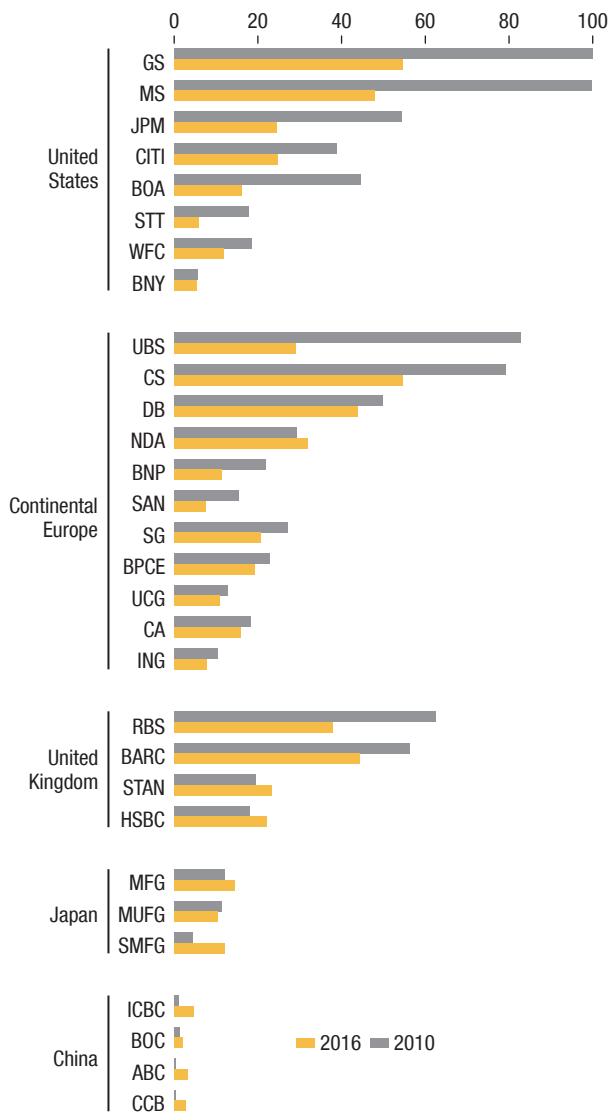


Figure 1.6. Global Systemically Important Banks: Market Activity

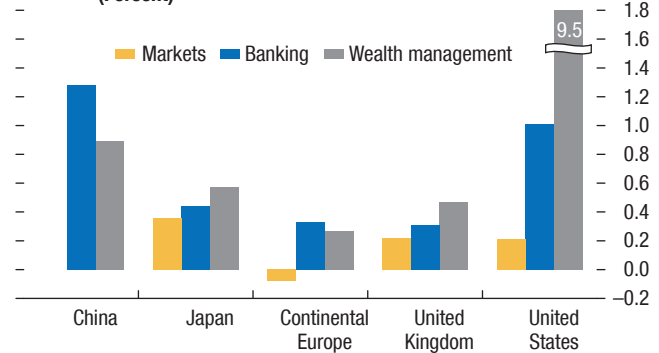
Market intensity has declined sharply ...

**1. Market Intensity, 2010 and 2016
(Index, maximum intensity = 100)**



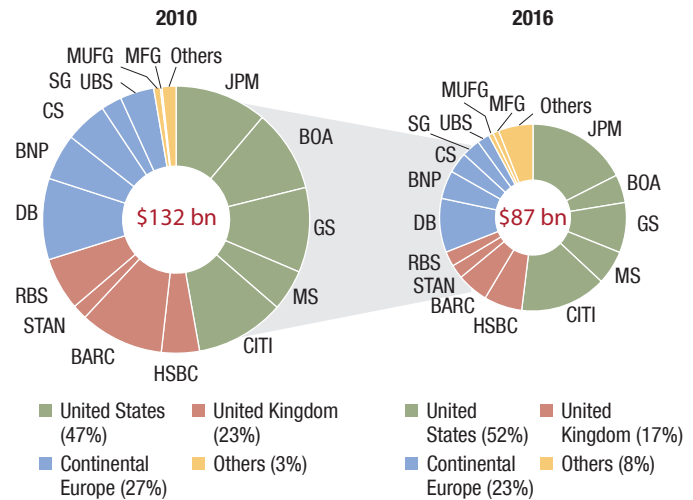
... as banks avoid relatively unprofitable markets businesses.

2. GSIBs by Home Region: Average Return on Assets, by Business Type, 2014–16 Average (Percent)



FICC revenue pool has shrunk with a shift in market share toward US banks.

3. FICC Trading Revenues, 2010 and 2016



Sources: Bank financial statements; Basel Committee for Banking Supervision; Bloomberg Finance L.P.; equity research reports; European Central Bank; Federal Reserve Board; S&P Capital IQ; SNL Financial; and IMF staff estimates and analysis.

Note: In panel 1, market intensity is an index scaled (1 to 100) of relative exposures across the 30 GSIBs over 2010 to 2016. Each exposure is based on an average of (1) market-risk-weighted assets divided by total risk-weighted assets; (2) Level 3 assets divided by total assets; (3) notional derivatives relative to total assets; and (4) average value at risk relative to risk-weighted assets. In panel 2, business type is identified for each subsidiary entity based on a sample of 934 foreign and domestic subsidiaries of the 30 GSIBs. Banking (724 subsidiaries) includes corporate, commercial, and consumer banking, and the advisory part of investment banking. Markets (156 subsidiaries) include underwriting, secondary market trading in securities, currencies and commodities, and dealings in derivative contracts. Wealth management (46 subsidiaries) includes asset management, private banking, and insurance. See footnote 1 in the text for an explanation of the abbreviations in panels 1 and 3. FICC = fixed income, currencies, and commodities.