S&P Global Ratings

Research

Tear Sheet:

Deutsche Bank AG

August 4, 2026

This report does not constitute a rating action.

Deutsche Bank's first-half 2026 results exceeded our expectations, reinforcing its path toward 2028 targets. The bank reported a return on tangible equity (RoTE) of 11.9% (versus 11.0% in first-half 2025) and an efficiency ratio of 60.9% (versus 62.3%). Despite typical first-half seasonality, these results place the 2028 targets (exceeding 13% RoTE; below a 60% efficiency ratio) firmly within reach. Steady revenue growth and stronger-than-expected asset inflows demonstrate growing franchise resilience. Effective cost management has successfully mitigated front-loaded investments in personnel and platforms, while contained credit losses--despite a modest domestic economy--underscore stability. Additionally, robust revenue trajectories enabled targeted U.S. commercial real estate disposals, derisking the balance sheet and enhancing capital efficiency. However, Deutsche Bank's performance continues to lag many global systemically important banks (G-SIBs). While European peers typically report RoTEs of about 15%, some U.S. counterparts already exceed 20%. This gap is driven by the larger scale of U.S. capital and asset-gathering businesses, alongside Deutsche Bank's lower market share and profit contributions in its fragmented home market. Management is confident it can materially exceed 2028 targets if AI-driven efficiencies, German structural reforms, or European regulatory relief materialize.

The investment bank remains the primary driver of earnings growth. Its market-leading fixed income and currencies business delivered strong earnings, exceeding revenue expectations due to robust demand for risk management products amid market volatility. While this trend mirrors industry peers, Deutsche Bank's performance is notable as U.S. peers increasingly benefit from capital relief that frees up balance sheet capacity. Although the bank continues to invest in its advisory and mergers and acquisitions franchise, it remains underweight in the U.S., where large-scale deal activity dominates. Barring geopolitical shocks, a potential acceleration in the European IPO market later this year could leverage the bank's competitive strengths and provide further revenue support.

Meeting financial targets is increasingly likely, but an upgrade requires a track record of sustained competitiveness and earnings growth across less cyclical business lines. To support a higher rating, we would expect the bank to demonstrate balanced growth across its entire franchise, specifically by strengthening more predictable earnings streams--namely corporate, private banking, and asset management--to reduce dependency on volatile market conditions. Our outlook revision to positive in December reflected our view that the bank's successful

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transformation has laid the foundation to further build and better monetize its diversified global franchise, particularly as clients seek alternatives to U.S.-based institutions.

Investment banking earnings represented 48% of first-half 2026 pre-tax profit, maintaining a high concentration relative to global peers. This composition results in heightened revenue sensitivity to market shifts and a more complex risk profile. Specifically, revenue from intermediation, origination, and advisory is intrinsically less stable than the financing activities that comprise approximately 29% of investment banking revenue. While the division's relative size is comparable to higher-rated peers at the 'a-' group stand-alone credit profile (SACP) level, e.g., Barclays or Citigroup, those banks benefit from more diversified capital market revenue streams, whereas Deutsche Bank remains more susceptible to disproportionate impacts from selective market volatility.

Competitiveness in corporate and retail banking is improving. Following a period of heavy investment, business relocation, and operating model optimization, the bank is well-positioned to expand its earnings contribution, supported by a favorable interest rate environment, strengthening market perception, and a disciplined risk and governance profile. Revenue capacity is poised to benefit from German fiscal stimulus, planned pension reforms, and from consolidation opportunities within the German banking sector.

Ratings Score Snapshot

SACP: bbb+

Anchor	bbb+	
Business position	Adequate	0
Capital and earnings	Strong	1
Risk position	Moderate	-1
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

Support: +2

ALAC support	2
GRE support	0
Group support	0
Sovereign support	0

Additional factors: 0

Holding company ICR
A/Positive/A-1

Recent Research

- G-SIB Monitor 2026: Performing Well Amid Uncertainty, June 18, 2026
- Capital Markets Activity Should Bolster Revenue Of Large Banks If Risk-Managed Properly, Apr. 27, 2026
- Deutsche Bank AG, Feb. 05, 2026
- Deutsche Bank Outlook Revised To Positive On Improving Earnings And Focused Strategy; 'A/A-1' Ratings Affirmed, Dec. 04, 2025
- Deutsche Bank's Raised Targets Reflect Continued Progress, Nov. 17, 2025

Outlook

The positive outlook reflects our expectation that consistently improved earnings prospects, owing to a stronger competitive position, could enhance Deutsche Bank's resilience to stress. Our assessment also incorporates our expectation of sound governance and controls, solid balance sheet metrics, and the maintenance of strong capital and liquidity ratios in line with management's guidance.

