Table of contents

Introduction

Bank of America is a second largest commercial bank in the US. Bank of America also have 5600 branches and 16200 ATM in hundred and more countries in the world. Bank of America is third largest company in the US. It is very rich company.

Chase bank is called JPMorgan chase bank. Chase is focused on commercial and retail banking. Chase and JPMorgan merged in 2000. Chase has more then 5100 branches and 16100 ATM in the US, also operating in more than 100 countries. Chase bank is the fourth largest banks in the US.

Horizontal Analysis

Balance sheet (Assets)

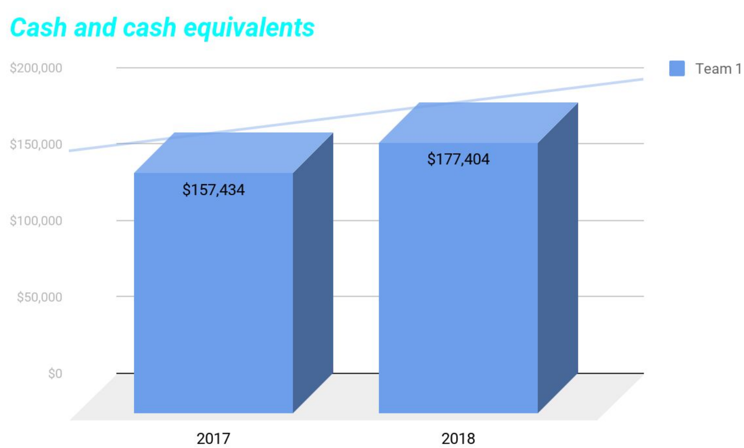
BOA

Assets

At December 31, 2018, total assets were approximately $2.4 trillion, up $73.3 billion from December 31, 2017 . The increase in assets was primarily due to higher securities borrowed or purchased under agreements to resell due to investment of excess cash levels in higher yielding assets and increased client activity, and higher cash and cash equivalents driven by deposit growth.

Cash and Cash Equivalents

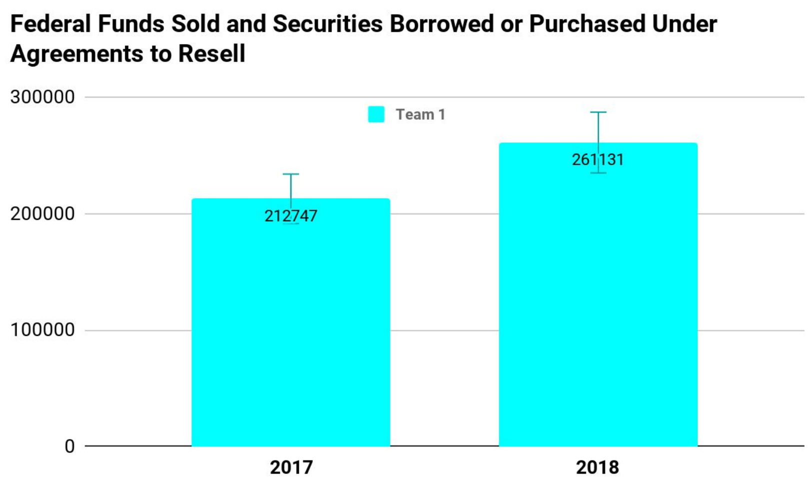
Cash and cash equivalents increased $20.0 billion primarily driven by deposit growth, partially offset by investment of short-term excess cash into securities purchased under agreements to



resell, and loan growth.

Federal Funds Sold and Securities Borrowed or Purchased Under Agreements to Resell

Federal funds transactions involve lending reserve balances on a short-term basis. Securities borrowed or purchased under agreements to resell are collateralized lending transactions utilized to accommodate customer transactions, earn interest rate spreads, and obtain securities for settlement and for collateral. Federal funds sold and securities borrowed or purchased under agreements to resell increased $48.4 billion due to investment of excess cash levels in higher yielding assets and a higher level of customer financing activity.



Trading Account Assets

Trading account assets consist primarily of long positions in equity and fixed income securities including U.S. government and agency securities, corporate securities and non-U.S. sovereign debt. Trading account assets increased $5.0 billion primarily driven by additional inventory in fixed-income, currencies and commodities (FICC) to meet expected client demand.

Debt Securities

Debt securities primarily include U.S. Treasury and agency securities, mortgagebacked securities (MBS), principally agency MBS, non-U.S. bonds, corporate bonds and municipal debt. We use the debt securities portfolio primarily to manage interest rate and liquidity risk and to take advantage of market conditions that create economically attractive returns on these investments. Debt securities increased $1.6 billion primarily driven by the deployment of deposit inflows. In 2018, the Corporation transferred available-for-sale (AFS) debt securities with an amortized cost of $64.5 billion to held to maturity. For more information on debt securities, see Note 4 – Securities to the Consolidated Financial Statements.

Loans and Leases

Loans and leases increased $10.1 billion primarily due to net loan growth driven by client demand for commercial loans and increases in residential mortgage. For more information on the loan portfolio, see Credit Risk Management on page 51.

Allowance for Loan and Lease Losses

The allowance for loan and lease losses decreased $792 million primarily due to the impact of improvements in credit quality from a stronger economy and continued runoff and sales in the non-core consumer real estate portfolio. For additional information, see Allowance for Credit Losses on page 67.

Balance sheet (Liabilities and equity)

BOA

Liabilities and equity

At December 31, 2018, total liabilities were approximately $2.1 trillion, up $75.1 billion from December 31, 2017, primarily due to deposit growth.

Deposits Deposits

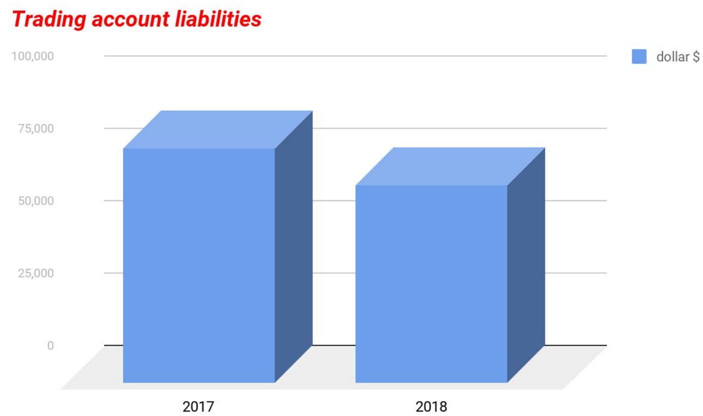
increased $71.9 billion primarily due to an increase in retail deposits.

