JPMORGAN CHASE & CO. · NYSE: JPM · Q3 2026 EARNINGS

JPMorganChase

The headline missed. The machine did not.

JPMorgan printed third-quarter 2026 results on Tuesday, October 13. Reported earnings of $5.57 a share missed the $5.85 LSEG consensus, and a $658 million investment securities loss did most of the damage. Underneath the headline, managed revenue grew 8%, equity trading rose 49%, consumer card spending rose 10%, and management guided 2027 net interest income to about $107 billion excluding Markets. This report grades the print, the three engines, and what the largest bank in America says about the economy going into the October 27 to 28 FOMC meeting.

VERDICT: BUY · STAGED · ZONE $322 TO $332

INVALIDATION · WEEKLY CLOSE BELOW $322.51

CLOSE · FRI OCT 23, 2026

$331.58

Down 1.47% on the day from $336.54. The close sits 9.2% below the 52-week high close of $365.18 (Aug 12, 2026) and above the 200-day average at $322.51. Source: Nasdaq daily closes.

THE PRINT · REPORTED / EX-ITEM EPS

$5.57 / $5.75

Reported EPS missed the $5.85 LSEG consensus carried by Reuters. Excluding the $658 million securities loss, EPS was $5.75 and ROTCE was 21%, not 20%.

THE GUIDE · 2027 NET INTEREST INCOME EXCLUDING MARKETS

~$107B

Preliminary central case from the October 13 earnings presentation, against an implied ~$97.2B for full-year 2026. Fourth-quarter 2026 NII is guided to ~$28B. The guide assumes balance sheet growth and higher rates.

ZeroGamma Research · Investor Deep Dive · Q3 2026 print edition, October 25, 2026. Every financial figure is graded from the Q3 2026 earnings release, financial supplement, and earnings presentation filed on Form 8-K on October 13, 2026; prices are Nasdaq closes through Friday, October 23, 2026. Sources and method on the final page. Research and education only. Not investment advice.

KEY TAKEAWAYS

Five things to know before you read.

1 The miss is arithmetic, not operations

A $658 million net investment securities loss, booked in Corporate, cut reported EPS by $0.18. Excluding it, JPMorgan earned $15.8 billion, EPS of $5.75, and a 21% return on tangible common equity. Managed revenue was $50.9 billion, up 8% year over year. The operating quarter beat the headline quarter by a wide margin.

2 The consumer is still spending, and still paying

Debit and credit card sales volume was $539.5 billion in the quarter, up 10% year over year. The bank added over 650,000 net new checking accounts. Card net charge-offs ran at 2.91%, below the ~3.2% full-year rate management guides to. Households, on this data, are not the problem.

3 Equities is the engine; fixed income is the soft spot

Equity Markets revenue was $5.0 billion, up 49% year over year, on strength in Prime and Derivatives. Investment Banking fees were $3.0 billion, up 14% year over year but down 8% from the second quarter. Fixed Income Markets revenue fell 4%. The quarter's growth came from risk appetite, not rates trading.

4 The rate path is now the earnings path

Net interest income hit $27.1 billion, up 13% year over year, after the Federal Reserve raised its target range to 3.75% to 4.00% on September 16, 2026. The preliminary 2027 central case, ~$107 billion of NII excluding Markets, leans on higher rates and balance sheet growth. The FOMC meets October 27 to 28: the guide's first test arrives within days.

5 The caution is real, and it is wholesale, not consumer

The $539 million net reserve build sat mostly in the investment bank ($452 million in CIB), against specific exposures. The consumer bank built just $50 million. Dimon's own list, from the release: large fiscal deficits, sticky inflation, elevated asset prices, rising interest rates and geopolitical conditions "continue to shift under the surface."

Research and education only. Not investment advice.

01 · THE DECISION

BUY, staged. The pullback prices the footnote, not the franchise.

The stock has faded 9.2% from its August high close into a headline miss that the underlying quarter does not support. The franchise compounded tangible book at a 20% ROTCE in the quarter, pays a 2.0% dividend yield at this price, and just guided 2027 lending income about 10% higher. We buy the fade in stages, with the 200-day average as the line the thesis cannot cross.

VERDICT
BUY
Staged accumulation, not a chase. Half now, half on confirmation or a deeper fade.

AS-OF PRICE
$331.58
Friday, October 23, 2026 close (Nasdaq). Down 1.47% on the day.

3-MONTH TARGET
$350-$365
Technical frame: reclaim the 50-day at $345.41, then retest the $365.18 high close of Aug 12, 2026.

