UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[check mark] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2000

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 1-6523

Exact name of registrant as specified in its charter:

Bank of America Corporation

State of incorporation:

Delaware

IRS Employer Identification Number:

56-0906609

Address of principal executive offices:

Bank of America Corporate Center
Charlotte, North Carolina 28255

Registrant's telephone number, including area code:

(888) 279-3457

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes (check mark) No

On October 31, 2000, there were 1,627,537,119 shares of Bank of America Corporation Common Stock outstanding.

Bank of America Corporation

September 30, 2000 Form 10-Q

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Part I. Financial Information
Item 1. Financial Statements
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Bank of America Corporation and Subsidiaries
Consolidated Statement of Income

(Dollars in millions, except per share information)	Three Months Ended September 30 2000	Three Months Ended September 30 1999	Nine Months Ended September 30 2000	Nine Months Ended September 30 1999
<S>	<C>	<C>	<C>	<C>
Interest income				
Interest and fees on loans and leases	$ 8,305	$ 6,883	$ 23,622	$ 20,506
Interest and dividends on securities	1,259	1,208	3,861	3,526
Federal funds sold and securities purchased under agreements to resell	633	440	1,803	1,208
Trading account assets	744	482	1,974	1,552
Other interest income	324	281	828	909
Total interest income	11,265	9,294	32,088	27,701
Interest expense				
Deposits	2,868	2,198	8,083	6,678
Short-term borrowings	2,223	1,437	6,015	4,188
Trading account liabilities	237	189	607	468
Long-term debt	1,344	920	3,635	2,605

Total interest expense	6,672	4,744	18,340	13,939
Net interest income	4,593	4,550	13,748	13,762
Provision for credit losses	435	450	1,325	1,470
Net interest income after provision for credit losses	4,158	4,100	12,423	12,292
Gains on sales of securities	11	44	23	226
Noninterest income				
Consumer service charges	684	644	1,948	1,881
Corporate service charges	489	480	1,457	1,372
Total service charges	1,173	1,124	3,405	3,253
Consumer investment and brokerage services	357	355	1,108	1,000
Corporate investment and brokerage services	114	63	340	311
Total investment and brokerage services	471	418	1,448	1,311
Mortgage servicing income	144	206	408	463
Investment banking income	376	363	1,146	1,017
Equity investment gains	422	339	1,119	628
Card income	594	557	1,634	1,448
Trading account profits	372	313	1,567	1,208
Other income	93	408	464	1,145
Total noninterest income	3,645	3,728	11,191	10,473
Merger and restructuring charges	550	-	550	200
Other noninterest expense				
Personnel	2,298	2,336	7,143	6,930
Occupancy	419	417	1,248	1,208
Equipment	285	313	882	1,010
Marketing	147	145	398	439
Professional fees	100	160	298	452
Amortization of intangibles	215	222	650	669
Data processing	167	164	495	568
Telecommunications	127	131	391	407
Other general operating	509	498	1,529	1,364
General administrative and other	143	140	412	389
Total other noninterest expense	4,410	4,526	13,446	13,436

Income before income taxes	2,854	3,346	9,641	9,355
Income tax expense	1,025	1,195	3,509	3,375
Net income	$ 1,829	$ 2,151	$ 6,132	$ 5,980
Net income available to common shareholders	$ 1,828	$ 2,149	$ 6,128	$ 5,975
Per share information				
Earnings per common share	$ 1.11	$ 1.25	$ 3.70	$ 3.45
Diluted earnings per common share	$ 1.10	$ 1.23	$ 3.66	$ 3.37
Dividends per common share	$ .50	$ .45	$ 1.50	$ 1.35
Average common shares issued and outstanding (in thousands)	1,639,392	1,722,307	1,654,013	1,734,401

</TABLE>

See accompanying notes to consolidated financial statements.

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Bank of America Corporation and Subsidiaries
Consolidated Balance Sheet

(Dollars in millions)	September 30 2000	December 31 1999
<S>	<C>	<C>
Assets		
Cash and cash equivalents	$ 24,395	$ 26,989
Time deposits placed and other short-term investments	5,467	4,838
Federal funds sold and securities purchased under agreements to resell	33,408	37,928
Trading account assets	47,198	38,460
Derivative-dealer assets	15,398	16,055
Securities:		
Available-for-sale	79,747	81,647
Held-to-maturity, at cost (market value - $1,283 and $1,270)	1,356	1,422
Total securities	81,103	83,069
Loans and leases	402,592	370,662
Allowance for credit losses	(6,739)	(6,828)
Loans and leases, net of allowance for credit losses	395,853	363,834

Premises and equipment, net	6,450	6,713
Customers' acceptance liability	2,277	1,869
Interest receivable	4,620	3,777
Mortgage servicing rights	4,029	4,093
Goodwill	11,803	12,262
Core deposits and other intangibles	1,554	1,730
Other assets	38,170	30,957
Total assets	$671,725	$632,574
Liabilities		
Deposits in domestic offices:		
Noninterest-bearing	$92,050	$93,476
Interest-bearing	207,801	207,048
Deposits in foreign offices:		
Noninterest-bearing	1,515	1,993
Interest-bearing	52,622	44,756
Total deposits	353,988	347,273
Federal funds purchased and securities sold under agreements to repurchase	72,896	74,561
Trading account liabilities	25,354	20,958
Derivative-dealer liabilities	18,877	16,200
Commercial paper	10,330	7,331
Other short-term borrowings	45,271	40,340
Acceptances outstanding	2,277	1,869
Accrued expenses and other liabilities	21,506	19,169
Long-term debt	69,412	55,486
Trust preferred securities	4,955	4,955
Total liabilities	624,866	588,142
Commitments and contingencies (Note Seven)		
Shareholders' equity		
Preferred stock, $0.01 par value; authorized - 100,000,000 shares; issued and outstanding - 1,732,349 and 1,797,702 shares	74	77
Common stock, $0.01 par value; authorized - 5,000,000,000 shares; issued and outstanding - 1,630,823,577 and 1,677,273,267 shares	9,397	11,671
Retained earnings	39,338	35,681
Accumulated other comprehensive loss	(1,808)	(2,658)
Other	(142)	(339)
Total shareholders' equity	46,859	44,432
Total liabilities and shareholders' equity		

$671,725 $632,574

</TABLE>

See accompanying notes to consolidated financial statements.

<TABLE>

Bank of America Corporation and Subsidiaries

Consolidated Statement of Changes in Shareholders' Equity

(Dollars in millions, shares in thousands)	Preferred Stock	Common Stock Shares	Common Stock Amount	Retained Earnings	Accumulated Other Comprehensive Income (Loss)(1,2)	Other
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, December 31, 1998	$83	1,724,484	$14,837	$30,998	$ 152	$(132)
Net income				5,980		
Other comprehensive loss, net of tax					(2,081)	
Comprehensive income						
Cash dividends:						
Common				(2,342)		
Preferred				(5)		
Common stock issued under employee plans		28,320	1,353			(349)
Common stock repurchased		(43,000)	(2,904)			
Conversion of preferred stock	(5)	232	5			
Other		3	247			52
Balance, September 30, 1999	$78	1,710,039	$13,538	$34,631	$ (1,929)	$(429)
Balance, December 31, 1999	$77	1,677,273	$11,671	$35,681	$(2,658)	$(339)
Net income				6,132		
Other comprehensive income, net of tax					850	
Comprehensive income						
Cash dividends:						
Common				(2,475)		
Preferred				(4)		
Common stock issued under employee plans		3,091	53			184
Common stock repurchased		(49,650)	(2,444)			
Conversion of preferred stock	(3)	109	3			
Other		1	114	4		13
Balance, September 30, 2000	$74	1,630,824	$9,397	$39,338	$(1,808)	$(142)

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(Dollars in millions, shares in thousands)	Total Share-holders' Equity	Comprehensive Income
Balance, December 31, 1998	$45,938	
Net income	5,980	$5,980
Other comprehensive loss, net of tax	(2,081)	(2,081)
Comprehensive income		$3,899

Cash dividends:		
Common	(2,342)	
Preferred	(5)	
Common stock issued under employee plans	1,004	
Common stock repurchased	(2,904)	
Conversion of preferred stock		
Other	299	
Balance, September 30, 1999	$45,889	
Balance, December 31, 1999	$44,432	
Net income	6,132	$6,132
Other comprehensive income, net of tax	850	850
Comprehensive income		$6,982
Cash dividends:		
Common	(2,475)	
Preferred	(4)	
Common stock issued under employee plans	237	
Common stock repurchased	(2,444)	
Conversion of preferred stock		
Other	131	
Balance, September 30, 2000	$46,859	

</TABLE>

(1) Changes in Accumulated Other Comprehensive Income (Loss) include after-tax net unrealized gains (losses) on available-for-sale and marketable equity securities of $852 and $(2,047) and after-tax net unrealized losses on foreign currency translation adjustments of $2 and $34 for the nine months ended September 30, 2000 and 1999, respectively.
(2) Accumulated Other Comprehensive Income (Loss) consists of the after-tax valuation allowance for available-for-sale and marketable equity securities of $(1,618) and $(2,470) and foreign currency translation adjustments of $(190) and $(188) at September 30, 2000 and December 31, 1999, respectively.

See accompanying notes to consolidated financial statements.

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Bank of America Corporation and Subsidiaries
Consolidated Statement of Cash Flows

	Nine Months Ended September 30	
(Dollars in millions)	2000	1999
<S>	<C>	<C>
Operating activities		
Net income	$6,132	$5,980
Reconciliation of net income to net cash provided by operating activities:		
Provision for credit losses	1,325	1,470
Gains on sales of securities	(23)	(226)
Merger and restructuring charges	550	200
Depreciation and premises improvements amortization	695	781
Amortization of intangibles	650	669
Deferred income tax (benefit) expense	1,329	

		(1,282)
Net (increase) decrease in trading instruments	(1,020)	3,571
Net increase in interest receivable	(846)	(108)
Net (increase) decrease in other assets	(6,364)	4,830
Net increase in interest payable	555	11
Net decrease in accrued expenses and other liabilities	(84)	(9,558)
Other operating activities, net	(103)	306
Net cash provided by operating activities	2,796	6,644
Investing activities		
Net (increase) decrease in time deposits placed and other short-term investments	(704)	1,746
Net (increase) decrease in federal funds sold and securities purchased under agreements to resell	4,504	(13,223)
Proceeds from sales of available-for-sale securities	15,802	29,722
Proceeds from maturities of available-for-sale securities	4,536	7,359
Purchases of available-for-sale securities	(16,880)	(35,047)
Proceeds from maturities of held-to-maturity securities	211	514
Proceeds from sales and securitizations of loans and leases	22,618	38,179
Purchases and net originations of loans and leases	(57,455)	(42,303)
Purchases and originations of mortgage servicing rights	(337)	(1,869)
Net purchases of premises and equipment	(434)	(226)
Proceeds from sales of foreclosed properties	200	247
Acquisitions and divestitures of business activities, net of cash	81	(1,311)
Net cash used in investing activities	(27,858)	(16,212)
Financing activities		
Net increase (decrease) in deposits	6,899	(19,204)
Net increase (decrease) in federal funds purchased and securities sold under agreements to repurchase	(1,665)	12,196
Net increase in commercial paper and other short-term borrowings	7,947	9,229
Proceeds from issuance of long-term debt	22,993	14,297
Retirement of long-term debt	(8,618)	(5,628)
Proceeds from issuance of common stock	237	1,004
Common stock repurchased	(2,444)	(2,904)
Cash dividends paid	(2,479)	(2,347)
Other financing activities, net	(340)	56
Net cash provided by financing activities	22,530	6,699
Effect of exchange rate changes on cash and cash equivalents	(62)	6
Net decrease in cash and cash equivalents	(2,594)	(2,863)
Cash and cash equivalents at December 31	26,989	28,277

Cash and cash equivalents at September 30	$24,395	$25,414

</TABLE>

Loans transferred to foreclosed properties amounted to $289 and $267 for the nine months ended September 30, 2000 and 1999, respectively.
Loans securitized and retained in the available-for-sale securities portfolio amounted to $224 and $3,206 for the nine months ended September 30, 2000 and 1999, respectively.
There were no acquisitions for the nine months ended September 30, 2000. The fair value of noncash assets acquired and liabilities assumed in acquisitions for the nine months ended September 30, 1999 were $1,557 and $74, net of cash acquired.

See accompanying notes to consolidated financial statements.

Bank of America Corporation (the Corporation) is a Delaware corporation, a bank holding company and a financial holding company. Through its banking and nonbanking subsidiaries, the Corporation provides a diverse range of financial services and products throughout the U.S. and in selected international markets.

Note One - Accounting Policies

The consolidated financial statements include the accounts of the Corporation and its majority-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

The information contained in the consolidated financial statements is unaudited. In the opinion of management, all normal recurring adjustments necessary for a fair statement of the interim period results have been made. Certain prior period amounts have been reclassified to conform to current period classifications.

Accounting policies followed in the presentation of interim financial results are presented on pages 58 to 63 of the Corporation's Annual Report on Form 10-K for the year ended December 31, 1999.

Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133) as amended by Statement of Financial Accounting Standards No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of Effective Date of Financial Accounting Standards Board Statement No. 133", and Statement of Financial Accounting Standards No.138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities" is effective for the Corporation as of January 1, 2001. SFAS 133 requires all derivative instruments to be recognized as either assets or liabilities and measured at their fair values. In addition, SFAS 133 allows special hedge accounting for some types of transactions provided that certain criteria are met. If SFAS 133 were adopted as of September 30, 2000, the transition adjustment would not materially impact the Corporation's results of operations and financial condition. The estimated impact of adopting SFAS 133 is based on amounts, positions and market conditions that existed at September 30, 2000. The actual impact of adopting SFAS 133 on January 1, 2001 could be materially different due to changes in market conditions as well as various discretionary factors.

On September 29, 2000, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities - A Replacement of FASB Statement No. 125" (SFAS 140). SFAS 140 is effective for transfers occurring after March 31, 2001 and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000. The Corporation is in the process of evaluating the impact of SFAS 140 on its results of operations and financial condition.

In 1999, the Federal Financial Institutions Examination Council (FFIEC) issued The Uniform Classification and Account Management Policy (the Policy) which provides guidance for and promotes consistency among banks on the treatment of delinquent and bankruptcy-related consumer loans. The Corporation is required to implement the Policy by December 31, 2000 and expects to be in full compliance with the Policy by that date. The Corporation estimates additional charge-offs in the consumer portfolio, primarily within the consumer finance products, of approximately $100 million in the fourth quarter to comply with the Policy.

Note Two - Acquisition and Merger Activities

At September 30, 2000, the Corporation operated its banking activities primarily under two charters: Bank of America, National Association (Bank of America, N.A.) and Bank of America, N.A. (USA). On September 1, 2000, Bank of America Community Development Bank, National Association changed its name to Bank of America California, National Association. On March 31, 1999, NationsBank of Delaware, N.A. merged with and into Bank of America, N.A. (USA), a national association headquartered in Phoenix, Arizona (formerly known as Bank of America National Association), which operates the Corporation's credit card business. On April 1, 1999, the mortgage business of BankAmerica transferred to NationsBanc Mortgage Corporation. On December 1, 1999, NationsBanc Mortgage Corporation merged with and into BA Mortgage, LLC, a Delaware limited liability company and a Bank of America, N.A. subsidiary. On April 8, 1999, the Corporation merged Bank of America Texas, N.A. into NationsBank, N.A. On July 5, 1999, NationsBank, N.A. changed its name to Bank of America, N.A. On July 23, 1999, Bank of America, N.A. merged into Bank of America National Trust and Savings Association (Bank of America NT&SA), and the surviving entity of that merger changed its name to Bank of America, N.A. On December 1, 1999, Bank of America, FSB, a federal savings bank formerly headquartered in Portland, Oregon, was converted into a national bank and merged into Bank of America, N.A. On September 30, 1998, BankAmerica Corporation (BankAmerica) merged (the Merger) with and into the Corporation, formerly NationsBank Corporation (NationsBank).

In connection with the Merger, the Corporation recorded pre-tax merger charges of $525 million ($358 million after-tax) in 1999 and $1,325 million ($960 million after-tax) in 1998. Of the $525 million in 1999, $200 million ($145 million after-tax) and $325 million ($213 million after-tax) were recorded in the second and fourth quarters, respectively. Of the $1,325 million in 1998, $725 million ($519 million after-tax) and $600 million ($441 million after-tax) were recorded in the third and fourth quarters, respectively. The total pre-tax charge for 1999 consisted of approximately $219 million primarily of severance, change in control and other employee-related costs, $187 million of conversion and related costs including occupancy, equipment and customer communication expenses, $128 million of exit and related costs and a $9 million reduction of other merger costs. The total pre-tax charge for 1998 consisted of approximately $740 million primarily of severance, change in control and other employee-related costs, $150 million of conversion and related costs including occupancy and equipment expenses (primarily lease exit costs and the elimination of duplicate facilities and other capitalized assets) and customer communication expenses, $300 million of exit and related costs and $135 million of other merger costs (including legal, investment banking and filing fees).

Total severance, change in control and other employee-related costs include amounts related to job eliminations of former associates of BankAmerica and NationsBank impacted by the Merger. Through September 30, 2000, approximately 13,800 employees had entered the severance process. Employee-related costs of the Merger were principally in overlapping functions, operations and businesses of the Corporation. The BankAmerica merger reserve balance was $300 million at January 1, 2000. Cash payments applied to the reserve in 2000 were approximately $206 million and non-cash reductions were $48 million. The remaining merger reserve balance was $46 million at September 30, 2000.

During 2000, the Corporation entered into several unrelated transactions to invest in technologies and service providers. In addition, the Corporation disposed of some of its assets and investments. Certain of these transactions, primarily related to Internet activities, contained agreements requiring the Corporation to purchase agreed upon levels of service each year.

On June 15, 2000, the Corporation entered into an agreement, effective January 2, 2001, to acquire the remaining 50 percent of Marsico Capital Management, LLC (Marsico) for a total investment of $1.1 billion. The Corporation acquired the first 50 percent in 1999. Marsico is a Denver-based investment

management firm with almost $17 billion in assets under management, specializing in large capitalization growth stocks.

For additional information on the Corporation's merger activities, refer to Note Two of the Corporation's 1999 Annual Report on Form 10-K.

Note Three - Productivity and Investment Initiatives

As part of its productivity and investment initiatives announced on July

28, 2000, the Corporation recorded a pre-tax restructuring charge of $550 million ($346 million after-tax) in the third quarter of 2000 which is included in merger and restructuring charges in the Consolidated Statement of Income. As part of these initiatives and in order to reallocate resources, the Corporation announced that it would eliminate 9,000 to 10,000 positions, or six to seven percent of its work force, over a twelve-month period. Of the $550 million restructuring charge, approximately $475 million will be used to cover severance and related costs and $75 million for other costs related to process change and channel consolidation. Over half of the severance and related costs are related to management positions which were eliminated in a review of span of control and management structure. The restructuring charge includes severance and related payments for 8,300 positions, which are company-wide and across all levels. The difference between the 8,300 positions and the 10,000 positions initially announced is expected to come from normal attrition. Through September 30, 2000, there were approximately 2,500 employees who had moved to severance status as part of these initiatives and approximately 3,500 additional employees who had been notified. The remaining 2,300 positions have been identified and the employees in these positions will be notified by March 31, 2001. Cash payments applied to the restructuring reserve in the third quarter of 2000 were approximately $81 million primarily related to severance costs, and noncash reductions were $39 million, primarily related to restricted stock accelerations. The remaining restructuring reserve balance was $430 million at September 30, 2000.

Note Four - Trading Activities

Trading-Related Revenue

Trading account profits represent the net amount earned from the Corporation's trading positions, which include trading account assets and liabilities as well as derivative-dealer positions. These transactions include positions to meet customer demand as well as for the Corporation's own trading account. Trading positions are taken in a diverse range of financial instruments and markets. The profitability of these trading positions is largely dependent on the volume and type of transactions, the level of risk assumed, and the volatility of price and rate movements. Trading account profits, as reported in the Consolidated Statement of Income, includes neither the net interest recognized on interest-earning and interest-bearing trading positions, nor the related funding charge or benefit. Trading account profits and trading-related net interest income ("trading-related revenue") are presented in the table below as they are both considered in evaluating the overall profitability of the Corporation's trading positions. Trading-related revenue is derived from foreign exchange spot, forward and cross-currency contracts, fixed income and equity securities and derivative contracts in interest rates, equities, credit and commodities.

<TABLE>
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	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Trading account profits - as reported	$372	$313	$1,567	$1,208
Net interest income	252	161	735	476
Total trading-related revenue	$624	$474	$2,302	$1,684
Trading-related revenue by product				
Foreign exchange contracts	$110	$140	$400	$452
Interest rate contracts	88	104	571	444
Fixed income	118	84	360	380
Equities	302	116	925	338
Commodities and other	6	30	46	70
Total trading-related revenue	$624	$474	$2,302	$1,684

</TABLE>

Trading Account Assets and Liabilities

The fair value of the components of trading account assets and liabilities at September 30, 2000 and December 31,1999 were:

<TABLE>
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Fair Value

(Dollars in millions)	September 30 2000	December 31 1999
Trading account assets		
U.S. Treasury securities	$4,994	$ 6,793
Securities of other U.S. Government agencies and corporations	4,790	3,554
Certificates of deposit, bankers' acceptances and commercial paper	3,294	3,039
Corporate debt	3,164	2,993
Foreign sovereign debt	12,074	9,532
Mortgage-backed securities	6,740	6,748
Equity securities	5,652	2,856
Other	6,490	2,945
Total	$47,198	$38,460
Trading account liabilities		
U.S. Treasury securities	$12,806	$8,414
Corporate debt	2,708	-
Foreign sovereign debt	2,680	3,490
Equity securities	6,870	7,840
Other	290	1,214
Total	$25,354	$20,958

See Note Seven for additional information on derivative-dealer positions, including credit risk.

