

BULLETIN

June 2, 2017

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Section 408.030 provides that the Director of Finance shall declare the quarterly market rate of interest each quarter, poster it in accordance with Section 361.110 and publish it in appropriate publications. Said quarterly market rate for the period of July 1, 2017 through September 30, 2017, to be 5.80%; as an alternative, lenders may charge the usury rate of 10%.



Acting Commissioner



DIVISION OF FINANCE

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Lee R. Keith
Acting Commissioner

June 2, 2017

The attached report represents a consolidation of Reports of Condition and Income filed by state-chartered banks with the Missouri Division of Finance as of March 31, 2017, 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 declined from 257 to 250. During the past twelve months nine banks merged into other institutions and two new state bank charters were granted; as a national bank and a federal thrift converted to state-chartered banks.

Assets in state-chartered banks totaled \$123.8 billion on March 31, 2017, an increase of 8.8 percent from one year earlier. Deposits were \$103.9 billion and total loans were \$79.2 billion on March 31, 2017, an increase of 8.2 percent and 8.8 percent from one year earlier, respectively.

The overall condition of Missouri state-chartered banks continues to improve. The attached graphs illustrate improvement in several component areas. Asset quality has improved, with the past due ratio stabilizing at a manageable 1.14 percent down from 1.27 percent one year earlier. The return on assets remains strong at 1.09 percent, despite a compressed and shrinking net interest margin. The median return on assets for state-chartered banks is 0.99 percent as of March 31, 2017.

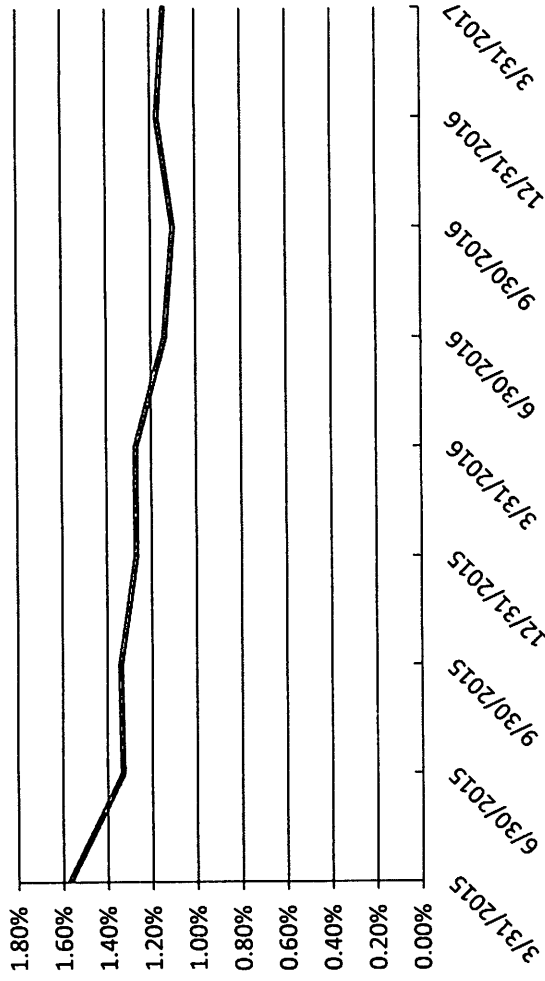
Missouri state-chartered banks support local communities as evidenced by the nearly nine percent growth in loans over the past 12 months. This is more than twice the loan growth rate of all U.S. banks.

Capital remains strong, as the Tier 1 Leverage Capital ratio is 9.56 percent of total assets, and is in line with the National average of 9.57 percent.

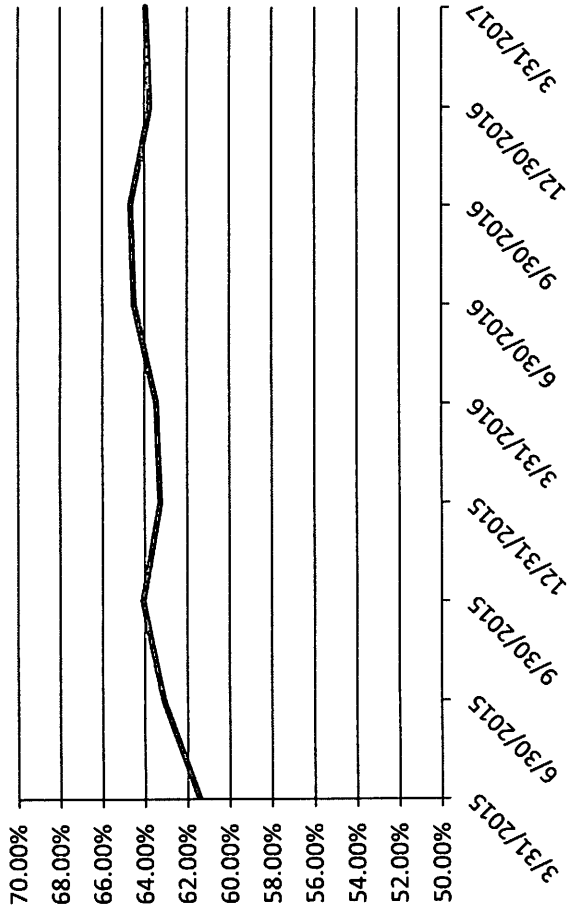
A handwritten signature in black ink, appearing to read "Lee Keith".

