WASHINGTON

Rep. Ney, who heads the House Financial Services housing subcommittee, said he would not seek reelection. Page 3

COMMUNITY BANKING

Five banks are backing a Florida effort to redevelop poor areas through for-profit community development companies. Page 5

INDUSTRY SNAPSHOT

Credit unions with the most assets and deposits. Page 6

CARDS

City Holding of Va. will sell most of its credit card portfolio to Elan Financial, a U.S. Bancorp subsidiary. Page 9

MORTGAGES

First American, a title insurance giant, bought Offutt Systems, which sells multiple listing service technology. Page 10

TECHNOLOGY

Harland’s earnings fell, but growth in the check printer’s software division helped offset declining check sales. Page 11

Cyphermint has developed a mobile payment system linked to its prepaid cards. Page 12

INSURANCE/INVESTMENT PRODUCTS

Citifirst has added products and sales staff as it wades deeper into the small-business retirement market. Page 13

Fremont Michigan InsurCorp reported that its second-quarter earnings grew 51.2%. Page 13

MARKETS

Puerto Rican banking stocks received a lift when an analyst upgraded five of the island’s companies. Back page

Consumer credit expanded at a rapid clip in January, led by gains in revolving credit, the fed reported. Back page

Receiving Images

Bank routing/transit numbers that are image-capable, from the Federal Reserve and Eccho. Numbers in thousands

<table>
<thead>
<tr>
<th>January ’05</th>
<th>February ’05</th>
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First Deal Outside Region Won't Be Chicagoan’s Last

BY BEN JACKSON

With its deal for Piedmont Bancshares Inc. of Atlanta, PrivateBancorp Inc. is following through on its pledge to expand outside the Midwest and into fast-growing southern and western markets.

The Chicago company, which targets wealthy households, agreed to pay $47 million in cash and stock for the $217 million-asset Piedmont. Ralph B. Mandell, its chairman, president, and chief executive, said in an interview Friday that even before making the Piedmont deal, his $3.7 billion-asset company had the “internal muscle” — capital, staff, back-office capability — to pursue expansion to new markets by acquisitions or bank start-ups.

Those markets include Phoenix/Scottsdale and Florida “for sure,” Mr. Mandell said. PrivateBancorp currently has offices in

An Innocent Question? Small Banks Don’t Buy It

BY ROE ADLER

WASHINGTON — It was just a brief mention of an idea, a single question in a 152-page plan distributed by the Federal Deposit Insurance Corp. last month.

The question: Whether to change the treatment of Home Loan Bank advances for federal deposit insurance rate-setting purposes.

The weeks since have seen a backlash from community bankers and industry representatives who see in the question the possibility of a policy change that they say would undermine the Home Loan Bank System and unfairly punish thousands of community banks that use advances for funding.

“We will scream to the high heavens about this,” said Camden Fine, the president of the Independent Community Bankers of America.

The agency touched on the idea in its July 11 proposal out-
Wamu CEO: This Transformation Is Different

Continued from page 1

Those announcements came against a backdrop of office consolidation, layoffs, and the outsourcing of back-office operations to other countries.

Mr. Killinger said Wamu’s latest retrenching was partly from its 2003-04 one, when it slashed jobs and sought ways to stabilize the mortgage business after a big slowdown a year earlier. (In the second quarter of 2004 profits from its home loan business dropped to zero, from $531 million in the first quarter and $611 million a year earlier.)

“There is really quite a difference” between the changes the company made in 2003 and 2004 and those taking place today, Mr. Killinger said in an interview July 19, the day his company reported second-quarter earnings. The latest changes are “opportunities to accelerate some of the things we have been working on.”

For several years he has been transforming Wamu’s balance sheet to diminish interest rate risk, and along the way has taken steps that have added credit risk. Some signs of the shift: Prime mortgages and mortgage-backed securities now make up 44% of Wamu’s assets, versus 76% at the end of 1999. Subprime mortgages make up 6%, up from 2%. Home equity loans make up 15%, up from 5%. Credit cards, added last year, make up 3%.

Multifamily and commercial real estate loans make up 9%, down from 10%, and loans held for sale now make up 7%. (Wamu had none at the end of 1999.) Other assets, which include cash and short-term investments, make up 16% compared to 7% at the end of 1999.

When it released its second-quarter results, Wamu said it was selling $2.6 billion of mortgage servicing rights and its Milwaukee servicing facility to Wells Fargo & Co. of San Francisco. A few days later Wamu said it was selling its asset management unit WM Advisors to Principal Financial Group.

“All these things are totally consistent with what we have laid out in our five-year plan,” Mr. Killinger said in the interview.

In a conference call earlier that day, he said, “The sale of the MSR was about reducing the market risk or interest rate risk in the company. As we’ve indicated in our strategic plan, we want to gradually shift to much more of a banklike balance sheet.”

Wamu has said that this quarter it would take a $52 million restructuring charge tied to the transaction with Wells Fargo. Some analysts are wondering when the restructuring will be done.

“Every time you turn around, there are these types of sales. There is always a restructuring charge. There is always ‘We’re getting our expenses down,’ but the expenses creep up. I think the sloppiness of the numbers they report is starting to wear on people,” said Paul Miller, an analyst with Friedman, Billings, Ramsey & Co. Inc., said in an interview July 27.

During the conference call, Mr. Killinger acknowledged that the steps announced that day “are likely to cause our quarterly earnings to be more uneven than normal,” but he also said they would contribute 5-10 cents to earnings per share next year. When mortgage originations plummeted, Wamu laid off 4,500 people in late 2003 and another 2,900 in 2004. It has also announced a string of layoffs this year. In the first quarter it cut the number of home loan processing offices by over a third, to 16, laying off 2,500 people. In May it said it would cut 1,400 workers as it closed two call centers, and last month it cut 900 jobs in its retail banking and home loan operations.

During the 2003-04 downturn, Wamu sold its consumer finance division to Citigroup Inc. for $1.5 billion and used the proceeds to sustain its 250-branch-a-year retail banking expansion. Analysts said, back then and recently, that Wamu’s troubles in those years were aggravated by the failure to integrate acquisitions made in 2001 and 2002 to beef up the mortgage business.

“Clearly there has been an evolution of strategy. It doesn’t seem like it was too long ago that Wamu was talking about wanting to become a trillion-dollar servicer, and now they are clearly going the opposite way,” said Frederick Cannon, an analyst with Keefe, Bruyette & Woods Inc.

