JPMORGAN CHASE NYSE-JPM

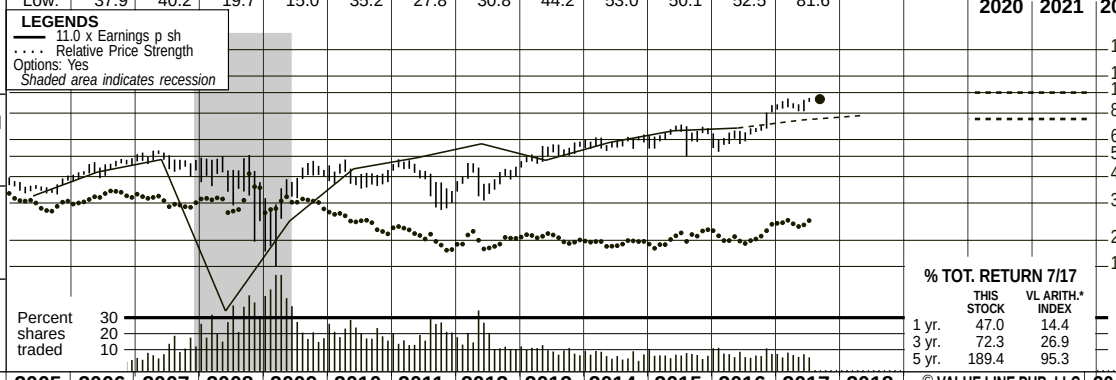
RECENT PRICE **93.03** | P/E RATIO **13.8** (Trailing: 13.8 Median: 11.0) | RELATIVE P/E RATIO **0.69** | DIV'D YLD **2.4%** | VALUE LINE

TIMELINESS 2 Raised 7/28/17
SAFETY 2 Raised 8/11/17
TECHNICAL 3 Raised 7/28/17
BETA 1.15 (1.00 = Market)

High:	49.0	53.3	50.6	47.5	48.2	48.4	46.5	58.6	63.5	70.6	87.4	94.5
Low:	37.9	40.2	19.7	15.0	35.2	27.8	30.8	44.2	53.0	50.1	52.5	81.6

Target Price Range
2020 | 2021 | 2022

LEGENDS
— 11.0 x Earnings p sh
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+5%)	4%
Low	75	(-20%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	11	2	0	22	0	0	9	1
to Sell	0	4	0	0	8	0	0	2	1

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	842	890	913
to Sell	888	1014	1062
Hld's(000)	2579567	2682979	2877057

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	47.0	14.4
3 yr.	72.3	26.9
5 yr.	189.4	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
.81	.80	3.24	2.86	2.95	3.82	4.38	.84	2.24	3.96	4.48	5.20	4.35	5.29	6.00	6.19	*6.75*	*7.10*	Earnings per sh A	*8.10*
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	1.72	1.88	*2.18*	*2.30*	Div'ds Decl'd per sh B■	*2.60*
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	57.08	60.46	64.06	*68.10*	*72.80*	Book Value per sh C	*88.00*
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	3714.0	3663.5	3561.2	*3500.0*	*3460.0*	Common Shs Outst'g D	*3300.0*
NMF	36.1	9.7	13.5	12.2	11.5	10.9	NMF	15.8	10.2	8.8	7.5	11.9	11.0	10.6	10.2	*Bold figures are*		Avg Ann'l P/E Ratio	*11.0*
NMF	1.97	.55	.71	.65	.62	.58	NMF	1.05	.65	.55	.48	.67	.58	.53	.54	*Value Line*		Relative P/E Ratio	*.70*
3.1%	4.7%	4.3%	3.5%	3.8%	3.1%	3.1%	3.8%	.6%	.5%	2.5%	3.1%	2.8%	2.7%	2.7%	2.9%	*estimates*		Avg Ann'l Div'd Yield	*2.9%*

CAPITAL STRUCTURE as of 6/30/17

LT Debt $292.9 bill. **Due in 5 Yrs** $192.7 bill.
LT Interest $6.8 bill.
LT Debt incl. $4.0 bill. junior subordinated deferrable interest debentures held by trusts that guaranteed capital securities
Pension Assets-12/16 $17.7 bill. **Oblig.** $15.6 bill.

