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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **OCC BANK DERIVATIVES REPORT FOURTH QUARTER 2003**

### **GENERAL**

The OCC quarterly report on bank derivatives activities and trading revenues is based on call report information provided by U.S. insured commercial banks. The notional amount of derivatives in insured commercial bank portfolios increased by \$3.9 trillion in the fourth quarter, to \$71.1 trillion. Generally, changes in notional volumes are reasonable reflections of business activity but do not provide useful measures of risk. During the fourth quarter, the notional amount of interest rate contracts increased by \$3.6 trillion, to \$61.9 trillion. Foreign exchange contracts increased by \$271 billion to \$7.2 trillion. This figure excludes spot foreign exchange contracts, which decreased by \$379 billion to \$273 billion. Equity, commodity and other contracts decreased by \$16.4 billion, to \$1 trillion. Credit derivatives increased by \$132 billion, to \$1 trillion. The number of commercial banks holding derivatives increased by 1 to 573. [See Tables 1, 2, and 3, Graphs 1 and 3.]

Eighty-seven percent of the notional amount of derivative positions was comprised of interest rate contracts with foreign exchange accounting for an additional 10 percent. Equity, commodity and credit derivatives accounted for only 3 percent of the total notional amount. [See Table 3 and Graph 3.]

Holdings of derivatives continue to be concentrated in the largest banks. Seven commercial banks account for 96 percent of the total notional amount of derivatives in the commercial banking system, with more than 99 percent held by the top 25 banks. [See Tables 3, 5 and Graph 4.]

Over-the-counter (OTC) and exchange-traded contracts comprised 90 percent and 10 percent, respectively, of the notional holdings as of the fourth quarter of 2003. [See Table 3.] OTC contracts tend to be more popular with banks and bank customers because they can be tailored to meet firm-specific risk management needs. However, OTC contracts expose participants to greater credit risk and tend to be less liquid than exchange-traded contracts, which are standardized and fungible.

The notional amount of short-term contracts (i.e., with remaining maturities of less than one year) increased by \$23 billion to \$18.3 trillion from the third quarter of 2003. Contracts with remaining maturities of one to five years grew by \$1.9 trillion to \$22.3 trillion, and long-term contracts (i.e., with maturities of five or more years) increased by \$730 billion, to \$13.8 trillion. Longer term contracts present valuable customer service and revenue opportunities. They also pose greater risk management challenges, as longer tenor contracts are generally more difficult to hedge and result in greater counterparty credit risk. [See Tables 8, 9 and 10, Graphs 7, 8 and 9.]

While end-user activity decreased by \$141 billion to \$2.4 trillion in the fourth quarter, the number of commercial banks reporting end-user derivatives activities increased by 6 to 540 banks.

## **RISK**

The notional amount is a reference amount from which contractual payments will be derived, but it is generally not an amount at risk. The risk in a derivative contract is a function of a number of variables, such as whether counterparties exchange notional principal, the volatility of the currencies or interest rates used as the basis for determining contract payments, the maturity and liquidity of contracts, and the credit worthiness of the counterparties in the transaction. Further, the degree of increase or reduction in risk taking must be considered in the context of a bank's aggregate trading positions as well as its asset and liability structure. Data describing fair values and credit risk exposures are more useful for analyzing point-in-time risk exposure, while data on trading revenues and contractual maturities provide more meaningful information on trends in risk exposure.

Table 4 contains summary data on counterparty credit exposures. The credit exposures shown are measured using the parameters contained in the risk-based capital guidelines of the U.S. banking agencies. The presentation of the credit data in Table 4, while consistent across banks, overstates bank credit exposures in two meaningful respects. First, it ignores collateral that banks may have received from clients to secure exposures from derivative contracts. A more meaningful analysis would reduce the current credit exposure amount by liquid collateral held against those exposures. Call reports filed by U.S. banks do not currently require this information. Second, the potential future exposure numbers derived from the risk-based capital guidelines compute an exposure amount over the life of derivatives contracts; longer-term contracts generate larger potential exposures. However, many contracts banks have with their clients, including other bank dealers, contain agreements that allow the bank to close out the transaction if the counterparty fails to post collateral required by the terms of the contracts. As a result, these contracts have potential future exposures that, from a practical standpoint, are often much smaller, due to shorter exposure period, than future exposures derived from the agencies' risk-based capital guidelines. Readers should keep these mitigating factors in mind when interpreting the credit data.[See Tables 4 and 6, Graphs 5a and 5b.]

Total credit exposure, which is the sum of current credit exposure and potential future exposure, increased \$38 billion to \$755 billion. Current credit exposure, which is the gross positive fair value of contracts less the dollar amount of netting benefits, increased by \$10 billion. The change in current credit exposure consists of a \$93 billion decline in gross positive fair values,

due to rising interest rates, which was more than offset by a \$103 billion decline in the dollar amount of netting benefits. Potential future exposure increased \$27.5 billion, largely due to increases in the notional amounts of interest rate and foreign exchange contracts with maturities greater than one year. [See Tables 4 and 6, Graphs 5a and 5b.]

Despite the small dollar decline in netting benefits, this risk mitigation technique reduced current credit exposures by 81.5 percent in the fourth quarter, down from 83.6 percent in the third quarter. Total credit exposures for the top seven banks increased to 263 percent of risk-based capital in the fourth quarter of 2003 from 238 percent in the third quarter.

Past-due derivative contracts remained at nominal levels. For all banks, the fair value of contracts past due 30 days or more aggregated to \$117 million or .016 percent of total credit exposure from derivatives contracts. A more complete assessment of the magnitude of troubled derivative exposures would include restructured derivative contracts, contracts re-written as loans, and those accounted for on a non-accrual basis in addition to past due contracts. Call Report instructions, however, currently require banks to report only past due derivative contracts. Therefore, use of past-due information alone may not provide a complete picture of the extent of troubled derivative exposures.

During the fourth quarter of 2003 banks charged off \$10 million from derivatives, or .0013 percent of the total credit exposure from derivative contracts. For comparison purposes, C&I loan charge-offs relative to total C&I loans for the quarter were .29 percent. [See Graph 5c.]

The Call Report data reflect the significant differences in business strategies among the banks. The preponderance of trading activities, including both customer transactions and proprietary positions, is confined to the very largest banks. The banks with the 25 largest derivatives portfolios hold 96.9 percent of their contracts for trading purposes, primarily customer service transactions, while the remaining 3.1 percent are held for their own risk management needs. Trading contracts represent 97 percent of all notional amounts in the insured commercial banking system. Smaller banks tend to limit their use of derivatives to risk management purposes. [See Table 5.]

The gross positive and gross negative fair values of derivatives portfolios are relatively balanced; that is, the value of positions in which the bank has a gain is not significantly different from the value of those positions with a loss. In fact, for derivative contracts held for trading purposes, the seven largest banks have \$1.12 trillion in gross positive fair values and \$1.1 trillion in gross negative fair values. Note that while gross fair value data is more useful than notional amounts in depicting meaningful market risk exposure, users must be cautioned that these figures do not include risk mitigating or risk adding transactions in cash trading accounts. Similarly, the data are reported on a legal entity basis and consequently do not reflect the effects of positions in portfolios of affiliates. [See Table 6.]

End-user positions, or derivatives held for risk management purposes, have aggregate gross positive fair values of \$26 billion, while the gross negative fair value of these contracts aggregated to \$23 billion. These figures are only useful in the context of a more complete analysis of each bank's asset/liability structure and risk management process. For example, these figures do not reflect the impact of off-setting positions on the balance sheet. [See Table

6.]

The notional amount of credit derivatives reported by insured commercial banks increased by 15.2 percent from third quarter levels, or \$132 billion, to \$1 trillion. The notional amount for the 16 commercial insured institutions that sold credit protection (i.e., assumed credit risk) to other parties was \$471 billion, an increase of \$66 billion from third quarter levels. The notional amount for the 26 commercial banks reporting credit derivatives that bought credit protection (i.e., hedged credit risk) from other parties was \$530 billion, a \$67 billion increase from the third quarter. [See Tables 1, 3 and Graphs 2, 3 and 4.]

## **REVENUES**

The Call Report data include revenue information regarding trading activities involving cash instruments and derivative instruments. The data also show the impact on net interest income and non-interest income from derivatives used in non-trading activities. Note that the revenue data reported in Table 7, Graphs 6a and 6b reflect figures for the fourth quarter alone, and are not annualized.

Relative to the third quarter of 2003, there was a decrease in trading revenues from cash instruments and derivatives activities of \$902 million, to \$2.1 billion in the fourth quarter of 2003. The top seven banks accounted for 74.5 percent of total trading revenue, compared to 80.5 percent in the third quarter. In the fourth quarter, revenues from interest rate positions decreased by \$569 million, to \$669 million, while revenues from foreign exchange positions decreased by \$252 million, to \$1.2 billion. Revenues from equity trading positions decreased by \$42 million, to \$257 million. Revenues from commodity and other trading positions decreased by \$38 million in the fourth quarter to \$40 million. [See Table 7, Graphs 6a and 6b.]

Derivatives held for purposes other than trading did not have a significant effect on either net interest income or non-interest income in the fourth quarter. Non-traded derivatives added \$2.2 billion or 2.1 percent to the gross revenues of banks with derivative contracts in the fourth quarter. These figures reflect an increase of \$1.7 billion from the third quarter. These results are only useful in the context of a more complete analysis of each bank's asset/liability structure and risk management process.

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## GLOSSARY OF TERMS

**Bilateral Netting:** A legally enforceable arrangement between a bank and a counterparty that creates a single legal obligation covering all included individual contracts. This means that a bank's obligation, in the event of the default or insolvency of one of the parties, would be the net sum of all positive and negative fair values of contracts included in the bilateral netting arrangement.

**Credit Derivative:** A contract which transfers credit risk from a protection buyer to a credit protection seller. Credit derivative products can take many forms, such as credit default options, credit limited notes and total return swaps.

**Derivative:** A financial contract whose value is derived from the performance of assets, interest rates, currency exchange rates, or indexes. Derivative transactions include a wide assortment of financial contracts including structured debt obligations and deposits, swaps, futures, options, caps, floors, collars, forwards and various combinations thereof.

**Exchange-Traded Derivative Contracts:** Standardized derivative contracts (e.g. futures and options) that are transacted on an organized exchange.

**Gross Negative Fair Value:** The sum total of the fair values of contracts where the bank owes money to its counterparties, without taking into account netting. This represents the maximum losses the bank's counterparties would incur if the bank defaults and there is no netting of contracts, and no bank collateral was held by the counterparties.

**Gross Positive Fair Value:** The sum total of the fair values of contracts where the bank is owed money by its counterparties, without taking into account netting. This represents the maximum losses a bank could incur if all its counterparties default and there is no netting of contracts, and the bank holds no counterparty collateral.

**High-Risk Mortgage Securities:** Securities where the price or expected average life is highly sensitive to interest rate changes, as determined by the FFIEC policy statement on high-risk mortgage securities. See also OCC Banking Circular 228 (rev.)

