Opinion **Lex**

Jamie Dimon delivers a masterclass in managing up

JPMorgan chief's letter to shareholders is an exercise in blending in with the political wallpaper

JPMorgan chief Jamie Dimon wrote a 58-page letter to investors © Al Drago/Bloomberg

Published APR 7 2025

Every year, JPMorgan chief Jamie Dimon uses his perch as chief of the biggest US bank to expound on how the world should work, via a lengthy letter to shareholders. This year, the primary audience is not so much investors as the White House and its new incumbent. Nonetheless, owners of JPMorgan stock will also thank him for it.

Dimon's 58-page missive is an exercise in blending in with the political wallpaper. It pats US President Donald Trump's new administration warmly on the back for righting perceived wrongs. Few in Joe Biden's team, he says, really understood business. Now, red tape is being cut; misguided policies are being discarded.

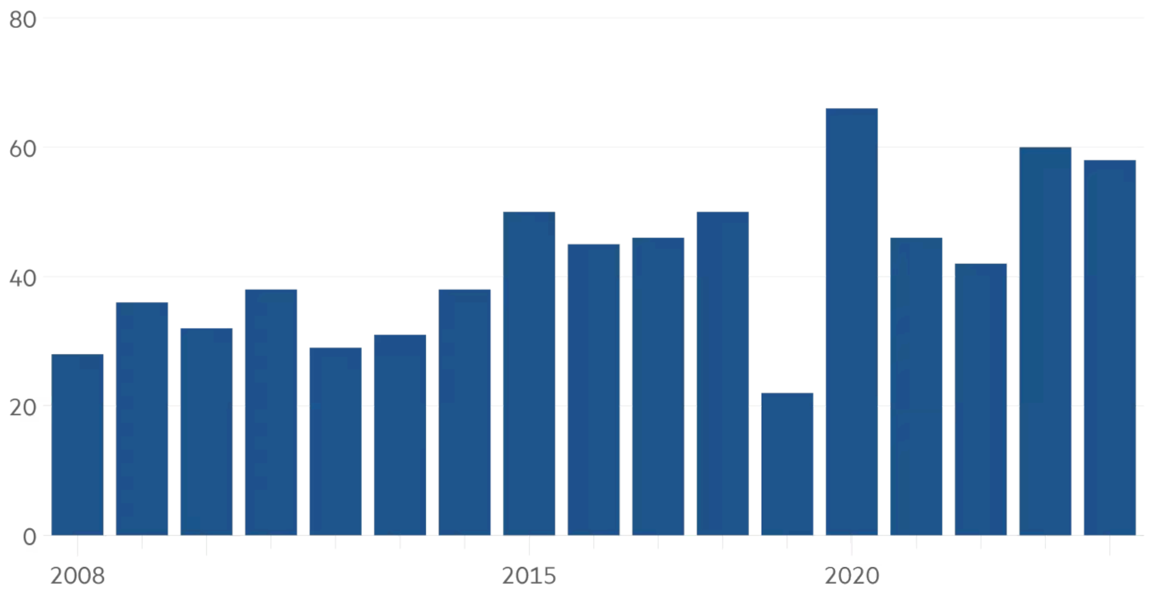
On tariffs, too, Dimon avoids saying anything too incendiary. He can ill-afford to avoid the topic entirely given JPMorgan's shares have fallen roughly a quarter since mid-February. And he does concede that they could cause inflation, and perhaps recession. But the message is sweetened by pointing to the likely round of post-tariff negotiations with America's trading partners, and how those could yield positive effects.

That is much more diplomatic than hedge fund investor Bill Ackman, who while praising Trump for grappling with a broken system, warned on Sunday of a "self-induced, economic nuclear winter".

As it happens, JPMorgan is fairly well positioned against trade-related troubles. True, global banks do best when goods and services flow freely across borders. Investment banking fees now look unlikely to rebound as once hoped; initial public offerings are being scrapped left, right and centre. But deal-related income is only one-tenth of JPMorgan's revenue in a good year anyway.

