DATA DISPATCH

US banks' loan growth continues to firm as Q3 2025 concludes

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Market Intelligence

US banks appear to have finished out the third quarter with modestly firming loan growth intact.

Year-over-year loan growth across domestically chartered banks steadily climbed to 4.2% at Sept. 24, according to the most recent weekly data from the Federal Reserve. That is up from 3.5% on June 25, the last weekly data before the end of the second quarter, and 2.2% on Dec. 25, 2024. Publicly traded banks will start reporting third-quarter financial results next week.

The growth comes with annual inflation reaccelerating to nearly 3% and mixed signals on the underlying strength of the economy. Consumers continue to spend at a healthy clip, even as labor market weakness prompted the Fed to cut the target for its policy rate in September.

"Loan growth has consistently improved over the last six quarters," Raymond James analysts said in an Oct. 7 note previewing earnings reports. While bank executives say "borrowers remain somewhat cautious on the tariffs, which is holding back growth, while also waiting for lower rates," overall the tone on growth outlooks has been optimistic, according to the analysts.

Estimated assets and liabilities at commercial banks

Seasonally adjusted

		As of Sept. 24, 2025 ($ trillion)	Change (%) Since June 25, 2025	YOY
Securities	Small domestically chartered	1.250	0.1	0.7
	Large domestically chartered	4.131	2.2	6.4
	All domestically chartered	5.381	1.7	5.0
	Foreign-related	0.271	2.5	9.9
	All banks	**5.652**	**1.7**	**5.3**
Loans and leases	Small domestically chartered	4.600	0.8	3.5
	Large domestically chartered	7.265	1.5	4.7
	All domestically chartered	11.865	1.2	4.2
	Foreign-related	1.215	1.1	9.0
	All banks	**13.080**	**1.2**	**4.7**
Cash assets	Small domestically chartered	0.518	0.4	4.2
	Large domestically chartered	1.367	-5.9	-9.6
	All domestically chartered	1.884	-4.2	-6.2
	Foreign-related	1.275	-13.4	1.3
	All banks	**3.160**	**-8.2**	**-3.3**
Deposits	Small domestically chartered	5.575	0.8	4.2
	Large domestically chartered	11.446	1.0	3.6
	All domestically chartered	17.020	0.9	3.8
	Foreign-related	1.398	-0.8	4.2
	All banks	**18.418**	**0.8**	**3.8**
Large time deposits	Small domestically chartered	0.742	-0.9	0.4
	Large domestically chartered	0.792	0.2	-3.1
	All domestically chartered	1.534	-0.3	-1.5
	Foreign-related	0.879	3.1	8.1
	All banks	**2.413**	**0.9**	**1.8**
Borrowings	Small domestically chartered	0.288	-3.3	-20.9
	Large domestically chartered	1.031	-1.7	7.0
	All domestically chartered	1.319	-2.0	-0.7
	Foreign-related	0.931	-2.5	0.4
	All banks	**2.250**	**-2.2**	**-0.2**

Data compiled Oct. 6, 2025.

Analysis based on the H.8 report released by the Federal Reserve on Oct. 3, 2025, for the week ended Sept. 24, 2025. The data is estimated by benchmarking weekly data provided by a sample of banks to quarter-end reports of condition (call reports).

The components listed are not representative of the banking industry's entire loan portfolio.

Source: S&P Global Market Intelligence.

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Nonbank lending

Trends within loan categories have been complicated by new reporting requirements under which hundreds of billions of dollars of loans have been reclassified as loans to nondepository financial institutions (NDFIs) this year.

Even without the reclassifications, NDFI lending has posted standout growth. Seasonally adjusted NDFI loan growth across domestically chartered banks was up 7.9% to $1.256 trillion from June 25 through Sept. 24, according to the weekly Fed data, and 4.3% after subtracting reclassifications into the category during the third quarter.



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The reclassifications have primarily come from commercial and industrial (C&I) and consumer loans. Seasonally adjusted C&I loans fell 0.6% to $2.164 trillion

from June 25 through Sept. 24, but increased by 1.7%, or an annual rate of about 7.1%, after adding the reclassifications back in.

Commercial real estate loan growth, which has been mostly unaffected by the reclassifications, continued to be soft in the third quarter. Seasonally adjusted CRE loans increased 0.3% to $2.909 trillion from June 25 through Sept. 24.