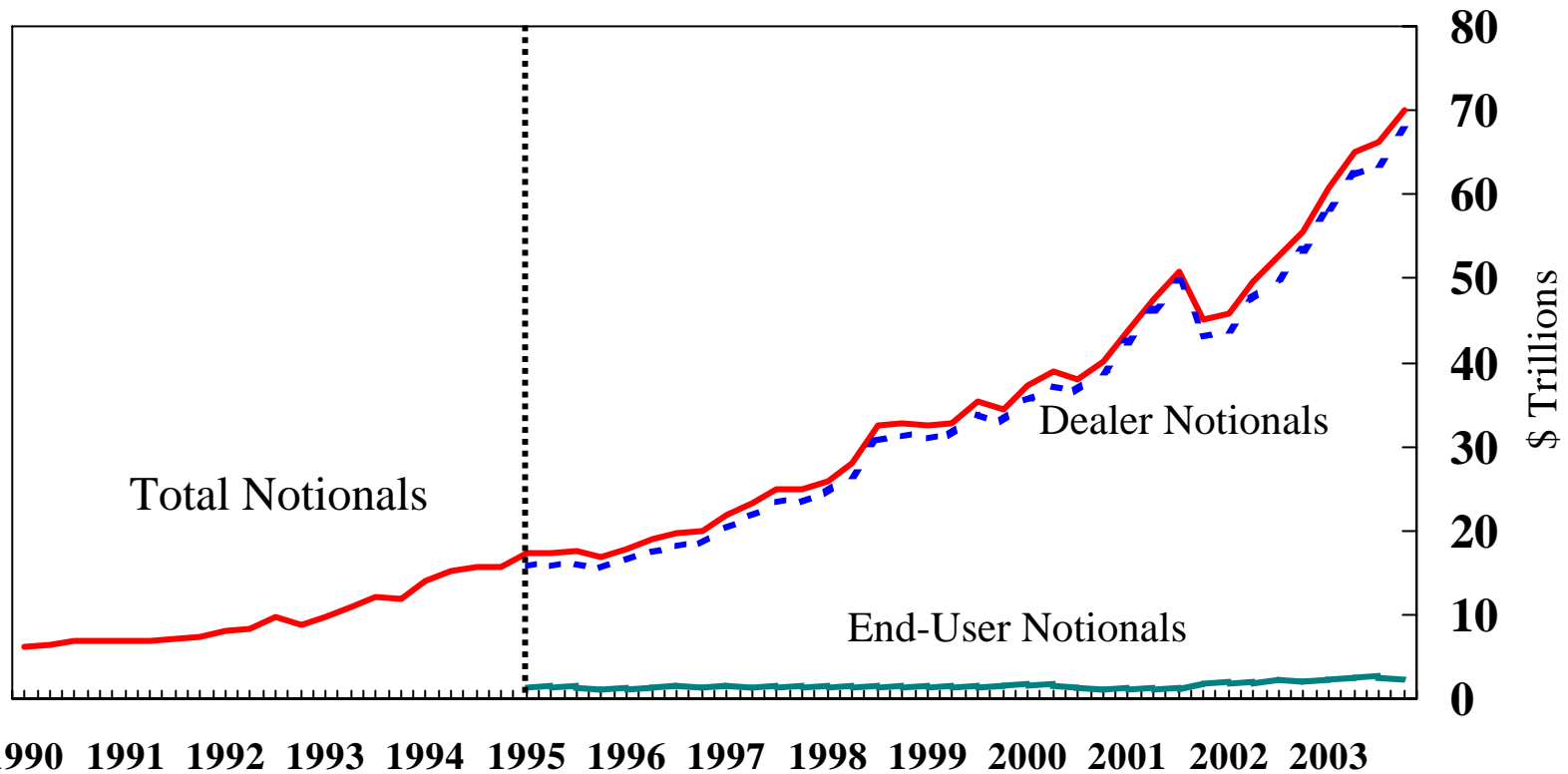
**Notional Amount:** The nominal or face amount that is used to calculate payments made on swaps and other risk management products. This amount generally does not change hands and is thus referred to as "notional."

**Over-the-Counter Derivative Contracts:** Privately negotiated derivative contracts that are transacted off organized exchanges.

**Structured Notes:** Non-mortgage-backed debt securities, whose cash flow characteristics depend on one or more indices and/or have embedded forwards or options.

**Total Risk-Based Capital:** The sum of tier 1 plus tier 2 capital. Tier 1 capital consists of common shareholders equity, perpetual preferred shareholders equity with noncumulative dividends, retained earnings, and minority interests in the equity accounts of consolidated subsidiaries. Tier 2 capital consists of subordinated debt, intermediate-term preferred stock, cumulative and long-term preferred stock, and a portion of a bank's allowance for loan and lease losses.

# Derivatives, Notionals by Type of User Insured Commercial Banks



	1995				1996				1997				1998				1999				2000				2001				2002				2003			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
<b>Total Notionals</b>	17.3	17.4	17.6	16.9	17.8	19.0	19.8	20.0	21.9	23.3	25.0	25.0	26.0	28.0	32.5	32.9	32.5	32.8	35.4	34.5	37.3	39.0	37.9	40.1	43.6	47.4	50.9	45.0	45.9	49.6	52.6	55.4	60.7	65.0	66.2	70.1
<b>Dealer Notionals</b>	15.9	15.9	16.2	15.6	16.5	17.5	18.2	18.5	20.3	21.8	23.5	23.5	24.5	26.6	31.0	31.4	31.0	31.3	33.9	33.0	35.7	37.3	36.5	38.9	42.4	46.2	49.6	43.2	43.9	47.5	50.2	53.3	58.3	62.4	63.7	67.7
<b>End-User Notionals</b>	1.4	1.5	1.4	1.3	1.3	1.5	1.6	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.5	1.4	1.4	1.5	1.5	1.6	1.6	1.7	1.5	1.2	1.2	1.2	1.3	1.8	1.9	2.0	2.4	2.1	2.4	2.6	2.5	2.4

Note: Dotted line indicates that beginning in 1Q95, spot foreign exchange was not included in the definition of total derivatives.

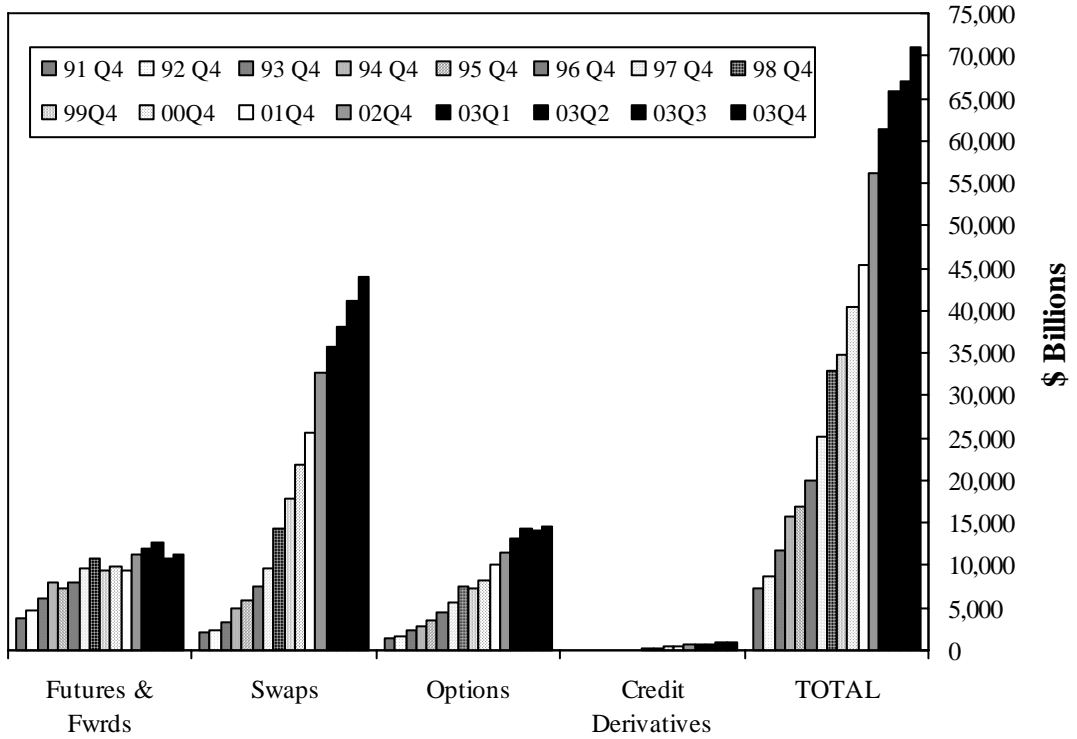
Note: Categories do not include credit derivatives.

Note: Numbers may not add due to rounding.

# Derivative Contracts by Product

## All Commercial Banks

Year ends 1991 - 2002, Most recent four quarters - 2003



### Derivative Contracts by Product (\$ Billions)\*

	91Q4	92Q4	93Q4	94Q4	95Q4	96Q4	97Q4	98Q4	99Q4	00Q4	01Q4	02Q4	03Q1	03Q2	03Q3	03Q4
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Futures &amp; Fwrds</b>	3,876	4,780	6,229	8,109	7,399	8,041	9,550	10,918	9,390	9,877	9,313	11,374	11,911	12,658	10,859	11,393
<b>Swaps</b>	2,071	2,417	3,260	4,823	5,945	7,601	9,705	14,345	17,779	21,949	25,645	32,613	35,714	38,074	41,205	44,083
<b>Options</b>	1,393	1,568	2,384	2,841	3,516	4,393	5,754	7,592	7,361	8,292	10,032	11,452	13,089	14,304	14,180	14,605
<b>Credit Derivatives</b>							55	144	287	426	395	635	710	802	869	1,001
<b>TOTAL</b>	<b>7,339</b>	<b>8,764</b>	<b>11,873</b>	<b>15,774</b>	<b>16,861</b>	<b>20,035</b>	<b>25,064</b>	<b>32,999</b>	<b>34,817</b>	<b>40,543</b>	<b>45,386</b>	<b>56,074</b>	<b>61,423</b>	<b>65,838</b>	<b>67,113</b>	<b>71,082</b>

\*In billions of dollars; notional amount of futures, total exchange traded options, total over the counter options, total forwards, and total swaps. Note that data after 1994 do not include spot fx in the total notional amount of derivatives.

Credit derivatives were reported for the first time in the first quarter of 1997. Currently, the Call Report does not differentiate credit derivatives by product and thus they have been added as a separate category. As of 1997, credit derivatives have been included in the sum of total derivatives in this chart.

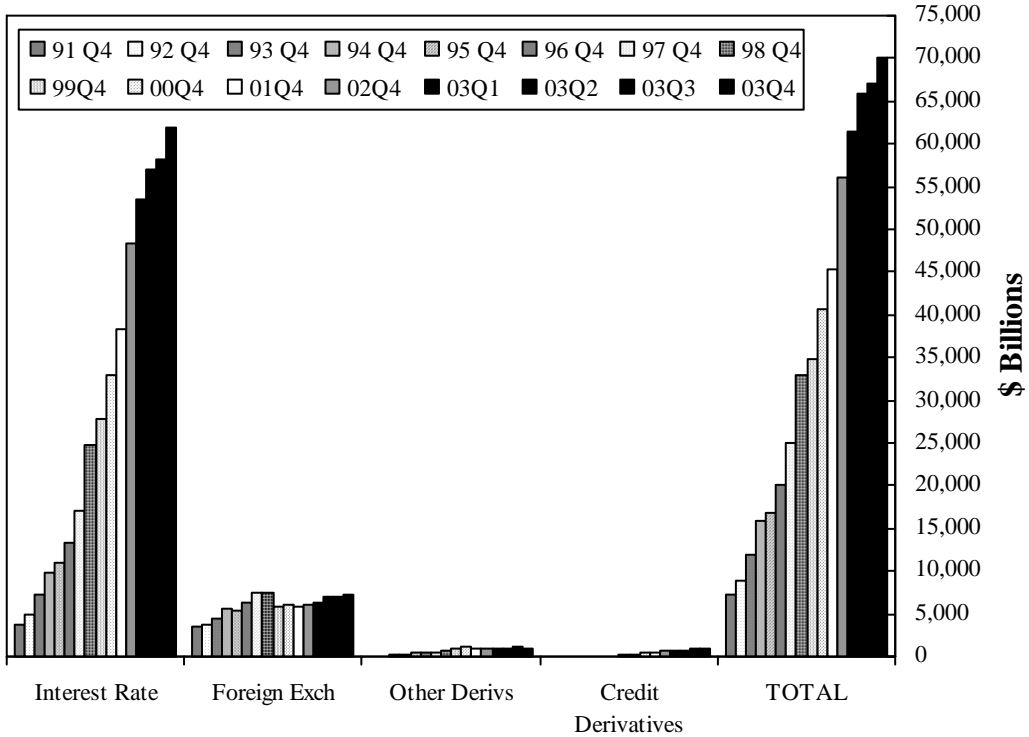
Note: numbers may not add due to rounding.

