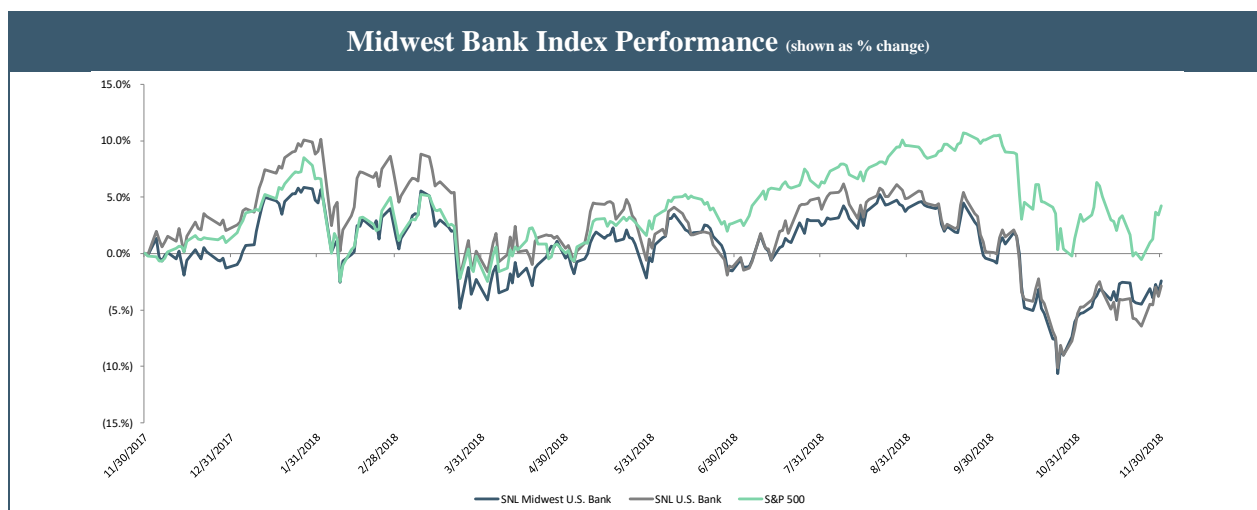


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Indices Performance (% change)					
	November 2018	LTM		November 2018	LTM
S&P 500	0.7%	4.3%	SNL U.S. Bank	2.0%	(2.9%)
Dow Jones	0.6%	5.2%	SNL Midwest U.S. Bank	3.0%	(2.4%)
NASDAQ	(1.4%)	6.6%			

Note: U.S. Bank index includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ). Midwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in IA, IN, IL, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI.

Movers and Losers (largest % changes in the month of November)					
Bank Name	Price/Share	Price Change	Bank Name	Price/Share	Price Change
Atlantic Capital (ACBI)	\$18.41	21.0%	ACNB Corporation (ACNB)	\$36.09	(11.8%)
Eagle Bancorp (EGBN)	\$57.64	16.3%	Texas Capital Bancshares (TCBI)	\$59.66	(10.0%)
Republic First Bancorp (FRBK)	\$7.55	12.5%	Civista Bancshares (CIVB)	\$21.31	(9.2%)
Capital City Bank (CCBG)	\$26.92	11.9%	Norwood Financial Group (NWFL)	\$35.51	(8.7%)
National Bank Holdings (NBHC)	\$37.23	11.5%	Codorus Valley Bancorp (CVLY)	\$24.01	(8.4%)

Note: Price per share as of November 30, 2018. Consists of public banks listed on the NYSE and NASDAQ with a market capitalization greater than \$150 million.

