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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## OCC's Quarterly Report on Bank Trading and Derivatives Activities Fourth Quarter 2008

### Executive Summary

- The notional value of derivatives held by U.S. commercial banks increased \$24.5 trillion in the fourth quarter, or 14%, to \$200.4 trillion, due to the migration of investment bank derivatives business into the commercial banking system.
- U.S. commercial banks lost \$9.2 billion trading in cash and derivative instruments in the fourth quarter of 2008 and for the year they reported trading losses of \$836 million. The poor results in 2008 reflect continued turmoil in financial markets, particularly for credit instruments.
- Net current credit exposure increased 84% from the third quarter to a record \$800 billion, and much of this is attributable to the sharp decline in interest rates in the fourth quarter.
- Derivative contracts remain concentrated in interest rate products, which comprise 82% of total derivative notional values. The notional value of credit derivative contracts decreased by 2% during the quarter to \$15.9 trillion. Credit default swaps are 98% of total credit derivatives.

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The OCC's quarterly report on bank derivatives activities and trading revenues is based on Call Report information provided by all insured U.S. commercial banks and trust companies, as well as on other published financial data.

Derivatives activity in the U.S. banking system is dominated by a small group of large financial institutions. Five large commercial banks represent 96% of the total industry notional amount and 81% of industry net current credit exposure.

While market or product concentrations are normally a concern for bank supervisors, there are three important mitigating factors with respect to derivatives activities. First, there are a number of other providers of derivatives products whose activity is not reflected in the data in this report. Second, because the highly specialized business of structuring, trading, and managing derivatives transactions requires sophisticated tools and expertise, derivatives activity is concentrated in those institutions that have the resources needed to be able to operate this business in a safe and sound manner. Third, the OCC and other supervisors have examiners on-site at the largest banks to continuously evaluate the credit, market, operation, reputation and compliance risks of derivatives activities.

### Revenues

Although the core financial intermediation business that is the cornerstone of trading activities in U.S. commercial banks was reasonably strong in the fourth quarter, the quarter was particularly difficult for a number of reasons, and banks reported a sizable trading loss of \$9.2 billion. Market liquidity suffered in the fourth quarter of 2008 and general economic conditions worsened, resulting in escalated write-downs in legacy credit positions, including CDOs, leveraged loans and mortgage-related exposures. These write-downs flowed through trading revenues and dwarfed the underlying strength in trade profitability from wide bid-ask spreads. Trading results in the fourth quarter also suffered due to an unfavorable combination of rising overall corporate credit spreads and declining credit spreads for the bank dealers themselves. Rising counterparty credit spreads increase the risk of derivatives receivables. Banks account for this increased risk by lowering the fair value of

those receivables. Banks report the rising credit costs associated with a write-down of receivables values as trading losses. While these higher credit costs are a part of operating a derivatives business, they can (and in the fourth quarter did) mask otherwise profitable trading operations. Typically, when credit spreads increase, much of the negative impact on bank trading results from write-downs of receivables can be offset by write-downs of derivatives payables. However, in the fourth quarter, government support for the banking industry resulted in lower bank credit spreads. As a result, the fair value of bank derivatives payables increased, and therefore banks reported additional trading losses.

Foreign exchange trading revenues rose 32% to a record \$4,093 million. Foreign exchange contracts continue to provide the most consistent source of trading revenues. Credit trading continues to drive trading losses, as banks lost \$9.0 billion in the fourth quarter, compared to \$2.5 billion in third quarter gains. Banks had record losses trading both interest rate and equity contracts, losing \$3,420 million and \$1,229 million respectively. Revenues from commodity trading activities fell 1% to \$338 million.

The difficult trading environment in 2008 led to the first annual trading loss for the banking industry, as banks lost \$836 million for 2008, compared to revenues of \$5,489 million in 2007. While banks continue to suffer major losses in credit trading, the 2008 loss actually fell 1% to \$12.6 billion. Foreign exchange revenues increased 63% to \$11.4 billion, while commodity revenues advanced 424% to \$1.5 billion. The major change in 2008 trading performance was poor performance in interest rate and equity contracts. Interest rate trading revenues fell 89%, or \$7.0 billion, to \$866 million. Banks incurred \$2.0 billion in losses from equity contracts in 2008, a change of \$5.0 billion from 2007.

| Trading Revenue<br>\$ in millions | Q4 '08         | Q3 '08       | Change Q4<br>vs. Q3 | % Change<br>Q4 vs. Q3 | Q4 '07         | Change Q4<br>vs. Q4 | % Change<br>Q4 vs. Q4 |
|-----------------------------------|----------------|--------------|---------------------|-----------------------|----------------|---------------------|-----------------------|
| Interest Rate                     | (3,420)        | 984          | (4,404)             | -448%                 | (357)          | (3,063)             | -858%                 |
| Foreign Exchange                  | 4,093          | 3,090        | 1,003               | 32%                   | 1,873          | 2,220               | 118%                  |
| Equity                            | (1,229)        | (954)        | (275)               | -29%                  | 205            | (1,435)             | -698%                 |
| Commodity & Other                 | 338            | 342          | (4)                 | -1%                   | 88             | 250                 | 284%                  |
| Credit                            | (8,958)        | 2,544        | (11,502)            | -452%                 | (11,780)       | 2,822               | 24%                   |
| <b>Total Trading Revenues</b>     | <b>(9,176)</b> | <b>6,005</b> | <b>(15,181)</b>     | <b>-253%</b>          | <b>(9,970)</b> | <b>794</b>          | <b>8%</b>             |

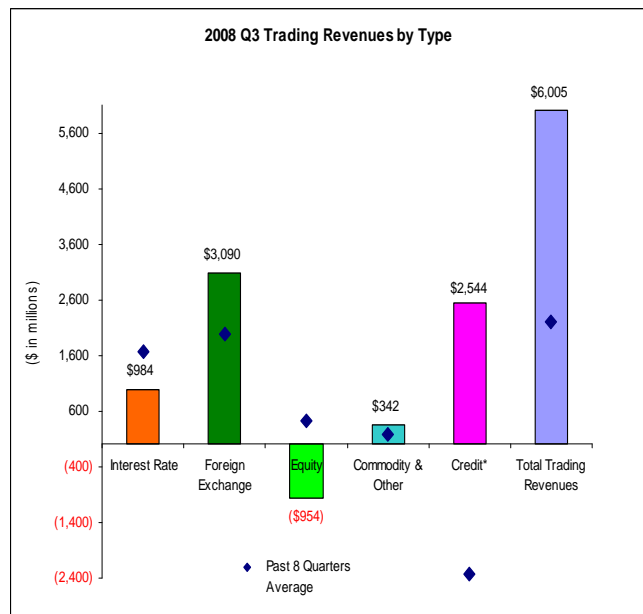
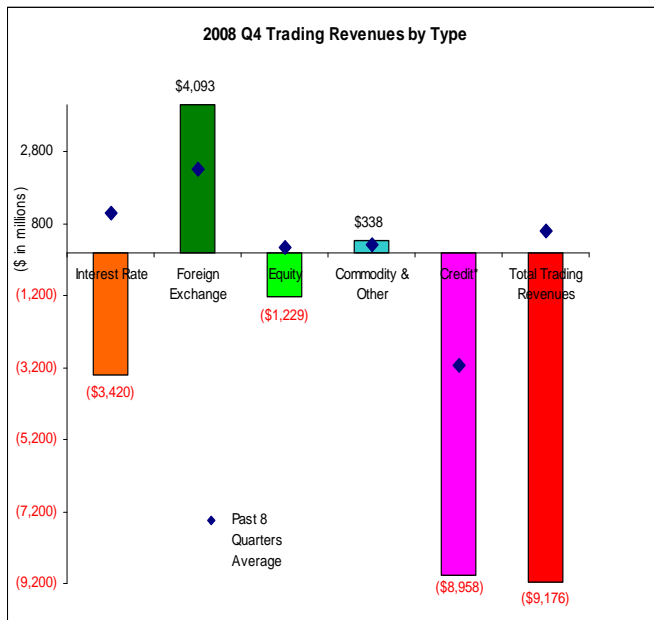
| Trading Revenue<br>\$ in millions | 2008 Q4        | Avg Past<br>12 Q4's | ALL Quarters Since Q4, 1996 |       |          | Past 8 Quarters |       |          |
|-----------------------------------|----------------|---------------------|-----------------------------|-------|----------|-----------------|-------|----------|
|                                   |                |                     | Avg                         | Hi    | Low      | Avg             | Hi    | Low      |
| Interest Rate                     | (3,420)        | 287                 | 1,026                       | 2,950 | (3,420)  | 1,096           | 2,950 | (3,420)  |
| Foreign Exchange                  | 4,093          | 1,614               | 1,494                       | 4,093 | 690      | 2,292           | 4,093 | 1,265    |
| Equity                            | (1,229)        | 233                 | 384                         | 1,829 | (1,229)  | 122             | 1,735 | (1,229)  |
| Commodity & Other                 | 338            | 20                  | 126                         | 789   | (320)    | 230             | 601   | 7        |
| Credit*                           | (8,958)        | N/A                 | N/A                         | 2,544 | (11,780) | (3,158)         | 2,544 | (11,780) |
| <b>Total Trading Revenues</b>     | <b>(9,176)</b> |                     |                             |       |          | <b>582</b>      |       |          |

\*Credit trading revenues became reportable in Q1, 2007. Highs and lows are for available quarters only.

| Trading Revenue<br>\$ in millions | 2008         | 2007         | 2007-2008<br>Change | %<br>Change  | 2006          | 2006-2007<br>Change | %<br>Change |
|-----------------------------------|--------------|--------------|---------------------|--------------|---------------|---------------------|-------------|
| Interest Rate                     | 866          | 7,902        | (7,036)             | -89%         | 4,618         | 3,284               | 71%         |
| Foreign Exchange                  | 11,363       | 6,974        | 4,388               | 63%          | 7,953         | (979)               | -12%        |
| Equity                            | (2,017)      | 2,991        | (5,008)             | -167%        | 4,952         | (1,960)             | -40%        |
| Comdty & Other                    | 1,543        | 295          | 1,248               | 424%         | 1,265         | (970)               | -77%        |
| Credit*                           | (12,590)     | (12,673)     | 83                  | -1%          | N/A           | N/A                 | N/A         |
| <b>Total Trading Revenues</b>     | <b>(836)</b> | <b>5,489</b> | <b>(6,324)</b>      | <b>-115%</b> | <b>18,787</b> | <b>(13,298)</b>     | <b>-71%</b> |

\*Banks did not report credit revenue numbers until Q1, 2007.

Note: Numbers may not add due to rounding



Data Source: Call Reports.

Note: Beginning 1Q07, credit exposures are broken out as a separate category.

## Credit Risk

Credit risk is a significant risk in bank derivatives trading activities. The notional amount of a derivative contract is a reference amount from which contractual payments will be derived, but it is generally not an amount at risk. The credit risk in a derivative contract is a function of a number of variables, such as whether counterparties exchange notional principal, the volatility of the underlying market factors (interest rate, currency, commodity, equity or corporate reference entity), the maturity and liquidity of contracts, and the creditworthiness of the counterparties.

Credit risk in derivatives differs from credit risk in loans due to the more uncertain nature of the potential credit exposure. With a funded loan, the amount at risk is the amount advanced to the borrower. The credit risk is unilateral; the bank faces the credit exposure of the borrower. However, in most derivatives transactions, such as swaps (which make up the bulk of bank derivatives contracts), the credit exposure is bilateral. Each party to the contract may (and, if the contract has a long enough tenor, probably will) have a current credit exposure to the other party at various points in time over the contract's life. Moreover, because the credit exposure is a function of movements in market rates, banks do not know, and can only estimate, how much the value of the derivative contract might be at various points of time in the future.

The first step in measuring credit exposure in derivative contracts involves identifying those contracts where a bank would lose value if the counterparty to a contract defaulted today. The total of all contracts with positive value (i.e., derivatives receivables) to the bank is the gross positive fair value (GPFV) and represents an initial measurement of credit exposure. The total of all contracts with negative value (i.e., derivatives payables) to the bank is the gross negative fair value (GNFV) and represents a measurement of the exposure the bank poses to its counterparties.

| \$ in millions | Gross Positive Fair Values |                  |                  |                | Gross Negative Fair Values |                  |                  |                |
|----------------|----------------------------|------------------|------------------|----------------|----------------------------|------------------|------------------|----------------|
|                | Q4 2008                    | Q3 2008          | Change           | %Change        | Q4 2008                    | Q3 2008          | Change           | %Change        |
| Interest Rates | 5,120,516                  | 1,488,886        | 3,631,630        | 243.92%        | 4,957,000                  | 1,449,319        | 3,507,681        | 242.02%        |
| FX             | 644,508                    | 418,821          | 225,687          | 53.89%         | 659,579                    | 402,392          | 257,187          | 63.91%         |
| Equity         | 126,494                    | 114,053          | 12,442           | 10.91%         | 123,378                    | 109,973          | 13,405           | 12.19%         |
| Commodity      | 86,576                     | 80,374           | 6,201            | 7.72%          | 82,645                     | 77,051           | 5,594            | 7.26%          |
| Credit         | 1,121,879                  | 669,981          | 451,898          | 67.45%         | 1,051,459                  | 632,080          | 419,379          | 66.35%         |
| <b>Total</b>   | <b>7,099,974</b>           | <b>2,772,115</b> | <b>4,327,858</b> | <b>156.12%</b> | <b>6,874,062</b>           | <b>2,670,815</b> | <b>4,203,247</b> | <b>157.38%</b> |

Gross positive fair values increased \$4,328 billion in the fourth quarter, due to sharply lower interest rates, which caused receivables from interest rate contracts to increase \$3,632 billion. Gross negative fair values increased \$4,203 billion, driven by a \$3,508 billion increase in payables on interest rate contracts. Since interest rate swaps are the largest component of banks' derivatives portfolios, interest rate changes typically drive changes in derivatives receivables and payables. Since current market rates for receiving a fixed rate on interest rate swaps are lower than prevailing swap rates in bank portfolios, declining interest rates cause increases in derivatives receivables. Similarly, since banks hedge their trading books, declines in interest rates also cause increases in derivatives payables.

In the fourth quarter, rising credit spreads caused receivables from credit contracts to rise by \$452 billion. Derivatives receivables from foreign exchange, commodity, and equity contracts together increased by \$244 billion. Nearly one-quarter of the increase in payables and receivables resulted from the migration of investment bank derivatives activity into the commercial banking system.

For a portfolio of contracts with a single counterparty where the bank has a legally enforceable bilateral netting agreement, contracts with negative values may be used to offset contracts with positive values. This process generates a "net" current credit exposure, as shown in the example below:

| Counterparty A Portfolio      | # of Contracts | Value of Contracts | Credit Measure/Metric                                |
|-------------------------------|----------------|--------------------|--|
| Contracts With Positive Value | 6              | \$500              | Gross Positive Fair Value                            |
| Contracts With Negative Value | 4              | \$350              | Gross Negative Fair Value                            |
| Total Contracts               | 10             | \$150              | Net Current Credit Exposure (NCCE) to Counterparty A |

A bank's net current credit exposure across all counterparties will therefore be the sum of the gross positive fair values for counterparties lacking legally certain bilateral netting arrangements (this may be due to the use of non-standardized documentation or jurisdiction considerations) and the bilaterally netted current credit exposure for counterparties with legal certainty regarding the enforceability of netting agreements.

This "net" current credit exposure is the primary metric used by the OCC to evaluate credit risk in bank derivatives activities. A more risk sensitive measure of credit exposure would also consider the value of collateral held against counterparty exposures. While banks are not required to report collateral held against their derivatives positions in their Call Reports, they do report collateral in their published financial statements. Notably, large trading banks tend to have collateral coverage of 30-40% of their net current credit exposures from derivatives contracts.

Net current credit exposure (NCCE) for U.S. commercial banks increased \$364 billion, or 84% in the fourth quarter to a record \$800 billion. Net current credit exposure is 159% higher than the \$309 billion in the fourth quarter of 2007. Gross positive fair values (derivatives receivables) increased \$4,328 billion in the quarter. Legally enforceable bilateral netting agreements allowed banks to reduce the gross credit exposure of \$7,100 billion by 88.7% to \$800 billion in net current credit exposure.

| \$ in billions                        | Q408  | Q308  | Change | %    |
|---------------------------------------|-------|-------|--------|------|
| Gross Positive Fair Value (GPFV)      | 7,100 | 2,772 | 4,328  | 156% |
| Netting Benefits                      | 6,300 | 2,337 | 3,963  | 170% |
| Netted Current Credit Exposure (NCCE) | 800   | 435   | 364    | 84%  |
| Potential Future Exposure (PFE)       | 782   | 884   | (102)  | -12% |
| Total Credit Exposure (TCE)           | 1,582 | 1,319 | 262    | 20%  |
| Netting Benefit %                     | 88.7% | 84.3% | 4.4%   |      |
| 3 Year Interest Swap Rate             | 1.75% | 3.64% | -1.89% |      |

Note: Numbers may not add due to rounding.

The second step in evaluating credit risk involves an estimation of how much the value of a given derivative contract might change in the bank's favor over the remaining life of the contract; this is referred to as the "potential future exposure" (PFE). PFE decreased 12% in the fourth quarter to \$782 billion. The total credit exposure (PFE plus the net current credit exposure) increased from \$1.3 trillion in the third quarter of 2008 to \$1.6 trillion in the fourth quarter.

Continued turmoil in credit markets has led to deterioration in derivatives-related and loan credit metrics. The fair value of derivatives contracts past due 30 days or more totaled \$363 million, up \$302 million from the third quarter. Past due contracts were 0.05% of net current credit exposure in Q4, up from 0.01% in the third quarter. During the fourth quarter of 2008, U.S. commercial banks charged-off a record \$847 million in derivatives receivables, or 0.10% of the net current credit exposure from derivative contracts, up from the 0.02% in the prior quarter. [See Graph 5c.] For comparison purposes, Commercial and Industrial (C&I) loan net charge-offs rose to \$5.5 billion from \$3.0 billion and were 0.4% of total C&I loans for the quarter, nearly double the ratio of the third quarter.

The low incidence of charge-offs on derivatives exposures results from two main factors: 1) the credit quality of the typical derivatives counterparty is higher than the credit quality of the typical C&I borrower; and 2) most of the large credit exposures from derivatives, whether from other dealers, large non-dealer banks or hedge funds, are collateralized on a daily basis.

## **Market Risk**

Banks control market risk in trading operations primarily by establishing limits against potential losses. Value at Risk (VaR) is a statistical measure that banks use to quantify the maximum loss that could occur, over a specified horizon and at a certain confidence level, in normal markets. It is important to emphasize that VaR is not the maximum potential loss; it provides a loss estimate at a specified confidence level. A VaR of \$50 million at 99% confidence measured over one trading day, for example, indicates that a trading loss of greater than \$50 million in the next day on that portfolio should occur only once in every 100 trading days under normal market conditions. Since VaR does not measure the maximum potential loss, banks stress test their trading portfolios to assess the potential for loss beyond their VaR measure.

| \$ in millions                 | JPMorgan & Co. | Citigroup Inc. | Bank of America Corp. |
|--------------------------------|----------------|----------------|-----------------------|
| Average VaR 2008               | \$196          | \$292          | \$111                 |
| 12-31-08 Equity Capital        | \$166,884      | \$150,599      | \$177,052             |
| 2008 Net Income                | \$5,605        | (\$18,715)     | \$4,008               |
| Avg VaR 2008 / Equity          | 0.12%          | 0.19%          | 0.06%                 |
| Avg VaR 2008 / 2008 Net Income | 3.50%          | N/A            | 2.76%                 |

Data Source: 10K & 10Q SEC Reports.

