

District Data

Selected economic indicators of banking,
agricultural and business conditions in
the Eighth Federal Reserve District

The Regional Economist • January 1999

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Commercial Bank Performance Ratios

U.S., District and State

	All U.S.	U.S. <\$15B ¹	District	AR	IL	IN	KY	MS	MO	TN
Return on Average Assets (Annualized)										
3rd quarter 1998		1.49%	1.36%	1.37%	1.20%	1.34%	1.34%	1.32%	1.21%	1.63%
2nd quarter 1998		1.46	1.36	1.39	1.46	1.33	1.32	1.31	1.05	1.62
3rd quarter 1997		1.37	1.34	1.32	1.14	1.35	1.29	1.46	1.28	1.59
Return on Average Equity (Annualized)										
3rd quarter 1998		15.35%	15.39%	14.11%	11.69%	14.96%	16.18%	13.42%	14.15%	19.68%
2nd quarter 1998		15.09	15.51	14.44	16.20	14.76	16.00	13.39	11.92	19.80
3rd quarter 1997		14.78	15.10	13.98	12.89	15.16	14.85	15.26	15.42	17.83
Net Interest Margin (Annualized)										
3rd quarter 1998		4.80%	4.30%	4.29%	4.44%	4.29%	4.21%	4.63%	3.88%	4.81%
2nd quarter 1998		4.71	4.25	4.33	3.63	4.23	4.24	4.62	4.13	4.75
3rd quarter 1997		4.89	4.46	4.44	4.35	4.34	4.39	5.00	4.48	4.46
Nonperforming Loans² ÷ Total Loans										
3rd quarter 1998		1.02%	0.90%	1.02%	0.96%	0.60%	0.69%	0.59%	0.88%	1.18%
2nd quarter 1998		0.95	0.93	1.00	0.99	0.55	0.74	0.67	0.86	1.28
3rd quarter 1997		1.05	1.00	0.94	1.04	0.60	0.70	0.59	0.83	1.96
Net Loan Losses ÷ Average Total Loans (Annualized)										
3rd quarter 1998		0.80%	0.33%	0.22%	0.29%	0.21%	0.37%	0.28%	0.22%	0.55%
2nd quarter 1998		0.72	0.31	0.22	0.17	0.20	0.34	0.26	0.26	0.51
3rd quarter 1997		0.80	0.37	0.20	0.54	0.15	0.33	0.28	0.31	0.63
Loan Loss Reserve ÷ Total Loans										
3rd quarter 1998		1.85%	1.40%	1.29%	1.36%	1.26%	1.37%	1.42%	1.42%	1.51%
2nd quarter 1998		1.83	1.41	1.35	1.29	1.23	1.42	1.44	1.46	1.52
3rd quarter 1997		1.89	1.42	1.35	1.43	1.30	1.51	1.47	1.38	1.43

¹ U.S. banks with average assets of less than \$15 billion are shown separately to make comparisons with District banks more meaningful, as there are no District banks with average assets greater than \$15 billion.

² Includes loans 90 days or more past due and nonaccrual loans

NOTE: Data include only that portion of the state within Eighth District boundaries.

SOURCE: FFIEC Reports of Condition and Income for all Insured U.S. Commercial Banks