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Select Public Trading Statistics (as of 11/30/2018)

Large U.S. National Banks:

Institution Name	Ticker	State	Market		NPA's/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
JPMorgan Chase & Co.	JPM	NY	369,699.8	2,615,183,000	0.40	2.53	56.51	15.42	8.25	159.9	202.1
Bank of America Corporation	BAC	NC	278,723.2	2,338,833,000	0.49	2.44	57.17	14.74	8.31	116.7	165.7
Wells Fargo & Company	WFC	CA	255,509.2	1,872,981,000	0.97	2.95	63.36	16.73	9.22	144.5	171.6
Citigroup Inc.	C	NY	159,242.5	1,925,165,000	0.43	2.79	57.70	15.98	8.49	88.9	103.4
U.S. Bancorp	USB	MN	88,012.4	464,607,000	0.70	3.16	52.79	12.58	8.98	199.1	258.2
PNC Financial Services Group, Inc.	PNC	PA	62,765.3	380,080,000	0.75	3.02	58.95	12.74	9.21	145.6	186.8
Bank of New York Mellon Corporation	BK	NY	50,734.2	349,770,000	0.03	1.28	66.15	14.11	7.03	133.4	292.1
BB&T Corporation	BBT	NC	39,378.7	222,885,000	NA	3.49	57.26	13.94	9.97	146.4	242.0
SunTrust Banks, Inc.	STI	GA	28,166.0	211,276,000	1.45	3.29	59.74	12.47	9.66	130.6	183.5
State Street Corporation	STT	MA	27,710.3	234,007,000	0.00	1.49	68.56	17.23	8.12	132.8	207.0
Minimum			27,710	211,276,000	0.0	1.3	52.8	12.5	7.0	88.9	103.4
Mean			135,994	1,061,478,700	0.6	2.6	59.8	14.6	8.7	139.8	201.2
Median			75,389	422,343,500	0.5	2.9	58.3	14.4	8.7	139.0	194.4
Maximum			369,700	2,615,183,000	1.5	3.5	68.6	17.2	10.0	199.1	292.1

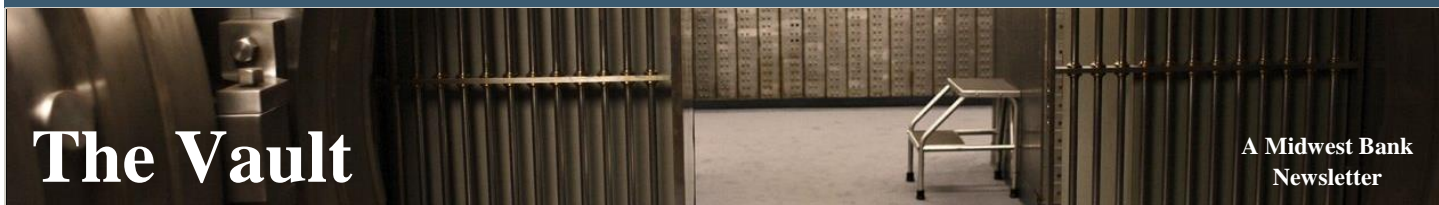
Large Midwest Banks:

Institution Name	Ticker	State	Market		NPA's/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Northern Trust Corporation	NTRS	IL	21,969.1	132,378,500	0.12	1.49	67.22	16.19	7.80	231.7	253.5
KeyCorp	KEY	OH	18,973.3	138,805,000	0.60	3.21	60.30	12.99	10.03	137.9	173.7
Fifth Third Bancorp	FTB	OH	18,311.3	141,685,000	0.74	3.25	61.86	14.94	10.10	127.4	153.8
Huntington Bancshares Incorporated	HBAN	OH	15,487.7	105,652,000	1.17	3.35	55.63	13.36	9.14	159.2	208.4
Commerce Bancshares, Inc.	CBSH	MO	7,029.2	25,062,392	0.44	3.55	55.18	15.68	11.38	265.3	280.2
Wintrust Financial Corporation	WTFC	IL	4,361.9	30,142,731	0.58	3.64	60.07	11.96	9.28	142.8	175.1
Associated Banc-Corp	ASB	WI	3,876.2	33,489,002	0.76	2.93	63.42	13.56	8.43	110.8	171.0
MB Financial, Inc.	MBFI	IL	3,864.9	19,719,971	0.54	3.86	62.29	13.48	9.99	139.5	224.4
First Midwest Bancorp, Inc.	FMBI	IL	2,509.6	14,961,499	0.52	3.95	54.98	12.32	9.10	126.8	208.4
First National of Nebraska, Inc.	FINN	NE	2,338.3	20,505,910	1.00	6.59	55.92	14.22	11.00	111.9	121.6
Minimum			2,338	14,961,499	0.1	1.5	55.0	12.0	7.8	110.8	121.6
Mean			9,872	66,240,201	0.6	3.6	59.7	13.9	9.6	155.3	197.0
Median			5,696	31,815,867	0.6	3.4	60.2	13.5	9.6	138.7	191.8
Maximum			21,969	141,685,000	1.2	6.6	67.2	16.2	11.4	265.3	280.2

