

DECEMBER 1990

NED BANK
NORDBANKEN
SUNTRUST BANKS
ABBAY NATIONAL

The
Asian 100

EUROMONEY

DEUTSCHE
NATIONAL CITY
WELLS FARGO
BANCO SANTANDER
FIRST WACHOVIA
BANC ONE CORP
TORONTO-DOMINION
BANCO POPULAR ESPANOL

THE WORLD'S BEST BANKS

Sumitomo's dangerous liaisons

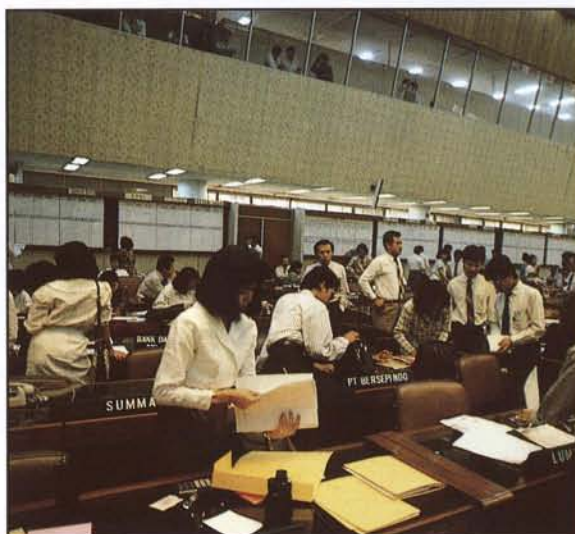
In quest of the next Jakarta Is capital inadequacy curable?

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define their strategies.
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Too many hungry mouths to feed 33

Commercial banks are being driven into the arms of their investment banking colleagues as the quest for capital gains new urgency. But the range of instruments acceptable to the regulators and the market is limited. In the absence of fresh ideas, revamped versions of old products are likely to emerge from the Wall Street laboratories.
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EMERGING EQUITY MARKETS

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Many developing nations are keen to develop stock markets. They hope that the opportunity to invest in equities will mobilise domestic savings and attract foreign funds. So who will follow the lead set by Jakarta and Bangkok? Colombo looks a strong runner and even Lima has its enthusiasts.
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The drift towards greater concentration of Europe's equity markets seems irresistible. Enhanced settlement and trading systems at the periphery will not reverse the trend. The next phase of evolution is likely to be the quotation of 200 or 300 leading stocks simultaneously on each of the European Community's exchanges. But many are

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JAPAN

Sumitomo's dangerous liaisons 16

When Sumitomo Bank chairman Ichiro Isoda resigned as a result of an underling's alleged offences, his decision was interpreted as a classic example of Japanese contrition and humility. But did he jump or was he pushed? Investigation reveals a tangled web of connections involving the Ministry of Finance and a leading political figure.
Tony Shale

COVER STORY

Leaders of the pack 22

Biggest is not necessarily best when it comes to assessing banks. *Euromoney* analysed the financial statistics, the credit ratings and the analysts' opinions of 150 leading institutions in an effort to pinpoint the leading performers. The top accolades go not to the mighty globe-straddling giants but to those banks which "stick to the knitting". We ask the award winners to

LEADERS OF THE PACK

For more than a decade Euromoney — along with other publications — has ranked the biggest banks in the world. But it is increasingly clear that, in banking, size has little relevance any longer.

The biggest banks are now the sluggards. US giants such as Chase struggle to raise funds and the once mighty Japanese banks squeal about capital ratios. Investors, the banks' clients and counterparties demand different measurements to assess a bank's strengths and weaknesses. They are focusing more and more on factors such as solvency, capital, profitability and quality of management.

For the first time Euromoney has devised a ranking of the world's best banks.

"Best" is a concept that is hard to define. But there are obvious attributes that few would quibble with in a possible definition. The bank must be profitable: it must have high return-on-equity and, to a lesser extent, return-on-asset figures. It must be managed tightly and cost-effectively with a low cost-to-income ratio. It must fund itself at the keenest possible rates and lend (or generate fee income) in ways that produce the highest possible return and therefore a high net interest margin. Fifty per cent of the weighting in our ranking is based on such objective performance data (for full details see page 27).

But one year's results tell only half the story. There are other less tangible factors — the quality of the bank's earnings, its strategy, its organisational strengths — which cannot easily be measured. To fill this gap we polled 100 leading bank analysts for their opinions of the institutions. And to add a measure of

creditworthiness and security we include an average credit rating from three agencies (Moody's, Standard & Poor's and IBCA). These subjective criteria make up 50% of the weighting.

The result is, at first sight, a shock. On reflection it makes better sense. The best banks are principally those that have stayed at home and concentrated on what they know best, usually retail banking — a policy that the most clear-thinking strategists have advocated (and most banks have ignored) for at least five years. Many of the winners are quite small (but note that only the biggest 150 banks in the world — those with capital of more than \$1.3 billion — are eligible for inclusion in the ranking).

The two best American banks, JP Morgan and Bankers Trust, although scored highly by the analysts (see separate table on page 30), come low in the overall ranking because their net income last year was negative after both made heavy provisions.

And some of the banks that rank highly have seen their reputations tarnished in 1990. Toronto-Dominion, for example, ranked number two, reported in late November a 14% drop in net income for the 1990 financial year. Wells Fargo, number six, has been hit by the deteriorating California real-estate market.

Euromoney intends to publish the Best Banks ranking annually. We will, however, continue to refine our criteria. We will include BIS-defined capital adequacy ratios when these are publicly available (even now major banks such as Citi and Deutsche do not release their ratios). Comparative stock performance is another possibility.

Forget the assets — watch the profit

1

How can a Spanish bank — only the sixth largest in the country — rank as the "best" in the world? Surely there must have been an accounting trick that allowed it to report a return

on equity of 25.2% in 1989?

There was. Analysts say that provisioning policy enabled Banco Popular Español to misreport its net income in 1989. It understated income by adding Pts14 billion to "special allowances". There was no operational need for this provision. According to some reports, the government sought it for political reasons to prevent banks' published earnings from rising too quickly. (Banco Santander, our fifth-ranked bank, which achieved a similar conjuring trick, even had its accounts qualified by its auditors, Arthur Andersen.)

Banco Popular is the prime example of how banking profits in the late 1980s were best made by "sticking to your knitting". Popular is primarily a conservative domestic retail bank. It has little international exposure. Its net LDC portfolio is less than \$1 million. Its limited overseas branch network is focused almost entirely on business from



Popular's co-chairmen: brothers Luis (left) and Javier Valls.

the many Spanish individuals working abroad. Banco Popular insiders joke that they are a little embarrassed by the head of their London office, for example. He is the kind of manager able to go out drinking with Spanish waiters working in England but not someone they would want to introduce to senior bankers or journalists.

Popular's domestic network is principally rural: 1,000 of its 1,643 branches are outside main cities, run often by only two or three staff. Popular is frequently the only bank in a village. This creates the bank's main strength: a loyal, conservative client base. In recent years, the bank has followed a policy of targetting groups of customers. For example, it clears all International Air Transport Association air tickets in Spain and, on the back of this, has picked up the business of a large number of the country's travel agents. It also targets employees of its corporate clients.

The best example of how the strong client base helps Popular's profitability is the "super-account war", from which Popular

