

Financial Condition of Agricultural Banks: Supplemental Report
to the AAEA Task Force on Financial Stress

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Deterioration in the condition of farm loans at banks and of loans at agricultural banks was reversed during 1986. Preliminary year-end banking data indicate that improving trends that began in the second quarter continued through the fourth quarter. Only early hints of such improvement were available when I prepared the paper on "Financial Condition of Agricultural Banks" for presentation at the AAEA Symposium on Financial Stress in Agriculture sponsored by the task force in November, which will be published with other symposium papers in the forthcoming special edition of the Agricultural Finance Review. In this report, therefore, I am providing my colleagues on the task force and other farm financial analysts with timely information on the new trends with the caution that data shown for the fourth quarter are preliminary estimates (also be warned that chart and table numbers are erratic). For this report, data for December 1986 were available for 90 percent of all banks (92 percent of agricultural banks), and these banks hold 85 percent of all farm loans at banks. I will prepare a follow-up report in mid-March in conjunction with the meeting of the National Agricultural Credit Committee, which will still be preliminary but will be based on data from nearly all banks. Then in April I will prepare a final and comprehensive report that will update all of the charts, tables, and text in the symposium paper as well as other material presented in last year's "The Farm Credit Situation and the Status of Agricultural Banks" and in remarks at the USDA's Outlook Conference.

Because most farm finance analysts read (and probably clip) the occasional stories on farm banks in the Wall Street Journal, this footnote is intended to anticipate inquiries relating to the third-quarter change in the number of agricultural banks with more problem loans than capital. Using tabulations of banking data made by a private firm, the WSJ on November 19 reported 207 such banks as of June 1986, and on February 11 reported 209 such banks as of September 1986. No matter which definitions are used for agricultural banks, capital, and problem loans, my tabulations show a third-quarter reduction in the number of such banks from peaks made in March or June. Preliminary data point to a further reduction during the fourth quarter.

Trends in farm debt

Total farm debt (including CCC loans), which peaked at over \$220 billion in the summer of 1983 after having risen every year since 1945, dropped to about \$188 billion at the end of 1986.

Debt excluding CCC loans--the relevant debt total for studies of financial stress--peaked at \$205 billion (on a year-end basis) in 1983 and has dropped by \$36 billion to about \$169 billion (line 3 of Table 3). Such debt fell by \$19 billion, or 10 percent, in 1986, on top of a decline of \$16 billion in 1985. Debt secured by farm real estate (line 9) has been reduced more slowly than non-real-estate debt (line 17).

Four factors are probably contributing in a major way to the ongoing reduction in farm debt: (1) lenders have been charging off substantial debt (commercial banks alone charged off \$3.6 billion in farm production loans during the past three years); (2) farm assets are being transferred from heavily indebted owners to cash holders (including lenders holding foreclosed property as well as cash buyers); (3) borrowers with liquid assets (bank deposits, etc.) whose yields have recently fallen far below interest rates on their farm debt have been using those assets to repay debt; and (4) demand for new loans is low as operating expenses have been reduced by crop acreage cutbacks and lower fuel prices, and as capital investment in machinery and livestock breeding herds has been curtailed.

Farm real estate loans at commercial banks appear to be bucking the overall trend, as they have risen by more than 10 percent annually over the past four years (line 10 of table 4). However, initial data from the new coverage of such loans by the Federal Reserve's survey of terms of bank lending indicate that most such loans have relatively short maturities and that a majority are for farm operating and other non-real-estate purposes.

Table 3

Annual percentage change in farm debt outstanding

Type of debt and lender group		1980	1981	1982	1983	1984	1985	1986	Amount outstanding, billions of dollars, 12/31/86
1	Total debt.....	10	11	8	0	-2	-4	-8	188.0
2	Commodity Credit Corp.....	-2	61	93	-30	-19	94	12	19.0
3	Total debt excluding CCC...	10	9	4	2	-1	-8	-10	169.0
4	Banks.....	1	3	8	9	3	-6	-6	44.1
5	Farm Credit System.....	17	16	5	0	-2	-13	-18	48.7
6	Life insurance companies...	6	1	-2	-1	-2	-5	-7	11.0
7	Farmers Home Adm.....	21	19	3	1	6	7	1	27.7
8	Individuals and others.....	8	6	2	-1	-7	-11	-12	37.5
9	Real estate debt.....	12	11	4	2	-1	-6	-8	96.5
10	Banks.....	-1	-3	1	11	9	12	13	12.9
11	Federal Land Banks.....	21	21	9	2	1	-9	-16	37.6
12	Life insurance companies...	6	1	-2	-1	-2	-5	-7	11.0
13	Farmers Home Adm.....	8	13	4	4	6	4	1	10.5
14	Individuals and others.....	8	5	1	1	-7	-9	-10	24.5
15	Non-real-estate debt.....	8	11	11	-3	-3	-1	-8	91.5
16	Commodity Credit Corp.....	-2	61	93	-30	-19	94	12	19.0
17	N.r.e. debt excluding CCC..	8	8	4	1	-1	-10	-12	72.5
18	Banks.....	2	4	10	8	1	-10	-12	31.2
19	PCAs and FICBs*.....	9	7	-3	-6	-7	-22	-24	11.1
20	Farmers Home Adm.....	31	23	2	-1	7	9	0	17.2
21	Individuals and others.....	7	6	4	-3	-5	-15	-15	13.0

* Farm loans outstanding at production credit associations plus Federal Intermediate Credit Bank discounts of loans made by agricultural credit corporations and similar "other financing institutions."

