

BBER Bulletin

Bank Deposits in North Dakota

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May 2016

The expansion of the oil economy was the most significant event for the North Dakota economy in the early years of this century. Countless stories about wealth generation, business expansion, and population explosion dominated the headlines. Many industries participated in the oil-led expansion, directly or indirectly. As figure 1 makes clear, banking was one of those industries.

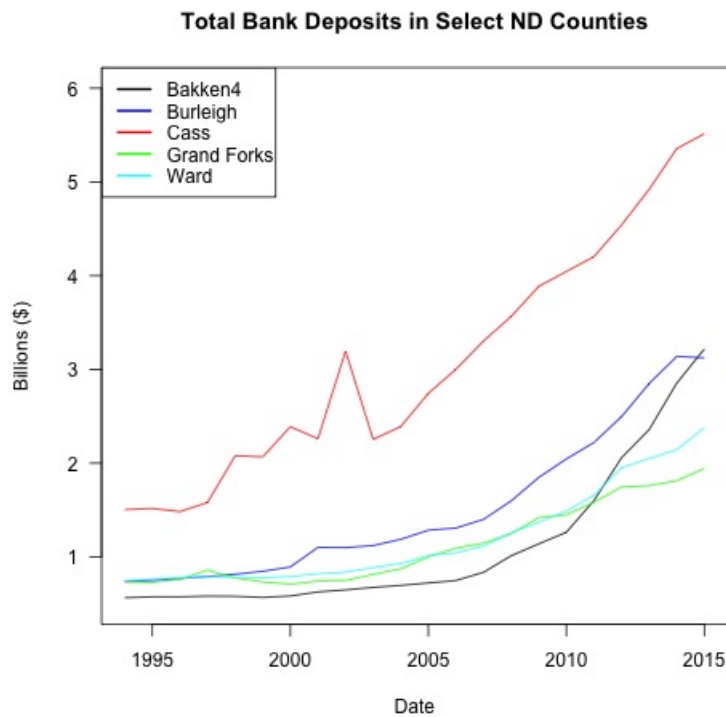


Figure 1: Total bank deposits in select ND areas

These data come from the FDIC Summary of Deposits database which includes deposit information by branch for June 30th of each year. Perhaps the most significant revelation from figure 1 is that the four core Bakken oil counties (called the Bakken4 in the graph) surpass all but Cass county in terms of total deposits in 2015.

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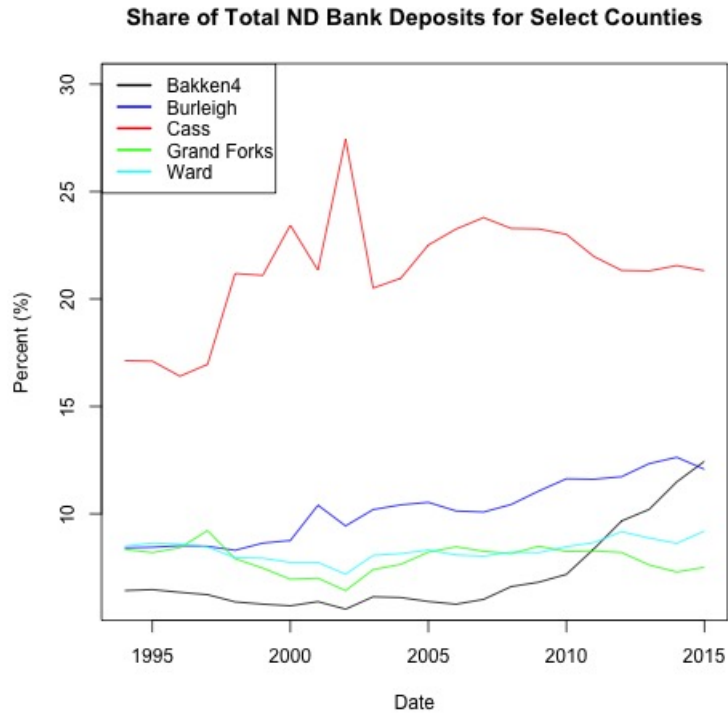


Figure 2: Share of total state bank deposits for select ND areas

It is not surprising then to find deposits in Bakken county banks also took over the second position (see figure 2) in terms of share of total deposits in banks in North Dakota. However, the rapid increase in share after 2010 is remarkable, taken the Bakken4 from fifth position in terms of share all the way to second place behind Cass county.

Looking at the other counties in figure 2 Grand Forks county and Ward County remain remarkable stable over this time period though they clearly fail to grow much beyond the rate in the state. Deposits in Grand Forks county banks grew by 6.8% from 2005 to 2015, with deposits in Ward county banks growing by 8.9% over the same time. The annual growth rate of bank deposits in North Dakota over the same time was 7.8%. Over the same time period deposits in the Bakken4 region banks grew by 16.1%. Burleigh county deposits grew by 9.3% while Cass county bank deposits grew by 7.2%.