THE WORLD'S 100 BEST BANKS

| Bank | Score | Equity (\$bn) (1) | Assets (\$bn) (2) | Return on equity (3) | Score | Return on assets (4) | Score | Cost to income (5) | Score | Net interest margin (6) | Score | Net income (\$mn) (7) | Score | Real profit ability (8) | Score | Credit rating (9) | Score | Analysts' rating (10) | Score |
|--|-------|-------------------|-------------------|----------------------|-------|----------------------|-------|--------------------|-------|-------------------------|-------|-----------------------|-------|-------------------------|-------|-------------------|-------|-----------------------|-------|
| 1 BANCO POPULAR ESPANOL SPAIN | 85.74 | 1.38 | 20.9 | 25.20 | 15.00 | 1.75 | 9.39 | 46.91 | 3.00 | 6.02 | 3.15 | 340.9 | 3.27 | 1.296 | 10.00 | 9.000 | 20.00 | 19.62 | 21.93 |
| 2 TORONTO-DOMINION CANADA | 84.74 | 3.74 | 47.7 | 17.04 | 12.80 | 1.28 | 8.08 | 51.17 | 2.74 | 3.86 | 2.27 | 591.0 | 3.78 | 1.216 | 8.97 | 9.750 | 23.75 | 19.90 | 22.35 |
| 3 BANC ONE CORP US | 83.44 | 2.27 | 26.6 | 16.73 | 12.72 | 1.42 | 8.47 | 32.30 | 3.91 | 4.37 | 2.48 | 362.9 | 3.32 | 1.250 | 9.41 | 8.625 | 18.13 | 21.67 | 25.00 |
| 4 FIRST WACHOVIA US | 82.69 | 1.74 | 24.0 | 16.48 | 12.65 | 1.19 | 7.83 | 29.89 | 4.07 | 3.42 | 2.09 | 269.0 | 3.13 | 1.207 | 8.86 | 9.000 | 20.00 | 21.04 | 24.06 |
| 5 BANCO SANTANDER SPAIN | 80.65 | 2.48 | 41.1 | 21.39 | 13.97 | 1.34 | 8.25 | 46.75 | 3.01 | 4.13 | 2.38 | 487.6 | 3.57 | 1.219 | 9.01 | 9.000 | 20.00 | 18.64 | 20.46 |
| 6 WELLS FARGO US | 79.91 | 2.86 | 48.7 | 21.88 | 14.11 | 1.26 | 8.02 | 27.03 | 4.24 | 4.52 | 2.54 | 601.1 | 3.80 | 1.241 | 9.29 | 8.417 | 17.09 | 18.88 | 20.82 |
| 7 NATIONAL CITY US | 79.28 | 1.50 | 23.0 | 18.62 | 13.23 | 1.24 | 7.97 | 31.93 | 3.94 | 4.09 | 2.36 | 263.3 | 3.12 | 1.216 | 8.97 | 8.250 | 16.25 | 20.63 | 23.44 |
| 8 DEUTSCHE GERMANY | 77.61 | 8.60 | 198.3 | 10.15 | 10.95 | 0.42 | 5.68 | 69.47 | 1.59 | 2.29 | 1.63 | 789.2 | 4.18 | 1.072 | 7.12 | 10.000 | 25.00 | 19.31 | 21.46 |
| 9 BANKAMERICA CORP US | 77.28 | 5.53 | 98.8 | 23.11 | 14.44 | 1.14 | 7.69 | 23.07 | 4.49 | 4.14 | 2.38 | 1103.0 | 4.82 | 1.219 | 9.01 | 8.000 | 15.00 | 17.97 | 19.45 |
| 10 BANCO BILBAO VIZCAYA SPAIN | 76.02 | 4.69 | 69.9 | 20.41 | 13.71 | 1.36 | 8.30 | 55.51 | 2.47 | 4.47 | 2.52 | 916.9 | 4.44 | 1.214 | 8.95 | 9.000 | 20.00 | 15.42 | 15.63 |
| 11 SKANDINAVISKA ENSKILDA BANKEN SWEDEN | 75.50 | 4.11 | 59.3 | 17.49 | 12.92 | 1.26 | 8.02 | 53.30 | 2.60 | 2.00 | 1.51 | 670.3 | 3.94 | 1.268 | 9.64 | 9.000 | 20.00 | 16.25 | 16.87 |
| 12 ABBEY NATIONAL UK | 75.27 | 3.94 | 59.7 | 17.15 | 12.83 | 0.94 | 7.13 | 45.65 | 3.08 | 2.26 | 1.62 | 518.6 | 3.63 | 1.125 | 7.80 | 9.083 | 20.42 | 17.51 | 18.76 |
| 13 SUNTRUST BANKS US | 74.58 | 2.09 | 31.0 | 16.88 | 12.76 | 1.16 | 7.74 | 30.16 | 4.05 | 4.18 | 2.40 | 337.3 | 3.27 | 1.199 | 8.75 | 8.417 | 17.09 | 17.35 | 18.52 |
| 14 NORDBANKEN SWEDEN | 74.49 | 3.14 | 59.7 | 13.68 | 11.90 | 0.75 | 6.60 | 59.10 | 2.24 | 2.23 | 1.61 | 406.4 | 3.41 | 1.149 | 8.11 | 8.750 | 18.75 | 19.58 | 21.87 |
| 15 NBD BANCORP US | 74.40 | 1.67 | 25.8 | 16.18 | 12.57 | 1.07 | 7.49 | 28.33 | 4.16 | 3.44 | 2.10 | 258.8 | 3.11 | 1.182 | 8.53 | 8.625 | 18.13 | 17.21 | 18.31 |
| 16 RABOBANK NETHERLANDS | 74.36 | 5.34 | 90.0 | 9.19 | 10.69 | 0.54 | 6.02 | 64.24 | 1.92 | 2.54 | 1.73 | 468.8 | 3.53 | 1.102 | 7.50 | 10.000 | 25.00 | 16.98 | 17.97 |
| 17 NATIONAL AUSTRALIA AUSTRALIA | 73.52 | 4.41 | 51.2 | 15.74 | 12.45 | 1.32 | 8.19 | 56.20 | 2.42 | 4.55 | 2.55 | 607.0 | 3.81 | 1.167 | 8.34 | 8.917 | 19.59 | 15.78 | 16.17 |
| 18 COMPAGNIE BANCAIRE FRANCE | 72.86 | 2.63 | 38.1 | 12.59 | 11.61 | 0.84 | 6.85 | 61.62 | 2.08 | 3.66 | 2.19 | 293.7 | 3.18 | 1.137 | 7.95 | 9.125 | 20.63 | 17.25 | 18.37 |
| 19 SECURITY PACIFIC US | 72.47 | 4.64 | 83.9 | 17.68 | 12.98 | 0.90 | 7.02 | 31.03 | 3.99 | 3.58 | 2.16 | 740.6 | 4.08 | 1.164 | 8.30 | 8.750 | 18.75 | 15.13 | 15.19 |
| 20 CREDIT SUISSE SWITZERLAND | 71.95 | 5.17 | 88.4 | 10.11 | 10.94 | 0.59 | 6.16 | 73.91 | 1.32 | 1.30 | 1.23 | 508.9 | 3.61 | 1.080 | 7.22 | 10.000 | 25.00 | 15.98 | 16.47 |
| 21 UNION BANK OF SWITZERLAND SWITZERLAND | 71.53 | 8.17 | 112.5 | 7.95 | 10.36 | 0.53 | 5.99 | 74.36 | 1.29 | 1.02 | 1.12 | 584.9 | 3.77 | 1.061 | 6.98 | 10.000 | 25.00 | 16.35 | 17.02 |
| 22 BANCO HISPANO AMERICANO SPAIN | 71.33 | 1.67 | 32.4 | 21.78 | 14.08 | 1.12 | 7.63 | 56.91 | 2.38 | 4.63 | 2.58 | 346.3 | 3.29 | 1.183 | 8.55 | 8.750 | 18.75 | 14.38 | 14.07 |
| 23 CREDIOP ITALY | 70.93 | 1.65 | 24.5 | 7.97 | 10.36 | 0.54 | 6.02 | 14.92 | 5.00 | 1.69 | 1.39 | 118.1 | 2.82 | 1.031 | 6.59 | 10.000 | 25.00 | 14.17 | 13.75 |
| 24 BANK OF SCOTLAND UK | 70.74 | 1.52 | 31.0 | 13.56 | 11.87 | 0.72 | 6.52 | 54.96 | 2.50 | 2.88 | 1.87 | 198.0 | 2.98 | 1.081 | 7.23 | 9.000 | 20.00 | 16.85 | 17.77 |
| 25 CREDIT LOCAL DE FRANCE FRANCE | 70.36 | 1.57 | 37.1 | 10.34 | 11.00 | 0.45 | 5.77 | 15.33 | 4.97 | 1.03 | 1.12 | 155.5 | 2.90 | 1.071 | 7.11 | 10.000 | 25.00 | 13.33 | 12.49 |
| 26 ROYAL BANK OF CANADA CANADA | 70.26 | 5.00 | 88.4 | 9.81 | 10.86 | 0.53 | 5.99 | 55.86 | 2.44 | 3.64 | 2.18 | 461.6 | 3.52 | 1.062 | 6.99 | 9.000 | 20.00 | 17.19 | 18.28 |
| 27 FLEET/NORSTAR US | 70.11 | 2.29 | 33.4 | 17.02 | 12.80 | 1.25 | 7.99 | 30.59 | 4.02 | 4.20 | 2.41 | 371.4 | 3.34 | 1.213 | 8.93 | 7.500 | 12.50 | 17.08 | 18.12 |
| 28 FIRST UNION US | 70.07 | 2.08 | 32.1 | 12.77 | 11.65 | 0.84 | 6.85 | 35.47 | 3.72 | 3.37 | 2.07 | 256.2 | 3.10 | 1.133 | 7.90 | 8.125 | 15.63 | 17.77 | 19.15 |
| 29 BARNETT BANKS US | 69.97 | 1.69 | 29.0 | 15.99 | 12.52 | 0.94 | 7.13 | 35.63 | 3.71 | 3.99 | 2.32 | 256.6 | 3.10 | 1.162 | 8.28 | 8.000 | 15.00 | 16.94 | 17.91 |
| 30 PARIBAS GROUP FRANCE | 69.64 | 7.79 | 138.7 | 13.67 | 11.90 | 0.72 | 6.52 | 66.43 | 1.78 | 2.03 | 1.53 | 950.2 | 4.51 | 1.124 | 7.79 | 9.125 | 20.63 | 14.99 | 14.98 |
| 31 DRESNER GERMANY | 69.47 | 5.49 | 143.9 | 7.64 | 10.27 | 0.28 | 5.29 | 70.31 | 1.54 | 1.79 | 1.43 | 383.0 | 3.36 | 1.041 | 6.72 | 9.625 | 23.13 | 16.82 | 17.73 |
| 32 BARCLAYS UK | 69.16 | 10.7 | 204.9 | 7.45 | 10.22 | 0.40 | 5.63 | 64.29 | 1.92 | 2.89 | 1.88 | 765.8 | 4.14 | 1.003 | 6.23 | 10.000 | 25.00 | 14.43 | 14.14 |
| 33 SWISS BANK CORP SWITZERLAND | 69.13 | 6.17 | 104.5 | 8.05 | 10.38 | 0.48 | 5.85 | 76.07 | 1.18 | 0.87 | 1.06 | 485.9 | 3.57 | 1.053 | 6.87 | 10.000 | 25.00 | 15.15 | 15.22 |
| 34 COMMONWEALTH BANK OF AUSTRALIA AUSTRALIA | 69.06 | 2.14 | 38.4 | 16.94 | 12.78 | 0.98 | 7.24 | 61.86 | 2.07 | 4.49 | 2.52 | 340.9 | 3.27 | 1.130 | 7.86 | 9.130 | 20.65 | 13.45 | 12.67 |
| 35 NMB POSTBANK NETHERLANDS | 68.55 | 2.75 | 84.2 | 13.01 | 11.72 | 0.43 | 5.71 | 68.56 | 1.65 | 2.66 | 1.78 | 344.6 | 3.28 | 1.100 | 7.48 | 9.000 | 20.00 | 16.29 | 16.93 |
| 36 CITIZENS & SOUTHERN/SOVAN US | 68.46 | 3.10 | 50.1 | 17.32 | 12.88 | 1.10 | 7.58 | 28.99 | 4.12 | 3.68 | 2.20 | 507.3 | 3.61 | 1.197 | 8.73 | 8.041 | 15.21 | 14.42 | 14.13 |
| 37 SOCIETE GENERALE FRANCE | 68.19 | 4.47 | 175.8 | 16.10 | 12.55 | 0.41 | 5.65 | 72.24 | 1.42 | 2.39 | 1.67 | 691.1 | 3.98 | 1.080 | 7.22 | 9.500 | 22.50 | 13.80 | 13.20 |
| 38 SANWA JAPAN | 68.11 | 11.0 | 355.9 | 10.92 | 11.16 | 0.32 | 5.40 | 56.55 | 2.40 | 0.77 | 1.01 | 1027.8 | 4.67 | 1.057 | 6.93 | 9.167 | 20.84 | 15.47 | 15.70 |
| 39 MITSUBISHI JAPAN | 68.00 | 10.4 | 362.3 | 9.55 | 10.79 | 0.27 | 5.26 | 57.45 | 2.34 | 0.73 | 1.00 | 903.8 | 4.42 | 1.047 | 6.80 | 9.500 | 22.50 | 14.93 | 14.89 |
| 40 ABN/AMRO NETHERLANDS | 67.90 | 7.07 | 184.2 | 12.40 | 11.55 | 0.46 | 5.79 | 67.00 | 1.75 | 1.67 | 1.38 | 831.1 | 4.27 | 1.104 | 7.53 | 9.063 | 20.32 | 15.21 | 15.31 |

