

District Data

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

The Regional Economist · October 1998

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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)										
2nd quarter 1998	1.27%	1.46%	1.36%	1.39%	1.46%	1.33%	1.32%	1.31%	1.05%	1.62%
1st quarter 1998	1.26	1.53	1.39	1.32	1.50	1.35	1.40	1.27	1.18	1.56
2nd quarter 1997	1.31	1.34	1.33	1.30	1.27	1.34	1.27	1.48	1.27	1.53
Return on Average Equity (Annualized)										
2nd quarter 1998	15.10%	15.11%	15.52%	14.46%	16.21%	14.76%	16.00%	13.39%	11.92%	19.79%
1st quarter 1998	15.09	15.91	15.98	13.72	16.54	14.81	17.19	12.98	13.39	20.42
2nd quarter 1997	15.86	14.46	14.55	12.16	14.41	15.09	14.69	15.66	14.18	17.38
Net Interest Margin (Annualized)										
2nd quarter 1998	4.04%	4.71%	4.25%	4.33%	3.63%	4.23%	4.24%	4.62%	4.13%	4.75%
1st quarter 1998	3.97	4.67	4.29	4.31	3.65	4.19	4.23	4.65	4.08	5.07
2nd quarter 1997	4.36	4.84	4.43	4.43	4.34	4.36	4.34	5.09	4.39	4.46
Nonperforming Loans² ÷ Total Loans										
2nd quarter 1998	0.94%	0.95%	0.94%	1.00%	0.99%	0.55%	0.74%	0.67%	0.86%	1.28%
1st quarter 1998	0.97	0.97	0.98	1.01	1.10	0.52	0.74	0.62	0.87	1.38
2nd quarter 1997	0.99	1.06	1.01	0.93	0.94	0.53	0.71	0.58	0.98	1.93
Net Loan Losses ÷ Average Total Loans (Annualized)										
2nd quarter 1998	0.64%	0.73%	0.31%	0.22%	0.17%	0.20%	0.34%	0.26%	0.26%	0.51%
1st quarter 1998	0.63	0.71	0.25	0.22	0.16	0.14	0.26	0.23	0.12	0.52
2nd quarter 1997	0.62	0.77	0.37	0.20	0.53	0.17	0.33	0.26	0.35	0.59
Loan Loss Reserve ÷ Total Loans										
2nd quarter 1998	1.82%	1.83%	1.41%	1.34%	1.29%	1.23%	1.42%	1.44%	1.46%	1.52%
1st quarter 1998	1.82	1.82	1.41	1.38	1.31	1.25	1.43	1.48	1.43	1.48
2nd quarter 1997	1.90	1.88	1.46	1.38	1.44	1.28	1.53	1.50	1.52	1.41