Note Five - Loans and Leases

Loans and leases at September 30, 2000 and December 31, 1999 were:

(Dollars in millions)	September 30, 2000 Amount	Percent	December 31, 1999 Amount	Percent
Commercial - domestic	$149,566	37.2 %	$143,450	38.7 %
Commercial - foreign	30,482	7.6	27,978	7.5
Commercial real estate - domestic	26,275	6.5	24,026	6.5
Commercial real estate - foreign	248	.1	325	.1
Total commercial	206,571	51.3	195,779	52.8
Residential mortgage	94,114	23.4	81,860	22.1
Home equity lines	20,666	5.1	17,273	4.7
Direct/Indirect consumer	41,915	10.4	42,161	11.4
Consumer finance	25,446	6.3	22,326	6.0
Bankcard	11,691	2.9	9,019	2.4
Foreign consumer	2,189	.5	2,244	.6
Total consumer	196,021	48.7	174,883	47.2
Total loans and leases	$402,592	100.0 %	$370,662	100.0 %

The table below summarizes the changes in the allowance for credit losses for the three months and nine months ended September 30, 2000 and 1999:

(Dollars in millions)	Three Months Ended September 30 2000	1999	Nine Months Ended September 30 2000	1999
Balance, beginning of period	$ 6,815	$ 7,096	$ 6,828	$ 7,122
Loans and leases charged off	(586)	(600)	(1,776)	(1,938)
Recoveries of loans and leases previously charged off	151	140	451	439

Net charge-offs	(435)	(460)	(1,325)	(1,499)
Provision for credit losses	435	450	1,325	1,470
Other, net	(76)	(10)	(89)	(17)
Balance, September 30	$ 6,739	$ 7,076	$ 6,739	$ 7,076

</TABLE>

The following table presents the recorded investment in specific loans that were considered individually impaired at September 30, 2000 and December 31, 1999:

(Dollars in millions)	September 30 2000	December 31 1999
Commercial - domestic	$2,574	$1,133
Commercial - foreign	587	503
Commercial real estate - domestic	313	449
Commercial real estate - foreign	1	-
Total impaired loans	$3,475	$2,085

A loan is considered impaired when, based on current information and events, it is probable that the Corporation will be unable to collect all amounts due, including principal and interest, according to the contractual terms of the agreement. Due to their homogeneous nature, consumer loans and certain smaller business loans are generally evaluated as a group based on individual loan type. Commercial and commercial real estate loans are generally evaluated individually due to a general lack of uniformity among individual loans within each loan type and business segment. Loans that have been identified as impaired are measured by management for impairment in accordance with Statement of Financial Accounting Standards No. 114, "Accounting by Creditors for Impairment of a Loan" (SFAS 114). Impaired loans are measured based on the present value of payments expected to be received, observable market prices or for loans that are solely dependent on the collateral for repayment, the estimated fair value of the collateral. If the recorded investment in impaired loans exceeds the measure of estimated fair value, a valuation allowance is established as a component of the allowance for credit losses.

At September 30, 2000 and December 31, 1999, nonperforming loans including certain loans which were considered impaired totaled $4.2 billion and $3.0 billion, respectively. Foreclosed properties amounted to $226 million and $163 million at September 30, 2000 and December 31, 1999, respectively.

Note Six - Short-Term Borrowings and Long-Term Debt

During 2000, Bank of America Corporation issued $6.2 billion in senior and subordinated long-term debt, domestically and internationally, with maturities ranging from 2002 to 2015. Of the $6.2 billion issued, $4.6 billion was converted from fixed rates ranging from 7.32 percent to 8.42 percent to floating rates through interest rate swaps at spreads ranging from nine to 59 basis points over three-month London InterBank Offered Rate (LIBOR) and 45 to 130 basis points over one-month LIBOR. The remaining $1.6 billion bears interest at floating rates ranging primarily from eight to 43 basis points over three-month LIBOR and 22 to 29 basis points over one-month LIBOR.

At September 30, 2000, Bank of America Corporation had the authority to issue approximately $13.9 billion of corporate debt and other securities under its existing shelf registration statements.

During 2000, Bank of America, N.A. issued $14.0 billion in senior long-term bank notes having maturities ranging from 2001 to 2013. Of the $14.0 billion issued, $5.1 billion bears interest at spreads ranging from zero to 15 basis points above three-month LIBOR, $4.1 billion bears interest at spreads ranging from 287 to 272 basis points below the prime rate, $3.1 billion bears interest at fixed rates ranging from 6.45 percent to 7.40 percent, $1.0 billion bears interest at spreads ranging from 14 to 28 basis points above the Fed Funds rate and $695 million bears interest at spreads ranging from five to 12 basis points above one-month LIBOR.

Bank of America, N.A. maintains a domestic program to offer up to a maximum of $50.0 billion, at any one time, of bank notes with fixed or floating rates and maturities ranging from seven days or more from date of issue. Short-term bank notes outstanding under this program totaled $21.3 billion at September 30, 2000 compared to $15.2 billion at December 31, 1999. These short-term bank notes, along with Treasury tax and loan notes and term federal funds purchased, are reflected in other short-term borrowings in the Consolidated Balance Sheet. Long-term debt under current and former programs totaled $17.5 billion at September 30, 2000 compared to $10.1 billion at December 31, 1999.

Bank of America Corporation and Bank of America, N.A. maintain a joint Euro medium-term note program to offer up to $20.0 billion of senior, or in the case of Bank of America Corporation, subordinated notes exclusively to non-United States residents. The notes bear interest at fixed or floating rates and may be denominated in U.S. dollars or foreign currencies. Bank of America Corporation uses foreign currency contracts to convert certain foreign-denominated debt into U.S. dollars. Bank of America Corporation's notes outstanding under this program totaled $5.2 billion at September 30, 2000 compared to $4.5 billion at December 31, 1999. Bank of America, N.A.'s notes outstanding under this program totaled $1.4 billion at September 30, 2000. Bank of America, N.A. had no notes outstanding under this program at December 31, 1999. Of the $20.0 billion authorized at September 30, 2000, Bank of America Corporation and Bank of America, N.A. had remaining authority to issue in the aggregate of debt securities under the current program approximately $4.8 billion and $8.6 billion, respectively. At September 30, 2000 and December 31, 1999, $2.7 billion and $3.3 billion, respectively, were outstanding under the former BankAmerica Euro medium-term note program. No additional debt securities will be offered under that program.

Subsequent to September 30, 2000, the Corporation allocated $2 billion of the joint Euro medium-term note program to be used exclusively for secondary offerings to non-United States residents for a shelf registration statement filed in Japan. In addition, the Corporation filed a 300 billion yen (approximately U.S. $3 billion) shelf registration statement in Japan to be used exclusively for primary offerings to non-United States residents.

Note Seven - Commitments and Contingencies

Credit Extension Commitments

The Corporation enters into commitments to extend credit, standby letters of credit and commercial letters of credit to meet the financing needs of its customers. The commitments shown below have been reduced by amounts collateralized by cash and amounts participated to other financial institutions. The following table summarizes outstanding commitments to extend credit:

<TABLE>
<CAPTION>

(Dollars in millions)	September 30 2000	December 31 1999
<S>	<C>	<C>
Credit card commitments	$ 70,873	$ 67,394
Other loan commitments	251,764	246,827
Standby letters of credit and financial guarantees	32,259	32,993
Commercial letters of credit	4,068	3,690

</TABLE>

Derivatives

Credit Risk Associated with Derivative-Dealer Activities

The table on the following page presents the notional or contract amounts at September 30, 2000 and December 31, 1999 and the credit risk amounts (the net replacement cost of contracts in a gain position) of the Corporation's derivative-dealer positions which are primarily executed in the over-the-counter market for trading purposes. This table should be read in conjunction with Note Eleven of the Corporation's 1999 Annual Report on Form 10-K. The notional or contract amounts indicate the total volume of transactions and significantly exceed the amount of the Corporation's credit or market risk associated with these instruments. Credit risk associated with derivatives is measured as the net replacement cost should the counterparties with contracts in a gain position to the Corporation completely fail to perform under the terms of those contracts and any collateral underlying the contracts proves to be of no value. The credit risk amounts presented in the following table do not consider the value of any collateral but generally take into consideration the effects of legally enforceable master netting agreements.

<TABLE>
<CAPTION>

Derivative-Dealer Positions	September 30, 2000		December 31, 1999	
	Contract/	Credit	Contract/	Credit

(Dollars in millions)	Notional	Risk	Notional	Risk
Interest rate contracts				
<S>	<C>	<C>	<C>	<C>
Swaps	$3,743,305	$ 2,854	$2,597,886	$ 4,936
Futures and forwards	1,061,897	76	644,795	50
Written options	459,808	-	560,070	-
Purchased options	469,975	1,007	638,517	1,515
Foreign exchange contracts				
Swaps	55,036	1,130	55,278	918
Spot, futures and forwards	784,268	2,199	537,719	2,861
Written options	46,582	-	28,450	-
Purchased options	32,077	352	26,820	368
Equity contracts				
Swaps	18,106	697	11,128	904
Futures and forwards	32,858	20	21,421	3
Written options	21,882	-	24,232	-
Purchased options	34,026	4,147	28,251	4,012
Other contracts				
Swaps	7,263	1,757	1,950	165
Futures and forwards	2,631	140	1,075	33
Written options	11,781	-	4,636	-
Purchased options	10,108	884	3,965	229
Credit derivatives	27,424	135	19,028	61
Net replacement cost		$15,398		$16,055

</TABLE>

The table above includes both long and short derivative-dealer positions. The average fair value of derivative-dealer assets for the nine months ended September 30, 2000 and for the year ended December 31, 1999 was $18.6 billion and $16.0 billion, respectively. The average fair value of derivative-dealer liabilities for the nine months ended September 30, 2000 and for the year ended December 31, 1999 was $19.3 billion and $16.5 billion, respectively. The fair value of derivative-dealer assets at September 30, 2000 and December 31, 1999 was $15.4 billion and $16.1 billion, respectively. The fair value of derivative-dealer liabilities at September 30, 2000 and December 31, 1999 was $18.9 billion and $16.2 billion, respectively. See Note Four for a discussion of trading-related revenue.

During the nine months ended September 30, 2000 and 1999, there were no significant credit losses associated with derivative contracts. At September 30, 2000 and December 31, 1999, there were no nonperforming derivative positions that were material to the Corporation.

In addition to credit risk management activities, the Corporation uses credit derivatives to generate revenue by taking on exposure to underlying credits. The Corporation also provides credit derivatives to sophisticated customers who wish to hedge existing credit exposures or take on additional credit exposure to generate revenue. The Corporation's credit derivative positions at September 30, 2000 and December 31, 1999 consisted of credit default swaps and total return swaps.

Asset and Liability Management (ALM) Activities

The table below outlines the status of the Corporation's ALM activity at September 30, 2000 and December 31, 1999. It presents the notional amount and fair value of the Corporation's open and closed ALM contracts. This table should be read in conjunction with the "Market Risk Management" section on pages 42 through 46 and Note Eleven of the Corporation's 1999 Annual Report on Form 10-K.

<TABLE>
<CAPTION>

	September 30, 2000		December 31, 1999	
(Dollars in millions)	Notional Amount	Fair Value	Notional Amount	Fair Value
<S>	<C>	<C>	<C>	<C>
Open interest rate contracts				
Receive fixed swaps	$59,334	$(843)	$63,002	$(1,747)
Pay fixed swaps	19,728	(54)	25,701	115
Net open receive fixed	39,606	(897)	37,301	(1,632)
Basis swaps	7,627	(4)	7,971	(6)
Total net swap position	47,233	(901)	45,272	(1,638)

Option products	31,274	(111)	35,134	5
Futures and forwards	1,454	(4)	931	3
Total open interest rate contracts(1)		(1,016)		(1,630)
Closed interest rate contracts				
Swap positions		113		174
Option products		99		82
Futures and forwards		(19)		(21)
Total closed interest rate contracts(2)		193		235
Net interest rate contract position		(823)		(1,395)
Open foreign exchange contracts(1)	5,916	(299)	6,231	(30)
Total ALM contracts		$(1,122)		$(1,425)

</TABLE>

(1) Fair value represents the net unrealized losses on open contracts.
(2) Represents the unamortized net realized deferred gains associated with closed contracts.

When-Issued Securities

At September 30, 2000, the Corporation had commitments to purchase and sell when-issued securities of $21.9 billion and $27.4 billion, respectively. At December 31, 1999, the Corporation had commitments to purchase and sell when-issued securities of $12.0 billion and $16.8 billion, respectively.

Litigation

In the ordinary course of business, the Corporation and its subsidiaries are routinely defendants in or parties to a number of pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants. In certain of these actions and proceedings, substantial money damages are asserted against the Corporation and its subsidiaries and certain of these actions and proceedings are based on alleged violations of consumer protection, securities, environmental, banking and other laws.

The Corporation and certain present and former officers and directors have been named as defendants in a number of actions filed in several federal courts that have been consolidated for pretrial purposes before a Missouri federal court. The amended complaint in the consolidated actions alleges, among other things, that the defendants failed to disclose material facts about BankAmerica's losses relating to D.E. Shaw Securities Group, L.P. and related entities until mid-October 1998, in violation of various provisions of federal and state laws. The amended complaint also alleges that the proxy statement-prospectus of August 4, 1998, falsely stated that the Merger would be one of equals and alleges a scheme to have NationsBank gain control over the newly merged entity. The Missouri federal court has certified classes consisting generally of persons who were stockholders of NationsBank or

BankAmerica on September 30, 1998, or were entitled to vote on the Merger, or who purchased or acquired securities of the Corporation or its predecessors between August 4, 1998 and October 13, 1998. The amended complaint substantially survived a motion to dismiss, and discovery is underway. Claims against certain director-defendants were dismissed with leave to replead. Similar class actions (including one limited to California residents raising the claim that the proxy statement-prospectus of August 4, 1998, falsely stated that the Merger would be one of equals) were filed in California state court, alleging violations of the California Corporations Code and other state laws. The action on behalf of California residents was certified but was dismissed. The Court of Appeals reversed the dismissal. A Petition for Review is pending in the Supreme Court of California. The remaining California actions have been consolidated, but have not been certified as class actions. The Missouri federal court has enjoined prosecution of those consolidated class actions as a class action. The plaintiffs who were enjoined have appealed that injunction to the United States Court of Appeals for the Eighth Circuit. The Corporation believes the actions lack merit and will defend them vigorously. The amount of any ultimate exposure cannot be determined with certainty at this time.

Management believes that the actions and proceedings and the losses, if any, resulting from the final outcome thereof, will not be material in the aggregate to the Corporation's financial position or results of operations.

Note Eight - Shareholders' Equity and Earnings Per Common Share

On July 26, 2000, the Corporation's Board of Directors (the Board) authorized a new stock repurchase program of up to 100 million shares of the Corporation's common stock at an aggregate cost of up to $7.5 billion.

On June 23, 1999, the Board authorized the repurchase of up to 130 million shares of the Corporation's common stock at an aggregate cost of up to $10.0 billion. Through September 30, 2000, the Corporation had repurchased 128 million shares of its common stock in open market repurchases and under accelerated share repurchase programs at an average per-share price of $57.18 which reduced shareholders' equity by $7.3 billion. The remaining buyback authority for common stock under the 1999 program totaled $2.7 billion or two million shares at September 30, 2000.

Earnings per common share is computed by dividing net income available to common shareholders by the weighted average common shares issued and outstanding. For diluted earnings per common share, net income available to common shareholders can be affected by the conversion of the registrant's convertible preferred stock. Where the effect of this conversion would have been dilutive, net income available to common shareholders is adjusted by the associated preferred dividends. This adjusted net income is divided by the weighted average number of common shares issued and outstanding for each period plus amounts representing the dilutive effect of stock options outstanding and the dilution resulting from the conversion of the registrant's convertible preferred stock, if applicable. The effect of convertible preferred stock is excluded from the computation of diluted earnings per common share in periods in which the effect would be antidilutive.

The calculation of earnings per common share and diluted earnings per common share for the three months and nine months ended September 30, 2000 and 1999 is presented below:

<TABLE>
<CAPTION>

(Shares in thousands; dollars in millions, except per share information)	Three Months Ended September 30		Nine Months Ended September 30	
	2000	1999	2000	1999
Earnings per common share <S>	<C>	<C>	<C>	<C>
Net income	$1,829	$2,151	$6,132	$5,980
Preferred stock dividends	(1)	(2)	(4)	(5)
Net income available to common shareholders	$1,828	$2,149	$6,128	$5,975
Average common shares issued and outstanding	1,639,392	1,722,307	1,654,013	1,734,401
Earnings per common share	$1.11	$ 1.25	$3.70	$ 3.45
Diluted earnings per common share				
Net income available to common shareholders	$1,828	$2,149	$6,128	$5,975
Preferred stock dividends	1	2	4	5
Net income available to common shareholders and assumed conversions	$1,829	$2,151	$6,132	$5,980
Average common shares issued and outstanding	1,639,392	1,722,307	1,654,013	1,734,401
Incremental shares from assumed conversions:				
Convertible preferred stock	2,914	3,058	2,944	3,058

Stock options	18,726	29,781	17,791	36,233
Dilutive potential common shares	21,640	32,839	20,735	39,291
Total dilutive average common shares issued and outstanding	1,661,031	1,755,146	1,674,748	1,773,692
Diluted earnings per common share	$ 1.10	$ 1.23	$ 3.66	$ 3.37

</TABLE>

Note Nine - Business Segment Information

During the first quarter of 2000, the Corporation realigned its business segments to report the results of the Corporation's operations through three business segments: Consumer and Commercial Banking, Asset Management and Global Corporate and Investment Banking. In the third quarter of 2000, the Corporation continued to realign its business segments to report its results of operations through four business segments, which now include Equity Investments as a reporting segment. Consumer and Commercial Banking provides a diversified range of products and services to individuals and small businesses through multiple delivery channels and commercial lending and treasury management services to middle market companies with annual revenue between $10 million and $500 million. Asset Management offers customized asset management and credit, financial advisory, fiduciary and trust services, and banking services. It also provides management of equity, fixed income, cash and alternative investments to individuals, corporations and a wide array of institutional clients and full service and discount brokerage services. Global Corporate and Investment Banking provides a diversified range of financial products such as investment banking, trade finance, treasury management, capital markets, leasing and financial advisory services to domestic and international corporations, financial institutions and government entities. Equity Investments includes Principal Investing, which formerly was a component of Global Corporate and Investment Banking. Principal Investing makes both direct and indirect equity investments in a wide variety of transactions. Equity Investments also includes the Corporation's strategic technology and alliances investment portfolio in addition to other parent company investments.

The following tables include total revenue, net income and average total assets for the three months and nine months ended September 30, 2000 and 1999, respectively, for each business segment. Certain prior period amounts have been reclassified between segments to conform to the current period presentation.

<TABLE>
<CAPTION>

For the three months ended September 30

	Consumer and Commercial Banking (2)		Asset Management (2)		Global Corporate and Investment Banking (2)	
(Dollars in millions)	2000	1999	2000	1999	2000	1999
<S> <C>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income (1)	$ 3,416	$ 3,398	$ 159	$ 149	$ 1,049	$ 987
Noninterest income	1,726	2,031	396	353	1,140	1,018
Total revenue	5,142	5,429	555	502	2,189	2,005
Provision for credit losses	300	367	-	40	114	31
Gains (losses) on sales of securities	-	41	-	-	(8)	(4)
Amortization of intangibles	165	173	6	6	41	40
Other noninterest expense	2,728	2,836	298	314		

					1,150	1,122
Income before income taxes	1,949	2,094	251	142	876	808
Income tax expense	769	791	97	51	284	265
Net income	$ 1,180	$ 1,303	$ 154	$ 91	$ 592	$ 543
Average total assets	$316,985	$288,296	$24,343	$20,393	$252,131	$209,303

</TABLE>
<TABLE>
<CAPTION>

For the three months ended September 30

<S> <C> <C> <C> <C> <C>

	Equity Investments (2)		Corporate Other	
(Dollars in millions)	2000	1999	2000	1999
Net interest income (1)	$ (37)	$ (23)	$ 85	$ 92
Noninterest income	383	326	-	-
Total revenue	346	303	85	92
Provision for credit losses	-	12	21	-
Gains on sales of securities	-	-	19	7
Amortization of intangibles	3	3	-	-
Merger and restructuring charges	-	-	550	-
Other noninterest expense	22	37	(3)	(5)
Income before income taxes	321	251	(464)	104
Income tax expense	125	97	(171)	44
Net income	$ 196	$ 154	$ (293)	$ 60
Average total assets	$5,532	$3,742	$86,026	$89,714

</TABLE>

(1) Net interest income is presented on a taxable-equivalent basis.
(2) There were no material intersegment revenues among the four business segments.

<TABLE>
<CAPTION>

For the nine months ended September 30

(Dollars in millions)	Consumer and Commercial Banking (2) 2000	Consumer and Commercial Banking (2) 1999	Asset Management (2) 2000	Asset Management (2) 1999	Global Corporate and Investment Banking (2) 2000	Global Corporate and Investment Banking (2) 1999
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income (1)	$ 10,188	$ 10,323	$ 472	$ 426	$ 3,171	$ 2,942
Noninterest income	5,138	5,401	1,227	1,176	3,773	3,311
Total revenue	15,326	15,724	1,699	1,602	6,944	6,253
Provision for credit losses	986	1,112	11	80	288	260
Gains (losses) on sales of securities	1	42	-	-	(6)	6
Amortization of intangibles	503	523	18	19	121	119
Other noninterest expense	8,114	8,433	903	904	3,651	3,347
Income before income taxes	5,724	5,698	767	599	2,878	2,533
Income tax expense	2,252	2,149	295	222	991	874
Net income	$ 3,472	$ 3,549	$ 472	$ 377	$ 1,887	$ 1,659
Average total assets	$308,345	$289,228	$23,339	$19,984	$243,636	$215,179

</TABLE>
<TABLE>
<CAPTION>

For the nine months ended September 30

(Dollars in millions)	Equity Investments (2) 2000	Equity Investments (2) 1999	Corporate Other 2000	Corporate Other 1999
<S>	<C>	<C>	<C>	<C>
Net interest income (1)	$ (99)	$ (65)	$ 244	$ 285
Noninterest income	1,053	585	-	-
Total revenue	954	520	244	285
Provision for credit losses	3	18	37	-
Gains on sales of securities	-	-	28	178
Amortization of intangibles	8	8	-	-
Merger and restructuring charges	-	-	550	200
Other noninterest expense	73	90	55	(7)
Income before income taxes	870	404	(370)	270
Income tax expense	337	154	(138)	125
Net income	$ 533	$ 250	$ (232)	$ 145
Average total assets	$5,134	$3,627	$89,144	$84,134

(1) Net interest income is presented on a taxable-equivalent basis.
(2) There were no material intersegment revenues among the four business segments.

