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BEST BANKS
IN AMERICA

America's Best Banks 2017

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U.S. bank stocks have been on a tear since the November presidential election. The KBW Nasdaq Bank Index is up 23% since that time, with investors expecting interest rates to rise, propelling bank profits, and for President-elect Donald Trump to ease regulation of the sector.

It has been a turbulent decade for the banking sector. Banks have mostly recovered from the late 2000s financial crisis after a multitude of asset write-downs, settlements and fines. There have been only 13 bank failures the past two years, compared to 297 during 2009 and 2010. “The banking industry is healthy. Across the board, banks are well-capitalized and credit quality is strong,” says Chris Vanderpool, Senior Analyst at S&P Global Market Intelligence. “Despite those things, loan growth has been sluggish and profit margins are compressed.”

To gauge the financial condition of the biggest banks, Forbes turned to S&P Global Market Intelligence, for data regarding growth, credit quality and profitability for the 100 largest banks and thrifts by assets. The result: America's Best Banks 2017. The 10 metrics used in the rankings are based on regulatory filings through Sept. 30. The data is compliments of S&P Global Market Intelligence, but the rankings are done solely by Forbes.

The No. 1-ranked bank this year is Los Angeles-based PacWest Bancorp, the hold-

ing company for Pacific Western Bank. The \$21 billion-in-assets bank scores in the top 20 in eight of the 10 metrics we measured, including a 5.4% net interest margin, third-best among the 100 largest banks, and 1.6% return on average assets, which ranked fourth.

PacWest offers commercial banking services at 77 branches throughout the state of California. The firm also has one office in Durham, N.C., acquired in the fourth quarter of 2015 when PacWest bought 10-year-old Square 1 Financial for \$815 million — it focuses on lending to venture capital and private equity investors. The Square 1 purchase added \$3.1 billion in assets and was the 28th acquisition for PacWest since it was founded in 1999.

PacWest's stock is up 38% over the last 12 months, but it still trades at just 1.5 times its book value compared to an average of 2.1 times book for the rest of the banks ranked in the top 20.

Ontario, Calif.-based CVB Financial ranks second this year, down one spot from 2016. CVB is the holding company for Citizens Business Bank, which like PacWest is focused on the California market. CVB is the second smallest of the 100 largest banks with assets of \$8 billion, but it has been incredibly consistent with 158 straight quarters of profitability and 109 consecutive cash dividends.

CVB ranked in the top 10 in half of the 10 metrics we used to rate the banks, with its net chargeoffs as a percent of average loans sec-

ond lowest in the country. CVB is expected to close its acquisition of Valley Commerce Bancorp in the first quarter, which will add more than \$400 million in assets.

Rounding out the top five are Community Bank System, Western Alliance Bancorp and Glacier Bancorp.

The four biggest banks in the U.S. have a combined \$8.5 trillion in assets, or nearly \$4 trillion more than the combined total of the next 100 biggest banks and thrifts. Yet, none of the Big Four could crack the top 50 of America's Best Banks thanks to low net interest margins, weak revenue growth and high levels of net charge-offs as a percent of loans. JPMorgan Chase was the best performer at No. 57, followed by Wells Fargo (No. 63) and Citigroup (No. 72).

Bank of America ranks No. 97. The \$2.2 trillion-in-assets financial behemoth only ranked in the top half of banks on one of 10 metrics (risk-based capital ratio) and operating revenue was down over the past 12 months. “The metrics in this report are backward-looking and don't reflect the current performance of Bank of America,” according to a BofA spokesperson.

