

# Banking CONDITIONS

*Providing Tenth District insights on regional and national banks*

## First Quarter 2024 Banking Conditions

By Mary Bongers

*The Federal Reserve Bank of Kansas City dedicates staff to monitor banking trends nationally and across our seven-state region.*

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District banks experienced further compression of the net interest margin (NIM) in the first quarter, marking five consecutive quarters of declining margins (see Chart A11). The District NIM decreased to 3.35 percent, which remains well below pre-pandemic levels and continues to be attributable to increasing costs of funds (See Supplemental Chart 1). During the quarter, yields on earning assets increased only marginally on aggregate. Yields on earning assets were primarily impacted by a shifting asset mix, as growth in loans (a higher-yielding asset) slowed and growth in liquid assets (a lower-yielding asset) increased. The notable exception to these trends was seen at the smallest District banks, or those under \$250MM. These banks saw an aggregate increase in NIM, benefitting from large gains in yields on earning assets, which outweighed rising funding costs.

As a result of continued NIM compression, District bank earnings performance experienced some deterioration. The District return on average assets (ROAA) totaled 1.08 percent, which remains below its 20-year average (see Chart A4). The trend in NIM is the primary driver of earnings performance, while noninterest income and expense items remained relatively steady in the first quarter. Noninterest income remains below pre-pandemic levels, and overhead expenses normalized after a spike at year-end resulting from FDIC special assessment fees (see Charts A15 and A17). Further, provision expenses decreased modestly (see Chart B2).

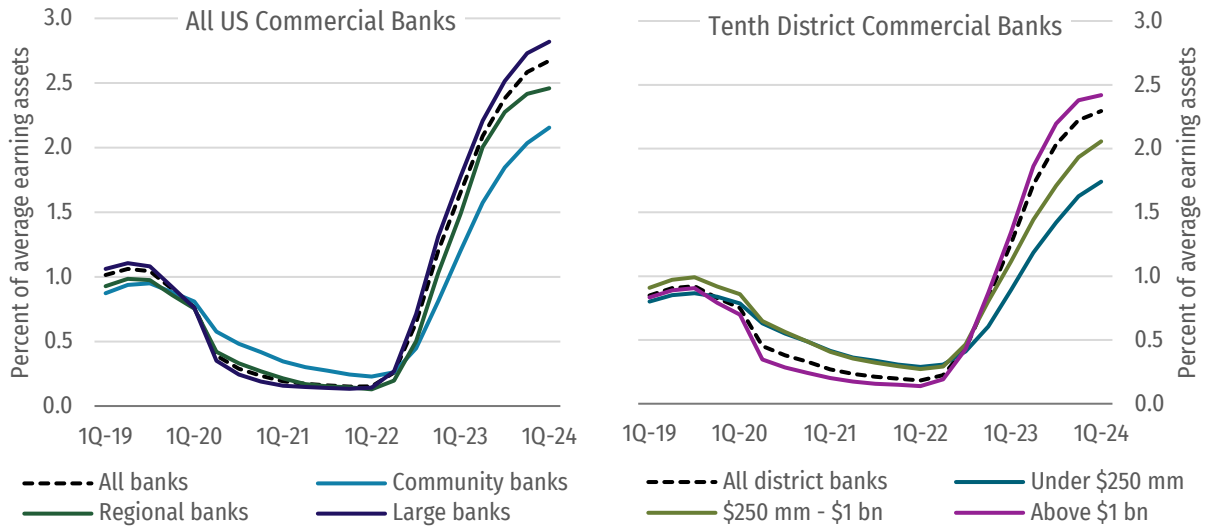
Balance sheet growth was modest during the quarter. District banks took on more interest-bearing bank balances while securities declined and loan growth slowed (see Chart C3). As a result, the liquid asset ratio increased for the first time in over two years, now totaling 14.4 percent (see Chart D9). First quarter loan growth totaled less than 1 percent and was primarily seen in CRE (see Chart C4). Funding structures also shifted across District banks. During the quarter, core deposits<sup>1</sup> increased (1.7 percent), replacing brokered deposits (-2.7 percent) and Federal Home Loan Bank (FHLB) borrowings (-13.2 percent). The level of wholesale funds is declining, but noncore funding dependency remains elevated given significant utilization since the onset of the current rate cycle (see Charts D10 and D12). Recent balance sheet movements have also benefitted capital ratios. The District Leverage ratio increased to 9.8 percent, its highest level since March 2020 (see Chart A2). Across District banks that report risk-based ratios, the total risk-based capital ratio increased to 13.8 percent, benefitting from growth in lower risk-weighted assets. Further, the tangible common equity (TCE) ratio improved slightly, despite a small uptick in unrealized losses on securities, which total 22 percent of Tier 1 capital across District banks (see Supplemental Chart 2).

Asset quality metrics remain sound though continue to show signs of deterioration. Following pandemic-era lows, charge-offs have normalized and noncurrent loans continue to increase (see Charts B3 and B5). While still below 10-year averages, past due and nonaccrual loans as a percent of total loans have increased for four consecutive quarters. Noncurrent CRE loans saw the largest increase in the first quarter compared to other major loan types (see Chart B6). Consumer noncurrent loans also increased and are approaching 10-year highs (see Chart B8). District banks continue to provision for potential losses, but allowance levels remained steady at 1.7 percent in the first quarter.

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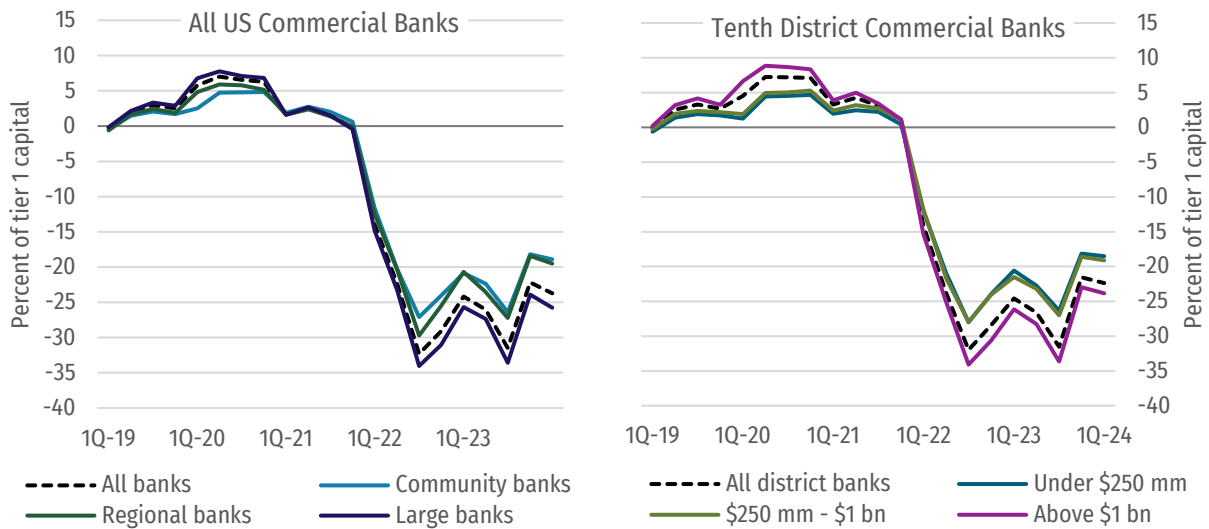
<sup>1</sup> Core deposits as defined in the Uniform Bank Performance Report (UBPR).

**Supplemental Chart 1. Cost of Funds**



Note: Cost of funds calculated as total interest expense as a percent of average earning assets.

**Supplemental Chart 2. Unrealized Gains/Losses on Securities**



Note: Unrealized positions reflect the difference between fair value and amortized cost on available-for-sale and held-to-maturity securities.

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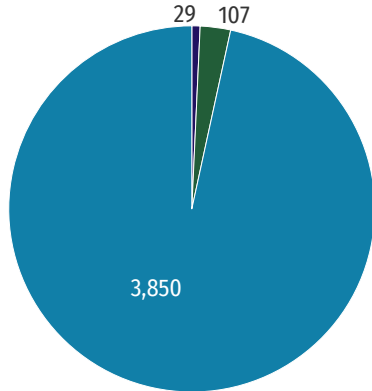
## Select Ratios by Tenth District State

# Banking Institutions Overview

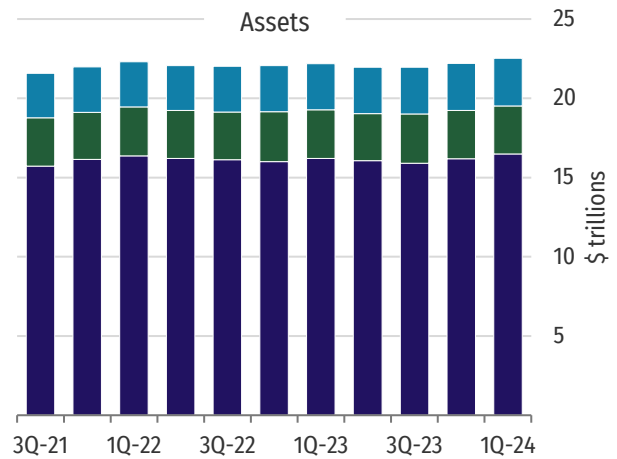
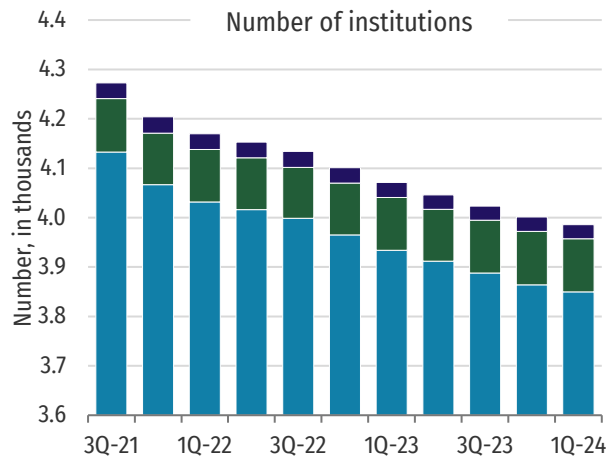
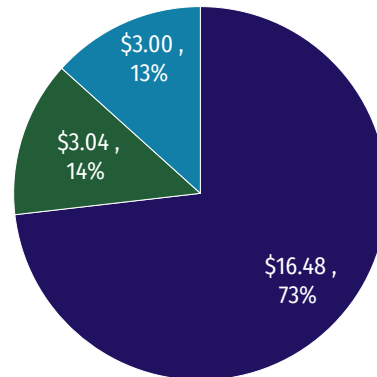
## All U.S. Commercial Banks

Large banks    Regional banks    Community banks

Number of institutions



Assets, in trillions

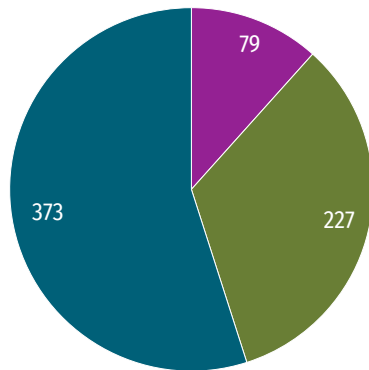


# Banking Institutions Overview

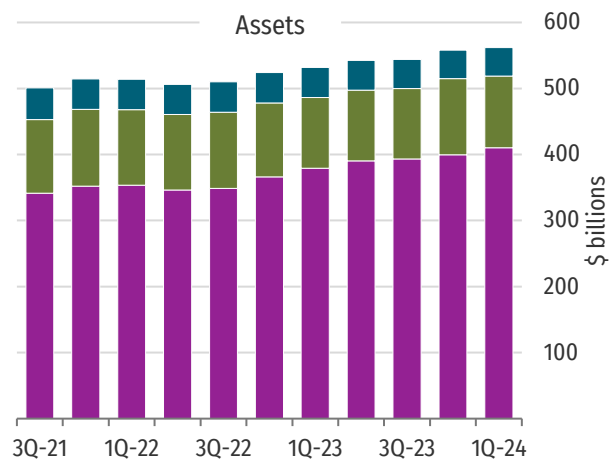
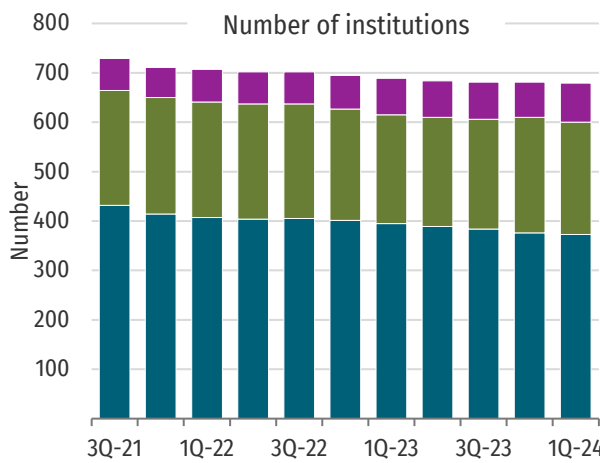
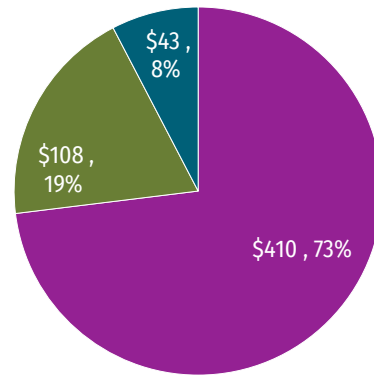
## Tenth District Commercial Banks

Above \$1 bn    \$250 mm - \$1 bn    Under \$250 mm

Number of institutions



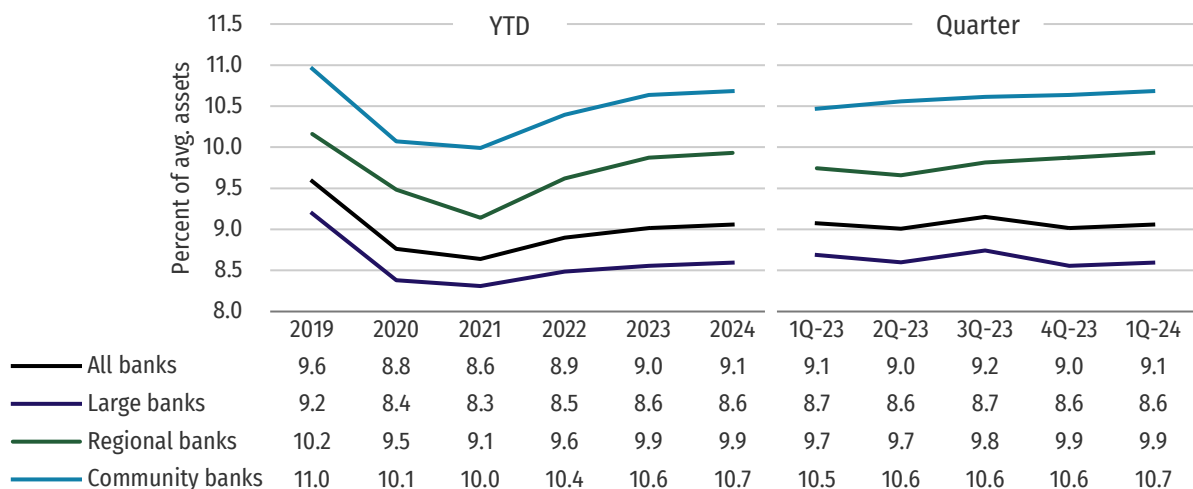
Assets, in billions



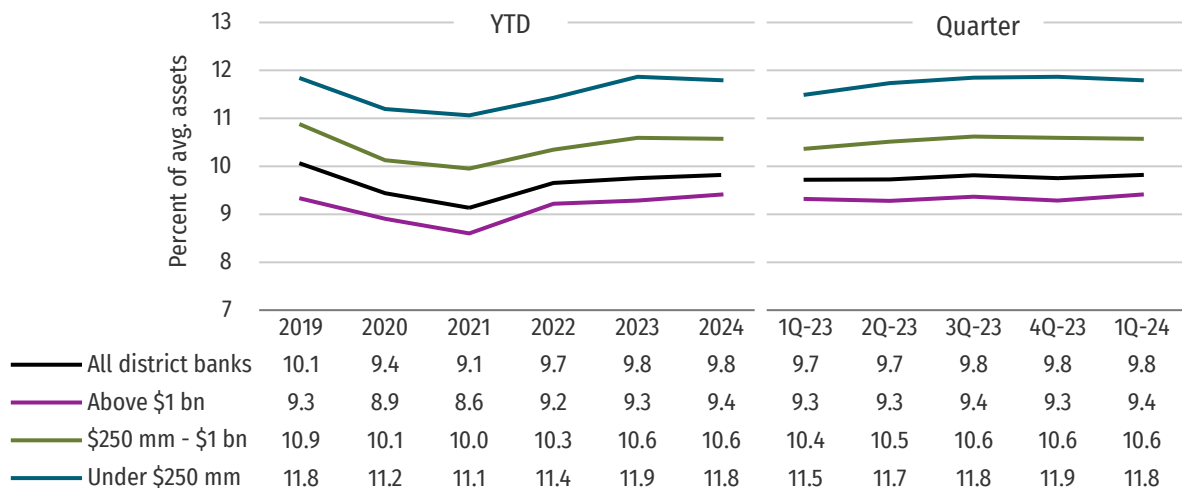
## A. Capital and Earnings

- Earnings are pressured by declining net interest margins. Increases in cost of funds continue to outpace any increases in yields on earning assets.
- The Tier 1 Leverage ratio remains stable as capital accretion has kept pace with asset growth.