Commercial Bank Performance Ratios

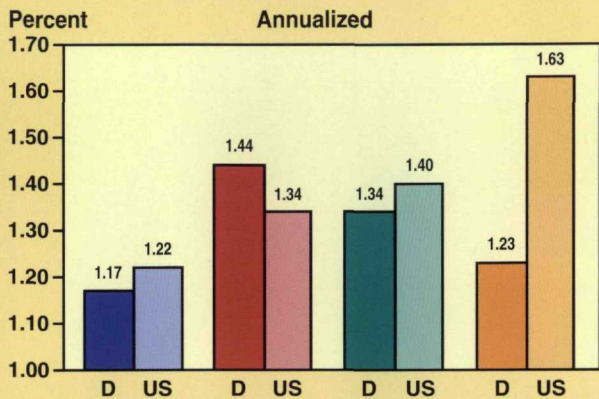
by Asset Size

3rd Quarter 1998

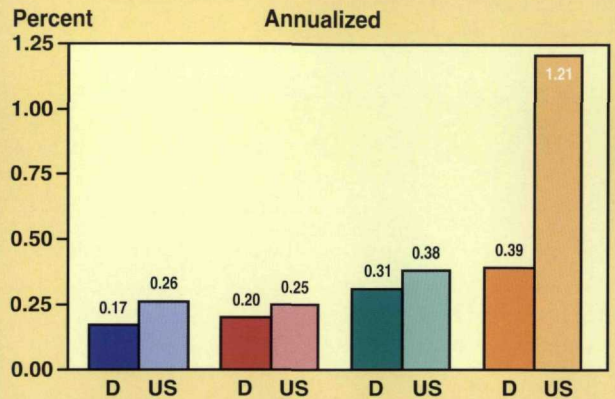
Earnings

Asset Quality

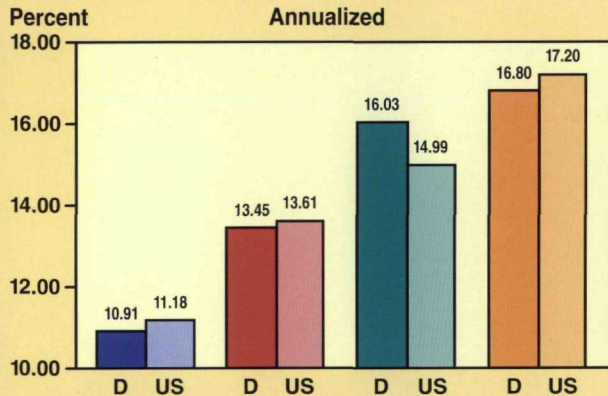
Return on Average Assets



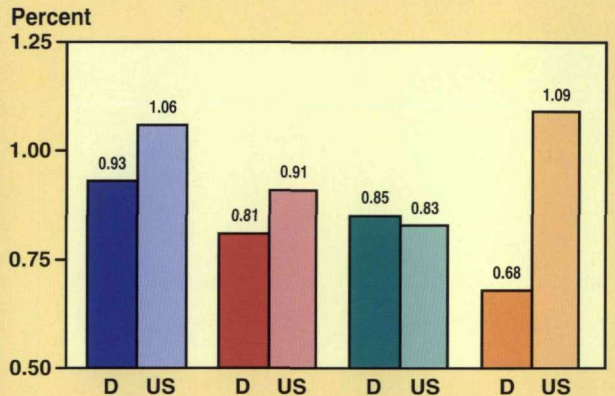
Net Loan Loss Ratio¹



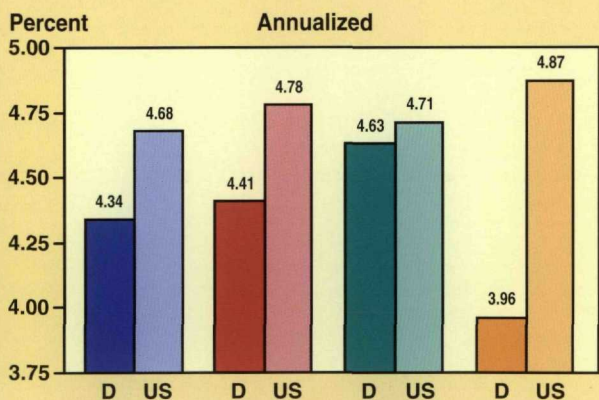
Return on Average Equity



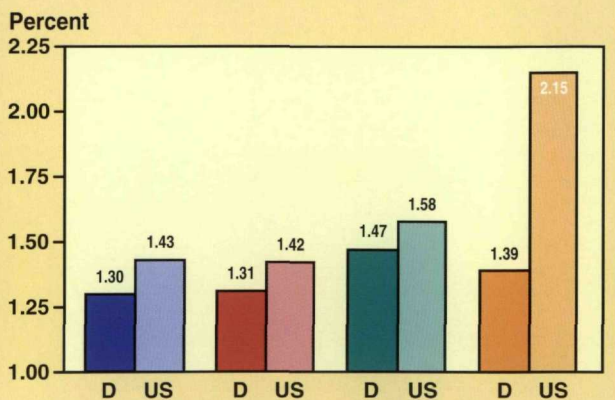
Nonperforming Loan Ratio²



Net Interest Margin³



Loan Loss Reserve Ratio



D = District
US = United States

< \$100 Million

\$100 Million - \$300 Million

\$300 Million - \$1 Billion

\$1 Billion - \$15 Billion

¹ Loan losses are adjusted for recoveries.

² Includes loans 90 days or more past due and nonaccrual loans

³ Interest income less interest expense as a percent of average earning assets

NOTE: Asset quality ratios are calculated as a percent of total loans.

SOURCE: FFIEC Reports of Condition and Income for all Insured U.S. Commercial Banks

Agricultural Bank Performance Ratios

	U.S.	AR	IL	IN	KY	MS	MO	TN
Return on average assets (annualized)								
3rd quarter 1998	1.30%	1.38%	1.25%	1.17%	1.40%	1.45%	1.22%	1.23%
2nd quarter 1998	1.30	1.28	1.30	1.21	1.40	1.38	1.20	1.24