Wells had the biggest drop of the Big Four, down 11 spots. The bank had a brutal year with revelations of a cross-selling scandal in which Wells' sales staff created up to 2 million unauthorized consumer accounts in order to hit sales goals. Embattled CEO John Stumpf retired amidst the scandal after 10 years in charge of the country's third biggest bank. **F**

AMERICA'S BEST BANKS 2017

Rank	Company	Total assets (\$bil)	ROATCE	NPA's/ assets	CET1 ratio	Efficiency ratio	LTM revenue growth
1	PacWest Bancorp	21	16.00%	1.20%	12.80%	41%	24%
2	CVB Financial	8	11.9	0.5	16.6	45	2
3	Community Bank System	9	14.3	0.3	15.7	62	15
4	Western Alliance Bancorp	17	18.3	0.8	9.8	44	40
5	Glacier Bancorp	9	12.8	1.3	13.9	56	9
6	First Republic Bank	68	14.2	0.1	10.5	56	19
7	Bank of Hawaii	16	16.4	0.4	13.4	58	7
8	Home BancShares	10	20.3	0.8	11	39	22
9	Prosperity Bancshares	21	18.1	0.3	14.4	41	-3
10	FCB Financial Holdings	9	12.6	0.5	11.8	46	65
11	Bank of the Ozarks	18	16.8	0.6	10.2	36	35
12	First Hawaiian	20	15.5	0.3	12.3	47	3
13	South State	9	15.5	0.5	11.5	62	4
14	Capital One Financial	345	14.2	0.9	10.6	51	9
15	East West Bancorp	33	15.4	0.6	10.9	51	7
16	First National of Nebraska	19	14	1	11.4	58	14
17	Central Banco.	12	10.4	0.8	15.4	59	8
18	Cullen/Frost Bankers	30	12.7	0.3	12.4	57	3
19	Cathay General Bancorp	14	12.3	1.1	12.6	51	8
20	LegacyTexas Financial	8	13.9	0.7	8.9	48	28
21	Investors Bancorp	23	5.7	0.5	17	54	5
22	Signature Bank	38	11.9	0.6	12	32	21
23	Hope Bancorp	14	10.6	0.9	12	52	16
24	Pinnacle Financial Partners	11	15.4	0.4	7.6	52	46
25	Renasant	9	15.8	0.8	10.2	65	37
26	WesBanco	10	13.2	0.5	11.1	59	8
27	First Financial Bancorp	8	13.9	0.7	10.2	59	7
28	Umpqua Holdings	25	11.4	0.3	11.3	64	0
29	Banner	10	7.5	0.5	11.6	74	79
30	Columbia Banking System	10	12.3	0.4	11.4	60	2
31	Washington Federal	15	9.9	1.2	17.5	48	3
32	Commerce Bancshares	25	12.4	0.4	11.7	61	5
33	First Interstate BancSystem	9	13.1	1.1	12.3	59	3
34	Hilltop Holdings	12	9.5	0.3	17.8	84	5
35	Customers Bancorp	10	14.9	0.3	7.1	55	37
36	Sterling Bancorp	14	14.9	0.8	9.9	50	37
37	State Street	256	20	0	12.3	73	-3
38	Simmons First National	8	14	1.5	13.8	63	12
39	PrivateBancorp	19	12.1	0.9	9.7	50	13
40	SVB Financial Group	43	11	0.3	12.8	53	5
41	BankUnited	27	9.9	0.7	11.6	59	16
42	BB&T	223	15.3	0.8	10.1	61	12
43	M&T Bank	127	12.7	0.9	10.8	58	14

