

Pillar 3 Quarterly Disclosure Report as at 30th June 2016

J.P. Morgan Securities plc.

Introduction

Background

The need to assess whether an institution should disclose some information more frequently than annually, under Part Eight of the CRR¹, originates in Article 433 and the requirements are further articulated in the EBA Guidelines², which were adopted by the PRA from 15th October 2015.³

All J.P.Morgan Chase entities regulated under CRDIV have applied the Guidelines in:

- Enhancing the Pillar 3 Process to include a full assessment of the need to publish data more frequently than annually, and
- Identifying the key data elements to disclose in order to meet the needs of potential users of the disclosure

Scope

The internal assessment process, under Title II of Guidelines, to determine which J.P.Morgan entities should disclose more frequently than annually concluded that **J.P. Morgan Securities Plc (“JPMSplc”)** is the only European entity meeting the qualitative and quantitative thresholds to necessitate more frequent disclosure.

There have been no items that have experienced highly significant changes in this period.

Any items identified through continuing review across all disclosure areas will be included in subsequent quarterly disclosure.

No items have been omitted due to confidentiality, materiality or for proprietary reasons under Titles III and IV of the Guidelines.

The data disclosed in this document represents disclosure for the second quarter of 2016, as at 30th June 2016.

Means of Disclosure (Art. 434)

The disclosure report is made available according to Article 434 CRR on the website of JPMorgan Chase & Co. at <http://investor.shareholder.com/jpmorganchase/sec.cfm>. The latest Annual disclosure is also available via this link.

Firmwide Disclosure

The ultimate parent of the entity in scope of this disclosure is JPMorgan Chase & Co. (JPMC), which is incorporated in the United States of America. Firmwide disclosure is made under Basel III requirement available at the below link. In addition, the U.S. Securities and Exchange Commission filings made at the firmwide level, 10K and 10Q, provide further information at the following link: <http://investor.shareholder.com/jpmorganchase/sec.cfm>

¹ Capital Requirements Regulation (CRR)/Regulation [EU] Nr. 575/2013

² EBA Guidelines on materiality, proprietary and confidentiality and on disclosure frequency 23 December 2014

³ PRA expectation of firms' compliance with EBA/GL/2014/14;
<http://www.bankofengland.co.uk/pr/Pages/crdv/updates.aspx>

1.Own Funds (Art. 437)

The information represented in the table below constitutes the key data elements for Own Funds identified in Title VII of the EBA Guidelines

Table 1: CRD IV Regulatory Capital for JPMS Plc as at 30th June 2016

Transitional Own Funds Disclosure Template (\$'m)		Transitional Position	Transitional Impacts	Fully Loaded Position
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	29,173		29,173
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-2,010	-242	-2,252
29	Common Equity Tier 1 (CET1) capital	27,163	-242	26,922
36	Additional Tier 1 (AT1) capital before regulatory adjustments	3,092		0
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-0	0	0
44	Additional Tier 1 (AT1) capital	3,092	-3,092	0
45	Tier 1 capital (T1 = CET1 + AT1)	30,255	-3,334	26,922
51	Tier 2 (T2) capital before regulatory adjustments	4,114	3,092	7,206
57	Total regulatory adjustments to Tier 2 (T2) capital	-0	-0	-0
58	Tier 2 (T2) capital	4,114	3,092	7,206
59	Total capital (TC = T1 + T2)	34,369	-242	34,127
Capital Ratios and Buffers				
61	Common Equity Tier 1 ratio	14.2%	-0.1%	14.1%
62	Tier 1 ratio	15.8%	-1.7%	14.1%
63	Total capital ratio	18.0%	-0.1%	17.9%

2.Capital Requirements (Art. 438)

The information represented in the table below constitutes the key data elements for Capital Requirements identified in Title VII of the EBA Guidelines

Table2: Minimum Capital Requirements for Credit Risk (including Counterparty Risk) for JPMSplc as at 30th June 2016

Credit Exposure Class (\$'m)	Capital Requirement	RWA
Central Governments or Central Banks	73	913
Regional Governments or Local Authorities	32	399
Public Sector Entities	8	101
Multilateral Development Banks	1	14
Institutions	1,902	23,780
Corporates	2,906	36,325
Secured by Mortgages on Immovable Property	0	0
Items Associated With Particularly High Risk	1,152	14,405
Claims on Institutions and Corporates With a Short-Term Credit Assessment	1,517	18,958
Other Items	31	388
Total Capital Requirement	7,622	95,283

Table 3: Minimum Capital Requirements for Other Risk Types for JPMSplc as at 30th June 2016

Risk Type (\$'m)	Capital Requirement	RWA
DFC Requirement	130	1,627
Credit Valuation Adjustment Risk	2,536	31,700
Position Risk	3,346	41,824
Commodities Risk	191	2,386
Foreign-Exchange Risk	673	8,413
Settlement Risk	11	133
Large Exposures Risk	0	0
Operational Risk	773	9,665
Total Capital Requirement	7,660	95,749

3. Leverage (Art. 451)

The information represented in the table below constitutes the key data elements for Leverage identified in Title VII of the EBA Guidelines

Table 4: Leverage ratio disclosure for JPMSplc as at 30th June 2016

Leverage Ratio Summary (\$'m)		Applicable Amounts
20	Tier 1 capital	26,922
21	Total leverage ratio exposures	482,508
22	Leverage ratio	5.58%
EU-23	Choice on transitional arrangements for the definition of the capital	Fully phased-in

4.Items experiencing highly significant change during the reporting period

The information represented in this section constitutes the key data elements experiencing significant change in this period, as per the requirement identified in Title VII of the EBA Guidelines.

There have been no items that have experienced highly significant changes in this period.

Any items , identified through continuing review across all disclosure areas, will be included in subsequent quarterly disclosure.