SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED JUNE 30, 1999
COMMISSION FILE NO. 2-80070

CASS COMMERCIAL CORPORATION

INCORPORATED UNDER THE LAWS OF MISSOURI
I.R.S. EMPLOYER IDENTIFICATION NO. 43-1265338

13001 HOLLENBERG DRIVE, BRIDGETON, MISSOURI 63044

TELEPHONE: (314) 506-5500

Indicate by check mark whether the registrant has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and has been subject to such filing requirements for the past 90 days.

Yes X No

The number of shares outstanding of registrant's only class of stock as of June 30, 1999: Common stock, par value $.50 per share - 3,762,851 shares outstanding.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

PART I, ITEM 1

CASS COMMERCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	JUNE 30 1999	DECEMBER 31 1998
	(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)	
ASSETS		
Cash and due from banks	$ 19,316	$ 22,558
Federal funds sold and other short-term investments	55,860	156,827
Cash and cash equivalents	75,176	179,385
Investment in debt and equity securities:		
Held-to-maturity, fair value of $41,340 and $57,191 at June 30, 1999 and December 31, 1998, respectively	41,294	56,605
Available-for-sale, at fair value	43,481	27,369
Total investment in debt and equity securities	84,775	83,974
Loans	277,470	224,888
Less: Allowance for loan losses	4,471	4,428
Loans, net	272,999	220,460
Premises and equipment, net	9,263	9,249
Accrued interest receivable	2,548	2,764
Other assets	6,826	8,080
Total assets	$451,587	$503,912
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest-bearing	$ 82,940	$ 82,911
Interest-bearing	112,224	108,071
Total deposits	195,164	190,982
Accounts and drafts payable	195,226	250,518
Short-term borrowings	227	323
Other liabilities	5,268	4,685
Total liabilities	395,885	446,508
Shareholders' Equity:		
Preferred stock, par value $.50 per share; 2,000,000 shares authorized and no shares issued	--	--
Common stock, par value $.50 per share; 20,000,000 shares authorized and 4,000,000 shares issued	2,000	2,000
Surplus	4,918	4,796
Retained earnings	53,055	51,505
Accumulated other comprehensive income (loss)	(83)	387
Common shares in treasury, at cost (237,149 shares at June 30, 1999 and 132,123 shares at December 31, 1998)	(4,011)	(1,213)
Unamortized stock bonus awards	(177)	(71)
Total shareholders' equity	55,702	57,404
Total liabilities and shareholders' equity	$451,587	$503,912

See accompanying notes to consolidated financial statements.

CASS COMMERCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)

	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	1999	1998	1999	1998
INTEREST INCOME:				
Interest and fees on loans	$4,940	$4,526	$ 9,272	$ 8,735
Interest and dividends on debt and equity securities:				
Taxable	1,163	1,753	2,340	3,551
Exempt from federal income taxes	16	18	32	37
Interest on federal funds sold and other short-term investments	1,379	1,260	3,034	2,565
Total interest income	7,498	7,557	14,678	14,888
INTEREST EXPENSE:				
Interest on deposits	1,076	1,072	2,115	2,125
Interest on short-term borrowings	2	3	4	6
Total interest expense	1,078	1,075	2,119	2,131
Net interest income	6,420	6,482	12,559	12,757
Provision for loan losses	--	--	--	--
Net interest income after provision for loan losses	6,420	6,482	12,559	12,757
NONINTEREST INCOME:				
Freight and utility payment and processing revenue	5,079	5,286	10,256	10,795
Service charges on deposit accounts	168	152	333	314
Other	65	124	232	305
Total noninterest income	5,312	5,562	10,821	11,414
NONINTEREST EXPENSE:				
Salaries and employee benefits	6,355	6,267	12,623	12,861
Occupancy expense	434	418	858	853
Equipment expense	660	645	1,307	1,289
Other	1,961	1,659	3,914	3,522
Total noninterest expense	9,410	8,989	18,702	18,525
Income before income tax expense	2,322	3,055	4,678	5,646
Income tax expense	835	1,085	1,672	2,003
Net income	$1,487	$1,970	$ 3,006	$ 3,643
Earnings per share:				
Basic	$ .39	$ .51	$ .78	$ .94
Diluted	$ .39	$ .50	$ .77	$ .93

See accompanying notes to consolidated financial statements.

CASS COMMERCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	(DOLLARS IN THOUSANDS) SIX MONTHS ENDED JUNE 30,	
	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 3,006	$ 3,643
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,157	1,144
Amortization of stock bonus awards	42	46
Decrease in accrued interest receivable	216	172
Other operating activities, net	2,075	586
Net cash provided by operating activities	6,496	5,591
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturities of debt and equity securities:		
Held-to-maturity	15,198	16,133
Available-for-sale	1,096	1,566
Purchase of debt and equity securities available-for-sale	(17,986)	--
Net increase in loans	(52,539)	(22,416)
Purchases of premises and equipment, net	(941)	(331)
Net cash used in investing activities	(55,172)	(5,048)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in noninterest-bearing demand, interest-bearing demand and savings deposits	4,179	9,740
Net increase in time deposits	3	136
Net decrease in accounts and drafts payable	(55,292)	(11,248)
Net decrease in short-term borrowings	(96)	(32)
Cash proceeds from exercise of stock options	81	38
Cash dividends paid	(1,456)	(1,390)
Purchase of common shares for treasury	(2,952)	--
Net cash used in financing activities	(55,533)	(2,756)
Net decrease in cash and cash equivalents	(104,209)	(2,213)
Cash and cash equivalents at beginning of period	179,385	99,124
Cash and cash equivalents at end of period	$ 75,176	$ 96,911

Supplemental information:

Cash paid for interest	$ 2,129	$ 2,141
Cash paid for income taxes	$ 1,865	$ 2,035

See accompanying notes to consolidated financial statements.