A reconciliation of the segments' net income to consolidated net income follows:

(Dollars in millions)	Three Months Ended September 30 2000	Three Months Ended September 30 1999	Nine Months Ended September 30 2000	Nine Months Ended September 30 1999
Segments' net income	$2,122	$2,091	$6,364	$5,835
Adjustments, net of taxes:				
Earnings associated with unassigned capital	52	53	155	176
Gains on sales of securities	12	4	18	110
Merger and restructuring charges	(346)	-	(346)	(145)
Other	(11)	3	(59)	4
Consolidated net income	$1,829	$2,151	$6,132	$5,980

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

This report on Form 10-Q contains certain forward-looking statements that are subject to risks and uncertainties and include information about possible or assumed future results of operations. Many possible events or factors could affect the future financial results and performance of the Corporation. This could cause results or performance to differ materially from those expressed in our forward-looking statements. Words such as "expects", "anticipates", "believes", "estimates", variations of such words and other similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in, or implied by, such forward-looking statements. Readers of the Corporation's Form 10-Q should not rely solely on the forward-looking statements and should consider all uncertainties and risks discussed throughout this report, as well as those discussed in the Corporation's 1999 Annual Report on Form 10-K. These statements are representative only on the date hereof, and the Corporation undertakes no obligation to update any forward-looking statements made.

The possible events or factors include the following: the Corporation's loan growth is dependent on economic conditions, as well as various discretionary factors, such as decisions to securitize, sell, or purchase certain loans or loan portfolios; syndications or participations of loans; retention of residential mortgage loans; and the management of borrower, industry, product and geographic concentrations and the mix of the loan portfolio. The rate of nonperforming assets, charge-offs and provision expense can be affected by local, regional and international economic and market conditions, concentrations of borrowers, industries, products and geographic locations, the mix of the loan portfolio and management's judgments regarding the collectibility of loans. Liquidity requirements may change as a result of fluctuations in assets and liabilities and off-balance sheet exposures, which will impact the capital and debt financing needs of the Corporation and the mix of funding sources. Decisions to purchase, hold or sell securities are also dependent on liquidity requirements and market volatility, as well as on- and off-balance sheet positions. Factors that may impact interest rate risk include local, regional and international economic conditions, levels, mix, maturities, yields or rates of assets and liabilities, utilization and effectiveness of interest rate contracts and the wholesale and retail funding sources of the Corporation. The Corporation is also exposed to the potential of losses arising from adverse changes in market rates and prices which can adversely impact the value of financial products, including securities, loans, deposits, debt and derivative financial instruments, such as futures, forwards, swaps, options and other financial instruments with similar characteristics.

In addition, the banking industry in general is subject to various monetary and fiscal policies and regulations, which include those determined by the

Federal Reserve Board, the Office of the Comptroller of Currency, the Federal Deposit Insurance Corporation, state regulators and the Office of Thrift Supervision, whose policies and regulations could affect the Corporation's results. Other factors that may cause actual results to differ from the forward-looking statements include the following: projected business increases following process changes and productivity and investment initiatives are lower than expected or do not pay for severance or other related costs as quickly as anticipated; competition with other local, regional and international banks, thrifts, credit unions and other nonbank financial institutions, such as investment banking firms, investment advisory firms, brokerage firms, investment companies and insurance companies, as well as other entities which offer financial services, located both within and outside the United States and through alternative delivery channels such as the Internet; interest rate, market and monetary fluctuations; inflation; market volatility; general economic conditions and economic conditions in the geographic regions and industries in which the Corporation operates; introduction and acceptance of new banking-related products, services and enhancements; fee pricing strategies; mergers and acquisitions and their integration into the Corporation; and management's ability to manage these and other risks.

Overview

The Corporation is a Delaware corporation, a bank holding company and a financial holding company, and it is headquartered in Charlotte, North Carolina. The Corporation provides a diversified range of banking and nonbanking financial services and products both domestically and internationally through four major business segments: Consumer and Commercial Banking, Asset Management, Global Corporate and Investment Banking, and Equity Investments. At September 30, 2000, the Corporation had $672 billion in assets and approximately 146,000 full-time equivalent employees.

The remainder of management's discussion and analysis of the Corporation's results of operations and financial condition should be read in conjunction with the consolidated financial statements and related notes presented on pages 2 through 19.

Refer to Table One for selected financial data for the three months and nine months ended September 30, 2000 and 1999 and Table Thirteen for the three quarters ending September 30, 2000.

Key performance highlights for the nine months ended September 30, 2000 compared to the same period in 1999:

(diamond) Net income totaled $6.1 billion, or $3.66 per common share (diluted), an increase of $152 million, or $0.29 per common share (diluted). Excluding merger and restructuring charges for both periods, net income increased $353 million, or $0.42 per common share (diluted).

(diamond) Cash basis ratios on an operating basis measure performance excluding goodwill and other intangible assets and their related amortization expense. Cash basis diluted earnings per common share were $4.26, an increase of $0.43 per share. Return on average tangible common shareholders' equity was 28.68 percent, an increase of 20 basis points. The cash basis efficiency ratio was 50.84 percent, an improvement of 152 basis points, primarily due to a seven percent increase in noninterest income.

(diamond) The return on average common shareholders' equity was 17.46 percent, an increase of 27 basis points. Excluding merger and restructuring charges, the return on average common shareholders' equity increased 84 basis points to 18.45 percent.

(diamond) Total revenue includes net interest income on a taxable-equivalent basis and noninterest income. Total revenue was $25.2 billion, an increase of $783 million.

>> Net interest income remained essentially unchanged at $14.0 billion. Managed loan growth, particularly in consumer products, and higher levels of core deposits and equity were partially offset by spread compression, the impact of securitizations and asset sales, the cost of share repurchases and deterioration in auto lease residual values. Average managed loans and leases were $417.4 billion, a $41.1 billion increase, primarily due to a 17 percent increase in consumer loans and leases. Average core deposits grew to $298.9 billion, an $8.6 billion increase. The net interest yield was 3.21 percent, a 31 basis point decline. The decrease was primarily due to spread compression, an increase in lower spread trading-related earning assets and the cost of share repurchases.

>> Noninterest income was $11.2 billion, a $718 million increase.

The increase in noninterest income was partially offset by a $681 million decrease in other income to $464 million, reflecting a third quarter 2000 charge of $186 million related to the deterioration of auto lease residual values, the absence of securitization gains and lower loan sales gains in 2000, and a gain on the sale of certain businesses in 1999. Consumer and Commercial Banking experienced a $185 million, or 13 percent, increase in card income to $1.6 billion as successful marketing campaigns in 2000 led to higher purchase volume and number of accounts. Income from investment and brokerage services increased $81 million to $1.1 billion in the Asset Management segment as a result of new asset management business and market growth combined with productivity increases in consumer brokerage. Global Corporate and Investment Banking had significant increases in trading account profits and

investment banking income. Trading account profits increased $359 million, or 30 percent, to $1.6 billion driven by higher revenues from interest rate contracts and equities, partially offset by decreases in foreign exchange contracts and fixed income activities. Investment banking income increased $129 million to $1.1 billion, or 13 percent, primarily attributable to growth in equity underwriting. Equity Investments had equity investment gains of $1.0 billion, reflecting an increase of $478 million, and included gains in both the principal investing and strategic technology and alliances areas.

(diamond) The provision for credit losses was $.3 billion, a $145 million decrease. Net charge-offs were $1.3 billion, or 0.45 percent of average loans and leases. The resulting decrease of $174 million, or 10 basis points, was driven primarily by lower losses on bankcard loans. Nonperforming assets were $4.4 billion, or 1.09 percent of loans, leases and foreclosed properties at September 30, 2000, a $1.2 billion, or 23 basis point increase from December 31, 1999. The increase reflects a rise in nonperforming loans in the commercial - domestic portfolio, primarily in the financial services, theater and paging industries. Nonperforming loans also increased in real estate secured consumer finance loans, resulting from growth and seasoning in that portfolio. The allowance for credit losses totaled $6.7 billion and $6.8 billion at September 30, 2000 and December 31, 1999, respectively.

(diamond) Noninterest expense was unchanged at $13.4 billion, reflecting higher revenue-related incentive compensation and spending on projects to improve sales and service, partially offset by cost reductions resulting from recent mergers.

Employee-Related Matters

Bank of America Pension Plan

The Corporation and the BankAmerica 401(k) retirement plans were combined effective June 30, 2000. With the introduction of the revised Bank of America retirement plan, qualified BankAmerica employees who are currently active had a one-time opportunity to transfer certain assets in their 401(k) plan account to their Bank of America Pension Plan (pension plan) account effective August 4, 2000. The total amount of 401(k) plan assets transferred to the pension plan was $1.3 billion. The pension plan (which is a cash balance type of pension plan) has a balance guarantee feature, applied at the time a benefit payment is made from the plan, that protects the transferred portion of participants' accounts from future market downturns. The Corporation is responsible for funding any shortfall on the guarantee feature.

Productivity and Investment Initiatives

As part of its productivity and investment initiatives announced on July 28, 2000, the Corporation recorded a pre-tax restructuring charge of $550 million ($346 million after-tax) in the third quarter of 2000 which is included in merger and restructuring charges in the Consolidated Statement of Income.

As part of these initiatives and in order to reallocate resources, the Corporation announced that it would eliminate 9,000 to 10,000 positions, or six to seven percent of its work force, over a twelve-month period. Of the $550 million restructuring charge, approximately $475 million will be used to cover severance and related costs and $75 million for other costs related to process change and channel consolidation. Over half of the severance and related costs are related to management positions which were eliminated in a review of span of control and management structure. The restructuring charge includes severance and related payments for 8,300 positions, which are company-wide and across all levels. The difference between the 8,300 positions and the 10,000 positions initially announced is expected to come from normal attrition. Through September 30, 2000, there were approximately 2,500 employees who had moved to severance status as part of these initiatives and approximately 3,500 additional employees who had been notified. The remaining 2,300 positions have been identified and the employees in these positions will be notified by March 31, 2001. Cash payments applied to the restructuring reserve in the third quarter of 2000 were approximately $81 million primarily related to severance costs, and noncash reductions were $39 million, primarily related to restricted stock accelerations. The remaining restructuring reserve balance was $430 million at September 30, 2000.

Additionally, processes are being reviewed across the Corporation to ensure that it is organized around its customers and their needs. Significant process changes, primarily in the infrastructure of the

operations are expected in consumer real estate, commercial loan processing and servicing and branch support.

The savings that are identified are targeted for reinvestment in areas that the Corporation believes provide the best growth opportunities. Among these areas are e-commerce, asset management and private banking, card and payment businesses and the investment banking platform.

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Table One
Selected Financial Data

(Dollars in millions, except per share information)	Three Months Ended September 30 2000	Three Months Ended September 30 1999	Nine Months Ended September 30 2000	Nine Months Ended September 30 1999
<S>	<C>	<C>	<C>	<C>
Operating Basis (1)				
Income statement				
Interest income	$ 11,265	$ 9,294	$ 32,088	$ 27,701
Interest expense	6,672	4,744	18,340	13,939
Net interest income	4,593	4,550	13,748	13,762
Net interest income (taxable-equivalent basis)	4,672	4,603	13,976	13,911
Provision for credit losses	435	450	1,325	1,470
Gains on sales of securities	11	44	23	226
Noninterest income	3,645	3,728	11,191	10,473
Other noninterest expense	4,410	4,526	13,446	13,436
Income before income taxes	3,404	3,346	10,191	9,555
Income tax expense	1,229	1,195	3,713	3,430
Net income	2,175	2,151	6,478	6,125
Net income available to common shareholders	2,174	2,149	6,474	6,120
Performance ratios				
Return on average assets	1.26 %	1.40 %	1.29 %	1.34 %
Return on average common shareholders' equity	18.15	18.40	18.45	17.61
Efficiency ratio	53.01	54.34	53.42	55.10
Shareholder value added	$ 953	$ 971	$ 2,916	$ 2,624
Per common share data				

Earnings	$ 1.33	$ 1.25	$ 3.91	$ 3.53
Diluted earnings	1.31	1.23	3.87	3.45
Cash basis financial data (2)				
Earnings	$ 2,390	$ 2,373	$ 7,128	$ 6.794
Earnings per common share	1.46	1.38	4.31	3.91
Diluted earnings per common share	1.44	1.35	4.26	3.83
Return on average tangible assets	1.42 %	1.58 %	1.45 %	1.52 %
Return on average tangible common shareholders' equity	27.81	29.48	28.68	28.48
Efficiency ratio	50.43	51.67	50.84	52.36
As Reported				
Income statement				
Merger and restructuring charges	$ 550	$ -	$ 550	$ 200
Income before income taxes	2,854	3,346	9,641	9,355
Income tax expense	1,025	1,195	3,509	3,375
Net income	1,829	2,151	6,132	5,980
Net income available to common shareholders	1,828	2,149	6,128	5,975
Average common shares issued and outstanding (in thousands)	1,639,392	1,722,307	1,654,013	1,734,401
Performance ratios				
Return on average assets	1.06 %	1.40 %	1.22 %	1.31 %
Return on average common shareholders' equity	15.25	18.40	17.46	17.19
Total equity to total assets (period-end)	6.98	7.39	6.98	7.39
Total average equity to total average assets	6.97	7.59	7.01	7.60
Dividend payout ratio	44.83	36.02	40.38	39.20
Per common share data				
Earnings	$ 1.11	$ 1.25	$ 3.70	$ 3.45
Diluted earnings	1.10	1.23	3.66	3.37
Cash dividends paid	.50	.45	1.50	1.35
Book value	28.69	26.79	28.69	26.79
Cash basis financial data (2)				
Earnings	$ 2,044	$ 2,373	$ 6,782	$ 6,649
Earnings per common share	1.25	1.38	4.10	3.83
Diluted earnings per common share	1.23	1.35	4.05	3.75
Return on average tangible assets	1.21 %	1.58 %	1.38 %	1.49 %
Return on average tangible common shareholders' equity	23.78	29.48	27.28	27.87
Ending tangible equity to tangible assets	5.09	5.22	5.09	5.22
Balance sheet (period-end)				
Total loans and leases	$ 402,592	$ 360,236	$ 402,592	$ 360,236
Total assets	671,725	620,652	671,725	620,652
Total deposits	353,988	337,011	353,988	337,011
Long-term debt	69,412	54,352	69,412	

				54,352
Trust preferred securities	4,955	4,955	4,955	4,955
Common shareholders' equity	46,785	45,811	46,785	45,811
Total shareholders' equity	46,859	45,889	46,859	45,889
Risk-based capital ratios (period-end)				
Tier 1 capital	7.32 %	7.71 %	7.32 %	7.71 %
Total capital	10.80	11.39	10.80	11.39
Leverage ratio	6.06	6.59	6.06	6.59
Market price per share of common stock				
Closing	$ 52.38	$ 55.69	$ 52.38	55.69
High	57.63	76.38	61.00	76.38
Low	43.63	53.25	42.31	53.25

</TABLE>

(1) Operating basis excludes merger and restructuring charges.
(2) Cash basis calculations exclude goodwill and other intangible assets and their related amortization expense.

Business Segment Operations

The Corporation provides a diversified range of banking and nonbanking financial services and products through its various subsidiaries. During the first quarter of 2000, the Corporation realigned its business segments to report the results of the Corporation's operations through three business segments: Consumer and Commercial Banking, Asset Management, and Global Corporate and Investment Banking. In the third quarter of 2000, the Corporation continued to realign its business segments to report its results of operations through four business segments, which now include Equity Investments as a reporting segment.

The business segments summarized in Table Two are primarily managed with a focus on various performance measures including total revenue, net income, return on average equity and efficiency. These performance measures are also presented on a cash basis which excludes the impact of goodwill and other intangible assets and their related amortization expense. Total revenue includes net interest income on a taxable-equivalent basis and noninterest income. The net interest yield of the business segments reflects the results of a funds transfer pricing process which derives net interest income by matching assets and liabilities with similar interest rate sensitivity and maturity characteristics. Equity is allocated to each business segment based on an assessment of its inherent risk. Shareholder value added (SVA) is a new performance measure that is better aligned with the Corporation's growth strategy orientation and strengthens the Corporation's focus on generating shareholder value. SVA is defined as cash basis operating earnings less a charge for the use of capital. The capital charge is calculated by multiplying 12 percent (management's estimate of the shareholder's minimum required rate of return on capital invested) by average total common shareholders' equity (at the Corporation level) and by average allocated equity (at the business segment level).

See Note Nine of the consolidated financial statements for additional business segment information and reconciliations to consolidated amounts. Additional information on noninterest income can be found in the "Noninterest Income" section beginning on page 41. Certain prior period amounts have been reclassified between segments and their components (presented after Table Two) to conform to the current period presentation.

<TABLE>
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Table Two
Business Segment Summary

For the three months ended September 30 (Dollars in millions)	Consumer and Commercial Banking 2000	Consumer and Commercial Banking 1999	Asset Management 2000	Asset Management 1999	Global Corporate and Investment Banking 2000	Global Corporate and Investment Banking 1999	Equity Investments 2000	Equity Investments 1999
Net interest income	$ 3,416	$ 3,398	$ 159	$ 149	$ 1,049	$ 987	$ (37)	$ (23)
Noninterest income	1,726	2,031	396	353	1,140	1,018	383	326
Total revenue	5,142	5,429	555	502	2,189	2,005	346	303
Net income	1,180	1,303	154	91	592	543	196	154
Cash basis earnings	1,345	1,476	160	97	633	583	199	157
Shareholder value added	617	757	106	45	203	181	140	115
Net interest yield	4.69 %	5.17 %	2.68 %	3.03 %	1.95 %	2.20 %	n/m	n/m
Average equity to average assets	7.61	8.26	7.29	8.35	5.65	6.34	35.60 %	37.25 %
Return on average equity	19.4	21.7	34.5	21.1	16.5	16.2	39.7	43.9
Return on tangible equity	27.5	31.3	39.8	25.3	19.5	19.4	41.8	47.3
Efficiency ratio	56.3	55.4	54.6	63.7	54.4	58.0	6.9	13.1
Cash basis efficiency ratio	53.1	52.2	53.6	62.5	52.5	56.0	6.2	12.2
Average:								
Total loans and leases	$265,267	$237,575	$22,634	$18,754	$114,580	$105,090	$ 450	$ 306
Total deposits	254,980	251,288	11,438	10,561	73,550	63,697	18	28
Total assets	316,985	288,296	24,343	20,393	252,131	209,303	5,532	3,742

For the nine months ended September 30 (Dollars in millions)	Consumer and Commercial Banking 2000	Consumer and Commercial Banking 1999	Asset Management 2000	Asset Management 1999	Global Corporate and Investment Banking 2000	Global Corporate and Investment Banking 1999	Equity Investments 2000	Equity Investments 1999
Net interest income	$ 10,188	$ 10,323	$ 472	$ 426	$ 3,171	$ 2,942	$ (99)	$ (65)
Noninterest income	5,138	5,401	1,227	1,176	3,773	3,311	1,053	585
Total revenue	15,326	15,724	1,699	1,602	6,944	6,253	954	520
Net income	3,472	3,549	472	377	1,887	1,659	533	250
Cash basis earnings	3,975	4,072	490	396	2,008	1,778	541	258
Shareholder value added	1,807	1,946	331	244	769	578	379	139
Net interest yield	4.84 %	5.26 %	2.79 %	2.98 %	2.07 %	2.17 %	n/m	n/m
Average equity to average assets	7.83	8.19	7.54	8.47	5.66	6.22	35.10 %	36.75 %
Return on average equity	19.2	20.0	35.8	29.8	18.3	16.6	39.5	25.1
Return on tangible equity	27.4	29.3	41.3	35.2	21.5	19.8	41.9	27.5
Efficiency ratio	56.2	57.0	54.3	57.7	54.3	55.4	8.5	18.6
Cash basis efficiency ratio	52.9	53.6	53.2	56.5	52.6	53.5	7.7	17.1

Average:								
Total loans and leases	$257,379	$234,817	$21,714	$18,360	$110,896	$109,394	$ 428	$ 293
Total deposits	254,813	251,246	11,374	11,680	70,003	65,150	13	10
Total assets	308,345	289,228	23,339	19,984	243,636	215,179	5,134	3,627

n/m = not meaningful

</TABLE>

Consumer and Commercial Banking

The Corporation's market share in the consumer and commercial businesses is significant across the fastest growing regions of the United States. The Corporation continues its strategy of focusing entirely on the customer in terms of sales and service. The results in 2000 also reflect the Corporation's continued focus on Card Services as a growth area as the consumer credit and debit card businesses experienced double-digit increases in both volume and in new accounts compared to 1999. The Corporation also experienced success in the middle market banking business by providing more investment banking services to its commercial customer base.

Consumer and Commercial Banking provides a wide array of products and services to individuals, small businesses and middle market companies through multiple delivery channels.

<TABLE>
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	Consumer and Commercial Banking			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Net interest income	$3,416	$3,398	$10,188	$10,323
Noninterest income	1,726	2,031	5,138	5,401
Total revenue	5,142	5,429	15,326	15,724
Cash basis earnings	1,345	1,476	3,975	4,072
Shareholder value added	617	757	1,807	1,946
Cash basis efficiency ratio	53.1 %	52.2 %	52.9 %	53.6 %

</TABLE>

(diamond) Strong card income and higher service charges for the nine months ended September 30, 2000 were offset by lower mortgage servicing income and lower gains on loan sales and securitizations. Included in the 2000 results was a third quarter charge related to the deterioration of auto lease residual values of $257 million, of which $71 million impacted net interest income and $186 million impacted other income included in noninterest income.

