

District Data

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

The Regional Economist
January 1997

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 1996	1.24%	1.33%	1.31%	1.35%	1.03%	1.29%	1.26%	1.50%	1.32%	1.45%
2nd quarter 1996	1.21	1.33	1.29	1.31	1.02	1.30	1.19	1.50	1.34	1.40
3rd quarter 1995	1.21	1.34	1.30	1.28	1.17	1.28	1.22	1.46	1.31	1.45
Return on Average Equity (Annualized)										
3rd quarter 1996	15.25%	14.68%	14.81%	14.11%	10.22%	14.23%	14.37%	15.64%	15.90%	17.34%
2nd quarter 1996	14.99	14.76	14.58	13.78	10.05	14.25	13.58	15.72	16.09	16.89
3rd quarter 1995	15.22	15.28	14.87	13.75	11.85	13.90	14.05	15.98	16.03	17.83
Net Interest Margin (Annualized)										
3rd quarter 1996	4.38%	4.81%	4.39%	4.51%	4.23%	4.41%	4.53%	4.97%	4.15%	4.41%
2nd quarter 1996	4.27	4.77	4.33	4.43	4.22	4.37	4.35	4.93	4.15	4.36
3rd quarter 1995	4.23	4.81	4.33	4.30	4.46	4.58	4.25	5.09	4.18	4.23
Nonperforming Loans ² ÷ Total Loans										
3rd quarter 1996	1.10%	1.11%	0.78%	0.81%	1.15%	0.71%	0.74%	0.73%	0.72%	0.77%
2nd quarter 1996	1.12	1.10	0.81	0.80	1.09	0.69	0.87	0.74	0.78	0.72
3rd quarter 1995	1.23	1.10	0.71	0.68	1.01	0.56	0.82	0.64	0.61	0.66
Net Loan Losses ÷ Average Total Loans (Annualized)										
3rd quarter 1996	0.57%	0.71%	0.31%	0.20%	0.39%	0.23%	0.39%	0.29%	0.27%	0.40%
2nd quarter 1996	0.57	0.70	0.31	0.19	0.34	0.20	0.41	0.28	0.29	0.36
3rd quarter 1995	0.45	0.53	0.21	0.13	0.39	0.15	0.29	0.23	0.12	0.25
Loan Loss Reserve ÷ Total Loans										
3rd quarter 1996	1.96%	1.84%	1.51%	1.34%	1.56%	1.35%	1.51%	1.54%	1.62%	1.50%
2nd quarter 1996	1.99	1.89	1.53	1.34	1.62	1.36	1.53	1.58	1.63	1.49
3rd quarter 1995	2.07	1.91	1.56	1.34	1.54	1.39	1.57	1.62	1.70	1.55