CASS COMMERCIAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
JUNE 30, 1999

Note 1 - Basis of Presentation

Cass Commercial Corporation (the Company) provides a full range of banking services to individual, corporate and institutional customers, with a primary focus on privately held companies and church-related ministries, through its wholly owned subsidiary bank, Cass Commercial Bank (the Bank). The Bank is subject to competition from other financial and nonfinancial institutions throughout the metropolitan St. Louis, Missouri area. Additionally, the Company and the Bank are subject to the regulations of certain federal and state agencies and undergo periodic examinations by those regulatory agencies.

The Company also provides payment processing and information services through its wholly owned subsidiary, Cass Information Systems, Inc. (CIS). These services include processing and payment of freight and utility charges, preparation of management reports, auditing of freight charges, rating of freight shipments and other payment related activities. CIS is subject to competition from other commercial concerns providing similar services to companies throughout the United States and Canada. The consolidated balance sheet caption, "Accounts and Drafts Payable", consists of obligations related to payment services which are performed for customers.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation, have been included. Operating results for the period ended June 30, 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1998.

Note 2 - Impact Of New Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (SFAS 133) which establishes standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. In June 1999, the FASB issued Statement of Financial Accounting Standards No. 137, Accounting for Derivative Instruments and Hedging Activities--Deferral of the Effective Date of FASB No. 133, an amendment of FASB Statement No. 133, which defers the effective date of SFAS from fiscal years beginning after June 15, 1999 to fiscal years beginning after June 15, 2000. Earlier application of SFAS 133, as amended, is encouraged but should not be applied retroactively to financial statements of prior periods. The Company is currently evaluating the requirements and impact of SFAS 133, as amended.

In October 1998, the FASB issued Statement of Financial Accounting Standards No. 134, Accounting for Mortgage-Backed Securities Retained after the Securitization of Mortgage Loans Held for Sale by a Mortgage Banking Enterprise (SFAS 134) which conforms the subsequent accounting for securities retained after the securitization of mortgage loans by a mortgage banking enterprise with the subsequent accounting for securities retained after the securitization of other types of assets by a nonmortgage banking enterprise. SFAS 134 is effective for the first fiscal quarter beginning after December 15, 1998. Since the Company does not securitize any mortgage loans, SFAS 134 had no impact on the Company's consolidated financial position and results of operations.

Note 3 - Comprehensive Income

For the three- and six-month periods ended June 30, 1999 and 1998, unrealized holding loss on debt and equity securities available-for-sale is the Company's only other comprehensive income component. Comprehensive income for the periods ended June 1999 and 1998 is summarized as follows:

	(In Thousands) Three Months Ended June 30		(In Thousands) Six Months Ended June 30	
	1999	1998	1999	1998
Net Income	$1,487	$1,970	$3,006	$3,643
Other comprehensive income:				
Net unrealized loss on debt and equity securities available-for-sale, net of tax	(315)	(58)	(470)	--
	$1,172	$1,912	$2,536	$3,643

Note 4 - Earnings Per Share

Average common shares outstanding for the six-month periods ended June 30, 1999 and 1998 were 3,831,868 and 3,861,441, respectively. Average common shares outstanding for the three-month periods ended June 30, 1999 and 1998 were 3,794,706 and 3,861,951, respectively. The only dilutive instruments are stock options and unvested stock awards with an aggregate dilutive effect of 57,657 and 71,770 shares for the six-month periods ended June 30, 1999 and 1998, respectively and 59,461 and 70,321 shares for the three-month periods ended June 30, 1999 and 1998, respectively.

Note 5 - Industry Segment Information

The services provided by the Company are classified into two industry segments: Banking Services and Information Services which are more fully discussed in Note 1. Total net revenue is comprised of total interest income and total noninterest income, less provision for loan losses. There have been no material changes in assets, changes in the basis of segmentation or changes in the basis of measurement of segment profits from the amounts disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 1998.

Summarized information about the Company's operations in each industry segment for the periods ended June 30, 1999 and 1998, is as follows:

	(In Thousands) Three Months Ended June 30		(In Thousands) Six Months Ended June 30	
	1999	1998	1999	1998
Total Net Revenue:				
Banking Services	$ 4,058	$ 4,043	$ 7,914	$ 8,029
Information Services	8,819	9,192	17,726	18,541
Eliminations	(67)	(116)	(141)	(268)
Total	$12,810	$13,119	$25,499	$26,302
Income (Loss) Before Income Tax:				
Banking Services	$ 1,220	$ 1,337	$ 2,320	$ 2,531
Information Services	1,154	1,758	2,431	3,199
Corporate Items	(52)	(40)	(73)	(84)
Total	$ 2,322	$ 3,055	$ 4,678	$ 5,646
Income Tax Expense (Benefit):				
Banking Services	$ 448	$ 474	$ 854	$ 891
Information Services	405	625	843	1,141
Corporate Items	(18)	(14)	(25)	(29)
Total	$ 835	$ 1,085	$ 1,672	$ 2,003
Net Income (Loss):				
Banking Services	$ 772	$ 863	$ 1,466	$ 1,640
Information Services	749	1,133	1,588	2,058
Corporate Items	(34)	(26)	(48)	(55)

Total	$ 1,487	$ 1,970	$ 3,006	$ 3,643

Note 6 - Reclassifications

Certain amounts in the 1998 consolidated financial statements have been reclassified to conform with the 1999 presentation. Such reclassifications have no effect on previously reported net income.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cass Commercial Corporation (the Company) operates in two primary business segments through two wholly owned subsidiaries, Cass Commercial Bank (the Bank), a commercial bank, and Cass Information Systems, Inc. (CIS), a payment processing company. The Bank provides specialized banking services to privately held businesses and church and church-related entities located primarily in the St. Louis, Missouri metropolitan area. CIS is a payment processing and information services company, whose operations include the processing and payment of freight and utility charges, preparation of transportation management reports, auditing of freight charges, rating of freight shipments and other payment related activities for customers located throughout the United States.

