Select Another Reporting Period: 03-2009 Search

Holding Company
BHC ID#: 1145476

WEBSTER FINANCIAL CORPORATION

As of: March-2009

Links: **Surveillance Matrix**, **Lending Matrix**, **BHC Tearsheet**, **Individual Units**,
FRB Reference Reports: **BHC - Perf Report**, **Y9C - Consolidated**, **Y9LP - ParentOnly**

Add to WatchList

Public Company View as of 7/28/2009

Ticker	Last Price	One Year Volatility	90 Day Volatility	Book Value of Common	Daily MktCap	Price-to-Book
WBS	$10.81	128.1%	139.1%	$1,238,733	$571,190	0.46:1
Assets	**Intangibles**	**Allowances**	**TCE (public co.)**	**TCE/TangibleAssets**	**NetInc(public co.)/EPS**	**Price to Net**
$17,256,734	$562,462	$270,929	$947,200.00	5.58%	$-21,557 / $-0.41	-26.50:1

Figures in$K. Public company fundamental reference data as of 2009/03. Selected elements from: Morningstar, Inc.

IRA Bank Stress Index Rating

IRA Letter Grade

F

This institution exhibits significantly higher stress than the industry average.

	Overall	ROE	Loan Defaults	Capital	Lending Capacity	Efficiency
Stress Index	20.9	> 100.0 *Negative ROE*	1.7	0.9	0.9	0.9
Industry Benchmark	2.4	5.2	3.4	0.9	1.0	1.3

CAMELS Factors

C
Capital Adequacy

LEVERAGE RATIO	Tier 1 to RWA	RBC to RWA	Bank Only TCE
7.74%	**9.91%**	**11.97%**	**7.42%**
If Tier 1 Leverage Capital Ratio is greater than 5%.	If Tier 1 Risk Based Capital is greater than 6% of Total Risk Weighted Assets.	If Total Risk Based Capital is greater than 10% of Total Risk Weighted Assets.	If Tangible Common Equity ratio is greater than 3% of Tangible Assets. (This is a market not regulator analysis criteria.)

Subsidiary FDIC Reporting Units for 200903

F Webster Bank, National Association
WEBSTER PLAZA
WATERBURY, CT
20.9 | 100.0 | 1.7 | 0.9 | 0.9 | 0.9

Today's Market Value Update

7/28/2009

Webster Financial Corporation Market Value ratio down -3.93%

The market value of equity or 'MVE' ratio for Webster Financial Corporation (WBS) has dropped to 1.65% since the end

A

Asset Quality

Part A: Economic Capital "EC" Leverage Analysis

RARROC | **EC**

RAROC

1.085%

where,

- Interest Income
  $191,501
- Trading Income
  $0
- Securities Income
  $48,184
- Service Fees
  $2,390
- Other Fees
  $0
- less Interest Expenses
  $68,623
- less Salaries and Benefits
  $53,480
- less Premises Expenses
  $29,367
- less Other Non-Interest Expenses
  $30,078
- less Charge for Current Period Net Lending Losses
  $30,100
- divided by Economic Capital

Economic Capital = $2,804,951
where,
EC, Lending Operations = $280,751
EC, Trading Operations = $76,217
EC, Securities Exposure = $2,447,983

This is a standardized EC computed by IRA using the same algorithm rules for all banks to enable direct comparisons between institution risk management strategies.

Key Leverage Ratios:

EC to Total Assets Ratio	0.163-to-1
EC to Tangible Assets Ratio	0.171-to-1
EC to Equity Ratio	1.556-to-1
EC to Risk Based Capital	1.749-to-1
EC to Tier 1	2.112-to-1

Reference Data:

Total Assets	$17,157,115
Tangible Assets	$16,408,153
Equity	$1,802,551
Total Regulatory Risk Based Capital	$1,603,500
Tier 1 Risk Based Capital	$1,328,116

Part B: Lending Operations Quality

See this bank's **Lending Profile**

Default Experience	LGD	Wtd. Avg. Maturity	EAD
Method A: BB Method B: BB Default Rate: 106 bps SD = -0.48 After Recovery: 99 bps SD = -0.48	LGD = 93.61 % ACTUAL TO PROVISION CROSS CHECK: Loss Provisions, Reported: $65,700 Provisions Based LGD: 204.32 % Actual-to-Provision Ratio: 0.46-to-1	6.62 years **SD = 1.49** Click here to view the **Term Structure Detail**. Not all banks report their term matrices.	34.6 percent SD = -0.37

of 2009/03. This figure is below the level of tangible common equity or 'TCE' that is normally considered to be a safe minimum by regulators and investors. WBS's MVE has seen a -3.93% decrease from the period ending 2009/03 versus the market's preferred solvency benchmark, TCE, which was 5.58% as of that date.

