

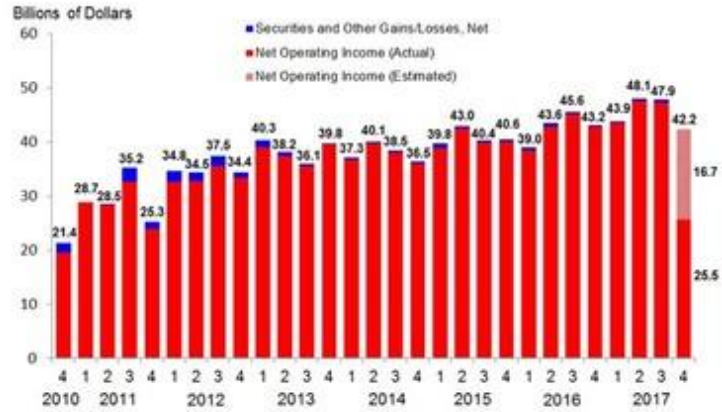
News of the Week: FDIC-Insured Institutions Report Net Income of \$25.5 Billion in Fourth Quarter 2017

- Quarterly Net Income Is 40.9 Percent Lower than a Year Ago Largely Due To One-Time Changes from the New Tax Law
- Excluding Changes from the New Tax Law, Estimated Quarterly Net Income Would Have Been \$42.2 Billion, Down 2.3 Percent from a Year Ago
- Net Interest Income Rises 8.5 Percent from Fourth Quarter 2016
- Total Loan and Lease Balances Increase \$164.1 Billion During the Fourth Quarter
- "Problem Bank List" Falls Below 100

Commercial banks and savings institutions insured by the Federal Deposit Insurance Corporation (FDIC) reported aggregate net income of \$25.5 billion in the fourth quarter of 2017, down \$17.7 billion (40.9 percent) from a year ago. The decline in net income is primarily due to one-time income tax effects from the new tax law, including the revaluation of deferred tax assets and repatriation of income from foreign subsidiaries. Financial results for the fourth quarter of 2017 are included in the FDIC's latest [Quarterly Banking Profile](#).

Quarterly Net Income

All FDIC-Insured Institutions



Source: FDIC.

CB Resource Products & Services



ERM



Strategic Plan



Capital Plan



CB BankAnalytics



Advisory Services

Trends & Observations

- ★ Not dead yet: Branches remain crucial to banks' growth plans
- ★ Believe It or Not, Bank Branches Still Matter
- ★ Treasury gets it right: Bankruptcy code, Dodd-Frank can work together
- ★ ABA 2018: How Community Banks Can Use Tech to Get into Digital Lending
- ★ BofA Will Add 500 New Locations and Redesigns Old Ones With More Tech
- ★ Innovation in Banking: Killer Ideas? Or Idea Killers?
- ★ When Google Translate doesn't work
- ★ To get ahead in banking, ignore the competition

Regulatory & IT

- ★ FDIC Releases Industry Year-End Report: Insured Institutions Report Net Income of \$25.5 Billion in Fourth Quarter 2017
- ★ BSA/AML Challenges - Cleaning up money laundering compliance aftermath
- ★ Why I would vote 'no' on Senate bill to amend Dodd-Frank
- ★ Dem v. Dem: Infighting over Dodd-Frank relief bill escalates
- ★ Bill to correct Madden ruling would benefit consumers
- ★ Fed's Bullard says 'substantially' higher rates risk overly tight policy
- ★ Viewpoint: FDIC rate caps miss the mark

Shareholder Impact

Mergers & Acquisitions

- ★ First Choice Bancorp to Acquire Pacific Commerce Bancorp
- ★ CVB Financial Corp. and Community Bank Announce Agreement to Merge
- ★ Floyd-based bank company to buy NC bank
- ★ Plans for Great State Bank merger with Skyline National announced

Other Banking News

- ★ Rethinking The Reputation Of The Merchant Cash Advance
- ★ Wells Fargo's Top Critics Unappealed as Four Directors to Leave
- ★ Feds order probe of Wells Fargo wealth-management unit
- ★ North Carolina losing another bank to an out-of-state buyer
- ★ LendingClub's Underwriting: Stay Away From The Notes And The Shares
- ★ Silvergate Capital Corporation Completes \$114 Million Common Stock Sale
- ★ Best Fintechs to Work For