The following paragraphs more fully discuss the results of operations and changes in financial condition for the three-month period ended June 30, 1999 (the Second Quarter of 1999) compared to the three-month period ended June 30, 1998 (the Second Quarter of 1998) and the six-month period ended June 30, 1999 (the First Half of 1999) compared to the six-month period ended June 30, 1998 (the First Half of 1998). Most information is provided on a consolidated basis for the Company, the Bank and CIS, with expanded disclosures for the specific effects CIS's operations have on particular account captions.

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes and with the statistical information and financial data appearing in this report as well as the Company's 1998 Annual Report on Form 10-K. Results of operations for the three and six month periods ended June 30, 1999 are not necessarily indicative of results to be attained for any other period.

RESULTS OF OPERATIONS

The Company had net income of $1,487,000 for the Second Quarter of 1999, a $483,000 or 24.5% decrease compared to net income of $1,970,000 for the Second Quarter of 1998. The Company had net income of $3,006,000, a $637,000 or 17.5% decrease for the First Half of 1999 compared to net income of $3,643,000 for the First Half of 1998. Diluted earnings per share was $.39 for the Second Quarter of 1999, a 22.0% decrease compared to $.50 for the Second Quarter of 1998. Diluted earnings per share was $.77 for the First Half of 1999, a 17.2% decrease compared to $.93 for the First Half of 1998.

Net Interest Income

The Company's tax-equivalent net interest income decreased .65% or $42,000 from $6,511,000 in the Second Quarter of 1998 to $6,469,000 in the Second Quarter of 1999. The tax-equivalent net interest margin decreased from 6.12% in the Second Quarter of 1998 to 5.80% in the Second Quarter of 1999. The average tax-equivalent yield on earning assets decreased from 7.13% in the Second Quarter of 1998 to 6.77% in the Second Quarter of 1999. The average rate paid on interest-bearing liabilities decreased from 4.13% in the Second Quarter of 1998 to 3.81% in the Second Quarter of 1999.

The average balance of loans increased $34,864,000 from $216,023,000 to $250,887,000, investment in debt and equity securities decreased $38,270,000 from $117,404,000 to $79,134,000, and federal funds sold and other short-term investments increased $23,956,000 from $93,274,000 to $117,230,000 from the Second Quarter of 1998 to the Second Quarter of 1999. The average balance of noninterest-bearing demand deposit accounts increased $3,135,000 from $70,564,000 to $73,699,000, accounts and drafts payable increased $7,660,000 from $227,046,000 to $234,706,000, and interest-bearing liabilities increased $9,129,000 from $104,420,000 to $113,549,000 from the Second Quarter of 1998 to the Second Quarter of 1999.

The decreases experienced during the Second Quarter in net interest margin and net interest income were caused primarily by decreases in the general level of interest rates, specifically, the federal fund, short-term government, and prime rates. The Company is adversely affected by decreases in the level of interest rates due to the fact that its rate sensitive assets significantly exceed its rate sensitive liabilities. Conversely, the Company is positively affected by increases in the level of interest rates. This is primarily due to the noninterest-bearing liabilities generated by CIS in the form of accounts and drafts payable. Most of the impact from this decrease in rates was offset by increases in interest-earning assets.

The increases experienced during the Second Quarter in noninterest-bearing demand deposits and interest-bearing deposits were attributable to the addition of new business at the Bank. The increase in accounts and drafts payable was attributable mainly to an increase in the dollar value of items processed at CIS. These increases were used to fund the increased investment in loans and federal funds and other short-term investments. The decrease in investment in debt and equity securities was also used to fund the increase in federal funds and other short-term investments and was caused by management's desire to increase liquidity to meet expected future loan demand. Please refer to Table 1 on Page 8.

The Company's tax-equivalent net interest income decreased 1.2% or $158,000 from $12,815,000 in the First Half of 1998 to $12,657,000 in the First Half of 1999. The tax-equivalent net interest margin decreased from 6.09% in the First Half of 1998 to 5.72% in the First Half of 1999. The average tax-equivalent yield on earning assets decreased from 7.10% in the First Half of 1998 to 6.68% in the First Half of 1999. The average rate paid on interest-bearing liabilities decreased from 4.13% in the First Half of 1998 to 3.83% in the First Half of 1999.

The average balance of loans increased $27,371,000 from $210,177,000 to $237,548,000, investment in debt and equity securities decreased $39,714,000 from $119,172,000 to $79,458,000, and federal funds sold and other short-term investments increased $33,606,000 from $95,321,000 to $128,927,000 from the First Half of 1998 to the First Half of 1999. The average balance of noninterest-bearing demand deposit accounts increased $4,566,000 from $68,201,000 to $72,767,000, accounts and drafts payable increased $5,943,000 from $228,545,000 to $234,488,000, and interest-bearing liabilities increased $7,609,000 from $104,026,000 to $111,635,000 from the First Half of 1998 to the First Half of 1999.

The decreases experienced during the First Half of 1999 in net interest margin and net interest income were caused primarily by decreases in the general level of interest rates, specifically, the federal fund, short-term government, and prime rates. The Company is adversely affected by decreases in the level of interest rates due to the fact that its rate sensitive assets significantly exceed its rate sensitive liabilities. Conversely, the Company is positively affected by increases in the level of interest rates. This is primarily due to the noninterest-bearing liabilities generated by CIS in the form of accounts and drafts payable. Most of the impact from this decrease in rates was offset by increases in interest-earning assets.

