



SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUN	JUL	AUG	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$18,542	\$17,756	\$17,470	Renewals and new commitments are on a facility basis. Facilities may include L/Cs. Renewals represent credit facilities that expired/matured and were renewed during the period.	<b>Overall change in C&amp;I balance is due to increases in renewals and new commitments which were offset by expiring deals.</b>
b. Renewal of Existing Accounts	\$3,944	\$788	\$1,009		
c. New Commitments	\$898	\$2,153	\$2,240		
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$21,944	\$21,910	\$18,938	Renewals and new commitments are on a facility basis. Facilities may include L/Cs. Renewals represent credit facilities that expired/matured and were renewed during the period.	<b>New commitments were up due to new letters of credit.</b>
b. Renewal of Existing Accounts	\$177	\$60	\$72		
c. New Commitments	\$222	\$475	\$540		
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$9,194	\$9,068	\$8,945		<b>Average balances were down 1.4% month on month and originations were down 10.7%.</b>
b. Originations	\$72	\$78	\$69		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$2,710	\$868	-\$2,323	Does not include maturities and pay downs. Net Purchased Volume is reported using cost basis.	<b>Volume declined due to lower customer secondary trading volume.</b>
b. Asset Backed Securities	\$446	\$563	-\$129		
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	\$157,426	\$124,368	\$114,942	Average Total Matched Book (Repo/Reverse Repo) is before FIN 41 netting. Includes security lending activity.	
b. Average Total Debit Balances <sup>2</sup>	\$14,816	\$14,312	\$14,492		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$52	\$29	\$28	Equity Underwriting represents Citi's portion of underwritten issue.	<b>Industry stats include:</b> <b>1. 50 High Yield deals in August for a total of \$23.8 billion compared to 29 deals in July for \$15.4 billion.</b> <b>2. 255 Investment Grade deals in August for a total of \$81.2 billion compared to 186 deals in July for \$59.9 billion.</b> <b>3. 43 Equity and Linked deals in August for a total of \$10.8 billion compared to 29 deals in July for \$10.1 billion.</b>
b. Total Debt Underwriting	\$5,213	\$9,294	\$12,907	Debt underwriting represents Citi's portion of underwritten issue and extensions of credit to finance specific individual Community Development projects that are in bond form.	
<b>Notes:</b>					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Citigroup**  
Reporting month(s): August 2010  
Submission date: September 27, 2010  
Person to be contacted regarding this report: Peter Bieszard

## **PART II. QUALITATIVE OVERVIEW**

*Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.*

**Company description:** Citigroup Inc. ("Citi") does business in the United States through Citibank, Citi Institutional Clients Group, The Citi Private Bank, CitiFinancial, CitiMortgage and Citi Cards.

All data cited below reflect comparisons to July 2010, unless otherwise noted.

**Consumer Lending:** Citi originated \$13.7 billion in new loans to U.S. consumers and small businesses in August, an increase of more than 20 percent from the prior month. U.S. unemployment remained flat at 9.6 percent on a month-to-month basis.

In August, Citi's first mortgage loan originations totaled \$6.5 billion, up more than 35 percent from July. Average mortgage loan balances declined less than one percent month-to-month to \$120.3 billion. Held for sale loans increased by \$1.8 billion in August, but this was offset by a \$1.8 billion decrease in loans held for investment.

Average home equity loan balances were \$55.2 billion, a decline of more than 1 percent from July. Used and unused commitments totaled \$69.9 billion, also down more than 1 percent from the prior month.

As in previous months, Citi continued to expand participation in its loss mitigation efforts and programs focused on helping homeowners facing financial difficulty to modify their loans. Through initiatives like the Citi Homeownership Assistance Program, CitiFinancial's proprietary modification program and the Home Affordable Mortgage Program, Citi modified approximately 16,000 first mortgage and home equity loans with a total value of \$2.9 billion in August.

In August, Citi issued new credit card lines totaling \$6.3 billion, up more than 5 percent from July. Purchase sales were up 1.3 percent month-to-month and down 12 percent from August 2009. Average total card balances declined less than 1 percent to \$123.8 billion.

Card members continued to participate in Citi's expanded eligibility forbearance programs in August. More than 133,000 card members enrolled in these programs during the month, compared with 120,000 in July. Total balances covered by Citi's forbearance programs increased by more than 1 percent on a month-to-month basis, and were up more than 10 percent from the prior year period.

Originations in other consumer lending categories increased more than 11 percent to \$648.2 million, primarily due to seasonal factors.

## TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Citigroup**  
Reporting month(s): August 2010  
Submission date: September 27, 2010  
Person to be contacted regarding this report: Peter Bieszard

**Commercial Lending:** In August, Citi originated \$16.8 billion in corporate loans, up more than 31 percent month-to-month.

New Commercial & Industrial (C&I) loan commitments totaled more than \$2.2 billion, an increase of more than 4 percent from July. Loan renewals in August totaled \$1 billion, up more than 28 percent from July. Average total C&I loan balances were \$17.5 billion, or more than one percent lower than July balances.

New Commercial Real Estate (CRE) loan commitments were \$539.8 million, an increase of more than 13 percent from July due to new letters of credit. Loan renewals totaled \$72.1 million, up 20 percent month-to-month. Average total CRE loan and lease balances of \$18.9 billion were down nearly 14 percent compared to July.

**Other Intermediation Activities:** Citi recorded net sales of \$2.5 billion in mortgage- and asset-backed securities (MBS/ABS) in August, compared with net purchases of \$1.4 billion in July. Volumes declined as a result of lower customer secondary trading volume.

Citi's total debt underwriting was \$12.9 billion in August, an increase of 39 percent month-to-month that reflects higher deal volume. High yield underwriting activity included 50 deals totaling \$23.8 billion, compared with 29 transactions with a cumulative total of \$15.4 billion in July. Citi lead managed 16 high yield deals with an aggregate value of \$2.3 billion. In August, Citi also participated in 255 investment grade transactions with an aggregate value of \$81.2 billion, compared with 186 deals totaling \$59.9 billion in July. Citi lead managed 38 of these transactions with a total value of \$10.5 billion. Citi also participated in 43 equity and linked deals with an aggregate value of \$10.8 billion in August, compared with 29 deals totaling \$10.1 billion in July. Citi lead managed 8 deals with a total value of \$389.3 million.



SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUN	JUL	AUG	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$27,442	\$27,499	\$27,788	Average balance consists of non-real estate commercial loans and leases consistent with the classification of the FR Y9C report. This includes business cards.	<b>New C&amp;I commitments originated in August 2010 increased to \$1.61 billion compared to \$1.44 billion in July 2010.</b>
b. Renewal of Existing Accounts	\$2,598	\$1,759	\$2,169	Includes renewed funded loans and renewed commitments.	
c. New Commitments	\$1,714	\$1,442	\$1,614	Includes new commitments both funded and unfunded	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$16,585	\$16,261	\$16,168	Average balance consists of real estate secured commercial loans consistent with the classification of the FR Y9C report.	<b>New CRE commitments originated in August 2010 were \$115 million, compared to \$106 million in July 2010. Renewal levels for existing accounts increased in August 2010 to \$599 million versus July 2010 at \$458 million.</b>
b. Renewal of Existing Accounts	\$1,160	\$458	\$599	Includes renewed funded loans and renewed commitments.	
c. New Commitments	\$194	\$106	\$115	Includes new commitments both funded and unfunded	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$5,000	\$4,966	\$4,921	Small business loans are those classified as small business under standards established by Fifth Third Bank. These loans are already presented within the C&I and CRE categories. Thus, this disclosure is a subset of schedule B items 1 and 2.	<b>Small Business commitments originated in August 2010 were \$352 million, which was up from \$287 million in July 2010.</b>
b. Originations	\$429	\$287	\$352		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$0	\$831	\$471	Consists of MBS purchases less sales for the month.	<b>MBS purchases totaled \$471 million for the month of August.</b>
b. Asset Backed Securities	\$0	\$0	\$0	Consists of ABS purchases less sales for the month.	
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	NA	NA	NA		
b. Average Total Debit Balances <sup>2</sup>	NA	NA	NA		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	NA	NA	NA		
b. Total Debt Underwriting	\$974	\$697	\$1,150		
<b>Notes:</b>					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Fifth Third Bancorp**  
Reporting month(s): August 2010  
Submission date: September 30, 2010  
Person to be contacted regarding this report: **Blane Scarberry**

## **PART II. QUALITATIVE OVERVIEW**

*Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.*

### **Commercial sections**

CRE: Average CRE balances decreased by approximately 0.6% in August 2010 compared to July 2010. New CRE commitments originated in August 2010 were \$115 million, compared to \$106 million in July 2010. Renewal levels for existing accounts increased in August 2010 to \$599 million compared to \$458 million in July 2010. As commercial vacancy rates continue to increase, Fifth Third continues to monitor the CRE portfolios and continues to suspend lending on new non-owner occupied properties and on new homebuilder and developer projects in order to manage existing portfolio positions. We feel this is prudent given that we do not believe added exposure in those sectors is warranted given our expectation for continued elevated loss trends in the performance of those portfolios.

C&I: Average C&I balances increased by approximately 1.1% in August 2010 compared to July 2010. New C&I commitments originated in August 2010 increased to \$1.61 billion compared to \$1.44 billion in July 2010. Renewal levels for existing accounts in August 2010 were \$2.17 billion compared to \$1.76 billion in July 2010. Lending in the Commercial segment continues to qualified borrowers exhibiting average risk or better. Continued emphasis is placed on prudent underwriting and demonstrated ability to repay as well as industry segment. Loan inquiries have begun to slowly increase, but we are continuing to see caution from our C&I customers as they attempt to gauge the actual strength of the recovery which to this point has been influenced by geography. In general, customers continue to remain deleveraged and liquid through reduced inventories versus expanding operations and capacity.

The primary market for syndicated credit and large corporate deals has seen a modest increase in 2010. Given a cautionary outlook for the economy and uncertainty in global markets, many companies continue to defer plans for significant capital expenditures and inventory build, which in turn has reduced the need for large, new financing. Financing for merger and acquisition activity has continued to remain relatively slow. Terms and covenants continue to be somewhat tighter than historical averages, which has also served to constrain demand. Credit spreads have narrowed somewhat in recent months, including the non-investment grade rating categories, which could favorably impact volume if spreads continue to fall.

Small Business: Average Small Business balances decreased by approximately 0.9% in August 2010 compared to July 2010. Small Business commitments originated in August 2010 were \$352 million, which was up from \$287 million in July 2010. Demand for Small Business credit has been in a relatively

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Fifth Third Bancorp**  
Reporting month(s): August 2010  
Submission date: September 30, 2010  
Person to be contacted regarding this report: **Blane Scarberry**

stable range with a slight bias to run off over new production. Business Banking loan originations continue to be made using prudent underwriting standards.

Overall, average total commercial loan and lease balances were up 0.4% in August 2010 compared to July 2010. We continue to actively work out problem loans and receive principal payments from borrowers, however, new originations in C&I more than offset collections and repayments in the month of August 2010.

## **Consumer section**

*Consumer:* August 2010 overall loan volume for non-mortgage consumer credit (home equity, credit card and auto) was up compared to July 2010 due to an increase in home equity and credit card demand.

August 2010 new credit card extensions were \$118 million, an increase over our \$92 million of extensions in July 2010. Other consumer loan originations, which include new car loans, were \$560 million in August 2010. This was a decrease of approximately \$13 million from July. Fifth Third also extended \$91 million of new home equity lines of credit during the month.

August 2010 mortgage lending was driven by attractive interest rates. Total originations for the month were approximately \$2.0 billion driven by \$1.6 billion of refinancing activity and \$424 million of new home purchases. This was an increase of approximately \$532 million from July 2010.

During the month of August, Fifth Third continued to monitor the need for prudent adjustments to consumer lending standards, consistent with peer institutions as reported by the Federal Reserve and as observed in the market.

In August of 2010, Fifth Third's portfolio of consumer loans and leases was flat relative to July 2010.

## **Treasury section**

August 2010 investment portfolio activity included the re-investment of portfolio cash flows and the allocation of additional balance sheet liquidity into agency MBS. For the month net Agency MBS purchases totaled \$471 million.



