

JPMORGAN CHASE & Co.
PILLAR 3 REGULATORY CAPITAL DISCLOSURES

For the quarterly period ended March 31, 2017

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DISCLOSURE MAP

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INTRODUCTION

JPMorgan Chase & Co., (“JPMorgan Chase” or the “Firm”) a financial holding company incorporated under Delaware law in 1968, is a leading global financial services firm and one of the largest banking institutions in the United States of America (“U.S.”), with operations worldwide; the Firm had \$2.5 trillion in assets and \$255.9 billion in stockholders’ equity as of March 31, 2017. The Firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management. Under the J.P. Morgan and Chase brands, the Firm serves millions of customers in the U.S. and many of the world’s most prominent corporate, institutional and government clients.

JPMorgan Chase’s principal bank subsidiaries are JPMorgan Chase Bank, National Association (“JPMorgan Chase Bank, N.A.”), a national banking association with U.S. branches in 23 states, and Chase Bank USA, National Association (“Chase Bank USA, N.A.”), a national banking association that is the Firm’s credit card-issuing bank. JPMorgan Chase’s principal nonbank subsidiary is J.P. Morgan Securities LLC (“JPMorgan Securities”), the Firm’s U.S. investment banking firm. The bank and nonbank subsidiaries of JPMorgan Chase operate nationally as well as through overseas branches and subsidiaries, representative offices and subsidiary foreign banks. One of the Firm’s principal operating subsidiaries in the United Kingdom (“U.K.”) is J.P. Morgan Securities plc, a subsidiary of JPMorgan Chase Bank, N.A.

Pillar 3 report overview

This report provides information on the Firm’s capital structure, capital adequacy, risk exposures, and risk-weighted assets (“RWA”). This report describes the internal models used to translate risk exposures into required capital.

This report should be read in conjunction with JPMorgan Chase’s Pillar 3 Regulatory Capital Disclosures Report for the quarterly period ended December 31, 2016 (“4Q16 Pillar 3 Report”), as well as the Annual Report on Form 10-K for the year ended December 31, 2016 (“2016 Form 10-K”) and the Quarterly Report on Form 10-Q for the period ended March 31, 2017 (“1Q17 Form 10-Q”), which have been filed with the U.S. Securities and Exchange Commission (“SEC”).

Basel III overview

The Basel framework consists of a three “Pillar” approach:

- Pillar 1 establishes minimum capital requirements, defines eligible capital instruments, and prescribes rules for calculating RWA.
- Pillar 2 requires banks to have an internal capital adequacy assessment process and requires that banking supervisors evaluate each bank’s overall risk profile as well as its risk management and internal control processes.
- Pillar 3 encourages market discipline through disclosure requirements which allow market participants to assess the risk and capital profiles of banks.

Capital rules under Basel III establish minimum capital ratios and overall capital adequacy standards for large and internationally active U.S. bank holding companies and banks, including the Firm and its insured depository institution (“IDI”) subsidiaries. Basel III presents two comprehensive methodologies for calculating RWA: a general (standardized) approach (“Basel III Standardized”), and an advanced approach (“Basel III Advanced”). Certain of the requirements of Basel III are subject to phase-in periods that began on January 1, 2014 and continue through the end of 2018 (“transitional period”).

Basel III also includes a requirement for Advanced Approach banking organizations, including the Firm, to calculate a supplementary leverage ratio (“SLR”).

ENTERPRISE-WIDE RISK MANAGEMENT

Risk is an inherent part of JPMorgan Chase's business activities. When the Firm extends a consumer or wholesale loan, advises customers on their investment decisions, makes markets in securities, or offers other products or services, the Firm takes on some degree of risk. The Firm's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of its clients, customers and investors and protects the safety and soundness of the Firm.

Firmwide Risk Management is overseen and managed on an enterprise-wide basis. The Firm believes that effective risk management requires:

- Acceptance of responsibility, including identification and escalation of risk issues, by all individuals within the Firm;
- Ownership of risk identification, assessment, data and management within each of the lines of business and corporate functions; and
- Firmwide structures for risk governance.

The Firm's Operating Committee, which consists of the Firm's Chief Executive Officer ("CEO"), Chief Risk Officer ("CRO"), Chief Operating Officer ("COO"), Chief Financial Officer ("CFO") and other senior executives, is the ultimate management escalation point in the Firm and may refer matters to the Firm's Board of Directors. The Operating Committee is responsible and accountable to the Firm's Board of Directors.

The Firm strives for continual improvement through efforts to enhance controls, ongoing employee training and development, talent retention, and other measures. The Firm follows a disciplined and balanced compensation framework with strong internal governance and independent Board oversight. The impact of risk and control issues are carefully considered in the Firm's performance evaluation and incentive compensation processes.

Governance and oversight

- Refer to pages 71-75 of the 2016 Form 10-K for information on Risk Governance and oversight.

REGULATORY CAPITAL

There are three categories of risk-based capital under the Basel III Transitional rules: common equity Tier 1 ("CET1") capital, Tier 1 capital and Tier 2 capital. CET1 capital predominantly includes common stockholders' equity (including capital for accumulated other comprehensive income ("AOCI") related to debt and equity securities classified as available-for-sale ("AFS") as well as for defined benefit pension and other postretirement employee benefits ("OPEB") plans), less certain deductions for goodwill, mortgage servicing rights ("MSRs") and deferred tax assets that arise from net operating loss ("NOL") and tax credit carryforwards. Tier 1 capital predominantly consists of CET1 capital as well as perpetual preferred stock. Tier 2 capital includes long-term debt qualifying as Tier 2 and qualifying allowance for credit losses. Total capital is Tier 1 capital plus Tier 2 capital.

Components of capital

A reconciliation of total stockholders' equity to Basel III Advanced Transitional CET1 capital, Tier 1 capital, Tier 2 capital, and Total capital is presented in the table below.

- Refer to the Consolidated balance sheets on page 75 of the 1Q17 Form 10-Q for the components of total stockholders' equity.

March 31, 2017 (in millions)	Basel III Advanced Transitional
Total stockholders' equity	\$ 255,863
Less: Preferred stock	26,068
Common stockholders' equity	229,795
Less: AOCI adjustment	(403)
CET1 capital before regulatory adjustments	230,198
Less:	
Goodwill	47,292
Other intangible assets	77
Other CET1 capital adjustments ^(a)	1,717
Add:	
Deferred tax liabilities ^(b)	3,225
CET1 capital	184,337
Preferred stock	26,068
Other Tier 1 capital adjustments	70
Less: Tier 1 capital deductions ^(a)	822
Total Tier 1 capital	209,653
Long-term debt and other instruments qualifying as Tier 2 capital	15,032
Qualifying allowance for credit losses	3,704
Other Tier 2 capital adjustments	1,177
Less: Tier 2 capital deductions	130
Total Tier 2 capital	19,783
Total capital	\$ 229,436

(a) Includes debit valuation adjustments ("DVA") recorded in other comprehensive income ("OCI").

(b) Represents deferred tax liabilities related to tax-deductible goodwill and identifiable intangibles created in nontaxable transactions, which are netted against goodwill and other intangibles when calculating tangible common equity ("TCE").

Terms of capital instruments

The terms and conditions of the Firm's capital instruments are described in the Firm's SEC filings.

- Refer to Note 22 on page 247, and Note 23 on pages 247-248, respectively, of the 2016 Form 10-K for additional information on preferred stock and common stock.
- Refer to Note 21 on page 245 of the 2016 Form 10-K for information on trust preferred securities.
- Refer to the Supervision and Regulation section in Part 1, Item 1 on pages 1-2 of the 2016 Form 10-K.

Restrictions on capital and transfer of funds

There are regulations governing the amount of dividends the Firm's banking subsidiaries could pay without the prior approval of their relevant banking regulators.

- Refer to Note 27 on page 253 of the 2016 Form 10-K for information on restrictions on cash and intercompany funds transfers.

Capital management

For additional information on regulatory capital, capital actions, and regulatory capital outlook, refer to the Capital Risk Management section on pages 32-39, Note 19 on pages 136-137 of the 1Q17 Form 10-Q. The Capital Risk Management section of the Form 10-Q reflects regulatory capital, RWA, and capital ratios calculated under both the Basel III Advanced and Standardized Fully Phased-In and Transitional rules, whereas the related capital metrics presented in this report are calculated under Basel III Advanced Transitional rules, except where explicitly noted. As a result, there are differences in the amounts presented between the two reports.

Risk-weighted assets

Basel III establishes two comprehensive methodologies for calculating RWA (a Standardized approach and an Advanced approach) which include capital requirements for credit risk, market risk, and in the case of Basel III Advanced, also operational risk. Key differences in the calculation of credit risk RWA between the Standardized and Advanced approaches are that for Basel III Advanced, credit risk RWA is based on risk-sensitive approaches which largely rely on the use of internal credit models and parameters, whereas for Basel III Standardized, credit risk RWA is generally based on supervisory risk-weightings which vary primarily by counterparty type and asset class. Market risk RWA is calculated on a generally consistent basis between Basel III Standardized and Basel III Advanced. In addition to the RWA calculated under these methodologies, the Firm may supplement such amounts to incorporate management judgment and feedback from its bank regulators.

Covered position definition

The covered position definition determines which positions are subject to market risk RWA treatment and, consequently, which positions are subject to credit risk RWA treatment.

- For information on the definition of a covered position, refer to Regulatory Capital on page 6 of the 4Q16 Pillar 3 Report.

Throughout this report, covered positions are also referred to as “trading book” positions. Similarly, non-covered positions are referred to as “banking book” positions. Both covered and non-covered derivative transactions are assigned counterparty credit risk RWA.

Components of risk-weighted assets

The following table presents the Firm’s total risk-weighted assets under Basel III Advanced Transitional at March 31, 2017.

