

Supplementary Financial Information



Q4 2018

For the period ended October 31, 2018

(UNAUDITED)

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Table of Contents

Page		Page	
1	Notes to Users		
2	Financial Highlights		
	Consolidated Results		
5	Statements of income		
6	Revenue from trading activities		
7	Non-interest expense		
	Segment Details		
8	Personal & Commercial Banking		
9	Canadian Banking		
10	Wealth Management		
12	Insurance		
13	Investor & Treasury Services		
14	Capital Markets		
15	Corporate Support		
	On- and Off-Balance Sheet		
16	Balance sheets (period-end balances)		
17	Selected average balance sheet items		
17	Assets under administration and management		
18	Statements of comprehensive income		
19	Statements of changes in equity		
	Capital		
20	Basel III regulatory capital and ratios (all-in basis)		
22	Regulatory capital balance sheet		
24	Flow statement of the movements in regulatory capital		
25	Total capital risk-weighted assets		
26	Total capital risk-weighted assets by business segments (all-in basis)		
26	Movement of total capital risk-weighted assets by risk type (all-in basis)		
26	Attributed capital		
			Capital (continued)
		27	Leverage ratio
		28	Leverage ratio common disclosure template
			Credit Quality
		29	Loans and acceptances
		30	Gross impaired loans
		33	Provision for credit losses
		35	Allowance for credit losses
		37	Credit quality ratios
			Credit Risk Exposure
		38	Gross credit risk exposure by geography and portfolio
		39	Reconciliation of gross credit risk exposure to balance sheet
		40	Exposure covered by credit risk mitigation
		41	Actual losses vs. estimated losses
		41	Basel Pillar 3 back-testing (Internal ratings based)
		42	Realized gains and losses on investment securities
		42	Trading credit derivatives
		42	Other than trading credit derivatives positions
		43	Fair value of derivative instruments
		43	Derivatives - Notional amounts
		44	Derivatives - Related credit risk
		45	Market risk regulatory capital - Internal models-based approach VaR
		46	Calculation of ROE and RORC
		47	Key performance and Non-GAAP measures
		47	Glossary

Notes to Users

The Consolidated Financial Statements are prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), International Accounting Standard (IAS) 34, Interim Financial Reporting unless otherwise noted. Unless otherwise stated, monetary amounts are stated in Canadian dollars. This document is not audited and should be read in conjunction with our 2018 Annual Report. Certain comparative amounts have been amended to conform to the current period's presentation.

IFRS 9

Effective November 1, 2017, we adopted IFRS 9 *Financial Instruments*. Results from periods prior to November 1, 2017 are reported in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*. Under IFRS 9, Provisions for credit losses (PCL) relates primarily to loans, acceptances and commitments and also applies to all financial assets except for those classified or designated as fair value through profit or loss (FVTPL) and equity securities designated as fair value through other comprehensive income (FVOCI). Prior to the adoption of IFRS 9, PCL related only to loans, acceptances and commitments. PCL on performing (Stages 1 and 2) and impaired (Stage 3) financial assets are recorded within the respective business segment. Under IAS 39 and prior to November 1, 2017, PCL on performing financial assets (loans not yet identified as impaired) was included in Corporate Support. For further details on the impacts of the adoption of IFRS 9 including the description of accounting policies selected, refer to our 2018 Annual Report.

Capital Disclosure Requirements related to Basel III Pillar 3

Capital main features disclosure provides a qualitative disclosure and sets out summary information on the terms and conditions of the main features of all capital instruments. We have also included the full terms and conditions for each of our capital instruments on our Investor Relations website at <http://www.rbc.com/investorrelations/quarterly-financial-statements.html>.

EDTF Disclosures

The Financial Stability Board's Enhanced Disclosure Task Force (EDTF) issued a report titled "*Enhancing the Risk Disclosures of Banks*" in October 2012. The following index lists the disclosure related to these recommendations contained in this document.

Type of Risk	Recommendation	Disclosure	Page
Capital adequacy and risk-weighted assets	10	Composition of capital and reconciliation of the accounting balance sheet to the regulatory balance sheet	20-23
	11	Flow statement of the movements in regulatory capital	24
	13	Risk-weighted assets (RWA) by business segments	26
	14	Analysis of capital requirement, and related measurement model information	25
	16	Movement of risk-weighted assets by risk type	26
	17	Basel Pillar 3 back-testing	41
Credit risk	26	Bank's credit risk profile	29-41
		Reconciliation of gross credit risk exposure to balance sheet	39
	28	Reconciliation of the opening and closing balances of impaired loans and impairment allowances during the year	31, 36
	29	Quantification of gross notional exposure for OTC derivatives or exchange-traded derivatives	43
30	Credit risk mitigation, including collateral held for all sources of credit risk	40	

For a full index of where to find all EDTF related disclosures, see p. 112 of our Annual Report.

FINANCIAL HIGHLIGHTS	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
(Millions of Canadian dollars, except otherwise noted) ¹											
SELECTED INCOME STATEMENT INFORMATION											
Net interest income	4,729	4,596	4,421	4,445	4,361	4,257	4,198	4,324	4,187	18,191	17,140
Non-interest income	5,940	6,429	5,633	6,383	6,162	5,831	6,214	5,322	5,177	24,385	23,529
Total revenue	10,669	11,025	10,054	10,828	10,523	10,088	10,412	9,646	9,364	42,576	40,669
Provision for credit losses (PCL) ²	353	346	274	334	234	320	302	294	358	1,307	1,150
Insurance policyholder benefits, claims and acquisition expense (PBCAE)	494	925	421	836	1,137	643	1,090	183	397	2,676	3,053
Non-interest expense	5,882	5,858	5,482	5,611	5,611	5,537	5,331	5,315	5,297	22,833	21,794
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
Less: Non-controlling interests (NCI)	(3)	(8)	(9)	(11)	(8)	(13)	(8)	(12)	(10)	(31)	(41)
Preferred dividends	(71)	(70)	(72)	(72)	(72)	(76)	(77)	(75)	(75)	(285)	(300)
Net income available to common shareholders	3,176	3,031	2,979	2,929	2,757	2,707	2,724	2,940	2,458	12,115	11,128
Add: Dilutive impact of exchangeable shares	4	4	3	4	4	4	3	4	4	15	15
Net income available to common shareholders including dilutive impact of exchangeable shares	3,180	3,035	2,982	2,933	2,761	2,711	2,727	2,944	2,462	12,130	11,143
PROFITABILITY MEASURES											
Earnings per share (EPS) - basic	\$2.21	\$2.10	\$2.06	\$2.02	\$1.89	\$1.86	\$1.86	\$1.98	\$1.66	\$8.39	\$7.59
- diluted	\$2.20	\$2.10	\$2.06	\$2.01	\$1.88	\$1.85	\$1.85	\$1.97	\$1.65	\$8.36	\$7.56
Common shares outstanding (000s) ³											
- average (basic)	1,440,207	1,440,477	1,443,084	1,451,781	1,457,855	1,457,854	1,468,015	1,484,262	1,483,869	1,443,894	1,466,988
- average (diluted)	1,446,514	1,446,956	1,449,737	1,458,714	1,464,916	1,465,035	1,475,562	1,492,350	1,491,872	1,450,485	1,474,421
Return on common equity (ROE) ⁴	17.6%	17.3%	18.1%	17.4%	16.6%	16.3%	17.2%	18.0%	15.5%	17.6%	17.0%
Return on tangible common equity (ROTCE) ⁴	21.6%	21.4%	22.6%	21.6%	20.7%	20.5%	21.8%	22.9%	19.8%	21.8%	21.4%
Return on assets (ROA)	0.97%	0.95%	0.98%	0.94%	0.94%	0.93%	0.98%	1.02%	0.86%	0.96%	0.97%
Return on RWA ⁵	2.60%	2.48%	2.57%	2.56%	2.37%	2.43%	2.45%	2.71%	2.26%	2.55%	2.49%
Efficiency ratio	55.1%	53.1%	54.5%	51.8%	53.3%	54.9%	51.2%	55.1%	56.6%	53.6%	53.6%
Adjusted efficiency ratio ⁶	53.4%	53.4%	53.6%	51.9%	54.8%	53.7%	53.1%	53.6%	55.5%	53.1%	53.8%
KEY RATIOS											
Diluted EPS growth ⁷	17.0%	13.5%	11.4%	2.0%	13.9%	(1.6)%	11.4%	24.7%	(5.2)%	10.6%	11.5%
Revenue growth ⁷	1.4%	9.3%	(3.4)%	12.3%	12.4%	(2.6)%	8.2%	2.0%	15.4%	4.7%	4.8%
Adjusted revenue growth ^{6,7}	7.5%	6.4%	1.8%	8.9%	7.4%	8.3%	6.9%	5.3%	11.2%	6.2%	7.0%
Non-interest expense growth ⁷	4.8%	5.8%	2.8%	5.6%	5.9%	6.7%	7.0%	5.1%	11.7%	4.8%	6.2%
Operating leverage	(3.4)%	3.5%	(6.2)%	6.7%	6.5%	(9.3)%	1.2%	(3.1)%	3.7%	(0.1)%	(1.4)%
Adjusted operating leverage ⁶	2.7%	0.6%	(1.0)%	3.3%	1.5%	1.6%	(0.1)%	0.2%	(0.5)%	1.4%	0.8%
PCL on impaired loans (IFRS 9 - Stage 3) as a percentage of Average net loans and acceptances ⁸	0.20%	0.17%	0.22%	0.23%	0.17%	0.23%	0.23%	0.22%	0.27%	0.20%	0.21%
Net interest margin (NIM) (average earning assets, net)	1.67%	1.66%	1.68%	1.65%	1.72%	1.69%	1.73%	1.73%	1.70%	1.66%	1.72%
NIM (total average assets)	1.42%	1.40%	1.42%	1.38%	1.45%	1.42%	1.46%	1.45%	1.42%	1.40%	1.44%
NIM (total average assets) excluding Trading Assets, Trading net interest income and Insurance Assets	2.04%	2.02%	2.04%	1.99%	2.02%	1.99%	2.01%	2.02%	2.04%	2.02%	2.01%
Non-interest income as % of total revenue	55.7%	58.3%	56.0%	58.9%	58.6%	57.8%	59.7%	55.2%	55.3%	57.3%	57.9%
Effective tax rate	17.5%	20.2%	21.1%	25.6%	19.9%	22.1%	23.9%	21.5%	23.2%	21.1%	21.8%
Effective tax rate (Taxable equivalent basis (teb))	20.4%	23.3%	24.0%	27.2%	24.7%	24.3%	25.8%	23.8%	25.8%	23.7%	24.6%
CAPITAL MEASURES - CONSOLIDATED											
Common Equity Tier 1 (CET1) capital ratio ⁵	11.5%	11.1%	10.9%	11.0%	10.9%	10.9%	10.6%	11.0%	10.8%	11.5%	10.9%
Tier 1 capital ratio ⁵	12.8%	12.3%	12.3%	12.4%	12.3%	12.4%	12.0%	12.6%	12.3%	12.8%	12.3%
Total capital ratio ⁵	14.6%	14.1%	14.1%	14.4%	14.2%	14.4%	14.1%	14.7%	14.4%	14.6%	14.2%
Total capital RWA (\$ billions) ⁵	496.5	498.9	489.2	466.8	474.5	458.1	471.2	443.9	449.7	496.5	474.5
Leverage ratio - all-in basis	4.4%	4.3%	4.3%	4.2%	4.4%	4.4%	4.3%	4.4%	4.4%	4.4%	4.4%
Leverage ratio exposure - all-in basis (\$ billions)	1,450.8	1,413.9	1,381.0	1,363.9	1,315.5	1,286.6	1,311.7	1,260.0	1,265.1	1,450.8	1,315.5

¹ Effective Q4/17, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

² Under IFRS 9, PCL relates primarily to loans, acceptances and commitments and also to all other financial assets except for those classified or designated as FVTPL and equity securities designated as FVOCI.

³ Average common shares outstanding includes the impact of treasury shares held.

⁴ This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

⁵ Different scalars are applied to the Credit valuation adjustment (CVA) included in the RWA calculation applicable to each of the three tiers of capital. This phase-in approach of CVA ends in Q4/18. During this phase-in period, RWA for CET1, Tier 1 capital and total capital ratios will be subject to different annual CVA percentages. 2015 and 2016 CVA scalars are 64%, 71% and 77%. For 2017 the CVA scalars are 72%, 77% and 81%. For 2018 the CVA scalars are 80%, 83% and 86%.

⁶ These measures have been adjusted to exclude the change in fair value backing out policyholder liabilities and the following specified items (pre-tax): Gain on sale of U.S. operations of Moneris Solutions (Q1/17 - \$212 million), Gain on sale of RBC General Insurance (Q3/16 - \$287 million). These are non-GAAP measures. Refer to page 47 for further details.

⁷ Growth rates are calculated based on earnings in the same period a year ago.

⁸ PCL on impaired loans ratio under IFRS 9 is calculated using PCL on Stage 3 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39, the ratio was calculated using PCL on impaired loans as a percentage of average net loans and acceptances.

FINANCIAL HIGHLIGHTS <i>continued</i> (Millions of Canadian dollars, except otherwise noted)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
ADJUSTED BASIS MEASURES¹											
Net income available to common shareholders	3,176	3,031	2,979	2,929	2,757	2,707	2,724	2,940	2,458	12,115	11,128
Adjustments											
Add: After-tax effect of amortization of other intangibles	55	55	55	54	49	50	51	56	53	219	206
City National transaction and integration costs	4	7	3	8	9	7	5	6	9	22	27
Gain on sale of U.S. operations of Moneris Solutions Corporation	-	-	-	-	-	-	-	(212)	-	-	(212)
	3,235	3,093	3,037	2,991	2,815	2,764	2,780	2,790	2,520	12,356	11,149
Add: Dilutive impact of exchangeable shares	4	4	3	4	4	4	3	4	4	15	15
Net income available to common shareholders including dilutive impact of exchangeable shares	3,239	3,097	3,040	2,995	2,819	2,768	2,783	2,794	2,524	12,371	11,164
Adjusted EPS	\$2.25	\$2.15	\$2.11	\$2.06	\$1.93	\$1.90	\$1.89	\$1.88	\$1.70	\$8.56	\$7.60
Adjusted diluted EPS	\$2.24	\$2.14	\$2.10	\$2.05	\$1.92	\$1.89	\$1.89	\$1.87	\$1.69	\$8.53	\$7.57
Adjusted ROE	17.9%	17.6%	18.5%	17.7%	16.9%	16.7%	17.6%	17.1%	15.9%	17.9%	17.1%
CALCULATION OF ROTCE											
Net income available to common shareholders	3,176	3,031	2,979	2,929	2,757	2,707	2,724	2,940	2,458	12,115	11,128
Add: After-tax effect of amortization of other intangibles	55	55	55	54	49	50	51	56	53	219	206
	3,231	3,086	3,034	2,983	2,806	2,757	2,775	2,996	2,511	12,334	11,334
Average common equity	71,700	69,650	67,450	66,850	65,900	65,750	64,800	64,650	63,100	68,900	65,300
Less: Goodwill and Intangibles net of tax	12,450	12,400	12,400	12,150	12,100	12,350	12,700	12,650	12,650	12,350	12,450
Tangible common equity	59,250	57,250	55,050	54,700	53,800	53,400	52,100	52,000	50,450	56,550	52,850
ROTCE ²	21.6%	21.4%	22.6%	21.6%	20.7%	20.5%	21.8%	22.9%	19.8%	21.8%	21.4%
ECONOMIC PROFIT											
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
NCI	(3)	(8)	(9)	(11)	(8)	(13)	(8)	(12)	(10)	(31)	(41)
After-tax effect of amortization of other intangibles	55	55	55	54	49	50	51	56	53	219	206
Goodwill and other intangibles impairment	-	-	-	-	-	-	-	-	-	-	-
Capital charge	(1,607)	(1,564)	(1,468)	(1,505)	(1,485)	(1,484)	(1,420)	(1,460)	(1,503)	(6,144)	(5,849)
Economic profit ²	1,695	1,592	1,638	1,550	1,393	1,349	1,432	1,611	1,083	6,475	5,785
ADDITIONAL SHARE INFORMATION											
Common shares outstanding (000s) - end of period ³	1,438,794	1,440,008	1,440,986	1,443,915	1,452,535	1,459,025	1,457,064	1,475,025	1,484,235	1,438,794	1,452,535
Treasury shares held											
- preferred (000s)	114	8	(112)	(7)	6	3	(24)	13	31	114	6
- common (000s)	(235)	(1,158)	(1,023)	(150)	(363)	1,091	(227)	(515)	(1,159)	(235)	(363)
Stock options outstanding (000s)	8,504	8,863	9,348	9,557	9,315	9,932	10,612	11,382	11,388	8,504	9,315
Stock options exercisable (000s)	3,726	4,087	4,526	4,589	4,337	4,952	5,595	6,209	6,909	3,726	4,337
Dividends declared per common share	\$0.98	\$0.94	\$0.94	\$0.91	\$0.91	\$0.87	\$0.87	\$0.83	\$0.83	\$3.77	\$3.48
Dividend yield	3.8%	3.8%	3.7%	3.5%	3.6%	3.7%	3.6%	3.8%	4.0%	3.7%	3.8%
Dividend payout ratio	44%	45%	46%	45%	48%	47%	47%	42%	50%	45%	46%
Common dividends	1,412	1,355	1,356	1,319	1,324	1,269	1,271	1,232	1,234	5,442	5,096
Preferred dividends	71	71	71	72	72	76	77	75	75	285	300
Book value per share	\$51.12	\$49.64	\$47.97	\$46.01	\$46.41	\$44.93	\$45.20	\$43.97	\$43.32	\$51.12	\$46.41
Common share price (RY on TSX)											
- High	\$105.12	\$102.46	\$105.15	\$108.52	\$102.15	\$96.20	\$99.90	\$94.90	\$84.70	\$108.52	\$102.15
- Low	\$93.13	\$96.25	\$96.00	\$99.30	\$90.13	\$90.73	\$93.11	\$81.82	\$78.24	\$93.13	\$81.82
- Close, end of period	\$95.92	\$101.55	\$97.64	\$105.32	\$100.87	\$93.01	\$93.47	\$93.56	\$83.80	\$95.92	\$100.87
Market capitalization (TSX)	138,009	146,350	140,798	152,089	146,554	135,602	136,213	138,052	124,476	138,009	146,554
Market price to book value	1.88	2.05	2.04	2.29	2.17	2.07	2.07	2.13	1.93	1.88	2.17

¹ Adjusted measures are non-GAAP measures. For further information, refer to the Key performance and non-GAAP measures section on page 47.

² This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

³ Common shares outstanding has been adjusted to include the impact of treasury shares.

FINANCIAL HIGHLIGHTS <i>continued</i> (Millions of Canadian dollars, except otherwise noted)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
SELECTED BALANCE SHEET INFORMATION											
Average loans and acceptances, net	586,700	573,900	561,900	554,000	554,400	547,700	540,500	535,600	531,900	569,200	544,600
Total assets	1,334,734	1,292,374	1,274,778	1,276,275	1,212,853	1,201,047	1,202,919	1,161,766	1,180,258	1,334,734	1,212,853
Average assets	1,324,900	1,300,800	1,276,700	1,276,700	1,195,600	1,188,800	1,181,000	1,180,800	1,175,400	1,294,900	1,186,600
Average earning assets, net	1,123,300	1,095,300	1,081,100	1,071,200	1,007,500	1,000,200	997,700	990,500	981,900	1,092,800	999,000
Deposits	837,046	832,261	822,048	800,020	789,635	778,618	785,583	757,512	757,589	837,046	789,635
Common equity	73,552	71,475	69,122	66,430	67,416	65,561	65,858	64,853	64,304	73,552	67,416
Average common equity	71,700	69,650	67,450	66,850	65,900	65,750	64,800	64,650	63,100	68,900	65,300
OTHER INFORMATION											
Number of employees (full-time equivalent)											
Canada	58,177	58,532	56,376	55,782	55,420	56,147	55,283	55,214	55,213	58,177	55,420
U.S.	13,474	13,460	12,773	12,622	12,505	12,611	11,947	11,896	11,824	13,474	12,505
Other	10,219	10,244	10,159	10,244	10,285	10,376	10,428	10,704	10,788	10,219	10,285
Total	81,870	82,236	79,308	78,648	78,210	79,134	77,658	77,814	77,825	81,870	78,210
Number of banking branches											
Canada	1,203	1,205	1,221	1,230	1,235	1,246	1,256	1,265	1,268	1,203	1,235
U.S.	72	72	72	71	73	72	72	73	73	72	73
Other	58	61	62	67	68	70	73	77	78	58	68
Total	1,333	1,338	1,355	1,368	1,376	1,388	1,401	1,415	1,419	1,333	1,376
Number of automated teller machines (ATMs)	4,537	4,792	4,875	4,660	4,630	4,758	4,893	4,902	4,905	4,537	4,630
Active digital (Online and Mobile) users (000's) ¹	6,733	6,583	6,482	6,377	6,226	6,088	6,021	5,908	5,806	6,733	6,226
Active mobile users (000's) ¹	3,875	3,692	3,533	3,427	3,298	3,135	2,981	2,886	2,772	3,875	3,298
MARKET RISK MEASURES - Structural Interest Rate Sensitivities											
Before-tax impact of 1% increase in rates on:											
Net interest income risk ²	505	580	555	458	451	379	471	414	420	505	451
Economic value of equity	(1,140)	(997)	(1,086)	(1,224)	(1,215)	(1,325)	(1,208)	(1,304)	(1,377)	(1,140)	(1,215)
Before-tax impact of 1% decrease in rates on:											
Net interest income risk ²	(582)	(667)	(656)	(578)	(604)	(546)	(577)	(553)	(465)	(582)	(604)
Economic value of equity	755	583	669	809	638	753	655	860	644	755	638

¹ This figure represents the 90-Day Active customers in Canadian Banking only.

² Amounts represent the 12-month Net interest income exposure to an instantaneous and sustained shift in interest rates.

STATEMENTS OF INCOME (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Net interest income											
Interest and dividend income	8,990	8,626	7,865	7,540	7,146	6,808	6,491	6,459	6,211	33,021	26,904
Interest expense	4,261	4,030	3,444	3,095	2,785	2,551	2,293	2,135	2,024	14,830	9,764
Total	4,729	4,596	4,421	4,445	4,361	4,257	4,198	4,324	4,187	18,191	17,140
Non-interest income											
Accounts	339	334	328	328	329	328	324	325	329	1,329	1,306
Other payment services	120	124	115	112	116	122	113	113	118	471	464
Service charges	459	458	443	440	445	450	437	438	447	1,800	1,770
Insurance premiums, investment and fee income	1,039	1,290	806	1,144	1,612	1,009	1,448	497	824	4,279	4,566
Trading revenue	123	234	236	318	146	216	181	263	119	911	806
Investment management and custodial fees	1,387	1,347	1,318	1,325	1,228	1,227	1,189	1,159	1,133	5,377	4,803
Mutual fund revenue	896	908	862	885	848	857	820	814	813	3,551	3,339
Securities brokerage commissions	349	334	334	355	327	330	360	399	350	1,372	1,416
Underwriting and other advisory fees	514	541	457	541	498	537	590	468	509	2,053	2,093
Foreign exchange revenue, other than trading	267	273	277	281	230	281	236	227	217	1,098	974
Card service revenue	264	266	267	257	211	245	241	236	220	1,054	933
Credit fees	371	378	317	328	364	355	358	356	384	1,394	1,433
Net gain on investment securities ¹	33	26	49	39	47	44	54	27	2	147	172
Share of profit (loss) in joint ventures and associates	8	(26)	14	25	10	33	41	251	44	21	335
Other	230	400	253	445	196	247	259	187	115	1,328	889
Total	5,940	6,429	5,633	6,383	6,162	5,831	6,214	5,322	5,177	24,385	23,529
Total revenue	10,669	11,025	10,054	10,828	10,523	10,088	10,412	9,646	9,364	42,576	40,669
Provision for credit losses	353	346	274	334	234	320	302	294	358	1,307	1,150
Insurance policyholder benefits, claims and acquisition expense	494	925	421	836	1,137	643	1,090	183	397	2,676	3,053
Non-interest expense	5,882	5,858	5,482	5,611	5,611	5,537	5,331	5,315	5,297	22,833	21,794
Income before income taxes	3,940	3,896	3,877	4,047	3,541	3,588	3,689	3,854	3,312	15,760	14,672
Income taxes	690	787	817	1,035	704	792	880	827	769	3,329	3,203
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
Net income (loss) attributable to:											
Shareholders	3,247	3,101	3,051	3,001	2,829	2,783	2,801	3,015	2,533	12,400	11,428
Non-controlling interests (NCI)	3	8	9	11	8	13	8	12	10	31	41
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
Non-controlling interests (NCI)	(3)	(8)	(9)	(11)	(8)	(13)	(8)	(12)	(10)	(31)	(41)
Preferred dividends	(71)	(70)	(72)	(72)	(72)	(76)	(77)	(75)	(75)	(285)	(300)
Net income available to common shareholders	3,176	3,031	2,979	2,929	2,757	2,707	2,724	2,940	2,458	12,115	11,128

¹ Under IFRS 9, the Net gain on investment securities represents realized gains (losses) on debt securities at FVOCI and amortized cost debt securities. Under IAS 39, the Net gain on investment securities represents realized gains (losses) on debt and equity available-for-sale (AFS) securities.

