

# District Data

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

The Regional Economist · April 1998

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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 1997	1.30%	1.40%	1.35%	1.30%	1.27%	1.33%	1.26%	1.41%	1.30%	1.59%
3rd quarter 1997	1.30	1.38	1.34	1.32	1.14	1.35	1.29	1.46	1.28	1.60
4th quarter 1996	1.25	1.35	1.33	1.32	1.06	1.30	1.28	1.46	1.38	1.43
<b>Return on Average Equity (Annualized)</b>										
4th quarter 1997	15.67%	14.96%	15.19%	13.67%	14.75%	14.76%	14.65%	14.70%	14.90%	18.56%
3rd quarter 1997	15.75	14.82	15.11	13.99	12.92	15.16	14.85	15.26	15.42	17.85
4th quarter 1996	15.28	15.01	15.06	13.81	10.49	14.42	14.61	15.23	16.77	17.34
<b>Net Interest Margin (Annualized)</b>										
4th quarter 1997	4.34%	4.94%	4.53%	4.46%	4.56%	4.34%	4.45%	4.97%	4.60%	4.46%
3rd quarter 1997	4.36	4.89	4.46	4.44	4.35	4.34	4.38	5.00	4.48	4.46
4th quarter 1996	4.37	4.85	4.47	4.51	4.25	4.47	4.50	5.03	4.24	4.80
<b>Nonperforming Loans<sup>2</sup> ÷ Total Loans</b>										
4th quarter 1997	0.95%	0.99%	0.97%	0.95%	1.09%	0.55%	0.65%	0.65%	0.85%	1.71%*
3rd quarter 1997	0.98	1.06	1.00	0.99	1.04	0.60	0.70	0.59	0.83	1.96*
4th quarter 1996	1.03	1.08	1.05	0.85	1.05	0.62	0.68	0.61	0.73	2.62*
<b>Net Loan Losses ÷ Average Total Loans (Annualized)</b>										
4th quarter 1997	0.66%	0.84%	0.39%	0.25%	0.50%	0.19%	0.37%	0.31%	0.32%	0.62%
3rd quarter 1997	0.64	0.80	0.37	0.20	0.54	0.15	0.33	0.28	0.31	0.63
4th quarter 1996	0.59	0.73	0.36	0.24	0.47	0.29	0.37	0.33	0.30	0.52
<b>Loan Loss Reserve ÷ Total Loans</b>										
4th quarter 1997	1.84%	1.83%	1.40%	1.36%	1.30%	1.25%	1.41%	1.46%	1.43%	1.50%
3rd quarter 1997	1.88	1.88	1.42	1.35	1.43	1.30	1.51	1.47	1.38	1.43
4th quarter 1996	1.90	1.82	1.48	1.37	1.51	1.30	1.49	1.48	1.57	1.45

\* Most of the elevation in Tennessee's nonperforming loan ratios are 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

