Oct. 2023 FAR:
Long-Term Implications of Recent Bank Distress Events

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All Banks

Uninsured Deposits:

Quarterly Change and Share of Total Deposits

Source: Acharya et al., 2023
Bank stocks since the SVB collapse

Source: Bloomberg, Apollo Chief Economist
Historical Losses on Uninsured Deposits

| Uninsured Depositor Losses and Loss Rates in Failed Banks Have Historically Been Low |
|---------------------------------|---------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                 | Total Failures | Number of Failures With Losses to Uninsured | Percent of Failures With Losses to Uninsured | Uninsured Losses ($ Millions) | Conditional Uninsured Loss Rate | Unconditional Uninsured Loss Rate |
| 1992–2007                       | 302            | 131                                           | 43%                                         | 148                           | 24%                          | 10%                          |
| 2008–2022                       | 536            | 34                                            | 6%                                          | 137                           | 43%                          | 3%                           |
| All                             | 838            | 165                                           | 20%                                         | 285                           | 28%                          | 6%                           |

Source: FDIC.
Note: Failed banks exclude failures resolved through assistance transactions in which institutions remain open. Information about failed banks and failed bank losses are from the FDIC Bank Failures and Assistance Data at [https://banks.data.fdic.gov/bankfind-suite/failures](https://banks.data.fdic.gov/bankfind-suite/failures) and from FDIC information on payments made to claimants in bank failures. Information about the dividends paid to claimants, including uninsured depositors, can be found in the Dividend Information section of the descriptions on the FDIC’s Failed Bank List at [https://www.fdic.gov/resources/resolutions/bank-failures/failed-bank-list/](https://www.fdic.gov/resources/resolutions/bank-failures/failed-bank-list/).
Proposals

- May 2023: FDIC “OPTIONS FOR DEPOSIT INSURANCE REFORM”
  - Limited, unlimited or targeted coverage

- August 2023
  - FDIC resolution planning rule by FDIC
    - A>$100b → comprehensive plans (First submissions in 2025)
  - FDIC-Fed-OCC long term debt rule
    - A>$100b → min level of LTD, similar to TLAC for GSIBs and MREL in EU