March 31, 2017 (in millions)	Basel III Advanced Transitional RWA
Credit risk	\$ 930,316
Market risk	137,676
Operational risk	400,000
Total RWA	\$ 1,467,992

- For information on the components of risk-weighted assets, refer to Regulatory Capital on page 6 of the 4Q16 Pillar 3 Report.

RWA rollforward

The following table presents changes in the components of RWA under Basel III Advanced Transitional for the three months ended March 31, 2017. The amounts in the rollforward categories are estimates, based on the predominant driver of the change.

Three months ended March 31, 2017 (in millions)	Basel III Advanced Transitional RWA			
	Credit risk	Market risk	Operational risk	Total
December 31, 2016	\$ 949,258	\$ 127,657	\$ 400,000	\$ 1,476,915
Model & data changes ^(a)	(198)	5,300	–	5,102
Portfolio runoff ^(b)	(3,100)	–	–	(3,100)
Movement in portfolio levels ^(c)	(15,644)	4,719	–	(10,925)
Changes in RWA	(18,942)	10,019	–	(8,923)
March 31, 2017	\$ 930,316	\$ 137,676	\$ 400,000	\$ 1,467,992

- (a) Model & data changes refer to movements in levels of RWA as a result of revised methodologies and/or treatment per regulatory guidance (exclusive of rule changes).
- (b) Portfolio runoff for credit risk RWA primarily reflects reduced risk from position rollofs in legacy portfolios in Mortgage Banking.
- (c) Movement in portfolio levels for credit risk RWA refers to changes in book size, composition, credit quality, and market movements; and for market risk RWA refers to changes in position and market movements.

Capital requirements

A strong capital position is essential to the Firm's business strategy and competitive position. Maintaining a strong balance sheet to manage through economic volatility is considered a strategic imperative of the Firm's Board of Directors, CEO and Operating Committee. The Firm's balance sheet philosophy focuses on risk-adjusted returns, strong capital and robust liquidity. The Firm's capital management strategy focuses on maintaining long-term stability to enable it to build and invest in market-leading businesses, even in a highly stressed environment.

- Refer to the Capital Risk Management section on pages 32-39 of the 1Q17 Form 10-Q and pages 76-85 of the 2016 Form 10-K for information on the Firm's strategy and governance.

The Basel III framework applies to the consolidated results of JPMorgan Chase & Co. The basis of consolidation used for regulatory reporting is the same as that used under U.S. GAAP. There are no material entities within JPMorgan Chase that are deconsolidated or whose capital is deducted.

Under the risk-based capital ("RBC") guidelines of the Federal Reserve, JPMorgan Chase is required to maintain minimum ratios of CET1, Tier 1 and Total capital to risk-weighted assets, as well as a minimum leverage ratio (which is defined as Tier 1 capital divided by adjusted quarterly average assets). Failure to meet these minimum requirements could cause the Federal Reserve to take action. National bank subsidiaries also are subject to these capital requirements by their respective primary regulators.

The following table presents the minimum ratios to which the Firm and its national bank subsidiaries are subject as of March 31, 2017.

	Minimum capital ratios		Well-capitalized ratios	
	BHC ^(a)	IDI ^(b)	BHC ^(c)	IDI ^(d)
Capital ratios				
CET1	7.50%	5.750%	—%	6.5%
Tier 1	9.00	7.250	6.0	8.0
Total	11.00	9.250	10.0	10.0
Tier 1 leverage	4.0	4.0	—	5.0

Note: The table above is as defined by the regulations issued by the Federal Reserve, OCC and FDIC and to which the Firm and its national bank subsidiaries are subject.

- (a) Represents the Transitional minimum capital ratios applicable to the Firm under Basel III at March 31, 2017. At March 31, 2017, the CET1 minimum capital ratio includes 1.25% resulting from the phase in of the Firm's 2.5% capital conservation buffer and 1.75%, resulting from the phase in of the Firm's 3.5% GSIB surcharge.
- (b) Represents requirements for JPMorgan Chase's banking subsidiaries. The CET1 minimum capital ratio includes 1.25% resulting from the phase in of the 2.5% capital conservation buffer that is applicable to the banking subsidiaries. The banking subsidiaries are not subject to the GSIB surcharge.
- (c) Represents requirements for bank holding companies pursuant to regulations issued by the Federal Reserve.
- (d) Represents requirements for bank subsidiaries pursuant to regulations issued under the FDIC Improvement Act.

Capital adequacy

As of March 31, 2017, JPMorgan Chase and all of its U.S. banking subsidiaries were well-capitalized and met all capital requirements to which each was subject. Capital ratios for the Firm's significant national bank subsidiaries are presented below.

In addition to its U.S. banking subsidiaries, JPMorgan Chase also has other regulated subsidiaries, all of which meet applicable capital requirements.

The capital adequacy of the Firm and its national bank subsidiaries, both during the transitional period and upon full phase-in, is evaluated against the lower of the two ratios as calculated under the Basel III approaches (Standardized or Advanced) as required by the Collins Amendment of the Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act").

- For information on the Firm's Internal Capital Adequacy Assessment Process ("ICAAP") and Comprehensive Capital Analysis and Review ("CCAR") processes, refer to Regulatory Capital on page 5 of the 4Q16 Pillar 3 Report and page 38 of the 1Q17 Form 10-Q.

Regulatory capital metrics for JPMorgan Chase and its significant national bank subsidiaries

The following tables present the regulatory capital, assets and risk-based capital ratios for JPMorgan Chase and its significant national bank subsidiaries under both Basel III Standardized Transitional and Basel III Advanced Transitional.

March 31, 2017 (in millions, except ratios)	JPMorgan Chase & Co.	
	Basel III Standardized Transitional	Basel III Advanced Transitional
Regulatory capital		
CET1 capital	\$ 184,337	\$ 184,337
Tier 1 capital	209,653	209,653
Total capital ^(a)	240,222	229,436
Assets		
Risk-weighted	\$ 1,468,931	\$ 1,467,992
Adjusted average ^(b)	2,486,114	2,486,114
Capital ratios^(c)		
CET1 ^(d)	12.5%	12.6%
Tier 1	14.3	14.3
Total	16.4	15.6
Tier 1 leverage ^(e)	8.4	8.4

JPMorgan Chase Bank, N.A.			
March 31, 2017 (in millions, except ratios)	Basel III Standardized Transitional	Basel III Advanced Transitional	
Regulatory capital			
CET1 capital	\$ 181,576	\$ 181,576	
Tier 1 capital	181,576	181,576	
Total capital	193,472	186,495	
Assets			
Risk-weighted	\$ 1,288,986	\$ 1,248,080	
Adjusted average ^(b)	2,081,893	2,081,893	
Capital ratios^(c)			
CET1 ^(d)	14.1%	14.5%	
Tier 1	14.1	14.5	
Total	15.0	14.9	
Tier 1 leverage ^(e)	8.7	8.7	

Chase Bank USA, N.A.			
March 31, 2017 (in millions, except ratios)	Basel III Standardized Transitional	Basel III Advanced Transitional	
Regulatory capital			
CET1 capital	\$ 17,200	\$ 17,200	
Tier 1 capital	17,200	17,200	
Total capital	23,200	21,850	
Assets			
Risk-weighted	\$ 106,234	\$ 189,198	
Adjusted average ^(b)	123,192	123,192	
Capital ratios^(c)			
CET1 ^(d)	16.2%	9.1%	
Tier 1	16.2	9.1	
Total	21.8	11.5	
Tier 1 leverage ^(e)	14.0	14.0	

- (a) Total capital for JPMorgan Chase & Co. includes \$505 million of surplus capital in insurance subsidiaries
- (b) Adjusted average assets, for purposes of calculating the Tier 1 leverage ratio, includes total quarterly average assets adjusted for unrealized gains/(losses) on AFS securities, less deductions for goodwill and other intangible assets, defined benefit pension plan assets, and deferred tax assets related to net operating loss and tax credit carryforwards
- (c) For each of the risk-based capital ratios, the capital adequacy of the Firm and its national bank subsidiaries is evaluated against the Basel III approach, Standardized or Advanced, which results in the lower ratio (the "Collins Floor"), as required by the Collins Amendment of the Dodd-Frank Act.
- (d) At March 31, 2017, the Firm and its U.S. subsidiary banks are required to maintain a capital conservation buffer in addition to the 4.5% minimum CET1 requirement, or be subject to limitations on the amount of capital that may be distributed, including dividends and common equity repurchases. The capital conservation buffer is calculated as the lowest of the: (i) CET1 ratio less the CET1 minimum requirement, (ii) Tier 1 ratio less the Tier1 minimum requirement and (iii) Total capital ratio less the Total capital minimum requirement. At March 31, 2017, the calculated capital conservation buffer of the Firm, JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A. was 7.6%, 6.9% and 3.1%, respectively. This was in excess of the estimated required capital conservation buffer of 3.00% (inclusive of the GSIB surcharge) for the Firm and 1.25% for JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A. at that date. In addition, the buffer retained earnings of the Firm, JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A. was \$6.7 billion, \$9.4 billion and \$1.4 billion respectively.
- (e) The Tier 1 leverage ratio is not a risk-based measure of capital. This ratio is calculated by dividing Tier 1 capital by adjusted average assets.

Supplementary leverage ratio ("SLR")

The following table presents the components of the Firm's Advanced Transitional SLR as of March 31, 2017.

(in millions, except ratio)	March 31, 2017
Basel III Advanced Transitional Tier 1 Capital	\$ 209,653
Total assets	2,546,290
Less: Adjustments for frequency of calculations ^(a)	11,891
Total average assets^(b)	2,534,399
Less: Adjustments for deductions from tier 1 capital	47,048
Total adjusted average assets^(c)	2,487,351
Off-balance sheet exposures ^(d)	684,471
Total leverage exposure	\$ 3,171,822
Basel III Advanced Transitional SLR	6.6%

- (a) The adjustment for frequency of calculations represents the difference between total assets at March 31, 2017, and total average assets for the quarter ended March 31, 2017, excluding the adjustments for frequency of calculations for derivatives and repo-style transactions of \$743 million and \$494 million, respectively.
- (b) To reconcile to total average assets as reported in the 1Q17 Form 10-Q, the total average assets reported in this table must be reduced by the aforementioned adjustment for frequency of calculations for derivative and repo-style transactions.
- (c) Adjusted average assets, for purposes of calculating the SLR, includes total quarterly average assets adjusted for on-balance sheet assets that are subject to deduction from Tier 1 capital, predominantly goodwill and other intangible assets.
- (d) Off-balance sheet exposures are calculated as the average of the three month-end spot balances during the quarter.