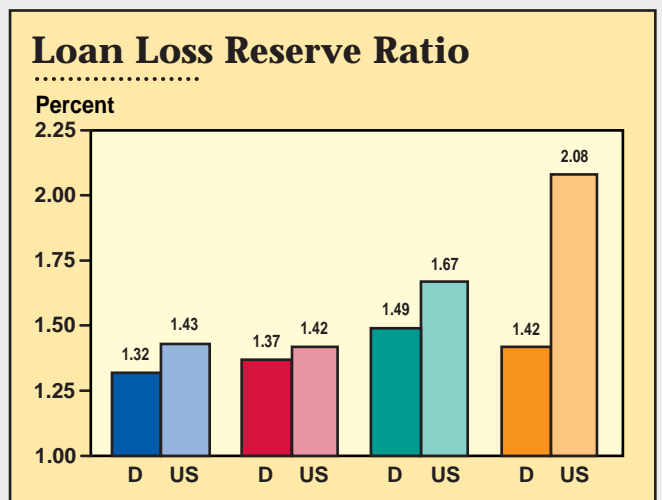
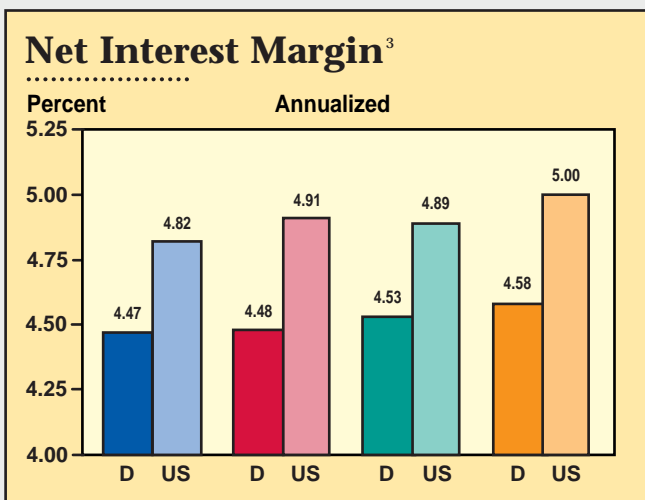
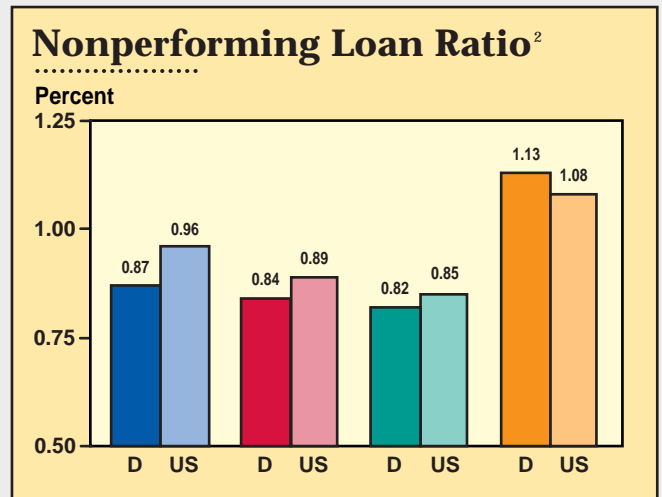
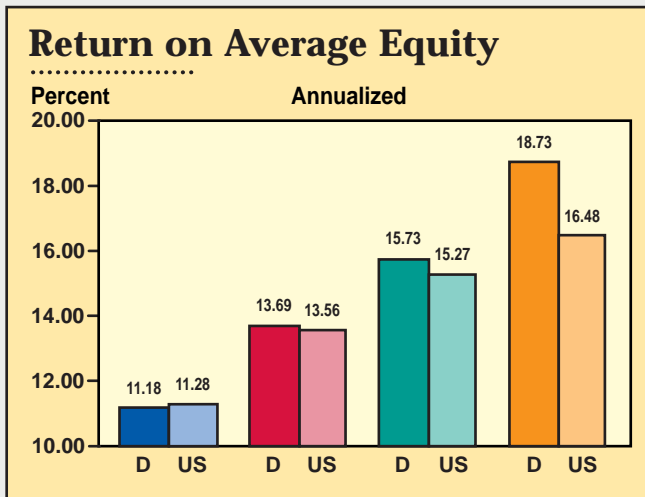
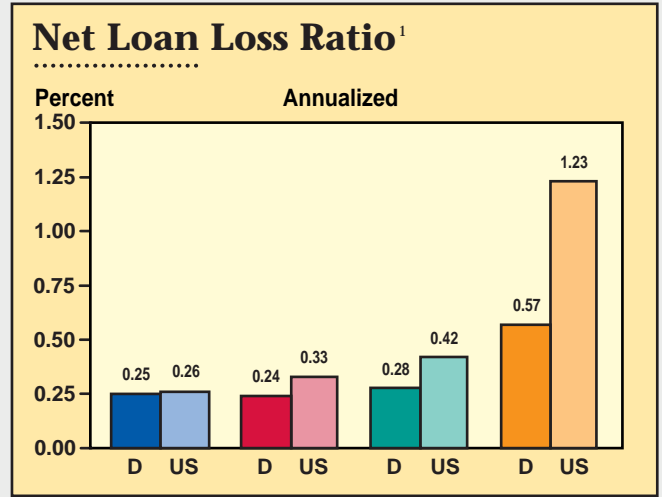
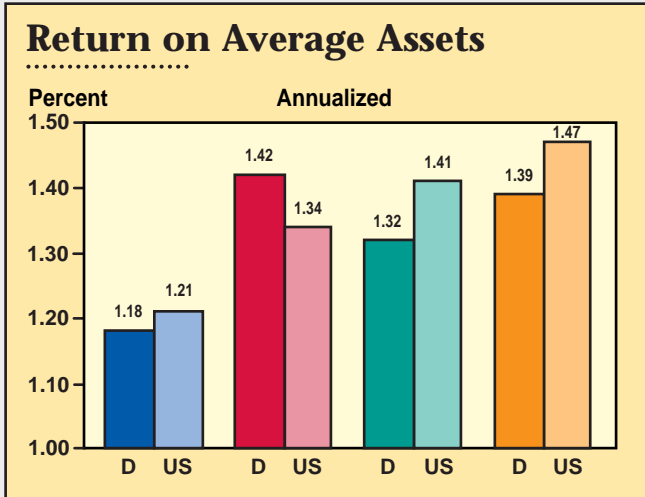
# Commercial Bank Performance Ratios

