

Tales from the Credit Desk

PFMAM 26th Annual Investment Training Seminar

October 16, 2026

Robert Hajduch
Managing Director – Head of Taxable Credit
Research

Credit Research Team



Robert Hajduch

Managing Director

Taxable Credit Research, Banks, Global Finance

38 years experience



Eric Espeseth

Principal Credit Analyst

Automotive, oil and gas, utility, media, Canadian Banks

22 years experience



Ivan Yim

Principal Credit Analyst

23 years experience



Winnie Cheng, CFA

Principal Credit Analyst

Technology, personal care, healthcare, commercial services

40 years experience



Cynthia Ma, CFA

Principal Credit Analyst

Auto, equipment, utilities and ABS

19 years experience



Kevin Xie, CFA

Credit Analyst

Financials, P&C insurance, REITs, Canadian banks

7 years experience



Tim Russell

Managing Director

Municipal Credit Research

30 years experience



Marin Komlan

Senior Credit Analyst

Municipals

24 years experience



Joe Morrison

Credit Analyst

Municipals

5 years experience



Jackson Nelson

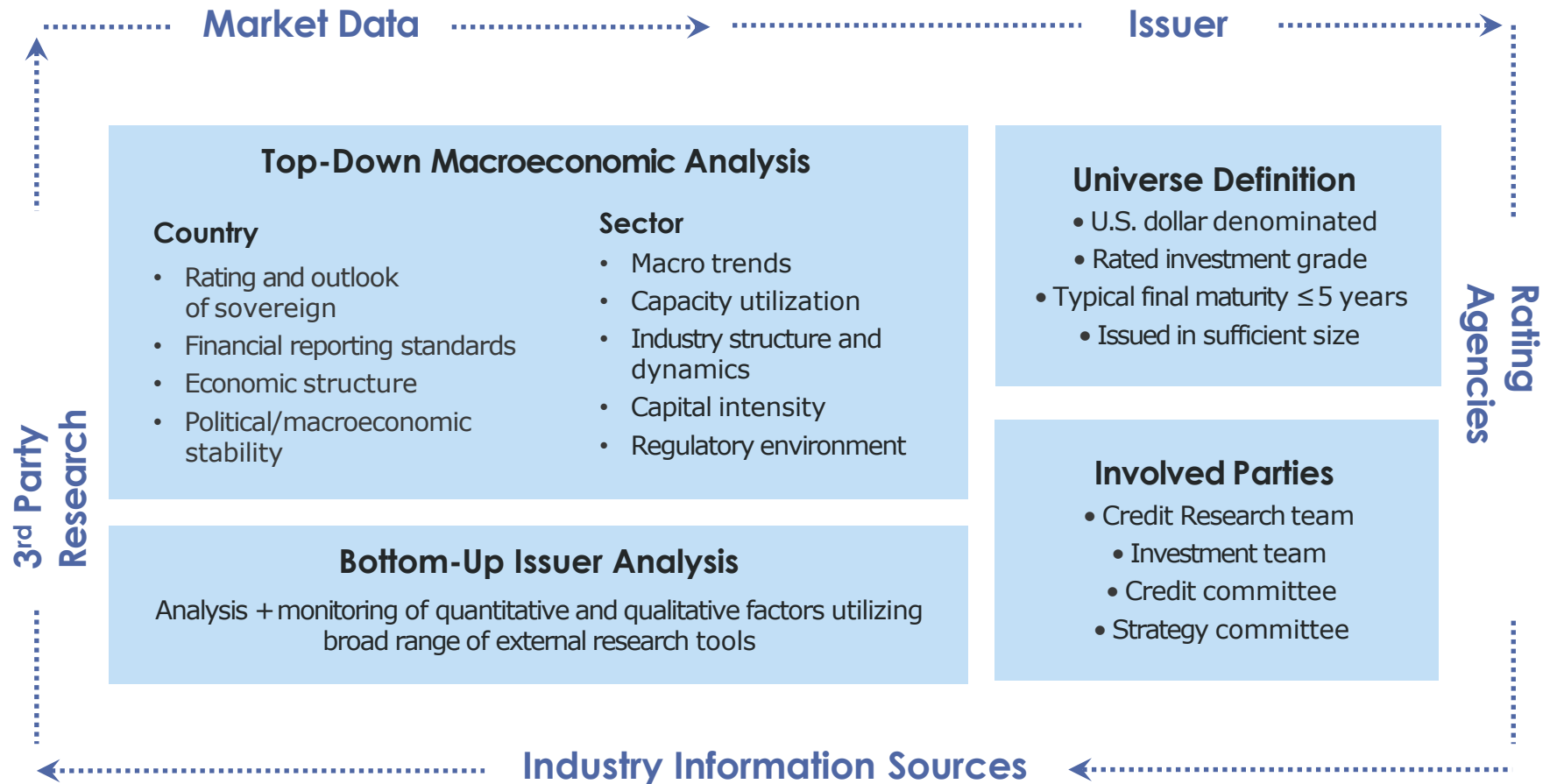
Credit Analyst

Tax-free analysis

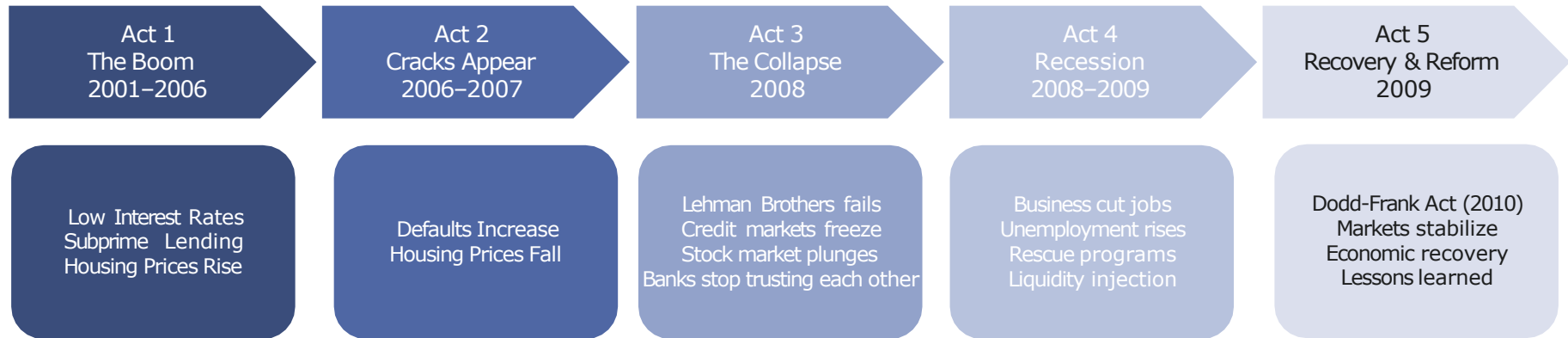
4 years experience

As of September 17, 2026

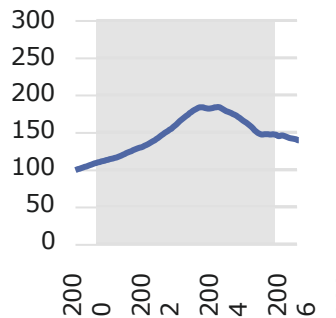
A Closer Look at Constructing the Approved List



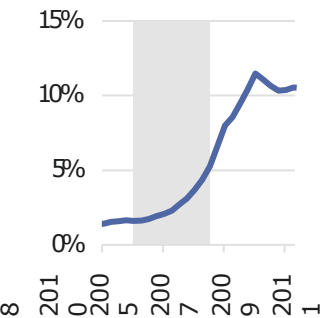
2008 Global Financial Crisis



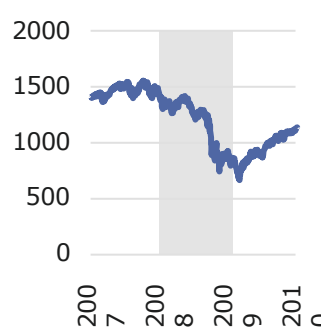
S&P/Case-Shiller Index



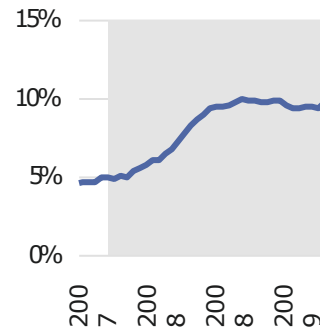
Subprime Delinquency Rates



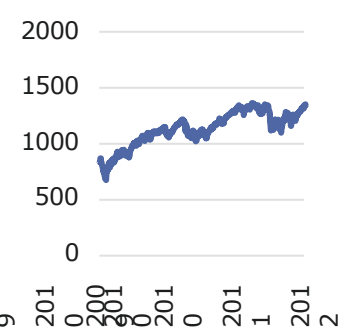
S&P 500 Index



Unemployment Rate



S&P 500 Index

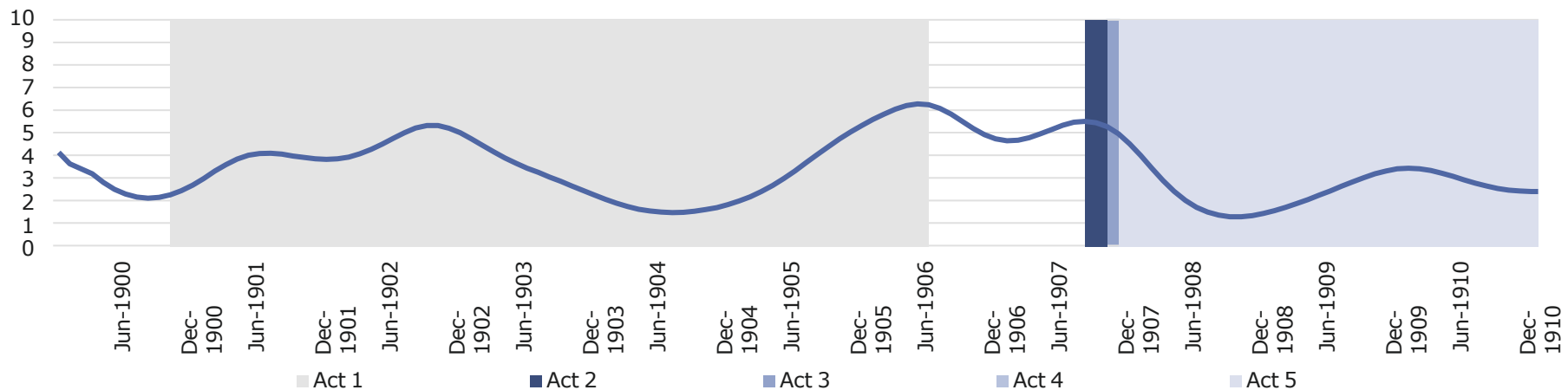


"Excessive risk-taking, a housing bubble, complex financial products, and the sudden loss of trust turned a housing downturn into a global economic crisis"

