

JPMORGAN CHASE NYSE-JPM										RECENT PRICE	53.34	P/E RATIO	10.3 (Trailing: 13.3 Median: 11.0)	RELATIVE P/E RATIO	0.56	DIV'D YLD	3.0%	VALUE LINE														
TIMELINESS	3	Lowered 10/25/13	High: 38.3	43.8	40.6	49.0	53.3	50.6	47.5	48.2	48.4	46.5	58.6	61.5					Target Price	2017	2018	2019										
SAFETY	3	Lowered 11/21/08	Low: 20.1	34.6	32.9	37.9	40.2	19.7	15.0	35.2	27.8	30.8	44.2	53.3																		
TECHNICAL	2	Raised 5/9/14	LEGENDS 11.0 x Earnings p sh Relative Price Strength Options: Yes Shaded area indicates recession																													
BETA	1.15	(1.00 = Market)																														
2017-19 PROJECTIONS																																
Price	95	Gain (+80%)	Ann'l Total Return																													
High	95		18%																													
Low	65		8%																													
Insider Decisions																																
J	J	A	S	O	N	D	J	F																								
to Buy	0	0	0	0	0	0	0	1																								
Options	0	2	3	0	1	0	0	7																								
to Sell	0	7	1	0	1	1	0	9																								
Institutional Decisions																																
2Q2013	3Q2013	4Q2013																														
to Buy	734	752	837																													
to Sell	747	725	760																													
Hld's(000)	2774	1632	7618	2792	372																											
Percent shares traded	30	20	10																													
1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC			17-19											
2.82	4.18	2.86	.81	.80	3.24	2.86	2.95	3.82	4.38	.84	2.24	3.96	4.48	5.20	4.35	5.30	5.90	Earnings per sh ^A			7.25											
.96	1.09	1.28	1.36	1.36	1.36	1.36	1.36	1.36	1.48	1.52	.20	.20	1.00	1.20	1.44	1.58	1.66	Div'ds Decl'd per sh ^B			1.90											
17.93	18.29	21.17	20.32	20.66	22.10	29.61	30.71	33.45	36.59	36.15	39.88	43.04	46.60	51.27	53.25	56.20	60.70	Book Value per sh ^C			77.00											
1272.0	1240.8	1928.5	1973.4	1998.7	2042.6	3556.2	3486.7	3461.7	3367.4	3732.8	3942.0	3910.3	3771.8	3803.5	3756.1	3700.0	3650.0	Common Shs Outst'g ^D			3450.0											
14.8	12.7	17.2	53.3	36.1	9.7	13.5	12.2	11.5	10.9	47.2	15.8	10.2	8.8	7.5	11.9	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio			11.0											
.77	.72	1.12	2.73	1.97	.55	.71	.65	.62	.58	2.84	1.05	.65	.55	.48	.66			Relative P/E Ratio			.70											
2.3%	2.1%	2.6%	3.1%	4.7%	4.3%	3.5%	3.8%	3.1%	3.1%	3.8%	.6%	.5%	2.5%	3.1%	2.8%			Avg Ann'l Div'd Yield			2.4%											
CAPITAL STRUCTURE as of 3/31/14																																
LT Debt \$274.5 bill. Due in 5 Yrs \$192.3 bill.										1157248	1198942	1351520	1562147	2175052	2031989	2117605	2265792	2359141	2415689	2550000	2650000	Total Assets (\$mill)	3000000									
LT Interest \$4.7 bill.										394794	412058	475848	510140	721734	601856	660661	696111	711860	722154	750000	780000	Loans (\$mill)	870000									
LT Debt incl. \$10.4 bill. junior subordinated deferrable interest debentures held by trusts that guaranteed capital securities										16761	19831	21242	26406	38779	51152	51001	47689	44910	43319	44250	47750	Net Interest Inc (\$mill)	55500									
Pension Assets-12/13 \$17.9 bill. Oblig. \$14.2 bill.										2544.0	3483.0	3270.0	6864.0	20979	32015	16639	7574.0	3385.0	225.0	4500	6000	Loan Loss Prov'n (\$mill)	10000									
Pfd Stock \$15.083 bill. Pfd Div'd \$908 mill.										26336	34702	40195	44966	28473	49282	51693	49545	52121	53287	50000	52500	Noninterest Inc (\$mill)	59000									
Common Stock 3,784,700,000 shares										29294	35549	38281	41703	43500	52352	61196	62911	64729	70467	58800	60500	Noninterest Exp (\$mill)	65500									
MARKET CAP: \$202 bill. (Large Cap)										8211.0	10521	13649	15365	3699.0	11652	17370	18976	21284	17923	21650	23625	Net Profit (\$mill)	27300									
ASSETS(\$mill.)										27.1%	32.1%	31.4%	32.6%	--	27.5%	30.1%	29.1%	26.4%	30.8%	30.0%	30.0%	Income Tax Rate	30.0%									
Loans	711860	722154	715124																													
Funds Sold	296296	248116	265168																													
Securities	940197	840132	849075																													
Other Earning	121814	316051	372531																													
Other	288974	289236	275088																													
LIABILITIES(\$mill.)																																
Deposits	1193593	1287765	1282705																													
Funds Borrowed	322106	267005	310218																													
Long-Term Debt	249024	267889	274512																													
Net Worth	204069	211178	219655																													
Other	390349	381852	389896																													
Total	2359141	2415689	2476986																													
Loan Loss Resrv.	21936	16264	15847																													
ANNUAL RATES										105718	162083	161814	199010	270683	266318	247669	256775	249024	267889	280000	300000	Long-Term Debt (\$mill)	350000									
Past 10 Yrs.	Past 5 Yrs.	Past Est'd '11-'13																														
of change (per sh)	10 Yrs.	5 Yrs.	to '17-'19																													
Loans	6.0%	3.0%	5.0%																													
Earnings	11.0%	9.0%	7.5%																													
Dividends	-1.0%	-3.5%	8.0%																													
Book Value	9.0%	7.5%	7.5%																													
Total Assets	5.5%	5.5%	6.0%																													
Cal-endar	LOANS (\$ mill.)																															
Mar.31	Jun.30	Sep.30	Dec.31																													
2011	656246	661216	668503	696111																												
2012	695096	703780	699123	711860																												
2013	708106	706202	711008	721254																												
2014	715124	730000	737000	750000																												
2015	745000	760000	767000	780000																												
Cal-endar	EARNINGS PER SHARE ^A																															
Mar.31	Jun.30	Sep.30	Dec.31																													
2011	1.28	1.27	1.02	.90																												
2012	1.19	1.21	1.40	1.39																												
2013	1.59	1.60	d.17	1.30																												
2014	1.28	1.25	1.35	1.42																												
2015	1.40	1.45	1.50	1.55																												
Cal-endar	QUARTERLY DIVIDENDS PAID ^B																															
Mar.31	Jun.30	Sep.30	Dec.31																													
2010	.05	.05	.05	.05																												
2011	.05	.25	.25	.25																												
2012	.25	.30	.30	.30																												
2013	.30	.30	.38	.38																												
2014	.38	.38																														

