Deutsche Bank

DB USA Corporation Pillar 3 Report as of June 30, 2020

Contents

Introduction

Disclosures according to Pillar 3 of the Basel 3 Capital Framework

The purpose of this Report is to provide Pillar 3 disclosures for DB USA Corporation ("DB USA Corp") as required by the regulatory framework for capital & liquidity, established by the Basel Committee on Banking Supervision, also known as Basel 3. Per regulation it is not required to have Pillar 3 disclosures audited. As such the information provided in this Pillar 3 Report is unaudited.

Basis of Presentation

DB USA Corp Pillar 3 Report has been prepared in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP"), while Regulatory Capital and Risk Weighted Assets ("RWA") calculations are based on U.S. Basel 3 Standardized Approach ("U.S. Basel 3") capital rules. In this regard RWA, Regulatory Capital and associated disclosures are based on U.S. regulatory reporting requirements as defined by the Federal Reserve Bank FR Y-9C Consolidated Financial Statements for Bank Holding Companies ("FR Y-9C") and in conjunction with U.S. Basel 3 rules. Quantitative Pillar 3 disclosures, in the Pillar 3 Report follow the classification and segmentation required by the FR Y-9C reporting requirements and U.S. Basel 3 guidelines. Where appropriate, we have introduced and modified disclosure tables required by the European Banking Authority ("EBA"), in order to present information consistent with the reporting made in the FR Y-9C and the DB USA Corp audited financial statements, also prepared on a U.S. GAAP basis.

Scope of Application

DB USA Corp is the US Intermediate Holding Company ("IHC") of Deutsche Bank AG ("DB Group") that is implemented pursuant to Regulation YY: Enhanced Prudential Standards for Bank Holding Companies and Foreign Banking Organizations, codified in 12 C.F.R. Part 252, and, in particular, Subpart O - Enhanced Prudential Standards for Foreign Banking Organizations with Total Consolidated Assets of $100 Billion or More and Combined U.S. Assets of $100 Billion or More" (the "FBO EPS Rule"). The FBO EPS Rule requires that a foreign banking organization ("FBO") having combined US assets of $100 billion or more and US non-branch assets of $50 billion or more establish in the US an IHC for its US subsidiaries that must be organized under the applicable US laws and operate under all applicable US regulatory requirements, including leverage and risk-based capital standards, stress testing, risk management and liquidity requirements. DB USA Corp consolidates all of DB Group subsidiaries in the U.S. which include Deutsche Bank Trust Corporation ("DBTC"), Deutsche Bank Trust Company Americas ("DBTCA"), Deutsche Bank Securities Inc. ("DBSI"), Deutsche Bank US Financial Markets Holding Corp. ("DBUSH"), Deutsche Bank Americas Holding Corp. ("DBAH") and German American Capital Corp. ("GACC").

Risk and Capital Performance

Exposures and Risk-weighted Assets

DB USA Corp RWA are calculated based on the U.S. Basel 3 Standardized Rules.

The information in the schedules below presents DB USA Corp distribution of RWA by exposure categories as reported in DB USA Corp's FR Y-9C, Schedule HC-R Regulatory Capital for the period ended June 30, 2020.

Operational Risk RWA is not applicable for banks calculating RWA under the U.S. Basel 3 Standardized Rules.

Market Risk RWA is only applicable to banks that are subject to the Market Risk Final Rule. This rule applies to US banking organizations that have significant trading activity ("Market Risk Banking Organizations"). US Market Risk Banking Organizations have aggregated trading assets and liabilities of at least $1 billion or 10% of total assets. DB USA Corp does meet the definition of a Market Risk Banking Organization and therefore is subject to the Market Risk RWA.

Variance Commentary (2019YE to 2020Q2)

The June 2020 On-balance Sheet Exposures increased $5.4 billion and Off Balance Sheet Exposures decreased $(3.8) billion as compared with December 2019 while RWA decreased over the same period by $(4.7) billion.

On Balance Sheet Exposures:

- $6.4 billion increase in cash and balances due from depository institutions is driven by an increase in deposits of ($8 billion), offset by an increase in loans of ($0.4 billion), increase in Securities for ($0.2 billion) and ($0.8 billion) decrease in Eurodollar Overnight Purchase balance
- $(4.2) billion decrease in Security Repurchase Agreements ("Repo") driven by decrease in Reverse Repos with DB AG New York ("DBNY") of $1.5 billion, decrease in the Investment Bank due to lower funding requirements of $1.9 billion and lower stock borrow balances due to reduced client activity of $1.0 billion.
- $(0.8) billion decrease in trading assets driven by a reduction in corporate bonds of $1.2 billion as a result of the Investment Bank reducing corporate inventory to be better positioned for market volatility resulting from COVID-19.
- $4.2 billion increase in all other assets driven by $3.2 billion increase due to higher initial margin requirements with clearing houses in response to the market activity, $0.5 billion due to fail to deliver balances and $0.4 billion intercompany receivables.

Off Balance Sheet Exposures:

- $(5.2) billion decrease in Repo style transactions driven by the balance sheet reduction in repo and reverse repo balances.
- $0.8 billion increase in Over-the-counter derivatives driven by notional increases in mainly interest rate derivatives
- $0.7 billion increase in unsettled transactions following a rise in volumes due to market volatility.

RWA:

- The decrease in RWA was predominately driven by the reduction in the Standardized Market RWA which was down $5.1 billion due to risk and exposure reduction in the Investment Bank.

Basel 3 Standardized Approach Exposure Amounts by Exposure Class

in USD m.	For the period ended		
US Basel 3 Standardized Approach	**31-Dec-19**	**30-Jun-20**	**Variance**
On-balance Sheet Exposures			
Cash and balances due from depository institutions	13,966	20,378	6,412
Securities: Available for Sale	243	482	239
Securities Purchased under agreements to Resell	55,570	51,343	(4,227)
Loans: Residential mortgage exposures	2,735	2,827	92
Loans: All other exposures	9,324	9,566	242
Loans: Allowance for Loan Loss	(9)	(32)	(23)
Trading Assets	18,570	17,776	(794)
All Other Assets: All Other	7,433	11,612	4,179
Securitization Exposures: Trading Assets	1,524	776	(748)
Total On-balance Sheet Exposures	**109,356**	**114,728**	**5,372**
Off-balance Sheet Exposures (credit equivalent amount)			
Financial standby letters of credit	883	733	(150)
Performance standby letters of credit	19	17	(2)
Commercial and similar letters of credit	0	0	0
Repo style transactions	27,791	22,597	(5,194)
Unused commitments: 1 year of less	143	101	(42)
Unused commitments: exceeding 1 year	981	1,005	24
Over-the-counter derivatives	241	1,066	825
Centrally Cleared derivatives	544	624	80
Unsettled Transactions	39	725	686
Total Off-balance Sheet Exposures	**30,641**	**26,868**	**(3,773)**

Figures may include rounding differences.