The increases experienced during the First Half of 1999 in noninterest-bearing demand deposits and interest bearing deposits were attributable to the addition of new business at the Bank. The increase in accounts and drafts payable was attributable mainly to an increase in the dollar value of items processed at CIS. These increases were used to fund the increase investment in loans and federal funds and other short-term investments. The decrease in investment in debt and equity securities was also used to fund the increase in federal funds and other short-term investments and was caused by management's desire to increase liquidity to meet expected future loan demand. Please refer to Table 2 on Page 10.

TABLE 1: CONSOLIDATED AVERAGE BALANCE SHEETS AND NET INTEREST INCOME ANALYSIS
FOR THE THREE MONTHS ENDED JUNE 30, 1999 AND 1998
(TAX-EQUIVALENT BASIS, IN THOUSANDS)

	AVERAGE BALANCE		AVERAGE YIELD/RATE		INTEREST INCOME/EXPENSE			INCREASE (DECREASE) DUE TO CHANGE IN	
	1999	1998	1999	1998	1999	1998	NET CHANGE	VOLUME	RATE
ASSETS									
Interest-earning assets:									
Loans	$250,887	$216,023	7.96%	8.44%	$4,981	$4,546	$ 435	$ 703	$(268)
Investment in debt and equity securities	79,134	117,404	6.02	6.08	1,187	1,780	(593)	(574)	(19)
Federal funds sold and other short-term investments	117,230	93,274	4.72	5.41	1,379	1,260	119	296	(177)
Total interest-earning assets	447,251	426,701	6.77	7.13	7,547	7,586	(39)	425	(464)
Nonearning assets:									
Cash and due from banks	22,765	20,024							
Premises and equipment, net	9,175	9,570							
Other assets	9,529	10,206							
Allowance for loan losses	(4,463)	(4,548)							
Total assets	484,257	461,953							
LIABILITIES AND STOCKHOLDERS' EQUITY									
Interest-bearing liabilities:									
Interest-bearing demand deposits	41,925	33,671	3.31	3.53	346	296	50	69	(19)
Savings deposits	63,460	61,555	4.01	4.28	635	657	(22)	20	(42)
Time deposits of $100,000 or more	4,319	4,131	4.27	5.83	46	60	(14)	3	(17)
Other time deposits	3,574	4,726	5.50	5.01	49	59	(10)	(15)	5
Total interest-bearing deposits	113,278	104,083	3.81	4.13	1,076	1,072	4	77	(73)
Short-term borrowings	271	337	2.96	3.57	2	3	(1)	(1)	--
Total interest-bearing liabilities	113,549	104,420	3.81	4.13	1,078	1,075	3	76	(73)
Noninterest-bearing liabilities:									
Demand deposits	73,699	70,564							
Accounts and drafts payable	234,706	227,046							
Other liabilities	5,502	5,448							
Total liabilities	427,456	407,478							
Shareholders' equity	56,801	54,475							
Total liabilities and shareholders' equity	$484,257	$461,953							
Net interest income					$6,469	$6,511	$ (42)	$ 349	$(391)
Net interest margin			5.80%	6.12%					
Interest spread			2.96%	3.00%					

AVERAGE BALANCES, INTEREST AND RATES, Continued

NOTES:

(1) For purposes of these computations, nonaccrual loans are included in the average loan amounts outstanding.

(2) Interest income on loans includes net fees of $80,000 and $11,000 for the Second Quarter of 1999 and 1998, respectively.

(3) Income is presented on a tax-equivalent basis assuming a tax rate of 34%. The tax-equivalent adjustment was approximately $49,000 and $29,000 for the Second Quarter of 1999 and 1998, respectively.

TABLE 2: CONSOLIDATED AVERAGE BALANCE SHEETS AND NET INTEREST INCOME ANALYSIS
FOR THE SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(TAX-EQUIVALENT BASIS, IN THOUSANDS)

	AVERAGE BALANCE		AVERAGE YIELD/RATE		INTEREST INCOME/EXPENSE			INCREASE (DECREASE) DUE TO CHANGE IN	
	1999	1998	1999	1998	1999	1998	NET CHANGE	VOLUME	RATE
ASSETS									
Interest-earning assets:									
Loans	$237,548	$210,177	7.94%	8.42%	$ 9,354	$ 8,775	$ 579	$ 1,098	$(519)
Investment in debt and equity securities	79,458	119,172	6.06	6.10	2,388	3,606	(1,218)	(1,194)	(24)
Federal funds sold and other short-term investments	128,927	95,321	4.75	5.42	3,034	2,565	469	821	(352)
Total interest-earning assets	445,933	424,670	6.68	7.10	14,776	14,946	(170)	725	(895)
Nonearning assets:									
Cash and due from banks	21,795	18,995							
Premises and equipment	9,196	9,703							
Other assets	9,653	11,468							
Allowance for loan losses	(4,448)	(4,523)							
Total assets	482,129	460,313							
LIABILITIES AND STOCKHOLDERS' EQUITY									
Interest-bearing liabilities:									
Interest-bearing demand deposits	39,687	34,081	3.32	3.55	654	600	54	94	(40)
Savings deposits	63,720	60,821	4.01	4.28	1,268	1,290	(22)	60	(82)
Time deposits of $100,000 or more	3,609	3,974	5.20	5.78	93	114	(21)	(10)	(11)
Other time deposits	4,341	4,848	4.65	5.03	100	121	(21)	(12)	(9)
Total interest-bearing deposits	111,357	103,724	3.83	4.13	2,115	2,125	(10)	132	(142)
Short-term borrowings	278	302	2.90	4.01	4	6	(2)	--	(2)
Total interest-bearing liabilities	111,635	104,026	3.83	4.13	2,119	2,131	(12)	132	(144)
Noninterest-bearing liabilities:									
Demand deposits	72,767	68,201							
Accounts and drafts payable	234,488	228,545							
Other liabilities	5,637	5,871							
Total liabilities	424,527	406,643							
Stockholders' equity	57,602	53,670							
Total liabilities and stockholders' equity	$482,129	$460,313							
Net interest income					$12,657	$12,815	$ (158)	$ 593	$(751)
Net yield on interest-earning assets			5.72%	6.09%					
Interest spread			2.85%	2.97%					