Yesterday's closing price for WBS was $10.81 for a daily market cap of $571M and a price to book ratio of 0.46-to-1. Price-to-EPS ratio is -26.50-to-1 based on a previous reporting period net income of $-22M. As of its most recent financial statement, WBS reported a book value of common equity of 1,239M on assets of $17,257M with $562M of this being intangible assets with cumulative balance sheet net loss allowances of $271M. To reach a mathematical MVE of 3% under these stock price conditions, the company may require as much as $229M in additional capital.

When MVE is less than TCE, that tells you the market is overall negative on a stock and related debt. According to SEC filings information, the company's estimated 'Enterprise Value' is around $1,404M.

Part C: Troubled Lending

Key Trouble Ratios:	
Troubled Lending Assets as % of Total Lending	6.81%
Troubled Lending Assets as % of Tangible Assets	5.04%
Degraded Assets-to-Current Defaults Ratio	24.69:1
Degraded Loan Assets *30-89/Over 90/Non-Accrual/Non-Conforming/REO*	$794,027
Total Lending	$12,126,368
Tangible Assets	$16,408,153
Gross Defaults	$32,155

M
Management Analysis

Business Design

LENDING BUSINESS EMPHASIS BANK This bank concentrates it's business operations exposure in lending.	Main Street **LENDING AS % OF BUSINESS** **81.22%**	Wall Street **RISK BEARING INVESTMENTS AS % OF BUSINESS** **18.78%**

Operating Efficiency

Efficiency Ratio

This is the primary measure used between bankers to discuss their business health. Figures 65% and lower are considered desirable. Figures above 85% are considered stressed and figures above 150% are distressed.

64.8%

Management's Loans and Commitment Exposure Choices

Exp-to-Assets		
95.15%	Total Loans + Commitments	$16,325,179
	Assets	$17,157,115

	Regular Lending	Credit Cards	Total Lending
Commit$ per LN$	$0.35	$0.00	$0.35
Commitments	$4,198,811	$0	$4,198,811
Loans	$12,126,368	$0	$12,126,368

Other Business Exposure Choices

This is what it would roughly cost an investor to buy the company. WBS reported cash of $209M and total debt of $1,333M. Their reported total debt exceeded TCE with a ratio of 140.76% as of the end of the quarter.

Based in its filings with the SEC, WBS's return on assets was -0.12% and return on equity was -3.77%. This includes the effects of loan loss provisions in the amount of $66M. Loss provisions are like unwanted lemons. It's presently popular for financial analysts to try to make lemonade by ignore FDIC regulatory loss provisions when discussing bank returns. Ignoring provisions the ROA for WBS is 0.26% and the ROE is 7.78%. Looking at returns on equity, this market analysts reformulation turns a negative return into a positive one.

Stock price volatility presently looks to be stable. The equity of WBS has been slightly more volatile over the last 90 days with a computed stock price volatility of 139.1% compared to a one year historical price volatility of 128.1%.

Turning away from equities and focusing on the interests of

Reliance on FHLB Advances

Advances-to-Assets:
3.91%

Total FHLB Advances
$671,294

Notes: Qualifying institutions may borrow funds from the Federal Home Loan Bank (FHLB) system to fund mortgage landing. Opinions as to proper safety and soundness thresholds differ however the Federal Reserve generally considers reliance on FHLB Advances in excess of 15% of assets to be cause for concern. Banking regulators identify over-heated used of FHLB Advances as "perverse consequence" of regulatory structure and worry that downside defaults constitute an unpriced "moral hazard" within the banking system.

GSE Securities Exposure

No GSE Securities Recorded

GSE securities are booked as risk-free investments by banks owing to an "implicit guarantee" assumption attributed to the GSE's. This relief is theoretical and changes in regulation may affect this assumption.

Deposits as Lending Support

Deposit Dollars per Lending Dollar,
$1.08

This bank's lending is fully supported by deposits. There is presently an overfunding surplus of $0.08 deposit dollars for every lending dollar.

Lending as a percent of assets,
70.7 % of assets
SD = 0.49

Counterparty Lending Risk

Depository lending exposure as a % of total assets,
0.0 %

Depository Institution Loans
$0

SD = -0.37

Banks are exposed to counterparty risk from lending funds to other institutions. This figure identifies the percentage of the bank's assets allocated to depository institution loans.

Miscellaneous Loans

Misc. Lending is

$18,942

This is 0.2% of total lending.
SD = -0.42

This figure measures miscellaneous loans as a percentage of total lending. Excessive miscellaneous lending can be as sign that the bank is engaged in substandard lending practices. One historical use of this test if the bank had a substantial trading book was to view it as a sign of possible originations of margin loans on trade positions.

depositors, the regulatory safety and soundness for the bank-only portion of this company is as follows.

