STANDARD & POOR'S RATINGS SERVICES
McGRAW HILL FINANCIAL

U.S. Global Systemically Important Bank Holding Companies Downgraded Based On Uncertain Likelihood Of Government Support

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OVERVIEW

Based on our review of progress made toward putting in place a viable U.S. resolution plan, we now consider the likelihood that the U.S. government would provide extraordinary support to its banking system to be "uncertain" and are removing the uplift based on government support from our ratings.

As a result, we are lowering by one notch our ratings on the nonoperating holding companies (NOHC) of all eight U.S. global systemically important banks: Bank of America Corp., Bank of New York Mellon Corp., Citigroup Inc., JPMorgan Chase & Co., Morgan Stanley, State Street Corp., The Goldman Sachs Group, and Wells Fargo & Co. The rating outlooks on these NOHCs are stable.

Due to the construct of the U.S. resolution regime, in which NOHC creditors could ultimately provide support to the operating entities, our ratings on all eight of these banks' core and highly strategic operating subsidiaries remain unchanged, as these ratings now all include one notch of uplift from the implementation of our additional loss-absorbing capacity (ALAC) criteria.

We are keeping our ratings on the core and highly strategic operating subsidiaries of Bank of America Corp., Citigroup Inc., Morgan Stanley, and The Goldman Sachs Group on CreditWatch with positive implications as we await sufficient clarity from regulators on which instruments will count toward total loss-absorbing capacity, which may result in an additional notch of uplift under our ALAC criteria for these banks.

Finally, we have concluded our review of our treatment of nondeferrable subordinated debt for U.S. banks. We will now treat these instruments as hybrid capital based on our view that due to a more strict interpretation of certain legal provisions in these notes, and because we expect creditors to be the frontline of defense for a nonviable bank, it is possible that these instruments could absorb losses without provoking a default on senior unsecured debt.

RATING ACTION

On Dec. 2, 2015, Standard & Poor's Ratings Services took the following rating actions on the eight U.S. global systemically important banks (GSIBs):

We lowered our nonoperating holding company (NOHC) ratings, including our long-term issuer credit, senior unsecured, and nondeferrable subordinated debt (NDSD) ratings, on all eight U.S. GSIBs: Bank of America Corp., Bank of New York Mellon Corp., Citigroup Inc., JPMorgan Chase & Co., Morgan

Stanley, State Street Corp., The Goldman Sachs Group, and Wells Fargo & Co. We removed these ratings from CreditWatch, where we placed them on Nov. 2 with negative implications. The rating outlooks on all eight NOHCs are stable.
We lowered our short-term rating on the NOHC of JPMorgan Chase & Co. to 'A-2' from 'A-1'. We affirmed the short-term issuer credit ratings on the NOHCs of the other seven GSIBs.
We lowered our ratings on the NDSD of the operating subsidiaries of Bank of America Corp., Bank of New York Mellon Corp., JPMorgan Chase & Co., State Street Corp., and Wells Fargo & Co., and removed the ratings from CreditWatch, where they were placed on Nov. 2. We do not rate any NDSD at the operating companies of Citigroup Inc., Morgan Stanley, or The Goldman Sachs Group.
We are keeping our issuer credit ratings (ICRs) and senior unsecured debt ratings on the core and highly strategic operating subsidiaries of Bank of America Corp., Citigroup Inc., Morgan Stanley, and The Goldman Sachs Group on CreditWatch with positive implications, reflecting a possible additional one-notch upgrade once we have sufficient clarity from regulators on which instruments will count toward total loss-absorbing capacity (TLAC). We placed the ratings on CreditWatch on Nov. 2.
Our ratings on the core and highly strategic operating subsidiaries of Bank of New York Mellon Corp., JPMorgan Chase & Co., State Street Corp., and Wells Fargo & Co. remain unchanged. The outlooks on those entities remain stable.

