Morgan Stanley

Fifth Addendum to the Base Listing Document dated 18 March 2024 relating to Non-collateralised Structured Products

Issuer

Morgan Stanley Asia Products Limited

(Incorporated in the Cayman Islands with limited liability)

Guarantor

Morgan Stanley

(Incorporated in the State of Delaware, United States of America)

Manager

Morgan Stanley Asia Limited

(Incorporated in Hong Kong)

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This document, for which we and the Guarantor accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("**Stock Exchange's Listing Rules**") for the purpose of giving information with regard to the Issuer, the Guarantor and the warrants, callable bull/bear contracts ("**CBBCs**") and any other structured products (together, "**our structured products**") referred to in this document. The Issuer and the Guarantor, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document, our base listing document dated 18 March 2024 ("**Base Listing Document**"), our first addendum to the Base Listing Document dated 18 April 2024 ("**First Addendum**"), our second addendum to the Base Listing Document dated 28 May 2024 ("**Second Addendum**"), our third addendum to the Base Listing Document dated 26 August 2024 ("**Third Addendum**") and our fourth addendum to the Base Listing Document dated 30 September 2024 ("**Fourth Addendum**") is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or these documents, when read together, misleading. This document should be read together with the Base Listing Document, the First Addendum, the Second Addendum, the Third Addendum and the Fourth Addendum.

We, the Issuer of our structured products, are publishing this document in order to obtain a listing on the Stock Exchange of our structured products.

The structured products are complex products. You should exercise caution in relation to them. Investors are warned that the price of the structured products may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the structured products and carefully study the risk factors set out in the Base Listing Document and, where necessary, seek professional advice, before they invest in the structured products.

The structured products constitute general unsecured contractual obligations of the Issuer and of no other person and the guarantee constitutes the general unsecured contractual obligations of the Guarantor and of no other person and will rank equally among themselves and with all our and the Guarantor's other unsecured obligations (save for those obligations preferred by law) upon liquidation. If you purchase the structured products, you are relying upon the creditworthiness of the Issuer and the Guarantor, and have no rights under the structured products against (a) the company which has issued the underlying securities, (b) the fund which has issued the underlying securities or its trustee (if applicable) or manager, or (c) the index sponsor of any underlying index or any other person. If the Issuer becomes insolvent or default on its obligations under the structured products or the Guarantor becomes insolvent or defaults on its obligations under the guarantee, you may not be able to recover all or even part of the amount due under the structured products (if any).

The structured products are not bank deposits or protected deposits for the purposes of the Deposit Protection Scheme in Hong Kong and are not insured or guaranteed by the United States Federal Deposit Insurance Corporation ("**FDIC**"), or any other governmental agency. The structured products are guaranteed by Morgan Stanley and the guarantee will rank *pari passu* with all other direct, unconditional, unsecured and unsubordinated indebtedness of Morgan Stanley.

The distribution of this document, the Base Listing Document, the First Addendum, the Second Addendum, the Third Addendum, the Fourth Addendum, the relevant launch announcement and supplemental listing document, any addendum and the offering, sale and delivery of structured products in certain jurisdictions may be restricted by law. You are required to inform yourselves about and to observe such restrictions. Please read Annex 3 "Purchase and Sale" in the Base Listing Document. The structured products have not been approved or disapproved by the SEC or any state securities commission in the United States or regulatory authority, nor has the SEC or any state securities commission or any regulatory authority passed upon the accuracy or the adequacy of this document. Any representation to the contrary is a criminal offence. **The structured products and the guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended ("Securities Act"), and the structured products may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act).**

Dated 25 November 2024

IMPORTANT

If you are in doubt as to the contents of this document, you should obtain independent professional advice.

This document contains the extracts of the Guarantor's quarterly report on Form 10-Q for the quarterly period ended 30 September 2024. You should read this document, the Base Listing Document, the First Addendum, the Second Addendum, the Third Addendum, the Fourth Addendum and the relevant launch announcement and supplemental listing document published by us in relation to the particular series of structured products you are considering for investment to understand our structured products before deciding whether to buy our structured products.

Copies of this document, the Base Listing Document, the First Addendum, the Second Addendum, the Third Addendum, the Fourth Addendum and the relevant launch announcement and supplemental listing document (together with a Chinese translation of each of these documents) and other documents listed under the section "Where can I read copies of the Issuer's and Guarantor's documentation?" in the Base Listing Document are available on the website of the HKEX at *www.hkexnews.hk* and our website at *www.mswarrants.com.hk*.

本文件、基本上市文件、第一份增編、第二份增編、第三份增編、第四份增編及相關發行公佈及補充上市文件(及以上各份文件的英文本)連同基本上市文件的「本人從何處可查閱發行人及擔保人的文件副本?」一節所列的其他文件的副本,可於香港交易所披露易網站 (www.hkexnews.hk) 以及本公司網站 (www.mswarrants.com.hk) 瀏覽。

We do not give you investment advice; you must decide for yourself, after reading the listing documents for the relevant structured products and, if necessary, seeking professional advice, whether our structured products meet your investment needs.

Our Guarantor's long term credit ratings (as of the day immediately preceding the date of this document) are: A1 (Stable) by Moody's Investors Service, Inc. and A- (Stable) by S&P Global Ratings.

Save as disclosed in the Base Listing Document, the First Addendum, the Second Addendum, the Third Addendum, the Fourth Addendum and this document, the Issuer and our Guarantor are not aware, to the best of our and our Guarantor's knowledge and belief, of any litigation or claims of material importance pending or threatened against us or our Guarantor.

Save as disclosed in Annex 5 and Annex 6 to the Base Listing Document, the First Addendum, the Second Addendum, the Third Addendum, the Fourth Addendum and this document, there has been no material adverse change in the Issuer's and our Guarantor's financial or trading position since the date of the most recently published audited consolidated financial statements of the Issuer and our Guarantor that would have a material adverse effect on the Issuer's and our Guarantor's ability to perform their respective obligations in respect of the structured products.

CONTENTS

EXTRACT OF THE GUARANTOR'S QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED 30 SEPTEMBER 2024 2

EXTRACT OF THE GUARANTOR'S QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED 30 SEPTEMBER 2024

This information set out in the following pages has been extracted from the Guarantor's quarterly report on Form 10-Q for the quarterly period ended 30 September 2024. References to page numbers in this extract are to the pages in the Guarantor's quarterly report on Form 10-Q for the quarterly period ended 30 September 2024 and not to the pages in this document.

Consolidated Income Statement (Unaudited)

Morgan Stanley

in millions, except per share data	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Revenues				
Investment banking	**$ 1,590**	$ 1,048	**$ 4,914**	$ 3,533
Trading	**4,002**	3,679	**12,985**	11,958
Investments	**315**	144	**609**	384
Commissions and fees	**1,294**	1,098	**3,704**	3,427
Asset management	**5,747**	5,031	**16,440**	14,576
Other	**239**	296	**827**	1,036
Total non-interest revenues	**13,187**	11,296	**39,479**	34,914
Interest income[1]	**14,185**	12,126	**40,644**	33,019
Interest expense[1]	**11,989**	10,149	**34,585**	26,686
Net interest	**2,196**	1,977	**6,059**	6,333
Net revenues	**15,383**	13,273	**45,538**	41,247
Provision for credit losses	**79**	134	**149**	529
Non-interest expenses				
Compensation and benefits	**6,733**	5,935	**19,889**	18,607
Brokerage, clearing and exchange fees	**1,044**	855	**2,960**	2,611
Information processing and communications	**1,042**	947	**3,029**	2,788
Professional services	**711**	759	**2,103**	2,236
Occupancy and equipment	**473**	456	**1,378**	1,367
Marketing and business development	**224**	191	**686**	674
Other	**856**	851	**2,654**	2,718
Total non-interest expenses	**11,083**	9,994	**32,699**	31,001
Income before provision for income taxes	**4,221**	3,145	**12,690**	9,717
Provision for income taxes	**995**	710	**2,885**	2,028
Net income	**$ 3,226**	$ 2,435	**$ 9,805**	$ 7,689
Net income applicable to noncontrolling interests	**38**	27	**129**	119
Net income applicable to Morgan Stanley	**$ 3,188**	$ 2,408	**$ 9,676**	$ 7,570
Preferred stock dividends	**160**	146	**440**	423
Earnings applicable to Morgan Stanley common shareholders	**$ 3,028**	$ 2,262	**$ 9,236**	$ 7,147
Earnings per common share				
Basic	**$ 1.91**	$ 1.39	**$ 5.79**	$ 4.37
Diluted	**$ 1.88**	$ 1.38	**$ 5.73**	$ 4.33
Average common shares outstanding				
Basic	**1,588**	1,624	**1,594**	1,635
Diluted	**1,609**	1,643	**1,612**	1,653

1. Prior period amounts have been adjusted to conform with the current period presentation. See Note 2 for additional information.

Consolidated Comprehensive Income Statement (Unaudited)

$ in millions	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net income	**$ 3,226**	$ 2,435	**$ 9,805**	$ 7,689
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	**284**	(149)	**(31)**	(240)
Change in net unrealized gains (losses) on available-for-sale securities	**723**	(366)	**900**	125
Pension and other	**3**	(1)	**16**	(3)
Change in net debt valuation adjustment	**(175)**	(414)	**(463)**	(960)
Net change in cash flow hedges	**34**	(3)	**6**	(16)
Total other comprehensive income (loss)	**$ 869**	$ (933)	**$ 428**	$ (1,094)
Comprehensive income	**$ 4,095**	$ 1,502	**$ 10,233**	$ 6,595
Net income applicable to noncontrolling interests	**38**	27	**129**	119
Other comprehensive income (loss) applicable to noncontrolling interests	**95**	(31)	**(7)**	(145)
Comprehensive income applicable to Morgan Stanley	**$ 3,962**	$ 1,506	**$ 10,111**	$ 6,621

Consolidated Balance Sheet

Morgan Stanley

$ in millions, except share data	(Unaudited) At September 30, 2024	At December 31, 2023
Assets		
Cash and cash equivalents	**$ 91,084**	$ 89,232
Trading assets at fair value (**$150,702** and $162,698 were pledged to various parties)	**362,298**	367,074
Investment securities:		
Available-for-sale at fair value (amortized cost of **$100,685** and $92,149)	**97,828**	88,113
Held-to-maturity (fair value of **$54,894** and $57,453)	**62,856**	66,694
Securities purchased under agreements to resell (includes **$—** and $7 at fair value)	**137,352**	110,740
Securities borrowed	**132,412**	121,091
Customer and other receivables	**91,380**	80,105
Loans:		
Held for investment (net of allowance for credit losses of **$1,104** and $1,169)	**218,012**	203,385
Held for sale	**12,862**	15,255
Goodwill	**16,735**	16,707
Intangible assets (net of accumulated amortization of **$5,299** and $4,847)	**6,620**	7,055
Other assets	**28,588**	28,242
Total assets	**$ 1,258,027**	$ 1,193,693
Liabilities		
Deposits (includes **$7,327** and $6,472 at fair value)	**$ 363,722**	$ 351,804
Trading liabilities at fair value	**152,238**	151,513
Securities sold under agreements to repurchase (includes **$996** and $1,020 at fair value)	**58,329**	62,651
Securities loaned	**17,455**	15,057
Other secured financings (includes **$14,127** and $9,899 at fair value)	**18,143**	12,655
Customer and other payables	**216,591**	208,148
Other liabilities and accrued expenses	**28,698**	28,151
Borrowings (includes **$107,547** and $93,900 at fair value)	**298,180**	263,732
Total liabilities	**1,153,356**	1,093,711
Commitments and contingent liabilities (see Note 13)		
Equity		
Morgan Stanley shareholders' equity:		
Preferred stock	**9,750**	8,750
Common stock, $0.01 par value:		
Shares authorized: **3,500,000,000**; Shares issued: **2,038,893,979**; Shares outstanding: **1,612,068,430** and 1,626,828,437	**20**	20
Additional paid-in capital	**29,820**	29,832
Retained earnings	**102,911**	97,996
Employee stock trusts	**5,095**	5,314
Accumulated other comprehensive income (loss)	**(5,986)**	(6,421)
Common stock held in treasury at cost, $0.01 par value (**426,825,549** and 412,065,542 shares)	**(32,868)**	(31,139)
Common stock issued to employee stock trusts	**(5,095)**	(5,314)
Total Morgan Stanley shareholders' equity	**103,647**	99,038
Noncontrolling interests	**1,024**	944
Total equity	**104,671**	99,982
Total liabilities and equity	**$ 1,258,027**	$ 1,193,693

Consolidated Statement of Changes in Total Equity (Unaudited)

Morgan Stanley

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Preferred Stock				
Beginning balance	**$ 8,750**	$ 8,750	**$ 8,750**	$ 8,750
Issuance of preferred stock	**1,000**	—	**1,000**	—
Ending balance	**9,750**	8,750	**9,750**	8,750
Common Stock				
Beginning and ending balance	**20**	20	**20**	20
Additional Paid-in Capital				
Beginning balance	**29,459**	29,245	29,832	29,339
Share-based award activity	**366**	350	**(7)**	256
Issuance of preferred stock	**(5)**	—	**(5)**	—
Ending balance	**29,820**	29,595	**29,820**	29,595
Retained Earnings				
Beginning balance	**101,374**	97,151	97,996	94,862
Cumulative adjustment related to the adoption of an accounting standard update[1]	**—**	—	**(60)**	—
Net income applicable to Morgan Stanley	**3,188**	2,408	**9,676**	7,570
Preferred stock dividends[2]	**(160)**	(146)	**(440)**	(423)
Common stock dividends[2]	**(1,492)**	(1,404)	**(4,259)**	(4,001)
Other net increases (decreases)	**1**	(2)	**(2)**	(1)
Ending balance	**102,911**	98,007	**102,911**	98,007
Employee Stock Trusts				
Beginning balance	**5,110**	5,258	5,314	4,881
Share-based award activity	**(15)**	(14)	**(219)**	363
Ending balance	**5,095**	5,244	**5,095**	5,244
Accumulated Other Comprehensive Income (Loss)				
Beginning balance	**(6,760)**	(6,300)	(6,421)	(6,253)
Net change in Accumulated other comprehensive income (loss)	**774**	(902)	**435**	(949)
Ending balance	**(5,986)**	(7,202)	**(5,986)**	(7,202)
Common Stock Held in Treasury at Cost				
Beginning balance	**(32,129)**	(28,480)	(31,139)	(26,577)
Share-based award activity	**74**	77	**1,629**	1,479
Repurchases of common stock and employee tax withholdings	**(813)**	(1,556)	**(3,358)**	(4,861)
Ending balance	**(32,868)**	(29,959)	**(32,868)**	(29,959)
Common Stock Issued to Employee Stock Trusts				
Beginning balance	**(5,110)**	(5,258)	(5,314)	(4,881)
Share-based award activity	**15**	14	**219**	(363)
Ending balance	**(5,095)**	(5,244)	**(5,095)**	(5,244)
Noncontrolling Interests				
Beginning balance	**892**	975	944	1,090
Net income applicable to noncontrolling interests	**38**	27	**129**	119
Net change in Accumulated other comprehensive income (loss) applicable to noncontrolling interests	**95**	(31)	**(7)**	(145)
Other net increases (decreases)	**(1)**	(24)	**(42)**	(117)
Ending balance	**1,024**	947	**1,024**	947
Total Equity	**$ 104,671**	$ 100,158	**$ 104,671**	$ 100,158

1. The Firm adopted the *Investments - Tax Credit Structures* accounting standard update on January 1, 2024. Refer to Note 2 for further information.
2. See Note 16 for information regarding dividends per share for each class of stock.

Consolidated Cash Flow Statement (Unaudited)

$ in millions	Nine Months Ended September 30, 2024	2023
Cash flows from operating activities		
Net income	**$ 9,805**	$ 7,689
Adjustments to reconcile net income to net cash provided by (used for) operating activities:		
Stock-based compensation expense	**1,231**	1,348
Depreciation and amortization	**3,516**	2,850
Provision for credit losses	**149**	529
Other operating adjustments	**121**	44
Changes in assets and liabilities:		
Trading assets, net of Trading liabilities	**12,358**	(53,171)
Securities borrowed	**(11,321)**	12,458
Securities loaned	**2,398**	(2,615)
Customer and other receivables and other assets	**(10,317)**	3,884
Customer and other payables and other liabilities	**12,556**	(15,265)
Securities purchased under agreements to resell	**(26,612)**	12,338
Securities sold under agreements to repurchase	**(4,322)**	14,127
Net cash provided by (used for) operating activities	**(10,438)**	(15,784)
Cash flows from investing activities		
Proceeds from (payments for):		
Other assets—Premises, equipment and software	**(2,583)**	(2,483)
Changes in loans, net	**(13,934)**	(4,186)
AFS securities:		
Purchases	**(27,717)**	(9,522)
Proceeds from sales	**5,540**	5,315
Proceeds from paydowns and maturities	**15,616**	12,017
HTM securities:		
Purchases	**(3,523)**	—
Proceeds from paydowns and maturities	**8,279**	4,922
Other investing activities	**(988)**	(346)
Net cash provided by (used for) investing activities	**(19,310)**	5,717
Cash flows from financing activities		
Net proceeds from (payments for):		
Other secured financings	**1,384**	146
Deposits	**11,519**	(11,188)
Issuance of preferred stock, net of issuance costs	**995**	—
Proceeds from issuance of Borrowings	**80,369**	60,916
Payments for:		
Borrowings	**(54,596)**	(48,847)
Repurchases of common stock and employee tax withholdings	**(3,347)**	(4,836)
Cash dividends	**(4,553)**	(4,286)
Other financing activities	**(270)**	(325)
Net cash provided by (used for) financing activities	**31,501**	(8,420)
Effect of exchange rate changes on cash and cash equivalents	**99**	(1,239)
Net increase (decrease) in cash and cash equivalents	**1,852**	(19,726)
Cash and cash equivalents, at beginning of period	**89,232**	128,127
Cash and cash equivalents, at end of period	**$ 91,084**	$ 108,401
Supplemental Disclosure of Cash Flow Information		
Cash payments for:		
Interest	**$ 34,498**	$ 30,299
Income taxes, net of refunds	**1,449**	1,248

1. Introduction and Basis of Presentation

The Firm

Morgan Stanley is a global financial services firm that maintains significant market positions in each of its business segments—Institutional Securities, Wealth Management and Investment Management. Morgan Stanley, through its subsidiaries and affiliates, provides a wide variety of products and services to a large and diversified group of clients and customers, including corporations, governments, financial institutions and individuals. Unless the context otherwise requires, the terms "Morgan Stanley" or the "Firm" mean Morgan Stanley (the "Parent Company") together with its consolidated subsidiaries. See the "Glossary of Common Terms and Acronyms" for the definition of certain terms and acronyms used throughout this Form 10-Q.

A description of the clients and principal products and services of each of the Firm's business segments is as follows:

Institutional Securities provides a variety of products and services to corporations, governments, financial institutions and ultra-high net worth clients. Investment Banking services consist of capital raising and financial advisory services, including the underwriting of debt, equity securities and other products, as well as advice on mergers and acquisitions, restructurings and project finance. Our Equity and Fixed Income businesses include sales, financing, prime brokerage, market-making, Asia wealth management services and certain business-related investments. Lending activities include originating corporate loans and commercial real estate loans, providing secured lending facilities, and extending securities-based and other financing to clients. Other activities include research.

Wealth Management provides a comprehensive array of financial services and solutions to individual investors and small to medium-sized businesses and institutions. Wealth Management covers: financial advisor-led brokerage, custody, administrative and investment advisory services; self-directed brokerage services; financial and wealth planning services; workplace services, including stock plan administration; securities-based lending, residential real estate loans and other lending products; banking; and retirement plan services.

Investment Management provides a broad range of investment strategies and products that span geographies, asset classes, and public and private markets to a diverse group of clients across institutional and intermediary channels. Strategies and products, which are offered through a variety of investment vehicles, include equity, fixed income, alternatives and solutions, and liquidity and overlay services. Institutional clients include defined benefit/defined contribution plans, foundations, endowments, government entities, sovereign wealth funds, insurance companies, third-party fund sponsors and corporations. Individual clients are generally served through intermediaries, including affiliated and non-affiliated distributors.

Basis of Financial Information

The financial statements are prepared in accordance with U.S. GAAP, which requires the Firm to make estimates and assumptions regarding the valuations of certain financial instruments, the valuations of goodwill and intangible assets, the outcome of legal and tax matters, deferred tax assets, ACL, and other matters that affect its financial statements and related disclosures. The Firm believes that the estimates utilized in the preparation of its financial statements are prudent and reasonable. Actual results could differ materially from these estimates.

The Notes are an integral part of the Firm's financial statements. The Firm has evaluated subsequent events for adjustment to or disclosure in these financial statements through the date of this report and has not identified any recordable or disclosable events not otherwise reported in these financial statements or the notes thereto.

The accompanying financial statements should be read in conjunction with the Firm's financial statements and notes thereto included in the 2023 Form 10-K. Certain footnote disclosures included in the 2023 Form 10-K have been condensed or omitted from these financial statements as they are not required for interim reporting under U.S. GAAP. The financial statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for the fair presentation of the results for the interim period. The results of operations for interim periods are not necessarily indicative of results for the entire year.

Consolidation

The financial statements include the accounts of the Firm, its wholly owned subsidiaries and other entities in which the Firm has a controlling financial interest, including certain VIEs (see Note 14). Intercompany balances and transactions have been eliminated. For consolidated subsidiaries that are not wholly owned, the third-party holdings of equity interests are referred to as Noncontrolling interests. The net income attributable to Noncontrolling interests for such subsidiaries is presented as Net income applicable to noncontrolling interests in the income statement. The portion of shareholders' equity that is attributable to Noncontrolling interests for such subsidiaries is presented as Noncontrolling interests, a component of Total equity, in the balance sheet.

For a discussion of the Firm's significant regulated U.S. and international subsidiaries and its involvement with VIEs, see Note 1 to the financial statements in the 2023 Form 10-K.

2. Significant Accounting Policies

For a detailed discussion about the Firm's significant accounting policies and for further information on accounting updates adopted in the prior year, see Note 2 to the financial statements in the 2023 Form 10-K.

In the first quarter of 2024, the Firm implemented certain presentation changes which resulted in a decrease to both interest income and interest expense of $1,179 million and $3,204 million for the three months and nine months ended September 30, 2023, respectively, and no effect on net interest income, with the entire impact to the Firm recorded within the Institutional Securities segment. These changes further aligned the accounting treatment between the balance sheet and the related interest income or expense, primarily by offsetting interest income and expense for certain prime brokerage-related customer receivables and payables that are currently accounted for as a single unit of account on the balance sheet. The current and previous presentation of these interest income and interest expense amounts are acceptable and the change does not represent a change in accounting principle. These changes were applied retrospectively to the consolidated income statement in 2023 and accordingly, prior period amounts were adjusted to conform with the current presentation.

During the nine months ended September 30, 2024 there were no significant updates to the Firm's significant accounting policies, other than for the accounting update adopted.