## by Asset Size

4th Quarter 1997

### Earnings

### Asset Quality



D = District  
US = United States

< \$100 Million

\$100 Million - \$300 Million

\$300 Million - \$1 Billion

\$1 Billion - \$15 Billion

<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

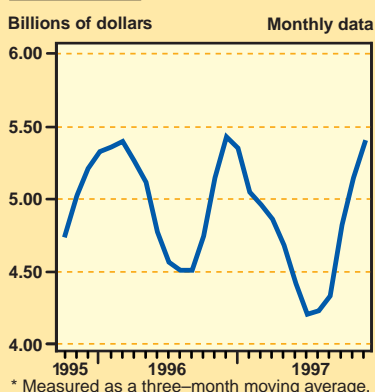
	U.S.	AR	IL	IN	KY	MS	MO	TN
<b>Return on average assets (annualized)</b>								
4th quarter 1997	1.27%	1.31%	1.26%	1.22%	1.36%	1.39%	1.23%	1.14%
3rd quarter 1997	1.33	1.42	1.31	1.26	1.46	1.55	1.31	1.36
4th quarter 1996	1.22	1.35	1.19	1.10	1.42	1.36	1.23	1.17
<b>Return on average equity (annualized)</b>								
4th quarter 1997	12.02%	12.21%	11.36%	12.12%	12.61%	13.95%	11.68%	11.23%
3rd quarter 1997	12.70	13.13	11.83	12.57	13.62	16.53	12.36	13.58
4th quarter 1996	11.89	12.57	10.89	10.86	13.57	13.86	11.83	10.98
<b>Net interest margin (annualized)</b>								
4th quarter 1997	4.63%	4.46%	4.15%	4.60%	4.57%	5.11%	4.47%	4.32%
3rd quarter 1997	4.62	4.46	4.16	4.56	4.60	5.08	4.48	4.43
4th quarter 1996	4.53	4.41	4.16	4.54	4.62	5.10	4.57	4.49
<b>Ag loan losses ÷ average ag loans (annualized)</b>								
4th quarter 1997	0.20%	0.16%	0.00%	-0.50%	0.24%	0.18%	0.33%	-0.08%
3rd quarter 1997	0.14	0.08	-0.05	-0.61	0.15	0.24	0.11	0.02
4th quarter 1996	0.31	0.09	0.12	-0.20	0.26	0.77	0.38	0.25
<b>Ag nonperforming loans<sup>1</sup> ÷ total ag loans</b>								
4th quarter 1997	1.19%	0.67%	0.65%	2.63%	1.27%	1.26%	1.29%	0.01%
3rd quarter 1997	1.32	0.68	0.71	3.43	1.70	0.89	1.65	0.34
4th quarter 1996	1.46	0.85	0.69	1.84	1.75	2.54	1.50	0.00

<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 Insured U.S. Commercial Banks

### U.S. Agricultural Exports\*



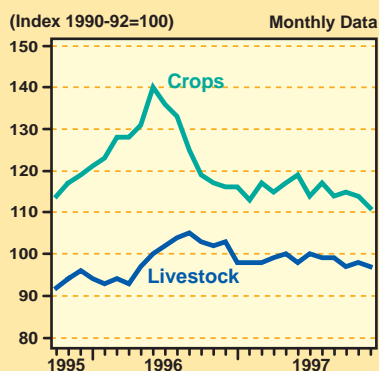
### U.S. Agricultural Exports by Commodity

Dollar amounts in billions

Commodity	Oct	Nov	Dec	Year-to-date	Change from year ago
Livestock & products	1.01	.99	.92	11.06	2.1%
Corn	.35	.37	.44	5.17	-38.0
Cotton	.15	.22	.29	2.71	-1.0
Rice	.09	.09	.09	.93	-9.0
Soybeans	1.23	1.11	.89	7.38	1.0
Tobacco	.13	.11	.13	1.55	12.0
Wheat	.38	.33	.34	4.10	-35.0
TOTAL <sup>1</sup>	5.53	5.48	5.24	57.25	-5.0