Acquisitions remain part of the transformation strategy. Last year Wamu bought the San Francisco credit card issuer Providian Financial Corp., and this quarter it expects to close a $983 million deal for Commercial Capital Bancorp Inc., a $6 billion-asset multifamily lender in Irvine, Calif.

But those efforts are a sharp change from five years ago, when Wamu was focused on bulking up the mortgage business. Wamu bought the Houston thrift company Bank United Corp. in February 2001, and it bought the mortgage portfolios of PNC Financial Services Group Inc. in October 2000 and FleetBoston Financial Corp. in June 2001. Wamu also bought the New York thrift company Dime Bancorp Inc. in January 2002.

Mr. Killinger said three of Wamu’s business lines — retail banking, card services, and commercial banking — are humming along.

“The one business that needed more of a strategic shift in direction was our home lending business. What we became convinced of was that we should bet better off in focusing our efforts in the higher margin businesses of option ARMs, home equity, Alt-A, and subprime,” he said.

Analysts said that they endorse Wamu’s effort to shrink its mortgage servicing portfolio, which should reduce the earnings volatility that comes from valuing the servicing portfolio quarter-to-quarter.

“They are looking to garner more stable income flows as opposed to tying themselves to the more volatile servicing and production,” said Edwin Grosnash, an analyst at Fox-Pitt, Kelton Inc. “The issue is they can’t just cut and run from that business.

They are fully tied into it — they have a national servicing platform, a national originations platform if they are in retail, they are in subprime, they are in wholesale, they are in the conduit channel. It is a big part of what they do.”

M&A Announcements for Week Ended Aug. 4

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Community Banks See Threat
In Question on FHLB Advances

Continued from page 1

lining its plan to better tie an institution’s premium with its risk to the Deposit Insurance Fund. In a request for comment, the agency asked whether Home Loan Bank advances should be treated as “volatile liabilities,” or whether it should charge “higher assessment rates to institutions that have significant amounts of secured liabilities.”

Both ideas would effectively raise premium rates on banks with Home Loan Bank advances.

Under the plan, the agency would consider several financial ratios in determining an institution’s premium, including its volatile liability ratio, which is a measure of gross assets. Deeming advances as volatile liabilities would raise that ratio, and result in a bank paying a higher premium. Since advances are also a type of proposed assessment, charging more for such liabilities would also increase a bank’s assessment.

The FDIC signaled that it did not intend to change the proposal to treat advances as volatile liabilities or charge higher assessment rates. Doing so, it acknowledged would penalize “those institutions … that have traditionally relied on” advances.

But the very mention of the idea riled banks and industry representatives.

F. Weller Meyer, the president and chief executive officer of the $1.2 billion-asset Acacia Federal Savings Bank in Falls Church, Va., said he did not understand why advances would be considered volatile liabilities. The risk to the fund from advances is “nonsense,” he said.

“I’m puzzled as to why anyone would think that they were volatile,” said Mr. Meyer, who is also the chairman of America’s Community Bankers. “If you talk to most community bankers in the country, I think they’ll tell you that they consider it a very important tool in managing the liabilities. … Long-term advances help fund housing loans in their respective communities.

“Advances should not be considered volatile liabilities,” said Mr. Fines, a former community banker. “If they were considered that, it would have changed the whole profile of my bank.”

“Well-managed banks know how to manage these borrowings as well as they manage deposits, which are also borrowings,” said Mr. Fines.

Meyer: Advances’ risk to the Deposit Insurance Fund is “nonsense.”

agreed Mark M acomber, a Federal Home Loan Bank of Boston board member and the president of the $188 million-asset Litchfield Ban-
corp in Connecticut.

“We don’t have advances because that means customers,” Mr. M acomber said. “But the advances are proxies in the sense that if we can’t get deposits, the advances are another source of funding.”

James Chessen, the American Bankers Association’s chief econo-
mist, said the idea is sure to “draw a lot of fire.”

“From a risk management standpoint,” advances “are a great tool for community banks,” Mr. Chessen said. “Anything that rais-
es the cost of using advances would be viewed very negatively.”

The FDIC has long held that advances raise the cost of bank failures because Home Loan banks can collect collateral ahead of the agency. Home Loan banks can also structure advances so that the banks can take them back if a borrower becomes troubled, and such a recall could trigger a funding crisis leading ultimately to a bank failure.

Advances “increase risk expo-
sure to the Deposit Insurance Fund, FDIC Chairman Sheila Bair said during a July 19 speech to the New York Bankers Association.

A 2003 report by the FDIC’s Advisory Committee on Banking Policy also found that banks that rely on advances over deposits for funding would pay less in premium because assessments are charged based on deposits.

The popularity of advances grew markedly in the late 1990s, according to figures from the Federal Home Loan Bank System. Advances to system members vaulted from $1.1 billion in December 1996 to $620 billion by the end of 2005.

FDIC officials said they are just asking for comment, and reiterated that the current proposal would not charge more for banks with Home Loan bank advances.

“We have proposed a treatment for advances, but we also wanted to be explicit about asking for comment,” said Arthur Murton, the director of the FDIC’s division of insurance and research. “Depending on the comments,” he said, the agency’s board of direc-
tors “might then decide on a dif-
f erent direction.” Comments on the proposal are due Sept. 22.

Many observers say that if the FDIC does not clear the matter up now, it will resurface.

“If it’s not included in the def-
ition of volatile liabilities in the final rule, I can see this issue con-
tinuing to be on the table, because it’s been there for almost 20 years,” said Bert Ely, a banking analyst based in Alexandria, Va.

Rep. Robert Ney, the chairman of the House Financial Services housing subcommittee, announced Monday that he will not seek re-election.

The Ohio Republican is under investigation for his alleged connection to the lobbyist Jack Abramoff.

Though Rep. Ney denies any wrongdoing, he said he does not want to continue to put his family through an “ ordeal.”

His announcement was a blow for some in the financial services industry, who called the lawmakers approachable and willing to work across party lines to craft legislation.

He co-sponsored a bill with Rep. Paul Kanjorski, D-Pa., to establish federal standards to curb unsavory lending. Industry representatives support the bill, but many community groups oppose it.

Rep. Ney has also worked on several housing-related bills.

Depending on which party wins control of the House and other committee assignments, Reps. Deborah Pryce, Sue Kelly, and Maxine Waters are among those who could succeed Rep. Ney as the head of the housing subcommittee, sources said.

Stacy Kaper
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Fla. Antipoverty Effort Draws Some Big Backers

BY KATIE KUEHNER-HEBERT

Five banks in Florida are putting up $385,000 to help fund an ambitious effort to create for-profit community development corporations to redevelop poor areas.

