DATA DISPATCH

Securities growth at US banks ends in Q4 2025; momentum returns in early 2026

Tuesday, April 7, 2026 8:31 AM ET

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Market Intelligence

US banks continued to rebalance securities portfolios in late 2025, but loan growth and cautious rate positioning led to a modest pullback in the fourth quarter, despite improving valuations.

Aggregate debt securities at US banks fell 0.5%, or $26.37 billion, during the quarter to $5.699 trillion, ending a five-quarter growth streak. Aggregate trends were primarily driven by the largest banks, particularly Bank of America NA and JPMorgan Chase Bank NA. On a median basis, the industry recorded only one quarter of growth each year since 2022.

Bank of America and JPMorgan Chase decreased securities balances by 1.4% and 0.8%, respectively, during the quarter. Among the 20 largest banks by debt securities balances, Capital One NA reported the highest increase, up 4.7% to $93.58 billion. Nearly 55% of banks reported a quarter-over-quarter decline in debt securities.

Largest operating US banks by total debt securities, Q4 2025

	Total debt securities		Bonds ≤ 3 years[1]		Bonds > 15 years[2]	
Company (top-level ticker)	($B)	QOQ change (%)	($B)	QOQ change (%)	($B)	QOQ change (%)
Bank of America NA (BAC)	889.65	-1.4	211.99	-0.2	421.98	-2.5
JPMorgan Chase Bank NA (JPM)	777.38	-0.8	283.78	-4.9	167.43	-2.9
Wells Fargo Bank NA (WFC)	414.99	0.2	32.45	27.7	317.51	-2.0
Citibank NA (C)	403.99	-2.1	259.55	-2.3	95.98	-0.7
Charles Schwab Bank SSB (SCHW)	167.81	-1.1	21.86	16.4	5.11	-18.1
U.S. Bank NA (USB)	166.33	0.6	21.07	35.8	104.23	-0.8
Bank of New York Mellon (BK)	149.97	0.5	68.99	2.1	26.81	6.3
PNC Bank NA (PNC)[3]	137.97	-2.3	36.15	-5.5	50.25	-2.4
TD Bank NA (TD)	126.08	0.6	43.83	11.1	8.61	15.5
Truist Bank (TFC)	111.95	-1.2	10.81	-0.5	65.17	-1.8
State Street Bank and Trust Co. (STT)	104.88	-4.6	52.23	3.0	19.62	-5.5
Capital One NA (COF)	93.58	4.7	16.26	18.4	45.83	2.1
Morgan Stanley Bank NA (MS)	90.05	1.6	43.90	11.7	22.35	-3.3
Goldman Sachs Bank USA (GS)	88.49	-4.1	27.62	-31.0	25.04	-2.4
BMO Bank NA (BMO)[4]	63.58	-1.0	18.23	43.2	11.45	-3.0
Northern Trust Co. (NTRS)	57.02	3.8	36.10	6.3	1.26	-21.9
USAA Federal Savings Bank	49.98	-1.2	6.36	9.3	22.26	-4.6
HSBC Bank USA NA (HSBA)	48.32	0.1	10.86	26.8	22.18	-0.6
KeyBank NA (KEY)	48.22	0.5	9.93	-2.0	20.06	2.9
Fifth Third Bank NA (FITB)[5]	46.85	-0.5	12.10	10.2	10.10	4.9
Industry aggregate[6]	**5,698.59**	**-0.5**	**1,701.61**	**0.6**	**1,891.01**	**-1.1**