Small Midwest Banks:

Institution Name	Ticker	State	Market		NPA's/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Byline Bancorp, Inc.	BY	IL	753.1	4,917,409	0.56	4.77	56.45	13.37	10.78	121.5	164.8
Horizon Bancorp, Inc.	HBNC	IN	667.6	4,150,561	0.40	3.64	58.80	13.31	10.05	139.8	192.5
First Mid-Illinois Bancshares, Inc.	FMBH	IL	566.5	3,355,477	0.90	3.96	51.49	14.62	11.24	135.9	178.7
West Suburban Bancorp, Inc.	WNRP	IL	266.6	2,231,983	2.20	3.34	68.54	15.09	9.66	122.9	123.3
STAR Financial Group, Inc.	FIGA	IN	237.6	1,889,241	1.47	3.88	65.81	NA	NA	113.2	116.3
First Business Financial Services, Inc.	FBIZ	WI	188.6	1,894,330	1.70	3.75	71.63	12.05	9.34	106.2	113.1
Marquette National Corporation	MNAT	IL	149.6	1,591,517	1.33	3.52	77.25	16.29	9.31	101.2	132.5
Minimum			150	1,591,517	0.4	3.3	51.5	12.1	9.3	101.2	113.1
Mean			404	2,861,503	1.2	3.8	64.3	14.1	10.1	120.1	145.9
Median			267	2,231,983	1.3	3.7	65.8	14.0	9.9	121.5	132.5
Maximum			753	4,917,409	2.2	4.8	77.3	16.3	11.2	139.8	192.5





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Valuation Summary (as of 11/30/2018)

Asset Size Index – Nationwide			Geographic Index		
	Price/Book (%)	Price/Tangible Book (%)		Price/Book (%)	Price/Tangible Book (%)
\$5B-\$10B	190.4	241.7	Mid-Atlantic	139.3	184.8
\$1B-\$5B	152.7	179.6	Midwest	176.3	222.6
\$500M-\$1B	156.9	164.9	New England	129.9	191.8
\$250M-\$500M	166.2	169.0	Southeast	121.6	176.0
< \$250M	NA	NA	Southwest	169.3	209.5
			Western	156.6	187.5

Interest Rate Scorecard

Financial Yields	November 30, 2018	1 Month	3 Month	6 Month	1 Year
		Prior	Prior	Prior	Prior
2 Year T Note	2.80	2.84	2.64	2.42	0.27
5 Year T Note	2.84	2.94	2.75	2.67	0.82
10 Year T Note	3.01	3.12	2.86	2.84	1.95
30 Year T Bond	3.30	3.36	3.00	3.01	3.12
Prime Rate	5.25	5.25	5.00	4.75	3.25
3 Month LIBOR	2.74	2.54	2.32	2.30	0.47

Note:

Mid-Atlantic region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in DE, DC, MD, NJ, NY, PA, PR.
 Midwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in IA, IN, IL, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI.
 New England region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in CT, ME, MA, NH, RI, VT.
 Southeast region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in AL, AR, FL, GA, MS, NC, SC, TN, VA, WV.
 Southwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in CO, LA, NM, OK, TX, UT.
 Western region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in AZ, AK, CA, HI, ID, MT, NV, OR, WA, WY.





