



Kansas City Fed Releases Semi-Annual Update of the Bank Capital Analysis

April 19, 2024

KANSAS CITY, MISSOURI – The Federal Reserve Bank of Kansas City today released the December 31, 2023 results from its semiannual [Bank Capital Analysis \(BCA\)](#), which provides an objective and data-based approach to judging capital strength across the banking industry. The BCA presents leverage ratios for individual U.S. global systemically important banks (G-SIBS), non-U.S. G-SIBs, and three other groups of institutions in the United States: [large, regional and community banking organizations](#).

While banks of all size groups entered the pandemic with stronger capital ratios than prior to the 2007-2008 financial crisis, the trend in leverage ratios at the largest banks had started flattening and even declining prior to the pandemic. Balance sheet growth stemming from pandemic policy responses put immediate downward pressure on the weighted average tier 1 leverage ratio for all U.S. banking groups, but the trend has reversed with banks across all portfolio groups approaching, but still below, pre-pandemic levels.

U.S. G-SIBs' weighted average tier 1 leverage ratio increased 22 basis points year-over-year, to 7.24 percent as of year-end 2023, but remains below leverage capital ratios for large (9.22 percent), regional (9.76 percent) and community (10.52 percent) banking organizations. As of December 31, 2023, the weighted average supplementary leverage ratio (SLR), also known as the Basel III leverage ratio, for U.S. G-SIBs increased 15 basis points year-over-year to 6.08 percent. The trend has been increasing since reaching a low of 5.59 percent in the first half of 2022.

As the regional headquarters of the nation's central bank, the Federal Reserve Bank of

Kansas City and its branches in Denver, Oklahoma City and Omaha serve the seven states of the Tenth Federal Reserve District: Colorado, Kansas, Nebraska, Oklahoma, Wyoming, northern New Mexico and western Missouri.

Media Contacts

[Victoria Rosengarten](#)