Data Source: Call Reports

# Derivative Contracts by Type

## All Commercial Banks

Year ends 1991 - 2002, Most recent four quarters - 2003



### Derivative Contracts by Type (\$ Billions)\*

	91Q4	92Q4	93Q4	94Q4	95Q4	96Q4	97Q4	98Q4	99Q4	00Q4	01Q4	02Q4	03Q1	03Q2	03Q3	03Q4
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Interest Rate</b>	3,837	4,872	7,210	9,926	11,095	13,427	17,085	24,785	27,772	32,938	38,305	48,347	53,447	56,932	58,275	61,856
<b>Foreign Exch</b>	3,394	3,789	4,484	5,605	5,387	6,241	7,430	7,386	5,915	6,099	5,736	6,076	6,243	7,092	6,911	7,182
<b>Other Derivs</b>	109	102	179	243	378	367	494	684	843	1,080	950	1,016	1,023	1,012	1,059	1,043
<b>Credit Derivatives</b>							55	144	287	426	395	635	710	802	869	1,001
<b>TOTAL</b>	7,340	8,763	11,873	15,774	16,861	20,035	25,064	32,999	34,817	40,543	45,386	56,074	61,423	65,838	67,113	71,082

\*In billions of dollars; notional amount of futures, total exchange traded options, total over the counter options, total forwards, and total swaps. Note that data after 1994 do not include spot fx in the total notional amount of derivatives.

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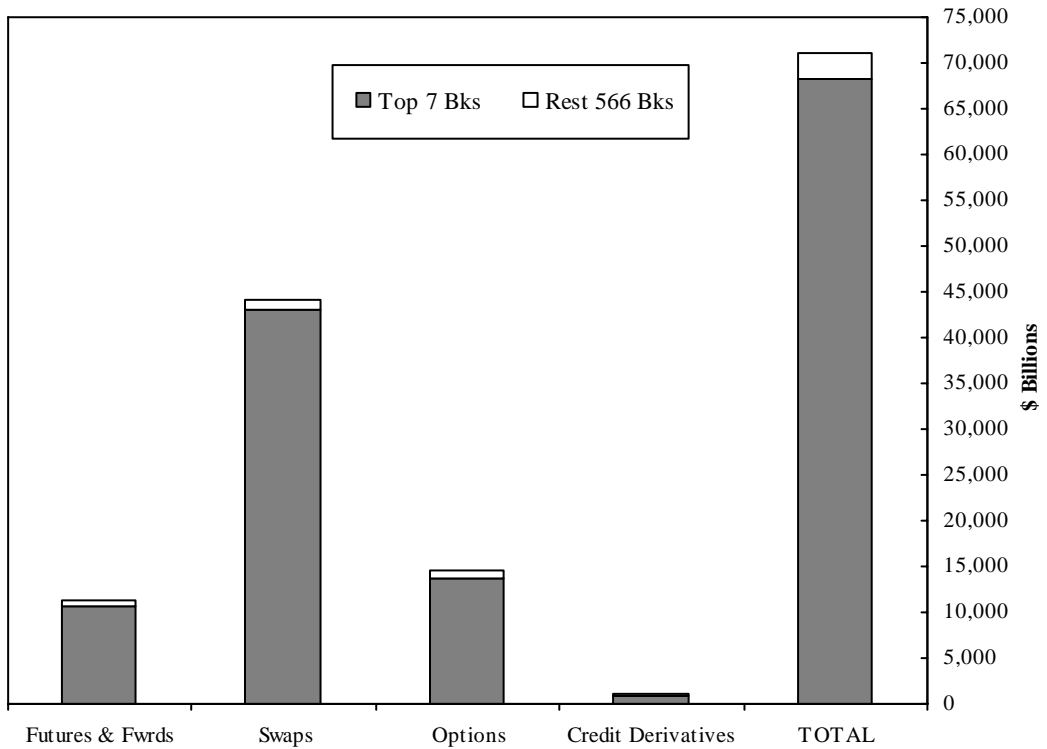
Note: numbers may not add due to rounding.

Data Source: Call Reports



# Seven Banks With Most Derivatives Dominate

## All Commercial Banks, Fourth Quarter 2003



### Concentration of Derivative Contracts, 03Q4 (\$ Billions)\*

	\$	%	\$	%	\$	%
	Top 7 Bks	Tot Derivs	Rest 566 Bks	Tot Derivs	All 573 Bks	Tot Derivs
<b>Futures &amp; Fwrds</b>	10,554	14.8	839	1.2	11,393	16.0
<b>Swaps</b>	43,026	60.5	1,057	1.5	44,083	62.0
<b>Options</b>	13,765	19.4	840	1.2	14,605	20.5
<b>Credit Derivatives</b>	971	1.4	30	0.0	1,001	1.4
<b>TOTAL</b>	<b>68,316</b>	<b>96.1</b>	<b>2,766</b>	<b>3.9</b>	<b>71,082</b>	<b>100.0</b>

\*In billions of dollars; notional amount of futures, total exchange traded options, total over the counter options, total forwards, and total swaps. Note that data after 1994 do not include spot fx in the total notional amount of derivatives.

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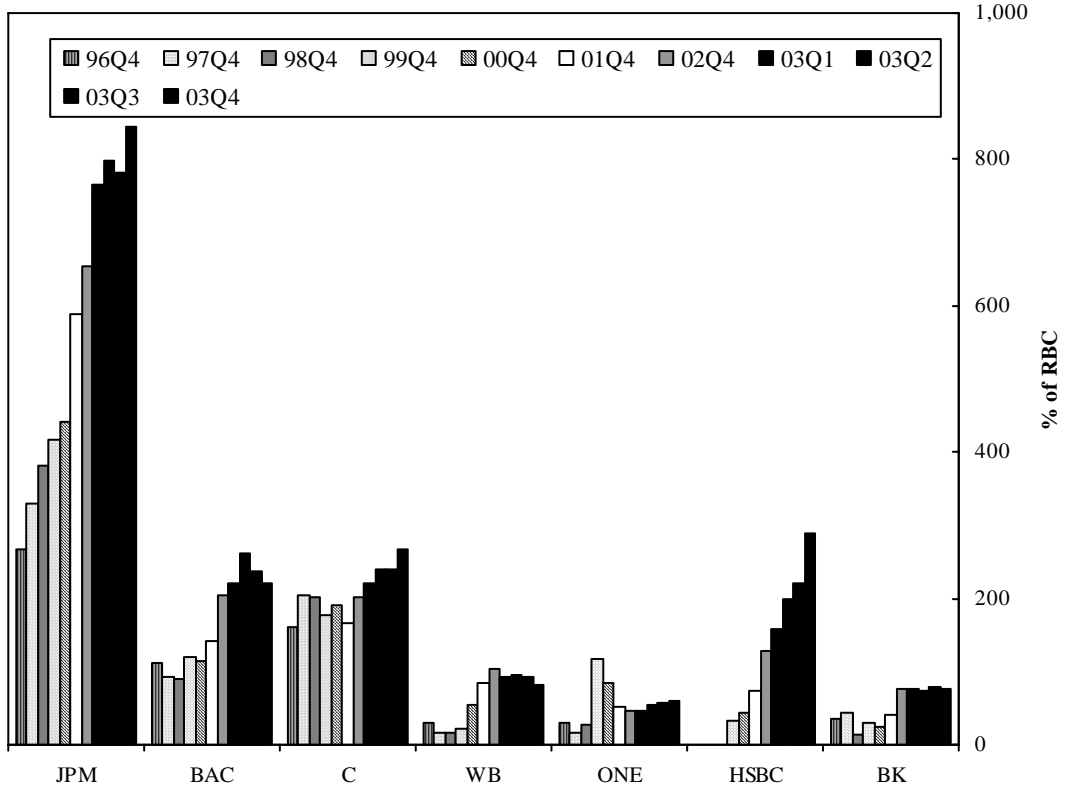
Note: numbers may not add due to rounding.

Data Source: Call Reports

# Percentage of Credit Exposure to Risk Based Capital

\*Top 7 Commercial Banks with Derivatives

Year ends 1996 – 2002, Most recent four quarters - 2003



## Credit Exposure to Risk Based Capital (top banks 03Q4) (%)\*

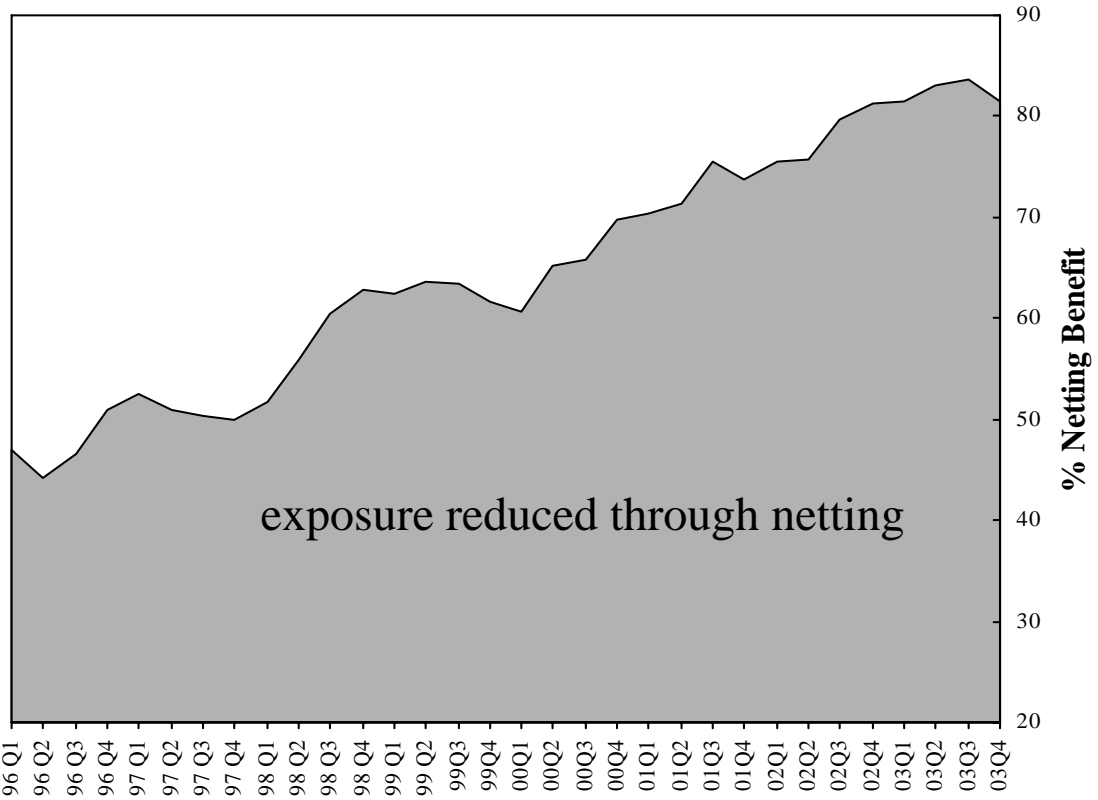
	96Q4	97Q4	98Q4	99Q4	00Q4	01Q4	02Q4	03Q1	03Q2	03Q3	03Q4
<b>JPMorgan Chase (JPM)</b>	265.8	329.5	380.3	416.0	442.5	589.2	654.5	764.4	797.1	783.0	844.6
<b>Morgan Grnty (JPM)</b>	507.7	806.4	820.3	873.3	873.7						
<b>HSBC Bank USA</b>				32.2	44.7	72.4	127.2	157.2	199.6	219.9	288.5
<b>Citibank (C)</b>	162.1	204.9	202.5	176.3	190.6	167.4	201.1	221.3	239.3	240.8	267.1
<b>Bk of America (BAC)</b>	112.0	92.2	90.3	119.8	114.5	141.7	204.9	220.2	260.8	237.1	221.7
<b>NationsBank (NB)</b>	120.1	68.2	80.8								
<b>Wachovia (WB)</b>	30.3	16.3	17.5	20.5	55.5	83.9	102.5	93.8	94.1	91.5	80.6
<b>Bank of New York (BK)</b>	35.5	44.1	12.3	28.8	25.0	40.0	75.4	75.0	73.8	77.8	77.6
<b>Banc One (ONE)</b>	29.0	15.2	27.4	116.6	83.6	52.4	45.4	46.6	54.9	57.5	58.7
<b>First Chicago (FCN)</b>	215.5	206.5	219.5								
<b>Avg % (Top Bks)</b>	251.0	310.0	323.8	264.0	254.4	158.5	197.6	220.1	240.4	238.2	262.7
<b>Avg % (All Bks)</b>	6.4	7.4	7.7	6.9	6.9	6.8	6.6	6.1	5.9	5.6	5.5

\*Note: The third quarter 1999 Call Report reflected the merger between Bank of America and NationsBank. Here, prior quarters are not merger-adjusted and may not be comparable. The fourth quarter 1999 Call Report reflected the merger between First Chicago and Banc One. Here, prior quarters represent First Chicago's data. The fourth quarter 2001 Call Report reflected the merger between Chase Manhattan and Morgan Guaranty. Here, prior quarters represent Chase Manhattan's data. The second quarter 2002 Call Report reflected the merger between First Union and Wachovia. Here, prior quarters represent First Union's data.