The bank portion of WBS comprises 99.42% of the public company's total assets.IRA stress tests for the bank portion of WBS based on FDIC CALL report analysis currently indicate that this institution exhibits significantly higher stress than the industry average. It's current IRA bank stress rating is 'F'. Contributing to this elevated risk condition are a degraded operating earnings profile, lower capital adequacy versus the industry.

*** end ***

These stories are generated using a computer algorithm that scans market data, fundamental data and bank data to synthesize a daily summary of information across IRA's catalog that can potentially be tracked using stock price information. Not all banks included in the list satisfy the data sufficiency needed to generate a full story.

E
Earnings

Net Income
as reported

$-2

IRA Computed Gross Income

Interest Income	$191,501
less Interest Expense	$68,623
Net Interest Revenue	$122,878
Non-Interest Revenue, Gross	$51,268
Computed Gross Income	**$174,146**
Annualized Estimate	**$696,584**

Often overlooked, IRA computes this critical revenue benchmark using a consisent formula for all institutions based on netting interest and other earnings.

Estimated Returns

ROA

-0.00 %
SD = -0.87

ROE

-0.00 %
SD = -0.88

LENDING RETURN

471 bps
SD = -0.35

RETURN ON TANGIBLE ASSETS

Tangible Assets
$16,408,153

Tangible Assets as Percent of Total Assets
95.6%
SD = -0.34

Return on Tangible Assets
-0.00%
SD = 0.37

L
Liquidity

Short Term Debt Sevice Scenario Test

Current Assets

Cash & Coin	100,337
Cash Equivalents	125,522
Fed Funds Sold	1,848
Securities Purchased Under Agreement to ReSell	0
Current Assets	227,707

Current Liabilities

1 Yr FHLB Servicing * FHLB Advances = $671,294	0
1 Yr Deposit Interest Expenses	216,016
Fed Funds Purchased	63,000
Securities Repurchase Agreements	860,254
Current Liabilities	1,139,270

Acid Test Ratio = 0.20 to 1

Asset-Liability Liquidity Scenario Tests

Assets Table

	Nominal	Factor	Stressed
Cash & Coin	100,337	100%	100,337
Cash Equivalents	125,522	100%	125,522
Fed Funds Sold	1,848	100%	1,848
Securities Purchased Under Agreement to ReSell	0	100%	0
Loans and Leases *Stressed to as reported loss allowance.*	12,126,368	98%	11,855,439
Trading Assets *Degraded 1,000 bp.*	43,744	90%	39,370
Securities *Degraded 1,000 bp.*	3,607,352	90%	3,246,617
Premises and Facilties *Price compressed to 50%.*	182,623	50%	91,312
Other Real Estate Owned *Price compressed to 35 cents.*	18,831	35%	6,591
Other Assets *Degraded 50%.*	754,447	50%	377,224
Available Assets	16,961,072		15,844,258

Seniority Tranched Liabilities

	Balance Sheet Amount	Remaining Liquidity (Nominal)	Remaining Liquidity (Stressed)
FHLB Advances	671,294	16,289,778	15,172,964
Fed Funds Purchased	63,000	16,226,778	15,109,964
Securities Purchase Agreements	860,254	15,366,524	14,249,710
Insured Deposits	10,489,420	4,877,104	3,760,290
Trading Liabilities	40,942	4,836,162	3,719,348
Other Borrowed Money	881,625	3,954,537	2,837,723
Subordinated Notes and Debentures	177,480	3,777,057	2,660,243
Other Liabilities	183,339	3,593,718	2,476,904
Uninsured Deposits	2,648,873	944,845	-171,969
Preferred Equity	0	944,845	-171,969
Book Value of Common Equity	1	944,844	-171,970
Equity Surplus	1,802,550	-857,706	-1,974,520

S

Sensitivity to Market Risk

Off Balance Sheet Derivatives

Banks that enter into derivative contracts face additional position risks. This figure identifies the "notional value" of the derivative contracts that have been entered by the bank. An additional risl is that changes in regulation could force these assets to be repatriated into the balance sheets of these instititions.

$1,330,909

SD = -0.23

Based on this figure, the bank can tolerate a

12,048 bp

realized loss across it's aggregate OBS position before losing the equivalent of its regulatory Risk Based Capital (RBC).

Interest Rate Risk Management (Buffering)

Income Buffering

LOAN BASE EXPOSURE
Repriced Commercial and Agricultural Loans versus Total Loans and Leases

Aggregate Agricultural, Commecial & Industrial and Commercial Real loan base

$3,167,024.

This amount is
26.1 %
of total loans and leases.
SD = 0.17

Banks that maintain a base of business loans that feature regular repricing features are considered less vulnerable to interest rate shifts. Unlike mortgage lending and consumer debt, businesses tend to sustain their operating debt regardless of interest rates providing banks with a steady margin of income from employing these assets.