RATIONALE

The rating actions reflect our revised assessment of the U.S. government's likelihood of providing extraordinary support to the banking system to "uncertain" from "supportive." We believe the U.S. resolution framework is now "effective," which implies that the probability that a U.S. GSIB would receive extraordinary government support if it came under stress is lower. Although we do not rule out the possibility that a U.S. GSIB could receive extraordinary government support if an orderly liquidation proved more disruptive than expected, the predictability of such support, in our view, has significantly declined such that we view it as uncertain.

Our change in view follows the Federal Reserve's recently released notice of proposed rulemaking (NPR), which outlined the TLAC requirements for U.S. GSIBs. The amount of TLAC that U.S. GSIBs will be required to hold was one of the key factors in whether we would deem the U.S. as having an effective and actionable resolution regime.

The Federal Reserve's TLAC rules, which we expect will be finalized in 2016, will require banks to maintain, at their NOHCs, minimum levels of capital and long-term debt that can be bailed in to absorb potential losses from subsidiaries and to recapitalize the operating and new bridge holding companies. This aims to limit the systemic impact that the failure of a single institution might have on financial markets while also avoiding taxpayer support of the GSIBs, a key cornerstone of Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and its establishment of an Orderly Liquidation Authority (OLA). This process--the single point of entry approach favored by the U.S. resolution framework--puts NOHC creditors at risk while reducing the likelihood that operating subsidiary creditors will take losses.

In addition to the minimum TLAC requirement, we also believe that other key hurdles in regard to the U.S. resolution regime have now been addressed. Specifically, there is improved (although not complete) transparency around the bail-in characteristics and proposed hierarchy of different securities among NOHCs and their operating subsidiaries. In addition, progress has been made in regard to settlement practices for cross-border liabilities, such as the International Swaps and Derivatives Association protocol to restrict stays (via cross defaults) while entities are in resolution.

With our revised assessment of the likelihood the U.S. government would provide extraordinary support for the banking system as uncertain, we now, in line with our criteria, incorporate the benefits of support from ALAC, a Standard & Poor's measure that has similarities to TLAC. These criteria determine the degree of uplift that the loss-absorbing instruments currently in place, or expected to be in place, at the NOHC level provide to our ICRs at the operating subsidiaries.

We are uncertain, though, which instruments will ultimately count as TLAC eligible. Specifically, it is unclear whether legacy senior unsecured long-term debt instruments, including those issued between the dates of the proposed and final rule, with certain standard features, such as acceleration rights for breaches of certain covenants, will be TLAC-eligible instruments. In our view, the language of the NPR suggests such debt would not qualify for TLAC, although it is unclear whether the Fed will stick with such a strict interpretation given the amount of additional debt banks would ultimately need to raise. Given the lack of clarity regarding regulatory treatment of these and some other instruments, which comprise a sizable portion of potential loss-absorbing capacity, we have opted to exclude them from our ALAC ratio at this point. As a result, we are currently limiting the uplift in our ratings based on ALAC to one notch, with the possibility of adding a second notch of uplift for banks that would qualify (those that have a stand-alone credit profile [SACP] of 'a-' or lower and that have sufficient quantities of ALAC, per our criteria), should the Fed include these securities in its final TLAC rule.

U.S. GSIB HOLDING COMPANY RATINGS

Upon our designation of the likelihood the U.S. banking system would receive extraordinary support from the government as uncertain, we have removed the one or two notches of uplift we previously included in our ratings on the eight U.S. GSIBs. This resulted in lowering the ICRs of all eight GSIB NOHCs by one notch. The ratings for these NOHCs are now two notches below their supported group credit profile (GCP), a term we use to reflect our assessment of the consolidated creditworthiness of each bank group as if it were a single entity. The supported GCP of these entities currently incorporates one notch of uplift based on ALAC (see table 1).

