

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

OCC's Quarterly Report on Bank Trading and Derivatives Activities Third Quarter 2011

Executive Summary

- Insured U.S. commercial banks reported trading revenues of \$13.1 billion in the third quarter, 78% higher than in the second quarter, and 214% higher than \$4.2 billion in the third quarter of 2010. Revenues in the third quarter were a record, but overstate actual trading performance due to the inclusion of a significant amount of revenues that were unrelated to core trading activities.
- Trading risk exposure, as measured by Value-at-Risk (VaR), decreased in the third quarter as dealers actively reduced risk in the face of increasing global financial risks. Aggregate average VaR at the 5 largest trading companies declined 6.1% from the second quarter to \$673 million. VaR in the third quarter 2011 was 8.8% lower than a year ago.
- Credit exposure from derivatives increased sharply in the third quarter. Net current credit exposure increased 39%, or \$141 billion, to \$504 billion, due to declining interest rates.
- The notional amount of derivatives held by insured U.S. commercial banks decreased \$1.4 trillion, or 0.6%, from the second quarter of 2011 to \$248 trillion. Notional derivatives are 5.7% higher than at the same time last year.
- Derivative contracts remain concentrated in interest rate products, which comprise 82% of total derivative notional amounts. Credit derivatives, which represent 6.3% of total derivatives notionals, rose 3% to \$15.7 trillion.

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

A total of 1,088 insured U.S. commercial banks reported derivatives activities at the end of the third quarter, an increase of 17 banks from the prior quarter. Derivatives activity in the U.S. banking system continues to be dominated by a small group of large financial institutions. Five large commercial banks represent 96% of the total banking industry notional amounts and 85% of industry net current credit exposure.

The OCC and other supervisors have examiners on-site at the largest banks to continuously evaluate the credit, market, operational, reputation, and compliance risks of bank derivatives activities. In addition to the OCC's on-site supervisory activities, the OCC continues to work with other financial supervisors and major market participants to address infrastructure issues in OTC derivatives, including development of objectives and milestones for stronger trade processing and improved market transparency across all OTC derivatives categories.

Revenues

Insured U.S. commercial banks reported \$13.1 billion in trading revenues in the third quarter, 78% higher than in the second quarter, and 214% higher than \$4.2 billion in the third quarter of 2010. Trading revenues in the third quarter were the highest on record, surpassing the former record of \$9.8 billion from the first quarter of 2009. However, trading revenues include two components that can, and did in the third quarter, distort actual

trading performance. First, some banks reported gains and losses on hedges of mortgage servicing assets as trading revenues. In the third quarter, a sharp decline in interest rates reduced the value of the mortgage servicing asset (MSA), which large banks typically hedge by taking positions that would increase in value when interest rates decline. These hedges produced significant gains in the third quarter, offsetting the declines in value of the MSA. The hedge gains were reflected in trading revenues for interest rate products, but the charges for MSA impairment are reported as a component of servicing (i.e., non-trading, or "other") income. Second, as noted in previous reports, the credit adjusted values of derivative payables and receivables can have a large impact on trading revenues when credit spreads change materially, as was also the case in the third quarter. Adjustments to the fair value of derivative receivables and payables reflect changes to both bank and counterparty credit spreads. Bank credit spreads increased materially during the third quarter, as the credit crisis in Europe weighed on the market's perception of the credit strength of banks, not only in Europe but also in the United States. Rising bank credit spreads reduce the value of derivatives payables. Under current accounting rules, banks recognize the declining value of their derivatives liabilities as trading gains.

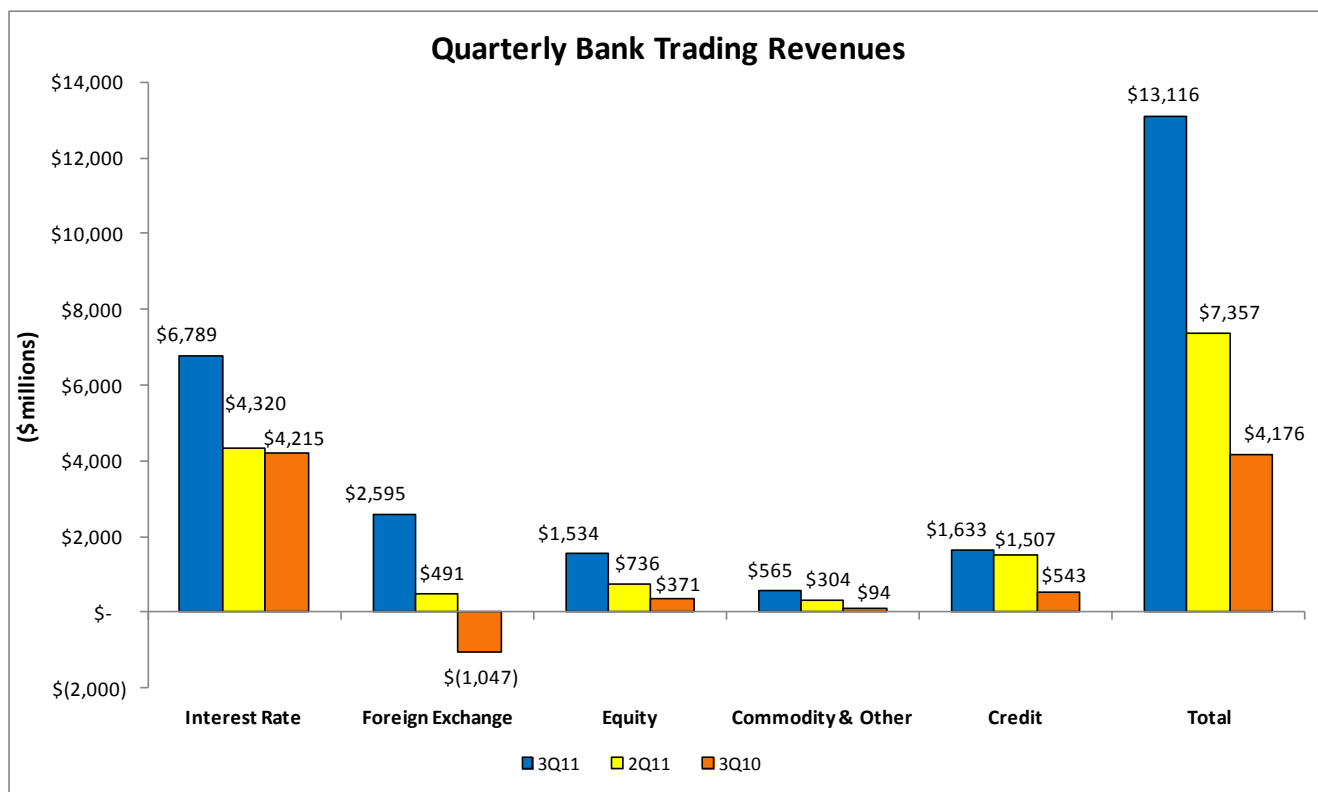
As a result of these non-trading factors, reported trading revenues, particularly for interest rate products, do not provide an accurate reflection of trading performance. Absent the "noise" from MSA hedge gains and derivatives liability valuation adjustments (DVA), which contributed approximately \$8 billion in revenues, trading revenues in the third quarter exhibited the seasonal slowing pattern often observed during the last half of the year. The seasonal weakening in client demand was exacerbated by concerns over the prospects for the global economy given increasing stress in Europe. Foreign exchange, equity and commodity revenues, however, were materially stronger, both when measured against the second quarter of 2011 and against the third quarter of 2010.

Commercial Bank Trading Revenue

Bank Trading Revenue \$ in millions	3Q11	2Q11	Change 3Q11 vs. 2Q11	% Change 3Q11 vs. 2Q11	3Q10	Change 3Q11 vs. 3Q10	% Change 3Q11 vs. 3Q10
Interest Rate	6,789	4,320	2,469	57%	4,215	2,574	61%
Foreign Exchange	2,595	491	2,104	429%	(1,047)	3,642	348%
Equity	1,534	736	799	109%	371	1,164	314%
Commodity & Other	565	304	260	85%	94	470	498%
Credit	1,633	1,507	126	8%	543	1,090	201%
Total Trading Revenues	13,116	7,357	5,759	78%	4,176	8,940	214%

Bank Trading Revenue \$ in millions	3Q11	Avg Past 12 Q3's	ALL Quarters Since Q4 1996			Past 8 Quarters		
			Avg	Hi	Low	Avg	Hi	Low
Interest Rate	6,789	2,273	1,463	9,099	(3,420)	2,584	6,789	(1,188)
Foreign Exchange	2,595	1,178	1,489	4,261	(1,535)	1,845	4,261	(1,047)
Equity	1,534	466	415	1,829	(1,229)	651	1,534	144
Commodity & Other	565	274	158	789	(320)	274	565	(25)
Credit*	1,633	N/A	N/A	2,707	(11,780)	1,188	2,707	(485)
Total Trading Revenues	13,116					6,542		

*Credit trading revenues became reportable in 1Q07. Highs and lows are for available quarters only.



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

Holding Company Trading Revenues¹

To get a more complete picture of trading revenues in the banking system, it is useful to review consolidated holding company trading performance. As illustrated in the table that follows, consolidated holding company trading revenues of \$14 billion in the third quarter of 2011 were 18% lower than in the second quarter, but 15% higher (\$1.8 billion) than the third quarter of 2010.

Holding Co. Trading Revenue	3Q11	2Q11	Change 3Q11 vs. 2Q11	% Change 3Q11 vs. 2Q11	3Q10	Change 3Q11 vs. 3Q10	% Change 3Q11 vs. 3Q10
\$ in millions							
Interest Rate	6,579	4,477	2,102	47%	4,097	2,482	61%
Foreign Exchange	5,160	1,158	4,002	346%	(2,075)	7,236	349%
Equity	(2,673)	5,218	(7,891)	-151%	5,305	(7,979)	-150%
Commodity & Other	2,141	1,411	730	52%	1,312	829	63%
Credit	2,792	4,762	(1,970)	-41%	3,573	(781)	-22%
Total HC Trading Revenues	13,998	17,026	(3,028)	-18%	12,212	1,787	15%

Prior to the financial crisis, bank trading revenues typically ranged from 60-80% of consolidated holding company trading revenues. Since the financial crisis, and the adoption of bank charters by the former investment banks, the percentage of bank trading revenues to consolidated company revenues has fallen into a range of 30-50%. This decline reflects the significant amount of the trading activity by the former investment banks that, while included in holding company results, remains outside the insured commercial bank. More generally, insured commercial banks have more limited legal authorities than do their holding companies, particularly in commodity and equity products.

¹ The OCC's Quarterly Report on Bank Trading and Derivatives Activities focuses on the activity and performance of insured commercial banks. Discussion of consolidated bank holding company activity and performance is limited to this section, as well as the data in Table 2.

In the third quarter, however, the distortion introduced by gains on mortgage servicing asset hedges in the bank (where the mortgage servicing asset is held), as well as losses in equity trading activities outside the bank, changed the recent pattern of the contribution of bank trading revenues to holding company revenues. Bank trading revenues were 94% of consolidated company trading revenues in the third quarter, compared to 43% in the second quarter. It is unlikely for bank trading revenues to consistently represent such a large share of total company trading revenues. First, the impact of mortgage servicing asset hedges, an issue unique to banks, which hold the MSA, should diminish. Second, normalization of equity trading revenues, which are concentrated at the holding company, will influence the bank/company revenue ratio. Equity trading revenues were a drag on third quarter holding company trading revenues, as banking companies sustained \$2.7 billion of losses, compared to revenues of \$5.2 billion and \$5.3 billion during the second quarter of 2011 and the third quarter of 2010 respectively.

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 the contract, and the creditworthiness of the counterparty.

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 factors, 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 to 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 billions	Gross Positive Fair Values				Gross Negative Fair Values			
	3Q11	2Q11	Change	%Change	3Q11	2Q11	Change	%Change
Interest Rates	4,735	3,047	1,688	55%	4,642	2,958	1,684	57%
FX	636	454	182	40%	603	438	165	38%
Equity	93	73	20	28%	87	73	14	20%
Commodity	66	55	10	19%	65	55	10	18%
Credit	490	313	177	57%	473	305	169	55%
Total	6,021	3,942	2,078	53%	5,871	3,829	2,041	53%

Gross positive fair values (i.e., derivatives receivables) increased 53%, or \$2.1 trillion, to \$6 trillion in the third quarter. Receivables from interest rate contracts, which make up 79% of gross derivatives receivables (and hence are the dominant source of credit exposure), increased 55%, or \$1.7 trillion. The large increase in receivables from interest rate contracts resulted from a sharp decline in market interest rates associated with increasing concerns about credit problems in Europe. The 10-year swap rate, for example, fell from 3.28% to 2.11% during the quarter. Because banks hedge the market risk of their derivatives portfolios, the increase in gross positive fair values was offset by a similar increase in gross negative fair values (i.e., derivatives payables). Derivatives payables increased 53%, or \$2 trillion, to \$5.9 trillion, led by a 57% increase in payables on interest rate contracts.

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 (NCCE), 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 without 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.

Net current credit exposure is the primary metric used by the OCC to evaluate credit risk in bank derivatives activities. NCCE for insured U.S. commercial banks increased 39% (\$141 billion) to \$504 billion in the third quarter, as the \$2.1 trillion increase in gross receivables (GPFV) exceeded the \$1.9 trillion increase in the dollar amount of netting benefits. NCCE peaked at \$800 billion at the end of 2008, during the financial crisis, when interest rates had plunged and credit spreads were very high. NCCE during the third quarter of 2011 was the fourth highest on record, behind only the fourth quarter of 2008 and the first two quarters of 2009, at the peak of the financial crisis. Legally enforceable netting agreements allowed banks to reduce GPFV exposures by 91.6% (\$5.5 trillion) in the third quarter, up from 90.8% in the second quarter. The 91.6% netting benefit percentage is the second highest on record, trailing only the 91.9% from the second quarter of 2010, and precluded an even greater gain in NCCE.

\$ in billions	3Q11	2Q11	Change	%
Gross Positive Fair Value (GPFV)	6,021	3,942	2,078	53%
Netting Benefits	5,517	3,579	1,938	54%
Netted Current Credit Exposure (NCCE)	504	364	141	39%
Potential Future Exposure (PFE)	795	821	(26)	-3%
Total Credit Exposure (TCE)	1,299	1,185	114	10%
Netting Benefit %	91.6%	90.8%	0.9%	1%
10 Year Interest Swap Rate	2.11%	3.28%	-1.17%	-36%
Dollar Index Spot	78.6	74.3	4.3	6%
Credit Derivative Index - North America Inv Grade	134.4	92.7	41.6	45%
Credit Derivative Index - High Volatility	245.1	159.9	85.2	53%
Russell 3000 Index Fund (RAY)	666.0	790.0	(124.0)	-16%
Dow Jones-UBS Commodity Index (DJUBS)	140.2	158.1	(17.9)	-11%

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 3% (\$26 billion) in the third quarter to \$795 billion, due to a decline in the notional amount of interest rate contracts. The total credit exposure (PFE plus the net current credit exposure) increased 10% in the third quarter to \$1.3 trillion.