6-MONTH TARGET
$390
Scenario math, detailed below. Street consensus is $373.36 (FMP, Oct 25, 2026).

Position staging

TRANCHE	TRIGGER	BASIS
Starter (half)	$322 to $332, in market now	Price sits between the October low close ($329.58) and the 200-day average ($322.51), 9.2% under the high close, after a miss the operations do not confirm.
Add (half)	Weekly close above $345.41, or a fade to $310-$322 that holds the 200-day on a closing basis	The 50-day reclaim confirms the trend; the deeper fade pays more for the same franchise if support holds.
Walk away	Weekly close below $322.51	The 200-day average. This is a pullback inside an uptrend; if the uptrend breaks on a weekly close, the staged thesis is over, not averaged down.

What the 6-month target rests on

Tangible book value per share is $112.64, up 7% year over year. If it compounds near that pace, it reaches roughly $118 to $120 by mid-2027. At about 3.3x that forward tangible book, modestly above today's 2.94x and well below the Street's $425 high target, the price is ~$390. That is our scenario math, labeled as such: it needs ROTCE to hold near 20% and the multiple to hold near its recent range. The 3-month target needs neither; it is a levels trade, graded on the chart page.

Income while you wait: the quarterly dividend is $1.65 a share, a 2.0% yield at $331.58. Management deliberately cut net buybacks to $664 million this quarter to keep capital for deployment; a normalization after Basel III finalization, expected by year-end per the October 13 call, is a tailwind, not a requirement.

Research and education only. Not investment advice.

02 · THE COMPANY

The largest bank in America is three businesses and a vault.

JPMorgan Chase holds $5.09 trillion of assets and $372 billion of stockholders' equity (September 30, 2026). In plain terms: it takes deposits from households and companies, lends and moves money for them, trades and underwrites for institutions, and manages wealth. Almost every dollar of American economic life touches one of its rails, which is why its quarter doubles as a macro report.

The three engines, Q3 2026 (managed basis)

BUSINESS	REVENUE	NET INCOME	ROE	WHAT IT IS
Consumer & Community Banking	$21.2B	$5.7B	36%	Chase branches, cards, auto and home lending. #1 in U.S. retail deposit share for the sixth consecutive year; added 650,000+ net new checking accounts in the quarter.
Commercial & Investment Bank	$22.7B	$8.2B	18%	Deals, trading, payments and custody for companies and institutions. #1 in global investment banking fees with 9.2% wallet share year to date (Dealogic, Oct 1, 2026).
Asset & Wealth Management	$6.9B	$1.8B	45%	Investing for the wealthy and for institutions. Assets under management of $5.2 trillion, up 13%; client assets of $7.9 trillion, up 15%.
Corporate	$0.1B	($0.5B)	n/a	The vault: treasury and the firm's own securities portfolio. This is where the quarter's $658 million investment securities loss was booked.
Firmwide	$50.9B	$15.3B	17%	Managed revenue up 8% year over year; reported revenue $50.2B. Return on tangible common equity 20% (21% excluding the securities loss).

CAPITAL · CET1 RATIO

13.9%

Standardized (14.1% Advanced), on $304 billion of CET1 capital and $2.2 trillion of standardized risk-weighted assets. Down from 14.8% a year ago as the balance sheet grew.

BOOK VALUE PER SHARE

$132.30

Up 6% year over year. Tangible book value per share $112.64, up 7%: the compounding line this entire report is priced against.

LIQUIDITY

$1.5T

Cash and marketable securities. Total loss-absorbing capacity $599 billion; supplementary leverage ratio 5.5%.

Capital hierarchy, in Dimon's words on the quarter: investing in the franchise and supporting clients comes first, the dividend second, buybacks last, "particularly when stock prices are up." Net repurchases fell to $664 million from a multi-billion pace; management estimates roughly $30 billion of excess capital above expected endgame rules. Discipline at the top of the cycle is a feature of this franchise, not a warning.

Research and education only. Not investment advice.

03 · THE PRINT · PRINT VS EXPECTATIONS

The headline missed. The quarter did not.

Three different consensus numbers circulated on October 13, on three different bases. Grading the print means matching each one to its own basis, and then asking what actually missed: the answer is a bond portfolio line in Corporate and a soft fixed income quarter, not the bank.

