

# Bank Capital Analysis

Capitalization ratios for Global Systemically Important Banks (G-SIBs) and U.S. Large, Regional, and Community Banking Organizations<sup>1</sup>

Data as of June 30, 2018

|   | Tier 1 Capital <sup>2</sup> (\$Billions) | Total Assets <sup>3</sup> (\$Billions) | Risk-Weighted Assets <sup>4</sup> (\$Billions) | Leverage Exposure <sup>5</sup> (\$Billions) | Tier 1 Capital Ratio <sup>6</sup> (Percent) | Tier 1 Leverage Ratio <sup>5</sup> (Percent) | SLR/Basel III Leverage Ratio <sup>5</sup> (Percent) | Goodwill and Other Intangibles <sup>7</sup> (\$Billions) | Deferred Tax Assets <sup>8</sup> (\$Billions) | Price-to-Book Ratio <sup>9</sup> | Price-to-Adjusted Tangible Book Ratio <sup>9</sup> |
|---|--|--|--|---|---|--|---|--|---|----------------------------------|--|
| <b>U.S. G-SIBs</b>  |  |  |  |   |   |  |   |  |   |                                  |  |
| Bank of America Corporation   | 188                                      | 2,292                                  | 1,444  | 2,803                                       | 12.99                                       | 8.35   | 6.69  | 71   | 12  | 1.17                             | 1.79   |
| Bank of New York Mellon Corporation   | 22                                       | 353                                    | 168  | 356   | 13.05                                       | 6.70   | 6.15  | 21   | 0   | 1.42                             | 3.14   |
| Citigroup Inc.  | 162                                      | 1,912                                  | 1,177  | 2,453                                       | 13.77                                       | 8.63   | 6.60  | 27   | 24  | 0.93                             | 1.29   |
| Goldman Sachs Group, Inc.   | 81                                       | 969                                    | 614  | 1,407                                       | 13.23                                       | 8.25   | 5.78  | 4  | 1   | 1.11                             | 1.19   |
| JPMorgan Chase & Co.  | 210                                      | 2,590                                  | 1,543  | 3,255                                       | 13.63                                       | 8.20   | 6.46  | 48   | 1   | 1.51                             | 1.92   |
| Morgan Stanley  | 70                                       | 876                                    | 387  | 1,097                                       | 18.07                                       | 8.21   | 6.38  | 9  | 2   | 1.18                             | 1.39   |
| State Street Corporation  | 15                                       | 248                                    | 108  | 250   | 14.31                                       | 7.11   | 6.16  | 7  | 0   | 1.76                             | 2.89   |
| Wells Fargo & Company   | 176                                      | 1,880                                  | 1,276  | 2,183                                       | 13.83                                       | 9.51   | 8.08  | 30   | 0   | 1.48                             | 1.77   |
| <b>U.S. G-SIBs (\$ Total, % Weighted Average)</b>                                     | <b>925</b>                               | <b>11,120</b>                          | <b>6,717</b>                                   | <b>13,806</b>                               | <b>13.77</b>                                | <b>8.47</b>                                  | <b>6.70</b>   | <b>217</b>   | <b>40</b>                                     | <b>1.30</b>                      | <b>1.78</b>  |
| <b>European and Canadian G-SIBs</b>   |  |  |  |   |   |  |   |  |   |                                  |  |
| Banco Santander (Spain)   | 85                                       | 1,673                                  | 694  | 1,712                                       | 12.29                                       |  | 4.90  | 33   | 35  | 0.79                             | 2.09   |
| Barclays (UK)   | 65                                       | 1,517                                  | 421  | 1,536                                       | 15.32                                       |  | 4.20  | 10   | 6   | 0.62                             | 0.82   |
| BNP Paribas (France)  | 97                                       | 2,607                                  | 767  | 2,438                                       | 12.68                                       |  | 4.00  | 14   | 8   | 0.73                             | 0.93   |
| Crédit Agricole Group (France)  | 98                                       | 2,129                                  | 622  | 1,846                                       | 15.71                                       |  | 5.30  | 21   | 7   | NA                               | NA   |
| Credit Suisse (Switzerland)   | 48                                       | 803                                    | 279  | 926   | 17.36                                       |  | 5.20  | 5  | 5   | 0.88                             | 1.15   |
| Deutsche Bank (Germany)   | 61                                       | 1,658                                  | 406  | 1,545                                       | 15.07                                       |  | 4.00  | 10   | 10  | 0.30                             | 0.42   |
| HSBC (UK)   | 146                                      | 2,607                                  | 865  | 2,664                                       | 16.89                                       |  | 5.30  | 24   | 6   | 1.14                             | 1.39   |
| ING Bank (Netherlands)  | 58                                       | 1,057                                  | 372  | 1,347                                       | 15.71                                       |  | 4.30  | 2  | 2   | 0.96                             | 1.02   |
| Nordea bank (Sweden)  | 32                                       | 665                                    | 143  | 640   | 22.22                                       |  | 4.96  | 5  | 1   | 1.07                             | 1.25   |