Jamie Dimon: seldom short for words

JPMorgan CEO's annual letter to shareholders, pages



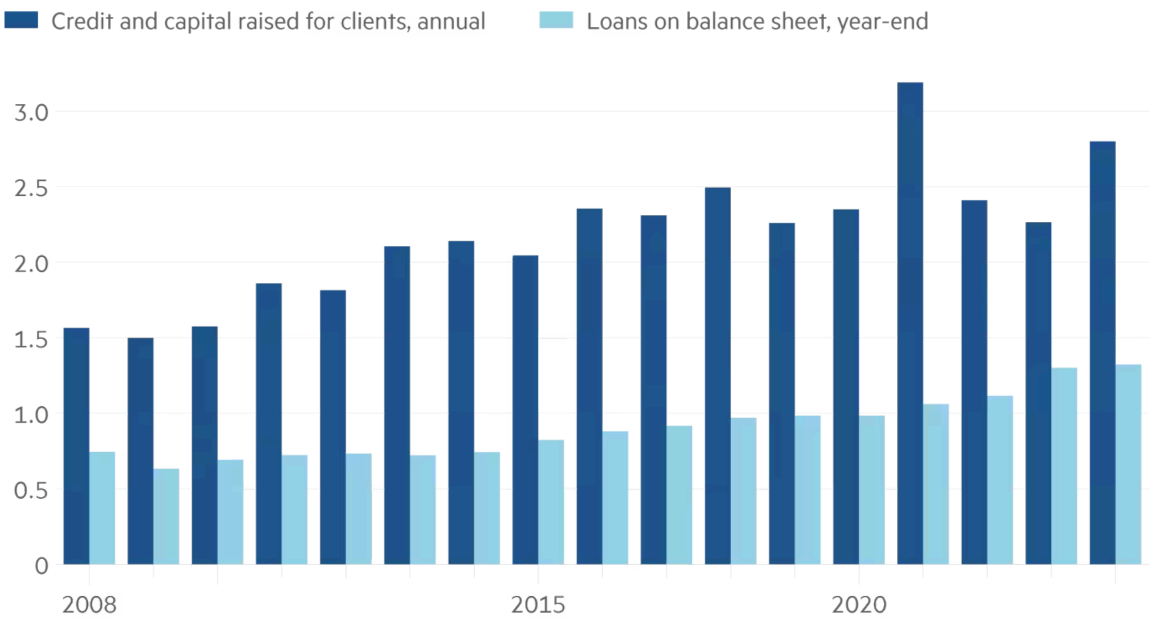
Source: Company filings

A recession would certainly be bad for borrowers — and for JPMorgan's $233bn credit card loan book — but Dimon's bank is pretty well padded, having provisioned for double its most recently reported loss rates. And of the lending and capital-raising it facilitates, surprisingly little stays on the balance sheet. In fact, one of his complaints is that onerous capital rules have led banks to lend less than they would like to.

Seen that way, the animus of the White House is a bigger threat than an economic storm, which might explain Dimon's changing tone on other subjects. Gone are pledges to combat the racial wealth divide. Climate change, once a priority, gets only fleeting mentions. Trump has made no secret of his views on both topics.

JPMorgan is a funding juggernaut

$tn



Source: Company filings

Messaging up is perfectly rational, of course. And Trump is indeed Dimon's boss, insofar as the bank's fortunes are intertwined with the US's. The veteran banker may also be wagering that the president is more likely to heed a sugarcoated warning than a shriek.

Besides, after nearly two decades in the job, JPMorgan's head does not really need to win over his shareholders. Even with the stock's recent slump, he has handed them an annualised return of over 20 per cent for the past five years. If these love letters to America help sustain that performance, investors should let Dimon scribble to his heart's content.

john.foley@ft.com

Follow the topics in this article

Lex

US banks

US politics & policy

JPMorgan Chase & Co

Jamie Dimon