Isomorphic Convergence & the Great Recession of 2008: A Case Study of Eight Investment Banks

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ISOMORPHIC CONVERGENCE & THE GREAT RECESSION OF 2008: A CASE STUDY OF EIGHT INVESTMENT BANKS

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ISOMORPHIC CONVERGENCE & THE GREAT RECESSION OF 2008: 
A CASE STUDY OF EIGHT INVESTMENT BANKS

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This research aims at contributing to the prevailing literature on the causal origins of the 2008 Recession. Organizations within major investment finance very likely converged towards increased speculation as the result of a process called isomorphism. This approach engaged in a multiple-embedded case study of eight banks including Bank of America, J.P. Morgan Case, Wells Fargo, Bank of New York, Mellon Financial, Bank of New York Mellon, PNC Financial (or PNC Bank), and U.S. Bancorp. The work draws from a qualitative content analysis of quantitative accounting data disclosed under annual financial reports between 2003 and 2008. Trend analyses and accounting ratios were utilized to locate points of convergence in the financial data for these organizations. Conclusively, the research found convergence in the valuation of revenues during certain periods, the valuation of net-income during certain periods, the proportion of noninterest income to revenues, the liquidity ratio, the investment of mortgage-backed securities, outstanding total loans, and net cash used in financial activities.
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PREFACE & ACKNOWLEDGEMENTS

It has been over seven years since the Great Recession of 2008 took hold of both the United States and the global capitalist economy (Robinson, 2012). Many individuals today are inclined to forget that this traumatic event, perhaps the worst economic downturn since the Great Depression, ever happened. Today in the United States, the unemployment rate is 5.7%, the lowest it has been since the end of 2008 (BLS, 2016). This is certainly an improvement from the 9.2% unemployment rate suffered by the nation just four years ago. As of 2014, the average GDP growth of the nation has grown to 2.4% which is up from 1.6% in the year 2011 (CIA, 2016; World Bank, 2016).

Moreover, the United States is also still the largest economy in the world ahead of China which nearly gained hegemony by early 2015. It must be noted still that China’s average GDP growth in 2014 was 7.3%, substantially higher than the United States (CIA, 2016). Corporate profits are up, the economy seems to be improving, and the United States is taking in more than $131 billion in foreign direct investment as of 2014 (World Bank, 2016).

The question on many minds may be “why should we concern ourselves with the 2008 crash when everything has improved?” Of course, no honestly reasonable person would forget the past by virtue of a changing atmosphere in the present (or would they?). Would a nation turn a blind eye to shadow banking and the further growth of financialization now that global economic tides have calmed? Will the nation forget the staggering $18 trillion owed in debt owed by the United States as a consequence of globalization and excessive spending in Washington (U.S. Treasury, 2015)? Will the United States jump for joy at the sound of a voice calling for higher interest rates now
that the unemployment rate has fallen to nearly pre-2009 proportions? What we forget in our time is that, simply because employment is on the rise as well as corporate profits, this does not translate into recovery. To be sure, the United States perhaps may never recover from the Great Recession of 2008 and the sociohistorical implications which preceded as well as succeeded it (Robinson, 2012). On the stages of the 2016 Presidential race, the hearkening voices of would-be neoliberal economists, latter day Reagans, and speculators call out for fluid interest rates and deregulation. Suffice it to say, similar voices after the 1980’s set the stage for the 2006 mortgage bubble and the subsequent crash (Block & Somers, 2014)

What we seem to forget in our willing ignorance on the current economy is that 77% of our current GDP growth is derived from services while only 20.6% is derived from industrial production (CIA, 2016). This is a consequence of globalization in itself, but the point is that the great bulk of service labor is not located in high-paying professional sectors but hourly wage retail as well as food service jobs (Robinson, 2012). Job growth in the U.S. economy since the Great Recession has taken place in sectors of the labor market which seldom provide benefits, mainly provide part-time work, and typically pay minimum wage. As of 2010, only two years after the crisis, the top 10% of the American population owned 70% of capital (Piketty, 2013). The same 10% of the American population during that year also owned 50% of total national income (Piketty, 2013). And what of Europe since the Great Recession with the exception of Greece which has proven to be a disaster? The Eurozone is stagnating and the aggregate unemployment rate of European Union is at present 9.6% (European Union, 2016). Let us moreover be frank in admitting that the U.S. GDP of 2.4% as of 2014 is laughable when
compared to the average GDP in 1984 (which incidentally was 7.3%) (BEA, 2016). The wealth distribution is severely skewed, the labor situation for the United States is more dismal as well as exploitive, and the rest of the world seems to be on the brink of another recession.

These times require a lot of questions in regard to the relationship between sociology as the science of human action and economic social structures. Questions on what drives social actors within economic systems, their political preferences, values, causes, and outlooks have traditionally haunted sociology since the days of Weber, Marx, and Durkheim (Giddens, 1971). The aim of this work is more simple than it would appear; the aim is to bring to light how we may investigate capitalism, its organizations, and its’ dynamic crises. The more specific research question of this piece may be summed up as “is there a convergence in organizational elements within major investment finance leading up to the great recession?” For the Marxists, this is hardly a question at all, especially since capitalism in any epoch inevitably leads towards cyclical and structural downturns emanating from internal contradictions (Robinson, 2012; Marx, 1978). Originally this work was meant to advance a Weberian view of the globalized finance economy, the like of which jettisoned the world into a dark era of stagnation and pessimism after 2008. The case to be made now is neither explicitly theoretically Weberian nor structurally Marxian; but wholly sociological.

First and foremost I would like to thank Dr. Michaela Simpson for her immense patience, training, and peer review in the course of this process. Without the substantial theoretical foundations and orientation formed by Dr. Simpson, I would hardly have chosen economic sociology as an area of scholarly concern. Secondly, I would like to
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INTRODUCTION

The Crash

It was a day like no other in United States history since Black Friday in 1929. In late of September 2008, the American stock market crashed dramatically with the Dow Industrial Average dropping by a disturbing 778 points (Twin, 2008). The stock market’s value plunged by $1.2 trillion as investors, bankers, regulators and speculators scrambled to address the disaster (Twin, 2008). This was only weeks after the nation’s fourth largest bank at the time, Lehman Brothers, declared bankruptcy (Wiggins, Piontek, & Metrick, 2014). Many months earlier in March of 2008, the notorious bank Bear Stearns had been bought out by J.P. Morgan Chase as the company faced extinction with the growingly problematic mortgage market (The Economist, 2009). Credit dried up in the United States and overseas as other global stock markets began to crash as well. In Britain, the FTSE 100 fell by 9%, eliminating £89.5 billion in British corporate profits (Guardian News, 2008). The Canadian stock market would lose 35% of its value ($700 billion) by the end of the year and governments across the globe scrambled to contend with their economies (CBC, 2009).

Henry Paulson, the U.S. Secretary of the Treasury during the developing crisis, would say of the dilemma “I’d never expected to hear those troubles spreading like this to the corporate world” (Paulson, 2010). And indeed, what was originally an affair in shadow banking would bring gargantuan businesses to their knees. Just three days before the crash, Washington Mutual declared bankruptcy, constituting the largest bank failure in the history of the United States (Grind, 2012). The company had maintained a sizeable $307 billion in assets which were eventually divvied up and sold for a wallowing
$1.9 billion to J.P. Morgan Chase (Grind, 2012). General Motors also faced bankruptcy by mid-2009 and was saved only by the Troubled Asset Relief Program (TARP) bailouts (Isidore, 2009).

**Immediate Ramifications & Implications**

By the end of 2009, the unemployment rate would reach 9.3%, the worst it had seen in years (BLS, 2016). From July of 2009 to January of 2010, the unemployment rate in the United Kingdom averaged between 7.9% and 9% (BLS, 2012). Sweden would average between 8.8% and 8.9% while unemployment in France would average around 10% (BLS, 2012). In the United States, the crisis would immediately lead to the destruction of around 170,000 small businesses, affecting yet another subsequent shock to the consumer economy (Kavoussi, 2012). The great firms of Wall Street would travel to Washington, pleading with the U.S. government for assistance. Congress was reluctant to assist the major firms immediately after the crisis, failing to pass through a $700 billion bailout plan which would save financial institutions on the brink of destruction (Herszenhorn, 2008). The whole affair reflected the changing political tide working against the much abhorred Administration of George W. Bush, with 228 votes to 205 (even 133 Republicans voted against the measure) (Herszenhorn, 2008).

Regarding the phrase “too big to fail,” the largest firms in the United States, especially the financial sector, were effectively consequential to the wider global economy. By the year 2003, five years earlier, the financial sector accounted for 40% of profits in the U.S. Economy (this figure grew substantially by 2008) (Fligstein & Goldstein, 2011). Eventually, the United States Congress would pass the Troubled Asset Relief Program or TARP in early October of 2008 at the delight of Mr. Bush who stated
that the legislation would “help prevent the crisis on Wall Street from becoming a crisis in communities across our country” (Herszenhorn, 2008). We are aware now, in these times, that the crisis did spread across the United States with serious global ramifications. On the whole, the bill passed with 263 votes to 171 and $700 billion was to be provided to numerous institutions as a bailout initiative (Herszenhorn, 2008). In all, the original figure of $700 billion would be cut closer to $400 billion before 2009 though, in the end, $549.4 billion would finally be committed to the program (Ericson, He, & Schhoenfeld, 2009). By 2009, only $70.1 billion of the funds would be returned to the federal government; mainly by the large and gargantuan institutions such as BNY Mellon, Capital One, Goldman Sachs, J.P. Morgan Chase, U.S. Bancorp, and American Express. Small businesses would struggle more severely in working towards paying back the Federal TARP funds (Ericson, He, & Schhoenfeld, 2009).

On the whole, $150.6 billion would not be committed and although TARP served as an attempt to reduce the future ramifications of the growing crisis, it would not in-effect prevent the crisis from spreading. In this regard, we consider once again the issue of unemployment as well as wealth distribution. When the U.S. economy had stepped into the very early days of the recession (December of 2007), the unemployment rate was 5.0% (BLS, 2016). Gross Domestic Product growth was 3.3% down from 3.8% the previous year, and despite a Housing Bubble in 2006 the American economy seemed stable (World Bank, 2016). This is also despite the recognition in mid-2007 that banks were having a “liquidity problem” (Brunnermeier, 2009). When the credit crisis hit due to consumer insolvency, banks effectively lost money which meant 1) they couldn’t maintain certain levels of employment without losing profits, 2) they couldn’t lend
substantial money to small businesses which had varying numbers of employees of their own, and 3) they couldn’t lend substantial money to everyday consumers who effectively fuel the global economy. With the layoffs of late 2008 and 2009, capitalist organizations were compensating for their substantial losses in profits.

**Imperative Sociological Ramifications**

African Americans were more substantially affected than whites as a result of the crash, with blacks reaching unemployment rates above 15% after 2009 leading into 2010 (BLS, 2012). Unemployment rates for Hispanics and Latinos would reach well above 10% for the period while the rates for whites remained under 10% for the entire crisis, declining steadily in 2010 (BLS, 2012). In tandem with increasing unemployment rates was yet another great ramification of the activities which effectively ‘caused’ the Great Recession; the continuation of housing foreclosures on individuals who could not afford their risky mortgages (Christie, 2009). In August of 2006, as the housing bubble was starting to fall apart, foreclosures jumped by 53% in a single month (Christie, 2006). This was primarily due to the implications of adjustable rate mortgages being sold by major financial institutions such as Bank of America and Countrywide Financial (Fligstein & Goldstein, 2011). For the entire year of 2008, foreclosures rose by more than 81% no doubt exacerbated by the stock market crash (Christie, 2009).

In addition to unemployment and foreclosures, poverty and wealth distribution were certainly affected by the recession (Danzinger, Chavez, & Cumberworth, 2012). Over the course of the recession, poverty rates would increase substantially in 57 of America’s largest cities (Kneebone, 2010). Smaller municipalities such as Riverside and Modesto, California would witness increases in poverty by over 3.5% (Kneebone, 2010).
More dramatically, cities such as Allentown, Pennsylvania would witness a 10.8% increase in poverty (Kneebone, 2010). What was particularly alarming in regard to the Great Recession was its effect on child poverty (Issacs, 2009). In 2009, child poverty reached 19% in the United States and varied dramatically across states. In particular, the ramifications of the 2008 Recession would see dramatic increases in Supplemental Nutrition Assistance Program (SNAP) participation between 2007 and 2009. Participation in states such as Arizona and New Mexico for example would grow by over 20% (Issacs, 2009).

One would have imagined that as a consequence of the global credit crisis that the wealth distribution across nation-states would become at least less skewed. This had been the case during the Great Depression as well as during World War II (Polanyi, 2001). However, despite the top 1% of the U.S. population being severely challenged (especially in terms of investments), the wealth gap in America continued to grow during the period (CBO, 2011). During the recession in 2009 leading into 2011, the upper 7% of American households saw an increase in their share of national wealth by 7%, up from 56%. The net worth of households of the upper 7% of the nation’s wealth distribution also increased by a sizeable 28% (Fry & Taylor, 2013). It is estimated by Thomas Piketty in his acclaimed work *Capital in the 21st Century* that the top 10% of the U.S. population in 2010 (towards the end of the crisis) owned 50% of the total national income (Piketty, 2013).

It is imperative to note that the wealth distribution was also further skewed disproportionately based on race and ethnicity. From the year 2005 through to 2009, the median inflation-adjusted wealth for Hispanic households fell by a staggering 66%
(Kochhar, Fry, & Taylor, 2011). This phenomenon was certainly affected by first the 2006 housing bubble and then the subsequent credit crisis in 2008. During the same period, the median inflation-adjusted wealth for black households dropped by 53% as median inflation-adjusted wealth for white households fell by a smaller figure of 16% (Kochhar et al., 2011). Economic structures of power were therefore shifted in favor of the upper 10% of the population not only at the expense of Americans in general, but particularly at the expense of non-whites (Kochhar et al., 2011). It is perfectly clear, although the wealth gap had been widening for decades, that the Great Recession did little to stem the tide of wealth inequality. The further growth of this wealth gap has not been definitively curbed by such regulations as the Dodd Frank Bill (CTFT, 2016).

One can understand the Great Recession as an essentially sociological phenomenon involving hundreds of thousands of institutions, numerous nation-states, and millions of social networks. Was the Great Recession a cyclical crisis of capitalism as Marx would have argued (Marx & Engels, 1978)? Or was the crisis an unintended consequence of modern rational capitalism as Weber would have said himself (Weber, 1958)? This study aims to explore whether or not there is evidence to suggest that another phenomenon was at play as part of the recession: institutional isomorphism (DiMaggio & Powell, 1983). Within the tradition of institutional theory, institutional isomorphism is the phenomenon in which organizations within specialized fields tend to become similar in social structure (DiMaggio & Powell, 1983). Collective rationalization, according to such scholars as Paul DiMaggio and Walter Powell, tends in modern times to affect structural convergence, rather than divergence, in organizations (1983).
From Weber and other scholars, we can understand organizations, institutions, bureaucratic apparatuses and communities as social structures that have developed through patterned interaction (Swedberg, 1998: 86-87; Collins, 1980: 385; Giddens, 1984). What distinguishes a system as a sociological unit of analysis is the level of rationalization and routinization within the given social structure (Weber, 1958: 196-246). The New Institutionalism declared by DiMaggio and Powell in the 1990’s situates organizations in particular as social structures reflexively affected by wider environments (1991). “New Institutionalism” (versus Old Institutionalism) is more concerned with organizational fields, the persistence of institutionalized organizational behavior, and the effects of routine (Powell & DiMaggio, 1991). The Great Recession serves as an ideal phenomenon to study utilizing the perspective of New Institutionalism for a number of reasons. First and foremost, increases in subprime mortgage lending post-1997 did not merely involve one organization but a host of financial institutions (Fligstein & Goldstein, 2011: 34-35). Second, the adoption of similar practices in financial speculation, which eventually led to a mortgage bubble, must be understood in sociohistorical context (Fligstein & Goldstein, 2011: 23-26; DiMaggio & Powell, 1983). This is so when we consider the institutionalization of neoliberal practices post-1973 which served to allow for the freeing up of credit as a causal element of the Great Recession (Block & Somers, 2014).

The Great Recession as a phenomenon is amenable to the application of New Institutionalism by virtue of the specific relationship between the rationalization of organizations and isomorphism (DiMaggio & Powell, 1983; Powell & DiMaggio, 1991).
In DiMaggio & Powell’s notable work *Iron Cage Revisited*, the authors argue that contrary to classical Weberian theory, that rationalization of organizational fields lead to increased homogeneity (1983). This may include similar approaches to management, marketing, production, or even employee training. The authors called this process isomorphism, of which there are three analytic variants including coercive, mimetic, and normative (DiMaggio & Powell, 1983). Each of these variants presupposes differing conditions under which organizations within various fields become similar. It is pertinent to observe that the categories indicated are analytic ideal types which may overlap empirically (1983).

Coercive isomorphism is associated more with resource dependency, mimetic isomorphism more with uncertainty, and normative isomorphism with professionalization (DiMaggio & Powell, 1983). The housing bubble which developed prior to the 2008 crash may be essentially understood as the result of mimetic or normative isomorphic processes. This is theoretically possible if we conceptualize banks within the greater field of investment finance as in continuous competition (DiMaggio & Powell, 1983). Financial institutions often look to other organizations within their field for means of achieving success whether by adopting similar business strategies, selling similar financial products, or by making investments in certain industries (Rotheli, 2010). Between 2003 and 2007, the amount of nonagency mortgage-backed securities holdings rose markedly for a number of major banks (Fligstein & Goldstein, 2011: 39). For Citigroup, these securities rose to nearly $33 billion, for Bank of America $22 billion, and Wells Fargo around $19 billion (Fligstein & Goldstein, 2011: 39). As a reflection of organizational financial phenomena, residential mortgage origination from subprime
mortgages spiked from $1 billion in 2000 to over $3 billion 2003 (Fligstein & Goldstein, 2011: 33).

Moreover, market shares in overall mortgages as well as subprime mortgages in particular rose prominently between 1996 and 2007 (Fligstein & Goldstein, 2011: 35). For example in 1996, the top overall mortgage originator in the U.S. was Norwest at 6.6. By 2007, the top overall mortgage originator became Countrywide Financial at 16.8, or over double the market share of the former company (Fligstein & Goldstein, 2011: 35). In 1996, Associates capital maintained a market share of 7.0 as the top subprime originator. By 2007, the baton had been tossed to Citibank with a market share of 10.2, or 3.2 points higher than the former institution (Fligstein & Goldstein, 2011: 35). This selection of data is indicative of a structural transformation within the finance sector of the U.S. economy, but particularly the possible convergence of financial firms towards increased speculation. Within the framework of isomorphism, it can be argued preliminarily by way of theory that the causal origins of the Great Recession lie in part in some isomorphism of investment banks (DiMaggio & Powell, 1983).

*Isomorphism in relation to Myth, Ceremony, & Bounded Rationality*

At the meso-level of organizations, Meyer and Rowan demonstrate how institutional myths such as management policies and hierarchical norms are ceremoniously performed in day to day life (Meyer & Rowan, 1977). However, these ceremonies are often decoupled from organizational action at other levels (1977). To this extent, they tend to become routinized though not particularly serving practical purposes. Thus, the primacy of non-contractual relations in the corporate world, as noted by Macaulay, entails the importance of symbolic ceremony in terms of organizational
behavior (Macaulay, 1962: 194-195). For Granovetter, social action is conditioned both by social relations in terms of symbolic interaction and also interests in the Weberian sense (1985). To this extent, it is important to emphasize that an over-socialized view is not being taken on organizational action as it pertains to the routinization of subprime mortgage lending (Granovetter, 1985). What is being argued is that the isomorphism of risky speculation by major financial firms served to affect the dimensions or Weberian “tracks” along which social economic action was advanced (Weber, 1958: 280).

Adam Smith’s classic construction of the “self-interested” rational actor with unlimited decision-making abilities was both unrealistic and problematic according to Simon and March (Simon & March, 1958). Instead, they argued that the rational decision-making abilities of organizational actors are “bounded” by the sociological “definition of the situation” in which they have a limited amount of options to choose from (Simon & March, 1958: 137-139). According to Simon & March, organizational members tend to satisfice more in regard to structural and cognitive restraints rather than maximize utility in the classical sense (1958: 137). Thus, according to Granovetter, organizational members tend to transact with other institutions or actors with whom they’ve had a continuing relationship (1985). An example of this can be seen in Dore’s work on the solidarity of Japanese business elites (Dore, 1983: 429-431). Moreover according to Powell and Smith-Doerr, the structure of social networks frame the sharing of information and opportunities across organizations, serving to affect social action (Powell & Smith-Doerr, 2003: 372). Generally speaking, it is argued that the bounded rationality model of the Carnegie School can serve as a complimentary framework to
understanding the routinization of increased speculation (Simon & March, 1958: 140-141).

**The Economists on Economic Crises**

There are four important factors concerning the literature on the Great Recession. The first is that most of the literature on the 2008 crisis has come from economics. The second is that no one has yet applied the theory of isomorphism to the Great Recession. The third is that no one has yet put forward a definitive empirical study from a sociological perspective using accounting data collected by annual reports. The fourth is that most of the literature on the crisis, whether it is economic or sociological, advances a systemic understanding of the Great Recession. Understanding the Great Recession as a systemic crisis of 21st century global capitalism is the first step in applying a theory such as institutional isomorphism. In the field of economics, Dirk Bezemer analyzed the arguments of 12 prominent mainline economists from the early 2000’s up to the recession (Bezemer, 2011). In comparing mainline economics to ‘mainstream’ thinking on the economy, Bezemer concluded the following: the recession was influenced by a reliance on reductionist models of individual rationality rather than understanding the systemic nature of economic processes (2011).

In understanding the crisis as structurally systemic, we can account also for the influence of institutionalized paradigms. Economist Thomas Palley argues that the recession can be linked to an institutionalized paradigm of capitalism which grew out of the 1980’s (2011). This ‘exhausted’ paradigm was characterized by using debt and asset price inflation to drive consumer demand (Palley, 2011). When we consider how major investment banks sought to drive their business on risky speculation, mortgage debt and
the securitization of that risky debt, we can understand precisely what Palley is discussing (2011). This systemic-structural view of the crisis is further promoted by the work of Roger Farmer and Tobias Rotheli (2012; 2010).

Farmer makes a simple argument that the Great Recession was caused by the 2008 stock market crash (2012). But this argument is telling in that it links the dynamics of the stock market to the wider arena of transnational capitalism. Moreover, using quantitative data dating back to 1929, Farmer presents a positive correlation between stock prices and unemployment rates (2012). This further establishes a linkage between economic sectors such as stock exchanges and the dynamics of employment in various areas of the economy (Farmer, 2012). Rotheli advances a systemic view of the 2008 crisis by attributing the disaster to an exacerbation of the credit cycle during which financial institutions increase speculation (2010). With this perspective Rotheli uses the theory of bounded rationality originally advanced by the Carnegie school in attesting to the limits of individual rationality in making financial investment decisions (2010). In general, these perspectives by economists’ advance a very different view of the 2008 crisis than traditionally held by neoclassical economists; recessions ought to be understood structurally (2010).

The Sociologists on Economic Crises

Most of the sociological literature on the Great Recession sees the crisis as a structural phenomenon whether at the level of transnational capitalism as a whole or at the level of organizational fields (Robinson, 2012). Neo-Marxists like William I. Robinson attribute the specific causes of the recession to over-accumulation and contradictions of state power (2012). Over-accumulation is understood in terms of the
rampant speculation conducted by major investment banks leading into 2008 (Robinson, 2012). Contradictions of state power is understood in terms of the response by the U.S. state. Most closely linked to an organizational institutionalist framework are the perspectives of Fred Block, Margaret Somers and Greta Krippner (2014; 2011). Block and Somers share a frontier with Thomas Palley in that they attribute the causes of the recession to a problematic paradigm: neoliberalism (2014). In particular, the authors argue that the ideational embeddedness of neoliberal economics after 1973 laid the sociohistorical groundwork for the latter crisis (Block & Somers, 2014). Grassroots political movements guided by business leaders and conservative politicians sought a return to liberal economic policies in the wake of stagnation characterized by the Fordist era (Block & Somers, 2014).

The paradigm of neoliberalism was advocated by the works of Milton Friedman and Friedrich Hayek who praised the destruction of labor unions, the freeing up of credit, the reduction of labor costs, and the alleviation of tax-burdens on large corporations (Block & Somers, 2014). What occurred in these political movements was the ‘ideational embeddedness’ of neoliberal practices which would become supported by such major political leaders as Ronald Reagan and Margaret Thatcher (Block & Somers, 2014). For Block and Somers, the 2008 crisis was an outcropping of attempts by neoliberal capitalism to disembed the economy from society, which Polanyi identified as having dire implications (Block & Somers, 2014; Polanyi, 2001)The perspectives of Block and Somers are complimented by Greta Krippner’s work on the financialization of the U.S. economy after 1973 (Krippner, 2011). Her fundamental argument is that the financialization as well as globalization of capitalism in the U.S. reflected an attempt by
the American state to extricate itself from responsibility for economic crises. It can be stated that time and again, scholars place the lineage of the 2008 recession to the deregulation of finance in the 1980’s (Krippner, 2011).

At base, as it has already been said, this project seeks to understand the Great Recession of 2008 as a systemic crisis (Fligstein & Goldstein, 2011). This systemic crisis is both one of major investment finance and also capitalism in general. It is for this reason that isomorphism as a theory was understood as an ideal paradigm to apply in studying the 2008 recession (DiMaggio & Powell, 1983). However, the three variants of isomorphism can become problematic to apply insofar as they have the capacity to overlap as empirical types. In any case, an attempt shall be made after the presentation of this project’s findings to assess the research results in relation to the three ideal typical forms of isomorphism (DiMaggio & Powell, 1983). The most important aspect of this project, however, is not to focus on the three variants of isomorphism but chiefly on the question of whether or not there is any evidence of convergence among the organizations studied.

**METHODS & DATA**

**Methodological Framework**

An imperative question to ask which is fundamental to this project would be “what is a multiple-embedded case study?” According to Robert K. Yin in his work *Case Study Research: Design and Methods*, a multiple case study at base is what one would expect: a research design which incorporates more than one specified analytic case, each of which will be scrutinized in detail (Yin, 2009: 59). For example, Fourcade-Gourinchas & Babb’s study on the sociohistorical development of neoliberalism within
three countries including Chile, France, and Great Britain constituted a very notable multiple-case study (Fourcade-Gourinchas & Babb, 2002). In addition to what defines this research, there is the idea of the “embedded” case study. In essence, an embedded case study is a research design which establishes at least two “embedded” units of analysis (Yin, 2009: 46). On one hand, this project constitutes a multiple-case study model insofar as it focuses on eight separate investment banks between the years 2003 and 2008. On the other hand, this project also constitutes an embedded case study model insofar as the project serves to analyze various categories of accounting data which are analytically different in respect to what they will tell the researcher about the state of a given company (e.g. components of assets vs. components of revenue, etc.). In short, this framework combines a dynamic incorporation of multiple major cases of analysis with an in-depth focus on multiple units of analysis (Yin, 2009).

So, regarding the general approach of this project, what is the value of engaging in case studies? Case studies may be ideal models of research for a number of reasons, but especially in terms of replication (Yin, 2009). Case studies also give the researcher an advantage of looking at a phenomenon or a selection of phenomena in-depth (Yin, 2009). To be sure, there may be questions regarding the generality of case studies in respect to hypothesis testing. The cases to be studied in the course of this project do not constitute a representative sample of major investment finance. However, in place of the lack of macro-level data available to the researcher regarding the field of major investment finance, a multiple case study is ideal. Moreover, applying a multiple case study gives the researcher an opportunity to compare and contrast structurally
unique organizations. Oftentimes the structural details of organizations as well as their implications can get lost in the abstraction of data.

**Conceptualization, Operationalization, & Sampling**

In respect to isomorphism, the research is primarily centered on one of the selected hypotheses originally constructed by DiMaggio & Powell (1983: 156). This hypothesis is stated as: “the greater the extent of structuration of a field, the greater the degree of isomorphics” (DiMaggio & Powell, 1983: 156). Structuration here is conceptualized as the process through which patterned interaction across time and space develops social structures such as organizations, organizational systems, institutions, and so on (Giddens, 1984). In respect to this, the research question is “is there evidence to suggest that structural convergence persisted in major investment finance leading up to the Great Recession of 2008?” To answer this research question, this project first aimed to analyze trends and proportions for indicators of structuration for eight banks between 2003 and 2008.

This project secondly aimed to analyze trends and proportions for indicators of financial speculation for these banks during the same period. Here, we operationalize indicators for structuration as accounting data which reflects the revenue ascertained by an organization as well as the obligations owed by that organization. Indicators for structuration have the capacity to entail the ability of an organization to expand or to structuralize further. Indicators for speculation are operationalized as financial holdings which underlie a given organization’s primary investments. In this vane, indicators for speculation have the capacity to suggest the extent to which an organization may be inflating their assets or putting their assets at a certain amount of risk (e.g. such as in the
context of securities exchanges). (See Appendix II, Table 1.1 for details on where to find operationalized indicators in financial reports).

As it has been stated earlier, the multiple-embedded cases on which this study centered included Bank of America, J.P. Morgan Chase, Wells Fargo, the Bank of New York, Mellon Financial, the Bank of New York Mellon, PNC Financial, and U.S. Bancorp. These banks were chosen for analysis based on their national ranking in the United States by the Federal Reserve (Federal Reserve, 2014). To this extent, these banks were not chosen based on a specific threshold of revenue or whether or not they were specifically implicated in the Great Recession. To be sure, a number of the banks chosen for analysis would not have ranked as highly during the Great Recession as they do today. For sampling purposes however, it was determined that the Federal Reserve’s ranking would be suitable as a criterion insofar as one may compare their ranking today as opposed to the era immediately preceding the 2008 crisis. Nevertheless, it is understood that the generalizability of this study is compromised by the small sample size of eight selected institutions as well as the reliance on primarily qualitative accounting methods (See Appendix II, Table 1.2 for details on the chosen analytic cases).

The operationalized data was be collected from the various financial statements included in annual reports and forms on 10-K as submitted by the organizational cases during the period of 2003-2008. Annual reports are information packages submitted for investors by financial institutions on a yearly basis to review the organization (SEC, 2016). Usually these documents contain a great deal of statistical information on the organization’s performance. However, some organizations may submit another type of document called a form 10-K as a supplement to annual reports (SEC, 2016). These
usually contain the consolidated financials which may be absent from the annual report itself. Every one of these major investment finance institutions bears a website where the organization can manage investor relations. Under the investor relations sections of these websites are typically archives or selections of documents containing financials which can be downloaded on PDF format (See Appendix II for details on annual reports).

**Data Collection**

The general process of collecting data was fairly straightforward and began with downloading PDF annual reports or forms 10-K from investor relations webpages associated with chosen banks. After the selected PDF files had been obtained for the years between 2003 and 2008, accounting data would be extracted from these files. To this end, PDF search tools were utilized to locate operationalized indicators of structuration and speculation within the annual reports and forms 10-K. The vast majority of operationalized indicators for structuration would be located in financial highlights sections or mainly the consolidated income statements of annual reports. Consolidated income statements provide most of the accounting data related to the earnings of a given company (e.g. net income, interest income, earnings from fees, etc.). On the other hand, the majority of operationalized indicators for speculation would be found under financial statements presenting a company’s holdings. The most important financial statements would include the consolidated balance sheet which provides data on an organizations total assets (e.g. including securities, outstanding loans, etc.). In addition to the consolidated balance sheet, which will always include liabilities, annual reports will typically contain smaller “notes” sections providing the valuation of other accounting categories. These sections may unpack the composition of total securities, show the
components of a company’s loan portfolio, or may take a more detailed look at the noninterest revenue. It should be noted generally that all assets or balance sheet components utilized in this study had been reported at fair value as opposed to another type of valuation (See Appendix II for more details on financial statements).

Accounting data extracted from consolidated income statements, balance sheets, and so on would be initially submitted into organized research protocols. The research protocol organized for this project would essentially include the following; 1) an introductory section unpacking operationalization as well as conceptualization; 2) a section for presenting codes; 3) a section for structuration data with citations; 4) a section for speculation data with citations; 5) and a section for the results of calculations likewise divided between different indicators. In any case, Excel spreadsheets were also organized for data collection based on the selected codes assigned to indicators. Using Microsoft Excel was necessary not only for organizing data but also conducting analyses which will be elaborated upon in the following section. Accounting data would be submitted under both protocol Microsoft Word documents and Excel spreadsheets as annual reports were interrogated on a case-by-case basis (e.g. or as each bank was analyzed). After this was done, not only were the documents and protocols crosschecked for incorrect entries, but also documents and spreadsheets as well as protocols and spreadsheets. It was imperative to ensure that for each case that the entries for protocols mirrored the accounting data found in annual reports, and that the entries for spreadsheets mirrored entries for protocols. (See Appendix III for all completed research protocols; Appendix II also provides an example of an Excel spreadsheet used in this project).
Documents, research protocols, and Excel spreadsheets were kept in separate computer sub-files located in main files assigned to each individual bank. Most of the data was collected between August 15 and September 15, 2015 while all of the data would be cleaned through crosschecking by January 1, 2016. In respect to data collection it is important to note that, occasionally, selected operationalized indicators could not be found in some or all of the annual reports for a given case (e.g. mortgage-banking income for the Bank of New York or total outstanding consumer loans for the Bank of New York Mellon from 2007 to 2008). To accommodate missing data or data that could not be collected, an equivalent to a given missing indicator would be chosen at discretion. For example, not every bank studied in this project reported their outstanding home equity loans, such as PNC Financial. Thus as an equivalent to outstanding home equity loans as a total accounting category, data on outstanding residential mortgages were collected from the company’s loan portfolios published under their annual reports between 2003 and 2008. It should be noted however that equivalents were not chosen for all missing data and not all missing data was accommodated (e.g. no data on outstanding consumer loans was collected for the Bank of New York Mellon).

At the end of this project, 482 values had been officially collected including the equivalents used for missing data. It should be noted that all of the accounting data values collected, for each case, were reported in millions of dollars. Therefore, a total revenue value of $10,000 was equal to $10 billion and $1,000,000 was equal to $1 trillion and so on. It will be standard for organizations to report accounting data either in millions of dollars or in thousands of dollars depending on the industry. It will also be important to mention that all of the data collected was reported based on Generally Accepted
Accounting Principles which is the paradigm through which accounting data is processed in the United States (FASAB, 2016). To this end, the technical procedures of handling and publishing accounting data are ultimately culturally based and socially constructed. The manner in which accounting data is presented can never be decoupled from its original structural context whether it be an organization, a highly rationalized economic system, or both.

**Analytic Approach**

As it is understood, the basis of this project was to find a convergence in accounting data for the selected organizations as a means of discerning whether or not isomorphic activity may have been present in the field of major investment finance leading up to the 2008 recession. To this end, it would have been necessary to establish very specific thresholds or criteria that would need to be met in order to determine whether or not isomorphic convergence could have been present based on the accounting data. The fact of the matter is no specific statistical criteria was established for determining whether or not convergence persisted or did not persist. The essential idea was to find similar patterns in the accounting data that may contextually indicate some convergence. For example, an ample question would be “were there similar patterns in revenue trends for these organizations during a given period?” Yet another would be, “were the proportions of mortgage-backed securities to securities for these companies relatively high or relatively low comparatively?” Because this project centered on a multiple case study framework which could not provide statistical generalizability, it did not make sense to apply certain extensive as well as robust procedures such as multiple regression and so on. The crux of this project generally, therefore, was the application of
accounting ratios in order to determine whether or not there were points of convergence in the data among the banks, or similar patterns (Gibson, 2009).

For this project, horizontal and vertical analysis were used to manipulate the accounting data in order to determine whether or not there was evidence of isomorphic convergence (Gibson, 2009). In accounting horizontal analysis refers to trend analysis, or determining the percent change of a given value across a period of time (Gibson, 2009). For example, let’s say a person earns $40,000.00 in year “x” but then $50,000.00 in year “y,” the following year. A horizontal analysis would determine the percent change from year “x” to year “y.” The person’s annual earnings increased by $10,000.00 which one could multiple by 100 and divide by the base value, or the earnings for year “x.” This would give us the percent change from year “x” to year “y” or 25%. Vertical analysis on the other hand refers to the proportion of one accounting category to another (Gibson, 2009). For example, what if an individual was interested in determining how much of their company’s assets were composed of securities or bonds? Let’s say that a company’s total assets were $1,000,000.00 and that their bonds or securities amounted to $100,000.00. One could multiply the valuation of bonds or securities by 100 and then divide that value by the total assets to obtain 10%. (See Appendix II for details on Horizontal and Vertical Analysis).

In respect to data collection and the general research procedure, all horizontal and vertical analyses would be conducted on the values entered into Excel using formulas. Data entries would be made into cells and formulas would be entered into another collection of cells for analysis. Formulas, after having been entered, would be dragged over multiple cells below using a cursor to replicate calculations for different values.
associated with a given category. Horizontal analyses were conducted for every operationalized indicator, even for the calculations derived from vertical analyses. The results of horizontal analyses were coded with the term “trend” at the end. Thus, for example, REVENUE is the code for total revenues, net revenues, or equivalents reported by a given organization (essentially income before the majority of expenses). Trend values for this indicator would be coded REVTREND indicating that the values under this category indicate percent changes in REVENUE over time. Vertical analyses were typically coded using the codes of one category along with another. Thus, the proportion of noninterest income (NONIN) to revenues (REVENUE) would be coded as NONINREV. Likewise, the proportion of outstanding home equity loans (HOMEQ) to assets (ASSET) would be coded as HOMA (See Appendix III for an unpacking of codes for indicators at the beginning of each final research protocol).

In any case, all of the calculations conducted for this project would be processed through Excel and would then be submitted under respective research protocols. To this extent, a reflexive relationship in this research was established between the documents, the protocols, and the Excel spreadsheets, all of which would be crosschecked against each other. The process utilized in respect to protocols and spreadsheets mirrors a variant of double-data entry to prevent errors and avert mistakes (Mitchell, 2010: 47-50). After completing data entries and re-entries, the protocols and spreadsheets would be crosschecked and more definitive analyses would be conducted. Much of the data assessments were conducted simply by looking at the various proportions and trends across the banks, taking note of patterns. Case-by-case as well as comparative tables were
generated to facilitate analysis as well as case-by-case and comparative graphs (See Appendices IV-V for selected tables and Appendices VI-VII for selected line graphs).

On the whole, 1,278 values would be generated on Excel spreadsheets using horizontal and vertical analysis and all of these values would then be entered into the protocols respective of banks. Of course, the vast majority of the calculations would not be used in the main presentation of findings. In respect to reporting the findings for the project, a greater emphasis was focused on the most imperative points of convergence which were found. These included convergence in mortgage-backed securities, revenues including revenue components, outstanding total loans, the liquidity ratio, and finance cash flows. An initial and much longer report on the findings had been written on a case-by-case basis by January 17, 2016. This extensive report has since been transitioned to the notes segment which can be found in Appendix I following the Reference List. This notes segment was compiled to give the reader a more in-depth look at each case as well as the researchers’ commentary on nearly all of the data collected as well as analyzed (See Appendix VIII for the Excel data collection documents used in this project).

**FINDINGS**

*General Overview*

In respect to the data, there was variation in terms of which categories were reported within financial statements and others that were not. Some companies such as Bank of America would report their revenues net of interest expense and indeed most did. Other companies would not explicitly report gross or net revenues, requiring the researcher to combine interest and noninterest income such as in the case of PNC Financial. Some companies only reported securities-available-for sale as opposed to those
held to maturity such as Wells Fargo. Other banks such as J.P. Morgan engaged in window-dressing to mask the amount of mortgage-backed securities they were holding. (See Appendix I: J.P. Morgan Chase). To summarize a number of small points, convergence was found in a number of areas. For instance, the proportion of mortgage-banking income to noninterest income was very marginal for all banks that actually reported mortgage banking income. Moreover, the assets for every single bank appreciated during the 2003-2008 period without a single depreciation. It is worth mentioning, at the same time, that outstanding loans constituted a higher proportion of assets than securities for most banks during the 2003-2008 period.

The most imperative findings however can be listed as the following: 1) net income depreciated, sometimes dramatically, for all banks sometime during the 2007-2008 period; 2) noninterest income constituted over 40% of revenues for the vast majority of banks during the 2003-2008 period; the proportion of assets to liabilities for all banks never fell below 100% during the 2003-2008 period except for one institution; the proportion of mortgage-backed securities to securities never fell below 66% for all but one bank between 2003 and 2008; finance cash flows were notably volatile for all banks involved in the study; and outstanding total loans net of allowance appreciated by very large values for most banks over the course of the 2003-2008 period in spite of the 2008 recession. It should be noted, however, that within convergence there is divergence in respect to values. The main emphasis in unpacking these instances of structural convergence is emphasizing patterns in data, particularly in respect to ranges, appreciations, and depreciations.
**Indicators for Structuration**

First and foremost, revenues for the majority of the banks increased by large percentages between the 2003 and 2008 period as a whole. REVENUE as a code represents income before the majority of or all expenses incurred by an organization (e.g. gross revenue, net revenue, etc.). In respect to trends, Bank of America went from a value of $37.8 billion in revenues to $72.7 billion in revenues net of interest expense across the period, an increase by 92%. Revenues for J.P. Morgan Chase increased dramatically from $33.2 billion to $67.2 billion, a percentage increase by 102%. The trend continues down the line in respect to the entire period. Wells Fargo’s revenues increased by 48%, BNY to BNY Mellon by 114%, Mellon to BNY Mellon by 225%, PNC Financial by 51%, and U.S.Bancorp by a relatively modest 17%. Generally, it can be said that the only particular point of convergence in revenues regarding these banks is that most banks increased their revenues by over 50% during the 2003-2008 period. However, it must be stated that convergence also persisted among the banks in respect to net income over the period.

Net income, or INCOME, plummeted for every single one of the banks studied in this project over the 2003-2008 period. The code INCOME represents net income, or revenues after all or the vast majority of expenses incurred by an organization. For all of the banks, the largest depreciations in net income occurred between 2007 and 2008. For example, Bank of America’s net income fell from $21.1 billion in 2006 to $4 billion in 2008. The company’s income had dropped by a percentage of 29% in 2007 at year-end as well as by a dramatic 73% in 2008 alone. J.P. Morgan Chase’s net income fell by 64% in 2008, or from a figure of $15.3 billion to $5.6 billion. The Bank of New York Mellon’s net income dropped by 30% while Wells Fargo was faced with a massive decline by
67%. PNC Financial, which was a relatively modest bank compared to Bank of America and J.P. Morgan, faced two consecutive depreciations of net income, first by 43% in 2007 and then by 40% in 2008. There can be no doubt that the Great Recession had a role in this structural convergence, but such convergence is also very telling in respect to the systemic interconnectedness of the financial sector in the United States.

The banks were relatively similar to each other in respect to noninterest income. The code NONIN represents revenue mainly derived from the processing of fees and related transactions. For all but one of the banks, the proportion of noninterest income to revenues, indicated by the code NONINREV, remained above 40% for the 2003-2008 period. In fact, for five of the eight banks, NONINREV remained above 42%. For the Mellon Financial, the proportion rose as high as 91% in 2006 before its merger with the Bank of New York. The implication is that for the vast majority of these banks, a very high proportion of their business during the 2003-2008 period was based off of fee-related revenue. Specifically, this includes such elements as credit card fees, late fees, operating leases, trust and investment fees and so on. These may also include fees on debit cards such as overdraft and maintenance charges. An interesting implication of the findings is that the lowest values for NONINREV during the 2003-2008 period were seen in 2008 for five out of eight banks. In short, five out of the eight banks saw their lowest proportion of noninterest income to revenues in 2008.

Convergence was also found for the calculated liquidity ratio during the 2003-2008 period. The liquidity ratio is the proportion of assets to liabilities, or the proportion of a company’s holdings to their obligations. Essentially, this accounting ratio as a form of vertical analysis indicates the extent to which a company can pay off their obligations
based on their holdings (Gibson, 2009). When the proportion is calculated for present assets and liabilities, such as accounting data produced during this fiscal quarter, the ratio is called the ‘current ratio’ (Gibson, 2009). The code for this indicator is simply titled CURRENT even though the respective ratio was applied to historical accounting data. The general idea for this ratio is that any proportion at 1 or above is ideal (or anything at 100% or above). For example, if I have $100,000 in liabilities and $100,000 in assets, I would have a liquidity ratio of 1 which is perfect. For all but one bank during the 2003-2008 period, CURRENT was calculated to be above 100%.

In fact, for all but one bank, the liquidity ratio never fell below 106.97% (for Bank of America) and some banks such as the BNY Mellon had liquidity ratios as high as 113.39% during the 2008 crisis. BNY Mellon in fact saw the highest liquidity ratios of over 117% in 2007 before the stock market crash. The only bank which, during one year only, saw a liquidity ratio of under 100% was Wells Fargo. Incidentally in 2008, Wells Fargo endured a liquidity ratio of 85.88% very likely as the result of the crisis. The question is why did Wells Fargo endure a liquidity ratio below 100% during the crisis while no other bank faced the same issue? This is a questionable point of divergence which would require further research into the composition of assets as well as liabilities for Wells Fargo during the 2003-2008 period.

Closing remarks in respect to indicators for structuration may include that liabilities did not depreciate for the banks with the exception of Wells Fargo which saw a drop by 1.12% in 2006 and BNY which saw a drop by 0.46% the same year. In respect to mortgage-banking income, there was a notable amount of divergence mainly in respect to the proportion of mortgage-banking income to noninterest income, MORTNON.
Mortgage-banking income is revenue that is derived mainly from fee transactions related to the selling of mortgages. It was originally believed that, with the inclusion of this indicator, data on the state of the mortgage industry could be obtained. Only four of the eight banks explicitly reported “mortgage-banking income” or an equivalent on their consolidated balance sheets. Of them, Wells Fargo had the highest proportions of mortgage-banking income to noninterest income with a high of 20.29% in 2003 and a low of 14.41% in 2004. U.S. Bancorp witnessed very low values for MORTNON with a low of 2.80% in 2006 and J.P. Morgan Chase’s values for the proportion never rose above 12.18%. Interestingly enough, one would assume that 2008 would see a stark decline in mortgage-banking income. Wells Fargo was the only bank to see a major decline in mortgage-banking income by a figure of 19.41% in 2008. Comparatively, in respect to all cases, there are not many imperative aspects to discuss about mortgage-banking income. (See Appendix I for in-depth details on each case regarding indicators for structuration; also see Appendices IV, V, VI, and VII for selected tables and graphs).

**Indicators for Speculation**

As it has been stated much earlier, the majority of indicators for speculation constituted components of assets which could be found on the consolidated balance sheets of annual reports. These would include various holdings such as outstanding loans, consumer loans, securities, mortgage-backed securities, etc. Perhaps the most telling point of convergence for these banks in respect to speculation reflects mortgage-backed securities. This is an imperative point of convergence insofar as one of the components of the 2008 subprime mortgage debacle was the securitization of risky mortgages. As indicated by Fligstein and Goldstein originally, a core problem was the
packaging and sale of nonagency mortgage-backed securities (Fligstein & Goldstein, 2011). However, increased investment in and holdings of mortgage-backed securities in general also have the capacity to suggest certain trends in the mortgage-market. In any case, the proportion of mortgage-backed securities to securities for all of the banks between 2003 and 2008 never fell below 66% except for J.P. Morgan Case. J.P. Morgan Chase provides a very interesting example of accounting manipulation which is elaborated upon under the Notes section at the end of this report. (See Appendix I: J.P. Morgan Chase).

Much of the data on mortgage-backed securities were collected from notes on securities sections within the annual reports of the selected banks. These notes unpacked the composition of total securities as reported at fair value under consolidated balance sheets. The indicator code for mortgage-backed securities values would be MORTBACK while the indicator code for the proportion of mortgage-backed securities to total securities would be MORTSEC. Bank of America had some of the highest values for MORTSEC during the 2003-2008 period, reaching as high as 89% in 2003. Moreover, despite the crisis, the proportion of mortgage-backed securities (or MBSs) to securities remained as high as 83% during the recession. PNC Financial maintained a MORTSEC value of 86% in 2008 and U.S. Bancorp bore a value of 76%. The importance here is that the majority of securities for these banks as reported under annual reports were made up of problematic mortgage-backed securities during the 2003-2008 period.