The distribution of NCCE in the banking system is concentrated in banks/securities firms (55%) and corporations (38%). Exposure to hedge funds, sovereign governments and monoline financial firms is very small (7% in total). However, the sheer size of aggregate counterparty exposures results in the potential for major losses even in sectors where exposure is a small percentage of the total. For example, notwithstanding

the minimal share of NCCE to monolines, banks suffered material losses on these exposures during the credit crisis. Because banks have taken credit charges (via credit valuation adjustments) to completely write down their monoline exposures, current credit exposures to monolines are now virtually 0% of total net current credit exposure. Sovereign credit exposures are also a small component (5%) of net current credit exposure and, like monoline exposures, are largely unsecured. These exposures are an increasing area of focus for bank supervisors as they review counterparty credit risk.

Net Current Credit Exposure By Counterparty Type as a % of Total NCCE	Banks & Securities Firms	Monoline Financial Firms	Hedge Funds	Sovereign Governments	Corp and All Other Counterparties	Total
Total Commercial Banks	55%	0%	2%	5%	38%	100%
Top 5 Commercial Banks	57%	0%	2%	5%	36%	100%

A more risk sensitive measure of credit exposure would also consider the value of collateral held against counterparty exposures. Commercial banks with total assets greater than \$10 billion report the fair value of collateral held against various classifications of counterparty exposure.

Reporting banks held collateral against 64% of total NCCE at the end of the third quarter, down from 71% in the second quarter of 2011². Credit exposures to banks/securities firms and hedge funds are well secured. Banks held collateral against 86% of their current exposure to banks and securities firms, down from 92% in the second quarter. Hedge fund exposures have always been very well secured, because banks take "initial margin" on transactions with hedge funds, in addition to fully securing any current credit exposure. In the third quarter, however, although coverage of hedge funds remains very high at 179% of current exposure, it did fall sharply from 294% in the second quarter, as hedge funds drew down idle balances to preserve liquidity and reduce their credit exposures to banks. Collateral coverage of corporate, monoline and sovereign exposures is much less than for financial institutions and hedge funds.

FV of Collateral to Net Current Credit Exposure	Banks & Securities Firms	Monoline Financial Firms	Hedge Funds	Sovereign Governments	Corp and All Other Counterparties	Overall FV/NCCE
Total Commercial Banks	86%	5%	179%	15%	32%	64%

Collateral quality held by banks is very high and liquid, with 78% held in cash (both U.S. dollar and non-dollar), and an additional 10% held in U.S. Treasuries and government agencies.

Fair Value of Collateral	Cash U.S. Dollar	Cash Other	U.S. Treas Securities	U.S. Gov't Agency	Corp Bonds	Equity Securities	All Other Collateral	Total
Collateral Composition (%)	46.9%	31.3%	3.4%	7.0%	0.4%	0.6%	10.5%	100.0%

During the third quarter, concerns about the credit quality of European banks and sovereign debt, as well as the deteriorating outlook for global economic growth, created significant uncertainty, and volatility, in financial markets. Credit spreads increased and market participants became less willing to assume each other's credit risks. Investors aggressively bought government bonds in markets, like the United States and Germany, in a flight-to-quality. Investor preference for the safest assets drove key interest rates lower, which caused sharp increases in derivatives receivables and NCCE. Key credit performance metrics for derivatives reflect the deteriorating environment at the end of the third quarter, in both past due derivatives contracts and charge-offs. The fair value of derivatives contracts past due 30 days or more increased 141% to \$77 million. Notwithstanding this large increase, past-due derivative contracts represented only 0.02% of NCCE. Banks charged-off \$89 million in derivatives receivables in the third quarter, up from \$71 million in the second quarter. In addition, this report restates first quarter charge-offs, which were originally reported as \$74 million. Amended regulatory reports now show actual charge-offs to be \$1.6 billion. The large increase in charge-offs in the first quarter reflects the settlement of hedging transactions with a monoline insurer covering commercial mortgage-backed securities. As noted above, these monoline exposures had been written down via credit valuation adjustments, expenses similar to loan loss provisions, to reflect the credit deterioration of the counterparty. The large, revised, first quarter charge-off of a nearly-fully reserved exposure therefore had a de minimis financial statement impact.

² Some of the collateral figures for 2Q11 have been restated due to amended call reports.

In the third quarter, 22 banks reported charge-offs of derivatives exposures, down from 23 in the second quarter. Charge-offs in the third quarter of 2011 represented 0.02% of the net current credit exposure from derivative contracts, the same as in the second quarter. [See Graph 5c.] For comparison purposes, Commercial and Industrial (C&I) loan net charge-offs increased \$7 million, less than 1%, to \$2.3 billion, in the third quarter. Net C&I charge-offs were 0.19% of total C&I loans in the third quarter, down from 0.20% in the second quarter.

The level of charge-offs of derivatives credit exposures is typically much less than for C&I exposures. Two factors account for the historically favorable charge-off performance of derivatives. First, the credit quality of the typical derivatives counterparty is higher than the credit quality of the typical C&I borrower. Second, most of the large credit exposures from derivatives, whether from other dealers, large non-dealer banks, or hedge funds are collateralized daily, typically by cash and/or government securities. The large first quarter charge-off, which nearly doubled the previous peak of \$847 million in the fourth quarter of 2008, represented the lingering effect of legacy credit exposures associated with the financial crisis, as banks continue to negotiate settlements with their monoline counterparties. Unlike most participants in the derivatives market, monoline financial insurers did not post collateral to secure their exposures. The unsecured nature of these exposures explains the large first quarter write-off. To the extent banks have fully reserved these exposures via credit valuation adjustment charges, however, recognizing the charge-off does not have a material financial statement or earnings impact.

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 expected loss, 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 trading portfolios to assess the potential for loss beyond the VaR measure. Banks and supervisors have been working to expand the use of stress analyses to complement the VaR risk measurement process that is typically used when assessing a bank's exposure to market risk.

\$ in millions	JPMorgan Chase & Co.	Citigroup Inc.	Bank of America Corp.	The Goldman Sachs Group	Morgan Stanley
Average VaR 3Q11	\$53	\$224	\$164	\$102	\$130
Average VaR 2Q11	\$58	\$184	\$229	\$101	\$145
Change in Avg VaR 3Q11 vs 2Q11	(\$5)	\$40	(\$66)	\$1	(\$15)
% Change in Avg VaR 3Q11 vs 2Q11	-9%	22%	-29%	1%	-10%
9-30-11 Equity Capital	\$182,287	\$177,372	\$230,252	\$70,088	\$61,828
2010 Net Income	\$17,370	\$10,602	(\$2,238)	\$8,354	\$4,703
Avg VaR 3Q11 / Equity	0.03%	0.1%	0.1%	0.1%	0.2%
Avg VaR 3Q11 / 2010 Net Income	0.3%	2.1%	-7.3%	1.2%	2.8%

Data Source: 10K & 10Q SEC Reports.

The large trading banks disclose 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 five largest banking companies, as measured by VaR, are small as a percentage of their capital. Because of mergers, and VaR measurement systems incorporating higher volatility price changes throughout the credit crisis (compared to the very low volatility environment prior to the crisis), bank VaR measures had generally increased throughout the credit crisis. After the peak of the financial crisis, as more normal market conditions emerged and volatility declined, bank VaR measures have broadly trended lower.

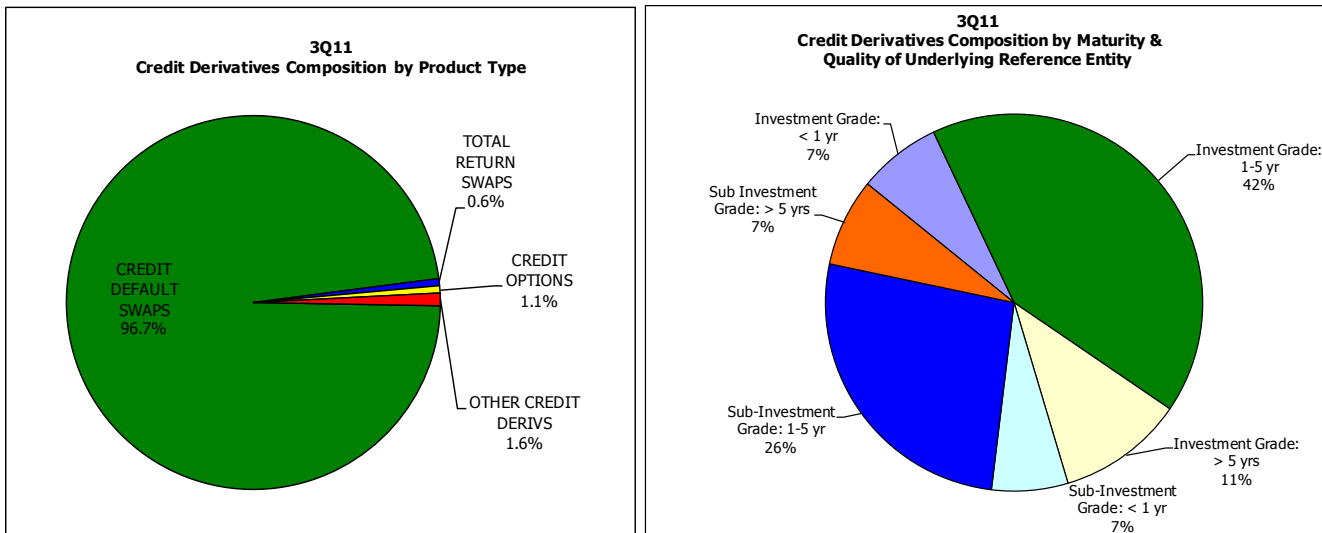
Aggregate VaR measures fell during the third quarter at the major dealers, notwithstanding an increase in financial markets volatility, as dealers actively worked to reduce risk given the backdrop of European sovereign and financial institution credit concerns. Aggregate average VaR at the five large dealer banking companies of \$673 million fell 6.1% from the second quarter, and was 8.8% lower than in the third quarter of 2010.

Because of methodological differences in calculating VaR, readers are cautioned that a higher VaR figure at a particular bank may not necessarily imply that the bank has more trading risk than another bank with a lower VaR. For example, JP Morgan, Goldman Sachs and Morgan Stanley calculate VaR using a 95% confidence interval. If those firms used a 99% confidence interval, as does Bank of America and Citigroup, their VaR estimates would be meaningfully higher. The data series used to measure risk also is an important factor in the calculated risk measure. Firms using a longer period over which to measure risk may include the higher volatility period of the financial crisis, and therefore their measured VaR will be higher than firms that use a less volatile data series. Indeed, one major reason for the decline in VaR at large trading firms is the lower volatility environment that has prevailed since the end of the financial crisis. The VaR measure for a single portfolio of exposures will be different if the time period used to measure risk is not the same.

To test the effectiveness of 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 during the financial crisis, as well as poor market liquidity, a number of banks experienced back-test exceptions and therefore an increase in their capital multiplier. Currently, however, none of the large dealer banks hold additional capital for market risk based upon an increased multiplier, as the incidence of back-test exceptions no longer requires it.

Credit Derivatives

Credit derivatives rose 3% in the third quarter to \$15.7 trillion. Credit derivatives outstanding remain below the peak of \$16.4 trillion in the first quarter of 2008. From year-end 2003 to 2008, credit derivative contracts grew at a 100% compounded annual growth rate. Industry efforts to eliminate offsetting trades (“trade compression”), as well as reduced demand for structured products, has led to a decline in credit derivative notionals. 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 are the dominant product at 97% 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, down from 43% at end of the second quarter of 2011.

Contracts of all tenors that reference investment grade entities are 60% of the market, the same as in the second quarter. [See chart on right above.]

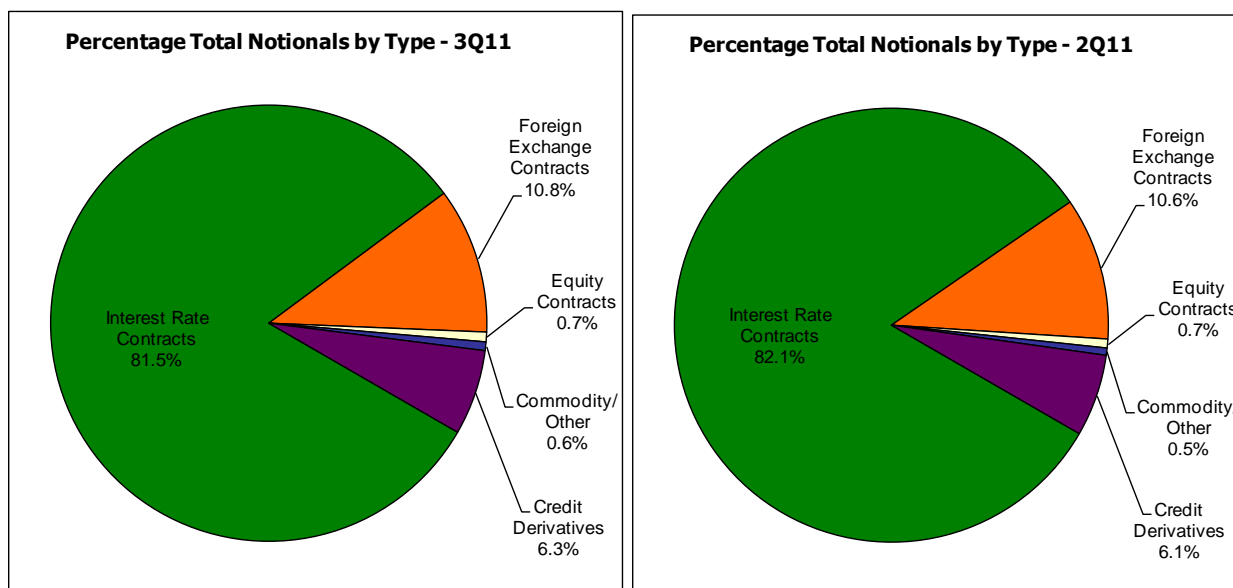
The notional amount for the 35 insured U.S. commercial banks that sold credit protection (i.e., assumed credit risk) was \$7.7 trillion, up 2.7% (\$202 billion) from the second quarter. The notional amount for the 30 banks that purchased credit protection (i.e., hedged credit risk) was \$7.9 trillion, an increase of 3% (\$232 billion). [See Tables 1, 3, 11 and 12 and Graphs 2, 3 and 4.]

Notionals

Changes in notional volumes are generally reasonable reflections of business activity, and therefore can provide insight into potential 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 insured U.S. commercial banks in the third quarter fell by \$1.4 trillion (0.6%) to \$248 trillion from the second quarter. Derivatives notionals fell due to a 1% (\$2.5 trillion) drop in interest rate contracts, a reflection of both declining client activity in the third quarter, as well as industry trade compression exercises, which reduce the volume of existing contracts. The notional amount of derivatives is 5.7% higher than a year ago.

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.]



Data Source: Call Reports.

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

Interest rate contracts comprise 82% of total derivatives. FX and credit derivatives are 11% and 6%, respectively, of total notionals.

