Press Release

FDIC Research Study on Long-term Bank Consolidation Demonstrates the Ongoing Resilience of Community Banks

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The Federal Deposit Insurance Corporation (FDIC) today released a research study on long-term consolidation in banking and the implications of this trend for community banks. Drawing from data over the last thirty years, the paper finds that community banks have remained highly resilient amid the long-term trend of banking industry consolidation.

A key finding of the study is that institutions with assets between $100 million and $10 billion – most of which can be considered community banks – have increased in both number and in total assets since 1985. The number of banks with assets between $100 million and $1 billion increased by 7 percent between 1985 and 2013, while the number of banks with assets between $1 billion and $10 billion increased by 5 percent. These groups of institutions also experienced growth in terms of total assets.

"The FDIC study clearly demonstrates the strength and resilience of the community bank sector and supports the conclusion that community banks will continue to play a vital role in the financial system of the United States for the foreseeable future," said FDIC Chairman Martin J. Gruenberg.

The study, The Continued Resiliency and Importance of Community Banks Amid Long-Term Industry Consolidation, will be published in the next edition of *FDIC Quarterly*.

Attachment: Community Banks Remain Resilient Amid Industry Consolidation - PDF (PDF Help)

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