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

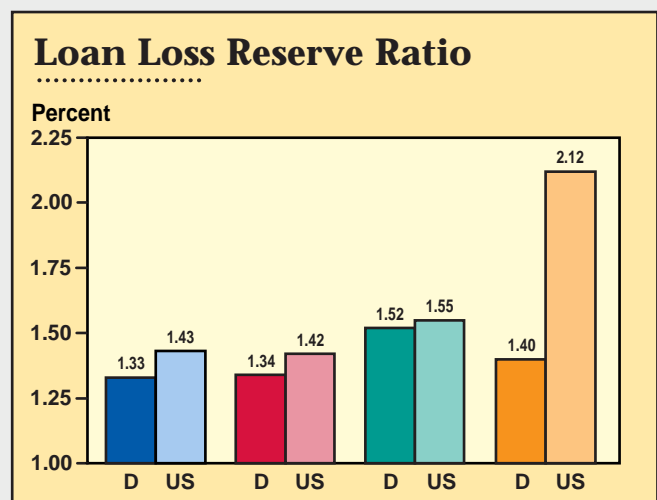
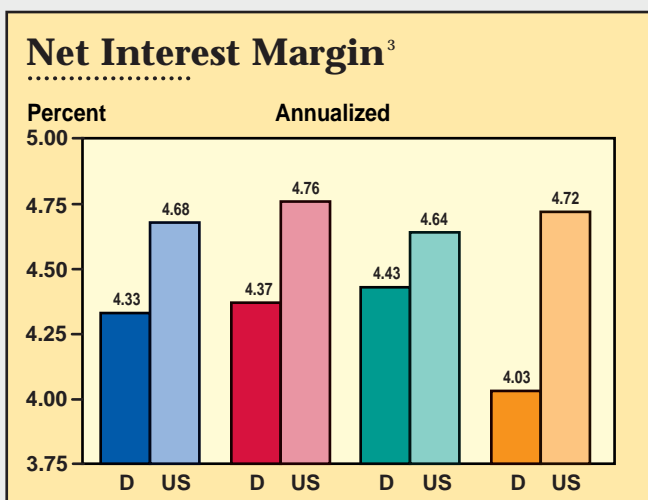
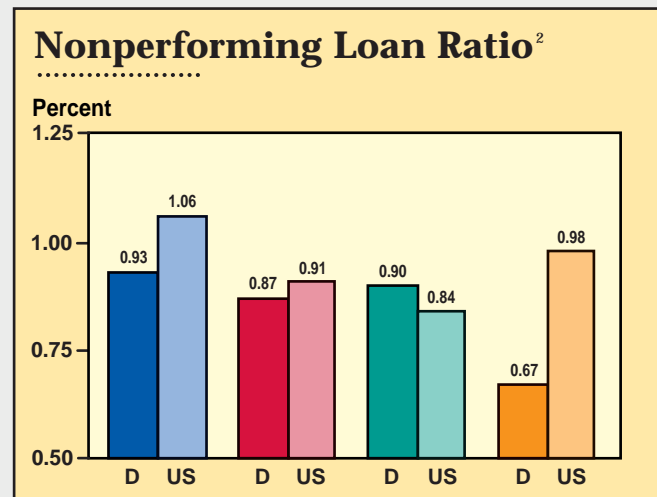
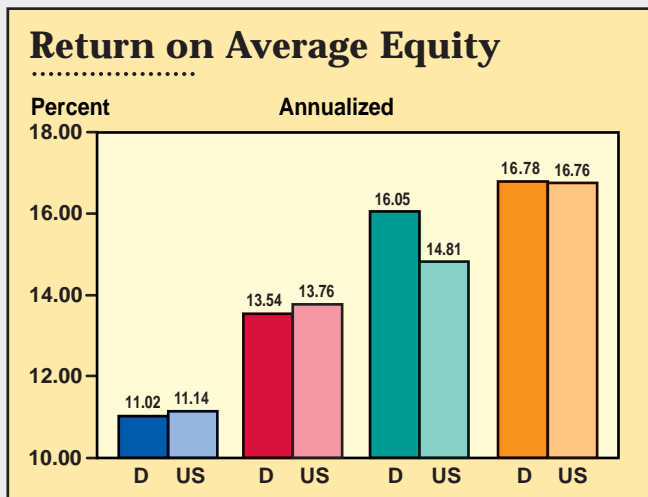
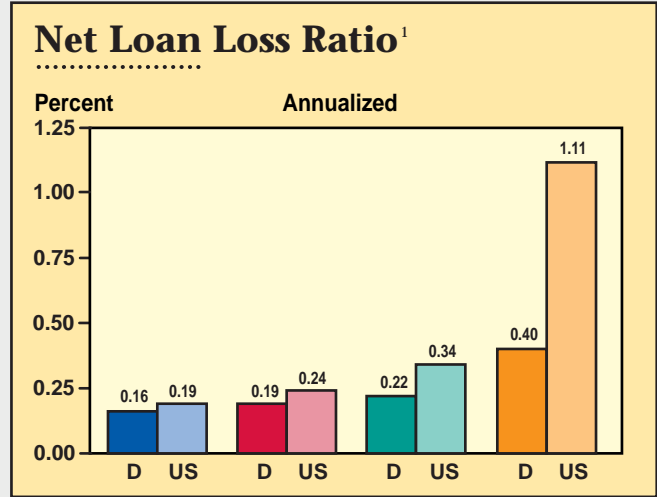
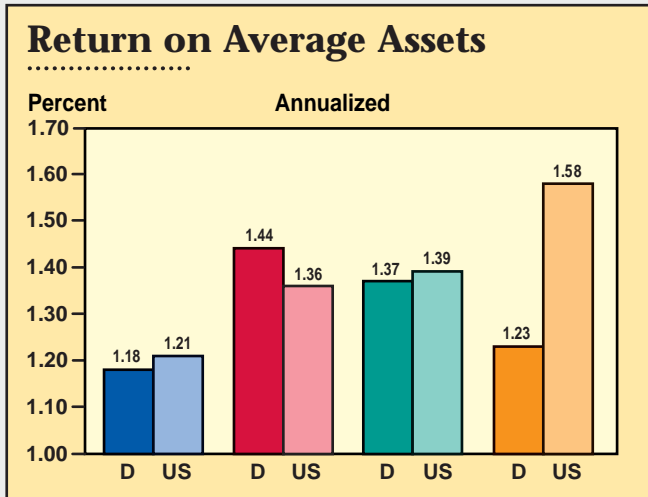
Commercial Bank Performance Ratios