BUSINESS: JPMorgan Chase & Co. is a global financial services firm with operations in over 60 nations. Over 5,600 branches. Merged with Washington Mutual, 9/08; Bank One, 7/04. Operations include investment banking, treasury & securities services, asset management, commercial banking, retail financial services, card services, and private equity investment. Net loan losses: .81% of average loans in '13. On 3/31/14, loan loss reserve, 2.17% of loans; nonperforming assets (excluding 90-day past due), 1.31%. Had 246,994 employees on 3/31/14. Directors & officers own less than 1% of common stock (proxy, 4/14). Chairman & CEO: James Dimon. Inc.: DE. Address: 270 Park Ave., NY, NY 10017. Tel.: 212-270-6000. Internet: www.jpmorganchase.com.

JPMorgan's disappointing start to 2014 was largely driven by weak trading and mortgage revenues. Credit trends were mostly favorable in the March quarter, but reductions in loan loss reserves were smaller than in the year-earlier period. Despite investments to strengthen controls, JPMorgan reined in expenses, and legal costs weren't material. **The company views 2014 as a transition year.** Among the changes under way, it is adapting operations to new regulations and transforming the mortgage business to a smaller, more profitable entity. It is on track to reduce the employee count in consumer and mortgage banking by 5,000 by yearend, and is using technology to raise branch efficiency. These measures will take time to pay off. **Meanwhile, the operating climate is unfavorable.** The business loan pipeline has strengthened, but competition remains intense. The mortgage business is expected to log a pretax loss in 2014. And the company recently warned that trading income will fall 20% in the June period compared to the 17% drop in the March term. **But JPMorgan expects to hold ex-**

penses below \$59 billion in 2014. The quarterly pattern may be lumpy, but we assume legal costs will decline in 2014 from the over \$11 billion in 2013 (\$9 billion, or \$1.85 a share, in 2013's September quarter alone). Releases of loan loss reserves are likely to be smaller. But stock repurchases ought to boost share net in the second half. Still, given the weak March-quarter showing, we've lowered our 2014 share-net estimate by \$0.70, to \$5.30. In 2015, we look for a little better client activity, slight margin improvement, ongoing expense initiatives, and share repurchases to support share net of \$5.90. **The recent pullback in JPMorgan shares has created a good entry point for patient investors willing to put up with occasional volatility.** The company has solid positions in its markets, and it should benefit when better economic growth lifts client activity and higher interest rates support wider net interest margins. After passing the 2014 government bank stress test, JPMorgan said it planned to raise the quarterly dividend to \$0.40 a share.

Theresa Brophy

May 16, 2014