THE WORLD'S 100 BEST BANKS — continued

| Bank | Score | Equity (\$bn) (1) | Assets (\$bn) (2) | Return on equity (3) | Return on assets (4) | Score (5) | Cost to income (6) | Net interest margin (7) | Score (8) | Net income (\$mn) (9) | Score (10) | Real profit ability (11) | Score (12) | Credit rating (13) | Score (14) | Analysts' rating (15) | Score (16) | | |
|---|-------|-------------------|-------------------|----------------------|----------------------|-----------|--------------------|-------------------------|-----------|-----------------------|------------|--------------------------|------------|--------------------|------------|-----------------------|------------|-------|-------|
| 41 CREDIT LYONNAIS FRANCE | 67.85 | 4.70 | 210.7 | 14.02 | 11.99 | 0.30 | 5.35 | 74.50 | 1.28 | 2.10 | 1.55 | 587.4 | 3.77 | 1.057 | 6.93 | 9.125 | 20.63 | 15.90 | 16.35 |
| 42 PNC FINANCIAL US | 67.78 | 2.83 | 45.7 | 13.49 | 11.85 | 0.90 | 7.02 | 28.18 | 4.17 | 3.10 | 1.96 | 377.4 | 3.35 | 1.140 | 7.99 | 8.250 | 16.25 | 15.13 | 15.19 |
| 43 BANCO CENTRAL SPAIN | 67.38 | 2.36 | 40.4 | 22.78 | 14.35 | 1.21 | 7.88 | 56.04 | 2.43 | 4.02 | 2.33 | 469.4 | 3.53 | 1.199 | 8.75 | 8.750 | 18.75 | 11.24 | 9.36 |
| 44 WESTDEUTSCHE LANDESBANK GIROZENTRALE GERMANY | 67.13 | 2.76 | 102.4 | 7.81 | 10.32 | 0.21 | 5.10 | 73.85 | 1.32 | 0.92 | 1.08 | 203.1 | 3.00 | 1.033 | 6.62 | 9.625 | 23.13 | 16.04 | 16.56 |
| 45 SUMITOMO JAPAN | 67.12 | 13.2 | 370.5 | 10.76 | 11.11 | 0.35 | 5.49 | 53.06 | 2.62 | 0.86 | 1.05 | 1192.4 | 5.00 | 1.062 | 6.99 | 9.500 | 22.50 | 13.24 | 12.36 |
| 46 AUSTRALIA AND NEW ZEALAND BANKING GROUP AUSTRALIA | 66.80 | 3.11 | 54.0 | 13.10 | 11.74 | 0.82 | 6.80 | 63.68 | 1.96 | 3.70 | 2.20 | 402.9 | 3.40 | 1.082 | 7.25 | 8.833 | 19.17 | 14.52 | 14.28 |
| 47 ISTITUTO MOBILIARE ITALIANO ITALY | 66.62 | 4.06 | 32.1 | 10.78 | 11.12 | 1.38 | 8.36 | 33.86 | 3.82 | 2.70 | 1.80 | 424.2 | 3.44 | 1.147 | 8.08 | 9.000 | 20.00 | 11.67 | 10.00 |
| 48 ISTITUTO BANCARIO SAN PAOLO DI TORINO ITALY | 66.57 | 3.94 | 104.7 | 12.98 | 11.71 | 0.52 | 5.96 | 61.78 | 2.07 | 2.69 | 1.79 | 486.0 | 3.57 | 1.063 | 7.00 | 9.083 | 20.42 | 14.37 | 14.05 |
| 49 CARIPO ITALY | 66.51 | 4.55 | 80.2 | 12.74 | 11.65 | 0.74 | 6.57 | 57.94 | 2.31 | 2.76 | 1.82 | 541.1 | 3.68 | 1.091 | 7.36 | 9.000 | 20.00 | 13.75 | 13.12 |
| 50 CANADIAN IMPERIAL BANK OF COMMERCE CANADA | 66.42 | 4.17 | 78.4 | 9.48 | 10.77 | 0.51 | 5.93 | 58.21 | 2.30 | 3.38 | 2.07 | 385.7 | 3.37 | 1.057 | 6.93 | 8.917 | 19.59 | 15.31 | 15.46 |
| 51 NCNB CORP US | 65.75 | 2.96 | 61.5 | 19.12 | 13.36 | 0.81 | 6.77 | 33.45 | 3.84 | 3.07 | 1.95 | 447.1 | 3.49 | 1.177 | 8.47 | 8.000 | 15.00 | 13.58 | 12.87 |
| 52 BAYERISCHE LANDESBANK GIROZENTRALE GERMANY | 65.19 | 1.80 | 81.6 | 3.98 | 9.29 | 0.09 | 4.76 | 57.39 | 2.35 | 0.74 | 1.00 | 70.6 | 2.73 | 1.009 | 6.31 | 10.000 | 25.00 | 14.17 | 13.75 |
| 53 COMMERZBANK GERMANY | 64.90 | 3.50 | 111.8 | 10.05 | 10.92 | 0.31 | 5.38 | 74.62 | 1.27 | 1.66 | 1.38 | 332.0 | 3.26 | 1.054 | 6.89 | 8.875 | 19.38 | 15.95 | 16.42 |
| 54 CREDIT AGRICOLE FRANCE | 64.89 | 10.5 | 242.0 | 8.95 | 10.63 | 0.36 | 5.52 | 69.68 | 1.58 | 3.37 | 2.07 | 829.3 | 4.26 | 1.053 | 6.87 | 9.125 | 20.63 | 13.89 | 13.33 |
| 55 BANQUE NATIONALE DE PARIS FRANCE | 64.73 | 5.06 | 231.5 | 12.82 | 11.67 | 0.29 | 5.32 | 70.58 | 1.53 | 2.11 | 1.56 | 622.0 | 3.84 | 1.053 | 6.87 | 9.500 | 22.50 | 12.63 | 11.44 |
| 56 ROYAL BANK OF SCOTLAND UK | 64.45 | 2.31 | 44.6 | 11.69 | 11.36 | 0.63 | 6.27 | 66.25 | 1.80 | 2.94 | 1.90 | 239.7 | 3.07 | 1.050 | 6.84 | 8.833 | 19.17 | 14.36 | 14.04 |
| 57 WESTPAC AUSTRALIA | 64.31 | 4.93 | 76.1 | 13.33 | 11.81 | 0.90 | 7.02 | 62.63 | 2.02 | 3.29 | 2.04 | 613.6 | 3.83 | 1.094 | 7.40 | 8.667 | 18.34 | 12.90 | 11.85 |
| 58 INDUSTRIAL BANK OF JAPAN JAPAN | 64.18 | 7.56 | 248.7 | 7.16 | 10.14 | 0.23 | 5.15 | 75.95 | 1.19 | 0.44 | 0.88 | 527.2 | 3.65 | 1.034 | 6.63 | 9.625 | 23.13 | 13.94 | 13.41 |
| 59 BAYERISCHE VEREINSBANK GERMANY | 64.06 | 2.50 | 101.3 | 7.11 | 10.13 | 0.18 | 5.01 | 66.30 | 1.79 | 1.19 | 1.19 | 175.2 | 2.94 | 1.028 | 6.55 | 9.500 | 22.50 | 14.30 | 13.95 |
| 60 REPUBLIC NEW YORK CORP US | 63.99 | 1.37 | 25.5 | 1.70 | 8.67 | 0.09 | 4.76 | 27.19 | 4.23 | 1.28 | 1.22 | 24.0 | 2.63 | 0.964 | 5.73 | 8.875 | 19.38 | 16.58 | 17.37 |
| 61 MONTE DEI PASCHI DI SIENA ITALY | 63.86 | 3.82 | 74.3 | 5.85 | 9.79 | 0.32 | 5.40 | 70.75 | 1.51 | 2.57 | 1.75 | 217.7 | 3.02 | 0.996 | 6.14 | 9.250 | 21.25 | 15.00 | 15.00 |
| 62 CREDITANSTALT-BANKVEREIN AUSTRIA | 63.70 | 1.74 | 44.7 | 10.01 | 10.91 | 0.38 | 5.57 | 75.81 | 1.20 | 1.70 | 1.39 | 162.8 | 2.91 | 1.066 | 7.04 | 9.000 | 20.00 | 14.79 | 14.68 |
| 63 CAJA DE MADRID SPAIN | 63.69 | 1.50 | 20.0 | 13.17 | 11.76 | 1.01 | 7.33 | 46.20 | 3.05 | 5.16 | 2.80 | 180.5 | 2.95 | 1.116 | 7.68 | 8.000 | 15.00 | 13.75 | 13.12 |
| 64 BANQUE INDOSUEZ FRANCE | 63.51 | 1.87 | 55.3 | 13.29 | 11.79 | 0.44 | 5.74 | 81.23 | 0.86 | 1.63 | 1.36 | 241.9 | 3.07 | 1.083 | 7.26 | 8.917 | 19.59 | 14.23 | 13.84 |
| 65 UNION BANK OF FINLAND FINLAND | 63.37 | 2.29 | 36.4 | 6.64 | 10.00 | 0.43 | 5.71 | 68.75 | 1.64 | 1.75 | 1.41 | 149.7 | 2.89 | 1.005 | 6.26 | 8.917 | 19.59 | 15.58 | 15.87 |
| 66 KANSALLIS-OSAKE-PANKKI FINLAND | 63.35 | 2.49 | 37.1 | 7.74 | 10.30 | 0.49 | 5.88 | 73.33 | 1.35 | 1.71 | 1.40 | 178.2 | 2.94 | 1.021 | 6.46 | 8.917 | 19.59 | 15.29 | 15.43 |
| 67 FUJI JAPAN | 63.24 | 11.6 | 364.9 | 9.60 | 10.80 | 0.30 | 5.35 | 64.19 | 1.92 | 0.76 | 1.01 | 1000.6 | 4.61 | 1.051 | 6.85 | 9.167 | 20.84 | 12.91 | 11.86 |
| 68 BANCA POPOLARE DI NOVARA ITALY | 62.92 | 1.30 | 28.3 | 16.03 | 12.53 | 0.74 | 6.57 | 65.07 | 1.87 | 3.30 | 2.04 | 194.7 | 2.98 | 1.106 | 7.56 | 8.250 | 16.25 | 13.75 | 13.12 |
| 69 GROUPE DES BANQUES POPULAIRES FRANCE | 62.11 | 2.56 | 64.7 | 9.12 | 10.67 | 0.36 | 5.52 | 89.02 | 0.37 | 2.87 | 1.87 | 224.6 | 3.04 | 1.054 | 6.89 | 8.250 | 16.25 | 16.67 | 17.50 |
| 70 FIRST CHICAGO US | 61.99 | 2.69 | 47.9 | 14.13 | 12.02 | 0.74 | 6.57 | 31.65 | 3.96 | 2.58 | 1.75 | 358.7 | 3.31 | 1.128 | 7.84 | 7.833 | 14.17 | 13.25 | 12.37 |
| 71 HONGKONG & SHANGHAI BANKING CORP HONG KONG | 61.72 | 7.68 | 133.0 | 10.89 | 11.15 | 0.57 | 6.10 | 61.00 | 2.12 | -1.73 | 0.00 | 704.8 | 4.01 | 1.029 | 6.57 | 8.750 | 18.75 | 13.68 | 13.02 |
| 72 MITSUBISHI TRUST & BANKING JAPAN | 61.50 | 5.05 | 177.7 | 9.18 | 10.69 | 0.27 | 5.26 | 55.69 | 2.45 | 0.64 | 0.96 | 443.7 | 3.48 | 1.039 | 6.69 | 9.000 | 20.00 | 12.98 | 11.97 |
| 73 KREDIETBANK BELGIUM | 61.20 | 1.57 | 48.1 | 16.14 | 12.56 | 0.51 | 5.93 | 72.35 | 1.41 | 2.05 | 1.53 | 159.7 | 2.91 | 1.100 | 7.48 | 8.125 | 15.63 | 14.17 | 13.75 |
| 74 SUMITOMO TRUST & BANKING JAPAN | 61.15 | 4.94 | 153.2 | 9.64 | 10.81 | 0.31 | 5.38 | 51.87 | 2.69 | 0.86 | 1.05 | 446.2 | 3.49 | 1.046 | 6.78 | 9.083 | 20.42 | 12.02 | 10.53 |
| 75 HYPO-BANK GERMANY | 61.01 | 2.42 | 88.8 | 7.08 | 10.12 | 0.20 | 5.07 | 62.34 | 2.04 | 1.56 | 1.34 | 167.7 | 2.92 | 1.030 | 6.58 | 9.000 | 20.00 | 13.63 | 12.94 |
| 76 DG BANK GERMANY | 60.96 | 2.32 | 106.2 | 10.77 | 11.12 | 0.22 | 5.13 | 68.98 | 1.63 | 1.15 | 1.17 | 201.1 | 2.99 | 1.042 | 6.73 | 8.750 | 18.75 | 13.96 | 13.44 |
| 77 BANCA COMMERCIALE ITALIANA ITALY | 60.44 | 3.62 | 88.6 | 7.98 | 10.37 | 0.37 | 5.54 | 70.45 | 1.53 | 2.35 | 1.66 | 282.6 | 3.16 | 1.019 | 6.44 | 8.833 | 19.17 | 13.38 | 12.57 |
| 78 DAI-ICHI KANGYO JAPAN | 60.39 | 12.3 | 406.0 | 8.56 | 10.52 | 0.25 | 5.21 | 70.90 | 1.51 | 0.74 | 1.00 | 918.4 | 4.44 | 1.041 | 6.72 | 9.167 | 20.84 | 11.77 | 10.15 |
| 79 BANK OF TOKYO JAPAN | 60.14 | 6.11 | 201.8 | 10.12 | 10.94 | 0.28 | 5.29 | 69.55 | 1.59 | 0.73 | 1.00 | 524.1 | 3.65 | 1.050 | 6.84 | 9.000 | 20.00 | 12.22 | 10.83 |
| 80 UNIBANK DENMARK | 60.07 | 2.59 | 42.1 | 4.86 | 9.53 | 0.30 | 5.35 | 68.41 | 1.66 | 2.75 | 1.82 | 119.5 | 2.83 | 0.999 | 6.18 | 8.750 | 18.75 | 14.30 | 13.95 |