Bank of America, Citibank, Wachovia Bank, Fifth Third Bank, and Wells Fargo Bank are contributing $50,000 to $150,000 each to fund the initial stage of a 10-year program sponsored by Brandeis University and the Florida Minority Community Reinvestment Coalition. The goal of the "War on Poverty" is to stimulate more than $300 billion of redevelopment of lower-income neighborhoods throughout the state.

The first stage of the program entails "asset" planning, which is becoming increasingly important in redeveloping communities in Florida’s four largest urban counties: Duval, Dade, Hillsborough, and Orange.

Asset mapping catalogs a community’s resources, including the leaders and financial assets that could be used to form for-profit community development corporations. The effort will start in October in the four counties and then expand to communities in six more counties. The total cost is estimated at $750,000.

Other investors in the program include Workforce Florida, a state-funded organization that has pledged $250,000, and GMAC, which has chipped in $50,000.

"This is about helping community leaders learn just how much capacity already exists for them to become self-sufficient," in redeveloping their neighborhoods, said Thomas Shapiro, a professor of law at Brandeis University.

"It is self-help — is becoming increasingly popular throughout the country. Banks like it, he says, because it demonstrates the communities’ own financial commitment to redevelopment.

"For the for-profit model is critical to the success of community redevelopment, because it’s really the only way community-based organizations can be self-sufficient in fighting poverty," Mr. Pina said.

He was Telacu’s vice president of development from 1999 until last year, when he formed the Florida coalition. Its 52 community organizations work to increase investment in underserved communities by financial institutions, insurance companies, government entities, and nonprofits — much in the same way the Greenlining Institute in Berkeley, Calif., does.

Mr. Pina said Telacu is helping him form a similar coalition in New Jersey.

The Florida coalition chose to work with Brandeis University, he said, because of Prof. Shapiro’s research in asset mapping to help poor communities in Illinois and Massachusetts.

Prof. Shapiro said asset-based community development — drawing upon the resources of poor communities before seeking outside help — is becoming increasingly important.

"We have to continue to push toward that fourth-quarter closure and evaluate the situation as we go forward," Richard T. Haston, the $1.5 billion-asset Cadence’s chief financial officer, said Monday in an interview.

William L. Sutton, Seasons’ chief executive officer, has become its interim president. He said he does not anticipate the resignation to delay the closing.

Mandell: His company will acquire in Arizona and Florida. "For sure.

PrivateBancorp Plans More M&A Outside Midwest

Continued from page 1

in its home market and the Milwaukee, St. Louis, and Detroit markets.

PrivateBancorp has the currency to make acquisitions. Its assets have nearly doubled in the last two years and its market capitalization is now close to $1 billion.

MR. MANDELL said that when it comes to buying or building in a new market "we can go in other directions."

The key, he said, is finding banks expert in their markets. In some cases — as it did in St. Louis and Milwaukee — PrivateBancorp has convinced companies to open offices in new markets.

But "if the people are in an established bank, then we are more willing to make an acquisition," Mr. Mandell said.

PrivateBancorp’s last purchase was in June 2005, when it paid $64 million in cash for the $314 million-asset Bloomfield Hills Bancorp Inc. of Michigan.

Mr. Mandell said demographics were among the qualities his company liked about the five-year-old Milwaukee. "Atlanta is precisely the type of market PrivateBancorp wants to enter — it has more than 135,000 households with annual incomes over $150,000.

Mr. Mandell said he is also looking for opportunities in cities that attract young people, because that is a good indicator. A market will be strong over the long term.

Brian D. Schmitt, Piedmont’s CEO, said his bank, which has focused on small- and middle-sized business lending, needed to make a move to take care of its larger borrowers. Managin its wealth and assets is "something that has always intrigued us, but to be honest, we didn’t have the people, talent, and capital to invest in it," he said.

Piedmont, which is to be renamed The PrivateBank, also wants the capability to make larger loans.

The bank has been forced to share large loans to some of its best customers with other banks. After it merged with PrivateBancorp, it will be able to keep those loans in house, Mr. Schmitt said.

"I’m getting tired working hard and giving away a lot of it," he said.

"I’d rather ship it to Chicago and keep it under the same umbrella, because we all benefit.

Daniel E. Cardenas, the director of research at Howe Barnes Hoffer & Arnett Inc., in Chicago, said PrivateBancorp is selective about where it expands and has made good choices so far.

Bloomfield Hills Bancorp had a lot of similarities to PrivateBank, so that deal "made great sense," Mr. Cardenas said.

Piedmont Bancshares is small, he said, but buying it would give the Chicago company a good growth platform in one of the nation’s fastest-growing markets.

Investors seemed to favor the deal, which is expected to close next quarter. PrivateBancorp’s stock closed at $47.51 on Thursday before dropping 4% Friday.

Kevin K. Reevey, an analyst at BankAtlantic Bancorp’s Ryan Beck & Co. Inc., said he advised people to sell after the company reached its new high.

PrivateBancorp has shown it can successfully expand into new markets, so there is no reason to worry that it will struggle integrating, Mr. Reevey said.

But, he said, "We’re just telling investors that while the stock has had a great run, it’s just very rich here."

Mr. Mandell, who was reached while on vacation, said he was not concerned about the selling on Friday. "That is going to happen when you outperform the market," he said. "Certain people are going to say, ‘Hey, take some profit.’"

PrivateBancorp’s stock was trading at $45.25 late Monday.
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<td>33. Atlanta Postal Credit Union</td>
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<td>34. Fidelity Federal Credit Union</td>
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<tr>
<td>35. First Community Federal Credit Union Oroville, Calif.</td>
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<td>36. Lowndes County Federal Credit Union</td>
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<td>37. Pacific Service Credit Union</td>
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<td>38. 156 Credit Union</td>
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<td>39. Community First Federal Credit Union</td>
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<tr>
<td>40. Credit Union of Texas</td>
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<td>41. Community First Credit Union</td>
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<td>43. Brockton, Mass.</td>
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<td>44. Bank of America Federal Credit Union</td>
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<td>45. Community First Credit Union</td>
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<td>46. Credit Union of Texas</td>
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<td>47. United States Federal Credit Union</td>
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<td>48. 144 Hawaii State Federal Credit Union</td>
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<td>49. Associated Credit Union</td>
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<tr>
<td>53. Credit Union of Texas</td>
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<td>56. Community First Credit Union</td>
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<td>57. Community First Credit Union</td>
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<td>58. Community First Credit Union</td>
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<td>59. Community First Credit Union</td>
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<tr>
<td>60. Community First Credit Union</td>
<td>$2,798,923</td>
<td>$2,653,677</td>
</tr>
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</table>
## Credit Unions with the Most Deposits

