Banking Conditions:
September 2016

Overall Conclusions

• Nationally, earnings through the third quarter 2016 are flat to 2015 levels. Key drivers for the earnings results include declining noninterest income, an increase in provision expense, and a decline in noninterest expense.

• Total problem assets continue to fall from 2015 levels, driven by a decline in noncurrent construction and land development (CLD) loans and 1-4 family residential loans, though noncurrent commercial and industrial (C&I) and agricultural (Ag) loans have increased from 2015 levels.

•Nationally, lending continued to rise, with commercial real estate (CRE) and C&I loans experiencing the largest year-over-year growth.

•Tenth District commercial banks' earnings in the third quarter of 2016 rose from 2015 levels. Key drivers for the earnings results include increasing net interest income and noninterest income, partially offset by increased provision expense.

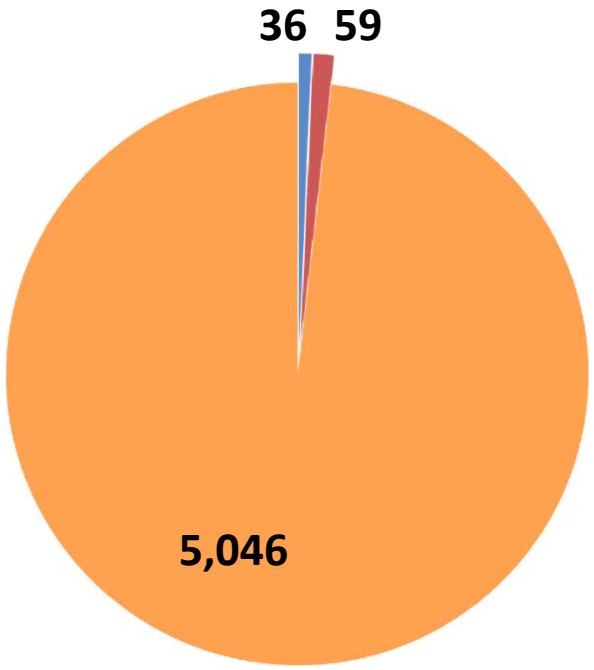
•Problem assets for District Banks remained at 2015 levels, with noncurrent C&I, Ag and consumer loans increasing from 2015 levels and noncurrent 1-4 family loans declining.

• Lending by District banks continues to rise, particularly in CRE loans.

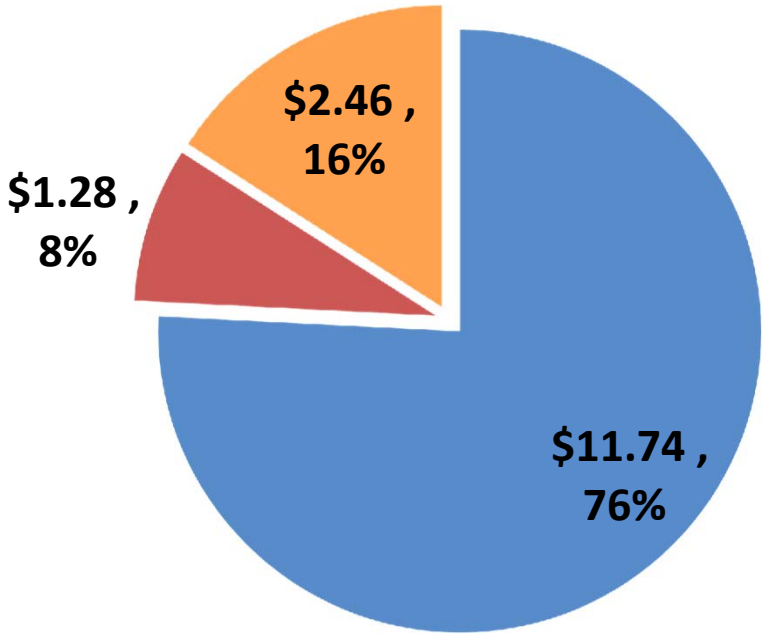
U.S. Institutions Overview

(All US Commercial Banks)

Number of Institutions



Assets - $ Trillions



Banks Over $50 Billion | Banks $10 - $50 Billion | Banks Under $10 Billion

Source: Reports of Condition and Income – September 2016

Return on Average Assets Summary

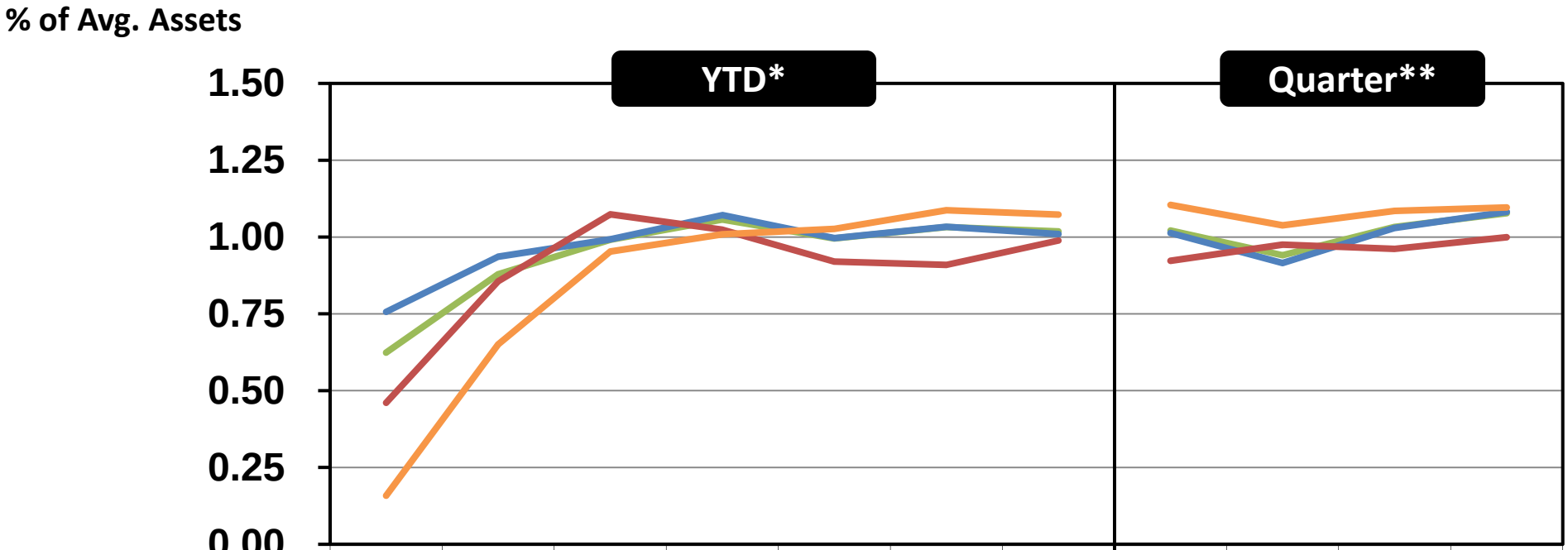
(All US Commercial Banks)

	2013	2014	2015	Sep-16	2015 - 2016 (YTD) Change
Net Interest Income	2.88	2.81	2.72	2.75	0.03
Noninterest Income	1.72	1.61	1.57	1.51	(0.07)
Total Revenue	4.60	4.42	4.30	4.26	(0.04)
Provisions	0.21	0.18	0.22	0.27	0.06
Noninterest Expense	2.89	2.82	2.63	2.54	(0.09)
Total Expenses	3.09	3.00	2.85	2.81	(0.04)
Pre-tax operating income	1.51	1.42	1.45	1.45	(0.00)
Net Income	1.06	1.00	1.03	1.02	(0.01)

Note: Income Statement items as a percentage of average assets - Annualized
Source: Reports of Condition and Income

Return on Average Assets

(All US Commercial Banks)



	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	0.62	0.88	0.99	1.06	1.00	1.03	1.02	1.02	0.94	1.03	1.08
Banks Over $50B	0.76	0.94	0.99	1.07	1.00	1.03	1.01	1.01	0.92	1.03	1.08
Banks $10 - $50B	0.46	0.86	1.07	1.02	0.92	0.91	0.99	0.92	0.98	0.96	1.00
Banks Under $10B	0.16	0.65	0.95	1.01	1.03	1.09	1.07	1.10	1.04	1.09	1.10

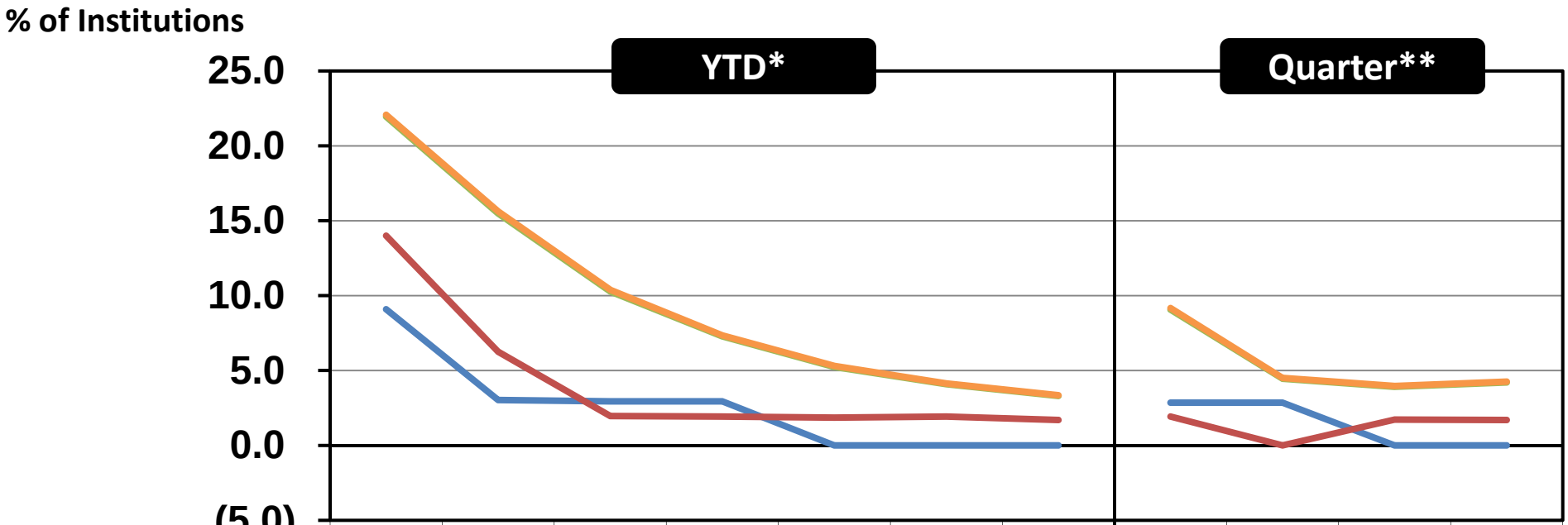
* YTD = Net Income (YTD), as a percentage of average assets - Annualized

** Quarter = Net Income (Quarter), as a percentage of average assets (Quarter) - Annualized

Source: Reports of Condition and Income

Institutions Experiencing a Loss

(All US Commercial Banks)



	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	21.95	15.48	10.27	7.27	5.24	4.09	3.31	9.06	4.45	3.92	4.20
Banks Over $50B	9.09	3.03	2.94	2.94	0.00	0.00	0.00	2.86	2.86	0.00	0.00
Banks $10 - $50B	14.00	6.25	1.96	1.92	1.85	1.92	1.69	1.92	0.00	1.72	1.69
Banks Under $10B	22.08	15.62	10.38	7.35	5.30	4.14	3.35	9.17	4.51	3.97	4.26

* YTD = Percentage of banks with negative net income (YTD)

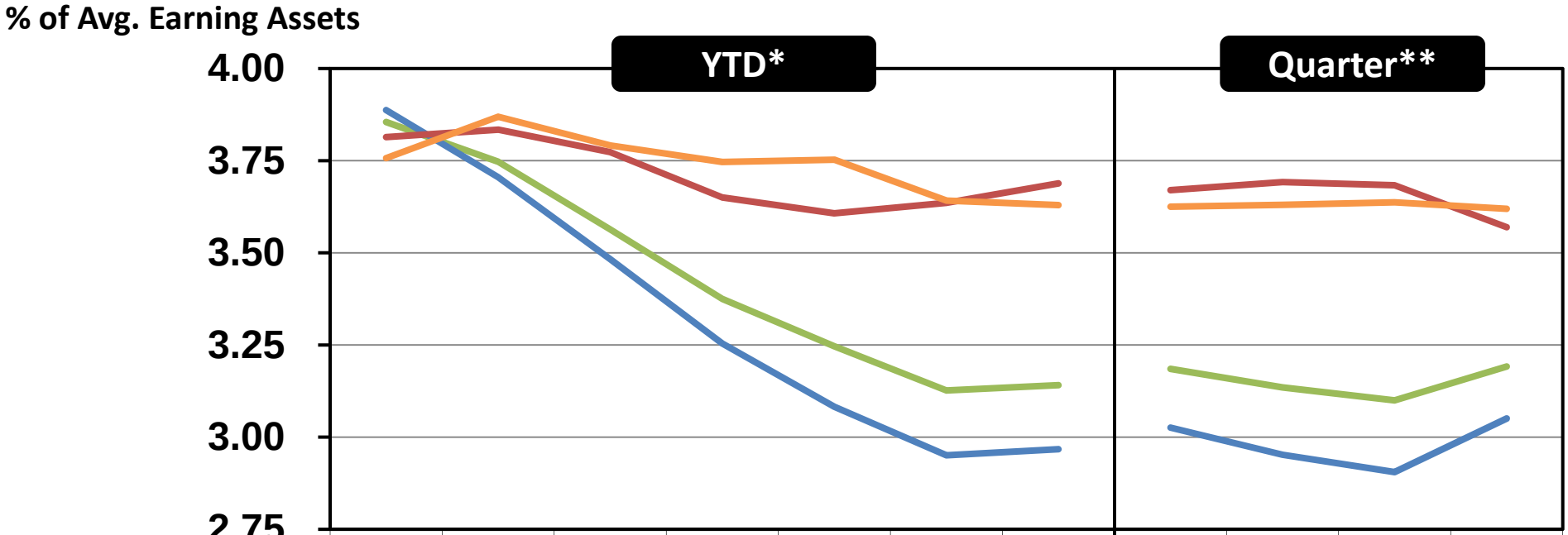
** Quarter = Percentage of banks with negative net income (Quarter)

Note: The All Banks line virtually duplicates Banks Under $10B and so is not visible.

Source: Reports of Condition and Income

Net Interest Margin

(All US Commercial Banks)

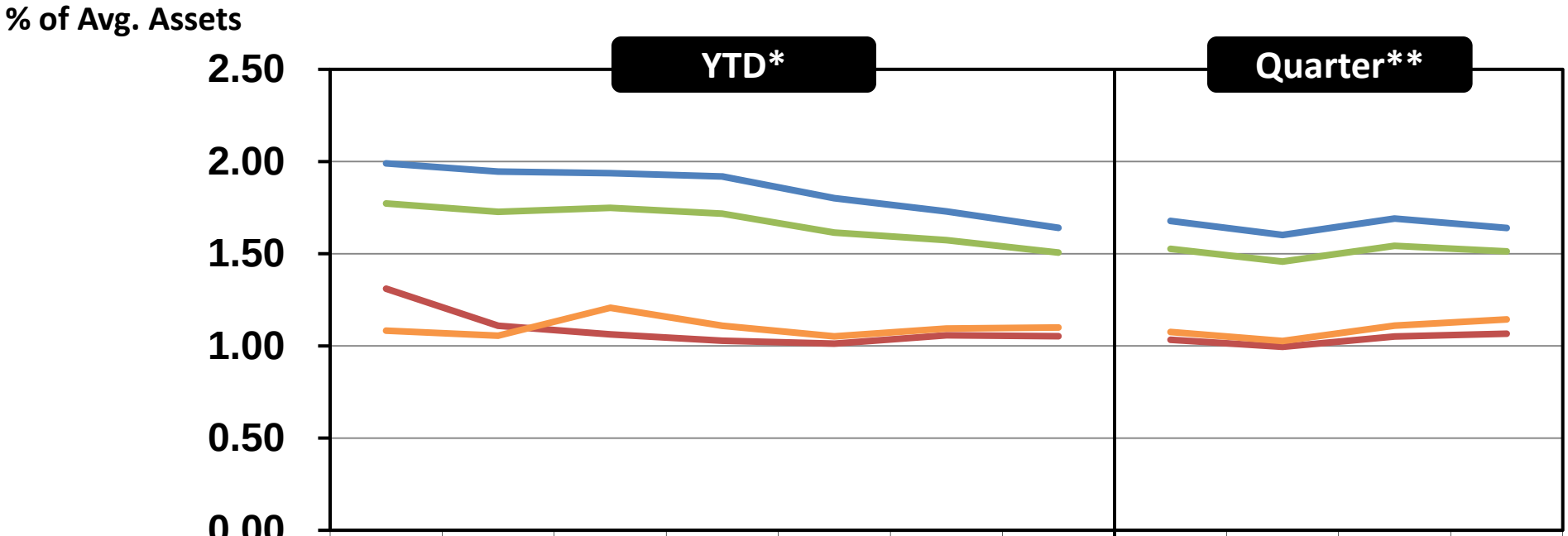


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	3.86	3.75	3.56	3.37	3.25	3.13	3.14	3.19	3.13	3.10	3.19
Banks Over $50B	3.89	3.71	3.48	3.25	3.08	2.95	2.97	3.03	2.95	2.91	3.05
Banks $10 - $50B	3.81	3.83	3.77	3.65	3.61	3.64	3.69	3.67	3.69	3.68	3.57
Banks Under $10B	3.76	3.87	3.79	3.75	3.75	3.64	3.63	3.63	3.63	3.64	3.62

