

# District Data

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

Regional Economist  
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## Commercial Bank Performance Ratios U.S., District and State

	All U.S.	U.S. <\$15B <sup>1</sup>	District	AR	IL	IN	KY	MS	MO	TN
<b>Return on Average Assets (Annualized)</b>										
4th quarter 1996	1.25%	1.35%	1.33%	1.32%	1.06%	1.30%	1.28%	1.46%	1.38%	1.43%
3rd quarter 1996	1.24	1.33	1.31	1.35	1.03	1.29	1.26	1.50	1.32	1.45
4th quarter 1995	1.20	1.33	1.28	1.23	1.15	1.26	1.15	1.41	1.34	1.48
<b>Return on Average Equity (Annualized)</b>										
4th quarter 1996	15.29%	15.02%	15.06%	13.81%	10.53%	14.42%	14.62%	15.23%	16.77%	17.33%
3rd quarter 1996	15.25	14.69	14.81	14.11	10.22	14.25	14.37	15.64	15.90	17.34
4th quarter 1995	15.00	15.04	14.64	13.12	11.34	13.72	13.24	15.23	16.24	18.07
<b>Net Interest Margin (Annualized)</b>										
4th quarter 1996	4.37%	4.85%	4.47%	4.51%	4.26%	4.47%	4.50%	5.03%	4.24%	4.80%
3rd quarter 1996	4.38	4.81	4.39	4.51	4.23	4.41	4.53	4.97	4.15	4.41
4th quarter 1995	4.25	4.84	4.37	4.22	4.47	4.54	4.25	5.07	4.33	4.35
<b>Nonperforming Loans<sup>2</sup> ÷ Total Loans</b>										
4th quarter 1996	1.04%	1.10%	1.33%*	0.85%	1.05%	0.62%	0.68%	0.61%	0.73%	4.37%*
3rd quarter 1996	1.10	1.11	0.78	0.81	1.15	0.71	0.74	0.73	0.72	0.77
4th quarter 1995	1.16	1.07	0.79	0.75	0.91	0.67	0.81	0.64	0.84	0.73
<b>Net Loan Losses ÷ Average Total Loans (Annualized)</b>										
4th quarter 1996	0.59%	0.73%	0.35%	0.24%	0.47%	0.29%	0.37%	0.33%	0.30%	0.50%
3rd quarter 1996	0.57	0.71	0.31	0.20	0.39	0.23	0.39	0.29	0.27	0.40
4th quarter 1995	0.50	0.59	0.27	0.17	0.43	0.20	0.34	0.32	0.19	0.33
<b>Loan Loss Reserve ÷ Total Loans</b>										
4th quarter 1996	1.90%	1.81%	1.48%	1.37%	1.51%	1.30%	1.49%	1.48%	1.57%	1.44%
3rd quarter 1996	1.96	1.84	1.51	1.34	1.56	1.35	1.51	1.54	1.62	1.50
4th quarter 1995	2.03	1.89	1.54	1.34	1.58	1.40	1.53	1.61	1.66	1.52

\* Most of the increase in District nonperforming loans is associated with the acquisition by Union Planters National Bank in Tennessee of Leader Federal, a Memphis thrift that specialized in holding high-rate, nonperforming residential mortgages.

<sup>1</sup> 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.