On March 31, 2006. Dollars in thousands

<table>
<thead>
<tr>
<th>Name of Credit Union</th>
<th>March 31</th>
<th>Year earlier</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number One Credit Union</td>
<td>$1,075,118</td>
<td>$1,010,124</td>
<td>6.4%</td>
</tr>
<tr>
<td>Number Two Credit Union</td>
<td>$1,054,347</td>
<td>$967,069</td>
<td>11.6%</td>
</tr>
<tr>
<td>Number Three Credit Union</td>
<td>$1,072,882</td>
<td>$583,689</td>
<td>80.8%</td>
</tr>
<tr>
<td>Community Credit Union</td>
<td>$1,058,811</td>
<td>$1,117,208</td>
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</tr>
<tr>
<td>Western Credit Union</td>
<td>$1,041,820</td>
<td>$917,845</td>
<td>13.5%</td>
</tr>
<tr>
<td>Charter Credit Union</td>
<td>$1,028,891</td>
<td>$926,018</td>
<td>10.8%</td>
</tr>
<tr>
<td>Premier America Credit Union</td>
<td>$1,019,897</td>
<td>$884,179</td>
<td>14.9%</td>
</tr>
<tr>
<td>Lake Michigan Credit Union</td>
<td>$1,016,327</td>
<td>$895,466</td>
<td>29.9%</td>
</tr>
<tr>
<td>Washington State Employees Credit Union</td>
<td>$997,713</td>
<td>$950,460</td>
<td>5.0%</td>
</tr>
<tr>
<td>Credit Union of Wisconsin</td>
<td>$983,861</td>
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<td>17.3%</td>
</tr>
<tr>
<td>Langley Federal Credit Union</td>
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<td>South Carolina Federal Credit Union</td>
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<tr>
<td>Founders Federal Credit Union</td>
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<td>Allegany Federal Credit Union</td>
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<td>First Community Credit Union</td>
<td>$966,931</td>
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<td>1.2%</td>
</tr>
<tr>
<td>Wright-Patt Credit Union</td>
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<td>4.9%</td>
</tr>
<tr>
<td>Community First Credit Union of Florida</td>
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</tr>
<tr>
<td>Mercer Employees Federal Credit Union</td>
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</tr>
<tr>
<td>California Credit Union</td>
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<td>Truist Federal Credit Union</td>
<td>$939,565</td>
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<tr>
<td>First Federal Credit Union</td>
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<td>Pacific Service Credit Union</td>
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<td>Arrowhead Central Credit Union</td>
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<td>Affinity Plus Federal Credit Union</td>
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<td>Connecticut State Employees Credit Union</td>
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<tr>
<td>Hartford One Credit Union</td>
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<td>Citizens Federal Credit Union</td>
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<td>Arizona State Savings and Credit Union</td>
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<td>Buster Credit Union</td>
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<td>Nassau County Federal Credit Union</td>
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<td>Georgia Telco Credit Union</td>
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<td>Ohio Members Credit Union</td>
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<td>TruWest Credit Union</td>
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<tr>
<td>Hawaii/USA Federal Credit Union</td>
<td>$675,738</td>
<td>$625,605</td>
<td>8.3%</td>
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</tbody>
</table>
American Banker’s Banker of the Year Awards

NOVEMBER 30, 2006
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THE PIERRE HOTEL
NEW YORK CITY

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Pulse Touts Its Freedom From Merchant Conflicts

BY DAVID BRETIKOFF

For years Pulse EFT Association argued that its status as a bank-owned PIN debit network made it more attractive to banks' needs than networks that had to answer to shareholders.

That argument has been untenable since January of last year, when Morgan Stanley's Discover Financial Services LLC bought the Houston network. Now, Pulse's president, David Schneider, is emphasizing another difference between his network and others. It is not owned by a company that also does merchant processing, so it avoids pricing conflicts of interest between banks and merchants.

"Fundamentally, what the network has to decide is who pays what to whom," Mr. Schneider said in an interview last month. "Merchant processing is different from debit network services, where it is not owned by a company that also does merchant processing, so it avoids pricing conflicts of interest between banks and merchants.

"If you have merchant processing, you have to be careful, because the merchants are not only your customer, but also they are your competitor. So, you have to be careful about the pricing of the services you provide to them," he said. "I think Pulse, like all the other EFT networks, is in a unique position because it is owned by banks, and it does not have to worry about the conflict of interest that exists in the merchant processing business."

Many small businesses are shifting their payments from cash and checks to cards, and Visa said Monday that small businesses are driving the growth in its commercial solutions unit. Visa divides the commercial market into three segments: small businesses, large and medium-size corporations, and government agencies. Visa Business-branded cards are for companies with annual revenue of $25 million or more.

"Small-business owners desire a secure, reliable payment solution which will empower them to better control and more efficiently manage their businesses," Raghav Lal, a Visa senior vice president, said in a press release.

TRM Corp. said a decline in the use of its automated teller machines, which was down from 33% in the first quarter, and the total number of withdrawals increased 4%. TRM also said it slowed the number of ATMs shut down or removed from its network, to 361 in the second quarter from 941 in the first.

Hypercom Cites Growth in Foreign Sales

Hypercom Corp., the second-largest provider of automated teller machines, said that its international sales doubled its second-quarter revenue growth.

The Phoenix, Ariz., company said last month that it will create a new unit to focus on international sales, and it has announced several foreign expansion plans. The company said it is considering building an ATM system in South Africa, and it has signed a partnership agreement with a company in India.

Hypercom said its international sales were up 77% in the second quarter, compared with the first quarter. The company said it has signed deals with banks in Australia, Canada, and South Africa.

BankAtlantic Bancorp, Royal Caribbean in ATM Deal

BankAtlantic Bancorp Inc. has installed its automated teller machines on Royal Caribbean International's Freedom of the Seas cruise ship.

The Fort Lauderdale, Fla., company announced its deal with Royal Caribbean last week. The ATM's connect to payment networks through satellite communications links.

BankAtlantic has had ATMs been on cruise lines since 1995. It now has more than 95 machines on ships operated by several companies, including Celebrity Cruises Inc., Carnival Corp., and Princess Cruise Lines Ltd.
Irwin Finds an Acquirer
For Origination Platform

Continued from page 1

N.J., mortgage bank Freedom Mortgage Corp. is buying the platform. Brian Simon, a senior vice president at Freedom, said the acquisition should about quadruple its loan volume, which had been on pace to reach about $3 billion this year. (Irwin's second-quarter originations of first-mortgage falls fell 15% from a year earlier, to about $2.2 billion.)