**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: **KeyCorp** Submission date: **9/29/10** Person to be contacted about this report: **Robert L. Morris**

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)	JUN	2010 JUL	AUG	Key	Comments
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$3,049	\$3,028	\$3,008	First Mortgage includes loans secured by 1-4 family residential properties including home equity loans secured by first liens.	Lower interest rates continued to impact application volumes, with August new applications up 27% from the July level, representing a new 12-month high. Originations reflect an overall shift in the volume of refinancing and purchasing activities.
b. Total Originations	\$164	\$140	\$177	Total Originations include both portfolio and held-for-sale loan originations.	
(1) Refinancings	\$77	\$83	\$118		
(2) New Home Purchases	\$87	\$57	\$59		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$8,291	\$8,273	\$8,253	Home Equity includes home equity lines of credit only (Home equity loans secured by first liens are included with First Mortgages above).	August application volume improved by 21% from the July level, partially due to the kick-off of our fall marketing campaign. August 2010 application volume was 2% higher than the August 2009 level, reflecting the first year-over-year application volume improvement in 2010.
b. Originations (New Lines+Line Increases)	\$80	\$68	\$71		
c. Total Used and Unused Commitments	\$16,172	\$16,121	\$16,056		
<b>3. US Card - Managed</b>					
a. Average Total Loan Balance - Managed	N/A	N/A	N/A		
b. New Account Originations (Initial Line Amt)	N/A	N/A	N/A		
c. Total Used and Unused Commitments	N/A	N/A	N/A		
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$9,561	\$9,742	\$9,644	Other Consumer includes all other non-revolving consumer loans.	Branch-based auto, marine and RV application volumes comprise the majority of activity in this category. Applications for these products continue to trend slightly upward, with volume up 20% since spring.
b. Originations	\$11	\$10	\$10		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUN	JUL	AUG	Key
<b>1. C &amp; I</b>				
a. Average Total Loan and Lease Balance	\$24,232	\$23,583	\$23,620	C & I includes lease financing receivables, commercial and industrial loans, agricultural loans, loans to depository institutions and other nonconsumer loans.
b. Renewal of Existing Accounts	\$1,423	\$1,441	\$1,059	Renewals of existing accounts include outstanding balances and unused commitments for which the terms were extended or changed. A renewed commitment may or may not have an active draw.
c. New Commitments	\$997	\$1,015	\$838	New commitments include outstanding balances and unused commitments. Commitment amounts exclude standby letters of credit.
<b>2. Commercial Real Estate</b>				
a. Average Total Loan and Lease Balance	\$14,138	\$13,863	\$13,244	Commercial Real Estate includes construction and land loans, loans secured by multi-family residential properties and by other nonresidential properties.
b. Renewal of Existing Accounts	\$313	\$483	\$302	Renewals of existing accounts include outstanding balances and unused commitments for which the terms were extended or changed. A renewed commitment may or may not have an active draw.
c. New Commitments	\$146	\$120	\$42	New commitments include outstanding balances and unused commitments. Commitment amounts exclude standby letters of credit.
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>				
<b>4. Small Business Loans<sup>3</sup></b>				
a. Average Total Loan Balance	\$3,073	\$3,042	\$3,019	Small Business includes loans guaranteed by the Small Business Administration ("SBA") and other loans internally classified as small business loans.
b. Originations	\$76	\$46	\$43	
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>				
<b>1. MBS/ABS Net Purchased Volume</b>				
a. Mortgage Backed Securities	\$1,492	\$398	\$998	August mortgage backed securities ("MBS") net purchased volume includes \$1.4 billion in purchases and \$390 million in sales, paydowns, calls and maturities.
b. Asset Backed Securities	\$0	\$0	\$0	
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>				
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	N/A	N/A	N/A	
b. Average Total Debit Balances <sup>2</sup>	N/A	N/A	N/A	
<b>3. Underwriting</b>				
a. Total Equity Underwriting	\$88	\$20	\$150	Represents KeyCorp's equity underwriting commitments.
b. Total Debt Underwriting	\$236	\$117	\$591	Represents KeyCorp's taxable and municipal debt underwriting commitments.
<p>Notes:</p> <p>1. Not applicable if matched book activity does not exceed \$50 billion.</p> <p>2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.</p> <p>3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.</p>				

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **KeyCorp**

Reporting month(s): **August 2010**

Submission date: **9/29/10**

Person to be contacted regarding this report: **Robert L. Morris**

## **PART II. QUALITATIVE OVERVIEW**

*Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.*

Cleveland-based KeyCorp is one of the nation's largest bank-based financial services companies, with consolidated total assets of approximately \$94.2 billion at June 30, 2010. Through KeyBank and certain other subsidiaries, KeyCorp provides a wide range of retail and commercial banking, commercial leasing, investment management, consumer finance, and investment banking products and services to individual, corporate and institutional clients through two major business groups, Community Banking and National Banking. The Community Banking group serves consumers and small to mid-sized businesses through the company's 14-state branch network, which is organized into three internally defined geographic regions: Rocky Mountains and Northwest, Great Lakes, and Northeast. The National Banking group includes those corporate and consumer business units that operate nationally, within and beyond KeyCorp's 14-state branch network, as well as internationally.

### **General**

KeyCorp continues to experience modest credit demand improvement in its commercial and industrial lending portfolios, notably in the Middle Market and Business Banking segments. The Middle Market, Business Banking and Community Development segments continue to show modest demand for Commercial Real Estate ("CRE") loans. Overall consumer credit demand continued to show some improvement, as August's increased mortgage application volume is reflective of the continued favorable interest rate environment.

### **Consumer**

Consumer credit demand continues to trend upward, driven by low interest rates for mortgages and an increase in marketing activity promoting Home Equity and Auto lending. The overall credit quality of applicants remains good, as applicants have average credit bureau scores and approval rates have been steady to rising over the past several months.

There were no material changes to KeyCorp's underwriting standards in August.

### **C & I**

C & I loan approval volume improved in August from the July level, consistent with the overall improving trends experienced since March 2010. The Middle Market, Institutional Bank and Leasing segments combined for \$785 million in new commitments to new and existing clients in August. Business Banking's approval volume was comparable to the July approval volume of \$88 million.

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **KeyCorp**

Reporting month(s): **August 2010**

Submission date: **9/29/10**

Person to be contacted regarding this report: **Robert L. Morris**

## **Commercial Real Estate**

New originations in the Middle Market, Business Banking and Community Development segments continue to reflect the modest loan demand of the past several months while the Real Estate Capital segment continues to focus on renewals. Overall CRE balances continue to decline as principal repayments exceed new borrowings.

## **Small Business**

New loan approvals of \$88 million in August were comparable with the levels experienced during the past two months. During the past five months, new loan approvals averaged \$80 million per month. This monthly average represents a nearly 75% increase over the 2009 monthly average for the comparable period. Excluding the Northwest Region, KeyCorp is experiencing a general improvement in Small Business loan activity within KeyCorp's footprint states.

## **Investment Portfolio**

KeyCorp continues to use the available-for-sale securities portfolio to support strategies for managing overall balance sheet liquidity and interest rate risk. In August, KeyCorp increased the size of its investment portfolio by \$1.0 billion with the purchase of collateralized mortgage obligations issued by government-sponsored entities.



SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUN	JUL	AUG	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$12,264	\$12,175	\$12,067	Includes A/R and Inventory, Dealer Commercial, Agricultural, IRB's and Muni, and Commercial Leases.	Average balances continue to decline as line utilization rates are at historical lows. Companies continue to defer capital expenditures, pay down debt, use internally generated cash and delay investments in infrastructure, all of which influences customer borrowing needs.
b. Renewal of Existing Accounts	\$177	\$149	\$86	Renewals include renewal of existing accounts where new money is requested, terms are modified, or new master line is established.	
c. New Commitments	\$120	\$122	\$56	Includes New Loans to New Customers and Unused Commitments to C&I (Also includes Unused Commitments to: Finance Agricultural Production and Other).	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$18,057	\$17,628	\$17,349	Includes Business Purpose 1-4 and Construction, Development, & Vacant Land (Commercial and Residential).	Continuing with past monthly trends, Commercial Real Estate average balances decreased month-over-month led by Construction and Development loans. This is consistent with our corporate goal of reducing Construction and Development concentrations to no more than 10% of total loans. Commercial Real Estate average balances are expected to continue contracting due to portfolio amortization.
b. Renewal of Existing Accounts	\$48	\$60	\$42	Renewals include renewal of existing accounts where new money is requested, terms are modified, or new master line is established.	
c. New Commitments	\$17	\$27	\$39	Includes New Loans to New Customers and Unused Commitments for CRE (Also includes Unused Commitments to: New Construction, Land Development and Other Land; Farmland; 1-4 Family Residential Properties; Multi-Family (5 or more) Residential Properties).	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$3,261	\$3,229	\$3,170	Includes SBA-guaranteed loans and Business Loans & Commitments < \$1 million to customers with Revenue < \$1 million. Excludes Letters of Credit.	Average Balances decreased from July to August, led by a decrease in Commercial Real Estate Loans. August originations were lower than July also led by Commercial Real Estate Loans. Pipelines and originations remain at historically low levels due to a decrease in demand as customers continue to address impacts from current economic conditions.
b. Originations	\$18	\$20	\$14		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$0	\$8	-\$985	Includes Mortgage Backed security purchase activities net of any security MBS sale activities, within the consolidated investment holdings. At Qtr-end this may also include Traded-not-settled transactions.	The sale of \$1 billion mortgage-backed securities in August was the unwind of a purchase program from last winter.
b. Asset Backed Securities	\$0	\$0	\$0		
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	N/A	N/A	N/A		
b. Average Total Debit Balances <sup>2</sup>	N/A	N/A	N/A		
<b>3. Underwriting</b>					
a. Total Equity Underwriting	N/A	N/A	N/A		
b. Total Debt Underwriting	N/A	N/A	N/A		
<b>Notes:</b>					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Marshall & Ilsley Corporation

Reporting month(s): August 2010

Submission date: 09/30/2010

Person to be contacted regarding this report: **Gregory A. Smith**

## **PART II. QUALITATIVE OVERVIEW**

*Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.*

Marshall & Ilsley Corporation (NYSE: MI) (M&I) is a diversified financial services corporation headquartered in Milwaukee, Wis. M&I Marshall & Ilsley Bank is the largest Wisconsin-based bank, with 192 offices throughout the state. In addition, M&I has 53 locations throughout Arizona; 36 offices along Florida's west coast and in central Florida; 33 offices in Indianapolis and nearby communities; 26 offices in metropolitan Minneapolis/St. Paul, and one in Duluth, Minn.; 17 offices in the greater St. Louis area; 15 offices in Kansas City and nearby communities; and one office in Las Vegas, Nev. M&I also provides trust and investment management, equipment leasing, mortgage banking, asset-based lending, financial planning, investments, and insurance services from offices throughout the country and on the Internet ([www.mibank.com](http://www.mibank.com) or [www.micorp.com](http://www.micorp.com)).

The communities and customers M&I serves continue to face impacts from current recessionary conditions of the economy. Nonetheless, M&I extended approximately \$280 million of new credit to new and existing customers in August for a total of over \$8.9 billion since the infusion of CPP capital in mid-November 2008 (The "new credit" amount includes new and expanded extensions of credit, or commitments to extend credit, as well as renewals of existing credit where a new promissory note was executed). Included in the figures above are small business new credit extensions of \$23 million in August and over \$660 million since receipt of CPP capital. ("Small business" includes: (1) SBA-guaranteed loans and (2) Commercial purpose loans where the original note amount was \$1 million or less, outstanding commitments were \$1 million or less and the customer had (recorded) revenue of \$1 million or less). Additionally, M&I has continued with a franchise-wide foreclosure abatement program designed to keep families in their homes, including a foreclosure moratorium on certain owner-occupied residential loans through December 31, 2010.

In Commercial and Industrial loans, loan demand continues to be weak across all of our markets. Continued economic uncertainty has resulted in borrowers reducing capital expenditures, delaying investment in infrastructure (plants and equipment), experiencing lower inventories and receivables, and lower merger and acquisition activity, all of which influence customer borrowing needs. Customers continue to resize their revolving credit facilities to match their working capital needs.

In Commercial Real Estate, Construction and Development concentrations continue to decline in-line with our corporate goal of reducing credit exposure in this sector. Economic uncertainty has resulted in increased challenges for customers across a variety of sectors including retail, office and hospitality. Commercial Real Estate average balances are expected to continue contracting due to portfolio amortization.

## TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: Marshall & Ilsley Corporation

Reporting month(s): August 2010

Submission date: 09/30/2010

Person to be contacted regarding this report: **Gregory A. Smith**

In Residential Real Estate, we are primarily utilizing secondary market options to effectively address the demand for fixed rate mortgage originations and selectively using the balance sheet for adjustable rate mortgages. Mortgage originations increased from July to August driven primarily by refinance activity. The increase in refinance activity is due to the continued decrease in fixed rate mortgages' interest rates. The Average Loan Balance decline year-over-year is attributed to originations being sold in the secondary market, periodic sales of non-performing loans and amortization of the portfolio.