\$ in billions	3Q11	2Q11	\$ Change	% Change	% of Total Derivatives
Interest Rate Contracts	202,107	204,620	(2,513)	-1%	81.5%
Foreign Exchange Contracts	26,795	26,483	312	1%	10.8%
Equity Contracts	1,786	1,654	131	8%	0.7%
Commodity/Other	1,602	1,352	250	19%	0.6%
Credit Derivatives	15,661	15,227	434	2.8%	6.3%
Total	247,952	249,337	(1,386)	-0.6%	100%

Swap contracts, at 63% of total notional derivatives, unchanged from the second quarter, continue to represent the bulk of derivative contracts.

\$ in billions	3Q11	2Q11	\$ Change	% Change	% of Total Derivatives
Futures & Forwards	39,791	41,097	(1,306)	-3%	16%
Swaps	156,132	156,054	78	0%	63%
Options	36,368	36,958	(590)	-2%	15%
Credit Derivatives	15,661	15,227	434	3%	6%
Total	247,952	249,337	(1,386)	-0.6%	100%

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.

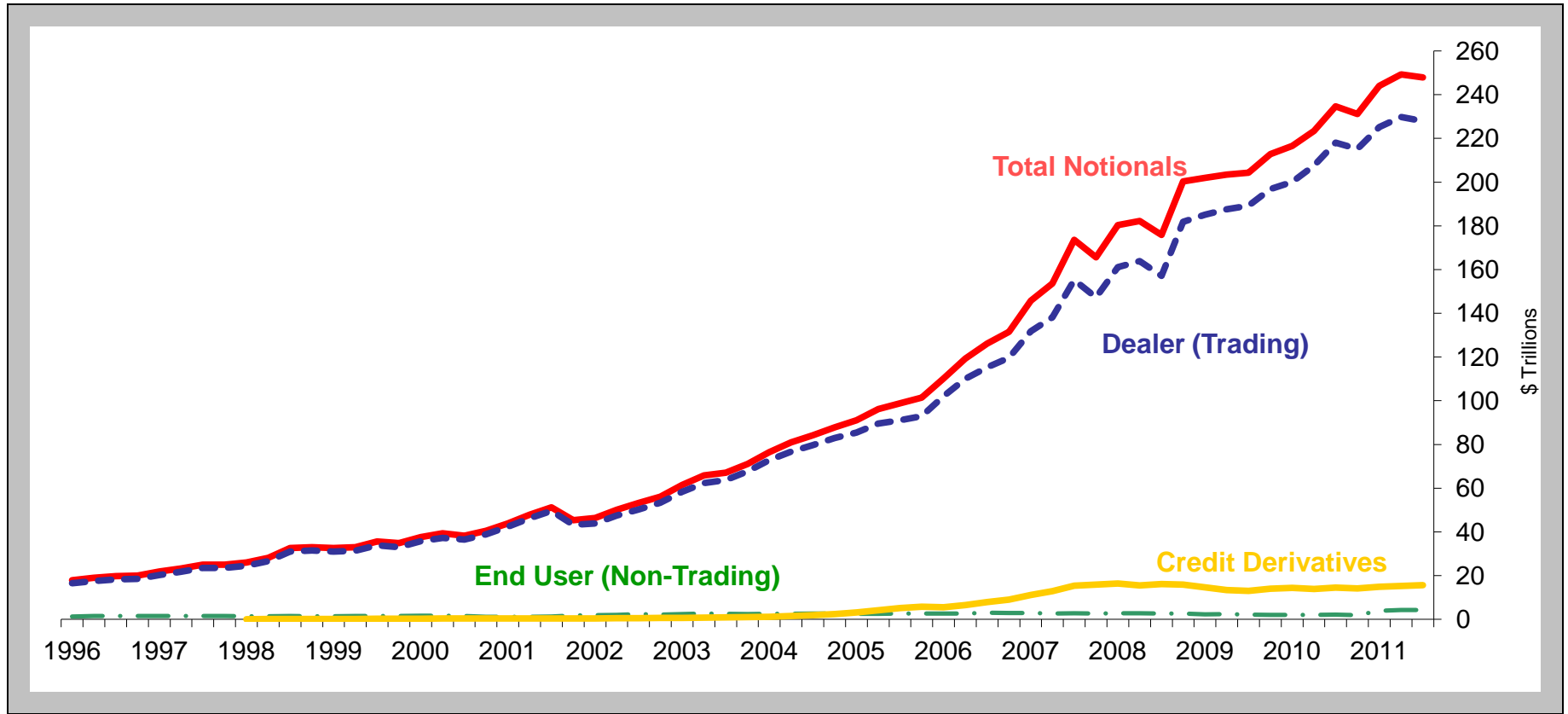
Potential Future Exposure (PFE): An estimate of what the current credit exposure (CCE) could be over time, based upon a supervisory formula in the agencies' risk-based capital rules. PFE is generally determined by multiplying the notional amount of the contract by a credit conversion factor that is based 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.

Derivative Notionals by Type of User

Insured U.S. Commercial Banks



	2005				2006				2007				2008				2009				2010				2011		
	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
Total Derivative Notionals	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	200.4	202.0	203.5	204.3	212.8	216.5	223.4	234.7	231.2	244.0	249.3	248.0
Dealer (Trading)	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	181.9	185.1	187.6	189.2	196.8	200.1	207.5	218.1	215.2	225.2	229.8	228.0
End User (Non-Trading)	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	2.6	2.3	2.4	2.1	2.0	2.0	2.0	2.1	1.9	3.9	4.3	4.3
Credit Derivatives	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	15.9	14.6	13.4	13.0	14.0	14.4	13.9	14.5	14.2	14.9	15.2	15.7

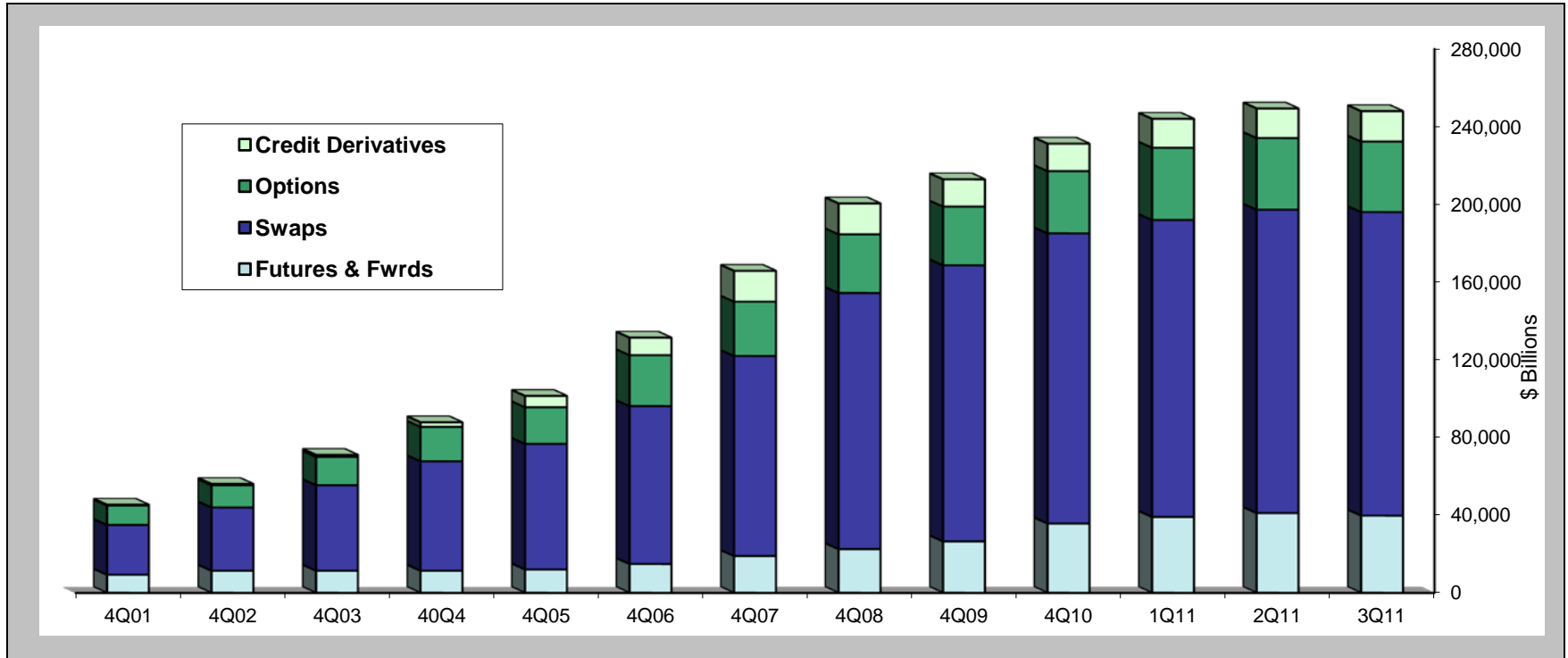
Note: Numbers may not add due to rounding. Total derivative notionals are now reported after including credit derivatives, for which regulatory reporting does not differentiate between trading and non-trading.

Data Source: Call Reports.

Derivative Contracts by Product

Insured U.S. Commercial Banks

Year-ends 2001 – 2010, Quarterly 2011



\$ in Billions	4Q01	4Q02	4Q03	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	4Q10	1Q11	2Q11	3Q11
Futures & Fwrds	9,313	11,374	11,393	11,373	12,049	14,877	18,967	22,512	26,493	35,709	39,081	41,097	39,791
Swaps	25,645	32,613	44,083	56,411	64,738	81,328	103,090	131,706	142,011	149,247	152,736	156,054	156,132
Options	10,032	11,452	14,605	17,750	18,869	26,275	27,728	30,267	30,267	32,075	37,275	36,958	36,368
Credit Derivatives	395	635	1,001	2,347	5,822	9,019	15,861	15,897	14,036	14,150	14,899	15,227	15,661
TOTAL	45,386	56,074	71,082	87,880	101,478	131,499	165,645	200,382	212,808	231,181	243,991	249,337	247,952

*In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps.

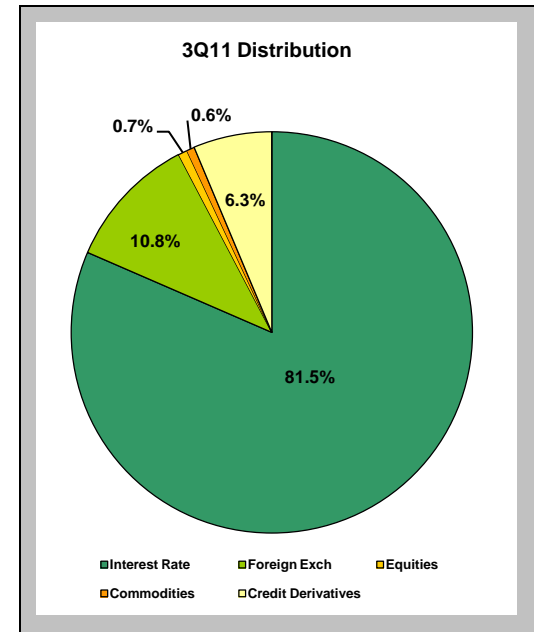
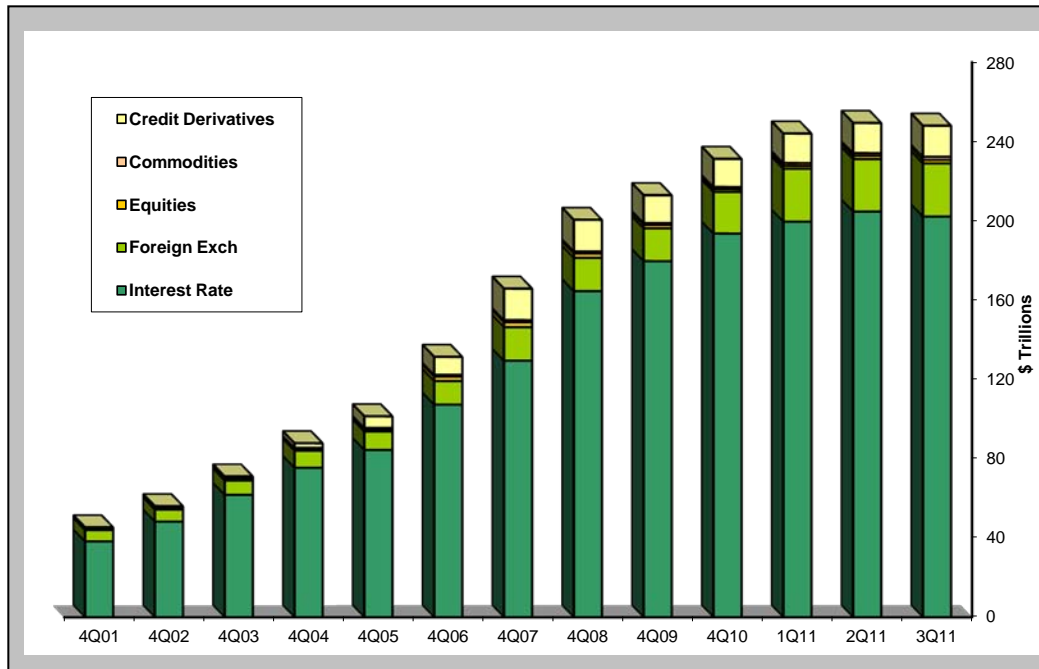
Note: Numbers may not add due to rounding.

