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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549-1004

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**FORM 8-K**

**CURRENT REPORT PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **May 20, 2005**

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**JPMORGAN CHASE & CO.**

(Exact Name of Registrant as Specified in Charter)

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**Delaware**  
(State or Other Jurisdiction of  
Incorporation)

**1-5805**  
(Commission File Number)

**13-2624428**  
(IRS Employer  
Identification No.)

**270 Park Avenue**  
**New York, NY**  
(Address of Principal Executive Offices)

**10017**  
(Zip Code)

Registrant's telephone number, including area code: **(212) 270-6000**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12(b))
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 7.01 Regulation FD Disclosure**

Exhibit 99.1 is a copy of a slide presentation to be used by JPMorgan Chase & Co. (“JPMorgan Chase” or the “Firm”) in meetings with investors to provide information about the Firm’s global derivatives business. The slides are being furnished pursuant to Item 7.01 and the information contained therein shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities under that Section. Furthermore, the information in Exhibit 99.1 shall not be deemed to be incorporated by reference into the filings of the Firm under the Securities Act of 1933.

### **Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Slide Presentation — JPMorgan Chase & Co. Global Derivatives Business

*The presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of JPMorgan Chase’s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause JPMorgan Chase’s result to differ materially from those described in the forward-looking statements can be found in the 2004 Annual Report on Form 10-K for the year ended December 31, 2004 and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 of JPMorgan Chase filed with the Securities and Exchange Commission and available at the Securities and Exchange Commission Internet site (<http://www.sec.gov>).*

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JPMORGAN CHASE & CO.  
(Registrant)

By: /s/Michael Cavanagh

Name: Michael Cavanagh  
Title: Executive Vice President  
Chief Financial Officer

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**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Exhibit</b>
99.1	Slide Presentation — JPMorgan Chase & Co. Global Derivatives Business

