RESEARCH / EARNINGS AND VALUATION

NYSE: JPM

JPMorgan Stock Q3 2026: NII Up 13%, Buybacks Cut and $30bn of Capital to Deploy

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FIGURES AS OF Q3 2026 RESULTS AND THE FORM 10-Q; PRICES AS OF THE 30 OCT 2026 CLOSE

Our JPMorgan stock Q3 2026 review of JPMorgan Chase & Co. (NYSE: JPM) starts from a share price of $337.04, the 30 October 2026 close, which values America's largest bank at about $900bn (Yahoo Finance; 8-K Ex 99.2 share count). In the quarter to 30 September 2026 JPMorgan earned $15.3bn, or $5.57 a share, on $50.9bn of managed revenue, up 8% on a year earlier. Net interest income rose 13% to $27.0bn and the return on tangible common equity was 20% (8-K Ex 99.1). The surprise was capital: JPMorgan bought back just $1.1bn of its own shares, against $8.3bn a year earlier, because Jamie Dimon wants to put roughly $30bn of surplus capital to work in the business instead.

The short answer. JPMorgan (JPM) stock missed Q3 2026 earnings estimates, but the franchise underneath is still growing: loans are up 10%, deposits 9% and client assets under management 13%. Our discounted cash flow model, which treats JPMorgan as a bank and values the cash it can return to shareholders after holding enough capital, puts its value at **$405.23 a share**, about 20% above the $337.04 close on 30 October 2026. The market is pricing the stock as if its cost of equity were about 9.7%; we use 8.5%.

> **About this analysis.** Written by QSI Labs Research, the equity research team at QSI Labs. Reported figures come from JPMorgan Chase's Q3 2026 earnings release and financial supplement, filed with the SEC on Form 8-K on 13 October 2026, and from its Q3 2026 earnings call. Forecasts and the value per share come from the QSILabs JPMorgan Chase discounted cash flow model, valuation date 30 October 2026. Figures are as of JPMorgan's latest reported quarter (Q3 2026, to 30 September 2026); prices are as of the 30 October 2026 NYSE close.

A note on timing. JPMorgan's fiscal year is the calendar year, so Q3 2026 covers 1 July to 30 September 2026. JPMorgan filed its earnings release and financial supplement on Form 8-K and held its earnings call on 13 October 2026; its Form 10-Q for the quarter follows in early November. Q4 and full-year 2026 results are due in mid-January 2027. The figures below compare Q3 2026 with Q3 2025, with the first nine months of 2026 where useful.

Key takeaways: JPMorgan stock Q3 2026

- **Value vs price.** The QSILabs DCF value for JPMorgan Chase (JPM) is $405.23 per share as of Q3 2026, against a $337.04 close on 30 October 2026, which puts the shares about 17% below our estimate. Our full sensitivity range is $330.29 to $549.80.
- **Latest results.** JPMorgan reported Q3 2026 net income of $15.3bn (up 6%), diluted EPS of $5.57 against $5.07, and managed revenue of $50.9bn (up 8%). Excluding $658m of securities losses, EPS was $5.75 (8-K Ex 99.1).
- **Versus forecasts.** Analysts expected about $5.90 a share on $51.3bn of revenue, so JPMorgan missed on both lines; the shares fell as much as 4% during the day and closed 0.9% lower at $331.43 on 13 October (Yahoo Finance; The Wall Street Journal).
- **Interest income.** Net interest income rose 13% to $27.0bn. Management guides to about $28bn in Q4 2026 and a central case of about $107bn of NII excluding Markets in 2027 (Q3 2026 call).
- **Capital.** The Standardized CET1 ratio fell to 13.9% from 14.8% as loans grew and buybacks slowed to $1.1bn. The quarterly dividend rose to $1.65 from $1.50 (8-K Ex 99.1 and 99.2).
- **Credit.** Net charge-offs fell 15% to $2.2bn and the card net charge-off rate dropped to 2.91% from 3.15% (8-K Ex 99.2).

$50.9bn Q3 2026 managed revenue, +8% year on year 8-K EX 99.1	**$27.0bn** Net interest income, +13% 8-K EX 99.1
$5.57 Diluted EPS ($5.75 excluding securities losses) 8-K EX 99.1	**20%** Return on tangible common equity 8-K EX 99.1
$1.1bn Share buybacks, from $8.3bn a year earlier 8-K EX 99.2	**$405.23** QSILabs DCF value per share QSILABS DCF

JPMorgan earnings: how did Q3 2026 compare with last year?

JPMorgan Chase key numbers: Q3 2026 (quarter to 30 Sep 2026) vs Q3 2025. Sources: JPMorgan Chase Q3 2026 earnings release and financial supplement (8-K, 13 Oct 2026).

METRIC	Q3 2026	Q3 2025	CHANGE
Net revenue (managed)	$50,907m	$47,120m	+8%
Net revenue (reported)	$50,172m	$46,427m	+8%
Net interest income	$27,036m	$23,966m	+13%
Noninterest revenue	$23,136m	$22,461m	+3%
Noninterest expense	$27,295m	$24,281m	+12%
Provision for credit losses	$2,743m	$3,403m	-19%
Net charge-offs	$2,204m	$2,593m	-15%
Net income	$15,305m	$14,393m	+6%
Diluted EPS	$5.57	$5.07	+10%
Return on tangible common equity	20%	20%	flat
CET1 ratio (Standardized)	13.9%	14.8%	-0.9 pts
Common share repurchases	$1,057m	$8,315m	-87%
Dividend per share	$1.65	$1.50	+10%
Book value per share	$132.30	$124.96	+6%
Tangible book value per share	$112.64	$105.70	+7%
Total loans (period end)	$1,584.6bn	$1,435.2bn	+10%
Total deposits (period end)	$2,780.8bn	$2,548.5bn	+9%

JPMorgan's Q3 2026 managed revenue was $50.9bn, up 8% from $47.1bn a year earlier. Reported revenue, which excludes a tax-equivalent adjustment on tax-exempt lending, was $50.2bn. Net interest income did most of the work, rising $3.1bn, or 13%, to $27.0bn, while noninterest revenue rose 3% to $23.1bn despite a $658m loss on investment securities sold as the bank repositioned its bond portfolio (8-K Ex 99.1). Over the first nine months of 2026 managed revenue was $159.5bn, up 15%, and net income was $53.0bn, up 20%, helped by the $4.6bn Visa gain in Q2.