and Banco Santander are commonly believed to have emerged as winners. The war began in September 1989 when Santander offered interest on current accounts and launched an ubiquitous advertising campaign. Popular — almost alone among the big Spanish banks — refused to follow suit. “We believe in paying interest to account holders depending on how good a client they are,” says Javier Valls, co-chairman of Popular. Read that to mean the bank offered interest to (most) clients who asked for it.

Consequently the average cost of Popular’s funds has risen only 26.9% in the 12 months since the third quarter of 1989 (compared with 37.55% for Santander and 47% for Banesto), while the volume of deposits increased slightly over that period. During 1990 Popular was able to widen its net interest margin from 5.95% in the second half of 1989 to 6.42% in the first half of this year.

Popular expanded slowly during the 1980s — its asset growth was the lowest of the big six Spanish banks. Indeed the bank likes to make a virtue of caution. Says Valls: “When we are faced with a choice between profitability and growth, we choose profitability.” The quality of the assets is reflected in the fact that non-performing loans are only 0.55% of assets. Popular’s capital adequacy ratio (risk-adjusted according to Bank for International Settlements guidelines) is 12.45%.

Analysts and investors are especially impressed by the bank’s openness and by the breadth of information it provides. The financial year at all the Spanish banks closes at the end of December. Popular is invariably the first to announce its results and rush out its annual report — before the end of January. The annual report is voluminous and includes a 100-page supplement on the mistakes the bank’s branches made during the year. Popular’s quarterly financial reports are more detailed than some banks’ annual disclosures.

No one in Spain denies that Popular is a well-run, profitable bank. But strangely its share price does not reflect this — its price/earnings ratio of 7.2 is less than the sector average of 8.3. Banks with significant industrial holdings (Popular got rid of its limited holdings some years ago) are even higher: Banco Central, for example, has a PE ratio of 13.

There are two explanations for the poor share performance. The first is that, unlike almost all the other banks, Popular does not try to manipulate its share price by trading its own stock (a legal, if frowned-on practice in Spain). Analysts say that Popular’s share price, because it is not manipulated, is a sensitive reflection of the market. It tends to go up faster and more sharply than the rest of the market in a bullish environ-

ment and *vice versa*. The second explanation is that Popular has a larger percentage of foreign shareholders — 40.8% — who do not expect bank shares to trade on PEs of much over 6.

Garry Evans

Dull is beautiful

Dick Thomson, the 57-year-old chairman of Toronto-Dominion Bank, has raised a few eyebrows during his 33 years with the bank. He is not afraid to speak his mind, most memorably demonstrated when he accused Canadian prime minister Brian Mulroney of giving American Express a banking licence in Canada in return for backing the free trade agreement with the US. Thomson eventually apologised but he had made it clear — in terms few of his counterparts would have chosen — that Canadian bankers were incensed by the decision.