>> Annualized loan growth of 10 percent had a positive effect on net interest income. This strong loan growth was more than offset by spread compression.
>> Card income grew 13 percent as a result of successful marketing campaigns in 2000 and service charges were up four percent. These increases were offset by lower mortgage servicing income reflecting an adjustment to mortgage servicing rights in the prior year and 1999 gains on loan sales and securitizations.

(diamond) Cash basis earnings for the nine months ended September 30, 2000 rose two percent, excluding auto lease residual charges in 2000 and 1999.

>> Noninterest expense was down four percent over the prior year due to lower personnel expense, professional fees and equipment expense.
>> The provision for credit losses decreased primarily due to improved credit quality in the credit card portfolio.

The major components of Consumer and Commercial Banking are Banking Regions, Consumer Products and Commercial Banking.

Banking Regions

Banking Regions serves approximately 30 million consumer households in 21 states and the District of Columbia and overseas through its extensive network of approximately 4,500 banking centers, 14,000 ATMs, telephone and Internet channels on www.bankofamerica.com. Banking Regions provides a wide array of products and services, including deposit products such as checking, money market savings accounts, time deposits and IRAs, and credit products such as home equity, personal auto loans and auto leasing. Banking Regions also includes small business banking providing treasury management, credit services, community investment, debit card, e-commerce and brokerage services to over two million small business relationships across the franchise.

	Banking Regions			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$2,165	$2,142	$6,341	$6,358
Noninterest income	916	895	2,632	2,517
Total revenue	3,081	3,037	8,973	8,875
Cash basis earnings	836	782	2,275	2,175
Shareholder value added	497	427	1,251	1,118
Cash basis efficiency ratio	56.2 %	60.1 %	58.6 %	61.5 %

(diamond) Total revenue for the nine months ended September 30, 2000 increased one percent primarily due to a rise in noninterest income while net interest income remained essentially unchanged.

>> Loan growth, primarily in home equity lending, and deposit growth had a positive effect on net interest income but was offset by spread compression and 1999 loan sales.

>> Noninterest income increased five percent primarily due to a 47 percent increase in card income driven by a substantial rise in debit card income and an increase in consumer service charges of three percent throughout all Banking Regions.

(diamond) Cash basis earnings increased five percent for the nine months ended September 30, 2000, primarily attributable to a decrease in noninterest expense driven by merger-related savings and lower merger transition costs.

Consumer Products

Consumer Products provides specialized services such as the origination and servicing of residential mortgage loans, issuance and servicing of credit cards, direct banking via telephone and Internet, student lending and certain insurance services. Consumer Products also provides auto loans, retail finance programs to dealerships and lease financing of new and used cars.

	Consumer Products			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$ 752	$ 741	$2,312	$2,392
Noninterest income	551	911	1,803	2,249
Total revenue	1,303	1,652	4,115	4,641
Cash basis earnings	302	474	1,073	1,234
Shareholder value added	41	234	310	534
Cash basis efficiency ratio	47.8 %	39.6 %	43.9 %	42.1 %

- --
</TABLE>

(diamond) Card Services experienced a nine percent increase in noninterest income as the consumer credit and debit card lines of the Card Services business had double-digit increases in both volume and in new accounts compared to the prior year due to successful marketing campaigns in 2000. In addition, noninterest income grew 33 percent in the Community Development Banking Group. These increases were offset by higher auto lease residual charges, lower mortgage servicing income and gains on loan sales and securitizations in 1999.

(diamond) A decrease in expense resulted in a two percent increase in cash basis earnings for the nine months ended September 30, 2000, excluding auto lease residual charges in 2000 and 1999.

>> Noninterest expense decreased eight percent and was driven by expense reduction initiatives.
>> The provision for credit losses decreased primarily due to improved credit quality in the credit card portfolio.

(diamond) Net interest income remained essentially unchanged year-over-year as loan growth was offset by spread compression.

Commercial Banking

Commercial Banking provides commercial lending and treasury management services to middle market companies with annual revenue between $10 million and $500 million. These services are available through relationship manager teams as well as through alternative channels such as the telephone via the commercial service center and the Internet by accessing Bank of America Direct.

<TABLE>
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	Commercial Banking			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Net interest income	$499	$515	$1,535	$1,573
Noninterest income	259	225	703	635
Total revenue	758	740	2,238	2,208
Cash basis earnings	207	220	627	663
Shareholder value added	79	96	246	294
Cash basis efficiency ratio	49.5 %	48.2 %	47.0 %	46.3 %

</TABLE>

(diamond) Total revenue for the nine months ended September 30, 2000 increased one percent due to an eleven percent increase in noninterest income, partially offset by a two percent decrease in net interest income.

>> The increase in noninterest income was attributable to higher middle marketing investment banking fees and higher corporate service charges.
>> Net interest income decreased primarily due to spread compression.

(diamond) Higher noninterest income was offset by increased provision for credit losses and noninterest expense, resulting in a five percent decline in cash basis earnings for the nine months ended September 30, 2000.

>> The provision for credit losses rose as a result of liquidation of businesses in the commercial finance portfolio as well as growth in the commercial banking loan portfolio.
>> Noninterest expense increased three percent primarily due to higher expenses related to the increase in the middle market investment banking business.

Asset Management

The Corporation's strategy to focus on and grow the asset management business is evident in the results for 2000. The 21 percent growth in assets under management since September 30, 1999 and the six percent growth in revenue for the nine months ended September 30, 2000 reveal that customers are buying more investment products from the Corporation's asset management group.

Assets under management rose $47 billion to $275 billion at September 30, 2000 compared to September 30, 1999. The Nations Funds family of funds reached $100 billion in mutual fund assets during the third quarter of 2000, driven by increases in equity, fixed income and money market funds.

Asset Management includes the Private Bank, Banc of America Capital Management and Banc of America Investment Services, Inc. The Private Bank offers financial solutions to high-net-worth clients and foundations in the U.S. and internationally by providing customized asset management and credit, financial advisory, fiduciary, trust and banking services. Banc of America Capital Management offers management of equity, fixed income, cash, and alternative investments; manages the assets of individuals, corporations, municipalities, foundations and universities, and public and private institutions; and provides advisory services to the Corporation's affiliated family of mutual funds. Banc of America Investment Services, Inc. provides both full-service and discount brokerage services through investment professionals located throughout the franchise and a brokerage web site that provides customers a wide array of market analyses, investment research and self-help tools, account information and transaction capabilities.

On June 15, 2000, the Corporation entered into an agreement, effective January 2, 2001, to acquire the remaining 50 percent of Marsico Capital Management LLC (Marsico) for a total investment of $1.1 billion. The Corporation acquired the first 50 percent in 1999. Marsico is a Denver-based investment management firm specializing in large capitalization growth stocks. Marsico manages almost $17 billion in assets and has experienced compounded annual revenue growth of approximately 460 percent since its inception in 1997. The Corporation expects Marsico to benefit its marketing of investment capabilities to financial intermediaries and institutional clients.

	Asset Management			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$159	$149	$ 472	$ 426
Noninterest income	396	353	1,227	1,176
Total revenue	555	502	1,699	1,602
Cash basis earnings	160	97	490	396
Shareholder value added	106	45	331	244
Cash basis efficiency ratio	53.6 %	62.5 %	53.2 %	56.5 %

(diamond) Total revenue increased six percent for the nine months ended September 30, 2000. The increase was attributable to increases in both net interest income and noninterest income.

- >> Net interest income increased 11 percent due to strong loan growth in the commercial loan portfolio.
- >> Noninterest income increased four percent primarily due to increased investment and brokerage fees driven by new asset management business and market growth combined with productivity increases in consumer brokerage, partially offset by gains in 1999 on the disposition of certain businesses.

(diamond) Cash basis earnings increased 24 percent for the nine months ended September 30, 2000 due to the increase in total revenue, partially offset by one-time business divestiture expenditures in 2000.

Global Corporate and Investment Banking

The Corporation continues to focus on the investment banking business and continues to see success in building investment banking capabilities off of its strong corporate banking base. This success is

evident in the 13 percent growth in investment banking income in 2000 and Banc of America Securities LLC's top ten league table rankings in all key product areas.

Global Corporate and Investment Banking provides a broad array of financial products such as investment banking, trade finance, treasury management, capital markets, leasing and financial advisory services to domestic and international corporations, financial institutions and government entities. Clients are supported through offices in 37 countries in four distinct geographic regions: U.S. and Canada; Asia; Europe, Middle East and Africa; and Latin America. Products and services provided include loan origination, merger and acquisition advisory, debt and equity underwriting and trading, cash management, derivatives, foreign exchange, leasing, leveraged finance, project finance, real estate finance, senior bank debt, structured finance and trade services.

	Global Corporate and Investment Banking			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$1,049	$ 987	$3,171	$2,942
Noninterest income	1,140	1,018	3,773	3,311
Total revenue	2,189	2,005	6,944	6,253
Cash basis earnings	633	583	2,008	1,778
Shareholder value added	203	181	769	578
Cash basis efficiency ratio	52.5 %	56.0 %	52.6 %	53.5 %

(diamond) For the nine months ended September 30, 2000, total revenue increased 11 percent and was led by growth in noninterest income. This growth was the result of the success in investment banking activities and an increase in trading account profits driven by very favorable market conditions in the first quarter of 2000.

- >> Noninterest income increased 14 percent due to continued growth in equity-related trading, equity underwriting and advisory services.
- >> Net interest income increased eight percent as a result of higher trading-related activities and an increase in the domestic commercial loan portfolio.

(diamond) For the nine months ended September 30, 2000, cash basis earnings increased 13 percent. The increase was primarily due to the higher revenue discussed above and was partially offset by an increase in noninterest expense of nine percent resulting from higher revenue-related incentive compensation and gains on sales of other assets in the prior year.

Global Corporate and Investment Banking offers clients a comprehensive range of global capabilities through four components: Global Credit Products, Global Capital Raising, Global Markets, and Global Treasury Services.

Global Credit Products

Global Credit Products provides credit and lending services and includes the corporate industry-focused portfolio, real estate, leasing and project finance.

	Global Credit Products			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$599	$621	$1,858	$1,880
Noninterest income	160	121	448	429
Total revenue	759	742	2,306	2,309
Cash basis earnings	321	356	956	1,015

Shareholder value added	61	111	204	279
Cash basis efficiency ratio	20.9 %	24.2 %	22.1 %	23.6 %

</TABLE>

(diamond) For the nine months ended September 30, 2000, total revenue remained essentially unchanged.

>> Noninterest income increased four percent mainly due to a rise in corporate service charges.
>> The increase in noninterest income was offset by a decrease in net interest income due to lower interest recoveries and the reduction in the international loan portfolio offset by domestic loan growth.

(diamond) Noninterest expense declined six percent for the nine months ended September 30, 2000 mainly due to merger-related savings. Offsetting this decrease was a rise in the provision for credit losses driven by the charge-off of a single fraud-related credit in the second quarter of 2000 and credit deterioration, resulting in a six percent decline in cash basis earnings.

Global Capital Raising

Global Capital Raising includes the Corporation's investment banking activities. Through a separate subsidiary, Banc of America Securities LLC, Global Capital Raising underwrites and makes markets in equity securities, high-grade and high-yield corporate debt securities, commercial paper, and mortgage-backed and asset-backed securities. Banc of America Securities LLC also provides correspondent clearing services for other securities broker/dealers, traditional brokerage services to high-net-worth individuals and prime-brokerage services. Debt and equity securities research, loan syndications, mergers and acquisitions advisory services, private placements and equity derivatives are also provided through Banc of America Securities LLC.

<TABLE>
<CAPTION>

	Global Capital Raising			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Net interest income	$108	$ 68	$ 362	$ 135
Noninterest income	637	435	1,927	1,393
Total revenue	745	503	2,289	1,528
Cash basis earnings	156	35	482	154
Shareholder value added	61	(35)	222	(38)
Cash basis efficiency ratio	70.7 %	91.7 %	71.7 %	85.5 %

</TABLE>

(diamond) Total revenue grew 50 percent for the nine months ended September 30, 2000 due to the continued growth and success of the investment banking platform.

>> Net interest income was up $227 million primarily due to higher equity-related trading activities.
>> Noninterest income rose 38 percent driven by a substantial increase in equity-related trading account profits and higher investment banking income. The growth in investment banking income was driven by the equity platform while fixed income remained flat reflecting market conditions.

(diamond) Cash basis earnings more than tripled with an increase of $328 million for the nine months ended September 30, 2000. These results were led by the increase in revenue partially offset by higher noninterest expense, which was driven by higher revenue-related incentive compensation.

Global Markets

Global Markets provides business solutions for a global customer base using interest rate derivatives, foreign exchange products, commodity derivatives and mortgage-related products. In support of these activities, the businesses will take positions in these products and capitalize on market-making activities. The Global Markets business also takes an active role in the trading of fixed income securities in all of the regions in which Global Corporate and Investment Banking transacts business and is a primary dealer in the U.S., as well as in several international locations.

	Global Markets			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$189	$131	$502	$461
Noninterest income	154	265	825	926
Total revenue	343	396	1,327	1,387
Cash basis earnings	90	98	378	433
Shareholder value added	45	39	241	243
Cash basis efficiency ratio	59.2 %	65.5 %	55.0 %	53.9 %

(diamond) Net interest income increased nine percent for the nine months ended September 30, 2000. This was offset by an 11 percent decrease in noninterest income, resulting in a four percent decrease in total revenue.

- >> The increase in net interest income was driven by balance sheet strategies in interest rate contract trading.
- >> Noninterest income declined due to a decrease in trading account profits and other income. The decrease in trading account profits was partially offset by the increase in net interest income while the decrease in other income was driven by a reduction in an equity investment in the prior year.

(diamond) A decrease in noninterest expense of three percent was offset by the decrease in noninterest income noted above. This resulted in a 13 percent decline in cash basis earnings for the nine months ended September 30, 2000. The decrease in noninterest expense was a result of a decline in revenue-related incentive compensation.

Global Treasury Services

Global Treasury Services provides the technology, strategies and integrated solutions to help financial institutions, government agencies and public and private companies of all sizes manage their operations and cash flows on a local, regional, national and global level.

	Global Treasury Services			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Net interest income	$ 153	$ 167	$ 449	$ 466
Noninterest income	189	197	573	563
Total revenue	342	364	1,022	1,029
Cash basis earnings	66	94	192	176
Shareholder value added	36	66	102	94
Cash basis efficiency ratio	76.2 %	60.9 %	75.6 %	72.7 %

(diamond) Noninterest income increased two percent for the nine months ended September 30, 2000 driven by an increase in corporate service charges. Offsetting this increase was a four percent decline in net interest income due to interest rate positions on U.S. deposits and narrower spreads on offshore deposits. The result was a one percent decline in revenue.

(diamond) The increase in cash basis earnings of nine percent for the nine months ended September 30, 2000 was led by the increase in noninterest income and a lower provision expense driven by credit upgrades and declining emerging markets exposure in Trade Finance.

Equity Investments

Equity Investments includes Principal Investing, which formerly was a component of Global Corporate and Investment Banking. Principal Investing is comprised of a diversified portfolio of companies at all stages of the business cycle, from start-up to buyout. Investments are made on both a direct and indirect basis in the U.S. and overseas. Direct investing activity focuses on playing an active role in the strategic and financial direction of the portfolio company as well as providing broad business experience and access to the Corporation's global resources. Indirect investments represent passive limited partnership stakes in funds managed by experienced third party private equity investors who act as general partners. Equity Investments also includes the Corporation's strategic technology and alliances investment portfolio in addition to other parent company investments.

<TABLE>
<CAPTION>

	Equity Investments			
	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Net interest income	$ (37)	$ (23)	$ (99)	$ (65)
Noninterest income	383	326	1,053	585
Total revenue	346	303	954	520
Cash basis earnings	199	157	541	258
Shareholder value added	140	115	379	139
Cash basis efficiency ratio	6.2 %	12.2 %	7.7 %	17.1 %

</TABLE>

(diamond) For the nine months ended September 30, 2000, both revenue and cash basis earnings were up substantially. Total revenue growth was 83 percent and cash basis earnings increased 110 percent.

>> Equity investment gains increased $478 million to $1.0 billion and included principal investing gains of $808 million and gains in the strategic technology and alliances area of $231 million.

Results of Operations

Net Interest Income

An analysis of the Corporation's net interest income on a taxable-equivalent basis and average balance sheet for the most recent five quarters and for the nine months ended September 30, 2000 and 1999 is presented in Tables Three and Four, respectively.

As reported, net interest income on a taxable-equivalent basis was $4.7 billion for the three months ended September 30, 2000, an increase of $69 million compared to the same period in 1999. For the nine months ended September 30, 2000 and 1999, net interest income on a taxable-equivalent basis was $14.0 billion and $13.9 billion, respectively. Management also reviews "core net interest income" which adjusts reported net interest income for the impact of trading-related activities, securitizations, asset sales and divestitures. For purposes of internal analysis, management combines trading-related net interest income with trading account profits, as discussed in the "Noninterest Income" section on page 41, as trading strategies are typically evaluated on total revenue. The determination of core net interest income also requires adjustment for the impact of securitizations (primarily home equity and credit card), asset sales (primarily residential and commercial real estate loans) and divestitures. Net interest income associated with assets that have been securitized is predominantly offset in noninterest income, as the Corporation takes on the role of servicer and records servicing income and gains on securitizations, where appropriate.

The table below provides a reconciliation between net interest income on a taxable-equivalent basis presented in Tables Three and Four and core net interest income for the three months and nine months ended September 30, 2000 and 1999, respectively.

<TABLE>
<CAPTION>

(Dollars in millions)	Three Months Ended September 30 2000	Three Months Ended September 30 1999	Increase/ (Decrease)	Nine Months Ended September 30 2000	Nine Months Ended September 30 1999	Increase/ (Decrease)
Net interest income						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
As reported (1)	$ 4,672	$ 4,603	1.50 %	$ 13,976	$ 13,911	0.47 %
Less: Trading-related net interest income	(252)	(161)		(735)	(476)	
Add: Impact of securitizations, asset sales and divestitures	133	38		565	133	
Core net interest income	$ 4,553	$ 4,480	1.63 %	$ 13,806	$ 13,568	1.75 %
Average earning assets						
As reported	$ 597,248	$528,564	12.99 %	$ 581,029	$527,450	10.16 %
Less: Trading-related earning assets	(124,538)	(82,082)		(118,199)	(81,304)	
Add: Earning assets securitized, sold and divested	14,162	4,213		19,334	4,562	
Core average earning assets	$ 486,872	$450,695	8.03 %	$ 482,164	$450,708	6.98 %
Net interest yield on earning assets (1,2)						
As reported	3.12 %	3.46 %	(34)bp	3.21 %	3.52 %	(31)bp
Add: Impact of trading-related activities	0.61	0.48	13	0.61	0.50	11
Impact of securitizations, asset sales and divestitures	0.01	-	1	0.02	-	2
Core net interest yield on earning assets	3.74 %	3.94 %	(20)bp	3.84 %	4.02 %	(18)bp

</TABLE>

(1) Net interest income is presented on a taxable-equivalent basis.
(2) bp denotes basis points; 100 bp equals 1%.

Core net interest income on a taxable-equivalent basis was $4.6 billion and $13.8 billion for the three months and nine months ended September 30, 2000, respectively, an increase of $73 million and $238 million over the corresponding periods in 1999. For both periods, managed loan growth, particularly in consumer products, and higher levels of core deposits and equity were partially offset by spread compression, the cost of share repurchases and deterioration in auto lease residual values.

Core average earning assets were $486.9 billion and $482.2 billion for the three months and nine months ended September 30, 2000, respectively, an increase of $36.2 billion and $31.5 billion over the same periods in 1999, primarily reflecting managed loan growth of 13 percent and 11 percent, respectively. Managed consumer loans increased 17 percent for both the three months and nine months

ended September 30, 2000, led by growth in residential mortgages, consumer finance loans and home equity lines. Loan growth is dependent on economic conditions, as well as various discretionary factors such as decisions to securitize certain loan portfolios and the management of borrower, industry, product and geographic concentrations.

The core net interest yield decreased 20 basis points to 3.74 percent and 18 basis points to 3.84 percent for the three months and nine months ended September 30, 2000, respectively, mainly due to spread compression, the cost of share repurchases and deterioration in auto lease residual values.

Provision for Credit Losses

The provision for credit losses totaled $435 million and $1.3 billion for the three months and nine months ended September 30, 2000, respectively, compared to $450 million and $1.5 billion for the comparable 1999 periods. The decrease in the provision for credit losses was primarily due to a reduction in the inherent risk and size of the Corporation's emerging markets portfolio and a change in the composition of the loan portfolio from commercial and consumer foreign to more consumer loans secured by residential real estate. Total net charge-offs were $435 million and $1.3 billion for the three months and nine months ended September 30, 2000, respectively, compared to $460 million and $1.5 billion for the comparable 1999 periods. The decrease in net charge-offs was driven primarily by lower losses on bankcard loans. For additional information on the allowance for credit losses, certain credit quality ratios and credit quality information on specific loan categories see the "Credit Risk Management and Credit Portfolio Review" section beginning on page 48.

Gains on Sales of Securities

Gains on sales of securities were $11 million and $23 million for the three months and nine months ended September 30, 2000, respectively, compared to $44 million and $226 million in the respective periods of 1999. Securities gains were lower in 2000 as a result of continued unfavorable market conditions for certain debt securities.