AVERAGE BALANCES, INTEREST AND RATES, Continued

NOTES:

(1) For purposes of these computations, nonaccrual loans are included in the average loan amounts outstanding.

(2) Interest income on loans includes net fees of $87,000 and $13,000 for the First Half of 1999 and 1998, respectively.

(3) Income is presented on a tax-equivalent basis assuming a tax rate of 34%. The tax-equivalent adjustment was approximately $98,000 and $58,000 for the First Half of 1999 and 1998, respectively.

Provision for Loan Losses

A significant determinant of the Company's operating results is the provision for loan losses and the level of loans charged off. There was no provision made for loan losses during the Second Quarter of 1999 or 1998 and no provision made during the First Half of 1999 or 1998. Net loan recoveries for the Second Quarter of 1999 was $33,000 compared to net loan recoveries of $66,000 for the Second Quarter of 1998. Net loan recoveries for the First Half of 1999 was $43,000 compared to $85,000 for the First Half of 1998.

The ratio of allowance for loan losses as of June 30 to average loans outstanding during the Second Quarter was 1.78% in 1999 compared to 2.12% in 1998. The ratio of nonperforming loans as of June 30 to average loans during the Second Quarter was .21% in 1999 compared to .79% in 1998.

At June 30, 1999, impaired loans totalled $561,000 which includes $378,000 of nonaccrual loans. The allowance for loan losses on impaired loans was $404,000 at June 30, 1999. The average balance of impaired loans during the First Half of 1999 and the First Half of 1998 was $634,000 and $1,253,000, respectively.

The allowance for loan losses at June 30, 1999 was $4,471,000 and at December 31, 1998 was $4,428,000. The allowance for loan losses at June 30, 1999 represented 1.61% of total loans outstanding compared to 1.97% at December 31, 1998.

Factors which influence management's determination of the adequacy of the allowance for loan losses, among other things, include: evaluation of each nonperforming and/or classified loan to determine the estimated loss exposure under existing circumstances known to management; evaluation of all potential problem loans identified in light of possible loss exposure based upon existing circumstances known to management; analysis of the loan portfolio with regard to potential future loss exposure on loans to specific customers and/or industries; current economic conditions; and, an overall review of the loan portfolio in light of past loan loss experience. In management's judgment, the allowance for loan losses is considered adequate to absorb potential losses in the loan portfolio.

The following table presents information as of and for the three- and six-month periods ended June 30, 1999 and 1998 pertaining to the Company's provision for loan losses and analysis of the allowance for loan losses.

	Three Months Ended June 30		Six Months Ended June 30	
	1999	1998	1999	1998
	(Dollars in Thousands)			
Allowance at beginning of period	$ 4,438	$ 4,503	$ 4,428	$ 4,484
Loans charged off	(58)	--	(58)	--
Recoveries on loans previously charged off	91	66	101	85
Net loan recoveries	33	66	43	85
Allowance at end of period	$ 4,471	$ 4,569	$ 4,471	$ 4,569
Loans outstanding:				
Average	$250,887	$216,023	$237,548	$210,177
June 30	277,470	218,979	277,470	218,979
Ratio of allowance for loan losses to loans outstanding:				
Average	1.78 %	2.12 %	1.88 %	2.17 %
June 30	1.61 %	2.09 %	1.61 %	2.09 %
Nonperforming loans:				
Nonaccrual loans	$ 378	$ 657	$ 378	$ 657
Loans past due 90 days or more	143	1,059	143	1,059
Total	$ 521	$ 1,716	$ 521	$ 1,716
Nonperforming loans as a percent of average loans	.21 %	.79 %	.22 %	.82 %

Noninterest Income

Noninterest income is principally derived from service fees generated by CIS. Total noninterest income for the Second Quarter of 1999 was $5,312,000, a $250,000 or 4.5% decrease compared to the Second Quarter of 1998. Total noninterest income for the First Half of 1999 was $10,821,000, a $593,000 or 5.2% decrease compared to the First Half of 1998.

CIS experienced a decrease in payment and processing revenues of $207,000 or 3.9% in the Second Quarter of 1999 compared to the Second Quarter of 1998 and a decrease of $539,000 or 5.0% in the First Half of 1999 compared to the First Half of 1998. These decreases were due primarily to a decrease in the number of freight invoices processed. Some of these decreases were offset by an increase in the number of utility invoices processed.

Noninterest Expense

Total noninterest expense for the Second Quarter of 1999 was $9,410,000, a $421,000 or 4.7% increase compared to the Second Quarter of 1998. Total noninterest expense for the First Half of 1999 was $18,702,000, a $177,000 or 1.0% increase compared to the First Half of 1998.