Federal Funds Purchased and Securities Loaned or Sold Under Agreements to Repurchase

Federal funds transactions involve borrowing reserve balances on a short-term basis. Securities loaned or sold under agreements to repurchase are collateralized borrowing transactions utilized to accommodate customer transactions, earn interest rate spreads and finance assets on the balance sheet. Federal funds purchased and securities loaned or sold under agreements to repurchase increased $10.1 billion primarily due to an increase in matched book funding within Global Markets.

Trading Account Liabilities

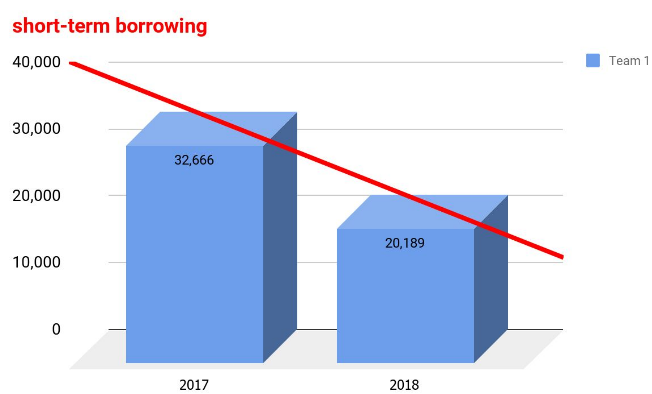
Trading account liabilities consist primarily of short positions in equity and fixed income securities including U.S. Treasury and agency securities, corporate securities and non-U.S. sovereign debt. Trading account liabilities decreased $13.0 billion primarily due to lower levels of short positions in government and corporate bonds driven by expected client demand within



Global Markets.

Short-term Borrowings

Short-term borrowings provide an additional funding source and primarily consist of Federal Home Loan Bank (FHLB) short-term borrowings, notes payable and various other borrowings that generally have maturities of one year or less. Short-term borrowings decreased $12.5 billion primarily due to a decrease in short-term FHLB advances. For more information on short-term borrowings, see Note 10 – Federal Funds Sold or Purchased, Securities Financing Agreements, Short-term Borrowings and Restricted Cash to the Consolidated Financial



Statements.

Long-term Debt

Long-term debt increased $1.9 billion primarily driven by issuances outpacing maturities and redemptions. For more information on long-term debt, see Note 11 – Long-term Debt to the Consolidated Financial Statements.

Shareholders’ Equity

Shareholders’ equity decreased $1.8 billion driven by returns of capital to shareholders of $27.0 billion through common and preferred stock dividends and share repurchases and a $4.0 billion after-tax decrease in the fair value of AFS debt securities recorded in accumulated other comprehensive income (OCI), largely offset by earnings.

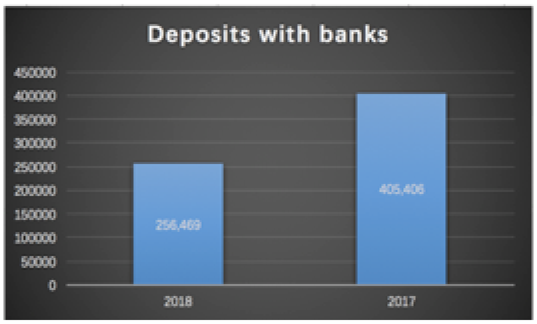
Cash Flows Overview

The Corporation’s operating assets and liabilities support our global markets and lending activities. We believe that cash flows from operations, available cash balances and our ability to generate cash through short- and long-term debt are sufficient to fund our operating liquidity needs. Our investing activities primarily include the debt securities portfolio and loans and leases. Our financing activities reflect cash flows primarily related to customer deposits, securities financing agreements and long-term debt. For more information on liquidity.

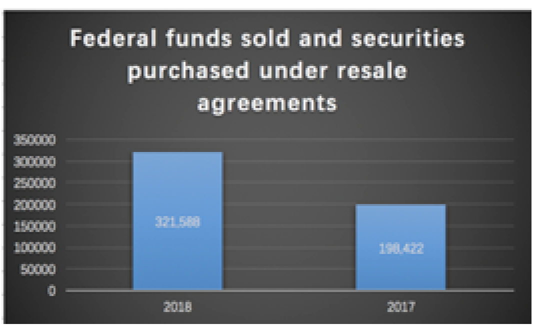
Balance sheet(ASSET)

CHASE

Cash and due from banks and deposits with banks decreased primarily as a result of a shift in the deployment of excess cash in Treasury and Chief Investment Officer ("CIO") from deposits with Federal Reserve Banks to other short-term instruments (as noted below), based on market opportunities. Deposits with banks reflect the Firm's placements of its excess cash with various central banks, including the Federal Reserve Banks.



Federal funds sold and securities purchased under resale agreements increased primarily due to a shift in the deployment of excess cash in Treasury and CIO from deposits with banks to securities purchased under resale agreements, and higher client-driven market-making activities in CIB.



Securities borrowed increased driven by higher demand for securities to cover short positions related to client-driven market-making activities in CIB.

Trading assets increased as a result of a shift in the deployment of excess cash in Treasury and CIO from deposits with banks into short-term instruments as well as client-driven market-making activities in CIB.

Investment securities increased primarily due to purchases of U.S. Treasury Bills, reflecting a shift in the deployment of excess cash in Treasury and CIO from deposits with banks. The increase was partially offset by net sales, paydowns and maturities largely of obligations of U.S. states and municipalities, commercial MBS and non-U.S. government debt securities.

Loans increased reflecting:

The allowance for loan losses decreased driven by: a reduction in the consumer allowance due to a $250 million reduction in the CCB allowance for loan losses in the residential real estate PCI portfolio, reflecting continued improvement in home prices and lower delinquencies, as well as a $187 million reduction in the allowance for write-offs of PCI loans partially due to loan sales. These reductions were largely offset by a $300 million addition to the allowance in the credit card portfolio, due to loan growth and higher loss rates, as anticipated.

Accrued interest and accounts receivable increased primarily reflecting higher client receivables related to client-driven activities in CIB.