Print vs the bar, each on its own basis

METRIC	PRINTED	THE BAR	READ
Reported EPS (diluted)	$5.57	$5.85	Miss of $0.28 vs the LSEG consensus carried by Reuters on Oct 13.
EPS excl. securities losses	$5.75	$5.94	Miss of $0.19 vs the Zacks consensus (adjusted basis). Closer, still short: expenses and fixed income did this part.
Reported revenue	$50.17B	~$51.2B	Consensus clustered near $51.2B. The $658M securities loss accounts for a large share of the gap on any basis; managed revenue printed $50.91B.
Net interest income	$27.1B	~$26.9B	Beat. The core lending and deposit engine outran the estimate even as the headline missed.
Net income	$15.3B	$14.4B (3Q25)	Up 6% year over year. Up 10% on EPS, helped by a share count down 3% year over year.

The $658 million, in plain English

Banks hold portfolios of bonds as a liquidity vault. When interest rates rise, those bonds are worth less. This quarter JPMorgan recorded $658 million of net losses on that portfolio, in Corporate. It is a real loss, and it is also a portfolio decision, not a borrower defaulting: no loan went bad to produce it. After tax it cost $498 million, or $0.18 a share, the difference between the $5.57 headline and the $5.75 underlying print. A year ago the same line produced $105 million of gains, so the year-over-year swing in this one line is $763 million of revenue. Rising rates giveth NII and taketh marks; both showed up in the same quarter.

THE SEQUENTIAL TRAP

-28% EPS vs Q2

Second-quarter EPS of $7.70 is not a run rate. Q2 carried a $4.6 billion gain on Visa Class C stock plus $1.0 billion of gains on certain equity investments (supplement, Q2 footnotes), lifting Q2 net income to $21.2 billion. Every "down from last quarter" headline this week compares against a one-off. Year over year is the honest frame.

THE MARKET'S GRADE

-0.9% print day

JPM closed at $331.43 on October 13, down 0.86% from the October 12 close of $334.30, then made a post-print high close of $339.72 on October 16 before fading with the tape to $331.58 by October 23. The market read the same report we did: a footnote, priced as one.

Research and education only. Not investment advice.

04 · THE NUMBERS

Growth at scale, bought with expenses.

Firmwide results, Q3 2026 (managed basis unless noted)

LINE	3Q26	3Q25	CHANGE	NOTE
Net revenue (managed)	$50,907M	$47,120M	+8%	Reported revenue $50,172M.
Net interest income	$27.1B	$24.0B	+13%	NII excluding Markets $24.7B, up 6%.
Noninterest revenue	$23.8B	$23.1B	+3%	Up 12% ex-Markets after also excluding the $658M securities loss.
Markets revenue	$10.3B	$8.9B	+15%	Equities +49%, fixed income -4%.
Noninterest expense	$27,295M	$24,281M	+12%	Compensation, brokerage, marketing, technology. Expense grew faster than revenue: the quarter's real blemish.
Provision for credit losses	$2,743M	$3,403M	-19%	Net charge-offs $2.2B; net reserve build $539M.
Net income	$15,305M	$14,393M	+6%	$15.8B excluding the securities loss.
EPS (diluted)	$5.57	$5.07	+10%	$5.75 excluding the securities loss.
ROE / ROTCE	17% / 20%	17% / 20%	flat	ROTCE 21% excluding the securities loss. Overhead ratio 54%.
Average loans	$1.6T		+10%	Up 10% YoY, 2% QoQ. Average deposits up 8% YoY, 2% QoQ.

P/E · TRAILING
13.9x
TTM diluted EPS of $23.84 (4Q25 to 3Q26). Includes Q2's Visa gain; labeled, not hidden.

P/E · EX-ITEM RUN RATE
14.4x
$5.75 ex-item EPS annualized ($23.00). Our arithmetic on the company's ex-item figure.

PRICE / TANGIBLE BOOK
2.94x
$331.58 against TBVPS of $112.64. Price to book value 2.51x ($132.30).

MARKET VALUE
~$881B
2,655.6 million shares at period end, times the October 23 close. Dividend yield 2.0%.

Guidance on the record (earnings presentation, Oct 13, 2026)

