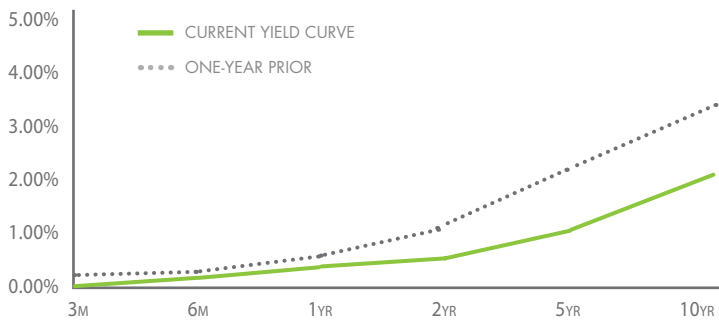


# FL SAFE MARKET UPDATE



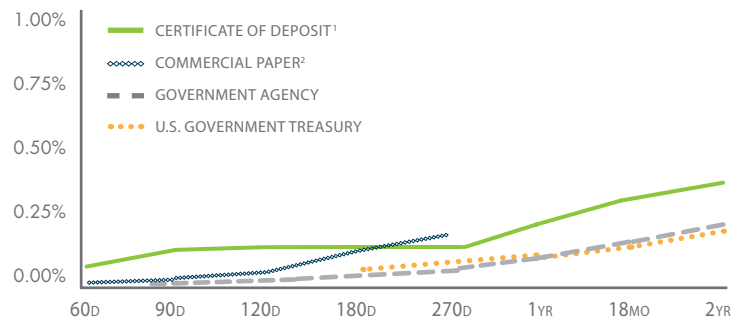
MARCH 2012

## Historical Yield Curve



Source: Bloomberg Finance L.P., 3/1/12

## Indicative Rates

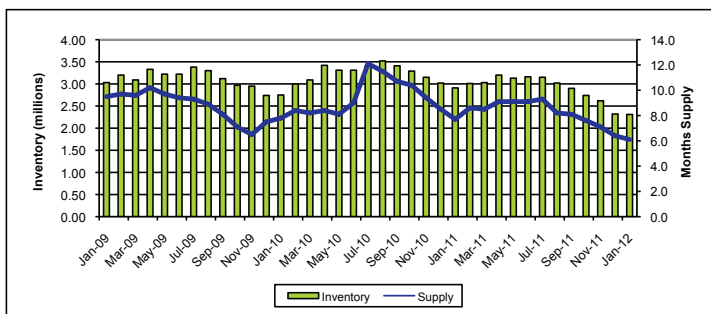


<sup>1</sup> Average of top three QPD banks; <sup>2</sup> General Electric Capital Corp.  
 Source: PMA Financial Network, Inc., Bloomberg Finance L.P., 3/1/12

## FEATURED ECONOMIC INDICATOR

### Housing Sales and Inventory

Total existing-home sales, which are completed transactions that include single-family homes, townhomes, condominiums and co-ops, increased 4.3% to a seasonally adjusted annual rate of 4.57 million in January. Distressed homes - foreclosures and short sales - accounted for 35% of January sales, down from 37% a year ago. Investors purchased 23% of homes compared to 29% in January 2011. Total housing inventory at the end of January fell 0.4% to 2.31 million existing homes available for sale, which represents a 6.1 month supply at the current sales pace. Total inventory has declined 20.6% from a year ago and the supply of inventory is lower than it has been in more than three years. Source: National Association of Realtors



Source: Bloomberg, 3/1/12

## U.S. Economic Indicators

Event	Event Date	Period	Actual / Survey (S)	Prior / Revised (R)
Producer Price Index (YoY)	02/16/12	JAN	4.1%	4.8%
Consumer Price Index (YoY)	02/17/12	JAN	2.9%	3.0%
Existing Home Sales	02/22/12	JAN	4.57M	4.38M (R)
S&P Case-Shiller Composite-20 (YoY)	02/28/12	DEC	-3.99%	-3.85% (R)
GDP QoQ (Annualized)	02/29/12	4Q S	3.0%	2.8%
ISM Manufacturing	03/01/12	FEB	52.4	54.1
Initial Jobless Claims	03/01/12	FEB 25	351K	353K (R)
Change in Nonfarm Payrolls	03/09/12	FEB	216K (S)	243K
Unemployment Rate	03/09/12	FEB	8.3% (S)	8.3%

Source: Bloomberg Finance L.P., 3/1/12

## RECENT NEWS

### Bank Earnings Up, Revenues Down

FDIC insured banks posted record earnings in 2011 on lower provisions for loan losses. Declines in nonperforming assets and net chargeoffs allowed banks to set aside less for future loan losses. This boost to net income is not sustainable because there is a limit to how far provisions for loan losses can be reduced. Positive news on asset quality and net income was partly offset by a decrease in total revenue compared to 2010. Both net interest income and noninterest income declined for the year. Net interest income posted its first full-year decline since 1971. Total noninterest income fell due to lower servicing income, reduced gains on loan sales, and lower income from service charges on deposit accounts. Source: FDIC Quarterly Banking Profile

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