Loans shown correspond to those included in the USDA's farm balance sheet (including operator households). For example, farm debt owed to the Farm Credit System excludes business loans (loans at the Banks for Cooperatives and about 2.5 percent of total PCA loans) and home mortgage loans (about 6 percent of Federal Land Bank loans).

Data for 1986 for banks, life insurance companies, FmHA, and "individuals and others" are preliminary estimates made by Board staff.

Farm loan delinquencies and charge-offs at commercial banks

The volume of problem farm non-real-estate loans at commercial banks peaked early in 1986 and has declined considerably since then. The trend reversal in the proportion of such farm production loans in nonaccrual status at smaller banks (assets under \$300 million) appears especially significant, because this delinquency rate had risen steadily each quarter from 0.3 percent in December 1982 (when delinquency data were first collected) to 5.7 percent in March 1986. Since March it has dropped steadily, to about 4.5 percent on December 31.

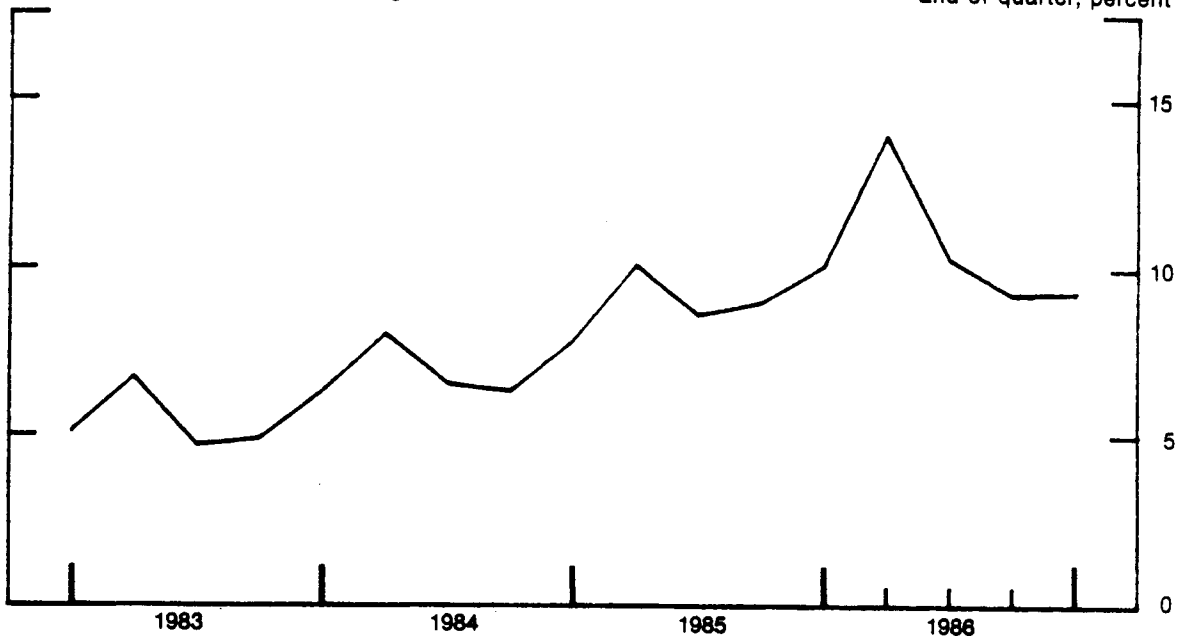
At all banks, about \$2.9 billion of farm non-real-estate loans were delinquent (nonperforming or past due 30 days or more) on December 31, 1986, compared with \$3.6 billion a year earlier. The delinquency rate dropped to 9.4 percent from 10.1 percent a year before, putting it well below the peak of 13.9 percent on March 31 (top panel of chart 2). Nonaccrual loans fell to \$1.8 billion, compared with \$2.2 billion a year earlier, and the proportion of outstanding loans in nonaccrual status fell from 6.1 percent to 5.9 percent (middle panel of chart 2). Additional details are shown in table 4.

Net charge-offs of farm non-real-estate loans are estimated to have been slightly higher in 1986 than in 1985 (lower panel of chart 2), totaling about \$1.4 billion, or 3.9 percent of farm non-real-estate loans outstanding at the beginning of the year. Net charge-offs had totaled \$0.9 billion in 1984 and \$1.3 billion in 1985. As currently estimated, net charge-offs in the fourth quarter of 1986 were below their year-earlier level, the first such experience since reporting of these data began in 1984 (table 5).

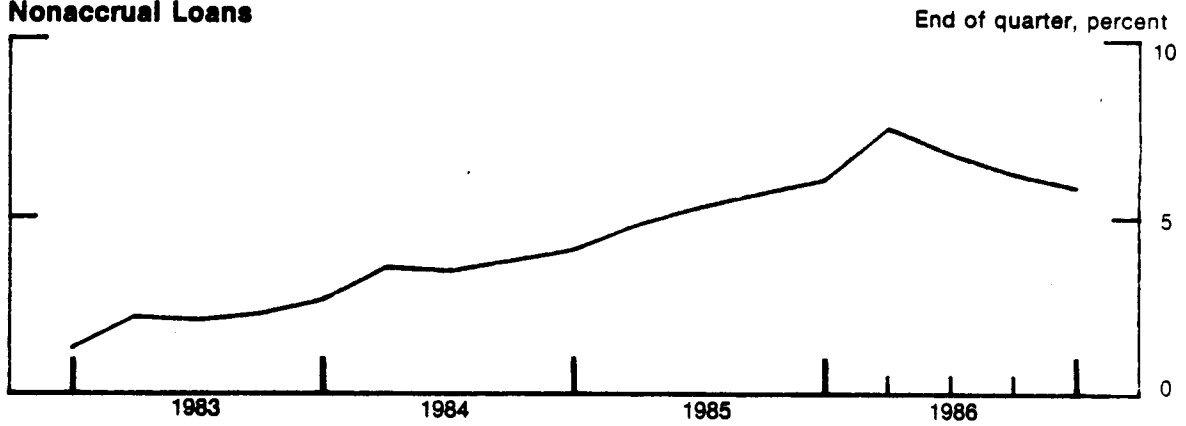
Chart 2

Delinquency and Charge-off Rates on Farm Non-real-estate Loans Insured Commercial Banks