Data Source: Call Reports

Derivative Contracts by Type

Insured U.S. Commercial Banks

Year-ends 2001 – 2010, Quarterly 2011



\$ in Billions	4Q01	4Q02	4Q03	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	4Q10	1Q11	2Q11	3Q11
Interest Rate	38,305	48,347	61,856	75,518	84,520	107,415	129,574	164,404	179,555	193,482	199,532	204,620	202,107
Foreign Exch	5,736	6,076	7,182	8,607	9,282	11,900	16,614	16,824	16,553	20,990	26,712	26,483	26,795
Equities	770	783	829	1,120	1,255	2,271	2,522	2,207	1,685	1,364	1,471	1,654	1,786
Commodities	179	233	214	289	598	893	1,073	1,050	979	1,195	1,377	1,352	1,602
Credit Derivatives	395	635	1,001	2,347	5,822	9,019	15,861	15,897	14,036	14,150	14,899	15,227	15,661
TOTAL	45,385	56,075	71,082	87,880	101,477	131,499	165,645	200,382	212,808	231,181	243,991	249,337	247,952

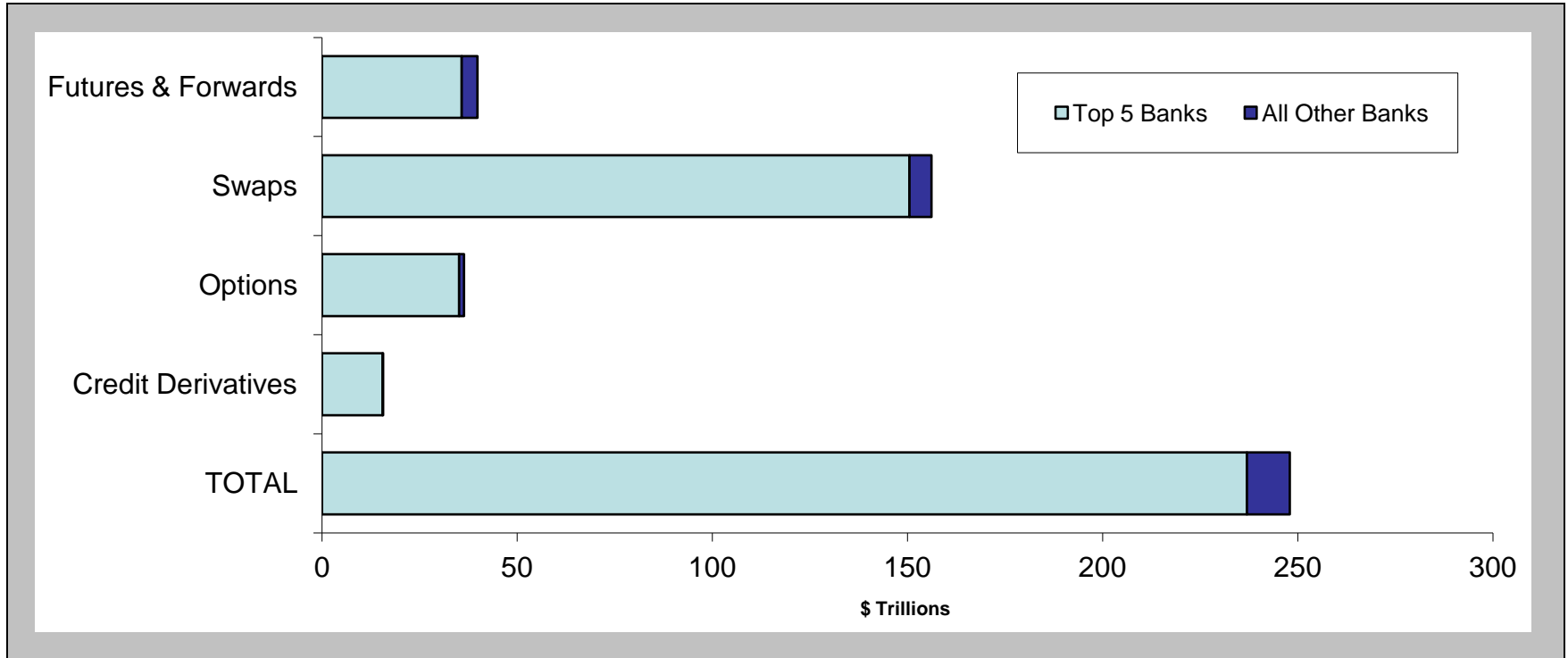
*In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps.

As of 2Q06 equities and commodities types are shown as separate categories. They were previously shown as "Other Derivs."

Note: Numbers may not add due to rounding. Data Source: Call Reports

Five Banks Dominate in Derivatives

Insured U.S. Commercial Banks, 3Q11



Concentration of Derivative Contracts (\$ Billions)*

	\$		%		\$		%	
	Top 5 Bks	Tot Derivs	All Other Bks	Tot Derivs	All Bks	Tot Derivs	All Bks	Tot Derivs
Futures & Fwrds	35,797	14.4	3,994	1.6	39,791	16.0		
Swaps	150,502	60.7	5,630	2.3	156,132	63.0		
Options	35,157	14.2	1,211	0.5	36,368	14.7		
Credit Derivatives	15,521	6.3	140	0.1	15,661	6.3		
TOTAL	236,977	95.6	10,974	4.4	247,952	100.0		

*In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps.

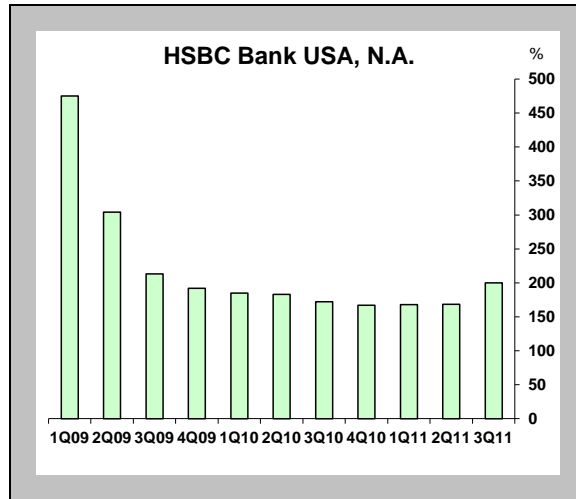
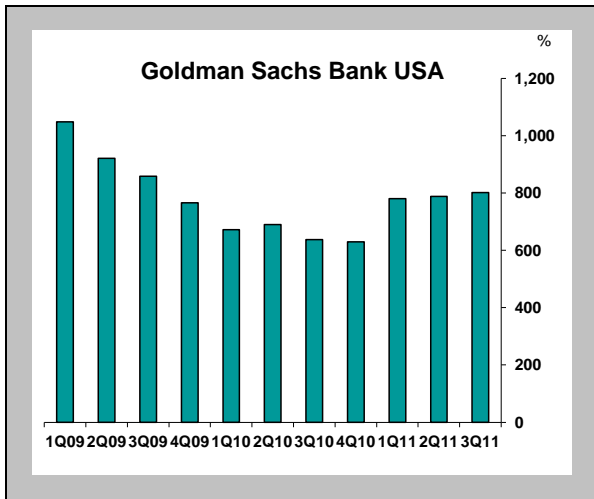
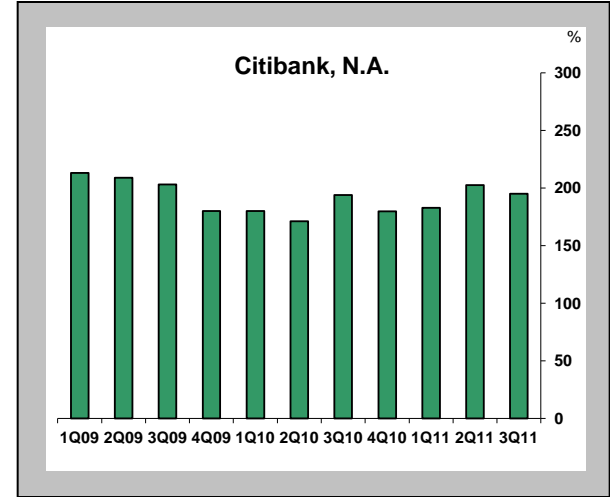
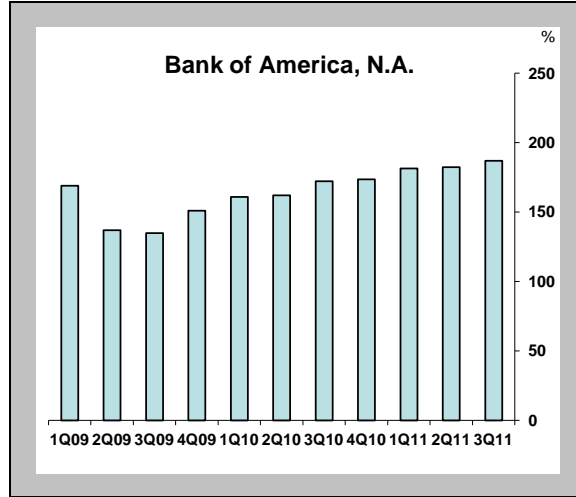
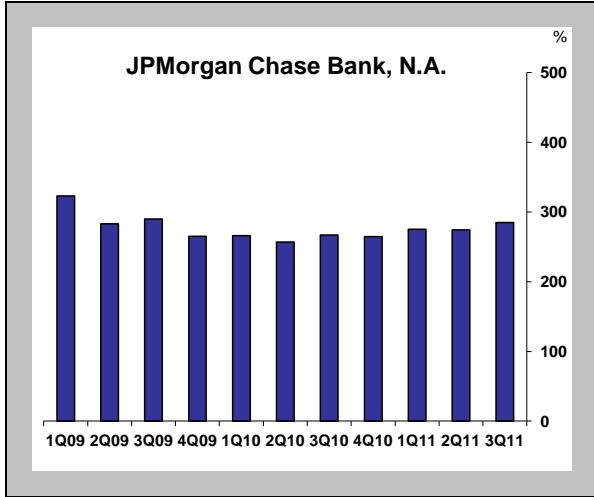
In 1Q11, HSBC replaced Wells Fargo as one of the top five commercial banks in derivatives. See Table 1.

Data Source: Call Reports

Percentage of Total Credit Exposure to Risk Based Capital

Top 5 Insured U.S. Commercial Banks by Derivative Holdings

1Q09 – 3Q11



Total Credit Exposure to Risk Based Capital (%)

(%)	JPMC Bank	Bank of America	Citi-bank	Goldman Sachs Bank	HSBC	Top 5 Banks
1Q09	323	169	213	1048	475	286
2Q09	283	137	209	921	304	207
3Q09	290	135	203	858	213	311
4Q09	265	151	180	766	192	284
1Q10	266	161	180	672	185	267
2Q10	257	162	171	690	183	293
3Q10	267	172	194	638	172	289
4Q10	265	174	180	629	167	261
1Q11	275	182	183	781	168	318
2Q11	274	182	203	788	168	323
3Q11	285	187	195	801	200	334

In 1Q11, HSBC replaced Wells Fargo as one of the top five commercial banks in derivatives. See Table 1.

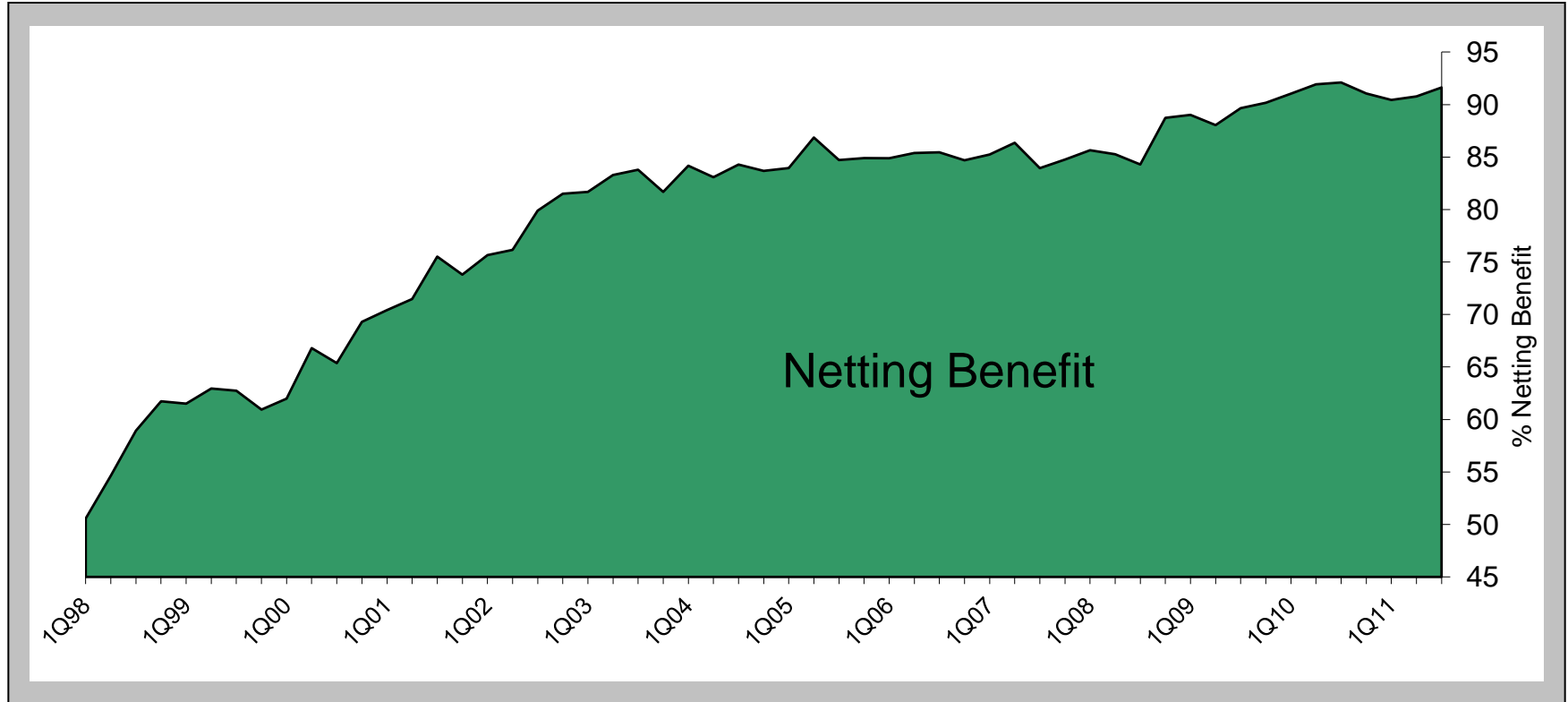
Beginning in the 2Q09, the methodology to calculate the Credit Risk Exposure to Capital ratio for the Top 5 category was adjusted to a summing methodology.

Data Source: Call Reports

Netting Benefit: Amount of Gross Exposure Eliminated Through Bilateral Netting

Insured U.S. Commercial Banks with Derivatives

1Q98 – 3Q11



Netting Benefit (%)*

1Q98	2Q98	3Q98	4Q98	1Q99	2Q99	3Q99	4Q99	1Q00	2Q00	3Q00	4Q00	1Q01	2Q01	3Q01	4Q01
50.6	54.6	58.9	61.7	61.5	62.9	62.7	60.9	66.8	66.8	65.4	69.3	70.4	71.5	75.5	73.8

1Q02	2Q02	3Q02	4Q02	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05
75.7	76.2	79.9	81.5	81.7	83.3	83.8	81.7	84.2	83.1	84.3	83.7	83.9	86.9	84.7	84.9

1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
84.9	85.4	85.5	84.7	85.2	86.4	83.9	84.8	85.6	85.3	84.3	88.7	89.0	88.0	89.7	90.2

1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11
91.0	91.9	92.1	91.1	90.4	90.8	91.6

