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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 First Quarter 2011**

### **Executive Summary**

- U.S. commercial banks reported trading revenues of \$7.4 billion in the first quarter, 10% lower than \$8.3 billion in the first quarter of 2010. Trading revenues in the first quarter of 2011 were 113% higher than in the fourth quarter of 2010.
- Trading risk exposure, as measured by value-at-risk (VaR), has declined for each of the five major dealers on a year-over-year basis. Aggregate average VaR at these banking companies has fallen 21%, from \$852 million in the fourth quarter of 2010, to \$677 million.
- Credit exposure from derivatives decreased in the first quarter. Net current credit exposure fell 6% or \$23 billion from the fourth quarter of 2010, to \$353 billion.
- The notional value of derivatives held by U.S. commercial banks increased \$12.8 trillion, or 5.5%, from the fourth quarter of 2010 to \$244 trillion. The notional value of derivatives is 12.7% higher than a year ago.
- Derivative contracts remain concentrated in interest rate products, which comprise 82% of total derivative notional values. Credit derivatives, which represent 6.1% of total derivatives notionals, increased 5.3% to \$14.9 trillion.

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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 1,047 insured U.S. commercial banks reported derivatives activities at the end of the first quarter, a decrease of 23 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 83% 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, operation, 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 commercial banks reported \$7.4 billion in trading revenues in the first quarter, 10% lower than \$8.3 billion in the first quarter of 2010, but 113% higher than \$3.5 billion in the fourth quarter of 2010. First quarter 2011 revenues were the third highest on record, trailing only the first quarters of both 2009 and 2010. Typically, trading revenues in the first quarter are the strongest of the year, as business demand and trading volume increase from the seasonally slow year-end period. Credit adjusted values of derivative payables and receivables had a minimal impact on trading revenues in the first quarter. Adjustments to the fair value of

derivative receivables and payables, which reflect changes to both bank and counterparty credit spreads, were volatile, as evidenced in prior quarters and during the financial crisis. These adjustments can also have a material impact on overall trading revenues, especially when trading results are weak.

Relative to the fourth quarter, strong first quarter revenue was the result of a sharp rebound in credit trading revenues, which increased \$2.2 billion (457%) to \$1.7 billion. Interest rate and FX trading are closely aligned, as dealers often use interest rate contracts to hedge FX risk. Therefore, it is useful to view these categories together. Combined interest rate and FX revenues of \$4.6 billion in the first quarter were \$1.2 billion (37%) higher than \$3.4 billion in the fourth quarter.

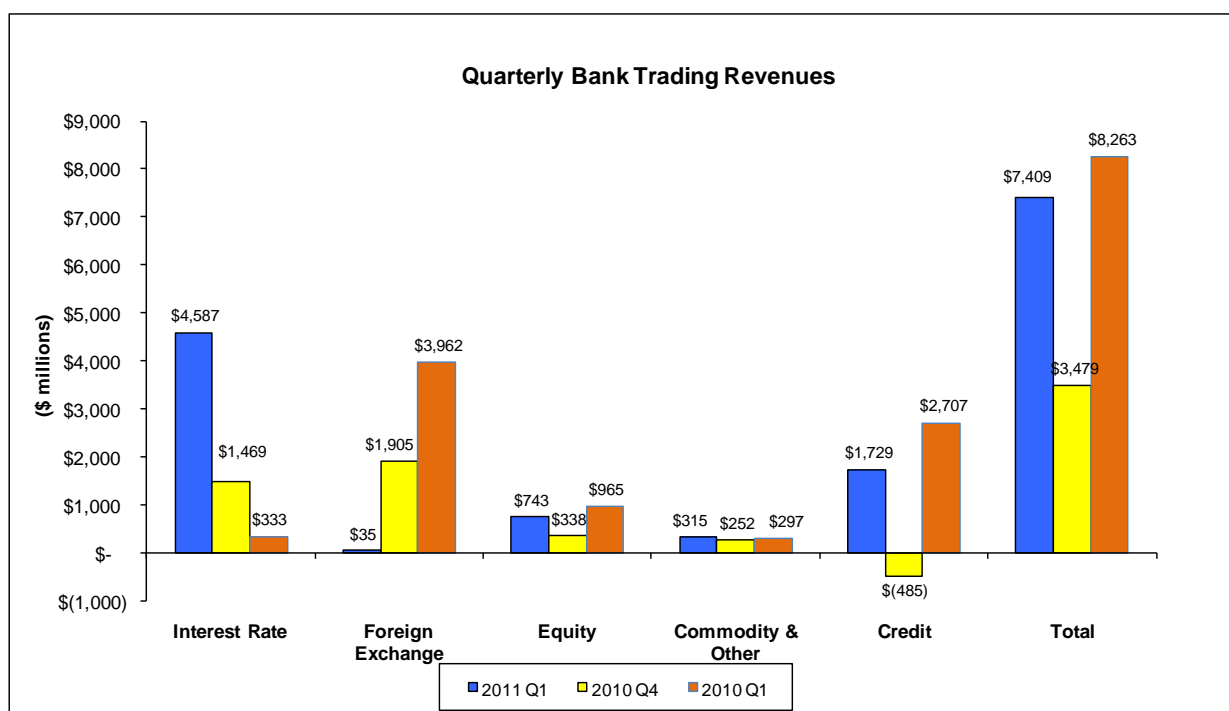
The weaker revenue performance in the first quarter of 2011, compared to the first quarter of 2010, results from the relative absence of write-ups on legacy credit assets. As noted below, this factor is more pronounced at the bank holding company level. Credit trading revenues in the first quarter of 2011 were \$978 million below the first quarter of 2010, more than explaining the \$854 million revenue difference between the two quarters.

### Commercial Bank Trading Revenue

Bank Trading Revenue \$ in millions	Q1 '11	Q4 '10	Change Q1'11 vs. Q4'10	% Change Q1'11 vs. Q4'10	Q1 '10	Change Q1'11 vs. Q1'10	% Change Q1'11 vs. Q1'10
Interest Rate	4,587	1,469	3,118	212%	333	4,255	1279%
Foreign Exchange	35	1,905	(1,870)	-98%	3,962	(3,927)	-99%
Equity	743	338	405	120%	965	(222)	-23%
Commodity & Other	315	252	63	25%	297	18	6%
Credit	1,729	(485)	2,214	457%	2,707	(978)	-36%
<b>Total Trading Revenues</b>	<b>7,409</b>	<b>3,479</b>	<b>3,930</b>	<b>113%</b>	<b>8,263</b>	<b>(854)</b>	<b>-10%</b>

Bank Trading Revenue \$ in millions	2011 Q1	Avg Past 12 Q1's	ALL Quarters Since Q4, 1996			Past 8 Quarters		
			Avg	Hi	Low	Avg	Hi	Low
Interest Rate	4,587	2,409	1,322	9,099	(3,420)	2,015	5,451	(1,188)
Foreign Exchange	35	1,747	1,488	4,261	(1,535)	1,534	4,261	(1,535)
Equity	743	852	391	1,829	(1,229)	352	965	(279)
Commodity & Other	315	194	148	789	(320)	256	446	(25)
Credit*	1,729	N/A	N/A	2,707	(11,780)	1,187	2,707	(485)
<b>Total Trading Revenues</b>	<b>7,409</b>					<b>5,344</b>		

\*Credit trading revenues became reportable in Q1, 2007. 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 Revenues<sup>1</sup>

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 below, consolidated holding company trading revenues of \$20.7 billion in the first quarter of 2011 were 25% lower (\$6.8 billion) than the first quarter of 2010, but 175% higher (\$13.2 billion) than \$7.5 billion in the fourth quarter of 2010. Compared to the fourth quarter, trading revenues were higher across-the-board, led by combined interest rate and FX revenues, which increased \$5.0 billion to \$7.6 billion, and credit revenues, which rose \$4.8 billion to \$5.1 billion.

During the financial crisis, some dealer banks incurred very large losses on certain illiquid credit assets. As the economy recovered, dealers recorded gains as prices on these legacy assets improved. Because legacy assets were largely held in the holding company, the impact on trading revenues over the past several years is more pronounced at the bank holding company than at the insured commercial bank. The relative absence of these write-ups in 2011, compared to both 2009 and 2010, explains the difference in trading revenues in these periods. For example, credit trading revenues of \$5.1 billion in 2011's first quarter were \$7.3 billion less than in the same quarter in 2010, more than explaining the \$6.8 billion difference in trading revenues between the two quarters.

Holding Co. Trading Revenue			Change	% Change		Change	% Change
\$ in millions	Q1 '11	Q4 '10	Q1'11 vs. Q4'10	Q1'11 vs. Q4'10	Q1 '10	Q1'11 vs. Q1'10	Q1'11 vs. Q1'10
Interest Rate	6,893	(1,595)	8,488	532%	2,483	4,410	178%
Foreign Exchange	706	4,194	(3,488)	-83%	5,932	(5,226)	-88%
Equity	5,302	3,035	2,267	75%	4,676	626	13%
Commodity & Other	2,708	1,622	1,086	67%	2,025	683	34%
Credit	5,119	271	4,848	1791%	12,374	(7,255)	-59%
<b>Total HC Trading Revenues</b>	<b>20,728</b>	<b>7,526</b>	<b>13,202</b>	<b>175%</b>	<b>27,489</b>	<b>(6,761)</b>	<b>-25%</b>

<sup>1</sup> 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 the next three paragraphs, as well as the data in Table 2.

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.

In the first quarter, bank trading revenues were 36% of consolidated company trading revenues, compared to 46% in the fourth quarter. The decline in the bank contribution to holding company revenues is attributable to stronger equity, credit, and commodity revenue at the consolidated company level. Equity and commodity trading revenues are a much bigger component of trading revenues at the consolidated company than at the bank.

## **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			
	Q1 2011	Q4 2010	Change	%Change	Q1 2011	Q4 2010	Change	%Change
<b>Interest Rates</b>	2,784	3,306	(521)	-16%	2,692	3,214	(522)	-16%
<b>FX</b>	458	448	10	2%	449	435	14	3%
<b>Equity</b>	74	67	7	11%	73	69	3	5%
<b>Commodity</b>	69	53	16	30%	70	54	16	29%
<b>Credit</b>	302	324	(22)	-7%	292	310	(18)	-6%
<b>Total</b>	3,687	4,198	(510)	-12%	3,576	4,082	(506)	-12%

Gross positive fair values (i.e., derivatives receivables) declined 12%, or \$510 billion, to \$3.7 trillion in the first quarter. Receivables from interest rate contracts, which make up 76% of gross derivatives receivables (and hence are the dominant source of credit exposure), fell 16%, or \$521 billion, explaining the entire decrease in gross derivatives receivables. Receivables on interest rate derivatives fell due to higher interest rates. Gross negative fair values (i.e., derivatives payables) declined 12%, or \$506 billion, to \$3.6 trillion. A \$522 billion decline in payables on interest rate contracts explains the entire change in derivatives payables.

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 U.S. commercial banks decreased 6% (\$23 billion) to \$353 billion in the first quarter, as gross receivables (GPFV) fell faster than netting benefits. NCCE peaked at \$800 billion at the end of 2008, when, during the financial crisis, interest rates were very low and credit spreads were very high. Legally enforceable netting agreements allowed banks to reduce GPFV exposures by 90.4% in the first quarter, the second consecutive decline in this metric since it peaked at 92.1% set in the third quarter of 2010.

\$ in billions	Q111	Q410	Change	%
Gross Positive Fair Value (GPFV)	3,687	4,198	(510)	-12%
Netting Benefits	3,335	3,822	(487)	-13%
Netted Current Credit Exposure (NCCE)	353	375	(23)	-6%
Potential Future Exposure (PFE)	814	764	50	6%
Total Credit Exposure (TCE)	1,166	1,140	26	2%
Netting Benefit %	90.4%	91.1%	-0.6%	-1%
10 Year Interest Swap Rate	3.57%	3.41%	0.16%	5%
Dollar Index Spot	75.9	79.0	(3.2)	-4%
Credit Derivative Index - North America Inv Grade	95.5	85.2	10.3	12%
Credit Derivative Index - High Volatility	154.1	132.5	21.6	16%
Russell 3000 Index Fund (RAY)	793.9	749.5	44	6%
Dow Jones-UBS Commodity Index (DJUBS)	169.6	162.4	7	4%

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 increased 6% in the first quarter to \$814 billion, largely due to notional increases in credit and interest rate derivatives. The total credit exposure (PFE plus the net current credit exposure) increased 2% in the first quarter to \$1.2 trillion.

The distribution of NCCE in the banking system is concentrated in banks/securities firms (59%) and corporations (35%). Exposure to hedge funds, sovereign governments and monoline financial firms is very small (6% 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 1% share of NCCE to monolines, banks suffered material losses on these exposures during the credit crisis.

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	59%	1%	2%	3%	35%	100%
Top 5 Commercial Banks	62%	0%	2%	4%	32%	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.

Banks held collateral against 72% of total NCCE at the end of the first quarter, the same as in the fourth quarter of 2010. Credit exposures to banks/securities firms and hedge funds are very well secured. Banks held collateral against 93% of their current exposure to banks and securities firms, unchanged from the fourth quarter, and 302% (vs. 246% in Q4 '10) of their exposure to hedge funds. The high coverage of hedge fund exposures occurs because banks take "initial margin" on transactions with hedge funds, in addition to fully securing any current credit exposure. Coverage of corporate, monoline and sovereign exposures is much less.

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	93%	1%	302%	5%	36%	72%

Collateral quality held by banks is very high and liquid, with 79% held in cash (both U.S. dollar and non-dollar), and an additional 8% 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 (%)	51.1%	28.1%	2.3%	5.3%	1.3%	0.9%	11.0%	100.0%

Consistent with the stabilized economy and improving credit markets, key derivative credit performance metrics improved in the first quarter, as both past due derivative contracts and charge-offs declined. The fair value of derivatives contracts past due 30 days or more declined 22% to \$42 million, or 0.01% of NCCE. Banks charged-off \$74 million in derivatives receivables in the first quarter, down from \$111 million in the fourth quarter. In the first quarter, 24 banks reported charge-offs of derivatives exposures, up from 15 in the fourth quarter. Charge-offs peaked at a record \$847 million in the fourth quarter of 2008, at the height of the financial crisis. Charge-offs in the first quarter of 2011 represented 0.02% of the net current credit exposure from derivative contracts, down from the 0.03% from the fourth quarter of 2010. [See Graph 5c.] For comparison purposes, Commercial and Industrial (C&I) loan net charge-offs fell 25%, or \$997 million, in the first quarter. Net C&I charge-offs were 0.27% of total C&I loans in the first quarter, down from 0.36% in the fourth quarter.