Past Due and Nonperforming Loans



Nonaccrual Loans



Net Charge-offs in Quarter

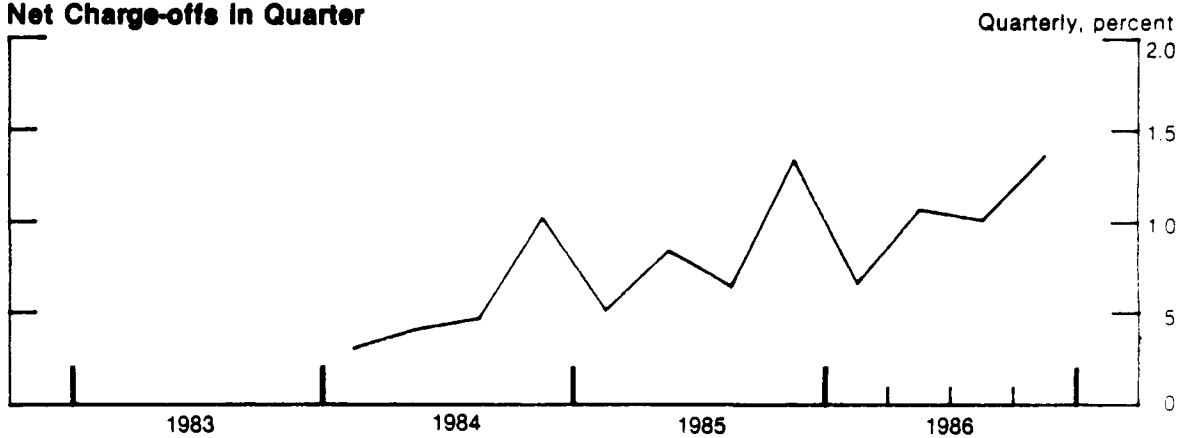


Table 4

Estimated delinquent farm non-real-estate loans
Insured commercial banks
December 31

Class of delinquent loans	1982	1983	1984	1985	1986
	<u>Billions of dollars</u>				
Total.....	1.9	2.5	3.1	3.6	2.9
Past due 30 to 89 days and still accruing.....	.9	1.0	1.0	1.0	.7
Nonperforming.....	.9	1.5	2.1	2.6	2.2
Past due 90 days or more and still accruing.....	.4	.4	.4	.4	.4
Nonaccrual.....	.5	1.1	1.6	2.2	1.8
<u>Addendum:</u> Restructured loans in compliance with modified terms**.....	*	.1	.1	.2	.5
	<u>As percentage of outstanding farm non-real-estate loans</u>				
Total.....	5.1	6.3	7.8	10.1	9.4
Past due 30 to 89 days and still accruing.....	2.6	2.5	2.6	2.8	2.4
Nonperforming.....	2.5	3.8	5.2	7.3	7.1
Past due 90 days or more and still accruing.....	1.2	1.1	1.1	1.2	1.2
Nonaccrual.....	1.3	2.7	4.1	6.1	5.9
<u>Addendum:</u> Restructured loans in compliance with modified terms**.....	.1	.1	.2	.5	1.6

* Less than 0.05.

** Before June 1986, "renegotiated 'troubled' debt."

Data are estimates of national totals. After 1984, estimates are based on reports from banks that hold about 92 percent of farm non-real-estate loans. Earlier, only large banks that held about one-fourth of such loans reported nonaccrual and renegotiated farm loans; for other banks, estimates of these items are based on study of delinquent total loans at these banks.

Table 5

Estimated net charge-offs of non-real-estate farm loans
Insured commercial banks

Period	Estimated amount, millions of dollars	As percentage of such loans outstanding at beginning of period
<u>Annual</u>		
1984.....	900	2.30
1985.....	1,300	3.28
1986.....	1,400	3.94
<u>Quarterly</u>		
1984-Q1.....	120	.31
-Q2.....	160	.41
-Q3.....	195	.47
-Q4.....	425	1.02
1985-Q1.....	200	.51
-Q2.....	320	.84
-Q3.....	255	.64
-Q4.....	525	1.34
1986-Q1.....	235	.66
-Q2.....	360	1.07
-Q3.....	345	1.01
-Q4.....	460	1.37

Data are estimates of national charge-offs of farm non-real-estate loans, based on reports from banks that hold about 94 percent of the outstanding national volume of such loans. Additional uncertainty of the estimates arises because small banks report only charge-offs of "agricultural" loans as defined by each bank for its internal purposes. Banks first reported these data on the March 1984 Report of Income.