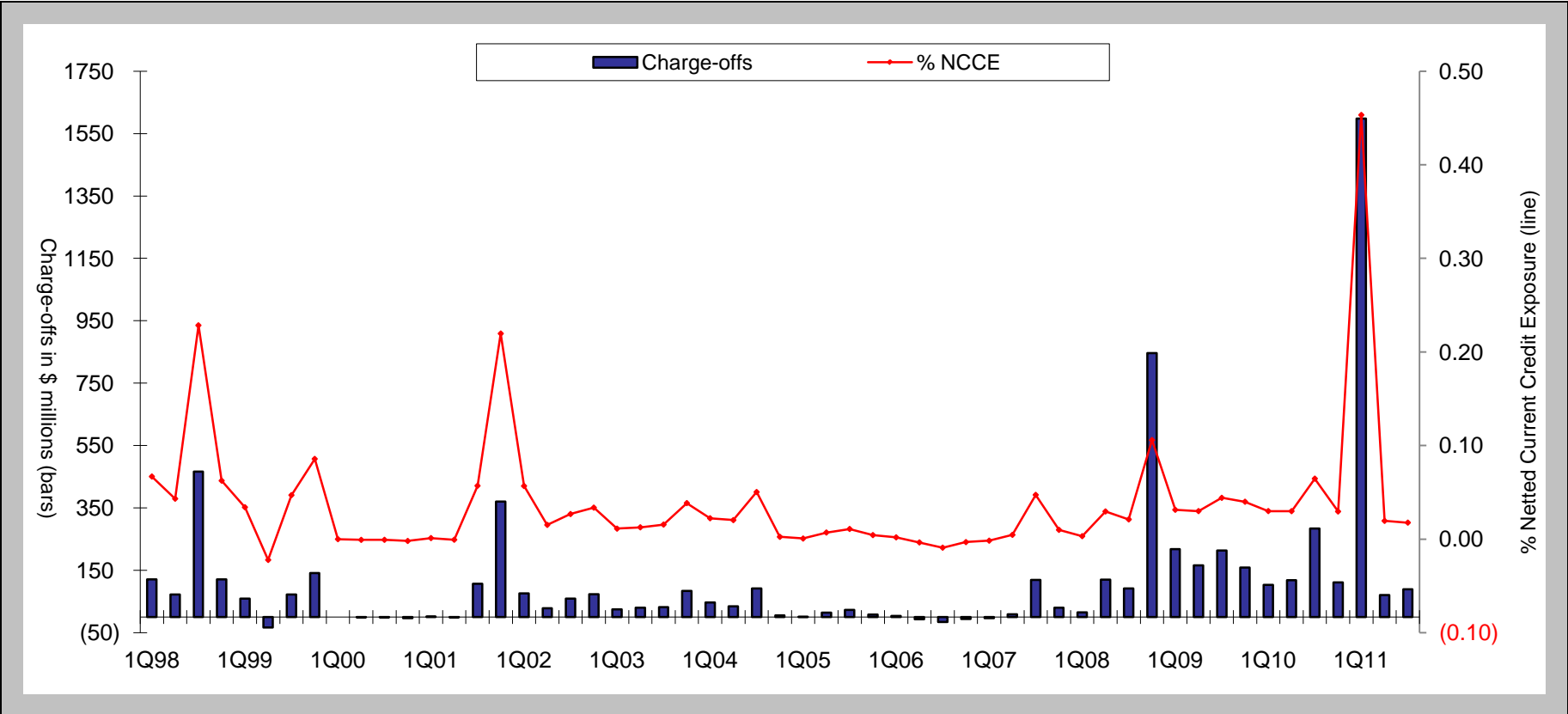
*Note: The netting benefit is defined as: \$ amount of netting benefits/gross positive fair value.

Data Source: Call Reports

Quarterly (Charge-Offs)/Recoveries from Derivatives

Insured U.S. Commercial Banks with Derivatives

1Q98 – 3Q11



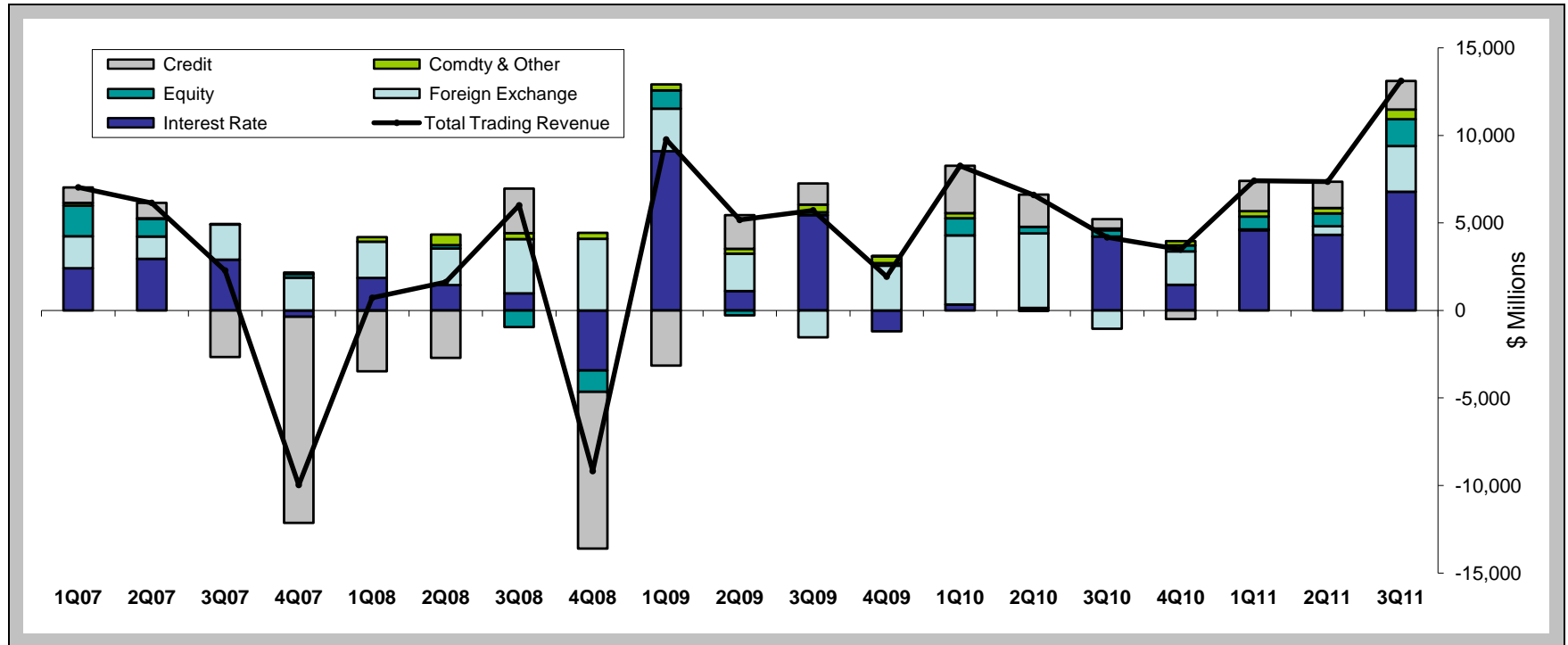
1Q98	2Q98	3Q98	4Q98	1Q99	2Q99	3Q99	4Q99	1Q00	2Q00	3Q00	4Q00	1Q01	2Q01	3Q01	4Q01
121.3	72.9	466.4	121.2	58.9	(33.1)	72.1	141.0	0.0	(1.0)	(1.0)	(3.0)	2.0	(1.0)	107.3	370.0
1Q02	2Q02	3Q02	4Q02	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05
75.8	28.2	59.0	73.7	25.3	29.9	32.3	83.7	46.7	34.9	92.2	5.4	1.3	14.2	23.0	8.3
1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
3.6	(7.0)	(16.0)	(5.8)	(2.9)	(9.2)	119.4	30.7	14.8	120.0	91.9	846.7	218.1	166.3	213.9	159.3
1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11									
103.5	118.6	284.5	111.0	1598.0	71.0	89.0									

Note:
 The figures are for each quarter alone, not year-to-date.
 The 1Q11 charge-off figure was adjusted in 3Q11 to reflect an amended Call Report.
 Data Source: Call Reports.

Quarterly Trading Revenues Cash & Derivative Positions

Insured U.S. Commercial Banks

1Q07 – 3Q11



\$ Millions	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11
Interest Rate	2,413	2,950	2,896	(357)	1,853	1,449	984	(3,420)	9,099	1,108	5,451	(1,188)	333	145	4,215	1,469	4,587	4,320	6,789
Foreign Exchange	1,831	1,265	2,005	1,873	2,083	2,096	3,090	4,093	2,437	2,132	(1,535)	2,560	3,962	4,261	(1,047)	1,905	35	491	2,595
Equity	1,735	1,024	27	205	(15)	183	(954)	(1,229)	1,042	(279)	154	144	965	378	371	338	743	736	1,534
Comdty & Other	175	25	7	88	261	601	342	338	344	281	446	389	297	(25)	94	252	315	304	565
Credit	878	883	(2,655)	(11,780)	(3,461)	(2,715)	2,544	(8,958)	(3,154)	1,930	1,204	27	2,707	1,840	543	(485)	1,729	1,507	1,633
Total Trading Revenue*	7,032	6,146	2,281	(9,970)	721	1,614	6,005	(9,176)	9,768	5,172	5,720	1,932	8,263	6,600	4,176	3,479	7,409	7,357	13,116

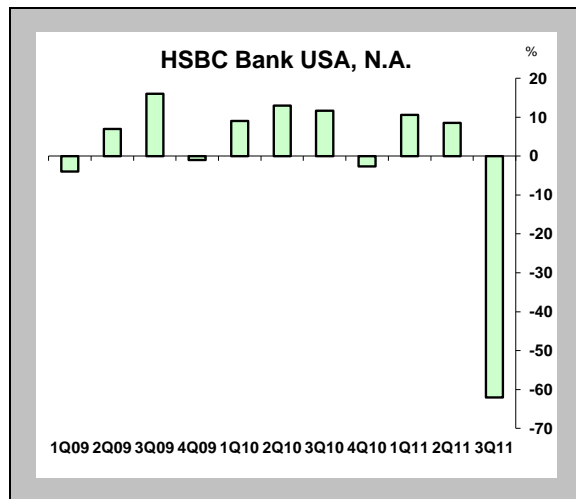
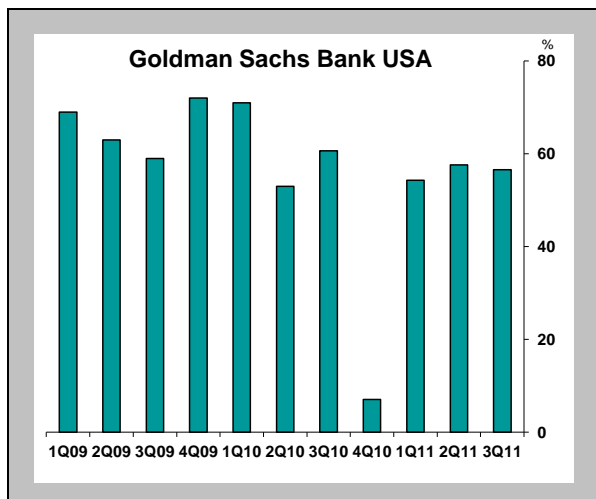
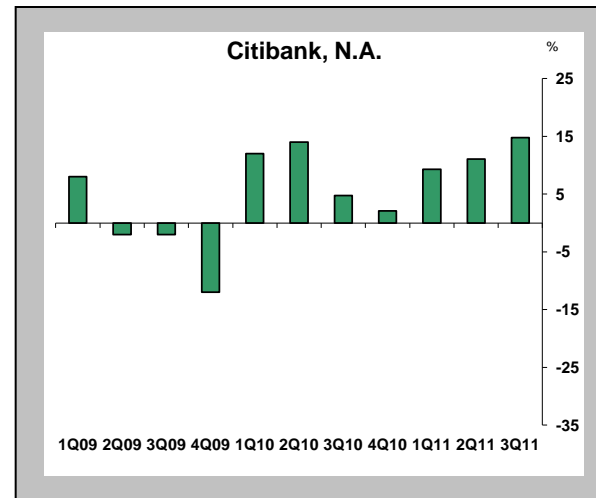
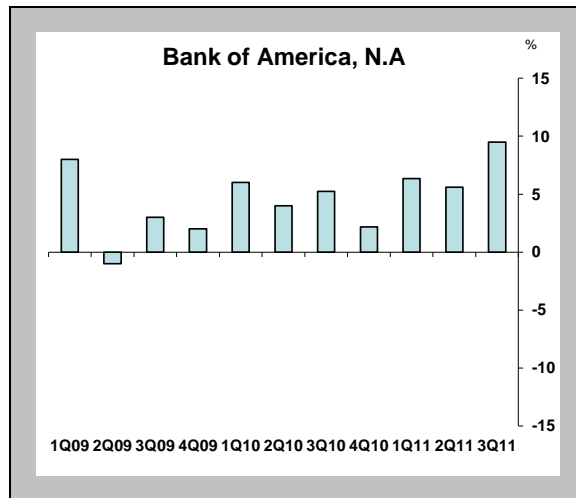
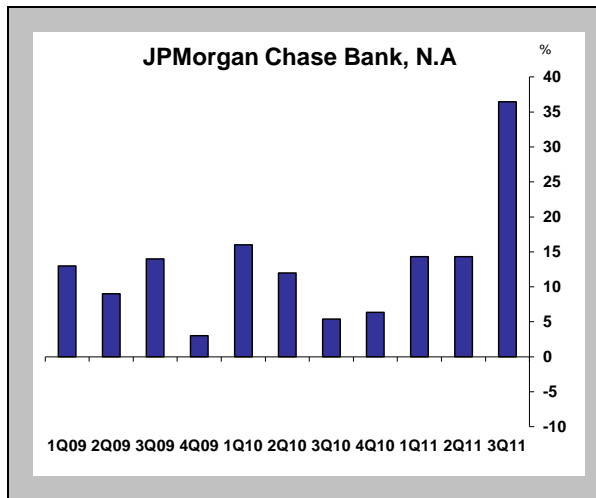
* Note: The trading revenue figures above are for cash and derivative activities. Revenue figures are for each quarter alone, not year-to-date.

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 Insured U.S. Commercial Banks by Derivative Holdings 1Q09 – 3Q11



Trading Revenue to Gross Revenue (%)*

(%)	JPMC Bank	Bank of America	Citi-bank	Goldman Sachs Bank	HSBC	Top 5 Banks	All Banks
1Q09	13	8	8	69	-4	12	6
2Q09	9	-1	-2	63	7	4	3
3Q09	14	3	-2	59	16	5	4
4Q09	3	2	-12	72	-1	1	1
1Q10	16	6	12	71	9	10	5
2Q10	12	4	14	53	13	11	4
3Q10	5	5	5	61	12	6	3
4Q10	6	2	2	7	-3	4	2
1Q11	14	6	9	54	11	11	5
2Q11	14	6	11	58	9	12	5
3Q11	36	9	15	57	-62	22	9

*Note that the trading revenue figures above are for cash and derivative activities. Revenue figures are quarterly, not year-to-date numbers.

In 1Q11, HSBC replaced Wells Fargo as one of the top five commercial banks in derivatives. See Table 1.