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

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

SOURCE: FFIEC Reports of Condition and Income for Insured Commercial Banks

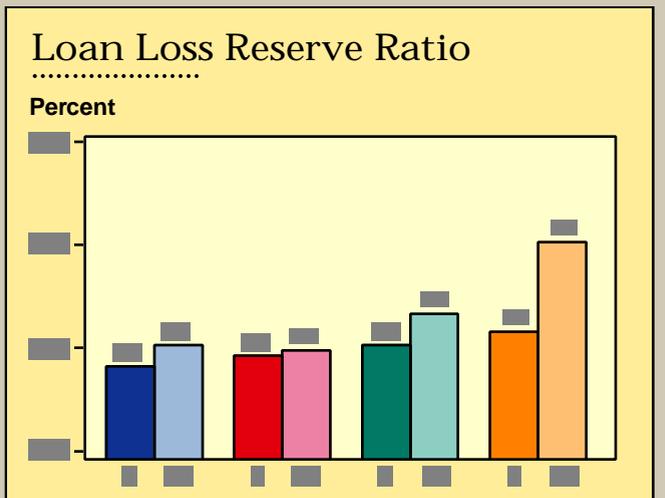
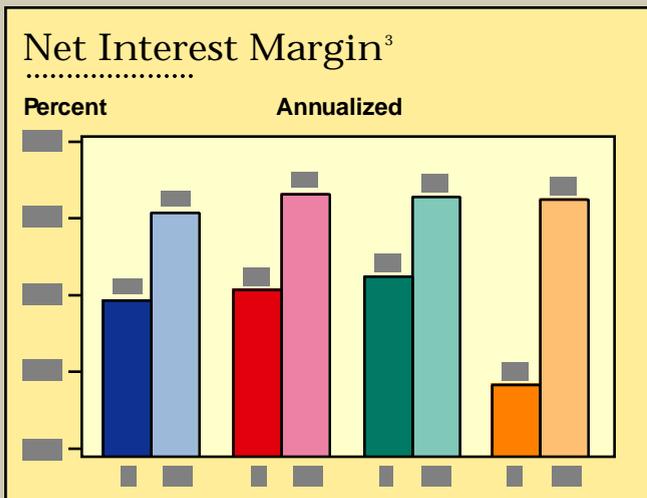
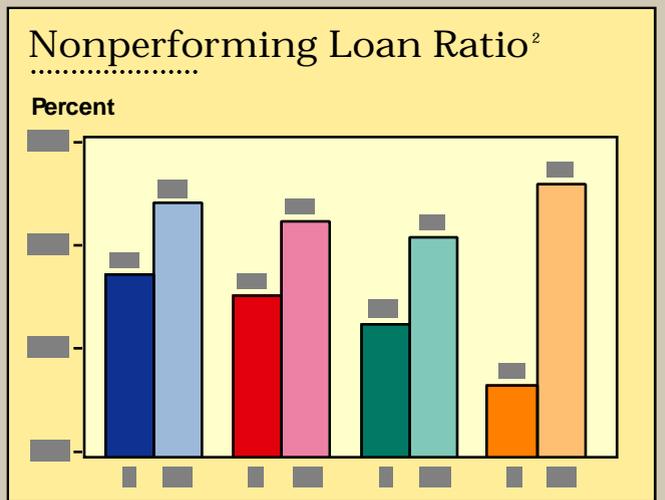
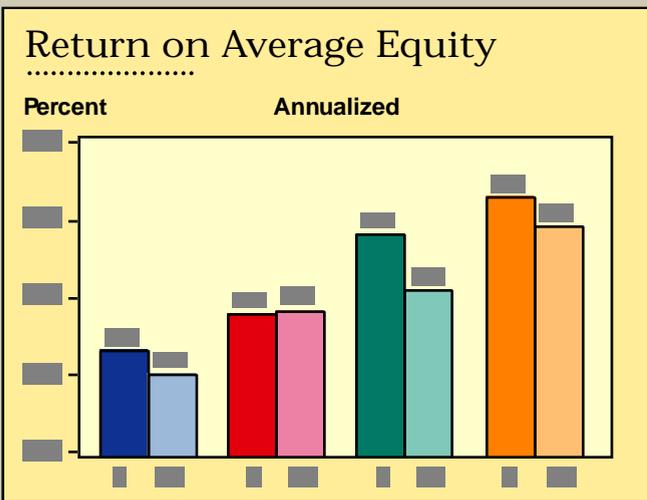
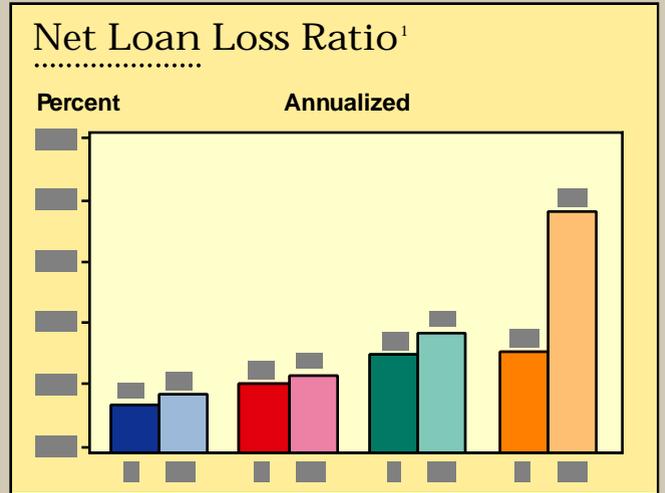
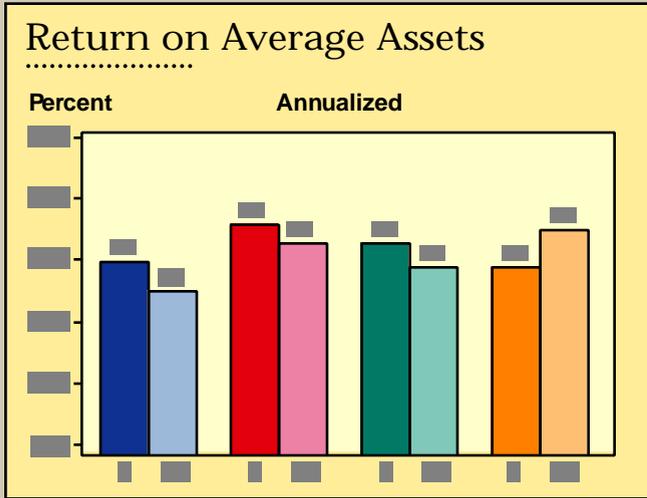
Commercial Bank Performance Ratios