<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/97	III/97	IV/96	III/97-IV/97	IV/96-IV/97
<b>Prices received by U.S. farmers<sup>2</sup></b>	106	107	111	-3.7%	-3.9%
<b>Prices received by District farmers<sup>3</sup></b>					
Arkansas	131	141	139	-24.8	-5.5
Illinois	110	113	121	-10.2	-9.3
Indiana	108	112	117	-13.5	-7.7
Missouri	104	107	108	-9.6	-3.1
Tennessee	N.A.	N.A.	137	N.A.	N.A.
<b>Prices paid by U.S. farmers</b>					
Production items	115	116	115	-3.4	0.3
Other items	116	116	115	0.0	0.9
<b>Consumer food prices</b>	159	158	156	2.1	1.7
<b>Consumer nonfood prices</b>	162	161	159	2.1	1.9

<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.

<sup>4</sup> N.A. — Not Available

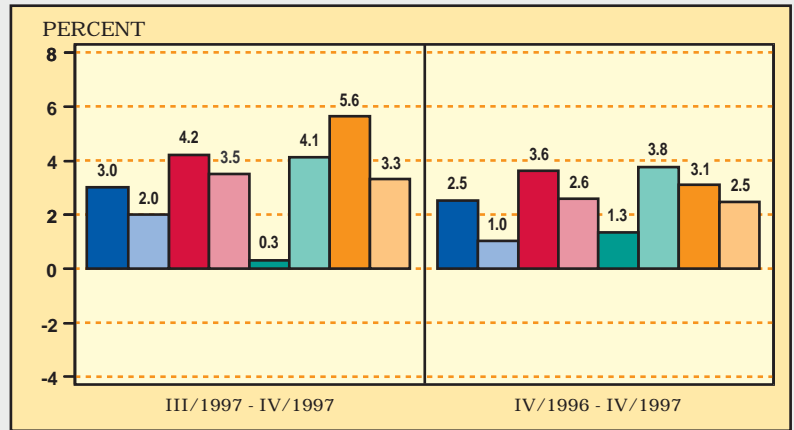
NOTE: Data not seasonally adjusted except for consumer food prices and nonfood prices.

# Selected U.S. and State Business Indicators

*Compounded Annual Rates of Change in Nonagricultural Employment*

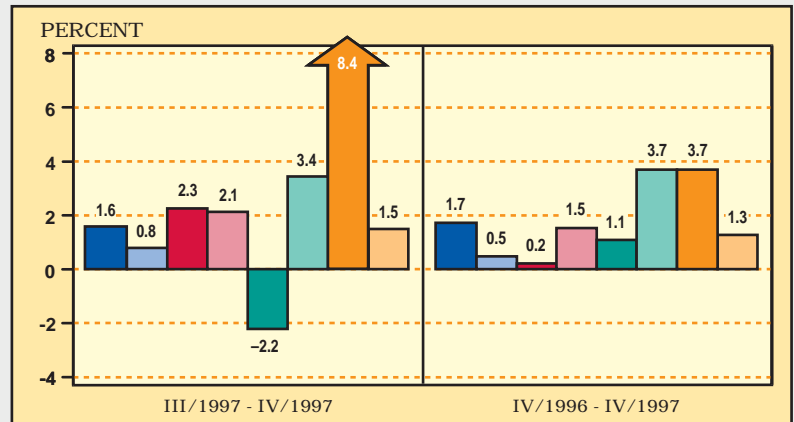
## United States

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	136,813	136,379	134,944
Total nonagricultural employment (in thousands)	123,487	122,575	120,452
Unemployment rate	4.7%	4.9%	5.3%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$4,291.8	\$4,263.7	\$4,154.5



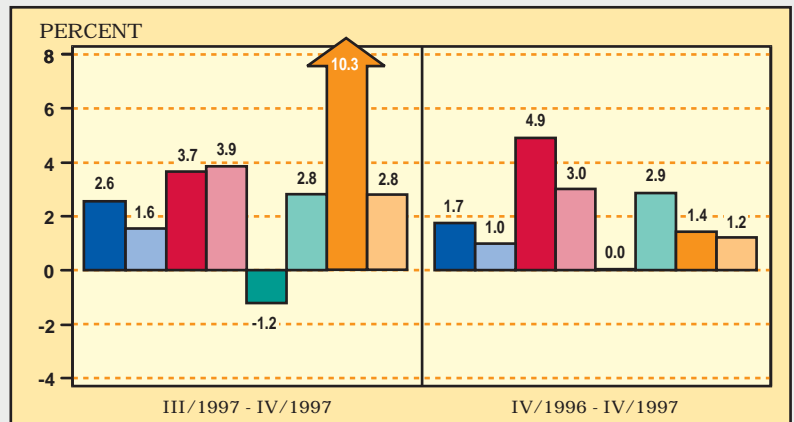
## Arkansas

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	1,237.0	1,246.0	1,239.6
Total nonagricultural employment (in thousands)	1,109.8	1,105.4	1,091.1
Unemployment rate	5.0%	5.3%	5.5%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$31.2	\$31.3	\$30.5