<sup>2</sup> 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

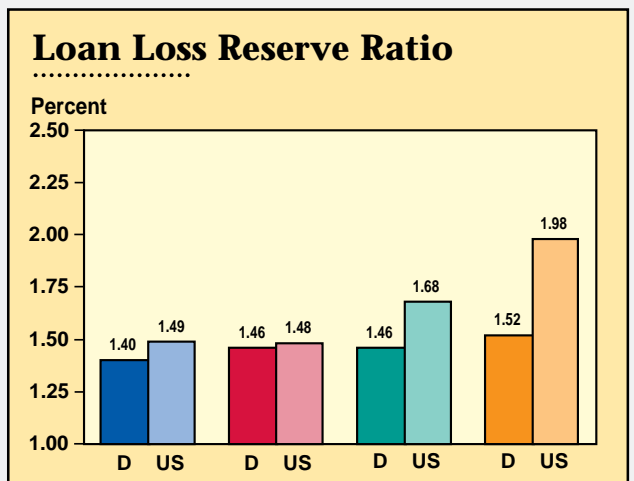
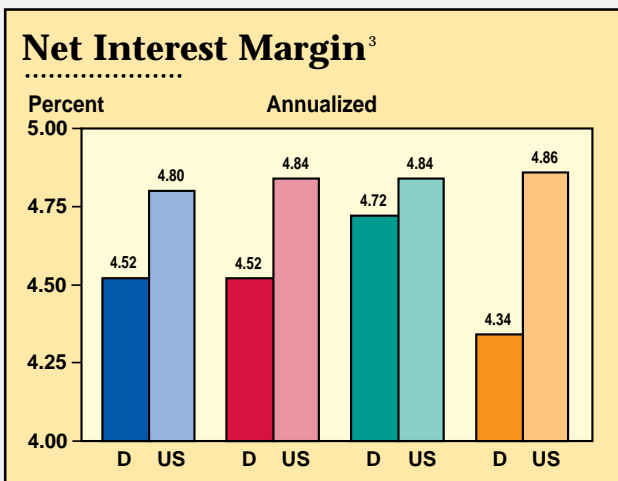
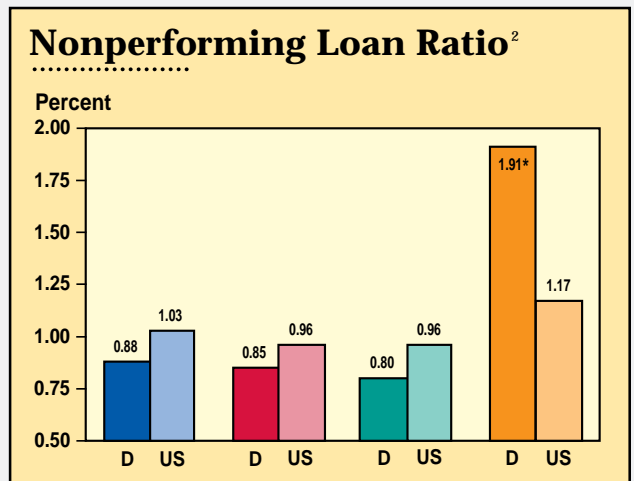
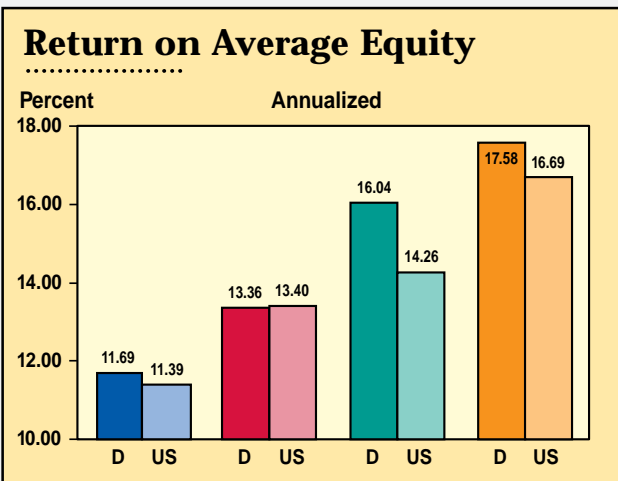
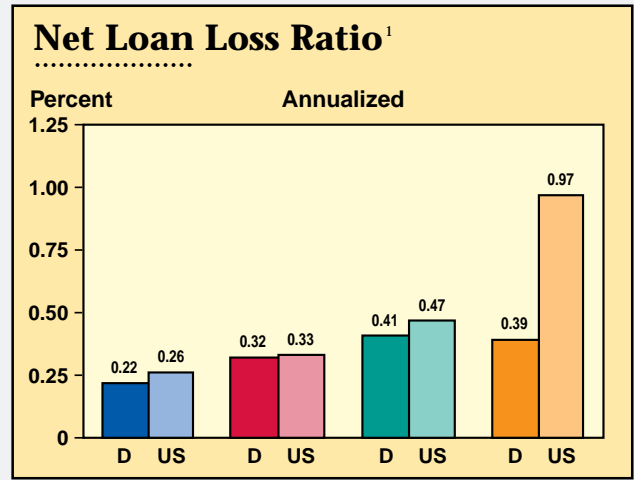
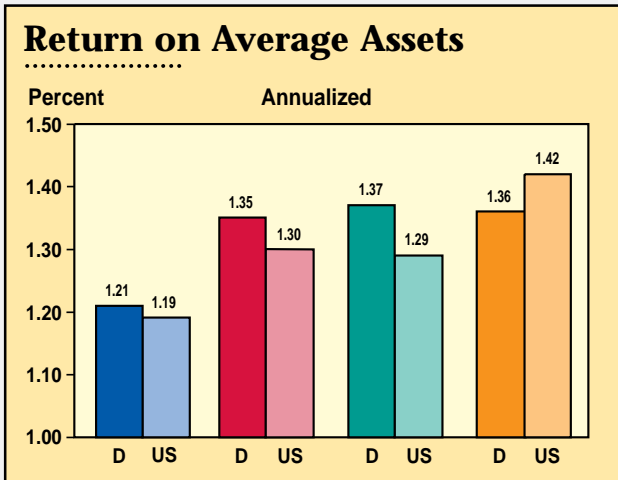
# Commercial Bank Performance Ratios