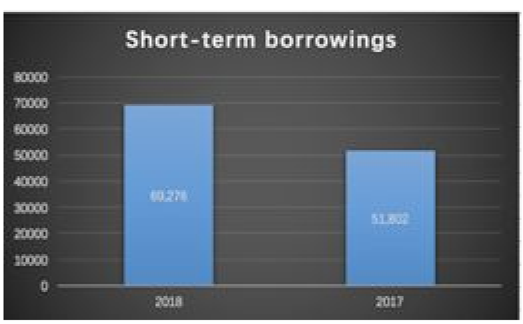
Other assets increased reflecting higher auto operating lease assets from growth in business volume in CCB and higher alternative energy investments in CIB.
Balance sheet(Liability & Equity)

CHASE

Deposits increased in CIB and CCB, largely offset by decreases in AWM and CB. The increase in CIB was predominantly driven by growth in operating deposits related to client activity in CIB's Treasury Services business,

Federal funds purchased and securities loaned or sold under repurchase agreements increased reflecting higher client-driven market-making activities and higher secured financing of trading assets-debt and equity instruments in CIB.

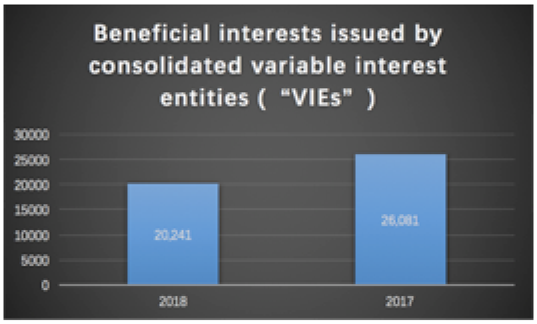
Short-term borrowings increased reflecting short-term advances from Federal Home Loan Banks ("FHLBs") and the net issuance of commercial paper in Treasury and CIO primarily for short-term liquidity management.



Trading liabilities increased predominantly as a result of client-driven market-making activities in CIB, which resulted in higher levels of short positions in equity instruments in Equity Markets, including prime brokerage.

Accounts payable and other liabilities increased partly as a result of higher client payables related to prime brokerage activities in CIB.

Beneficial interests issued by consolidated VIEs decreased due to net maturities of credit card securitizations. For further information on Firm-sponsored VIEs and loan securitization trusts, refer to Off-Balance Sheet.



Long-term debt decreased primarily driven by lower FHLB advances, predominantly offset by net issuance of structured notes in CIB, as well as net issuance of senior debt in Treasury and CIO.

Goodwill

Management applies significant judgment when testing goodwill for impairment. The goodwill associated with each business combination is allocated to the related reporting units for goodwill impairment testing.

For the year ended December 31, 2018, the Firm reviewed current economic conditions, business performance, estimated market cost of equity, and projections of business performance for all its businesses. Based upon such reviews, the Firm concluded that the goodwill allocated to its reporting units was not impaired as of December 31, 2018. The fair values of these reporting units exceeded their carrying values by approximately 20% or higher and did not indicate a significant risk of goodwill impairment based on current projections and valuations.

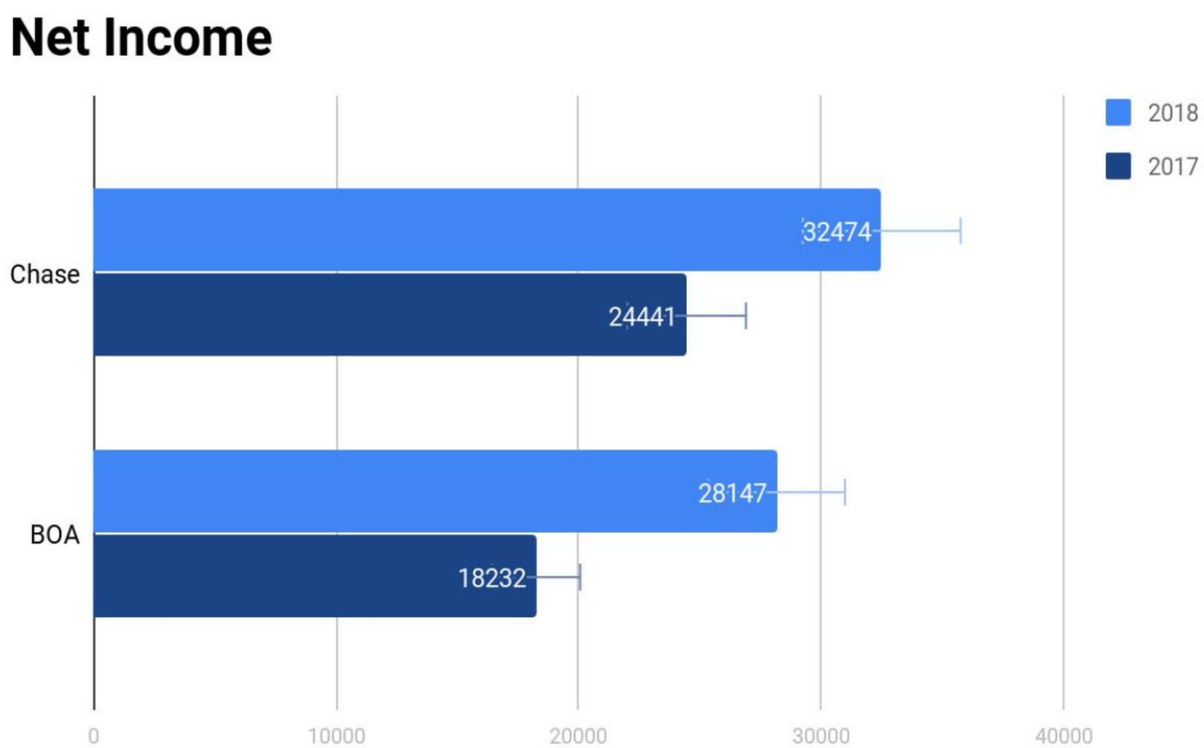
The projections for all of the Firm's reporting units are consistent with management's current short-term business outlook assumptions, and in the longer term, incorporate a set of macroeconomic assumptions and the Firm's best estimates of long-term growth and returns on equity of its businesses. Where possible, the Firm uses third-party and peer data to benchmark its assumptions and estimates.

Declines in business performance, increases in credit losses, increases in capital requirements, as well as deterioration in economic or market conditions, adverse regulatory or legislative changes or increases in the estimated market cost of equity, could cause the estimated fair values of the Firm's reporting units or their associated goodwill to decline in the future, which could result in a material impairment charge to earnings in a future period related to some portion of the associated goodwill.