The Panic of 1907



Dow Jones Industrial Average



Sources: Federal Reserve, Bloomberg Finance L.P., S&P Dow Jones Indices, and Encyclopedia Britannica

Evolution of the U.S. Banking System

1791–1811

First Bank of the United States

1816–1836

Second Bank of the United States

1836–1913

No Central Bank

Panic of 1837

- Land speculation
- Credit Bubble

Panic of 1857

- Western Land Bubble
- Overbuilding of railroads
- Ohio Life Insurance and Trust Company Collapse

1863

- National Banking Acts of 1863 and 1864
- Federal Banking Charters
- Single National Paper Currency

Panic of 1873

- Bankruptcy of Jay Cooke and Company
- Economic depression until 1879

Panic of 1893

- Philadelphia and Reading Railroad Bankruptcy

Evolution of the U.S. Banking System

Panic of 1907

- Failed Corner of the Market for United Copper Co.
- Knickerbocker Trust Company Run

1913

Federal Reserve Created

1929–1939

- Stock Market Crash
- Great Depression
- 1932 – Federal Home Loan Bank System
- 1933 – Federal Deposit Insurance Company
- 1938 – Federal National Mortgage Association

1986–1995

- Savings & Loan Crisis
- High Inflation
- Rapid Deregulation
- 1995 – Riegle-Neal Act of 1994

2007–2009

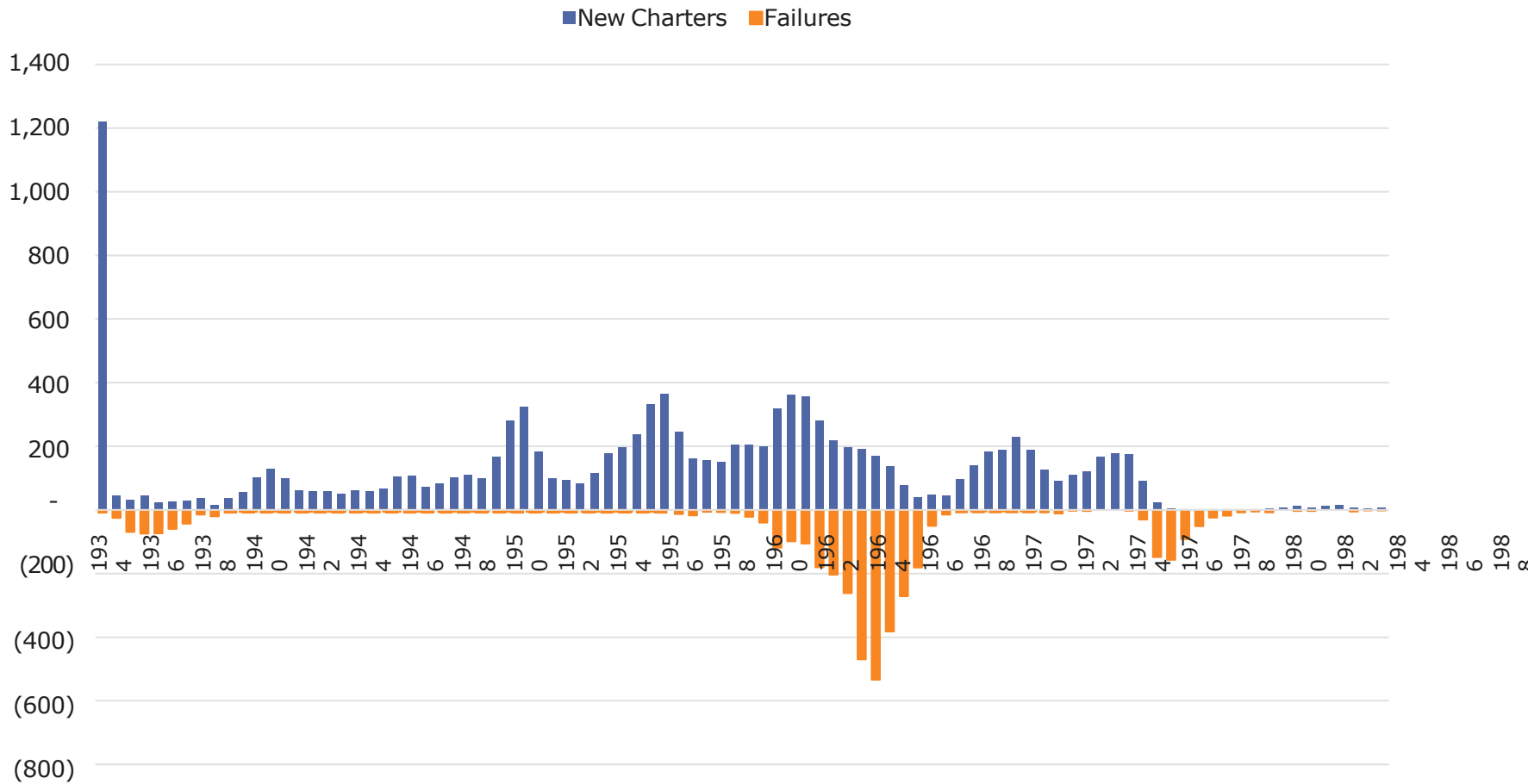
- Global Financial Crisis
- Collapse of U.S. Housing Bubble

2023

- Regional Bank Failures
- Silicon Valley, Signature, and First Republic Banks

New Charters vs. Failures

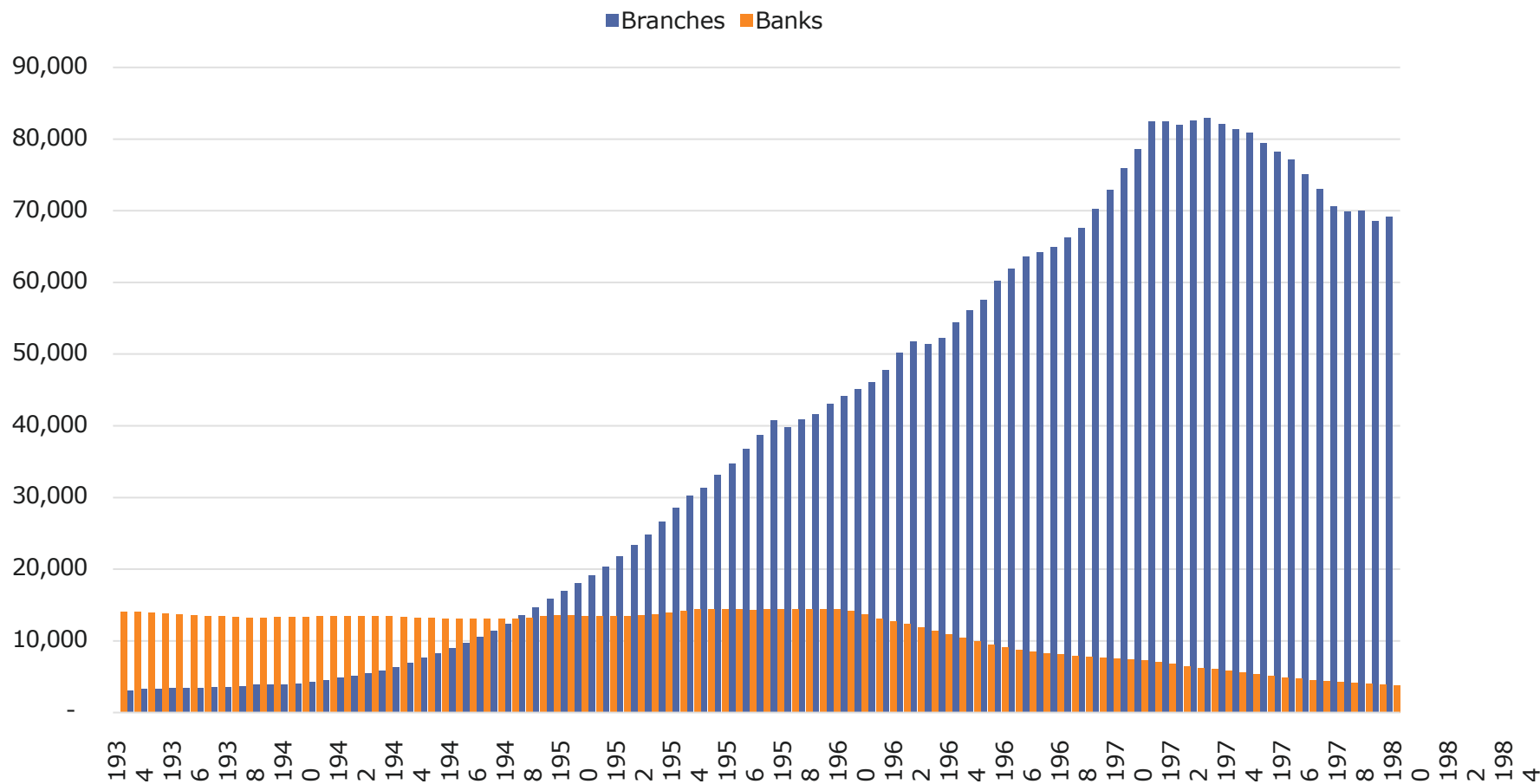
FDIC Insured Institutions New Charters vs Failures