SENSITIVE FEES
Securitization and Underwriting Fees to Total Gross Income

Fee income reported was

$5,329
Total fee income includes interest and service charges from loans and leases as well as profits from investing activities.

This constitutes
2.4 %of total gross income
SD = -0.54

Reliance on securitization and underwriting fee income is considered a risk for banks as interest rates shifts. Specifically, as interest rates rise the opportunity to generate this fee income tends to diminish.

Expense Buffering

OPERATING LIABILITIES
Non-Interest Deposits to Total Deposits

Total reported non-interest paying deposits for this bank are,

$1,541,014.

These non-interest paying deposits are,
11.7 % of total deposits.
SD = -0.43

Banks insulate themselves from interest rate risk by maintaining a fraction of their deposits in non-interest paying accounts.

Asset Buffering

EQUITY CUSHION
Equity to Assets

Current total equity is

$1,802,551.

This is,
10.5 % of total assets.
SD = 0.09

Banks with greater equity components in their asset base are considered more insulated from interest rate shifts bacause they can use equity to buffer against shocks provided the market value of equity 'MVE' does not dramatically degrade.

PASSIVE EXPOSURE
MBS Securities and REPO Holdings Exposure

Passive Risk Exposed Assets,

$3,509,833

This amount is equivalent to
2.19 times
their regulatory Risk Based Capital (RBC) and
20.5 % of total assets
SD = 0.14

Banks face passive interest rate risk exposure from portfolios of their mortgage-backed and non-mortgage-backed bond holdings as well as their fed funds and repo activity. We report the percentage of the unit's assets primarily exposed to this type of interest rate risk reported.

Historical Performance from 200903

	March 2009	December 2008	September 2008	June 2008
IRA Bank Stress Benchmarks				
Grade	F	F	C	B
Stress Index Number	20.9	20.9	3.4	1.9
ROE, %	-0.00	-0.01	0.88	2.00
Efficiency Ratio	64.8%	63.3%	63.7%	65.2%
Basel II Benchmarks				
Bond Equivalent Defaults, Method 1	**BB**	**BB**	**BB**	**BB**
B.E.D., Method 2	**BB**	**BB**	**BB**	**BBB**
Default Rate, bp	106.1	117.1	91.9	73.0
LGD: Loss Given Default, %	93.61	96.65	96.19	94.58
M: Wt. Avg. Maturity, yr	6.62	6.49	6.93	7.08
EAD: Exposure At Default, %	34.6	35.7	35.7	36.2
Economic Capital Analysis				
EC	$2,804,951	$2,883,542	$2,435,368	$2,444,419
RAROC, %	1.08%	3.12%	3.38%	2.51%
Tier 1 RBC	$1,328,116	$1,248,727	$1,234,335	$1,234,976
T1RBC to EC Leverage	0.5:1	0.4:1	0.5:1	0.5:1
IRA Bank Tangible Common Equity Computations				
Bank Common Equity	$1	$1	$1	$1
plus Capital Surplus	$1,590,508	$1,490,508	$1,390,508	$1,390,508
plus Net Undivided Profits	$212,042	$206,919	$494,943	$542,597
less Perpetual Preferred	$0	$0	$0	$0
less REO's	$18,831	$17,537	$10,501	$11,377
less Intangible Assets	$566,339	$568,284	$753,962	$756,990
Bank Tangible Common Equity	$1,217,381	$1,111,607	$1,120,989	$1,164,739
Percent of Tangible Assets (TCE Ratio)	7.42%	6.65%	6.82%	7.10%
TCE to EC Leverage	0.43:1	0.39:1	0.46:1	0.48:1
Regulatory Watch Points				
FHLB Advances	671,294	1,335,996	1,355,931	1,419,569
Advances-to-Assets, percent	3.91%	7.64%	7.80%	8.18%
Gross Defaults, Actual	32,155	142,843	88,596	46,542
Provision for Loan Losses, Income Statement	65,700	185,300	86,300	40,800
Actual-to-Provision Ratio	0.49:1	0.77:1	1.03:1	1.14:1
Balance Sheet Allowances for Loan Losses	270,929	235,329	189,169	184,868
Gross Defaults, Total	$32,155	$142,843	$88,596	$46,542
30-89 Day Assets, Total	$125,096	$138,472	$121,275	$79,212
Over 90 Assets, Total	$723	$1,110	$708	$1,380
Non-Accrual Assets, Total	$324,327	$243,239	$226,912	$207,059
Non-Conforming Assets, Total	$325,050	$244,349	$227,620	$208,439
Real Estate Owned (REO)	$18,831	$17,537	$10,501	$11,377
Non-Performing % of Total Assets	4.82%	4.51%	3.89%	3.19%
Off Balance Sheet Derivatives, Notional	$1,330,909	$1,221,217	$1,151,766	$1,171,902

