

## Wealth Management & Private Banking Review 1Q24

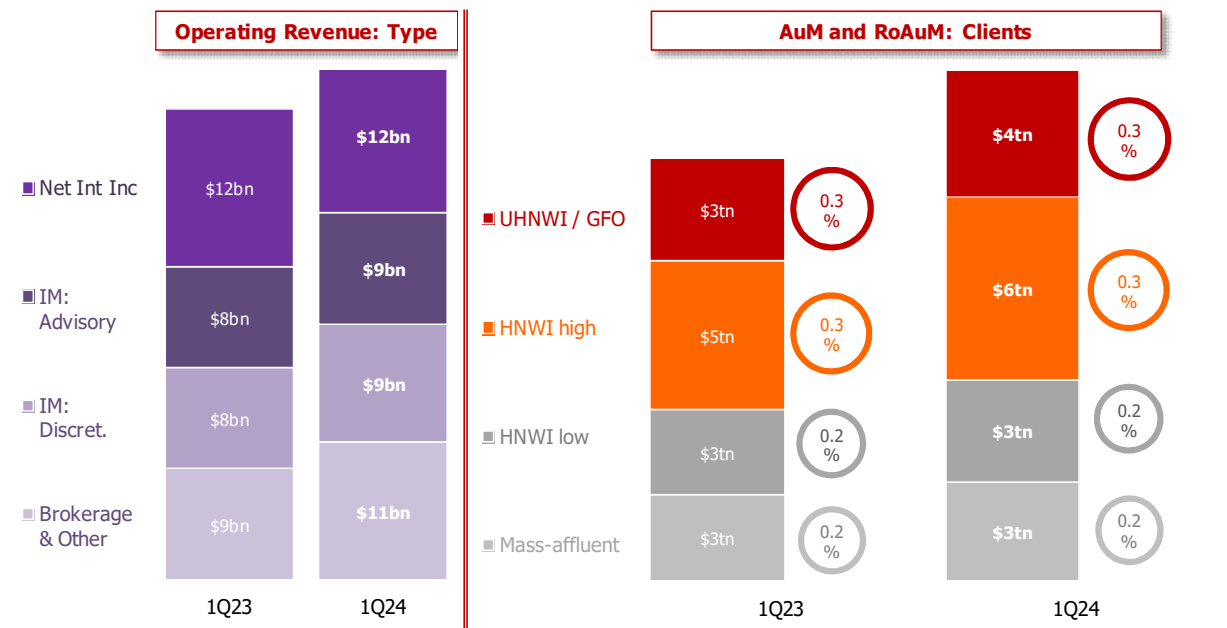
The aggregated revenue of the banks in this report totalled \$41bn in 1Q24, 11% ahead of 1Q23. Revenue growth was driven by \$10m+ clients: up 17% y/y, versus a more modest 4% for sub-\$10m clients. This primarily reflects strong market valuations - the dominant driver of the healthy growth in Net New Assets – and an increase in clients’ demand for high-end discretionary services. Banks with established cross-border advisory – especially on structured products - outperformed. As the confidence in markets returned, transaction revenues surged.

Net interest income for the peer group was unchanged from 1Q23. However, adjusted for changes in the reporting format of specific banks, NII declined 10% y/y, in line with the consensus. Most banks in this report expect that NII will further in 2Q24, though at a much slower pace.

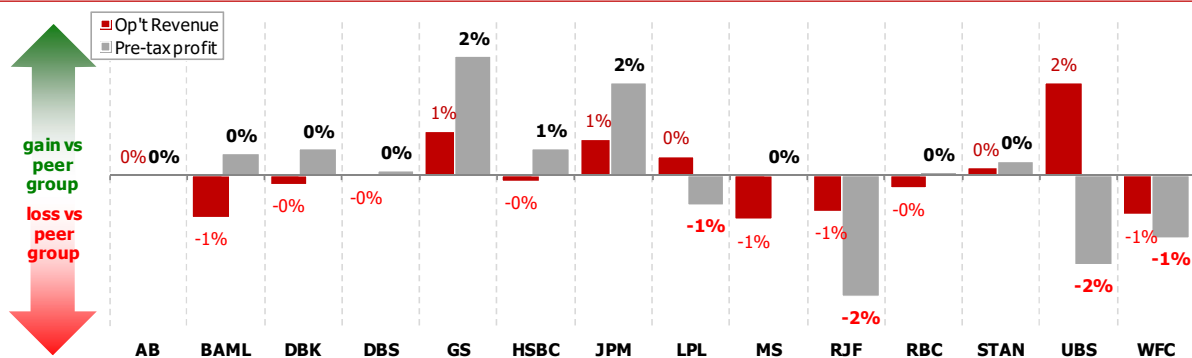
Pre-tax profits and margins were largely in line with the prior-year period.