3rd quarter 1997	1.33	1.42	1.31	1.26	1.46	1.55	1.31	1.36
Return on average equity (annualized)								
3rd quarter 1998	12.35%	12.76%	11.25%	11.53%	13.05%	15.17%	11.82%	11.07%
2nd quarter 1998	12.43	12.06	11.56	11.94	13.28	14.37	11.62	11.30
3rd quarter 1997	12.69	13.15	11.83	12.57	13.62	16.53	12.36	13.58
Net interest margin (annualized)								
3rd quarter 1998	4.47%	4.28%	4.35%	4.82%	4.47%	5.07%	4.29%	4.19%
2nd quarter 1998	4.45	4.30	4.10	4.98	4.43	4.99	4.24	4.21
3rd quarter 1997	4.62	4.46	4.16	4.56	4.60	5.08	4.48	4.43
Ag loan losses ÷ average ag loans (annualized)								
3rd quarter 1998	0.16%	0.16%	-0.04%	0.13%	0.07%	0.23%	0.15%	0.09%
2nd quarter 1998	0.14	0.13	-0.14	-0.05	0.03	0.19	0.17	0.01
3rd quarter 1997	0.14	0.08	-0.05	-0.61	0.15	0.24	0.11	0.02
Ag nonperforming loans¹ ÷ total ag loans								
3rd quarter 1998	1.44%	0.91%	0.84%	2.66%	1.68%	1.50%	1.16%	0.94%
2nd quarter 1998	1.51	0.79	0.81	3.50	2.24	1.72	1.26	0.88
3rd quarter 1997	1.32	0.68	0.71	3.43	1.70	0.89	1.65	0.34

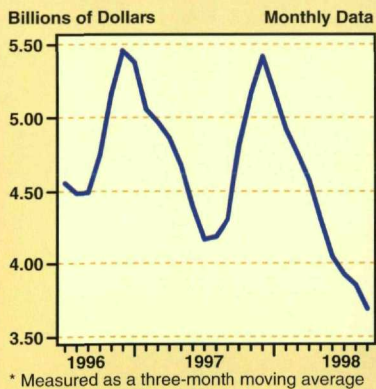
¹ Includes loans 90 days or more past due and nonaccrual loans

NOTE: Agricultural banks are defined as those banks with a greater-than-average share of agricultural loans to total loans.