Loss Realization Margin to RBC, bp	12,048	12,880	13,558	13,319
Selected OBS Notional Balances				
Cr Derivatives - Credit Default Swaps (Guarantor)	$0	$0	$0	$0
Cr Derivatives - Credit Default Swaps (Beneficiary)	$0	$0	$0	$0
Cr Derivatives - Total Return Swaps (Guarantor)	$0	$0	$0	$0
Cr Derivatives - Total Return Swaps (Beneficiary)	$0	$0	$0	$0
Cr Derivatives - Credit Options (Guarantor)	$0	$0	$0	$0
Cr Derivatives - Credit Options (Beneficiary)	$0	$0	$0	$0
Cr Derivatives - Other (Guarantor)	$0	$0	$0	$0
Cr Derivatives - Other (Beneficiary)	$0	$0	$0	$0
Interest Rate Contracts, Trade	$921,025	$910,690	$836,556	$853,924
Foreign Exchange Contracts, Trade	$0	$0	$0	$0
Equity Derivative Contracts, Trade	$0	$0	$0	$0
Commodity and Other Contracts, Trade	$0	$0	$0	$0
Contracts, Not for Trade	$409,884	$310,528	$315,210	$317,254

All CALL/TFR's file to identical calendars ending Dec-31. Quarterly values reported are cumulative thru the reporting year. Dollar data in thousands unless otherwise noted. Selected rates pre-computed by FDIC are factored according to criteria from the regulatory agency to derive annualized rates. Peering groups are dynamically generated each quarter based the bank unit being examined. See the quarterly for peer listings.

Technical Measures for 200903:

Performance

ASSETS

$17,157,115

Bank unit's total assets in thousands as reported in the official FDIC CALL/TFR Report.

Hint: Click on the metric titles to see multi-year trend charts. Limited charts available in demo.

FLAGS: Standard Deviation (SD) indicates distance from dynamically generated peer norm based on total asset matches. SD's greater than 1.0 are flagged.

IRA Computed Gross Income

Interest Income	$191,501
less Interest Expense	$68,623
Net Interest Revenue	$122,878
Non-Interest Revenue, Gross	$51,268
Computed Gross Income	**$174,146**
Annualized Estimate	**$696,584**

Often overlooked, IRA computes this critical revenue benchmark using a consisent formula for all institutions based on netting interest and other earnings.

Estimated Return

Net Income

$-2

ROA

-0.00 %
SD = -0.87

ROE

-0.00 %
SD = -0.88

IRA reports Return on Assets as computed by the FDIC as the annualized Net Income over Total Assets. Standard Deviation comparisons are versus asset peers either within +/- 10% of the bank's assets or against all over $10B as applicable. IRA also reports Return on Equity as computed by the FDIC as the annualized Net Income over Total Equity.

LENDING RETURN

471 bps
SD = -0.35

Gross return per lending dollar in basis points is estimated by IRA as the annualized lending interest earned divided by loans and leases. Service fees are not included in the earnings efficiency calculation.

Lending Profile

RETURN ON TANGIBLE ASSETS

Tangible Assets
$16,408,153

Tangible Assets as Percent of Total Assets
95.6%
SD = -0.34

Return on Tangible Assets
-0.00%
SD = 0.37

During periods of drastic profile change it is often better to track banks by looking at their tangible assets. For example, immediately following an acquisition when the intangibles profile is in flux.

	Bank Operations Efficiency Ratio Excludes parent-only effects. **64.8%**			

Basel II Credit Risk Benchmarks

P(D) Rating

Method A: BB
Method B: BB

IRA benchmarks a bank's lending portfolio P(D) based on actual loss rates. The marked rating should correspond to the bank unit's internal target risk rating for the loan portfolio. Note that rating category breakpoints vary both among rating agencies and over time. See the tearsheet for loan portfolio detail. %>

Gross Defaults: $32,155
Recoveries: $2,055
Net Loss After Recoveries: $30,100

LGD

LGD = 93.61 %

Default Rate: 106 bps
SD = -0.48
After Recovery: 99 bps
SD = -0.48

Quarterly benchmark estimates for Loss Given Default are reported as the actual YTD default rate of the outstanding loans and leases. Banks estimate this factor continously. When examined, the spot risk estimate should tie closely to the actual at each CALL/TFR submittal point.

Loss Provisions, Reported: $65,700
Provisions Based LGD: 204.32 %
Actual-to-Provision Ratio: 0.46-to-1

Wtd. Avg. Maturity

6.62 years
SD = 1.49

IRA reports the aggregate portfolio weighted maturity as the amalgam of all loans and leases including single-family residential loans.

Click here to view the **Term Structure Detail**. Not all banks report their term matrices.

EAD

34.6 percent
SD = -0.37

At default the average loan will have the above remaining unused percentage of the committed credit line. The bank risks that borrower could access these amounts and expose the institution to additional losses. A bank's ability to contain this exposure via contractual covenants varies by loan or line of credit type.