REVENUE FROM TRADING ACTIVITIES (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Total trading revenue											
Net interest income	548	577	524	550	526	544	631	669	571	2,199	2,370
Non-interest income	123	234	236	318	146	216	181	263	119	911	806
Total	671	811	760	868	672	760	812	932	690	3,110	3,176
Trading revenue by product											
Interest rate and credit	298	408	397	470	366	416	431	583	449	1,573	1,796
Equities	247	275	234	258	207	236	239	213	123	1,014	895
Foreign exchange and commodities	126	128	129	140	99	108	142	136	118	523	485
Total	671	811	760	868	672	760	812	932	690	3,110	3,176
Trading revenue (teb) by product											
Interest rate and credit	298	408	397	470	366	416	431	583	449	1,573	1,796
Equities	330	360	313	329	279	311	325	306	210	1,332	1,221
Foreign exchange and commodities	126	128	129	140	99	108	142	136	119	523	485
Total (teb)	754	896	839	939	744	835	898	1,025	778	3,428	3,502
Trading revenue (teb) by product - Capital Markets											
Interest rate and credit	236	344	324	399	297	353	332	484	332	1,303	1,466
Equities	356	368	328	363	280	323	330	318	223	1,415	1,251
Foreign exchange and commodities	80	100	96	101	70	77	104	80	74	377	331
Total (teb)	672	812	748	863	647	753	766	882	629	3,095	3,048
Trading revenue (teb) - Investor & Treasury Services	57	44	47	58	40	41	79	89	105	206	249

NON-INTEREST EXPENSE (Millions of Canadian dollars) ¹	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Human resources											
Salaries	1,575	1,554	1,482	1,466	1,487	1,559	1,449	1,441	1,466	6,077	5,936
Variable compensation	1,433	1,442	1,338	1,384	1,323	1,342	1,277	1,261	1,204	5,597	5,203
Benefits and retention compensation	402	432	465	480	415	444	465	468	378	1,779	1,792
Stock-based compensation ²	19	93	39	172	74	88	98	139	30	323	399
Total Human resources	3,429	3,521	3,324	3,502	3,299	3,433	3,289	3,309	3,078	13,776	13,330
Equipment											
Depreciation	71	69	67	64	69	63	60	61	66	271	253
Computer rental and maintenance	344	341	314	304	300	293	277	291	306	1,303	1,161
Office equipment rental and maintenance	4	6	5	4	4	5	7	4	6	19	20
Total Equipment	419	416	386	372	373	361	344	356	378	1,593	1,434
Occupancy											
Premises rent	186	176	170	175	179	168	175	200	181	707	722
Premises repairs and maintenance	106	109	105	101	107	100	106	66	103	421	379
Depreciation	75	78	74	71	82	78	86	101	87	298	347
Property taxes	33	30	37	32	34	37	37	32	35	132	140
Total Occupancy	400	393	386	379	402	383	404	399	406	1,558	1,588
Communications											
Telecommunications	43	42	43	40	41	40	42	42	43	168	165
Postage and courier	47	41	58	57	52	51	58	56	50	203	217
Marketing and public relations	205	153	126	104	183	135	119	101	167	588	538
Stationery and printing	21	24	22	23	23	24	22	22	18	90	91
Total Communications	316	260	249	224	299	250	241	221	278	1,049	1,011
Professional fees	418	359	321	281	368	326	265	255	312	1,379	1,214
Amortization of other intangibles											
Computer software	203	199	191	188	184	181	174	167	179	781	706
Other	76	72	75	73	73	74	77	85	78	296	309
Total Amortization of other intangibles	279	271	266	261	257	255	251	252	257	1,077	1,015
Other											
Business and capital taxes	37	34	19	27	77	22	13	22	91	117	134
Travel and relocation	55	56	51	52	48	52	47	44	55	214	191
Employee training	19	18	14	11	16	15	13	11	19	62	55
Donations	37	24	20	20	42	18	18	16	23	101	94
Outsourced item processing	26	29	37	39	39	44	45	46	39	131	174
Impairment of other intangibles	5	1	-	-	-	2	-	-	-	6	2
Impairment of investments in joint ventures and associates	8	-	1	3	2	-	1	1	(23)	12	4
Other	434	476	408	440	389	376	400	383	384	1,758	1,548
Total Other	621	638	550	592	613	529	537	523	588	2,401	2,202
Total non-interest expense	5,882	5,858	5,482	5,611	5,611	5,537	5,331	5,315	5,297	22,833	21,794

¹ Effective Q4/17, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

² Stock-based compensation includes the cost of stock options, performance deferred shares, deferred compensation plans and the impact of related economic hedges.

PERSONAL & COMMERCIAL BANKING (Millions of Canadian dollars, except percentage amounts) ¹	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net interest income	3,067	3,001	2,852	2,856	2,820	2,721	2,597	2,649	2,640	11,776	10,787
Non-interest income	1,297	1,283	1,251	1,309	1,199	1,249	1,201	1,427	1,189	5,140	5,076
Total revenue	4,364	4,284	4,103	4,165	4,019	3,970	3,798	4,076	3,829	16,916	15,863
PCL on performing assets ²	25	31	18	41						115	
PCL on impaired assets ²	292	308	282	276	270	273	262	249	288	1,158	1,054
Total PCL	317	339	300	317	270	273	262	249	288	1,273	1,054
Non-interest expense	1,987	1,910	1,828	1,801	1,872	1,826	1,709	1,769	1,825	7,526	7,176
Income taxes	522	525	516	526	473	472	467	466	441	2,089	1,878
Net income	1,538	1,510	1,459	1,521	1,404	1,399	1,360	1,592	1,275	6,028	5,755
Total revenue by business											
Personal Banking ³	3,153	3,090	2,971	3,023	2,891	2,879	2,746	3,004	2,766	12,237	11,520
Business Banking ³	979	950	900	904	875	850	812	820	811	3,733	3,357
Canadian Banking	4,132	4,040	3,871	3,927	3,766	3,729	3,558	3,824	3,577	15,970	14,877
Caribbean & U.S. Banking	232	244	232	238	253	241	240	252	252	946	986
Total	4,364	4,284	4,103	4,165	4,019	3,970	3,798	4,076	3,829	16,916	15,863
Financial ratios											
ROE ⁴	26.7%	27.2%	27.8%	28.6%	26.7%	26.6%	28.0%	32.1%	27.1%	27.6%	28.3%
NIM (average earning assets, net)	2.82%	2.80%	2.79%	2.73%	2.71%	2.66%	2.67%	2.66%	2.69%	2.78%	2.68%
Efficiency ratio	45.5%	44.6%	44.6%	43.2%	46.6%	46.0%	45.0%	43.4%	47.7%	44.5%	45.2%
Operating leverage	2.5%	3.3%	1.0%	0.4%	2.4%	(0.4)%	0.2%	6.4%	0.0%	1.7%	2.2%
Average balances											
Total assets	451,100	445,600	438,600	434,500	430,100	423,700	417,300	413,100	409,000	442,500	421,100
Earning assets, net	431,500	425,900	419,200	415,600	412,200	405,700	398,900	395,500	391,000	423,100	403,100
Loans and acceptances, net	432,200	426,500	419,900	416,000	412,000	405,200	398,200	394,600	390,000	423,700	402,500
Deposits	368,700	363,100	357,900	357,000	352,100	346,400	342,400	336,700	329,700	361,700	344,400
Attributed capital	22,450	21,700	21,200	20,750	20,500	20,500	19,550	19,350	18,350	21,500	20,000
Risk capital	17,850	17,100	16,600	16,200	15,950	15,850	14,850	14,650	13,600	16,950	15,300
Credit quality											
Gross impaired loans (GIL) / Related loans and acceptances	0.37%	0.38%	0.41%	0.41%	0.36%	0.37%	0.39%	0.39%	0.42%	0.37%	0.36%
PCL on performing loans (IFRS 9 - Stage 1 and 2) / Average net loans and acceptance ⁵	0.02%	0.06%	0.02%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%
PCL on impaired loans (IFRS 9 - Stage 3) / Average net loans and acceptances ⁶	0.25%	0.25%	0.28%	0.26%	0.26%	0.27%	0.27%	0.25%	0.29%	0.26%	0.26%
Net write-offs / Average net loans and acceptances	0.26%	0.26%	0.25%	0.23%	0.24%	0.25%	0.27%	0.25%	0.28%	0.25%	0.25%
Business information											
Assets under administration (AUA) ⁷	266,500	276,700	269,100	270,800	264,800	252,500	258,100	245,000	239,600	266,500	264,800
Assets under management (AUM)	4,700	4,700	4,600	4,400	4,600	4,400	4,800	4,500	4,600	4,700	4,600
Number of employees (full-time equivalent)	35,573	35,743	34,792	34,749	34,601	34,934	34,593	34,913	35,191	35,573	34,601
Other earnings measures											
Net income	1,538	1,510	1,459	1,521	1,404	1,399	1,360	1,592	1,275	6,028	5,755
NCI	(4)	(1)	(1)	(2)	1	(4)	1	(3)	(1)	(8)	(5)
Add: After-tax effect of amortization of other intangibles	4	2	3	3	2	3	3	3	3	12	11
Adjusted net income	1,538	1,511	1,461	1,522	1,407	1,398	1,364	1,592	1,277	6,032	5,761
Less: Capital charge	503	487	461	467	462	463	429	437	438	1,918	1,791
Economic profit ⁸	1,035	1,024	1,000	1,055	945	935	935	1,155	839	4,114	3,970

¹ Effective Q4/17, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

² PCL on performing assets represents Stage 1 and 2 PCL on all performing assets under IFRS 9, except those classified or designated as FVTPL and equity securities designated as FVOCI. Prior to the adoption of IFRS 9, PCL on performing assets represents PCL for loans not yet identified as impaired and was included in Corporate Support. PCL on impaired assets represents Stage 3 PCL under IFRS 9 and PCL on impaired loans under IAS 39. Stage 3 PCL under IFRS 9 is comprised of lifetime credit losses of all credit-impaired financial assets, except those classified or designated as FVTPL and equity securities designated as FVOCI.

³ In Q1/18, the lines of business within Canadian Banking have been realigned. Prior period amounts have been revised from Personal Financial Services and Cards and Payment Solutions to Personal Banking and Business Financial Services to Business Banking.

⁴ This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

⁵ PCL on performing loans ratio under IFRS 9 is calculated using PCL on Stage 1 and 2 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39 and prior to November 1, 2017, PCL on loans not yet identified as impaired was included in Corporate Support.

⁶ PCL on impaired loans ratio under IFRS 9 is calculated using PCL on Stage 3 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39, the ratio was calculated using PCL on impaired loans as a percentage of average net loans and acceptances.

⁷ AUA represents period-end spot balances and includes securitized residential mortgages and credit card loans as at October 31, 2018 of \$16.7 billion and \$9.6 billion, respectively (July 31, 2018 - \$16.8 billion and \$9.8 billion; October 31, 2017 - \$18.4 billion and \$8.4 billion).

⁸ This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

CANADIAN BANKING (Millions of Canadian dollars, except percentage amounts) ¹	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net interest income	2,894	2,825	2,691	2,698	2,644	2,561	2,435	2,488	2,471	11,108	10,128
Non-interest income	1,238	1,215	1,180	1,229	1,122	1,168	1,123	1,336	1,106	4,862	4,749
Total revenue	4,132	4,040	3,871	3,927	3,766	3,729	3,558	3,824	3,577	15,970	14,877
PCL on performing assets ²	73	57	30	34						194	
PCL on impaired assets ²	279	260	261	268	251	259	256	250	276	1,068	1,016
Total PCL	352	317	291	302	251	259	256	250	276	1,262	1,016
Non-interest expense	1,809	1,706	1,650	1,629	1,685	1,651	1,527	1,560	1,623	6,794	6,423
Income taxes	508	526	504	516	470	470	459	468	432	2,054	1,867
Net income	1,463	1,491	1,426	1,480	1,360	1,349	1,316	1,546	1,246	5,860	5,571
Total revenue by business											
Personal Banking ³	3,153	3,090	2,971	3,023	2,891	2,879	2,746	3,004	2,766	12,237	11,520
Business Banking ³	979	950	900	904	875	850	812	820	811	3,733	3,357
Total	4,132	4,040	3,871	3,927	3,766	3,729	3,558	3,824	3,577	15,970	14,877
Financial ratios											
ROE ⁴	29.6%	31.4%	32.0%	32.8%	30.7%	30.6%	32.9%	37.8%	32.5%	31.4%	32.9%
NIM (average earning assets, net)	2.77%	2.74%	2.74%	2.68%	2.65%	2.61%	2.62%	2.61%	2.63%	2.73%	2.62%
Efficiency ratio	43.8%	42.2%	42.6%	41.5%	44.7%	44.3%	42.9%	40.8%	45.4%	42.5%	43.2%
Operating leverage	2.3%	5.0%	0.7%	(1.7)%	1.5%	(1.5)%	0.6%	8.9%	0.3%	1.5%	2.4%
Average balances											
Total assets	428,400	422,800	416,200	412,500	408,200	401,200	393,900	390,400	386,500	420,000	398,500
Earning assets, net	414,100	408,800	402,500	399,200	395,500	388,600	381,400	378,400	374,300	406,200	386,000
Loans and acceptances, net ⁵	423,200	417,600	411,100	407,300	403,100	396,100	388,800	385,300	380,900	414,800	393,400
Residential mortgages ⁵	246,900	243,100	240,100	238,500	235,200	229,600	225,600	224,100	220,600	242,200	228,600
Home equity lines of credit (HELOC) ⁵	40,200	40,300	40,300	40,700	41,100	41,500	40,800	40,600	41,000	40,400	41,000
Other personal ^{5,6}	40,500	40,000	39,800	39,700	39,500	39,500	39,400	39,700	40,000	39,900	39,500
Total personal ⁵	80,700	80,300	80,100	80,400	80,600	81,000	80,200	80,300	81,000	80,300	80,500
Credit cards ⁵	18,700	18,400	17,600	17,800	17,400	17,100	16,400	16,700	16,400	18,100	17,000
Small business ⁵	4,800	4,700	4,600	4,500	4,400	4,400	3,800	3,800	3,900	4,700	4,100
Total retail	351,100	346,500	342,400	341,200	337,600	332,100	326,000	324,900	321,900	345,300	330,200
Wholesale loans and acceptances ⁵	74,100	72,900	70,500	67,900	65,500	64,000	62,800	60,400	59,000	71,400	63,200
Personal deposits	196,100	193,400	191,700	190,900	188,800	185,200	182,900	181,200	178,300	193,000	184,600
Business deposits	154,400	151,300	147,800	147,900	145,500	143,000	140,400	137,200	133,100	150,400	141,500
Attributed capital	19,350	18,600	18,050	17,650	17,350	17,200	16,150	16,000	15,000	18,400	16,700
Risk capital	16,600	15,800	15,250	14,850	14,500	14,400	13,300	13,150	12,150	15,600	13,850
Credit quality											
GIL / Related loans and acceptances	0.26%	0.26%	0.29%	0.29%	0.24%	0.25%	0.25%	0.26%	0.27%	0.26%	0.24%
PCL on performing loans (IFRS 9 - Stage 1 and 2) / Average net loans and acceptances ⁷	0.07%	0.05%	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%
PCL on impaired loans (IFRS 9 - Stage 3) / Average net loans and acceptances ⁸	0.26%	0.25%	0.26%	0.26%	0.25%	0.26%	0.27%	0.26%	0.29%	0.26%	0.26%
Net write-offs / Average net loans and acceptances	0.25%	0.26%	0.25%	0.23%	0.23%	0.24%	0.26%	0.25%	0.27%	0.25%	0.25%
Business information											
AUA ⁹	258,800	268,600	260,800	262,900	256,400	244,400	249,200	236,700	231,400	258,800	256,400
Number of employees (full-time equivalent)	32,866	33,038	32,020	31,909	31,730	32,042	31,689	31,879	32,127	32,866	31,730
Other earnings measures											
Net income	1,463	1,491	1,426	1,480	1,360	1,349	1,316	1,546	1,246	5,860	5,571
Add: After-tax effect of amortization of other intangibles	2	3	3	3	2	4	2	3	2	11	11
Adjusted net income	1,465	1,494	1,429	1,483	1,362	1,353	1,318	1,549	1,248	5,871	5,582
Less: Capital charge	434	418	393	397	390	390	353	362	358	1,642	1,495
Economic profit ¹⁰	1,031	1,076	1,036	1,086	972	963	965	1,187	890	4,229	4,087

¹ Effective Q4/17, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

² PCL on performing assets represents Stage 1 and 2 PCL on all performing assets under IFRS 9, except those classified or designated as FVTPL and equity securities designated as FVOCI. Prior to the adoption of IFRS 9, PCL on performing assets represents PCL for loans not yet identified as impaired and was included in Corporate Support. PCL on impaired assets represents Stage 3 PCL under IFRS 9 and PCL on impaired loans under IAS 39. Stage 3 PCL under IFRS 9 is comprised of lifetime credit losses of all credit-impaired financial assets, except those classified or designated as FVTPL and equity securities designated as FVOCI.

³ In Q1/18, the lines of business within Canadian Banking were realigned. Prior period amounts have been revised from Personal Financial Services and Cards and Payment Solutions to Personal Banking and Business Financial Services to Business Banking.

⁴ This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

⁵ Average loans and acceptances, net are reported net of allowance for credit losses (ACL). All other average balances are reported on a gross basis (before deducting ACL).

⁶ As at Q4/18, average personal secured loans was \$19.8 billion and average personal unsecured loans was \$20.7 billion. The loans are secured by securities, residential real estate, automotive assets and government guarantees.

⁷ PCL on performing loans ratio under IFRS 9 is calculated using PCL on Stage 1 and 2 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39 and prior to November 1, 2017, PCL on loans not yet identified as impaired was included in Corporate Support.

⁸ PCL on impaired loans ratio under IFRS 9 is calculated using PCL on Stage 3 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39, the ratio was calculated using PCL on impaired loans as a percentage of average net loans and acceptances.

⁹ AUA represents period-end spot balances and includes securitized residential mortgages and credit card loans as at October 31, 2018 of \$16.7 billion and \$9.6 billion, respectively (July 31, 2018 - \$16.8 billion and \$9.8 billion; October 31, 2017 - \$18.4 billion and \$8.4 billion).

¹⁰ This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

WEALTH MANAGEMENT (Millions of Canadian dollars, except percentage amounts) ¹	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net interest income	679	679	632	612	583	578	546	541	524	2,602	2,248
Fee-based revenue	1,662	1,626	1,570	1,589	1,485	1,484	1,425	1,405	1,385	6,447	5,799
Transaction and other revenue	455	455	447	516	457	449	468	492	442	1,873	1,866
U.S. Wealth accumulation plan gains/(losses) ²	(56)	38	(44)	66	37	36	42	47	(10)	4	162
Total revenue	2,740	2,798	2,605	2,783	2,562	2,547	2,481	2,485	2,341	10,926	10,075
PCL on performing assets ³	(3)	12	(21)	(7)	-	-	-	-	-	(19)	-
PCL on impaired assets ³	7	(9)	1	5	-	6	15	13	22	4	34
Total PCL	4	3	(20)	(2)	-	6	15	13	22	(15)	34
Non-interest expense	2,108	2,023	1,972	1,951	1,868	1,877	1,853	1,868	1,797	8,054	7,466
U.S. Wealth accumulation plan (gains)/losses ²	(47)	36	(33)	60	33	32	39	41	(7)	16	145
Income taxes	122	158	149	177	170	146	143	133	133	606	592
Net income	553	578	537	597	491	486	431	430	396	2,265	1,838
Total revenue by business											
Canadian Wealth Management	796	761	742	749	717	693	692	713	663	3,048	2,815
U.S. Wealth Management (including City National)	1,345	1,435	1,255	1,384	1,252	1,251	1,205	1,183	1,094	5,419	4,891
Global Asset Management	513	507	516	556	508	507	486	493	482	2,092	1,994
International Wealth Management	86	95	92	94	85	96	98	96	102	367	375
Total	2,740	2,798	2,605	2,783	2,562	2,547	2,481	2,485	2,341	10,926	10,075
Financial ratios											
ROE ⁴	15.9%	16.4%	15.8%	17.3%	14.2%	13.9%	12.4%	12.2%	11.6%	16.3%	13.2%
NIM (average earning assets, net)	3.49%	3.56%	3.47%	3.27%	3.13%	3.14%	2.99%	2.82%	2.82%	3.45%	3.02%
Pre-tax margin	24.6%	26.3%	26.3%	27.8%	25.8%	24.8%	23.1%	22.7%	22.6%	26.3%	24.1%
Average balances											
Total assets	91,300	89,900	89,000	88,200	86,800	86,400	89,000	90,100	87,900	89,600	88,100
Earning assets, net	77,100	75,700	74,800	74,300	73,900	73,100	74,800	76,200	73,800	75,500	74,500
Loans and acceptances, net ⁵	57,800	57,000	54,800	52,500	51,600	51,500	52,000	50,800	50,200	55,500	51,500
Retail loans ⁵	24,200	23,700	22,600	22,000	21,800	21,600	21,700	21,300	20,900	23,100	21,600
Wholesale loans and acceptances ⁵	33,800	33,600	32,400	30,700	29,800	29,900	30,300	29,500	29,300	32,600	29,900
Deposits	91,800	91,700	93,000	92,600	90,900	91,800	94,800	95,100	91,300	92,300	93,100
Attributed capital	13,500	13,600	13,600	13,400	13,300	13,450	13,700	13,400	13,000	13,500	13,450
Risk capital	6,150	6,250	6,200	6,100	6,000	5,900	5,950	5,700	5,150	6,150	5,900
Credit quality											
GIL / Related loans and acceptances ⁶	0.34%	0.34%	0.41%	0.52%	1.04%	1.17%	1.36%	1.20%	1.41%	0.34%	1.04%
GIL on acquired credit impaired loans / Related loans and acceptances	0.03%	0.03%	0.04%	0.05%	0.48%	0.52%	0.64%	0.68%	0.83%	0.03%	0.48%
PCL on performing loans (IFRS 9 - Stage 1 and 2) / Average net loans and acceptances ⁷	(0.01)%	0.08%	(0.16)%	(0.05)%	0.00%	0.00%	0.00%	0.00%	0.00%	(0.04)%	0.00%
PCL on impaired loans (IFRS 9 - Stage 3) / Average net loans and acceptances ⁸	0.04%	(0.06)%	0.01%	0.04%	0.00%	0.04%	0.12%	0.10%	0.17%	0.01%	0.07%
Net write-offs / Average net loans and acceptances	0.00%	0.04%	0.07%	0.00%	0.08%	(0.02)%	0.01%	0.04%	0.07%	0.03%	0.03%

¹ Effective Q4/17, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

² Gains (losses) on investments in mutual funds used as economic hedges are included in revenue and related variability is included in market-linked compensation expense in our U.S. Wealth Accumulation Plan.

³ PCL on performing assets represents Stage 1 and 2 PCL on all performing assets under IFRS 9, except those classified or designated as FVTPL and equity securities designated as FVOCI. Prior to the adoption of IFRS 9, PCL on performing assets represents PCL for loans not yet identified as impaired and was included in Corporate Support. PCL on impaired assets represents Stage 3 PCL under IFRS 9 and PCL on impaired loans under IAS 39. Stage 3 PCL under IFRS 9 is comprised of lifetime credit losses of all credit-impaired financial assets, except those classified or designated as FVTPL and equity securities designated as FVOCI.

