



RESEARCH

Statistics

Quarterly Report: US Financial Institutions, 3Q23

Financial & Regulatory Data

November 2023

Key Takeaways from the Quarter

- **Income Statement**

- Total revenue: 3Q23 \$201.0 billion, +0.1% Q/Q; YTD \$604.5 billion, +9.9% Y/Y
- Operating expenses 3Q23 \$127.2 billion, +0.4% Q/Q; YTD \$380.5 billion, +6.2% Y/Y
- Net income available to common 3Q23 \$46.3 billion, +2.1% Q/Q; YTD \$139.7 billion, +10.3% Y/Y

- **Balance Sheet**

- Total assets \$18.9 trillion, +2.0% Y/Y
- Net loans \$7.1 trillion, +3.7% Y/Y
- Deposits \$11.7 trillion, -1.5% Y/Y

- **Regulatory Ratios**

- Common Equity Tier 1 (CET1) Capital 11.4%; +2.8 pps since 2009
- Tier 1 (T1) Capital 12.9%; +1.1 pps since 2009

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Executive Summary

The U.S. financial system, with nearly \$23 trillion in assets¹, is a large, complex system set up to serve the needs of individuals, corporations, and governments of all sizes. Since the global financial crisis, financial institutions and regulators have worked to shore up the strength and resiliency of the system. Using the Federal Reserve's Comprehensive Capital Analysis and Review (CCAR) firms as a proxy for the system, this quarterly report provides a snapshot of the current landscape. (Please see the Appendix for methodology and firm lists.) We analyze select income statement, balance sheet and regulatory ratio statistics and trends, which show this group of firms has much higher capital levels and healthier balance sheets than during the global financial crisis. We highlight the following trends: (aggregate of all CCAR firms, unless indicated)

- Income Statement
 - Total revenue: 3Q23 \$201.0 billion, +0.1% Q/Q; YTD \$604.5 billion, +9.9% Y/Y
 - Operating expenses: 3Q23 \$127.2 billion, +0.4% Q/Q; YTD \$380.5 billion, +6.2% Y/Y
 - Net income available to common: 3Q23 \$46.3 billion, +2.1% Q/Q; YTD \$139.7 billion, +10.3% Y/Y
- Balance Sheet
 - Total assets \$18.9 trillion, +2.0% Y/Y
 - Net loans² \$7.1 trillion, +3.7% Y/Y
 - Deposits \$11.7 trillion, -1.5% Y/Y
 - As compared to 2009
 - Liquidity³ 15.0%, +6.2 pps since 2009
 - Non-performing loans (NPLs)/Total Loans 0.6%, -2.7 pps since 2009
 - Net charge-offs (NCOs) 64.0%, -275.8 pps since 2009
- Regulatory Ratios⁴
 - Common Equity Tier 1 (CET1) Capital 11.4%; +2.8 pps since 2009, 0.9 pps above maximum requirement
 - Tier 1 (T1) Capital 12.9%; +1.1 pps since 2009, 6.9 pps above requirement
 - Data for G-SIBs only
 - Supplemental Leverage Ratio (SLR) 6.2%, 0.2 pps above maximum requirement
 - Liquidity Coverage Ratio (LCR) 118.8%, 18.8 pps above maximum requirement
 - Total Loss Absorbing Capital (TLAC) as % of RWA 33.2%, 15.2 pps above requirement

¹ Source: FRED Economic Data (total assets for all commercial banks as of September 27, 2023)

² Net loans = loans - allowance for loan loss

³ Liquidity = (cash + deposits at banks) / total assets

⁴ Levels may fluctuate with changes in regulations/taxes/laws. Basel III minimums: CET1 = minimum 7.0%, G-SIB max 10.5%; T1 = 6.0%; SLR = B3 minimum 3.0%, U.S. bank holding company 5.0%, U.S. bank 6.0%; LCR = 100.0%; TLAC/RWA = 18.0%. RWA = risk-weighted assets

Overview: Financial Statements

We highlight the following trends for the quarter:

	3Q23	2Q23	3Q22	Q/Q	Y/Y
Income Statement (\$B)					
Net Interest Income					
All CCAR Firms	104.7	104.5	96.3	0.2%	8.7%
G-SIBs	69.2	68.5	62.1	1.0%	11.5%
Non G-SIBs, Assets >\$250B	22.1	21.8	20.6	1.4%	7.1%
Non G-SIBs, Assets \$100B-\$250B	13.4	14.2	13.6	-5.5%	-1.3%
Non-Interest Income					
All CCAR Firms	96.3	96.3	92.2	0.0%	4.4%
G-SIBs	69.4	69.1	66.6	0.4%	4.2%
Non G-SIBs, Assets >\$250B	20.6	20.7	19.4	-0.4%	5.9%
Non G-SIBs, Assets \$100B-\$250B	6.3	6.5	6.2	-3.8%	2.0%
Total Revenue					
All CCAR Firms	201.0	200.8	188.5	0.1%	6.6%
G-SIBs	138.6	137.6	128.7	0.7%	7.7%
Non G-SIBs, Assets >\$250B	42.7	42.4	40.1	0.6%	6.5%
Non G-SIBs, Assets \$100B-\$250B	19.7	20.8	19.8	-4.9%	-0.2%
Operating Expenses					
All CCAR Firms	127.2	126.6	121.4	0.4%	4.8%
G-SIBs	88.5	87.8	84.6	0.9%	4.7%
Non G-SIBs, Assets >\$250B	27.4	27.6	25.8	-0.6%	6.3%
Non G-SIBs, Assets \$100B-\$250B	11.2	11.3	11.0	-0.2%	1.9%
Loan Loss Provision					
All CCAR Firms	13.4	16.1	10.3	-16.5%	30.0%
G-SIBs	5.8	8.3	5.1	-30.3%	13.6%
Non G-SIBs, Assets >\$250B	4.7	5.2	3.3	-10.3%	41.8%
Non G-SIBs, Assets \$100B-\$250B	3.0	2.6	2.0	15.2%	52.7%
Net Income Available to Common					
All CCAR Firms	46.3	45.3	42.0	2.1%	10.1%
G-SIBs	34.1	33.2	28.8	2.5%	18.4%
Non G-SIBs, Assets >\$250B	8.1	7.4	8.3	9.4%	-2.7%
Non G-SIBs, Assets \$100B-\$250B	4.2	4.7	5.0	-11.5%	-16.4%

Source: Bloomberg, SIFMA estimates

	3Q23	2Q23	3Q22	Q/Q	Y/Y
Balance Sheet (\$T, unless indicated)					
Assets					
Cash & Cash Equivalents*					
All CCAR Firms	2.8	2.9	2.8	-2.5%	1.4%
G-SIBs	2.3	2.4	2.4	-2.8%	-3.4%
Non G-SIBs, Assets >\$250B	0.3	0.3	0.2	-2.1%	42.0%
Non G-SIBs, Assets \$100B-\$250B	0.2	0.2	0.2	0.7%	22.0%
Loans					
All CCAR Firms	7.3	7.3	7.0	-0.1%	3.9%
G-SIBs	4.8	4.8	4.6	0.0%	3.9%
Non G-SIBs, Assets >\$250B	1.5	1.5	1.4	-0.5%	4.7%
Non G-SIBs, Assets \$100B-\$250B	1.0	1.1	1.0	-0.3%	2.5%
Allowance for Loan Loss (\$B)					
All CCAR Firms	134.7	132.5	117.0	1.6%	15.1%
G-SIBs	73.8	73.3	65.2	0.7%	13.1%
Non G-SIBs, Assets >\$250B	36.5	35.6	30.3	2.3%	20.2%
Non G-SIBs, Assets \$100B-\$250B	24.4	23.6	21.5	3.6%	13.7%
Net Loans					
All CCAR Firms	7.1	7.1	6.9	-0.2%	3.7%
G-SIBs	4.7	4.7	4.5	0.0%	3.8%
Non G-SIBs, Assets >\$250B	1.4	1.4	1.4	-0.6%	4.3%
Non G-SIBs, Assets \$100B-\$250B	1.0	1.0	1.0	-0.4%	2.2%
Total Assets					
All CCAR Firms	18.9	18.9	18.5	-0.1%	2.0%
G-SIBs	14.8	14.8	14.6	0.1%	1.5%
Non G-SIBs, Assets >\$250B	2.5	2.5	2.4	-0.6%	5.2%
Non G-SIBs, Assets \$100B-\$250B	1.7	1.7	1.6	-0.5%	2.2%
Liabilities					
Deposits					
All CCAR Firms	11.7	11.8	11.9	-0.8%	-1.5%
G-SIBs	8.6	8.7	8.8	-1.1%	-2.8%
Non G-SIBs, Assets >\$250B	1.8	1.8	1.7	-0.5%	3.8%
Non G-SIBs, Assets \$100B-\$250B	1.3	1.3	1.3	0.5%	0.7%
Total Liabilities					
All CCAR Firms	17.2	17.3	16.9	-0.1%	1.7%
G-SIBs	13.5	13.5	13.3	0.0%	1.2%
Non G-SIBs, Assets >\$250B	2.2	2.3	2.1	-0.6%	5.0%
Non G-SIBs, Assets \$100B-\$250B	1.5	1.5	1.5	-0.4%	2.1%

Note: Cash & cash equivalents = cash and due from banks plus deposits at banks; a small portion of this is restricted cash. Net loans = loans - allowance for loan loss.

Income Statement Metrics

In this section, we highlight key income statement metrics, from revenue to expenses and then profitability.

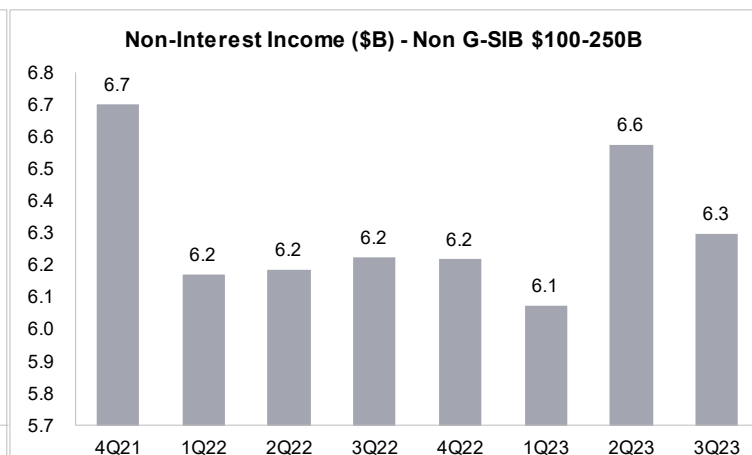
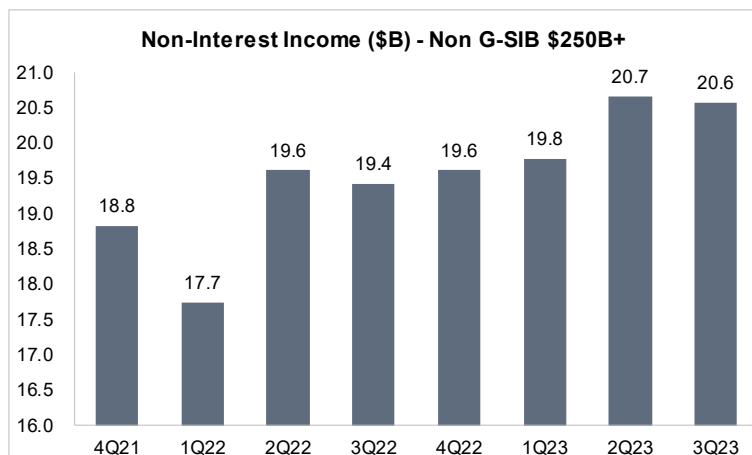
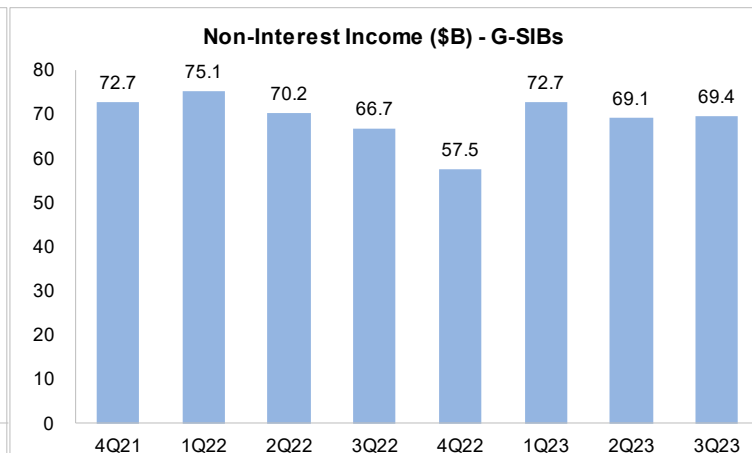
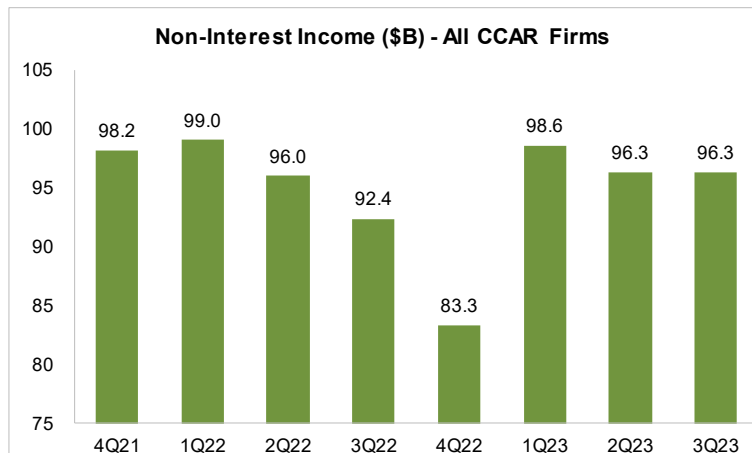
Review of Quarterly Statistics