Risk Management: Economic Capital and RAROC Calculations

Operations Components			EC	RAROC
Economic Capital, Lending Operations	**Economic Capital, Trading Operations**	**Economic Capital, Securities Exposure**	**Economic Capital, Benchmark**	**RAROC**
$280,751	**$76,217**	**$2,447,983**	**$2,804,951**	**1.085%**
def. - EC attributed to credit operations must cover the risk spread between Maximum Probable Loss (MPL) and Expected Loss (EL).	def. - EC attributed to trading should cover 90% of the risk spread from the potential losses in the non-securitized portion trading book balance. This ensures the capital quality remains at a B or higher equivalent investment	def. - EC attributed to securities should cover the spread from the potential loss of 90% of the Risk Bearing Securities book balance. This coverage spread ensures the risk bearing portfolio never falls below investment grade risk.	Standardized EC computed by IRA to enable direct comparisons between institution risk management strategies.	where, • Interest Income $191,501 • Trading Income $0 • Securities Income $48,184
MPL Factor 231.5 bp			**Key Ratios:** EC to Total Assets Ratio 0.163-to-1	

EL Factor	32.5 bp
Loans and Leases	$12,126,368

IRA computations use hard numbers from as-filed CALL/TFR reports to develop risk spread factors using proprietary statistical formulae. These formulae locate the Extreme Risk kurtosis point (1 in 1000) based on the data measurements used. This report delivers an aggregate figure of merit. Contact IRA consulting if you are interested in detail data on EC's by credit category.

grade.

Portion of Trading Book requiring EC Coverage	$84,686
consisting of,	
Domestic Trading Assets	$0
Foreign Trading Assets	$0
Domestic Positive Fair Value Trade Derivatives	$43,744
Foreign Positive Fair Value Trade Derivatives	$0
Short Position Liabilities	$0
Negative Fair Value Trade Derivatives	$40,942
Other Trading Liabilities	$0
Traded Bankers Acceptances	$0
Traded Certificates of Deposit	$0
Traded Commercial Paper	$0
less Adjustment	$0

Securities Total	$3,607,352
less Treasury Securities	$200
less Govt Obligation Securities	$0
less Agency Securities	$887,171
less Municipal Securities	$0
Risk Bearing Securities	**$2,719,981**
consisting of,	
Held to Maturity Securities	$2,429,888
Private MBS Securities	$133,839
Other Debt Securities	$55,588
Foreign Debt Securities	$100,399
Mutual Fund Securities	$267
ABS Securities	$0

IRA would have previously made allowances for the CALL redemption value of bonds but the increasing ownership of below investment grade residual securities and suspect commercial paper by institutions and the unknown factors in determining YTE for junk class securities indicates that the MPL computation for securities EC needs to cover the book

EC to Tangible Assets Ratio	0.171-to-1
EC to Equity Ratio	1.556-to-1
EC to Risk Based Capital	1.749-to-1
EC to Tier 1	2.112-to-1

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- less Premises Expenses $29,367
- less Other Non-Interest Expenses $30,078
- less Charge for Current Period Net Lending Losses $30,100
- divided by Economic Capital

value below a grade-B allowance. A 1,000 bp EL allowance constitutes the average B cut-off line for the NRSRO's surveyed by IRA. This benchmark rule is applied consistently across all institutions.

Interest Rate Risk Management Metrics

Income Buffering		Expense Buffering	Asset Buffering	
LOAN BASE EXPOSURE Repriced Commercial and Agricultural Loans versus Total Loans and Leases	**SENSITIVE FEES** Securitization and Underwriting Fees to Total Gross Income	**OPERATING LIABILITIES** Non-Interest Deposits to Total Deposits	**EQUITY CUSHION** Equity to Assets	**PASSIVE EXPOSURE** MBS Securities and REPO Holdings Exposure
26.1 % of loans and leases. SD = 0.17	2.4 % of total gross income SD = -0.54	11.7 % of total deposits SD = -0.43	10.5 % of assets SD = 0.09	20.5 % of assets SD = 0.14
Banks that maintain a base of business loans that feature regular repricing features are considered less vulnerable to interest rate shifts. Unlike mortgage lending and consumer debt, businesses tend to sustain their operating debt regardless of interest rates providing banks with a steady margin of income from employing these assets. The bank reported an aggregate Agricultural, Commercial & Industrial and Commercial Real loan base of $3,167,024.	Reliance on securitization and underwriting fee income is considered a risk for banks as interest rates shifts. Specifically, as interest rates rise the opportunity to generate this fee income tends to diminish. The bank reported fee income from this as $5,329. Total income includes interest and service charges from loans and leases as well as profits from investing activities.	Banks insulate themselves from interest rate risk by maintaining a fraction of their deposits in non-interest paying accounts. The reported non-interest paying deposit base for this bank is $1,541,014.	Banks with greater equity components in their asset base are considered more insulated from interest rate shifts bacause they can use equity to buffer market shocks. Current total equity is $1,802,551. IRA analytics focus on measuring indicators that provide insight into bank management policies.	Banks face portfolio exposure risk from their mortgage-backed and non-mortgage-backed bond holdings as well as their fed funds and repo activity. We report the percentage of the unit's assets primarily exposed to this type of interest rate risk reported. These assets are worth $3,509,833. And an amount equivalent to 2.19 times the regulatory Risk Based Capital (RBC) of the unit.

