**COMMERCIAL BANKING OPERATIONS**

 **Primary Functions:**

* **Deposit Taking:** Accept deposits from individuals and businesses.
* **Lending:** Provide loans, including personal loans, mortgages, and business loans.
* **Payment Services:** Facilitate payments and offer checking and savings accounts.
* **Financial Services:** Provide various financial services such as credit cards, safe deposit boxes, and wealth management.

 **Clients:**

* Primarily serve individuals, small to medium-sized businesses, and some large corporations.

 **Revenue Generation:**

* Earn money mainly through interest on loans and fees for various services.

 **Regulation:**

* Heavily regulated by institutions such as the Federal Reserve, the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC).

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| Category | Information about | Value (as of 2023) |
| Commercial Banks | Total Assets | $23 trillion |
|  | Loan and Lease balances | $10.6 trillion |
|  | Deposit Balances | $17.4 trillion |
|  | Net Interest Margin | 3.25% |

**Commercial Banks**

1. **JPMorgan Chase**
   * **Overview:** The largest bank in the United States, offering a wide range of financial services including personal banking, mortgages, credit cards, auto loans, and small business services.
   * **Headquarters:** New York City, New York
   * **Total Assets (2023):** Approximately $3.8 trillion
2. **Bank of America**
   * **Overview:** One of the largest commercial banks in the U.S., providing consumer banking, wealth management, and corporate banking services.
   * **Headquarters:** Charlotte, North Carolina
   * **Total Assets (2023):** Approximately $3.1 trillion
3. **Wells Fargo**
   * **Overview:** A major American bank offering a variety of financial services including banking, investments, mortgage, and consumer and commercial finance.
   * **Headquarters:** San Francisco, California
   * **Total Assets (2023):** Approximately $1.9 trillion
4. **Citibank**
   * **Overview:** The consumer division of financial services multinational Citigroup, offering personal banking, credit cards, mortgages, and wealth management.
   * **Headquarters:** New York City, New York
   * **Total Assets (2023):** Approximately $1.7 trillion
5. **U.S. Bank (U.S. Bancorp)**
   * **Overview:** A major regional bank that provides banking, investment, mortgage, trust, and payment services products to individuals, businesses, and institutions.
   * **Headquarters:** Minneapolis, Minnesota
   * **Total Assets (2023):** Approximately $675 billion

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| --- | --- | --- | --- | --- |
| Year | Total Assets of U.S commercial banks ($ trillion) | Loan and Lease Balances ($ trillion) | Deposit Balances ($ trillion) | Net Interest Margin (%) |
| 1999 | 6.1 | 3.3 | 4 | 3.8 |
| 2000 | 6.7 | 3.6 | 4.2 | 3.9 |
| 2005 | 10 | 5.4 | 6.6 | 3.5 |
| 2010 | 13.5 | 7 | 8.4 | 3.6 |
| 2015 | 15.9 | 8.2 | 10 | 3 |
| 2020 | 20.4 | 9.5 | 14 | 2.9 |
| 2023 | 23 | 10.6 | 17.4 | 3.25 |

### **INVESTMENT BANKING OPERATIONS**

 **Primary Functions:**

* **Underwriting:** Assist companies in raising capital by underwriting and issuing securities.
* **Advisory Services:** Provide advisory services for mergers, acquisitions, and other corporate restructuring.
* **Trading and Sales:** Engage in market making, trading of securities, and facilitating the buying and selling of stocks, bonds, and other financial instruments.
* **Asset Management:** Offer investment management services to institutional and high-net-worth clients.

 **Clients:**

* Serve large corporations, governments, institutional investors, and high-net-worth individuals.

 **Revenue Generation:**

* Earn money through fees and commissions from underwriting, advisory services, trading activities, and asset management fees.

 **Regulation:**

* Regulated by the Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA), among others.

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| Category | Information about | Value (as of 2023) |
| Investment Banks | Global Investment Banking Revenue | $100 billion |
|  | U.S. M&A Deal Volume | $2.6 trillion |
|  | Number of U.S. IPOs | 250 |
|  | Funds Raised from U.S. IPOs | $60 billion |
|  | Trading and Sales Revenue for Major Banks | $70 billion |

**Investment Banks**

1. **Goldman Sachs**
   * **Overview:** A leading global investment banking, securities, and investment management firm that provides a wide range of financial services to a substantial and diversified client base.
   * **Headquarters:** New York City, New York
   * **Revenue (2023):** Approximately $60 billion
2. **Morgan Stanley**
   * **Overview:** A global financial services firm providing investment banking, securities, wealth management, and investment management services.
   * **Headquarters:** New York City, New York
   * **Revenue (2023):** Approximately $55 billion
3. **J.P. Morgan (Investment Banking Division)**
   * **Overview:** The investment banking arm of JPMorgan Chase, offering advisory services, capital raising, and market making across various asset classes.
   * **Headquarters:** New York City, New York
   * **Revenue (2023):** Integrated within JPMorgan Chase's overall revenue
4. **Bank of America Merrill Lynch**
   * **Overview:** The investment banking division of Bank of America, providing M&A advisory, underwriting, and capital markets services.
   * **Headquarters:** New York City, New York
   * **Revenue (2023):** Integrated within Bank of America's overall revenue
5. **Citigroup (Investment Banking Division)**
   * **Overview:** The investment banking arm of Citigroup, offering a full range of financial products and services, including mergers and acquisitions, capital markets, and advisory services.
   * **Headquarters:** New York City, New York
   * **Revenue (2023):** Integrated within Citigroup's overall revenue

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| --- | --- | --- | --- | --- | --- |
| Year | Global Investment Banking Revenue ($ billion) | U.S. M&A Deal Volume ($ trillion) | Number of U.S IPOs | Funds Raised from U.S. IPOs ($ billion) | Trading and Sales Revenue for Major Banks ($ billion) |
| 1999 | 45 | 1.1 | 511 | 69 | 30 |
| 2000 | 50 | 1.3 | 406 | 96 | 35 |
| 2005 | 60 | 1.4 | 200 | 37 | 45 |
| 2010 | 60 | 1.1 | 154 | 40 | 55 |
| 2015 | 75 | 2 | 169 | 31 | 60 |
| 2020 | 85 | 1.8 | 480 | 168 | 65 |
| 2023 | 100 | 2.6 | 250 | 60 | 70 |