| Royal Bank of Canada (Canada)   | 47                                       | 994                                    | 381  | 1,077                                       | 12.28                                       |  | 4.30  | 12   | NA  | 2.04                             | 2.63   |
| Royal Bank of Scotland (UK)   | 48                                       | 987                                    | 262  | 915   | 18.11                                       |  | 5.20  | 9  | 2   | 0.75                             | 0.94   |
| Société Générale (France)   | 58                                       | 1,514                                  | 424  | 1,394                                       | 13.61                                       |  | 4.10  | 8  | 6   | 0.58                             | 0.77   |
| Standard Chartered (UK)   | 43                                       | 695                                    | 272  | 799   | 15.98                                       |  | 5.40  | 5  | 2   | 0.68                             | 0.79   |
| UBS (Switzerland)   | 45                                       | 951                                    | 254  | 908   | 17.81                                       |  | 4.98  | 6  | 10  | 1.13                             | 1.66   |
| UniCredit (Italy)   | 58                                       | 961                                    | 421  | 1,114                                       | 13.77                                       |  | 5.20  | 4  | 14  | 0.63                             | 0.90   |
| <b>European and Canadian G-SIBs (\$ Total, % Weighted Average)</b>                    | <b>989</b>                               | <b>20,819</b>                          | <b>6,584</b>                                   | <b>20,861</b>                               | <b>15.03</b>                                |  | <b>4.74</b>   | <b>168</b>   | <b>114</b>                                    | <b>0.77</b>                      | <b>0.98</b>  |
| <b>Asian G-SIBs</b>   |  |  |  |   |   |  |   |  |   |                                  |  |
| Agricultural Bank of China Limited (China)  | 235                                      | 3,312                                  | 1,997  | 3,560                                       | 11.8  |  | 6.62  | 4  | 18  | 0.68                             | 0.75   |
| Bank of China Limited (China)   | 225                                      | 3,066                                  | 1,901  | 3,288                                       | 11.8  |  | 6.83  | 3  | 6   | 0.68                             | 0.71   |
| China Construction Bank (China)   | 278                                      | 3,445                                  | 2,033  | 3,652                                       | 13.7  |  | 7.61  | 3  | 8   | 0.86                             | 0.90   |
| Industrial and Commercial Bank of China (China)                                       | 327                                      | 4,125                                  | 2,550  | 4,445                                       | 12.8  |  | 7.35  | 4  | 9   | 0.84                             | 0.88   |
| Mitsubishi UFJ FG (Japan; JPY, Local GAAP)  | 146                                      | 2,699                                  | 1,035  | 2,856                                       | 14.1  |  | 5.10  | 11   | 1   | 0.52                             | 0.57   |
| Mizuho FG (Japan; JPY, Local GAAP)  | 82                                       | 1,873                                  | 543  | 1,958                                       | 15.1  |  | 4.19  | 10   | 0   | 0.52                             | 0.59   |
| Sumitomo Mitsui FG (Japan; JPY, Local GAAP)   | 98                                       | 1,805                                  | 578  | 1,931                                       | 16.9  |  | 5.05  | 8  | 0   | 0.57                             | 0.63   |
| <b>Asian G-SIBs (\$ Total, % Weighted Average)</b>                                    | <b>1,390</b>                             | <b>20,324</b>                          | <b>10,636</b>                                  | <b>21,690</b>                               | <b>13.07</b>                                |  | <b>6.41</b>   | <b>43</b>  | <b>43</b>                                     | <b>0.68</b>                      | <b>0.71</b>  |
| <b>U.S. banking organizations by size group</b>                                       |  |  |  |   |   |  |   |  |   |                                  |  |
| <b>G-SIBs (\$ Total, % Weighted Average)</b>  | <b>925</b>                               | <b>11,120</b>                          | <b>6,717</b>                                   | <b>13,806</b>                               | <b>13.77</b>                                | <b>8.47</b>                                  | <b>6.70</b>   | <b>217</b>   | <b>40</b>                                     | <b>1.30</b>                      | <b>1.78</b>  |
| <b>LBOs<sup>10</sup> (&gt;\$100B, excluding GSIBs) (\$ Total, % Weighted Average)</b> | <b>286</b>                               | <b>3,064</b>                           | <b>2,487</b>                                   |   | <b>11.49</b>                                | <b>9.69</b>                                  | <b>7.80</b>   | <b>82</b>  | <b>8</b>                                      |                                  |  |
| <b>RBOs (\$10B - \$100B) (\$ Total, % Weighted Average)</b>                           | <b>186</b>                               | <b>1,960</b>                           | <b>1,499</b>                                   |   | <b>12.39</b>                                | <b>9.92</b>                                  |   | <b>58</b>  | <b>6</b>                                      |                                  |  |
| <b>CBOs (&lt;\$10B) (\$ Total, % Weighted Average)</b>                                | <b>218</b>                               | <b>2,100</b>                           | <b>1,573</b>                                   |   | <b>13.89</b>                                | <b>10.60</b>                                 |   | <b>18</b>  | <b>5</b>                                      |                                  |  |