Additional information on the components of the leverage exposure is provided in the SLR section of this report.

CREDIT RISK

Credit risk is the risk of loss arising from the default of a customer, client or counterparty. The Firm provides credit to a variety of customers, ranging from large corporate and institutional clients to individual consumers and small businesses. The consumer credit portfolio refers to exposures held by Consumer & Community Banking (“CCB”) as well as prime mortgage loans held in the Asset & Wealth Management and the Corporate segments. The consumer portfolio consists primarily of residential real estate loans, credit card loans, auto loans, and business banking loans, and associated lending-related commitments. The wholesale credit portfolio refers primarily to exposures held by Corporate & Investment Bank (“CIB”), Commercial Banking (“CB”), Asset & Wealth Management (“AWM”), and Corporate. In addition to providing credit to clients, the Firm engages in client-related activities that give rise to counterparty credit risk such as securities financing, margin lending, and market-making activities in derivatives. Finally, credit risk is also inherent in the Firm’s investment securities portfolio held by Treasury and Chief Investment Office (“CIO”) in connection with its asset-liability management objectives. Investment securities, as well as deposits with banks and cash due from banks, are classified as wholesale exposures for RWA reporting.

In addition to counterparty default risk, Basel III includes a capital charge for credit valuation adjustments (“CVA”) which reflects counterparty credit risk in the valuation of OTC derivatives. The firm calculates CVA RWA using the Simple CVA approach, which uses risk weights based on internal PD ratings and a combination of the current exposure method (“CEM”) and the internal model method (“IMM”) EADs.

- For information on IMM and CEM EAD methodologies, refer to Credit Risk on page 10 of the 4Q16 Pillar 3 Report.

For information on risk management policies and practices and accounting policies related to these exposures:

- Refer to Credit Risk Management on pages 86–107 of the 2016 Form 10-K and page 40 of the 1Q17 Form 10-Q.
- Refer to the Notes to the Consolidated Financial Statements beginning on page 146 of the 2016 Form 10-K. Specific page references are contained in the Appendix of this report.

Summary of credit risk RWA

Credit risk RWA includes retail, wholesale, and counterparty credit exposures described in this section, as well as securitization and equity exposures in the banking book. Other exposures such as non-material portfolios, unsettled transactions, and other assets that are not classified elsewhere are also included. The following table presents the Firm’s total credit risk RWA at March 31, 2017.

March 31, 2017 (in millions)	Basel III Advanced Transitional RWA
Retail exposures	\$ 237,923
Wholesale exposures	419,759
Counterparty exposures	94,269
Securitization exposures ^(a)	29,977
Equity exposures	37,023
Other exposures ^(b)	60,946
CVA	50,419
Total credit risk RWA	\$ 930,316

(a) Represents banking book securitization RWA only.

(b) Includes other assets, non-material portfolios, and unsettled transactions.

Credit risk exposures

Credit risk exposures as reported under U.S. GAAP as of and for the three months ended March 31, 2017 are contained in the 1Q17 Form 10-Q. Specific references to the 1Q17 Form 10-Q are listed below.

Traditional credit products

- Refer to Credit Risk Management beginning on page 40 for credit-related information on the consumer and wholesale portfolios.
- Refer to Note 12 on pages 110-122 for the distribution of loans by geographic region and industry.
- Refer to Note 20 on pages 138-141 for the contractual amount and geographic distribution of lending-related commitments.

Counterparty credit risk

- Refer to the Consumer Credit Portfolio section on pages 41-45, and to the Wholesale Credit Portfolio section on pages 46-52 for margin loans balances.
- Refer to Wholesale Credit Portfolio footnote (d) on page 49, Country Risk on page 56.
- Refer to Note 4 on pages 91-100 for the gross positive fair value, netting benefits, and net exposure of derivative receivables.
- Refer to Derivative contracts on pages 51-52 for credit derivatives used in credit portfolio management activities.
- Refer to Note 11 on pages 108-109 for information on gross and net securities purchased under resale agreements and securities borrowed transactions, and for information regarding the credit risk inherent in the securities financing portfolio.

Investment securities

- Refer to Note 10 on pages 104-108 for the investment securities portfolio by issuer type.

Country risk

- Refer to page 56 for the top 20 country exposures.

Allowance for credit losses

- Refer to Allowance for Credit Losses on pages 53-55 for a summary of changes in the allowance for loan losses and allowance for lending-related commitments.
- Refer to Note 13 on page 123 for the allowance for credit losses and loans and lending-related commitments by impairment methodology.

Average balances

- Refer to page 150 for the Consolidated average balance sheet.

Credit risk concentrations

- For further information on credit risk concentrations, refer to Credit risk monitoring on page 11 in the 4Q16 Pillar 3 Report.

RETAIL CREDIT RISK

The retail portfolio is comprised of exposures that are scored and managed on a pool basis rather than on an individual-exposure basis. For the retail portfolio, credit loss estimates are based on statistical analysis of credit losses over discrete periods of time. The statistical analysis uses portfolio modeling, credit scoring, and decision-support tools, which consider loan-level factors such as delinquency status, credit scores, collateral values, and other risk factors.

The population of exposures subject to retail capital treatment for regulatory reporting substantially overlaps with the consumer credit portfolio reflected in the Firm's SEC disclosures. The retail population consists of all scored exposures (mainly in the Consumer & Community Banking business segment), certain residential mortgages booked as trading assets (that do not meet the definition of a covered position) and certain wholesale loans under \$1 million as required by the Basel III capital rules.

The retail capital population excludes certain risk-rated business banking and auto dealer loans that are included in the consumer portfolio in the Firm's SEC disclosures; these are subject to wholesale capital treatment as required by the Basel III capital rules.

Risk-weighted assets

To calculate retail credit RWA, the Firm inputs its risk parameter estimates (PD, LGD, and EAD) into the Internal Ratings Based (IRB) risk weight formula, as specified by the Basel III capital rules. The IRB risk weight formula generates an estimate of unexpected losses at a 99.9% confidence level. Unexpected losses are converted to an RWA measure by application of a 12.5 supervisory multiplier.

- For information on risk parameter estimation methods for the retail credit portfolio, refer to Retail Credit Risk on pages 12-13 of the 4Q16 Pillar 3 Report.

March 31, 2017 (in millions)	Basel III Advanced Transitional RWA
Residential mortgages	\$ 112,527
Qualifying revolving	98,334
Other retail	27,062
Total retail credit RWA	\$ 237,923

Residential mortgage exposures

The following table includes first lien and junior lien mortgages and revolving home equity lines of credit. First lien mortgages were 83% of the exposure amount, revolving exposures were 16%, and the remaining exposures related to junior lien mortgages. Most revolving exposures were originated prior to 2010 and drive approximately 36% of the total risk weighted assets of this portfolio, with nearly 33% of the exposures above a PD of 0.75%. Recent originations are primarily first lien mortgages and are predominantly reflected in the less than 0.75% PD ranges.

March 31, 2017
(in millions, except ratios)

PD range (%)	Balance sheet amount	Off balance sheet commitments	EAD	RWA	Exposure-weighted average		
					PD	LGD	Risk weight
0.00 to < 0.10	\$ 20,396	\$ 19,382	\$ 24,385	\$ 2,108	0.04%	56.88%	8.65%
0.10 to < 0.20	180,274	11,566	191,069	26,017	0.15	39.32	13.62
0.20 to < 0.75	38,550	11,555	42,721	17,117	0.47	52.46	40.07
0.75 to < 5.50	28,223	2,697	30,430	35,235	1.90	60.00	115.79
5.50 to < 10.00	2,987	8	2,989	7,441	6.85	61.42	248.95
10.00 to < 100	3,634	1	3,634	10,596	26.10	55.72	291.57
100 (default)	15,786	366	16,075	14,013	100.00	— ^(a)	87.17 ^(b)
Total	\$ 289,850	\$ 45,575	\$ 311,303	\$ 112,527	5.88%	42.90%	36.15%

(a) The LGD rate is reported as zero for residential mortgage exposures in default because by the time they reach the Basel III capital rules definition of default they have been charged off to the fair value of the underlying collateral less cost to sell.

(b) The exposure-weighted average risk weight for defaulted loans is less than 100% due to certain loans being insured and/or guaranteed by U.S. government agencies.

Qualifying revolving exposures

The following table includes exposures to individuals that are revolving, unsecured, and unconditionally cancelable by JPMorgan Chase; and they have a maximum exposure amount of up to \$100,000 (i.e., credit card and overdraft lines on individual checking accounts).

March 31, 2017
(in millions, except ratios)

PD range (%)		Balance sheet amount	Off balance sheet commitments	EAD	RWA	Exposure-weighted average		
						PD	LGD	Risk weight
0.00 to < 0.50	\$	44,938	\$ 505,584	\$ 205,093	\$ 11,257	0.10%	92.53%	5.49%
0.50 to < 2.00		35,867	47,021	44,178	17,430	1.09	92.59	39.45
2.00 to < 3.50		15,071	8,684	16,125	12,312	2.61	92.75	76.35
3.50 to < 5.00		13,947	2,206	14,081	13,838	3.76	92.35	98.28
5.00 to < 8.00		6,850	1,672	6,908	9,996	6.75	92.94	144.70
8.00 to < 100		17,892	1,344	17,935	33,501	19.17	92.53	186.79
100 (default) ^(a)		—	—	—	—	—	—	—
Total	\$	134,565	\$ 566,511	\$ 304,320	\$ 98,334	1.82%	92.55%	32.31%

(a) There are no balances reported in default because qualifying revolving exposures consist entirely of unsecured credit cards that are charged off at or prior to reaching the Basel III capital rules definition of default.

