

FINANCIAL INSTITUTIONS
CORPORATE AND INVESTMENT BANKING REPORT 2026

A Golden Window for Growth

October 2026

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Key Statistics

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Projected global corporate and investment banking (CIB) revenue pool (including nonbank financial institutions [NBFIs]) by end of 2026.

7%+

2026 revenue growth for CIB, well above the 5% five-year CAGR.

~30%

NBFI share within global markets revenue today, more than double the figure from 2020.

~7%+

Sponsor wallet CAGR for 2030 for equities and FICC.

~9%

Hedge fund CAGR for 2030 within global markets.

Up to 40%

Share of CIB middle- and back-office FTE capacity freed up by AI by 2030.

~\$88B

Capital freed by regulatory changes for US banks to redeploy in prime, financing, and private credit.

~23%

NBFI share of the total CIB revenue pool by 2030.



Executive Summary

Corporate and investment banking (CIB) is entering the next phase of its evolution with exceptional momentum.

We expect the combined revenue pool for CIB and nonbank financial institutions (NBFI) to reach approximately \$1.1 trillion by the end of 2026, more than 7% higher than in 2025, with growth continuing toward \$1.4 trillion by 2030. More fundamentally, CIB is beginning to pivot from a product-led model toward a client- and platform-led one, as growth shifts toward a new mix of clients and as technology changes the economics of serving them. This creates a golden window for CIB leaders: capture the next wave of growth while using today's earnings power to build the capabilities required for the future.

Growth is increasingly shifting toward sponsors and hedge funds. These institutions offer some of the most robust prospects, with revenues expected to compound at roughly 8% and 9%, respectively, through 2030. Overall, NBFI will take a significant portion of the CIB revenue pool by that year, with a 23% share. This creates a strategic challenge for banks, which need to decide which sponsors and hedge funds to partner with in a full relationship and which to simply finance. Banks will also need to adapt their operating models: sponsors, hedge funds, and other NBFI tend to buy advisory, financing, markets, and transaction banking together, yet most CIBs still price and staff those products separately. Growth will rely on banks' expanding beyond product ownership to a full-client orchestration that aligns coverage, incentives, balance sheet, and data to generate high-value relationships.

Growth will also become more geographically differentiated. North America will remain the largest revenue pool. Asia-Pacific will grow fastest. Opportunities within Europe, Middle East, and Africa will diverge sharply by country. Increasingly, regional averages will mask the specific country-level growth pockets that matter, making geographic footprint a more deliberate allocation choice for CIBs.

Technology will increasingly dictate which banks can tap new growth vectors profitably. Those with AI-led operating models will be well placed to access their "fair" share of an expanding pool, while those still piloting productivity use cases will struggle to keep up. We expect AI to reduce cost-to-serve across the industry and to free as much as 40% of CIB full-time-equivalent capacity by 2030, measured against today's job profiles, and concentrated in the roles that are most repetitive, particularly in middle- and back-office functions. Freed capacity is not the same as a net head count reduction: much of it will be absorbed by new roles as banks redeploy staff toward higher-value, judgment-intensive work. This next stage of AI adoption will be less about individual tools than the shared data and intelligence layers beneath them.

The years leading to 2030 will be critical. A strategic agenda that is fit for growth will focus on three imperatives: First, banks must strengthen the core to help fund the required changes to technology and operating models. Second, they must enable future growth by building coverage and financing capabilities for growing segments, developing a comprehensive digital asset strategy and infrastructure, and setting up modular data platforms. Finally, they must make clear decisions on where to play: choosing whether to build dedicated sponsor and hedge fund coverage or deepen the existing corporate and institutional franchises, determining how far to go on private credit and digital-asset infrastructure, and deciding—market by market—whether to expand, partner, or concentrate at home rather than spreading thin across every region.

Strong performance can reduce the urgency to change, but today's strength has opened a golden window to invest for the future. Winning CIBs will use it now to lay the groundwork for capturing new waves of growth tomorrow.



How Today's Record Revenues Can Fund a Different Tomorrow

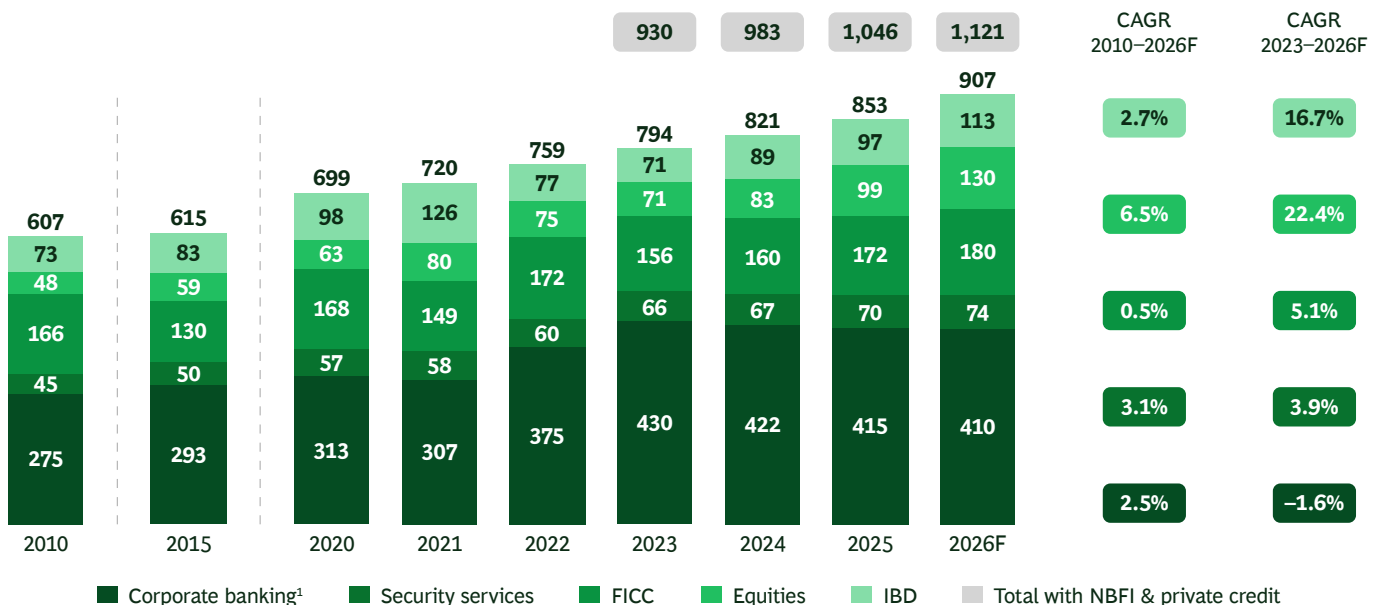
Corporate and investment banks (CIBs) will enter 2027 from a position of exceptional strength.

The current year is on track to be a record one, with industry revenue pools expected to reach approximately \$1.1 trillion (\$907 billion excluding NBFIs and private credit), up 7.2% versus 2025 and well ahead of the roughly 5% five-year CAGR. (See [Exhibit 1](#).) That strength has opened a golden window for banks to fund the next phase of growth. But that window will not stay open indefinitely.

EXHIBIT 1

Global CIB Revenues Will Reach a Record \$1.1 Trillion in 2026, Marking a Sixth Straight Year of Growth

GLOBAL REVENUE POOLS (IN \$ BILLION, 2010–2026F)



Sources: BCG Expand; BCG analysis.

Note: CIB large-cap corporate revenue pools (>\$1 billion turnover) in open markets, excludes commercial lending, includes nonbank financial institutions in the form of market makers (nonbank liquidity providers) and nonbank boutique advisors; CIB = corporate and investment banking; FICC = fixed income, currency, and commodities; IBD = investment banking division; NBFI = nonbank financial institution.

¹Corporate banking includes corporate lending, transaction banking, and deposits.