Table 1: Ratings On U.S. Global Systemically Important Bank Holding Companies

	Previous rtgs	Previous notches of govt. support	Current rtgs
Bank of America Corp.	A-/Watch Neg/A-2	1	BBB+/Stable/A-2
Bank of New York Mellon Corp.	A+/Watch Neg/A-1	1	A/Stable/A-1
Citigroup Inc.	A-/Watch Neg/A-2	1	BBB+/Stable/A-2
The Goldman Sachs Group Inc.*	A-/Watch Neg/A-2	2	BBB+/Stable/A-2
JPMorgan Chase & Co.	A/Watch Neg/A-1	1	A-/Stable/A-2
Morgan Stanley*	A-/Watch Neg/A-2	2	BBB+/Stable/A-2
State Street Corp.	A+/Watch Neg/A-1	1	A/Stable/A-1
Wells Fargo & Co.	A+/Watch Neg/A-1	1	A/Stable/A-1

*For Goldman Sachs and Morgan Stanley, we removed two notches of government support but put into place a positive transition notch to reflect ongoing improvement in their credit profile not yet reflected in their SACPs.

Although we believe that the NOHC notching we applied reflects these entities' current creditworthiness, we could widen the notching from the operating bank ICR further to derive an NOHC rating, should the NOHC's creditworthiness deteriorate--for example, due to heightened risk of regulatory intervention at the NOHC level. In addition, we could widen the notching further if we were to believe there was not sufficient liquidity in place at the NOHCs, particularly if their double leverage were to rise above 120%. We will continue to evaluate the relative default prospects of NOHC instruments as banks' issuance profiles change in light of the new U.S. resolution framework, which has not yet been tested by the resolution authorities.

Separately, we lowered our short-term rating on the NOHC of JPMorgan Chase & Co. because the long-term rating is now 'A-'. Under our criteria, banks rated 'A-' have short-term ratings of 'A-2', while those rated 'A' have short-term ratings of 'A-1'. JPMorgan is the only U.S. GSIB whose short-term rating was affected by our rating actions.

Finally, our ratings for Bank of America, Citigroup, Goldman Sachs, and Morgan Stanley incorporate fundamental improvements at these banks, which we recognized after our July 2015 portfolio review (see "Outlooks Revised To Positive On Operating Subsidiaries Of Certain Highly Systemically Important U.S. Banks," published July 23, 2015). We would have lowered these NOHC ratings by an additional notch had we not recognized their fundamental improvement by raising our SACP (Bank of America and Citigroup) or applying a positive transition notch (Goldman Sachs and Morgan Stanley).

OPERATING COMPANY RATINGS

Despite no longer considering the potential for extraordinary government support in our ratings, we are taking no negative actions on the U.S. GSIBs' operating subsidiaries. This is due to the construct of the U.S. resolution regime, in which NOHC creditors are to provide capital support to an operating subsidiary when it is no longer viable. We capture this potential capital support via uplift from ALAC, which recognizes instruments meant to be bailed in near or at the point of nonviability, thus reducing the default likelihood of a bank's senior creditors, or in the case of the U.S., its senior operating company creditors.

After reviewing the NPR, we are currently incorporating one notch of uplift into our ratings based on ALAC for all eight U.S. GSIBs, with the assumption that these entities will have at least a 5% ALAC/Standard & Poor's risk-weighted asset ratio (and taking account of our designation of a prepositioning buffer in certain cases) by 2018. Our reading of the proposed TLAC rules suggests the Fed could disqualify, among other instruments, senior debt securities that permit acceleration for reasons other than payment default or insolvency from TLAC-eligible long-term debt. We believe that acceleration rights for breaches of certain covenants outside of payment default or insolvency are standard features of existing senior unsecured debt indentures. As such, at this point, we have excluded all such instruments (as well as certain others outlined below) from our ALAC ratio calculations. Our ALAC issuance forecast, though, assumes that all eight U.S. GSIBs will be able to issue enough TLAC-compliant instruments to meet at least the ALAC threshold to receive one notch of uplift by 2018 (see table 2).