Other retail exposures

The following table includes other retail exposures to individuals that are not classified as residential mortgage or qualifying revolving exposures (i.e., includes auto loans, student loans, credit card accounts above \$100,000, business card exposures without a personal guarantee, scored business banking loans, and certain wholesale loans under \$1 million).

March 31, 2017
(in millions, except ratios)

PD range (%)		Balance sheet amount	Off balance sheet commitments	EAD	RWA	Exposure-weighted average		
						PD	LGD	Risk weight
0.00 to < 0.50	\$	40,214	\$ 8,037	\$ 43,427	\$ 5,800	0.16%	35.80%	13.36%
0.50 to < 2.00		15,936	2,815	16,729	8,598	0.96	53.46	51.39
2.00 to < 3.50		3,993	526	4,148	3,425	2.56	57.61	82.57
3.50 to < 5.00		2,332	134	2,368	2,389	4.22	65.57	100.90
5.00 to < 8.00		1,321	69	1,345	1,419	6.00	65.89	105.53
8.00 to < 100		3,477	21	3,482	4,532	20.92	61.75	130.14
100 (default)		1,000	—	1,000	899	100.00	— ^(a)	89.89 ^(b)
Total	\$	68,273	\$ 11,602	\$ 72,499	\$ 27,062	3.09%	43.41%	37.33%

(a) The LGD rate is reported as zero for retail exposures in default because by the time they reach the Basel III capital rules definition of default they have been charged off to the fair value of the underlying collateral less cost to sell.

(b) The exposure-weighted average risk weight for defaulted loans is less than 100% due to certain loans being insured and/or guaranteed by U.S. government agencies.

WHOLESALE CREDIT RISK

The wholesale portfolio is a risk-rated portfolio. Risk-rated portfolios are generally held in the Corporate & Investment Bank, Commercial Banking and Asset & Wealth Management business segments, and in Corporate but also include certain business banking and auto dealer loans held in the Consumer & Community Banking business segment that are risk-rated because they have characteristics similar to commercial loans. For the risk-rated portfolio, credit loss estimates are based on estimates of the probability of default and loss severity given a default. The estimation process begins when risk-ratings are assigned to each obligor and credit facility to differentiate risk within the portfolio. These risk ratings are reviewed regularly by Credit Risk management and revised as needed to reflect the borrower's current financial position, risk profile and related collateral.

The population of risk-rated loans and lending-related commitments receiving wholesale treatment for regulatory capital purposes largely overlaps with the wholesale credit portfolio reflected in the Firm's SEC disclosures. In accordance with the Basel III capital rules, the wholesale population for regulatory capital consists of:

- All risk-rated loans and commitments (excluding certain wholesale loans under \$1 million which receive retail regulatory capital treatment);
- Deposits with banks, and cash and due from banks;
- Exposures to issuer risk for debt securities in the banking book;
- Certain exposures recorded as trading assets that do not meet the definition of a covered position; and
- Repo-style transactions that do not meet the Basel III capital rules requirement for netting.

Wholesale exposures

The following table presents exposures to wholesale clients and issuers by PD range. Exposures are comprised primarily of traditional credit products (i.e., loans and lending-related commitments), investment securities, and cash placed with various central banks, predominantly Federal Reserve Banks. Total EAD is \$1.4 trillion, with 78% of this exposure in the first two PD ranges, which are predominantly investment-grade. Exposures meeting the Basel definition of default represent 0.2% of total EAD. The exposure-weighted average LGD for the wholesale portfolio is 30%.

March 31, 2017 (in millions, except ratios)

PD range (%)	Balance sheet amount	Off balance sheet commitments	EAD	RWA	Exposure-weighted average		
					PD	LGD	Risk weight
0.00 to < 0.15	\$ 768,624	\$ 169,917	\$ 898,852	\$ 112,165	0.04%	27.84%	12.48%
0.15 to < 0.50	127,801	119,005	197,247	91,656	0.26	36.58	46.47
0.50 to < 1.35	166,853	94,917	220,994	118,726	0.75	29.15	53.72
1.35 to < 10.00	49,246	53,362	79,168	75,847	3.77	33.17	95.81
10.00 to < 100	7,076	8,756	11,061	17,845	22.81	36.13	161.33
100 (default)	2,238	1,769	3,347	3,520	100.00	36.84	105.14
Total	\$ 1,121,838	\$ 447,726	\$ 1,410,669	\$ 419,759	0.80%	29.65%	29.76%

Credit risk mitigation

The risk mitigating benefit of eligible guarantees and credit derivative hedges are reflected in the RWA calculation as permitted by the Basel III capital rules. At March 31, 2017, \$85.3 billion of EAD for wholesale exposures is covered by eligible guarantees or credit derivatives.

Certain off-balance sheet items, such as standby letters of credit and letters of credit, are reported net of risk participations for U.S. GAAP reporting, but are included gross of risk participations for regulatory reporting.

Risk-weighted assets

To calculate wholesale credit RWA, the Firm inputs its risk parameter estimates (PD, LGD, and EAD) into the IRB risk weight formula, as specified by the U.S. banking supervisors. The IRB risk weight formula generates an estimate of unexpected losses at a 99.9% confidence level. Unexpected losses are converted to an RWA measure by application of a 12.5 supervisory multiplier.

- For information on risk parameter estimation methods for the wholesale credit portfolio, refer to Wholesale Credit Risk on page 15 of the 4Q16 Pillar 3 Report.

The following table presents risk-weighted assets by Basel reporting classification. The Corporate classification includes both credit and issuer exposure to corporate entities. Similarly, the Bank and Sovereign classifications include both credit and issuer exposure to banks and sovereign entities, respectively. High volatility commercial real estate ("HVCRE") refers to acquisition, development and construction lending. HVCRE is a separate Basel classification because these loans represent higher risk than loans financing income-producing real estate ("IPRE").

March 31, 2017 (in millions)	Basel III Advanced Transitional RWA
Corporate	\$ 344,242
Bank	13,870
Sovereign	14,380
Income-producing real estate	44,091
High volatility commercial real estate	3,176
Total wholesale credit RWA	\$ 419,759

COUNTERPARTY CREDIT RISK

Counterparty credit risk exposures consist of OTC derivatives, repo-style transactions, margin loans, and cleared transactions.

Risk-weighted assets

To calculate counterparty credit risk RWA, the Firm inputs its risk parameter estimates (PD, LGD, and EAD) into the same IRB risk weight formula as wholesale exposures. The IRB risk weight formula generates an estimate of unexpected losses at a 99.9% confidence level.

Unexpected losses are converted to an RWA measure by application of a 12.5 supervisory multiplier. RWA for exposures where the counterparty is a CCP depends on whether the CCP meets the criteria for classification as a qualifying CCP.

The following table presents risk-weighted assets by transaction type.

- For information on the risk parameter estimation methods and wrong-way risk for counterparty credit risk, refer to Counterparty Credit Risk on pages 17–18 of the 4Q16 Pillar 3 Report.

March 31, 2017 (in millions)	Basel III Advanced Transitional RWA
OTC derivatives	\$ 59,443
Repo-style transactions	25,545
Margin loans	2,429
Cleared transactions	6,852
Total counterparty credit RWA	\$ 94,269

Counterparty credit exposures

The following table presents counterparty credit risk exposures for OTC derivatives and netted repo-style transactions by PD range. The table does not include margin loans or cleared transactions. Total EAD is \$212.7 billion, with 84% of this exposure in the first two PD ranges, which are predominantly investment-grade. Exposures meeting the Basel definition of default represent 0.1% of total EAD. The exposure-weighted average LGD for this portfolio is 43%. The collateral benefit is reflected in the EAD.

March 31, 2017
(in millions, except ratios)

PD range (%)	EAD	RWA	Exposure-weighted average		
			PD	LGD	Risk weight
0.00 to < 0.15	\$ 139,937	\$ 34,604	0.09%	42.54%	24.73%
0.15 to < 0.50	39,519	20,921	0.23	45.55	52.94
0.50 to < 1.35	21,755	15,580	0.75	43.99	71.62
1.35 to < 10.00	10,684	12,350	3.53	41.34	115.59
10.00 to < 100	577	1,259	22.70	40.02	218.25
100 (default)	258	274	100.00	40.82	106.00
Total	\$ 212,730	\$ 84,988	0.54%	43.18%	39.95%

Credit risk mitigation

The risk mitigating benefit of eligible guarantees and credit derivative hedges are reflected in the RWA calculation as permitted by the Basel III capital rules. At March 31, 2017, \$5.7 billion of EAD for OTC derivatives is covered by eligible guarantees.

SECURITIZATION

Securitizations are transactions in which:

- The credit risk of the underlying exposure is transferred to third parties, and has been separated into two or more tranches;
- The performance of the securitization depends upon the performance of the underlying exposures or reference assets; and
- All or substantially all of the underlying exposures or reference assets are financial exposures.

Securitizations are classified as either traditional or synthetic. In a traditional securitization, the originator establishes a special purpose entity (“SPE”) and sells assets (either originated or purchased) off its balance sheet into the SPE, which issues securities to investors. In a synthetic securitization, credit risk is transferred to an investor through the use of credit derivatives or guarantees. In a synthetic securitization, there is no change in accounting treatment for the assets securitized.

Securitizations include on- or off-balance sheet exposures (including credit enhancements) that arise from a securitization or re-securitization transaction; or an exposure that directly or indirectly references a securitization (e.g., credit derivative). A re-securitization is a securitization transaction in which one or more of the underlying exposures that have been securitized is itself a securitization.

