



State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Kathy Blumenfeld, Secretary

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Wisconsin's Banks Report Strong Mid-Year Financial Performance

MADISON, Wis. – Wisconsin's 135 state-chartered banks continue to exhibit strong financial performance as of June 30, 2021, according to data released today by the [Wisconsin Department of Financial Institutions \(DFI\)](#).

State-chartered banks' total assets increased over \$4.9 billion from June 30, 2020, and stand at more than \$66.9 billion through June 30, 2021. While the extension of the COVID-19 pandemic's Paycheck Protection Program (PPP) loans combined with the low interest rate environment has put pressure on the net interest margin, decreasing from 3.51% in June of 2020, it held steady from first quarter at 3.37%. Net loans have decreased 1.23% from June of 2020, down \$546.3 million, due, in part, to PPP loans being forgiven or paid down.

In the twelve months ending on June 30, 2021:

- The capital ratio remained strong at 10.92% compared to 11.02% in June of 2020;
- The past due ratio declined to 0.85% from early pandemic levels when the ratio was 1.22% in June of 2020;
- Net operating income was over \$463.7 million compared to \$346.2 million in June of 2020. The return on average assets ratio was 1.44% and has increased from 1.23% in June of 2020 in part due to strong asset performance and continued secondary market refinance fee income; and
- Bank liquidity has been strong putting pressure on the loans to assets ratio at 65.74% compared to more normal liquidity levels earlier in the pandemic of 71.82% in June of 2020.

“Wisconsin's state-chartered banks have continued to demonstrate sound financial practices while helping their communities through the economic impacts of the pandemic,” said DFI Secretary Kathy Blumenfeld. “Overall, Wisconsin's state-chartered banks are financially stable and have adjusted to their changing circumstances while working with their customers to meet their financial needs.”

To learn more, read DFI's [Bank Performance Indicator Report](#) as of June 30, 2021.

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