Costs grew faster than revenue. Noninterest expense was $27.3bn, up 12%, and the reported overhead ratio rose to 54% from 52%. JPMorgan's provision for credit losses fell 19% to $2.7bn, because net charge-offs were lower and the reserve build was smaller. Pre-tax income was $20.1bn and net income $15.3bn, up 6%; diluted EPS rose 10% to $5.57, faster than profit because the share count is about 3% lower than a year ago (8-K Ex 99.2).

Returns stayed high. The return on tangible common equity was 20%, the same as a year earlier, and 24% for the first nine months. Tangible book value per share rose 7% to $112.64 and book value per share 6% to $132.30 (8-K Ex 99.2).

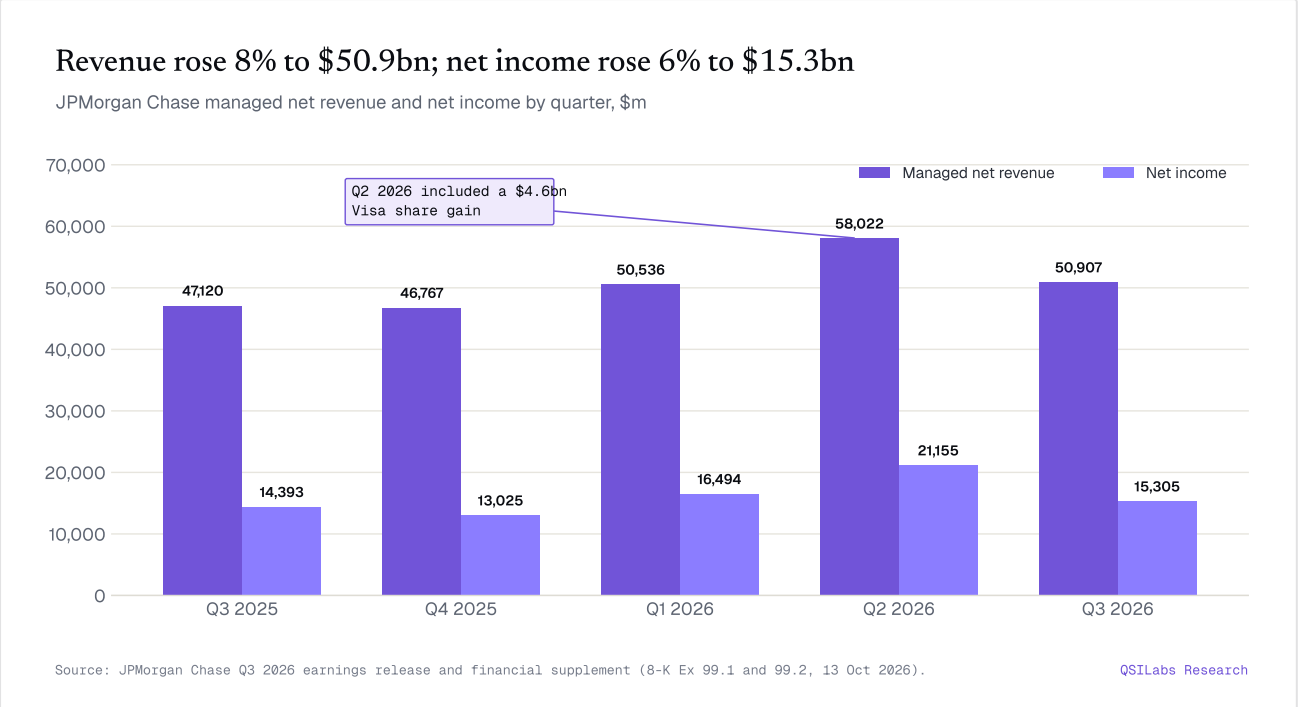


FIGURE 1 Revenue has been between $46.8bn and $58.0bn a quarter for a year. Q2 2026 was lifted by a one-off $4.6bn gain on Visa shares.

Did JPMorgan beat or miss Q3 2026 earnings estimates?

JPMorgan missed. Analysts' consensus going into the release was about $5.90 of EPS on $51.3bn of revenue, according to Yahoo Finance; JPMorgan delivered $5.57 on $50.9bn. Even excluding the securities loss, $5.75 fell short. Two things explain most of the gap. Fixed income trading revenue fell 4% to $5.4bn while expenses rose 12% to $27.3bn, faster than revenue (8-K Ex 99.2; Yahoo Finance).

The market's reaction was muted. JPM shares fell as much as 4% during the session on 13 October (The Wall Street Journal) but closed 0.9% lower at $331.43, and by 30 October they had recovered to $337.04 (Yahoo Finance). The stock is up 4.6% this year, from $322.22 at the end of 2025, and has traded between $282.84 and $365.18 over the past 52 weeks. That is a modest move for a quarter that combined a miss with a sharp cut in buybacks, which suggests investors see the miss as noise around a strong franchise.

JPMorgan segments: where did the revenue come from?