The low incidence of charge-offs on derivatives relative to C&I exposures (0.02% vs. 0.27%) 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 daily, typically by cash and/or government securities.

## **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 Q1'11	\$64	\$195	\$184	\$113	\$121
Average VaR Q1'10	\$72	\$200	\$276	\$161	\$143
Change in Avg VaR Q1'11 vs Q1'10	(\$8)	(\$5)	(\$92)	(\$48)	(\$22)
% Change in Avg VaR Q1'11 vs Q1'10	-11%	-3%	-33%	-30%	-15%
03-31-11 Equity Capital	\$180,598	\$171,037	\$230,876	\$72,469	\$58,186
2010 Net Income	\$17,370	\$10,602	(\$2,238)	\$8,354	\$4,703
Avg VaR Q1'11 / Equity	0.04%	0.1%	0.1%	0.2%	0.2%
Avg VaR Q1'11 / 2010 Net Income	0.4%	1.8%	-8.2%	1.4%	2.6%

Data Source: 10K & 10Q SEC Reports.

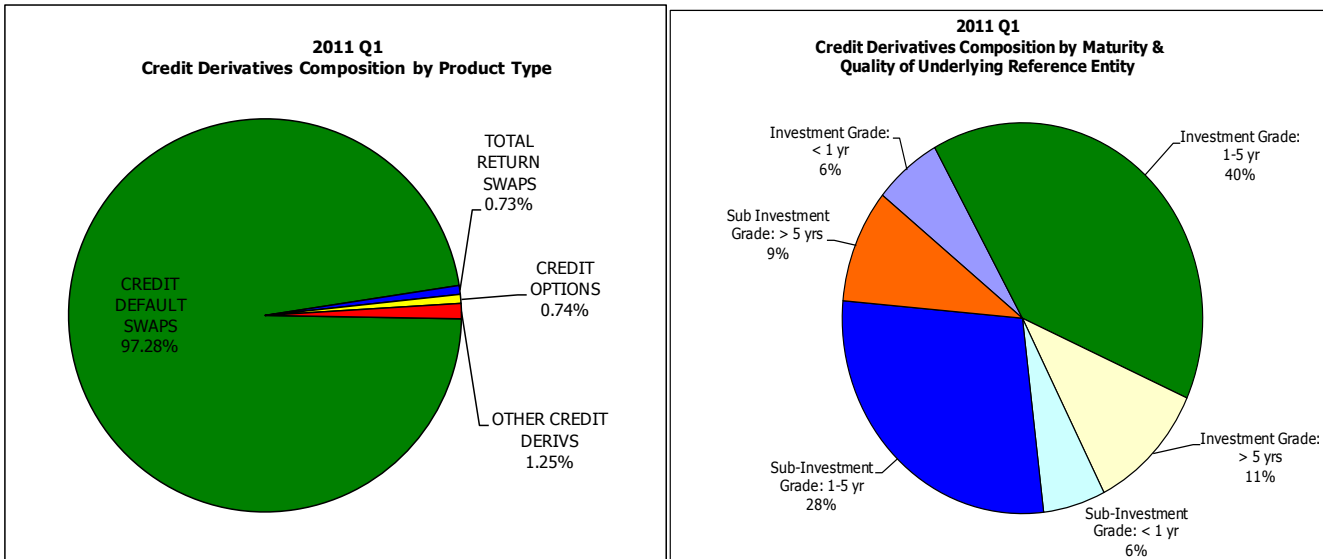
The large trading banks disclose average VaR data in published financial reports. To provide perspective on the market risk of trading activities, it is useful to compare the VaR numbers over time, and to equity capital and net income. As shown in the table above, market risks reported by the five largest trading banks, 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. Recently, however, as more normal market conditions emerged and volatility declined, bank VaR measures have trended lower.

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.

## **Credit Derivatives**

Credit derivatives rose 5.3% in the first quarter to \$14.9 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 40% of all credit derivatives notionals, flat from the fourth quarter of 2010. Contracts of all tenors that reference investment grade entities are 57% of the market, compared to 56% in the fourth quarter. [See chart on right above.]

The notional amount for the 36 U.S. commercial banks that sold credit protection (i.e., assumed credit risk) was \$7.4 trillion, up 5.4% (\$376 billion) from the fourth quarter. The notional amount for the 31 banks that purchased credit protection (i.e., hedged credit risk) was \$7.5 trillion, an increase of 5.2% (\$372 billion). [See Tables 1, 3, 11 and 12 and Graphs 2, 3 and 4.]

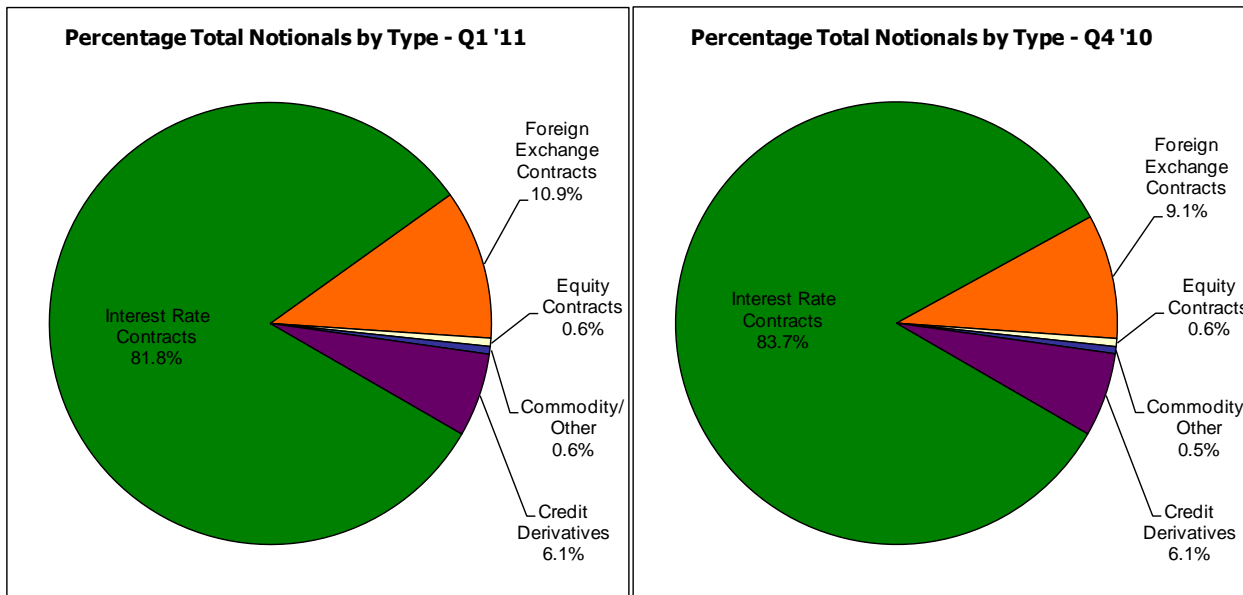
**Notionals**

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 U.S. commercial banks in the first quarter increased by \$12.8 trillion (5.5%) to \$244 trillion from fourth quarter 2010. During 2010 derivative notionals increased 9%.

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	Q1 '11	Q4 '10	\$ Change	% Change	% of Total Derivatives
Interest Rate Contracts	199,532	193,482	6,050	3%	81.8%
Foreign Exchange Contracts	26,712	20,990	5,722	27%	10.9%
Equity Contracts	1,471	1,364	107	8%	0.6%
Commodity/Other	1,377	1,195	182	15%	0.6%
Credit Derivatives	14,899	14,150	748	5.3%	6.1%
<b>Total</b>	<b>243,991</b>	<b>231,181</b>	<b>12,810</b>	<b>5.5%</b>	<b>100%</b>

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

\$ in billions	Q1'11	Q4'10	\$ Change	% Change	% of Total Derivatives
Futures & Forwards	39,081	35,709	3,372	9%	16%
Swaps	152,736	149,247	3,489	2%	63%
Options	37,275	32,075	5,200	16%	15%
Credit Derivatives	14,899	14,150	748	5%	6%
<b>Total</b>	<b>243,991</b>	<b>231,181</b>	<b>12,810</b>	<b>5.5%</b>	<b>100%</b>

## **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.

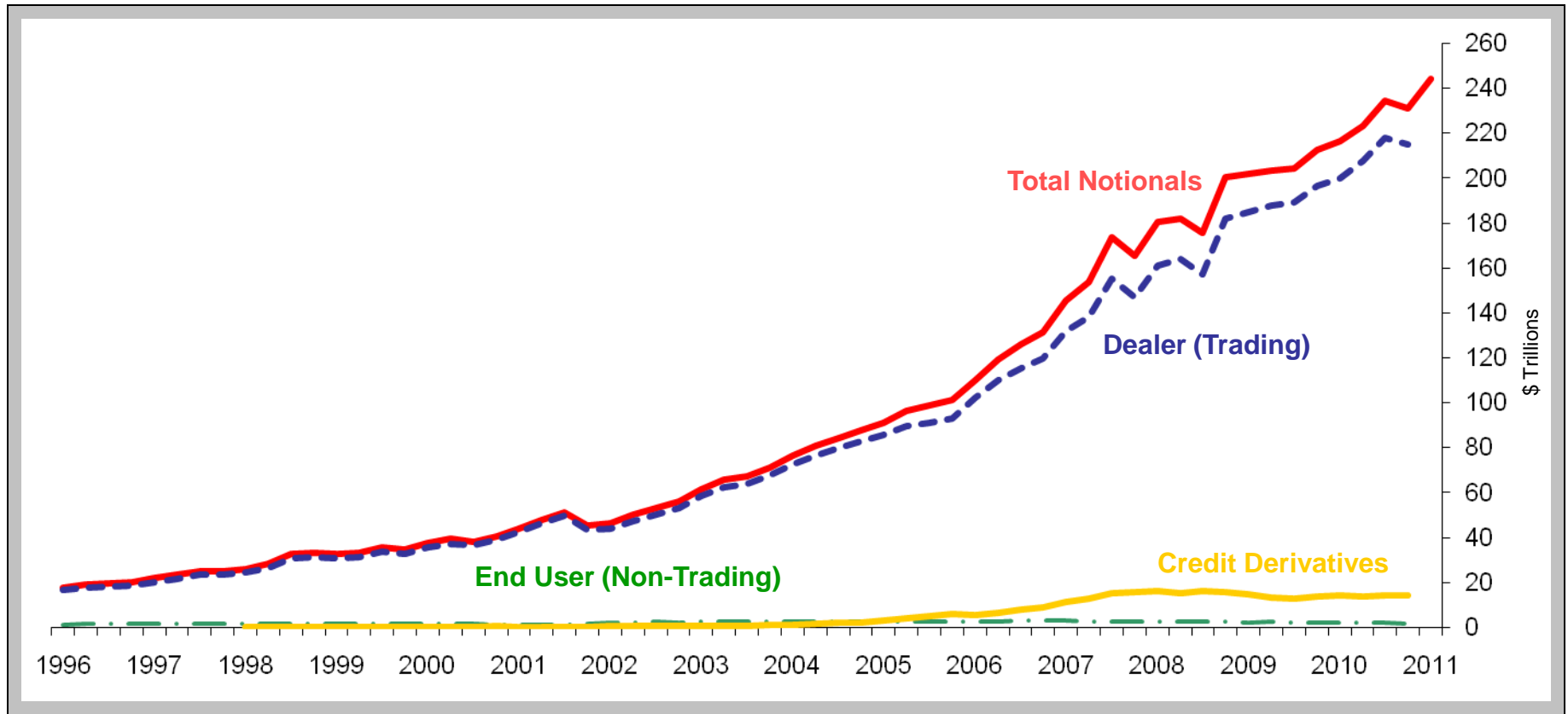
**Potential Future Exposure (PFE):** An estimate of what the current credit exposure (CCE) could be over time, based upon a supervisory formula in the agencies' risk-based capital rules. PFE is generally determined by multiplying the notional amount of the contract by a credit conversion factor that 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 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
<b>Total Derivative Notionals</b>	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
<b>Dealer (Trading)</b>	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
<b>End User (Non-Trading)</b>	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
<b>Credit Derivatives</b>	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

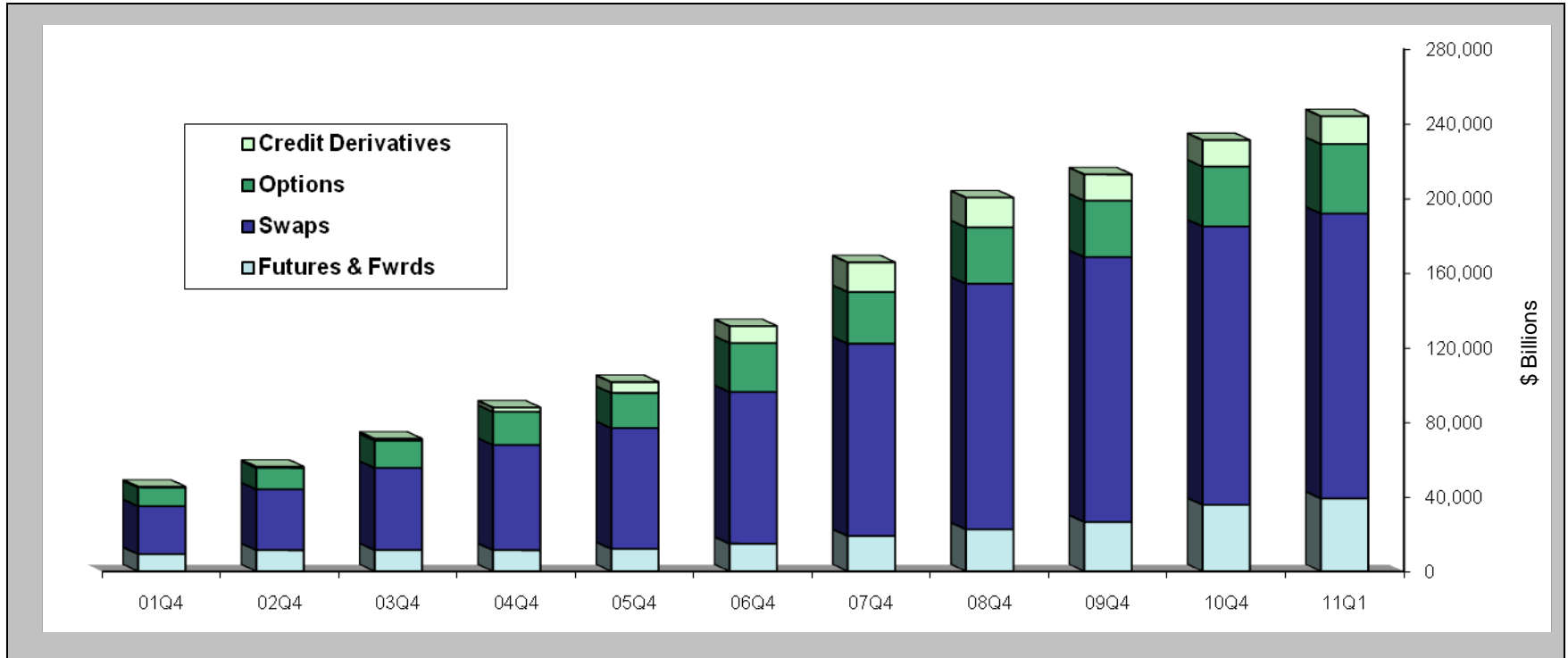
Note: Numbers may not add due to rounding. Total derivative notionals are now reported after including credit derivatives, for which regulatory reporting does not differentiate between trading and non-trading.