The strength of the industry is broad based rather than narrowly cyclical. Four sources of growth stand out:

- **Investment banking (IB) and sales and trading led the acceleration.** Elevated volatility fueled record sales and trading activity, while a reopened IPO window and a full deal pipeline lifted investment banking: together, these accounted for the bulk of 2026's strong performance, with combined IB and markets revenue up roughly 15% in the first half of 2026 compared with 2025.
- **Sponsor and hedge fund activity is expanding the revenue pool faster than traditional corporate clients.** Over the past two years, sponsor revenues have grown about 5.5% annually and hedge fund revenues about 9%, more than double and more than five times the roughly 1.7% growth rate of traditional corporate clients, respectively.
- **Regulatory relief in North America freed capital for redeployment.** Roughly \$88 billion has been released to US banks under the Basel III reproposal, and \$73 billion of risk-weighted capacity has been released to Canadian banks through a buffer cut by the Office of the Superintendent of Financial Institutions (OSFI). This money is being redeployed into financing, prime, and private credit.
- **Capital markets activity recovered as rates normalized.** Furthermore, rates have normalized without materially disrupting lending and credit.

Thanks in part to these tailwinds, CIB has once again become a core performance engine within banking groups, accounting for roughly 46% of banking group revenues for the top seven banks since 2020, up from shares in the low 40s from 2015 through 2019. Meanwhile, from 2015 to 2025, CIBs cut their cost-income ratio nearly twice as fast as groups overall, from 68.9% to 59.1% (–9.8 percentage points) versus groups' 70% to 64.8% (–5.2pp). This represents a structural improvement in a business many banking group CEOs once deprioritized as capital-intensive and low-return.

This run of strong performance raises a key question for large CIB franchises: What do we prioritize now that we can afford significant investment? But what once may have been a question with a simple answer is now more complex. At this decisive moment for banks, the sources of incremental economics are shifting toward different clients, activities, and geographic pockets. NBFIs are becoming larger clients but also competing directly with banks in select activities. Regional growth increasingly reflects market-specific rather than bloc-wide dynamics. And technology is changing the cost at which banks and nonbanks compete for the same revenues.

Hence, it's important to understand where tomorrow's economics will accrue. Two shifts illustrate why banks' position may need to change: the migrating boundary between banks and NBFIs, and the growing divergence within and across regions.

NBFIs: The Boundaries Around Corporate and Investment Banking Are Shifting

NBFIs' share of the total CIB revenue pool has grown almost fivefold from roughly 4% in 2013 to an estimated 19% by the end of 2026. That shift is sharpest within global markets, where NBFI share has doubled since 2020, from 14% to 30%. NBFI share stands at approximately 20% in investment banking and advisory and 22% in private credit and lending. These institutions are thus increasingly active in parts of the value chain where banks have historically generated significant revenues.

One significant consequence of this shift is that the traditional line between client and competitor is dissolving. In certain areas, NBFIs can compete directly with banks, substitute for them, or become increasingly important clients.

- **Private Credit: From Competitor to Client.** Private-credit fund financing is the fastest-growing CIB product wallet, compounding at roughly 15% from 2022 through 2025.¹ As direct lending has migrated toward private-credit funds, banks have not simply been displaced. They now often finance funds themselves, capturing fee and spread income without competing for every underlying lending asset or necessarily assuming the associated credit risk. Furthermore, a competitor for the asset often is a client of the bank.
- **Markets: Electronification Reshapes Trading Market Structure.** Both banks and nonbank liquidity providers are investing heavily in systematic trading, and neither side has a settled advantage.² NBFIs' technology-led execution can be self-reinforcing—better execution attracts flow, more flow generates data, more data improves pricing. At the same time, leading banks retain their own edges in balance-sheet-backed liquidity provision, complex risk warehousing, and client relationships that pure execution speed cannot easily replicate. In any case, systematic trading will keep gaining ground, but it requires the right operating model, balance sheet, and talent, not just faster technology. The more interesting issue, then, is not who executes the trade, it is where technology genuinely improves the value chain and where clients find best-in-class liquidity and cross-asset solutions.
- **Advisory: NBFI Boutiques Substitute Directly.** Boutiques can replace traditional CIBs on mandates outright, with fewer offsetting financing or infrastructure opportunities than private credit offers banks elsewhere.

For CIBs, the growth of NBFIs raises another strategic question: Where do we hold a genuinely stronger value proposition? Banks retain the edge in primary issuance and new-issue concessions, less liquid and distressed names, large block risk transfer, and anything that requires committing balance sheet alongside a financing or advisory relationship. These still depend on capital and client trust, not just execution speed. In other areas, banks can enable nonbanks by financing or servicing them rather than competing for the underlying activity directly (for example, with private-credit funds).

Finally, there are businesses where banks can capture economics from an activity, such as fee or spread income, without holding the exposure on their own balance sheet. As capital formation shifts toward sponsors, hedge funds, and private credit, winning will depend less on defending the broadest product perimeter and every activity historically associated with CIBs than on knowing where the bank retains a structural advantage in capital, relationships, data, distribution, execution, or judgment.³

Regional Growth Is Diverging Within and Across Regions

The second shift relates to geography: growth increasingly diverges both between and within regions so that a bank can hold significant presence in a growing region without being exposed to the pockets actually driving that growth. See pages [11](#) and [20](#) for details on regions and countries.

Today's Strength Is an Investment Accelerator for Future Growth

Technology will amplify these competitive and geographic shifts. AI and automation have a growing influence on the cost of existing processes, which client-product combinations can be served profitably, and how effectively information can be deployed across the franchise. In addition, CIB clients are adjusting their expectations as they adopt AI in their own processes.

There is an important distinction between digitizing the existing model and changing its economics. Individual AI tools can improve productivity, but shared intelligence layers, integrated platforms, and unified data infrastructure can redraw the cost curve and expand where a bank can compete. Given the varying capacities for applying AI among banks, AI can widen the competitive gap.

1. Private-credit financing includes fund financing, business development company financing, and warehouse financing. Source: BCG Expand Benchmarking.
2. Systematic trading refers to strategies executed via preprogrammed, quantitative models rather than discretionary, case-by-case human decision making. It spans market making, statistical arbitrage, and macro strategies across asset classes. Global Systematic Macro is a substrategy within this category, applying rules-based models to macro-driven positions in rates, foreign exchange, and commodities across global markets, as distinct from discretionary macro investing.
3. Sponsors are defined as financial sponsor clients and corporates owned by financial sponsors (portfolio companies).

Three Transition Uncertainties

Technology, particularly AI, and private markets will continue to reshape the industry through 2030, as we discussed in [last year's report](#). What remains uncertain is the pace at which change will materialize. We see three transition uncertainties:

- **Macroeconomic Uncertainty, Including the Credit Default Cycle in Direct Lending.** Roughly 60%⁴ of private credit is tethered to sponsor exposure. That link means one sponsor's stress can surface across several bank exposures at once. Banks are responding by building workout and restructuring capacity ahead of the direct-lending cycle turn. As of the time of writing, we believe risk in direct lending overall to be manageable. In preparing this view, we considered a range of scenarios for how the cycle could turn, from orderly to more disruptive, and weighed them against the capital buffers that banks themselves have built since 2008 and the regulatory oversight that now extends further into private credit and nonbank lending. However, when the credit cycle turns, two areas are likely to be the first tests: credit exposure to SaaS providers and the 2027–2028 refinancing wall. Both will reveal whether banks' direct financing lines to business development companies and private-credit funds can absorb losses without disruption.
- **Technology Adoption, AI Diffusion, and the Gap Between Deployment and Realized ROI.** Scaling AI across a large CIB requires more than individual use cases: legacy infrastructure, fragmented data, governance requirements, and regulatory complexity slow diffusion of AI capabilities across the organization. In our experience, these projects take concentrated effort and time for large CIBs to resolve. The uncertainty is therefore how quickly institutions can translate technical capability into economic impact.
- **Regulatory and Market Structure Evolution, Including Regional Fragmentation.** Rules governing NBFI leverage, digital asset custody, and cross-border capital mobility are moving at different speeds in different jurisdictions. Whether those regimes converge or fragment will determine how much of a global platform can be reused across markets.

The strategic implication is that CIBs should commit to and distinguish between outcome-dependent bets, and foundational capabilities whose development cannot be compressed into a shorter timeframe later. Proprietary data, cross-product coverage, modern technology and execution platforms, and senior judgment remain valuable irrespective of uncertainties.

Today, we see first movers in global markets, investment banking, and corporate banking capturing a disproportionate share of value.