**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: Regions Financial Corporation

Submission date: September 30, 2010

Person to be contacted about this report: David Turner, Chief Financial Officer

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)		2010			Key	Comments
	JUN	JUL	AUG			
<b>1. First Mortgage</b>						
a. Average Loan Balance (Daily Average Total Outstanding)	\$16,250	\$16,395	\$16,534	First and second residential 1-4 family mortgages, including residential mortgages held for sale.	The mortgage division originated mortgage loans totaling \$835 million in August 2010. Overall production increased 28% from the prior month. New purchase originations decreased 5% from prior month, and refinancing activity increased from the prior month 51%. Application activity in August increased 7% as compared to prior month. Note that last month the "Total Origination" balance was correct, however, the mix of the refinancings and new home purchase originations were reversed - we have corrected the error in the August 2010 reporting.	
b. Total Originations	\$660	\$653	\$835	Loan originations designated for the secondary market and those to be held in portfolio on Regions' balance sheet.		
(1) Refinancings	\$280	\$382	\$576	Total originations designated as refinance status.		
(2) New Home Purchases	\$380	\$271	\$259	Total originations designated as new purchase status.		
<b>2. Home Equity</b>						
a. Average Total Loan Balance	\$14,846	\$14,776	\$14,687	Average balances include Home Equity loans and HELOCs.	Home Equity average balances declined \$89 million or 0.6% in August to \$14.7 billion. The HELOAN portfolio declined \$24 million, 1.5%, while HELOC balances declined \$65 million or 0.5%. Portfolio run-off continues as payoffs/paydowns outpace production.	
b. Originations (New Lines+Line Increases)	\$125	\$98	\$110	New Home Equity loans, lines and increases.		
c. Total Used and Unused Commitments	\$24,419	\$24,253	\$24,070	Total portfolio of Home Equity loans and funded and unfunded HELOCs. Funded portion included in average balance above.		
<b>3. US Card - Managed</b>						
a. Average Total Loan Balance - Managed	N/A	N/A	N/A	N/A - Regions Financial Corp is an Agent Bank.	N/A	
b. New Account Originations (Initial Line Amt)	N/A	N/A	N/A			
c. Total Used and Unused Commitments	N/A	N/A	N/A			
<b>4. Other Consumer</b>						
a. Average Total Loan Balance	\$3,242	\$3,121	\$3,022	Includes consumer direct, indirect, other revolving (i.e., overdraft lines) and student loans held for sale.	Other Consumer Lending balances decreased 3% to \$3.0 billion in August compared to July primarily driven by the continued run-off in the Indirect Lending portfolio and routine student loan sales.	
b. Originations	\$104	\$61	\$61	Includes direct and student lending origination activity.		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)					
	JUN	JUL	AUG	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$33,455	\$33,654	\$33,777	Average outstanding funded balances (net of deferred fees and costs) for commercial related loans and leases. Also includes owner-occupied commercial real estate mortgage and construction loans made to operating businesses.	Loan demand remained soft in the middle market as the stagnant economy continues to drive more conservative leverage positions; however, more robust loan demand is seen in the upper end of the market and in certain industries. Outstanding loan balances increased \$123 million in August as compared to July levels. Commercial line utilization rates remained flat in August as compared to July.
b. Renewal of Existing Accounts	\$2,572	\$2,045	\$2,166	Renewal of existing funded and unfunded commitments for commercial and owner-occupied real estate related loans based upon posting date of renewal. Also includes letters of credit.	
c. New Commitments	\$1,112	\$1,235	\$1,051	New funded and unfunded commitments for commercial and owner-occupied real estate related loans based upon posting date of the commitment. Also includes letters of credit and leases. Variable Rate Demand Note (VRDN) fundings are excluded from new commitment activity.	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$19,712	\$19,096	\$18,810	Average outstanding funded balances (net of deferred fees and costs) for commercial investor-owned real estate related loans. Also includes Commercial loans held for sale.	In August, commercial real estate balances decreased \$286 million from July levels. In August, new loan demand remained low. Developers are reluctant to begin new projects or purchase existing projects under current economic conditions. The focus in commercial real estate lending is on renewing and restructuring real estate loans with existing clients. Renewal activity includes loan restructuring, remarking and repricing, consistent with the current credit quality of the sponsor, the performance of the project and the current market.
b. Renewal of Existing Accounts	\$1,326	\$978	\$1,011	Renewal of existing funded and unfunded commitments for commercial investor-owned real estate related loans based upon posting date of renewal. Also includes letters of credit.	
c. New Commitments	\$44	\$38	\$29	New funded and unfunded commitments for commercial investor-owned real estate related loans based upon posting date of the commitment. Also includes letters of credit. Variable Rate Demand Note (VRDN) fundings are excluded from new commitment activity.	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$13,197	\$13,197	\$13,098	Average outstanding funded balances (net of deferred fees and costs) for commercial and commercial real estate related loans made to small business clients, which we generally define as clients with revenues up to \$10 million. These balances are reflected as components of C&I, Commercial Real Estate and First Mortgage reported above.	Small businesses are experiencing lower working capital requirements resulting from lower sales volumes and are reluctant to make capital investments given the economic outlook.
b. Originations	\$701	\$579	\$691	New and renewed production of funded and unfunded commitments made to small business clients, which we generally define as clients with revenues up to \$10 million. These originations are reflected as components of C&I and Commercial Real Estate reported above.	
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$614	\$471	\$772	Net purchase volume as captured in bond accounting system. Reflects settlement date.	Consists of Agency Fixed-Rate Mortgage-Backed Products.
b. Asset Backed Securities	\$0	\$0	\$0		
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	N/A	N/A	N/A		
b. Average Total Debit Balances <sup>2</sup>	\$955	\$1,085	\$1,041	Reflects average margin receivables as recorded on the general ledger.	
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$33	\$17	\$67	Total equity underwriting activity. Represents Regions' participation percentage.	The Morgan Keegan Equity department participated in 6 offerings in June, 1 in July, and 5 in August. Gross debt issuance for June, July, and August was \$8.2 billion, \$9.7 billion, and \$7.9 billion respectively.
b. Total Debt Underwriting	\$1,722	\$880	\$1,187	Debt issuances delivered monthly. Represents Regions' participation percentage.	
<b>Notes:</b>					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): August 2010

Submission date: September 30, 2010

Person to be contacted regarding this report: David Turner, Chief Financial Officer

## **PART II. QUALITATIVE OVERVIEW**

*Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.*

### **I. Company Description**

Regions Financial Corporation ("Regions" or the "Company") is a financial holding company headquartered in Birmingham, Alabama, which operates throughout the South, Midwest and Texas. Regions provides traditional commercial, retail and mortgage banking services, as well as other financial services in the fields of investment banking, asset management, trust, securities brokerage, insurance and other specialty financing. At June 30, 2010, Regions had total consolidated assets of approximately \$135 billion.

Regions conducts its banking operations through Regions Bank, its brokerage and investment banking business through Morgan Keegan & Company, Inc. ("Morgan Keegan"), and its insurance brokerage business through Regions Insurance Group, Inc.

### **II. Overall Summary**

In August, new and renewed commitments increased by \$0.2 billion to \$5.3 billion for the month, and average balances were down \$0.2 billion from July to \$86.8 billion.

The month over month increase in new and renewed commitments was driven primarily by a \$0.2 billion (51%) increase in mortgage refinancings as a result of attractive interest rates.

### **III. Consumer Lending**

#### **A. Mortgage Lending**

The mortgage division originated mortgage loans totaling \$835 million in August 2010. Overall production increased 28% from the prior month. New purchase originations decreased 5% from prior month, and refinancing activity increased from the prior month 51%. Application activity in August increased 7% as compared to prior month.

