

**Econ 466**  
**Spring 2010**  
**Team Project #9**

## **Exploring the FDIC Web Site**

For your second learning project, you will be making fairly extensive use of the FDIC web site. What follows is sort of a guided tour — cum — homework assignment to familiarize you with this site.

The URL is <http://www.fdic.gov/> This is a big site and I'd encourage you to explore it if you have time or curiosity. For our purposes, just click on the **Industry Analysis** button at the top of the FDIC homepage. Then click on **“Bank Data and Statistics”**. That will get you to a section that has financial information on all FDIC insured individual banks along with savings institutions — along with a number of other data sets that might be of interest.

Now click on the **“Institution Directory”**. Select the **“Find ALL”** option at the top of the page.

Let's find all the banks, thrifts and branches headquartered in Sac City, Iowa. Enter the name of the town and state into the appropriate box and press **Find**.

You should find two institutions listed: Iowa State Bank and Citizens Bank.

Just above the list, you will see a search tool bar. Press **Offices**. You should get five offices located in Sac City. There are two banks headquartered in town (the two listed above) and three branches of institutions headquartered elsewhere.

Now, let's prepare a report on Iowa State Bank (ISB). Click on ISB **“Cert”** (certificate) number (10497). This will get you to the report creation section.

I'd suggest that you ask for all summary information — rather than just assets and liabilities or income. (Use the pull-down menu below the **“ID Report Selections”** heading) You can choose specific years for the report — but let's stick with the last two, the default option. Now click on **“Generate Report”** to prepare the bank's financial statements.

Note the report that you get contains definitions for the various items. Just click on the number in the left-hand margin and you will get a brief description of the financial statement entry. Also note there are detail tables available. For example, if you click on **“Net loans and leases”** you can get a better understanding of the amount of ag lending the bank is doing. By the way, what proportion of this bank's loan portfolio is in agricultural loans? (Around 26% or so? This includes farm loans plus farmland loans listed under real estate).

There are some performance and condition ratios and demographic information in the report as well. Again, if you aren't sure about the definition of a specific financial measure — click on the appropriate number. What do they mean by **“Net loans and leases to deposits”**?

OK, now let's compare ISB with Citizens Bank (CB). At the top of the page, click on **“Advanced Features”** and then click on **“Compare”** to develop a side-by-side comparison report. You should automatically get the FDIC Cert number for ISB on the box on the left-hand side of the screen. But you will need to search for Citizens Bank to find out its Cert number. In the right-hand box, pull down **“Single Institution”** from the menu. Note that there is now a **“Search”** button next to the Cert box. Click **“Search”** and enter Sac City, Iowa. (Did you find the FDIC Cert number 8758?) Click on Citizens Bank's Cert number. This should return you to the **“Comparison”** page.

With that information, you can now proceed to set up the report format. Click on **“Compare”** and choose the information to include in your report. I'd suggest that you ask for all summary information. Now click on **“Generate Report”** and let 'er rip.

You can print off reports by hitting the print button on your browser. Or follow the instructions on how to download files.

Play around with the site. Try getting into the call reports in the Bank's Data and Statistic Section. Call reports have information that may be helpful for your project. You might find information on deposits of interest too – particularly if you have branches of out-of-town banks in your community.

OK, then, for your team project assignment compare and contrast the financial information for the two banks. What does financial information tell you about differences in bank management? Aren't numbers wonderful?! (A couple pages are plenty.)

**Due: In class on Thursday, April 8, 2010**