* YTD = Interest Income Net of Interest Expense (YTD), as a percentage of average earning assets - Annualized
** Quarter = Interest Income Net of Interest Expense (Quarter), as a percentage of average earning assets (Quarter) - Annualized
Source: Reports of Condition and Income

Noninterest Income

(All US Commercial Banks)

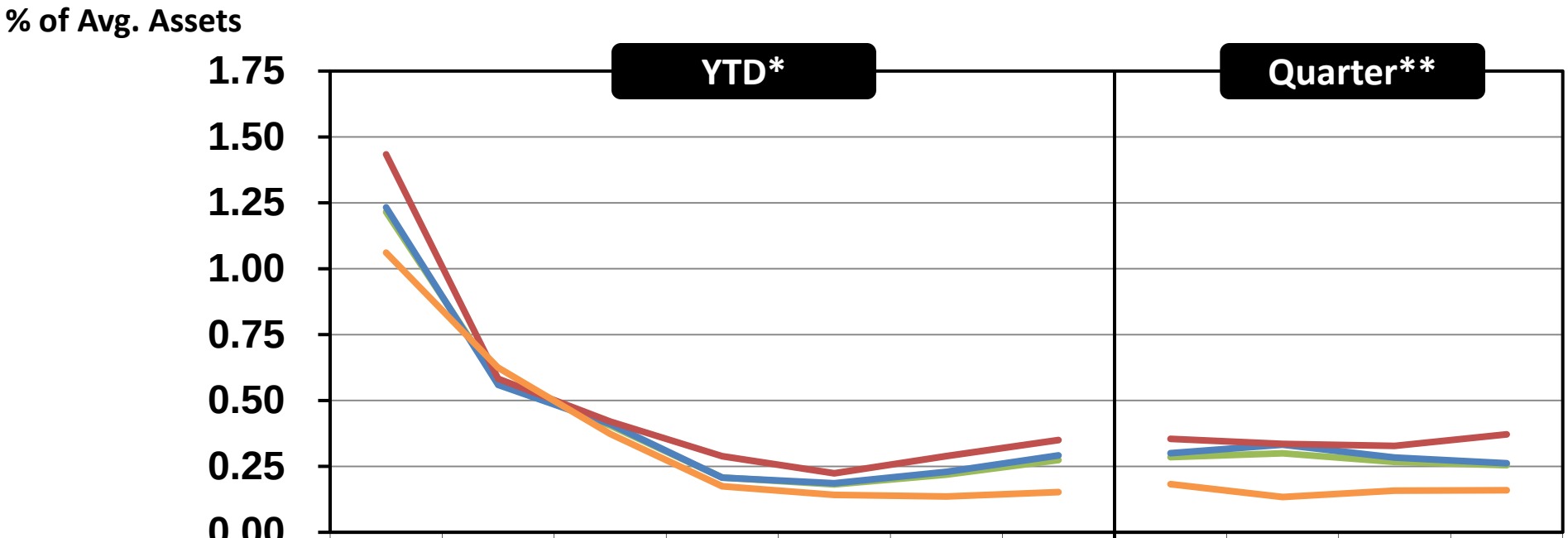


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	1.77	1.73	1.75	1.72	1.61	1.57	1.51	1.53	1.46	1.54	1.51
Banks Over $50B	1.99	1.95	1.94	1.92	1.80	1.73	1.64	1.68	1.60	1.69	1.64
Banks $10 - $50B	1.31	1.11	1.06	1.03	1.01	1.06	1.05	1.03	1.00	1.05	1.07
Banks Under $10B	1.08	1.06	1.21	1.11	1.05	1.09	1.10	1.08	1.03	1.11	1.14

* YTD = Noninterest Income (YTD), as a percentage of average assets - Annualized
** Quarter = Noninterest Income (Quarter), as a percentage of average assets (Quarter) - Annualized
Source: Reports of Condition and Income

Loan Loss Provisions

(All US Commercial Banks)

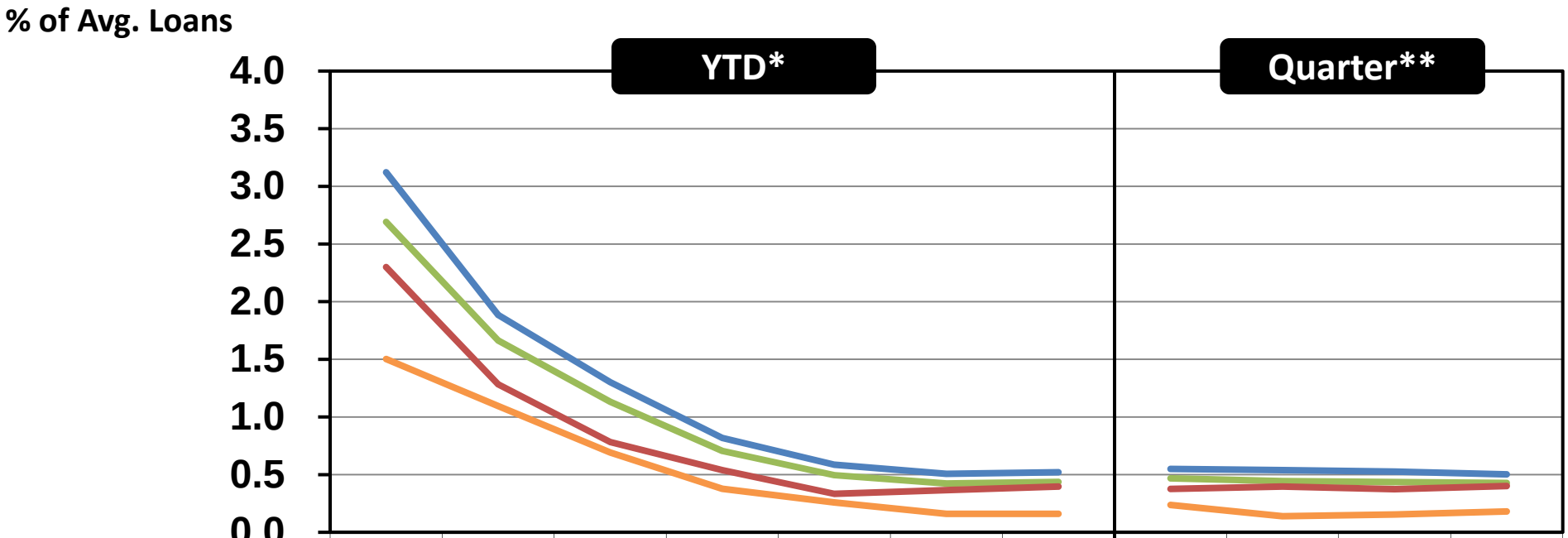


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	1.22	0.57	0.40	0.21	0.18	0.22	0.27	0.28	0.30	0.27	0.25
Banks Over $50B	1.23	0.56	0.41	0.21	0.19	0.23	0.29	0.30	0.33	0.28	0.26
Banks $10 - $50B	1.43	0.58	0.42	0.29	0.22	0.29	0.35	0.35	0.34	0.33	0.37
Banks Under $10B	1.06	0.62	0.37	0.17	0.14	0.14	0.15	0.18	0.13	0.16	0.16

* YTD = Loan Loss Provision Expense (YTD), as a percentage of average assets - Annualized
** Quarter = Loan Loss Provision Expense (Quarter), as a percentage of average assets (Quarter) - Annualized
Source: Reports of Condition and Income

Net Charge-Offs

(All US Commercial Banks)

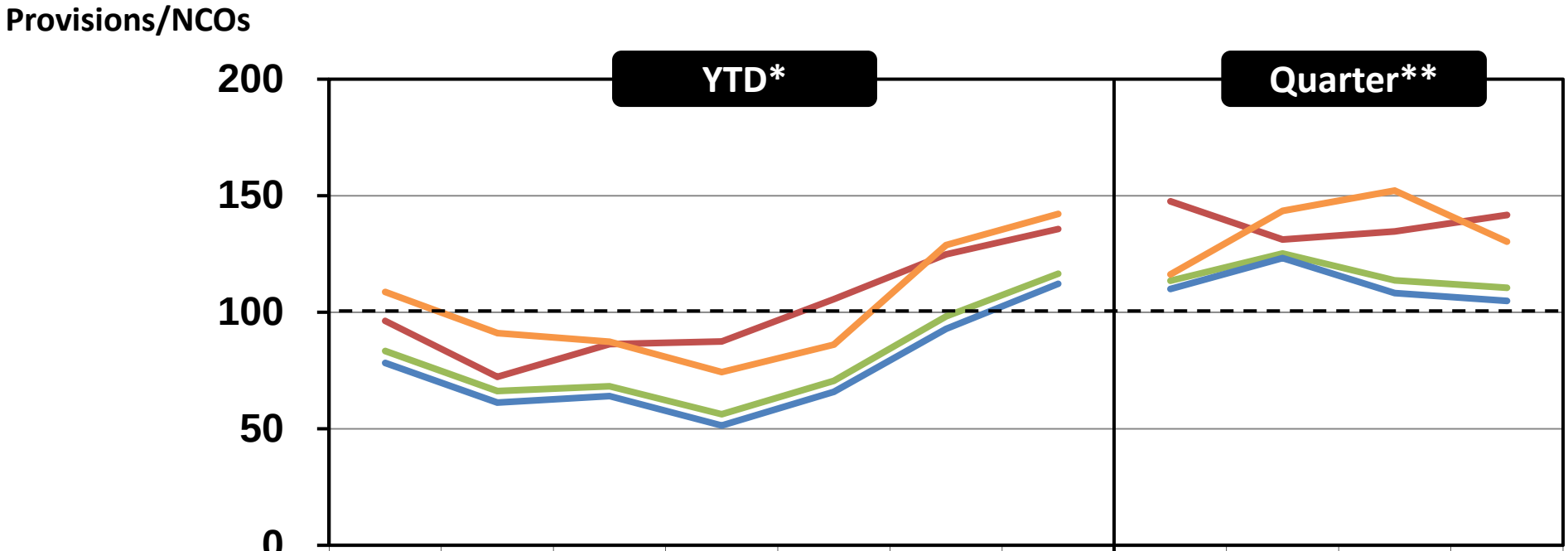


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	2.69	1.66	1.13	0.71	0.50	0.42	0.44	0.47	0.44	0.44	0.43
Banks Over $50B	3.12	1.88	1.30	0.82	0.59	0.51	0.52	0.55	0.54	0.53	0.50
Banks $10 - $50B	2.30	1.28	0.78	0.54	0.33	0.37	0.40	0.38	0.40	0.37	0.40
Banks Under $10B	1.50	1.10	0.69	0.38	0.26	0.16	0.16	0.24	0.14	0.15	0.18

* YTD = Net Charge-Offs (YTD) as a percentage of average loans - Annualized
** Quarter = Net Charge-Offs (Quarter) as a percentage of average loans (Quarter) - Annualized
Source: Reports of Condition and Income

Loan Loss Provisions to Net Charge-Offs

(All US Commercial Banks)

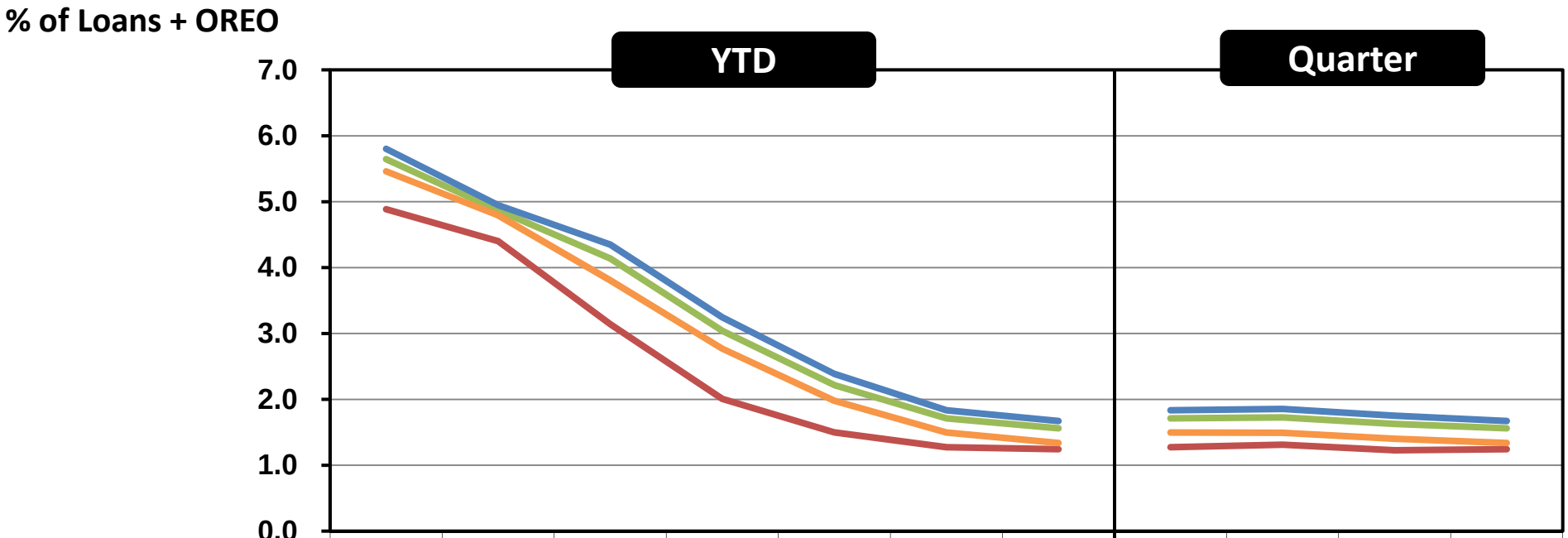


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	83.3	66.2	68.2	56.2	70.6	98.2	116.5	113.5	125.3	113.7	110.5
Banks Over $50B	78.2	61.2	64.0	51.4	65.9	92.9	112.2	110.0	123.3	108.2	104.8
Banks $10 - $50B	96.3	72.3	86.3	87.4	105.6	124.8	135.7	147.6	131.2	134.7	141.7
Banks Under $10B	108.7	91.0	87.3	74.3	86.1	128.8	142.2	116.3	143.5	152.2	130.3

* YTD = Loan Loss Provision Expense (YTD), as a percentage of Net Charge-Offs (YTD)
** Quarter = Loan Loss Provision Expense (Quarter), as a percentage of Net Charge-Offs (Quarter)
Source: Reports of Condition and Income

Problem Assets

(All US Commercial Banks)

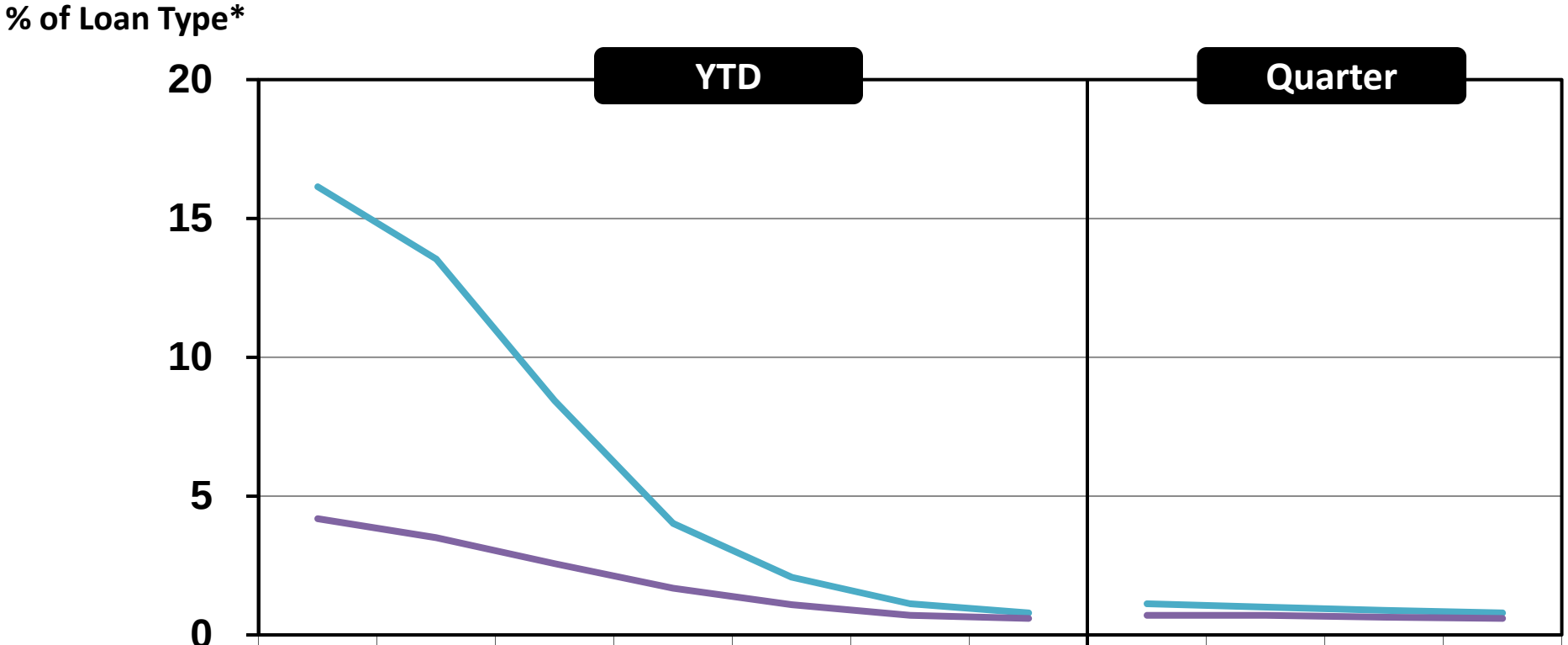


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	5.65	4.87	4.14	3.04	2.22	1.71	1.56	1.71	1.73	1.63	1.56
Banks Over $50B	5.80	4.95	4.35	3.25	2.39	1.84	1.67	1.84	1.85	1.75	1.67
Banks $10 - $50B	4.89	4.40	3.14	2.01	1.50	1.27	1.24	1.27	1.31	1.23	1.24
Banks Under $10B	5.46	4.79	3.81	2.77	1.98	1.50	1.34	1.50	1.49	1.40	1.34