INCOME STATEMENT

BOA & CHASE

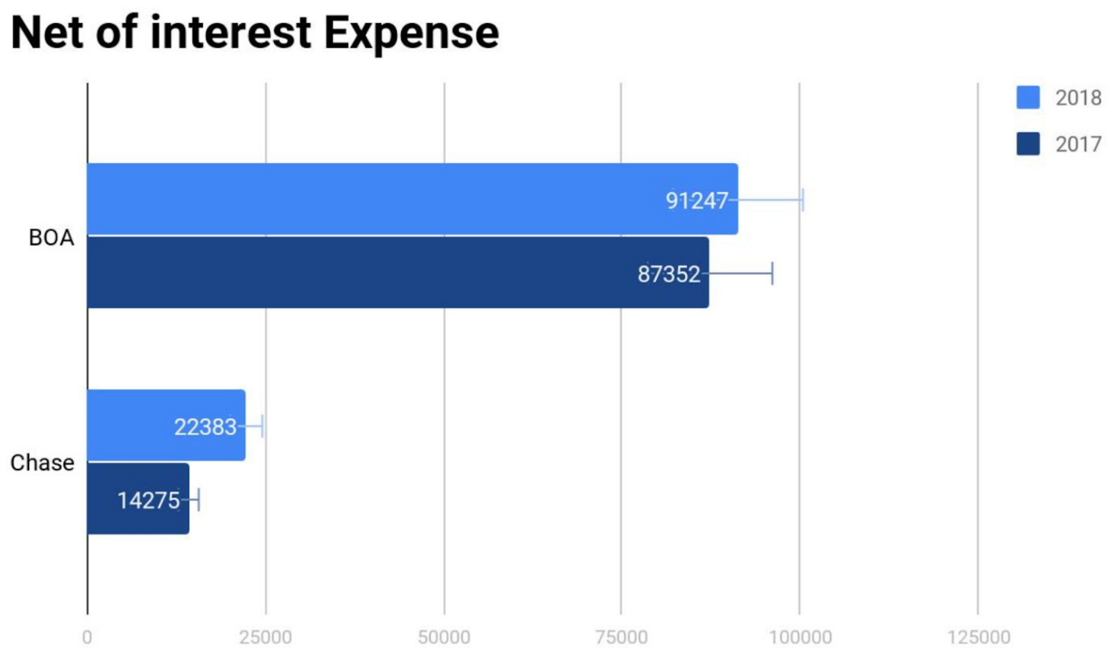
In order to better compare the two companies, we are going to apply horizontal analysis on their operation performance from 2017-2018. To start with, We can see both of the two companies' net income grows a lot in the period of 2017-2018 . On one hand.



Chase grows 8033 millions or 32.87% net income in compare with its data from 2017. On the other hand, Bank of America 9915 million or 54.38% of net income in

the same period of time.It is very easy to observe that even though Bank of America still earn less net income than Chase in either the year of 2017 or the year of 2018. However, Bank of America has an unbelievable growing rate on net income in this period of time. Conclusion: From 2017-2018,Both Bank of America and Chase.co's net income increases. In compare with Chase.co, Back of America's net income increases 21.93% more. This implies that Bank of America is earning more profit or spending less than Chase.co during the period.

If we take a closer look on both companies' income statement 's change on data, we do not see big differences on their interest income, noninterest income and most of date related to expenses. However, one factor that lead to the result is the differences on their interest expense.



Bank of America Chase.co Net of Interest Expense 4.46%

(Change in percentage%) 56.80%

On one hand, Bank of America only increases its interest expense for 4.46% in compare with their performance last year. On the other hand, Chase.co increases 56.80% which is huge differences with its performance last year. The higher expense on the company, the lower net income it will get. As a result, Chase.co did not increase its net income from 2017-2018 that much in compare with Bank of America. The data also explains a reason why Bank of America has a lower net

income than Chase bank. Even though their net of interest expense did not grow much from the year of 2017 to the year of 2018. However, their net of interest expense is always much higher than Chase and that cause the result that their net income is always lower than Chase.

Vertical Analysis

Balance sheet

BOA

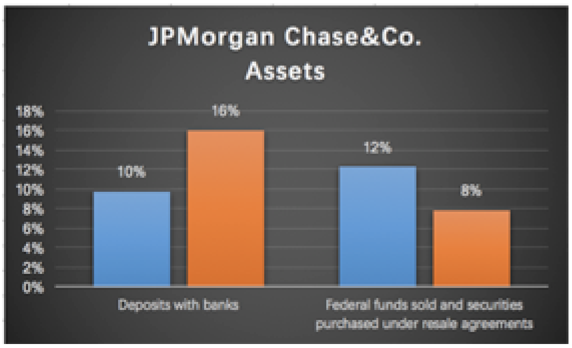
loans and leases, Federal funds sold and securities borrowed or purchased under agreements to resell, Deposits

As we move on to the balance sheet, we can see that all the terms occupy different portions of the total asset. Through looking at these numbers and changes, we can tell how the company allocates the resources and how they perform for the particular period of time. We can see that BOA ***loans and leases*** always take a big portions of the whole assets, during 2017 to 2018, it is around 40-41% of the assets. Even Loans and leases increased $10.1 billion primarily due to net loan growth driven by client demand for commercial loans and increases in residential mortage. But, in the proportion of total assets it decrease 0.84%, We can see that loans and leases play a major role in the operation of a bank.Then ***Federal funds sold and securities borrowed or purchased under agreements to resell*** made 23% increased from 2017 to 2018, federal funds sold and securities borrowed or purchased under agreements to resell increased $48.4 billion due to investment of excess cash levels in higher yielding assets and a higher level of customer financing activity. Also, in the proportion of total assets it increases 1.76% which is a really huge increase compares to other data. What's more, The changes in ***deposits*** are also worthy of our attention. Deposits increased $71.9 billion primarily due to an increase in retail deposits. The proportion of deposit in total liability increases 1.27% form 57.41 to 58.67%. From this data, we can easily see that the proportion of deposit in the entire liability is very large or even exceeds 50%. Although our total assets have risen somewhat, they are still in a very slow phase. From 2017 to 2018, total assets have increased by 3%. At the same time, the liability has increased by 4%.

Balance sheet

CHASE

According to the vertical analysis and common-size percentage of the balance sheet, two of the most volatile accounts of the Assets are deposits with banks and federal funds sold and securities purchased under resale agreements, which decreased from 16% in 2017 to 10% in 2018 and increased from 8% in 2017 to 12% in 2018 respectively. The decrease of the deposit with banks is as a result of the Firm's placements of its excess cash with various central banks, including the Federal Reserve Banks. Federal funds sold and securities purchased under resale agreements increased primarily due to a shift in the deployment of excess cash in Treasury and CIO from deposits with banks to securities purchased under resale agreements, and higher client-driven market-making activities in CIB.