Salaries and benefits expense for the Second Quarter of 1999 was $6,355,000, a $88,000 or 1.4% increase compared to the Second Quarter of 1998. Salary and benefits expense for the First Half of 1999 was $12,623,000, a $238,000 or 1.9% decrease compared to the First Half of 1998. The increase in expense for the Second Quarter relates primarily to annual pay increases and increased expenses related to an increased investment at CIS to support expanded utility operations. The decrease in expense for the First Half relates primarily to separation costs associated with the streamlining and integration of operations in the freight rating services group which were expensed in the First Three Months of 1998.

Other noninterest expense for the Second Quarter of 1999 was $1,961,000, an increase of $302,000 or 18.2% increase compared to the Second Quarter of 1998. Other noninterest expense for the First Half of 1999 was $3,914,000, a $392,000 or 11.1% increase compared to the First Half of 1998. These increases were attributable to several items including telecommunications, travel & entertainment, and postage expenses.

FINANCIAL CONDITION

Total assets at June 30, 1999 were $451,587,000, a decrease of $52,325,000 or 10.4% from December 31, 1998. Total assets increased $12,943,000 or 3.0% from June 30, 1998. Loans, net of the allowance for loan losses, at June 30, 1999 were $272,999,000, an increase of $52,539,000 or 23.8% from December 31, 1998. Total investments in debt and equity securities at June 30, 1999 were $84,775,000, a $801,000 or .95% increase from December 31, 1998. Federal Funds sold and other short-term investments at June 30, 1999 were $55,860,000, a $100,967,000 or 64.4% decrease from December 31, 1998.

Total deposits at June 31, 1999 were $195,164,000, a $4,182,000 or 2.2% increase from December 31, 1998. Accounts and drafts payable were $195,226,000, a $55,292,000 or 22.1% decrease from December 31, 1998. Total shareholders' equity at June 30, 1998 was $55,702,000, a $1,702,000 or 3.0% decrease from December 31, 1998.

The increase in loans is related to the Bank's ongoing marketing efforts. The decrease in federal funds sold and other short-term investments relates primarily to the corresponding decrease in accounts and drafts payable. The ending balances of accounts and drafts payable will fluctuate from month to month due to the payment processing cycle, which results in lower balances on days when checks are issued. As noted above, the average balances of accounts and drafts payable have increased from the Second Quarter of 1998 to the Second Quarter of 1999 and the First Half of 1998 to the First Half of 1999. The decrease in total shareholders equity resulted from the repurchase of common stock for $2,952,000 (120,000 shares); dividends paid of $1,456,000 ($.38 per share); a decrease in other comprehensive income of $470,000 and offset by net income of $3,006,000; cash received from the exercise of stock options of $81,000 and a tax benefit of $47,000 on stock options exercised.

LIQUIDITY AND CAPITAL RESOURCES

The liquidity of the Company is primarily represented federal funds sold and other short-term investments of $55,860,000 and cash and due from banks of $19,316,000 at June 30, 1999. Included in this total is $30,000,000 invested in money market funds consisting of short-term U.S. Government and agency issues.

Investment in debt and equity securities represented approximately 19% of total assets at June 30, 1999. Of the U.S. Government securities in the Company's investment portfolio, which represented 55% of the total, 52% have maturities of less than one year. Mortgage-backed securities represented approximately 23% of the total. U.S. Government Agencies represented 21% of the total. Obligations of state and political subdivisions constituted 1% of the investment portfolio at June 30, 1999. There were no sales of debt securities in the First Half of 1999. Of the total portfolio, approximately 99% of the securities have maturities of five years or less. These securities provide the Company with longer term liquidity than its primary sources.

The funds provided by the Bank consist of a sizable volume of core deposits. Historically, the Bank has been a net provider of federal funds. During the First Half of 1999, the Bank was a net provider of federal funds, averaging over $26,388,000 in net funds sold. Additionally, the Company averaged approximately $102,539,000 in short-term money market funds during the First Half of 1999. The Company was able to meet its liquidity requirements in the First Half of 1999 through the growth of deposit accounts, accounts and drafts payable and the liquid nature of federal funds sold and other short-term investments.

The Company faces market risk to the extent that its net interest income and fair market value of equity are affected by changes in market interest rates. For information regarding the market risk of the Company's financial instruments, see Item 3. "QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK".

Risk-based capital guidelines for financial institutions were adopted by regulatory authorities effective January 1, 1991. These guidelines were designed to relate regulatory capital requirements to the risk profile of the specific institution and to provide for uniform requirements among the various regulators. Currently, the risk-based capital guidelines require the Company to meet a minimum total capital ratio of 8.0% of which at least 4.0% must consist of Tier I capital. Tier I capital generally consists of (a) common shareholders' equity (excluding the unrealized market value adjustments on the available-for-sale securities), (b) qualifying perpetual preferred stock and related surplus subject to certain limitations specified by the FDIC, (c) minority interests in the equity accounts of consolidated subsidiaries less (d) goodwill, (e) mortgage servicing rights within certain limits, and (f) any other intangible assets and investments in subsidiaries that the FDIC determines should be deducted from Tier I capital. The FDIC also requires a minimum leverage ratio of 3.0%, defined as the ratio of Tier I capital less purchased mortgage servicing rights to total assets, for banking organizations deemed the strongest and most highly rated by banking regulators. A higher minimum leverage ratio is required of less highly rated banking organizations. Total capital, a measure of capital adequacy, includes Tier I capital, allowance for possible loan losses, and debt considered equity for regulatory capital purposes.