During his time at the helm of Canada’s fifth largest bank Thomson and his tight-knit management team have made a number of controversial decisions. But Toronto-Dominion’s return on assets — more than twice that of any other leading Canadian bank — silences the would-be critics. Choices that looked questionable a decade ago are now hailed as far-sighted. “They have not been afraid to go against the flow,” says Sharon Ronson, analyst at BBN James Capel. “Ten years ago when banks were more interested in asset size and volume, TD was looking at return on assets and performance.”

In 1969 the bank moved into cable-television lending and invested heavily in southern Ontario real estate during the 1970s. Both strategies paid off. TD is now the biggest cable-TV lender in North America; and when real-estate prices skyrocketed the bank was sitting pretty.

Toronto-Dominion continued to buck the trend by staying out of the spending frenzy triggered by the government’s decision in 1987 to allow banks to buy securities companies. While other banks snapped up the leading brokers at inflated prices, TD announced that it would build its own securities arm. The bank intends to follow the same strategy in expanding into the US market. “Why acquire?” asks president Robin Korthals. “To grow faster? Our bank has grown well for 30 years without any acquisition. We don’t have to buy our way into a new market.”

The securities industry has been in the doldrums since the takeovers but Toronto

Dominion Securities (TDSI) has grown faster than anyone expected. It came from nowhere to seventh place in the *Financial Post* underwriting rankings for 1989, and ranked second in private placements. TDSI has forged a reputation for innovation by acting as lead or co-lead on Canada’s first leveraged buy-out and high-yield subordinated debt funds, as well as one of the first arbitrage funds. It has also built up the largest discount brokerage in Canada.

Critics carp that TD may have made some lucky moves betting on real estate and cable but the harsher climate of the 1990s will be the true test of the bank’s mettle. Korthals agrees that the bank is unlikely to find another emerging industry as profitable as the cable business. “In the Nineties it will be less a matter of finding niches and more a question of being in position,” he says.

Things are getting tough already. In the second quarter of 1990 the bank’s bad loans soared, albeit from a low base. According to Korthals the 1980s was a decade of easy credit and now is the time of reckoning for the banking industry. “It is true in corporate lending and in consumer lending. As we are reining things in there will be losses,” he says. But the bank’s strong capital position means it has less to worry about than some of its competitors.

Although Toronto-Dominion has built itself a reputation over the years for bucking the trends Korthals says the bank’s secret to success has been to stick to basics: “You could say we have always tried to run the bank in a boring way.”

Ann Dugan

Banc One sticks to what it knows

It is not surprising to find Banc One Corp placed third in *Euromoney*’s ranking of the world’s best banks. It has never indulged in the commercial real-estate, leveraged buy-out, or LDC lending that is eroding the profitability of banks which have. Banc One historically has taken a more conservative approach to its business, and that approach is paying off.

John McCoy, chairman and chief executive officer of Banc One Corp, says: “I think we’ve been focused at doing the things we do best. That’s basically middle-market commercial banking and retail lending. We basically lend into the market that we operate in because we know more about it than some market 5,000 miles away.”

Although the market Banc One knows —

THE WORLD'S 100 BEST BANKS — continued

| Bank | Score | Equity (\$bn) (1) | Assets (\$bn) (2) | Return on equity (3) | Score | Return on assets (4) | Cost to income (5) | Score | Net interest margin (6) | Score | Net income (\$mn) (7) | Score | Real profit ability (8) | Score | Credit rating (9) | Score | Analysts' rating (10) | Score | |
|--|-------|-------------------------|-------------------------|-------------------------------|-------|-------------------------------|-----------------------------|-------|----------------------------------|-------|--------------------------------|-------|----------------------------------|-------|-------------------------|-------|-----------------------------|-------|-------|
| 81 BANCO ESPANOL DE CREDITO SPAIN | 59.93 | 2.98 | 39.2 | 10.76 | 11.11 | 0.70 | 6.46 | 60.66 | 2.14 | 3.84 | 2.26 | 254.3 | 3.10 | 1.061 | 6.98 | 8.500 | 17.50 | 11.92 | 10.38 |
| 82 NATIONAL WESTMINSTER UK | 59.88 | 9.76 | 186.5 | 4.04 | 9.30 | 0.22 | 5.13 | 71.54 | 1.47 | 3.17 | 1.99 | 390.1 | 3.37 | 0.957 | 5.64 | 9.500 | 22.50 | 11.99 | 10.48 |
| 83 LONG-TERM CREDIT BANK OF JAPAN JAPAN | 59.76 | 6.07 | 175.4 | 7.89 | 10.34 | 0.25 | 5.21 | 70.52 | 1.53 | 0.54 | 0.92 | 405.1 | 3.40 | 1.040 | 6.71 | 9.000 | 20.00 | 12.77 | 11.65 |
| 84 YASUDA TRUST & BANKING JAPAN | 59.62 | 2.96 | 122.2 | 11.05 | 11.19 | 0.28 | 5.29 | 68.17 | 1.88 | 0.85 | 0.97 | 308.2 | 3.21 | 1.044 | 6.76 | 8.750 | 18.75 | 12.85 | 11.77 |
| 85 MELLON US | 59.46 | 1.55 | 31.5 | 14.56 | 12.14 | 0.69 | 6.43 | 35.41 | 3.72 | 2.68 | 1.79 | 210.0 | 3.01 | 1.113 | 7.65 | 7.583 | 12.92 | 12.87 | 11.80 |
| 86 KYOWA JAPAN | 59.36 | 2.97 | 97.6 | 7.61 | 10.27 | 0.22 | 5.13 | 66.07 | 1.81 | 1.18 | 1.18 | 199.4 | 2.99 | 1.033 | 6.62 | 8.750 | 18.75 | 13.41 | 12.61 |
| 87 CREDITO ITALIANO ITALY | 59.29 | 2.66 | 72.9 | 6.84 | 10.06 | 0.27 | 5.26 | 77.52 | 1.09 | 1.98 | 1.51 | 178.1 | 2.94 | 1.005 | 6.26 | 8.875 | 19.38 | 13.53 | 12.79 |
| 88 TOYO TRUST & BANKING JAPAN | 58.95 | 2.78 | 88.5 | 11.48 | 11.31 | 0.33 | 5.43 | 56.55 | 2.40 | 0.85 | 1.05 | 272.8 | 3.14 | 1.053 | 6.87 | 8.875 | 19.38 | 11.25 | 9.37 |
| 89 SWISS VOLKSBANK SWITZERLAND | 58.90 | 1.41 | 25.0 | 6.56 | 9.98 | 0.37 | 5.54 | 82.74 | 0.77 | 1.07 | 1.14 | 88.5 | 2.76 | 1.030 | 6.58 | 8.750 | 18.75 | 13.92 | 13.38 |
| 90 CREDIT INDUSTRIEL ET COMMERCIAL FRANCE | 58.62 | 2.25 | 74.7 | 11.70 | 11.37 | 0.33 | 5.43 | 81.27 | 0.86 | 2.30 | 1.64 | 224.6 | 3.04 | 1.056 | 6.91 | 8.250 | 16.25 | 13.75 | 13.12 |
| 91 DEN DANSKE DENMARK | 58.47 | 3.44 | 53.9 | 3.42 | 9.14 | 0.22 | 5.13 | 65.66 | 1.83 | 2.43 | 1.69 | 116.3 | 2.82 | 0.977 | 5.90 | 8.667 | 18.34 | 14.08 | 13.62 |
| 92 MITSUI TRUST & BANKING JAPAN | 58.38 | 3.78 | 142.1 | 10.58 | 11.06 | 0.26 | 5.24 | 57.55 | 2.34 | 0.74 | 1.00 | 341.8 | 3.28 | 1.039 | 6.69 | 8.917 | 19.59 | 11.12 | 9.18 |
| 93 JOYO JAPAN | 57.18 | 1.74 | 54.3 | 7.51 | 10.24 | 0.24 | 5.18 | 65.43 | 1.85 | 1.15 | 1.17 | 115.8 | 2.82 | 1.036 | 6.66 | 8.900 | 19.50 | 11.51 | 9.76 |
| 94 BANK OF NOVA SCOTIA CANADA | 56.95 | 2.94 | 62.3 | 6.92 | 10.08 | 0.32 | 5.40 | 55.84 | 2.45 | 2.99 | 1.92 | 195.8 | 2.98 | 1.021 | 6.46 | 8.750 | 18.75 | 10.94 | 8.91 |
| 95 ASHIKAGA JAPAN | 56.86 | 1.51 | 43.0 | 8.48 | 10.50 | 0.28 | 5.29 | 65.65 | 1.83 | 1.42 | 1.28 | 112.7 | 2.81 | 1.046 | 6.78 | 9.000 | 20.00 | 10.58 | 8.37 |
| 96 HOKURIKU JAPAN | 56.45 | 1.77 | 55.2 | 6.78 | 10.04 | 0.21 | 5.10 | 66.60 | 1.77 | 1.16 | 1.17 | 105.1 | 2.80 | 1.030 | 6.58 | 8.900 | 19.50 | 11.33 | 9.49 |
| 97 BANK OF MONTREAL CANADA | 56.31 | 3.22 | 64.8 | 1.46 | 8.61 | 0.07 | 4.71 | 63.38 | 1.97 | 3.38 | 2.07 | 47.2 | 2.68 | 0.957 | 5.64 | 8.750 | 18.75 | 12.92 | 11.88 |
| 98 DAIWA JAPAN | 56.30 | 3.28 | 121.6 | 7.17 | 10.15 | 0.19 | 5.04 | 71.05 | 1.50 | 1.00 | 1.11 | 208.9 | 3.01 | 1.021 | 6.46 | 8.583 | 17.92 | 12.41 | 11.11 |
| 99 SHIZUOKA JAPAN | 56.15 | 2.19 | 49.5 | 6.61 | 10.00 | 0.29 | 5.32 | 73.40 | 1.35 | 1.49 | 1.31 | 127.8 | 2.84 | 1.040 | 6.71 | 8.750 | 18.75 | 11.58 | 9.87 |
| 100 TSB UK | 56.01 | 2.98 | 40.4 | 5.25 | 9.63 | 0.41 | 5.65 | 84.81 | 0.64 | 3.80 | 2.24 | 157.1 | 2.90 | 0.979 | 5.92 | 9.000 | 20.00 | 11.02 | 9.03 |

THE EUROMONEY RATING METHOD

To qualify for inclusion in the top 100 only banks with equity above \$1.3 billion were analysed. Weightings were assigned to the following categories: return on equity - 15%; return on assets - 10%; real profitability - 10%; cost-to-income - 5%; net interest margin - 5%; total net income - 5%; credit ratings - 25%; analysts' opinion - 25%. Objective data are those reported at the fiscal year-end, 1989 - supplied by IBCA Limited, London. Credit ratings are those as at October 30, 1990. The analysts' survey was conducted in October, 1990. Scoring method - the best performance scores the weighting attached to each category; the worst counts as zero. Intermediate scores are calculated *pro rata*.

