

America's Best And Worst Banks 2014

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Forbes has ranked the 100 largest publicly traded banks and thrifts each year since 2009. Banks have come a long way since the financial crisis threatened to implode the global banking system. U.S. bank failures are down to 24 this year versus 157 in 2010, but the financial health of the biggest banks is still mixed. To sort out the best and worst, we turned to financial data firm SNL Financial.

SNL supplied data regarding the asset quality, capital adequacy and profitability of the biggest banks by assets. They range in size from \$2.5 trillion JPMorgan Chase to Rockland, Mass.-based Independent Bank with \$5.9 billion in assets. The metrics included return on average equity; net interest margin; nonperforming loans (NPLs) as a percentage of loans; nonperforming assets as a percentage of assets; reserves as a percentage of NPLs; two capital ratios (Tier 1 and risk-based) and leverage ratio. The data is based on regulatory filings of banks and thrifts through the third quarter of 2013. While SNL provides the data, the rankings are done exclusively by Forbes.

We tweaked the methodology this year for the first time since 2009 by adding revenue growth for the latest 12 months as a component. Banks have shored up their balance sheets, but revenue growth remains elusive. Revenue data was pulled from Reuters via FactSet Research Systems. The nine metrics were weighted equally in the final ranking.



SIGNATURE BANK

#2 Signature Bank

Headquarters: New York, N.Y.

Assets: \$21 billion

Price/Book value: 1.6

NPLs/Loans: 0.4%

Reserves/NPLs: 260%

Signature focuses on servicing the bank needs of privately held businesses in the New York metro area. Earnings are up more than 500% over the past five years.

Rank	Company	Total assets (\$bil)	Return on avg equity	NPLs/total loans	Reserves/NPLs*	Tier 1 ratio	Leverage ratio
1	Prosperity Bancshares	\$16	9.3%	0.1%	1,000+%	14.7%	7.4%
2	Signature Bank	21	12.7	0.4	260	14.6	8.7
3	State Street	217	10.0	0.0	178	17.3	7.2
4	Community Bank System	7	9.3	0.6	186	16.2	9.4
5	Bank of Hawaii	14	14.8	0.7	293	15.4	7.0

*NPLs: Nonperforming loans include loans 90+ days past due and nonaccrual loans.

Source: SNL Financial