Data include only that portion of the state within Eighth District boundaries.

SOURCE: FFIEC Reports of Condition and Income for all Insured U.S. Commercial Banks

U.S. Agricultural Exports*



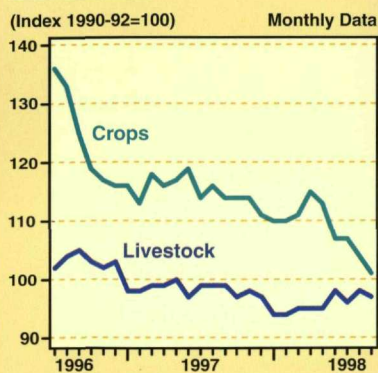
U.S. Agricultural Exports by Commodity

Dollar amounts in billions

Commodity	Jul	Aug	Sep	Year-to-date	Change from year ago
Livestock & products	.88	.83	.75	10.67	-2.0%
Corn	.35	.35	.30	4.26	-30.0
Cotton	.20	.14	.10	2.54	-7.0
Rice	.07	.07	.07	1.13	16.0
Soybeans	.20	.17	.17	6.12	-12.0
Tobacco	.06	.10	.08	1.45	-10.0
Wheat	.31	.34	.30	3.76	-9.0
TOTAL ¹	3.88	3.70	3.49	53.73	-4.0

¹ Includes commodities not listed here

U.S. Crop and Livestock Prices



Indexes of Food and Agricultural Prices

	Level			Growth ¹	
	III/98	II/98	III/97	II/98-III/98	III/97-III/98
Prices received by U.S. farmers ²	101	103	107	-8.8%	-6.2%
Prices received by District farmers ³					
Arkansas	134	131	140	9.5	-4.1
Illinois	82	91	113	-36.1	-27.7
Indiana	87	98	112	-37.9	-22.3
Missouri	90	98	107	-29.0	-16.2
Tennessee	N.A.	N.A.	N.A.	N.A.	N.A.
Prices paid by U.S. farmers					
Production items	111	114	117	-9.1	-5.1
Other items	114	116	117	-5.6	-2.6
Consumer food prices	161	160	158	2.8	2.1
Consumer nonfood prices	164	163	161	1.6	1.5

¹ Compounded annual rates of change are computed from unrounded data.

² Index of prices received for all farm products and prices paid (1990-92=100)

³ Indexes for Kentucky and Mississippi are unavailable.

N.A. = Not Available

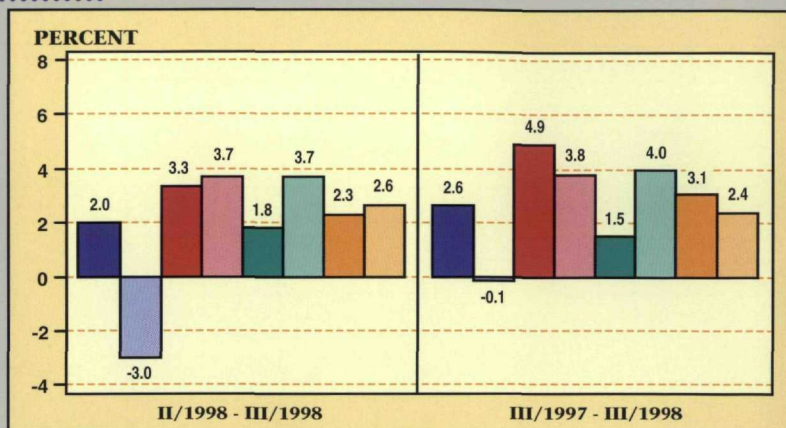
NOTE: Data not seasonally adjusted except for consumer food prices and nonfood prices