Safety and Soundness

Reliance on FHLB Advances	GSE Securities Exposure	Off Balance Sheet Derivatives	Lending Support Analysis	Counterparty Risk
Advances-to-Assets: 3.91% Total FHLB Advances $671,294 Detail, if available: UNDER 1 YR: $149,307 1 TO 3 YRS: $0 OVER 3 YRS: $0	No GSE Securities Recorded	$1,330,909 SD = -0.23	70.7 % of assets SD = 0.49	0.0 % of lending SD = -0.37
	GSE securities are booked as risk-free investments by banks owing to an "implicit guarantee" assumption attributed to the GSE's. This relief is theoretical and changes in regulation may affect this assumption.	Banks that enter into derivative contracts face additional position risks. This figure identifies the "notional value" of the derivative contracts that have been entered by the bank.	Banks are exposed to credit risk from their lending and leasing operations. This figure identifies the percentage of the bank's assets allocated to lending and leasing reported as $12,126,368.	Banks are exposed to counterparty risk from lending funds to other institutions. This figure identifies the percentage of the bank's assets allocated to depository institution loans.

Qualifying institutions may borrow funds from the Federal Home Loan Bank (FHLB) system to fund mortgage landing. Opinions as to proper safety and soundness thresholds differ however the Federal Reserve generally considers reliance on FHLB Advances in excess of 15% of assets to be cause for concern. Banking regulators identify over-heated used of FHLB Advances as "perverse consequence" of regulatory structure and worry that downside defaults constitute an unpriced "moral hazard" within the banking system.

Based on this figure, the bank can tolerate a 12,048 bp realized loss across it's aggregate OBS position before losing the equivalent of its regulatory Risk Based Capital (RBC).

Deposits Support:

Deposits support provides additional clarity on the banks lending support. This bank's lending is fully supported by deposits and there is presently an overfunding surplus of $0.08 deposit dollars for every lending dollar.

The actual amount reported is $0.

Business Design and Operational Risk

Deposit-to-Asset Analysis

76.6 %
SD = 0.63

A bank's deposits-to-assets ratio provides insight into how the bank seeks to generate income and insulate itelf from risk. Three schools of thought dominate.

- The classic design rule for a bank is a deposit-to-asset target ratio of 0.8:1 to fund lending operations and generate service charge revenue with minimal exposure to market risk.
- A second class of banks engages in a mix of lending and investing activities. They make greater use of counter-party and market instruments and are thus more exposed to market risks but benefit from increased diversification.
- A third form of bank design involves institutions that rely almost exclusively on an asset securitization approach to generate revenue. These institutions tend to grow and shrink in response to market conditons.

Bank holding companies act as vehicles to both concentrate and mix these designs into overall business models.

Trading Desk Risk

0.3 % of assets
SD = -0.33

Banks face risks from their trading operations. This figure identifies the percentage of the unit's assets allocated to trading. The reported trading account value is $43,744 which is 0.03 times the bank's regulatory Risk Based capital (RBC).

This bank's trading desk reported positive economic value add at 0 bp per trading asset dollar employed.

Misc. Loans

0.2%
SD = -0.42

This figure measures miscellaneous loans as a percentage of total lending. Excessive miscellaneous lending can be as sign that the bank is engaged in substandard lending practices.

One item to monitor here is the degree to which a bank originates margin loans to support trading and/or derivative activities.

The important figure to observe is the Standard Deviation that tells how far this unit is from its asset class peers. An SD greater than +/-2 is an outlier.

Other Liabilities

7.3 %
SD = -0.65

This figure measures other liabilities as a percentage of total liabilities. Excessive non-categorized liabilities may be an indication that the operational side of the business is vulnerable to business cycle stress.

One important stress combination to monitor is a bank that issues loans in excess of supporting deposits where these loans start to distress or otherwise underperform. Cross checking, this bank reports YTD loan servicing fee income of $2,390K.

Again, an important figure to observe is the Standard Deviation that tells how far this unit is operating versus its asset class peers.