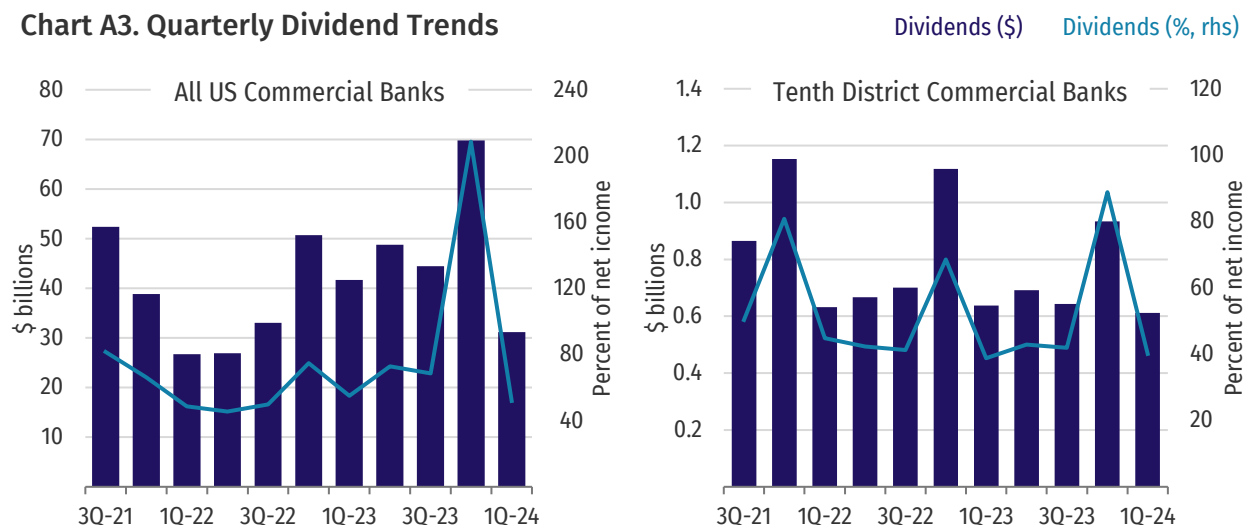
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**Chart A2. Leverage Ratio, Tenth District Commercial Banks**



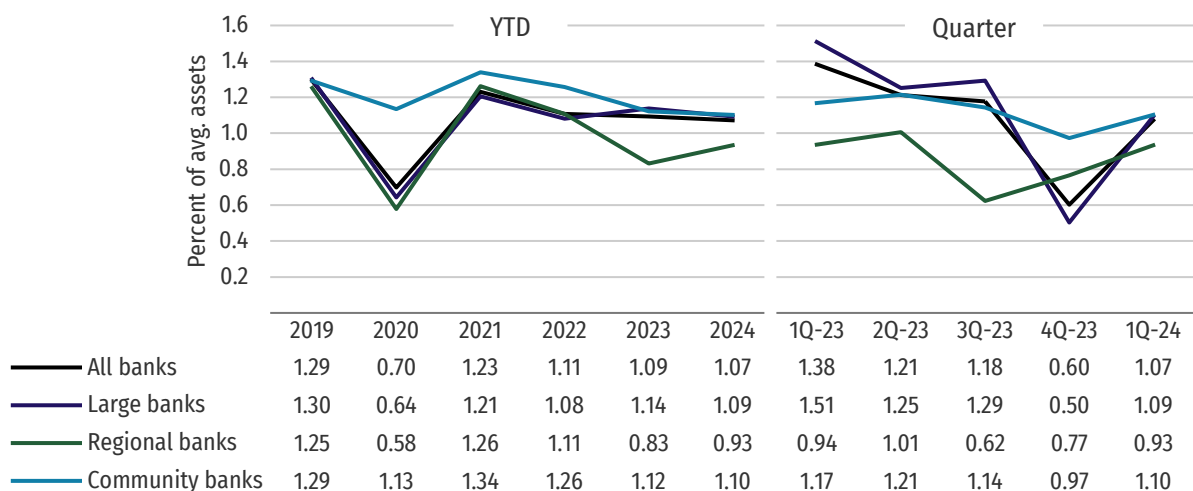
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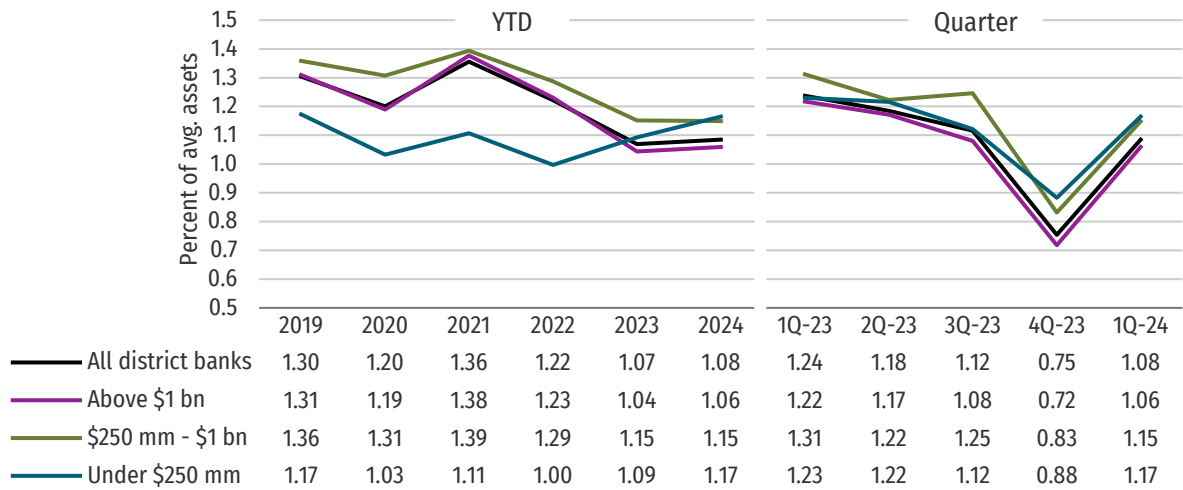
**Chart A4. Return on Average Assets Summary**

	All US Commercial Banks						Tenth District Commercial Banks					
	YTD			Quarter			YTD			Quarter		
	1Q-23	1Q-24	change	4Q-23	1Q-24	change	1Q-23	1Q-24	change	4Q-23	1Q-24	
Net interest income	2.98	2.85	▼ (0.13)	2.92	2.85	▼ (0.07)	3.32	3.13	▼ (0.19)	3.18	3.13	
Noninterest income	1.51	1.31	▼ (0.20)	1.16	1.31	▲ 0.15	0.91	0.91	▲ 0.01	0.86	0.91	
Total revenue	4.48	4.16	▼ (0.33)	4.08	4.16	▲ 0.08	4.23	4.04	▼ (0.18)	4.04	4.04	
Provisions	0.32	0.33	▲ 0.01	0.39	0.33	▼ (0.06)	0.19	0.18	▼ (0.01)	0.28	0.18	
Noninterest expense	2.42	2.48	▲ 0.06	2.89	2.48	▼ (0.41)	2.55	2.54	▼ (0.01)	2.72	2.54	
Total expenses	2.74	2.81	▲ 0.07	3.28	2.81	▼ (0.47)	2.74	2.72	▼ (0.03)	3.00	2.72	
Pre-tax operating income	1.75	1.35	▼ (0.40)	0.80	1.35	▲ 0.55	1.48	1.32	▼ (0.16)	1.04	1.32	
<b>Net Income</b>	<b>1.38</b>	<b>1.07</b>	<b>▼ (0.31)</b>	<b>0.60</b>	<b>1.07</b>	<b>▲ 0.47</b>	<b>1.24</b>	<b>1.08</b>	<b>▼ (0.15)</b>	<b>0.75</b>	<b>1.08</b>	

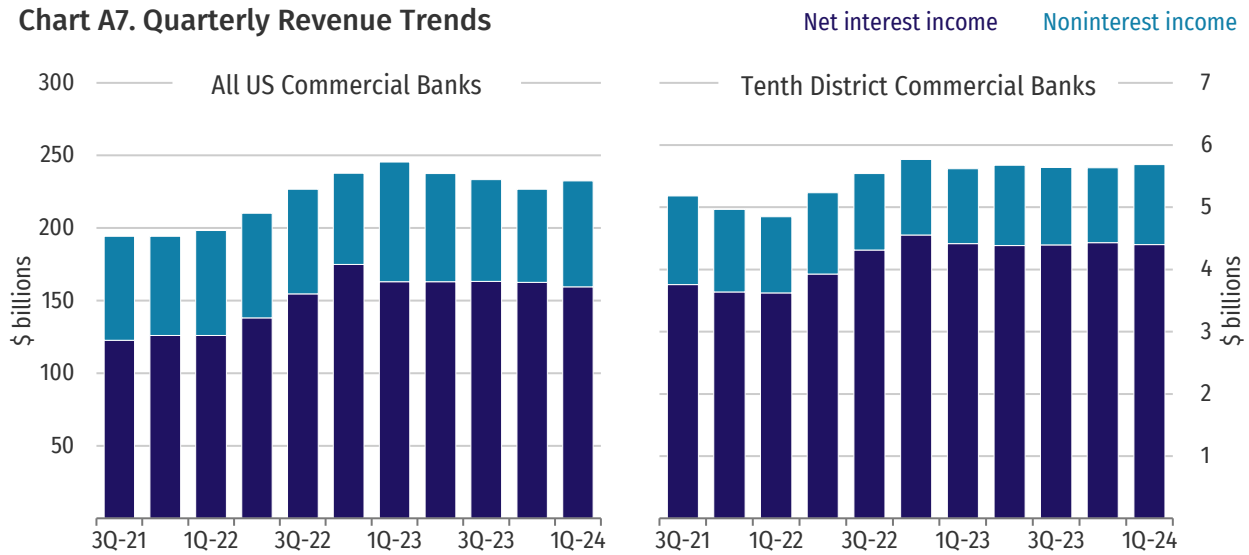
**Chart A5. Return on Average Assets, All U.S. Commercial Banks**



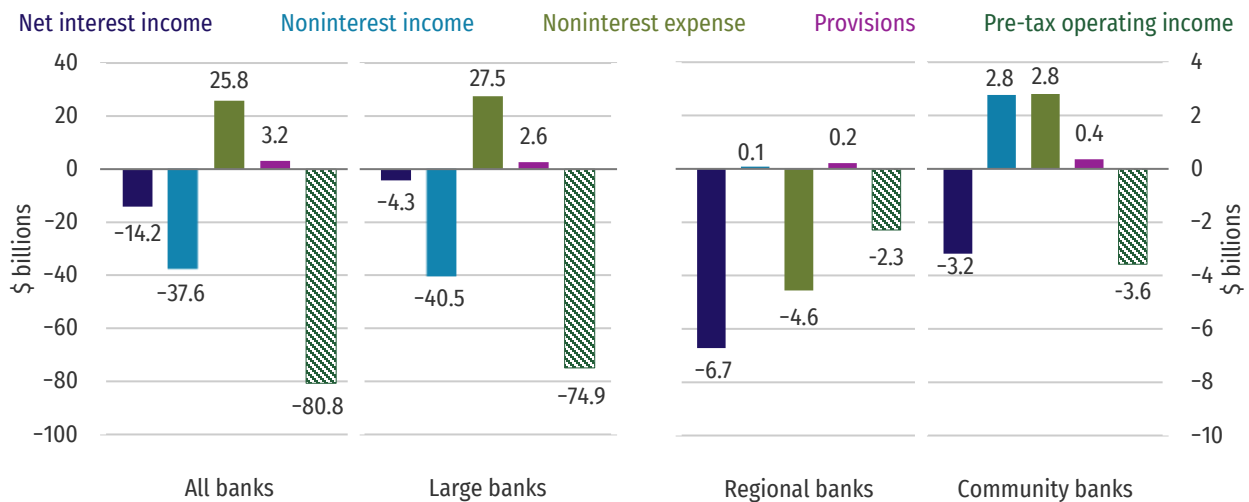
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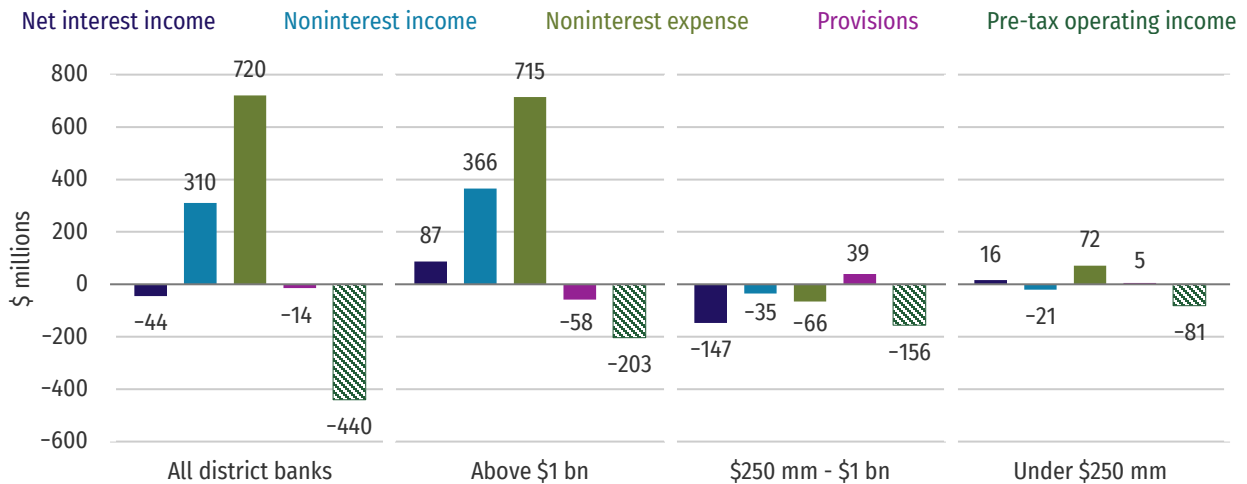