Even J.P. Morgan Chase’s mortgage-backed securities constituted 78% of their total securities in 2007 before the Wall Street crash. Wells Fargo maintained a steady proportion of mortgage-backed securities to securities between 2003 and 2007 between
75% and 77%. In any case, this phenomenon cannot be established as even one of the precise causes of the recession insofar as the greater cause was ultimately consumer insolvency reflecting poor business practices (Robinson, 2012). Another point of convergence was financial cash flows and such convergence mainly reflected a matter of volatility more than any other element. At base, cash flows reflect the amount of money which comes into a company in the form of revenue and then goes out of the company in the form of expenditures. Statements of cash flows, as organized under annual financial reports according to GAAP, present amounts of cash that have been used in certain activities. The cash flow data collected by this project included net cash used in financing activities which includes servicing debt and paying out dividends to stockholders (Gibson, 2009).

Finance cash flows or CASHFLO were chosen as operationalized indicators for speculation originally because it was felt that they could accurately reflect the amount of money invested in risking assets. Later on it was determined that CASHFLO may serve as a suitable indicator in respect to the pressures being placed on a company to service obligations and satisfy shareholders. In any case as it has been stated, net cash used in financing activities was volatile for all companies involved in the study. In fact, five out of the eight banks witnessed periods where net cash used in finance activities fell into the negatives. For example, Bank of America’s net cash used in financial activities fell to negative $10.6 billion in 2007, a year before the crisis. J.P. Morgan Chase saw their net cash used in financial activities fall to negative $76.1 billion in 2006 when the housing bubble burst. J.P. Morgan by far saw the largest negative values in net cash used in financing activities when compared to the rest of the banks during the 2003-2008 period.
Even in 2003, CASHFLO fell to negative $26.2 billion which is substantial but not necessarily indicative of a crisis. PNC Financial and U.S. Bancorp did not see their net cash used in financial activities fall into the negatives, but their values did fluctuate. The banks in this study converged in that trends in their cash flows were consistently inconsistent.

Convergence in respect to outstanding total loans net of allowance, or accounts receivable, is reflective of the same type of convergence seen with revenues (REVENUE) in general. In respect to yearly bases, all but two banks saw variable yearly appreciations in the value of their outstanding net loans. In other words, only two banks saw years where the value of their outstanding loans actually declined. Incidentally, these were Mellon Financial and BNY Mellon. On the whole however, the Bank of New York Mellon companies saw their outstanding loans increase substantially over the period. For example, Mellon Financial had $7.3 billion in outstanding loans in 2003 which eventually grew to $42.9 billion in 2008 after the merger with the Bank of New York. This was a major percentage increase of 484% total for the 2003-2008 period. Bank of America’s outstanding loans receivable grew from $365.3 billion to $908.3 billion between 2003 and 2008, a percentage increase of 149%. It should be said that all but two banks during the 2003-2008 period saw a general increase of over 100% in outstanding total loan assets. J.P. Morgan Chase saw their loans increase from $214.9 billion to $721.7 billion, a higher percentage increase than Bank of America. If any layman had a doubt about increased speculation during the 2003-2008 period, the massive increases in the value of outstanding loans during the 2003-2008 period would put such doubt to rest. (See
Appendix I for in-depth details on each case regarding indicators for speculation; also see Appendices IV, V, VI, and VII for selected tables and graphs).

Other Considerations

As another comment on outstanding loans, it would appear that the highest appreciations for outstanding loans or LOAN would occur for most banks between 2007 and 2008. Contrarily, Bank of America saw their outstanding loan assets skyrocket by 40% in 2004 and J.P. Morgan’s outstanding loan assets increased by 84% that very same year. Banks such as Wells Fargo, PNC Financial, and U.S. Bancorp, however, would see their highest increases in LOAN in 2008. In any case, it is imperative to reflect exactly on how much data had actually been considered in the course of this project. In respect to speculation, as it has already been discussed, data was also collected on total assets, total securities, consumer loans, home equity loans, and equivalents to home equity loans. Extensive additional comments as well as analyses can be found again in Appendix I (Notes) which delves into substantial depth on all of the financial categories per case.

Summarily it can be said in respect to total assets that the category never depreciated once for a single bank over the course of the period and did appreciate more dramatically however for the more established banks than others (e.g. Bank of America vs. U.S. Bancorp). Securities also varied not only in respect to the value of securities held for the different banks but more importantly in terms of the proportion of securities to assets. For example, Mellon Financial had a uniquely high proportion of total securities to their assets which ranked around 45% between 2005 and 2006. Bank of America’s proportion of securities to assets did not climb much higher than 17% after 2003 and declined to 15% by 2008. J.P. Morgan Chase’s proportion of securities to assets never
rose above 9.4%. With that being said, the impact of mortgage-backed securities as a component of total securities would have varied substantially depending on each bank. Consumer loans were not particularly telling, and under some circumstances mirrored trends in total loans. Outstanding home equity loans, HOMEQ, increased substantially for Bank of America and J.P. Morgan Chase and moderately for U.S. Bancorp. Five out of the eight banks did not explicitly report their outstanding home equity loans, thus requiring the use of equivalents.

**DISCUSSION**

*Sociological Thoughts on the Abstract Accountant*

There are many who may be inclined to argue that accounting data is in itself not a very good sociological tool for analysis. A reasonable criticism put forward is that organizations metaphorically put their “best foot forward” and may be inclined to present their data in order to put themselves in a favorable light (Becker, 1998). This is called “window-dressing” colloquially and is frowned upon as not only an inconvenience but as the means of corruption. What is a more unfortunate fact is that the researcher may not have the means to determine whether or not the accounting data drawn from financial statements were affected by window-dressing. Oftentimes, of course, it is abundantly clear as was seen with J.P. Morgan Chase and their attempt to hide the amount of mortgage-backed securities they owned in 2007 by collapsing categories. (See Appendix I: Notes). Thus, when the sociologist is faced with accounting data, can that data been considered objective when organizations have stake in making themselves appear profitable to shareholders? It is not easy to answer this question except to say that the reporting of financial data by organizations is affected very powerfully by structural
elements within the organization which affect bounded rationality (Simon & March, 1958); also be external pressures, personal issues, and the frame of mind of the social actor. The accountant is never decoupled from his or her social context, but to that end, we never quite see the accountant’s face nor that of the underwriter handing out subprime mortgages to individuals who cannot afford them.

Conceptually in sociological terms respective of social structure, we may imagine a team of accountants and supervisors in charge of developing a company’s annual report. These social actors have been hired by a financial institution and are reflexively influenced by their immediate environment in terms of technical expectations, disciplinary regulations, interpersonal goals, personal goals, possibilities for advancement, and so on. But, do all organizations develop or plan to develop their annual reports in the same way? Do the same number of accountants work on each annual report across organizations? The answer of course is no, but one can be certain that the social actor, locked within the technical and in-fact competitive context of a financial service industry job, or more likely to abide by the immediate expectations of the organization than anything else especially if it increases their life chances in a Weberian sense (Weber, 1958).

Abstraction begets abstraction when the sociologist is consigned to make imperative links which may contribute to the discussion on a sociological approach to accounting data. The accountant primarily responsible for the development of annual reports is likely situated within a network of peers which affect their professional life in various ways (Granovetter, 1985). The basic technical decisions on whether to include certain financial categories in annual report notes sections or on whether to address
certain accounting issues can be affected by a number of factors. The abstract accountant or social actor within the context of a given organization is likely a well-credentialed individual with an MBA or M.S. in accounting; they are likely familiar with the ins-and-outs of creative accounting or “window-dressing;” they may be thinking about their advancement as an accountant or possibly becoming a CFO. There are many possibilities for the abstract accountant who partakes in the development of these financial reports, but he is never alone. Social structure in the context of highly rationalized, hierarchical, and routinized financial institutions is very strong (Collins, 1980).

It is arguably because of the imposition of much rationalized, routinized, and technologized structural forces on individuals that patterns of irresponsible business practices can flow more freely. What can be said about the relationship between accounting data and sociological theory initially is that the data itself is technical. It is made technical through the rationalization of accounting practices in the United States affected by the institution of GAAP and governmental regulation on the part of the Executive Branch (FASAB, 2016; SEC, 2016). Engagement in accounting practices facilitated by emotive and rational social actors is additionally affected by the imposition of technical training in colleges as well as universities providing degrees. Theoretically, what is implicit in much financial training are paradigms of business and profit-making which are conducive to the sustainability of organizations and their management. The annual report, required by the U.S. Securities and Exchange Commission, is an element of social structure in respect to the rationalization of accounting as well as the embeddedness of economic paradigms (Block & Somers, 2014).
Of course the sociologist can make many conceptual linkages which may, at least theoretically, facilitate an interpretive understanding of how social actors involved in the publication of annual reports relate back to meso and macro-level structures. The accountant to the supervisor; the supervisor takes his orders from the CFO; the CFO takes his orders from the board of directors; the board of directors is driven by the profit motive. That profit motive being a value-imperative for the continuation of capitalism and the capitalist exploitation of consumers by the finance sector (Block & Somers, 2014). The abstract bank of the 21st century is embedded with the neoliberal free-market paradigm which overtook the United States after 1973 (Block & Somers, 2014). Could these structural influences, particularly the neoliberal paradigm, serve to affect window-dressing in the development of annual reports? Certainly it is possible and this study could have been reframed as a project which exclusively looked at accounting practices rather than financial crises. But it has already been established that annual reports and accounting data are elements of social structure and can be treated as indicators of organizational phenomena in relation to the wider economy. Moreover, annual reports are easily accessible for sociological research and analysis, an opportunity which should not be given up.

**Empirical Types of Isomorphism & Questions**

Earlier on in the introduction to this report, the three variants of DiMaggio and Powell’s theory of isomorphism were discussed. It was intimated that mimetic or normative processes could have been at play in the convergence of these investment banks (DiMaggio & Powell, 1983: 151-152). At this time it will be pertinent to address a
quote from DiMaggio and Powell concerning the application of the three forms or ideal
types of isomorphic phenomena:

This typology is not an analytic one: the types are not always empirically distinct. For example,
external actors may induce an organization to conform to its peers by requiring it to perform a
particular task and specifying the profession responsible for its performance. Or mimetic change
may reflect environmentally constructed uncertainties. Yet, while the three types intermingle in
empirical setting, they tend to derive from different conditions and may lead to different outcomes.

(DiMaggio & Powell, 1983: 150)

The idea is simple; coercive, mimetic, and normative processes “intermingle” in the
context of social life. However, the important aspects of these variants are the conditions
from which they transpire. Thus the specific questions are asked: 1) what form of
isomorphism could affect convergence in revenues? 2) What form of isomorphism could
affect convergence in liquidity? 3) What form of isomorphism could affect convergence
in mortgage-backed securities? 4) What form of isomorphism could affect convergence
in cash flows? 5) Lastly, what form of isomorphism could affect convergence in loans?

Coercive isomorphism, according to DiMaggio and Powell primarily reflects
dependency of one organization on another (1983: 150). It can be stated that investment
banks are dependent on each other’s business in terms of selling securities to each other
as well as financing mutual projects. It can also be stated that investment banks are
dependent on the U.S. government in respect to regulation and the production of a mutual
currency, the U.S. dollar. These organizations are also dependent on consumers, many
who may be part of organizations and organizations themselves may be consumers of
major investment banks for financing (e.g. brick and mortar retail outlets financing
through Citigroup). Dependency of course is not the only criteria which serves to underlie
coercive isomorphism according to DiMaggio and Powell. Formal pressures, informal pressures, and cultural expectations are also part of the equation (1983: 150).

The problem with these components is that DiMaggio and Powell try to distinguish their institutional isomorphism from competitive isomorphism, the latter of which reflects capitalist competition (1983: 149-150). Institutional isomorphism reflects issues with legitimacy, values, culture, and normative concerns rather than the practical competition of the marketplace. In essence, the types of formal pressures DiMaggio and Powell would consider may reflect the importance of legal environments and regulatory organizations (1983: 150). Therefore, regulations by the U.S. Securities and Exchange Commission could serve to affect isomorphic processes within investment finance, especially in respect to how financials are reported. One may make a reasonable argument that federal regulations could certainly affect isomorphism in how investment banks like J.P. Morgan Chase and Wells Fargo publish their annual reports. It is also plausible that such banks as Bank of America and BNY Mellon could take advantage of loopholes in S.E.C. regulations and conceal accounting data which could possibly lead to an indictment. Organizations structurally guided by the profit motive may seek to exploit similar loopholes to hide financials which could expose the offshoots of shadow banking, irresponsible lending, and other forms of debauchery.

This project however is not primarily concerned with the question of “is there convergence in how these organizations reported the data?” Contrarily, this project is primarily concerned with the question of “is there convergence in accounting data that would suggest financial convergence among these organizations?” If there were any formal pressures, informal pressures, or cultural pressures that would have affected
isomorphic convergence leading up to the recession, they would have been related to
competition (1983: 149-150). This is why DiMaggio and Powell’s theory of institutional
isomorphism can be problematic, because competitive isomorphism is viewed as distinct
rather than linked to institutional concerns. It is plausible to argue that these banks were
coerced by each other through business pressures to engage in mortgage securitization and
the sale of risky credit to ineligible consumers. These organizations could have been
coerced by their consumer bases which began to demand easy credit and also by the
prospect of falling behind other banks like Countrywide who were pioneering subprime
and adjustable rate mortgages. The cultural attitudes around a growing economy between
2003 and 2005 would have certainly played some role in pressuring a few of these
organizations to engage in risky business practices.

A coercive (competitive) variant of isomorphism could have served to affect
increased lending and aggressive business practices on the part of major banks such as
Bank of America, J.P. Morgan Chase, and Wells Fargo (DiMaggio & Powell, 1983: 149-
150). These banks had already been moving towards the monopolization of the field of
major investment finance in the United States. Revenues increased dramatically for all of
the banks due to more aggressive business activity influenced by competitive inter-
organizational and cultural economic pressures. This would have led to more outstanding
loans and it would have also led to more consumer loans. This would also have led to an
increased emphasis on other forms of business like fee-related revenue. This goes without
mentioning that credit card ownership increased during the 2000’s which would have also
led to increases in noninterest income. As other organizations like Bank of America
invested a great deal of money in mortgage-backed securities, other large banks would
have also joined suit. So in terms of economic coercive (competitive) isomorphism, one could certainly try to apply a coercive theory to what was seen in the accounting data. But this of course appears to be somewhat of a stretch (DiMaggio & Powell, 1983: 149-150).

Much of this is speculative in the philosophical and sociological sense reflecting on the data. One doesn’t know for sure why banks began to increase their sale of risky financial packages in the 2000’s. Many individuals such as Senator Bernie Sanders enjoy talking about greed without considering the influence of values, beliefs, norms, and business paradigms on social action (Bradner, 2016; Block & Somers, 2014). The suggestion that the economic frenzies of the early 2000’s somehow served to affect economic competition which coerced organizations in to selling risky mortgages is reminiscent of Keyes’s discussion on “animal spirits” (Keynes, 1936) When spirits are high, organizations sell more credit optimistically and people buy more stock (Keynes, 1936). This is much like Rotheli’s discussion on the credit cycle in which organizations increase their speculation in times of economic optimism (Rotheli, 2010). In any case, it can be said summarily that DiMaggio and Powell’s coercive variant of institutional isomorphism seems to apply much more easily when the competitive element is considered (1983: 149-150).

Cash flows were of course not discussed in respect to coercive isomorphism. It would be a stretch to say that these organizations were coerced into having volatile cash flows. However, I would suggest that having volatile cash flows is simply the “nature of the beast” for investment finance. The value of stocks fluctuate, so the amount of money paid out to stockholders could fluctuate. The amount of debt that a finance firm incurs is
of course contextual and dependent on their particular business practices. Organizations converge, to be sure, but that doesn’t mean they are necessarily the same in every respect. Two of the eight banks never fell into the negatives in respect to finance cash flows. Nevertheless, one cannot at the same time deny that volatility of cash flows for these banks is a field level phenomenon. Cash flows in the context of major investment finance, as seen with these particular organizations, are consistently inconsistent.

Originally, mimetic isomorphism seemed to be a plausible variant that could be applied to the empirical data (DiMaggio & Powell, 1983: 151). This was discussed at reasonable length in the introduction section of this report. The problem is, again of course, mimetic isomorphism is a form of institutional isomorphism which is distinguished from competitive isomorphism (DiMaggio & Powell, 1983: 151). When one overviews the application of coercive isomorphism in respect to “pressures,” there would appear to be some sort of overlap (DiMaggio & Powell, 1983: 150-151). Coercion and mimesis can go hand-in-hand in that circumstances may serve to pressure organizations to mimic other organizations that appear successful. DiMaggio and Powell talk about the importance of uncertainty in regard to organizations mimicking apparently successful organizations (1983: 151-152). Such mimicry may be in the context of adopting similar business practices, changing organizational structure to match those of other organizations, and so on (DiMaggio & Powell, 1983: 151-152). Other elements which affect mimesis may include uncertainty about goals or technologies. The main question is: if mimesis played a role in the convergence of these indicators, what sort of uncertainty could have prompted increased speculation (DiMaggio & Powell, 1983: 151-152)?
The economy of the 2000 numbers was not necessarily an uncertain economy. However, the dotcom bubble of 1997-2000 could have played a role in establishing some form of economic financial uncertainty. To be sure, it was after 2003 according to Fligstein and Goldstein that the mortgage market began to pick up dramatically and incidentally so did mortgage-securitization (Fligstein & Goldstein, 2011). Speculatively speaking, a new century in itself can cognitively bring about some essence of uncertainty in terms of what to expect domestically or abroad. This is especially true considering the War on Terror and the 9/11 attacks in 2001. The finance industry as well as the technology industry, especially in communications, was becoming more advanced every day. The bit about technology however is a truism; and could one suggest that the period of 1990-1999 was not also radical in respect to development? In any case, the prospect that mimesis somehow fueled increased business practices in fee-related activity, increased lending, and increased mortgage-securitization is not all that unreasonable. But the question remains, what sort of uncertainty may have brought this convergence about?

Again, it’s plausible to suggest that competition can serve to affect mimesis (DiMaggio & Powell, 1983: 149-152). Organizations may look to the lending practices or financial practices of other organizations they deem successful and mimic their activity. By engaging in mimesis, there is a chance that a given organization might become competitive in the wider economy. It is reasonable perhaps to say that Countrywide’s work to sell subprime mortgages to those who couldn’t afford a prime mortgage could have opened up a new generation of consumers as Fordism had. Companies like Wells Fargo, Wachovia Securities, AIG, and others could have sought to establish a stake in this revolutionary but risky means of increasing profits. This would explain the increases
in total outstanding loans. Mortgage backed securities would have also appeared to be a lucrative venture that other banks would have been eager to “get in on.” As housing prices increased into 2006, the value of mortgage-backed securities would have also increased. Again, in respect to mimetic isomorphism, mimetic processes become plausible when you add the factor of economic competition into the equation (DiMaggio & Powell, 1983: 149-152). It is uncertain as to whether mimetic isomorphism could adequately explain convergence in finance cash flows.

The only possible ways one could bring the question of normative isomorphism into this conversation are the following: 1) you somehow collected data on the supervisors or accountants involved in the development of these annual reports including professional background or 2) you reframed this project to be about professional standards in publishing accounting data or underwriting (DiMaggio & Powell, 1983: 152-153). The accounting data itself, I do not believe, acts as a suitable proxy for assessing the extent of professionalism associated with these organizations studied. At first, this assertion may draw laughter because it is true that the accounting data were presented in a professional ways based on GAAP (Gibson, 2009). But this project was more concerned with the social structure of these organizations in relation to the accounting data rather than the relationship between professionalism and the accounting data. Professionalism is an element of social structure but it was not something specifically studied here. Moreover, not much is known about the explicit professional standards of these organizations in that the rhetoric of the annual reports was not really analyzed. Only the extracted accounting data itself was analyzed and considered in this project.
This does not mean that normative isomorphism is not relevant at all, in fact it is very relevant but requires a different set of tools and procedures to assess. One could make the case that it is a professional norm in investment finance, as in any other business, to follow the profit motive (Block & Somers, 2014). Increase revenues, advance new means of gaining revenues (financial innovation), buy valuable securities, sell valuable securities, and increase lending. But of course, again, the intention of any business under capitalism would logically be to turn a profit. Some may be inclined to say that underwriters handing out jumbo loans, home equity loans, residential mortgages and so on may have been influenced professionally, in respect to their training, to maximize the amount of credit they give out whatever the cost (Fligstein & Goldstein, 2011). The fact of the matter is there is so much that is unknown. In respect to isomorphism as a whole, it is reasonable to suggest that a more in-depth investigation into not only accounting data but the structure of these organizations could yield more information regarding the question of applying isomorphism theory. This is not to suggest that the data have not been very telling; the data simply paints only part of the picture.

**Limitations of this Study & Further Research**

This research is limited first in respect to sample size insofar as what may be conceptualized as major investment finance incorporates many more than eight organizations. A larger sample size would also open the door for more rigorous multivariate analyses such as multiple regression which would require well-defined dependent and independent variables (Polit, 2010). All of the organizations featured in this study are also American organizations, so a representative sample of even global
investment finance was not attained. Moreover, only a selection of certain accounting categories were collected and analyzed. The composition of noninterest income for example, with the exception of mortgage-banking income, was more or less left untouched. Compositions of liabilities, other categories of assets, and so on were not considered in the course of this project. Moreover, because of the limited scope of this project, the vast amount of data that was collected and analyzed could not feasibly be presented in the findings section. This is precisely why the more in-depth case study analyses were transitioned to a thorough notes section. (See Appendix I: Notes).

Further research would bring a representative sample size of cases into the discussion and would consider testing a number of DiMaggio and Powell’s hypotheses using regression procedures (Polit, 2010). Further research may also use an ethnographic approach instead seeking to collect survey data from or conduct interviews with individuals employed by major investment firms. It is plausible that both quantitative and ethnographic approaches could be combined to yield a mixed methods approach which tests for two or all three variants of isomorphism according to DiMaggio and Powell (1983: 149-153). Still, the current framework for this project could be extended to include not only a more detailed content analysis of accounting data but also a content analysis of rhetoric used in the annual report. More qualitative approaches to the application of isomorphism theory to investment finance as a field could serve to tap into the symbolic cultural elements more so than quantitative approaches. Furthermore, more dynamic methodological approaches which combine quantitative and qualitative procedures could be more effective in answering questions on the themes of culture,
coercion, myth, ceremony, values, and professionalism in relation to the problem of financial crises.

CONCLUSION

This research aimed at contributing to prevailing literature on the causal origins of the 2008 Recession, particularly in the area of organizational theory. The cases included Bank of America, J.P. Morgan Chase, Wells Fargo, Bank of New York, Mellon Financial, Bank of New York Mellon, PNC Financial, and U.S. Bancorp. It was discovered that this was particularly in terms of 1) valuations in revenue; 3) valuations in certain categories of revenue; 4) the liquidity ratio; 5) mortgage-securitization; 6) financial cash flows; and 7) the valuation of outstanding loans. In respect to the discoveries, it was concluded that there is evidence to suggest by way of sociological theory that structural convergence persisted within a selection of organizations associated with major investment finance leading up to 2008. It was determined moreover that such isomorphic developments may be more likely rooted in coercive or mimetic processes with consideration of competitive market forces. However, it is reserved that no definitive answer can be given from this study on whether or not isomorphism effectively caused the 2008 recession itself.
REFERENCE LIST


I. For Reader’s Convenience: Below are the contents of the original findings report; the findings report written immediately after the research had been completed. The findings report touches on nearly all of the data covered in this project on a case-by-case basis with some comparative commentary. In the discourse of the notes section, which is numerous, the reader will find that the researcher made distinctions between data and analysis indicators. Data indicators essentially included the raw financial dollar values (e.g. $10 billion in revenues). Analysis indicators included the results of horizontal and/or vertical analysis (e.g. the proportion of consumer loans to assets or CONA). For the reader’s convenience, the original findings report has been divided among sections for each bank and further divided into subsections for indicators. The purposes of the notes section is to provide material on other areas of convergence found with the data and to expand on what was presented specifically in the findings section of this report.

II. Bank of America: If one could conceptualize a ‘lineup’ of familiar culprits of the 2008 subprime mortgage debacle, Bank of America would be included along with J.P. Morgan and Wells Fargo in particular. By 2008, Bank of America and its subsidiaries comprised one of the most powerful financial institutions in the United States, indeed the world. In 2008, despite the challenges posed by the stock market crash, Bank of America still obtained 72.7 billion in revenues net of interest expense. Moreover at year-end, the company retained 1.8 trillion in assets and was poised to buy out other banks on top of receiving fiscal aide from the Federal Government. To be sure, out of all the banks studied over the course of this project, Bank of the America was generally the most profitable. In any case, all of the operationalized indicators for structuration and speculation were found in the Annual Reports for Bank of America between 2003 and 2008. Two exceptions however should be noted; first, the revenue data collected was reported as revenue net of interest expense, not gross revenue. Second, the LOAN and CONLOAN data collected incorporates the valuation of outstanding leases, not merely outstanding loans. The reason for the second exception is that Bank of America’s outstanding loans and leases were reported together both on the loan portfolio and the balance sheet. It is argued, in any case, that these exceptions do not necessarily affect the comparability of the data insofar as outstanding leases also constitute an indicator for speculation. At the same time, revenues net of interest expense should still provide a definitive view of the amount of business flowing into the company. Moreover, it would not be difficult to go back to the documents for Bank of America to calculate gross revenue which is revenue before any expenses whatsoever. It should be noted that most of the revenue data for all of the banks was collected based on figures reported as “total revenue” or “revenue” under the documents. In some cases, gross revenue was calculated for a selection of banks by adding total noninterest income to total interest income before expenses on a company’s consolidated balance sheet. For Bank of America, revenues were not calculated but derived from a reported figure titled as “revenue” under the consolidated statement of income for every relevant document between 2003 and 2008.

A. On the whole, revenues for Bank of America rose from $37.8 billion at year-end 2003 to $72.7 billion at year-end in 2008. Thus, despite the great ramifications of the September 2008 downturn, Bank of America’s general revenues were not that greatly affected. The exception may be that at year-end in 2007, the company’s revenues dropped by a proportion of 9% or by $6.7 billion. It should be noted that according to the accounting data, 2007 is the only year between 2003 and 2008 in which BOA’s revenues net of interest expense actually dropped. From year-end in 2003 to 2006, and also in 2008, the company’s revenues increased every year. A dramatic proportionate increase in revenues for the company over the period of concern was witnessed at year-end in 2004 with a proportional rise of 29% (or from $37.8 billion to $48.8 billion). This would make sense in respect to the wider economy at the time if one factors in the commodities boom during the early 2000-numbers which advanced in spite of the dot-com crisis which hadn’t been too far behind. In any case, the most marginal proportionate increase in revenues during the period of concern was actually seen at year-end in 2008 when revenues rose by 10% or from $66.3 billion to $72.7 billion. In terms of proportions, the largest increase in revenues occurred at year-end in 2006 with a rise of 30%, or from $56 billion in 2005 to $73 billion the following year. This trend would seem
somewhat counterintuitive considering that 2006 was the year in which the infamous string of foreclosures associated with the 2008 crisis was starting to take hold. Based on these data alone, the Great Recession does not seem to have extensively affected the money coming into the company before most of the expenses. The same cannot however be said for the company’s net income during the 2003-2008 period which witnessed serious shocks. At year-end in 2008, Bank of America saw net income decline by a staggering proportion of 73% which would generally have been expected. This was a drop from $14.9 billion to $4 billion, a pure disaster for the company on many levels. It will be obvious, however, that for most of the 2003-2008 period, net income was noticeably on the rise for Bank of America. For example, the company’s net income rose by a sizeable proportion of 31% in 2004 commensurate with a comparable rise in revenues net of interest expense. This was a rise from $10.8 billion in net income at year-end in 2003 to $14.1 billion in net income at year-end in 2004. These trends are not all that surprising considering the favorable economic conditions of the early 2000-numbers. This goes without mentioning that in 2006, despite increasing foreclosures and credit issues, BOA’s net income rose by a proportion of 28%. This was a rise from $16.4 billion at year-end in 2005 to $21.1 billion at year-end in 2006. However, beginning in 2007, net income begins to severely decline, first by 29% in 2007 virtually outdoing the progress made in 2006. Then of course in 2008, Bank of America faces disaster with the net income falling by $10.9 billion. As it will be recognized later on, other major investment banks observed in this study faced major losses in net income during the latter half of the 2003-2008 period, which was more or less expected. Another data indicator for structuration that was observed in the course of this study was noninterest income which is revenue derived mainly from fees. Patterns in the increase or decrease in noninterest income mirrored those of net income in that the only two years noninterest income ever declined were in 2007 and in 2008. Prior to the years of the crisis, noninterest income increased substantially, most notably in 2006 when noninterest income rose by 52%. This was a rise from $25.3 billion at year-end in 2005 to $38.4 billion at year-end in 2006, an increase of $13.1 billion. This increase may have been due to an expansion of the company’s consumer base during that year which makes sense considering that revenues net of interest expense also increased by a sizeable 30% that same period. In any case, noninterest income also increased by 26% at year-end in 2005 and 22% at year-end in 2004. Thus, during the 2003-2006 period, noninterest income rose by $22 billion which is noteworthy but understandable when considering the economic upturn of the early 2000-numbers. While noninterest income steadily increased up until 2006, it dropped by 17% in 2007 or from a figure of $38.4 billion at year-end in 2006 to a figure of $31.8 billion at year-end in 2007. Noninterest income would also fall again by a proportion of 14% in 2008 or from $31.8 billion to $27.4 billion. The drop in noninterest income is most likely ultimately reflective in declines in revenue generally beginning in 2007 with the decline by 9%. There are a host of other reasons why noninterest income declined, namely that Bank of America’s consumer base was negatively affected by the Great Recession (which it was as indicated by trends in revenues). A component of noninterest income which was taken into consideration in the course of this project was mortgage banking income which constitutes any fee or related revenue derived from mortgage transactions. Mortgage banking income during the 2003-2008 period was volatile and did not really constitute a large proportion of revenues in general or even noninterest income. This of course may have been the case for Bank of America, but certainly not for all cases in this study. To be sure, Bank of America was one of the few banks studied that actually reported mortgage banking income under sections for noninterest income/revenue. On the whole, mortgage banking income increased from $1.9 billion at year-end in 2003 to $4 billion at year-end in 2008 which is not very substantial compared to other revenue categories. Moreover, trends in mortgage banking income for bank of America did not indicate either a steady increase or steady decline. For example, mortgage banking income decreased by a staggering 78% between 2003 and 2004 but then rose the following year by 94%. In terms of dollar amounts, mortgage banking income fell by $1.5 billion by year-end in 2004 but then rose by $391 million by year-end in 2005. After 2005, the fluctuations become more dramatic not in terms of patterns but in terms of proportions. As a very noteworthy example, mortgage banking income rose a phenomenal 353% at year-end in 2008. This was from a valuation of
$902 million to $4 billion and leads to many question as to why this area of noninterest income would effectively skyrocket during a period of crisis. All of the figures presented thus far at this point have been collected from the Consolidated Income Statements of Annual Reports submitted by Bank of America between 2003 and 2008. Essentially any income statement will be reporting forms of revenue rather than any other forms of financial monetary categories (e.g. cash flows or assets). The final data indicators for structuration collected for Bank of America were the total liabilities. As it has been stated earlier, liabilities are financial obligations a company has to other entities (e.g. accounts payable). Liabilities are typically reported under the balance sheets or consolidated balance sheets of annual reports submitted by companies. For Bank of America, accounting data on liabilities could be found under the consolidated balance sheets within annual reports published between 2003 and 2008. Before immediately delving into the data on liabilities, it should be said preliminarily that liabilities for Bank of America did not depreciate once during the 2003-2008 period. To be sure, between 2003 and 2008, liabilities rose every single year and sometimes very dramatically. For example, liabilities for BOA rose by a proportion of 47% between 2003 and 2004. This was a rise from $688.4 billion at year-end in 2003 to $1 trillion at year-end in 2004. In terms of dollar amounts, this is a difference of approximately $322.3 billion and Bank of America would not witness such a dramatic rise in liabilities again over the course of the 2003-2008 period. Liabilities would however increase by a proportion of 18% at year-end in 2005 and also at year-end in 2007. In terms of the whole period, liabilities would rise from $688.4 billion to $1.6 trillion at year-end in 2008. In terms of dollar amounts, this is a $952.4 billion and it can be said that some would have expected liabilities to have particularly skyrocketed during the years of the Great Recession. In fact, liabilities only increased by 5% during the year of the crisis, or from $1.5 trillion at year-end in 2007 to $1.6 trillion at year-end in 2008. In general, risen liabilities may reflect increased investments in other entities or projects and from this point of view it would make sense for liabilities to have nearly doubled in 2004. In the course of this project, trend analyses of data were conducted on a year-to-year basis as was presented in the previous section. In addition to trend analyses, the proportions of some categories to other categories were also calculated (e.g. the proportion of noninterest income to revenues, the proportion of assets to liabilities, etc.). These calculations would make up the analysis variables for the project as opposed to the plain data variables which would include raw value entries as opposed to the results of formulas. In any case, the first analysis variable calculated for structuration was NONINREV or the proportion of noninterest income to revenues. Again for Bank of America, this is the proportion of income derived mainly from fees and related revenue to total revenue for the company net of interest expense. For BOA, the proportion of noninterest income to revenues remained close to 50% during the 2003-2008 period. This proportion was highest in 2006 when noninterest income constituted 53% of total revenues net of interest expense. The proportion was lowest in 2008 when noninterest income constituted 38% of total revenues net of interest expense. It should also be noted that the proportion of noninterest income to total revenues net of interest expense did decline in 2007 as well as 2008. In 2007, the figure fell by 5% and in 2008, the figure fell by 10% which would be the largest decline in the proportion during the 2003-2008 period based on the accounting data. On the whole, it can be said that revenues derived mainly from transaction fees and related income constituted a very sizeable proportion of total revenues net of interest expense during the period. To be sure, this was expected considering that revenues for banks in particular are usually divided between interest and noninterest income under balance sheets (sometimes interest and fee income). In any case, what about the proportion of noninterest income to net income? It is understood that net income factors in all of the major expenses a company incurs over the course of a fiscal year. To this extent, does it really make sense to calculate the proportion of noninterest income before expenses to net income after expenses? As it would be expected, noninterest income exceeds net income during every year across the 2003-2008 period. Most notably, noninterest income constituted 684% of net income in 2008. This means that noninterest income, taken in by Bank of America that year, was over six times the amount the company maintained as net income. Compared to 2007, the proportion of noninterest income to net income actually rose by a staggering 471%. These trends of course are commensurate with the very sizeable drop in net
income during that very same year by 73%, an absolute disaster. Naturally, the proportion of noninterest income to net income was not this large earlier on in the decade. For example, the proportion (which was named NONININC) was calculated at 152%, 142%, and 154% respectively between 2003 and 2005. It is only in 2006 that the proportion rises by more than 12% and then rises dramatically thereafter. These dramatic rises in this proportion will in-part reflect declines in net income but also may reflect expansions in Bank of America’s consumer base (especially in respect to fee charges and other related revenue). So, what can be said about mortgage banking income when we consider the mortgage industry during the 2003-2008 period (in this case MOTNON)? Surprisingly, mortgage banking income constituted a very small proportion of noninterest income during the period. For example, the highest proportion of mortgage-banking income to noninterest income was seen in 2008 at 15%. This was the highest proportion that had been witnessed since 2003 which saw a proportion of 12%. In fact the rise in the proportion of mortgage banking income to noninterest income was highest between 2007 and 2008 with an increase of 12%. The proportion of mortgage banking income to noninterest income was lowest in 2006 when the figure reached a marginal 3%. This is surprising and counterintuitive when one considers the real-estate boom of the early 2000-numbers and then the housing bubble of 2006. In any case, these are the results and will be made more meaningful when compared to other cases.

Another proportion that was calculated under the name CURRENT was the liquidity ratio often used in accounting. Sometimes this is called the current ratio if the researcher is dealing with the most recently published financial data from the most recently closed financial period. For technical purposes I’ve named the analysis variable “CURRENT” simply because of its typical nomenclature. Moving on, a liquidity ratio is the proportion of assets to liabilities and indicates a company’s ability to pay off their obligations. A liquidity ratio that is calculated at 1 or over (or 100% or over) is ideal for companies and the greater the ratio the healthier a company is according to accounting standards. As we will see, it is rare for companies to yield a liquidity ratio below 1 (or below 100%) except in certain questionable cases such as financial crises. However, as we will see, financial crises wouldn’t be enough to keep a number of these banks from yielding liquidity ratios at 100% or above. To be sure, the liquidity ratio for Bank of America never once fell below 107% during the 2003-2008 period. The ratio was highest during the year 2008 surprisingly when the proportion reached 111% which was up from 109% witnessed at year-end in 2007. Naturally, there were a number of fluctuations in the ratio over the course of the 2003-2008 period (e.g. the ratio dropped by 1% in 2005 and again by 1% in 2007). However, not much more can be said about trends in this proportion until they are compared to other organizations observed in this study.

B. The previous section looked at indicators for structuration or indicators that reflect changes in the social structure of organizations theoretically. Now the discussion turns to indicators for financial speculation or, that is, evidence that organizations were inflating their assets and making risky investments. The first data indicator for speculation that will be observed shall be total assets which can be found on consolidated balance sheets along with the total liabilities under annual reports. A general principle on business entities is that assets do not depreciate, thus it is unsurprising that during no year between 2003 and 2008 did Bank of America’s assets decline. This is not the same as the rate of appreciation declining or rising over time (e.g. assets grow by 20% one year but only 10% the next and so on). In terms of the 2003-2008 period, Bank of America’s assets grew from $736.4 billion at year-end in 2003 to $1.8 trillion at year-end in 2008. Generally, this is a difference of approximately $1 trillion which is staggering. There is however a catch to this general and very substantial rise in assets for the company. First and foremost, assets for BOA appreciated at their lowest rate in 2008 at 6% which can be attributed in-part to the 2008 financial crisis. Second, assets for BOA appreciated highest at year-end in 2004 by 51% which can be attributed in-part to the commodities boom of the early 2000-numbers. Indeed, between 2003 and 2004, assets appreciated by $374 billion, or from $736.4 billion to $1.1 trillion. During the middle of the 2003-2008 period, roughly between 2005 and 2007, assets appreciated more modestly. The largest proportional increase in assets during the middle of the period occurred in 2007 before the Wall Street crash by 18%. This was a rise from $1.4 trillion to $1.7 trillion at year-end in
2007. On the whole it cannot be denied that Bank of America was in possession of sizeable assets leading up to the Great Recession. Despite very large declines in net income in 2008, and according especially to the liquidity ratios, one would almost assume that Bank of America was relatively healthy at the beginning of the crisis. In respect to business and accounting practices however, an appreciation in assets of only 6% for a company such as Bank of America would yield red flags. A component of assets or total assets are securities or bonds of various kinds. Securities are investments which can be sold for a profit or held to maturity to accrue interest and are then sold. At this point, a focus will be given on the valuations of total securities for Bank of America over the 2003-2008 period. What can be said first and foremost about the total securities? On the whole, total securities for BOA rose from $68.2 billion in 2003 to $277.5 billion at-year end in 2008 which is noteworthy. This is a rise of $209.3 billion or in terms of percentages, the proportionate rise in total securities over the entire period was a staggering 307%. So despite fluctuations, as we will see, BOA accrued a very high general proportion of securities during the 2003-2008 period. There was one year in fact when total securities actually declined and this was in 2006, the year of the housing bubble. At year-end in 2006, total securities dropped by 13% which was down from the increase of 14% witnessed the previous years. In plain terms, the total securities of Bank of America as reported under consolidated balance sheets between 2004 and 2005 declined by $28.7 billion. Total securities would recover the next year with a rise in 11% and then dramatically during the year of the crisis. Counterintuitively, BOA’s total securities actually rose in 2008 by a proportion of 30% which at base is noteworthy. In dollar amounts, this was a rise from $214 billion to $277.5 billion at year-end in 2008, or $63.5 billion. Naturally, this is a very large increase but it pales in comparison to the largest proportionate increase in total securities for BOA witnessed during the 2003-2008 period. Indeed, at year-end 2004, the total securities for BOA had risen by 186% compared to the previous year. This was a rise from $68.2 billion to $195 billion or $126.8 billion which for all intents and purposes is very sizeable. Going back to other major increases in accounting figures during the same period (2003-2004), it would seem to make sense in respect to the commodities boom. In any case, it can be said plainly that Bank of America made a sizeable amount of investments in securities between 2003 and 2008 was would have been expected of a major investment bank. Some of the problematic financial elements associated with the Great Recession included mortgage-backed securities which were asset-based securities packaged by the U.S. Federal Government. The securities were problematic because their value was based on the payment of mortgages and in many cases risky mortgages such as subprime, alternative-a, and adjustable-rate packages. When consumer insolvency in the late 2000-numbers made it plain that many consumers who purchased these packages could not afford their mortgages, the value of mortgage-backed securities also declined. This is why as Neil Fligstein indicates in his work The Roots of the Recession that organizations such as Bank of America and J.P. Morgan chase attempted to sell off their mortgage-backed securities at the very end before crisis ensued. Here, we will observe raw trends in mortgage-backed securities held by Bank of America between 2003 and 2008 which will include securities available-for-sale and securities held-to-maturity. In the following section on analysis indicators a discussion will be made on the proportion of mortgage-backed securities to total securities which will yield imperative results. On the whole, the valuation of total mortgage-backed securities for bank of America increased from $56.8 billion at year-end in 2003 to $229.5 billion at year-end in 2008. This is a difference of $172.6 billion which is a sizeable amount. It does not appear on the whole that Bank of America attempted to sell the majority of their mortgage-backed securities at the end of the 2003-2008 period. However, the valuation of total mortgage-backed securities declined by 18% in 2006, the year in which the housing bubble burst. During this year, total mortgage backed securities declined from $192 billion to $156.8 billion at year-end 2006. However, total mortgage-backed securities would rise by a proportion of 40% during the year of the crisis. This was a rise from $163.7 billion to $229.5 billion at year-end in 2008. In fact, this particular rise in mortgage-backed securities was the second largest increase in mortgage-backed securities since year-end 2004 for Bank of America. Between 2003 and 2004, Bank of America’s total mortgage-backed securities rose by a staggering proportion of 205%. In dollar amounts, this was a rise from $56.8 billion at year-end in 2003
to $173.2 billion at year-end in 2004. This very obvious increase in investment in mortgage-backed securities can naturally be explained in part by the commodities boom of the early 2000-numbers. In plain terms, mortgage-backed securities increased substantially for the company between 2003 and 2008, declining only during one year. We now move on to the question of outstanding loans of various kinds which are very profound indicators of financial speculation. The first element to be considered are total outstanding loans which are reported along with other assets on the consolidated balance sheets of annual reports. Oftentimes banks will combine total outstanding loans with outstanding leases (e.g. as total loans and leases or total consumer loans & leases). This is the case for Bank of America which will report a combination of total loans and leases under their consolidated balance sheets. Therefore, in moving forward, total loans will be referred to as total loans and leases when speaking on Bank of America. Not all banks studied in this project reported their total loans as “total loans and leases.” Total loans and leases for Bank of America increased from $365.3 billion at year-end in 2003 to $908.3 billion at year-end in 2008. In dollar amounts, this is a rise of $543 billion which is substantially more than the commensurate rise in total securities (though not in terms of proportions). In terms of percentages, this constitutes a proportional increase of 149% which is still very noteworthy. The year in which total loans and leases increased the most was 2004 which is of course to no surprise. Between 2003 and 2004, BOA’s total loans and leases increased by 40% or from a figure of $365.3 billion to $513.2 billion, a difference of $147.9 billion. It was during this period that the mortgage industry began to pick up due in part to the sale of risky financial instruments on the part of major investment banks like BOA and J.P. Morgan. In any case, there would not be a single year between 2003 and 2008 in which total loans and leases actually depreciated. However, there were some years when loans and leases appreciated by very small proportions, an example being the year of the crisis in which loans and leases appreciated by only 5%. This was from a figure of $864.7 billion to $908.3 billion, or a rise of $43.6 billion. Total loans and leases also appreciated by only 10% at year-end in 2005, the year after the 2003-2008 period’s highest proportional increase. A component of total loans and leases would be total consumer loans and leases. Consumer loans and leases refer to loans or leases taken out by individuals for personal consumption. These are contrasted with commercial loans and leases which are taken out typically for investments by and for an organization. In any case, consumer loans and leases are important to look at when one considers speculation at the individual level or handing out loans to individual consumers (especially individual consumers taking out real estate loans). However, consumer loans and leases were observed as indicators of speculation at base much like total loans and leases. In any case, trends in consumer loans and leases for Bank of America were very similar to those for total loans and leases. Thus, the highest proportional increase in consumer loans and leases was witnessed at year-end in 2004 with a rise by 36%. This was an increase from $240 billion to $327.9 billion, a difference of $87.7 billion. Consumer loans and leases also increased by a comparable proportion in 2006 by 31%. This was an increase from $355.4 billion to $465.7 billion, a difference of $110.2 billion. As was the case for previous indicators, 2004 and 2006 were very important years for Bank of America. In 2008, consumer loans and leases only increased by a marginal 1% or from $551.2 billion to $558.6 billion. This is commensurate with the very small increase in total loans and leases at 5% the very same year. On the whole it will be iterated that the trends in consumer loans and leases mirror the trends in total loans and leases. This is certainly because, if nothing else, consumer loans constituted a large proportion of total loans and leases throughout the 2003-2008 period. In any case, we now move onto home equity loans also known as home equity lines. These data not only look at home equity loans as an indicator of speculation but also an indicator for the relationship between Bank of America and the mortgage market (a similar case with mortgage banking income). Like total loans and leases and consumer loans and leases, outstanding home equity loans did not depreciate once between 2003 and 2008. In fact, they appreciated dramatically during some periods such as in 2004 (not surprisingly) when home equity loans rose by approximately 110%. This was a rise from $22.8 billion to $50.1 billion at year end in 2004, a difference of $26.2 billion. We need not mention the state of the U.S. economy by the end of 2004, but the figures are telling. Also telling is that outstanding home equity loans increased by a figure of 53% between 2006 and 2007 or from a figure of $74.8
billion to $144.8 billion. This was a difference of $39.9 billion and it seems counterintuitive that outstanding home equity loans would double during a year when the housing market was in the process of tanking. In addition to this, outstanding home equity loans increased by another 33% during the year of the crisis. This was a rise from $114.8 billion to $152.5 billion, a difference of $37.7 billion which is still sizeable. Generally, it can be said that the proportional increases in outstanding home equity loans were telling in terms of the relationship between Bank of America and the mortgage market between 2003 and 2008. The decision to focus on cash flows from financing activities, as reported under a company’s statement of cash flows, was not an arbitrary one. Net cash provided by (or used in) financing activities account for cash utilized by a company to raise capital for investment and also pay dividends to stock holders. In general, this component of the statement of cash flows gives stockholders an indication of a company’s financial strength. As a consequence of the social structure of major investment banks and their relations with investors, cash flows from financing activities tend to be volatile. For example, oftentimes a company will take in more cash than is flowing out which will add to the organization’s total assets. In this case, cash flows from financing activities will be reported as positive (sometimes substantially so). On the other hand, these organizations must also service debt and pay dividends to stockholders, the cost of which may bring finance cash flows into negative numbers. This is why, for many organizations, net cash provided by (used in) financing activities will fluctuate between positive and negative figures. In respect to increased speculation, we would expect positive increases in financial cash flows from 2003 up until the recession began to take its course. During the early years of the recession we would expect to see financial cash flows fall into negative numbers or at least decline substantially in positive numbers. The fact of the matter is that financial cash flows fluctuated early on in the 2003-2008 period, beginning with a year-end figure in 2003 of $51 billion. The following year, 2004, cash flows used in financing activities appreciated to $132.8 billion which is an increase of 160%. Cash flows used in financing activities would then increase by an additional 29% in 2005 before plummeting dramatically by 69% in 2006. This fall in cash flows, which constituted a drop of $117.6 billion attests to the volatility of finance cash flows. The following year, cash flows rose by a staggering proportion of 95% or up to $103.4 billion. In 2008, however, a very unsurprising event occurred which was the plummeting of finance cash flows by 110% into a value of -$10.6 billion. This may very well be explained by the crisis in respect to leveraging debt and having to pay off shareholders despite substantial declines in net income. In any case, it can be said that trends in finance cash flows were ultimately unsurprising especially in the context of the Great Recession. We now move to analysis indicators for speculation which comprise the analysis variables composed of calculated values. In this case, we’re discussing vertical analysis or the calculation of proportions. The first analysis variable for structuration calculated was SECA which was the proportion of securities to total assets (this was calculated for all organizations studied). In terms of findings, the proportion of securities to total assets was highest at year-end in 2004 at 18%, declining by 1% to 17% the following year. This was not surprising again concerning the state of the U.S. and global economy at the time which provided ideal ground for investing. The year in which the proportion was smallest was at year-end 2003 with a proportion of 9%. After that year, however, the proportion of securities to total assets would never fall below 12%, the figure calculated for 2007 at year-end. Now, what of the proportion of mortgage-backed securities to securities for Bank of America during the 2003-2008 period? For the variable MORTSEC, it was found that the proportion of mortgage-backed securities to total securities for Bank of America never fell below 76%. To this extent, the majority of securities held by Bank of America during the 2003-2008 period was comprised of the risky mortgage-backed securities. In terms of mortgage-backed securities, the highest proportion for MORTSEC was witnessed at year-end in 2004 which would make sense. Referring to the lowest proportion during the period, 2007 was the year in which MORTSEC fell to 76%. The figure rose the following year however to 83% after the Wall Street crash. Another proportion calculated was the proportion of mortgage-backed securities to assets or MORTA. Because mortgage-backed securities constituted a large proportion of total securities, the proportion of mortgage-backed securities to total assets mirrored the proportion of total securities to assets. For example, MORTA was
highest for Bank of America at year-end in 2004 with 16%. Precisely like the proportion of securities to assets, the proportion of mortgage-backed securities to assets declined by only 1% the following year down to 15%. Also like the proportion of total securities to assets, MORTA was lowest at year-end in 2003 with a proportion of 8%, comparable to 9% for SECA. It may be argued that investments in risky mortgages as evidenced by the holding of mortgage-backed securities served to affect the financial bubble underlying the 2008 recession. In terms of proportions, we now move on to the question of outstanding loans generally and in terms of consumer loans. One of the proportions calculated was the proportion of total loans net of allowance to assets (aka LOANA). For Bank of America, the proportion of total loans to assets never fell below 44%. On three occasions in fact, LOANA was calculated at 50% including in 2003 at year-end, 2007 at year-end, and 2008 at year-end. For Bank of America at least, loans constitute a very sizeable amount of investment banking assets. As a closing note on total loans, there as not a great deal of volatility in terms of LOANA’s fluctuations. Outstanding consumer loans divided by total assets (aka CONA) never fell below 28% and the proportion was highest at year-end in 2003 with consumer loans and leases comprising 33% of all assets. Moreover, the proportion of consumer loans and leases to assets declined by only 1% in 2008. On the whole, the proportion of outstanding consumer loans and leases to assets was not very volatile (the proportion never fell by a percentage higher than 3%). In calculating the proportion of home equity loans to assets, the most definitive finding was that home equity loans did not comprise a large percentage of assets during the 2003-2008 period. In fact, the proportion (aka HOMA) never rose above 8%, a figure which incidentally was reached in 2008, the year of the crisis. The proportion also never fell below 3% and the ratio consistently appreciated during the 2003-2008 period. By this I mean that during no year between 2003 and 2008 did the proportion of home equity loans to total assets ever decline (yet of course it did not significantly rise either). Originally, it was supposed more or less that the proportion of home equity loans to assets would have been higher and more volatile considering trends in the real estate market between 2003 and 2006 leading up to the recession. Instead, it was found that the proportion of home equity loans to total assets actually stagnated at one point, hovering around 5% between 2004 and 2006. In any case, the data calculations simply show that home equity loans did not constitute a notable percentage of total assets as reported under consolidated balance sheets in annual reports. How may we summarize some important conclusions concerning the accounting data for Bank of America between 2003 and 2008? In respect to structuration indicators, the first important conclusion is that despite the ramifications the recession had for Bank of America’s consumer base, total revenues rose from $37.8 billion in 2003 to $72.2 billion in 2008. Percentage wise, this was a general increase of about 92% in spite of a 9% drop in total revenues in 2007 which is understandable considering the negative state of the housing market that year. Another important but obvious conclusion concerning structuration is that while total revenues generally rose for the company, net income declined generally from $10.8 billion to $4 billion between 2003 and 2008. This was a percentage-wise decline of approximately 63% which is understandable concerning the ramifications of the 2008 recession itself. Other imperative conclusions that can be made about structuration concerning Bank of America is that 1) noninterest income constituted a very sizeable proportion of total revenues, 2) mortgage-banking income did not constitute a very large proportion of noninterest income throughout the period, and 3) the liquidity ratio for Bank of America as calculated for each year between 2003 and 2008 never fell below the 100% mark. What can be said about the operationalized indicators for financial speculation? First and foremost, total assets never depreciated which was to be expected. Second, total assets doubled by approximately 51% between 2003 and 2004 based on the accounting data (or from $736.4 million to $1.1 trillion). While total assets increased sizably during this period, so too did total securities which saw a rise of 186%. In respect perhaps to all operationalized indicators, whether they were for structuration or speculation, 2004 would see very dramatic trends in accounting data. For total outstanding loans, consumer loans, and home equity loans, figures rose by their largest for these indicators between 2003 and 2004. For example, outstanding home equity loans between 2003 and 2004 rose by 110% while finance cash flows rose by a staggering 160% positive. In short, 2003-2004 was a very good period for Bank of America,
yet a few other elements should be discussed concerning the analysis indicators for speculation. One of the most important findings is that mortgage-backed securities constituted over 70% of total securities for Bank of America between 2003 and 2004. In respect to this, it has been discussed that the total securities for Bank of America divided by total assets remained above 10% after 2003 for the 2003-2008 period. Over 10% of Bank of America’s assets were based on risky mortgage-backed securities over the 2003-2008 period according to the accounting data. Likewise, outstanding loans and leases (a component of accounts receivable) constituted over 40% of total assets consistently across the 2003-2008 period. Another conclusion that should be noted again is that outstanding home equity loans (or lines) constituted a very small proportion of assets for Bank of America between 2003 and 2008, figures never rising above 8%. On the whole, it can be said that Bank of America 1) rose to the occasion financially between 2003 and 2008, 2) was severely affected by the great recession in respect to net income, and 3) engaged extensively in the investment of mortgage-backed securities during the 2003-2008 period.