Data compiled March 27, 2026.
Analysis limited to operating US commercial banks, savings banks, and savings and loan associations. Nondepository trusts and companies with a foreign banking organization charter are excluded.
[1] Includes collateralized mortgage obligations, real estate mortgage investment conduits and stripped mortgage-backed securities with a remaining maturity or next repricing date of three years or less.
[2] Excludes collateralized mortgage obligations, real estate mortgage investment conduits and stripped mortgage-backed securities.
[3] PNC Bank NA's parent, PNC Financial Services Group Inc., acquired FirstBank Holding Co. on Jan. 5, 2026.
[4] First-Citizens Bank & Trust Co. announced the acquisition of 138 branches from BMO Bank NA on Oct. 16, 2025.
[5] Fifth Third Bank NA's parent, Fifth Third Bancorp, acquired Comerica Inc. on Feb. 1, 2026.
[6] Includes historical and operating US commercial banks, savings banks, and savings and loan associations; excludes nondepository trusts and companies with a foreign banking organization charter.
Data based on regulatory filings as of Dec. 31, 2025.
Tickers based on top-level entities' home-country stock exchanges.
Source: S&P Global Market Intelligence.
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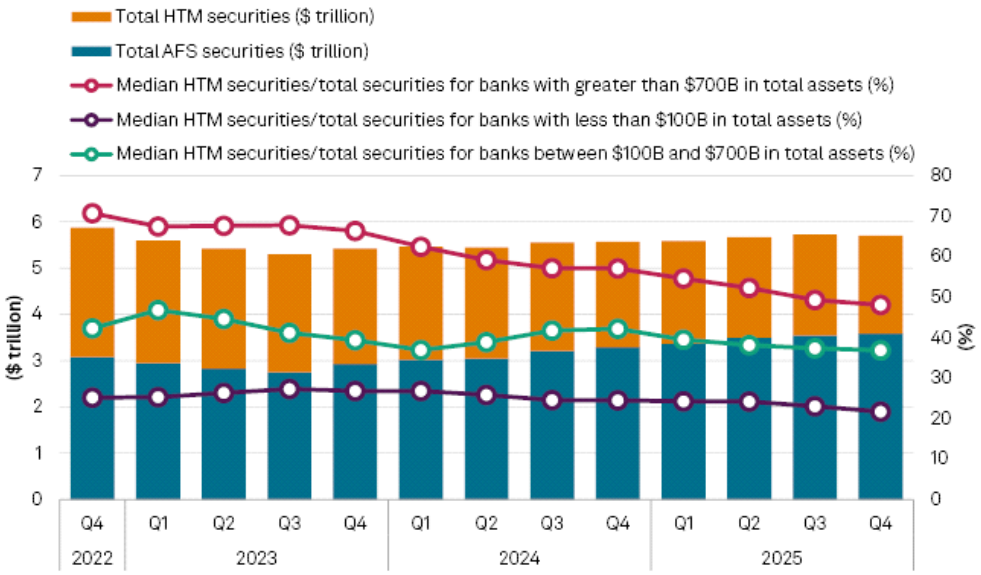
Mix shift toward available-for-sale securities continues

Banks continued to reinvest runoff from lower-yielding, pandemic-era assets into higher-yielding securities, while maintaining the ability to reposition as rates evolved.

Despite the overall decline, available-for-sale (AFS) securities increased for the ninth consecutive quarter, while held-to-maturity (HTM) securities resumed their decline after a rare uptick in the previous quarter. As of Dec. 31, 2025, HTM securities accounted for 37.1% of total securities, the lowest level since the first quarter of 2022.

HTM securities trends at US banks



Data compiled March 27, 2026.
HTM = held-to-maturity; AFS = available-for-sale.
Analysis includes US commercial banks, savings banks, and savings and loan associations; excludes nondepository trusts and companies with a foreign banking organization charter.
Data based on regulatory filings.
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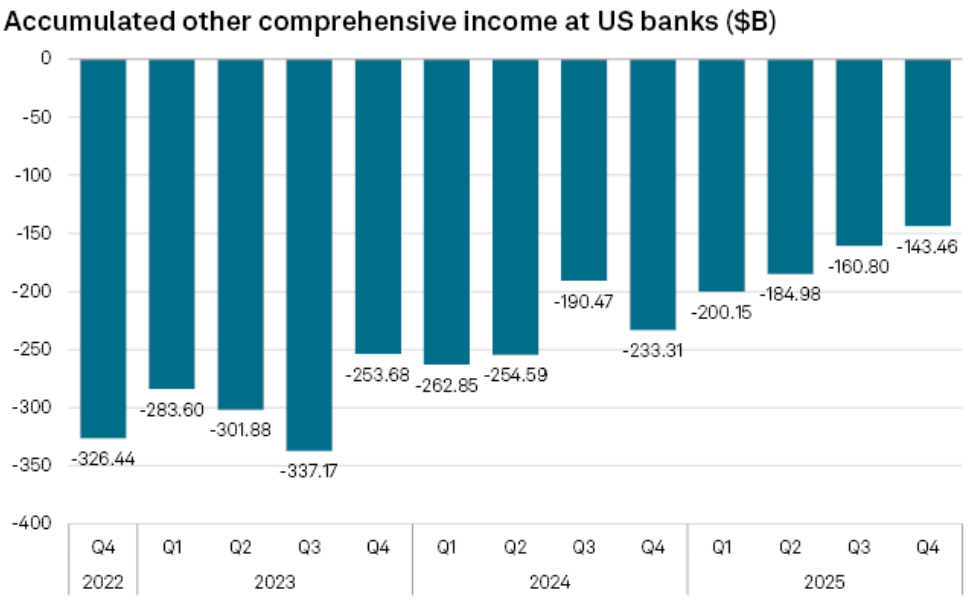
Large banks drove much of the shift in securities mix. The median HTM securities concentration dropped to 48.1% at year-end for banks with more than $700 billion in total assets, down from a peak of 71.7% at the end of the third quarter of 2022.