**Chart A8. Year-Over-Year Change in Income & Expense Items, All U.S. Commercial Banks**

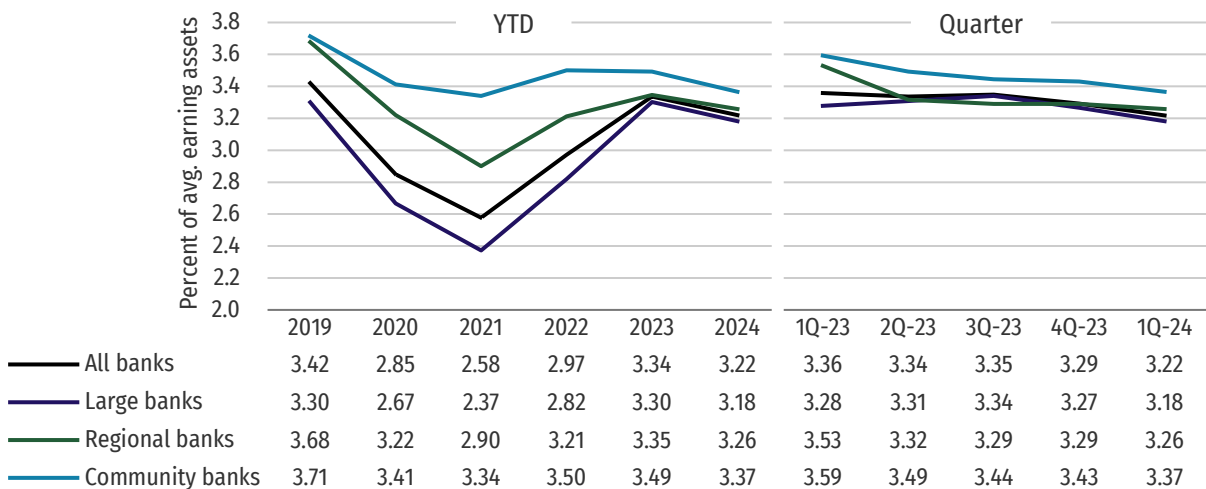




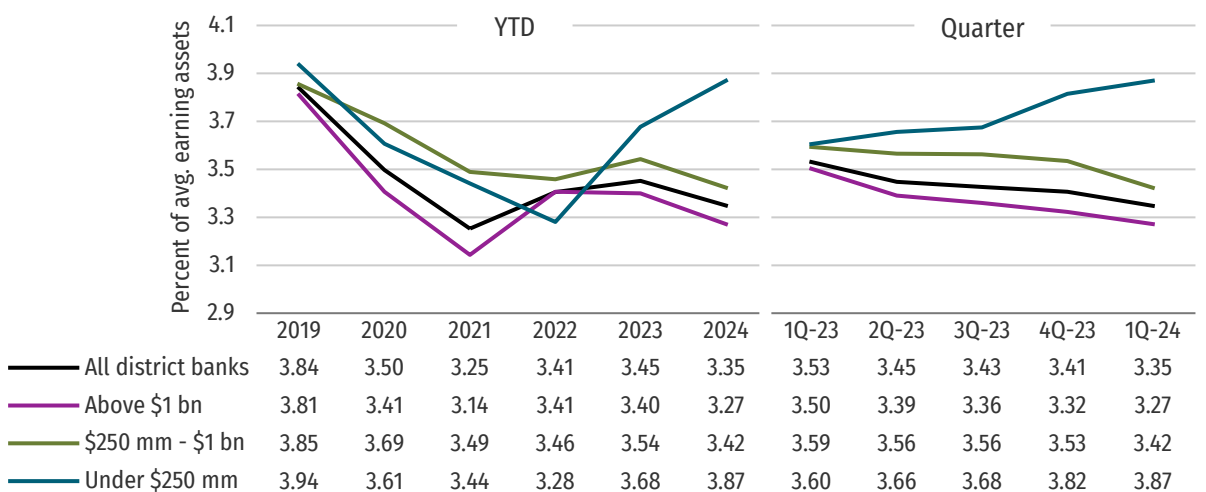
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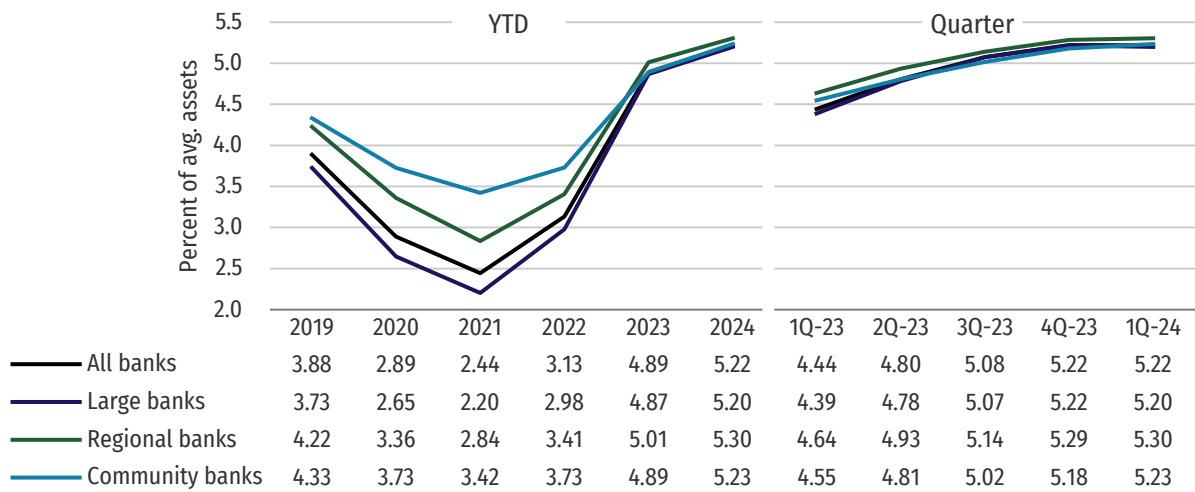
**Chart A10. Net Interest Margin, All U.S. Commercial Banks**



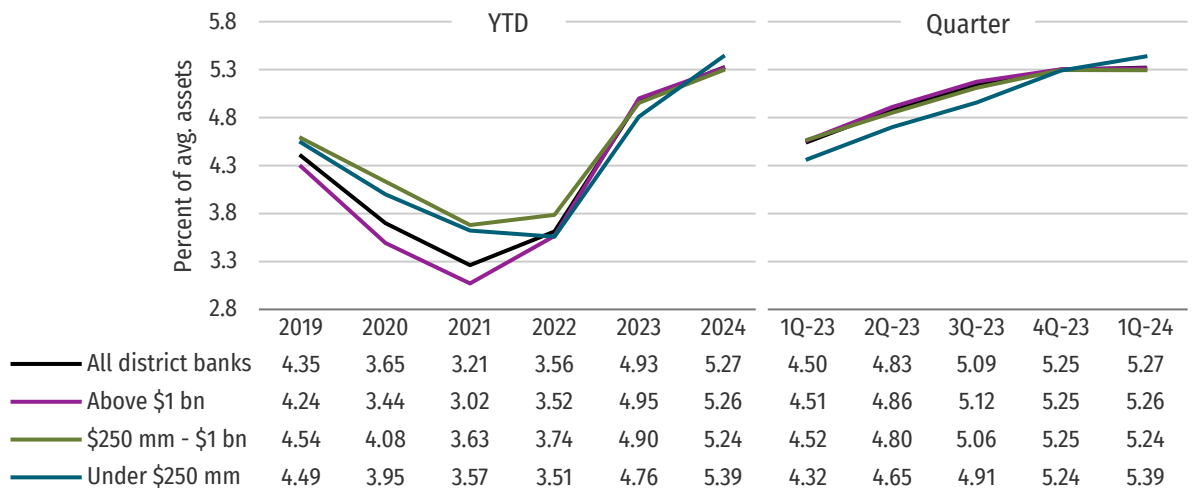
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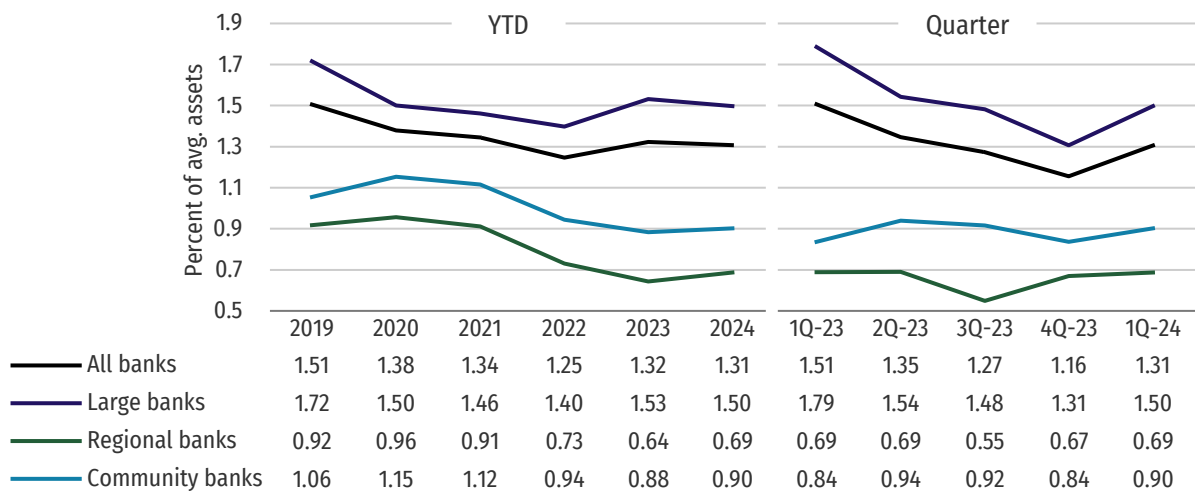
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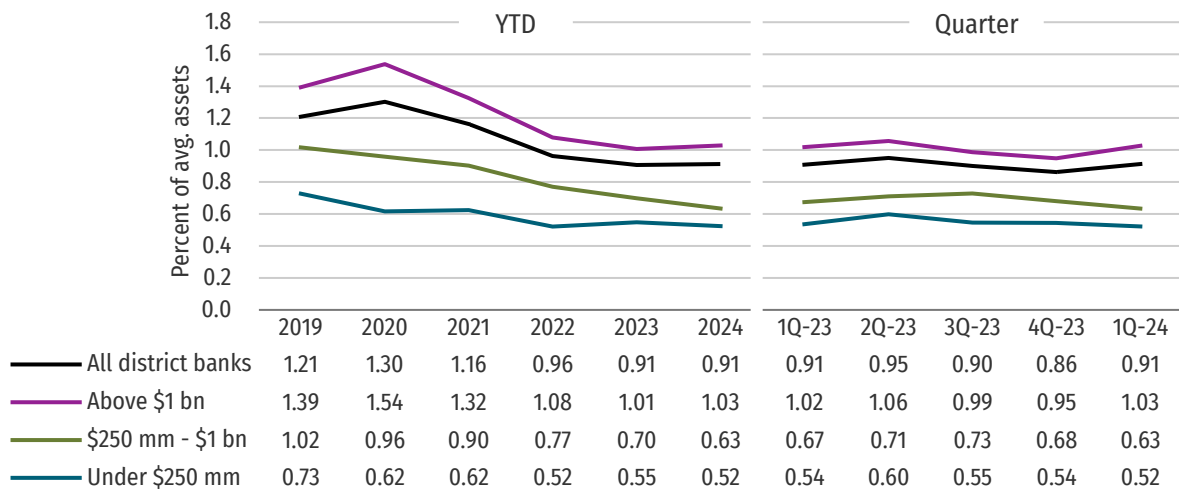
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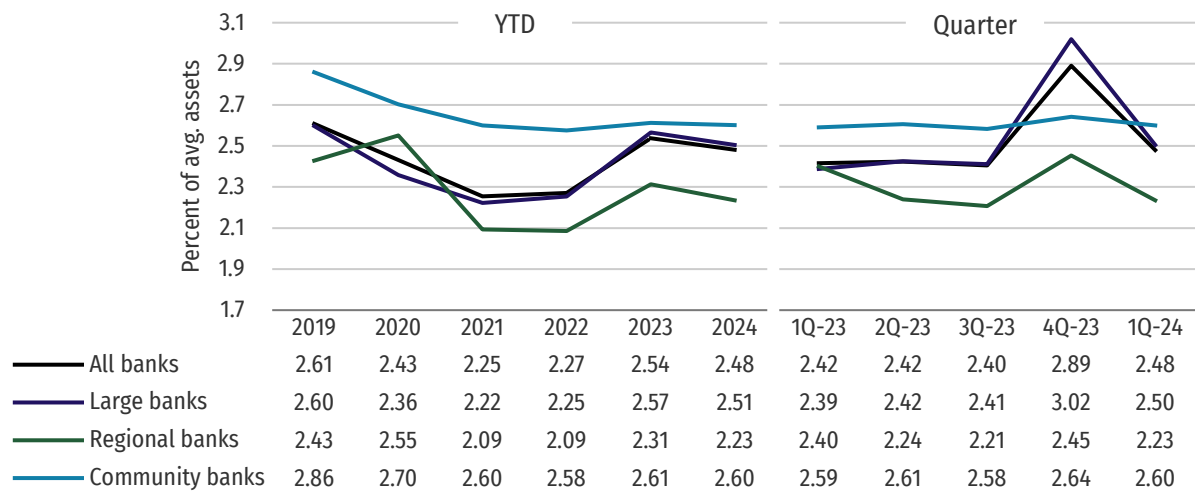
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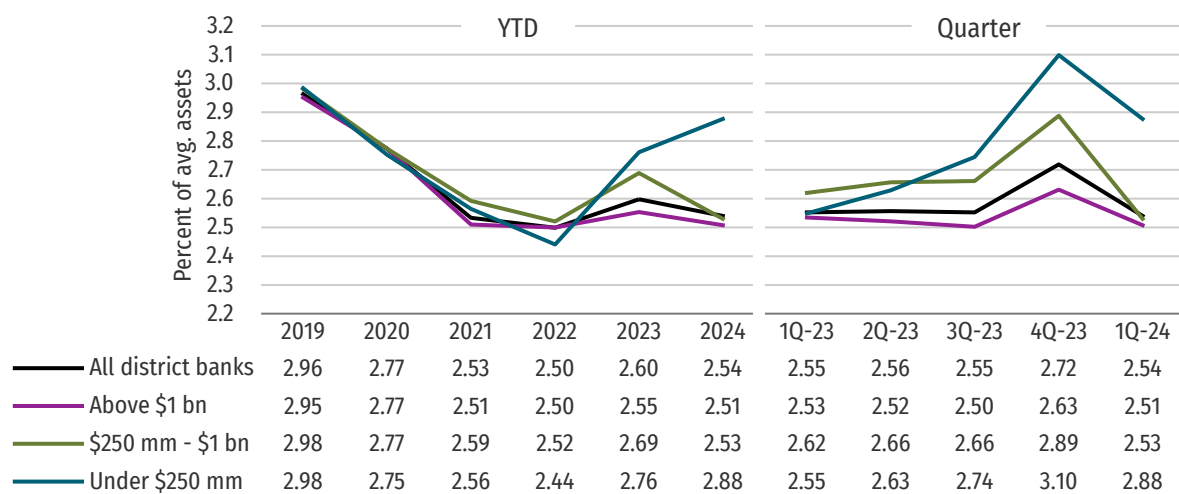
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**Chart A16. Noninterest Expense, All U.S. Commercial Banks**



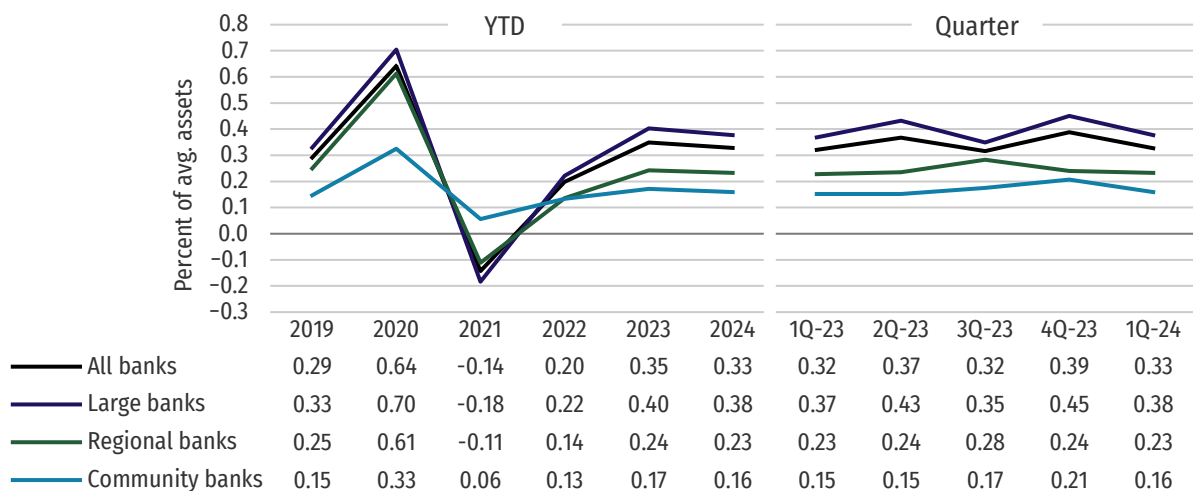
**Chart A17. Noninterest Expense, Tenth District Commercial Banks**



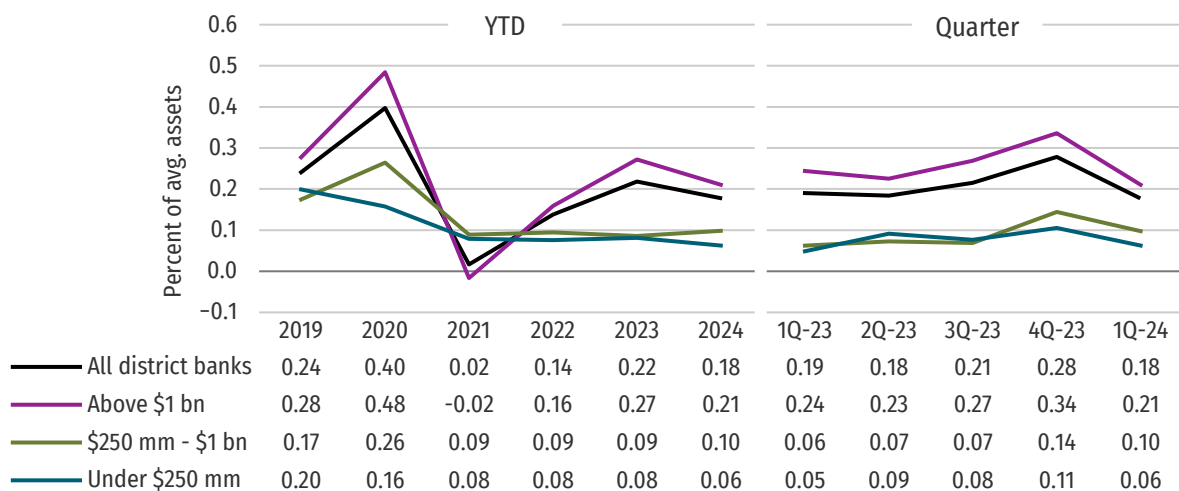
## B. Loan Loss Reserves and Credit Conditions

- Past due and nonaccrual loans as a percent of total loans continue an increasing trend, but District noncurrent rates remain below nationwide measures.
- Allowance levels held steady as banks pulled back on provisions.