Table 2: U.S. Global Systemically Important Bank Operating Company Ratings

	Previous rtgs	Govt. sup	ALAC	Current rtgs
Bank of America Corp.	A/Watch Pos/A-1	1	1	A/Watch Pos/A-1
Bank of New York Mellon Corp.	AA-/Stable/A-1+	1	1	AA-/Stable/A-1+
Citigroup Inc.	A/Watch Pos/A-1	1	1	A/Watch Pos/A-1
The Goldman Sachs Group Inc.*	A/Watch Pos/A-1	2	1	A/Watch Pos/A-1
JPMorgan Chase & Co.	A+/Stable/A-1	1	1	A+/Stable/A-1
Morgan Stanley*	A/Watch Pos/A-1	2	1	A/Watch Pos/A-1
State Street Corp.	AA-/Stable/A-1+	1	1	AA-/Stable/A-1+
Wells Fargo & Co.	AA-/Stable/A-1+	1	1	AA-/Stable/A-1+

*For Goldman Sachs and Morgan Stanley, we replaced two notches of government support with one notch of ALAC support and put into place a positive transition notch, resulting in no change to the ICR.

We acknowledge that our decision to exclude senior unsecured debt from ALAC is conservative, as it seems likely the Fed will end up including these instruments, but it reflects that the Fed's intention is still uncertain. We will reassess our view based on the requirements in the Fed's final rules. As a result, we have kept the ICRs on the operating companies of Bank of America Corp., Citigroup Inc., Morgan Stanley, and The Goldman Sachs Group on CreditWatch with positive implications. The ratings on these operating entities could receive an additional notch of uplift if these instruments are later included in TLAC upon finalization of the TLAC rules. These banks all have an SACP of 'a-' or lower, and per our criteria, they could receive a second notch of uplift based on ALAC if they have an 8% ALAC/Standard & Poor's risk-weighted asset ratio (plus our designation of a prepositioning buffer) in place.

If the Fed does not include senior unsecured debt with acceleration clauses exclusive of payment default or insolvency, we believe this could lead to issuance and refinancing risk for these entities. Therefore, we believe a second notch of uplift is unwarranted until TLAC-compliant debt is in place. In addition, our criteria require that for an instrument to be included in ALAC, it also must be included in the regulators designation of TLAC, or if we believe it would otherwise be loss-absorbing in a resolution, it must have a residual maturity of over 20 years, for issuers with an SACP of 'bbb-' or higher.

In line with our criteria, instruments we currently include in our existing ALAC ratio are as follows:
All senior long-term debt instruments with greater than 20-year residual maturities
Subordinated debt and preferred stock issued from the NOHC
Total adjusted capital (TAC) above a 7% risk-adjusted capital (RAC) ratio (given the current capital positions of the banks, we already reflect the benefits of TAC up to 7% in the SACP of these banks)
Instruments we currently exclude from our existing ALAC ratio are as follows:
Debt maturing in the next 12 months
Debt maturing in 12-24 months exceeding 0.5% of Standard & Poor's RAC risk-weighted assets
All senior long-term debt instruments with less than 20-year residual maturities
Structured notes
Debt securities not governed by U.S. law with less than 20-year residual maturities
Trust preferred securities
All debt not issued from an NOHC
Instruments with cross default provisions and guarantees
As can be seen in the table below, excluding senior debt with acceleration clauses outside of missed payment and insolvency, as well as other types of debt that may be excluded from TLAC, from our ALAC calculations significantly reduces the ALAC ratio. Still, if we were to add to our ALAC forecast the debt needed to be issued to meet the Fed's long-term debt requirement according to the NPR, these banks would all meet the minimum ALAC threshold for one notch of uplift, albeit amid elevated issuance risk.

Table 3: ALAC Calculations For The Eight U.S. Global Systemically Important Banks As Of Dec. 31, 2014

	Fully loaded ALAC(1)	Existing ALAC(2)	Existing ALAC with debt to be issued(3)	-Threshold for- +1 Notch	+2 Notches
Bank of America Corp.	>8.5%	<5.25%	>8.5%	5.25%	8.50%
Bank of New York Mellon Corp.	>5.0%	<5.0%	>5.0%	5.00%	N/A
Citigroup Inc.	>8.0%	<5.25%	>8.5%	5.25%	8.50%
The Goldman Sachs Group Inc.	>8.5%	>5.25%	>8.5%	5.25%	8.50%
JPMorgan Chase & Co.	>5.25%	<5.25%	>5.25%	5.25%	N/A
Morgan Stanley	>8.5%	<5.25%	>8.5%	5.25%	8.50%
State Street Corp.	<5.0%	<5.0%	>5.0%	5.00%	N/A
Wells Fargo & Co.	>5.0%	<5.0%	>5.0%	5.00%	N/A