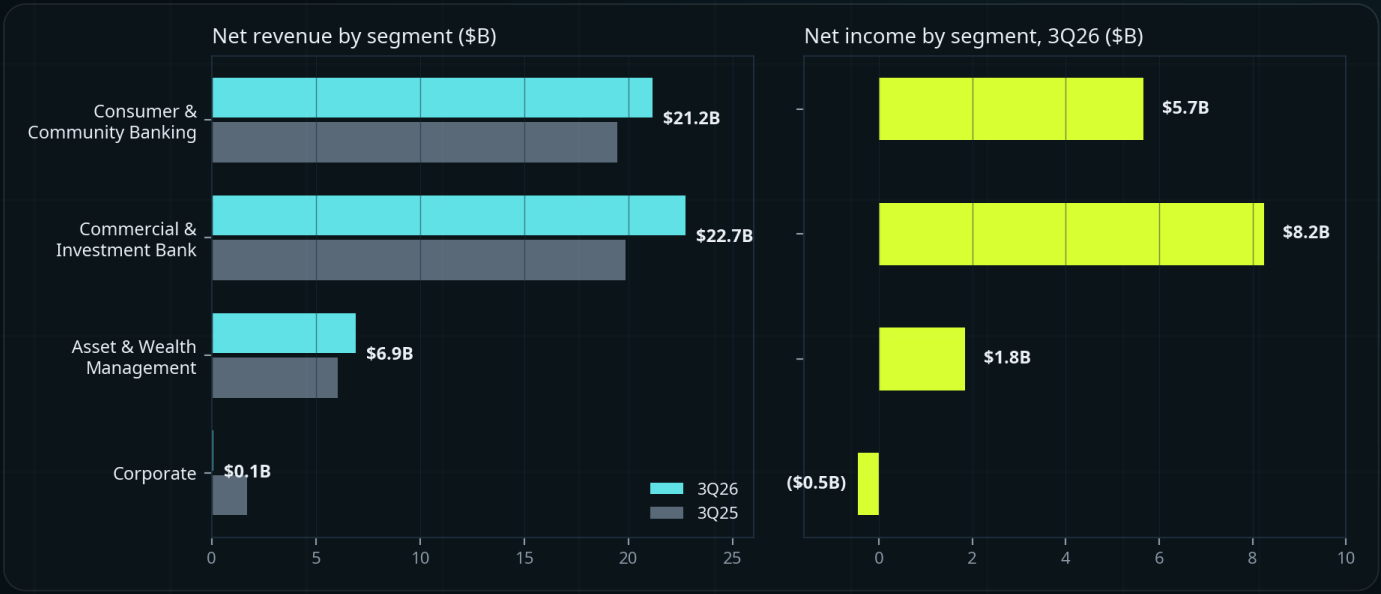
GUIDE	LEVEL	BASIS
Q4 2026 net interest income	~$28B	Market dependent; ~$25.5B excluding Markets.
FY2026 implied NII	~$106.2B	~$97.2B excluding Markets. Adjusted expense ~$108.6B implied.
2027 NII excluding Markets, central case	~$107B	Preliminary. About +10% over the FY26 implied ex-Markets level, on balance sheet growth and higher rates.
FY2026 Card Services NCO rate	~3.2%	Q3 printed 2.91%: running better than guide.

Guidance is management's (Oct 13, 2026); the 2027 line is labeled preliminary. A checkpoint to grade, not a result.

Research and education only. Not investment advice.

05 · THE SEGMENTS

Every engine grew. One carried the quarter.



Managed basis. Source: JPMorgan Q3 2026 earnings release (Ex-99.1). Segments sum to managed revenue of $50.9B and net income of $15.3B.

Consumer & Community Banking · revenue $21.2B, up 9% · net income $5.7B, up 13% · ROE 36%

LINE	3Q26	YOY	READ
Banking & Wealth Management	$11,673M	+6%	Asset management fees and deposit NII. Average deposits in the unit $1,078.9B, up 4%; deposit margin 2.78%.
Home Lending	$1,217M	-3%	Lower production revenue. The one consumer line still locked by high mortgage rates.
Card Services & Auto	$8,281M	+15%	Higher card balances and net yield, plus auto lease income. Card sales volume $539.5B, up 10%.
Provision for credit losses	$2,026M	-20%	Net charge-offs of $2.0B, flat YoY; net reserve build of only $50M (vs $575M a year ago).

Commercial & Investment Bank · revenue $22.7B, up 14% · net income $8.2B, up 20% · ROE 18%

LINE	3Q26	YOY	READ
Investment Banking fees	$3.0B	+14%	Advisory-led. Down 8% vs Q2: deal activity moderated inside the quarter, per Dimon.
Equity Markets	$5.0B	+49%	Strength across products, particularly Prime and Derivatives. The quarter's standout line.
Fixed Income Markets	$5.4B	-4%	Lower Commodities, Rates, Credit and Public Finance, partly offset by Currencies & Emerging Markets.
Payments / Securities Services	$5.6B / $1.6B	+14% / +14%	Deposit balances, margin and fee growth. Lending revenue $2.2B, up 20%.
Provision for credit losses	$663M	-18%	Reserve build of $452M against specific exposures; charge-offs of $211M, down from $567M.

05 · THE SEGMENTS · AWM AND CORPORATE

Wealth is the quiet second engine.