Basel 3 Standardized Approach Risk-weighted Assets by Exposure Class

	For the period ended		
in USD m.	31-Dec-19	30-Jun-20	Variance
On-balance Sheet Exposures	RWA	RWA	RWA
Cash and balances due from depository institutions	661	569	(91)
Securities: Available for Sale	43	52	9
Securities Purchased under agreements to Resell	0	0	0
Loans: Held for Sale	0	0	0
Loans: Residential mortgage exposures	1,417	1,464	47
Loans: High volatility commercial real estate exposures	0	0	0
Loans: Exposures past due 90 days or more or on nonaccrual	0	0	0
Loans: All other exposures	8,960	9,361	401
Loans: Allowance for Loan Loss	0	0	0
Trading Assets	95	93	(3)
All Other Assets	4,971	5,229	258
Securitization Exposures: Trading Assets	456	199	(257)
Total On-balance Sheet Exposures	16,604	16,968	364
Off-balance Sheet Exposures	RWA	RWA	RWA
Financial standby letters of credit	580	542	(38)
Performance standby letters of credit	17	15	(2)
Commercial and similar letters of credit	0	0	0
Repo style transactions	6,292	6,268	(23)
Unused commitments: 1 year or less	63	21	(42)
Unused commitments: exceeding 1 year	865	877	12
Over-the-counter derivatives	79	254	175
Centrally Cleared derivatives	11	13	1
Unsettled Transactions	47	44	(3)
Total Off-balance Sheet Exposures	7,955	8,035	80
Total Risk Weighted Assets, excluding Market Risk	24,559	25,003	444
Standardized Market Risk Weighted Assets	12,087	6,990	(5,097)
Total Risk Weighted Assets	36,646	31,993	(4,653)

Figures may include rounding differences.

Regulatory Capital

The calculation of DB USA Corp's regulatory capital is pursuant to the U.S. Basel 3 Standardized Rules and includes applicable deductions and filters. The information in this section is based on the regulatory principles of consolidation.

Pursuant to the effective regulations on its formation date of July 1, 2016, DB USA Corp's regulatory capital comprises Tier 1 (T1) and Tier 2 (T2) capital. Tier 1 capital is subdivided into Common Equity Tier 1 (CET1) capital and Additional Tier 1 (AT1) capital.

CET1 is comprised of the common stock issued by DB USA Corp, related surplus and retained earnings. AT1 capital is comprised of Class A and Class B Preferred Stock issued by DB USA Corp; there are no Tier 2 instruments issued by DB USA Corp. The terms of the common stock within CET1 provide for the normal payment of dividends if and when declared.

The AT1 preferred stock is voting, non-cumulative, perpetual, has no maturity date and will not be subject to redemption at the option of DB USA Corp or the holders of the preferred stock. Additionally, the preferred stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Class B ranks pari passu with Class A shares. The preferred stock has a preference over the common stock in the event of liquidation and qualifies as Tier 1 capital in accordance with regulatory capital requirements. DB USA Corp. has outstanding Class A and Class B series preferred stock issued with fixed dividend coupon rates of 8.28 % and 5.31 %, respectively. This fixed rate dividend is subject to discretionary cancelation, which results in a dividend stopper in respect of common stock. The decision whether a distribution can be made is subject to the DB USA Corp Board declaring a distribution, and receiving regulatory approvals. Beginning on September 23, 2026, the preferred stock may be converted, in whole or in part, at the option of the holder thereof into shares of common stock, at the rate of one share of common stock per each share of preferred stock.

Variance Commentary (2019YE to 2020Q2)

- $519 million increase in Regulatory Capital is largely driven by the Net Income for the period of $485 million.

Regulatory Capital and Capital Ratios according to Basel 3 Capital Rules

in USD m.	31-Dec-19 US Basel 3	30-Jun-20 US Basel 3	Variance
Common Stock plus retained surplus, net of unearned employee stock ownership plan (ESOP) shares	23,663	23,656	(7)
Retained Earnings	(13,704)	(13,224)	480
Accumulated Other Comprehensive Income (AOCI) based on transition rules	(246)	(228)	18
Common Equity Tier 1 Capital, before adjustments and deductions	9,713	10,204	491
Common Equity Tier 1 Capital: Adjustments and Deductions			0
Less: Goodwill net of associated deferred tax liabilities (DTLs)	(50)	(50)	0
Less: Intangible Assets, net of associated DTL's	(65)	(62)	3
Less: Deferred Tax Assets (DTLs) that arise from net operating losses and tax credit carryforwards, net of valuation allowances	0	0	0
Total Regulatory Adjustments to Commeon Equity Tier 1 (CET1)	(115)	(112)	3
Common Equity Tier 1 Capital	9,598	10,092	494
Additional Tier 1 (AT1) Capital			
Additional Tier 1 Capital instruments plus related surplus	4,205	4,205	0
Additional Tier 1 (AT1) Capital before adjusments	4,205	4,205	0
Total Regulatory Adjustments to Additional Tier 1 (AT1) Capital	(2)	(1)	1
Additional Tier 1 (AT1) Capital	4,203	4,204	1
Tier 1 Capital (T1 = CET1 + AT1)	13,801	14,296	495
Tier 2 (T2) Capital			0
Tier 2 Capital instruments plus related surplus	0	0	0
Allowance for loan and lease losses includable in Tier 2 capital	10	34	24
Tier 2 (T2) Capital before adjustments	10	34	24
Total Regulatory Adjustments to Tier 2 (T2) Capital	0	0	0
Tier 2 (T2) Capital	10	34	24
Total Regulatory Capital	13,811	14,330	519

Ratios		
Common Equity Tier 1 Capital Ratio (as a percentage of risk-weighted assets)	26.19%	31.54%
Tier 1 Capital Ratio (as a percentage of risk-weighted assets)	37.66%	44.68%
Total Capital Ratio (as a percentage of risk-weighted assets)	37.69%	44.79%
Capital Conservation Buffer	21.69%	27.04%
Leverage Ratio (as a percentage of average total consolidated assets)	9.78%	10.45%
Supplementary Leverage Ratio	9.09%	11.99%

Reconciliation of Financial and Regulatory Balance Sheet

DB USA Corp's consolidated and combined financial statements have been prepared in accordance with US GAAP, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the consolidated and combined financial statements.