Waiting for Certainty Has a Cost

Previous technology-led transitions in financial services illustrate why waiting for certainty can be costly. As technology compresses margins and automates significant portions of work, CIBs may go through a transition similar to the one asset managers, exchanges, and payments providers have experienced. In each case, workflows were automated, margins were compressed, cost structures were rebuilt, and competition increased. Also in each case, the sector remained large and profitable in aggregate. What changed was which firms captured the profit.

CIBs face a golden window: strong growth and profitability give them both the resources and the right to invest, backed by market tailwinds. But strong results also tend to weaken internal momentum for change. However, leaders don't wait. Today, we see first movers in global markets, investment banking, and corporate banking capturing a disproportionate share of value. Banks that wait will struggle to keep up as talent, platform standards, and client relationships are locked in and become progressively harder to dislodge over time.

4. Sources: Bloomberg; Pitchbook; Preqin; BCG analysis.



The Next Waves of Growth

We expect that by 2030 and beyond, the total CIB revenue pool, including NBFIs, will reach approximately \$1.39 trillion, growing at a roughly 5% CAGR.

This is a modest upward revision from last year's "Surge in Tech and Alternatives" scenario.⁵ The trends behind that scenario—NBFI expansion, AI adoption, and digital asset uptake—have continued to develop at pace, and we now treat this trajectory as the base case rather than an upside scenario. Within that pool, NBFIs will gain about 4 percentage points of share, reaching roughly 23% by 2030. At the same time, growth will be far from evenly distributed.

- **Regions.** Divergence is uneven across regions. While some hold steady, others pull apart. This unevenness is even more pronounced below the regional level, where countries and subregions follow distinct trajectories, as the next section sets out.
- **Client Segments.** The wallet will rotate toward capital owners. Within the CIB-only wallet—excluding NBFIs—sponsors will gain about 2 percentage points, supported by revenue increases of approximately 8% CAGR, while traditional corporate banking will decrease by 3 percentage points, growing at only a 2% CAGR until 2030.
- **Products.** In our base case, the product mix will stay broadly stable in aggregate, with transaction banking and deposits ceding the most ground of any category, declining from roughly 26% to 24% of CIB revenue by 2030, while equities and Fixed Income, Currencies and Commodities (FICC) pick up modest share, rising from roughly 14% to 15% and 20% to 21%, respectively. Lending, investment banking divisions (IBDs), and securities services will stay roughly flat at 20%, 12%, and 8%, respectively.
- **Operating Model.** Technology-led delivery will increasingly determine the economics at which these growth pools can be served, through reduced costs for building new platforms, lower run-the-bank costs across systems and regulatory infrastructure, and higher front-office banker productivity.

The result of these dynamics is a market that grows by roughly \$264 billion from 2026 to 2030 but has a much wider spread of outcomes for individual franchises: leaders are on track to sustain a cost-income ratio of roughly 53% and return on tangible equity (RoTE) of roughly 21% by 2030, against roughly 68% and 10% for laggards. This gap will persist even as the pool grows. (See [Exhibit 2](#).)

5. Last year's scenario projected approximately \$1.31 trillion by 2030 (\$1.02 trillion CIB, \$290 billion NBFI). The updated figure reflects revised modeling from BCG Expand (~\$1.06 trillion CIB, ~\$325 billion NBFI); the underlying trends (NBFI expansion, AI adoption, digital asset uptake) are unchanged but have continued to develop at a faster pace than initially modeled. Source: BCG Expand.

EXHIBIT 2

Along with Strong Growth in 2026, the Underlying Mix Is Shifting: Future Growth Will Be More Fragmented



Sources: BCG Expand; BCG analysis.

Note: Total revenue stack includes securities services; CIB large-cap corporate revenue pools (>\$1 billion turnover) in open markets; all figures rounded; leaders represented as 80th percentile of top 15 CIBs.

¹Nonbank financial institutions; includes advisory and markets, and lending (nonbank liquidity providers). ²Defined as financial sponsor clients and corporates owned by financial sponsors (portfolio companies). ³CIR = cost-to-income ratio; RoTE = return on tangible equity. CIR and RoTE as weighted average based on revenue, and capital, respectively. ⁴Range built by using minimum and maximum values for CIR & RoTE across segment averages (investment banking, corporate banking, markets). ⁵Transaction banking.

North America Holds, Asia-Pacific Grows, and Europe, Middle East, and Africa Diverges Internally

In the years leading up to 2030, geographic trends will continue roughly on their current paths.

North America's lead will widen even though its share barely moves. The region will hold roughly 46% of the revenue pool and compound annually at roughly 4%—the largest base in the market will keep growing at a healthy rate. Regulatory relief reinforces the position, with \$88 billion⁶ freed for US banks under the Basel III reproposal and roughly \$73 billion⁷ for Canadian banks under OSFI's buffer cut. (See [Exhibit 3](#).)

The subregions that make up Europe, Middle East, and Africa (EMEA) continue to diverge. The region's overall share will decline further, but that single number will cover three distinct trajectories. The UK remains a mature, cyclical financial center where global CIBs are already concentrated. Continental Europe will see structurally slower and fragmented growth.

Meanwhile, US banks are expanding in Europe, raising competitive intensity in a comparatively slower-growing pool. The Middle East is EMEA's fastest-growing pool, driven by sovereign wealth deployment and a defense and energy advisory surge, with Gulf Cooperation Council banks emerging as credible local CIB competitors rather than only as clients. Africa remains a smaller pool, but select markets offer pockets of growth linked to infrastructure investment, natural resources, and deepening capital markets. However, growth in the Middle East and Africa remains highly volatile and subject to geopolitical developments.

Overall, Asia-Pacific's CIB industry will grow faster than any region through 2030, with a CAGR of about 5%, but the growth will emerge from three distinct market-level engines. Bank of Japan's normalization is a structural rates and foreign exchange (FX) opportunity. India will be the market-growing regional wallet thanks to a boom in equity capital markets (ECM) and debt capital markets (DCM). Meanwhile, Southeast Asia and in particular Singapore are emerging as private capital, transaction banking, and wealth management hubs—ideal cases for one-bank synergies, where CIB and wealth management can jointly capture family office, private capital, and cross-border corporate flows through a single client relationship.

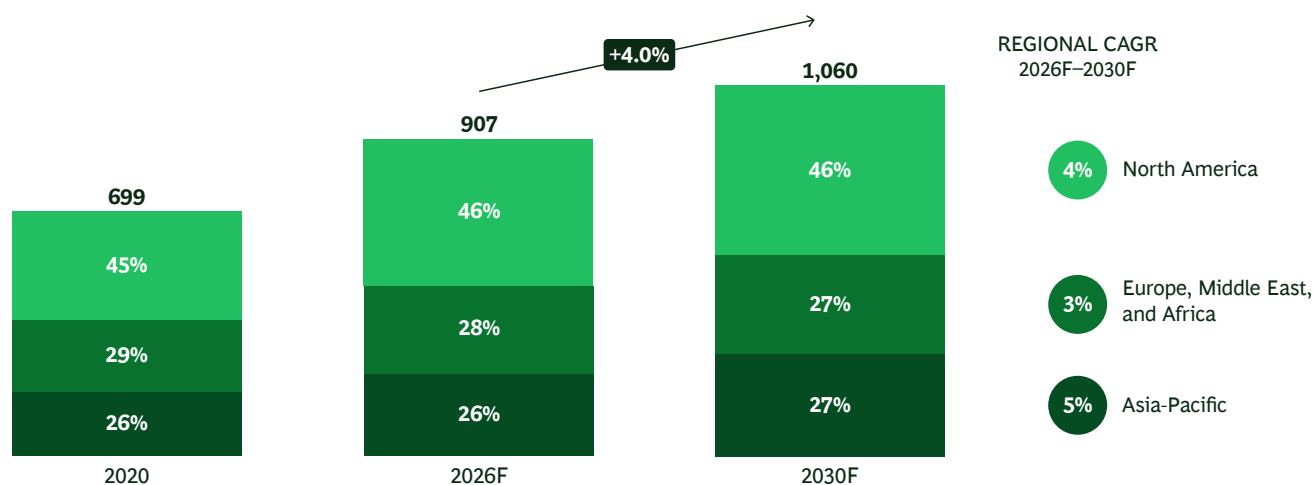
6. Sources: Federal Reserve, FDIC, and OCC Basel III Reproposal, March 2026; BCG Expand estimates.