FOOTNOTES AND DEFINITIONS

(1) EQUITY - shareholders' funds. (2) ASSETS - total assets less contra accounts. (3) ROE - net income/average equity. (4) ROA - net income/average assets. (5) COST-TO-INCOME - total non-interest expenses/net interest revenue + other operating income. (6) NET INTEREST MARGIN - net interest expenses/average assets. (7) NET INCOME - operating profits less taxes. (8) REAL PROFITABILITY - adjusted profitability/rate of inflation. Where the rating is unity (1.000) a bank's adjusted return on equity has kept pace with inflation; if it is less than one, capital has been depleted. (9) CREDIT RATING - a mean numerical rating was assigned to those given by Moody's, Standard & Poor's, and IBCA. The mean of these is the rating published here. (10) ANALYSTS' RATING - the opinions on a selection of bank activities from over 50 banking analysts.

METHODOLOGY OF THE ANALYST RATING

Bank analysts were asked to score the banks on six different categories with 1 being "very poor" and 10 indicating "excellent". The six categories are: **Strategy** - a bank's competitive position and success of expansion and acquisition policies. **Quality of Earnings** - over the past two years. **Quality of Management** - effectiveness and stability. **Defensiveness** - how a bank copes with negative international economic forces, changes in interest rates, and currency fluctuations. **Working Environment** - how a bank copes with domestic government legislation, taxation policies, and accounting procedures. A score of 10 indicates good performance in a very unfavourable environment, and a score of 1 indicates poor performance under favourable circumstances. **Concern for Shareholders** - how a bank views its investors. A score of 1 indicating no concern, and 10 indicating high concern.

The analysts were instructed to give scores only to those banks of which they had a sound knowledge. Each bank received scores from at least five analysts. A mean score for each category was determined. These category averages were then added together to obtain an overall "analysts' rating" for each bank. The analysts' scores were similar not only with one another, but also with the bank ranking based on the objective criteria alone. This phenomenon was evident across the board, giving confidence in the reliability of this section.

Euromoney thanks all the analysts who participated.

the American Midwest — has not been hit by plummeting real estate values, the region has not experienced boom periods either. "Basically, the Midwest never had the big booms, so we didn't go up as far as other regions," says McCoy. "But if you want to be anywhere in the country right now, aside from California, you'd want to be here."

According to analysts at Montgomery Securities, Banc One's earnings have increased annually for the last twenty years. It has never had a return on assets of less than 1, and its return on equity has been over 15% for 14 straight years.

The bank's conservative approach to its loan operations is not applied to growth. Banc One not only has enough capital to meet BIS guidelines, its surplus enables it to make acquisitions. In 1987 it purchased American Fletcher Corp, the largest bank in Indiana, and recently acquired 7.5% of failed Texas-based thrift MCorp. Banc One probably is one of the few big players in the credit-card loan market which has enough capital to buy Maryland National Bank's large credit-card portfolio.

To raise the capital for its stake in MCorp, the bank went to the market early this year and issued \$540 million in stock and \$200 million in subordinated debt — currently an option unavailable to most banks. The two deals comprised 25% of all bank capital raised in the US in the first three quarters.

Some analysts say the MCorp purchase is indicative of Banc One's good management. Rather than purchase all 20 banks seized by the federal regulators, Banc One bought MCorp's good assets. The bad assets are sitting in an entity called Bonnett Resources Corp, which is owned by the government but managed by Banc One — for which it receives a fee. If any of the MCorp assets owned by Banc One go sour within the next two years, the bank can transfer them to Bonnett Resources.

Joan Goodman, vice-president at Pershing Co, a division of Donaldson Lufkin Jenrette Securities, says: "Banc One's strategy is to buy up other banks, and get them running efficiently with the help of state-of-the-art computers. They're often referred to as the computer bank."

Caren Chesler-Marsh

Putting the obvious into practice

4 First Wachovia is known as one of the most profitable banks in America. Where most aim to achieve return on assets of 1,

First Wachovia's last quarter figure was 1.25. Despite many wanting a return on equity of at least 16% — and not achieving it — First Wachovia's last quarter return was 16.42% and 17.18% in the first quarter.

The bank's net interest margin, or profit margin, hovers around 4.3%, which is outstanding considering the venerable JP Morgan only manages about 1.9%.

Analysts say it is strong management that has kept costs down, problem loans out, and earnings up.

It is also well capitalised. "First Wachovia doesn't even have subordinated debt; it doesn't need it," says Ann Robinson, analyst at Donaldson Lufkin Jenrette Securities. She adds that the bank has over 10% of regulatory capital — banks only need 8% — and 9% of it is equity.

Based in Winston-Salem, North Carolina, First Wachovia is probably best known as the traditional banker for RJR Nabisco. While that might have meant a large exposure to LBO loans — RJR is the biggest LBO achieved to date — First Wachovia kept its exposure moderate. In fact only \$719 million of the bank's \$15.8 billion loan portfolio is in LBO loans — and \$166 million of that is committed, not outstanding, funds.

First Wachovia has no LDC exposure either. What little it had was sold off a few years ago. "We do not put too much [credit] in any one area, particularly those of high risk," says John Medlin, chairman and chief executive officer of First Wachovia Corp.

Strong diversification and high credit standards seem to be the formula for several of the regional banks which appear in the top ten. While some might call that conservative, Medlin considers First Wachovia's strategy as one of "disciplined entrepreneurs".

"Our objective is to grow loans faster than average for banking, but to have a lower rate of loan losses and loan problems," he says. While that may sound obvious, many banks have not managed to do that. At the end of the third quarter only 0.84% of First Wachovia's \$24.7 billion loan portfolio was non-performing.

Also, despite many US and Japanese banks downsizing to meet capital requirements — and raise profitability — the high scoring banks are not. "Asset growth is basically the same as it always has been," says Medlin. "We're still experiencing above average loan growth in a fairly sluggish economy." As of the third quarter, the bank had an annualised growth rate of 10%.

That is not to say First Wachovia is scouring the Resolution Trust Corp's list of insolvent thrifts for potential acquisitions, even if its biggest rivals in North Carolina — NCNB Corp and First Union Corp — are scoring past First Wachovia in asset size.

Medlin says the bank doesn't want to take on the bad loans of other banks. "We look upon [acquisitions] as scarce ammunition," he says. "Only when the target is clearly in sight will we buy."

Caren Chesler-Marsh

New-ideas men strike gold

5 Banco Popular and Banco Santander, the two Spanish banks in the top five, have only one thing in common: both are extraordinarily profitable. But, whereas Popular is cautious and conservative, Santander ranks among the most aggressive, fastest-moving, most expansionary banks in Europe.

Take the current-account war. In September 1989, Santander was the first bank to pay interest on high-volume current accounts. Explains Matias Rodriguez, chief financial officer: "We thought that someone would do it sooner or later. From international analysis, we thought the one that struck first would be the winner. The only risk was that somebody else would jump first." In fact, Santander's rivals were slow off the mark. It was nearly six months before Banco Hispano Americano followed suit.

Santander's speed has paid dividends. It has increased deposits by almost 30% since last September, propelling it from the fourth to the second largest bank in Spain behind BBV in terms of liabilities (it is also second in assets and equity). True, its financing costs have risen 37% as a result, but analysts believe that the added market share more than compensates.

Santander is also the most international of Spain's banks. Salomon Brothers' banking analysts consider it "to be one of the emerging breed of pan-European banks . . . the only Spanish member of [that] very select group". It has moved overseas principally through alliances; it bought, for example, 10% of Royal Bank of Scotland in 1988 and 3% of Kemper of the US last year.

It also has a reputation for being innovative. It is a leader in new instruments such as futures and options, and in (for Spain) new areas such as leasing and factoring. Says Rodriguez: "At the same time, we're still extremely profitable; we're not prepared to give that up to gain market share." Analysts agree. "They are good at new ideas. And they've done it fast — but not too fast," says Vita Briedis of Banco Ibercorp.