Data Source: Call Reports.

# Derivative Contracts by Product

## All Commercial Banks

### Year-ends 2001 – 2010, Quarterly 2011



\$ in Billions	01Q4	02Q4	03Q4	04Q4	05Q4	06Q4	07Q4	08Q4	09Q4	10Q4	11Q1
<b>Futures &amp; Fwrds</b>	9,313	11,374	11,393	11,373	12,049	14,877	18,967	22,512	26,493	35,709	<b>39,081</b>
<b>Swaps</b>	25,645	32,613	44,083	56,411	64,738	81,328	103,090	131,706	142,011	149,247	<b>152,736</b>
<b>Options</b>	10,032	11,452	14,605	17,750	18,869	26,275	27,728	30,267	30,267	32,075	<b>37,275</b>
<b>Credit Derivatives</b>	395	635	1,001	2,347	5,822	9,019	15,861	15,897	14,036	14,150	<b>14,899</b>
<b>TOTAL</b>	45,386	56,074	71,082	87,880	101,478	131,499	165,645	200,382	212,808	231,181	<b>243,991</b>

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

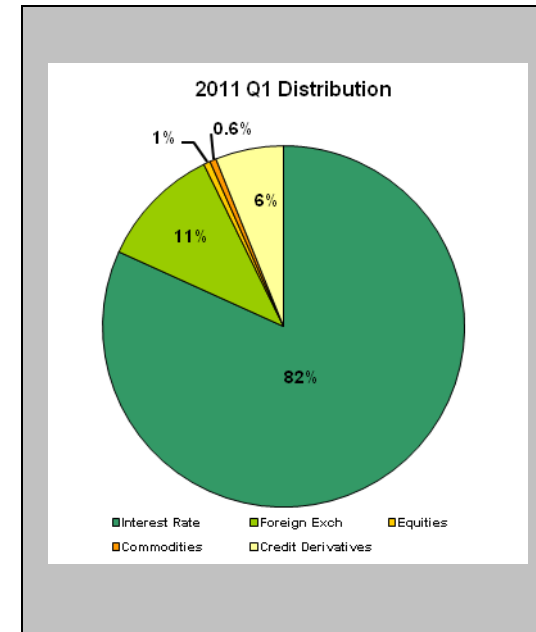
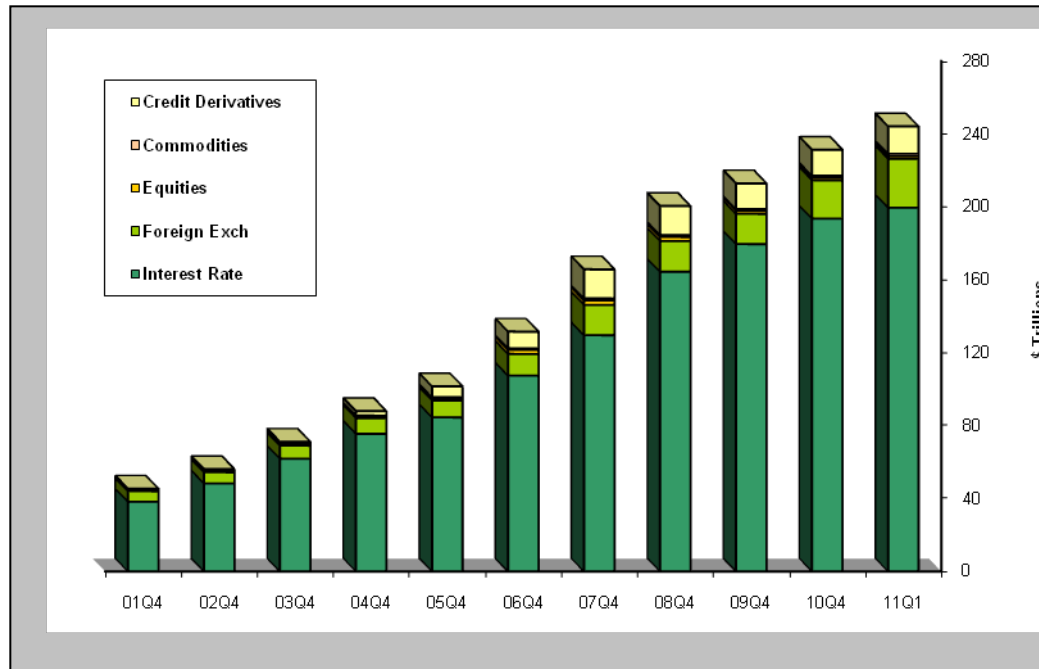
Note: Numbers may not add due to rounding.

Data Source: Call Reports

# Derivative Contracts by Type

## All Commercial Banks

### Year-ends 2001 – 2010, Quarterly 2011



\$ in Billions	01Q4	02Q4	03Q4	04Q4	05Q4	06Q4	07Q4	08Q4	09Q4	10Q4	11Q1
<b>Interest Rate</b>	38,305	48,347	61,856	75,518	84,520	107,415	129,574	164,404	179,555	193,482	<b>199,532</b>
<b>Foreign Exch</b>	5,736	6,076	7,182	8,607	9,282	11,900	16,614	16,824	16,553	20,990	<b>26,712</b>
<b>Equities</b>	770	783	829	1,120	1,255	2,271	2,522	2,207	1,685	1,364	<b>1,471</b>
<b>Commodities</b>	179	233	214	289	598	893	1,073	1,050	979	1,195	<b>1,377</b>
<b>Credit Derivatives</b>	395	635	1,001	2,347	5,822	9,019	15,861	15,897	14,036	14,150	<b>14,899</b>
<b>TOTAL</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>200,382</b>	<b>212,808</b>	<b>231,181</b>	<b>243,991</b>

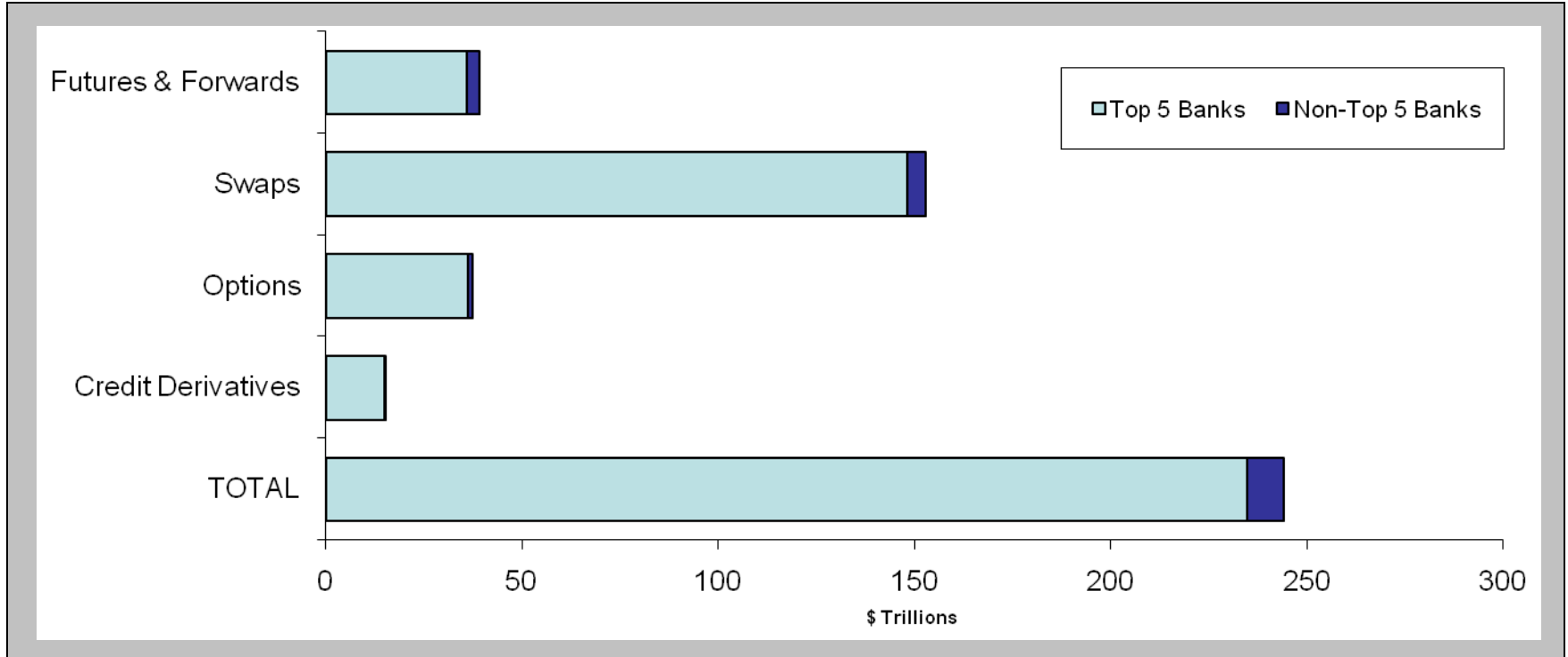
\*In billions of dollars, notional amount of total: futures, exchange traded options, over the counter options, forwards, and swaps.

As of Q206 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

## All Commercial Banks, First Quarter 2011



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

	\$		%		\$		%	
	Top 5 Bks	Tot Derivs	Non-Top 5 Bks	Tot Derivs	All Bks	Tot Derivs	All Bks	Tot Derivs
<b>Futures &amp; Fwrds</b>	35,764	14.7	3,318	1.4	39,081	16.0	39,081	16.0
<b>Swaps</b>	148,074	60.7	4,663	1.9	152,736	62.6	152,736	62.6
<b>Options</b>	36,071	14.8	1,204	0.5	37,275	15.3	37,275	15.3
<b>Credit Derivatives</b>	14,757	6.0	142	0.1	14,899	6.1	14,899	6.1
<b>TOTAL</b>	234,665	96.2	9,327	3.8	243,991	100.0	243,991	100.0