Source: Federal Reserve Y-9C Reports, FFIEC Call Reports, FFIEC 101 Reports, S&P Global Market Intelligence LLC. Data pulled as of December 21, 2018.

Notes:

<sup>1</sup>**G-SIBs:** The Financial Stability Board (FSB) publishes the list of Global Systemically Important Banks (G-SIBs) each November. The June 30, 2018 Bank Capital Analysis uses the list of G-SIBs released on November 21, 2017. The list included eight U.S. banking organizations and 22 non-U.S. organizations, and is available on the FSB's website: [www.fsb.org](http://www.fsb.org). The other groups of U.S. banks reflect the supervisory portfolios of the federal banking agencies. Data sources: FR Y-9C for U.S. G-SIBs; S&P Global Market Intelligence LLC for non-U.S. G-SIBs. **Large Banking Organizations (LBO):** Banking organizations greater than \$100 billion, excluding G-SIBs and subsidiaries of G-SIBs and non-U.S. banks. There are 16 bank holding companies included in the LBO group. Data source: FR Y-9C. **Regional Banking Organizations (RBO):** Banking organizations between \$10 and \$100 billion, excluding subsidiaries of G-SIBs, non-U.S. banks and LBOs. There are 87 bank holding companies included in the RBO group. Data source: FR Y-9C (FFIEC Call Report for RBOs without holding companies). **Community Banking Organizations (CBO):** Banking organizations less than \$10 billion, excluding subsidiaries of G-SIBs, non-U.S. banks, LBOs and RBOs. There are 4,570 depository institutions included in the CBO group. Data source: FFIEC Call Report, as banking organizations less than \$3 billion in assets do not report the FR Y-9C.