Garry Evans

TOP 50 - THE ANALYSTS' VIEW

| Rank | Bank | Total score | Strategy | Quality of earnings | Management | Defensiveness | Working environment | Concern for shareholders |
|------|---|-------------|----------|---------------------|------------|---------------|---------------------|--------------------------|
| 1 | BANC ONE CORP | 52.00 | 9.00 | 8.50 | 9.00 | 8.00 | 8.50 | 9.00 |
| 2 | FIRST WACHOVIA | 50.50 | 8.25 | 8.50 | 8.75 | 8.75 | 8.00 | 8.25 |
| 3 | NATIONAL CITY | 49.50 | 8.50 | 8.00 | 8.50 | 8.00 | 8.50 | 8.00 |
| 4 | JP MORGAN | 48.27 | 8.85 | 7.85 | 8.43 | 8.00 | 8.14 | 7.00 |
| 5 | TORONTO-DOMINION | 47.75 | 8.00 | 7.50 | 8.25 | 7.75 | 8.00 | 8.25 |
| 6 | BANCO POPULAR ESPANOL | 47.08 | 7.00 | 8.33 | 7.67 | 7.67 | 7.74 | 8.67 |
| 7 | NORDBANKEN | 47.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 7.00 |
| 8 | DEUTSCHE | 46.35 | 8.20 | 7.90 | 8.30 | 8.20 | 7.55 | 6.20 |
| 9 | WELLS FARGO | 45.31 | 8.00 | 7.66 | 8.16 | 7.33 | 6.66 | 7.50 |
| 10 | BANCO SANTANDER | 44.74 | 8.50 | 7.78 | 7.50 | 7.17 | 7.12 | 6.67 |
| | | | | | | | | |
| 11 | BANK AMERICA CORP | 43.13 | 7.28 | 7.57 | 8.14 | 6.43 | 6.43 | 7.28 |
| 12 | FIRST UNION | 42.65 | 6.66 | 6.00 | 8.00 | 8.33 | 7.33 | 6.33 |
| 13 | ABBEY NATIONAL | 42.03 | 7.00 | 7.66 | 7.22 | 7.11 | 6.42 | 6.62 |
| 14 | SUNTRUST BANKS | 41.64 | 7.33 | 6.66 | 7.66 | 6.33 | 6.66 | 7.00 |
| 15 | BANKERS TRUST | 41.42 | 7.86 | 6.14 | 7.43 | 6.28 | 6.71 | 7.00 |
| 16 | COMPAGNIE BANCAIRE | 41.40 | 7.00 | 7.20 | 7.00 | 5.80 | 6.80 | 7.60 |
| 17 | NBD BANCORP | 41.31 | 6.66 | 7.00 | 6.66 | 6.66 | 7.33 | 7.00 |
| 18 | ROYAL BANK OF CANADA | 41.25 | 6.75 | 7.00 | 7.25 | 7.00 | 6.50 | 6.75 |
| 19 | FLEET/NORSTAR | 40.99 | 7.00 | 7.00 | 7.00 | 6.66 | 7.00 | 6.33 |
| 20 | RABOBANK | 40.75 | 7.25 | 7.00 | 7.25 | 7.25 | 7.00 | 5.00 |
| | | | | | | | | |
| 21 | BARNETT BANKS | 40.65 | 7.33 | 6.33 | 8.00 | 5.66 | 6.33 | 7.00 |
| 22 | BANK OF SCOTLAND | 40.43 | 6.87 | 7.12 | 7.12 | 6.62 | 5.85 | 6.85 |
| 23 | DRESDNER | 40.36 | 6.88 | 6.60 | 7.00 | 6.88 | 7.12 | 5.88 |
| 24 | SHINHAN | 40.00 | 8.00 | 7.00 | 7.50 | 5.00 | 7.50 | 5.00 |
| 24 | GROUPE DES BANQUES POPULAIRES | 40.00 | 8.00 | 6.00 | 7.00 | 5.00 | 6.00 | 8.00 |
| 26 | REPUBLIC NEW YORK CORP | 39.80 | 7.00 | 6.20 | 6.60 | 6.80 | 6.40 | 6.80 |
| 27 | LLOYDS | 39.43 | 7.72 | 5.50 | 6.91 | 6.00 | 5.50 | 7.80 |
| 28 | UNION BANK OF SWITZERLAND | 39.25 | 6.60 | 7.16 | 7.16 | 6.50 | 7.00 | 4.83 |
| 29 | NMB POSTBANK | 39.10 | 6.70 | 6.40 | 6.90 | 6.60 | 6.90 | 5.60 |
| 30 | SKANDINAVISKA ENSKILDA BANKEN | 39.00 | 7.50 | 6.00 | 6.50 | 6.00 | 6.00 | 7.00 |
| | | | | | | | | |
| 31 | BANK OF TAIWAN | 38.75 | 6.00 | 6.75 | 6.75 | 6.75 | 6.00 | 6.50 |
| 32 | WESTDEUTSCHE LANDESBANK GIROZENTRALE | 38.50 | 6.50 | 5.00 | 6.50 | 6.00 | 7.50 | 7.00 |
| 33 | CREDIT SUISSE | 38.36 | 7.16 | 6.00 | 7.50 | 5.60 | 6.60 | 5.50 |
| 34 | COMMERZBANK | 38.28 | 6.33 | 6.22 | 6.44 | 6.77 | 6.75 | 5.77 |
| 35 | CREDIT LYONNAIS | 38.15 | 6.83 | 6.33 | 6.33 | 6.50 | 5.83 | 6.33 |
| 36 | NATIONAL AUSTRALIA | 37.87 | 6.50 | 6.37 | 7.00 | 6.00 | 6.00 | 6.00 |
| 37 | UNION BANK OF FINLAND | 37.40 | 6.00 | 5.60 | 6.60 | 5.60 | 7.00 | 6.60 |
| 38 | SANWA | 37.12 | 6.62 | 6.25 | 6.75 | 5.75 | 7.75 | 4.00 |
| 39 | BANCO BILBAO VIZCAYA | 37.00 | 6.57 | 6.43 | 5.86 | 6.00 | 5.71 | 6.43 |
| 40 | CANADIAN IMPERIAL BANK OF COMMERCE | 36.75 | 6.00 | 6.00 | 6.25 | 7.00 | 5.75 | 5.75 |
| | | | | | | | | |
| 41 | KANSALLIS-OSAKE-PANKKI | 36.70 | 6.00 | 5.80 | 6.40 | 6.20 | 6.50 | 5.80 |
| 42 | ABN/AMRO | 36.50 | 5.50 | 6.40 | 6.00 | 6.80 | 7.00 | 4.80 |
| 43 | SWISS BANK CORP | 36.36 | 5.60 | 7.16 | 6.00 | 6.50 | 6.50 | 4.60 |
| 44 | SECURITY PACIFIC | 36.32 | 6.16 | 6.00 | 6.66 | 6.00 | 6.00 | 5.50 |
| 45 | PNC FINANCIAL | 36.31 | 6.00 | 5.33 | 6.66 | 6.66 | 5.66 | 6.00 |
| 46 | MONTE DEI PASCHI DI SIENA | 36.00 | 6.00 | 8.00 | 7.00 | 7.00 | 5.00 | 3.00 |
| 47 | PARIBAS GROUP | 35.98 | 6.00 | 5.85 | 6.14 | 5.57 | 5.85 | 6.57 |
| 48 | MITSUBISHI | 35.83 | 6.62 | 5.50 | 6.62 | 5.37 | 6.87 | 4.85 |
| 49 | CREDITANSTALT-BANKVEREIN | 35.50 | 6.75 | 6.00 | 6.00 | 5.75 | 6.00 | 5.00 |
| 50 | AUSTRALIA AND NEW ZEALAND BANKING GROUP | 34.85 | 6.00 | 5.10 | 6.60 | 5.40 | 5.75 | 6.00 |

CONTRIBUTORS

| | | | | | | | |
|--------------------------------|------------------------------------|--|----------------------|--------------------|--|-------------------|------------------------------|
| JOHN HOBSON | ANZ MCCAUGHAN | MASATOSHI YASUDA | CITICORP | CHRIS CHONG | JAMES CAPEL (HONG KONG) | JURGEN VEENKER | PIERSON, HELDRING, & PIERSON |
| MARCEL VERMEULEN | ASLK-CGER | | SCRIMGEOUR | | JARDINE FLEMING (JAPAN) | JEAN D'HERBECOURT | SAFE |
| BEAT C. PHILLIP | BANK J. VONTOBEL | SHIGEO TOYODA | VICKERS (TOKYO) | ROBERT ZIELINSKI | KIDDER PEABODY SECURITIES | STEPHEN LEWIS | SALOMON BROTHERS |
| HUGHES GIRARD | BANQUE PARIBAS | | COUNTY NAT WEST | MICHAEL O'HANLON | CSFB | MARK RORISON | THE NIKKO |
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| TORBEN DANIELSEN | BRODR TRIER | JURGEN ACKERMANN | DEUTSCHE BANK | | | TON GIETMAN | VAN MEER JAMES CAPEL |
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| HUGH BROWN | BURNS FRY | RODNEY BARRETT | GOLDMAN SACHS | DIRK DE JONG | MULCO | PAUL HEATON | W I CARR (OVERSEAS) |
| PETER HOOKER | BZW AUSTRALIA LIMITED | HANS MUNTER | HAFNIA MERCHANT BANK | WALTER BAUMAN | NIKKO SECURITIES (US) | JAMES HANBURY | WERTHEIM SCHRODER |
| MARTIN HUGHES | C-L ALEXANDERS LAING & CRUICKSHANK | MARIA CABANYES VITA BRIEDIS (INVESTCORP) | IBERAGENTES | | | PAT MEREDITH | WOOD GUNDY |
| NIGEL BULL | CITIBANK | J. BRIAN WATERHOUSE | IBERCORP | DAVID LEITCH | ORD MINNETT GROUP | | |
| | | | JAMES CAPEL (JAPAN) | FRANK DeSANTIS | PAINE WEBBER (US) | | |
| | | | | JACQUES LACROIX | PICTET AND CIE | | |

MANY THANKS TO THE ABOVE CONTRIBUTORS AND THOSE WHO WISHED TO REMAIN ANONYMOUS.