⁴ This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

⁵ Average total loans and acceptances are reported net of ACL. Average retail and wholesale loans and acceptance balances are reported on a gross basis (before deducting ACL).

⁶ Effective November 1, 2017, GIL excludes \$229 million of acquired credit-impaired loans related to our acquisition of City National that have returned to performing status.

⁷ PCL on performing loans ratio under IFRS 9 is calculated using PCL on Stage 1 and 2 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39 and prior to November 1, 2017, PCL on loans not yet identified as impaired was included in Corporate Support.

⁸ PCL on impaired loans and acceptances ratio under IFRS 9 is calculated using PCL on Stage 3 loan and acceptances as a percentage of average net loans and acceptances. Under IAS 39, the ratio was calculated using PCL on impaired loans as a percentage of average net loans and acceptances.

WEALTH MANAGEMENT <i>continued</i> (Millions of Canadian dollars, except percentage amounts) ¹	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Business information											
AUA											
Canadian Wealth Management	368,900	378,300	364,800	365,900	359,600	343,600	349,800	336,500	326,600	368,900	359,600
U.S. Wealth Management (including City National)	483,000	487,900	458,500	453,000	442,700	412,300	427,100	395,000	394,200	483,000	442,700
Global Asset Management	5,800	6,800	6,600	6,600	6,600	6,400	6,500	6,200	6,200	5,800	6,600
International Wealth Management	112,800	112,800	114,700	113,300	120,300	111,600	147,800	141,300	148,300	112,800	120,300
Total	970,500	985,800	944,600	938,800	929,200	873,900	931,200	879,000	875,300	970,500	929,200
AUM											
Canadian Wealth Management	100,200	101,700	96,000	94,700	90,400	85,300	84,200	79,500	76,000	100,200	90,400
U.S. Wealth Management (including City National)	135,300	134,900	126,000	122,500	119,100	108,100	113,100	101,000	103,000	135,300	119,100
Global Asset Management ²	421,100	435,300	424,500	424,800	415,200	393,100	401,800	389,200	392,600	421,100	415,200
International Wealth Management	8,300	8,600	8,500	9,000	9,400	9,200	9,600	8,900	9,100	8,300	9,400
Total	664,900	680,500	655,000	651,000	634,100	595,700	608,700	578,600	580,700	664,900	634,100
Number of employees (full-time equivalent)	17,975	17,807	17,313	17,092	16,946	16,947	16,597	16,521	16,371	17,975	16,946
Other earnings measures											
Net income	553	578	537	597	491	486	431	430	396	2,265	1,838
NCI	-	-	-	-	-	-	-	-	-	-	-
Add: After-tax effect of amortization of other intangibles	49	48	50	46	42	44	44	49	44	193	179
Adjusted net income	602	626	587	643	533	530	475	479	440	2,458	2,017
Less: Capital charge	303	305	296	301	299	304	300	303	309	1,205	1,206
Economic profit ³	299	321	291	342	234	226	175	176	131	1,253	811
(Millions of U.S. dollars)											
U.S. Wealth Management (including City National)											
Revenue	1,031	1,101	977	1,100	992	963	899	890	828	4,209	3,744
AUA	367,100	375,200	357,300	368,100	343,200	330,500	312,900	303,500	293,900	367,100	343,200

¹ Effective Q4/17, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

² Excludes assets held by clients of Phillips, Hager & North Investment Management Ltd. for which we earn either a nominal or no management fee. In Q4/18, \$nil balances of these assets were excluded.

³ This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

INSURANCE (Millions of Canadian dollars, except percentage amounts)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net earned premiums ¹	1,222	1,047	824	939	1,166	1,081	879	749	698	4,032	3,875
Investment income ²	(230)	181	(87)	166	399	(120)	527	(353)	(51)	30	453
Fee income	47	62	69	39	47	48	42	101	176	217	238
Total revenue	1,039	1,290	806	1,144	1,612	1,009	1,448	497	823	4,279	4,566
PBCAE	494	925	421	836	1,137	643	1,090	183	397	2,676	3,053
PCL	-	-	-	-	-	-	-	-	1	-	-
Non-interest expense	159	153	148	142	157	147	140	140	154	602	584
Income taxes	68	54	65	39	53	58	52	40	43	226	203
Net income	318	158	172	127	265	161	166	134	228	775	726
Total revenue by business											
Canadian Insurance	536	746	310	621	1,098	473	978	20	295	2,213	2,569
International Insurance	503	544	496	523	514	536	470	477	528	2,066	1,997
Total	1,039	1,290	806	1,144	1,612	1,009	1,448	497	823	4,279	4,566
Financial ratios											
ROE ³	57.2%	32.1%	36.3%	28.2%	52.3%	37.0%	41.5%	33.7%	54.3%	39.3%	41.8%
Average balances											
Total assets	16,200	16,000	15,600	15,400	14,700	14,700	13,900	14,000	14,200	15,800	14,300
Attributed capital	2,200	1,950	1,950	1,750	2,000	1,700	1,600	1,550	1,650	1,950	1,700
Risk capital	2,000	1,750	1,750	1,600	1,800	1,550	1,450	1,400	1,500	1,750	1,550
Additional information											
Premiums and deposits ^{1,4}	1,374	1,197	981	1,095	1,302	1,233	1,008	1,003	1,065	4,647	4,546
Canadian Insurance	872	663	466	583	794	718	511	473	508	2,584	2,496
International Insurance	502	534	515	512	508	515	497	530	557	2,063	2,050
Fair value changes on investments backing policyholder liabilities ⁵	(342)	55	(174)	26	279	(225)	369	(481)	(172)	(435)	(58)
PBCAE											
Insurance policyholder benefits and claims	416	856	351	768	1,063	573	1,021	130	349	2,391	2,787
Insurance policyholder acquisition expense	78	69	70	68	74	70	69	53	48	285	266
Insurance claims and policy benefit liabilities	10,000	10,105	9,763	9,977	9,676	9,331	9,262	8,785	9,164	10,000	9,676
Business information											
AUM	1,400	1,400	1,300	1,300	1,200	1,100	1,100	1,000	1,000	1,400	1,200
Number of employees (full-time equivalent)	2,964	3,014	2,837	2,756	2,691	2,716	2,663	2,676	2,657	2,964	2,691
Other earnings measures											
Net income	318	158	172	127	265	161	166	134	228	775	726
NCI	-	-	-	-	-	-	-	-	-	-	-
Add: After-tax effect of amortization of other intangibles	-	-	-	-	-	-	-	-	-	-	-
Adjusted net income	318	158	172	127	265	161	166	134	228	775	726
Less: Capital charge	50	43	41	40	45	39	35	35	39	174	154
Economic profit ⁶	268	115	131	87	220	122	131	99	189	601	572

¹ Premiums and deposits equals net earned premiums excluding the cost of premiums to other institutions for reinsurance coverage, plus segregated fund deposits.

² Investment income can experience volatility arising from fluctuation in the FVTPL assets. The investments that support actuarial liabilities are predominantly fixed income assets designated as at FVTPL and consequently changes in fair value of these assets are recorded in Insurance premiums, investment and fee income in the consolidated statements of income. Changes in fair value of these assets are largely offset by changes in the fair value of the actuarial liabilities, the impact of which is reflected in insurance policyholder benefits and claims.

³ This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

⁴ Premiums and deposits include premiums on risk-based insurance and annuity products, and individual and group segregated fund deposits, consistent with insurance industry practices.

⁵ The revenue impact of the change in fair value on investments backing policyholder liabilities is reflected in Insurance premiums, investment and fee income and largely offset in PBCAE.

⁶ This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

INVESTOR & TREASURY SERVICES (Millions of Canadian dollars, except percentage amounts)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net interest income	19	32	118	128	128	141	173	237	214	297	679
Non-interest income	605	588	553	548	474	453	435	394	390	2,294	1,756
Total revenue	624	620	671	676	602	594	608	631	604	2,591	2,435
PCL	-	1	-	-	-	-	-	-	(3)	1	-
Non-interest expense	421	416	391	389	397	364	355	350	379	1,617	1,466
Income taxes	48	48	68	68	49	52	60	67	54	232	228
Net income	155	155	212	219	156	178	193	214	174	741	741
Financial ratios											
ROE ¹	19.2%	19.8%	28.1%	26.9%	19.2%	21.9%	24.6%	25.1%	21.0%	23.5%	22.7%
Average balances											
Total assets	133,300	130,400	131,500	132,900	138,400	138,700	133,100	141,800	142,400	132,100	138,100
Trading securities	26,900	26,800	27,400	31,000	34,700	37,200	38,000	43,100	46,400	28,000	38,300
Loans and acceptances, net	3,700	3,300	2,900	2,600	2,300	2,200	2,000	1,900	1,700	3,100	2,100
Deposits	163,600	162,500	163,600	155,300	142,600	132,000	127,900	128,500	124,400	161,200	132,800
Client deposits	59,200	60,200	58,200	56,900	56,600	55,600	52,900	52,500	50,900	58,600	54,400
Wholesale funding deposits	104,400	102,300	105,400	98,400	86,000	76,400	75,000	76,000	73,500	102,600	78,400
Attributed capital	3,150	3,050	3,050	3,150	3,150	3,150	3,150	3,300	3,200	3,100	3,200
Risk capital	2,550	2,500	2,500	2,650	2,650	2,650	2,650	2,850	2,750	2,550	2,700
Business information											
AUA	4,283,100	4,210,600	4,439,800	4,431,800	4,266,600	4,251,300	4,111,400	3,797,000	3,929,400	4,283,100	4,266,600
Number of employees (full-time equivalent)	4,846	4,814	4,765	4,744	4,771	4,783	4,751	4,781	4,776	4,846	4,771
Other earnings measures											
Net income (loss)	155	155	212	219	156	178	193	214	174	741	741
NCI	-	-	(1)	-	-	-	(1)	-	-	(1)	(1)
Add: After-tax effect of amortization of other intangibles and goodwill impairment	4	2	5	3	4	3	4	4	4	14	15
Adjusted net income	159	157	216	222	160	181	196	218	178	754	755
Less: Capital charge	70	68	67	71	72	70	69	75	77	276	286
Economic profit (loss) ²	89	89	149	151	88	111	127	143	101	478	469

¹ This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

² This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

CAPITAL MARKETS (Millions of Canadian dollars, except percentage amounts)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net interest income (teb)	947	913	841	866	851	845	922	947	857	3,567	3,565
Non-interest income (teb)	1,109	1,244	1,169	1,309	1,103	1,195	1,195	1,124	1,036	4,831	4,617
Total revenue (teb)	2,056	2,157	2,010	2,175	1,954	2,040	2,117	2,071	1,893	8,398	8,182
PCL on performing assets ¹	17	16	(21)	(25)						(13)	
PCL on impaired assets ¹	15	(13)	14	45	(38)	44	24	32	51	61	62
Total PCL	32	3	(7)	20	(38)	44	24	32	51	48	62
Non-interest expense	1,244	1,312	1,190	1,214	1,222	1,199	1,173	1,125	1,151	4,960	4,719
Income taxes	114	144	162	193	186	186	252	252	209	613	876
Net income	666	698	665	748	584	611	668	662	482	2,777	2,525
Total revenue by business											
Corporate and Investment Banking	1,087	1,065	967	994	1,049	995	1,020	936	976	4,113	4,000
Global Markets	1,035	1,148	1,092	1,221	976	1,134	1,162	1,194	978	4,496	4,466
Other	(66)	(56)	(49)	(40)	(71)	(89)	(65)	(59)	(61)	(211)	(284)
Total	2,056	2,157	2,010	2,175	1,954	2,040	2,117	2,071	1,893	8,398	8,182
Financial ratios											
ROE ²	11.8%	12.3%	13.4%	14.7%	12.4%	11.9%	14.2%	13.3%	10.4%	13.0%	12.9%
Total compensation to revenue ³	37.4%	38.2%	37.0%	36.4%	37.0%	38.0%	35.4%	35.6%	36.1%	37.2%	36.6%
Average balances											
Total assets	591,700	579,400	563,700	570,200	490,600	494,000	499,600	493,600	496,700	576,300	494,400
Trading securities	88,000	95,600	98,900	100,800	86,500	86,800	95,000	98,900	105,300	95,800	91,800
Loans and acceptances, net	90,700	85,000	82,800	81,400	83,000	83,100	83,600	83,800	85,500	85,000	83,400
Deposits	74,600	73,000	71,000	64,900	62,800	59,500	59,900	58,700	59,200	70,800	60,200
Attributed capital	21,650	21,700	19,700	19,650	18,050	19,550	18,700	19,100	17,600	20,700	18,850
Risk capital	20,050	20,100	18,150	18,150	16,600	18,200	17,650	18,000	16,500	19,100	17,600
Credit quality											
GIL / Related loans and acceptances	0.41%	0.57%	0.80%	0.67%	0.63%	0.94%	1.18%	1.66%	1.78%	0.41%	0.63%
PCL on performing loans (IFRS 9 - Stage 1 and 2) / Average net loans and acceptances ⁴	0.07%	0.08%	(0.12)%	(0.10)%	0.00%	0.00%	0.00%	0.00%	0.00%	(0.01)%	0.00%
PCL on impaired loans (IFRS 9 - Stage 3) / Average net loans and acceptances ⁵	0.07%	(0.06)%	0.07%	0.22%	(0.18)%	0.21%	0.12%	0.15%	0.24%	0.07%	0.07%
Net write-offs / Average net loans and acceptances	0.08%	0.09%	(0.02)%	0.04%	0.23%	0.06%	0.12%	(0.08)%	0.01%	0.05%	0.09%
Business information											
AUA	13,600	13,100	12,900	12,100	12,700	12,300	13,800	13,600	14,600	13,600	12,700
Number of employees (full-time equivalent)	4,162	4,411	3,936	3,917	3,970	4,188	3,758	3,817	3,883	4,162	3,970
Other earnings measures											
Net income	666	698	665	748	584	611	668	662	482	2,777	2,525
NCI	-	-	-	-	-	-	-	-	-	-	-
Add: After-tax effect of amortization of other intangibles	-	-	-	-	-	-	-	-	(1)	-	-
Adjusted net income	666	698	665	748	584	611	668	662	481	2,777	2,525
Less: Capital charge	487	487	429	442	407	441	410	432	419	1,845	1,690
Economic profit (loss) ⁶	179	211	236	306	177	170	258	230	62	932	835

¹ PCL on performing assets represents Stage 1 and 2 PCL on all performing assets under IFRS 9, except those classified or designated as FVTPL and equity securities designated as FVOCI. Prior to the adoption of IFRS 9, PCL on performing assets represents PCL for loans not yet identified as impaired and was included in Corporate Support. PCL on impaired assets represents Stage 3 PCL under IFRS 9 and PCL on impaired loans under IAS 39. Stage 3 PCL under IFRS 9 is comprised of lifetime credit losses of all credit-impaired financial assets, except those classified or designated as FVTPL and equity securities designated as FVOCI.

² This measure does not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

³ Total compensation to revenue ratio is calculated as total human resources non-interest expense / total revenue (teb) for Front Office personnel and for functional support teams (Technology, Operations, and Functions). Total human resources non-interest expense includes salary, benefits, stock based compensation, severance, retention costs, and variable compensation.

⁴ PCL on performing loans ratio under IFRS 9 is calculated using PCL on Stage 1 and 2 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39 and prior to November 1, 2017, PCL on loans not yet identified as impaired was included in Corporate Support.

⁵ PCL on impaired loans and acceptances ratio under IFRS 9 is calculated using PCL on Stage 3 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39, the ratio was calculated using PCL on impaired loans as a percentage of average net loans and acceptances.

⁶ This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

CORPORATE SUPPORT (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Income Statement											
Net interest income (teb)	17	(29)	(22)	(17)	(21)	(28)	(40)	(50)	(48)	(51)	(139)
Non-interest income (teb)	(171)	(95)	(119)	(98)	(205)	(44)	-	(64)	(78)	(483)	(313)
Total revenue (teb)	(154)	(124)	(141)	(115)	(226)	(72)	(40)	(114)	(126)	(534)	(452)
PCL	-	-	1	(1)	2	(3)	1	-	(1)	-	-
Non-interest expense	10	8	(14)	54	62	92	62	22	(2)	58	238
Income taxes	(184)	(142)	(143)	32	(227)	(122)	(94)	(131)	(111)	(437)	(574)
Net income (loss)	20	10	15	(200)	(63)	(39)	(9)	(5)	(12)	(155)	(116)
Additional information											
teb adjustment	(142)	(157)	(151)	(92)	(225)	(107)	(97)	(119)	(115)	(542)	(548)
Average balances											
Total assets	41,300	39,500	38,300	35,500	35,000	31,300	28,100	28,200	25,200	38,600	30,600
Attributed capital	8,750	7,650	7,950	8,150	8,900	7,400	8,100	7,950	9,300	8,150	8,100
Other earnings measures											
Net income (loss)	20	10	15	(200)	(63)	(39)	(9)	(5)	(12)	(155)	(116)
NCI	1	(7)	(7)	(9)	(9)	(9)	(8)	(9)	(9)	(22)	(35)
Add: After-tax effect of amortization of other intangibles	(2)	3	(3)	2	1	-	-	-	3	-	1
Adjusted net (loss) income	19	6	5	(207)	(71)	(48)	(17)	(14)	(18)	(177)	(150)
Less: Capital charge	194	174	174	184	200	167	177	178	221	726	722
Economic profit (loss) ¹	(175)	(168)	(169)	(391)	(271)	(215)	(194)	(192)	(239)	(903)	(872)

¹ This is a non-GAAP measure. For further information, refer to the Key performance and non-GAAP measures section on page 47.

BALANCE SHEETS (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Period-end balances											
ASSETS											
Cash and due from banks	30,209	32,015	32,765	34,488	28,407	24,302	30,518	25,363	14,929	30,209	28,407
Interest-bearing deposits with banks	36,471	49,159	36,979	37,269	32,662	36,098	25,875	22,380	27,851	36,471	32,662
Securities											
Trading	128,258	126,386	131,168	129,361	127,657	128,740	132,370	142,192	151,292	128,258	127,657
Investment, net of applicable allowance ¹	94,608	90,746	89,673	92,901	90,722	85,430	87,035	82,635	84,801	94,608	90,722
	222,866	217,132	220,841	222,262	218,379	214,170	219,405	224,827	236,093	222,866	218,379
Assets purchased under reverse repurchase agreements and securities borrowed	294,602	264,170	261,184	259,765	220,977	208,669	216,931	197,285	186,302	294,602	220,977
Loans											
Retail	399,452	394,884	388,558	386,235	385,170	379,869	374,168	370,161	369,470	399,452	385,170
Wholesale	180,278	171,050	165,643	154,585	159,606	156,401	160,352	154,088	154,369	180,278	159,606
	579,730	565,934	554,201	540,820	544,776	536,270	534,520	524,249	523,839	579,730	544,776
Allowance for loan losses	(2,912)	(2,837)	(2,808)	(2,776)	(2,159)	(2,236)	(2,258)	(2,239)	(2,235)	(2,912)	(2,159)
	576,818	563,097	551,393	538,044	542,617	534,034	532,262	522,010	521,604	576,818	542,617
Segregated fund net assets	1,368	1,396	1,308	1,270	1,216	1,077	1,096	1,021	981	1,368	1,216
Other											
Customers' liability under acceptances	15,641	16,083	15,653	16,363	16,459	15,246	14,499	13,959	12,843	15,641	16,459
Derivatives	94,039	88,503	94,175	105,512	95,023	105,833	100,763	97,419	118,944	94,039	95,023
Premises and equipment	2,832	2,771	2,706	2,648	2,670	2,646	2,754	2,746	2,836	2,832	2,670
Goodwill	11,137	11,012	10,990	10,736	10,977	10,733	11,352	10,967	11,156	11,137	10,977
Other intangibles	4,687	4,581	4,533	4,420	4,507	4,421	4,640	4,537	4,648	4,687	4,507
Other assets	44,064	42,455	42,251	43,498	38,959	43,818	42,824	39,252	42,071	44,064	38,959
Total Assets	1,334,734	1,292,374	1,274,778	1,276,275	1,212,853	1,201,047	1,202,919	1,161,766	1,180,258	1,334,734	1,212,853
LIABILITIES AND EQUITY											
Deposits											
Personal	270,154	265,555	263,390	261,312	260,213	254,559	259,319	253,106	250,550	270,154	260,213
Business and government	534,371	534,808	530,365	517,428	505,665	501,282	498,231	481,577	488,007	534,371	505,665
Bank	32,521	31,898	28,293	21,280	23,757	22,777	28,033	22,829	19,032	32,521	23,757
	837,046	832,261	822,048	800,020	789,635	778,618	785,583	757,512	757,589	837,046	789,635
Segregated fund net liabilities	1,368	1,396	1,308	1,270	1,216	1,077	1,096	1,021	981	1,368	1,216
Other											
Acceptances	15,662	16,099	15,668	16,379	16,459	15,246	14,499	13,959	12,843	15,662	16,459
Obligations related to securities sold short	32,247	33,192	33,047	30,404	30,008	40,512	37,331	37,969	50,369	32,247	30,008
Obligations related to assets sold under repurchase agreements and securities loaned	206,814	178,170	170,918	183,319	143,084	121,980	127,955	123,474	103,441	206,814	143,084
Derivatives	90,238	86,082	90,890	104,219	92,127	104,203	99,031	95,646	116,550	90,238	92,127
Insurance claims and policy benefit liabilities	10,000	10,105	9,763	9,977	9,676	9,331	9,262	8,785	9,164	10,000	9,676
Other liabilities	52,273	48,068	46,043	48,402	46,955	48,019	45,348	41,762	47,947	52,273	46,955
Subordinated debentures	9,131	9,129	9,068	8,961	9,265	9,200	9,646	9,487	9,762	9,131	9,265
	1,254,779	1,214,502	1,198,753	1,202,951	1,138,425	1,128,186	1,129,751	1,089,615	1,108,646	1,254,779	1,138,425
Equity attributable to shareholders											
Preferred shares	6,309	6,306	6,303	6,306	6,413	6,713	6,712	6,713	6,713	6,309	6,413
Common shares	17,617	17,533	17,539	17,640	17,703	17,871	17,707	17,865	17,859	17,617	17,703
Retained earnings	51,112	49,424	47,405	45,764	45,359	44,479	42,538	42,996	41,519	51,112	45,359
Other components of equity	4,823	4,518	4,178	3,026	4,354	3,211	5,613	3,992	4,926	4,823	4,354
	79,861	77,781	75,425	72,736	73,829	72,274	72,570	71,566	71,017	79,861	73,829
Non-controlling interests (NCI)	94	91	600	588	599	587	598	585	595	94	599
	79,955	77,872	76,025	73,324	74,428	72,861	73,168	72,151	71,612	79,955	74,428
Total Liabilities and Equity	1,334,734	1,292,374	1,274,778	1,276,275	1,212,853	1,201,047	1,202,919	1,161,766	1,180,258	1,334,734	1,212,853

¹ Investment, net of applicable allowance represents debt and equity securities at FVOCI (AFS securities under IAS 39) and amortized cost (held-to-maturity securities under IAS 39). For further details on the impacts of the adoption of IFRS 9 including the description of accounting policies selected, refer to the 2018 Annual Report.

