

# Many banks still digging out from Great Recession trauma

## QUICK HITS

The following statistics reflect performance of the 10 banks with the largest market shares in the Indianapolis Metropolitan Statistical Area.

Few of the ratios compare to levels banks enjoyed prior to the recession of December 2007 to June 2009, according to John Reed, president of David A. Noyes & Co.'s investment banking group. For example, par for return on equity for good banks before the recession was 13 percent to 15 percent. And nonperforming loans for nearly all good banks were below 1 percent.

However, banks are steadily improving their performance.

Return on equity, net interest margin and the efficiency ratio are annualized for the six months ended June 30. Equity/assets and NPAs/assets are as of June 30. Deposit figures are for the Indianapolis area; ratios are for the entire bank system-wide.

## Ranking bank performance

Bank (local deposits)

### ROE

Return on equity <sup>(1)</sup>	%
Huntington National Bank (\$2,508M).....	14.2
Fifth Third Bank (\$3,436M) .....	10.8
Old National Bank (\$773M) .....	10.7
KeyBank (\$1,489M).....	9.6
National Bank of Indianapolis (\$1,308M) ...	9.5
JPMorganChase (\$8,198M) .....	9.2
First Merchants Bank (\$731M) .....	8.7
Regions Bank (\$1,399M) .....	8.2
PNC Bank (\$6,451M).....	7.1
BMO Harris Bank (\$2,171M) .....	4.0

### Equity / Assets

Equity capital/assets <sup>(2)</sup>	%
BMO Harris Bank National Association (\$2,171M) .....	15.2
First Merchants Bank (\$731M).....	14.4
Fifth Third Bank (\$3,436M) .....	14.0
Regions Bank (\$1,399M) .....	13.3
PNC Bank (\$6,451M).....	12.2
KeyBank (\$1,489M).....	11.5
Old National Bank (\$773M) .....	10.9
Huntington National Bank (\$2,508M).....	7.8
JPMorgan Chase Bank (\$8,198M) .....	7.5
National Bank of Indianapolis (\$1,308M)....	6.7

### NPAs / Assets

Non-performing assets <sup>(3)</sup>	%
KeyBank (\$1,489M).....	1.1
Huntington National Bank (\$2,508M).....	1.2
National Bank of Indianapolis (\$1,308M) ....	1.5
First Merchants Bank (\$731M).....	1.9
Fifth Third Bank (\$3,436M) .....	2.0
JPMorgan Chase Bank (\$8,198M) .....	2.0
Regions Bank (\$1,399M) .....	2.3
BMO Harris Bank (\$2,171M) .....	2.6
PNC Bank (\$6,451M) .....	2.7
Old National Bank (\$773M) .....	3.2

### Net Interest Margin

Net interest margin <sup>(4)</sup>	%
PNC Bank (\$6,451M).....	4.2
First Merchants Bank (\$731M).....	4.2
Old National Bank (\$773M) .....	4.1
Fifth Third Bank (\$3,436M) .....	4.0
BMO Harris Bank (\$2,171M) .....	3.7
Huntington National Bank (\$2,508M).....	3.4
Regions Bank (\$1,399M).....	3.3
National Bank of Indianapolis (\$1,308M) ....	3.1
KeyBank (\$1,489M).....	3.0
JPMorgan Chase Bank (\$8,198M) .....	2.3

### Efficiency Ratio

Operating expense/operating revenue <sup>(5)</sup>	%
Fifth Third Bank (\$3,436M) .....	55.2
First Merchants Bank (\$731M).....	56.7
Regions Bank (\$1,399M) .....	59.0
Huntington National Bank (\$2,508M).....	61.6
BMO Harris Bank (\$2,171M) .....	64.2
KeyBank (\$1,489M).....	64.7
Old National Bank (\$773M) .....	67.5
PNC Bank (\$6,451M).....	68.4
National Bank of Indianapolis (\$1,308M) ..	74.0
JPMorgan Chase Bank (\$8,198M) .....	80.1

(1) net income/average equity

(2) total stock, earnings, securities and currency/  
total assets

(3) non-performing assets/total assets

(4) net interest income/average earning assets

(5) salary, benefits, office and non-interest  
expenses/income from net interest, fees, trading  
and other non-interest income

Sources: David A. Noyes & Co., Federal Deposit  
Insurance Corp.