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

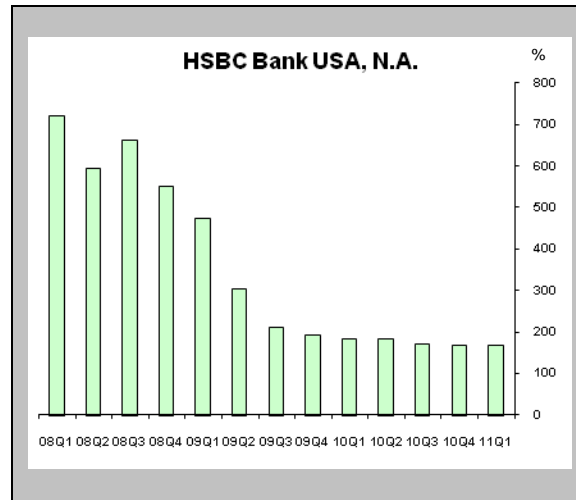
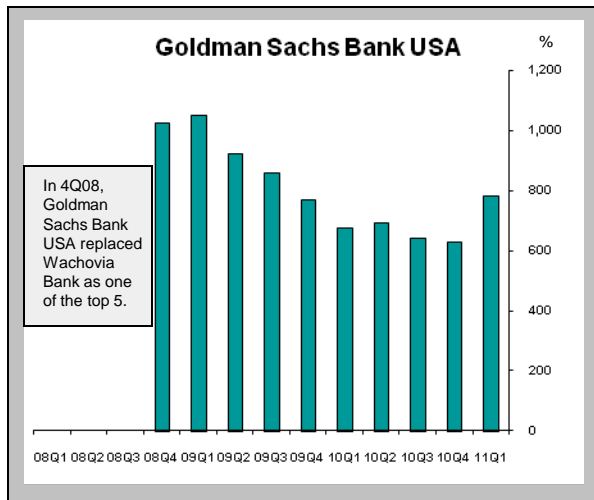
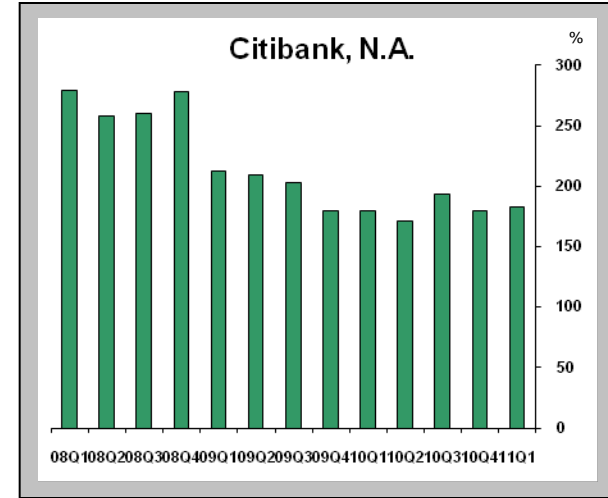
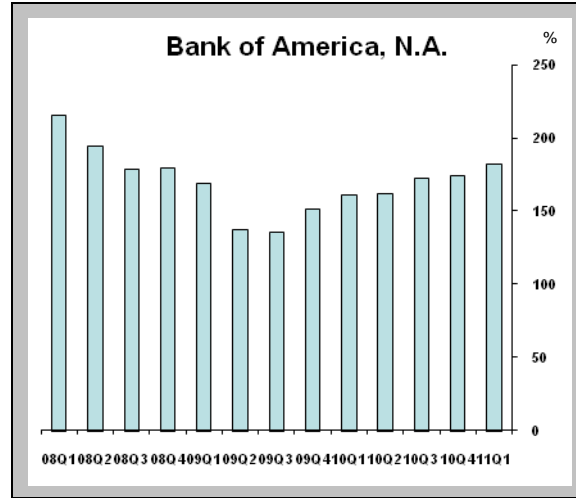
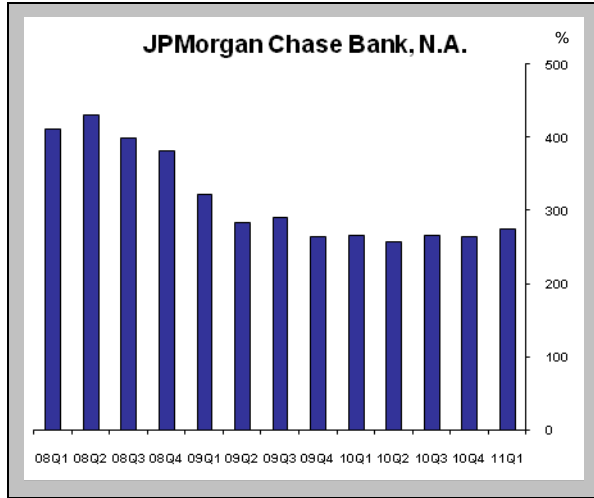
In 1Q11, HSBC replaced Wells Fargo as one of the top five commercial banks in derivatives. See Table 1.

Data Source: Call Reports

# Percentage of Total Credit Exposure to Risk Based Capital

## Top 5 Commercial Banks by Derivative Holdings

### 2008 Q1 - 2011 Q1



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

(%)	JPMC Bank	Bank of America	Citi-bank	Goldman Sachs Bank	HSBC	Top 5 Banks
08Q1	412	215	279		721	287
08Q2	430	194	258		595	274
08Q3	400	178	260		664	275
08Q4	382	179	278	1024	550	330
09Q1	323	169	213	1048	475	286
09Q2	283	137	209	921	304	207
09Q3	290	135	203	858	213	311
09Q4	265	151	180	766	192	284
10Q1	266	161	180	672	185	267
10Q2	257	162	171	690	183	293
10Q3	267	172	194	638	172	289
10Q4	265	174	180	629	167	261
<b>11Q1</b>	<b>275</b>	<b>182</b>	<b>183</b>	<b>781</b>	<b>168</b>	<b>318</b>

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

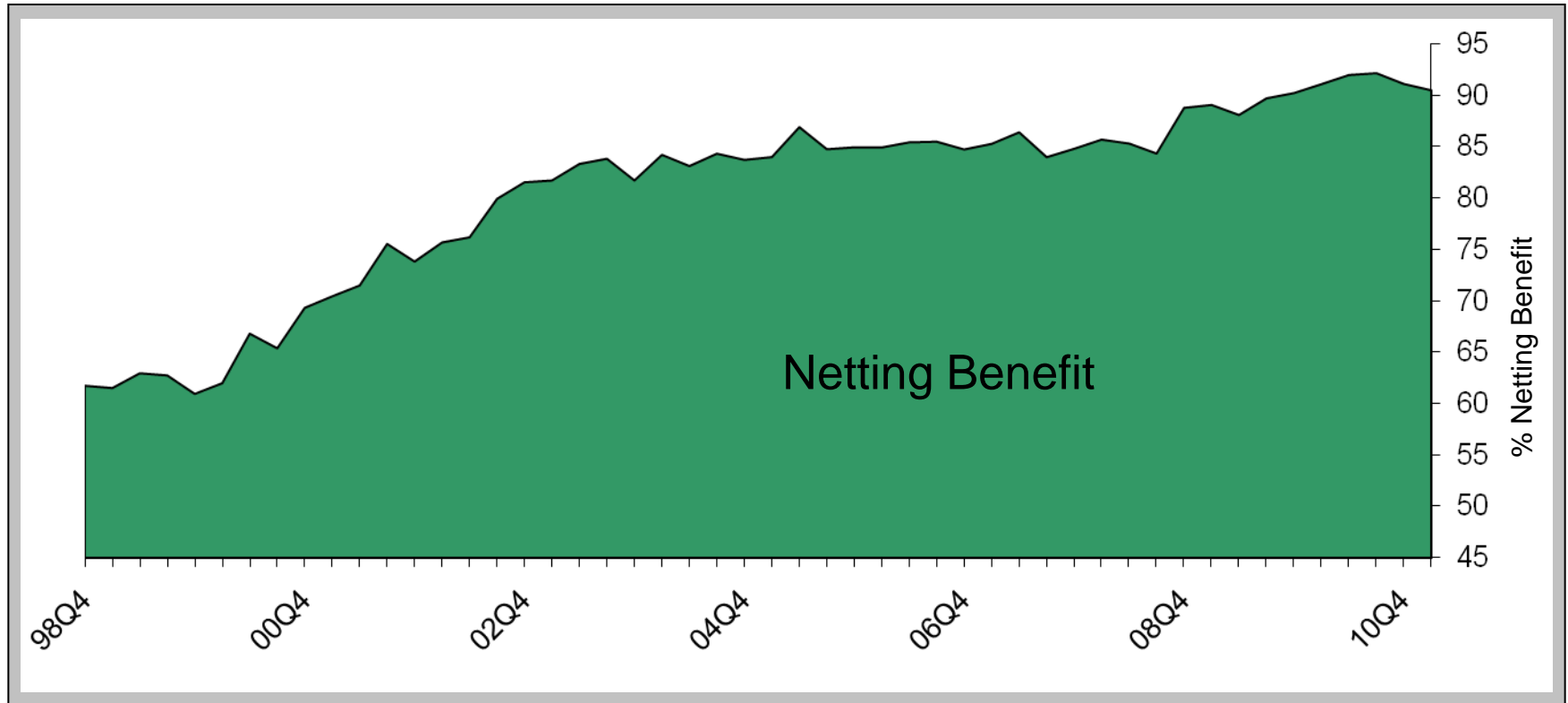
Beginning in the 2Q09, the methodology to calculate the Credit Risk Exposure to Capital ratio for the Top 5 category was adjusted to a summing methodology.

Data Source: Call Reports

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

All Commercial Banks with Derivatives

1998 Q1 – 2011 Q1



## Netting Benefit (%)\*

98Q1	98Q2	98Q3	98Q4	99Q1	99Q2	99Q4	99Q4	00Q1	00Q2	00Q3	00Q4	01Q1	01Q2	01Q3	01Q4
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
02Q1	02Q2	02Q3	02Q4	03Q1	03Q2	03Q3	03Q4	04Q1	04Q2	04Q3	04Q4	05Q1	05Q2	05Q3	05Q4
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
06Q1	06Q2	06Q3	06Q4	07Q1	07Q2	07Q3	07Q4	08Q1	08Q2	08Q3	08Q4	09Q1	09Q2	09Q3	09Q4
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
10Q1	10Q2	10Q3	10Q4	11Q1											
91.0	91.9	92.1	91.1	90.4											

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

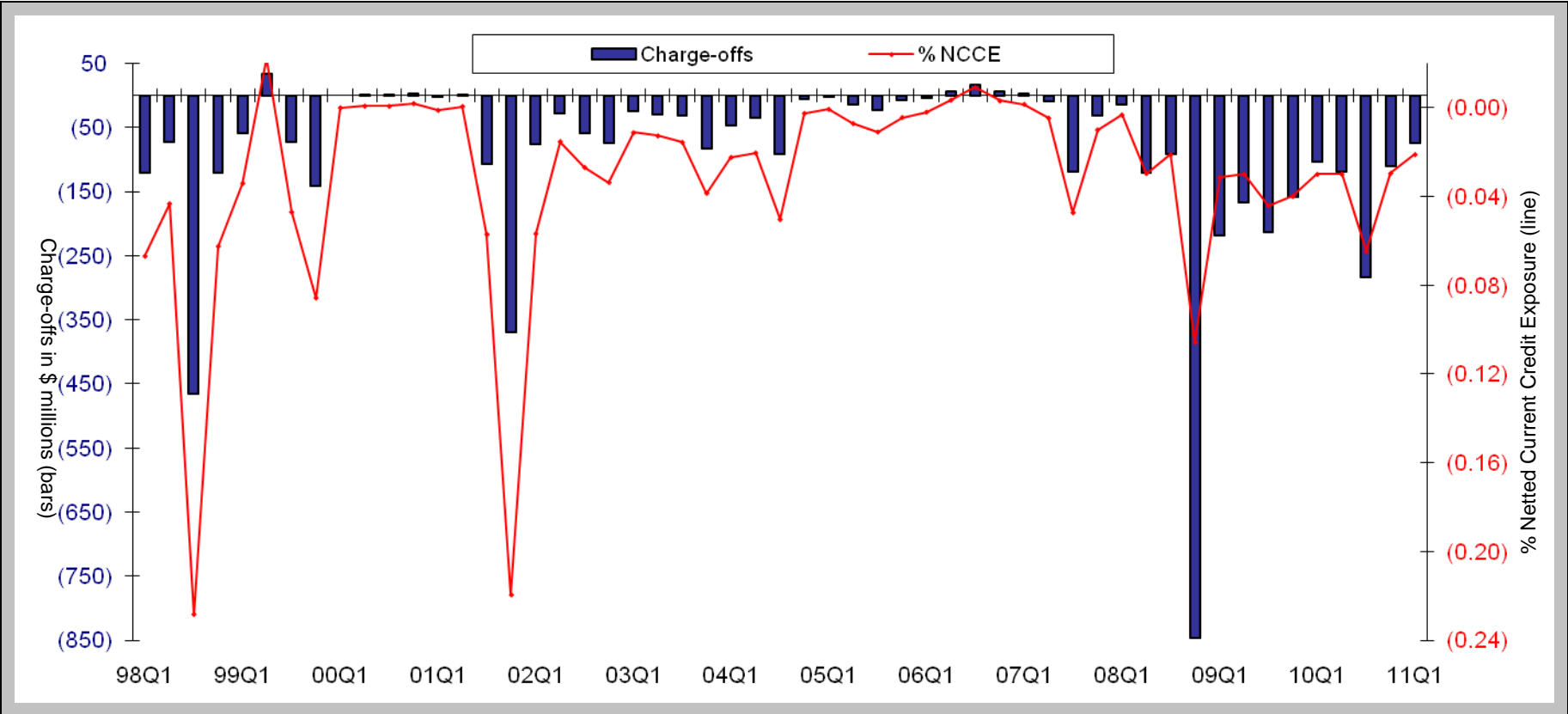
Data Source: Call Reports



# Quarterly (Charge-Offs)/Recoveries from Derivatives

## Commercial Banks with Derivatives

### 1998 Q1 – 2011 Q1



98Q1	98Q2	98Q3	98Q4	99Q1	99Q2	99Q3	99Q4	00Q1	00Q2	00Q3	00Q4	01Q1	01Q2	01Q3	01Q4
(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)
02Q1	02Q2	02Q3	02Q4	03Q1	03Q2	03Q3	03Q4	04Q1	04Q2	04Q3	04Q4	05Q1	05Q2	05Q3	05Q4
(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)
06Q1	06Q2	06Q3	06Q4	07Q1	07Q2	07Q3	07Q4	08Q1	08Q2	08Q3	08Q4	09Q1	09Q2	09Q3	09Q4
(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)
10Q1	10Q2	10Q3	10Q4	<b>11Q1</b>											
(103.5)	(118.6)	(284.5)	(111.0)	<b>(74.3)</b>											

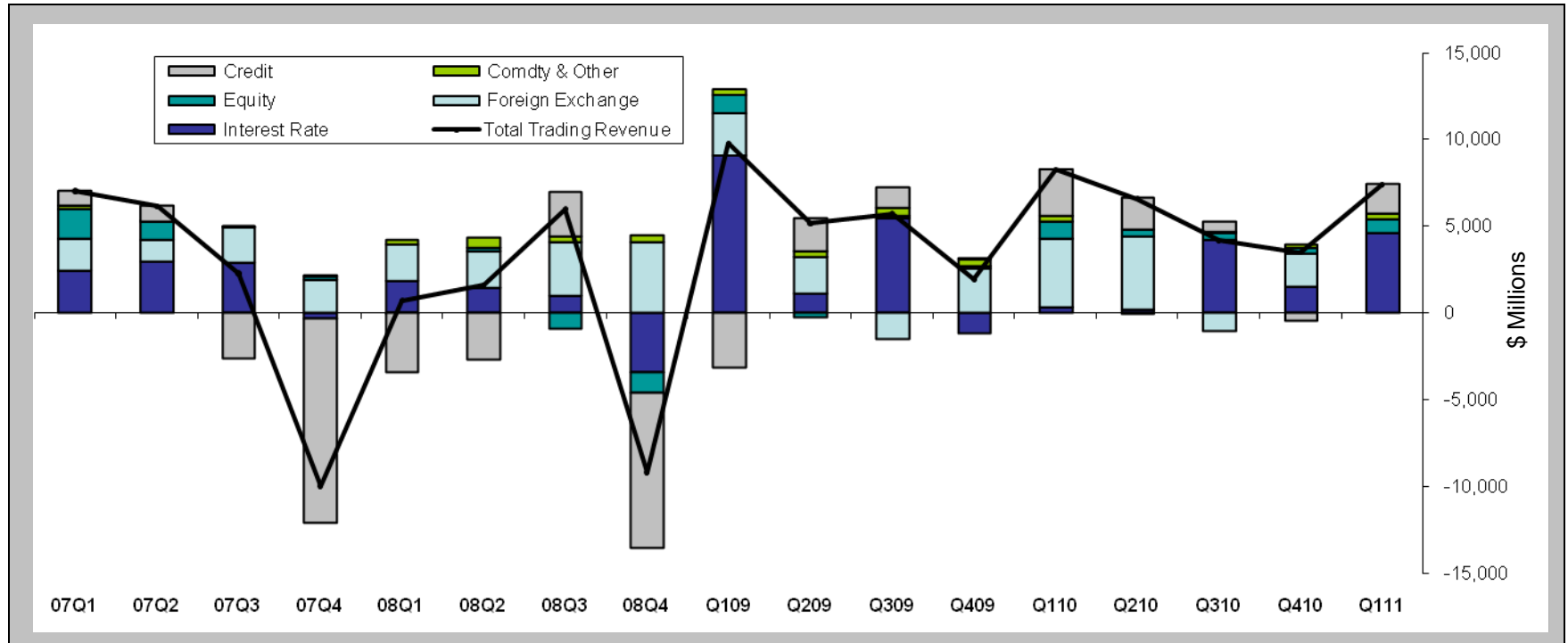
Note: The figures are for each quarter alone, not year-to-date.