SELECTED AVERAGE BALANCE SHEET ITEMS ¹ (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Securities, net of applicable allowance	218,400	221,600	228,900	234,200	217,300	217,500	225,300	234,700	239,300	225,700	223,700
Assets purchased under reverse repurchase agreements and securities borrowed	284,900	267,300	258,200	256,100	208,600	208,800	209,500	197,200	190,300	266,700	206,000
Total loans, net ²	570,500	558,200	546,200	537,600	538,600	532,800	526,400	522,200	519,100	553,200	530,000
Retail ²	397,200	392,100	388,200	386,700	382,500	376,700	371,900	370,800	367,300	391,100	375,500
Wholesale ²	176,200	169,000	160,800	153,500	158,300	158,300	156,700	153,700	153,900	164,900	156,800
Customers' liability under acceptances	16,200	15,700	15,700	16,400	15,800	14,900	14,100	13,400	12,800	16,000	14,600
Average earning assets, net	1,123,300	1,095,300	1,081,100	1,071,200	1,007,500	1,000,200	997,700	990,500	981,900	1,092,800	999,000
Derivatives	93,400	102,900	93,700	95,900	97,700	99,000	94,900	107,600	113,400	96,500	99,900
Total assets	1,324,900	1,300,800	1,276,700	1,276,700	1,195,600	1,188,800	1,181,000	1,180,800	1,175,400	1,294,900	1,186,600
Deposits	833,500	825,800	815,900	803,600	781,900	770,000	766,800	762,400	751,500	819,700	770,300
Common equity	71,700	69,650	67,450	66,850	65,900	65,750	64,800	64,650	63,100	68,900	65,300
Total equity	78,100	76,400	74,300	73,800	73,100	73,100	72,100	71,900	70,400	75,700	72,600

ASSETS UNDER ADMINISTRATION AND MANAGEMENT ³ (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Assets under administration											
Institutional	4,422,600	4,350,300	4,579,900	4,568,900	4,411,000	4,387,700	4,258,600	3,937,200	4,077,300	4,422,600	4,411,000
Personal	957,300	974,300	929,500	927,200	907,100	854,000	882,000	833,100	819,500	957,300	907,100
Retail mutual funds	153,800	161,600	157,000	157,400	155,200	148,300	173,900	164,300	162,100	153,800	155,200
Total AUA	5,533,700	5,486,200	5,666,400	5,653,500	5,473,300	5,390,000	5,314,500	4,934,600	5,058,900	5,533,700	5,473,300
Assets under management											
Institutional	218,700	223,500	219,700	220,600	216,000	204,100	212,800	210,800	218,000	218,700	216,000
Personal	243,300	245,400	229,300	225,500	216,200	200,900	201,200	184,900	182,900	243,300	216,200
Retail mutual funds	209,000	217,700	211,900	210,600	207,700	196,200	200,600	188,400	185,400	209,000	207,700
Total AUM	671,000	686,600	660,900	656,700	639,900	601,200	614,600	584,100	586,300	671,000	639,900

¹ Calculated using methods intended to approximate the average of the daily balances for the period, as applicable.

² Average total loans are reported net of allowance for loan losses. Average retail and wholesale balances are reported on a gross basis (before deducting allowance for loan losses).

³ To be read in conjunction with the Segment pages.

STATEMENTS OF COMPREHENSIVE INCOME (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
Other comprehensive income (loss), net of taxes											
Items that will be reclassified subsequently to income:											
Net change in unrealized gains (losses) on available-for-sale (AFS) securities											
Net unrealized gains (losses) on AFS securities					68	67	128	(129)	(92)		134
Reclassification of net losses (gains) on AFS securities to income					(20)	(27)	(37)	(12)	-		(96)
Net change in unrealized gains (losses) on debt securities and loans at fair value through other comprehensive income											
Net unrealized gains (losses) on debt securities and loans at FVOCI	(75)	43	(14)	(24)						(70)	
PCL recognized in profit or loss	(24)	(9)	9	15						(9)	
Reclassification of net losses (gains) on debt securities and loans at FVOCI to income	(18)	(13)	(35)	(28)						(94)	
	(117)	21	(40)	(37)	48	40	91	(141)	(92)	(173)	38
Foreign currency translation adjustments											
Unrealized foreign currency translation gains (losses)	453	415	1,978	(2,006)	1,702	(4,405)	2,595	(1,462)	979	840	(1,570)
Net foreign currency translation gains (losses) from hedging activities	(107)	(78)	(710)	658	(638)	1,538	(1,005)	543	(305)	(237)	438
Reclassification of losses (gains) on foreign currency translation to income	-	-	-	-	-	-	-	(10)	-	-	(10)
	346	337	1,268	(1,348)	1,064	(2,867)	1,590	(929)	674	603	(1,142)
Net change in cash flow hedges											
Net gains (losses) on derivatives designated as cash flow hedges	(12)	(45)	(217)	424	27	585	(86)	96	(56)	150	622
Reclassification of losses (gains) on derivatives designated as cash flow through profit or loss	88	28	144	(153)	7	(167)	31	37	60	107	(92)
	76	(17)	(73)	271	34	418	(55)	133	4	257	530
Items that will not be reclassified subsequently to income:											
Remeasurements of employee benefit plans	127	464	84	49	(42)	510	(275)	597	25	724	790
Net fair value change due to credit risk on financial liabilities designated as at FVTPL	10	(13)	144	(18)	(58)	(20)	(212)	(33)	(90)	123	(323)
Net gains (losses) on equity securities designated at FVOCI	(3)	2	1	(2)						(2)	
	134	453	229	29	(100)	490	(487)	564	(65)	845	467
Total other comprehensive income (loss), net of taxes	439	794	1,384	(1,085)	1,046	(1,919)	1,139	(373)	521	1,532	(107)
Total comprehensive income (loss)	3,689	3,903	4,444	1,927	3,883	877	3,948	2,654	3,064	13,963	11,362
Total comprehensive income (loss) attributable to:											
Shareholders	3,686	3,894	4,432	1,919	3,872	871	3,935	2,645	3,052	13,931	11,323
NCI	3	9	12	8	11	6	13	9	12	32	39
	3,689	3,903	4,444	1,927	3,883	877	3,948	2,654	3,064	13,963	11,362

STATEMENTS OF CHANGES IN EQUITY (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Preferred shares											
Balance at beginning of period	6,306	6,306	6,306	6,413	6,713	6,713	6,713	6,713	6,713	6,413	6,713
Issued	-	-	-	-	-	-	-	-	-	-	-
Redeemed	-	-	-	(107)	(300)	-	-	-	-	(107)	(300)
Purchased for cancellation	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	6,306	6,306	6,306	6,306	6,413	6,713	6,713	6,713	6,713	6,306	6,413
Common shares											
Balance at beginning of period	17,642	17,634	17,647	17,730	17,759	17,717	17,898	17,939	17,876	17,730	17,939
Issued	23	24	15	30	39	42	50	96	74	92	227
Purchased for cancellation	(30)	(16)	(28)	(113)	(68)	-	(231)	(137)	(11)	(187)	(436)
Balance at end of period	17,635	17,642	17,634	17,647	17,730	17,759	17,717	17,898	17,939	17,635	17,730
Treasury shares - preferred											
Balance at beginning of period	-	(3)	-	-	-	(1)	-	-	(1)	-	-
Sales	57	69	64	69	48	38	23	21	28	259	130
Purchases	(54)	(66)	(67)	(69)	(48)	(37)	(24)	(21)	(27)	(256)	(130)
Balance at end of period	3	-	(3)	-	-	-	(1)	-	-	3	-
Treasury shares - common											
Balance at beginning of period	(109)	(95)	(7)	(27)	112	(10)	(33)	(80)	(101)	(27)	(80)
Sales	1,418	1,292	1,344	1,425	1,000	1,099	1,124	1,191	1,056	5,479	4,414
Purchases	(1,327)	(1,306)	(1,432)	(1,405)	(1,139)	(977)	(1,101)	(1,144)	(1,035)	(5,470)	(4,361)
Balance at end of period	(18)	(109)	(95)	(7)	(27)	112	(10)	(33)	(80)	(18)	(27)
Retained earnings											
Balance at beginning of period	49,424	47,405	45,764	45,359	44,479	42,538	42,996	41,519	40,424	45,359	41,519
Transition adjustment for IFRS 9 ¹	-	-	-	(558)	-	-	-	-	-	(558)	-
Net income attributable to shareholders	3,247	3,101	3,051	3,001	2,829	2,783	2,801	3,015	2,533	12,400	11,428
Other comprehensive income	134	453	229	29	(100)	490	(487)	564	(65)	845	467
Preferred share dividends	(71)	(71)	(71)	(72)	(72)	(76)	(77)	(75)	(75)	(285)	(300)
Common share dividends	(1,412)	(1,355)	(1,356)	(1,319)	(1,324)	(1,269)	(1,271)	(1,232)	(1,234)	(5,442)	(5,096)
Premium paid on common shares purchased for cancellation	(217)	(112)	(196)	(810)	(454)	-	(1,406)	(814)	(59)	(1,335)	(2,674)
Premium paid on preferred shares purchased for cancellation	-	-	-	-	-	-	-	-	-	-	-
Share-based compensation awards	(4)	(2)	(1)	(3)	(9)	(6)	(13)	(12)	(12)	(10)	(40)
Issuance costs	-	-	-	-	-	-	(1)	-	-	-	(1)
Other	11	5	(15)	137	10	19	(4)	31	7	138	56
Balance at end of period	51,112	49,424	47,405	45,764	45,359	44,479	42,538	42,996	41,519	51,112	45,359
Other components of equity											
Unrealized gains and losses on AFS securities	-	-	-	-	378	330	290	199	340	-	378
Unrealized gains and losses on securities and loans at FVOCI	(12)	105	84	124	-	-	-	-	-	(12)	-
Unrealized foreign currency translation gains and losses, net of hedging activities	4,147	3,801	3,465	2,200	3,545	2,484	5,344	3,759	4,685	4,147	3,545
Gains and losses on derivatives designated as cash flow hedges	688	612	629	702	431	397	(21)	34	(99)	688	431
Balance at end of period	4,823	4,518	4,178	3,026	4,354	3,211	5,613	3,992	4,926	4,823	4,354
Total retained earnings and other components of equity	55,935	53,942	51,583	48,790	49,713	47,690	48,151	46,988	46,445	55,935	49,713
	79,861	77,781	75,425	72,736	73,829	72,274	72,570	71,566	71,017	79,861	73,829
Non-controlling interests											
Balance at beginning of period	91	600	588	599	587	598	585	595	583	599	595
Dividends	-	(18)	(1)	(18)	-	(17)	-	(17)	-	(37)	(34)
Net income attributable to NCI	3	8	9	11	8	13	8	12	10	31	41
Foreign currency translation adjustments	-	1	3	(3)	3	(7)	5	(3)	2	1	(2)
Redemption of trust capital securities	-	(500)	-	-	-	-	-	-	-	(500)	-
Other	-	-	1	(1)	1	-	-	(2)	-	-	(1)
Balance at end of period	94	91	600	588	599	587	598	585	595	94	599
Total equity	79,955	77,872	76,025	73,324	74,428	72,861	73,168	72,151	71,612	79,955	74,428

¹ For further details, refer to the 2018 Annual Report.

BASEL III REGULATORY CAPITAL AND RATIOS (ALL-IN BASIS) (Millions of Canadian dollars, except percentage and otherwise noted)	Cross Reference of Current Quarter to Regulatory Capital Balance Sheet Pages 22-23	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17
Common Equity Tier 1 capital (CET1): Instruments and Reserves						
1 Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	a+a'	17,922	17,831	17,835	17,951	18,019
2 Retained earnings	b+b'	50,807	49,126	47,109	45,454	45,043
3 Accumulated other comprehensive income (and other reserves)	c-c'	4,823	4,518	4,178	3,026	4,354
4 <i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>		-	-	-	-	-
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		-	-	-	-	-
6 Common Equity Tier 1 capital before regulatory adjustments	d	13	13	13	13	13
		73,565	71,488	69,135	66,444	67,429
Common Equity Tier 1 capital: Regulatory adjustments						
7 Prudential valuation adjustments		-	-	-	-	-
8 Goodwill (net of related tax liability)		-	-	-	-	-
9 Other intangibles other than mortgage-servicing rights (net of related tax liability)	e+e'-t	11,041	10,905	10,996	10,742	10,983
10 Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	f+f'-v+m'	3,841	3,768	3,596	3,508	3,365
11 Cash flow hedge reserve	g	178	12	12	10	19
12 Shortfall of provisions to expected losses	h	688	612	629	702	431
13 Securitization gain on sale	i	397	607	631	549	1,245
14 Gains and losses due to changes in own credit risk on fair valued liabilities		-	-	-	-	-
15 Defined benefit pension fund net assets (net of related tax liability)	j	(105)	(99)	(99)	(275)	(245)
16 Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	k	524	629	93	63	59
17 Reciprocal cross holdings in common equity		-	-	-	-	-
18 Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
19 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
20 Mortgage servicing rights (amount above 10% threshold)		-	-	-	-	-
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		-	-	-	-	-
22 Amount exceeding the 15% threshold		-	-	-	-	-
23 of which: significant investments in the common stock of financials		-	-	-	-	-
24 of which: mortgage servicing rights	l	-	-	-	-	-
25 of which: deferred tax assets arising from temporary differences		-	-	-	-	-
26 Other deductions or regulatory adjustments to CET1 as determined by OSFI	m	-	-	-	-	-
27 Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		-	-	-	-	-
28 Total regulatory adjustments to Common Equity Tier 1		16,564	16,434	15,858	15,299	15,857
29 Common Equity Tier 1 capital (CET1)		57,001	55,054	53,277	51,145	51,572
Additional Tier 1 capital (AT1): Instruments						
30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		3,825	3,825	3,822	3,825	3,825
31 of which: classified as equity under applicable accounting standards	n'	3,825	3,825	3,822	3,825	3,825
32 of which: classified as liabilities under applicable accounting standards	n-n'-n"-n''''	-	-	-	-	-
33 <i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	x'+n''	2,450	2,450	2,956	2,953	2,961
34 Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	o	3	3	3	2	3
35 of which: instruments issued by subsidiaries subject to phase out		-	-	-	-	-
36 Additional Tier 1 capital before regulatory adjustments		6,278	6,278	6,781	6,780	6,789
Additional Tier 1 capital: Regulatory adjustments						
37 Investments in own Additional Tier 1 instruments		-	-	-	-	-
38 Reciprocal cross holdings in Additional Tier 1 instruments		-	-	-	-	-
39 Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
40 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		-	-	-	-	-
41 Other deductions from Tier 1 capital as determined by OSFI		-	-	-	-	-
41a of which: reverse mortgages		-	-	-	-	-
42 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		-	-	-	-	-
43 Total regulatory adjustments to Additional Tier 1 capital		-	-	-	-	-
44 Additional Tier 1 Capital (AT1)		6,278	6,278	6,781	6,780	6,789
45 Tier 1 capital (T1 = CET1 + AT1)		63,279	61,332	60,058	57,925	58,361
Tier 2 Capital: Instruments and Provisions						
46 Directly issued qualifying Tier 2 instruments plus related stock surplus		6,230	6,237	6,206	6,118	6,346
47 <i>Directly issued capital instruments subject to phase out from Tier 2</i>	q''	2,509	2,502	2,497	2,491	2,550
48 Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	r	14	23	24	12	12
49 of which: instruments issued by subsidiaries subject to phase out	q''''	10	20	21	10	9
50 Collective allowances	s	462	431	429	438	287
51 Tier 2 capital before regulatory adjustments		9,215	9,193	9,156	9,059	9,195
Tier 2 Capital: Regulatory adjustments						
52 Investments in own Tier 2 instruments		-	-	-	-	-
53 Reciprocal cross holdings in Tier 2 instruments		-	-	-	-	-
54 Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)		-	-	-	-	-
55 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions		-	-	-	-	-
56 Other deductions from Tier 2 capital		-	-	-	-	-
57 Total regulatory adjustments to Tier 2 capital		-	-	-	-	-
58 Tier 2 capital (T2)		9,215	9,193	9,156	9,059	9,195
59 Total capital (TC = T1 + T2)		72,494	70,525	69,214	66,984	67,556
60 Total risk-weighted assets		496,459	498,896	489,172	466,758	474,478
60a Common Equity Tier 1 (CET1) Capital RWA		495,528	497,949	488,226	466,758	474,478
60b Tier 1 Capital RWA		495,993	498,422	488,699	466,758	474,478
60c Total Capital RWA		496,459	498,896	489,172	466,758	474,478

continued on next page

BASEL III REGULATORY CAPITAL AND RATIOS (ALL-IN BASIS) *continued*
(Millions of Canadian dollars, except percentage and otherwise noted)

Capital ratios

61	Common Equity Tier 1 (as a percentage of risk-weighted assets)
62	Tier 1 (as a percentage of risk-weighted assets)
63	Total capital (as a percentage of risk-weighted assets)
64	Buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk-weighted assets)
65	of which: capital conservation buffer requirement
66	Buffer requirements ⁽¹⁾
67	of which: G-SIB buffer requirement
67a	of which: D-SIB buffer requirement
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)

OSFI all-in target (minimum + capital conservation buffer + D-SIB surcharge (if applicable))

69	Common Equity Tier 1 all-in target ratio
70	Tier 1 capital all-in target ratio
71	Total capital all-in target ratio

Amounts below the thresholds for deduction (before risk-weighting)

72	Non-significant investments in the capital of other financials
73	Significant investments in the common stock of financials
74	Mortgage servicing rights (net of related tax liability)
75	Deferred tax assets arising from temporary differences (net of related tax liability)

Applicable caps on the inclusion of allowances in Tier 2

76	Allowances eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)
77	Cap on inclusion of allowances in Tier 2 under standardized approach
78	Allowances eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)
79	Cap on inclusion of allowances in Tier 2 under internal ratings-based approach

Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)

80	Current cap on CET1 instruments subject to phase out arrangements
81	Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)
82	Current cap on AT1 instruments subject to phase out arrangements
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)
84	Current cap on T2 instruments subject to phase out arrangements
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)

Q4/18 Q3/18 Q2/18 Q1/18 Q4/17

11.5%	11.1%	10.9%	11.0%	10.9%
12.8%	12.3%	12.3%	12.4%	12.3%
14.6%	14.1%	14.1%	14.4%	14.2%
8.0%	8.0%	8.0%	8.0%	8.0%
2.5%	2.5%	2.5%	2.5%	2.5%
0.0%	0.0%	0.0%	0.0%	n.a.
1.0%	1.0%	1.0%	1.0%	n.a.
0.0%	0.0%	0.0%	0.0%	1.0%
11.5%	11.1%	10.9%	11.0%	10.9%
8.0%	8.0%	8.0%	8.0%	8.0%
9.5%	9.5%	9.5%	9.5%	9.5%
11.5%	11.5%	11.5%	11.5%	11.5%
1,529	2,925	2,254	2,594	3,555
3,883	3,764	3,716	3,579	3,627
-	-	-	-	-
617	894	844	809	2,711
462	431	429	438	287
462	431	429	438	287
1,996	1,982	1,917	1,908	1,577
1,996	1,982	1,917	1,908	1,577
-	-	-	-	-
-	-	-	-	-
2,957	2,957	2,957	2,957	3,696
-	-	5	-	-
3,676	3,676	3,676	3,676	4,595
-	-	-	-	-

To BASEL III REGULATORY CAPITAL AND RATIOS (TRANSITIONAL BASIS) ^{2,3}
(Millions of Canadian dollars, except percentage and otherwise noted)

29	Common Equity Tier 1 capital (CET1)
45	Tier 1 capital (T1 = CET1 + AT1)
59	Total capital (TC = T1 + T2)
60	Total risk-weighted assets
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)
62	Tier 1 (as a percentage of risk-weighted assets)
63	Total capital (as a percentage of risk-weighted assets)

Q4/18 Q3/18 Q2/18 Q1/18 Q4/17

				54,738
				59,205
				68,275
				483,086
				11.3%
				12.3%
				14.1%

¹ Effective November 1, 2016, the capital conservation buffer includes a countercyclical capital buffer as prescribed by OSFI and has no material impact.

² The transitional RWA does not reflect the CVA phase-in adjustments as implemented under the All-in Basis.

³ Per the Capital Adequacy Requirement (CAR) guidelines, transitional basis capital and ratios are not applicable subsequent to Q4/17.

REGULATORY CAPITAL BALANCE SHEET
(Millions of Canadian dollars)

Cross Reference to
Basel III Regulatory Capital
Components Page 20

Q4/18

Balance sheet as in
Report to Shareholders

Under regulatory
scope of consolidation

Assets			
Cash and due from banks		30,209	30,207
Interest-bearing deposits with banks		36,471	36,471
Securities, net of applicable allowance		222,866	212,717
<i>Non-significant investments in capital of other financial institutions not exceeding regulatory thresholds</i>			1,529
<i>Other securities</i>			211,188
Assets purchased under reverse repurchase agreements and securities borrowed		294,602	294,602
Loans			
Retail		399,452	399,167
Wholesale		180,278	178,280
Allowance for loan losses		(2,912)	(2,912)
<i>Collective allowance reflected in Tier 2 regulatory capital</i> ¹	s		(462)
<i>Shortfall of allowances to expected loss</i> ²	i		(397)
<i>Allowances not reflected in regulatory capital</i>			(2,053)
Segregated fund net assets		576,818	574,535
Other		1,368	-
Customers' liability under acceptances		15,641	15,641
Derivatives		94,039	94,125
Premises and equipment, net		2,832	2,829
Goodwill	e	11,137	11,137
<i>Goodwill related to insurance and joint ventures</i>	e'		7
Other intangibles	f	4,687	4,603
<i>Other intangibles related to insurance and joint ventures</i>	f'		84
Other		44,064	45,480
<i>Significant investments in other financial institutions and insurance subsidiaries</i>			3,883
<i>of which: exceeding regulatory thresholds</i>	l		-
<i>of which: not exceeding regulatory thresholds</i>			3,883
<i>Defined -benefit pension fund net assets</i>	k		524
<i>Deferred tax assets</i>			1,434
<i>of which: deferred tax assets excluding those arising from temporary differences</i>	g		178
<i>of which: deferred tax assets arising from temporary differences exceeding regulatory thresholds</i>	m		-
<i>of which: deferred tax liabilities related to permitted tax netting</i>			(995)
<i>of which: deferred tax assets - other temporary differences</i>			2,251
Other assets			39,639
Total assets		1,334,734	1,322,347

¹ Collective allowance includes Stage 1 and Stage 2 ACL on financial assets under IFRS 9.

² Expected loss as defined under the Basel III framework.

REGULATORY CAPITAL BALANCE SHEET *continued*
(Millions of Canadian dollars)

Liabilities
Deposits
Personal
Business and government
Bank
Segregated fund net liabilities
Other
Acceptances
Obligations related to securities sold short
Obligations related to assets sold under repurchase agreements and securities loaned
Derivatives
Insurance claims and policy benefit liabilities
Other liabilities
<i>Gains and losses due to changes in own credit risk on fair value liabilities</i>
Deferred tax liabilities
<i>of which: related to goodwill</i>
<i>of which: related to intangibles</i>
<i>of which: related to pensions</i>
<i>of which: relates to permitted tax netting</i>
<i>of which: other deferred tax liabilities</i>
Other Liabilities
Subordinated debentures
Regulatory capital amortization of maturing debentures
Subordinated debentures not allowed for regulatory capital
Subordinated debentures used for regulatory capital:
<i>of which: are qualifying</i>
<i>of which: are subject to phase out directly issued capital:</i>
<i>of which: are subject to phase out issued by subsidiaries and held by 3rd party</i>
Total liabilities
Equity attributable to shareholders
Common shares
<i>of which are treasury shares - common</i>
Retained earnings
<i>of which relates to contributed surplus</i>
<i>of which relates to retained earning for capital purposes</i>
<i>of which relates to insurance and joint ventures</i>
Other components of equity
<i>Gains and losses on derivatives designated as cash flow hedges</i>
<i>Unrealized foreign currency translation gains and losses, net of hedging activities</i>
Other reserves allowed for regulatory capital
<i>of which relates to Insurance</i>
Preferred shares
<i>of which: are qualifying</i>
<i>of which: are subject to phase out</i>
<i>of which portion are not allowed for regulatory capital</i>
<i>of which: are qualifying treasury shares</i>
<i>of which: are subject to phase out treasury shares</i>
Non-controlling interests
<i>of which: are qualifying</i>
portion allowed for inclusion into CET1
portion allowed for inclusion into Tier 1 capital
portion allowed for inclusion into Tier 2 capital
<i>of which: are subject to phase out</i>
<i>of which: portion not allowed for regulatory capital</i>
Total equity
Total liabilities and equity

	Cross Reference to Basel III Regulatory Capital Components Page 20	Q4/18	
		Balance sheet as in Report to Shareholders	Under regulatory scope of consolidation
		270,154	270,154
		534,371	534,492
		32,521	32,521
		837,046	837,167
		1,368	-
		15,662	15,662
		32,247	32,247
		206,814	206,814
		90,238	90,238
		10,000	-
		52,273	51,077
	j		(105)
	t		84
	v		103
	w		846
	u		102
	w		28
			(995)
			51,098
	q	9,131	9,131
			-
	q'		382
			8,749
	q''		6,230
	q'''		2,509
	q''''		10
		1,254,779	1,242,336
		79,861	79,917
	a	17,617	17,617
	a''		(18)
		51,112	51,114
	a'		305
	b		50,809
	b'		(2)
	c	4,823	4,877
	h		688
			4,148
			(12)
	c'		53
	n	6,309	6,309
	n'		3,825
	n''		2,450
	n'''		34
	n''''		-
	n'''''		-
	x	94	94
			14
	d		3
	o		13
	r		-
	x'		64
		79,955	80,011
		1,334,734	1,322,347
	Equity		Assets
		5	-
		13	46
		2,268	15,046
		60	104
		1	-
		1,205	743
		3,552	15,939

Insurance subsidiaries ¹	Principal activities
Assured Assistance Inc.	Service provider for insurance claims
RBC Insurance Services Inc.	Service provider for insurance companies listed and the bank (creditor)
RBC Life Insurance Company	Life and health insurance company
RBC Insurance Company of Canada	Property and casualty insurance company
RBC Insurance Holdings Inc.	Holding company
Royal Bank of Canada Insurance Company Limited	Life, annuity, trade credit, title and property reinsurance company provides coverage to international clients

¹ The list of legal entities that are included within the accounting scope of consolidation but excluded from the regulatory scope of consolidation.