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Select Mergers and Acquisitions & Capital Raising News

❖ Enterprise Financial to Acquire Trinity Capital in \$213M Transaction

November 1, 2018 – Clayton, Missouri-based Enterprise Financial Services Corp and Los Alamos, New Mexico-based Trinity Capital Corp. agreed to merge in a transaction valued at approximately \$213 million. Under the terms of the agreement, Trinity shareholders will receive 0.1972 shares of Enterprise Financial's common stock and \$1.84 in cash for each Trinity share they hold. Based on Enterprise's closing stock price of \$43.45 per share on October 31, the merger consideration mix would comprise approximately \$38 million in cash and \$175 million in Enterprise shares. Pursuant to the agreement, Trinity directors Tony Scavuzzo and James Deutsch will be appointed to Enterprise's board. Also, James Goodwin Jr., chairman of Trinity and its unit Los Alamos National Bank, will join the board of Enterprise Financial's unit Enterprise Bank & Trust. Enterprise expects the transaction, which has been approved by its board, to be 8% accretive to its full-year 2020 earnings per share. Enterprise had assets of \$5.52 billion as of September 30, while Trinity had assets of \$1.28 billion as of June 30. The transaction is expected to close in early 2019.

❖ Two Iowa Banks Strike All-Cash Transaction

November 5, 2018 – Dubuque, Iowa-based Fidelity Co. agreed to acquire New Hampton, Iowa-based State Bank, according to the latter's blog. The sale is an all-cash transaction with an undisclosed purchase price. The transaction is subject to regulatory approval which is expected to occur in the final quarter of 2018. The combined organization will have assets of more than \$1.3 billion, according to the blog post.

❖ First Midwest Bancorp to Buy Milwaukee-based Northern Oak Wealth Management

November 8, 2018 – Chicago-based First Midwest Bancorp Inc. is acquiring Milwaukee-based registered investment adviser, Northern Oak Wealth Management Inc. The terms of the transaction were not disclosed. Northern Oak's executive team of Mark Zellmer and David Becker will continue to serve in leadership positions at Northern Oak, which will operate as a subsidiary of First Midwest. The transaction is expected to close in the first quarter of 2019. Northern Oak has about \$800 million of wealth assets under management.

❖ Heartland Bancorp to Acquire Lincoln S.B. in Illinois

November 9, 2018 – Bloomington, Illinois-based Heartland Bancorp Inc. applied with the Federal Reserve Bank of Chicago to acquire in-state peer Lincoln S.B. Corp. and subsidiary State Bank of Lincoln. As of June 30, Heartland Bancorp's assets stood at \$2.88 billion, while Lincoln S.B.'s consolidated assets totaled \$368.3 million. Heartland Bancorp Inc. will expand in De Witt County, Illinois, by two branches to be ranked no. 1 with a share of 38.31% of approximately \$392.88 million in total market deposits. It will also enter Logan County, Illinois, with four branches to be ranked no.1 with a share of 40.73% of approximately \$583.82 million in total market deposits.

❖ Simmons First National Buying Reliance Bancshares in Cash-and-Stock Transaction

November 13, 2018 – Arkansas-based Simmons First National Corp. is buying Missouri-based Reliance Bancshares Inc. in a cash-and-stock transaction. Reliance shareholders will receive 4 million Simmons First common shares and \$62.7 million in cash. In addition, each share of Reliance Bancshares' series A, B, and C preferred stock will be converted into the right to receive one share of Simmons First's series A, B, or C preferred stock, respectively, for a combined value of approximately \$42.0 million at the time of announcement. The transaction is expected to close during the second quarter of 2019. The purchase price equates to 187.7% of book and tangible book, on an aggregate basis. The purchase price also equates to 11.49% of assets, 14.70% of deposits and the tangible book premium-to-core deposits ratio is 8.75%. Simultaneously with the closing of the transaction, Reliance Bank, a unit of Reliance Bancshares, is expected to merge into Simmons Bank, a unit of Simmons First. Simmons First had total assets of approximately \$16.3 billion as of September 30. As of the same date, Reliance Bancshares had \$1.5 billion in assets, \$1.1 billion in loans and \$1.2 billion in deposits.

