DATA DISPATCH

Most US banks beat provision estimates in Q4 2025 as credit concerns ease

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Market Intelligence

Provisions for credit losses and net charge-offs at US banks in the fourth quarter of 2025 were mostly below analysts' estimates as credit concerns eased.

About 74% of 58 banks that reported fourth-quarter 2025 results as of Jan. 26 booked provisions for credit losses below consensus estimates, according to S&P Global Market Intelligence data. About 67% of the banks recorded net charge-offs (NCOs) below estimates.

Piper Sandler analyst R. Scott Siefers said credit quality was a "bright spot" during the period, with credit concerns easing following noise related to nondepository financial institution loans in the prior quarter.

"Looking ahead, customers (both commercial and consumer) remain resilient, and this year's theme on credit seems to be stability. Bottom line: No meaningful credit concerns to speak of," the analyst wrote in a Jan. 26 note.

$50B-plus banks

JPMorgan Chase & Co.'s $4.66 billion provision for credit losses for the fourth quarter of 2025 exceeded the consensus estimate by $795.4 million, the largest margin among peers. The company established a $2.2 billion reserve for its purchase of the Apple credit card portfolio and booked increased NCOs, mainly due to its wholesale business, according to an earnings release.

Citigroup Inc. booked a $2.20 billion provision, $368.1 million below analyst estimates, mainly comprising net credit losses in US cards. For 2026, Citi expects card net credit losses to be within the ranges given for 2025, with CFO Mark Mason saying during an earnings call that "we're not seeing anything unexpected" in terms of delinquencies.

A net provision release and lower NCOs drove First Citizens BancShares Inc.'s provision of $54.0 million, $93.6 million below expectations. The release was tied to "lower specific reserves on impaired loans, a mix shift to higher credit quality loan portfolios and improvement in the macroeconomic outlook," CFO Craig Nix said.

M&T Bank Corp.'s provision of $125 million was $21.3 million lower than the consensus estimate. Its NCOs of $185 million were $35.4 million above expectations and increased sequentially due to the resolution of three credits totaling over $100 million, CFO Daryl Bible said.

The provision at Regions Financial Corp. was $11.1 million below estimates at $115.0 million, while the charge-offs exceeded expectations by $18.8 million, totaling $142.0 million. The company believes credit quality deterioration peaked a few quarters ago, positioning credit quality for continued improvement, President, CEO and Chairman John Turner said.

Provisions and NCOs at select US public banks with total assets above $50B, Q4 2025

