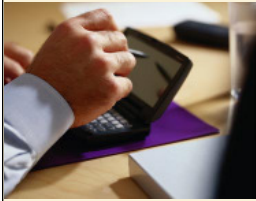


Financial Services



St!Louis
Perfectly Centered. Remarkably Connected.

St. Louis is a national center of banking, finance, & insurance. 82,000 St. Louisans - 7% of the region's payroll employment - work in the financial activities sector at banks, investment firms, insurance companies, or in real estate. The average annual pay in the industry, approximately \$57,000, exceeds the \$42,000 regional average for all industries.

St. Louis' Financial Activities	Firms	Jobs	Total Payroll
Investments & Securities	926	5,992	\$554 million
Banking & Lending	1,707	27,976	\$784 million
Insurance	2,197	21,329	\$1.217 billion
Real Estate	2,303	12,633	\$435 million
Accounting & Bookkeeping	1,082	9,927	\$478 million
Total	8,269	80,100	\$4.216 billion

Source: US Bureau of Labor Statistics 2006 Quarterly Census of Employment

Investment and Securities Firms

St. Louis is home to several national investment firms, including Wachovia Securities, Edward Jones, Scottrade, and Stifel-Nicolaus. In October 2007, Wachovia completed its acquisition of A.G. Edwards which was ranked 665 on the Fortune 1000, and employed approximately 4,600 in the St. Louis region with reported revenues of \$2.7 billion for the fiscal year ending in February 2006. The combined retail securities business is headquartered in St. Louis resulting from the merger with the existing Wachovia Securities business relocated from Richmond, Virginia. This merger makes Wachovia Securities the second largest brokerage firm in the country with 15,000 financial advisors and \$1.1 trillion in client assets.

Edward Jones is a large, privately held investment company with over 8,600 branch offices throughout the United States. Jim Weddle, the new Chief Managing Partner of Edward Jones, was recently featured in a *Wall Street Journal* Article describing the firm as, "The decidedly un-Wall Street firm that prides itself on its down-home Midwestern image." The firm also recently announced plans to expand their St. Louis area operations by investing \$260 million in a new facility and hiring up to 1,000 additional workers over ten years.

Scottrade, a prominent discount internet stock brokerage firm, recently made news when it purchased naming rights to the downtown arena where the St. Louis Blues play, now known as the Scottrade Center. Scottrade is headquartered in St. Louis where it employs around 700. Scottrade has approximately 350 branch offices in 47 states.

Stifel-Nicolaus, is a full service brokerage and investment banking firm founded in St. Louis in 1890, and is part of the Russell 3000 Index. In 2005, they took a bold step when they acquired Legg Mason Capital Markets from Citigroup. Through that acquisition Stifel-Nicolaus expanded its operations to include 154 offices in 28 states. In 2006, they continued their planned expansion in the East and Southeast with the acquisition of Ryan Beck Holdings, Inc., a financial advisory firm with approximately 400 financial consultants and \$19 billion in client assets under management.

These firms are supported by a large and well educated and trained financial services workforce. Greater St. Louis is home to approximately 2,400 series 6 and 4,700 series 7 licensed securities dealers.

Venture Capital

There are a variety of mid-sized investment and venture capital firms in greater St. Louis. They include Augury Capital Management, Advantage Capital Partners, Ascension Health Ventures LLC, Bush O'Donnell, Community Investment Partners, Oakwood Medical Investors, Prolog Ventures LLC, RiverVest Partners, Triathlon Medical Ventures, Vectis Life Sciences, and Wachovia. These local venture capital firms have a total of \$1.6 billion under management through their various investment funds. The St. Louis region has continued its progress toward becoming one of the major centers for venture capital in the central U.S. The local venture capital firms, along with significant outside investors, committed \$115 million to St. Louis companies in 2005 and another \$94 million in 2006. Over \$1 billion has been invested since 2000.

In 2005, the St. Louis RCGA and the Nidus Center for Scientific Enterprise launched the St. Louis Arch Angel Network. The Arch Angel Network, with almost 50 members, provides early stage financing to local startups. From inception in 2005 through 2006 it has invested approximately \$5 million in five early stage companies. These investors and the growing network of startup incubators and support organizations is strengthening the entrepreneurial environment in St. Louis. Venture capital is a key component to commercializing St. Louis' strong university research and building the area's reputation as a center for life sciences.