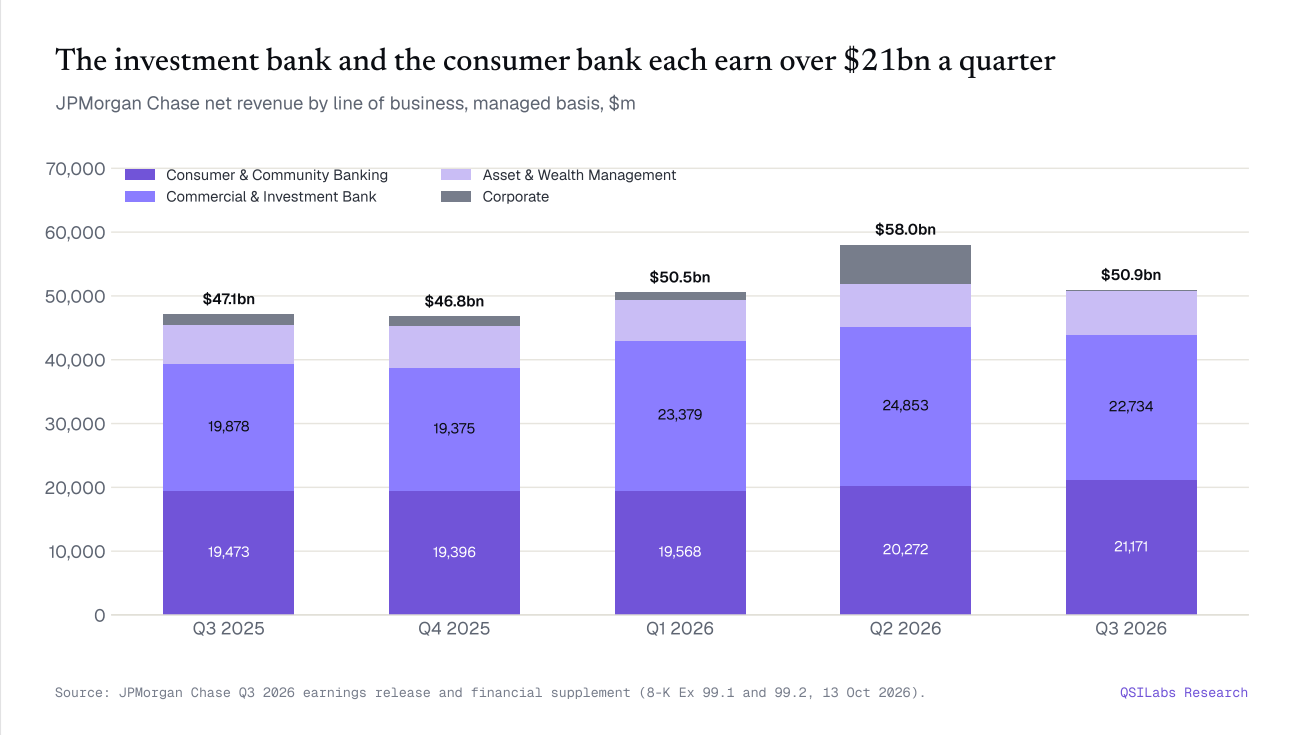


FIGURE 2 The Commercial & Investment Bank and Consumer & Community Banking together earned $43.9bn of Q3 2026 revenue. Corporate swings with securities gains and losses.

Consumer & Community Banking. Revenue rose 9% to $21.2bn and net income was $5.7bn. The card net charge-off rate fell to 2.91%, the lowest of the past five quarters, and deposits in the segment grew 4% to $1.10 trillion (8-K Ex 99.2).

Commercial & Investment Bank. Revenue rose 14% to $22.7bn and net income was $8.2bn, the largest contribution of any segment. Firm-wide investment banking fees rose 13% to $3.0bn. Markets revenue rose 15% to $10.3bn: equity markets jumped 49% to $5.0bn, while fixed income fell 4% to $5.4bn (8-K Ex 99.2).

Asset & Wealth Management. Revenue rose 14% to $6.9bn and net income was $1.8bn. Assets under management reached $5.21 trillion, up 13%, and client assets about $7.9 trillion, with net inflows into long-term products of $263bn over the past twelve months (8-K Ex 99.1).

Corporate. The Corporate segment, which holds the bank's investment securities portfolio and treasury functions, had revenue of just $93m and a net loss of $455m, because of the $658m securities loss. A year earlier it earned $1.7bn of revenue (8-K Ex 99.2).