Accounting Updates Adopted in 2024

Investments - Tax Credit Structures

The Firm adopted the *Investments - Equity Method and Joint Ventures - Tax Credit Structures* accounting update on January 1, 2024 using the modified retrospective method. This accounting update permits an election to account for tax equity investments using the proportional amortization method if certain conditions are met. Under the proportional amortization method, the initial cost of the investment is amortized in proportion to the income tax credits and other income tax benefits received and recognized net in the income statement as a component of provision for income taxes. The update requires a separate accounting policy election to be made for each tax credit program. Additional disclosures are required regarding (i) the nature of our tax equity investments and (ii) the effect of our tax equity investments and related income tax credits on the financial condition and results of operations (see Note 10).

The adoption resulted in a decrease to Retained earnings of $60 million as of January 1, 2024, net of tax, and a corresponding reduction to Other assets.

3. Cash and Cash Equivalents

$ in millions	At September 30, 2024	At December 31, 2023
Cash and due from banks	$ 5,636	$ 7,323
Interest bearing deposits with banks	85,448	81,909
Total Cash and cash equivalents	**$ 91,084**	$ 89,232
Restricted cash	$ 29,352	$ 30,571

For additional information on cash and cash equivalents, including restricted cash, see Note 2 to the financial statements in the 2023 Form 10-K.

4. Fair Values

Recurring Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis

	At September 30, 2024				
$ in millions	Level 1	Level 2	Level 3	Netting[1]	Total
Assets at fair value					
Trading assets:					
U.S. Treasury and agency securities	$ 59,122	$ 49,130	$ —	$ —	$108,252
Other sovereign government obligations	32,916	13,712	109	—	46,737
State and municipal securities	—	2,658	13	—	2,671
MABS	—	1,434	441	—	1,875
Loans and lending commitments[2]	—	7,302	1,584	—	8,886
Corporate and other debt	—	37,487	1,726	—	39,213
Corporate equities[3,5]	106,910	1,284	194	—	108,388
Derivative and other contracts:					
Interest rate	2,904	130,161	447	—	133,512
Credit	—	10,115	389	—	10,504
Foreign exchange	118	81,209	305	—	81,632
Equity	1,869	90,559	682	—	93,110
Commodity and other	1,661	13,239	2,281	—	17,181
Netting[1]	(5,185)	(253,149)	(770)	(39,608)	(298,712)
Total derivative and other contracts	1,367	72,134	3,334	(39,608)	37,227
Investments[4,5]	930	962	810	—	2,702
Physical commodities	—	603	—	—	603
Total trading assets[4]	201,245	186,706	8,211	(39,608)	356,554
Investment securities—AFS	67,986	29,842	—	—	97,828
Total assets at fair value	**$269,231**	**$216,548**	**$ 8,211**	**$(39,608)**	**$454,382**

$ in millions	At September 30, 2024 Level 1	Level 2	Level 3	Netting[1]	Total
Liabilities at fair value					
Deposits	$ —	$ 7,326	$ 1	$ —	$ 7,327
Trading liabilities:					
U.S. Treasury and agency securities	24,264	22	—	—	24,286
Other sovereign government obligations	24,765	4,258	2	—	29,025
Corporate and other debt	—	13,199	43	—	13,242
Corporate equities[3]	52,315	724	27	—	53,066
Derivative and other contracts:					
Interest rate	2,771	117,046	447	—	120,264
Credit	—	10,683	275	—	10,958
Foreign exchange	287	79,411	210	—	79,908
Equity	2,478	104,267	1,450	—	108,195
Commodity and other	1,705	12,055	1,257	—	15,017
Netting[1]	(5,185)	(253,149)	(770)	(42,619)	(301,723)
Total derivative and other contracts	2,056	70,313	2,869	(42,619)	32,619
Total trading liabilities	103,400	88,516	2,941	(42,619)	152,238
Securities sold under agreements to repurchase	—	543	453	—	996
Other secured financings	—	13,980	147	—	14,127
Borrowings	—	106,076	1,471	—	107,547
Total liabilities at fair value	$103,400	$216,441	$ 5,013	$(42,619)	$282,235

$ in millions	At December 31, 2023 Level 1	Level 2	Level 3	Netting[1]	Total
Assets at fair value					
Trading assets:					
U.S. Treasury and agency securities	$ 56,459	$ 53,741	$ —	$ —	$110,200
Other sovereign government obligations	22,580	9,946	94	—	32,620
State and municipal securities	—	2,148	34	—	2,182
MABS	—	1,540	489	—	2,029
Loans and lending commitments[2]	—	6,122	2,066	—	8,188
Corporate and other debt	—	35,833	1,983	—	37,816
Corporate equities[3,5]	126,772	929	199	—	127,900
Derivative and other contracts:					
Interest rate	7,284	140,139	784	—	148,207
Credit	—	10,244	393	—	10,637
Foreign exchange	12	93,218	20	—	93,250
Equity	2,169	55,319	587	—	58,075
Commodity and other	1,608	11,862	2,811	—	16,281
Netting[1]	(7,643)	(237,497)	(1,082)	(42,915)	(289,137)
Total derivative and other contracts	3,430	73,285	3,513	(42,915)	37,313
Investments[4]	781	836	949	—	2,566
Physical commodities	—	736	—	—	736
Total trading assets[4]	210,022	185,116	9,327	(42,915)	361,550
Investment securities—AFS	57,405	30,708	—	—	88,113
Securities purchased under agreements to resell	—	7	—	—	7
Total assets at fair value	$267,427	$215,831	$ 9,327	$(42,915)	$449,670

$ in millions	At December 31, 2023 Level 1	Level 2	Level 3	Netting[1]	Total
Liabilities at fair value					
Deposits	$ —	$ 6,439	$ 33	$ —	$ 6,472
Trading liabilities:					
U.S. Treasury and agency securities	27,708	16	—	—	27,724
Other sovereign government obligations	26,829	3,955	6	—	30,790
Corporate and other debt	—	10,560	9	—	10,569
Corporate equities[3]	46,809	300	45	—	47,154
Derivative and other contracts:					
Interest rate	8,000	129,983	857	—	138,840
Credit	—	10,795	297	—	11,092
Foreign exchange	96	89,880	385	—	90,361
Equity	2,411	64,794	1,689	—	68,894
Commodity and other	1,642	11,904	1,521	—	15,067
Netting[1]	(7,643)	(237,497)	(1,082)	(42,757)	(288,979)
Total derivative and other contracts	4,506	69,859	3,667	(42,757)	35,275
Total trading liabilities	105,852	84,690	3,727	(42,757)	151,512
Securities sold under agreements to repurchase	—	571	449	—	1,020
Other secured financings	—	9,807	92	—	9,899
Borrowings	—	92,022	1,878	—	93,900
Total liabilities at fair value	$105,852	$193,529	$ 6,179	$(42,757)	$262,803

MABS—Mortgage- and asset-backed securities
1. For positions with the same counterparty that cross over the levels of the fair value hierarchy, both counterparty netting and cash collateral netting are included in the column titled “Netting.” Positions classified within the same level that are with the same counterparty are netted within that level. For further information on derivative instruments and hedging activities, see Note 6.
2. For a further breakdown by type, see the following Detail of Loans and Lending Commitments at Fair Value table.
3. For trading purposes, the Firm holds or sells short equity securities issued by entities in diverse industries and of varying sizes.
4. Amounts exclude certain investments that are measured based on NAV per share, which are not classified in the fair value hierarchy. For additional disclosure about such investments, see “Net Asset Value Measurements” herein.
5. At September 30, 2024 and December 31, 2023, the Firm's Trading assets included an insignificant amount of equity securities subject to contractual sale restrictions that generally prohibit the Firm from selling the security for a period of time as of the measurement date.

Detail of Loans and Lending Commitments at Fair Value

$ in millions	At September 30, 2024	At December 31, 2023
Commercial Real Estate	$ 766	$ 422
Residential Real Estate	2,562	2,909
Securities-based lending and Other loans	5,558	4,857
Total	$ 8,886	$ 8,188

Unsettled Fair Value of Futures Contracts[1]

$ in millions	At September 30, 2024	At December 31, 2023
Customer and other receivables (payables), net	$ 2,183	$ 1,062

1. These contracts are primarily Level 1, actively traded, valued based on quoted prices from the exchange and are excluded from the previous recurring fair value tables.

For a description of the valuation techniques applied to the Firm's major categories of assets and liabilities measured at fair value on a recurring basis, see Note 4 to the financial statements in the 2023 Form 10-K. During the current quarter, there were no significant revisions made to the Firm's valuation techniques.

Rollforward of Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
U.S. Treasury and agency securities				
Beginning balance	$ —	$ —	$ —	$ 17
Sales	—	—	—	(10)
Net transfers	—	—	—	(7)
Ending balance	**$ —**	$ —	**$ —**	$ —
Unrealized gains (losses)	**$ —**	$ —	**$ —**	$ —
Other sovereign government obligations				
Beginning balance	$ 74	$ 128	$ 94	$ 169
Realized and unrealized gains (losses)	**3**	—	**1**	6
Purchases	**14**	17	**48**	18
Sales	**(27)**	(30)	**(74)**	(112)
Net transfers	**45**	(21)	**40**	13
Ending balance	**$ 109**	$ 94	**$ 109**	$ 94
Unrealized gains (losses)	**$ (2)**	$ 1	**$ (2)**	$ 1
State and municipal securities				
Beginning balance	$ —	$ 40	$ 34	$ 145
Realized and unrealized gains (losses)	**—**	(3)	**—**	(2)
Purchases	**—**	147	**—**	255
Sales	**—**	(20)	**(29)**	(218)
Net transfers	**13**	(52)	**8**	(68)
Ending balance	**$ 13**	$ 112	**$ 13**	$ 112
Unrealized gains (losses)	**$ —**	$ (3)	**$ —**	$ (3)
MABS				
Beginning balance	$ 423	$ 486	$ 489	$ 416
Realized and unrealized gains (losses)	**10**	(1)	**27**	13
Purchases	**43**	88	**140**	149
Sales	**(58)**	(33)	**(243)**	(79)
Settlements	**—**	—	**—**	50
Net transfers	**23**	(4)	**28**	(13)
Ending balance	**$ 441**	$ 536	**$ 441**	$ 536
Unrealized gains (losses)	**$ 15**	$ 4	**$ 9**	$ 5
Loans and lending commitments				
Beginning balance	$ 2,176	$ 2,400	$ 2,066	$ 2,017
Realized and unrealized gains (losses)	**29**	(6)	**19**	(91)
Purchases and originations	**130**	997	**681**	1,569
Sales	**(648)**	(539)	**(917)**	(686)
Settlements	**(4)**	(666)	**(174)**	(717)
Net transfers	**(99)**	(147)	**(91)**	(53)
Ending balance	**$ 1,584**	$ 2,039	**$ 1,584**	$ 2,039
Unrealized gains (losses)	**$ (1)**	$ (6)	**$ (2)**	$ (91)

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Corporate and other debt				
Beginning balance	$ 1,925	$ 2,223	$ 1,983	$ 2,096
Realized and unrealized gains (losses)	**9**	108	**44**	231
Purchases and originations	**423**	346	**834**	561
Sales	**(496)**	(465)	**(980)**	(618)
Settlements	**(73)**	(6)	**(85)**	(6)
Net transfers	**(62)**	257	**(70)**	199
Ending balance	**$ 1,726**	$ 2,463	**$ 1,726**	$ 2,463
Unrealized gains (losses)	**$ 6**	$ 113	**$ 101**	$ 239
Corporate equities				
Beginning balance	$ 217	$ 166	$ 199	$ 116
Realized and unrealized gains (losses)	**(24)**	(29)	**(93)**	(64)
Purchases	**26**	32	**65**	101
Sales	**(29)**	(34)	**(58)**	(38)
Net transfers	**4**	60	**81**	80
Ending balance	**$ 194**	$ 195	**$ 194**	$ 195
Unrealized gains (losses)	**$ (11)**	$ (25)	**$ (17)**	$ (36)
Investments				
Beginning balance	$ 843	$ 968	$ 949	$ 923
Realized and unrealized gains (losses)	**53**	17	**63**	24
Purchases	**18**	6	**42**	153
Sales	**(101)**	(76)	**(241)**	(183)
Net transfers	**(3)**	19	**(3)**	17
Ending balance	**$ 810**	$ 934	**$ 810**	$ 934
Unrealized gains (losses)	**$ 24**	$ 19	**$ 6**	$ 17
Investment securities—AFS				
Beginning balance	$ —	$ —	$ —	$ 35
Realized and unrealized gains (losses)	**—**	(5)	**—**	(4)
Net transfers	**—**	40	**—**	4
Ending balance	**$ —**	$ 35	**$ —**	$ 35
Unrealized gains (losses)	**$ —**	$ (5)	**$ —**	$ (4)
Net derivatives: Interest rate				
Beginning balance	$ 262	$ 49	$ (73)	$ (151)
Realized and unrealized gains (losses)	**(120)**	49	**(103)**	(318)
Purchases	**20**	26	**27**	57
Issuances	**(6)**	(7)	**(14)**	(63)
Settlements	**(77)**	(110)	**(18)**	329
Net transfers	**(79)**	(256)	**181**	(103)
Ending balance	**$ —**	$ (249)	**$ —**	$ (249)
Unrealized gains (losses)	**$ (114)**	$ 7	**$ (65)**	$ (94)

$ in millions	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net derivatives: Credit				
Beginning balance	$ 124	$ 96	$ 96	$ 110
Realized and unrealized gains (losses)	**108**	9	**(42)**	(12)
Settlements	**(116)**	(7)	**39**	(7)
Net transfers	**(2)**	(8)	**21**	(1)
Ending balance	**$ 114**	$ 90	**$ 114**	$ 90
Unrealized gains (losses)	**$ 108**	$ 8	**$ (21)**	$ 4
Net derivatives: Foreign exchange				
Beginning balance	$ (118)	$ 28	$ (365)	$ 66
Realized and unrealized gains (losses)	**51**	(13)	**57**	(53)
Settlements	**117**	16	**264**	(68)
Net transfers	**45**	(160)	**139**	(74)
Ending balance	**$ 95**	$ (129)	**$ 95**	$ (129)
Unrealized gains (losses)	**$ 51**	$ (16)	**$ 61**	$ (51)
Net derivatives: Equity				
Beginning balance	$ (1,055)	$ (775)	$ (1,102)	$ (736)
Realized and unrealized gains (losses)	**(123)**	195	**125**	192
Purchases	**54**	38	**186**	157
Issuances	**(161)**	(166)	**(473)**	(492)
Settlements	**265**	252	**337**	229
Net transfers	**252**	(326)	**159**	(132)
Ending balance	**$ (768)**	$ (782)	**$ (768)**	$ (782)
Unrealized gains (losses)	**$ (155)**	$ 160	**$ 11**	$ 93
Net derivatives: Commodity and other				
Beginning balance	$ 1,203	$ 1,416	$ 1,290	$ 1,083
Realized and unrealized gains (losses)	**223**	(7)	**789**	549
Purchases	**70**	7	**126**	70
Issuances	**(23)**	(9)	**(37)**	(80)
Settlements	**(398)**	(92)	**(909)**	(313)
Net transfers	**(51)**	(34)	**(235)**	(28)
Ending balance	**$ 1,024**	$ 1,281	**$ 1,024**	$ 1,281
Unrealized gains (losses)	**$ (58)**	$ (142)	**$ (48)**	$ 216
Deposits				
Beginning balance	$ 34	$ 36	$ 33	$ 20
Realized and unrealized losses (gains)	**—**	(1)	**—**	(1)
Purchases	**—**	6	**—**	26
Net transfers	**(33)**	(25)	**(32)**	(29)
Ending balance	**$ 1**	$ 16	**$ 1**	$ 16
Unrealized losses (gains)	**$ —**	$ (1)	**$ —**	$ (1)
Nonderivative trading liabilities				
Beginning balance	$ 42	$ 89	$ 60	$ 74
Realized and unrealized losses (gains)	**6**	(4)	**(17)**	(12)
Purchases	**(44)**	(29)	**(50)**	(49)
Sales	**25**	23	**78**	77
Settlements	**—**	—	**(1)**	—
Net transfers	**43**	15	**2**	4
Ending balance	**$ 72**	$ 94	**$ 72**	$ 94
Unrealized losses (gains)	**$ 9**	$ (2)	**$ (6)**	$ (11)

$ in millions	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Securities sold under agreements to repurchase				
Beginning balance	$ 449	$ 454	$ 449	$ 512
Realized and unrealized losses (gains)	**4**	4	**4**	11
Issuances	**—**	—	**—**	1
Settlements	**—**	—	**—**	(9)
Net transfers	**—**	—	**—**	(57)
Ending balance	**$ 453**	$ 458	**$ 453**	$ 458
Unrealized losses (gains)	**$ 3**	$ 4	**$ 4**	$ 11
Other secured financings				
Beginning balance	$ 91	$ 90	$ 92	$ 91
Realized and unrealized losses (gains)	**1**	(1)	**(4)**	2
Issuances	**57**	15	**94**	59
Settlements	**(16)**	(6)	**(58)**	(54)
Net transfers	**14**	—	**23**	—
Ending balance	**$ 147**	$ 98	**$ 147**	$ 98
Unrealized losses (gains)	**$ 1**	$ (1)	**$ (4)**	$ 2
Borrowings				
Beginning balance	$ 1,976	$ 1,787	$ 1,878	$ 1,587
Realized and unrealized losses (gains)	**86**	18	**90**	83
Issuances	**95**	342	**412**	626
Settlements	**(105)**	(182)	**(212)**	(355)
Net transfers	**(581)**	(437)	**(697)**	(413)
Ending balance	**$ 1,471**	$ 1,528	**$ 1,471**	$ 1,528
Unrealized losses (gains)	**$ 109**	$ 18	**$ 115**	$ 48
Portion of Unrealized losses (gains) recorded in OCI—Change in net DVA	**(1)**	(4)	**—**	10

Level 3 instruments may be hedged with instruments classified in Level 1 and Level 2. The realized and unrealized gains or losses for assets and liabilities within the Level 3 category presented in the previous tables do not reflect the related realized and unrealized gains or losses on hedging instruments that have been classified by the Firm within the Level 1 and/or Level 2 categories.

The unrealized gains (losses) during the period for assets and liabilities within the Level 3 category may include changes in fair value during the period that were attributable to both observable and unobservable inputs. Total realized and unrealized gains (losses) are primarily included in Trading revenues in the income statement.

Additionally, in the previous tables, consolidations of VIEs are included in Purchases, and deconsolidations of VIEs are included in Settlements.

Significant Unobservable Inputs Used in Recurring and Nonrecurring Level 3 Fair Value Measurements

Valuation Techniques and Unobservable Inputs

$ in millions, except inputs	Balance / Range (Average[1]) At September 30, 2024	At December 31, 2023
Assets at Fair Value on a Recurring Basis		
Other sovereign government obligations	**$ 109**	$ 94
Comparable pricing:		
Bond price	**70 to 100 points (80 points)**	61 to 110 points (87 points)
MABS	**$ 441**	$ 489
Comparable pricing:		
Bond price	**1 to 88 points (59 points)**	0 to 88 points (61 points)
Loans and lending commitments	**$ 1,584**	$ 2,066
Margin loan model:		
Margin loan rate	**1% to 4% (3%)**	2% to 4% (3%)
Comparable pricing:		
Loan price	**83 to 101 points (97 points)**	85 to 102 points (98 points)
Corporate and other debt	**$ 1,726**	$ 1,983
Comparable pricing:		
Bond price	**29 to 128 points (82 points)**	28 to 135 points (82 points)
Discounted cash flow:		
Loss given default	**54% to 84% (62% / 54%)**	54% to 84% (62% / 54%)
Corporate equities	**$ 194**	$ 199
Comparable pricing:		
Equity price	**100%**	100%
Investments	**$ 810**	$ 949
Discounted cash flow:		
WACC	**12% to 18% (16%)**	16% to 18% (17%)
Exit multiple	**9 to 10 times (10 times)**	9 to 17 times (15 times)
Market approach:		
EBITDA multiple	**21 times**	22 times
Comparable pricing:		
Equity price	**24% to 100% (84%)**	24% to 100% (86%)
Net derivative and other contracts:		
Interest rate	**$ 0**	$ (73)
Option model:		
IR volatility skew	**66% to 89% (74% / 73%)**	70% to 100% (81% / 93%)
IR curve correlation	**30% to 99% (83% / 87%)**	49% to 99% (77% / 79%)
Bond volatility	**77% to 188% (91% / 88%)**	79% to 85% (82% / 85%)
Inflation volatility	**29% to 69% (44% / 40%)**	27% to 70% (43% / 39%)
Credit	**$ 114**	$ 96
Credit default swap model:		
Cash-synthetic basis	**7 points**	7 points
Bond price	**0 to 90 points (42 points)**	0 to 92 points (46 points)
Credit spread	**10 to 366 bps (93 bps)**	10 to 404 bps (94 bps)
Funding spread	**13 to 590 bps (81 bps)**	18 to 590 bps (67 bps)

$ in millions, except inputs	Balance / Range (Average[1]) At September 30, 2024	At December 31, 2023
Foreign exchange[2]	**$ 95**	$ (365)
Option model:		
IR curve	**4% to 12% (8% / 5%)**	-4% to 26% (7% / 5%)
Foreign exchange volatility skew	**N/M**	-3% to 12% (2% / 0%)
Contingency probability	**85% to 95% (89% / 95%)**	95%
Equity[2]	**$ (768)**	$ (1,102)
Option model:		
Equity volatility	**10% to 95% (24%)**	6% to 97% (23%)
Equity volatility skew	**-1% to 0% (0%)**	-1% to 0% (0%)
Equity correlation	**18% to 94% (55%)**	25% to 97% (49%)
FX correlation	**-65% to 50% (-21%)**	-79% to 40% (-28%)
IR correlation	**-25% to 23% (12%)**	10% to 30% (15%)
Commodity and other	**$ 1,024**	$ 1,290
Option model:		
Forward power price	**$0 to $193 ($39) per MWh**	$0 to $220 ($49) per MWh
Commodity volatility	**7% to 135% (35%)**	8% to 123% (31%)
Cross-commodity correlation	**54% to 100% (95%)**	54% to 100% (94%)
Liabilities Measured at Fair Value on a Recurring Basis		
Securities sold under agreements to repurchase	**$ 453**	$ 449
Discounted cash flow:		
Funding spread	**11 to 127 bps (49 / 32 bps)**	28 to 135 bps (79 bps)
Other secured financings	**$ 147**	$ 92
Comparable pricing:		
Loan price	**23 to 101 points (74 points)**	22 to 101 points (76 points)
Borrowings	**$ 1,471**	$ 1,878
Option model:		
Equity volatility	**9% to 65% (24%)**	6% to 69% (13%)
Equity volatility skew	**-3% to 0% (0%)**	-2% to 0% (0%)
Equity correlation	**42% to 97% (71%)**	41% to 97% (79%)
Equity - FX correlation	**-50% to 23% (-18%)**	-65% to 40% (-30%)
IR curve correlation	**N/M**	50% to 89% (71% / 70%)
Credit default swap model:		
Credit spread	**341 to 519 bps (430 bps)**	N/M
Discounted cash flow:		
Loss given default	**54% to 84% (62% / 54%)**	54% to 84% (62% / 54%)
Nonrecurring Fair Value Measurement		
Loans	**$ 5,570**	$ 4,532
Corporate loan model:		
Credit spread	**115 to 13,954 bps (1,131 bps)**	99 to 1,467 bps (1,015 bps)
Comparable pricing:		
Loan price	**29 to 100 points (87 points)**	25 to 93 points (70 points)
Warehouse model:		
Credit spread	**122 to 271 bps (186 bps)**	115 to 268 bps (185 bps)

Points—Percentage of par
IR—Interest rate
FX—Foreign exchange

1. A single amount is disclosed for range and average when there is no significant difference between the minimum, maximum and average. Amounts represent weighted averages except where simple averages and the median of the inputs are more relevant.
2. Includes derivative contracts with multiple risks (*i.e.*, hybrid products).