Downside scenario

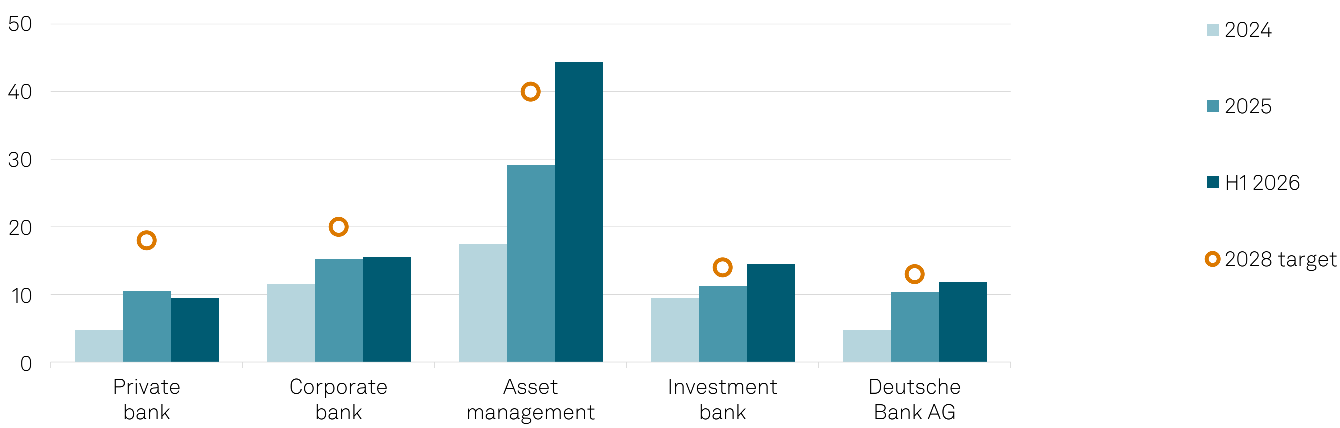
We could revise the outlook to stable if Deutsche Bank's prospects for delivering stronger, more consistent performance weaken. This could be prompted by a failure to achieve sustainable franchise and revenue growth, or by a significant escalation in economic or geopolitical risks that materially impairs the bank's asset quality and earnings.

Upside scenario

Within the next 12-24 months, we would consider raising the long-term issuer credit ratings if Deutsche Bank consistently executes its strategic agenda, establishes a track record of balanced franchise growth, and delivers sustained, predictable, and stronger financial performance. These developments would better align the bank's creditworthiness more closely with peers in the 'a-' group SACP category.

A one-notch upward revision of the group SACP would result in a one-notch upgrade to the bank and its related senior unsecured and subordinated debt issued by Deutsche Bank and affiliated entities.

Deutsche Bank's private and corporate bank profits set to align with 2028 ambitions
Return on average tangible equity for the divisions and the overall group (%)



Minimum 2028 targets as defined at Investor Day 2025. H1--First half. Source: Deutsche Bank.

Key Metrics

Deutsche Bank AG--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	2024a	2025a	2026f	2027f	2028f
Growth in operating revenue	4.2	6.8	5-6	4-6	4-6

Deutsche Bank AG--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	2024a	2025a	2026f	2027f	2028f
Growth in customer loans	0.5	(0.7)	4-6	3-5	3-5
Net interest income/average earning assets (NIM)	1.7	1.9	1.8-1.9	1.9-2.0	1.9-2.0
Cost-to-income ratio	67.9	63.8	61-64	59-62	58-61
Return on average common equity	5.1	10.4	10.5-11.5	11.3-12.3	12.3-13.3
New loan loss provisions/average customer loans	0.4	0.4	0.3-0.4	0.3-0.4	0.2-0.3
Gross nonperforming assets/customer loans	3.3	3.2	2.8-3.3	2.7-3.2	2.7-3.2
Risk-adjusted capital ratio	10.9	10.9-11.4	10.7-11.2	10.7-11.2	10.7-11.2

All figures include S&P Global Ratings' adjustments. a--Actual. f--Forecast. NIM--Net interest margin.

