

# THE FINANCIAL SERVICES ROUNDTABLE



Impacting Policy. Impacting People.

June 23, 2009

## **TARP LENDING REMAINS CONSTANT IN APRIL**

A Financial Services Roundtable Analysis of Treasury Data

By Bill Askew, Senior Policy Advisor

Total loan balances were constant with less than 1% decline in April as compared to March. New loan originations showed a modest deceleration as compared to the strong increase in March. Both loan originations and loan balances in April are still up with an 11% and 13% increase respectively as compared to December 2008.

All of the banks involved in this Lending Study were fully engaged in the Stress Tests during April with a major focus on capital requirements. With a lower than normal loan demand by businesses in commercial and industrial as well as commercial real-estate loans, there was a modest decrease in loan production in April as compared to March.

As firms continue to cut costs and reduce inventories, the Capital Purchase Program (CPP) institutions anticipate lower levels of demand for commercial loans will persist through the second quarter of 2009. However, as the economy continues to recover, both banks and businesses will continue their return to health.

Five of the CPP companies reporting to Treasury increased new loan originations from March to April:

1. Citigroup
2. Comerica
3. KeyCorp
4. Marshall and Ilsley
5. Wells Fargo

Other Key findings include:

- Total average loan balances remained flat with \$4.30 trillion in March 2009 as compared to \$4.27 trillion in April.

- Total average loan balances have increased from \$3.7 trillion in December 2008 to \$4.2 trillion in April 2009, a 13% increase.
- Total Loan Originations increased from \$244 billion in December 2008 to \$272 billion during the month of April, an 11% increase.

“The Capital Purchase Program has helped to stabilize the financial markets. On Wednesday, ten large companies returned \$68 billion of the TARP capital after compensating Treasury with \$4.5 billion in dividends, and plans to purchase the warrants,” said Steve Bartlett, President and CEO for the Roundtable. “When you calculate the return the companies paid on this capital, you have to say the taxpayers received a very good rate of return from their TARP investment.”

The latest companies to return TARP capital are:

1. American Express
2. Bank of New York Mellon Corporation
3. Capital One
4. Goldman Sachs
5. Northern Trust
6. JP Morgan Chase
7. Morgan Stanley
8. U.S. Bancorp
9. BB&T Corporation
10. State Street Corporation

We invite you to review the following two indexes.

Please contact Bill Askew, Senior Policy Advisor, the Financial Services Roundtable with any questions or comments, [Billaskew@fsround.org](mailto:Billaskew@fsround.org); 202.589.2530; or Elise Brooks, [Elise@fsround.org](mailto:Elise@fsround.org), 202.589.2427.

Treasury Monthly Bank Lending Survey - Originations (Millions) From January 2009 thru April 2009