Regions' mortgage division rolled out the U.S. Treasury sponsored Home Affordable Refinance Program (HARP) in late March 2009, which provides borrowers who have an existing loan owned or securitized by Fannie Mae or Freddie Mac, the ability to refinance to more beneficial financing terms with no new or additional mortgage insurance required, even if their current loan-to-value ratio is higher than it was on the original loan. The loan-to-value ratio cannot exceed 125%. August originations included approximately \$101.3 million related to 582 loans refinanced under the Home Affordable Refinance Program.

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): August 2010

Submission date: September 30, 2010

Person to be contacted regarding this report: David Turner, Chief Financial Officer

Regions' has implemented the U. S. Treasury sponsored Home Affordable Modification Program (HMP) for FNMA/FHLMC loans serviced by Regions. This program is designed to assist mortgage borrowers who have an existing loan owned or securitized by Fannie Mae or Freddie Mac, and who are in imminent danger of default or are already in default to obtain modified financing terms prescribed by the program. On March 26, 2010, the U.S. Treasury announced program modifications to the existing HMP program. These program modifications are designed to expand flexibility for mortgage servicers and originators to assist more unemployed homeowners and to help more people who owe more on their mortgage than their home is worth because their local markets saw large declines in home values. The government is expected to provide details on the program changes by this fall. Once detailed guidelines are received, Regions will review them and implement as applicable for FNMA/FHLMC loans serviced by Regions. In accordance with the program guidelines, Regions has distributed approximately 1,783 modification packages to eligible borrowers subject to a ninety-day trial period. The first modifications under this program were seen in July 2009. In the month of August, Regions completed 74 modifications totaling \$9.8 million in unpaid principal. Regions currently services approximately \$23.2 billion of Fannie Mae and Freddie Mac mortgages.

## B. Home Equity Lending

Home Equity production increased 13% in August to \$110.0MM from prior month and increased 8% versus same period prior year. To help improve production 140,000 pre-approved HELOC offers were mailed in August. In addition, we continue to gain momentum from the point of sale preapproved Equity offers at DDA account opening.

Overall Home Equity average balances declined \$89 million or 0.6% in August to \$14.7 billion. The HELOAN portfolio declined \$24 million, 1.5%, while HELOC balances declined \$65 million or 0.5%. Portfolio run-off continues as payoffs/paydowns outpace production.

## C. Other Consumer Lending

As consumer demand has shifted away from Equity lending, we have renewed our focus on Direct Lending. During August approximately 114,000 pre-approved Auto/Unsecured Lines of Credit offers were mailed to existing customers. In addition, at the end of July we introduced Auto/Unsecured preapproved point of sale offers at DDA account opening similar to Equity. During August production increased 13% to \$45MM from prior month but remained flat when compared to same period prior year.

Overall, Other Consumer Lending balances decreased 3% to \$3.0 billion in August compared to July primarily driven by the continued run-off in the Indirect Lending portfolio and routine student loan sales.

## D. Customer Assistance Program

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): August 2010

Submission date: September 30, 2010

Person to be contacted regarding this report: David Turner, Chief Financial Officer

Regions' continues to work to meet the unique needs of financially troubled borrowers to stem foreclosures and keep customers in their homes. Well before the full effects of the credit crisis were realized, Regions launched an extensive Customer Assistance Program (CAP) for troubled borrowers. As unemployment levels continue to be elevated and the housing crisis lingers our goal remains the same - to ensure customers who encounter financial difficulty know they have options and that Regions wants to work with them.

As a result, Regions has taken steps including renegotiating the terms of mortgages and home equity loans, keeping families in their homes and allowing Regions to maintain a foreclosure rate well below industry average for residential first mortgages. Overall, the number of Regions first mortgage loans in the foreclosure process is less than half the national average. (2.05% for Regions vs. 4.57% nationally in the second quarter of 2010.) Since inception of the program, Regions has restructured more than \$2.4 billion in mortgages, including \$21 million in August 2010. Regions has assisted more than 31,000 homeowners with solutions.

In addition, Regions introduced the U.S. Treasury sponsored Home Affordable Modification Program for loans serviced on behalf of Fannie Mae and Freddie Mac back in late March 2009. To date, we have initiated 1,783 trial period modifications for \$273 million, and of those, 1,098 have been completed for \$167 million.

## IV. Commercial Lending

### A. Commercial and Industrial Lending

Loan demand remained soft in the middle market as the stagnant economy continues to drive more conservative leverage positions; however, more robust loan demand is seen in the upper end of the market and in certain industries. Outstanding loan balances increased \$123 million in August as compared to July levels. Commercial line utilization rates remained flat in August as compared to July.

In the middle market, lower sales volumes have resulted in lower inventory and accounts receivable financing requirements. Businesses are less likely to invest in or expand their operations given the current economic outlook. Loan demand in our specialized industries and in the upper end of the commercial market has outperformed the general middle market.

Regions defines small business, in general, as clients with revenues up to \$10 million. Small business lending activity is reflected within our Commercial and Industrial, Commercial Real Estate and First Mortgage outstanding loan balances and production.

Small businesses are experiencing lower working capital requirements resulting from lower sales volumes and are reluctant to make capital investments given the current economic outlook. Small business line utilization rates decreased slightly in August as compared to July.

### B. Commercial Real Estate Lending

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **Regions Financial Corporation**

Reporting month(s): August 2010

Submission date: September 30, 2010

Person to be contacted regarding this report: David Turner, Chief Financial Officer

The focus in commercial real estate lending continues to be on renewing and restructuring real estate loans with existing clients. Renewal activity includes loan restructuring, remargining and repricing, consistent with the current credit quality of the sponsor, the performance of the project and the current market. As homebuilders sell existing inventory, we continue to convert lot loans to residential construction loans, in turn, reducing our land and lot portfolio.

In August, new loan demand remained low. Developers are reluctant to begin new projects or purchase existing projects under current economic conditions. The demand for financing for purchase of existing properties also remains limited as transaction volume remains low.

## V. Treasury Activities

Management of interest rate risk is among the most fundamental tenets in banking. Banking institutions utilize the Available for Sale investment portfolio as a primary tool to balance the inherent interest rate risk arising from core banking activities. Agency Mortgage-Backed securities provided an efficient means to offset asset sensitivity and maintain the desired liquidity profile, while offering a compelling risk adjusted return on the use of capital. Mortgage-Backed security activity in August totaled \$772 million, which consists of Agency Fixed-Rate Mortgage-Backed Products.

