
TOP 50 BANKS AS OF 2Q 2009

by [Steve Brown](#)

You might have to increase the viewing size on your computer monitor this morning in order to be able to read all the names at the left. We did the best we could to fit everything in, but thought you would be interested in seeing an updated list of the Top 50 Banks in the country as of the 2Q.

Here is how it all shakes out:

- Bank of America holds the top spot, coming in at #1 with over \$1T in deposits.
- As a group, the top 4 (BofA, JP, Wells, Citi) control 60% of the deposits of the Top 50, or about \$3.7T. On average, that means each one holds about \$935B in deposits, about 400% larger than the next closest group of banks.
- Foreign banks also control a good portion of US deposits at 12% overall of the Top 50. HSBC leads the pack, coming in at #10 overall, but they are closely followed by TD and by RBS at #11 and #12, respectively. In all, there are 13 foreign banks in the Top 50.
- After foreign ownership, other interesting categories include 1 insurance company (USAA), 4 brokerage firms (Morgan Stanley, Goldman Sachs, Charles Schwab and E*Trade), 3 credit card companies (Capital One, Discover and American Express) and a captive finance company (Ally, the former GMAC). As the data shows, the banking system is one clearly in flux at this point.
- By state (excluding foreign ownership), NY ranks 1st with 6 banks, UT is 2nd with 4 banks and OH is 3rd with 3. Rounding out the rest, things are pretty crowded in the 2 bank area with 6 states reporting in CA, CT, NC, TX, VA and WI. Finally, 12 states have 1 bank each in the Top 50.
- Fifth Third isn't 5th or 3rd, but rather comes in at #16.
- Region's is around the region of BB&T & State Street at #14.
- Wells Fargo has displaced Citi in #3 spot.
- Pennsylvania is now larger than the US, as PNC has surpassed US Bank and ranks #5.
- The UK Gov't owns our 12th largest bank, so we are glad they are such staunch allies.
- If Citi were ever strong enough, it would have to buy both PNC and US Bank to surpass BofA in deposits.
- Online bank ING has reached \$75B in deposits and ranks #17 overall. Maybe they were onto something with that orange ball.
- Of the broker dealers turned banks, Morgan Stanley is the largest at #20 overall, followed by Goldman Sachs at #29 and Schwab at #30.
- Insurance giant USAA has reached level #31 with a focus on remote capture for consumers and the military.

- The bottom 10 of the Top 50, cumulatively hold about as much in deposits as US Bank by itself.
- Bank #50, New York Community is anything but a community bank at \$13B in deposits. However, when you consider they only have about 1% of the deposits compared to BofA, maybe everyone is a community bank.

Enjoy the list of information as you ponder what the rest of this year could bring in the way of changes and whether BofA will be able to retain its top spot into 2010.

BANK NEWS

Happy 40th

Today marks the 40th anniversary of the ATM in the US. According to the stats: for every 761 people in the US exists one ATM; for all transactions, 55% are withdrawals, 18% are deposits and 9% are balance inquiries.

G-20 Thoughts

While no details were agreed upon, finance officials from the G-20 met in London over the weekend to agree, in concept, that compensation at large banks should be regulated. At a minimum, structures that limit "undue" risk taking and incorporate clawback provisions are expected to be proposed at the next gathering of world leaders towards the end of the month. In addition, look for a discussion of higher bank capital standards that will require a greater amount of equity as a percent of assets (lower leverage) going forward.

UCBH

The \$14B CA based bank that targets Chinese Americans announced that it was under a C&D and that its CEO and CCO resigned under allegations of fraud. An internal investigation revealed that "certain bank officers" tried to cover up credit problems by inappropriately modifying credit terms to delay negative consequences, delaying the recognition of credit downgrades and omitting relevant information to the bank's finance dept.

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