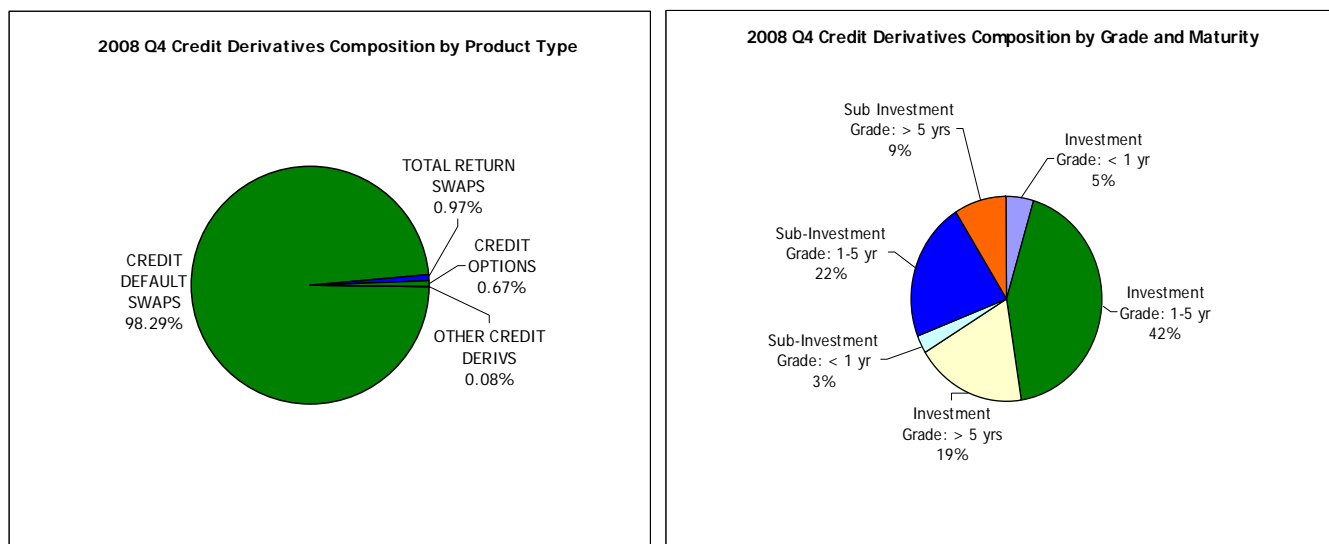
The large trading banks disclose their average VaR data in published financial reports. To provide perspective on the market risk of trading activities, it is useful to compare the VaR numbers over time and to equity capital and net income. As shown in the table above, market risks reported by the three largest trading banks, as measured by VaR, are small as a percentage of their capital.

To test the effectiveness of their VaR measurement systems, trading institutions track the number of times that daily losses exceed VaR estimates. Under the Market Risk Rule that establishes regulatory capital requirements for U.S. commercial banks with significant trading activities, a bank's capital requirement for market risk is based on its VaR measured at a 99% confidence level and assuming a 10-day holding period. Banks back-test their VaR measure by comparing the actual daily profit or loss to the VaR measure. The results of the back-test determine the size of the multiplier applied to the VaR measure in the risk-based capital calculation. The multiplier adds a safety factor to the capital requirements. An "exception" occurs when a dealer has a daily loss in excess of its VaR measure. Some banks disclose the number of such "exceptions" in their published financial reports. Because of the unusually high market volatility and large write-downs in CDOs in the recent quarters,

as well as poor market liquidity, a number of banks experienced back-test exceptions and therefore an increase in their capital multiplier.

## Credit Derivatives

Credit derivatives have grown rapidly over the past several years as dealers increasingly used them to structure securities to help meet investor demand for higher yields. From year-end 2003 to 2008, credit derivative contracts grew at a 100% compounded annual growth rate. However, in the fourth quarter of 2008, reported credit derivatives notionals declined 2%, or \$252 billion, to \$15.9 trillion, reflecting the industry's efforts to eliminate many offsetting trades. Tables 11 and 12 provide detail on individual bank holdings of credit derivatives by product and maturity, as well as the credit quality of the underlying reference entities. As shown in the first chart below, credit default swaps represent the dominant product at 98% of all credit derivatives notionals [See charts below, Tables 11 and 12, and Graph 10.]



Data Source: Call Reports.

Note: Beginning 1Q07, credit exposures are broken out as a separate category.

Contracts referencing investment grade entities with maturities from 1-5 years represent the largest segment of the market at 42% of all credit derivatives notionals. Contracts of all tenors that reference investment grade entities are 66% of the market. (See chart on right above).

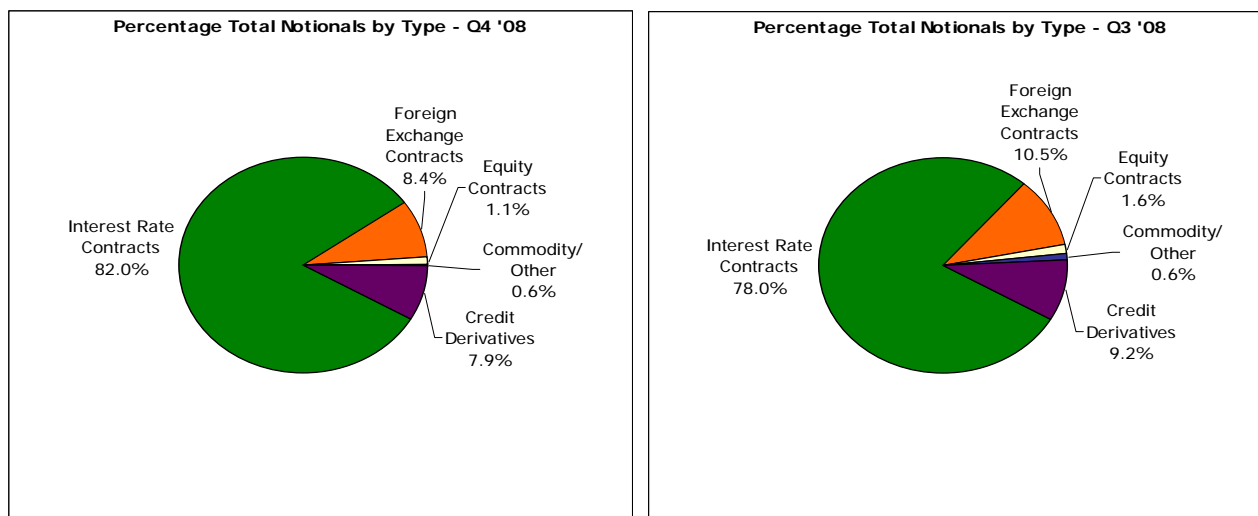
The notional amount for the 32 U.S. commercial banks that sold credit protection (i.e., assumed credit risk) was \$7.8 trillion, about level with the prior quarter. The notional amount for the 37 banks that purchased credit protection (i.e., hedged credit risk) was \$8.1 trillion, a decrease of \$0.2 trillion. [See Tables 1, 3, 11 and 12 and Graphs 2, 3 and 4.]

The OCC continues to work with other financial supervisors and major market participants to address infrastructure issues in credit derivatives, including development of objectives and milestones for stronger trade processing and improved market transparency across all OTC derivatives categories.

## Notionals

Changes in notional volumes are generally reasonable reflections of business activity, and therefore can provide insight into revenue and operational issues. However, the notional amount of derivatives contracts does not provide a useful measure of either market or credit risks.

The notional amount of derivatives contracts held by U. S. commercial banks in the fourth quarter increased by \$24.6 trillion, or 14%, to \$200.4 trillion. Derivative notionals are 21% higher than a year ago.



Data Source: Call Reports.

Note: Beginning 1Q07, credit exposures are broken out as a separate category.

| \$ in billions             | Q4 '08         | Q3 '08         | \$ Change     | % Change   | % of Total Derivatives |
|----------------------------|----------------|----------------|---------------|------------|------------------------|
| Interest Rate Contracts    | 164,404        | 137,190        | 27,214        | 20%        | 82%                    |
| Foreign Exchange Contracts | 16,824         | 18,484         | (1,660)       | -9%        | 8%                     |
| Equity Contracts           | 2,207          | 2,786          | (579)         | -21%       | 1%                     |
| Commodity/Other            | 1,050          | 1,234          | (184)         | -15%       | 1%                     |
| Credit Derivatives         | 15,897         | 16,148         | (252)         | -2%        | 8%                     |
| <b>Total</b>               | <b>200,382</b> | <b>175,842</b> | <b>24,540</b> | <b>14%</b> | <b>100%</b>            |

Note: Numbers may not add due to rounding.

Similar to previous quarters, bank derivatives contracts are dominated by swaps contracts, which represent 66% of total notionals.

| \$ in billions     | Q4 '08         | Q3 '08         | \$ Change     | % Change   | % of Total Derivatives |
|--------------------|----------------|----------------|---------------|------------|------------------------|
| Futures & Forwards | 22,512         | 24,483         | (1,971)       | -8%        | 11%                    |
| Swaps              | 131,706        | 108,276        | 23,430        | 22%        | 66%                    |
| Options            | 30,267         | 26,934         | 3,333         | 12%        | 15%                    |
| Credit Derivatives | 15,897         | 16,148         | (252)         | -2%        | 8%                     |
| <b>Total</b>       | <b>200,382</b> | <b>175,842</b> | <b>24,540</b> | <b>14%</b> | <b>100%</b>            |

Note: Numbers may not add due to rounding.

Commercial bank derivatives activity is concentrated in the four largest dealers, which now hold 94% of all contracts. The five banks with the most derivatives activity hold 96% of all derivatives, while the largest 25 banks account for nearly 100% of all contracts. [See Tables 3, 5 and Graph 4.]

A total of 1,010 insured U.S. commercial banks reported derivatives activities at the end of the fourth quarter, an increase of 33 banks from the prior quarter.

## **GLOSSARY OF TERMS**

**Bilateral Netting:** A legally enforceable arrangement between a bank and a counterparty that creates a single legal obligation covering all included individual contracts. This means that a bank's receivable or payable, in the event of the default or insolvency of one of the parties, would be the net sum of all positive and negative fair values of contracts included in the bilateral netting arrangement.

**Credit Derivative:** A financial contract that allows a party to take, or reduce, credit exposure (generally on a bond, loan or index). Our derivatives survey includes over-the-counter (OTC) credit derivatives, such as credit default swaps, total return swaps, and credit spread options.

**Derivative:** A financial contract whose value is derived from the performance of underlying market factors, such as interest rates, currency exchange rates, commodity, credit, and equity prices. Derivative transactions include a wide assortment of financial contracts including structured debt obligations and deposits, swaps, futures, options, caps, floors, collars, forwards and various combinations thereof.

**Gross Negative Fair Value:** The sum total of the fair values of contracts where the bank owes money to its counterparties, without taking into account netting. This represents the maximum losses the bank's counterparties would incur if the bank defaults and there is no netting of contracts, and no bank collateral was held by the counterparties. Gross negative fair values associated with credit derivatives are included.

**Gross Positive Fair Value:** The sum total of the fair values of contracts where the bank is owed money by its counterparties, without taking into account netting. This represents the maximum losses a bank could incur if all its counterparties default and there is no netting of contracts, and the bank holds no counterparty collateral. Gross positive fair values associated with credit derivatives are included.

**Net Current Credit Exposure (NCCE):** For a portfolio of derivative contracts, NCCE is the gross positive fair value of contracts less the dollar amount of netting benefits. On any individual contract, current credit exposure (CCE) is the fair value of the contract if positive, and zero when the fair value is negative or zero. NCCE is also the net amount owed to banks if all contracts were immediately liquidated.

**Notional Amount:** The nominal or face amount that is used to calculate payments made on swaps and other risk management products. This amount generally does not change hands and is thus referred to as notional.

**Over-the-Counter Derivative Contracts:** Privately negotiated derivative contracts that are transacted off organized exchanges.

**Potential Future Exposure (PFE):** An estimate of what the current credit exposure (CCE) could be over time, based upon a supervisory formula in the agencies' risk-based capital rules. PFE is generally determined by multiplying the notional amount of the contract by a credit conversion factor that is based upon the underlying market factor (e.g., interest rates, commodity prices, equity prices, etc.) and the contract's remaining maturity. However, the risk-based capital rules permit banks to adjust the formulaic PFE measure by the "net to gross ratio," which proxies the risk-reduction benefits attributable to a valid bilateral netting contract. PFE data in this report uses the amounts upon which banks hold risk-based capital.

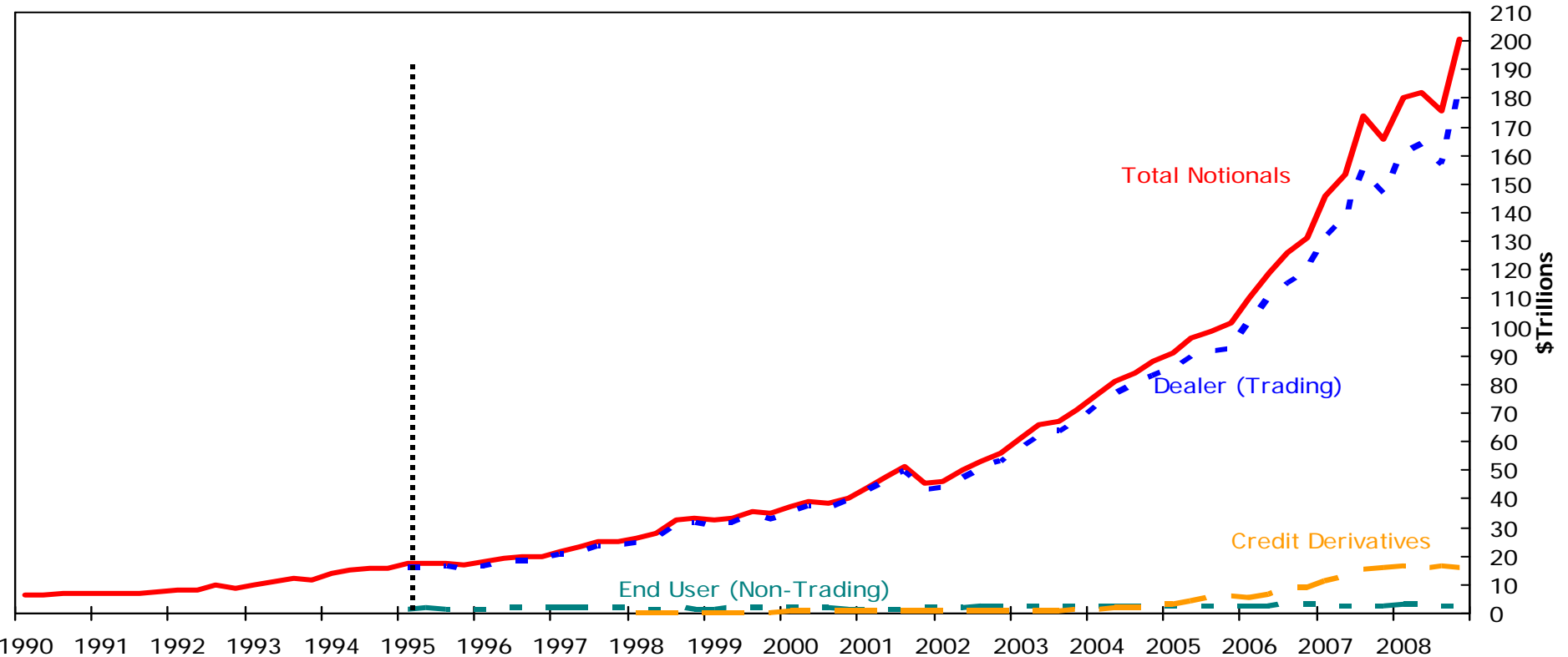
**Total Credit Exposure (TCE):** The sum total of net current credit exposure (NCCE) and potential future exposure (PFE).

**Total Risk-Based Capital:** The sum of tier 1 plus tier 2 capital. Tier 1 capital consists of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings, and minority interests in the equity accounts of consolidated subsidiaries. Tier 2 capital consists of subordinated debt, intermediate-term preferred stock, cumulative and long-term preferred stock, and a portion of a bank's allowance for loan and lease losses.



# Derivatives Notionals by Type of User

## Insured Commercial Banks



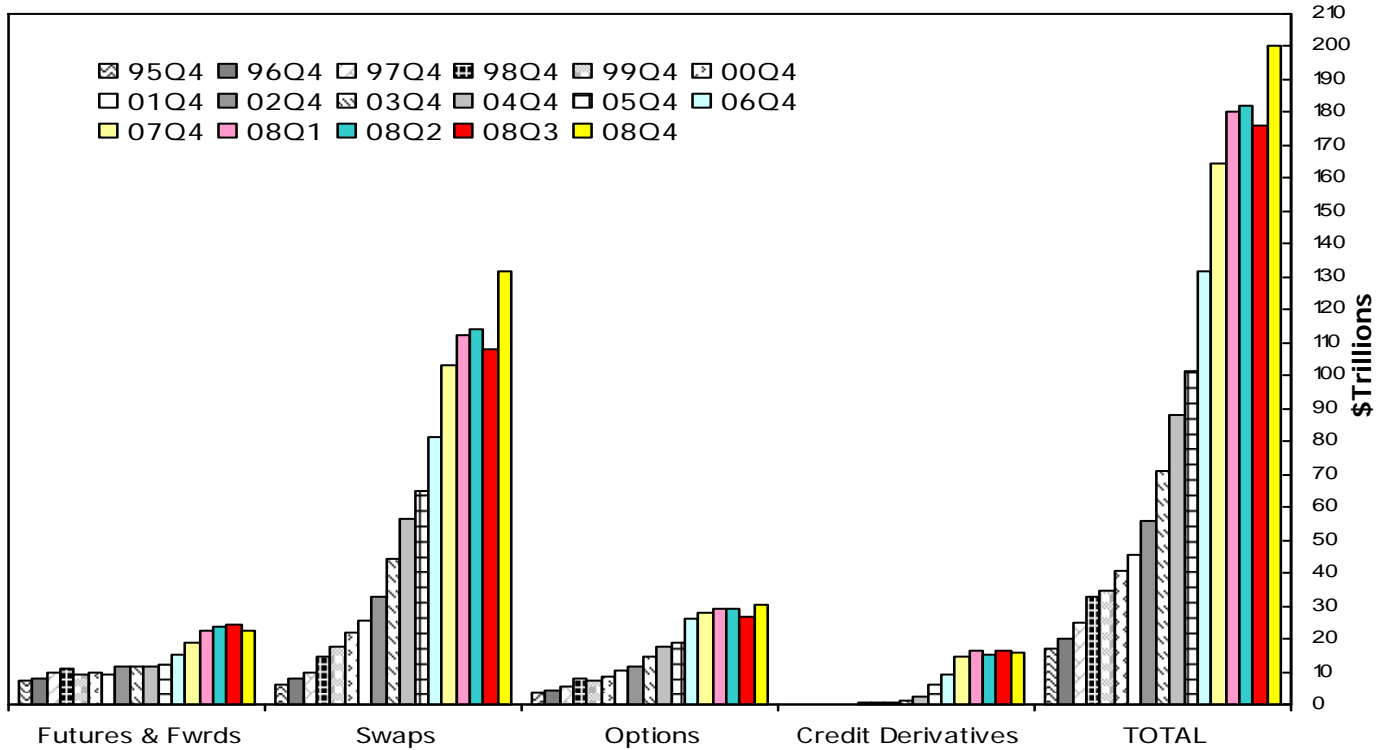
|                                   | 2000 |      |      |      | 2001 |      |      |      | 2002 |      |      |      | 2003 |      |      |      | 2004 |      |      |      | 2005 |      |      |       | 2006  |       |       |       | 2007  |       |       |       | 2008  |       |       |              |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------|
|                                   | Q1   | Q2   | Q3   | Q4   | Q1   | Q2   | Q3   | Q4   | Q1   | Q2   | Q3   | Q4   | Q1   | Q2   | Q3   | Q4   | Q1   | Q2   | Q3   | Q4   | Q1   | Q2   | Q3   | Q4    | Q1    | Q2    | Q3    | Q4    | Q1    | Q2    | Q3    | Q4    |       |       |       |              |
| <b>Total Derivative Notionals</b> | 37.6 | 39.3 | 38.3 | 40.5 | 43.9 | 47.8 | 51.3 | 45.4 | 46.3 | 50.1 | 53.2 | 56.1 | 61.4 | 65.8 | 67.1 | 71.1 | 76.5 | 81.0 | 84.2 | 87.9 | 91.1 | 96.2 | 98.8 | 101.5 | 110.2 | 119.2 | 126.2 | 131.5 | 145.8 | 153.6 | 173.6 | 165.6 | 180.3 | 182.1 | 175.8 | <b>200.4</b> |
| <b>Dealer (Trading)</b>           | 35.7 | 37.3 | 36.5 | 38.9 | 42.4 | 46.2 | 49.6 | 43.2 | 43.9 | 47.5 | 50.2 | 53.3 | 58.3 | 62.4 | 63.7 | 67.7 | 72.8 | 76.9 | 79.7 | 82.9 | 85.5 | 89.6 | 91.1 | 93.0  | 102.1 | 110.1 | 115.3 | 119.6 | 131.8 | 138.1 | 155.3 | 147.2 | 161.1 | 163.9 | 157.1 | <b>181.9</b> |
| <b>End User (Non-Trading)</b>     | 1.6  | 1.7  | 1.5  | 1.2  | 1.2  | 1.2  | 1.3  | 1.8  | 1.9  | 2.0  | 2.4  | 2.1  | 2.4  | 2.6  | 2.5  | 2.4  | 2.5  | 2.5  | 2.6  | 2.6  | 2.5  | 2.5  | 2.6  | 2.6   | 2.6   | 2.6   | 3.0   | 2.8   | 2.9   | 2.6   | 2.8   | 2.6   | 2.8   | 2.8   | 2.6   | <b>2.6</b>   |
| <b>Credit Derivatives</b>         | 0.3  | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.5  | 0.6  | 0.6  | 0.7  | 0.8  | 0.9  | 1.0  | 1.2  | 1.5  | 1.9  | 2.3  | 3.1  | 4.1  | 5.1  | 5.8   | 5.5   | 6.6   | 7.9   | 9.0   | 11.1  | 12.9  | 15.4  | 15.9  | 16.4  | 15.5  | 16.1  | <b>15.9</b>  |

Note: As of 1Q95, shown by the dotted line, there were changes in reporting such as: breakouts of notional by type of user and eliminating spot fx. Numbers may not add due to rounding. Total derivative notionals are now reported after including credit derivatives, for which regulatory reporting does not differentiate between trading and non-trading. Data Source: Call Reports.