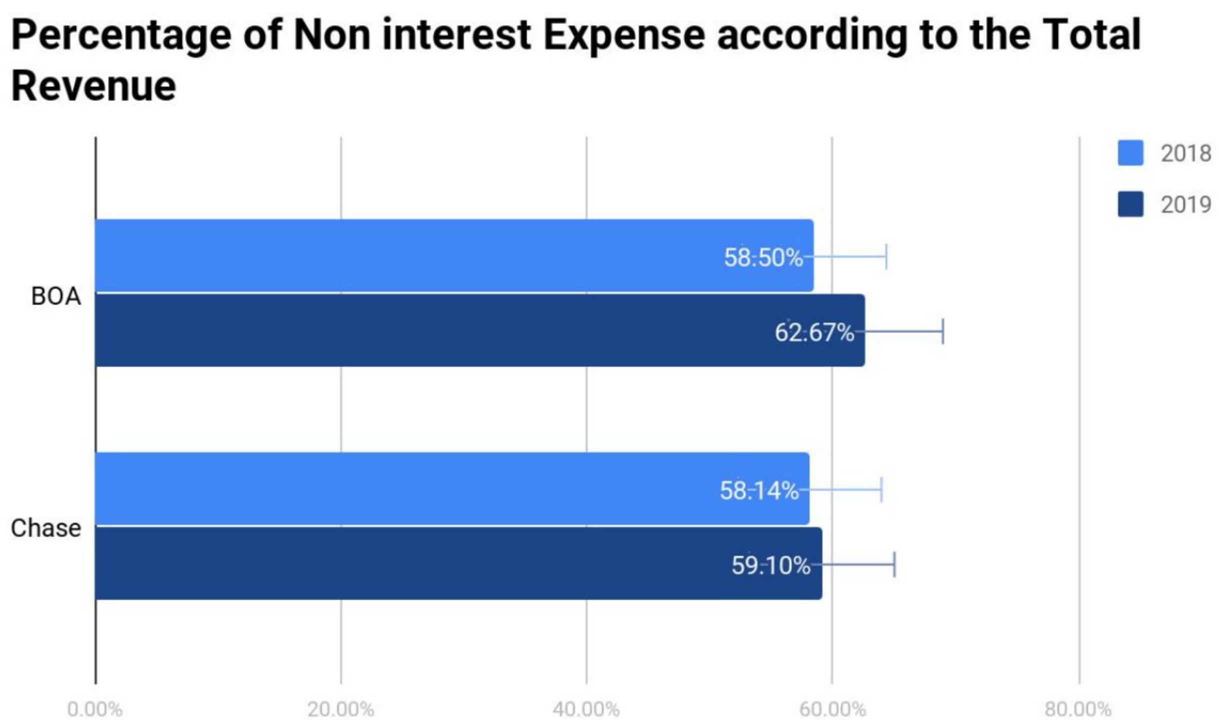


As for the volatile accounts in liabilities of JPM's balance sheet, they're short-term borrowings and trading liabilities. Short-term borrowing decreased by 2% from 5% in 2017 and trading liabilities increased by 1% from 5% in 2017 respectively. Short-term borrowings increased reflecting short-term advances from Federal Home Loan Banks ("FHLBs") and the net issuance of commercial paper in Treasury and CIO primarily for short-term liquidity management. Trading liabilities increased predominantly as a result of client-driven market-making activities in CIB, which resulted in higher levels of short positions in equity instruments in Equity Markets, including prime brokerage.

INCOME STATEMENT

BOA & CHASE

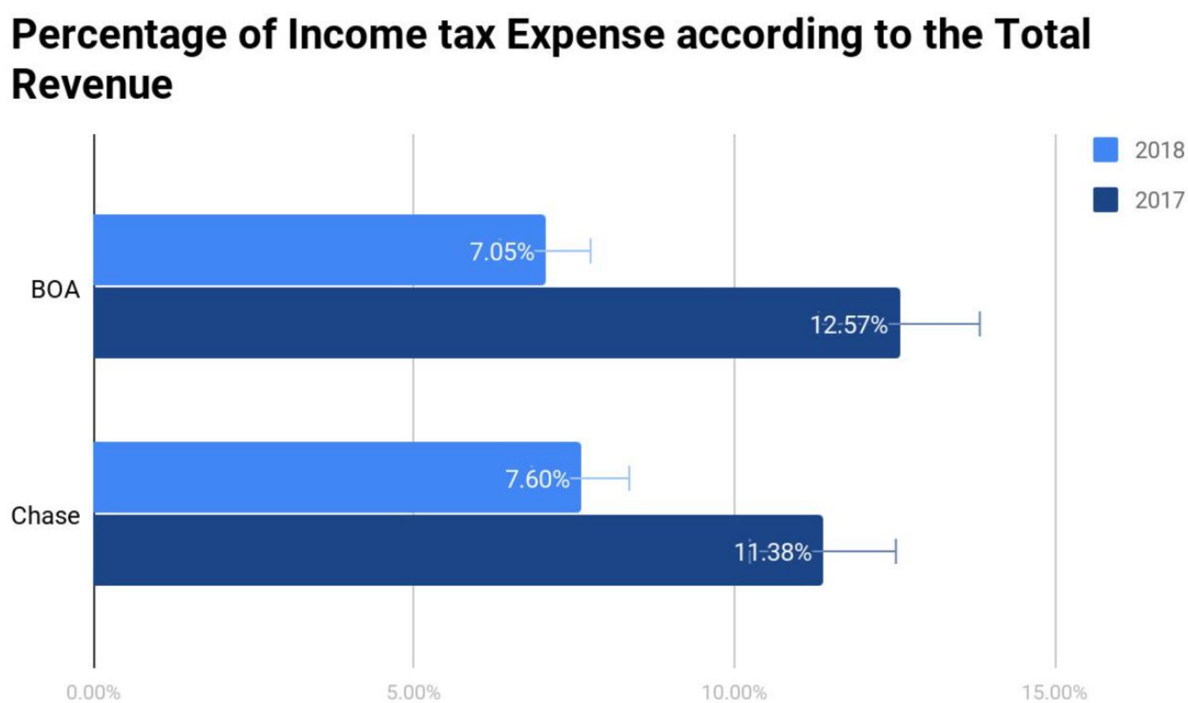
Vertical analysis or common-size comparison give us a better view on both companies' operating structure and help us to better compare them as a pair of competitors.First of all, non interest expense is a big part that both companies took from their total revenue and the percentage both grows from the year of 2017 to the year of 2018.On one hand, Bank of America in 2017 spends 58.50% of their total revenue for non interest expense and 62.67% in 2018.Non interest grows 4.17% in their operation year of 2017 to 2018. On the other hand, Chase Bank in 2017 spends 58.14% of their total revenue for non interest expense which is very similar with the percentage Bank of America has on 2017 and 59.10% in 2018. Non interest expense grows 0.96% in the same operating period. In contrast, both companies increase the percentage of non interest according to their total revenue but Bank of America increase more than Chase Bank.