Key Statistics

Deutsche Bank AG--Key figures

Mil. EUR	2026*	2025	2024	2023	2022
Adjusted assets	1,513,651	1,427,506	1,379,428	1,305,004	1,329,696
Customer loans (gross)	490,908	472,708	476,213	473,672	481,343
Adjusted common equity	53,329	54,531	54,748	53,381	52,509
Operating revenues	17,151	32,095	30,060	28,839	26,806
Noninterest expenses	10,451	20,475	20,419	20,897	20,327
Core earnings	4,079	7,273	6,025	5,650	5,317

*2026 data is for the 6 months to end-June. EUR--euro.

Deutsche Bank AG--Business position

(%)	2026*	2025	2024	2023	2022
Total revenues from business line (currency in millions)	17,151	32,096	30,092	28,880	27,210
Commercial & retail banking/total revenues from business line	51.6	53.2	56.1	59.9	56.9
Trading and sales income/total revenues from business line	31.9	29.9	28.6	27.6	32.8
Corporate finance/total revenues from business line	6.0	5.8	6.7	4.3	3.7
Asset management/total revenues from business line	9.1	9.6	8.8	8.3	9.6
Other revenues/total revenues from business line	1.4	1.5	(0.2)	(0.1)	(3.0)
Investment banking/total revenues from business line	37.9	35.7	35.3	31.9	36.5
Return on average common equity	11.9	10.4	5.2	7.6	9.2

*2026 data is for the 6 months to end-June.

Deutsche Bank AG--Capital and earnings

(%)	2026*	2025	2024	2023	2022
Tier 1 capital ratio	17.2	17.5	17.0	16.1	15.7
S&P Global Ratings’ RAC ratio before diversification	N/A	N/A	10.9	10.2	10.1
S&P Global Ratings’ RAC ratio after diversification	N/A	N/A	12.6	11.8	11.7
Adjusted common equity/total adjusted capital	81.5	82.3	82.8	86.2	86.0

Deutsche Bank AG--Capital and earnings

Net interest income/operating revenues	51.0	48.9	43.5	47.2	50.9
Fee income/operating revenues	33.0	33.9	34.5	31.9	36.7
Market-sensitive income/operating revenues	18.7	17.0	22.5	21.0	9.8
Cost to income ratio	60.9	63.8	67.9	72.5	75.8
Preprovision operating income/average assets	0.9	0.8	0.7	0.6	0.5
Core earnings/average managed assets	0.6	0.5	0.5	0.4	0.4

*2026 data is for the 6 months to end-June. N.M.--Not meaningful.

Deutsche Bank AG--Risk position

(%)	2026*	2025	2024	2023	2022
Growth in customer loans	7.7	(0.7)	0.5	(1.6)	2.8
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	N/A	(13.1)	(13.8)	(13.3)
Total managed assets/adjusted common equity (x)	28.5	26.3	25.3	24.6	25.5
New loan loss provisions/average customer loans	0.4	0.4	0.4	0.3	0.3
Net charge-offs/average customer loans	0.2	0.2	0.2	0.2	0.2
Gross nonperforming assets/customer loans + other real estate owned	3.2	3.2	3.3	2.9	2.6
Loan loss reserves/gross nonperforming assets	40.4	39.5	36.3	38.0	39.0

*2026 data is for the 6 months to end-June.