# Derivative Contracts by Product

All Commercial Banks

Year-ends 1995 - 2007, Quarterly - 2008



## Derivative Contracts by Product (\$ Billions)\*

| \$ in Billions     | 95Q4          | 96Q4          | 97Q4          | 98Q4          | 99Q4          | 00Q4          | 01Q4          | 02Q4          | 03Q4          | 04Q4          | 05Q4           | 06Q4           | 07Q4           | 08Q1           | 08Q2           | 08Q3           | 08Q4           |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Futures & Fwrds    | 7,399         | 8,041         | 9,550         | 10,918        | 9,390         | 9,877         | 9,313         | 11,374        | 11,393        | 11,373        | 12,049         | 14,877         | 18,967         | 22,361         | 23,582         | 24,483         | 22,512         |
| Swaps              | 5,945         | 7,601         | 9,705         | 14,345        | 17,779        | 21,949        | 25,645        | 32,613        | 44,083        | 56,411        | 64,738         | 81,328         | 103,090        | 112,553        | 114,170        | 108,276        | 131,706        |
| Options            | 3,516         | 4,393         | 5,754         | 7,592         | 7,361         | 8,292         | 10,032        | 11,452        | 14,605        | 17,750        | 18,869         | 26,275         | 27,728         | 28,989         | 28,914         | 26,934         | 30,267         |
| Credit Derivatives |               |               | 55            | 144           | 287           | 426           | 395           | 635           | 1,001         | 2,347         | 5,822          | 9,019          | 15,861         | 16,441         | 15,469         | 16,148         | 15,897         |
| <b>TOTAL</b>       | <b>16,861</b> | <b>20,035</b> | <b>25,064</b> | <b>32,999</b> | <b>34,817</b> | <b>40,543</b> | <b>45,386</b> | <b>56,074</b> | <b>71,082</b> | <b>87,880</b> | <b>101,478</b> | <b>131,499</b> | <b>165,645</b> | <b>180,344</b> | <b>182,135</b> | <b>175,842</b> | <b>200,382</b> |

\* In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps. Note that data after 1994 do not include spot fx in the total notional amount of derivatives.

Credit derivatives were reported for the first time in the first quarter of 1997. As of 1997, credit derivatives have been included in the sum of total derivatives in this chart.

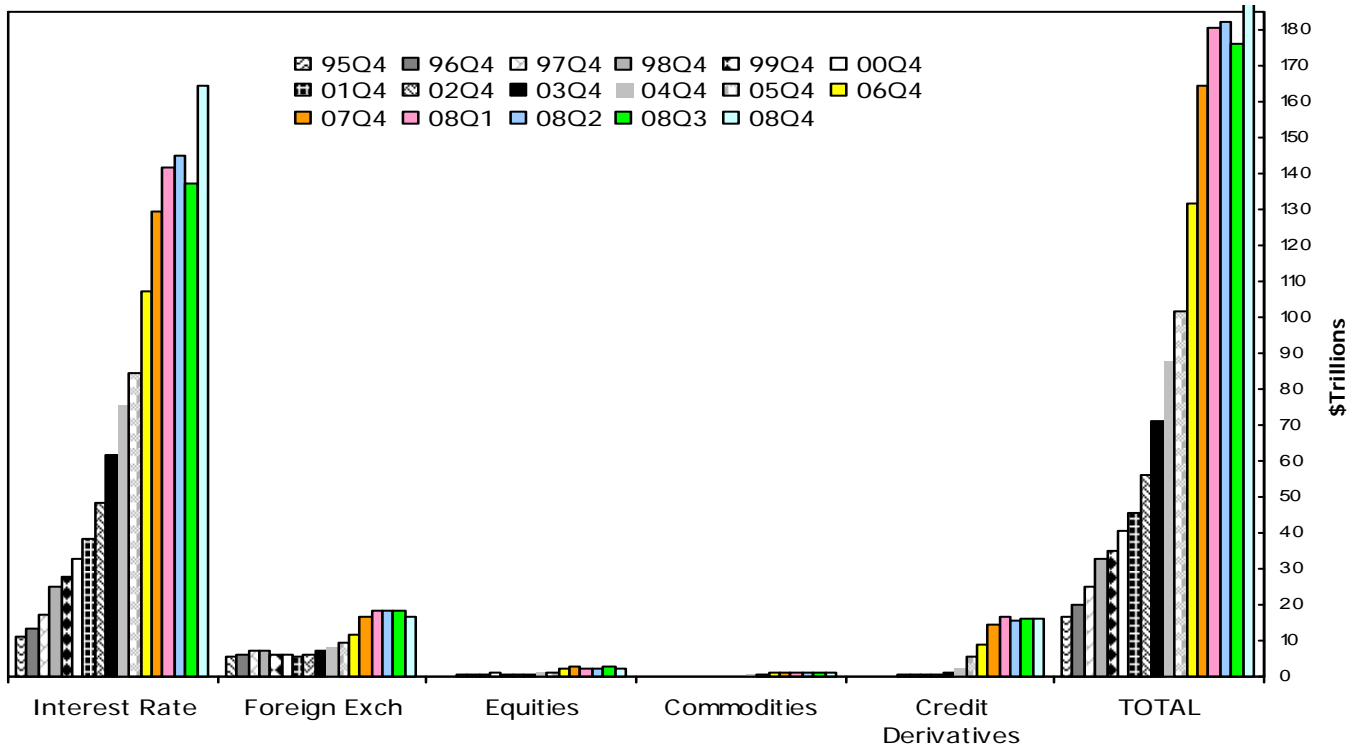
Note: Numbers may not add due to rounding.

Data Source: Call Reports

# Derivative Contracts by Type

All Commercial Banks

Year-ends 1995 - 2007, Quarterly – 2008



## Derivative Contracts by Type (\$ Billions)\*

| \$ in Billions            | 95Q4          | 96Q4          | 97Q4          | 98Q4          | 99Q4          | 00Q4          | 01Q4          | 02Q4          | 03Q4          | 04Q4          | 05Q4           | 06Q4           | 07Q4           | 08Q1           | 08Q2           | 08Q3           | 08Q4           |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Interest Rate</b>      | 11,095        | 13,427        | 17,085        | 24,785        | 27,772        | 32,938        | 38,305        | 48,347        | 61,856        | 75,518        | 84,520         | 107,415        | 129,574        | 141,865        | 144,923        | 137,190        | <b>164,404</b> |
| <b>Foreign Exch</b>       | 5,387         | 6,241         | 7,430         | 7,386         | 5,915         | 6,099         | 5,736         | 6,076         | 7,182         | 8,607         | 9,282          | 11,900         | 16,614         | 18,497         | 18,262         | 18,484         | <b>16,824</b>  |
| <b>Equities</b>           | 237           | 197           | 331           | 501           | 672           | 858           | 770           | 783           | 829           | 1,120         | 1,255          | 2,271          | 2,522          | 2,411          | 2,344          | 2,786          | <b>2,207</b>   |
| <b>Commodities</b>        | 141           | 170           | 163           | 183           | 171           | 222           | 179           | 233           | 214           | 289           | 598            | 893            | 1,073          | 1,130          | 1,137          | 1,234          | <b>1,050</b>   |
| <b>Credit Derivatives</b> |               |               | 55            | 144           | 287           | 426           | 395           | 635           | 1,001         | 2,347         | 5,822          | 9,019          | 15,861         | 16,441         | 15,469         | 16,148         | <b>15,897</b>  |
| <b>TOTAL</b>              | <b>16,861</b> | <b>20,035</b> | <b>25,064</b> | <b>32,999</b> | <b>34,816</b> | <b>40,543</b> | <b>45,385</b> | <b>56,075</b> | <b>71,082</b> | <b>87,880</b> | <b>101,477</b> | <b>131,499</b> | <b>165,645</b> | <b>180,344</b> | <b>182,135</b> | <b>175,842</b> | <b>200,382</b> |

\* In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps. Note that data after 1994 do not include spot fx in the total notional amount of derivatives.

As of Q206 equities and commodities types are shown as separate categories. They were previously shown as "Other Derivs".

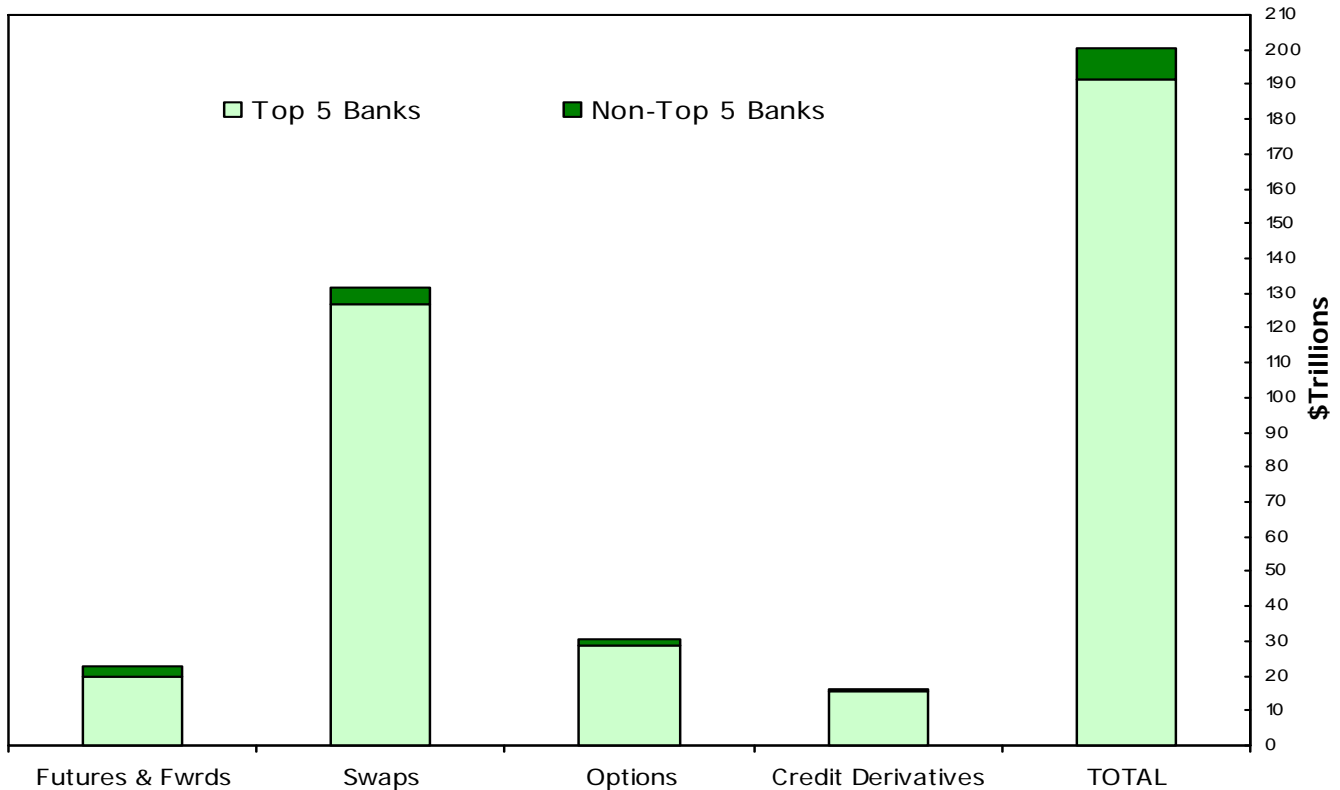
Credit derivatives were reported for the first time in the first quarter of 1997. Since then, credit derivatives have been included in the sum of total derivatives in this chart.

Note: Numbers may not add due to rounding.

Data Source: Call Reports

# Five Banks Dominate in Derivatives

All Commercial Banks, Fourth Quarter 2008



## Concentration of Derivative Contracts (\$ Billions)\*

|                            | \$        |            | %             |            | \$      |            | % |  |
|----------------------------|-----------|------------|---------------|------------|---------|------------|---|--|
|                            | Top 5 Bks | Tot Derivs | Non-Top 5 Bks | Tot Derivs | All Bks | Tot Derivs |   |  |
| <b>Futures &amp; Fwrds</b> | 19,877    | 9.9        | 2,635         | 1.3        | 22,512  | 11.2       |   |  |
| <b>Swaps</b>               | 127,101   | 63.4       | 4,604         | 2.3        | 131,706 | 65.7       |   |  |
| <b>Options</b>             | 28,991    | 14.5       | 1,277         | 0.6        | 30,267  | 15.1       |   |  |
| <b>Credit Derivatives</b>  | 15,529    | 7.7        | 368           | 0.2        | 15,897  | 7.9        |   |  |
| <b>TOTAL</b>               | 191,498   | 95.6       | 8,884         | 4.4        | 200,382 | 100.0      |   |  |

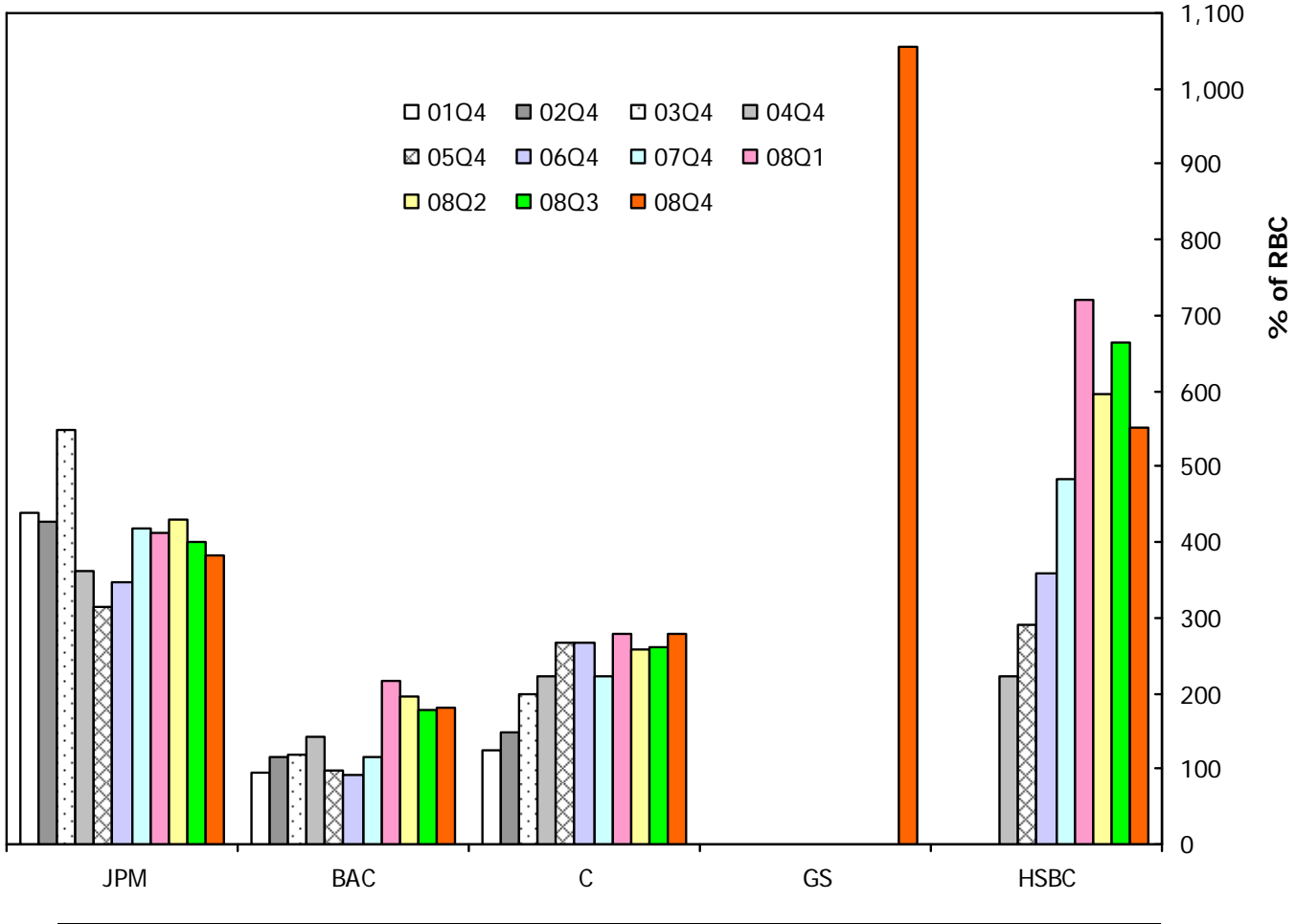
\*In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps. Note that data after 1994 do not include spot fx in the total notional amount of derivatives.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data Source: Call Reports

# Percentage of Total Credit Exposure to Risk Based Capital

Top 5 Commercial Banks by Derivatives Holdings  
Year-ends 2001 - 2007, Quarterly - 2008



## Total Credit Exposure to Risk Based Capital (%)

|                            | 01Q4 | 02Q4 | 03Q4 | 04Q4 | 05Q4 | 06Q4 | 07Q4 | 08Q1 | 08Q2 | 08Q3 | 08Q4         |
|----------------------------|------|------|------|------|------|------|------|------|------|------|--------------|
| <b>JPMORGAN CHASE</b>      | 439  | 427  | 548  | 361  | 315  | 348  | 419  | 412  | 430  | 400  | <b>382</b>   |
| <b>BANK OF AMERICA</b>     | 95   | 114  | 119  | 143  | 97   | 93   | 115  | 215  | 194  | 178  | <b>179</b>   |
| <b>CITIBANK</b>            | 123  | 147  | 198  | 221  | 267  | 268  | 223  | 279  | 258  | 260  | <b>278</b>   |
| <b>GOLDMAN</b>             |      |      |      |      |      |      |      | 7    | 4    | 4    | <b>1,056</b> |
| <b>HSBC</b>                |      |      |      | 223  | 291  | 359  | 483  | 721  | 595  | 664  | <b>550</b>   |
| <b>Avg % (Top 5 Banks)</b> | 219  | 230  | 288  | 237  | 242  | 267  | 310  | 327  | 296  | 301  | <b>489</b>   |

Merger Treatment:

JPM and BANK ONE merger. First Call Report-04Q1. Prior data JPM in the graph.