Estimated assets and liabilities at commercial banks

Not seasonally adjusted

		As of Sept. 24, 2025 ($ trillion)	Change (%) Since June 25, 2025	Change (%) YOY
Securities	Small domestically chartered	1.248	0.4	0.8
	Large domestically chartered	4.126	2.2	6.5
	All domestically chartered	5.374	1.8	5.2
	Foreign-related	0.271	1.0	9.8
	All banks	**5.645**	**1.7**	**5.4**
Loans and leases	Small domestically chartered	4.605	0.7	3.4
	Large domestically chartered	7.261	1.3	4.7
	All domestically chartered	11.867	1.1	4.2
	Foreign-related	1.220	1.8	9.4
	All banks	**13.086**	**1.1**	**4.7**
Cash assets	Small domestically chartered	0.498	2.5	3.8
	Large domestically chartered	1.319	-6.4	-10.1
	All domestically chartered	1.817	-4.1	-6.7
	Foreign-related	1.227	-17.1	2.0
	All banks	**3.044**	**-9.8**	**-3.4**
Deposits	Small domestically chartered	5.560	1.2	4.1
	Large domestically chartered	11.358	0.7	3.4
	All domestically chartered	16.918	0.9	3.6
	Foreign-related	1.390	-0.6	4.7
	All banks	**18.308**	**0.8**	**3.7**
Large time deposits	Small domestically chartered	0.752	0.4	0.5
	Large domestically chartered	0.789	0.0	-3.5
	All domestically chartered	1.541	0.2	-1.6
	Foreign-related	0.869	2.5	8.5
	All banks	**2.410**	**1.0**	**1.8**
Borrowings	Small domestically chartered	0.289	-9.0	-20.6
	Large domestically chartered	1.039	-0.2	6.9
	All domestically chartered	1.328	-2.2	-0.6
	Foreign-related	0.897	-6.1	2.1
	All banks	**2.225**	**-3.8**	**0.5**

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Deposits and cash

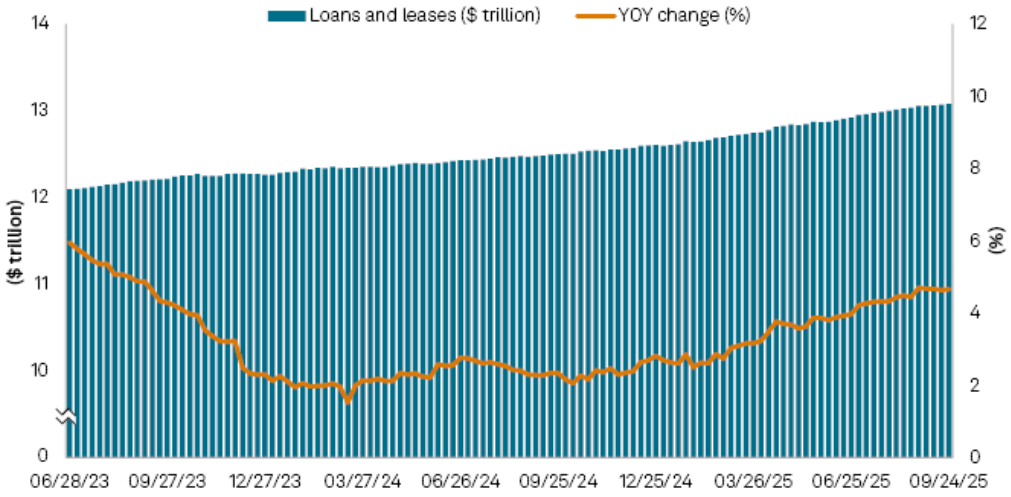
Year-over-year deposit growth continued to roughly keep pace with loan growth, averaging 3.6% across the weekly data for domestically chartered banks in the third quarter. Large time deposits contracted year over year for the group.

Seasonally adjusted cash at domestically chartered banks fell 4.2% from June 25 through Sept. 24 to $1.884 trillion, though the ratio of cash to assets across the group remains above pre-pandemic levels.

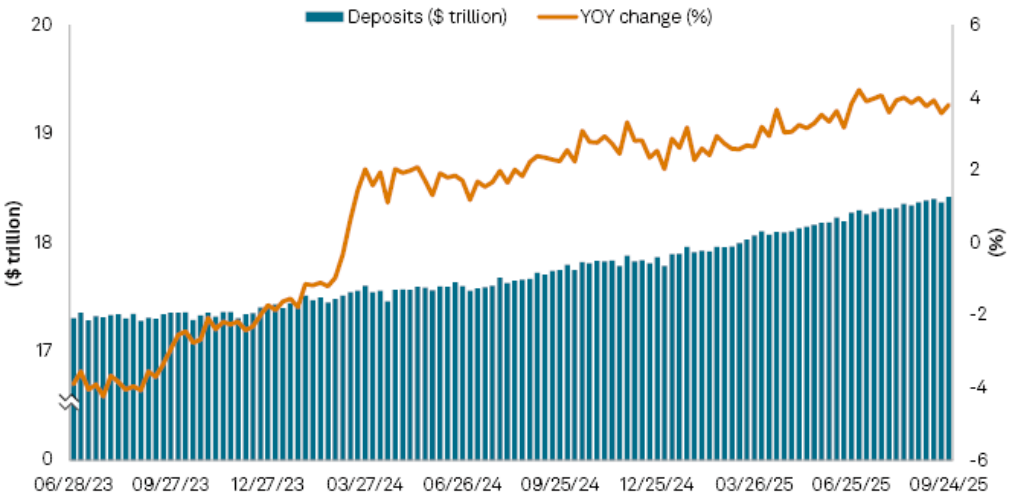
Seasonally adjusted borrowings fell 2.2% during the period to $1.319 trillion.

Estimated loans and deposits at commercial banks, seasonally adjusted

Loans and leases



Deposits



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