by Asset Size

4th Quarter 1996

## Earnings

## Asset Quality



D = District  
US = United States

< \$100 Million

\$100 Million - \$300 Million

\$300 Million - \$1 Billion

\$1 Billion - \$15 Billion

\* Most of the increase in District nonperforming loans is associated with the acquisition by Union Planters National Bank in Tennessee of Leader Federal, a Memphis thrift that specialized in holding high-rate, nonperforming residential mortgages.

<sup>1</sup> Loan losses are adjusted for recoveries.

<sup>2</sup> Includes loans 90 days or more past due and nonaccrual loans

<sup>3</sup> 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
<b>Return on average assets (annualized)</b>								
4th quarter 1996	1.22%	1.35%	1.19%	1.11%	1.42%	1.36%	1.23%	1.17%
3rd quarter 1996	1.30	1.44	1.25	1.31	1.49	1.66	1.33	1.40
4th quarter 1995	1.22	1.25	1.24	1.26	1.45	1.44	1.26	1.13
<b>Return on average equity (annualized)</b>								
4th quarter 1996	11.92%	12.58%	10.88%	10.91%	13.60%	13.87%	11.83%	10.98%
3rd quarter 1996	12.68	13.34	11.43	14.08	14.37	18.06	12.91	13.27
4th quarter 1995	11.78	11.54	11.35	12.91	14.33	15.05	12.10	10.62
<b>Net interest margin (annualized)</b>								
4th quarter 1996	4.54%	4.41%	4.17%	4.54%	4.62%	5.10%	4.57%	4.49%
3rd quarter 1996	4.54	4.40	4.14	4.55	4.62	5.32	4.52	4.55
4th quarter 1995	4.59	4.35	4.32	4.68	4.62	5.33	4.53	4.30
<b>Ag loan losses ÷ average ag loans (annualized)</b>								
4th quarter 1996	0.31%	0.09%	0.12%	-0.20%	0.26%	0.77%	0.38%	0.25%
3rd quarter 1996	0.29	0.07	0.14	0.12	0.24	0.79	0.32	0.23
4th quarter 1995	0.25	0.05	0.01	0.05	0.17	0.50	0.05	0.05
<b>Ag nonperforming loans<sup>1</sup> ÷ total ag loans</b>								
4th quarter 1996	1.46%	0.85%	0.67%	1.84%	1.75%	2.54%	1.50%	0.00%
3rd quarter 1996	1.63	0.54	1.09	2.22	1.26	1.87	0.85	0.04
4th quarter 1995	1.28	0.41	0.74	1.77	1.40	1.53	1.08	0.86

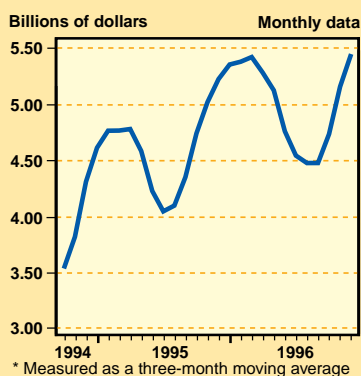
<sup>1</sup> Includes loans 90 days or more past due and nonaccrual loans

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\*



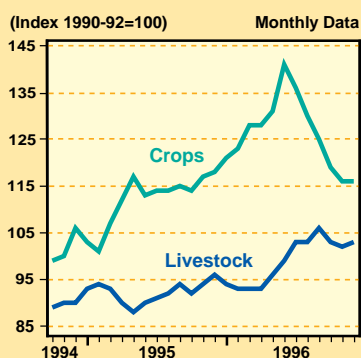
### U.S. Agricultural Exports by Commodity