The consolidated and combined financial statements of the DB USA Corp include all entities in which DB USA Corp has a controlling financial interest. DB USA Corp consolidates entities in which it has a majority voting interest when the voting interest entity is controlled through substantive voting equity interests and the equity investors bear the residual economic risks of the entity. DB USA Corp also consolidates variable interest entities (VIEs) for which DB USA Corp is deemed to be the primary beneficiary in accordance with Accounting Standards Codification (ASC) Topic 810, Consolidation. All material intercompany transactions and balances have been eliminated in consolidation. In the normal course of business, DB USA Corp's operations may include significant transactions conducted with affiliated entities. Such transactions are governed by contractual agreements between DB USA Corp and its affiliates.

DB USA Corp prepares US GAAP financial statements for both financial and regulatory reporting purposes. In certain instances, regulatory reporting instructions and guidance require that certain assets or liabilities be reported in line items that vary from those used for financial reporting purposes. In other cases, the regulatory reporting format may differ from that used for financial reporting purposes – regulatory reporting formats tend to be much more granular. In either case, when comparing the financial and regulatory financial statements on a line item basis there may be differences between various line items that arise from these differing requirements and reporting formats.

In the case of DB USA Corp, the balance sheet assets, liabilities and stockholder's equity line items used in this report are those represented in the FR Y-9C report as reported by DB USA Corp as of June 30, 2020. Below is a reconciliation of the balance sheet as reported in the FR Y-9C and that which is reported in the non-public audited financial statements.

	30-Jun-20					
in USD m.	Financial Balance Sheet	Presentation Differences				Regulatory Balance Sheet
		Margin Loans	Non-Trading Equity Securities	Non-Trading Interest Rate Swaps	Total	
Assets						
Cash and cash equivalents	20,378	-	-	-	-	20,378
Securities: Available for Sale	448	-	34	-	34	482
Collateralized agreements and financings	51,343	-	-	-	-	51,343
Loans, net of allowance for loan losses	12,360	1	-	-	1	12,361
Financial instruments owned, at fair value	18,938	-	(34)	(352)	(386)	18,552
Other assets	11,261	(1)	-	352	351	11,612
Total assets	114,728	-	-	-	-	114,728
Liabilities and Stockholders' Equity						
Deposits	22,940	-	-	-	-	22,940
Fed funds purchased	0	-	-	-	-	0
Collateralized agreements and financing:	32,840	-	-	-	-	32,840
Financial instruments sold, but not yet purchased, at fair value	9,961	-	-	(52)	(52)	9,909
Borrowings	20,162	-	-	-	-	20,162
Other liabilities	14,413	-	-	52	52	14,465
Total liabilities	100,316	-	-	-	-	100,316
Stockholders' Equity						
Preferred stock	4,205	-	-	-	-	4,205
Common stock, par value $1.00 per share. 2,000 shares	0	-	-	-	-	0
Additional paid-in capital	23,656	-	-	-	-	23,656
Accumulated deficit	(13,224)	-	-	-	-	(13,224)
Accumulated other comprehensive income (loss)	(228)	-	-	-	-	(228)
Minority Interest	3	-	-	-	-	3
Total stockholders' Equity	14,412	-	-	-	-	14,412
Total liabilities and stockholder's equity	114,728	-	-	-	-	114,728

The presentation differences noted in the above reconciliation are primarily due to:

- Margin Loans: Pursuant to the AICPA Audit and Accounting Guide for Brokers and Dealers, margin balances are captured as Receivable from, and Payables to, Broker-dealers, Clearing Organizations and Customers (See Sections 4.29 and 4.44). The FR Y9-C instructions are not explicit regarding how to report "margin loans". However, DB received a FRB exception as part of the 2007 FRB Exam of Taunus as it relates to margin lending. Margin Loans were historically being reported in Other Assets (consistent with how they are reported on the Audited financial statements), however the FRB issues DB an exception on this treatment providing guidance that margin loans should be reported as Loans and leases, net of unearned income, Line 4.b on Schedule HC.
- Equity Securities at Fair Value under 2016-01: For the US GAAP Financial Statements, under ASU 2016-01 entities are no longer able to classify equity investments as trading or available for sale (AFS) and must be measured at Fair Value through Net Income. Equity securities at Fair Value are considered Financial Instruments Owned for US GAAP financial reporting purposes. For the FR Y-9C, these non-trading equity securities held at Fair Value under ASU 2016-01 are reported separately on HC line 2.c Equity securities with readily determinable fair values not held for trading.
- Trading vs Financial Instruments Owned: For the US GAAP Financial Statements all derivative positions are considered financial instruments and are presented in the Financial Instruments Owned/Sold captions. For the FR Y-9C, the non-trading derivatives are excluded from Trading Assets/Liabilities and are included in Other Assets/Liabilities.

Credit Risk Exposure

Credit risk exposures are calculated using the US Basel 3 Standardized Approaches capital rules. These exposures represent on-balance sheet and off-balance sheet exposures of DB USA Corp on a consolidated basis.

For on-balance sheet exposures, the table below provides the exposure amount as reported on the balance sheet as well as the amount that is subject to RWA calculations. For purposes of RWA calculations, on-balance sheet assets are generally measured at their fair value amounts, except for Secured Financing Transactions (SFT) (i.e. repurchase agreements), which are measured net of collateral.

Off-balance sheet exposures are generally converted to a Credit Equivalent Amount by multiplying the exposure or notional amount by a supervisory credit conversion factor.

Gross Exposure by Asset Class and Geographical Region

in USD m.	30-Jun-20						
On-balance Sheet Exposures	North America	Europe	Latin America	Caribbean	Asia	Other Countries	Amount Subject to RWA
Cash and balances due from depository institutions	20,081	252	2	18	25	0	20,378
Securities: Available for Sale	472	10	0	0	0	0	482
Loans	10,983	526	622	124	135	3	12,393
Trading Assets	400	3	0	11	0	0	414
Other Assets	3,225	1,066	8	1,568	48	3	5,918
Total On-balance Sheet Exposures	35,161	1,857	632	1,721	208	6	39,585
Off-balance Sheet Exposures							Amount Subject to RWA
Letters of credit	686	43	0	3	18	0	750
Repo style transactions	15,812	5,320	1	417	1,046	1	22,597
Unused commitments	904	114	1	72	15	0	1,106
Derivatives	218	1,457	0	11	4	0	1,690
Unsettled Transactions	715	10	0	0	0	0	725
Total Off-balance Sheet Exposures	18,335	6,944	2	503	1,083	1	26,868
Grand Total	53,496	8,801	634	2,224	1,291	7	66,453