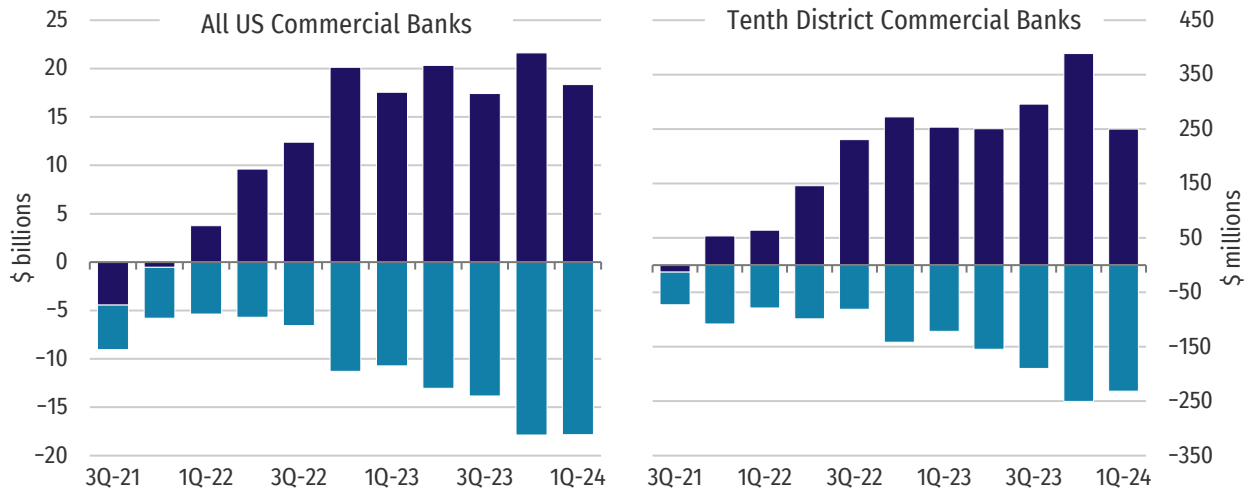
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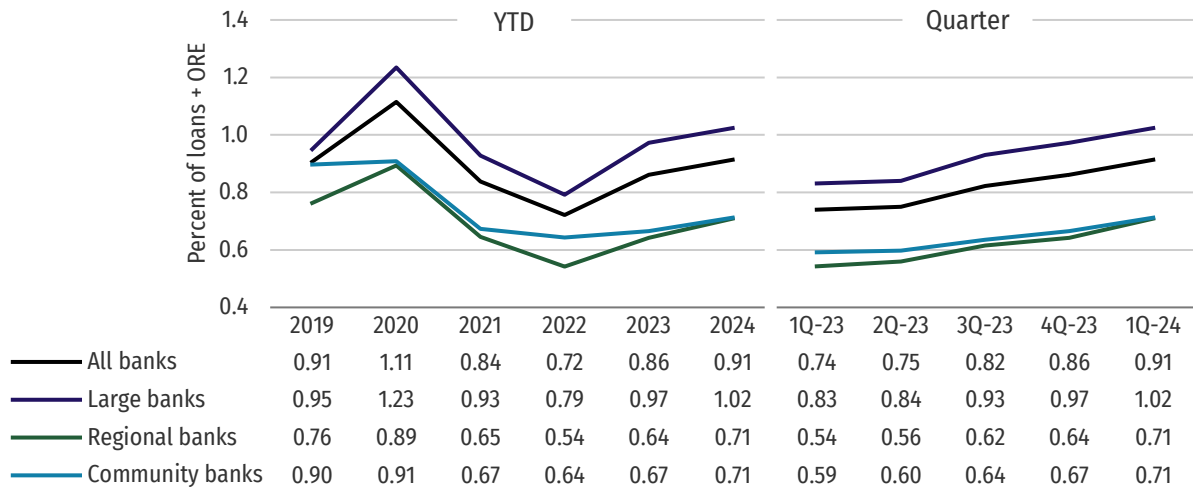
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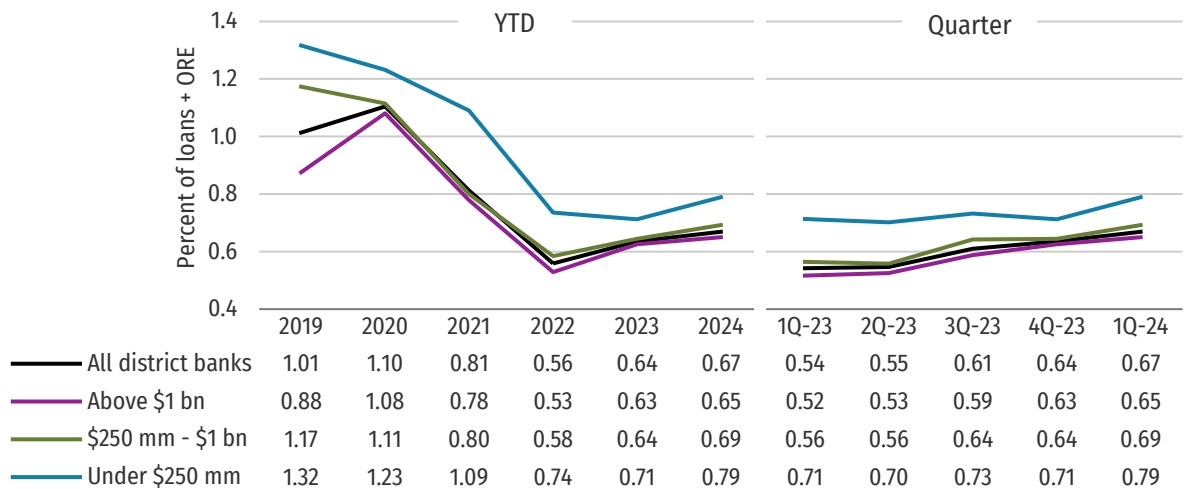
**Chart B3. Quarterly Allowance for Loan and Lease Losses Trends** Provisions Net chargeoffs



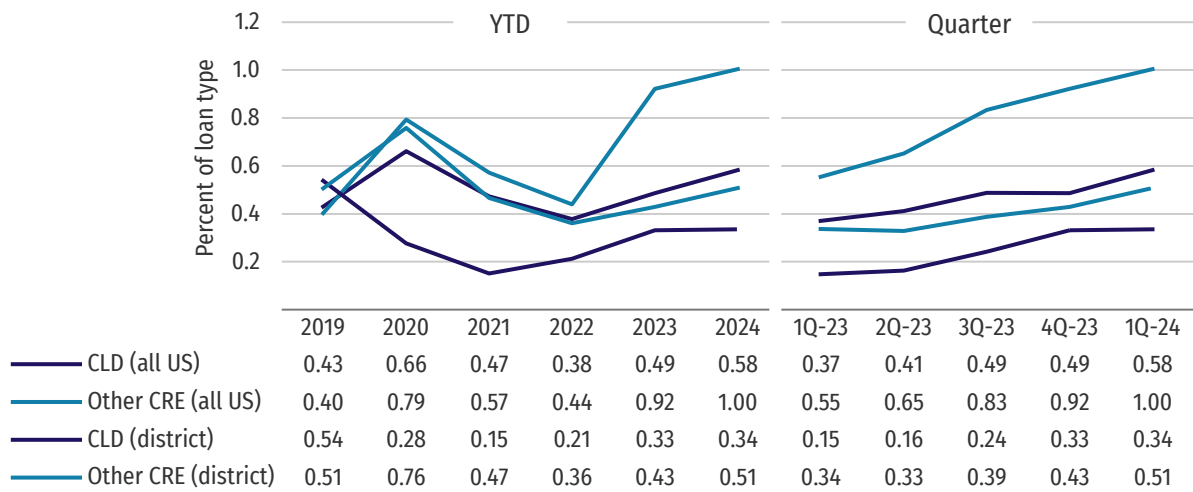
**Chart B4. Problem Assets, All U.S. Commercial Banks**



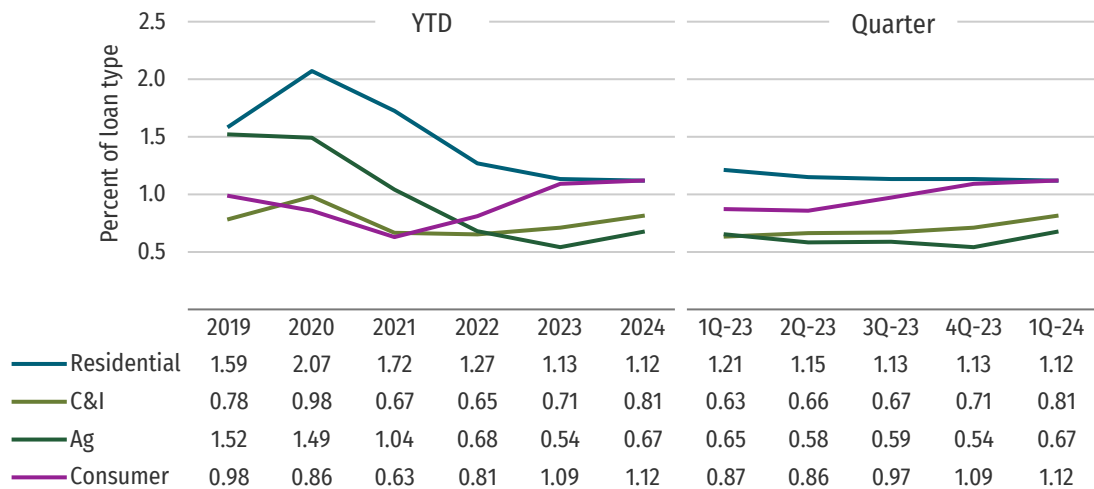
**Chart B5. Problem Assets, Tenth District Commercial Banks**



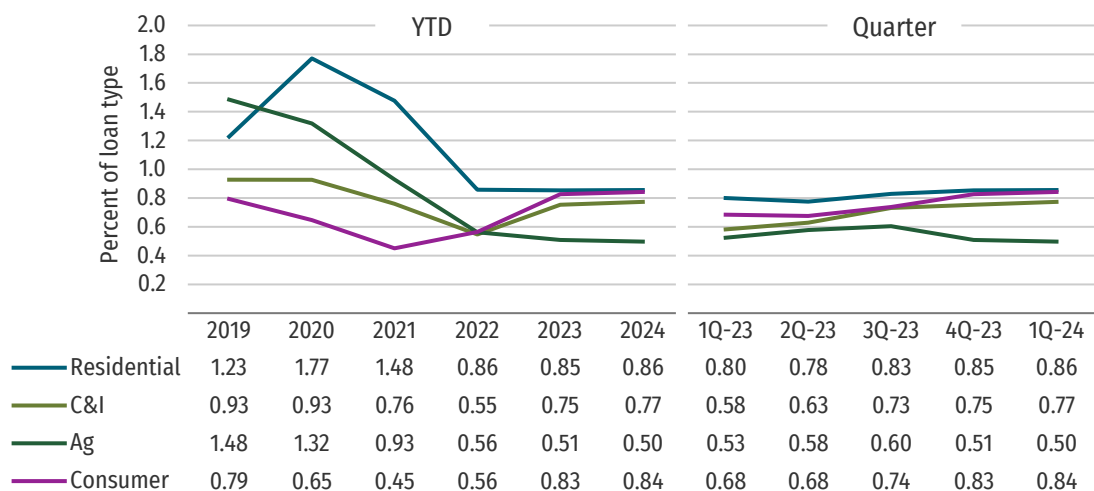
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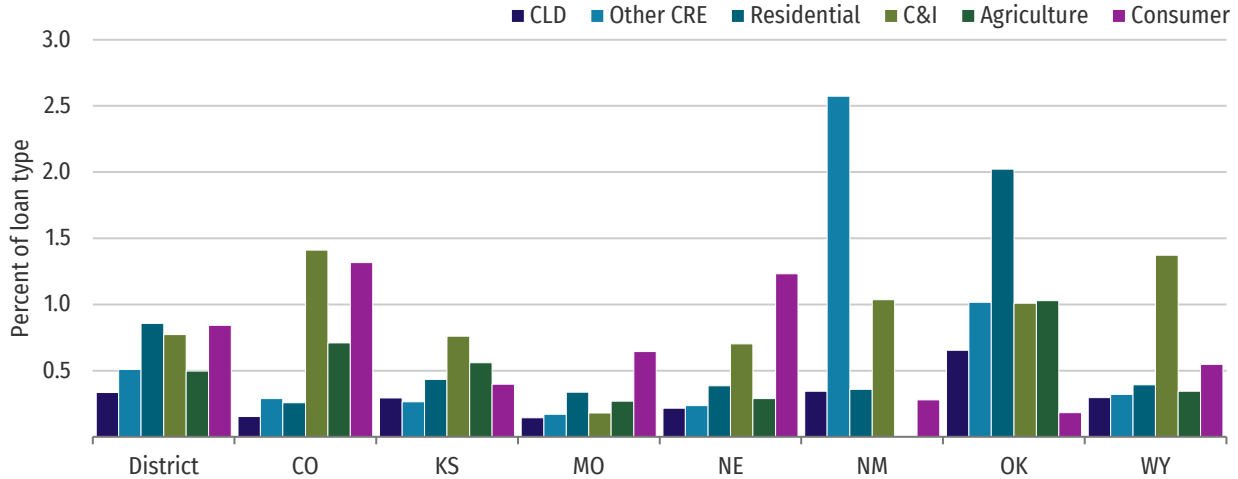
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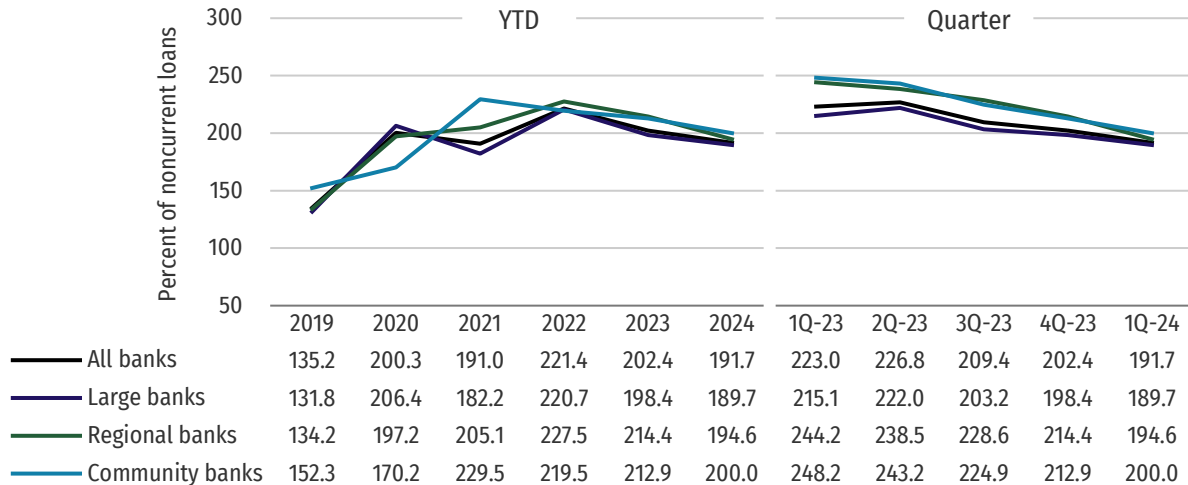
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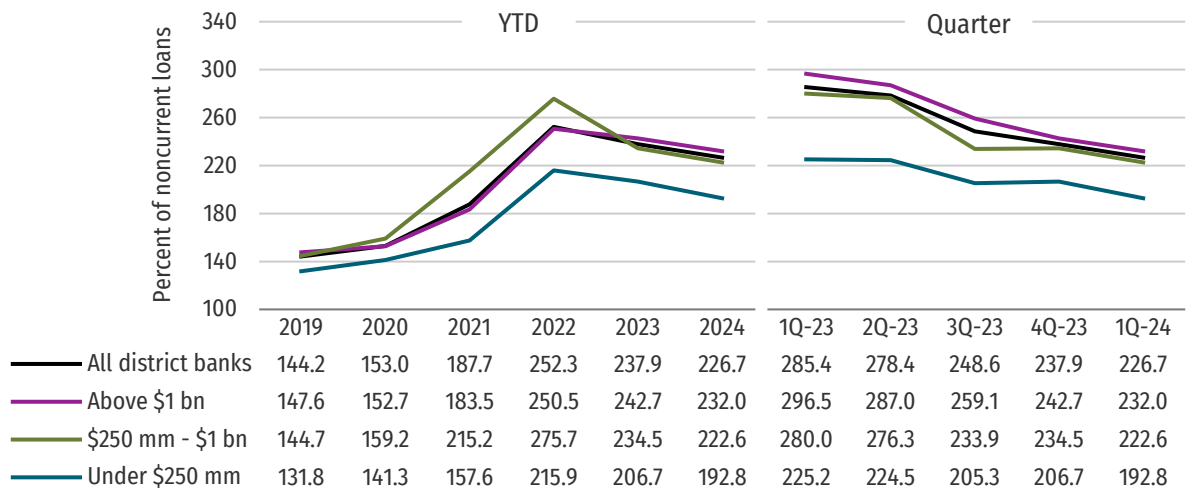
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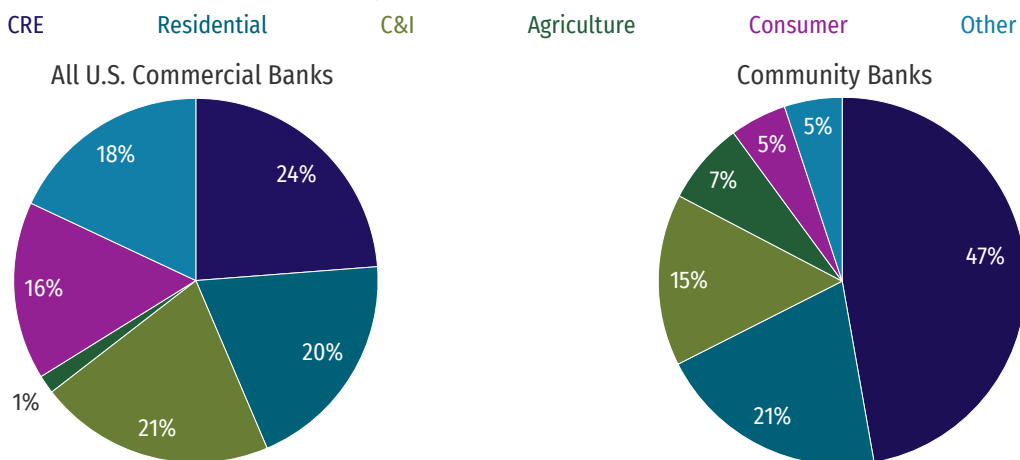
**Chart B11. Coverage Ratio, Tenth District Commercial Banks**