Deutsche Bank AG--Funding and liquidity

(%)	2026*	2025	2024	2023	2022
Core deposits/funding base	67.7	60.5	60.8	59.9	61.7
Customer loans (net)/customer deposits	69.4	77.8	82.8	88.2	88.8
Long-term funding ratio	80.0	75.9	76.5	75.0	76.1
Stable funding ratio	92.0	91.8	96.2	91.2	93.2
Short-term wholesale funding/funding base	21.4	25.9	25.3	26.9	25.8
Regulatory net stable funding ratio	118.0	119.0	121.0	121.0	120.0
Broad liquid assets/short-term wholesale funding (x)	1.3	1.3	1.3	1.2	1.3
Broad liquid assets/total assets	19.5	22.6	21.9	21.7	21.2
Broad liquid assets/customer deposits	42.5	54.1	53.5	53.6	52.9
Net broad liquid assets/short-term customer deposits	11.0	11.5	12.1	8.8	11.4
Regulatory liquidity coverage ratio (LCR) (x)	140.0	144.0	131.0	140.0	142.0
Short-term wholesale funding/total wholesale funding	64.1	63.6	62.5	65.4	65.6
Narrow liquid assets/3-month wholesale funding (x)	2.1	1.5	1.5	1.4	1.4

*2026 data is for the 6 months to end-June.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, Oct. 13, 2025
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, April 30, 2024
- General Criteria: National And Regional Scale Credit Ratings Methodology, June 8, 2023

- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Ratings Detail (as of August 03, 2026)*		
Deutsche Bank AG		
Issuer Credit Rating		A/Positive/A-1
Turkey National Scale		trAAA/--/trA-1+
Resolution Counterparty Rating		A+/--/A-1
Certificate Of Deposit		
Foreign Currency		A/A-1/A-1
Commercial Paper		A-1
Junior Subordinated		BB
Resolution Counterparty Liability		A+
Senior Subordinated		BBB
Senior Unsecured		A
Short-Term Debt		A-1
Subordinated		BBB-
Issuer Credit Ratings History		
04-Dec-2025		A/Positive/A-1
08-Dec-2023		A/Stable/A-1
17-May-2023		A-/Positive/A-2
09-Nov-2021		A-/Stable/A-2
28-Jun-2018	*Turkey National Scale*	trAAA/--/trA-1+
08-Jul-2016		trAAA/--/trA-1
Sovereign Rating		
Germany		AAA/Stable/A-1+
Related Entities		
Deutsche Bank AG (Canada Branch)		
Issuer Credit Rating		A/Positive/A-1
Resolution Counterparty Rating		A+/--/A-1
Deutsche Bank AG (Cayman Islands Branch)		
Issuer Credit Rating		A/Positive/A-1
Resolution Counterparty Rating		A+/--/A-1
Deutsche Bank AG (London Branch)		
Issuer Credit Rating		A/Positive/A-1
Resolution Counterparty Rating		A+/--/A-1

Ratings Detail (as of August 03, 2026)*

Resolution Counterparty Liability	A+
Senior Subordinated	BBB
Senior Unsecured	A
Deutsche Bank AG (Madrid Branch)	
Issuer Credit Rating	A/Positive/A-1
Resolution Counterparty Rating	A+/--/A-1
Deutsche Bank AG (Milan Branch)	
Issuer Credit Rating	A/Positive/A-1
Resolution Counterparty Rating	A+/--/A-1
Deutsche Bank AG (New York branch)	
Senior Subordinated	BBB
Subordinated	BBB-
Deutsche Bank Luxembourg S.A.	
Issuer Credit Rating	A/Positive/A-1
Resolution Counterparty Rating	A+/--/A-1
Deutsche Bank National Trust Co.	
Issuer Credit Rating	A/Positive/A-1
Resolution Counterparty Rating	A/--/A-1
Deutsche Bank Securities Inc.	
Issuer Credit Rating	
Local Currency	A/Positive/A-1
Resolution Counterparty Rating	
Local Currency	A/--/A-1
Deutsche Bank Trust Co. Americas	
Issuer Credit Rating	A/Positive/A-1
Resolution Counterparty Rating	A/--/A-1
Deutsche Bank Trust Co. Delaware	
Issuer Credit Rating	A/Positive/A-1
Resolution Counterparty Rating	A/--/A-1
Deutsche Bank Trust Corp.	
Issuer Credit Rating	A/Positive/A-1
Deutsche Securities Inc.	
Issuer Credit Rating	A/Positive/A-1

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.