Dollar amounts in billions

Commodity	Oct	Nov	Dec	Year-to-date	Change from year ago
Livestock & products	.95	.93	.87	10.83%	3.0%
Corn	.58	.86	.66	8.40	15.1
Cotton	.11	.23	.35	2.74	-26.2
Rice	.09	.09	.13	1.03	3.4
Soybeans	.74	1.15	.91	7.32	35.6
Tobacco	.16	.16	.12	1.39	-0.7
Wheat	.48	.36	.24	6.27	15.1
TOTAL <sup>1</sup>	5.23	5.90	5.25	60.43	8.3

<sup>1</sup> Includes commodities not listed here

### U.S. Crop and Livestock Prices



### Indexes of Food and Agricultural Prices

	Level			Growth <sup>1</sup>	
	IV/96	III/96	IV/95	III/96-IV/96	IV/95-IV/96
<b>Prices received by U.S. farmers<sup>2</sup></b>	111	117	106	-19.0	4.4
<b>Prices received by District farmers<sup>3</sup></b>					
Arkansas	139	143	133	-10.8	4.3
Illinois	122	144	114	-48.0	7.0
Indiana	116	145	115	-58.2	1.5
Missouri	108	119	106	-33.0	1.6
Tennessee	137	143	131	-15.0	4.6
<b>Prices paid by U.S. farmers</b>					
Production items	114	116	111	-6.7	2.7
Other items	115	115	111	0.0	3.3
<b>Consumer food prices</b>	156	154	150	4.7	4.2
<b>Consumer nonfood prices</b>	159	158	154	3.2	3.0

<sup>1</sup> Compounded annual rates of change are computed from unrounded data.

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

<sup>3</sup> Indexes for Kentucky and Mississippi are unavailable.

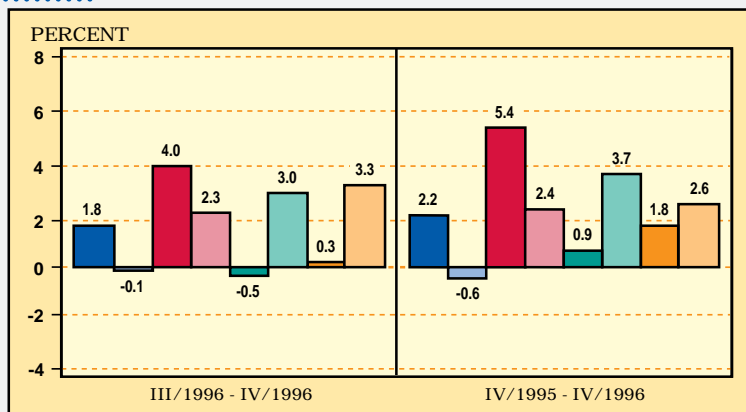
Note: Data are not seasonally adjusted except for consumer food prices and nonfood prices.

# Selected U.S. and State Business Indicators

Compounded Annual Rates of Change in Nonagricultural Employment

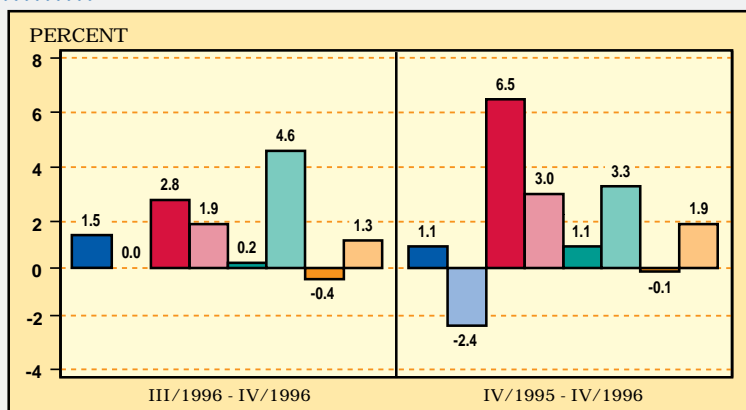
## United States

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	134,830	134,118	132,506
Total nonagricultural employment (in thousands)	120,509	119,958	117,928
Unemployment rate	5.3%	5.3%	5.6%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$4,115.7	\$4,087.7	\$4,008.8