On-balance sheet exposures include securities, loans, as well as servicing advances related to private-label mortgage backed securitizations for which the Firm acts as servicer. Off-balance sheet exposures include liquidity commitments, certain recourse obligations, and derivatives for which the counterparty risk or the reference obligation is a securitization exposure.

The Firm plays a variety of roles in asset securitizations such as investor or originator in traditional and synthetic securitization transactions and servicer/collateral manager of assets transferred into traditional securitizations. The Firm also provides liquidity facilities to securitization transactions.

This section includes both banking book and trading book securitizations, with the exception of modeled correlation trading positions which are included in the Market Risk section.

- For information on risk management and due diligence for securitization exposures, refer to Securitization on page 19 of the 4Q16 Pillar 3 Report.

Hierarchy of approaches

- For information on Hierarchy of approaches for securitization exposures, refer to Securitization on page 20 of the 4Q16 Pillar 3 Report.

Risk-weighted assets

The following table presents banking book and trading book exposures receiving securitization capital treatment (with the exception of modeled correlation trading positions which are presented in the Market Risk section). The amounts include traditional and synthetic securitization exposures, with re-securitizations shown separately.

March 31, 2017 (in millions)	Securitization							
	SFA		SSFA		1250%		Total	
	Exposure	RWA	Exposure	RWA	Exposure	RWA	Exposure	RWA
Risk weight								
= 0% ≤ 20%	\$ 53,631	\$ 11,360	\$ 66,836	\$ 14,122	\$ —	\$ —	\$ 120,467	\$ 25,482
> 20% ≤ 50%	1,815	489	2,267	662	—	—	4,082	1,151
> 50% ≤ 100%	15	12	402	316	—	—	417	328
> 100% < 1250%	46	126	438	1,573	—	—	484	1,699
= 1250%	13	162	20	251	251	3,324	284	3,737
Securitization, excluding re-securitization	\$ 55,520	\$ 12,149	\$ 69,963	\$ 16,924	\$ 251	\$ 3,324	\$ 125,734	\$ 32,397

March 31, 2017 (in millions)	Re-securitization							
	SFA		SSFA		1250%		Total	
	Exposure	RWA	Exposure	RWA	Exposure	RWA	Exposure	RWA
Risk weight								
= 0% ≤ 20%	\$ 1,200	\$ 253	\$ 249	\$ 53	\$ —	\$ —	\$ 1,449	\$ 306
> 20% ≤ 50%	—	—	1	—	—	—	1	—
> 50% ≤ 100%	4	4	—	—	—	—	4	4
> 100% < 1250%	5	21	8	23	—	—	13	44
= 1250%	—	3	2	23	27	350	29	376
Re-securitization^(a)	\$ 1,209	\$ 281	\$ 260	\$ 99	\$ 27	\$ 350	\$ 1,496	\$ 730
Total securitization^(b)	\$ 56,729	\$ 12,430	\$ 70,223	\$ 17,023	\$ 278	\$ 3,674	\$ 127,230	\$ 33,127

(a) As of March 31, 2017, there were no re-securitizations to which credit risk mitigation has been applied.

(b) Total securitization RWA includes \$3.2 billion of RWA on trading book exposure of \$5.2 billion. The trading book RWA represents non-modeled securitization charges in the Market Risk section of this report.

Any gain-on-sale in connection with a securitization exposure must be deducted from common equity tier 1 capital. The amount deducted as of March 31, 2017 was immaterial.

Exposure by collateral type

The following table presents banking book and trading book exposures receiving securitization capital treatment (with the exception of modeled correlation trading positions which are presented in the Market Risk section). The amounts below include traditional and synthetic securitization exposures

March 31, 2017 (in millions)	Exposure				RWA
	On-balance sheet	Off-balance sheet ^(a)	Total		
Collateral type:					
Residential mortgages	\$ 20,671	\$ 561	\$ 21,232	\$ 8,027	
Commercial mortgages	19,044	544	19,588	4,995	
Commercial and industrial loans	33,750	1,961	35,711	7,942	
Consumer auto loans	16,781	3,745	20,526	4,798	
Student loans	7,939	893	8,832	2,457	
Municipal bonds	1	5,496 ^(b)	5,497	1,185	
Other	11,728	4,116	15,844	3,723	
Total securitization exposure	\$ 109,914	\$ 17,316	\$ 127,230	\$ 33,127	

(a) Includes the counterparty credit risk EAD associated with derivative transactions for which the counterparty credit risk is a securitization exposure.

(b) Represents liquidity facilities supporting nonconsolidated municipal bond VIEs of which \$421 million relate to JPMorgan Chase-sponsored securitization trusts.

Assets securitized

The following table presents the total outstanding principal balance of JPMorgan Chase-sponsored securitization trusts in which the Firm has retained exposure in either the banking book or the trading book. Third-party assets in deals sponsored by JPMorgan Chase are shown separately.

March 31, 2017 (in millions)	Principal amount outstanding			Assets impaired or past due ^(b)	
	JPMorgan Chase assets held in traditional securitizations ^(a)	Third-party assets held in traditional securitizations ^(a)	JPMorgan Chase assets held in synthetic securitizations		
Collateral type:					
Residential mortgages	\$ 85,434 ^(c)	\$ 11	\$ —	\$ 11,295 ^(c)	
Commercial mortgages	45,676	29,908	—	1,634	
Commercial and industrial loans	—	—	—	—	
Consumer auto loans	—	—	—	—	
Student loans	314	—	—	35	
Municipal bonds	659	—	—	—	
Other	—	—	—	—	
Total	\$ 132,083	\$ 29,919	\$ —	\$ 12,964	

(a) Represents assets held in nonconsolidated securitization VIEs.

(b) Represents assets 90 days or more past due or on nonaccrual status.

(c) Effective with the quarter ended March 31, 2017, residential mortgages now include the principal amount outstanding and assets impaired or past due related to assets held in JPMorgan Chase-sponsored securitization trusts which are not serviced by the Firm.

Securitization activity

The following table presents assets pending securitization (i.e., assets held with the intent to securitize) at March 31, 2017, and the Firm's securitization activities for three months ended March 31, 2017, related to assets held in JPMorgan Chase-sponsored securitization entities that were not consolidated by the Firm, and where sale accounting was achieved based on the accounting rules in effect at the time of the securitization. All instruments transferred into securitization trusts during the three months ended March 31, 2017 were classified as trading assets under U.S. GAAP. As such, changes in fair value were recorded in principal transactions revenue, and there were no significant gains or losses associated with the securitization activity.

March 31, 2017 (in millions)	Carrying value	Original principal amount	
	Assets pending securitization	Assets securitized with retained exposure	Assets securitized without retained exposure
Collateral type:			
Residential mortgages	\$ 9,032	\$ 1,029	\$ —
Commercial mortgages	1,560	924	391
Commercial and industrial loans	—	—	—
Consumer auto loans	—	—	—
Student loans	—	—	—
Municipal bonds	—	—	—
Other	—	—	—
Total	\$ 10,592	\$ 1,953	\$ 391

EQUITY RISK IN THE BANKING BOOK

Equity investments in the banking book include AFS equity securities, principal investments, investments in unconsolidated subsidiaries, other equity investments classified within other assets, and certain equity investments classified within trading assets that do not meet the definition of a covered position.

Principal investments are predominantly privately-held financial assets and instruments, typically representing ownership or junior capital positions, that have unique risks due to their illiquidity or for which there is less observable market or valuation data. Principal investments cover multiple asset classes and are made either in stand-alone investing businesses or as part of a broader business platform. Asset classes include tax-oriented investments (e.g., affordable housing and alternative energy investments), private equity, investments funds (including separate accounts) and various debt investments.

Principal investments are typically intended to be held over extended investment periods and, accordingly, the Firm has no expectation for short-term gain with respect to these investments. All other equity and investment fund positions are held primarily for reasons other than capital gains including client relationships and employee benefits.

Investments in separate accounts are held in connection with corporate- and bank-owned life insurance ("COLI/BOLI") and certain asset management activities.

- Refer to Note 9 on pages 189-196 of the 2016 Form 10-K for a discussion of COLI and the related investment strategy and asset allocation.
- For information on investments in marketable equity, refer to Equity risk in the banking book on page 22 of the 4Q16 Pillar 3 Report.

Accounting and valuation policies for equity investments

- Refer to Principal Risk Management, on page 124 of the 2016 Form 10-K for a discussion of principal risk management related to privately-held investments.

- Refer to Note 1 on page 78 of 1Q17 Form 10-Q and on pages 146-148 of the 2016 Form 10-K for a discussion of the accounting for investments in unconsolidated subsidiaries and investments in affordable housing projects.
- Refer to Note 3 on pages 149-167 of the 2016 Form 10-K for more information on the Firm's methodologies regarding the valuation of private equity direct investments and fund investments (i.e., mutual/collective investment funds, private equity funds, hedge funds and real estate funds).
- Refer to Note 12 on pages 199-204 of the 2016 Form 10-K for further discussion of the accounting for AFS equity securities.

Other

- Refer to Other sensitivity-based measures, on page 66 of the 1Q17 Form 10-Q for a discussion of other sensitivity-based measures.

Risk-weight approaches

For equity exposures to investment funds, the Firm employs the Full Look-Through and Simple Modified Look-Through Approaches. For all other banking book equity exposures, the Firm employs the Simple Risk-Weight Approach (SRWA).

- For information on Risk-weight approaches, refer to Equity risk in the banking book on page 22 of the 4Q16 Pillar 3 Report.

Equity risk-weighted assets

The table below presents the exposure and RWA by risk weight.

March 31, 2017
(in millions)

Risk-weight category	Exposure ^(a)	RWA
0%	\$ 6,037 ^(b)	\$ —
20%	2,855	605
100%	21,804	23,112
600%	381	2,420
Look-through	18,811	10,886
Total	\$ 49,888	\$ 37,023

(a) Includes off-balance sheet unfunded commitments for equity investments of \$885 million.

(b) Consists of Federal Reserve Bank stock.