Net Interest Income



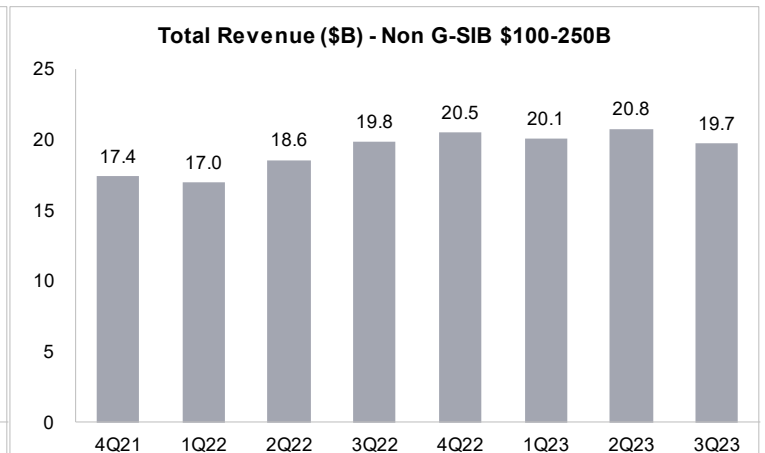
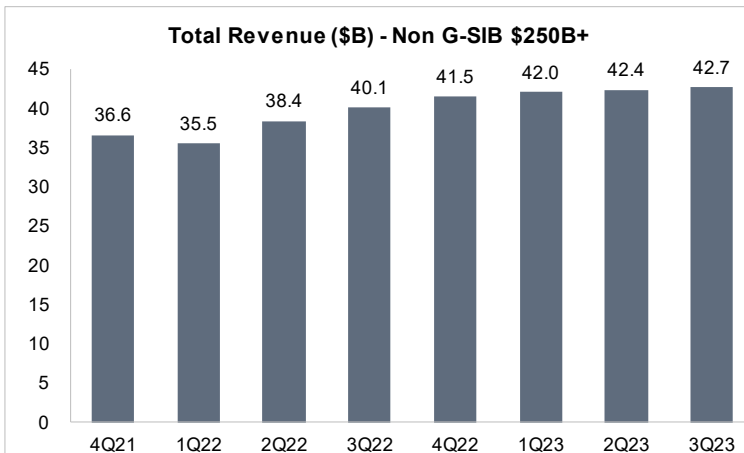
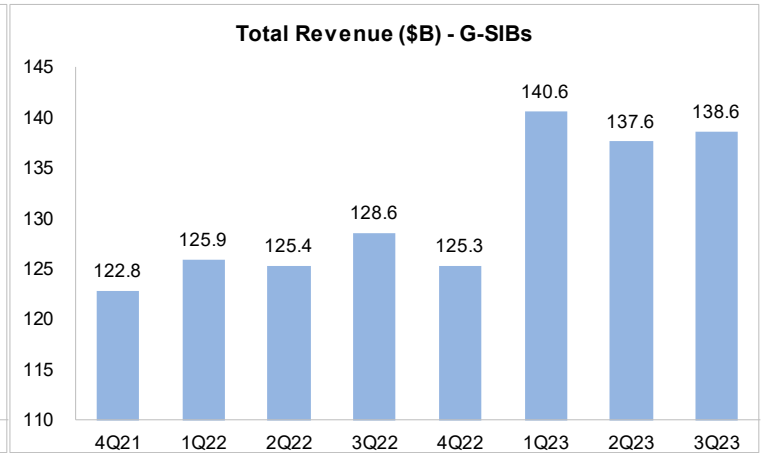
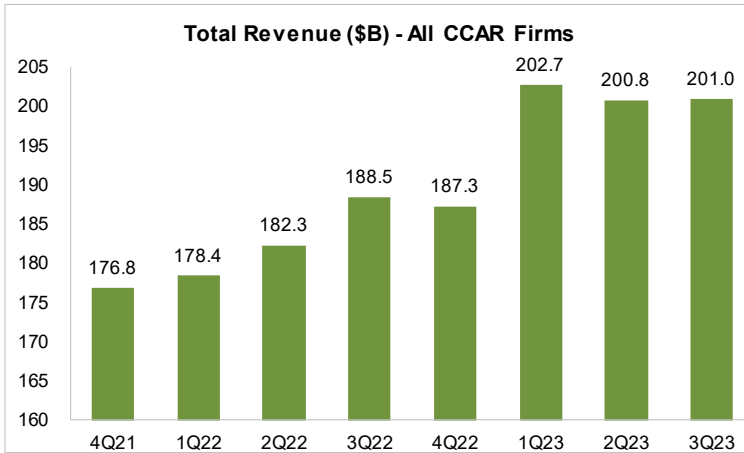
Source: Bloomberg, SIFMA estimates

Non-Interest Income



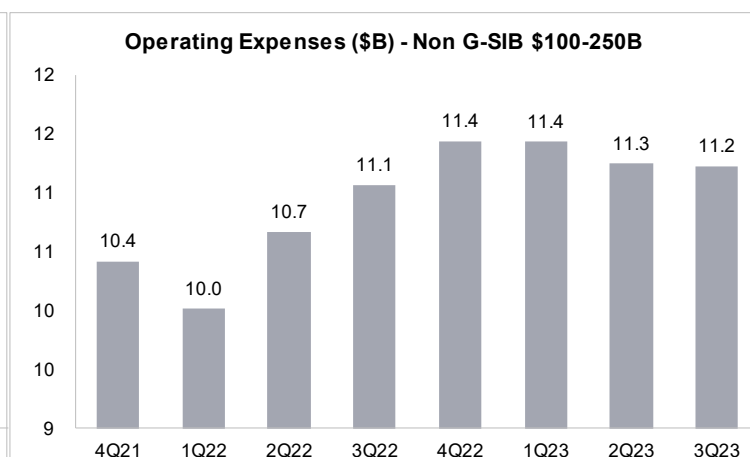
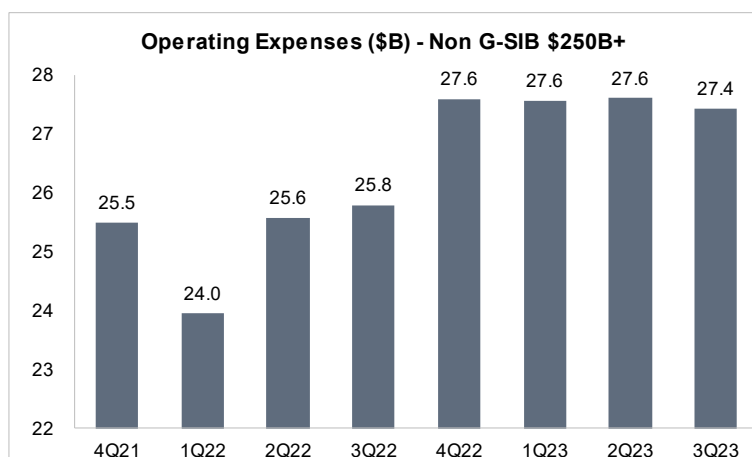
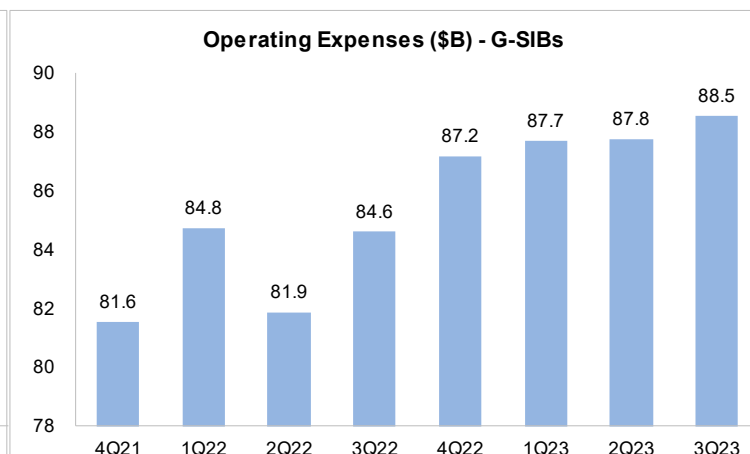
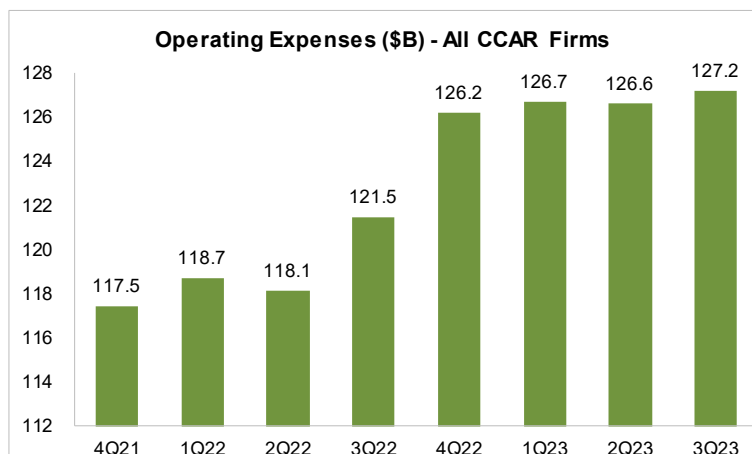
Source: Bloomberg, SIFMA estimates

Total Revenue



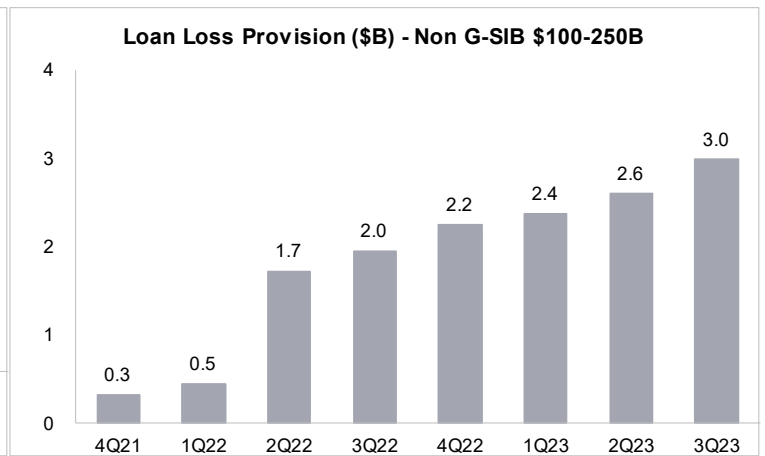
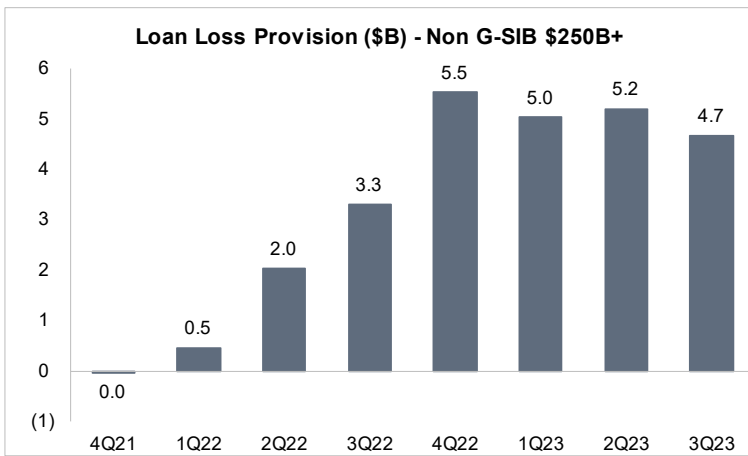
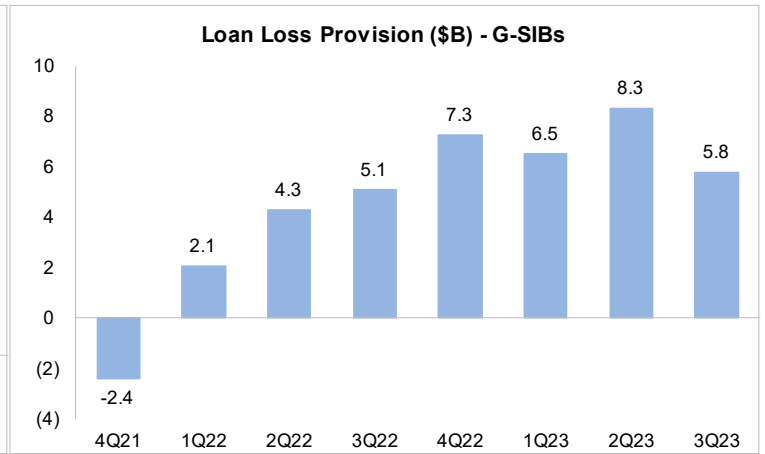
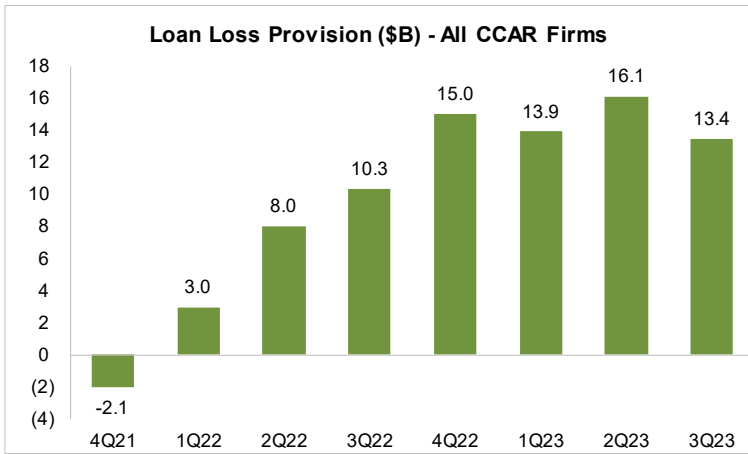
Source: Bloomberg, SIFMA estimates

Operating Expenses



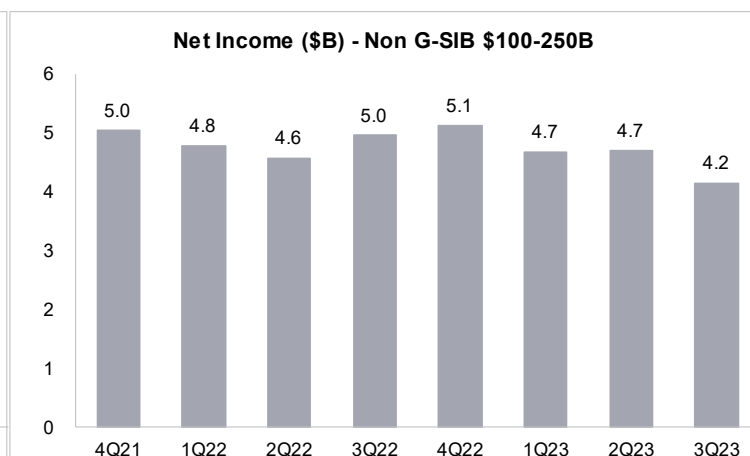
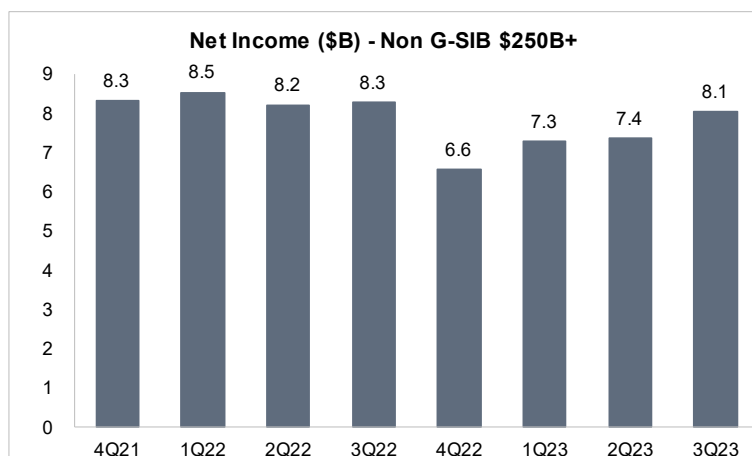
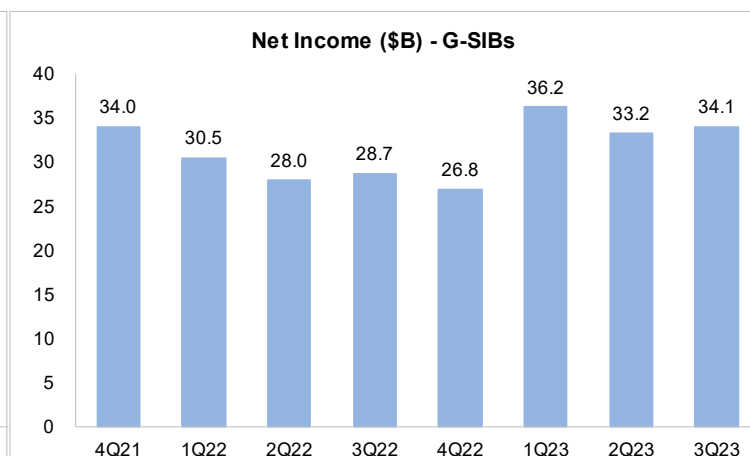
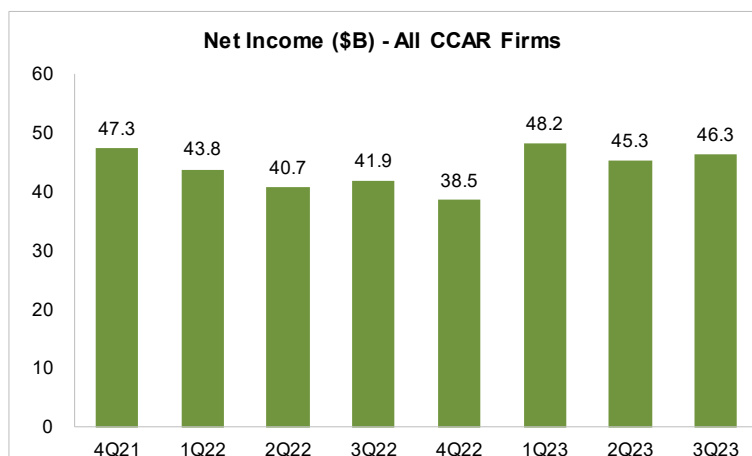
Source: Bloomberg, SIFMA estimates