Data Source: Call Reports.

# Quarterly Trading Revenues Cash & Derivative Positions

## All Commercial Banks

### 2007 Q1 – 2011 Q1



\$ Millions	07Q1	07Q2	07Q3	07Q4	08Q1	08Q2	08Q3	08Q4	Q109	Q209	Q309	Q409	Q110	Q210	Q310	Q410	Q111
<b>Interest Rate</b>	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	<b>4,587</b>
<b>Foreign Exchange</b>	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	<b>35</b>
<b>Equity</b>	1,735	1,024	27	205	(15)	183	(954)	(1,229)	1,042	(279)	154	144	965	378	371	338	<b>743</b>
<b>Comdty &amp; Other</b>	175	25	7	88	261	601	342	338	344	281	446	389	297	(25)	94	252	<b>315</b>
<b>Credit</b>	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)	<b>1,729</b>
<b>Total Trading Revenue*</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>	<b>9,768</b>	<b>5,172</b>	<b>5,720</b>	<b>1,932</b>	<b>8,263</b>	<b>6,600</b>	<b>4,176</b>	<b>3,479</b>	<b>7,409</b>

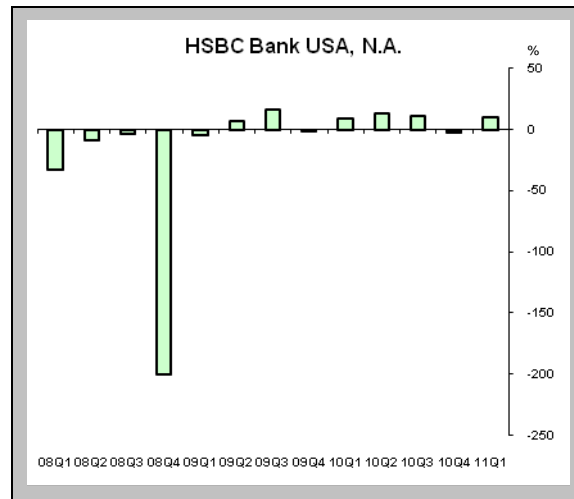
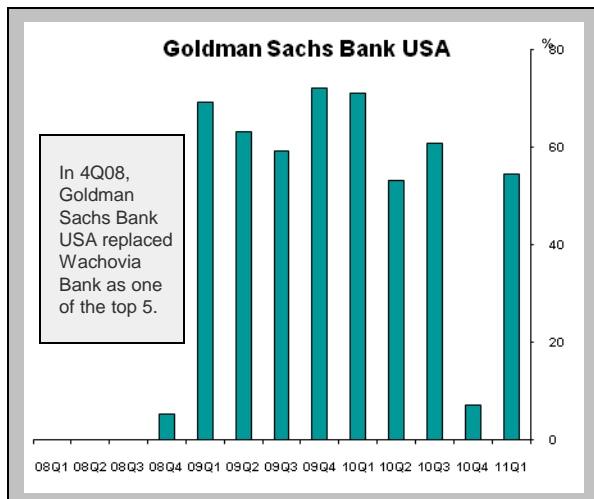
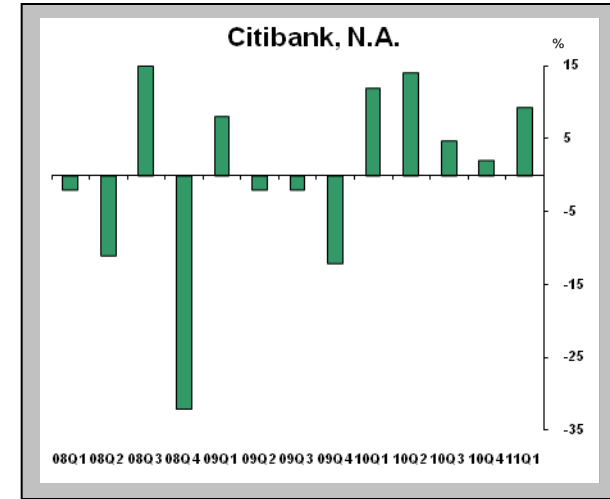
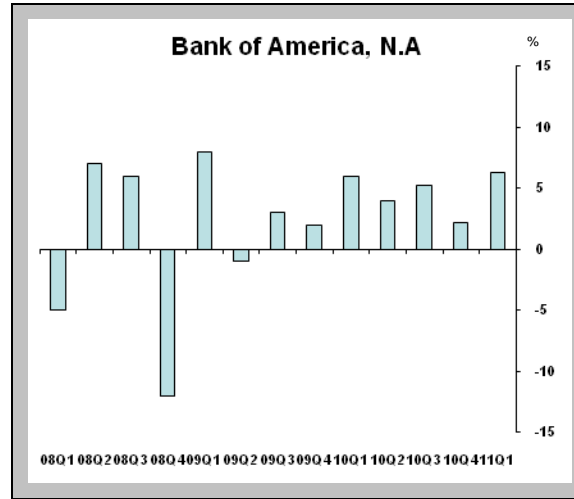
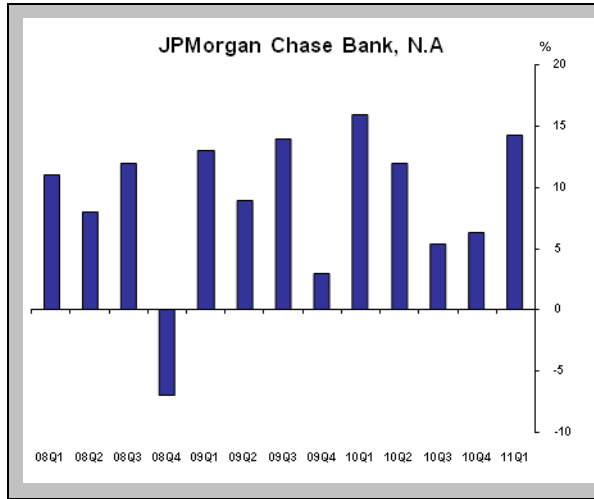
\* Note: The trading revenue figures above are for cash and derivative activities. Revenue figures are for each quarter alone, not year-to-date.

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 Derivative Holdings 2008 Q1 - 2011 Q1



## Trading Revenue to Gross Revenue (%)\*

(%)	JPMC Bank	Bank of America	Citi-bank	Goldman Sachs Bank	HSBC	Top 5 Banks	All Banks
08Q1	11	-5	-2		-33		0
08Q2	8	7	-11		-9		1
08Q3	12	6	15		-3		4
08Q4	-7	-12	-32	5	-200	-17	-6
09Q1	13	8	8	69	-4	12	6
09Q2	9	-1	-2	63	7	4	3
09Q3	14	3	-2	59	16	5	4
09Q4	3	2	-12	72	-1	1	1
10Q1	16	6	12	71	9	10	5
10Q2	12	4	14	53	13	11	4
10Q3	5	5	5	61	12	6	3
10Q4	6	2	2	7	-3	4	2
<b>11Q1</b>	<b>14</b>	<b>6</b>	<b>9</b>	<b>54</b>	<b>11</b>	<b>11</b>	<b>5</b>

\*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.

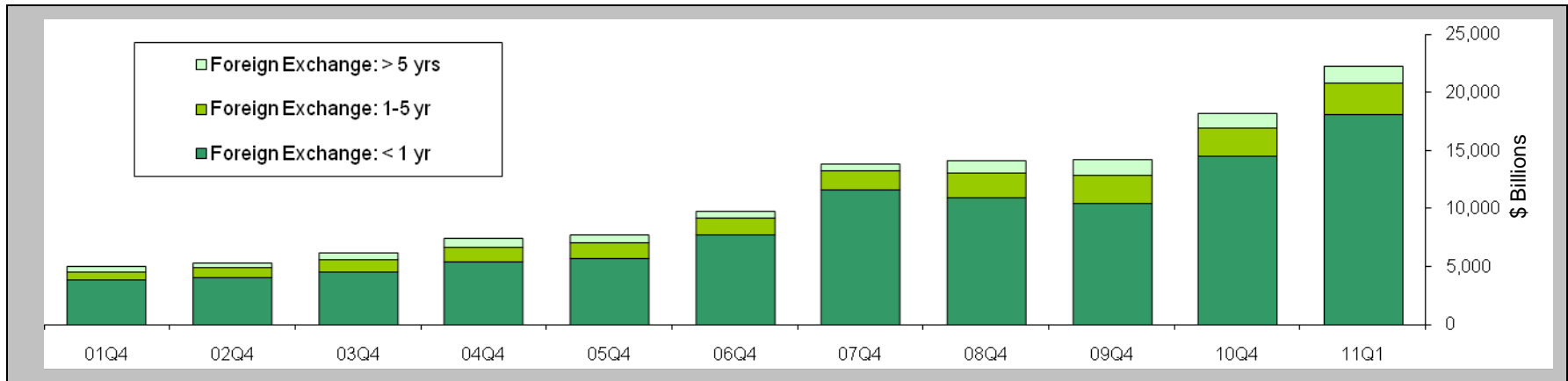
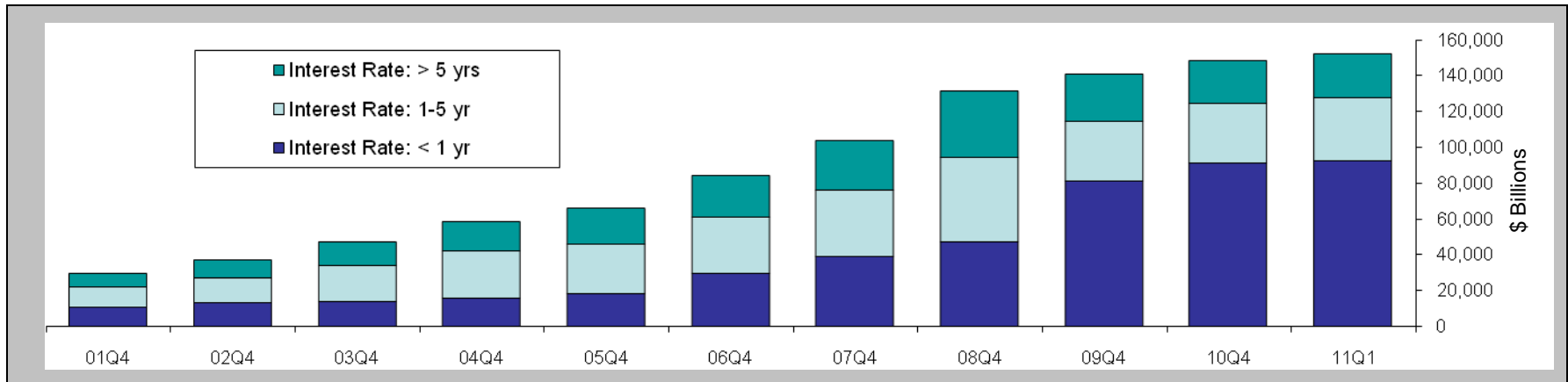
Gross Revenue equals interest income plus non-interest income.