Carrying value and fair value

The following table presents the carrying value and fair value of equity investments in the banking book.

March 31, 2017 (in millions)	Carrying value	Fair value
Publicly traded	\$ 22,253	\$ 22,449
Non-publicly traded	26,526	30,529
Total	\$ 48,779	\$ 52,978

Realized gains/(losses)

Cumulative realized gains/(losses) from sales and liquidations during the three months ended March 31, 2017 were \$39 million. This includes previously recognized unrealized gains/(losses) that have been reversed and booked as realized gains/(losses).

Unrealized gains/(losses)

March 31, 2017 (in millions)	Cumulative unrealized gains/(losses), pre-tax
Recognized in AOCI ^(a)	\$ —
Unrecognized ^(b)	4,391

(a) Unrealized gains of \$0 million were included in Tier 2 capital under the Basel III Transitional rules.

(b) Unrecognized gains/(losses) apply to cost and proportional amortization method investments.

MARKET RISK

Market risk is the risk of loss arising from potential adverse changes in the value of the Firm's assets and liabilities resulting from changes in market variables such as interest rates, foreign exchange rates, equity prices, commodity prices, implied volatilities or credit spreads.

- For a discussion of the Firm's Market Risk Management organization, risk identification and classification, tools used to measure risk, and risk monitoring and control, see Market Risk Management on pages 116-123 of the 2016 Form 10-K

Measures included in market risk RWA

The following table presents the Firm's market risk-based capital and risk-weighted assets at March 31, 2017. The components of market risk RWA are discussed in detail in the Regulatory market risk capital models section on pages 20-23 of this report. RWA is calculated as RBC times a multiplier of 12.5; any calculation differences are due to rounding.

Three months ended March 31, 2017 (in millions)	Risk-based capital	RWA
Internal models		
Value-at-Risk based measure ("VBM")	\$ 596	\$ 7,448
Stressed Value-at-Risk based measure ("SVBM")	2,637	32,961
Incremental risk charge ("IRC")	352	4,396
Comprehensive risk measure ("CRM")	472	5,898
Total internal models	4,056	50,703
Non-modeled specific risk ^(a)	5,152	64,398
Other charges	1,806	22,575
Total Market risk	\$ 11,014	\$ 137,676

(a) Non-modeled specific risk includes trading book securitization RWA of \$3.1 billion.

Material portfolio of covered positions

The Firm's market risks arise predominantly from activities in the Firm's Corporate & Investment Bank ("CIB") business. CIB makes markets in products across fixed income, foreign exchange, equities and commodities markets; the Firm's portfolio of covered positions under the Basel III capital rules is predominantly comprised of positions held by the CIB. Other lines of business have covered positions with an immaterial firmwide impact.

- Refer to pages 51-52 and to pages 58-62 of the 2016 Form 10-K for a discussion of CIB's Business Segment Results.

Value-at-Risk ("VaR")

VaR is a statistical risk measure used to estimate the potential loss from adverse market moves in a normal market environment. The Firm has a single VaR framework used as a basis for calculating Regulatory VaR and Risk Management VaR.

- Refer to Market Risk Management on pages 116-123 of the 2016 Form 10-K for information on the Firm's VaR framework.

Since VaR is based on historical data, it is an imperfect measure of market risk exposure and potential losses, and it is not used to estimate the impact of stressed market conditions or to manage any impact from potential stress events. In addition, based on their reliance on available historical data, limited time horizons, and other factors, VaR measures are inherently limited in their ability to measure certain risks and to predict losses, particularly those associated with market illiquidity and sudden or severe shifts in market conditions. The Firm therefore considers other measures in addition to VaR, such as stress testing, to capture and manage its market risk positions.

- Refer to the Economic-value stress testing section on page 23 for further information on stress testing.

Risk management VaR comparison to Regulatory VaR

Risk Management VaR is calculated assuming a one-day holding period and an expected tail-loss methodology which approximates a 95% confidence level. VaR provides a consistent framework to measure risk profiles and levels of diversification across product types and is used for aggregating risks and monitoring limits across businesses. Those VaR results are reported to senior management, the Board of Directors and regulators.

Under the Firm's Risk Management VaR methodology, assuming current changes in market values are consistent with the historical changes used in the simulation, the Firm would expect to incur VaR "back testing exceptions", defined as losses greater than that predicted by VaR estimates, not more than five times every 100 trading days. For risk management purposes, the Firm believes the use of a 95% confidence level with a one-day holding period provides a stable measure of VaR that closely aligns to the day-to-day risk management decisions made by the lines of business, and provides the necessary and appropriate information to respond to risk events on a daily basis. The Firm's Risk Management VaR is disclosed in its SEC filings.

As required by the Basel III capital rules, the Firm calculates Regulatory VaR assuming a 10-day holding period and an expected tail loss methodology, which approximates a 99% confidence level. Under the Firm's Regulatory VaR methodology, assuming current changes in market values are consistent with the historical changes used in the simulation, the Firm would expect to incur Regulatory VaR "back-testing exceptions", defined as losses greater than that predicted by Regulatory VaR estimates, not more than once every 100 trading days. In contrast to the Firm's Risk Management VaR, Regulatory VaR currently excludes the diversification benefit for certain VaR models.

As noted above, Regulatory VaR is applied to "covered positions" as defined by the Basel III capital rules, which may be different from the positions included in the Firm's Risk Management VaR. For example, credit derivative hedges of accrual loans are included in the Firm's Risk Management VaR, while Regulatory VaR excludes these credit derivative hedges.

- Refer to Market Risk Management on pages 62-66 of the 1Q17 Form 10-Q and pages 118-120 of the 2016 Form 10-K for additional information on [Value-at-Risk and] Risk Management VaR.

Regulatory market risk capital models

VaR-Based Measure ("VBM")

The VBM is an aggregate loss measure combining Regulatory VaR and modeled specific risk ("SR") factors over a 10-day holding period and a 99% confidence level. While the Regulatory VaR measures the risk of loss due to market price or rate movements, the modeled SR portion of the VBM measures the risk of loss from factors other than broad market movements. Modeled SR factors include event risk and idiosyncratic risk for a subset of covered positions for which the model is approved by the Firm's banking supervisors.

The following table presents the results of the Firm's VBM converted to risk-based capital based on the application of regulatory multipliers which is then translated to risk-weighted assets using a multiplier of 12.5 as prescribed by the Basel III capital rules.

Three months ended March 31, 2017 (in millions)	Average VBM	Risk- based capital ^(a)	RWA
Firm modeled VBM	\$ 199	\$ 596	\$ 7,448

- (a) The Firm's multiplier for determining risk-based capital associated with VBM is 3.

CIB VaR-Based Measure ("VBM")

For the three months ended March 31, 2017, average CIB VBM was \$196 million, compared with CIB average Risk Management VaR of \$25 million. The CIB VBM was higher due to the longer holding period (10 days), the higher confidence level (99%), differences in population, and the exclusion of the diversification benefit for certain VaR models.

The following table presents the average, minimum, maximum and period-end VBM by risk type for the CIB and total VBM for the Firm. In addition, the table presents the reduction of total risk resulting from the diversification of the portfolio, which is the sum of the CIB VBMs for each risk type less the total CIB VBM.

	Three months ended March 31, 2017				
(in millions)	Avg.	Min	Max		March 31, 2017
CIB VBM by risk type					
Interest rate ^(a)	\$125	\$103	\$159	\$	159
Credit spread ^(a)	139	112	177		122
Foreign exchange	43	25	69		33
Equities	44	36	58		52
Commodities and other	40	28	56		33
Diversification benefit	(195) ^(b)	NM ^(c)	NM ^(c)		(178) ^(b)
Total CIB VBM	196	178	221		220
Total Firm VBM	\$199	\$180	\$223	\$	222

- (a) For certain products and portfolios, a full revaluation model is used to calculate VBM, which considers both interest rate and credit spread risks together. As such, the Firm allocates the results of the full revaluation model between interest rate and credit spread risk based on the predominant characteristics of the product or portfolio.
- (b) Average portfolio VBM and period-end portfolio VBM were less than the sum of the components described above due to portfolio diversification.
- (c) Designated as not meaningful ("NM"), because the minimum and maximum may occur on different days for different risk components, and hence it is not meaningful to compute a portfolio-diversification effect.

VBM back-testing

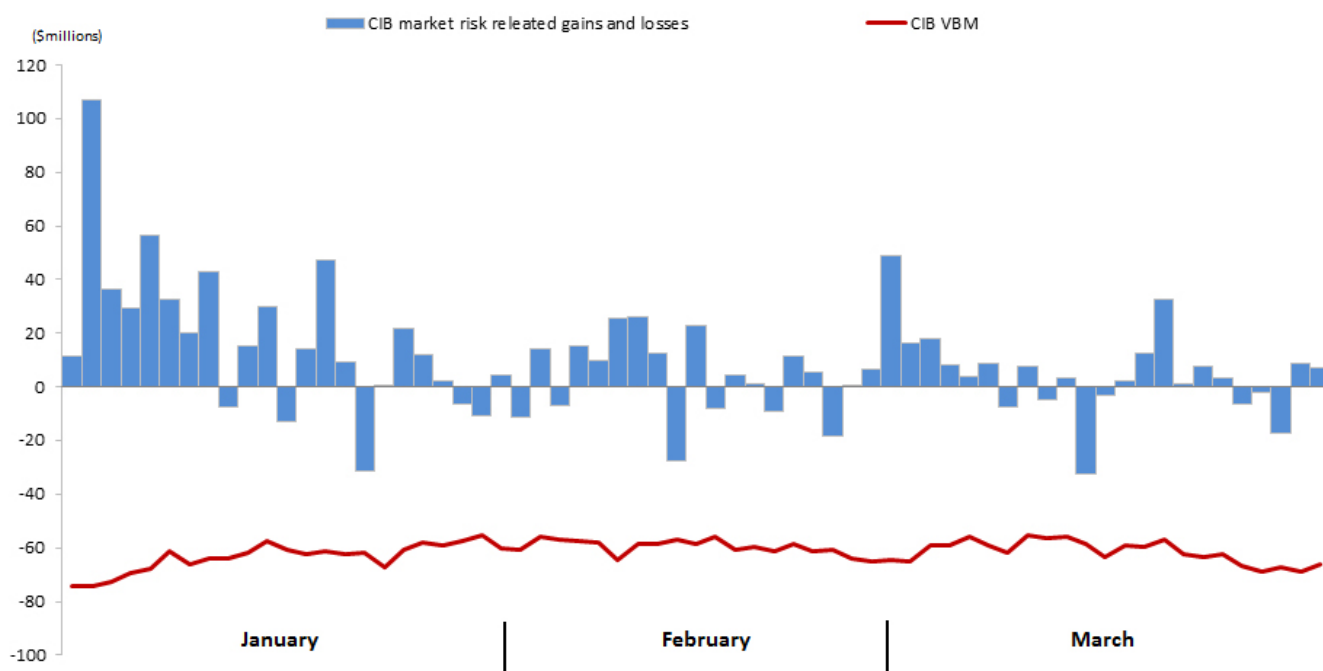
The Firm evaluates the effectiveness of its VBM methodology by back-testing, which compares daily market risk-related gains and losses with daily VBM results for a one-day holding period and a 99% confidence level as prescribed by the Basel III capital rules. Market risk-related gains and losses are defined as profits and losses on covered positions, excluding fees, commissions, certain valuation adjustments (e.g., liquidity, DVA), net interest income, and gains and losses arising from intraday trading. VBM “back-testing exceptions” occur when market risk-related losses are greater than the estimate predicted by the VBM for the corresponding day.