The Company and the Bank continue to significantly exceed all regulatory capital requirements, as evidenced by the following capital amounts and ratios at June 30, 1999 and December 31, 1998:

June 30, 1999	Amount	Ratio
Total capital (to risk-weighted assets)		
Cass Commercial Corporation	$58,656,000	22.11%
Cass Commercial Bank	27,376,000	14.71
Tier I capital (to risk-weighted assets)		
Cass Commercial Corporation	$55,326,000	20.86%
Cass Commercial Bank	25,046,000	13.46
Tier I capital (to average assets)		
Cass Commercial Corporation	$55,326,000	11.49%
Cass Commercial Bank	25,046,000	11.15

December 31, 1998	Amount	Ratio
Total capital (to risk-weighted assets)		
Cass Commercial Corporation	$60,073,000	21.14%
Cass Commercial Bank	27,526,000	15.12
Tier I capital (to risk-weighted assets)		
Cass Commercial Corporation	$56,510,000	19.89%
Cass Commercial Bank	25,246,000	13.86
Tier I capital (to average assets)		
Cass Commercial Corporation	$56,510,000	12.05%
Cass Commercial Bank	25,246,000	12.04

FACTORS THAT MAY AFFECT FUTURE RESULTS

The Year 2000 Issue

The Year 2000 issue centers around the inability of some computer systems to properly read and interpret dates because many existing computers and computer programs have been developed to use two digits rather than four to refer to a year. The risk of system failure and data processing errors may be the result of this issue.

The Company's operations are heavily dependent on the use of computer systems. For this reason, the Company implemented a Year 2000 project in 1997. The project was segmented into five phases: Awareness, Assessment, Renovation, Testing and Implementation. The Company has focused its efforts on addressing those systems it deems to be critical to ongoing operations. The Company has completed all phases of the plan for its internal, mission critical systems during the first quarter of 1999.

The Company continues to assess the readiness of its major vendors, suppliers, customers and business partners. This process has been accomplished through such avenues as user acceptance testing, interface testing, risk analysis and periodic correspondence. Although our efforts have been diligent and assessment results have been positive, there can be no guarantee that the systems of these outside parties will be fully functional in the Year 2000. Such failures could have a material adverse effect on the Company.

The Company has developed business resumption contingency plans for the purpose of assuring that core business processes will continue to operate into the Year 2000. The plans will address failures such as payment system failures, data processing system failures, increased cash withdrawals, telecommunication failures, disruption in services provided by outside parties and customer failures. The contingency plans provide for reasonable alternatives to potential failures and the establishment of an implementation strategy, including timelines and responsibility assignments.

The Company estimates it will incur costs of approximately $2.5 million to prepare for the century date change. This includes internal and external costs that will be expensed as well as capital expenditures that will be capitalized. Costs include, but are not limited to salary expenses, outside service fees (i.e., legal, audit, consulting), hardware and software expenditures, and equipment costs. As of June 30, 1999 direct and indirect expenditures have been approximately $2.2 million. Funding for Year 2000 costs have been, and will continue to be, derived from normal operating cash flow and deployment of internal resources. Year 2000 expenses are not expected to have a material impact on the Company's income.

The foregoing discussion of Year 2000 issues is based on management's most current assessment and estimates. The information utilizes multiple assumptions of future events, including, but not limited to, the continued availability of certain resources, third party efforts, and other factors. There can be no guarantee that the estimates included herein will be achieved, and actual costs and results could differ materially from the estimates currently anticipated by the Company.

Inflation

Inflation can impact the financial position and results of the operations of financial institutions because financial institutions hold monetary assets and monetary liabilities. Monetary assets and liabilities are those which can be converted into a fixed number of dollars, and include cash, investments, loans and deposits. The Company's consolidated balance sheets, as is typical of financial institutions, reflect a net positive monetary position (monetary assets exceeding monetary liabilities). During periods of inflation, the holding of a net positive monetary position will result in an overall decline in the purchasing power of a financial institution.

Cautionary Statement Pursuant to Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

Statements in Management's Discussion and Analysis of Financial Condition and Results of Operations and the other sections of this Report that are not statements of historical fact are "forward-looking statements". Such statements are subject to important risks and uncertainties which could cause the Company's actual results to differ materially from those expressed in any such forward-looking statements made herein. The aforesaid uncertainties include, but are not limited to: burdens imposed by federal and state regulators, credit risk related to borrowers' ability to repay loans, concentration of loans in the St. Louis Metropolitan area which subjects the Company to risks associated with changes in the local economy, risks associated with fluctuations in interest rates, competition from other banks and other financial institutions, some of which are not as heavily regulated as the Company and, particularly in the case of CIS, risks associated with breakdowns in data processing systems and competition from other providers of similar services.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company faces market risk to the extent that its net interest income and its fair market value of equity are affected by changes in market interest rates. The asset/liability management discipline as applied at the Company seeks to limit the volatility, to the extent possible, of both net interest income and the fair market value of equity that can result from changes in market interest rates. This is accomplished by limiting the maturities of fixed rate investments, loans, and deposits; matching fixed rate assets and liabilities to the extent possible; and optimizing the mix of non-interest fee and net interest income. However, as discussed below, the Company's asset/liability position differs significantly from most other bank holding companies with positive "gaps" shown for each time horizon presented. This asset sensitive position is caused primarily by the operations of CIS, which generates large balances of accounts and drafts payable. These balances, which are noninterest-bearing, contributes to the Company's high net interest margin but causes the Company to become susceptible to changes in interest rates, with a decreasing net interest margin and fair market value of equity in periods of declining interest rates and an increasing net interest margin and fair market value of equity in periods of rising interest rates.

The Company's Asset/Liability Management Committee (ALCO) measures the Company's interest rate risk sensitivity on a Quarterly basis to monitor and manage the variability of earnings and fair market value of equity in various interest rate environments. The ALCO evaluates the Company's risk position to determine whether the level of exposure is significant enough to hedge a potential decline in earnings and value or whether the Company can safely increase risk to enhance returns. The ALCO uses gap reports, twelve-month net interest income simulations, and fair market value of equity analyses as its main analytical tools to provide management with insight into the Company's exposure to changing interest rates.