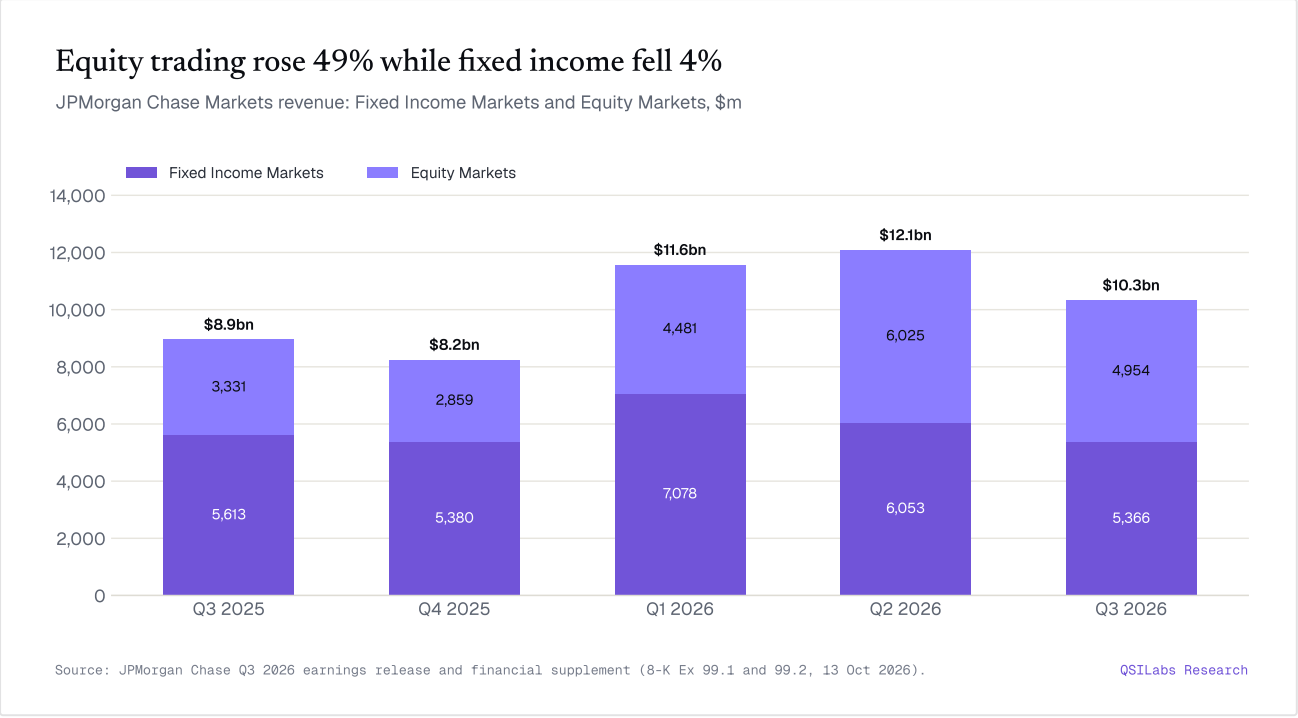


FIGURE 3 Equity trading revenue has risen in four of the last five quarters, while fixed income peaked at $7.1bn in Q1 2026.

Why is JPMorgan's net interest income still rising?

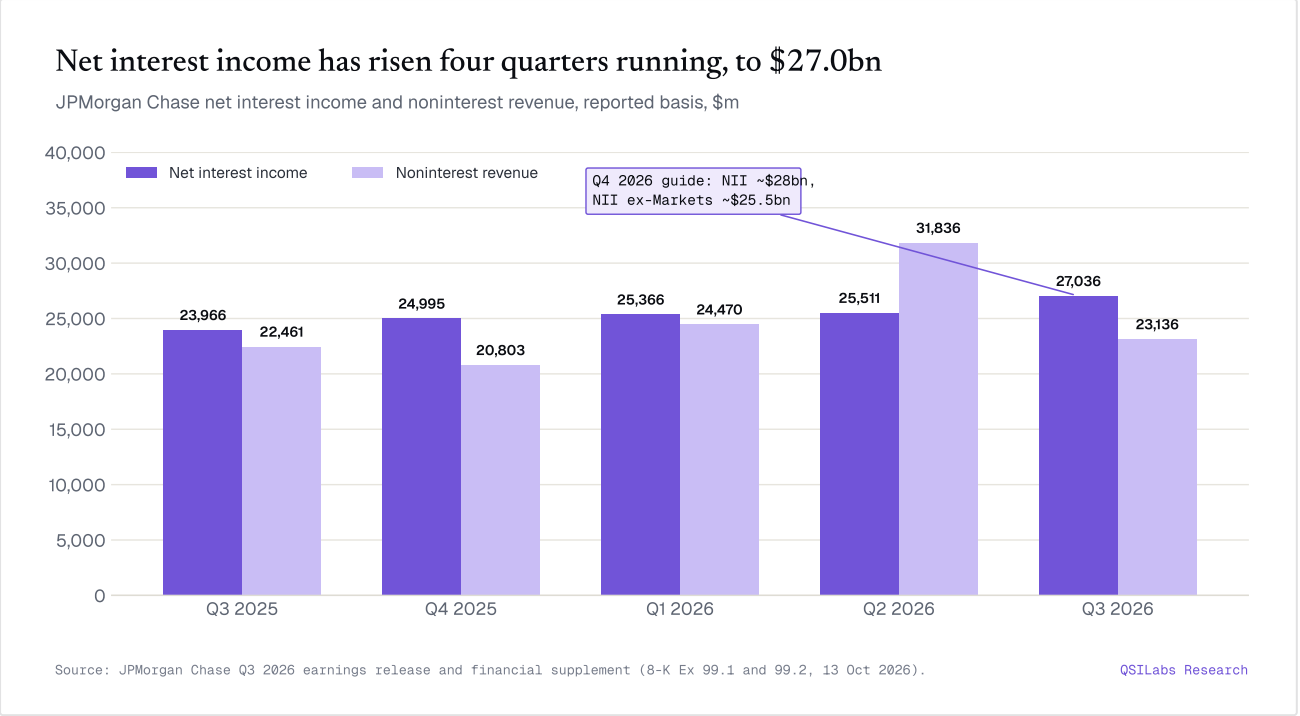


FIGURE 4 Net interest income rose from $24.0bn to $27.0bn in a year. Noninterest revenue jumped in Q2 2026 on the Visa gain.

JPMorgan's net interest income has risen for four quarters in a row, to $27.0bn in Q3 2026. The drivers are volume and mix rather than rates alone. Period-end loans grew 10% to $1.58 trillion, led by card, wholesale and securities-based lending, and deposits grew 9% to $2.78 trillion, which gives the bank more cheap funding to lend and invest. (8-K Ex 99.2).

On the call, management said it expects Q4 2026 NII of about $28bn, with NII excluding Markets of about $25.5bn, which would put full-year 2026 NII at about $106bn. For 2027 the central case is about $107bn of NII excluding Markets, and management said roughly a quarter of the growth from 2026 assumes interest rate increases already priced into forward curves (Q3 2026 call). If rates do not rise, the 2027 figure would be lower; if deposit growth holds up, it could be higher.

Net interest income is about 54% of revenue, so it drives our forecast. We use FY2026 revenue of $207.8bn, in line with consensus, and FY2027 revenue of $217.3bn, up 4.6%, which matches the guided NII path and assumes noninterest revenue grows a little more slowly than in 2026, when Visa and equity gains flattered the total.