Freedom also said the acquisition would give it the scale to prosper in the conforming business. “It's not a business we want to get out of,” Mr. Simon said, and the ability to spread costs over more volume will ease margin pressure.

Though it does both conforming and nonconforming lending, agency business is particularly important to Freedom, because its servicing operations are focused on such loans, Mr. Simon said. It is one of the biggest privately held agency servicers, with about $11 billion of servicing rights, and “it's much better to originate the servicing than to purchase it right now.”

Freedom also would get significant sales operations in the Southeast, the Southwest, and the Midwest, as well as a platform with a bigger emphasis on third-party lending, whose lower fixed costs it likes, he said. (It has focused on the Middle Atlantic, the Northeast, and the West Coast.)

His company sees an opportunity to add more nonconforming products to its “well-established set of delivery channels,” Mr. Simon said. Mr. Simon said, Irwin Mortgage has roughly 100 offices, mostly sales offices.

Irwin Financial said it expects to sell the origination platform and the servicing rights this quarter.

But that discussions with potential buyers for the servicing platform were not as far along. A spokesman said the servicing operation has about 125 employees; the origination shop has about 650.

David Konrad, an analyst at Keefe, Bruyette & Woods Inc., said he was surprised Irwin was not planning to sell the servicing rights and operations together. He also said that, despite the company’s other explanations for its decision to quit the first-mortgage business, the volatility of servicing rights and related hedging had been a big problem for Irwin in recent years.

Irwin also said it would probably take another $14.3 million of charges related to the sale of the two operations, after taking a $5.7 million charge in the second quarter. The additional charges do not reflect “any potential gain (or loss)” on the sale of the servicing assets.

First-mortgage home equity lending plunged 58% from a year earlier, to $211 million; the unit has lost money in several recent

Miller: “Six months longer than we had hoped” to wait for a deal.

quarters. Irwin recently replaced the management of its Irwin Home Equity and shut down almost all the unit’s retail operations, eliminating 145 jobs, or 22% of the unit’s work force.

Also Monday, the San Francisco lender Transnational Financial Network Inc. said it had agreed to buy the mortgage division of “a large regional bank holding company” with stock. The deal is expected to close by mid-September.

Transnational did not name the seller, which would become one of its largest shareholders. Joseph Kristul, Transnational’s CEO, said early Monday that he could not discuss the deal yet.

His company said the acquisition should almost double its volume. In the second quarter, it originated $125 million.

The mortgage M&A market has been growing hotter by the day, mostly because of companies clos-
Harland: Software Offsets Check Sales

Declining consumer check use drove down second-quarter earnings at John H. Harland Co., but was offset by growth in the Atlanta company’s software division.

Harland, the No. 2 check printer after Deluxe Corp. of Shoreview, Minn., reported Friday that its net income fell 12.1% from the same period last year, to $16.5 million.

Earnings per diluted share fell 9%, to 61 cents, and consolidated sales rose 8.4%, to $259.4 million.

Timothy C. Tuff, Harland’s chairman and chief executive, said in a press release that the second-quarter results were solid “but came in at the low end of our guidance due to lower volumes in checks and our traditional forms business.”

Harland said sales by its printed products division rose 5.9%, to $159 million, but net income fell 2.2%, to $26.5 million, because of the loss of a large customer (which the vendor did not name) and slower orders from several others.

In recent years many consumers have decreased their use of checks and increased their use of payment cards and online bill payment services.

Sales by the software and services division climbed 18.8% to 73.6 million, and net income grew 13.3%, to $7.6 million.

Harland has made efforts to expand its technology business to offset the decline in demand for checks. For example, it acquired the core processing outsourcer Intrieve Inc. last year.

Sales by Harland’s third division, the educational testing equipment company Scantron, fell 0.7%, to $27.1 million, though its net income rose 18.2%, to $6.3 million, because of improvements in its cost structure.

Harland expects to earn 57 to 62 cents a share this quarter and $2.83 to $2.88 this year.

The vendor said it bought back 717,400 of its shares in the second quarter at an average price of $42.43 each. It is authorized to buy back nearly 1.8 million more.

Harland’s stock price fell 12.8% Friday to $39.50, and slipped again on Monday. At midday it was trading at $34.03, down 1.19%.

— Will Wade

Deere & Co. to Use Fidelity National Tool

The agricultural and commercial equipment maker Deere & Co. has licensed the Profile core banking system from Fidelity National Information Services Inc. to process its U.S. installment loan portfolio.

Art Woodcock, the vice president of retail lending at the Moline, Ill., manufacturer’s John Deere Credit, said last week in a Fidelity National press release that his company is converting from a mainframe system to Fidelity’s core processing system to support its “future growth and continued focus on customer service.”

John Deere Credit has $13.1 billion of financing receivables. James Meenagh, a spokesman for the unit, said the company plans a phased rollout of the Profile system over the next 18 to 24 months.

Fidelity National, which is majority owned by Fidelity National Financial Inc. of Jacksonville, Fla., said the licensing deal illustrates the value that nonbank lenders find in its core system offerings.

(Fidelity National plans to spin off its technology unit next quarter.)

Hundreds of institutions in 16 countries use the Profile system for real-time processing of accounts, Fidelity National Information said.

Fidelity’s Profile software uses a single database of customer accounts and company products, and keeps track of deposit and loan transactions, in multiple currencies.

Frank Sanchez, the president of Fidelity National Information, said in the release that, “we look forward to working with John Deere Credit to ensure that it realizes the most value from our solutions.”

— Steve Bills

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More Banks Can Receive Check Images, Poll Finds

**TECHNOLOGY**

**BY STEVE BILLS**

The number of banks and credit unions that can receive check images is rising sharply, further reducing the need to print image replacement documents.

Though many large banks were quick to install imaging equipment in recent years, they quickly found that they could use the technology only to settle transactions with other banks that had the technology, and they had to use IRDs to settle the rest. However, according to the Electronic Check Clearing House Organization, at the end of June nearly 4,000 financial companies — almost a quarter of the industry were ready to receive images, and most of them were small and midsize companies.

David Walker, the Dallas clearing house president, said it was no longer tracking the number of companies that could send files, because the number of receivers has become more important.

Technically, Echo is tracking not the number of companies that can receive images, but the amount of routing and transit numbers that banks are using to do so. At the end of June there were 3,990.