Source: FDIC

FDIC Insured Commercial Banks and Branches

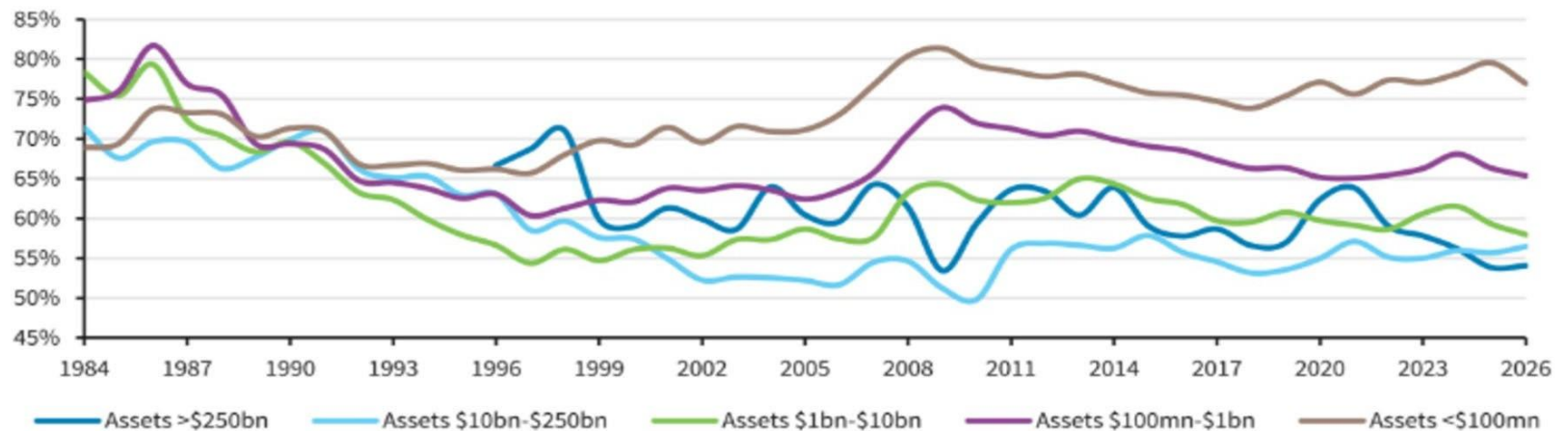
FDIC Insured Commercial Banks and Branches



Source: FDIC

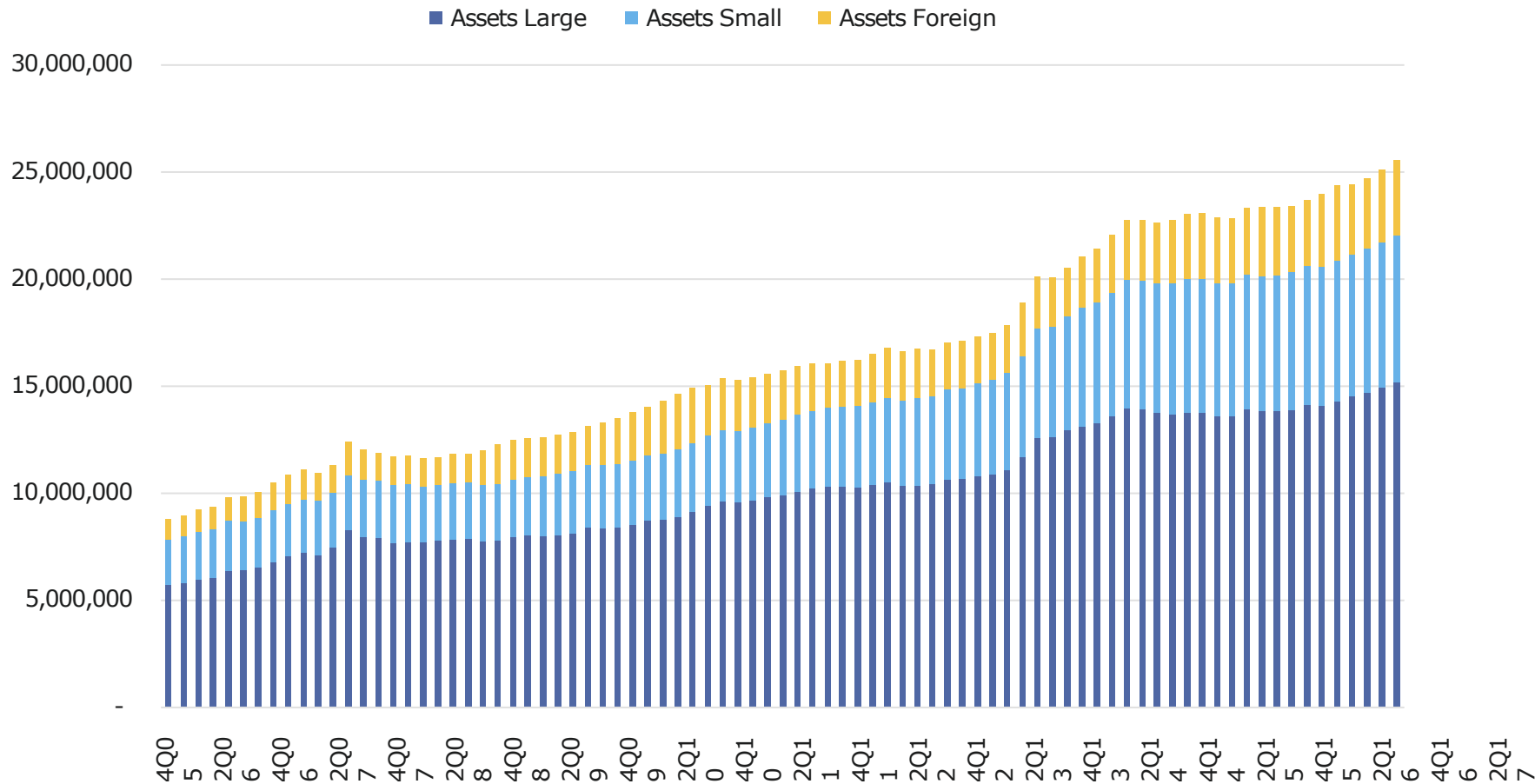
Efficiency Ratio, by Asset Size

Efficiency Ratio, by Asset Size



U.S. Banking System Assets Distribution

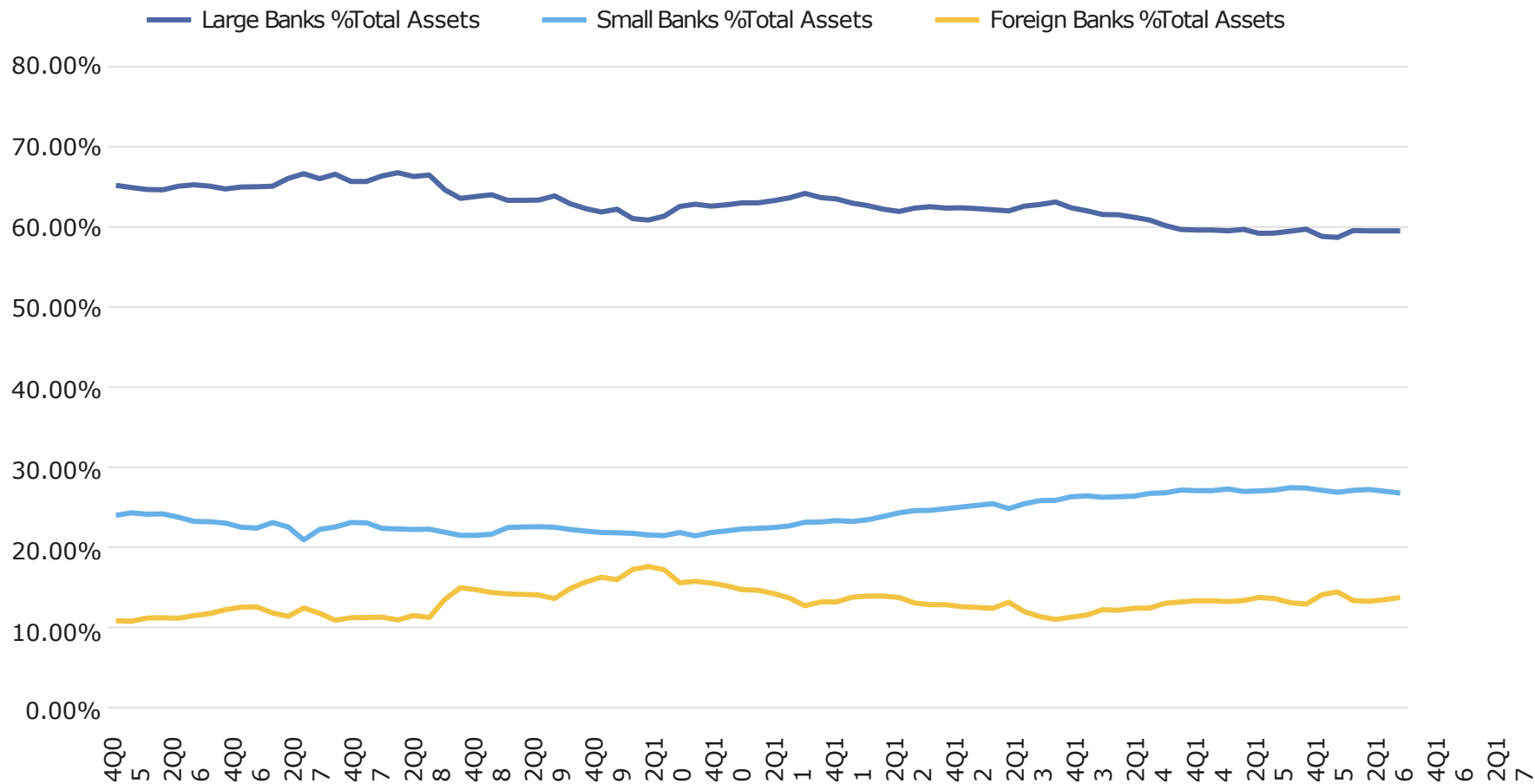
U.S. Banking System Assets Distribution (\$ mm)