Is JPMorgan's credit quality getting worse?

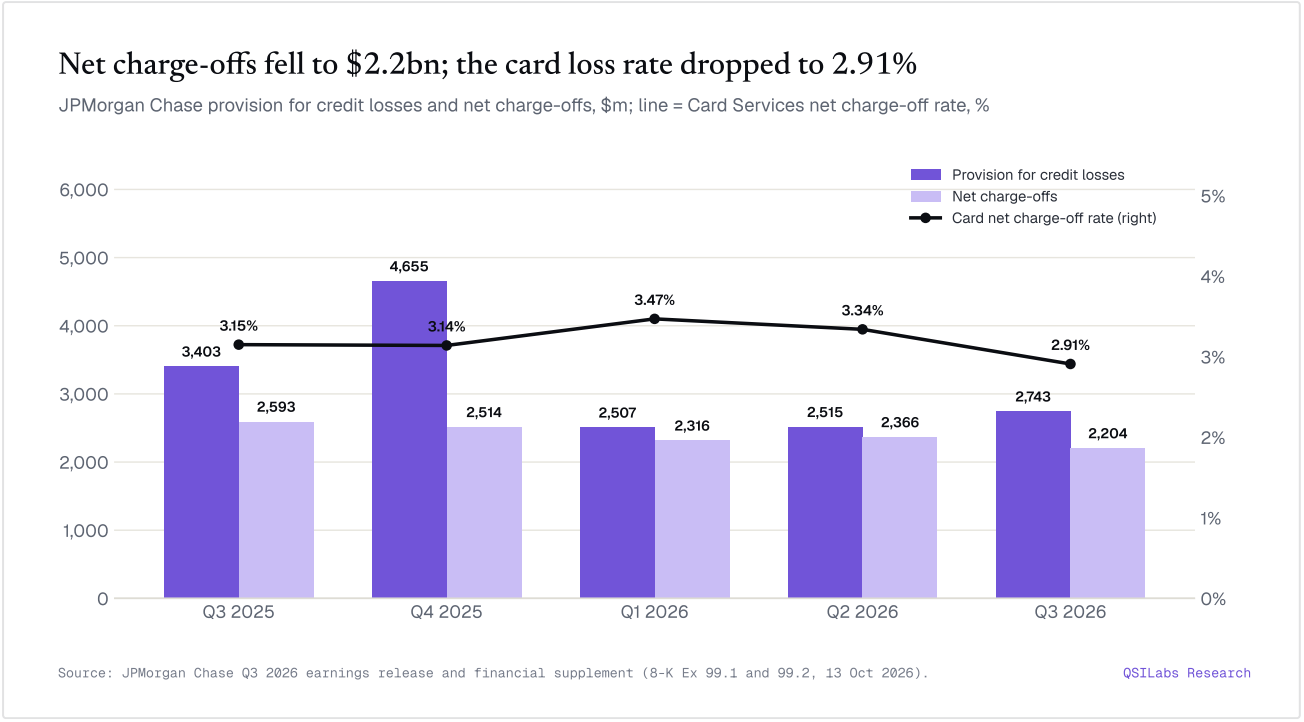


FIGURE 5 Provisions spiked in Q4 2025 on the Apple Card reserve. Net charge-offs have fallen for two quarters.

No. Net charge-offs were $2.2bn in Q3 2026, down 15% from a year earlier, and the card net charge-off rate fell to 2.91% from 3.15%. The provision for credit losses was $2.7bn, which included a modest reserve build for loan growth. Management guided to a card net charge-off rate of about 3.2% for the full year, a little above Q3, because card losses usually rise in the fourth quarter (8-K Ex 99.2; Q3 2026 call).

The one large credit item of the past year was the $2.2bn reserve JPMorgan took in Q4 2025 for its agreement to buy the Apple Card portfolio from Goldman Sachs. That reserve sits on the balance sheet now and does not need to be taken again. A US recession would raise card and commercial losses, but the bank's allowance for credit losses and its 20% return on tangible equity give it room to absorb a lot before earnings come under real pressure.

Why did JPMorgan cut its buybacks?