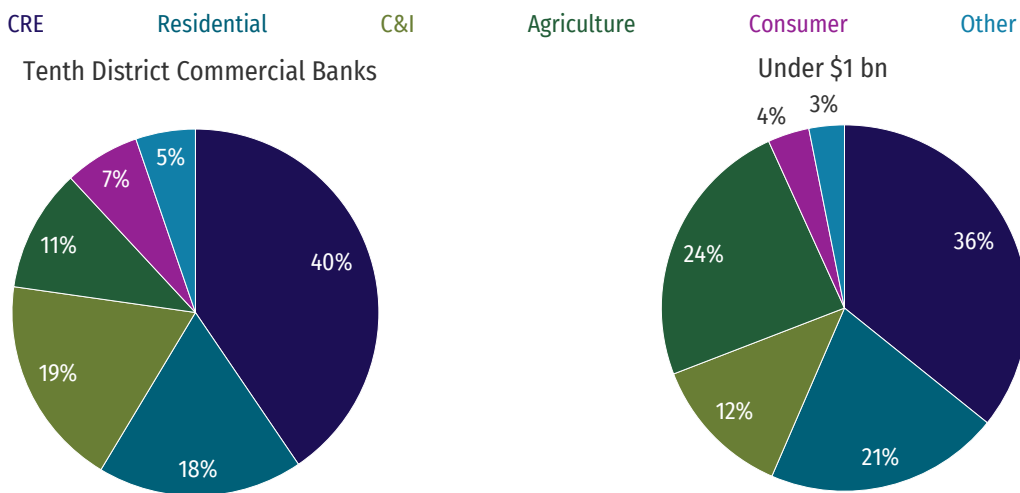
## C. Balance Sheet Composition

- Balance sheets grew modestly during the quarter, with increases in both loans and liquid assets.
- District loan growth slowed to less than 1 percent quarter-over-quarter with the increase primarily attributable to growth in CRE loans.

**Chart C1. Loan Portfolio Breakdown, All U.S. Commercial Banks**

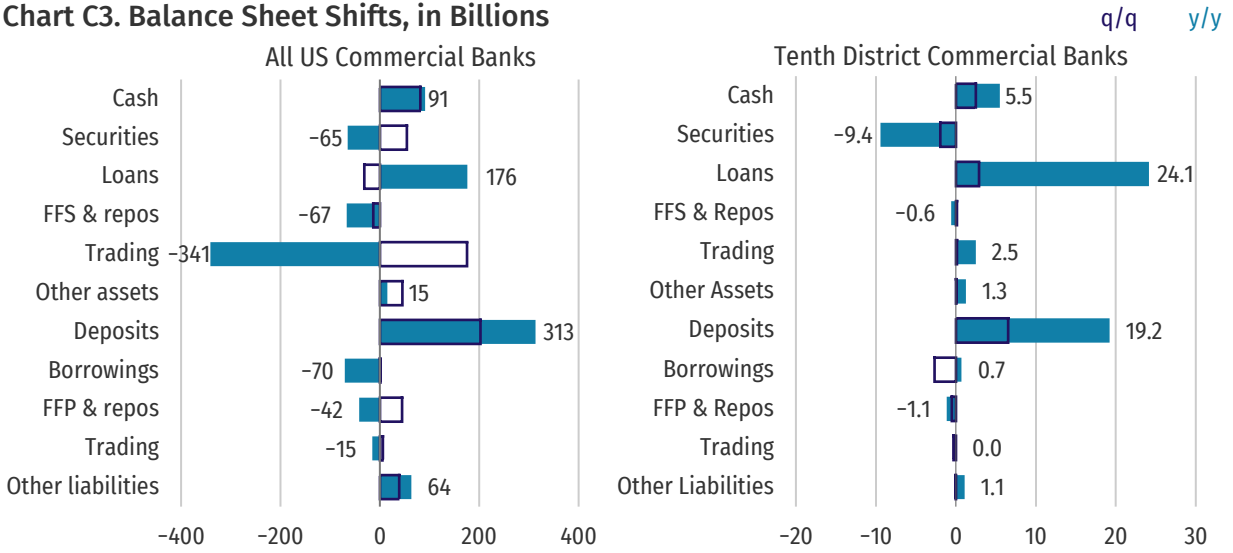


**Chart C2. Loan Portfolio Breakdown, Tenth District Commercial Banks**

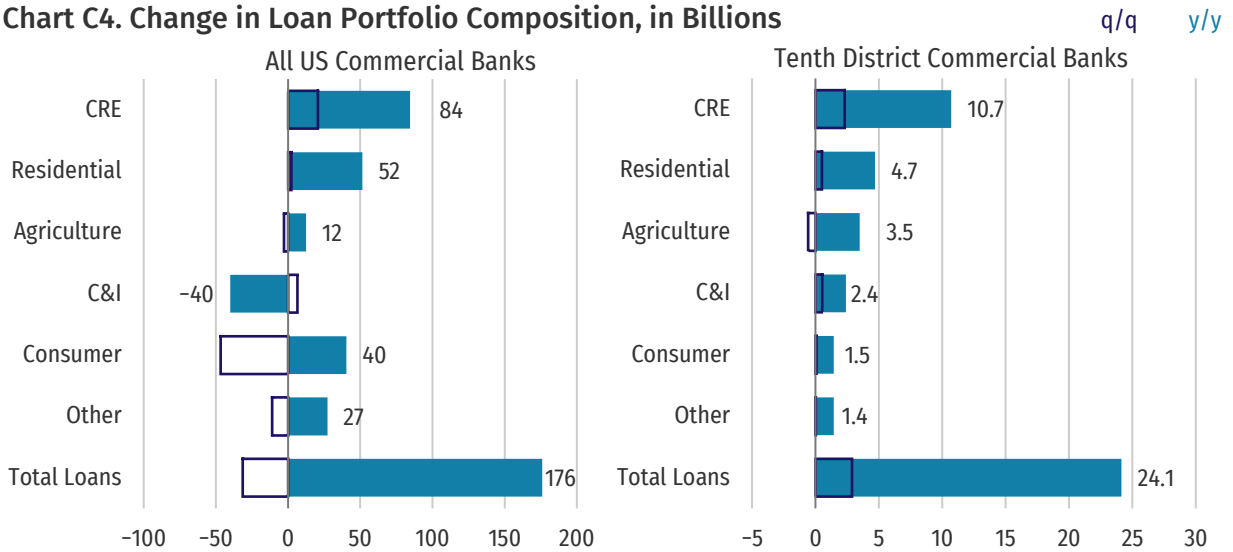




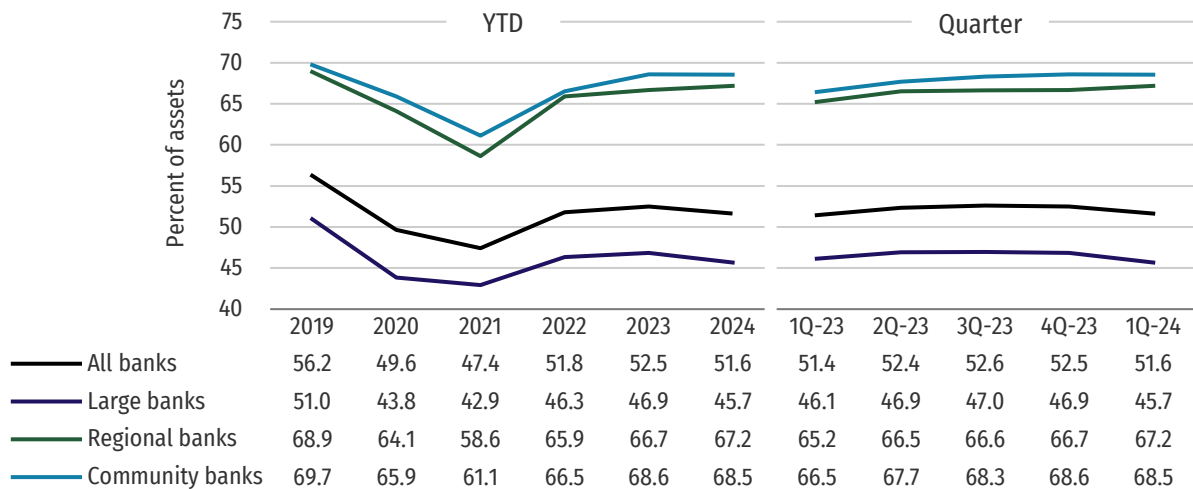
**Chart C3. Balance Sheet Shifts, in Billions**



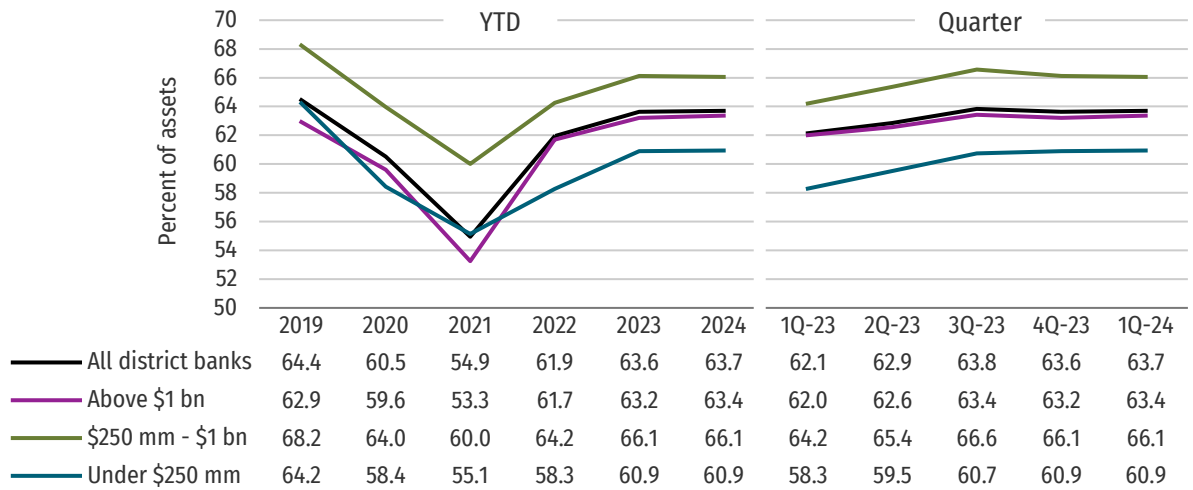
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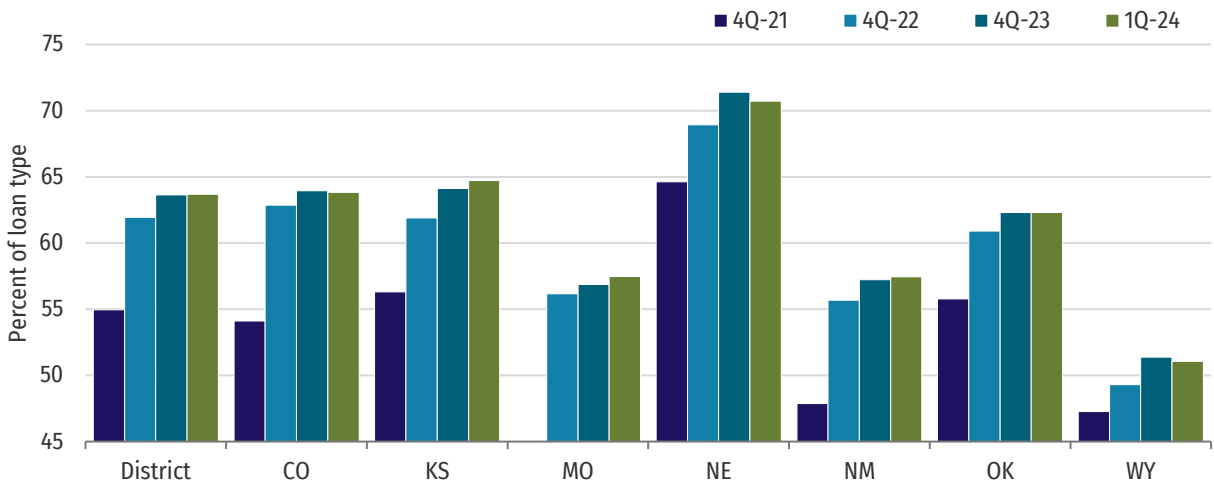
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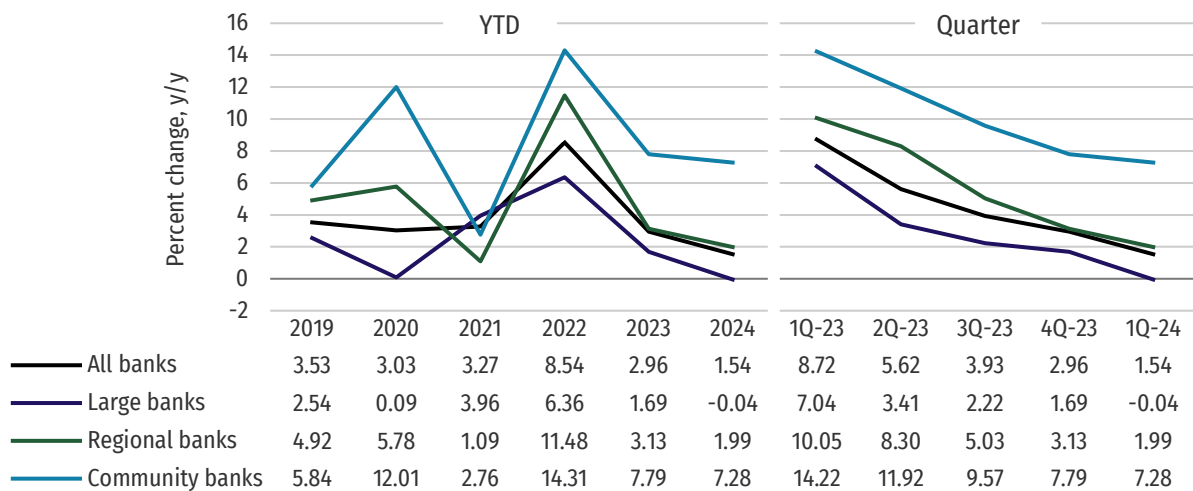
**Chart C6. Loans to Assets, Tenth District Commercial Banks**



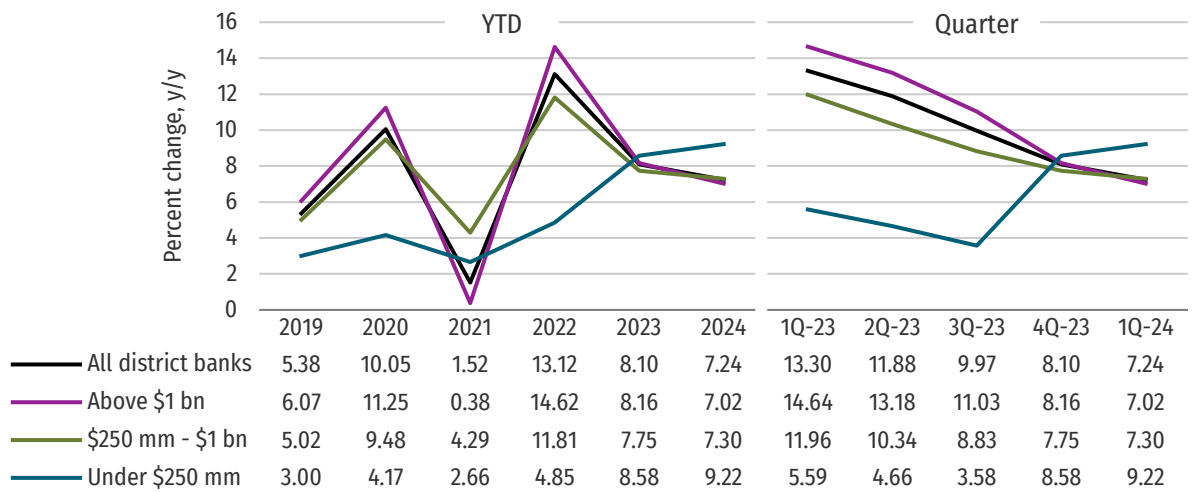
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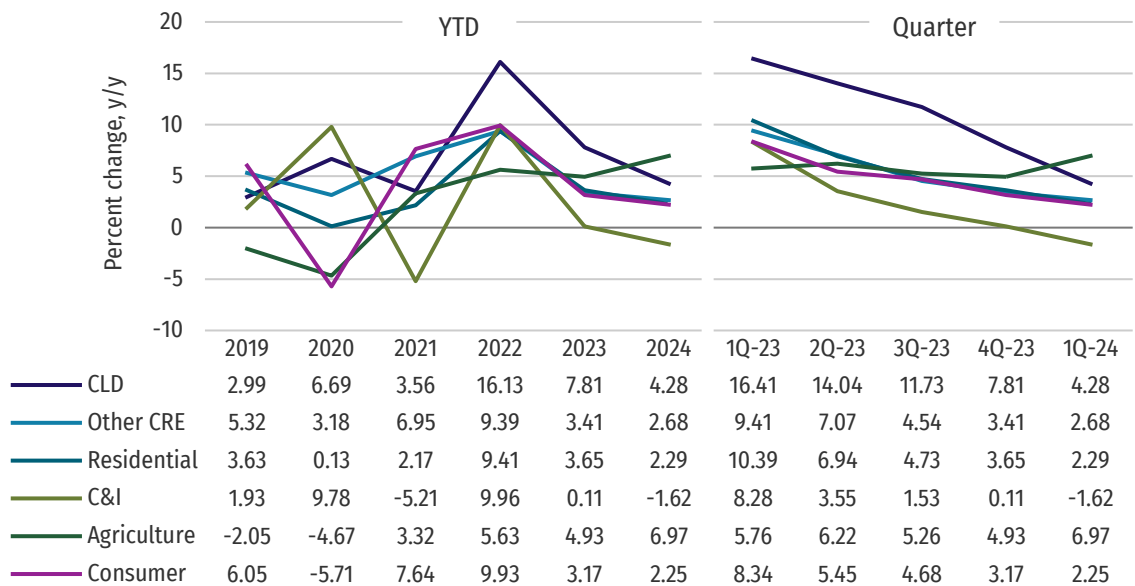
**Chart C8. Year-Over-Year Loan Growth, All U.S. Commercial Banks**