Ranked by total assets

Company (ticker)	Dec. 31, 2025, total assets ($B)	Provision for credit losses ($M) Q4 2025[1]	Vs. estimated Q4 2025[2]	Full-year 2026 estimate[2]	NCOs ($M) Q4 2025[1]	Vs. estimated Q4 2025[2]	Full-year 2026 estimate[2]
JPMorgan Chase & Co. (JPM)	4,424.90	4,655.0	795.4	12,254.4	2,514.0	-22.2	10,698.3
Bank of America Corp. (BAC)	3,410.39	1,308.0	-187.3	6,126.1	1,287.0	-168.1	5,837.2
Citigroup Inc. (C)	2,657.20	2,196.0	-368.1	10,598.7	2,190.0	-142.4	9,654.0
Wells Fargo & Co. (WFC)	2,148.63	1,040.0	-68.7	4,702.2	1,046.0	-5.0	4,494.8
U.S. Bancorp (USB)	692.35	577.0	-4.9	2,387.7	527.0	-21.8	2,225.6
PNC Financial Services Group Inc. (PNC)[3]	573.57	139.0	-81.9	1,003.6	162.0	-49.6	871.8
Truist Financial Corp. (TFC)	547.54	512.0	18.0	1,925.1	470.0	-9.5	1,822.3
First Citizens BancShares Inc. (FCNC.A)	229.70	54.0	-93.6	618.7	143.0	-1.6	578.5
Citizens Financial Group Inc. (CFG)	226.35	137.0	-10.3	559.9	155.0	4.3	552.1
Huntington Bancshares Inc. (HBAN)[4]	225.11	123.0	-16.0	577.6	89.0	-4.8	515.3
Fifth Third Bancorp (FITB)[5]	214.38	119.0	-21.9	690.6	125.0	0.2	633.7
M&T Bank Corp. (MTB)	213.51	125.0	-21.3	571.1	185.0	35.4	550.9
KeyCorp (KEY)	184.38	108.0	-2.5	439.3	104.0	-7.6	437.0
Regions Financial Corp. (RF)	159.55	115.0	-11.1	489.8	142.0	18.8	458.7
Zions Bancorp. NA (ZION)	88.99	6.0	-20.9	117.9	7.0	-15.2	95.7
Webster Financial Corp. (WBS)	84.07	42.0	-5.5	197.3	49.5	8.8	174.4
First Horizon Corp. (FHN)	83.88	0.0	-30.4	140.5	30.0	-0.3	130.9
East West Bancorp Inc. (EWBC)	80.43	30.0	-8.4	160.4	11.5	-16.5	127.1
Comerica Inc. (CMA)[5]	80.07	14.0	-17.0	123.1	3.0	-26.6	116.1
Old National Bancorp (ONB)	72.15	32.7	2.2	138.3	32.1	0.0	130.6
Wintrust Financial Corp. (WTFC)	71.14	27.6	-7.2	138.9	21.8	-4.1	106.0
SouthState Bank Corp. (SSB)	67.20	6.6	-10.9	93.0	10.5	-3.2	60.5
Columbia Banking System Inc. (COLB)	66.83	23.0	-9.1	119.0	30.0	-0.1	114.5
Pinnacle Financial Partners Inc. (PNFP)[6]	57.71	34.1	5.1	273.9	27.0	7.7	193.9
Cadence Bank (CADE)[4]	53.53	28.0	-1.3	119.9	26.1	1.2	102.3
BOK Financial Corp. (BOKF)	52.24	0.0	-7.2	36.2	1.4	-3.4	25.5
F.N.B. Corp. (FNB)	50.23	18.9	-5.0	92.5	16.4	-3.4	72.3

Data compiled Jan. 26, 2026.

NCOs = net charge-offs.

Analysis limited to select US public banks with more than $50 billion in total assets as of Dec. 31, 2025, that reported earnings up to Jan. 23, 2026. In addition, companies must have an available Visible Alpha estimate for loan loss provisions and net charge-offs for the fourth quarter of 2025 and full calendar year of 2026.

[1] Actual data for the fourth quarter of 2025 represents the actual results reported by each company from as-reported financials.

[2] Estimated data is collected on a consensus basis from analyst research reports by Visible Alpha. Estimated data for the fourth quarter of 2025 is based on the mean calculation as of Jan. 9, 2026, before the earliest earnings release date of the companies included, while estimated data for full calendar year of 2026 is based on the mean calculation as of Jan. 26, 2026.

[3] PNC Financial Services Group Inc. acquired FirstBank Holding Co. on Jan. 5, 2026.

[4] Huntington Bancshares Inc. announced the acquisition of Cadence Bank on Oct. 27, 2025.

[5] Fifth Third Bancorp announced the acquisition of Comerica Inc. on Oct. 6, 2025.

[6] Pinnacle Financial Partners Inc. and Synovus Financial Corp. completed a merger of equals on Jan. 1, 2026.

Comparison between the actual and estimated data for loan loss provisions and net charge-offs is rounded off to one decimal point.

Data based on GAAP filings.

Sources: S&P Global Market Intelligence; Visible Alpha.

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$20B to $50B banks

Among banks with assets between $20 billion and $50 billion, Bank OZK reported the highest provision at $50.6 million, $12.3 million above expectations. During the fourth quarter of 2025, the bank reported a higher NCO ratio and negative credit migrations as some commercial real estate loans encountered challenges.

Despite the CRE stress, Bank OZK is "seeing signs of improving conditions" for several customers and their projects, according to management comments. "I think we're getting toward the later stages, really in late stages of the CRE cycle," Chairman and CEO George Gleason said during an earnings call.