Asset & Wealth Management · revenue $6.9B, up 14% · net income $1.8B, up 11% · ROE 45%

LINE	3Q26	YOY	READ
Net revenue	$6,909M	+14%	Management fees on higher average market levels and strong net inflows, plus higher loan balances.
Assets under management	$5.2T	+13%	Client assets $7.9 trillion, up 15%. Dimon cited $263 billion of client asset net inflows.
Average loans		+20%	Wealth clients borrowing against assets: the private bank is a lender as much as a manager.
Noninterest expense	$4,358M	+14%	Revenue-linked pay and continued growth in private banking advisor teams, plus distribution fees. Growth bought at full price.
Provision for credit losses	$84M	+42%	Net reserve build of $68M; net charge-offs of just $16M. Small numbers, carefully watched.

Corporate · revenue $93M · net loss of $455M

Corporate is the vault, not a business: treasury, the firm's own investment securities, and everything that does not belong to a client segment. Its quarter explains the headline. Revenue fell $1.6 billion year over year to $93 million: net interest income dropped $737 million as lower rates reshaped the portfolio, and noninterest revenue swung to a loss of $576 million because the quarter carried $658 million of net investment securities losses, against $105 million of gains a year ago. A year ago Corporate earned $825 million; the swing in one portfolio line is most of the difference. Nothing in this segment sells anything to anyone, which is precisely why the miss it produced should not be read as demand.

> The segment read: the client businesses, all three of them, grew revenue at 9% to 14% and net income at 11% to 20%. The only shrinking P&L in the building belongs to the vault. When the vault is the problem and the engines are not, the quarter is a portfolio story, and portfolio stories are the cheapest kind of miss to buy.

Research and education only. Not investment advice.

06 · THE MACRO READ · THE CONSUMER AND CREDIT

Read the economy through the bank that touches most of it.

The question behind this report: not just what JPMorgan earned, but what JPMorgan's quarter says about the United States right now. No bank sees more of the economy: millions of households, most large companies, and the markets they fund in. This page is the household and credit evidence. The next page is companies, rates, and what to watch.

The consumer: spending, saving, borrowing

CARD SALES VOLUME · Q3

$539.5B

Debit and credit card volume, up 10% year over year; $1,562.9B year to date, up 9%. Households are still spending at a double-digit clip on the largest card book in the country.

NET NEW CHECKING ACCOUNTS

650,000+

Added in the quarter alone, with active mobile customers up 7%. Consumers are not retreating from the banking system; they are consolidating into its strongest name.

DEPOSITS AND INVESTING

+4% / +15%

Banking & Wealth Management average deposits of $1,078.9B, up 4% YoY; firmwide average deposits up 8%. CCB client investment assets up 15%: households are investing, not just hoarding cash.

Dimon's summary in the release: the economy "continued to be fueled by strong business investment and ongoing consumer spending." The one household line still frozen is housing: Home Lending revenue fell 3% as high mortgage rates keep production low. The consumer engine is running everywhere except where rates bite hardest, which is the signature of a high-rate economy that has not broken.

Credit: where the caution actually sits

SIGNAL	3Q26	READ
Net charge-offs, firmwide	$2.2B	Down 15% year over year (from $2,593M). Realized losses are falling, not rising.
Card net charge-off rate	2.91%	Running below the ~3.2% full-year guide. The consumer book is performing better than the bank budgeted.
Net reserve build	$539M	Of which CIB $452M, AWM $68M, CCB just $50M. Reserves are being built against specific wholesale exposures, not against households.
Allowance for loan losses	$26.3B	Up 2% year over year while average loans grew 10%: reserves per loan dollar edged down, the opposite of panic-building.

The macro read: through September 2026, JPMorgan's data describes an economy carrying high rates without cracking. Spending grows, charge-offs fall, deposits grow, and the bank's own caution is aimed at individual corporate exposures. That is late-cycle vigilance from the best seat in the house, not deterioration. The quarter to fear is the one where the reserve build moves into the consumer column; it has not.

Research and education only. Not investment advice.

07 · THE MACRO READ · COMPANIES, RATES, CHECKPOINTS

Companies are dealing. Rates are the swing factor.

The corporate and institutional pulse

Investment Banking fees rose 14% year over year, led by advisory: companies are doing deals, not hiding. Equity Markets revenue rose 49%: institutional risk appetite is high, and hedging demand with it. Payments revenue rose 14% on deposit growth, and the firm has raised roughly $2.9 trillion of credit and capital for clients year to date. Dimon's qualifier: activity "did moderate somewhat during the quarter," and IB fees fell 8% sequentially. Momentum is strong and cooling at the same time.