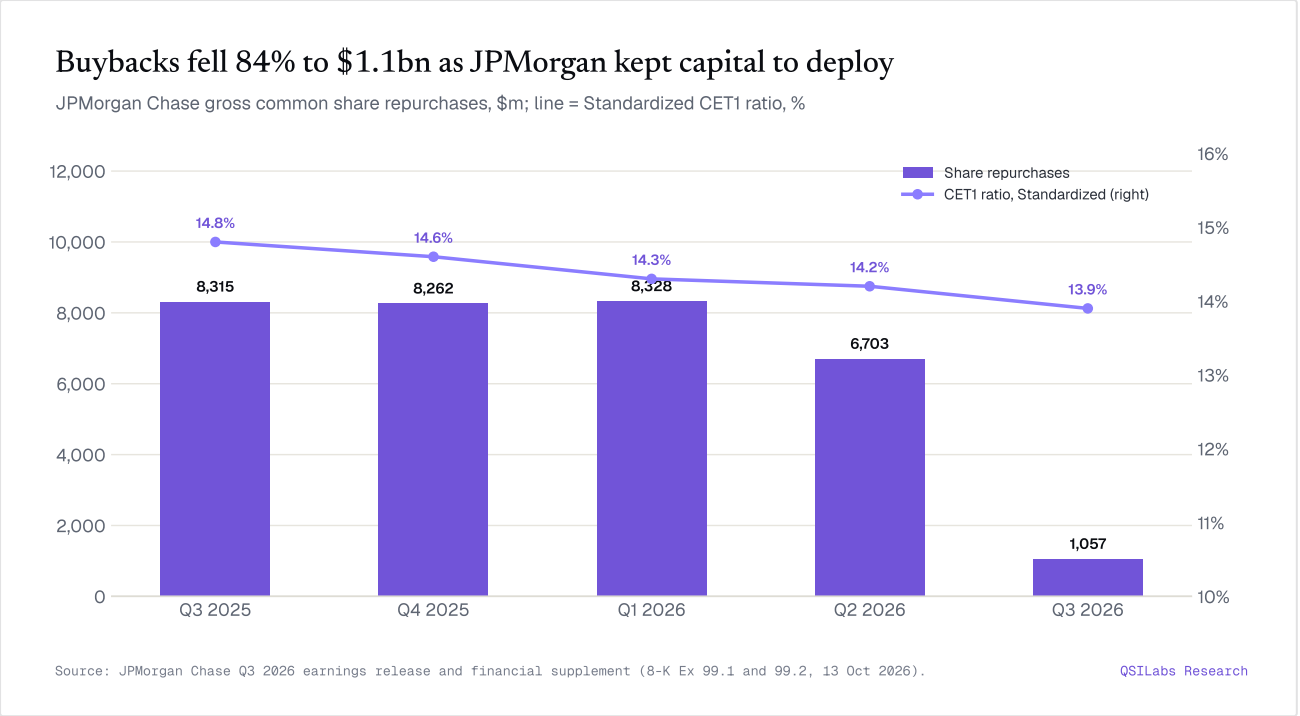


FIGURE 6 Quarterly buybacks of about $8.3bn ran through Q1 2026. Q3 2026 repurchases were $1.1bn as the CET1 ratio drifted down to 13.9%.

JPMorgan repurchased $1.1bn of stock in Q3 2026, or 3.1m shares, against $8.3bn and 28.0m shares a year earlier and $6.7bn in Q2 (8-K Ex 99.2). It did so even though a new $50bn repurchase programme had taken effect on 1 July. On the call, Jamie Dimon said the bank has about $30bn of capital above what it needs, and that at today's share price he would rather deploy it into loans, client businesses and possible acquisitions than buy back stock at close to three times tangible book value. He also repeated the bank's target of a 17% return on tangible equity through the cycle (Q3 2026 call).

The capital position is strong. JPMorgan's Standardized CET1 ratio was 13.9% at 30 September, against 14.8% a year earlier, on $304.1bn of CET1 capital and $2.18 trillion of risk-weighted assets. The fall reflects loan growth and higher risk-weighted assets, not losses. Our model holds CET1 at 12.5% of risk-weighted assets, which leaves about $31bn of excess capital today, close to the figure Dimon gave. The quarterly dividend rose 10% to $1.65, or $6.60 a year, a yield of about 2.0% at $337.04.

For shareholders the trade-off is clear. Buybacks at $337 add value only if the shares are worth more than that, which on our numbers they are. Loans that earn a 17% to 20% return on tangible equity also add value. What would destroy value is idle capital or an expensive acquisition, and JPMorgan's record on both is good.

JPMORGAN CHASE CAPITAL AND EARNINGS TIMELINE

Q4 2025	$2.2bn reserve build for the Apple Card forward purchase commitment	8-K Ex 99.2
Q2 2026	$4.6bn gain on Visa shares lifts revenue to $58.0bn and net income to $21.2bn	8-K Ex 99.2
1 JUL 2026	New $50bn common share repurchase programme takes effect	8-K Ex 99.1
13 OCT 2026	Q3 2026 results: EPS $5.57, buybacks $1.1bn, dividend raised to $1.65	8-K; Q3 2026 call
Q4 2026	Guidance: NII about $28bn, NII ex-Markets about $25.5bn, expense about $27.5bn	Q3 2026 call
MID-JAN 2027	Q4 and full-year 2026 results; 2027 NII and expense guidance	JPMorgan Chase IR calendar
2027	Central case NII ex-Markets about $107bn; expense broadly in line with consensus	Q3 2026 call

What is JPMorgan stock worth? Our DCF valuation

We value JPMorgan Chase at **$405.23 a share**, against $337.04 at the 30 October 2026 close, so the shares trade about 17% below our estimate and our value is about 20% above the price. Because JPMorgan is a bank, we value its equity directly. Net income each year is split into the capital the bank must retain to keep its CET1 ratio at 12.5% as its balance sheet grows, and the remainder, which is free cash flow to equity that can be paid out as dividends or buybacks. We discount that cash flow at the cost of equity.

The key assumptions are:

- **Revenue.** $207.8bn in FY2026 (consensus), $217.3bn in FY2027 and growth slowing from 4.0% to 3.0% a year to $280.7bn in FY2035.
- **Profitability.** A pre-tax margin of about 41% from 2027, below the 42.8% of 2026, and a 23% tax rate. Net income is $68.6bn in FY2027 and $88.7bn in FY2035.

- **Capital retention.** $1.34 of capital retained for every $1 of revenue growth, which holds CET1 at 12.5% of risk-weighted assets. That leaves free cash flow to equity of $55.8bn in FY2027, rising to $77.7bn in FY2035.
- **Cost of equity.** 8.51%, from a 5.12% risk-free rate, a 0.76 beta for money-center banks and a 4.46% equity risk premium (Damodaran).
- **Terminal growth.** 2.5% a year after 2035.
- **Bridge.** We add $31.2bn of capital above the 12.5% CET1 target and $4.5bn of cash flow earned between 1 and 30 October, subtract $21.0bn of preferred stock, and divide by 2,660m diluted shares.

