



**MICHAEL WHITE ASSOCIATES**  
BANK INSURANCE CONSULTANTS



P R E S S R E L E A S E

## Bank Holding Companies Bring in \$4.2 Billion in Securities Brokerage Income in First Quarter

**FOR IMMEDIATE RELEASE** – Radnor, PA, July 31, 2007 – Bank holding company securities brokerage income totaled \$4.2 billion in first quarter 2007, according to the [Michael White-Symetra Bank Holding Company Fee Income Report™ \(BHC-FIR™\)](#).

The report, compiled by [Michael White Associates](#) and sponsored by [Symetra Financial](#), measures and benchmarks bank holding companies' performance in generating insurance, securities, annuity and mutual fund fee income. It is based on data reported by nearly 1,000 top-tier large bank holding companies, which are those with consolidated assets in excess of \$500 million.

So far this year, 54.6% of large BHCs engaged in securities brokerage activities and reported earning \$4.19 billion in commissions and fees from those activities. The first quarter of 2007 is the first time securities brokerage commission data has been available.

### TOP 15 BANK HOLDING COMPANIES IN SECURITIES BROKERAGE INCOME YEAR-TO-DATE AT MARCH 31, 2007 Nationally

RANK	SECURITIES BROKERAGE FEE INCOME AT MARCH 31, 2007	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
(ALL DOLLAR AMOUNTS IN THOUSANDS)					
1	\$624,000	JPMORGAN CHASE & CO.	NY	\$1,408,918,000	4.84%
2	\$485,000	WACHOVIA CORPORATION	NC	\$706,406,000	13.16%
3	\$400,391	MELLON FINANCIAL CORPORATION	PA	\$40,525,790	31.24%
4	\$359,000	WELLS FARGO & COMPANY	CA	\$485,901,000	8.37%
5	\$349,036	BANK OF AMERICA CORPORATION	NC	\$1,509,618,809	3.77%
6	\$322,000	TAUNUS CORPORATION	NY	\$536,664,000	13.04%
7	\$152,011	REGIONS FINANCIAL CORPORATION	AL	\$138,069,628	22.79%
8	\$89,595	ABN AMRO NO. AMERICA HOLDING	IL	\$156,420,349	31.01%
9	\$58,361	BB&T CORPORATION	NC	\$121,694,315	8.81%
10	\$53,324	BARCLAYS GROUP US INC.	DE	\$370,561,681	11.83%
11	\$52,000	THE BANK OF NEW YORK CO., INC	NY	\$99,960,000	3.54%
12	\$52,000	CITIGROUP INC.	NY	\$2,020,966,000	0.36%
13	\$51,874	HSBC NORTH AMERICA HOLDINGS INC.	IL	\$483,682,338	2.20%
14	\$51,439	PNC FINANCIAL SERVICES GRP., INC.	PA	\$122,586,871	4.74%
15	\$46,902	STATE STREET CORPORATION	MA	\$110,091,129	3.42%

Source: [Michael White-Symetra Bank Holding Company Fee Income Report](#)

Securities brokerage income includes fees and commissions from securities brokerage activities, from the sale and servicing of mutual funds, from the purchase and sale of securities and money market instruments where the bank holding company is acting as agent for other banking institutions or customers, and from the lending of

securities owned by the bank holding company or by bank holding company customers. Securities brokerage income does not include income from fiduciary activities, trading revenue, or fees and commissions from the sale of annuities (fixed, variable, and other) to bank holding company customers by the bank holding company or any securities brokerage subsidiary.

Among companies with significant banking activities, JPMorgan Chase & Co. (NY) topped the list with securities brokerage earnings of \$624.0 million as of March 31, 2007. Wachovia Corporation (NC) ranked second with \$485.0 million in securities brokerage income. Mellon Financial Corp. (PA) ranked third with \$400.4 million in securities brokerage revenue.

Bank holding companies over \$10 billion in assets had the highest participation (85.3%) in securities brokerage activities. These large BHCs produced \$4.09 billion in securities brokerage income and accounted for 97.7% of all BHC securities brokerage income earned in first quarter 2007.

Among BHCs under \$1 billion in assets, the top five in securities brokerage income in first quarter 2007 were First National Bankers Bancshares, Inc. (LA), Alerus Financial Corporation (ND), CCB Financial Corporation (MO), ISB Financial Corp. (IA), and Orrstown Financial Services, Inc. (PA).

Nationally, the ratio of mean securities brokerage income to noninterest income was 5.3%. This ratio of fee income concentration sheds light on how concentrated or meaningful securities brokerage is among BHCs' nonlending activities. Eight of the top 15 banks exceeded that mean ratio. Three of them reported securities brokerage income representing more than 20% of their noninterest income. Six of the top 15 banks had a ratio greater than 11%.

Not shown on the accompanying list of financial holding companies is The Charles Schwab Corporation, because it did not engage in significant banking activities.

### **About the *Michael White-Symetra Bank Holding Company Fee Income Report*<sup>™</sup>**

[Michael White Associates, LLC](http://www.BankInsurance.com) (MWA) is a consulting firm headquartered in Radnor, PA, and online at [www.BankInsurance.com](http://www.BankInsurance.com). The *Michael White-Symetra Bank Holding Company Fee Income Report*<sup>™</sup> (*BHC-FIR*<sup>™</sup>) ranks the nation's top 100 bank holding companies in insurance, securities, annuity and mutual fund fee income and the top 50 BHCs in these categories for each of eight asset-classes and six regions. The *BHC-FIR* and its companion report on banks, the *Michael White-Symetra Bank Fee Income Report*<sup>™</sup> (*Bank-FIR*<sup>™</sup>), are sponsored by [Symetra Financial](http://www.SymetraFinancial.com).

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