Data Source: Call Reports

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

## All Commercial Banks

### Year-ends 2001 – 2010, Quarterly 2011



	01Q4	02Q4	03Q4	04Q4	05Q4	06Q4	07Q4	08Q4	09Q4	10Q4	11Q1
<b>IR: &lt; 1 yr</b>	10,357	12,972	13,573	15,914	18,482	29,546	39,083	47,147	80,976	90,838	<b>92,440</b>
<b>IR: 1-5 yr</b>	11,809	14,327	20,400	25,890	27,677	31,378	37,215	47,289	33,632	33,491	<b>34,891</b>
<b>IR: &gt; 5 yrs</b>	7,523	9,733	13,114	16,489	19,824	23,270	27,720	36,780	26,144	24,303	<b>24,919</b>
<b>FX: &lt; 1 yr</b>	3,785	4,040	4,470	5,348	5,681	7,690	11,592	10,868	10,416	14,467	<b>18,024</b>
<b>FX: 1-5 yr</b>	661	829	1,114	1,286	1,354	1,416	1,605	2,171	2,449	2,433	<b>2,741</b>
<b>FX: &gt; 5 yrs</b>	492	431	577	760	687	593	619	1,086	1,344	1,289	<b>1,433</b>

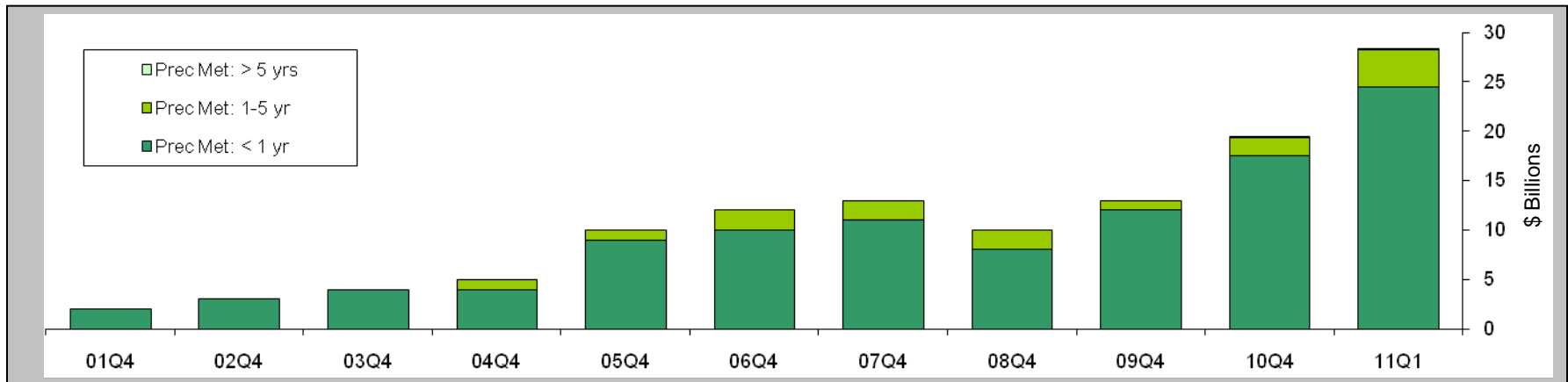
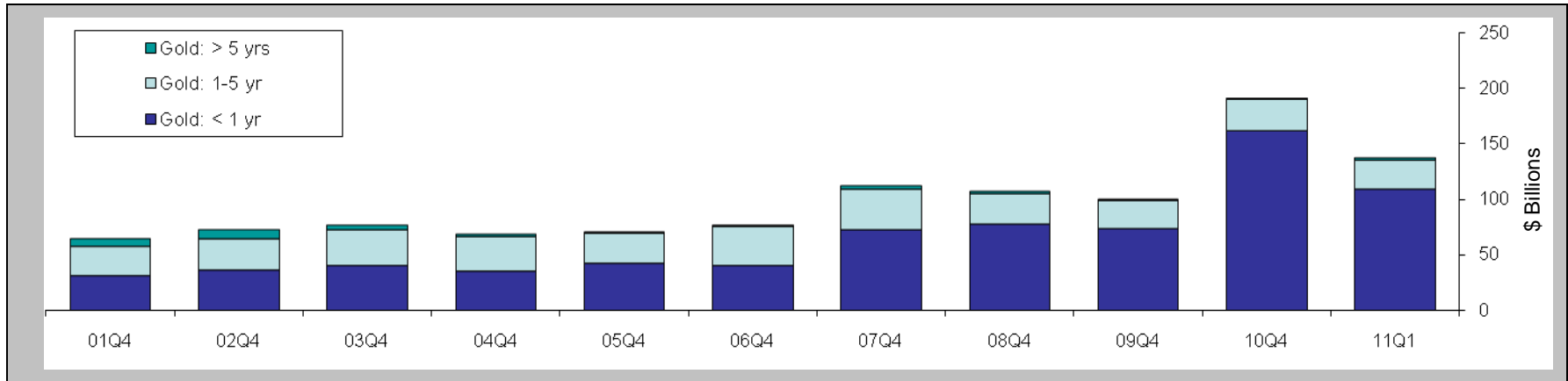
•Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

•Data Source: Call Reports

# Notional Amounts of Gold and Precious Metals Contracts by Maturity

## All Commercial Banks

### Year-ends 2001 – 2010, Quarterly 2011



	01Q4	02Q4	03Q4	04Q4	05Q4	06Q4	07Q4	08Q4	09Q4	10Q4	11Q1
<b>Gold: &lt; 1 yr</b>	31	36	40	35	42	40	72	78	74	162	<b>109</b>
<b>Gold: 1-5 yr</b>	26	28	32	31	27	36	37	27	25	29	<b>27</b>
<b>Gold: &gt; 5 yrs</b>	7	8	5	2	1	1	3	2	1	1	<b>1</b>
<b>Prec Met: &lt; 1 yr</b>	2	3	4	4	9	10	11	8	12	17	<b>24</b>
<b>Prec Met: 1-5 yr</b>	0	0	0	1	1	2	2	2	1	2	<b>4</b>
<b>Prec Met: &gt; 5 yrs</b>	0	0	0	0	0	0	0	0	0	0	<b>0</b>

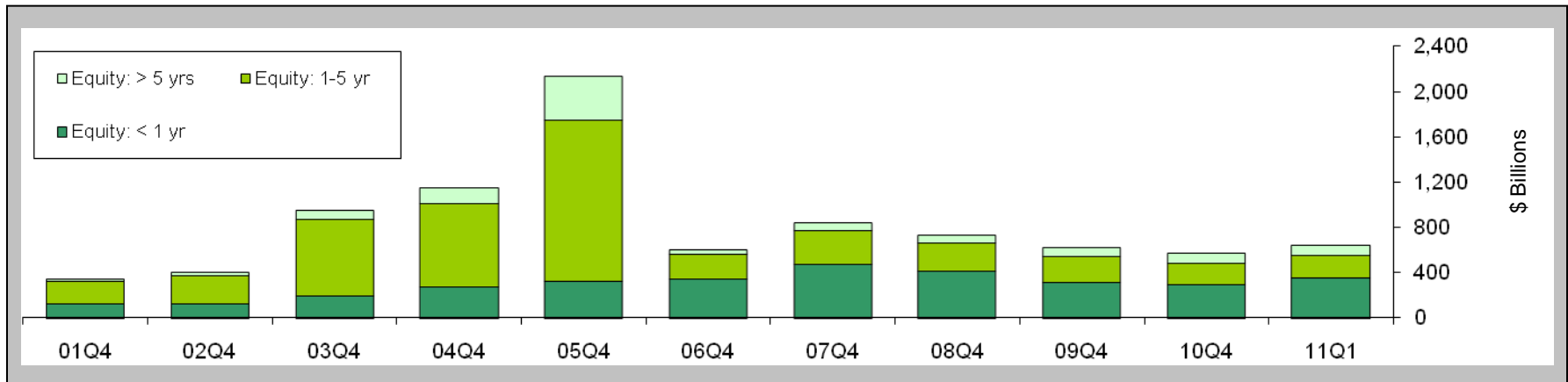
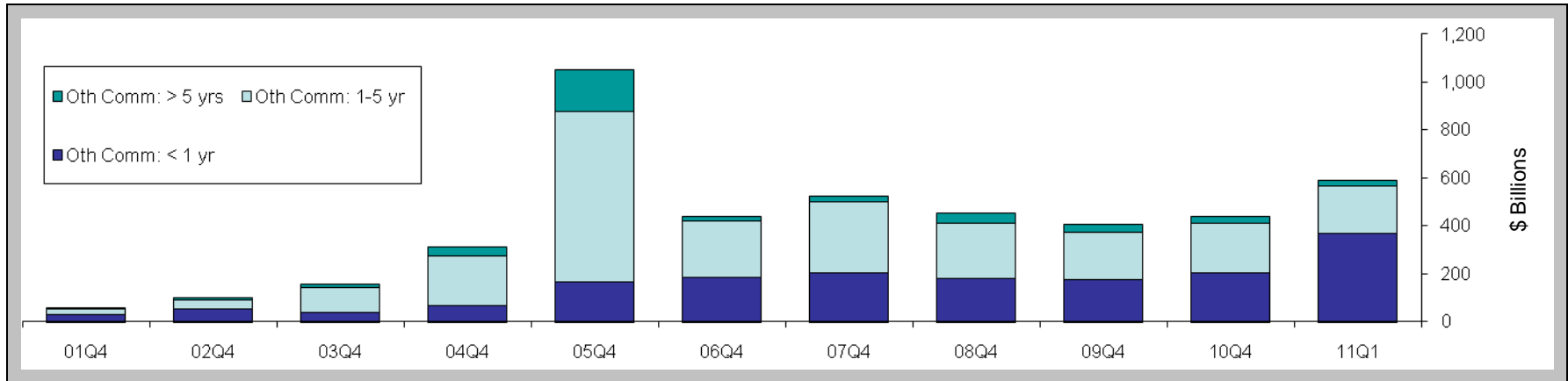
•Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

•Data Source: Call Reports

# Notional Amounts of Commodity and Equity Contracts by Maturity

## All Commercial Banks

### Year-ends 2001 – 2010, Quarterly 2011



	01Q4	02Q4	03Q4	04Q4	05Q4	06Q4	07Q4	08Q4	09Q4	10Q4	11Q1
<b>Oth Comm: &lt; 1 yr</b>	28	55	41	68	165	185	205	179	176	203	<b>371</b>
<b>Oth Comm: 1-5 yr</b>	23	35	102	206	714	235	298	233	198	209	<b>194</b>
<b>Oth Comm: &gt; 5 yrs</b>	2	9	14	40	175	20	23	43	33	25	<b>24</b>
<b>Equity: &lt; 1 yr</b>	124	127	197	273	321	341	473	409	312	296	<b>350</b>
<b>Equity: 1-5 yr</b>	195	249	674	736	1,428	221	297	256	228	191	<b>204</b>
<b>Equity: &gt; 5 yrs</b>	23	25	84	140	383	45	70	72	82	85	<b>84</b>

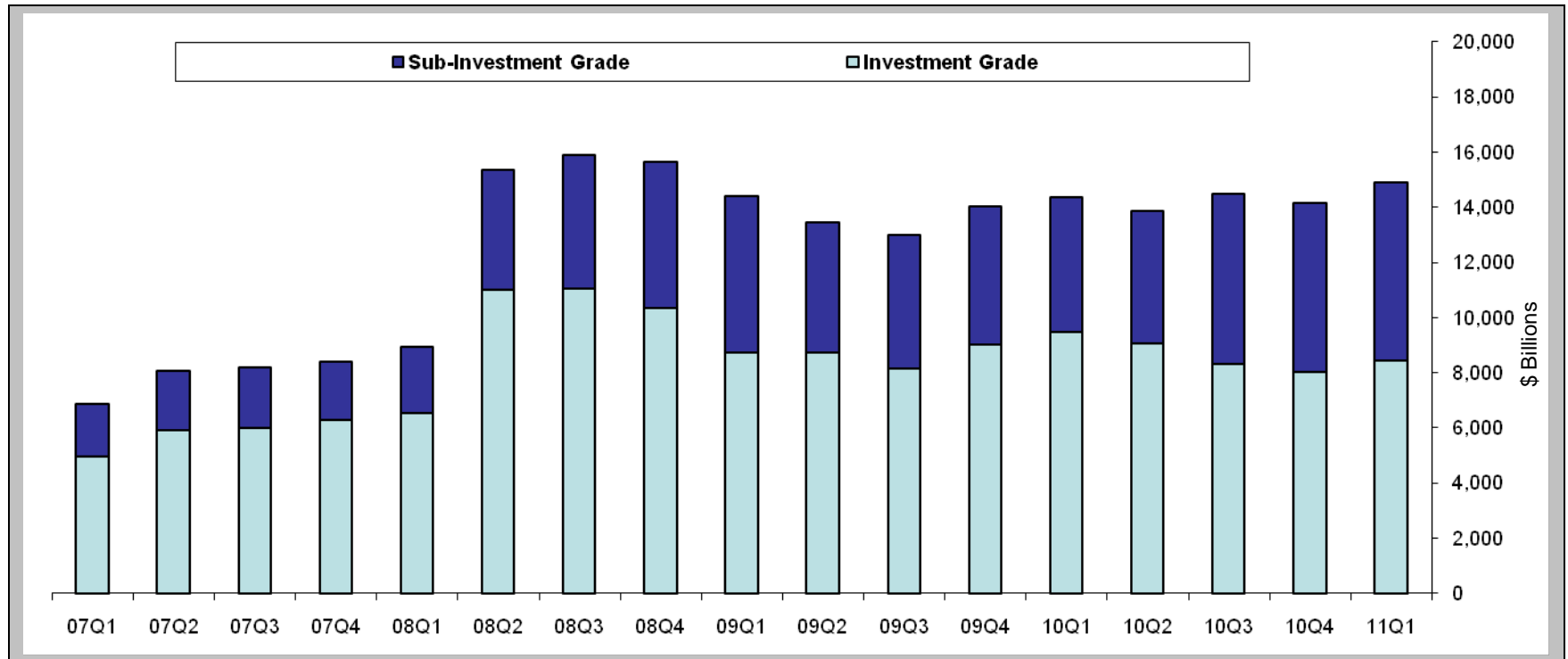
•Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