\* Bold indicates increase in April

Name	First Mortgage				Home Equity				US Card Managed				Other Consumer				C&I				Commercial Real Estate				Total Originations						
	Total Originations				Originations (New + Line Inc)				Total Originations				Total Originations				Renewals & Commitments				Renewals & Commitments				Total Originations						
	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March
Bank of America	\$22,887	\$28,690	\$33,641	\$32,702	\$1,402	\$1,256	\$1,381	\$1,347	\$2,058	\$1,668	\$1,763	\$1,394	\$3,425	\$1,263	\$1,371	<b>\$2,155</b>	\$25,030	\$21,870	\$24,027	<b>\$27,319</b>	\$3,908	\$3,455	\$3,849	\$3,213	\$58,710	\$58,202	\$66,032	\$68,131			
Bank of NY Mellon	\$97	\$276	\$68	\$64	\$11	\$16	\$8	<b>\$17</b>	\$0	\$0	\$0	\$0	\$4	\$4	\$14	<b>\$9</b>	\$505	\$408	\$170	\$134	\$113	\$112	\$100	\$91	\$730	\$816	\$360	\$315			
BB&T	\$1,814	\$2,856	\$3,161	\$2,784	\$72	\$93	\$81	\$70	\$155	\$154	\$164	<b>\$200</b>	\$312	\$290	\$296	<b>\$354</b>	\$1,995	\$1,457	\$1,765	<b>\$1,923</b>	\$1,628	\$1,548	\$1,734	\$1,306	\$5,976	\$6,398	\$7,201	\$6,637			
Capital One	\$3	\$2	\$254	\$152	\$12	\$14	\$19	<b>\$26</b>	\$1,027	\$749	\$514	\$488	\$655	\$620	\$606	\$522	\$619	\$714	\$740	\$718	\$215	\$176	\$211	\$159	\$2,531	\$2,275	\$2,344	\$2,064			
CIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$3,428	\$3,497	\$3,832	\$3,334	\$0	\$0	\$0	\$0	\$3,429	\$3,497	\$3,832	\$3,334			
Citigroup	\$7,838	\$6,958	\$7,809	<b>\$8,882</b>	\$769	\$209	\$216	\$190	\$6,165	\$5,151	\$6,066	<b>\$6,536</b>	\$2,628	\$1,042	\$1,069	\$1,009	\$1,291	\$1,168	\$3,530	\$2,858	\$125	\$163	\$255	\$129	\$18,816	\$14,691	\$18,945	<b>\$19,603</b>			
Comerica	\$33	\$63	\$49	\$33	\$8	\$14	\$12	<b>\$18</b>	\$13	\$9	\$14	\$19	\$17	\$23	\$53	\$39	\$956	\$1,274	\$1,991	<b>\$2,304</b>	\$398	\$278	\$415	<b>\$439</b>	\$1,425	\$1,661	\$2,534	<b>\$2,852</b>			
Fifth Third	\$1,459	\$1,972	\$1,995	<b>\$2,255</b>	\$129	\$141	\$204	\$130	\$233	\$135	\$156	<b>\$211</b>	\$388	\$317	\$333	\$307	\$2,486	\$2,288	\$3,186	\$2,526	\$376	\$614	\$1,208	\$772	\$5,071	\$5,467	\$7,082	\$6,201			
Goldman Sachs	\$87	\$88	\$90	\$40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$41	\$9	\$12	\$28	\$6,131	\$647	\$3,413	\$896	\$229	\$0	\$116	\$0	\$6,488	\$744	\$3,631	\$964			
JPMorgan Chase	\$9,572	\$12,875	\$15,672	\$13,139	\$312	\$276	\$290	\$214	\$3,245	\$3,199	\$3,867	\$3,592	\$3,199	\$2,632	\$3,025	\$2,670	\$29,637	\$20,009	\$40,131	\$29,702	\$962	\$821	\$2,462	\$1,000	\$46,927	\$39,812	\$65,447	\$50,317			