Data Source: Call Report

# Netting Benefit: Amount of Gross Exposure Eliminated Through Bilateral Netting

All Commercial Banks with Derivatives, Fourth Quarter 2003



Netting Benefit (%)\*

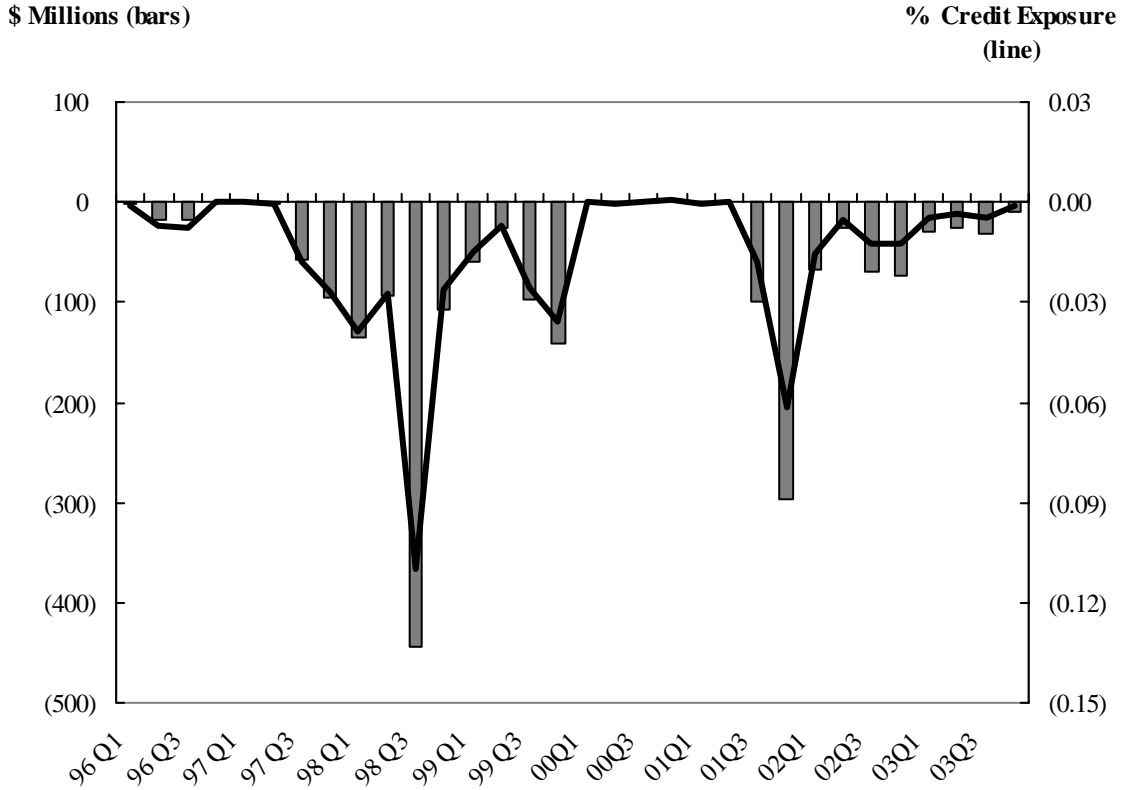
96Q1	96Q2	96Q3	96Q4	97Q1	97Q2	97Q3	97Q4	98Q1	98Q2	98Q3	98Q4	99Q1	99Q2	99Q3	99Q4	00Q1	00Q2	00Q3	00Q4	01Q1	01Q2	01Q3	01Q4	02Q1	02Q2	02Q3	02Q4	03Q1	03Q2	03Q3	03Q4
47.1	44.3	46.6	50.9	52.5	51.0	50.4	50.0	51.7	55.8	60.4	62.8	62.4	63.7	63.4	61.6	60.6	65.2	65.9	69.8	70.4	71.4	75.6	73.7	75.5	75.8	79.6	81.3	81.4	83.1	83.6	81.5

\*Note: The ratio of the netting benefit is defined as [1 - (bilaterally netted contracts/gross positive fair values)].

Data Source: Call Report

# Quarterly (Charge-Offs)/Recoveries From Derivatives

## All Commercial Banks with Derivatives, Fourth Quarter 2003



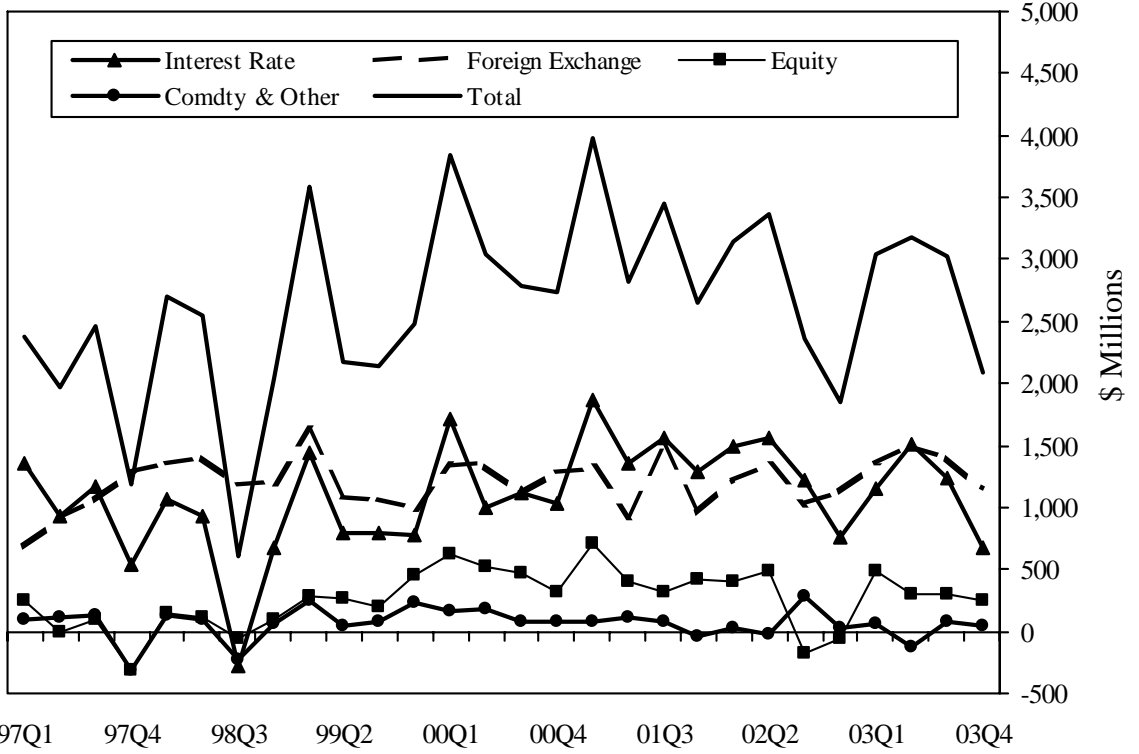
### Quarterly (Charge-Offs)/Recoveries From Derivatives (\$ Millions)

98Q1	98Q2	98Q3	98Q4	99Q1	99Q2	99Q3	99Q4	00Q1	00Q2	00Q3	00Q4	01Q1	01Q2	01Q3	01Q4	02Q1	02Q2	02Q3	02Q4	03Q1	03Q2	03Q3	03Q4
(135.50)	(93.70)	(445.40)	(107.20)	(58.95)	(25.80)	(72.14)	(140.97)	(0.10)	(0.79)	1.00	3.10	(2.00)	1.00	(98.66)	(295.72)	(67.87)	(25.08)	(70.04)	(73.64)	(29.66)	(25.53)	(32.28)	(9.93)

\* Note: The figures are for each quarter alone, not year-to-date.

# Quarterly Trading Revenue Cash & Derivative Positions

All Commercial Banks, Fourth Quarter 2003



## Cash & Derivative Revenue (\$ Millions)\*

	96Q1	96Q2	96Q3	96Q4	97Q1	97Q2	97Q3	97Q4	98Q1	98Q2	98Q3	98Q4	99Q1	99Q2	99Q3	99Q4	00Q1	00Q2	00Q3	00Q4	01Q1	01Q2	01Q3	01Q4	02Q1	02Q2	02Q3	02Q4	03Q1	03Q2	03Q3	03Q4
<b>Interest Rate</b>	1,159	951	90	90	1,350	989	1,173	534	1,067	930	-284	669	1,436	788	794	772	1,707	993	1,120	1,089	1,871	1,362	1,562	1,291	1,497	1,557	1,228	752	1,147	1,504	1,238	669
<b>Foreign Exchange</b>	628	732	514	767	60	908	1,070	1,281	1,363	1,414	1,185	1,215	1,624	1,078	1,068	1,018	1,338	1,336	1,114	1,292	1,327	924	1,501	967	1,214	1,346	1,081	1,138	1,388	1,488	1,410	1,158
<b>Equity</b>	131	138	93	27	246	1	103	-315	148	114	-65	92	230	264	212	462	624	522	471	321	705	408	310	425	407	480	-172	-64	485	300	299	257
<b>Comdty &amp; Other</b>	60	95	137	82	97	115	125	-330	124	98	-222	64	245	41	73	235	170	183	78	84	72	119	81	-35	24	-26	278	30	55	-117	78	40
<b>Tot Trading Rev*</b>	1,978	1,917	1,734	1,866	2,383	1,962	2,471	1,190	2,708	2,556	614	2,080	3,355	2,172	2,137	2,472	3,839	3,084	2,783	2,736	3,975	2,812	3,454	2,649	3,141	3,366	2,364	1,856	3,045	3,175	3,025	2,124

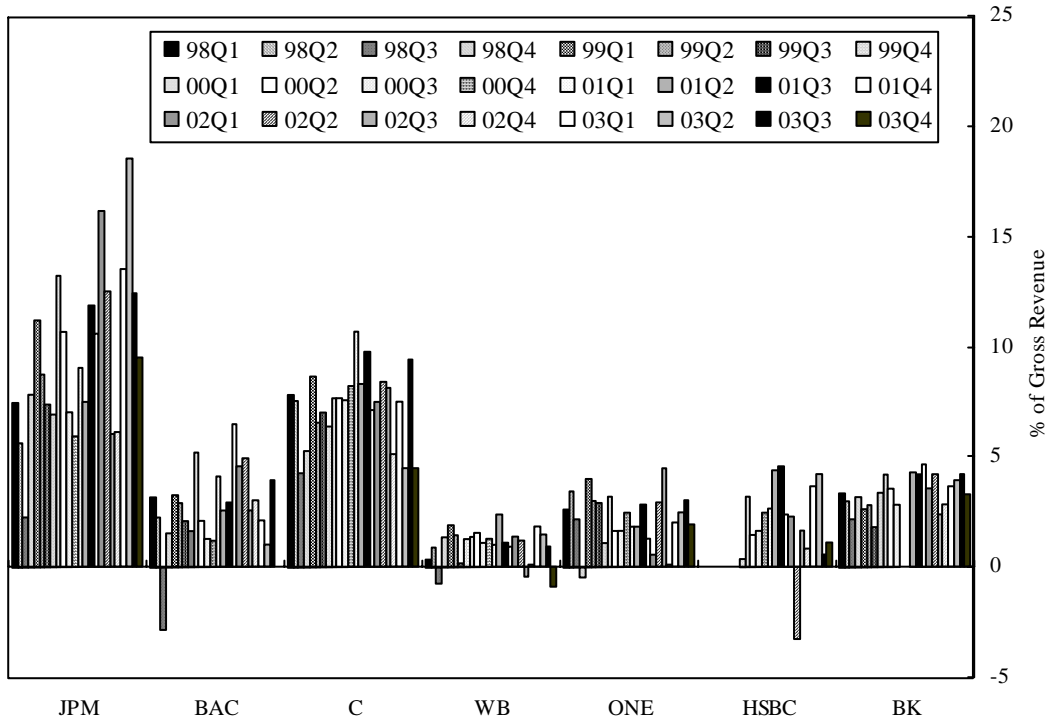
\* Note: The trading revenue figures above are for cash and derivative activities. Revenue figures are for each quarter alone, not year-to-date.