III. J.P. Morgan Chase: Like Bank of America, J.P. Morgan Chase & Company has been identified not only by Fligstein and Goldstein but also by the media as one of the “responsible” banks for the Great Recession. This is particularly in reflection of J.P.’s role in the mortgage-securitization market, not to mention the sale of risky subprime and adjustable rate mortgages. All of the operationalized indicators established for this project were collected for J.P. Morgan Chase within the historical period of 2003-2008. As was the case with Bank of America, all of the data was derived from annual reports submitted by the company and specifically the various financial statements published under those reports. Also like Bank of America, figures for total revenues were collected as revenues net of interest expense. However, going back to the documents and calculating gross revenues before any expenses can easily be done. It has been decided for the time being that revenues net of interest expense for J.P. Morgan Chase, as collected across the period of 2003-2008, is appropriate. This is for the same reason as with Bank of America: revenues net of interest expense still indicates a substantial amount of business flowing into the company. Another general note is that unlike Bank of America, data for outstanding loans was not conflated with data for outstanding leases. Thus, the data for LOAN, CONLOAN, and HOM EQ together reflect only outstanding loans. On the whole, it can be said that J.P. Morgan Chase & Co was not as profitable as Bank of America during the 2003-2008 period. However, as the data will show, there are very interesting points of convergence as well as divergence in regard to the findings for this company. J.P. Morgan Chase still proved to be a powerful contender over the course of the first decade of the 21st century. Even during the year 2008, J.P. Morgan 67.2 billion in revenues and maintained 2.1 trillion in assets. In March of 2008, the company purchased the bankrupt and humiliated Bear Stearns and would grow to become at present the largest investment bank in the United States. J.P. Morgan Chase was also among the banks labeled “too big to fail” by Secretary of the Treasury Timothy Geithner during the fall of 2008 after the stock market crashed. Like Bank of America, and many of the other subprime mortgage-lending entities which fueled the flames of the Great Recession, J.P. Morgan also received federal assistance from TARP I. At the end of the day, J.P. Morgan’s federal assistance, responsibility for certain causal factors of the recession, and its widespread post-recession expansion have been core elements in attracting the ire of the media as well as the public.

A. To begin, J.P. Morgan Chase’s total revenues net of interest expense generally increased between 2003 and 2008. This was a rise from $33.2 billion to $67.2 billion or a percentage increase of 102%. Total revenues net of interest expense rose prominently by 30% between 2003 and 2004 as could have been expected. This was an increase from $33.2 billion to $43 billion, or a difference of $9.8 billion. Unsurprisingly, revenues would decline by a small percentage of 6% at year-end in 2008. Net income however was much more dramatically affected than revenues in that, on the whole, net income declined from $6.7 billion in 2003 to $5.6 billion in 2008. This was despite reaching relatively high levels such as in 2007 when net income was reported at $15.3 billion. This phenomenon however can be directly attributed to the recession considering that net income plummeted by 63% by year-end 2008. In a number of ways, trends in both revenues and net income for J.P. Morgan Chase mirror those of Bank of America, especially regarding the two most important sub-periods of the 2003-2008 period; 2003-2004 and 2007-2008. What can be said of trends in noninterest income and mortgage-banking income? First and foremost noninterest income for J.P. rose by 26% between 2003
and 2004 and then by 32% between 2004 and 2005. This was a general rise from $20.9 billion to $34.7 billion, an aggregate percentage increase of 68%. During this period, consumer bases for banks generally rose as the result of the commodities boom and growth in the real estate market. In any case, an interesting point about noninterest income for J.P. is that it plummeted by a substantial 37% during the year of the crisis. This however is understandable, what is not understandable is how mortgage banking income increased by 258% in 2007 and then by 64% in 2008. On the whole, mortgage banking income increased from $892 million in 2003 to $3.4 billion in 2008 which is telling considering the state of the mortgage market during the period. What is also telling is the enormous decline of mortgage banking income in 2006 by 44%, or from $1 billion to $591 million. This event may reflect the ramifications of the housing bubble which was beginning to burst by that time as the result of consumer insolvency. Moving on from these forms of revenue, trends in total liabilities for J.P. never depreciated during the period but rose substantially by 45% between 2003 and 2004. Liabilities also increased substantially by 40% during the year of the crisis, or from $1.4 trillion to $2 trillion. So, what of the proportions calculated for structuration indicators? First and foremost the proportion of noninterest income to total revenues net of interest expense never fell below 42%. However, for the entire period of 2003-2007, noninterest income constituted over 60% of total revenues net of interest expense with a high of 65% in 2006 before declining thereafter. Therefore, noninterest income composed a higher percentage of total revenues net of interest expense than was the case with Bank of America. However, the proportion of noninterest income to net income was also very high much like Bank of America for the 2003-2008 period. In some cases, the percentages are exceedingly high such as in 2004 where noninterest income constituted 590% of net income (in other words, noninterest income taken in was over five times as much as the net income for that year). Generally it can be said that the proportion of noninterest income to net income (NONININC) may be a decent indicator of how much revenue from fees and related transactions is collected by a company as compared to its net profits. As expected, the proportion of mortgage banking income to noninterest income was very low, once dropping to approximately 1% in 2006. The proportion (aka MORTNON) was highest incidentally during the year of the crisis at 12% which is at once surprising considering the state of the mortgage market at the time. This could of course not be surprising if one considers the fees, charges, penalties, and other costs incurred on J.P. consumers as a ramification of the Great Recession (e.g. insolvency, inability to pay bills, etc.). This is however speculative and definitive answers cannot be given as to why the proportion of mortgage banking income rose by 7% during the 2007-2007 fiscal year. As with the other cases, the current ratio or CURRENT was also calculated for J.P. Morgan Chase based on the 2003-2008 accounting data taken from annual reports. As was the case with Bank of America, the current ratio or liquidity ratio never fell below 100%, rising to a high of 110% consecutively in 2004 and in 2005. Even in 2008, the ratio of assets to liabilities was calculated to be 108%, technically dropping by 8% when compared to the previous year.

B. For data indicators concerning speculation, we begin with the total assets of J.P. Morgan Chase between 2003 and 2008. One of the more important while unsurprising and especially obvious points to be made is that total assets did not depreciate for J.P. during the 2003-2008 period. In fact on the whole, they increased from $770.9 billion at year-end in 2003 to $2.1 trillion at year-end in 2008, a difference of $1.4 trillion. Percentage wise, this constitutes a rise by 182% which is substantial considering the ramifications of the Great Recession. Naturally there were years over the course of the 2003-2008 period when assets appreciated by higher percentages, such as in 2004 when assets doubled from $770.9 billion to $1.1 trillion, 50%. Another year in which assets appreciated very largely, proportionally, was during the year of the crisis at 39%. This was a rise from $1.5 trillion to $2.1 trillion and seems counterintuitive considering the ramifications of the Wall Street crisis. Total securities (including held-to-maturity and available-for-sale) followed similar patterns. For example, total securities grew by 57% between 2003 and 2004, constituting a rise from $60.2 billion to $94.5 billion. Likewise, total securities also grew by a staggering 141% during the year of the crisis, upwards of $120.4 billion. Where did trends in total assets and total securities diverge during the 2003-2008 period according to the accounting data? The most obvious divergence is that total securities depreciated by 50% in 2005, virtually undoing the progress made
between 2003 and 2004 (although it is likely that a large portion of J.P.’s securities may have been sold during the 2004-2005 period). This depreciation constituted a fall from $94.5 billion down to $47.6 billion, a difference of $46.9 billion. Securities depreciated again in 2007 by 7%, or from a figure of $91.9 billion down to $85.4 billion, a difference of $6.5 billion. It should be said that, on the whole during the 2003-2008 period, total securities generally rose from $60.2 billion to $205.9 billion. In any case, we move from the question of total securities to the question of mortgage-backed securities which actually provides us with a very interesting case of annual report window-dressing. Between 2003 and 2006, total mortgage-backed securities (including held-to-maturity and available for sale) seemed to be declining substantially. This was based on how the accounting data was presented under the securities notes sections for 2003-2006 annual reports. So, between 2003 and 2004 mortgage-backed securities rose by 45% or from a figure of $31.9 billion to $46.1 billion. After 2004, however, mortgage-backed securities appear to plummet by a staggering 100% down to $83 million. Then, mortgage-backed securities fall a second time by an additional 60% down to $33 million. The peculiar case of J.P. Morgan Chase begins when the company only reported $9 million in mortgage-backed securities presented under U.S. federal government and agency obligations. Under no other section, on page 134 in “Note 12 Securities” do they report any other form of mortgage-backed investments. It is only from their Annual Report 2008 that we discover that J.P. Morgan Chase held not $9 million in mortgage-backed securities at fair value, but rather a total of $67 billion. This includes $8 million in U.S. government-sponsored obligations, $63 billion $3.5 billion in prime mortgage-backed securities, and an additional $397 million in subprime mortgage-backed securities. To be sure, J.P. Morgan still purchased substantial sums in various mortgage-backed securities in 2008. At year-end 2008, J.P. Morgan maintained $10.6 million in Alt-A mortgage-backed securities, $22.3 million in non-U.S. residential mortgage-backed securities, and $46.2 million in commercial mortgage backed securities. In summary, J.P. Morgan engaged in window-dressing so as not to report in 2007 how much they truly owned in mortgage-backed securities. In the wake of a crisis, J.P. Morgan’s Annual Report 2008 revealed rather subtly that the company owned $66.9 billion more in mortgage backed securities in 2007 than it had actually reported during that year. However, the reporting method was convenient insofar as only one category of mortgage-backed securities was actually reported in 2007 while the other categories were conveniently collapsed into other categories until brought to light in 2008. The issues concerning window-dressing on the part of J.P. Morgan chase cannot be taken lightly. What is particularly unsettling is the fact that mortgage-backed securities under the category of “U.S. government and federal agency obligations” was the only mortgage-backed security explicitly reported. To be sure, the total securities reported by J.P. Morgan in 2007 add up to the total securities reported for that year in the Annual Report 2008. The catch is that the value of the mortgage-backed securities categorized outside of “U.S. government and federal agency obligations” were collapsed into other categories. Therefore, unless we saw the composition of “U.S. government sponsored enterprise obligations” reported in 2007, we would not know that $63 billion of those obligations were mortgage-backed securities. It is unknown which category or categories the valuation of prime and subprime mortgage-backed securities were reported under in 2007. In any case, it is likely that J.P. Morgan sought to mask the amount of mortgage-backed securities they actually owned by not reporting the composition of various subtotals of securities. The problematic question with this scenario is that, if J.P. Morgan sought to conceal various aspects of their financial data, what else did they conceal during the period as well? So, with these factors brought to light a more accurate account yields that J.P. Morgan’s mortgage-backed securities actually increased by $97 billion over the course of the 2003-2008 period. The issue here of course, for all intents and purposes, is that because J.P. Morgan collapsed their mortgage-backed security categories under their notes for securities, the company may have been holding more than was explicitly reported in 2005 and 2006. In any case, time has been taken to unpack this research dilemma in consideration of what can really be derived empirically from these annual reports especially if there are questions of accounting manipulation (which there are). Moving on to other indicators, neither total loans net of allowance nor consumer loans depreciated during the 2003-2008 period. In fact, total loans appreciated their highest in 2004 by 84%, or from $214.9 billion to $394.7 billion, a
difference of $179.7 billion. Total loans also appreciated from $510.1 billion in 2007 to $721.7 billion in 2008, a proportionate increase of 41%. These major increases in total loans net of allowance mirrored trends in consumer loans. For example, consumer loans appreciated by 96% between 2003 and 2004, a rise from $136.4 billion to $267 billion. Also commensurate with total loans, consumer loans appreciated during the year of the crisis as well by a percentage of 58%, or from $306.2 billion to $482.8 billion. Home equity loans for J.P. Morgan Chase posed an interesting predicament. For example, outstanding home equity loans for J.P. Morgan Chase rose by a staggering proportion of 252%. This was a rise from a mere $19.2 billion to $67.8 billion, and is very likely reflective of the rising mortgage and housing industry definitive of the period. What is more is that despite the 2006 housing crisis, strings of foreclosures, the drying up of credit, and the stock market crash, outstanding home equity loans continued to appreciate. Outstanding home equity loans even appreciated by 21% between 2007 and 2008, or from $94.8 billion to $114.3 billion. On the whole, trends earlier on in the decade appear to make sense while trends later on in the decade seem counterintuitive when reflecting on how J.P. Morgan’s consumer base was affected by the 2008 crash. Moving on from outstanding loans, we now consider a number of important trends in finance cash flows. Like Bank of America, finance cash flows were volatile and fluctuated in terms of appreciation and depreciation. They also fluctuated in terms of positive and negative valuations. One of the more important findings for finance cash flows included that J.P.’s net cash used in finance activities appreciated by 443% between 2007 and 2008. Moreover, J.P.’s net cash would also appreciate by a staggering 144% between 2003 and 2004, and then by 239% in 2006. As was the case with Bank of America, the proportion of total securities to total assets for J.P. was relatively low. For example, the proportion (aka SCFA) never rose above 9%, a figure achieved incidentally during the year of the crisis. The proportion also never depreciated by more than 4%, and the lowest calculation was witness in 2005 at 4%. So generally, total securities did not constitute a very substantial portion of J.P. Morgan’s assets at the end of the day. In terms of mortgage-backed securities, the integrity of the J.P. Morgan data has already been brought into question (how do we know what we know with the window-dressing?). However, based on the data that could be collected (despite what was exposed about the 2007 data within the 2008 annual report), I will continue unpacking the results for MORTSEC and MORTA. In terms of the proportion of mortgage-backed securities to securities, 2005 and 2006 stand as outliers. This is because MORTSEC was calculated at 0.2% in 2005 and 0.04% in 2006 considering that only one category of mortgage-backed securities was effectively reported during those years. During the period, however, MORTSEC would reach a high of 78% in 2007, according to the data included in the notes for securities under the 2008 annual report. Prior to 2005, mortgage-backed securities constituted about 50% of all securities which is still telling. On the whole it can be said that despite having 2005 and 2006 as outliers, mortgage-backed securities did constitute a sizeable proportion of total securities (which was also the case for Bank of America). However, like total securities, the proportion of mortgage backed securities to assets was also very low. In fact, the proportion of mortgage-backed securities to assets at year-end in 2003 and 2004 was approximately 4%. There is not much to be had on elaborating about the details concerning this ratio. In contrast, total loans net of allowance constituted a sizeable proportion of assets. It should be noted comparatively that outstanding loans net of allowance constituted a smaller proportion of assets than had been the case for Bank of America. The proportion was highest at 35% in 2006 when the housing bubble began to fall apart. Moreover, it should be noted that the ratio was calculated at 34% consecutively for 2004 and 2005. The ratio was also calculated consecutively at 33% for 2007 and 2008. Outstanding consumer loans on the other hand never rose above 23% of total assets throughout the 2003-2008 period. On a related note, the proportion of home equity loans to total assets was relatively small during the 2003-2008 period and was rounded to approximately 6% consecutively between 2004 and 2007. In terms of proportions, the percentage of assets comprised of outstanding home equity loans is comparable to Bank of America. In terms of structuration, J.P. Morgan Chase converged with Bank of America in that both of their total revenues net of interest expense rose substantially between 2003 and 2008 despite the recession. The two organizations also converge in that their net income plummeted between 2007 and 2008. Around 50% of
revenues for this organizations, give or take, was collected as noninterest income for the 2003-2008 period while mortgage-banking income constituted a very small proportion of noninterest income. The ratio of assets to liabilities for the two companies never fell below 100% during the 2003-2008 period. In terms of indicators for speculation, J.P. Morgan’s assets never depreciated during the 2003-2008 period as had been the case with Bank of America. Unlike Bank of America, J.P. Morgan appeared to be engaging in window-dressing in order to hide the amount of mortgage-backed securities they held in 2007 (and perhaps even before then. On the whole, outstanding loans constituted a smaller percentage of total assets than had been the case for Bank of America and finance cash flows were generally volatile as they had also been for Bank of America. In all, these points will sum up the imperative findings of the J.P. Morgan accounting data published between 2003 and 2008 under annual reports.

IV. Wells Fargo: There are many important elements to discuss when it comes to the relationship between the Great Recession and Wells Fargo. The first is that Wells Fargo has been identified by Fligstein and others as one of the key culprits of the mortgage-securitization debacle which prevailed from 2003 to 2008. Wells Fargo was also the major investment bank responsible for buying out yet another identified culprit of the crisis, Wachovia Securities. In any case the second element of importance does not relate so much to the reputation of the company as it relates to the collection and analysis of empirical data. For the most part, data for all the operationalized indicators for structuration and speculation were collected with the exception of outstanding home equity loans. Within the loan portfolios for Wells Fargo submitted under their annual financial reports between 2003 and 2008, the company did not specifically disclose their outstanding home equity loans as part of total consumer loans. They did however provide data for outstanding residential mortgages, and it was decided that in place of home equity loans, statistics for real estate 1-4 family junior lien loans could be collected as well as analyzed. It should be understood however that though these residential loans constitute operationalized indicators for speculation, they differ in their product structure than home equity loans in a number of ways. Revenues were collected, once again, net of interest expense which was totally by accident as had been the case with Bank of America and J.P. Morgan Chase. This was because total revenues were collected from the financial highlights (or “Our Performance”) section of the annual reports rather than the consolidated statement of income. To collect gross revenues from the consolidated statement of income, total noninterest and interest income would simply need to be combined before expenses. In any case, as it is with Bank of America and J.P. Morgan, going back to the documents to calculate gross revenues is not a difficult task and can be done fairly promptly. Loans net of allowance were also collected independently of leases which under Wells Fargo’s reports were not conjoined with financials on loans. As with Bank of America and J.P. Morgan Chase, all financials were collected at fair value including mortgage-backed securities as opposed to their amortized value. It was found for a number of reasons that out of all the banks studied in the course of this project, Wells Fargo was most comparable to Bank of America and J.P. Morgan chase, especially in terms of the amount of business being drawn into the company. The company was also very comparable to Bank of America and J.P. Morgan Chase in terms of mortgage securitization save J.P.’s inconsistent disclosure practices. We now move on to the indicators for structuration specifically for this case and their technical as well as theoretical implications.

A. In the discussion on data indicators for structuration regarding Wells Fargo, we begin with the question of revenues and net income. Like Bank of America and J.P. Morgan Chase, total revenues net of interest expense generally increased for Wells Fargo between 2003 and 2008. This constituted a rise from $28.3 billion at year-end in 2003 to $42.8 billion at year-end in 2008, a proportional increase by 48%. On the whole, this is a large appreciation but nevertheless proportionally modest when we compare it to Bank of America which saw a 92% rise in total revenues between 2003 and 2008. The same could be said when we compare Wells Fargo the J.P. Morgan Chase which witnessed a proportional increase in total revenues by 101%. However, like these two other banks, net income plummeted towards the Great Recession. First, net income fell by 5% between 2006 and 2007, or from 8.4 billion to 8 billion. During the following year, net income would decline by a sizeable 67% or from $8 billion to $2.6 billion. In this sense Wells Fargo, like Bank of America and J.P. Morgan Chase, was devastated by the Great Recession (in terms of net income). Noninterest income for Wells Fargo continued to appreciate between 2003 and 2007 leading up to the recession.
Noninterest income rose highest proportionally in 2007 with a rise by 17% or from $15.7 billion to $18.4 billion. As expected, noninterest income for Wells Fargo fell by 9% in 2008, or from $18.4 billion down to $16.5 billion. Oddly enough, noninterest income did not see a very large rise in 2004 at year-end despite the state of the U.S. and global economy at the time (noninterest income only increased by 4%). What is interesting in terms of another category is that mortgage banking income actually decreased by 26% at year-end in 2004 or from a figure of $2.5 billion to $1.8 billion. What also seems to be counterintuitive is the rise of mortgage banking income by 36% in 2007, or from $2.3 to $3.1 billion despite the housing bubble. Data on Wells Fargo’s liabilities also provided some interesting phenomena such as that the company’s liabilities actually depreciated by 1% in the year 2006 (from a figure of $441 billion to $436 billion). Another interesting fact is that the company’s liabilities grew by a staggering 129% between 2007 and 2008, a rise from $527.8 billion to $1.2 trillion. This of course may not be surprising considering the obligations incurred on Wells Fargo as a result of the Great Recession. Moving on to the analysis indicators for structuration, the calculated proportions of noninterest income to total revenues were not that surprising. The calculated proportion or NONINREV never fell below 40% for the entire 2003-2008 period. In fact, the proportion rose as high as 47% in 2007, dropping down to 40% in 2008. In another arena, the proportion of noninterest income to net income was of course generally very high, perhaps too high to be useful. A highlight of the calculated proportion of NONINC for Wells Fargo was seen with 2008 when the proportion rose to 631%. In any case, it should be noted that the proportion of mortgage banking income to noninterest income was relatively high when compared to the other organizations. For example, the calculated proportion MORTNON never fell below 14% and witnessed a high of 20% at year-end in 2003. MORTNON was also calculated at 15% during the year of the crisis. To this extent, mortgage banking income constituted a sizeable proportion of noninterest income for Wells Fargo which was not necessarily the case for the other banks such as Bank of America and J.P. Morgan. Wells Fargo provides an interesting case when it comes to the liquidity ratio. First and foremost, the ratio of assets to liabilities never fell below 100% until 2008. In 2008, Wells Fargo yielded a liquidity ratio of 86% entailing that they could only pay off 86% of their obligations based on their assets at the time. Wells Fargo was the only bank in the entire study which yielded a liquidity ratio under 100% during the 2008 crisis, let alone the 2003-2008 period as a whole.

B. Moving onto speculation indicators for Wells Fargo, we turn to the data on the valuation of assets between 2003 and 2008. On the whole, assets appreciated from $387.7 billion at year-end in 2003 to $1 trillion at year-end in 2008. This is a proportional rise of 168% which is no doubt sizeable to say the least. A notable highlight of assets for Wells Fargo during the period is that they actually appreciated by 81% during the year of the crisis, or from $575.4 billion to $1 trillion. Moving onto total securities, total securities appreciated from a figure of $32.5 billion at year-end in 2003 to a figure of $151.5 billion at year-end in 2008. This was a proportional rise of 365% which is staggering. Securities appreciated least at year-end in 2004 with a 3% rise (from $32.5 billion to $33.7 billion). Oddly enough, securities would move on to appreciate by a proportion of 71% in 2007 and 108% in 2008. On the whole, total securities would rise during that period by $108.9 billion, a proportional increase of about 254%. It would appear odd that during the growing crisis that Wells Fargo would work to gain more in securities investments. We now move on to the question of mortgage-backed securities. On the whole, mortgage backed securities appreciated from $24.2 billion at year-end in 2003 to $99.7 billion at year-end in 2008. One of the most important years for mortgage backed securities during the 2003-2008 period was in fact the early Great Recession when mortgage-backed securities increased by 71% in 2007 and then by 81% in 2008. On the whole between 2006 and 2008, this was a rise from $31.5 billion to $99.7 billion, a proportional increase of 217%. What would have been expected, referring back to Fligstein and Goldstein, is that Wells Fargo did not appear to sell off many of their mortgage-backed securities leading up to the recession. In all, mortgage-backed securities depreciated once during the 2003-2008 period which was by only 3%. In any case, we move on now to the question of total loans and consumer loans. On the whole, it can be said that total loans net of allowance for Wells Fargo did not depreciate once during the period, in fact that actually appreciated by 124% during the year of the crisis. This was a rise from $376.8 billion at year-end in 2007 to $843.8 billion at
Loans also increased notably in 2007 by a proportion of 20% or from $315.3 billion to $843.8 billion. Surprisingly, loans did not appreciate by much between 2003 and 2004 during the early commodities boom. Trends in consumer loans however did not mirror trends in total loans net of allowance (at least not for the most part). For example, consumer loans actually increased by a proportion of 137% between 2003 and 2004, or from $78 billion to $184.8 billion. Then suddenly in 2008, consumer loans depreciated by a sizeable 82%, or from $221.9 billion to $40 billion. One could say that Wells Fargo’s decline in outstanding consumer loans indicate how much of a disastrous impact the recession had on the company (despite general outstanding loans appreciating by $345.4 billion between 2003 and 2008). Data for outstanding home equity loans could not be collected for Wells Fargo. This is because they weren’t reported under the loan portfolios of the company between 2003 and 2008. However, Real Estate 1-4 Family Junior Lien Mortgages were reported under the loan portfolios. For this reason, data was collected across the 2003-2008 period on these Real Estate Mortgages and used as replacement indicators for outstanding home equity loans. On the whole, these real estate loans depreciated generally across the 2003-2008 period. In fact, they depreciated from $36.6 billion to $728 million, or by a proportion of 98%. This trend is commensurate with the drastic decline in outstanding consumer loans during the 2007-2008 period. It can be assumed that the ramifications the Great Recession had on Wells Fargo’s consumer base may explain this trend. In any case, we continue on to the question of finance cash flows during the 2003-2008 period. Finance cash flows for the company would prove relatively volatile as had been the case for the rest of the banks in this study. Most notably, finance cash flows depreciated by 53% during the year of the crisis, or a decline from $67.9 billion to $32 billion. Now we move on to the analysis indicators for speculation regarding Wells Fargo. First and foremost, the proportion SECA or the proportion of securities to total assets did not rise above 15% during the 2003-2008 period. In fact, it stagnated at around approximately 8% between 2003 and 2004 and 9% between 2004 and 2006. To this extent, securities did not constitute a very large proportion of total assets despite appreciating to 15% in 2008. Moving on, the proportion MORTSEC or the proportion of mortgage backed securities to securities was high for Wells Fargo during the 2003-2008 period. For example, the calculated proportion never fell below 66%, a figure witnessed at year-end in 2008. Between 2007 and 2008, the proportion of mortgage-backed securities to securities fell by 9%. The calculated proportion was actually highest during the year 2005, reaching a figure of 77%. On the whole, like Bank of America and J.P. Morgan Chase, mortgage backed securities constituted a large segment of total securities. Yet, also like these two companies, mortgage backed securities did not constitute a very large proportion of assets. For example the proportion MORTA or the proportion of mortgage-backed securities to assets never rose above 10% during the 2003-2008 period. In fact, the 10% figure was maintained between 2007 and 2008 when the mortgage crisis began to escalate. Outstanding total loans net of allowance constituted a much larger proportion of assets than total securities. In fact, the proportion LOANA or the proportion of total loans to total assets grew to 81% in 2008. This was despite the fact that the proportion LOANA never rose above 66% between 2003 and 2007 leading up to the recession. Trends in consumer loans were different in a number of respects to trends in total loans. First and foremost, the proportion CONA or the proportion of consumer loans to assets appreciated highest during the 2003-2004 period at 22%. Then, the proportion would drop dramatically by 35% during the year of the crisis, 2008. These trends reflect other trends in the valuation of outstanding consumer loans themselves during the period. Trends in the proportion of Real Estate mortgage loans to assets were closer in pattern to outstanding consumer loans than total loans during the 2003-2008 period. For example the proportion REALESA or the proportion of the replacement Real Estate loans to total assets appreciated by 3% in 2004 to a figure of 12%. Interestingly enough then, the calculated proportion of Real Estate loans to total assets would depreciate by 13% during the year of the crisis down to a figure of 0.07%. What important summary conclusions can be drawn from the data concerning Wells Fargo during the 2003-2008 period? First and foremost, revenues generally appreciated during the 2003-2008 period as had been the case for Bank of America a J.P. Morgan Chase (this was more or less expected). Second, net income plummeted in 2008 as had been the case for the previous two banks studied in this project. Third, noninterest
income generally constituted near to 50% of all revenues taken in by Wells Fargo which is a situation similar to the two other banks studied. Fourth, mortgage banking income constituted a larger part of Wells Fargo’s noninterest income than had been the case with the other cases. Fifth, Wells Fargo is the only bank in the course of this study which yielded a liquidity ratio of under 100% during the year of the crisis. Six, trends in the appreciation and depreciation of total loans and consumer loans actually diverged. Finally at seventh, mortgage-backed securities once again constituted a large proportion of total securities for Wells Fargo between the 2003-2008 periods, never falling below 66%.

V. Bank of New York Mellon Companies: First and foremost it should be emphasized that the case of BNY Mellon in the context of this project is unique. It is unique first because it incorporates an analysis of accounting data served by three organizations during the 2003-2008 period. These organizations include the Bank of New York, Mellon Financial, and the Bank of New York Mellon which was the result of a merger by the two former organizations. To this extent, this larger case has been divided into two cases; accounting data for Bank of New York incorporating the first two years of BNY Mellon and accounting data for Mellon Financial also incorporating the first two years of BNY Mellon. So with Bank of New York for example, I studied accounting data derived from the company’s annual reports leading up to 2006 when the BNY Mellon merger transpired. I would then apply the accounting data derived from the two annual reports submitted by BNY Mellon between 2007 and 2008 in the general analysis. This was the same case with Mellon Financial leading into the BNY Mellon merger. A few other general elements should be emphasized concerning this larger case. First and foremost, outstanding consumer loans for BNY Mellon between 2007 and 2008 could not be collected. No replacement was chosen for the two years following the BNY Mellon merger so data on outstanding consumer loans has been limited to the Bank of New York and Mellon Financial leading up to 2006. Another element is that data could not be collected on home equity loans for either of the three organizations. Thus, a replacement indicator needed to be established for all three organizations; for Bank of New York this would be data on general real estate loans, for Mellon Financial this would be data on commercial real estate loans, and for BNY Mellon this would be general real estate loans. For the sake of organization and comprehension the analysis of the BNY Mellon companies will be divided into two distinct subsections; one focusing on the Bank of New York leading into data for BNY Mellon and another focusing on Mellon Financial leading into data for BNY Mellon.

A. Bank of New York to Bank of New York Mellon: We begin here by looking at the accounting data indicators for structuration reported by the Bank of New York leading into its merger with Mellon Financial, ultimately becoming part of Bank of New York Mellon. In terms of total revenues it can be said initially that the Bank of New York was not nearly as profitable as Bank of America, J.P. Morgan Chase, or Wells Fargo. That being said, total revenues rose from $6.3 billion to $13.6 billion over the course of the 2003-2008 period, or by a proportion of 114%. That being said, much of the appreciation in revenues during the 2003-2008 period was witnessed in 2007 with the merger. To be sure, revenues grew by 66% when Bank of New York merged with Mellon Financial. This was a rise from $6.8 billion to $11.3 billion, a difference of $4.5 billion. It should be noted as well that revenues for the Bank of New York actually declined by 18% right before the merger, or from $8.3 billion to $6.8 billion. Commensurately, net income for the Bank of New York declined by 20% during the same year from $1.5 billion to $1.2 billion. For the Bank of New York Mellon, net income would decline by 30% during the year of the crisis, or from $2 billion to $1.4 billion. Before moving into noninterest income, it should be noted that the net income for the Bank of New York increased substantially by 24% at year-end in 2004. This was a rise from $1.1 billion to $1.4 billion, a difference of $283 million. This sharp rise in net income could possibly be attributed to favorable conditions in the financial sector during the early 2000-numbers. This point has been reiterated time and again for each case considering the proliferation of the mortgage market and financial speculation in the first decade of this century. What can be said of noninterest income regarding the accounting data for BNY and BNY Mellon? As a result of the merger with Mellon Financial, noninterest income for BNY rose by 106% or from a figure of $4.3 billion to $9 billion. This trend of course had followed a decline in noninterest income for Bank of New York by 12% at year-end in 2006. This was a drop from $4.9 billion at year-end in 2005 to $4.3 billion at year-end in 2006. One could speculate as to whether or not declines in various financial categories in 2006 served to affect the decision, at least on
BNY’s part, to merge with Mellon Financial. However, there is no evidence to suggest this as a fact, but thus far it would appear that the year 2006 was not a successful period for the Bank of New York. Even liabilities for the Bank of New York depreciated in 2006 by 0.5%, a relatively small figure. This was a decline from $91.1 billion to $91.7 billion. Naturally when the merger was made with Mellon Financial between 2006 and 2007, liabilities rose by 83% or from a figure of $91.7 billion to $168.2 billion. When a company combines its resources with another company in a merger, they ultimately take on the liabilities of both companies. Thus this was expected and in 2008, liabilities for the fledgling BNY Mellon rose by a proportion of 24% or from a figure of $168.2 billion to $209.4 billion. For the Bank of New York alone, liabilities only appreciated modestly between 2003 and 2005, from $83.9 billion to $92.1 billion. Based on the data indicators for structuration on the whole, the Bank of New York leading into the Bank of New York Mellon was not initially a very lucrative bank when compared to other major financial institutions. Since the Great Recession has passed however, this is no longer the case at all. For the Bank of New York, noninterest income constituted a very high proportion of total revenues. For BNY alone, the proportion NONINREV was calculated to be 65% at year-end in 2004. For this company, the proportion of noninterest income to total revenues would never fall below 59%. When BNY merged with Mellon Financial in 2007, the proportion NONINREV increased to 80% and then declined down to 78% in 2008. Noninterest income therefore played a very important role not only in terms of BNY’s revenues but especially in terms of BNY Mellon’s revenues immediately post-merger. The vast majority of BNY Mellon’s revenues came from fee or related income in 2007 and in 2008. In another spectrum, the proportion NONININC tended to be very high for BNY and BNY Mellon. In fact, the proportion rose to 754% in 2008 entailing that noninterest revenue coming into the company was ultimately over seven times larger than what BNY Mellon ultimately earned in net income. This perhaps could be attributed to the ramifications of the Wall Street crash and subsequent issues. Aside from this, not much more can be said about NONININC regarding BNY and BNY Mellon. It should be mentioned now, though it should have been mentioned earlier, that data on mortgage banking income could not be collected for either the Bank of New York or the Bank of New York Mellon. For this reason, I could not calculate the proportion MORT or the proportion of mortgage banking income to noninterest income. With this being said, I will now move onto the liquidity ratio and the findings for CURRENT. There is not much to be said about the calculated liquidity ratio for the Bank of New York or the Bank of New York Mellon. That is, except to say that BNY Mellon’s ratio was calculated at 117% in 2007 after the merger was conducted. Before BNY Mellon came to fruition, the Bank of New York saw a high liquidity ratio of 113% in 2006 and before 2006 the liquidity ratio never fell below 110%. For all intents and purposes, though BNY itself was not a very extensive lucrative company to begin with (when compared to Wells Fargo or J.P.), the organization still maintained a relatively health liquidity ratio throughout the 2003-2006 period. In 2003, the Bank of New York’s assets were valued at $92.3 billion and rose by 2% the following year to $94.5 billion. Immediately after the merger, BNY Mellon’s assets were valued at $197.6 billion which was a 93% increase when compared to the Bank of New York’s assets at year-end in 2006. In 2006, for the sake of reference, the Bank of New York’s assets reached $103.3 billion which was upwards of $10.9 billion since 2003 at year-end. By 2008, BNY Mellon had reached $237.5 billion in assets, a 20% increase when compared with 2007. At no time did assets depreciate during the 2003-2008 period for either company. Moving onto total securities, the Bank of New York’s total securities fell by 23% in 2006. This was from a figure of $27.3 billion to $21.1 billion and could likely be reflective of sales in securities. In any case, securities skyrocketed in 2007 after the merger with Mellon Financial, bringing a 131% increase. This was a rise from $21.1 billion to $48.6 billion. However, total securities for the company declined by a substantial 19% during the year of the crisis, a fall by $9.2 billion. As we will see in a number of ways, trends in mortgage-backed securities for BNY and BNY Mellon would be similar to trends in total securities. First and foremost, mortgage-backed securities for the Bank of New York declined by 21% in 2006 from a figure of $22.4 billion to $17.7 billion. After the merger with Mellon Financial, mortgage-backed securities skyrocketed by 141% or from $17.7 billion to $42.7 billion (another factor which can be attributed to the merger itself). It should be noted as well that
mortgage-backed securities declined by 30% for BNY Mellon during the year of the crisis, a fall from $42.7 billion to $30.5 billion. The decline in mortgage-backed securities is commensurate with the decline in total securities, and it could be assumed that BNY Mellon attempted between 2007 and 2008 to sell a sizeable portion of their securities. Trends in outstanding loans reflected a general pattern in the accounting data in that loans declined by 7% in 2006 before the merger. This was a fall from $40.3 billion to $37.5 billion, which is not a comparatively large decline but still a decline. The following year, BNY Mellon would see a total of outstanding loans net of allowance at $42.7 billion and then a subsequent decline to $39.4 billion in 2008. Outstanding consumer loans total were very small for the Bank of New York, never rising above $1.3 billion. However, it should be noted that the category declined by a staggering 81% to $266 million at year-end in 2006. Real estate loans for the Bank of New York declined by 43% in 2006, or from $7.9 billion to $4.5 billion. This would be understandable considering the 2006 housing bubble and the increases in foreclosures which transpired at the time. After 2006, the valuation of outstanding real estate loans for BNY Mellon rose to a high of $7.4 billion. Besides this, the only other notable element to consider is that outstanding real estate loans for the Bank of New York increased by 8% in 2004 during the early commodities boom. This of course was followed by an increase by 14% in outstanding real estate loans, a jump from $6.9 billion to $7.9 billion at year-end in 2005. On the whole, however, outstanding real estate loans did not see any proportional increases higher than 38%. Financial cash flows on the other hand were very volatile, which was the case for most of the banks studied. For example, finance cash flows fell by 69% in 2006 or $8 billion to $2 billion. The following year after the merger, however, finance cash flows rose to $21 billion, upwards by a staggering 766%. There is one element which sets the Bank of New York apart from many of the other banks and it is that securities constituted at least 20% of company assets leading up to 2007. In fact, the proportion SECA was calculated to be as high as 27% at year-end in 2005 though it should be emphasized that such a figure would not be seen again within the 2003-2008 period. The fact that a relatively high proportion of the company’s assets were composed of securities means that a great deal of the company’s liquidity depend on their handling of securities. At least this is the case in theory, but now we move onto the question of mortgage-backed securities as compared to securities. At this point we find another convergence with the other major banks and it is that mortgage backed securities constituted a very high proportion of total securities leading up to the recession. In fact, the mortgage-backed securities for the Bank of New York never fell below 80% between 2003 and 2006. After the merger, the proportion MORTSEC rose to 88% by year-end and then declined by 11% to 77% at year-end in 2008. The proportion MORTA was also very telling for the Bank of New York and BNY Mellon. Naturally of mortgage-backed securities constitute a high proportion of securities, and if securities constitute a high proportion of assets (at least 20%), then mortgage-backed securities will likely constitute a sizeable portion of assets. Indeed, for the Bank of New York, the proportion MORTA was calculated to be 20% in 2003, 21% in 2004, and 22% in 2005. The figure dropped down to 17% in 2006 but rose back to 22% after the merger. During the year of the crisis, the proportion MORTA for BNY Mellon declined by 9% which is commensurate with a decline in mortgage-backed securities by 29% the same year. Considering the ramifications of the subprime mortgage debacle, the sale of other risky mortgages, and the packaging of these dangerous securities, having a high proportion of mortgage-backed securities to assets was dangerous during the late 2000-numbers. In any case, not all banks and perhaps not the vast majority of banks in the U.S. were engaged in these practices. It should be noted that total loans constituted a sizeable proportion of assets for the Bank of New York and BNY Mellon as well. For example, the proportion LOANA was calculated to be as high as 40% for the Bank of New York in 2005. In 2006, the proportion declined by 4% and would continue to depreciate even after the merger with Mellon Financial. The proportion of outstanding total loans net of allowance to assets would decline to 18% during the year of the crisis. The proportion of outstanding consumer loans to assets, the proportion CONA, may not even be worth mentioning about in regard to the Bank of New York (especially since there is no data for the Bank of New York Mellon). All that can be said is that the proportion CONA fluctuated between 2% and 0.3% between 2003 and 2006. Oddly enough, real estate loans
constituted a higher proportion of assets than consumer loans for BNY and BNY Mellon. For example, the proportion REALSTATA was calculated to be 7% up until 2005 after which it rose to 8% until dropping to 4% in 2006. A number of imperative conclusions can really be made about the accounting data derived from the annual reports of BNY between 2003 and 2006 and the annual reports. First, the net income for the Bank of New York Mellon declined in 2008 much like the other banks. Second, 2006 saw declines in a number of financial categories for the Bank of New York including revenues, net income, noninterest income, and liabilities. Third, the data show that total securities for the Bank of New York constituted a sizeable proportion of assets when compared to other banks like J.P. Morgan Chase and Bank of America. Fourth, the data show that mortgage-backed securities constituted over 80% of the Bank of New York’s securities from 2003 to 2006. In turn, the Bank of New York’s proportion of mortgage-backed securities to assets never fell below 20% during the 2003-2006 period. Sixth, the data indicators for speculation indicate declines in a number of financial categories in 2006 as had been the case for indicators of structuration (e.g. 81% decline in outstanding consumer loans).