KeyCorp	\$129	\$148	\$188	\$157	\$121	\$133	\$146	\$137	\$0	\$0	\$0	\$0	\$192	\$56	\$45	\$21	\$1,372	\$1,234	\$1,341	<b>\$1,838</b>	\$1,252	\$670	\$781	\$653	\$3,066	\$2,241	\$2,501	<b>\$2,806</b>			
Marshall & Ilsley	\$263	\$357	\$288	<b>\$416</b>	\$42	\$51	\$62	<b>\$68</b>	\$5	\$5	\$6	\$7	\$77	\$72	\$79	<b>\$89</b>	\$409	\$318	\$335	<b>\$403</b>	\$164	\$95	\$115	<b>\$243</b>	\$960	\$898	\$885	<b>\$1,224</b>			
Morgan Stanley	\$11	\$51	\$28	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$215	\$348	\$358	<b>\$464</b>	\$3,325	\$2,215	\$3,636	\$1,016	\$0	\$0	\$0	\$0	\$3,551	\$2,614	\$4,022	\$1,505			
Northern Trust	\$39	\$85	\$119	\$82	\$88	\$110	\$132	\$102	\$0	\$0	\$0	\$0	\$102	\$142	\$143	\$86	\$998	\$899	\$1,170	\$1,082	\$43	\$43	\$77	<b>\$93</b>	\$1,270	\$1,279	\$1,641	\$1,446			
PNC	\$2,323	\$2,359	\$2,175	<b>\$2,222</b>	\$335	\$402	\$587	\$503	\$156	\$202	\$271	\$140	\$575	\$274	\$240	\$213	\$4,178	\$3,578	\$5,593	\$4,928	\$603	\$1,176	\$985	\$637	\$8,170	\$7,991	\$9,851	\$8,643			
Regions	\$722	\$1,084	\$969	\$925	\$109	\$107	\$123	\$117	\$0	\$0	\$0	\$0	\$290	\$100	\$94	\$82	\$2,129	\$1,476	\$2,158	<b>\$2,411</b>	\$1,732	\$2,100	\$2,456	\$1,933	\$4,982	\$4,867	\$5,800	\$5,468			
State Street	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$289	\$1,136	\$1,444	\$1,375	\$0	\$34	\$13	<b>\$32</b>	\$289	\$1,170	\$1,457	\$1,407			
SunTrust	\$3,476	\$4,573	\$5,397	\$5,002	\$119	\$143	\$175	\$143	\$11	\$32	\$13	\$11	\$599	\$288	\$262	<b>\$312</b>	\$1,859	\$1,853	\$2,272	<b>\$2,574</b>	\$447	\$697	\$756	\$534	\$6,511	\$7,586	\$8,875	\$8,576			
U.S.Bancorp	\$4,041	\$4,642	\$5,316	<b>\$5,335</b>	\$348	\$440	\$552	<b>\$560</b>	\$691	\$818	\$913	\$900	\$1,383	\$733	\$818	<b>\$838</b>	\$6,221	\$5,207	\$6,868	\$6,469	\$1,182	\$1,416	\$1,805	\$1,703	\$13,866	\$13,256	\$16,272	\$15,805			
Wells Fargo	\$24,010	\$34,819	\$40,196	\$40,009	\$587	\$613	\$745	\$666	\$1,317	\$1,481	\$1,319	\$1,126	\$3,903	\$1,909	\$2,035	\$1,859	\$16,854	\$13,761	\$16,880	<b>\$17,794</b>	\$3,889	\$3,468	\$3,635	<b>\$3,664</b>	\$50,560	\$56,051	\$64,810	<b>\$65,118</b>			
<b>Total</b>	<b>\$78,804</b>	<b>\$101,898</b>	<b>\$117,415</b>	<b>\$114,224</b>	<b>\$4,464</b>	<b>\$4,018</b>	<b>\$4,733</b>	<b>\$4,308</b>	<b>\$15,076</b>	<b>\$13,603</b>	<b>\$15,066</b>	<b>\$14,624</b>	<b>\$18,006</b>	<b>\$10,122</b>	<b>\$10,853</b>	<b>\$11,056</b>	<b>\$109,712</b>	<b>\$85,009</b>	<b>\$124,482</b>	<b>\$111,603</b>	<b>\$17,266</b>	<b>\$16,866</b>	<b>\$20,973</b>	<b>\$16,600</b>	<b>\$243,328</b>	<b>\$231,516</b>	<b>\$293,522</b>	<b>\$272,415</b>			

