

## ASSET & WEALTH MANAGEMENT

Refer to pages 80–82 of JPMorgan Chase’s 2020 Form 10-K and Line of Business Metrics on pages 170–171 for a discussion of the business profile of AWM.

### Selected income statement data

(in millions, except ratios)	Three months ended March 31,		
	2021	2020	Change
<b>Revenue</b>			
Asset management, administration and commissions	\$ 2,888	\$ 2,583	12 %
All other income	258	(54)	NM
<b>Noninterest revenue</b>	<b>3,146</b>	<b>2,529</b>	<b>24</b>
Net interest income	931	860	8
<b>Total net revenue</b>	<b>4,077</b>	<b>3,389</b>	<b>20</b>
Provision for credit losses	(121)	94	NM
<b>Noninterest expense</b>			
Compensation expense	1,389	1,226	13
Noncompensation expense	1,185	1,209	(2)
<b>Total noninterest expense</b>	<b>2,574</b>	<b>2,435</b>	<b>6</b>
<b>Income before income tax expense</b>	<b>1,624</b>	<b>860</b>	<b>89</b>
Income tax expense	380	191	99
<b>Net income</b>	<b>\$ 1,244</b>	<b>\$ 669</b>	<b>86</b>
<b>Revenue by line of business</b>			
Asset Management	\$ 2,185	\$ 1,740	26
Global Private Bank <sup>(a)</sup>	1,892	1,649	15
<b>Total net revenue</b>	<b>\$ 4,077</b>	<b>\$ 3,389</b>	<b>20 %</b>
<b>Financial ratios</b>			
Return on equity	35 %	25 %	
Overhead ratio	63	72	
Pre-tax margin ratio:			
Asset Management	35	24	
Global Private Bank <sup>(a)</sup>	45	27	
Asset & Wealth Management	40	25	

(a) In the first quarter of 2021, the Wealth Management business was renamed Global Private Bank. In the fourth quarter of 2020, certain wealth management clients were transferred from AWM Global Private Bank to the J.P. Morgan Wealth Management unit in CCB’s Consumer & Business Banking business. For further information see page 80 of the 2020 Form 10-K.

### Quarterly results

Net income was \$1.2 billion, up 86%.

Net revenue was \$4.1 billion, up 20%. Net interest income was \$931 million, up 8%. Noninterest revenue was \$3.1 billion, up 24%.

Revenue from Asset Management was \$2.2 billion, up 26%, predominantly driven by:

- higher asset management fees on strong cumulative net inflows into long-term and liquidity products and higher average market levels, net of liquidity fee waivers, and
- net investment valuation gains, compared with losses in the prior year.

Revenue from Global Private Bank was \$1.9 billion, up 15%, largely driven by:

- higher deposit and loan balances, higher asset management fees, loan margin expansion and an investment valuation gain,

largely offset by

- deposit margin compression.

Noninterest expense was \$2.6 billion, up 6% predominantly driven by higher volume- and revenue-related expense, partially offset by lower structural expense.

The provision for credit losses was a net benefit of \$121 million, driven by a reduction in the allowance for credit losses.

Refer to Credit and Investment Risk Management on pages 47–65 and Allowance for Credit Losses on pages 63–64 for further discussions of the credit portfolios and the allowance for credit losses.