(1) Includes all senior unsecured debt instruments, all debt governed under

non-U.S. law, and trust preferred securities. Excludes all structured debt, debt instruments maturing in the next 12 months, and instruments maturing in 12-24 months exceeding 0.5% of Standard & Poor's risk-weighted assets, according to our ALAC criteria.
(2) ALAC based on current provisions in the U.S. NPR. Excludes all senior unsecured debt (except instruments with residual maturities greater than 20 years as per our criteria), debt instruments governed under non-U.S. law (except instruments with residual maturities greater than 20 years), and trust preferred securities.
(3) Our current estimate adds to existing ALAC debt needed to be issued to meet the Fed's long-term debt requirement according to the NPR, assuming all senior unsecured debt is excluded from TLAC in the final rules due to acceleration clauses.
N/A--Not applicable.

Separately, we have adjusted the levels of ALAC that some banks need to meet above the 5% and 8% ALAC thresholds as shown in table 3. We designated a 25-basis-point (bps) prepositioning buffer adjustment to the 5% ALAC threshold and a 50-bps adjustment for the 8% ALAC threshold for Bank of America, Citigroup, JPMorgan Chase, Morgan Stanley, and Goldman Sachs to reflect that these entities have a higher number of material legal subsidiaries outside the U.S. than their GSIB peers, with a significant amount of risk-weighted assets. In our view, this could dilute these entities' available ALAC because it introduces uncertainties with regard to a host regulator's consent to allow loss-absorbing capital to be sent back to the parent at the point of nonviability.

The core and highly strategic subsidiaries of all eight U.S. GSIBs benefit from rating uplift due to ALAC. However, we could lower the rating of any of these subsidiaries if, upon reviewing final internal TLAC, we believed it was not adequately stocked or prepositioned with enough loss-absorbing capacity.

NONDEFERRABLE SUBORDINATED DEBT

Given our view that it is uncertain whether the U.S. banking system would receive extraordinary government support and our belief that taxpayer-funded bailouts will no longer be the preferred method to aid a bank under stress, we have decided to treat NDSD as a hybrid capital instrument. This reflects the possibility that NDSD can absorb losses without triggering a default on senior unsecured instruments.

Our decision is based on a review of the legal provisions of NDSD in the U.S., combined with a more strict interpretation of the potential consequences of these provisions. Specifically, given NDSD holders' inability to accelerate the loan in the event of a missed interest payment, we believe it is unlikely that any cross default would be triggered at the senior unsecured debt at the entity. We think this is important because we can envision a scenario where a bank may petition its subordinated debtholders to restructure these notes in an effort to avoid entering OLA, even though we recognize that NDSD may be a relatively small portion of a bank's capital. The debtholders, aware of a potential resolution as well as their inability to accelerate such debt, may be willing to accept such a restructuring.

The impact of changing our NDSD classification to hybrid capital status has very limited rating implications across our U.S. bank ratings. It only affects the ratings of banks with some form of support factored into the ICR, such as ALAC, or an adjustment notch, such as one reflecting a positive transition. Based on this change in classification, we are lowering the NOHC NDSD ratings of Morgan Stanley and Goldman Sachs, and the operating company NDSD ratings of Bank of America, Bank of New York Mellon, JPMorgan, State Street, and Wells Fargo (see table 4).