Note: Numbers may not add due to rounding.

Data Source: Call Report

# Quarterly Trading Revenue as a Percentage of Gross Revenue Cash & Derivative Positions

## Top Commercial Banks with Derivatives, Fourth Quarter 2003



Trading Revenue as a Percentage of Gross Revenue (top banks, 03Q4 ranking, ratios in %)\*

	99Q1	99Q2	99Q3	99Q4	00Q1	00Q2	00Q3	00Q4	01Q1	01Q2	01Q3	01Q4	02Q1	02Q2	02Q3	02Q4	03Q1	03Q2	03Q3	03Q4
<b>JPMorgan Chase (JPM)</b>	11.2	8.8	7.4	6.9	13.2	10.7	7.0	5.9	9.0	7.5	11.9	10.6	16.2	12.5	6.0	6.1	13.5	18.5	12.4	9.5
<b>Citibank (C)</b>	8.7	6.6	7.0	6.4	7.7	7.7	7.6	8.2	10.7	8.3	9.8	7.1	7.5	8.4	8.1	5.1	7.5	4.5	9.4	4.5
<b>Bank of New York (BK)</b>	2.7	2.8	1.8	3.4	4.2	3.6	2.8	3.2	3.9	4.3	4.2	4.7	3.6	4.2	2.4	2.8	3.7	3.9	4.2	3.3
<b>Bank America (BAC)</b>	3.3	2.9	2.1	1.7	5.2	2.1	1.3	1.2	4.1	2.6	2.9	6.5	4.6	4.9	2.6	3.0	2.1	1.0	3.9	2.8
<b>Banc One (ONE)</b>	4.0	3.0	2.9	1.1	3.2	1.7	1.7	2.5	1.8	1.8	2.8	1.3	0.6	2.9	4.5	0.1	2.0	2.5	3.0	1.9
<b>HSBC Bank USA</b>				0.4	3.2	1.5	1.7	2.5	2.7	4.4	4.6	2.4	2.3	-3.3	1.7	0.8	3.7	4.2	0.6	1.2
<b>Wachovia (WB)</b>	1.9	1.5	0.2	1.3	1.4	1.6	1.1	1.3	1.0	2.4	1.1	0.9	1.4	1.2	-0.4	0.1	1.8	1.5	0.9	-0.9
<b>Total % (Top Banks)</b>	9.6	5.8	5.7	5.4	8.3	6.2	5.5	5.0	7.1	5.8	7.0	5.9	6.9	6.8	4.4	3.3	5.8	5.8	6.0	4.0
<b>Total % (All Banks)</b>	3.7	2.2	2.1	2.3	3.5	2.7	2.4	2.3	3.4	2.6	3.3	2.6	3.1	3.3	2.3	1.8	3.0	3.1	2.9	2.0

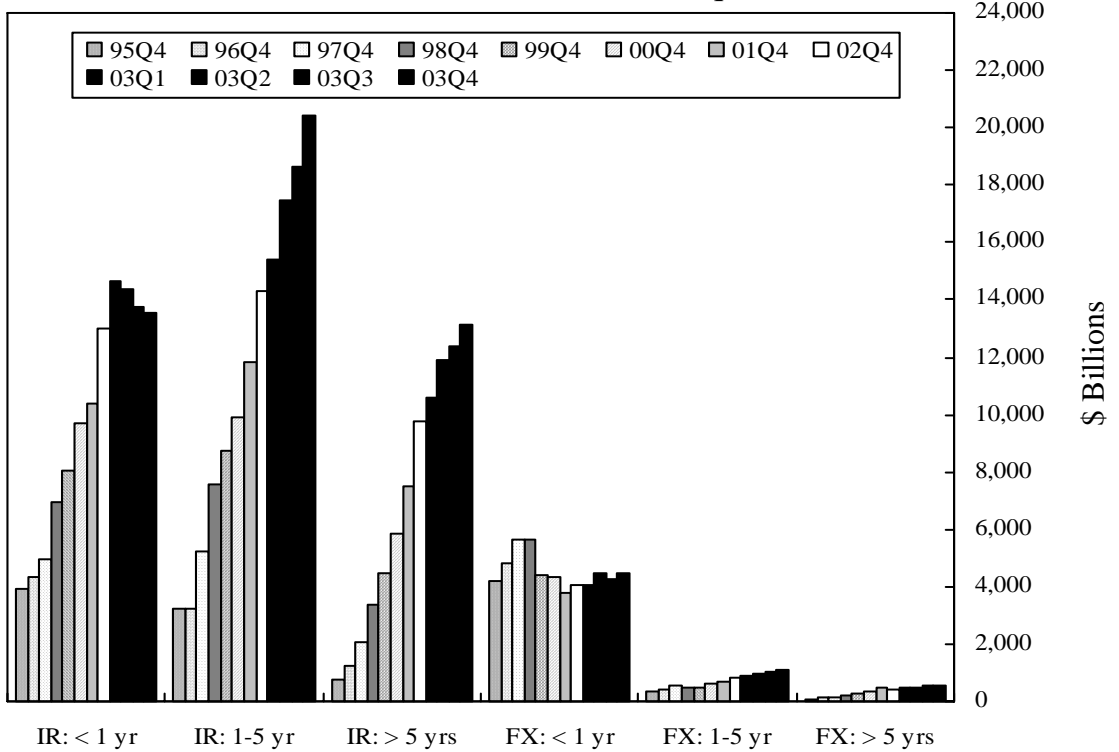
\* Note that the trading revenue figures above are for cash and derivative activities. Revenue figures are for each quarter alone, not year-to-date.

\* Note: The third quarter 1999 Call Report reflected the merger between Bank of America and NationsBank. The fourth quarter 1999 Call Report reflected the merger between First Chicago and Banc One. The fourth quarter 2001 Call Report reflected the merger between Chase and JPMorgan. Prior quarters include the sum of Bank of America and NationsBank's trading figures for comparison purposes. However, prior quarters for Banc One reflect First Chicago's data and prior quarters for JPMorgan Chase reflect Chase's data.

# Notional Amounts for Interest Rate and Foreign Exchange Contracts by Maturity

All Commercial Banks

Year ends 1995 - 2002, Most recent four quarters - 2003



Notional Amounts: Interest Rate and Foreign Exchange Contracts by Maturity (\$ Billions)\*

	95Q4	96Q4	97Q4	98Q4	99Q4	00Q4	01Q4	02Q4	03Q1	03Q2	03Q3	03Q4
<b>IR: &lt; 1 yr</b>	3,942	4,339	4,974	6,923	8,072	9,702	10,357	12,972	14,651	14,342	13,736	13,573
<b>IR: 1-5 yr</b>	3,215	3,223	5,230	7,594	8,730	9,919	11,809	14,327	15,387	17,498	18,642	20,400
<b>IR: &gt; 5 yrs</b>	775	1,214	2,029	3,376	4,485	5,843	7,523	9,733	10,622	11,894	12,406	13,114
<b>FX: &lt; 1 yr</b>	4,206	4,826	5,639	5,666	4,395	4,359	3,785	4,040	4,070	4,500	4,260	4,470
<b>FX: 1-5 yr</b>	324	402	516	473	503	592	661	829	885	964	1,036	1,114
<b>FX: &gt; 5 yrs</b>	87	113	151	193	241	345	492	431	450	491	563	577

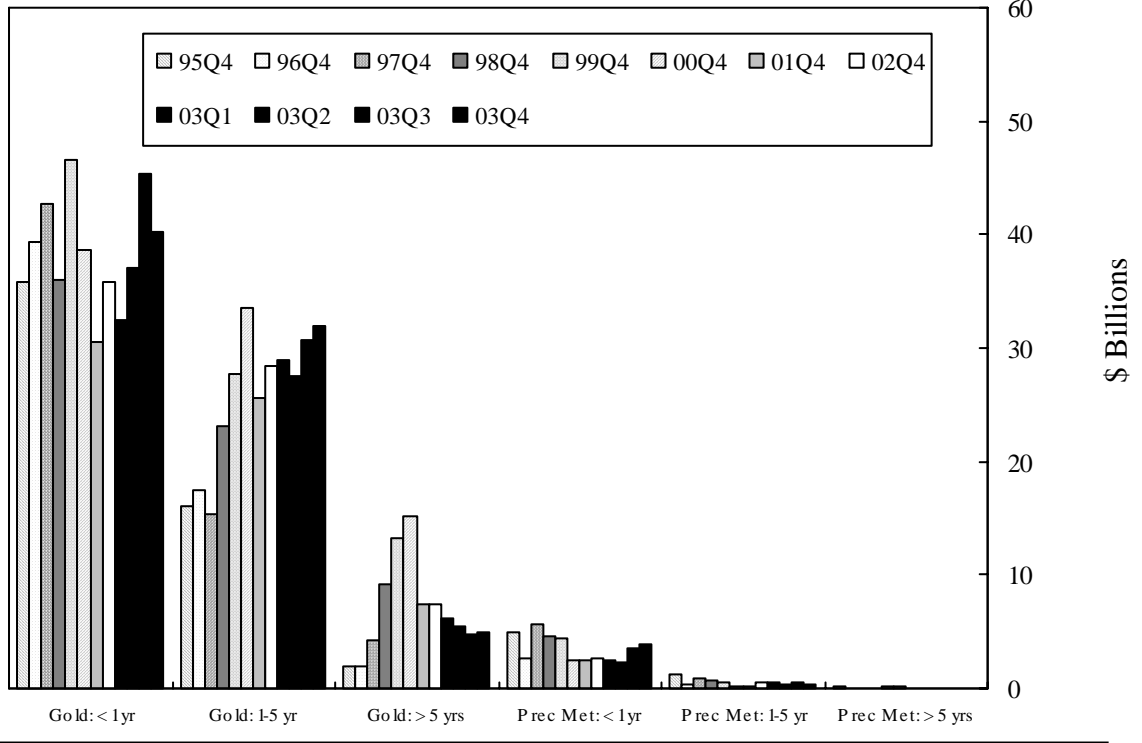
\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

\*Note: Currently, the Call Report does not include maturity breakouts for credit derivatives. Credit derivatives have been excluded here.

# Notional Amounts for Gold and Precious Metals Contracts by Maturity

## All Commercial Banks

Year ends 1995 - 2002, Most recent four quarters - 2003



Notional Amounts: Gold and Precious Metals Contracts by Maturity (\$ Billions)\*

	95Q4	96Q4	97Q4	98Q4	99Q4	00Q4	01Q4	02Q4	03Q1	03Q2	03Q3	03Q4
<b>Gold: &lt; 1 yr</b>	35.9	39.4	42.6	36.0	46.5	38.7	30.5	35.8	32.4	37.0	45.3	40.2
<b>Gold: 1-5 yr</b>	16.1	17.4	15.4	23.2	27.8	33.6	25.6	28.4	28.9	27.6	30.7	31.9
<b>Gold: &gt; 5 yrs</b>	1.9	2.0	4.2	9.2	13.3	15.2	7.4	7.5	6.2	5.5	4.8	4.9
<b>Prec Met: &lt; 1 yr</b>	5.0	2.6	5.7	4.6	4.4	2.5	2.4	2.7	2.4	2.3	3.6	3.9
<b>Prec Met: 1-5 yr</b>	1.3	0.4	0.9	0.6	0.5	0.2	0.2	0.5	0.5	0.4	0.6	0.3
<b>Prec Met: &gt; 5 yrs</b>	0.1	0.0	0.0	0.0	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0

