	**1,606,086**	**1,651,157**	**1,678,565**	**1,374,465**	**1,393,756**
Deposits	975,514	1,064,802	1,150,648	1,262,006	1,396,880	1,262,006	1,291,162	1,325,494	1,370,318	1,396,880	1,124,004	1,143,429
Borrowings	161,450	176,225	202,893	228,755	235,401	228,755	228,424	238,313	234,934	235,401	210,170	206,535
Other[3]	25,267	30,892	33,748	40,302	46,284	40,302	42,491	42,280	45,905	46,284	40,291	43,792
Total equity	**114,859**	**129,308**	**140,018**	**155,737**	**167,930**	**155,737**	**155,597**	**161,658**	**165,040**	**167,930**	**137,928**	**140,152**
Off-balance-sheet												
Unused commitments to lend[4]	229,887	247,466	276,769	319,277	367,264	319,277	332,445	345,663	359,746	367,264	323,206	329,823
Securitizations outstanding[5]	4,567	4,358	4,159	2,877	2,885	2,877	2,792	2,667	2,697	2,885	2,878	2,844
Derivatives (notional value, billions)[6]	89	88	94	144	103	144	98	99	100	103	101	86
Income statement												
Net income[7]	13,659	16,469	17,626	19,244	21,306	4,831	5,154	5,433	5,617	5,102	4,426	4,472
Net interest income	45,676	50,475	52,266	56,545	62,698	14,723	15,049	15,484	16,116	16,049	13,897	13,294
Provisions for loan losses	4,461	5,058	4,262	3,179	3,191	763	684	735	892	881	947	578
Non-interest income	22,118	24,282	27,311	25,934	26,410	6,299	6,569	6,646	6,930	6,264	5,972	6,063
Non-interest expense	43,828	46,390	50,672	52,661	56,323	13,681	13,783	13,845	14,325	14,369	12,680	12,252
MEMO												
Realized security gains or losses	727	651	962	531	35	−3	98	61	66	−190	−177	22
Ratios (percent)												
Return on average equity	12.54	13.55	13.08	13.16	13.24	12.60	13.25	13.70	13.74	12.29	12.99	12.91
Return on average assets	1.13	1.25	1.20	1.20	1.21	1.16	1.22	1.25	1.26	1.12	1.19	1.19
Net interest margin[8]	4.20	4.25	3.97	3.93	3.97	3.94	3.97	3.98	4.00	3.93	4.16	3.94
Efficiency ratio[7]	63.75	61.05	62.93	62.68	61.89	64.01	62.59	61.76	61.54	62.74	62.20	61.98
Nonperforming assets to loans and related assets	.99	1.04	.99	.77	.69	.77	.75	.71	.69	.69	.67	.67
Net charge-offs to average loans	.44	.46	.39	.25	.20	.30	.17	.19	.21	.24	.27	.15
Loans to deposits	83.26	82.27	82.75	85.69	87.50	85.69	85.87	87.21	87.20	87.50	88.62	88.84
Regulatory capital ratios												
Tier 1 risk-based	12.24	12.47	12.61	12.45	12.17	12.45	12.32	12.16	12.12	12.17	11.92	11.93
Total risk-based	13.80	14.08	14.30	14.07	13.72	14.07	13.92	13.72	13.67	13.72	13.51	13.50
Leverage	8.78	8.91	9.07	9.15	9.19	9.15	9.12	9.12	9.15	9.19	9.09	9.17
Number of other reporting bank holding companies	1,777	1,914	2,069	2,197	2,213	2,197	2,225	2,239	2,233	2,213	962	950

Footnotes appear on p. B6.