Total loan delinquencies and charge-offs at agricultural banks

Delinquency rates on all loans at agricultural banks also peaked in early 1986. (Agricultural banks have a farm loan ratio that is above the unweighted average of farm loan ratios at all banks--about 15.4 percent on December 31, 1986.) At 6.4 percent, the proportion of loans past due or nonperforming on December 31, 1986, was well below the year-earlier level of 6.9 percent (top panel of chart 3). The proportion in nonaccrual status, which had risen in nearly every quarter from 0.8 percent in December 1982 to 3.3 percent in March 1986, fell to 2.7 percent by December, also slightly below the year-earlier level (middle panel of chart 3). Additional details are shown in table 6.

Total net charge-offs of loans at agricultural banks in 1986 were only slightly above those of 1985 (bottom panel of chart 3). Through the first three quarters of 1986, charge-offs ran about one-sixth above those of 1985, but fourth-quarter charge-offs were lower (table 7).

Chart 3

Delinquency and Charge-off Rates on Loans at Agricultural Banks

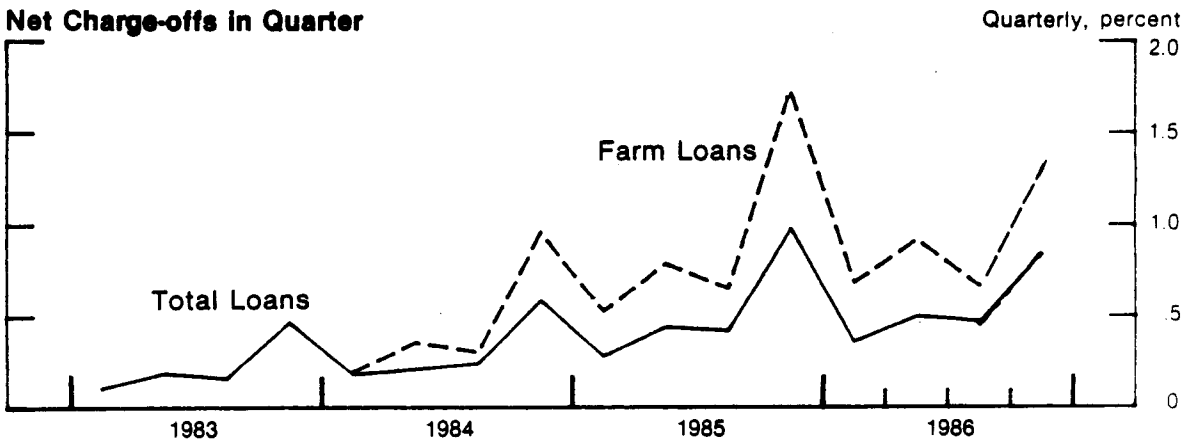
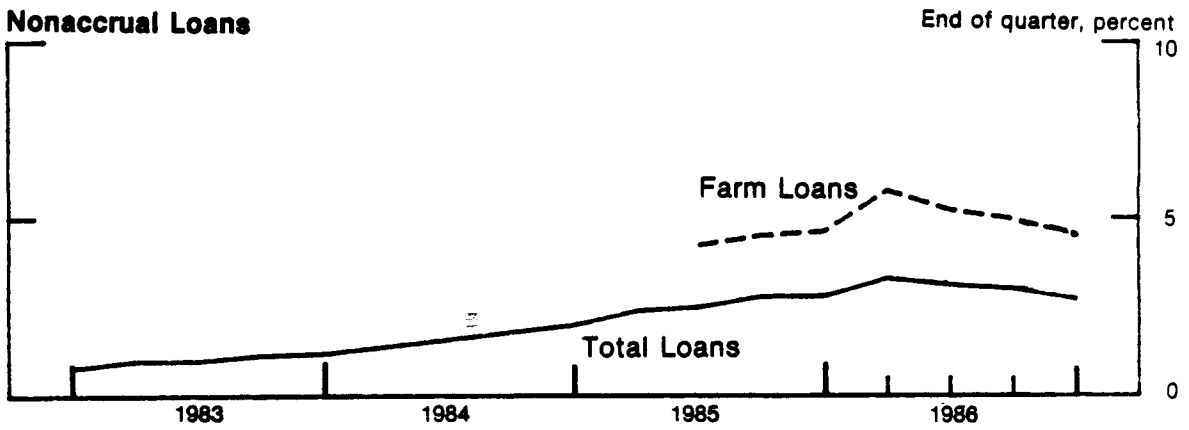
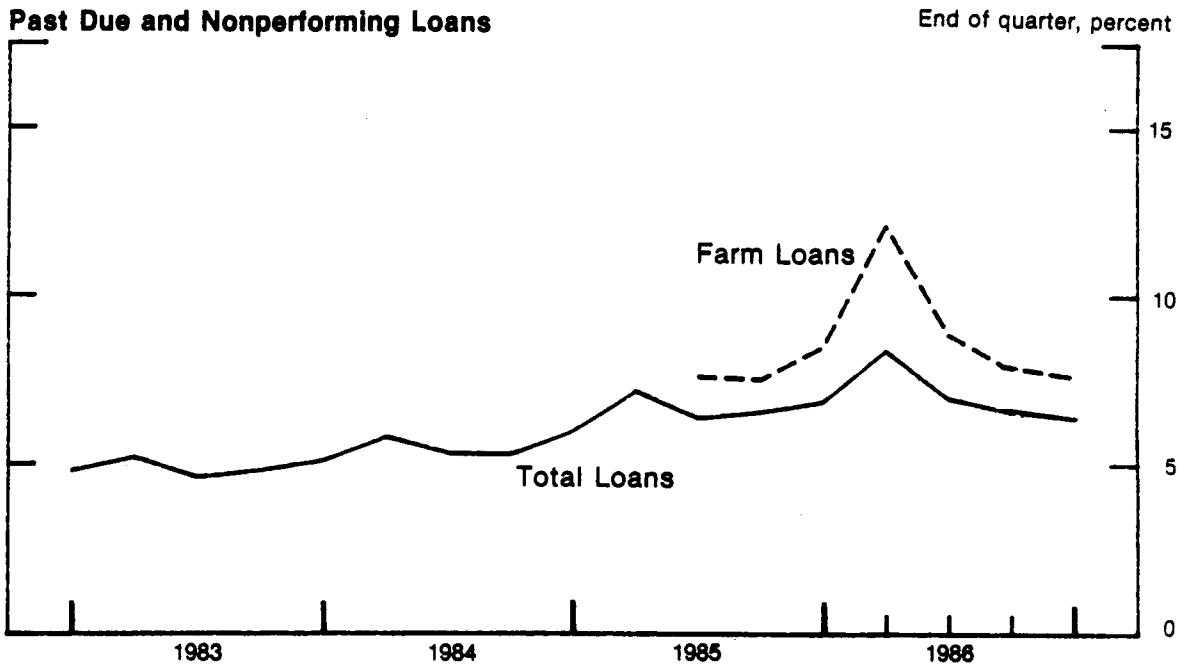