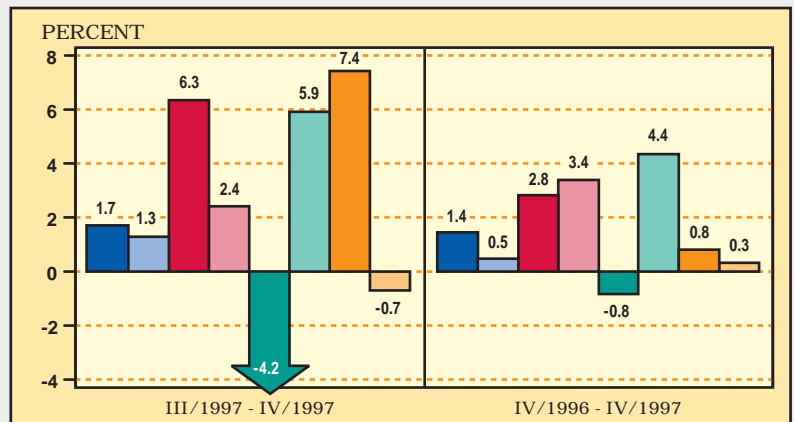
## Illinois

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	6,150.9	6,141.1	6,117.1
Total nonagricultural employment (in thousands)	5,824.4	5,787.8	5,724.3
Unemployment rate	4.7%	4.6%	5.2%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$210.5	\$209.0	\$203.4



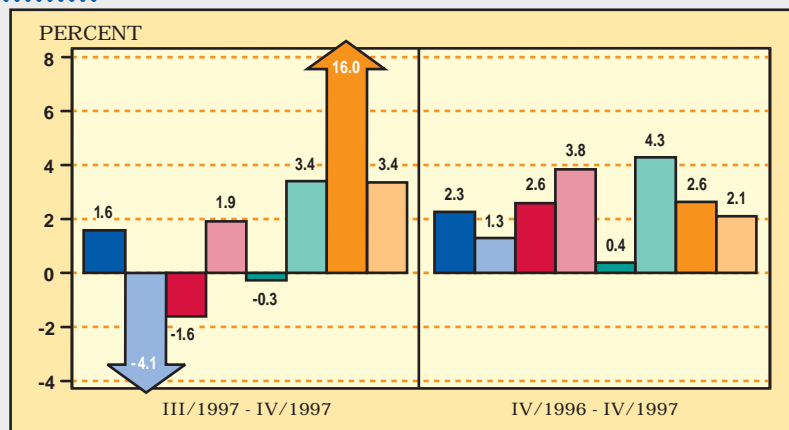
## Indiana

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	3,116.1	3,121.5	3,055.0
Total nonagricultural employment (in thousands)	2,875.6	2,863.5	2,834.6
Unemployment rate	3.6%	3.4%	3.7%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$86.5	\$86.1	\$84.5



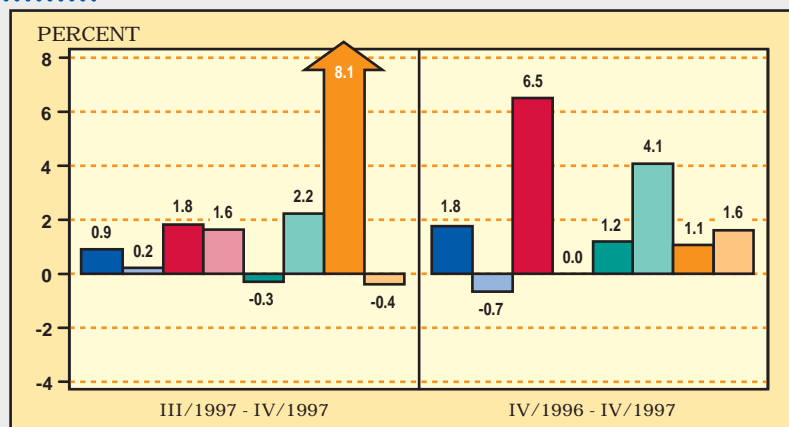
## Kentucky

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	1,936.0	1,926.4	1,876.9
Total nonagricultural employment (in thousands)	1,726.2	1,719.4	1,687.9
Unemployment rate	4.9%	5.3%	5.7%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$50.8	\$50.5	\$49.3