by Asset Size

3rd Quarter 1996

Earnings

Asset Quality



D = District US = United States	< \$100 Million	\$300 Million - \$1 Billion
	\$100 Million - \$300 Million	\$1 Billion - \$15 Billion

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

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

SOURCE: FFIEC Reports of Condition and Income for Insured Commercial Banks

Agricultural Bank Performance Ratios

	U.S.	AR	IL	IN	KY	MS	MO	TN
Return on average assets (annualized)								
3rd quarter 1996	1.30%	1.44%	1.25%	1.31%	1.49%	1.66%	1.33%	1.40%
2nd quarter 1996	1.27	1.40	1.24	1.32	1.47	1.63	1.31	1.40
3rd quarter 1995	1.28	1.30	1.28	1.26	1.49	1.71	1.28	1.22
Return on average equity (annualized)								
3rd quarter 1996	12.67%	13.34%	11.43%	14.08%	14.37%	18.06%	12.90%	13.27%
2nd quarter 1996	12.38	12.99	11.34	13.61	14.24	17.79	12.78	13.22
3rd quarter 1995	12.37	12.38	11.76	12.78	14.72	19.11	12.50	12.79
Net interest margin (annualized)								
3rd quarter 1996	4.54%	4.40%	4.14%	4.55%	4.62%	5.32%	4.52%	4.55%
2nd quarter 1996	4.48	4.39	4.09	4.55	4.58	5.27	4.47	4.52
3rd quarter 1995	4.59	4.36	4.26	4.70	4.67	5.50	4.42	4.37
Ag loan losses ÷ average ag loans (annualized)								
3rd quarter 1996	0.29%	0.07%	0.14%	0.12%	0.24%	0.79%	0.32%	0.23%
2nd quarter 1996	0.28	0.06	0.19	-0.15	0.18	1.37	0.30	0.29
3rd quarter 1995	0.17	-0.01	-0.01	0.07	0.19	0.26	-0.04	0.08
Ag nonperforming loans¹ ÷ total ag loans								
3rd quarter 1996	1.63%	0.54%	1.09%	2.22%	1.26%	1.87%	0.85%	0.04%
2nd quarter 1996	1.92	0.74	0.97	1.99	2.01	3.10	1.25	0.44
3rd quarter 1995	1.29	0.29	1.26	0.29	1.36	0.88	1.00	0.35

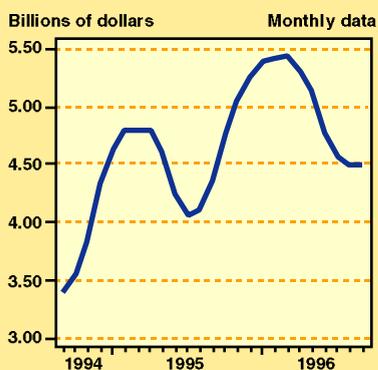
NOTE: Agricultural banks are defined as those banks with a greater than average share of agricultural loans to total loans.