Table 6

Delinquent loans as a percentage of total loans outstanding
Agricultural banks
December 31

Type of delinquency	1982	1983	1984	1985	1986
Total.....	4.8	5.1	6.0	6.9	6.4
Past due 30 to 89 days and still accruing.....	2.4	2.3	2.6	2.8	2.4
Nonperforming.....	2.4	2.7	3.4	4.2	4.0
Past due 90 days or more and still accruing.....	1.6	1.5	1.4	1.4	1.2
Nonaccrual.....	.8	1.2	2.0	2.8	2.7
<u>Addendum:</u> Restructured loans in compliance with modified terms**.....	.2	.2	.2	.3	.9

** Before June 1986, "renegotiated 'troubled' debt."

Agricultural banks are insured commercial banks at which the ratio of farm loans to total loans is above the unweighted average of such ratios at all insured commercial banks on the date specified (estimated to be about 15.4 percent on December 31, 1986). Farm loans accounted for about 35 percent of total loans at agricultural banks on that date, and these banks held about 59 percent of all farm loans in the banking system. Farm loans at all banks totaled \$44.1 billion, which was 2.8 percent of total loans at all banks. (All data are for domestic offices of insured commercial banks.)

Table 7

Net charge-offs as a percentage of total loans
outstanding at end of period
Agricultural banks

Period	Charge-offs during year as percentage of total loans outstanding at end of period
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Annual

1980.....	.32
1981.....	.43
1982.....	.69
1983.....	.93
1984.....	1.22
1985.....	2.12
1986.....	2.20

Quarterly

1983-Q1.....	.11
-Q2.....	.19
-Q3.....	.16
-Q4.....	.47
1984-Q1.....	.18
-Q2.....	.21
-Q3.....	.24
-Q4.....	.59
1985-Q1.....	.28
-Q2.....	.44
-Q3.....	.42
-Q4.....	.98
1986-Q1.....	.36
-Q2.....	.50
-Q3.....	.47
-Q4.....	.85

Farm loan interest rates at commercial banks

Interest rates on non-real-estate farm loans made by banks averaged 10.8 percent in the Federal Reserve System's November 1986 survey of terms of bank lending, down by 4.0 percentage points from the most recent peak reached in August 1984 (table 8). At large banks, at which farm loan rates tend to follow more closely the national prime rate, the decline has been sharper--5.5 percentage points, to an average level of 8.9 percent in November. At smaller banks, where farm loan rates appear to reflect the average internal cost of funds, the average rate has fallen by 3.4 percentage points from its recent peak, reaching 11.5 percent in November. During 1986, however, the declines at large and small banks were similar--each was just over 1.5 percentage points.

Interest rates on individual farm loans at banks show considerable variation. In the first week of November 1986, nearly 20 percent of the new non-real-estate farm loans were at rates lower than 9 percent, while more than a fourth of the loans were at rates in excess of 12 percent (table 9). At large banks, 97 percent of the loans were made at rates below 11 percent, compared with only 23 percent at smaller banks. On average, farm loan rates have been lower at large banks since mid-1982, after being higher at such banks during most of the preceding five years.

Table 8

Average effective interest rate on non-real-estate farm loans
made by commercial banks
(percent)

Period	All banks	Large banks	Other banks
<u>Annual</u>			
1977.....	8.8	8.5	9.0
1978.....	9.6	10.2	9.4
1979.....	11.9	13.6	11.4
1980.....	15.2	16.2	15.0
1981.....	18.5	19.8	18.1
1982.....	16.7	16.1	17.0
1983.....	13.5	12.1	14.1
1984.....	14.1	13.1	14.4
1985.....	12.8	11.2	13.4
1986.....	11.5	9.6	12.1
<u>Quarterly</u>			
1983-Q1.....	13.8	12.5	14.1
-Q2.....	13.2	12.0	13.9
-Q3.....	13.6	12.2	14.1
-Q4.....	13.6	11.8	14.2
1984-Q1.....	13.5	12.2	14.1
-Q2.....	14.2	13.3	14.5
-Q3.....	14.8	14.4	14.9
-Q4.....	14.2	13.4	14.4
1985-Q1.....	13.2	11.7	13.8
-Q2.....	13.0	11.5	13.6
-Q3.....	12.3	10.6	12.9
-Q4.....	12.3	10.6	13.1
1986-Q1.....	12.0	10.3	12.8
-Q2.....	11.5	9.7	12.0
-Q3.....	11.4	9.3	12.1
-Q4.....	10.8	8.9	11.5

Effective rates shown are estimates from the Federal Reserve survey of terms of bank lending to farmers.