Loan Loss Provision



Source: Bloomberg, SIFMA estimates

Net Income Available to Common



Source: Bloomberg, SIFMA estimates

Note: Net Income = net income available to common shareholders

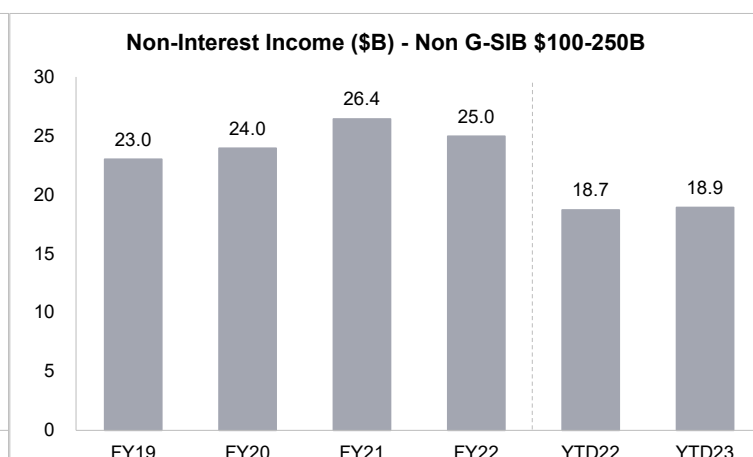
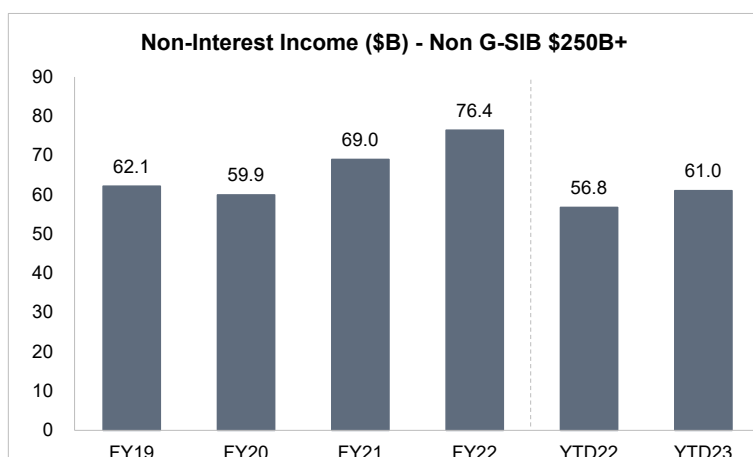
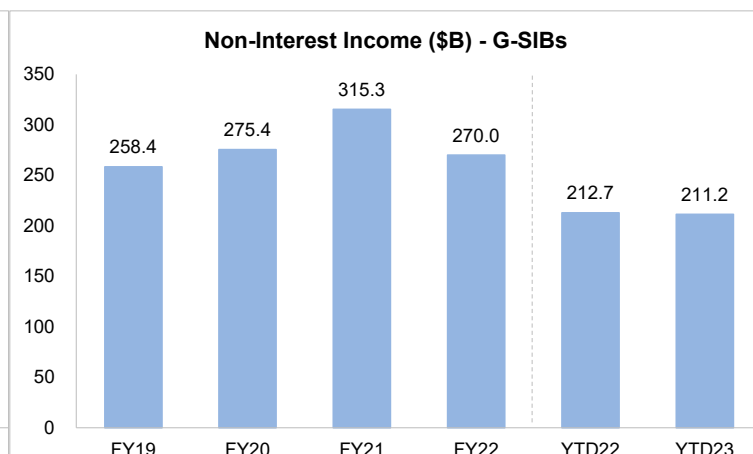
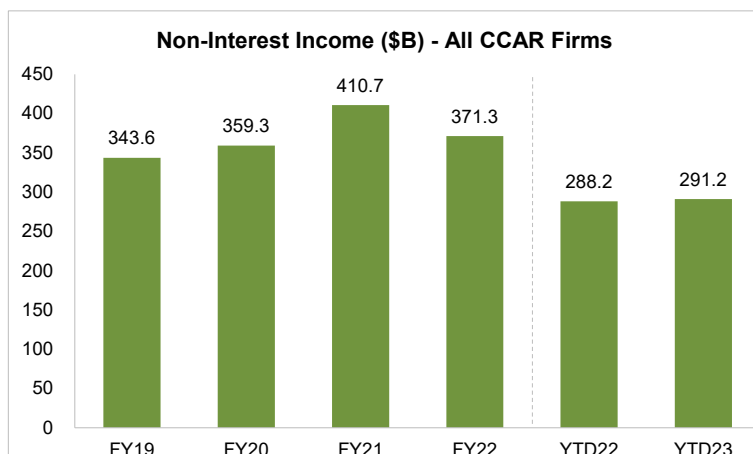
Annual Statistics Update

Net Interest Income



Source: Bloomberg, SIFMA estimates

Non-Interest Income



Source: Bloomberg, SIFMA estimates

Total Revenue



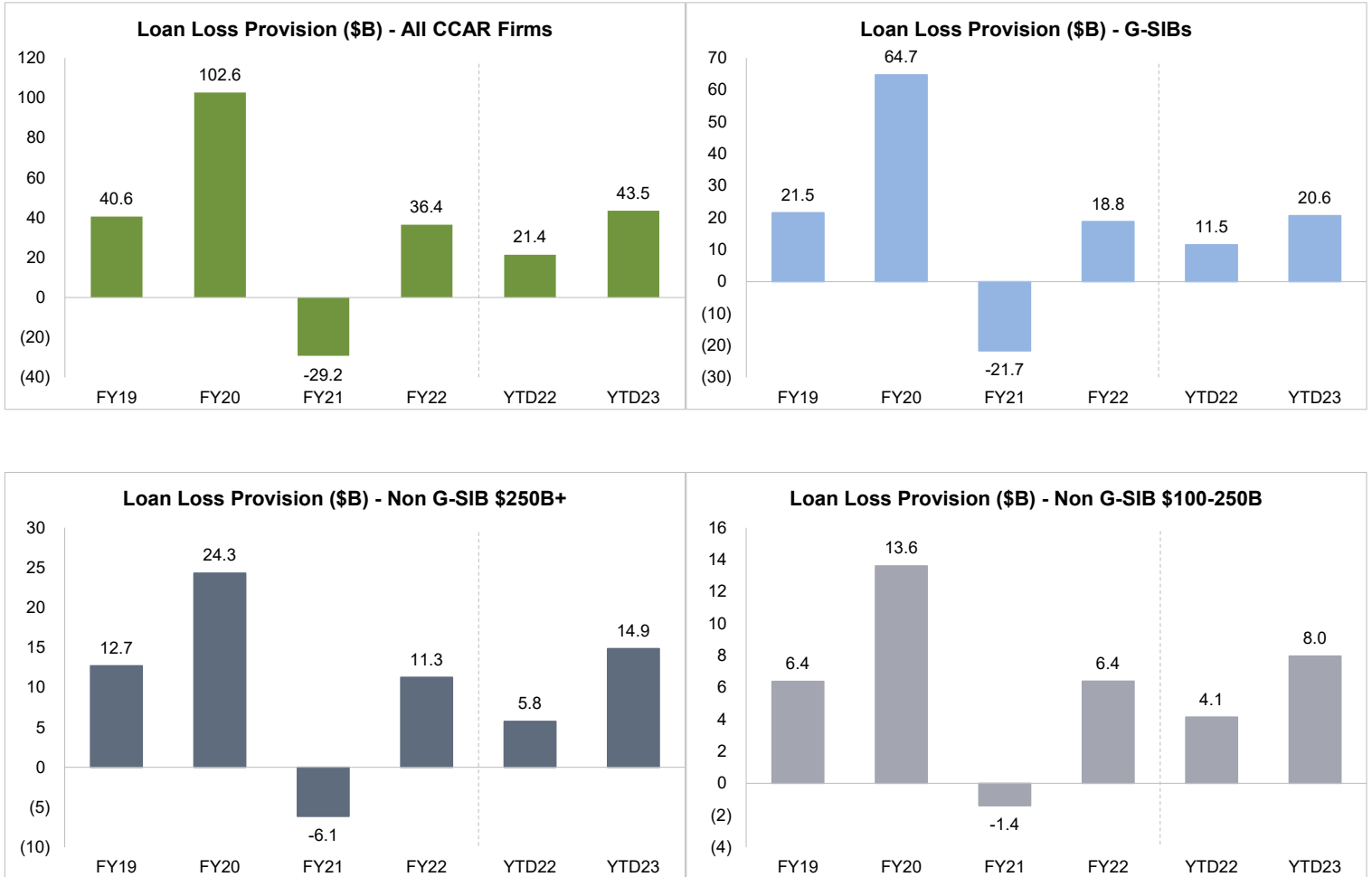
Source: Bloomberg, SIFMA estimates

Operating Expenses



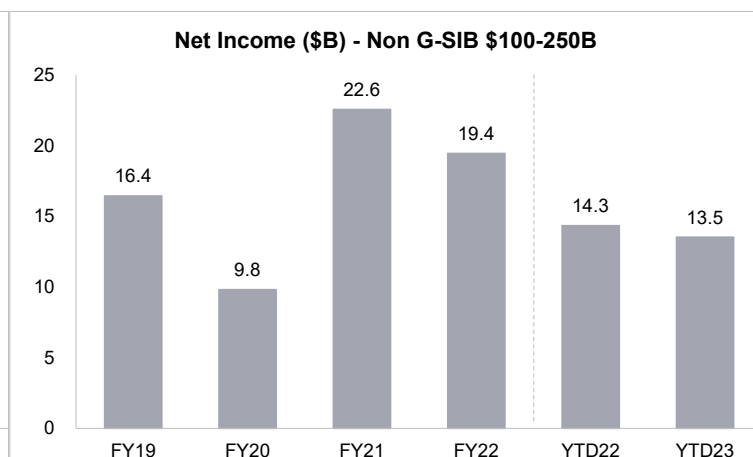
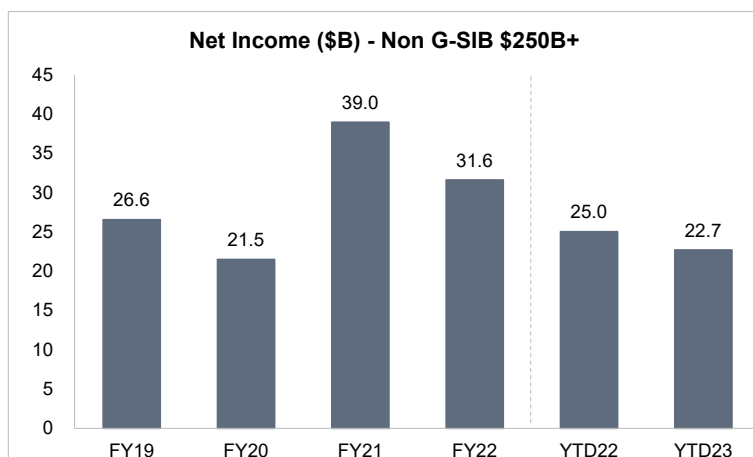
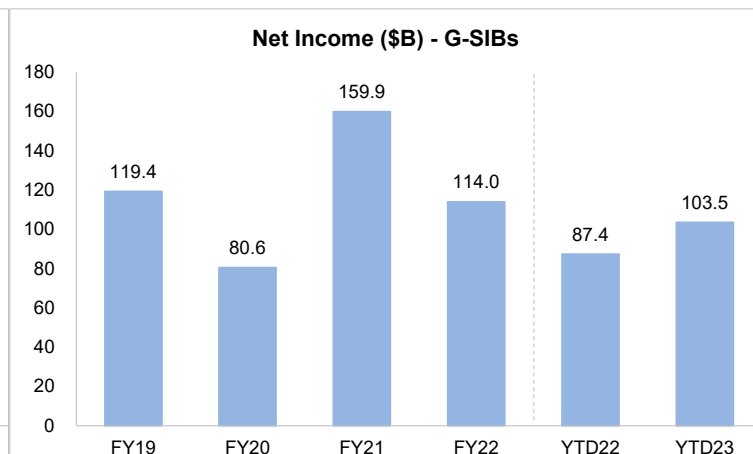
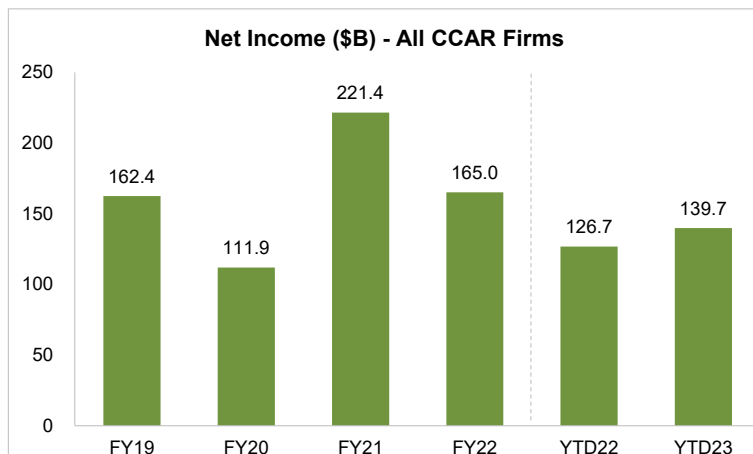
Source: Bloomberg, SIFMA estimates

Loan Loss Provision



Source: Bloomberg, SIFMA estimates

Net Income Available to Common



Source: Bloomberg, SIFMA estimates

Note: Net Income = net income available to common shareholders

Balance Sheet Metrics

In this section, we highlight key balance sheet metrics, from both the asset and liability side. We also look at select ratios indicative of balance sheet health as compared to 2009 (ex: net charge-offs), showing the improved strength of the system since the global financial crisis.