Moreover, Income tax expense is also a key factor determined the net income a company will finally have. Both companies are actually paying less percentage of income tax expense in 2018 in compare with the percentage they have in 2017. Bank of America was paying 12.57% on Income tax expense from their total revenue, but only 7.05% in 2018. Chase was paying 11.38% in 2018 but only 7.60% in 2018. In contrast, both companies are spending less percentage of their total revenue on income tax expense from 2017-2018. However, Bank of America's percentage declined more than Chase.

In short, the two companies' operation style is similar yet different. Non interest expense is the biggest factor for both companies to spend their money from total

revenue. Both companies's percentage on income tax expense decreases as well as their percentage on non interest expense.



RATIO ANALYSIS

1.Liquidity Ratios

2.Solvency Ratios

3.Profitability analysis

Liquidity ratios

chase	2018	2017
Asset turnover	0.0397	0.00377
Inventory turnover	-	-
Currrent ratios	-	-
Receiveable turnover	-	-
DAYS SALE IN RECEIVABLES	-	-

BOA	2018	2017
Asset turnoveR	0.0374	00.0368
Inventory turnover	-	-
Currrent ratios	-	-
Receiveable turnover	--	--

DAYS SALE IN RECEIVABLES	-	-

asset turnover: Asset turnover can be defined as the amount of sales or revenues generated per dollar of assets. The asset turnover ratio is an indicator of the efficiency with which a company is deploying its assets. Both Chase and BOA have really small ratio of asset turnover, less than 0.05, Chase is a bit bigger than BOA for 2017 and 2018. Which means that Chase is more efficiency of assets in producing sales.

THE REASON WHY WE DO NOT HAVE THOSE inventory turnover, receivables turnover and days sales in receivables ratios like other companies is because Banks, especially commercial banks, are relatively special companies. In theory, they are not able to see the production process of products through production. His most basic way of making money is to take deposits at the lowest possible cost and then be legal and able to The recovery of the highest possible return release loan, that is, the management of assets (loaned loans) liabilities (absorbed deposits), the digitalization of asset-liability management is the balance sheet, so the most basic characteristic of banks (commercial banks) is Asset and liability management can also be called a business on a balance sheet

Solvency Ratios

CHASE	2018	2017
debt/equity ratio	2.6477	2.4188

BOA	2018	2017
debt/equity ratio	2.6477	2.4188

Debt/equity ratio : The debt/equity ratio can be defined as a measure of a company's financial leverage calculated by dividing its long-term debt by stockholders' equity. =Total liabilities/ total equity.

Profitability ratio

BOA

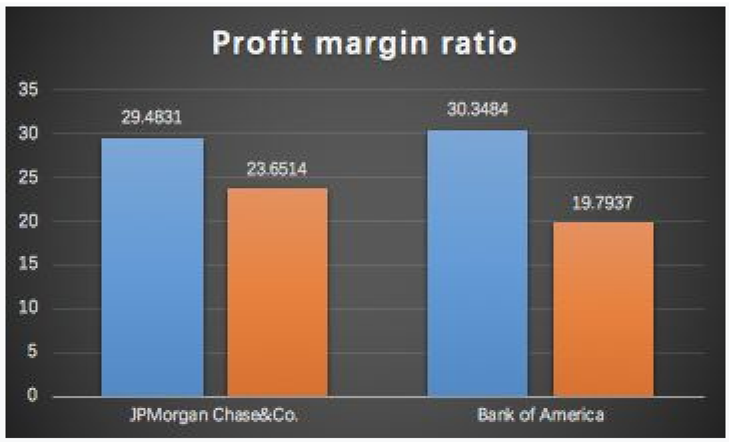
Profitability		
net profit margin	30.3484	19.7937
return on asset	1.1955	0.7992
book value per share	27.44	25.9685

Chase

Profitability		
net profit margin	29.4831	23.6514
return on asset	1.2383	0.9647

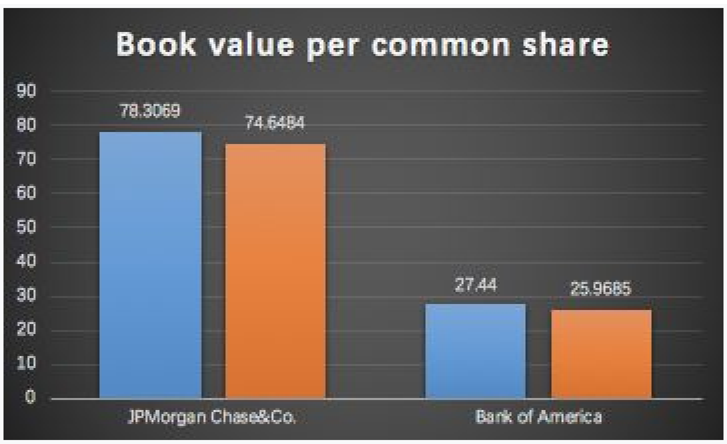
book value per share	78.3069	74.6484

Profit margin ratio shows measuring the amount of net income earned with each dollar of sales generated by comparing the net income and net sale of the company.



Return on asset : return on asset: Return on assets can be defined as an indicator of how profitable a company is relative to its total assets. Calculated by dividing a company's operating earnings by its total assets.

Book value per share : return on asset: Return on assets can be defined as an indicator of how profitable a company is relative to its total assets. Calculated by dividing a company's operating earnings by its total assets.



Partnership and international strategies

Partnership and international strategies

Chase takes a comprehensive approach to increasing economic opportunity, using their firm's global scale, talent and resources to make investments and create partnerships in four priority areas: **Jobs & Skills**, **Small Business Expansion**, **Financial Health**, and **Neighborhood Revitalization**.

In 2017, the firm and its Foundation gave nearly $250 million to nonprofit organizations across the U.S. and in 40 countries around the world, and has committed to invest $1.75 billion by 2023. In addition, last year, 56,000 JPMorgan Chase employees provided 383,000 hours of volunteer service in the communities where they live and work.