The previous table provides information on the valuation techniques, significant unobservable inputs, and the ranges and averages for each major category of assets and liabilities measured at fair value on a recurring and nonrecurring basis with a significant Level 3 balance. The level of aggregation and breadth of products cause the range of inputs to be wide and not evenly distributed across the inventory of financial instruments. Further, the range of unobservable inputs may differ across firms in the financial services industry because of diversity in the types of products included in each firm's inventory. Generally, there are no predictable relationships between multiple significant unobservable inputs attributable to a given valuation technique.

For a description of the Firm's significant unobservable inputs and qualitative information about the effect of hypothetical changes in the values of those inputs, see Note 4 to the financial statements in the 2023 Form 10-K. During the three months ended September 30, 2024, there were no significant revisions made to the descriptions of the Firm's significant unobservable inputs.

Net Asset Value Measurements

Fund Interests

	At September 30, 2024		At December 31, 2023	
$ in millions	Carrying Value	Commitment	Carrying Value	Commitment
Private equity	**$ 2,612**	**$ 638**	$ 2,685	$ 720
Real estate	**3,060**	**229**	2,765	240
Hedge	**72**	**2**	74	3
Total	**$ 5,744**	**$ 869**	$ 5,524	$ 963

Amounts in the previous table represent the Firm's carrying value of general and limited partnership interests in fund investments, as well as any related performance-based income in the form of carried interest. The carrying amounts are measured based on the NAV of the fund taking into account the distribution terms applicable to the interest held. This same measurement applies whether the fund investments are accounted for under the equity method or fair value.

For a description of the Firm's investments in private equity funds, real estate funds and hedge funds, which are measured based on NAV, see Note 4 to the financial statements in the 2023 Form 10-K.

See Note 13 for information regarding general partner guarantees, which include potential obligations to return performance fee distributions previously received. See Note 19 for information regarding unrealized carried interest at risk of reversal.

Nonredeemable Funds by Contractual Maturity

	Carrying Value at September 30, 2024	
$ in millions	Private Equity	Real Estate
Less than 5 years	**$ 1,094**	**$ 1,867**
5-10 years	**1,421**	**1,099**
Over 10 years	**97**	**94**
Total	**$ 2,612**	**$ 3,060**

Nonrecurring Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

	At September 30, 2024		
	Fair Value		
$ in millions	Level 2	Level 3[1]	Total
Assets			
Loans	**$ 1,991**	**$ 5,570**	**$ 7,561**
Total	**$ 1,991**	**$ 5,570**	**$ 7,561**
Liabilities			
Other liabilities and accrued expenses—Lending commitments	**$ 62**	**$ 60**	**$ 122**
Total	**$ 62**	**$ 60**	**$ 122**

	At December 31, 2023		
	Fair Value		
$ in millions	Level 2	Level 3[1]	Total
Assets			
Loans	$ 4,215	$ 4,532	$ 8,747
Other assets—Other investments	—	4	4
Other assets—ROU assets	23	—	23
Total	$ 4,238	$ 4,536	$ 8,774
Liabilities			
Other liabilities and accrued expenses—Lending commitments	$ 110	$ 60	$ 170
Total	$ 110	$ 60	$ 170

1. For significant Level 3 balances, refer to "Significant Unobservable Inputs Used in Recurring and Nonrecurring Level 3 Fair Value Measurements" section herein for details of the significant unobservable inputs used for nonrecurring fair value measurement.

Gains (Losses) from Nonrecurring Fair Value Remeasurements[1]

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Assets				
Loans[2]	**$ (136)**	$ (35)	**$ (190)**	$ (117)
Other assets—Other investments[3]	**—**	5	**(7)**	4
Other assets—Premises, equipment and software[4]	**(10)**	(2)	**(12)**	(6)
Other assets—ROU assets[5]	**—**	—	**—**	(10)
Total	**$ (146)**	$ (32)	**$ (209)**	$ (129)
Liabilities				
Other liabilities and accrued expenses—Lending commitments[2]	**$ (2)**	$ 7	**$ 8**	$ 38
Total	**$ (2)**	$ 7	**$ 8**	$ 38

1. Gains and losses for Loans and Other assets—Other investments are classified in Other revenues. For other items, gains and losses are recorded in Other revenues if the item is held for sale; otherwise, they are recorded in Other expenses.

2. Nonrecurring changes in the fair value of loans and lending commitments, which exclude the impact of related economic hedges, are calculated as follows: for the held-for-investment category, based on the value of the underlying collateral; and for the held-for-sale category, based on recently executed transactions, market price quotations, valuation models that incorporate market observable inputs where possible, such as comparable loan or debt prices and CDS spread levels adjusted for any basis difference between cash and derivative instruments, or default recovery analysis where such transactions and quotations are unobservable.
3. Losses related to Other assets—Other investments were determined using techniques that included discounted cash flow models, methodologies that incorporate multiples of certain comparable companies and recently executed transactions.
4. Losses related to Other assets—Premises, equipment and software generally include impairments as well as write-offs related to the disposal of certain assets.
5. Losses related to Other Assets—ROU assets include impairments related to discontinued leased properties.

Financial Instruments Not Measured at Fair Value

	At September 30, 2024				
	Carrying	Fair Value			
$ in millions	Value	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	**$ 91,084**	**$ 91,084**	**$ —**	**$ —**	**$ 91,084**
Investment securities—HTM	**62,856**	**17,292**	**36,455**	**1,147**	**54,894**
Securities purchased under agreements to resell	**137,352**	**—**	**135,629**	**1,799**	**137,428**
Securities borrowed	**132,412**	**—**	**132,413**	**—**	**132,413**
Customer and other receivables	**84,207**	**—**	**80,049**	**4,051**	**84,100**
Loans[1,2]					
Held for investment	**218,012**	**—**	**8,321**	**205,719**	**214,040**
Held for sale	**12,862**	**—**	**5,366**	**7,601**	**12,967**
Other assets	**704**	**—**	**704**	**—**	**704**
Financial liabilities					
Deposits	**$ 356,395**	**$ —**	**$356,592**	**$ —**	**$356,592**
Securities sold under agreements to repurchase	**57,333**	**—**	**57,336**	**—**	**57,336**
Securities loaned	**17,455**	**—**	**17,455**	**—**	**17,455**
Other secured financings	**4,016**	**—**	**4,015**	**—**	**4,015**
Customer and other payables	**216,362**	**—**	**216,362**	**—**	**216,362**
Borrowings	**190,633**	**—**	**193,720**	**102**	**193,822**
	Commitment Amount				
Lending commitments[3]	**$ 169,777**	**$ —**	**$ 1,180**	**$ 1,038**	**$ 2,218**

	At December 31, 2023				
	Carrying	Fair Value			
$ in millions	Value	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	$ 89,232	$ 89,232	$ —	$ —	$ 89,232
Investment securities—HTM	66,694	21,937	34,411	1,105	57,453
Securities purchased under agreements to resell	110,733	—	108,099	2,674	110,773
Securities borrowed	121,091	—	121,091	—	121,091
Customer and other receivables	74,337	—	70,110	4,031	74,141
Loans[1,2]					
Held for investment	203,385	—	20,125	176,291	196,416
Held for sale	15,255	—	8,652	6,672	15,324
Other assets	704	—	704	—	704
Financial liabilities					
Deposits	$ 345,332	$ —	$345,391	$ —	$345,391
Securities sold under agreements to repurchase	61,631	—	61,621	—	61,621
Securities loaned	15,057	—	15,055	—	15,055
Other secured financings	2,756	—	2,756	—	2,756
Customer and other payables	208,015	—	208,015	—	208,015
Borrowings	169,832	—	171,009	4	171,013
	Commitment Amount				
Lending commitments[3]	$ 149,464	$ —	$ 1,338	$ 749	$ 2,087

1. Amounts include loans measured at fair value on a nonrecurring basis.
2. Loans amounts have been disaggregated into HFI and HFS for the first time in the fourth quarter of 2023. Prior period amounts have been revised to match the current period presentation.
3. Represents Lending commitments accounted for as Held for Investment and Held for Sale. For a further discussion on lending commitments, see Note 13.

The previous tables exclude all non-financial assets and liabilities, such as Goodwill and Intangible assets, and certain financial instruments, such as equity method investments and certain receivables.

5. Fair Value Option

The Firm has elected the fair value option for certain eligible instruments that are risk managed on a fair value basis to mitigate income statement volatility caused by measurement basis differences between the elected instruments and their associated risk management transactions or to eliminate complexities of applying certain accounting models.

Borrowings Measured at Fair Value on a Recurring Basis

$ in millions	**At September 30, 2024**	At December 31, 2023
Business Unit Responsible for Risk Management		
Equity	**$ 53,530**	$ 46,073
Interest rates	**35,239**	31,055
Commodities	**14,071**	12,798
Credit	**3,047**	2,400
Foreign exchange	**1,660**	1,574
Total	**$ 107,547**	$ 93,900

Net Revenues from Borrowings under the Fair Value Option

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Trading revenues	**$ (6,993)**	$ 3,479	**$ (6,158)**	$ (1,412)
Interest expense	**175**	124	**474**	351
Net revenues[1]	**$ (7,168)**	$ 3,355	**$ (6,632)**	$ (1,763)

1. Amounts do not reflect any gains or losses from related economic hedges.

Gains (losses) from changes in fair value are recorded in Trading revenues and are mainly attributable to movements in the reference price or index, interest rates or foreign exchange rates.

Gains (Losses) Due to Changes in Instrument-Specific Credit Risk

	Three Months Ended September 30,			
	2024		2023	
$ in millions	Trading Revenues	OCI	Trading Revenues	OCI
Loans and other receivables[1]	**$ (15)**	**$ —**	$ (8)	$ —
Lending commitments	**(3)**	**—**	—	—
Deposits	**—**	**(3)**	—	4
Borrowings	**(4)**	**(227)**	(6)	(547)

	Nine Months Ended September 30,			
	2024		2023	
$ in millions	Trading Revenues	OCI	Trading Revenues	OCI
Loans and other receivables[1]	**$ (13)**	**$ —**	$ (112)	$ —
Lending commitments	**(4)**	**—**	11	—
Deposits	**—**	**8**	—	21
Borrowings	**(21)**	**(617)**	(15)	(1,289)

$ in millions	**At September 30, 2024**	At December 31, 2023
Cumulative pre-tax DVA gain (loss) recognized in AOCI	**$ (2,775)**	$ (2,166)

1. Loans and other receivables-specific credit gains (losses) were determined by excluding the non-credit components of gains and losses.

Difference Between Contractual Principal and Fair Value[1]

$ in millions	**At September 30, 2024**	At December 31, 2023
Loans and other receivables[2]	**$ 10,943**	$ 11,086
Nonaccrual loans[2]	**8,409**	8,566
Borrowings[3]	**1,973**	3,030

1. Amounts indicate contractual principal greater than or (less than) fair value.
2. The majority of the difference between principal and fair value amounts for loans and other receivables relates to distressed debt positions purchased at amounts well below par.
3. Excludes borrowings where the repayment of the initial principal amount fluctuates based on changes in a reference price or index.

The previous tables exclude non-recourse debt from consolidated VIEs, liabilities related to transfers of financial assets treated as collateralized financings, pledged commodities and other liabilities that have specified assets attributable to them.

Fair Value Loans on Nonaccrual Status

$ in millions	**At September 30, 2024**	At December 31, 2023
Nonaccrual loans	**$ 824**	$ 440
Nonaccrual loans 90 or more days past due	**20**	75

6. Derivative Instruments and Hedging Activities

Fair Values of Derivative Contracts

	Assets at September 30, 2024			
$ in millions	Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	**$ 3**	**$ —**	**$ —**	**$ 3**
Foreign exchange	**44**	**3**	**—**	**47**
Total	**47**	**3**	**—**	**50**
Not designated as accounting hedges				
Economic hedges of loans				
Credit	**—**	**33**	**—**	**33**
Other derivatives				
Interest rate	**115,855**	**17,372**	**282**	**133,509**
Credit	**5,026**	**5,445**	**—**	**10,471**
Foreign exchange	**78,738**	**2,721**	**126**	**81,585**
Equity	**32,410**	**—**	**60,700**	**93,110**
Commodity and other	**14,868**	**2**	**2,311**	**17,181**
Total	**246,897**	**25,573**	**63,419**	**335,889**
Total gross derivatives	**$ 246,944**	**$ 25,576**	**$ 63,419**	**$ 335,939**
Amounts offset				
Counterparty netting	**(177,423)**	**(22,675)**	**(60,104)**	**(260,202)**
Cash collateral netting	**(36,738)**	**(1,772)**	**—**	**(38,510)**
Total in Trading assets	**$ 32,783**	**$ 1,129**	**$ 3,315**	**$ 37,227**
Amounts not offset[1]				
Financial instruments collateral	**(15,407)**	**—**	**—**	**(15,407)**
Net amounts	**$ 17,376**	**$ 1,129**	**$ 3,315**	**$ 21,820**
Net amounts for which master netting or collateral agreements are not in place or may not be legally enforceable				**$ 2,592**

$ in millions	Liabilities at September 30, 2024 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	**$ 420**	**$ —**	**$ —**	**$ 420**
Foreign exchange	**71**	**35**	**—**	**106**
Total	**491**	**35**	**—**	**526**
Not designated as accounting hedges				
Economic hedges of loans				
Credit	**53**	**786**	**—**	**839**
Other derivatives				
Interest rate	**104,680**	**14,939**	**225**	**119,844**
Credit	**5,071**	**5,048**	**—**	**10,119**
Foreign exchange	**76,813**	**2,696**	**293**	**79,802**
Equity	**48,782**	**—**	**59,413**	**108,195**
Commodity and other	**12,475**	**—**	**2,542**	**15,017**
Total	**247,874**	**23,469**	**62,473**	**333,816**
Total gross derivatives	**$248,365**	**$ 23,504**	**$ 62,473**	**$ 334,342**
Amounts offset				
Counterparty netting	**(177,423)**	**(22,675)**	**(60,104)**	**(260,202)**
Cash collateral netting	**(40,917)**	**(604)**	**—**	**(41,521)**
Total in Trading liabilities	**$ 30,025**	**$ 225**	**$ 2,369**	**$ 32,619**
Amounts not offset[1]				
Financial instruments collateral	**(5,588)**	**—**	**(200)**	**(5,788)**
Net amounts	**$ 24,437**	**$ 225**	**$ 2,169**	**$ 26,831**
Net amounts for which master netting or collateral agreements are not in place or may not be legally enforceable				**4,660**

$ in millions	Assets at December 31, 2023 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	$ 25	$ —	$ —	$ 25
Foreign exchange	5	5	—	10
Total	30	5	—	35
Not designated as accounting hedges				
Economic hedges of loans				
Credit	2	27	—	29
Other derivatives				
Interest rate	127,414	19,914	854	148,182
Credit	5,712	4,896	—	10,608
Foreign exchange	90,654	2,570	16	93,240
Equity	20,338	—	37,737	58,075
Commodity and other	13,928	—	2,353	16,281
Total	258,048	27,407	40,960	326,415
Total gross derivatives	$ 258,078	$27,412	$ 40,960	$ 326,450
Amounts offset				
Counterparty netting	(184,553)	(23,851)	(38,510)	(246,914)
Cash collateral netting	(39,493)	(2,730)	—	(42,223)
Total in Trading assets	$ 34,032	$ 831	$ 2,450	$ 37,313
Amounts not offset[1]				
Financial instruments collateral	(15,690)	—	—	(15,690)
Net amounts	$ 18,342	$ 831	$ 2,450	$ 21,623
Net amounts for which master netting or collateral agreements are not in place or may not be legally enforceable				$ 2,641

$ in millions	Liabilities at December 31, 2023 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	$ 467	$ —	$ —	$ 467
Foreign exchange	414	43	—	457
Total	881	43	—	924
Not designated as accounting hedges				
Economic hedges of loans				
Credit	43	702	—	745
Other derivatives				
Interest rate	120,604	17,179	590	138,373
Credit	5,920	4,427	—	10,347
Foreign exchange	87,104	2,694	106	89,904
Equity	31,545	—	37,349	68,894
Commodity and other	12,237	—	2,830	15,067
Total	257,453	25,002	40,875	323,330
Total gross derivatives	$ 258,334	$25,045	$ 40,875	$ 324,254
Amounts offset				
Counterparty netting	(184,553)	(23,851)	(38,510)	(246,914)
Cash collateral netting	(41,082)	(983)	—	(42,065)
Total in Trading liabilities	$ 32,699	$ 211	$ 2,365	$ 35,275
Amounts not offset[1]				
Financial instruments collateral	(6,864)	(8)	(37)	(6,909)
Net amounts	$ 25,835	$ 203	$ 2,328	$ 28,366
Net amounts for which master netting or collateral agreements are not in place or may not be legally enforceable				$ 5,911

1. Amounts relate to master netting agreements and collateral agreements that have been determined by the Firm to be legally enforceable in the event of default but where certain other netting criteria are not met in accordance with applicable offsetting accounting guidance.

See Note 4 for information related to the unsettled fair value of futures contracts not designated as accounting hedges, which are excluded from the previous tables.

Notionals of Derivative Contracts

$ in billions	Assets at September 30, 2024 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	**$ —**	**$ 129**	**$ —**	**$ 129**
Foreign exchange	**11**	**1**	**—**	**12**
Total	**11**	**130**	**—**	**141**
Not designated as accounting hedges				
Economic hedges of loans				
Credit	**—**	**1**	**—**	**1**
Other derivatives				
Interest rate	**4,226**	**6,682**	**639**	**11,547**
Credit	**242**	**195**	**—**	**437**
Foreign exchange	**3,594**	**214**	**11**	**3,819**
Equity	**665**	**—**	**614**	**1,279**
Commodity and other	**132**	**3**	**81**	**216**
Total	**8,859**	**7,095**	**1,345**	**17,299**
Total gross derivatives	**$ 8,870**	**$ 7,225**	**$ 1,345**	**$ 17,440**

$ in billions	Liabilities at September 30, 2024 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	**$ 2**	**$ 177**	**$ —**	**$ 179**
Foreign exchange	**5**	**3**	**—**	**8**
Total	**7**	**180**	**—**	**187**
Not designated as accounting hedges				
Economic hedges of loans				
Credit	**2**	**22**	**—**	**24**
Other derivatives				
Interest rate	**4,222**	**6,605**	**533**	**11,360**
Credit	**245**	**181**	**—**	**426**
Foreign exchange	**3,836**	**218**	**35**	**4,089**
Equity	**714**	**—**	**992**	**1,706**
Commodity and other	**106**	**1**	**94**	**201**
Total	**9,125**	**7,027**	**1,654**	**17,806**
Total gross derivatives	**$ 9,132**	**$ 7,207**	**$ 1,654**	**$ 17,993**

$ in billions	Assets at December 31, 2023 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	$ —	$ 92	$ —	$ 92
Foreign exchange	1	1	—	2
Total	1	93	—	94
Not designated as accounting hedges				
Economic hedges of loans				
Credit	—	1	—	1
Other derivatives				
Interest rate	4,153	8,357	560	13,070
Credit	214	176	—	390
Foreign exchange	3,378	165	7	3,550
Equity	528	—	440	968
Commodity and other	142	—	65	207
Total	8,415	8,699	1,072	18,186
Total gross derivatives	$ 8,416	$ 8,792	$ 1,072	$ 18,280

$ in billions	Liabilities at December 31, 2023 Bilateral OTC	Cleared OTC	Exchange-Traded	Total
Designated as accounting hedges				
Interest rate	$ 3	$ 183	$ —	$ 186
Foreign exchange	14	3	—	17
Total	17	186	—	203
Not designated as accounting hedges				
Economic hedges of loans				
Credit	2	22	—	24
Other derivatives				
Interest rate	4,631	8,197	455	13,283
Credit	229	155	—	384
Foreign exchange	3,496	167	33	3,696
Equity	587	—	712	1,299
Commodity and other	101	—	79	180
Total	9,046	8,541	1,279	18,866
Total gross derivatives	$ 9,063	$ 8,727	$ 1,279	$ 19,069

The notional amounts of derivative contracts generally overstate the Firm's exposure. In most circumstances, notional amounts are used only as a reference point from which to calculate amounts owed between the parties to the contract. Furthermore, notional amounts do not reflect the benefit of legally enforceable netting arrangements or risk mitigating transactions.

For a discussion of the Firm's derivative instruments and hedging activities, see Note 6 to the financial statements in the 2023 Form 10-K.

Gains (Losses) on Accounting Hedges

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Fair value hedges—Recognized in Interest income				
Interest rate contracts	**$ (1,277)**	$ 259	**$ (686)**	$ 457
Investment Securities—AFS	**1,302**	(239)	**755**	(423)
Fair value hedges—Recognized in Interest expense				
Interest rate contracts	**$ 5,777**	$ (2,742)	**$ 3,627**	$ (2,806)
Deposits	**(227)**	(15)	**(235)**	(31)
Borrowings	**(5,561)**	2,781	**(3,403)**	2,856
Net investment hedges—Foreign exchange contracts				
Recognized in OCI	**$ (533)**	$ 375	**$ 122**	$ 381
Forward points excluded from hedge effectiveness testing—Recognized in Interest income	**50**	60	**140**	166
Cash flow hedges—Interest rate contracts[1]				
Recognized in OCI	**$ 34**	$ (12)	**$ (26)**	$ (30)
Less: Realized gains (losses) (pre-tax) reclassified from AOCI to interest income	**(11)**	(6)	**(34)**	(9)
Net change in cash flow hedges included within AOCI	**45**	(6)	**8**	(21)

1. For the three months ended September 30, 2024, there were no forecasted transactions that failed to occur. The net gains (losses) associated with cash flow hedges expected to be reclassified from AOCI within 12 months as of September 30, 2024, is approximately $(5) million. The maximum length of time over which forecasted cash flows are hedged is 18 months.