Most of the financial companies receiving images are using just a single routing number, Mr. Walker said. Even large banking companies, which often have numbers for different regions or business units, are rolling them out one number at a time. As a result, the routing number total closely correlates with the number of companies that can receive images.

“It’s a significant number,” and one that surprises many in the industry who had been concerned about slow adoption of image exchange, he said.

(A large banking company recently started using image exchange — The Clearing House Payments Co. LLC announced Monday that PNC Financial Services Group Inc. of Pittsburgh had begun exchanging images over its SVPCO Image Payments Network. PNC is the 15th participant in the network, which connects with the Federal Reserve Banks’ image system.)

Echo’s numbers show electronic clearing continuing to close in on substitute checks. In June, 43% of the 206.8 million image checks cleared electronically.

Echo said $404.37 million of Eccho’s numbers show electronic clearing continuing to close in on substitute checks. In June, 43% of the 206.8 million image checks cleared electronically.

Mr. Walker said banks often clear high-dollar checks using IRDs, because of advantages such as faster settlement, but they have been slower to open routing numbers for high-value payment types — such as controlled disbursement for corporate customers — to receive images.

“You don’t want to experiment with high-value checks,” he said.

Still, $2.3 billion of checks were paid in the first half using images for at least part of the process, and the value is climbing every month, Mr. Walker said.

“We’ve never had a major change in the payment systems of the U.S. that has proceeded as rapidly as this one has,” he said. “The pace of this change is really unprecedented.”

Aaron McPherson, the research manager of payments at Financial Insights Inc., a Framingham, Mass., unit of International Data Group Inc., said that small banks and credit unions are quicker to receive images than their large rivals.

“It is a large number, but less surprising if you take into account the size of the banks involved,” Mr. McPherson wrote in an e-mail. Small banks outsource their check processing to a third party that can spread the cost of upgrading across its customer base, or the banks are small enough to use less expensive technology that can be replaced more quickly.

The more extensive, often custom-built, processing systems at large banks, make it more difficult and expensive for them to upgrade to image exchange, Mr. McPherson said. “However, clearly they are driving enough volume to give us the numbers we are seeing here. These cannot be all community bank checks.”

**Cyphermint Unveils PayCash Mobile**

The electronic payment vendor Cyphermint Inc. has developed a mobile payment system linked to its prepaid cards.

People can use PayCash Mobile to initiate payments with their phone by using Internet-capable devices, such as cell phones and computers, Cyphermint said. It can also be used from PayPal kiosks.

The Marlborough, Mass., company announced PayCash Mobile on Monday. It plans to expand the service in October by allowing people to fund the accounts from other credit and debit cards.

Joe Barboza, Cyphermint’s president and chief executive, said that though the initial focus is on enabling people to use the service to pay for goods and services, “we believe that the real market is in person-to-person transfers.”

PayCash Mobile can be used only to send money to a maximum of 10 payees on a user-created list of merchants or friends.

The 10-payee limit was set to make the tracking of payments easier, in part to comply with the USA Patriot Act. Mr. Barboza said it will be raised if the service becomes more widely used, he said.

There are six million PayCash users, Mr. Barboza said. Consumers and merchants must have PayCash accounts to receive payments and must pay a 2% fee to do so.

Cyphermint’s service enters a nascent but increasingly heated landscape for mobile payments. PayPal Inc. recently brought its service to mobile phones and is marketing both the person-to-person function and a system letting users of mobile phones buy items advertised with a PayPal Text-To-Buy logo. PayPal, of San Jose, is a unit of eBay Inc. Other rivals include OboPay Inc. of Palo Alto, Calif., and Vaya Inc. of Newton, Mass., which offers a service called MobileLime.

Banks and mobile phone carriers are testing versions that combine mobile phone hardware with contactless cards.

— Daniel Wolfe
CitiStreet Hones Products for Small-Corporate Marketplace

**BY STEVE GARMHAUSEN**

CitiStreet is using an improved product roster and a veteran sales staff to make inroads in the competitive small-business retirement market, the unit’s chief says.

The joint venture between State Street Corp. and Citigroup Inc., which was started in 2000, is known for its bigger clients, but it has also attracted 6,000 small corporate clients with $20 billion of assets, said Pat Bello, the executive vice president in charge of small corporate sales. The roster of small-plan sponsors, with assets of roughly $75 million or less, is expected to grow by 7% a year during the next three to five years, said Mr. Bello, and assets from this group will grow 7% annually as well.

Sales to small businesses rose 21% in the first half of this year, and revenue from these customers rose 14% compared with a year earlier, according to CitiStreet, which is headquartered in Quincy, Mass.

The plan sponsors are evenly dispersed over the East and West coasts and in large cities in between, Mr. Bello said.

Denise Valentine, a senior analyst at the Boston consulting firm Celent LLC, characterized getting 6,000 clients in five years as “fairly impressive.”

Success in retaining sales talent is part of the reason for the improvement, Mr. Bello said. His 17 regional sales directors have average tenures of seven and a half years, which is saying something in a business where talent is poached regularly by competitors, he said. These tenures include time at Citigroup before CitiStreet’s start-up.

“Perhaps a more important factor is that the company has fleshed out its product menu, he said. At first, CitiStreet offered only a variable annuity product, but it has added solutions for businesses of every size.

The latest addition, aimed at businesses with $15 million to $100 million of plan assets, is Framewor(k), a fully bundled 401(k) program that is sold through financial advisers at Smith Barney.

The small-plan retirement market, which has been underserved because small businesses lack the deep pockets needed to afford coverage, is a busy area these days, Ms. Valentine said. “I think everyone has recognized there is a gap,” she said. “So some of what is going on in the marketplace is heightened awareness.”

To lure small-business clients, CitiStreet and its rivals are offering plans that are essentially free of charge. The asset managers share revenue with the distributors so that the plan sponsors do not have to write a check, Mr. Bello explained.

CitiStreet also uses a best-of-breed approach in choosing outside money managers in order to attract clients, he said. And the partnership has leveraged its scale — the entire enterprise has $200 billion of assets under management so it can offer small corporations servicing features such as interactive Web tools, he said.

A year and a half ago, for instance, it introduced a function that lets sponsors choose which categories of information they want to extract from their plan, he said.

Still, the small-plan market is challenging because of its high turnover — small businesses are more prone to fail, Mr. Bello said. “It’s also a very predatory marketplace,” he said. “Brokers and more aggressive salespeople operating in this group have got more pull.”