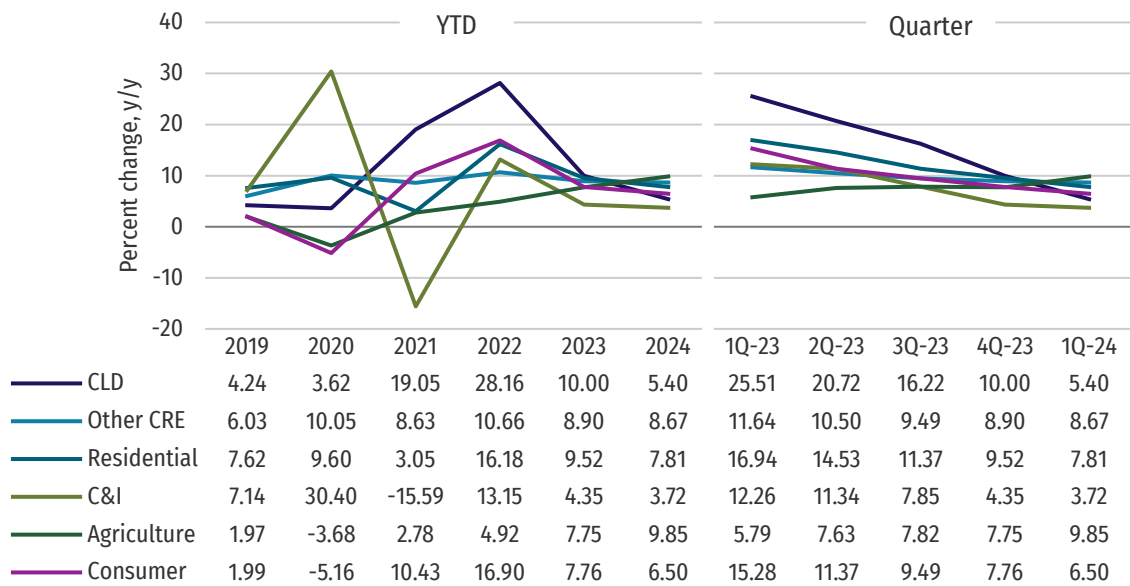
**Chart C9. Year-Over-Year Loan Growth, Tenth District Commercial Banks**



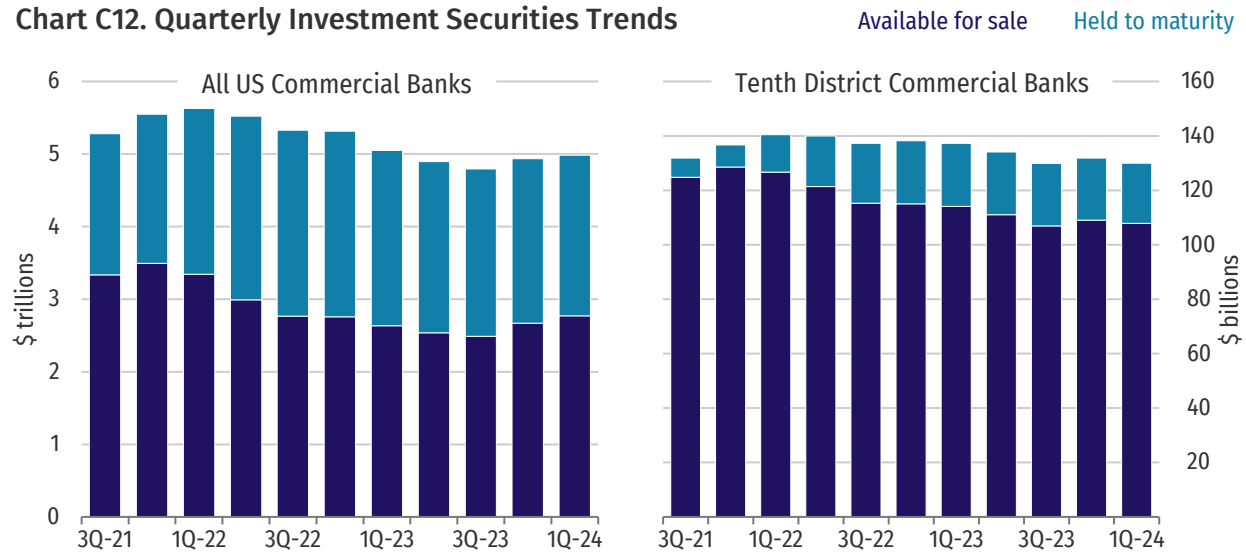
**Chart C10. Year-Over-Year Loan Growth by Loan Type, All U.S. Commercial Banks**



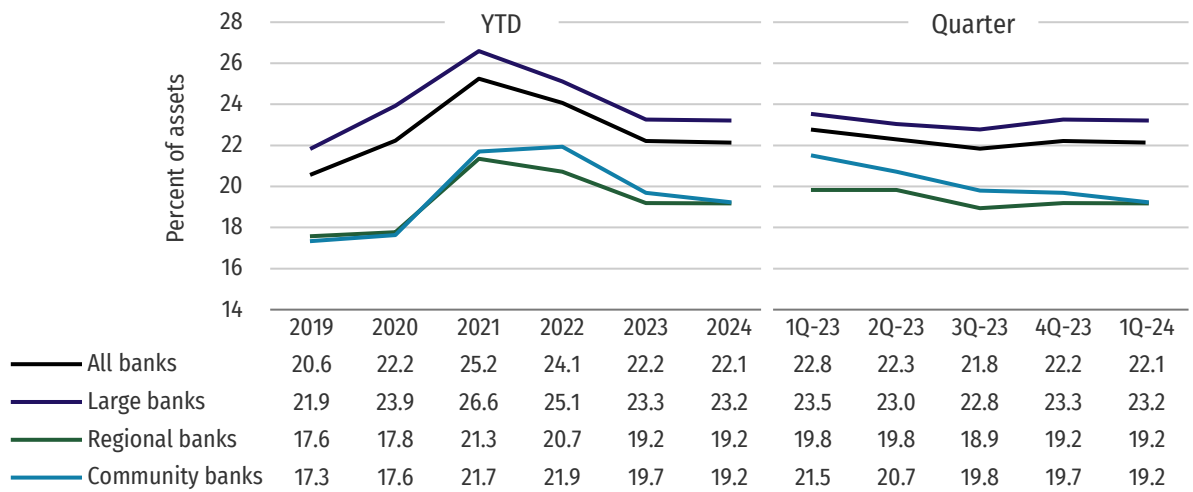
**Chart C11. Year-Over-Year Loan Growth by Loan Type, Tenth District Commercial Banks**



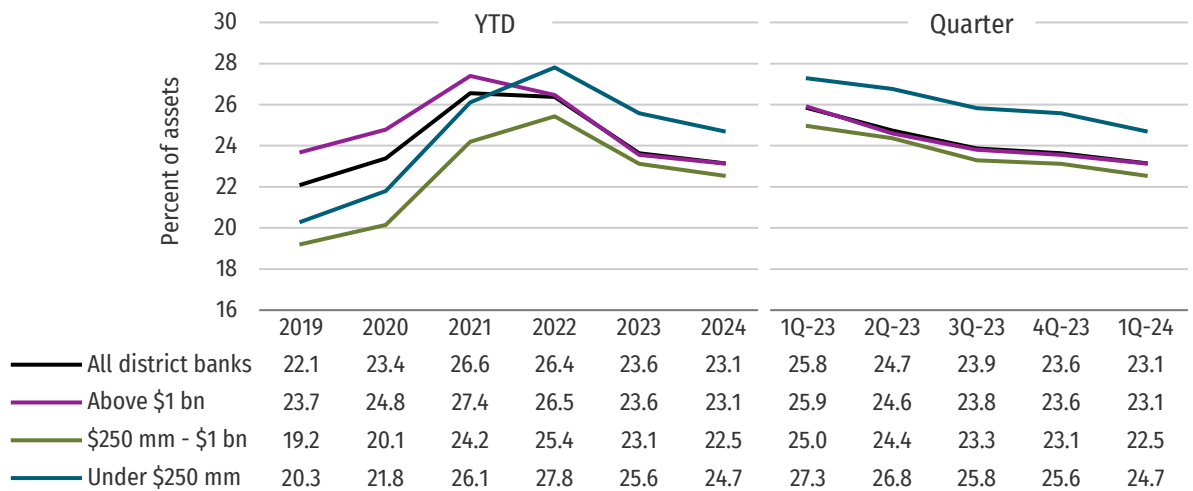
**Chart C12. Quarterly Investment Securities Trends**



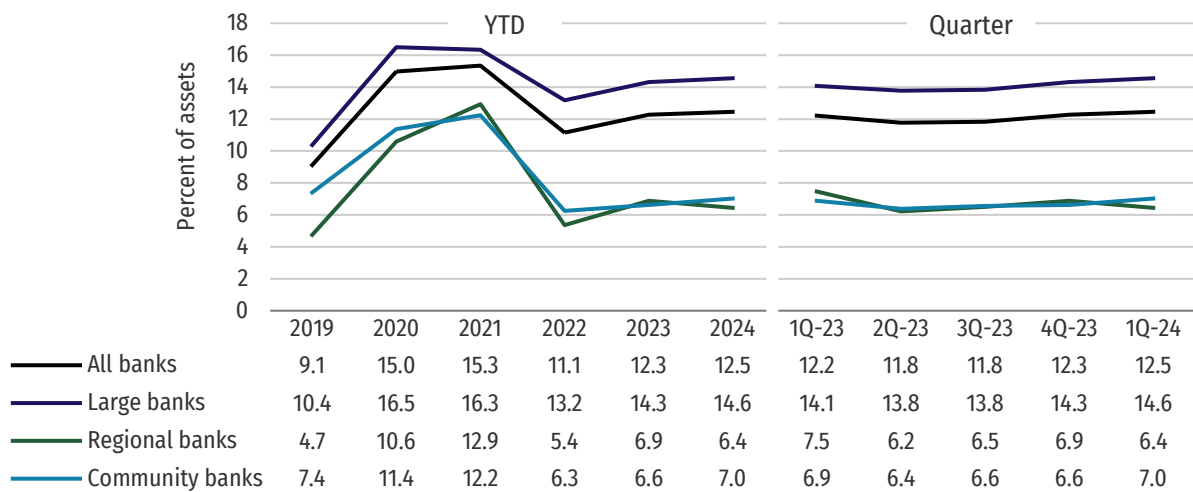
**Chart C13. Investment Securities, All U.S. Commercial Banks**



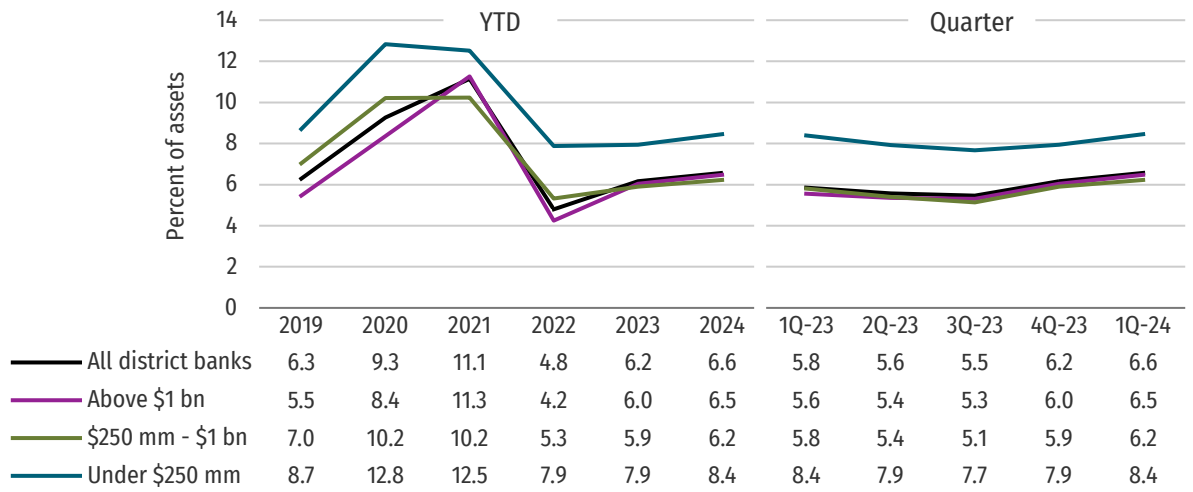
**Chart C14. Investment Securities, Tenth District Commercial Banks**



**Chart C15. Cash and Reserve Holdings, All U.S. Commercial Banks**



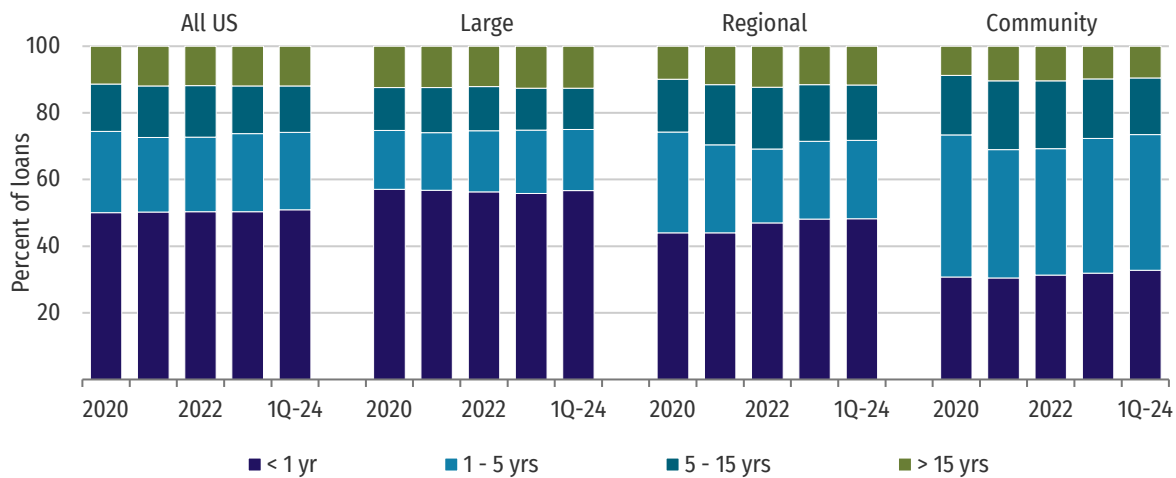
**Chart C16. Cash and Reserve Holdings, Tenth District Commercial Banks**



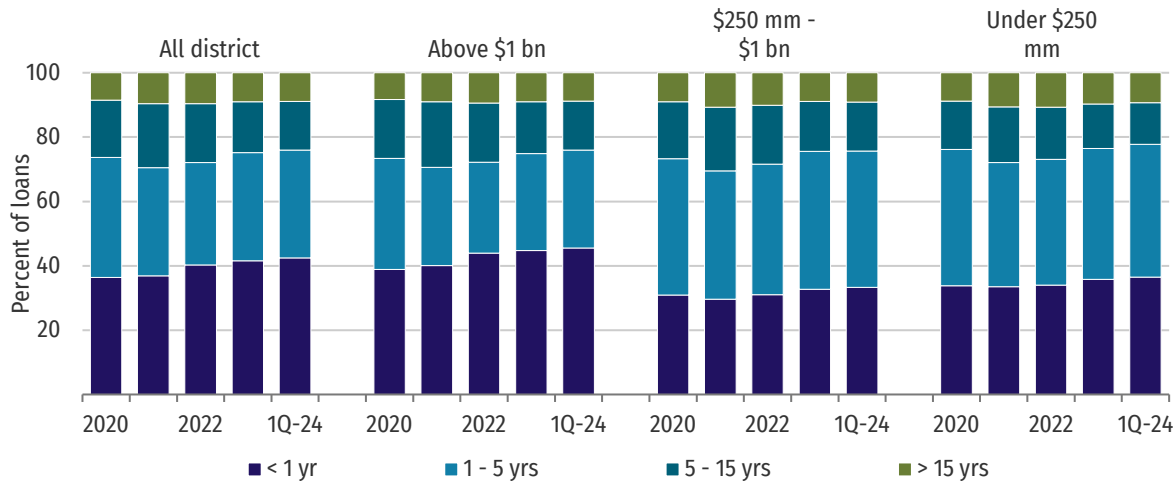
## D. Maturity and Funding

- The District liquid asset ratio increased for the first time since year-end 2021, benefitting from an increase in interest-bearing bank balances, as well as a reduction in pledging of securities.
- Core deposits increased, and reliance on borrowings and brokered deposits, though still elevated, declined from the prior quarter.