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

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

SOURCE: FFIEC Reports of Condition and Income for Insured 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	.83	.90	.82	10.95%	7.0%
Corn	.70	.52	.44	8.37	26.0
Cotton	.73	1.00	.07	3.03	-13.0
Rice	.07	.72	.09	1.00	-4.0
Soybeans	.37	.43	.35	6.31	20.0
Tobacco	.05	.09	.09	1.39	5.0
Wheat	.62	.79	.66	6.88	39.0
TOTAL	4.46	4.63	4.38	59.76	10.0

U.S. Crop and Livestock Prices



Indexes of Food and Agricultural Prices

	Level			Growth ¹	
	III/96	II/96	III/95	II/96-III/96	III/95-III/96
Prices received by U.S. farmers ²	117	112	103	16.3%	13.6%
Prices received by District farmers ³					
Arkansas	143	136	126	22.2	13.8
Illinois	144	136	104	25.8	38.6
Indiana	145	146	106	-1.8	36.4
Missouri	119	110	102	38.6	16.7
Tennessee	143	138	131	13.1	8.9
Prices paid by U.S. farmers					
Production items	116	115	109	4.7	6.4
Other items	115	115	110	1.2	4.5
Consumer food prices	154	152	149	5.6	3.6
Consumer nonfood prices	158	157	154	1.6	2.8

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

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)

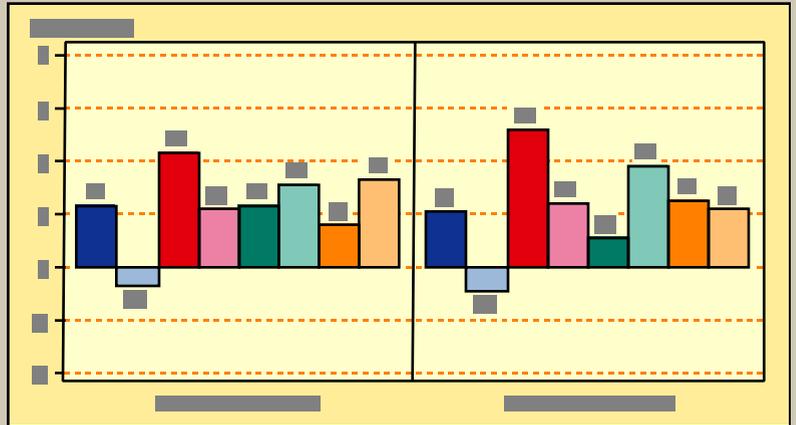
³ Indexes for Kentucky and Mississippi are unavailable.

Selected U.S. and State Business Indicators

Compounded Annual Rates of Change in Nonagricultural Employment

United States

	III/1996	II/1996	III/1995
Labor force (in thousands)	134,135	133,647	132,380
Total nonagricultural employment (in thousands)	119,947	119,264	117,441
Unemployment rate	5.2%	5.4%	5.6%
	II/1996	I/1996	II/1995
Real personal income* (in billions)	\$4,082.4	\$4,054.9	\$3,980.4



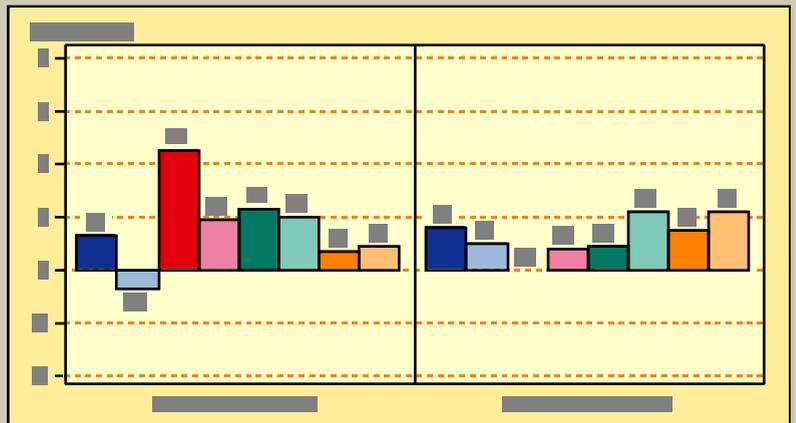
Arkansas

	III/1996	II/1996	III/1995
Labor force (in thousands)	1,245.9	1,234.0	1,225.7
Total nonagricultural employment (in thousands)	1,088.8	1,082.4	1,072.4
Unemployment rate	5.3%	4.8%	5.0%
	II/1996	I/1996	II/1995
Real personal income* (in billions)	\$30.2	\$29.8	\$29.4



