

Revised Estimates of Private Banking Assets Under
Management and Total Client Assets
– Top 50 Global Private Banks, 2005-2010

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Key results after adjustments

- Overall: key findings remain the same
 - Total size of top 50 offshore client assets >\$12.5 trillion
 - Strong PB asset growth, 2005-10: nearly 10%/year (tho some institutions (Citi, BankAmerica, Commerzbank fell sharply)
 - Concentration at the top remains high/ increased during this period
 - All of the “new” top ten except Pictet got heavy gov subsidies during this period
 - Results are consistent with other market studies (eg Scorpio) of PB AUMS, but more extensive, more targeted on “offshore,” cognizant of “total client asset” concept
- Just as in the case of BIS data, a real need for more complete reporting by FIs

Key Additions/ Corrections

- Incorporation of revised estimates for several key institutions, based on more recent data on offshore AUMS
 - Goldman Sachs: clarification of Direct+3rd party HNWI AUMs
 - UBS/ Credit Suisse/ MorganStanley: ability to exclude domestic AUMs (Swiss and US)+ accurate data on total client assets
 - Commerzbank and BankAmerica – exits from PB businesses revealed better data on subsidiary AUMs
- New inclusion of data on “total client assets” – a more comprehensive measure of offshore assets
- Improved adjustments to reported global AUM data to correct for huge role that “home markets” play for some institutions (eg, Wells Fargo, BankAmerica, leading Swiss institutions).
- Compared to alternative private banking industry market research estimates (eg., Scorpio, Private Bank Intl), our results are consistent but more accurate for the role of individual players – so far as the “offshore market” is concerned

Key Challenges

- Individual banks different widely in their reporting practices and accounting definitions
 - Eg, most only report “assets under management” rather than unmanaged assets (deposits, custody assets, brokerage assets)
 - “Institutional” assets (pension funds) are often lumped with private banking assets
 - important error source
 - Definitions of “high net worth individuals” included in PB assets differ among institutions
 - Treatment of so-called “third party HNWI assets” managed on behalf of smaller banks (eg, Goldman’s “direct HNWI” PB AUMs in 2010 was \$229 b, but its TOTAL HNWI AUMs, including 3rd party, is \$294 b)
 - Important to adjust AUMs for fact that Total Client Assets (including deposits, custody assets, unmanaged brokerage assets is 50-90% greater than AUMS; varies by institution

TOP 50 GLOBAL PRIVATE BANKS, 2005-2010

(1/2)

(\$Billions)									
		2005			2010				
		Intl AUMs		Intl Client Assets	Mkt%	Intl AUMs		Intl Client Assets	Mkt%
Top 10 - Total		\$2,467.3		\$3,835.1	50.8%	\$4,035		\$6,321	51.4%
Rank	Next 10 - Total	\$1,158		\$1,968	26.1%	\$1,867		\$3,173	26%
(correl = .88)	Next 30 - Total	\$992		\$1,745	23.1%	\$1,649		\$2,803	23%
2005	2010	Top 50 - Total	\$4,617.1	\$7,548	100%	7,550.8		12,297.5	100%
									9.3%

1	1	UBS	\$513.6	\$863.6		\$655.4		\$955.6	1.9%
3	2	Credit Suisse	\$469.2	\$496.6		\$839.3		\$940.1	12.3%
5	3	HSBC	\$183.0	\$311.1		\$390.0		\$663.0	14.7%
6	4	Deutsche Bk	\$180.9	\$307.6		\$367.5		\$624.7	13.7%
8	6	BNP Paribas	\$158.0	\$268.6		\$338.0		\$574.6	14.8%
4	5	JPMorganChase	\$187.0	\$344.0		\$284.0		\$569.0	9.6%
9	7	Morgan Stanley/ SSB*	\$165.0	\$264.0		\$297.0		\$525.1	13.3%
21	8	Wells Fargo	\$78.0	\$132.6		\$300.0		\$510.0	27.8%
7	9	Goldman Sachs	\$166.0	\$282.2		\$294.0		\$499.8	11.0%
11	10	Pictet	\$150.0	\$255.0		\$270.0		\$459.0	11.3%
12	11	Bank Leumi	\$138.0	\$234.6		\$251.0		\$426.7	11.5%
13	12	Barclays	\$135.3	\$230.1		\$238.3		\$405.1	10.8%
10	13	ABN Amro	\$150.8	\$256.3		\$218.4		\$371.2	7.0%
27	14	TD Canada	\$49.4	\$84.0		\$183.0		\$311.1	26.9%
29	15	Banque Julius Baer	\$46.8	\$79.5		\$181.0		\$307.7	27.9%
15	16	Credit Agricole	\$114.1	\$194.0		\$171.0		\$290.7	7.6%
20	17	Bk of New York	\$82.6	\$140.3		\$166.0		\$282.2	13.5%
16	18	Northern Trust	\$111.5	\$189.6		\$154.0		\$261.8	6.0%
14	19	Lombard Odier	\$123.0	\$209.1		\$153.9		\$261.6	4.2%
17	20	Banco Santander	\$111.4	\$189.4		\$150.0		\$255.0	5.6%

Source: Bank financial statements, industry interviews, JSH analysis

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"Intl AUMs" = Cross border assets under management