BankUnited Inc.'s provision of $25.6 million and NCOs of $24.9 million were both higher than consensus expectations. The NCOs were "slightly elevated from where we'd like to see [them]" due to a fraud-related write-off on a $10 million loan, executives said.

Fulton Financial Corp. posted a $2.9 million provision, $12.5 million below projections. The provision was positively affected by a $5 million recovery from a loan acquired from failed Republic First Bank, CFO Richard Kraemer said.

Provisions and NCOs at select US public banks with total assets between $20B and $50B, Q4 2025

Ranked by total assets

Company (ticker)	Dec. 31, 2025, total assets ($B)	Provision for credit losses ($M)			NCOs ($M)		
		Q4 2025[1]	Vs. estimated Q4 2025[2]	Full-year 2026 estimate[2]	Q4 2025[1]	Vs. estimated Q4 2025[2]	Full-year 2026 estimate[2]
Associated Banc-Corp (ASB)[3]	45.20	7.0	-11.7	84.3	2.3	-13.4	71.8
Bank OZK (OZK)	40.79	50.6	12.3	185.1	98.3	67.6	174.8
Atlantic Union Bankshares Corp. (AUB)	37.59	2.2	-10.7	56.9	0.9	-6.5	34.2
Hancock Whitney Corp. (HWC)	35.47	13.1	-0.9	62.4	13.0	0.6	52.4
BankUnited Inc. (BKU)	35.04	25.6	7.1	72.0	24.9	10.1	63.1
Banc of California Inc. (BANC)	34.80	12.5	1.5	49.7	2.7	-5.8	37.0
United Bankshares Inc. (UBSI)	33.66	9.2	0.1	48.9	9.3	2.6	37.4
Commerce Bancshares Inc. (CBSH)[4]	32.92	16.0	2.0	61.7	9.9	-1.5	48.9
Fulton Financial Corp. (FULT)[5]	32.12	2.9	-12.5	62.8	14.3	0.9	55.6
Glacier Bancorp Inc. (GBCI)	31.98	35.7	10.6	34.9	6.4	0.0	23.4
Texas Capital Bancshares Inc. (TCBI)	31.54	11.0	-4.0	68.3	10.7	-2.6	55.3
Eastern Bankshares Inc. (EBC)	30.59	4.9	-7.4	34.3	9.8	4.0	21.1
United Community Banks Inc. (UCB)	28.00	13.7	-0.3	57.6	16.4	6.1	46.0
WaFd Inc. (WAFD)[6]	27.29	3.5	-1.7	22.9	3.7	-1.2	21.7
Independent Bank Corp. (INDB)	24.91	4.8	-1.2	23.1	5.3	1.3	18.8
Customers Bancorp Inc. (CUBI)	24.90	22.3	-0.9	96.1	13.7	-3.6	72.3
Simmons First National Corp. (SFNC)	24.54	15.1	4.6	48.5	48.7	14.5	44.9
Cathay General Bancorp (CATY)	24.23	17.2	-0.5	67.6	5.4	-8.4	54.0
Home BancShares Inc. (HOMB)[7]	22.88	14.4	9.9	26.6	2.5	-0.3	19.6

Data compiled Jan. 26, 2026.

NCOs = net charge-offs.

Analysis limited to select US public banks with between $20 billion and $50 billion in total assets as of Dec. 31, 2025, that reported earnings up to Jan. 23, 2026. In addition, companies must have an available Visible Alpha estimate for loan loss provisions and net charge-offs for the fourth quarter of 2025 and full calendar year of 2026.

[1] Actual data for the fourth quarter of 2025 represents the actual results reported by each company from as-reported financials.

[2] Estimated data is collected on a consensus basis from analyst research reports by Visible Alpha. Estimated data for the fourth quarter of 2025 is based on the mean calculation as of Jan. 9, 2026, before the earliest earnings release date of the companies included, while estimated data for full calendar year of 2026 is based on the mean calculation as of Jan. 26, 2026.

