

Franchise strength, with a more qualified earnings and capital-return outlook

1 | KEY RESULTS VS. CONSENSUS

Metric	Reported	Consensus	vs. Cons.
Adjusted Revenue	\$50.91 billion	\$51.37 billion	-0.9%
Net Income (vs. Year Ago)	\$15.3 billion	\$14.4 billion	+6.3%
Diluted EPS (vs. Year Ago)	\$5.57	\$5.07	+9.9%
Managed Net Interest Income	\$27.15 billion	\$26.87 billion	+1.0%
FICC Sales & Trading Revenue	\$5.37 billion	\$6.00 billion	-10.5%
Equities Sales & Trading Revenue	\$4.95 billion	\$4.47 billion	+10.7%
MARKETS AND BALANCE SHEET			
Investment Banking Revenue	\$3.10 billion	\$3.27 billion	-5.2%
Noninterest Expenses	\$27.30 billion	\$27.18 billion	+0.4%

2 | GUIDANCE AND OUTLOOK

Management raised 2026 guidance: NII ex-Markets to approximately \$97.2 billion from \$96.5 billion, total NII to \$106.2 billion, and adjusted expenses to \$108.6 billion, up \$1.1 billion against \$700 million per income measure. Q4 guidance: approximately \$25.5 billion of NII ex-Markets, \$28 billion of total NII, and \$27.5 billion of expenses. The initial 2027 central case is approximately \$107 billion of NII ex-Markets. The card net charge-off outlook near 3.2% was maintained.

3 | EARNINGS ANALYSIS

HEADLINE GROWTH, NEGATIVE OPERATING LEVERAGE. Net income was \$15.3 billion and EPS \$5.57, with ROTCE of 20%. Managed revenue rose 8% to \$50.9 billion, but expenses rose 12% to \$27.3 billion, so managed pre-provision profit grew only about 3.4%, from \$22.8 billion to \$23.6 billion, and the expense ratio deteriorated from about 51.5% to 53.6%. A roughly \$660 million reduction in provision expense supplied about 46% of the increase in managed pretax profit. More than half of the dollar increase in total NII came from Markets NII, while NII excluding Markets grew only about 6%.

THE SECURITIES LOSS DOES NOT EXPLAIN THE GAP. The \$658 million investment securities loss was pretax, with a \$498 million after-tax impact and a \$0.18 EPS effect. Excluding it, net income was approximately \$15.8 billion, EPS \$5.75, and ROTCE 21%. Reported EPS of \$5.57 still trailed the \$5.85 LSEG consensus cited by Reuters and the \$5.93 estimate cited by Barron's, and the adjusted \$5.75 remained below both: not a clean beat obscured by one item.

2027 GROWTH IS HALF CARRYOVER. The initial 2027 central case of approximately \$107 billion of NII ex-Markets is 10.1% above the updated 2026 outlook, but fourth-quarter guidance annualizes to \$102 billion, so incremental growth from the exit rate is about \$5 billion, or 4.9%. About 75% of that increase is balance-sheet growth and mix, and about 25% the forward curve. Dimon cautioned there is more uncertainty around the number than normal. The roughly \$114 billion expense figure is consensus management called broadly reasonable, not a budget.

CAPITAL SHIFTS FROM BUYBACKS TO DEPLOYMENT. Net repurchases fell to \$664 million, against roughly \$1 billion of gross activity, as management argued retained capital can now be redeployed at very good returns. The standardized CET1 ratio declined to 13.9% from a finalized 14.2% in Q2, as risk-weighted assets rose about \$52 billion. The approximately \$30 billion excess-capital estimate depends partly on regulatory outcomes and is not a committed distribution pool; deployment returns must now be demonstrated.

SEGMENTS DIVERGED INSIDE THE INVESTMENT BANK. Consumer and Community Banking earned \$5.7 billion on \$21.2 billion of revenue, up 9%, with about 650,000 net new checking accounts. The Commercial and Investment Bank earned \$8.2 billion: equities revenue rose 49% on prime brokerage and derivatives, fixed income fell 4%, and investment banking fees rose 14%. Sequentially, Markets revenue fell about 15% after the September rate sell-off, while advisory rose about 21%. Asset and Wealth Management revenue rose 14% to \$6.9 billion.

4 | KEY READ-THROUGHS

AI INFRASTRUCTURE: FINANCING CONCENTRATION DESPITE CONTRACTED DEMAND
CoreWeave (CRWV) | Negative | High for marginal project returns and equity funding needs

Barnum emphasized aggregating direct and indirect issuer exposure, evaluating collateral and capital-structure position, and stressing the entire AI theme. CoreWeave's March 2026 facility provided up to \$8.5 billion secured by computing infrastructure and a customer contract. If lenders approach concentration limits, the mechanism is higher spreads, lower advance rates, added equity, or slower completion.

ENTERPRISE AI: MODEL ROUTING WEAKENS PREMIUM PRICING POWER
Microsoft (MSFT), Alphabet (GOOGL), Amazon.com (AMZN) | Negative for premium pricing; relative positive for multi-model platforms | Moderate
Barnum described minimizing lock-in and maximizing optionality; routing should select the best, quickest, cheapest. When a cheaper model can be substituted without impairing the result, frontier capability does not automatically carry frontier pricing. Platforms retaining the workload across model changes, including AWS Bedrock, Microsoft Foundry, and Google's multi-model access, are the relative beneficiaries.

BANKS AND BROKERS: RETAINING ASSETS DOES NOT PRESERVE LOW-COST FUNDING
Charles Schwab (SCHW), Bank of America (BAC) | Negative | Moderate for funding economics through 2027

Management rejected the view that cash sorting has already occurred: higher rates encourage migration from checking and savings into certificates of deposit, lifting the weighted-average cost of deposits. Schwab can retain client assets while losing low-cost bank funding to money-market funds. For Bank of America, most of JPMorgan's 2027 NII growth was balance growth and mix.

SECURITIES FIRMS: PRIME FINANCING IS THE CLEANEST POSITIVE READ-THROUGH
Morgan Stanley (MS), Goldman Sachs Group (GS) | Positive | Moderate to material at the business-line level

JPMorgan's equities revenue rose 49%, with prime brokerage and derivatives specifically strong, amid exceptionally strong demand for capital in the markets franchise. The mechanism is client financing balances, securities lending, and derivatives intermediation. Goldman's third-quarter equities revenue rose 72% on financing and derivatives. Planning assumes a normal seasonal Q4 decline.