FOR IMMEDIATE RELEASE
November 22, 2011

MADISON – Wisconsin’s state-chartered banks showed signs of continued improvement in the quarter ending Sept. 30, as capital levels and the number of profitable institutions increased, according to data released today by the Federal Deposit Insurance Corp.

The capital ratio of Wisconsin’s 202 state-chartered banks was 10.69% as of Sept. 30, up from 10.52% in the quarter ending June 30.

“Capital levels are higher today than they were mid-year 2008, just as the recession was beginning,” said Peter Bildsten, Secretary of the Wisconsin Department of Financial Institutions, the agency that oversees state-chartered banks. “That reflects the continued strengthening of state banks; and the stronger Wisconsin banks get, the more they are able to lend to help fuel the state’s economy.”

Nearly 90% of state-chartered banks were profitable in the third quarter, compared to just over 80% in the third quarter of 2010 and ahead of the national average of 85%.

Wisconsin banks also showed improvement in the quality of their loan portfolios, with the ratio of net charge offs dropping to 1.41%, compared to 1.55% in the second quarter.

“Asset quality continues to improve, as evidenced by lower ratios for non-current loans,” said Mike Mach, Administrator of the DFI’s Division of Banking. “The stabilization of loan portfolios continues to be the key driver of bank performance.”

Visit the DFI website at www.wdfi.org.