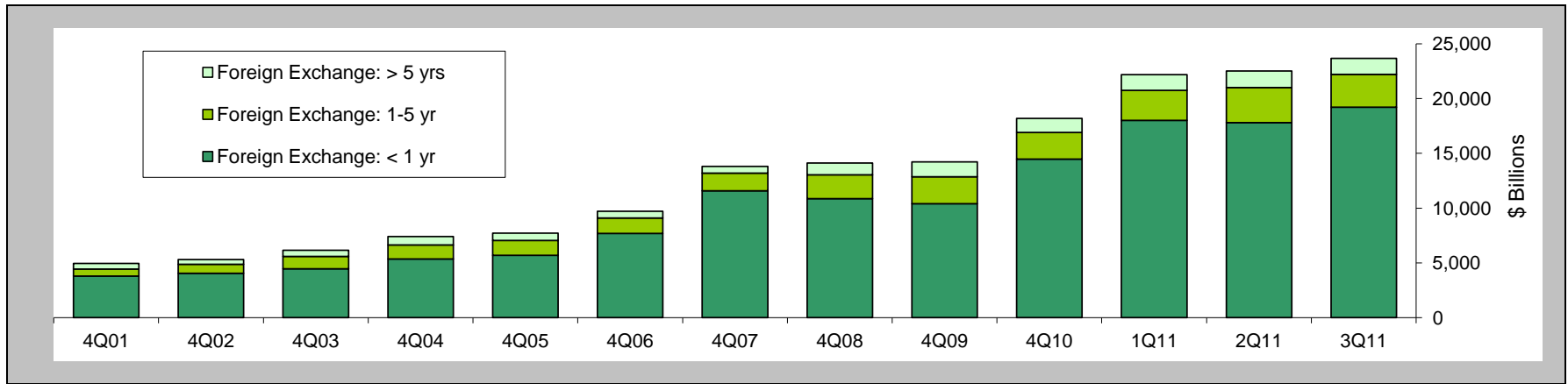
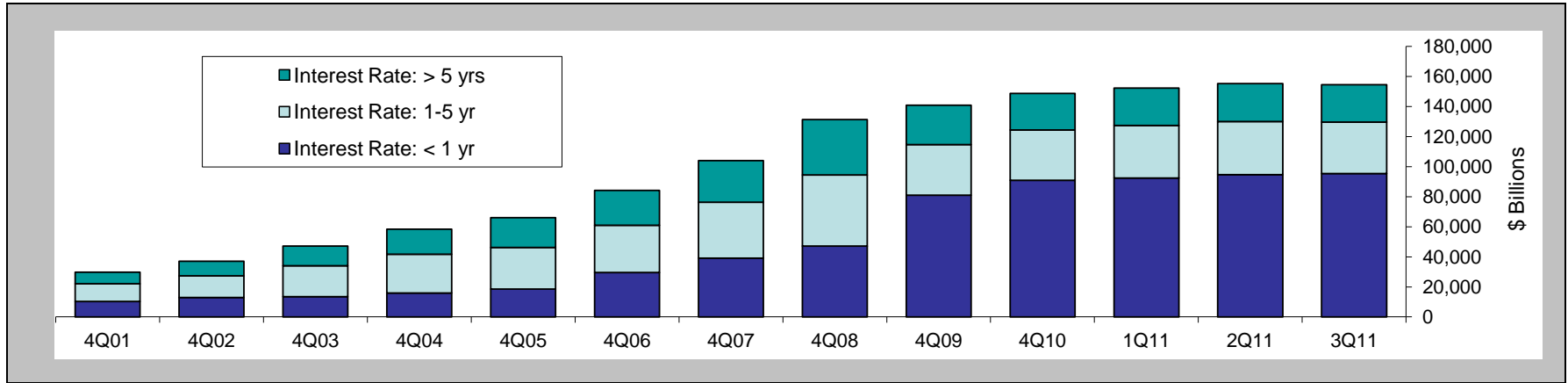
Gross Revenue equals interest income plus non-interest income.

Data Source: Call Reports

Notional Amounts of Interest Rate and Foreign Exchange Contracts by Maturity

Insured U.S. Commercial Banks

Year-ends 2001 – 2010, Quarterly 2011



	4Q01	4Q02	4Q03	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11
IR: < 1 yr	10,357	12,972	13,573	15,914	18,482	29,546	39,083	47,147	80,976	84,013	88,995	90,912	90,838	92,440	94,638	95,371
IR: 1-5 yr	11,809	14,327	20,400	25,890	27,677	31,378	37,215	47,289	33,632	33,329	33,342	35,133	33,491	34,891	35,295	34,128
IR: > 5 yrs	7,523	9,733	13,114	16,489	19,824	23,270	27,720	36,780	26,144	24,117	23,096	24,547	24,303	24,919	25,207	24,965
FX: < 1 yr	3,785	4,040	4,470	5,348	5,681	7,690	11,592	10,868	10,416	11,092	11,960	13,363	14,467	18,024	17,820	19,220
FX: 1-5 yr	661	829	1,114	1,286	1,354	1,416	1,605	2,171	2,449	2,440	2,356	2,582	2,433	2,741	3,180	2,990
FX: > 5 yrs	492	431	577	760	687	593	619	1,086	1,344	1,329	1,307	1,432	1,289	1,433	1,530	1,474

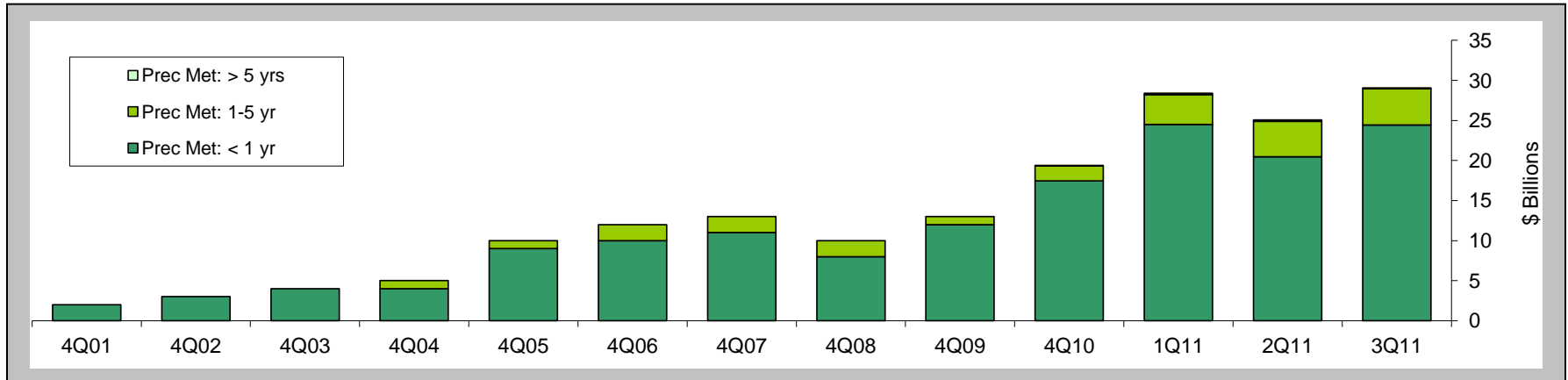
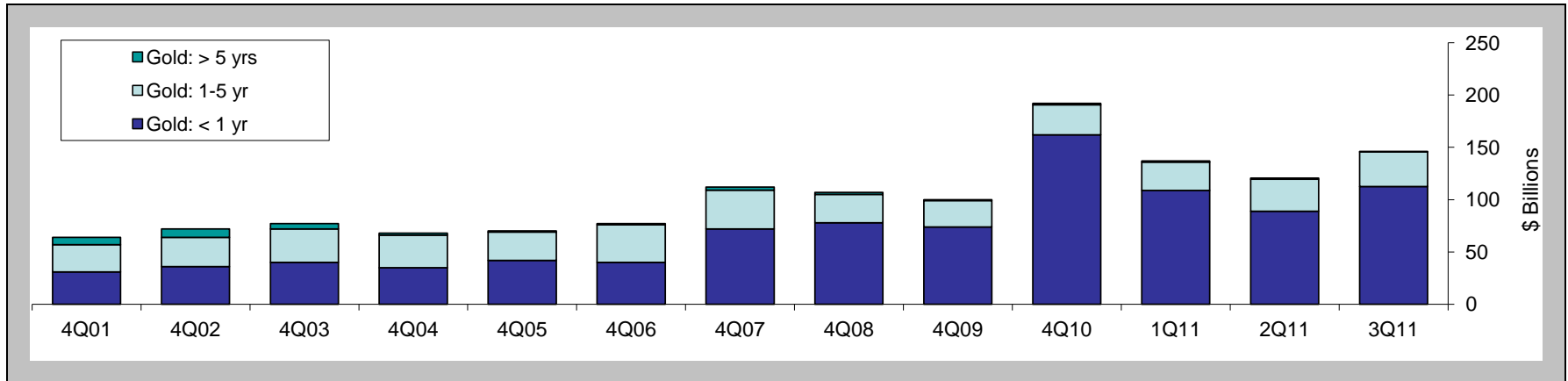
•Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

•Data Source: Call Reports

Notional Amounts of Gold and Precious Metals Contracts by Maturity

Insured U.S. Commercial Banks

Year-ends 2001 – 2010, Quarterly 2011



	4Q01	4Q02	4Q03	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	4Q10	1Q11	2Q11	3Q11
Gold: < 1 yr	31	36	40	35	42	40	72	78	74	162	109	89	113
Gold: 1-5 yr	26	28	32	31	27	36	37	27	25	29	27	31	33
Gold: > 5 yrs	7	8	5	2	1	1	3	2	1	1	1	1	1
Prec Met: < 1 yr	2	3	4	4	9	10	11	8	12	17	24	20	24
Prec Met: 1-5 yr	0	0	0	1	1	2	2	2	1	2	4	4	5
Prec Met: > 5 yrs	0	0	0	0	0	0	0	0	0	0	0	0	0

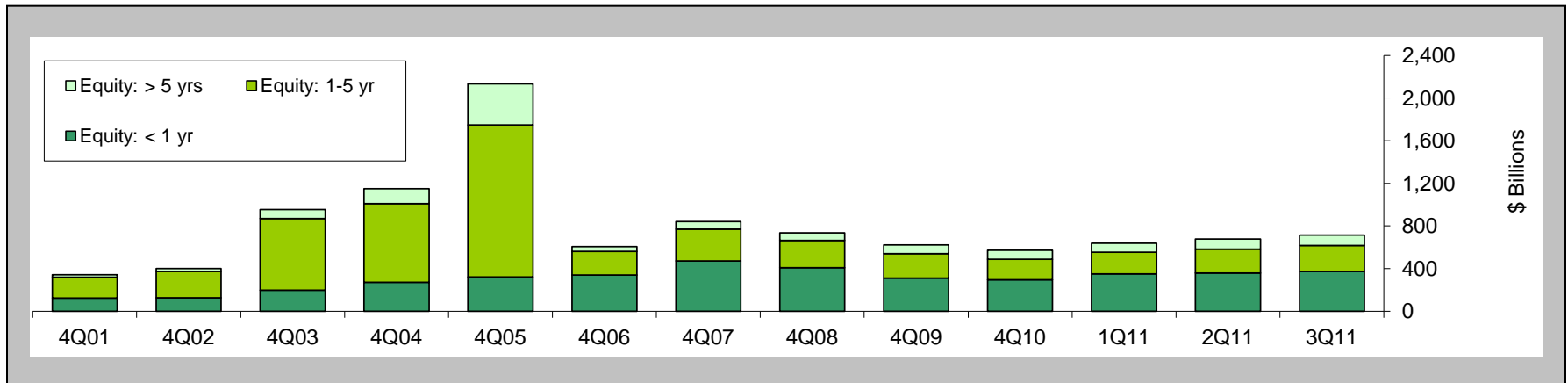
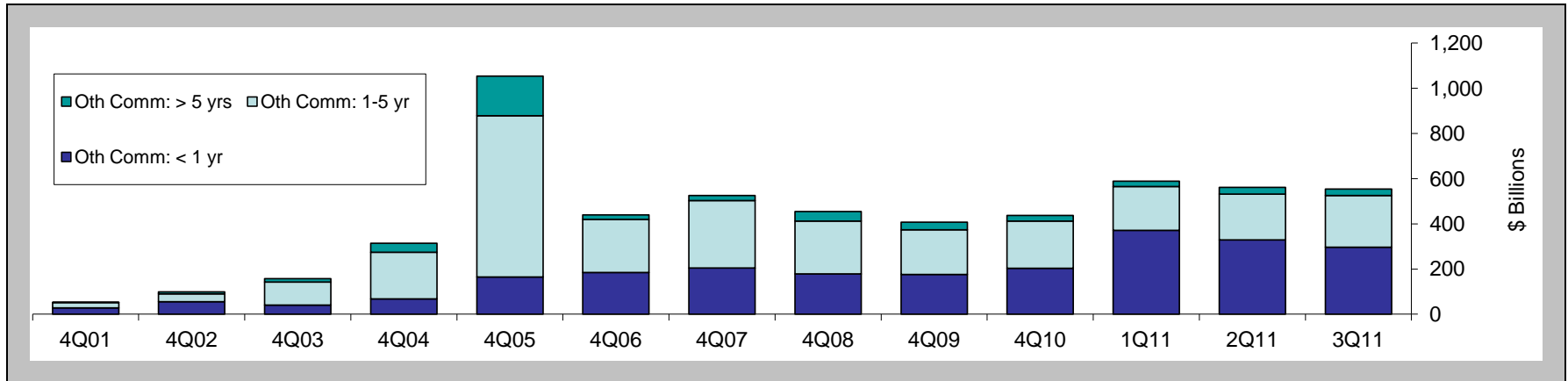
•Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

•Data Source: Call Reports

Notional Amounts of Commodity and Equity Contracts by Maturity

Insured U.S. Commercial Banks

Year-ends 2001 – 2010, Quarterly 2011



	4Q01	4Q02	4Q03	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	4Q10	1Q11	2Q11	3Q11
Oth Comm: < 1 yr	28	55	41	68	165	185	205	179	176	203	371	329	297
Oth Comm: 1-5 yr	23	35	102	206	714	235	298	233	198	209	194	203	229
Oth Comm: > 5 yrs	2	9	14	40	175	20	23	43	33	25	24	29	28
Equity: < 1 yr	124	127	197	273	321	341	473	409	312	296	350	358	375
Equity: 1-5 yr	195	249	674	736	1,428	221	297	256	228	191	204	226	242
Equity: > 5 yrs	23	25	84	140	383	45	70	72	82	85	84	93	98

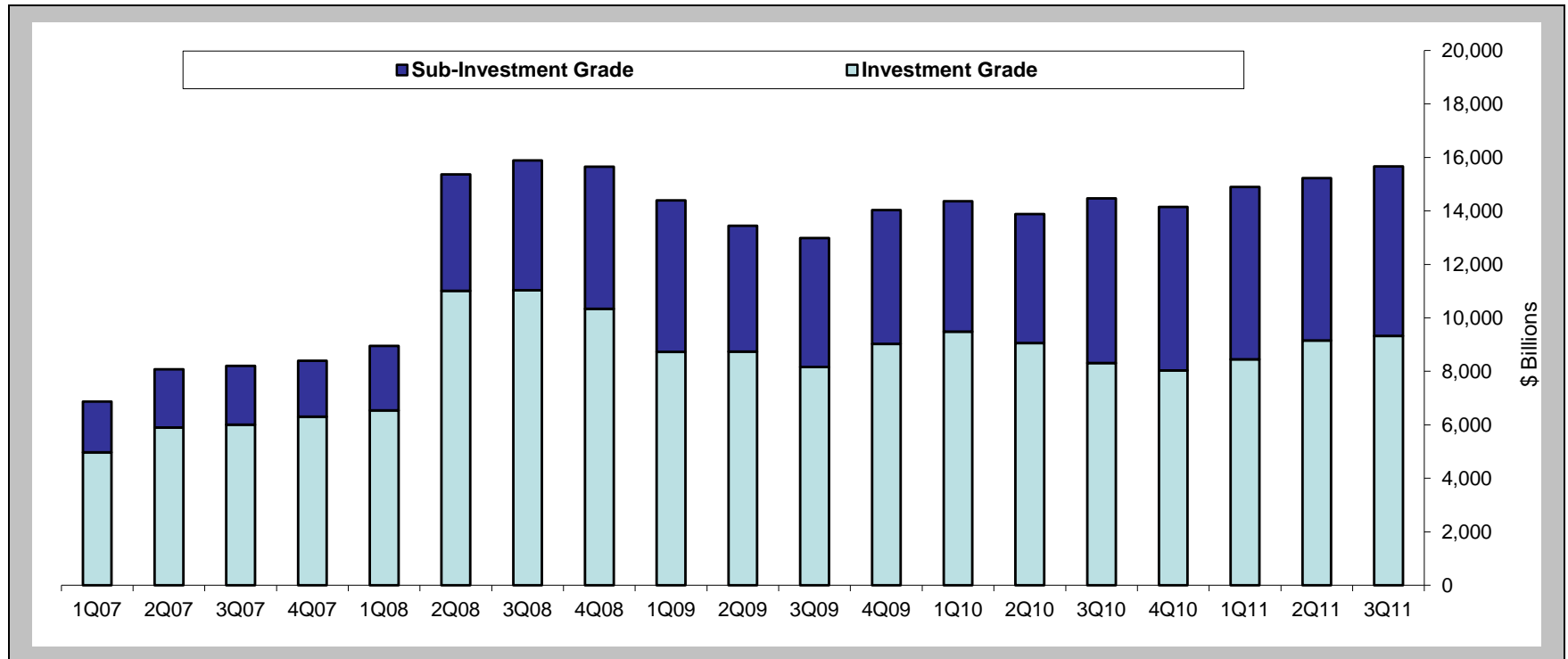
•Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