<TABLE>

Table Three

Quarterly Average Balances and Interest Rates - Taxable-Equivalent Basis

	Third Quarter 2000			
(Dollars in millions)	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance
Earning assets				
<S>	<C>	<C>	<C>	<C>
Time deposits placed and other short-term investments	$ 4,700	$ 83	6.97 %	$ 4,578
Federal funds sold and securities purchased under agreements to resell	40,763	633	6.20	43,983
Trading account assets	53,793	749	5.55	48,874
Securities:				
Available-for-sale (1)	82,333	1,254	6.08	84,054
Held-to-maturity	1,395	30	8.59	1,406
Total securities	83,728	1,284	6.12	85,460
Loans and leases (2):				
Commercial - domestic	151,903	3,173	8.31	148,034
Commercial - foreign	29,845	555	7.39	29,068
Commercial real estate - domestic	26,113	597	9.09	25,497
Commercial real estate - foreign	235	5	8.30	376
Total commercial	208,096	4,330	8.28	202,975

Residential mortgage	94,380	1,759	7.45	91,825
Home equity lines	20,185	466	9.18	19,067
Direct/Indirect consumer	41,905	848	8.06	41,757
Consumer finance	25,049	559	8.93	24,123
Bankcard	10,958	344	12.49	9,429
Foreign consumer	2,190	48	8.79	2,228
Total consumer	194,667	4,024	8.25	188,429
Total loans and leases	402,763	8,354	8.26	391,404
Other earning assets	11,501	241	8.39	8,191
Total earning assets (3)	597,248	11,344	7.57	582,490
Cash and cash equivalents	24,191			25,605
Other assets, less allowance for credit losses	63,578			64,493
Total assets	$685,017			$672,588
Interest-bearing liabilities				
Domestic interest-bearing deposits:				
Savings	$ 23,195	78	1.33	$ 23,936
NOW and money market deposit accounts	99,710	740	2.96	100,186
Consumer CDs and IRAs	77,864	1,083	5.53	77,384
Negotiated CDs, public funds and other time deposits	8,598	140	6.46	7,361
Total domestic interest-bearing deposits	209,367	2,041	3.88	208,867
Foreign interest-bearing deposits (4):				
Banks located in foreign countries	18,845	286	6.03	15,823
Governments and official institutions	11,182	177	6.30	9,885
Time, savings and other	25,972	364	5.58	27,697
Total foreign interest-bearing deposits	55,999	827	5.87	53,405
Total interest-bearing deposits	265,366	2,868	4.30	262,272
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	136,007	2,223	6.51	135,817
Trading account liabilities	24,233	237	3.88	20,532
Long-term debt (5)	74,022	1,344	7.26	69,779
Total interest-bearing liabilities (6)	499,628	6,672	5.32	488,400

Noninterest-bearing sources:				
Noninterest-bearing deposits	91,368			91,154
Other liabilities	46,286			45,922
Shareholders' equity	47,735			47,112
Total liabilities and shareholders' equity	$685,017			$672,588
Net interest spread			2.25	
Impact of noninterest-bearing sources			.87	
Net interest income/yield on earning assets		$4,672	3.12 %	

</TABLE>

<TABLE>
<CAPTION>

	Second Quarter 2000			First Quarter 2000	
(Dollars in millions)	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
Earning assets					
<S>	<C>	<C>	<C>	<C>	<C>
Time deposits placed and other short-term investments	$ 79	7.02 %	$ 4,504	$ 75	6.65 %
Federal funds sold and securities purchased under agreements to resell	595	5.43	45,459	575	5.07
Trading account assets	702	5.77	39,733	542	5.47
Securities:					
Available-for-sale (1)	1,270	6.05	86,878	1,332	6.15
Held-to-maturity	27	7.68	1,333	24	7.19
Total securities	1,297	6.08	88,211	1,356	6.16
Loans and leases (2):					
Commercial - domestic	3,023	8.21	145,362	2,824	7.81
Commercial - foreign	515	7.12	27,927	486	6.99
Commercial real estate - domestic	563	8.88	24,664	517	8.43
Commercial real estate - foreign	8	9.15	344	8	9.29
Total commercial	4,109	8.14	198,297	3,835	7.78
Residential mortgage	1,696	7.40	85,427	1,566	7.34
Home equity lines	422	8.91	17,573	377	8.62
Direct/Indirect consumer	867	8.36	41,858	887	8.52
Consumer finance	545	9.03	22,798	486	8.53

Bankcard	279	11.87	8,404	234	11.22
Foreign consumer	48	8.81	2,227	50	9.00
Total consumer	3,857	8.21	178,287	3,600	8.10
Total loans and leases	7,966	8.17	376,584	7,435	7.93
Other earning assets	176	8.53	8,679	174	8.11
Total earning assets (3)	10,815	7.45	563,170	10,157	7.24
Cash and cash equivalents			25,830		
Other assets, less allowance for credit losses			62,019		
Total assets			$651,019		
Interest-bearing liabilities					
Domestic interest-bearing deposits:					
Savings	78	1.32	$24,237	78	1.29
NOW and money market deposit accounts	734	2.94	98,424	679	2.78
Consumer CDs and IRAs	1,034	5.38	76,074	983	5.20
Negotiated CDs, public funds and other time deposits	111	6.09	6,966	103	5.93
Total domestic interest-bearing deposits	1,957	3.77	205,701	1,843	3.60
Foreign interest-bearing deposits (4):					
Banks located in foreign countries	232	5.92	14,180	188	5.33
Governments and official institutions	151	6.12	8,745	124	5.72
Time, savings and other	380	5.51	26,382	340	5.17
Total foreign interest-bearing deposits	763	5.74	49,307	652	5.31
Total interest-bearing deposits	2,720	4.17	255,008	2,495	3.93
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	1,990	5.89	131,517	1,802	5.51
Trading account liabilities	189	3.70	23,013	181	3.16
Long-term debt (5)	1,207	6.92	64,256	1,084	6.75
Total interest-bearing liabilities (6)	6,106	5.02	473,794	5,562	4.72
Noninterest-bearing sources:					
Noninterest-bearing deposits			90,366		
Other liabilities			40,829		
Shareholders' equity			46,030		
Total liabilities and shareholders' equity			$651,019		
Net interest spread		2.43			

				2.52
Impact of noninterest-bearing sources		.81		.75
Net interest income/yield on earning assets	$4,709	3.24 %	$4,595	3.27 %

<CAPTION>

	Fourth Quarter 1999			
(Dollars in millions)	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance
Earning assets				
Time deposits placed and other short-term investments	$ 4,512	$ 73	6.33 %	$ 5,018
Federal funds sold and securities purchased under agreements to resell	39,700	458	4.60	33,074
Trading account assets	38,453	544	5.63	37,453
Securities:				
Available-for-sale (1)	85,009	1,301	6.10	78,779
Held-to-maturity	1,433	25	7.25	1,482
Total securities	86,442	1,326	6.12	80,261
Loans and leases (2):				
Commercial - domestic	140,674	2,707	7.64	136,149
Commercial - foreign	27,430	453	6.56	28,348
Commercial real estate - domestic	24,345	506	8.23	25,056
Commercial real estate - foreign	306	6	8.96	295
Total commercial	192,755	3,672	7.56	189,848
Residential mortgage	79,783	1,450	7.26	80,015
Home equity lines	16,882	345	8.12	16,316
Direct/Indirect consumer	42,442	888	8.30	42,740
Consumer finance	21,340	440	8.18	19,923
Bankcard	8,578	245	11.32	8,923
Foreign consumer	2,430	54	8.77	3,635
Total consumer	171,455	3,422	7.94	171,552
Total loans and leases	364,210	7,094	7.74	361,400
Other earning assets	10,247	193	7.51	11,358
Total earning assets (3)	543,564	9,688	7.09	528,564

Cash and cash equivalents	25,467			25,905
Other assets, less allowance for credit losses	61,712			56,979
Total assets	$630,743			$611,448
Interest-bearing liabilities				
Domestic interest-bearing deposits:				
Savings	$25,082	80	1.27	$26,037
NOW and money market deposit accounts	97,481	639	2.60	96,402
Consumer CDs and IRAs	74,653	932	4.95	73,429
Negotiated CDs, public funds and other time deposits	6,825	98	5.73	6,609
Total domestic interest-bearing deposits	204,041	1,749	3.40	202,477
Foreign interest-bearing deposits (4):				
Banks located in foreign countries	14,305	178	4.93	13,668
Governments and official institutions	7,121	99	5.53	7,185
Time, savings and other	24,993	298	4.72	25,500
Total foreign interest-bearing deposits	46,419	575	4.91	46,353
Total interest-bearing deposits	250,460	2,324	3.68	248,830
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	120,858	1,638	5.38	114,934
Trading account liabilities	19,223	190	3.92	15,677
Long-term debt (5)	59,972	995	6.63	59,283
Total interest-bearing liabilities (6)	450,513	5,147	4.54	438,724
Noninterest-bearing sources:				
Noninterest-bearing deposits	91,453			88,168
Other liabilities	41,985			38,117
Shareholders' equity	46,792			46,439
Total liabilities and shareholders' equity	$630,743			$611,448
Net interest spread			2.55	
Impact of noninterest-bearing sources			.77	
Net interest income/yield on earning assets		$4,541	3.32 %	

<CAPTION>

	Third Quarter 1999	
	Interest Income/	Yield/

(Dollars in millions)	Expense	Rate
Earning assets		
Time deposits placed and other short-term investments	$ 69	5.50 %
Federal funds sold and securities purchased under agreements to resell	440	5.30
Trading account assets	483	5.14
Securities:		
Available-for-sale (1)	1,208	6.12
Held-to-maturity	26	7.02
Total securities	1,234	6.13
Loans and leases (2):		
Commercial - domestic	2,488	7.25
Commercial - foreign	494	6.93
Commercial real estate - domestic	517	8.19
Commercial real estate - foreign	7	8.80
Total commercial	3,506	7.33
Residential mortgage	1,431	7.14
Home equity lines	321	7.79
Direct/Indirect consumer	875	8.13
Consumer finance	433	8.62
Bankcard	256	11.38
Foreign consumer	86	9.36
Total consumer	3,402	7.89
Total loans and leases	6,908	7.59
Other earning assets	213	7.40
Total earning assets (3)	9,347	7.03
Cash and cash equivalents		
Other assets, less allowance for credit losses		
Total assets		
Interest-bearing liabilities		
Domestic interest-bearing deposits:		
Savings	82	1.25
NOW and money market deposit accounts	579	2.38
Consumer CDs and IRAs	898	4.85
Negotiated CDs, public funds and other time deposits	94	5.66
Total domestic interest-bearing deposits	1,653	3.24
Foreign interest-bearing deposits (4):		
Banks located in foreign countries	160	4.65
Governments and official institutions	90	4.99
Time, savings and other	295	4.57
Total foreign interest-bearing deposits	545	4.66
Total interest-bearing deposits	2,198	3.50
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	1,437	4.96
Trading account liabilities	189	4.78
Long-term debt (5)	920	6.21
Total interest-bearing liabilities (6)	4,744	4.30
Noninterest-bearing sources:		
Noninterest-bearing deposits		
Other liabilities		
Shareholders' equity		
Total liabilities and shareholders' equity		
Net interest spread		2.73
Impact of noninterest-bearing sources		.73
Net interest income/yield on earning assets	$4,603	3.46 %

</TABLE>

(1) The average balance and yield on available-for-sale securities are based on the average of historical amortized cost balances.

(2) Nonperforming loans are included in the average loan balances. Income on such nonperforming loans is recognized on a cash basis.

(3) Interest income includes taxable-equivalent basis adjustments of $79, $78 and $71 in the third, second and first quarters of 2000 and $66

and $53 in the fourth and third quarters of 1999, respectiely. Interest income also includes the impact of risk management interest rate contracts, which (decreased) increased interest income on the underlying assets $(13), $(11) and $7 in the third, second and first quarters of 2000 and $57 and $103 in the fourth and third quarters of 1999, respectively.

(4) Primarily consists of time deposits in denominations of $100,000 or more.

(5) Long-term debt includes trust preferred securities.

(6) Interest expense includes the impact of risk management interest rate contracts, which (increased) decreased interest expense on the underlying liabilities $(16), $(5) and $(8) for the third, second and first quarters of 2000 and $(2) and $6 in the fourth and third quarters of 1999, respectively.

<TABLE>
<CAPTION>

Table Four
Nine-Month Average Balances and Interest Rates - Taxable-Equivalent Basis

	Nine Months Ended September 30			
	2000			
(Dollars in millions)	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance
Earning assets				
<S>	<C>	<C>	<C>	<C>
Time deposits placed and other short-term investments	$ 4,594	$ 237	6.88 %	$ 5,523
Federal funds sold and securities purchased under agreements to resell	43,392	1,803	5.54	29,742
Trading account assets	47,490	1,993	5.60	39,459
Securities:				
Available-for-sale (1)	84,414	3,856	6.09	76,377
Held-to-maturity	1,378	81	7.83	1,621
Total securities	85,792	3,937	6.12	77,998
Loans and leases (2):				
Commercial - domestic	148,446	9,020	8.12	137,551
Commercial - foreign	28,950	1,555	7.17	30,030
Commercial real estate - domestic	25,427	1,677	8.81	25,934
Commercial real estate - foreign	318	21	8.99	290
Total commercial	203,141	12,273	8.07	193,805
Residential mortgage	90,558	5,021	7.40	78,667
Home equity lines	18,946	1,265	8.92	15,906
Direct/Indirect consumer	41,840	2,602	8.31	42,216
Consumer finance	23,994	1,590	8.84	17,880
Bankcard	9,602	857	11.92	

				10,183
Foreign consumer	2,215	147	8.86	3,645
Total consumer	187,155	11,482	8.19	168,497
Total loans and leases	390,296	23,755	8.13	362,302
Other earning assets	9,465	591	8.34	12,426
Total earning assets (3)	581,029	32,316	7.42	527,450
Cash and cash equivalents	25,205			25,867
Other assets, less allowance for credit losses	63,364			58,835
Total assets	$669,598			$612,152
Interest-bearing liabilities				
Domestic interest-bearing deposits:				
Savings	$ 23,787	234	1.31	$ 23,174
NOW and money market deposit accounts	99,442	2,153	2.89	99,041
Consumer CDs and IRAs	77,110	3,100	5.37	73,794
Negotiated CDs, public funds and other time deposits	7,645	354	6.18	6,586
Total domestic interest-bearing deposits	207,984	5,841	3.75	202,595
Foreign interest-bearing deposits (4):				
Banks located in foreign countries	16,292	706	5.79	16,973
Governments and official institutions	9,942	452	6.07	8,141
Time, savings and other	26,681	1,084	5.42	26,274
Total foreign interest-bearing deposits	52,915	2,242	5.66	51,388
Total interest-bearing deposits	260,899	8,083	4.14	253,983
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	134,451	6,015	5.98	114,562
Trading account liabilities	22,599	607	3.59	14,189
Long-term debt (5)	69,370	3,635	6.99	56,766
Total interest-bearing liabilities (6)	487,319	18,340	5.03	439,500
Noninterest-bearing sources:				
Noninterest-bearing deposits	90,964			87,710
Other liabilities	44,353			38,405
Shareholders' equity	46,962			46,537

Total liabilities and shareholders' equity	$669,598	$612,152		
Net interest spread				2.39
Impact of noninterest-bearing sources				.82
Net interest income/yield on earning assets			$13,976	3.21 %

<CAPTION>

(Dollars in millions)	1999 Interest Income/ Expense	1999 Yield/ Rate
Earning assets		
Time deposits placed and other short-term investments	$ 222	5.39 %
Federal funds sold and securities purchased under agreements to resell	1,208	5.43
Trading account assets	1,558	5.27
Securities:		
Available-for-sale (1)	3,508	6.13
Held-to-maturity	87	7.13
Total securities	3,595	6.15
Loans and leases (2):		
Commercial - domestic	7,405	7.20
Commercial - foreign	1,444	6.43
Commercial real estate - domestic	1,609	8.30
Commercial real estate - foreign	19	8.69
Total commercial	10,477	7.23
Residential mortgage	4,217	7.15
Home equity lines	923	7.75
Direct/Indirect consumer	2,581	8.17
Consumer finance	1,230	9.20
Bankcard	889	11.67
Foreign consumer	262	9.60
Total consumer	10,102	8.01
Total loans and leases	20,579	7.59
Other earning assets	688	7.38
Total earning assets (3)	27,850	7.05
Cash and cash equivalents		
Other assets, less allowance for credit losses		
Total assets		
Interest-bearing liabilities		
Domestic interest-bearing deposits:		
Savings	220	1.27
NOW and money market deposit accounts	1,735	2.34
Consumer CDs and IRAs	2,602	4.71
Negotiated CDs, public funds and other time deposits	263	5.33
Total domestic interest-bearing deposits	4,820	3.18
Foreign interest-bearing deposits (4):		
Banks located in foreign countries	624	4.91
Governments and official institutions	301	4.94
Time, savings and other	933	4.71
Total foreign interest-bearing deposits	1,858	4.83
Total interest-bearing deposits	6,678	3.52
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	4,188	4.89

Trading account liabilities	468	4.41
Long-term debt (5)	2,605	6.12
Total interest-bearing liabilities (6)	13,939	4.24
Noninterest-bearing sources:		
Noninterest-bearing deposits		
Other liabilities		
Shareholders' equity		
Total liabilities and shareholders' equity		
Net interest spread		2.81
Impact of noninterest-bearing sources		.71
Net interest income/yield on earning assets	$13,911	3.52 %

</TABLE>

(1) The average balance and yield on available-for-sale securities are based on the average of historical amortized cost balances.
(2) Nonperforming loans are included in the average loan balances. Income on such nonperforming loans is recognized on a cash basis.
(3) Interest income includes taxable-equivalent basis adjustments of $228 and $149 for the nine months ended September 30, 2000 and 1999, respectively. Interest income also includes the impact of risk management interest rate contracts, which (decreased) increased interest income on the underlying assets $(17) and $249 for the nine months ended September 30, 2000 and 1999, respectively.
(4) Primarily consists of time deposits in denominations of $100,000 or more.
(5) Long-term debt includes trust preferred securities.
(6) Interest expense includes the impact of risk management interest rate contracts, which (increased) decreased interest expense on the underlying liabilities $(29) and $118 for the nine months ended September 30, 2000 and 1999, respectively.

Noninterest Income

As presented in Table Five, noninterest income decreased $83 million and increased $718 million to $3.6 billion and $11.2 billion for the three months and nine months ended September 30, 2000, respectively, from the comparable 1999 periods. The decrease in noninterest income for the three months ended September 30, 2000 primarily reflects declines in other income and mortgage servicing income partially offset by increases in equity investment gains, trading account profits and investment and brokerage services. The increase in noninterest income for the nine months ended September 30, 2000 reflects increases in equity investment gains, trading account profits, card income, service charges, investment and brokerage services and investment banking income. These increases were partially offset by declines in other income and mortgage servicing income.

<TABLE>
<CAPTION>

Table Five
Noninterest Income

	Three Months Ended September 30		Increase/ (Decrease)		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	Amount	Percent	2000	1999
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Consumer service charges	$ 684	$ 644	$40	6.2 %	$1,948	$1,881
Corporate service charges	489	480	9	1.9	1,457	1,372
Total service charges	1,173	1,124	49	4.4	3,405	3,253
Consumer investment and brokerage services	357	355	2	.6	1,108	1,000

Corporate investment and brokerage services	114	63	51	81.0	340	311
Total investment and brokerage services	471	418	53	12.7	1,448	1,311
Mortgage servicing income	144	206	(62)	(30.1)	408	463
Investment banking income	376	363	13	3.6	1,146	1,017
Equity investment gains	422	339	83	24.5	1,119	628
Card income	594	557	37	6.6	1,634	1,448
Trading account profits	372	313	59	18.8	1,567	1,208
Other income	93	408	(315)	(77.2)	464	1,145
Total	$3,645	$3,728	$(83)	(2.2)%	$11,191	$10,473

<CAPTION>

	Increase/ (Decrease)	
(Dollars in millions)	Amount	Percent
Consumer service charges	$67	3.6 %
Corporate service charges	85	6.2
Total service charges	152	4.7
Consumer investment and brokerage services	108	10.8
Corporate investment and brokerage services	29	9.3
Total investment and brokerage services	137	10.5
Mortgage servicing income	(55)	(11.9)
Investment banking income	129	12.7
Equity investment gains	491	78.2
Card income	186	12.8
Trading account profits	359	29.7
Other income	(681)	(59.5)
Total	$ 718	6.9 %

</TABLE>

The following section discusses the noninterest income results of the Corporation's four business segments, as well as other income for the total Corporation. For additional business segment information, see "Business Segment Operations" beginning on page 25.

Consumer and Commercial Banking

(diamond) Noninterest income for Consumer and Commercial Banking decreased $263 million to $5.1 billion for the nine months ended September 30, 2000. The increase in card income as a result of successful marketing campaigns and higher service charges were offset by a charge in the third quarter related to the deterioration in auto lease residual values, lower mortgage servicing income and lower gains on loan sales and securitizations, causing a five percent decrease in noninterest income for the nine months ended September 30, 2000.

>> Card income includes merchant discount, credit card and debit card fees and interchange income. Card income increased $185 million to $1.6 billion primarily due to increased purchase volume and number of accounts in both the credit card and debit card portfolios resulting in higher interchange income, fee income from the credit card portfolio and servicing income from securitized credit card receivables. Growth in income for the core portfolio is being generated through traditional marketing channels, expanding relationships with existing customers and leveraging the franchise network. Card income included revenue from the securitized portfolio of $159

million for the nine months ended September 30, 2000. Card income included revenue and gains from the securitized portfolio of $149 million for the nine months ended September 30, 1999.

(diamond) Service charges include deposit account service charges, non-deposit service charges and fees, bankers' acceptances and letters of credit fees and fees on factored accounts receivable. Service charges increased $94 million to $2.6 billion for the nine months ended September 30, 2000 due to an increase in both consumer and corporate service charges. Consumer service charges increased $64 million primarily due to overdraft charges and general banking service fees. Corporate service charges increased $30 million primarily attributable to overdraft charges and bankers' acceptances and letters of credit fee income.

(diamond) Mortgage servicing income decreased $55 million to $408 million for the nine months ended September 30, 2000, primarily reflecting an adjustment in the prior year to mortgage servicing rights to reflect lower expected mortgage prepayments. The average managed portfolio of mortgage loans serviced increased $40.8 billion to $325.5 billion. Total production of first mortgage loans originated through the Corporation decreased $20.6 billion to $40.5 billion, reflecting a slowdown in refinancings as a result of a general increase in levels of interest rates. First mortgage loan origination volume was composed of approximately $16.4 billion of retail loans and $24.1 billion of correspondent and wholesale loans.