Selected U.S. and State Business Indicators

United States

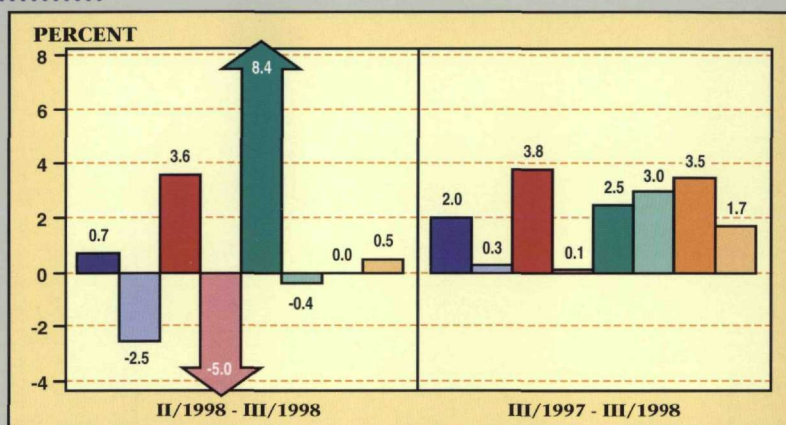
	III/1998	II/1998	III/1997
Labor force (in thousands)	137,595	137,351	136,379
Total nonagricultural employment (in thousands)	126,141	125,516	122,995
Unemployment rate	4.5%	4.4%	4.9%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$4,351.0	\$4,324.3	\$4,210.4

Compounded Annual Rates of Change in
Nonagricultural Employment



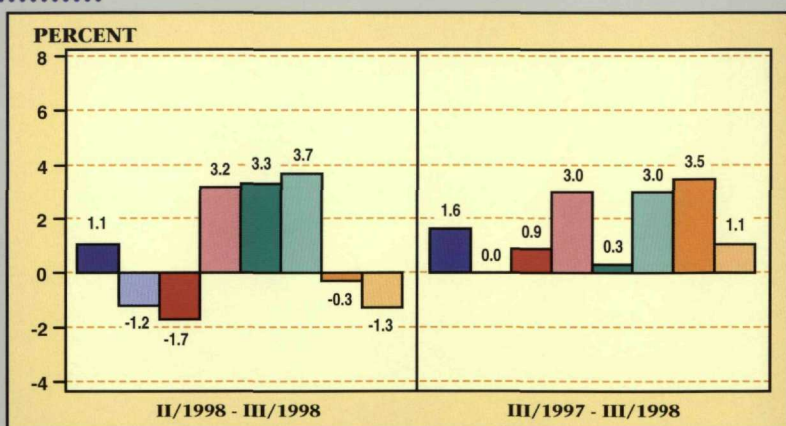
Arkansas

	III/1998	II/1998	III/1997
Labor force (in thousands)	1,241.2	1,246.6	1,209.5
Total nonagricultural employment (in thousands)	1,127.1	1,125.1	1,105.4
Unemployment rate	4.7%	5.1%	5.3%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$31.4	\$31.4	\$30.8