by Asset Size

2nd Quarter 1998

Earnings

Asset Quality



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

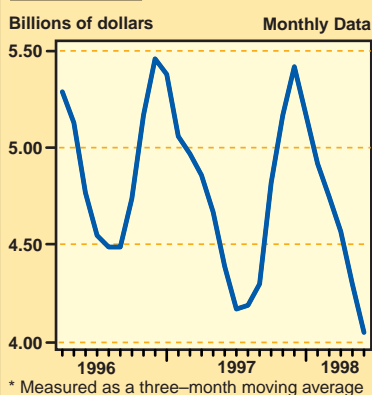
	U.S.	AR	IL	IN	KY	MS	MO	TN
Return on average assets (annualized)								
2nd quarter 1998	1.30%	1.28%	1.30%	1.21%	1.40%	1.38%	1.20%	1.24%
1st quarter 1998	1.28	1.16	1.30	1.24	1.39	1.20	1.15	1.28
2nd quarter 1997	1.32	1.41	1.32	1.27	1.47	1.55	1.31	1.38
Return on average equity (annualized)								
2nd quarter 1998	12.46%	12.05%	11.56%	11.94%	13.28%	14.37%	11.62%	11.27%
1st quarter 1998	12.22	10.89	11.63	12.10	13.20	12.48	11.17	11.70
2nd quarter 1997	12.52	12.72	12.00	12.99	13.84	16.62	12.45	12.56
Net interest margin (annualized)								
2nd quarter 1998	4.45%	4.30%	4.11%	4.98%	4.43%	4.99%	4.24%	4.21%
1st quarter 1998	4.42	4.21	4.09	4.69	4.41	4.97	4.22	4.27
2nd quarter 1997	4.59	4.42	4.18	4.44	4.55	5.03	4.47	4.63
Ag loan losses ÷ average ag loans (annualized)								
2nd quarter 1998	0.14%	0.13%	-0.14%	-0.05%	0.03%	0.19%	0.17%	0.01%
1st quarter 1998	0.04	0.20	-0.43	-0.10	-0.07	0.12	0.19	0.02
2nd quarter 1997	0.15	0.05	-0.04	-1.00	0.17	0.32	0.24	-0.03
Ag nonperforming loans¹ ÷ total ag loans								
2nd quarter 1998	1.51%	0.79%	0.81%	3.50%	2.24%	1.72%	1.26%	0.88%
1st quarter 1998	1.51	0.81	0.73	2.59	1.89	1.64	1.50	1.88
2nd quarter 1997	1.58	0.97	0.77	0.21	1.64	1.16	1.59	0.42

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*



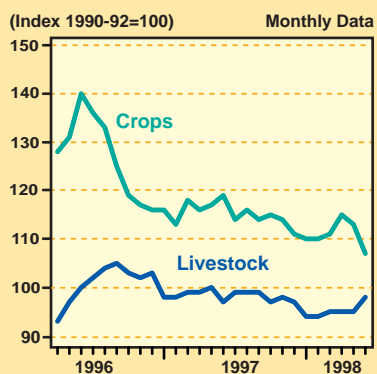
U.S. Agricultural Exports by Commodity

Dollar amounts in billions

Commodity	Apr	May	Jun	Year-to-date	Change from year ago
Livestock & products	.92	.88	.88	13.06	1.4%
Corn	.32	.33	.35	3.27	-34.3
Cotton	.23	.15	.19	2.11	-7.0
Rice	.09	.07	.08	.92	15.0
Soybeans	.25	.19	.16	5.58	-8.7
Tobacco	.20	.15	.11	1.20	13.7
Wheat	.26	.27	.27	2.80	2.6
TOTAL ¹	4.25	3.93	3.97	42.68	-4.0