FLOW STATEMENT OF THE MOVEMENTS IN REGULATORY CAPITAL ¹

(Millions of Canadian dollars)

Common Tier 1 (CET1) capital
Opening amount

New capital issues	
Redeemed capital	
Gross dividends (deduction)	
Shares issued in lieu of dividends (add back)	
Profit for the year (attributable to shareholders of parent company)	
Removal of own credit spread (net of tax)	
Movement in other comprehensive income	
Currency translation differences (unrealized foreign currency translation gains/(losses)), net of hedging activities)	
Investments (unrealized gains (losses) on Investment securities)	
Other	
Goodwill and other intangible assets (deduction, net of related tax liability)	
Other, including regulatory adjustments and transitional arrangements	
Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)	
Defined benefit pension fund assets (net of related tax liability)	
Investment in common equity of deconsolidated subsidiaries & other significant investments	
Prudential valuation adjustments	
Other ²	

Closing amount
Other 'non-core' Tier 1 (Additional Tier 1) capital
Opening amount

New non-core Tier 1 (additional Tier 1) eligible capital issues	
Redeemed capital	
Other, including regulatory adjustments and transitional arrangements ³	

Closing amount
Total Tier 1 capital
Tier 2 capital
Opening amount

New Tier 2 eligible capital issues	
Redeemed capital	
Amortization adjustments	
Other, including regulatory adjustments and transitional arrangements ⁴	

Closing amount
Total regulatory capital

Q4/18	Q3/18	Q2/18	Q1/18	Q4/17
55,054	53,277	51,145	51,572	49,608
23	24	15	30	39
(30)	(16)	(28)	(113)	(68)
(1,483)	(1,426)	(1,427)	(1,391)	(1,396)
-	-	-	-	-
3,247	3,101	3,051	3,001	2,829
6	-	(177)	30	79
305	340	1,152	(1,328)	1,143
346	336	1,265	(1,345)	1,061
(117)	21	(40)	(254)	48
76	(17)	(73)	271	34
(209)	(82)	(342)	98	(290)
88	(164)	(112)	(754)	(372)
(166)	-	(2)	9	2
105	(536)	(30)	(4)	(3)
-	-	-	-	-
-	-	-	-	-
149	372	(80)	(759)	(371)
57,001	55,054	53,277	51,145	51,572
6,278	6,781	6,780	6,789	7,079
-	3	(3)	-	-
-	-	-	-	-
-	(506)	4	(9)	(290)
6,278	6,278	6,781	6,780	6,789
63,279	61,332	60,058	57,925	58,361
9,193	9,156	9,059	9,195	9,133
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
22	37	97	(136)	62
9,215	9,193	9,156	9,059	9,195
72,494	70,525	69,214	66,984	67,556

¹ Reflects required EDTF format.

² Includes changes in shortfall in allowance, treasury shares, issue costs and other, share-based compensation awards, threshold deduction allocated to loss carry back, de-recognition of cash flow hedge reserves, transitional adjustment, premium paid on common shares purchased for cancellation and common equity issued by consolidated subsidiaries to third parties.

³ Includes changes to capital issued by consolidated bank subsidiaries to third parties and non-qualifying capital instruments.

⁴ Includes changes to non-qualifying capital issued by consolidated bank subsidiaries to third parties, non-qualifying capital instruments and eligible collective allowance.

TOTAL CAPITAL RISK-WEIGHTED ASSETS ¹ (Millions of Canadian dollars, except percentage and per share amounts)	Q4/18					Q4/18	Risk-weighted assets All-in Basis				
	Risk-weighted assets All-in Basis					Capital requirements					
	Exposure ²	Average of risk weights ³	Standardized approach	Advanced approach	Other	Total ⁴	Total ⁴	Q3/18 Total ⁴	Q2/18 Total ⁴	Q1/18 Total ⁴	Q4/17 Total ⁴
Credit risk ⁵											
Lending-related and other											
Residential mortgages	\$259,528	8%	\$7,116	\$14,803	-	21,919	1,754	21,664	20,125	18,106	18,197
Other retail (Personal, Credit cards and Small business treated as retail)	255,747	22%	6,908	48,761	-	55,669	4,454	55,364	55,525	52,998	53,749
Business (Corporate, Commercial, Medium-sized enterprises and Non-bank financial institutions)	355,587	58%	45,630	160,105	-	205,735	16,458	213,476	205,627	188,227	187,163
Sovereign (Government)	145,036	8%	2,181	9,256	-	11,437	915	10,913	11,149	11,826	11,735
Bank	140,682	7%	1,622	8,617	-	10,239	819	9,779	8,742	10,092	11,267
Total lending-related and other	1,156,580	26%	63,457	241,542	-	304,999	24,400	311,196	301,168	281,249	282,111
Trading-related											
Repo-style transactions	658,100	1%	106	7,976	34	8,116	649	8,692	9,046	8,659	8,520
Derivatives -including CVA - CET1 phase-in adjustment ⁶	97,496	32%	661	17,522	12,990	31,173	2,494	31,349	30,553	31,629	28,388
Total trading-related	755,596	5%	767	25,498	13,024	39,289	3,143	40,041	39,599	40,288	36,908
Total lending-related and other and trading-related	1,912,176	18%	64,224	267,040	13,024	344,288	27,543	351,237	340,767	321,537	319,019
Bank book equities ^{7,8}	3,245	128%	-	4,161	-	4,161	333	4,186	3,732	3,709	3,485
Securitization exposures	63,338	16%	3,850	6,134	-	9,984	799	8,047	8,033	7,654	8,462
Regulatory scaling factor ⁹	n.a.	n.a.	n.a.	16,608	-	16,608	1,329	17,052	16,438	15,419	15,306
Other assets ¹⁰	19,169	133%	n.a.	n.a.	25,562	25,562	2,044	26,008	27,080	26,018	28,836
Total credit risk ¹⁰	1,997,928	20%	68,074	293,943	38,586	400,603	32,048	406,530	396,050	374,337	375,108
Market risk ^{11,12}											
Interest rate			4,547	4,950	-	9,497	760	9,579	9,144	8,628	6,910
Equity			1,501	2,364	-	3,865	309	2,494	2,216	2,709	2,832
Foreign exchange			862	100	-	962	77	976	826	887	735
Commodities			159	31	-	190	15	221	210	376	245
Specific risk			5,907	2,098	-	8,005	640	8,319	9,899	8,306	7,193
Incremental risk charge ^{13,14}			-	9,690	-	9,690	776	8,332	9,455	9,194	9,703
Total market risk			12,976	19,233	-	32,209	2,577	29,921	31,750	30,100	27,618
Operational risk			5,194	57,522	n.a.	62,716	5,017	61,498	60,426	60,119	59,203
Regulatory floor adjustment ¹⁵			-	-	-	-	-	-	-	2,202	12,549
CET1 capital risk-weighted assets	1,997,928		86,244	370,698	38,586	495,528	39,642	497,949	488,226	466,758	474,478
Additional CVA adjustment, prescribed by OSFI, for Tier 1 Capital ⁶					465	465	37	473	473	461	784
Regulatory floor adjustment ¹⁵					-	-	-	-	-	(461)	(784)
Tier 1 capital risk-weighted assets	1,997,928		86,244	370,698	39,051	495,993	39,679	498,422	488,699	466,758	474,478
Additional CVA adjustment, prescribed by OSFI, for Total Capital ⁶					466	466	38	474	473	462	627
Regulatory floor adjustment ¹⁵					-	-	-	-	-	(462)	(627)
Total capital risk-weighted assets (RWA)	1,997,928		86,244	370,698	39,517	496,459	39,717	498,896	489,172	466,758	474,478
RWA CVA PHASE-IN CALCULATION ⁶											
	CVA (A)	OSFI Scalars (B)	Total RWA before CVA phase-in (C)	CVA Phase-in Adjustments (D)=A*(100%-B)	RWA Net CVA phase-in (E)=C-D	Regulatory Floor Adjustment ¹⁵	RWA including Regulatory Floor Adjustment, net CVA				
Common equity tier 1 (CET1) capital RWA	15,506	80%	498,629	3,101	495,528	-	495,528				
Tier 1 capital RWA	15,506	83%	498,629	2,636	495,993	-	495,993				
Total capital RWA	15,506	86%	498,629	2,170	496,459	-	496,459				

¹ Calculated using guidelines issued by OSFI under the Basel III All-in framework.

² Total exposure represents exposure at default (EAD) which is the expected gross exposure upon the default of an obligor. This amount excludes any allowance against impaired loans or partial write-offs and does not reflect the impact of credit risk mitigation.

³ Represents the average of counterparty risk weights within a particular category.

⁴ The minimum capital requirements for each category can be calculated by multiplying the total RWA by 8%.

⁵ For credit risk, a majority of our portfolios use the Internal Ratings Based (IRB) Approach and the remainder use the Standardized Approach.

⁶ As per OSFI guidelines, the CVA regulatory capital charge applied to derivatives has a three tier capital approach with different scalars for each tier. For 2018 the scalars percentages were 80%, 83% and 86% applied to CET1, Tier 1 and TC respectively. 2018 scalars are shown above.

⁷ CAR guidelines define banking book equities based on the economic substance of the transaction rather than the legal form or accounting treatment associated with the financial instrument. As such, differences exist in the identification of equity securities held in the banking book and those reported in the financial statements. Banking book equities are financial instruments held for investment purposes and are not part of our trading book, consisting of publicly-traded and private equities, partnership units, venture capital and derivative instruments tied to equity interests.

⁸ As at Q4/18, the amount of publicly-traded equity exposures was \$1,232 million and private equity exposures amounted to \$2,013 million. Total exposure represents EAD, which is the expected gross exposure upon the default of an obligor. Effective Q1/17, the Basel Committee on Banking Supervision issued new requirements for Equity Investments in Funds (BCBS 266). The Simple Risk Weight method under the Market-based Approach is being used to calculate RWA for Direct Equity exposures (\$2,179 million). On the other hand, the calculation of RWA for Equity Investments in Funds (\$1,066 million) uses the Mandate-based and Fall-Back Approaches.

⁹ The amount of AFS securities held in the banking book that were "grandfathered" under CAR guidelines, and thus subject to a 100% risk-weighting until the end of 2017, was \$74 million for Q4/17.

¹⁰ The scaling factor represents a calibration adjustment of 6% as prescribed by OSFI under the Basel III framework and is applied to RWA amounts for credit risk assessed under the IRB Approach.

¹¹ For credit risk, portfolios using the Standardized and IRB Approaches represents 17% and 73%, respectively, of RWA. The remaining 10% represents Balance Sheet assets not included in Standardized or IRB Approaches.

¹² For market risk RWA measurement, we use an internal models approach where we have obtained regulatory approval, and a standardized approach for products yet to be approved. For standardized approach, we use internally validated models.

¹³ Regulatory capital for our correlation trading portfolios is determined through the standardized approach as prescribed by OSFI. Therefore, we do not have a Comprehensive Risk Charge for these portfolios. Our securitization and resecuritization positions in our trading book also have capital requirements under the standardized approach. The changes in value due to market and credit risk in the securitization and resecuritization in the trading book are managed through the daily mark-to-market process. Furthermore, we employ market risk measures such as sensitivities to changes in option-adjusted spreads and underlying asset prices as well as value-at-risk (VaR) and stress testing measures.

¹⁴ The incremental risk charge (IRC) was \$775 million as at Q4/18. The average was \$637 million, high was \$801 million and low was \$503 million for Q4/18. The IRC is measured over a one-year horizon at a 99.9% confidence level. We utilize a technique known as the Monte Carlo simulation process to generate a statistically relevant number of loss scenarios due to ratings migration and default in order to establish the losses at that confidence level. We also make certain assumptions about position liquidity (the length of time to close out a position) within the model that range from a floor of three months to maximum of one year. The determination of liquidity is based on issuer type and credit rating. Credit rating migration and default probabilities (PD) are based on historical data.

¹⁵ The models are subject to the same internal independent vetting and validation procedures used for all regulatory capital models. Important assumptions are re-reviewed at least annually. Due to the long time horizon and high confidence level of the risk measure, we do not perform back-testing as we do for the VaR measure.

¹⁶ Effective February 1, 2018, OSFI prescribed the transition from the current Basel I regulatory capital floor to a new regulatory capital floor of 75% of RWA based on the Basel II Standardized Approaches. This new regulatory floor will be transitioned over three quarters reflecting a regulatory capital floor requirement of 70%, 72.5%, and 75% in Q2/18, Q3/18, and Q4/18, respectively.

TOTAL CAPITAL RISK-WEIGHTED ASSETS BY BUSINESS SEGMENTS (ALL-IN BASIS) (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17
Personal and Commercial Banking							
Canadian Banking	165,146	166,922	163,982	156,735	154,983	155,476	150,754
Caribbean & U.S. Banking	12,430	12,825	12,780	12,309	12,572	12,557	14,341
Wealth Management	70,092	68,088	69,286	67,018	68,431	65,832	69,264
Insurance	8,984	8,933	8,744	8,438	8,584	8,248	7,835
Investor & Treasury Services	29,223	26,806	26,239	27,165	28,891	29,075	29,953
Capital Markets	201,499	206,968	201,260	183,346	181,942	181,216	193,084
Corporate Support	9,085	8,354	6,881	11,747	19,075	5,732	5,945
Total capital RWA	496,459	498,896	489,172	466,758	474,478	458,136	471,176

MOVEMENT OF TOTAL CAPITAL RISK-WEIGHTED ASSETS (RWA) BY RISK TYPE (ALL-IN BASIS) (Millions of Canadian dollars, except percentage and otherwise noted)	Q4/18			Q3/18			Q2/18			Q1/18		
	Non-counterparty credit risk	Counterparty credit risk	Total	Non-counterparty credit risk	Counterparty credit risk	Total	Non-counterparty credit risk	Counterparty credit risk	Total	Non-counterparty credit risk	Counterparty credit risk	Total
Credit risk RWA												
Opening balance of credit risk RWA	366,581	40,896	407,477	356,452	40,544	396,996	334,051	41,209	375,260	338,200	38,319	376,519
Portfolio size ¹	3,359	(66)	3,293	9,411	577	9,988	13,669	(63)	13,606	6,717	3,041	9,758
Portfolio credit quality ²	286	(340)	(54)	94	(351)	(257)	(652)	(492)	(1,144)	(1,144)	(241)	(1,385)
Model updates ³	(8,709)	46	(8,663)	-	-	-	3,172	-	3,172	-	-	-
Methodology and policy ⁴	-	-	-	-	-	-	-	-	-	(2,439)	784	(1,655)
Acquisitions and dispositions	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange movements	2,212	78	2,290	1,594	97	1,691	6,467	809	7,276	(6,897)	(747)	(7,644)
Other	(2,337)	(472)	(2,809)	(970)	29	(941)	(255)	(919)	(1,174)	(386)	53	(333)
Closing balance of credit risk RWA	361,392	40,142	401,534	366,581	40,896	407,477	356,452	40,544	396,996	334,051	41,209	375,260
Market risk RWA												
Opening balance of market risk RWA	n.a.	n.a.	29,921	n.a.	n.a.	31,750	n.a.	n.a.	30,100	n.a.	n.a.	27,618
Movement in risk levels ⁵	n.a.	n.a.	972	n.a.	n.a.	(859)	n.a.	n.a.	429	n.a.	n.a.	3,365
Model updates ³	n.a.	n.a.	617	n.a.	n.a.	(985)	n.a.	n.a.	67	n.a.	n.a.	(375)
Methodology and policy ⁴	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-
Acquisitions and dispositions	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-
Foreign exchange movements	n.a.	n.a.	699	n.a.	n.a.	15	n.a.	n.a.	1,154	n.a.	n.a.	(508)
Other	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-
Closing balance of market risk RWA	n.a.	n.a.	32,209	n.a.	n.a.	29,921	n.a.	n.a.	31,750	n.a.	n.a.	30,100
Operational risk RWA												
Opening balance of operational risk RWA	n.a.	n.a.	61,498	n.a.	n.a.	60,426	n.a.	n.a.	60,119	n.a.	n.a.	59,203
Revenue generation	n.a.	n.a.	1,218	n.a.	n.a.	1,072	n.a.	n.a.	307	n.a.	n.a.	916
Closing balance of operational risk RWA	n.a.	n.a.	62,716	n.a.	n.a.	61,498	n.a.	n.a.	60,426	n.a.	n.a.	60,119
Regulatory floor adjustment ⁶	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	-	n.a.	n.a.	1,279
Total capital RWA	361,392	40,142	496,459	366,581	40,896	498,896	356,452	40,544	489,172	334,051	41,209	466,758

ATTRIBUTED CAPITAL (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Attributed capital											
Credit risk	23,100	22,550	21,400	21,650	21,500	22,250	21,000	21,050	20,500	22,200	21,450
Market risk (trading and non-trading)	3,600	3,850	4,150	3,850	3,750	3,100	3,100	3,150	3,000	3,800	3,250
Operational risk	5,700	5,650	5,500	5,550	5,150	5,150	5,300	5,100	5,000	5,600	5,200
Business and fixed assets risk	3,500	3,400	3,400	3,350	3,250	3,200	3,250	3,150	3,100	3,400	3,200
Insurance risk	700	700	700	650	700	650	650	600	600	700	650
Goodwill and intangibles	15,700	15,600	15,550	15,300	15,250	15,500	15,800	15,700	15,750	15,550	15,550
Regulatory capital allocation ⁷	13,600	13,100	11,550	11,450	10,450	11,450	10,800	11,050	8,800	12,450	10,950
Attributed capital	65,900	64,850	62,250	61,800	60,050	61,300	59,900	59,800	56,750	63,700	60,250
Under/(over) attribution of capital ^{7, 8}	5,800	4,800	5,200	5,050	5,850	4,450	4,900	4,850	6,350	5,200	5,050
Total average common equity	71,700	69,650	67,450	66,850	65,900	65,750	64,800	64,650	63,100	68,900	65,300

¹ Organic changes in portfolio size and composition (including new business and maturing loans).

² Quality of book changes caused by experience such as underlying customer behaviour or demographics and credit migration.

³ Updates to the model to reflect recent experience, model implementation, change in model scope or any change to address model malfunctions including changes through model calibrations/realignments.

⁴ Methodology changes to the calculations driven by regulatory policy changes.

⁵ Change in risk due to position changes and market movements.

⁶ Effective February 1, 2018, OSFI prescribed the transition from the current Basel I regulatory capital floor to a new regulatory capital floor of 75% of RWA based on the Basel II Standardized Approaches. This new regulatory floor will be transitioned over three quarters reflecting a regulatory capital floor requirement of 70%, 72.5%, and 75% in Q2/18, Q3/18, and Q4/18, respectively.

⁷ Our capital allocation methodology is annually revised to anticipate and incorporate any changes in the regulatory (Basel and/or OSFI) environment that affects our capital requirement.

⁸ Under/(over) attribution of capital is reported in Corporate Support.

LEVERAGE RATIO ¹
Summary comparison of accounting assets vs. leverage ratio exposure measure
(Millions of Canadian dollars)

	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17
1 Total consolidated assets as per published financial statements	1,334,734	1,292,374	1,274,778	1,276,275	1,212,853
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(12,474)	(12,329)	(12,245)	(12,110)	(11,648)
3 Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-	-
4 Adjustments for derivative financial instruments	(17,256)	(16,148)	(26,738)	(33,274)	(20,372)
5 Adjustment for securities financing transactions (SFT) (i.e. repo assets and similar secured lending)	(6,374)	2,297	5,916	3,693	4,512
6 Adjustments for off-balance sheet items (i.e., credit equivalent amounts of off-balance sheet exposures)	183,528	178,360	170,264	163,420	162,199
7 Other adjustments	(31,389)	(30,655)	(30,947)	(34,149)	(32,005)
8 Leverage Ratio Exposure	1,450,769	1,413,899	1,381,028	1,363,855	1,315,539

¹ Based on OSFI's Leverage Requirements Guidelines issued October 2014. Leverage ratio summary disclosure was revised in Q1/18, as instructed by OSFI. Historical periods reflect the Leverage Ratio Exposure-All-in basis.

LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE¹
(Millions of Canadian dollars, except percentages)

	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17
On-balance sheet exposures					
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures, but including collateral)	932,572	925,779	904,693	896,026	882,407
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(16,670)	(16,533)	(15,957)	(15,574)	(16,104)
3 Total on-balance sheet exposure (excluding derivatives and SFTs) (sum of lines 1 and 2)	915,902	909,246	888,736	880,452	866,303
Derivatives exposures					
4 Replacement cost associated with all derivatives transactions (i.e., net of eligible cash variation margin)	17,836	16,628	15,771	15,435	17,414
5 Add-on amounts for potential future exposure (PFE) associated with all derivatives transactions	57,904	54,891	51,085	56,259	56,599
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-	-
7 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(14,148)	(13,004)	(12,978)	(16,222)	(13,431)
8 (Exempted central counterparty (CCP)-leg of client-cleared trade exposures)	-	-	-	-	-
9 Adjusted effective notional amount of written credit derivatives	1,042	836	582	544	638
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-	-
11 Total derivative exposures (sum of lines 4 to 10)	62,634	59,351	54,460	56,016	61,220
Securities financing transaction exposures					
12 Gross SFT assets recognized for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	315,685	282,825	284,946	275,109	241,707
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(36,209)	(25,974)	(25,631)	(21,580)	(24,022)
14 Counterparty credit risk (CCR) exposure for SFTs	9,229	10,091	8,253	10,438	8,132
15 Agent transaction exposures	-	-	-	-	-
16 Total securities financing transaction exposures (sum of lines 12 to 15)	288,705	266,942	267,568	263,967	225,817
Other off-balance sheet exposures					
17 Off-balance sheet exposures at gross notional amount	546,043	535,137	524,901	500,939	497,169
18 (Adjustments for conversion to credit equivalent amounts)	(362,515)	(356,777)	(354,637)	(337,519)	(334,970)
19 Off-balance sheet items (sum of lines 17 and 18)	183,528	178,360	170,264	163,420	162,199
Capital and Total Exposures					
20 Tier 1 capital	63,279	61,332	60,058	57,925	58,361
21 Total Exposures (sum of lines 3,11,16 and 19)	1,450,769	1,413,899	1,381,028	1,363,855	1,315,539
Leverage ratio					
22 Basel III leverage ratio	4.4%	4.3%	4.3%	4.2%	4.4%

¹ Based on OSFI's Leverage Requirements Guidelines issued October 2014. Leverage ratio summary disclosure was revised in Q1/18, as instructed by OSFI. Historical periods reflect the Leverage Ratio Exposure-All-in basis.