[1] Include Flexible Repurchase Agreements ("Flex Repos") which combine the security of owning U.S. Government Obligations, fixed interest rates, the withdrawal flexibility of a money market account and the high yield of a medium- or long-term investment. Flex Repos are generally long term because they are tied to construction projects for which bond proceeds need to be invested until payment is due for each stage of construction. In return for the added flexibility, investors in Flex Repos almost always receive slightly lower rates of return than investors with terms that are more traditional. Flex Repos are provided by DBSI, the U.S. broker dealer.

in USD m.	31-Dec-19						
On-balance Sheet Exposures	North America	Europe	Latin America	Caribbean	Asia	Other Countries	Amount Subject to RWA
Cash and balances due from depository institutions	13,657	263	2	18	26	0	13,966
Securities: Available for Sale	234	9	0	0	0	0	243
Loans	10,774	551	344	187	200	3	12,059
Trading Assets	782	2	0	19	0	0	803
Other Assets	3,399	999	8	1,359	36	2	5,803
Total On-balance Sheet Exposures	28,846	1,824	354	1,583	262	5	32,874
Off-balance Sheet Exposures							Amount Subject to RWA
Letters of credit	827	47	0	9	19	0	902
Repo style transactions	16,054	10,027	959	420	312	19	27,791
Unused commitments	942	126	0	40	16	0	1,124
Derivatives	404	366	0	9	6	0	785
Unsettled Transactions	27	7	0	5	0	0	39
Total Off-balance Sheet Exposures	18,254	10,573	959	483	353	19	30,641
Grand Total	47,100	12,397	1,313	2,066	615	24	63,515

Gross Exposure by Asset Class and Residual Maturity

30-Jun-20

in USD m

	Up to one month	Over 1 month to not more than 1 year	Over 1 year and not more than 2 years	Over 2 years and not more than 5 years	Over 5 years	Amount Subject to RWA
Cash and balances due from depository institutions	20,354	24	-	-	-	20,378
Securities: Available for Sale	-	89	188	193	12	482
Loans	567	3,057	2,097	3,544	3,128	12,393
Trading Assets	1	90	164	88	71	414
Other Assets	4,427	175	11	1,253	52	5,918
Total On-balance Sheet Exposures	25,349	3,435	2,460	5,078	3,263	39,585
Letters of credit	3	168	14	489	76	750
Repo-Style transactions [1]	19,622	2,554	163	10	248	22,597
Unused Commitments	201	184	155	485	81	1,106
Derivatives	15	827	486	251	111	1,690
Unsettled	724	1	-	-	-	725
Total Off-balance Sheet Exposures	20,565	3,734	818	1,235	516	26,868
Grand Total	45,914	7,169	3,278	6,313	3,779	66,45

[1] Include Flexible Repurchase Agreements ("Flex Repos") which combine the security of owning U.S. Government Obligations, fixed interest rates, the withdrawal flexibility of a money market account and the high yield of a medium- or long-term investment. Flex Repos are generally long term because they are tied to construction projects for which bond proceeds need to be invested until payment is due for each stage of construction. In return for the added flexibility, investors in Flex Repos almost always receive slightly lower rates of return than investors with terms that are more traditional. Flex Repos are provided by DBSI, the U.S. broker dealer.

31-Dec-19

in USD m

	Up to one month	Over 1 month to not more than 1 year	Over 1 year and not more than 2 years	Over 2 years and not more than 5 years	Over 5 years	Amount Subject to RWA
Cash and balances due from depository institutions	13,966	-	-	-	-	13,966
Securities: Available for Sale	1	97	72	62	11	243
Loans	985	3,112	1,685	3,302	2,975	12,059
Trading Assets	200	211	115	160	117	803
Other Assets	4,217	319	13	1,188	66	5,803
Total On-balance Sheet Exposures	19,369	3,739	1,885	4,712	3,169	32,874
Letters of credit	-	282	19	524	77	902
Repo-Style transactions [1]	23,423	3,818	415	16	119	27,791
Unused Commitments	246	377	130	211	160	1,124
Derivatives	4	525	101	79	76	785
Unsettled	11	-	-	27	1	39
Total Off-balance Sheet Exposures	23,684	5,002	665	857	433	30,641
Grand Total	43,053	8,741	2,550	5,569	3,602	63,51

Gross Exposure by Asset Class and Industry

30-Jun-20

in USD m

	Public institutions	Banks and other financial institutions	Corporations	Retail	Other	Amount Subject to RWA
Cash and balances due from depository institutions	17,589	2,788	-	-	1	20,378
Securities: Available for Sale	413	39	18	-	12	482
Loans	318	2,631	2,253	3,599	3,592	12,393
Trading Assets	287	45	15	1	66	414
Other Assets	518	3,072	545	14	1,769	5,918
Total On-balance Sheet Exposures	19,125	8,575	2,831	3,614	5,440	39,585
Letters of credit	6	545	50	147	2	750
Repo-Style transactions	3,298	19,095	6	-	198	22,597
Unused Commitments	-	801	148	102	55	1,106
Derivatives	545	1,145	-	-	-	1,690
Unsettled	-	35	688	1	1	725
Total Off-balance Sheet Exposures	3,849	21,621	892	250	256	26,868
Grand Total	22,974	30,196	3,723	3,864	5,696	66,453

[1] Include Flexible Repurchase Agreements ("Flex Repos") which combine the security of owning U.S. Government Obligations, fixed interest rates, the withdrawal flexibility of a money market account and the high yield of a medium- or long-term investment. Flex Repos are generally long term because they are tied to construction projects for which bond proceeds need to be invested until payment is due for each stage of construction. In return for the added flexibility, investors in Flex Repos almost always receive slightly lower rates of return than investors with terms that are more traditional. Flex Repos are provided by DBSI, the U.S. broker dealer.