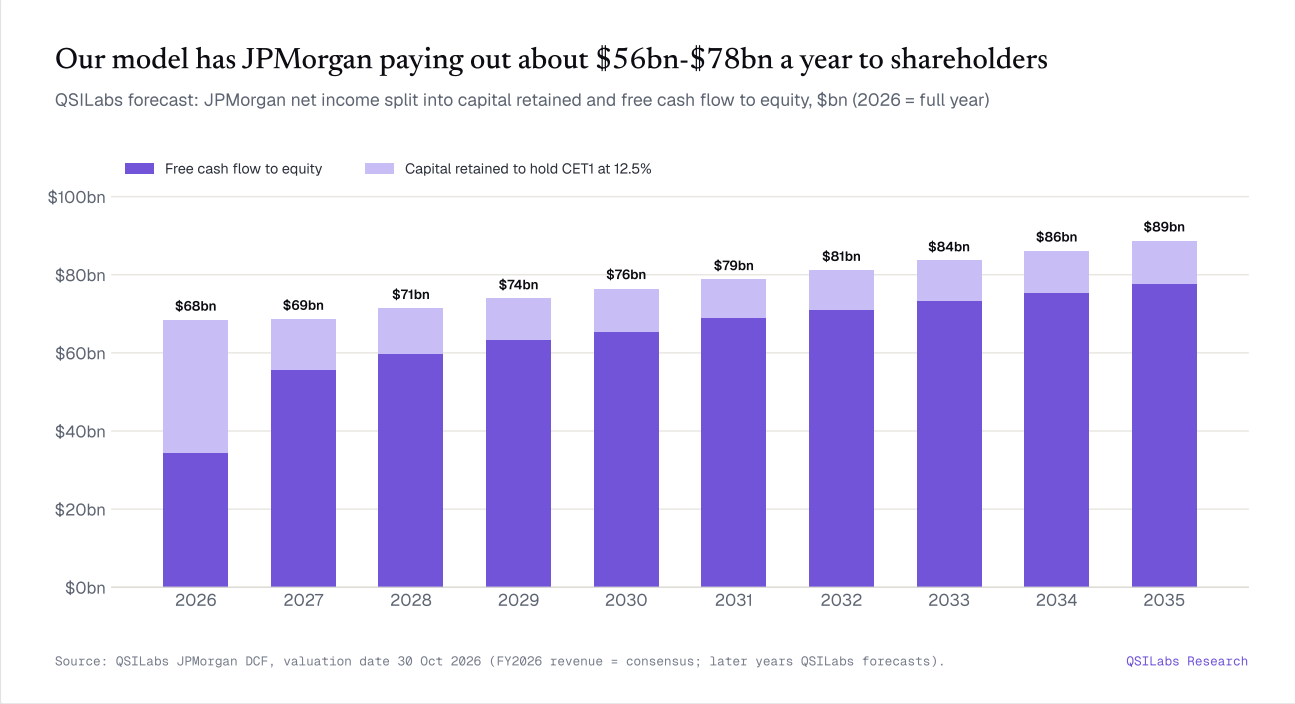


FIGURE 7 Retained capital is high in 2026 because revenue jumped 14%. From 2027 four-fifths or more of net income is free cash flow to equity.

The present value of the ten years of cash flows is $422.9bn and the present value of the terminal value is $640.3bn, so the terminal value is 60% of the total, low by the standards of most companies because a bank pays out so much of its profit each year. Adding the bridge items gives an equity value of $1,077.9bn, or $405.23 a share. A simpler two-stage version of the model gives $382.29.

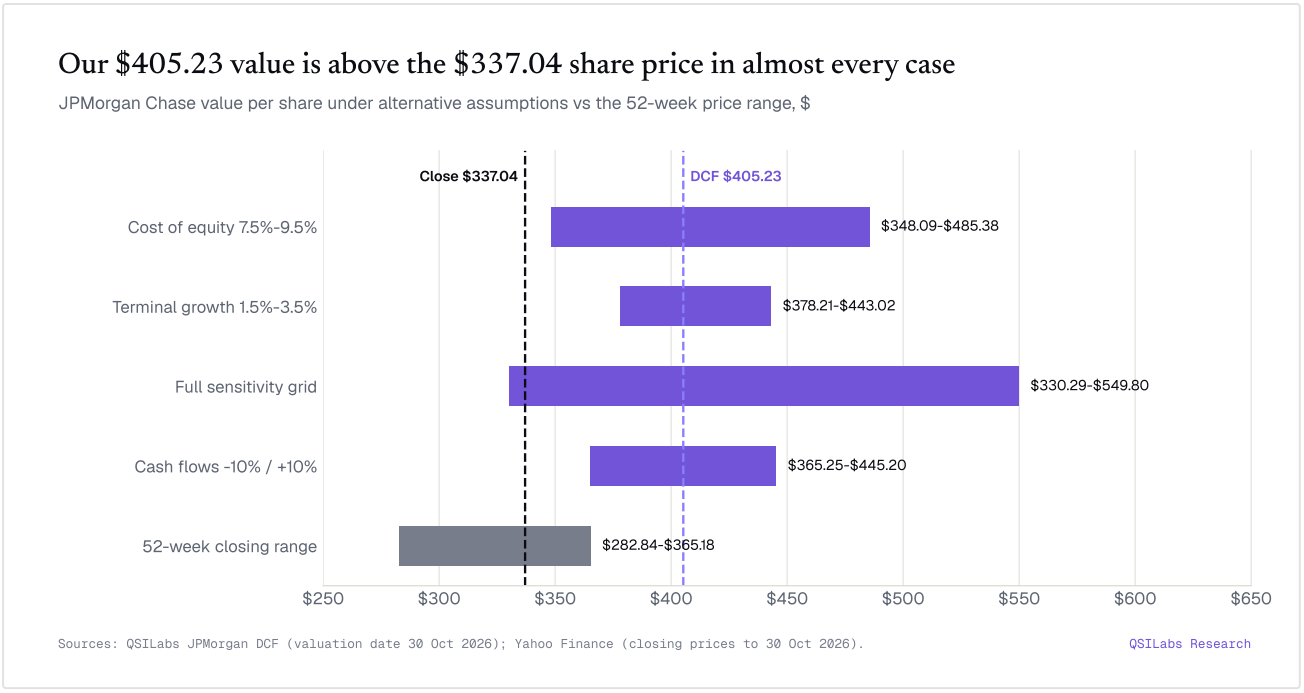


FIGURE 8 Only a cost of equity close to 9.5% with lower growth takes the value below the share price.