B. Mellon Financial to the Bank of New York Mellon: On the whole revenues for Mellon Financial rose by 113% after the merger with the Bank of New York. This was a rise from $5.3 billion to $11.3 billion, a difference of $6 billion. To be sure, neither Mellon Financial nor the Bank of New York were necessarily the most profitable banks individually at the time. It was the establishment of this merger that would create the lucrative conglomerate that would become the Bank of New York Mellon. In any case, total revenues would move to increase by another 20% during the year of the crisis which has already been discussed. In terms of net income, it is already understood that BNY Mellon’s figures dropped by 30% or from $2 billion down to $1.4 billion. As a result of the merger, Mellon Financial’s net income soared by 127%, or from a figure of $898 million to $2 billion. Before 2007, Mellon Financial’s net income did not rise above $898 million and even experienced a low of $701 million at the very beginning of the 2003-2008 period. What we see with the rest of the data indicators for structuration regarding Mellon Financial are dramatic increases in financial categories following the merger. Noninterest income increased by 86% when compared with Mellon Financial’s data in 2006, a rise from $4.8 billion to $9 billion. Liabilities for the company skyrocketed by 357%, or from $36.8 billion to $168.2 billion. In terms of analysis indicators, the proportion of noninterest income to total revenues for Mellon Financial was higher than for the pre-2007 Bank of New York. For example, at year-end in 2003, noninterest income constituted 87% of total revenues. Moreover, Mellon Financial maintained 90% proportion of noninterest income to total revenues two years consecutively in 2004 and 2005. It wasn’t until 2007 with the merger that the proportion of noninterest income to revenues dropped by 11% down to 80%. In another camp, the proportion of noninterest income to net income was very large for both Mellon Financial and the Bank of New York Mellon. The highest proportion calculated, the proportion NONININC, reached 754% which of course has already been discussed. To this end I won’t continue to comment on the calculations for NONININC as they relate to Mellon Financial. The calculations, however interesting, are not necessarily helpful at this point except to say that the proportion NONININC tends to rank over 100% each year for most of the banks included in this study. In any case, it will also be unsurprising to mention that the liquidity ratio for Mellon Financial between 2003 and 2006 was over 100%, stagnating around 112% during the entire three years. The calculated liquidity ratios for the Bank of New York Mellon have already been discussed in the previous section. For Mellon Financial, assets did not rise above $41.4 billion between 2003 and 2006, which is relatively modest when we compare the company to other banks in the study. As a result of the merger, assets skyrocketed by a proportion of 377%, from $41.4 billion to $197.6 billion. Total assets would go on to appreciate by another 20% the following year during the crisis. Total securities appreciated by 160% in 2007 as a result of the merger, a rise from $18.7 billion to $48.6 billion. This was very substantial and even mortgage-backed securities appreciated by 189% from $14.7 billion to $48.6 billion. Before 2007, Mellon Financial’s mortgage-backed securities remained under 20% with a low of $9.7 billion at the beginning of the 2003-2008 period. Outstanding loans for the company grew by a staggering proportion of 753%, a rise from $5.9 billion before the merger to $50.6 billion in
This has already been stated, but consumer loan data could only be collected for Mellon Financial and not the Bank of New York Mellon. As a general comment on these figures, consumer loans only appreciated to $2.2 billion for Mellon Financial during the 2003-2006 period. As it has also been stated, data for home equity loans could not be collected while data for commercial real estate loans could be collected for Mellon Financial. These data were combined with general real estate loan data from BNY Mellon after 2006 for purposes of trend analysis. So, on the whole, Mellon Financial’s commercial real estate loans were not that large between 2003 and 2006. In fact, outstanding commercial real estate loans declined by 10% by year-end in 2003. After 2003, outstanding commercial real estate loans remained under $2 billion. In 2007, the general real estate loans for BNY Mellon were valued at $6.2 billion, a 280% rise when compared to Mellon Financial’s commercial real estate loans in 2006. There is very little to say about cash flows that has not already been discussed in the previous section on the Bank of New York. Except that when the 2003-2008 period began, Mellon Financial’s cash flows were at negative $2.5 billion. Whereas securities for the Bank of New York constituted a relatively large proportion of their assets (around 27% in 2005), the same can actually be said for Mellon Financial. In fact, the proportion of total securities to assets for Mellon Financial almost reached 50% in some cases. For example, the proportion SECA was calculated to be 45% for two consecutive years between 2004 and 2006. This is very substantial, but the proportion dropped down to 25% after the merger in 2007. What is more is that the proportion MORTSEC for Mellon Financial is also comparable to the Bank of New York Mellon and other banks associated with this study. For example, between 2003 and 2006, the proportion of mortgage-backed securities to securities was calculated to be well above 70% for every year. In fact, 89% of total securities at year-end in 2003 were composed of mortgage-backed securities for Mellon Financial. Naturally this declined eventually to 74% in 2005 but the proportion would rise again to 88% immediately after the merger. The fact that securities constituted a relatively large proportion of assets for Mellon Financial and that mortgage-backed securities comprised the vast majority of total securities was problematic. To be sure, mortgage-backed securities constituted over 30% of assets for Mellon Financial between 2004 and 2006. It wasn’t until after the merger that the proportion MORTA would fall down to 22% in 2007 and then to 18% in 2008. Oddly enough, outstanding loans constituted a typically smaller proportion of assets than total securities for Mellon Financial. In fact, the proportion LOANA declined from 22% in 2003 down to 14% at year-end in 2006. Consumer loans also constituted a very small proportion of assets for Mellon Financial with the proportion CONA never rising above 6% between 2003 and 2006. The proportion of commercial real estate loans to assets was also relatively small for Mellon Financial beginning with a high of 6% in 2003 and declining to 3% immediately after the merger. With the exception of declines witnessed in financial categories for BNY in 2006, a number of these trends for Mellon Financial are comparable to BNY before 2007. A few important conclusions can be drawn from the data on Mellon Financial leading into the creation of the Bank of New York Mellon: First, Mellon Financial in particular witnessed extensive increases in revenues, net income, noninterest income, and liabilities as the result of the 2007 merger with BNY. Second, Mellon Financial’s revenues were primarily driven by noninterest income which is unusual when we compare this organization to other banks. Third, Mellon Financial’s assets were largely composed of securities, calculated at nearly 50% for two years consecutively. This of course changed after the merger but it is very telling, perhaps equally as telling as the fact that mortgage-backed securities composed over 70% of securities between 2003 and 2006 for Mellon Financial and then between 2007 and 2008 for BNY Mellon. On the whole, it would appear that many of these banks being studied had converged especially in respect to the proportion of mortgage-backed securities to securities.

VI. **PNC Financial:** During the 2003-2008 period, total revenues for PNC Financial rose from $5.2 billion in 2003 to $7.9 billion in 2008 at year-end. Right in the beginning, we can see that PNC Financial was not at the same level of lucrativeness it celebrates today. With this being said, the company eventually reached $8.5 billion in total revenues during the year 2006. In 2007, however, the company’s revenues dropped by 22% down to $6.7 billion. For a number of other companies studied in the course of this project, revenues did drop at a certain point between 2006 and 2008. Naturally we would expect that the net income for PNC Financial would decline as well and it certainly did. In 2007, net income for
the company dropped from $2.5 billion to $1.4 billion. In the subsequent year, 2008, net income for the company dropped by 40%. This was a decline from $1.4 billion to $882 million. Of course, noninterest income also declined for the company as well, witnessing a loss of $2.9 billion between 2006 and 2008. This was down from a sizeable 52% increase in noninterest income for PNC Financial witnessed in 2006. In addition to net income and noninterest income declining, liabilities increased substantially for PNC financial, rising by $173.2 billion between 2006 and 2008. The proportion NONINREV was relatively high for PNC Financial between 2003 and 2008. To be sure, one could compare the figures with NONINREV as calculated for the Mellon Financial Data. Between 2003 and 2008, NONINREV for PNC Financial rose to a high of 74% in 2006. For the prior three years, the proportion of noninterest income to total revenues had been increasing every year from 62% in 2003 to 66% in 2005. Yet in 2007, NONINREV fell by 17% and then by an additional 14% in 2008. Naturally the proportion of noninterest income to net income, NONININC, was consistently very high between 2003 and 2008. For this reason, along with others, I will not proceed to comment on that ratio. As expected, however, the liquidity ratio was consistently over 100% for PNC Financial between 2003 and 2008. In fact, it achieved a high of around 113% for two consecutive years, including 2006 and 2007. Thus far, it stands to reason that Wells Fargo is the only bank in this study to have ever fallen under 100% in terms of the liquidity ratio. During the 2003-2008 period, assets for PNC Financial grew from $68.1 billion at year-end in 2003 to $291 billion at year-end in 2008. In fact, total assets appreciated by a figure of 110% alone in 2008, from a figure of $138.9 billion to $291 billion. It may be relevant to state that assets appreciated least in 2006 by 11% considering the housing bubble which was falling apart at the time. Total securities for PNC Financial increased from $15.6 billion in 2003 to $43.4 billion in 2008. It should be of some surprise that the most consequential increases in securities actually occurred during the year of the recession. First securities jumped by 30% in 2007 and then by an additional 44% in 2008, a total increase of $20 billion. In particular, mortgage-backed securities increased by 58% between 2004 and 2005, from a figure of $9.8 billion to $15.4 billion. Mortgage-backed securities would then rise prominently even during the year of the crisis at 42%, increasing from $26.2 billion to $37.2 billion. An interesting fact concerning the data is that total loans net of allowance and consumer loans did not depreciate at all during the 2003-2008 period. In fact, total loans net of allowance increased by 154% in 2008, or from $67.4 billion to $171.5 billion. Likewise, consumer loans would increase by 197% in 2008, or from a figure of $18.3 billion to $54.4 billion. Data could not be collected on home equity loans for PNC Financial, so data on residential mortgage loans under the loan portfolios of PNC Financial’s 2003-2008 annual reports were collected. Between 2003 and 2008, residential mortgage loans increased from $2.8 billion at year-end in 2003 to $21.5 billion at year-end in 2008. During this period, outstanding residential mortgage loans appreciated highest between 2007 and 2008 at a proportion of 126%. This was an increase from $9.5 billion to $21.5 billion, a difference of $12 billion. Outstanding residential mortgage loans had also increased substantially by 65% in 2004 and again by 53% in 2005. From residential mortgages, we move to the question of finance cash flows. During no year between 2003 and 2008 did finance cash flows fall into negative values. However, trends in finance cash flows were still volatile in terms of appreciation and depreciation. For example, finance cash flows appreciated by 56% in 2004 but depreciated by 53% two years later, moving to appreciate by another 371% in 2007. The proportion of securities to assets, the proportion SECA, was calculated to be over 20% across the 2003-2008 period. This was with the exception of 2008 when the proportion of securities to assets was calculated to be 15% after having dropped 7% since 2007. The proportion of securities to assets was highest in 2003, 2005, and 2006 when the figure reached 23%. When we move on to mortgage-backed securities, we find a somewhat interesting pattern in that before 2005, mortgage-backed securities only constituted over 50% of total securities. The proportion MORTSEC was calculated to be approximately 58% consecutively in 2003 and 2004. In 2005, the proportion rose by a figure of 17% to 75% and then onto 88% in 2006. Thus, after 2006, trends in MORTSEC began to mirror those of other banks in this study which maintained large proportions of mortgage-backed securities to total securities. In any case, the proportion of mortgage-backed securities to total assets was certainly not as large as MORTSEC. In fact for most of the period, the proportion MORTA was calculated to be under 20% with a low of 12% in 2004. The proportion of mortgage-backed securities to assets reached its highest in 2006 at 20% but then declined down to 19% the following year and then 13% the year after. Total loans net of allowance and total consumer loans both constituted large proportions of assets. In the case of total loans, the proportion LOANA was calculated to be 49% for two years consecutively, 2006 and 2007. In 2008, outstanding total loans net
of allowance was calculated to be 59% which was the highest value seen during the entire period. The proportion was also calculated to be over 50% between 2004 and 2005. What of the proportion of outstanding consumer loans to assets during the 2003-2008 period? The proportion CONA only once surpassed 20% which was during the year 2004. After this, the proportion remained under 20% for the rest of the period, dropping to as low as 13% in 2007. Besides this, not much else can be said on the proportion of consumer loans to assets. What of the proportion of outstanding residential mortgage loans to assets? This figure never rose to 10%, reaching a highest value of 8% in 2005. Moreover, the proportion of outstanding residential mortgage loans to assets was calculated to be 7% for two consecutive years, 2007 and 2008.

VII. U.S. Bancorp: Revenues did not rise very largely for U.S. Bancorp between 2003 and 2008 despite generally having relatively sizeable total revenues each year. For example, the company brought in $13.6 billion in 2006 and total revenues for the company never depreciated during the 2003-2008 period. On the whole, U.S. Bancorp’s revenues rose from $12.5 billion in 2003 to $14.6 billion in 2004 which is only a rise by $2.1 billion. Thus, U.S. Bancorp did not make very extensive gains at all in revenues and seemed to focus on a business model centered on consumer market stability. In terms of the amount of money coming in across the period, U.S. Bancorp was one of the larger banks considering their yearly revenues. In terms of proportional increases in revenues, their business appeared to be very slow during the 2003-2008 period. Net income for the company was also much smaller when compared to other companies considered in this study. In fact, between 2003 and 2006, net income remained under $5 billion but appreciated every year until 2007. During the early 2000-numbers, net income for this company appreciated by 12% by year-end in 2004, the highest proportional increase in net income for the company during the period. However, like all of the other banks, net income fell between 2006 and 2008, declining by a total of $1.8 billion, or from $4.7 billion to $2.9 billion. Noninterest income for U.S. Bancorp appreciated every year during the 2003-2008 period with the exception of 2008 in which it depreciated by 5%. On the whole, noninterest income increased from $5.3 billion to $6.8 billion across the 2003-2008 period. Noninterest income was highest during these six years in 2007 when it reached $7.1 billion. In another field, mortgage banking income began the 2003-2008 period on good footing with a valuation of $361 million. To no surprise, however, mortgage banking income fell dramatically in 2006 by 56% or from $432 million to $192 million, a difference of $240 million. This trend may be related to the housing bubble but data for the other larger banks do not indicate this (especially since for some banks mortgage banking income data could not be collected). Oddly enough, mortgage banking income would appreciate by 35% the following year from a figure of $192 million to $259 million. On another note, the 2003-2008 period saw an appreciation of liabilities from $170 billion to $239.6 billion, a proportional increase of 69.5 billion. Percentage-wise, liabilities increased highest by 11% between 2007 and 2008, or from a figure of $216.5 billion to $239.6 billion. The proportion of noninterest income to total revenues remained under 50% between 2003 and 2005, reaching a high of 46% in 2005. The following year, the proportion NONINREV rose to 50% and the proportion remained over 50% until 2008 which saw a depreciation of 7%. These proportions mirror the proportions calculated for a number of other banks in this study with a particular exception for the Bank of New York Mellon companies which saw NONINREV calculations of well-over 50% in a number of cases. I will not comment on the proportion NONININC except to say that it was typically smaller when compared to the other banks (the highest proportion calculated was 231% for 2008). The proportion of mortgage banking income to noninterest income was consistently below 10%, ranking in at 7% for three consecutive years between 2003 and 2005. It wasn’t until 2006 that the proportion MORTNON fell to 3%, appreciating to 4% the following year and never rising above that value for the remainder of the period. Lastly, the liquidity ratios for U.S. Bancorp was perhaps more consistent than any other sequence of liquidity ratios for the other banks. For example, the liquidity ratio for U.S. Bancorp was calculated to be approximately 111% for 4 consecutive years between 2003 and 2006 and 111% again in 2008. Between 2003 and 2008, total assets for U.S. Bancorp rose prominently from $189.2 billion to $265.9 billion, a difference of $76.6 billion. Naturally during the period, assets never depreciated though the rates of appreciation varied. For example, assets appreciated proportionally highest in 2008 at a figure of 12%, or from $237.6 billion to $265.9 billion. In the spectrum of securities, the situation was relatively different in that steady appreciations or depreciations were nonexistent. By this, it is meant that total securities for U.S. Bancorp were actually volatile in a number of ways. For example, total securities began at year-end in 2003 at $43.4 billion but then depreciated by 4% for two years consecutively down to $39.7 billion.
Then, total securities went on to appreciate for two years to a figure of $43.1 billion, only to decline by 7% in 2008. Trends for mortgage-backed securities could not be more different in that this category depreciated for every single year between 2003 and 2008. On the whole, mortgage-backed securities depreciated from $40 billion to $30.1 billion throughout the entire period. Mortgage-backed securities would actually decrease proportionally highest by a figure of 10% in 2006 from a value of $37.5 billion to $33.7 billion. Total loans net of allowance for U.S. Bancorp would appreciate every single year between 2003 and 2008. On the whole, total loans increased from $115.8 billion in 2003 to $181.17 billion in 2008, a proportion of 57%. Moreover, outstanding total loans net of allowance appreciated highest between 2007 and 2008, increasing by 20% from a figure of $151.7 billion to $181.7 billion. In any case, outstanding consumer loans also appreciated every year between 2003 and 2008. Generally, this category appreciated from a figure of $39 billion in 2003 to $60.3 billion in 2008. Consumer loans appreciated highest in terms of proportions by 11% at year-end in 2004 but also appreciated substantially by 9% in 2008. Home equity loans also appreciated by a sizeable 17% alone between 2007 and 2008, or from a figure of $16.4 billion to $19.1 billion. It would seem counterintuitive that this would be the case considering the crashed mortgage market resulting from the housing bubble burst of 2006 and then compounded by the Wall Street crash. Finance cash flows for U.S. Bancorp were volatile as could be expected, appreciating every other year and depreciating every other year. Finance cash flows appreciated most dramatically in 2005 from a figure of $1 billion to $10 billion. Contrarily, finance cash flows depreciated most dramatically in 2004 from $8.3 billion to $1 billion. The proportion of securities to assets, SECA, for U.S. Bancorp was highest at year-end in 2003 at 23% and lowest in 2008 at 15%. Interestingly enough, the proportion SECA depreciated every year of the 2003-2008 period with the exception of 2006-2007 when the figure remained at about 18% for two consecutive years. In any case, the proportion never fell below 15% for the entire period and in-turn constituted a noteworthy proportion of U.S. Bancorp’s assets, though certainly not half or even the vast majority. In any case, another fact is clear and it is that mortgage-backed securities constituted over 90% of U.S. Bancorp’s total securities between 2003 and 2005. It is not until 2006 that we actually witness a sizeable decline in the proportion of mortgage-backed securities to total securities by about 10% and then again by 13% in 2007. In any case, another situation is witnessed wherein the proportion of mortgage-backed securities to total securities is very high. Even throughout the rest of the period, mortgage-backed securities constituted 71% of total securities in 2007 and 76% of total securities in 2008. On the whole, it may be generally said that the high proportion of mortgage-backed securities to total securities is an important point of organizational-structural convergence among these banks for the period of 2003-2008. The proportion of mortgage-backed securities to assets, the proportion MORTA, is telling in terms of how much the impact of these investments declined over time in relation to the larger picture. This is especially the case in respect the U.S. Bancorp in that MORTA declined by a few percentage points every single year leading up to 2008. However, the proportion never fell below 11% and never decreased by a percentage larger than 3% during the period. It should be noted that the company held the highest proportion of mortgage-backed securities to assets in 2003 at year-end with a figure of 21% before declining. In any case, mortgage-backed securities still constituted a moderate proportion of assets during the 2003-2008 period. Of course, this can’t be compared to the proportion of loans to assets, or LOANA, during the period. In fact, the proportion of total outstanding loans net of allowance remained between 60% and 70% during the 2003-2008 period, achieving a high of 68% in 2008. The proportion only depreciated once during the period by 1% in 2007 and remained at 65% for two consecutive years, 2005 and 2006. The proportion of consumer loans to assets also only depreciated once by 1% in 2007 and reached a high of 23% in 2008. The proportion of home equity loans to assets was contrarily not that impactful, remaining at around 7% for four consecutive years between 2005 and 2008.
## Appendix II: Methods Tables

### TABLE 1.1

<table>
<thead>
<tr>
<th>I. LOCATING FINANCIAL DATA IN ANNUAL REPORTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Indicators for Structuration</td>
</tr>
<tr>
<td>B. Indicators for Speculation</td>
</tr>
</tbody>
</table>

*This is a summarization of the operationalized indicators for structuration & speculation which also includes the titles of financial statements where indicators can be located on an annual report or form 10-K*

### TABLE 1.2

<table>
<thead>
<tr>
<th>I. CASES</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. BANK OF AMERICA: Identified as one of the major subprime mortgage lenders leading up to the Great Recession; ranked the second largest bank in the U.S. by the Federal Reserve as of 2014.</td>
</tr>
<tr>
<td>B. J.P. MORGAN CHASE: Identified as one of the major subprime mortgage lenders leading up to the Great Recession; ranked the largest bank in the U.S. by the Federal Reserve as of 2014.</td>
</tr>
<tr>
<td>C. WELLS FARGO: Identified as one of the major subprime mortgage lenders leading up to the Great Recession; ranked the third largest bank in the U.S. by the Federal Reserve as of 2014.</td>
</tr>
<tr>
<td>D. BANK OF NEW YORK MELLON: Ranked the seventh largest bank in the U.S. by the Federal Reserve as of 2014.</td>
</tr>
<tr>
<td>E. PNC FINANCIAL: Ranked the sixth largest bank in the U.S. by the Federal Reserve as of 2014.</td>
</tr>
<tr>
<td>F. U.S. BANCORP: Ranked the fifth largest bank in the U.S. by the Federal Reserve as of 2014.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>II. INDICATORS FOR STRUCTURATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. TOTAL REVENUES (REVENUE): Revenues are a company’s gross income typically reported as gross revenues before all expenses or revenues net of interest expense.</td>
</tr>
<tr>
<td>B. NET INCOME (INCOME): Net income is a company’s revenues after all expenses &amp; entails the expansion of an organization’s business.</td>
</tr>
<tr>
<td>C. NONINTEREST INCOME (NONIN): Noninterest income is a significant component of revenues for most commercial banks derived largely from fees &amp; entails an expansion of the company’s business.</td>
</tr>
<tr>
<td>D. MORTGAGE BANKING INCOME (MORT): A component of noninterest income, mortgage-banking income entails the expansion of a company’s mortgage business.</td>
</tr>
</tbody>
</table>
E. **LIABILITIES (LIABILITY):** A company’s outstanding obligations which entails the degree of dependence on other organizations.

F. **PROPORTION OF NONINTEREST INCOME TO REVENUES (NONINREV):** How much of revenues are composed of noninterest income?

G. **PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONININC):** How much of net income is accounted for by noninterest income?

H. **PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON):** How much of noninterest income is derived from mortgage business?

I. **PROPORTION OF LIABILITIES TO ASSETS (CURRENT):** A classic accounting ratio also known as the “current ratio” which measures the ability of an organization to pay off its debts.

### III. INDICATORS FOR SPECULATION

A. **TOTAL ASSETS (ASSET):** A company’s holdings, the composition of which includes accounts payable or speculation on money owed to the organization.

B. **TOTAL SECURITIES (SEC):** Investments which include stocks, bonds, & other commodities which accrue in interest.

C. **TOTAL MORTGAGE-BACKED SECURITIES (MORTBACK):** Asset-backed investments, the value of which are based on the payment of mortgages by consumers.

D. **TOTAL OUTSTANDING LOANS &/OR LEASES (LOAN):** The valuation of loans & and leases owed to the company.

E. **TOTAL OUTSTANDING CONSUMER LOANS &/OR LEASES (CONLOAN):** The valuation of consumer loans and leases owed to the company.

F. **TOTAL OUTSTANDING HOME EQUITY LOANS/LINES (HOMEQ):** The valuation of outstanding home equity loans which may entail increased speculation in the mortgage industry.

G. **CASH FLOWS FROM FINANCING (CASHFLO):** The valuation of net cash derived from financial activities which may entail increased speculation (e.g. servicing debt or paying stock owners).

H. **PROPORTION OF SECURITIES TO ASSETS (SECA):** How much of assets are accounted for by securities investments?

I. **PROPORTION OF MBSS TO SECURITIES (MORTSEC):** How much of securities are accounted for by securities backed by the payment of mortgages?

J. **PROPORTION OF MBSS TO ASSETS (MORTA):** How much of assets are accounted for by securities backed by the payment of mortgages?

K. **PROPORTION OF LOANS &/OR LEASES TO ASSETS (LOANA):** How much of assets are comprised of outstanding loans &/or leases?

L. **PROPORTION OF CONSUMER LOANS &/OR LEASES TO ASSETS (CONA):** How much of assets are comprised by outstanding consumer loans &/or leases?

M. **PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA):** How much of assets are comprised by outstanding home equity loans?

*This table generally serves to unpack the cases chosen as well as the primary operationalized indicators for structuration & speculation. The table also includes the respective indicator codes as they apply.*
TABLE 2.1

I. BASIC HIERARCHICAL CASE-BY-CASE RESEARCH PROCESS

A. Document collection.

B. Accounting data extraction.

C. Accounting data consolidation under research protocols.

D. Accounting data consolidation under Excel spreadsheets.

E. Applying vertical & horizontal analysis to collected indicators under Excel spreadsheets.

F. Imputing calculated values into research protocols.

G. Crosschecking documents, protocols, & spreadsheets.

H. Generating tables & graphs for further analysis.

*This table serves to unpack the hierarchical process through which the research was generally conducted, beginning with the initial activity of collecting documents & ending with the conduct of analysis.

TABLE 2.2

*This figure provides an example of a Microsoft Excel spreadsheet organized for data collection as well as analysis for this project; this particular spreadsheet had been used for U.S. Bancorp. Full spreadsheets for all of the selected banks studied in this project can be seen under Appendix VI.

TABLE 3.1

Horizontal Analysis

Percentage Change = Value for Current Year – Value for Previous Year / Value for Previous Year

e.g. in Excel – (A2-A1)/A1 (adjust for percentage format)

TABLE 3.1

Vertical Analysis

Proportion = Value for Category 1 / Value for Category 2

e.g. in Excel – (A2/B2) (adjust for percentage format)

*These tables unpack the formulas for horizontal and vertical analysis which are fairly simple and straightforward; the tables also include an example of how the formulas would be applied in Microsoft Excel.
Appendix III: Final Research Protocols

RESEARCH PROTOCOL 1 (BANK OF AMERICA CORPORATION & SUBSIDIARIES)

- **CONCEPTUALIZATION & RESEARCH QUESTIONS**
  - Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
  - Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

- **OPERATIONALIZED INDICATORS**
  - **INDICATORS FOR STRUCTURATION**
    - REVENUE [AS REPORTED] (REVENUE)
    - NET INCOME (INCOME)
    - NONINTEREST INCOME (NONIN)
    - MORTGAGE-BANKING INCOME {AS REPORTED} (MORT)
    - TOTAL LIABILITIES (LIABILITY)
    - PROPORTION OF NONINTEREST INCOME TO REVENUE (NONINREV)
    - PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONININC)
    - PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON)
    - PROPORTION OF LIABILITIES TO ASSETS (CURRENT)
    - TRENDS IN REVENUE (REVTREND)
    - TRENDS IN NET INCOME (INCTREND)
    - TRENDS IN NONINTEREST INCOME (NONTREND)
    - TRENDS IN MORTGAGE-BANKING INCOME (MORTREND)
    - TRENDS IN LIABILITIES (LIATREND)
    - TRENDS IN NONINREV (NONINTREND)
    - TRENDS IN NONINC (NONINTREND2)
    - TRENDS IN MORTNON (MORTTREND2)
    - TRENDS IN CURRENT (CURTREND)
  - **INDICATORS FOR INCREASED SPECULATION**
    - ASSETS (ASSET)
    - SECURITIES [AS REPORTED] (SEC)
    - MORTGAGE-BACKED SECURITIES [ (MORTBACK)
    - OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOAN)
    - OUTSTANDING CONSUMER LOANS &/OR LEASES{AS REPORTED} (CONLOAN)
    - OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMEQ)
    - CASH FLOWS FROM FINANCING (CASHFLO)
    - PROPORTION OF SECURITIES TO ASSETS (SECA)
    - PROPORTION OF MBSS TO SECURITIES (MORTSEC)
    - PROPORTION OF MBSS TO ASSETS (MORTA)
    - PROPORTION OF LOANS &/OR LEASES TO ASSETS (LOANA)
    - PROPORTION OF CONSUMER LOANS &/OR LEASES TO ASSETS (CONA)
    - PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA)
    - TRENDS IN ASSETS (ATREND)
    - TRENDS IN SECURITIES (SECTREND)
    - TRENDS IN MORTGAGE-BACKED SECURITIES (MOBACKTREND)
    - TRENDS IN OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOTREND)
    - TRENDS IN OUTSTANDING CONSUMER LOANS (CONTREND)
    - TRENDS IN OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMTREND)
    - TRENDS IN CASH FLOWS FROM FINANCING (CASHTREND)
    - TRENDS IN SECA (SECATREND)
    - TRENDS IN MORTSEC (MORTSTREND)
    - TRENDS IN MORTA (MORTATREND)
    - TRENDS IN LOANA (LONATREND)
    - TRENDS IN CONA (CONATREND)
    - TRENDS IN HOMA {EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES} (HOMATREND)
*The term “as reported” indicates that the data collected for the operationalized indicator in question was obtained as it was reported under the selected Annual Reports or Reports on Form 10-K.

*The term “or equivalents” indicates that if a selected operationalized indicator could not be collected under the Annual Reports or Forms 10-K, a close equivalent of that indicator would be collected instead & most likely assigned a different variable name (variable names for the analysis figures calculated for that equivalent variable would also be given different names).

**DOCUMENTS CONCERNED**

- Bank of America 2003-2008 Annual Reports.

**DATA COLLECTION**

- Indicators for Structuration

<table>
<thead>
<tr>
<th>Document</th>
<th>(Bank of America 2003 Annual Report)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Total Revenue</strong>: REVENUE ($37,886 in millions [Consolidated Statement of Income, pp 74].)</td>
</tr>
<tr>
<td></td>
<td><strong>Net Income</strong>: INCOME ($10,810 in millions [Consolidated Statement of Income, pp. 74])</td>
</tr>
<tr>
<td></td>
<td><strong>Noninterest Income</strong>: NONIN ($16,422 in millions [Consolidated Statement of Income, pp. 74])</td>
</tr>
<tr>
<td></td>
<td><strong>Mortgage-Banking Income</strong>: MORT ($1,922 in millions [Consolidated Statement of Income, pp. 74])</td>
</tr>
<tr>
<td></td>
<td><strong>Liabilities</strong>: LIABILITY ($688,465 in millions [Consolidated Balance Sheet, pp. 75])</td>
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</table>

<table>
<thead>
<tr>
<th>Document</th>
<th>(Bank of America 2004 Annual Report)</th>
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</thead>
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<tr>
<td></td>
<td><strong>Total Revenue</strong>: REVENUE ($48,894 in millions [Consolidated Statement of Income, pp. 96])</td>
</tr>
<tr>
<td></td>
<td><strong>Net Income</strong>: INCOME ($14,143 in millions [Consolidated Statement of Income, pp. 96])</td>
</tr>
<tr>
<td></td>
<td><strong>Noninterest Income</strong>: NONIN ($20,097 in millions [Consolidated Statement of Income, pp. 96])</td>
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<td></td>
<td><strong>Mortgage-Banking Income</strong>: MORT ($414 in millions [Consolidated Statement of Income, pp. 96])</td>
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<tr>
<td></td>
<td><strong>Liabilities</strong>: LIABILITY ($1,010,812 in millions [Consolidated Balance Sheet, pp. 97])</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Document</th>
<th>(Bank of America 2005 Summary Annual Report)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Total Revenue</strong>: REVENUE &lt;Restated&gt; ($56,091 in millions [Consolidated Statement of Income, pp. 14])</td>
</tr>
<tr>
<td></td>
<td><strong>Net Income</strong>: INCOME &lt;Restated&gt; ($16,465 in millions [Consolidated Statement of Income, pp. 14])</td>
</tr>
<tr>
<td></td>
<td><strong>Noninterest Income</strong>: NONIN &lt;Restated&gt; ($25,354 in millions [Consolidated Statement of Income, pp. 14])</td>
</tr>
<tr>
<td></td>
<td><strong>Mortgage-Banking Income</strong>: MORT ($805 in millions [Noninterest Income, pp. 19])</td>
</tr>
<tr>
<td></td>
<td><strong>Liabilities</strong>: LIABILITY ($1,190,270 in millions [Consolidated Balance Sheet, pp. 90])</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Document</th>
<th>(Bank of America 2006 Annual Report)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Total Revenue</strong>: REVENUE ($73,023 in millions [Consolidated Statement of Income, pp. 100])</td>
</tr>
<tr>
<td></td>
<td><strong>Net Income</strong>: INCOME ($21,133 in millions [Consolidated Statement of Income, pp. 100])</td>
</tr>
<tr>
<td></td>
<td><strong>Noninterest Income</strong>: NONIN ($38,432 in millions [Consolidated Statement of Income, pp. 100])</td>
</tr>
<tr>
<td></td>
<td><strong>Mortgage-Banking Income</strong>: MORT ($541 in millions [Consolidated Statement of Income, pp. 100])</td>
</tr>
</tbody>
</table>
- Liabilities: LIABILITY ($1,324,465 in millions [Consolidated Balance Sheet, pp. 101])

  Document 5 (Bank of America 2007 Annual Report)
  - Total Revenue: REVENUE ($66,319 in millions [Consolidated Statement of Income, pp. 114])
  - Net Income: INCOME ($14,982 in millions [Consolidated Statement of Income, pp. 114])
  - Noninterest Income: NONIN ($31,886 in millions [Consolidated Statement of Income, pp. 114])
  - Mortgage-Banking Income: MORT ($902 in millions [Consolidated Statement of Income, pp. 114])
  - Liabilities: LIABILITY ($1,568,943 in millions [Consolidated Balance Sheet, pp. 115])

  Document 6 (Bank of America 2008 Annual Report)
  - Total Revenue: REVENUE ($72,782 in millions [Consolidated Statement of Income, pp. 116])
  - Net Income: INCOME ($4,008 in millions [Consolidated Statement of Income, pp. 116])
  - Noninterest Income: NONIN ($27,422 in millions [Consolidated Statement of Income, pp. 116])
  - Mortgage-Banking Income: MORT ($4,087 in millions [Consolidated Statement of Income, pp. 116])
  - Liabilities: LIABILITY ($1,640,891 in millions [Consolidated Balance Sheet, pp. 117])

> Indicators for Speculation

  - Assets: ASSET ($736,445 in millions [Consolidated Balance Sheet, pp. 75])
  - Debt Securities: SEC ($68,240 in millions [Consolidated Balance Sheet, pp. 75])
  - Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($56,893 in millions [Securities, pp. 85])
  - Loans & Leases [Net of Allowance]: LOAN ($365,300 in millions [Consolidated Balance Sheet, pp. 75])
  - Consumer Loans & Leases: CONLOAN ($240,159 in millions [Outstanding Loans and Leases, pp. 89])
  - Home Equity Loans: HOMEQ ($23,859 in millions [Outstanding Loans and Leases, pp. 89])
  - Finance Cash Flows: CASHFLO ($51,048 in millions [Consolidated Statement of Cash Flows, pp. 76])

  - Assets: ASSET ($1,110,457 in millions [Consolidated Balance Sheet, pp. 97])
  - Securities: SEC ($195,073 in millions [Consolidated Balance Sheet, pp. 97])
  - Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($173,247 in millions [Securities, pp. 114])
  - Loans & Leases [Net of Allowance]: LOAN ($513,211 in millions [Consolidated Balance Sheet, pp. 97])
  - Consumer Loans & Leases: CONLOAN ($327,907 in millions [Outstanding Loans and Leases, pp. 116])
  - Home Equity Loans: HOMEQ ($50,126 in millions [Outstanding Loans and Leases, pp. 116])

Document 3 (2005 Summary Annual Report)
- Assets: ASSET ($1,291,803 in millions [Consolidated Balance Sheet, pp.90])
- Securities: SEC ($221,603 in millions [Consolidated Balance Sheet, pp.90])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($192,031 in millions [Securities, pp. 112])
- Loans & Leases {Net of Allowance: Restated}: LOAN ($565,746 in millions [Consolidated Balance Sheet, pp. 90])
- Consumer Loans & Leases: CONLOAN ($355,457 in millions [Outstanding Loans and Leases, pp. 115])
- Home Equity Loans: HOMEQ ($62,098 in millions [Outstanding Loans and Leases, pp. 115])
- Finance Cash Flows {Restated}: CASHLO ($170,817 in millions [Consolidated Statement of Cash Flows Year-Ending December 31, 2005, pp. 92])

Document 4 (Bank of America 2006 Annual Report)
- Assets: ASSET ($1,459,737 in millions [Consolidated Balance Sheet, pp. 101])
- Debt Securities: SEC ($192,846 in millions [Consolidated Balance Sheet, pp. 101])
- Mortgage-Backed Securities {Available for Sale & Held to Maturity}: MORTBACK ($156,893 in millions [Securities, pp. 115])
- Loans & Leases {Net of Allowance}: LOAN ($697,474 in millions [Consolidated Balance Sheet, pp. 101])
- Consumer Loans & Leases: CONLOAN ($465,705 in millions [Outstanding Loans and Leases, pp. 118])
- Home Equity Loans: HOMEQ ($74,888 in millions [Outstanding Loans and Leases, pp. 118])
- Finance Cash Flows: HOMEQ ($53,133 in millions [Consolidated Statement of Cash Flows, pp. 103])

Document 5 (Bank of America 2007 Annual Report)
- Assets: ASSET ($1,715,746 in millions [Consolidated Balance Sheet, pp. 115])
- Debt Securities: SEC ($214,056 in millions [Consolidated Balance Sheet, pp. 115])
- Mortgage-Backed Securities {Available for Sale & Held to Maturity}: MORTBACK ($163,716 in millions [Securities, pp. 131])
- Loans & Leases {Net of Allowance}: LOAN ($864,756 in millions [Consolidated Balance Sheet, pp. 115])
- Consumer Loans & Leases: CONLOAN ($551,201 in millions [Outstanding Loans and Leases, pp. 134])
- Home Equity Loans: HOMEQ ($114,834 in millions [Outstanding Loans and Leases, pp. 134])

Document 6 (Bank of America 2008 Annual Report)
- Assets: ASSET ($1,817,943 in millions [Consolidated Balance Sheet, pp. 117])
Debt Securities: SEC ($277,589 in millions [Consolidated Balance Sheet, pp. 117])
Mortgage-Backed Securities (Available for Sale & Held to Maturity Fair Value): MORTBACK ($229,578 in millions [Securities, pp. 135])
Loans & Leases: LOAN ($908,375 in millions [Consolidated Balance Sheet, pp. 117])
Consumer Loans & Leases: CONLOAN ($588,679 in millions [Outstanding Loans and Leases, pp. 138])
Home Equity Loans: HOMEQ ($152,547 in millions [Outstanding Loans and Leases, pp. 138])
Finance Cash Flows: CASHFLO (($10,695) in millions [Consolidated Statement of Cash Flows, pp. 119])

DATA MANIPULATION (ANALYSIS)

Indicators for Structuration

Document 1 (Bank of America 2003 Annual Report)
- Trends in REVENUE: REVTREND (0%)
- Trends in INCOME: INCTREND (0%)
- Trends in NONIN: NONTREND (0%)
- Trends in MORT: MORTREND (0%)
- Trends in LIABILITY: LIATREND (0%)
- Proportion of Noninterest Income to Revenues: NONINREV (43.35%)
- Proportion of Noninterest Income to Net Income: NONININC ($151.91%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (11.70%)
- Proportion of Assets to Liabilities: CURRENT (106.97%)
- Trends in NONINREV: NONINTREND (0%)
- Trends in NONININC: NONINTREND2 (0%)
- Trends in MORTNON: MORTREND2 (0%)
- Trends in CURRENT: CURTREND (0%)

Document 2 (Bank of America 2004 Annual Report)
- Trends in REVENUE: REVTREND (29.06%)
- Trends in INCOME: INCTREND (30.83%)
- Trends in NONIN: NONTREND (22.38%)
- Trends in MORT: MORTREND (-78.46%)
- Trends in LIABILITY: LIATREND (46.82%)
- Proportion of Noninterest Income to Revenues: NONINREV (41.10%)
- Proportion of Noninterest Income to Net Income: NONININC (142.10%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (2.06%)
- Proportion of Assets to Liabilities: CURRENT (109.86%)
- Trends in NONINREV: NONINTREND (-2.24%)
- Trends in NONININC: NONINTREND2 (-9.82%)
- Trends in MORTNON: MORTREND2 (-9.64%)
- Trends in CURRENT: CURTREND (2.89%)

Document 3 (Bank of America 2005 Summary Annual Report)
- Trends in Revenues: REVTREND (14.72%)
- Trends in Net Income: INCTREND (16.42%)
- Trends in Noninterest Income: NONTREND (26.16%)
- Trends in Mortgage-Banking Income: MORTREND (94.44%)
- Trends in Liabilities: LIATREND (17.75%)
- Proportion of Noninterest Income to Revenues: NONINREV (45.20%)
- Proportion of Noninterest Income to Net Income: NONININC (153.99%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (3.18%)
- Proportion of Assets to Liabilities: CURRENT (108.53%)
- Trends in NONINREV: NONINTREND (4.10%)
- Trends in NONININC: NONINTREND2 (11.89%)
- Trends in MORTNON: MORTREND2 (1.12%)
- Trends in CURRENT: CURTREND (-1.33%)

Document 4 (Bank of America 2006 Annual Report)
- Trends in Revenues: REVTREND (30.19%)
- Trends in Net Income: INCTREND (28.35%)
- Trends in Noninterest Income: NONTREND (51.58%)
- Trends in Mortgage-Banking Income: MORTREND (-32.80%)
- Trends in Liabilities: LIATREND (11.27%)
- Proportion of Noninterest Income to Revenues: NONINREV (52.63%)
- Proportion of Noninterest Income to Net Income: NONININC (181.86%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (1.41%)
- Proportion of Assets to Liabilities: CURRENT (110.21%)
- Trends in NONINREV: NONINTREND (-4.55%)
- Trends in NONININC: NONINTREND2 (30.97%)
- Trends in MORTNON: MORTREND2 (1.42%)
- Trends in CURRENT: CURTREND (-0.86%)

Document 5 (Bank of America 2007 Annual Report)
- Trends in Revenues: REVTREND (-9.18%)
- Trends in Net Income: INCTREND (-29.11%)
- Trends in Noninterest Income: NONTREND (-17.03%)
- Trends in Mortgage-Banking Income: MORTREND (66.73%)
- Trends in Liabilities: LIATREND (18.46%)
- Proportion of Noninterest Income to Revenues: NONINREV (48.08%)
- Proportion of Noninterest Income to Net Income: NONININC (212.83%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (2.83%)
- Proportion of Assets to Liabilities: CURRENT (109.36%)
- Trends in NONINREV: NONINTREND (-4.55%)
- Trends in NONININC: NONINTREND2 (30.97%)
- Trends in MORTNON: MORTREND2 (1.42%)
- Trends in CURRENT: CURTREND (-0.86%)

Document 6 (Bank of America 2008 Annual Report)
- Trends in Revenues: REVTREND (9.75%)
- Trends in Net Income: INCTREND (-73.25%)
- Trends in Noninterest Income: NONTREND (-17.03%)
- Trends in Mortgage-Banking Income: MORTREND (353.10%)
- Trends in Liabilities: LIATREND (4.59%)
- Proportion of Noninterest Income to Revenues: NONINREV (37.68%)
- Proportion of Noninterest Income to Net Income: NONININC (684.18%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (14.90%)
- Proportion of Assets to Liabilities: CURRENT (110.79%)
- Trends in NONINREV: NONINTREND (-10.40%)
- Trends in NONININC: NONINTREND2 (471.35%)
- Trends in MORTNON: MORTREND2 (12.08%)
- Trends in CURRENT: CURTREND (1.43%)

**Indicators for Speculation**

- **Document 1 (Bank of America 2003 Annual Report)**
  - Trends in ASSET: ATREND (0%)
  - Trends in SEC: SECTREND (0%)
  - Trends in MORTBACK: MOBACTREND (0%)
  - Trends in LOAN: LOTREND (0%)
  - Trends CONLOAN: CONTREND (0%)
  - Trends in HOMEQ: HOMTREND (0%)
  - Trends in CASHFLO: CASHTREND (0%)
  - Proportion of Securities to Assets: SECA (9.27%)
  - Proportion of MBSs to Securities: MORTSEC (83.37%)
  - Proportion of MBSs to Assets: MORTA (7.73%)
  - Proportion of Loans to Assets: LOANA (49.60%)
  - Proportion of Consumer Loans to Assets: CONA (32.61%)
  - Proportion of Home Equity Loans to Assets: HOMA (3.24%)
  - Trends in SECA: SECATREND (0%)
  - Trends in MORTSEC: MORTSTREND (0%)
  - Trends in MORTA: MORTATREND (0%)
  - Trends in LOANA: LONATREND (0%)
  - Trends in CONA: CONATREND (0%)
  - Trends in HOMA: HOMATREND (0%)

- **Document 2 (Bank of America 2004 Annual Report)**
  - Trends in ASSET: ATREND (50.79%)
  - Trends in SEC: SECTREND (185.86%)
  - Trends in MORTBACK: MOBACKTREND (204.51%)
  - Trends in LOAN: LOTREND (40.49%)
  - Trends in CONLOAN: CONTREND (36.54%)
  - Trends in HOMEQ: HOMTREND (110.09%)
  - Trends in CASHFLO: CASHTREND (160.29%)
  - Proportion of Securities to Assets: SECA (17.57%)
  - Proportion of MBSs to Securities: MORTSEC (88.81%)
  - Proportion of MBSs to Assets: MORTA (15.60%)
  - Proportion of Loans to Assets: LOANA (46.22%)
  - Proportion of Consumer Loans to Assets: CONA (29.53%)
  - Proportion of Home Equity Loans to Assets: HOMA (4.51%)
  - Trends in SECA: SECATREND (8.30%)
  - Trends in MORTSEC: MORTSTREND (5.44%)
  - Trends in MORTA: MORTATREND (7.88%)
  - Trends in LOANA: LONATREND (-3.39%)
  - Trends in CONA: CONATREND (-3.08%)
  - Trends in HOMA: HOMATREND (1.27%)

- **Document 3 (Bank of America 2005 Summary Annual Report)**
  - Trends in ASSET: ATREND (16.33%)
  - Trends in SEC: SECTREND (13.60%)
  - Trends in MORTBACK: MOBACKTREND (10.84%)
  - Trends in LOAN: LOTREND (10.24%)
  - Trends in CONLOAN: CONTREND (8.40%)
  - Trends in HOMEQ: HOMTREND (23.88%)
- Trends in CASHFLO: CASHTREND (28.55%)
- Proportion of Securities to Assets: SECA (17.15%)
- Proportion of MBSs to Securities: MORTSEC (86.66%)
- Proportion of MBSs to Assets: MORTA (14.87%)
- Proportion of Loans to Assets: LOANA (43.80%)
- Proportion of Consumer Loans to Assets: CONA (27.52%)
- Proportion of Home Equity Loans to Assets: HOMA (4.81%)
- Trends in SECA: SECATREND (-0.41%)
- Trends in MORTSEC: MORTSTREND (-2.16%)
- Trends in MORTA: MORTATREND (-0.74%)
- Trends in LOANA: LONATREND (-2.42%)
- Trends in CONA: CONATREND (-2.01%)
- Trends in HOMA: HOMATREND (0.29%)

Document 4 (Bank of America 2006 Annual Report)
- Trends in ASSET: ATREND (13.00%)
- Trends in SEC: SECTREND (-12.98%)
- Trends in MORTBACK: MOBACKTREND (-18.30%)
- Trends in LOAN: LOTREND (23.28%)
- Trends in CONLOAN: CONTREND (31.02%)
- Trends in HOMEQ: HOMTREND (20.60%)
- Trends in CASHFLO: CASHTREND (-68.89%)
- Proportion of Securities to Assets: SECA (13.21%)
- Proportion of MBSs to Securities: MORTSEC (81.36%)
- Proportion of MBSs to Assets: MORTA (10.75%)
- Proportion of Loans to Assets: LOANA (47.78%)
- Proportion of Consumer Loans to Assets: CONA (31.90%)
- Proportion of Home Equity Loans to Assets: HOMA (5.13%)
- Trends in SECA: SECATREND (-3.94%)
- Trends in MORTSEC: MORTSTREND (-5.30%)
- Trends in MORTA: MORTATREND (-4.12%)
- Trends in LOANA: LONATREND (3.99%)
- Trends in CONA: CONATREND (4.39%)
- Trends in HOMA: HOMATREND (0.32%)

Document 5 (Bank of America 2007 Annual Report)
- Trends in ASSET: ATREND (17.54%)
- Trends in SEC: SECTREND (11%)
- Trends in MORTBACK: MOBACKTREND (4.35%)
- Trends in LOAN: LOTREND (23.98%)
- Trends in CONLOAN: CONTREND (18.36%)
- Trends in HOMEQ: HOMTREND (53.34%)
- Trends in CASHLO: CASHTREND (94.63%)
- Proportion of Securities to Assets: SECA (12.48%)
- Proportion of MBSs to Securities: MORTSEC (76.48%)
- Proportion of MBSs to Assets: MORTA (9.54%)
- Proportion of Loans to Assets: LOANA (50.40%)
- Proportion of Consumer Loans to Assets: CONA (32.13%)
- Proportion of Home Equity Loans to Assets: HOMA (6.69%)
- Trends in SECA: SECATREND (-0.74%)
- Trends in MORTSEC: MORTSTREND (-4.87%)
- Trends in MORTA: MORTATREND (-1.21%)
- Trends in LOANA: LONATREND (2.62%)
- Trends in CONA: CONATREND (0.22%)
- Trends in HOMA: HOMATREND (6.69%)

Document 6 (Bank of America 2008 Annual Report)
- Trends in ASSET: ATREND (5.96%)
- Trends in SEC: SECTREND (29.68%)
- Trends in MORTBACK: MOBACKTREND (40.23%)
- Trends in LOAN: LOTREND (5.04%)
- Trends in CONLOAN: CONTREND (1.36%)
- Trends in HOMEQ: HOMTREND (32.84%)
- Trends in CASHFLO: CASHTREND (-110.34%)
- Proportion of Securities to Assets: SECA (15.27%)
- Proportion of MBSs to Securities: MORTSEC (82.70%)
- Proportion of MBSs to Assets: MORTA (12.63%)
- Proportion of Loans to Assets: LOANA (49.97%)
- Proportion of Consumer Loans to Assets: CONA (30.73%)
- Proportion of Home Equity Loans to Assets: HOMA (8.39%)
- Trends in SECA: SECATREND (2.79)
- Trends in MORTSEC: MORTSTREND (6.22)
- Trends in MORTA: MORTATREND (3.09%)
- Trends in LOANA: LONATREND (-0.43%)
- Trends in CONA: CONATREND (-1.39%)
- Trends in HOMA: HOMATREND (1.70%)
RESEARCH PROTOCOL 2 (J.P. MORGAN CHASE & SUBSIDIARIES)

- CONCEPTUALIZATION & RESEARCH QUESTIONS
  - Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
  - Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

- OPERATIONALIZED INDICATORS
  - INDICATORS FOR STRUCTURATION
    - REVENUE [AS REPORTED] (REVENUE)
    - NET INCOME (INCOME)
    - NONINTEREST INCOME (NONIN)
    - MORTGAGE-BANKING INCOME [AS REPORTED] (MORT)
    - TOTAL LIABILITIES (LIABILITY)
    - PROPORTION OF NONINTEREST INCOME TO REVENUE (NONINREV)
    - PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONINC)
    - PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON)
    - PROPORTION OF LIABILITIES TO ASSETS (CURRENT)
    - TRENDS IN REVENUE (REVTREND)
    - TRENDS IN NET INCOME (INCTREND)
    - TRENDS IN NONINTEREST INCOME (NONTREND)
    - TRENDS IN MORTGAGE-BANKING INCOME (MORTREND)
    - TRENDS IN LIABILITIES (LIATREND)
    - TRENDS IN NONINREV (NONINTREND)
    - TRENDS IN NONINC (NONINTREND2)
    - TRENDS IN MORTNON (MORTREND2)
    - TRENDS IN CURRENT (CURTREND)
  - INDICATORS FOR INCREASED SPECULATION
    - ASSETS (ASSET)
    - SECURITIES [AS REPORTED] (SEC)
    - MORTGAGE-BACKED SECURITIES [MORTBACK]
    - OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOAN)
    - OUTSTANDING CONSUMER LOANS &/OR LEASES [AS REPORTED] (CONLOAN)
    - OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMEQ)
    - CASH FLOWS FROM FINANCING (CASHFLO)
    - PROPORTION OF SECURITIES TO ASSETS (SECA)
    - PROPORTION OF MBSS TO SECURITIES (MORTSEC)
    - PROPORTION OF MBSS TO ASSETS (MORTA)
    - PROPORTION OF LOANS &/OR LEASES TO ASSETS (LOANA)
    - PROPORTION OF CONSUMER LOANS &/OR LEASES TO ASSETS (CONA)
    - PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA)
    - TRENDS IN ASSETS (ATREND)
    - TRENDS IN SECURITIES (SECTREND)
    - TRENDS IN MORTGAGE-BACKED SECURITIES (MOBACKTREND)
    - TRENDS IN OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOTREND)
    - TRENDS IN OUTSTANDING CONSUMER LOANS (CONTREND)
    - TRENDS IN OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMTREND)
    - TRENDS IN CASH FLOWS FROM FINANCING (CASHTREND)
    - TRENDS IN SECA (SECATREND)
    - TRENDS IN MORTSEC (MORTSTREND)
    - TRENDS IN MORTA (MORTATREND)
    - TRENDS IN LOANA (LONATREND)
    - TRENDS IN CONA (CONATREND)
    - TRENDS IN HOMA [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMATREND)

*The term “as reported” indicates that the data collected for the operationalized indicator in question was obtained as it was reported under the selected Annual Reports or Reports on Form 10-K.