31-Dec-19

in USD m

	Public institutions	Banks and other financial institutions	Corporations	Retail	Other	Amount Subject to RWA
Cash and balances due from depository institutions	10,741	3,221	-	-	4	13,966
Securities: Available for Sale	179	46	9	-	9	243
Loans	288	2,492	2,625	3,450	3,204	12,059
Trading Assets	628	84	62	1	28	803
Other Assets	609	3,020	486	7	1,681	5,803
Total On-balance Sheet Exposures	12,445	8,863	3,182	3,458	4,926	32,874
Letters of credit	6	560	164	170	2	902
Repo-Style transactions (1)	4,103	23,363	8	-	317	27,791
Unused Commitments	-	715	233	162	14	1,124
Derivatives	449	336	-	-	-	785
Unsettled	-	28	11	-	-	39
Total Off-balance Sheet Exposures	4,558	25,002	416	332	333	30,641
Grand Total	17,003	33,865	3,598	3,790	5,259	63,515

Basel 3 Standardized Approach Exposure Amounts and Risk-weighted Assets by Exposure Class and Risk Weight

in USD m.	30-Jun-20																			
US Basel 3 Standardized Approach	US Basel 3	Exposure		by risk weighting																
On-balance Sheet Exposures	RWA	Balance Sheet Amount	Amount Subject to RWA	0%	2%	4%	10%	20%	50%	100%	150%	250%	300%	400%	600%	625%	937.5%	1250%	Other Amount	Other RWA
Cash and balances due from depository institutions	569	20,378	20,378	17,545	0	0	0	2,828	3	2	0	0	0	0	0	0	0	0	0	0
Securities: Available for Sale	52	482	482	404	0	0		32	0	46	0	0	0		0	0	0	0	0	0
Securities Purchased under agreements to Resell	0	51,343	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans: Residential mortgage exposures	1,464	2,827	2,827	7	0	0	0	0	2,712	108	0	0	0	0	0	0	0	0	0	0
Loans: High volatility commercial real estate exposures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans: All other exposures	9,361	9,566	9,566	359	0	0	0	170	11	8,436	590	0	0	0	0	0	0	0	0	0
Loans: Allowance for Loan Loss	0	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trading Assets	93	17,776	375	285	0	0	0	0	25	62	0	0	0	0	3	0	0	0	0	0
All Other Assets: All Other	5,229	11,612	5,918	160	0	0	0	2,374	1	2,184	13	1,005	0	0	0	0	0	0	181	38
Securitization Exposures: Trading Assets	199	776	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39	199
Total On-balance Sheet Exposures	**16,968**	**114,728**	**39,585**	**18,760**	**0**	**0**	**0**	**5,404**	**2,752**	**10,838**	**603**	**1,005**	**0**	**0**	**3**	**0**	**0**	**0**	**220**	**237**
Off-balance Sheet Exposures		Credit Equivalent Amount	Amount Subject to RWA	0%	2%	4%	10%	20%	50%	100%	150%	250%	300%	400%	600%	625%	937.5%	1250%	Other Exposure	Other RWA
Financial standby letters of credit	542	733	733	46	0	0	0	181	0	506	0	0	0	0	0	0	0	0	0	0
Performance standby letters of credit	15	17	17	2	0	0	0	0	0	15	0	0	0	0	0	0	0	0	0	0
Commercial and similar letters of credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repo style transactions	6,268	22,597	22,597	10,031	1,155	0	0	5,753	1,127	4,531	0	0	0	0	0	0	0	0	0	0
Unused commitments: 1 year of less	21	101	101	0	0	0	0	100	0	1	0	0	0	0	0	0	0	0	0	0
Unused commitments: exceeding 1 year	877	1,005	1,005	86	0	0	0	7	74	838	0	0	0	0	0	0	0	0	0	0
Over-the-counter derivatives	254	1,066	1,066	0	0	0	0	1,015	0	51	0	0	0	0	0	0	0	0	0	0
Centrally Cleared derivatives	13	624	624	0	605	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unsettled Transactions	44	725	725	703	0	0	0	0	0	19	0	0	0	0	0	2	0	1	0	0
Total Off-balance Sheet Exposures	**8,035**	**26,868**	**26,868**	**10,868**	**1,760**	**19**	**0**	**7,056**	**1,201**	**5,961**	**0**	**0**	**0**	**0**	**0**	**2**	**0**	**1**	**0**	**0**
Total Risk Weighted Assets, excluding Market Risk	**25,003**		**25,003**	**0**	**35**	**1**	**0**	**2,492**	**1,977**	**16,799**	**905**	**2,513**	**0**	**0**	**18**	**13**	**0**	**13**	**0**	**237**
Standardized Market Risk Weighted Assets	**12,087**																			
Total Risk Weighted Assets	**37,090**																			

in USD m.	31-Dec-19																			
US Basel 3 Standardized Approach	US Basel 3	Exposure		by risk weighting																
On-balance Sheet Exposures	RWA	Balance Sheet Amount	Amount Subject to RWA	0%	2%	4%	10%	20%	50%	100%	150%	250%	300%	400%	600%	625%	937.5%	1250%	Other Amount	Other RWA
Cash and balances due from depository institutions	661	13,966	13,966	10,686	0	0	0	3,272	3	5	0	0	0	0	0	0	0	0	0	0
Securities: Available for Sale	43	243	243	162	0	0	0	47	0	34	0	0	0	0	0	0	0	0	0	0
Securities Purchased under agreements to Resell	0	55,570	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans: Residential mortgage exposures	1,417	2,735	2,735	6	0	0	0	0	2,624	105	0	0	0	0	0	0	0	0	0	0
Loans: High volatility commercial real estate exposures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans: All other exposures	8,960	9,324	9,324	316	0	0	0	251	11	8,429	317	0	0	0	0	0	0	0	0	0
Loans: Allowance for Loan Loss	0	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trading Assets	95	18,570	721	627	0	0	0	0	18	74	0	0	0	0	2	0	0	0	0	0
All Other Assets: All Other	4,971	7,433	5,803	470	0	0	0	1,951	2	2,155	10	924	0	0	0	0	0	0	291	100
Securitization Exposures: Trading Assets	456	1,524	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	456
Total On-balance Sheet Exposures	**16,604**	**109,356**	**32,792**	**12,267**	**0**	**0**	**0**	**5,521**	**2,658**	**10,802**	**327**	**924**	**0**	**0**	**2**	**0**	**0**	**0**	**291**	**556**
Off-balance Sheet Exposures		Credit Equivalent Amount	Amount Subject to RWA	0%	2%	4%	10%	20%	50%	100%	150%	250%	300%	400%	600%	625%	937.5%	1250%	Other Exposure	Other RWA
Financial standby letters of credit	580	883	883	150	0	0	0	191	0	542	0	0	0	0	0	0	0	0	0	0
Performance standby letters of credit	17	19	19	2	0	0	0	0	0	17	0	0	0	0	0	0	0	0	0	0
Commercial and similar letters of credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repo style transactions	6,292	27,791	27,791	15,742	1,474	0	0	4,836	888	4,851	0	0	0	0	0	0	0	0	0	0
Unused commitments: 1 year of less	63	143	143	0	0	0	0	100	0	43	0	0	0	0	0	0	0	0	0	0
Unused commitments: exceeding 1 year	865	981	981	85	0	0	0	1	60	835	0	0	0	0	0	0	0	0	0	0
Over-the-counter derivatives	79	241	241	0	0	0	0	202	0	39	0	0	0	0	0	0	0	0	0	0
Centrally Cleared derivatives	11	544	544	0	514	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unsettled Transactions	47	39	39	13	0	0	0	0	0	22	0	0	0	0	0	4	0	0	0	0
Total Off-balance Sheet Exposures	**7,955**	**30,641**	**30,641**	**15,992**	**1,988**	**30**	**0**	**5,330**	**948**	**6,349**	**0**	**0**	**0**	**0**	**0**	**4**	**0**	**0**	**0**	**0**
Total Risk Weighted Assets, excluding Market Risk	**24,559**		**24,559**	**0**	**40**	**1**	**0**	**2,170**	**1,803**	**17,151**	**491**	**2,310**	**0**	**0**	**12**	**25**	**0**	**0**	**0**	**556**
Standardized Market Risk Weighted Assets	**12,087**																			
Total Risk Weighted Assets	**36,646**																			