Source: Federal Reserve

Banks' Total Assets by Cohort

Bank %Total System Assets by Cohort



Source: Federal Reserve

U.S. Banking System CRE %Total Loans

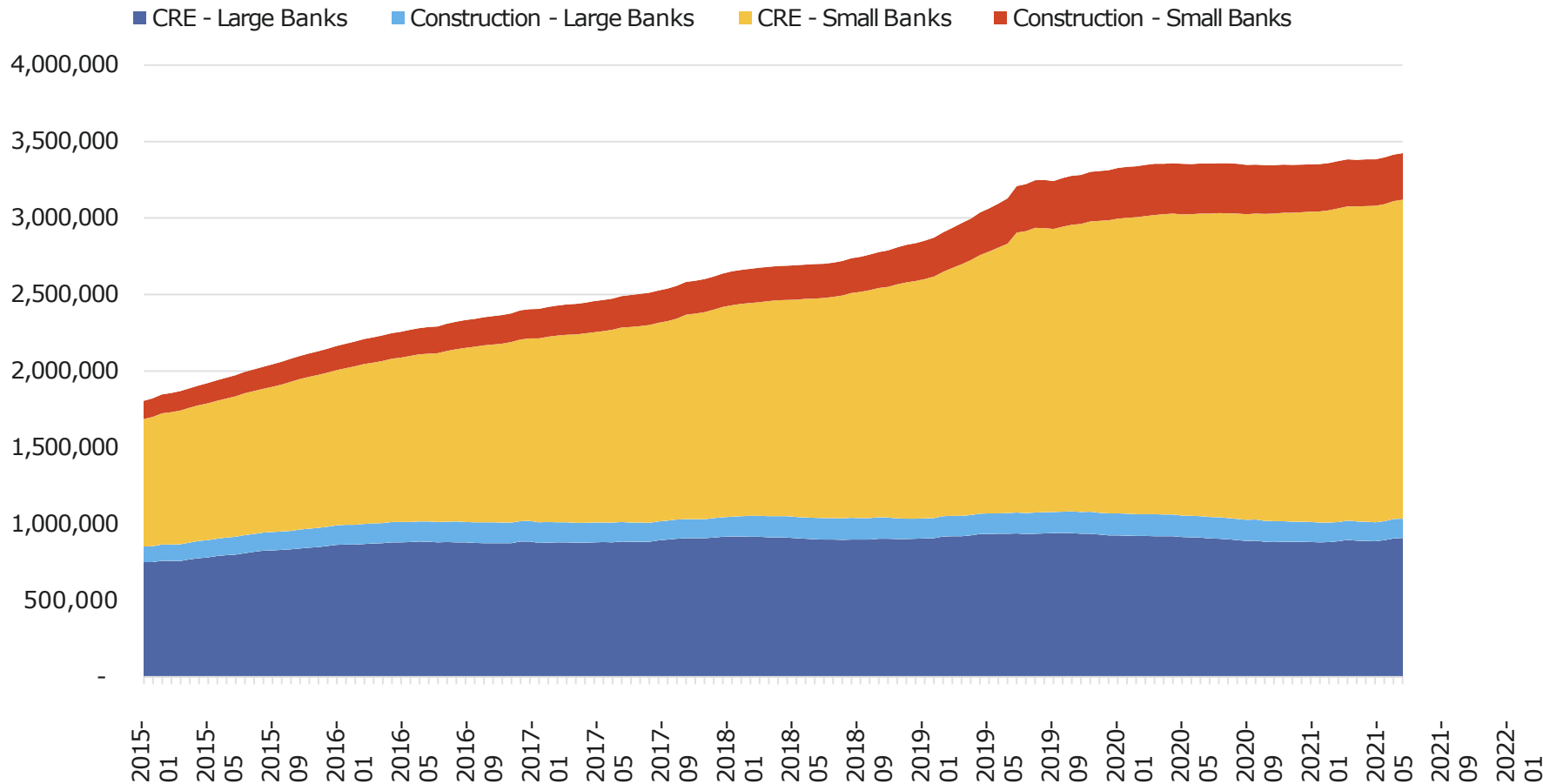
U.S. Banking System CRE %Total Loans



Source: Federal Reserve

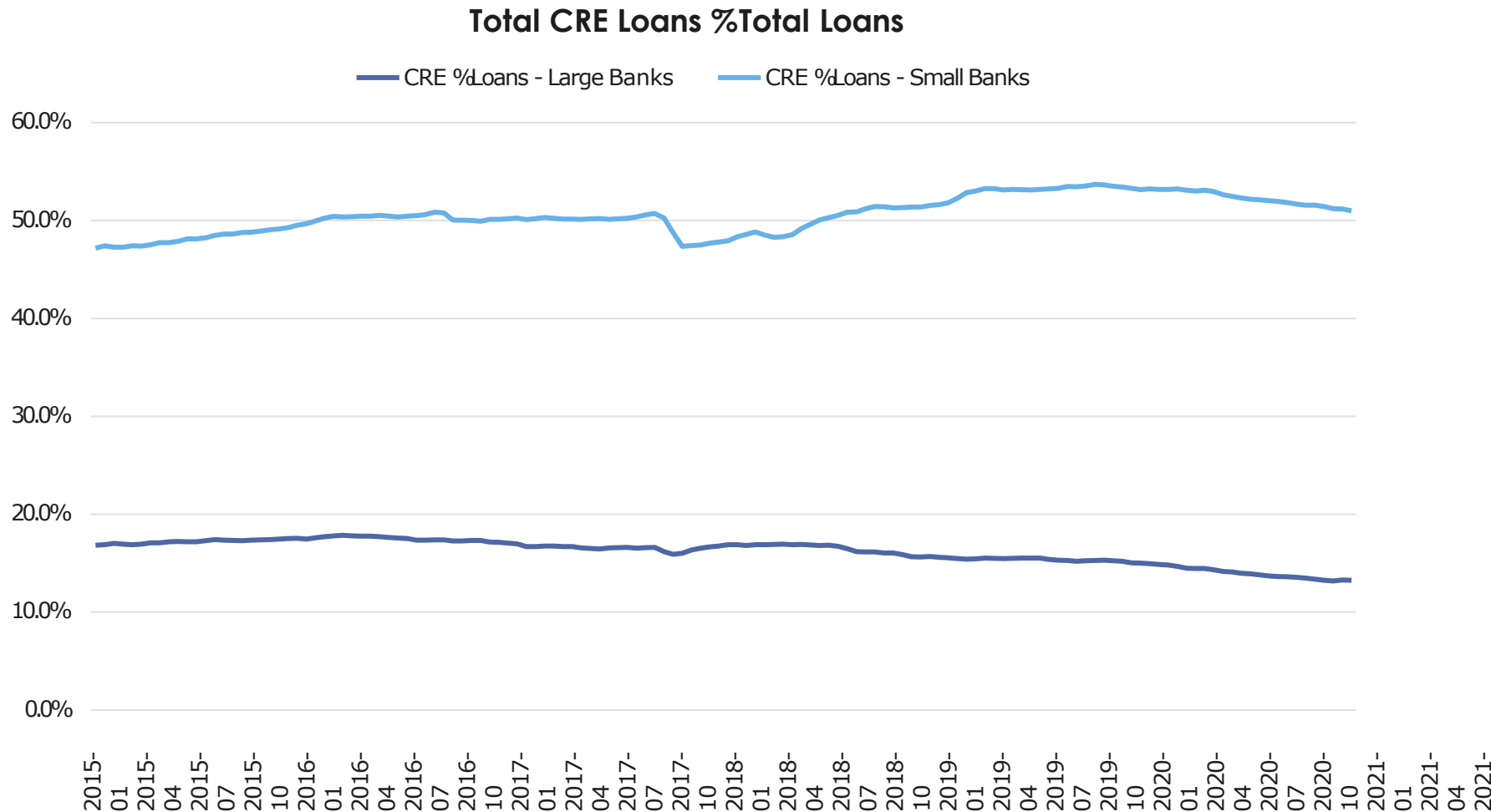
CRE Exposure by Cohort

U.S. Banking System CRE Exposure by Cohort (\$ mm)