LOANS AND ACCEPTANCES (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
By portfolio and sector											
Retail											
Residential mortgages	282,471	278,291	273,383	272,192	270,348	264,583	259,973	257,324	254,998	282,471	270,348
HELOC	42,197	42,183	42,117	42,001	42,430	43,109	42,688	41,918	42,503	42,197	42,430
Other personal	50,503	50,608	49,878	49,468	49,864	49,978	50,262	50,188	50,963	50,503	49,864
Total personal	92,700	92,791	91,995	91,469	92,294	93,087	92,950	92,106	93,466	92,700	92,294
Credit cards	19,415	19,027	18,551	18,049	18,035	17,789	17,417	16,942	17,128	19,415	18,035
Small business	4,866	4,775	4,629	4,525	4,493	4,410	3,828	3,789	3,878	4,866	4,493
	399,452	394,884	388,558	386,235	385,170	379,869	374,168	370,161	369,470	399,452	385,170
Wholesale											
Business											
Agriculture	8,312	8,031	7,904	7,683	7,380	7,141	6,921	6,886	6,515	8,312	7,380
Automotive	8,726	9,247	9,113	8,663	8,248	8,316	8,456	7,939	7,279	8,726	8,248
Consumer goods	12,012	12,183	11,286	10,738	11,387	10,955	10,530	10,083	10,052	12,012	11,387
Energy											
Oil and gas	6,027	5,718	7,187	6,559	6,743	6,722	5,977	6,176	6,259	6,027	6,743
Utilities	8,090	8,475	5,318	5,305	5,614	5,532	6,003	6,083	7,680	8,090	5,614
Financing products	7,938	5,551	5,863	5,891	6,556	6,952	8,163	7,732	8,840	7,938	6,556
Forest products	1,100	992	1,050	950	911	1,014	1,101	1,113	1,099	1,100	911
Health services	6,982	6,866	7,551	6,759	6,998	6,507	7,392	7,637	7,763	6,982	6,998
Holding and investments	8,883	9,066	8,876	8,605	8,803	8,585	8,533	7,825	7,195	8,883	8,803
Industrial products	7,509	6,764	6,225	6,176	5,581	5,731	5,598	5,875	5,508	7,509	5,581
Mining and metals	1,301	1,244	1,212	1,149	1,113	1,168	1,404	1,343	1,455	1,301	1,113
Non-bank financial services	16,157	14,739	12,901	10,820	10,744	10,428	10,169	8,792	8,408	16,157	10,744
Other services	16,908	17,063	15,047	14,913	14,757	14,639	15,557	12,705	11,582	16,908	14,757
Real estate and related ¹	51,563	51,001	48,862	46,284	46,197	43,583	42,987	42,817	40,419	51,563	46,197
Technology and media	11,506	11,578	10,011	11,055	8,890	9,019	9,606	10,193	11,019	11,506	8,890
Transportation and environment	6,318	5,942	7,389	5,715	5,950	5,486	6,981	5,712	6,060	6,318	5,950
Other	5,551	2,381	4,338	3,935	4,570	4,041	4,411	6,154	7,568	5,551	4,570
Sovereign	5,884	5,776	6,523	5,951	11,362	11,543	10,766	11,084	10,581	5,884	11,362
Bank	5,173	4,532	4,655	3,813	4,261	4,285	4,296	1,898	1,930	5,173	4,261
	195,940	187,149	181,311	170,964	176,065	171,647	174,851	168,047	167,212	195,940	176,065
Total loans and acceptances	595,392	582,033	569,869	557,199	561,235	551,516	549,019	538,208	536,682	595,392	561,235
ACL - Loans and acceptances	(2,933)	(2,853)	(2,823)	(2,792)	(2,159)	(2,236)	(2,258)	(2,239)	(2,235)	(2,933)	(2,159)
Total loans and acceptances, net of allowance	592,459	579,180	567,046	554,407	559,076	549,280	546,761	535,969	534,447	592,459	559,076
Loans and acceptances by geography ² and portfolio											
Canada											
Residential mortgages	265,831	262,235	257,974	257,812	255,799	250,998	245,601	244,003	241,800	265,831	255,799
HELOC	40,143	40,301	40,473	40,492	40,970	41,728	41,214	40,509	41,093	40,143	40,970
Personal	41,969	41,843	41,263	41,048	41,052	41,133	40,619	40,779	41,112	41,969	41,052
Total personal	82,112	82,144	81,736	81,540	82,022	82,861	81,833	81,288	82,205	82,112	82,022
Credit cards	18,793	18,461	17,959	17,490	17,491	17,287	16,838	16,394	16,601	18,793	17,491
Small business	4,866	4,775	4,629	4,525	4,493	4,410	3,828	3,789	3,878	4,866	4,493
Retail	371,602	367,615	362,298	361,367	359,805	355,556	348,100	345,474	344,484	371,602	359,805
Business											
Sovereign	112,447	108,791	97,241	91,811	88,453	83,532	79,471	77,749	76,266	112,447	88,453
Bank	4,307	4,188	4,634	4,185	9,379	9,632	8,549	9,098	8,586	4,307	9,379
	1,873	1,296	1,197	1,162	1,326	1,255	989	867	1,278	1,873	1,326
Wholesale	118,627	114,275	103,072	97,158	99,158	94,419	89,009	87,714	86,130	118,627	99,158
United States											
Retail	21,033	20,231	19,233	17,853	18,100	17,311	18,376	17,342	17,134	21,033	18,100
Wholesale	59,476	55,277	58,154	54,173	55,037	55,101	62,311	57,724	59,349	59,476	55,037
	80,509	75,508	77,387	72,026	73,137	72,412	80,687	75,066	76,483	80,509	73,137
Other International											
Retail	6,817	7,038	7,027	7,015	7,265	7,002	7,692	7,345	7,852	6,817	7,265
Wholesale	17,837	17,597	20,085	19,633	21,870	22,127	23,531	22,609	21,733	17,837	21,870
	24,654	24,635	27,112	26,648	29,135	29,129	31,223	29,954	29,585	24,654	29,135
Total											
Retail	399,452	394,884	388,558	386,235	385,170	379,869	374,168	370,161	369,470	399,452	385,170
Wholesale	195,940	187,149	181,311	170,964	176,065	171,647	174,851	168,047	167,212	195,940	176,065
Total loans and acceptances	595,392	582,033	569,869	557,199	561,235	551,516	549,019	538,208	536,682	595,392	561,235

¹ Wholesale - Real estate and related loans and acceptances in Q4/18 is comprised of amounts based in Canada of \$36.1 billion, United States of \$13.0 billion and Other International of \$2.5 billion.

² Geographic information is based on residence of borrower.

GROSS IMPAIRED LOANS ¹ (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
GIL by portfolio and sector											
Retail											
Residential mortgages	725	736	766	749	634	621	723	688	709	725	634
HELOC	114	114	102	103	116	120	102	104	109	114	116
Other personal	188	182	190	184	160	165	178	193	195	188	160
Total personal	302	296	292	287	276	285	280	297	304	302	276
Small business	44	44	42	43	38	38	40	41	46	44	38
	1,071	1,076	1,100	1,079	948	944	1,043	1,026	1,059	1,071	948
Wholesale											
Business											
Agriculture	29	22	17	17	28	24	35	35	43	29	28
Automotive	7	7	29	31	29	20	25	43	43	7	29
Consumer goods	68	191	221	219	105	100	108	127	165	68	105
Energy											
Oil and gas	231	279	420	291	315	482	625	983	1,264	231	315
Utilities	7	8	8	8	10	11	55	57	78	7	10
Financing products	78	77	76	102	107	104	113	107	111	78	107
Forest products	9	9	9	12	7	10	16	18	21	9	7
Health services	6	10	21	29	21	21	13	17	21	6	21
Holding and investments	10	16	21	25	27	88	102	17	72	10	27
Industrial products	42	37	42	36	34	32	41	44	43	42	34
Mining and metals	2	3	2	2	3	4	8	10	15	2	3
Non-bank financial services	20	22	24	25	32	36	5	5	3	20	32
Other services	140	127	188	163	157	185	185	187	109	140	157
Real estate and related ²	293	292	358	345	345	417	372	363	241	293	345
Technology and media	10	12	28	56	82	83	100	100	93	10	82
Transportation and environment	91	67	24	22	23	25	27	26	45	91	23
Other	48	46	46	41	47	42	45	46	57	48	47
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	2	-	-
	1,091	1,225	1,534	1,424	1,372	1,684	1,875	2,185	2,426	1,091	1,372
Acquired credit-impaired loans ³	21	20	21	24	256	268	331	348	418	21	256
Total GIL	2,183	2,321	2,655	2,527	2,576	2,896	3,249	3,559	3,903	2,183	2,576
GIL by geography ⁴ and portfolio											
Canada											
Residential mortgages	431	426	448	443	323	324	362	372	368	431	323
HELOC	109	111	98	99	96	98	100	102	107	109	96
Other personal	139	129	134	130	102	103	109	124	121	139	102
Total personal	248	240	232	229	198	201	209	226	228	248	198
Small business	44	44	42	43	38	38	40	41	46	44	38
Retail	723	710	722	715	559	563	611	639	642	723	559
Business	396	383	527	518	426	467	405	427	522	396	426
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-
Wholesale	396	383	527	518	426	467	405	427	522	396	426
Total - Canada	1,119	1,093	1,249	1,233	985	1,030	1,016	1,066	1,164	1,119	985
United States											
Retail	23	32	37	39	59	61	76	50	56	23	59
Wholesale	401	354	497	386	736	978	1,243	1,653	1,736	401	736
	424	386	534	425	795	1,039	1,319	1,703	1,792	424	795
Other International											
Retail	327	336	343	327	345	335	373	355	380	327	345
Wholesale	313	506	529	542	451	492	541	435	567	313	451
	640	842	872	869	796	827	914	790	947	640	796
Total GIL	2,183	2,321	2,655	2,527	2,576	2,896	3,249	3,559	3,903	2,183	2,576

¹ Effective November 1, 2017, the definition of GIL has been shortened for certain products to align with a definition of default of 90 days past due under IFRS 9, resulting in an increase in GIL of \$134 million. For further details on the impacts of the adoption of IFRS 9 including the description of accounting policies selected, refer to the 2018 Annual Report.

² Wholesale - Real estate and related GIL in Q4/18 is comprised of amounts based in Canada of \$137 million, United States of \$62 million and Other International of \$94 million.

³ Effective November 1, 2017, GIL excludes \$229 million of acquired credit impaired loans related to our acquisition of City National that have returned to performing status.

⁴ Geographic information is based on residence of borrower.

GROSS IMPAIRED LOANS <i>continued</i> (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Impaired loans book movements (Change in GIL)											
Balance at beginning of period											
Retail	1,078	1,102	1,081	963	959	1,060	1,044	1,078	1,035	963	1,078
Wholesale	1,243	1,553	1,446	1,613	1,937	2,189	2,515	2,825	2,681	1,613	2,825
	2,321	2,655	2,527	2,576	2,896	3,249	3,559	3,903	3,716	2,576	3,903
Classified as impaired during the period (New impaired) ¹											
Retail	346	312	342	349	322	278	314	305	345	1,349	1,219
Wholesale	207	75	252	345	203	216	287	344	572	879	1,050
	553	387	594	694	525	494	601	649	917	2,228	2,269
Transferred to not impaired during the period (Return to performing status) ¹											
Retail	(7)	(8)	(1)	-	-	-	-	(3)	-	(16)	(3)
Wholesale	(119)	(65)	(35)	(85)	(176)	(41)	(409)	(138)	(183)	(304)	(764)
	(126)	(73)	(36)	(85)	(176)	(41)	(409)	(141)	(183)	(320)	(767)
Net repayments ¹											
Retail	(29)	(19)	(21)	(20)	(29)	(44)	(19)	(19)	(9)	(89)	(111)
Wholesale	(78)	(230)	(112)	(106)	(284)	(181)	(201)	(415)	(266)	(526)	(1,081)
	(107)	(249)	(133)	(126)	(313)	(225)	(220)	(434)	(275)	(615)	(1,192)
Amounts written off											
Retail	(320)	(313)	(310)	(294)	(302)	(297)	(299)	(301)	(303)	(1,237)	(1,199)
Wholesale	(62)	(82)	(36)	(27)	(82)	(54)	(55)	(35)	(51)	(207)	(226)
	(382)	(395)	(346)	(321)	(384)	(351)	(354)	(336)	(354)	(1,444)	(1,425)
Recoveries of loans and advances previously written off											
Retail	-	-	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Disposal of loans (sold) ¹											
Retail	-	-	-	-	-	-	-	-	-	-	-
Wholesale	(86)	(23)	-	-	(22)	(10)	(33)	(2)	-	(109)	(67)
	(86)	(23)	-	-	(22)	(10)	(33)	(2)	-	(109)	(67)
Exchange and other movements ^{1, 2}											
Retail	5	4	11	83	13	(38)	20	(16)	10	103	(21)
Wholesale	5	15	38	(294)	37	(182)	85	(64)	72	(236)	(124)
	10	19	49	(211)	50	(220)	105	(80)	82	(133)	(145)
Balance at end of period											
Retail	1,073	1,078	1,102	1,081	963	959	1,060	1,044	1,078	1,073	963
Wholesale	1,110	1,243	1,553	1,446	1,613	1,937	2,189	2,515	2,825	1,110	1,613
	2,183	2,321	2,655	2,527	2,576	2,896	3,249	3,559	3,903	2,183	2,576

Net impaired loans by geography ³ and portfolio	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Canada											
Residential mortgages	388	392	414	408	292	294	330	339	333	388	292
HELOC	81	82	73	74	72	73	75	76	80	81	72
Other personal	60	52	61	55	35	33	39	47	43	60	35
Total personal	141	134	134	129	107	106	114	123	123	141	107
Small business	26	23	22	25	19	20	22	21	26	26	19
Retail	555	549	570	562	418	420	466	483	482	555	418
Business	304	279	386	378	302	339	284	308	403	304	302
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-
Wholesale	304	279	386	378	302	339	284	308	403	304	302
United States ⁴											
Retail	22	31	35	38	58	60	75	49	54	22	58
Wholesale	237	228	360	251	586	740	1,034	1,458	1,559	237	586
	259	259	395	289	644	800	1,109	1,507	1,613	259	644
Other International											
Retail	161	165	172	170	177	172	193	186	200	161	177
Wholesale	204	350	344	375	298	347	368	260	396	204	298
	365	515	516	545	475	519	561	446	596	365	475
Total											
Retail	738	745	777	770	653	652	734	718	736	738	653
Wholesale	745	857	1,090	1,004	1,186	1,426	1,686	2,026	2,358	745	1,186
Total net impaired loans	1,483	1,602	1,867	1,774	1,839	2,078	2,420	2,744	3,094	1,483	1,839

¹ Certain GIL movements for Canadian Banking retail and wholesale portfolios are generally allocated to New Impaired, as Return to performing status, Net repayments, Sold, and Exchange and other movements amounts are not reasonably determinable. Certain GIL movements for Caribbean Banking retail and wholesale portfolios are generally allocated to Net repayments and New Impaired, as Return to performing status, Sold, and Exchange and other movements amounts are not reasonably determinable. In 2016, Exchange and other movements includes \$680 million of acquired credit impaired loans from City National at the acquisition date.

² Effective November 1, 2017, the definition of GIL has been shortened for certain products to align with a definition of default of 90 days past due under IFRS 9, resulting in an increase in GIL of \$134 million. For further details on the impacts of the adoption of IFRS 9 including the description of accounting policies selected, refer to the 2018 Annual Report. Additionally, effective November 1, 2017, GIL excludes \$229 million of acquired credit impaired loans related to our acquisition of City National that have returned to performing status.

³ Geographic information is based on residence of borrower, net of allowance for impaired loans.

⁴ Includes acquired credit-impaired loans.

GROSS IMPAIRED LOANS <i>continued</i> (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Net write-offs by geography¹ and portfolio											
Canada											
Residential mortgages	5	7	6	8	8	7	7	6	4	26	28
HELOC	3	3	5	4	4	4	4	2	4	15	14
Other personal	115	103	101	98	101	95	102	106	107	417	404
Total personal	118	106	106	102	105	99	106	108	111	432	418
Credit cards	114	116	119	107	102	108	109	107	106	456	426
Small business	9	7	5	7	8	6	9	6	8	28	29
Retail	246	236	236	224	223	220	231	227	229	942	901
Business	24	35	13	11	17	22	17	3	33	83	59
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-
Wholesale	24	35	13	11	17	22	17	3	33	83	59
United States²											
Retail	1	2	1	-	1	-	1	1	-	4	3
Wholesale	(6)	16	3	6	52	11	26	7	9	19	96
	(5)	18	4	6	53	11	27	8	9	23	99
Other International											
Retail	-	8	8	8	11	6	7	7	9	24	31
Wholesale	31	6	2	1	6	1	5	(7)	1	40	5
	31	14	10	9	17	7	12	-	10	64	36
Total											
Retail	247	246	245	232	235	226	239	235	238	970	935
Wholesale	49	57	18	18	75	34	48	3	43	142	160
Total net write-offs	296	303	263	250	310	260	287	238	281	1,112	1,095

¹ Geographic information is based on residence of borrower.

² Includes acquired credit-impaired loans.

PROVISION FOR CREDIT LOSSES (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
PCL - loans by portfolio and sector											
Retail	26	44	26	20						116	
Wholesale	18	46	(46)	(11)						7	
PCL on performing loans (IFRS 9 - Stage 1 and 2) ¹	44	90	(20)	9						123	
Retail											
Residential mortgages	7	16	13	15	20	10	20	6	28	51	56
HELOC	3	8	7	6	4	5	5	3	8	24	17
Other personal	115	108	108	107	98	96	92	106	110	438	392
Total personal	118	116	115	113	102	101	97	109	118	462	409
Credit cards	117	118	123	110	107	108	110	110	107	468	435
Small business	6	9	8	7	10	7	8	7	9	30	32
	248	259	259	245	239	226	235	232	262	1,011	932
Wholesale											
Business											
Agriculture	-	1	-	-	(2)	1	-	3	2	1	2
Automotive	-	1	4	-	6	1	-	7	3	5	14
Consumer goods	7	(6)	16	31	8	2	3	(2)	6	48	11
Energy											
Oil and gas	9	(23)	3	10	(18)	(2)	32	(39)	69	(1)	(27)
Utilities	-	-	1	-	-	5	-	-	(1)	1	5
Financing products	-	-	1	(1)	-	(18)	(1)	-	1	-	(19)
Forest products	1	1	-	3	1	-	2	1	1	5	4
Health services	(1)	1	-	4	2	4	2	2	2	4	10
Holding and investments	1	1	-	1	-	(1)	1	1	4	3	1
Industrial products	2	1	(2)	3	5	5	3	3	2	4	16
Mining and metals	-	1	-	(1)	-	-	(4)	-	1	-	(4)
Non-bank financial services	-	(2)	-	-	(1)	3	-	-	-	(2)	2
Other services	15	(6)	18	31	6	3	8	3	(13)	58	20
Real estate and related ²	5	(2)	3	5	(12)	58	3	66	6	11	115
Technology and media	(2)	(3)	(7)	(9)	(3)	7	3	6	6	(21)	13
Transportation and environment	12	23	(1)	3	-	-	1	(1)	(3)	37	-
Other	(8)	-	3	(1)	3	25	13	12	13	(6)	53
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	(3)	-	-
	41	(12)	39	79	(5)	93	66	62	96	147	216
Acquired credit-impaired loans	-	1	-	1	-	1	1	-	-	2	2
Total PCL on impaired loans (IFRS 9 - Stage 3) ³	289	248	298	325	234	320	302	294	358	1,160	1,150
Provision for loans not yet identified as impaired ¹											
PCL - Loans ^{1,3}	333	338	278	334						1,283	
PCL - Other financial assets ⁴	20	8	(4)	-						24	
Total PCL	353	346	274	334	234	320	302	294	358	1,307	1,150

¹ PCL on performing loans and acceptances represents Stage 1 and Stage 2 PCL on loans, commitments and acceptances under IFRS 9 and PCL on loans not yet identified as impaired under IAS 39.

² Wholesale - Real estate and related PCL in Q4/18 is comprised of losses based in Canada of \$1 million, United States of \$(1) million, and Other International of \$5 million.

³ PCL on impaired loans and acceptances represents Stage 3 PCL on loans and acceptances under IFRS 9 and PCL on impaired loans under IAS 39.

⁴ PCL on other financial assets relates to all other financial assets except for those classified or designated as FVTPL and equity securities designated as FVOCI. For further details refer to our 2018 Annual Report including Notes 4 and 5.

PROVISION FOR CREDIT LOSSES <i>continued</i> ¹ (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
PCL on impaired loans (IFRS 9 - Stage 3) ¹ by geography ² and portfolio:											
Canada											
Residential mortgages	17	10	7	10	11	7	9	6	16	44	33
HELOC	3	8	7	6	4	5	5	3	8	24	17
Other personal	118	109	100	107	99	96	95	106	108	434	396
Total personal	121	117	107	113	103	101	100	109	116	458	413
Credit cards	115	115	119	107	102	107	109	108	105	456	426
Small business	6	9	8	7	10	7	8	7	9	30	32
Retail	259	251	241	237	226	222	226	230	246	988	904
Business	22	3	21	34	19	37	28	11	31	80	95
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-
Wholesale	22	3	21	34	19	37	28	11	31	80	95
Total Canada	281	254	262	271	245	259	254	241	277	1,068	999
United States ³											
Retail	1	1	1	1	2	-	1	-	-	4	3
Wholesale	34	7	1	22	(34)	67	42	42	20	64	117
	35	8	2	23	(32)	67	43	42	20	68	120
Other International											
Retail	(12)	7	17	7	11	4	8	2	17	19	25
Wholesale	(15)	(21)	17	24	10	(10)	(3)	9	44	5	6
	(27)	(14)	34	31	21	(6)	5	11	61	24	31
PCL (IFRS 9 - Stage 3) on impaired loans ¹	289	248	298	325	234	320	302	294	358	1,160	1,150

¹ PCL on impaired loans and acceptances represents Stage 3 PCL on loans and acceptances under IFRS 9 and PCL on impaired loans under IAS 39.

² Geographic information is based on residence of borrower.

³ Includes acquired credit-impaired loans.

ALLOWANCE FOR CREDIT LOSSES (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
ACL - loans by portfolio and sector ^{1,2}											
Retail	1,753	1,724	1,678	1,643						1,753	
Wholesale	635	614	564	599						635	
ACL on performing loans (IFRS 9 - Stage 1 and 2) ¹	2,388	2,338	2,242	2,242						2,388	
Retail											
Residential mortgages	176	173	170	166	169	161	175	163	177	176	169
HELOC	28	29	25	25	24	26	26	27	28	28	24
Other personal	113	110	110	102	97	101	106	115	116	113	97
Total personal	141	139	135	127	121	127	132	142	144	141	121
Small business	18	21	20	18	19	18	18	20	20	18	19
Wholesale	335	333	325	311	309	306	325	325	341	335	309
Business											
Agriculture	2	2	2	1	3	5	5	6	6	2	3
Automotive	4	5	15	10	11	6	6	22	14	4	11
Consumer goods	20	37	56	49	14	18	20	25	31	20	14
Energy											
Oil and gas	76	71	100	92	97	128	154	137	176	76	97
Utilities	1	1	1	-	-	-	3	4	5	1	-
Financing products	21	21	21	20	22	22	43	42	44	21	22
Forest products	5	6	5	6	3	2	6	4	5	5	3
Health services	6	8	9	11	9	8	6	6	6	6	9
Holding and investments	5	6	4	8	7	8	10	9	9	5	7
Industrial products	11	12	14	19	17	14	12	10	12	11	17
Mining and metals	-	1	1	1	4	4	4	8	9	-	4
Non-bank financial services	-	-	1	1	2	4	1	1	-	-	2
Other services	47	41	64	52	21	19	24	22	21	47	21
Real estate and related ³	97	104	119	113	117	155	115	116	59	97	117
Technology and media	11	11	14	20	26	34	26	23	24	11	26
Transportation and environment	36	30	9	11	8	10	11	11	11	36	8
Other	19	26	25	25	64	72	55	42	33	19	64
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-
Acquired credit-impaired loans	361	382	460	439	425	509	501	488	465	361	425
	4	4	3	3	3	3	3	2	3	4	3
ACL on impaired loans (IFRS 9 - Stage 3) ²	700	719	788	753	737	818	829	815	809	700	737
Allowance for loans not yet identified as impaired ¹					1,513	1,509	1,520	1,515	1,517		1,513
ACL - loans ^{1,2}	3,088	3,057	3,030	2,995	2,250	2,327	2,349	2,330	2,326	3,088	2,250
ACL on other financial assets	71	113	104	103						71	
Total ACL	3,159	3,170	3,134	3,098	2,250	2,327	2,349	2,330	2,326	3,159	2,250
Additional information on ACL by type											
Allowance for loans losses					2,159	2,236	2,258	2,239	2,235		2,159
Allowance for off-balance sheet items					91	91	91	91	91		91
Total					2,250	2,327	2,349	2,330	2,326		2,250

¹ ACL on performing loans represents Stage 1 and Stage 2 ACL on loans, acceptances and commitments under IFRS 9 and allowance for loans, acceptances and commitments not yet identified as impaired under IAS 39.