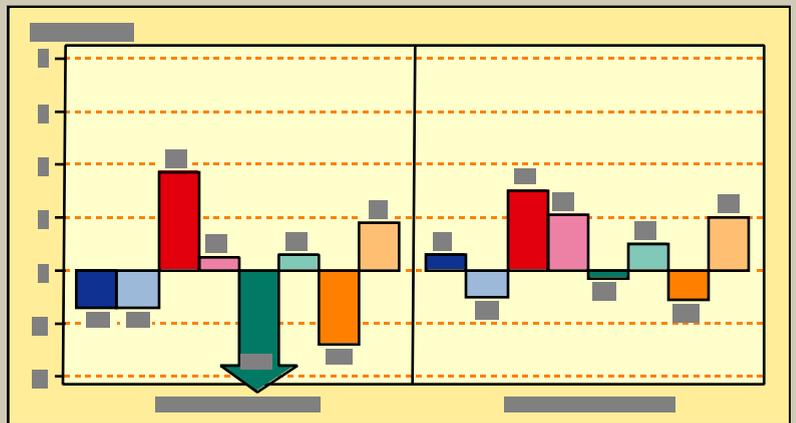
Illinois

	III/1996	II/1996	III/1995
Labor force (in thousands)	6,155.2	6,149.3	6,086.4
Total nonagricultural employment (in thousands)	5,706.1	5,687.6	5,617.6
Unemployment rate	5.4%	5.2%	5.2%
	II/1996	I/1996	II/1995
Real personal income* (in billions)	\$199.2	\$198.5	\$194.6



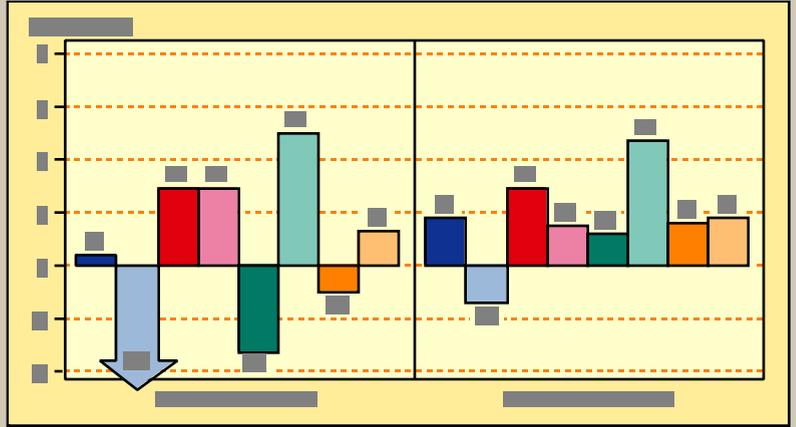
Indiana

	III/1996	II/1996	III/1995
Labor force (in thousands)	3,093.1	3,096.3	3,129.1
Total nonagricultural employment (in thousands)	2,788.9	2,799.1	2,772.2
Unemployment rate	4.2%	4.2%	4.6%
	II/1996	I/1996	II/1995
Real personal income* (in billions)	\$82.5	\$82.0	\$81.4



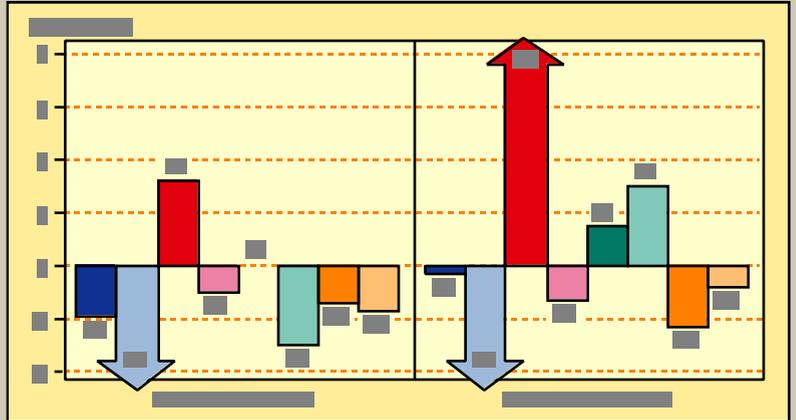
Kentucky

	III/1996	II/1996	III/1995
Labor force (in thousands)	1,861.7	1,829.0	1,860.5
Total nonagricultural employment (in thousands)	1,672.6	1,671.1	1,643.4
Unemployment rate	4.7%	5.2%	5.5%
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Real personal income* (in billions)	II/1996	I/1996	II/1995
	\$48.9	\$48.3	\$47.6