7. Source: OSFI, June 2026.

EXHIBIT 3

North America Widens Its Lead, Asia-Pacific Compounds Fastest Through Distinct National Engines, and EMEA Contains Three Diverging Stories

GLOBAL POOLS WITH REGIONAL SPLIT (IN \$ BILLION)



Sources: BCG Expand; BCG analysis.

The Wallet Rotates Toward Capital Owners

As noted, NBFIs will continue to take significant market share through 2030. We estimate that nonbank liquidity providers (NBLPs) will capture about 38% of flow and market making by that date. At that scale, NBFIs will become central participants across lending, markets, and select advisory activities.

Growth in CIB increasingly comes from hedge funds (more than 40% cumulative revenue growth to 2030) and sponsors (37% cumulative growth to 2030) rather than from traditional corporate clients.

Sponsors anchor the IBD relationship, but the larger opportunity sits downstream. Financing, markets, and treasury carry more value than the advisory mandate itself, and the sponsor wallet will compound at roughly 8% to 2030.⁸ (See [Exhibit 4](#).) Thus, banks that win the mandate and stop there capture only a fraction of a relationship's worth.

Institutional clients—banks, insurers, pension funds, and other financial intermediaries—are the second-largest client segment after corporates, and among the most markets-concentrated: the large majority of their wallet sits in global markets, with lending and transaction banking playing a comparatively minor role. Growth here is more modest than in sponsors or hedge funds, but the segment's sheer size means even incremental share matters in absolute terms, and the same electronification and NBFIs competition reshaping markets for other clients applies just as directly here.

Hedge funds hold roughly 13% of the total CIB client wallet and are the fastest-growing subsegment within global markets at some 9% CAGR. Their wallet is concentrated in prime brokerage, equities financing, and electronic execution, driven by quantitative and multistrategy growth. The segment's importance is therefore understated by its share of the total. New hedge fund clients are emerging in the fastest-growing wealth management markets globally, including mainland China, Taiwan, and India.

8. *Financing* refers to prime brokerage, margin, and leveraged lending products; *markets* refers to equities and FICC sales and trading; *treasury* refers to transaction banking and cash management services.

EXHIBIT 4

Growth in CIB Increasingly Comes from Hedge Funds and Sponsors

Revenue CAGR by product and client split (%), 2026–2030F

Product / client type	Corporates	Institutions	Hedge funds	Sponsors
 Investment banking	+1	+3	—	+8
 Global markets	+2	+2	+9	+7
 Transaction banking	+2	+4	—	+8
 Lending	+2	+4	—	+9

Sources: BCG Expand; BCG analysis.

Note: Data exclude securities services revenue.

Sponsors and hedge funds are also raising the bar on service. The former increasingly expect technology-driven cost savings to be reflected in pricing, while the latter demand faster turnaround, more bespoke research, and tailored coverage. Both invest heavily in technology and expect comparable sophistication from banks. Notably, they can distinguish between a bank that has redesigned its workflows around technology or AI and one that has simply added new tools to an unchanged operating model.

The shift toward capital owners challenges the product-centric model through which many CIBs still organize coverage and accountability. Sponsors, hedge funds, and other NBFIs now more frequently buy across advisory, financing, markets, and treasury. (See [Exhibit 5](#).) As a result, the economics of the relationship increasingly depend not only on winning individual mandates but also on the bank's ability to connect products, information, and balance sheet around the client.

Coverage therefore needs to become more client-centric, particularly for large, cross-product, and complex clients. This does not imply relationship-heavy coverage for every client: standardized and long-tail activity can move toward technology-led delivery.

The overall corporate wallet will grow slightly slower than the CIB market at 2% CAGR through 2030, as lending commoditizes and cedes share to NBFIs while transaction banking—already the largest pool, and where leaders shift the wallet toward cross-sell and risk solutions, earning \$3 to \$4 for every \$1 of lending while laggards stay focused on lending—gains ground. Capitalizing on this shift will require moving coverage from CFO/treasury relationships up to the CEO/board level. This can open up access to M&A, equity capital markets, and cross sales. It also presents an opportunity to develop dedicated coverage for fast-growing, underpenetrated digital-native and new-economy corporates (for example, fintechs, healthtechs, AI champions, and energy-transition-focused enterprises) that rely less on conventional lending and whose equity-led, specialized needs a standard model cannot serve.

Therefore, by 2030, the corporate wallet will bifurcate into two segments wearing one label: a commoditizing base and a small, fast-growing new-economy pool. Each will require a particular coverage approach to win.

EXHIBIT 5

CIB Client Wallet Shares Vary Sharply by Segment

By product (%), 2026

Product / client type	Corporates	Institutions	Hedge funds	Sponsors
 Investment banking	20	6	—	18
 Global markets	10	65	100	25
 Transaction banking	50	5	—	12
 Lending	20	24	—	45

Sources: BCG Expand; BCG analysis.

Note: Wallets exclude securities services revenue.

Growth Shifts Modestly Toward Financing and Markets

By 2030, the product shelf will hold broadly steady in share terms, but the composition beneath it will shift. Equities and FICC will pick up modest share, as trading and financing-related activity grows within markets. Lending will stay flat at roughly 20% even as the rate environment normalizes.

The 2030 mix will differ from today's in three important respects: private credit will become a more direct revenue line, digital assets will move onto production rails, and financing and prime brokerage will focus more within markets as transaction banking cedes share.

Financing and prime activity is expanding alongside strong growth in sponsor and hedge fund balances, with revenues at record levels industry-wide. Prime brokerage, margin lending, and financing embedded within equities and FICC increasingly anchor the markets wallet. Transaction banking remains the largest single pool inside the corporate wallet, even as its relative share within the broader CIB mix shifts alongside these changes.

Today, banks largely participate in private credit indirectly by financing private-credit funds rather than holding the underlying credit themselves. This allows them to capture fee and spread income while avoiding direct exposure to much of the underlying credit risk. Our scenario anticipates a broader participation model by 2030, with private credit becoming a direct, on-balance-sheet revenue line for CIBs alongside fund financing. Banks therefore move from primarily financing the institutions that own private credit toward participating more directly in the asset class as well.

Digital assets will move from experimental use cases toward measurable production activity. In progressive scenarios, tokenized assets could reach approximately 16% of global investable assets by 2035—roughly \$48 trillion—while stablecoins replace approximately 10% to 15% of commercial money. At this scale, digital assets will no longer be an innovation-budget item. Tokenized real-world assets, stablecoins, tokenized deposits, and tokenized bonds will begin to affect settlement, collateral, and treasury economics as production instruments rather than pilots.

The Big Picture: Expanding Revenues, Shifting Shares

The 2030 CIB revenue pool will be larger but redistributed across clients, products, and operating models. NBFIs will gain share, financing and markets will account for a larger percentage of total CIB revenue, and technology will broaden the range of economics at which institutions can serve the same opportunities.

Aggregate growth therefore says little about individual outcomes. An institution can simultaneously grow revenue, lose share, and see its cost-income position deteriorate if the parts of the pool it holds are not the parts expanding. That is why a common market outlook cannot imply a common strategy.