The rate path runs through this income statement

The Federal Reserve raised its target range by 25 basis points on September 16, 2026, to 3.75% to 4.00%, the first increase in three years. Higher rates are direct revenue here: NII rose 13% year over year to $27.1 billion, and the 2027 central case of ~$107 billion excluding Markets, about 10% above the implied 2026 level, is built on balance sheet growth and higher rates. CFO Jeremy Barnum's build, from the October 13 call: continued modest consumer deposit growth, wholesale deposit growth "a bit weaker," card loans at "calm levels." Dimon's caveat: "there's more uncertainty around that number than normal."

The tension to carry forward: the same rising rates that pay JPMorgan also marked its securities portfolio down by $658 million this quarter. The bank is both the economy's shock absorber and its seismograph. When its consumer credit data turns, the cycle has turned; this quarter, it has not.

Management's macro language, on the record

> "The U.S. economy continued to be fueled by strong business investment and ongoing consumer spending. However, large fiscal deficits, sticky inflation, elevated asset prices, rising interest rates and geopolitical conditions continue to shift under the surface. These forces may be manageable, but we remain prepared for a wide range of outcomes." Jamie Dimon, Q3 2026 earnings release, October 13, 2026.

Dated checkpoints: what proves or breaks this read

OCT 27-28, 2026 · THIS WEEK
FOMC meeting

The guide's first test. A hold at 3.75% to 4.00% with hawkish language keeps the 2027 NII path intact. A hike accelerates NII and credit pressure together; a cut would say the economy, not the bank, has the problem.

LATE OCT 2026
JPMorgan Q3 Form 10-Q

Not yet filed at this writing. The full credit detail must confirm the supplement's story, especially the wholesale reserve specifics.

DEC 8-9, 2026
FOMC meeting

September projections pointed to another hike by year-end (16 of 18 participants). Delivery or retreat reprices the 2027 guide and the credit outlook in one move.

YEAR-END 2026
Basel III endgame and G-SIB finalization

Expected by year-end per the October 13 call; final rules set how fast the throttled $664M buyback can normalize.

JAN 2027
Q4 2026 print

Grades the ~$28B NII guide and the ~3.2% card NCO guide through the holiday quarter; the preliminary 2027 central case becomes a budget.

Research and education only. Not investment advice.

08 · THE CHART

A 9.2% fade inside an intact uptrend.



$365.18	$345.41	$331.58	$329.58	$322.51
RESISTANCE · 52W HIGH CLOSE, AUG 12 2026	RESISTANCE · 50-DAY AVERAGE	LAST CLOSE · FRI OCT 23, 2026	SUPPORT · OCTOBER LOW CLOSE	SUPPORT · 200-DAY AVERAGE

MOMENTUM · RSI(14)

41.1

At the October 23 close, computed on the full Nasdaq series. Cooled from the August run, not washed out: this is a fade, not a capitulation, which is why the buy is staged rather than all-in.

POSITION IN RANGE

-9.2%

Below the 52-week high close; up 17.2% from the 52-week low close of $282.84 (Mar 27, 2026). Price sits below the 20-day ($333.70), 50-day ($345.41) and 100-day ($341.77) averages, above the 200-day ($322.51). Year-to-date price return +2.9% (dividends excluded).

The tape and the fundamentals tell the same story this quarter: momentum cooled after a strong run into August, the long-term trend that matters (the 200-day) is intact and rising, and the first support test is already underway at the October low close. The staged plan on the Decision page is built exactly on these lines: buy the zone between the October low and the 200-day, demand a 50-day reclaim for the second half, and let a weekly close below the 200-day end the argument.

Research and education only. Not investment advice.

09 · THE DEBATE

The Street debates the price. Nobody debates the franchise.

STREET CONSENSUS TARGET · FMP

$373.36

As of October 25, 2026. Median $375, high $425, low $312. Consensus sits 12.6% above the October 23 close.

RECOMMENDATIONS · FINNHUB, OCT 1 2026

18 / 12 / 0

Buy-side ratings (3 strong buy, 15 buy) against 12 holds and zero sells. The argument is valuation and timing, not quality.

OUR FRAME

$390

Our 6-month scenario target sits above consensus: it credits the 2027 NII guide at face value, which the January budget still has to confirm. The $425 high target shows where the bull case already lives.