In recent quarters, most "large banks" (survey strata 1 to 3) had over \$600 million in total assets, and most "other banks" (survey strata 4 to 6) had total assets below \$600 million.

Table 9

Percentage distribution of non-real-estate farm loans made by banks,
by effective interest rate

Effective interest rate (percent)	November										Nov.	Feb.	May	Aug.	Nov.
	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1985	1986	1986	1986	1986
All loans.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 6.0.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.0 to 6.9.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
7.0 to 7.9.....	3	-	-	-	-	-	-	-	-	-	-	-	1	1	6
8.0 to 8.9.....	42	8	-	-	-	-	-	-	-	1	12	1	8	6	11
9.0 to 9.9.....	48	32	1	-	-	-	-	-	16	11	11	16	5	12	15
10.0 to 10.9...	7	37	7	-	-	3	8	1	7	13	13	7	7	11	12
11.0 to 11.9...	1	11	10	-	-	6	5	3	13	29	29	13	21	33	16
12.0 to 12.9...	-	7	15	3	-	6	17	12	21	25	25	21	23	22	25
13.0 to 13.9...	-	4	35	10	-	15	20	24	33	2	2	33	31	13	16
14.0 to 14.9...	-	-	13	21	-	17	36	32	7	1	1	7	4	2	3
15.0 to 15.9...	-	-	4	28	2	37	13	22	1	-	-	1	-	-	1
16.0 to 16.9...	-	-	6	27	5	13	1	5	-	-	-	-	-	-	-
17.0 to 17.9...	-	-	5	7	20	3	-	1	-	-	-	-	-	-	-
18.0 to 18.9...	-	-	3	3	31	1	-	-	-	-	-	-	-	-	-
19.0 to 19.9...	-	-	-	-	23	1	-	-	-	-	-	-	-	-	-
20.0 to 20.9...	-	-	-	-	13	-	-	-	-	-	-	-	-	-	-
21.0 to 21.9...	-	-	-	-	5	-	-	-	-	-	-	-	-	-	-
22.0 to 22.9...	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
23.0 to 23.9...	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24.0 to 24.9...	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25.0 and over..	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Percentage distribution of the total dollar amount of non-real-estate farm loans of \$1,000 or more made by insured commercial banks during the week covered by the survey, which is the first full business week of the month specified.

Data are estimates from the Federal Reserve survey of terms of bank lending to farmers.

Liquidity of agricultural banks

Because of continued weak loan demand, the average loan-deposit ratio at the nation's 4,800 agricultural banks declined further last year to about 52.5 percent on December 31, from 55.9 percent a year earlier and 68.2 percent at the cyclical peak in September 1979. The present level of the loan-deposit ratio was last seen at agricultural banks in the mid-1960s. About one in seven agricultural banks now has a loan-deposit ratio below 35 percent. It is not surprising, therefore, that in surveys conducted by the Chicago, Minneapolis, and Kansas City Reserve Banks on January 1, about three-fourths of rural banks reported that their loan-deposit ratio was lower than desired. Over two-thirds of the banks surveyed in the Minneapolis district and nearly half of those in the Kansas City district said they were actively seeking new farm loan accounts. But while a majority of farmers are highly creditworthy, for reasons already noted most of this group is exhibiting low demand for additional debt and may even be accelerating repayment of loans already outstanding--thus frustrating the rural bankers who desire to increase their farm lending.

Profitability of agricultural banks

Profit experience of agricultural banks in 1986 was similar in many respects to that of 1985. As shown in Table 10, the net interest margin fell somewhat in 1986, but noninterest income was bolstered by capital gains on investments, leaving net income before loan losses at about the same level as in 1985. The provision for loan losses--which is the item responsible for the decline in the profitability of agricultural banks since 1980--stopped rising in 1986, and so net income was unchanged. The banks continued to pay dividends to their stockholders at the advanced level first reached in 1981--which has been about double the relative level of dividend payouts in the mid-1970s. Small but positive retained earnings were added to capital in both 1985 and 1986, and these additions sufficed to keep the average ratio of capital to assets at its cyclical peak.

As noted, relative interest income at agricultural banks has decreased slightly faster than interest expense since 1982, eroding the net interest margin from 4.0 percent to 3.6 percent of assets--still a bit above pre-1979 levels. In 1986, interest income averaged 9.0 percent of assets, while interest expense averaged 5.4 percent.