AuM reached \$16.8tn, + 22% y/y. The growth from the \$10m+ client segment outpaced that of the lower-end segments – but only slightly; contrasting this with the sizeable difference in revenue growth between the two broad segments demonstrates the relative challenge of converting Mass-Affluent and \$1-10m HNWI AuM into revenue. Regionally, AuM growth in EMEA and APAC outpaced AMER.

### Revenue & productivity



### % change share of peer group operating revenue and pre-tax profit (1Q24 / 1Q23)



Notes: (1) Tricumen-normalised product definitions and allocations apply. (2) Operating revenue and pre-tax profit excludes one-offs. (3) IM = Investment Management fees. Advisory = client-led; Discretionary = advisor-led. (4) Clients: Mass-affluent = \$200k-\$1m AuM; HNWI Low = \$1-10m AuM; HNWI High = \$10-25m; UHNWI & GFO = \$25m+. (5) RoAuM = year-to-date operating revenue / end-of-period AuM.

## Rankings: Operational performance

Pre-tax profit (US\$m)			Pre-tax profit margin (%)		
	Rank 1Q24	1Q24 / 1Q23 (movement)		Rank 1Q24	1Q24 / 1Q23 (movement)
MS	#1	↓	DBS	#1	↓
JPM	#2	↓	JPM	#2	↓
BAML	#3	↓	HSBC	#3	↓
UBS	#4	↓	GS	#4	↑
HSBC	#5	↓	MS	#5	↓
GS	#6	↑	BAML	#6	↗
RBC	#7	↘	RBC	#7	↗

Operating revenue / FO FTE			Operating revenue / AuM (eop)		
	Rank 1Q24	1Q24 / 1Q23 (movement)		Rank 1Q24	1Q24 / 1Q23 (movement)
STAN	#1	↑	RBC	#1	↗
AB	#2	↑	STAN	#2	↑
DBS	#3	↓	WFC	#3	↓
GS	#4	↑	LPL	#4	↗
JPM	#5	↑	BAML	#5	↗
HSBC	#6	↘	DBS	#6	↗
LPL	#7	↓	DBK	#7	↗

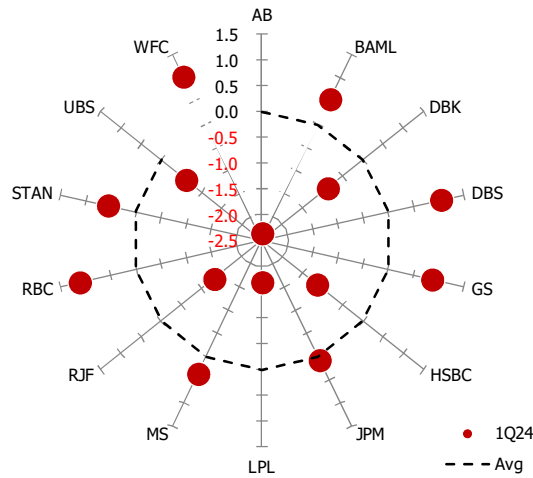
  

NNM (eop)			eop NNM % eop AuM		
	Rank 1Q24	1Q24 / 1Q23 (movement)		Rank 1Q24	1Q24 / 1Q23 (movement)
RBC	#1	↑	RBC	#1	↘
HSBC	#2	↗	STAN	#2	↗
BAML	#3	↑	HSBC	#3	↗
GS	#4	↓	DBK	#4	↑
LPL	#5	↗	LPL	#5	↗
DBK	#6	↗	GS	#6	↓
STAN	#7	↗	DBS	#7	↗

Notes: (1) Tricumen-normalised product definitions and allocations apply. Revenue and pre-tax profit exclude one-offs. All financials are shown in US\$. (3) In-scope: clients with AuM in excess of \$200k. (4) FO FTE = Front Office Full-Time Equivalent; (5) NNM = net new money. Includes funds from new and existing clients less funds withdrawn by existing and former clients, at period end. Includes inter-Group transfers.