Cash



Source: Bloomberg, SIFMA estimates

Cash & Cash Equivalents



Source: Bloomberg, SIFMA estimates

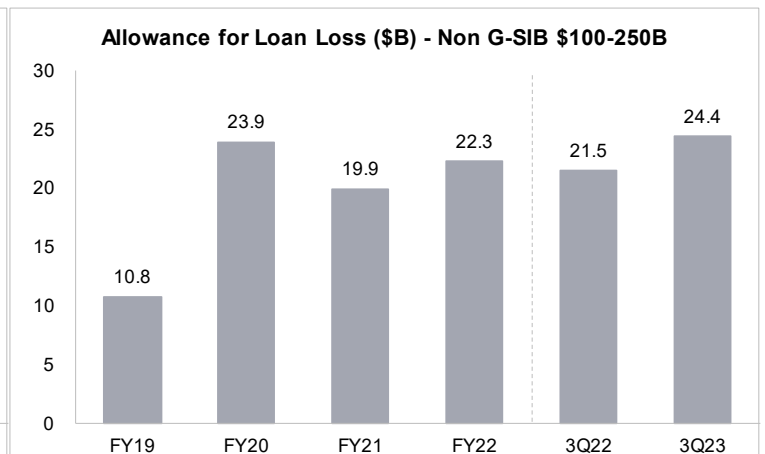
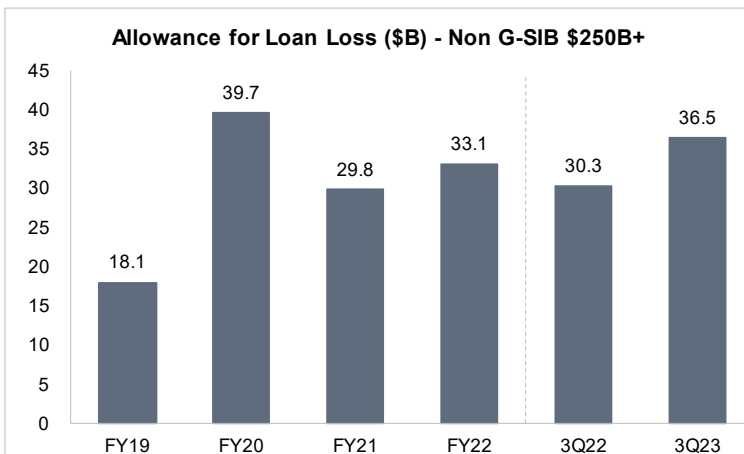
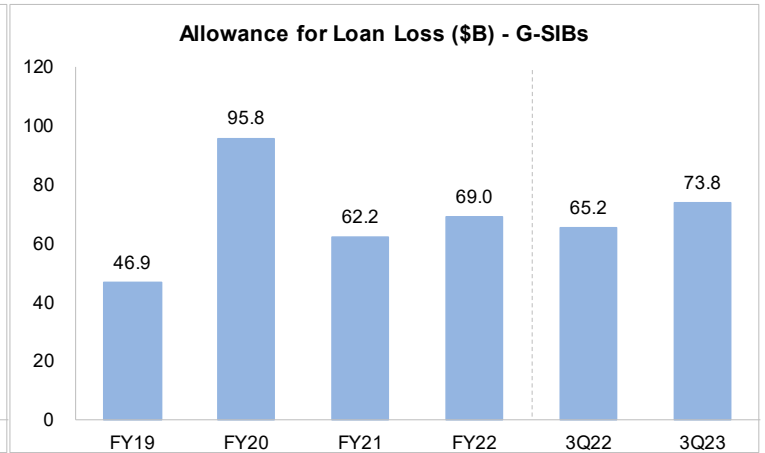
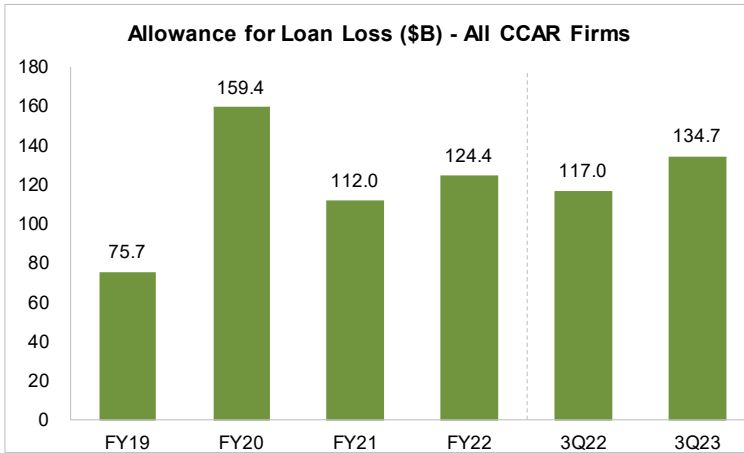
Note: Cash & cash equivalents = cash and due from banks plus deposits at banks; a small portion of this is restricted cash estimates

Total Loans



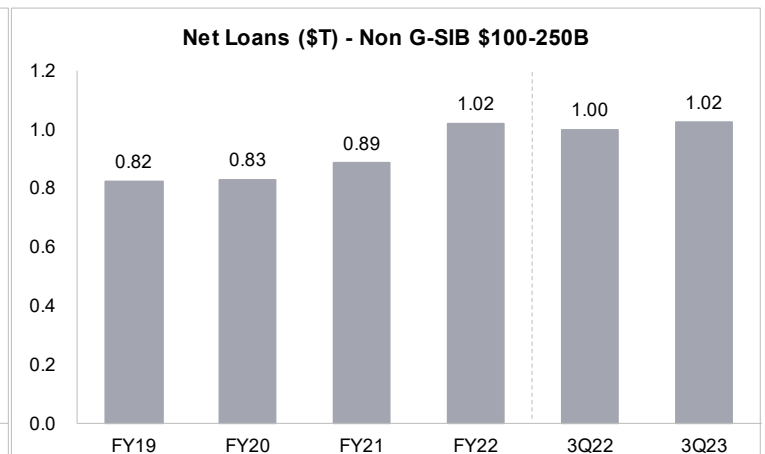
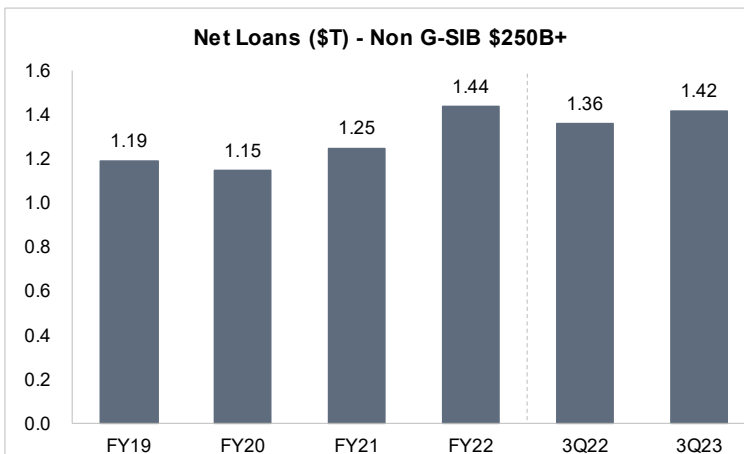
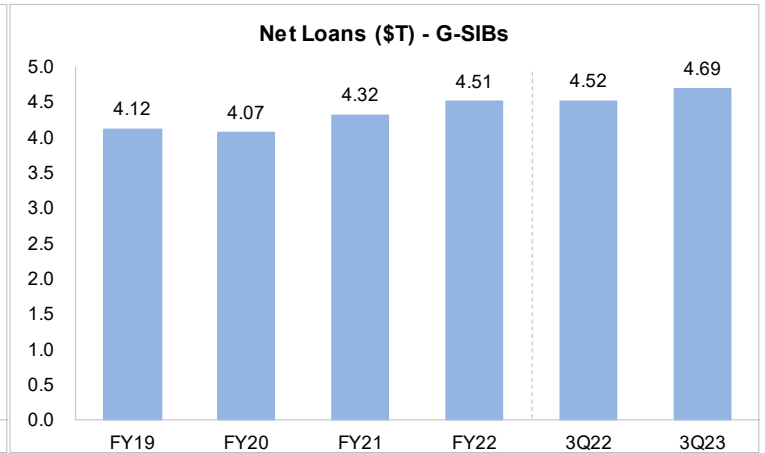
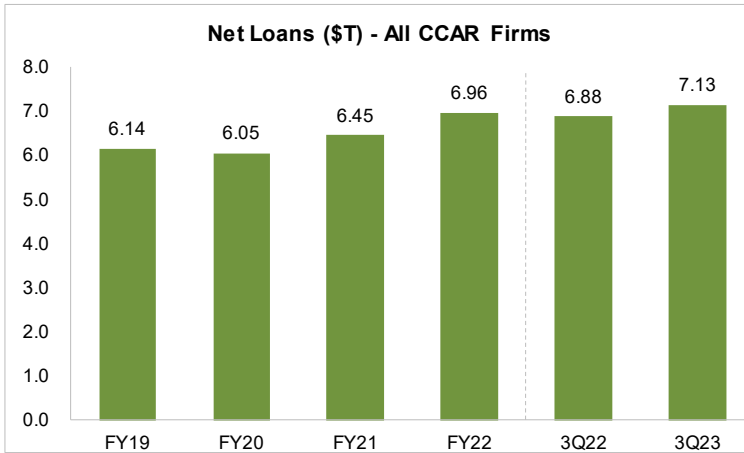
Source: Bloomberg, SIFMA estimates

Allowance for Loan Loss



Source: Bloomberg, SIFMA estimates

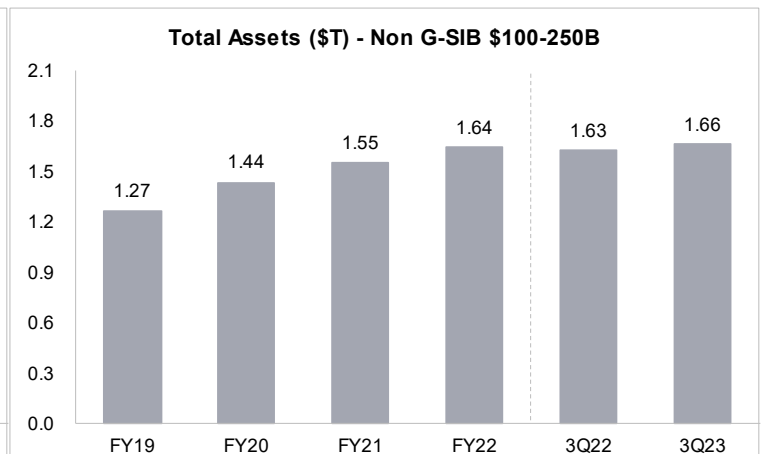
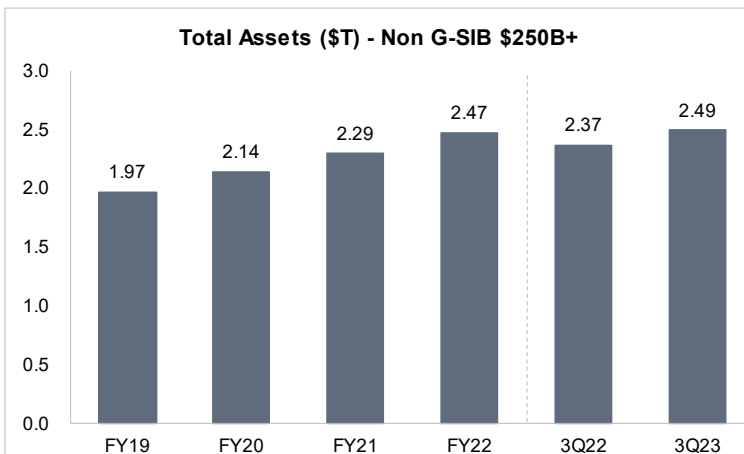
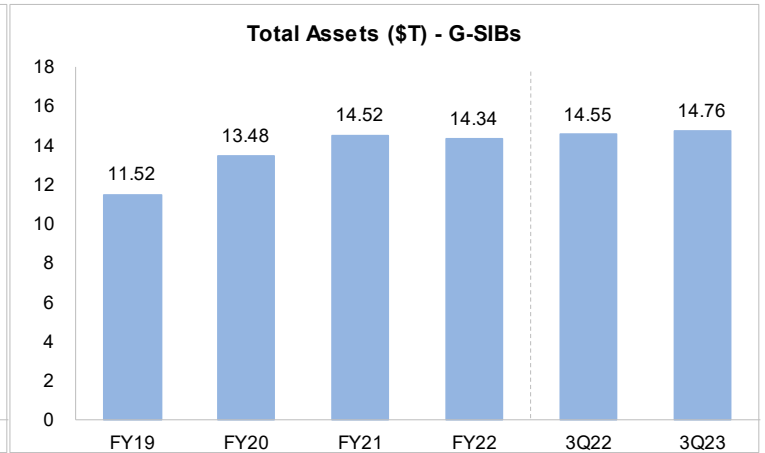
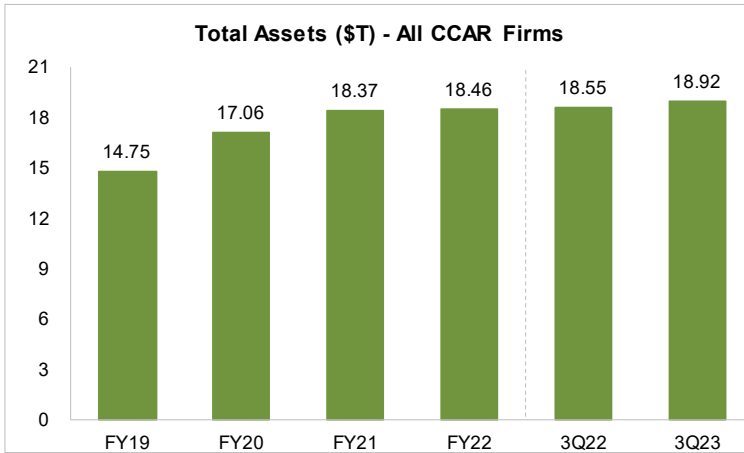
Net Loans



Source: Bloomberg, SIFMA estimates

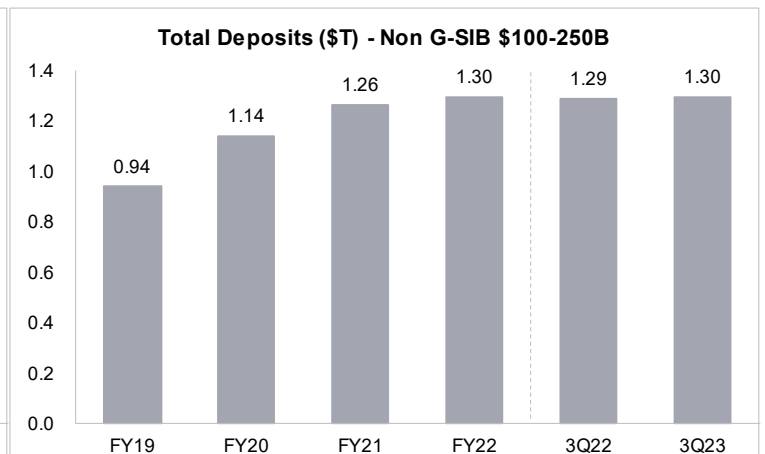
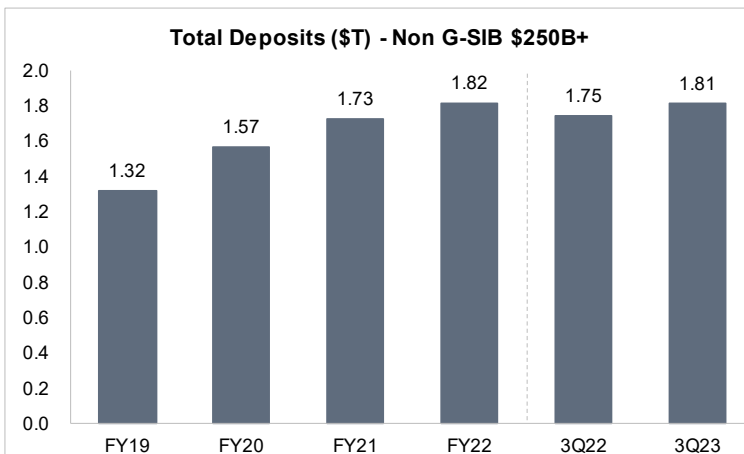
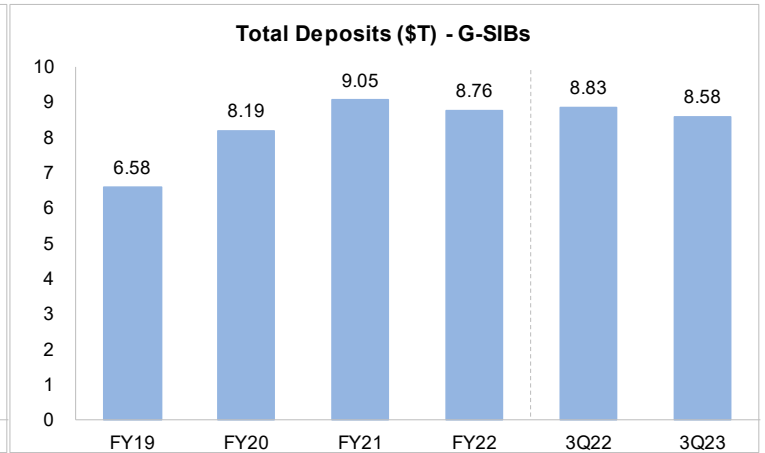
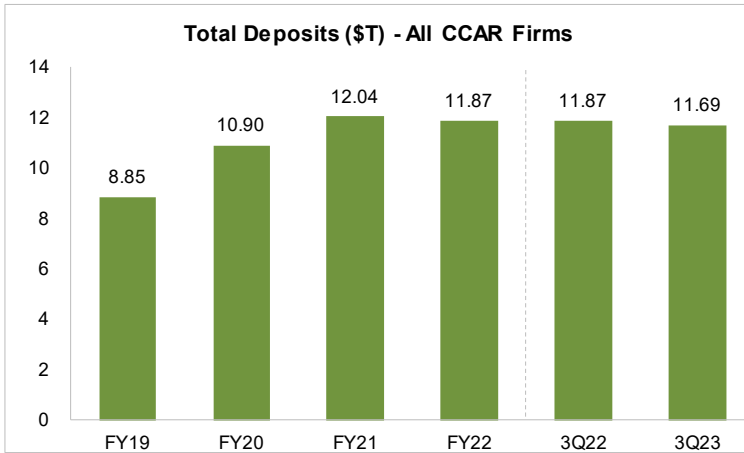
Note: Net loans = loans - allowance for loan loss