Credit Risk and Credit Risk Mitigation

The majority of credit risk mitigation techniques are applied to secured financing transactions (SFT) and derivatives. Credit risk mitigation techniques for the other products are not significant. DB USA Corp takes advantage of credit-risk mitigation benefits, as permitted under U.S. Basel III Rule, in its computation of risk-weighted assets.

For derivatives, DB USA Corp receives cash and non-cash collateral which, subject to the U.S. Basel III Rules, are applied against the computed gross credit exposures. For SFTs, DB USA Corp is frequently able to use the collateral haircut approach to recognize credit risk mitigation benefits of financial collateral. The collateral haircut approach allows DB USA Corp to only consider liquid, eligible collateral. Where the collateral haircut approach is not viable, DB USA Corp may still obtain the credit-risk mitigation benefits of the collateral simple approach, which permits DB USA Corp to substitute the risk weight of the collateral for the risk weight of the counterparty.

Netting of Secured Financing Transactions (SFT)

		30-Jun-20				
in USD m.		Gross Amount	Amount Offset in the Statement of Financial Condition (1)	Net Amount Presented in the Statement of Financial Condition	Collateral Received or Pledged (2)	Net Amount (3)
Assets:						
Collateralized agreements and financings:						
Securities purchased under agreements to resell		79,564	(49,265)	30,299	(30,299)	-
Securities borrowed		21,752	(708)	21,044	(21,044)	-
Total	$	101,316	(49,973)	51,343	(51,343)	-
Liabilities:						
Collateralized agreements and financings:						
Securities sold under agreements to repurchase		78,006	(49,265)	28,741	(28,741)	-
Securities loaned		4,807	(708)	4,099	(4,253)	(155)
Total	$	82,813	(49,973)	32,840	(32,994)	(155)

(1) Amounts relate to master netting agreements and collateral agreements which have been determined by DB USA Corp to be legally enforceable in the event of default and where certain other criteria are met in accordance with applicable offsetting accounting guidance. There are no amounts which were eligible for netting pursuant to ASC 210-20 that DB USA Corp did not net.
(2) Securities collateral is reflected at its fair value, but has been limited to the net exposure in the consolidated statement of financial condition in order to exclude any over-collateralization. These amounts do not reflect any cash collateral.
(3) Includes amounts subject to enforceable master netting agreements that have not met the requirements for offsetting in accordance with applicable accounting guidance but are eligible for offsetting to the extent an event of default has occurred.

		31-Dec-19				
in USD m.		Gross Amount	Amount Offset in the Statement of Financial Condition (1)	Net Amount Presented in the Statement of Financial Condition	Collateral Received or Pledged (2)	Net Amount (3)
Assets:						
Collateralized agreements and financings:						
Securities purchased under agreements to resell		74,071	(39,897)	34,174	(34,174)	-
Securities borrowed		23,753	(2,357)	21,396	(20,795)	601
Total	$	97,824	(42,254)	55,570	(54,969)	601
Liabilities:						
Collateralized agreements and financings:						
Securities sold under agreements to repurchase		64,679	(39,897)	24,782	(27,333)	(2,551)
Securities loaned		8,619	(2,357)	6,262	(6,262)	-
Total	$	73,298	(42,254)	31,044	(33,595)	(2,551)

Netting of Derivatives Transactions

	30-Jun-20				
	Fair value		Notional Amount		
in USD m.	Assets	Libilities	Exchange - traded	OTC	Total
Contract type					
Interest rate contracts	487	103	4,786	22,670	27,456
Credit contracts	-	-	-	-	-
Equity contracts	23	7	250	-	250
Other contracts	-	-	-	14,574	14,574
Total gross derivatives	510	110	5,036	37,244	42,280
	-	-			
Less: Counterparty netting (1)	(49)	(49)			
Net amounts presented in statement of financial condition	461	61			
Less: Cash collateral received/posted	(13)	-			
Net derivative	448	61			

(1) Amounts relate to master netting agreements and collateral agreements which have been determined by DB USA Corp to be legally enforceable in the event of default and where certain other criteria are met in accordance with applicable offsetting accounting guidance.

	31-Dec-19				
	Fair value		Notional Amount		
in USD m.	Assets	Libilities	Exchange - traded	OTC	Total
Contract type					
Interest rate contracts	191	54	4,689	27,199	31,888
Credit contracts	-	-	-	2	2
Equity contracts	16	-	99	-	99
Other contracts	-	-	-	6,186	6,186
Total gross derivatives	207	54	4,788	33,387	38,175
Less: Counterparty netting (1)	(12)	(12)			
Net amounts presented in statement of financial condition	195	42			
Less: Cash collateral received/posted	(95)	(42)			
Net derivative	100	-			

Impairments

The allowance for credit losses represents management's estimate of probable losses that have occurred in the loan portfolio and off balance sheet positions, which comprise contingent liabilities and lending related commitments as of the date of the consolidated and combined financial statements. The allowance for credit losses of funded lending related commitments is reported as a reduction of loans on the consolidated statement of financial condition. The allowance for credit losses of undrawn lending related commitments is reported in other liabilities on the consolidated statement of financial condition.

To allow management to determine the appropriate level of the allowance for credit losses, all significant counterparty relationships are reviewed periodically, as are loans under special supervision, such as impaired loans. This review encompasses current information and events related to the counterparty, such as past due status and collateral recovery values, as well as industry, geographic, economic, political, and other environmental factors. This process results in an allowance for credit losses which consists of a specific loss component and an inherent loss component.