Catalysts, dated

DATE	EVENT	WHY IT MATTERS
Oct 27-28, 2026	FOMC meeting	Hold, hike or cut reprices the 2027 NII guide immediately. Detail on the Macro Read pages.
Late Oct 2026	Q3 Form 10-Q	Full credit detail behind the supplement; the wholesale reserve build gets names and numbers.
Dec 8-9, 2026	FOMC meeting	The September projections promised one more hike this year. The committee either keeps its word or blinks.
Year-end 2026	Basel III endgame final rules	Sets the capital math for buyback normalization from this quarter's deliberate $664 million.
Jan 2027	Q4 2026 print and 2027 budget	Grades the ~$28B NII guide; the preliminary ~$107B ex-Markets central case becomes a plan or a cut.

Failure modes, honestly stated

1 **Expenses are outrunning revenue**

Expense grew 12% against revenue growth of 8%; 2027 expense consensus sits near $114 billion (CFO, Oct 13 call). If the investment pace does not convert, ROTCE compresses from 20% toward the mid-teens, and the multiple follows.

2 **The rate trade cuts both ways**

More hikes lift NII while marking the securities book (this quarter's $658 million) and pressuring borrowers with a lag. Today's wholesale reserve names are tomorrow's charge-off watch list; the macro checkpoints are the early-warning system.

3 **Capital markets cooled inside the quarter**

IB fees fell 8% sequentially; fixed income fell 4% year over year. If the moderation Dimon flagged becomes a slide, CIB's growth is the first line to give back.

Research and education only. Not investment advice.

10 · COMPOUNDING

A decade of 17% a year, dividends not counted.



WINDOW

10.0 yrs

October 24, 2016 to October 23, 2026. 2,514 Nasdaq daily closes, split-adjusted.

TOTAL PRICE RETURN

+381.5%

$68.87 to $331.58. Price return only; dividends excluded throughout this section.

GEOMETRIC CAGR

17.0%

The only average this section uses. Full-year returns ranged from -15.3% (2022) to +42.8% (2019).

VOLATILITY OF FULL YEARS

22.7%

Sample standard deviation of the nine full-calendar-year returns, 2017 to 2025.

What the history implies, as a band and never a point

HORIZON	AT THE CAGR	BAND (CAGR ± 1 SD)	BASIS
5 years	$728	$248 to $1,764	From the as-of close of $331.58 at 17.0% a year; band = CAGR ± the 22.7% full-year SD, floored at zero.
10 years	$1,597	$185 to $9,385	Same method. The width of the band is the point.

Full-calendar-year price returns: 2017 +23.9%, 2018 -8.7%, 2019 +42.8%, 2020 -8.8%, 2021 +24.6%, 2022 -15.3%, 2023 +26.8%, 2024 +40.9%, 2025 +34.4%. Three down years in nine, and the line still compounded at 17%.

Reality check. $1,597 a share on 2,655.6 million shares is a ~$4.2 trillion market value, about five times today's ~$881 billion, at a bank that already holds $5.1 trillion of assets. That needs another decade of high-teens ROTCE through at least one full credit cycle at this size. Note also what the line leaves out: dividends, paid throughout and currently $1.65 a share per quarter. Realized shareholder compounding ran

11 · VERDICT

Own the machine. Stage the entry.

JPMorgan's third quarter of 2026 is the rare miss that raises our conviction in the business while lowering the price of admission. The operations beat the headline: revenue up 8%, net interest income up 13%, equities up 49%, the consumer spending and paying on schedule, and a 2027 guide that leans into the rate path. The stock, 9.2% off its high close with momentum cooled and the long trend intact, is how that combination is supposed to be bought: in stages, with a line.

WHAT CONFIRMS THE CALL

Watch for

- A weekly close above the 50-day average at $345.41.
- Q4 net interest income printing at the guided ~$28 billion in January.
- Card charge-offs holding under the ~3.2% full-year guide through the holiday quarter.
- Buybacks stepping back up once Basel III endgame rules are final.
- The 2027 NII central case surviving the January budget intact.

WHAT INVALIDATES IT

Walk if

- A weekly close below the 200-day average at $322.51.
- The reserve build migrates into the consumer column (CCB built $50 million this quarter; a consumer-led build changes the macro read and the call).
- Card charge-offs break above guide while spending rolls over: the consumer crack this quarter says has not happened.
- The 2027 NII central case is cut materially in January.

What happens next

The first gate is not the bank's, it is the Fed's: the FOMC meets October 27 to 28, days after this report. JPMorgan has told us exactly how it earns in each rate world, guided the number for two of them, and holds the consumer data that will show first if the economy disagrees. Our position: starter inside $322 to $332 now, the second half on the 50-day reclaim or a defended fade, targets of $350 to $365 over three months and $390 over six, and a hard weekly-close line at $322.51 underneath all of it. The headline missed. The machine did not. Buy the machine, staged, and let the checkpoints argue.