Technology Will Dictate the Future Operating Model

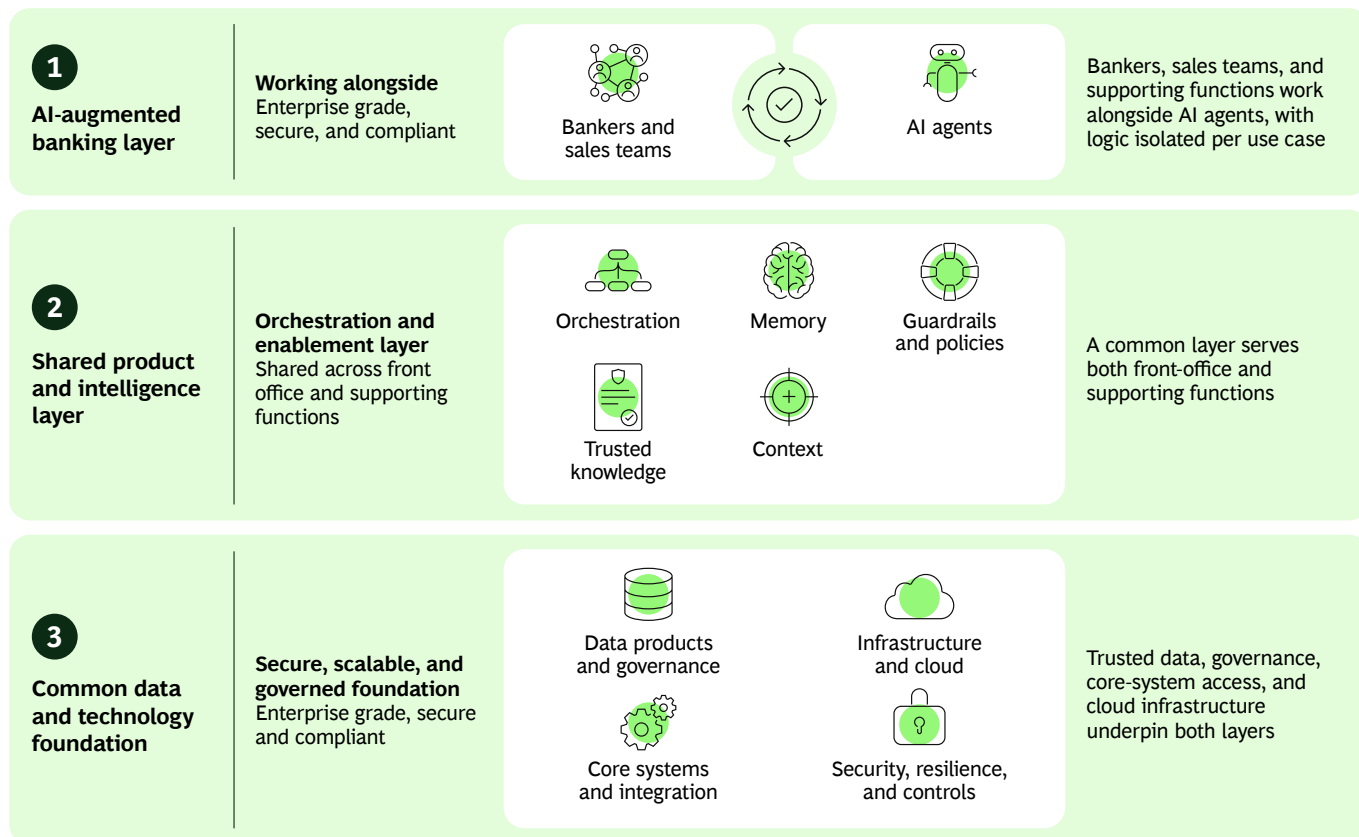
Today, most CIB operating models are led by humans, with AI supporting individual workflows.

By 2030, leaders' models will be technology-led and broadly AI-enabled, and the operating model will determine whether growth can be served at attractive economics.

Three operating model elements will underpin the performance of banks that grow profitably: bankers, sales teams, and supporting functions working alongside AI agents; a shared product and intelligence layer serving front office and supporting functions; and a common data and technology foundation underneath both. (See [Exhibit 6](#).) Platform capabilities and data supporting AI will be key differentiators for CIBs, with the best use cases being shared and reusable across the bank rather than rebuilt for each desk, product, and use case.

Of the three, the intelligence layer is where infrastructure investment becomes commercial advantage most directly. A bank that surfaces pricing history, transaction flow, and counterparty signals directly to front-office staff brings more of what it knows into a client conversation. We expect that leading CIBs will consolidate multiple AI use cases into a common front-office workbench.

Three Operating Model Elements Will Underpin the Performance of Banks That Grow Profitably



Sources: BCG Expand; BCG analysis.

Integration, Not Capability, Is the Constraint

Most institutions have demonstrated that AI models work. Few have resolved how AI operates inside a live origination, trading, or credit process under production stability, auditability, and regulatory constraints. To ensure successful production adoption, banks will need to meet the following platform requirements:

- **AI Support for the Individual Banker.** Coverage, sales, and trading staff build and run their own tools around their own workflows, without a central development queue. This requires self-service tooling, embedded compliance, production-grade stability, and a security model that can handle dynamic and delegated access rights at scale.
- **AI Inside Core Process Flows.** Where automation runs a process end to end and escalates only in exceptional cases (for example, in electronic trading), AI capabilities cannot be layered on top of the core system. The system requires managed operational interfaces, defined AI and data planes, AI-native development standards, and traceability sufficient to provide evidence for every automated decision.

- **AI Within the Data and Analytics Estate.** Injecting AI into data platforms pays off only when those platforms are harmonized and a semantic layer allows models to query one consistent representation of the institution's data (following a consistent data ontology). One emerging pattern resolves this split directly: probabilistic models generate the recommendation, but only validated, typed outputs are passed to execution APIs, eliminating hallucination risk at the point of action. Vendors serving trading and risk functions are already running this kind of model in production, with LLMs operating inside the client's own data perimeter.

A Common Platform, Built-In Modules

Developing these platforms with a multiyear front-to-back rebuild is expensive and likely too slow to matter competitively. Enabling AI at scale does not require replatforming the entire bank. It requires a common platform assembled from reusable building blocks (modules); that is, model access and orchestration, data access and lineage, guardrails and compliance controls, evaluation and monitoring, and agent tooling. All are built once

centrally and set up by individual teams for their own use cases. Standardized, open protocols for AI-to-system connectivity make this reusability concrete: one client implementation can access multiple server implementations without bespoke, point-to-point integration, while client-specific logic stays isolated within its own use case, allowing LLMs to connect remaining dots where needed. This is what preserves delivery speed while securing reusability and consistency across the estate.

Common does not mean uniform. Different purposes require different models, and parts of the platform will legitimately differ by jurisdiction to reflect local regulatory, data residency, and market requirements. The objective is a shared platform with flexibility so that teams can develop in a coordinated but individual way rather than queuing behind one central roadmap.

Governance and security need to evolve alongside the platform. As AI takes on a larger share of decision making, governance requires periodic revision, and not a one-time sign off. At the same time, cybersecurity functions must expand to catch AI-native risks like prompt injection and data exfiltration through agent tool access. None of this works without a dedicated access and integration layer into the bank's existing systems, connecting via standard mechanisms such as APIs, MCP (model context protocol), and OAuth 2.0.⁹

Where system fragmentation sits matters. Front-office systems are often organized narrowly, by product, desk, and deal type, and that is where speed and specialization matter most. Further back, toward settlement, aggregated risk, and regulatory reporting, systems at most institutions already run horizontally. The difficult fragmentation is often concentrated at the front end, which is precisely why the access and integration layer described above matters most there: it lets front-office teams keep their speed and specialization while still drawing on shared, live data like the rest of the platform.

Harmonized Rather Than Consolidated Data

Where data remains siloed by product or desk, so do the systems above it, and each subsequent change is built and maintained separately. Full consolidation, however, is neither realistic nor the objective. The target end state is a distributed, mesh-style estate with ownership close to the businesses generating the data.

Leaders are distinguished by their data stores, which are linked through consistent definitions, contracts, and lineage, with a semantic layer giving models and analytics one shared meaning for a client, counterparty, trade, or position. That layer is what allows an agent to answer a cross-product client question without a bespoke integration for every source—and why comparable institutions show such different results from similar AI investment: one avoids rebuilding the same point-to-point mapping for every new use case, the other pays that cost each time.

Delivery Speed Becomes the Binding Constraint

As the architectural question is resolved, the constraint shifts to how quickly business demand becomes a working capability. Technology functions will increasingly need an AI-first development lifecycle—an agentic software factory—using AI itself to build, test, and document the platform. Firms that get there first aren't just moving faster on individual features; they are developing an advantage in terms of how fast they can move on the next hundred.

Successful scaling therefore requires a consolidated view of the target state, a modular platform as the anchor, and a sequenced path that adds use cases onto shared building blocks rather than rebuilding beneath each one. This will become an important source of differentiation, determining which client-product combinations an institution can serve economically.

Workforce, Talent, and Judgment

As junior execution capacity is reduced and the demand for senior judgment increases, AI is reshaping the CIB talent structure—though not evenly across the front-to-back chain. In middle- and back-office functions, where much of the work is repetitive and rules-based, this points toward genuine capacity reduction.