The following chart presents the VBM back-testing results for CIB’s covered positions. The VBM presented in the chart reflects the exclusion of the diversification benefit for certain VaR models. The chart shows that for the three months ended March 31, 2017, the CIB observed no back-testing exceptions and posted market risk related gains on 47 of the 65 trading days. The results in the chart below are different from the results of VaR back-testing disclosed in the Firm’s SEC filings due to the differences between the Risk Management VaR and Regulatory VaR as described on page 19 of this report.

CIB daily market risk-related gains and losses on covered positions

Total VBM (1-day, 99.0% confidence-level)

Three months ended March 31, 2017



Stressed VaR-Based Measure (“SVBM”)

The SVBM uses the same Regulatory VaR and SR models as are used to calculate the VBM, but the models are calibrated to reflect historical data from a continuous 12-month period that reflects significant financial stress appropriate to the Firm’s current portfolio. SVBM is calculated weekly over a 10-day holding period and a 99% confidence level. The Firm’s selection of the one-year period of significant financial stress is evaluated on an ongoing basis.

The following table presents the results of the Firm’s SVBM converted to risk-based capital based on the application of regulatory multipliers which is then translated to risk-weighted assets using a multiplier of 12.5 as prescribed by the Basel III capital rules.

Three months ended March 31, 2017 (in millions)	Average SVBM	Risk-based capital ^(a)	RWA
Firm modeled SVBM	\$ 879	2,637	\$ 32,961

(a) The Firm’s multiplier for determining risk-based capital associated with SVBM is 3.

The following table presents the average, minimum, maximum and final week of the quarter SVBM for the CIB and the Firm.

	Three months ended March 31, 2017			March 31, 2017 ^(a)
(in millions)	Avg.	Min	Max	
Total CIB SVBM	\$ 875	\$ 791	\$ 939	\$ 930
Total Firm SVBM	\$ 879	\$ 797	\$ 945	\$ 936

(a) Represents the SVBM for the final week of the quarter, in line with Basel III rules. The measurement date need not coincide with the quarter end date.

Incremental Risk Charge (“IRC”)

The IRC measure captures the risks of issuer default and credit migration that are incremental to the risks already captured in the VBM. The model is intended to measure the potential loss over a one-year holding period at a 99.9% confidence level, and is applicable to debt positions which are not correlation trading or securitization positions. The IRC is calculated on a weekly basis.

➤ For information on the Firm’s IRC model, refer to Market Risk on page 27 of the 4Q16 Pillar 3 Report.

The following table presents the IRC risk-based capital requirement for the CIB, which is the same as the risk measure itself, and the risk-weighted assets which is calculated by multiplying the risk measure by 12.5 as prescribed by the Basel III capital rules.

Three months ended March 31, 2017 (in millions)	IRC ^(a)	RWA
Total CIB IRC	\$ 352	\$ 4,396

(a) IRC reflects the higher of the quarterly average and period-end spot measure under the Basel III capital rules.

The following table presents the average, minimum, maximum and period-end IRC for the CIB.

	Three months ended March 31, 2017			March 31, 2017
(in millions)	Avg.	Min	Max	
CIB IRC on trading positions	\$ 352	\$ 267	\$ 424	\$ 267

Comprehensive Risk Measure (“CRM”)

The CRM captures material price risks of one or more portfolios of correlation trading positions. Correlation trading positions refer to client-driven, market-making activities in credit index and bespoke tranche swaps that are delta hedged with single-name and index credit default positions. The CRM risk-based capital requirement is comprised of a model-based component and an additional charge, referred to as the CRM surcharge, that is equal to 8% of the total specific risk add-on for such positions using the non-modeled approach.

Similar to the IRC, the CRM measures potential losses over a one-year holding period at a 99.9% confidence level. The CRM is calculated on a weekly basis.

➤ For information on the Firm’s CRM model, refer to Market Risk on page 28 of the 4Q16 Pillar 3 Report.

The following table presents the CRM risk-based capital requirement for the CIB, which is the same as the risk measure itself, and the risk-weighted assets which is calculated by multiplying the risk measure by 12.5 as prescribed by the Basel III capital rules.

Three months ended March 31, 2017 (in millions)	CRM ^(a)	RWA
Total CIB CRM	\$ 472	\$ 5,898

(a) CRM reflects the higher of the quarterly average and period-end spot measure under the Basel III capital rules.

The following table presents the average, minimum, maximum and period-end CRM for the CIB.

	Three months ended March 31, 2017			March 31, 2017
(in millions)	Avg.	Min	Max	
CRM model on CIB trading positions	\$ 167	\$ 119	\$ 234	\$ 208
CRM surcharge on CIB trading positions	260	253	266	264
Total CIB CRM	\$ 427	\$ 380 ^(a)	\$ 495 ^(a)	\$ 472

(a) The minimum and maximum for the CRM model, CRM surcharge, and total CRM measure are determined independently of each other. Therefore, the minimum and maximum for each of the three metrics can occur on different dates and thus may not always be additive.

Aggregate securitization positions

- For information on the aggregate amount of on-balance sheet and off-balance sheet securitization positions by exposure type, refer to Securitization on page 16 of this Pillar 3 Report.

Aggregate correlation trading positions

The following table presents the net notional amount and fair value of the Firm's aggregate correlation trading positions and the associated credit hedges. Credit hedges of the correlation trading positions are included as they are considered to be part of the aggregate correlation trading positions. The presentation distinguishes between positions that are modeled in CRM and those that are not modeled in CRM (included in non-modeled specific risk).

March 31, 2017 (in millions)	Notional amount ^(a)	Fair value ^(b)
Positions modeled in CRM	\$ 4,159	\$ 112
Positions not modeled in CRM	(36)	(104)
Total correlation trading positions	\$ 4,123	\$ 8

- (a) Reflects the net of the notional amount of the correlation trading portfolio, including credit hedges. Negative balances reflect aggregate net short correlation trading positions.
- (b) Reflects the fair value of securities and derivatives, including credit hedges.

Non-modeled specific risk

Non-modeled specific risk is calculated using supervisory-prescribed risk weights and methodologies for covered debt, equity and securitization positions that are not included in modeled SR. The market risk-based capital and risk-weighted assets (which is calculated by multiplying the capital requirement by 12.5 as prescribed by the Basel III capital rules) for non-modeled specific risk are shown in the table below.

March 31, 2017 (in millions)	Risk-based capital	RWA
Securitization positions	\$ 252	\$ 3,150
Nonsecuritization positions	4,900	61,248
Total Non-modeled specific risk	\$ 5,152	\$ 64,398

Other charges

Other charges reflect exposures receiving alternative capital treatments. The capital requirement is translated to risk-weighted assets using a multiplier of 12.5 as prescribed by the Basel III capital rules.

March 31, 2017 (in millions)	Risk-based capital	RWA
Total Firm other charges	\$ 1,806	\$ 22,575

Independent review of market risk regulatory capital models

- For information on the independent review of market risk regulatory capital models, refer to Market Risk on page 29 of the 4Q16 Pillar 3 Report and to Model Risk Management on page 142 of the 2016 Form 10-K.

Economic-value stress testing

Along with VaR, stress testing is an important tool in measuring and controlling risk. While VaR reflects the risk of loss due to adverse changes in markets using recent historical market behavior as an indicator of losses, stress testing is intended to capture the Firm's exposure to unlikely but plausible events in abnormal markets. The Firm runs weekly stress tests on market-related risks across the lines of business using multiple scenarios that assume significant changes in risk factors such as credit spreads, equity prices, interest rates, currency rates and commodity prices.

The Firm uses a number of standard scenarios that capture different risk factors across asset classes including geographical factors, specific idiosyncratic factors and extreme tail events. The stress framework calculates multiple magnitudes of potential stress for both market rallies and market sell-offs for each risk factor and combines them in multiple ways to capture different market scenarios. For example, certain scenarios assess the potential loss arising from current exposures held by the Firm due to a broad sell off in bond markets or an extreme widening in corporate credit spreads. The flexibility of the stress testing framework allows risk managers to construct new, specific scenarios that can be used to form decisions about future possible stress events.

Stress testing complements VaR by allowing risk managers to shock current market prices to more extreme levels relative to those historically realized, and to stress test the relationships between market prices under extreme scenarios.