*The term “or equivalents” indicates that if a selected operationalized indicator could not be collected under the Annual Reports or Forms 10-K, a close equivalent of that indicator would be collected instead & most likely assigned a different variable name (variable names for the analysis figures calculated for that equivalent variable would also be given different names).
**DOCUMENTS CONCERNED**

**DATA COLLECTION**
- Indicators for Structuration

<table>
<thead>
<tr>
<th>Document</th>
<th>Year</th>
<th>Financial Highlights</th>
<th>Consolidated Income Statement</th>
<th>Consolidated Statement of Income</th>
<th>Consolidated Balancesheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2003</td>
<td>Revenue: $33,256</td>
<td>Income: $6,719</td>
<td>Noninterest Revenue: $20,919</td>
<td>Liabilities: $724,758</td>
</tr>
<tr>
<td>2</td>
<td>2004</td>
<td>Total Net Revenue: $43,097</td>
<td>Net Income: $4,466</td>
<td>Noninterest Revenue: $26,336</td>
<td>Liabilities: $1,051,595</td>
</tr>
<tr>
<td>3</td>
<td>2005</td>
<td>Total Net Revenue: $54,533</td>
<td>Net Income: $8,483</td>
<td>Noninterest Revenue: $34,702</td>
<td>Liabilities: $1,091,731</td>
</tr>
<tr>
<td>5</td>
<td>2007</td>
<td>Total Net Revenue: $71,372</td>
<td>Net Income: $15,365</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- Noninterest Revenue: NONIN ($44,966 in millions [Consolidated Statement of Income, pp. 104])
- Mortgage Fees & Related Income: MORT ($2,118 in millions [Consolidated Statement of Income, pp. 104])
- Liabilities: LIABILITY ($1,438,926 in millions [Consolidated Balance Sheets, pp. 105])

Document 6 (J.P. Morgan Chase Annual Report 2008)
- Total Net Revenue: REVENUE ($67,252 in millions [Consolidated Statements of Income, pp. 130])
- Net Income: INCOME ($5,605 in millions [Consolidated Statements of Income, pp. 130])
- Noninterest Revenue: NONIN ($28,473 in millions [Consolidated Statements of Income, pp. 130])
- Mortgage Fees & Related Income: MORT ($3,467 in millions [Consolidated Statements of Income, pp. 130])
- Liabilities: LIABILITY ($2,008,168 in millions [Consolidated Balance Sheets, pp. 131])

Indicators for Speculation

- Assets: ASSET ($770,912 in millions [Consolidated Balance Sheet, pp. 83])
- Total Securities: SEC {Available for Sale & Held to Maturity} ($60,244 in millions [Consolidated Balance Sheet, pp. 83])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($31,932 in millions [Securities, pp. 96])
- Loans {Net of Allowance}: LOAN ($214,995 [Consolidated Balance Sheet, pp. 83])
- Consumer Loans (Total): CONLOAN ($136,421 in millions [Loan Portfolio, pp. 99])
- Home Equity Loans: HOMEQ ($19,252 in millions [Loan Portfolio, pp. 99])
- Finance Cash Flows: CASHFLO (($26,251) in millions [Consolidated Statement of Cash Flows, pp. 85])

- Assets: ASSET ($1,157,248 in millions [Balance Sheet Analysis, pp. 49])
- Total Securities: SEC {Available for Sale & Held to Maturity} ($94,512 in millions [Balance Sheet Analysis, pp. 49])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($46,141 in millions [Securities, pp. 98])
- Loans {Net of Allowance}: LOAN ($394,794 in millions [Balance Sheet Analysis, pp. 49])
- Consumer Loans: CONLOAN ($267,047 in millions [Loan Portfolio, pp. 101])
- Home Finance {Home Equity & Other}: HOMEQ ($67,837 in millions [Loan Portfolio, pp. 101])
- Finance Cash Flows: CASHFLO ($59,596 in millions [Consolidated Statement of Cash Flows, 87])

Document 3 (J.P. Morgan Chase Annual Report 2005)
- Assets: ASSET ($1,198,942 in millions [Consolidated Balance Sheet, pp. 88])
- Total Securities: SEC {Available for Sale & Held to Maturity} ($47,600 in millions [Consolidated Balance Sheet, pp. 88])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($83 in millions [Securities, pp. 103])
- Loans {Net of Allowance}: LOAN ($412,058 in millions [Consolidated Balance Sheets, pp. 88])
- Consumer Loans: CONLOAN ($269,037 in millions [Loan Portfolio, pp. 106])
- Home Finance: HOMEQ {Home Equity & Other} ($76,727 in millions [Loan Portfolio, pp. 106])
- Finance Cash Flows: CASHFLO ($45,069 in millions [Consolidated Statement of Cash Flows, pp. 90])

**Document 4 (J.P. Morgan Chase Annual Report 2006)**
- Assets: ASSET ($1,351,520 in millions [Consolidated Balance Sheet, pp. 91])
- Total Securities: SEC {Available for Sale & Held to Maturity} ($91,975 in millions [Consolidated Balance Sheet, pp. 91])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($33 in millions [Securities, pp. 109])
- Loans {Net of Allowance}: LOAN ($475,848 in millions [Consolidated Balance Sheet, pp. 91])
- Consumer Loans: CONLOAN ($299,385 in millions [Loan Portfolio, pp. 112])
- Home Equity Loans: HOMEQ ($85,730 in millions [Loan Portfolio, pp. 112])
- Finance Cash Flows: CASHFLO ($152,749 in millions [Consolidated Statement of Cash Flows, pp. 93])

- Assets: ASSET ($1,562,147 in millions [Consolidated Balance Sheet, pp. 105])
- Total Securities: SEC ($85,450 in millions [Consolidated Balance Sheet, pp. 105])
- Loans {Net of Allowance}: LOAN ($510,140 in millions [Consolidated Balance Sheet, pp. 105])
- Consumer Loans: CONLOAN ($306,298 in millions [Loan Portfolio, pp. 137])
- Home Equity Loans: HOMEQ ($94,832 in millions [Loan Portfolio, pp. 137])
- Finance Cash Flows: CASHFLO (($73,118 in millions [Consolidated Statements of Cash Flows, pp. 107])

**Document 6 (J.P. Morgan Chase Annual Report 2008)**
- Assets: ASSETS ($2,175,052 in millions [Consolidated Balance Sheets, pp. 131])
- Total Securities: SEC ($205,943 in millions [Consolidated Balance Sheets, pp. 131])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($129,930 in millions [Securities, pp. 173])
  - **U.S. Government & Federal Agency Obligations ($6,424 in millions)**
  - **U.S. Government Sponsored Enterprise Obligations ($110,403 in millions)**
  - **Mortgage-Backed Securities ($13,103 in millions)**
Loans (Net of Allowance): LOAN ($721,734 in millions [Consolidated Balance Sheets, pp. 131])

Consumer Loans: CONLOAN ($482,854 in millions [Loan Portfolio, pp. 176])

Home Equity Loans: HOMEQ ($114,335 in millions [Loan Portfolio, pp. 176])

Finance Cash Flows: CASHFLO ($250,506 in millions [Consolidated Statements of Cash Flows, pp. 133])

DATA MANIPULATION

Indicators for Structuration

- Trends in REVENUE: REVTREND (0%)
- Trends in INCOME: INCTREND (0%)
- Trends in NONIN: NONTREND (0%)
- Trends in MORT: MORTREND (0%)
- Trends in LIABILITY: LIATREND (0%)
- Proportion of Noninterest Income to Revenues: NONINREV (62.90%)
- Proportion of Noninterest Income to Net Income: NONININC (311.44%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (4.26%)
- Proportion of Assets to Liabilities: CURRENT (106.37%)
- Trends in NONINREV: NONINTREND (0%)
- Trends in NONININC: NONINTREND2 (0%)
- Trends in MORTNON: MORTREND2 (0%)
- Trends in CURRENT: CURTREND (0%)

- Trends in REVENUE: (29.59%)
- Trends in INCOME: (-33.53%)
- Trends in NONIN: (25.90%)
- Trends in MORT: (12.56%)
- Trends in LIABILITY: (45.10%)
- Proportion of Noninterest Income to Revenues: NONINREV (61.11%)
- Proportion of Noninterest Income to Net Income: NONININC (589.70%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (3.81%)
- Proportion of Assets to Liabilities: CURRENT (110.05%)
- Trends in NONINREV: NONINTREND (-1.79%)
- Trends in NONININC: NONINTREND2 (278.36%)
- Trends in MORTNON: MORTREND2 (-0.45%)
- Trends in CURRENT: CURTREND (3.68%)

Document 3 (J.P. Morgan Chase Annual Report 2005)
- Trends in REVENUE: (26.54%)
- Trends in INCOME: (89.95%)
- Trends in NONIN: (31.77%)
- Trends in MORT: (4.98%)
- Trends in LIABILITY: (3.82%)
- Proportion of Noninterest Income to Revenues: NONINREV (63.63%)
- Proportion of Noninterest Income to Net Income: NONININC (409.08%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (3.04%)
- Proportion of Assets to Liabilities: CURRENT (109.82%)
- Trends in NONINREV: NONINTREND (2.53%)
- Trends in NONININC: NONINTREND2 (-180.62%)
- Trends in MORTNON: MORTREND2 (-0.77%)
- Trends in CURRENT: CURTREND (-0.23%)

- Trends in REVENUE: (12.66%)
- Trends in INCOME: (70.27%)
- Trends in NONIN: (15.83%)
- Trends in MORT: (-43.93%)
- Trends in LIABILITY (21.43%)

- Proportion of Noninterest Income to Revenues: NONINREV (65.42%)
- Proportion of Noninterest Income to Net Income: INCOME (278.28%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (1.47%)
- Proportion of Assets to Liabilities: CURRENT (101.95%)
- Trends in NONINREV: NONINTREND (1.79%)
- Trends in NONININC: NONINTREND2 (-130.80%)
- Trends in MORTNON: MORTREND2 (-1.57%)
- Trends in CURRENT: CURTREND (-7.87%)

- Trends in REVENUE: (16.17%)
- Trends in INCOME: (6.38%)
- Trends in NONIN: (11.87%)
- Trends in MORT: (258.38%)
- Trends in LIABILITY: (8.54%)

- Proportion of Noninterest Income to Revenues: NONINREV (63%)
- Proportion of Noninterest Income to Net Income: NONININC (292.65%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (4.71%)
- Proportion of Assets to Liabilities: CURRENT (108.56%)
- Trends in NONINREV: NONINTREND (-2.42%)
- Trends in NONININC: NONINTREND2 (14.37%)
- Trends in MORTNON: MORTREND2 (3.24%)
- Trends in CURRENT: CURTREND (6.62%)

- Trends in REVENUE (-5.77%)
- Trends in INCOME (-63.52%)
- Trends in NONIN (-36.68%)
- Trends in MORT (63.69%)
- Trends in LIABILITY (39.56%)

- Proportion of Noninterest Income to Revenues: NONINREV (42.34%)
- Proportion of Noninterest Income to Net Income: NONININC (507.99%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (12.18%)
- Proportion of Assets to Liabilities: CURRENT (108.31%)
- Trends in NONINREV: NONINTREND (-20.66%)
• Trends in NONININC: NONINTREND2 (215.34%)
• Trends in MORTNON: MORTREND2 (7.47%)
• Trends in CURRENT: CURTREND (-0.25%)

> Indicators for Speculation

  - Trends in ASSET: ATREND (0%)
  - Trends in SEC: SECTREND (0%)
  - Trends in MORTBACK: MOBACKTREND (0%)
  - Trends in LOAN: LOTREND (0%)
  - Trends in CONLOAN: CONTREND (0%)
  - Trends in HOMEQ: HOMTREND (0%)
  - Trends in CASHFLO: CASHTREND (0%)
  - Proportion of Securities to Assets: SECA (7.81%)
  - Proportion of MBSs to Securities: MORTSEC (53%)
  - Proportion of MBSs to Assets: MORTA (4.14%)
  - Proportion of Loans to Assets: LOANA (27.89%)
  - Proportion of Consumer Loans to Assets: CONA (17.70%)
  - Proportion of Home Equity Loans to Assets: HOMA (2.50%)
  - Trends in SECA: SECATREND (0%)
  - Trends in MORTSEC: MORTSTREND (0%)
  - Trends in MORTA: MORTATREND (0%)
  - Trends in LOANA: LONATREND (0%)
  - Trends in CONA: CONATREND (0%)
  - Trends in HOMA: HOMATREND (0%)

  - Trends in ASSET: ATREND (50.11%)
  - Trends in SEC: SECTREND (56.88%)
  - Trends in MORTBACK: MOBACKTREND (44.50%)
  - Trends in LOAN: LOTREND (83.63%)
  - Trends in CONLOAN: CONTREND (95.75%)
  - Trends in HOMEQ: HOMTREND (252.36%)
  - Trends in CASHFLO: CASHTREND (144%)
  - Proportion of Securities to Assets: SECA (8.17%)
  - Proportion of MBSs to Securities: MORTSEC (48.82%)
  - Proportion of MBSs to Assets: MORTA (3.99%)
  - Proportion of Loans to Assets: LOANA (34.11%)
  - Proportion of Consumer Loans to Assets: CONA (23.08%)
  - Proportion of Home Equity Loans to Assets: HOMA (5.86%)
  - Trends in SECA: SECATREND (0.35%)
  - Trends in MORTSEC: MORTSTREND (-4.18%)
  - Trends in MORTA: MORTATREND (-0.15%)
  - Trends in LOANA: LONATREND (6.23%)
  - Trends in CONA: CONATREND (5.38%)
  - Trends in HOMA: HOMATREND (3.36%)

- Document 3 (J.P. Morgan Chase Annual Report 2005)
  - Trends in ASSET: ATREND (3.60%)
  - Trends in SEC: SECTREND (-49.64%)
  - Trends in MORTBACK: MOBACKTREND (-99.82%)
  - Trends in LOAN: LOTREND (4.37%)
  - Trends in CONLOAN: CONTREND (0.75%)
  - Trends in HOMEQ: HOMTREND (13.10%)
  - Trends in CASHFLO: CASHTREND (-24.38%)
  - Proportion of Securities to Assets: SECA (3.97%)
  - Proportion of MBSs to Securities: MORTSEC (0.17%)
  - Proportion of MBSs to Assets: MORTA (0.01%)
Proportion of Loans to Assets: LOANA (34.37%)
Proportion of Consumer Loans to Assets: CONA (22.44%)
Proportion of Home Equity Loans to Assets: HOMA (6.40%)
Trends in SECA: SECATREND (-4.20%)
Trends in MORTSEC: MORTSTREND (-48.65%)
Trends in MORTA: MORTATREND (-3.98%)
Trends in LOANA: LONATREND (0.25%)
Trends in CONA: CONATREND (-0.64%)
Trends in HOMA: HOMATREND (0.54%)

Trends in ASSET: ATREND (12.81%)
Trends in SEC: SECTREND (93.22%)
Trends in MORTBACK: MOBACKTREND (-60.24%)
Trends in LOAN: LOTREND (15.48%)
Trends in CONLOAN: CONTREND (11.28%)
Trends in HOMEQ: HOMTREND (11.73%)
Trends in CASHFLO: CASHTREND (238.92%)
Proportion of Securities to Assets: SECA (6.81%)
Proportion of MBSs to Securities: MORTSEC (0.04%)
Proportion of MBSs to Assets: MORTA (0.002%)
Proportion of Loans to Assets: LOANA (35.21%)
Proportion of Consumer Loans to Assets: CONA (22.15%)
Proportion of Home Equity Loans to Assets: HOMA (6.34%)
Trends in SECA: SECATREND (2.84%)
Trends in MORTSEC: MORTSTREND (-0.14%)
Trends in MORTA: MORTATREND (0%)
Trends in LOANA: LONATREND (0.84%)
Trends in CONA: CONATREND (-0.29%)
Trends in HOMA: HOMATREND (-0.06%)

Trends in ASSET: ATREND (15.58%)
Trends in SEC: SECTREND (-7.09%)
Trends in MORTBACK: MOBACKTREND (203081.82%)
Trends in LOAN: LOTREND (7.21%)
Trends in CONLOAN: CONTREND (2.31%)
Trends in HOMEQ: HOMTREND (10.62%)
Trends in CASHFLO: CASHTREND (-147.87%)
Proportion of Securities to Assets: SECA (5.47%)
Proportion of MBSs to Securities: MORTSEC (78.47%)
Proportion of MBSs to Assets: MORTA (4.29%)
Proportion of Loans to Assets: LOANA (32.66%)
Proportion of Consumer Loans to Assets: CONA (19.61%)
Proportion of Home Equity Loans to Assets: HOMA (6.07%)
Trends in SECA: SECATREND (-1.34%)
Trends in MORTSEC: MORTSTREND (78.43%)
Trends in MORTA: MORTATREND (4.29%)
Trends in LOANA: LONATREND (-2.55%)
Trends in CONA: CONATREND (-2.54)
Trends in HOMA: HOMATREND (-0.27%)

Trends in ASSET: ATREND (39.23%)
Trends in SEC: SECTREND (141.01%)
Trends in MORTBACK: MOBACKTREND (93.78%)
Loans: LOTREND (41.48%)
Consumer Loans: CONTREND (57.64%)
- Home Equity Loans: HOMTREND (20.57%)
- Finance Cash Flows: CASHTREND (442.61%)
- Proportion of Securities to Assets: SECA (9.47%)
- Proportion of MBSs to Securities: MORTSEC (63.09%)
- Proportion of MBSs to Assets: MORTA (5.97%)
- Proportion of Loans to Assets: LOANA (33.18%)
- Proportion of Consumer Loans to Assets: CONA (22.20%)
- Proportion of Home Equity Loans to Assets: HOMA (5.26%)
- Trends in SECA: SECATREND (4%)
- Trends in MORTSEC: MORTSTREND (-15.38%)
- Trends in MORTA: MORTATREND (1.68%)
- Trends in LOANA: LONATREND (0.53%)
- Trends in CONA: CONATREND (2.59%)
- Trends in HOMA: HOMATREND (-0.81%)
RESEARCH PROTOCOL 3 (WELLS FARGO & COMPANY)

CONCEPTUALIZATION & RESEARCH QUESTIONS

- Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
- Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

OPERATIONALIZED INDICATORS

INDICATORS FOR STRUCTURATION
- REVENUE [AS REPORTED] (REVENUE)
- NET INCOME (INCOME)
- NONINTEREST INCOME (NONIN)
- MORTGAGE-BANKING INCOME [AS REPORTED] (MORT)
- TOTAL LIABILITIES (LIABILITY)
- PROPORTION OF NONINTEREST INCOME TO REVENUE (NONINREV)
- PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONINC)
- PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON)
- PROPORTION OF LIABILITIES TO ASSETS (CURRENT)
- TRENDS IN REVENUE (REVTREND)
- TRENDS IN NET INCOME (INCTREND)
- TRENDS IN NONINTEREST INCOME (NONTREND)
- TRENDS IN MORTGAGE-BANKING INCOME (MORTREND)
- TRENDS IN LIABILITIES (LIATREND)
- TRENDS IN NONINREV (NONINTREND)
- TRENDS IN NONINC (NONINTREND2)
- TRENDS IN MORTNON (MORTREND2)
- TRENDS IN CURRENT (CURTREND)

INDICATORS FOR INCREASED SPECULATION
- ASSETS (SET)
- SECURITIES [AS REPORTED] (SEC)
- MORTGAGE-BACKED SECURITIES (MORTBACK)
- OUTSTANDING LOANS & OR LEASES NET OF ALLOWANCE (LOAN)
- OUTSTANDING CONSUMER LOANS & OR LEASES [AS REPORTED] (CONLOAN)
- OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMEQ)
- CASH FLOWS FROM FINANCING (CASHFLO)
- PROPORTION OF SECURITIES TO ASSETS (SECA)
- PROPORTION OF MBSS TO SECURITIES (MORTSEC)
- PROPORTION OF MBSS TO ASSETS (MORTA)
- PROPORTION OF LOANS & OR LEASES TO ASSETS (LOANA)
- PROPORTION OF CONSUMER LOANS & OR LEASES TO ASSETS (CONA)
- PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA)
- TRENDS IN ASSETS (ATREND)
- TRENDS IN SECURITIES (SECTREND)
- TRENDS IN MORTGAGE-BACKED SECURITIES (MOBACKTREND)
- TRENDS IN OUTSTANDING LOANS & OR LEASES NET OF ALLOWANCE (LOTREND)
- TRENDS IN OUTSTANDING CONSUMER LOANS (CONTREND)
- TRENDS IN OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMTREND)
- TRENDS IN CASH FLOWS FROM FINANCING (CASHTREND)
- TRENDS IN SECA (SECATREND)
- TRENDS IN MORTSEC (MORTSTREND)
- TRENDS IN MORTA (MORTATREND)
- TRENDS IN LOANA (LOANATREND)
- TRENDS IN CONA (CONATREND)
- TRENDS IN HOMA [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMATREND)

*The term “as reported” indicates that the data collected for the operationalized indicator in question was obtained as it was reported under the selected Annual Reports or Reports on Form 10-K.

*The term “or equivalents” indicates that if a selected operationalized indicator could not be collected under the Annual Reports or Forms 10-K, a close equivalent of that indicator would be collected instead & most likely assigned a different variable name (variable names for the analysis figures calculated for that equivalent variable would also be given different names).
|                     | https://www.wellsfargo.com/about/investor-relations/filings/ |
| DATA COLLECTION     | Indicators for Structuration |
|                     | | |
|                     | - Total Revenues: REVENUE {After Change in Accounting Principle} ($28,389 in millions [Our Performance, pp. 4]) |
|                     | - Net Income: INCOME ($6,202 in millions [Consolidated Statement of Income, pp. 58]) |
|                     | - Noninterest Income: NONIN ($12,382 in millions [Consolidated Statement of Income, pp. 58]) |
|                     | - Mortgage Banking: MORT ($2,512 in millions [Consolidated Statement of Income, pp. 58]) |
|                     | - Liabilities: LIABILITY ($353,329 in millions [Consolidated Balance Sheet, pp. 59]) |
|                     | - Total Revenues: REVENUE ($30,059 in millions [Our Performance, pp. 4]) |
|                     | - Net Income: INCOME ($7,014 in millions [Consolidated Statement of Income, pp. 62]) |
|                     | - Noninterest Income: NONIN ($12,909 in millions [Consolidated Statement of Income, pp. 62]) |
|                     | - Mortgage Banking: MORT ($1,860 in millions [Consolidated Statement of Income, pp. 62]) |
|                     | - Liabilities: LIABILITY ($389,983 in millions [Consolidated Balance Sheet, pp. 63]) |
|                     | - Total Revenues: REVENUE ($32,949 in millions [Our Performance, pp. 4]) |
|                     | - Net Income: INCOME ($7,671 in millions [Consolidated Statement of Income, pp. 60]) |
|                     | - Noninterest Income: NONIN ($14,445 in millions [Consolidated Statement of Income, pp. 60]) |
|                     | - Mortgage Banking: MORT ($2,442 in millions [Consolidated Statement of Income, pp. 60]) |
|                     | - Liabilities: LIABILITY ($441,081 in millions [Consolidated Balance Sheet, pp. 61]) |
|                     | - Total Revenues: REVENUE ($35,691 in millions [Our Performance, pp. 4]) |
|                     | - Net Income: INCOME ($8,482 in millions [Consolidated Statement of Income, pp. 68]) |
|                     | - Noninterest Income: NONIN ($15,740 in millions [Consolidated Statement of Income, pp. 68]) |
|                     | - Mortgage Banking: MORT ($2,311 in millions [Consolidated Statement of Income, pp. 68]) |
|                     | - Liabilities: LIABILITY ($436,120 in millions [Consolidated Balance Sheet, pp. 69]) |
|                     | - Total Revenues: REVENUE ($39,390 in millions [Our Performance, pp. 4]) |
|                     | - Net Income: INCOME ($8,057 in millions [Consolidated Income Statement, pp. 74]) |
• Noninterest Income: NONIN ($18,416 in millions [Consolidated Income Statement, pp. 74])
• Mortgage Banking: MORT ($3,133 in millions [Consolidated Income Statement, pp. 74])
• Liabilities: LIABILITY ($527,814 in millions [Consolidated Balance Sheet, pp. 75])

Document 6 (Wells Fargo & Company Annual Report 2008)
• Total Revenues: REVENUE ($41,897 in millions [Our Performance, pp. 4])
• Net Income: INCOME ($2,655 in millions [Consolidated Statement of Income, pp. 86])
• Noninterest Income: NONIN ($16,754 in millions [Consolidated Statement of Income, pp. 86])
• Mortgage Banking: MORT ($2,525 in millions [Consolidated Statement of Income, pp. 86])
• Liabilities: LIABILITY ($1,210,555 in millions [Consolidated Balance Sheet, pp. 87])

Indicators for Speculation

• Assets: ASSET ($387,798 in millions [Consolidated Balance Sheet, pp. 59])
• Securities Available for Sale: SEC ($32,953 in millions [Consolidated Balance Sheet, pp. 59])
• Mortgage-Backed Securities: MORTBACK {Available for Sale Fair Value} ($24,284 in millions [Securities Available for Sale, pp. 68])
• Loans {Net of Allowance}: LOAN ($249,182 in millions [Consolidated Balance Sheet, pp. 59])
• Consumer Loans & Leases: CONLOAN ($78,080 in millions [Loan Portfolio, pp. 70])
• Home Equity Loans: HOMEQ (N/A)
• Real Estate 1-4 Family Junior Lien Mortgage: REALES ($36,629 in millions [Loan Portfolio, pp. 70])
• Finance Cash Flows: CASHFLO ($29,511 in millions [Consolidated Statement of Cash Flows, pp. 61])

• Assets: ASSET ($427,849 in millions [Consolidated Balance Sheet, pp. 63])
• Securities Available for Sale: SEC ($33,717 in millions [Consolidated Balance Sheet, pp. 63])
• Mortgage-Backed Securities: MORTBACK {Available for Sale Fair Value} ($25,143 in millions [Securities Available for Sale, pp. 72])
• Loans {Net of Allowance}: LOAN ($283,824 in millions [Consolidated Balance Sheet, pp. 63])
• Consumer Loans: CONLOAN ($184,861 in millions [Loan Portfolio, pp. 74])
• Home Equity Loans: HOMEQ (N/A)
• Real Estate 1-4 Family Junior Lien Mortgage: REALES ($52,190 in millions [Loan Portfolio, pp. 74])
• Finance Cash Flows: CASHFLO ($30,305 in millions [Consolidated Statement of Cash Flows, pp. 61])

• Assets: ASSET ($481,741 in millions [Consolidated Balance Sheet, pp. 61])
- Securities Available for Sale: SEC ($41,834 in millions [Consolidated Balance Sheet, pp. 61])
- Mortgage-Backed Securities: MORTBACK {Available for Sale Fair Value} ($32,366 in millions [Securities Available for Sale, pp. 71])
- Loans {Net of Allowance}: LOAN ($306,966 in millions [Consolidated Balance Sheet, pp. 61])
- Consumer Loans: CONLOAN ($196,382 in millions [Loan Portfolio, pp. 73])
- Home Equity Loans: HOMEQ (N/A)
- Real Estate 1-4 Family Junior Lien Mortgage: REALES ($59,143 in millions [Loan Portfolio, pp. 73])
- Finance Cash Flows: CASHFLO ($41,896 in millions [Consolidated Statement of Cash Flows, pp. 63])

- Assets: ASSET ($481,996 in millions [Consolidated Balance Sheet, pp. 69])
- Securities Available for Sale: SEC ($42,629 in millions [Consolidated Balance Sheet, pp. 69])
- Mortgage-Backed Securities: MORTBACK {Available for Sale Fair Value} ($31,509 in millions [Note 5: Securities Available for Sale pp. 79])
- Loans {Net of Allowance}: LOAN ($315,352 in millions [Consolidated Balance Sheet, pp. 69])
- Consumer Loans: CONLOAN ($190,385 in millions [Loan Portfolio, pp. 81])
- Home Equity Loans: HOMEQ (N/A)
- Real Estate 1-4 Family Junior Lien Mortgage: REALES ($68,926 in millions [Loan Portfolio, pp. 81])
- Finance Cash Flows: CASHFLO ($11,763 in millions [Consolidated Statement of Cash Flows, pp. 71])

- Assets: ASSET ($575,442 in millions [Consolidated Balance Sheet, pp. 75])
- Securities Available for Sale: SEC ($72,951 in millions [Consolidated Balance Sheet, pp. 75])
- Mortgage-Backed Securities: MORTBACK {Available for Sale Fair Value} ($54,969 in millions [Securities Available for Sale, pp. 86])
- Loans {Net of Allowance}: LOAN ($376,888 in millions [Securities Available for Sale, pp. 86])
- Consumer Loans: CONLOAN ($221,913 in millions [Loan Portfolio, pp. 81])
- Home Equity Loans: HOMEQ (N/A)
- Real Estate 1-4 Family Junior Lien Mortgage: REALES ($68,926 in millions [Loan Portfolio, pp. 81])

- Assets: ASSET ($1,039,639 in millions [Consolidated Balance Sheet, pp. 87])
- Securities Available for Sale: SEC ($151,569 in millions [Consolidated Balance Sheet, pp. 87])
- Mortgage-Backed Securities: MORTBACK {Available for Sale Fair Value} ($99,742 in millions [Securities Available for Sale, pp. 104])
- Loans {Net of Allowance}: LOAN ($843,817 in millions [Consolidated Balance Sheet, pp. 87])
- Consumer Loans: CONLOAN ($40,093 in millions [Loans & Allowance for Credit Losses, pp. 106])
- Home Equity Loans: HOMEQ (N/A)
- Real Estate 1-4 Family Junior Lien Mortgage: REALES ($728 in millions [Loans & Allowance for Credit Losses, pp. 106])
- Finance Cash Flows: CASHFLO ($32,008 in millions [Consolidated Statement of Cash Flows, pp. 90])

**DATA MANIPULATION**

- **Indicators for Structuration**

    - Trends in REVENUE: REVTREND (0%)
    - Trends in INCOME: INCTREND (0%)
    - Trends in NONIN: NONTREND (0%)
    - Trends in MORT: MORTREND (0%)
    - Trends in LIABILITY: LIATREND (0%)
    - Proportion of Noninterest Income to Revenues: NONINREV (43.62%)
    - Proportion of Noninterest Income to Net Income: NONININC (199.65%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (20.29%)
    - Proportion of Assets to Liabilities: CURRENT (109.76%)
    - Trends in NONINREV: NONINTREND (0%)
    - Trends in NONININC: NONINTREND2 (0%)
    - Trends in MORTNON: MORTREND2 (0%)
    - Trends in CURRENT: CURTREND (0%)

  - **Document 2 (Wells Fargo & Company Annual Report 2004)**
    - Trends in REVENUE: REVTREND (5.88%)
    - Trends in INCOME: INCTREND (13.09%)
    - Trends in NONIN: NONTREND (4.26%)
    - Trends in MORT: MORTREND (-25.96%)
    - Trends in LIABILITY: LIATREND (10.37%)
    - Proportion of Noninterest Income to Revenues: NONINREV (42.95%)
    - Proportion of Noninterest Income to Net Income: NONININC (184.05%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (14.41%)
    - Proportion of Assets to Liabilities: CURRENT (112.27%)
    - Trends in NONINREV: NONINTREND (-0.67%)
    - Trends in NONININC: NONINTREND2 (-15.60%)
    - Trends in MORTNON: MORTREND2 (-5.88%)
    - Trends in CURRENT: CURTREND (2.52%)

  - **Document 3 (Wells Fargo & Company Annual Report 2005)**
    - Trends in REVENUE: REVTREND (9.61%)
    - Trends in INCOME: INCTREND (9.37%)
    - Trends in NONIN: NONTREND (11.90%)
    - Trends in MORT: MORTREND (31.29%)
    - Trends in LIABILITY: LIATREND (13.10%)
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<tbody>
<tr>
<td>Trends in REVENUE: REVTREND (8.32%)</td>
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<tr>
<td>Trends in INCOME: INCTREND (10.57%)</td>
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<td>Trends in NONININC: NONINTREND2 (-2.74%)</td>
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<td>Trends in MORTNON: MORTREND2 (-2.22%)</td>
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<tr>
<td>Trends in CURRENT: CURTREND (1.30%)</td>
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<tbody>
<tr>
<td>Trends in REVENUE: REVTREND (10.36%)</td>
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<td>Trends in INCOME: INCTREND (-5.01%)</td>
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<td>Trends in NONIN: NONINTREND (17%)</td>
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<td>Trends in MORT: MORTREND (35.57%)</td>
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<tr>
<td>Trends in LIABILITY: LIATREND (21.02%)</td>
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<tr>
<td>Proportion of Noninterest Income to Revenues: NONINREV (46.75%)</td>
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<tr>
<td>Proportion of Noninterest Income to Net Income: NONININC (228.57%)</td>
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<tr>
<td>Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (17.07%)</td>
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<td>Proportion of Assets to Liabilities: CURRENT (109.02%)</td>
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<tr>
<td>Trends in NONINREV: NONINTREND (2.65%)</td>
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<tr>
<td>Trends in NONININC: NONINTREND2 (43%)</td>
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<td>Trends in MORTNON: MORTREND2 (2.33%)</td>
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<tr>
<td>Trends in CURRENT: CURTREND (-1.50%)</td>
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<tr>
<th>Document 6 (Wells Fargo &amp; Company Annual Report 2008)</th>
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<tbody>
<tr>
<td>Trends in REVENUE: REVTREND (6.36%)</td>
</tr>
<tr>
<td>Trends in INCOME: INCTREND (-67.05%)</td>
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<tr>
<td>Trends in NONIN: NONINTREND (-9.02%)</td>
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<tr>
<td>Trends in MORT: MORTREND (-19.41%)</td>
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<tr>
<td>Trends in LIABILITY: LIATREND (129.35%)</td>
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<tr>
<td>Proportion of Noninterest Income to Revenues: NONINREV (39.99%)</td>
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<tr>
<td>Proportion of Noninterest Income to Net Income: NONININC (631.04%)</td>
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</tbody>
</table>
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (15.07%)
- Proportion of Assets to Liabilities: CURRENT (85.88%)
- Trends in NONINREV: NONINTREND (-6.76%)
- Trends in NONININC: NONINTREND2 (402.46%)
- Trends in MORTNON: MORTREND2 (-1.94%)
- Trends in CURRENT: CURTREND (-23.14%)

**Indicators for Speculation**

  - Trends in ASSET: ATREND (0%)
  - Trends in SEC: SECTREND (0%)
  - Trends in MORTBACK: MOBACKTREND (0%)
  - Trends in LOAN: LOTREND (0%)
  - Trends in CONLOAN: CONTREND (0%)
  - Trends in REALES: REALESTREND (0%)
  - Trends in CASHFLO: CASHTREND (0%)
  - Proportion of Securities to Assets: SECA (8.40%)
  - Proportion of MBSs to Securities: MORTSEC (74.51%)
  - Proportion of MBSs to Assets: MORTA (6.26%)
  - Proportion of Loans to Assets: LOANA (64.26%)
  - Proportion of Consumer Loans to Assets: CONA (20.13%)
  - Proportion of Real Estate Mortgage Loans to Assets: REALESA (9.45%)
  - Trends in SECA: SECATREND (0%)
  - Trends in MORTSEC: MORTSTREND (0%)
  - Trends in MORTA: MORTATREND (0%)
  - Trends in LOANA: LONATREND (0%)
  - Trends in CONA: CONATREND (0%)
  - Trends in HOMA: HOMATREND (0%)

  - Trends in ASSET: ATREND (12.91%)
  - Trends in SEC: SECTREND (3.45%)
  - Trends in MORTBACK: MOBACKTREND (3.64%)
  - Trends in LOAN: LOTREND (13.90%)
  - Trends in CONLOAN: CONTREND (136.76%)
  - Trends in REALES: REALESTREND (42.48%)
  - Trends in CASHFLO: CASHTREND (2.69%)
  - Proportion of Securities to Assets: SECA (7.70%)
  - Proportion of MBSs to Securities: MORTSEC (74.57%)
  - Proportion of MBSs to Assets: MORTA (5.74%)
  - Proportion of Loans to Assets: LOANA (64.82%)
  - Proportion of Consumer Loans to Assets: CONA (42.22%)
  - Proportion of Real Estate Mortgage Loans to Assets: REALESA (11.92%)
  - Trends in SECA: SECATREND (-0.70%)
  - Trends in MORTSEC: MORTSTREND (0.09%)
  - Trends in MORTA: MORTATREND (-0.52%)
  - Trends in LOANA: LONATREND (0.57%)
  - Trends in CONA: CONATREND (22.09%)
  - Trends in REALESA: REALESATREND (26.20%)

- Document 3 (Wells Fargo & Company Annual Report 2005)
  - Trends in ASSET: ATREND (10.02%)
  - Trends in SEC: SECTREND (24.07%)
  - Trends in MORTBACK: MOBACKTREND (28.73%)
  - Trends in LOAN: LOTREND (8.15%)
- Trends in CONLOAN: CONTREND (6.23%)
- Trends in REALES: REALESTREND (13.32%)
- Trends in CASHFLO: CASHTREND (38.25%)
- Proportion of Securities to Assets: SECA (8.68%)
- Proportion of MBSs to Securities: MORTSEC (77.37%)
- Proportion of MBSs to Assets: MORTA (6.72%)
- Proportion of Loans to Assets: LOANA (63.72%)
- Proportion of Consumer Loans to Assets: CONA (40.77%)
- Proportion of Real Estate Mortgage Loans to Assets: REALESA (12.28%)
- Trends in SECA: SECATREND (0.98%)
- Trends in MORTSEC: MORTSTREND (3.75%)
- Trends in MORTA: MORTATREND (0.98%)
- Trends in LOANA: LONATREND (-1.10%)
- Trends in CONA: CONATREND (-1.46%)
- Trends in REALESA: REALESATREND (3%)

- Trends in ASSET: ATREND (0.05%)
- Trends in SEC: SECTREND (1.90%)
- Trends in MORTBACK: MOBACKTREND (-2.65%)
- Trends in LOAN: LOTREND (2.73%)
- Trends in CONLOAN: CONTREND (-3.05%)
- Trends in REALES: REALESTREND (16.54%)
- Trends in CASHFLO: CASHTREND (-128.08%)
- Proportion of Securities to Assets: SECA (8.84%)
- Proportion of MBSs to Securities: MORTSEC (73.91%)
- Proportion of MBSs to Assets: MORTA (6.54%)
- Proportion of Loans to Assets: LOANA (65.43%)
- Proportion of Consumer Loans to Assets: CONA (39.50%)
- Proportion of Real Estate Mortgage Loans to Assets: REALESA (14.30%)
- Trends in SECA: SECATREND (0.16%)
- Trends in MORTSEC: MORTSTREND (-4.46%)
- Trends in MORTA: MORTATREND (-0.18%)
- Trends in LOANA: LONATREND (1.71%)
- Trends in CONA: CONATREND (-1.27%)
- Trends in REALESA: REALESATREND (16.48%)

- Trends in ASSET: ATREND (19.39%)
- Trends in SEC: SECTREND (71.13%)
- Trends in MORTBACK: MOBACKTREND (74.45%)
- Trends in LOAN: LOTREND (19.51%)
- Trends in CONLOAN: CONTREND (16.56%)
- Trends in REALES: REALESTREND (9.63%)
- Trends in CASHFLO: CASHTREND (-677.69%)
- Proportion of Securities to Assets: SECA (12.68%)
- Proportion of MBSs to Securities: MORTSEC (75.35%)
- Proportion of MBSs to Assets: MORTA (9.55%)
- Proportion of Loans to Assets: LOANA (65.50%)
- Proportion of Consumer Loans to Assets: CONA (38.56%)
- Proportion of Real Estate Mortgage Loans to Assets: REALESA (13.13)
- Trends in SECA: SECATREND (3.83%)
- Trends in MORTSEC: MORTSTREND (1.94%)
- Trends in MORTA: MORTATREND (3.02%)
- Trends in LOANA: LONATREND (0.07%)
- Trends in CONA: CONATREND (-0.94%)
- Trends in REALESA: REALESATREND (-8.17%)

<table>
<thead>
<tr>
<th>Document 6 (Wells Fargo &amp; Company Annual Report 2008)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Trends in ASSET: ATREND (80.67%)</td>
</tr>
<tr>
<td>- Trends in SEC: SECTREND (107.77%)</td>
</tr>
<tr>
<td>- Trends in MORTBACK: MOBACKTREND (81.45%)</td>
</tr>
<tr>
<td>- Trends in LOAN: LOTREND (123.89%)</td>
</tr>
<tr>
<td>- Trends in CONLOAN: CONTREND (-81.93%)</td>
</tr>
<tr>
<td>- Trends in REALES: REALESTREND (99.04%)</td>
</tr>
<tr>
<td>- Trends in CASHFLO: CASHTREND (-52.91%)</td>
</tr>
<tr>
<td>- Proportion of Securities to Assets: SECA (14.58%)</td>
</tr>
<tr>
<td>- Proportion of MBSs to Securities: MORTSEC (65.81%)</td>
</tr>
<tr>
<td>- Proportion of MBSs to Assets: MORTA (9.59%)</td>
</tr>
<tr>
<td>- Proportion of Loans to Assets: LOANA (81.16%)</td>
</tr>
<tr>
<td>- Proportion of Consumer Loans to Assets: CONA (3.86%)</td>
</tr>
<tr>
<td>- Proportion of Real Estate Mortgage Loans to Assets: REALESA (0.07%)</td>
</tr>
<tr>
<td>- Trends in SECA: SECATREND (1.90%)</td>
</tr>
<tr>
<td>- Trends in MORTSEC: MORTSTREND (-12.67%)</td>
</tr>
<tr>
<td>- Trends in MOTRA: MORTATREND (0.04%)</td>
</tr>
<tr>
<td>- Trends in LOANA: LONATREND (15.67%)</td>
</tr>
<tr>
<td>- Trends in CONA: CONATREND (-34.71%)</td>
</tr>
<tr>
<td>- Trends in REALESA: REALESATREND (-99.47%)</td>
</tr>
</tbody>
</table>
RESEARCH PROTOCOL 4 (BANK OF NEW YORK & BNY MELLON)

Conceptualization & Research Questions

- Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
- Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

Operationalized Indicators

- Indicators for structuration
  - Revenue [as reported] (REVENUE)
  - Net Income (INCOME)
  - Noninterest Income (NONIN)
  - Mortgage-Banking Income [as reported] (MORT)
  - Total Liabilities (LIABILITY)
  - Proportion of Noninterest Income to Revenue (NONINREV)
  - Proportion of Noninterest Income to Net Income (NONININC)
  - Proportion of Mortgage-Banking Income to Noninterest (MORTNON)
  - Proportion of Liabilities to Assets (CURRENT)
  - Trends in Revenue (REVTREND)
  - Trends in Net Income (INCTREND)
  - Trends in Noninterest Income (NONTREND)
  - Trends in Mortgage-Banking Income (MORTTREND)
  - Trends in Liabilities (LIATREND)
  - Trends in NonInterest (NONINTREND)
  - Trends in Mortgage (MORTREND2)
  - Trends in Current (CURTREND)

- Indicators for increased speculation
  - Assets (ASSET)
  - Securities [as reported] (SEC)
  - Mortgage-Backed Securities (MORTBACK)
  - Outstanding Loans &/or Leases Net of Allowance (Loan)
  - Outstanding Consumer Loans &/or Leases [as reported] (CONLOAN)
  - Outstanding Home Equity Loans/Lines [equivalents may be given different variable names] (HOMEQ)
  - Cash Flows from Financing (CASHFLO)
  - Proportion of Securities to Assets (SECA)
  - Proportion of MBSS to Securities (MORTSEC)
  - Proportion of MBSS to Assets (MORTA)
  - Proportion of Loans &/or Leases to Assets (LOANA)
  - Proportion of Consumer Loans &/or Leases to Assets (CONA)
  - Proportion of Home Equity Loans/Lines to Assets (HOMA)
  - Trends in Assets (ATREND)
  - Trends in Securities (SECTREND)
  - Trends in Mortgage-Backed Securities (MOBACKTREND)
  - Trends in Outstanding Loans &/or Leases Net of Allowance (LOTREN)
  - Trends in Outstanding Consumer Loans (CONTREND)
  - Trends in Outstanding Home Equity Loans/Lines [equivalents may be given different variable names] (HOMTREND)
  - Trends in Cash Flows from Financing (CASHTREND)
  - Trends in Seca (SECATREND)
  - Trends in Mortsec (MORSTREND)
  - Trends in Morta (MORTATREND)
  - Trends in Loana (LONATREND)
  - Trends in Cona (CONATREND)
  - Trends in Homa [equivalents may be given different variable names] (HOMATREND)

*The term “as reported” indicates that the data collected for the operationalized indicator in question was obtained as it was reported under the selected Annual Reports or Reports on Form 10-K.