**JPMorgan Global Derivatives**

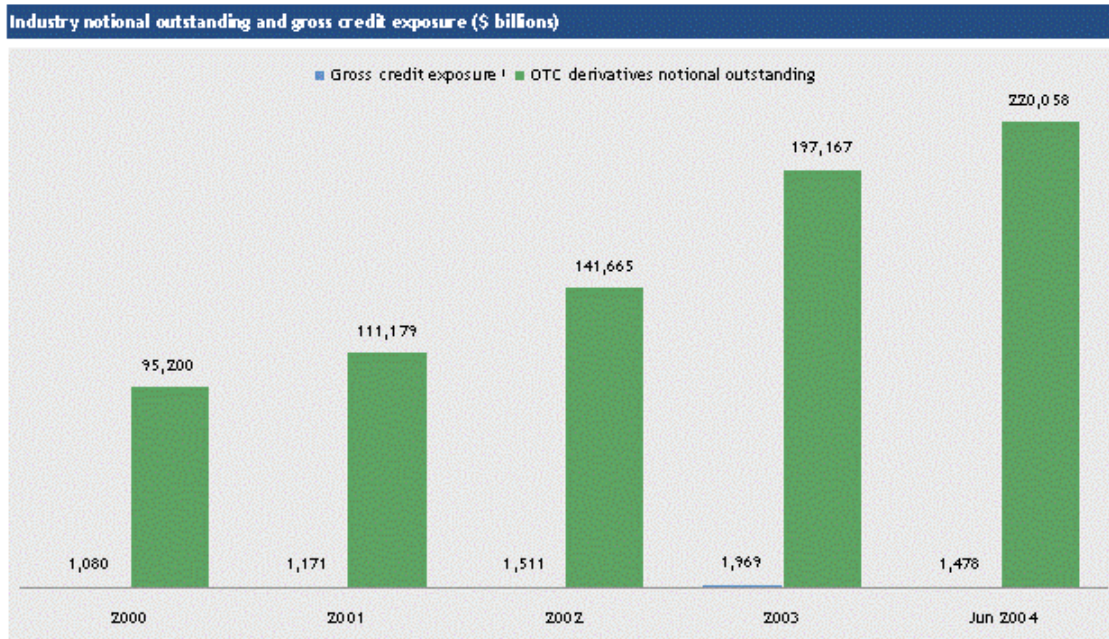
## Disclaimer

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause JPMorgan Chase's results to differ materially from those described in the forward-looking statements can be found in the 2004 Annual Report on Form 10-K for the year ended December 31, 2004 and the Quarterly Report on Form 10-Q dated March 31, 2005 of JPMorgan Chase filed with the Securities and Exchange Commission and available at the Securities and Exchange Commission's Internet site (<http://www.sec.gov>).*

*The financial information provided in this presentation is presented on a proforma combined-operating basis. The proforma combined historical results represent how the financial information of JPMorgan Chase & Co. and Bank One Corporation may have appeared on a combined basis had the two companies been merged as of the earliest date indicated. Additional information, including reconciliation of the proforma combined-operating numbers to GAAP, can be found on Form 8-K/A furnished to the Securities and Exchange Commission on April 20, 2005. For a description of operating basis, including management's reasons for its use of such measures, see page 25 of the 2004 Annual Report.*



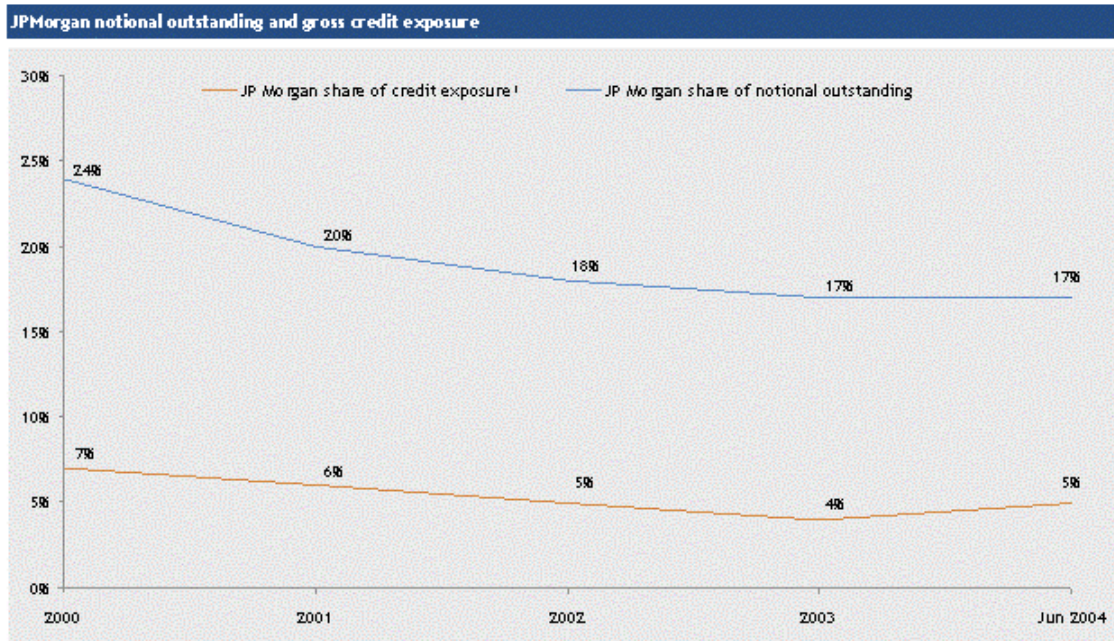
## Industry notional and credit exposure



Source: BE

<sup>1</sup> Per BE definition: Gross value of contracts that have a positive market value after taking into account legally enforceable bilateral netting agreements