\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

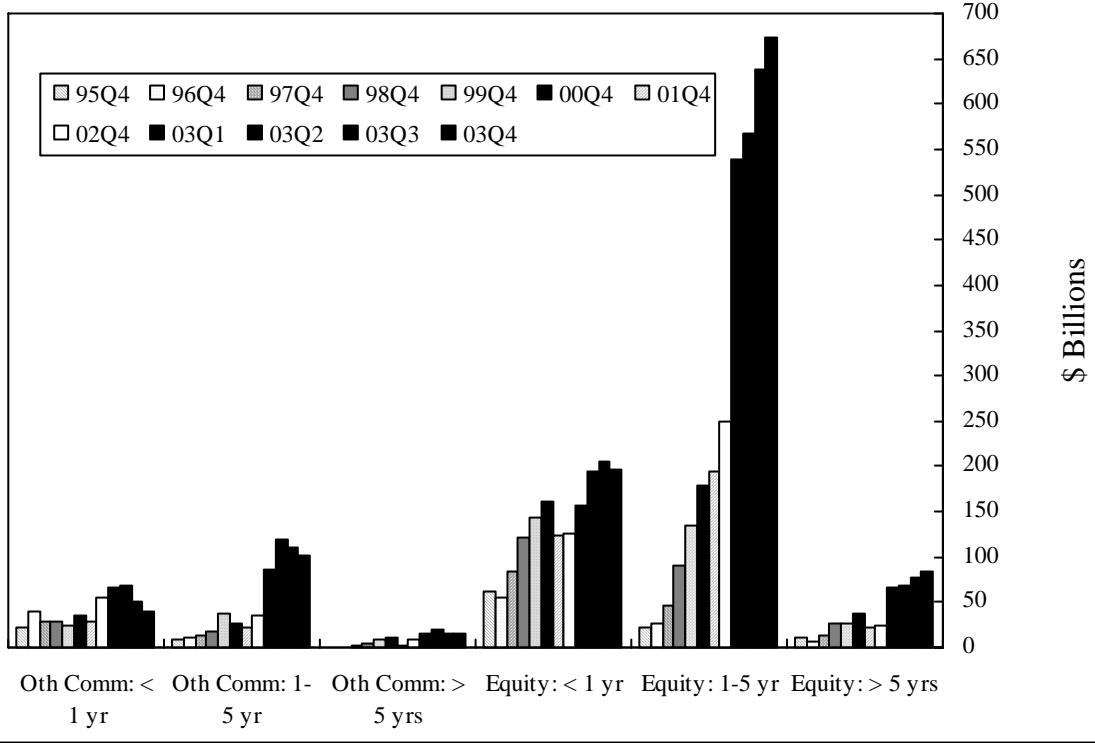
\*Note: Currently, the Call Report does not include maturity breakouts for credit derivatives. Credit derivatives have been excluded here.



# Notional Amounts for Commodity and Equity Contracts by Maturity

## All Commercial Banks

Year ends 1995 - 2002, Most recent four quarters - 2003



Notional Amounts: Commodity and Equity Contracts by Maturity (\$ Billions)\*

	95Q4	96Q4	97Q4	98Q4	99Q4	00Q4	01Q4	02Q4	03Q1	03Q2	03Q3	03Q4
<b>Oth Comm: &lt; 1 yr</b>	22.3	39.6	29.3	29.8	23.6	35.6	28.4	55.1	65.8	68.6	50.9	40.5
<b>Oth Comm: 1-5 yr</b>	9.1	11.4	12.5	18.3	36.9	27.2	22.8	35.5	86.7	119.5	111.2	101.9
<b>Oth Comm: &gt; 5 yrs</b>	0.4	0.9	2.1	3.6	8.3	10.7	1.8	9.1	14.7	19.8	14.6	14.4
<b>Equity: &lt; 1 yr</b>	61.8	54.2	84.0	121.8	143.1	162.1	124.2	126.8	157.3	193.9	205.5	196.8
<b>Equity: 1-5 yr</b>	22.8	27.2	47.4	90.3	133.8	179.9	194.8	249.3	538.0	568.2	637.8	674.4
<b>Equity: &gt; 5 yrs</b>	11.1	6.1	13.4	26.3	25.4	38.0	23.1	24.9	66.8	68.9	76.2	84.1

\*Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any other contracts not subject to risk-based capital requirements.

\*Note: Currently, the Call Report does not include maturity breakouts for credit derivatives. Credit derivatives have been excluded here.

TABLE 1

**NOTIONAL AMOUNT OF DERIVATIVES CONTRACTS OF THE 25  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL FUTURES (EXCH TR)	TOTAL OPTIONS (EXCH TR)	TOTAL FORWARDS (OTC)	TOTAL SWAPS (OTC)	TOTAL OPTIONS (OTC)	TOTAL CREDIT DERIVATIVES (OTC)	SPOT FX
1	JPMORGAN CHASE BANK	NY	628,662	36,805,757	1,362,308	1,372,671	3,343,600	24,371,858	5,777,627	577,693	21,915
2	BANK OF AMERICA NA	NC	617,962	14,869,220	1,605,142	722,659	1,270,586	9,228,325	1,903,912	138,597	32,878
3	CITIBANK NATIONAL ASSN	NY	582,123	11,167,882	297,458	105,654	1,762,939	6,882,031	1,953,697	166,103	131,109
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,326,465	172,390	520,965	125,069	873,002	599,442	35,597	37,342
5	HSBC BANK USA	NY	92,958	1,353,741	116,934	36,655	123,365	675,487	369,932	31,368	14,320
6	BANK ONE NATIONAL ASSN	IL	256,787	1,232,095	37,804	9,652	204,464	807,035	152,716	20,424	8,491
7	BANK OF NEW YORK	NY	89,258	561,694	84,487	38,622	47,713	188,369	201,123	1,380	4,321
8	WELLS FARGO BANK NA	CA	250,474	557,161	55,576	132,300	166,048	82,023	117,938	3,276	4,095
9	FLEET NATIONAL BANK	RI	192,265	443,708	21,114	137,980	18,365	121,007	129,312	15,930	1,900
10	STATE STREET BANK&TRUST CO	MA	80,435	369,843	40,003	-	283,836	40,709	5,295	-	6,066
11	NATIONAL CITY BANK	OH	46,276	252,854	11,067	-	9,636	97,135	134,868	148	287
12	NATIONAL CITY BANK OF IN	IN	42,549	133,390	2,203	1,450	19,343	34,924	75,470	-	-
13	KEYBANK NATIONAL ASSN	OH	74,321	91,846	13,124	-	7,126	68,608	2,928	60	854
14	MELLON BANK NATIONAL ASSN	PA	20,839	88,308	10,082	411	51,063	14,965	11,175	612	4,116
15	STANDARD FEDERAL BANK NA	MI	45,670	78,521	10,081	-	8,662	53,795	5,984	-	-
16	SUNTRUST BANK	GA	124,454	77,333	3,861	-	9,807	51,454	11,769	441	741
17	LASALLE BANK NATIONAL ASSN	IL	61,259	70,199	5,030	-	-	61,762	3,408	-	-
18	PNC BANK NATIONAL ASSN	PA	62,037	48,145	958	133	2,248	40,966	3,674	166	450
19	U S BANK NATIONAL ASSN	OH	189,159	43,691	-	-	4,151	37,542	1,808	190	50
20	DEUTSCHE BANK TR CO AMERICAS	NY	34,068	46,475	-	-	385	37,540	4,811	3,739	30
21	MERRILL LYNCH BANK USA	UT	66,643	35,374	2,194	-	1,857	27,957	400	2,967	2
22	CAPITAL ONE BANK	VA	24,515	28,190	-	-	967	27,224	-	-	-
23	NORTHERN TRUST CO	IL	33,403	26,532	-	-	25,642	782	30	79	2,792
24	IRWIN UNION BANK&TRUST CO	IN	4,656	19,991	8,120	-	966	99	10,806	-	-
25	UNION BANK OF CALIFORNIA NA	CA	41,929	19,564	-	-	1,668	10,339	7,557	-	272
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,016,242	\$70,747,980	\$3,859,936	\$3,079,151	\$7,489,505	\$43,834,937	\$11,485,682	\$998,769	\$272,031
OTHER 548 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,136,073	\$333,861	\$5,584	\$1,774	\$37,644	\$247,740	\$38,721	\$2,399	\$1,005
<b>TOTAL AMOUNTS FOR ALL 573 BKS &amp; TCs WITH DERIVATIVES</b>			<b>\$6,152,315</b>	<b>\$71,081,841</b>	<b>\$3,865,520</b>	<b>\$3,080,924</b>	<b>\$7,527,149</b>	<b>\$44,082,677</b>	<b>\$11,524,402</b>	<b>\$1,001,168</b>	<b>\$273,036</b>

Note: Currently, the Call Report does not differentiate credit derivatives by contract type. Credit derivatives have been included in the sum of total derivatives here.

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.

Note: Numbers may not add due to rounding.

Data source: Call Report, schedule RC-L.

TABLE 2

**NOTIONAL AMOUNT OF DERIVATIVE CONTRACTS OF THE 25  
HOLDING COMPANIES WITH THE MOST DERIVATIVES CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS  
NOTE: DATA ARE PRELIMINARY**

RANK	HOLDING COMPANY	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	FUTURES (EXCH TR)	OPTIONS (EXCH TR)	FORWARDS (OTC)	SWAPS (OTC)	OPTIONS (OTC)	CREDIT DERIVATIVES (OTC)	SPOT FX
1	J.P. MORGAN CHASE & CO.	NY	770,912	37,420,408	1,463,793	1,733,372	3,531,452	24,341,359	5,772,739	577,693	21,915
2	BANK OF AMERICA CORPORATION	NC	736,487	15,153,349	1,615,285	744,143	1,573,809	9,180,151	1,903,175	136,787	32,878
3	CITIGROUP INC.	NY	1,264,032	12,578,666	595,905	167,367	2,170,795	7,350,522	2,101,994	192,083	116,390
4	WACHOVIA CORPORATION	NC	401,032	2,336,173	173,812	541,331	131,906	858,952	594,575	35,597	37,342
5	HSBC NORTH AMERICA INC.	NY	125,950	1,367,753	117,913	36,655	131,014	680,493	370,379	31,300	14,451
6	WELLS FARGO & COMPANY	CA	387,798	566,022	55,576	132,785	166,051	86,990	119,204	5,416	4,095
7	BANK OF NEW YORK COMPANY, INC., THE	NY	92,405	557,162	84,487	38,622	47,304	184,214	201,123	1,413	4,321
8	FLEETBOSTON FINANCIAL CORPORATION	MA	200,356	443,708	21,114	137,980	18,365	121,007	129,312	15,930	1,900
9	COUNTRYWIDE FINANCIAL CORPORATION	CA	97,958	378,821	22,258	170,875	124,121	13,969	47,598	-	-
10	STATE STREET CORPORATION	MA	87,534	368,401	40,003	-	283,836	39,267	5,295	-	6,066
11	TAUNUS CORPORATION	NY	291,375	374,735	83,116	81,896	118,674	76,251	7,836	6,962	305
12	NATIONAL CITY CORPORATION	OH	113,933	168,353	8,864	1,450	20,279	58,283	79,329	148	287
13	KEYCORP	OH	84,147	96,172	13,124	-	7,126	-	4,124	60	854
14	MELLON FINANCIAL CORPORATION	PA	34,049	86,392	10,090	411	50,941	13,162	11,175	612	4,116
15	SUNTRUST BANKS, INC.	GA	125,393	75,288	3,861	-	9,807	49,410	11,769	441	741
16	U.S. BANCORP	MN	189,286	46,340	-	-	4,151	40,189	1,809	191	50
17	PNC FINANCIAL SERVICES GROUP, INC., THE	PA	68,193	46,080	958	133	2,259	38,920	3,645	166	450
18	CIBC DELAWARE HOLDINGS INC.	NY	39,210	40,437	20,223	12,524	-	6,727	10	953	-
19	METLIFE, INC.	NY	326,842	34,645	1,348	6,064	2,005	15,270	9,959	-	-
20	DORAL FINANCIAL CORPORATION	PR	10,394	27,194	1,427	23,228	40	200	2,300	-	-
21	UNIONBANCAL CORPORATION	CA	42,488	18,764	-	-	1,668	9,539	7,557	-	272
22	UTRECHT-AMERICA HOLDINGS, INC.	NY	27,050	20,478	-	-	-	17,068	1,633	1,777	-
23	FIRST TENNESSEE NATIONAL CORPORATION	TN	24,471	16,603	-	-	8,100	5,937	2,565	-	1
24	FIFTH THIRD BANCORP	OH	91,143	14,944	-	-	4,745	7,461	2,737	-	141
25	BB&T CORPORATION	NC	90,467	14,585	7	-	1,464	9,437	3,677	-	23
<b>TOTALS FOR THE TOP 25 HOLDING COMPANIES WITH DERIVATIVES</b>			<b>5,722,905</b>	<b>72,251,471</b>	<b>4,333,163</b>	<b>3,828,834</b>	<b>\$8,409,912</b>	<b>\$43,276,515</b>	<b>\$11,395,518</b>	<b>\$1,007,528</b>	<b>\$246,598</b>
<p>Note: Currently, the Y-9 report does not differentiate credit derivatives by contract type. Credit derivatives have been included in the sum of total derivatives.  Note: In previous quarters, total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange is reported separately.  Note: Numbers may not add due to rounding.  Data source: Consolidated Financial Statements for Bank Holding Companies, FR Y- 9, schedule HC-F</p>											