Table 4: U.S. Global Systemically Important Subordinated Debt Ratings

	-Previous sub debt rtgs-		-Current sub debt rtgs-	
	Hold co	Op co	Hold co	Op co
Bank of America Corp.	BBB+	A-	BBB	BBB+
Bank of New York Mellon Corp.	A	A+	A-	A
Citigroup Inc.	BBB+	N.A.	BBB	N.A.
The Goldman Sachs Group Inc.*	BBB+	N.A.	BBB-	N.A.
JPMorgan Chase & Co.	A-	A	BBB+	A-
Morgan Stanley*	BBB+	N.A.	BBB-	N.A.
State Street Corp.	A	A+	A-	A
Wells Fargo & Co.	A	A+	A-	A

*Lowering the NDSD holding company ratings by one notch for all U.S. GSIBs is due to the removal of extraordinary government support from the instrument ratings. Lowering the NDSD holding company rating by a second notch for Morgan Stanley and Goldman Sachs is due to the change of treatment as a hybrid capital instrument.

Our decision to deem NDSD as hybrid capital has some important rating implications in the event these instruments absorb loss. Under our criteria, treating these instruments as hybrids means that if these instruments defaulted under our criteria (including a distressed exchange) while senior unsecured instruments continued to contractually perform, we would not automatically lower the ICR on the entity to selective default (SD).

CREDITWATCH

We expect to resolve the CreditWatch listings upon the release of the final rules of TLAC, which we expect in the first half of 2016.

TELECONFERENCE DETAILS

Standard & Poor's Ratings Services will host a complimentary webcast to discuss the review on Thursday, Dec. 3, 2015, at 10 a.m. Eastern Standard Time (EST).

Please use the following address to register:
http://event.on24.com/wcc/r/1092659/C46E43394482C6E8A4F42FF9DCA476A2

Standard & Poor's Ratings Services' webcasts deliver audio in a streamlined console. You will need computer speakers or headphones to listen to the audio stream. You may submit your questions for the presenters in real-time via the red Q&A icon located at the bottom of the screen.

A replay of the webcast will be available under the registration page approximately one hour after the call has concluded and will be accessible for 90 days.

Please feel free to forward this invitation to any interested colleagues. For more information, please visit our "Themes In Global Banking" topic page at https://www.spratings.com/financial-institutions/banks/Global-Banking.html?sp_mid=51809&sp_rid=1367094

RELATED CRITERIA AND RESEARCH

Related Criteria

Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions, Jan. 29, 2015
Principles For Rating Debt Issues Based On Imputed Promises, Dec. 19, 2014
Standard & Poor's National And Regional Scale Mapping Tables, Sept. 30, 2014
Group Rating Methodology, Nov. 19, 2013
Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
Revised Market Risk Charges For Banks In Our Risk-Adjusted Capital Framework, June 22, 2012
Banks: Rating Methodology And Assumptions, Nov. 9, 2011
Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
Banks: Bank Capital Methodology And Assumptions, Dec. 6, 2010
Methodology For Mapping Short- And Long-Term Issuer Credit Ratings For Banks, May 4, 2010
Use Of CreditWatch And Outlooks, Sept. 14, 2009

Related Research

Bank Bail-in Should Become A More Credible Option Under The FSB's Final Total Loss-Absorbency Standard, Nov. 9, 2015
U.S. Global Systemically Important Bank Ratings On CreditWatch Pending Review Of Regulators' New Resolution Plan Details, Nov. 2, 2015
Government And ALAC Support Ratings Uplift For Systemically Important European Banking Groups, Oct. 1, 2015
Standard & Poor's Looks To Resolve The Issue Of Government Support For Large U.S. Banks, With Or Without a Fed Ruling, Aug. 20, 2015
Our ALAC Projections Reflect European Banks' Different Directions For Building Bail-In Buffers, Aug. 12, 2015
Outlooks Revised To Positive On Operating Subsidiaries Of Certain Highly Systemically Important U.S. Banks, July 23, 2015
S&P Takes Various Rating Actions On Certain U.K. And German Banks Following Government Support And ALAC Review, June 9, 2015

How The Potential Bail-In Of Additional Loss-Absorbing Capacity (ALAC) Instruments Affects Bank Ratings Under Our New Criteria, April 27, 2015
Rating Implications Of The Potential Removal Of Government Support For Global Systemically Important Banks In The U.S., March 3, 2015
Rating Outlooks On U.S. Global Systemically Important Bank Holding Companies Will Remain Negative Pending An Actionable Resolution Plan, Feb. 5, 2015
Standard & Poor's Factors Evolving Nature Of Government Support Into Its Outlooks On Eight U.S. Bank Holding Companies, June 11, 2013