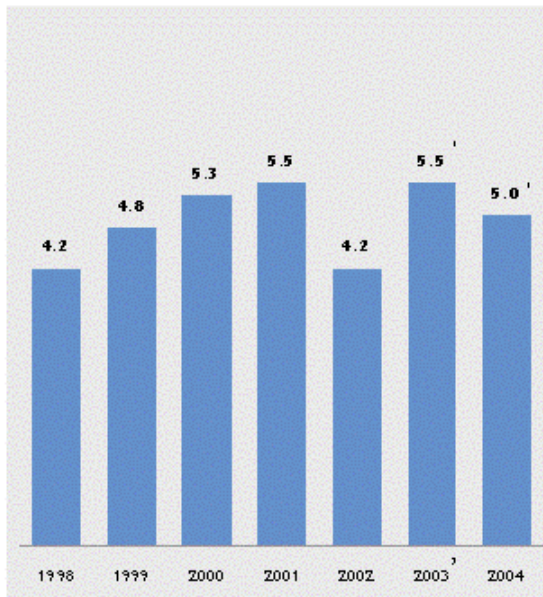
## JPM's share of industry totals



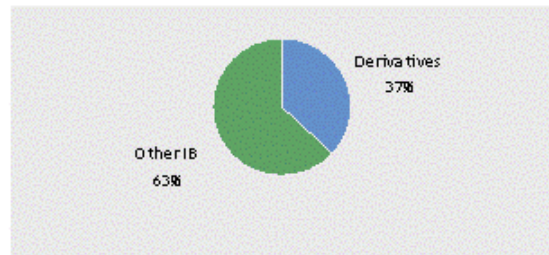
Source: BE  
<sup>1</sup> Credit exposure before benefit of collateral

## JPMorgan derivatives: substantial revenues drive profitability

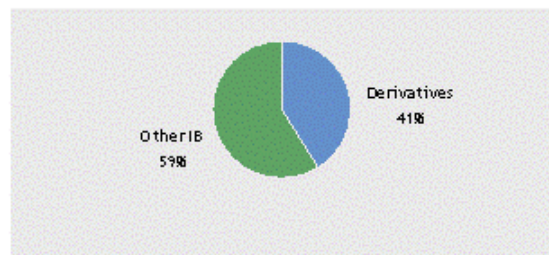
Derivative revenues (\$ billions)



Percentage of IB revenues (2002–2004)



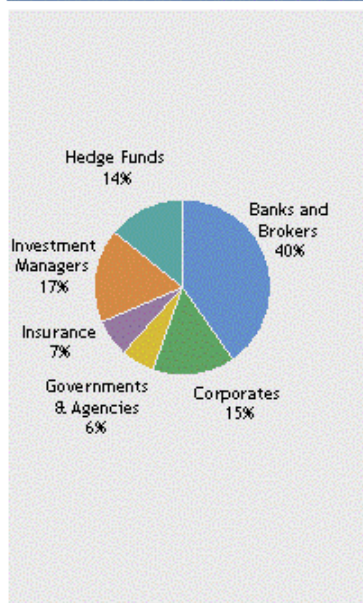
Percentage of IB client revenues (2002–2004)



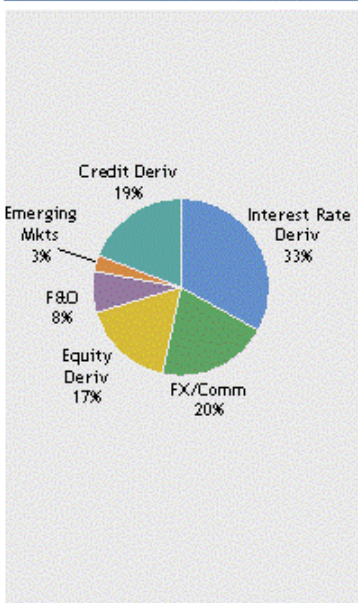
Note: <sup>1</sup> For trending purposes, includes revenues which are deferred for financial statement reporting purposes.  
<sup>2</sup> Beginning 2003 includes Bank 0 re. numbers