•Data Source: Call Reports

Notional Amounts of Credit Derivative Contracts by Credit Quality and Maturity

Insured U.S. Commercial Banks

1Q07 – 3Q11



\$ Billions	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11
Investment Grade: < 1 yr	281	328	307	304	319	685	839	741	765	997	869	1,079	985	966	870	856	905	1,002	1,119
Investment Grade: 1-5 yr	2,768	3,359	3,545	3,860	4,088	7,130	6,852	6,698	5,527	5,520	5,202	5,888	6,229	6,320	5,800	5,731	5,927	6,564	6,507
Investment Grade: > 5 yrs	1,917	2,210	2,154	2,138	2,127	3,197	3,345	2,900	2,432	2,221	2,087	2,063	2,275	1,767	1,645	1,446	1,614	1,586	1,699
Subtotal Investment Grade	4,966	5,898	6,006	6,302	6,534	11,012	11,036	10,339	8,724	8,739	8,158	9,030	9,489	9,053	8,315	8,033	8,447	9,151	9,326
Sub-Investment Grade: < 1 yr	164	144	158	149	134	343	400	457	513	615	575	635	574	587	753	791	833	939	1,024
Sub-Investment Grade: 1-5 yr	1,201	1,405	1,416	1,400	1,608	2,849	3,058	3,472	3,660	3,098	3,167	3,248	3,201	3,267	4,004	4,073	4,217	4,056	4,131
Sub-Investment Grade: > 5 yrs	537	629	621	543	672	1,160	1,394	1,388	1,492	989	1,086	1,121	1,101	968	1,400	1,254	1,401	1,081	1,180
Subtotal Sub-Investment Grade	1,901	2,178	2,195	2,092	2,414	4,353	4,852	5,318	5,665	4,701	4,827	5,005	4,876	4,823	6,157	6,118	6,452	6,076	6,336
Overall Total	6,867	8,075	8,201	8,394	8,948	15,365	15,888	15,656	14,389	13,440	12,986	14,036	14,364	13,876	14,472	14,150	14,899	15,227	15,661

*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 Schedules RC-L and 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
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	\$1,296,354	\$1,898,031	\$10,985,076	\$45,335,952	\$9,636,263	\$6,199,907	\$811,954
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	431,802	1,654,150	6,998,084	34,220,622	9,300,067	3,002,476	870,398
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	1,681,402	643,951	9,138,213	35,176,872	3,418,068	5,064,530	535,012
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	848,677	738,777	3,405,737	33,324,621	7,584,599	551,308	2,708
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	75,486	104,988	936,541	2,443,806	178,098	702,939	74,945
6	WELLS FARGO BANK NA	SD	1,142,254	3,921,372	217,589	90,031	1,132,408	1,943,681	445,522	92,141	22,720
7	MORGAN STANLEY BANK NA	UT	66,793	2,064,468	0	64	521,756	1,514,352	4,314	23,982	53,891
8	STATE STREET BANK&TRUST CO	MA	203,490	1,469,244	73,741	0	952,367	369,993	73,038	105	30,090
9	BANK OF NEW YORK MELLON	NY	251,529	1,405,490	33,839	31,373	349,626	705,192	284,989	471	60,303
10	PNC BANK NATIONAL ASSN	DE	261,236	375,035	61,719	15,050	20,674	227,023	46,997	3,572	922
11	SUNTRUST BANK	GA	166,486	302,901	29,466	28,546	23,002	173,357	44,975	3,555	401
12	NORTHERN TRUST CO	IL	83,195	264,302	0	0	256,376	7,740	101	86	16,939
13	REGIONS BANK	AL	125,488	156,818	5,486	0	71,215	76,267	3,227	623	94
14	U S BANK NATIONAL ASSN	OH	319,449	112,089	200	1,500	49,415	49,323	9,088	2,563	2,993
15	TD BANK NATIONAL ASSN	DE	187,535	75,975	0	0	9,467	63,512	1,171	1,825	6
16	FIFTH THIRD BANK	OH	112,475	71,533	198	429	11,666	32,305	25,916	1,017	573
17	BRANCH BANKING&TRUST CO	NC	162,170	70,831	1,071	0	15,748	40,502	13,510	0	66
18	KEYBANK NATIONAL ASSN	OH	86,565	67,573	3,137	13	8,758	47,981	4,733	2,951	745
19	UNION BANK NATIONAL ASSN	CA	83,539	50,811	5,420	0	2,099	30,208	13,024	60	663
20	ALLY BANK	UT	79,376	44,081	0	0	14,873	16,640	12,569	0	0
21	RBS CITIZENS NATIONAL ASSN	RI	107,564	40,649	0	0	6,797	30,871	2,100	881	108
22	BOKF NATIONAL ASSN	OK	24,859	32,494	455	989	24,921	3,482	2,647	0	7
23	TD BANK USA NATIONAL ASSN	ME	13,404	32,151	0	0	8,661	23,490	0	0	0
24	DEUTSCHE BANK TR CO AMERICAS	NY	45,806	28,005	0	0	301	23,292	464	3,948	0
25	BMO HARRIS BANK NA	IL	94,206	27,607	0	0	1,030	23,331	3,152	93	69
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,519,086	\$247,590,827	\$4,766,042	\$5,207,892	\$34,944,811	\$155,904,416	\$31,108,632	\$15,659,034	\$2,485,606
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,495	360,714	10,439	2,539	69,604	227,470	48,514	2,149	1,954
TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	4,776,481	5,210,430	35,014,415	156,131,886	31,157,147	15,661,183	2,487,559

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
SEPTEMBER 30, 2011, \$ 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	\$2,289,240	\$76,194,324	\$1,766,120	\$2,018,340	\$11,378,643	\$45,254,577	\$9,578,804	\$6,197,840	\$811,750
2	BANK OF AMERICA CORPORATION	NC	2,221,387	73,928,242	2,729,072	1,425,585	12,645,102	46,849,192	6,136,736	4,142,555	283,201
3	MORGAN STANLEY	NY	794,939	55,082,419	161,250	1,242,291	7,327,899	34,078,118	6,610,388	5,662,473	382,250
4	CITIGROUP INC.	NY	1,935,992	54,703,632	270,745	3,583,517	7,475,868	31,058,239	9,323,734	2,991,529	814,663
5	GOLDMAN SACHS GROUP, INC., THE	NY	949,330	51,364,076	1,500,167	2,510,935	4,929,126	28,781,839	9,369,661	4,272,348	253,642
6	HSBC NORTH AMERICA HOLDINGS INC.	NY	345,972	4,423,429	80,081	124,988	939,003	2,398,709	178,096	702,552	74,930
7	WELLS FARGO & COMPANY	CA	1,304,945	3,860,850	229,674	96,727	1,156,366	1,859,058	435,658	83,367	22,849
8	STATE STREET CORPORATION	MA	207,176	1,469,277	73,750	0	952,391	369,993	73,038	105	30,090
9	BANK OF NEW YORK MELLON CORPORATION, THE	NY	322,980	1,388,718	33,879	31,729	349,339	688,342	284,958	471	60,326
10	TAUNUS CORPORATION	NY	380,647	957,645	85,001	118,786	503,427	170,116	47,698	32,617	2,265
11	ALLY FINANCIAL INC.	MI	181,956	711,842	95,934	2,520	76,768	483,916	52,674	30	0
12	PNC FINANCIAL SERVICES GROUP, INC., THE	PA	269,555	375,588	62,161	15,050	20,785	227,023	46,997	3,572	922
13	SUNTRUST BANKS, INC.	GA	172,584	304,453	29,658	28,546	23,002	172,357	47,336	3,555	401
14	METLIFE, INC.	NY	785,230	278,891	22,907	0	39,983	95,684	106,867	13,450	0
15	NORTHERN TRUST CORPORATION	IL	96,098	264,902	0	0	256,376	8,340	101	86	16,939
16	REGIONS FINANCIAL CORPORATION	AL	129,762	158,589	5,486	0	71,215	77,674	3,591	623	94
17	U.S. BANCORP	MN	330,141	113,436	200	1,500	49,465	50,863	9,087	2,321	2,993
18	TD BANK US HOLDING COMPANY	ME	199,563	108,126	0	0	18,128	87,002	1,171	1,825	6
19	RBC USA HOLDCO CORPORATION	NY	95,840	85,271	710	8,331	70,361	4,794	228	847	0
20	FIFTH THIRD BANCORP	OH	114,905	75,363	198	429	11,666	36,136	25,916	1,017	573
21	CAPITAL ONE FINANCIAL CORPORATION	VA	200,148	72,031	300	0	5,156	66,531	44	0	1
22	KEYCORP	OH	89,406	71,754	3,232	13	8,758	50,998	5,802	2,951	745
23	BB&T CORPORATION	NC	167,677	67,415	1,071	0	15,748	39,146	11,450	0	66
24	UNIONBANCAL CORPORATION	CA	84,014	50,907	5,420	0	2,195	30,208	13,024	60	567
25	CITIZENS FINANCIAL GROUP, INC.	RI	130,661	48,497	0	0	6,797	38,132	2,554	1,013	108
TOP 25 HOLDING COMPANIES WITH DERIVATIVES			\$13,800,146	\$326,159,678	\$7,157,015	\$11,209,287	\$48,333,566	\$192,976,988	\$42,365,614	\$24,117,208	\$2,759,380

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.
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.
Note: Numbers may not add due to rounding.
Data source: Consolidated Financial Statements for Bank Holding Companies, FR Y- 9, schedule HC-L

TABLE 3

**DISTRIBUTION OF DERIVATIVE CONTRACTS
TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	4.2	95.8	77.1	11.5	3.1	8.2
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	3.8	96.2	81.6	11.9	1.1	5.4
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	4.2	95.8	82.3	8.3	0.2	9.2
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	3.4	96.6	94.5	4.3	0.0	1.2
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	4.1	95.9	62.3	20.3	1.6	15.8
6	WELLS FARGO BANK NA	SD	1,142,254	3,921,372	7.8	92.2	89.0	4.6	4.0	2.3
7	MORGAN STANLEY BANK NA	UT	66,793	2,064,468	0.0	100.0	0.3	98.5	0.0	1.2
8	STATE STREET BANK&TRUST CO	MA	203,490	1,469,244	5.0	95.0	22.4	74.7	2.9	0.0
9	BANK OF NEW YORK MELLON	NY	251,529	1,405,490	4.6	95.4	74.1	25.3	0.5	0.0
10	PNC BANK NATIONAL ASSN	DE	261,236	375,035	20.5	79.5	96.2	2.8	0.1	1.0
11	SUNTRUST BANK	GA	166,486	302,901	19.2	80.8	89.3	3.3	6.2	1.2
12	NORTHERN TRUST CO	IL	83,195	264,302	0.0	100.0	2.7	97.3	0.0	0.0
13	REGIONS BANK	AL	125,488	156,818	3.5	96.5	99.2	0.4	0.1	0.4
14	U S BANK NATIONAL ASSN	OH	319,449	112,089	1.5	98.5	75.2	22.4	0.1	2.3
15	TD BANK NATIONAL ASSN	DE	187,535	75,975	0.0	100.0	87.9	9.7	0.0	2.4
16	FIFTH THIRD BANK	OH	112,475	71,533	0.9	99.1	65.0	28.5	5.1	1.4
17	BRANCH BANKING&TRUST CO	NC	162,170	70,831	1.5	98.5	99.2	0.8	0.0	0.0
18	KEYBANK NATIONAL ASSN	OH	86,565	67,573	4.7	95.3	83.5	11.0	1.2	4.4
19	UNION BANK NATIONAL ASSN	CA	83,539	50,811	10.7	89.3	78.8	6.3	14.7	0.1
20	ALLY BANK	UT	79,376	44,081	0.0	100.0	96.8	0.0	3.2	0.0
21	RBS CITIZENS NATIONAL ASSN	RI	107,564	40,649	0.0	100.0	82.6	15.3	0.0	2.2
22	BOKF NATIONAL ASSN	OK	24,859	32,494	4.4	95.6	85.8	0.5	13.8	0.0
23	TD BANK USA NATIONAL ASSN	ME	13,404	32,151	0.0	100.0	70.9	29.1	0.0	0.0
24	DEUTSCHE BANK TR CO AMERICAS	NY	45,806	28,005	0.0	100.0	59.8	26.1	0.0	14.1
25	BMO HARRIS BANK NA	IL	94,206	27,607	0.0	100.0	90.2	3.4	6.0	0.3
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,519,086	\$247,590,827	\$9,973,934	\$237,616,893	\$201,791,714	\$26,762,971	\$3,377,108	\$15,659,034
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,495	360,714	12,977	347,737	315,570	32,103	10,892	2,149
TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	9,986,911	237,964,630	202,107,283	26,795,074	3,388,001	15,661,183
					(%)	(%)	(%)	(%)	(%)	(%)
TOP 25 COMMERCIAL BANKS & TC: % OF TOTAL COMMERCIAL BKS & TCs WITH DERIVATIVES				99.9	4.0	95.8	81.4	10.8	1.4	6.3
OTHER COMMERCIAL BANKS & TCs: % OF TOTAL COMMERCIAL BKS & TCs WITH DERIVATIVES				0.1	0.0	0.1	0.1	0.0	0.0	0.0
TOTAL FOR COMMERCIAL BANKS & TCs: % OF TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES				100.0	4.0	96.0	81.5	10.8	1.4	6.3