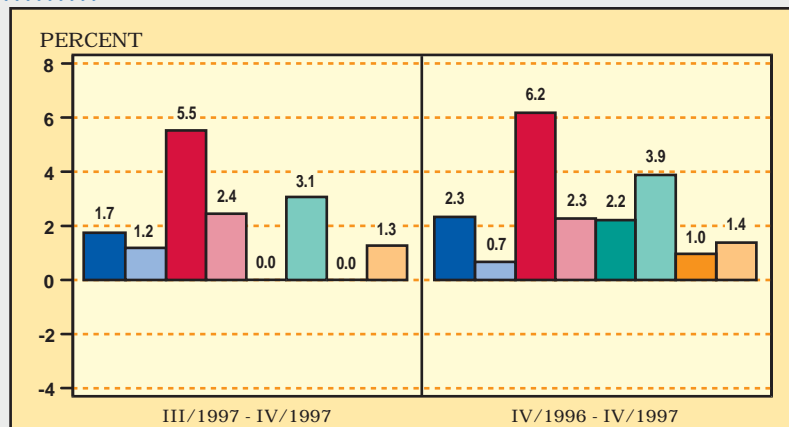
## Mississippi

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	1,281.2	1,276.6	1,262.6
Total nonagricultural employment (in thousands)	1,112.8	1,110.3	1,093.6
Unemployment rate	5.5%	5.5%	5.9%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$31.4	\$31.3	\$30.6



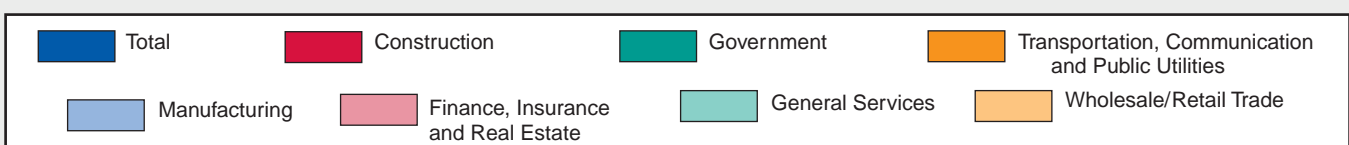
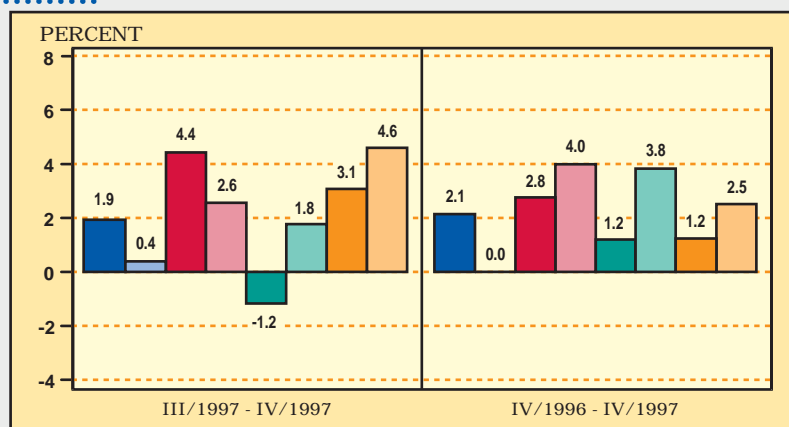
## Missouri

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	2,888.6	2,857.4	2,921.9
Total nonagricultural employment (in thousands)	2,653.5	2,642.0	2,593.2
Unemployment rate	4.0%	3.7%	4.8%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$81.1	\$80.8	\$78.8



## Tennessee

	IV/1997	III/1997	IV/1996
Labor force (in thousands)	2,762.4	2,764.4	2,769.3
Total nonagricultural employment (in thousands)	2,601.4	2,589.0	2,546.8
Unemployment rate	5.1%	5.3%	5.1%
	III/1997	II/1997	III/1996
Real personal income* (in billions)	\$77.0	\$76.6	\$74.7



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.