Total Assets



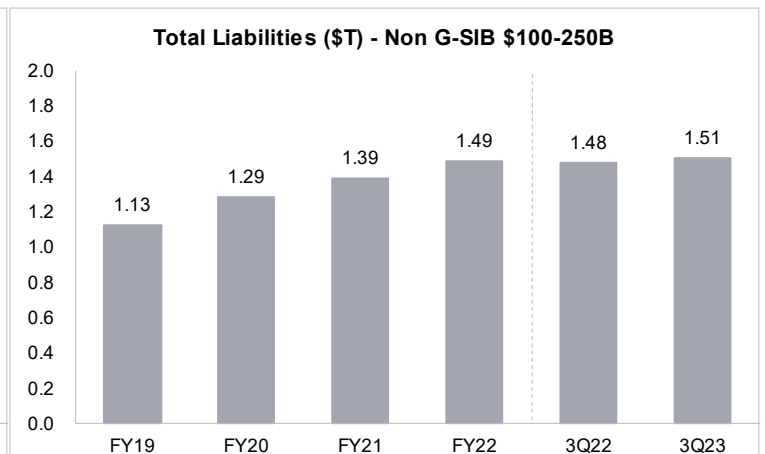
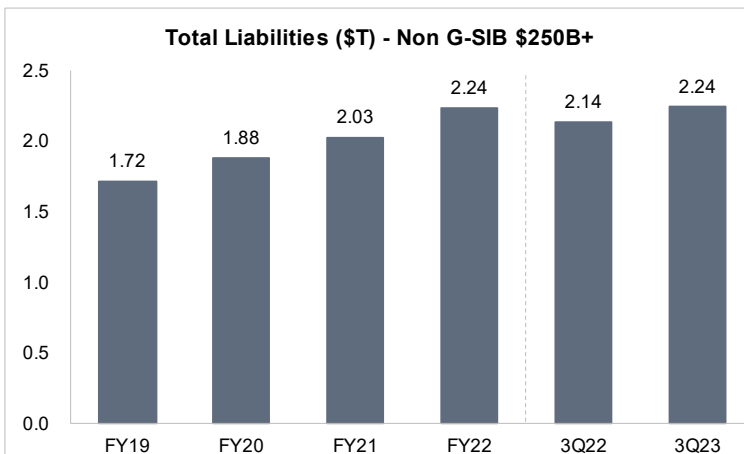
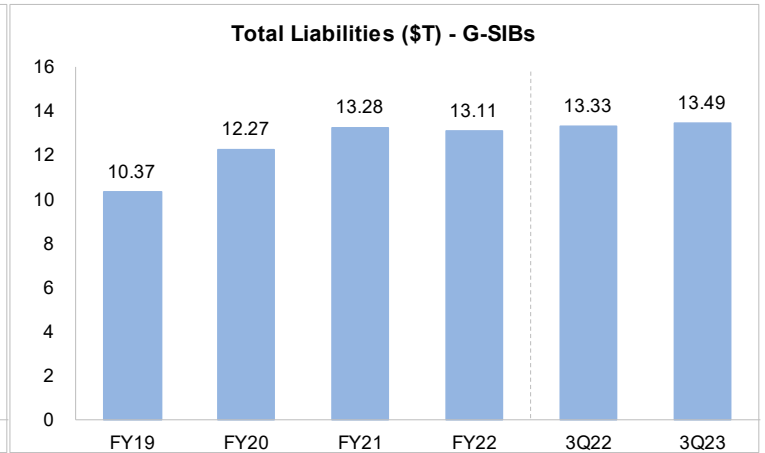
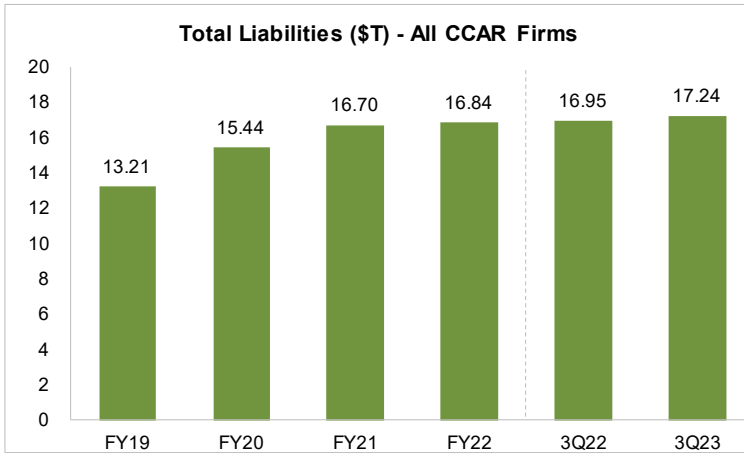
Source: Bloomberg, SIFMA estimates

Total Deposits



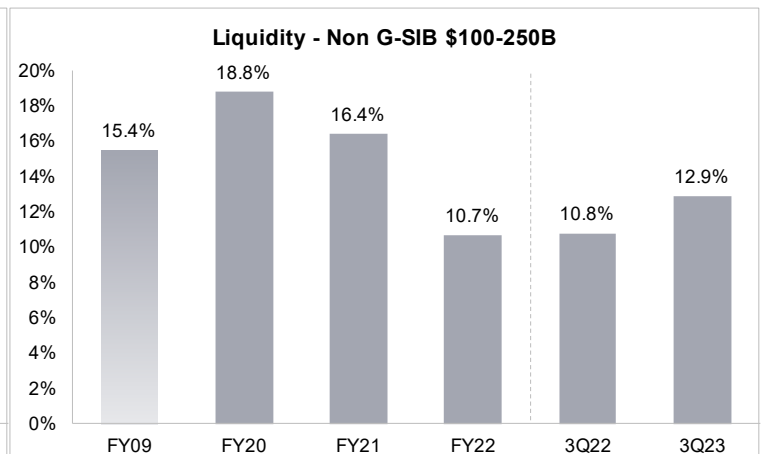
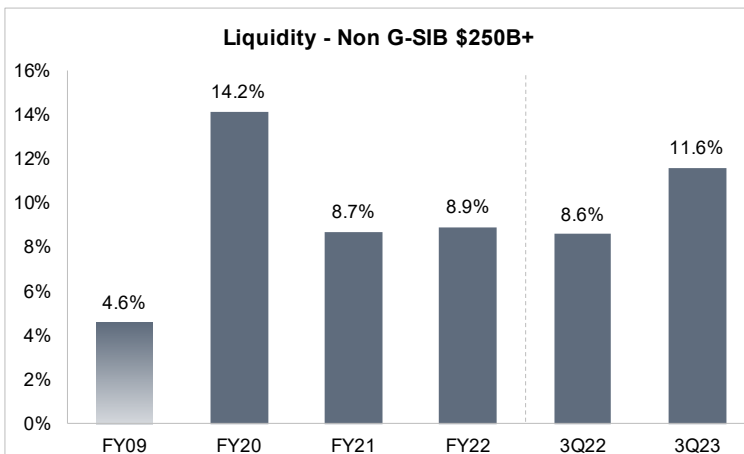
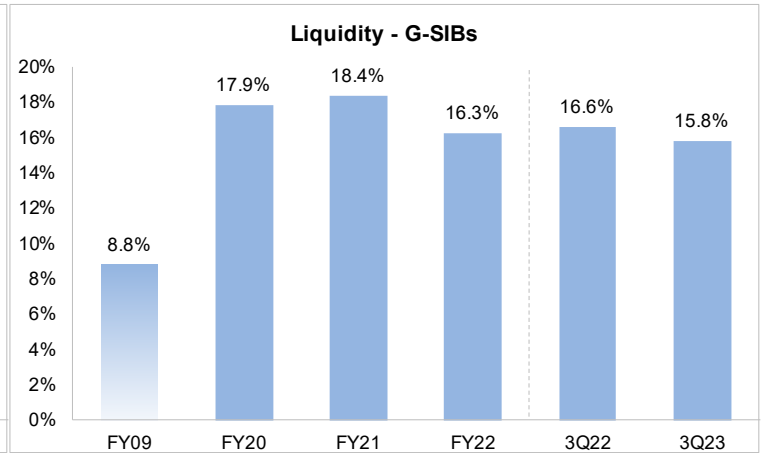
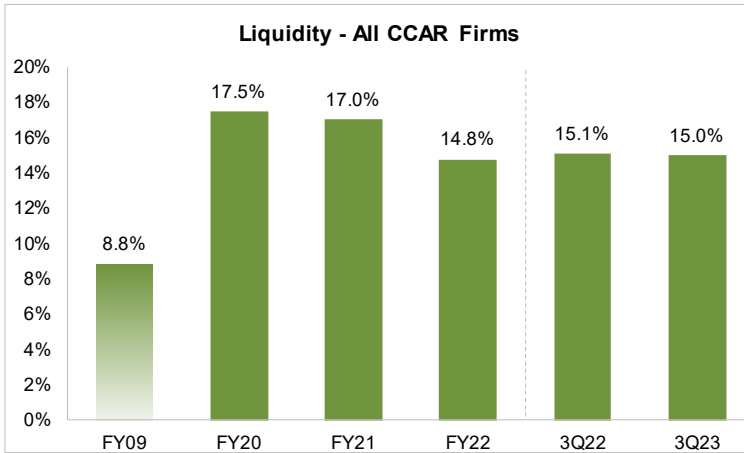
Source: Bloomberg, SIFMA estimates

Total Liabilities



Source: Bloomberg, SIFMA estimates

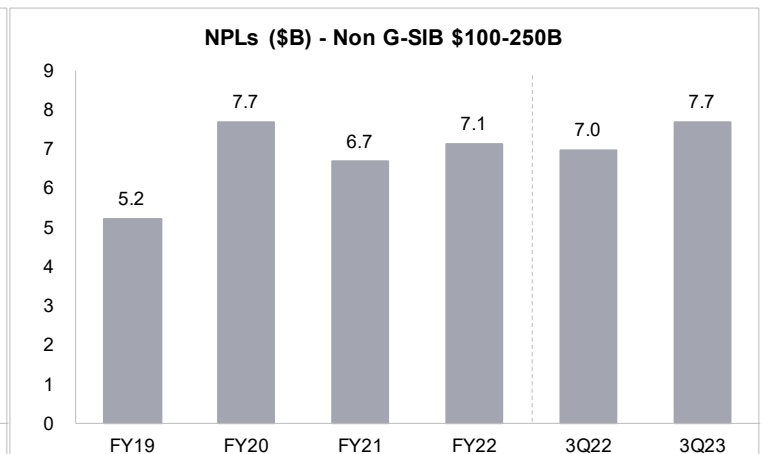
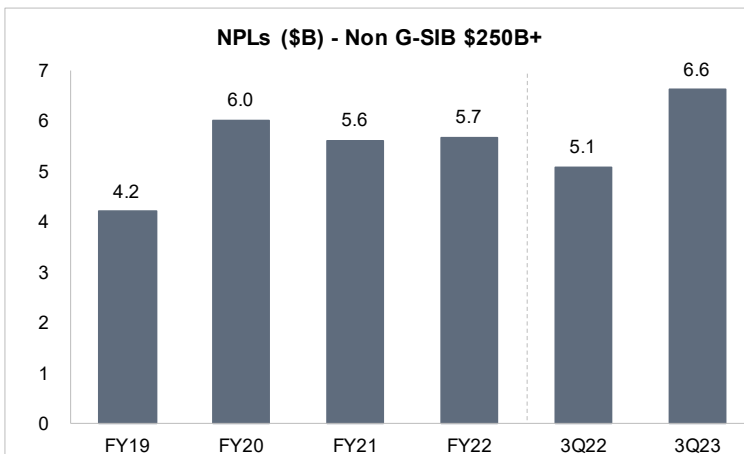
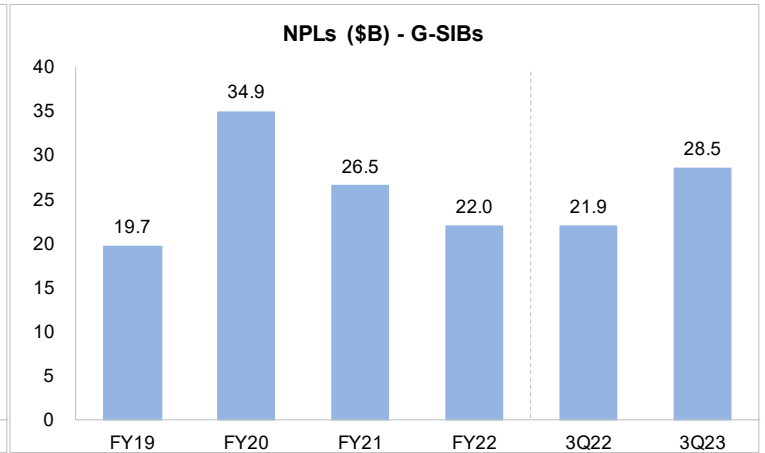
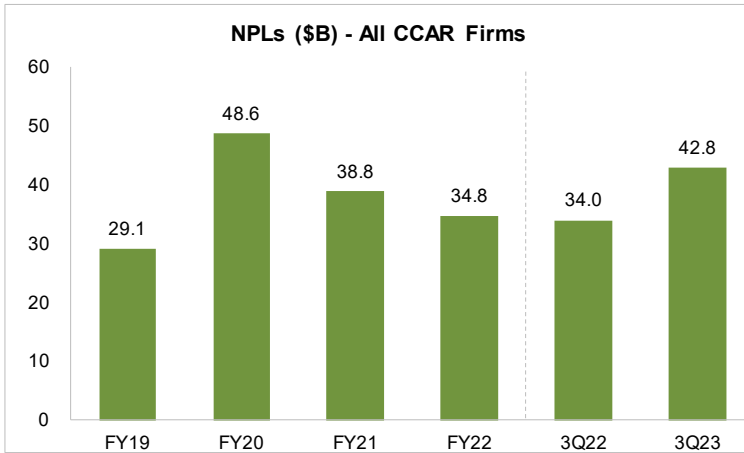
Liquidity*