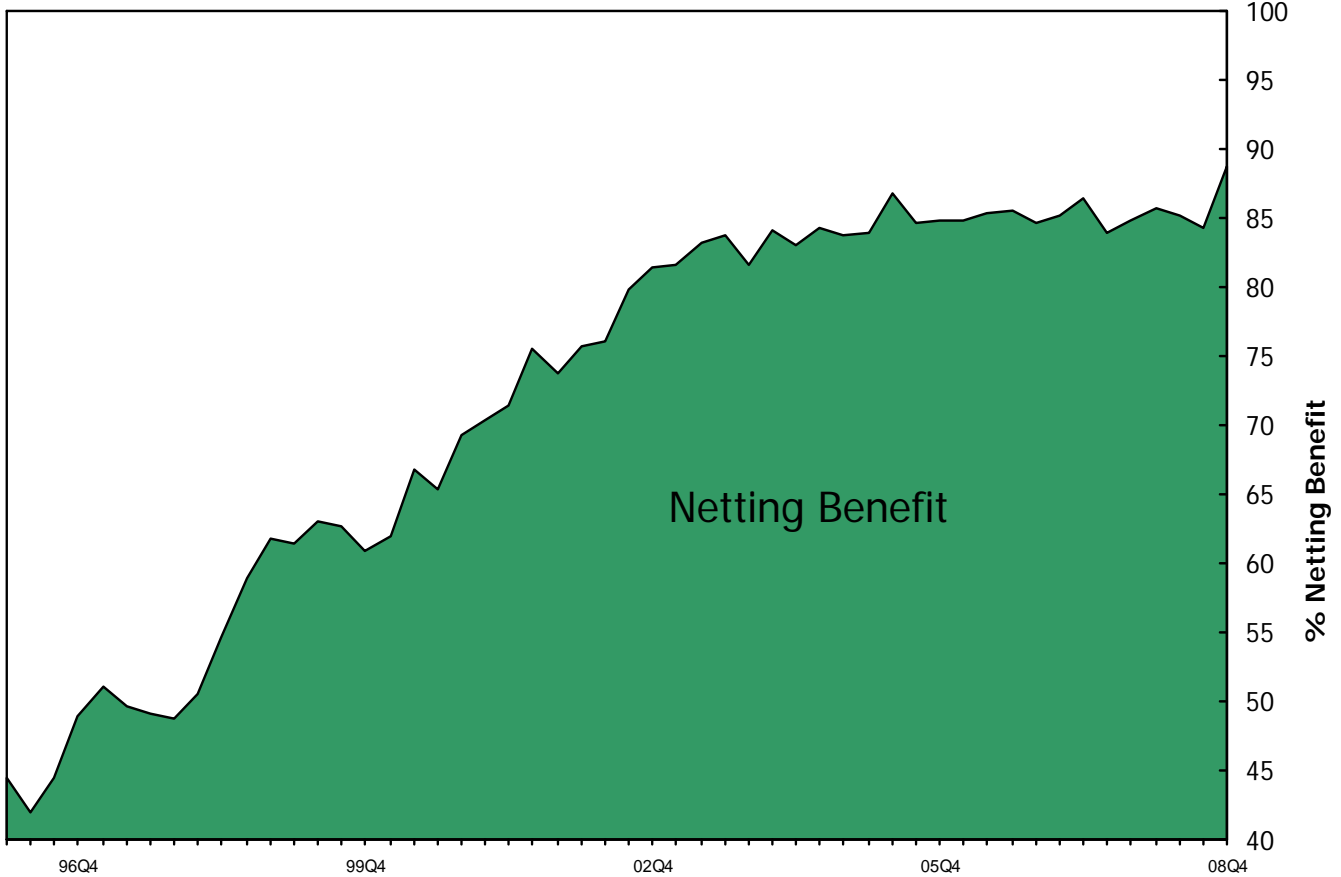
Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data Source: Call Reports

# Netting Benefit: Amount of Gross Exposure Eliminated Through Bilateral Netting

All Commercial Banks with Derivatives

1996 Q1 - 2008 Q4



## Netting Benefit Percentage (%)\*

|      |      |      |             |      |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|-------------|------|------|------|------|------|------|------|------|------|------|------|------|
| 96Q1 | 96Q2 | 96Q3 | 96Q4        | 97Q1 | 97Q2 | 97Q3 | 97Q4 | 98Q1 | 98Q2 | 98Q3 | 98Q4 | 99Q1 | 99Q2 | 99Q3 | 99Q4 |
| 44.5 | 42.0 | 44.5 | 49.0        | 51.1 | 49.6 | 49.1 | 48.7 | 50.6 | 54.6 | 58.9 | 61.7 | 61.5 | 62.9 | 62.7 | 60.9 |
| 00Q1 | 00Q2 | 00Q3 | 00Q4        | 01Q1 | 01Q2 | 01Q3 | 01Q4 | 02Q1 | 02Q2 | 02Q3 | 02Q4 | 03Q1 | 03Q2 | 03Q3 | 03Q4 |
| 66.8 | 66.8 | 65.4 | 69.3        | 70.4 | 71.5 | 75.5 | 73.8 | 75.7 | 76.2 | 79.9 | 81.5 | 81.7 | 83.3 | 83.8 | 81.7 |
| 04Q1 | 04Q2 | 04Q3 | 04Q4        | 05Q1 | 05Q2 | 05Q3 | 05Q4 | 06Q1 | 06Q2 | 06Q3 | 06Q4 | 07Q1 | 07Q2 | 07Q3 | 07Q4 |
| 84.2 | 83.1 | 84.3 | 83.7        | 83.9 | 86.9 | 84.7 | 84.9 | 84.9 | 85.4 | 85.5 | 84.7 | 85.2 | 86.4 | 83.9 | 84.8 |
| 08Q1 | 08Q2 | 08Q3 | <b>08Q4</b> |      |      |      |      |      |      |      |      |      |      |      |      |
| 85.6 | 85.3 | 84.3 | <b>88.7</b> |      |      |      |      |      |      |      |      |      |      |      |      |

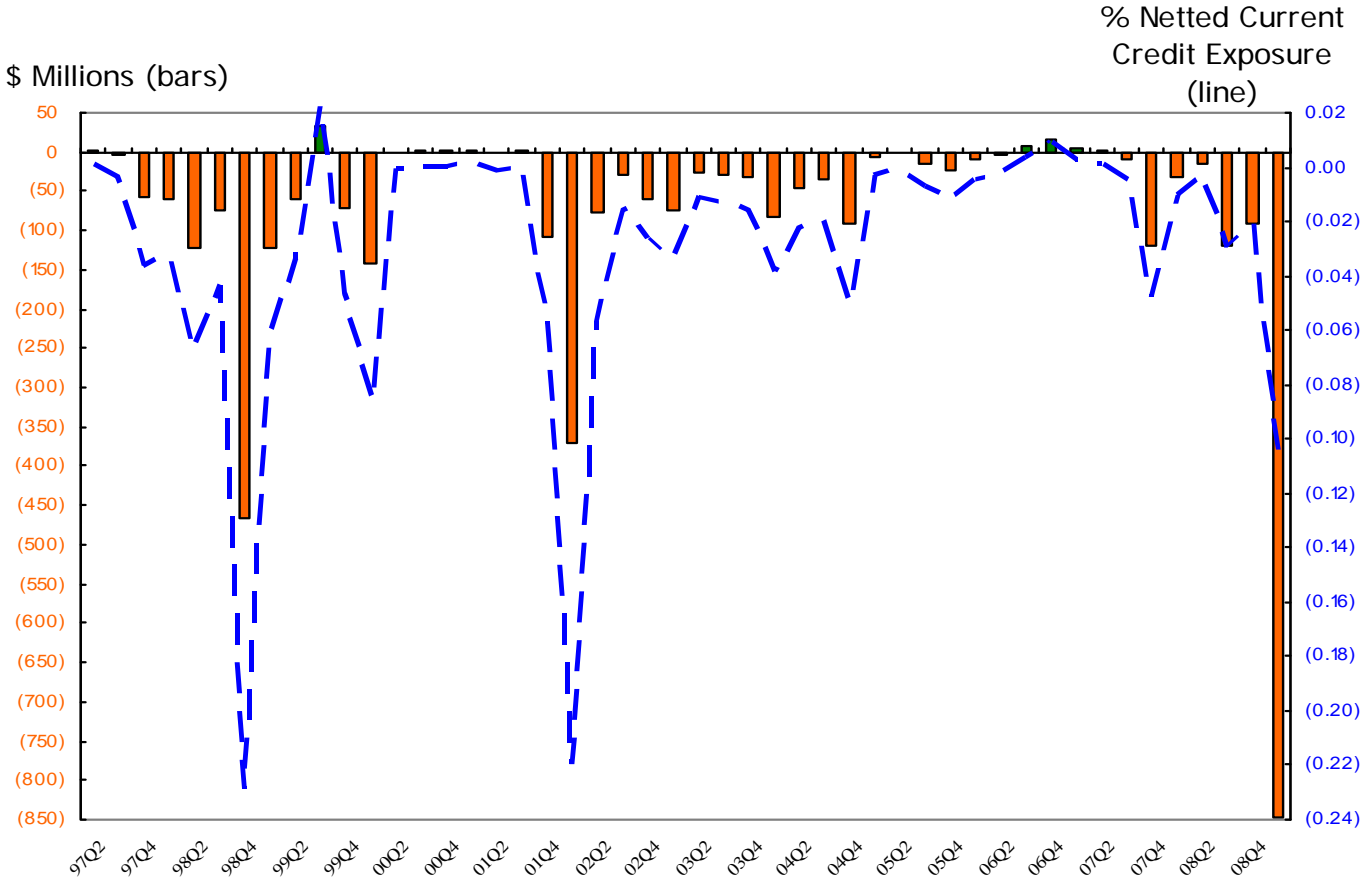
\*Note: The netting benefit percentage is defined as: \$ amount of netting benefits/gross positive fair value.

Data Source: Call Reports

# Quarterly (Charge-Offs)/Recoveries From Derivatives

## Commercial Banks with Derivatives

### 1997 Q1 - 2008 Q4



### Quarterly (Charge-Offs)/Recoveries From Derivatives (\$ Millions)\*

|       |        |         |         |         |        |         |         |        |        |         |         |        |         |        |                |
|-------|--------|---------|---------|---------|--------|---------|---------|--------|--------|---------|---------|--------|---------|--------|----------------|
| 97Q1  | 97Q2   | 97Q3    | 97Q4    | 98Q1    | 98Q2   | 98Q3    | 98Q4    | 99Q1   | 99Q2   | 99Q3    | 99Q4    | 00Q1   | 00Q2    | 00Q3   | 00Q4           |
| 1.9   | (4.5)  | (57.2)  | (60.6)  | (121.3) | (72.9) | (466.4) | (121.2) | (58.9) | 33.1   | (72.1)  | (141.0) | 0.0    | 1.0     | 1.0    | 3.0            |
| 01Q1  | 01Q2   | 01Q3    | 01Q4    | 02Q1    | 02Q2   | 02Q3    | 02Q4    | 03Q1   | 03Q2   | 03Q3    | 03Q4    | 04Q1   | 04Q2    | 04Q3   | 04Q4           |
| (2.0) | 1.0    | (107.3) | (370.0) | (75.8)  | (28.2) | (59.0)  | (73.7)  | (25.3) | (29.9) | (32.3)  | (83.7)  | (46.7) | (34.9)  | (92.2) | (5.4)          |
| 05Q1  | 05Q2   | 05Q3    | 05Q4    | 06Q1    | 06Q2   | 06Q3    | 06Q4    | 07Q1   | 07Q2   | 07Q3    | 07Q4    | 08Q1   | 08Q2    | 08Q3   | <b>08Q4</b>    |
| (1.3) | (14.2) | (23.0)  | (8.3)   | (3.6)   | 7.0    | 16.0    | 5.8     | 2.9    | (9.2)  | (119.4) | (30.7)  | (14.8) | (120.0) | (91.9) | <b>(846.7)</b> |

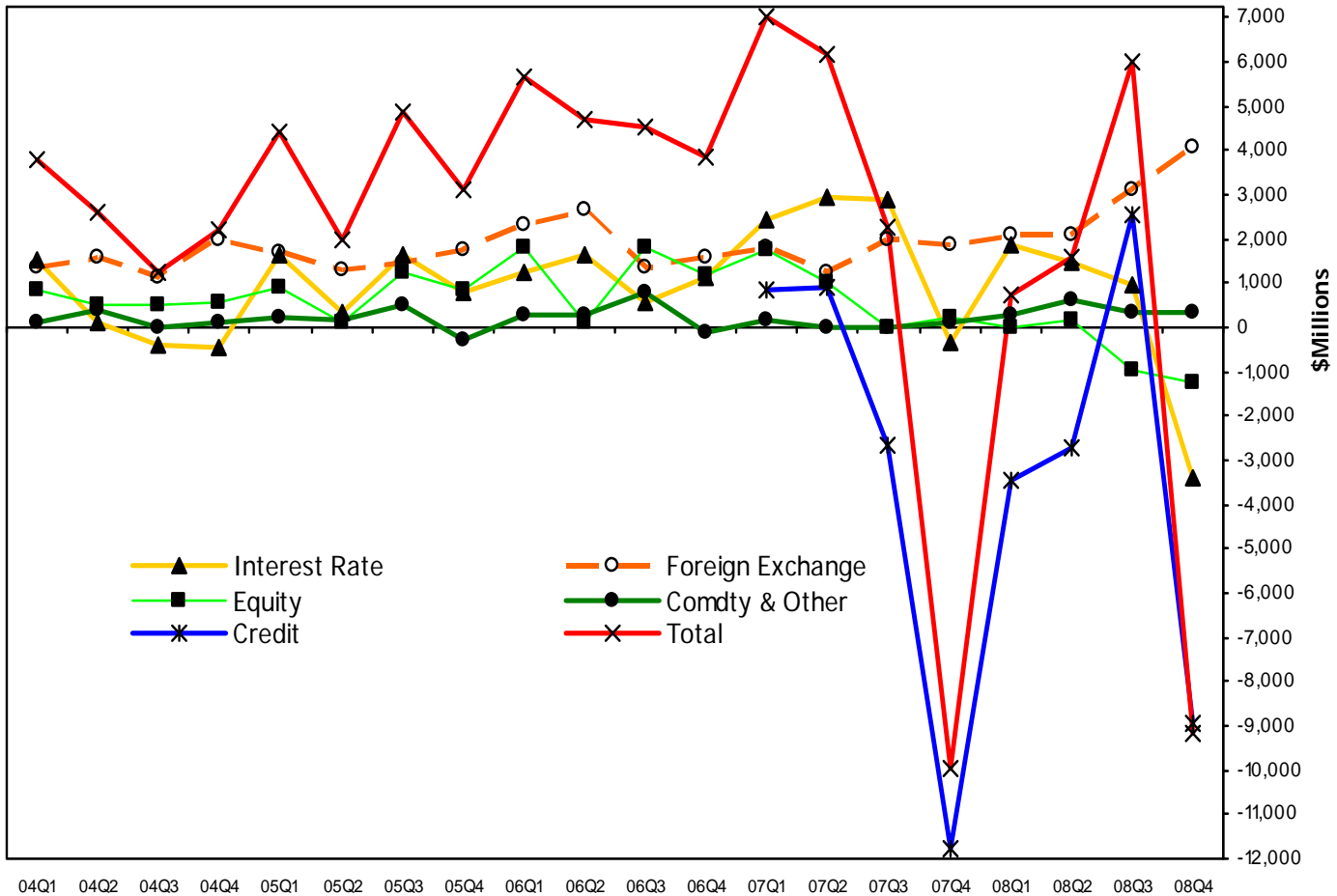
\*Note: The figures are for each quarter alone, not year-to-date.

Data Source: Call Reports

# Quarterly Trading Revenues Cash & Derivative Positions

All Commercial Banks

2004 Q1 – 2008 Q4



## Cash & Derivative Revenue (\$ Millions)\*

|                               | 04Q1         | 04Q2         | 04Q3         | 04Q4         | 05Q1         | 05Q2         | 05Q3         | 05Q4         | 06Q1         | 06Q2         | 06Q3         | 06Q4         | 07Q1         | 07Q2         | 07Q3         | 07Q4           | 08Q1       | 08Q2         | 08Q3         | 08Q4           |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|------------|--------------|--------------|----------------|
| Interest Rate                 | 1,514        | 124          | (414)        | (472)        | 1,643        | 362          | 1,649        | 813          | 1,247        | 1,668        | 552          | 1,151        | 2,413        | 2,950        | 2,896        | (357)          | 1,853      | 1,449        | 984          | (3,420)        |
| Foreign Exchange              | 1,371        | 1,570        | 1,162        | 1,982        | 1,699        | 1,301        | 1,454        | 1,765        | 2,310        | 2,675        | 1,355        | 1,613        | 1,831        | 1,265        | 2,005        | 1,873          | 2,083      | 2,096        | 3,090        | 4,093          |
| Equity                        | 849          | 497          | 485          | 574          | 888          | 131          | 1,244        | 845          | 1,803        | 103          | 1,829        | 1,216        | 1,735        | 1,024        | 27           | 205            | (15)       | 183          | (954)        | (1,229)        |
| Comdty & Other                | 89           | 405          | 24           | 114          | 212          | 166          | 507          | (292)        | 313          | 274          | 789          | (111)        | 175          | 25           | 7            | 88             | 261        | 601          | 342          | 338            |
| Credit                        |              |              |              |              |              |              |              |              |              |              |              |              | 878          | 883          | (2,655)      | (11,780)       | (3,461)    | (2,715)      | 2,544        | (8,958)        |
| <b>Total Trading Revenue*</b> | <b>3,823</b> | <b>2,596</b> | <b>1,257</b> | <b>2,198</b> | <b>4,441</b> | <b>1,960</b> | <b>4,854</b> | <b>3,130</b> | <b>5,673</b> | <b>4,720</b> | <b>4,525</b> | <b>3,869</b> | <b>7,032</b> | <b>6,146</b> | <b>2,281</b> | <b>(9,970)</b> | <b>721</b> | <b>1,614</b> | <b>6,005</b> | <b>(9,176)</b> |

\* Note: The trading revenue figures above are for cash and derivative activities. Revenue figures are for each quarter alone, not year-to-date.