Note: Loans 90+ days past due + nonaccrual loans + other real estate owned (OREO) as a percentage of total loans + OREO
Source: Reports of Condition and Income

Noncurrent CLD and CRE Loans

(All US Commercial Banks)



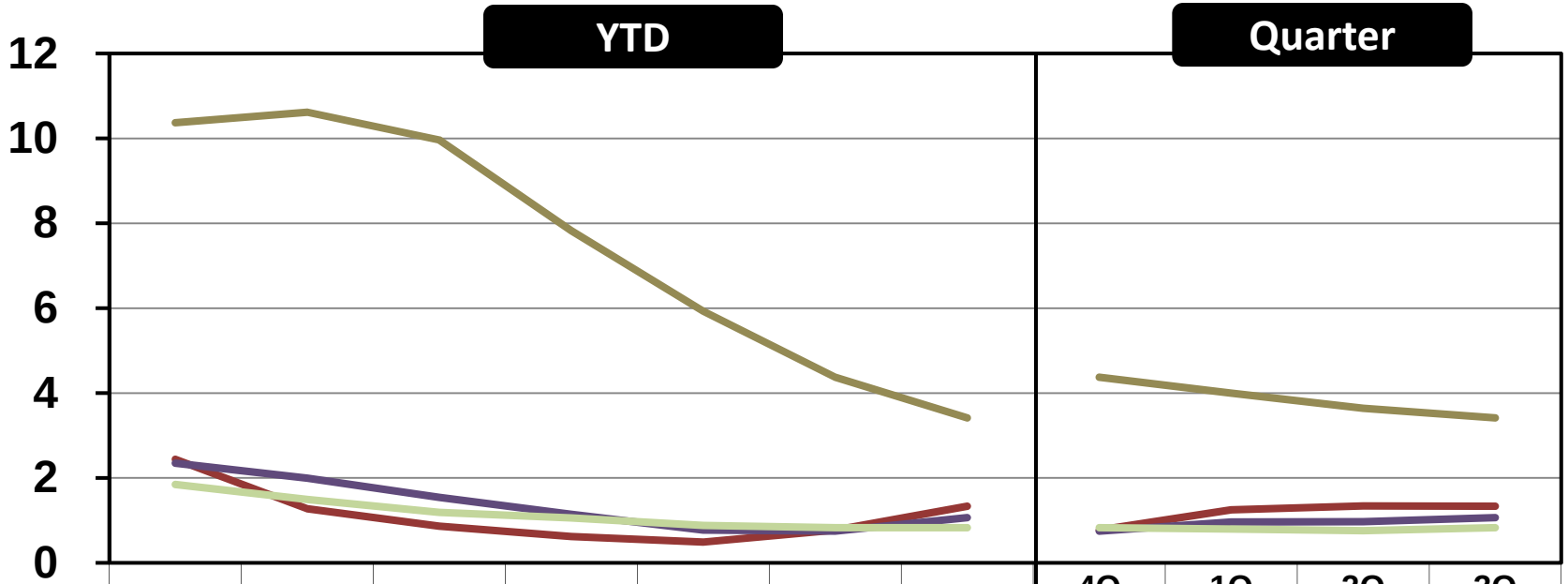
	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
CLD	16.14	13.54	8.44	4.02	2.08	1.12	0.79	1.12	1.00	0.89	0.79
Other CRE	4.19	3.50	2.57	1.68	1.09	0.71	0.60	0.71	0.71	0.64	0.60

* Noncurrent Loans to Loans - By Loan Category
Note: Noncurrent includes loans 90+ days past due or on nonaccrual
Source: Reports of Condition and Income

Noncurrent Loans by Other Loan Types

(All US Commercial Banks)

% of Loan Type*

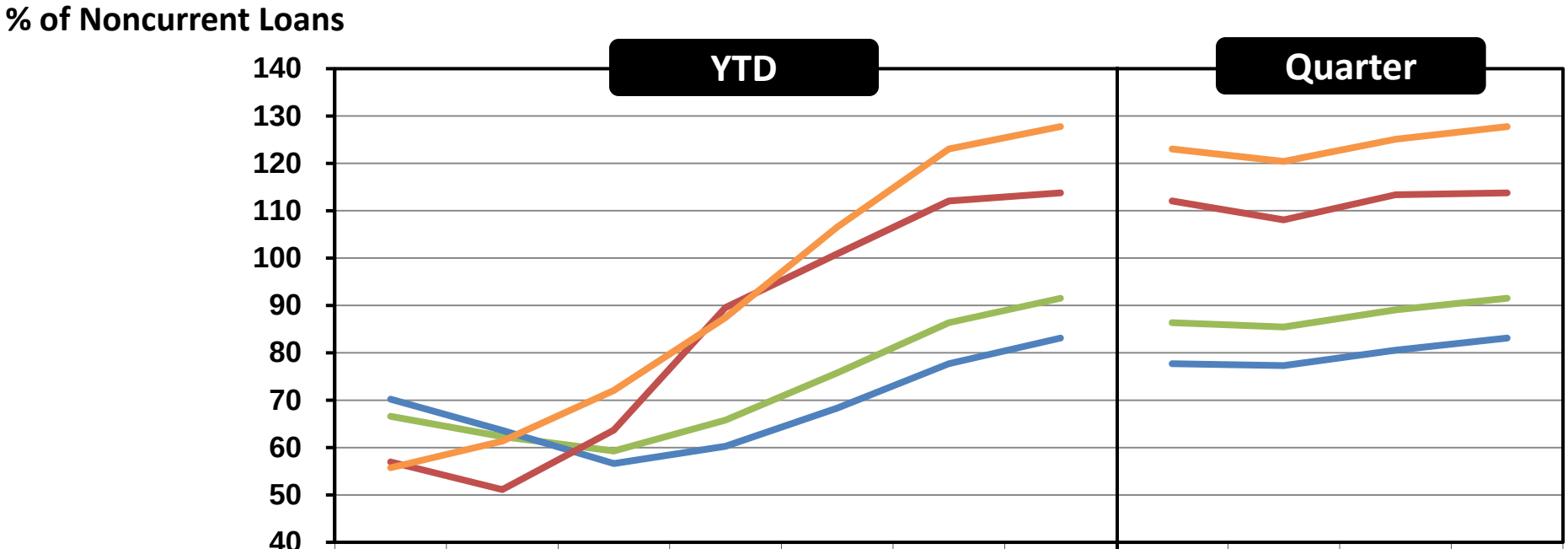


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
1-4 Family	10.37	10.62	9.97	7.83	5.93	4.37	3.41	4.37	4.00	3.64	3.41
C&I	2.44	1.27	0.86	0.62	0.49	0.77	1.33	0.77	1.25	1.34	1.33
Ag	2.35	1.99	1.54	1.14	0.77	0.75	1.06	0.75	0.96	0.97	1.06
Consumer	1.85	1.49	1.19	1.06	0.88	0.83	0.83	0.83	0.80	0.76	0.83

* Noncurrent Loans to Loans - By Loan Category
Note: Noncurrent includes loans 90+ days past due or on nonaccrual
Source: Reports of Condition and Income

Coverage Ratio

(All US Commercial Banks)

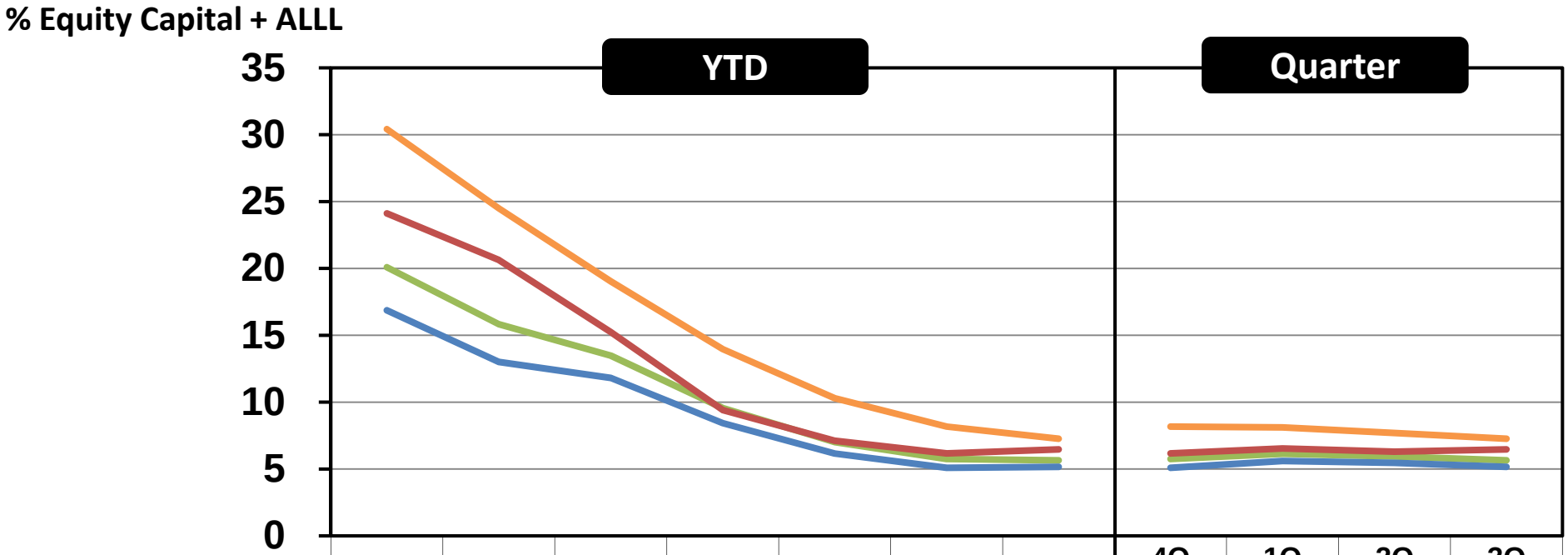


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	66.6	62.3	59.3	65.8	75.8	86.4	91.5	86.4	85.5	89.1	91.5
Banks Over $50B	70.2	63.6	56.6	60.3	68.3	77.7	83.1	77.7	77.3	80.6	83.1
Banks $10 - $50B	57.0	51.1	63.7	89.5	100.9	112.1	113.8	112.1	108.1	113.4	113.8
Banks Under $10B	55.7	61.4	72.1	87.4	106.5	123.0	127.8	123.0	120.4	125.1	127.8

Note: Loan loss reserves to loans 90+ days past due or in nonaccrual
Source: Reports of Condition and Income

Texas Ratio

(All US Commercial Banks)



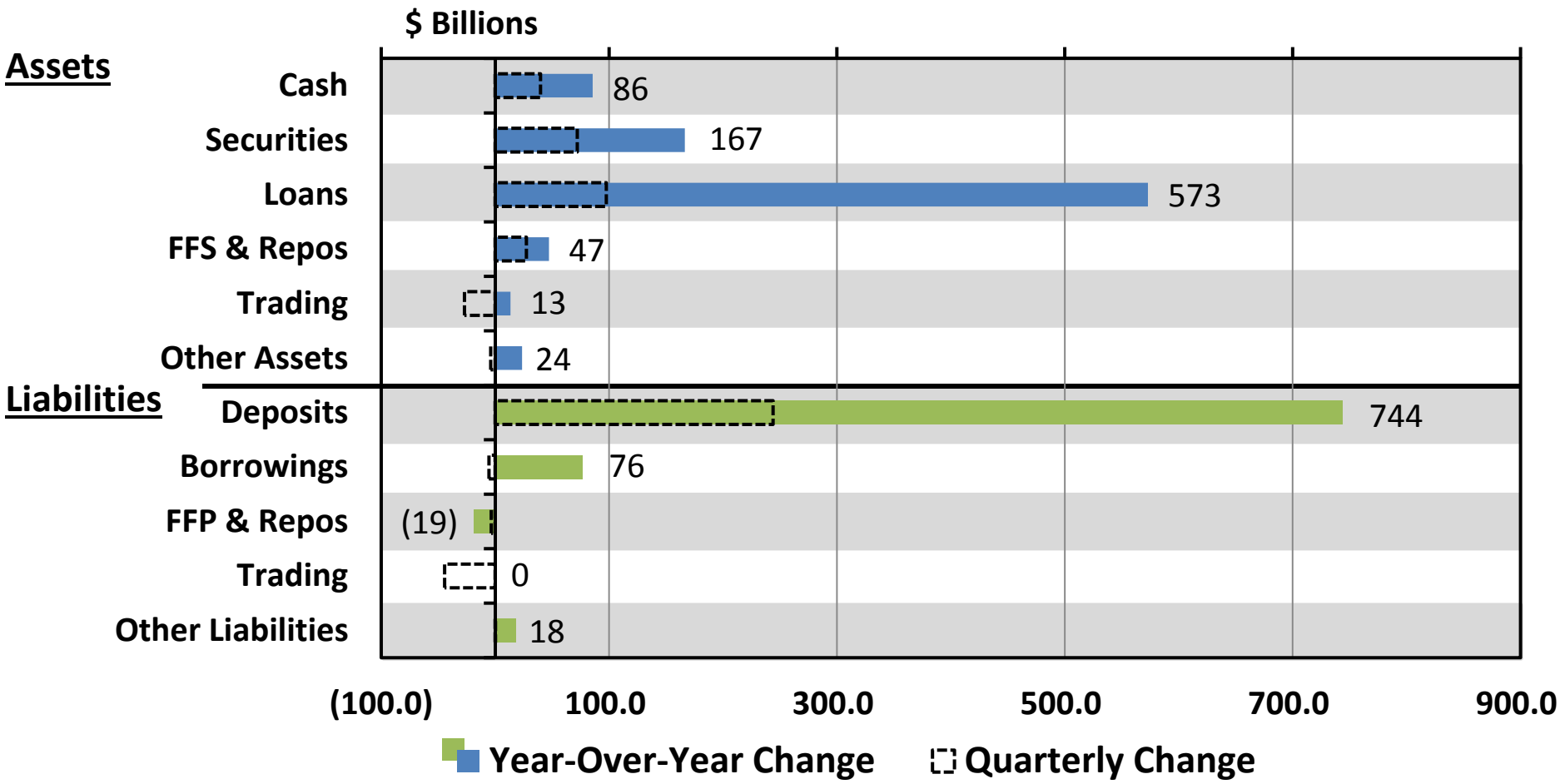
	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	20.1	15.8	13.5	9.6	7.0	5.7	5.6	5.7	6.1	5.9	5.6
Banks Over $50B	16.9	13.0	11.8	8.4	6.2	5.1	5.2	5.1	5.6	5.5	5.2
Banks $10 - $50B	24.1	20.6	15.2	9.4	7.1	6.2	6.5	6.2	6.5	6.3	6.5
Banks Under $10B	30.4	24.5	19.0	14.0	10.3	8.2	7.3	8.2	8.1	7.7	7.3

Note: Restructured loans, nonaccrual loans, and OREO to equity capital and allowance for loan and lease losses (ALLL)
Source: Reports of Condition and Income

Balance Sheet Shifts

Change From September 2015 to September 2016

(All US Commercial Banks)