TABLE 3

**DISTRIBUTION OF DERIVATIVES CONTRACTS OF THE 25  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS, RATIOS IN PERCENT  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	PERCENT EXCH TRADED CONTRACTS (%)	PERCENT OTC CONTRACTS (%)	PERCENT INT RATE CONTRACTS (%)	PERCENT FOREIGN EXCH CONTRACTS (%)	PERCENT OTHER CONTRACTS (%)	PERCENT CREDIT DERIVATIVES (%)
1	JPMORGAN CHASE BANK	NY	628,662	36,805,757	7.4	92.6	89.0	7.5	1.0	1.6
2	BANK OF AMERICA NA	NC	617,962	14,869,220	15.7	84.3	89.8	8.6	0.3	0.9
3	CITIBANK NATIONAL ASSN	NY	582,123	11,167,882	3.6	96.4	78.3	19.3	0.5	1.5
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,326,465	29.8	70.2	94.3	2.7	0.7	1.5
5	HSBC BANK USA	NY	92,958	1,353,741	11.3	88.7	80.8	13.4	1.8	2.3
6	BANK ONE NATIONAL ASSN	IL	256,787	1,232,095	3.9	96.1	85.9	11.5	0.5	1.7
7	BANK OF NEW YORK	NY	89,258	561,694	21.9	78.1	86.9	12.8	0.0	0.2
8	WELLS FARGO BANK NA	CA	250,474	557,161	33.7	66.3	95.0	4.1	0.2	0.6
9	FLEET NATIONAL BANK	RI	192,265	443,708	35.9	64.1	85.9	9.8	0.3	3.6
10	STATE STREET BANK&TRUST CO	MA	80,435	369,843	10.8	89.2	13.4	86.6	0.0	0.0
11	NATIONAL CITY BANK	OH	46,276	252,854	4.4	95.6	99.5	0.4	0.0	0.1
12	NATIONAL CITY BANK OF IN	IN	42,549	133,390	2.7	97.3	100.0	0.0	0.0	0.0
13	KEYBANK NATIONAL ASSN	OH	74,321	91,846	14.3	85.7	89.5	10.2	0.1	0.1
14	MELLON BANK NATIONAL ASSN	PA	20,839	88,308	11.9	88.1	32.5	66.2	0.3	0.7
15	STANDARD FEDERAL BANK NA	MI	45,670	78,521	12.8	87.2	99.9	0.0	0.1	0.0
16	SUNTRUST BANK	GA	124,454	77,333	5.0	95.0	89.1	7.9	1.2	0.6
17	LASALLE BANK NATIONAL ASSN	IL	61,259	70,199	7.2	92.8	99.6	0.0	0.2	0.0
18	PNC BANK NATIONAL ASSN	PA	62,037	48,145	2.3	97.7	90.7	5.5	1.7	0.3
19	U S BANK NATIONAL ASSN	OH	189,159	43,691	0.0	100.0	95.1	4.5	0.0	0.4
20	DEUTSCHE BANK TR CO AMERICAS	NY	34,068	46,475	0.0	100.0	26.9	5.2	29.9	8.0
21	MERRILL LYNCH BANK USA	UT	66,643	35,374	6.2	93.8	86.5	5.1	0.0	8.4
22	CAPITAL ONE BANK	VA	24,515	28,190	0.0	100.0	94.6	5.4	0.0	0.0
23	NORTHERN TRUST CO	IL	33,403	26,532	0.0	100.0	2.6	97.1	0.0	0.3
24	IRWIN UNION BANK&TRUST CO	IN	4,656	19,991	40.6	59.4	99.6	0.4	0.0	0.0
25	UNION BANK OF CALIFORNIA NA	CA	41,929	19,564	0.0	100.0	90.7	9.3	0.0	0.0
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,016,242	\$70,747,980	\$6,939,087	\$63,808,893	\$61,555,332	\$7,154,738	\$1,039,140	\$998,769
OTHER 548 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,136,073	\$333,861	\$7,358	\$326,503	\$300,836	\$27,029	\$3,597	\$2,399
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$71,081,841	\$6,946,445	\$64,135,397	\$61,856,168	\$7,181,767	\$1,042,737	\$1,001,168
TOP 25 COMMERCIAL BANKS & TC: % OF ALL 573 BKS & TCs WITH DERIVATIVES				99.5	9.8	89.8	86.6	10.1	1.5	1.4
OTHER 548 COMMERCIAL BANKS & TCs: % OF ALL 573 BKS & TCs WITH DERIVATIVES				0.5	0.0	0.5	0.4	0.0	0.0	0.0
TOTAL AMOUNTS FOR ALL 573 BKS & TCs: % OF ALL 573 BKS & TCs WITH DERIVATIVES				100.0	9.8	90.2	87.0	10.1	1.5	1.4
Note: Currently, the Call Report does not differentiate credit derivatives by over the counter or exchange traded. Credit derivatives have been included in the "over the counter" category as well as in the sum of total derivatives here.										
Note: "Foreign Exchange" does not include spot fx.										
Note: "Other" is defined as the sum of commodity and equity contracts.										
Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.										
Note: Numbers may not add due to rounding.										
Data source: Call Report, schedule RC-L										

TABLE 4

**CREDIT EQUIVALENT EXPOSURE OF THE 25  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVES CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS, RATIOS IN PERCENT  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL		BILATERALLY NETTED CURRENT EXPOSURE	FUTURE EXPOSURE (NEW RBC ADD ON)	TOTAL CREDIT EXPOSURE FROM ALL CONTRACTS	TOTAL CREDIT EXPOSURE TO CAPITAL RATIO										
			ASSETS	DERIVATIVES														
								(%)										
1	JPMORGAN CHASE BANK	NY	628,662	36,805,757	70,997	311,530	382,527	844.6										
2	BANK OF AMERICA NA	NC	617,962	14,869,220	35,546	84,103	119,649	221.7										
3	CITIBANK NATIONAL ASSN	NY	582,123	11,167,882	51,569	91,824	143,393	267.1										
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,326,465	13,287	11,140	24,427	80.6										
5	HSBC BANK USA	NY	92,958	1,353,741	8,642	12,492	21,134	288.5										
6	BANK ONE NATIONAL ASSN	IL	256,787	1,232,095	5,303	8,061	13,364	58.7										
7	BANK OF NEW YORK	NY	89,258	561,694	3,764	2,650	6,414	77.7										
8	WELLS FARGO BANK NA	CA	250,474	557,161	4,691	1,347	6,038	26.7										
9	FLEET NATIONAL BANK	RI	192,265	443,708	2,608	1,437	4,045	20.2										
10	STATE STREET BANK&TRUST CO	MA	80,435	369,843	4,535	2,871	7,406	161.0										
11	NATIONAL CITY BANK	OH	46,276	252,854	1,944	931	2,875	61.2										
12	NATIONAL CITY BANK OF IN	IN	42,549	133,390	849	732	1,581	47.2										
13	KEYBANK NATIONAL ASSN	OH	74,321	91,846	1,975	472	2,447	29.1										
14	MELLON BANK NATIONAL ASSN	PA	20,839	88,308	1,117	807	1,924	72.1										
15	STANDARD FEDERAL BANK NA	MI	45,670	78,521	37	486	524	9.7										
16	SUNTRUST BANK	GA	124,454	77,333	2,201	569	2,769	22.7										
17	LASALLE BANK NATIONAL ASSN	IL	61,259	70,199	142	572	714	13.3										
18	PNC BANK NATIONAL ASSN	PA	62,037	48,145	971	318	1,288	19.3										
19	U S BANK NATIONAL ASSN	OH	189,159	43,691	687	177	864	5.1										
20	DEUTSCHE BANK TR CO AMERICAS	NY	34,068	46,475	657	1,985	2,642	37.1										
21	MERRILL LYNCH BANK USA	UT	66,643	35,374	166	155	321	6.8										
22	CAPITAL ONE BANK	VA	24,515	28,190	-	194	194	4.6										
23	NORTHERN TRUST CO	IL	33,403	26,532	616	197	813	29.9										
24	IRWIN UNION BANK&TRUST CO	IN	4,656	19,991	3	2	4	0.7										
25	UNION BANK OF CALIFORNIA NA	CA	41,929	19,564	219	94	313	8.1										
TOP 25 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$4,016,242	\$70,747,980	\$212,524	\$535,148	\$747,673	Average% 96.6										
OTHER 548 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,136,073	\$333,861	\$4,903	\$2,518	\$7,421	N/A										
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$71,081,841	\$217,427	\$537,667	\$755,094	5.5										
<p>Commercial banks also hold on-balance sheet assets in volumes that are multiples of bank capital. For example:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">EXPOSURES FROM OTHER ASSETS</th> <th style="text-align: left;">EXPOSURE TO RISK BASED CAPITAL:</th> </tr> <tr> <th style="text-align: left;">ALL COMMERCIAL BANKS</th> <th style="text-align: left;">ALL BANKS</th> </tr> </thead> <tbody> <tr> <td>1-4 FAMILY MORTGAGES</td> <td>176%</td> </tr> <tr> <td>C&amp;I LOANS</td> <td>120%</td> </tr> <tr> <td>SECURITIES NOT IN TRADING ACCOUNT</td> <td>201%</td> </tr> </tbody> </table>									EXPOSURES FROM OTHER ASSETS	EXPOSURE TO RISK BASED CAPITAL:	ALL COMMERCIAL BANKS	ALL BANKS	1-4 FAMILY MORTGAGES	176%	C&I LOANS	120%	SECURITIES NOT IN TRADING ACCOUNT	201%
EXPOSURES FROM OTHER ASSETS	EXPOSURE TO RISK BASED CAPITAL:																	
ALL COMMERCIAL BANKS	ALL BANKS																	
1-4 FAMILY MORTGAGES	176%																	
C&I LOANS	120%																	
SECURITIES NOT IN TRADING ACCOUNT	201%																	
<p>Note: The numbers reported above for future credit exposures reflect gross add-ons.  Note: The total credit exposure to capital ratio is calculated using risk based capital (tier one plus tier two capital).  Note: Currently, the Call Report does not differentiate credit derivatives by contract type. Credit derivatives have been included in the sum of total derivatives here.  Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.  Note: Numbers may not add due to rounding.  Source: Call Report Schedule RC-R</p>																		

TABLE 5

**NOTIONAL AMOUNTS OF DERIVATIVES CONTRACTS HELD FOR TRADING OF THE 7  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVES CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS, RATIOS IN PERCENT  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL HELD FOR TRADING & MTM	% HELD FOR TRADING & MTM	TOTAL NOT TRADED MTM	% NOT TRADED MTM
1	JPMORGAN CHASE BANK	NY	628,662	36,228,064	36,101,761	99.7	126,303	0.3
2	BANK OF AMERICA NA	NC	617,962	14,730,624	14,233,518	96.6	497,106	3.4
3	CITIBANK NATIONAL ASSN	NY	582,123	11,001,779	10,826,557	98.4	175,222	1.6
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,290,868	1,982,872	86.6	307,996	13.4
5	HSBC BANK USA	NY	92,958	1,322,374	1,315,329	99.5	7,045	0.5
6	BANK ONE NATIONAL ASSN	IL	256,787	1,211,671	1,194,742	98.6	16,929	1.4
7	BANK OF NEW YORK	NY	89,258	560,314	548,796	97.9	11,518	2.1
<b>TOP 7 COMMERCIAL BANKS &amp; TCs WITH DERIVATIVES</b>			<b>\$2,621,291</b>	<b>\$67,345,693</b>	<b>\$66,203,574</b>	<b>98.3</b>	<b>\$1,142,119</b>	<b>1.7</b>
OTHER 566 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$3,531,023	\$2,734,980	\$1,513,498	55.3	\$1,221,482	44.7
<b>TOP 25 COMMERCIAL BANKS &amp; TCs WITH DERIVATIVES</b>			<b>\$4,016,242</b>	<b>\$69,749,211</b>	<b>\$67,610,952</b>	<b>96.9</b>	<b>\$2,138,259</b>	<b>3.1</b>
OTHER 548 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,136,073	\$331,462	\$106,120	32.0	\$225,342	68.0
<b>TOTAL AMOUNTS FOR ALL 573 BKS &amp; TCs WITH DERIVATIVES</b>			<b>\$6,152,315</b>	<b>\$70,080,673</b>	<b>\$67,717,072</b>	<b>96.6</b>	<b>\$2,363,601</b>	<b>3.4</b>
<p>Note: Currently, the Call Report does not differentiate between traded and non-traded credit derivatives. Credit derivatives have been excluded from the sum of total derivatives here.</p> <p>Note: In previous quarters, total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange is reported separately.</p> <p>Note: Numbers may not add due to rounding.</p> <p>Data source: Call Report, schedule RC-L</p>								