¹ Includes commodities not listed here

U.S. Crop and Livestock Prices



Indexes of Food and Agricultural Prices

	Level			Growth ¹	
	II/98	I/98	II/97	I/98-II/98	II/97-II/98
Prices received by U.S. farmers²	103	102	107	4.0%	-3.7%
Prices received by District farmers³					
Arkansas	132	130	144	5.2	-8.4
Illinois	91	100	120	-30.4	-23.9
Indiana	98	103	121	-17.0	-18.8
Missouri	98	99	111	-4.0	-12.0
Tennessee	N.A.	N.A.	N.A.	N.A.	N.A.
Prices paid by U.S. farmers					
Production items	114	115	117	-4.6	-3.1
Other items	116	117	117	-3.4	-1.4
Consumer food prices	160	159	157	1.9	2.1
Consumer nonfood prices	163	162	161	2.0	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

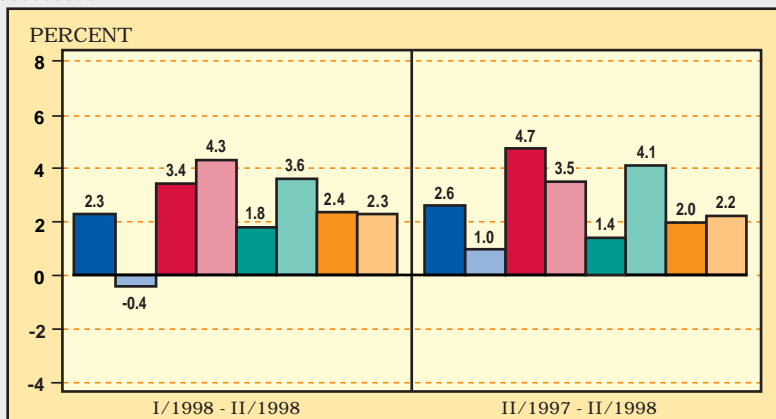
NOTE: Data not seasonally adjusted except for consumer food prices and nonfood prices

Selected U.S. and State Business Indicators

Compounded Annual Rates of Change in Nonagricultural Employment

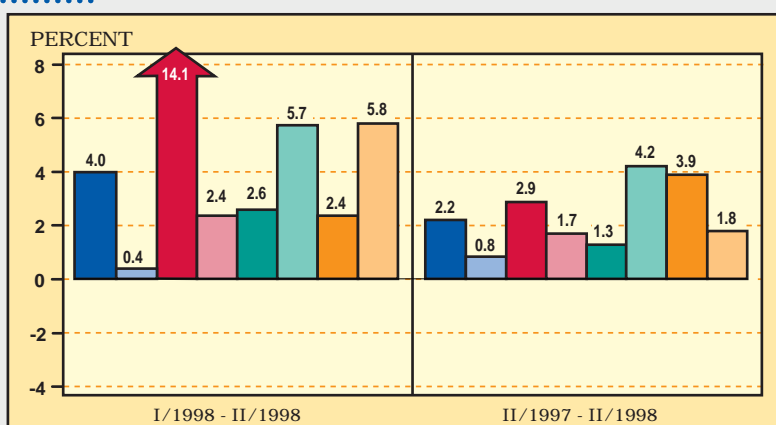
United States

	II/1998	I/1998	II/1997
Labor force (in thousands)	137,351	137,524	136,103
Total nonagricultural employment (in thousands)	125,516	124,795	122,317
Unemployment rate	4.4%	4.7%	4.9%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$4,324.3	\$4,268.4	\$4,176.3