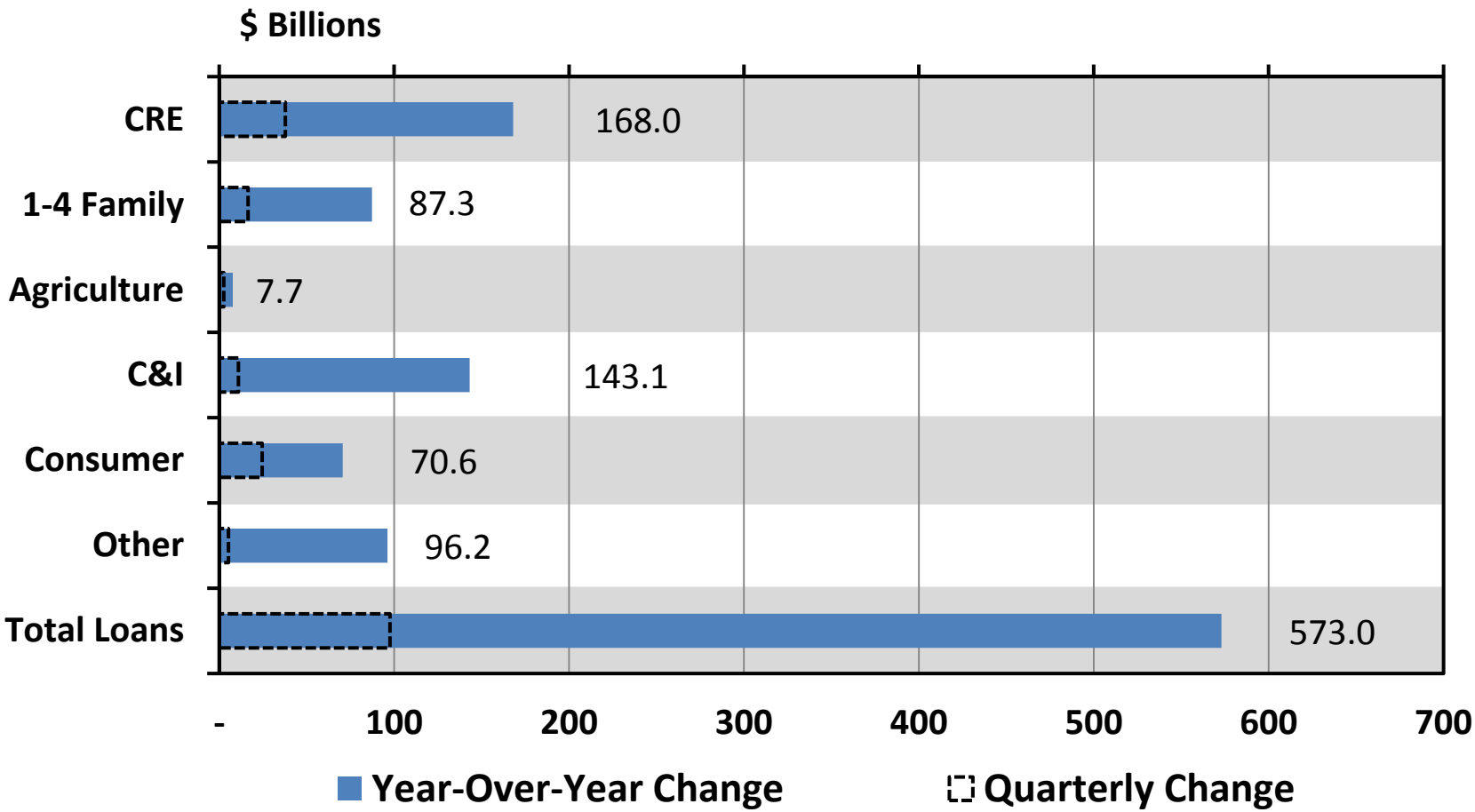


Source: Reports of Condition and Income

Loan Portfolio Composition

Change From September 2015 to September 2016

(All US Commercial Banks)

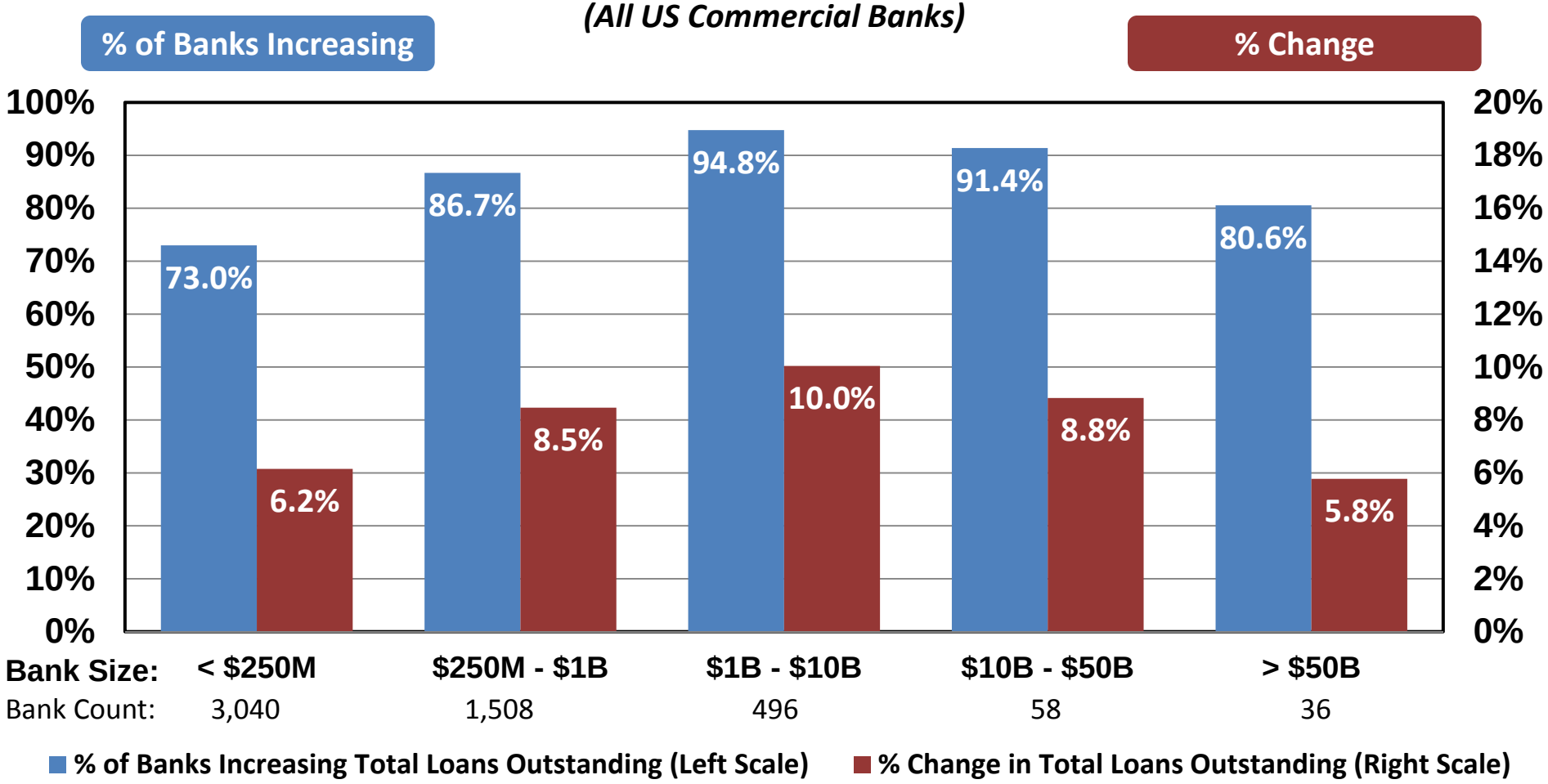


Source: Reports of Condition and Income

Change in Total Loans Outstanding

(September 2015 – September 2016)

(All US Commercial Banks)



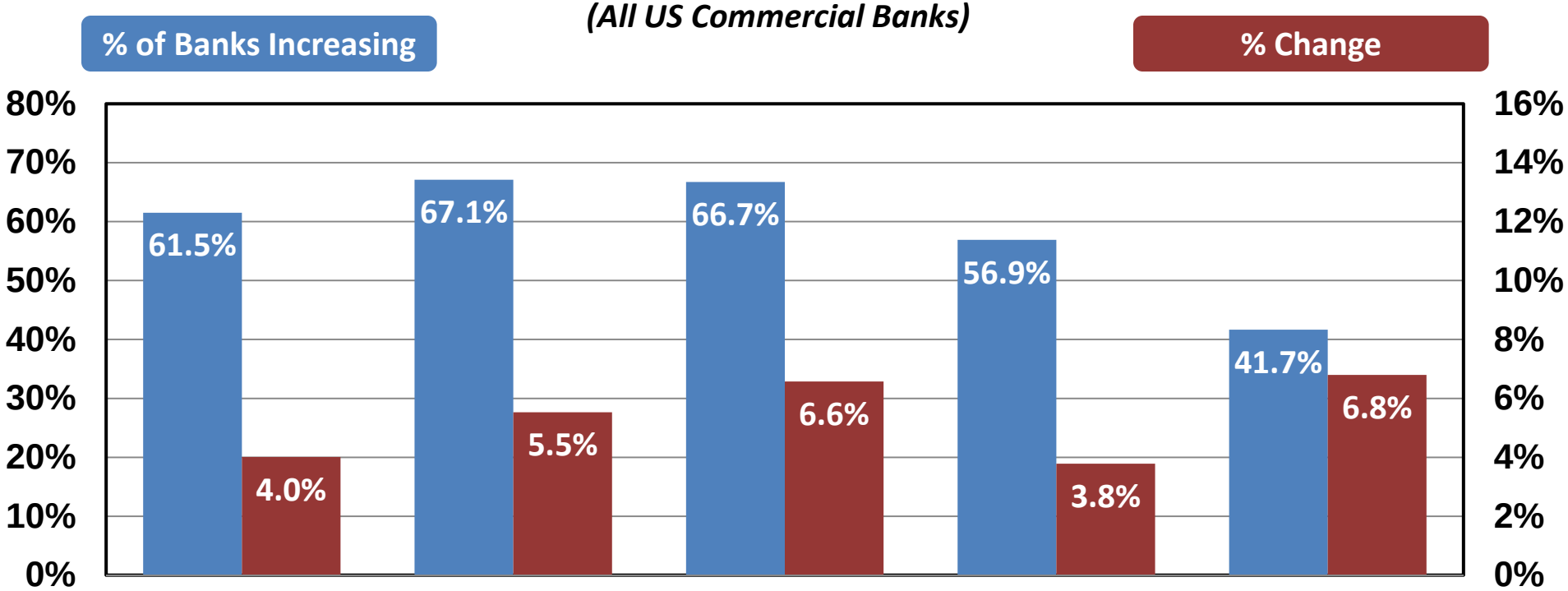
Notes: 1) The pool of banks within each size grouping was adjusted to eliminate distortions from acquisitions, including failed banks; 2) Loans are defined as net loans outstanding.

Source: Reports of Condition and Income

Change in Small Dollar Loans Outstanding

(September 2015 – September 2016)

(All US Commercial Banks)



Bank Size:	< $250M	$250M - $1B	$1B - $10B	$10B - $50B	> $50B
Bank Count:	3,040	1,508	496	58	36

■ % of Banks Increasing SD Loans Outstanding (Left Scale) ■ % Change in SD Loans Outstanding (Right Scale)

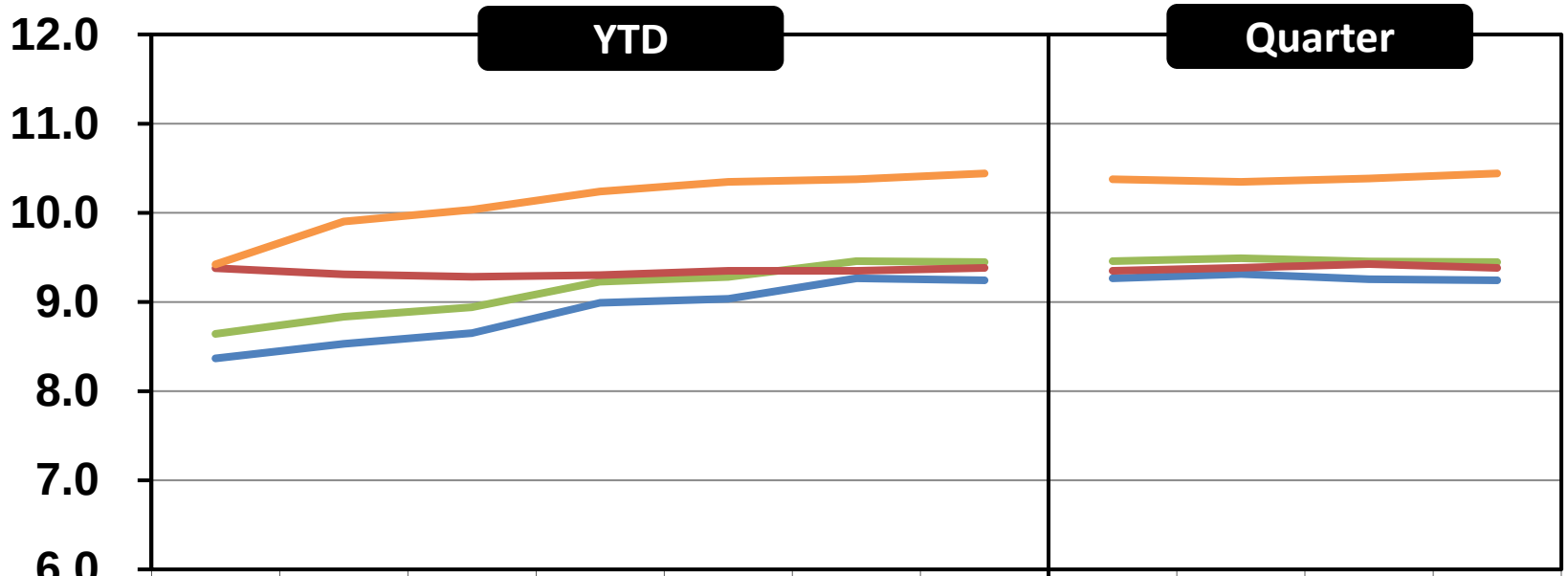
Notes: 1) The pool of banks within each size grouping was adjusted to eliminate distortions from acquisitions, including failed banks; 2) small business lending is defined as net small dollar loans outstanding in the categories of (a) commercial and industrial loans (less than $1 million), (b) owner-occupied nonfarm, nonresidential real estate loans (less then $1 million), and (c) loans to finance agricultural production, loans secured by farmland, and other loans to farmers (less than $ 500 thousand).

Source: Reports of Condition and Income

Leverage Ratio

(All US Commercial Banks)

% of Assets*



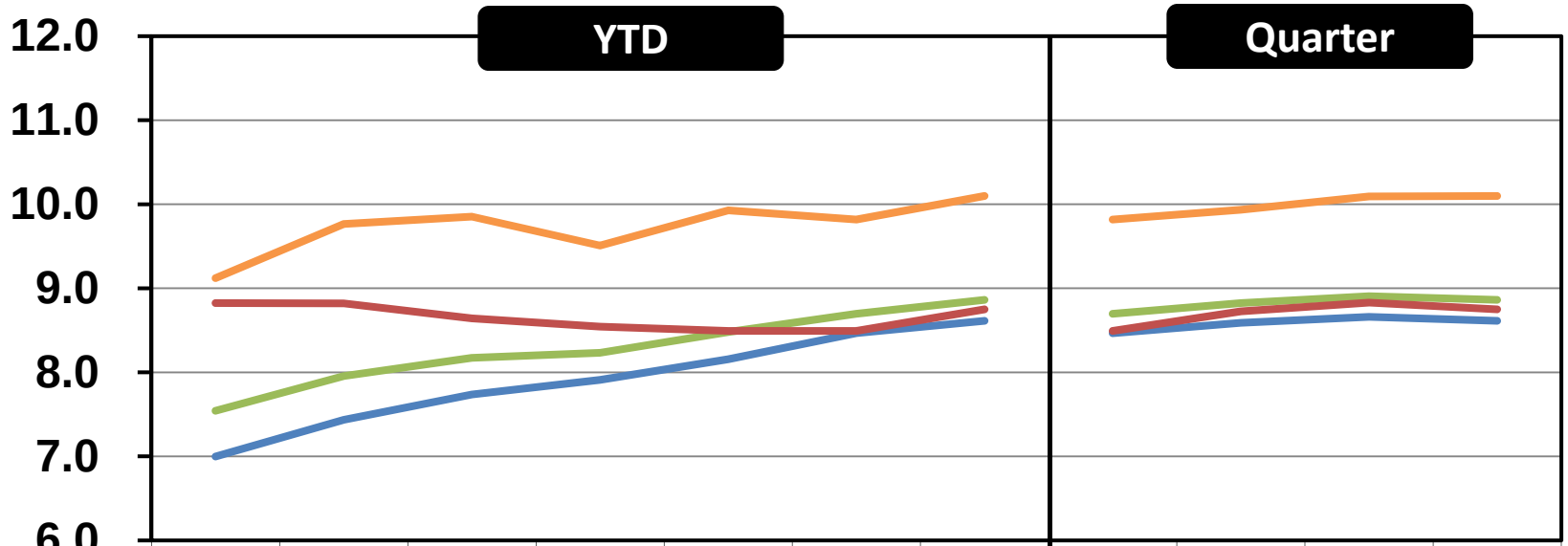
	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	8.64	8.83	8.94	9.23	9.28	9.46	9.45	9.46	9.49	9.45	9.45
Banks Over $50B	8.37	8.53	8.65	8.99	9.04	9.27	9.24	9.27	9.31	9.26	9.24
Banks $10 - $50B	9.38	9.31	9.28	9.30	9.35	9.35	9.38	9.35	9.38	9.42	9.38
Banks Under $10B	9.42	9.90	10.03	10.24	10.35	10.38	10.44	10.38	10.35	10.39	10.44

* Tier 1 capital to assets for leverage capital purposes (Quarter) – the "Leverage Ratio"
Source: Reports of Condition and Income

Tangible Equity Ratio

(All US Commercial Banks)

% of Assets*



	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All Banks	7.54	7.95	8.17	8.23	8.48	8.70	8.86	8.70	8.82	8.91	8.86
Banks Over $50B	7.00	7.43	7.74	7.91	8.16	8.47	8.61	8.47	8.59	8.66	8.61
Banks $10 - $50B	8.82	8.82	8.64	8.54	8.49	8.49	8.75	8.49	8.73	8.83	8.75
Banks Under $10B	9.12	9.77	9.85	9.51	9.93	9.82	10.10	9.82	9.93	10.09	10.10