>> In conducting its mortgage production activities, the Corporation is exposed to interest rate risk for the periods between the loan commitment date and the loan funding date. To manage this risk, the Corporation enters into various financial instruments including forward delivery contracts, Euro dollar futures and option contracts. The notional amount of such contracts was $8.1 billion at September 30, 2000 with associated net unrealized losses of $32 million. At December 31, 1999, the notional amount of such contracts was $2.7 billion with associated net unrealized gains of $18 million. These contracts have an average expected maturity of less than 90 days. To manage risk associated with changes in prepayment rates and the impact on mortgage servicing rights, the Corporation uses various financial instruments including options and certain swap contracts. At September 30, 2000, deferred net gains from mortgage servicing rights hedging activity were $181 million, comprised of unamortized realized deferred gains of $231 million and unrealized losses of $50 million on closed and open positions, respectively. At December 31, 1999, deferred net losses from mortgage servicing rights hedging activity were $20 million, comprised of unamortized realized deferred gains of $313 million and unrealized losses of $333 million on closed and open positions, respectively. Notional amounts of hedge instruments used for mortgage servicing rights hedging activities were $48.1 billion and $43.4 billion at September 30, 2000 and December 31, 1999, respectively.

Asset Management

(diamond) Noninterest income for Asset Management increased $51 million to $1.2 billion for the nine months ended September 30, 2000. The increase was primarily attributable to increased investment and brokerage services, partially offset by gains in 1999 on the disposition of certain businesses.

>> Investment and brokerage services include personal and institutional asset management fees and consumer brokerage fees. Income from investment and brokerage services increased $81 million to $1.1 billion. This increase was primarily attributable to higher revenue from consumer investment and brokerage services reflecting new asset management business and market growth combined with productivity increases in consumer brokerage.

Global Corporate and Investment Banking

(diamond) Noninterest income for Global Corporate and Investment Banking increased $462 million to $3.8 billion for the nine months ended September 30, 2000. The increase was due to increases in trading account profits, investment banking income and corporate service charges.

>> Trading account profits represent the net amount earned from the Corporation's trading positions, which include trading account assets and liabilities as well as derivative-dealer positions. These transactions include positions to meet customer demand as well as for the Corporation's own trading account. Trading positions are taken in a diverse range of financial instruments and markets. The profitability of these trading positions is largely dependent on the volume and type of transactions, the level of risk assumed, and the volatility of price and rate movements. Trading account profits, as reported in the Consolidated Statement of Income, includes neither the net interest recognized on interest-earning and interest-bearing trading positions, nor the related funding charge or benefit. Trading account profits, as well as trading-related net interest income ("trading-related revenue"), are presented in the table below as they are both considered in evaluating the overall profitability of the Corporation's trading positions. Trading-related revenue is derived from foreign exchange spot, forward and cross-currency contracts, fixed income and equity securities and derivative contracts in interest rates, equities, credit and commodities.

Trading-related revenue increased $618 million to $2.3 billion for the nine months ended September 30, 2000, primarily due to interest rate contracts and equities (including equity derivatives), partially offset by decreases in foreign exchange contracts, fixed income and commodities and other contracts. Revenue from equities increased $587 million to $925 million. The increase reflects continued growth of this business through enhanced client deal activity and volatility in equity markets. Income from interest rate contracts increased $127 million to $571 million. The increase was primarily attributable to market volatility driven by interest rate uncertainty, coupled with stronger client activity in domestic and international markets. Foreign exchange revenue decreased $52 million to $400 million due primarily to reduced volatility in the current year. Fixed income decreased $20 million to $360 million primarily attributable to spread widening and a decline in customer demand.

<TABLE>
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	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Trading account profits - as reported	$372	$313	$1,567	$1,208
Net interest income	252	161	735	476
Total trading-related revenue	$624	$474	$2,302	$1,684
Trading-related revenue by product				
Foreign exchange contracts	$110	$140	$400	$452
Interest rate contracts	88	104	571	444
Fixed income	118	84	360	380
Equities	302	116	925	338
Commodities and other	6	30	46	70
Total trading-related revenue	$624	$474	$2,302	$1,684

</TABLE>

(diamond) Investment banking income increased $129 million to $1.1 billion for the nine months ended September 30, 2000. The increase primarily reflects an increase of $150 million to $489 million in securities underwriting fees, attributable to continued growth in equity underwriting. Advisory services fees increased $51 million to $227 million primarily attributable to strong revenue from a higher volume of merger and acquisition deals in the first quarter. Syndication fees increased $27 million to $384 million, reflecting the Corporation's continued strong position as a lead arranger on syndications. Investment banking income by major activity follows:

	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
Investment banking income				
Securities underwriting	$160	$119	$489	$339
Syndications	130	167	384	357
Advisory services	69	52	227	176
Other	17	25	46	145

Total	$376	$363	$1,146	$1,017

(diamond) Corporate service charges increased $59 million to $780 million for the nine months ended September 30, 2000, driven by an increase in non-deposit and deposit account service charges, partially offset by a decline in bankers' acceptances and letters of credit fees.

Equity Investments

(diamond) Noninterest income for Equity investments increased $468 million to $1.1 billion for the nine months ended September 30, 2000. This increase was driven by strong equity investment gains.

>> Equity investment gains increased $478 million to $1.0 billion and included principal investing gains of $808 million and gains in the strategic technology and alliances area of $231 million.

Other Income

Other income for the Corporation decreased $681 million to $464 million for the nine months ended September 30, 2000 reflecting a $186 million charge related to the deterioration of auto lease residual values in the third quarter, the absence of securitization gains and lower loan sales gains in 2000, and a gain on the sale of certain businesses in 1999.

Other Noninterest Expense

As presented in Table Six, the Corporation's other noninterest expense decreased $116 million and increased $10 million to $4.4 billion and $13.4 billion for the three months and nine months ended September 30, 2000, respectively, from the comparable 1999 periods. The decrease for the three months ended was primarily attributable to declines in professional fees, personnel and equipment expenses. The increase for the nine months ended was primarily attributable to increases in personnel, other general operating and occupancy expenses, partially offset by decreases in professional fees, equipment, data processing and marketing expenses.

<TABLE>
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Table Six
Other Noninterest Expense

	Three Months Ended September 30		Increase/ (Decrease)		Nine Months Ended September 30		Increase/ (Decrease)	
(Dollars in millions)	2000	1999	Amount	Percent	2000	1999	Amount	Percent
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Personnel	$2,298	$2,336	$ (38)	(1.6)%	$7,143	$6,930	$213	3.1 %
Occupancy	419	417	2	.5	1,248	1,208	40	3.3
Equipment	285	313	(28)	(8.9)	882	1,010	(128)	(12.7)
Marketing	147	145	2	1.4	398	439	(41)	(9.3)
Professional fees	100	160	(60)	(37.5)	298	452	(154)	(34.1)
Amortization of intangibles	215	222	(7)	(3.2)	650	669	(19)	(2.8)
Data processing	167	164	3	1.8	495	568	(73)	(12.9)
Telecommunications	127	131	(4)	(3.1)	391	407	(16)	(3.9)
Other general operating	509	498	11	2.2	1,529	1,364	165	12.1
General administrative and other	143	140	3	2.1	412	389	23	5.9
Total	$4,410	$4,526	$ (116)	(2.6)%	$13,446	$13,436	$10	.1 %

</TABLE>

(diamond) Personnel expense decreased $38 million and increased $213 million to $2.3 billion and $7.1 billion for the three months and nine months ended September 30, 2000, respectively. The decrease for the three months ended September 30, 2000 was primarily attributable to lower revenue-related incentive compensation. The increase for the nine months ended September 30, 2000 was primarily attributable to higher employee benefits and higher revenue-related incentive compensation from the first half of the year.

(diamond) Equipment expense decreased $28 million and $128 million to $285 million and $882 million for the three months and nine months ended September 30 2000, respectively. For the three months ended September 30, 2000 the decrease primarily reflects a decline in depreciation expense, partially offset by an increase in rental expense. For the nine months ended September 30, 2000 the decrease reflects a decline in repairs and maintenance expense and a reduction in purchases of non-capitalized equipment.

(diamond) Marketing expense decreased $41 million to $398 million for the nine months ended September 30, 2000, primarily due to timing differences related to the underlying marketing efforts across the Corporation.

(diamond) Professional fees declined $60 million and $154 million to $100 million and $298 million for the three months and nine months ended September 30, 2000, respectively. For both periods, the declines primarily reflect lower consulting fees.

(diamond) Data processing expense decreased $73 million to $495 million for the nine months ended September 30, 2000. The decrease primarily reflects declines in software-related expense, item processing and check clearing expense from the first half of the year.

(diamond) Other general operating expense increased $165 million to $1.5 billion for the nine months ended September 30, 2000. The increase primarily reflects litigation costs from the first quarter related to pre-Merger lawsuits.

Income Taxes

The Corporation's income tax expense for the three months and nine months ended September 30, 2000 was $1.0 billion and $3.5 billion, respectively, for an effective tax rate of 35.9 percent and 36.4 percent, respectively. Excluding merger and restructuring charges, the effective tax rate for the three months and nine months ended September 30, 2000 was 36.1 percent and 36.4 percent, respectively. The Corporation's income tax expense for the three months and nine months ended September 30, 1999 was $1.2 billion and $3.4 billion, respectively, for an effective tax rate of 35.7 percent and 36.1 percent, respectively. Excluding merger and restructuring charges, the effective tax rate for the three months and nine months ended September 30, 1999 was 35.7 percent and 35.9 percent, respectively.

Balance Sheet Review and Liquidity Risk Management

The Corporation utilizes an integrated approach in managing its Balance Sheet which includes management of interest rate sensitivity, credit risk, liquidity risk and its capital position. Going forward, the Corporation's goal is to keep risk-weighted assets relatively flat over the next two years as reductions in categories with lower returns offset underlying core growth. The discussion of average balances below compares the nine months ended September 30, 2000 to the same period in 1999. With the exception of average managed loans, the average balances discussed below can be derived from Table Four.

In looking at the Corporation's assets, average loans and leases, the Corporation's primary use of funds, increased $28.0 billion to $390.3 billion for the nine months ended September 30, 2000. Adjusting for securitizations, sales and divestitures, average managed loans and leases increased $41.1 billion to $417.4 billion for the nine months ended September 30, 2000. This increase was primarily due to a strong $31.0 billion, or 17 percent, consumer loan growth.

The majority of consumer loan growth occurred in residential real estate secured loan products including residential mortgages, home equity lines and consumer finance. Average managed residential mortgages increased $20.2 billion to $94.3 billion, reflecting increased originations and subsequent retention of adjustable-rate mortgages on the Balance Sheet. Average managed consumer finance loans increased $6.6 billion to $32.3 billion. Average managed home equity lines increased $3.1 billion to $18.9 billion, reflecting the impact of new marketing programs and lower prepayments.

Average managed commercial loans increased $10.0 billion to $207.1 billion for the nine months ended September 30, 2000. Domestic commercial loans reflected growth of $9.9 billion to $152.4 billion, due to strong growth in the Consumer and Commercial Banking and Asset Management business segments. This domestic growth was partially offset by strategic reductions in foreign commercial loans of $1.1 billion.

The average securities portfolio for the nine months ended September 30, 2000 increased $7.8 billion to $85.8 billion, representing 13 percent of total uses of funds for the nine months ended September 30, 2000. See the following "Securities" section for additional information on the securities portfolio.

Average other assets and cash and cash equivalents increased $3.9 billion to $88.6 billion for the nine months ended September 30, 2000 due largely to increases in the average balances of derivative-dealer assets and mortgage servicing rights.

At September 30, 2000, cash and cash equivalents were $24.4 billion, a decrease of $2.6 billion from December 31, 1999. During the nine months ended September 30, 2000, net cash provided by operating activities was $2.8 billion, net cash used in investing activities was $27.9 billion and net cash provided by financing activities was $22.5 billion. For further information on cash flows, see the Consolidated Statement of Cash Flows of the consolidated financial statements.

On the liability side of the Balance Sheet, average levels of customer-based funds increased $8.6 billion to $298.9 billion for the nine months ended September 30, 2000 primarily due to increases in consumer time deposits and noninterest-bearing demand deposits. As a percentage of total sources, average levels of customer-based funds decreased to 45 percent for the nine months ended September 30, 2000 from 47 percent.

Average levels of market-based funds increased $29.8 billion for the nine months ended September 30, 2000 to $210.0 billion. In addition, average levels of long-term debt increased $12.6 billion to $69.4 billion for the nine months ended September 30, 2000 mainly the result of borrowings to fund earning asset growth, business development opportunities, build liquidity, repay maturing debt and fund share repurchases.

In conjunction with its funding activities, the Corporation carefully monitors its liquidity position - the ability to fulfill its cash requirements. The Corporation assesses its liquidity requirements and modifies its assets and liabilities accordingly. This process, coupled with the Corporation's ability to raise capital and debt financing, is designed to cover the liquidity needs of the Corporation. The Corporation also takes into consideration the ability of its subsidiary banks to pay dividends to the Corporation. For additional information on the dividend capabilities of subsidiary banks, see Note Twelve of the Corporation's 1999 Annual Report on Form 10-K. Management believes that the Corporation's sources of liquidity are more than adequate to meet its cash requirements.

Securities

The securities portfolio at September 30, 2000 consisted of available-for-sale securities totaling $79.7 billion compared to $81.7 billion at December 31, 1999. Held-to-maturity securities totaled $1.4 billion at both September 30, 2000 and December 31, 1999.

The valuation allowance for available-for-sale and marketable equity securities is included in shareholders' equity. At September 30, 2000 the valuation allowance consists of unrealized losses of $1.6 billion, net of related income taxes of $877 million, primarily reflecting market valuation adjustments of $2.5 billion pre-tax net unrealized losses on available-for-sale securities and $32 million pre-tax net unrealized gains on marketable equity securities. At December 31, 1999 the valuation allowance reflects unrealized losses of $2.5 billion, net of related income taxes of $1.1 billion, primarily reflecting market valuation adjustments of $3.8 billion pre-tax net unrealized losses on available-for-sale securities and $248 million pre-tax net unrealized gains on marketable equity securities.

At September 30, 2000 and December 31, 1999, the market value of the Corporation's held-to-maturity securities reflected pre-tax net unrealized losses of $73 million and $152 million, respectively.

The estimated average duration of the available-for-sale securities portfolio was 4.01 years at September 30, 2000 compared to 4.05 years at December 31, 1999.

Capital Resources and Capital Management

Shareholders' equity at September 30, 2000 was $46.9 billion compared to $44.4 billion at December 31, 1999, an increase of $2.5 billion. The increase was in part due to net earnings (net income less dividends) of $3.7 billion, partially offset by the repurchase of 50 million shares of common stock for approximately $2.4 billion. The remaining increase of $1.2 billion was due to changes in net unrealized gains on available-for-sale and marketable equity securities, the issuance of restricted stock and the exercise of employee stock options.

On July 26, 2000, the Corporation's Board of Directors (the Board) authorized a new stock repurchase program of up to 100 million shares of the Corporation's common stock at an aggregate cost of up to $7.5 billion.

On June 23, 1999, the Board authorized the repurchase of up to 130 million shares of the Corporation's common stock at an aggregate cost of up to $10.0 billion. Through September 30, 2000, the Corporation had repurchased 128 million shares of its common stock in open market repurchases and under accelerated share repurchase programs at an average per-share price of $57.18 which reduced shareholders' equity by $7.3 billion. The remaining buyback authority for common stock under the 1999 program totaled $2.7 billion or two million shares at September 30, 2000.

Presented below are the regulatory risk-based capital ratios and capital amounts for the Corporation and Bank of America, N.A. at September 30, 2000 and December 31, 1999. The Corporation and Bank of America, N.A. were considered "well-capitalized" at September 30, 2000.

<TABLE>
<CAPTION>

	September 30, 2000		December 31, 1999	
(Dollars in millions)	Ratio	Amount	Ratio	Amount
<S>	<C>	<C>	<C>	<C>
Tier 1 Capital				
Bank of America Corporation	7.32 %	$40,696	7.35 %	$38,651
Bank of America, N.A.	7.78	39,721	7.78	38,616
Total Capital				
Bank of America Corporation	10.80	60,063	10.88	57,192
Bank of America, N.A.	10.80	55,129	10.91	54,132
Leverage				
Bank of America Corporation	6.06	40,696	6.26	38,651
Bank of America, N.A.	6.64	39,721	6.74	38,616

</TABLE>

The regulatory capital guidelines measure capital in relation to the credit and market risks of both on- and off-balance sheet items using various risk weights. Under the regulatory capital guidelines, Total Capital consists of three tiers of capital. Tier 1 Capital includes common shareholders' equity and qualifying preferred stock less goodwill and other adjustments. Tier 2 Capital consists of preferred stock not qualifying as Tier 1 Capital, mandatory convertible debt, limited amounts of subordinated debt, other qualifying term debt and the allowance for credit losses up to 1.25 percent of risk-weighted assets. Tier 3 Capital includes subordinated debt that is unsecured, fully paid, has an original maturity of at least two years, is not redeemable before maturity without prior approval by the Federal Reserve Board and includes a lock-in clause precluding payment of either interest or principal if the payment would cause the issuing bank's risk-based capital ratio to fall or remain below the required minimum. The sum of Tier 1 and Tier 2 Capital less investments in unconsolidated banking and finance subsidiaries represents qualifying total capital, at least 50 percent of which must consist of Tier 1 Capital. Risk-based capital ratios are calculated by dividing Tier 1 and Total Capital by risk-weighted assets. In calculating risk-weighed assets, assets and off-balance sheet exposures are assigned to one of four categories of risk-weights, based primarily on relative credit risk. At September 30, 2000, the Corporation had no subordinated debt that qualified as Tier 3 Capital.

At September 30, 2000, the regulatory risk-based capital ratios of the Corporation and Bank of America, N.A. exceeded the regulatory minimums of four percent for Tier 1 risk-based capital ratio, eight percent for total risk-based capital ratio and the leverage guidelines of 100 to 200 basis points above the minimum ratio of three percent.

Credit Risk Management and Credit Portfolio Review

The following section discusses credit risk in the loan portfolio. The Corporation's primary credit exposure is concentrated in its loans and leases portfolio, which totaled $402.6 billion and $370.7 billion at September 30, 2000 and December 31, 1999, respectively. In an effort to minimize the adverse impact of any single event or set of occurrences, the Corporation strives to maintain a diverse credit portfolio. Table Seven presents the distribution of loans and leases, nonperforming assets and net charge-offs by

category. Additional information on the Corporation's real estate, industry and foreign exposure can be found in the Concentrations of Credit Risk section beginning on page 53.

<TABLE>
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Table Seven
Distribution of Loans and Leases, Nonperforming Assets and Net Charge-offs

	Loans and Leases				Nonperforming Assets	
	September 30 2000		December 31 1999		September 30 2000	December 31 1999
(Dollars in millions)	Amount	Percent	Amount	Percent	Amount	Amount
Commercial - domestic	$149,566	37.2 %	$143,450	38.7 %	$1,950	$1,163
Commercial - foreign	30,482	7.6	27,978	7.5	564	486
Commercial real estate - domestic	26,275	6.5	24,026	6.5	136	191
Commercial real estate - foreign	248	.1	325	.1	1	3
Total commercial	206,571	51.3	195,779	52.8	2,651	1,843
Residential mortgage	94,114	23.4	81,860	22.1	502	529
Home equity lines	20,666	5.1	17,273	4.7	47	46
Direct/Indirect consumer	41,915	10.4	42,161	11.4	19	19
Consumer finance	25,446	6.3	22,326	6.0	951	598
Bankcard	11,691	2.9	9,019	2.4	-	-
Foreign consumer	2,189	.5	2,244	.6	7	7
Total consumer	196,021	48.7	174,883	47.2	1,526	1,199
Total nonperforming loans					4,177	3,042
Foreclosed properties					226	163
Total	$402,592	100.0 %	$370,662	100.0 %	$4,403	$3,205
Nonperforming assets as a percentage of:						
Total assets					.65 %	.51 %
Loans, leases and foreclosed properties					1.09	.86
Loans past due 90 days or more and not classified as nonperforming					$503	$ 521

</TABLE>

<TABLE>
<CAPTION>

Net Charge-offs(1)

	Three Months Ended September 30				Nine Months Ended September 30			
	2000		1999		2000		1999	
(Dollars in millions)	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Commercial - domestic	$185	.48 %	$192	.56 %	$583	.52 %	$520	.51 %
Commercial - foreign	23	.30	9	.13	52	.24	122	.54
Commercial real estate - domestic	(2)	n/m	1	.03	10	.05	(7)	n/m
Commercial real estate - foreign	-	.21	-	-	(2)	n/m	1	.37
Total commercial	206	.39	202	.42	643	0.42	636	.44
Residential mortgage	6	.03	10	.05	14	.02	22	.04
Home equity lines	2	.04	1	.01	8	.05	8	.06
Direct/Indirect consumer	61	.57	82	.77	213	.68	260	.83
Consumer finance	68	1.08	67	1.35	184	1.02	157	1.18
Bankcard	79	2.89	93	4.11	237	3.30	401	5.26
Other consumer - domestic	12	n/m	(1)	n/m	24	n/m	(1)	n/m
Foreign consumer	1	.20	6	.67	2	.14	16	.58
Total consumer	229	.47	258	.60	682	.49	863	.68
Total	$435	.43 %	$460	.51 %	$1,325	.45 %	$1,499	.55 %
Managed bankcard net charge-offs and ratios(2)	$216	4.15 %	$233	4.83 %	$710	4.79 %	$821	5.66 %

</TABLE>

n/m = not meaningful

(1) Percentage amounts are calculated as annualized net charge-offs divided by average oustanding loans and leases during the period for each loan category.

(2) Includes both on-balance sheet and securitized loans.