A gap report is used by management to review any significant mismatch between the repricing points of the Company's rate sensitive assets and liabilities in certain time horizons. A negative gap indicates that more liabilities reprice in that particular time frame and, if rates rise, these liabilities will reprice faster than the assets. A positive gap would indicate the opposite. Management has set policy limits specifying acceptable levels of interest rate risk as measured by the gap report. Gap reports can be misleading in that they capture only the repricing timing within the balance sheet, and fail to capture other significant risks such as basis risk and embedded options risk. Basis risk involves the potential for the spread relationship between rates to change under different rate environments and embedded options risk relates to the potential for the alteration of the level and/or timing of cash flows given changes in rates.

Another measurement tool used by management is net interest income simulation, which forecasts net interest income during the coming twelve months under different interest rate scenarios in order to quantify potential changes in short-term accounting income. Management has set policy limits specifying acceptable levels of interest rate risk given multiple simulated rate movements. These simulations are more informative than gap reports because they are able to capture more of the dynamics within the balance sheet, such as basis risk and embedded options risk. Simulation results illustrate that the Company's net interest income over the next twelve months is more vulnerable to declining rates than rising rates.

While net interest income simulations do a good job of capturing interest rate risk to short-term earnings, they do not capture risk within the current balance sheet beyond twelve months. The Company uses fair market value of equity analyses to help identify longer-term risk that may reside on the current balance sheet. The fair market value of equity is represented by the present value of all future income streams generated by the current balance sheet. The Company measures the fair market value of equity as the net present value of all asset and liability cash flows discounted at forward rates suggested by the current Treasury curve plus appropriate credit spreads. This representation of the change in the fair market value of equity under different rate scenarios gives insight into the magnitude of risk to future earnings due to rate changes. Management has set policy limits relating to declines in the market value of equity. The results of these analyses indicate that the Company's fair market value of equity declines as rates decline and increases as rates increase.

Interest Rate Sensitivity Gap Table

The following table presents the Company's gap or interest rate position at June 30, 1999 for the various time frames indicated.

	VARIABLE RATE	THREE MONTHS OR LESS	OVER THREE THROUGH SIX MONTHS	OVER SIX THROUGH TWELVE MONTHS	OVER ONE THROUGH FIVE YEARS	OVER FIVE YEARS	TOTAL
			(Dollars in Thousands)				
Interest-earning assets:							
Loans	$115,208	$ 5,671	$ 9,320	$13,815	$122,463	$10,993	$277,470
Investment in debt and equity securities	--	11,515	9,513	24,057	38,446	1,244	84,775
Federal funds sold and other short-term investments	55,860	--	--	--	--	--	55,860
Total interest-earning assets	$171,068	$17,186	$18,833	$37,872	$160,909	$12,237	$418,105
Interest-bearing liabilities:							
Interest-bearing transaction accounts	$104,419	$ --	$ --	$ --	$ --	$ --	$104,419
Time deposits-$100,000 or more	--	1,392	1,050	936	126	--	3,504
Other time deposits	--	1,467	791	1,137	906	--	4,301
Short-term borrowings	227	--	--	--	--	--	227
Total interest-bearing liabilities	$104,646	$ 2,859	$ 1,841	$ 2,073	$ 1,032	$ --	$112,451
Interest sensitivity gap:							
Periodic	$ 66,422	$14,327	$16,992	$35,799	$159,877	$12,237	$305,654
Cumulative	66,422	80,749	97,741	133,540	293,417	305,654	305,654
Ratio of interest-sensitive assets to interest-sensitive liabilities:							
Periodic	1.63x	6.01x	10.23x	18.27x	155.92x	--	3.72x
Cumulative	1.63x	1.75x	1.89x	2.20x	3.61x	3.72x	3.72x

Balances shown reflect earliest repricing date.

PART II

Item 1. LEGAL PROCEEDINGS

None

Item 2. CHANGES IN SECURITIES

None

Item 3. DEFAULTS IN SENIOR SECURITIES

None

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the annual meeting of the shareholders of Cass Commercial Corporation held on April 19, 1999, the following proposals were voted on and approved:

The following is a summary of votes cast. No broker non-votes were received.

	For	Withheld Authority/ Against	Abstentions
1. Proposal to elect four Directors for a term of three years ending 2002;			
Bryan C. Chapell	2,952,680	3,628	917,403
Jake Nania	2,907,912	48,396	917,403
John J. Vallina	2,952,933	3,375	917,403
Bruce E. Woodruff	2,952,680	3,628	917,403
2. Proposal to approve certain amendments to the 1995 Performance-Based Stock Option Plan to permit the granting of incentive stock option under the Option Plan.	2,864,731	50,369	958,611
3. Proposal to ratify the selection of KPMG LLP as independent accountants for 1999.	2,949,992	2,868	920,851

Item 5. OTHER INFORMATION

None

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) None

(b) Cass Commercial Corporation did not file any reports on Form 8-K during the three-months ended June 30, 1999.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CASS COMMERCIAL CORPORATION

DATE: August 5, 1999 By /s/ Lawrence A. Collett

Lawrence A. Collett
Chairman and Chief Executive Officer

DATE: August 5, 1999 By /s/ Eric H. Brunngraber

Eric H. Brunngraber
Vice President-Secretary
(Chief Financial and Accounting Officer)

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3-MOS
DEC-31-1999
APR-01-1999
JUN-30-1999
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TO BE DOCUMENTED IN THE DEC-31-1999 STATEMENTS.

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6-MOS
DEC-31-1999
JAN-01-1999
JUN-30-1999
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TO BE DOCUMENTED IN THE DEC-31-1999 STATEMENTS.