² ACL on impaired loans represents Stage 3 ACL on loans and acceptances under IFRS 9 and ACL on impaired loans under IAS 39.

³ Wholesale - Real estate and related ACL in Q4/18 is comprised of allowances based in Canada of \$15 million, United States of \$52 million and Other International of \$30 million.

ALLOWANCE FOR CREDIT LOSSES <i>continued</i> (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
ACL on impaired loans (IFRS 9 - Stage 3) ¹ by geography ² and portfolio											
Canada											
Residential mortgages	43	34	34	35	31	30	32	33	35	43	31
HELOC	28	29	25	25	24	25	25	26	27	28	24
Other personal	79	77	73	75	67	70	70	77	78	79	67
Total personal	107	106	98	100	91	95	95	103	105	107	91
Small business	18	21	20	18	19	18	18	20	20	18	19
Retail	168	161	152	153	141	143	145	156	160	168	141
Business	92	104	141	140	124	128	121	119	119	92	124
Sovereign	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-
Wholesale	92	104	141	140	124	128	121	119	119	92	124
Canada - Total	260	265	293	293	265	271	266	275	279	260	265
United States ³											
Retail	1	1	2	1	1	1	1	1	2	1	1
Wholesale	164	126	137	135	150	238	209	195	177	164	150
United States - Total	165	127	139	136	151	239	210	196	179	165	151
Other International											
Retail	166	171	171	157	168	163	180	169	180	166	168
Wholesale	109	156	185	167	153	145	173	175	171	109	153
Other International - Total	275	327	356	324	321	308	353	344	351	275	321
ACL on impaired loans (IFRS 9 - Stage 3) ¹	700	719	788	753	737	818	829	815	809	700	737
Impairment allowance - movements - Loans											
ACL on performing loans (IFRS 9 - Stage 1 and 2) ⁴											
Balance at beginning of period	2,338	2,242	2,242	2,256	1,509	1,520	1,515	1,517	1,515	2,256	1,517
Charge to income statement (PCL)	44	90	(20)	9						123	
Disposal of loans	-	-	-	-						-	
Exchange and other movements	6	6	20	(23)	4	(11)	5	(2)	2	9	(4)
Balance at the end of the period	2,388	2,338	2,242	2,242	1,513	1,509	1,520	1,515	1,517	2,388	1,513
ACL on impaired loans (IFRS 9 - Stage 3) ^{1,3}											
Balance at beginning of period	719	788	753	720	818	829	815	809	753	720	809
Amounts written off	(382)	(395)	(346)	(321)	(384)	(351)	(354)	(336)	(354)	(1,444)	(1,425)
Recoveries of amounts written off in previous period	86	92	83	71	74	91	67	98	73	332	330
Charge to income statement (PCL)	289	248	298	325	234	320	302	294	358	1,160	1,150
Disposal of loans	-	-	-	-	-	-	-	-	-	-	-
Exchange and other movements	(12)	(14)	-	(42)	(5)	(71)	(1)	(50)	(21)	(68)	(127)
Balance at the end of the period	700	719	788	753	737	818	829	815	809	700	737

¹ ACL on impaired loans and acceptances represents Stage 3 ACL on loans and acceptances under IFRS 9 and Allowance for impaired loans under IAS 39.

² Geographic information is based on residence of borrower.

³ Includes acquired credit-impaired loans related to the acquisition of City National.

⁴ ACL on performing loans and acceptances represents Stage 1 and Stage 2 ACL on loans, acceptances and commitments under IFRS 9 and allowance for loans, acceptances and commitments not yet identified as impaired under IAS 39.

CREDIT QUALITY RATIOS		Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Diversification ratios												
Portfolio as a % of Total loans and acceptances												
Retail		67%	68%	68%	69%	69%	69%	68%	69%	69%	67%	69%
Wholesale		33%	32%	32%	31%	31%	31%	32%	31%	31%	33%	31%
Canada		82%	83%	82%	82%	82%	82%	79%	80%	80%	82%	82%
United States		14%	13%	13%	13%	13%	13%	15%	14%	14%	14%	13%
Other International		4%	4%	5%	5%	5%	5%	6%	6%	6%	4%	5%
Condition ratios												
GIL as a % of Related loans and acceptances												
Retail		0.37%	0.40%	0.47%	0.45%	0.46%	0.53%	0.59%	0.66%	0.73%	0.37%	0.46%
Wholesale		0.27%	0.27%	0.28%	0.28%	0.25%	0.25%	0.28%	0.28%	0.29%	0.27%	0.25%
		0.57%	0.66%	0.86%	0.85%	0.92%	1.13%	1.25%	1.50%	1.69%	0.57%	0.92%
Canada		0.23%	0.23%	0.27%	0.27%	0.21%	0.23%	0.23%	0.25%	0.27%	0.23%	0.21%
United States		0.53%	0.51%	0.69%	0.59%	1.09%	1.43%	1.63%	2.27%	2.34%	0.53%	1.09%
Other International		2.60%	3.42%	3.22%	3.26%	2.73%	2.84%	2.93%	2.64%	3.20%	2.60%	2.73%
Net Impaired Loans as a % of Related loans and acceptances												
Retail		0.25%	0.28%	0.33%	0.32%	0.33%	0.38%	0.44%	0.51%	0.58%	0.25%	0.33%
Wholesale		0.18%	0.19%	0.20%	0.20%	0.17%	0.17%	0.20%	0.19%	0.20%	0.18%	0.17%
		0.38%	0.46%	0.60%	0.59%	0.67%	0.83%	0.96%	1.21%	1.41%	0.38%	0.67%
Canada		0.18%	0.17%	0.21%	0.21%	0.16%	0.17%	0.17%	0.18%	0.21%	0.18%	0.16%
United States		0.32%	0.34%	0.51%	0.40%	0.88%	1.11%	1.37%	2.01%	2.11%	0.32%	0.88%
Other International		1.48%	2.09%	1.91%	2.05%	1.63%	1.78%	1.80%	1.49%	2.02%	1.48%	1.63%
PCL on performing loans (IFRS 9 - Stage 1 and 2) as a % of average net loans and acceptances ¹												
		0.03%	0.06%	(0.02)%	0.01%						0.03%	
PCL on impaired loans (IFRS 9 - Stage 3) as a % of Related average net loans and acceptances ²												
Retail		0.20%	0.17%	0.22%	0.23%	0.17%	0.23%	0.23%	0.22%	0.27%	0.20%	0.21%
Wholesale		0.25%	0.26%	0.27%	0.25%	0.25%	0.24%	0.26%	0.25%	0.29%	0.26%	0.24%
		0.09%	(0.02)%	0.09%	0.19%	(0.01)%	0.22%	0.16%	0.15%	0.23%	0.08%	0.13%
Canada		0.23%	0.21%	0.23%	0.24%	0.22%	0.23%	0.24%	0.22%	0.26%	0.23%	0.22%
United States		0.18%	0.04%	0.01%	0.13%	(0.18)%	0.35%	0.23%	0.22%	0.11%	0.09%	0.16%
Other International		(0.44)%	(0.22)%	0.53%	0.46%	0.30%	(0.08)%	0.08%	0.14%	0.79%	0.09%	0.11%
Coverage ratios												
ACL on loans and acceptances as a % of Total loans and acceptances												
		0.52%	0.53%	0.53%	0.54%	0.40%	0.42%	0.43%	0.43%	0.43%	0.52%	0.40%
ACL against impaired loans (IFRS 9 - Stage 3) as a % of Total loans and acceptances ³												
Retail		0.12%	0.12%	0.14%	0.14%	0.13%	0.15%	0.15%	0.15%	0.15%	0.12%	0.13%
Wholesale		0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
		0.06%	0.06%	0.08%	0.08%	0.08%	0.09%	0.09%	0.09%	0.09%	0.06%	0.08%
ACL against impaired loans (IFRS 9 - Stage 3) as a % of GIL ⁴												
Retail		32.08%	30.97%	29.66%	29.78%	28.61%	28.24%	25.52%	22.90%	20.72%	32.08%	28.61%
Wholesale		31.21%	30.87%	29.46%	28.85%	32.16%	31.98%	30.78%	31.20%	31.69%	31.21%	32.16%
		32.92%	31.06%	29.80%	30.48%	26.49%	26.39%	22.98%	19.45%	16.53%	32.92%	26.49%
Total net write-offs as a % of Related average net loans and acceptances												
Retail		0.20%	0.21%	0.19%	0.18%	0.23%	0.19%	0.22%	0.18%	0.21%	0.20%	0.20%
Wholesale		0.25%	0.25%	0.26%	0.24%	0.25%	0.24%	0.26%	0.25%	0.26%	0.25%	0.25%
		0.10%	0.13%	0.04%	0.04%	0.17%	0.08%	0.12%	0.01%	0.10%	0.08%	0.09%
Canada		0.22%	0.23%	0.22%	0.20%	0.21%	0.22%	0.24%	0.21%	0.24%	0.22%	0.21%
United States		(0.02)%	0.10%	0.01%	0.04%	0.30%	0.06%	0.14%	0.04%	0.05%	0.03%	0.13%
Other International		0.49%	0.23%	0.17%	0.12%	0.23%	0.11%	0.15%	0.01%	0.13%	0.25%	0.12%

¹ PCL on performing loans ratio under IFRS 9 is calculated using PCL on Stage 1 and 2 loans and acceptances as a percentage of average net loans and acceptances.

² PCL on impaired loans ratio under IFRS 9 is calculated using PCL on Stage 3 loans and acceptances as a percentage of average net loans and acceptances. Under IAS 39, the ratio was calculated using PCL on impaired loans as a percentage of average net loans and acceptances.

³ ACL on impaired loans ratio under IFRS 9 is calculated using ACL on Stage 3 loans and acceptances as a percentage of gross loans and acceptances. Under IAS 39, the ratio was calculated using ACL on impaired loans as a percentage of gross loans and acceptances.

⁴ ACL against impaired loans ratio under IFRS 9 is calculated using ACL on Stage 3 loans and acceptances as a percentage of GIL. Under IAS 39, the ratio was calculated using ACL on impaired loans as a percentage of GIL.

GROSS CREDIT RISK EXPOSURE BY GEOGRAPHY AND PORTFOLIO ¹ (Millions of Canadian dollars)	Lending-related and other		Trading-related		Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	
	Loans and acceptances		Repo-style		Total	Total	Total	Total	Total	Total	Total	Total	Total	
	Outstanding	Undrawn commitments	Other ²	transactions ³	Derivatives ^{4,5}									
Credit risk exposure by geography ⁶ and portfolio														
Canada														
Residential mortgages	265,831	752	236	-	-	266,819	263,427	259,086	258,568	256,814	252,245	246,753	244,851	242,961
Personal	82,112	102,590	173	-	-	184,875	179,536	177,618	170,504	169,435	168,844	166,551	164,660	164,224
Credit cards	18,793	25,203	-	-	-	43,996	41,023	41,528	36,844	38,290	38,580	40,253	43,781	40,294
Small business	4,866	7,279	6	-	-	12,151	11,798	11,516	11,502	11,371	11,318	11,029	10,167	10,071
Retail	371,602	135,824	415	-	-	507,841	495,784	489,748	477,418	475,910	470,987	464,586	463,459	457,550
Business	112,447	44,265	18,007	39,383	20,513	234,615	211,404	200,573	194,804	195,550	177,617	181,712	173,493	177,271
Sovereign	4,307	7,853	25,781	33,986	3,286	75,213	67,541	60,333	58,804	52,900	47,679	55,096	57,597	55,876
Bank	1,873	228	72,220	13,431	5,571	93,323	87,529	91,118	88,878	83,889	90,541	81,778	76,807	76,941
Wholesale	118,627	52,346	116,008	86,800	29,370	403,151	366,474	352,024	342,486	332,339	315,837	318,586	307,897	310,088
Total Canada	490,229	188,170	116,423	86,800	29,370	910,992	862,258	841,772	819,904	808,249	786,824	783,172	771,356	767,638
United States														
Residential mortgages	13,493	2	48	-	-	13,543	12,973	12,354	11,444	11,486	10,644	11,171	10,312	10,094
Personal	7,172	673	25	-	-	7,870	7,861	7,277	6,729	6,982	6,999	7,553	7,202	7,270
Credit cards	368	1,214	-	-	-	1,582	1,445	1,390	1,251	1,234	1,123	1,284	1,044	1,002
Small business	-	3	-	-	-	3	5	5	6	6	6	-	-	-
Retail	21,033	1,892	73	-	-	22,998	22,084	21,026	19,430	19,708	18,772	20,008	18,558	18,366
Business	55,938	67,972	11,054	284,469	13,932	433,365	403,017	412,286	380,982	351,314	332,035	364,127	329,855	318,136
Sovereign	718	3,139	48,126	7,379	505	59,867	65,269	55,863	57,679	62,657	58,997	50,483	35,109	42,463
Bank	2,820	1,677	10,363	44,463	2,708	62,031	57,776	55,551	53,510	56,895	55,482	59,920	73,530	70,784
Wholesale	59,476	72,788	69,543	336,311	17,145	555,263	526,062	523,700	492,171	470,866	446,514	474,530	438,494	431,363
Total United States	80,509	74,680	69,616	336,311	17,145	578,261	548,146	544,726	511,601	490,574	465,286	494,538	457,052	449,729
Other International														
Residential mortgages	3,147	6	33	-	-	3,186	3,165	3,133	3,006	3,135	2,974	3,231	3,119	3,220
Personal	3,416	320	3	-	-	3,739	3,970	3,979	4,064	4,173	4,070	4,459	4,226	4,644
Credit cards	254	106	-	-	-	360	349	357	326	337	328	408	407	403
Small business	-	2	-	-	-	2	2	2	10	10	10	-	-	-
Retail	6,817	434	36	-	-	7,287	7,486	7,471	7,406	7,655	7,382	8,098	7,752	8,267
Business	16,498	20,833	4,903	156,311	26,361	224,906	216,942	183,247	182,682	151,422	143,658	150,290	147,082	131,225
Sovereign	859	2,168	48,898	19,232	8,834	79,991	81,573	84,260	87,738	67,376	69,786	77,701	64,671	59,257
Bank	480	805	53,559	59,446	15,786	130,076	131,072	138,287	137,262	127,625	121,246	123,847	113,680	105,278
Wholesale	17,837	23,806	107,360	234,989	50,981	434,973	429,587	405,794	407,682	346,423	334,690	351,838	325,433	295,760
Total Other International	24,654	24,240	107,396	234,989	50,981	442,260	437,073	413,265	415,088	354,078	342,072	359,936	333,185	304,027
Total exposure	595,392	287,090	293,435	658,100	97,496	1,931,513	1,847,477	1,799,763	1,746,593	1,652,901	1,594,182	1,637,646	1,561,593	1,521,394

¹ Gross credit risk exposure is before allowance for loan losses. Exposure under Basel III asset classes of qualifying revolving retail and other retail are largely included within Personal and Credit cards, while HELOCs are included in Personal.

² Includes contingent liabilities such as letters of credit and guarantees, available-for-sale debt securities, deposits with financial institutions and other assets.

³ Includes repurchase and reverse repurchase agreements and securities lending and borrowing transactions.

⁴ For derivative related credit risk, we utilize the OSFI prescribed Current Exposure Method. Wrong-way risk, which arises when the exposure to a counterparty is positively correlated to the probability of default of that counterparty, is considered in our determination of exposure.

⁵ Credit equivalent amount after factoring in master netting agreements.

⁶ Geographic profile is primarily based on country of residence of the borrower.

RECONCILIATION OF GROSS CREDIT RISK EXPOSURE TO BALANCE SHEET (Millions of Canadian dollars)	Q4/18							
	Lending-related and other			Trading-related		Amount included in credit risk	Amount not included in credit risk	Total assets per balance sheet
	Loans and acceptances			Repo-style transactions	Derivatives			
	Outstanding	Undrawn commitments	Other					
On-balance sheet assets								
Cash and due from banks	-	-	28,735	-	-	28,735	1,474	30,209
Interest-bearing deposits with banks	-	-	36,471	-	-	36,471	-	36,471
Securities								
Trading	-	-	-	-	-	-	128,258	128,258
Investment, net of applicable allowance	-	-	94,608	-	-	94,608	-	94,608
Assets purchased under reverse repurchase agreements and securities borrowed	-	-	-	294,602	-	294,602	-	294,602
Loans								
Retail	399,452	-	-	-	-	399,452	-	399,452
Wholesale	180,278	-	-	-	-	180,278	-	180,278
Allowance for loan losses	-	-	-	-	-	-	(2,912)	(2,912)
Customers' liability under acceptances	15,641	-	-	-	-	15,641	-	15,641
Derivatives	-	-	-	-	94,039	94,039	-	94,039
Other ¹	-	-	21,539	-	-	21,539	42,549	64,088
Total balance sheet assets	595,371	-	181,353	294,602	94,039	1,165,365	169,369	1,334,734
Undrawn commitments	-	287,090	-	-	-	287,090		
Repo-style transactions ²	-	-	-	326,740	-	326,740		
Netting and other valuation adjustments ³	21	-	-	36,758	3,457	40,236		
Other ⁴	-	-	112,082	-	-	112,082		
Total credit risk exposure	595,392	287,090	293,435	658,100	97,496	1,931,513		

¹ Represents other on-balance sheet assets such as goodwill, other intangibles, receivables, premises and equipment.

² Collateral on Obligations related to assets sold under repurchase agreements and securities loaned, and off-balance sheet securities borrowing and lending.

³ Impact of netting agreements and other valuation adjustments on derivatives, repo-style transactions and acceptances.

⁴ Represents commitments related to securities lending indemnifications, financial guarantees and letters of credit.

EXPOSURE COVERED BY CREDIT RISK MITIGATION (Millions of Canadian dollars)	Q4/18				Q3/18				Q2/18				Q1/18			
	Standardized		IRB ²		Standardized		IRB ²		Standardized		IRB ²		Standardized		IRB ²	
	Eligible financial collateral ¹	Guarantees/credit derivatives	Guarantees/credit derivatives	Total	Eligible financial collateral ¹	Guarantees/credit derivatives ³	Guarantees/credit derivatives	Total	Eligible financial collateral ¹	Guarantees/credit derivatives ³	Guarantees/credit derivatives	Total	Eligible financial collateral ¹	Guarantees/credit derivatives ³	Guarantees/credit derivatives	Total
Retail																
Residential mortgages	-	18,518	46,936	65,454	-	19,411	81,536	100,947	-	19,433	84,004	103,437	-	19,789	85,918	105,707
Personal	-	-	448	448	-	-	916	916	-	-	973	973	-	-	1,015	1,015
Small business	-	-	339	339	-	-	454	454	-	-	421	421	-	-	403	403
	-	18,518	47,723	66,241	-	19,411	82,906	102,317	-	19,433	85,398	104,831	-	19,789	87,336	107,125
Wholesale																
Business	9,730	-	4,088	13,818	9,952	-	5,984	15,936	9,234	-	3,900	13,134	8,270	-	3,247	11,517
Sovereign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	9,730	-	4,088	13,818	9,952	-	5,984	15,936	9,234	-	3,900	13,134	8,270	-	3,247	11,517
Total exposure covered by credit risk mitigation	9,730	18,518	51,811	80,059	9,952	19,411	88,890	118,253	9,234	19,433	89,298	117,965	8,270	19,789	90,583	118,642

¹ Eligible financial collateral includes cash and deposits, as well as qualifying debt securities, equities and mutual funds.

² Under the IRB Approach, disclosure on eligible financial collateral is not required as the benefit the collateral provides has been taken into account in the Loss Given Default (LGD) estimates in our internal LGD risk rating system.

³ Amounts have been revised from those previously presented.

ACTUAL LOSSES VS. ESTIMATED LOSSES (Millions of Canadian dollars, except percentage and per share amounts)	Q4/18			Q3/18		Q2/18		Q1/18	
	Actual loss rate ¹	Estimated loss rate ²	Average historical actual loss rate ³	Actual loss rate ¹	Estimated loss rate ²	Actual loss rate ¹	Estimated loss rate ²	Actual loss rate ¹	Estimated loss rate ²
	Residential mortgages	0.02%	0.09%	0.02%	0.02%	0.09%	0.02%	0.08%	0.02%
Personal	0.50%	0.74%	0.60%	0.48%	0.71%	0.47%	0.72%	0.45%	0.76%
Credit cards	2.49%	3.20%	2.98%	2.49%	3.11%	2.47%	3.38%	2.44%	3.44%
Small business	0.64%	2.33%	1.38%	0.74%	2.39%	0.71%	2.44%	0.74%	2.48%
Retail	0.26%	0.42%	0.34%	0.26%	0.41%	0.25%	0.42%	0.25%	0.43%
Business	0.09%	0.80%	0.31%	0.06%	0.85%	0.13%	0.84%	0.15%	0.74%
Sovereign	0.00%	0.02%	0.00%	0.00%	0.06%	0.00%	0.06%	0.00%	0.06%
Bank	0.00%	0.09%	0.09%	0.00%	0.10%	0.00%	0.11%	0.00%	0.12%
Wholesale	0.08%	0.74%	0.31%	0.06%	0.82%	0.12%	0.81%	0.14%	0.71%

BASEL PILLAR 3 BACK-TESTING (INTERNAL RATINGS BASED)^{4,5}

	Q4 2018					
	Average probability of default (PD)		Average loss given default (LGD)		Average Exposure at Default (EAD) ⁶	
	Actual %	Estimated %	Actual %	Estimated %	Actual %	Estimated %
Retail						
Residential mortgages						
<i>Uninsured</i>	0.45%	0.99%	6.06%	17.45%	100.00%	100.00%
<i>Insured</i>	0.69%	1.64%	n.a.	n.a.	100.00%	100.00%
Personal	0.66%	1.15%	57.51%	61.46%	99.04%	102.05%
Credit cards	0.97%	1.52%	91.30%	95.84%	99.16%	109.31%
Small business	1.88%	3.97%	39.16%	83.67%	97.79%	98.70%
Wholesale						
Business	0.55%	3.30%	34.32%	42.30%	34.66%	52.94%
Sovereign	n.a.	0.38%	n.a.	22.44%	n.a.	44.68%
Bank	n.a.	1.36%	1.23%	43.48%	n.a.	33.98%

BASEL PILLAR 3 BACK-TESTING (INTERNAL RATINGS BASED)^{5,7}

	Q3 2018					
	Average probability of default (PD)		Average loss given default (LGD)		Average Exposure at Default (EAD) ⁶	
	Actual %	Estimated %	Actual %	Estimated %	Actual %	Estimated %
Retail						
Residential mortgages						
<i>Uninsured</i>	0.47%	0.99%	6.05%	17.42%	100.00%	100.00%
<i>Insured</i>	0.78%	1.76%	n.a.	n.a.	100.00%	100.00%
Personal	0.67%	1.15%	59.04%	62.42%	98.54%	101.86%
Credit cards	0.97%	1.53%	91.22%	95.84%	98.84%	109.23%
Small business	1.92%	4.01%	38.84%	83.64%	97.74%	98.53%
Wholesale						
Business	0.57%	3.36%	34.09%	42.28%	36.40%	52.85%
Sovereign	n.a.	0.40%	n.a.	23.37%	n.a.	43.86%
Bank	n.a.	1.64%	1.23%	43.99%	n.a.	33.07%

¹ Actual loss reflects internal credit loss experience realized over a given period. Actual loss rate is the sum of PCL on impaired loans divided by average of loans and acceptances period end outstanding for the current and prior 3-quarter period.

² Estimated loss represents expected loss which is calculated using the Basel III "through the cycle" parameters of PD x LGD x EAD, estimated based on available historical loss data for Advanced Internal Ratings Based (AIRB) exposures. Estimated loss rate is the expected loss divided by loans and acceptances outstanding at the beginning of the applicable consecutive 4-quarter period defined above. Actual loss will normally exceed estimated loss during economic downturns and come below in periods of expansion.

³ Average annual actual loss rate from fiscal 2003 through to the most recent full year. The information is updated on an annual basis and is based on consolidated results. The Average historical actual loss rate on a continuing operations basis is 0.33%.

⁴ Back-testing is performed to check the effectiveness of the models used to measure PD, LGD and EAD. Estimated percentages are as of July 31, 2017 (July 31, 2016 for Retail LGD) and actual percentages reflect experience in the following 12 months (24 months for Retail LGD).