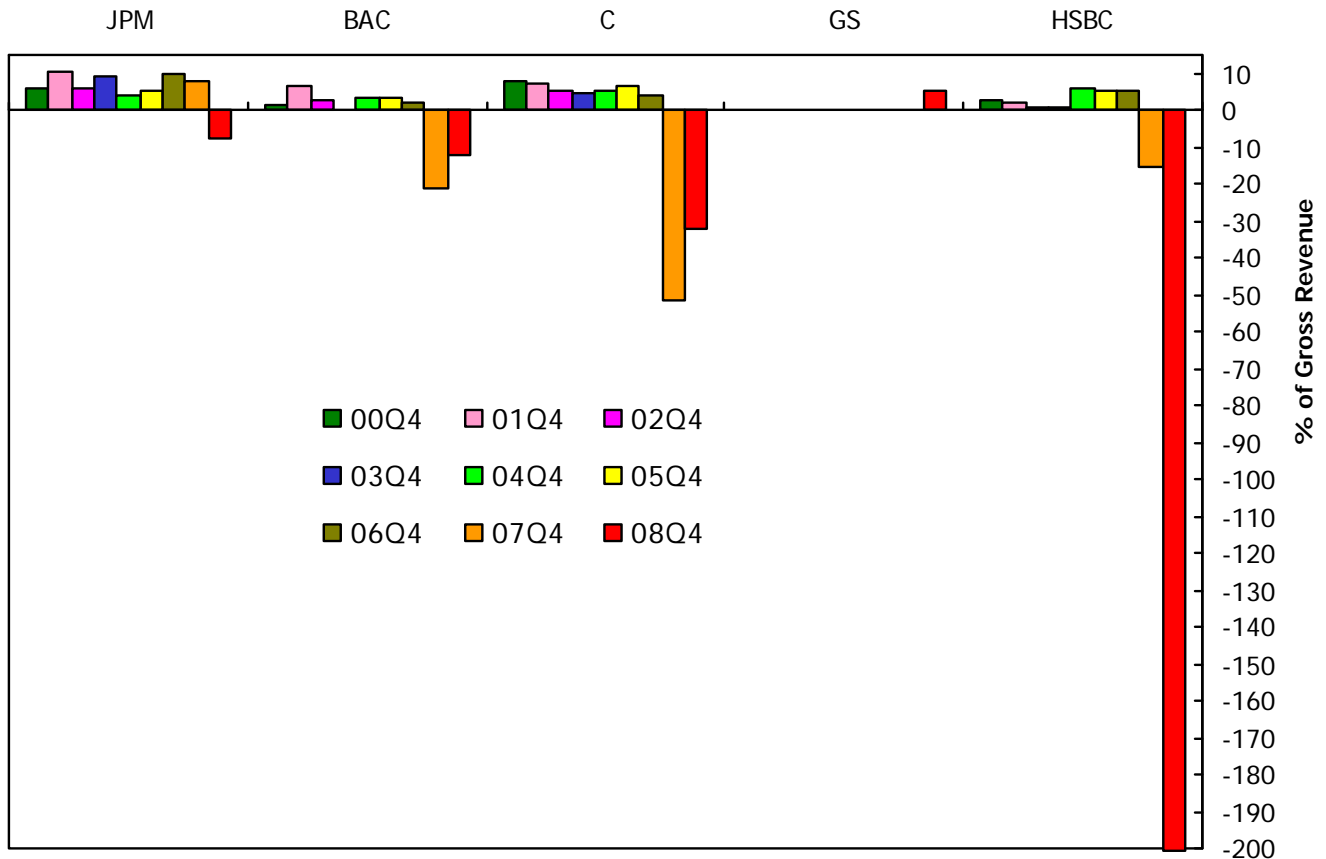
Note: Numbers may not add due to rounding.

Data Source: Call Reports



# Quarterly Trading Revenue as a Percentage of Gross Revenue Cash & Derivative Positions

Top 5 Commercial Banks by Derivatives Holdings, Q4, 2000 – 2008



Trading Revenue as a Percentage of Gross Revenue (top banks, ratios in %)\*

|                              | 00Q4 | 01Q4 | 02Q4 | 03Q4 | 04Q4 | 05Q4 | 06Q4 | 07Q4  | 08Q4          |
|------------------------------|------|------|------|------|------|------|------|-------|---------------|
| <b>JPMorgan Chase (JPM)</b>  | 5.9  | 10.6 | 6.1  | 9.5  | 3.9  | 5.6  | 9.7  | 8.1   | <b>-7.4</b>   |
| <b>Bank America (BAC)</b>    | 1.2  | 6.5  | 3.0  | 2.8  | 3.2  | 3.1  | 1.9  | -21.2 | <b>-12.1</b>  |
| <b>Citibank (C)</b>          | 8.2  | 7.1  | 5.1  | 4.5  | 5.0  | 6.3  | 3.9  | -51.4 | <b>-32.0</b>  |
| <b>Goldman Sachs (GS)</b>    |      |      |      |      |      |      |      |       | <b>5.2</b>    |
| <b>HSBC Bank USA (HSBC)</b>  | 2.5  | 2.4  | 0.8  | 1.2  | 6.0  | 5.2  | 5.1  | -15.1 | <b>-200.4</b> |
| <b>Total % (Top 5 Banks)</b> |      |      |      |      |      |      |      |       | <b>-17.3</b>  |
| <b>Total % (All Banks)</b>   | 2.3  | 2.6  | 1.8  | 2.0  | 1.9  | 2.2  | 2.3  | -5.8  | <b>-6.3</b>   |

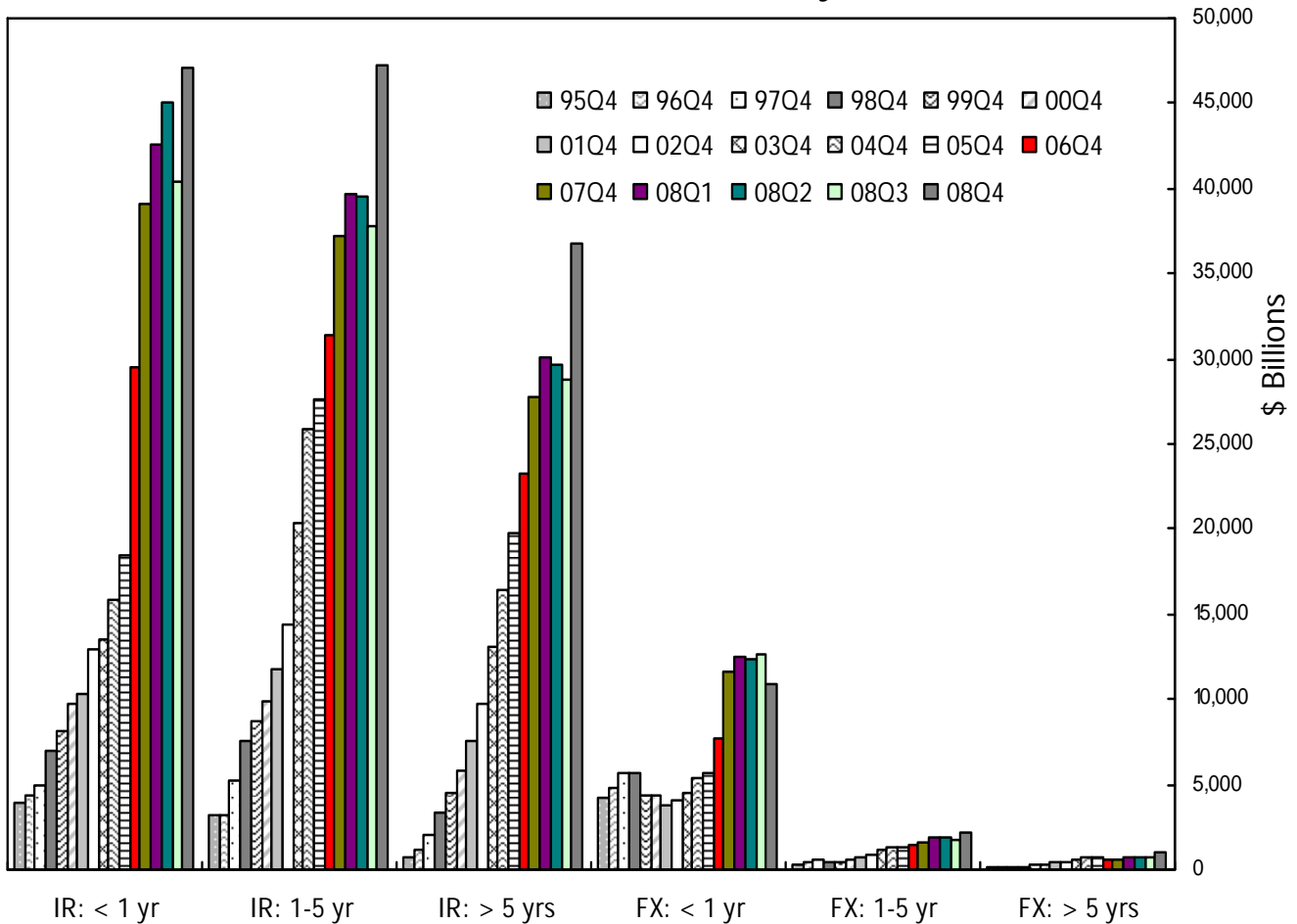
\* Note that the trading revenue figures above are for cash and derivative activities. Revenue figures are quarterly, not year-to-date, numbers. In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data Source: Call Reports

# Notional Amounts of Interest Rate and Foreign Exchange Contracts by Maturity

All Commercial Banks

Year-ends 1995 - 2007, Quarterly - 2008



Notional Amounts: Interest Rate and Foreign Exchange Contracts by Maturity (\$ Billions)\*

|                       | 95Q4  | 96Q4  | 97Q4  | 98Q4  | 99Q4  | 00Q4  | 01Q4   | 02Q4   | 03Q4   | 04Q4   | 05Q4   | 06Q4   | 07Q4   | 08Q1   | 08Q2   | 08Q3   | 08Q4          |
|-----------------------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|
| <b>IR: &lt; 1 yr</b>  | 3,942 | 4,339 | 4,974 | 6,923 | 8,072 | 9,702 | 10,357 | 12,972 | 13,573 | 15,914 | 18,482 | 29,546 | 39,083 | 42,620 | 44,998 | 40,397 | <b>47,147</b> |
| <b>IR: 1-5 yr</b>     | 3,215 | 3,223 | 5,230 | 7,594 | 8,730 | 9,919 | 11,809 | 14,327 | 20,400 | 25,890 | 27,677 | 31,378 | 37,215 | 39,745 | 39,512 | 37,751 | <b>47,289</b> |
| <b>IR: &gt; 5 yrs</b> | 775   | 1,214 | 2,029 | 3,376 | 4,485 | 5,843 | 7,523  | 9,733  | 13,114 | 16,489 | 19,824 | 23,270 | 27,720 | 30,103 | 29,702 | 28,783 | <b>36,780</b> |
| <b>FX: &lt; 1 yr</b>  | 4,206 | 4,826 | 5,639 | 5,666 | 4,395 | 4,359 | 3,785  | 4,040  | 4,470  | 5,348  | 5,681  | 7,690  | 11,592 | 12,525 | 12,345 | 12,664 | <b>10,868</b> |
| <b>FX: 1-5 yr</b>     | 324   | 402   | 516   | 473   | 503   | 592   | 661    | 829    | 1,114  | 1,286  | 1,354  | 1,416  | 1,605  | 1,925  | 1,930  | 1,788  | <b>2,171</b>  |
| <b>FX: &gt; 5 yrs</b> | 87    | 113   | 151   | 193   | 241   | 345   | 492    | 431    | 577    | 760    | 687    | 593    | 619    | 715    | 734    | 677    | <b>1,086</b>  |

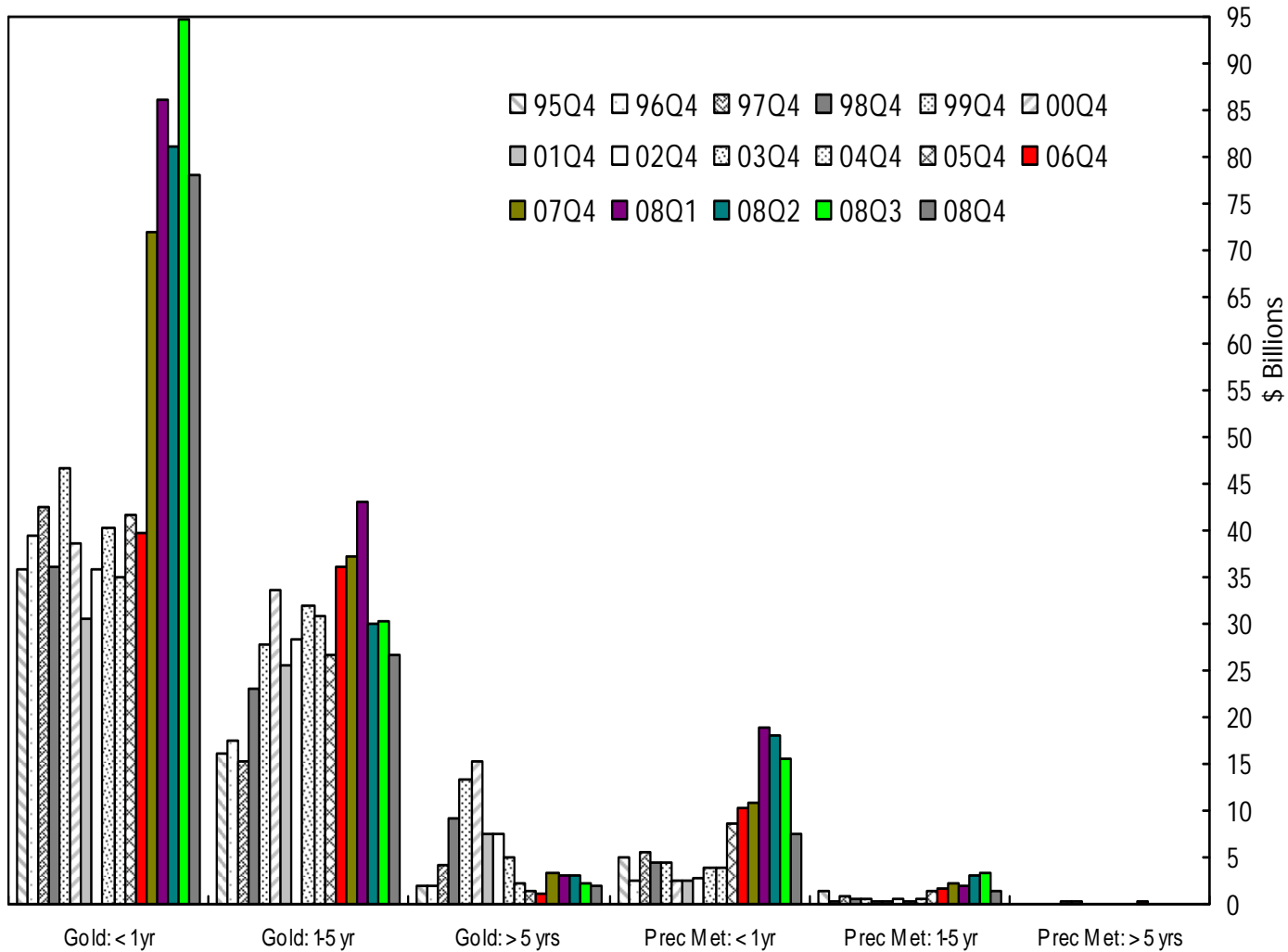
\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

Data Source: Call Reports

# Notional Amounts of Gold and Precious Metals Contracts by Maturity

All Commercial Banks

Year-ends 1995 - 2007, Quarterly - 2008



Notional Amounts: Gold and Precious Metals Contracts by Maturity (\$ Billions)\*

|                             | 95Q4 | 96Q4 | 97Q4 | 98Q4 | 99Q4 | 00Q4 | 01Q4 | 02Q4 | 03Q4 | 04Q4 | 05Q4 | 06Q4 | 07Q4 | 08Q1 | 08Q2 | 08Q3 | 08Q4      |
|-----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----------|
| <b>Gold: &lt; 1 yr</b>      | 36   | 39   | 43   | 36   | 47   | 39   | 31   | 36   | 40   | 35   | 42   | 40   | 72   | 86   | 81   | 95   | <b>78</b> |
| <b>Gold: 1-5 yr</b>         | 16   | 17   | 15   | 23   | 28   | 34   | 26   | 28   | 32   | 31   | 27   | 36   | 37   | 43   | 30   | 30   | <b>27</b> |
| <b>Gold: &gt; 5 yrs</b>     | 2    | 2    | 4    | 9    | 13   | 15   | 7    | 8    | 5    | 2    | 1    | 1    | 3    | 3    | 3    | 2    | <b>2</b>  |
| <b>Prec Met: &lt; 1 yr</b>  | 5    | 3    | 6    | 5    | 4    | 3    | 2    | 3    | 4    | 4    | 9    | 10   | 11   | 19   | 18   | 15   | <b>8</b>  |
| <b>Prec Met: 1-5 yr</b>     | 1    | 0    | 1    | 1    | 1    | 0    | 0    | 0    | 0    | 1    | 1    | 2    | 2    | 2    | 3    | 3    | <b>2</b>  |
| <b>Prec Met: &gt; 5 yrs</b> | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0    | <b>0</b>  |

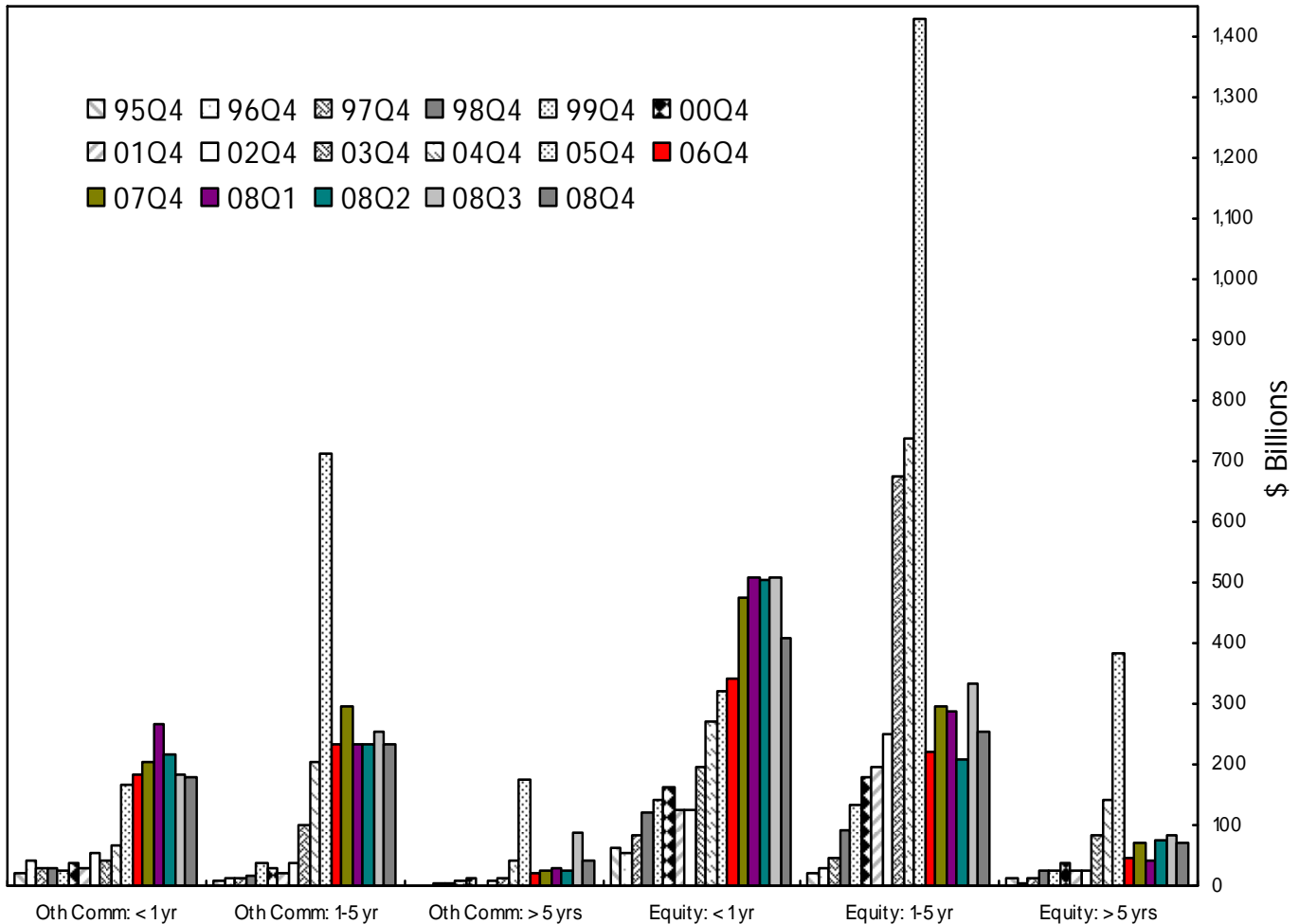
\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

Data Source: Notionals as reported in Schedule RC-R of Call Reports.