*The term “or equivalents” indicates that if a selected operationalized indicator could not be collected under the Annual Reports or Forms 10-K, a close equivalent of that indicator would be collected instead & most likely assigned a different variable name (variable names for the analysis figures calculated for that equivalent variable would also be given different names).
**DOCUMENTS CONCERNED**

**DATA COLLECTION**

**Indicators for Structuration**

<table>
<thead>
<tr>
<th>Document</th>
<th>Year</th>
<th>Total Revenues</th>
<th>Net Income</th>
<th>Noninterest Income</th>
<th>Mortgage-Banking Income</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document 1</td>
<td>2003</td>
<td>$6,371 millions</td>
<td>$1,157 millions</td>
<td>$4,006 millions</td>
<td>N/A</td>
<td>$83,969 millions</td>
</tr>
<tr>
<td>Document 2</td>
<td>2004</td>
<td>$7,174 millions</td>
<td>$1,440 millions</td>
<td>$4,691 millions</td>
<td>N/A</td>
<td>$85,239 millions</td>
</tr>
<tr>
<td>Document 3</td>
<td>2005</td>
<td>$8,341 millions</td>
<td>$1,571 millions</td>
<td>$4,956 millions</td>
<td>N/A</td>
<td>$92,198 millions</td>
</tr>
<tr>
<td>Document 4</td>
<td>2006</td>
<td>$6,821 millions</td>
<td>$1,253 millions</td>
<td>$4,377 millions</td>
<td>N/A</td>
<td>$91,777 millions</td>
</tr>
<tr>
<td>Document 5</td>
<td>2007</td>
<td>$11,331 millions</td>
<td>$2,039 millions</td>
<td>$9,031 millions</td>
<td>N/A</td>
<td>$92,198 millions</td>
</tr>
</tbody>
</table>
- Mortgage-Banking Income: MORT (N/A)
- Liabilities: LIABILITY ($168,253 in millions [Consolidated Balance Sheet, pp. 81])

- Total Revenues: REVENUE ($13,652 in millions [Financial Summary, pp. 5])
- Net Income: INCOME ($1,419 in millions [Consolidated Income Statement, pp. 93])
- Noninterest Income: NONIN ($10,701 in millions [Consolidated Income Statement, pp. 93])
- Mortgage-Banking Income: MORT (N/A)
- Liabilities: LIABILITY ($209,462 in millions [Consolidated Balance Sheet, pp. 95])

**Indicators for Speculation**

  - Assets: ASSET ($92,397 in millions [Consolidated Balance Sheets, pp. 66])
  - Total Securities: SEC ($22,903 in millions [Consolidated Balance Sheets, pp. 66])
  - Mortgage-Backed Securities: MORTBACK {Held to Maturity & Available for Sale Fair Value} ($18,665 in millions [Securities, pp. 79-80])
  - Loans {Net of Allowance}: LOAN ($34,615 in millions [Consolidated Balance Sheets, pp. 66])
  - Consumer Loans: CONLOAN ($1,429 in millions [Loans, pp. 81])
  - Home Equity Loans: HOMEQ (N/A)
  - Real Estate Loans: REALESTATE ($6,378 in millions [Loans, pp. 81])
  - Finance Cash Flows: CASHFLO ($1,849 in millions [Consolidated Statements of Cash Flows, pp. 69])

  - Assets: ASSET ($94,529 in millions [Consolidated Balance Sheets, pp. 64])
  - Securities: SEC ($23,802 in millions [Consolidated Balance Sheets, pp. 64])
  - Mortgage-Backed Securities: MORTBACK {Held to Maturity & Available for Sale Fair Value} ($19,393 in millions [Securities, pp. 78])
  - Loans {Net of Allowance}: LOAN ($35,190 in millions [Consolidated Balance Sheets, pp. 64])
  - Consumer Loans: CONLOAN ($1,293 in millions [Loans, pp. 79])
  - Home Equity Loans: HOMEQ (N/A)
  - Real Estate Loans: REALESTATE ($6,917 in millions [Loans, pp. 79])
  - Finance Cash Flows: CASHFLO (($505) in millions [Consolidated Statements of Cash Flows, pp. 67])

- **Document 3 (2005 Annual Report on Form 10-K)**
  - Assets: ASSET ($102,074 in millions [Consolidated Balance Sheets, pp. 71])
  - Total Securities: SEC ($27,326 in millions [Consolidated Balance Sheets, pp. 71])
  - Mortgage-Backed Securities: MORTBACK {Held to Maturity & Available for Sale Fair Value} ($22,483 in millions [Securities, pp. 86])
- Loans: LOAN (Net of Allowance) ($40,315 in millions [Consolidated Balance Sheets, pp. 71])
- Consumer Loans: CONLOAN ($1,372 in millions [Loans, pp. 89])
- Home Equity Loans: HOMEQ (N/A)
- Real Estate Loans: REALSTATE ($7,908 in millions [Loans, pp. 89])
- Finance Cash Flows: CASHFLO ($8,054 in millions [Consolidated Statements of Cash Flows, pp. 74])

- Assets: ASSET ($103,370 in millions [Consolidated Balance Sheets, pp. 76])
- Total Securities: SEC ($21,106 in millions [Consolidated Balance Sheets, pp. 76])
- Mortgage-Backed Securities: MORTBACK (Held to Maturity & Available for Sale Fair Value) ($17,785 in millions [Securities, pp. 96])
- Loans (Net of Allowance): LOAN ($37,506 in millions [Consolidated Balance Sheets, pp. 76])
- Consumer Loans: CONLOAN ($266 in millions [Loans, pp. 99])
- Home Equity Loans: HOMEQ (N/A)
- Real Estate Loans: REALSTATE ($4,521 in millions [Loans, pp. 99])
- Finance Cash Flows: CASHFLO ($2,479 in millions [Consolidated Statement of Cash Flows, pp. 80])

- Assets: ASSET ($197,656 in millions [Consolidated Balance Sheet, pp. 81])
- Total Securities: SEC ($48,698 in millions [Consolidated Balance Sheet, pp. 81])
- Mortgage-Backed Securities: MORTBACK (Held to Maturity & Available for Sale Fair Value) ($42,712 in millions [Securities, pp. 97])
- Loans (Net of Allowance): LOAN ($50,604 in millions [Consolidated Balance Sheet, pp. 81])
- Consumer Loans: CONLOAN (N/A)
- Home Equity Loans: HOMEQ (N/A)
- Real Estate Loans: REALSTATE ($6,220 in millions [Composition of Loan Portfolio, pp. 99])
- Finance Cash Flows: CASHFLO ($21,468 in millions [Consolidated Statement of Cash Flows, pp. 82])

- Assets: ASSET ($237,512 in millions [Consolidated Balance Sheet, pp. 95])
- Total Securities: SEC ($39,435 in millions [Consolidated Balance Sheet, pp. 95])
- Mortgage-Backed Securities: MORTBACK (Held to Maturity & Available for Sale Fair Value) ($30,508 in millions [Securities, pp. 111])
- Loans: LOAN ($42,979 in millions [Consolidated Balance Sheet, pp. 95])
- Consumer Loans: CONLOAN (N/A)
- Home Equity Loans: HOMEQ (N/A)
- Real Estate Loans: REALSTATE ($7,498 in millions [Loan Portfolio, pp. 113 in millions])
### Finance Cash Flows: CASHFLO ($51,753 in millions [Consolidated Statement of Cash Flows, pp. 96])

#### DATA MANIPULATION

- **Indicators for Structuration**
  - **Document 1** (2003 Annual Report on Form 10-K)
    - Trends in REVENUE: REVTREND (0%)
    - Trends in INCOME: INCTREND (0%)
    - Trends in NONIN: NONTREND (0%)
    - Trends in MORT: MORTREND (0%)
    - Trends in LIABILITY: LIATREND (0%)
    - Proportion of Noninterest Income to Revenues: NONINREV (62.88%)
    - Proportion of Noninterest Income to Net Income: NONININC (346.24%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (0%)
    - Proportion of Assets to Liabilities: CURRENT (110.04%)
    - Trends in NONINREV: NONINTREND (0%)
    - Trends in NONININC: NONINTREND2 (0%)
    - Trends in MORTNON: MORTREND2 (N/A)
    - Trends in CURRENT: CURTREND (0%)
    - Trends in REVENUE: REVTREND (12.60%)
    - Trends in INCOME: INCTREND (24.46%)
    - Trends in NONIN: NONTREND (17/10%)
    - Trends in MORT: MORTREND (N/A)
    - Trends in LIABILITY: LIATREND (1.51%)
    - Proportion of Noninterest Income to Revenues: NONINREV (65.39%)
    - Proportion of Noninterest Income to Net Income: NONININC (325.76%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
    - Proportion of Assets to Liabilities: CURRENT (110.90%)
    - Trends in NONINREV: NONINTREND (2.51%)
    - Trends in NONININC: NONINTREND2 (-20.48%)
    - Trends in MORTNON: MORTREND2 (N/A)
    - Trends in CURRENT: CURTREND (0.86%)
  - **Document 3** (2005 Annual Report on Form 10-K)
    - Trends in REVENUE: REVTREND (16.27%)
    - Trends in INCOME: INCTREND (9.10%)
    - Trends in NONIN: NONTREND (5.65%)
    - Trends in MORT: MORTREND (N/A)
    - Trends in LIABILITY: LIATREND (8.16%)
    - Proportion of Noninterest Income to Revenues: NONINREV (59.42%)
    - Proportion of Noninterest Income to Net Income: NONININC (315.47%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
    - Proportion of Assets to Liabilities: CURRENT (110.71%)
    - Trends in NONINREV: NONINTREND (-5.97%)
    - Trends in NONININC: NONINTREND2 (-10.30%)
    - Trends in MORTNON: MORTREND2 (N/A)
### Trends in Revenue
- **Trends in CURRENT:** CURTREND (-0.19%)
- **Trends in REVENUE:** REVTREND (-18.22%)
- **Trends in INCOME:** INCTREND (-20.24%)
- **Trends in NONIN:** NONTREND (-11.68%)
- **Trends in MORT:** MORTREND (N/A)
- **Trends in LIABILITY:** LIATREND (-0.46%)
- **Proportion of Noninterest Income to Revenues:** NONINREV (64.17%)
- **Proportion of Noninterest Income to Net Income:** NONININC (349.32%)
- **Proportion of Mortgage-Banking Income to Noninterest Income:** MORTNON (N/A)
- **Proportion of Assets to Liabilities:** CURRENT (112.63%)
- **Trends in NONINREV:** NONINTREND (4.75%)
- **Trends in NONININC:** NONINTREND2 (33.85%)
- **Trends in MORTNON:** MORTREND2 (N/A)
- **Trends in CURRENT:** CURTREND (1.92%)

### Trends in Revenue
- **Trends in REVENUE:** REVTREND (66.12%)
- **Trends in INCOME:** INCTREND (62.73%)
- **Trends in NONIN:** NONTREND (106.33%)
- **Trends in MORT:** MORTREND (N/A)
- **Trends in LIABILITY:** LIATREND (83.33%)
- **Proportion of Noninterest Income to Revenues:** NONINREV (79.70%)
- **Proportion of Noninterest Income to Net Income:** NONININC (442.91%)
- **Proportion of Mortgage-Banking Income to Noninterest Income:** MORTNON (N/A)
- **Proportion of Assets to Liabilities:** CURRENT (117.48%)
- **Trends in NONINREV:** NONINTREND (15.53%)
- **Trends in NONININC:** NONINTREND2 (93.59%)
- **Trends in MORTNON:** MORTREND2 (N/A)
- **Trends in CURRENT:** CURTREND (4.84%)

### Trends in Revenue
- **Trends in REVENUE:** REVTREND (20.48%)
- **Trends in INCOME:** INCTREND (-30.41%)
- **Trends in NONIN:** NONTREND (18.49%)
- **Trends in MORT:** MORTREND (N/A)
- **Trends in LIABILITY:** LIATREND (24.49%)
- **Proportion of Noninterest Income to Revenues:** NONINREV (78.38%)
- **Proportion of Noninterest Income to Net Income:** NONININC (311.21%)
- **Proportion of Mortgage-Banking Income to Noninterest Income:** MORTNON (N/A)
- **Proportion of Assets to Liabilities:** CURRENT (113.39%)
- **Trends in NONINREV:** NONINTREND (-1.32)
- **Trends in NONININC:** NONINTREND2 (311.21%)
- **Trends in MORTNON:** MORTREND2 (N/A)
- **Trends in CURRENT:** CURTREND (-4.08)

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**Indicators for Speculation**

- **Document 1** (2003 Annual Report on Form 10-K)
- Trends in ASSET: ATREND (0%)
- Trends in SEC: SECTREND (0%)
- Trends in MORTBACK: MOBACKTREND (0%)
- Trends in LOAN: LOTREND (0%)
- Trends in CONLOAN: CONTREND (0%)
- Trends in REALSTATE: REALTREND (0%)
- Trends in CASHFLO: CASHTREND (0%)
- Proportion of Securities to Assets: SECA (24.79%)
- Proportion of MBSs to Securities: MORTSEC (81.50%)
- Proportion of MBSs to Assets: MORTA (20.20%)
- Proportion of Loans to Assets: LOANA (37.46%)
- Proportion of Consumer Loans to Assets: CONA (1.55%)
- Proportion of Real Estate Loans to Assets: REALSTATATA (6.90%)
- Trends in SECA: SECATREND (0%)
- Trends in MORTSEC: MORTSTREND (0%)
- Trends in MORTA: MORTATREND (0%)
- Trends in LOANA: LONATREND (0%)
- Trends in CONA: CONATREND (0%)
- Trends in REALSTATATA: REALSTATATREND (0%)

- Trends in ASSET: ATREND (2.31%)
- Trends in SEC: SECTREND (3.93%)
- Trends in MORTBACK: MOBACKTREND (3.90%)
- Trends in LOAN: LOTREND (1.66%)
- Trends in CONLOAN: CONTREND (-9.52%)
- Trends in REALSTATE: REALTREND (8.45%)
- Trends in CASHFLO: CASHTREND (-127.31%)
- Proportion of Securities to Assets: SECA (25.18%)
- Proportion of MBSs to Securities: MORTSEC (81.48%)
- Proportion of MBSs to Assets: MORTA (20.52%)
- Proportion of Loans to Assets: LOANA (37.23%)
- Proportion of Consumer Loans to Assets: CONA (1.37%)
- Proportion of Real Estate Loans to Assets: REALSTATATA (7.32%)
- Trends in SECA: SECATREND (0.39%)
- Trends in MORTSEC: MORTSTREND (-0.02%)
- Trends in MORTA: MORTATREND (0.31%)
- Trends in LOANA: LONATREND (-0.24%)
- Trends in CONA: CONATREND (-0.18%)
- Trends in REALSTATATA: REALSTATATREND (6%)

Document 3 (2005 Annual Report on Form 10-K)
- Trends in ASSET: ATREND (7.98%)
- Trends in SEC: SECTREND (14.81%)
- Trends in MORTBACK: MOBACKTREND (15.93%)
- Trends in LOAN: LOTREND (14.56%)
- Trends in CONLOAN: CONTREND (6.11%)
- Trends in REALSTATE: REALTREND (14.33%)
- Trends in CASHFLO: CASHTREND (1694.85%)
- Proportion of Securities to Assets: SECA (26.77%)
- Proportion of MBSs to Securities: MORTSEC (82.28%)
- Proportion of MBSs to Assets: MORTA (22.03%)
- Proportion of Loans to Assets: LOANA (39.50%)
- Proportion of Consumer Loans to Assets: CONA (1.34%)
- Proportion of Real Estate Loans to Assets: REALESTATA (7.75%)
- Trends in SECA: SECATREND (1.59%)
- Trends in MORTSEC: MORTSTREND (0.80%)
- Trends in MORTA: MORTATREND (1.51%)
- Trends in LOANA: LONATREND (2.27%)
- Trends in CONA: CONATREND (-0.02%)
- Trends in REALESTATA: REALSTATREND (5.88%)

- Trends in ASSET: ATREND (1.27%)
- Trends in SEC: SECTREND (-22.76%)
- Trends in MORTBACK: MOBACKTREND (-21.01%)
- Trends in LOAN: LOTREND (-6.97%)
- Trends in CONLOAN: CONTREND (-80.61%)
- Trends in REALSTATE: REALTREND (-42.83%)
- Trends in CASHFLO: CASHTREND (-69.22%)
- Proportion of Securities to Assets: SECA (20.42%)
- Proportion of MBSs to Securities: MORTSEC (84.37%)
- Proportion of MBSs to Assets: MORTA (17.18%)
- Proportion of Loans to Assets: LOANA (36.28%)
- Proportion of Consumer Loans to Assets: CONA (0.26%)
- Proportion of Real Estate Loans to Assets: REALESTATA (4.37%)
- Trends in SECA: SECATREND (-6.35%)
- Trends in MORTSEC: MORTSTREND (1.87%)
- Trends in MORTA: MORTATREND (-4.85%)
- Trends in LOANA: LONATREND (-3.21%)
- Trends in CONA: CONATREND (-1.09%)
- Trends in REALSTATE: REALSTATREND (-43.55%)

- Trends in ASSET: ATREND (92.21%)
- Trends in SEC: SECTREND (130.73%)
- Trends in MORTBACK: MOBACKTREND (140.50%)
- Trends in LOAN: LOTREND (34.92%)
- Trends in CONLOAN: CONTREND (N/A)
- Trends in REALSTATE: REALTREND (37.58%)
- Trends in CASHFLO: CASHTREND (765.99%)
- Proportion of Securities to Assets: SECA (24.64%)
- Proportion of MBSs to Securities: MORTSEC (87.71%)
- Proportion of MBSs to Assets: MORTA (21.61%)
- Proportion of Loans to Assets: LOANA (25.60%)
- Proportion of Consumer Loans to Assets: CONA (N/A)
- Proportion of Real Estate Loans to Assets: REALESTATA (3.15%)
- Trends in SECA: SECATREND (4.22%)
- Trends in MORTSEC: MORTSTREND (3.56%)
- Trends in MORTA: MORTATREND (4.43%)
- Trends in LOANA: LONATREND (-10.68%)
- Trends in CONA: CONATREND (N/A)
- Trends in REALSTATE: REALSTATREND (-28.05%)

- Trends in ASSET: ATREND (20.16%)
- Trends in SEC: SECTREND (-19.02%)
- Trends in MORTBACK: MOBACKTREND (-28.57%)
- Trends in LOAN: LOTREND (-15.07%)
- Trends in CONLOAN: CONTREND (N/A)
- Trends in REALSTATE: REALTREND (20.40%)
- Trends in CASHFLO: CASHTREND (141.07%)
- Proportion of Securities to Assets: SECA (16.80%)
- Proportion of MBSs to Securities: MORTSEC (77.36%)
- Proportion of MBSs to Assets: MORTA (12.84%)
- Proportion of Loans to Assets: LOANA (18.10%)
- Proportion of Consumer Loans to Assets: CONA (N/A)
- Proportion of Real Estate Loans to Assets: REALESTATA (3.15%)
- Trends in SECA: SECATREND ()
- Trends in MORTSEC: MORTSTREND ()
- Trends in MORTA: MORTATREND ()
- Trends in LOANA: LONATREND ()
- Trends in CONA: CONATREND (N/A)
- Trends in REALESTATA: REALSTATREND (0.20%)
RESEARCH PROTOCOL 5 (MELLON FINANCIAL & BNY MELLON)

CONCEPTUALIZATION & RESEARCH QUESTIONS

- Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
- Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

OPERATIONALIZED INDICATORS

INDICATORS FOR STRUCTURATION

- REVENUE [AS REPORTED] (REVENUE)
- NET INCOME (INCOME)
- NONINTEREST INCOME (NONIN)
- MORTGAGE-BANKING INCOME [AS REPORTED] (MORT)
- TOTAL LIABILITIES (LIABILITY)
- PROPORTION OF NONINTEREST INCOME TO REVENUE (NONINREV)
- PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONININC)
- PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON)
- PROPORTION OF LIABILITIES TO ASSETS (CURRENT)
- TRENDS IN REVENUE (REVTREND)
- TRENDS IN NET INCOME (INCTREND)
- TRENDS IN NONINTEREST INCOME (NONTREND)
- TRENDS IN MORTGAGE-BANKING INCOME (MORTTREND)
- TRENDS IN LIABILITIES (LIATREND)
- TRENDS IN NONINREV (NONINTREND)
- TRENDS IN NONINC (NONINTREND2)
- TRENDS IN MORTNON (MORTTREND2)
- TRENDS IN CURRENT (CURTREND)

INDICATORS FOR INCREASED SPECULATION

- ASSETS (ASSET)
- SECURITIES [AS REPORTED] (SEC)
- MORTGAGE-BACKED SECURITIES (MORTBACK)
- OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOAN)
- OUTSTANDING CONSUMER LOANS &/OR LEASES [AS REPORTED] (CONLOAN)
- OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMEQ)
- CASH FLOWS FROM FINANCING (CASHFLO)
- PROPORTION OF SECURITIES TO ASSETS (SECA)
- PROPORTION OF MBSS TO SECURITIES (MORTSEC)
- PROPORTION OF MBSS TO ASSETS (MORTA)
- PROPORTION OF LOANS &/OR LEASES TO ASSETS (LOANA)
- PROPORTION OF CONSUMER LOANS &/OR LEASES TO ASSETS (CONA)
- PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA)
- TRENDS IN ASSETS (ATREND)
- TRENDS IN SECURITIES (SECTREND)
- TRENDS IN MORTGAGE-BACKED SECURITIES (MOBACKTREND)
- TRENDS IN OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOTREND)
- TRENDS IN OUTSTANDING CONSUMER LOANS (CONTREND)
- TRENDS IN OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMTREND)
- TRENDS IN CASH FLOWS FROM FINANCING (CASHTREND)
- TRENDS IN SEC (SECATREND)
- TRENDS IN MORTSEC (MORTSTREND)
- TRENDS IN MORTA (MORTATREND)
- TRENDS IN LOANA (LONATREND)
- TRENDS IN CONA (CONATREND)
- TRENDS IN HOMA [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMATREND)

*The term “as reported” indicates that the data collected for the operationalized indicator in question was obtained as it was reported under the selected Annual Reports or Reports on Form 10-K.

*The term “or equivalents” indicates that if a selected operationalized indicator could not be collected under the Annual Reports or Forms 10-K, a close equivalent of that indicator would be collected instead & most likely assigned a different variable name (variable names for the analysis figures calculated for that equivalent variable would also be given different names).
DOCUMENTS CONCERNED

DATA COLLECTION
- Indicators for Structuration

  - Total Revenues: REVENUE {Noninterest & Interest Revenue} ($4,195.00 in millions [Consolidated Income Statement, pp. 68])
  - Net Income: INCOME ($701 in millions [Consolidated Income Statement, pp. 68])
  - Noninterest Income: NONIN ($3,633 in millions [Consolidated Income Statement, pp. 68])
  - Mortgage-Banking Income: MORT (N/A)
  - Liabilities: LIABILITY ($30,281 in millions [Consolidated Balance Sheet, pp. 70])

  - Total Revenues: REVENUE {Noninterest & Interest Revenue} ($4,533.00 [Consolidated Income Statement, pp. 63])
  - Net Income: INCOME ($796 in millions [Consolidated Income Statement, pp. 63])
  - Noninterest Income: NONIN ($4,064 in millions [Consolidated Income Statement, pp. 63])
  - Mortgage-Banking Income: MORT (N/A)
  - Liabilities: LIABILITY ($33,013 in millions [Consolidated Balance Sheet, pp. 65])

  - Total Revenues: REVENUE {Noninterest & Interest Revenue} ($4,762.00 [Consolidated Income Statement, pp. 65])
  - Net Income: INCOME ($782 in millions [Consolidated Income Statement, pp. 65])
  - Noninterest Income: NONIN ($4,296 in millions [Consolidated Income Statement, pp. 65])
  - Mortgage-Banking Income: MORT (N/A)
  - Liabilities: LIABILITY ($34,476 in millions [Consolidated Balance Sheet, pp. 67])

  - Total Revenues: REVENUE {Noninterest & Interest Revenue} ($5,313.00 [Consolidated Income Statement, pp. 68])
  - Net Income: INCOME ($898 in millions [Consolidated Income Statement, pp. 68])
  - Noninterest Income: NONIN ($4,852 in millions [Consolidated Income Statement, pp. 68])
  - Mortgage-Banking Income: MORT (N/A)
  - Liabilities: LIABILITY ($36,802 in millions [Consolidated Balance Sheet, pp. 69])

  - Total Revenues: REVENUE ($11,331 in millions [Financial Summary, pp. 3])
  - Net Income: INCOME ($2,039 in millions [Consolidated Income Statement, pp. 79])
  - Noninterest Income: NONIN ($2,039.00 in millions [Consolidated Income Statement, pp. 79])
Mortgage-Banking Income: MORT (N/A)
Liabilities: LIABILITY ($168,253 in millions [Consolidated Balance Sheet, pp. 81])

- Total Revenues: REVENUE ($13,652 in millions [Financial Summary, pp. 5])
- Net Income: INCOME ($1,419 in millions [Consolidated Income Statement, pp. 93])
- Noninterest Income: NONIN ($1,419.00 [Consolidated Income Statement, pp. 93])
- Mortgage-Banking Income: MORT (N/A)
- Liabilities: LIABILITY ($209,462 in millions [Consolidated Balance Sheet, pp. 95])

Indicators for Speculation

- Assets: ASSET ($33,983 in millions [Consolidated Balance Sheet, pp. 70])
- Total Securities: SEC {Available for Sale & Investment} ($10,987 in millions [Consolidated Balance Sheet, pp. 70])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Investment Fair Value} ($9,768 in millions [Securities, pp. 86-87])
- Loans {Net Loans}: LOAN ($7,364 in millions [Consolidated Balance Sheet, pp. 70])
- Consumer Loans: CONLOAN {Personal Loans} ($1,714 in millions [Composition of Loan Portfolio, pp. 39])
- Home Equity Loans: HOMEQ (N/A)
- Commercial Real Estate: COMREAL ($2,131.00 [Composition of Loan Portfolio, pp. 39])
- Finance Cash Flows: CASHFLO (($2,514) in millions [Consolidated Statement of Cash Flows, pp. 72])

- Assets: ASSET ($37,115 in millions [Consolidated Balance Sheet, pp. 65])
- Total Securities: SEC {Available for Sale & Investment} ($13,587 in millions [Consolidated Balance Sheet, pp. 65])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Investment Fair Value} ($11,059 in millions [Securities, pp. 77-79])
- Loans {Net Loans}: LOAN ($6,656 in millions [Consolidated Balance Sheet, pp. 65])
- Consumer Loans: CONLOAN {Personal Loans} ($1,993 in millions [Composition of Loan Portfolio, pp. 38])
- Home Equity Loans: HOMEQ (N/A)
- Commercial Real Estate: COMREAL ($2,449 in millions [Consolidated Statement of Cash Flows, pp. 66])

- Assets: ASSET ($38,678 in millions [Consolidated Balance Sheet, pp. 67])
- Total Securities: SEC {Available for Sale & Investment} ($17,412 in millions [Consolidated Balance Sheet, pp. 67])
- Mortgage-Backed Securities: MORTBACK {Fair Value Available for Sale & Investment} ($12,939 in millions [Securities, pp. 79-81])
- Loans {Net Loans}: LOAN ($6,510 in millions [Consolidated Balance Sheet, pp. 67])
- Consumer Loans: CONLOAN ($2,222 in millions [Composition of Loan Portfolio, pp. 38])
- Home Equity Loans: HOMEQ (N/A)
- Commercial Real Estate: COMREAL ($1,360.00 [Composition of Loan Portfolio, pp. 39])
- Finance Cash Flows: CASHFLO ($1,020 in millions [Consolidated Statement of Cash Flows, pp. 68])

- Assets: ASSET ($41,478 in millions [Consolidated Balance Sheet, pp. 69])
- Total Securities: SEC {Available for Sale & Investment} ($18,717 in millions [Consolidated Balance Sheet, pp. 69])
- Mortgage-Backed Securities: MORTBACK {Available for Sale & Investment Fair Value} ($14,768 in millions [Securities, pp. 82-83])
- Loans {Net}: LOAN ($5,933 in millions [Consolidated Balance Sheet, pp. 69])
- Consumer Loans: CONLOAN {Personal Loans} ($2,222 in millions [Composition of Loan Portfolio, pp. 38])
- Home Equity Loans: HOMEQ (N/A)
- Commercial Real Estate: COMREAL ($1,637.00 in millions [Composition of Loan Portfolio, pp. 38])
- Finance Cash Flows: CASHFLO ($1,399 in millions [Consolidated Statement of Cash Flows, pp. 70])

- Assets: ASSET ($197,656 in millions [Consolidated Balance Sheet, pp. 81])
- Total Securities: SEC ($48,698 in millions [Consolidated Balance Sheet, pp. 81])
- Mortgage-Backed Securities: MORTBACK {Held to Maturity & Available for Sale Fair Value} ($42,712 in millions [Securities, pp. 97])
- Loans {Net}: LOAN ($50,604 in millions [Consolidated Balance Sheet, pp. 81])
- Consumer Loans: CONLOAN (N/A)
- Home Equity Loans: HOMEQ (N/A)
- Real Estate Loans: COMREAL ($6,220 in millions [Composition of Loan Portfolio, pp. 99])
- Finance Cash Flows: CASHFLO ($21,468 in millions [Consolidated Statement of Cash Flows, pp. 82])

- Assets: ASSET ($237,512 in millions [Consolidated Balance Sheet, pp. 95])
- Total Securities: SEC ($39,435 in millions [Consolidated Balance Sheet, pp. 95])
- Mortgage-Backed Securities: MORTBACK {Held to Maturity & Available for Sale Fair Value} ($30,508 [Securities, pp. 111])
- Loans: LOAN ($42,979 in millions [Consolidated Balance Sheet, pp. 95])
- Consumer Loans: CONLOAN (N/A)
- Home Equity Loans: HOMEQ (N/A)
- Real Estate Loans: COMREAL ($7,498 in millions [Loan Portfolio, pp. 113 in millions])
- Finance Cash Flows: CASHFLO ($51,753 in millions [Consolidated Statement of Cash Flows, pp. 96])
DATA MANIPULATION

Indicators for Structuration

- Trends in REVENUE: REVTREND (0%)
- Trends in INCOME: INCTREND (0%)
- Trends in NONIN: NONTREND (0%)
- Trends in MORT: MORTREND (N/A)
- Trends in LIABILITY: LIATREND (0%)
- Proportion of Noninterest Income to Revenues: NONINREV (86.60%)
- Proportion of Noninterest Income to Net Income: NONININC (518.26%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
- Proportion of Assets to Liabilities: CURRENT (112%)
- Trends in NONINREV: NONINTREND (0%)
- Trends in NONININC: NONINTREND2 (0%)
- Trends in MORTNON: MORTREND2 (0%)
- Trends in CURRENT: CURTREND (0%)

- Trends in REVENUE: REVTREND (8.06%)
- Trends in INCOME: INCTREND (13.55%)
- Trends in NONIN: NONTREND (11.86%)
- Trends in MORT: MORTREND (N/A)
- Trends in LIABILITY: LIATREND (9.02%)
- Proportion of Noninterest Income to Revenues: NONINREV (89.65%)
- Proportion of Noninterest Income to Net Income: NONININC (510.55%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
- Proportion of Assets to Liabilities: CURRENT (112.43%)
- Trends in NONINREV: NONINTREND (3.05%)
- Trends in NONININC: NONINTREND2 (-7.71%)
- Trends in MORTNON: MORTREND2 (N/A)
- Trends in CURRENT: CURTREND (0.20%)

- Trends in REVENUE: REVTREND (5.05%)
- Trends in INCOME: INCTREND (-1.75%)
- Trends in NONIN: NONTREND (5.71%)
- Trends in MORT: MORTREND (N/A)
- Trends in LIABILITY: LIATREND (4.43%)
- Proportion of Noninterest Income to Revenues: NONINREV (90.21%)
- Proportion of Noninterest Income to Net Income: NONININC (549.36%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
- Proportion of Assets to Liabilities: CURRENT (112.19%)
- Trends in NONINREV: NONINTREND (0.56%)
- Trends in NONININC: NONINTREND2 (38.81%)
- Trends in MORTNON: MORTREND2 (N/A)
- Trends in CURRENT: CURTREND (-0.24)

• Trends in REVENUE: REVTREND (11.57%)
• Trends in INCOME: INCTREND (14.83%)
• Trends in NONIN: NONTREND (12.94%)
• Trends in MORT: MORTREND (N/A)
• Trends in LIABILITY: LIATREND (6.75%)
• Proportion of Noninterest Income to Revenues: NONINREV (91.32%)
• Proportion of Noninterest Income to Net Income: NONININC (540.31)
• Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
• Proportion of Assets to Liabilities: CURRENT (112.71%)
• Trends in NONINREV: NONINTREND (-11.62%)
• Trends in NONININC: NONINTREND2 (-97.40%)
• Trends in MORTNON: MORTREND2 (N/A)
• Trends in CURRENT: CURTREND (0.52%)

• Trends in REVENUE: REVTREND (113.27%)
• Trends in INCOME: INCTREND (127.06%)
• Trends in NONIN: NONTREND (86.13%)
• Trends in MORT: MORTREND (N/A)
• Trends in LIABILITY: LIATREND (357.18%)
• Proportion of Noninterest Income to Revenues: NONINREV (79.70%)
• Proportion of Noninterest Income to Net Income: NONININC (442.91%)
• Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
• Proportion of Assets to Liabilities: CURRENT (117.48%)
• Trends in NONINREV: NONINTREND (-1.31%)
• Trends in NONININC: NONINTREND2 (311.21%)
• Trends in MORTNON: MORTREND2 (N/A)
• Trends in CURRENT: CURTREND (4.77%)

• Trends in REVENUE: REVTREND (20.47%)
• Trends in INCOME: INCTREND (-30.41%)
• Trends in NONIN: NONTREND (18.49%)
• Trends in MORT: MORTREND (N/A)
• Trends in LIABILITY: LIATREND (24.49%)
• Proportion of Noninterest Income to Revenues: NONINREV (78.39%)
• Proportion of Noninterest Income to Net Income: NONININC (754.12%)
• Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
• Proportion of Assets to Liabilities: CURRENT (113.39%)
• Trends in NONINREV: NONINTREND (-1.31%)
• Trends in NONININC: NONINTREND2 (311.21%)
• Trends in MORTNON: MORTREND2 (N/A)
• Trends in CURRENT: CURTREND (-4.08%)

Indicators for Speculation

• Trends in ASSET: ATREND (0%)
• Trends in SEC: SECTREND (0%)
- Trends in MORTBACK: MOBACKTREND (0%)
- Trends in LOAN: LOTREND (0%)
- Trends in CONLOAN: CONTREND (0%)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (0%)
- Trends in CASHFLO: CASHTREND (0%)
- Proportion of Securities to Assets: SECA (32.33%)
- Proportion of MBSs to Securities: MORTSEC (88.91%)
- Proportion of MBSs to Assets: MORTA (28.74%)
- Proportion of Loans to Assets: LOANA (21.67%)
- Proportion of Consumer Loans to Assets: CONA (5.04%)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (6.27%)
- Trends in SECA: SECATREND (0%)
- Trends in MORTSEC: MORTSTREND (0%)
- Trends in MORTA: MORTATREND (0%)
- Trends in LOANA: LONATREND (0%)
- Trends in CONA: CONATREND (0%)
- Trends in HOMA: HOMATREND (N/A)
- Trends in COMREALA: COMREALTREND (0%)

- Trends in ASSET: ATREND (9.22%)
- Trends in SEC: SECTREND (23.66%)
- Trends in MORTBACK: MOBACKTREND (13.22%)
- Trends in LOAN: LOTREND (-9.61%)
- Trends in CONLOAN: CONTREND (16.28%)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (-10.09%)
- Trends in CASHFLO: CASHTREND (-197%)
- Proportion of Securities to Assets: SECA (36.61%)
- Proportion of MBSs to Securities: MORTSEC (74.31%)
- Proportion of MBSs to Assets: MORTA (29.80%)
- Proportion of Loans to Assets: LOANA (17.93%)
- Proportion of Consumer Loans to Assets: CONA (5.37%)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (5.16%)
- Trends in SECA: SECATREND (4.28%)
- Trends in MORTSEC: MORTSTREND (-7.51%)
- Trends in MORTA: MORTATREND (1.05%)
- Trends in LOANA: LONATREND (-3.74%)
- Trends in CONA: CONATREND (0.33%)
- Trends in HOMA: HOMATREND (N/A)
- Trends in COMREALA: COMREALTREND (-1.11%)

- Trends in ASSET: ATREND (4.21%)
- Trends in SEC: SECTREND (28.15%)
- Trends in MORTBACK: MOBACKTREND (17%)
- Trends in LOAN: LOTREND (-2.19%)
- Trends in CONLOAN: CONTREND (11.49%)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (-29.02%)
- Trends in CASHFLO: CASHTREND (-58.35%)
- Proportion of Securities to Assets: SECA (45.02%)
- Proportion of MBSs to Securities: MORTSEC (74.31%)
- Proportion of MBSs to Assets: MORTA (33.45%)
- Proportion of Loans to Assets: LOANA (16.83%)
- Proportion of Consumer Loans to Assets: CONA (5.74%)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (3.52%)
- Trends in SECA: SECATREND (8.41%)
- Trends in MORTSEC: MORTSTREND (-7.08%)
- Trends in MORTA: MORTATREND (3.66%)
- Trends in LOANA: LONATREND (-1.10%)
- Trends in CONA: CONATREND (0.38)
- Trends in HOMA: HOMATREND (N/A)
- Trends in COMREALA: COMREALTREND (-1.65)

- Proportion of Securities to Assets: SECA (45.13%)
- Proportion of MBSs to Securities: MORTSEC (78.90%)
- Proportion of MBSs to Assets: MORTA (35.60%)
- Proportion of Loans to Assets: LOANA (14.30%)
- Proportion of Consumer Loans to Assets: CONA (5.36%)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (3.95%)
- Trends in ASSET: ATREND (7.24%)
- Trends in SEC: SECTREND (7.49%)
- Trends in MORTBACK: MOBACKTREND (14.14%)
- Trends in LOAN: LOTREND (-8.86%)
- Trends in CONLOAN: CONTREND (0%)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (20.37%)
- Trends in CASHFLO: CASHTREND (37.16%)
- Proportion of Securities to Assets: SECA (45.13%)
- Proportion of MBSs to Securities: MORTSEC (78.90%)
- Proportion of MBSs to Assets: MORTA (35.60%)
- Proportion of Loans to Assets: LOANA (14.30%)
- Proportion of Consumer Loans to Assets: CONA (N/A)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (3.95%)
- Trends in ASSET: ATREND (7.24%)
- Trends in SEC: SECTREND (7.49%)
- Trends in MORTBACK: MOBACKTREND (14.14%)
- Trends in LOAN: LOTREND (-8.86%)
- Trends in CONLOAN: CONTREND (0%)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (20.37%)
- Trends in CASHFLO: CASHTREND (37.16%)
- Proportion of Securities to Assets: SECA (45.13%)
- Proportion of MBSs to Securities: MORTSEC (78.90%)
- Proportion of MBSs to Assets: MORTA (35.60%)
- Proportion of Loans to Assets: LOANA (14.30%)
- Proportion of Consumer Loans to Assets: CONA (N/A)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (3.95%)
- Trends in SECA: SECATREND (0.11%)
- Trends in MORTSEC: MORTSTREND (4.59%)
- Trends in MORTA: MORTATREND (2.15%)
- Trends in LOANA: LONATREND (-2.53%)
- Trends in CONA: CONATREND (-0.39%)
- Trends in HOMA: HOMATREND (N/A)
- Trends in COMREALA: COMREALTREND (0.43%)

- Trends in SECA: SECATREND (-20.49%)
- Trends in MORTSEC: MORTSTREND (8.81%)

- Trends in ASSET: ATREND (376.53%)
- Trends in SEC: SECTREND (160.18%)
- Trends in MORTBACK: MOBACKTREND (189.22%)
- Trends in LOAN: LOTREND (752.92%)
- Trends in CONLOAN: CONTREND (N/A)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (279.96%)
- Trends in CASHFLO: CASHTREND (1434.52%)
- Proportion of Securities to Assets: SECA (24.64%)
- Proportion of MBSs to Securities: MORTSEC (87.71%)
- Proportion of MBSs to Assets: MORTA (21.61%)
- Proportion of Loans to Assets: LOANA (25.60%)
- Proportion of Consumer Loans to Assets: CONA (N/A)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Commercial Real Estate Loans to Assets: COMREALA (3.15%)
- Trends in SECA: SECATREND (-20.49%)
- Trends in MORTSEC: MORTSTREND (8.81%)
- Trends in MORTA: MORTATREND (-14.00%)
- Trends in LOANA: LONATREND (11.30%)
- Trends in CONA: CONATREND (N/A)
- Trends in HOMA: HOMATREND (N/A)
- Trends in COMREALA: COMREALTREND (-0.80)

- Trends in ASSET: ATREND (20.16%)
- Trends in SEC: SECTREND (-19.02%)
- Trends in MORTBACK: MOBACKTREND (-28.57%)
- Trends in LOAN: LOTREND (-15.07%)
- Trends in CONLOAN: CONTREND (N/A)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in COMREAL: COMTREND (20.40%)
- Trends in CASHFLO: CASHTREND (141.07%)
- Proportion of Securities to Assets: SECA (16.60%)
- Proportion of MBSs to Securities: MORTSEC (77.36%)
- Proportion of MBSs to Assets: MORTA (12.84%)
- Proportion of Loans to Assets: LOANA (18.10%)
- Proportion of Consumer Loans to Assets: CONA (N/A)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Real Estate Loans to Assets: COMREALA (3.15%)
- Trends in SECA: SECATREND (-8.03%)
- Trends in MORTSEC: MORTSTREND (-10.35%)
- Trends in MORTA: MORTATREND (-8.76%)
- Trends in LOANA: LONATREND (-7.51%)
- Trends in CONA: CONATREND (N/A)
- Trends in HOMA: HOMATREND (N/A)
- Trends in COMREALA: COMREALTREND (0.01%)
RESEARCH PROTOCOL 6 (PNC FINANCIAL)

CONCEPTUALIZATION & RESEARCH QUESTIONS

- Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
- Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

OPERATIONALIZED INDICATORS

- INDICATORS FOR STRUCTURATION
  - REVENUE [AS REPORTED] (REVENUE)
  - NET INCOME (INCOME)
  - NONINTEREST INCOME (NONIN)
  - MORTGAGE-BANKING INCOME [AS REPORTED] (MORT)
  - TOTAL LIABILITIES (LIABILITY)
  - PROPORTION OF NONINTEREST INCOME TO REVENUE (NONINREV)
  - PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONINC)
  - PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON)
  - PROPORTION OF LIABILITIES TO ASSETS (CURRENT)
  - TRENDS IN REVENUE (REVTREND)
  - TRENDS IN NET INCOME (INCTREND)
  - TRENDS IN NONINTEREST INCOME (NONTREND)
  - TRENDS IN MORTGAGE-BANKING INCOME (MORTREND)
  - TRENDS IN LIABILITIES (LIATREND)
  - TRENDS IN NONINREV (NONINTREND)
  - TRENDS IN NONINC (NONINTREND2)
  - TRENDS IN MORTNON (MORTREND2)
  - TRENDS IN CURRENT (CURTREND)

- INDICATORS FOR INCREASED SPECULATION
  - ASSETS (ASSET)
  - SECURITIES [AS REPORTED] (SEC)
  - MORTGAGE-BACKED SECURITIES [ (MORTBACK)
  - OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOAN)
  - OUTSTANDING CONSUMER LOANS &/OR LEASES [AS REPORTED] (CONLOAN)
  - OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMEQ)
  - CASH FLOWS FROM FINANCING (CASHFLO)
  - PROPORTION OF SECURITIES TO ASSETS (SECA)
  - PROPORTION OF MBSS TO SECURITIES (MORTSEC)
  - PROPORTION OF MBSS TO ASSETS (MORTA)
  - PROPORTION OF LOANS &/OR LEASES TO ASSETS (LOANA)
  - PROPORTION OF CONSUMER LOANS &/OR LEASES TO ASSETS (CONA)
  - PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA)
  - TRENDS IN ASSETS (ATREND)
  - TRENDS IN SECURITIES (SECTREND)
  - TRENDS IN MORTGAGE-BACKED SECURITIES (MOBACKTREND)
  - TRENDS IN OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOTREND)
  - TRENDS IN OUTSTANDING CONSUMER LOANS (CONTREND)
  - TRENDS IN OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMTREND)
  - TRENDS IN CASH FLOWS FROM FINANCING (CASHTREND)
  - TRENDS IN SECA (SECATREND)
  - TRENDS IN MORTSEC (MORTSTREND)
  - TRENDS IN MORTA (MORTATREND)
  - TRENDS IN LOANA (LONATREND)
  - TRENDS IN CONA (CONATREND)
  - TRENDS IN HOMA [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMATREND)

*The term “as reported” indicates that the data collected for the operationalized indicator in question was obtained as it was reported under the selected Annual Reports or Reports on Form 10-K.