Commercial Portfolio

At September 30, 2000 and December 31, 1999, total commercial loans outstanding totaled $206.6 billion and $195.8 billion, respectively, or 51 percent and 53 percent of total loans and leases, respectively, of which 85 percent and 86 percent, respectively, were domestic.

Commercial - domestic loans outstanding totaled $149.6 billion and $143.5 billion at September 30, 2000 and December 31, 1999, or 37 percent and 39 percent of total loans and leases, respectively. The Corporation had commercial - - domestic loan net charge-offs of $583 million, or 0.52 percent of average commercial - domestic loans for the nine months ended September 30, 2000, compared to $520 million, or 0.51 percent of average commercial - domestic loans for the same period in 1999. Net charge-offs increased primarily due to a single fraud-related credit charged off in the second quarter of 2000. Nonperforming commercial - domestic loans were $2.0 billion, or 1.30 percent of commercial - domestic loans at September 30, 2000, compared to $1.2 billion, or 0.81 percent of commercial - domestic loans at December 31, 1999. The increase was primarily due to commercial - domestic loans in the financial services, theater and paging industries. Commercial - domestic loans past due 90 days or more and still accruing interest were $151 million at September 30, 2000, compared to $135 million at December 31, 1999, or 0.10 percent and 0.09 percent of commercial - domestic loans, respectively.

In connection with decisions to exit certain businesses and sell certain loans, approximately $864 million in commercial - domestic loans, net of related reserves of $84 million, were transferred to assets held-for-sale during the third quarter of 2000. This transfer included approximately $63 million in loans that would be classified as nonperforming loans had they not been transferred to assets held-for-sale. Subsequent to September 30, 2000, approximately $376 million of these loans were sold to a third party.

Commercial - foreign loans outstanding totaled $30.5 billion and $28.0 billion at September 30, 2000 and December 31, 1999, respectively, or eight percent of total loans and leases at both points in time. The Corporation had commercial - foreign loan net charge-offs for the nine months ended September 30, 2000 of $52 million, or 0.24 percent of average commercial - foreign loans, compared to $122 million, or 0.54 percent of average commercial - foreign loans for the same period in 1999. Nonperforming commercial - foreign loans were $564 million, or 1.85 percent of commercial - foreign loans at September 30, 2000, compared to $486 million, or 1.74 percent at December 31, 1999. Commercial - foreign loans past due 90 days or more and still accruing interest were $60 million at September 30, 2000, compared to $58 million at December 31, 1999, or 0.20 percent and 0.21 percent of commercial - foreign loans, respectively. For additional information see the Regional Foreign Exposure discussion beginning on page 55.

Commercial real estate - domestic loans totaled $26.3 billion and $24.0 billion at September 30, 2000 and December 31, 1999, respectively, or seven percent of total loans and leases at both points in time. Net charge-offs remained negligible at $10 million, or 0.05 percent of average commercial real estate - domestic loans for the nine months ended September 30, 2000. Nonperforming commercial real estate - domestic loans were $136 million at September 30, 2000, compared to $191 million at December 31, 1999. At September 30, 2000, commercial real estate - domestic loans past due 90 days or more and still accruing interest were $5 million, or 0.02 percent of total commercial real estate - domestic loans, compared to $6 million, or 0.02 percent at December 31, 1999. Table Nine displays commercial real estate loans by geographic region and property type, including the portion of such loans which are nonperforming, and other real estate credit exposures.

Table Ten presents aggregate commercial loan and lease exposures by certain significant industries.

Consumer Portfolio

At September 30, 2000 and December 31, 1999, total consumer loans outstanding totaled $196.0 billion and $174.9 billion, respectively, or 49 percent and 47 percent of total loans and leases, respectively, of which approximately 67 percent were secured by first and second mortgages on residential real estate. Additional information on components of, and changes in the Corporation's consumer loan portfolio can be found in the average earning asset discussion within the "Net Interest Income" section on page 36 and "Balance Sheet Review and Liquidity Risk Management" section on page 46.

Residential mortgage loans increased to $94.1 billion at September 30, 2000, compared to $81.9 billion at December 31, 1999. Net charge-offs on residential mortgage loans remained negligible at $14 million, or 0.02 percent of average residential mortgage loans for the nine months ended September 30, 2000. Nonperforming residential mortgage loans decreased $27 million to $502 million at September 30, 2000 compared to December 31, 1999.

Consumer bankcard receivables increased to $11.7 billion at September 30, 2000, compared to $9.0 billion at December 31, 1999. Net charge-offs on bankcard receivables for the nine months ended September 30, 2000 decreased $164 million from the same period in 1999 to $237 million, or 3.30 percent of average bankcard receivables. The decrease resulted from portfolio sales in 1999 and continued declines in delinquency levels and bankruptcy filing rates. Bankcard loans past due 90 days or more and still accruing interest were $139 million, or 1.20 percent of bankcard receivables at September 30, 2000, compared to $138 million, or 1.53 percent at December 31, 1999.

Consumer finance loans outstanding totaled $25.4 billion and $22.3 billion at September 30, 2000 and December 31, 1999, respectively, or six percent of total loans and leases at both points in time. The Corporation had consumer finance net charge-offs of $184 million, or 1.02 percent of average consumer finance loans for the nine months ended September 30, 2000, compared to $157 million, or 1.18 percent for the nine months ended September 30, 1999. Consumer finance nonperforming loans increased to $951 million at September 30, 2000 from $598 million at December 31, 1999 reflecting continued growth and seasoning in this portfolio.

Other domestic consumer loans, which include direct and indirect consumer loans and home equity lines of credit increased to $62.6 billion at September

30, 2000, compared to $59.4 billion at December 31, 1999. Direct and indirect consumer loan charge-offs were $213 million, or 0.68 percent of average direct and indirect consumer loans outstanding, for the nine months ended September 30, 2000, compared to $260 million, or 0.83 percent of the average balance outstanding, for the comparable period in 1999. Home equity line charge-offs remained negligible at $8 million, or .05 percent of average home equity lines outstanding, for the nine months ended September 30, 2000.

Excluding bankcard, total consumer loans past due 90 days or more and still accruing interest were $148 million, or 0.07 percent of total consumer loans at September 30, 2000, compared to $184 million or 0.11 percent at December 31, 1999.

In 1999, the Federal Financial Institutions Examination Council (FFIEC) issued The Uniform Classification and Account Management Policy (the Policy) which provides guidance for and promotes consistency among banks on the treatment of delinquent and bankruptcy-related consumer loans. The Corporation is required to implement the Policy by December 31, 2000 and expects to be in full compliance with the Policy by that date. The Corporation estimates additional charge-offs in the consumer portfolio, primarily within the consumer finance products, of approximately $100 million in the fourth quarter to comply with the Policy.

Nonperforming Assets

As presented in Table Seven, nonperforming assets increased to $4.4 billion, or 1.09 percent of loans, leases and foreclosed properties at September 30, 2000 from $3.2 billion or 0.86 percent at December 31, 1999. Nonperforming loans increased to $4.2 billion at September 30, 2000 from $3.0 billion at December 31, 1999, primarily due to an increase in commercial - domestic nonperforming loans and higher real estate secured consumer finance nonperformers as discussed above. The allowance coverage of nonperforming loans was 161 percent at September 30, 2000 compared to 224 percent at December 31, 1999. Foreclosed properties increased to $226 million at September 30, 2000 compared to $163 million at December 31, 1999.

The Corporation expects credit quality to continue to deteriorate, which will affect both nonperforming loans and net charge-off levels. In November 2000, one large commercial credit in the consumer services industry was classified as nonperforming. As a result of this and other deterioration in credit quality, the Corporation believes the increase in nonperforming loans in the fourth quarter will exceed the 13 percent growth experienced in the third quarter. The potential charge-off related to this single credit, combined with the additional $100 million in charge-offs related to the implementation of the new FFIEC policy (discussed above), and further weakness in the economy could all contribute to net charge-off amounts more than double those recorded in the third quarter. As a result of fourth quarter charge-offs at this level, the Corporation at this time believes its net charge-offs for the year as a percentage of average loans and leases will be approximately 60 basis points. The Corporation anticipates recording a provision for loan losses in an amount at least equal to its net charge-offs in the fourth quarter.

The Corporation believes its size, geographic reach, product and industry mix afford a level of diversification which provides protection from a single customer, industry or geographic credit problem.

In order to respond when deterioration of a credit occurs, internal loan workout units are devoted to providing specialized expertise and full-time management and/or collection of certain nonperforming assets as well as certain performing loans. Management believes concerted collection strategies and a proactive approach to managing overall problem assets have expedited the disposition, collection and renegotiation of nonperforming and other lower-quality assets. As part of this process, management routinely evaluates all reasonable alternatives, including the sale of assets individually or in groups, and selects the optimal strategy.

Note Five of the consolidated financial statements provides the reported investment in specific loans considered to be impaired at September 30, 2000 and December 31, 1999. The Corporation's investment in specific loans that were considered to be impaired at September 30, 2000 was $3.5 billion, compared to $2.1 billion at December 31, 1999. Commercial - domestic impaired loans increased $1.4 billion to $2.6 billion at September 30, 2000, compared to December 31, 1999. Commercial - foreign impaired loans increased $84 million to $587 million at September 30, 2000 compared to December 31, 1999. Commercial real estate - domestic impaired loans decreased $136 million to $313 million at September 30, 2000, compared to December 31, 1999.

Allowance for Credit Losses

The Corporation performs periodic and systematic detailed reviews of its loan and lease portfolios to identify risks inherent in and to assess the overall collectibility of those portfolios. Certain homogeneous loan portfolios are evaluated collectively based on individual loan type while remaining portfolios are reviewed on an individual loan basis. These detailed reviews, combined with historical loss experience and other factors, result in the identification and quantification of specific allowances for credit losses and loss factors which are used in determining the amount of the allowance and related provision for credit losses. The actual amount of incurred credit losses that may be confirmed may vary from the estimate of incurred losses due to changing economic conditions or changes in industry or geographic concentrations. The Corporation has procedures in place to monitor differences between estimated and actual incurred credit losses. These procedures include detailed periodic assessments by senior management of both individual loans and credit portfolios and the models used to estimate incurred credit losses in those portfolios.

Portions of the allowance for credit losses are assigned to cover the estimated probable incurred losses in each loan and lease category based on the results of the Corporation's detailed review process as described above. Further assignments are made based on general and specific economic conditions, as well as performance trends within specific portfolio segments and individual concentrations of credit, including geographic and industry concentrations. The assigned portion of the allowance for credit losses continues to be weighted toward the commercial loan portfolio, which reflects a higher level of nonperforming loans and the potential for higher individual losses. The remaining unassigned portion of the allowance for credit losses, determined separately from the procedures outlined above, addresses certain industry and geographic concentrations, including global economic conditions. This procedure helps to minimize the risk related to the margin of imprecision inherent in the estimation of the assigned allowance for credit losses. Due to the subjectivity involved in the determination of the unassigned portion of the allowance for credit losses, the relationship of the unassigned component to the total allowance for credit losses may fluctuate from period to period. Management evaluates the adequacy of the allowance for credit losses based on the combined total of the assigned and unassigned components and believes that the allowance for credit losses reflects management's best estimate of incurred credit losses as of the balance sheet date.

The nature of the process by which the Corporation determines the appropriate allowance for credit losses requires the exercise of considerable judgment. After review of all relevant matters affecting loan collectibility, management believes that the allowance for credit losses is appropriate given its analysis of estimated incurred credit losses at September 30, 2000. Table Eight provides the changes in the allowance for credit losses for the three months and nine months ended September 30, 2000 and 1999.

<TABLE>
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Table Eight
Allowance For Credit Losses

	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in millions)	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Balance, beginning of period	$ 6,815	$ 7,096	$ 6,828	$ 7,122
Loans and leases charged off				
Commercial - domestic	(214)	(213)	(671)	(597)
Commercial - foreign	(33)	(14)	(80)	(132)
Commercial real estate - domestic	(3)	(6)	(25)	(13)
Commercial real estate - foreign	(1)	-	(1)	(1)
Total commercial	(251)	(233)	(777)	(743)
Residential mortgage	(8)	(11)	(22)	(26)
Home equity lines	(4)	(4)	(14)	

				(17)
Direct/Indirect consumer	(102)	(125)	(357)	(392)
Consumer finance	(112)	(101)	(294)	(283)
Bankcard	(92)	(120)	(277)	(459)
Other consumer - domestic	(16)	1	(32)	1
Foreign consumer	(1)	(7)	(3)	(19)
Total consumer	(335)	(367)	(999)	(1,195)
Total loans and leases charged off	(586)	(600)	(1,776)	(1,938)
Recoveries of loans and leases previously charged off				
Commercial - domestic	29	21	88	77
Commercial - foreign	10	5	28	10
Commercial real estate - domestic	5	5	15	20
Commercial real estate - foreign	1	-	3	-
Total commercial	45	31	134	107
Residential mortgage	2	1	8	4
Home equity lines	2	3	6	9
Direct/Indirect consumer	41	43	144	132
Consumer finance	44	34	110	126
Bankcard	13	27	40	58
Other consumer - domestic	4	-	8	-
Foreign consumer	-	1	1	3
Total consumer	106	109	317	332
Total recoveries of loans and leases previously charged off	151	140	451	439
Net charge-offs	(435)	(460)	(1,325)	(1,499)
Provision for credit losses	435	450	1,325	1,470
Other, net	(76)	(10)	(89)	(17)
Balance, September 30	$ 6,739	$ 7,076	$ 6,739	$ 7,076
Loans and leases outstanding at September 30	$402,592	$360,236	$402,592	$360,236
Allowance for credit losses as a percentage of loans and leases outstanding at September 30	1.67 %	1.96 %	1.67 %	1.96 %
Average loans and leases outstanding during the period	$402,763	$361,400	$390,296	$362,302
Annualized net charge-offs as a percentage of average outstanding loans and leases during the period	.43 %	.51 %	.45 %	.55 %
Allowance for credit losses as a percentage of				

nonperforming loans at end of period	161.32	251.85	161.32	251.85

</TABLE>

Concentrations of Credit Risk

In an effort to minimize the adverse impact of any single event or set of occurrences, the Corporation strives to maintain a diverse credit portfolio as outlined in Tables Seven, Nine, Ten and Eleven.

The Corporation maintains an extremely diverse commercial loan portfolio, representing 51 percent of total loans and leases, with the largest concentration in commercial real estate, which represents seven percent of total loans and leases. The exposure presented in Table Nine represents credit extensions for real estate-related purposes to borrowers or counterparties who are primarily in the real estate development or investment business and for which the ultimate repayment of the credit is dependent on the sale, lease, rental or refinancing of the real estate. The exposure included in the table does not include credit extensions which were made on the general creditworthiness of the borrower for which real estate was obtained as security and for which the ultimate repayment of the credit is not dependent on the sale, lease, rental or refinancing of the real estate. Accordingly, the exposure presented does not include commercial loans secured by owner-occupied real estate, except where the borrower is a real estate developer.

Table Nine
Commercial Real Estate Loans, Foreclosed Properties
and Other Real Estate Credit Exposure
<TABLE>
<CAPTION>

September 30, 2000

(Dollars in millions)	Loans Outstanding	Loans Nonperforming	Foreclosed Properties (1)	Other Credit Exposure (2)
<S>	<C>	<C>	<C>	<C>
By Geographic Region (3)				
California	$5,879	$ 9	$4	$ 653
Southwest	3,918	15	2	476
Northwest	2,745	3	-	70
Midwest	2,698	31	22	238
Florida	2,638	25	1	266
Mid-Atlantic	1,621	11	-	433
Carolinas	1,337	8	1	57
Midsouth	1,242	3	2	86
Northeast	1,035	21	-	890
Other states	2,144	10	39	131
Non-US	248	1	-	5
Geographically diversified	1,018	-	-	-
Total	$26,523	$137	$71	$3,305
By Property Type				
Apartments	$4,837	$10	$ -	$ 698
Office buildings	4,944	11	2	700
Shopping centers/retail	3,271	23	17	544
Residential	2,715	21	8	268
Industrial/warehouse	2,206	11	1	56
Land and land development	1,256	5	7	176
Hotels/motels	1,185	16	-	111
Miscellaneous commercial	712	4	12	9
Unsecured	828	2	-	17
Multiple use	719	1	-	72
Non-US	248	1	-	5
Other	3,602	32	24	649
Total	$26,523	$137	$71	$3,305

(1) Foreclosed properties include commercial real estate loans only.
(2) Other credit exposure include letters of credit and loans held for sale.
(3) Distribution based on geographic location of collateral.

--
</TABLE>

Table Ten below presents aggregate commercial loan and lease exposures by certain significant industries at September 30, 2000. Total commercial loans outstanding, excluding commercial real estate loans, comprised 45 percent of total loans and leases at September 30, 2000. No commercial industry concentration is greater than three percent of total loans and leases.

<TABLE>
<CAPTION>

Table Ten
Significant Industry Loans and Leases (1)

September 30, 2000 (Dollars in millions)	Outstanding	Percent of Total Loans and Leases
<S>	<C>	<C>
Transportation	$11,653	2.9 %
Media	10,431	2.6
Equipment and general manufacturing	9,224	2.3
Telecommunications	8,750	2.2
Business services	8,439	2.1
Healthcare	7,392	1.8
Retail	7,303	1.8
Agribusiness	7,224	1.8
Autos	6,456	1.6
Oil and gas	5,931	1.5

(1) Includes only non-real estate commercial loans and leases.

</TABLE>

Regional Foreign Exposure

Through its credit and market risk management activities, the Corporation has been devoting particular attention to those countries negatively impacted by global economic pressure. These include certain Asian countries as well as countries within Latin America and Eastern Europe that have experienced currency and other economic problems.

In connection with its efforts to maintain a diversified portfolio, the Corporation limits its exposure to any one geographic region or country and monitors this exposure on a continuous basis. Table Eleven sets forth selected regional foreign exposure at September 30, 2000. At September 30, 2000, the Corporation's total exposure to these select countries was $33.6 billion, an increase of $5.8 billion from December 31, 1999, primarily due to increased levels of Japanese government securities and Korean exposure in financial institutions partially offset by decreased exposure in Pakistan due to the sale of the Pakistan business. The Corporation's total exposure to these select foreign markets has declined $3.1 billion and $13.2 billion since December 31, 1998 and 1997, respectively. Table Eleven is based on the Federal Financial Institutions Examination Council's instructions for periodic reporting of foreign exposure. The table has been expanded to include "Gross Local Country Claims" as defined in the table below and may not be consistent with disclosures by other financial institutions.

<TABLE>
<CAPTION>

Table Eleven
Regional Foreign Exposure

(Dollars in millions)	Total Cross-Border Loans	Gross Local Country Claims (1)	Other Cross-Border Claims (2)	Total Exposure September 30, 2000	Increase (Decrease) from June 30, 2000	Increase (Decrease) from December 31, 1999
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Region/Country						
Asia						
China	$ 71	$ 127	$ 154	$ 352	$ 2	$ (4)
Hong Kong	65	4,563	258	4,886	6	

						567
India	850	1,202	195	2,247	(95)	263
Indonesia	329	63	76	468	(86)	(54)
Japan	110	1,100	7,915	9,125	2,297	5,324
Korea (South)	275	1,070	1,120	2,465	522	327
Malaysia	10	471	32	513	(13)	(77)
Pakistan	11	-	9	20	(200)	(303)
Philippines	174	155	149	478	(272)	(25)
Singapore	173	1,089	345	1,607	201	315
Taiwan	197	760	145	1,102	(64)	141
Thailand	60	344	90	494	(51)	(114)
Other	3	126	9	138	-	(12)
Total	2,328	11,070	10,497	23,895	2,247	6,348
Central and Eastern Europe						
Russian Federation	-	1	5	6	2	(12)
Turkey	187	-	119	306	78	88
Other	87	50	90	227	33	(8)
Total	274	51	214	539	113	68
Latin America						
Argentina	512	404	212	1,128	(136)	(10)
Brazil	940	634	927	2,501	49	(7)
Chile	690	269	57	1,016	(73)	17
Colombia	219	18	65	302	(108)	(190)
Mexico	1,196	156	2,068	3,420	(82)	(455)
Venezuela	147	46	237	430	(23)	17
Other	159	-	194	353	(177)	6
Total	3,863	1,527	3,760	9,150	(550)	(622)
Total	$ 6,465	$ 12,648	$ 14,471	$ 33,584	$ 1,810	$ 5,794

(1) Includes the following claims by the Corporation's foreign offices on local country residents regardless of the currency: loans, accrued interest receivable, acceptances, time deposits placed, trading account assets, other interest-earning investments, other short-term monetary assets, unused commitments, standby letters of credit, commercial letters of credit, formal guarantees, and available-for-sale (at fair value) and held-to-maturity (at cost) securities.

(2) All instruments in (1) that are cross-border claims excluding loans but including derivative-dealer assets (at fair value) and available-for-sale (at fair value) and held-to-maturity (at cost) securities that are collateralized by U.S. Treasury securities as follows: Mexico - $1,174, Venezuela - $182, Philippines - $20 and Latin America Other - $82. Held-to-maturity securities (at cost) amounted to $772 with a fair value of $687.

</TABLE>

International Developments

In recent years, a number of countries in Asia, Latin America and Central and Eastern Europe experienced economic difficulties due to a combination of structural problems and negative market reaction that resulted from increased awareness of these problems. While each country's situation is unique, many share common factors such as: (1) government actions which restrain normal functioning of free markets in physical goods, capital and/or currencies; (2) perceived weaknesses of the banking systems; and (3) perceived overvaluation of local currencies and/or pegged exchange rate systems. These factors resulted in capital movement out of these countries or in reduced capital inflows; accordingly, many of these countries experienced liquidity problems in addition to the structural problems.

Moreover, since the Asian Crisis in 1997, contagion impact of problems in one country into other emerging markets has been both quick to spread and quick to be reversed to more normal conditions.