2/19/87

Table 10

Income, expenses, and profits of agricultural banks as a percentage of total assets

Item	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Interest income.....	5.5	5.4	5.1	5.2	6.4	6.3	6.6	6.7	7.0	7.8	9.3	11.0	11.4	10.3	10.6	10.0	9.0
Less: Interest expense.....	2.1	2.3	2.3	2.5	3.0	3.1	3.3	3.4	3.6	4.1	5.3	7.1	7.5	6.5	6.9	6.2	5.4
Equals: Net interest margin.....	3.3	3.2	2.8	2.7	3.5	3.2	3.3	3.3	3.5	3.7	4.0	4.0	3.9	3.8	3.7	3.8	3.6
Plus: Noninterest income.....	.4	.4	.3	.3	.3	.3	.3	.3	.4	.4	.4	.5	.5	.5	.5	.5	.7
Less: Noninterest expense, excluding loan losses..	2.2	2.2	2.1	2.0	2.1	2.2	2.2	2.2	2.3	2.3	2.4	2.5	2.6	2.6	2.6	2.7	2.7
Equals: Net income before loan losses.....	1.5	1.4	1.2	1.5	1.7	1.4	1.4	1.4	1.6	1.8	2.0	1.9	1.8	1.7	1.6	1.7	1.7
Less: Provision for loan losses.....	.1	.1	.1	.1	.1	.1	.1	.1	.2	.2	.2	.3	.4	.6	.8	1.2	1.1
Equals: Net income before taxes.....	1.4	1.2	1.1	1.4	1.5	1.3	1.3	1.3	1.4	1.5	1.7	1.6	1.4	1.1	.8	.6	.6
Less: Income taxes.....	.4	.3	.3	.4	.4	.3	.2	.3	.3	.3	.4	.4	.3	.2	.1	.0	.1
Equals: Net income.....	.8	.9	.9	1.0	1.1	1.0	1.1	1.0	1.1	1.2	1.3	1.2	1.1	1.0	.7	.5	.5
Less: Cash dividends.....	.3	.3	.2	.2	.2	.2	.3	.2	.3	.3	.3	.4	.4	.4	.4	.4	.4
Equals: Retained earnings.....	.7	.7	.7	.8	.9	.8	.8	.8	.8	.9	.9	.8	.7	.6	.3	.1	.1

Agricultural bank failures

At most agricultural banks, delinquent loans are not at levels that pose a threat of failure. At over two-thirds of agricultural banks, nonperforming loans were less than 25 percent of total capital on September 30, 1986. Such loans exceeded capital at only 172, or 3.6 percent, of the agricultural banks, down from around 200 banks in both March and June and only slightly above the year-earlier level of 158 banks.

Most of the banks that failed in 1986 came from the group that earlier had reported nonperforming loans in excess of capital. The number of these vulnerable banks rose further in 1986, but by September 30 the increase over a year earlier consisted mainly of nonagricultural banks (middle panel of chart 4). Vulnerable agricultural banks fell to less than half of all vulnerable banks. The agricultural-bank share of the total loans at vulnerable banks, which had peaked at 39 percent in March 1985, had declined to 12 percent by September 1986. Similarly, the farm-loan share of total loans at these banks had fallen to 6 percent, compared with 15 percent a year earlier and a peak level of 19 percent in March 1985.

The number of agricultural bank failures in 1986 was the same as in 1985. Their relative importance dropped to less than one-half of all bank failures, compared with 58 percent in 1985, and the relative importance of farm loans among total loans at failed banks dropped to 12 percent, compared with a peak of 19 percent in 1985. These trends in relative importance have continued so far in 1987 (table 14).

