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Debra Hardman
Acting Commissioner

June 7, 2016

The attached report represents a consolidation of Reports of Condition and Income filed by state-chartered banks with the Missouri Division of Finance as of March 31, 2016, and a comparison with the statements filed one year earlier. Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies reduced from 261 to 258. During these past twelve months seven banks merged into other institutions and five new state bank charters were granted; as three national institutions and two federal thrifts converted to state chartered banks, and one bank self liquidated.

Assets in state-chartered banks totaled \$114.7 billion on March 31, 2016, an increase of 8.0 percent from one year earlier. Deposits were \$96.0 billion and total loans were \$72.8 billion on March 31, 2016, an increase of 8.7 percent and 11.6 percent from one year earlier, respectively.

The overall condition of Missouri state-chartered banks continues to improve. The attached graphs illustrate improvement in several component areas. Asset quality has improved, with the past due ratio stabilizing at a manageable 1.27 percent down from 1.57 percent one year earlier. The return on assets remains strong at 1.09 percent, despite a compressed net interest margin. Although the average net interest margin is compressed at 3.74 percent; Missouri banks have a much higher margin than the average net interest margin for all banks in the nation (3.10 percent).

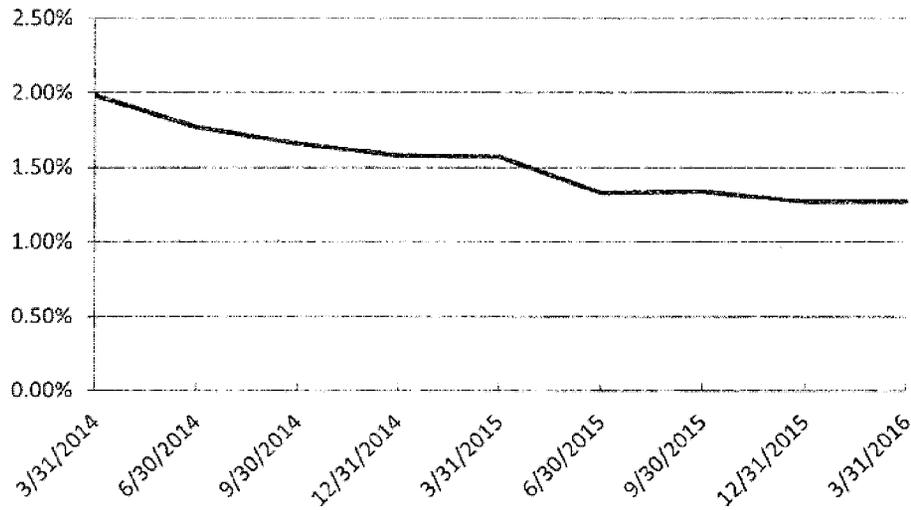
The higher than average net interest margin is partly attributed to Missouri state-chartered banks lending a greater percentage of assets out to their communities than the national average. Net loans to assets is 62.58 percent in Missouri state-chartered banks; while the national average for all banks is 54.12 percent.

Capital remains strong, as the Tier 1 Leverage Capital ratio is 9.65 percent of total assets, slightly above the national average of 9.61 percent.

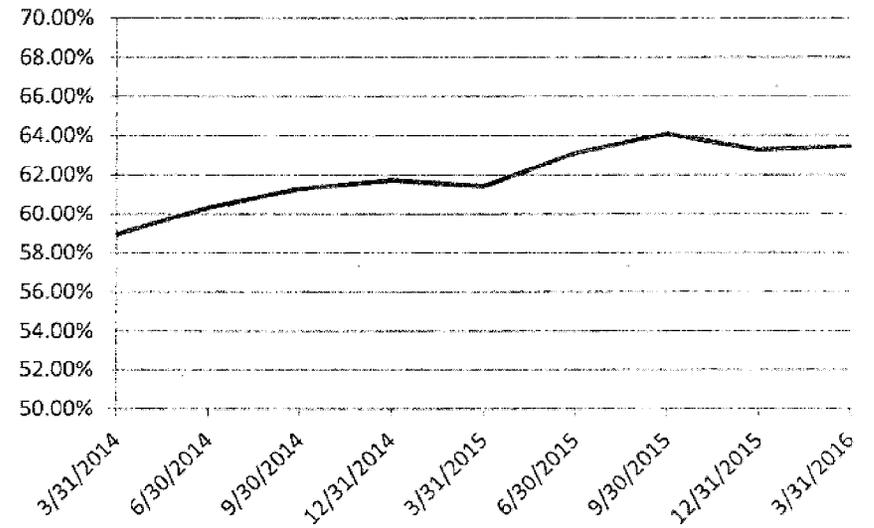
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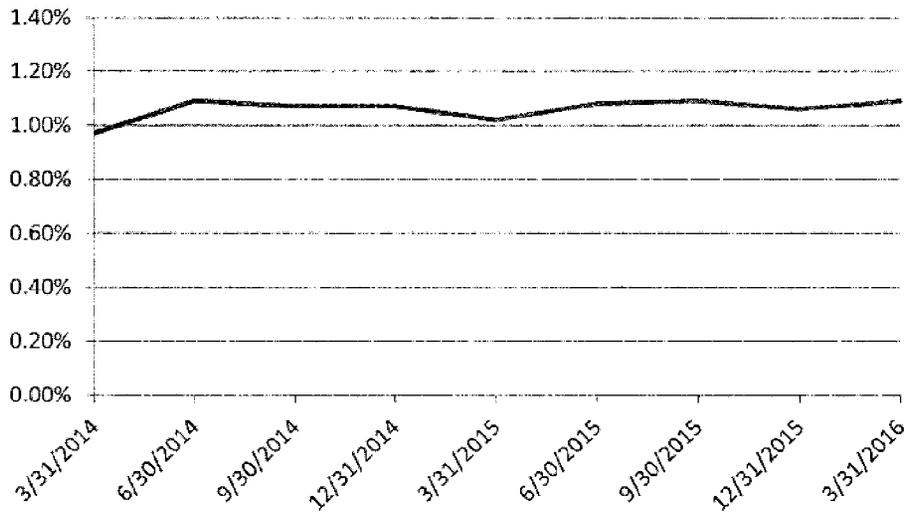
PAST DUE LOANS TO TOTAL LOANS