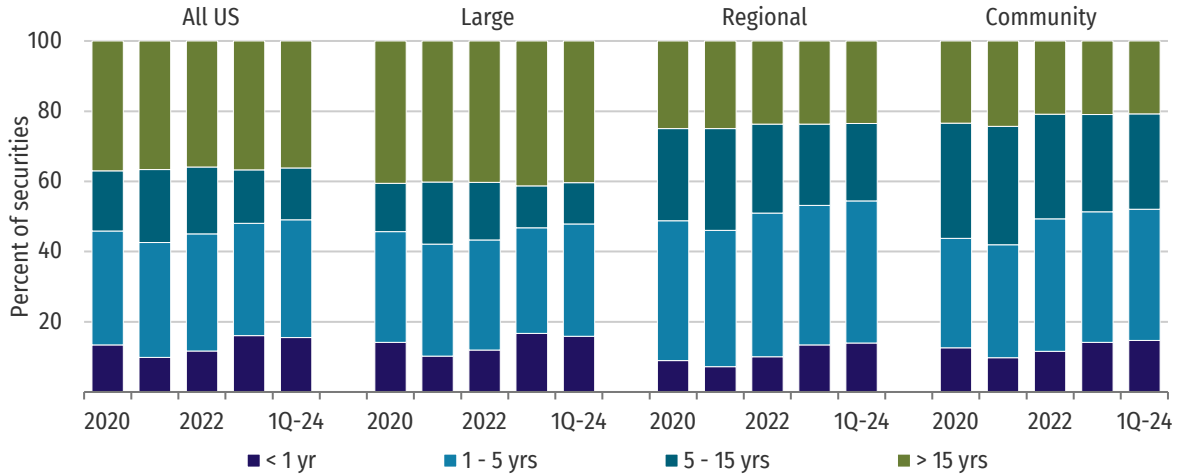
**Chart D1. Loan Portfolio Maturity & Repricing Distribution, All U.S. Commercial Banks**



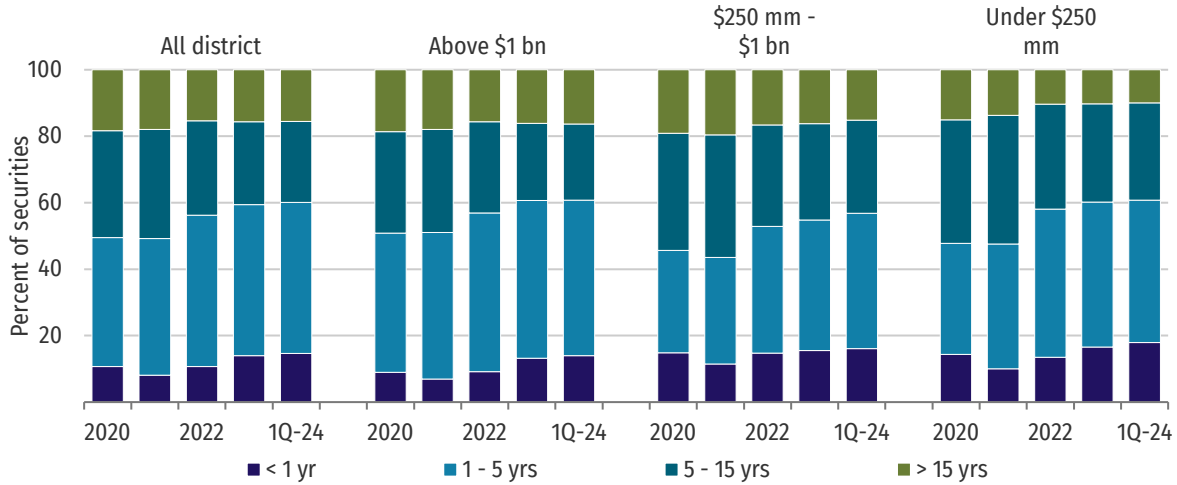
**Chart D2. Loan Portfolio Maturity & Repricing Distribution, Tenth District Commercial Banks**



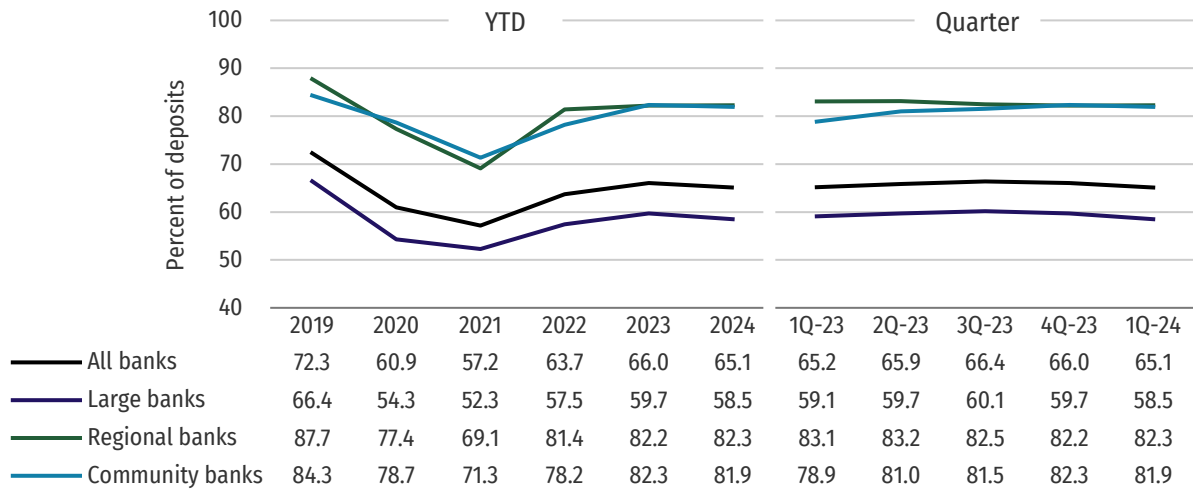
**Chart D3. Securities Maturity & Repricing Distribution, All U.S. Commercial Banks**



**Chart D4. Securities Maturity & Repricing Distribution, Tenth District Commercial Banks**

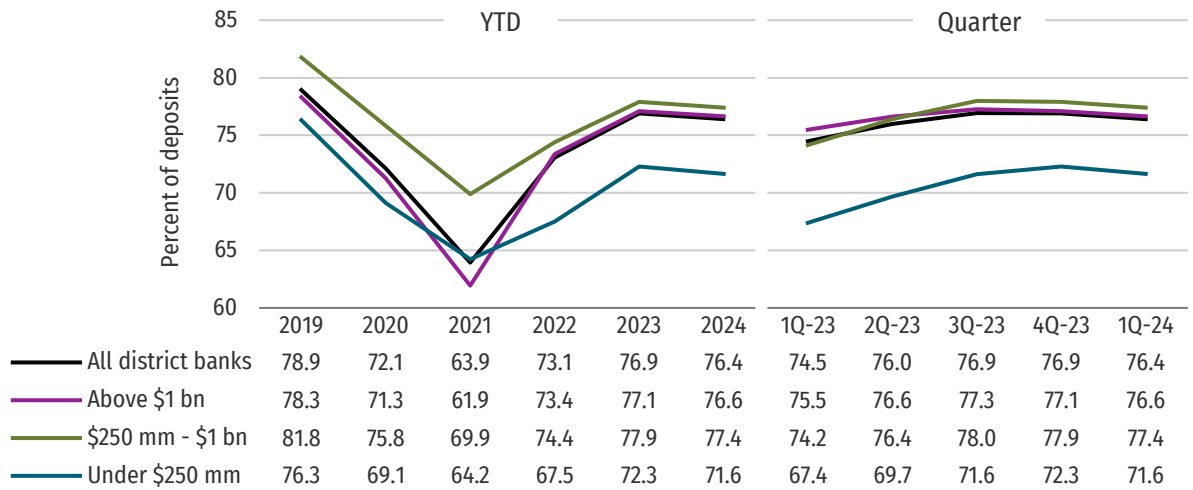


**Chart D5. Loan-to-Deposit Ratios, All U.S. Commercial Banks**

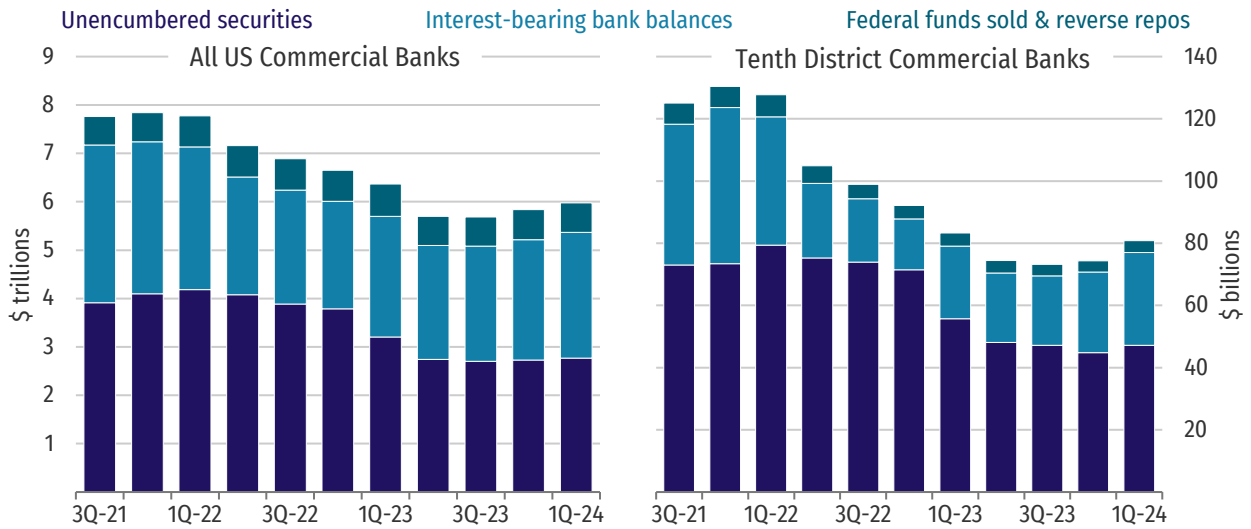




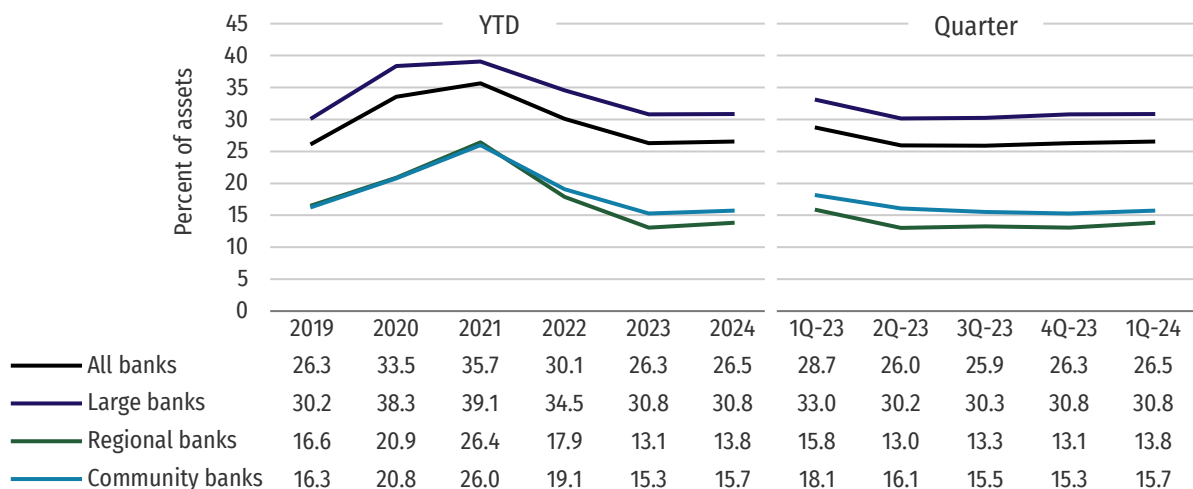
**Chart D6. Loan-to-Deposit Ratios, Tenth District Commercial Banks**



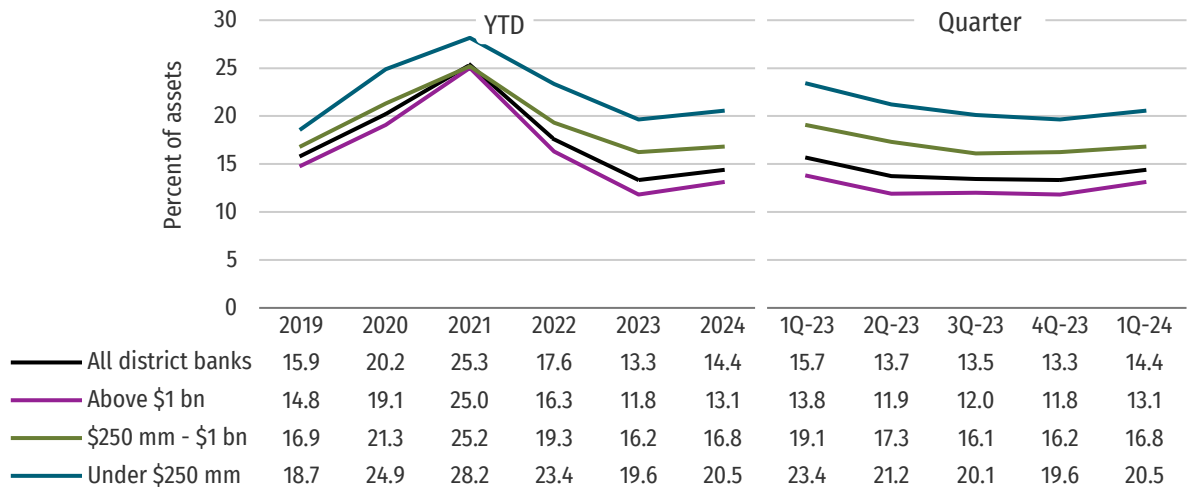
**Chart D7. Quarterly Liquid Asset Trends**



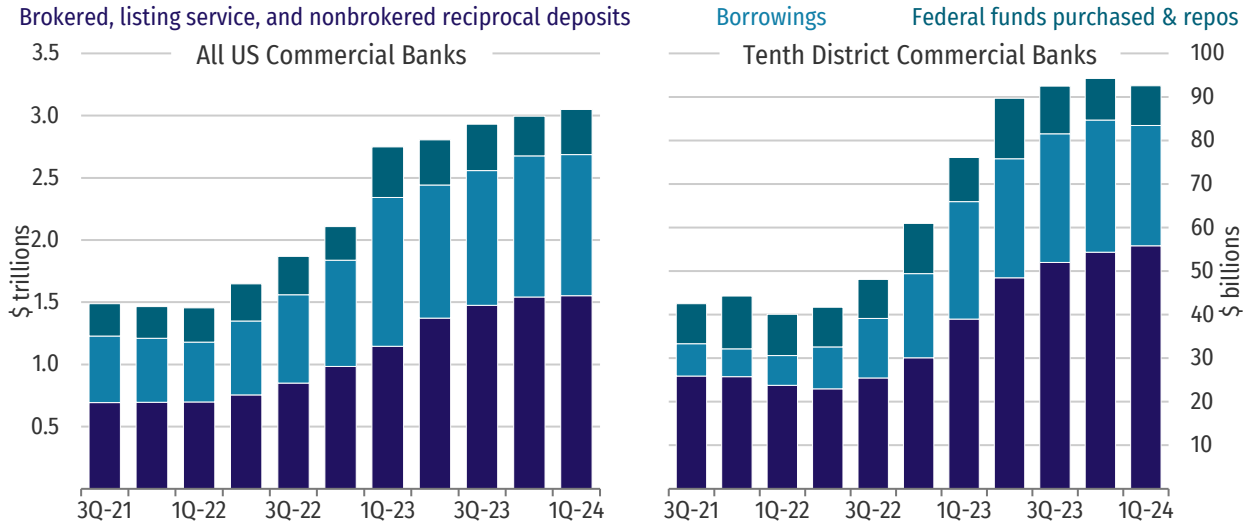
**Chart D8. Liquid Asset Ratios, All U.S. Commercial Banks**



