

**Exhibits in the US Senate report were amended along with footnotes after November 2013**

See what one could get in early 2017 searching the web for the US Senate report exhibits published on the London Whale for the US CIO Business Review that was presented by Drew to Dimon and other senior bank executives:

**CIO Summary Risk Metrics**

**Structural Risk**

Firm DoE (excludes credit spread)	(5.3)
Credit spread Investments	2.9
Firm DoE (includes credit)	(2.4)

**Risk Overview**

- Integration of SAA into Firmwide Stress reflected, includes CDO impact as well as structural liability (see table below)
- Full limits framework reviews underway
- Value at Risk and loss reserve would include all CDO trading pool assets

**Credit Crisis (credit selloff / rates rally)**

Stress Testing (mm USD)	Drivers
CIO MTM	510
	Positive benefit from tranche book offset by bank preferreds and CDOs

**Var Highlights**

- Enhanced VaR methodology for tranche book reviewed and approved by MRCC in long to reduce VaR and RVA usage
- Reduced MSR VaR reflects dampened sensitivity profile based on model implemented in December
- VaR limit reductions are in the pipeline for MSR (from \$98mm to \$55mm) and CIO (reduction from \$95mm under review)

	VaR	mVaR
Global CIO 10Q	50.3	26.1
CIO International	48.3	21.9
CIO North America	86	65
MSR	4.9	2.2

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See now what was disclosed in a version that was available in December 2013. There are mentions to the “tranche book” to the “CDOs” to the VAR and \$21 billion of potential losses in stress scenarios which look quite optimistic in fact.

# CIO Summary Risk Metrics

Structural Risk	
Firm DoE (excludes credit spread)	(5.3)
Credit spread investments	2.9
Firm DoE (includes credit)	(2.4)

## Risk Overview

- Integration of SAA into Firmwide Stress reflected; includes OCI impact as well as structural liability (see table below)
- Full limits framework review underway
  - VaR for limits and disclosure would include all CIO Trading Book assets
  - Assets moved to Banking Book (e.g., bank preferreds and CLOs) not included in VaR for limits/disclosure
- Consider removal of MSR VaR from 10Q disclosure
  - Regulators have recently moved MSR and hedges to Banking Book
  - Competitors have not followed JPM in disclosure of MSR VaR

Stress Event (mm USD)	Credit Crisis (credit selloff / rates rally)	
	Impact	Drivers
CIO MTM	510	Positive benefit from Tranche book offset by bank preferreds and CLOs
CIO SAA AFS	(7,182)	Driven by bank debt, UK & North, RMBS, CMBS
CIO SAA Liabilities	(4,108)	Rates rally drives reduced PV of liabilities
FX Capital Hedging	(296)	Open EM currency positions 3.8% selloff
CIP	(146)	Driven by whole loans and CLOs
<b>TOTAL</b>	<b>(11,222)</b>	

(as of Feb 22)

## VAR Highlights

- Enhanced VaR methodology for tranche book, reviewed and approved by MRG, helping to reduce VaR and RWA usage
- Reduced MSR VaR reflects dampened sensitivity profile based on model implemented December
- VaR limit reductions are in the pipeline both for MSR (from \$90mm to \$65mm) and CIO (reduction from \$95mm under review)

	Var	mVar
Global CIO 10Q	50.3	26.1
- CIO International	48.3	21.9
- CIO North America	8.6	6.7
MSR	4.9	2.2

CIO - Global - 10Q VAR