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
SEPTEMBER 30, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL RISK-BASED CAPITAL	BILATERALLY		TOTAL CREDIT (%)	
						NETTED CURRENT CREDIT EXPOSURE	POTENTIAL FUTURE EXPOSURE	EXPOSURE FROM ALL CONTRACTS	TOTAL CREDIT EXPOSURE TO CAPITAL
1	JPMORGAN CHASE BANK NA	OH	\$1,826,387	\$75,351,583	\$133,405	\$196,668	\$183,748	\$380,416	285
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	134,991	93,752	169,641	263,393	195
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	155,908	71,318	219,775	291,093	187
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	20,018	36,353	124,075	160,428	801
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	21,956	10,890	33,030	43,920	200
6	WELLS FARGO BANK NA	SD	1,142,254	3,921,372	117,861	30,894	22,531	53,425	45
7	MORGAN STANLEY BANK NA	UT	66,793	2,064,468	10,007	1,089	8,659	9,748	97
8	STATE STREET BANK&TRUST CO	MA	203,490	1,469,244	13,488	15,582	14,685	30,267	224
9	BANK OF NEW YORK MELLON	NY	251,529	1,405,490	15,120	8,415	5,263	13,678	90
10	PNC BANK NATIONAL ASSN	DE	261,236	375,035	32,714	4,346	1,109	5,455	17
11	SUNTRUST BANK	GA	166,486	302,901	17,048	3,392	1,394	4,786	28
12	NORTHERN TRUST CO	IL	83,195	264,302	6,231	6,266	2,697	8,963	144
13	REGIONS BANK	AL	125,488	156,818	14,191	1,004	245	1,249	9
14	U S BANK NATIONAL ASSN	OH	319,449	112,089	31,901	1,672	217	1,889	6
15	TD BANK NATIONAL ASSN	DE	187,535	75,975	14,511	2,537	766	3,303	23
16	FIFTH THIRD BANK	OH	112,475	71,533	14,111	1,981	668	2,649	19
17	BRANCH BANKING&TRUST CO	NC	162,170	70,831	17,822	1,689	436	2,125	12
18	KEYBANK NATIONAL ASSN	OH	86,565	67,573	11,668	1,200	83	1,282	11
19	UNION BANK NATIONAL ASSN	CA	83,539	50,811	9,827	946	812	1,758	18
20	ALLY BANK	UT	79,376	44,081	13,333	190	219	409	3
21	RBS CITIZENS NATIONAL ASSN	RI	107,564	40,649	10,473	1,177	300	1,477	14
22	BOKF NATIONAL ASSN	OK	24,859	32,494	2,564	333	283	616	24
23	TD BANK USA NATIONAL ASSN	ME	13,404	32,151	1,206	967	381	1,348	112
24	DEUTSCHE BANK TR CO AMERICAS	NY	45,806	28,005	9,636	1,439	802	2,241	23
25	BMO HARRIS BANK NA	IL	94,206	27,607	10,084	762	275	1,037	10
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,519,086	\$247,590,827	\$840,074	\$494,861	\$792,094	\$1,286,955	153
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,495	360,714	298,274	9,326	2,617	11,943	4
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	1,138,348	504,186	794,711	1,298,898	114

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

EXPOSURES FROM OTHER ASSETS	EXPOSURE TO RISK
ALL COMMERCIAL BANKS	BASED CAPITAL
1-4 FAMILY MORTGAGES	159%
C&I LOANS	94%
SECURITIES NOT IN TRADING ACCOUNT	191%

Note: Total credit exposure is defined as the credit equivalent amount from derivative contracts (RC-R line 54), which is 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.

Note: Beginning in 2Q09, the methodology to calculate the Credit Risk Exposure to Capital ratio for the aggregated categories (Top 25, Other and Overall Total) was adjusted to a summing methodology.

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
SEPTEMBER 30, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL HELD FOR TRADING & MTM	% HELD FOR TRADING & MTM	TOTAL NOT FOR TRADING MTM	% NOT FOR TRADING MTM
1	JPMORGAN CHASE BANK NA	OH	\$1,826,387	\$69,151,676	\$68,912,077	99.7	\$239,599	0.3
2	CITIBANK NATIONAL ASSN	SD	1,300,674	52,604,725	52,292,492	99.4	312,233	0.6
3	BANK OF AMERICA NA	NC	1,466,417	50,058,506	47,684,443	95.3	2,374,062	4.7
4	GOLDMAN SACHS BANK USA	NY	104,514	45,902,411	45,895,235	100.0	7,176	0.0
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	3,738,920	3,700,918	99.0	38,002	1.0
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$221,456,238	\$218,485,165	98.7	\$2,971,073	1.3
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,834,121	9,487,756	87.6	1,346,365	12.4
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	232,290,359	227,972,921	98.1	4,317,438	1.9
<p>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: Numbers may not add due to rounding. Data source: Call Reports, schedule RC-L</p>								

TABLE 6

**GROSS FAIR VALUES OF DERIVATIVE CONTRACTS
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	\$1,809,428	\$1,766,226	\$9,796	\$2,951	\$196,579	\$192,472
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	1,060,343	1,044,452	9,130	11,209	104,253	97,510
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	1,347,226	1,337,295	98,579	98,784	145,810	141,616
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	883,989	833,483	642	5	17,541	16,679
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	86,492	86,652	75	1,840	18,396	17,882
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$236,977,398	\$5,187,478	\$5,068,107	\$118,222	\$114,789	\$482,579	\$466,159
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,974,144	196,718	198,502	28,175	15,849	7,649	7,274
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	5,384,197	5,266,609	146,396	130,638	490,228	473,434

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 here. 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.

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
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	\$7,808	\$5,337	\$87	\$1,155	\$452	\$777
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	2,688	1,287	880	80	(9)	450
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	1,591	922	199	143	44	282
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	706	(675)	672	0	0	709
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	(79)	77	(145)	125	41	(177)
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$236,977,398	\$12,714	\$6,948	\$1,693	\$1,504	\$528	\$2,041
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,974,144	402	(159)	902	31	37	(408)
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	13,116	6,789	2,595	1,534	565	1,633

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 exposures.

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

Note: Numbers may not sum due to rounding.

Data source: Call Reports, schedule RI

TABLE 8

NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	\$34,281,105	\$9,010,570	\$6,497,240	\$49,788,915	\$6,649,067	\$703,704	\$219,769	\$7,572,540
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	23,778,798	7,819,928	5,429,341	37,028,067	4,909,369	409,326	160,469	5,479,164
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	11,405,780	6,541,232	4,722,459	22,669,470	3,058,282	725,333	342,467	4,126,083
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	23,552,984	8,325,277	6,889,924	38,768,185	435,681	786,612	664,563	1,886,856
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	752,965	1,095,817	558,235	2,407,016	615,382	123,900	50,037	789,319
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$236,977,398	\$93,771,632	\$32,792,823	\$24,097,198	\$150,661,653	\$15,667,781	\$2,748,875	\$1,437,305	\$19,853,961
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,974,144	1,598,905	1,335,526	867,583	3,802,015	3,551,993	241,427	37,108	3,830,528
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	95,370,537	34,128,350	24,964,781	154,463,668	19,219,774	2,990,302	1,474,413	23,684,489

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: Numbers may not add due to rounding.

Data source: Call Reports, schedule RC-R

TABLE 9

**NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	GOLD MATURITY < 1 YR	GOLD MATURITY 1 - 5 YRS	GOLD MATURITY > 5 YRS	GOLD ALL MATURITIES	PREC METALS MATURITY < 1 YR	PREC METALS MATURITY 1 - 5 YRS	PREC METALS MATURITY > 5 YRS	PREC METALS ALL MATURITIES
1	JPMORGAN CHASE BANK NA	OH	\$1,826,387	\$75,351,583	\$83,097	\$32,144	\$631	\$115,872	\$16,222	\$2,913	\$90	\$19,225
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	694	0	0	694	67	1	0	68
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	0	0	0	0	5	0	0	5
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	0	0	0	0	0	0	0	0
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	28,761	739	0	29,500	8,130	1,614	22	9,766
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$236,977,398	\$112,552	\$32,883	\$631	\$146,066	\$24,423	\$4,528	\$112	\$29,064
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,974,144	93	86	0	179	0	0	0	0
TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	112,645	32,969	631	146,245	24,423	4,528	112	29,064

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: Numbers may not add due to rounding.

Data source: Call Reports, schedule RC-R

TABLE 10

**NOTIONAL AMOUNTS OF DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	\$207,784	\$189,063	\$25,270	\$422,117	\$222,244	\$145,349	\$43,464	\$411,057
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	40,433	17,037	973	58,443	97,342	48,273	28,422	174,037
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	4,771	737	0	5,508	27,880	18,347	15,403	61,629
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	13,396	0	0	13,396	0	24	76	100
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	161	0	0	161	6,897	7,365	4,313	18,575
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$236,977,398	\$266,545	\$206,837	\$26,243	\$499,625	\$354,363	\$219,358	\$91,677	\$665,399
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,974,144	30,547	21,710	2,142	54,399	20,996	22,616	6,066	49,678
TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	297,093	228,547	28,385	554,024	375,359	241,974	97,743	715,077

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: Numbers may not add due to rounding.

Data source: Call Reports, schedule RC-R

TABLE 11

**NOTIONAL AMOUNTS OF CREDIT DERIVATIVE CONTRACTS BY CONTRACT TYPE & MATURITY
TOP 5 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ 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	\$1,826,387	\$75,351,583	\$6,199,907	\$494,631	\$2,843,232	\$881,959	\$4,219,822	\$393,150	\$1,236,549	\$350,386	\$1,980,085
2	CITIBANK NATIONAL ASSN	SD	1,300,674	55,607,201	3,002,476	168,328	918,904	216,767	1,303,999	218,227	1,193,880	286,370	1,698,477
3	BANK OF AMERICA NA	NC	1,466,417	55,123,036	5,064,530	354,646	2,321,671	519,951	3,196,269	238,733	1,190,085	439,445	1,868,262
4	GOLDMAN SACHS BANK USA	NY	104,514	46,453,719	551,308	34,429	190,955	34,207	259,591	85,005	191,658	15,054	291,717
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	4,441,859	702,939	53,065	189,599	33,931	276,594	79,683	282,088	64,573	426,345
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,901,666	\$236,977,398	\$15,521,160	\$1,105,099	\$6,464,361	\$1,686,815	\$9,256,275	\$1,014,798	\$4,094,260	\$1,155,827	\$6,264,885
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,243,915	10,974,144	140,022	14,180	43,129	12,089	69,399	9,453	36,956	24,215	70,624
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	247,951,541	15,661,183	1,119,279	6,507,491	1,698,904	9,325,674	1,024,250	4,131,216	1,180,043	6,335,509

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: Numbers may not add due to rounding.

Note: Beginning in 2Q10, HSBC replaced Wells Fargo as one of the top five commercial banks in derivatives. See Table 1.

Data source: Call Reports, schedule RC-L and RC-R

TABLE 12

**DISTRIBUTION OF CREDIT DERIVATIVE CONTRACTS
TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES
SEPTEMBER 30, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL CREDIT DERIVATIVES	TOTAL CREDIT DERIVATIVES				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	\$1,826,387	\$69,151,676	\$6,199,907	\$3,069,938	\$3,129,969	\$3,027,703	\$14,931	\$17,724	\$9,580	\$3,035,539	\$314	\$17,394	\$76,722
2	CITIBANK NATIONAL ASSN	SD	1,300,674	52,604,725	3,002,476	1,551,949	1,450,527	1,517,593	27,815	6,541	0	1,437,144	4,566	8,817	0
3	BANK OF AMERICA NA	NC	1,466,417	50,058,506	5,064,530	2,555,133	2,509,397	2,533,223	416	21,494	0	2,489,474	1,554	18,370	0
4	GOLDMAN SACHS BANK USA	NY	104,514	45,902,411	551,308	325,334	225,974	260,149	4,410	4,168	56,607	218,444	4,434	3,089	7
5	HSBC BANK USA NATIONAL ASSN	VA	203,675	3,738,920	702,939	343,281	359,658	330,358	12,923	0	0	342,423	17,235	0	0
6	WELLS FARGO BANK NA	SD	1,142,254	3,829,231	92,141	46,333	45,808	42,678	150	0	3,505	41,430	385	0	3,993
7	MORGAN STANLEY BANK NA	UT	66,793	2,040,486	23,982	21,705	2,277	21,705	0	0	0	2,277	0	0	0
8	STATE STREET BANK&TRUST CO	MA	203,490	1,469,139	105	105	0	105	0	0	0	0	0	0	0
9	BANK OF NEW YORK MELLON	NY	251,529	1,405,019	471	469	2	469	0	0	0	2	0	0	0
10	PNC BANK NATIONAL ASSN	DE	261,236	371,462	3,572	1,740	1,832	330	0	0	1,410	164	0	0	1,668
11	SUNTRUST BANK	GA	166,486	299,346	3,555	1,994	1,562	614	1,378	0	1	177	1,378	0	6
12	NORTHERN TRUST CO	IL	83,195	264,217	86	86	0	86	0	0	0	0	0	0	0
13	REGIONS BANK	AL	125,488	156,195	623	115	508	0	0	0	115	0	0	0	508
14	U S BANK NATIONAL ASSN	OH	319,449	109,525	2,563	870	1,693	413	0	0	458	250	0	0	1,443
15	TD BANK NATIONAL ASSN	DE	187,535	74,150	1,825	1,766	59	1,766	0	0	0	59	0	0	0
16	FIFTH THIRD BANK	OH	112,475	70,515	1,017	296	722	0	0	0	296	0	0	0	722
17	BRANCH BANKING&TRUST CO	NC	162,170	70,831	0	0	0	0	0	0	0	0	0	0	0
18	KEYBANK NATIONAL ASSN	OH	86,565	64,622	2,951	1,557	1,394	1,557	0	0	0	1,269	125	0	0
19	UNION BANK NATIONAL ASSN	CA	83,539	50,751	60	0	60	0	0	0	0	0	60	0	0
20	ALLY BANK	UT	79,376	44,081	0	0	0	0	0	0	0	0	0	0	0
21	RBS CITIZENS NATIONAL ASSN	RI	107,564	39,769	881	0	881	0	0	0	0	0	0	0	881
22	BOKF NATIONAL ASSN	OK	24,859	32,494	0	0	0	0	0	0	0	0	0	0	0
23	TD BANK USA NATIONAL ASSN	ME	13,404	32,151	0	0	0	0	0	0	0	0	0	0	0
24	DEUTSCHE BANK TR CO AMERICAS	NY	45,806	24,057	3,948	3,948	0	0	3,948	0	0	0	0	0	0
25	BMO HARRIS BANK NA	IL	94,206	27,513	93	51	42	3	0	0	48	4	0	0	38
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,519,086	\$231,931,793	\$15,659,034	\$7,926,670	\$7,732,364	\$7,738,751	\$65,971	\$49,927	\$72,021	\$7,568,656	\$30,050	\$47,670	\$85,988
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,495	358,565	2,149	1,289	860	30	55	0	1,204	46	0	0	814
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			11,145,581	232,290,359	15,661,183	7,927,958	7,733,224	7,738,781	66,026	49,927	73,224	7,568,703	30,050	47,670	86,802
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	50.6	49.4	49.4	0.4	0.3	0.5	48.3	0.2	0.3	0.5
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	50.6	49.4	49.4	0.4	0.3	0.5	48.3	0.2	0.3	0.6

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