## JPMorgan Derivatives: Global and diversified

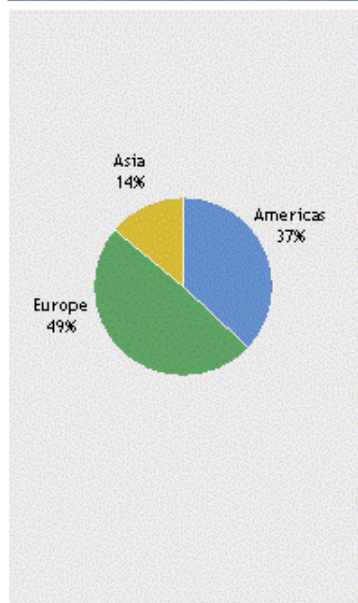
Revenue by client 2004



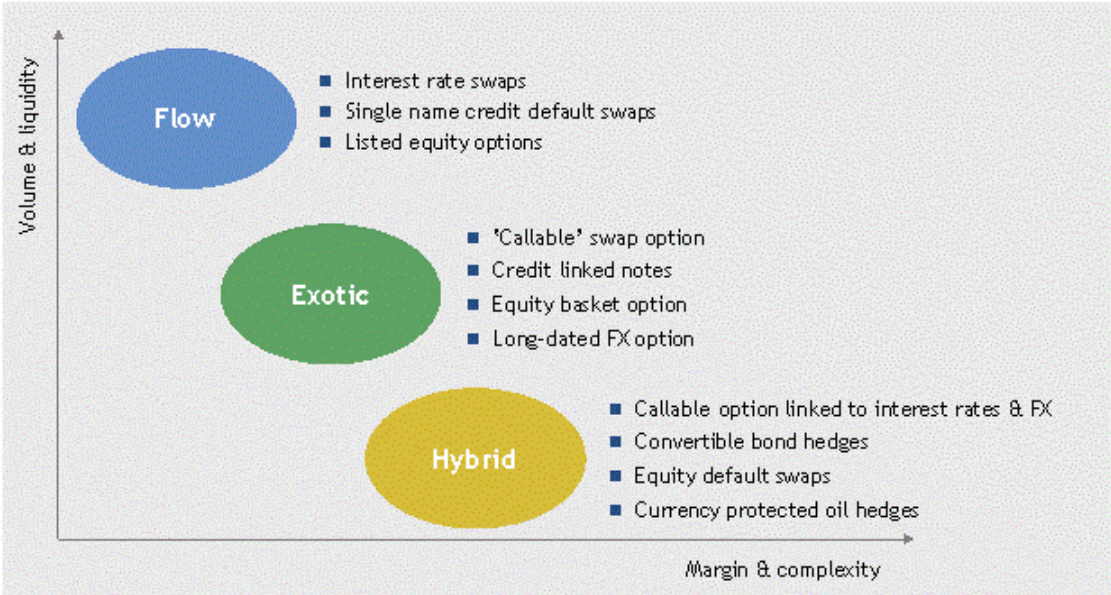
Client revenue by product 2004



Client revenue by region 2004



# Derivatives: product dimensions



## Derivatives: broad application for clients

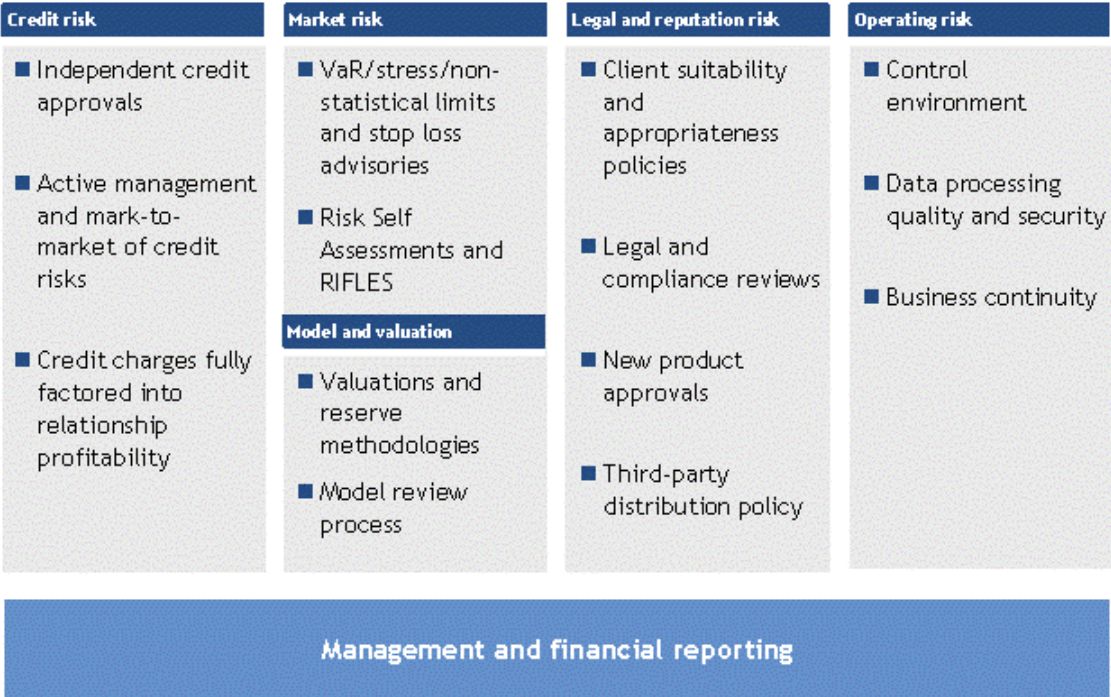
### Client Problem

- Issuing client wants to lock in longer term debt spreads while retaining short term funding level.
- Hedge fund seeks to purchase cheap call options on underlying equity name, while avoiding credit risk.
- Investor client wants to increase yield by taking exposure to a single issuer, in the most cost efficient way.

