



DIVISION OF FINANCE

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Commissioner of Finance

September 9, 2011

The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of June 30, 2011, and a comparison with the statements filed one year earlier. Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies decreased by four from 285 to 281. Four banks merged into other institutions. Two state chartered banks closed in the twelve month period. There were two new bank charters granted when national institutions converted to state-chartered banks.

Assets in state-chartered banks totaled \$91.3 billion on June 30, 2011, an increase of 18.6 percent from one year earlier. Deposits were \$75.6 billion, up 20.3 percent. Total loans were \$54.9 billion on June 30, 2011, up 7.1 percent. The largest impact on all of these numbers was the conversion of a large national bank to a state charter in the second quarter of 2011.

There are indicators of improvement in the overall condition of state-chartered banks. Evidence of asset quality improvement includes the significantly lower loan past due ratio: 4.08 percent at the end of June 2011 versus 4.87 percent as of June 30, 2010. An additional indicator is the lower volume of net loan losses in the first half of 2011 (\$256 million), compared to the first half of 2010 (\$377 million).

Earnings performance improved dramatically in the first half of 2011. The return on assets for all state-chartered banks was 0.81 percent, compared to 0.26 percent a year ago. A major factor in the improvement was the reduced level of provision expense, \$229 million, compared to \$378 million in the first half of 2010. The average net interest margin remained stable, at 3.94 percent as of June 30, 2011.

Capital levels remained strong, with the ratio of tangible equity capital to assets increasing to 9.22 percent, from 8.88 percent one year ago.

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**COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF JUNE 30, 2011**

THOUSANDS OF DOLLARS	275 BANKS 6/30/2011	279 BANKS 6/30/2010	INCREASE DECREASE()	PERCENT CHANGE
ASSETS				
Total Loans	\$54,934,103	\$51,299,715	\$3,634,388	7.1%
Allowance for Loan Losses	1,218,877	1,163,946	54,931	4.7%
Total Assets	91,302,024	77,012,882	14,289,142	18.6%
LIABILITIES				
Total Deposits	75,630,594	62,863,838	12,766,756	20.3%
Total Equity Capital	9,020,241	7,802,001	1,218,240	15.6%

OPERATING RATIOS	6/30/2011	6/30/2010	CHANGE
Equity Capital/Assets	9.88%	10.13%	-0.25%
Tangible Equity Capital/Assets	9.22%	8.88%	0.34%
Capital and Allowance for Loan Losses/Assets	11.07%	11.64%	-0.57%
Total Loans/Assets	60.17%	66.61%	-6.44%
Past Due and Nonaccrual Loans/Total Loans	4.08%	4.87%	-0.79%
Allowance for Loan Losses/Loans	2.22%	2.27%	-0.05%
Average Net Interest Margin	3.94%	3.89%	0.05%
Return on Assets	0.81%	0.26%	0.55%

NOTES:

2010 & 2011 do not include six nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION
STATE AND NATIONAL BANKS IN MISSOURI
AS OF JUNE 30, 2011**

MILLIONS OF DOLLARS	6/30/2011			6/30/2010	PERCENT CHANGE
	275 STATE BANKS	30 NATIONAL BANKS	305 ALL BANKS	313 ALL BANKS	
ASSETS					
Cash and Due from Banks	6,576	2,569	9,145	9,644	-5.2%
Investment Securities	23,651	7,883	31,534	26,650	18.3%
Total Loans and Leases	54,934	10,699	65,633	73,910	-11.2%
Less: Reserves	1,219	187	1,406	1,712	-17.9%
Federal Funds Sold	1,460	464	1,924	985	95.3%
Fixed Assets	1,895	453	2,348	2,394	-1.9%
Other Real Estate	976	87	1,063	1,272	-16.4%
Intangible Assets	660	186	846	1,222	-30.8%
Other assets	2,369	412	2,781	3,995	-30.4%
TOTAL ASSETS	\$91,302	\$22,566	\$113,868	\$118,360	-3.8%
LIABILITIES					
Total Deposits	75,631	18,338	93,969	95,914	-2.0%
Deposits over 250M/100M**	4,123	693	4,816	15,423	-68.8%
Brokered Deposits	3,497	230	3,727	4,996	-25.4%
Federal Funds Purchased	3,329	1,823	5,152	5,263	-2.1%
Other liabilities	3,322	348	3,670	5,802	-36.7%
TOTAL EQUITY CAPITAL	9,020	2,057	11,077	11,381	-2.7%
TOTAL	\$91,302	\$22,566	\$113,868	\$118,360	-3.8%
EARNINGS					
Interest Income	1,939	387	2,326	2,542	-8.5%
Interest Expense	367	56	423	649	-34.8%
Net Interest Income	1,572	331	1,903	1,893	0.5%
Provision for Loan Losses	229	41	270	511	-47.2%
Net Income	366	82	448	234	91.5%
Cash Dividends	212	36	248	188	31.9%
Net Loan Losses	256	41	297	507	-41.4%

**2011 figure is deposits over \$250M, but 2010 figure is deposits over \$100M, due to increase in FDIC deposit insurance