•Data Source: Call Reports

# Notional Amounts of Credit Derivative Contracts by Credit Quality and Maturity

## All Commercial Banks

### 2007 Q1 – 2011 Q1



\$ Billions	07Q1	07Q2	07Q3	07Q4	08Q1	08Q2	08Q3	08Q4	09Q1	09Q2	09Q3	09Q4	10Q1	10Q2	10Q3	10Q4	11Q1
<b>Investment Grade: &lt; 1 yr</b>	281	328	307	304	319	685	839	741	765	997	869	1,079	985	966	870	856	<b>905</b>
<b>Investment Grade: 1-5 yr</b>	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	<b>5,927</b>
<b>Investment Grade: &gt; 5 yrs</b>	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	<b>1,614</b>
<b>Subtotal Investment Grade</b>	<b>4,966</b>	<b>5,898</b>	<b>6,006</b>	<b>6,302</b>	<b>6,534</b>	<b>11,012</b>	<b>11,036</b>	<b>10,339</b>	<b>8,724</b>	<b>8,739</b>	<b>8,158</b>	<b>9,030</b>	<b>9,489</b>	<b>9,053</b>	<b>8,315</b>	<b>8,033</b>	<b>8,447</b>
<b>Sub-Investment Grade: &lt; 1 yr</b>	164	144	158	149	134	343	400	457	513	615	575	635	574	587	753	791	<b>833</b>
<b>Sub-Investment Grade: 1-5 yr</b>	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	<b>4,217</b>
<b>Sub-Investment Grade: &gt; 5 yrs</b>	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	<b>1,401</b>
<b>Subtotal Sub-Investment Grade</b>	<b>1,901</b>	<b>2,178</b>	<b>2,195</b>	<b>2,092</b>	<b>2,414</b>	<b>4,353</b>	<b>4,852</b>	<b>5,318</b>	<b>5,665</b>	<b>4,701</b>	<b>4,827</b>	<b>5,005</b>	<b>4,876</b>	<b>4,823</b>	<b>6,157</b>	<b>6,118</b>	<b>6,452</b>
<b>Overall Total</b>	<b>6,867</b>	<b>8,075</b>	<b>8,201</b>	<b>8,394</b>	<b>8,948</b>	<b>15,365</b>	<b>15,888</b>	<b>15,656</b>	<b>14,389</b>	<b>13,440</b>	<b>12,986</b>	<b>14,036</b>	<b>14,364</b>	<b>13,876</b>	<b>14,472</b>	<b>14,150</b>	<b>14,899</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 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  
MARCH 31, 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	\$1,723,460	\$79,459,759	\$1,297,796	\$1,859,788	\$11,823,303	\$48,989,656	\$9,641,538	\$5,847,678	\$448,420
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	882,965	1,541,572	6,715,135	34,244,931	8,029,056	2,709,323	824,299
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	2,008,363	396,347	8,546,134	30,593,355	5,963,366	4,997,263	446,127
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	935,207	819,381	2,761,191	32,258,372	7,613,476	490,379	6,969
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	63,708	68,089	729,713	1,987,200	137,930	712,405	94,605
6	WELLS FARGO BANK NA	SD	1,093,030	3,583,104	190,861	68,156	915,847	1,869,524	440,014	98,702	28,617
7	BANK OF NEW YORK MELLON	NY	200,249	1,477,994	31,586	17,127	442,730	626,581	359,349	621	63,079
8	MORGAN STANLEY BANK NA	UT	68,568	1,211,559	0	118	293,655	891,302	4,804	21,680	100,837
9	STATE STREET BANK&TRUST CO	MA	166,642	1,067,270	101,479	0	720,460	167,601	77,574	155	33,068
10	PNC BANK NATIONAL ASSN	DE	251,221	335,835	52,913	18,200	15,579	215,529	29,853	3,761	1,148
11	SUNTRUST BANK	GA	164,794	334,017	39,061	23,393	59,194	170,498	39,394	2,477	650
12	NORTHERN TRUST CO	IL	79,561	243,828	0	0	236,506	7,050	126	146	22,974
13	REGIONS BANK	AL	127,504	121,289	3,101	0	40,485	73,842	3,209	652	97
14	U S BANK NATIONAL ASSN	OH	305,969	84,541	498	6,320	27,165	42,323	6,470	1,765	1,135
15	FIFTH THIRD BANK	OH	108,392	83,274	175	689	8,355	48,793	24,149	1,113	930
16	KEYBANK NATIONAL ASSN	OH	86,755	68,383	2,290	5,000	5,295	47,835	4,836	3,127	1,348
17	TD BANK NATIONAL ASSN	DE	175,149	66,540	0	0	5,323	60,070	819	327	3
18	BRANCH BANKING&TRUST CO	NC	150,994	59,932	2,786	0	9,602	37,613	9,931	0	39
19	UNION BANK NATIONAL ASSN	CA	80,190	47,660	7,367	0	1,918	26,672	11,643	60	310
20	RBS CITIZENS NATIONAL ASSN	RI	113,481	41,100	0	0	5,838	31,822	2,451	989	50
21	ALLY BANK	UT	72,564	34,742	0	0	10,520	16,140	8,082	0	0
22	TD BANK USA NATIONAL ASSN	ME	11,681	34,167	0	0	8,386	25,780	0	0	0
23	DEUTSCHE BANK TR CO AMERICAS	NY	44,888	26,684	0	0	309	21,908	512	3,955	0
24	CAPITAL ONE NATIONAL ASSN	VA	128,744	25,829	323	0	582	24,900	25	0	0
25	HARRIS NATIONAL ASSN	IL	49,886	25,544	0	0	297	23,263	1,898	86	16
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,093,217	\$243,637,911	\$5,620,479	\$4,824,180	\$33,383,522	\$152,502,562	\$32,410,506	\$14,896,663	\$2,074,723
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,752	353,338	17,026	2,254	60,322	233,659	37,933	2,145	1,408
TOTAL COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	5,637,505	4,826,434	33,443,843	152,736,220	32,448,439	14,898,808	2,076,130

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  
MARCH 31, 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	2,198,161	80,380,991	1,622,060	2,075,166	12,285,782	48,951,420	9,601,419	5,845,144	448,146
2	BANK OF AMERICA CORPORATION	NC	2,276,418	72,732,448	2,942,011	1,232,968	12,166,970	44,893,532	7,231,601	4,265,366	348,582
3	CITIGROUP INC.	NY	1,947,815	53,227,940	1,037,297	3,318,698	7,378,587	30,745,319	8,033,732	2,714,307	773,634
4	MORGAN STANLEY	NY	836,185	51,408,573	163,683	956,596	6,950,358	32,720,502	5,867,584	4,749,850	368,294
5	GOLDMAN SACHS GROUP, INC., THE	NY	933,471	50,100,228	1,531,194	2,218,996	4,288,211	28,456,460	9,261,436	4,343,931	320,703
6	HSBC NORTH AMERICA HOLDINGS INC.	NY	369,535	3,666,074	70,509	68,139	739,905	1,937,497	138,008	712,018	94,585
7	WELLS FARGO & COMPANY	CA	1,244,666	3,534,924	205,580	76,922	933,724	1,793,401	434,485	90,812	28,617
8	BANK OF NEW YORK MELLON CORPORATION, THE	NY	266,571	1,462,360	31,588	17,327	442,405	611,083	359,336	621	62,896
9	STATE STREET CORPORATION	MA	170,236	1,067,286	101,487	0	720,469	167,601	77,574	155	33,068
10	TAUNUS CORPORATION	NY	396,741	1,011,909	85,243	144,972	590,650	131,382	24,937	34,725	724
11	ALLY FINANCIAL INC.	MI	173,704	653,617	119,559	81,650	49,801	332,046	70,506	55	0
12	SUNTRUST BANKS, INC.	GA	170,835	336,645	39,329	23,393	59,194	170,498	41,755	2,477	650
13	PNC FINANCIAL SERVICES GROUP, INC., THE	PA	259,501	336,382	53,251	18,200	15,788	215,529	29,853	3,761	1,148
14	NORTHERN TRUST CORPORATION	IL	92,679	244,428	0	0	236,506	7,650	127	146	22,974
15	METLIFE, INC.	NY	751,341	235,302	16,934	0	34,121	83,778	88,457	12,013	0
16	REGIONS FINANCIAL CORPORATION	AL	131,799	122,829	3,101	0	40,485	75,018	3,573	652	97
17	TD BANK US HOLDING COMPANY	ME	184,197	100,706	0	0	13,710	85,851	819	327	3
18	FIFTH THIRD BANCORP	OH	110,485	87,380	175	689	8,355	52,899	24,149	1,113	930
19	U.S. BANCORP	MN	311,462	87,354	498	6,320	27,166	45,128	6,470	1,772	1,135
20	KEYCORP	OH	90,311	73,098	2,500	5,000	5,295	51,152	6,025	3,127	1,348
21	RBC USA HOLDCO CORPORATION	NY	85,040	65,087	2,100	1,176	54,891	6,298	142	481	0
22	BB&T CORPORATION	NC	157,039	57,219	2,789	0	9,602	36,257	8,571	0	39
23	CAPITAL ONE FINANCIAL CORPORATION	VA	199,300	50,276	323	0	4,709	45,219	25	0	0
24	CITIZENS FINANCIAL GROUP, INC.	RI	131,971	49,026	0	0	5,838	39,250	2,798	1,140	50
25	UNIONBANCAL CORPORATION	CA	80,642	47,660	7,367	0	1,918	26,672	11,643	60	310
TOP 25 HOLDING COMPANIES WITH DERIVATIVES			13,570,105	321,139,743	8,038,576	10,246,211	47,064,437	191,681,442	41,325,025	22,784,051	2,507,933
<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: Numbers may not add due to rounding.</p> <p>Data source: Consolidated Financial Statements for Bank Holding Companies, FR Y- 9, schedule HC-L</p>											

TABLE 3

**DISTRIBUTION OF DERIVATIVE CONTRACTS  
TOP 25 COMMERCIAL BANKS AND TRUST COMPANIES IN DERIVATIVES  
MARCH 31, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	PERCENT EXCH TRADED CONTRACTS	PERCENT OTC CONTRACTS	PERCENT INT RATE CONTRACTS	PERCENT FOREIGN EXCH CONTRACTS	PERCENT OTHER CONTRACTS	PERCENT CREDIT DERIVATIVES
					(%)	(%)	(%)	(%)	(%)	(%)
1	JPMORGAN CHASE BANK NA	OH	\$1,723,460	\$79,459,759	4.0	96.0	79.4	10.6	2.6	7.4
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	4.5	95.5	83.3	11.0	0.6	5.0
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	4.6	95.4	77.3	12.9	0.2	9.5
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	3.9	96.1	94.7	4.2	0.0	1.1
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	3.6	96.4	57.9	21.2	1.6	19.3
6	WELLS FARGO BANK NA	SD	1,093,030	3,583,104	7.2	92.8	88.0	4.6	4.7	2.8
7	BANK OF NEW YORK MELLON	NY	200,249	1,477,994	3.3	96.7	76.9	22.6	0.4	0.0
8	MORGAN STANLEY BANK NA	UT	68,568	1,211,559	0.0	100.0	0.6	97.6	0.0	1.8
9	STATE STREET BANK&TRUST CO	MA	166,642	1,067,270	9.5	90.5	21.1	74.6	4.2	0.0
10	PNC BANK NATIONAL ASSN	DE	251,221	335,835	21.2	78.8	96.2	2.6	0.1	1.1
11	SUNTRUST BANK	GA	164,794	334,017	18.7	81.3	90.4	4.0	4.8	0.7
12	NORTHERN TRUST CO	IL	79,561	243,828	0.0	100.0	2.6	97.4	0.0	0.1
13	REGIONS BANK	AL	127,504	121,289	2.6	97.4	98.7	0.7	0.1	0.5
14	U S BANK NATIONAL ASSN	OH	305,969	84,541	8.1	91.9	76.5	21.4	0.1	2.1
15	FIFTH THIRD BANK	OH	108,392	83,274	1.0	99.0	71.6	23.1	4.0	1.3
16	KEYBANK NATIONAL ASSN	OH	86,755	68,383	10.7	89.3	83.0	11.2	1.2	4.6
17	TD BANK NATIONAL ASSN	DE	175,149	66,540	0.0	100.0	88.1	11.4	0.0	0.5
18	BRANCH BANKING&TRUST CO	NC	150,994	59,932	4.6	95.4	99.3	0.7	0.0	0.0
19	UNION BANK NATIONAL ASSN	CA	80,190	47,660	15.5	84.5	79.5	5.9	14.5	0.1
20	RBS CITIZENS NATIONAL ASSN	RI	113,481	41,100	0.0	100.0	83.8	13.8	0.0	2.4
21	ALLY BANK	UT	72,564	34,742	0.0	100.0	89.2	0.0	10.8	0.0
22	TD BANK USA NATIONAL ASSN	ME	11,681	34,167	0.0	100.0	70.5	29.5	0.0	0.0
23	DEUTSCHE BANK TR CO AMERICAS	NY	44,888	26,684	0.0	100.0	55.0	30.1	0.0	14.8
24	CAPITAL ONE NATIONAL ASSN	VA	128,744	25,829	1.2	98.8	99.8	0.2	0.0	0.0
25	HARRIS NATIONAL ASSN	IL	49,886	25,544	0.0	100.0	93.7	1.0	5.0	0.3
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,093,217	\$243,637,911	\$10,444,659	\$233,193,252	\$199,223,565	\$26,683,711	\$2,833,973	\$14,896,663
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,752	353,338	19,280	334,058	308,174	28,458	14,560	2,145
TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	10,463,939	233,527,310	199,531,740	26,712,169	2,848,533	14,898,808
				(%)	(%)	(%)	(%)	(%)	(%)	(%)
TOP 25 COMMERCIAL BANKS & TC: % OF TOTAL COMMERCIAL BKS & TCs WITH DERIVATIVES				99.9	4.3	95.6	81.7	10.9	1.2	6.1
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	4.3	95.7	81.8	10.9	1.2	6.1