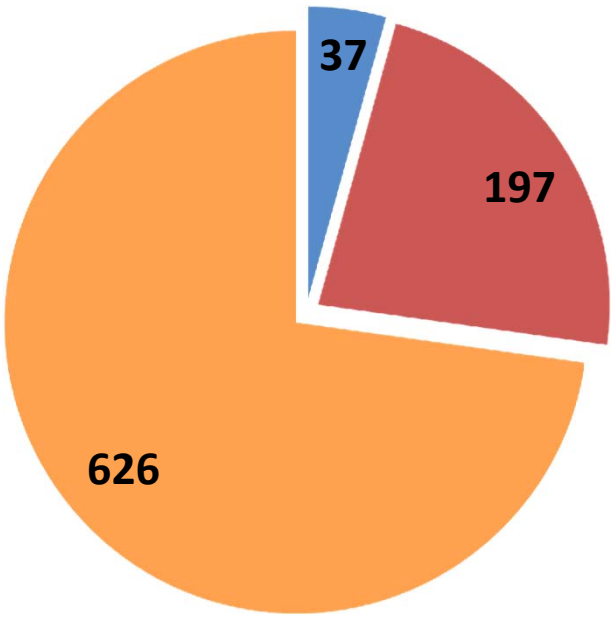
* Total equity capital less goodwill, other intangible assets, and net deferred tax assets as a percentage of total assets less goodwill, other intangible assets, and net deferred tax assets

Source: Reports of Condition and Income

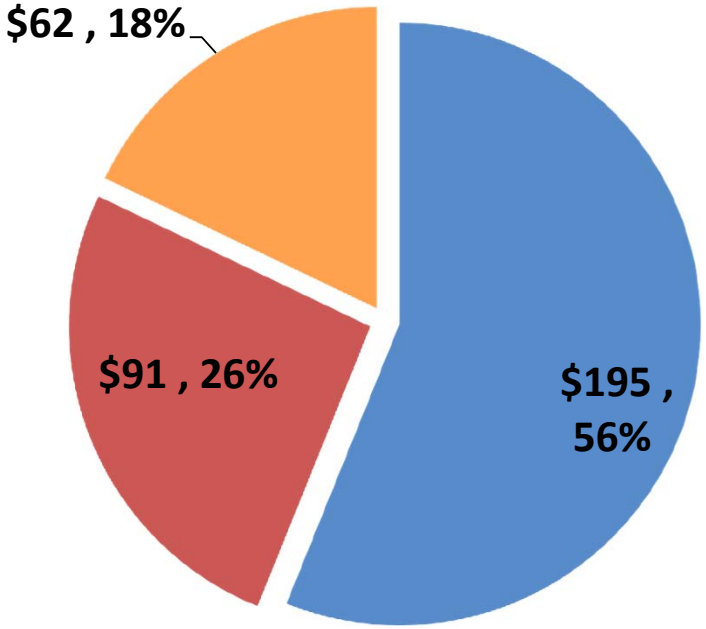
Tenth District Institutions Overview

(Tenth District Commercial Banks)

Number of Institutions



Assets - $ Billions



Banks Over $1 Billion | Banks $250 Million - $1 Billion | Banks Under $250 Million

Source: Reports of Condition and Income – September 2016

Return on Average Assets Summary

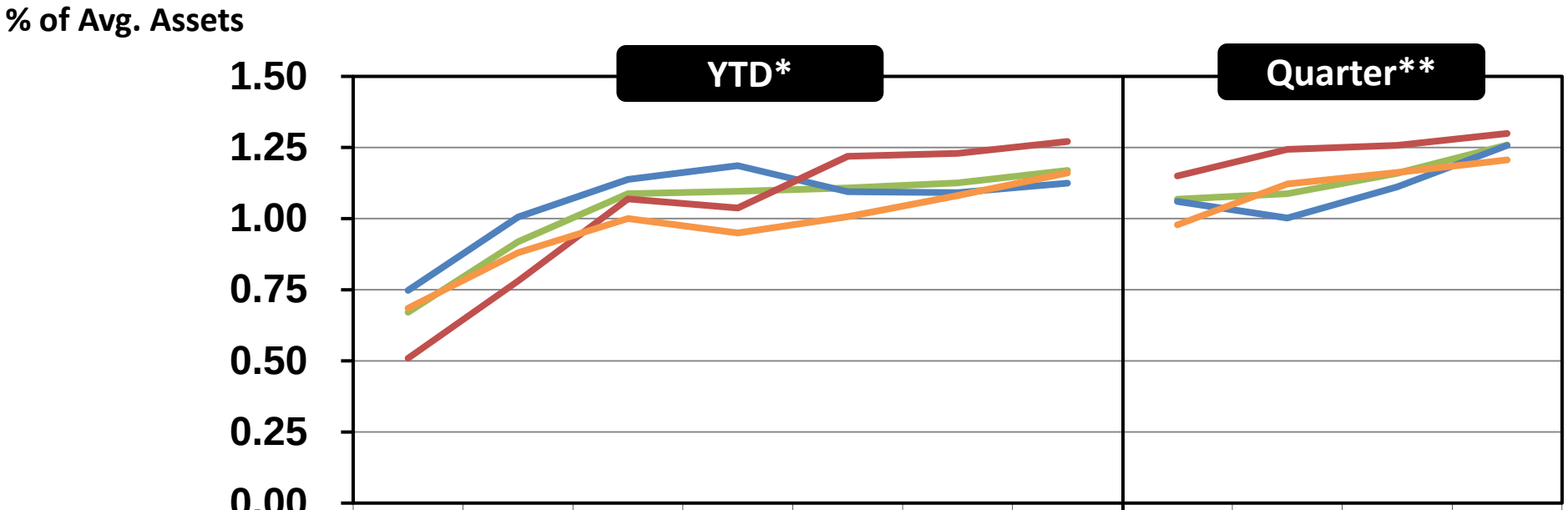
(Tenth District Commercial Banks)

	2013	2014	2015	Sep-16	2015 - 2016 (YTD) Change
Net Interest Income	3.31	3.34	3.36	3.41	0.06
Noninterest Income	1.40	1.35	1.36	1.41	0.05
Total Revenue	4.71	4.69	4.72	4.82	0.11
Provisions	0.15	0.15	0.18	0.25	0.07
Noninterest Expense	3.23	3.17	3.15	3.14	(0.01)
Total Expenses	3.38	3.33	3.33	3.39	0.06
Pre-tax operating income	1.33	1.37	1.39	1.43	0.04
Net Income	1.10	1.11	1.13	1.17	0.04

Note: Income Statement items as a percentage of average assets
Source: Reports of Condition and Income

Return on Average Assets for District Banks

(Tenth District Commercial Banks)

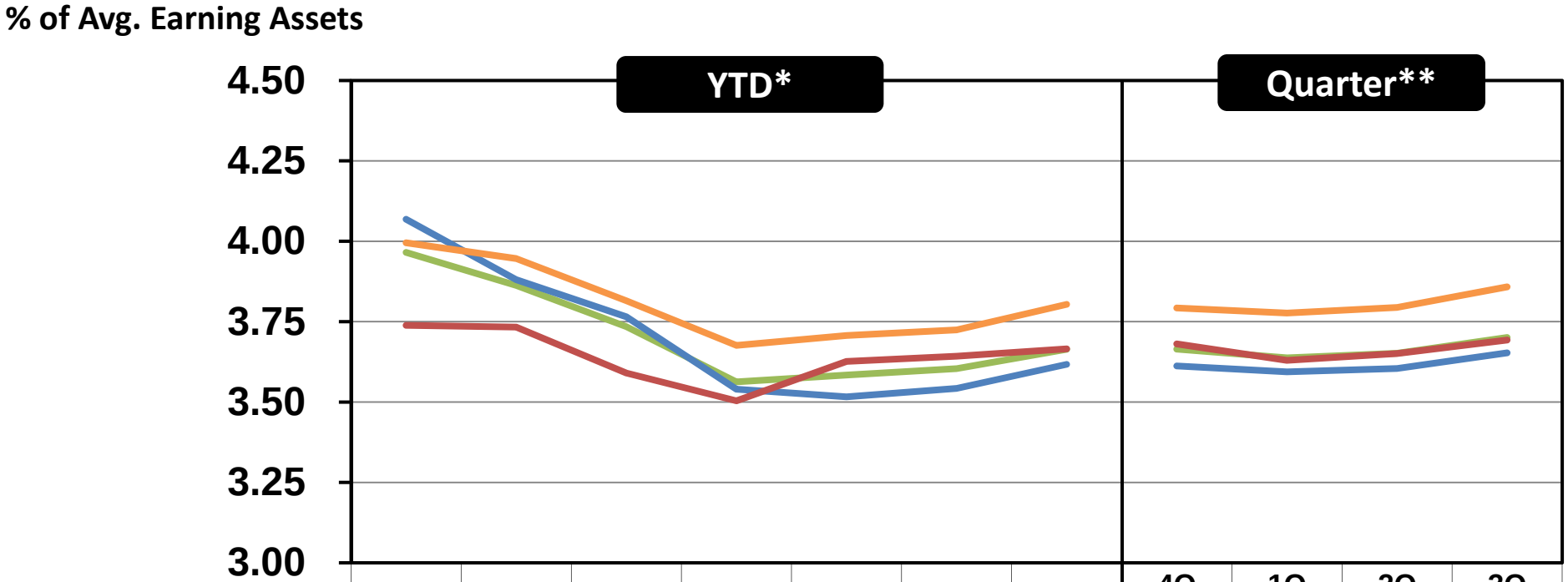


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	0.67	0.92	1.09	1.10	1.11	1.13	1.17	1.07	1.09	1.16	1.26
Banks Over $1B	0.75	1.01	1.14	1.19	1.09	1.09	1.12	1.06	1.00	1.11	1.26
Banks $250M - $1B	0.51	0.78	1.07	1.04	1.22	1.23	1.27	1.15	1.24	1.26	1.30
Banks Under $250M	0.69	0.88	1.00	0.95	1.01	1.08	1.16	0.98	1.12	1.16	1.21

* YTD = Net Income (YTD), as a percentage of average assets - Annualized
** Quarter = Net Income (Quarter), as a percentage of average assets (Quarter) - Annualized
Source: Reports of Condition and Income

Net Interest Margin

(Tenth District Commercial Banks)



	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	3.97	3.86	3.73	3.56	3.58	3.60	3.66	3.66	3.64	3.65	3.70
Banks Over $1B	4.07	3.88	3.77	3.54	3.52	3.54	3.62	3.61	3.59	3.60	3.65
Banks $250M - $1B	3.74	3.73	3.59	3.50	3.63	3.64	3.67	3.68	3.63	3.65	3.69
Banks Under $250M	4.00	3.95	3.82	3.68	3.71	3.72	3.80	3.79	3.78	3.79	3.86

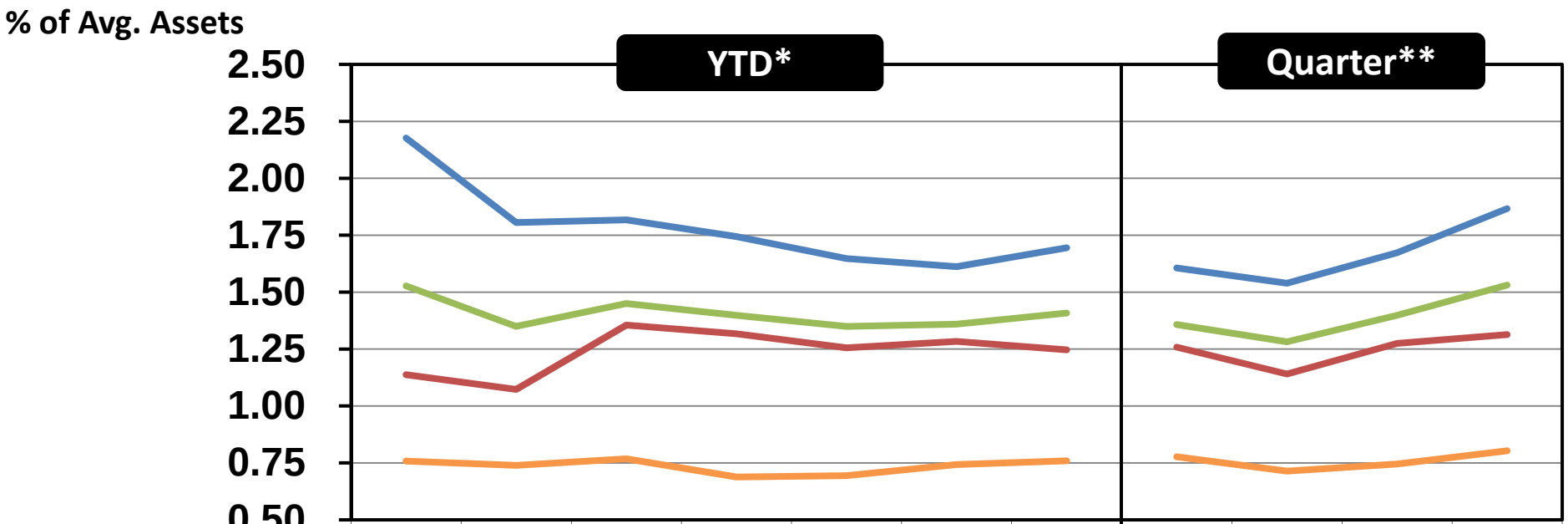
* YTD = Interest Income Net of Interest Expense (YTD), as a percentage of average earning assets - Annualized

** Quarter = Interest Income Net of Interest Expense (Quarter), as a percentage of average earning assets (Quarter) - Annualized

Source: Reports of Condition and Income

Noninterest Income

(Tenth District Commercial Banks)

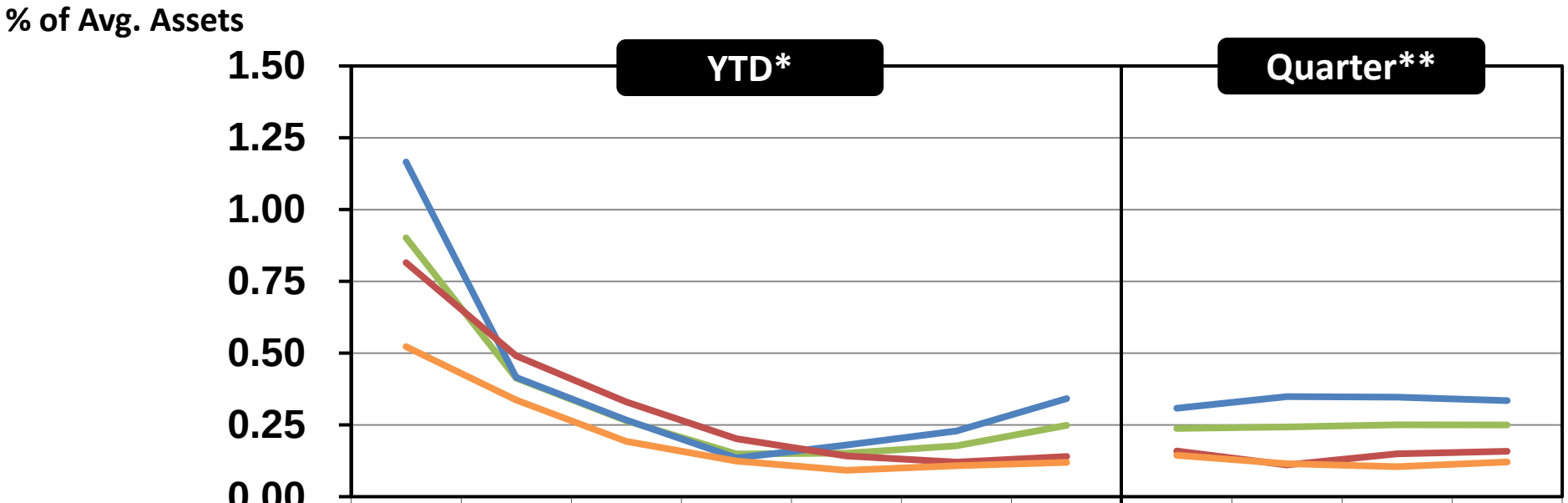


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	1.53	1.35	1.45	1.40	1.35	1.36	1.41	1.36	1.28	1.40	1.53
Banks Over $1B	2.18	1.81	1.82	1.74	1.65	1.61	1.69	1.61	1.54	1.67	1.87
Banks $250M - $1B	1.14	1.07	1.36	1.32	1.26	1.28	1.25	1.26	1.14	1.27	1.31
Banks Under $250M	0.76	0.74	0.77	0.69	0.69	0.74	0.76	0.78	0.71	0.74	0.80

* YTD = Noninterest Income (YTD), as a percentage of average assets - Annualized
** Quarter = Noninterest Income (Quarter), as a percentage of average assets (Quarter) - Annualized
Source: Reports of Condition and Income

Loan Loss Provisions

(Tenth District Commercial Banks)