*The term “or equivalents” indicates that if a selected operationalized indicator could not be collected under the Annual Reports or Forms 10-K, a close equivalent of that indicator would be collected instead & most likely assigned a different variable name (variable names for the analysis figures calculated for that equivalent variable would also be given different names).
DOCUMENTS CONCERNED

DATA COLLECTION
- Indicators for Structuration

<table>
<thead>
<tr>
<th>Document 1 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2003])</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenues:</strong> REVENUE ($5,253.00 in millions [Results of Business, pp. 106])</td>
</tr>
<tr>
<td><strong>Net Income:</strong> INCOME ($1,001.00 in millions [Consolidated Statement of Income, pp. 68])</td>
</tr>
<tr>
<td><strong>Noninterest Income:</strong> NONIN ($3,257.00 in millions [Consolidated Statement of Income, pp. 68])</td>
</tr>
<tr>
<td><strong>Mortgage-Banking Income:</strong> MORT (N/A)</td>
</tr>
<tr>
<td><strong>Liabilities:</strong> LIABILITY ($61,061.00 in millions [Consolidated Balance Sheet, pp. 69])</td>
</tr>
<tr>
<td>Document 2 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2004])</td>
</tr>
<tr>
<td><strong>Total Revenues:</strong> REVENUE ($5,532.00 in millions [Results of Business, pp. 103])</td>
</tr>
<tr>
<td><strong>Net Income:</strong> INCOME ($1,197 in millions [Consolidated Statement of Income, pp. 64])</td>
</tr>
<tr>
<td><strong>Noninterest Income:</strong> NONIN ($3,563 in millions [Consolidated Statement of Income, pp. 64])</td>
</tr>
<tr>
<td><strong>Mortgage-Banking Income:</strong> MORT (N/A)</td>
</tr>
<tr>
<td><strong>Liabilities:</strong> LIABILITY ($71,746 in millions [Consolidated Balance Sheet, pp. 65])</td>
</tr>
<tr>
<td>Document 3 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2005])</td>
</tr>
<tr>
<td><strong>Total Revenues:</strong> REVENUE ($6,316.00 [Results of Business, pp. 106])</td>
</tr>
<tr>
<td><strong>Net Income:</strong> INCOME ($1,325.00 in millions [Consolidated Income Statement, pp. 65])</td>
</tr>
<tr>
<td><strong>Noninterest Income:</strong> NONIN ($4,162 in millions [Consolidated Income Statement, pp. 65])</td>
</tr>
<tr>
<td><strong>Mortgage-Banking Income:</strong> MORT (N/A)</td>
</tr>
<tr>
<td><strong>Liabilities:</strong> LIABILITY ($82,801 in millions [Consolidated Balance Sheet, pp. 66])</td>
</tr>
<tr>
<td>Document 4 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2006])</td>
</tr>
<tr>
<td><strong>Total Revenues:</strong> REVENUE ($8,572.00 [Results of Business, pp. 110])</td>
</tr>
<tr>
<td><strong>Net Income:</strong> INCOME ($2,595.00 in millions [Consolidated Income Statement, pp. 68])</td>
</tr>
<tr>
<td><strong>Noninterest Income:</strong> NONIN ($6,327 in millions [Consolidated Income Statement, pp. 68])</td>
</tr>
<tr>
<td><strong>Mortgage-Banking Income:</strong> MORT (N/A)</td>
</tr>
<tr>
<td><strong>Liabilities:</strong> LIABILITY ($90,147 in millions [Consolidated Balance Sheet, pp. 69])</td>
</tr>
<tr>
<td>Document 5 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2007])</td>
</tr>
<tr>
<td><strong>Total Revenues:</strong> REVENUE ($6,705.00 [Results of Business, pp. 116])</td>
</tr>
</tbody>
</table>
- Net Income: INCOME ($1,467 in millions [Consolidated Income Statement, pp. 66])
- Noninterest Income: NONIN ($3,790 in millions [Consolidated Income Statement, pp. 66])
- Mortgage-Banking Income: MORT (N/A)
- Liabilities: LIABILITY ($122,412 in millions [Consolidated Balance Sheet, pp. 67])

Document 6 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2008])

- Total Revenues: REVENUE ($7,910.00 [Results of Business, pp. 153])
- Net Income: INCOME ($882 in millions [Consolidated Income Statement, pp. 81])
- Noninterest Income: NONIN ($3,367 in millions [Consolidated Income Statement, pp. 81])
- Mortgage-Banking Income: MORT (N/A)
- Liabilities: LIABILITY ($263,433 in millions [Consolidated Balance Sheet, pp. 82])

Indicators for Speculation

Document 1 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2003])

- Assets: ASSET ($68,168 in millions [Consolidated Balance Sheet, pp. 69])
- Securities: SEC {Available for Sale & Held to Maturity} ($15,690 in millions [Consolidated Balance Sheet, pp. 69])
- Total Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($9,124 in millions [Note 11 Securities, pp. 86])
- Loans: LOAN {Net Loans} ($33,448 in millions [Consolidated Balance Sheet, pp. 69])
- Consumer: CONLOAN ($11,432 in millions [Note 12 Loans, pp. 89])
- Home Equity Loans: HOMEQ (N/A)
- Residential Mortgage: RESIDENTIAL ($2,886 in millions [Note 12 Loans, pp. 89])
- Finance Cash Flows: CASHFLO ($759 in millions [Consolidated Statement of Cash Flows, pp. 71])

Document 2 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2004])

- Assets: ASSET ($79,723 in millions [Consolidated Balance Sheet, pp. 65])
- Securities: SECA {Available for Sale & Held to Maturity} ($16,761 in millions [Consolidated Balance Sheet, pp. 65])
- Total Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($9,803 in millions [Securities, pp. 24])
- Loans: LOAN {Net Loans} ($42,888 in millions [Consolidated Balance Sheet, pp. 65])
- Consumer: CONLOAN ($15,606 in millions [Note 10 Loans, pp. 85])
- Home Equity Loans: HOMEQ (N/A)
- Residential Mortgage: RESIDENTIAL ($4,772 in millions [Note 10 Loans, pp. 85])
Document 3 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2005])
- **Assets:** ASSET ($91,954 in millions [Consolidated Balance Sheet, pp. 66])
- **Securities:** SEC {Available for Sale & Held to Maturity} ($20,710 in millions [Consolidated Balance Sheet, pp. 66])
- **Total Mortgage-Backed Securities:** MORTBACK {Available for Sale & Held to Maturity Fair Value} ($15,463 in millions [Note 6 Securities, pp. 84])
- **Loans:** LOAN {Net Loans} ($48,505 in millions [Consolidated Balance Sheet, pp. 66])
- **Consumer Loans:** CONLOAN ($16,173 in millions [Note 7 Loans, pp. 87])
- **Home Equity Loans:** HOMEQ (N/A)
- **Residential Mortgage:** RESIDENTIAL ($7,307 in millions [Note 7 Loans, pp. 87])
- **Finance Cash Flows:** CASHFLO ($6,760 in millions [Consolidated Statement of Cash Flows, pp. 68])

Document 4 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2006])
- **Assets:** ASSET ($101,820 in millions [Consolidated Balance Sheet, pp. 69])
- **Securities:** SEC {Available for Sale} ($23,191 in millions [Consolidated Balance Sheet, pp. 69])
- **Total Mortgage-Backed Securities:** MORTBACK {Available for Sale Fair Value} ($20,427 in millions [Note 6 Securities, pp. 89])
- **Loans:** LOAN {Net Loans} ($49,545 in millions [Consolidated Balance Sheet, pp. 69])
- **Consumer Loans:** CONLOAN ($16,515 in millions [Note 7 Loans, pp. 92])
- **Home Equity Loans:** HOMEQ (N/A)
- **Residential Mortgage:** RESIDENTIAL ($6,337 in millions [Note 7 Loans, pp. 92])
- **Finance Cash Flows:** CASHFLO ($3,208 in millions [Consolidated Statement of Cash Flows, pp. 71])

Document 5 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2007])
- **Assets:** ASSET ($138,920 in millions [Consolidated Balance Sheet, pp. 67])
- **Securities:** SEC {Available for Sale} ($30,225 in millions [Consolidated Balance Sheet, pp. 67])
- **Mortgage-Backed Securities:** MORTBACK ($26,216 in millions [Note 4 Securities, pp. 84])
- **Loans:** LOAN ($67,489 in millions [Consolidated Balance Sheet, pp. 67])
- **Consumer Loans:** CONLOAN ($18,326 in millions [Note 5 Loans, pp. 87])
- **Home Equity Loans:** HOMEQ (N/A)
- **Residential Mortgage:** RESIDENTIAL ($9,557 in millions [Note 5 Loans, pp. 87])
- **Finance Cash Flows:** CASHFLO ($15,099 in millions [Consolidated Statement of Cash Flows, pp. 69])

Document 6 (U.S. S.E.C. Form 10-K the PNC Financial Service Group, Inc. [For the Fiscal Year Ended December 31, 2008])
- Assets: ASSET ($291,081 in millions [Consolidated Balance Sheet, pp. 82])
- Securities: SECURITIES {Investment Securities} ($43,473 in millions [Investment Securities, pp. 82])
- Total Mortgage-Backed Securities: MORTBACK {Available for Sale & Held to Maturity Fair Value} ($37,279 in millions [Note 7 Investment Securities, pp. 33])
- Loans: LOAN {Net Loans} ($171,572 in millions [Consolidated Balance Sheet, pp. 82])
- Consumer Loans: CONLOAN ($52,489 in millions [Note 4 Loans, pp. 104])
- Home Equity Loans: HOMEQ (N/A)
- Residential Mortgage: RESIDENTIAL ($21,583 in millions [Note 4 Loans, pp. 104])
- Finance Cash Flows: CASHFLO ($6,476 in millions [Consolidated Statement of Cash Flows, pp. 84])

**DATA MANIPULATION**

- Indicators for Structuration
  - Document 1 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2003])
    - Trends in REVENUE: REVTREND (0%)
    - Trends in INCOME: INCTREND (0%)
    - Trends in NONIN: NONTREND (0%)
    - Trends in MORT: MORTREND (0%)
    - Trends in LIABILITY: LIATREND (0%)
    - Proportion of Noninterest Income to Revenues: NONINREV (62%)
    - Proportion of Noninterest Income to Net Income: NONININC (325.37%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
    - Proportion of Assets to Liabilities: CURRENT (111.64%)
    - Trends in NONINREV: NONINTREND (0%)
    - Trends in NONININC: NONINTREND2 (0%)
    - Trends in MORTNON: MORTREND2 (0%)
    - Trends in CURRENT: CURTREND (0%)
  - Document 2 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2004])
    - Trends in REVENUE: REVTREND (5.31%)
    - Trends in INCOME: INCTREND (19.58%)
    - Trends in NONIN: NONTREND (9.40%)
    - Trends in MORT: MORTREND (N/A)
    - Trends in LIABILITY: LIATREND (17.50%)
    - Proportion of Noninterest Income to Revenues: NONINREV (64.41%)
    - Proportion of Noninterest Income to Net Income: NONININC (297.66%)
    - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
    - Proportion of Assets to Liabilities: CURRENT (111.12%)
    - Trends in NONINREV: NONINTREND (2.40%)
    - Trends in NONININC: NONINTREND2 (-27.71%)
    - Trends in MORTNON: MORTREND2 (N/A)
    - Trends in CURRENT: CURTREND (-0.52%)
Document 3 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2005])

- Trends in REVENUE: REVTREND (14.17%)
- Trends in INCOME: INCTREND (10.69%)
- Trends in NONIN: NONTREND (16.81%)
- Trends in MORT: MORTREND (N/A)
- Trends in LIABILITY: LIATREND (15.41%)
- Proportion of Noninterest Income to Revenues: NONINREV (65.90%)
- Proportion of Noninterest Income to Net Income: NONININC (314.11%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
- Proportion of Assets to Liabilities: CURRENT (111.05%)
- Trends in NONINREV: NONINTREND (1.49%)
- Trends in NONININC: NONINTREND2 (16.45%)
- Trends in MORTNON: MORTREND2 (N/A)
- Trends in CURRENT: CURTREND (-0.05%)

Document 4 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2006])

- Trends in REVENUE: REVTREND (35.72%)
- Trends in INCOME: INCTREND (95.85%)
- Trends in NONIN: NONTREND (52.02%)
- Trends in MORT: MORTREND (N/A)
- Trends in LIABILITY: LIATREND (8.87%)
- Proportion of Noninterest Income to Revenues: NONINREV (73.81%)
- Proportion of Noninterest Income to Net Income: NONININC (243.82%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
- Proportion of Assets to Liabilities: CURRENT (112.95%)
- Trends in NONINREV: NONINTREND (7.91%)
- Trends in NONININC: NONINTREND2 (-70.30%)
- Trends in MORTNON: MORTREND2 (N/A)
- Trends in CURRENT: CURTREND (1.89%)

Document 5 (U.S. S.E.C. Form 10-K the PNC Financial Service Group, Inc. [For the Fiscal Year Ended December 31, 2007])

- Trends in REVENUE: REVTREND (-21.78%)
- Trends in INCOME: INCTREND (-43.47%)
- Trends in NONIN: NONTREND (-40.10%)
- Trends in MORT: MORTREND (N/A)
- Trends in LIABILITY: LIATREND (35.79%)
- Proportion of Noninterest Income to Revenues: NONINREV (56.52%)
- Proportion of Noninterest Income to Net Income: NONININC (258.35%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
- Proportion of Assets to Liabilities: CURRENT (113.49%)
- Trends in NONINREV: NONINTREND (-17.29%)
- Trends in NONININC: NONINTREND2 (14.54%)
- Trends in MORTNON: MORTREND2 (N/A)
- Trends in CURRENT: CURTREND (0.54%)
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- **Document 6 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal year Ended December 31, 2008])**
  - Trends in REVENUE: REV TREND (17.97%)
  - Trends in INCOME: INC TREND (-39.88%)
  - Trends in NONIN: NONTREND (-11.16%)
  - Trends in MORT: MORTREND (N/A)
  - Trends in LIABILITY: LIATREND (115.21%)
  - Proportion of Noninterest Income to Revenues: NONINREV (42.57%)
  - Proportion of Noninterest Income to Net Income: NONININC (381.75%)
  - Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (N/A)
  - Proportion of Assets to Liabilities: CURRENT (110.49%)
  - Trends in NONINREV: NONINTREND (-13.96%)
  - Trends in NONININC: NONINTREND2 (123.40%)
  - Trends in MORTNON: MORTREND2 (N/A)
  - Trends in CURRENT: CURTREND (-2.99%)

- **Indicators for Speculation**

- **Document 1 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2003])**
  - Trends in ASSET: ATREND (0%)
  - Trends in SEC: SECTREND (0%)
  - Trends in MORTBACK: MOBACKTREND (0%)
  - Trends in LOAN: LOTREND (0%)
  - Trends in CONLOAN: CONTREND (0%)
  - Trends in HOMEQ: HOMTREND (N/A)
  - Trends in RESIDENTIAL: RESIDENTIALTREND (0%)
  - Trends in CASHFLO: CASHTREND (0%)
  - Proportion of Securities to Assets: SECA (23.02%)
  - Proportion of MBSs to Securities: MORTSEC (58.15%)
  - Proportion of MBSs to Assets: MORTA (13.38%)
  - Proportion of Loans to Assets: LOANA (49.07%)
  - Proportion of Consumer Loans to Assets: CONA (16.7%)
  - Proportion of Home Equity Loans to Assets: HOMA (N/A)
  - Proportion of Residential Mortgages to Assets: RESIDENTA (4.23%)
  - Trends in SECA: SECATREND (0%)
  - Trends in MORTSEC: MORTSTREND (0%)
  - Trends in MORTA: MORTATREND (0%)
  - Trends in LOANA: LONATREND (0%)
  - Trends in CONA: CONATREND (0%)
  - Trends in HOMA: HOMATREND (N/A)

- **Document 2 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2004])**
  - Trends in ASSET: ATREND (16.95%)
  - Trends in SEC: SECTREND (6.83%)
  - Trends in MORTBACK: MOBACKTREND (7.44%)
  - Trends in LOAN: LOTREND (28.22%)
  - Trends in CONLOAN: CONTREND (36.51%)
  - Trends in HOMEQ: HOMTREND (N/A)
  - Trends in RESIDENTIAL: RESIDENTIALTREND (65%)
  - Trends in CASHFLO: CASHTREND (561.13%)
  - Proportion of Securities to Assets: SECA (21.02%)
  - Proportion of MBSs to Securities: MORTSEC (58.15%)
- Proportion of MBSs to Assets: MORTA (12.30%)
- Proportion of Loans to Assets: LOANA (53.80%)
- Proportion of Consumer Loans to Assets: CONA (19.58%)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Residential Mortgages to Assets: RESIDENTIA (5.99%)
- Trends in SECA: SECATREND (-1.99%)
- Trends in MORTSEC: MORTSTREND (0.34%)
- Trends in MORTA: MORTATREND (-1.09%)
- Trends in LOANA: LONATREND (4.73%)
- Trends in CONA: CONATREND (2.80%)
- Trends in HOMA: HOMATREND (N/A)
- Trends in RESIDENTIA: RESIDENTIATREND (1.75%)

o Document 3 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2005])

- Trends in ASSET: ATREND (15.34%)
- Trends in SEC: SECTREND (23.56%)
- Trends in MORTBACK: MOBACKTREND (57.74%)
- Trends in LOAN: LOTREND (13.10%)
- Trends in CONLOAN: CONTREND (3.63%)
- Trends in HOMEQ: HOMTREND (N/A)
- Trends in RESIDENTIAL: RESIDENTIALTREND (53%)
- Trends in CASHFLO: CASHTREND (34.72%)
- Proportion of Securities to Assets: SECA (22.52%)
- Proportion of MBSs to Securities: MORTSEC (74.66%)
- Proportion of MBSs to Assets: MORTA (16.82%)
- Proportion of Loans to Assets: LOANA (52.75%)
- Proportion of Consumer Loans to Assets: CONA (17.59%)
- Proportion of Home Equity Loans to Assets: HOMA (N/A)
- Proportion of Residential Mortgages to Assets: RESIDENTIA (7.95%)
- Trends in SECA: SECATREND (1.50%)
- Trends in MORTSEC: MORTSTREND (16.18%)
- Trends in MORTA: MORTATREND (4.52%)
- Trends in LOANA: LONATREND (-1.05%)
- Trends in CONA: CONATREND (-1.99%)
- Trends in HOMA: HOMATREND (N/A)

ii. Trends in RESIDENTIA: RESIDENTIATREND (1.96%)

o Document 4 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal Year Ended December 31, 2006])

iii. Trends in ASSET: ATREND (10.73%)
iv. Trends in SEC: SECTREND (11.98%)
v. Trends in MORTBACK: MOBACKTREND (32.10%)
vi. Trends in LOAN: LOTREND (2.14%)
vii. Trends in CONLOAN: CONTREND (2.11%)
viii. Trends in HOMEQ: HOMTREND (N/A)
ix. Trends in RESIDENTIAL: RESIDENTIALTREND (-13%)
x. Trends in CASHFLO: CASHTREND (-52.54%)
xi. Proportion of Securities to Assets: SECA (22.78%)
xii. Proportion of MBSs to Securities: MORTSEC (88.08%)
xiii. Proportion of MBSs to Assets: MORTA (20.06%)
xiv. Proportion of Loans to Assets: LOANA (48.66%)
v. Proportion of Consumer Loans to Assets: CONA (16.22%)
vi. Proportion of Home Equity Loans to Assets: HOMA (N/A)
vii. Proportion of Residential Mortgages to Assets: RESIDENTIA (6.22%)
xviii. Trends in SECA: SECATREND (0.25%)
xix. Trends in MORTSEC: MORTSTREND (13.42%)
xx. Trends in MORTA: MORTATREND (3.25%)
xxi. Trends in LOANA: LONATREND (-4.09%)
xxii. Trends in CONA: CONATREND (-1.37%)
xxiii. Trends in HOMA: HOMATREND (N/A)
xxiv. Trends in RESIDENTIA: RESIDENTIATREND (-1.72%)

Document 5 (U.S. S.E.C. Form 10-K the PNC Financial Service Group, Inc. [For the Fiscal year Ended December 31, 2007])
xv. Trends in ASSET: ATREND (36.44%)
xvi. Trends in SEC: SECTREND (30.33%)
xxvii. Trends in MORTBACK: MOBACKTREND (28.34%)
xxviii. Trends in LOAN: LOTREND (36.22%)
xxix. Trends in CONLOAN: CONTREND (10.97%)
xxx. Trends in CASHFLO: CASHTREND (370.67%)

Document 6 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal year Ended December 31, 2008])
xlvii. Trends in ASSET: ATREND (109.53%)
xlviii. Trends in SEC: SECTREND (43.83%)
lix. Trends in MORTBACK: MOBACKTREND (42.20%)

x. Trends in SECA: SECATREND (-1.02%)
xii. Trends in MORTSEC: MORTSTREND (-1.35%)
xiii. Trends in MORTA: MORTATREND (-1.19%)
xiv. Trends in LOANA: LONATREND (-0.08%)
xv. Trends in CONA: CONATREND (-3.03%)
xvi. Trends in HOMA: HOMATREND (N/A)
xxi. Trends in RESIDENTIAL: RESIDENTIALTREND (126%)
xxii. Trends in CASHFLO: CASHTREND (-57.11%)

Document 5 (U.S. S.E.C. Form 10-K the PNC Financial Service Group, Inc. [For the Fiscal year Ended December 31, 2007])
xli. Trends in SECA: SECATREND (0.25%)
xlii. Trends in MORTSEC: MORTSTREND (3.25%)
xliii. Trends in LOANA: LONATREND (-4.09%)
xliv. Trends in CONA: CONATREND (-1.37%)
xlv. Trends in HOMA: HOMATREND (N/A)
xli. Trends in RESIDENTIA: RESIDENTIATREND (-1.72%)

Document 6 (U.S. S.E.C. Form 10-K the PNC Financial Services Group, Inc. [For the Fiscal year Ended December 31, 2008])
xlix. Trends in SECA: SECATREND (-6.82%)
lix. Trends in MORTSEC: MORTSTREND (-0.98%)
lx. Trends in MORTA: MORTATREND (-6.06%)
lx. Trends in LOANA: LONATREND (10.36%)
lxii. Trends in CONA: CONATREND (5.53%)
lxiii. Trends in HOMA: HOMATREND (N/A)
lxviii. Trends in RESIDENTIA: RESIDENTIATREND (0.54%)
RESEARCH PROTOCOL 7 (U.S. BANCORP)

CONCEPTUALIZATION & RESEARCH QUESTIONS

- Isomorphism: The sociological phenomenon in which organizations within a given field become similar to each other as the result of increased structuration & rationalization.
- Research Question: Is there evidence to suggest that organizations within major investment finance converged during the years leading up to the Great Recession?

OPERATIONALIZED INDICATORS

- INDICATORS FOR STRUCTURATION
  - REVENUE [AS REPORTED] (REVENUE)
  - NET INCOME (INCOME)
  - NONINTEREST INCOME (NONIN)
  - MORTGAGE-BANKING INCOME [AS REPORTED] (MORT)
  - TOTAL LIABILITIES (LIABILITY)
  - PROPORTION OF NONINTEREST INCOME TO REVENUE (NONINREV)
  - PROPORTION OF NONINTEREST INCOME TO NET INCOME (NONININC)
  - PROPORTION OF MORTGAGE-BANKING INCOME TO NONINTEREST (MORTNON)
  - PROPORTION OF LIABILITIES TO ASSETS (CURRENT)
  - TRENDS IN REVENUE (REVTREND)
  - TRENDS IN NET INCOME (INCTREND)
  - TRENDS IN NONINTEREST INCOME (NONTREND)
  - TRENDS IN MORTGAGE-BANKING INCOME (MORTREND)
  - TRENDS IN LIABILITIES (LIATREND)
  - TRENDS IN NONINREV (NONINTREND)
  - TRENDS IN NONININC (NONINTREND2)
  - TRENDS IN MORTNON (MORTREND2)
  - TRENDS IN CURRENT (CURTREND)

- INDICATORS FOR INCREASED SPECULATION
  - ASSETS (ASSET)
  - SECURITIES [AS REPORTED] (SEC)
  - MORTGAGE-BACKED SECURITIES [AS REPORTED] (MORTBACK)
  - OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOAN)
  - OUTSTANDING CONSUMER LOANS &/OR LEASES [AS REPORTED] (CONLOAN)
  - OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMEQ)
  - CASH FLOWS FROM FINANCING (CASHFLO)
  - PROPORTION OF SECURITIES TO ASSETS (SECA)
  - PROPORTION OF MBSS TO SECURITIES (MORTSEC)
  - PROPORTION OF MBSS TO ASSETS (MORTA)
  - PROPORTION OF LOANS &/OR LEASES TO ASSETS (LOANA)
  - PROPORTION OF CONSUMER LOANS &/OR LEASES TO ASSETS (CONA)
  - PROPORTION OF HOME EQUITY LOANS/LINES TO ASSETS (HOMA)
  - TRENDS IN ASSETS (ATREND)
  - TRENDS IN SECURITIES (SECTREND)
  - TRENDS IN MORTGAGE-BACKED SECURITIES (MOBACKTREND)
  - TRENDS IN OUTSTANDING LOANS &/OR LEASES NET OF ALLOWANCE (LOTREND)
  - TRENDS IN OUTSTANDING CONSUMER LOANS (CONTREND)
  - TRENDS IN OUTSTANDING HOME EQUITY LOANS/LINES [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMTREND)
  - TRENDS IN CASH FLOWS FROM FINANCING (CASHTREND)
  - TRENDS IN SEC (SECATREND)
  - TRENDS IN MORTSEC (MORTSTREND)
  - TRENDS IN MORTA (MORTATREND)
  - TRENDS IN LOANA (LONATREND)
  - TRENDS IN CONA (CONATREND)
  - TRENDS IN HOMA [EQUIVALENTS MAY BE GIVEN DIFFERENT VARIABLE NAMES] (HOMATREND)
**DOCUMENTS CONCERNED**
- U.S. Bancorp Annual Reports 2003-2008

**DATA COLLECTION**
- Indicators for Structuration

<table>
<thead>
<tr>
<th>Document</th>
<th>Year</th>
<th>Total Revenues</th>
<th>Net Income</th>
<th>Noninterest Income</th>
<th>Mortgage-Banking Income</th>
<th>Liabilities</th>
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<td>1</td>
<td>2003</td>
<td>$12,530.50</td>
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<td>$6,045</td>
<td>$432</td>
<td>$189,379</td>
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<td>2006</td>
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<td>$4,751</td>
<td>$6,846</td>
<td>$192</td>
<td>$198,035</td>
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<tr>
<td>5</td>
<td>2007</td>
<td>$13,936</td>
<td>$4,324</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- Noninterest Income: NONIN ($7,172 in millions [Consolidated Statement of Income, pp. 69])
- Mortgage-Banking Income: MORT ($259 in millions [Consolidated Statement of Income, pp. 69])
- Liabilities: LIABILITY ($216,569 in millions [Consolidated Balance Sheet, pp. 68])

Document 6 (2007 Annual Report)
- Total Revenues: REVENUE ($14,677 in billions [Consolidated Statement of Income, pp. 3])
- Net Income: INCOME ($2,946 in millions [Consolidated Statement of Income, pp. 67])
- Noninterest Income: NONIN ($6,811 in millions [Consolidated Statement of Income, pp. 67])
- Mortgage-Banking Income: MORT ($270 in millions [Consolidated Statement of Income, pp. 67])
- Liabilities: LIABILITY ($239,612 in millions [Consolidated Statement of Income, pp. 66])

Indicators for Speculation

- Assets: ASSET ($189,286 in millions [Consolidated Balance Sheet, pp. 62])
- Securities: SEC {Total} ($43,334 in millions [Consolidated Balance Sheet, pp. 62])
- Mortgage-Backed Securities: MORTBACK {Total} ($40,039 in millions [Investment Securities, pp. 79])
- Loans: LOAN {Net Loans} ($115,866 in millions [Consolidated Balance Sheet, pp. 62])
- Consumer Loans: CONLOAN {Retail} ($39,010 in millions [Loans & Allowance for Credit Losses, pp. 78])
- Home Equity Loans: HOMEQ {& Second Mortgage} ($13,210 in millions [Loans & Allowance for Credit Losses, pp. 78])
- Finance Cash Flows: CASHLO ($8,333.40 in millions [Consolidated Statement of Cash Flows, pp. 65])

- Assets: ASSET ($195,104 in millions [Consolidated Balance Sheet, pp. 64])
- Securities: SEC {Total} ($41,481 in millions [Consolidated Balance Sheet, pp. 64])
- Mortgage-Backed Securities: MORTBACK {Total} ($39,548 in millions [Investment Securities, pp. 76])
- Loans: LOAN {Net Loans} ($124,235 in millions [Consolidated Balance Sheet, pp. 64])
- Consumer Loans: CONLOAN {Retail} ($43,190 in millions [Loan Portfolio, pp. 78])
- Home Equity Loans: HOMEQ {& Second Mortgage} ($14,851 in millions [Loan Portfolio, pp. 78])
- Finance Cash Flows: CASHLO ($1,045.10 in millions [Consolidated Statement of Cash Flows, pp. 67])

Document 3 (2005 Annual Report & Form 10-K)
- Assets: ASSET ($209,465 in millions [Consolidated Balance Sheet, pp. 62])
- Securities: SEC {Total} ($39,768 in millions [Consolidated Balance Sheet, pp. 62])
- Mortgage-Backed Securities: MORTBACK {Total} ($37,522 in millions [Investment Securities, pp. 71])
Loans: LOAN {Net Loans} ($135,765 in millions [Consolidated Balance Sheet, pp. 62])
Consumer Loans: CONLOAN {Retail} ($45,671 in millions [Loan Portfolio, pp. 73])
Home Equity Loans: HOMEQ {& Second Mortgage} ($14,979 in millions [Loan Portfolio, pp. 73])
Finance Cash Flows: CASHFLO ($10,026 in millions [Consolidated Statement of Cash Flows, pp. 65])

- Assets: ASSET ($219,232 in millions [Consolidated Balance Sheet, pp. 64])
- Securities: SEC {Total} ($40,117 in millions [Consolidated Balance Sheet, pp. 64])
- Mortgage-Backed Securities: MORTBACK {Total} ($33,794 in millions [Investment Securities, pp. 73])
- Loans: LOAN {Net Loans} ($141,575 in millions [Consolidated Balance Sheet, pp. 64])
- Consumer: CONLOAN {Retail} ($47,477 in millions [Loan Portfolio, pp. 75])
- Home Equity Loans: HOMEQ {& Second Mortgage} ($15,523 in millions [Loan Portfolio, pp. 75])

- Assets: ASSET ($237,615 in millions [Consolidated Balance Sheet, pp. 68])
- Securities: SEC {Total} ($43,116 in millions [Consolidated Balance Sheet, pp. 68])
- Mortgage-Backed Securities: MORTBACK {Total} ($30,609 in millions [Investment Securities, pp. 78])
- Loans: LOAN {Net Loans} ($151,769 in millions [Consolidated Balance Sheet, pp. 68])
- Consumer Loans: CONLOAN {Retail} ($50,764 in millions [Loan Portfolio, pp. 80])
- Home Equity Loans: HOMEQ {& Second Mortgage} ($16,441 in millions [Loan Portfolio, pp. 80])
- Finance Cash Flows: CASHFLO ($12,784 in millions [Consolidated Statement of Cash Flows, pp. 71])

Document 6 (2008 Annual Report)
- Assets: ASSET ($265,912 in millions [Consolidated Balance Sheet, pp. 66])
- Securities: SEC {Total} ($39,521 in millions [Consolidated Balance Sheet, pp. 66])
- Mortgage-Backed Securities: MORTBACK {Total} ($30,138 in millions [Investment Securities, pp. 77])
- Loans: LOAN {Net} ($181,715 in millions [Consolidated Balance Sheet, pp. 66])
- Consumer Loans: CONLOAN {Retail} ($60,368 in millions [Loan Portfolio, pp. 80])
- Home Equity Loans: HOMEQ {& Second Mortgage} ($19,177 in millions [Loan Portfolio, pp. 80])
- Finance Cash Flows: CASHFLO ($8,987 in millions [Consolidated Statement of Cash Flows, pp. 69])

DATA MANIPULATION
- Indicators for Structuration
- Trends in REVENUE: REVTREND (0%)
- Trends in INCOME: INCTREND (0%)
- Trends in NONIN: NONTREND (0%)
- Trends in MORT: MORTREND (0%)
- Trends in LIABILITY: LIATREND (0%)
- Proportion of Noninterest Income to Revenues: NONINREV (42.40%)
- Proportion of Noninterest Income to Net Income: NONININC (142.34%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (6.91%)
- Proportion of Assets to Liabilities: CURRENT (111.32%)

- Trends in REVENUE: REVTREND (1.03%)
- Trends in INCOME: INCTREND (11.63%)
- Trends in NONIN: NONTREND (3.88%)
- Trends in MORT: MORTREND (8.23%)
- Trends in LIABILITY: LIATREND (3.30%)
- Proportion of Noninterest Income to Revenues: NONINREV (43.60%)
- Proportion of Noninterest Income to Net Income: NONININC (132.46%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (7.20%)
- Proportion of Assets to Liabilities: CURRENT (111.07%)

Document 3 (2005 Annual Report & Form 10-K)
- Trends in REVENUE: REVTREND (3.74%)
- Trends in INCOME: INCTREND (7.73%)
- Trends in NONIN: NONTREND (9.53%)
- Trends in MORT: MORTREND (8.73%)
- Trends in LIABILITY: LIATREND (7.81%)
- Proportion of Noninterest Income to Revenues: NONINREV (46.03%)
- Proportion of Noninterest Income to Net Income: NONININC (134.66%)
- Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (7.15%)
- Proportion of Assets to Liabilities: CURRENT (110.61%)

- Trends in REVENUE: REVTREND (3.83%)
- Trends in INCOME: INCTREND (5.84%)
- Trends in NONIN: NONTREND (13.25%)
• Trends in MORT: MORTREND (-55.56%)
• Trends in LIABILITY: LIATREND (4.57%)
• Proportion of Noninterest Income to Revenues: NONINREV (50.21%)
• Proportion of Noninterest Income to Net Income: NONININC (144.10%)
• Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (2.80%)
• Proportion of Assets to Liabilities: CURRENT (110.70%)
• Trends in NONINREV: NONINTREND (4.18%)
• Trends in NONININC: NONINTREND2 (9.43%)
• Trends in MORTNON: MORTREND2 (-4.34)
• Trends in CURRENT: CURTREND (0.10%)

• Trends in REVENUE: REVTREND (2.20%)
• Trends in INCOME: INCTREND (-8.99%)
• Trends in NONIN: NONINTREND (4.76%)
• Trends in MORT: MORTREND (34.90%)
• Trends in LIABILITY: LIATREND (9.36%)
• Proportion of Noninterest Income to Revenues: NONINREV (51.46%)
• Proportion of Noninterest Income to Net Income: NONININC (165.86%)
• Proportion of Mortgage-Banking Income to Noninterest Income: MORTNON (3.61%)
• Proportion of Assets to Liabilities: CURRENT (109.72%)
• Trends in NONINREV: NONINTREND (1.26%)
• Trends in NONININC: NONINTREND2 (21.77%)
• Trends in MORTNON: MORTREND2 (0.81%)
• Trends in CURRENT: CURTREND (-0.99%)

• Trends in ASSET: ATREND (0%)
• Trends in SEC: SECTREND (0%)
• Trends in MORTBACK: MOBACKTREND (0%)
• Trends in LOAN: LOTREND (0%)
• Trends in CONLOAN: CONTREND (0%)
• Trends in HOMEQ: HOMTREND (0%)
• Trends in CASHFLO: CASHTREND (0%)
• Proportion of Securities to Assets: SECA (22.89%)
• Proportion of MBSs to Securities: MORTSEC (92.40%)
• Proportion of MBSs to Assets: MORTA (21.15%)
• Proportion of Loans to Assets: LOANA (61.21%)
• Proportion of Consumer Loans to Assets: CONA (20.61%)
• Proportion of Home Equity Loans to Assets: HOMA (6.98%)
• Trends in SECA: SECATREND (0%)
• Trends in MORTSEC: MORTSTREND (0%)
• Trends in MORTA: MORTATREND (0%)
• Trends in LOANA: LONATREND (0%)
• Trends in CONA: CONATREND (0%)
• Trends in HOMA: HOMATREND (0%)

• Trends in ASSET: ATREND (3.07%)
• Trends in SEC: SECTREND (-4.28%)
• Trends in MORTBACK: MOBACKTREND (-1.23%)
• Trends in LOAN: LOTREND (7.22%)
• Trends in CONLOAN: CONTREND (10.72%)
• Trends in HOMEQ: HOMTREND (12.42%)
• Trends in CASHFLO: CASHTREND (-87.46%)
• Proportion of Securities to Assets: SECA (21.26%)
• Proportion of MBSs to Securities: MORTSEC (95.34%)
• Proportion of MBSs to Assets: MORTA (20.27%)
• Proportion of Loans to Assets: LOANA (63.68%)
• Proportion of Consumer Loans to Assets: CONA (22.14%)
• Proportion of Home Equity Loans to Assets: HOMA (7.61%)
• Trends in SECA: SECATREND (-1.63%)
• Trends in MORTSEC: MORTSTREND (2.94%)
• Trends in MORTA: MORTATREND (-0.88%)
• Trends in LOANA: LONATREND (2.46%)
• Trends in CONA: CONATREND (1.53%)
• Trends in HOMA: HOMATREND (0.63%)

○ Document 3 (2005 Annual Report & Form 10-K)
• Trends in ASSET: ATREND (7.36%)
• Trends in SEC: SECTREND (-4.13%)
• Trends in MORTBACK: MOBACKTREND (-5.12%)
• Trends in LOAN: LOTREND (9.28%)
• Trends in CONLOAN: CONTREND (5.74%)
• Trends in HOMEQ: HOMTREND (0.86%)
• Trends in CASHFLO: CASHTREND (859.33%)
• Proportion of Securities to Assets: SECA (18.99%)
• Proportion of MBSs to Securities: MORTSEC (94.35%)
• Proportion of MBSs to Assets: MORTA (17.91%)
• Proportion of Loans to Assets: LOANA (64.82%)
• Proportion of Consumer Loans to Assets: CONA (21.80%)
• Proportion of Home Equity Loans to Assets: HOMA (7.15%)
• Trends in SECA: SECATREND (-2.28%)
• Trends in MORTSEC: MORTSTREND (-0.99%)
• Trends in MORTA: MORTATREND (-2.36%)
• Trends in LOANA: LONATREND (1.14%)
• Trends in CONA: CONATREND (-0.33%)
• Trends in HOMA: HOMATREND (-0.46%)
- Trends in ASSET: ATREND (4.66%)
- Trends in SEC: SECTREND (0.88%)
- Trends in MORTBACK: MOBACKTREND (-9.94%)
- Trends in LOAN: LOTREND (4.28%)
- Trends in CONLOAN: CONTREND (3.95%)
- Trends in HOMEQ: HOMTREND (3.63%)
- Trends in CASHFLO: CASHTREND (-59.87%)
- Proportion of Securities to Assets: SECA (18.30%)
- Proportion of MBSs to Securities: MORTSEC (84.24%)
- Proportion of MBSs to Assets: MORTA (15.41%)
- Proportion of Loans to Assets: LOANA (64.58%)
- Proportion of Consumer Loans to Assets: CONA (21.66%)
- Proportion of Home Equity Loans to Assets: HOMA (7.08%)
- Trends in SECA: SECATREND (-0.69%)
- Trends in MORTSEC: MORTSTREND (-10.11%)
- Trends in MORTA: MORTATREND (-2.50%)
- Trends in LOANA: LONATREND (-0.24%)
- Trends in CONA: CONATREND (-0.15%)
- Trends in HOMA: HOMATREND (-0.07%)

- Trends in ASSET: ATREND (8.39%)
- Trends in SEC: SECTREND (7.48%)
- Trends in MORTBACK: MOBACKTREND (-9.42%)
- Trends in LOAN: LOTREND (7.20%)
- Trends in CONLOAN: CONTREND (6.92%)
- Trends in HOMEQ: HOMTREND (5.91%)
- Trends in CASHFLO: CASHTREND (217.77%)
- Proportion of Securities to Assets: SECA (18.15%)
- Proportion of MBSs to Securities: MORTSEC (70.99%)
- Proportion of MBSs to Assets: MORTA (12.88%)
- Proportion of Loans to Assets: LOANA (63.87%)
- Proportion of Consumer Loans to Assets: CONA (21.36%)
- Proportion of Home Equity Loans to Assets: HOMA (6.92%)
- Trends in SECA: SECATREND (-0.15%)
- Trends in MORTSEC: MORTSTREND (-13.25%)
- Trends in MORTA: MORTATREND (-2.53%)
- Trends in LOANA: LONATREND (-0.71%)
- Trends in CONA: CONATREND (-0.29%)
- Trends in HOMA: HOMATREND (-0.16%)

- Trends in ASSET: ATREND (11.91%)
- Trends in SEC: SECTREND (-8.24%)
- Trends in MORTBACK: MOBACKTREND (-1.54%)
- Trends in LOAN: LOTREND (19.73%)
- Trends in CONLOAN: CONTREND (18.92%)
- Trends in HOMEQ: HOMTREND (16.64%)
- Trends in CASHFLO: CASHTREND (-29.70%)
- Proportion of Securities to Assets: SECA (14.86%)
- Proportion of MBSs to Securities: MORTSEC (76.26%)
- Proportion of MBSs to Assets: MORTA (11.33%)
- Proportion of Loans to Assets: LOANA (68.34%)
- Proportion of Consumer Loans to Assets: CONA (22.70%)
- Proportion of Home Equity Loans to Assets: HOMA (7.21%)
- Trends in SECA: SECATREND (-3.28%)
- Trends in MORTSEC: MORTSTREND (5.27%)
Trends in MORTA: MORTATREND (-1.55%)
Trends in LOANA: LONATREND (4.46%)
Trends in CONA: CONATREND (1.34%)
Trends in HOMA: HOMATREND (0.29%)
### TABLE 4.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REVENUE</th>
<th>INCOME</th>
<th>NONIN</th>
<th>MORT</th>
<th>LIABILITY</th>
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<td>2003</td>
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<td>$1,640,891</td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for net revenues (REVENUE), net income (INCOME), noninterest income (NONIN), mortgage-banking income (MORT), & total liabilities (LIABILITY) for Bank of America from 2003 to 2008; these values are in millions of dollars. See Appendix VII for trend values & further data.

### TABLE 4.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NONINREV</th>
<th>NONININC</th>
<th>MORTNON</th>
<th>CURRENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>43%</td>
<td>152%</td>
<td>12%</td>
<td>107%</td>
</tr>
<tr>
<td>2004</td>
<td>41%</td>
<td>142%</td>
<td>2%</td>
<td>110%</td>
</tr>
<tr>
<td>2005</td>
<td>45%</td>
<td>154%</td>
<td>3%</td>
<td>109%</td>
</tr>
<tr>
<td>2006</td>
<td>53%</td>
<td>182%</td>
<td>1%</td>
<td>110%</td>
</tr>
<tr>
<td>2007</td>
<td>48% (-5%)</td>
<td>213%</td>
<td>3%</td>
<td>109%</td>
</tr>
<tr>
<td>2008</td>
<td>38% (-10%)</td>
<td>684%</td>
<td>15%</td>
<td>111%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC), the proportion of mortgage-banking income to noninterest income (MORTNON), & the proportion of assets to liabilities (CURRENT) for Bank of America from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
### TABLE 5.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORT BACK</th>
<th>LOAN</th>
<th>CONLOAN</th>
<th>HOMEQ</th>
<th>CASHFLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$736,445</td>
<td>$68,240</td>
<td>$56,893</td>
<td>$365,300</td>
<td>$240,159</td>
<td>$23,859</td>
<td>$51,048</td>
</tr>
<tr>
<td>2004</td>
<td>$1,110,457</td>
<td>$195,073</td>
<td>$173,247</td>
<td>$513,211</td>
<td>$327,907</td>
<td>$50,126</td>
<td>$132,875</td>
</tr>
<tr>
<td>2005</td>
<td>$1,291,803</td>
<td>$221,603</td>
<td>$192,031</td>
<td>$565,746</td>
<td>$355,457</td>
<td>$62,098</td>
<td>$170,817</td>
</tr>
<tr>
<td>2006</td>
<td>$1,459,737</td>
<td>$192,846</td>
<td>$156,893</td>
<td>$697,474</td>
<td>$465,705</td>
<td>$74,888</td>
<td>$53,133</td>
</tr>
<tr>
<td>2007</td>
<td>$1,715,746</td>
<td>$214,056</td>
<td>$163,716</td>
<td>$864,756</td>
<td>$551,201</td>
<td>$114,834</td>
<td>$103,412</td>
</tr>
<tr>
<td>2008</td>
<td>$1,817,943</td>
<td>$277,589</td>
<td>$229,578</td>
<td>$908,375</td>
<td>$558,679</td>
<td>$152,547</td>
<td>($10,695)</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), total consumer loans/leases (CONLOAN), total outstanding home equity loans (HOMEQ), & net cash used in financial activities (CASHFLO) for Bank of America from 2003 to 2008; these values are in millions of dollars. See Appendix VII for trend values & further data.

### TABLE 5.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SECA</th>
<th>MORTSEC</th>
<th>MORTA</th>
<th>LOANA</th>
<th>CONA</th>
<th>HOMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>9%</td>
<td>83%</td>
<td>8%</td>
<td>50%</td>
<td>33%</td>
<td>3%</td>
</tr>
<tr>
<td>2004</td>
<td>18%</td>
<td>89%</td>
<td>16%</td>
<td>46%</td>
<td>30%</td>
<td>5%</td>
</tr>
<tr>
<td>2005</td>
<td>17%</td>
<td>87%</td>
<td>15%</td>
<td>44%</td>
<td>28%</td>
<td>5%</td>
</tr>
<tr>
<td>2006</td>
<td>13%</td>
<td>81%</td>
<td>11%</td>
<td>48%</td>
<td>32%</td>
<td>5%</td>
</tr>
<tr>
<td>2007</td>
<td>12%</td>
<td>76%</td>
<td>10%</td>
<td>50%</td>
<td>32%</td>
<td>7%</td>
</tr>
<tr>
<td>2008</td>
<td>15%</td>
<td>83%</td>
<td>13%</td>
<td>50%</td>
<td>31%</td>
<td>8%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding home equity loans to assets (HOMA) for Bank of America from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
### TABLE 6.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REVENUE</th>
<th>INCOME</th>
<th>NONIN</th>
<th>MORT</th>
<th>LIABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$33,256</td>
<td>$6,719</td>
<td>$20,919</td>
<td>$892</td>
<td>$724,758</td>
</tr>
<tr>
<td>2004</td>
<td>$43,097</td>
<td>$4,466</td>
<td>$26,336</td>
<td>$1,004</td>
<td>$1,051,595</td>
</tr>
<tr>
<td>2005</td>
<td>$54,533</td>
<td>$8,483</td>
<td>$34,702</td>
<td>$1,054</td>
<td>$1,091,731</td>
</tr>
<tr>
<td>2006</td>
<td>$61,437</td>
<td>$14,444</td>
<td>$40,195</td>
<td>$591</td>
<td>$1,325,730</td>
</tr>
<tr>
<td>2007</td>
<td>$71,372</td>
<td>$15,365</td>
<td>$44,966</td>
<td>$2,118</td>
<td>$1,438,926</td>
</tr>
<tr>
<td>2008</td>
<td>$67,252</td>
<td>$5,605</td>
<td>$28,473</td>
<td>$3,467</td>
<td>$2,008,168</td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for net revenues (REVENUE), net income (INCOME), noninterest income (NONIN), mortgage-banking income (MORT), & total liabilities (LIABILITY) for J.P. Morgan Chase from 2003 to 2008; these values are in millions of dollars. See Appendix VII for trend values & further data.

### TABLE 6.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NONINREV</th>
<th>NONININC</th>
<th>MORTNON</th>
<th>CURRENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>63%</td>
<td>311%</td>
<td>4%</td>
<td>106%</td>
</tr>
<tr>
<td>2004</td>
<td>61%</td>
<td>590%</td>
<td>4%</td>
<td>110%</td>
</tr>
<tr>
<td>2005</td>
<td>64%</td>
<td>409%</td>
<td>3%</td>
<td>110%</td>
</tr>
<tr>
<td>2006</td>
<td>65%</td>
<td>278%</td>
<td>1%</td>
<td>102%</td>
</tr>
<tr>
<td>2007</td>
<td>63%</td>
<td>293%</td>
<td>5%</td>
<td>109%</td>
</tr>
<tr>
<td>2008</td>
<td>42%</td>
<td>508%</td>
<td>12%</td>
<td>108%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC), the proportion of mortgage-banking income to noninterest income (MORTNON), & the proportion of assets to liabilities (CURRENT) for J.P. Morgan Chase from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
TABLE 7.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORTBACK</th>
<th>LOAN</th>
<th>CONLOAN</th>
<th>HOMEQ</th>
<th>CASHFLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$770,912</td>
<td>$60,244</td>
<td>$31,932</td>
<td>$214,995</td>
<td>$136,421</td>
<td>$19,252</td>
<td>($26,251)</td>
</tr>
<tr>
<td>2004</td>
<td>$1,157,248</td>
<td>$94,512</td>
<td>$46,141</td>
<td>$394,794</td>
<td>$267,047</td>
<td>$67,837</td>
<td>$59,596</td>
</tr>
<tr>
<td>2005</td>
<td>$1,198,942</td>
<td>$47,600</td>
<td>$83</td>
<td>$412,058</td>
<td>$269,037</td>
<td>$76,727</td>
<td>$45,069</td>
</tr>
<tr>
<td>2006</td>
<td>$1,351,520</td>
<td>$91,975</td>
<td>$33</td>
<td>$475,848</td>
<td>$299,385</td>
<td>$85,730</td>
<td>$152,749</td>
</tr>
<tr>
<td>2007</td>
<td>$1,562,147</td>
<td>$85,450</td>
<td>$67,050</td>
<td>$510,140</td>
<td>$306,298</td>
<td>$94,832</td>
<td>($73,118)</td>
</tr>
<tr>
<td>2008</td>
<td>$2,175,052</td>
<td>$205,943</td>
<td>$129,930</td>
<td>$721,734</td>
<td>$482,854</td>
<td>$114,335</td>
<td>$250,506</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), total consumer loans/leases (CONLOAN), total outstanding home equity loans (HOMEQ), & net cash used in financial activities (CASHFLO) for J.P. Morgan Chase from 2003 to 2008; these values are in millions of dollars. See Appendix VII for trend values & further data.