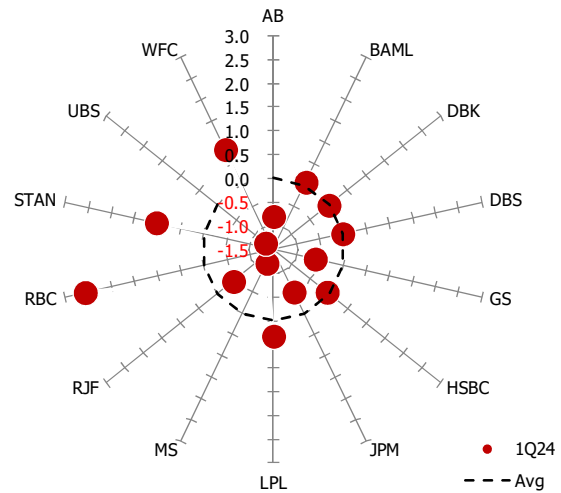
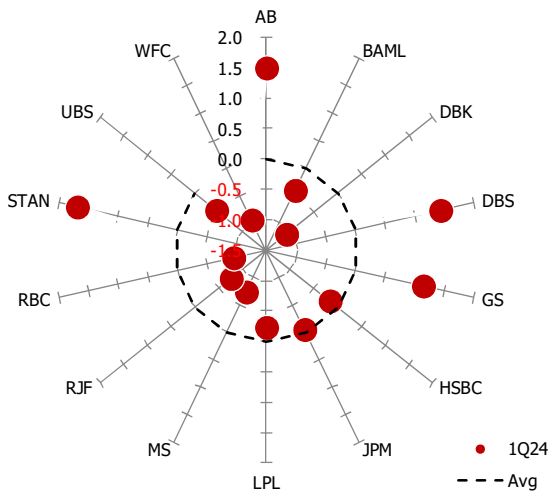
Profitability & productivity

Net Interest Income % (Loans + Deposits)



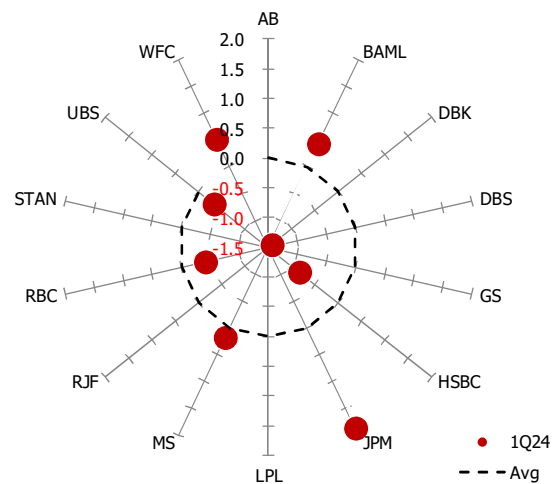
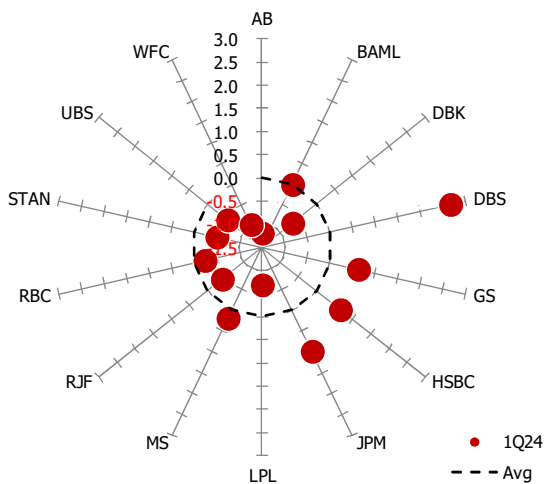
Operating Revenue / Front Office FTE