We estimate that by 2030, up to 40% of current FTE capacity in these functions will be freed up (measured against today's job profiles and concentrated in the roles that are most repetitive). This will be a focus for bank executives over the coming two to three years. Freed capacity is not the same as a net head count reduction: the actual outcome will depend on how much is absorbed by new roles created alongside the reduction and on how capable agents and tools prove to be once fully adopted and running.

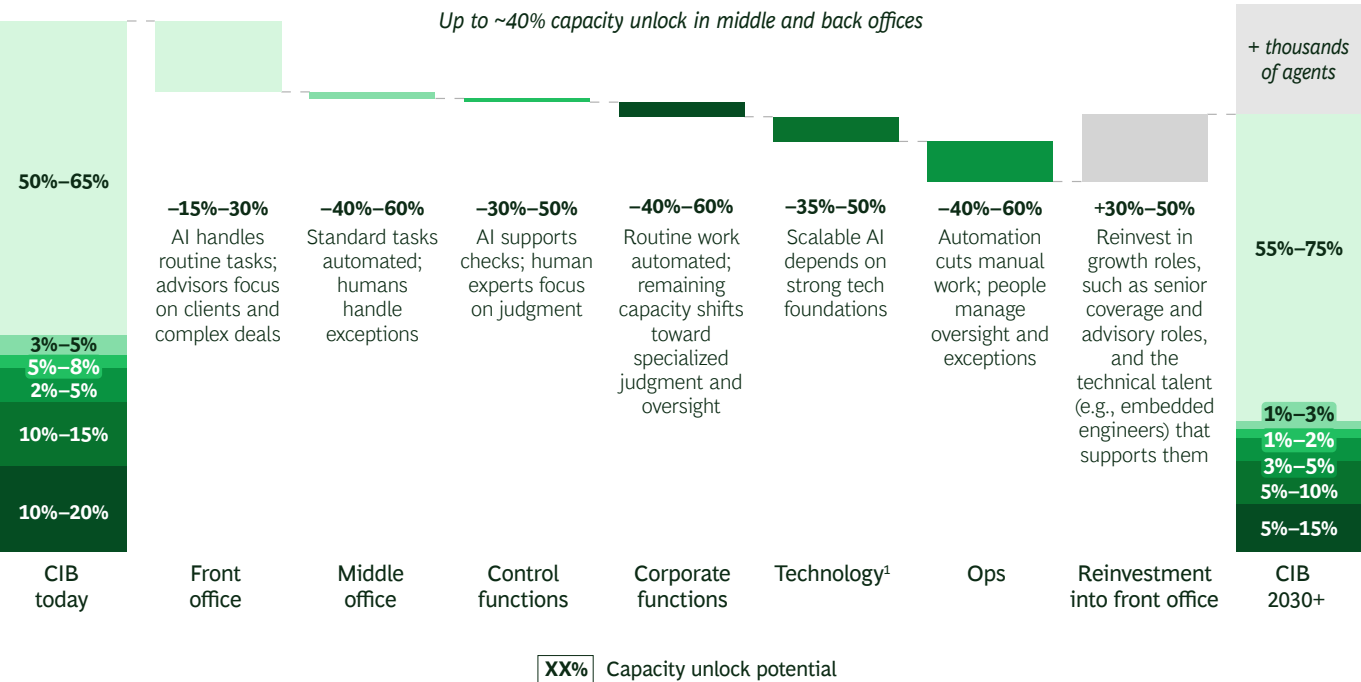
In the front office, by contrast, the shift is about rebuilding, not reduction. Front-office staff will always need to generate new revenue, and that work simply changes shape as execution is automated. We see leading CIBs requiring less junior capacity for activities such as request-for-quote drafting, analytical support, and data-pull work. Salespeople and traders will shift toward orchestration roles, supervising and validating both junior and agent output; this is the same shift already underway in electronic trading, where the edge no longer sits with whoever executes fastest. To this end, human capacity will concentrate on senior origination, complex structuring, judgment-intensive pricing, and bespoke client advice. (See [Exhibit 7](#).)

9. MCP (model context protocol): an open standard that enables AI applications and agents to connect consistently to external data, tools, and systems. OAuth 2.0: an industry-standard authorization framework that enables secure, controlled access to applications and data without sharing user credentials.

EXHIBIT 7

By 2030, AI Will Unlock Up to ~40% of FTE Capacity in the Middle and Back Offices, Reshaping Head Count and Required Skills

ESTIMATES FOR 2030+



Sources: BCG Expand; BCG analysis.
Note: Indicative estimates based on BCG case experience.
¹Including data and analytics roles.

This shift is likely to change an organization’s shape as much as its size. Today’s model—thin at the top and bottom but heavy in the VP- and director-level middle—will move toward something flatter over time. We predict a potential end state where organizations have fewer than five layers, with AI agents handling execution and reconciliation across sales, trading, and operations, while humans concentrate at the top, orchestrating and exercising judgment and interacting directly with clients, rather than reviewing or doing.

Alongside this technology-driven development, the move from traditional corporate coverage toward more sophisticated capital-owner relationships (sponsors, hedge funds, institutions) demands a different kind of talent, which takes time to develop. This requires a differentiated hiring strategy paired with intensive requalification of the existing workforce, turning experienced generalists into the kind of quantitative, technology-fluent talent that has historically been scarce inside banks. It also means redesigning junior roles to focus on synthesis and judgment rather than execution, so the next generation of talent develops the right instincts from the start.

Managed deliberately, with named ownership for the transition and clear milestones for building talent over time, this will help CIBs preserve and develop the judgment required to compete.

Technology and talent together determine what a CIB can economically deliver. The next chapter of this report outlines the concrete choices each institution needs to make on regions, clients, products, and how far to take this operating-model transformation.



Four Strategic Choices for Growth

The apt strategic response depends on each CIB's starting position and right to win.

For leading banks, and those with the ambition to become one, we see four strategic decisions for 2030:

- **Regional Focus.** In which markets should the institution refocus capital, talent, and management attention for the next phase of growth?
- **Client Segment Focus.** Which client segments should be expanded while leveraging limited coverage capacity, senior attention, and balance sheet resources?
- **Product Focus.** What products should be developed or revamped to better service target client segments?
- **Operating Model Design.** What workforce, data, tech architecture, and AI solutions are needed to distinguish us from other banks and NBFIs?

There is, of course, no universally correct answer to any of these questions. The objective is to make a coherent set of choices and resource them consistently. Moreover, choices need to be sequenced: all four will compete for the same scarce capital, talent, and management attention.

Lastly, decisions will differ sharply by CIB type: global leaders will have a different set of options than regional champions or more local, niche CIBs. We see leading, global CIBs combining firmwide AI platform overhauls with investments in coverage and geographic expansion and pursuing several of these choices simultaneously. Regionally focused CIBs will need to pick one option rather than pursuing opportunities in all four areas at once; for example, sponsor coverage in a home region rather than globally, partnering rather than building for digital assets, or defending a product franchise rather than expanding the shelf.

Regional Focus: Growth Requires a Right to Win

Regional options run from concentrating in a bank's home market to expanding for growth. Three questions help frame the decision:

- **Is the growth durable?** The question for CIB leaders is whether the drivers of regional growth are structural enough to justify sustained investment, or if they reflect a temporary issuance, deployment, or advisory cycle.
- **What's the size of the prize?** What is the total addressable market and, more importantly, how much of it can the bank realistically service?
- **What does it take to win?** Where a credible platform already exists, expansion may require only incremental coverage, product, and balance sheet. Where it does not, entry can mean multiyear regulatory and infrastructure development before meaningful revenue follows. Growth must be assessed against both the cost and the time to access and achieve it. In addition, the bank needs to evaluate the respective risk profile and the anticipated impediments to achieving returns as well as potential regulatory implications of a regional expansion.

For institutions with an existing base or a credible path to scale, targeting the US, selected APAC markets, and the Middle East can justify additional resources. (See the sidebar "[Deep Dive on Europe](#).") For others, deepening the home position and accessing growth through partnerships will likely beat a thin presence across several markets.



DEEP DIVE ON EUROPE

UK. Corporates with more than £1 billion in turnover make up a narrow slice of all UK corporates by number, yet account for roughly 60% of the total corporate addressable market—the highest concentration among major European markets. According to BCG Expand, this reinforces the UK's position as a mature, concentrated money-center hub with limited room for new entrants seeking to build a large-corporate book from scratch. Concentration is at the same time the UK's defensible core: the deepest liquidity and the highest density of global CIB coverage in Europe, expensive for a challenger to replicate but low risk for an incumbent to hold.

