Two-Year Loan-Loss Rates for Commercial Banks, and Bank Capital Shortfalls Determined by the Supervisory Capital Assessment Program, May 7, 2009

10% two-year loan-loss rates for commercial banks

9.1%

At 9.1% of outstanding loans, the Fed’s loss estimates for the stress test were higher than peak losses during the Great Depression.

CAPITAL RAISES NEEDED, IN BILLIONS

Of 19 institutions participating in the Supervisory Capital Assessment Program (SCAP), ten were required to raise $74.6 billion in capital; nine others did not need additional capital.

$33.9  Bank of America
$13.7  Wells Fargo
$11.5  GMAC
$5.5  Citigroup
$2.5  Regions Financial
$2.2  SunTrust Banks
$1.8  Morgan Stanley
$1.8  KeyCorp
$1.1  Fifth Third Bank
$0.6  PNC Financial

Note: The $74.6 billion in required capital is after earnings and capital measures in the first quarter of 2009. Citigroup’s requirement, for example, fell from $92.6 billion to $5.5 billion after adjusting for capital actions and earnings in the first quarter of 2009 and its plan to convert approximately $58 billion of preferred stock into common equity.

Sources: Federal Deposit Insurance Corp.; Federal Reserve Board; International Monetary Fund

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