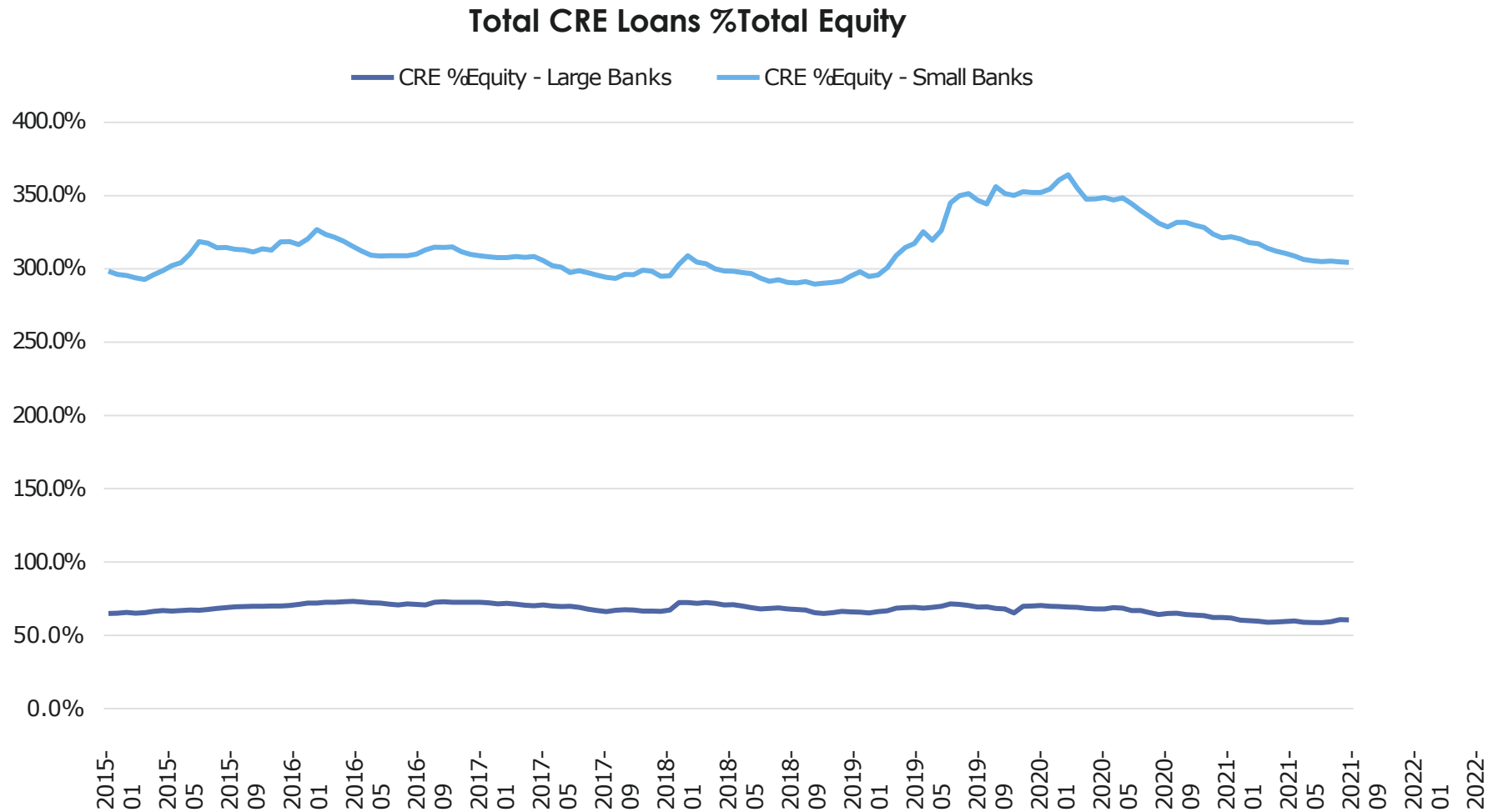
Source: Federal Reserve

Total CRE Loans %Total Loans



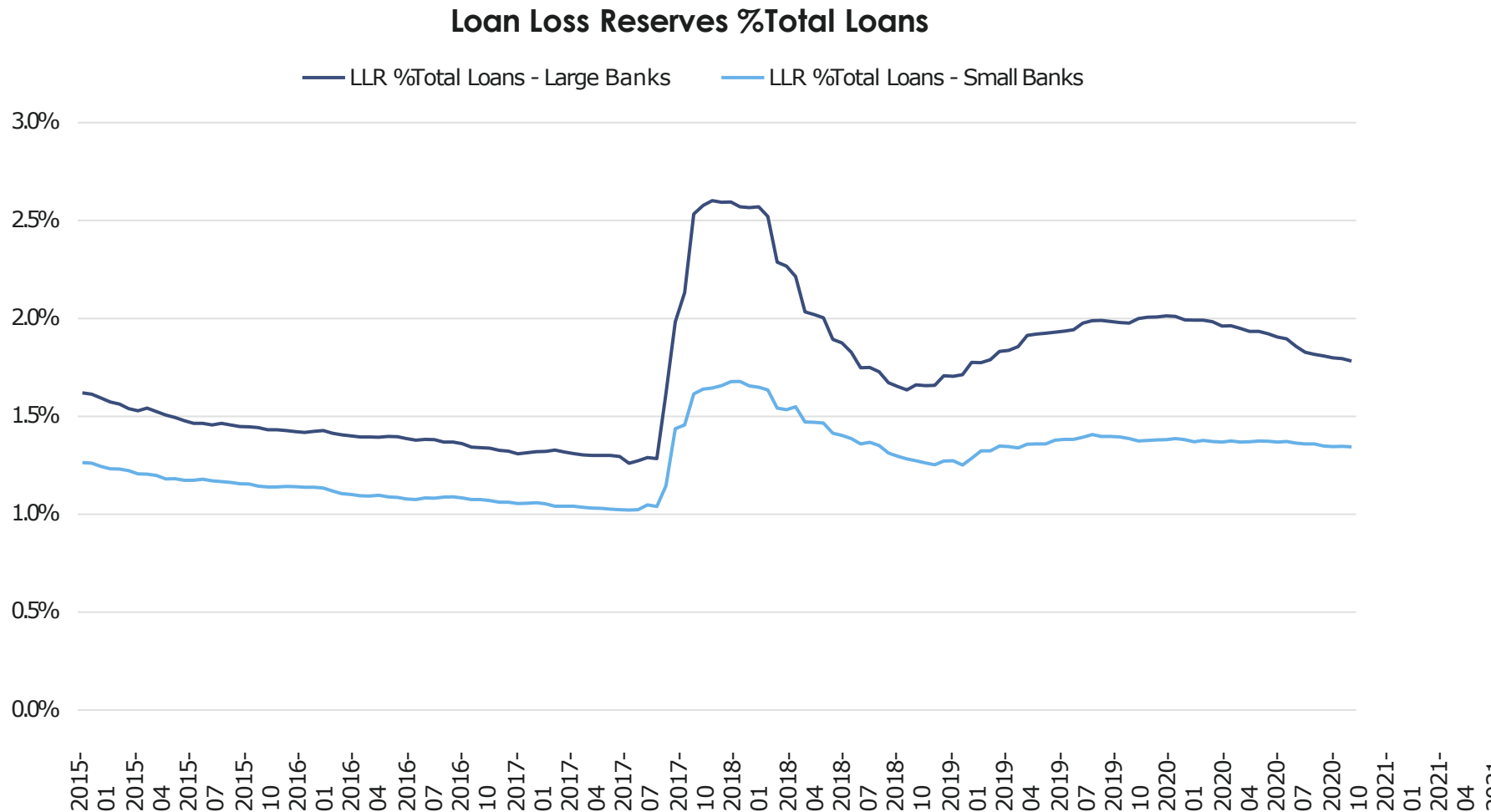
Source: Federal Reserve

Total CRE Loans %Total Equity



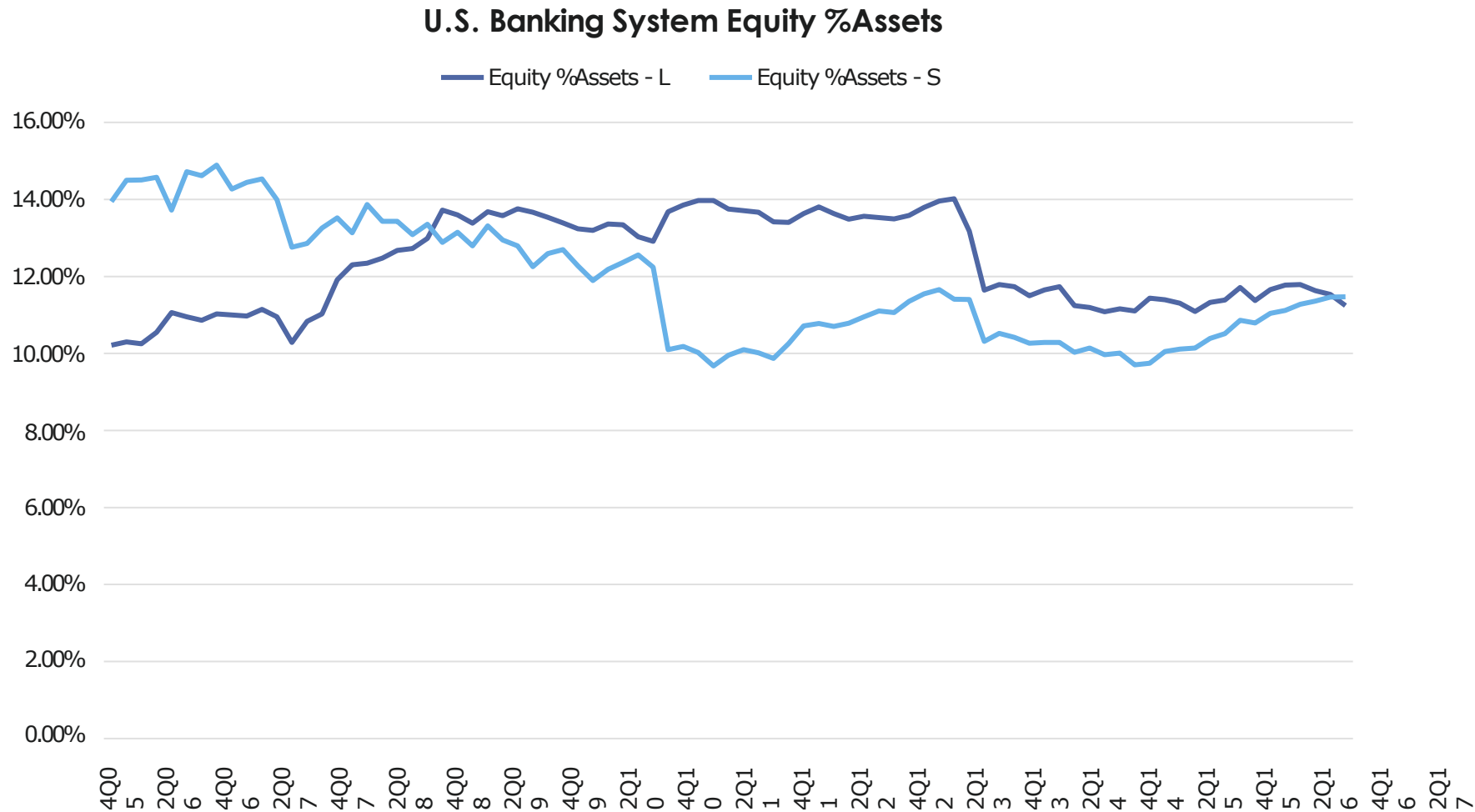
Source: Federal Reserve

Loan Loss Reserves %Total Loans



Source: Federal Reserve

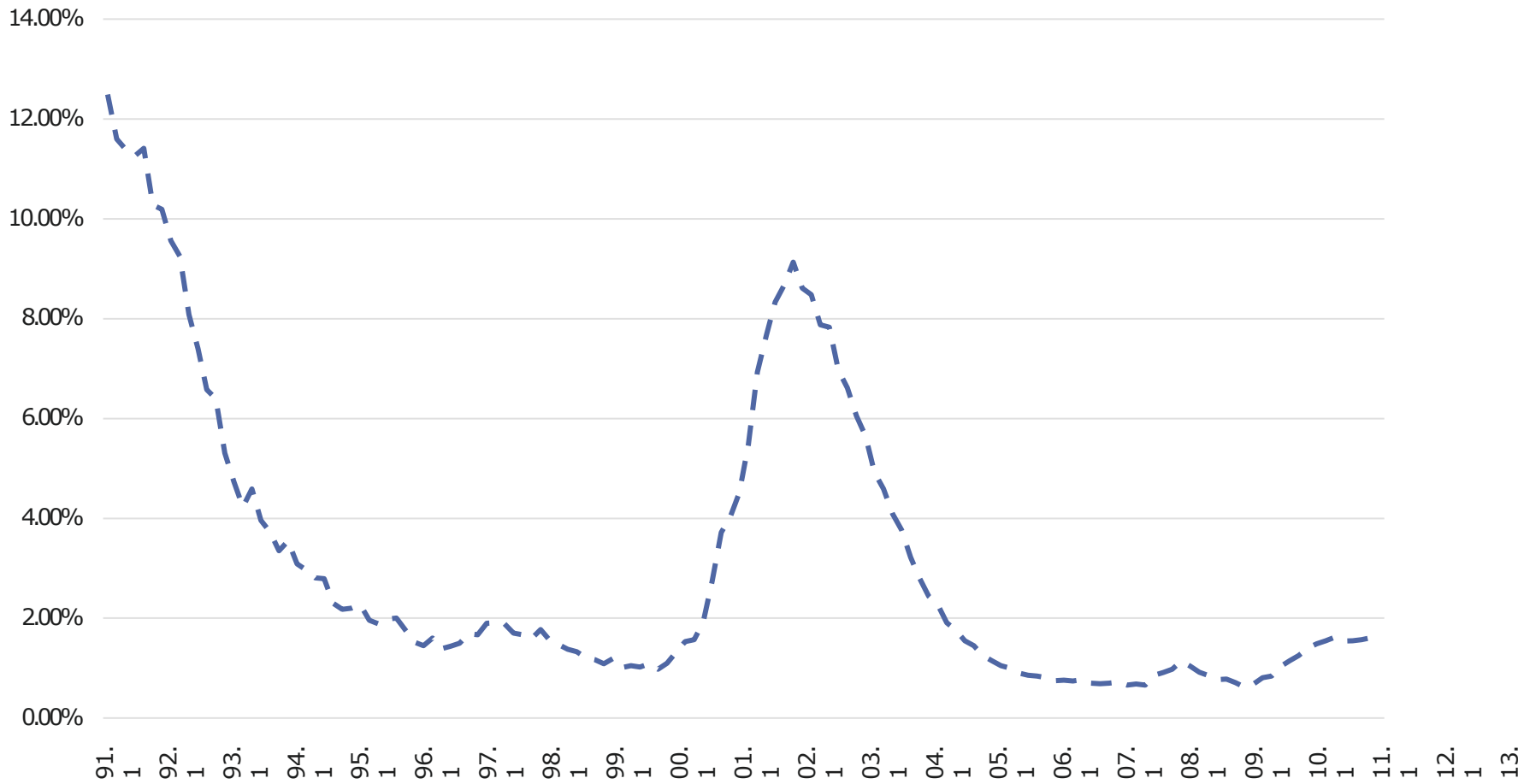