Fair Value Hedges—Hedged Items

$ in millions	At September 30, 2024	At December 31, 2023
Investment Securities—AFS		
Amortized cost basis currently or previously hedged	**$ 55,000**	$ 47,179
Basis adjustments included in amortized cost[1]	**$ 220**	$ (732)
Deposits		
Carrying amount currently or previously hedged	**$ 22,816**	$ 10,569
Basis adjustments included in carrying amount[1]	**$ 204**	$ (31)
Borrowings		
Carrying amount currently or previously hedged	**$ 175,810**	$ 158,659
Basis adjustments included in carrying amount—Outstanding hedges	**$ (5,826)**	$ (9,219)
Basis adjustments included in carrying amount—Terminated hedges	**$ (654)**	$ (671)

1. Hedge accounting basis adjustments are primarily related to outstanding hedges.

Gains (Losses) on Economic Hedges of Loans

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Recognized in Other revenues				
Credit contracts[1]	**$ (101)**	$ (104)	**$ (248)**	$ (330)

1. Amounts related to hedges of certain held-for-investment and held-for-sale loans.

Net Derivative Liabilities and Collateral Posted

$ in millions	At September 30, 2024	At December 31, 2023
Net derivative liabilities with credit risk-related contingent features	$ 23,138	$ 21,957
Collateral posted	16,361	16,389

The previous table presents the aggregate fair value of certain derivative contracts that contain credit risk-related contingent features that are in a net liability position for which the Firm has posted collateral in the normal course of business.

Incremental Collateral and Termination Payments upon Potential Future Ratings Downgrade

$ in millions	At September 30, 2024
One-notch downgrade	$ 213
Two-notch downgrade	458
Bilateral downgrade agreements included in the amounts above[1]	$ 543

1. Amount represents arrangements between the Firm and other parties where upon the downgrade of one party, the downgraded party must deliver collateral to the other party. These bilateral downgrade arrangements are used by the Firm to manage the risk of counterparty downgrades.

The additional collateral or termination payments that may be called in the event of a future credit rating downgrade vary by contract and can be based on ratings by Moody's Investors Service, Inc., S&P Global Ratings and/or other rating agencies. The previous table shows the future potential collateral amounts and termination payments that could be called or required by counterparties or exchange and clearing organizations in the event of one-notch or two-notch downgrade scenarios based on the relevant contractual downgrade triggers.

Maximum Potential Payout/Notional of Credit Protection Sold[1]

	Years to Maturity at September 30, 2024				
$ in billions	< 1	1-3	3-5	Over 5	Total
Single-name CDS					
Investment grade	$ 18	$ 29	$ 41	$ 15	$ 103
Non-investment grade	7	16	17	3	43
Total	$ 25	$ 45	$ 58	$ 18	$ 146
Index and basket CDS					
Investment grade	$ 5	$ 11	$ 11	$ 1	$ 28
Non-investment grade	9	23	156	66	254
Total	$ 14	$ 34	$ 167	$ 67	$ 282
Total CDS sold	$ 39	$ 79	$ 225	$ 85	$ 428
Other credit contracts	—	—	—	3	3
Total credit protection sold	$ 39	$ 79	$ 225	$ 88	$ 431
CDS protection sold with identical protection purchased					$ 373

	Years to Maturity at December 31, 2023				
$ in billions	< 1	1-3	3-5	Over 5	Total
Single-name CDS					
Investment grade	$ 19	$ 29	$ 39	$ 10	$ 97
Non-investment grade	7	14	17	1	39
Total	$ 26	$ 43	$ 56	$ 11	$ 136
Index and basket CDS					
Investment grade	$ 8	$ 19	$ 85	$ 4	$ 116
Non-investment grade	8	14	95	17	134
Total	$ 16	$ 33	$ 180	$ 21	$ 250
Total CDS sold	$ 42	$ 76	$ 236	$ 32	$ 386
Other credit contracts	—	—	—	3	3
Total credit protection sold	$ 42	$ 76	$ 236	$ 35	$ 389
CDS protection sold with identical protection purchased					$ 330

Fair Value Asset (Liability) of Credit Protection Sold[1]

$ in millions	At September 30, 2024	At December 31, 2023
Single-name CDS		
Investment grade	$ 2,122	$ 1,904
Non-investment grade	670	399
Total	$ 2,792	$ 2,303
Index and basket CDS		
Investment grade	$ 993	$ 1,929
Non-investment grade	1,416	45
Total	$ 2,409	$ 1,974
Total CDS sold	$ 5,201	$ 4,277
Other credit contracts	133	314
Total credit protection sold	$ 5,334	$ 4,591

1. Investment grade/non-investment grade determination is based on the internal credit rating of the reference obligation. Internal credit ratings serve as the CRM's assessment of credit risk and the basis for a comprehensive credit limits framework used to control credit risk. The Firm uses quantitative models and judgment to estimate the various risk parameters related to each obligor.

Protection Purchased with CDS

	Notional	
$ in billions	At September 30, 2024	At December 31, 2023
Single name	$ 173	$ 166
Index and basket	252	213
Tranched index and basket	31	30
Total	$ 456	$ 409

	Fair Value Asset (Liability)	
$ in millions	At September 30, 2024	At December 31, 2023
Single name	$ (3,222)	$ (2,799)
Index and basket	(1,559)	(1,208)
Tranched index and basket	(1,008)	(1,012)
Total	$ (5,789)	$ (5,019)

The Firm enters into credit derivatives, principally CDS, under which it receives or provides protection against the risk of default on a set of debt obligations issued by a specified reference entity or entities. A majority of the Firm's counterparties for these derivatives are banks, broker-dealers, and insurance and other financial institutions.

The fair value amounts as shown in the previous tables are prior to cash collateral or counterparty netting. For further information on credit derivatives and other credit contracts, see Note 6 to the financial statements in the 2023 Form 10-K.

7. Investment Securities

AFS and HTM Securities

$ in millions	At September 30, 2024			
	Amortized Cost[1]	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
AFS securities				
U.S. Treasury securities	**$ 68,369**	**$ 117**	**$ 500**	**$ 67,986**
U.S. agency securities[2]	**24,227**	**6**	**2,098**	**22,135**
Agency CMBS	**5,828**	**—**	**365**	**5,463**
State and municipal securities	**1,620**	**4**	**13**	**1,611**
FFELP student loan ABS[3]	**641**	**—**	**8**	**633**
Total AFS securities	**100,685**	**127**	**2,984**	**97,828**
HTM securities				
U.S. Treasury securities	**18,169**	**—**	**877**	**17,292**
U.S. agency securities[2]	**42,067**	**82**	**6,992**	**35,157**
Agency CMBS	**1,245**	**—**	**81**	**1,164**
Non-agency CMBS	**1,375**	**6**	**100**	**1,281**
Total HTM securities	**62,856**	**88**	**8,050**	**54,894**
Total investment securities	**$ 163,541**	**$ 215**	**$ 11,034**	**$ 152,722**

$ in millions	At December 31, 2023			
	Amortized Cost[1]	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
AFS securities				
U.S. Treasury securities	$ 58,484	$ 24	$ 1,103	$ 57,405
U.S. agency securities[2]	25,852	4	2,528	23,328
Agency CMBS	5,871	—	456	5,415
State and municipal securities	1,132	46	5	1,173
FFELP student loan ABS[3]	810	—	18	792
Total AFS securities	92,149	74	4,110	88,113
HTM securities				
U.S. Treasury securities	23,222	—	1,285	21,937
U.S. agency securities[2]	40,894	—	7,699	33,195
Agency CMBS	1,337	—	121	1,216
Non-agency CMBS	1,241	2	138	1,105
Total HTM securities	66,694	2	9,243	57,453
Total investment securities	$ 158,843	$ 76	$ 13,353	$ 145,566

1. Amounts are net of any ACL.
2. U.S. agency securities consist mainly of agency mortgage pass-through pool securities, CMOs and agency-issued debt.
3. Underlying loans are backed by a guarantee, ultimately from the U.S. Department of Education, of at least 95% of the principal balance and interest outstanding.

AFS Securities in an Unrealized Loss Position

$ in millions	At September 30, 2024		At December 31, 2023	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
U.S. Treasury securities				
Less than 12 months	**$ 21,410**	**$ 30**	$ 14,295	$ 22
12 months or longer	**23,865**	**470**	33,458	1,081
Total	**45,275**	**500**	47,753	1,103
U.S. agency securities				
Less than 12 months	**638**	**1**	4,297	43
12 months or longer	**20,163**	**2,097**	18,459	2,485
Total	**20,801**	**2,098**	22,756	2,528
Agency CMBS				
Less than 12 months	**25**	**—**	—	—
12 months or longer	**5,105**	**365**	5,415	456
Total	**5,130**	**365**	5,415	456
State and municipal securities				
Less than 12 months	**620**	**11**	524	3
12 months or longer	**36**	**2**	35	2
Total	**656**	**13**	559	5
FFELP student loan ABS				
Less than 12 months	**24**	**—**	56	1
12 months or longer	**484**	**8**	616	17
Total	**508**	**8**	672	18
Total AFS securities in an unrealized loss position				
Less than 12 months	**22,717**	**42**	19,172	69
12 months or longer	**49,653**	**2,942**	57,983	4,041
Total	**$ 72,370**	**$ 2,984**	$ 77,155	$ 4,110

For AFS securities, the Firm believes there are no securities in an unrealized loss position that have credit losses after performing the analysis described in Note 2 in the 2023 Form 10-K and the Firm expects to recover the amortized cost basis of these securities. Additionally, the Firm does not intend to sell these securities and is not likely to be required to sell these securities prior to recovery of the amortized cost basis. As of September 30, 2024 and December 31, 2023, the securities in an unrealized loss position are predominantly investment grade.

The HTM securities net carrying amounts at September 30, 2024 and December 31, 2023 reflect an ACL of $54 million and $44 million, respectively, predominantly related to Non-agency CMBS. See Note 2 in the 2023 Form 10-K for a description of the ACL methodology used for HTM Securities.

As of September 30, 2024 and December 31, 2023, 98% of the Firm's portfolio of HTM securities were investment grade U.S. agency securities, U.S. Treasury securities and Agency CMBS which were on accrual status and for which there is an underlying assumption of zero credit losses. Non-investment grade HTM securities primarily consisted of certain Non-agency CMBS securities, for which the expected credit losses were insignificant and were predominantly on accrual status at September 30, 2024 and December 31, 2023.

See Note 14 for additional information on securities issued by VIEs, including U.S. agency mortgage-backed securities, non-agency CMBS, and FFELP student loan ABS.

Investment Securities by Contractual Maturity

	At September 30, 2024		
$ in millions	Amortized Cost[1]	Fair Value	Annualized Average Yield[2,3]
AFS securities			
U.S. Treasury securities:			
Due within 1 year	**$ 18,132**	**$ 17,928**	**2.0 %**
After 1 year through 5 years	**44,001**	**43,834**	**3.5 %**
After 5 years through 10 years	**6,236**	**6,224**	**4.1 %**
Total	**68,369**	**67,986**	
U.S. agency securities:			
Due within 1 year	**10**	**10**	**0.7 %**
After 1 year through 5 years	**277**	**268**	**1.6 %**
After 5 years through 10 years	**448**	**420**	**1.8 %**
After 10 years	**23,492**	**21,437**	**3.7 %**
Total	**24,227**	**22,135**	
Agency CMBS:			
After 1 year through 5 years	**3,874**	**3,740**	**1.9 %**
After 5 years through 10 years	**832**	**797**	**1.7 %**
After 10 years	**1,122**	**926**	**1.4 %**
Total	**5,828**	**5,463**	
State and municipal securities:			
Due within 1 year	**861**	**861**	**5.1 %**
After 1 year through 5 years	**305**	**304**	**4.6 %**
After 5 years through 10 years	**95**	**94**	**4.7 %**
After 10 Years	**359**	**352**	**4.0 %**
Total	**1,620**	**1,611**	
FFELP student loan ABS:			
Due within 1 year	**12**	**12**	**5.8 %**
After 1 year through 5 years	**116**	**113**	**6.1 %**
After 5 years through 10 years	**25**	**24**	**5.9 %**
After 10 years	**488**	**484**	**6.3 %**
Total	**641**	**633**	
Total AFS securities	**$ 100,685**	**$ 97,828**	**3.2 %**

	At September 30, 2024		
$ in millions	Amortized Cost[1]	Fair Value	Annualized Average Yield[2]
HTM securities			
U.S. Treasury securities:			
Due within 1 year	**$ 4,596**	**$ 4,524**	**1.4 %**
After 1 year through 5 years	**11,514**	**11,177**	**2.2 %**
After 5 years through 10 years	**503**	**431**	**1.1 %**
After 10 years	**1,556**	**1,160**	**2.3 %**
Total	**18,169**	**17,292**	
U.S. agency securities:			
After 1 year through 5 years	**4**	**4**	**1.8 %**
After 5 years through 10 years	**243**	**232**	**2.1 %**
After 10 years	**41,820**	**34,921**	**2.1 %**
Total	**42,067**	**35,157**	
Agency CMBS:			
Due within 1 year	**320**	**314**	**1.9 %**
After 1 year through 5 years	**695**	**655**	**1.2 %**
After 5 years through 10 years	**125**	**109**	**1.5 %**
After 10 years	**105**	**86**	**1.5 %**
Total	**1,245**	**1,164**	
Non-agency CMBS:			
Due within 1 year	**130**	**108**	**3.9 %**
After 1 year through 5 years	**476**	**464**	**5.0 %**
After 5 years through 10 years	**607**	**548**	**3.7 %**
After 10 years	**162**	**161**	**5.5 %**
Total	**1,375**	**1,281**	
Total HTM securities	**$ 62,856**	**$ 54,894**	**2.1 %**
Total investment securities	**$ 163,541**	**$ 152,722**	**2.8 %**

1. Amounts are net of any ACL.
2. Annualized average yield is computed using the effective yield, weighted based on the amortized cost of each security. The effective yield is shown pre-tax and excludes the effect of related hedging derivatives.
3. At September 30, 2024, the annualized average yield, including the interest rate swap accrual of related hedges, was 2.7% for AFS securities contractually maturing within 1 year and 3.9% for all AFS securities.

Gross Realized Gains (Losses) on Sales of AFS Securities

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Gross realized gains	**$ —**	$ 15	**$ 50**	$ 66
Gross realized (losses)	**—**	(1)	**—**	(21)
Total[1]	**$ —**	$ 14	**$ 50**	$ 45

1. Realized gains and losses are recognized in Other revenues in the income statement.

8. Collateralized Transactions

Offsetting of Certain Collateralized Transactions

$ in millions	At September 30, 2024 Gross Amounts	Amounts Offset	Balance Sheet Net Amounts	Amounts Not Offset[1]	Net Amounts
Assets					
Securities purchased under agreements to resell	**$356,962**	**$(219,610)**	**$ 137,352**	**$(135,517)**	**$ 1,835**
Securities borrowed	**169,645**	**(37,233)**	**132,412**	**(125,108)**	**7,304**
Liabilities					
Securities sold under agreements to repurchase	**$277,939**	**$(219,610)**	**$ 58,329**	**$ (53,937)**	**$ 4,392**
Securities loaned	**54,688**	**(37,233)**	**17,455**	**(17,436)**	**19**
Net amounts for which master netting agreements are not in place or may not be legally enforceable					
Securities purchased under agreements to resell					**$ 1,751**
Securities borrowed					**2,877**
Securities sold under agreements to repurchase					**2,865**
Securities loaned					**1**

$ in millions	At December 31, 2023 Gross Amounts	Amounts Offset	Balance Sheet Net Amounts	Amounts Not Offset[1]	Net Amounts
Assets					
Securities purchased under agreements to resell	$300,242	$(189,502)	$ 110,740	$(108,893)	$ 1,847
Securities borrowed	142,453	(21,362)	121,091	(115,969)	5,122
Liabilities					
Securities sold under agreements to repurchase	$252,153	$(189,502)	$ 62,651	$ (58,357)	$ 4,294
Securities loaned	36,419	(21,362)	15,057	(15,046)	11
Net amounts for which master netting agreements are not in place or may not be legally enforceable					
Securities purchased under agreements to resell					$ 1,741
Securities borrowed					607
Securities sold under agreements to repurchase					3,014
Securities loaned					2

1. Amounts relate to master netting agreements that have been determined by the Firm to be legally enforceable in the event of default but where certain other criteria are not met in accordance with applicable offsetting accounting guidance.

For further discussion of the Firm's collateralized transactions, see Notes 2 and 8 to the financial statements in the 2023 Form 10-K. For information related to offsetting of derivatives, see Note 6.

Gross Secured Financing Balances by Remaining Contractual Maturity

$ in millions	At September 30, 2024 Overnight and Open	Less than 30 Days	30-90 Days	Over 90 Days	Total
Securities sold under agreements to repurchase	**$ 125,805**	**$ 92,731**	**$26,800**	**$32,603**	**$277,939**
Securities loaned	**38,592**	**—**	**348**	**15,748**	**54,688**
Total included in the offsetting disclosure	**$ 164,397**	**$ 92,731**	**$27,148**	**$48,351**	**$332,627**
Trading liabilities—Obligation to return securities received as collateral	**12,702**	**—**	**—**	**—**	**12,702**
Total	**$ 177,099**	**$ 92,731**	**$27,148**	**$48,351**	**$345,329**

$ in millions	At December 31, 2023 Overnight and Open	Less than 30 Days	30-90 Days	Over 90 Days	Total
Securities sold under agreements to repurchase	$ 80,376	$ 114,826	$25,510	$31,441	$252,153
Securities loaned	21,508	1,345	709	12,857	36,419
Total included in the offsetting disclosure	$ 101,884	$ 116,171	$26,219	$44,298	$288,572
Trading liabilities—Obligation to return securities received as collateral	13,528	—	—	—	13,528
Total	$ 115,412	$ 116,171	$26,219	$44,298	$302,100

Gross Secured Financing Balances by Class of Collateral Pledged

$ in millions	At September 30, 2024	At December 31, 2023
Securities sold under agreements to repurchase		
U.S. Treasury and agency securities	**$ 88,009**	$ 98,377
Other sovereign government obligations	**163,345**	122,342
Corporate equities	**12,951**	18,144
Other	**13,634**	13,290
Total	**$ 277,939**	$ 252,153
Securities loaned		
Other sovereign government obligations	**$ 1,261**	$ 1,379
Corporate equities	**52,311**	34,434
Other	**1,116**	606
Total	**$ 54,688**	$ 36,419
Total included in the offsetting disclosure	**$ 332,627**	$ 288,572
Trading liabilities—Obligation to return securities received as collateral		
Corporate equities	**$ 12,685**	$ 13,502
Other	**17**	26
Total	**$ 12,702**	$ 13,528
Total	**$ 345,329**	$ 302,100

Carrying Value of Assets Loaned or Pledged without Counterparty Right to Sell or Repledge

$ in millions	At September 30, 2024	At December 31, 2023
Trading assets	**$ 37,782**	$ 37,522

The Firm pledges certain of its trading assets to collateralize securities sold under agreements to repurchase, securities loaned, other secured financings and derivatives and to cover customer short sales. Counterparties may or may not have the right to sell or repledge the collateral.

Pledged financial instruments that can be sold or repledged by the secured party are identified as Trading assets (pledged to various parties) in the balance sheet.

Fair Value of Collateral Received with Right to Sell or Repledge

$ in millions	At September 30, 2024	At December 31, 2023
Collateral received with right to sell or repledge	**$ 884,657**	$ 735,830
Collateral that was sold or repledged[1]	**685,820**	553,386

1. Does not include securities used to meet federal regulations for the Firm's U.S. broker-dealers.

The Firm receives collateral in the form of securities in connection with securities purchased under agreements to resell, securities borrowed, securities-for-securities transactions, derivative transactions, customer margin loans and securities-based lending. In many cases, the Firm is permitted to sell or repledge this collateral to secure securities sold under agreements to repurchase, to enter into securities lending and derivative transactions or to deliver to counterparties to cover short positions.

Securities Segregated for Regulatory Purposes

$ in millions	At September 30, 2024	At December 31, 2023
Segregated securities[1]	**$ 24,687**	$ 20,670

1. Securities segregated under federal regulations for the Firm's U.S. broker-dealers are sourced from Securities purchased under agreements to resell and Trading assets in the balance sheet.

Customer Margin and Other Lending

$ in millions	At September 30, 2024	At December 31, 2023
Margin and other lending	**$ 53,092**	$ 45,644

The Firm provides margin lending arrangements that allow customers to borrow against the value of qualifying securities. Receivables from these arrangements are included within Customer and other receivables in the balance sheet. Under these arrangements, the Firm receives collateral, which includes U.S. government and agency securities, other sovereign government obligations, corporate and other debt, and corporate equities. Margin loans are collateralized by customer-owned securities held by the Firm. The Firm monitors required margin levels and established credit terms daily and, pursuant to such guidelines, requires customers to deposit additional collateral, or reduce positions, when necessary.

For a further discussion of the Firm's margin lending activities, see Note 8 to the financial statements in the 2023 Form 10-K.

Also included in the amounts in the previous table is non-purpose securities-based lending on entities in the Wealth Management business segment.

Other Secured Financings

The Firm has additional secured liabilities. For a further discussion of other secured financings, see Note 12. Additionally, for certain secured financing transactions that meet applicable netting criteria, the Firm offset Other secured financing liabilities against financing receivables recorded within Trading assets in the amount of $1,074 million at September 30, 2024 and $3,472 million at December 31, 2023.

9. Loans, Lending Commitments and Related Allowance for Credit Losses

Loans by Type

	At September 30, 2024		
$ in millions	HFI Loans	HFS Loans	Total Loans
Corporate	**$ 6,304**	**$ 9,094**	**$ 15,398**
Secured lending facilities	**45,728**	**3,612**	**49,340**
Commercial real estate	**8,688**	**154**	**8,842**
Residential real estate	**65,001**	**1**	**65,002**
Securities-based lending and Other	**93,395**	**1**	**93,396**
Total loans	**219,116**	**12,862**	**231,978**
ACL	**(1,104)**		**(1,104)**
Total loans, net	**$ 218,012**	**$ 12,862**	**$ 230,874**
Loans to non-U.S. borrowers, net	**$ 23,319**	**$ 4,037**	**$ 27,356**

	At December 31, 2023		
$ in millions	HFI Loans	HFS Loans	Total Loans
Corporate	$ 6,758	$ 11,862	$ 18,620
Secured lending facilities	39,498	3,161	42,659
Commercial real estate	8,678	209	8,887
Residential real estate	60,375	22	60,397
Securities-based lending and Other	89,245	1	89,246
Total loans	204,554	15,255	219,809
ACL	(1,169)		(1,169)
Total loans, net	$ 203,385	$ 15,255	$ 218,640
Loans to non-U.S. borrowers, net	$ 21,152	$ 5,043	$ 26,195

For additional information on the Firm's held-for-investment and held-for-sale loan portfolios, see Note 9 to the financial statements in the 2023 Form 10-K.