Since 1999 and into the first and second quarters of 2000, many of the Asian economies had been showing signs of recovery from prior problems, slowly implementing structural reforms. However, during the third quarter of 2000, the combination of slower pace of reform implementation, new domestic problems and tighter global market conditions has led to some loss of confidence in the region's financial markets. Similar conditions are also affecting asset valuation in Latin America, where an economic recovery is proving sustainable in only a few of the largest markets, while in others it is faltering. In addition to domestic problems inherent to these countries individually, the strength or weakness of the U.S. economy, as well as the position of asset holders in the developed markets, is significantly affecting both liquidity and asset valuations in the emerging markets. As a result, the lessening of risks observed earlier in the year is now in doubt.

Where appropriate, the Corporation has adjusted its activities (including its borrower selection) in light of the risks and opportunities discussed above. Throughout 1999, the Corporation continued to reduce its exposure in Asia, Latin America and Central and Eastern Europe, adjusting to the changing economic conditions. Accordingly, during the third quarter of 2000, the Corporation has sharply decreased exposure in the higher-risk countries in Latin America and Asia, corresponding with the rapid changes in economic activity in those countries. The Corporation will continue to monitor and adjust its foreign activities on a country-by-country basis depending on management's judgment of the likely developments in each country and will take action as deemed appropriate.

Market Risk Management

In the normal course of conducting its business activities, the Corporation is exposed to market risks including price and liquidity risk. Market risk is the potential of loss arising from adverse changes in market rates and prices, such as interest rates (interest rate risk), foreign currency exchange rates (foreign exchange risk), commodity prices (commodity risk) and prices of equity securities (equity risk). Financial products that expose the Corporation to market risk include securities, loans, deposits, debt and derivative financial instruments such as futures, forwards, swaps, options and other financial instruments with similar characteristics. Liquidity risk arises from the possibility that the Corporation may not be able to satisfy current or future financial commitments or that the Corporation may be more reliant on alternative funding sources such as long-term debt.

Market risk is managed by the Corporation's Finance Committee, which formulates policy based on desirable levels of market risk. In setting desirable levels of market risk, the Finance Committee considers the impact on both earnings and capital of the current outlook in market rates, potential changes in market rates, world and regional economies, liquidity, business strategies and other factors.

Trading Portfolio

The table below sets forth the calculated value-at-risk (VAR) amounts for the twelve months ended September 30, 2000 and 1999. The amounts are calculated on a pre-tax basis. The Corporation performs the VAR calculation for each major trading portfolio segment on a daily basis. It then calculates the combined VAR across these portfolio segments using two different sets of assumptions. The first calculation assumes that each portfolio segment experiences adverse price movements at the same time (i.e., the price movements are perfectly correlated). The second calculation assumes that these adverse price movements within the major portfolio segments do not occur at the same time (i.e., they are uncorrelated). Average interest rate VAR was modestly lower and average foreign exchange VAR was marginally higher in the twelve months ended September 30, 2000 as compared with the twelve months ended September 30, 1999. This general stability reflects continued emphasis on customer led trading activities and less reliance on proprietary trading. Equity VAR was significantly higher in the twelve months ended September 30, 2000 than in the twelve months ended September

30, 1999. This increase in equity risk taking reflects growth in cash and derivatives trading activities as well as the expansion of trading into the European cash equity markets. For additional discussion of market risk associated with the trading portfolio, the VAR model and how the Corporation manages its exposure to market risk, see pages 42 and 43 of the Corporation's 1999 Annual Report on Form 10-K. The composition of the trading portfolio and the related fair value are included in Note Four of the consolidated financial statements.

Trading Activities Market Risk

	Twelve Months Ended September 30, 2000			Twelve Months Ended September 30, 1999		
(U.S. dollar equivalents in millions)	Average VAR	High VAR (1)	Low VAR (1)	Average VAR	High VAR (1)	Low VAR (1)
Based on perfect positive correlation						
Interest rate	$75.3	$88.3	$59.7	$88.8	$126.8	$69.1
Foreign currency	14.5	23.5	8.1	13.0	19.8	7.9
Commodities	2.6	6.9	0.6	2.1	5.4	0.9
Equity	31.4	46.9	17.5	9.3	22.3	1.0
Based on zero correlation						
Interest rate	26.2	31.6	21.5	26.2	41.2	18.6
Foreign currency	12.2	21.7	6.9	10.6	18.2	6.1
Commodities	2.2	6.6	0.5	1.7	4.9	0.6
Equity	29.5	39.8	16.5	8.4	21.1	1.0

(1) The high and low for the entire trading account may not equal the sum of the individual components as the highs or lows of the components occurred on different trading days.

Asset and Liability Management Activities

Non-Trading Portfolio

The Corporation's Asset and Liability Management (ALM) process is used to manage interest rate risk through the structuring of balance sheet and off-balance sheet portfolios and identifying and linking such off-balance sheet positions to specific assets and liabilities. Interest rate risk represents the only material market risk exposure to the Corporation's non-trading on-balance sheet financial instruments.

Available-for-sale securities had an unrealized loss of $2.5 billion at September 30, 2000, compared to an unrealized loss of $3.8 billion at December 31, 1999. The expected maturities, unrealized gains and losses and weighted average effective yield and rate associated with the Corporation's other significant non-trading on-balance sheet financial instruments at September 30, 2000 were not significantly different from those at December 31, 1999. For a discussion of non-trading on-balance sheet financial instruments, see page 43 and Table Eighteen on page 44 of the "Market Risk Management" section of the Corporation's 1999 Annual Report on Form 10-K.

Interest Rate and Foreign Exchange Contracts

Risk management interest rate contracts and foreign exchange contracts are utilized in the ALM process. Interest rate contracts, which are generally non-leveraged generic interest rate and basis swaps, options, futures and forwards, allow the Corporation to effectively manage its interest rate risk position. In addition, the Corporation uses foreign currency contracts to manage the foreign exchange risk associated

with foreign-denominated assets and liabilities, as well as the Corporation's equity investments in foreign subsidiaries. As reflected in Table Twelve, the notional amount of the Corporation's receive fixed and pay fixed interest rate swaps at September 30, 2000 was $59.3 billion and $19.7 billion, respectively. The receive fixed interest rate swaps are primarily converting variable-rate commercial loans to fixed-rate. The net receive fixed position at September 30, 2000 was $39.6 billion notional compared to $37.3 billion notional at December 31, 1999. The Corporation had $7.6 billion notional and $8.0 billion notional of basis swaps at September 30, 2000 and December 31, 1999, respectively, linked primarily to loans and long-term debt. The Corporation had $31.3 billion notional and $35.1 billion notional of option products at September 30, 2000 and December 31, 1999, respectively. In addition, open foreign exchange contracts at September 30, 2000 had a notional amount of $5.9 billion compared to $6.2 billion at December 31, 1999.

Table Twelve also summarizes the expected maturity and the average estimated duration, weighted average receive and pay rates and the net unrealized gains and losses at September 30, 2000 and December 31, 1999 of the Corporation's open ALM interest rate swaps, as well as the expected maturity and net unrealized gains and losses at September 30, 2000 and December 31, 1999 of the Corporation's open ALM basis swaps, options, futures and forward rate and foreign exchange contracts. Unrealized gains and losses are based on the last repricing and will change in the future primarily based on movements in one-, three- and six-month LIBOR rates. The ALM swap portfolio had a net unrealized loss of $0.9 billion and $1.6 billion at September 30, 2000 and December 31, 1999, respectively. The ALM option products had a net unrealized loss of $111 million at September 30, 2000 and a net unrealized gain of $5 million at December 31, 1999. At September 30, 2000 and December 31, 1999, open foreign exchange contracts had a net unrealized loss of $299 million and $30 million, respectively.

The amount of unamortized net realized deferred gains associated with closed ALM swaps was $113 million and $174 million at September 30, 2000 and December 31, 1999, respectively. The amount of unamortized net realized deferred gains associated with closed ALM options was $99 million and $82 million at September 30, 2000 and December 31, 1999, respectively. The amount of unamortized net realized deferred losses associated with closed ALM futures and forward contracts was $19 million and $21 million at September 30, 2000 and December 31, 1999, respectively. There were no unamortized net realized deferred gains or losses associated with closed foreign exchange contracts at September 30, 2000 and December 31, 1999.

Management believes the fair value of the ALM interest rate and foreign exchange portfolios should be viewed in the context of the overall balance sheet, and the value of any single component of the balance sheet or off-balance sheet positions should not be viewed in isolation.

For a discussion of the Corporation's management of risk associated with mortgage production and servicing activities, see the "Noninterest Income" section on page 42. See Note Seven of the consolidated financial statements for information on the Corporation's ALM contracts.

Table Twelve

Asset and Liability Management Interest Rate and Foreign Exchange Contracts

<TABLE>
<CAPTION>

September 30, 2000

(Dollars in millions, average estimated duration in years)	Fair Value	Total	Expected Maturity 2000	2001	2002	2003	2004	After 2004	Average Estimated Duration
Open interest rate contracts									
Total receive fixed swaps	$(843)								3.70
Notional value		$59,334	$542	$3,867	$2,651	$13,015	$7,051	$32,208	
Weighted average receive rate		6.36%	6.36%	6.26%	7.18%	5.64%	6.27%	6.62%	
Total pay fixed swaps	(54)								3.20
Notional value		$19,728	$895	$4,358	$2,474	$2,520	$ 727	$8,754	
Weighted average pay rate		6.87%	6.79%	6.44%	7.21%	7.10%	7.43%	6.88%	
Basis swaps	(4)								
Notional value		$7,627	$ -	$ 587	$1,669	$5,219	$ -	$ 152	

	Fair Value	Total							Average Estimated Duration
Total swaps	(901)								
Option products	(111)								
Notional amount		31,274	3,850	2,087	868	3,950	7,882	12,637	
Futures and forward rate contracts	(4)								
Notional amount		1,454	1,454	-	-	-	-	-	
Total open interest rate contracts	(1,016)								
Closed interest rate contracts(1)	193								
Net interest rate contract position	(823)								
Open foreign exchange contracts	(299)								
Notional amount		5,916	55	1,072	1,396	238	573	2,582	
Total ALM contracts	$(1,122)								

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December 31, 1999

			Expected Maturity						
(Dollars in millions, average estimated duration in years)	Fair Value	Total	2000	2001	2002	2003	2004	After 2004	Average Estimated Duration
Open interest rate contracts									
Total receive fixed swaps	$(1,747)								2.75
Notional amount		$63,002	$13,539	$11,493	$1,637	$12,894	$7,104	$16,335	
Weighted average receive rate		6.15%	5.98%	6.43%	6.88%	5.60%	6.57%	6.28%	
Total pay fixed swaps	115								2.11
Notional amount		$25,701	$6,893	$8,232	$3,175	$2,475	$ 719	$4,207	
Weighted average pay rate		6.68%	6.84%	6.57%	6.23%	7.10%	7.46%	6.61%	
Basis swaps	(6)								
Notional amount		$7,971	$ 743	$ 601	$1,669	$4,958	$ -	$ -	
Total swaps	(1,638)								
Option products	5								
Notional amount		35,134	505	2,088	868	1,950	15,661	14,062	
Futures and forward rate contracts	3								
Notional amount		931	931	-	-	-	-	-	
Total open interest rate contracts	(1,630)								
Closed interest rate contracts(1)	235								
Net interest rate contract position	(1,395)								
Open foreign exchange contracts	(30)								
Notional amount		6,231	273	1,499	2,552	112	623	1,172	
Total ALM contracts	$(1,425)								

(1) Represents the unamortized net realized deferred gains associated with closed contracts. As a result, no notional amount is reflected for expected maturity.

</TABLE>

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Table Thirteen
Selected Quarterly Financial Data

(Dollars in millions, except per share information)	2000 Quarters Third	Second	First
<S>	<C>	<C>	<C>
Income statement			
Interest income	$ 11,265	$ 10,737	$ 10,086
Interest expense	6,672	6,106	5,562
Net interest income	4,593	4,631	4,524
Net interest income (taxable-equivalent basis)	4,672	4,709	4,595
Provision for credit losses	435	470	420
Gains on sales of securities	11	6	6
Noninterest income	3,645	3,500	4,046
Merger and restructuring charges	550	-	-
Other noninterest expense	4,410	4,413	4,623
Income before income taxes	2,854	3,254	3,533
Income tax expense	1,025	1,191	1,293
Net income	1,829	2,063	2,240
Net income available to common shareholders	1,828	2,061	2,239
Average common shares issued and outstanding (in thousands)	1,639,392	1,653,495	1,669,311
Performance ratios			
Return on average assets	1.06%	1.23%	1.38%
Return on average common shareholders' equity	15.25	17.63	19.59
Total equity to total assets (period-end)	6.98	6.75	6.90
Total average equity to total average assets	6.97	7.00	7.07
Efficiency ratio	53.01	53.77	53.49
Dividend payout ratio	44.83	39.94	37.16
Shareholder value added	$ 953	$ 878	$ 1,086
Per common share data			
Earnings	$ 1.11	$ 1.25	$ 1.34
Diluted earnings	1.10	1.23	1.33
Cash dividends paid	.50	.50	.50
Book value	28.69	27.82	27.28
Cash basis financial data (1)			
Earnings	$ 2,044	$ 2,281	$ 2,457
Earnings per common share	1.25	1.38	1.47
Diluted earnings per common share	1.23	1.36	1.46
Return on average tangible assets	1.21%	1.39%	1.55%
Return on average tangible common shareholders' equity	23.78	27.51	

			30.83
Efficiency ratio	50.43	51.12	50.98
Ending tangible equity to tangible assets	5.09	4.85	4.90
Balance sheet (period-end)			
Total loans and leases	$ 402,592	$ 400,817	$ 382,085
Total assets	671,725	679,538	656,113
Total deposits	353,988	356,664	351,626
Long-term debt	69,412	69,245	62,059
Trust preferred securities	4,955	4,955	4,955
Common shareholders' equity	46,785	45,786	45,222
Total shareholders' equity	46,859	45,861	45,299
Risk-based capital ratios (period-end)			
Tier 1 capital	7.32%	7.40%	7.42%
Total capital	10.80	11.03	11.00
Leverage ratio	6.06	6.11	6.17
Market price per share of common stock			
Closing	$ 52.38	$ 43.00	$ 52.44
High	57.63	61.00	55.19
Low	43.63	42.98	42.31

(1) Cash basis calculations exclude goodwill and other intangible assets and their related amortization expense.

</TABLE>

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See "Management's Discussion and Analysis of Results of Operations and Financial Condition - Market Risk Management" on page 57 and the sections referenced therein for Quantitative and Qualitative Disclosures about Market Risk.

Part II. Other Information

Item 1. Legal Proceedings

Litigation

In the ordinary course of business, the Corporation and its subsidiaries are routinely defendants in or parties to a number of pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants. In certain of these actions and proceedings, substantial money damages are asserted against the Corporation and its subsidiaries and certain of these actions and proceedings are based on alleged violations of consumer protection, securities, environmental, banking and other laws.

The Corporation and certain present and former officers and directors have been named as defendants in a number of actions filed in several federal courts that have been consolidated for pretrial purposes before a Missouri federal court. The amended complaint in the consolidated actions alleges, among other things, that the defendants failed to disclose material facts about BankAmerica's losses relating to D.E. Shaw Securities Group, L.P. and related entities until mid-October 1998, in violation of various provisions of federal and state laws. The amended complaint also alleges that the proxy statement-prospectus of August 4, 1998, falsely stated that the Merger would be one of equals and alleges a scheme to have NationsBank gain control over the newly merged entity. The Missouri federal court has certified classes consisting generally of persons who were stockholders of NationsBank or BankAmerica on September 30, 1998, or were entitled to vote on the Merger, or who purchased or acquired securities of the Corporation or its predecessors between August 4, 1998 and October 13, 1998. The amended complaint substantially survived a motion to dismiss, and discovery is underway. Claims against certain director-defendants were dismissed with leave to replead. Similar class actions (including one limited to California residents raising the claim that the proxy statement-prospectus of August 4, 1998, falsely stated that the Merger would be one of equals) were filed in California state court, alleging violations of the California Corporations Code and other state laws. The action on behalf of California residents was certified but was dismissed. The Court of Appeals reversed the dismissal. A Petition for Review is pending in the Supreme Court of California. The remaining California actions have been consolidated, but have not been certified as class actions. The Missouri federal court has enjoined prosecution of those consolidated class actions as a class action. The plaintiffs who were enjoined have appealed that injunction to the United States Court of Appeals for the Eighth Circuit. The Corporation believes the actions lack merit and will defend them vigorously. The amount of any ultimate exposure cannot be determined with certainty at this time.

Management believes that the actions and proceedings and the losses, if any, resulting from the final outcome thereof, will not be material in the aggregate to the Corporation's financial position or results of operations.

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

Exhibit 11 - Earnings Per Share Computation - included in Note 8 of the consolidated financial statements
Exhibit 12(a) - Ratio of Earnings to Fixed Charges
Exhibit 12(b) - Ratio of Earnings to Fixed Charges and Preferred Dividends
Exhibit 27 - Financial Data Schedule

b) Reports on Form 8-K

The following reports on Form 8-K were filed by the Corporation during the quarter ended September 30, 2000:

Current Report on Form 8-K dated July 17, 2000 and filed July 21, 2000, Items 5 and 7.

Current Report on Form 8-K dated July 26, 2000 and filed July 31, 2000, Items 5 and 7.

Current Report on Form 8-K dated September 19, 2000 and filed September 22, 2000, Items 5 and 7.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Bank of America Corporation

Registrant

Date: November 14, 2000

/s/ Marc D. Oken

MARC D. OKEN
Executive Vice President and
Principal Financial Executive
(Duly Authorized Officer and
Chief Accounting Officer)

Bank of America Corporation

Form 10-Q

Index to Exhibits

Exhibit	Description
11	Earnings Per Share Computation - included in Note 8 of the consolidated financial statements
12(a)	Ratio of Earnings to Fixed Charges
12(b)	Ratio of Earnings to Fixed Charges and Preferred Dividends
27	Financial Data Schedule

Bank of America Corporation and Subsidiaries   Exhibit 12(a)

Ratio of Earnings to Fixed Charges

<TABLE>
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(Dollars in millions)	Nine Months Ended September 30, 2000	Year Ended December 31 1999	1998	1997	1996	1995
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Excluding Interest on Deposits						
Income before income taxes	$9,641	$12,215	$ 8,048	$10,556	$ 9,311	$ 8,377
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(28)	(167)	162	(49)	(7)	(19)
Fixed charges:						
Interest expense (including capitalized interest)	10,257	10,084	9,479	8,219	7,082	6,354
1/3 of net rent expense	274	342	335	302	282	275
Total fixed charges	10,531	10,426	9,814	8,521	7,364	6,629
Earnings (excluding capitalized interest)	$20,144	$22,474	$18,024	$19,028	$16,668	$14,987
Fixed charges	$10,531	$10,426	$9,814	$8,521	$7,364	$6,629
Ratio of earnings to fixed charges	1.91	2.16	1.84	2.23	2.26	2.26

</TABLE>

<TABLE>
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(Dollars in millions)	Nine Months Ended September 30, 2000	Year Ended December 31 1999	1998	1997	1996	1995
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Including Interest on Deposits						
Income before income taxes	$9,641	$12,215	$ 8,048	$10,556	$ 9,311	$ 8,377
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(28)	(167)	162	(49)	(7)	(19)
Fixed charges:						
Interest expense (including capitalized interest)	18,340	19,086	20,290	18,903	16,682	16,369
1/3 of net rent expense	274	342	335	302	282	275
Total fixed charges	18,614	19,428	20,625	19,205	16,964	16,644
Earnings (excluding capitalized interest)	$28,227	$31,476	$28,835	$29,712	$26,268	$25,002

Fixed charges	$18,614	$19,428	$20,625	$19,205	$16,964	$16,644
Ratio of earnings to fixed charges	1.52	1.62	1.40	1.55	1.55	1.50

</TABLE>

Bank of America Corporation and Subsidiaries Exhibit 12(b)

Ratio of Earnings to Fixed Charges and Preferred Dividends

<TABLE>
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(Dollars in millions)	Nine Months Ended September 30, 2000	Year Ended December 31 1999	1998	1997	1996	1995
Excluding Interest on Deposits						
Income before income taxes	$9,641	$12,215	$ 8,048	$10,556	$ 9,311	$ 8,377
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(28)	(167)	162	(49)	(7)	(19)
Fixed charges:						
Interest expense (including capitalized interest)	10,257	10,084	9,479	8,219	7,082	6,354
1/3 of net rent expense	274	342	335	302	282	275
Total fixed charges	10,531	10,426	9,814	8,521	7,364	6,629
Preferred dividend requirements	7	10	40	183	332	426
Earnings (excluding capitalized interest)	$20,144	$22,474	$18,024	$19,028	$16,668	$14,987
Fixed charges and preferred dividends	$10,538	$10,436	$9,854	$8,704	$7,696	$7,055
Ratio of earnings to fixed charges and preferred dividends	1.91	2.15	1.83	2.19	2.17	2.12

</TABLE>

<TABLE>
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(Dollars in millions)	Nine Months Ended September 30, 2000	Year Ended December 31 1999	1998	1997	1996	1995
Including Interest on Deposits						
Income before income taxes	$9,641	$12,215	$ 8,048	$10,556	$ 9,311	$ 8,377
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(28)	(167)	162	(49)	(7)	(19)
Fixed charges:						
Interest expense (including capitalized interest)	18,340	19,086	20,290	18,903	16,682	16,369
1/3 of net rent expense	274	342	335	302	282	275
Total fixed charges	18,614	19,428	20,625	19,205	16,964	

16,644

Preferred dividend requirements	7	10	40	183	332	426
Earnings (excluding capitalized interest)	$28,227	$31,476	$28,835	$29,712	$26,268	$25,002
Fixed charges and preferred dividends	$18,621	$19,438	$20,665	$19,388	$17,296	$17,070
Ratio of earnings to fixed charges and preferred dividends	1.52	1.62	1.40	1.53	1.52	1.46

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The schedule contains summary information extracted from the September 30, 2000 Form 10-Q for Bank of America Corporation and is qualified in its entirety by reference to such financial statements.
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<F1>(1) Allowance-Domestic, Allowance-Foreign and Allowance-Unassigned are only disclosed on an annual basis in Corporation's 10-K and are therefore not included in this Financial Data Schedule.
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