Germany. CIB-eligible corporates with more than €1 billion of annual revenues are only about 38% of the total addressable market (TAM), the lowest figure among the top five European markets, reflecting the weight of the Mittelstand. That structure does not translate into easy access below the CIB line. In the €250 million to €1 billion midmarket band, the top three CIBs hold only a roughly 30% to 35% share; this makes it a highly competitive market with low margins. In this fragmented environment, select international CIBs are able to win market share with a superior corporate banking proposition and international exposure for corporate clients. In addition, infrastructure, defense, and asset-based financing provide emerging growth opportunities.

Italy, Netherlands, and Spain. CIBs' share of the corporate TAM sits in the middle range (Italy about 50%, Netherlands and Spain about 45%), but competitive intensity in the midmarket diverges sharply. Spain's top three banks hold about 60% of the €250 million to €1 billion segment—a largely consolidated market where entry is expensive. Italy and the Netherlands remain as fragmented as Germany (roughly 30% to 35%), leaving more room to build share organically.

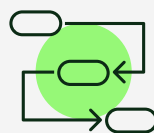
Client Focus: Organize Around Relationships That Can Compound

Scarce coverage capacity, senior attention, and balance sheet capacity need to be carefully allocated. Winning in the new growth areas will not be easy. Sponsors and hedge funds expect financing consistency, strong electronic execution or swift turnaround, proprietary insight, and technology-enabled coverage. Without those capabilities, CIBs may win individual mandates, but they won't develop relationships.

Three questions can guide the choice of where to focus coverage:

- **Which client segments can the institution credibly serve?** Segment attractiveness has to be tested against the capabilities required to compete. A bank with a leading global markets franchise, including financing and prime capabilities, and substantial technology investment may be positioned to expand sponsor or hedge fund coverage. Another may create more value by deepening its existing corporate franchise or focusing on select new-economy clients.
- **Does the client base justify relationship-led coverage?** Large, cross-product relationships justify centralized coverage because coordination and revenue-crediting issues become material. Several large banks have built dedicated private capital/sponsor coverage groups that manage the relationship across products and maximize share of wallet, rather than leaving it split across product line silos. A long tail of smaller, single-product relationships is better served through lower-touch, technology-enabled digital platforms.
- **Is the current book exposed to the wallets that are growing?** With the corporate wallet growing at roughly 2% CAGR against a sponsor wallet compounding at about 8%, a franchise weighted toward the former falls behind without any revenue decline.

Once client segments are prioritized, a bank must align coverage and organizational structure to capture the full relationship wallet. (See the sidebar “[From Product Ownership to Client Orchestration](#).”) The traditional model distributes ownership by product: advisory owns the mandate, financing the balance sheet, markets the execution, treasury the transaction flows. This model works where wallets are product specific. It breaks down when the fastest-growing clients buy across all four at once.



FROM PRODUCT OWNERSHIP TO CLIENT ORCHESTRATION

Relationship-led coverage works only if commercial ownership, incentives, and delivery are aligned around the client rather than the product. Three elements are critical:

- **A Single, Accountable Coverage Lead.** One lead must own the overall sponsor or hedge fund relationship across products. Product specialists continue to execute financing, structuring, and markets activity, but accountability for the client remains clear.
- **Two-Way Shared Wallet Crediting.** Revenue credit should follow the relationship across product boundaries. Corporate and commercial teams should receive recognition for introducing opportunities into sponsor relationships, while sponsor coverage receives credit when portfolio companies enter the broader bank. Without this shared crediting, relationship ownership changes on paper while product-level incentives remain intact.
- **Balance Sheet as a Door Opener.** Financing commitment, including private credit where relevant, can create access to the broader advisory, markets, and treasury wallet rather than simply follow an existing mandate. As sponsor economics extend beyond advisory, balance-sheet deployment becomes an important part of relationship strategy.

These mechanisms need to be supported by the operating model. Workflow design, information flow, metrics, incentives, talent, and transition governance must all reinforce the same client outcome. In particular, relationship owners need cross-product visibility, metrics need to reflect total wallet economics alongside desk performance, and transition governance needs to protect service and revenues as ownership shifts.

Product Focus: Decide Where and How to Compete

The CIB product mix of 2030 will become lighter on traditional lending and heavier on financing, markets, private credit, and digital asset infrastructure. While every institution will face the same shift, few should respond by building every growth product. The crucial decisions are where to build proprietary capability, where to partner, and where to wait:

- Build where ownership of infrastructure creates durable advantage; for example, through the buildup of infrastructure, talent, proprietary data, or a unique combination of these elements.
- Partner where the capability is required, but owning the infrastructure creates little differentiation on its own. Typical examples are private-credit origination and underwriting infrastructure, or shared tokenization and settlement rails, where value capture depends on participation and reach rather than proprietary buildout.
- Wait where economics, client adoption, or regulation are not yet clear enough to justify commitment.

For any institution, the right answers will differ by product, region, and client franchise. Of the three choices, partnering is often mistaken for the low-effort option. In practice, it still requires integrating the partner's systems with the bank's, governing data that now flows through infrastructure the bank doesn't control, and building an operating model around a capability it doesn't own. And the price of partnering is ceding control over how the capability evolves.

Once the build/partner/wait choice is made, execution follows a second logic: platform, flow, or specialization. Standardized, repeatable activities with limited need for human judgment lend themselves either to a platform approach (where scale, infrastructure, and data create durable advantage) or to flow (where the bank competes through efficient execution without needing to own the underlying rails). Bespoke activities, where client needs, structuring complexity, or senior judgment make automation difficult, resolve toward specialization. Again, the right approach can differ by product, client, and region within the same institution. Cash equities or G10 FX, for example, are naturally more scale-led, while structured derivatives and illiquid transactions remain more judgment-intensive. The objective is not to differentiate everywhere but to industrialize where scale wins and concentrate differentiation where it can earn a premium.

Two further factors should shape decisions about where and how to compete. The first is balance sheet: regulatory relief is already being redeployed toward sponsor and hedge fund financing, and capital earning attractive returns there is not simultaneously available for infrastructure investment. The second factor is sequence: digital asset adoption remains fragmented across desk-level pilots and vendors at most institutions, and building shared issuance, settlement, and custody capability now avoids paying to unify that architecture later. Digital assets pose a sharper version of this problem than other items on this product shelf. (See the sidebar ["When the Infrastructure Is the Product."](#))



WHEN THE INFRASTRUCTURE IS THE PRODUCT

Most items on the CIB product shelf ask an institution to compete within a stable set of rails. Digital assets do not. Adopting them means taking a position on what settlement, custody, and collateral infrastructure looks like for the industry, not just adding a revenue line.

That's why the impact concentrates downstream rather than at the point of adoption: issuance is a real but moderate opportunity, while clearing and settlement, custody, and asset servicing carry the largest share of value. Atomic delivery-versus-payment compresses settlement from days to nearly instantaneous, which removes the reconciliation, prefunding, and margin buffers that today's post-trade infrastructure exists to manage. It's not a faster version of the current process, but a different one. Repo, collateral management, and tokenized cash-equivalents already sit at this end of the spectrum in production—leading platforms in this space now process hundreds of billions in monthly volume—while tokenized issuance remains a cost-and-speed play where regulatory readiness, not competitive effort, sets the pace.

Operating Model Design: Align the Model to the Portfolio

The burning question is how far CIBs can progress toward the target operating model. The options run from selective AI-enabled improvements inside today's operating model to a front-to-back redesign spanning front office, risk, and operations. Selective changes deliver near-term productivity and preserve existing governance. A full-fledged redesign demands far more coordination and management attention but also builds the shared technology and data layers that change the cost curve and make cross-product delivery possible. Most institutions will land somewhere between these two options, based on their strategic choices about regions, clients, and products.

For large, cross-product relationships, the priority is equipping relationship owners with integrated information, specialist access, and senior judgment. For standardized, high-volume activity, it is industrialized workflows, low-touch delivery, and AI-enabled execution. The test for any given activity is whether AI and automation can perform most of it safely and effectively or whether senior human judgment is a hard constraint. Where the latter is true, the answer is orchestration.

