

Banks in better shape, despite high debt levels

BY DAVE VIESER

Banks are better capitalized now than in many years, but high debt levels may be contributing to the still slow economic growth, two blueharbor bank chief investment officers say.

The blueharbor officials, Kyle Cerminara and Lewis Johnson, offered their take on the status of the banking community, tracing events from 2004 through the 2008 crisis, up to the current day and beyond. The blueharbor pair gave the update to the Mooresville/South Iredell Developers Council, a group of public and private firms and individuals who meet monthly to share ideas for economic growth and regional cooperation.



CERMINARA

“When we look back at 2007 and the losses we started to see then from triple AAA rated companies, the 2008 banking crisis should have been expected,” Cerminara said. “However, there is no doubt that banks are much better capitalized today than they have been in decades.”

Johnson suggested that debt levels today are still “somewhat excessive, which is why economic growth is still somewhat slow.”

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Kyle Cerminara Co-Chief Investment Officer, blueharbor bank