❖ Iowa-based FreedomBank to Purchase Smaller In-State Peer

November 24, 2018 – Elkader, Iowa-based FreedomBank agreed to buy Waukon, Iowa-based Farmers & Merchants Savings Bank, according to the latter's website. The terms of the transaction were not disclosed. The transaction is expected to be finalized in the first quarter of 2019. As of September 30, FreedomBank, a unit of LeRoy C. Darby Inc., had \$267.2 million in assets, while Farmers & Merchants Savings Bank, a unit of Dunn Investment Co., had \$157.6 million in assets.



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Select Industry News

❖ Community Banks Report Better Efficiency Ratios, Higher Margins in Q3'18

November 1, 2018 – Public banks and thrifts with less than \$10 billion in assets are reporting improved profitability ratios this earnings season. Among the community banks that reported third-quarter results as of October 26, the median efficiency ratio fell to 60.22%, down 63 basis points year over year. Meanwhile, the median return on average assets increased 20 basis points to 1.20% and the median net interest margin inched up 3 basis points to 3.71%. Among banks with less than \$1 billion in assets, Pittsburgh-based WVS Financial Corp. reported the lowest efficiency ratio at 47.17% for the third quarter. Meanwhile, Stoughton, Massachusetts-based Randolph Bancorp, which completed a mutual-to-stock conversion in July 2016, reported the highest efficiency ratio at 102.61%. Sewell, New Jersey-based Parke Bancorp Inc. reported the lowest efficiency ratio among banks between \$1 billion and \$5 billion in assets, at 28.66%. Philadelphia-based Republic First Bancorp Inc. posted the highest efficiency ratio in the category at 83.76%. Among banks between \$5 billion and \$10 billion in assets, Birmingham, Ala.-based ServisFirst Bancshares Inc. reported the lowest efficiency ratio at 31.94%, while Seattle-based HomeStreet Inc. posted the highest ratio at 84.78%.

❖ Deposit Growth Slows at Community Banks in Q3'18

October 8, 2018 – Deposit growth slowed for community banks in the third quarter, according to an S&P Global Market Intelligence analysis of U.S. banks with less than \$10 billion in assets trading on major exchanges that reported earnings as of November 2. Many of the banks in this group that reported strong deposit growth did so through acquisitions. Median deposit growth at institutions with less than \$1 billion in assets was hit the hardest, dropping to 5.5% from 7.1% a year earlier. Only banks with \$1 billion to \$5 billion in assets did not report a slowdown in deposit growth, and even for those, the growth rate remained the same as the third quarter of 2017.

❖ Net Interest Margins Decline at US Regional Banks in Q3

November 9, 2018 – U.S. regional banks powered through near-term margin compression and a slowdown in loan growth to report substantially higher earnings in the third quarter. The median year-over-year growth for normalized EPS was 30%, down from 33% in the second quarter but up from 15% a year ago, according to an S&P Global Market Intelligence analysis of the financial results of 33 public U.S. banks with total assets between \$20 billion and \$50 billion as of September 30. But the regional group's median net interest margin was 3.56% in the third quarter, down from the second-quarter median of 3.61%. It was the first linked-quarter decline in the median since the fourth quarter of 2016. Of the 33 regional banks, Dallas-based Texas Capital Bancshares Inc. experienced the biggest NIM decrease, down 19 basis points quarter over quarter to 3.70%. While the average loan yield fell 1 basis point from the second quarter, the average cost of interest-bearing deposits rose 25 basis points. The bank's deposit beta, or the change in the cost of interest-bearing deposits in the past year as a percentage of the change in the effective fed funds rate during that period, increased to 96% in the third quarter, the highest rate among all regionals and up from 84% in the second quarter.