We must grow with our customer-focused strategy

We serve three groups of customers — people, companies, and institutional investors. In the U.S. we serve all three customer groups, and outside the U.S. we serve larger companies and institutional investors. This business model simplifies our operations and reduces our risk profile.

People: We believe we have the best consumer, small business and wealth-management franchise in the country. We serve more than one in three U.S. households and more than 9 million business-owner clients. We see continued growth in our digital and mobile channels, with 37 million digital banking users; nearly 27 million are active mobile banking customers.

Companies: Our Global Banking business works with virtually every company in the S&P 500. Global Banking delivers solid and recurring profitability. Recognizing the businesses we serve are the engines of the economy, we bring the broadest array of solutions, both domestic and international, to our clients to help companies grow, improve cash flow and invest for the future.

Institutions: Turning to the institutional investors we serve, our Global Markets business is one of the most capable platforms in the world. This business provides capital to companies necessary for growth and serves many of the world’s largest institutional investors who manage savings and investments through pension and retirement funds. Our presence and global reach in fixed income and equity products allow us to provide them access to investment opportunities.

Conclusion

In summary, our project was about BOA, and CHASE, whose companies are primarily are bank. **Chase** is the bigger and stronger company than BOA. During this project, we analyzed those two companies using both Horizontal analysis and Vertical analysis based on the balance sheet ,income statement. We also do the ratio analysis about the Liquidity, Efficiency, Solvency, and profitability. After comparing the data, we found that both Boa and Chase are two very powerful banks. Their total assets, liabilities and equity are basically the same proportion, which is the ratio of liabilities and equity 9 to 1. But between 2017 and 2018, Boa's total assets rose by 3%, compared with chase by 1%, and the equity was also down by 1% from chase. The net income of the same Chase is higher than Boa from 2017 to 2018, but Boa grows a bit faster than Chase. In ratio, the proportion of return on asset of chase is also 0.1% higher than boa, and book value per share is nearly 50 higher than boa. In general, chase is still slightly more prominent than boa in all aspects.

REFERENCE:

http://investor.bankofamerica.com/static-files/6b395490-64a9-4fc3-a911-e6a050521f00

http://investor.bankofamerica.com/sec-filings/sec-filing/10-k/0000070858-19-000012#fbid=cfZG
uHha7eO

https://jpmorganchaseco.gcs-web.com/node/271651/html#sBD98D827E6A55C0B98CBD6BE84E9D9EF

APPENDIX:

balance sheet (BOA, CHASE)
Income statement (BOA, CHASE)
RITOS(Liquidity, Efficiency, Solvency, Profitability)

BOA

CURRENT ASSETS	2018	2017	% Change
Cash and cash equivalents	$177404	$157434	13%
Federal funds sold and securities borrowed or purchased under agreements to resell	261131	212747	23%
Trading account assets	214348	209358	2
Debt securities	441753	440130	-
Loans and leases	946895	936749	1
Allowance for loan and lease losses	(9601)	(10393)	(8)
All other assets	322577	335209	(4)
Total assets	2354507	2281234	3
Liabilities			
Deposits	$1,381,476	$1,309,545	5%
Federal funds purchased and securities loaned or wsold under agreements to repurchase	186,988	176,865	6
Trading account liabilities	68,220	81,187	(16)
Short-term borrowings	20,189	32,666	(38)
Long-term debt	229,340	227,402	1
All other liabilities	202,969	186,423	9
Total liabilities	2,089,182	2,014,088	4
Share holders' equity	265,325	267,146	(1)
Total liabilities and share holders' equity	2,354,507	2,281,234	3

CURRENT ASSETS	2018	2017	2018	2017	
Cash and cash equivalents	$177404	$157434	7.53%	6.90%	0.63%
Federal funds sold and securities borrowed or purchased under agreements to resell	261131	212747	11.09%	9.33%	1.76%
Trading account assets	214348	209358	9.1	9.18	-0.08%
Debt securities	441753	440130	18.76	19.29	-0.53%
Loans and leases	946895	936749	40.22	41.06	-0.84%
Allowance for loan and lease losses	(9601)	(10393)	-0.41	-0.46	0.05%
All other assets	322577	335209	13.70	14.69	-0.99%
Total assets	2354507	2281234	100	100	0.00%
Liabilities					0.00%
Deposits	$1,381,476	$1,309,545	58.67%	57.41%	1.27%
Federal funds purchased and securities loaned or sold under agreements to repurchase	186,988	176,865	7.94	7.75	0.19%
Trading account liabilities	68,220	81,187	2.90	3.56	-0.66%
Short-term borrowings	20,189	32,666	0.86	1.43	-0.57%
Long-term debt	229,340	227,402	9.74	9.97	-0.23%
All other liabilities	202,969	186,423	8.62	8.17	0.45%
Total liabilities	2,089,182	2,014,088	88.73	88.29	0.44%
Share holders’ equity	265,325	267,146	11.27	11.71	-0.44%
Total liabilities and share holders’ equity	2,354,507	2,281,234	100	100	0.00%
					0.63%

JPMorgan Chase&Co.

	2018	2017
Liquidity and efficiency		
asset turnover	0.0397	0.0377
Solvency		
debt/equity ratio	2.6477	2.4188
Profitability		
net profit margin	29.4831	23.6514
return on asset	1.2383	0.9647
book value per share	78.3069	74.6484

Bank of America

	2018	2017
Liquidity and efficiency		
asset turnover	0.0374	0.0368
Solvency		
debt/equity ratio	1.9023	1.9395
Profitability		
net profit margin	30.3484	19.7937
return on asset	1.1955	0.7992
book value per share	27.44	25.9685

JPMorgan Chase&Co.

Common Size Balance Sheet

			Common Size Percents	
	2018	2017	2018	2017
Assets				
Cash and due from banks	22,324	25,898	1%	1%
Deposits with banks	256,469	405,406	10%	16%
Federal funds sold and securities purchased under resale agreements	321,588	198,422	12%	8%
Securities borrowed	111,995	105,112	4%	4%
Trading assets	413,714	381,844	16%	15%
Investment securities	261,828	249,958	10%	10%
Loans	984,554	930,697	38%	37%
Allowance for loan losses	-13,445	-13,604	-1%	-1%
Loans, net of allowance for loan losses	971,109	917,093	37%	36%
Accrued interest and accounts receivable	73,200	67,729	3%	3%
Premises and equipment	14,934	14,159	1%	1%
Goodwill, MSRs and other intangible assets	54,349	54,392	2%	2%
Other assets	121,022	113,587	5%	4%
Total assets	2,622,532	2,533,600	100%	100%
Liabilities				
Deposits	1,470,666	1,443,982	56%	57%
Federal funds purchased and securities loaned or sold under repurchase agreements	182,320	158,916	7%	6%
Short-term borrowings	69,276	51,802	3%	5%
Trading liabilities	144,773	123,663	6%	5%
Accounts payable and other liabilities	196,710	189,383	8%	7%
Beneficial interests issued by consolidated variable interest entities ("VIEs")	20,241	26,081	1%	1%
Long-term debt	282,031	284,080	11%	11%
Total liabilities	2,366,017	2,277,907	90%	90%
Stockholders' equity	256,515	255,693	10%	10%
Total liabilities and stockholders' equity	2,622,532	2,533,600	100%	100%

JPMorgan Chase&Co.

