



**MICHAEL WHITE ASSOCIATES**  
BANK INSURANCE CONSULTANTS

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

## Bank Holding Company Securities Brokerage Income Hits \$16.4 Billion in First Half 2009

**FOR IMMEDIATE RELEASE** – Radnor, PA, November 11, 2009 – Bank holding company securities brokerage income totaled \$16.38 billion year-to-date at the end of second quarter 2009, up \$6.99 billion or 74.5% from \$9.39 billion in first half 2008, according to the *Michael White Bank Securities Brokerage Income Report*<sup>TM</sup>. Of that nearly \$7 billion increase in securities brokerage revenue, \$4.43 billion or 63.3% was contributed by two new bank holding companies (BHCs), Morgan Stanley (NY) and The Goldman Sachs Group, Inc. (NY). Bank of America Corporation's increase of \$3.34 billion in securities brokerage revenue was largely due to its acquisition of Merrill Lynch. Were it not for the circumstances of these three BHCs, the industry would have experienced a decline of 8.2%, as BHC securities brokerage revenue would have only reached \$8.61 billion.

Compiled by Michael White Associates (MWA), the report measures and benchmarks banks and bank holding companies' performance in generating securities brokerage fee income. It is based on data reported by all 7,402 commercial banks and FDIC-supervised savings banks and by 932 top-tier large bank holding companies with consolidated assets in excess of \$500 million operating on June 30, 2009.

### TOP 15 BANK HOLDING COMPANIES IN SECURITIES BROKERAGE FEE INCOME YEAR-TO-DATE JUNE 30, 2009 Nationally

RANK	SECURITIES BROKERAGE FEE INCOME		PERCENT CHANGE 2008 - 2009	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	2Q2009	2Q2008					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$5,055,984	\$1,719,545	194.03%	BANK OF AMERICA CORPORATION	NC	\$2,248,783,401	14.11%
2	\$2,356,000	N/A	N/A	MORGAN STANLEY	NY	\$674,474,000	26.39%
3	\$2,070,000	N/A	N/A	GOLDMAN SACHS GROUP, INC., THE	NY	\$885,348,000	10.91%
4	\$1,675,000	\$740,000	126.35%	WELLS FARGO & COMPANY	CA	\$1,284,114,000	8.32%
5	\$1,450,000	\$1,508,000	-3.85%	JPMORGAN CHASE & CO.	NY	\$2,026,642,000	6.01%
6	\$875,000	\$990,000	-11.62%	BANK OF NEW YORK MELLON CORP	NY	\$203,246,000	17.63%
7	\$689,686	\$365,451	88.72%	BARCLAYS GROUP US INC.	DE	\$323,685,026	23.73%
8	\$483,000	\$589,000	-18.00%	TAUNUS CORPORATION	NY	\$366,350,000	14.54%
9	\$337,058	\$346,202	-2.64%	REGIONS FINANCIAL CORPORATION	AL	\$142,824,610	16.29%
10	\$318,911	\$279,420	14.13%	STIFEL FINANCIAL CORP.	MO	\$2,287,993	68.33%
11	\$133,313	\$130,087	2.48%	BB&T CORPORATION	NC	\$152,398,410	7.38%
12	\$123,022	\$116,648	5.46%	STATE STREET CORPORATION	MA	\$152,921,189	4.17%
13	\$83,324	\$74,328	12.10%	KEYCORP	OH	\$97,398,309	7.76%
14	\$75,779	\$102,443	-26.03%	HSBC NO. AMERICA HOLDINGS INC.	IL	\$383,820,898	3.18%
15	\$66,017	\$82,525	-20.00%	SUNTRUST BANKS, INC.	GA	\$176,854,034	2.93%

Source: The *Michael White Bank Securities Brokerage Income Report*<sup>TM</sup>

So far this year, 56.9% of large BHCs engaged in securities brokerage activities. They reported earning \$9.52 billion in commissions and fees from those activities in the second quarter, a 38.8% increase over the \$6.86 billion earned in the first quarter of 2009.

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 to BHC customers by the bank holding company or any securities brokerage subsidiary.

Bank of America Corporation (NC) topped the list with securities brokerage earnings of \$5.06 billion as of June 30, 2009, helped by its acquisition of Merrill Lynch. Morgan Stanley (NY) and Goldman Sachs Group, Inc. (NY), both recently approved as bank holding companies, ranked, respectively, second with \$2.36 billion and third with \$2.07 billion in securities brokerage revenue. Wells Fargo & Company (CA) stood fourth with \$1.68 billion, helped by its acquisition of Wachovia Corporation; and JPMorgan Chase & Co. (NY) ranked fifth with \$1.45 billion.

Bank holding companies over \$10 billion in assets had the highest participation (81.3%) in securities brokerage activities. These large BHCs produced \$15.88 billion in securities brokerage income, up 79.2% from \$8.86 billion in first half 2008. They accounted for 97.0% of all BHC securities brokerage income earned in first half 2009, a share up 2.6 percentage points from last year.

BHCs with assets between \$1 billion and \$10 billion recorded a decrease of 5.4% in securities brokerage income in first half 2009, declining from \$496.6 million in first half 2008 to \$469.9 million. The top 5 leaders in this asset class were Stifel Financial Corp. (MO), Santander Bancorp. (PR), Plains Capital Corporation (TX), Independent Bankers Financial Corporation (TX), and Centerstate Banks, Inc. (FL).

Among BHCs with assets between \$500 million and \$1 billion which saw a 14.0% decline in their securities business to \$26.6 million in first half 2009 from \$30.9 million in 2008, the top five were United Bankers' Bancorporation, Inc. (MN), Alerus Financial Corporation (ND), Bankers' Bancorp, Inc. (IL), The Tampa Banking Company (FL), and CCB Financial Corporation (MO).

### **About Michael White Associates (MWA)**

Michael White Associates, LLC (MWA) is a consulting firm headquartered in Radnor, PA, and online at [www.BankInsurance.com](http://www.BankInsurance.com). The *Michael White Bank Securities Brokerage Income Report*<sup>™</sup> ranks the nation's top 100 bank holding companies in securities brokerage income and the top 50 BHCs in these categories for each of eight asset-classes and six regions. MWA also publishes the *Michael White-Prudential Bank Insurance Fee Income Report*<sup>™</sup> and *Michael White-ABIA Bank Annuity Fee Income Report*<sup>™</sup>, which provide, respectively, comprehensive analyses of bank insurance brokerage and bank annuity commission income. Additionally, the *MWA Fee Income Ratings Reports*<sup>™</sup> compare, rank and rate a particular financial institution's insurance or other noninterest fee income program nationally, regionally, statewide and in its asset-peer group. Copies of MWA reports can be ordered by calling (610) 254-0440, or by visiting [www.BankInsurance.com](http://www.BankInsurance.com).

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