### JPMorgan Solution

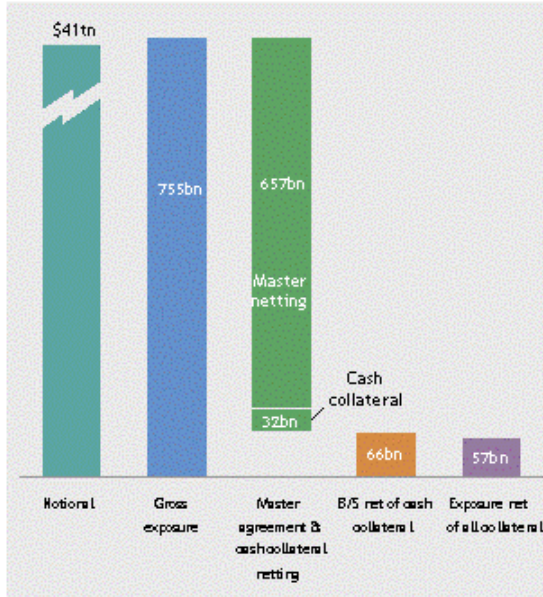
- Corporate issues debt further out the yield curve. JPM swaps client into short term funding via interest rate swap.
- Hedge fund buys convertible bond and buys credit protection (credit derivative) from JPM to eliminate credit risk.
- Investor sells protection (collects premium) through Equity Default Swap which will pay out if the value of the stock falls below a certain barrier.

# We focus on four major dimensions of business risk



## Market-related credit risk management

Derivative counterparty exposure as of Dec 31, 2004



Note: Notional amounts are expressed in \$trillions. All other amounts are expressed in \$billions.

