

JPMorgan Chase & Co

10:27 12 Oct 2017

JP Morgan edges lower as dip in trading revenues outweighs earnings beat

JP Morgan Chase & Co (NYSE:JPM) comfortably beat Street expectations with its third quarter earnings, but a big drop in trading revenue has hit the share price early on Thursday.

Chairman and chief executive Jamie Dimon warned last month that trading revenues could fall by as much as 20% compared to the same quarter last year.

He wasn't far wrong as overall trading revenue slumped by 16% in the three months through to the end of September, with most Wall Street banks suffering from a lack of volatility in the markets.

Fixed income trading revenues were down by almost a third, with JP Morgan noting that "lower revenue across all products was driven by sustained low volatility and tighter credit spreads".

Equities trading revenue fell 4% compared to 2016's relatively strong quarter, and reflected "lower revenue in derivatives predominantly offset by strength in Prime Services and Cash Equities".

On the banking front JP Morgan fared a little better. Its consumer and community banking division increased revenues by 6% to US\$12bn, while its corporate and investment banking arm saw revenues rise 5% to US\$3.1bn.

That helped total revenues to come in at US\$26.2bn, comfortably ahead of the US\$25.2bn analysts had expected. There was also a beat in earnings per share which came in at US\$1.76 versus forecasts of US\$1.65.

"For the first time, the Firm led the nation in total US deposits, as consumers and businesses continue to view us as their partner of choice," Dimon said.

"The global economy continues to do well and the U.S. consumer remains healthy with solid wage growth.

"Unfortunately, natural disasters in the US and abroad have impacted many of our customers and we have responded with enormous financial support as well as the expertise and generosity of our employees to help these customers, clients and communities."

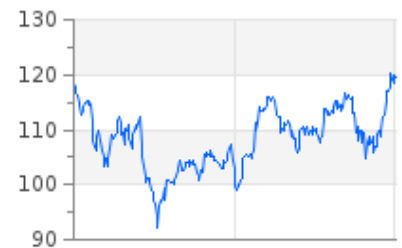
JP Morgan shares were down 0.6% to US\$96.28 in early deals on Thursday.

--Updates for share price--

Price: \$119.75

Market Cap: \$383 billion

1 Year Share Price Graph



September 2018 March 2019 September 2019

Share Information

Code: JPM

Listing: NYSE

52 week High Low
120.395 91.11

Sector: Financial Services

Website: www.jpmorganchase.com

Company Synopsis:

JPMorgan Chase & Co. is a leading global financial services firm with assets of \$2.0 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small-business and commercial banking, financial transaction processing, asset management and private equity.

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts

journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.