The turnover is such that CitiStreet should actually increase its small-corporate assets and plans by 10% or 11% annually but is counting on just 7% growth as customers go out of business, he said. Small corporate plans account for 10% of CitiStreet’s business, a share that is likely to remain unchanged as the entire business grows, Mr. Bello said.

“It’s absolutely on our radar,” he said. “But we don’t think we’re at the tipping point yet.”

CitiStreet still has plenty of room to grow using its current approach, he said. Creating a corps of managers to oversee an adviser channel would make the business less lucrative than CitiStreet’s simply going after the business itself, he explained.

Mr. Bello expects 7% annual growth in his small-business retirement unit.

IN BRIEF

**Mich. Insurer’s Profit Up 51%**

Fremont Michigan InsuraCorp Inc., a Michigan property/casualty company, reported a $39.9 million income for the quarter ended June, up 51% from $26.3 million a year earlier.

ProShare Hires ETF Sales Exec

ProShare Advisors LLC, a Bethesda, Md., exchange-traded fund manager, announced Monday that it had hired Robert Holderith to be a vice president and the national sales manager for ETF products.

ProShare appointed Holderith to its newly created sales post to direct the push for its innovative ETFs. The company, which was started in June, introduced that month the first exchange-traded funds designed to provide short exposure or magnified exposure to major market indexes.

Mr. Holderith was a corporate vice president at UBS Financial Services Inc., where he worked for nine years.

GlobalBridge, Ally To Aid Banks on Institution Assets

**BY MATT ACKERMANN**

GlobalBridge Inc., a Minneapolis open architecture managed account provider, says it plans to launch a platform to help trust banks gather institutional assets.

GlobalBridge said it would announce a partnership today with Mercer Investment Consulting Inc., a global provider of investment consulting services to fiduciaries of pension funds, foundations, and endowments, to give its customers investment research and consulting. The companies will offer the GlobalEdge platform to help banks compete for share in the institutional market.

Kelly Coughlin, GlobalBridge’s chairman and chief executive officer, said banks’ share of institutional assets has been cut in half in the past 10 years by wire houses, brokers, and other financial advisers.

GlobalEdge is designed to help banks leverage their local presence, wealth management expertise, and pricing advantage to attract institutional clients, he said.

“For trust banks to erase some of the erosion that has occurred in terms of their market share, they need to consider different tools and different expertise,” he said.

The Mercer partnership will give GlobalBridge the ability to help midsize trust banks attract institutional clients with more than $300 million of assets. Mr. Coughlin said, and he expects his company to use the platform to nearly double its base of customers — from 45 banks to 85 by the end of next year.

He said he expects the company, which was started in 2000, to reach $1 billion of assets under custody this quarter. GlobalBridge has $850 million of assets under custody to reach $1.3 billion by yearend. “Our plan is to double our assets every year for the next four years,” he said. GlobalEdge will also help him to do that.

“Some of this expectation is lofty given market conditions and an overwhelming trend away from banks. Mary McAloon, a principal and the director of relationship management at GlobalBridge, said banks are not losing institutional accounts — they just are not developing new ones because they do not offer open architecture with managed account services.

Prudential and Sungard are competing with GlobalBridge to offer open architecture managed accounts through banks’ analysts said. Mercer Investment Consulting, GlobalBridge’s new partner, is a unit of Mercer Human Resource Consulting, an operating company of Marsh & McLennan Cos. Inc.

Mr. Coughlin said GlobalBridge would continue to look for growth by working with banks that want to expand their service offerings. Though GlobalBridge’s bank customers are heavily concentrated in the seven or eight states of the Upper Midwest, Ms. McAloon said the company will continue to look in areas with concentration of trust banks.

“Y ou’d think that California and Seattle would have a lot of trust banks, but we find more clients in Iowa than we do in California,” she said.

Mr. Coughlin said GlobalBridge does not plan to look in any specific region for new customers. “We don’t have geographic qualifications,” he said; “we have cultural qualifications.”

“We are finding excellent acceptance in second-tier cities outside of the primary markets,” he added. “We are finding these firms a lot more receptive and open-minded. We are more than happy to let our competition fight for the top 25 cities and the top 25 banks.”
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Renaissance Chicago Hotel
Chicago, IL

October 4-6, 2006
14th Annual ATM, Debit & Prepaid Forum
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October 11-13, 2006
15th Annual Card Collections Conference
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Las Vegas, NV

October 11-13, 2006
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LaCosta Resort & Spa
Carlsbad, CA

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11th Annual Small Business Banking Conference
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Baltimore, MD

November 2-3, 2006
Health Savings Accounts Symposium
Boca Raton Resort & Club
Boca Raton, FL

November 6-7, 2006
Operational Risk Management Forum
Boston Park Plaza Hotel & Towers
Boston, MA

November 28, 2006
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### Top 50 Banks

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Price</th>
<th>PS 52 Wk</th>
<th>P/E</th>
<th>Yld.</th>
<th>Last Chg.</th>
<th>% Change: Day</th>
<th>% Change: Week</th>
<th>% Change: Month</th>
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<tr>
<td>1</td>
<td>Bank of America</td>
<td>47.40</td>
<td>2.452</td>
<td>18.9</td>
<td>9.37</td>
<td>0.59</td>
<td>-0.28%</td>
<td>0.32%</td>
<td>-1.32%</td>
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<tr>
<td>2</td>
<td>JPMorgan Chase</td>
<td>47.30</td>
<td>2.573</td>
<td>16.7</td>
<td>3.30</td>
<td>0.69</td>
<td>-0.27%</td>
<td>0.35%</td>
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</tr>
<tr>
<td>3</td>
<td>Wells Fargo</td>
<td>46.70</td>
<td>2.227</td>
<td>16.1</td>
<td>3.65</td>
<td>0.54</td>
<td>-0.29%</td>
<td>0.30%</td>
<td>-1.34%</td>
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<td>4</td>
<td>Morgan Stanley</td>
<td>43.80</td>
<td>2.279</td>
<td>13.8</td>
<td>8.08</td>
<td>0.24</td>
<td>-0.28%</td>
<td>0.34%</td>
<td>-1.35%</td>
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<td>Bank of the West</td>
<td>37.70</td>
<td>1.983</td>
<td>14.2</td>
<td>4.76</td>
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### Top Losers

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<th>Name</th>
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<td>Zions Bancorp</td>
<td>36.00</td>
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<td>15.6</td>
<td>1.70</td>
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<td>34.00</td>
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<td>15.3</td>
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<td>30.60</td>
<td>1.830</td>
<td>12.6</td>
<td>3.70</td>
<td>0.11</td>
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<td>0.00%</td>
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<td>1.770</td>
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<td>0.41</td>
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<td>8.08</td>
<td>0.24</td>
<td>-0.28%</td>
<td>0.34%</td>
<td>-1.35%</td>
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<tr>
<td>5</td>
<td>Bank of the West</td>
<td>37.70</td>
<td>1.983</td>
<td>14.2</td>
<td>4.76</td>
<td>0.19</td>
<td>-0.29%</td>
<td>0.36%</td>
<td>-1.38%</td>
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### Southern Banks

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<th>P/E</th>
<th>Yld.</th>
<th>Last Chg.</th>
<th>% Change: Day</th>
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Improved Outlook for Several in Puerto Rico

By LAURIE KULIKOWSKI

Puerto Rican banking stocks received a lift Monday when an analyst upgraded five of the island’s companies.