Source: JPMorgan

Derivative receivables as of Dec 31, 2004 (\$ millions)

Interest rate	\$45,982
Foreign exchange	7,939
Equity	6,120
Credit derivatives	2,945
Commodity	3,086
<b>Total</b>	<b>\$65,982</b>

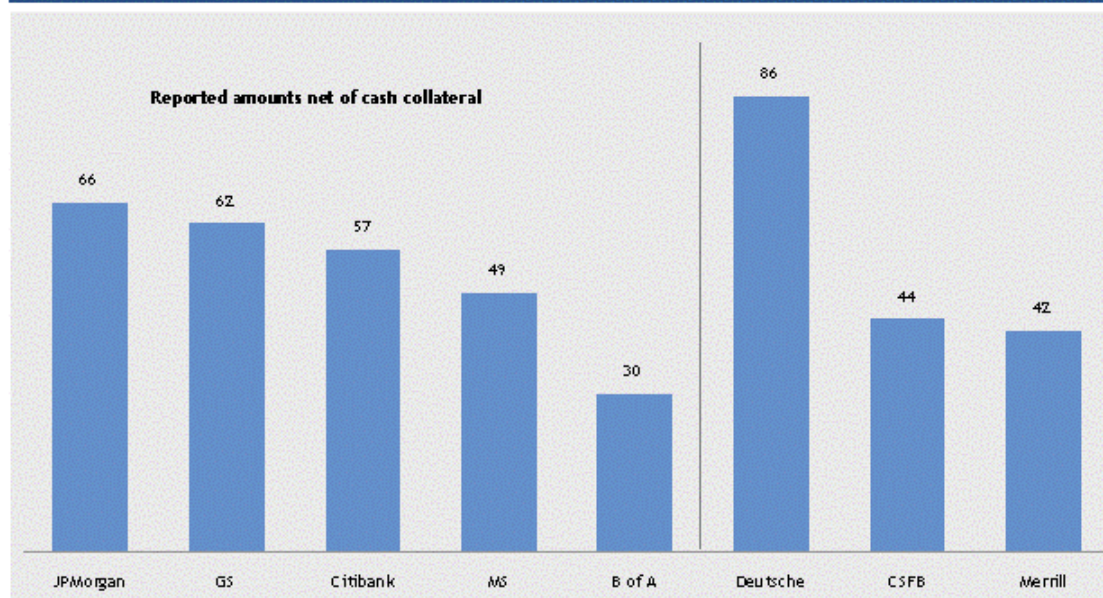
Ratings profile of exposure net of collateral as of Dec 31, 2004

AAA/AA	53%
A+ to A-	16%
BBB	17%
Below BBB	14%



## JPMorgan: scale and liquidity provider

Derivatives Balance sheet exposure by dealer (\$ billions)

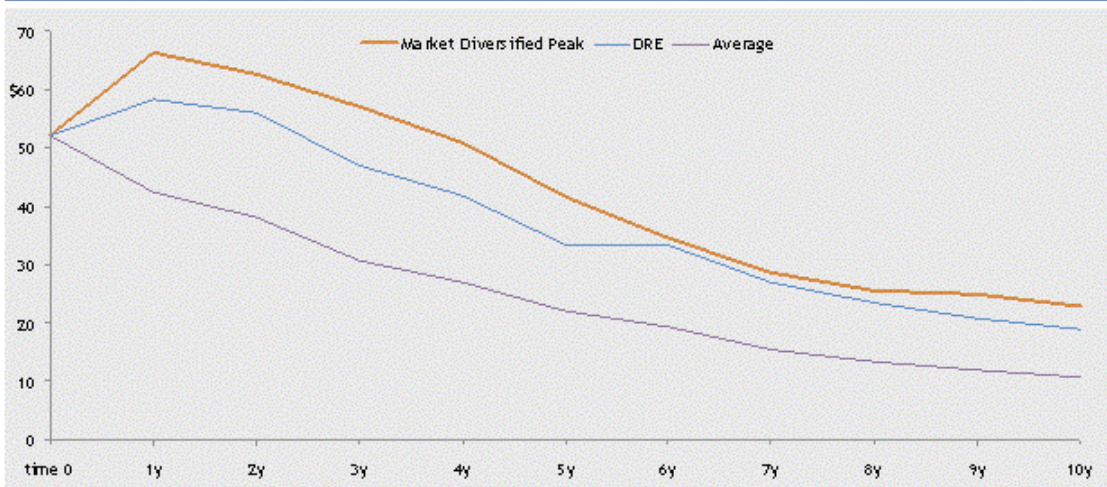


Source: 2004 10K public disclosures

Note: JPM, Citibank, Goldman Sachs and Bank of America net cash collateral against derivative receivables and payables. Effective Dec 1, 2004, Morgan Stanley elected to net cash collateral against its derivatives inventory under credit support annexes; amounts shown above is after netting as of Nov 30, 2004. We believe amounts shown for Deutsche, CSFB and Merrill do not reflect cash collateral netting.