Loans by Interest Rate Type

	At September 30, 2024		At December 31, 2023	
$ in millions	Fixed Rate	Floating or Adjustable Rate	Fixed Rate	Floating or Adjustable Rate
Corporate	**$ —**	**$ 15,397**	$ —	$ 18,620
Secured lending facilities	**—**	**49,341**	—	42,659
Commercial real estate	**141**	**8,700**	141	8,746
Residential real estate	**30,492**	**34,510**	28,934	31,464
Securities-based lending and Other	**24,764**	**68,633**	23,922	65,323
Total loans, before ACL	**$ 55,397**	**$ 176,581**	$ 52,997	$ 166,812

See Note 4 for further information regarding Loans and lending commitments held at fair value. See Note 13 for details of current commitments to lend in the future.

Loans Held for Investment before Allowance by Credit Quality and Origination Year

	At September 30, 2024			At December 31, 2023		
	Corporate					
$ in millions	IG	NIG	Total	IG	NIG	Total
Revolving	**$ 2,083**	**$ 3,953**	**$ 6,036**	$ 2,350	$ 3,863	$ 6,213
2024	**53**	**12**	**65**			
2023	**—**	**50**	**50**	—	88	88
2022	**—**	**28**	**28**	—	166	166
2021	**15**	**75**	**90**	15	89	104
2020	**9**	**26**	**35**	29	25	54
Prior	**—**	**—**	**—**	—	133	133
Total	**$ 2,160**	**$ 4,144**	**$ 6,304**	$ 2,394	$ 4,364	$ 6,758

	At September 30, 2024			At December 31, 2023		
	Secured Lending Facilities					
$ in millions	IG	NIG	Total	IG	NIG	Total
Revolving	**$ 10,512**	**$ 25,384**	**$ 35,896**	$ 9,494	$ 22,240	$ 31,734
2024	**818**	**2,474**	**3,292**			
2023	**1,423**	**1,333**	**2,756**	1,535	1,459	2,994
2022	**286**	**2,243**	**2,529**	392	2,390	2,782
2021	**—**	**285**	**285**	—	365	365
2020	**—**	**—**	**—**	—	80	80
Prior	**100**	**870**	**970**	356	1,187	1,543
Total	**$ 13,139**	**$ 32,589**	**$ 45,728**	$ 11,777	$ 27,721	$ 39,498

	At September 30, 2024			At December 31, 2023		
	Commercial Real Estate					
$ in millions	IG	NIG	Total	IG	NIG	Total
Revolving	**$ —**	**$ 176**	**$ 176**	$ —	$ 170	$ 170
2024	**112**	**1,699**	**1,811**			
2023	**409**	**810**	**1,219**	261	1,067	1,328
2022	**245**	**1,855**	**2,100**	284	1,900	2,184
2021	**145**	**1,743**	**1,888**	370	1,494	1,864
2020	**—**	**430**	**430**	—	756	756
Prior	**—**	**1,064**	**1,064**	195	2,181	2,376
Total	**$ 911**	**$ 7,777**	**$ 8,688**	$ 1,110	$ 7,568	$ 8,678

	At September 30, 2024					
	Residential Real Estate					
	by FICO Scores			by LTV Ratio		
$ in millions	≥ 740	680-739	≤ 679	≤ 80%	> 80%	Total
Revolving	**$ 126**	**$ 38**	**$ 5**	**$ 169**	**$ —**	**$ 169**
2024	**6,403**	**1,151**	**117**	**6,935**	**736**	**7,671**
2023	**6,946**	**1,449**	**210**	**7,703**	**902**	**8,605**
2022	**10,444**	**2,346**	**375**	**12,125**	**1,040**	**13,165**
2021	**10,646**	**2,274**	**233**	**12,253**	**900**	**13,153**
2020	**6,591**	**1,363**	**99**	**7,640**	**413**	**8,053**
Prior	**10,848**	**2,932**	**405**	**13,161**	**1,024**	**14,185**
Total	**$ 52,004**	**$ 11,553**	**$ 1,444**	**$ 59,986**	**$ 5,015**	**$ 65,001**

	At December 31, 2023					
	Residential Real Estate					
	by FICO Scores			by LTV Ratio		
$ in millions	≥ 740	680-739	≤ 679	≤ 80%	> 80%	Total
Revolving	$ 108	$ 33	$ 8	$ 149	$ —	$ 149
2023	7,390	1,517	230	8,168	969	9,137
2022	10,927	2,424	389	12,650	1,090	13,740
2021	11,075	2,376	239	12,763	927	13,690
2020	6,916	1,430	104	8,017	433	8,450
Prior	11,642	3,131	436	14,106	1,103	15,209
Total	$ 48,058	$ 10,911	$ 1,406	$ 55,853	$ 4,522	$ 60,375

	At September 30, 2024			
	Securities-based lending[1]	Other[2]		
$ in millions		IG	NIG	Total
Revolving	**$ 73,585**	**$ 6,672**	**$ 1,605**	**$ 81,862**
2024	**1,003**	**562**	**361**	**1,926**
2023	**962**	**434**	**656**	**2,052**
2022	**642**	**463**	**1,114**	**2,219**
2021	**100**	**103**	**483**	**686**
2020	**39**	**239**	**481**	**759**
Prior	**231**	**1,214**	**2,446**	**3,891**
Total	**$ 76,562**	**$ 9,687**	**$ 7,146**	**$ 93,395**

	At December 31, 2023			
	Securities-based lending[1]	Other[2]		
$ in millions		IG	NIG	Total
Revolving	$ 71,474	$ 5,230	$ 1,362	$ 78,066
2023	1,612	627	346	2,585
2022	1,128	816	804	2,748
2021	165	330	377	872
2020	—	435	414	849
Prior	215	2,096	1,814	4,125
Total	$ 74,594	$ 9,534	$ 5,117	$ 89,245

IG—Investment Grade
NIG—Non-investment Grade

1. Securities-based loans are subject to collateral maintenance provisions, and at September 30, 2024 and December 31, 2023, these loans are predominantly over-collateralized. For more information on the ACL methodology related to securities-based loans, see Note 2 to the financial statements in the 2023 Form 10-K.
2. Other loans primarily include certain loans originated in the tailored lending business within the Wealth Management business segment, which typically consist of bespoke lending arrangements provided to ultra-high worth net clients. These facilities are generally secured by eligible collateral.

Past Due Loans Held for Investment before Allowance[1]

$ in millions	At September 30, 2024	At December 31, 2023
Corporate	**$ —**	$ 47
Commercial real estate	**182**	185
Residential real estate	**147**	160
Securities-based lending and Other	**87**	1
Total	**$ 416**	$ 393

1. As of September 30, 2024, the majority of the amounts are 90 days or more past due. As of December 31, 2023, the majority of the amounts are past due for a period of less than 90 days.

Nonaccrual Loans Held for Investment before Allowance[1]

$ in millions	At September 30, 2024	At December 31, 2023
Corporate	**$ 75**	$ 95
Secured lending facilities	**6**	87
Commercial real estate	**469**	426
Residential real estate	**119**	95
Securities-based lending and Other	**267**	174
Total	**$ 936**	$ 877
Nonaccrual loans without an ACL	**$ 200**	$ 86

1. There were no loans held for investment that were 90 days or more past due and still accruing as of September 30, 2024 and December 31, 2023. For further information on the Firm's nonaccrual policy, see Note 2 to the financial statements in the 2023 Form 10-K.

See Note 2 to the financial statements in the 2023 Form 10-K for a description of the ACL calculated under the CECL methodology, including credit quality indicators, used for HFI loans.

Loan Modifications to Borrowers Experiencing Financial Difficulty

The Firm may modify the terms of certain loans for economic or legal reasons related to a borrower's financial difficulties, and these modifications include interest rate reductions, principal forgiveness, term extensions and other-than-insignificant payment delays or a combination of these aforementioned modifications. Modified loans are typically evaluated individually for allowance for credit losses.

Modified Loans Held for Investment

Period-end loans held for investment modified during the following periods[1]

	Three Months Ended September 30,			
	2024		2023	
$ in millions	Amortized Cost	% of Total Loans[2]	Amortized Cost	% of Total Loans[2]
Term Extension				
Corporate	**$ 30**	**0.5 %**	$ 82	1.1 %
Commercial real estate	**56**	**0.6 %**	198	2.4 %
Securities-based lending and Other	**21**	**— %**	105	0.1 %
Total Modifications	**$ 107**	**— %**	$ 385	0.2 %

	Nine Months Ended September 30,			
	2024		2023	
$ in millions	Amortized Cost	% of Total Loans[2]	Amortized Cost	% of Total Loans[2]
Term Extension				
Corporate	**$ 136**	**2.2 %**	$ 114	1.6 %
Commercial real estate	**136**	**1.6 %**	219	2.6 %
Residential real estate	**—**	**— %**	1	— %
Securities-based lending and Other	**149**	**0.2 %**	129	0.1 %
Total	**$ 421**	**0.2 %**	$ 463	0.3 %
Multiple Modifications - Term Extension and Other-than-insignificant Payment Delay				
Commercial real estate	**$ —**	**— %**	$ 40	0.5 %
Residential real estate	**1**	**— %**	—	— %
Total	**$ 1**	**— %**	$ 40	0.5 %
Total Modifications	**$ 422**	**0.2 %**	$ 503	0.3 %

1. Lending commitments to borrowers for which the Firm has modified terms of the receivable, during the three months ended September 30, 2024 and 2023, were $212 million and $424 million, as of September 30, 2024 and September 30, 2023, respectively. Lending commitments to borrowers for which the Firm has modified terms of the receivable, during the nine months ended September 30, 2024 and 2023, were $676 million and $877 million, as of September 30, 2024 and September 30, 2023, respectively.
2. Percentage of total loans represents the percentage of modified loans to total loans held for investment by loan type.

Financial Effect of Modifications on Loans Held for Investment

	Three Months Ended September 30, 2024[1]			
	Term Extension (Months)	**Other-than-insignificant Payment Delay (Months)**	**Principal Forgiveness ($ millions)**	**Interest Rate Reduction (%)**
Single Modifications				
Corporate	**11**	**0**	**$ —**	**— %**
Commercial real estate	**27**	**0**	**—**	**— %**
Securities-based lending and Other	**12**	**0**	**—**	**— %**

	Three Months Ended September 30, 2023[1]			
	Term Extension (Months)	**Other-than-insignificant Payment Delay (Months)**	**Principal Forgiveness ($ millions)**	**Interest Rate Reduction (%)**
Single Modifications				
Corporate	23	0	$ —	— %
Commercial real estate	3	0	—	— %
Securities-based lending and Other	4	0	—	— %

	Nine Months Ended September 30, 2024[1]			
	Term Extension (Months)	**Other-than-insignificant Payment Delay (Months)**	**Principal Forgiveness ($ millions)**	**Interest Rate Reduction (%)**
Single Modifications				
Corporate	**23**	**0**	**$ —**	**— %**
Commercial real estate	**14**	**0**	**—**	**— %**
Securities-based lending and Other	**21**	**0**	**—**	— %
Multiple Modifications - Term Extension and Interest Rate Reduction				
Residential real estate	**120**	**0**	**$ —**	**1 %**

	Nine Months Ended September 30, 2023[1]			
	Term Extension (Months)	**Other-than-insignificant Payment Delay (Months)**	**Principal Forgiveness ($ millions)**	**Interest Rate Reduction (%)**
Single Modifications				
Corporate	21	0	$ —	— %
Commercial real estate	3	0	—	— %
Residential real estate	4	0	—	— %
Securities-based lending and Other	8	0	—	— %
Multiple Modifications - Term Extension and Other-than-insignificant Payment Delay				
Commercial real estate	7	6	$ —	— %

1. In instances where more than one loan was modified, modification impact is presented on a weighted-average basis.

Past Due Loans Held for Investment Modified in the Last 12 months

	At September 30, 2024		
$ in millions	30-89 Days Past Due	90+ Days Past Due	Total
Commercial real estate	**$ —**	**$ 67**	**$ 67**
Securities-based lending and Other loans	**42**	**—**	**42**
Total	**$ 42**	**$ 67**	**$ 109**

	At September 30, 2023		
$ in millions	30-89 Days Past Due	90+ days Past Due	Total
Commercial real estate	$ 21	$ —	$ 21
Residential real estate	—	1	1
Total	$ 21	$ 1	$ 22

At September 30, 2024, there was one commercial real estate loan held for investment with an amortized cost of $67 million that defaulted during the nine months ended September 30, 2024 that had been modified in the 12 month period prior to default. There were no loans held for investment that defaulted during the nine months ended September 30, 2023, that had been modified in the 12 month period prior.

Provision for Credit Losses

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Loans	**$ 18**	$ 123	**$ 81**	$ 462
Lending commitments	**61**	11	**68**	67

Allowance for Credit Losses Rollforward and Allocation—Loans and Lending Commitments

	Nine Months Ended September 30, 2024					
$ in millions	Corporate	Secured Lending Facilities	CRE	Residential Real Estate	SBL and Other	Total
ACL—Loans						
Beginning balance	$ 241	$ 153	$463	$ 100	$212	$1,169
Gross charge-offs	**(39)**	**(11)**	**(103)**	**—**	**(2)**	**(155)**
Recoveries	**—**	**—**	**4**	**—**	**3**	**7**
Net (charge-offs) recoveries	**(39)**	**(11)**	**(99)**	**—**	**1**	**(148)**
Provision (release)	**24**	**(12)**	**44**	**(10)**	**35**	**81**
Other	**1**	**—**	**3**	**—**	**(2)**	**2**
Ending balance	**$ 227**	**$ 130**	**$411**	**$ 90**	**$246**	**$1,104**
Percent of loans to total loans[1]	**3 %**	**21 %**	**4 %**	**30 %**	**42 %**	**100 %**
ACL—Lending commitments						
Beginning balance	$ 431	$ 70	$26	$ 4	$20	$551
Provision (release)	**41**	**19**	**9**	**—**	**(1)**	**68**
Other	**(1)**	**1**	**—**	**—**	**—**	**—**
Ending balance	**$ 471**	**$ 90**	**$35**	**$ 4**	**$19**	**$619**
Total ending balance	**$ 698**	**$ 220**	**$446**	**$ 94**	**$265**	**$1,723**

	Nine Months Ended September 30, 2023					
$ in millions	Corporate	Secured Lending Facilities	CRE	Residential Real Estate	SBL and Other	Total
ACL—Loans						
Beginning balance	$ 235	$ 153	$275	$ 87	$89	$839
Gross charge-offs	(30)	—	(108)	—	(3)	(141)
Recoveries	—	—	—	1	—	1
Net (charge-offs) recoveries	(30)	—	(108)	1	(3)	(140)
Provision (release)	44	2	261	22	133	462
Other	(1)	(1)	(2)	—	—	(4)
Ending balance	$ 248	$ 154	$426	$ 110	$219	$1,157
Percent of loans to total loans[1]	4 %	19 %	4 %	28 %	45 %	100 %
ACL—Lending commitments						
Beginning balance	$ 411	$ 51	$15	$ 4	$23	$504
Provision (release)	29	24	12	—	2	67
Other	(1)	—	(1)	—	—	(2)
Ending balance	$ 439	$ 75	$26	$ 4	$25	$569
Total ending balance	$ 687	$ 229	$452	$ 114	$244	$1,726

CRE—Commercial real estate
SBL—Securities-based lending
1. Percent of loans to total loans represents loans held for investment by loan type to total loans held for investment.

The allowance for credit losses for loans and lending commitments was relatively unchanged for the nine months ended September 30, 2024, reflecting provisions for certain specific commercial real estate and corporate loans and growth across certain loan portfolios, offset by charge-offs and improvements in the macroeconomic outlook. The base scenario used in our ACL models as of September 30, 2024 was generated using a combination of consensus economic forecasts, forward rates, and internally developed and validated models. This scenario assumes modest economic growth in 2024, followed by a gradual improvement in 2025 as well as lower interest rates relative to the prior quarter forecast. The ACL calculation incorporates key macroeconomic variables, including U.S. real GDP growth rate. The significance of key macroeconomic variables on the ACL calculation varies depending on portfolio composition and economic conditions. Other key macroeconomic variables used in the ACL calculation include corporate credit spreads, interest rates and commercial real estate indices. For a further discussion of the Firm's loans as well as the Firm's allowance methodology, refer to Notes 2 and 9 to the financial statements in the 2023 Form 10-K.

Gross Charge-offs by Origination Year

	Three Months Ended September 30, 2024					
$ in millions	Corporate	Secured Lending Facilities	CRE	Residential Real Estate	SBL and Other	Total
Revolving	**$ (39)**	**$ —**	**$ —**	**$ —**	**$ —**	**$ (39)**
2022	**—**	**—**	**(18)**	**—**	**—**	**(18)**
Prior	**—**	**—**	**(44)**	**—**	**—**	**(44)**
Total	**$ (39)**	**$ —**	**$ (62)**	**$ —**	**$ —**	**$ (101)**

$ in millions	Three Months Ended September 30, 2023 Corporate	Secured Lending Facilities	CRE	Residential Real Estate	SBL and Other	Total
2020	—	—	—	—	(1)	(1)
2019	—	—	(39)	—	—	(39)
Total	$ —	$ —	$ (39)	$ —	$ (1)	$ (40)

$ in millions	Nine Months Ended September 30, 2024 Corporate	Secured Lending Facilities	CRE	Residential Real Estate	SBL and Other	Total
Revolving	**$ (39)**	**$ —**	**$ —**	**$ —**	**$ —**	**$ (39)**
2022	**—**	**—**	**(18)**	**—**	**—**	**(18)**
2021	**—**	**—**	**—**	**—**	**(2)**	**(2)**
2020	**—**	**(11)**	**—**	**—**	**—**	**(11)**
Prior	**—**	**—**	**(85)**	**—**	**—**	**(85)**
Total	**$ (39)**	**$ (11)**	**$(103)**	**$ —**	**$ (2)**	**$ (155)**

$ in millions	Nine Months Ended September 30, 2023 Corporate	Secured Lending Facilities	CRE	Residential Real Estate	SBL and Other	Total
Revolving	$ (30)	$ —	$ —	$ —	$ —	$ (30)
2020	—	—	—	—	(2)	(2)
2019	—	—	(68)	—	(1)	(69)
Prior	—	—	(40)	—	—	(40)
Total	$ (30)	$ —	$(108)	$ —	$ (3)	$ (141)

Selected Credit Ratios

	At September 30, 2024	At December 31, 2023
ACL for loans to total HFI loans	**0.5 %**	0.6 %
Nonaccrual HFI loans to total HFI loans	**0.4 %**	0.4 %
ACL for loans to nonaccrual HFI loans	**117.9 %**	133.3 %

Employee Loans

$ in millions	At September 30, 2024	At December 31, 2023
Currently employed by the Firm[1]	**$ 4,182**	$ 4,257
No longer employed by the Firm[2]	**86**	92
Employee loans	**$ 4,268**	$ 4,349
ACL	**(109)**	(121)
Employee loans, net of ACL	**$ 4,159**	$ 4,228
Remaining repayment term, weighted average in years	**5.7**	5.8

1. These loans are predominantly current.
2. These loans are predominantly past due for a period of 90 days or more.

Employee loans are granted in conjunction with a program established primarily to recruit certain Wealth Management financial advisors, are full recourse and generally require periodic repayments, and are due in full upon termination of employment with the Firm. These loans are recorded in Customer and other receivables in the balance sheet. See Note 2 to the financial statements in the 2023 Form 10-K for a description of the CECL allowance methodology, including credit quality indicators, for employee loans.

10. Other Assets

Equity Method Investments

$ in millions	At September 30, 2024	At December 31, 2023
Investments	**$ 2,202**	$ 1,915

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Income (loss)	**$ 75**	$ 19	**$ 185**	$ 105

Equity method investments, other than investments in certain fund interests, are summarized above and are included in Other assets in the balance sheet with related income or loss included in Other revenues in the income statement. See “Net Asset Value Measurements—Fund Interests” in Note 4 for the carrying value of certain of the Firm’s fund interests, which are composed of general and limited partnership interests, as well as any related carried interest.

Japanese Securities Joint Venture

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Income (loss) from investment in MUMSS	**$ 52**	$ 10	**$ 128**	$ 102

For more information on MUMSS and other relationships with MUFG, see Note 11 to the financial statements in the 2023 Form 10-K.

Tax Equity Investments

The Firm invests in tax equity investment interests which entitle the Firm to a share of tax credits and other income tax benefits generated by the projects underlying the investments.

Effective January 1, 2024, the Firm made an election to account for certain renewable energy and other tax equity investments programs using the proportional amortization method under newly adopted accounting guidance.

Tax Equity Investments under the Proportional Amortization Method

$ in millions	At September 30, 2024	At December 31, 2023
Low-income housing[1]	**$ 1,790**	$ 1,699
Renewable energy and other[2]	**29**	—
Total[3]	**$ 1,819**	**$ 1,699**

1. Amounts include unfunded equity contributions of $620 million and $661 million as of September 30, 2024 and December 31, 2023, respectively. The corresponding liabilities for the commitments to fund these equity contributions are recorded in Other liabilities and accrued expenses. The majority of these commitments are expected to be funded within 5 years.
2. Prior to adoption of the *Investments - Tax Credit Structures* accounting update on January 1, 2024, Renewable energy and other investments were accounted for under the equity method.
3. At September 30, 2024, this amount excludes $48 million of tax equity investments within programs for which the Firm elected the proportional amortization method that do not meet the conditions to apply the proportional amortization method, which are accounted for as equity method investments.

Income tax credits and other income tax benefits recognized as well as proportional amortization are included in the Provision for income taxes line in the consolidated income statement and in the Depreciation and amortization line in the consolidated cash flow statement.

Net Benefits Attributable to Tax Equity Investments under the Proportional Amortization Method

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Income tax credits and other income tax benefits	**$ 74**	$ 60	**$ 227**	$ 184
Proportional amortization	**(59)**	(49)	**(177)**	(148)
Net benefits	**$ 15**	$ 11	**$ 50**	$ 36

11. Deposits

Deposits

$ in millions	**At September 30, 2024**	At December 31, 2023
Savings and demand deposits	**$ 285,849**	$ 288,252
Time deposits	**77,873**	63,552
Total	**$ 363,722**	$ 351,804
Deposits subject to FDIC insurance	**$ 290,565**	$ 276,598
Deposits not subject to FDIC insurance	**$ 73,157**	$ 75,206

Time Deposit Maturities

$ in millions	**At September 30, 2024**
2024	**$ 10,698**
2025	**32,435**
2026	**15,553**
2027	**9,143**
2028	**5,830**
Thereafter	**4,214**
Total	**$ 77,873**

12. Borrowings and Other Secured Financings

Borrowings

$ in millions	**At September 30, 2024**	At December 31, 2023
Original maturities of one year or less	**$ 6,957**	$ 3,188
Original maturities greater than one year		
Senior	**$ 277,087**	$ 248,174
Subordinated	**14,136**	12,370
Total greater than one year	**$ 291,223**	$ 260,544
Total	**$ 298,180**	$ 263,732
Weighted average stated maturity, in years[1]	**6.5**	6.6

1. Only includes borrowings with original maturities greater than one year.

Other Secured Financings

$ in millions	**At September 30, 2024**	At December 31, 2023
Original maturities:		
One year or less	**$ 13,857**	$ 5,732
Greater than one year	**4,286**	6,923
Total	**$ 18,143**	$ 12,655
Transfers of assets accounted for as secured financings	**$ 9,419**	$ 5,848

Other secured financings include the liabilities related to collateralized notes, transfers of financial assets that are accounted for as financings rather than sales and consolidated VIEs where the Firm is deemed to be the primary beneficiary. These liabilities are generally payable from the cash flows of the related assets accounted for as Trading assets. See Note 14 for further information on other secured financings related to VIEs and securitization activities.

