CONSOLIDATED RESULTS OF OPERATIONS

This section provides a comparative discussion of JPMorgan Chase's Consolidated Results of Operations on a reported basis for the three-year period ended December 31, 2018, unless otherwise specified. Factors that relate primarily to a single business segment are discussed in more detail within that business segment. For a discussion of the Critical Accounting Estimates Used by the Firm that affect the Consolidated Results of Operations, refer to pages 141-143.

Effective January 1, 2018, the Firm adopted several new accounting standards. Certain of the new accounting standards were applied retrospectively and, accordingly, prior period amounts were revised. For additional information, refer to Note 1.

Revenue

Year ended December 31, (in millions)	2018	2017	2016
Investment banking fees	**$ 7,550**	$ 7,412	$ 6,572
Principal transactions	**12,059**	11,347	11,566
Lending- and deposit-related fees	**6,052**	5,933	5,774
Asset management, administration and commissions	**17,118**	16,287	15,364
Investment securities gains/(losses)	**(395)**	(66)	141
Mortgage fees and related income	**1,254**	1,616	2,491
Card income	**4,989**	4,433	4,779
Other income(a)	**5,343**	3,646	3,799
Noninterest revenue	**53,970**	50,608	50,486
Net interest income	**55,059**	50,097	46,083
Total net revenue	**$ 109,029**	$ 100,705	$ 96,569

(a) Included operating lease income of $4.5 billion, $3.6 billion and $2.7 billion for the years ended December 31, 2018, 2017 and 2016, respectively.

2018 compared with 2017

Investment banking fees increased from a strong prior year, with overall share gains, reflecting:

- higher advisory fees driven by a higher number of large completed transactions, and
- higher equity underwriting fees driven by a higher share of fees, reflecting strong performance across products

predominantly offset by

- lower debt underwriting fees primarily driven by declines in industry-wide fee levels.

For additional information, refer to CIB segment results on pages 66-70 and Note 6.

Principal transactions revenue increased primarily reflecting higher revenue in CIB driven by:

- Equity Markets with strength across products, primarily in derivatives and prime brokerage, reflecting strong client activity, and
- Fixed Income Markets reflecting strong performance in Currencies & Emerging Markets, and higher revenue in Commodities compared to a challenging prior year, largely offset by lower revenue in Credit,
- the results also reflect a loss in Credit Adjustments & Other, largely driven by higher funding spreads on derivatives.

The increase in CIB was partially offset by private equity losses reflecting markdowns on certain legacy private equity investments compared with gains in the prior year in Corporate.

For additional information, refer to CIB and Corporate segment results on pages 66-70 and pages 77–78, respectively, and Note 6.

Asset management, administration and commissions revenue increased reflecting:

- higher asset management fees in AWM and CCB driven by higher average market levels and the cumulative impact of net inflows. For AWM, these were partially offset by fee compression and lower performance fees
- higher brokerage commissions driven by higher volumes in CIB and AWM, and higher asset-based fees in CIB.

For additional information, refer to AWM, CCB and CIB segment results on pages 74–76, pages 62–65 and pages 66-70, respectively, and Note 6.

For information on lending- and deposit-related fees, refer to the segment results for CCB on pages 62–65, CIB on pages 66-70, and CB on pages 71-73 and Note 6; on securities gains, refer to the Corporate segment discussion on pages 77–78.

Investment securities losses increased due to sales related to repositioning the investment securities portfolio.

Mortgage fees and related income decreased driven by:

- lower net production revenue reflecting lower production margins and volumes, as well as the impact of a loan sale,

partially offset by

- higher net mortgage servicing revenue reflecting higher MSR risk management results, predominantly offset by lower servicing revenue on a lower level of third-party loans serviced.

For further information, refer to CCB segment results on pages 62–65, Note 6 and 15.

Card income increased driven by:

- lower new account origination costs, and higher merchant processing fees on higher volumes,

largely offset by

- lower net interchange income reflecting higher rewards costs and partner payments, largely offset by higher card sales volumes. The rewards costs included an adjustment to the credit card rewards liability of approximately $330 million, recorded in the second quarter of 2018, driven by an increase in redemption rate assumptions.

For further information, refer to CCB segment results on pages 62–65 and Note 6.