## Market-Diversified Peak—even the most extreme measure of potential exposure is not outsized

Aggregate portfolio measures as of December, 2004 (\$ billions)



Source: JPMorgan

**Market-Diversified Peak (MDP)**—portfolio aggregate of counterparty peak client credit exposure (calculated at a 97.5% confidence level), representing the maximum losses that would occur if all counterparties defaulted under one given market scenario and timeframe. A market diversification effect occurs at the portfolio level which reduces credit risk because when offsetting transactions are done with separate counterparties, only one of two trades can generate a credit loss even if both parties were to default simultaneously.

**Derivative Risk Equivalent (DRE)**—measure of derivative exposure riskiness expressed on a basis equivalent to loan exposure. This is done by equating the unexpected loss in a derivative counterparty exposure (which considers both loss volatility and counterparty credit rating) with the unexpected loss in a loan exposure (which considers only counterparty credit rating).

**Average exposure**—measure of the expected market-to-market value of derivative receivables at future time periods.

# Market risk is measured in many ways

Risk measurement	Descriptions
Value at Risk (VaR) & Non-statistical risk limits	<ul style="list-style-type: none"> <li>■ Captures first order risk across all lines of business and products</li> <li>■ Business units are subject to daily VaR limits and to additional non-statistical risk limits (e.g., sensitivity to credit spread widening, shifts in volatility) and loss advisories</li> </ul>
Corporate-wide stress scenarios	<ul style="list-style-type: none"> <li>■ Stress tests capture exposures to potential events in abnormal market conditions                             <ul style="list-style-type: none"> <li>■ Credit crunch, bond collapse, equity crash, USD crisis</li> </ul> </li> </ul>
Line of Business stress scenarios	<ul style="list-style-type: none"> <li>■ Focus is on risks within a single asset class that are not governed by the Corporate-wide stress tests</li> </ul>
Risk Self Assessments (RSA)	<ul style="list-style-type: none"> <li>■ Business specific scenarios and risk sensitivity analysis across complex interest rate, credit and equity derivatives</li> </ul>
RIFLES	<ul style="list-style-type: none"> <li>■ Risk Identification for Largest Exposures</li> <li>■ Represent vulnerabilities not captured in VaR, Stress or RSA</li> <li>■ Self-assessed by risk managers</li> </ul>

## Derivatives are reported at fair value

Trading portfolios by valuation methodology (\$ billions)				
	December 31, 2004	Percentage of fair value based on:		
		Quoted prices	Substantially observable parameters	Significant unobservable parameters
<b>Trading assets</b>				
Debt and equity instruments	223	92%	5%	3%
<b>Derivative receivables</b>	<b>66</b>	<b>1%</b>	<b>97%</b>	<b>2%</b>
Total trading assets	<b>289</b>			
Investment securities	95	94%	2%	4%
Total	<b>383</b>			
<b>Trading liabilities</b>				
Debt and equity instruments	88	99%	1%	0%
<b>Derivative payables</b>	<b>63</b>	<b>1%</b>	<b>97%</b>	<b>2%</b>
Total trading liabilities	<b>151</b>			

- Substantially observable parameters: Examples include interest rate swap yield curve, credits spreads and interest rate volatilities.
- Significant unobservable parameters: Examples include interest rate/FX correlation, long-dated currency volatility and low strike and high strike interest rate option volatilities.

## JPMorgan is the world's derivatives and FX leader through strategic solutions and unmatched execution

