Bank Capital Analysis

Capitalization ratios for Global Systemically Important Banks (G-SIBs) and U.S. Large, Regional, and Community Banking Organizations[1]

Data as of December 31, 2020

		Tier 1 Capital[2] ($Billions)	Total Assets[3] ($Billions)	Risk-Weighted Assets[4] ($Billions)	Leverage Exposure[5] ($Billions)	Tier 1 Risk-Based Capital Ratio[6] (Percent)	Tier 1 Leverage Ratio[5] (Percent)	SLR[5] (Percent)	Goodwill and Other Intangibles[7] ($Billions)	Deferred Tax Assets[8] ($Billions)	Price-to-Book Ratio[9]	Price-to-Adjusted Tangible Book Ratio[9]
G-SIBs	**U.S. G-SIBs**											
	Bank of America Corporation	200	2,820	1,480	2,786	13.52	7.36	7.18	71	8	1.06	1.55
	Bank of New York Mellon Corporation	26	470	166	305	15.81	6.29	8.63	21	0	0.91	1.81
	Citigroup Inc.	167	2,260	1,255	2,387	13.31	7.37	7.00	27	26	0.71	1.01
	Goldman Sachs Group, Inc.	93	1,163	610	1,333	15.21	8.08	6.96	5	2	1.07	1.17
	JPMorgan Chase & Co.	235	3,386	1,561	3,402	15.05	7.00	6.90	50	1	1.55	1.96
	Morgan Stanley	88	1,116	453	1,193	19.44	8.36	7.39	17	1	1.34	1.65
	State Street Corporation	17	315	117	208	14.39	6.39	8.12	10	0	1.08	1.84
	Wells Fargo & Company	158	1,955	1,194	1,964	13.25	8.32	8.05	29	0	0.76	0.92
	U.S. G-SIBs ($ Total, % Weighted Average)	**984**	**13,484**	**6,836**	**13,576**	**14.40**	**7.50**	**7.25**	**228**	**39**	**1.06**	**1.60**
	European and Canadian G-SIBs											
	Banco Santander (Spain)	93	1,845	688	1,800	13.49		5.15	19	30	0.54	1.09
	Barclays (UK)	75	1,842	418	1,712	17.91		4.40	11	5	0.47	0.59
	BNP Paribas (France)	120	3,044	851	2,445	14.06		4.90	14	8	0.52	0.63
	Crédit Agricole Group (France)	121	2,713	688	2,061	17.66		6.00	23	8	NA	NA
	Credit Suisse (Switzerland)	58	911	311	904	18.61		6.40	5	4	0.64	0.80
	Deutsche Bank (Germany)	62	1,621	402	1,319	15.39		4.70	8	9	0.34	0.45
	Group BPCE (France)	85	1,769	527	1,515	16.02		5.57	7	5	NA	NA
	HSBC (UK)	159	2,984	858	2,897	18.54		5.40	20	5	0.61	0.71
	ING Bank (Netherlands)	65	1,147	375	1,348	17.31		4.81	2	1	0.55	0.57
	Royal Bank of Canada (Canada)	60	1,221	436	1,240	13.76		4.80	12	6	1.78	2.19
	Société Générale (France)	68	1,788	430	1,442	15.71		4.70	8	6	0.27	0.35
	Standard Chartered (UK)	44	789	269	895	16.37		4.80	5	2	0.45	0.53
	Toronto Dominion (Canada)	54	1,289	366	1,210	14.84		4.50	14	4	1.47	1.97
	UBS (Switzerland)	56	1,126	289	1,037	19.42		5.41	6	9	0.84	1.14
	UniCredit (Italy)	73	1,139	398	1,220	18.22		5.95	3	16	0.33	0.46
	European and Canadian G-SIBs ($ Total, % Weighted Average)	**1,191**	**25,229**	**7,306**	**23,044**	**16.31**		**5.17**	**158**	**119**	**0.54**	**0.63**
	Asian G-SIBs											
	Agricultural Bank of China Limited (China)	336	4,167	2,602	4,530	12.92		7.42	4	21	0.44	0.49
	Bank of China Limited (China)	305	3,738	2,314	3,964	13.19		7.70	4	9	0.37	0.39
	China Construction Bank (China)	362	4,309	2,543	4,526	14.22		7.99	3	14	0.55	0.58
	Industrial and Commercial Bank of China (China)	440	5,108	3,082	5,407	14.28		8.14	5	10	0.57	0.59
	Mitsubishi UFJ FG (Japan; JPY, Local GAAP)	159	3,408	1,104	2,788	14.41		5.70	14	1	0.35	0.39
	Mizuho FG (Japan; JPY, Local GAAP)	92	2,111	641	1,866	14.43		4.95	6	0	0.37	0.40
	Sumitomo Mitsui FG (Japan; JPY, Local GAAP)	107	2,258	628	1,851	16.98		5.75	7	0	0.38	0.41
	Asian G-SIBs ($ Total, % Weighted Average)	**1,801**	**25,098**	**12,914**	**24,932**	**13.95**		**7.22**	**43**	**56**	**0.38**	**0.41**
U.S. banking organizations by size group	**G-SIBs** ($ Total, % Weighted Average)	**984**	**13,484**	**6,836**	**13,576**	**14.40**	**7.50**	**7.25**	**228**	**39**	**1.06**	**1.60**
	LBOs[10] (>$100B, excluding GSIBs) ($ Total, % Weighted Average)	**343**	**3,840**	**2,737**		**12.54**	**9.30**	**8.91**	**95**	**9**		
	RBOs ($10B - $100B) ($ Total, % Weighted Average)	**221**	**2,521**	**1,776**		**12.47**	**9.14**		**62**	**4**		
	CBOs (<$10B) ($ Total, % Weighted Average)	**251**	**2,596**	**1,349**		**13.93**	**10.00**		**19**	**4**		

Source: Federal Reserve Y-9C Reports, FFIEC Call Reports, FFIEC 101 Reports, S&P Global Market Intelligence LLC.