Pfd Stock $26.068 bill. **Pfd Div'd** $1.644 bill.

Common Stock 3,519,000,000 shares

MARKET CAP: $327 bill. (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1562147	2175052	2031989	2117605	2265792	2359141	2415689	2573126	2351698	2490972	*2675000*	*2850000*	Total Assets ($mill)	*3300000*
510140	721734	601856	660661	696111	711860	722154	743151	823744	880989	*940000*	*1020000*	Loans ($mill)	*1275000*
26406	38779	51152	51001	47689	44910	43319	43634	43510	46083	*49500*	*53500*	Net Interest Inc ($mill)	*63000*
6864.0	20979	32015	16639	7574.0	3385.0	225.0	3139.0	3827.0	5361.0	*6000*	*6500*	Loan Loss Prov'n ($mill)	*8000*
44966	28473	49282	51693	49545	52121	53287	50571	50033	49585	*51000*	*49500*	Noninterest Inc ($mill)	*53000*
41703	43500	52352	61196	62911	64729	70467	61274	59014	55771	*58500*	*59000*	Noninterest Exp ($mill)	*67000*
15365	3699.0	11652	17370	18976	21284	17923	21762	24442	24733	*26000*	*26775*	Net Profit ($mill)	*29000*
32.6%	- -	27.5%	30.1%	29.1%	26.4%	30.8%	27.0%	20.4%	28.4%	*27.0%*	*28.0%*	Income Tax Rate	*28.0%*
.98%	.18%	.57%	.82%	.85%	.90%	.74%	.85%	1.04%	.99%	*.95%*	*.95%*	Return on Total Assets	*.90%*
199010	270683	266318	247669	256775	249024	267889	276836	288651	295245	*305000*	*315000*	Long-Term Debt ($mill)	*400000*
123221	166884	165365	176106	183573	204069	211178	232065	247573	254190	*264500*	*278000*	Shr. Equity ($mill)	*316500*
7.9%	7.9%	8.1%	8.3%	8.1%	8.7%	8.7%	9.0%	10.5%	10.2%	*10.0%*	*10.0%*	Shr. Eq. to Total Assets	*9.5%*
32.7%	33.2%	29.6%	31.2%	30.7%	30.2%	29.9%	28.9%	35.0%	35.4%	*35.0%*	*36.0%*	Loans to Tot Assets	*38.5%*
12.5%	2.2%	7.0%	9.9%	10.3%	10.4%	8.5%	9.4%	9.9%	9.7%	*10.0%*	*9.5%*	Return on Shr. Equity	*9.0%*
8.3%	NMF	6.0%	9.4%	8.1%	8.2%	5.8%	6.9%	7.4%	7.0%	*6.5%*	*7.0%*	Retained to Com Eq	*6.5%*
34%	NMF	18%	9%	25%	25%	36%	33%	33%	34%	*36%*	*36%*	All Div'ds to Net Prof	*35%*

ASSETS($mill.)	2015	2016	6/30/17
Loans	823744	880989	895404
Funds Sold	212575	229967	218570
Securities	733387	757598	761176
Other Earning	340015	365762	427380
Other	241977	256656	260644
LIABILITIES($mill.)			
Deposits	1279715	1375179	1439473
Funds Borrowed	189345	200109	218764
Long-Term Debt	288651	295245	292973
Net Worth	247573	254190	258483
Other	346414	366249	353481
Total	2351698	2490972	2563174
Loan Loss Resrv.	13555	13776	13363

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Loans	6.5%	6.0%	*9.5%*
Earnings	6.0%	10.5%	*5.5%*
Dividends	2.5%	NMF	*7.0%*
Book Value	7.0%	7.0%	*6.5%*
Total Assets	6.5%	4.0%	*6.5%*

