

Tariffs, Volatility, Geopolitical Uncertainty & Client Demand for Rebalancing Portfolios

The four pillars of growth for global banks in 1Q25

APRIL 10, 2025

CIB increased **10%** in 1Q25—robust performance mainly driven by outperformance in Markets



FICC

benefited from a snapback in Macro while Spread remained resilient



IBD

marginal growth in M&A and moderate DCM activity



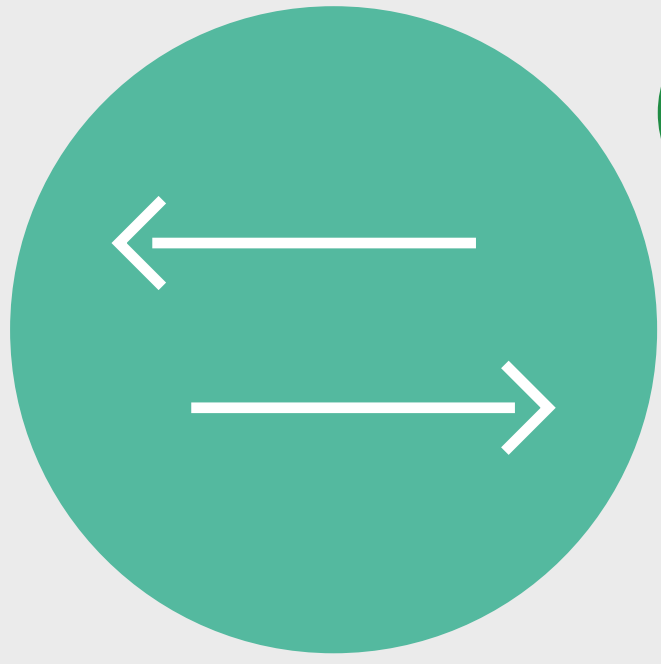
Corporate Lending

driven by higher margins despite challenges in loan demand



Equities

outperformed amidst constructive volatility environment and elevated client activity



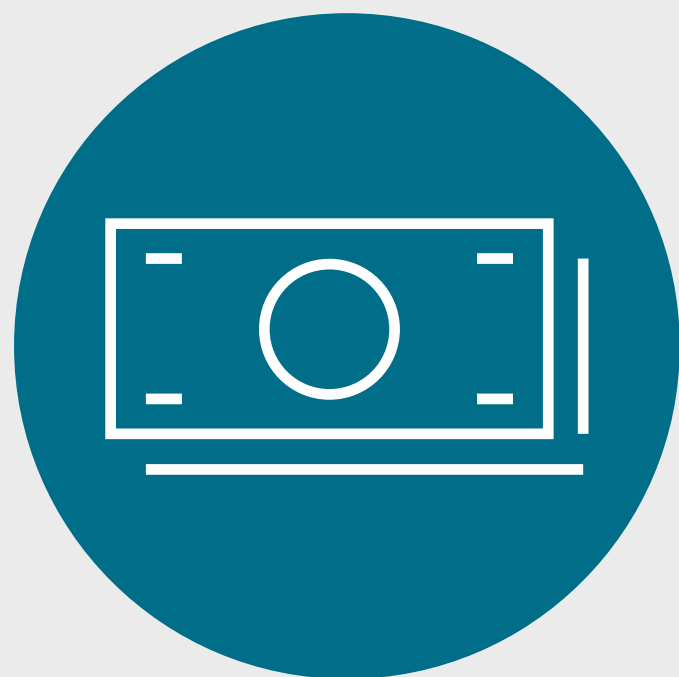
Transaction Banking

driven by growth in payments volumes and increased trade activity



Securities Services

marginal growth in NII mostly offset by slowdown in fees



Markets



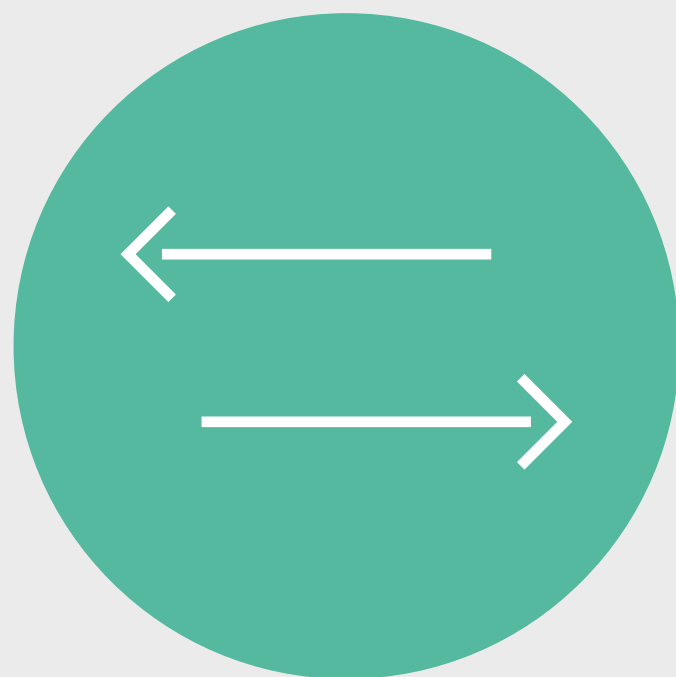
15-20%



IBD



1-5%



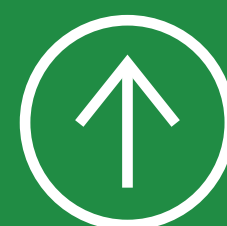
Transaction Banking



1-5%



Lending and Securities Services



1-5%

Tariff change impact



Markets



- Upside risk for Global Markets outlook, as higher volatility should benefit FICC and Equities revenue pools



IBD



- Significant down-side risk for IBD, as market uncertainty stalls the M&A and Capital Markets activities



Transaction Banking



- Mixed impacts on Trade Finance as higher financing volumes due to stockpiling activities could be offset by weaker cross-border flow
- Greater downside risk for Cash Management as higher recession risk negatively impacts payment flows



Securities Services



- Downside risk for Securities Services due to the drop in overall market valuations impacting fees