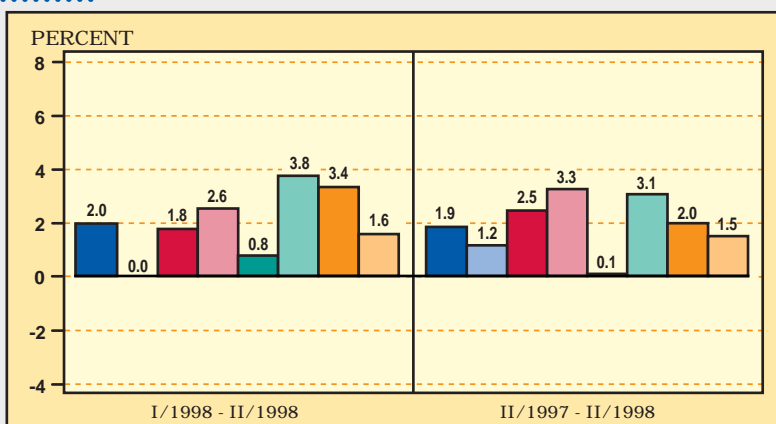
Arkansas

	II/1998	I/1998	II/1997
Labor force (in thousands)	1,246.6	1,246.2	1,198.2
Total nonagricultural employment (in thousands)	1,125.1	1,114.2	1,100.8
Unemployment rate	5.1%	5.4%	5.2%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$31.5	\$31.3	\$30.5



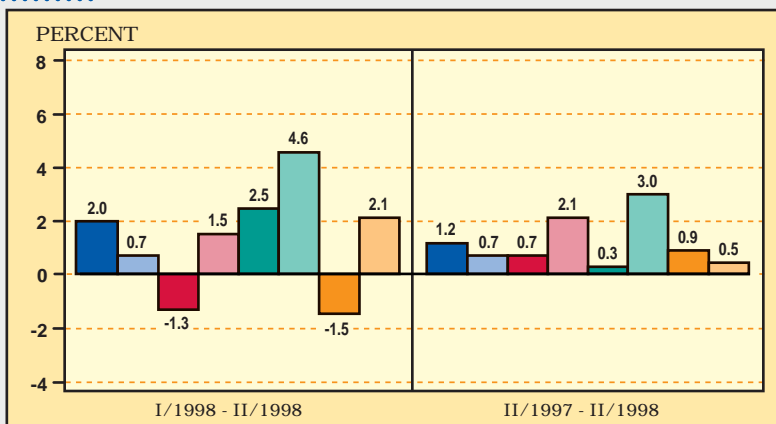
Illinois

	II/1998	I/1998	II/1997
Labor force (in thousands)	6,143.4	6,188.6	6,112.2
Total nonagricultural employment (in thousands)	5,864.7	5,835.2	5,755.0
Unemployment rate	4.2%	4.7%	4.5%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$216.3	\$213.5	\$206.4



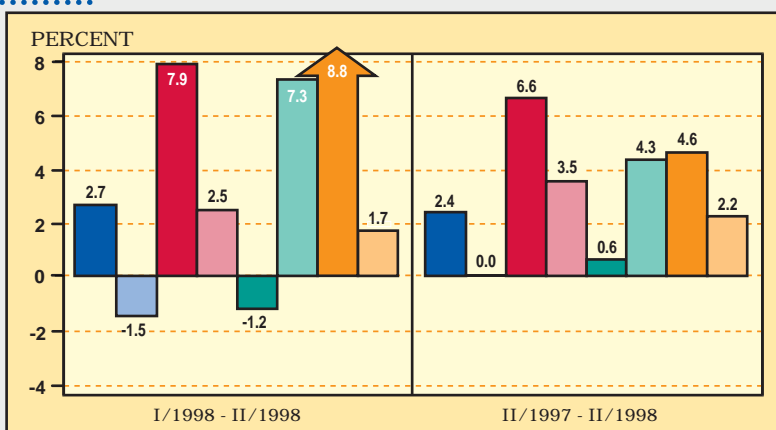
Indiana

	II/1998	I/1998	II/1997
Labor force (in thousands)	3,097.2	3,120.1	3,091.0
Total nonagricultural employment (in thousands)	2,892.0	2,877.8	2,858.0
Unemployment rate	2.8%	3.3%	3.5%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$88.5	\$87.8	\$85.5