Operating Revenue / AuM



Pre-tax profit margin

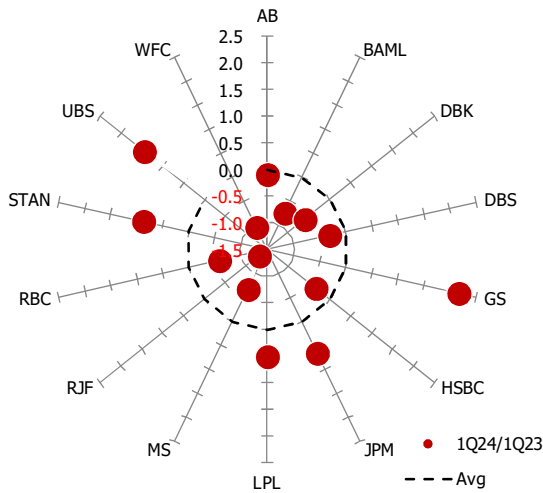
RoAE



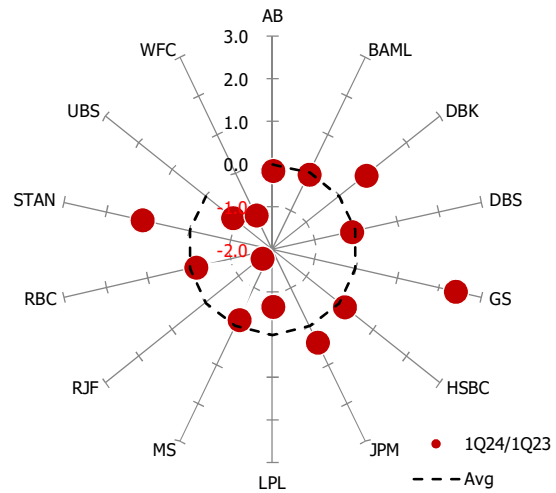
Notes: (1) Tricumen-normalised product definitions and allocations apply. (2) Operating revenue and pre-tax profit exclude one-offs and credit expense/recovery/NPL provisions. Capital expenditure is included as accrued. All financials are shown in US\$. (3) In-scope: clients with AuM in excess of \$200k. (4) RoAE = Net Profit/Allocated Equity. (4) Positive values = outperformance; negative values=underperformance; missing values = N/M; an outlier; no Tricumen coverage; or not a significant competitor.

Y/Y dynamics

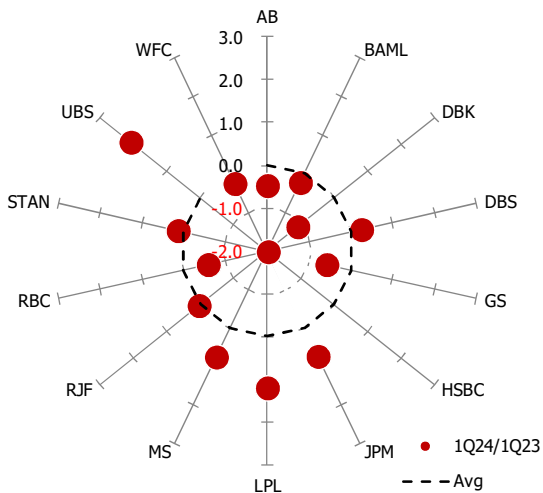
Operating Revenue



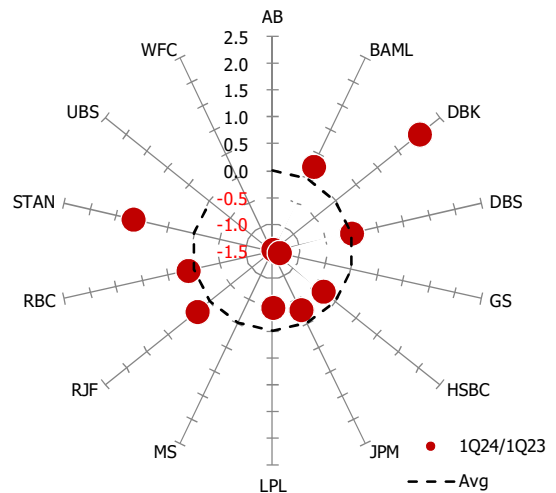
Pre-tax Profit



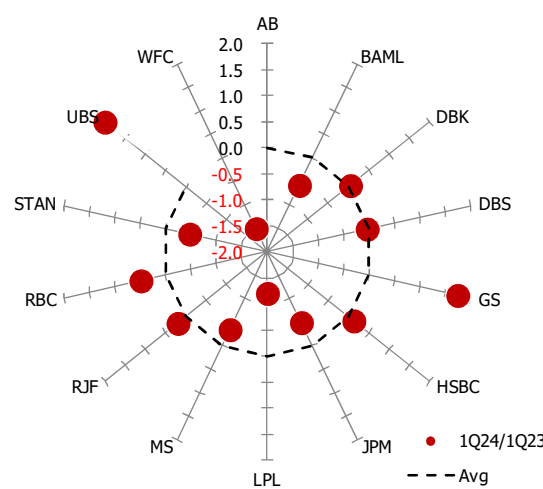
AuM



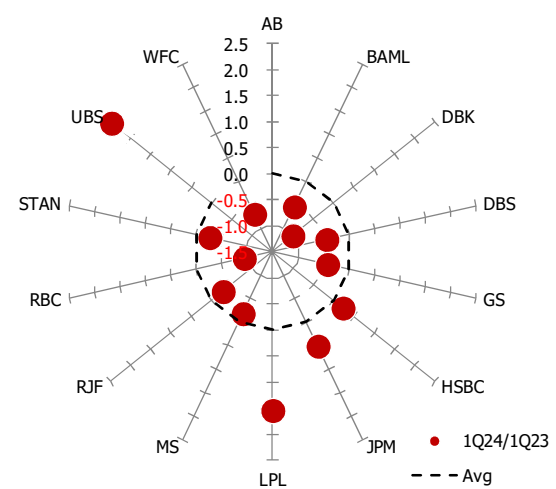
Net New Money



Deposits



Loans



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