FIGURE 9 Base case $405.23 at an 8.5% cost of equity and 2.5% terminal growth.

The sensitivity grid runs from $330.29, at a 9.5% cost of equity and 1.5% growth, to $549.80, at 7.5% and 3.5%. A one-point change in the cost of equity moves the value by about $57 to $80 a share; a one-point change in terminal growth moves it by about $27 to $38. Cutting every year's cash flow by 10% gives $365.25, still above the share price, and raising it by 10% gives $445.20.

What would you have to believe to pay $337.04 for JPMorgan stock?

At $337.04 the shares trade at 14.0 times 2026 consensus EPS of $24.02, 13.2 times 2027 consensus EPS of $25.57 and 2.99 times tangible book value (StockAnalysis; 8-K Ex 99.2). For that price to be fair on our cash flows, the cost of equity would have to be about 9.7%, more than a point above the 8.5% implied by JPMorgan's low beta. Put differently, the market is either demanding a much higher return from the safest large bank in the US, or it doubts that profits will keep growing at 3% to 4% a year.

Our value of $405.23 implies about 16.9 times 2026 EPS and 3.6 times tangible book value. That is a premium to most banks, but JPMorgan earns a 20% return on tangible equity against a cost of equity of about 8.5%, and a bank that earns well above its cost of capital deserves to trade well above book. The 26 analysts tracked by StockAnalysis have an average 12-month target of $373.48, with a range of $312 to $425, and a consensus rating of Buy, so our view is more positive than the average but within the range.

Risks: what could change our view of JPMorgan?

- **Rates.** About a quarter of the 2027 NII growth depends on rate increases. If the Federal Reserve cuts instead, NII and our revenue path would be lower.
- **Credit.** A US recession would lift card and commercial losses; a return to a 4% card loss rate would cost several billion dollars a year.
- **Expenses.** JPMorgan is spending heavily on technology, branches and staff. If 2027 expenses run well above the roughly $114bn consensus, margins would fall below our 41% assumption.
- **Capital rules.** Final Basel III endgame and G-SIB surcharge rules could require more or less capital. Our 12.5% CET1 target already sits below the current 13.9%, so a looser regime would release more capital; a tougher one would cut free cash flow.
- **Capital deployment.** Dimon's $30bn could go into an acquisition at a high price. Value would suffer if JPMorgan paid too much.
- **Succession.** Dimon has led JPMorgan since 2005. An orderly handover is widely expected, but a change of chief executive always carries risk.

How we value JPMorgan

We use a ten-year free cash flow to equity model, the standard approach for banks, because their debt is a raw material rather than a source of financing. Revenue in the first year follows consensus; after that it grows with loans, deposits and fee businesses. We keep the pre-tax margin flat at the level the bank has earned on average, and we retain enough of each year's profit to hold the CET1 ratio at 12.5% of risk-weighted assets, which grow in line with revenue. Whatever is left is cash that can go to shareholders. We discount it at a cost of equity built from the US Treasury yield, the industry beta and an equity risk premium, and add a terminal value at 2.5% growth.

FAQ

What is JPMorgan stock worth after Q3 2026?

Our discounted cash flow model values JPMorgan Chase (JPM) at $405.23 a share, about 20% above the $337.04 close on 30 October 2026. Reasonable changes to the cost of equity and growth rate give a range of $330.29 to $549.80, and almost all of that range is above the share price.

Did JPMorgan beat earnings in Q3 2026?

No. JPMorgan reported Q3 2026 EPS of $5.57, or $5.75 excluding a $658m securities loss, against a consensus of about $5.90, and revenue of $50.9bn against about $51.3bn expected. Net income still rose 6% to $15.3bn and EPS rose 10% from a year earlier.

Why did JPMorgan cut stock buybacks in Q3 2026?

JPMorgan bought back $1.1bn of shares in Q3 2026, against $8.3bn a year earlier, because Jamie Dimon prefers to deploy about $30bn of excess capital into lending, client businesses and possible acquisitions rather than buy stock at close to three times tangible book value. A $50bn repurchase authorization remains in place.

What is JPMorgan's net interest income guidance for 2027?

On its Q3 2026 call JPMorgan gave a central case of about $107bn of net interest income excluding Markets for 2027, with roughly a quarter of the growth from 2026 depending on

rate increases. For Q4 2026 it expects total NII of about $28bn.

What is JPMorgan's CET1 ratio?

JPMorgan's Standardized CET1 ratio was 13.9% at 30 September 2026, down from 14.8% a year earlier, on $304.1bn of CET1 capital. That is well above its regulatory minimum and leaves about $30bn of capital above the bank's own target.

Is JPMorgan stock a buy at $337?

On our numbers the shares trade about 17% below their DCF value of $405.23, at 14.0 times 2026 consensus EPS and about 3 times tangible book. Analysts' average 12-month target is $373.48. This is analysis, not personal investment advice.

What is JPMorgan's dividend?

JPMorgan raised its quarterly dividend to $1.65 a share from $1.50, or $6.60 a year, which is a yield of about 2.0% at the 30 October 2026 close.

When does JPMorgan report Q4 2026 earnings?

JPMorgan normally reports fourth-quarter results in mid-January, so Q4 and full-year 2026 results are expected in mid-January 2027, together with guidance for 2027 net interest income and expenses.

Sources

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2. JPMorgan Chase, Q3 2026 earnings release (Form 8-K, Exhibit 99.1)
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6. Yahoo Finance: JPMorgan misses Q3 estimates, but Dimon's buyback cut is the bigger story
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10. QSILabs JPMorgan Chase discounted cash flow model (internal, valuation date 30 Oct 2026)