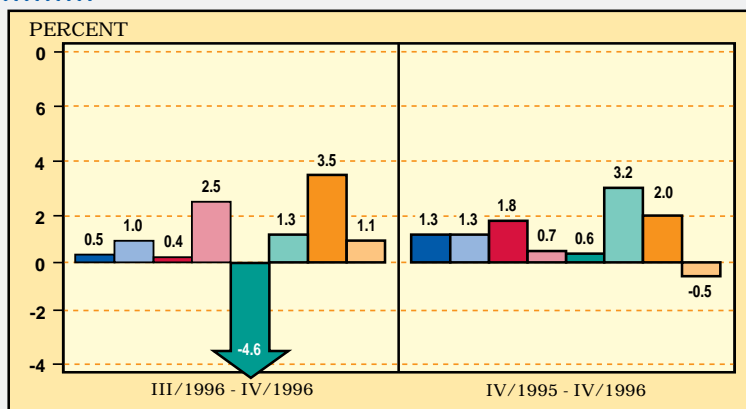
## Arkansas

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	1,244.1	1,245.9	1,228.2
Total nonagricultural employment (in thousands)	1,090.8	1,086.7	1,078.4
Unemployment rate	5.5%	5.3%	4.8%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$30.7	\$30.5	\$29.5



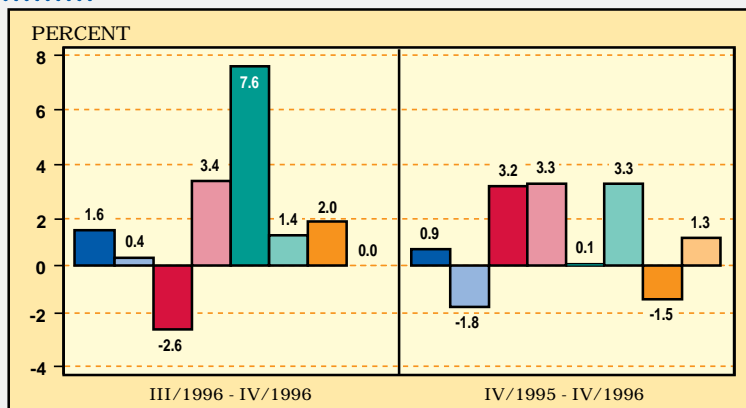
## Illinois

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	6,133.7	6,155.2	6,109.8
Total nonagricultural employment (in thousands)	5,704.6	5,697.5	5,630.1
Unemployment rate	5.2%	5.4%	5.2%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$200.4	\$199.2	\$195.9



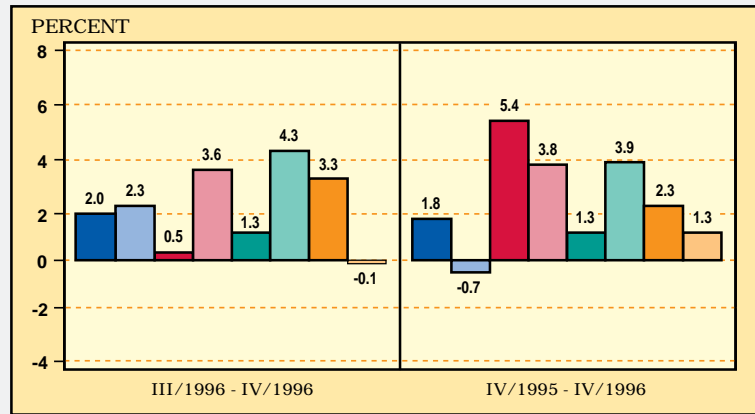
## Indiana

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	3,067.6	3,093.1	3,131.2
Total nonagricultural employment (in thousands)	2,826.7	2,815.4	2,801.8
Unemployment rate	3.7%	4.2%	4.6%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$83.1	\$83.0	\$81.7