Redesign intensity is one dimension of this choice. Three others sit alongside it. The first is workforce architecture, where the question is how much judgment-intensive work stays with senior bankers and how much shifts to AI-orchestrated execution. The second dimension is data and intelligence architecture. Here, the question is whether pricing history, transaction flow, and client signals sit in a shared layer usable across products or stay siloed by desk. The third dimension is the client interface itself—how requests get routed between a human relationship manager, a self-service AI platform, and bank AI agents handling standardized activity directly, and where the human sits in that flow: first point of contact, final approver, or exception-only. Each of these elements carries its own cost, timeline, and degree of reversibility, and each should be assessed on its own terms.

Five execution questions can help assess the right operating model ambition:

- **Is change governance and the workforce model underneath it front-to-back?** Client and product journeys cross front office, risk, operations, technology, and, increasingly, the human-AI boundary within each. Front-to-back governance allows those journeys and the workforce roles supporting them to be redesigned from end to end. Function-led governance, meanwhile, requires renegotiation at every handoff, slowing implementation.
- **Is technology investment coordinated?** A centrally sponsored program can prioritize architecture and sequence investment. Fragmented desk- and function-level initiatives duplicate spending and lead to inconsistent data and repeated integration work.

- **Are pilots delivering insight or duplication?** Multiple pilots are useful during early experimentation. However, over time, parallel initiatives exploring similar questions deliver diminishing insight at rising cost. Moving from experimentation to scale means consolidating successful use cases onto shared platforms and within one program.
- **Does the data architecture support the target workforce and client-interface model, or constrain it?** An institution with a shared intelligence layer can route standardized activity to self-service and redeploy senior capacity accordingly. A bank running fragmented, desk-level data has to solve the same problem repeatedly and cannot fully act on either the workforce or the client-routing choice above.
- **Is investment sequenced toward the target architecture?** Early architecture decisions constrain later ones. An institution with a partially established intelligence layer faces a different problem from one still running fragmented pilots. Sequence matters as much as the level of spending.

In our experience, ambitious front-to-back reimagination programs can unlock 10% to 20% of total cost-to-operate, free up front-office capacity, and ensure the business stays nimble for growth and the age of AI.

An institution with a shared intelligence layer can route standardized activity to self-service and redeploy senior capacity accordingly. A bank running fragmented, desk-level data has to solve the same problem repeatedly.



A Strategic Agenda: Three Moves

For CIBs, setting the right strategic agenda will be decisive in ensuring current strength translates into success over the next five years.

Leaders will structure this agenda around three priorities: strengthening the core, enabling future growth, and deciding where to play. Most institutions will also benefit from making one bold bet, a move significant enough to change their trajectory.

Strengthen the Core

The following levers can strengthen a bank's core and help fund the change journey:

- **Deepen existing relationships.** As nonbanks make plays to capture single-product relationships, monetizing only one product per client leaves banks in an easily displaced position. Deepening client connections requires revenue credits that follow the relationship, senior ownership of handoffs between desks, and cross-product transparency on the full client product list. One-bank initiatives and halo revenues can maximize client relationships and bring the strength of the entire group to clients.
- **Reset the cost base as a stack, not a program.** Front-to-back AI-based reimagination of the operating model can release 10% to 20% of operating costs, on top of the FTE capacity discussed earlier.

- **Release capital that is not earning its keep.** Every large CIB carries a tail of the book that consumes disproportionate risk-weighted assets for little income once cost-to-serve is counted. Options here include reviewing for capital accuracy, significant risk transfer, or exit. Notably, these options require no rule change or new jurisdiction.

Enable Future Growth

In a shifting revenue landscape, four elements are critical for a sustainable growth trajectory:

Coverage and Financing Capability for Growing Segments.

Sponsor revenues will compound at roughly 8% through 2030, and hedge fund revenues at about 9%. Both sets of clients demand financing consistency through cycles and proprietary insight. Serving these segments without appropriate coverage and capabilities may win single mandates but will not foster full, rewarding relationships.

The Platform. This is not just a data platform; it is the shared execution and intelligence layer described earlier, built modularly on a harmonized data estate with a semantic layer underneath it. Sequencing matters as early architecture decisions will constrain later ones.

Digital-Asset Infrastructure. The economics are now clear and specific enough to plan for: \$200 million to more than \$600 million of annual corporate banking revenue for an average global systemically important bank (G-SIB)—spanning treasury solutions, cross-border payments, crypto-native firm banking, and advisory fees—plus up to 4% higher return on equity on trading businesses from tokenized issuance, collateral mobility, and faster settlement.¹⁰

The Judgment Pipeline. As AI handles increasing levels of junior execution, the apprenticeship model that produces senior judgment becomes redundant. CIBs must counter this trend with dedicated talent programs to retain and build judgment.

Decide Where to Play

A small number of explicit geographic and product decisions made today will determine what kind of franchise an institution is in 2030. These decisions involve capital, talent, and standards that competitors are committing to now. The following are representative moves for banks:

Europe. Making a play in Europe may require inorganic growth—M&A, joint ventures, or minority stakes—and selective share-building where overall pool growth is slower. Gains will have to come from competitors rather than market expansion or from concentrating at home and accessing growth through partners.

Asia-Pacific. Tapping into distinct market engines and clusters (e.g., Southeast Asia, Japan, Korea, mainland China, and Hong Kong) may require partnership agreements to access onshore business.

Private Credit. The options are to finance private-credit funds or participate directly in the asset class. The choice should be based on risk appetite, workout capability, and product capability.

Digital Assets. Decide how to compete in this space. Own the rail, partner with an issuer, or wait on regulatory clarity.

The Product Shelf. Build, partner, or wait, with a decision made explicitly for each product, region, and client franchise.

Bold Bets

Addressing the foregoing priorities may protect the run rate. It may not set an institution on a trajectory for an improved position in 2030. Furthermore, the window for changing that trajectory will not remain open indefinitely. Most CIBs will need at least one bold commitment now, made from a position of strength. Following are five representative bets:

Launch an agentic platform in global markets. The idea here is to take first-mover advantage in an AI-native value proposition rather than to improve an existing workflow. The prize is outperforming competitors on client experience and cost-to-serve simultaneously.

Establish a partnership or consortium for digital-asset infrastructure. The model should cover settlement and collateral. Shared infrastructure spreads the build cost and, more importantly, sets standards across participants.

Conduct an inorganic move for scale in Europe, Middle East, and Africa or in Asia-Pacific. Banks can acquire a complementary platform instead of funding a multiyear organic build. For institutions without a credible path to scale in either region, this may be the best route. Sector-level M&A sentiment is currently strongest in financial institutions¹¹—well ahead of technology or consumer—suggesting the appetite for this kind of move is already there.

Set up a joint venture with a nonbank. In areas where banks and nonbanks are not directly competitive, convert a competitor into an infrastructure, distribution, or funding relationship rather than defending every activity against it.

Build up direct participation in private credit. This would be a move away from financing the funds to owning the asset class alongside them. It would require balance sheet, risk appetite, and workout capability—committed at the same time.

Funding the Agenda

Priorities and bold bets will compete for the same capital, technology capacity, and senior management attention. Our expectation is that much of the funding for these efforts can be generated internally by banks: the cost stack and capital levers achieved by strengthening the core are available to every institution regardless of jurisdiction or charter and do not depend on any regulatory change. Reinvestment is key as this capacity is released.

The disciplines here are not new, but better data and AI reduce the cost of finding trapped capital and unmonetized wallet, while competitive pressure raises the cost of leaving both untouched. CIBs do not need to wait for the next regulatory cycle to begin funding their 2030 position. A meaningful part of the capacity required to build tomorrow's franchise is available to most banks today.

10. Treasury solutions and programmable liquidity: \$60 million to \$225 million; stablecoin-enabled cross-border payments: \$50 million to \$170 million; banking services for crypto-native firms: \$75 million to \$175 million; episodic crypto IPO/ECM/advisory revenues: \$10 million to \$50 million. Source: *The Future of Digital Assets*, BCG, May 2026.

11. BCG's M&A Sentiment Index scored financial institutions at 108 as of September 2026—the highest reading of any sector tracked, ahead of health care (100) and well above technology (52). Source: BCG M&A Report 2026.

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