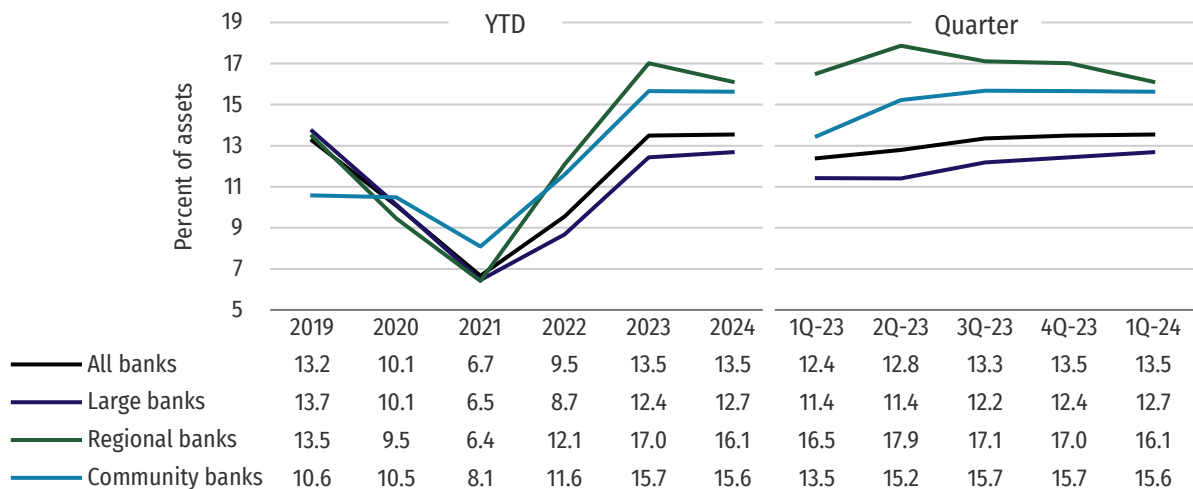
**Chart D9. Liquid Asset Ratios, Tenth District Commercial Banks**



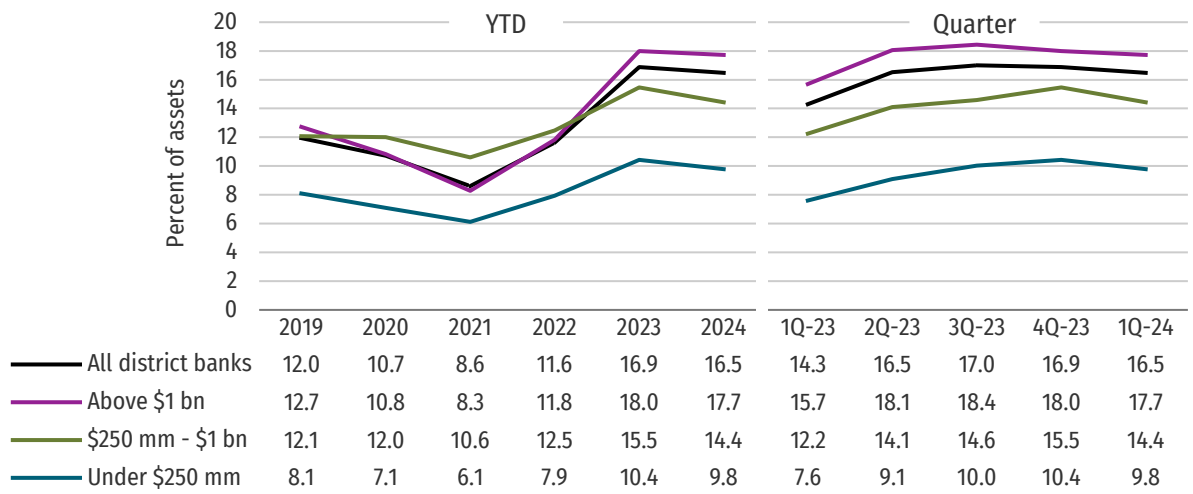
**Chart D10. Quarterly Wholesale Funding Trends**



**Chart D11. Wholesale Funding Ratios, All U.S. Commercial Banks**



**Chart D12. Wholesale Funding Ratios, Tenth District Commercial Banks**



## Select Ratios by Tenth District State

	Colorado		Kansas		Missouri		Nebraska		New Mexico		Oklahoma		Wyoming	
	1Q-24	1Q-23	1Q-24	1Q-23	1Q-24	1Q-23	1Q-24	1Q-23	1Q-24	1Q-23	1Q-24	1Q-23	1Q-24	1Q-23
<b>Overview<sup>1</sup></b>														
Number of Commercial Banks <sup>2</sup>	62	64	196	202	201	204	144	145	27	30	176	176	24	25
Total Assets	\$95,367	\$94,348	\$83,904	\$82,062	\$245,392	\$236,673	\$105,585	\$98,324	\$14,224	\$16,512	\$155,466	\$145,423	\$9,326	\$9,129
Total Loans	\$60,878	\$60,313	\$54,314	\$50,933	\$160,793	\$152,461	\$74,659	\$67,616	\$7,705	\$8,739	\$96,858	\$89,675	\$4,763	\$4,621
Total Deposits	\$82,219	\$80,525	\$71,031	\$69,959	\$207,642	\$199,335	\$87,959	\$82,956	\$12,462	\$14,418	\$125,651	\$118,448	\$8,248	\$8,196
Equity Capital	\$7,876	\$7,191	\$7,543	\$7,242	\$21,412	\$20,069	\$9,811	\$8,890	\$1,096	\$1,204	\$14,637	\$13,679	\$718	\$667
Problem Assets	\$302	\$180	\$269	\$230	\$670	\$446	\$383	\$318	\$85	\$69	\$1,149	\$883	\$25	\$20
<b>Earnings<sup>3</sup></b>														
Banks With Losses	9.68%	3.13%	3.57%	2.97%	1.99%	2.45%	2.08%	2.07%	0.00%	0.00%	5.68%	3.98%	8.33%	0.00%
Return on Average Assets	0.94%	1.16%	1.01%	1.25%	1.26%	1.39%	1.20%	1.12%	1.73%	1.79%	1.08%	1.36%	0.90%	1.14%
Net Interest Income to Average Assets	2.79%	3.13%	3.04%	3.15%	3.11%	3.25%	3.69%	3.94%	3.85%	3.78%	3.07%	3.35%	2.83%	3.01%
Provisions to Average Assets	0.03%	0.07%	0.11%	0.08%	0.10%	0.12%	0.49%	0.59%	0.23%	0.07%	0.11%	0.09%	0.09%	0.03%
Loan Losses to Average Loans	0.03%	0.01%	0.09%	0.03%	0.09%	0.04%	0.85%	0.57%	0.28%	0.05%	0.08%	0.03%	0.15%	0.09%
<b>Asset Quality<sup>4</sup></b>														
Problem Assets to Total Loans + OREO	0.50%	0.30%	0.49%	0.45%	0.42%	0.29%	0.51%	0.47%	1.10%	0.79%	1.19%	0.98%	0.53%	0.42%
Noncurrent CLD	0.15%	0.05%	0.29%	0.06%	0.38%	0.25%	0.22%	0.13%	0.20%	0.04%	0.65%	0.31%	0.30%	0.07%
Noncurrent Other CRE	0.29%	0.20%	0.26%	0.25%	0.39%	0.23%	0.24%	0.17%	1.45%	0.48%	1.02%	0.66%	0.32%	0.43%
Noncurrent Residential	0.26%	0.19%	0.43%	0.38%	0.29%	0.22%	0.39%	0.29%	0.25%	0.28%	2.02%	2.14%	0.39%	0.35%
Noncurrent C&I	1.41%	0.57%	0.76%	0.70%	0.35%	0.22%	0.70%	0.67%	0.59%	1.61%	1.01%	0.69%	1.37%	0.78%
Noncurrent Farm	0.54%	0.27%	0.36%	0.35%	0.16%	0.12%	0.24%	0.30%	5.02%	0.00%	0.51%	0.77%	0.76%	0.65%
Noncurrent RE Farm	0.82%	0.49%	0.71%	0.70%	0.40%	0.44%	0.34%	0.55%	2.30%	1.67%	1.43%	1.16%	0.07%	0.09%
<b>Other Financial Ratios</b>														
Coverage Ratio	246.43%	421.20%	299.80%	341.99%	309.97%	448.91%	448.93%	504.99%	152.31%	207.14%	112.42%	136.42%	285.36%	363.13%
Leverage Ratio	9.22%	8.96%	10.59%	10.59%	9.50%	9.39%	10.05%	10.08%	9.94%	9.56%	9.68%	9.79%	10.34%	10.23%
Tangible Equity Capital to Total Assets	6.59%	6.14%	8.02%	7.74%	7.76%	7.48%	8.39%	8.10%	7.38%	6.70%	8.28%	8.18%	7.34%	6.91%
Noncore Funding to Total Assets	12.34%	13.19%	16.82%	14.88%	12.18%	12.28%	17.66%	13.75%	10.31%	8.82%	17.27%	14.28%	15.07%	10.94%

<sup>1</sup> Balance sheet items shown in millions.

<sup>2</sup> Includes all commercial banks located within each state.

<sup>3</sup> Income statement items shown as year-to-date. Average assets are calculated by using the average of YTD average assets.

<sup>4</sup> Problem assets consist of loans 90+ days past due, in nonaccrual status, and other real estate owned (OREO). Noncurrent loans consist of loans 90+ days past due or in nonaccrual status.

## Appendix

- The appendix provides technical notes and definitions of the financial ratios presented in this report. Questions or comments relating to this report may be directed to [KC.SRM.SRA.DistrictBankingConditions@kc.frb.org](mailto:KC.SRM.SRA.DistrictBankingConditions@kc.frb.org).

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### Technical Notes:

The population of banks included in this report is limited to commercially chartered state member, nonmember, and national banks. The Tenth District encompasses organizations headquartered in western Missouri, Kansas, Nebraska, Oklahoma, Colorado, Wyoming, and northern New Mexico.

All financial metrics presented in this report are weighted averages. Banks are grouped into asset categories based on total assets reported as of each financial date. For purposes of this report, large banks include banks with total assets greater than \$100 billion, regional banks include banks with assets between \$10 billion and \$100 billion, and community banks include banks with assets of less than \$10 billion. Assets are measured as of each financial date. Charts that present growth rates and changes in balance sheet levels are merger-adjusted consistent with the process that FDIC analysts use to account for mergers.<sup>1</sup>

Items from the Reports of Income are reported on a calendar year-to-date (YTD) basis by financial institutions. Ratios utilizing these items are calculated differently when presented as YTD versus quarterly. For YTD calculations, items are annualized based on values reported calendar YTD and divided by an average of the balance sheet item(s) reported for each quarter YTD. For quarterly calculations, items are annualized based on values reported for the quarter and divided by the balance sheet item(s) for that quarter.

<sup>1</sup> Merger-adjusted calculations add the assets and liabilities of acquired institutions to the acquiring institutions in previous periods. The analysis treats acquired and acquiring institutions as if the merger had already occurred by the beginning of the period being analyzed (Breitenstein and Thieme 2019).

### References

Breitenstein, Eric C., and Derek K. Thieme. 2019. "Merger-Adjusting Bank Data: A Primer." *FDIC Quarterly*, vol. 13, no. 1, pp. 31–49.

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### Glossary of Terms:

#### Agriculture Loans

The sum of loans secured by farmland (including farm residential and other improvements) and loans to finance agricultural production and other loans to farmers.

#### Allowance for Credit Losses (ACL)

The purpose of the ACL is to reflect estimated credit losses within a bank's portfolio of loans and leases. Estimated credit losses are estimates of the current amount of loans that are probable that the bank will be unable to collect given the facts and circumstances since the evaluation date (generally the balance sheet date).

#### Assets

The sum of cash and balances due from depository institutions, securities, federal funds sold and securities purchased under agreements to resell, loans and leases (net of unearned income and the

allowance for loan and lease losses), trading assets, premises and fixed assets (including capitalized leases), other real estate owned, investments in unconsolidated subsidiaries and associated companies, direct and indirect investments in real estate ventures, intangible assets, and other assets.

#### Cash and Reserve Holdings

The sum of interest-bearing balances (including time certificates of deposit not held for trading) and noninterest-bearing balances, currency and coin (includes cash items in process of collection and unposted debits).

#### Commercial and Industrial (C&I) Loans

Loans for commercial and industrial purposes to sole proprietorships, partnerships, corporations, and other business enterprises, which are secured (other than by real estate) or unsecured, single-payment or installment.

**Commercial Real Estate (CRE)**

The sum of CLD and other CRE.<sup>2</sup>

**Construction and Land Development Loans (CLD)**

Construction, land development, and other land loans. Includes 1–4 family residential construction loans and other construction loans and all land development and other land loans.

**Consumer Loans**

Loans to individuals for household, family, and other personal expenditures. Includes credit cards, other revolving credit plans, automobile loans, and other consumer loans (includes single payment and installment loans other than automobile loans, and all student loans).

**Coverage Ratio**

The ACL divided by noncurrent loans.

**Earning Assets**

The sum of interest-bearing balances due from depository institutions, investment securities, federal funds sold and securities purchased under agreements to resell, loans and leases (net of unearned income and the allowance for loan and lease losses), and trading assets.

**Equity Capital**

The sum of perpetual preferred stock (including surplus), common stock and surplus, retained earnings, accumulated other comprehensive income, and other equity capital components, less treasury stock.

**Interest Income**

The sum of interest and fee income on loans, income from lease financing receivables, interest income on balances due from depository institutions (including interest income on time certificates of deposit not held for trading), interest and dividend income on securities, interest income from trading assets, federal funds sold and securities purchased under agreements to resell, and other interest income.

**Investment Securities**

The sum of the amortized cost of held-to-maturity securities and fair value of available-for-sale debt securities.

**Leverage Ratio**

Tier 1 capital divided by total assets for the leverage ratio. Total assets for the leverage ratio include quarterly average assets less deductions from common equity tier 1 capital and other deductions to total assets for leverage capital purposes.

**Liquid Asset Ratio**

The sum of interest-bearing balances, federal funds sold, securities purchased under agreements to resell, and unencumbered securities divided by total assets. Unencumbered securities include total securities net of pledged securities.

**Loan Loss Provisions**

Adjustments (charges or credits) to the ACL level to reflect management's current estimate of expected credit losses.

**Loans to Assets**

Total loans and leases held for investment and held for sale (less unearned income) divided by total assets.

**Loan-to-Deposit Ratio**

Total loans and leases held for investment and held for sale (less unearned income) divided by total interest-bearing and noninterest-bearing deposits.

**Net Interest Margin (NIM)**

Interest income net of interest expense divided by average earning assets.

**Nonaccrual Loans**

Loans and lease financing receivables that are required to be reported on a nonaccrual basis because (a) they are maintained on a cash basis due to a deterioration in the financial position of the borrower, (b) payment in full of interest or principal is not expected, or (c) principal or interest has been in default for 90 days or longer, unless the obligation is both well secured and in the process of collection.

**Noncurrent Loans**

Loans past due 90 days or more and still accruing and nonaccrual loans.

**Noninterest Expense**

Salaries and employee benefits, expenses of premises and fixed assets (net of rental income), goodwill impairment losses, amortization expense and impairment losses for other intangible assets, and other noninterest expense.

**Noninterest Income**

The sum of income from fiduciary activities, service charges on deposit accounts, trading revenue, income from securities-related and insurance activities, venture capital revenue, net servicing fees, net securitization income, net gains (losses) on sales of loans and leases, other real estate owned, and sales of other assets, and other noninterest income.

**Other Commercial Real Estate (CRE)**

Loans secured by multifamily (5 or more) residential properties, owner-occupied nonfarm nonresidential properties, and other nonfarm nonresidential properties, and loans to finance commercial real estate, construction, and land development activities (not secured by real estate).

#### **Other Loans**

The sum of loans to foreign governments and official institutions (including foreign central banks), obligations (other than securities and leases) of states and political subdivisions in the U.S., loans to nondepository financial institutions, loans for purchasing or carrying securities (secured and unsecured), all other loans and lease financing receivables.

#### **Other Real Estate Owned (OREO)**

Other real estate owned.

#### **Problem Assets**

Loans past due 90 days or more and still accruing, nonaccrual loans, and OREO divided by total loans plus OREO.

#### **Residential Loans**

Loans secured by 1–4 family residential properties. Includes revolving, open-end loans secured by 1–4 family residential properties and extended under lines of credit, closed-end loans secured by 1–4 family residential properties secured by first or second liens.

#### **Return on Average Assets (ROAA)**

Net income (loss) attributable to bank divided by average assets. See technical notes for year-to-date and quarter calculations.

#### **Revenue**

Net interest income and noninterest income.

#### **Wholesale Funding Ratio**

Federal funds purchased and securities sold under agreements to repurchase, brokered deposits, deposits obtained using deposit listing services that are not brokered deposits, nonbrokered reciprocal deposits, Federal Home Loan Bank advances, and other borrowings divided by total assets.

<sup>2</sup> Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) is a memorandum item on the call report and are reported C&I or other loans of Schedule RC-C, Part I. This item is excluded as part of Other CRE when presented on charts with the C&I or other loan categories to avoid double counting of this item in the loan type groupings.