BEST BANKS WITH EQUITY OVER \$5 BILLION

| Rank | Bank | Overall score | Equity (\$m) |
|------|---------------------------|---------------|--------------|
| 1 | DEUTSCHE | 77.00 | 8,606.2 |
| 2 | BANK AMERICA CORP | 76.39 | 5,534.0 |
| 3 | RABOBANK | 73.71 | 5,336.5 |
| 4 | CREDIT SUISSE | 71.49 | 5,171.8 |
| 5 | UNION BANK OF SWITZERLAND | 71.11 | 8,170.5 |
| 6 | ROYAL BANK OF CANADA | 69.44 | 5,002.4 |
| 7 | PARIBAS GROUP | 69.06 | 7,792.0 |
| 8 | DRESDNER | 68.93 | 5,478.1 |
| 9 | SWISS BANK CORP | 68.73 | 6,167.9 |
| 10 | BARCLAYS | 68.45 | 10,713.5 |

TOP 10 RANKED BY RETURN ON EQUITY

| Rank | Bank | Return on equity |
|------|-------------------------|------------------|
| 1 | BANCO POPULAR ESPANOL | 25.20 |
| 2 | BANK AMERICA CORP | 23.11 |
| 3 | BANCO CENTRAL | 22.78 |
| 4 | WELLS FARGO | 21.88 |
| 5 | BANCO HISPANO AMERICANO | 21.78 |
| 6 | BANCO SANTANDER | 21.39 |
| 7 | BANCO BRADESCO | 21.04 |
| 8 | BANCO BILBAO VIZCAYA | 20.41 |
| 9 | NCNB CORP | 19.12 |
| 10 | NATIONAL CITY | 18.62 |

TOP 10 RANKED BY RETURN ON ASSETS

| Rank | Bank | Return on assets |
|------|-------------------------------|------------------|
| 1 | BANCO BRADESCO | 1.97 |
| 2 | BANCO ITAU | 1.83 |
| 3 | BANCO POPULAR ESPANOL | 1.75 |
| 4 | BANC ONE CORP | 1.42 |
| 5 | ISTITUTO MOBILIARE ITALIANO | 1.38 |
| 6 | BANCO BILBAO VIZCAYA | 1.36 |
| 7 | BANCO SANTANDER | 1.34 |
| 8 | NATIONAL AUSTRALIA | 1.32 |
| 9 | TORONTO-DOMINION | 1.28 |
| 10 | SKANDINAVISKA ENSKILDA BANKEN | 1.26 |

TOP 10 RANKED BY NET INCOME

| Rank | Bank | Total net income |
|------|----------|------------------|
| 1 | SUMITOMO | 1192.4 |

| | | |
|----|----------------------|--------|
| 2 | BANK AMERICA CORP | 1103.0 |
| 3 | SANWA | 1027.8 |
| 4 | FUJI | 1000.6 |
| 5 | PARIBAS GROUP | 150.2 |
| 6 | DAI-ICHI KANGYO | 918.4 |
| 7 | BANCO BILBAO VIZCAYA | 916.9 |
| 8 | MITSUBISHI | 903.8 |
| 9 | ABN/AMRO | 831.1 |
| 10 | CREDIT AGRICOLE | 829.3 |

TOP 10 RANKED BY REAL PROFITABILITY

| Rank | Bank | Real profitability |
|------|-------------------------------|--------------------|
| 1 | BANCO POPULAR ESPANOL | 1.296 |
| 2 | SKANDINAVISKA ENSKILDA BANKEN | 1.268 |
| 3 | BANC ONE CORP | 1.250 |
| 4 | WELLS FARGO | 1.241 |
| 5 | BANK AMERICA CORP | 1.219 |
| 6 | BANCO SANTANDER | 1.219 |
| 7 | NATIONAL CITY | 1.216 |
| 8 | TORONTO-DOMINION | 1.216 |
| 9 | BANCO BILBAO VIZCAYA | 1.214 |
| 10 | FLEET/NORSTAR | 1.213 |

TOP 10 RANKED BY COST-TO-INCOME

| Rank | Bank | Cost-to-income % |
|------|------------------------|------------------|
| 1 | CREDIOP | 14.92 |
| 2 | CREDIT LOCAL DE FRANCE | 15.33 |
| 3 | BANK AMERICA CORP | 23.07 |
| 4 | BANKERS TRUST | 23.39 |
| 5 | MIDLANTIC CORP | 26.19 |
| 6 | WELLS FARGO | 27.03 |
| 7 | REPUBLIC NEW YORK CORP | 27.19 |
| 8 | JP MORGAN | 27.64 |
| 9 | PNC FINANCIAL | 28.18 |
| 10 | NBD BANCORP | 28.33 |

TOP 10 RANKED BY NET INTEREST MARGIN

| Rank | Bank | Net interest margin |
|------|--------------------------------|---------------------|
| 1 | BANCO ITAU | 18.03 |
| 2 | BANCO DO BRASIL | 10.59 |
| 3 | BANCO BRADESCO | 6.99 |
| 4 | BANCO POPULAR ESPANOL | 6.02 |
| 5 | CAJA DE MADRID | 5.16 |
| 6 | BANCO HISPANO AMERICANO | 4.63 |
| 7 | NATIONAL AUSTRALIA | 4.55 |
| 8 | WELLS FARGO | 4.52 |
| 9 | COMMONWEALTH BANK OF AUSTRALIA | 4.49 |
| 10 | BANCO BILBAO VIZCAYA | 4.47 |

THE AMERICAN TOP 10

| Rank | Bank | Total score |
|------|-------------------|-------------|
| 1 | BANC ONE CORP | 83.44 |
| 2 | FIRST WACHOVIA | 82.69 |
| 3 | WELLS FARGO | 79.91 |
| 4 | NATIONAL CITY | 79.28 |
| 5 | BANK AMERICA CORP | 77.28 |
| 6 | SUNTRUST BANKS | 74.58 |
| 7 | NBD BANCORP | 74.40 |
| 8 | SECURITY PACIFIC | 72.47 |
| 9 | FLEET/NORSTAR | 70.11 |
| 10 | FIRST UNION | 70.07 |

THE BRITISH TOP 5

| Rank | Bank | Total score |
|------|------------------------|-------------|
| 1 | ABBEY NATIONAL | 75.27 |
| 2 | BANK OF SCOTLAND | 70.74 |
| 3 | BARCLAYS | 69.16 |
| 4 | ROYAL BANK OF SCOTLAND | 64.45 |
| 5 | NATIONAL WESTMINSTER | 59.88 |

THE CANADIAN TOP 5

| Rank | Bank | Total score |
|------|------------------------------------|-------------|
| 1 | TORONTO-DOMINION | 84.74 |
| 2 | ROYAL BANK OF CANADA | 70.26 |
| 3 | CANADIAN IMPERIAL BANK OF COMMERCE | 66.42 |
| 4 | BANK OF NOVA SCOTIA | 56.95 |
| 5 | BANK OF MONTREAL | 56.31 |

THE FRENCH TOP 5

| Rank | Bank | Total score |
|------|------------------------|-------------|
| 1 | COMPAGNIE BANCAIRE | 72.86 |
| 2 | CREDIT LOCAL DE FRANCE | 70.36 |
| 3 | PARIBAS GROUP | 69.64 |
| 4 | SOCIETE GENERALE | 68.19 |
| 5 | CREDIT LYONNAIS | 67.85 |

THE GERMAN TOP 5

| Rank | Bank | Total score |
|------|-------------------------|-------------|
| 1 | DEUTSCHE | 77.61 |
| 2 | DRESDNER | 69.47 |
| 3 | WESTDEUTSCHE LANDESBANK | 67.13 |
| 4 | GIROZENTRALE | 65.19 |
| 5 | COMMERZBANK | 64.90 |

THE ITALIAN TOP 5

| Rank | Bank | Total score |
|------|---------------------------------------|-------------|
| 1 | CREDIOP | 70.93 |
| 2 | ISTITUTO MOBILIARE ITALIANO | 66.62 |
| 3 | ISTITUTO BANCARIO SAN PAOLO DI TORINO | 66.57 |
| 4 | CARIPO | 66.51 |
| 5 | MONTE DEI PASCHI DI SIENA | 63.86 |

THE JAPANESE TOP 10

| Rank | Bank | Total score |
|------|--------------------------------|-------------|
| 1 | SANWA | 68.11 |
| 2 | MITSUBISHI | 68.00 |
| 3 | SUMITOMO | 67.12 |
| 4 | INDUSTRIAL BANK OF JAPAN | 64.18 |
| 5 | FUJI | 63.24 |
| 6 | MITSUBISHI TRUST & BANKING | 61.50 |
| 7 | SUMITOMO TRUST & BANKING | 61.15 |
| 8 | DAI-ICHI KANGYO | 60.39 |
| 9 | BANK OF TOKYO | 60.14 |
| 10 | LONG-TERM CREDIT BANK OF JAPAN | 59.76 |

THE SPANISH TOP 5

| Rank | Bank | Total score |
|------|-------------------------|-------------|
| 1 | BANCO POPULAR ESPANOL | 85.74 |
| 2 | BANCO SANTANDER | 80.65 |
| 3 | BANCO BILBAO VIZCAYA | 76.02 |
| 4 | BANCO HISPANO AMERICANO | 71.33 |
| 5 | BANCO CENTRAL | 67.38 |

THE SWISS TOP 3

| Rank | Bank | Total score |
|------|---------------------------|-------------|
| 1 | CREDIT SUISSE | 71.95 |
| 2 | UNION BANK OF SWITZERLAND | 71.53 |
| 3 | SWISS BANK CORP | 69.13 |