Treasury Monthly Bank Lending Survey - Average Loan Balances (Millions) From January 2009 thru April 20

\* Bold indicates increase in April

Name	First Mortgage				Home Equity				US Card Managed				Other Consumer				C&I				Commercial Real Estate				Total Average Loan Balance			
	Average Loan Balance				Average Loan Balance				Average Loan Balance				Average Loan Balance				Average Loan Balance				Average Loan Balance				Average Loan Balance			
	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April	January	February	March	April
Bank of America	\$266,012	\$264,541	\$263,214	\$260,581	\$158,740	\$159,158	\$158,323	\$157,455	\$163,220	\$160,448	\$157,048	\$154,780	\$78,722	\$88,117	\$93,848	<b>\$94,809</b>	\$278,205	\$275,221	\$269,712	<b>\$272,884</b>	\$74,030	\$73,574	\$72,514	<b>\$74,490</b>	\$1,018,929	\$1,021,059	\$1,014,659	<b>\$1,014,998</b>
Bank of NY Mellon	\$4,714	\$4,828	\$4,915	\$4,932	\$344	\$346	\$346	<b>\$350</b>	\$0	\$0	\$0	\$0	\$758	\$752	\$737	<b>\$742</b>	\$10,585	\$10,193	\$9,664	\$9,555	\$3,091	\$3,102	\$3,122	<b>\$3,129</b>	\$19,492	\$19,221	\$18,784	<b>\$18,708</b>
BB&T	\$18,534	\$19,237	\$19,527	\$19,358	\$5,899	\$5,931	\$5,935	<b>\$5,949</b>	\$1,986	\$1,990	\$1,994	<b>\$2,042</b>	\$18,535	\$18,376	\$18,143	<b>\$17,962</b>	\$34,136	\$34,858	\$34,615	\$34,420	\$19,767	\$19,824	\$19,934	\$19,798	\$98,857	\$100,216	\$100,148	\$99,529
Capital One	\$7,144	\$7,024	\$13,722	\$13,468	\$3,392	\$3,357	\$4,660	\$4,611	\$53,944	\$52,986	\$51,636	\$50,970	\$32,280	\$31,736	\$31,342	\$30,703	\$23,919	\$23,810	\$24,014	\$23,770	\$17,695	\$17,812	\$18,688	<b>\$18,834</b>	\$138,374	\$136,725	\$144,062	\$142,356
CIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,505	\$12,414	\$12,355	\$12,248	\$53,883	\$53,262	\$52,942	\$51,154	\$850	\$851	\$823	\$794	\$67,238	\$66,527	\$66,120	\$64,196
Citigroup	\$152,745	\$153,524	\$150,882	\$149,608	\$68,541	\$68,041	\$67,425	\$66,700	\$149,070	\$145,727	\$142,292	\$141,629	\$62,705	\$62,770	\$62,111	\$61,494	\$42,176	\$42,226	\$38,192	\$37,965	\$21,491	\$21,453	\$24,816	<b>\$25,493</b>	\$496,728	\$493,741	\$485,718	\$482,890
Comerica	\$1,847	\$1,850	\$1,843	\$1,811	\$1,782	\$1,792	\$1,795	\$1,790	\$49	\$49	\$48	<b>\$50</b>	\$748	\$735	\$725	<b>\$733</b>	\$30,598	\$30,318	\$29,678	\$28,962	\$14,957	\$14,954	\$14,912	\$14,881	\$49,981	\$49,698	\$49,001	\$48,227
Fifth Third	\$12,290	\$12,921	\$13,151	\$13,049	\$12,123	\$12,125	\$12,106	\$12,089	\$2,120	\$2,117	\$2,104	<b>\$2,111</b>	\$9,537	\$9,533	\$9,486	\$9,455	\$30,089	\$30,074	\$30,021	\$29,806	\$19,261	\$19,181	\$19,093	\$18,803	\$85,420	\$85,951	\$85,961	\$85,313
Goldman Sachs	\$5,031	\$4,827	\$4,483	\$4,116	\$151	\$149	\$146	\$144	\$0	\$0	\$0	\$0	\$1,618	\$1,499	\$1,554	\$1,121	\$88,689	\$85,843	\$83,284	\$78,795	\$29,040	\$27,462	\$24,579	\$22,926	\$124,529	\$119,780	\$114,046	\$107,101
JPMorgan Chase	\$53,926	\$53,062	\$52,278	\$51,589	\$94,099	\$93,435	\$92,525	\$91,575	\$157,678	\$153,758	\$149,208	\$148,390	\$79,320	\$80,237	\$80,057	\$79,982	\$176,731	\$170,369	\$164,484	\$161,345	\$22,824	\$23,457	\$23,337	\$22,247	\$584,578	\$574,318	\$561,889	\$555,128