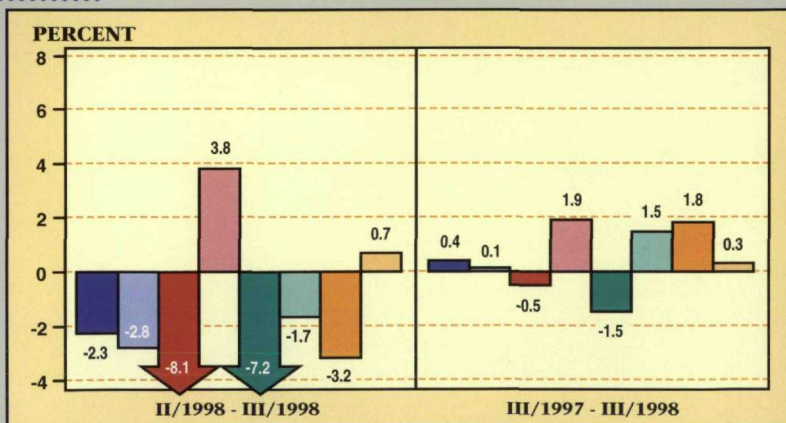
Illinois

	III/1998	II/1998	III/1997
Labor force (in thousands)	6,159.5	6,143.4	6,133.5
Total nonagricultural employment (in thousands)	5,881.3	5,864.7	5,787.8
Unemployment rate	4.4%	4.2%	4.6%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$213.0	\$211.3	\$206.5



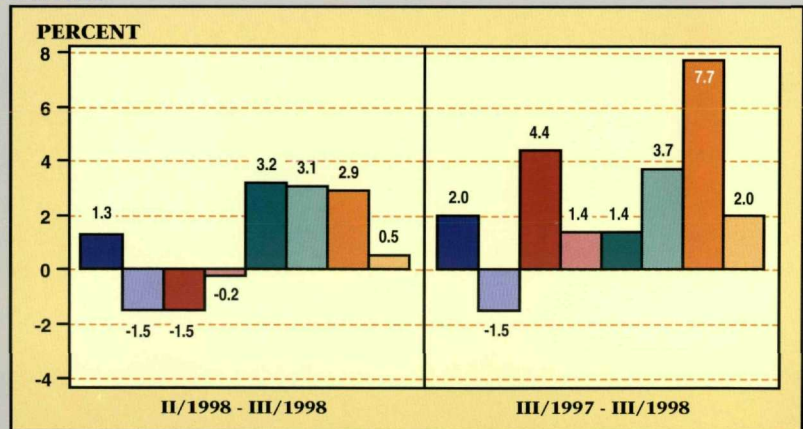
Indiana

	III/1998	II/1998	III/1997
Labor force (in thousands)	3,088.3	3,097.2	3,102.2
Total nonagricultural employment (in thousands)	2,875.3	2,892.0	2,863.5
Unemployment rate	2.8%	2.8%	3.6%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$87.1	\$86.7	\$84.5



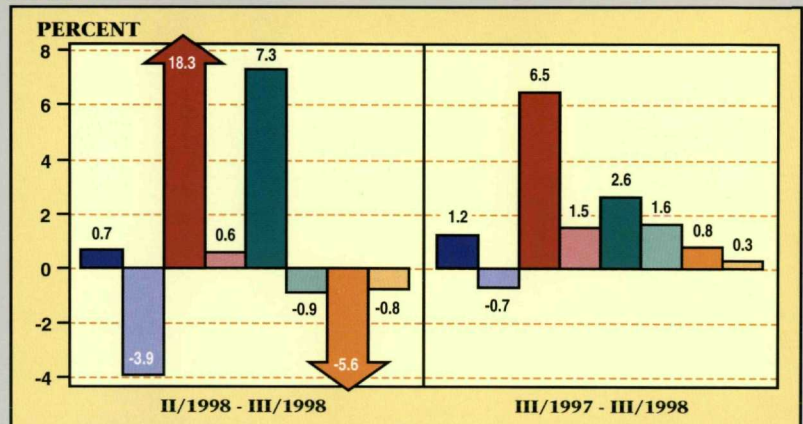
Kentucky

	III/1998	II/1998	III/1997
Labor force (in thousands)	1,943.8	1,940.8	1,935.4
Total nonagricultural employment (in thousands)	1,754.2	1,748.8	1,719.4
Unemployment rate	4.2%	4.2%	5.3%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$51.4	\$51.1	\$50.0