[3] Associated Banc-Corp. announced the acquisition of American National Bank on Dec. 1, 2025.

[4] Commerce Bancshares Inc. acquired the remaining 99.13% stake in FineMark Holdings Inc. on Jan. 1, 2026.

[5] Fulton Financial Corp. announced the acquisition of Blue Foundry Bancorp on Nov. 24, 2025.

[6] The fourth calendar quarter of 2025 represents the company's first fiscal quarter of 2026.

[7] Home Bancshares Inc. announced the acquisition of Mountain Commerce Bancorp Inc. on Dec. 8, 2025.

Comparison between the actual and estimated data for loan loss provisions and net charge-offs is rounded off to one decimal point.

Data based on GAAP filings.

Sources: S&P Global Market Intelligence; Visible Alpha.

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$10B to $20B banks

After three quarters of reporting higher-than-expected provisions, Eagle Bancorp Inc. reported normalizing credit quality in the fourth quarter of 2025. The company's provision was $15.7 million, $20.7 million below estimates.

CFO Eric Newell said in 2026, the provision at Eagle is not expected to match 2025 levels but could exceed 2024, considering the amount of criticized and classified loans.

"We do expect the [allowance for credit loss] coverage to decline this year. We do expect that there is potential loss content in that $783 million, some of which we've identified and have reserved through specific reserves, so it is sitting in the ACL. But we also have some unidentified migration, portfolio migration, that are things that we don't know about yet," Newell said.

Among banks with $10 billion to $20 billion in assets, OFG Bancorp reported the largest higher-than-expected provision, at $31.9 million. The provision included $5.1 million for a specific reserve tied to a Puerto Rico telecommunications commercial loan.

"That's a very, very isolated case, very specific. So setting that aside, I think that we will continue monitoring credit and building reserve as needed," OFG CFO Maritza Arizmendi Diaz said.

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Ranked by total assets

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		Q4 2025[1]	Vs. estimated Q4 2025[2]	Full-year 2026 estimate[2]	Q4 2025[1]	Vs. estimated Q4 2025[2]	Full-year 2026 estimate[2]
ServisFirst Bancshares Inc. (SFBS)	17.73	7.9	-2.7	49.3	6.7	-0.2	30.7
Banner Corp. (BANR)	16.35	2.4	-3.6	22.1	0.9	-2.7	15.1
FB Financial Corp. (FBK)	16.30	1.2	-5.0	29.2	1.4	-2.1	18.0
CVB Financial Corp. (CVBF)[3]	15.63	-1.5	-3.1	10.3	-0.3	-1.4	7.5
First Financial Bankshares Inc. (FFIN)	15.45	-2.5	-6.5	18.1	0.4	-1.9	11.3
Dime Community Bancshares Inc. (DCOM)	15.34	10.9	0.8	38.1	7.3	-0.3	26.1
Live Oak Bancshares Inc. (LOB)	15.13	21.8	-2.3	89.9	13.7	-0.5	51.7
BancFirst Corp. (BANF)	14.84	-1.7	-4.4	10.9	1.6	-1.0	8.7
OceanFirst Financial Corp. (OCFC)[4]	14.56	3.7	0.2	21.7	2.0	0.4	17.0
First Bancorp (FBNC)	12.67	4.7	-1.0	15.9	1.1	-2.3	11.1
OFG Bancorp (OFG)	12.47	31.9	10.2	106.2	26.9	10.3	93.2
Eagle Bancorp Inc. (EGBN)	10.50	15.7	-20.7	61.7	12.3	-38.8	64.6

Data compiled Jan. 26, 2026.

NCOs = net charge-offs.

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[3] CVB Financial Corp. announced the acquisition of Heritage Commerce Corp on Dec. 17, 2025.

[4] OceanFirst Financial Corp. announced the acquisition of Flushing Financial Corp. on Dec. 29, 2025.

Comparison between the actual and estimated data for loan loss provisions and net charge-offs is rounded off to one decimal point.

Data based on GAAP filings.

Sources: S&P Global Market Intelligence; Visible Alpha.

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