

**AFR Statement on 2016 Bank Earnings Data**

Today the FDIC released full-year 2016 data that underscores growth in bank earnings and lending, especially among community banks.

**Marcus Stanley, policy director at Americans for Financial Reform**, had the following comment:

“Hard data on bank earnings and lending should lay to rest any notion that financial regulations are holding back the American economy, or getting in the way of American banks making money. These claims are just an excuse to to dismantle hard-won protections for consumers and financial stability.”

**The results showed continued strong growth in bank lending and income:**

- Full year industry earnings are up 4.9% to \$171.3 billion, a new record. Banking industry earnings are more than double their level in 2010 when the Dodd-Frank Act was passed.
- The percentage of banks that are making a profit has increased to 95.8%, the highest level since the financial crisis. The percentage of profitable banks has increased from 77.9% in 2010, the year the Dodd-Frank Act was passed.
- Total loan balances increased 5.3% over the full year 2016. Total loan balances have increased 26%, or approximately \$2 trillion, since the Dodd-Frank Act was passed in the third quarter of 2010.

**The banking industry in general did well, but community banks are doing even better:**

- Community bank earnings grew 10.1% from 2015 to 2016, outpacing larger banks. This continues the pattern from the last several years.
- Total loan balances at community banks increased 8.3% in 2016, substantially more than at larger banks. This also continues recent trends of faster loan growth at community banks.
- The percentage of community banks making a profit has increased to 95.7%, up from 78.8% in 2010 when the Dodd-Frank Act was passed.

SOURCE: <https://fdic.gov/bank/analytical/qbp/2016dec/>