4. Nonfinancial characteristics of all reporting bank holding companies in the United States

Millions of dollars except as noted, not seasonally adjusted

Account	2001	2002	2003	2004	2005	2004	2005				2005[r]	2006
						Q4	Q1	Q2	Q3	Q4	Q4	Q1
Bank holding companies that qualify as financial holding companies [11, 12]												
Domestic												
Number	388	434	451	472	461	472	470	468	471	461	288	289
Total assets	5,436,743	5,917,109	6,605,686	7,456,569	8,184,677	7,456,569	7,643,649	7,898,330	8,068,742	8,184,677	8,136,643	8,468,806
Foreign-owned [13]												
Number	10	11	12	14	14	14	15	15	15	14	13	14
Total assets	621,442	616,254	710,441	1,376,333	1,561,580	1,376,333	1,526,168	1,516,408	1,625,281	1,561,580	1,460,245	1,689,001
Total U.S. commercial bank assets [14]	**6,416,080**	**6,897,215**	**7,397,903**	**8,207,714**	**8,994,064**	**8,207,714**	**8,544,414**	**8,676,294**	**8,857,369**	**8,994,066**	**8,994,059**	**9,286,846**
By ownership												
Reporting bank holding companies	5,942,670	6,429,231	6,941,106	7,785,988	8,439,788	7,785,988	8,011,264	8,138,007	8,312,461	8,439,915	8,416,815	8,341,350
Other bank holding companies	230,467	227,016	219,222	209,115	220,133	209,115	204,891	206,367	211,840	220,140	243,101	602,912
Independent banks	242,944	240,968	237,575	212,611	334,143	212,611	328,259	331,920	333,067	334,011	334,142	342,584
Assets associated with nonbanking activities [12, 15]												
Insurance	426,462	372,405	437,503	579,111	602,258	579,111	587,000	598,669	601,076	602,258	512,058	527,193
Securities broker–dealers	n.a.	630,851	656,775	892,571	1,170,659	892,571	1,168,482	1,165,688	1,231,410	1,170,659	1,170,639	1,314,092
Thrift institutions	91,170	107,422	133,056	191,201	220,819	191,201	194,267	201,317	210,811	220,819	220,709	231,207
Foreign nonbank institutions	138,977	145,344	170,630	216,758	242,408	216,758	219,829	231,566	242,333	242,408	236,225	268,848
Other nonbank institutions	1,674,267	561,710	678,086	954,845	969,255	954,845	886,022	910,770	954,085	969,255	962,883	927,934
Number of bank holding companies engaged in nonbanking activities [12, 15]												
Insurance	143	96	102	97	97	97	97	99	98	97	83	81
Securities broker–dealers	n.a.	47	50	44	46	44	43	45	46	46	43	41
Thrift institutions	38	32	27	27	26	27	27	27	25	26	23	22
Foreign nonbank institutions	32	37	42	39	35	39	38	37	38	35	33	33
Other nonbank institutions	743	880	1,042	1,026	845	1,026	926	885	875	845	515	509
Foreign-owned bank holding companies [13]												
Number	23	26	27	29	29	29	29	30	30	29	28	24
Total assets	764,411	762,901	934,085	1,537,208	1,747,797	1,537,208	1,690,119	1,698,197	1,811,451	1,747,797	1,646,462	1,822,367
Employees of reporting bank holding companies (full-time equivalent)	1,985,981	1,992,559	2,034,358	2,162,179	2,241,112	2,162,179	2,168,165	2,199,910	2,221,004	2,241,112	2,122,810	2,150,153
Assets of fifty large bank holding companies [9, 16]												
Fixed panel (from table 2)	5,896,783	6,256,824	6,926,108	7,963,241	8,645,888	7,963,241	8,226,990	8,440,266	8,515,432	8,645,888	8,645,879	8,970,662
Fifty large as of reporting date	5,732,621	6,032,000	6,666,488	7,940,955	8,631,229	7,940,955	8,206,462	8,417,847	8,489,633	8,631,229	8,631,229	8,970,662
Percent of all reporting bank holding companies	76.60	75.50	75.10	76.80	76.20	76.80	76.60	76.80	75.40	76.20	79.10	79.00

NOTE: All data are as of the most recent period shown. The historical figures may not match those in earlier versions of this table because of mergers, significant acquisitions or divestitures, or revisions or restatements to bank holding company financial reports. Data for the most recent period may not include all late-filing institutions.

1. For quarters beginning on or after March 31, 2006, this report covers top-tier bank holding companies with consolidated assets of at least $500 million and some smaller top-tier firms that filed the FR Y-9C as required by Federal Reserve Banks for supervisory purposes or on a voluntary basis. Before March 31, 2006, aggregate data refer to top-tier bank holding companies with consolidated assets of at least $150 million and smaller multibank holding companies with debt outstanding to the general public or engaged in certain nonbanking activities.