⁵ There are several key differences under current Basel and IFRS 9 reporting rules which could lead to significantly different expected loss estimates for PD and LGD. Basel parameters reflect historical experience adjusted for periods of downturn whereas IFRS 9 parameters are based on forward-looking macroeconomic scenarios. For further information refer to our 2018 Annual Report.

⁶ For retail, EAD rate represents the utilization of the authorized credit limit. For wholesale, EAD rate represents the utilization of the undrawn amount where the undrawn amount is equal to the authorized credit limit minus the outstanding balance.

⁷ Estimated percentages are as of April 30, 2017 (April 30, 2016 for Retail LGD) and actual percentages reflect experience in the following 12 months (24 months for Retail LGD).

REALIZED GAINS AND LOSSES ON INVESTMENT SECURITIES (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Realized gains	41	35	75	46	61	74	84	50	40	269	269
Realized losses ¹	(9)	(12)	(24)	(3)	(13)	(20)	(21)	(21)	(34)	(75)	(75)
Net gains (losses) on investment securities	32	23	51	43	48	54	63	29	6	194	194
Less: Amount booked in Insurance premium, investment and fee income	(1)	(3)	2	4	1	10	9	2	4	22	22
Net gains (losses) on investment securities net of Insurance premium, investment and fee income	33	26	49	39	47	44	54	27	2	172	172

TRADING CREDIT DERIVATIVES ² (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16
Notional amount									
Protection purchased	6,153	7,750	7,579	10,789	8,522	6,853	7,408	7,004	10,107
Protection sold	3,599	3,595	3,563	3,291	4,808	3,500	3,370	3,650	5,735
Fair value ³									
Positive	38	71	77	109	157	81	83	70	191
Negative	89	145	160	204	246	174	169	137	242
Replacement cost ⁴	71	38	38	64	109	34	34	31	31

OTHER THAN TRADING CREDIT DERIVATIVES POSITIONS ⁵ (NOTIONAL AMOUNT AND FAIR VALUE) (Millions of Canadian dollars)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16
Notional amount									
Automotive	-	-	-	-	-	-	-	-	-
Energy									
Oil and gas	-	-	-	-	-	-	-	-	-
Utilities	-	-	16	15	16	15	17	16	7
Non-bank financial services	-	-	-	-	-	-	-	91	94
Mining & metals	-	-	-	-	-	-	-	-	-
Real estate & related	-	-	-	-	-	-	-	-	-
Technology & media	-	-	-	-	-	-	-	121	124
Transportation & environment	131	130	128	123	129	125	137	130	134
Other	382	-	-	-	-	-	-	-	-
Sovereign	-	-	-	-	-	-	-	-	-
Bank	-	-	-	-	-	-	-	-	-
Net protection purchased	513	130	144	138	145	140	154	358	359
Offsetting protection sold related to the same reference entity	-	-	-	-	-	-	-	-	-
Gross protection purchased	513	130	144	138	145	140	154	358	359
Net protection sold	-	-	-	-	-	-	-	-	-
Offsetting protection purchased related to the same reference entity	-	-	-	-	-	-	-	-	-
Gross protection sold	-	-	-	-	-	-	-	-	-
Gross protection purchased and sold (notional amount)	513	130	144	138	145	140	154	358	359
Fair value ³									
Positive	-	-	-	-	-	-	-	-	-
Negative	5	6	9	10	12	13	14	21	21

¹ Prior to the adoption of IFRS 9 Financial Instruments, realized losses include impairments of AFS securities.

² Comprises credit default swaps, total return swaps, credit default baskets and credit default options. As at Q4/18, all of our exposures are with investment grade counterparties.

³ Gross fair value before netting.

⁴ Replacement cost includes the impact of netting but excludes collateral.

⁵ Comprises credit default swaps.

DERIVATIVE - RELATED CREDIT RISK (Millions of Canadian dollars)	Q4/18				Q3/18				Q2/18				Q1/18			
	Notional amount ¹	Replacement cost	Credit equivalent amount ²	Risk-weighted equivalent ²	Notional amount ¹	Replacement cost	Credit equivalent amount ²	Risk-weighted equivalent ²	Notional amount ¹	Replacement cost	Credit equivalent amount ²	Risk-weighted equivalent ²	Notional amount ¹	Replacement cost	Credit equivalent amount ²	Risk-weighted equivalent ²
Over-the-counter contracts																
Interest rate contracts																
Forward rate agreements	1,904,401	307	324	13	1,492,992	258	289	57	1,881,116	511	567	104	1,425,517	1,162	1,211	267
Swaps	11,768,955	9,671	20,321	3,363	9,780,415	10,172	18,113	3,374	9,115,863	10,448	17,211	3,395	8,320,962	12,005	25,318	4,872
Options purchased	284,921	610	857	407	270,809	585	943	484	233,554	560	898	486	208,484	742	905	457
Foreign exchange contracts																
Forward contracts	1,428,824	4,589	10,944	3,439	1,490,605	3,152	10,180	3,363	1,613,020	5,221	12,374	3,892	1,419,632	5,201	11,075	3,537
Swaps ³	1,517,006	9,342	13,718	5,002	1,491,642	9,226	14,020	5,053	1,344,524	9,405	12,654	4,691	1,257,032	11,390	13,141	4,920
Options purchased	46,046	443	1,100	478	52,211	393	1,061	507	51,924	326	1,214	589	73,038	398	1,196	504
Credit derivatives ⁴	9,752	71	770	153	11,345	38	743	241	11,143	38	699	158	14,080	64	1,000	491
Other contracts ⁵	94,133	9,709	9,959	4,303	87,912	9,106	8,985	4,071	80,719	8,562	8,195	3,752	72,623	8,011	7,529	3,558
Exchange traded contracts	283,658	2,912	11,285	225	264,598	2,347	9,689	194	269,079	1,967	8,978	180	234,463	1,492	7,926	159
Total derivatives	17,337,696	37,654	69,278	17,383	14,942,529	35,277	64,023	17,344	14,600,942	37,038	62,790	17,247	13,025,831	40,465	69,301	18,765
DERIVATIVE - RELATED CREDIT RISK (Millions of Canadian dollars)																
Over-the-counter contracts																
Interest rate contracts																
Forward rate agreements	1,188,833	264	328	59	961,335	250	359	49	1,167,660	428	442	98	743,878	323	333	74
Swaps	8,351,749	10,890	24,318	4,187	8,549,907	12,107	25,590	4,590	8,191,377	12,373	26,410	4,736	7,535,881	11,850	24,760	4,515
Options purchased	261,471	283	883	527	283,198	195	919	583	295,867	324	979	592	304,273	284	942	543
Foreign exchange contracts																
Forward contracts	1,360,389	5,421	11,555	3,634	1,311,708	6,328	11,741	3,881	1,506,256	5,899	12,816	4,045	1,407,866	5,258	11,817	3,785
Swaps ³	1,196,824	10,476	12,643	4,498	1,117,908	12,113	12,666	4,618	1,181,821	11,454	11,313	3,955	1,153,000	11,411	12,119	3,851
Options purchased	73,150	360	1,125	472	53,996	319	959	422	51,671	462	1,179	498	38,127	331	855	373
Credit derivatives ⁴	13,330	109	936	149	10,353	34	607	140	10,779	34	610	124	10,654	31	609	138
Other contracts ⁵	71,699	7,750	6,332	2,945	68,150	7,621	5,519	3,152	81,616	1,206	6,225	3,419	77,184	1,376	5,235	3,083
Exchange traded contracts	254,031	1,391	8,340	167	222,664	1,216	6,757	135	232,020	3,150	11,721	234	206,454	2,601	9,400	188
Total derivatives	12,771,476	36,944	66,460	16,638	12,579,219	40,183	65,117	17,570	12,719,067	35,330	71,695	17,701	11,477,317	33,465	66,070	16,550

¹ As at Q4/18, the notional amounts excludes exchange traded options written of \$131.7 billion, over-the-counter options written of \$407.5 billion, and non-trading credit derivatives of \$0.5 million.

² As at Q4/18, the credit equivalent amount and risk-weighted equivalents for over-the-counter contracts shown are calculated by applying risk weights against the credit equivalent amount net of credit valuation adjustment (CVA) losses of \$106 million, the total credit equivalent amount reported above is net of \$16.1 billion in collateral.

³ Amounts have been revised from those previously presented.

⁴ Comprises credit default swaps, total return swaps, credit default baskets and credit default options.

⁵ Comprises precious metal, commodity, stable value and equity-linked derivative contracts.

MARKET RISK REGULATORY CAPITAL Internal models-based approach VaR ¹ (Millions of Canadian dollars)	For the three months ended												
	Q4/18				Q3/18		Q2/18		Q1/18		Q4/17		
	As at Oct 31	Avg	High	Low	As at Jul 31	Avg	As at Apr 30	Avg	As at Jan 31	Avg	As at Oct 31	Avg	
Equity	3	5	7	3	3	3	3	2	2	2	5	4	4
Foreign exchange	9	3	9	2	3	3	3	3	2	2	3	2	2
Commodities	2	2	2	1	2	1	2	1	1	1	1	2	1
Interest rate	21	18	23	12	13	22	20	21	13	15	13	13	13
Credit specific	4	4	5	4	4	5	5	6	4	6	6	6	6
Diversification	(13)	(11)	n.m.	n.m.	(11)	(10)	(13)	(9)	(8)	(12)	(11)	(11)	(11)
VaR	26	21	27	15	14	24	19	23	14	18	16	15	15
Stressed VaR	48	58	72	44	44	56	47	52	33	57	58	51	51

¹ The table shows VaR and stressed VaR for trading activities that have a capital requirement under the internal models-based approach, for which we have been granted approval by OSFI. Regulatory capital for market risk is allocated based on VaR and stressed VaR only for those trading positions that have approval to use the internal models-based approach. The above numbers reflect calculations for VaR and stressed VaR based on a 1 day time horizon. As stipulated by OSFI, RBC's Market Risk regulatory capital calculations are based on VaR and stressed VaR measures for a 10 day time horizon.
n.m. not meaningful

CALCULATION OF ROE ¹ AND RETURN ON RISK CAPITAL (RORC) ¹ (Millions of Canadian dollars, except percentage and per share amounts)	Q4/18	Q3/18	Q2/18	Q1/18	Q4/17	Q3/17	Q2/17	Q1/17	Q4/16	2018	2017
Personal & Commercial Banking											
Net income available to common shareholders	1,512	1,487	1,435	1,497	1,383	1,371	1,338	1,567	1,252	5,931	5,659
Average risk capital	17,850	17,100	16,600	16,200	15,950	15,850	14,850	14,650	13,600	16,950	15,300
Add: Average goodwill and other intangibles	4,600	4,600	4,600	4,550	4,550	4,650	4,700	4,700	4,750	4,550	4,700
Average attributed capital	22,450	21,700	21,200	20,750	20,500	20,500	19,550	19,350	18,350	21,500	20,000
ROE ²	26.7%	27.2%	27.8%	28.6%	26.7%	26.6%	28.0%	32.1%	27.1%	27.6%	28.3%
Return on risk capital (RORC)	33.6%	34.5%	35.5%	36.7%	34.4%	34.3%	37.0%	42.4%	36.6%	35.0%	36.9%
Canadian Banking											
Net income available to common shareholders	1,444	1,472	1,407	1,461	1,341	1,329	1,297	1,527	1,228	5,784	5,494
Average risk capital	16,600	15,800	15,250	14,850	14,500	14,400	13,300	13,150	12,150	15,600	13,850
Add: Average goodwill and other intangibles	2,750	2,800	2,800	2,800	2,850	2,800	2,850	2,850	2,850	2,800	2,850
Average attributed capital	19,350	18,600	18,050	17,650	17,350	17,200	16,150	16,000	15,000	18,400	16,700
ROE ²	29.6%	31.4%	32.0%	32.8%	30.7%	30.6%	32.9%	37.8%	32.5%	31.4%	32.9%
RORC	34.5%	37.0%	37.9%	39.0%	36.7%	36.7%	39.9%	46.0%	40.2%	37.0%	39.7%
Wealth Management											
Net income available to common shareholders	540	564	522	583	476	470	415	414	381	2,209	1,775
Average risk capital	6,150	6,250	6,200	6,100	6,000	5,900	5,950	5,700	5,150	6,150	5,900
Add: Average goodwill and other intangibles	7,350	7,350	7,400	7,300	7,300	7,550	7,750	7,700	7,850	7,350	7,550
Average attributed capital	13,500	13,600	13,600	13,400	13,300	13,450	13,700	13,400	13,000	13,500	13,450
ROE ²	15.9%	16.4%	15.8%	17.3%	14.2%	13.9%	12.4%	12.2%	11.6%	16.3%	13.2%
RORC	34.9%	35.9%	34.6%	38.0%	31.6%	31.6%	28.6%	28.8%	29.4%	35.8%	30.2%
Insurance											
Net income available to common shareholders	316	156	170	125	263	159	164	132	226	767	718
Average risk capital	2,000	1,750	1,750	1,600	1,800	1,550	1,450	1,400	1,500	1,750	1,550
Add: Average goodwill and other intangibles	200	200	200	150	200	150	150	150	150	200	150
Average attributed capital	2,200	1,950	1,950	1,750	2,000	1,700	1,600	1,550	1,650	1,950	1,700
ROE ²	57.2%	32.1%	36.3%	28.2%	52.3%	37.0%	41.5%	33.7%	54.3%	39.3%	41.8%
RORC	62.7%	35.6%	40.1%	31.3%	57.2%	40.8%	45.9%	37.2%	59.4%	43.4%	46.0%
Investor & Treasury Services											
Net income available to common shareholders	152	152	208	216	153	174	188	210	170	728	725
Average risk capital	2,550	2,500	2,500	2,650	2,650	2,650	2,650	2,850	2,750	2,550	2,700
Add: Average goodwill and other intangibles	600	550	550	500	500	500	500	450	450	550	500
Average attributed capital	3,150	3,050	3,050	3,150	3,150	3,150	3,150	3,300	3,200	3,100	3,200
ROE ²	19.2%	19.8%	28.1%	26.9%	19.2%	21.9%	24.6%	25.1%	21.0%	23.5%	22.7%
RORC	23.5%	24.1%	34.1%	32.1%	22.9%	26.1%	29.2%	29.5%	24.8%	28.4%	26.9%
Capital Markets											
Net income available to common shareholders	645	676	644	727	564	588	646	640	461	2,692	2,438
Average risk capital	20,050	20,100	18,150	18,150	16,600	18,200	17,650	18,000	16,500	19,100	17,600
Add: Average goodwill and other intangibles	1,600	1,600	1,550	1,500	1,450	1,350	1,050	1,100	1,100	1,600	1,250
Average attributed capital	21,650	21,700	19,700	19,650	18,050	19,550	18,700	19,100	17,600	20,700	18,850
ROE ²	11.8%	12.3%	13.4%	14.7%	12.4%	11.9%	14.2%	13.3%	10.4%	13.0%	12.9%
RORC	12.7%	13.3%	14.6%	15.9%	13.5%	12.8%	15.0%	14.1%	11.1%	14.1%	13.8%
Corporate Support ³											
Net income available to common shareholders	11	(4)	-	(219)	(82)	(55)	(27)	(23)	(32)	(212)	(187)
Average risk capital and other	2,950	2,850	2,750	3,100	3,050	2,950	3,200	3,100	2,950	2,950	3,050
Add: Average under/(over) attribution of capital	5,800	4,800	5,200	5,050	5,850	4,450	4,900	4,850	6,350	5,200	5,050
Average attributed capital	8,750	7,650	7,950	8,150	8,900	7,400	8,100	7,950	9,300	8,150	8,100
RBC											
Net income	3,250	3,109	3,060	3,012	2,837	2,796	2,809	3,027	2,543	12,431	11,469
Net income available to common shareholders	3,176	3,031	2,979	2,929	2,757	2,707	2,724	2,940	2,458	12,115	11,128
Average risk capital	50,200	49,250	46,700	46,500	44,800	45,800	44,100	44,100	41,000	48,150	44,700
Average common equity	71,700	69,650	67,450	66,850	65,900	65,750	64,800	64,650	63,100	68,900	65,300
ROE	17.6%	17.3%	18.1%	17.4%	16.6%	16.3%	17.2%	18.0%	15.5%	17.6%	17.0%
RORC	25.1%	24.4%	26.2%	25.0%	24.4%	23.4%	25.3%	26.4%	23.9%	25.1%	24.9%

¹ These measures do not have a standardized meaning under GAAP. For further information, refer to the Key performance and non-GAAP measures section on page 47.

² Business segment ROE is based on Average attributed capital. Under/(over) attribution of capital is reported in Corporate Support.

³ We do not report ROE and RORC for Corporate Support as they are considered not meaningful.

Key performance and Non-GAAP measures

Management measures and evaluates the performance of our consolidated operations and each of our segments based on variety of financial measures. In addition to generally accepted accounting principles (GAAP) prescribed measures, we use certain non-GAAP measures and key performance measures. We believe these measures provide useful information to investors regarding our financial condition and result of operations. For details, refer to the "How we measure and report our business segments" section of our Report to Shareholders. Readers are cautioned that non-GAAP measures do not have any standardized meanings prescribed by GAAP and therefore are unlikely to be comparable to similar measures disclosed by other companies.

Performance measures

Attributed capital (Economic capital)

An estimate of the amount of equity capital required to underpin risks. It is calculated by estimating the level of capital that is necessary to support our various businesses, given their risks, consistent with our desired solvency standard and credit ratings.

Risk capital

Risk capital includes credit, market (trading and non-trading), insurance-specific, operational, business and fixed assets risk capital.

Average risk capital

Calculated using methods intended to approximate the average of the daily risk capital balances for the period.

Return on equity (ROE)

Business segment return on equity is calculated as net income available to common shareholders divided by Average attributed capital for the period and using methods that are intended to approximate the average of the daily balances for the period. Corporate Support also includes average unattributed capital. ROE is based on actual balances of average common equity before rounding.

Return on Tangible Common Equity (ROTCE)

Net income available to shareholders excluding the after-tax impact of amortization and write down of other intangibles (excluding software) and goodwill divided by average tangible common equity. ROTCE is based on actual balances of average tangible common equity before rounding.

Return on risk capital (RORC)

Net income available to common shareholders divided by average risk capital. Business segment RORC is calculated as net income available to common shareholders divided by average risk capital for the period. RORC is based on actual balances of average common equity before rounding.

Unattributed capital

Unattributed capital represents common equity in excess of common equity attributed to our business segments and is reported in the Corporate Support segment.

Non-GAAP measures

Adjusted basis measures

Adjusted basis measures such as adjusted net income available to common shareholders, adjusted diluted earnings per share (EPS) and adjusted ROE are calculated by adding back to net income the after-tax amount of amortization of intangibles (excluding amortization of software), any goodwill impairment, the dilutive impact of exchangeable shares, and other significant non-recurring items.

Adjusted efficiency ratio, operating leverage, Non-interest expense growth and revenue growth

The ratio and calculations are adjusted to exclude specified items and the change in fair value backing our policyholder liabilities from revenue and revenue growth. Refer to page 48 for the definition of the efficiency ratio, operating leverage, Non-interest expense growth and revenue growth.

Economic profit

Net income (loss) after non-controlling interests excluding the after-tax effect of amortization and write-down of other intangibles (excluding software) and goodwill less a capital charge for use of attributed capital.

Common equity

Common equity includes common shares, common treasury shares, retained earnings and other components of equity.

Tangible common equity

Common equity excluding goodwill and other intangibles (excluding software) net of deferred tax.

Glossary

Definitions

Assets under administration (AUA)

Assets administered by us, which are beneficially owned by clients. Services provided in respect of assets under administration are of an administrative nature, including safekeeping, collecting investment income, settling purchase and sale transactions, and record keeping.

Assets under management (AUM)

Assets managed by us, which are beneficially owned by clients. Services provided in respect of assets under management include the selection of investments and the provision of investment advice. We have assets under management that are also administered by us and included in assets under administration.

Goodwill and intangibles

Goodwill represents the excess of the price paid for the business acquired over the fair value of the net identifiable assets acquired. An intangible asset is an identifiable non-monetary asset without physical substance.

Glossary continued

Definitions

Taxable equivalent basis (teb)

Income from certain specified tax-advantaged sources is increased to a level that would make it comparable to income from taxable sources. There is an offsetting adjustment in the tax provision, thereby generating the same after-tax net income. We record teb adjustments in Capital Markets and record elimination adjustments in Corporate Support.

Total trading revenue

Total trading revenue is comprised of trading related revenue recorded in Net interest income and Non-interest income.

Net impaired loans and acceptances

Gross impaired loans and acceptances less the associated allowance for credit losses on impaired loans by portfolio.

Ratios

Capital ratios

The percentage of risk-adjusted assets supported by capital, using the guidelines of OSFI based on standards issued by the Bank for International Settlements and GAAP financial information.

Common Equity Tier 1 ratio

Common Equity Tier 1 (CET1) capital under Basel III comprises the highest quality of capital including common shares, retained earnings, accumulated other comprehensive income and other items. Regulatory adjustments such as goodwill and intangibles, deferred tax assets, and other components subject to threshold deductions are excluded from CET1 capital. This ratio is calculated by dividing CET1 by risk-weighted assets, in accordance with OSFI's Basel III Capital Adequacy Requirements guideline.

Efficiency ratio

Non-interest expense as a percentage of total revenue. For adjusted efficiency ratio refer to the non-GAAP measures on page 47.

Return on assets (ROA)

Net income as a percentage of average assets.

Return on risk-weighted assets

Net income as a percentage of average risk-weighted assets.

Calculations

Average balances (assets, loans and acceptances, and deposits)

Calculated using methods intended to approximate the average of the daily balances for the period.

Average common equity

Calculated using methods intended to approximate the average of the daily balances for the period. For the business segments, calculated using methods intended to approximate the average of the daily attributed capital for the period.

Average earning assets, net

Average earning assets include interest-bearing deposits with other banks, securities, net of applicable allowance, assets purchased under reverse repurchase agreements and securities borrowed, loans, net of allowance, cash collateral and margin deposits. Insurance assets, and all other assets not specified are excluded. The averages are based on the daily balances for the period.

Capital charge

Calculated by multiplying the cost of capital by the amount of average common equity. The cost of capital is a proxy for the after-tax return that we estimate to be required by shareholders for the use of their capital.

Dividend yield

Dividends per common share divided by the average of the high and low share prices in the relevant period.

Diluted EPS

Diluted EPS is net income attributable to common shareholders divided by the average diluted shares outstanding. Both net income and number of shares outstanding have been adjusted for the impact of exchangeable shares.

Effective tax rate (teb)

Effective tax rate (teb) is calculated using the tax provision for the period adjusted for the teb amount divided by the net income before tax for the period also adjusted for the teb amount. For teb, refer to Definitions above.

Market capitalization

End of period common shares outstanding multiplied by the closing common share price on the Toronto Stock Exchange.

Net interest margin (NIM) (average assets)

Net interest income as a percentage of total average assets.

Net interest margin (NIM) (average earning assets, net)

Net interest income as a percentage of total average earning assets, net.

Net write-offs

Gross write-offs less recoveries of amounts previously written off.

Operating leverage

The difference between our revenue growth rate and non-interest expense growth rate. For adjusted operating leverage ratio, refer to the non-GAAP measures on page 47.

Non-interest expense Growth

The growth rate is calculated based on Non-interest expense in the same period a year ago. For adjusted Non-interest expense growth refer to the non-GAAP measures on page 47.

Revenue Growth

The growth rate is calculated based on revenue in the same period a year ago. For adjusted revenue growth, refer to the non-GAAP measures on page 47.

Risk-weighted assets (RWA) - Basel III

Used in the calculation of risk-based capital ratios as defined by the guidelines issued by OSFI. The guidelines are Basel III effective January 1, 2013 and the "Basel III: A global regulatory framework for more resilient banks and banking systems - December 2010 (rev June 2011)" issued by the Basel Committee on Banking Supervision (BCBS) and adopted by OSFI effective January 2013. A majority of our credit risk portfolios use IRB Approach and the remainder uses Standardized Approach for the calculation of RWA based on the total exposure (i.e. exposure at default, and counterparty risk weights). For market risk measurement we use the internal models approach for products with regulatory approval and a standardized approach for all other products. For Operational risk, we use the Advanced Measurement Approach. In addition, Basel III requires a transitional capital floor adjustment.

n.a.

Not applicable