For transfers of assets that fail to meet accounting criteria for a sale, the Firm continues to record the assets and recognizes the associated liabilities in the balance sheet.

13. Commitments, Guarantees and Contingencies

Commitments

	Years to Maturity at September 30, 2024				
$ in millions	Less than 1	1-3	3-5	Over 5	Total
Lending:					
Corporate	**$ 17,694**	**$ 41,246**	**$ 63,961**	**$ 4,243**	**$ 127,144**
Secured lending facilities	**6,642**	**7,054**	**5,207**	**3,445**	**22,348**
Commercial and Residential real estate	**262**	**476**	**123**	**390**	**1,251**
Securities-based lending and Other	**16,532**	**2,086**	**485**	**455**	**19,558**
Forward-starting secured financing receivables[1]	**140,981**	**1,041**	**—**	**—**	**142,022**
Central counterparty	**300**	**—**	**—**	**17,406**	**17,706**
Underwriting	**775**	**—**	**—**	**—**	**775**
Investment activities	**1,752**	**90**	**88**	**461**	**2,391**
Letters of credit and other financial guarantees	**29**	**16**	**—**	**7**	**52**
Total	**$184,967**	**$ 52,009**	**$ 69,864**	**$ 26,407**	**$ 333,247**
Lending commitments participated to third parties					**$ 9,967**

1. These amounts primarily include secured financing receivables yet to settle as of September 30, 2024, with settlement generally occurring within three business days. These amounts also include commitments to enter into certain collateralized financing transactions.

Since commitments associated with these instruments may expire unused, the amounts shown do not necessarily reflect the actual future cash funding requirements.

For a further description of these commitments, refer to Note 14 to the financial statements in the 2023 Form 10-K.

Guarantees

	At September 30, 2024				
	Maximum Potential Payout/Notional of Obligations by Years to Maturity				Carrying Amount Asset (Liability)
$ in millions	Less than 1	1-3	3-5	Over 5	
Non-credit derivatives[1]	$1,383,450	$ 786,666	$178,523	$488,219	$ (28,344)
Standby letters of credit and other financial guarantees issued[2,3]	1,749	1,002	1,097	2,692	9
Liquidity facilities	2,347	—	—	—	2
Whole loan sales guarantees	9	78	—	23,071	—
Securitization representations and warranties[4]	—	—	—	85,252	—
General partner guarantees	171	32	133	30	(95)
Client clearing guarantees	290	—	—	—	—

1. The carrying amounts of derivative contracts that meet the accounting definition of a guarantee are shown on a gross basis. For further information on derivatives contracts, see Note 6.
2. These amounts include certain issued standby letters of credit participated to third parties, totaling $0.6 billion of notional and collateral/recourse, due to the nature of the Firm's obligations under these arrangements.
3. As of September 30, 2024, the carrying amount of standby letters of credit and other financial guarantees issued includes an allowance for credit losses of $58 million.
4. Related to commercial and residential mortgage securitizations.

The Firm has obligations under certain guarantee arrangements, including contracts and indemnification agreements, that contingently require the Firm to make payments to the guaranteed party based on changes in an underlying measure (such as an interest or foreign exchange rate, security or commodity price, an index, or the occurrence or non-occurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. Also included as guarantees are contracts that contingently require the Firm to make payments to the guaranteed party based on another entity's failure to perform under an agreement, as well as indirect guarantees of the indebtedness of others.

For more information on the nature of the obligations and related business activities for our guarantees, see Note 14 to the financial statements in the 2023 Form 10-K.

Other Guarantees and Indemnities

In the normal course of business, the Firm provides guarantees and indemnifications in a variety of transactions. These provisions generally are standard contractual terms. Certain of these guarantees and indemnifications related to indemnities, exchange and clearinghouse member guarantees and merger and acquisition guarantees are described in Note 14 to the financial statements in the 2023 Form 10-K.

In addition, in the ordinary course of business, the Firm guarantees the debt and/or certain trading obligations (including obligations associated with derivatives, foreign exchange contracts and the settlement of physical commodities) of certain subsidiaries. These guarantees generally are entity or product specific and are required by investors or trading counterparties. The activities of the Firm's subsidiaries covered by these guarantees (including any related debt or trading obligations) are included in the financial statements.

Finance Subsidiary

The Parent Company fully and unconditionally guarantees the securities issued by Morgan Stanley Finance LLC, a wholly owned finance subsidiary. No other subsidiary of the Parent Company guarantees these securities.

Contingencies

Legal

In addition to the matters described below, in the normal course of business, the Firm has been named, from time to time, as a defendant in various legal actions, including arbitrations, class actions and other litigation, arising in connection with its activities as a global diversified financial services institution. Certain of the actual or threatened legal actions include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. In some cases, the third-party entities that are, or would otherwise be, the primary defendants in such cases are bankrupt, in financial distress, or may not honor applicable indemnification obligations. These actions have included, but are not limited to, antitrust claims, claims under various false claims act statutes, and matters arising from our wealth management businesses, sales and trading businesses, and our activities in the capital markets.

The Firm is also involved, from time to time, in other reviews, investigations and proceedings (both formal and informal) by governmental or other regulatory agencies regarding the Firm's business, and involving, among other matters, sales, trading, financing, prime brokerage, market-making activities, investment banking advisory services, capital markets activities, financial products or offerings sponsored, underwritten or sold by the Firm, wealth and investment management services, and accounting and operational matters, certain of which may result in adverse judgments, settlements, fines, penalties, disgorgement, restitution, forfeiture, injunctions, limitations on our ability to conduct certain business, or other relief.

The Firm contests liability and/or the amount of damages as appropriate in each pending matter. Where available information indicates that it is probable a liability had been incurred at the date of the financial statements and the Firm can reasonably estimate the amount of that loss or the range of loss, the Firm accrues an estimated loss by a charge to income, including with respect to certain of the individual proceedings or investigations described below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
Legal expenses	**$ 24**	$ 18	**$ 10**	$ 214

The Firm's legal expenses can, and may in the future, fluctuate from period to period, given the current environment regarding government or regulatory agency investigations and private litigation affecting global financial services firms, including the Firm.

In many legal proceedings and investigations, it is inherently difficult to determine whether any loss is probable or reasonably possible, or to estimate the amount of any loss. In addition, even where the Firm has determined that a loss is probable or reasonably possible or an exposure to loss or range of loss exists in excess of the liability already accrued with respect to a previously recognized loss contingency, the Firm may be unable to reasonably estimate the amount of the loss or range of loss. It is particularly difficult to determine if a loss is probable or reasonably possible, or to estimate the amount of loss, where the factual record is being developed or contested or where plaintiffs or government entities seek substantial or indeterminate damages, restitution, forfeiture, disgorgement or penalties. Numerous issues may need to be resolved in an investigation or proceeding before a determination can be made that a loss or additional loss (or range of loss or range of additional loss) is probable or reasonably possible, or to estimate the amount of loss, including through potentially lengthy discovery or determination of important factual matters, determination of issues related to class certification, the calculation of damages or other relief, and consideration of novel or unsettled legal questions relevant to the proceedings or investigations in question.

The Firm has identified below any individual proceedings or investigations where the Firm believes a material loss to be reasonably possible. In certain legal proceedings in which the Firm has determined that a material loss is reasonably possible, the Firm is unable to reasonably estimate the loss or range of loss. There are other matters in which the Firm has determined a loss or range of loss to be reasonably possible, but the Firm does not believe, based on current knowledge and after consultation with counsel, that such losses could have a material adverse effect on the Firm's financial statements as a whole, although the outcome of such proceedings or investigations may significantly impact the Firm's business or results of operations for any particular reporting period, or cause significant reputational harm.

While the Firm has identified below certain proceedings or investigations that the Firm believes to be material, individually or collectively, there can be no assurance that material losses will not be incurred from claims that have not yet been asserted or those where potential losses have not yet been determined to be probable or reasonably possible.

Antitrust Related Matters

The Firm and other financial institutions are responding to a number of governmental investigations and civil litigation matters related to allegations of anticompetitive conduct in various aspects of the financial services industry, including the matters described below.

Beginning in February of 2016, the Firm was named as a defendant in multiple purported antitrust class actions now consolidated into a single proceeding in the United States District Court for the Southern District of New York ("SDNY") styled *In Re: Interest Rate Swaps Antitrust Litigation*. Plaintiffs allege, inter alia, that the Firm, together with a number of other financial institution defendants, violated U.S. and New York state antitrust laws from 2008 through December of 2016 in connection with their alleged efforts to prevent the development of electronic exchange-based platforms for interest rate swaps trading. Complaints were filed both on behalf of a purported class of investors who purchased interest rate swaps from defendants, as well as on behalf of three operators of swap execution facilities that allegedly were thwarted by the defendants in their efforts to develop such platforms. The consolidated complaints seek, among other relief, certification of the investor class of plaintiffs and treble damages. On July 28, 2017, the court granted in part and denied in part the defendants' motion to dismiss the complaints. On December 15, 2023, the court denied the class plaintiffs' motion for class certification. On December 29, 2023, the class plaintiffs petitioned the United States Court of Appeals for the Second Circuit for leave to appeal that decision. On February 28, 2024, the parties reached an agreement in principle to settle the class claims. On July 11, 2024, the court granted preliminary approval of the settlement.

In August of 2017, the Firm was named as a defendant in a purported antitrust class action in the United States District Court for the SDNY styled *Iowa Public Employees' Retirement System et al. v. Bank of America Corporation et al.* Plaintiffs allege, inter alia, that the Firm, together with a number of other financial institution defendants, violated U.S. antitrust laws and New York state law in connection with their alleged efforts to prevent the development of electronic exchange-based platforms for securities lending. The class action complaint was filed on behalf of a purported class of borrowers and lenders who entered into stock loan transactions with the defendants. The class action complaint seeks, among other relief, certification of the class of plaintiffs and treble damages. On September 27, 2018, the court denied the defendants' motion to dismiss the class action complaint. Plaintiffs' motion for class certification was referred by the District Court to a magistrate judge who, on June 30, 2022, issued a report and recommendation that the District Court certify a class. On May 20, 2023, the Firm reached an agreement in principle to settle the litigation. On September 11, 2024, the court granted final approval of the settlement.

The Firm is a defendant in three antitrust class action complaints which have been consolidated into one proceeding in the United States District Court for the SDNY under the caption *City of Philadelphia, et al. v. Bank of America Corporation, et al.* Plaintiffs allege, inter alia, that the Firm, along with a number of other financial institution defendants, violated U.S. antitrust laws and relevant state laws in connection with alleged efforts to artificially inflate interest rates for Variable Rate Demand Obligations ("VRDO"). Plaintiffs seek, among other relief, treble damages. The class action complaint was filed on behalf of a class of municipal issuers of VRDO for which defendants served as remarketing agent. On November 2, 2020, the court granted in part and denied in part the defendants' motion to dismiss the consolidated complaint, dismissing state law claims, but denying dismissal of the U.S. antitrust claims. On September 21, 2023, the court granted plaintiffs' motion for class certification. On October 5, 2023, defendants petitioned the United States Court of Appeals for the Second Circuit for leave to appeal that decision, which was granted on February 5, 2024.

European Matters

Tax

In matters styled *Case number 15/3637* and *Case number 15/4353*, the Dutch Tax Authority ("Dutch Authority") is challenging in the Dutch courts the prior set-off by the Firm of approximately €124 million (approximately $138 million) plus accrued interest of withholding tax credits against the Firm's corporation tax liabilities for the tax years 2007 to 2012. The Dutch Authority alleges that the Firm was not entitled to receive the withholding tax credits on the basis, inter alia, that a Firm subsidiary did not hold legal title to certain securities subject to withholding tax on the relevant dates. The Dutch Authority has also alleged that the Firm failed to provide certain information to the Dutch Authority and to keep adequate books and records. On April 26, 2018, the District Court in Amsterdam issued a decision dismissing the Dutch Authority's claims with respect to certain of the tax years in dispute. On May 12, 2020, the Court of Appeal in Amsterdam granted the Dutch Authority's appeal in matters re-styled *Case number 18/00318* and *Case number 18/00319*. On January 19, 2024, the Dutch High Court granted the Firm's appeal in matters re-styled *Case number 20/01884* and referred the case to the Court of Appeal in The Hague.

On June 22, 2021, Dutch criminal authorities sought various documents in connection with an investigation of the Firm related to the civil claims asserted by the Dutch Authority concerning the accuracy of the Firm subsidiary's tax returns for 2007 to 2012. The Dutch criminal authorities have requested additional information, and the Firm is continuing to respond to them in connection with their ongoing investigation.

Danish Underwriting Matter

On October 5, 2017, various institutional investors filed a claim against the Firm and another bank in a matter now styled *Case number B-803-18* (previously *BS 99-6998/2017*), in the City Court of Copenhagen, Denmark concerning their roles as underwriters of the initial public offering ("IPO") in March 2014 of the Danish company OW Bunker A/S. The claim seeks damages of approximately DKK529 million (approximately $79 million) plus interest in respect of alleged losses arising from investing in shares in OW Bunker, which entered into bankruptcy in November 2014. Separately, on November 29, 2017, another group of institutional investors joined the Firm and another bank as defendants to pending proceedings in the High Court of Eastern Denmark against various other parties involved in the IPO in a matter styled *Case number B-2073-16*. The claim brought against the Firm and the other bank has been given its own *Case number B-2564-17*. The investors claim damages of approximately DKK767 million (approximately $115 million) plus interest from the Firm and the other bank on a joint and several basis with the defendants to these proceedings. Both claims are based on alleged prospectus liability; the second claim also alleges professional liability of banks acting as financial intermediaries. On June 8, 2018, the City Court of Copenhagen, Denmark ordered that the matters now styled *Case number B-803-18*, *Case number B-2073-16*, and *Case number B-2564-17* ("the Cases") be heard together before the High Court of Eastern Denmark. On July 1, 2024, defendants reached a conditional settlement agreement with the plaintiffs in the Cases. A conditional settlement agreement was reached in an additional related claim to which the Firm is not a party but which formed part of the complex of cases proceeding before the High Court of Eastern Denmark in connection with the bankruptcy of OW Bunker (*Case number B-407-17*). The conditional settlement agreements were conditioned upon approval of the settlement of *Case number B-407-17* by the 14th Division of the Danish Court of Appeal Eastern Division. Approval was granted on August 26, 2024, and the settlement agreements are now final.

U.K. Government Bond Matter

The Firm is engaging with the U.K. Competition and Markets Authority in connection with its investigation of suspected anti-competitive arrangements in the financial services sector, specifically regarding the Firm's activities concerning certain liquid fixed income products between 2009 and 2012. On May 24, 2023, the U.K. Competition and Markets Authority issued a Statement of Objections setting out its provisional findings that the Firm had breached U.K. competition law by sharing competitively sensitive information in connection with gilts and gilt asset swaps between 2009 and 2012. The Firm is contesting the provisional findings. Separately, on June 16, 2023, the Firm was named as a defendant in a purported antitrust class action in the United States District Court for the SDNY styled *Oklahoma Firefighters Pension and Retirement System v. Deutsche Bank Aktiengesellschaft,* *et al.*, alleging, inter alia, that the Firm, together with a number of other financial institution defendants, violated U.S. antitrust laws in connection with their alleged effort to fix prices of gilts traded in the United States between 2009 and 2013. The class action complaint seeks, among other relief, certification of the class of plaintiffs and treble damages. On September 28, 2023, the defendants filed a joint motion to dismiss the complaint. On September 16, 2024, the joint motion to dismiss was granted, and the complaint was dismissed without prejudice. On October 15, 2024, the Firm reached an agreement in principle to settle the U.S. litigation.

Other

On August 13, 2021, the plaintiff in *Camelot Event Driven Fund, a Series of Frank Funds Trust v. Morgan Stanley & Co. LLC, et al.* filed in the Supreme Court of the State of New York, New York County ("Supreme Court of NY") a purported class action complaint alleging violations of the federal securities laws against ViacomCBS ("Viacom"), certain of its officers and directors, and the underwriters, including the Firm, of two March 2021 Viacom offerings: a $1.7 billion Viacom Class B Common Stock offering and a $1 billion offering of 5.75% Series A Mandatory Convertible Preferred Stock (collectively, the "Offerings"). The complaint alleges, inter alia, that the Viacom offering documents for both issuances contained material misrepresentations and omissions because they did not disclose that certain of the underwriters, including the Firm, had prime brokerage relationships and/or served as counterparties to certain derivative transactions with Archegos Capital Management LP ("Archegos"), a fund with significant exposure to Viacom securities across multiple prime brokers. The complaint, which seeks, among other things, unspecified compensatory damages, alleges that the offering documents contained material misrepresentations and did not adequately disclose the risks associated with Archegos's concentrated Viacom positions at the various prime brokers, including that the unwind of those positions could have a deleterious impact on the stock price of Viacom. On November 5, 2021, the complaint was amended to add allegations that defendants failed to disclose that certain underwriters, including the Firm, had intended to unwind Archegos's Viacom positions while simultaneously distributing the Offerings. On February 6, 2023, the court issued a decision denying the motions to dismiss as to the Firm and the other underwriters, but granted the motion to dismiss as to Viacom and the Viacom individual defendants. On February 15, 2023, the underwriters, including the Firm, filed their notices of appeal of the denial of their motions to dismiss. On March 10, 2023, the plaintiff appealed the dismissal of Viacom and the individual Viacom defendants. On April 4, 2024, the Appellate Division upheld the lower court's decision as to the Firm and other underwriter defendants that had prime brokerage relationships and/or served as counterparties to certain derivative transactions with Archegos, dismissed the remaining underwriters, and upheld the dismissal of Viacom and its officers and directors. On July 25, 2024, the Appellate Division denied the plaintiff's and the Firm's respective motions for leave to reargue or appeal the April 4, 2024 decision. On January 4, 2024, the court granted the plaintiff's motion for class certification. On February 14, 2024, the defendants filed their notice of appeal of the court's grant of class certification.

On May 17, 2013, the plaintiff in *IKB International S.A. in Liquidation, et al. v. Morgan Stanley, et al.* filed a complaint against the Firm and certain affiliates in the Supreme Court of NY. The complaint alleges that defendants made material misrepresentations and omissions in the sale to the plaintiff of certain mortgage pass-through certificates backed by securitization trusts containing residential mortgage loans. The total amount of certificates allegedly sponsored, underwritten and/or sold by the Firm to the plaintiff was approximately $133 million. The complaint alleges causes of action against the Firm for common law fraud, fraudulent concealment, aiding and abetting fraud, and negligent misrepresentation, and seeks, among other things, compensatory and punitive damages. On October 29, 2014, the court granted in part and denied in part the Firm's motion to dismiss. All claims regarding four certificates were dismissed. After these dismissals, the remaining amount of certificates allegedly issued by the Firm or sold to the plaintiff by the Firm was approximately $116 million. On August 11, 2016, the Appellate Division affirmed the trial court's order denying in part the Firm's motion to dismiss the complaint. On July 15, 2022, the Firm filed a motion for summary judgment on all remaining claims. On March 1, 2023, the court granted in part and denied in part the Firm's motion for summary judgment, narrowing the alleged misrepresentations at issue in the case. On March 26, 2024, the Appellate Division affirmed the trial court's summary judgment order. On August 27, 2024, the plaintiff notified the court that in light of the court's rulings to exclude certain evidence at trial, the plaintiff could not prove its claims at trial, and requested that the court dismiss the case, subject to its right to appeal the evidentiary rulings. On August 28, 2024, the court dismissed the case, and judgment was entered in the Firm's favor. The plaintiff has filed notices of appeal.

The Firm has been named in three putative class actions regarding cash sweep programs for retail clients. On February 1, 2024, E*TRADE Securities LLC ("E*TRADE Securities") and Morgan Stanley Smith Barney LLC ("MSSB") were named in *Burmin, et al. v. E*TRADE Securities LLC, et al.*, filed in the United States District Court for the District of New Jersey, alleging that, from February 2018 to present, E*TRADE Securities (and post-merger MSSB) breached customer agreements by failing to pay a reasonable rate of interest to Individual Retirement Account holders on cash balances swept to the affiliate bank deposit program. A motion to dismiss is pending. On June 14, 2024, MSSB and other Firm entities were named in *Estate of Sherlip, et al. v. Morgan Stanley, et al.* ("*Sherlip*") and, on October 11, 2024, were named in *Safron Capital Corp., et al. v. Morgan Stanley, et al.* ("*Safron*"). On October 9, 2024, plaintiffs in *Sherlip* amended their complaint. *Sherlip* and *Safron* were filed in the United States District Court for the SDNY, alleging that the defendants failed to pay a reasonable rate of interest to account holders on cash balances swept to the affiliate bank deposit program. Plaintiffs in both cases allege violations of statutory, contractual and common law duties as well as unjust enrichment. The plaintiff in *Safron* also alleges violation of Section 349 of New York's General Business law and civil violation of the federal Racketeer Influenced and Corrupt Organizations Act. Together, the complaints seek, among other relief, certification of a class of plaintiffs, unspecified compensatory damages, equitable and injunctive relief and treble damages.

The Firm has been engaged with and is responding to requests for information from the Enforcement Division of the SEC regarding advisory account cash balances swept to the affiliate bank deposit program and compliance with the Investment Advisers Act of 1940, and from a state securities regulator regarding brokerage account cash balances swept to the affiliate bank deposit program.

14. Variable Interest Entities and Securitization Activities

Consolidated VIE Assets and Liabilities by Type of Activity

	At September 30, 2024		At December 31, 2023	
$ in millions	VIE Assets	VIE Liabilities	VIE Assets	VIE Liabilities
MABS[1]	**$ 759**	**$ 265**	$ 597	$ 256
Investment vehicles[2]	**775**	**573**	753	502
MTOB	**681**	**630**	582	520
Other	**292**	**98**	378	97
Total	**$ 2,507**	**$ 1,566**	$ 2,310	$ 1,375

MTOB—Municipal tender option bonds
1. Amounts include transactions backed by residential mortgage loans, commercial mortgage loans and other types of assets, including consumer or commercial assets and may be in loan or security form. The value of assets is determined based on the fair value of the liabilities and the interests owned by the Firm in such VIEs as the fair values for the liabilities and interests owned are more observable.
2. Amounts include investment funds and CLOs.