Balance Sheet

	2018	2017	%Change
Assets			
Cash and due from banks	22,324	25,898	-14
Deposits with banks	256,469	405,406	-37
Federal funds sold and securities purchased under resale agreements	321,588	198,422	62
Securities borrowed	111,995	105,112	7
Trading assets	413,714	381,844	8
Investment securities	261,828	249,958	5
Loans	984,554	930,697	6
Allowance for loan losses	-13,445	-13,604	-1
Loans, net of allowance for loan losses	971,109	917,093	6
Accrued interest and accounts receivable	73,200	67,729	8
Premises and equipment	14,934	14,159	5
Goodwill, MSRs and other intangible assets	54,349	54,392	-
Other assets	121,022	113,587	7
Total assets	2,622,532	2,533,600	4
Liabilities			
Deposits	1,470,666	1,443,982	2
Federal funds purchased and securities loaned or sold under repurchase agreements	182,320	158,916	15
Short-term borrowings	69,276	51,802	34
Trading liabilities	144,773	123,663	17
Accounts payable and other liabilities	196,710	189,383	4
Beneficial interests issued by consolidated variable interest entities ("VIEs")	20,241	26,081	-22
Long-term debt	282,031	284,080	-1
Total liabilities	2,366,017	2,277,907	4
Stockholders' equity	256,515	255,693	-
Total liabilities and stockholders' equity	2,622,532	2,533,600	4

BANK OF AMERICA CORP /DE/								
10-K								
	02/26/2019							
Income Statement								
Table 1	Summary Income Statement and Selected Financial Data							
(Dollars in millions, except per share information)				2018				2017
				change in %				change in %
Net interest income			$47,432	51.98%			$44,667	51.13%
Noninterest income			43,815	47.33%			42,685	48.87%
Total revenue, net of interest expense			91,247	100%			87,352	100%
Provision for credit losses			3,282	3.60%			3,396	3.89%
Noninterest expense			53,381	58.50%			54,743	62.67%
Income tax expense			6,437	7.05%			10,981	12.57%
Net income			28,147	30.85%			18,232	20.87%
Chart 1							Chart2	
Blue	Net Income				Blue	Provision of credit loss		
Red	Noninterest Expense			]	Red	Noninterest Expense		
Yellow	Income tax expense				Yellow	Income tax Expense		
Green	Provision for credit loss				Green	Net Income		

Comparative Income Statement Analysis

Bank of America:

(Dollars in millions, except per share information)		2018		2017
Income statement				
Net interest income	$	47,432	$	44,667
Noninterest income		43,815		42,685
Total revenue, net of interest expense		91,247		87,352
Provision for credit losses		3,282		3,396
Noninterest expense		53,381		54,743
Income before income taxes		34,584		29,213
Income tax expense		6,437		10,981
Net income		28,147		18,232
Preferred stock dividends		1,451		1,614
Net income applicable to common shareholders	$	26,696	$	16,618

<u>Expenses:</u>

Provision for credit loss -114m -3.36%

(Calculation: 3282-3396=-114 -114/3396=-3.36%)

Noninterest expense -1362m -2.49%

(Calculation: 53381-54743=-1362 -1362/54743=-2.49%)

Income tax expense -4544m -41.38%

(Calculation:6437-10981=-4544 -4544/10981=-41.38%)

Net of interest expense 3895m 4.46%

(Calculation:91247-87352=3895 3895/87352=4.46%)

<u>Income:</u>

Net interest income 2765m 6.19%

(Calculation:47432-44667=2765 2765/44667=6.19%)

Noninterest income	1130m	2.65%
(Calculation:43815-42685=1130 1130/42685=2.65%)		
Net income	9915m	54.38%

Year ended December 31, (in millions, except per share data)	2018	2017
Revenue		
Investment banking fees	$ 7,550	$ 7,412 $
Principal transactions	12,059	11,347
Lending- and deposit-related fees	6,052	5,933
Asset management, administration and commissions	17,118	16,287
Investment securities gains/(losses)	(395)	(66)
Mortgage fees and related income	1,254	1,616
Card income	4,989	4,433
Other income	5,343	3,646
Noninterest revenue	53,970	50,608
Interest income	77,442	64,372
Interest expense	22,383	14,275
Net interest income	55,059	50,097
Total net revenue	109,029	100,705
Provision for credit losses	4,871	5,290
Noninterest expense		
Compensation expense	33,117	31,208
Occupancy expense	3,952	3,723
Technology, communications and equipment expense	8,802	7,715
Professional and outside services	8,502	7,890
Marketing	3,290	2,900
Other expense	5,731	6,079
Total noninterest expense	63,394	59,515
Income before income tax expense	40,764	35,900
Income tax expense	8,290	11,459
Net income	$ 32,474	$ 24,441 $

JP Morgan Chase.co:

<u>Expenses</u>

Provision for credit loss	-419m	-7.92%
(Calculation: 4871-5290=-419 -419/5290=-7.92%)		
Noninterest expense	3879m	6.52%
(Calculation: 63394-59515=3879 3879/59515=-6.52%)		
Income tax expense	-3169m	-27.66%
(Calculation: 8290-11459=-3169 -3189/11459=-27.66%)		
Net of interest expense	8108m	56.80%
(Calculation: 22383-14275=8108 8108/14275=56.80%)		

<u>Income:</u>

Net interest income	4962m	9.90%
(Calculation: 55059-50097=4962 4962/50097=9.90%)		
Noninterest income	3362m	6.64%
(Calculation: 53970-59608-3362 3362/50608=6.64%)		
Net Income	8033m	32.87%

<u>Intercompany analysis</u>

	Bank of America	Chase.co
Net Income	54.8%	32.87%
(Changes in percentage%)		