Source: Bloomberg, SIFMA estimates

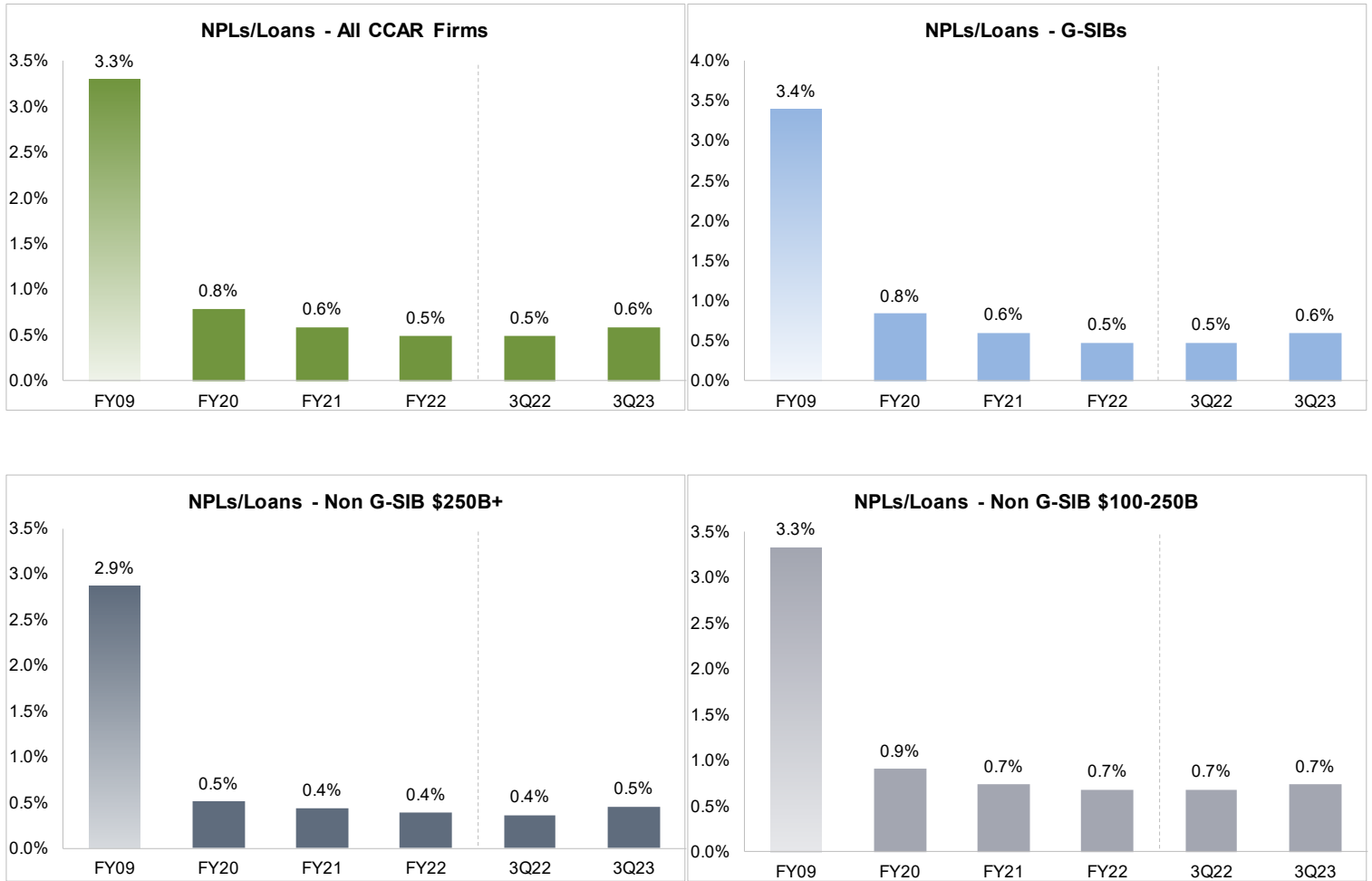
Note: Liquidity = (cash + deposits at banks) / total assets; decreases = denominator expanding faster than numerator

Non-Performing Loans (NPL)



Source: Bloomberg, SIFMA estimates

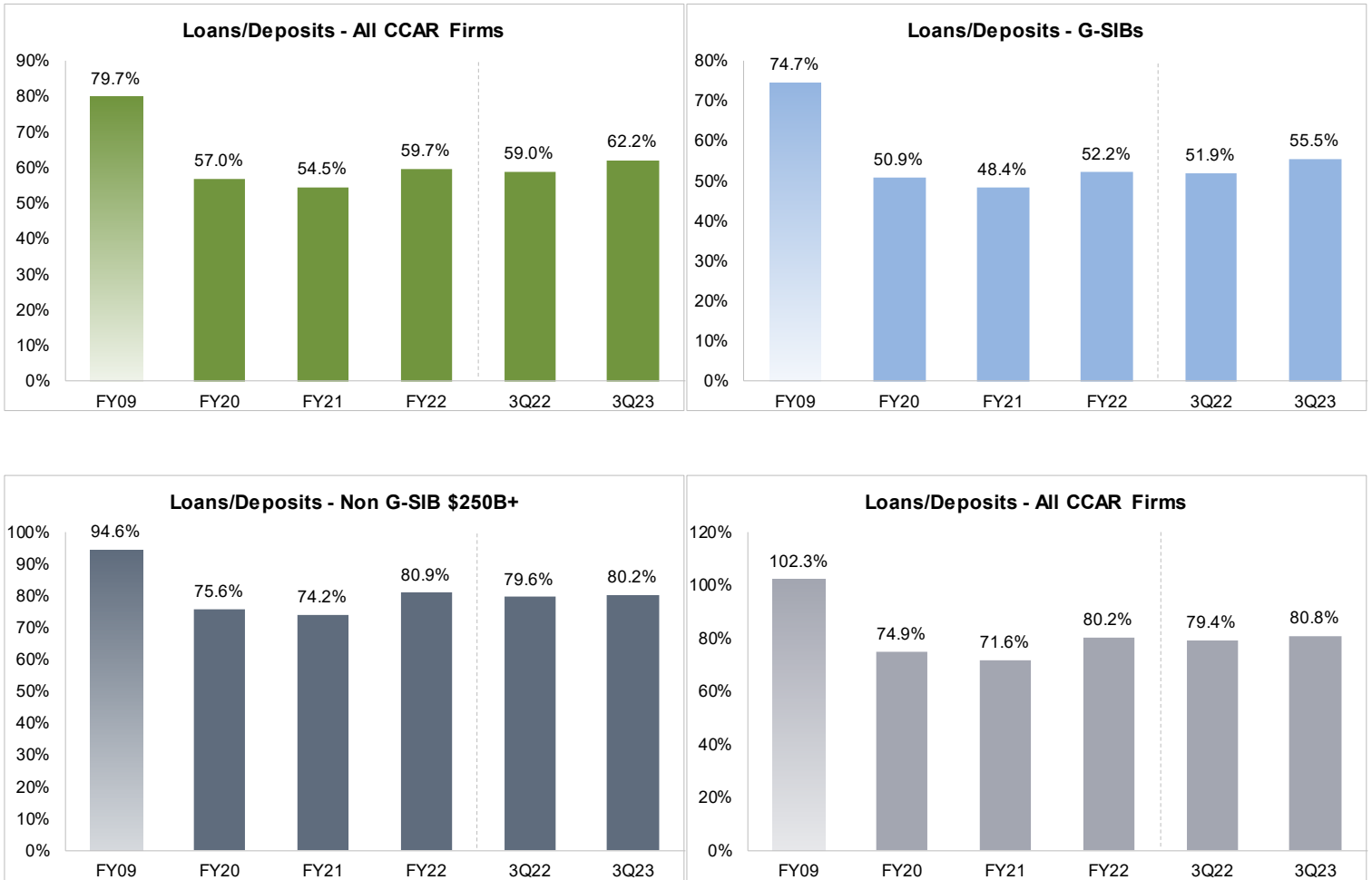
NPLs/Loans



Source: Bloomberg, SIFMA estimates

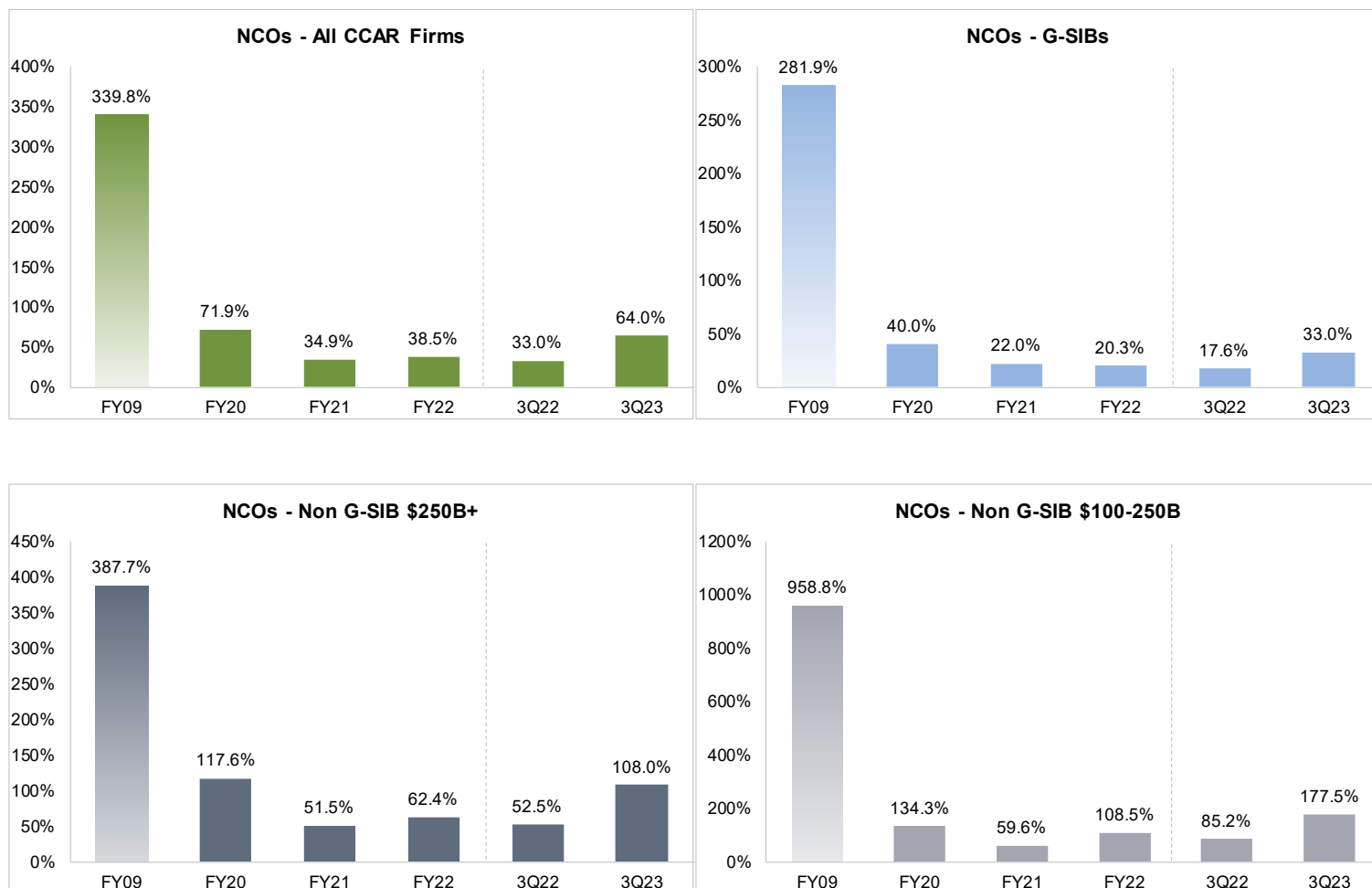
Note: NPL = non-performing loans; NPL/total loans

Loans/Deposits



Source: Bloomberg, SIFMA estimates

Net Charge-Offs (NCO)

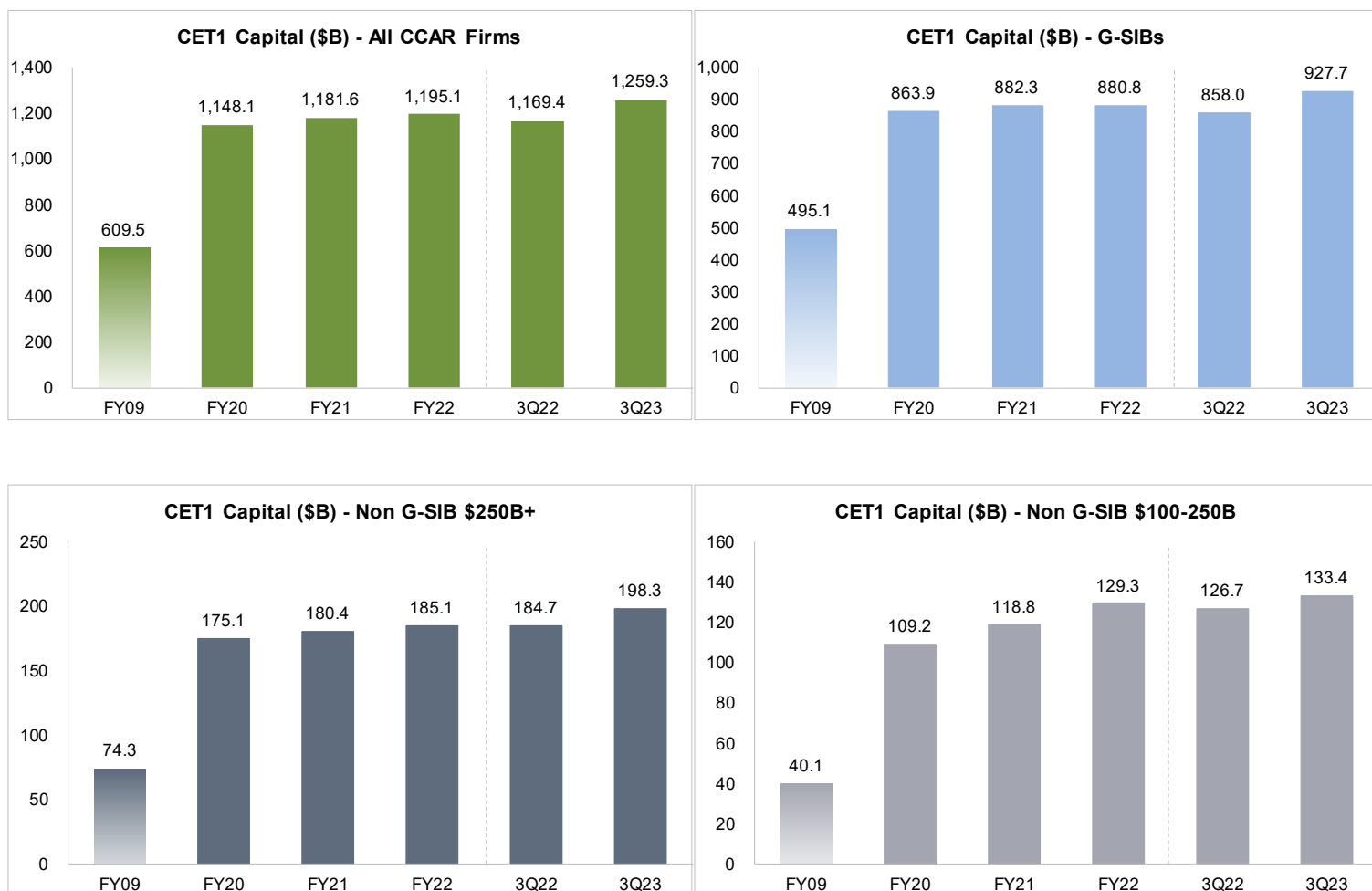


Source: Bloomberg, SIFMA estimates

Regulatory Ratios

Non G-SIBs are held to a 7% minimum Basel III CET1 requirement. The G-SIBs are held to various levels of an additional buffer based on BIS methodology (please see the Appendix). We compare the average ratios for all CCAR firms and non G-SIBs to the maximum G-SIB requirements, inclusive of the highest buffers. This emphasizes the excess capital and liquidity held by financial institutions of all sizes. In general, there has been substantial growth in regulatory ratios across all categories of banks.