Stress scenarios are defined and reviewed by Market Risk Management, and significant changes are reviewed by the relevant LOB Risk Committees and may be redefined on a periodic basis to reflect current market conditions.

Stress-test results, trends and qualitative explanations based on current market risk positions are reported to the respective LOBs and the Firm's senior management to allow them to better understand the sensitivity of positions to certain defined events and to enable them to manage their risks with more transparency. Results are also reported to the Board of Directors.

The Firm's stress testing framework is utilized in calculating results under scenarios mandated by the Federal Reserve's CCAR and ICAAP processes. In addition, the results are incorporated into the quarterly assessment of the Firm's Risk Appetite Framework and are also presented to the DRPC.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or due to external events that are neither market- nor credit-related.

- Refer to Operational Risk on page 31 in 4Q16 Pillar 3 Report and pages 129-130 of the 2016 Form 10-K for a discussion of Operational Risk Management.

Measurement

- Refer to Operational Risk Management on page 129 of the 2016 Form 10-K for information related to operational risk measurement and page 82 of Capital Risk Management for operational risk RWA.

Other operational risks

- Refer to Operational Risk Management on page 130 of the 2016 Form 10-K for information related to Other operational risk measurement.

INTEREST RATE RISK IN THE BANKING BOOK

The effect of interest rate exposure on the Firm's reported net income is also important as interest rate risk represents one of the Firm's significant market risks. Interest rate risk arises not only from trading activities but also from the Firm's traditional banking activities, which include extension of loans and credit facilities, taking deposits and issuing debt. The Firm evaluates its structural interest rate risk exposure through earnings-at-risk, which measures the extent to which changes in interest rates will affect the Firm's net interest income and interest rate-sensitive fees.

- Refer to the table on page 117 of the 2016 Form 10-K for a summary of positions included in Earnings-at-risk.

The Firm generates a baseline for net interest income and certain interest rate sensitive fees, and then conducts simulations of changes for interest rate-sensitive assets and liabilities denominated in U.S. dollars and other currencies ("non-U.S. dollar" currencies). Earnings-at-risk scenarios estimate the potential change in this baseline, over the following 12 months utilizing multiple assumptions. These scenarios consider the impact on exposures as a result of changes in interest rates from baseline rates, as well as pricing sensitivities of deposits, optionality and changes in product mix. The scenarios include forecasted balance sheet changes, as well as modeled prepayment and reinvestment behavior, but do not include assumptions about actions that could be taken by the Firm in response to any such instantaneous rate changes. Mortgage prepayment assumptions are based on scenario interest rates compared with underlying contractual rates, the time since origination, and other factors which are updated periodically based on historical experience. The Firm's earnings-at-risk scenarios are periodically evaluated and enhanced in response to changes in the composition of the Firm's balance sheet, changes in market conditions, improvements in the Firm's simulation and other factors.

- Refer to page 121 of the 2016 Form 10-K for a detailed discussion of Earnings-at-risk.
- Refer to page 65 of the 1Q17 Form 10-Q for further discussion of Earnings-at-risk.

The Firm's U.S. dollar sensitivities are presented in the table below. The non-U.S. dollar sensitivities are not material to the Firm's earnings-at-risk at March 31, 2017.

JPMorgan Chase's 12-month earnings-at-risk sensitivity profiles

U.S. dollar (in billions)	Instantaneous change in rates			
	+200 bps	+100 bps	-100 bps	-200 bps
U.S. dollar	\$ 3.8	\$ 2.3	NM ^(a)	NM ^(a)

(a) Given the current level of market interest rates, downward parallel 100 and 200 basis point earnings-at-risk scenarios are not considered to be meaningful.

The Firm's benefit to rising rates on U.S. dollar assets and liabilities is largely a result of reinvesting at higher yields and assets re-pricing at a faster pace than deposits.

Separately, another U.S. dollar interest rate scenario used by the Firm – involving a steeper yield curve with long-term rates rising by 100 basis points and short-term rates staying at current levels – results in a 12-month benefit to net interest income of approximately \$800 million. The increase in net interest income under this scenario reflects the Firm reinvesting at the higher long-term rates, with funding costs remaining unchanged. The result of the comparable non-U.S. dollar scenario was not material to the Firm.

SUPPLEMENTARY LEVERAGE RATIO

The SLR is defined as Tier 1 capital under the Basel III capital rules divided by the Firm's total leverage exposure. The tables below present the components of the Firm's SLR as of March 31, 2017 with on-balance sheet amounts calculated as the quarterly average and the off-balance sheet amounts calculated as the average of each of the three month's period-end balances.

Summary comparison of accounting assets and total leverage exposure

(in millions, except ratio)	Mar. 31, 2017
Basel III Advanced Transitional Tier 1 capital	\$ 209,653
Total assets	2,546,290
Less: Adjustments for frequency of calculations ^(a)	11,891
Total average assets^(b)	2,534,399
Less: Adjustments for deductions from Tier 1 capital	47,048
Total adjusted average assets	2,487,351
Adjustment for derivative transactions	352,807
Adjustment for repo-style transactions	24,403
Adjustment for off-balance sheet exposures	307,261
Total leverage exposure	\$ 3,171,822
Basel III Advanced Transitional SLR	6.6%

- (a) The adjustment for frequency of calculations represents the difference between total assets at March 31, 2017, and average assets for the quarter ended March 31, 2017, excluding frequency of calculations for derivatives and repo-style transactions (of \$743 million and \$494 million, respectively) which are included in the adjustment for the requisite exposure lines.
- (b) To reconcile to total average assets as reported in the 1Q17 Form 10-Q, the total average assets reported in this table must be reduced by the aforementioned adjustment for frequency of calculations for derivative and repo-style transactions.

Derivative transactions

The following table presents the components of total derivative exposure.

(in millions)	Mar. 31, 2017
Replacement cost for all derivative transactions ^(a)	\$ 64,133
Add-on amounts for potential future exposure ("PFE") for all derivative transactions	378,201
Gross-up for collateral posted in derivative transactions if collateral is deducted from on-balance sheet assets	2,558
Less: Exempted exposures to central counterparties ("CCPs") in cleared transactions	64,342
Adjusted effective notional principal amount of sold credit protection	1,021,118
Less: Effective notional principal amount offsets and PFE deductions for sold credit protection	987,091
Total derivative exposure^(b)	414,577
Less: On-balance-sheet average derivative receivables	61,027
Less: Adjustments for frequency calculations ^(c)	743
Adjustment for derivative transactions	\$ 352,807

- (a) Includes cash collateral received of \$3.1 billion.
- (b) Receivables for cash variation margin that are posted under a qualifying derivative master netting agreement are netted against derivative liabilities and are not included in on-balance sheet assets.

- (c) The adjustment for frequency of calculations represents the difference between total assets at March 31, 2017, and average assets for the quarter ended March 31, 2017.

Repo-style transactions

The following table presents the components of total exposures for repo-style transactions.

(in millions)	Mar. 31, 2017
Gross assets for repo-style transactions ^(a)	\$ 532,047
Less: amounts netted ^(b)	243,241
Counterparty credit risk for all repo-style transactions	28,118
Exposure amount for repo-style transactions where the Firm acts as an agent ^(c)	310
Total exposures for repo-style exposures	317,234
Less: on-balance sheet amounts	
Federal funds sold and securities purchased under resale agreements	193,413
Securities borrowed	98,924
Less: Adjustments for frequency calculations ^(d)	494
Adjustment for repo-style transactions	\$ 24,403

- (a) Includes adjustments for securities received where the securities lender has not sold or rehypothecated securities received.
- (b) Reflects netting of transactions where the Firm has obtained an appropriate legal opinion with respect to master netting agreements with the same counterparty, and where other relevant criteria under U.S. GAAP are met.
- (c) Includes exposures where the Firm's guarantee is greater than the difference between the fair value of the security or cash the Firm's customer has lent and the value of the collateral provided.
- (d) The adjustment for frequency of calculations represents the difference between total assets at March 31, 2017, and average assets for the quarter ended March 31, 2017.

Other off-balance sheet exposures

The following table presents wholesale and retail commitments after applying the relevant credit conversion factors.

(in millions)	Mar. 31, 2017
Off-balance sheet exposures - gross notional amounts	\$ 1,088,438
Less: Adjustments for conversion to credit equivalent amounts	781,177
Adjustment for other off-balance sheet exposures	\$ 307,261

APPENDIX

Valuation process

For a discussion of the Firm's valuation methodologies for assets, liabilities and lending-related commitments measured at fair value and the fair value hierarchy, refer to Valuation Process in the 4Q15 Pillar 3 Report and to Note 3 of the 2016 Form 10-K.

- Refer to Note 2 on pages 78-88 of the 1Q17 Form 10-Q, for information on credit and funding valuation adjustments.

Model risk management

Model risk is the potential for adverse consequences from decisions based on incorrect or misused model outputs.

- For a discussion of the Firm's model risk management, model risk review and governance, refer to Model risk management on page 35 of the 4Q16 Pillar 3 Report and Model Risk Management on page 128 of 2016 Form 10-K.

References to JPMorgan Chase's 2016 Form 10-K and 1Q17 Form 10-Q

JPMorgan Chase's 2016 Form 10-K contains important information on the Firm's risk management policies and practices, capital management processes, and accounting policies relevant to this report. Specific references are listed below.

Management's discussion and analysis

Section	Form 10-K Page reference	Form 10-Q Page reference
Enterprise-wide risk management	71-131	31-66
Capital risk management	76-85	32-39
Credit risk management	86-107	40-55
Consumer credit risk	89-95	41-45
Wholesale credit risk	96-104	46-52
Allowance for credit losses	105-107	53-55
Country risk management	108-109	56
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Note 29 Off-balance sheet lending-related financial instruments, guarantees and other commitments (Note 20 in 10-Q)	255-260	138-141
Note 30 Commitments, pledged assets and collateral (Note 21 in 10-Q for Pledged assets and collateral)	261	141