For Immediate Release: December 8, 2020

Wisconsin’s State-Chartered Banks Report Stable Third-Quarter Financial Performance

MADISON, Wis. – Wisconsin’s 139 state-chartered banks continue to report strong financial performance as of September 30, 2020, according to data released today by the Wisconsin Department of Financial Institutions (DFI).

Strong asset growth continued through the third-quarter of 2020. The Paycheck Protection Program (PPP) loans were a contributing factor in the asset growth with total assets over $62 billion, an increase of 8.07% from third-quarter 2019. In addition, the return on average assets ratio increased to 1.29% compared to 1.25% in third-quarter 2019.

Net income totaled over $557 million, an increase of 6.92% over third-quarter 2019. However, total interest income decreased from $1.8 billion in the third-quarter of 2019 to $1.7 billion, a decrease of 7.80%. Overall, more than 99% of Wisconsin’s state-chartered banks reported profitability, supported by modest improvements in the economy.

Loan growth was over $2.2 billion, increasing to $44.9 billion compared to $42.7 billion in third-quarter 2019. Delinquent loans as a percentage of loans declined slightly to 1.17% from 1.19% in third-quarter 2019. Wisconsin banks have continued to work with their customers to provide loans and loan relief during the ongoing COVID-19 pandemic with nearly 90,000 Wisconsin businesses approved for PPP loans totaling $9.9 billion from all Wisconsin banks.

Other financial indicators are stable and are not showing distress due to the ongoing pandemic:
- Capital ratio of 11.12% was a decrease from 11.97% in third-quarter 2019.
- Net loan losses of 0.06% was a decrease from 0.07% in third-quarter 2019.

“Wisconsin’s state-chartered banks have continued to step-up to help our small businesses and communities in need throughout this ongoing COVID-19 pandemic while continuing to demonstrate sound financial practices,” said DFI Secretary Kathy Blumenfeld. “Our banks have provided steady leadership in this time of uncertainty.”

Additional information is available in the Bank Performance Indicator Report as of September 30, 2020.

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