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  
MARCH 31, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL RISK-BASED CAPITAL	BILATERALLY NETTED CURRENT CREDIT EXPOSURE		TOTAL CREDIT EXPOSURE FROM ALL CONTRACTS		TOTAL CREDIT EXPOSURE TO CAPITAL (%)
						POTENTIAL FUTURE EXPOSURE	TOTAL CREDIT EXPOSURE			
1	JPMORGAN CHASE BANK NA	OH	\$1,723,460	\$79,459,759	\$131,545	\$142,206	\$220,012	\$362,218	275	
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	120,329	53,499	166,425	219,924	183	
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	154,010	58,668	220,911	279,579	182	
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	19,092	21,370	127,664	149,034	781	
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	23,217	8,762	30,229	38,991	168	
6	WELLS FARGO BANK NA	SD	1,093,030	3,583,104	118,000	25,400	20,787	46,187	39	
7	BANK OF NEW YORK MELLON	NY	200,249	1,477,994	13,609	4,841	5,315	10,156	75	
8	MORGAN STANLEY BANK NA	UT	68,568	1,211,559	9,750	626	0	148	2	
9	STATE STREET BANK&TRUST CO	MA	166,642	1,067,270	12,663	6,629	8,919	15,548	123	
10	PNC BANK NATIONAL ASSN	DE	251,221	335,835	32,484	2,405	1,056	3,461	11	
11	SUNTRUST BANK	GA	164,794	334,017	16,782	2,409	1,305	3,714	22	
12	NORTHERN TRUST CO	IL	79,561	243,828	6,463	5,708	2,533	8,242	128	
13	REGIONS BANK	AL	127,504	121,289	14,059	741	292	1,033	7	
14	U S BANK NATIONAL ASSN	OH	305,969	84,541	30,360	1,357	0	1,344	4	
15	FIFTH THIRD BANK	OH	108,392	83,274	14,966	1,499	717	2,216	15	
16	KEYBANK NATIONAL ASSN	OH	86,755	68,383	12,311	1,148	205	1,353	11	
17	TD BANK NATIONAL ASSN	DE	175,149	66,540	14,166	1,103	747	1,850	13	
18	BRANCH BANKING&TRUST CO	NC	150,994	59,932	17,556	704	425	1,129	6	
19	UNION BANK NATIONAL ASSN	CA	80,190	47,660	9,499	662	752	1,414	15	
20	RBS CITIZENS NATIONAL ASSN	RI	113,481	41,100	10,347	855	328	1,183	11	
21	ALLY BANK	UT	72,564	34,742	11,800	126	438	564	5	
22	TD BANK USA NATIONAL ASSN	ME	11,681	34,167	1,204	592	426	1,017	85	
23	DEUTSCHE BANK TR CO AMERICAS	NY	44,888	26,684	8,911	1,447	857	2,304	26	
24	CAPITAL ONE NATIONAL ASSN	VA	128,744	25,829	10,483	331	175	506	5	
25	HARRIS NATIONAL ASSN	IL	49,886	25,544	4,791	423	180	603	13	
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,093,217	\$243,637,911	\$818,396	\$343,511	\$810,697	\$1,153,717	141	
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,752	353,338	303,904	9,066	2,885	11,951	4	
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	1,122,300	352,577	813,582	1,165,667	104	

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	160%
C&I LOANS	89%
SECURITIES NOT IN TRADING ACCOUNT	188%

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  
MARCH 31, 2011, \$ MILLIONS**

<b>RANK</b>	<b>BANK NAME</b>	<b>STATE</b>	<b>TOTAL ASSETS</b>	<b>TOTAL DERIVATIVES</b>	<b>TOTAL HELD FOR TRADING &amp; MTM</b>	<b>% HELD FOR TRADING &amp; MTM</b>	<b>TOTAL NOT FOR TRADING MTM</b>	<b>% NOT FOR TRADING MTM</b>
1	JPMORGAN CHASE BANK NA	OH	\$1,723,460	\$73,612,081	\$73,461,171	99.8	\$150,910	0.2
2	CITIBANK NATIONAL ASSN	NV	1,161,359	51,413,659	51,147,495	99.5	266,164	0.5
3	BANK OF AMERICA NA	NC	1,451,387	47,507,565	45,233,032	95.2	2,274,534	4.8
4	GOLDMAN SACHS BANK USA	NY	84,199	44,387,627	44,381,495	100.0	6,132	0.0
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	2,986,640	2,965,787	99.3	20,853	0.7
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$219,907,572	\$217,188,980	98.8	\$2,718,592	1.2
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,184,869	8,018,676	87.3	1,166,193	12.7
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	229,092,441	225,207,656	98.3	3,884,785	1.7
<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  
MARCH 31, 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	\$1,723,460	\$79,459,759	\$1,195,206	\$1,160,358	\$2,078	\$3,568	\$122,082	\$119,273
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	593,721	589,662	3,556	5,624	59,945	56,031
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	781,453	773,292	50,884	43,465	89,114	86,452
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	555,421	512,607	514	0	12,292	12,060
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	47,966	49,382	478	209	12,145	11,570
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$234,664,620	\$3,173,767	\$3,085,301	\$57,510	\$52,866	\$295,578	\$285,385
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,326,629	136,176	134,178	17,668	11,348	6,737	6,561
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	3,309,943	3,219,479	75,179	64,214	302,315	291,946

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  
MARCH 31, 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	\$1,723,460	\$79,459,759	\$2,790	\$553	\$614	\$688	\$195	\$740
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	1,313	1,031	298	65	38	(119)
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	1,131	137	276	56	21	641
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	624	2,059	(1,804)	0	0	369
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	211	113	112	(20)	15	(9)
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$234,664,620	\$6,068	\$3,893	(\$504)	\$789	\$269	\$1,622
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,326,629	1,341	694	539	(46)	46	107
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	7,409	4,587	35	743	315	1,729

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**  
**MARCH 31, 2011, \$ MILLIONS**

<b>RANK</b>	<b>BANK NAME</b>	<b>STATE</b>	<b>TOTAL ASSETS</b>	<b>TOTAL DERIVATIVES</b>	<b>INT RATE MATURITY &lt; 1 YR</b>	<b>INT RATE MATURITY 1 - 5 YRS</b>	<b>INT RATE MATURITY &gt; 5 YRS</b>	<b>INT RATE ALL MATURITIES</b>	<b>FOREIGN EXCH MATURITY &lt; 1 YR</b>	<b>FOREIGN EXCH MATURITY 1 - 5 YRS</b>	<b>FOREIGN EXCH MATURITY &gt; 5 YRS</b>	<b>FOREIGN EXCH ALL MATURITIES</b>
1	JPMORGAN CHASE BANK NA	OH	\$1,723,460	\$79,459,759	\$38,183,398	\$9,683,931	\$6,865,590	\$54,732,919	\$6,087,388	\$762,317	\$183,724	\$7,033,429
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	23,021,911	7,865,438	5,163,819	36,051,168	4,451,924	409,925	192,316	5,054,165
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	7,713,447	6,556,069	4,874,703	19,144,219	4,240,319	621,944	335,380	5,197,643
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	21,664,905	8,555,141	6,970,536	37,190,582	410,151	730,235	654,395	1,794,781
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	563,680	1,021,653	261,219	1,846,553	547,025	115,836	40,201	703,062
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$234,664,620	\$91,147,341	\$33,682,232	\$24,135,868	\$148,965,441	\$15,736,807	\$2,640,257	\$1,406,015	\$19,783,080
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,326,629	1,292,400	1,208,810	782,660	3,283,870	2,287,146	100,732	26,626	2,414,504
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	92,439,740	34,891,042	24,918,528	152,249,311	18,023,953	2,740,989	1,432,641	22,197,584

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  
MARCH 31, 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	\$1,723,460	\$79,459,759	\$83,789	\$26,791	\$1,084	\$111,664	\$16,753	\$2,990	\$154	\$19,897
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	431	0	0	431	68	6	0	74
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	0	0	0	0	0	0	0	0
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	0	0	0	0	0	0	0	0
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	24,342	430	0	24,771	7,674	731	11	8,416
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$234,664,620	\$108,562	\$27,221	\$1,084	\$136,866	\$24,495	\$3,727	\$165	\$28,387
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,326,629	121	96	0	216	0	0	0	0
TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	108,682	27,317	1,084	137,083	24,495	3,727	165	28,387

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  
MARCH 31, 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	\$1,723,460	\$79,459,759	\$283,531	\$168,225	\$21,549	\$473,305	\$198,425	\$121,704	\$45,491	\$365,620
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	31,570	9,180	741	41,491	102,638	36,048	14,852	153,538
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	1,565	991	0	2,556	23,273	19,320	15,506	58,099
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	13,551	2	0	13,553	0	24	76	100
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	215	8	0	222	4,869	6,386	4,084	15,338
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$234,664,620	\$330,431	\$178,406	\$22,290	\$531,127	\$329,204	\$183,482	\$80,009	\$592,695
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,326,629	40,626	15,690	1,670	57,986	20,541	20,586	4,168	45,295
TOTAL FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	371,057	194,096	23,960	589,113	349,745	204,068	84,177	637,990

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  
MARCH 31, 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	\$1,723,460	\$79,459,759	\$5,847,678	\$368,449	\$2,449,305	\$774,572	\$3,592,326	\$337,501	\$1,480,904	\$436,947	\$2,255,352
2	CITIBANK NATIONAL ASSN	NV	1,161,359	54,122,982	2,709,323	145,411	800,029	207,329	1,152,769	174,302	1,088,624	293,628	1,556,554
3	BANK OF AMERICA NA	NC	1,451,387	52,504,829	4,997,263	314,323	2,242,001	551,911	3,108,235	200,402	1,119,961	568,666	1,889,028
4	GOLDMAN SACHS BANK USA	NY	84,199	44,878,006	490,379	23,456	168,516	28,884	220,856	58,275	195,969	15,279	269,523
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	3,699,045	712,405	40,508	221,542	39,696	301,747	55,157	291,756	63,745	410,658
TOP 5 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,612,954	\$234,664,620	\$14,757,048	\$892,148	\$5,881,393	\$1,602,392	\$8,375,933	\$825,636	\$4,177,214	\$1,378,265	\$6,381,115
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			6,107,015	9,326,629	141,760	13,078	46,099	12,023	71,199	7,470	39,987	23,104	70,560
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	243,991,249	14,898,808	905,225	5,927,492	1,614,415	8,447,133	833,106	4,217,200	1,401,369	6,451,675

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  
MARCH 31, 2011, \$ MILLIONS**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL CREDIT 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	\$1,723,460	\$73,612,081	\$5,847,678	\$2,899,985	\$2,947,693	\$2,843,605	\$25,140	\$20,820	\$10,420	\$2,843,303	\$2,283	\$19,127	\$82,980
2	CITIBANK NATIONAL ASSN	NV	1,161,359	51,413,659	2,709,323	1,402,625	1,306,698	1,367,084	29,576	5,965	0	1,297,547	3,916	5,235	0
3	BANK OF AMERICA NA	NC	1,451,387	47,507,565	4,997,263	2,515,896	2,481,368	2,485,986	725	29,185	0	2,452,946	941	27,481	0
4	GOLDMAN SACHS BANK USA	NY	84,199	44,387,627	490,379	290,118	200,261	224,841	4,291	1,412	59,574	195,142	4,497	615	7
5	HSBC BANK USA NATIONAL ASSN	VA	192,549	2,986,640	712,405	348,684	363,721	335,255	13,179	250	0	346,792	16,929	0	0
6	WELLS FARGO BANK NA	SD	1,093,030	3,484,402	98,702	49,519	49,183	46,135	385	0	2,999	44,946	110	0	4,127
7	BANK OF NEW YORK MELLON	NY	200,249	1,477,373	621	619	2	619	0	0	0	2	0	0	0
8	MORGAN STANLEY BANK NA	UT	68,568	1,189,879	21,680	18,606	3,074	18,606	0	0	0	3,074	0	0	0
9	STATE STREET BANK&TRUST CO	MA	166,642	1,067,115	155	155	0	155	0	0	0	0	0	0	0
10	PNC BANK NATIONAL ASSN	DE	251,221	332,074	3,761	1,869	1,891	495	0	0	1,375	264	0	0	1,628
11	SUNTRUST BANK	GA	164,794	331,540	2,477	1,346	1,130	307	1,038	0	1	82	1,038	0	10
12	NORTHERN TRUST CO	IL	79,561	243,682	146	146	0	146	0	0	0	0	0	0	0
13	REGIONS BANK	AL	127,504	120,637	652	89	564	0	0	0	89	0	0	0	564
14	U S BANK NATIONAL ASSN	OH	305,969	82,776	1,765	650	1,114	138	0	0	512	0	0	0	1,114
15	FIFTH THIRD BANK	OH	108,392	82,161	1,113	279	834	0	0	0	279	0	0	0	834
16	KEYBANK NATIONAL ASSN	OH	86,755	65,256	3,127	1,662	1,465	1,662	0	0	0	1,340	125	0	0
17	TD BANK NATIONAL ASSN	DE	175,149	66,213	327	239	88	239	0	0	0	88	0	0	0
18	BRANCH BANKING&TRUST CO	NC	150,994	59,932	0	0	0	0	0	0	0	0	0	0	0
19	UNION BANK NATIONAL ASSN	CA	80,190	47,600	60	0	60	0	0	0	0	0	60	0	0
20	RBS CITIZENS NATIONAL ASSN	RI	113,481	40,111	989	0	989	0	0	0	0	0	0	0	989
21	ALLY BANK	UT	72,564	34,742	0	0	0	0	0	0	0	0	0	0	0
22	TD BANK USA NATIONAL ASSN	ME	11,681	34,167	0	0	0	0	0	0	0	0	0	0	0
23	DEUTSCHE BANK TR CO AMERICAS	NY	44,888	22,729	3,955	3,955	0	0	3,955	3,955	0	0	0	0	0
24	CAPITAL ONE NATIONAL ASSN	VA	128,744	25,829	0	0	0	0	0	0	0	0	0	0	0
25	HARRIS NATIONAL ASSN	IL	49,886	25,458	86	48	38	0	0	0	48	0	0	0	38
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$8,093,217	\$228,741,249	\$14,896,663	\$7,536,491	\$7,360,172	\$7,325,272	\$78,289	\$57,632	\$75,297	\$7,185,525	\$29,899	\$52,458	\$92,290
OTHER COMMERCIAL BANKS & TCs WITH DERIVATIVES			2,626,752	351,193	2,145	1,332	813	6	67	0	1,259	84	0	0	729
TOTAL AMOUNT FOR COMMERCIAL BANKS & TCs WITH DERIVATIVES			10,719,969	229,092,441	14,898,808	7,537,823	7,360,985	7,325,277	78,357	57,632	76,556	7,185,609	29,899	52,458	93,019
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	49.2	0.5	0.4	0.5	48.2	0.2	0.4	0.6
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	49.2	0.5	0.4	0.5	48.2	0.2	0.4	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