RATINGS LIST

Ratings Lowered; Removed From CreditWatch

	To	From
Bank of America Corp.		
Issuer Credit Rating	BBB+/Stable/A-2	A-/Watch Neg/A-2
Senior Unsecured	BBB+	A-/Watch Neg
Subordinated Debt	BBB	BBB+/Watch Neg
Bank of America N.A.		
Subordinated Debt	BBB+	A-/Watch Dev
Bank of New York Mellon Corp.		
Issuer Credit Rating	A/Stable/A-1	A+/Watch Neg/A-1
Senior Unsecured	A	A+/Watch Neg
Subordinated Debt	A-	A/Watch Neg
Bank of New York Mellon (The)		
Subordinated Debt	A	A+/Watch Neg
Citigroup Inc.		
Issuer Credit Rating	BBB+/Stable/A-2	A-/Watch Neg/A-2
Senior Unsecured	BBB+	A-/Watch Neg
Subordinated Debt	BBB	BBB+/Watch Neg
The Goldman Sachs Group Inc.		
Issuer Credit Rating	**BBB+/Stable/A-2	A-/Watch Neg/A-2
Senior Unsecured	BBB+	A-/Watch Neg
Subordinated Debt	BBB-	BBB+/Watch Neg
JPMorgan Chase & Co.		
Issuer Credit Rating	A-/Stable/A-2	A/Watch Neg/A-1*
Senior Unsecured	A-	A/Watch Neg
Subordinated Debt	BBB+	A-/Watch Neg
JPMorgan Chase Bank N.A.		
Subordinated Debt	A-	A/Watch Neg
Morgan Stanley		
Issuer Credit Rating	**BBB+/Stable/A-2	A-/Watch Neg/A-2
Senior Unsecured	BBB+	A-/Watch Neg

Subordinated Debt	BBB-	BBB+/Watch Neg
State Street Corp.		
Issuer Credit Rating	A/Stable/A-1	A+/Watch Neg/A-1
Senior Unsecured	A	A+/Watch Neg
Subordinated Debt	A-	A/Watch Neg
State Street Bank and Trust Co., Boston, MA		
Subordinated Debt	A	A+/Watch Neg
Wells Fargo & Co.		
Issuer Credit Rating	A/Stable/A-1	A+/Watch Neg/A-1
Senior Unsecured	A	A+/Watch Neg
Subordinated Debt	A-	A/Watch Neg
Wells Fargo Bank N.A.		
Subordinated Debt	A	A+/Watch Neg

Ratings Remain On CreditWatch

Bank of America N.A.	
Issuer Credit Rating	A/Watch Pos/A-1
Senior Unsecured	A/Watch Pos
Citibank N.A.	
Issuer Credit Rating	A/Watch Pos/A-1
Senior Unsecured	A/Watch Pos
Goldman Sachs & Co.	
Issuer Credit Rating	**A/Watch Pos/A-1
Senior Unsecured	A/Watch Pos
Morgan Stanley & Co. LLC	
Issuer Credit Rating	**A/Watch Pos/A-1

Ratings Unchanged

Bank of New York Mellon (The)	
Issuer Credit Rating	AA-/Stable/A-1+
Senior Unsecured	AA-
JPMorgan Chase Bank N.A.	
Issuer Credit Rating	A+/Stable/A-1
Senior Unsecured	A+
State Street Bank and Trust Co., Boston, MA	
Issuer Credit Rating	AA-/Stable/A-1+
Senior Unsecured	AA-
Wells Fargo Bank N.A.	
Issuer Credit Rating	AA-/Stable/A-1+

Senior Unsecured AA-

*Short term rating also placed on Watch Neg
**These issuer credit ratings include a positive transition notch adjustment from the stand-alone credit profile (see paragraph 22 of "Banks: Rating Methodology And Assumptions," published Nov. 9, 2011)

NB: This list does not include all the ratings affected.

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com and at www.spcapitaliq.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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