U.S. Banking System Equity %Assets



Source: Federal Reserve

CRE Total Delinquencies

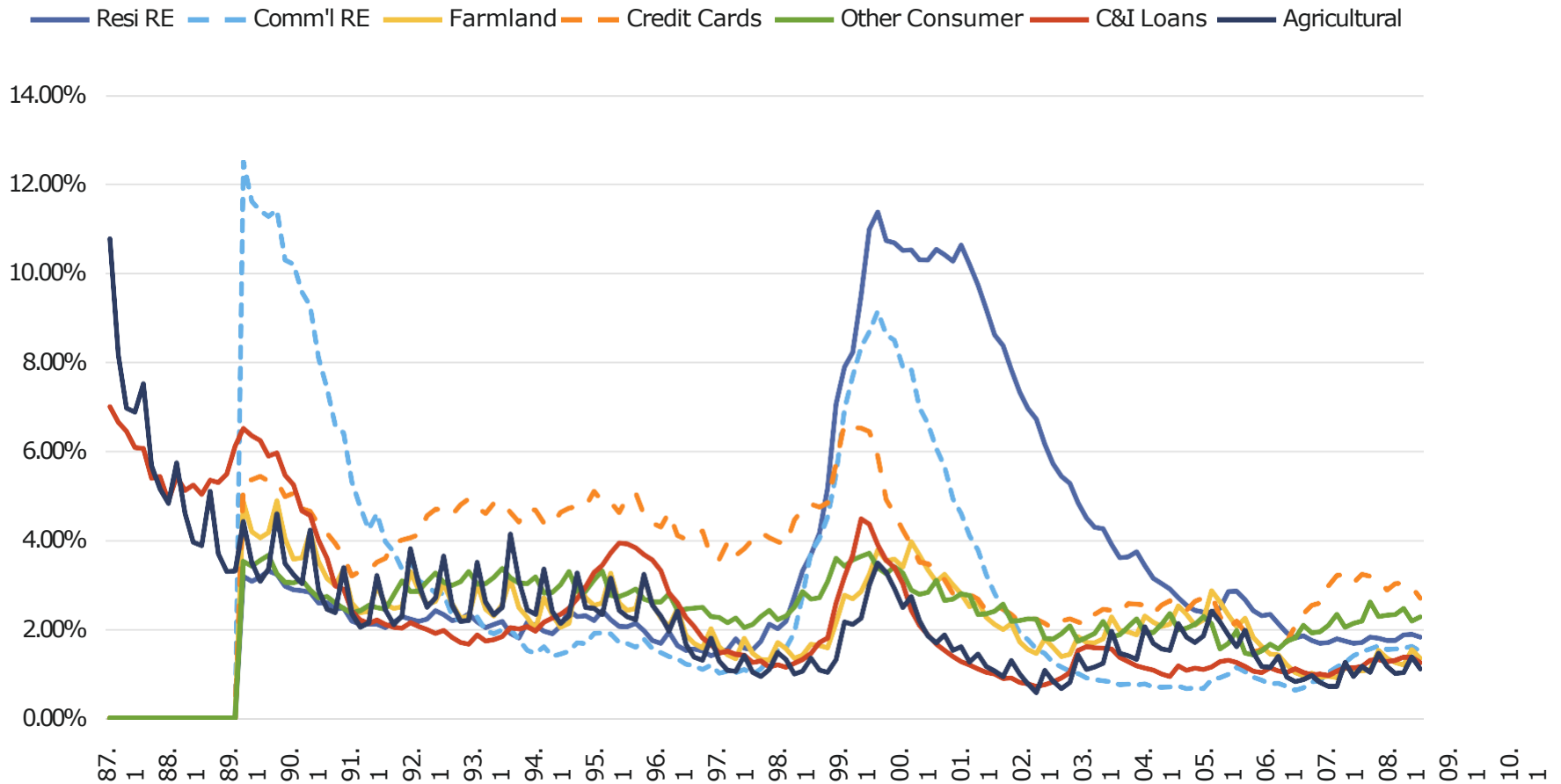
CRE Total Delinquencies - All U.S. Commercial Banks



Source: Federal Reserve

Delinquency Rates by Loan Category

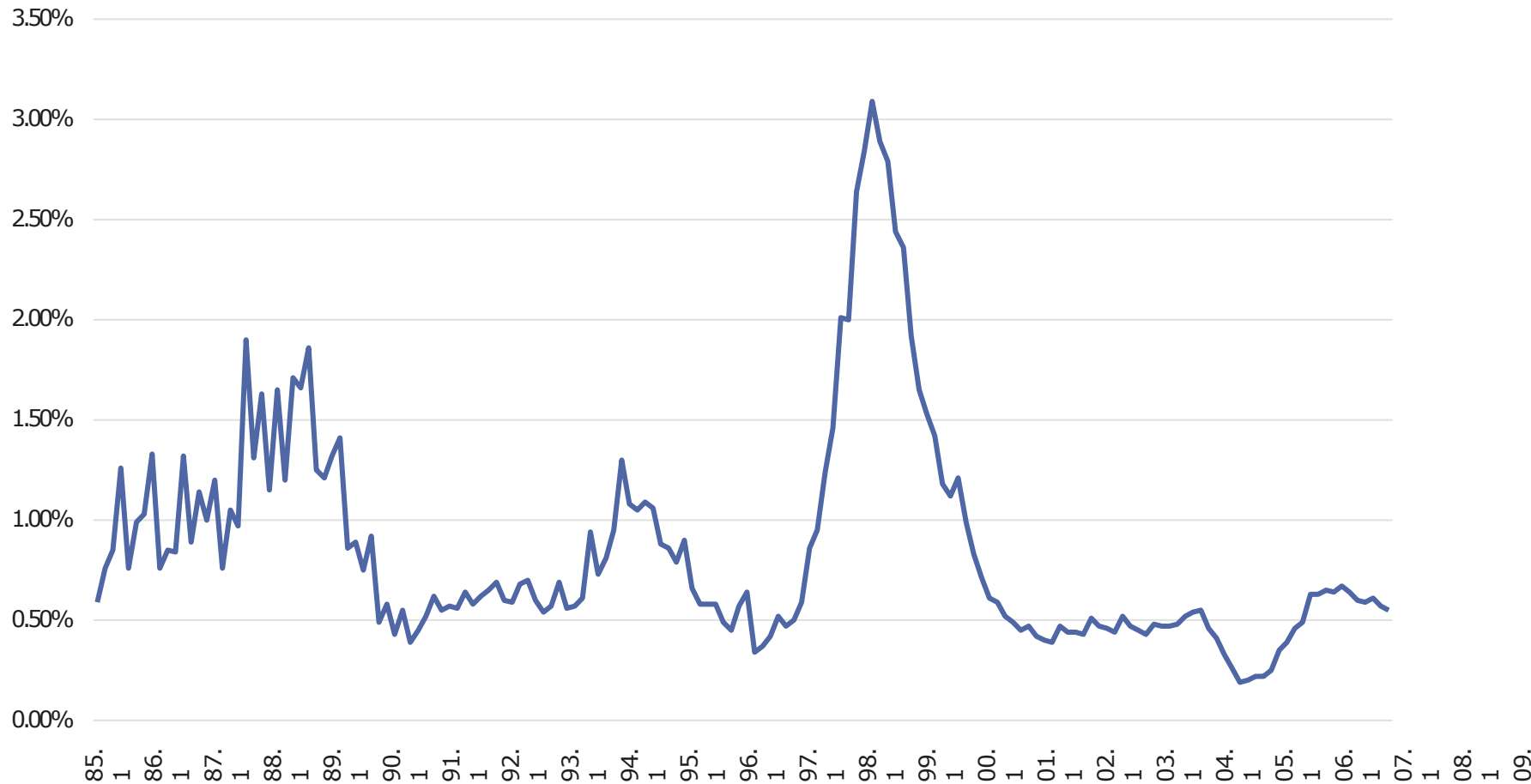
Delinquency Rates by Loan Category - All U.S. Commercial Banks