TABLE 6

**GROSS FAIR VALUES OF DERIVATIVE CONTRACTS OF THE 7  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TRADED :	TRADED :	NOT TRADED :	NOT TRADED :
					(MTM) GROSS POSITIVE FAIR VALUE*	(MTM) GROSS NEGATIVE FAIR VALUE**	(MTM) GROSS POSITIVE FAIR VALUE*	(MTM) GROSS NEGATIVE FAIR VALUE**
1	JPMORGAN CHASE BANK	NY	628,662	36,228,064	623,073	612,143	831	830
2	BANK OF AMERICA NA	NC	617,962	14,730,624	224,595	218,224	6,185	4,993
3	CITIBANK NATIONAL ASSN	NY	582,123	11,001,779	198,728	198,939	3,397	2,393
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,290,868	28,730	27,602	4,546	4,027
5	HSBC BANK USA	NY	92,958	1,322,374	17,016	17,767	211	53
6	BANK ONE NATIONAL ASSN	IL	256,787	1,211,671	23,461	22,194	17	193
7	BANK OF NEW YORK	NY	89,258	560,314	7,888	7,702	307	431
TOP 7 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,621,291	\$67,345,693	\$1,123,492	\$1,104,571	\$15,494	\$12,920
OTHER 566 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$3,531,023	\$2,734,980	\$23,909	\$22,948	\$10,353	\$9,801
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$70,080,673	\$1,147,400	\$1,127,519	\$25,847	\$22,721

Note: Currently, the Call Report does not differentiate credit derivatives by gross negative and positive fair values. Credit derivatives have been excluded from the sum of total derivatives here.

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.

\*Market value of contracts that have a positive fair value as of the end of the fourth quarter, 2003.

\*\*Market value of contracts that have a negative fair value as of the end of the fourth quarter, 2003.

Note: Numbers may not sum due to rounding.

Data source: Call Report, schedule RC-L

TABLE 7

**TRADING REVENUE FROM CASH INSTRUMENTS AND DERIVATIVES OF THE 7  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS**

NOTE: REVENUE FIGURES ARE FOR FOURTH QUARTER (NOT YEAR-TO-DATE)  
DATA ARE PRELIMINARY

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	TOTAL TRADING REV FROM CASH & OFF BAL SHEET POSITIONS	TRADING REV FROM INT RATE POSITIONS	TRADING REV FROM FOREIGN EXCH POSITIONS	TRADING REV FROM EQUITY POSITIONS	TRADING REV FROM COMMOD & OTH POSITIONS
1	JPMORGAN CHASE BANK	NY	628,662	36,228,064	716	611	26	63	16
2	BANK OF AMERICA NA	NC	617,962	14,730,624	259	41	140	79	(1)
3	CITIBANK NATIONAL ASSN	NY	582,123	11,001,779	530	(217)	752	(7)	2
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,290,868	(48)	(56)	24	(16)	-
5	HSBC BANK USA	NY	92,958	1,322,374	13	(102)	29	72	13
6	BANK ONE NATIONAL ASSN	IL	256,787	1,211,671	60	184	(130)	(3)	9
7	BANK OF NEW YORK	NY	89,258	560,314	52	3	49	0	(0)
TOP 7 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,621,291	\$67,345,693	\$1,582	\$464	\$890	\$188	\$39
OTHER 566 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$3,531,023	\$2,734,980	\$542	\$205	\$267	\$69	\$1
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$70,080,673	\$2,124	\$669	\$1,158	\$257	\$40

Note: Currently, the Call Report does not include trading revenues from credit derivatives. Credit derivatives have been excluded from the sum of total derivatives here.

Note: Trading revenue is defined here as "trading revenue from cash instruments and off balance sheet derivative instruments."

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter 1995, spot foreign exchange was reported separately.

Note: Numbers may not sum due to rounding.

Data source: Call Report, schedule RC-1



TABLE 8

**NOTIONAL AMOUNT OF DERIVATIVES CONTRACTS BY CONTRACT TYPE & MATURITY FOR THE 7  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	INT RATE MATURITY < 1 YR	INT RATE MATURITY 1 - 5 YRS	INT RATE MATURITY > 5 YRS	INT RATE ALL MATURITIES	FOREIGN EXCH MATURITY < 1 YR	FOREIGN EXCH MATURITY 1 - 5 YRS	FOREIGN EXCH MATURITY > 5 YRS	FOREIGN EXCH ALL MATURITIES
1	JPMORGAN CHASE BANK	NY	628,662	36,228,064	7,540,149	12,040,265	7,581,035	27,161,449	1,478,096	577,021	321,865	2,376,982
2	BANK OF AMERICA NA	NC	617,962	14,730,624	1,620,368	3,401,023	2,549,571	7,570,962	852,768	154,324	99,728	1,106,820
3	CITIBANK NATIONAL ASSN	NY	582,123	11,001,779	2,641,090	2,884,867	1,864,635	7,390,592	1,462,976	274,918	125,215	1,863,109
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,290,868	627,039	535,385	330,502	1,492,926	27,652	24,427	8,428	60,507
5	HSBC BANK USA	NY	92,958	1,322,374	248,574	326,620	230,513	805,707	95,688	33,609	13,654	142,951
6	BANK ONE NATIONAL ASSN	IL	256,787	1,211,671	271,529	461,226	189,465	922,220	94,864	16,204	4,624	115,692
7	BANK OF NEW YORK	NY	89,258	560,314	50,129	130,160	68,208	248,496	51,837	6,237	521	58,594
TOP 7 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,621,291	\$67,345,693	\$12,998,877	\$19,779,546	\$12,813,929	\$45,592,352	\$4,063,880	\$1,086,740	\$574,035	\$5,724,655
OTHER 566 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$3,531,023	\$2,734,980	\$574,386	\$620,463	\$300,136	\$1,494,985	\$405,714	\$27,499	\$2,982	\$436,195
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$70,080,673	\$13,573,263	\$20,400,009	\$13,114,065	\$47,087,337	\$4,469,594	\$1,114,239	\$577,017	\$6,160,850

Note: Currently, the Call Report does not include maturity breakouts for credit derivatives. Credit derivatives have been excluded from the sum of total derivatives here.

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.

Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any contracts not subject to risk-based capital requirements.

Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: Numbers may not add due to rounding.

Data source: Call Report, schedule RC-R

TABLE 9

**NOTIONAL AMOUNT OF DERIVATIVES CONTRACTS BY CONTRACT TYPE & MATURITY FOR THE 7  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	GOLD	GOLD	GOLD	GOLD	PREC METALS	PREC METALS	PREC METALS	PREC METALS
					MATURITY < 1 YR	MATURITY 1 - 5 YRS	MATURITY > 5 YRS	ALL MATURITIES	MATURITY < 1 YR	MATURITY 1 - 5 YRS	MATURITY > 5 YRS	ALL MATURITIES
1	JPMORGAN CHASE BANK	NY	628,662	36,228,064	20,292	17,204	3,622	41,118	855	27	-	882
2	BANK OF AMERICA NA	NC	617,962	14,730,624	-	-	-	-	-	-	-	-
3	CITIBANK NATIONAL ASSN	NY	582,123	11,001,779	6,564	8,653	1,022	16,239	257	-	-	257
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,290,868	-	-	-	-	-	-	-	-
5	HSBC BANK USA	NY	92,958	1,322,374	13,318	6,017	257	19,592	2,649	305	-	2,953
6	BANK ONE NATIONAL ASSN	IL	256,787	1,211,671	-	-	-	-	-	-	-	-
7	BANK OF NEW YORK	NY	89,258	560,314	-	-	-	-	-	-	-	-
TOP 7 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,621,291	\$67,345,693	\$40,174	\$31,874	\$4,901	\$76,949	\$3,761	\$332	\$0	\$4,092
OTHER 566 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$3,531,023	\$2,734,980	\$55	\$0	\$0	\$55	\$110	\$0	\$0	\$110
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$70,080,673	\$40,229	\$31,874	\$4,901	\$77,004	\$3,871	\$332	\$0	\$4,202

Note: Currently, the Call Report does not include maturity breakouts for credit derivatives. Credit derivatives have been excluded from the sum of total derivatives here.

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.

Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any contracts not subject to risk-based capital requirements.

Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: Numbers may not add due to rounding.

Data source: Call Report, schedule RC-R

TABLE 10

**NOTIONAL AMOUNT OF DERIVATIVES CONTRACTS BY CONTRACT TYPE & MATURITY FOR THE 7  
COMMERCIAL BANKS AND TRUST COMPANIES WITH THE MOST DERIVATIVE CONTRACTS  
DECEMBER 31, 2003, \$ MILLIONS  
NOTE: DATA ARE PRELIMINARY**

RANK	BANK NAME	STATE	TOTAL ASSETS	TOTAL DERIVATIVES	OTHER COMM MATURITY < 1 YR	OTHER COMM MATURITY 1 - 5 YRS	OTHER COMM MATURITY > 5 YRS	OTHER COMM ALL MATURITIES	EQUITY MATURITY < 1 YR	EQUITY MATURITY 1 - 5 YRS	EQUITY MATURITY > 5 YRS	EQUITY ALL MATURITIES
1	JPMORGAN CHASE BANK	NY	628,662	36,228,064	14,255	82,289	13,377	109,921	127,458	514,052	63,667	705,177
2	BANK OF AMERICA NA	NC	617,962	14,730,624	15,984	4,888	97	20,969	17,272	19,465	3,380	40,117
3	CITIBANK NATIONAL ASSN	NY	582,123	11,001,779	2,897	10,571	901	14,369	22,851	83,356	13,379	119,586
4	WACHOVIA BANK NATIONAL ASSN	NC	353,541	2,290,868	-	-	-	-	7,560	9,608	1,535	18,703
5	HSBC BANK USA	NY	92,958	1,322,374	1,583	1,052	24	2,658	1,904	31,286	1,748	34,939
6	BANK ONE NATIONAL ASSN	IL	256,787	1,211,671	2,341	2,081	38	4,460	2,393	2,115	52	4,560
7	BANK OF NEW YORK	NY	89,258	560,314	-	-	-	-	498	934	24	1,455
TOP 7 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$2,621,291	\$67,345,693	\$37,060	\$100,880	\$14,437	\$152,377	\$179,936	\$660,816	\$83,785	\$924,537
OTHER 566 COMMERCIAL BANKS & TCs WITH DERIVATIVES			\$3,531,023	\$2,734,980	\$3,422	\$1,017	\$0	\$4,439	\$16,895	\$13,562	\$337	\$30,794
TOTAL AMOUNTS FOR ALL 573 BKS & TCs WITH DERIVATIVES			\$6,152,315	\$70,080,673	\$40,482	\$101,898	\$14,437	\$156,816	\$196,831	\$674,378	\$84,121	\$955,331

Note: Currently, the Call Report does not include maturity breakouts for credit derivatives. Credit derivatives have been excluded from the sum of total derivatives here.

Note: Before the first quarter of 1995 total derivatives included spot foreign exchange. Beginning in the first quarter, 1995, spot foreign exchange was reported separately.

Note: Figures above exclude foreign exchange contracts with an original maturity of 14 days or less, futures contracts, written options, basis swaps, and any contracts not subject to risk-based capital requirements.

Therefore, the total notional amount of derivatives by maturity will not add to the total derivatives figure in this table.

Note: Numbers may not add due to rounding.

Data source: Call Report, schedule RC-R