Chart 4

Number of Vulnerable Banks and Bank Failures

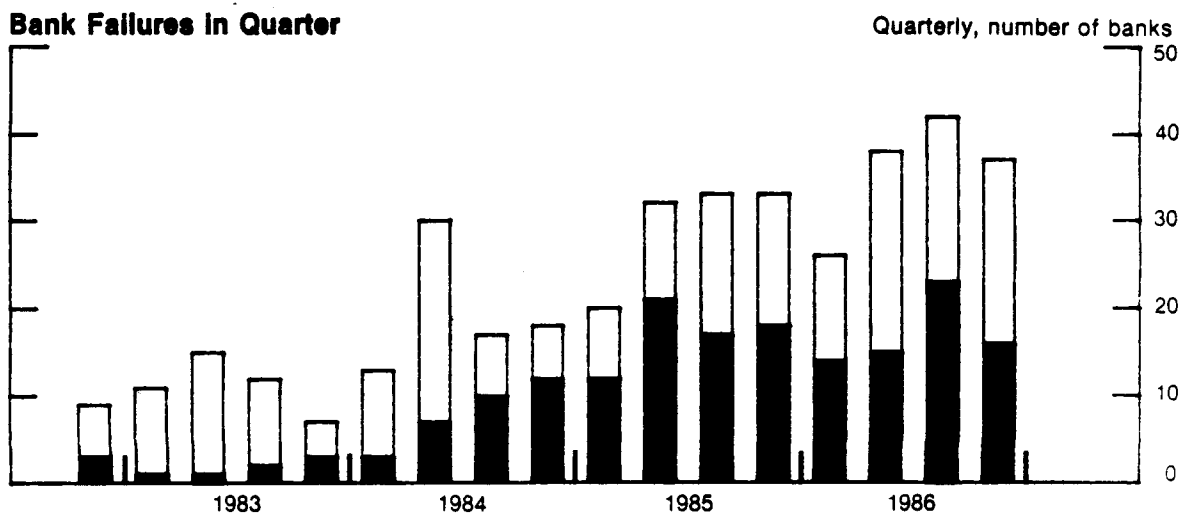
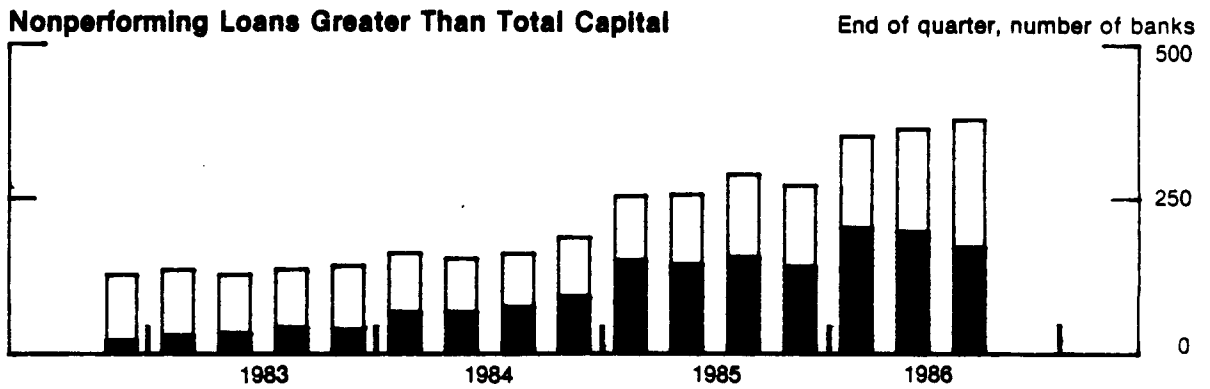
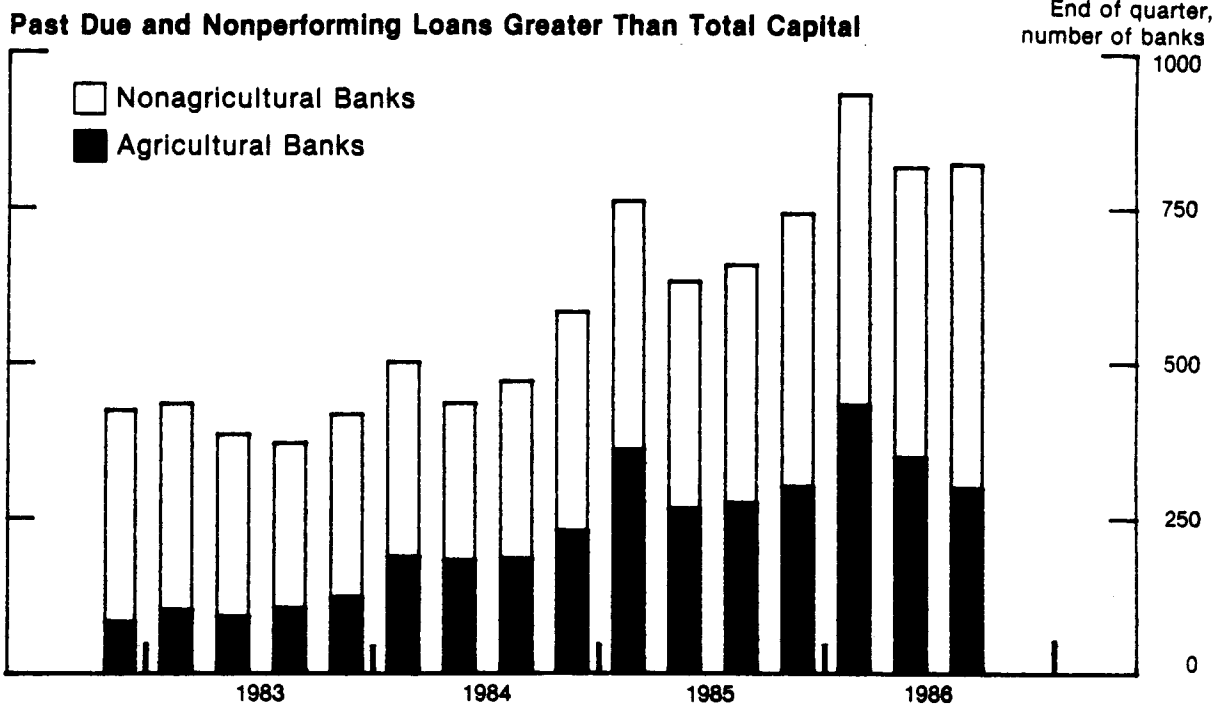


Table 14

Agricultural bank failures and farm loans at failed commercial banks

Period	Number of bank failures			Farm loans at all failed banks	
	Total	Agricultural banks	Agricultural as percentage of total	Millions of dollars	As percentage of total loans
<u>Annual</u>					
1981.....	7	1	14	3	4
1982.....	35	11	31	49	3
1983.....	45	7	16	62	2
1984.....	78	32	41	199	10
1985.....	118	68	58	459	19
1986.....	143	68	48	741	12
1987*.....	27	11	41	63	10
<u>Quarterly</u>					
1981-Q1...	3	1	33		
-Q2...	1	0	0		
-Q3...	1	0	0		
-Q4...	2	0	0		
1982-Q1...	5	2	40		
-Q2...	10	3	30		
-Q3...	11	3	27		
-Q4...	9	3	33		
1983-Q1...	11	1	9		
-Q2...	15	1	7		
-Q3...	12	2	17		
-Q4...	7	3	43		
1984-Q1...	13	3	23		
-Q2...	30	7	23		
-Q3...	17	10	59		
-Q4...	18	12	67		
1985-Q1...	20	12	60		
-Q2...	32	21	66		
-Q3...	33	17	52		
-Q4...	33	18	55		
1986-Q1...	26	14	54	84	10
-Q2...	38	15	39	162	14
-Q3...	42	23	55	318	13
-Q4...	37	16	43	178	12
1987-Q1*..	27	11	41	63	10

* Through February 16, 1987.

Data for 1986 include seven banks assisted to prevent closing. Industrial banks and mutual savings banks are excluded.