Source: Federal Reserve

Annualized Net Charge-off Rate

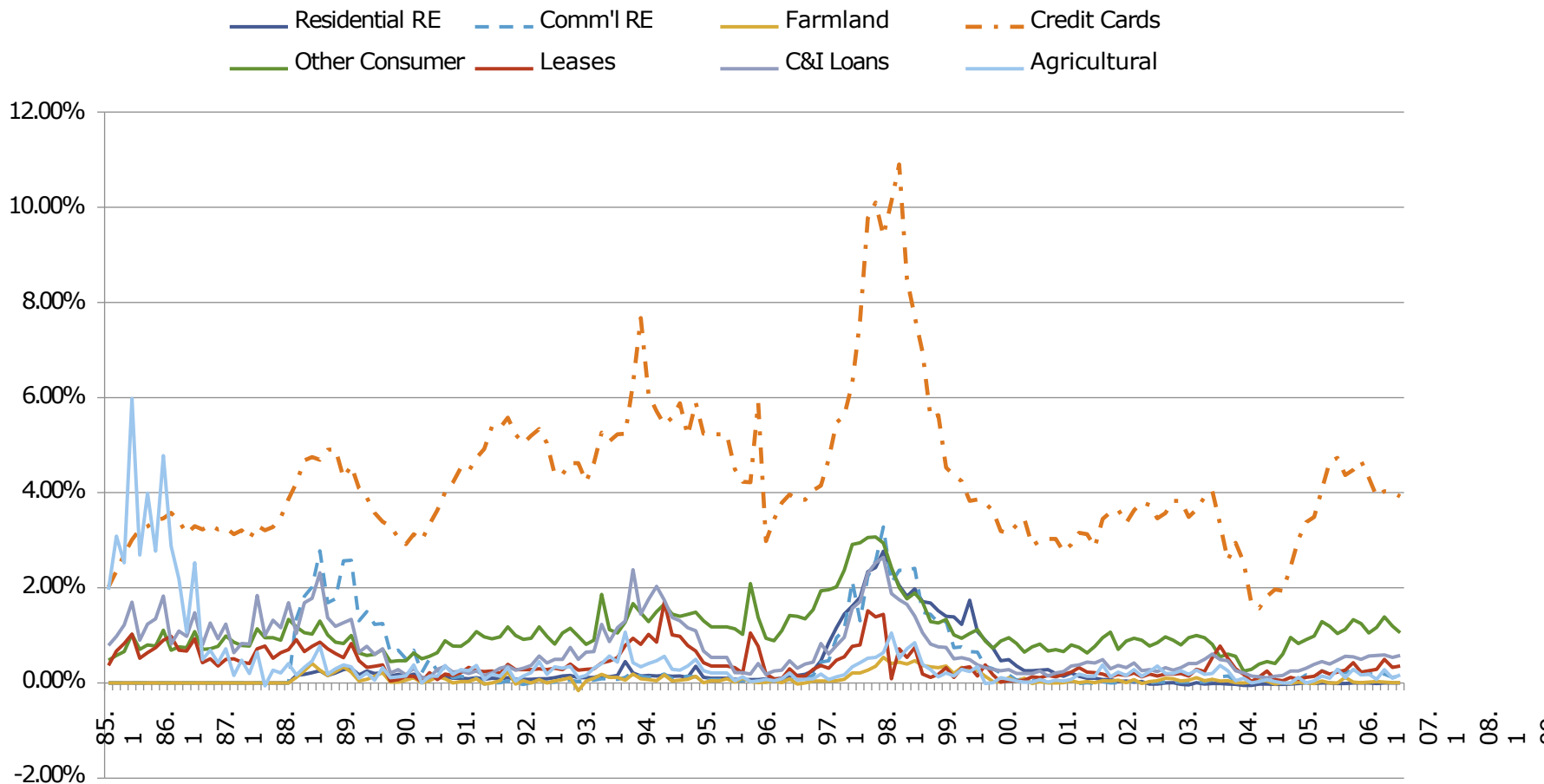
Annualized Net Charge-off Rate All Commercial Banks



Source: Federal Reserve

Net Charge-off Rates by Loan Category

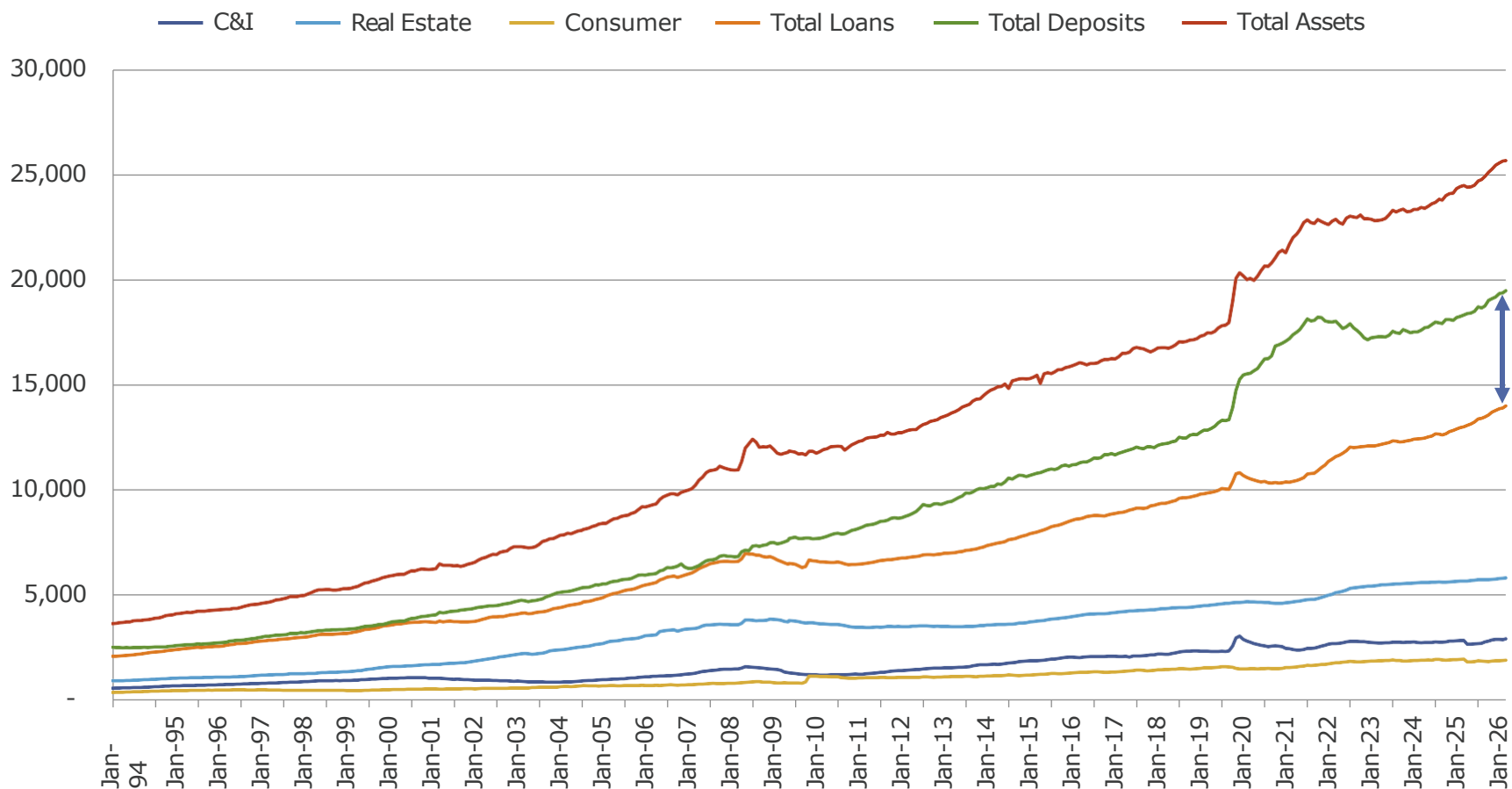
Net Charge-off Rates by Loan Category - All U.S. Commercial Banks