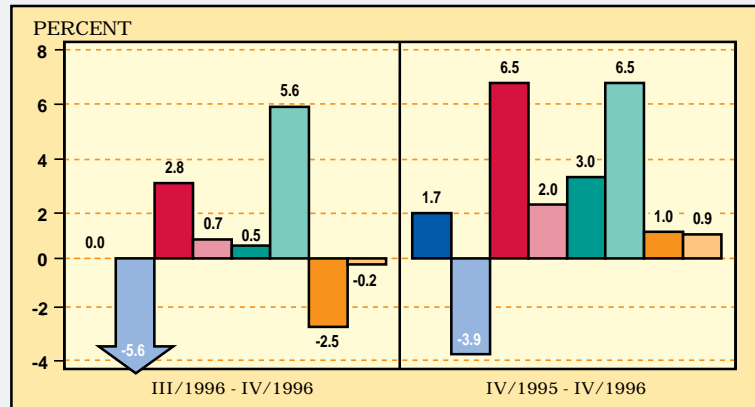
## Kentucky

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	1,879.8	1,861.7	1,856.8
Total nonagricultural employment (in thousands)	1,683.0	1,674.9	1,653.3
Unemployment rate	5.4%	4.7%	5.5%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$49.5	\$48.9	\$47.7



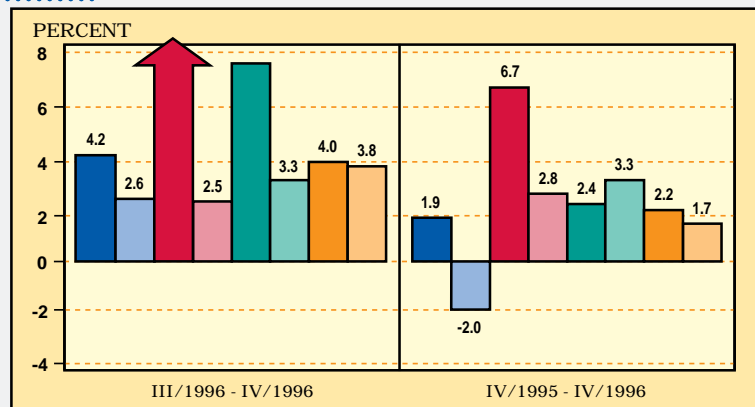
## Mississippi

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	1,263.9	1,263.5	1,262.6
Total nonagricultural employment (in thousands)	1,095.8	1,095.8	1,077.2
Unemployment rate	5.8%	5.8%	6.2%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$30.2	\$30.1	\$29.6



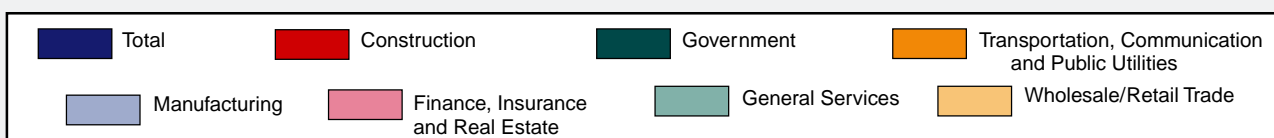
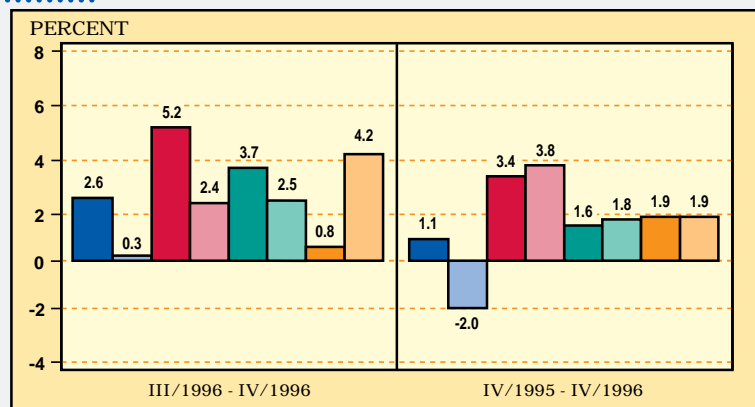
## Missouri

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	2,908.6	2,851.5	2,850.4
Total nonagricultural employment (in thousands)	2,585.5	2,559.0	2,536.8
Unemployment rate	4.6%	4.1%	4.2%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$77.9	\$77.7	\$76.4



## Tennessee

	IV/1996	III/1996	IV/1995
Labor force (in thousands)	2,773.0	2,756.2	2,733.3
Total nonagricultural employment (in thousands)	2,549.9	2,533.5	2,521.2
Unemployment rate	5.1%	4.6%	5.5%
	III/1996	II/1996	III/1995
Real personal income* (in billions)	\$74.0	\$73.5	\$72.7



Note: All data are seasonally adjusted. The nonagricultural employment data reflect the 1996 benchmark revision.  
\* Annual rate. Data deflated by CPI, 1982-84=100