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Georgia's Banks Post Gains in Loans, Deposits, Assets for 2020

Georgia's 157 FDIC-insured banks closed out 2020 with increased loans, deposits and assets at year-end compared to 2019. According to the latest FDIC data, loans were up 10%, deposits grew by 22%, and assets increased by 17% in 2020. Cumulatively, the state's banks earned \$1.3 billion during the year, which was down 30% from the previous year, but declined less than the 36.5% for banks nationally.

Fourth-quarter performance indicated continued momentum in net income from the effects of the pandemic earlier in the year. Fourth-quarter net income for Georgia-based banks was up by 43% compared to fourth quarter 2019, and up 37% compared to the prior quarter's net income. Bank loan customers also showed resiliency, with noncurrent loans decreasing slightly for the year and compared to the prior quarter.

"If we've learned anything by looking at the performance of the state's banks during 2020, it is that they were well prepared financially and operationally to meet the unprecedented challenges we all experienced. The increases in loans, deposits and assets really highlight how our state's banks were a source of strength in helping families and businesses manage through the worst of the pandemic. Lower earnings are reflective of lower interest rates, loan deferrals, fee waivers and other customer assistance efforts banks made to help customers through an extraordinary time," said Joe Brannen, GBA President and CEO.

Here are some specific highlights of the latest data. GBA's analysis includes comparative performance of only the banks classified by FDIC as Georgia-based banks at year-end 2020.

Year-end 2020 vs. year-end 2019

- Total loans and leases up 10.5 billion, up 10%
- Total deposits up \$27.1 billion, up 22%
- Total assets up \$25.4 billion, up 17%
- Net income of \$1.3 billion, down \$563 million, down 30%
- Noncurrent loans decreased slightly and are about half the national average
- 94% of banks profitable, down only slightly from 95%
- Capital levels remain strong

Fourth-quarter 2020 vs. fourth-quarter 2019

- Net income of \$693 million, up 43% compared to same period in 2019
- Noncurrent loans decreased slightly

Fourth-quarter 2020 vs. third-quarter 2020

- Net income up \$188.5 million, up 37% compared to third-quarter 2020
- Total deposits grew by about \$7 billion, up 5%
- Total loans and leases declined by \$3.9 billion, down 3%

GA-based FDIC Defined Community Banks (150 institutions), year-end 2020 vs. year end 2019

- Total loans and leases up 17%
- Total deposits up 24%
- Total assets up 24%
- Net income down 1%
- Noncurrent loans down 32%

About the Georgia Bankers Association: Founded in September 1892, the Georgia Bankers Association promotes the general welfare and usefulness of banking and the preservation of a sound banking system. For 129 years, GBA has been the resource that empowers Georgia's banks, providing effective government relations and public advocacy, a community of professional peers, top-quality education and professional development, and revenue-enhancing products and services.