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44	Heartland Financial USA	8	15.9	0.8	9	68	19
45	Provident Financial Svcs	9	11.3	0.8	11.8	57	4
46	International Bancshares	12	9.4	0.8	16.8	54	-2
47	MB Financial	19	14	0.6	8.7	67	9
48	Capitol Federal Financial	9	6	0.5	32	44	2
49	Great Western Bancorp	12	15	1.5	10.2	50	NA
50	Banc of California	11	20.6	0.9	8.9	76	26
51	Flagstar Bancorp	14	13.7	1	12	69	7
52	United Bankshares	14	13.8	0.9	10.1	46	4
53	Union Bankshares	8	11.8	0.4	9.8	63	5
54	Fifth Third Bancorp	143	14.6	1.4	10.2	57	12
55	Northern Trust	120	12.8	0.2	11.2	70	4
56	BancorpSouth	15	8.7	0.6	12.1	74	3
57	JPMorgan Chase	2,521	13.4	0.7	12	59	2
58	U.S. Bancorp	454	19.3	1	9.5	55	4
59	Old National Bancorp	15	14.6	1.1	11.8	65	4
60	United Community Banks	10	10.7	0.9	11	62	29
61	Berkshire Hills Bancorp	8	11.7	0.4	9.5	63	15
62	F.N.B.	22	13.2	0.7	9.1	61	19
63	Wells Fargo	1,942	16.2	1.3	10.9	58	2
64	NBT Bancorp	9	13.3	0.6	9.8	62	4
65	First Midwest Bancorp	12	10.7	0.7	9.4	65	11
66	Chemical Financial	17	11.1	0.7	10.5	66	24
67	Bank of New York Mellon	374	24.4	0.1	10.5	68	0
68	Wintrust Financial	25	11.1	0.6	8.7	66	12
69	UMB Financial	20	9.2	0.5	11.8	74	11
70	Trustmark	13	10.1	0.9	12.4	69	0
71	Popular	39	8.2	4.2	16.6	63	0
72	Citigroup	1,818	8.3	0.8	14.3	60	-6
73	PNC Financial Services	369	12.3	1	10.6	61	-1
74	First Citizens BancShares	33	8.2	0.8	12.5	74	0
75	Northwest Bancshares	10	4.9	1.2	12.1	79	17
76	IBERIABANK	21	11.2	1.8	10.1	61	15
77	Zions Bancorp.	61	7.6	1.2	12	67	5
78	TFS Financial	13	4.8	1.5	19.7	60	2
79	Fulton Financial	19	10.2	1	10.4	67	4
80	TCF Financial	21	11.6	1.7	10.4	69	5
81	Webster Financial	26	11.7	1.1	10.5	62	8
82	BOK Financial	33	8.5	0.9	12	68	5
83	Texas Capital Bancshares	22	9.6	0.9	7.6	55	12
84	First BanCorp.	12	5.3	9.2	17.6	61	-5
85	Regions Financial	125	10.6	1.7	11.2	64	7
86	People's United Financial	41	10.8	0.8	9.7	64	4
87	Citizens Financial Group	147	7.7	1.2	11.3	65	8
88	New York Comm. Bancorp	49	-0.6	0.1	10.3	113	-48
89	Synovus Financial	30	8.4	1.2	10	65	6
90	Astoria Financial	15	5.4	1.6	17.6	73	-3
91	Huntington Bancshares	101	11.5	1.3	9.1	68	10
92	KeyCorp	136	8.3	0.8	9.6	71	8

Rank	Company	Total assets (\$bil)	ROATCE	NPAs/ assets	CET1 ratio	Efficiency ratio	LTM revenue growth
93	SunTrust Banks	205	11.6	1.7	9.8	63	5
94	Valley National Bancorp	22	9.4	0.9	8.7	73	13
95	Comerica	74	6.2	1.1	10.7	69	6
96	First Horizon National	28	10.9	1.5	9.8	73	9
97	Bank of America	2,199	9.9	0.9	11	67	-1
98	EverBank Financial	29	8.3	0.8	9.7	71	0
99	Hancock Holding	23	7.4	1.4	10.1	65	4
100	Associated Banc-Corp	29	10.1	1.3	9.3	67	4

If data is not reported at the holding company level, the banking subsidiary data was used.

NA: Not available; LTM: Latest 12-months.

ROATCE: return on average tangible common equity

NPAs: nonperforming assets, excluding government-guaranteed loans and other real estate owned under FDIC loss-share plans

CET1 ratio: common equity Tier 1 capital as a percentage of risk-weighted assets; prior to reporting under Basel III, the CET1 ratio was known as the Tier 1 common ratio under the general risk-based rules.

Source: S&P Global Market Intelligence.

*For a detailed methodology, please visit www.forbes.com

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