Banking

St. Louis is the regional headquarters for several major banks. Bank of America, Commerce Bank, National City, Regions Bank, UMB Bank, and US Bancorp all have large operations in St. Louis. In 2007, 140 different local, regional, and national banks had a total of \$51.5 billion deposited in St. Louis area branches. The largest of the St. Louis-based banks, with overall deposits between approximately \$1 and \$10 billion were The Bank of Edwardsville, Centruce Bank, Enterprise Bank & Trust, First Bank, First National Bank of St. Louis, Midwest BankCentre, Pulaski Bank, and Southwest Bank of St. Louis. These and other banks headquartered in St. Louis had a total of \$31.7 billion in deposits both in St. Louis branches and nationally.

St. Louis' Largest Banks	Deposits	Market Share
U.S. Bank	\$8.1 billion	15.9%
Bank of America	\$6.6 billion	12.92%
Commerce Bank	\$3.9 billion	7.6%
Regions Bank	\$2.8 billion	5.6%
Southwest Bank	\$2.8 billion	5.4%
Total	\$24.2 billion	47.4%

Source: Federal Deposit Insurance Corporation, 2007

These banks not only serve local businesses and consumers, but also play important roles in the region's economic development. US Bancorp's Community Development Corporation (USB CDC), for example, has been an active development partner through the use of New Market and Historic Preservation tax credits. Kathy Bader, the Chairman of the USB CDC, is part of a US Bancorp leadership team that was recently recognized by US Banker magazine as the best team of female executives in the banking industry.

In 2000, MasterCard Worldwide opened its global technology operations center in suburban O'Fallon, Missouri. This 500,000-square-foot facility processes every transaction in the world that involves a MasterCard – as many as 5.4 million per hour.

St. Louis is also home to the headquarters of CitiMortgage, Citigroup's mortgage lending subsidiary. CitiMortgage employs 4,750 people in St. Louis and has a \$90 billion portfolio.

The Federal Reserve Bank of St. Louis, which oversees banking activity in the Federal Reserve's 8th District, recently expanded its offices in downtown St. Louis where it employs 900 people. The 8th district's territory includes all of Arkansas, and parts of Illinois, Indiana, Kentucky, Mississippi, Missouri, and Tennessee.

Insurance

Approximately 21,000 people work at over 2,000 insurance related businesses in the St. Louis region. Many of them work in the offices of individual brokers, representing nearly every major insurance carrier, but there are also some insurance companies with a larger presence in St. Louis.

Novato, California-based Fireman's Fund Insurance relocated and expanded their St. Louis office in 2002 with a further expansion in 2006. Eventually the company's office here will employ 370 people. Centene, a publicly traded Fortune 1000 healthcare enterprise, has announced plans to expand its headquarters, projecting 800 new jobs by 2010.

Real Estate

A number of commercial real estate firms, and the many residential-oriented real estate, rental and leasing firms that one would expect for a metropolitan area of 2.8 million people, operate in the St. Louis region. Major firms in St. Louis include Colliers Turley Martin Tucker, CB Richard Ellis, Duke Realty, and Coldwell Banker, plus several regional brokerage firms.

Accounting and Bookkeeping

The 20 Fortune 1,000 companies headquartered in the St. Louis region are served by a diverse and mature group of accounting and financial analysis firms. National accounting firms such as Deloitte, Ernst & Young, KPMG, and PriceWaterhouseCoopers have offices in the region, and there are a number of large and mid-sized regional accounting firms, including Anders Minkler & Diehl, Brown Smith Wallace, MPP & W and RubinBrown LLP located in the region.

Summary

Greater St. Louis' financial services industry includes a thriving and diverse array of local, regional, and national firms. The financial services industry in St. Louis is supported by a highly educated and trained workforce as well as a range of regional professional services firms. Financial services are an important growing part of the St. Louis region's economy. Over the past 10 years, employment in St. Louis' financial sector has grown by over 5,000.

The St. Louis Regional Chamber & Growth Association (RCGA) is the chamber of commerce and economic development organization for Greater St. Louis, which includes 16 counties in Missouri and Illinois. RCGA markets the St. Louis region nationally and internationally to attract targeted industries to the area. It further spurs economic development by aiding the expansion and startup of companies within the region.

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