# Notional Amounts of Commodity and Equity Contracts by Maturity

All Commercial Banks

Year-ends 1995 - 2007, Quarterly - 2008



Notional Amounts: Commodity and Equity Contracts by Maturity (\$ Billions)\*

|                             | 95Q4 | 96Q4 | 97Q4 | 98Q4 | 99Q4 | 00Q4 | 01Q4 | 02Q4 | 03Q4 | 04Q4 | 05Q4  | 06Q4 | 07Q4 | 08Q1 | 08Q2 | 08Q3 | 08Q4       |
|-----------------------------|------|------|------|------|------|------|------|------|------|------|-------|------|------|------|------|------|------------|
| <b>Oth Comm: &lt; 1 yr</b>  | 22   | 40   | 29   | 30   | 24   | 36   | 28   | 55   | 41   | 68   | 165   | 185  | 205  | 265  | 215  | 184  | <b>179</b> |
| <b>Oth Comm: 1-5 yr</b>     | 9    | 11   | 12   | 18   | 37   | 27   | 23   | 35   | 102  | 206  | 714   | 235  | 298  | 233  | 235  | 255  | <b>233</b> |
| <b>Oth Comm: &gt; 5 yrs</b> | 0    | 1    | 2    | 4    | 8    | 11   | 2    | 9    | 14   | 40   | 175   | 20   | 23   | 31   | 26   | 87   | <b>43</b>  |
| <b>Equity: &lt; 1 yr</b>    | 62   | 54   | 84   | 122  | 143  | 162  | 124  | 127  | 197  | 273  | 321   | 341  | 473  | 510  | 504  | 509  | <b>409</b> |
| <b>Equity: 1-5 yr</b>       | 23   | 27   | 47   | 90   | 134  | 180  | 195  | 249  | 674  | 736  | 1,428 | 221  | 297  | 288  | 208  | 333  | <b>256</b> |
| <b>Equity: &gt; 5 yrs</b>   | 11   | 6    | 13   | 26   | 25   | 38   | 23   | 25   | 84   | 140  | 383   | 45   | 70   | 40   | 76   | 82   | <b>72</b>  |

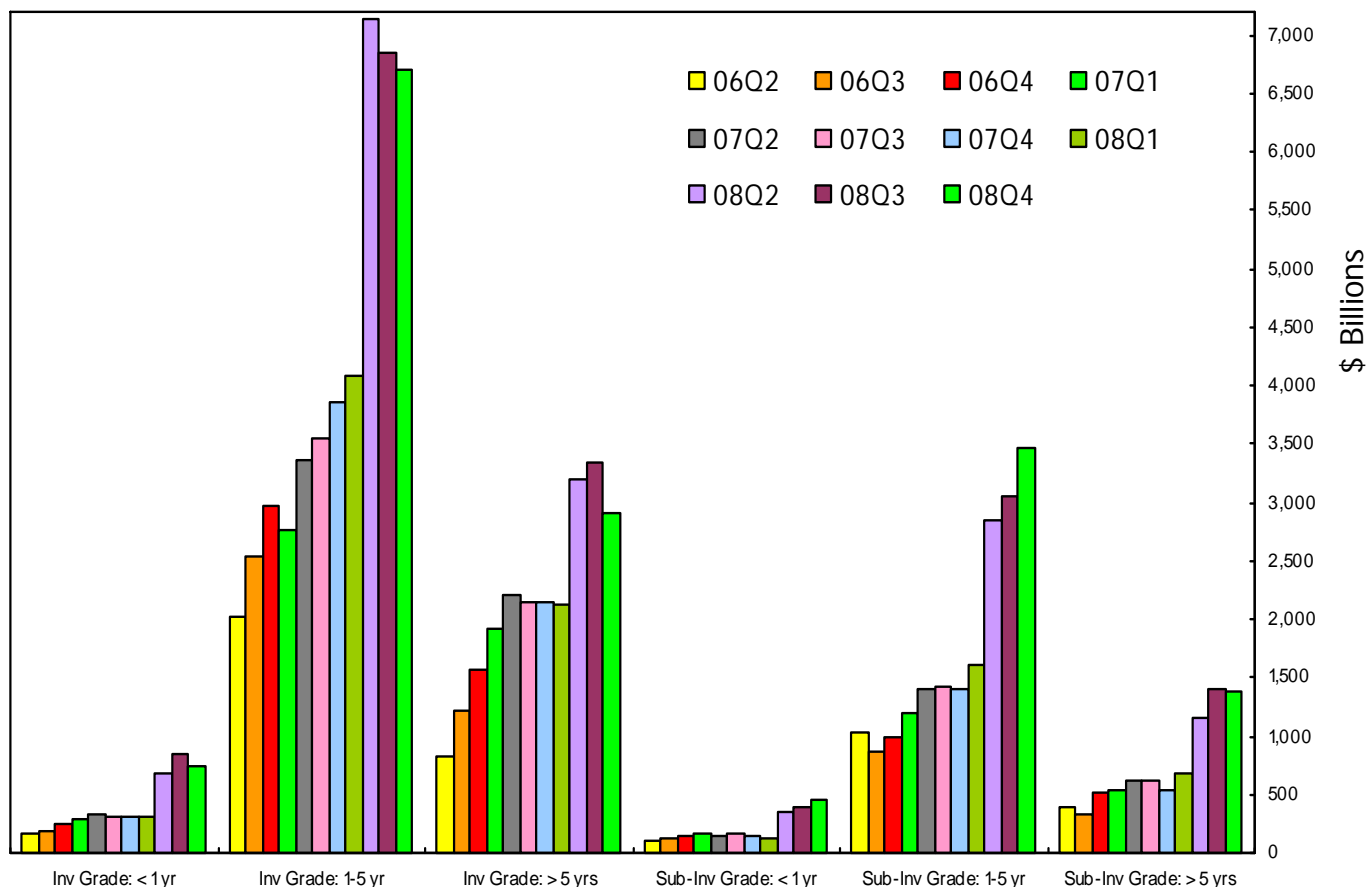
\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

Data Source: Notional amounts as reported in Schedule RC-R of Call Reports.

# Notional Amounts of Credit Derivative Contracts by Maturity

All Commercial Banks

2006 Q2 – 2008 Q4



Notional Amounts: Credit Derivatives Contracts by Maturity (\$ Billions)\*

|   | 06Q2  | 06Q3  | 06Q4  | 07Q1  | 07Q2  | 07Q3  | 07Q4  | 08Q1  | 08Q2  | 08Q3  | 08Q4         |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------|
| <b>Investment Grade: &lt; 1 yr</b>      | 163   | 193   | 243   | 281   | 328   | 307   | 304   | 319   | 685   | 839   | <b>741</b>   |
| <b>Investment Grade: 1-5 yr</b>         | 2,023 | 2,540 | 2,962 | 2,768 | 3,359 | 3,545 | 3,860 | 4,088 | 7,130 | 6,852 | <b>6,698</b> |
| <b>Investment Grade: &gt; 5 yrs</b>     | 817   | 1,224 | 1,560 | 1,917 | 2,210 | 2,154 | 2,138 | 2,127 | 3,197 | 3,345 | <b>2,900</b> |
| <b>Sub-Investment Grade: &lt; 1 yr</b>  | 107   | 117   | 139   | 164   | 144   | 158   | 149   | 134   | 343   | 400   | <b>457</b>   |
| <b>Sub-Investment Grade: 1-5 yr</b>     | 1,036 | 869   | 984   | 1,201 | 1,405 | 1,416 | 1,400 | 1,608 | 2,849 | 3,058 | <b>3,472</b> |
| <b>Sub Investment Grade: &gt; 5 yrs</b> | 387   | 331   | 506   | 537   | 629   | 621   | 543   | 672   | 1,160 | 1,394 | <b>1,388</b> |

\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

Notional amounts as reported in Schedule RC-R of Call reports. As of March 31, 2006, the Call Report began to include maturity breakouts for credit derivatives.

Data Source: Call Reports

TABLE 1

**NOTIONAL AMOUNT OF DERIVATIVE CONTRACTS  
TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK   | BANK NAME                    | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | TOTAL FUTURES (EXCH TR) | TOTAL OPTIONS (EXCH TR) | TOTAL FORWARDS (OTC) | TOTAL SWAPS (OTC) | TOTAL OPTIONS (OTC) | TOTAL CREDIT DERIVATIVES (OTC) | SPOT FX   |
|--|------------------------------|-------|--------------|-------------------|-------------------------|-------------------------|----------------------|-------------------|---------------------|--------------------------------|-----------|
| 1  | JPMORGAN CHASE BANK NA       | OH    | \$1,746,242  | \$87,362,672      | \$999,799               | \$1,646,853             | \$8,546,856          | \$56,434,847      | \$11,342,688        | \$8,391,629                    | \$388,874 |
| 2  | BANK OF AMERICA NA           | NC    | 1,471,631    | 38,304,564        | 1,534,092               | 637,000                 | 3,464,672            | 27,133,227        | 3,484,969           | 2,050,604                      | 70,593    |
| 3  | CITIBANK NATIONAL ASSN       | NV    | 1,231,154    | 31,887,869        | 247,222                 | 398,641                 | 3,827,437            | 18,787,150        | 5,896,985           | 2,730,434                      | 141,174   |
| 4  | GOLDMAN SACHS BANK USA       | UT    | 162,474      | 30,229,614        | 493,165                 | 471                     | 96,539               | 22,940,012        | 5,302,479           | 1,396,948                      | 700       |
| 5  | HSBC BANK USA NATIONAL ASSN  | VA    | 181,620      | 3,713,075         | 45,460                  | 71,601                  | 621,361              | 1,806,176         | 209,037             | 959,440                        | 36,229    |
| 6  | WACHOVIA BANK NATIONAL ASSN  | NC    | 635,476      | 3,664,823         | 204,638                 | 54,908                  | 203,680              | 2,487,249         | 413,075             | 301,273                        | 2,480     |
| 7  | WELLS FARGO BANK NA          | SD    | 538,958      | 1,494,745         | 164,757                 | 8,540                   | 527,688              | 621,143           | 171,093             | 1,524                          | 6,576     |
| 8  | BANK OF NEW YORK MELLON      | NY    | 195,164      | 1,125,889         | 31,080                  | 27,636                  | 322,053              | 418,373           | 325,419             | 1,328                          | 23,036    |
| 9  | STATE STREET BANK&TRUST CO   | MA    | 171,228      | 731,180           | 779                     | 1,444                   | 668,650              | 17,037            | 38,125              | 5,145                          | 20,162    |
| 10   | SUNTRUST BANK                | GA    | 185,099      | 255,942           | 34,660                  | 16,482                  | 20,191               | 150,288           | 32,323              | 1,997                          | 455       |
| 11   | PNC BANK NATIONAL ASSN       | PA    | 140,777      | 141,291           | 5,980                   | 0                       | 5,117                | 113,597           | 13,542              | 3,055                          | 281       |
| 12   | NORTHERN TRUST CO            | IL    | 70,434       | 128,376           | 0                       | 0                       | 120,465              | 7,274             | 402                 | 236                            | 4,810     |
| 13   | KEYBANK NATIONAL ASSN        | OH    | 101,869      | 122,560           | 18,441                  | 0                       | 10,798               | 77,773            | 8,362               | 7,186                          | 558       |
| 14   | NATIONAL CITY BANK           | OH    | 146,058      | 117,785           | 21,426                  | 350                     | 13,652               | 51,219            | 28,910              | 2,228                          | 245       |
| 15   | U S BANK NATIONAL ASSN       | OH    | 261,776      | 105,626           | 1,389                   | 7,350                   | 35,057               | 52,577            | 7,028               | 2,225                          | 339       |
| 16   | REGIONS BANK                 | AL    | 142,084      | 97,421            | 17,391                  | 3,500                   | 1,908                | 72,378            | 1,761               | 484                            | 1         |
| 17   | MERRILL LYNCH BANK USA       | UT    | 61,810       | 88,520            | 72,724                  | 0                       | 1,254                | 5,645             | 0                   | 8,897                          | 0         |
| 18   | BRANCH BANKING&TRUST CO      | NC    | 147,484      | 77,250            | 7,154                   | 0                       | 11,701               | 46,589            | 11,754              | 52                             | 47        |
| 19   | FIFTH THIRD BANK             | OH    | 69,460       | 70,418            | 68                      | 0                       | 11,588               | 45,801            | 12,599              | 361                            | 538       |
| 20   | RBS CITIZENS NATIONAL ASSN   | RI    | 129,491      | 51,238            | 0                       | 0                       | 5,770                | 43,764            | 1,445               | 259                            | 34        |
| 21   | UBS BANK USA                 | UT    | 30,495       | 37,167            | 0                       | 0                       | 0                    | 37,167            | 0                   | 0                              | 0         |
| 22   | UNION BANK NATIONAL ASSN     | CA    | 69,737       | 37,087            | 3,682                   | 0                       | 6,620                | 18,979            | 7,806               | 0                              | 1,096     |
| 23   | MORGAN STANLEY BANK NA       | UT    | 58,058       | 36,561            | 0                       | 0                       | 0                    | 12,400            | 0                   | 24,161                         | 0         |
| 24   | DEUTSCHE BANK TR CO AMERICAS | NY    | 50,801       | 31,437            | 0                       | 0                       | 295                  | 26,292            | 27                  | 4,823                          | 0         |
| 25   | HUNTINGTON NATIONAL BANK     | OH    | 53,548       | 25,162            | 0                       | 0                       | 794                  | 20,684            | 3,683               | 0                              | 0         |
| TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES |                              |       | \$8,052,925  | \$199,938,274     | \$3,903,907             | \$2,874,776             | \$18,524,148         | \$131,427,642     | \$27,313,513        | \$15,894,289                   | \$698,229 |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES  |                              |       | 2,761,938    | 443,333           | 3,819                   | 1,673                   | 80,109               | 278,042           | 77,272              | 2,419                          | 651       |
| TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES  |                              |       | 10,814,862   | 200,381,607       | 3,907,726               | 2,876,448               | 18,604,257           | 131,705,684       | 27,390,785          | 15,896,708                     | 698,879   |

Note: Credit derivatives have been included in the sum of total derivatives. Credit derivatives have been included as an "over the counter" category, although the Call Report does not differentiate by market currently.

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.

Note: Numbers may not add due to rounding.

Data source: Call Reports, schedule RC-L

TABLE 2

**NOTIONAL AMOUNT OF DERIVATIVE CONTRACTS  
TOP 25 HOLDING COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK   | HOLDING COMPANY                          | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | FUTURES (EXCH TR) | OPTIONS (EXCH TR) | FORWARDS (OTC) | SWAPS (OTC)   | OPTIONS (OTC) | CREDIT DERIVATIVES (OTC) | SPOT FX   |
|--|--|-------|--------------|-------------------|-------------------|-------------------|----------------|---------------|---------------|--------------------------|-----------|
| 1  | JPMORGAN CHASE & CO.                     | NY    | \$2,175,052  | \$87,780,914      | \$1,163,565       | \$1,654,602       | \$8,639,036    | \$56,516,117  | \$11,419,715  | \$8,387,879              | \$389,411 |
| 2  | BANK OF AMERICA CORPORATION              | NC    | 1,822,068    | 39,081,848        | 1,620,706         | 742,693           | 4,143,390      | 27,053,113    | 3,483,259     | 2,038,687                | 70,268    |
| 3  | CITIGROUP INC.                           | NY    | 1,947,439    | 33,424,365        | 735,543           | 2,432,127         | 4,286,935      | 16,947,076    | 5,989,192     | 3,033,492                | 150,274   |
| 4  | WELLS FARGO & COMPANY                    | CA    | 1,309,639    | 5,105,850         | 372,652           | 65,905            | 736,903        | 3,061,344     | 582,587       | 286,459                  | 9,056     |
| 5  | HSBC NORTH AMERICA HOLDINGS INC.         | IL    | 434,716      | 3,660,305         | 46,650            | 71,601            | 635,473        | 1,734,686     | 213,359       | 958,536                  | 36,762    |
| 6  | TAUNUS CORPORATION                       | NY    | 396,659      | 1,290,523         | 122,221           | 201,266           | 600,048        | 189,779       | 4,403         | 172,806                  | 231       |
| 7  | BANK OF NEW YORK MELLON CORPORATION, THE | NY    | 237,652      | 1,115,675         | 31,080            | 27,636            | 322,030        | 408,182       | 325,419       | 1,328                    | 23,105    |
| 8  | STATE STREET CORPORATION                 | MA    | 176,632      | 725,880           | 779               | 1,444             | 668,650        | 16,737        | 38,125        | 145                      | 20,162    |
| 9  | BARCLAYS GROUP US INC.                   | DE    | 279,777      | 290,379           | 4,375             | 120,089           | 153,101        | 11,334        | 0             | 1,481                    | 0         |
| 10   | SUNTRUST BANKS, INC.                     | GA    | 189,138      | 258,003           | 34,660            | 16,482            | 20,191         | 149,988       | 34,684        | 1,997                    | 455       |
| 11   | PNC FINANCIAL SERVICES GROUP, INC., THE  | PA    | 291,093      | 254,720           | 27,457            | 494               | 19,207         | 162,182       | 42,279        | 3,101                    | 527       |
| 12   | METLIFE, INC.                            | NY    | 501,678      | 198,088           | 19,908            | 0                 | 33,344         | 58,007        | 81,610        | 5,219                    | 0         |
| 13   | NORTHERN TRUST CORPORATION               | IL    | 82,054       | 128,977           | 0                 | 0                 | 120,465        | 7,874         | 402           | 236                      | 4,810     |
| 14   | KEYCORP                                  | OH    | 105,231      | 126,664           | 18,441            | 0                 | 10,798         | 80,567        | 9,671         | 7,186                    | 558       |
| 15   | U.S. BANCORP                             | MN    | 267,032      | 112,028           | 1,389             | 7,350             | 35,057         | 58,911        | 7,028         | 2,293                    | 339       |
| 16   | REGIONS FINANCIAL CORPORATION            | AL    | 146,254      | 99,593            | 17,391            | 3,500             | 1,919          | 73,335        | 2,964         | 484                      | 1         |
| 17   | FIFTH THIRD BANCORP                      | OH    | 119,764      | 77,622            | 68                | 0                 | 11,588         | 52,656        | 12,031        | 1,279                    | 538       |
| 18   | BB&T CORPORATION                         | NC    | 152,015      | 74,290            | 7,154             | 0                 | 12,250         | 43,439        | 11,394        | 52                       | 47        |
| 19   | CITIZENS FINANCIAL GROUP, INC.           | RI    | 160,444      | 63,067            | 0                 | 0                 | 5,770          | 54,964        | 2,064         | 268                      | 34        |
| 20   | CAPITAL ONE FINANCIAL CORPORATION        | VA    | 165,913      | 41,578            | 0                 | 0                 | 1,710          | 39,868        | 0             | 0                        | 0         |
| 21   | UNIONBANCAL CORPORATION                  | CA    | 70,121       | 36,687            | 3,682             | 0                 | 6,620          | 18,579        | 7,806         | 0                        | 1,096     |
| 22   | TD BANKNORTH INC.                        | ME    | 122,745      | 35,254            | 0                 | 0                 | 8,186          | 19,467        | 7,512         | 88                       | 16        |
| 23   | HUNTINGTON BANCSHARES INCORPORATED       | OH    | 54,356       | 25,162            | 0                 | 0                 | 794            | 20,684        | 3,683         | 0                        | 0         |
| 24   | BOK FINANCIAL CORPORATION                | OK    | 22,840       | 23,387            | 509               | 126               | 14,664         | 6,774         | 1,313         | 0                        | 0         |
| 25   | HARRIS FINANCIAL CORP.                   | DE    | 88,258       | 21,037            | 2                 | 1,478             | 2,420          | 15,126        | 1,175         | 836                      | 34        |
| TOP 25 HOLDING COMPANIES WITH DERIVATIVES  |  |       | \$11,318,572 | \$174,051,895     | \$4,228,234       | \$5,346,794       | \$20,490,551   | \$106,800,791 | \$22,281,675  | \$14,903,850             | \$707,724 |
| <p>Note: Currently, the Y-9 report does not differentiate credit derivatives by contract type. Credit derivatives have been included in the sum of total derivatives.</p> <p>Note: Prior to the first quarter of 2005, total derivatives included spot foreign exchange. Beginning in that quarter, spot foreign exchange has been reported separately.</p> <p>Note: Although there are holding companies for Goldman Sachs and Morgan Stanley they are not listed here since the filings were not publicly available.</p> <p>Data source: Consolidated Financial Statements for Bank Holding Companies, FR Y- 9, schedule HC-L</p> <p style="text-align: right;">Note: Numbers may not add due to rounding.</p> |  |       |              |                   |                   |                   |                |               |               |                          |           |