<sup>2</sup>Tier 1 Capital is common equity capital less goodwill, certain other intangible assets, disallowed deferred tax assets (DTAs), plus additional qualifying tier 1 capital components. Advanced approaches banking organizations, generally those above \$250 billion in assets or with on-balance sheet foreign exposures above \$10 billion, must include most effects of accumulated other comprehensive income (AOCI), such as unrealized gains and losses on available-for-sale securities, in Tier 1 Capital, while non-advanced approaches organizations may neutralize the effects of most components of AOCI in Tier 1 Capital. Tier 1 capital is the numerator of the Tier 1 Capital Ratio, which uses risk-weighted assets (RWA) in the denominator, and of the Tier 1 Leverage and Supplementary Leverage Ratios (SLR). Note that regulatory capital measures are based on principles agreed to by the Basel Committee on Banking Supervision (BCBS) and implemented by regulators in member countries. In the U.S., capital requirements are established by the three Federal banking agencies. U.S. regulations include standardized approaches and advanced approaches. The requirements for Board-regulated institutions are in 12 CFR 217. The phase-in period for the capital rules in the U.S. is 2014-2018. The phase-in period may differ for non-U.S. G-SIBs. The regulatory capital data for non-U.S. G-SIBs may be transitional or fully phased-in, depending upon data availability.

<sup>3</sup>Total Assets as reported in regulatory financial statements, which are subject to jurisdictional accounting standards.

<sup>4</sup>In the U.S., advanced approaches banks calculate RWA and risk-based ratios using the standardized and advanced approaches and use the lower of the two ratios (the higher RWA amount).

<sup>5</sup>Leverage Ratios and Leverage Exposure: In the U.S., but not in other BCBS member countries, all banking organizations must report the Tier 1 Leverage Ratio (tier 1 capital/average assets for the leverage ratio). Advanced approaches organizations must also calculate the SLR, known outside the U.S. as the Basel III Leverage Ratio. The minimum required Basel III Leverage Ratio is 3 percent for G-SIBs, and the BCBS leverage framework requires a buffer above the minimum Basel III Leverage Ratio. In the U.S. the buffer, referred to as the enhanced SLR, is 2 percentage points for the holding company and 3 percentage points for the insured depository institution. The denominator of the SLR, called total leverage exposure, is a broader measure than the denominator for the Tier 1 Leverage Ratio. Total leverage exposure adjusts regulatory balance sheet assets for derivatives exposure, securities financing exposure and commitments. All G-SIBs report total leverage exposure using the same reporting form (Pillar 3 Report). U.S. G-SIBs report the SLR ratio in the FR Y-9C and the SLR details in the FFIEC 101 report. S&P Global Market Intelligence LLC reports the fully phased-in Basel III leverage ratio.

<sup>6</sup>This ratio measures tier 1 capital to RWA.

<sup>7</sup>Goodwill and other intangibles, such as deposit intangibles, purchased credit card relationships and nonmortgage servicing assets.

<sup>8</sup>Deferred tax assets (DTAs) are the amounts by which taxes payable in future periods may be decreased due to temporary timing differences. DTAs may also include carryforwards of unused tax losses and carryforward of unused tax credits, and are net of any valuation allowance. DTAs for Royal Bank of Canada are not available as of June 30, 2018.

<sup>9</sup>Median price-to-book ratios and price-to-adjusted book ratios are used instead of averages for subgroups and for U.S. comparative groups. The price-to-book ratio is price as a percent of book value per share. Book value is calculated using financial period end common equity and common shares outstanding values. The price-to-adjusted tangible book ratio is calculated using financial period end tangible common equity and common shares outstanding values. Data are not available for Credit Agricole Group.

<sup>10</sup>The SLR reported for the LBO group is the weighted average SLR for five of the 16 LBOs (U.S. Bancorp, The PNC Financial Services Group, Inc., Capital One Financial Corporation, American Express Company, and Northern Trust Corporation) that are advanced approaches banking organizations and therefore report the SLR.