The specific loss component represents the allowance for impaired loans. Impaired loans represent loans for which, based on current information and events, management believes it is probable that DB USA Corp will not be able to collect all principal and interest amounts due in accordance with the contractual terms of the loan agreement. The specific loss component of the allowance is measured by the excess of the recorded investment in the loan, including accrued interest, over either the present value of expected future cash flows, including cash flows that may result from foreclosure less costs for obtaining or selling the collateral, or the market price of the loan, discounted at the loan's effective interest rate. Impaired loans are generally placed on nonaccrual status.

The inherent loss component is principally for all other loans not deemed to be impaired, but that, on a portfolio basis, are believed to have some inherent loss, which is probable of occurring and is reasonably estimable. The inherent loss allowance represents an estimate of losses inherent in the portfolio that has not yet been individually identified and reflects the imprecision and uncertainties in estimating the allowance for loan loss. This estimate of inherent losses excludes those exposures that have already been considered when establishing the allowance for smaller balance standardized homogeneous loans.

Amounts determined to be uncollectible are charged to the allowance. Subsequent recoveries, if any, are credited to the allowance. The provision for credit losses, which is charged to income, is the amount necessary to adjust the allowance for credit losses to the level determined through the process described above.

The allowance for off balance sheet positions, which is established through charges to other expenses, is determined using the same measurement techniques as the allowance for credit losses.

Variance Commentary (2019YE to 2020Q2)

Impaired loans decreased by $5 million as of June 30, 2020 compared with December 31, 2019. The decrease is primarily attributed to residential real estate loans with Private Bank and Corporate Bank clients. Past due loans reported by DB USA Corp as of June 2020 are immaterial.

The Loan Loss Allowance increased $23 million as of June 30, 2020 compared with December 31, 2019. The reason for the increase was in part due to the adoption of Current Expected Credit Losses (CECL – ASU 2016-13) as of January 1, 2020. The first time adoption impact was $6 million. There was a further increase to the allowance during the period of $17 million as a result of the impact of COVID-19 on the global economy.

Following new reporting guidelines issued by the Federal Reserve Bank (FRB), DB USA is taking the option to account for eligible loan modifications under Section 4013 of the CARES Act. This means DB USA is not required to apply ASC Subtopic 310-40 to the section 4013 loans for the term of the loan modification and as such do not have to report section 4013 loans as TDRs in regulatory reports. Eligible loans are defined as those which meet the definition of a TDR and the reporting guidance of the CARES Act. However, DB USA had no loan modifications that met these requirements and as such did not report any loan modifications under Section 4013 of the CARES Act.

Impaired loans, allowance for loan losses and coverage ratio by industry

in USD m.	31-Dec-19 Impaired Loans	31-Dec-19 Loan Loss Allowance	31-Dec-19 Impaired loan coverage ratio (%)	30-Jun-20 Impaired Loans	30-Jun-20 Loan Loss Allowance	30-Jun-20 Impaired loan coverage ratio (%)
Commercial and residential real estate activities	59	9	15%	54	32	59%
Other	3	-	0%	3	-	0%
Total	62	9	15%	57	32	56%

Impaired loans, allowance for loan losses and coverage ratio by region

in USD m.	31-Dec-19 Impaired Loans	31-Dec-19 Loan Loss Allowance	31-Dec-19 Impaired loan coverage ratio (%)	30-Jun-20 Impaired Loans	30-Jun-20 Loan Loss Allowance	30-Jun-20 Impaired loan coverage ratio (%)
North America	62	9	15%	57	32	56%
Total	62	9	15%	57	32	56%

Development of impaired loans

in USD m.	31-Dec-19 (12 Months) Impaired loans Individually assessed	30-Jun-20 (6 months) Impaired loans Individually assessed
Balance, beginning of the period	71	62
Classified as impaired during the period	23	2
Transferred to not impaired during the period	5	1
Charge Offs	-	2
Disposal of impaired loans	26	4
Paydowns	1	-
Balance, end of the period	**62**	**57**

Development of specific loan loss allowance

in USD m.	31-Dec-19 (12 Months) Specific loan loss allowance	30-Jun-20 (6 months) Specific loan loss allowance
Balance, beginning of the period	3	3
Recoveries	-	-
Charge Offs	2	-
Provision for loan and lease losses	2	-
Other	-	-
Balance, end of the period	**3**	**3**

Supplementary Leverage Ratio

Per U.S. regulatory reporting requirements and in compliance with the FRB's Regulation YY (12 CFR 252.153), IHCs with consolidated total on-balance sheet foreign exposures in excess of USD $10 billion are required to comply with Supplemental Leverage Ratio (SLR) requirements starting in 2018. The SLR is designed to require a banking organization to hold a minimum amount of capital against total assets and off-balance sheet exposures, regardless of the riskiness of the individual assets. Thus, all categories of assets, including cash, U.S. Treasuries, and deposits at the Federal Reserve, are included in the determination of the SLR. The SLR is the ratio of an IHC's Tier 1 capital as of a quarter-end to total leverage exposure, the latter of which is calculated as the sum of:

(A)The average on-balance sheet assets calculated as of each day of the reporting quarter;

and

(B) The average off-balance sheet exposures calculated as of the last day of each of the most recent three months, minus the applicable deductions from Tier 1 capital.

The main components of total leverage exposure are:

– On-balance sheet exposures;
– Derivative exposures;
– Repo-style transactions and
– Other off-balance sheet exposures.

The SLR reporting requirements follow the classification and segmentation required by Schedule A of the FFIEC 101 report.

Variance Commentary (2019YE to 2020Q2)

The Supplementary Leverage Ratio for June 2020 is 11.99%, 291bps increase from December 2019. The significant driver of this increase was due to a new requirement issued by the Federal Reserve Bank that Category III IHC such as DB USA must temporarily exclude U.S. Treasury Securities and Deposits at Federal Reserve Banks from the SLR denominator, leverage exposure. The amount of U.S. Treasury Securities and Deposits at Federal Reserve Banks excluded from the leverage exposure as at June 30, 2020 was $30.3 billion and contributed to a 2.43 % increase in the SLR.

Total SLR exposures decreased $(32.7) billion to $119.2 billion as compared with December 2019.

- On-balanace sheet exposures reduced by $(26.2) billion primarily due to the deductions of qualifying central bank deposits as mentioned above of $(30.3) billion. This was offset by an increase in on-balance sheet carrying values of $4.1 billion.