Consolidated VIE Assets and Liabilities by Balance Sheet Caption

$ in millions	At September 30, 2024	At December 31, 2023
Assets		
Cash and cash equivalents	**$ 105**	$ 164
Trading assets at fair value	**2,061**	1,557
Investment securities	**287**	492
Securities purchased under agreements to resell	**33**	67
Customer and other receivables	**19**	26
Other assets	**2**	4
Total	**$ 2,507**	$ 2,310
Liabilities		
Other secured financings	**$ 1,382**	$ 1,222
Other liabilities and accrued expenses	**119**	121
Borrowings	**65**	32
Total	**$ 1,566**	$ 1,375
Noncontrolling interests	**$ 52**	$ 54

Consolidated VIE assets and liabilities are presented in the previous tables after intercompany eliminations. Generally, most assets owned by consolidated VIEs cannot be removed unilaterally by the Firm and are not available to the Firm while the related liabilities issued by consolidated VIEs are non-recourse to the Firm. However, in certain consolidated VIEs, the Firm either has the unilateral right to remove assets or provides additional recourse through derivatives such as total return swaps, guarantees or other forms of involvement.

In general, the Firm's exposure to loss in consolidated VIEs is limited to losses that would be absorbed on the VIE net assets recognized in its financial statements, net of amounts absorbed by third-party variable interest holders.

Non-consolidated VIEs

	At September 30, 2024				
$ in millions	MABS[1]	CDO	MTOB	OSF	Other[2]
VIE assets (UPB)	**$169,011**	**$5,193**	**$3,529**	**$3,942**	**$75,964**
Maximum exposure to loss[3]					
Debt and equity interests	**$ 26,255**	**$ 307**	**$ —**	**$2,441**	**$10,822**
Derivative and other contracts	**—**	**—**	**2,347**	**—**	**4,899**
Commitments, guarantees and other	**6,784**	**—**	**—**	**—**	**173**
Total	**$ 33,039**	**$ 307**	**$2,347**	**$2,441**	**$15,894**
Carrying value of variable interests—Assets					
Debt and equity interests	**$ 26,255**	**$ 307**	**$ —**	**$1,952**	**$10,791**
Derivative and other contracts	**—**	**—**	**5**	**—**	**1,524**
Total	**$ 26,255**	**$ 307**	**$ 5**	**$1,952**	**$12,315**
Additional VIE assets owned[4]					**$15,894**
Carrying value of variable interests—Liabilities					
Derivative and other contracts	**$ —**	**$ —**	**$ 3**	**$ —**	**$ 448**
Total	**$ —**	**$ —**	**$ 3**	**$ —**	**$ 448**

	At December 31, 2023				
$ in millions	MABS[1]	CDO	MTOB	OSF	Other[2]
VIE assets (UPB)	$144,906	$1,526	$3,152	$3,102	$50,052
Maximum exposure to loss[3]					
Debt and equity interests	$ 21,203	$ 52	$ —	$2,049	$ 9,076
Derivative and other contracts	—	—	2,092	—	4,452
Commitments, guarantees and other	3,439	—	—	—	55
Total	$ 24,642	$ 52	$2,092	$2,049	$13,583
Carrying value of variable interests—Assets					
Debt and equity interests	$ 21,203	$ 52	$ —	$1,682	$ 9,075
Derivative and other contracts	—	—	2	—	1,330
Total	$ 21,203	$ 52	$ 2	$1,682	$10,405
Additional VIE assets owned[4]					$15,002
Carrying value of variable interests—Liabilities					
Derivative and other contracts	$ —	$ —	$ 3	$ —	$ 452

1. Amounts include transactions backed by residential mortgage loans, commercial mortgage loans and other types of assets, including consumer or commercial assets, and may be in loan or security form.
2. Other primarily includes exposures to commercial real estate property and investment funds.
3. Where notional amounts are utilized in quantifying the maximum exposure related to derivatives, such amounts do not reflect changes in fair value recorded by the Firm.
4. Additional VIE assets owned represents the carrying value of total exposure to non-consolidated VIEs for which the maximum exposure to loss is less than specific thresholds, primarily interests issued by securitization SPEs. The Firm's maximum exposure to loss generally equals the fair value of the assets owned. These assets are primarily included in Trading assets and Investment securities and are measured at fair value (see Note 4). The Firm does not provide additional support in these transactions through contractual facilities, guarantees or similar derivatives.

The previous tables include VIEs sponsored by unrelated parties, as well as VIEs sponsored by the Firm; examples of the Firm's involvement with these VIEs include its secondary market-making activities and the securities held in its Investment securities portfolio (see Note 7).

The Firm's maximum exposure to loss is dependent on the nature of the Firm's variable interest in the VIE and is limited to the notional amounts of certain liquidity facilities and other credit support, total return swaps and written put options, as well as the fair value of certain other derivatives and investments the Firm has made in the VIE.

The Firm's maximum exposure to loss in the previous tables does not include the offsetting benefit of hedges or any reductions associated with the amount of collateral held as part of a transaction with the VIE or any party to the VIE directly against a specific exposure to loss.

Liabilities issued by VIEs generally are non-recourse to the Firm.

Detail of Mortgage- and Asset-Backed Securitization Assets

	At September 30, 2024		At December 31, 2023	
$ in millions	UPB	Debt and Equity Interests	UPB	Debt and Equity Interests
Residential mortgages	**$ 18,547**	**$ 2,984**	$ 17,346	$ 3,355
Commercial mortgages	**77,915**	**8,937**	74,590	8,342
U.S. agency collateralized mortgage obligations	**42,255**	**6,371**	42,917	6,675
Other consumer or commercial loans	**30,294**	**7,963**	10,053	2,831
Total	**$ 169,011**	**$ 26,255**	$ 144,906	$ 21,203

Transferred Assets with Continuing Involvement

	At September 30, 2024			
$ in millions	RML	CML	U.S. Agency CMO	CLN and Other[1]
SPE assets (UPB)[2,3]	**$ 5,968**	**$ 75,286**	**$ 19,432**	**$ 13,153**
Retained interests				
Investment grade	**$ 184**	**$ 542**	**$ 945**	**$ —**
Non-investment grade	**134**	**898**	**—**	**55**
Total	**$ 318**	**$ 1,440**	**$ 945**	**$ 55**
Interests purchased in the secondary market[3]				
Investment grade	**$ 81**	**$ 17**	**$ 74**	**$ —**
Non-investment grade	**6**	**21**	**—**	**—**
Total	**$ 87**	**$ 38**	**$ 74**	**$ —**
Derivative assets	**$ —**	**$ —**	**$ —**	**$ 1,326**
Derivative liabilities	**—**	**—**	**—**	**374**

	At December 31, 2023			
$ in millions	RML	CML	U.S. Agency CMO	CLN and Other[1]
SPE assets (UPB)[2,3]	$ 4,333	$ 73,818	$ 12,083	$ 12,438
Retained interests				
Investment grade	$ 149	$ 653	$ 460	$ —
Non-investment grade	83	788	—	69
Total	$ 232	$ 1,441	$ 460	$ 69
Interests purchased in the secondary market[3]				
Investment grade	$ 20	$ 22	$ 42	$ —
Non-investment grade	—	16	—	—
Total	$ 20	$ 38	$ 42	$ —
Derivative assets	$ —	$ —	$ —	$ 1,073
Derivative liabilities	—	—	—	426

	Fair Value At September 30, 2024		
$ in millions	Level 2	Level 3	Total
Retained interests			
Investment grade	**$ 1,053**	**$ —**	**$ 1,053**
Non-investment grade	**11**	**73**	**84**
Total	**$ 1,064**	**$ 73**	**$ 1,137**
Interests purchased in the secondary market[3]			
Investment grade	**$ 169**	**$ 3**	**$ 172**
Non-investment grade	**17**	**10**	**27**
Total	**$ 186**	**$ 13**	**$ 199**
Derivative assets	**$ 1,326**	**$ —**	**$ 1,326**
Derivative liabilities	**374**	**—**	**374**

	Fair Value at December 31, 2023		
$ in millions	Level 2	Level 3	Total
Retained interests			
Investment grade	$ 576	$ —	$ 576
Non-investment grade	10	56	66
Total	$ 586	$ 56	$ 642
Interests purchased in the secondary market[3]			
Investment grade	$ 77	$ 7	$ 84
Non-investment grade	12	4	16
Total	$ 89	$ 11	$ 100
Derivative assets	$ 1,073	$ —	$ 1,073
Derivative liabilities	426	—	426

RML—Residential mortgage loans
CML—Commercial mortgage loans
1. Amounts include CLO transactions managed by unrelated third parties.
2. Amounts include assets transferred by unrelated transferors.
3. Amounts include transactions where the Firm also holds retained interests as part of the transfer.

The previous tables include transactions with SPEs in which the Firm, acting as principal, transferred financial assets with continuing involvement and received sales treatment. The transferred assets are carried at fair value prior to securitization, and any changes in fair value are recognized in the income statement. The Firm may act as underwriter of the beneficial interests issued by these securitization vehicles, for which Investment banking revenues are recognized. The Firm may retain interests in the securitized financial assets as one or more tranches of the securitization. Certain retained interests are carried at fair value in the balance sheet with changes in fair value recognized in the income statement. Fair value for these interests is measured using techniques that are consistent with the valuation techniques applied to the Firm's major categories of assets and liabilities as described in Note 2 in the 2023 Form 10-K and Note 4 herein. Further, as permitted by applicable guidance, certain transfers of assets where the Firm's only continuing involvement is a derivative are only reported in the following Assets Sold with Retained Exposure table.

Proceeds from New Securitization Transactions and Sales of Loans

	Three Months Ended September 30,		Nine Months Ended September 30,	
$ in millions	**2024**	2023	**2024**	2023
New transactions[1]	**$ 7,562**	$ 9,132	**$ 24,160**	$ 15,257
Retained interests	**850**	115	**5,041**	2,767

1. Net gains on new transactions and sales of corporate loans to CLO entities at the time of the sale were not material for all periods presented.

The Firm has provided, or otherwise agreed to be responsible for, representations and warranties regarding certain assets transferred in securitization transactions sponsored by the Firm (see Note 13).

Assets Sold with Retained Exposure

$ in millions	**At September 30, 2024**	At December 31, 2023
Gross cash proceeds from sale of assets[1]	**$ 79,720**	$ 60,766
Fair value		
Assets sold	**$ 81,720**	$ 62,221
Derivative assets recognized in the balance sheet	**2,194**	1,546
Derivative liabilities recognized in the balance sheet	**194**	93

1. The carrying value of assets derecognized at the time of sale approximates gross cash proceeds.

The Firm enters into transactions in which it sells securities, primarily equities, and contemporaneously enters into bilateral OTC derivatives with the purchasers of the securities, through which it retains exposure to the sold securities.

For a discussion of the Firm's VIEs, the determination and structure of VIEs and securitization activities, see Note 15 to the financial statements in the 2023 Form 10-K.

15. Regulatory Requirements

Regulatory Capital Framework and Requirements

For a discussion of the Firm's regulatory capital framework, see Note 16 to the financial statements in the 2023 Form 10-K.

The Firm is required to maintain minimum risk-based and leverage-based capital ratios under regulatory capital requirements. A summary of the calculations of regulatory capital and RWA follows.

Risk-Based Regulatory Capital. Risk-based capital ratio requirements apply to Common Equity Tier 1 ("CET1") capital, Tier 1 capital and Total capital (which includes Tier 2 capital), each as a percentage of RWA, and consist of regulatory minimum required ratios plus the Firm's capital buffer requirement. Capital requirements require certain adjustments to, and deductions from, capital for purposes of determining these ratios. At September 30, 2024 and December 31, 2023, the differences between the actual and required ratios were lower under the Standardized Approach.

CECL Deferral. Beginning on January 1, 2020, the Firm elected to defer the effect of the adoption of CECL on its risk-based and leverage-based capital amounts and ratios, as well as RWA, adjusted average assets and supplementary leverage exposure calculations, over a five-year transition period. The deferral impacts began to phase in at 25% per year from January 1, 2022 and are phased-in at 75% from January 1, 2024. The deferral impacts will become fully phased-in beginning on January 1, 2025.

Capital Buffer Requirements

	At September 30, 2024 and December 31, 2023	
	Standardized	Advanced
Capital buffers		
Capital conservation buffer	**—**	**2.5%**
SCB	**5.4%**	**N/A**
G-SIB capital surcharge	**3.0%**	**3.0%**
CCyB[1]	**0%**	**0%**
Capital buffer requirement	**8.4%**	**5.5%**

1. The CCyB can be set up to 2.5%, but is currently set by the Federal Reserve at zero.

The capital buffer requirement represents the amount of Common Equity Tier 1 capital the Firm must maintain above the minimum risk-based capital requirements in order to avoid restrictions on the Firm's ability to make capital distributions, including the payment of dividends and the repurchase of stock, and to pay discretionary bonuses to executive officers. The Firm's capital buffer requirement computed under the standardized approaches for calculating credit risk and market risk RWA ("Standardized Approach") is equal to the sum of the SCB, G-SIB capital surcharge and CCyB, and the capital buffer requirement computed under the applicable advanced approaches for calculating credit risk, market risk and operational risk RWA ("Advanced Approach") is equal to the sum of the 2.5% capital conservation buffer, G-SIB capital surcharge and CCyB.

Risk-Based Regulatory Capital Ratio Requirements

	Regulatory Minimum	At September 30, 2024 and December 31, 2023	
		Standardized	Advanced
Required ratios[1]			
CET1 capital ratio	**4.5%**	**12.9%**	**10.0%**
Tier 1 capital ratio	**6.0%**	**14.4%**	**11.5%**
Total capital ratio	**8.0%**	**16.4%**	**13.5%**

1. Required ratios represent the regulatory minimum plus the capital buffer requirement.

The Firm's Regulatory Capital and Capital Ratios

Risk-based capital

	Standardized	
$ in millions	At September 30, 2024	At December 31, 2023
Risk-based capital		
CET1 capital	$ 73,906	$ 69,448
Tier 1 capital	83,744	78,183
Total capital	95,301	88,874
Total RWA	490,293	456,053
Risk-based capital ratio		
CET1 capital	15.1%	15.2%
Tier 1 capital	17.1%	17.1%
Total capital	19.4%	19.5%
Required ratio[1]		
CET1 capital	12.9%	12.9%
Tier 1 capital	14.4%	14.4%
Total capital	16.4%	16.4%

1. Required ratios are inclusive of any buffers applicable as of the date presented.

Leveraged-based capital

$ in millions	At September 30, 2024	At December 31, 2023
Leveraged-based capital		
Adjusted average assets[1]	$ 1,218,361	$ 1,159,626
Supplementary leverage exposure[2]	1,517,290	1,429,552
Leveraged-based capital ratio		
Tier 1 leverage	6.9%	6.7%
SLR	5.5%	5.5%
Required ratio[3]		
Tier 1 leverage	4.0%	4.0%
SLR	5.0%	5.0%

1. Adjusted average assets represents the denominator of the Tier 1 leverage ratio and is composed of the average daily balance of consolidated on-balance sheet assets for the quarters ending on the respective balance sheet dates, reduced by disallowed goodwill, intangible assets, investments in covered funds, defined benefit pension plan assets, after-tax gain on sale from assets sold into securitizations, investments in our own capital instruments, certain deferred tax assets and other capital deductions.
2. Supplementary leverage exposure is the sum of Adjusted average assets used in the Tier 1 leverage ratio and other adjustments, primarily: (i) for derivatives, potential future exposure and the effective notional principal amount of sold credit protection offset by qualifying purchased credit protection; (ii) the counterparty credit risk for repo-style transactions; and (iii) the credit equivalent amount for off-balance sheet exposures.
3. Required ratios are inclusive of any buffers applicable as of the date presented.

U.S. Bank Subsidiaries' Regulatory Capital and Capital Ratios

The OCC establishes capital requirements for the U.S. Bank Subsidiaries, and evaluates their compliance with such capital requirements. Regulatory capital requirements for the U.S. Bank Subsidiaries are calculated in a similar manner to the Firm's regulatory capital requirements, although G-SIB capital surcharge and SCB requirements do not apply to the U.S. Bank Subsidiaries.

The OCC's regulatory capital framework includes Prompt Corrective Action ("PCA") standards, including "well-capitalized" PCA standards that are based on specified regulatory capital ratio minimums. For the Firm to remain an FHC, its U.S. Bank Subsidiaries must remain well-capitalized in accordance with the OCC's PCA standards. In addition, failure by the U.S. Bank Subsidiaries to meet minimum capital requirements may result in certain mandatory and discretionary actions by regulators that, if undertaken, could have a direct material effect on the U.S. Bank Subsidiaries' and the Firm's financial statements.

At September 30, 2024 and December 31, 2023, MSBNA and MSPBNA risk-based capital ratios are based on the Standardized Approach rules. Beginning on January 1, 2020, MSBNA and MSPBNA elected to defer the effect of the adoption of CECL on risk-based capital amounts and ratios, as well as RWA, adjusted average assets and supplementary leverage exposure calculations, over a five-year transition period. The deferral impacts began to phase in at 25% per year from January 1, 2022 and are phased-in at 75% from January 1, 2024. The deferral impacts will become fully phased-in beginning on January 1, 2025.

MSBNA's Regulatory Capital

			At September 30, 2024		At December 31, 2023	
$ in millions	Well-Capitalized Requirement	Required Ratio[1]	Amount	Ratio	Amount	Ratio
Risk-based capital						
CET1 capital	6.5 %	7.0 %	$ 24,752	23.0 %	$ 21,925	21.7 %
Tier 1 capital	8.0 %	8.5 %	24,752	23.0 %	21,925	21.7 %
Total capital	10.0 %	10.5 %	25,607	23.8 %	22,833	22.6 %
Leverage-based capital						
Tier 1 leverage	5.0 %	4.0 %	$ 24,752	11.3 %	$ 21,925	10.6 %
SLR	6.0 %	3.0 %	24,752	8.6 %	21,925	8.2 %

MSPBNA's Regulatory Capital

			At September 30, 2024		At December 31, 2023	
$ in millions	Well-Capitalized Requirement	Required Ratio[1]	Amount	Ratio	Amount	Ratio
Risk-based capital						
CET1 capital	6.5 %	7.0 %	$ 17,177	27.3 %	$ 15,388	25.8 %
Tier 1 capital	8.0 %	8.5 %	17,177	27.3 %	15,388	25.8 %
Total capital	10.0 %	10.5 %	17,496	27.8 %	15,675	26.3 %
Leverage-based capital						
Tier 1 leverage	5.0 %	4.0 %	$ 17,177	8.3 %	$ 15,388	7.5 %
SLR	6.0 %	3.0 %	17,177	8.0 %	15,388	7.2 %

1. Required ratios are inclusive of any buffers applicable as of the date presented. Failure to maintain the buffers would result in restrictions on the ability to make capital distributions, including the payment of dividends.

Additionally, MSBNA is conditionally registered with the SEC as a security-based swap dealer and is registered with the CFTC as a swap dealer. However, as MSBNA is prudentially regulated as a bank, its capital requirements continue to be determined by the OCC.

Other Regulatory Capital Requirements

MS&Co. Regulatory Capital

$ in millions	At September 30, 2024	At December 31, 2023
Net capital	$ 17,160	$ 18,121
Excess net capital	12,342	13,676

MS&Co. is registered as a broker-dealer and a futures commission merchant with the SEC and the CFTC, respectively, and is registered as a swap dealer with the CFTC.

As an Alternative Net Capital broker-dealer, and in accordance with Securities Exchange Act of 1934 ("Exchange Act") Rule 15c3-1, Appendix E, MS&Co. is subject to minimum net capital and tentative net capital requirements and operates with capital in excess of its regulatory capital requirements. As a futures commission merchant and registered swap dealer, MS&Co. is subject to CFTC capital requirements. In addition, MS&Co. must notify the SEC if its tentative net capital falls below certain levels. At September 30, 2024 and December 31, 2023, MS&Co. exceeded its net capital requirement and had tentative net capital in excess of the minimum and notification requirements.

Other Regulated Subsidiaries

Certain other subsidiaries are also subject to various regulatory capital requirements. Such subsidiaries include the following, each of which operated with capital in excess of their respective regulatory capital requirements as of September 30, 2024 and December 31, 2023, as applicable:

- MSSB,
- MSIP,
- MSESE,
- MSMS,
- MSCS, and
- MSCG

See Note 16 to the financial statements in the 2023 Form 10-K for further information.

16. Total Equity

Preferred Stock

$ in millions, except per share data	Shares Outstanding At September 30, 2024	Liquidation Preference per Share	Carrying Value At September 30, 2024	Carrying Value At December 31, 2023
Series				
A	**44,000**	**$ 25,000**	**$ 1,100**	$ 1,100
C[1]	**519,882**	**1,000**	**408**	408
E	**34,500**	**25,000**	**862**	862
F	**34,000**	**25,000**	**850**	850
I	**40,000**	**25,000**	**1,000**	1,000
K	**40,000**	**25,000**	**1,000**	1,000
L	**20,000**	**25,000**	**500**	500
M	**400,000**	**1,000**	**430**	430
N	**3,000**	**100,000**	**300**	300
O	**52,000**	**25,000**	**1,300**	1,300
P	**40,000**	**25,000**	**1,000**	1,000
Q	**40,000**	**25,000**	**1,000**	—
Total			**$ 9,750**	$ 8,750
Shares authorized				30,000,000

1. Series C preferred stock is held by MUFG.

For a description of Series A through Series P preferred stock, see Note 17 to the financial statements in the 2023 Form 10-K. The Firm's preferred stock has a preference over its common stock upon liquidation. The Firm's preferred stock qualifies as and is included in Tier 1 capital in accordance with regulatory capital requirements (see Note 15).

Share Repurchases

$ in millions	Three Months Ended September 30, **2024**	2023	Nine Months Ended September 30, **2024**	2023
Repurchases of common stock under the Firm's Share Repurchase Authorization	**$ 750**	$ 1,500	**$ 2,500**	$ 4,000

On June 28, 2024, the Firm announced that its Board of Directors reauthorized a multi-year repurchase program of up to $20 billion of outstanding common stock, without a set expiration date, beginning in the third quarter of 2024, which will be exercised from time to time as conditions warrant. For more information on share repurchases, see Note 17 to the financial statements in the 2023 Form 10-K.

On July 30, 2024, the Firm issued 40 million depositary shares of Series Q Preferred Stock, for an aggregate price of $1.0 billion. Each depositary share represents a 1/1000th interest in a share of 6.625% Non-Cumulative Preferred Stock, Series Q, $0.01 par value ("Series Q Preferred Stock"). The Series Q Preferred Stock is redeemable at the Firm's option, (i) in whole or in part, from time to time, on any dividend payment date on or after October 15, 2029 or (ii) in whole but not in part at any time within 90 days following a regulatory capital treatment event (as described in the terms of this series), in each case at a redemption price of $25,000 per share (equivalent to $25 per depositary share). The Series Q Preferred Stock also has a preference over the Firm's common stock upon liquidation and qualifies as Tier 1 capital.