Know The Competition!
50 Closest Asset Peers for period 200903

Letter Grade	Institution	Assets	ROE	Efficiency
F	WEBSTER FINANCIAL CORPORATION	$17,157,115	-0.00%	64.85%
A	FIRST CITIZENS BANCSHARES, INC.	$17,056,644	4.57%	81.84%
A	FBOP CORPORATION	$17,411,445	4.24%	61.78%
F	NEW YORK PRIVATE BANK & TRUST CORPORATION	$16,857,271	-0.09%	105.54%
A	FULTON FINANCIAL CORPORATION	$16,846,884	6.54%	61.40%
A	CITY NATIONAL CORPORATION	$16,625,862	4.79%	57.54%
C	LAURITZEN CORPORATION	$17,764,200	0.96%	79.22%
A	COMMERCE BANCSHARES, INC.	$17,846,459	9.07%	62.34%
A	TCF FINANCIAL CORPORATION	$18,128,936	7.57%	69.18%
A+	CULLEN/FROST BANKERS, INC.	$15,375,671	9.63%	62.31%
A	W HOLDING COMPANY, INC.	$15,077,814	2.13%	109.73%
A+	METLIFE, INC.	$14,815,835	29.46%	63.23%
A	FIRST BANCORP	$19,695,905	6.31%	56.25%
A+	VALLEY NATIONAL BANCORP	$14,414,050	9.54%	55.84%
A	SUSQUEHANNA BANCSHARES, INC.	$13,494,671	2.39%	60.64%
A+	BANCORPSOUTH, INC.	$13,453,699	9.28%	64.74%
F	UCBH HOLDINGS, INC.	$13,389,493	-0.02%	87.01%
C	BARCLAYS PLC	$13,281,963	21.32%	49.95%
F	SOUTH FINANCIAL GROUP, INC., THE	$13,250,290	-0.02%	78.47%
C	STERLING FINANCIAL CORPORATION	$12,822,396	0.87%	67.62%
F	CITIZENS REPUBLIC BANCORP, INC.	$12,635,101	0.11%	75.82%
F	EAST WEST BANCORP, INC.	$12,555,033	-0.00%	51.06%
F	WHITNEY HOLDING CORPORATION	$12,008,078	-0.00%	66.36%
A	WILMINGTON TRUST CORPORATION	$11,996,232	8.48%	63.75%
A+	INTERNATIONAL BANCSHARES CORPORATION	$11,969,906	13.01%	49.64%
A+	BANK OF HAWAII CORPORATION	$11,427,163	19.09%	54.84%
A	CATHAY GENERAL BANCORP	$11,382,274	3.28%	43.74%
A	FIRSTMERIT CORPORATION	$10,954,320	15.24%	57.97%
A	WINTRUST FINANCIAL CORPORATION	$10,832,861	3.58%	72.72%
A+	PRIVATEBANCORP, INC.	$10,772,878	6.80%	55.24%
A	ARVEST BANK GROUP, INC.	$10,765,284	4.76%	79.25%
A+	UMB FINANCIAL CORPORATION	$10,384,872	11.42%	70.35%
A	ASSOCIATED BANC-CORP	$24,015,136	7.34%	51.56%
A	SVB FINANCIAL GROUP	$10,277,180	6.34%	47.80%

F	FIRST BANKS, INC.	$10,218,200	-0.03%	78.31%
C	AMERICAN EXPRESS COMPANY	$24,470,107	18.41%	45.79%
A+	TRUSTMARK CORPORATION	$9,832,583	8.61%	55.52%
A+	FIRSTBANK HOLDING COMPANY	$9,672,038	25.26%	48.70%
C	NATIONAL PENN BANCSHARES, INC.	$9,663,215	1.81%	63.84%
A	TREETOPS ACQUISITION GROUP II LTD.	$9,469,951	5.63%	65.29%
A+	CENTRAL BANCOMPANY	$9,400,740	10.92%	59.10%
F	PACIFIC CAPITAL BANCORP	$9,208,556	-0.00%	45.97%
F	DORAL HOLDINGS, L.P.	$9,140,508	-0.01%	158.29%
A	BOK FINANCIAL CORPORATION	$25,282,596	12.81%	52.96%
F	MB FINANCIAL, INC	$9,008,336	-0.01%	68.12%
A+	PROSPERITY BANCSHARES, INC.	$8,793,261	7.86%	45.26%
A	COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "RABOBANK NEDERLAND"	$8,791,115	1.60%	70.94%
F	UMPQUA HOLDINGS CORPORATION	$8,778,047	-0.00%	60.59%
A	NEWALLIANCE BANCSHARES, INC.	$8,488,328	4.28%	59.04%
A	F.N.B. CORPORATION	$8,313,531	6.26%	62.39%

Data Source: Instutitional Risk Analytics. IRA BHC data is synthesized using using Federal Deposit Insurance Corporation (FDIC) Call Report data and represents a bank assets only view of the subject institution. Values reported cumulative to the reporting quarter. Data in thousands unless otherwise noted. Selected rates pre-computed by FDIC are factored by the agency to annual rates.

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