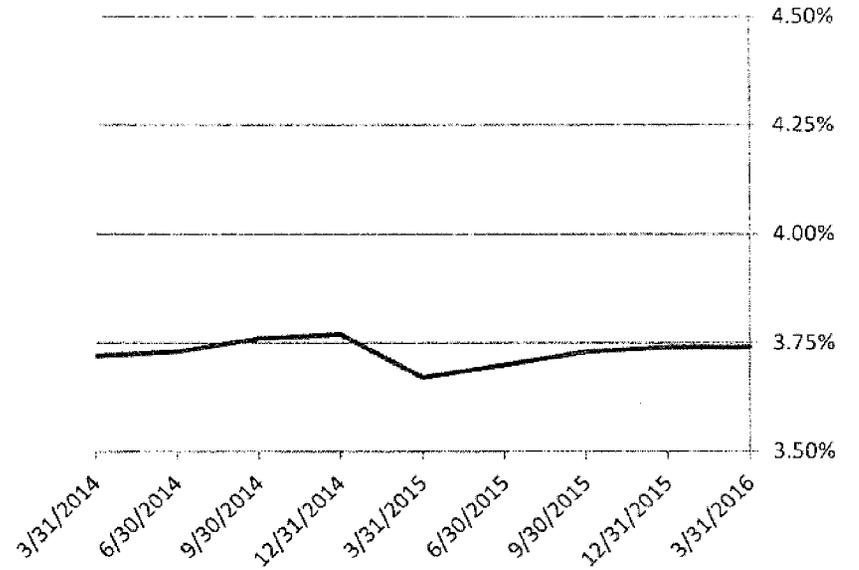
Loans/Assets



RETURN ON ASSETS



NET INTEREST MARGIN



**COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF MARCH 31, 2016**

THOUSANDS OF DOLLARS	258 BANKS 3/31/2016	261 BANKS 3/31/2015	INCREASE DECREASE()	PERCENT CHANGE
ASSETS				
Total Loans	\$72,785,214	\$65,221,508	\$7,563,706	11.6%
Allowance for Loan Losses	998,808	973,933	24,875	2.6%
Total Assets	114,705,090	106,210,645	8,494,445	8.0%
LIABILITIES				
Total Deposits	95,977,735	88,324,327	7,653,408	8.7%
Total Equity Capital	11,702,613	10,990,736	711,877	6.5%

OPERATING RATIOS	3/31/2016	3/31/2015	CHANGE
Equity Capital/Assets	10.20%	10.35%	-0.15%
Tangible Equity Capital/Assets	9.65%	9.72%	-0.07%
Capital and Allowance for Loan Losses/Assets	10.98%	11.16%	-0.19%
Total Loans/Assets	63.45%	61.41%	2.04%
Past Due and Nonaccrual Loans/Total Loans	1.27%	1.57%	-0.30%
Allowance for Loan Losses/Total Loans	1.37%	1.49%	-0.12%
Average Net Interest Margin	3.74%	3.67%	0.07%
Return on Assets	1.09%	1.02%	0.07%

NOTES:

2015 does not include five nondeposit trust companies.
2016 does not include four nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION
STATE AND NATIONAL BANKS IN MISSOURI
AS OF MARCH 31, 2016**

MILLIONS OF DOLLARS	3/31/2016			3/31/2015	PERCENT CHANGE
	258 STATE BANKS	16 NATIONAL BANKS	274 ALL BANKS	283 ALL BANKS	
ASSETS					
Cash and Due from Banks	6,262	1,109	7,371	8,672	-15.0%
Investment Securities	29,541	9,156	38,697	39,275	-1.5%
Total Loans and Leases	72,785	14,615	87,400	79,917	9.4%
Less: Reserves	999	152	1,151	1,158	-0.6%
Federal Funds Sold	1,211	185	1,396	1,447	-3.5%
Fixed Assets	2,032	387	2,419	2,492	-2.9%
Other Real Estate	376	23	399	504	-20.8%
Intangible Assets	697	130	827	928	-10.9%
Other assets	2,800	688	3,488	3,360	3.8%
TOTAL ASSETS	\$114,705	\$26,141	\$140,846	\$135,437	4.0%
LIABILITIES					
Total Deposits	95,978	21,357	117,335	112,135	4.6%
Deposits over 250M	4,548	610	5,158	4,606	12.0%
Brokered Deposits	9,891	511	10,402	7,130	45.9%
Federal Funds Purchased	3,607	1,772	5,379	6,243	-13.8%
Other liabilities	3,417	640	4,057	3,331	21.8%
Total Equity Capital	11,703	2,372	14,075	13,728	2.5%
TOTAL LIABILITIES & EQUITY CAPITAL	\$114,705	\$26,141	\$140,846	\$135,437	4.0%
EARNINGS					
Interest Income	976	187	1,163	1,082	7.5%
Interest Expense	85	11	96	90	6.7%
Net Interest Income	891	176	1,067	992	7.6%
Provision for Loan Losses	33	6	39	28	39.3%
Net Income	308	48	356	309	15.2%
Cash Dividends	158	15	173	209	-17.2%
Net Loan Losses	26	7	33	22	50.0%