Thomas J. Monaco, an analyst at Sterne Agee & Leach Inc., wrote in a research note that even though the next six months will be "extremely challenging" for banking companies in Puerto Rico, there is "enough positive momentum" to upgrade several companies.

He said he visited several of the companies last week and believes the banking market there is ripe for consolidation.

Mr. Monaco raised his rating to "buy," from "hold," on three San Juan companies — R&G Financial Corp., the $48.6 billion-asset Popular Inc., and the $2.4 billion-asset EurobancShares Inc. He upgraded First BanCorp and U.S. Banco, each of which were "hold" ratings.

On Monday, First BanCorp (NYSE:FBPOP) shares rose 3.9%, R&G (NYSE:RGG) 2.7%, Popular (NYSE:POP) 0.4%, and EurobancShares (NYSE:EBK) 5.1%. W Holding's stock was flat.

"We don’t feel the island is out of the economic frying pan," M S McGreevy said. "Puerto Rico could be heading into a recession, and the local banks are knee deep in funding cost pressures and deteriorating credit quality." Any rally in the Puerto Rican banking stocks could be "short lived." A popular analyst for First BanCorp, he said it was "comforting to see that the analyst community is seeing Puerto Rico in a new light — and that there is light at the end of the tunnel.

Mr. Monaco noted that the banks' "buy, " from "hold, " on three San Juan companies — R&G Financial Corp., the $48.6 billion-asset Popular Inc., and the $2.4 billion-asset EurobancShares Inc. He upgraded First BanCorp and U.S. Banco, each of which were "hold" ratings.

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9% Earnings Drop at Anchor of Wis.

Bankcorp Wisconsin Inc. on Monday reported a 9% year-over-year drop in earnings for its fiscal first quarter, to $10.6 million.

The Madison company’s diluted earnings per share for the three months, which ended June 30, fell 6%, to 49 cents. That missed estimates by 4 cents, according to Thomson Financial. The $4.4 billion-asset bank said its earnings fell because it had fewer real estate development projects in California. Income from real estate development partnerships fell 61%, to $4.5 million. That lowered noninterest income by 29%, to $13.3 million.

Anchor’s net interest income after provisions for loan losses fell 1%, to $31.6 million. Its loan-loss provision was reduced by 29%, to $13.3 million.

Greater Bay Cut to ‘Market Perform’

Greater Bay Bancorp of East Palo Alto, Calif., was downgraded Monday by an analyst who expressed concern about its net interest margin and its insurance business.

On Friday the $7.4 billion-asset Greater Bay reported a second-quarter profit of $23.1 million, up 11% from a year earlier. Earnings per share rose 8 cents to 46 cents, beating Wall Street’s expectations by 4 cents.

But analysts calculated that excluding unusual items, core earnings were anywhere from 44 cents to 38 cents. The company said its net interest margin contracted 9 basis points in the quarter from the first and 1 basis point from a year earlier, to 4.26%, and said its ABD Insurance and Financial Services unit is facing an industrywide weakness in premiums.

In a report issued Monday, Manuel Ramirez of Keefe, Bruyette & Woods Inc. lowered his rating on Greater Bay’s shares to “market perform” from “outperform.”

“Our revisions primarily reflect a lower NIM and reduced earnings contribution from ABD, offset partially by better expense discipline at the bank level and lower credit costs,” the report said.

Greater Bay’s shares are nearly fully valued, but the company could improve earnings by cutting costs, Mr. Ramirez wrote.

Fed Reports Brisk Credit Growth

U.S. consumer credit expanded at a rapid clip in June, led by gains in revolving credit, the Federal Reserve said Monday.

Consumer credit outstanding rose $10.3 billion in June, to $2.18 trillion, according to the latest report from the Fed. That followed a $5.9 billion consumer credit increase in May, previously estimated as a $4.4 billion expansion. June credit growth was well above Wall Street estimates for a $3.8 billion expansion during the month.

The consumer credit data exclude home mortgages and other real estate-secured loans. They tend to be high early in the month and are frequently revised.

The latest report shows that in June households increased nonrevolving credit, such as cars and boat loans.

Nonrevolving credit grew $3.6 billion, to $1.366 trillion. That followed a $1.5 billion drop in May, previously reported as a decline of $2.2 billion.

Revolving debt, which mainly reflects credit card financ-

ing, grew $6.6 billion, to $820.7 billion. That followed a $7.4 billion increase in May, marking the sharpest two-month rise since September-October 2004. Consumer credit over all grew in June at a seasonally adjusted annual rate of 5.7% following May’s 3.3% rate.

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Interest-Mortgage Buys in Calif.

Interest-Mortgage Investment Co., a unit of Sterling Financial Corp. of Spokane, has acquired the $625 million servicing portfolio, the name, and other assets of the Oak-land, Calif., commercial mortgage bank Mason-McDuffie Financial Corp.

Sterling did not say how much it paid. The deal closed July 31 and was announced Friday.

Interest will operate under the Mason-McDuffie name in northern California, where the Oakland firm had been doing business since 1887. Campbell O’Neill, who has been with Mason-McDuffie for 35 years, was named the unit’s president.

The unit opened a Sacramento office in 2004 and since then has made more than $450 million of construction and interim loans in northern California.

Clarification

In the Aug. 7 paper, a story on page 17, “U.S. Ban- corp to Phase Out Money Transfers via ATMs,” said that Bank of America had discontinued a similar program but did not say that it continues to offer remittances under the SafeSend brand. Recipients must pick up the funds over the counter.

MARKETS

BY LAURIE KULIKOWSKI

— Ben Jackson

BY LAURIE KULIKOWSKI

— John Celle

BY LAURIE KULIKOWSKI

— Dow Jones