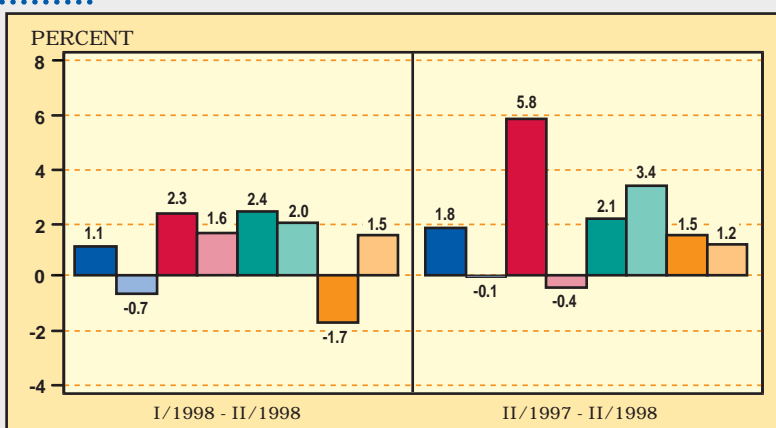
Kentucky

	II/1998	I/1998	II/1997
Labor force (in thousands)	1,940.8	1,937.8	1,926.8
Total nonagricultural employment (in thousands)	1,748.8	1,737.3	1,708.5
Unemployment rate	4.2%	4.4%	5.5%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$51.8	\$51.0	\$49.9



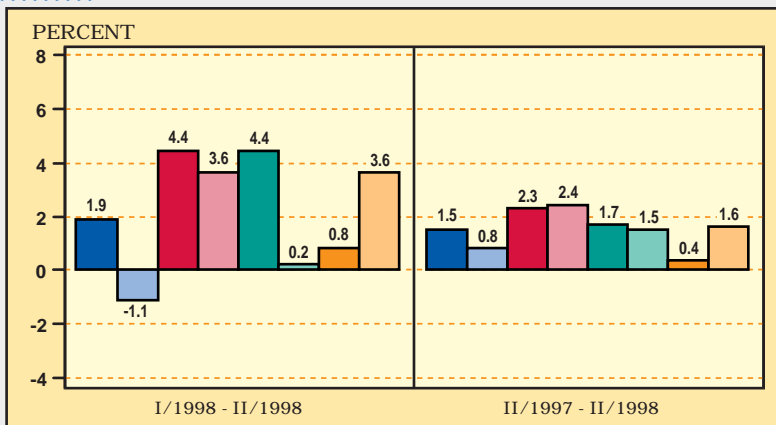
Mississippi

	II/1998	I/1998	II/1997
Labor force (in thousands)	1,279.8	1,285.4	1,257.8
Total nonagricultural employment (in thousands)	1,121.7	1,118.6	1,102.2
Unemployment rate	5.0%	5.5%	5.7%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$32.1	\$31.6	\$30.8



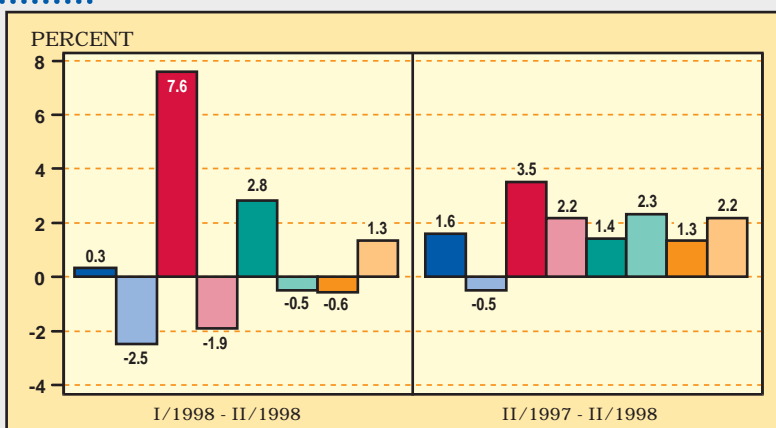
Missouri

	II/1998	I/1998	II/1997
Labor force (in thousands)	2,911.9	2,905.9	2,882.8
Total nonagricultural employment (in thousands)	2,672.1	2,659.6	2,633.6
Unemployment rate	4.4%	4.1%	4.2%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$82.5	\$81.7	\$80.1



Tennessee

	II/1998	I/1998	II/1997
Labor force (in thousands)	2,778.7	2,780.2	2,684.0
Total nonagricultural employment (in thousands)	2,622.8	2,621.0	2,582.3
Unemployment rate	4.3%	4.5%	5.5%
	I/1998	IV/1997	I/1997
Real personal income* (in billions)	\$80.0	\$78.5	\$76.2



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

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