

## Lukewarm gruel for banks amid low growth

		UNSUSTAINABLE EXPANSION (2002-2007)	CRISIS (2008-2011)	NEW REALITY (2012-2015)
		DOUBLE-DIGIT GROWTH, HIGH ROE, MULTIPLES AT UNSUSTAINABLE LEVELS	SLOW GROWTH, ROE SIGNIFICANTLY BELOW COE, LOW MULTIPLES	LOW, SINGLE-DIGIT GROWTH, PLATEAUED ROE AND MULTIPLES, IMPROVED COST-EFFICIENCY
<b>Average ROE</b>		14.0%	7.3%	9.1%
<b>Revenue growth*</b>		16.8%	3.9%	6.2%**
<b>Emerging markets' share of revenue growth*</b>		26.9%	69.0%	70.9%**
<b>Tier 1 ratio</b>		10.5%	12.1%	12.5%
<b>Loan/deposit</b>	Developed	124.6%	128.8%	105.7%
	Emerging	75.6%	81.1%	77.4%
<b>Price/book value</b>	Developed	2.2	1.0	0.9
	Emerging	2.2	1.7	1.2
<b>Per cent of banks with price/book value &lt;1.0x</b>	Developed	28.4%	66.0%	64.1%
	Emerging	19.2%	27.9%	42.0%
<b>Primary driver of economic growth</b>		Volume	Risk cost	Operational efficiency

\* Revenue before risk cost

\*\* Fixed conversion rate, \$ 2015