KeyCorp	\$3,494	\$3,495	\$3,456	\$3,402	\$8,092	\$8,177	\$8,229	<b>\$8,297</b>	\$6	\$5	\$5	\$5	\$8,408	\$8,430	\$8,351	\$8,186	\$36,053	\$35,316	\$34,605	\$33,767	\$18,963	\$18,952	\$18,893	\$18,766	\$75,016	\$74,375	\$73,539	\$72,423
Marshall & Ilsley	\$8,133	\$8,148	\$8,020	\$7,954	\$2,714	\$2,737	\$2,750	<b>\$2,757</b>	\$276	\$269	\$264	\$264	\$1,879	\$1,929	\$1,832	<b>\$1,850</b>	\$15,330	\$15,339	\$15,212	\$15,147	\$21,594	\$21,575	\$21,463	\$21,221	\$49,926	\$49,997	\$49,541	\$49,193
Morgan Stanley	\$4,285	\$4,084	\$4,088	\$3,654	\$2,556	\$2,525	\$2,496	\$2,456	\$0	\$0	\$0	\$0	\$5,941	\$6,176	\$6,415	<b>\$6,704</b>	\$72,517	\$70,884	\$69,490	\$65,400	\$12,019	\$11,068	\$10,523	\$10,422	\$97,318	\$94,737	\$93,012	\$88,635
Northern Trust	\$8,183	\$8,148	\$8,157	<b>\$8,194</b>	\$2,393	\$2,469	\$2,541	<b>\$2,627</b>	\$0	\$0	\$0	\$0	\$2,216	\$2,228	\$2,206	<b>\$2,224</b>	\$12,457	\$12,125	\$11,985	\$11,713	\$3,112	\$3,164	\$3,200	<b>\$3,215</b>	\$28,361	\$28,134	\$28,089	\$27,974
PNC	\$21,801	\$21,516	\$22,366	\$22,083	\$38,317	\$38,051	\$37,157	\$36,950	\$6,361	\$6,312	\$6,330	\$6,327	\$12,473	\$12,640	\$12,676	<b>\$12,712</b>	\$72,812	\$72,160	\$70,840	\$69,810	\$25,502	\$25,734	\$25,576	\$25,534	\$177,266	\$176,413	\$174,945	\$173,416
Regions	\$16,378	\$16,764	\$17,044	\$16,868	\$16,150	\$16,127	\$16,069	\$16,014	\$0	\$0	\$0	\$0	\$5,442	\$5,280	\$4,907	\$4,726	\$23,355	\$23,081	\$22,848	\$22,468	\$37,238	\$37,392	\$37,346	\$37,091	\$98,563	\$98,644	\$98,214	\$97,167
State Street	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,645	\$8,071	\$7,293	<b>\$7,613</b>	\$2,800	\$764	\$718	\$663	\$8,445	\$8,835	\$8,011	<b>\$8,276</b>
SunTrust	\$33,274	\$34,595	\$35,249	<b>\$35,421</b>	\$18,799	\$18,760	\$18,673	\$18,598	\$973	\$964	\$979	\$947	\$12,703	\$12,590	\$12,499	\$12,308	\$39,862	\$39,303	\$38,650	\$38,044	\$24,901	\$24,755	\$24,547	\$24,392	\$130,512	\$130,967	\$130,597	\$129,710
U.S.Bancorp	\$35,085	\$36,609	\$36,991	\$36,136	\$19,206	\$19,101	\$19,086	<b>\$19,194</b>	\$13,586	\$13,506	\$13,691	<b>\$14,012</b>	\$29,186	\$29,452	\$29,373	\$29,074	\$55,520	\$54,791	\$54,113	\$53,480	\$37,071	\$37,261	\$37,307	<b>\$37,464</b>	\$189,654	\$190,720	\$190,561	\$189,360
Wells Fargo	\$250,830	\$265,542	\$262,420	\$261,220	\$131,205	\$125,290	\$127,667	<b>\$129,619</b>	\$23,832	\$23,569	\$23,034	\$22,957	\$86,904	\$88,540	\$86,580	<b>\$86,775</b>	\$187,767	\$184,446	\$182,022	\$179,121	\$133,256	\$132,067	\$133,392	<b>\$134,164</b>	\$813,794	\$819,454	\$815,115	\$813,856
<b>Total</b>	<b>\$903,706</b>	<b>\$920,715</b>	<b>\$921,806</b>	<b>\$913,445</b>	<b>\$584,503</b>	<b>\$577,571</b>	<b>\$577,929</b>	<b>\$577,176</b>	<b>\$573,101</b>	<b>\$561,700</b>	<b>\$548,633</b>	<b>\$544,484</b>	<b>\$461,880</b>	<b>\$473,434</b>	<b>\$475,197</b>	<b>\$473,808</b>	<b>\$1,292,329</b>	<b>\$1,271,690</b>	<b>\$1,243,664</b>	<b>\$1,225,218</b>	<b>\$537,462</b>	<b>\$534,402</b>	<b>\$534,783</b>	<b>\$534,327</b>	<b>\$4,352,981</b>	<b>\$4,339,512</b>	<b>\$4,302,012</b>	<b>\$4,268,457</b>