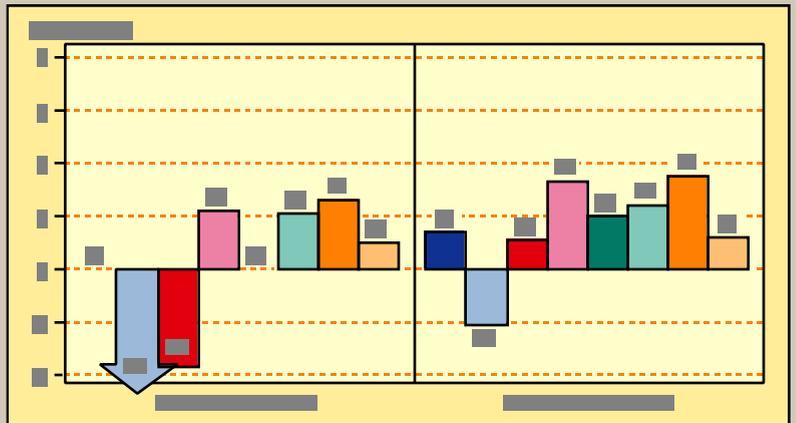
Mississippi

	III/1996	II/1996	III/1995
Labor force (in thousands)	1,263.5	1,266.4	1,262.6
Total nonagricultural employment (in thousands)	1,075.8	1,080.9	1,078.5
Unemployment rate	5.8%	6.1%	6.4%
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Real personal income* (in billions)	II/1996	I/1996	II/1995
	\$29.9	\$29.8	\$29.3



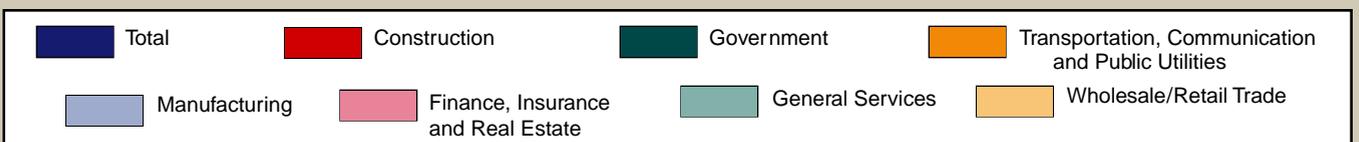
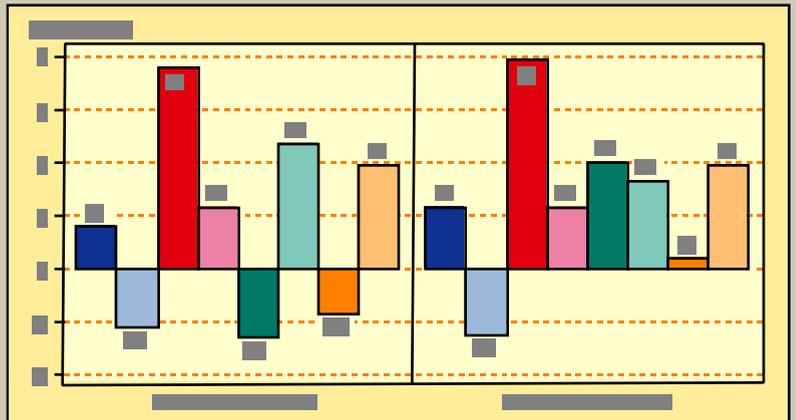
Missouri

	III/1996	II/1996	III/1995
Labor force (in thousands)	2,851.5	2,847.0	2,850.3
Total nonagricultural employment (in thousands)	2,559.3	2,559.2	2,524.6
Unemployment rate	4.1%	4.3%	4.9%
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Real personal income* (in billions)	II/1996	I/1996	II/1995
	\$77.3	\$77.1	\$75.9



Tennessee

	III/1996	II/1996	III/1995
Labor force (in thousands)	2,756.2	2,747.8	2,717.6
Total nonagricultural employment (in thousands)	2,564.2	2,554.1	2,507.2
Unemployment rate	4.6%	4.8%	5.5%
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Real personal income* (in billions)	II/1996	I/1996	II/1995
	\$73.1	\$72.9	\$72.1



NOTE: All data are seasonally adjusted. The nonagricultural employment data reflect the 1995 benchmark revision.
* Annual rate. Data deflated by CPI, 1982-84=100.