Lee Keith
Acting Commissioner of Finance

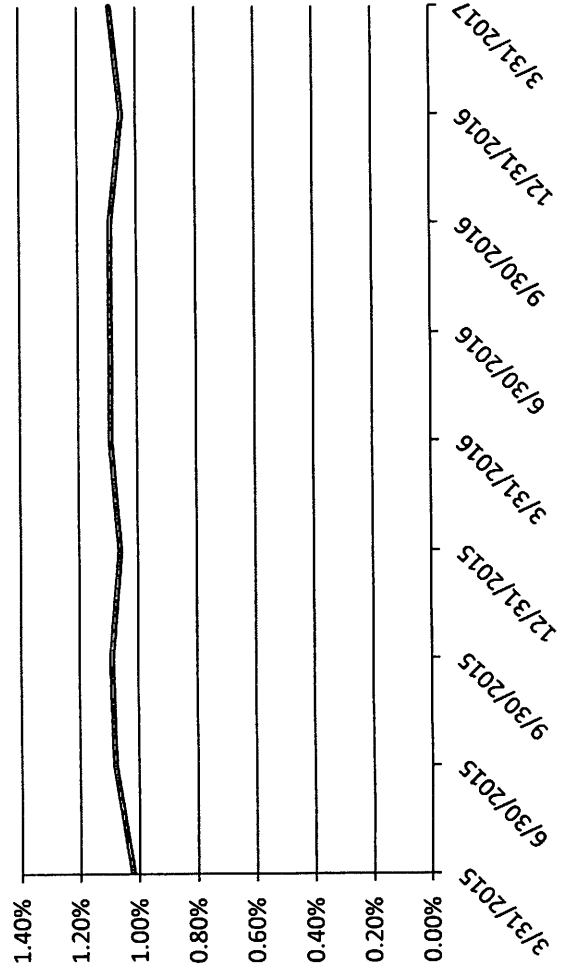
PAST DUE LOANS TO TOTAL LOANS



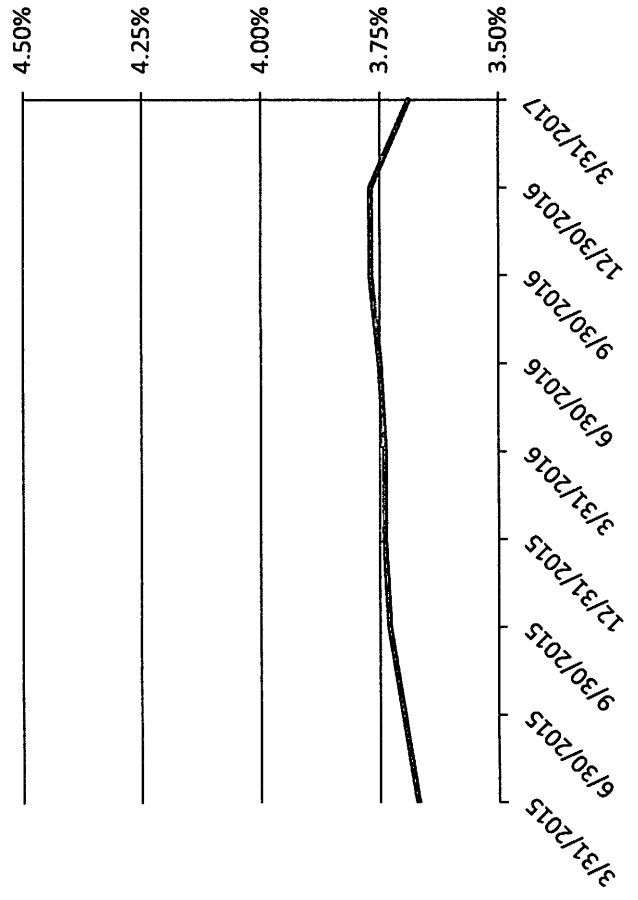
Loans/Assets



RETURN ON ASSETS



NET INTEREST MARGIN



**COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF MARCH 31, 2017**

THOUSANDS OF DOLLARS	250 BANKS 3/31/2017	257 BANKS 3/31/2016	INCREASE DECREASE()	PERCENT CHANGE
ASSETS				
Total Loans	\$79,218,468	\$72,785,214	\$6,433,254	8.8%
Allowance for Loan Losses	1,011,715	998,808	12,907	1.3%
Total Assets	123,846,811	114,705,090	9,141,721	8.0%
LIABILITIES				
Total Deposits	103,868,605	95,977,735	7,890,870	8.2%
Total Equity Capital	12,540,060	11,702,613	837,447	7.2%

OPERATING RATIOS	3/31/2017	3/31/2016	CHANGE
Equity Capital/Assets	10.13%	10.20%	-0.08%
Tangible Equity Capital/Assets	9.56%	9.65%	-0.09%
Capital and Allowance for Loan Losses/Assets	10.85%	10.98%	-0.12%
Total Loans/Assets	63.96%	63.45%	0.51%
Past Due and Nonaccrual Loans/Total Loans	1.14%	1.27%	-0.13%
Allowance for Loan Losses/Total Loans	1.28%	1.37%	-0.10%
Average Net Interest Margin	3.69%	3.74%	-0.05%
Return on Assets	1.09%	1.09%	0.00%

NOTES:

2016 and 2017 do not include four nondeposit trust companies.