Cal-endar	LOANS ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31
2014	715124	731657	728368	743151
2015	750120	777332	795991	823744
2016	833319	858577	873850	880989
2017	882561	895404	*915000*	*940000*
2018	*960000*	*980000*	*1000000*	*1020000*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.28	1.46	1.36	1.19	5.29
2015	1.45	1.54	1.68	1.32	6.00
2016	1.35	1.55	1.58	1.71	6.19
2017	1.65	1.82	*1.65*	*1.63*	*6.75*
2018	*1.72*	*1.77*	*1.83*	*1.78*	*7.10*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.30	.30	.38	.38	1.36
2014	.38	.38	.40	.40	1.56
2015	.40	.40	.44	.44	1.68
2016	.44	.44	.48	.48	1.84
2017	.48	.50	.50	.56	

BUSINESS: JPMorgan Chase & Co. is a global financial services firm with operations in over 60 nations. As of 6/30/17, 5,217 branches. Merged with Washington Mutual, 9/08; Bank One, 7/04. Operations include consumer & community banking, corporate & investment banking, commercial banking, and asset management. Net loan losses: .54% of average loans in '16. On 6/30/17, loan loss reserve, 1.47% of loans; nonaccrual loans (excluding 90-day past due), .71%. Had 249,257 employees on 6/30/17. Directors & officers own less than 1% of common stock; BlackRock, 6.6%; The Vanguard Group, 6.6% (Proxy, 4/17). Chairman & CEO: James Dimon. Inc.: DE. Address: 270 Park Ave., NY, NY 10017. Tel.: 212-270-6000. Internet: www.jpmorganchase.com.

As usual, strength in some of JPMorgan's businesses in the June quarter offset lower profits in others. A 16% year-to-year decline in Consumer & Community Banking profits was offset by increases in other segments. Consumer profits were hurt by higher new credit card origination costs, lower mortgage revenues, and a buildup in the credit card loan loss reserve, among other items. But Corporate & Investment Banking results rose despite a 19% decline in fixed-income markets revenues caused by lower market volatility and tigher credit spreads compared to the 2016 June term, when the United Kingdom decided to leave the European Union. Commercial Banking and Asset Management turned in record profits. Results were also helped by an $0.11-a-share legal gain and releases of reserves for loans to oil companies.

Management has tempered its near-term expectations. Fixed-income markets revenues face tough year-to-year comparisons in the September period. Too, the company lowered its outlook for loan growth this year, from 10% to 8%. It also doesn't expect net interest income in 2017 to increase as much as earlier forecast owing to a narrowing of the margin between short- and long-term interest rates.

JPMorgan still has much working in its favor, however. Credit card account origination costs tied to the growth of its new *Sapphire* card are due to moderate, and card revenue growth ought to pick up. Commercial Banking should continue to benefit from bankers and offices added in recent years. The backlog of merger and advisory work at midyear was healthy. Less certain are prospects for positive tax law changes and higher infrastructure spending, which ought to boost small business lending. Net interest income should benefit if the interest-rate yield curve turns more favorable. Owing to the strong first half, we have raised our share-net estimate for 2016 by $0.30, to $6.75. We look for 2018 results to slightly top $7.00.

JPMorgan's modestly above-average dividend yield reflects a quarterly payout that was recently raised 12%, to $0.56 a share. But given the timely stock's strong run-up since mid-2016, its potential to 2020-2022 is very limited.

Theresa Brophy *August 11, 2017*

(A) Diluted earnings. Quarterly earnings per share in '15 do not sum due to change in shares. Excludes unusual expenses: '04, $1.31; '05, $0.57. Excludes income from discontinued operations: '06, $0.17. Excl. extraordinary gain: '08, $0.53; '09, $0.02. Incl. legal charge: Q3 '13, ($1.85). Next earnings report mid-Oct.

(B) Dividends historically paid late Jan., Apr., July, Oct. ■ Div'd reinvestment plan available. (C) Incl. intangibles: on 6/30/17, $53.9 bill., $15.31/sh. (D) In millions.

Company's Financial Strength	A
Stock's Price Stability	80
Price Growth Persistence	55
Earnings Predictability	65

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