TABLE 3

**DISTRIBUTION OF DERIVATIVE CONTRACTS**  
**TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES**  
**DECEMBER 31, 2008, \$ MILLIONS**

| RANK   | BANK NAME                    | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | PERCENT               | PERCENT       | PERCENT            | PERCENT                | PERCENT         | PERCENT            |
|--|------------------------------|-------|--------------|-------------------|-----------------------|---------------|--------------------|------------------------|-----------------|--------------------|
|  |                              |       |              |                   | EXCH TRADED CONTRACTS | OTC CONTRACTS | INT RATE CONTRACTS | FOREIGN EXCH CONTRACTS | OTHER CONTRACTS | CREDIT DERIVATIVES |
|  |                              |       |              |                   | (%)                   | (%)           | (%)                | (%)                    | (%)             | (%)                |
| 1  | JPMORGAN CHASE BANK NA       | OH    | \$1,746,242  | \$87,362,672      | 3.0                   | 97.0          | 80.0               | 7.8                    | 2.6             | 9.6                |
| 2  | BANK OF AMERICA NA           | NC    | 1,471,631    | 38,304,564        | 5.7                   | 94.3          | 87.8               | 5.6                    | 1.2             | 5.4                |
| 3  | CITIBANK NATIONAL ASSN       | NV    | 1,231,154    | 31,887,869        | 2.0                   | 98.0          | 77.6               | 13.0                   | 0.8             | 8.6                |
| 4  | GOLDMAN SACHS BANK USA       | UT    | 162,474      | 30,229,614        | 1.6                   | 98.4          | 89.7               | 5.7                    | 0.0             | 4.6                |
| 5  | HSBC BANK USA NATIONAL ASSN  | VA    | 181,620      | 3,713,075         | 3.2                   | 96.8          | 55.6               | 16.8                   | 1.7             | 25.8               |
| 6  | WACHOVIA BANK NATIONAL ASSN  | NC    | 635,476      | 3,664,823         | 7.1                   | 92.9          | 83.8               | 4.6                    | 3.3             | 8.2                |
| 7  | WELLS FARGO BANK NA          | SD    | 538,958      | 1,494,745         | 11.6                  | 88.4          | 92.4               | 4.6                    | 3.0             | 0.1                |
| 8  | BANK OF NEW YORK MELLON      | NY    | 195,164      | 1,125,889         | 5.2                   | 94.8          | 79.0               | 19.6                   | 1.3             | 0.1                |
| 9  | STATE STREET BANK&TRUST CO   | MA    | 171,228      | 731,180           | 0.3                   | 99.7          | 3.4                | 95.9                   | 0.0             | 0.7                |
| 10   | SUNTRUST BANK                | GA    | 185,099      | 255,942           | 20.0                  | 80.0          | 91.5               | 3.0                    | 4.7             | 0.8                |
| 11   | PNC BANK NATIONAL ASSN       | PA    | 140,777      | 141,291           | 4.2                   | 95.8          | 92.7               | 4.4                    | 0.7             | 2.2                |
| 12   | NORTHERN TRUST CO            | IL    | 70,434       | 128,376           | 0.0                   | 100.0         | 5.4                | 94.4                   | 0.0             | 0.2                |
| 13   | KEYBANK NATIONAL ASSN        | OH    | 101,869      | 122,560           | 15.0                  | 85.0          | 81.8               | 11.9                   | 0.5             | 5.9                |
| 14   | NATIONAL CITY BANK           | OH    | 146,058      | 117,785           | 18.5                  | 81.5          | 96.1               | 2.0                    | 0.0             | 1.9                |
| 15   | U S BANK NATIONAL ASSN       | OH    | 261,776      | 105,626           | 8.3                   | 91.7          | 88.1               | 9.8                    | 0.0             | 2.1                |
| 16   | REGIONS BANK                 | AL    | 142,084      | 97,421            | 21.4                  | 78.6          | 99.1               | 0.4                    | 0.0             | 0.5                |
| 17   | MERRILL LYNCH BANK USA       | UT    | 61,810       | 88,520            | 82.2                  | 17.8          | 87.0               | 1.4                    | 1.6             | 10.1               |
| 18   | BRANCH BANKING&TRUST CO      | NC    | 147,484      | 77,250            | 9.3                   | 90.7          | 99.1               | 0.8                    | 0.0             | 0.1                |
| 19   | FIFTH THIRD BANK             | OH    | 69,460       | 70,418            | 0.1                   | 99.9          | 79.8               | 18.2                   | 1.5             | 0.5                |
| 20   | RBS CITIZENS NATIONAL ASSN   | RI    | 129,491      | 51,238            | 0.0                   | 100.0         | 89.3               | 10.2                   | 0.0             | 0.5                |
| 21   | UBS BANK USA                 | UT    | 30,495       | 37,167            | 0.0                   | 100.0         | 100.0              | 0.0                    | 0.0             | 0.0                |
| 22   | UNION BANK NATIONAL ASSN     | CA    | 69,737       | 37,087            | 9.9                   | 90.1          | 70.6               | 19.2                   | 10.2            | 0.0                |
| 23   | MORGAN STANLEY BANK NA       | UT    | 58,058       | 36,561            | 0.0                   | 100.0         | 33.6               | 0.0                    | 0.3             | 66.1               |
| 24   | DEUTSCHE BANK TR CO AMERICAS | NY    | 50,801       | 31,437            | 0.0                   | 100.0         | 80.8               | 3.5                    | 0.3             | 15.3               |
| 25   | HUNTINGTON NATIONAL BANK     | OH    | 53,548       | 25,162            | 0.0                   | 100.0         | 99.9               | 0.1                    | 0.0             | 0.0                |
| TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES                                       |                              |       | \$8,052,925  | \$199,938,274     | \$6,778,682           | \$193,159,592 | \$164,002,894      | \$16,798,835           | \$3,242,256     | \$15,894,289       |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES  |                              |       | 2,761,938    | 443,333           | 5,492                 | 437,841       | 401,512            | 25,024                 | 14,378          | 2,419              |
| TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES                                    |                              |       | 10,814,862   | 200,381,607       | 6,784,174             | 193,597,433   | 164,404,406        | 16,823,859             | 3,256,634       | 15,896,708         |
|  |                              |       |              |                   | (%)                   | (%)           | (%)                | (%)                    | (%)             | (%)                |
| TOP 25 COMMERCIAL BANKS & TC: % OF TOTAL COMMERCIAL BKS & TCs WITH DERIVATIVES       |                              |       |              | 99.8              | 3.4                   | 96.4          | 81.8               | 8.4                    | 1.6             | 7.9                |
| OTHER COMMERCIAL BANKS & TCs: % OF TOTAL COMMERCIAL BKS & TCs WITH DERIVATIVES       |                              |       |              | 0.2               | 0.0                   | 0.2           | 0.2                | 0.0                    | 0.0             | 0.0                |
| TOTAL FOR COMMERCIAL BANKs & TCs: % OF TOTAL COMMERCIAL BANKs & TCs WITH DERIVATIVES |                              |       |              | 100.0             | 3.4                   | 96.6          | 82.0               | 8.4                    | 1.6             | 7.9                |

Note: Currently, the Call Report does not differentiate credit derivatives by over the counter or exchange traded. Credit derivatives have been included in the "over the counter" category as well as in the sum of total derivatives here.

Note: "Foreign Exchange" does not include spot fx.

Note: "Other" is defined as the sum of commodity and equity contracts.

Note: Numbers may not add due to rounding.

Data source: Call Reports, schedule RC-L



TABLE 4

**CREDIT EQUIVALENT EXPOSURES  
TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK | BANK NAME                    | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | BILATERALLY NETTED CURRENT CREDIT EXPOSURE |           | TOTAL CREDIT EXPOSURE FROM ALL CONTRACTS | TOTAL CREDIT EXPOSURE TO CAPITAL RATIO |
|------|------------------------------|-------|--------------|-------------------|--|-----------|--|--|
|      |                              |       |              |                   | POTENTIAL FUTURE EXPOSURE                  |           |  |  |
| 1    | JPMORGAN CHASE BANK NA       | OH    | \$1,746,242  | \$87,362,672      | \$241,224                                  | \$308,778 | \$550,002                                | 382.3                                  |
| 2    | BANK OF AMERICA NA           | NC    | 1,471,631    | 38,304,564        | 80,474                                     | 137,380   | 217,854                                  | 179.4                                  |
| 3    | CITIBANK NATIONAL ASSN       | NV    | 1,231,154    | 31,887,869        | 140,310                                    | 161,202   | 301,512                                  | 278.3                                  |
| 4    | GOLDMAN SACHS BANK USA       | UT    | 162,474      | 30,229,614        | 121,930                                    | 70,258    | 192,188                                  | 1056.4                                 |
| 5    | HSBC BANK USA NATIONAL ASSN  | VA    | 181,620      | 3,713,075         | 61,207                                     | 34,435    | 95,642                                   | 550.3                                  |
| 6    | WACHOVIA BANK NATIONAL ASSN  | NC    | 635,476      | 3,664,823         | 26,318                                     | 36,143    | 62,461                                   | 113.1                                  |
| 7    | WELLS FARGO BANK NA          | SD    | 538,958      | 1,494,745         | 37,671                                     | 9,034     | 46,705                                   | 95.1                                   |
| 8    | BANK OF NEW YORK MELLON      | NY    | 195,164      | 1,125,889         | 26,196                                     | 6,375     | 32,571                                   | 223.1                                  |
| 9    | STATE STREET BANK&TRUST CO   | MA    | 171,228      | 731,180           | 11,958                                     | 5,455     | 17,413                                   | 120.4                                  |
| 10   | SUNTRUST BANK                | GA    | 185,099      | 255,942           | 7,030                                      | 1,665     | 8,695                                    | 50.2                                   |
| 11   | PNC BANK NATIONAL ASSN       | PA    | 140,777      | 141,291           | 5,374                                      | 830       | 6,204                                    | 51.3                                   |
| 12   | NORTHERN TRUST CO            | IL    | 70,434       | 128,376           | 5,367                                      | 1,390     | 6,757                                    | 119.1                                  |
| 13   | KEYBANK NATIONAL ASSN        | OH    | 101,869      | 122,560           | 4,708                                      | 1,493     | 6,201                                    | 51.2                                   |
| 14   | NATIONAL CITY BANK           | OH    | 146,058      | 117,785           | 2,667                                      | 458       | 3,125                                    | 18.3                                   |
| 15   | U S BANK NATIONAL ASSN       | OH    | 261,776      | 105,626           | 2,189                                      | 110       | 2,299                                    | 9.9                                    |
| 16   | REGIONS BANK                 | AL    | 142,084      | 97,421            | 1,557                                      | 356       | 1,913                                    | 14.5                                   |
| 17   | MERRILL LYNCH BANK USA       | UT    | 61,810       | 88,520            | 186  | 151       | 337                                      | 7.3                                    |
| 18   | BRANCH BANKING&TRUST CO      | NC    | 147,484      | 77,250            | 1,684                                      | 352       | 2,036                                    | 14.1                                   |
| 19   | FIFTH THIRD BANK             | OH    | 69,460       | 70,418            | 2,468                                      | 462       | 2,930                                    | 46.5                                   |
| 20   | RBS CITIZENS NATIONAL ASSN   | RI    | 129,491      | 51,238            | 1,523                                      | 404       | 1,926                                    | 18.9                                   |
| 21   | UBS BANK USA                 | UT    | 30,495       | 37,167            | 363  | 38        | 401                                      | 18.8                                   |
| 22   | UNION BANK NATIONAL ASSN     | CA    | 69,737       | 37,087            | 1,339                                      | 496       | 1,834                                    | 26.9                                   |
| 23   | MORGAN STANLEY BANK NA       | UT    | 58,058       | 36,561            | 15   | 165       | 180                                      | 2.5                                    |
| 24   | DEUTSCHE BANK TR CO AMERICAS | NY    | 50,801       | 31,437            | 2,073                                      | 607       | 2,680                                    | 33.6                                   |
| 25   | HUNTINGTON NATIONAL BANK     | OH    | 53,548       | 25,162            | 201  | 131       | 332                                      | 6.7                                    |

TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES  
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES  
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES

Commercial banks also hold on-balance sheet assets in volumes that are multiples of bank capital. For example:

| EXPOSURES FROM OTHER ASSETS<br>ALL COMMERCIAL BANKS | EXPOSURE TO RISK<br>BASED CAPITAL |
|---|-----------------------------------|
| 1-4 FAMILY MORTGAGES                                | 181%                              |
| C&I LOANS   | 123%                              |
| SECURITIES NOT IN TRADING ACCOUNT                   | 152%                              |

Note: Total credit exposure is defined as the credit equivalent amount from derivative contracts (RC-R line 54) or the sum of netted current credit exposure and PFE

Note: The total credit exposure to capital ratio is calculated using risk based capital (tier one plus tier two capital).

Note: Currently, the Call Report does not differentiate credit derivatives by contract type. Credit derivatives have been included in the sum of total derivatives here

Note: Numbers may not add due to rounding.

Data source: Call Reports, Schedule RC-R.

TABLE 5

**NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS HELD FOR TRADING  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| <b>RANK</b>   | <b>BANK NAME</b>            | <b>STATE</b> | <b>TOTAL<br/>ASSETS</b> | <b>TOTAL<br/>DERIVATIVES</b> | <b>TOTAL<br/>HELD FOR<br/>TRADING<br/>&amp; MTM</b> | <b>%<br/>HELD FOR<br/>TRADING<br/>&amp; MTM</b> | <b>TOTAL<br/>TRADING<br/>MTM</b> | <b>%<br/>NOT FOR<br/>TRADING<br/>MTM</b> |
|---|-----------------------------|--------------|-------------------------|------------------------------|---|---|----------------------------------|--|
| 1   | JPMORGAN CHASE BANK NA      | OH           | \$1,746,242             | \$78,971,043                 | \$78,923,795  | 99.9  | \$47,248                         | 0.1                                      |
| 2   | BANK OF AMERICA NA          | NC           | 1,471,631               | 36,253,960                   | 36,177,116  | 99.8  | 76,844                           | 0.2                                      |
| 3   | CITIBANK NATIONAL ASSN      | NV           | 1,231,154               | 29,157,435                   | 28,296,386  | 97.0  | 861,049                          | 3.0                                      |
| 4   | GOLDMAN SACHS BANK USA      | UT           | 162,474                 | 28,832,666                   | 28,832,666  | 100.0   | 0                                | 0.0                                      |
| 5   | HSBC BANK USA NATIONAL ASSN | VA           | 181,620                 | 2,753,635                    | 2,724,299   | 98.9  | 29,336                           | 1.1                                      |
| <b>TOP 5 COMMERCIAL BANKS &amp; TCs WITH DERIVATIVES</b>            |                             |              | \$4,793,121             | \$175,968,740                | \$174,954,262                                       | 99.4  | \$1,014,477                      | 0.6                                      |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES                       |                             |              | 6,021,741               | 8,516,160                    | 6,926,120   | 81.3  | 1,590,040                        | 18.7                                     |
| <b>TOTAL AMOUNT FOR COMMERCIAL BANKS &amp; TCs WITH DERIVATIVES</b> |                             |              | <b>10,814,862</b>       | <b>184,484,900</b>           | <b>181,880,383</b>                                  | <b>98.6</b>                                     | <b>2,604,517</b>                 | <b>1.4</b>                               |

Note: Currently, the Call Report does not differentiate between traded and not-traded credit derivatives. Credit derivatives have been excluded from the sum of total derivatives here.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Note: Numbers may not add due to rounding.

Data source: Call Reports, schedule RC-L

TABLE 6

**GROSS FAIR VALUES OF DERIVATIVE CONTRACTS  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK   | BANK NAME                   | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | TRADING                    |                             | NOT FOR TRADING            |                             | CREDIT DERIVATIVES         |                             |
|--|-----------------------------|-------|--------------|-------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|
|  |                             |       |              |                   | GROSS POSITIVE FAIR VALUE* | GROSS NEGATIVE FAIR VALUE** | GROSS POSITIVE FAIR VALUE* | GROSS NEGATIVE FAIR VALUE** | GROSS POSITIVE FAIR VALUE* | GROSS NEGATIVE FAIR VALUE** |
| 1  | JPMORGAN CHASE BANK NA      | OH    | \$1,746,242  | \$87,362,672      | \$2,171,336                | \$2,132,435                 | \$3,813                    | \$355                       | \$538,872                  | \$518,917                   |
| 2  | BANK OF AMERICA NA          | NC    | 1,471,631    | 38,304,564        | 1,401,090                  | 1,383,646                   | 1,279                      | 1,024                       | 132,035                    | 123,750                     |
| 3  | CITIBANK NATIONAL ASSN      | NV    | 1,231,154    | 31,887,869        | 1,050,532                  | 1,050,835                   | 6,217                      | 7,378                       | 211,645                    | 188,428                     |
| 4  | GOLDMAN SACHS BANK USA      | UT    | 162,474      | 30,229,614        | 959,822                    | 915,538                     | 0                          | 0                           | 144,020                    | 131,749                     |
| 5  | HSBC BANK USA NATIONAL ASSN | VA    | 181,620      | 3,713,075         | 93,369                     | 92,775                      | 1,246                      | 517                         | 64,834                     | 64,493                      |
| TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | \$4,793,121  | \$191,497,794     | \$5,676,149                | \$5,575,229                 | \$12,555                   | \$9,274                     | \$1,091,406                | \$1,027,337                 |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | 6,021,741    | 8,883,813         | 248,257                    | 244,778                     | 41,134                     | 27,758                      | 30,473                     | 24,122                      |
| TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES |                             |       | 10,814,862   | 200,381,607       | 5,924,406                  | 5,820,007                   | 53,689                     | 37,032                      | 1,121,879                  | 1,051,459                   |

Note: Currently, the Call Report does not differentiate between traded and non-traded credit derivatives. Credit derivatives have been included in the sum of total derivatives. Numbers may not sum due to rounding.

\*Market value of contracts that have a positive fair value as of the end of the quarter.

\*\*Market value of contracts that have a negative fair value as of the end of the quarter.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data source: Call Reports, schedule RC-L

TABLE 7

**TRADING REVENUES FROM CASH INSTRUMENTS AND DERIVATIVES  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS  
NOTE: REVENUE FIGURES ARE FOR THE QUARTER (NOT YEAR-TO-DATE)**

| RANK   | BANK NAME                   | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | TOTAL TRADING REV FROM CASH & OFF BAL SHEET POSITIONS | TRADING REV FROM INT RATE POSITIONS | TRADING REV FROM FOREIGN EXCH POSITIONS | TRADING REV FROM EQUITY POSITIONS | TRADING REV FROM COMMOD & OTH POSITIONS | TRADING REV FROM CREDIT POSITIONS |
|--|-----------------------------|-------|--------------|-------------------|---|-------------------------------------|---|-----------------------------------|---|-----------------------------------|
| 1  | JPMORGAN CHASE BANK NA      | OH    | \$1,746,242  | \$87,362,672      | (\$1,785)   | (\$6)                               | \$676                                   | (\$233)                           | \$270                                   | (\$2,492)                         |
| 2  | BANK OF AMERICA NA          | NC    | 1,471,631    | 38,304,564        | (1,957)   | (1,956)                             | 594                                     | 466                               | (24)                                    | (1,037)                           |
| 3  | CITIBANK NATIONAL ASSN      | NV    | 1,231,154    | 31,887,869        | (4,492)   | 537                                 | 1,134                                   | (1,428)                           | 11                                      | (4,746)                           |
| 4  | GOLDMAN SACHS BANK USA      | UT    | 162,474      | 30,229,614        | 40  | 6                                   | 34                                      | 0                                 | (50)                                    | 51                                |
| 5  | HSBC BANK USA NATIONAL ASSN | VA    | 181,620      | 3,713,075         | (1,459)   | (1,267)                             | 403                                     | 96                                | 164                                     | (856)                             |
| TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | \$4,793,121  | \$191,497,794     | (\$9,653)   | (\$2,686)                           | \$2,841                                 | (\$1,100)                         | \$371                                   | (\$9,079)                         |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | 6,021,741    | 8,883,813         | 477   | (734)                               | 1,252                                   | (130)                             | (33)                                    | 121                               |
| TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES |                             |       | 10,814,862   | 200,381,607       | (9,176)   | (3,420)                             | 4,093                                   | (1,229)                           | 338                                     | (8,958)                           |

Note: Effective in the first quarter of 2007, trading revenues from credit exposures are reported separately, along with the four other types of exposures. The total derivatives column includes credit exposure:

Note: Trading revenue is defined here as "trading revenue from cash instruments and off balance sheet derivative instruments.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1

Data source: Call Reports, schedule RI.