TABLE 7.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SECA</th>
<th>MORTSEC</th>
<th>MORTA</th>
<th>LOANA</th>
<th>CONA</th>
<th>HOMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>8%</td>
<td>53%</td>
<td>4%</td>
<td>28%</td>
<td>18%</td>
<td>3%</td>
</tr>
<tr>
<td>2004</td>
<td>8%</td>
<td>48%</td>
<td>4%</td>
<td>34%</td>
<td>23%</td>
<td>6%</td>
</tr>
<tr>
<td>2005</td>
<td>4%</td>
<td>0.2%</td>
<td>0.01%</td>
<td>34%</td>
<td>22%</td>
<td>6%</td>
</tr>
<tr>
<td>2006</td>
<td>7%</td>
<td>0.04%</td>
<td>0.002%</td>
<td>35%</td>
<td>22%</td>
<td>6%</td>
</tr>
<tr>
<td>2007</td>
<td>5%</td>
<td>78%</td>
<td>4%</td>
<td>33%</td>
<td>20%</td>
<td>6%</td>
</tr>
<tr>
<td>2008</td>
<td>9%</td>
<td>63%</td>
<td>6%</td>
<td>33%</td>
<td>22%</td>
<td>5%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding home equity loans to assets (HOMA) for J.P. Morgan Chase from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
### TABLE 8.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REVENUE</th>
<th>INCOME</th>
<th>NONIN</th>
<th>MORT</th>
<th>LIABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$28,389</td>
<td>$6,202</td>
<td>$12,382</td>
<td>$2,512</td>
<td>$353,329</td>
</tr>
<tr>
<td>2004</td>
<td>$30,059</td>
<td>$7,014</td>
<td>$12,909</td>
<td>$1,860</td>
<td>$389,983</td>
</tr>
<tr>
<td>2005</td>
<td>$32,949</td>
<td>$7,671</td>
<td>$14,445</td>
<td>$2,442</td>
<td>$441,081</td>
</tr>
<tr>
<td>2006</td>
<td>$35,691</td>
<td>$8,482</td>
<td>$15,740</td>
<td>$2,311</td>
<td>$436,120</td>
</tr>
<tr>
<td>2007</td>
<td>$39,390</td>
<td>$8,057</td>
<td>$18,416</td>
<td>$3,133</td>
<td>$527,814</td>
</tr>
<tr>
<td>2008</td>
<td>$41,897</td>
<td>$2,655</td>
<td>$16,754</td>
<td>$2,525</td>
<td>$1,210,555</td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for net revenues (REVENUE), net income (INCOME), noninterest income (NONIN), mortgage-banking income (MORT), & total liabilities (LIABILITY) for Wells Fargo from 2003 to 2008; these values are in millions of dollars. See Appendix VII for trend values & further data.

### TABLE 8.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NONINREV</th>
<th>NONININC</th>
<th>MORTNON</th>
<th>CURRENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>44%</td>
<td>200%</td>
<td>20%</td>
<td>110%</td>
</tr>
<tr>
<td>2004</td>
<td>43%</td>
<td>184%</td>
<td>14%</td>
<td>112%</td>
</tr>
<tr>
<td>2005</td>
<td>44%</td>
<td>188%</td>
<td>17%</td>
<td>109%</td>
</tr>
<tr>
<td>2006</td>
<td>44%</td>
<td>186%</td>
<td>15%</td>
<td>111%</td>
</tr>
<tr>
<td>2007</td>
<td>47%</td>
<td>229%</td>
<td>17%</td>
<td>109%</td>
</tr>
<tr>
<td>2008</td>
<td>40%</td>
<td>631%</td>
<td>15%</td>
<td>86%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC), the proportion of mortgage-banking income to noninterest income (MORTNON), & the proportion of assets to liabilities (CURRENT) for Wells Fargo from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
### TABLE 9.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORTBACK</th>
<th>LOAN</th>
<th>CONLOAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$387,798</td>
<td>$32,593</td>
<td>$24,284</td>
<td>$249,182</td>
<td>$78,080</td>
</tr>
<tr>
<td>2004</td>
<td>$437,849</td>
<td>$33,717</td>
<td>$25,143</td>
<td>$283,824</td>
<td>$184,861</td>
</tr>
<tr>
<td>2005</td>
<td>$481,741</td>
<td>$41,834</td>
<td>$32,366</td>
<td>$306,966</td>
<td>$196,382</td>
</tr>
<tr>
<td>2006</td>
<td>$481,996</td>
<td>$42,629</td>
<td>$31,509</td>
<td>$315,352</td>
<td>$190,385</td>
</tr>
<tr>
<td>2007</td>
<td>$575,442</td>
<td>$72,951</td>
<td>$54,969</td>
<td>$376,888</td>
<td>$221,913</td>
</tr>
<tr>
<td>2008</td>
<td>$1,039,639</td>
<td>$151,569</td>
<td>$99,742</td>
<td>$843,817</td>
<td>$40,093</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), & total consumer loans/leases (CONLOAN) for Wells Fargo from 2003 to 2008; these values are in millions of dollars; see Appendix VII for trend values & further data.

### TABLE 9.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REALES</th>
<th>CASHFLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$36,629</td>
<td>$29,511</td>
</tr>
<tr>
<td>2004</td>
<td>$52,190</td>
<td>$30,305</td>
</tr>
<tr>
<td>2005</td>
<td>$59,143</td>
<td>$41,896</td>
</tr>
<tr>
<td>2006</td>
<td>$68,926</td>
<td>($11,763.00)</td>
</tr>
<tr>
<td>2007</td>
<td>$75,565</td>
<td>$67,966</td>
</tr>
<tr>
<td>2008</td>
<td>$728</td>
<td>$32,008</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for outstanding real estate loans (REALES) & net cash used in financial activities (CASHFLO) for Wells Fargo from 2003 to 2008; these values are in millions of dollars. See Appendix VII for trend values & further data.
### TABLE 10.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SECA</th>
<th>MORTSEC</th>
<th>MORTA</th>
<th>LOANA</th>
<th>CONA</th>
<th>REALESA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>8%</td>
<td>75%</td>
<td>6%</td>
<td>64%</td>
<td>20%</td>
<td>9%</td>
</tr>
<tr>
<td>2004</td>
<td>8%</td>
<td>75%</td>
<td>6%</td>
<td>65%</td>
<td>42%</td>
<td>12%</td>
</tr>
<tr>
<td>2005</td>
<td>9%</td>
<td>77%</td>
<td>7%</td>
<td>64%</td>
<td>41%</td>
<td>12%</td>
</tr>
<tr>
<td>2006</td>
<td>9%</td>
<td>74%</td>
<td>7%</td>
<td>65%</td>
<td>40%</td>
<td>14%</td>
</tr>
<tr>
<td>2007</td>
<td>13%</td>
<td>75%</td>
<td>10%</td>
<td>66%</td>
<td>39%</td>
<td>13%</td>
</tr>
<tr>
<td>2008</td>
<td>15%</td>
<td>66%</td>
<td>10%</td>
<td>81%</td>
<td>4%</td>
<td>0.07%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding real estate loans to assets (REALESA) for Wells Fargo from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.

### TABLE 10.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>BNY/BNY MELLON</th>
<th>REVENUE</th>
<th>INCOME</th>
<th>NONIN</th>
<th>LIABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>$6,371</td>
<td>$1,157</td>
<td>$4,006</td>
<td>$83,969</td>
<td></td>
</tr>
<tr>
<td>2004 (a)</td>
<td>$7,174</td>
<td>$1,440</td>
<td>$4,691</td>
<td>$85,239</td>
<td></td>
</tr>
<tr>
<td>2005 (a)</td>
<td>$8,341</td>
<td>$1,571</td>
<td>$4,956</td>
<td>$92,198</td>
<td></td>
</tr>
<tr>
<td>2006 (a)</td>
<td>$6,821</td>
<td>$1,253</td>
<td>$4,377</td>
<td>$91,777</td>
<td></td>
</tr>
<tr>
<td>2007 (b)</td>
<td>$11,331</td>
<td>$2,039</td>
<td>$9,031</td>
<td>$168,253</td>
<td></td>
</tr>
<tr>
<td>2008 (b)</td>
<td>$13,652</td>
<td>$1,419</td>
<td>$10,701</td>
<td>$209,462</td>
<td></td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for net revenues (REVENUE), net income (INCOME), noninterest income (NONIN), & total liabilities (LIABILITY) for the Bank of New York leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data. These values are in millions of dollars.*
### TABLE 11.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NONINREV</th>
<th>NONININC</th>
<th>CURRENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>63%</td>
<td>346%</td>
<td>110%</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>65%</td>
<td>326%</td>
<td>111%</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>59%</td>
<td>315%</td>
<td>111%</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>64%</td>
<td>349%</td>
<td>113%</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>80%</td>
<td>443%</td>
<td>117%</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>78%</td>
<td>754%</td>
<td>113%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC) & the proportion of assets to liabilities (CURRENT) for the Bank of New York leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. The values here have been rounded to whole numbers, see Appendix VII for trend values & further data.

### TABLE 11.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORTBACK</th>
<th>LOAN</th>
<th>CONLOAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>$92,397</td>
<td>$22,903</td>
<td>$18,665</td>
<td>$34,615</td>
<td>$1,429</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>$94,529</td>
<td>$23,802</td>
<td>$19,393</td>
<td>$35,190</td>
<td>$1,293</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>$102,074</td>
<td>$27,326</td>
<td>$22,483</td>
<td>$40,315</td>
<td>$1,372</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>$103,370</td>
<td>$21,106</td>
<td>$17,760</td>
<td>$37,506</td>
<td>$266</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>$197,656</td>
<td>$48,698</td>
<td>$42,712</td>
<td>$50,604</td>
<td>MISSING</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>$237,512</td>
<td>$39,435</td>
<td>$30,508</td>
<td>$42,979</td>
<td>MISSING</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), & total consumer loans/leases (CONLOAN) for the Bank of New York leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data. These values are in millions of dollars.*
**TABLE 12.1**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REALESTATE</th>
<th>CASHFLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>$6,378</td>
<td>$1,849</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>$6,917</td>
<td>($505)</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>$7,908</td>
<td>$8,054</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>$4,521</td>
<td>$2,479</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>$6,220</td>
<td>$21,468</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>$7,489</td>
<td>$51,753</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for outstanding real estate loans (REALESTATE) & net cash used in financial activities (CASHFLO) for the Bank of New York leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data. These values are in millions of dollars.*

**TABLE 12.2**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SECA</th>
<th>MORTSEC</th>
<th>MORTA</th>
<th>LOANA</th>
<th>CONA</th>
<th>REALESTATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>25%</td>
<td>82%</td>
<td>20%</td>
<td>37%</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>25%</td>
<td>81%</td>
<td>21%</td>
<td>37%</td>
<td>1%</td>
<td>7%</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>27%</td>
<td>82%</td>
<td>22%</td>
<td>40%</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>20%</td>
<td>84%</td>
<td>17%</td>
<td>36%</td>
<td>0.3%</td>
<td>4%</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>25%</td>
<td>88%</td>
<td>22%</td>
<td>26%</td>
<td>MISSING</td>
<td>3%</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>17%</td>
<td>77%</td>
<td>13%</td>
<td>18%</td>
<td>MISSING</td>
<td>3%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding real estate loans to assets (REALESTATA) for the Bank of New York leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data.*
TABLE 13.1

<table>
<thead>
<tr>
<th>MELLON/BNY MELLON</th>
<th>DATA &amp; CODES FOR STRUCTURATION (1)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR</strong></td>
<td><strong>REVENUE</strong></td>
<td><strong>INCOME</strong></td>
</tr>
<tr>
<td>2003 (a)</td>
<td>$4,195</td>
<td>$701</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>$4,533</td>
<td>$796</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>$4,762</td>
<td>$782</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>$5,313</td>
<td>$898</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>$11,331</td>
<td>$2,039</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>$13,651</td>
<td>$1,419</td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for revenues (REVENUE), net income (INCOME), noninterest income (NONIN), & total liabilities (LIABILITY) for Mellon Financial leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data. These values are in millions of dollars.

TABLE 13.2

<table>
<thead>
<tr>
<th>MELLON/BNY MELLON</th>
<th>DATA &amp; CODES FOR STRUCTURATION (2)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR</strong></td>
<td><strong>NONINREV</strong></td>
<td><strong>NONININC</strong></td>
</tr>
<tr>
<td>2003 (a)</td>
<td>87%</td>
<td>518%</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>90%</td>
<td>511%</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>90%</td>
<td>549%</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>91%</td>
<td>540%</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>80%</td>
<td>443%</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>78%</td>
<td>754%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC) & the proportion of assets to liabilities (CURRENT) for Mellon Financial leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. The values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
**TABLE 14.1**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORTBACK</th>
<th>LOAN</th>
<th>CONLOAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>$33,983</td>
<td>$10,987</td>
<td>$9,768</td>
<td>$7,364</td>
<td>$1,714</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>$37,115</td>
<td>$13,587</td>
<td>$11,059</td>
<td>$6,656</td>
<td>$1,993</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>$38,678</td>
<td>$17,412</td>
<td>$12,939</td>
<td>$6,510</td>
<td>$2,222</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>$41,478</td>
<td>$18,717</td>
<td>$14,768</td>
<td>$5,933</td>
<td>$2,222</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>$197,656</td>
<td>$48,698</td>
<td>$42,712</td>
<td>$50,604</td>
<td>MISSING</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>$237,512</td>
<td>$39,435</td>
<td>$30,508</td>
<td>$42,979</td>
<td>MISSING</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), & total consumer loans/leases (CONLOAN) for Mellon Financial leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data. These values are in millions of dollars.

**TABLE 14.2**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>COMREAL</th>
<th>CASHFLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 (a)</td>
<td>$2,131</td>
<td>($2,514)</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>$1,916</td>
<td>$2,449</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>$1,360</td>
<td>$1,020</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>$1,637</td>
<td>$1,399</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>$6,220</td>
<td>$21,468</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>$7,489</td>
<td>$51,753</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for outstanding commercial real estate/real estate loans (COMREAL) & net cash used in financial activities (CASHFLO) for Mellon Financial leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data. These values are in millions of dollars.
TABLE 15.1

<table>
<thead>
<tr>
<th>MELLON/BNY</th>
<th>DATA &amp; CODES FOR SPECULATION (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YEAR</td>
<td>SECA</td>
</tr>
<tr>
<td>2003 (a)</td>
<td>32%</td>
</tr>
<tr>
<td>2004 (a)</td>
<td>37%</td>
</tr>
<tr>
<td>2005 (a)</td>
<td>45%</td>
</tr>
<tr>
<td>2006 (a)</td>
<td>45%</td>
</tr>
<tr>
<td>2007 (b)</td>
<td>25%</td>
</tr>
<tr>
<td>2008 (b)</td>
<td>17%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding real estate loans to assets (COMREALA) for Mellon Financial leading into the Bank of New York Mellon from 2003 to 2008; (a) represents values pre-merger while (b) represents values post-merger. See Appendix VII for trend values & further data.

TABLE 15.2

<table>
<thead>
<tr>
<th>PNC FINANCIAL</th>
<th>DATA &amp; CODES FOR STRUCTURATION (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YEAR</td>
<td>REVENUE</td>
</tr>
<tr>
<td>2003</td>
<td>$5,253</td>
</tr>
<tr>
<td>2004</td>
<td>$5,532</td>
</tr>
<tr>
<td>2005</td>
<td>$6,316</td>
</tr>
<tr>
<td>2006</td>
<td>$8,572</td>
</tr>
<tr>
<td>2007</td>
<td>$6,705</td>
</tr>
<tr>
<td>2008</td>
<td>$7,910</td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for revenues (REVENUE), net income (INCOME), noninterest income (NONIN) & total liabilities (LIABILITY) for PNC Financial from 2003 to 2008; see Appendix VII for trend values & further data. These values are in millions of dollars.
**TABLE 16.1**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NONINREV</th>
<th>NONININC</th>
<th>CURRENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>62%</td>
<td>325%</td>
<td>112%</td>
</tr>
<tr>
<td>2004</td>
<td>64%</td>
<td>298%</td>
<td>111%</td>
</tr>
<tr>
<td>2005</td>
<td>66%</td>
<td>314%</td>
<td>111%</td>
</tr>
<tr>
<td>2006</td>
<td>74%</td>
<td>244%</td>
<td>113%</td>
</tr>
<tr>
<td>2007</td>
<td>57%</td>
<td>258%</td>
<td>113%</td>
</tr>
<tr>
<td>2008</td>
<td>43%</td>
<td>382%</td>
<td>110%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC) & the proportion of assets to liabilities (CURRENT) for PNC Financial from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.*

**TABLE 16.2**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORTBACK</th>
<th>LOAN</th>
<th>CONLOAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$68,168</td>
<td>$15,690</td>
<td>$9,124</td>
<td>$33,448</td>
<td>$11,432</td>
</tr>
<tr>
<td>2004</td>
<td>$79,723</td>
<td>$16,761</td>
<td>$9,803</td>
<td>$42,888</td>
<td>$15,606</td>
</tr>
<tr>
<td>2005</td>
<td>$91,954</td>
<td>$20,710</td>
<td>$15,463</td>
<td>$48,505</td>
<td>$16,173</td>
</tr>
<tr>
<td>2006</td>
<td>$101,820</td>
<td>$23,191</td>
<td>$20,427</td>
<td>$49,545</td>
<td>$16,515</td>
</tr>
<tr>
<td>2007</td>
<td>$138,920</td>
<td>$30,225</td>
<td>$26,216</td>
<td>$67,489</td>
<td>$18,326</td>
</tr>
<tr>
<td>2008</td>
<td>$291,081</td>
<td>$43,473</td>
<td>$37,279</td>
<td>$171,572</td>
<td>$54,489</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), & total consumer loans/leases (CONLOAN) for PNC Financial from 2003 to 2008; figures are in millions of dollars. See Appendix VII for trend values & further data.*
### TABLE 17.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>RESIDENTIAL</th>
<th>CASHFLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$2,886</td>
<td>$759</td>
</tr>
<tr>
<td>2004</td>
<td>$4,772</td>
<td>$5,018</td>
</tr>
<tr>
<td>2005</td>
<td>$7,307</td>
<td>$6,760</td>
</tr>
<tr>
<td>2006</td>
<td>$6,337</td>
<td>$3,208</td>
</tr>
<tr>
<td>2007</td>
<td>$9,557</td>
<td>$15,099</td>
</tr>
<tr>
<td>2008</td>
<td>$21,583</td>
<td>$6,476</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for outstanding residential mortgages (RESIDENTIAL) & net cash used in financial activities (CASHFLO) for PNC Financial from 2003 to 2008; see Appendix VII for trend values & further data. These values are in millions of dollars.

### TABLE 17.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SECA</th>
<th>MORTSEC</th>
<th>MORTA</th>
<th>LOANA</th>
<th>CONA</th>
<th>RESIDENTIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>23%</td>
<td>58%</td>
<td>13%</td>
<td>49%</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>2004</td>
<td>21%</td>
<td>58%</td>
<td>12%</td>
<td>54%</td>
<td>20%</td>
<td>6%</td>
</tr>
<tr>
<td>2005</td>
<td>23%</td>
<td>75%</td>
<td>17%</td>
<td>53%</td>
<td>18%</td>
<td>8%</td>
</tr>
<tr>
<td>2006</td>
<td>23%</td>
<td>88%</td>
<td>20%</td>
<td>49%</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>2007</td>
<td>22%</td>
<td>87%</td>
<td>19%</td>
<td>49%</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>2008</td>
<td>15%</td>
<td>86%</td>
<td>13%</td>
<td>59%</td>
<td>19%</td>
<td>7%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding residential mortgages to assets (RESIDENTIA) for PNC Financial from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
**TABLE 18.1**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>REVENUE</th>
<th>INCOME</th>
<th>NONIN</th>
<th>MORT</th>
<th>LIABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$12,530.50</td>
<td>$3,732.60</td>
<td>$5,313.00</td>
<td>$367.10</td>
<td>$170,044.00</td>
</tr>
<tr>
<td>2004</td>
<td>$12,659.10</td>
<td>$4,166.80</td>
<td>$5,519.20</td>
<td>$397.30</td>
<td>$175,656.00</td>
</tr>
<tr>
<td>2005</td>
<td>$13,133.00</td>
<td>$4,489.00</td>
<td>$6,045.00</td>
<td>$432.00</td>
<td>$189,379.00</td>
</tr>
<tr>
<td>2006</td>
<td>$13,636.00</td>
<td>$4,751.00</td>
<td>$6,846.00</td>
<td>$192.00</td>
<td>$198,035.00</td>
</tr>
<tr>
<td>2007</td>
<td>$13,936.00</td>
<td>$4,324.00</td>
<td>$7,172.00</td>
<td>$259.00</td>
<td>$216,569.00</td>
</tr>
<tr>
<td>2008</td>
<td>$14,677.00</td>
<td>$2,946.00</td>
<td>$6,811.00</td>
<td>$270.00</td>
<td>$239,612.00</td>
</tr>
</tbody>
</table>

*This table presents structuration accounting data for net revenues (REVENUE), net income (INCOME), noninterest income (NONIN), mortgage-banking income (MORT), & total liabilities (LIABILITY) for U.S. Bancorp from 2003 to 2008; these figures are in millions of dollars. See Appendix VII for trend values & further data.

**TABLE 18.2**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NONINREV</th>
<th>NONININC</th>
<th>MORTNON</th>
<th>CURRENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>42%</td>
<td>142%</td>
<td>7%</td>
<td>111%</td>
</tr>
<tr>
<td>2004</td>
<td>44%</td>
<td>132%</td>
<td>7%</td>
<td>111%</td>
</tr>
<tr>
<td>2005</td>
<td>46%</td>
<td>135%</td>
<td>7%</td>
<td>111%</td>
</tr>
<tr>
<td>2006</td>
<td>50%</td>
<td>144%</td>
<td>3%</td>
<td>111%</td>
</tr>
<tr>
<td>2007</td>
<td>51%</td>
<td>166%</td>
<td>4%</td>
<td>110%</td>
</tr>
<tr>
<td>2008</td>
<td>46%</td>
<td>231%</td>
<td>4%</td>
<td>111%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data structuration indicators including the proportion of noninterest income to revenues (NONINREV), the proportion of noninterest income to net income (NONININC), the proportion of mortgage-banking income to noninterest income (MORTNON), & the proportion of assets to liabilities (CURRENT) for U.S. Bancorp from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.*
### TABLE 19.1

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ASSET</th>
<th>SEC</th>
<th>MORT BACK</th>
<th>LOAN</th>
<th>CON LOAN</th>
<th>HOMEQ</th>
<th>CASH FLO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$189,286.00</td>
<td>$43,334</td>
<td>$40,039</td>
<td>$115,866</td>
<td>$39,010</td>
<td>$13,210</td>
<td>$8,333</td>
</tr>
<tr>
<td>2004</td>
<td>$195,104.00</td>
<td>$41,481</td>
<td>$39,548</td>
<td>$124,235</td>
<td>$43,190</td>
<td>$14,851</td>
<td>$1,045</td>
</tr>
<tr>
<td>2005</td>
<td>$209,465.00</td>
<td>$39,768</td>
<td>$37,522</td>
<td>$135,765</td>
<td>$45,671</td>
<td>$14,979</td>
<td>$10,026</td>
</tr>
<tr>
<td>2006</td>
<td>$219,232.00</td>
<td>$40,117</td>
<td>$33,794</td>
<td>$141,575</td>
<td>$47,477</td>
<td>$15,523</td>
<td>$4,023</td>
</tr>
<tr>
<td>2007</td>
<td>$237,615.00</td>
<td>$43,116</td>
<td>$30,609</td>
<td>$151,769</td>
<td>$50,764</td>
<td>$16,441</td>
<td>$12,784</td>
</tr>
<tr>
<td>2008</td>
<td>$265,912.00</td>
<td>$39,521</td>
<td>$30,138</td>
<td>$181,715</td>
<td>$60,368</td>
<td>$19,177</td>
<td>$8,987</td>
</tr>
</tbody>
</table>

*This table presents speculation accounting data for total assets (ASSET), total securities (SEC), total mortgage-backed securities (MORTBACK), total loans/leases (LOAN), total consumer loans/leases (CONLOAN), total outstanding home equity loans (HOMEQ), & net cash used in financial activities (CASHFLO) for Bank of America from 2003 to 2008; see Appendix VII for trend values & further data. These values are in millions of dollars.

### TABLE 19.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SECA</th>
<th>MORTSEC</th>
<th>MORTA</th>
<th>LOANA</th>
<th>CONA</th>
<th>HOMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>23%</td>
<td>92%</td>
<td>21%</td>
<td>61%</td>
<td>21%</td>
<td>7%</td>
</tr>
<tr>
<td>2004</td>
<td>21%</td>
<td>95%</td>
<td>20%</td>
<td>64%</td>
<td>22%</td>
<td>8%</td>
</tr>
<tr>
<td>2005</td>
<td>19%</td>
<td>94%</td>
<td>18%</td>
<td>65%</td>
<td>22%</td>
<td>7%</td>
</tr>
<tr>
<td>2006</td>
<td>18%</td>
<td>84%</td>
<td>15%</td>
<td>65%</td>
<td>22%</td>
<td>7%</td>
</tr>
<tr>
<td>2007</td>
<td>18%</td>
<td>71%</td>
<td>13%</td>
<td>64%</td>
<td>21%</td>
<td>7%</td>
</tr>
<tr>
<td>2008</td>
<td>15%</td>
<td>76%</td>
<td>11%</td>
<td>68%</td>
<td>23%</td>
<td>7%</td>
</tr>
</tbody>
</table>

*This table presents the vertical analyses for accounting data speculation indicators including the proportion of securities to assets (SECA), the proportion of mortgage-backed securities to securities (MORTSEC), the proportion of mortgage-backed securities to assets (MORTA), the proportion of total loans/leases to assets (LOANA), the proportion of consumer loans/leases to assets (CONA), & the proportion of outstanding home equity loans to assets (HOMA) for U.S. Bancorp from 2003 to 2008; the values here have been rounded to whole numbers, see Appendix VII for trend values & further data.
## Table 20.1

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY-BNYM</th>
<th>MF-BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$37,886</td>
<td>$33,256</td>
<td>$28,389</td>
<td>$6,371</td>
<td>$4,195</td>
<td>$5,253</td>
<td>$12,531</td>
</tr>
<tr>
<td>2004</td>
<td>$48,894</td>
<td>$43,097</td>
<td>$30,059</td>
<td>$7,174</td>
<td>$4,533</td>
<td>$5,532</td>
<td>$12,659</td>
</tr>
<tr>
<td>2005</td>
<td>$56,091</td>
<td>$54,533</td>
<td>$32,949</td>
<td>$8,341</td>
<td>$4,762</td>
<td>$6,316</td>
<td>$13,133</td>
</tr>
<tr>
<td>2006</td>
<td>$73,023</td>
<td>$61,437</td>
<td>$35,691</td>
<td>$6,821</td>
<td>$5,313</td>
<td>$8,572</td>
<td>$13,636</td>
</tr>
<tr>
<td>2007*</td>
<td>$66,319</td>
<td>$71,372</td>
<td>$39,390</td>
<td>$11,331</td>
<td>$11,331</td>
<td>$6,705</td>
<td>$13,936</td>
</tr>
<tr>
<td>2008*</td>
<td>$72,782</td>
<td>$67,252</td>
<td>$41,897</td>
<td>$13,652</td>
<td>$13,652</td>
<td>$7,910</td>
<td>$14,677</td>
</tr>
</tbody>
</table>

*This table presents revenue data (REVENUE) for all of the selected banks in this study from 2003 to 2008; figures are in millions of dollars; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger.

## Table 20.2

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY-BNYM</th>
<th>MF-BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$10,810</td>
<td>$6,719</td>
<td>$6,202</td>
<td>$1,157</td>
<td>$701</td>
<td>$1,001</td>
<td>$3,733</td>
</tr>
<tr>
<td>2004</td>
<td>$14,143</td>
<td>$4,466</td>
<td>$7,014</td>
<td>$1,440</td>
<td>$796</td>
<td>$1,197</td>
<td>$4,167</td>
</tr>
<tr>
<td>2005</td>
<td>$16,465</td>
<td>$8,483</td>
<td>$7,671</td>
<td>$1,571</td>
<td>$782</td>
<td>$1,325</td>
<td>$4,489</td>
</tr>
<tr>
<td>2006</td>
<td>$21,133</td>
<td>$14,444</td>
<td>$8,482</td>
<td>$1,253</td>
<td>$898</td>
<td>$2,595</td>
<td>$4,751</td>
</tr>
<tr>
<td>2007*</td>
<td>$14,982</td>
<td>$15,365</td>
<td>$8,057</td>
<td>$2,039</td>
<td>$2,039</td>
<td>$1,467</td>
<td>$4,324</td>
</tr>
<tr>
<td>2008*</td>
<td>$4,008</td>
<td>$5,605</td>
<td>$2,655</td>
<td>$1,419</td>
<td>$1,419</td>
<td>$882</td>
<td>$2,946</td>
</tr>
</tbody>
</table>

*This table presents net income data (INCOME) for all of the selected banks in this study from 2003 to 2008; figures are in millions of dollars; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger.
TABLE 21.1

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY-BNYM</th>
<th>MF-BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>43%</td>
<td>63%</td>
<td>44%</td>
<td>63%</td>
<td>87%</td>
<td>62%</td>
<td>42%</td>
</tr>
<tr>
<td>2004</td>
<td>41%</td>
<td>61%</td>
<td>43%</td>
<td>65%</td>
<td>90%</td>
<td>64%</td>
<td>44%</td>
</tr>
<tr>
<td>2005</td>
<td>45%</td>
<td>64%</td>
<td>44%</td>
<td>59%</td>
<td>90%</td>
<td>66%</td>
<td>46%</td>
</tr>
<tr>
<td>2006</td>
<td>53%</td>
<td>65%</td>
<td>44%</td>
<td>64%</td>
<td>91%</td>
<td>74%</td>
<td>50%</td>
</tr>
<tr>
<td>2007*</td>
<td>48%</td>
<td>63%</td>
<td>47%</td>
<td>80%</td>
<td>80%</td>
<td>57%</td>
<td>51%</td>
</tr>
<tr>
<td>2008*</td>
<td>38%</td>
<td>42%</td>
<td>40%</td>
<td>78%</td>
<td>78%</td>
<td>43%</td>
<td>46%</td>
</tr>
</tbody>
</table>

*This table presents results for the proportion of noninterest income to revenues (NONINREV) for all selected banks in this study from 2003 to 2008; figures are rounded to whole numbers; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger.

TABLE 21.2

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY-BNYM</th>
<th>MF-BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>106.97%</td>
<td>106.37%</td>
<td>109.76%</td>
<td>110.04%</td>
<td>112.23%</td>
<td>111.64%</td>
<td>111.32%</td>
</tr>
<tr>
<td>2004</td>
<td>109.86%</td>
<td>110.05%</td>
<td>112.27%</td>
<td>110.90%</td>
<td>112.43%</td>
<td>111.12%</td>
<td>111.07%</td>
</tr>
<tr>
<td>2005</td>
<td>108.53%</td>
<td>109.82%</td>
<td>109.22%</td>
<td>110.71%</td>
<td>112.19%</td>
<td>111.05%</td>
<td>110.61%</td>
</tr>
<tr>
<td>2006</td>
<td>110.21%</td>
<td>101.95%</td>
<td>110.52%</td>
<td>112.63%</td>
<td>112.71%</td>
<td>112.95%</td>
<td>110.70%</td>
</tr>
<tr>
<td>2007*</td>
<td>109.36%</td>
<td>108.56%</td>
<td>109.02%</td>
<td>117.48%</td>
<td>117.48%</td>
<td>113.49%</td>
<td>109.72%</td>
</tr>
<tr>
<td>2008*</td>
<td>110.79%</td>
<td>108.31%</td>
<td>85.88%</td>
<td>113.39%</td>
<td>113.39%</td>
<td>110.49%</td>
<td>110.98%</td>
</tr>
</tbody>
</table>

*This table presents results for the proportion of assets to liabilities (CURRENT) for all selected banks in this study from 2003 to 2008; figures are rounded to whole numbers; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger.
**TABLE 22.1**

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY- BNYM</th>
<th>MF- BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>83%</td>
<td>53%</td>
<td>75%</td>
<td>81%</td>
<td>89%</td>
<td>58%</td>
<td>92%</td>
</tr>
<tr>
<td>2004</td>
<td>89%</td>
<td>49%</td>
<td>75%</td>
<td>81%</td>
<td>81%</td>
<td>58%</td>
<td>95%</td>
</tr>
<tr>
<td>2005</td>
<td>87%</td>
<td>0%</td>
<td>77%</td>
<td>82%</td>
<td>74%</td>
<td>75%</td>
<td>94%</td>
</tr>
<tr>
<td>2006</td>
<td>81%</td>
<td>0%</td>
<td>74%</td>
<td>84%</td>
<td>79%</td>
<td>88%</td>
<td>84%</td>
</tr>
<tr>
<td>2007*</td>
<td>76%</td>
<td>78%</td>
<td>75%</td>
<td>88%</td>
<td>88%</td>
<td>87%</td>
<td>71%</td>
</tr>
<tr>
<td>2008*</td>
<td>83%</td>
<td>63%</td>
<td>66%</td>
<td>77%</td>
<td>77%</td>
<td>86%</td>
<td>76%</td>
</tr>
</tbody>
</table>

*This table presents results for the proportion of mortgage-backed securities to securities (MORTSEC) for all selected banks in this study from 2003 to 2008; figures are rounded to whole numbers; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger.

**TABLE 22.2**

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY- BNYM</th>
<th>MF- BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$51,048.00</td>
<td>($26,251.00)</td>
<td>$29,511.00</td>
<td>$1,849.00</td>
<td>($2,514.00)</td>
<td>$759.00</td>
<td>$8,333.40</td>
</tr>
<tr>
<td>2004</td>
<td>$132,875.00</td>
<td>$59,596.00</td>
<td>$30,305.00</td>
<td>($505.00)</td>
<td>$2,449.00</td>
<td>$5,018.00</td>
<td>$1,045.10</td>
</tr>
<tr>
<td>2005</td>
<td>$170,817.00</td>
<td>$45,069.00</td>
<td>$41,896.00</td>
<td>$8,054.00</td>
<td>$1,020.00</td>
<td>$6,760.00</td>
<td>$10,026.00</td>
</tr>
<tr>
<td>2006</td>
<td>$53,133.00</td>
<td>$152,749.00</td>
<td>($11,763.00)</td>
<td>$2,479.00</td>
<td>$1,399.00</td>
<td>$3,208.00</td>
<td>$4,023.00</td>
</tr>
<tr>
<td>2007*</td>
<td>$103,412.00</td>
<td>($73,118.00)</td>
<td>$67,966.00</td>
<td>$21,468.00</td>
<td>$21,468.00</td>
<td>$15,099.00</td>
<td>$12,784.00</td>
</tr>
<tr>
<td>2008*</td>
<td>($10,695.00)</td>
<td>$250,506.00</td>
<td>$32,008.00</td>
<td>$51,753.00</td>
<td>$51,753.00</td>
<td>$6,476.00</td>
<td>$8,987.00</td>
</tr>
</tbody>
</table>

*This table presents net cash used in financial activities (CASHFLO) for all of the selected banks in this study from 2003 to 2008; figures are in millions of dollars; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger. Values in red with (parentheses) indicate negative finance cash flow values.
### TABLE 23.1

**COMPARATIVE LOAN FIGURES PER YEAR**

<table>
<thead>
<tr>
<th>FIGURES PER YEAR</th>
<th>BOA</th>
<th>JPC</th>
<th>WF</th>
<th>BNY- BNYM</th>
<th>MF- BNYM</th>
<th>PNC</th>
<th>USB</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$365,300.00</td>
<td>$214,995.00</td>
<td>$249,182.00</td>
<td>$34,615.00</td>
<td>$7,364.00</td>
<td>$33,448.00</td>
<td>$115,866.00</td>
</tr>
<tr>
<td>2004</td>
<td>$513,211.00</td>
<td>$394,794.00</td>
<td>$283,824.00</td>
<td>$35,190.00</td>
<td>$6,656.00</td>
<td>$42,888.00</td>
<td>$124,235.00</td>
</tr>
<tr>
<td>2005</td>
<td>$565,746.00</td>
<td>$412,058.00</td>
<td>$306,966.00</td>
<td>$40,315.00</td>
<td>$6,510.00</td>
<td>$48,505.00</td>
<td>$135,765.00</td>
</tr>
<tr>
<td>2006</td>
<td>$697,474.00</td>
<td>$475,848.00</td>
<td>$315,352.00</td>
<td>$37,506.00</td>
<td>$5,933.00</td>
<td>$49,545.00</td>
<td>$141,575.00</td>
</tr>
<tr>
<td>2007*</td>
<td>$864,756.00</td>
<td>$510,140.00</td>
<td>$376,888.00</td>
<td>$50,604.00</td>
<td>$50,604.00</td>
<td>$67,489.00</td>
<td>$151,769.00</td>
</tr>
<tr>
<td>2008*</td>
<td>$908,375.00</td>
<td>$721,734.00</td>
<td>$843,817.00</td>
<td>$42,979.00</td>
<td>$42,979.00</td>
<td>$171,572.00</td>
<td>$181,715.00</td>
</tr>
</tbody>
</table>

*This table presents the valuations of outstanding loans &/or leases (LOAN) for all selected banks in this study from 2003 to 2008; figures are in millions of dollars; see Appendix VII for further data & trend values. Stars (*) indicate the years for which data was collected on the Bank of New York Mellon post-merger.*
Appendix VI: Selected Case-by-Case Graphs

Figure 1.1: Revenues for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 1.2: Net Income for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 2.1: Noninterest Income for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 2.2: Mortgage Banking Income for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 3.1: Total Liabilities for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 3.2: Total Assets for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 4.1: Total Securities for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 4.2: Total Mortgage-Backed Securities for Bank of America 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Bank of America Annual Reports 2003-2008 (Securities).
Figure 5.1: Total Loans & Leases (Net of Allowance) for Bank of America 2003-2008.

*Figures are in millions of dollars.

Figure 5.2: Total Consumer Loans & Leases for Bank of America 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Bank of America Annual Reports 2003-2008 (Outstanding Loans & Leases).
Figure 6.1: Total Home Equity Loans (Lines) for Bank of America 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Bank of America Annual Reports 2003-2008 (Outstanding Loans & Leases).

Figure 6.2: Financial Cash Flows for Bank of America during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 7.1: Revenues for J.P. Morgan Chase during the period of 2003-2008.
*Figures are in millions of dollars.
*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Income Statements).

Figure 7.2: Net Income for J.P. Morgan Chase during the period of 2003-2008.
*Figures are in millions of dollars.
*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Income Statements).
Figure 8.1: Noninterest Income for J.P. Morgan Chase during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Income Statements).

Figure 8.2: Mortgage Banking Income for J.P. Morgan Chase 2003-2008.

*Figures are in millions of dollars.

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Income Statements).
Figure 9.1: Total Liabilities for J.P. Morgan Chase during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Balance Sheets).

Figure 9.2: Total Assets for J.P. Morgan Chase during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Balance Sheets).
Figure 10.1: Total Securities for J.P. Morgan Chase during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Balance Sheets).

Figure 10.2: Total Mortgage-Backed Securities for J.P. Morgan Chase 2003-2008.

*Figures are in millions of dollars.
*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Securities).
Figure 11.1: Total Loans (Net of Allowance) for J.P. Morgan Chase 2003-2008.

*Figures are in millions of dollars.

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Balance Sheets).

Figure 11.2: Total Consumer Loans for J.P. Morgan Chase 2003-2008.

*Figures are in millions of dollars.

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Loan Portfolios).
**Figure 12.1: Total Home Equity Loans for J.P. Morgan Chase 2003-2008.**

*Figures are in millions of dollars.*

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Loan Portfolios).*

**Figure 12.2: Financial Cash Flows for J.P. Morgan Chase during the period of 2003-2008.**

*Figures are in millions of dollars.*

*Figures derived from J.P. Morgan Chase Annual Reports 2003-2008 (Consolidated Statements of Cash Flows).*
Figure 13.1: Revenues for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Statements of Income).

Figure 13.2: Net Income for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Statements of Income).
Figure 14.1: Noninterest Income for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Statements of Income).

Figure 14.2: Mortgage Banking Income for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Statements of Income).

Figure 15.1: Total Liabilities for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Balance Sheets).

Figure 15.2: Total Assets for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Balance Sheets).
Figure 16.1: Total Securities for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Balance Sheets).

Figure 16.2: Total Mortgage-Backed Securities for Wells Fargo 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Securities Available for Sale).
Figure 17.1: Total Loans (Net of Allowance) for Wells Fargo 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Consolidated Balance Sheets).

Figure 17.2: Total Consumer Loans for Wells Fargo during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Loan Portfolios).
Figure 18.1: Total Real Estate Junior 1-4 Family Lien Mortgages for Wells Fargo 2003-2008.

*Figures are in millions of dollars.

*Figures derived from Wells Fargo & Company Annual Reports 2003-2008 (Loan Portfolios).

Figure 18.2: Financial Cash Flows for Wells Fargo 2003-2008.

*Figures are in millions of dollars.

Figure 19.1: Revenues for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 19.2: Net Income for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 20.1: Noninterest Income for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 20.2: Total Liabilities for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 21.1: Total Assets for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 21.2: Total Securities for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 22.1: Total Mortgage-Backed Securities for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 22.2: Total Loans (Net of Allowance) for BNY/BNY Mellon 2003-2008.

*Figures are in millions of dollars.

Figure 23.1: Total Consumer Loans for Bank of New York 2003-2006.

*Figures are in millions of dollars.


Figure 23.2: Total Real Estate Loans for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 24.1: Financial Cash Flows for BNY/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 24.2: Revenues for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 25.1: Net Income for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 25.2: Noninterest Income for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 26.1: Total Liabilities for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 26.2: Total Assets for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 27.1: Total Securities for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 27.2: Total Mortgage-Backed Securities for MF/BNY Mellon 2003-2008.

*Figures are in millions of dollars.

Figure 28.1: Total Loans (Net of Allowance) for MF/BNY Mellon 2003-2008.

*Figures are in millions of dollars.


Figure 28.2: Total Consumer Loans for Mellon Financial during the period of 2003-2006.

*Figures are in millions of dollars.

*Figures derived from Mellon Financial Corporation Annual Reports 2003-2006 (Composition of Loan Portfolios).
Figure 29.1: Total Commercial Real Estate & General Real Estate Loans for MF/BNY Mellon respectively during the period of 2003-2008.

*Figures are in millions of dollars.


Figure 29.2: Financial Cash Flows for MF/BNY Mellon during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 30.1: Revenues for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 30.2: Net Income for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 31.1: Noninterest Income for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 31.2: Total Liabilities for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 32.1: Total Assets for PNC Financial during the period of 2003-2008.

![Graph showing Total Assets for PNC Financial from 2003 to 2008](image)

*Figures are in millions of dollars.

Figure 32.2: Total Securities for PNC Financial during the period of 2003-2008.

![Graph showing Total Securities for PNC Financial from 2003 to 2008](image)

*Figures are in millions of dollars.
Figure 33.1: Total Mortgage-Backed Securities for PNC Financial 2003-2008.

*Figures are in millions of dollars.


Figure 33.2: Total Loans (Net of Allowance) for PNC Financial 2003-2008.

*Figures are in millions of dollars.

Figure 34.1: Total Consumer Loans for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 34.2: Total Residential Mortgages for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 35.1: Financial Cash Flows for PNC Financial during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 35.2: Revenues for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from U.S. Bancorp Annual Reports & Form-10K 2003-2008 (Consolidated Statements of Income).
Figure 36.1: Net Income for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from U.S. Bancorp Annual Reports & Form-10K 2003-2008 (Consolidated Statements of Income).

Figure 36.2: Noninterest Income for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from U.S. Bancorp Annual Reports & Form-10K 2003-2008 (Consolidated Statements of Income).
Figure 37.1: Mortgage Banking Income for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

*Figures derived from U.S. Bancorp Annual Reports & Form-10K 2003-2008 (Consolidated Statements of Income).

Figure 37.2: Total Liabilities for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 38.1: Total Assets for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 38.2: Total Securities for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.
Figure 39.1: Total Mortgage-Backed Securities for US Bancorp 2003-2008.

*Figures are in millions of dollars.


Figure 39.2: Total Loans (Net of Allowance) for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

Figure 40.1: Total Consumer Loans for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from U.S. Bancorp Annual Reports & Form-10K 2003-2008 (Loan Portfolios).

Figure 40.2: Total Home Equity Loans for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.
*Figures derived from U.S. Bancorp Annual Reports & Form-10K 2003-2008 (Loan Portfolios).
Figure 41.1: Financial Cash Flows for US Bancorp during the period of 2003-2008.

*Figures are in millions of dollars.

Appendix VII: Selected Comparative Graphs

Figure 41.2: Trends in Revenues from 2003 to 2008 for all Banks Excluding PNC & U.S.B.

![Comparative Revenue Graph]

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM).

Figure 42.1: Trends in Net Income from 2003 to 2008 for all Banks Excluding PNC & U.S.B.

![Comparative Income Graph]

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM).
Figure 42.2: Trends in Revenues from 2003 to 2008 for all Banks Excluding the BNY Mellon companies.

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).

Figure 43.1: Trends in Net Income from 2003 to 2008 for all Banks Excluding BNY Mellon.

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).
Figure 43.2: Trends in the Proportion of Noninterest Income to Revenues from 2003 to 2008 for all Banks Excluding PNC Financial & U.S. Bancorp.  

![Comparative NONINREV (Including BNYM Companies)](image)

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM).

Figure 44.1: Trends in the Proportion of Noninterest Income to Revenues from 2003 to 2008 for all Banks Excluding the BNY Mellon companies.  

![Comparative NONINREV (Including PNC & USB)](image)

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).
Figure 44.2: Trends in the Proportion of Assets to Liabilities from 2003 to 2008 for all Banks Excluding PNC Financial & U.S. Bancorp.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM).

Figure 45.1: Trends in the Proportion of Assets to Liabilities from 2003 to 2008 for all Banks Excluding the BNY Mellon companies.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).
Figure 45.2: Trends in the Proportion of Mortgage-Backed Securities to Securities from 2003 to 2008 for all Banks Excluding J.P. Morgan Chase & U.S. Bancorp.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM); PNC Financial (PNC).

Figure 46.1: Trends in the Proportion of Mortgage-Backed Securities to Securities from 2003 to 2008 for all Banks Excluding the BNY Mellon Companies.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).
Figure 46.2: Trends in the Proportion of Mortgage-Backed Securities to Securities from 2003 to 2008 for all Banks Excluding PNC Financial.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM); U.S. Bancorp (U.S.B.)*

Figure 47.1: Trends in Outstanding total Loans/Leases from 2003 to 2008 for all Banks Excluding PNC Financial & U.S. Bancorp.

*Figures are in millions of dollars; refer to Appendix II for data references.*

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM).*
Figure 47.2: Trends in Outstanding total Loans/Leases from 2003 to 2008 for all Banks Excluding the BNY Mellon Companies

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).

Figure 48.1: Trends in Net Cash used in Financial Activities from 2003 to 2008 for all Banks Excluding PNC Financial & U.S. Bancorp.

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); Bank of New York to Bank of New York Mellon (BNY-BNYM); Mellon Financial to Bank of New York Mellon (MF-BNYM).
Figure 48.2: Trends in Net Cash used in Financial Activities from 2003 to 2008 for all Banks Excluding the BNY Mellon companies.

*Figures are in millions of dollars; refer to Appendix II for data references.

*Bank of America (BOA); J.P. Morgan Chase (JPC); Wells Fargo (WF); PNC Financial (PNC); U.S. Bancorp (USB).
Appendix VIII: Data Spreadsheets (See Separate Excel Documents)