Common Shares Outstanding for Basic and Diluted EPS

in millions	Three Months Ended September 30, **2024**	2023	Nine Months Ended September 30, **2024**	2023
Weighted average common shares outstanding, basic	**1,588**	1,624	**1,594**	1,635
Effect of dilutive RSUs and PSUs	**21**	19	**18**	18
Weighted average common shares outstanding and common stock equivalents, diluted	**1,609**	1,643	**1,612**	1,653
Weighted average antidilutive common stock equivalents (excluded from the computation of diluted EPS)	**—**	—	**—**	3

Dividends

$ in millions, except per share data	Three Months Ended September 30, 2024 Per Share[1]	Three Months Ended September 30, 2024 Total	Three Months Ended September 30, 2023 Per Share[1]	Three Months Ended September 30, 2023 Total
Preferred stock series				
A	**$ 400**	**$ 17**	$ 396	$ 17
C	**25**	**13**	25	13
E	**455**	**16**	445	15
F	**439**	**15**	430	15
I	**398**	**16**	398	16
K	**366**	**15**	366	15
L	**305**	**6**	305	6
M[2]	**30**	**12**	29	12
N[3]	**2,215**	**6**	2,226	7
O	**266**	**13**	266	14
P	**406**	**17**	406	16
Q	**345**	**14**	—	—
Total Preferred stock		**$ 160**		$ 146
Common stock	**$ 0.925**	**$ 1,492**	$ 0.850	$ 1,404

$ in millions, except per share data	Nine Months Ended September 30, 2024 Per Share[1]	Nine Months Ended September 30, 2024 Total	Nine Months Ended September 30, 2023 Per Share[1]	Nine Months Ended September 30, 2023 Total
Preferred stock series				
A	**$ 1,190**	**$ 52**	$ 1,116	$ 49
C	**75**	**39**	75	39
E	**1,351**	**47**	1,336	46
F	**1,308**	**44**	1,289	44
I	**1,195**	**48**	1,195	48
K	**1,097**	**44**	1,097	44
L	**914**	**18**	914	18
M[2]	**59**	**24**	59	24
N[3]	**6,726**	**20**	6,928	21
O	**797**	**41**	797	41
P	**1,219**	**49**	1,219	49
Q	**345**	**14**	—	—
Total Preferred stock		**$ 440**		$ 423
Common stock	**$ 2.625**	**$ 4,259**	$ 2.400	$ 4,001

1. Common and Preferred Stock dividends are payable quarterly unless otherwise noted.
2. Series M is payable semiannually until September 15, 2026 and thereafter will be payable quarterly.
3. Series N was payable semiannually until March 15, 2023 and thereafter is payable quarterly.

Accumulated Other Comprehensive Income (Loss)[1]

$ in millions	CTA	AFS Securities	Pension and Other	DVA	Cash Flow Hedges	Total
June 30, 2024	$(1,355)	$ (2,917)	$ (582)	$(1,894)	$ (12)	$(6,760)
OCI during the period	**184**	**723**	**3**	**(170)**	**34**	**774**
September 30, 2024	**$(1,171)**	**$ (2,194)**	**$ (579)**	**$(2,064)**	**$ 22**	**$(5,986)**
June 30, 2023	$(1,199)	$ (3,701)	$ (510)	$ (873)	$ (17)	$(6,300)
OCI during the period	(120)	(366)	(1)	(412)	(3)	(902)
September 30, 2023	$(1,319)	$ (4,067)	$ (511)	$(1,285)	$ (20)	$(7,202)
December 31, 2023	$(1,153)	$ (3,094)	$ (595)	$(1,595)	$ 16	$(6,421)
OCI during the period	**(18)**	**900**	**16**	**(469)**	**6**	**435**
September 30, 2024	**$(1,171)**	**$ (2,194)**	**$ (579)**	**$(2,064)**	**$ 22**	**$(5,986)**
December 31, 2022	$(1,204)	$ (4,192)	$ (508)	$ (345)	$ (4)	$(6,253)
OCI during the period	(115)	125	(3)	(940)	(16)	(949)
September 30, 2023	$(1,319)	$ (4,067)	$ (511)	$(1,285)	$ (20)	$(7,202)

1. Amounts are net of tax and noncontrolling interests.

Components of Period Changes in OCI

$ in millions	Three Months Ended September 30, 2024 Pre-tax Gain (Loss)	Income Tax Benefit (Provision)	After-tax Gain (Loss)	Non-controlling Interests	Net
CTA					
OCI activity	$ 124	$ 160	$ 284	$ 100	$ 184
Reclassified to earnings	—	—	—	—	—
Net OCI	$ 124	$ 160	$ 284	$ 100	$ 184
Change in net unrealized gains (losses) on AFS securities					
OCI activity	$ 947	$ (224)	$ 723	$ —	$ 723
Reclassified to earnings	—	—	—	—	—
Net OCI	$ 947	$ (224)	$ 723	$ —	$ 723
Pension and other					
OCI activity	$ 1	$ —	$ 1	$ —	$ 1
Reclassified to earnings	5	(3)	2	—	2
Net OCI	$ 6	$ (3)	$ 3	$ —	$ 3
Change in net DVA					
OCI activity	$ (234)	$ 57	$ (177)	$ (5)	$ (172)
Reclassified to earnings	4	(2)	2	—	2
Net OCI	$ (230)	$ 55	$ (175)	$ (5)	$ (170)
Change in fair value of cash flow hedge derivatives					
OCI activity	$ 33	$ (8)	$ 25	$ —	$ 25
Reclassified to earnings	11	(2)	9	—	9
Net OCI	$ 44	$ (10)	$ 34	$ —	$ 34

$ in millions	Three Months Ended September 30, 2023 Pre-tax Gain (Loss)	Income Tax Benefit (Provision)	After-tax Gain (Loss)	Non-controlling Interests	Net
CTA					
OCI activity	$ (38)	$ (111)	$ (149)	$ (29)	$ (120)
Reclassified to earnings	—	—	—	—	—
Net OCI	$ (38)	$ (111)	$ (149)	$ (29)	$ (120)
Change in net unrealized gains (losses) on AFS securities					
OCI activity	$ (464)	$ 108	$ (356)	$ —	$ (356)
Reclassified to earnings	(14)	4	(10)	—	(10)
Net OCI	$ (478)	$ 112	$ (366)	$ —	$ (366)
Pension and other					
OCI activity	$ —	$ —	$ —	$ —	$ —
Reclassified to earnings	(1)	—	(1)	—	(1)
Net OCI	$ (1)	$ —	$ (1)	$ —	$ (1)
Change in net DVA					
OCI activity	$ (549)	$ 130	$ (419)	$ (2)	$ (417)
Reclassified to earnings	6	(1)	5	—	5
Net OCI	$ (543)	$ 129	$ (414)	$ (2)	$ (412)
Change in fair value of cash flow hedge derivatives					
OCI activity	$ (12)	$ 3	$ (9)	$ —	$ (9)
Reclassified to earnings	6	—	6	—	6
Net OCI	$ (6)	$ 3	$ (3)	$ —	$ (3)

$ in millions	Nine Months Ended September 30, 2024 Pre-tax Gain (Loss)	Income Tax Benefit (Provision)	After-tax Gain (Loss)	Non-controlling Interests	Net
CTA					
OCI activity	$ (5)	$ (26)	$ (31)	$ (13)	$ (18)
Reclassified to earnings	—	—	—	—	—
Net OCI	$ (5)	$ (26)	$ (31)	$ (13)	$ (18)
Change in net unrealized gains (losses) on AFS securities					
OCI activity	$ 1,229	$ (291)	$ 938	$ —	$ 938
Reclassified to earnings	(50)	12	(38)	—	(38)
Net OCI	$ 1,179	$ (279)	$ 900	$ —	$ 900
Pension and other					
OCI activity	$ 6	$ —	$ 6	$ —	$ 6
Reclassified to earnings	15	(5)	10	—	10
Net OCI	$ 21	$ (5)	$ 16	$ —	$ 16
Change in net DVA					
OCI activity	$ (630)	$ 151	$ (479)	$ 6	$ (485)
Reclassified to earnings	21	(5)	16	—	16
Net OCI	$ (609)	$ 146	$ (463)	$ 6	$ (469)
Change in fair value of cash flow hedge derivatives					
OCI activity	$ (26)	$ 6	$ (20)	$ —	$ (20)
Reclassified to earnings	34	(8)	26	—	26
Net OCI	$ 8	$ (2)	$ 6	$ —	$ 6

$ in millions	Nine Months Ended September 30, 2023 Pre-tax Gain (Loss)	Income Tax Benefit (Provision)	After-tax Gain (Loss)	Non-controlling Interests	Net
CTA					
OCI activity	$ (136)	$ (104)	$ (240)	$ (125)	$ (115)
Reclassified to earnings	—	—	—	—	—
Net OCI	$ (136)	$ (104)	$ (240)	$ (125)	$ (115)
Change in net unrealized gains (losses) on AFS securities					
OCI activity	$ 208	$ (49)	$ 159	$ —	$ 159
Reclassified to earnings	(45)	11	(34)	—	(34)
Net OCI	$ 163	$ (38)	$ 125	$ —	$ 125
Pension and other					
OCI activity	$ (1)	$ —	$ (1)	$ —	$ (1)
Reclassified to earnings	(2)	—	(2)	—	(2)
Net OCI	$ (3)	$ —	$ (3)	$ —	$ (3)
Change in net DVA					
OCI activity	$(1,283)	$ 311	$ (972)	$ (20)	$ (952)
Reclassified to earnings	15	(3)	12	—	12
Net OCI	$(1,268)	$ 308	$ (960)	$ (20)	$ (940)
Change in fair value of cash flow hedge derivatives					
OCI activity	$ (30)	$ 6	$ (24)	$ —	$ (24)
Reclassified to earnings	9	(1)	8	—	8
Net OCI	$ (21)	$ 5	$ (16)	$ —	$ (16)

17. Interest Income and Interest Expense

$ in millions	Three Months Ended September 30, **2024**	2023	Nine Months Ended September 30, **2024**	2023
Interest income				
Cash and cash equivalents[1]	**$ 680**	$ 930	**$ 2,316**	2,484
Investment securities	**1,335**	1,019	**3,809**	2,886
Loans	**3,557**	3,236	**10,345**	9,105
Securities purchased under agreements to resell[2]	**3,580**	1,977	**9,121**	5,282
Securities borrowed[3]	**1,384**	1,307	**4,118**	3,848
Trading assets, net of Trading liabilities	**1,577**	1,334	**4,490**	3,171
Customer receivables and Other[1, 4]	**2,072**	2,323	**6,445**	6,243
Total interest income	**$ 14,185**	$ 12,126	**$ 40,644**	$ 33,019
Interest expense				
Deposits	**$ 2,751**	$ 2,271	**$ 7,777**	$ 5,793
Borrowings	**3,434**	2,992	**9,985**	8,267
Securities sold under agreements to repurchase[5]	**2,994**	1,897	**8,120**	4,567
Securities loaned[6]	**274**	208	**767**	575
Customer payables and Other[4, 7]	**2,536**	2,781	**7,936**	7,484
Total interest expense	**$ 11,989**	$ 10,149	**$ 34,585**	$ 26,686
Net interest	**$ 2,196**	$ 1,977	**$ 6,059**	$ 6,333

1. In the fourth quarter of 2023, interest bearing Cash and cash equivalents and related interest were presented separately for the first time. The prior period amounts for Customer receivables and Other have been disaggregated to exclude Cash and cash equivalents to align with the current presentation.
2. Includes interest paid on Securities purchased under agreements to resell.
3. Includes fees paid on Securities borrowed.
4. Certain prior period amounts have been adjusted to conform with the current period presentation. This adjustment resulted in a decrease to both interest income and interest expense of $1,179 million and $3,204 million for the three months and nine months ended September 30, 2023, respectively, and no effect on net interest income, with the entire impact to the Firm recorded within the Institutional Securities segment. See Note 2 for additional information.
5. Includes interest received on Securities sold under agreements to repurchase.
6. Includes fees received on Securities loaned.
7. Includes fees received from Equity Financing customers related to their short transactions, which can be under either margin or securities lending arrangements.

Interest income and Interest expense are classified in the income statement based on the nature of the instrument and related market conventions. When included as a component of the instrument's fair value, interest is included within Trading revenues or Investments revenues. Otherwise, it is included within Interest income or Interest expense.

Accrued Interest

$ in millions	At September 30, 2024	At December 31, 2023
Customer and other receivables	**$ 5,326**	$ 4,206
Customer and other payables	**5,473**	4,360

18. Income Taxes

The Firm is routinely under examination by the IRS and other tax authorities in certain countries, such as Japan and the U.K., and in states and localities in which it has significant business operations, such as New York.

The Firm believes that the resolution of these tax examinations will not have a material effect on the annual financial statements, although a resolution could have a material impact in the income statement and on the effective tax rate for any period in which such resolutions occur.

It is reasonably possible that significant changes in the balance of unrecognized tax benefits may occur within the next 12 months. At this time, however, it is not possible to reasonably estimate the expected change to the total amount of unrecognized tax benefits and the impact on the Firm's effective tax rate over the next 12 months.

19. Segment, Geographic and Revenue Information

Selected Financial Information by Business Segment

	Three Months Ended September 30, 2024				
$ in millions	IS	WM	IM	I/E	Total
Investment banking	$ 1,463	$ 167	$ —	$ (40)	$ 1,590
Trading	3,708	300	(24)	18	4,002
Investments	179	13	123	—	315
Commissions and fees[1]	760	609	—	(75)	1,294
Asset management[1,2]	167	4,266	1,384	(70)	5,747
Other	99	141	3	(4)	239
Total non-interest revenues	6,376	5,496	1,486	(171)	13,187
Interest income	10,423	4,148	33	(419)	14,185
Interest expense	9,984	2,374	64	(433)	11,989
Net interest	439	1,774	(31)	14	2,196
Net revenues	$ 6,815	$ 7,270	$1,455	$ (157)	$15,383
Provision for credit losses	$ 68	$ 11	$ —	$ —	$ 79
Compensation and benefits	2,271	3,868	594	—	6,733
Non-compensation expenses	2,565	1,331	601	(147)	4,350
Total non-interest expenses	$ 4,836	$ 5,199	$1,195	$ (147)	$11,083
Income before provision for income taxes	$ 1,911	$ 2,060	$ 260	$ (10)	$ 4,221
Provision for income taxes	438	492	67	(2)	995
Net income	1,473	1,568	193	(8)	3,226
Net income applicable to noncontrolling interests	37	—	1	—	38
Net income applicable to Morgan Stanley	$ 1,436	$ 1,568	$ 192	$ (8)	$ 3,188

	Three Months Ended September 30, 2023				
$ in millions	IS	WM	IM	I/E	Total
Investment banking	$ 938	$ 126	$ —	$ (16)	$ 1,048
Trading	3,660	(10)	24	5	3,679
Investments	100	22	22	—	144
Commissions and fees[1]	606	562	—	(70)	1,098
Asset management[1,2]	150	3,629	1,312	(60)	5,031
Other	164	123	10	(1)	296
Total non-interest revenues	5,618	4,452	1,368	(142)	11,296
Interest income	8,611	3,797	37	(319)	12,126
Interest expense	8,560	1,845	69	(325)	10,149
Net interest	51	1,952	(32)	6	1,977
Net revenues	$ 5,669	$ 6,404	$1,336	$ (136)	$13,273
Provision for credit losses	$ 93	$ 41	$ —	$ —	$ 134
Compensation and benefits	2,057	3,352	526	—	5,935
Non-compensation expenses	2,320	1,302	569	(132)	4,059
Total non-interest expenses	$ 4,377	$ 4,654	$1,095	$ (132)	$ 9,994
Income before provision for income taxes	$ 1,199	$ 1,709	$ 241	$ (4)	$ 3,145
Provision for income taxes	263	389	59	(1)	710
Net income	936	1,320	182	(3)	2,435
Net income applicable to noncontrolling interests	24	—	3	—	27
Net income applicable to Morgan Stanley	$ 912	$ 1,320	$ 179	$ (3)	$ 2,408

	Nine Months Ended September 30, 2024				
$ in millions	IS	WM	IM	I/E	Total
Investment banking	$ 4,529	$ 483	$ —	$ (98)	$ 4,914
Trading	12,338	638	(34)	43	12,985
Investments	282	56	271	—	609
Commissions and fees[1]	2,135	1,770	—	(201)	3,704
Asset management[1,2]	484	12,084	4,072	(200)	16,440
Other	343	483	10	(9)	827
Total non-interest revenues	20,111	15,514	4,319	(465)	39,479
Interest income	29,642	12,147	86	(1,231)	40,644
Interest expense	28,940	6,719	187	(1,261)	34,585
Net interest	702	5,428	(101)	30	6,059
Net revenues	$20,813	$20,942	$4,218	$ (435)	$45,538
Provision for credit losses	$ 124	$ 25	$ —	$ —	$ 149
Compensation and benefits	6,905	11,257	1,727	—	19,889
Non-compensation expenses	7,476	3,973	1,768	(407)	12,810
Total non-interest expenses	$14,381	$15,230	$3,495	$ (407)	$32,699
Income before provision for income taxes	$ 6,308	$ 5,687	$ 723	$ (28)	$12,690
Provision for income taxes	1,406	1,313	172	(6)	2,885
Net income	4,902	4,374	551	(22)	9,805
Net income applicable to noncontrolling interests	127	—	2	—	129
Net income applicable to Morgan Stanley	$ 4,775	$ 4,374	$ 549	$ (22)	$ 9,676

$ in millions	Nine Months Ended September 30, 2023 IS	WM	IM	I/E	Total
Investment banking	$ 3,260	$ 339	$ —	$ (66)	$ 3,533
Trading	11,511	425	(2)	24	11,958
Investments	151	60	173	—	384
Commissions and fees[1]	1,925	1,704	—	(202)	3,427
Asset management[1,2]	448	10,463	3,828	(163)	14,576
Other	669	366	9	(8)	1,036
Total non-interest revenues	17,964	13,357	4,008	(415)	34,914
Interest income[3]	23,160	11,124	95	(1,360)	33,019
Interest expense[3]	23,004	4,858	197	(1,373)	26,686
Net interest	156	6,266	(102)	13	6,333
Net revenues	$18,120	$19,623	$3,906	$ (402)	$41,247
Provision for credit losses	$ 379	$ 150	$ —	$ —	$ 529
Compensation and benefits	6,637	10,332	1,638	—	18,607
Non-compensation expenses	7,036	4,039	1,691	(372)	12,394
Total non-interest expenses	$13,673	$14,371	$3,329	$ (372)	$31,001
Income before provision for income taxes	$ 4,068	$ 5,102	$ 577	$ (30)	$ 9,717
Provision for income taxes	802	1,098	135	(7)	2,028
Net income	3,266	4,004	442	(23)	7,689
Net income applicable to noncontrolling interests	117	—	2	—	119
Net income applicable to Morgan Stanley	$ 3,149	$ 4,004	$ 440	$ (23)	$ 7,570

1. Substantially all revenues are from contracts with customers.
2. Includes certain fees that may relate to services performed in prior periods.
3. Certain prior period amounts have been adjusted to conform with the current period presentation. This adjustment resulted in a decrease to both interest income and interest expense of $1,179 million and $3,204 million for the three months and nine months ended September 30, 2023, respectively, and no effect on net interest income, with the entire impact to the Firm recorded within the Institutional Securities segment. See Note 2 for additional information.

For a discussion about the Firm's business segments, see Note 22 to the financial statements in the 2023 Form 10-K.

Detail of Investment Banking Revenues

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Institutional Securities Advisory	**$ 546**	$ 449	**$ 1,599**	$ 1,542
Institutional Securities Underwriting	**917**	489	**2,930**	1,718
Firm Investment banking revenues from contracts with customers	**91 %**	94 %	**90 %**	91 %

Trading Revenues by Product Type

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Interest rate	**$ 1,450**	$ 1,124	**$ 4,771**	$ 3,701
Foreign exchange	**352**	284	**893**	672
Equity[1]	**2,100**	2,167	**6,726**	6,782
Commodity and other	**451**	447	**1,528**	1,321
Credit	**(351)**	(343)	**(933)**	(518)
Total	**$ 4,002**	$ 3,679	**$ 12,985**	$ 11,958

1. Dividend income is included within equity contracts.

The previous table summarizes realized and unrealized gains and losses primarily related to the Firm's Trading assets and liabilities, from derivative and non-derivative financial instruments, included in Trading revenues in the income statement. The Firm generally utilizes financial instruments across a variety of product types in connection with its market-making and related risk management strategies. The trading revenues presented in the table are not representative of the manner in which the Firm manages its business activities and are prepared in a manner similar to the presentation of trading revenues for regulatory reporting purposes.

Investment Management Investments Revenues—Net Cumulative Unrealized Carried Interest

$ in millions	At September 30, 2024	At December 31, 2023
Net cumulative unrealized performance-based fees at risk of reversing	**$ 812**	$ 787

The Firm's portion of net cumulative performance-based fees in the form of unrealized carried interest, for which the Firm is not obligated to pay compensation, is at risk of reversing when the returns in certain funds fall below specified performance targets. See Note 13 for information regarding general partner guarantees, which include potential obligations to return performance fee distributions previously received.

Investment Management Asset Management Revenues—Reduction of Fees Due to Fee Waivers

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Fee waivers	**$ 25**	$ 27	**$ 70**	$ 73

The Firm waives a portion of its fees in the Investment Management business segment from certain registered money market funds that comply with the requirements of Rule 2a-7 of the Investment Company Act of 1940.

Certain Other Fee Waivers

Separately, the Firm's employees, including its senior officers, may participate on the same terms and conditions as other investors in certain funds that the Firm sponsors primarily for client investment, and the Firm may waive or lower applicable fees and charges for its employees.

Other Expenses—Transaction Taxes

$ in millions	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Transaction taxes	**$ 217**	$ 222	**$ 658**	$ 683

Transaction taxes are composed of securities transaction taxes and stamp duties, which are levied on the sale or purchase of securities listed on recognized stock exchanges in certain markets. These taxes are imposed mainly on trades of equity securities in Asia and EMEA. Similar transaction taxes are levied on trades of listed derivative instruments in certain countries.

Net Revenues by Region

$ in millions	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Americas	**$ 11,557**	$ 10,268	**$ 34,392**	$ 31,453
EMEA	**1,828**	1,479	**5,525**	4,716
Asia	**1,998**	1,526	**5,621**	5,078
Total	**$ 15,383**	$ 13,273	**$ 45,538**	$ 41,247

For a discussion about the Firm's geographic net revenues, see Note 22 to the financial statements in the 2023 Form 10-K.

Revenues Recognized from Prior Services

$ in millions	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Non-interest revenues	**$ 566**	$ 468	**$ 1,416**	$ 1,350

The previous table includes revenues from contracts with customers recognized where some or all services were performed in prior periods. These revenues primarily include investment banking advisory fees.

Receivables from Contracts with Customers

$ in millions	At September 30, 2024	At December 31, 2023
Customer and other receivables	**$ 2,635**	$ 2,339

Receivables from contracts with customers, which are included within Customer and other receivables in the balance sheet, arise when the Firm has both recorded revenues and the right per the contract to bill the customer.

Assets by Business Segment

$ in millions	At September 30, 2024	At December 31, 2023
Institutional Securities	**$ 852,035**	$ 810,506
Wealth Management	**388,263**	365,168
Investment Management	**17,729**	18,019
Total[1]	**$ 1,258,027**	$ 1,193,693

1. Parent assets have been fully allocated to the business segments.

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