Note: Numbers may not sum due to rounding.

TABLE 8

**NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK   | BANK NAME                   | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | INT RATE MATURITY < 1 YR | INT RATE MATURITY 1 - 5 YRS | INT RATE MATURITY > 5 YRS | INT RATE ALL MATURITIES | FOREIGN EXCH MATURITY < 1 YR | FOREIGN EXCH MATURITY 1 - 5 YRS | FOREIGN EXCH MATURITY > 5 YRS | FOREIGN EXCH ALL MATURITIES |
|--|-----------------------------|-------|--------------|-------------------|--------------------------|-----------------------------|---------------------------|-------------------------|------------------------------|---------------------------------|-------------------------------|-----------------------------|
| 1  | JPMORGAN CHASE BANK NA      | OH    | \$1,746,242  | \$87,362,672      | \$23,877,243             | \$21,203,741                | \$16,847,096              | \$61,928,080            | \$4,732,503                  | \$815,437                       | \$234,536                     | \$5,782,476                 |
| 2  | BANK OF AMERICA NA          | NC    | 1,471,631    | 38,304,564        | 5,839,009                | 6,917,891                   | 5,427,221                 | 18,184,121              | 1,445,222                    | 308,831                         | 173,243                       | 1,927,295                   |
| 3  | CITIBANK NATIONAL ASSN      | NV    | 1,231,154    | 31,887,869        | 8,088,272                | 7,313,979                   | 5,700,407                 | 21,102,658              | 2,824,714                    | 433,270                         | 162,022                       | 3,420,006                   |
| 4  | GOLDMAN SACHS BANK USA      | UT    | 162,474      | 30,229,614        | 7,324,959                | 9,416,320                   | 7,390,855                 | 24,132,134              | 481,874                      | 425,975                         | 439,365                       | 1,347,214                   |
| 5  | HSBC BANK USA NATIONAL ASSN | VA    | 181,620      | 3,713,075         | 587,873                  | 754,883                     | 439,281                   | 1,782,037               | 371,838                      | 141,374                         | 61,783                        | 574,995                     |
| TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | \$4,793,121  | \$191,497,794     | \$45,717,356             | \$45,606,813                | \$35,804,861              | \$127,129,030           | \$9,856,150                  | \$2,124,887                     | \$1,070,949                   | \$13,051,987                |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | 6,021,741    | 8,883,813         | 1,430,053                | 1,682,116                   | 975,147                   | 4,087,316               | 1,011,381                    | 46,174                          | 15,296                        | 1,072,852                   |
| TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES |                             |       | 10,814,862   | 200,381,607       | 47,147,409               | 47,288,930                  | 36,780,007                | 131,216,346             | 10,867,532                   | 2,171,061                       | 1,086,245                     | 14,124,838                  |

Note: Figures above exclude any contracts not subject to risk-based capital requirements, such as foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, and basis swaps.

Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data source: Call Reports, schedule RC-R

Note: Numbers may not add due to rounding.

TABLE 9

**NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK  | BANK NAME                   | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | GOLD            | GOLD               | GOLD             | GOLD           | PREC METALS     | PREC METALS        | PREC METALS      | PREC METALS    |
|---|-----------------------------|-------|--------------|-------------------|-----------------|--------------------|------------------|----------------|-----------------|--------------------|------------------|----------------|
|   |                             |       |              |                   | MATURITY < 1 YR | MATURITY 1 - 5 YRS | MATURITY > 5 YRS | ALL MATURITIES | MATURITY < 1 YR | MATURITY 1 - 5 YRS | MATURITY > 5 YRS | ALL MATURITIES |
| 1   | JPMORGAN CHASE BANK NA      | OH    | \$1,746,242  | \$87,362,672      | \$57,376        | \$23,126           | \$1,963          | \$82,465       | \$3,497         | \$857              | \$0              | \$4,354        |
| 2   | BANK OF AMERICA NA          | NC    | 1,471,631    | 38,304,564        | 212             | 176                | -                | 388            | 63              | 11                 | -                | 75             |
| 3   | CITIBANK NATIONAL ASSN      | NV    | 1,231,154    | 31,887,869        | 2,237           | 2,487              | 8                | 4,732          | 44              | 37                 | 0                | 81             |
| 4   | GOLDMAN SACHS BANK USA      | UT    | 162,474      | 30,229,614        | 0               | 0                  | 0                | 0              | 0               | 0                  | 0                | 0              |
| 5   | HSBC BANK USA NATIONAL ASSN | VA    | 181,620      | 3,713,075         | 18,227          | 994                | -                | 19,221         | 3,942           | 600                | -                | 4,542          |
| TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES     |                             |       | \$4,793,121  | \$191,497,794     | \$78,052        | \$26,783           | \$1,971          | \$106,806      | \$7,546         | \$1,505            | \$0              | \$9,051        |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES     |                             |       | 6,021,741    | 8,883,813         | 84              | 0                  | 0                | 84             | 0               | 0                  | 0                | 0              |
| TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES |                             |       | 10,814,862   | 200,381,607       | 78,136          | 26,783             | 1,971            | 106,890        | 7,546           | 1,505              | 0                | 9,051          |

Note: Figures above exclude any contracts not subject to risk-based capital requirements, such as foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, and basis swaps.

Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data source: Call Reports, schedule RC-R

Note: Numbers may not add due to rounding.

TABLE 10

**NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK  | BANK NAME                   | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | OTHER COMM MATURITY < 1 YR | OTHER COMM MATURITY 1 - 5 YRS | OTHER COMM MATURITY > 5 YRS | OTHER COMM ALL MATURITIES | EQUITY MATURITY < 1 YR | EQUITY MATURITY 1 - 5 YRS | EQUITY MATURITY > 5 YRS | EQUITY ALL MATURITIES |
|---|-----------------------------|-------|--------------|-------------------|----------------------------|-------------------------------|-----------------------------|---------------------------|------------------------|---------------------------|-------------------------|-----------------------|
| 1   | JPMORGAN CHASE BANK NA      | OH    | \$1,746,242  | \$87,362,672      | \$143,691                  | \$202,561                     | \$36,741                    | \$382,993                 | \$255,926              | \$143,492                 | \$36,023                | \$435,441             |
| 2   | BANK OF AMERICA NA          | NC    | 1,471,631    | 38,304,564        | 2,231                      | 1,234                         | 17                          | 3,482                     | 46,532                 | 43,560                    | 8,394                   | 98,486                |
| 3   | CITIBANK NATIONAL ASSN      | NV    | 1,231,154    | 31,887,869        | 13,290                     | 6,004                         | 4,035                       | 23,329                    | 74,048                 | 36,070                    | 23,131                  | 133,249               |
| 4   | GOLDMAN SACHS BANK USA      | UT    | 162,474      | 30,229,614        | 1,715                      | 251                           | 60                          | 2,026                     | 157                    | 12                        | 148                     | 317                   |
| 5   | HSBC BANK USA NATIONAL ASSN | VA    | 181,620      | 3,713,075         | 995                        | 113                           | -                           | 1,108                     | 8,526                  | 10,652                    | 2,162                   | 21,340                |
| TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES     |                             |       | \$4,793,121  | \$191,497,794     | \$161,922                  | \$210,163                     | \$40,853                    | \$412,938                 | \$385,189              | \$233,786                 | \$69,857                | \$688,833             |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES     |                             |       | 6,021,741    | 8,883,813         | 17,312                     | 23,317                        | 2,197                       | 42,826                    | 23,759                 | 22,273                    | 2,479                   | 48,511                |
| TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES |                             |       | 10,814,862   | 200,381,607       | 179,234                    | 233,480                       | 43,050                      | 455,764                   | 408,948                | 256,059                   | 72,337                  | 737,344               |

Note: Figures above exclude any contracts not subject to risk-based capital requirements, such as foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, and basis swaps.

Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data source: Call Reports, schedule RC-R

Note: Numbers may not add due to rounding.

TABLE 11

**NOTIONAL AMOUNTS OF CREDIT DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY  
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK   | BANK NAME                   | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | TOTAL CREDIT DERIVATIVES | CREDIT DERIVATIVES INVESTMENT GRADE |                    |                  |                | CREDIT DERIVATIVES SUB-INVESTMENT GRADE |                    |                  |                |
|--|-----------------------------|-------|--------------|-------------------|--------------------------|-------------------------------------|--------------------|------------------|----------------|---|--------------------|------------------|----------------|
|  |                             |       |              |                   |                          | MATURITY < 1 YR                     | MATURITY 1 - 5 YRS | MATURITY > 5 YRS | ALL MATURITIES | MATURITY < 1 YR                         | MATURITY 1 - 5 YRS | MATURITY > 5 YRS | ALL MATURITIES |
| 1  | JPMORGAN CHASE BANK NA      | OH    | \$1,746,242  | \$87,362,672      | \$8,391,629              | \$359,314                           | \$3,576,507        | \$1,563,445      | \$5,499,266    | \$230,900                               | \$1,836,307        | \$748,024        | \$2,815,231    |
| 2  | BANK OF AMERICA NA          | NC    | 1,471,631    | 38,304,564        | 2,050,604                | 100,305                             | 1,129,721          | 388,706          | 1,618,731      | 42,251                                  | 296,315            | 93,004           | 431,571        |
| 3  | CITIBANK NATIONAL ASSN      | NV    | 1,231,154    | 31,887,869        | 2,730,434                | 175,151                             | 1,107,796          | 469,495          | 1,752,442      | 90,891                                  | 651,019            | 228,059          | 969,969        |
| 4  | GOLDMAN SACHS BANK USA      | UT    | 162,474      | 30,229,614        | 1,396,948                | 42,959                              | 290,639            | 258,220          | 591,818        | 60,062                                  | 497,404            | 242,628          | 800,094        |
| 5  | HSBC BANK USA NATIONAL ASSN | VA    | 181,620      | 3,713,075         | 959,440                  | 41,303                              | 518,747            | 194,289          | 754,338        | 14,827                                  | 140,086            | 50,189           | 205,101        |
| TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | \$4,793,121  | \$191,497,794     | \$15,529,054             | \$719,032                           | \$6,623,410        | \$2,874,154      | \$10,216,595   | \$438,931                               | \$3,421,131        | \$1,361,904      | \$5,221,966    |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                             |       | 6,021,741    | 8,883,813         | 367,653                  | 22,110                              | 74,333             | 25,766           | 122,209        | 18,291                                  | 50,967             | 26,280           | 95,538         |
| TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES |                             |       | 10,814,862   | 200,381,607       | 15,896,708               | 741,142                             | 6,697,742          | 2,899,920        | 10,338,804     | 457,222                                 | 3,472,098          | 1,388,184        | 5,317,504      |

Note: Figures above exclude any contracts not subject to risk-based capital requirements, such as foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, and basis swaps. Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: In 4Q08, the top five commercial banks in derivatives now include Goldman Sachs Bank USA (replacing Wachovia). See Table 1.

Data source: Call Reports, schedule RC-R

Note: Numbers may not add due to rounding.



TABLE 12

**DISTRIBUTION OF CREDIT DERIVATIVE CONTRACTS  
TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
DECEMBER 31, 2008, \$ MILLIONS**

| RANK  | BANK NAME                    | STATE | TOTAL ASSETS | TOTAL DERIVATIVES | TOTAL CREDIT DERIVATIVES | BOUGHT      |             |                      |                    | SOLD           |                          |                      |                    |                |                          |
|---|------------------------------|-------|--------------|-------------------|--------------------------|-------------|-------------|----------------------|--------------------|----------------|--------------------------|----------------------|--------------------|----------------|--------------------------|
|   |                              |       |              |                   |                          | BOUGHT      | SOLD        | CREDIT DEFAULT SWAPS | TOTAL RETURN SWAPS | CREDIT OPTIONS | OTHER CREDIT DERIVATIVES | CREDIT DEFAULT SWAPS | TOTAL RETURN SWAPS | CREDIT OPTIONS | OTHER CREDIT DERIVATIVES |
| 1   | JPMORGAN CHASE BANK NA       | OH    | \$1,746,242  | \$78,971,043      | \$8,391,629              | \$4,188,799 | \$4,202,830 | \$4,166,755          | \$16,742           | \$953          | \$4,349                  | \$4,199,104          | \$1,197            | \$2,053        | \$476                    |
| 2   | BANK OF AMERICA NA           | NC    | 1,471,631    | 36,253,960        | 2,050,604                | 1,036,642   | 1,013,961   | 1,028,650            | 7,966              | 26             | 0                        | 1,004,736            | 9,225              | 0              | 0                        |
| 3   | CITIBANK NATIONAL ASSN       | NV    | 1,231,154    | 29,157,435        | 2,730,434                | 1,429,121   | 1,301,313   | 1,397,546            | 31,439             | 120            | 16                       | 1,290,310            | 9,770              | 769            | 464                      |
| 4   | GOLDMAN SACHS BANK USA       | UT    | 162,474      | 28,832,666        | 1,396,948                | 747,369     | 649,579     | 651,346              | 28,117             | 67,487         | 419                      | 614,402              | 778                | 34,399         | 0                        |
| 5   | HSBC BANK USA NATIONAL ASSN  | VA    | 181,620      | 2,753,635         | 959,440                  | 472,528     | 486,912     | 457,090              | 15,288             | 150            | 0                        | 473,629              | 13,282             | 0              | 0                        |
| 6   | WACHOVIA BANK NATIONAL ASSN  | NC    | 635,476      | 3,363,550         | 301,273                  | 155,316     | 145,957     | 150,748              | 4,568              | 0              | 0                        | 141,959              | 3,998              | 0              | 0                        |
| 7   | WELLS FARGO BANK NA          | SD    | 538,958      | 1,493,221         | 1,524                    | 1,036       | 488         | 1,036                | 0                  | 0              | 0                        | 488                  | 0                  | 0              | 0                        |
| 8   | BANK OF NEW YORK MELLON      | NY    | 195,164      | 1,124,561         | 1,328                    | 1,328       | 2           | 1,175                | 151                | 0              | 0                        | 2                    | 0                  | 0              | 0                        |
| 9   | STATE STREET BANK&TRUST CO   | MA    | 171,228      | 726,035           | 5,145                    | 5,145       | 0           | 145                  | 5,000              | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 10  | SUNTRUST BANK                | GA    | 185,099      | 253,945           | 1,997                    | 1,189       | 809         | 585                  | 603                | 0              | 0                        | 196                  | 603                | 0              | 10                       |
| 11  | PNC BANK NATIONAL ASSN       | PA    | 140,777      | 138,236           | 3,055                    | 2,001       | 1,055       | 2,001                | 0                  | 0              | 0                        | 1,055                | 0                  | 0              | 0                        |
| 12  | NORTHERN TRUST CO            | IL    | 70,434       | 128,141           | 236                      | 236         | 0           | 236                  | 0                  | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 13  | KEYBANK NATIONAL ASSN        | OH    | 101,869      | 115,374           | 7,186                    | 3,877       | 3,309       | 3,877                | 0                  | 0              | 0                        | 3,309                | 0                  | 0              | 0                        |
| 14  | NATIONAL CITY BANK           | OH    | 146,058      | 115,557           | 2,228                    | 1,285       | 943         | 1,285                | 0                  | 0              | 0                        | 943                  | 0                  | 0              | 0                        |
| 15  | U S BANK NATIONAL ASSN       | OH    | 261,776      | 103,400           | 2,225                    | 773         | 1,452       | 64                   | 0                  | 0              | 709                      | 0                    | 0                  | 0              | 1,452                    |
| 16  | REGIONS BANK                 | AL    | 142,084      | 96,938            | 484                      | 77          | 407         | 77                   | 0                  | 0              | 0                        | 407                  | 0                  | 0              | 0                        |
| 17  | MERRILL LYNCH BANK USA       | UT    | 61,810       | 79,623            | 8,897                    | 8,897       | 0           | 8,897                | 0                  | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 18  | BRANCH BANKING&TRUST CO      | NC    | 147,484      | 77,199            | 52                       | 52          | 0           | 0                    | 52                 | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 19  | FIFTH THIRD BANK             | OH    | 69,460       | 70,057            | 361                      | 102         | 259         | 0                    | 0                  | 0              | 102                      | 0                    | 0                  | 0              | 259                      |
| 20  | RBS CITIZENS NATIONAL ASSN   | RI    | 129,491      | 50,978            | 259                      | 204         | 55          | 0                    | 0                  | 0              | 204                      | 55                   | 0                  | 0              | 0                        |
| 21  | UBS BANK USA                 | UT    | 30,495       | 37,167            | 0                        | 0           | 0           | 0                    | 0                  | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 22  | UNION BANK NATIONAL ASSN     | CA    | 69,737       | 37,087            | 0                        | 0           | 0           | 0                    | 0                  | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 23  | MORGAN STANLEY BANK NA       | UT    | 58,058       | 12,400            | 24,161                   | 24,161      | 0           | 22,058               | 0                  | 0              | 2,103                    | 0                    | 0                  | 0              | 0                        |
| 24  | DEUTSCHE BANK TR CO AMERICAS | NY    | 50,801       | 26,614            | 4,823                    | 4,823       | 0           | 100                  | 4,723              | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| 25  | HUNTINGTON NATIONAL BANK     | OH    | 53,548       | 25,162            | 0                        | 0           | 0           | 0                    | 0                  | 0              | 0                        | 0                    | 0                  | 0              | 0                        |
| TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES  |                              |       | \$8,052,925  | \$184,043,985     | \$15,894,289             | \$8,084,958 | \$7,809,332 | \$7,893,669          | \$114,650          | \$68,736       | \$7,902                  | \$7,730,596          | \$38,854           | \$37,221       | \$2,661                  |
| OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES   |                              |       | 2,761,938    | 440,914           | 2,419                    | 748         | 1,670       | 44                   | 49                 | 0              | 656                      | 315                  | 61                 | 0              | 1,294                    |
| TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES                                    |                              |       | 10,814,862   | 184,484,900       | 15,896,708               | 8,085,706   | 7,811,002   | 7,893,713            | 114,699            | 68,736         | 8,558                    | 7,730,911            | 38,915             | 37,221         | 3,955                    |
| TOP 25 COMMERCIAL BANKS & TC: % OF TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                              |       |              |                   | (%)                      | (%)         | (%)         | (%)                  | (%)                | (%)            | (%)                      | (%)                  | (%)                | (%)            | (%)                      |
| OTHER COMMERCIAL BANKS & TCs: % OF TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES            |                              |       |              |                   | 100.0                    | 50.9        | 49.1        | 49.7                 | 0.7                | 0.4            | 0.0                      | 48.6                 | 0.2                | 0.2            | 0.0                      |
| TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs: % OF TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES |                              |       |              |                   | 0.0                      | 0.0         | 0.0         | 0.0                  | 0.0                | 0.0            | 0.0                      | 0.0                  | 0.0                | 0.0            | 0.0                      |
|   |                              |       |              |                   | 100.0                    | 50.9        | 49.1        | 49.7                 | 0.7                | 0.4            | 0.1                      | 48.6                 | 0.2                | 0.2            | 0.0                      |

Note: Credit derivatives have been excluded from the sum of total derivatives here.  
 Note: Numbers may not add due to rounding.  
 Data source: Call Reports, schedule RC-L