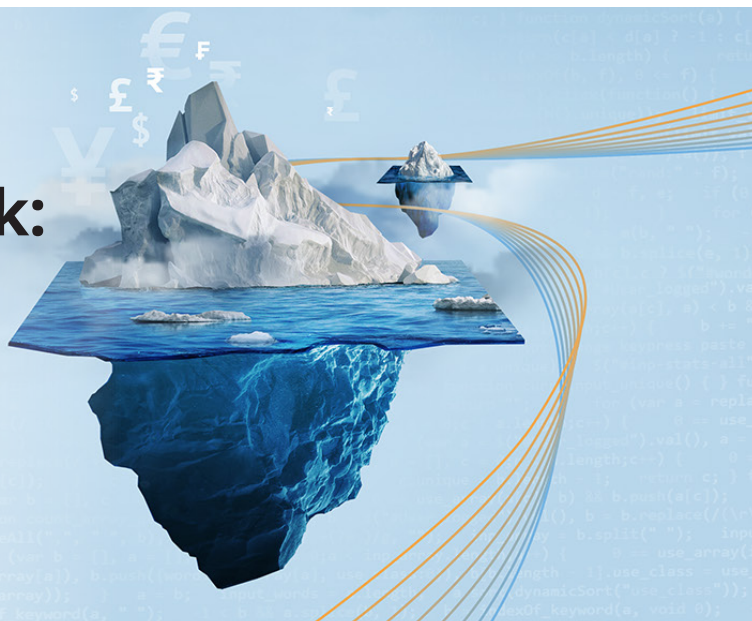




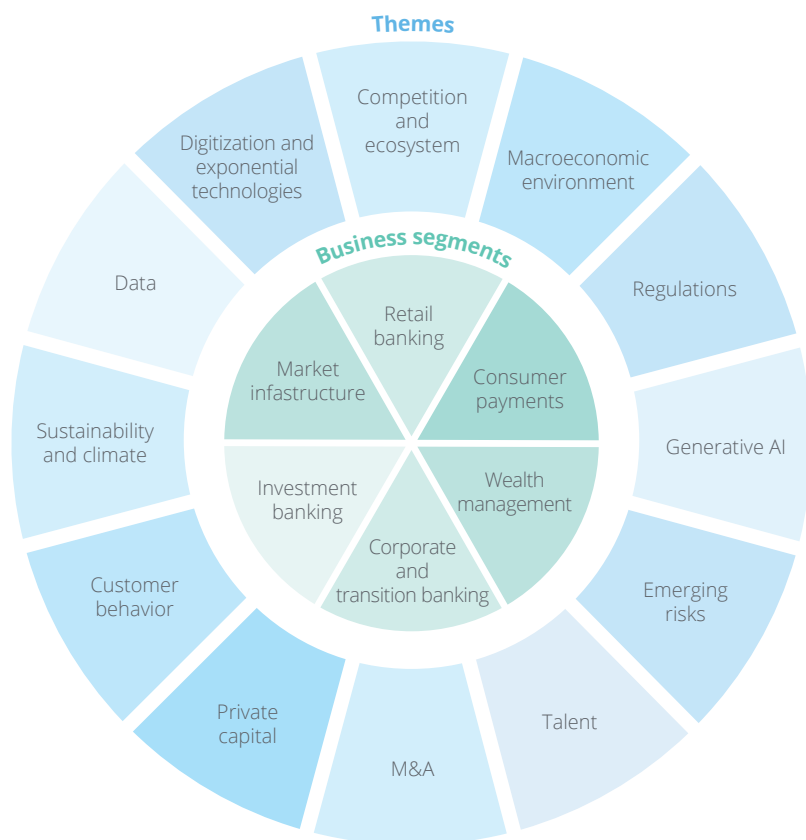
CENTER FOR FINANCIAL SERVICES

2024 banking and capital markets outlook:

Banks' strategic choices will be tested as they contend with multiple fundamental challenges to their business models. They must demonstrate conviction and agility to thrive.



Themes highlighted in Deloitte's 2024 banking and capital markets outlook



2024 banking and capital markets outlook

To develop this year's outlook the [Deloitte Center for Financial Services](https://www2.deloitte.com/bankingoutlook) conducted a series of interviews with Deloitte leaders across business segments and geographies with direct experience working with a wide variety of banking and capital markets clients.

View the full report at:

www2.deloitte.com/bankingoutlook

Source: The Deloitte Center for Financial Services analysis.

Priorities for strategic planning



Retail banking

Fortifying customer relationships and owning the “sticky” share of wallet



Consumer payments

Grabbing a bigger slice of the revenue pie in a fast-evolving ecosystem



Wealth management

Revamping the advice engine for the future of wealth



Corporate and transaction banking

Enabling efficient money flows through digitization



Investment banking and capital markets

Rejiggering business models and leading with cutting-edge technology



Market infrastructure

Reinventing business models and becoming more indispensable to clients

Key messages

- **A slowing global economy, coupled with a divergent economic landscape, will challenge the banking industry in 2024.** Banks' ability to generate income and manage costs will be tested in new ways.
- **Multiple disruptive forces are reshaping the foundational architecture of the banking and capital markets industry.** Higher interest rates, reduced money supply, more assertive regulations, climate change, and geopolitical tensions are key drivers behind this transformation.
- **The exponential pace of new technologies, and the confluence of multiple trends, are influencing how banks operate and serve customer needs.** *The impact of generative AI, industry convergence, embedded finance, open data, digitization of money, decarbonization, digital identity, and fraud will grow in 2024.*
- **Banks, in general, are on sound footing, but revenue models will be tested.** *Organic growth will be modest, forcing institutions to pursue new sources of value in a capital-scarce environment.*
- **Investment banking and sales and trading businesses will need to adapt to new competitive dynamics.** *Forces like the growth of private capital will challenge this sector to offer more value to both corporate and buy-side clients.*
- **Early 2023 shocks to global banking have galvanized the industry to reassess their strategies.** *While bank leaders focus on proposed regulatory changes to capital, liquidity, and risk management for U.S. banks, there is much to be done to evolve business models.*

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