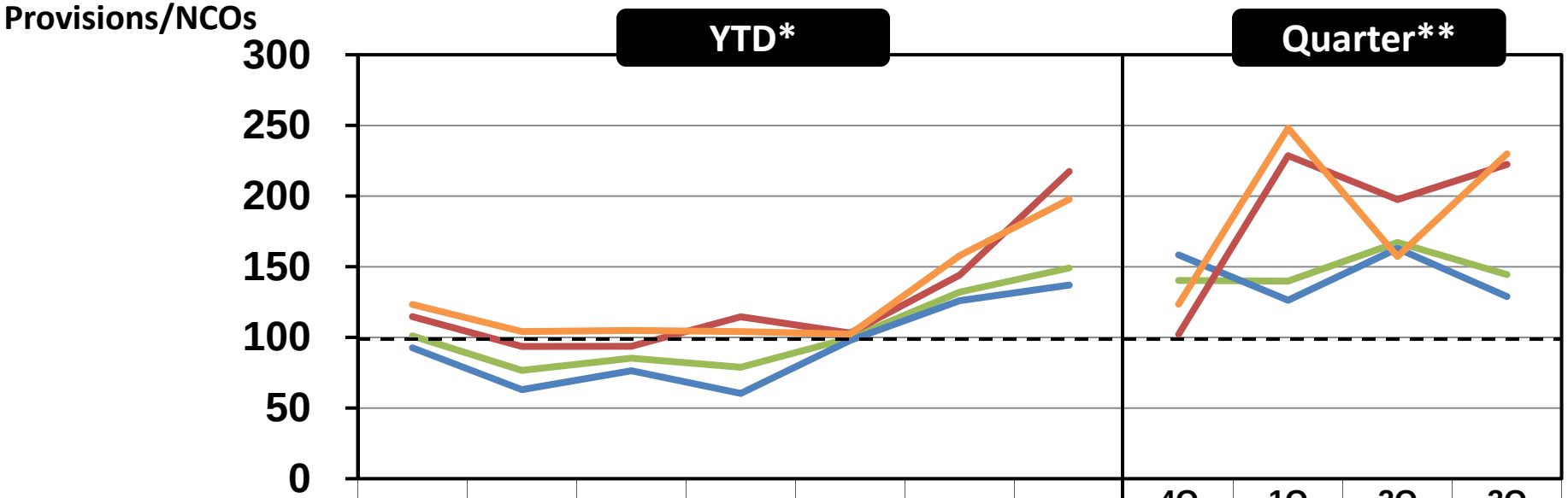


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	0.90	0.41	0.26	0.15	0.15	0.18	0.25	0.24	0.24	0.25	0.25
Banks Over $1B	1.17	0.42	0.27	0.14	0.18	0.23	0.34	0.31	0.35	0.35	0.33
Banks $250M - $1B	0.82	0.49	0.33	0.20	0.14	0.12	0.14	0.16	0.11	0.15	0.16
Banks Under $250M	0.52	0.34	0.19	0.12	0.09	0.11	0.12	0.14	0.11	0.10	0.12

* YTD = Loan Loss Provision Expense (YTD), as a percentage of average assets - Annualized
** Quarter = Loan Loss Provision Expense (Quarter), as a percentage of average assets (Quarter) - Annualized
Source: Reports of Condition and Income

Loan Loss Provisions to Net Charge Offs

(Tenth District Commercial Banks)



	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	101.0	76.6	85.3	79.0	99.6	132.1	149.1	140.3	139.8	167.2	144.5
Banks Over $1B	92.6	63.0	76.4	60.3	97.8	126.0	137.0	158.4	126.3	163.0	128.9
Banks $250M - $1B	114.7	93.6	93.8	114.6	103.1	144.2	217.4	102.2	228.6	197.6	222.4
Banks Under $250M	123.3	104.1	104.9	104.2	102.3	158.0	197.7	123.5	248.1	157.3	229.9

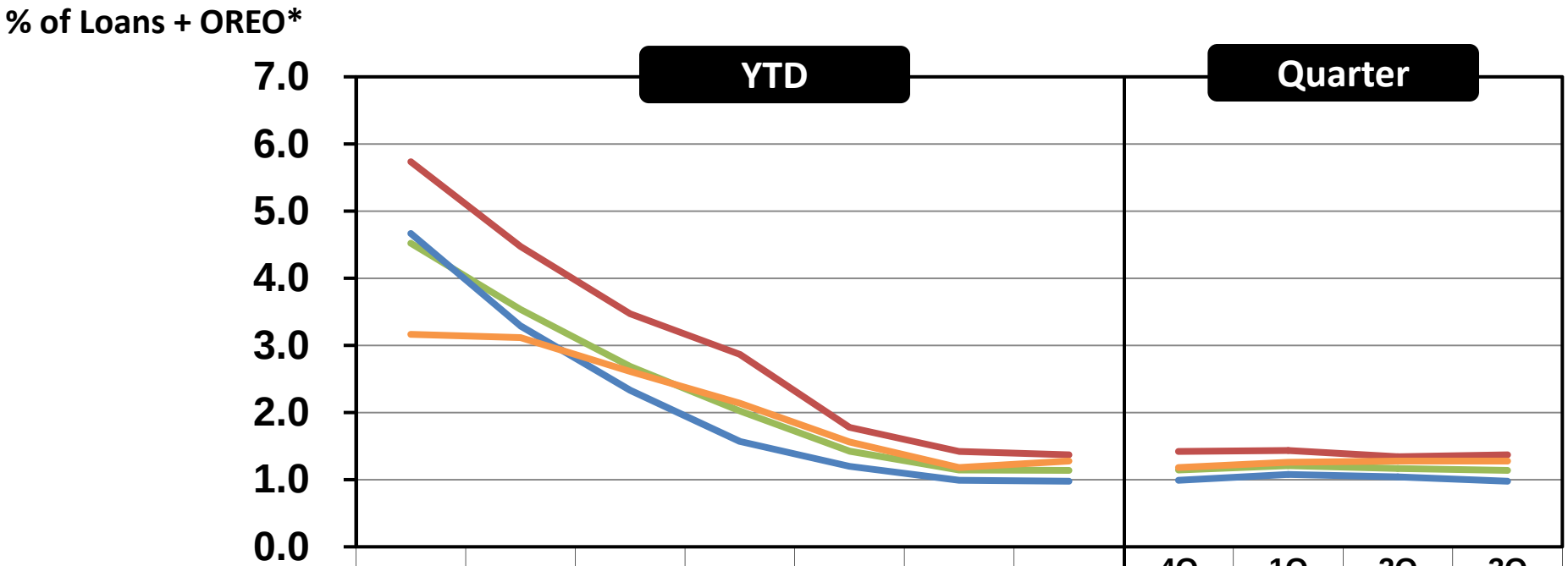
* YTD = Loan Loss Provision Expense (YTD), as a percentage of Net Charge-Offs (YTD)

** Quarter = Loan Loss Provision Expense (Quarter), as a percentage of Net Charge-Offs (Quarter)

Source: Reports of Condition and Income

Problem Assets

(Tenth District Commercial Banks)

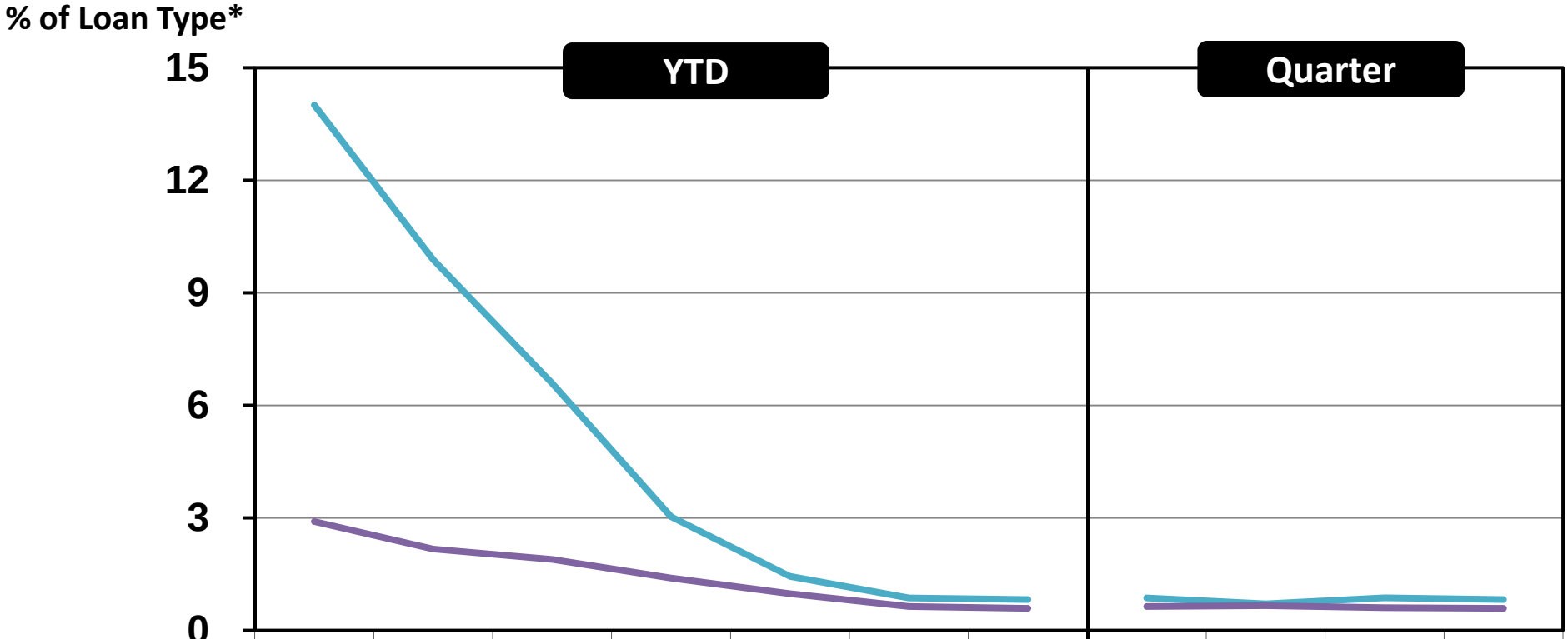


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	4.52	3.54	2.69	2.02	1.43	1.14	1.14	1.14	1.21	1.17	1.14
Banks Over $1B	4.67	3.29	2.33	1.57	1.20	0.99	0.98	0.99	1.08	1.04	0.98
Banks $250M - $1B	5.74	4.47	3.47	2.87	1.78	1.42	1.37	1.42	1.43	1.34	1.37
Banks Under $250M	3.17	3.12	2.61	2.14	1.56	1.18	1.28	1.18	1.26	1.28	1.28

* Loans 90+ days past due + nonaccrual loans + OREO as a percentage of total loans + OREO
Source: Reports of Condition and Income

Noncurrent CLD and CRE Loans

(Tenth District Commercial Banks)

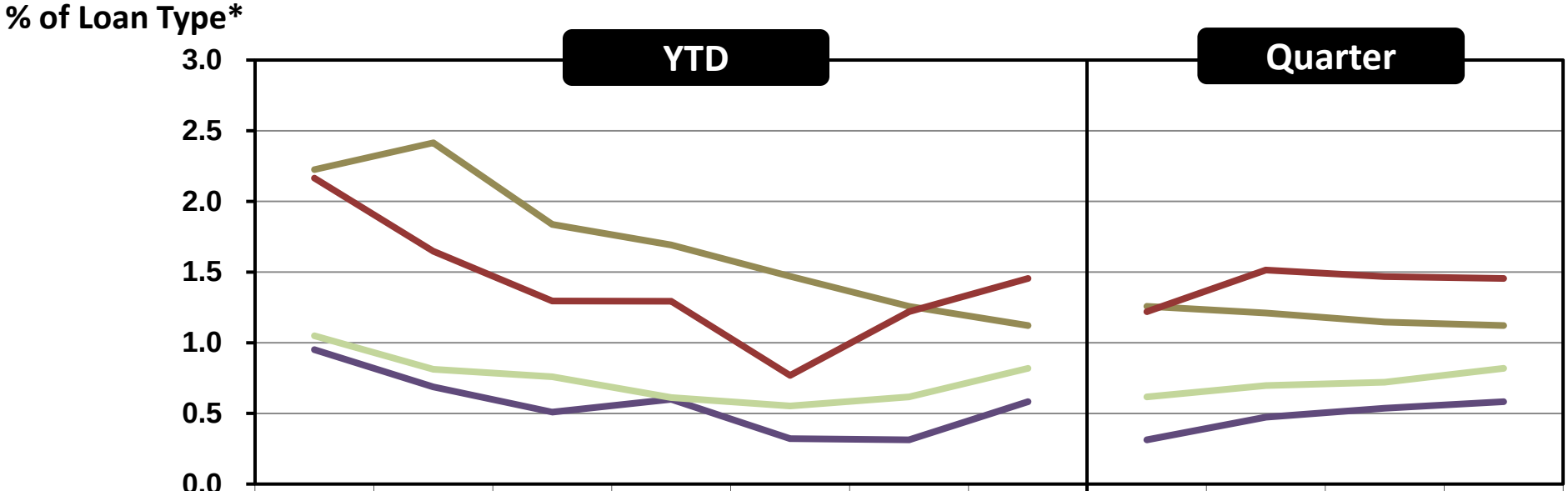


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
CLD	14.01	9.89	6.59	3.03	1.44	0.87	0.83	0.87	0.71	0.87	0.83
Other CRE	2.90	2.17	1.89	1.40	0.98	0.64	0.59	0.64	0.66	0.61	0.59

* Noncurrent Loans to Loans - By Loan Category
Note: Noncurrent includes loans 90+ days past due or in nonaccrual
Source: Reports of Condition and Income

Noncurrent Loans by Other Loan Types

(Tenth District Commercial Banks)

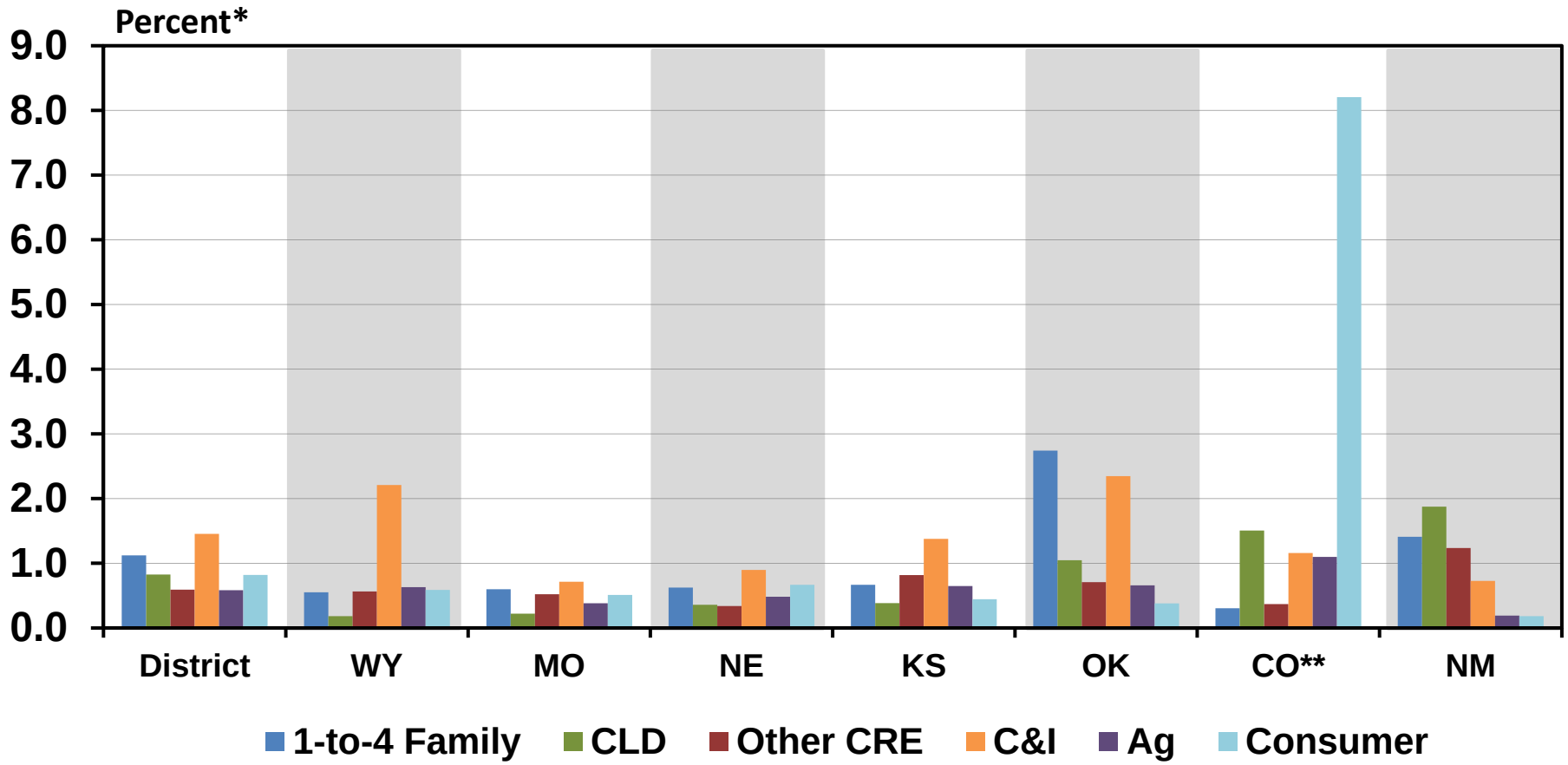


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
1-to-4 Family	2.23	2.41	1.84	1.69	1.47	1.26	1.12	1.26	1.21	1.15	1.12
C&I	2.17	1.65	1.30	1.29	0.77	1.22	1.46	1.22	1.51	1.47	1.46
Ag	0.95	0.69	0.51	0.60	0.32	0.31	0.58	0.31	0.47	0.54	0.58
Consumer	1.05	0.81	0.76	0.61	0.55	0.62	0.82	0.62	0.70	0.72	0.82