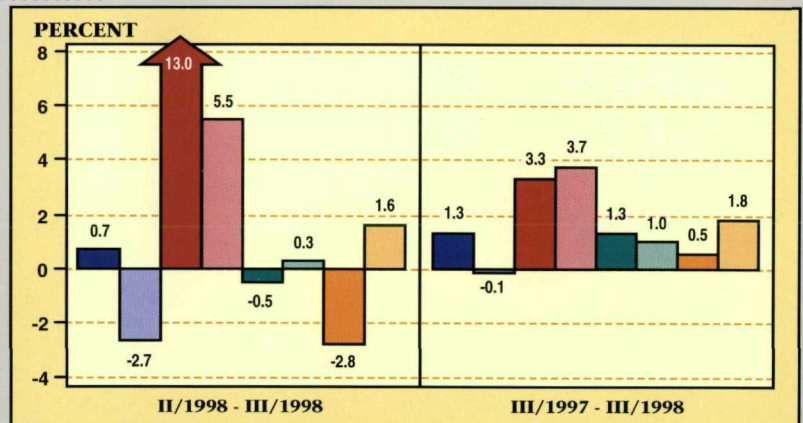
Mississippi

	III/1998	II/1998	III/1997
Labor force (in thousands)	1,281.3	1,279.8	1,268.8
Total nonagricultural employment (in thousands)	1,123.6	1,121.7	1,110.3
Unemployment rate	5.1%	5.0%	5.8%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$31.6	\$31.4	\$30.7



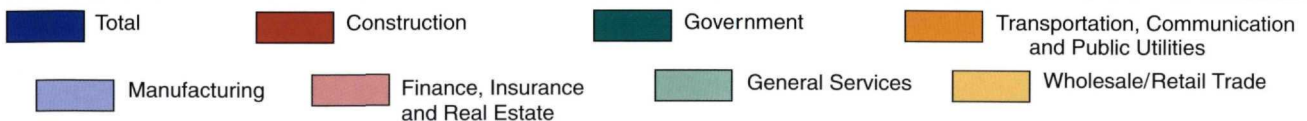
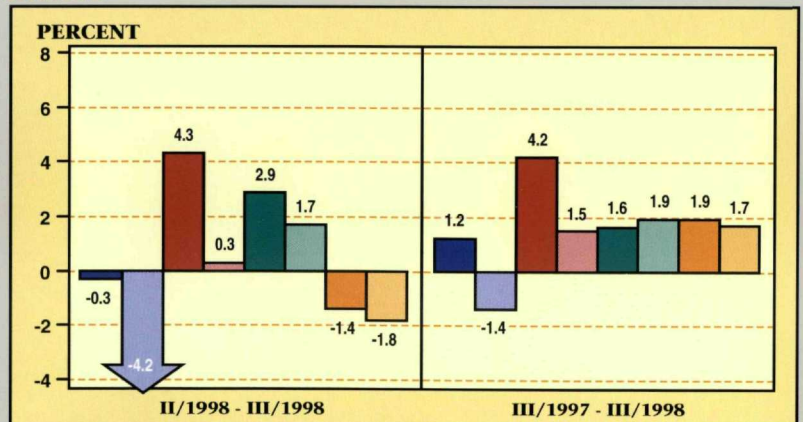
Missouri

	III/1998	II/1998	III/1997
Labor force (in thousands)	2,908.0	2,911.9	2,878.9
Total nonagricultural employment (in thousands)	2,676.5	2,672.1	2,642.0
Unemployment rate	4.0%	4.4%	4.1%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$81.9	\$81.3	\$79.5



Tennessee

	III/1998	II/1998	III/1997
Labor force (in thousands)	2,776.6	2,778.7	2,704.3
Total nonagricultural employment (in thousands)	2,621.0	2,622.8	2,589.0
Unemployment rate	4.0%	4.3%	5.5%
	II/1998	I/1998	II/1997
Real personal income* (in billions)	\$77.5	\$77.3	\$75.7



NOTE: All data are seasonally adjusted. The nonagricultural employment data reflect the most current benchmark revision.

* Annual rate. Data deflated by CPI, 1982-84=100.