"Intl client assets" = Intl AUMs + client deposits + client custody + brokerage assets at institution

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TIER TWO: TOP 50 GLOBAL PRIVATE BANKS, 2005-2010

(2/2)

		(\$Billions)							
		2005			2010				
		Intl AUMs	Intl Client Assets	Mkt%	Intl AUMs	Intl Client Assets	Mkt%		
Rank									
	Top 10 - Total		\$2,467.3	\$3,835.1	50.8%	\$4,035.2	\$6,320.9	51.4%	9.5%
	Next 10 - Total		\$1,157.6	\$1,967.9	26.1%	\$1,866.6	\$3,173.2		2005-2010
		Next 30 - Total	\$992.2	\$1,745.1	23.1%	\$1,649.1	\$2,803.4		AAGR%
2005	2010	Top 50 - Total	\$4,617.1	\$7,548	100%	\$7,551	\$12,297		9.3%
23	21	Societe General	\$66.3	\$112.8		\$112.5	\$191.3		10.1%
25	22	ING Group	\$56.8	\$96.6		\$110.0	\$187.0		12.8%
22	23	Bk of Montreal	\$71.3	\$121.1		\$103.8	\$176.5		7.1%
28	24	BP Edmund de Rothchild	\$47.1	\$80.1		\$99.1	\$168.4		14.5%
26	25	LGT	\$52.8	\$89.8		\$92.0	\$156.4		10.6%
37	26	EFG Intl	\$26.0	\$44.2		\$91.7	\$155.9		25.8%
18	27	Bank America	\$108.5	\$184.4		\$90.0	\$153.0		-3.3%
30	28	Raiffesen Banking Group	\$46.4	\$78.9		\$85.0	\$144.5		11.6%
32	29	BSI Bank	\$39.7	\$67.5		\$84.5	\$143.7		14.7%
38	30	RBC	\$22.2	\$37.8		\$75.0	\$127.5		24.8%
24	31	UBP	\$61.0	\$103.7		\$69.3	\$117.8		2.3%
33	32	Commerzbank	\$30.2	\$51.3		\$68.1	\$115.8		15.9%
2	33	Citigroup*	\$293.7	\$441.0		\$50.0	\$85.0		-25.9%
36	34	Bank Sarasin	\$27.3	\$46.4		\$49.6	\$84.4		11.5%
19	35	KBC/KBL	\$83.2	\$141.4		\$48.6	\$82.7		-9.3%
35	36	MM Warburg	\$27.4	\$46.6		\$48.2	\$82.0		10.8%
40	37	Standard Chartered	\$21.8	\$37.1		\$46.0	\$78.2		14.5%
31	38	RBS/Coutts	\$41.3	\$70.2		\$44.7	\$76.0		1.4%
42	39	Lloyds TSB	\$17.9	\$30.4		\$35.0	\$59.5		13.0%
41	40	Berenburg Bank	\$19.1	\$32.5		\$34.1	\$57.9		11.1%
46	41	Vontobel AG	\$15.8	\$26.9		\$31.6	\$53.8		13.4%
34	42	SEB	\$28.3	\$48.1		\$30.0	\$51.0		1.1%
45	43	Luzerner Cantonal	\$15.9	\$26.9		\$27.8	\$47.2		10.7%
39	44	Schroders	\$22.0	\$37.4		\$25.1	\$42.8		2.5%
49	45	OCBC (Sing)	\$6.0	\$10.2		\$22.4	\$38.0		27.0%
43	46	VP Bank	\$16.1	\$27.4		\$22.0	\$37.4		5.8%
47	47	Bankhaus Lampe	\$10.0	\$17.0		\$20.0	\$34.0		13.4%
44	48	Wegelin	\$16.0	\$27.2		\$14.0	\$23.8		-2.4%
48	49	Reuscheul &Co	\$8.0	\$13.6		\$11.0	\$18.7		6.0%
50	50	DZ Privatebank	\$5.3	\$9.0		\$8.0	\$13.6		7.8%

Source: Bank financial statements, industry interviews, JSH analysis

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**PRIVATE BANKING AUMS:
ALTERNATIVE ESTIMATES
(Scorpio, 2006-2010)**

(\$Billions)

	AUMS Top 10	AUMS Top 20
	2006	2010
	\$4,220	\$8,563
UBS	\$1,608.0	\$1,559.9
Credit Suisse	\$642.0	\$865.1
HSBC	\$408.0	\$390.0
Deutsche Bk	\$249.0	\$368.6
BNP Paribas	-	\$340.4
JPMorganChase	\$465.0	\$284.0
Morgan Stanley/ SSB*	\$450.0	\$1,628
Wells Fargo	\$206.0	\$1,398.0
Goldman Sachs	-	\$229.0
Pictet	\$192.0	\$267.7
Bank Leumi	na	na
Barclays	na	\$185.9
ABN Amro	na	\$220.1
TD Canada	na	na
Banque Julius Baer	na	\$181.7
Credit Agricole	na	\$171.0
Bk of New York	na	\$166.0
Northern Trust	na	\$154.4
Lombard Odier	na	\$153.1
Banco Santander	na	na

Source: Scorpio (2006, 2011)