❖ Wells Fargo Leads US Bank Branch Cull in October

November 13, 2018 – U.S. banks and thrifts continued cutting branches across the country in October, shuttering 191 branches while opening just 79. Over the last 12 months, U.S. banks and thrifts have closed 3,016 branches while opening only 980. As of October 31, there were 87,632 active bank and thrift branches in the U.S. Florida led the country with 22 net closures in October, followed by California, Illinois and New Jersey at eight net closures each. Meanwhile, Wells Fargo & Co.'s 38 net closures led the industry in October, followed by Bank of America Corp.'s 33 net closures.

❖ Loan Growth Ground to a Halt at 10 Largest US Banks in Q3'18

November 21, 2018 – Total loans and leases came to a standstill at the 10 largest U.S. banks by assets during the third quarter, as the wider industry posted a 0.8% gain. Among the Big Four U.S. banks, JPMorgan Chase Bank NA posted a 0.6% quarter-over-quarter increase in loans and Citibank NA grew loans 0.1%. Loans at Bank of America NA fell 0.6% and at Wells Fargo Bank NA declined 0.7%. During Bank of America Corp.'s third-quarter earnings call, CFO Paul Donofrio said the company's loan growth was affected by runoff and the sale of noncore consumer real estate loans. Wells Fargo & Co. CFO John Shrewsbury said his company's loans fell due to strategic loan sales, continued declines in commercial real estate, lower auto originations and runoff in legacy junior-lien mortgages, according to a transcript of the company's third-quarter call. There were some bright spots during the quarter. Among the 10 largest U.S. banks, multifamily loans, consumer loans and first-lien mortgages all increased quarter over quarter. However, home equity loans dropped another 3.3% in the third quarter and have fallen over 13% year over year. This analysis includes US Bank NA, PNC Bank NA, TD Bank NA, Capital One NA, Branch Banking and Trust Co., SunTrust Bank and the Big 4 U.S. banks.



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❖ Banks Continue to Reach for Yield While Funding Costs Move Higher

November 28, 2018 – U.S. banks continued to increase their exposure to longer-dated bonds in the third quarter. Regulators have consistently expressed caution toward the interest-rate risk that comes with reaching further out the yield curve to bolster income, but a number of banks have not heeded those warnings. Institutions have put money to work in longer-dated bonds because they tend to offer more yield than shorter-term assets, but this strategy can put net interest margins at risk in a rising-rate environment as banks hold below-market-rate securities for longer periods, while their funding costs move higher. That scenario has played out in 2018, with the average yield on the 10-year Treasury rising 51 basis points through the first nine months of the year. The cost of interest-bearing deposits, meanwhile, has increased 26 basis points during the same period. With further increases in rates expected and funding costs rising at a quicker clip in recent quarters, regulators have warned that some banks that reached too far out the yield curve could face earnings headwinds. In its latest quarterly bank profile, the FDIC highlighted that risk at community banks in particular since those institutions have nearly half of their assets set to mature or reprice in three years or more.

❖ Multifamily Loans at US Banks Climbed 6.4% YOY in Q3'18

November 30, 2018 – Aggregate multifamily loans at U.S. banks and thrifts rose 1.7% quarter over quarter to \$425.91 billion as of September 30, a 6.4% increase from the previous year. Delinquent multifamily loans accounted for 0.23% of total multifamily loans in the third quarter, unchanged from the end of June and down 1 basis point from the year-ago quarter. JPMorgan Chase & Co., the U.S. banking industry's largest multifamily lender, reported \$71.36 billion in multifamily loans at the end of the quarter, a 0.7% increase since June 30 and a 3.1% increase year over year. In a distant second place, New York Community Bancorp Inc. reported \$29.57 billion in multifamily loans at the close of the third quarter. Multifamily loans represented almost three-quarters of the company's total loan portfolio as of September 30.

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