* Noncurrent Loans to Loans - By Loan Category
Note: Noncurrent includes loans 90+ days past due or in nonaccrual
Source: Reports of Condition and Income

Noncurrent Loans by Loan Type Across District States

(Tenth District Commercial Banks)



* Noncurrent Loans to Loans - By Loan Category

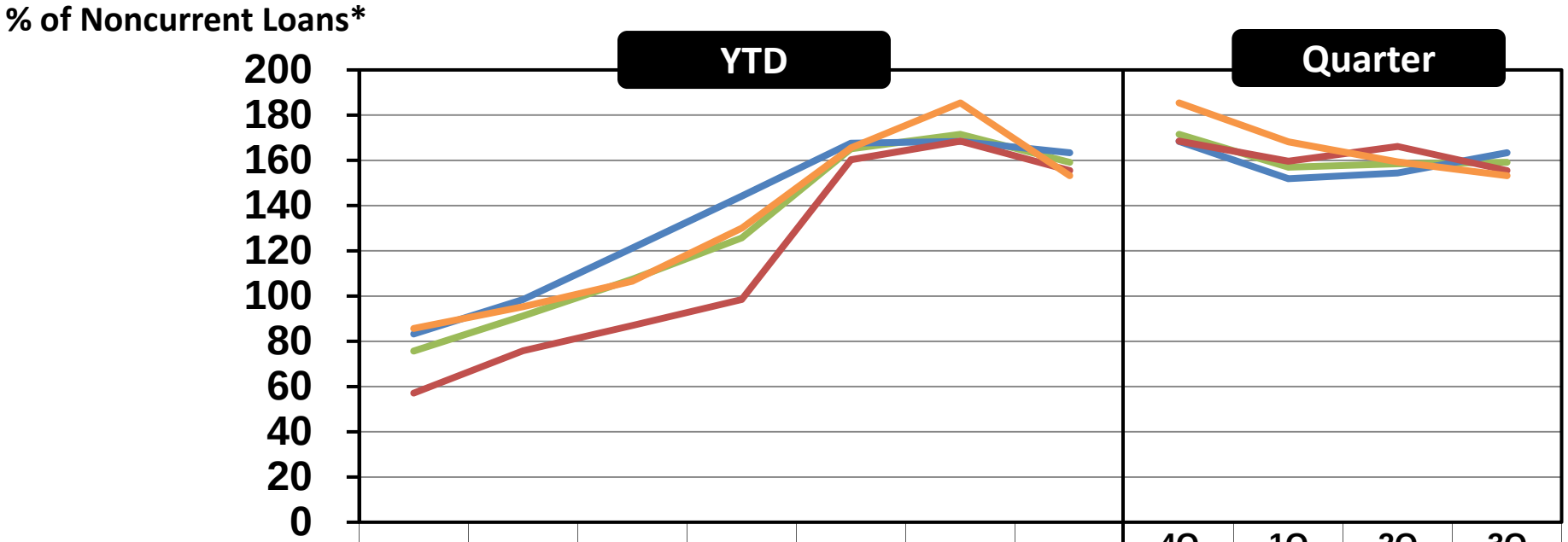
** The spike in noncurrent consumer loans in Colorado is primarily due to one bank engaged in a distressed loan program.

Note: Noncurrent includes loans 90+ days past due or on nonaccrual

Source: Reports of Condition and Income – September 2016

Coverage Ratio

(Tenth District Commercial Banks)

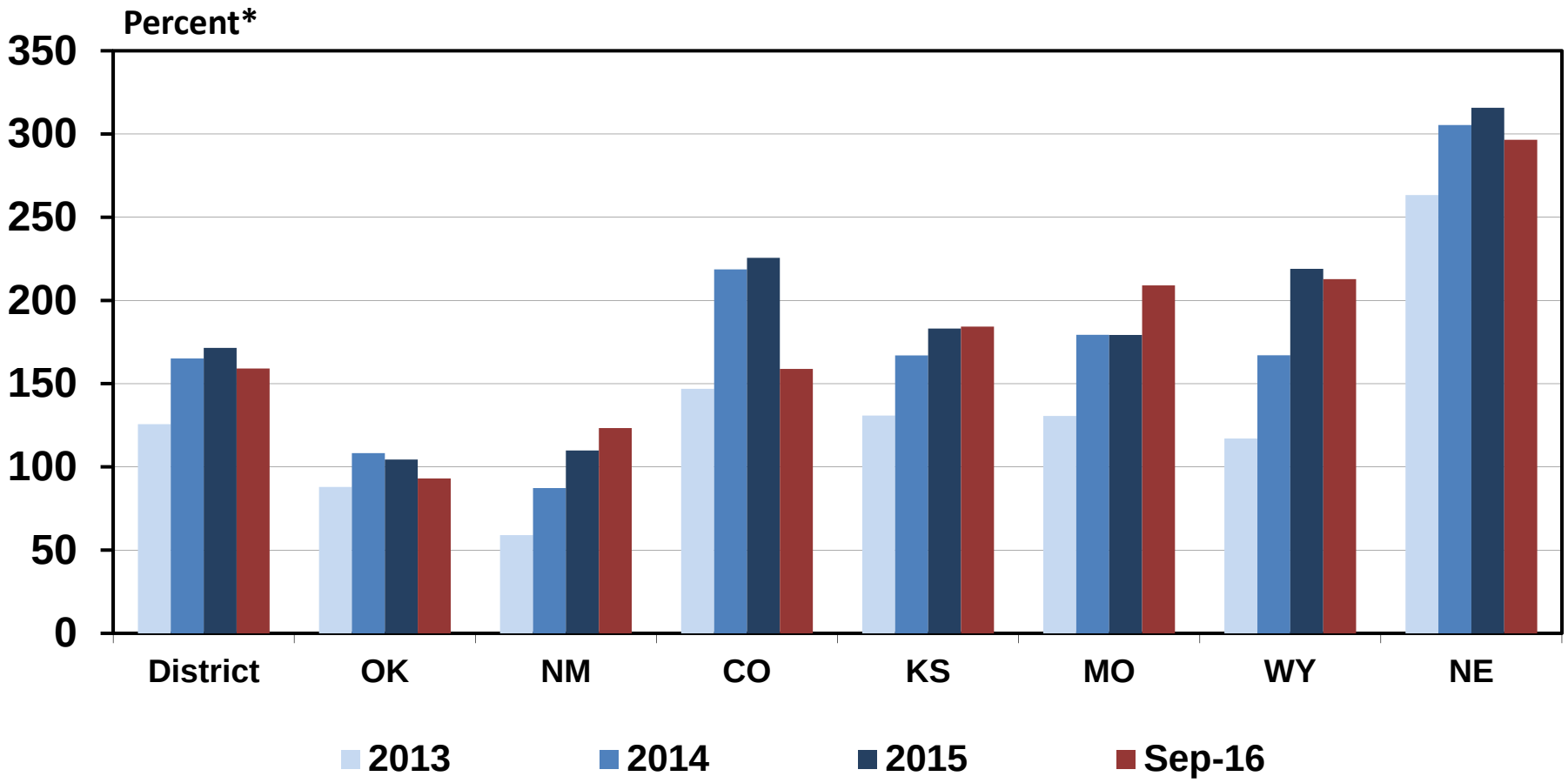


	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	75.7	91.2	107.5	125.7	165.1	171.5	159.1	171.5	157.0	158.5	159.1
Banks Over $1B	83.2	98.5	121.2	144.1	167.6	168.3	163.3	168.3	151.9	154.4	163.3
Banks $250M - $1B	57.1	75.8	87.0	98.5	160.3	168.5	155.5	168.5	159.6	166.1	155.5
Banks Under $250M	85.6	95.3	106.6	130.0	165.6	185.4	153.2	185.4	168.2	159.3	153.2

* Loan loss reserves to loans 90+ days past due or on nonaccrual
Source: Reports of Condition and Income

Coverage Ratios Across District States

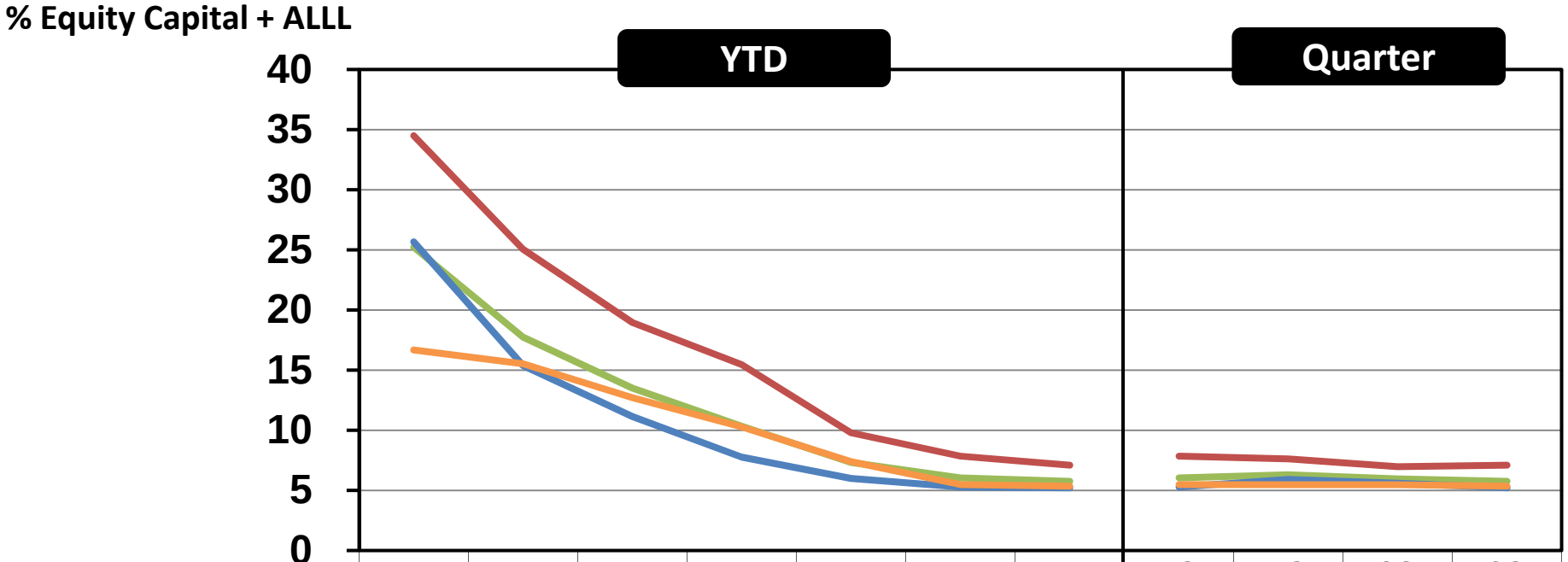
(Tenth District Commercial Banks)



* Loan loss reserves to Noncurrent Loans
Note: Noncurrent includes loans 90+ days past due and nonaccrual
Source: Reports of Condition and Income

Texas Ratio

(Tenth District Commercial Banks)



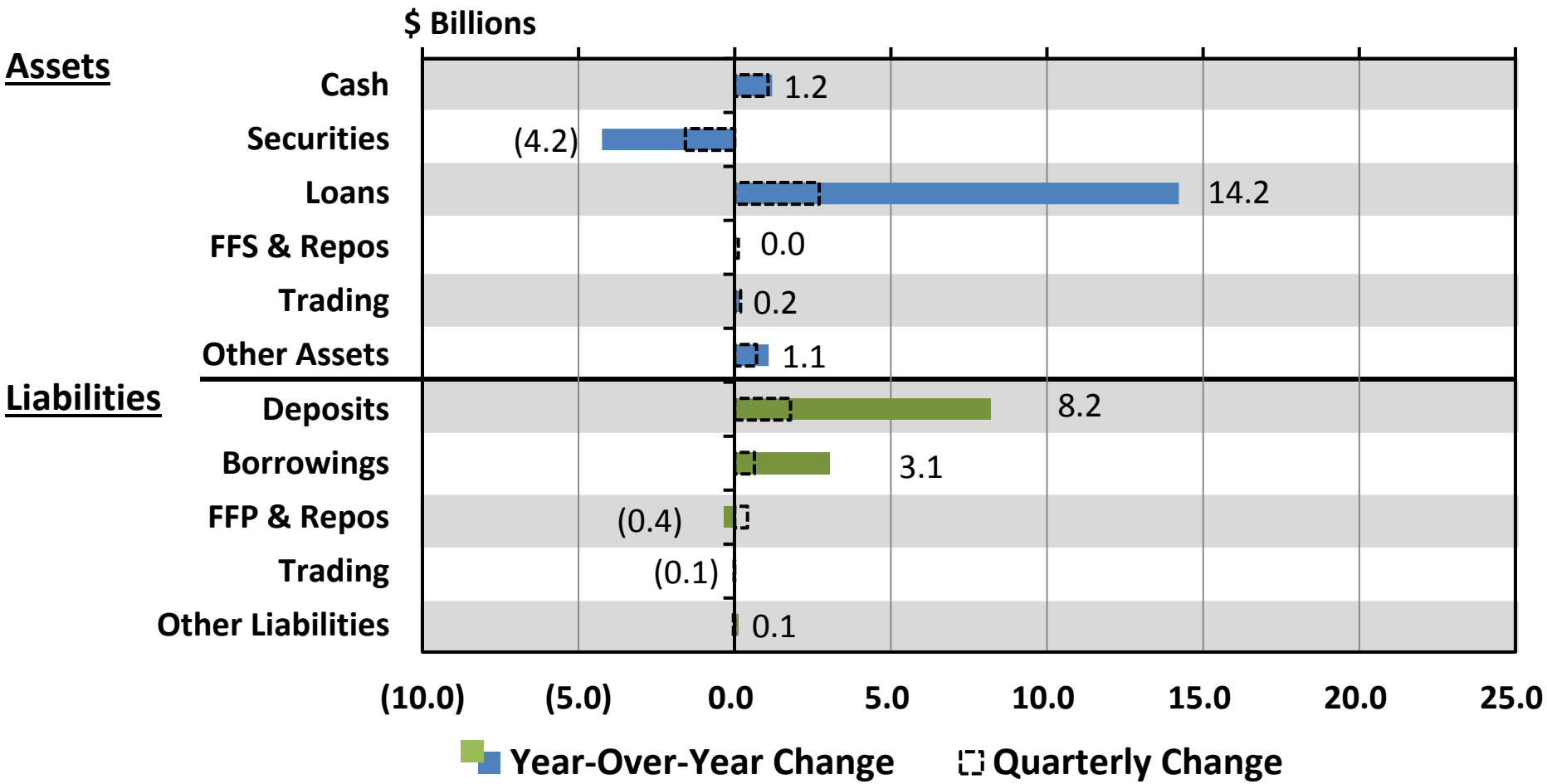
	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	25.2	17.7	13.5	10.3	7.3	6.0	5.8	6.0	6.3	6.0	5.8
Banks Over $1B	25.7	15.4	11.2	7.8	6.0	5.3	5.2	5.3	5.9	5.6	5.2
Banks $250M - $1B	34.5	25.1	19.0	15.5	9.8	7.9	7.1	7.9	7.6	7.0	7.1
Banks Under $250M	16.7	15.5	12.7	10.3	7.4	5.5	5.3	5.5	5.5	5.5	5.3

Note: Restructured loans, nonaccrual loans, and OREO to equity capital and ALLL
Source: Reports of Condition and Income

Balance Sheet Shifts

Change From September 2015 to September 2016

(Tenth District Commercial Banks)