## VI. Equity and Debt Activities at Morgan Keegan

The Morgan Keegan Equity department had a challenging August, but certainly outperformed July. August is known to be challenging because many Europeans are on holiday most of the month. This affects volumes in many markets. In this year however, July seemed to be the month with the lackluster interest in the markets. The street activity picked up with the number of deals registered growing from 46 in July to 68 in August. The two most awaited filings were Skype and General Motors. The Morgan Keegan debt department Tax Exempt volume was higher than expected and was driven primarily by issuers taking advantage of the exceptionally low interest rate environment, along with the fact that several government issuance programs are set to expire at the end of the year. We expect an uptick in activity on the Taxable side now since Labor Day has passed and the typical late summer slowdown is gone.

**TREASURY MONTHLY INTERMEDIATION SNAPSHOT**

Name of institution: SunTrust Banks, Inc. Submission date: 09/29/10 Person to be contacted about this report: Craig Smith

**PART I. QUANTITATIVE OVERVIEW**

SCHEDULE A: CONSUMER LENDING (Millions \$)	JUN	2010 JUL	AUG	Key	Comments
<b>1. First Mortgage</b>					
a. Average Loan Balance (Daily Average Total Outstanding)	\$31,423	\$31,928	\$32,079	Consists of (1-4 family) residential whole loans and closed end loans secured by junior liens originated as part of a home purchase or refinance transactions. Includes loans retained in SunTrust's loan portfolio and loans currently recorded in loans held for sale.  Includes all loans originated or purchased by SunTrust through the Retail and Wholesale channels. Volumes include all activity regardless of whether the loans are retained in the loan portfolio, or recorded in loans held for sale and ultimately sold to a third party.	Originations increased 21% from prior month to \$2.8 billion in August 2010. August originations of refinancings increased due to low market mortgage rates while originations for new purchases decreased. Average balances increased \$151 million.
b. Total Originations	\$2,524	\$2,349	\$2,839		
(1) Refinancings	\$1,104	\$1,334	\$1,899		
(2) New Home Purchases	\$1,420	\$1,014	\$940		
<b>2. Home Equity</b>					
a. Average Total Loan Balance	\$16,962	\$16,887	\$16,769	Average balance, originations, and commitments include both Home Equity Lines and Home Equity Loans.	Average balances outstanding declined fractionally in August and originations decreased \$13 million compared to July. Average line utilization remained at 53%.
b. Originations (New Lines+Line Increases)	\$126	\$119	\$106		
c. Total Used and Unused Commitments	\$31,763	\$31,612	\$31,386		
<b>3. US Card - Managed</b>					
a. Average Total Loan Balance - Managed	\$1,072	\$1,055	\$1,036	Purchases drawn against SunTrust consumer and commercial credit card lines of credit are booked in the calendar month transacted.	August originations decreased to \$14 million. Total line commitments and usage declined 1% from July. Average line utilization remained stable at 27% compared to July.
b. New Account Originations (Initial Line Amt)	\$15	\$21	\$14	SunTrust issues both commercial and consumer credit card lines of credit. New line commitments are recognized when approved and cards are issued.	
c. Total Used and Unused Commitments	\$3,853	\$3,821	\$3,782	This is the line commitment total for all credit card accounts of record.	
<b>4. Other Consumer</b>					
a. Average Total Loan Balance	\$13,003	\$13,181	\$14,075	Average balances and originations include student loans, direct installment loans (auto and non-auto), indirect installment loans (auto and marine), and unsecured personal credit lines.	Average balances and originations each increased 7% compared to July. Approximately 70% of the increase in average balances in August was attributable to a purchase of indirect auto loans from a third party. Indirect auto originations increased 10% from July and drove the overall increase in Other Consumer originations.
b. Originations	\$620	\$616	\$656		

SCHEDULE B: COMMERCIAL LENDING (Millions \$)	JUN	JUL	AUG	Key	Comments
<b>1. C &amp; I</b>					
a. Average Total Loan and Lease Balance	\$32,909	\$33,208	\$33,540	Includes average outstandings for Commercial & Industrial loans and leases extended to small business, commercial, middle market, and large corporate clients.	Average loan balances increased \$332 million compared to July. The increase was driven primarily by an increase in commercial loans held for sale. Combined August originations of new and renewing credit facilities decreased 13% compared to July due to client preferences.
b. Renewal of Existing Accounts	\$1,246	\$1,652	\$1,350	Renewals represent credit facilities and stand-alone notes that matured and were renewed during the reporting period. Includes funded loans and unfunded commitments, but does not include letters of credit or derivatives.	
c. New Commitments	\$1,812	\$1,235	\$1,151	Includes new facilities, stand-alone notes, and leases extended to new or existing clients. Reflects both funded loans and unfunded commitments. Does not include takedowns under existing commitments, letters of credit, or derivatives.	
<b>2. Commercial Real Estate</b>					
a. Average Total Loan and Lease Balance	\$20,493	\$19,430	\$19,175	Includes commercial loans secured by owner occupied or non-owner occupied real estate. Includes loans extended for real estate financing as well as loans made for other purposes and collateralized by real estate.	Commercial real estate average balances declined \$255 million in August compared to July. The majority of the decline was due to pay downs and payoffs. Loan demand has remained soft. August renewals of existing accounts and new commitments decreased slightly from July.
b. Renewal of Existing Accounts	\$480	\$278	\$273	Renewals represent credit facilities and stand-alone notes that matured and were renewed during the reporting period. Includes funded loans and unfunded commitments, but does not include letters of credit or derivatives.	
c. New Commitments	\$186	\$178	\$156	Includes new facilities and stand-alone notes extended to new or existing clients. Reflects both funded loans and unfunded commitments. Does not include takedowns under existing commitments, letters of credit, or derivatives.	
<b>SCHEDULE C: MEMORANDA - SMALL BUSINESS LENDING (Millions \$)</b>					
<b>4. Small Business Loans<sup>3</sup></b>					
a. Average Total Loan Balance	\$5,074	\$4,993	\$4,944	Average balances and originations include loans originated in the business banking group which includes loans guaranteed by the SBA. Business Banking primarily serves clients with annual sales of \$5 million or less.	The persistent decline in monthly average balances continued as August totals were 1% less than July. Originations increased \$8 million compared to July to \$51 million in August.
b. Originations	\$68	\$43	\$51		
<b>SCHEDULE D: OTHER INTERMEDIATION ACTIVITIES (Millions \$)</b>					
<b>1. MBS/ABS Net Purchased Volume</b>					
a. Mortgage Backed Securities	\$183	-\$568	\$1,511	The numbers represent net purchase volume within the reporting period. These securities are reported in SunTrust's available-for-sale and trading portfolios.	In August, SunTrust purchased an additional \$1.5 billion of U.S. government and agency issued mortgage backed securities for the available for sale portfolio.
b. Asset Backed Securities	\$0	\$20	\$0	The numbers represent net purchase volume within the reporting period. These figures include securities reported in SunTrust's available-for-sale and trading portfolios.	
<b>2. Secured Lending (Repo, PB, Margin Lending)</b>					
a. Average Total Matched Book (Repo/Reverse Repo) <sup>1</sup>	n/a	n/a	n/a	SunTrust Bank has less than \$50 billion in matched book repos. SunTrust Robinson Humphrey "STRH", an institutional broker dealer, is fully disclosed on the equity side through a third party service provider and does not hold customer accounts.	
b. Average Total Debit Balances <sup>2</sup>	n/a	n/a	n/a	Although STRH self-clears institutional fixed income transactions, STRH does not carry customer accounts.	
<b>3. Underwriting</b>					
a. Total Equity Underwriting	\$17	\$0	\$16	Includes total dollars allocated to STRH in equity underwriting transactions that settled within the reporting period.	Total debt underwriting consisted of investment-grade debt underwriting of \$189 million, municipal underwriting of \$46 million and high-yield debt underwriting of \$221 in August. Equity underwriting transactions for August totaled \$16 million.
b. Total Debt Underwriting	\$290	\$690	\$456	Includes total dollars allocated to STRH in investment grade fixed income, high yield fixed income, and municipal debt underwriting transactions that settled within the reporting period.	
<b>Notes:</b>					
1. Not applicable if matched book activity does not exceed \$50 billion.					
2. Applicable only for institutions offering prime brokerage or other margin lending services to clients.					
3. Memoranda: these loans are already accounted for in either consumer lending, commercial lending, or a combination of both, and include loans guaranteed by the Small Business Administration and/or any other loans that are internally classified as small business loans.					



# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **SunTrust Banks, Inc.**

Reporting month(s): August 2010

Submission date: 9/29/10

Person to be contacted regarding this report: **Craig Smith**

## **PART II. QUALITATIVE OVERVIEW**

*Please provide a brief overview of the intermediation activity during the month. This discussion should include a general commentary on the lending environment, loan demand, any changes in lending standards and terms, and any other intermediation activity.*

SunTrust Banks, Inc., with total assets of \$170.7 billion on June 30, 2010, is one of the nation's largest financial holding companies. Through its banking subsidiaries, the Company provides deposit, credit, trust, and investment services to a broad range of retail, business, and institutional clients. Other subsidiaries provide mortgage banking, brokerage, investment management, equipment leasing, and capital market services. SunTrust operates 1,675 retail branches in Alabama, Arkansas, Florida, Georgia, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia, and the District of Columbia. In addition, SunTrust services clients in select markets nationally.

Average loans in August, including loans held for sale, totaled \$116.7 billion, up \$983 million, or 0.8%, from July. These totals do not include loans extended to clients and sold to third parties. This fact is particularly relevant when considering the mortgage portfolio, since the majority of new originations and refinanced mortgage loans are sold to third parties. Total new loan originations, commitments, and renewals extended to all borrowers in August totaled \$6.5 billion, an increase of 1.5% from July.

### **Consumer Lending**

Mortgage originations totaled \$2.8 billion during August, representing a 21% increase over July. Mortgage refinancings increased in August by 42%, whereas loans funded for new home purchases decreased in August by 7% relative to July. The availability of low market mortgage rates drove the increase in refinancings in August. Total average mortgage balances increased by \$151 million during August.

Home equity borrowings remain stagnant as evidenced by the fractional monthly decline of both total commitments and average outstanding balances over the last three months. During August, total used and unused commitments decreased \$226 million and average funded balances decreased \$118 million. Both changes represent relative decreases of less than 1% in comparison to July. Total equity loan and line originations in August decreased to \$106 million. Growth levels remain constrained by the decline in home values and the generally reduced demand for credit.

Credit card balances represent a small percentage of SunTrust's loan portfolio and drive a relatively immaterial percentage of SunTrust's total annual loan originations. In August, new credit card originations totaled \$14 million, with \$10 million related to new consumer accounts and \$4 million related to new business and corporate accounts.

Other consumer loans are primarily composed of student, auto, and other loans. Average consumer loan balances increased \$894 million, or 7%, compared to July, with 70% of the increase attributable to the purchase of indirect auto loans from a third party. August fundings for indirect auto, student, and other consumer loans increased slightly from July primarily due to indirect auto lending, which increased by \$37 million, or 10%, compared to July.

# TREASURY MONTHLY INTERMEDIATION SNAPSHOT

Name of institution: **SunTrust Banks, Inc.**

Reporting month(s): August 2010

Submission date: 9/29/10

Person to be contacted regarding this report: **Craig Smith**

## **Commercial Lending**

Average C&I loan balances increased \$332 million, or 1%, in August to \$34 billion. The increase was driven by an increase in commercial loans held for sale. Renewals of existing credit facilities and stand-alone notes totaled \$1.4 billion in August, a decrease of 18% from July. Combined new commitments and new funded loans decreased in August by \$84 million, a 7% decrease compared to July. The timing of C & I originations and renewals is impacted by client needs, seasonality and current commitment expirations.

## **Commercial Real Estate**

Average Commercial Real Estate loans decreased \$255 million, or 1.3%, compared to the July average. The majority of the decline was due to large pay downs and pay offs. New residential home builder loan demand was negligible and demand for commercial development projects remained low as property values remained depressed and investment activity was limited. In August, Commercial Real Estate renewals of existing accounts decreased \$5 million, or 2%, and total Commercial Real Estate new commitments decreased \$22 million, or 12%, compared to July. The majority of originations were associated with large commercial or corporate businesses.

## **Small Business Lending**

Most small business loans are originated in the business banking group which primarily serves clients with annual sales of \$5 million or less. In August, the average loan balance was \$5 billion, down 1% from July. August originations totaled \$51 million, an \$8 million, or 19% increase, compared to July.

## **Other Intermediation Activities**

Beyond lending to consumers and businesses, SunTrust participates in various additional intermediation activities. In August, SunTrust purchased \$1.5 billion of U. S. government and agency issued mortgage-backed securities for the available for sale portfolio related to repositioning the investment portfolio.

SunTrust participated in twenty-six debt issues in August with a total notional value of \$12.9 billion. SunTrust's allocation of underwritten debt included \$189 million in investment-grade fixed-income issues, \$46 million in municipal debt issues and \$221 million in high-yield debt issues, which in the aggregate was \$234 million below July totals.

In August, SunTrust participated in two equity offerings with a total notional value of \$560 million, of which our allocation was \$16 million.