HTM securities are carried at amortized cost, shielding banks from mark-to-market volatility. In contrast, AFS securities are recorded at fair value, with changes in value reflected in accumulated other comprehensive income. However, banks have accepted more mark-to-market volatility in exchange for liquidity and higher-yielding securities. The rate cuts at the end of the year helped ease pressure on bond values, resulting in notable reductions in unrealized losses during the fourth quarter.

Accumulated other comprehensive income (AOCI), which captures mark-to-market changes in AFS securities, resumed its improving streak, although it remained in negative territory at $143.46 billion during the fourth quarter.



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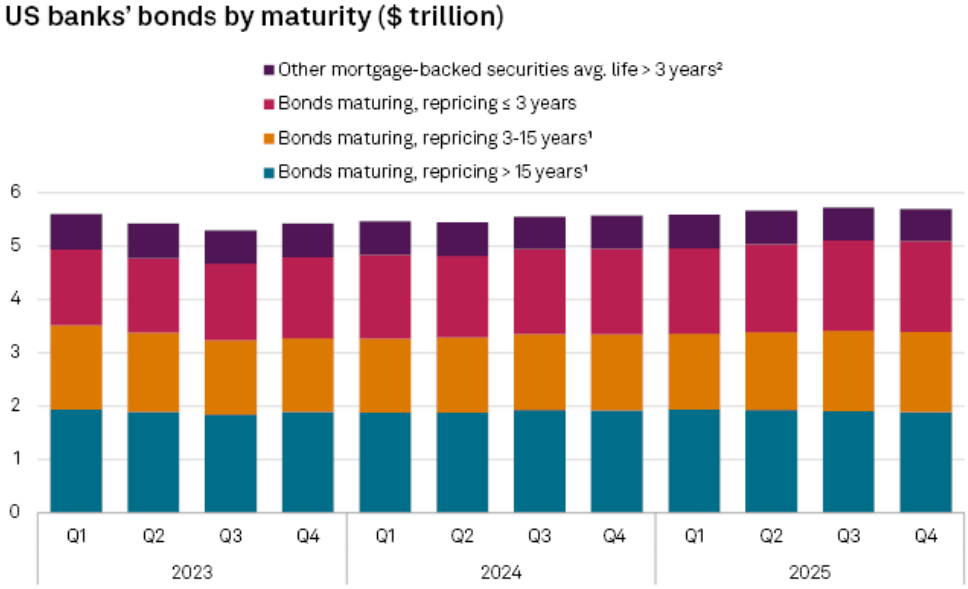
Duration still a concern

Banks maintained a conservative approach in managing duration despite rate cuts in late 2025. Ongoing uncertainty around the macroeconomic and rate outlook kept institutions positioned in shorter-duration assets to preserve reinvestment flexibility.



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Investments in short-term bonds — those maturing in less than three years — increased 0.6% to $1.702 trillion, while medium-term bonds with maturities between three and 15 years and long-term bonds — those maturing in more than 15 years — declined 1.1% and 0.2%, respectively.

As of Dec. 31, 2025, short-term bonds accounted for 29.9% of total debt securities, the highest level since the second quarter of 2020, when the industry was flooded with deposits, which led to investments in longer-dated bonds.

Renewed momentum in Q1

After the fourth-quarter slowdown, securities growth resumed in early 2026. Securities at domestically chartered US banks increased 2.1% year to date through March 18, according to the seasonally adjusted data from the US Federal Reserve's H.8 report on estimated assets and liabilities. Large domestically chartered banks, defined as the 25 largest by domestic assets, led the rebound with a 2.3% increase, while smaller banks grew securities balances by 1.4% during the same period.

Over the same period, deposits grew 2.1%, while loans increased 1.9%. Cash assets and borrowings increased 4.3% and 7.3%, respectively.

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