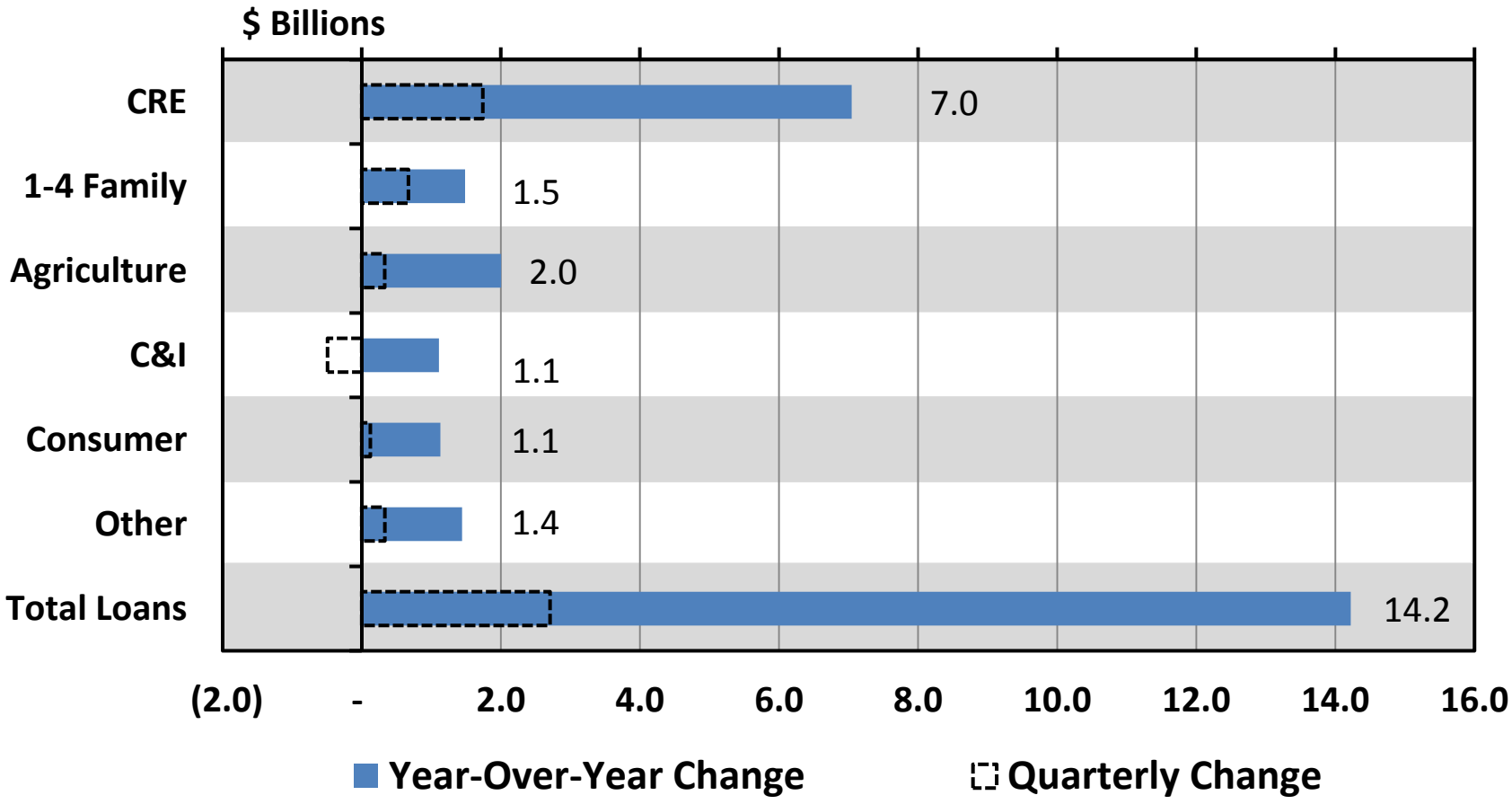


Source: Reports of Condition and Income

Loan Portfolio Composition

Change From September 2015 to September 2016

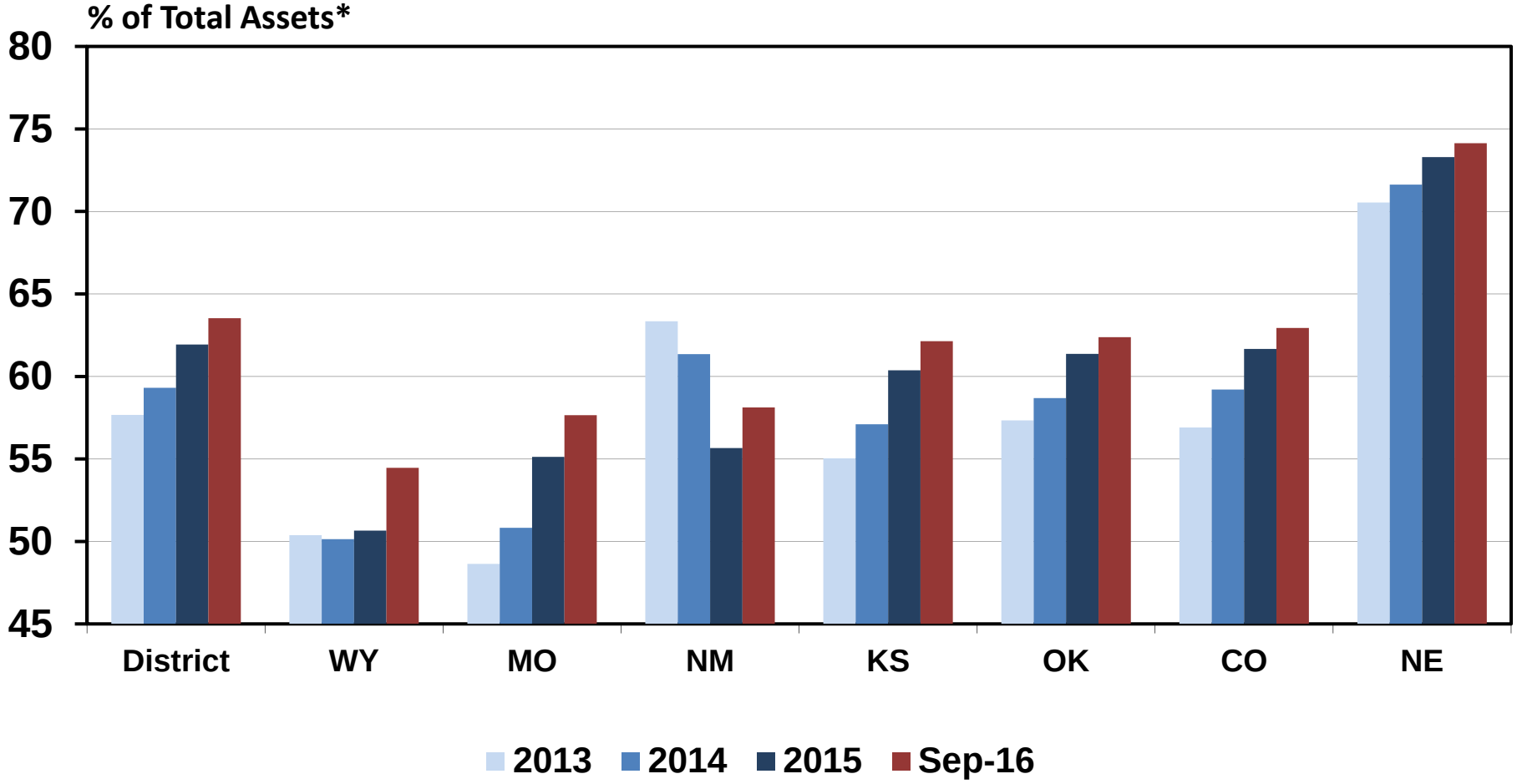
(Tenth District Commercial Banks)



Source: Reports of Condition and Income

Loans to Assets Across District States

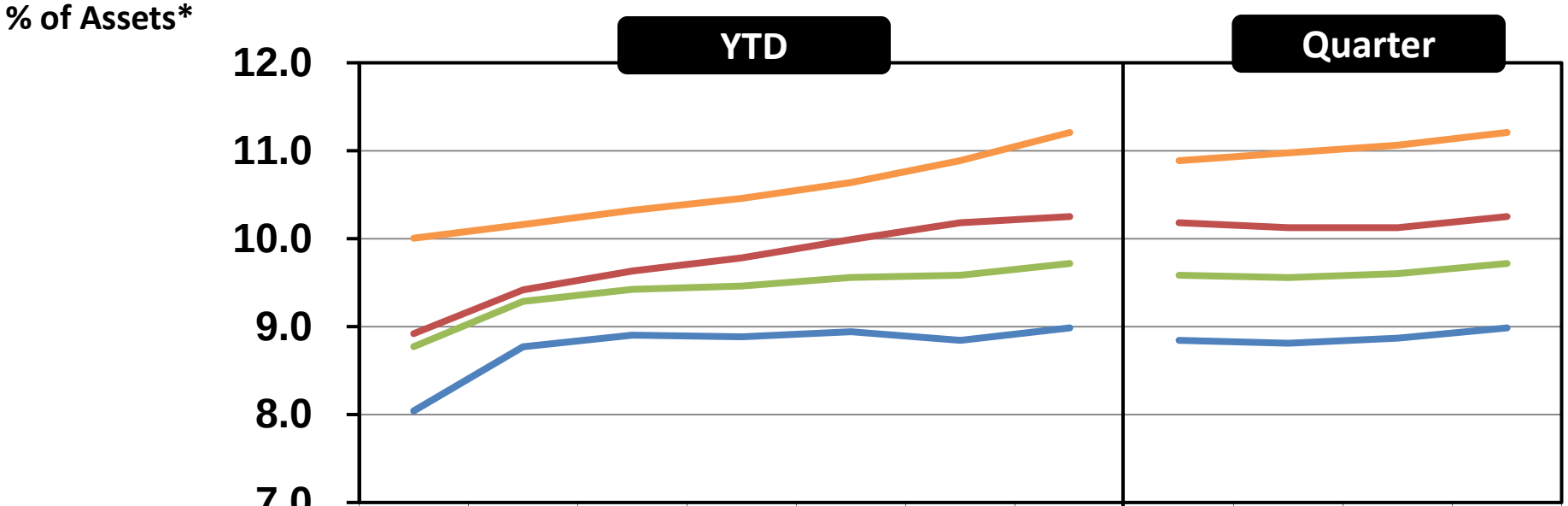
(Tenth District Commercial Banks)



* Total loans to assets
Source: Reports of Condition and Income

Leverage Ratio

(Tenth District Commercial Banks)



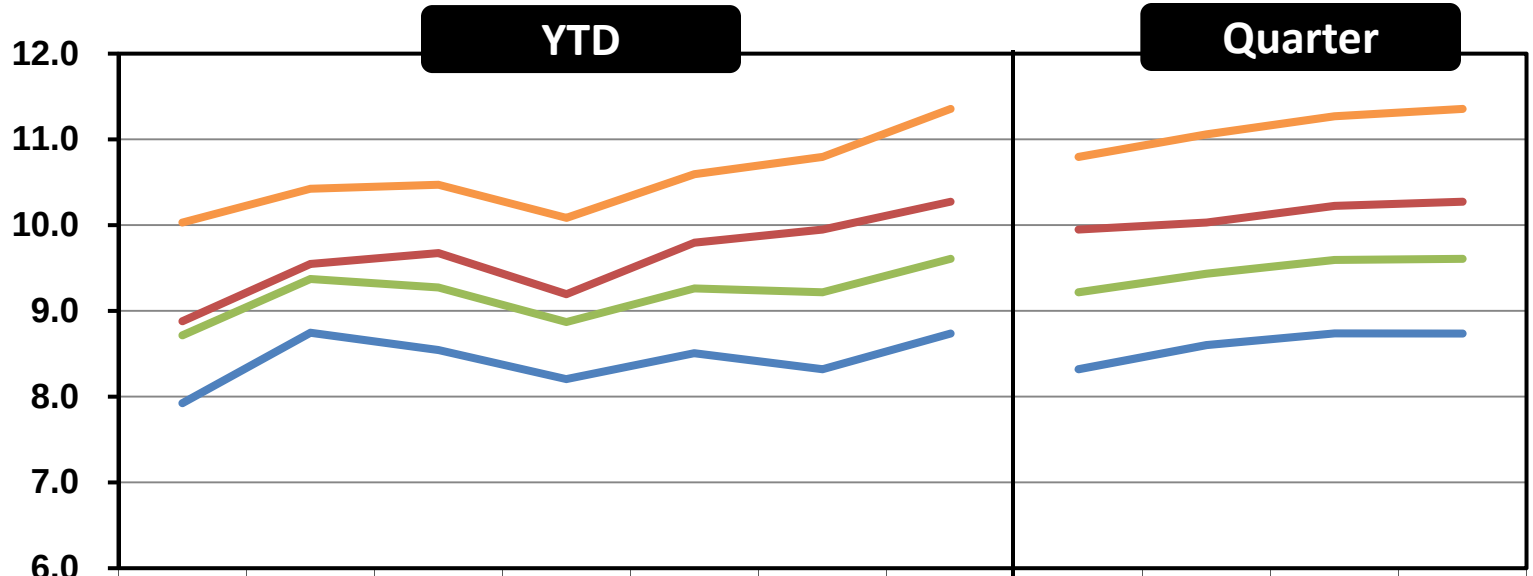
	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	8.77	9.29	9.42	9.46	9.56	9.58	9.72	9.58	9.56	9.60	9.72
Banks Over $1B	8.04	8.77	8.90	8.88	8.94	8.84	8.99	8.84	8.81	8.87	8.99
Banks $250M - $1B	8.92	9.42	9.63	9.78	9.99	10.18	10.25	10.18	10.13	10.13	10.25
Banks Under $250M	10.01	10.16	10.32	10.46	10.64	10.89	11.21	10.89	10.98	11.06	11.21

* Tier 1 capital to assets for leverage capital purposes (Quarter) – the "Leverage Ratio"
Source: Reports of Condition and Income

Tangible Equity Ratio

(Tenth District Commercial Banks)

% of Assets*



	2010	2011	2012	2013	2014	2015	Sep-16	4Q 2015	1Q 2016	2Q 2016	3Q 2016
All District Banks	8.71	9.37	9.27	8.87	9.26	9.22	9.61	9.22	9.43	9.59	9.61
Banks Over $1B	7.92	8.74	8.54	8.20	8.51	8.32	8.74	8.32	8.60	8.74	8.74
Banks $250M - $1B	8.88	9.55	9.67	9.19	9.80	9.95	10.27	9.95	10.03	10.22	10.27
Banks Under $250M	10.03	10.42	10.47	10.08	10.59	10.80	11.36	10.80	11.06	11.27	11.36

* Total equity capital less goodwill, other intangible assets, and net deferred tax assets as a percentage of total assets less goodwill, other intangible assets, and net deferred tax assets

Source: Reports of Condition and Income

Select Ratios by State

(Commercial Banks in Tenth District States)

OVERVIEW

	# Comm'l Banks		Total Assets		Total Loans		Total Deposits		Total Equity Capital		Problem Assets	
	9/30/2015	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*
Colorado	83	80	47,353	54,365	28,996	34,216	40,940	47,132	4,638	5,371	319	371
Kansas	261	255	53,589	55,677	32,060	34,594	42,949	44,463	6,078	6,394	541	448
Missouri	280	266	138,078	146,486	85,776	92,668	113,503	120,453	14,311	14,886	1,160	1,011
Nebraska	187	176	62,854	66,128	45,775	49,023	48,141	50,466	6,625	7,060	314	326
New Mexico	38	37	16,533	13,460	9,200	7,219	14,147	11,482	1,752	1,472	173	122
Oklahoma	211	207	88,383	93,279	53,834	58,184	70,365	72,798	9,179	9,680	808	970
Wyoming	30	30	7,098	7,593	3,655	4,136	6,245	6,661	726	801	39	41

- Balance sheet items shown in millions

EARNINGS

	% Banks With Loss		ROAA		NII/Avg Assets		Provisions/Avg Assets		Loan Loss/ Avg Loans	
	9/30/2015	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*
Colorado	4.82	6.25	1.13	1.14	3.36	3.38	0.04	0.11	0.04	0.15
Kansas	3.45	1.96	1.11	1.17	3.17	3.21	0.10	0.12	0.05	0.08
Missouri	2.50	2.63	0.99	1.06	3.06	3.07	0.09	0.12	0.13	0.13
Nebraska	0.00	1.14	1.31	1.38	4.32	4.43	0.48	0.67	0.60	0.67
New Mexico	2.63	5.41	0.95	1.19	3.35	3.43	0.09	0.09	0.21	0.06
Oklahoma	2.37	1.93	1.24	1.15	3.13	3.19	0.09	0.20	0.07	0.19
Wyoming	3.33	3.33	1.23	1.13	3.17	3.15	0.06	0.11	0.00	0.14

- Income statement items shown as year-to-date.
- Average assets are calculated by using the average of YTD average assets.

ASSET QUALITY

	Problem Assets / Total Loans + OREO		Noncurrent CLD		Noncurrent Other CRE		Noncurrent 1-4 Family		Noncurrent C&I		Noncurrent Farm		Noncurrent RE Farm	
	9/30/2015	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*
Colorado	1.10	1.08	1.18	1.51	0.57	0.37	0.43	0.30	0.78	1.16	0.14	0.09	0.34	1.86
Kansas	1.67	1.29	0.40	0.38	1.05	0.82	0.80	0.67	1.88	1.38	0.14	0.34	0.59	0.97
Missouri	1.35	1.09	2.27	1.36	0.80	0.67	1.01	0.71	0.63	0.76	0.10	0.17	0.55	0.60
Nebraska	0.68	0.66	0.33	0.36	0.45	0.34	0.76	0.62	0.77	0.90	0.32	0.51	0.32	0.44
New Mexico	1.87	1.68	2.24	1.58	1.21	0.98	1.05	1.29	1.52	0.81	0.19	0.43	1.63	1.08
Oklahoma	1.50	1.66	0.95	1.05	0.71	0.71	2.90	2.74	1.12	2.35	0.24	0.59	0.60	0.72
Wyoming	1.05	0.99	0.92	0.18	0.64	0.57	0.52	0.55	0.99	2.21	0.37	0.32	1.86	0.95

- Problem assets consist of loans 90+ days past due, in nonaccrual status, and other real estate owned (OREO).
- Noncurrent loans consist of loans 90+ days past due or in nonaccrual status.

OTHER FINANCIAL RATIOS

	ALLL/Noncurr		Tier 1 Leverage/Assets		Tangible Equity Capital/Assets		Noncore Funding / Total Assets	
	9/30/2015	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*	*9/30/2015*	*9/30/2016*
Colorado	225.76	158.86	9.27	9.31	9.22	9.10	11.24	10.27
Kansas	167.05	184.24	10.54	10.63	10.53	10.77	19.44	20.17
Missouri	169.08	176.20	9.60	9.51	9.37	9.32	17.45	19.07
Nebraska	304.31	296.50	10.12	10.24	9.69	9.85	22.80	23.70
New Mexico	119.42	148.00	10.00	9.96	9.80	10.00	13.64	13.70
Oklahoma	111.08	93.07	9.40	9.45	9.26	9.28	20.58	22.73
Wyoming	224.85	212.79	9.87	10.05	9.97	10.34	15.89	16.24

Includes all commercial banks located within each state.
Source: Reports of Condition and Income
Any questions can be directed to: Chris Summers – Chris.Summers@kc.frb.org