Notes:

[1]G-SIBs: The Financial Stability Board (FSB) publishes the list of Global Systemically Important Banks (G-SIBs) each November. The December 31, 2020 Bank Capital Analysis uses the list of G-SIBs released on November 11, 2020. The list included eight U.S. banking organizations and 22 non-U.S. organizations, and is available on the FSB's website: www.fsb.org. Note that the other groups of U.S. banks reflect the supervisory portfolios of the federal banking agencies as of April 8, 2021. Data sources: FR Y-9C and S&P Global Market Intelligence LLC for U.S. G-SIBs . Large Banking Organizations (LBO): Banking organizations greater than $100 billion, excluding G-SIBs and subsidiaries of G-SIBs and non-U.S. banks. There are 15 bank holding companies and one depository institution with no holding company included in the LBO group. Data source: FR Y-9C. Regional Banking Organizations (RBO): Banking organizations between $10 and $100 billion, excluding subsidiaries of G-SIBs, non-U.S. banks and LBOs. There are 82 bank holding companies and six depository institutions with no holding company included in the RBO group. Data source: FR Y-9C (FFIEC Call Report for RBOs without holding companies). Community Banking Organizations (CBO): Banking organizations less than $10 billion, excluding subsidiaries of G-SIBs, non-U.S. banks, LBOs and RBOs. There are 4,143 depository institutions included in the CBO group. Data source: FFIEC Call Report, as banking organizations less than $3 billion in assets do not report the FR Y-9C.

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

[3]Total Assets as reported in regulatory financial statements, which are subject to jurisdictional accounting standards.

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

[5]Leverage Ratios and Leverage Exposure: In the U.S., but not in other BCBS member countries, all banking organizations must report the Tier 1 Leverage Ratio (tier 1 capital/average assets for the leverage ratio). U.S. Category I, II and III banking organizations must also calculate the SLR, known outside the U.S. as the Basel III Leverage Ratio. The minimum required Basel III Leverage Ratio is 3 percent for G-SIBs and advanced approaches organizations, and the BCBS leverage framework requires a buffer above the minimum Basel III Leverage Ratio for G-SIBs. In the U.S., the buffer, referred to as the enhanced SLR, is 2 percentage points for the holding company and 3 percentage points for the insured depository institution. The denominator of the SLR, called total leverage exposure, is a broader measure than the denominator for the Tier 1 Leverage Ratio. Total leverage exposure adjusts regulatory balance sheet assets for derivatives exposure, securities financing exposure and commitments. All G-SIBs report total leverage exposure using the same reporting form (Pillar 3 Report). U.S. G-SIBs report the SLR ratio in the FR Y-9C and the SLR details in the FFIEC 101 report. S&P Global Market Intelligence LLC reports the fully phased-in Basel III leverage ratio. In response to the COVID-19 pandemic, SLR-reporting U.S. banking organizations are temporarily permitted to exclude on-balance sheet amounts of U.S. Treasury securities and deposits at Federal Reserve Banks from the calculation of leverage exposure, the denominator of the SLR, starting with June 30, 2020 financials and remaining effective through March 31, 2021 (see Board of Governors' April 14, 2020 Interim Final Rule available here: https://www.govinfo.gov/content/pkg/FR-2020-04-14/pdf/2020-07345.pdf). Jurisdictions in other countries have also temporarily permitted the exclusion of central bank deposits from the Basel III leverage ratio, but the exclusion is not reported similarly across foreign GSIBs and the effective dates differ. For more detail, see: https://www.iif.com/Portals/0/Files/Databases/COVID-19_regulatory_measures.pdf?ver=2020-09-11-140736-500.

[6]This ratio measures tier 1 capital to RWA.

[7]Goodwill and other intangibles, such as deposit intangibles, purchased credit card relationships and nonmortgage servicing assets.

[8]Deferred tax assets (DTAs) are the the amounts by which taxes payable in future periods may be decreased due to temporary timing differences. DTAs may also include carryforwards of unused tax losses and carryforward of unused tax credits, and are net of any valuation allowance.

[9]Median price-to-book ratios and price-to-adjusted book ratios are used instead of averages for subgroups and for U.S. comparative groups. The price-to-book ratio is price as a percent of book value per share. Book value is calculated using financial period end common equity and common shares outstanding values. The price-to-adjusted tangible book ratio is calculated using financial period end tangible common equity (common equity is adjusted for goodwill, other intangibles and DTAs) and common shares outstanding values. Price-to-book ratios for the Chinese G-SIBs reflect H-shares. Data are not available for the Credit Agricole Group and Group BPCE.

[10]The SLR reported for the LBO group is the weighted average SLR for five of the 16 LBOs (U.S. Bancorp, The PNC Financial Services Group, Inc., Capital One Financial Corporation, Truist Financial Corporation, and Northern Trust Corporation) that are required to report the SLR.