



PRO WATCHLIST



COMPANIES

FDIC: Troubled Banks Rise To 117, Most in Five Years

Reuters
Tuesday, 26 Aug 2008 | 3:00 PM ET



COMMENTS [Start the Discussion](#)

The number of problem banks on a regulatory watch list increased to 117 by the end of the second quarter from 90 at the end of the first quarter, the Federal Deposit Insurance Corp said.

cash_drawer.jpg

The combined assets of the problem banks increased to \$78 billion from \$26 billion, the agency said.

- [Cramer: Don't Buy These Banks](#)
- [Video: Small Banks, Big Returns](#)

The housing slump and worsening economic conditions forced U.S. banks to set aside \$50.2 billion in loan loss provisions during the second quarter, the FDIC said in its quarterly industry update.

That figure is more than four times the \$11.4 billion that the industry set aside in the second quarter last year.

"By any yardstick, it was another rough quarter for bank earnings, but the results were not unexpected as the industry coped with financial market disruptions, the housing slump, worsening economic conditions and the overall downturn in the credit cycle," FDIC Chairman Sheila Bair said in a statement.



FROM THE WEB

Sponsored Links by Taboola

[¿Una tablet por 2€? Esta curiosa promoción está revolucionando la red](#)
AhorrandoenlaRed

[Are you a strategic thinker? Test your skills with millions of addicts...](#)
Sparta Online Game

[The Coolest Halls, Dorms & Residences in Europe.](#)
Uniplaces

[Build Your Own Website in Only 10 Minutes!](#)
Wix.com

by Taboola

- Porn's dirtiest secret: What everyone gets paid
- Cramer: Charts show huge sell-off could be coming
- Kudlow: Bernie will win the Dem nomination
- ISIS cuts salaries due to 'exceptional circumstances'
- War with Saudi Arabia is not possible: Iran
- Cramer: Don't bother buying, preserve your capital



The requested video is unable to play.

The video does not exist in the system.

Nine banks have failed so far this year, including IndyMac Bancorp Inc, which became the third-largest U.S. bank failure and was on the FDIC watch list in the second quarter.

Bair also said the agency will consider a plan in early October to replenish its Deposit Insurance Fund, which had a large drop due to IndyMac and other bank failures.

Watch Bair's news conference in video at left.

The fund, which is used to cover insured deposits, fell to \$45.2 billion at the end of the second quarter from \$52.8 billion at the end of the first quarter.

The agency maintains a running tally of banks with financial, operational or managerial weakness that threaten their financial viability.

FDIC examiners closely monitor the list but do not publicly release the names on it.

Earnings at U.S. banks and thrifts were \$5 billion in the second quarter, versus \$36.8 billion in the year-ago period, the agency said.

With the exception of the fourth quarter of last year, second-quarter earnings in 2008 were the lowest for the industry since the fourth quarter of 1991.

MORE FROM CNBC

by Taboola

- [Porn's dirtiest secret: What everyone gets paid](#)
- [Cramer: Charts show huge sell-off could be coming](#)
- [Kudlow: Bernie will win the Dem nomination](#)
- [ISIS cuts salaries due to 'exceptional circumstances'](#)
- [War with Saudi Arabia is not possible: Iran](#)
- [Cramer: Don't bother buying, preserve your capital](#)

FROM THE WEB

Sponsored Links by Taboola

¿Una tablet por 2€? Esta curiosa promoción está revolucionando la red AhorrandoenlaRed

Are you a strategic thinker? Test your skills with millions of addicts... Sparta Online Game



- [This is not 2008—it's actually worse](#)
- [Buckle up: China could rock markets next week](#)
- [Trump poses 'tremendous danger': Arianna Huffington...](#)
- [Saudi Arabia is buying up farmland in US Southwest](#)

MOST POPULAR



The next test for stocks



Asia stocks bounce after overnight rally in US, Europe



Social Security: Should you claim early?



Oil rallies hard, but this is not the bottom



Goldman: Beware EMs, China will drag them until 2020

Sponsored

1. High Rate Savings Account
2. Top CD Rates
3. Futures Trading Brokers
4. High Yield Investment Plans
5. Top Investment Banking

[The Coolest Halls, Dorms & Residences In Europe.](#)
Uniplaces

["I Could Never Build A Website On My Own" A New Revolutionary Program Does It For You!](#)
Wix.com

[10 Cars EVERY Man Wants](#)
Carophile

[The Ultimate Way to Get Cheap Hotel Rooms](#)
Hotel Bargains

Sponsored

- [High Rate Savings Account](#)
- [Compare Mutual Funds](#)
- [Top CD Rates](#)
- [Best Banking Services](#)
- [Futures Trading Brokers](#)
- [Top 5 Commercial Banks](#)
- [High Yield Investment Plans](#)
- [10 Best Mutual Funds](#)
- [Top Investment Banks](#)
- [Reverse Mortgage for Seniors](#)

SHOW COMMENTS



-
- [About](#)
 - [Site Map](#)
 - [Digital Products](#)
 - [Video Reprints](#)
 - [Advertise](#)
 - [Careers](#)
 - [Help](#)
 - [Contact](#)
 - [Corrections](#)
 - [Privacy Policy](#)
-
- [▶ AdChoices](#)
 - [Terms of Service - New](#)
 - [News Releases](#)
 - [Independent Programming](#)
 - [Switch to mobile view](#)
-

NEWSLETTERS

- Breaking News
- Morning Squawk
- Evening Brief

[More Free Newsletters](#)

Email (Required)

SUBMIT

To learn more about how we use your information, please read our [Privacy Policy](#)

Data is a real-time snapshot *Data is delayed at least 15 minutes

Global Business and Financial News, Stock Quotes, and Market Data and Analysis



Data also provided by



© 2016 CNBC LLC. All Rights Reserved. A Division of NBCUniversal