2. Data for all reporting bank holding companies and the fifty large bank holding companies reflect merger adjustments to the fifty large bank holding companies. Merger adjustments account for mergers, acquisitions, other business combinations, and large divestitures that occurred during the time period covered in the tables so that the historical information on each of the fifty underlying institutions depicts, to the greatest extent possible, the institutions as they exist in the most recent period. In general, adjustments for mergers among bank holding companies reflect the combination of historical data from predecessor bank holding companies. The data for the fifty large bank holding companies have also been adjusted as necessary to match the historical figures in each company's most recently available financial statement. In general, the data are not adjusted for changes in generally accepted accounting principles.

3. Includes minority interests in consolidated subsidiaries.

4. Includes credit card lines of credit as well as commercial lines of credit.

5. Includes loans sold to securitization vehicles in which bank holding companies retain some interest, whether through recourse or seller-provided credit enhancements or by servicing the underlying assets. Securitization data were first collected on the FR Y-9C report for June 2001.

6. The notional value of a derivative is the reference amount of an asset on which an interest rate or price differential is applied when calculating the contractual payments. The total notional value of a bank holding company's derivatives holdings is the sum of the notional values of each derivative contract regardless of whether the bank holding company is a payor or recipient of payments under the contract. The actual cash flows and fair market values associated with these derivative contracts are generally only a small fraction of the contract's notional value.

7. Income statement subtotals for all reporting bank holding companies and the fifty large bank holding companies exclude extraordinary items, the cumulative effects of changes in accounting principles, and discontinued operations at the fifty large institutions and therefore will not sum to Net income. The efficiency ratio is calculated excluding nonrecurring income and expenses.

8. Calculated on a fully-taxable-equivalent basis.

9. In general, the fifty large bank holding companies are the fifty largest bank holding companies as measured by total consolidated assets for the latest period shown. Excludes a few large bank holding companies whose commercial banking operations account for only a small portion of assets and earnings.

10. Excludes predecessor bank holding companies that were subsequently merged into other bank holding companies in the panel of fifty large bank holding companies. Also excludes those bank holding companies excluded from the panel of fifty large bank holding companies, because commercial banking operations represent only a small part of their consolidated operations.

11. Excludes qualifying institutions that are not reporting bank holding companies.

12. No data related to financial holding companies and only some data on nonbanking activities were collected on the FR Y-9C report before implementation of the Gramm–Leach–Bliley Act in 2000.

13. A bank holding company is considered ''foreign-owned'' if it is majority-owned by a foreign entity. Data for foreign-owned companies do not include data for branches and agencies of foreign banks operating in the United States.

14. Total assets of insured commercial banks in the United States as reported in the commercial bank Call Report (FFIEC 031 or 041, Reports of Condition and Income). Excludes data for a small number of commercial banks owned by other commercial banks that file separate call reports yet are also covered by the reports filed by their parent banks. Also excludes data for mutual savings banks.

15. Data for thrift, foreign nonbank, and other nonbank institutions are total assets of each type of subsidiary as reported in the FR Y-9LP report. Data cover those subsidiaries in which the top-tier bank holding company directly or indirectly owns or controls more than 50 percent of the outstanding voting stock and that has been consolidated using generally accepted accounting principles. Data for securities broker–dealers are net assets (that is, total assets, excluding intercompany transactions) of broker–dealer subsidiaries engaged in activities pursuant to the Gramm–Leach–Bliley Act, as reported on schedule HC-M of the FR Y-9C report. Data for insurance activities are all insurance-related assets held by the bank holding company as reported on schedule HC-I of the FR Y-9C report.

Beginning in 2002:Q1, insurance totals exclude intercompany transactions and subsidiaries engaged in credit-related insurance or those engaged principally in insurance agency activities. Beginning in 2002:Q2, insurance totals include only newly authorized insurance activities under the Gramm–Leach–Bliley Act.

16. Changes over time in the total assets of the time-varying panel of fifty large bank holding companies are attributable to (1) changes in the companies that make up the panel and (2) to a small extent, restatements of financial reports between periods.

n.a. Not available

SOURCE: Federal Reserve Reports FRY-9C and FR Y-9LP, Federal Reserve National Information Center, and published financial reports.