Source: Federal Reserve

Balance Sheet Composition

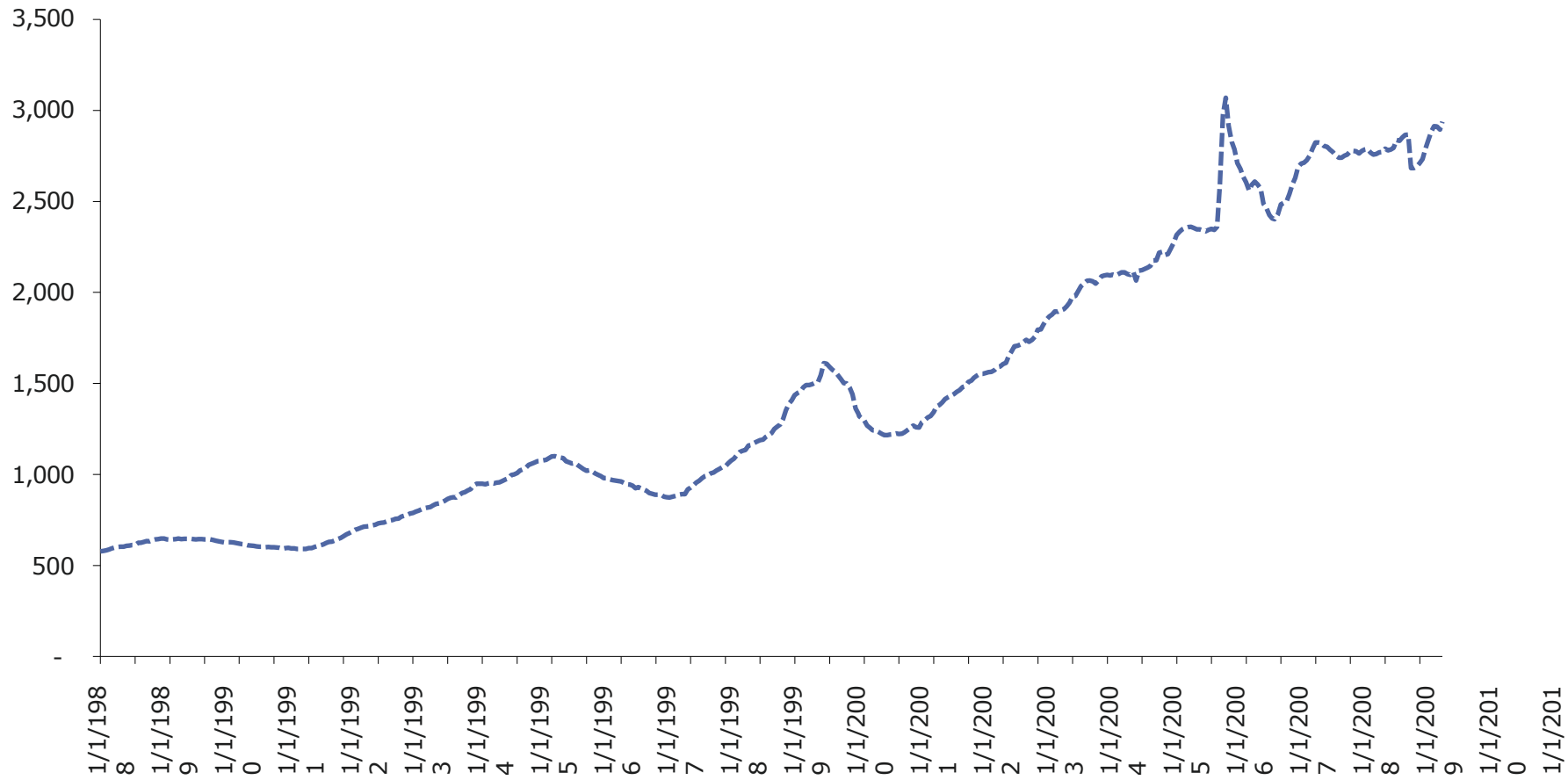
U.S. Banking System Balance Sheet Composition (\$ bn)



Source: Federal Reserve

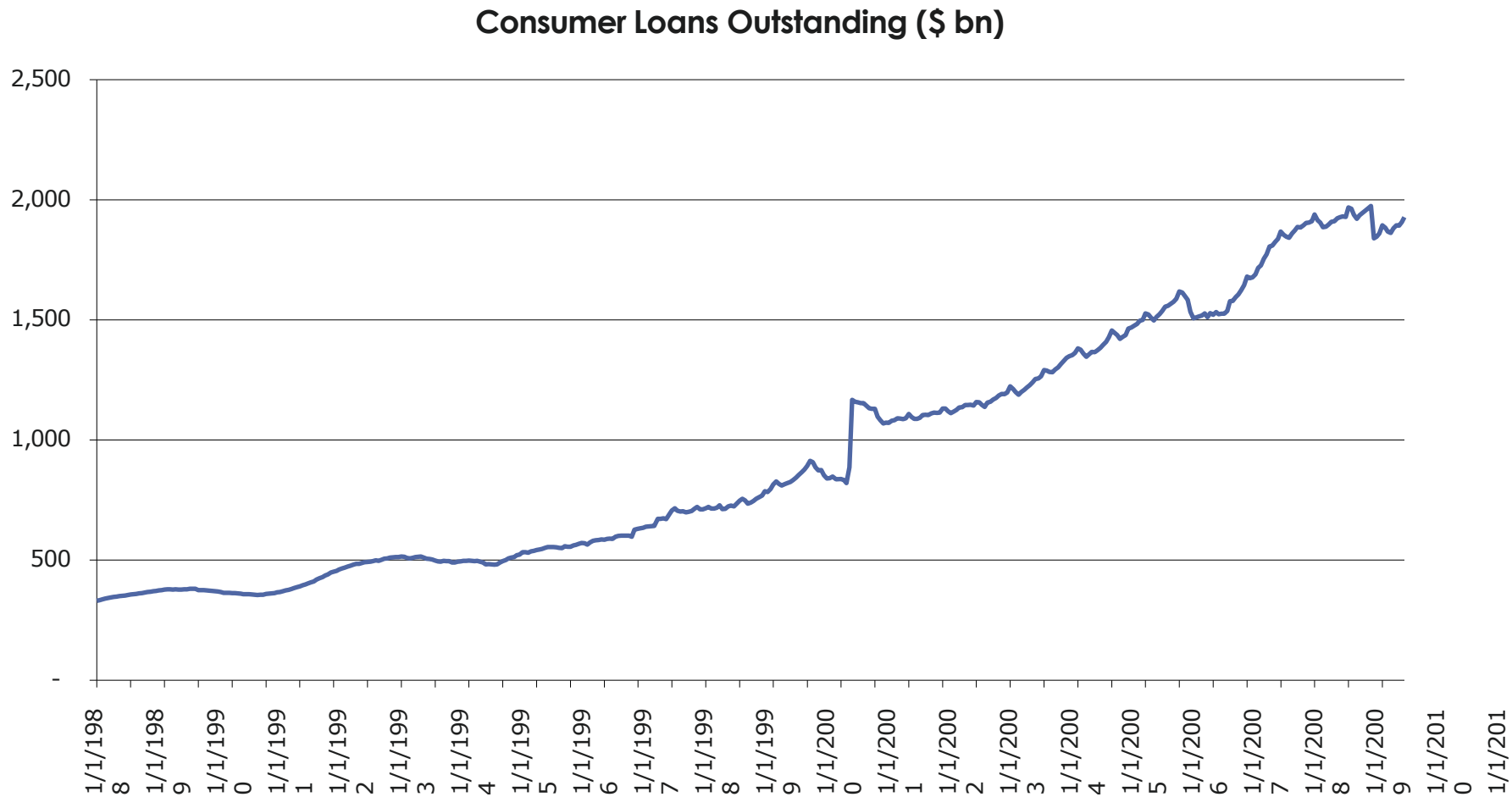
C&I Loans Outstanding

U.S. Banking System C&I Loans Outstanding (\$ bn)



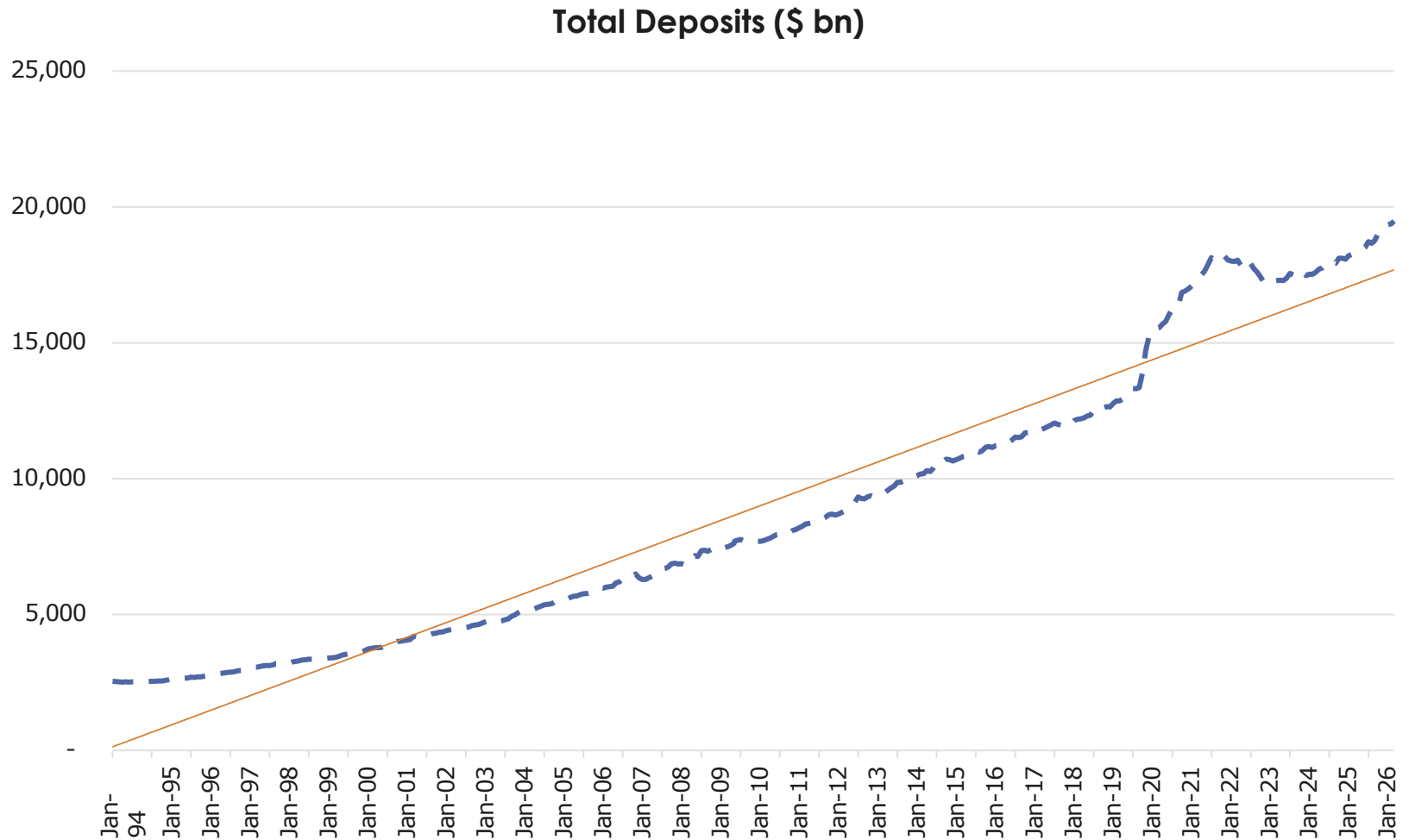
Source: Federal Reserve

Consumer Loans Outstanding



Source: Federal Reserve

Total Deposits



Source: Federal Reserve

Disclosures

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