Common Equity Tier 1 (CET1) Capital Levels

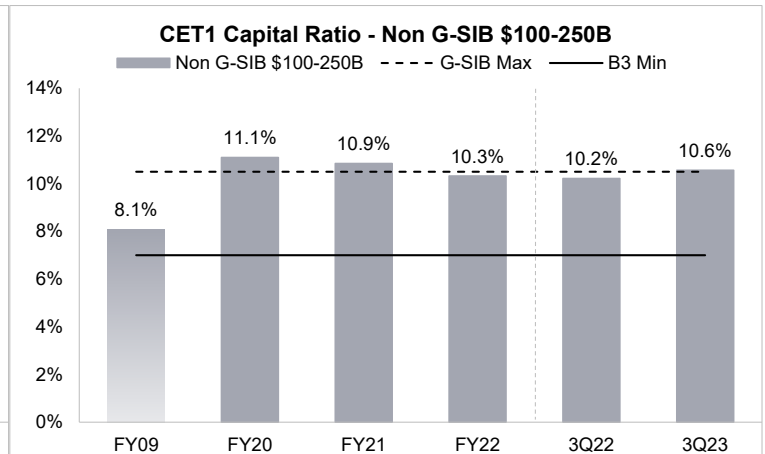
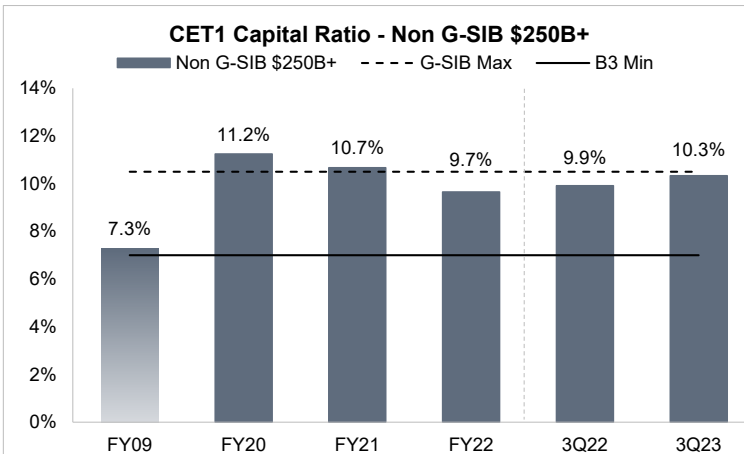
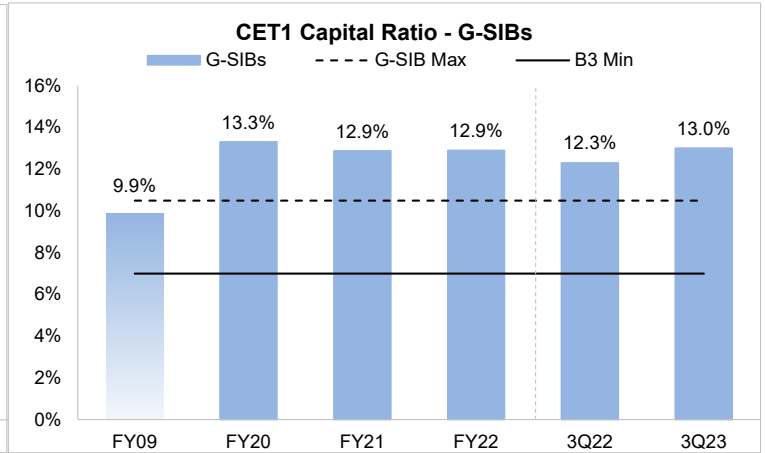
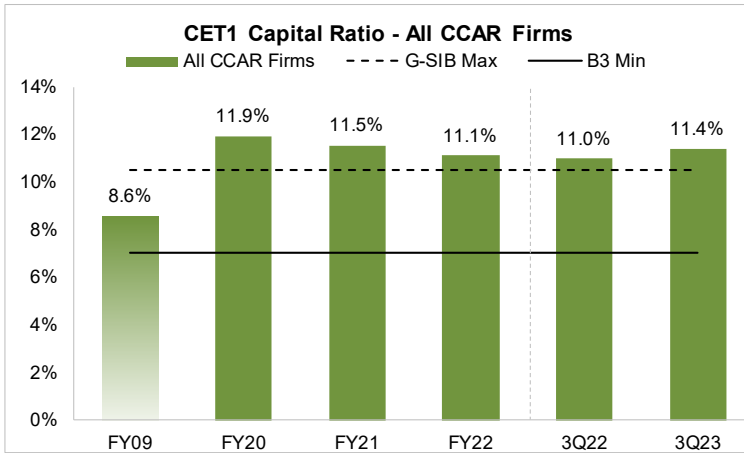


Source: Bloomberg, SIFMA estimates

Note: Capital levels may fluctuate with changes in regulations/taxes/laws

CET1 Capital Ratios

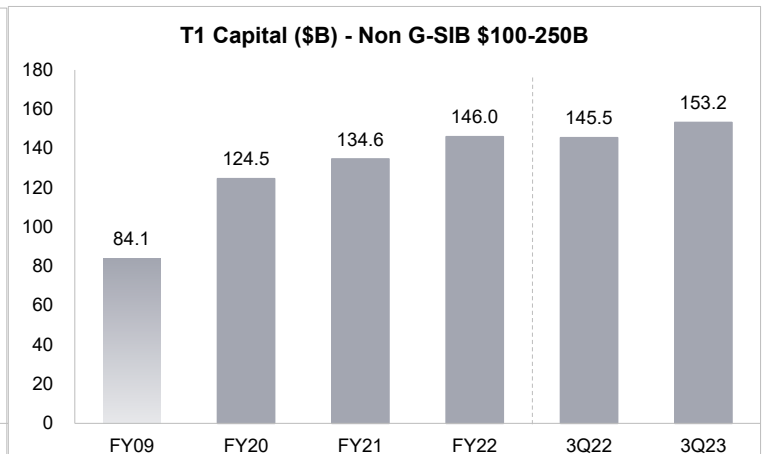
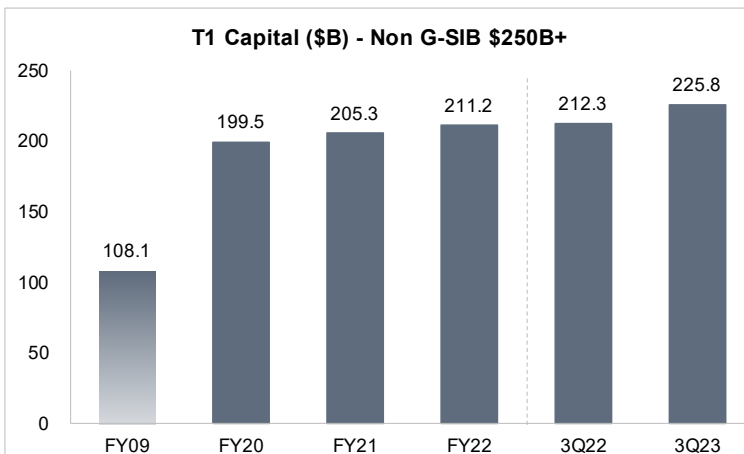
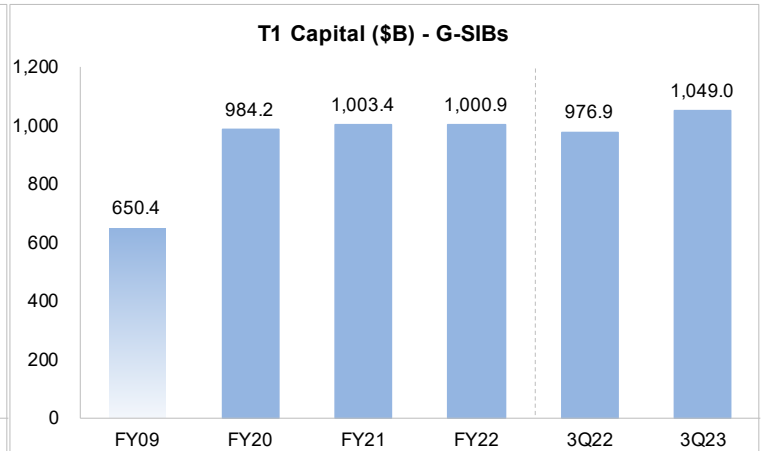
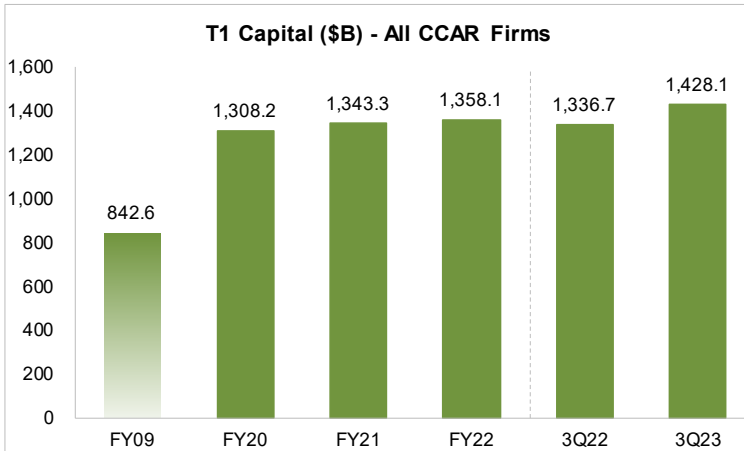
Currently, the maximum CET1 ratio inclusive of the highest surcharge would be 9.5% (no G-SIBs are currently in bucket 5). Yet, all firms are above the full maximum level of 10.5%.



Source: Bloomberg, SIFMA estimates

Note: Capital levels may fluctuate with changes in regulations/taxes/laws. Basel III minimum = 7.0%

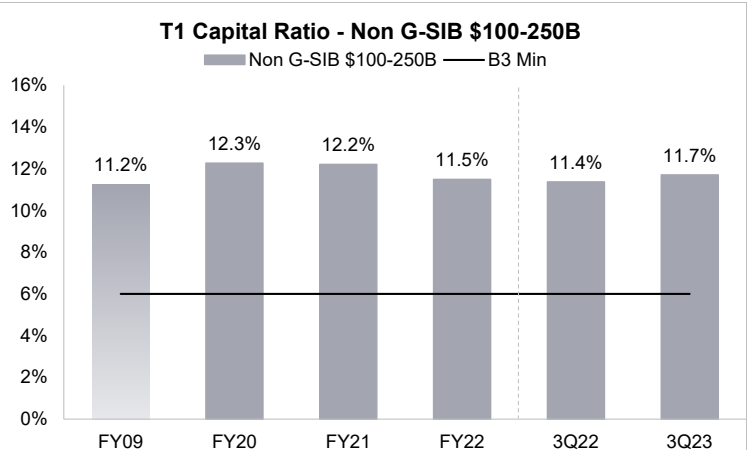
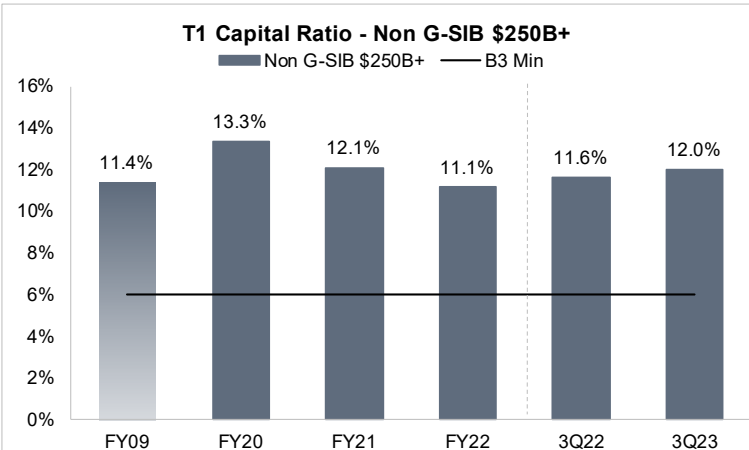
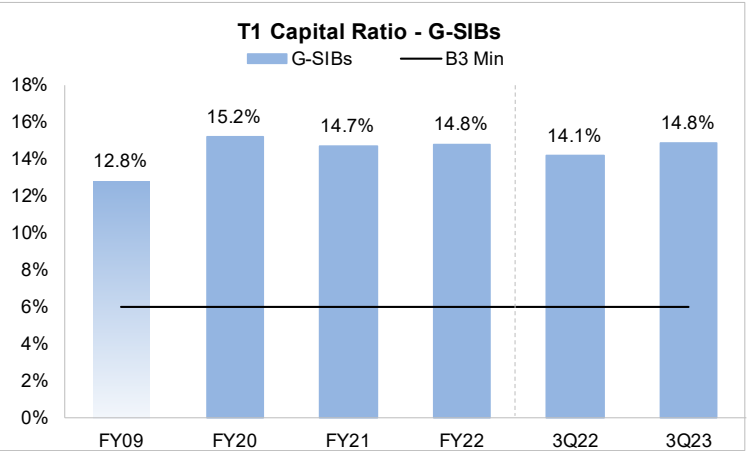
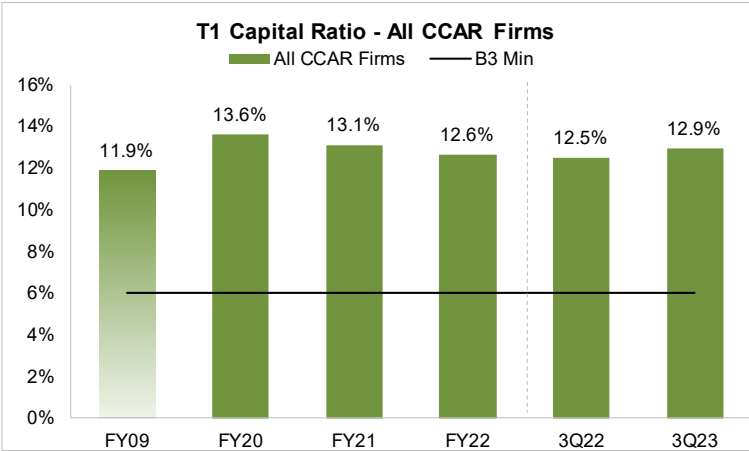
Tier 1 (T1) Capital Levels



Source: Bloomberg, SIFMA estimates

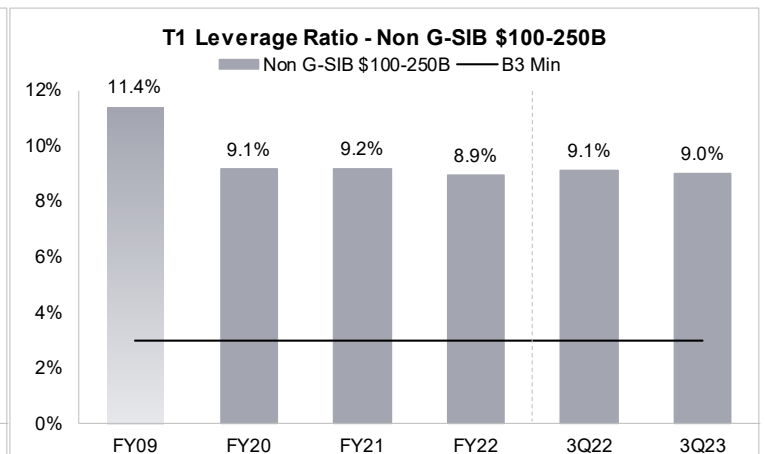
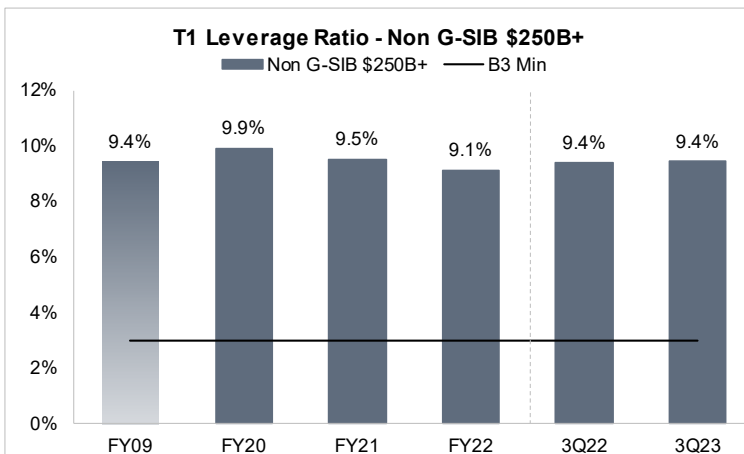
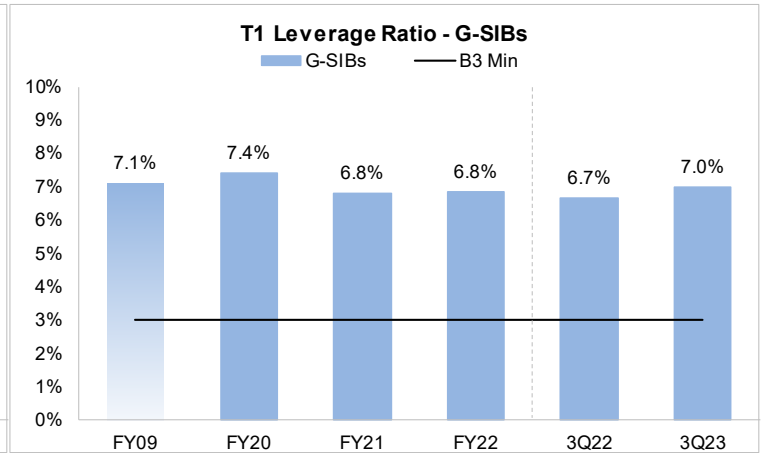
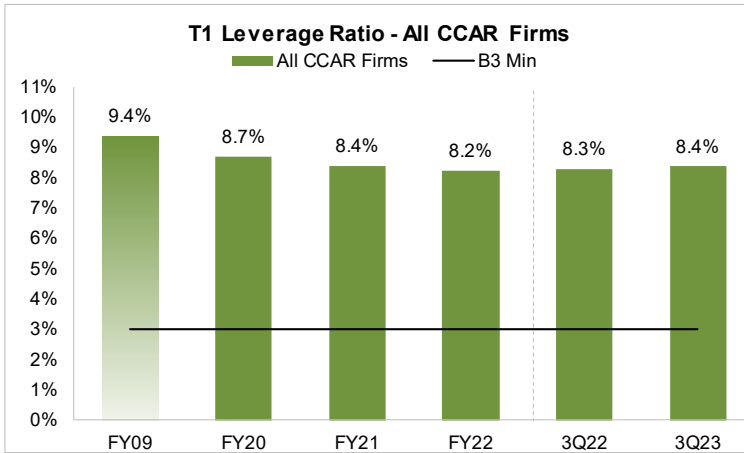
Note: Capital levels may fluctuate with changes in regulations/taxes/laws