- Exposures from Repo-style transactions decreased $(8.2) billion (post FIN41 netting). This was largely due to an increase in netting benfit of $6.4 billion, but also due to decreased gross repo balances of $2.0 billion. The increase in netting benefit is mainly driven by a proportional increase in balances with nettable counterparties such as DB London.

- Other off balance sheet exposures increased $1.7 billion driven by higher average forward starting reverse repos balances.

in USD m.	31-Dec-19	30-Jun-20
The balance sheet carrying value of all on-balance sheet assets (excluding on-balance sheet assets for derivative transactions and repo-style transactions, but including collateral)	58,046	62,099
Deductions from common equity tier 1 capital and additional tier 1 capital (report as a positive amount)	117	113
Adjustments for deductions of qualifying central bank deposits for custodial banking organisations	0	30,292
Total on-balance sheet exposures (item 2.1 minus item 2.2)	**57,929**	**31,694**
Replacement cost for all derivative transactions	90	143
Add-on amounts for potential future exposure (PFE) for all derivative transactions	3,594	4,095
Gross-up for collateral posted in derivative transactions if collateral is deducted from on-balance sheet assets	0	0
Deduction of receivable assets for qualifying cash variation margin posted in derivative transactions (report as a positive amount)	0	0
Exempted exposures to central counterparties (CCPs) in cleared transactions (report as a positive amount)	1,486	2,007
Adjusted effective notional principal amount of sold credit protection	0	0
Adjusted effective notional principal amount offsets and PFE deductions for sold credit protection (report as a positive amount)	0	0
Total derivative exposures (sum of items 2.4, 2.5, 2.6 and 2.9, minus items 2.7, 2.8, and 2.10)	**2,198**	**2,231**
Gross assets for repo-style transactions, with no recognition of netting	138,473	136,432
Reduction of the gross value of receivables in reverse repurchase transactions by cash payables in repurchase transactions (report as a positive value)	55,372	61,734
Counterparty credit risk for all repo-style transactions	1,179	1,411
Exposure amount for repo-style transactions where an institution acts as an agent	0	0
Total exposures for repo-style transactions (sum of items 2.12, 2.14, and 2.15, minus item 2.13)	**84,280**	**76,109**
Off-balance sheet exposures at gross notional amounts	23,001	30,436
Adjustments for conversion to credit equivalent amounts (report as a positive amount)	15,509	21,228
Total off-balance sheet exposures (item 2.17 minus item 2.18)	**7,492**	**9,208**
Tier 1 capital (from Schedule A, item 45)	**13,801**	**14,296**
Total leverage exposure (sum of items 2.3, 2.11, 2.16, and 2.19)	**151,899**	**119,242**
Supplementary leverage ratio (item 2.20 divided by item 2.21)	**9.0856%**	**11.9891%**

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) is intended to promote the short-term resilience of a bank's liquidity risk profile over a 30 day stress scenario. The ratio is defined as the amount of High Quality Liquid Assets (HQLA) that could be used to raise liquidity, measured against the total volume of net cash outflows, arising from both actual and contingent exposures, projected over a 30 calendar-day period of significant stress. Banks are also required to take into account potential maturity mismatches between contractual outflows and inflows during the 30 day stress period.

The following table presents DB USA Corp's average LCR, and average unweighted and weighted amounts of HQLA, cash outflows and cash inflows, for June 30, 2020 compared to December 31, 2019.

For details please refer to DB USA Corp's quarterly U.S. LCR Disclosures publicly disclosed on DB's website.

		Average Unweighted Amount		Average Weighted Amount	
in USD m.	For the quarter ended	31-Dec-19	30-Jun-20	31-Dec-19	30-Jun-20
HIGH-QUALITY LIQUID ASSETS (1)					
1	**Total eligible high-quality liquid assets (HQLA), of which:**	**22,637**	**19,644**	**22,637**	**19,644**
2	Eligible level 1 liquid assets	22,637	19,644	22,637	19,644
3	Eligible level 2A liquid assets	-	-	-	-
4	Eligible level 2B l iquid assets	-	-	-	-
CASH OUTFLOW AMOUNTS					
5	**Deposit outflow from retail customers and counterparties, of which:**	**556**	**530**	**99**	**90**
6	Stable retail deposit outflow	61	73	2	2
7	Other retail funding outflow	333	318	33	32
8	Brokered deposit outflow	162	139	64	56
9	**Unsecured wholesale funding outflow, of which:**	**23,182**	**22,724**	**12,124**	**11,368**
10	Operational deposit outflow	12,835	13,493	3,206	3,371
11	Non-operational funding outflow	10,347	9,231	8,918	7,997
12	Unsecured debt outflow	-	-	-	-
13	**Secured wholesale funding and asset exchange outflow**	**107,336**	**112,042**	**5,471**	**6,795**
14	**Additional outflow requirements, of which:**	**5,133**	**4,051**	**1,805**	**1,304**
15	Outflow related to derivative exposures and other collateral requirements	1,148	1,191	548	505
16	Outflow related to credit and liquidity facilities including unconsolidated structured transactions and mortgage commitments	3,985	2,860	1,257	799
17	**Other contractual funding obligation outflow**	**32**	**4**	**32**	**4**
18	Other contingent funding obligations outflow	-	-	-	-
19	**TOTAL CASH OUTFLOW**	**136,239**	**139,351**	**19,531**	**19,561**
CASH INFLOW AMOUNTS					
20	**Secured lending and asset exchange cash inflow**	**119,568**	**125,163**	**5,394**	**7,099**
21	**Retail cash inflow**	**118**	**62**	**62**	**28**
22	**Unsecured wholesale cash inflow**	**1,294**	**1,130**	**1,207**	**1,125**
23	**Other cash inflows, of which:**	**67**	**57**	**67**	**57**
24	Net derivative cash inflow	4	1	4	1
25	Securities cash inflow	63	56	63	56
26	Broker-dealer segregated account inflow	-	-	-	-
27	Other cash i nflow	-	-	-	-
TOTAL CASH INFLOW		**121,047**	**126,412**	**6,730**	**8,309**
29	**HQLA AMOUNT** (1)			**22,637**	**19,644**
30	**TOTAL NET CASH OUTFLOW AMOUNT EXCLUDING THE MATURITY MISMATCH ADD-ON**			**12,801**	**11,252**
31	**MATURITY MISMATCH ADD-ON**			**123**	**76**
32	**TOTAL NET CASH OUTFLOW AMOUNT**			**12,924**	**11,328**
33	**LIQUIDITY COVERAGE RATIO (%)**			**175%**	**173%**

(1) *HQLA figures have been adjusted for the trapped HQLA at the U.S. subsidaries*
(2) *Numbers may not add due to rounding*