Research and education only. Not investment advice.

12 · SOURCE MAP AND DISCLAIMER

Every number, traced.

Receipts and method

The print. JPMorgan Chase & Co. Q3 2026 earnings release (Exhibit 99.1) and earnings release financial supplement (Exhibit 99.2), Form 8-K filed October 13, 2026, SEC accession 0001628280-26-065582. All results, segment, capital, credit, balance sheet, dividend and buyback figures, and Dimon's release commentary, are from these two documents, read in full for this report.

Guidance. JPMorgan Q3 2026 earnings presentation, Form 8-K filed October 13, 2026, SEC accession 0001628280-26-065616: Q4 2026 and implied FY2026 NII and adjusted expense, the preliminary 2027 NII-ex-Markets central case of ~$107B, and the FY2026 card NCO guide of ~3.2%. Guidance is labeled guidance wherever it appears; it is graded at the January print, not treated as a result.

Expectations. Reuters coverage of the October 13, 2026 print (LSEG consensus EPS $5.85); Zacks (adjusted EPS $5.75 vs its $5.94 consensus); revenue consensus near $51.2B and NII consensus near $26.9B as carried in October 13 coverage (FactSet and FiscalAI figures as reported). Consensus varies by provider and basis; every comparison in this report names its provider and basis rather than blending them.

Call color. JPMorgan Q3 2026 earnings call, October 13, 2026, via published transcripts and Tier 1 coverage read for this report: Barnum on the 2027 NII build and expense consensus near $114B; Dimon on the capital hierarchy, roughly $30B of excess capital, and elevated uncertainty around the 2027 number. Dimon's macro statement on the cover pages is quoted verbatim from the earnings release.

Rate backdrop. Federal Reserve FOMC statement of September 16, 2026 (target range raised 25 basis points to 3.75% to 4.00%, first increase since July 2023) and the September Summary of Economic Projections (16 of 18 participants projecting at least one further increase in 2026), per the Federal Reserve's published record and Tier 1 coverage. The October 27 to 28 and December 8 to 9, 2026 meeting dates are the Fed's published 2026 calendar.

Prices and technicals. Nasdaq historical daily closes for JPM, pulled October 25, 2026: 2,514 closes from October 24, 2016 to October 23, 2026. All moving averages, RSI(14), range statistics, reaction math, and compounding figures were computed from this series for this report, and cross-checked against the desk data brief (deep_dive.py, October 25, 2026), which agreed on price, MA50 ($345.41), MA200 ($322.51), RSI (41.1) and the 52-week range ($365.18 / $282.84). Only daily closes are charted; no intraday data is used anywhere in this report.

Street data. FMP price-target consensus ($373.36; median $375; high $425; low $312), as of October 25, 2026. Finnhub recommendation counts (3 strong buy, 15 buy, 12 hold, 0 sell), snapshot of October 1, 2026. Both are quoted as data with their dates; neither is our view.

Valuation method. Trailing P/E uses TTM diluted EPS of $23.84 (4Q25 through 3Q26, from the supplement's quarterly table) and is flagged where it appears as including Q2 2026's Visa gain. The ex-item run-rate P/E annualizes the company's own ex-item EPS of $5.75. The 6-month target of $390 is scenario math stated on the Decision page: forward tangible book of roughly $118 to $120 at about 3.3x. It is an illustration of our reasoning, not a guarantee.

Limitations. JPMorgan's Q3 2026 Form 10-Q had not been filed as of October 25, 2026; the supplement is the deepest primary source available and is what this report relies on. Options flow and implied volatility are not used in this report. The company logo on the cover is the official JPMorganChase wordmark (Wikimedia Commons, "Logo of JPMorganChase 2024.svg"), presented unaltered on a light plate; the ZeroGamma marks are the official logo pack assets.

ZeroGamma Research is not a registered investment adviser, broker-dealer, or fiduciary. The content provided on this site and in our publications is general research and education of regular circulation. It is not personalized investment advice and does not constitute a recommendation to buy, sell, or hold any security.

Past performance is not indicative of future results. Investing and options trading involve substantial risk of loss of principal and are not suitable for all investors. Data, price levels, and analyses are as of the dates indicated and may be stale or outdated.

Nothing on this site or in these publications creates an advisory or fiduciary relationship. You must conduct your own research and consult your own financial, tax, and legal advisers before making any investment decision.

ZeroGamma Research and its contributors may hold positions in the securities discussed in our content. Price targets, projections, and hypothetical scenarios presented in our content are illustrative only, are not guarantees, and are not a guide to future results.