Tier 1 (T1) Capital Ratios



Source: Bloomberg, SIFMA estimates
 Note: Capital levels may fluctuate with changes in regulations/taxes/laws. Basel III minimum = 6.0%

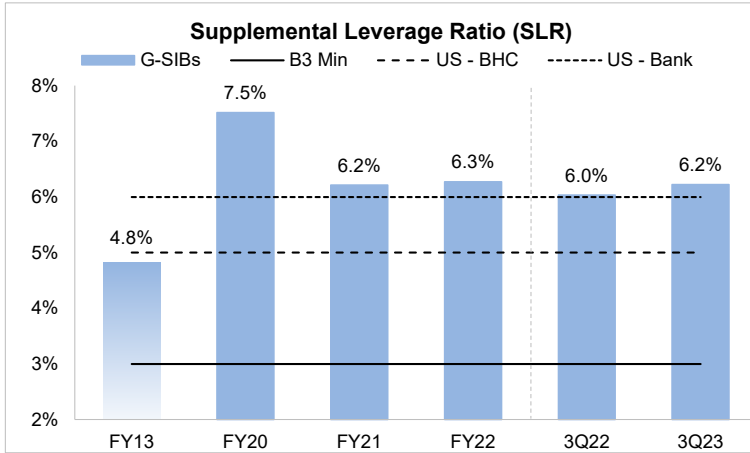
Tier 1 (T1) Leverage Ratios



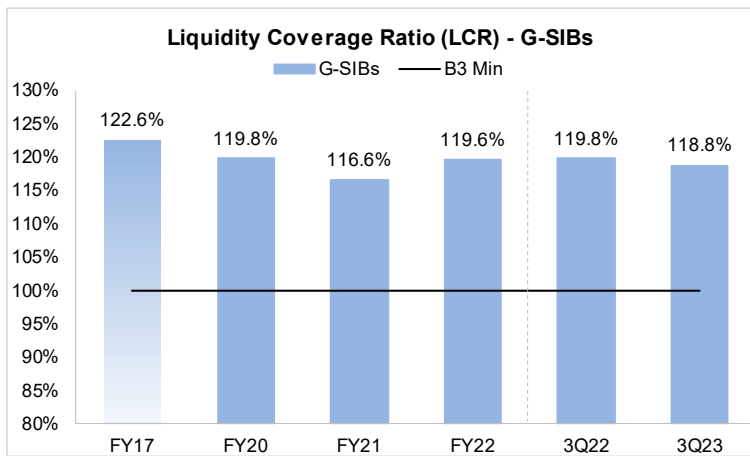
Source: Bloomberg, SIFMA estimates

Note: Levels may fluctuate with changes in regulations/taxes/laws. Basel III minimum = 3.0%

Supplementary Leverage Ratio (SLR)



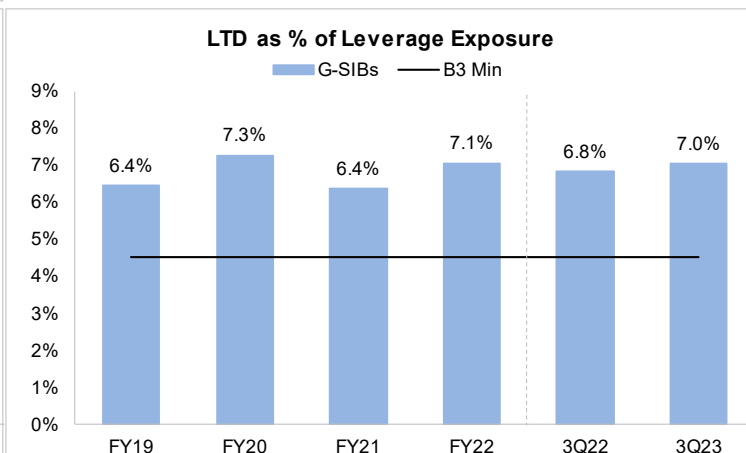
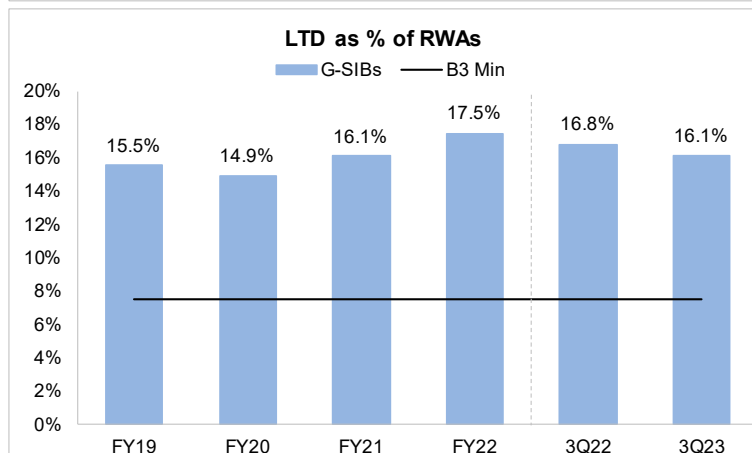
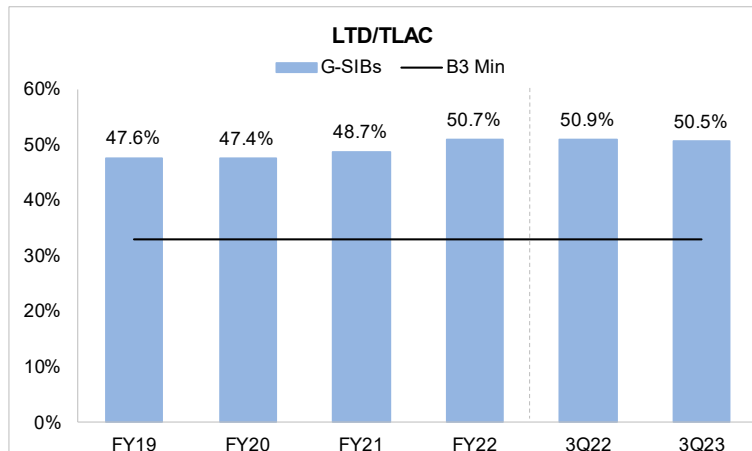
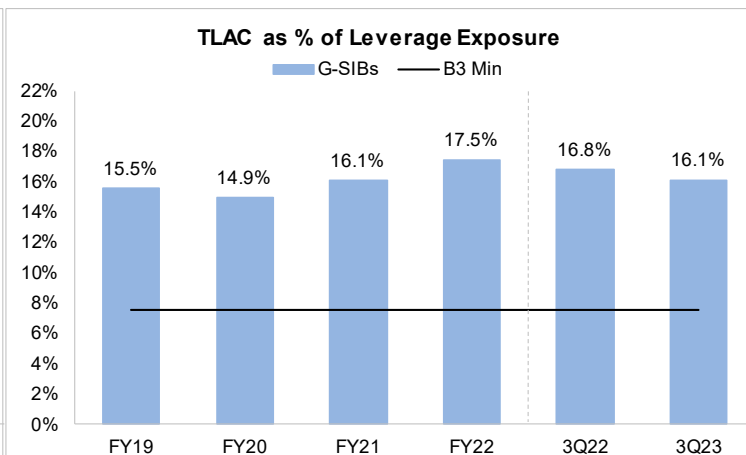
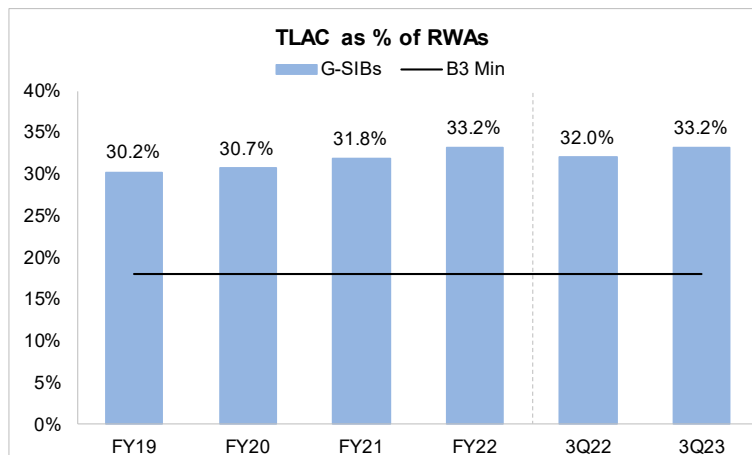
Liquidity Coverage Ratio (LCR)



Source: Bloomberg, SIFMA estimates

Note: Levels may fluctuate with changes in regulations/taxes/laws. SLR: requirements are for G-SIBs only; Basel III minimum = 3.0%, U.S. regulatory minimums = 5.0% at the bank holding company and 6.0% at the bank. LCR: Basel III minimum = 100%; lack of available data in Bloomberg at the time of this report to populate other groups

Total Loss Absorbing Capital (TLAC) Ratios



Source: Bloomberg, SIFMA estimates

Note: Levels may fluctuate with changes in regulations/taxes/laws. TLAC holdings standards for loss-absorbing and recapitalization capacity in resolution for G-SIBs only. RWA = risk-weighted assets. LTD = long-term debt. Basel III minimums: TLAC/RWA = stated as around 2x capital, or 16-18%, but we use the max of 18.0%; TLAC/leverage exposure = 7.5%; LTD/TLAC = 33.0%; LTD/RWA = 7.5%; LTD/leverage exposure = 4.5%

Appendix: Methodology

When analyzing the charts in this report, please note the following:

- We analyze the 22 U.S. CCAR⁵ banks as a proxy for the entire U.S. financial system; we do not include the U.S. operations of foreign banks included in CCAR given lack of data
- We further split the banks into subgroups
 - All 22 CCAR firms
 - The 8 global systemically important banks (G-SIB), as identified by the Bank for International Settlements' (BIS) methodology
 - The 5 non G-SIB firms with assets over \$250 billion
 - The 9 non G-SIB firms with assets between \$100 and \$250 billion
- While the firms included in CCAR have changed over the years, we perform this analysis with the current group of firms
- Ratios and other data may fluctuate over time with changes in regulations, laws or tax codes
- The time series goes back to 2009 for regulatory ratios, but the G-SIB methodology was not published until November 2011 – therefore, firms were not “below” requirements, the requirements did not exist

⁵ Comprehensive Capital Analysis and Review = a U.S. regulatory framework introduced by the Federal Reserve to analyze, supervise, and regulate the bank holding companies of large financial institutions

Appendix: CCAR Firm List

Category	Ticker	Name	U.S. Operations of Foreign Firms Not Included
G-SIB	BAC	Bank of America	Barclays US LLC
	BK	Bank of New York Mellon	BMO Financial Corporation
	C	Citigroup	BNP Paribas USA, Inc.
	GS	Goldman Sachs	Credit Suisse Holdings (USA)
	JPM	JP Morgan	DB USA Corporation
	MS	Morgan Stanley	DWS
	STT	State Street	HSBC North America Holdings Inc.
	WFC	Wells Fargo	MUFG Americas Holdings Corporation
	Non G-SIB \$250B+	AXP	American Express
COF		Capital One	Santander Holdings USA, Inc.
PNC		PNC Financial	TD Group US Holdings LLC
TFC		Truist	UBS Americas Holdings LLC
USB		U.S. Bancorp	
Non G-SIB \$100-250B	ALLY	Ally Financial	
	CFG	Citizens	
	DFS	Discover	
	FITB	Fifth Third	
	HBAN	Huntington	
	KEY	KeyCorp	
	MTB	M&T Bank	
	NTRS	Northern Trust	
	RF	Regions Financial	

Note: Zions, Comerica & CIT dropped in 2018 due to regulatory reform; data not available for standalone U.S. operations of foreign firms or Schwab's bank

Appendix: G-SIB List

Bucket	Surcharge	GSIB
5	3.5%	(Empty)
4	2.5%	JP Morgan Chase
3	2.0%	Bank of America Citigroup HSBC
2	1.5%	Agricultural Bank of China Bank of China Barclays BNP Paribas China Construction Bank Deutsche Bank Goldman Sachs Industrial and Commercial Bank of China Mitsubishi UFJ FG UBS
1	1.0%	Bank of Communications (BoCom) Bank of New York Mellon Groupe BPCE Groupe Crédit Agricole ING Mizuho FG Morgan Stanley Royal Bank of Canada Santander Société Générale Standard Chartered State Street Sumitomo Mitsui FG Toronto Dominion Wells Fargo

Source: Financial Stability Board (as of November 2023)

Appendix: Terms to Know

CFPB	Consumer Financial Protection Bureau (United States)
CFTC	Commodity Futures Trading Commission
FDIC	Federal Deposit Insurance Corporation
Fed	Federal Reserve System
FINRA	Financial Industry Regulatory Authority
OCC	Office of the Comptroller of the Currency
SEC	Securities and Exchange Commission
BHC	Bank Holding Company
G-SIB	Global Systemically Important Bank
LEI	Legal Entity Identifier
QIS	Quantitative Impact Studies
B3	(Basel III) International Regulatory Framework for Banks
CCAR	Comprehensive Capital Analysis and Review
CLAR	Comprehensive Liquidity Analysis and Review
DFA	Dodd–Frank Wall Street Reform and Consumer Protection Act
EMIR	European Market Infrastructure Regulation
MiFID	Markets in Financial Instruments Directive
MiFID II	Markets in Financial Instruments Directive (revised)
MiFIR	Markets in Financial Instruments Regulation
CET1	Common Equity Tier 1
T1C	Tier 1 Capital
AT1	Additional Tier 1 Capital
T2C	Tier 2 Capital
TLAC	Total Loss-Absorbing Capacity
RWA	Risk-Weighted Assets
CVA	Credit Valuation Adjustment
CTP	Correlation Trading Portfolio
LCR	Liquidity Coverage Ratio
HQLA	High Quality Liquid Assets
NCOF	Net Cash Outflows
NSFR	Net Stable Funding Ratio
ASF	Available Amount of Stable Funding
RSF	Required Amount of Stable Funding
SLR	Supplemental Leverage Ratio
TE	Total Exposure
PFE	Potential Future Exposure
FRTB	Fundamental Review of the Trading Book

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