Goldman Sachs International (unlimited company)

Unaudited Quarterly Financial Information

March 31, 2021

Introduction

Goldman Sachs International (GSI or the company) delivers a broad range of financial services to clients located worldwide. The company also operates a number of branches and representative offices across Europe, the Middle East and Africa (EMEA) to provide financial services to clients in those regions.

The company's primary regulators are the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).

The company's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. (Group Inc.). Group Inc., together with its consolidated subsidiaries, form "GS Group". In relation to the company, "GS Group affiliate" means Group Inc. or any of its subsidiaries.

This financial information has been prepared in line with the recognition and measurement requirements of International Financial Reporting Standards (IFRS) and includes the company's income statement, balance sheet and certain supplementary notes. See Note 1 for further information on the basis of preparation of this financial information.

In 2020, the company changed its accounting reference date from November 30 to December 31. As such, the company's first quarter for 2021 is for the three months ended March 31, 2021, with comparative information being presented for the three months ended February 29, 2020.

All references to March 2021 and February 2020 refer to the periods ended, or the dates, as the context requires, March 31, 2021 and February 29, 2020, respectively. All references to December 2020 refer to the date December 31, 2020. All references to "the 2020 Annual Report" are to the company's Annual Report for the period ended December 31, 2020.

Results of Operations

Income Statement

The company's profit for the three months ended March 2021 was $620 million, an increase of 95% compared with the three months ended February 2020.

Net Revenues

The company generates revenues from the following business activities: Investment Banking; Fixed Income, Currency and Commodities (FICC); Equities; and Investment Management, which includes Asset management and Wealth management. See "Results of Operations — Net Revenues" in Part I of the 2020 Annual Report for a description of each business activity.

The table below presents net revenues by business activity.

	Three Months Ended	
$ in millions	**March 2021**	February 2020
Investment Banking	**$ 653**	$ 403
FICC	**1,075**	520
Equities	**1,315**	608
Investment Management	**343**	358
Total	**$3,386**	$1,889

Net revenues were $3.39 billion for the three months ended March 2021, 79% higher than the three months ended February 2020, primarily due to significantly higher net revenues in Equities, FICC and Investment Banking. This increase primarily reflected the more favourable operating environment, which was partially offset by the transition of certain activities previously undertaken by the company to other GS Group affiliates, primarily as part of GS Group's Brexit strategy.

Investment Banking

Net revenues in Investment Banking were $653 million for the three months ended March 2021, 62% higher than the three months ended February 2020, primarily due to significantly higher net revenues in Underwriting and Financial advisory. The increase in Underwriting reflected significantly higher net revenues in Equity underwriting and higher net revenues in Debt underwriting. Financial advisory net revenues were also significantly higher reflecting an increase in completed mergers and acquisitions transactions.

FICC

Net revenues in FICC were $1.08 billion for the three months ended March 2021, $555 million higher than the three months ended February 2020 due to significantly higher net revenues in FICC intermediation, partially offset by lower net revenues in FICC financing. The increase in FICC intermediation reflected significantly higher net revenues in interest rate products, currencies, commodities and credit products and higher net revenues in mortgages.

Equities

Net revenues in Equities were $1.32 billion for the three months ended March 2021, $707 million higher than the three months ended February 2020 due to significantly higher net revenues in Equities intermediation and Equities financing. The increase in Equities intermediation reflected significantly higher net revenues in derivatives and cash products. The increase in Equities financing reflected improved market conditions and increased activity.

Investment Management

Net revenues in Investment Management were $343 million for the three months ended March 2021, 4% lower than the three months ended February 2020 due to lower net revenues in Asset management, partially offset by higher net revenues in Wealth management.

Net Operating Expenses

The table below presents net operating expenses and headcount.

	Three Months Ended	
$ in millions	**March 2021**	February 2020
Compensation and benefits	**$1,569**	$ 730
Transaction based	**513**	291
Market development	**4**	21
Communications and technology	**36**	32
Depreciation and amortisation	**44**	36
Professional fees	**40**	47
Management charges from GS Group affiliates	**242**	240
Other expenses	**191**	159
Total operating expenses	**2,639**	1,556
Management charges to GS Group affiliates	**(93)**	(86)
Net operating expenses	**$2,546**	$1,470
Headcount at period-end	**3,898**	4,227

In the table above:

- Compensation and benefits included a charge of $334 million for the three months ended March 2021 and a credit of $27 million for the three months ended February 2020 representing recharges from Group Inc. equivalent to changes in the fair value of share-based payment awards during the period.
- Compensation and benefits include discretionary compensation, which is finalised at year-end. The company believes the most appropriate way to allocate estimated annual discretionary compensation among interim periods is in proportion to the net revenues earned in such periods.
- The company has reclassified $53 million of expenses from other expenses to transaction based expenses for the three months ended February 2020 to conform to the current period's presentation. See "Note 7. Net Operating Expenses" in Part II of the 2020 Annual Report for further information on the reclassification.

Net operating expenses were $2.55 billion for the three months ended March 2021, 73% higher than the three months ended February 2020.

Compensation and benefits were $1.57 billion for the three months ended March 2021, $839 million higher than the three months ended February 2020. Excluding the impact of recharges from Group Inc. equivalent to changes in the fair value of share-based payment awards for both periods, compensation and benefits were $1.24 billion for the three months ended March 2021, 63% higher than the three months ended February 2020 reflecting strong operating performance.

Transaction based expenses were $513 million for the three months ended March 2021, 76% higher than the three months ended February 2020 reflecting an increase in activity levels.

Other expenses were $191 million for the three months ended March 2021, 20% higher than the three months ended February 2020. This primarily reflected an increase in activity where the company is principal to transactions for which it engages other GS Group affiliates to satisfy some or all of its performance obligations, resulting in a gross up in net revenues and operating expenses as required by IFRS 15 'Revenue from Contracts with Customers'.

As of March 2021, headcount was 5% lower compared with December 2020, primarily driven by the transfer of certain employees to other GS Group affiliates as part of GS Group's Brexit strategy.

Income Tax Expense

The company's effective tax rate was 26.2% for the three months ended March 2021, which compares to the U.K. corporation tax rate applicable to the company of 27%. The effective tax rate represents the company's income tax expense divided by its profit before taxation.

Balance Sheet

As of March 2021, total assets were $1.16 trillion, a decrease of $105.73 billion from December 2020, primarily reflecting a decrease in trading assets of $148.24 billion (primarily due to a decrease in derivatives, principally as a result of a decrease in interest rate derivatives), a decrease in cash and cash equivalents of $7.11 billion (primarily due to a change in the proportion of Global Core Liquid Assets (GCLA) held as cash deposits) and a decrease in other assets of $5.38 billion (primarily due to a decrease in intercompany loans), partially offset by an increase in collateralised agreements of $53.62 billion (primarily due to increases in firm activity).

As of March 2021, total liabilities were $1.12 trillion, a decrease of $106.36 billion from December 2020, primarily reflecting a decrease in trading liabilities of $152.12 billion (primarily due to a decrease in derivatives, principally as a result of a decrease in interest rate derivatives) and a decrease in unsecured borrowings of $6.35 billion (primarily due to a decrease in intercompany loans), partially offset by an increase in collateralised financings of $47.18 billion (primarily due to increases in firm activity) and an increase in customer and other payables of $4.46 billion (primarily due to an increase in cash collateral received).

Under U.S. GAAP, as of March 2021, the company's total assets were $501.58 billion and total liabilities were $472.79 billion. Total assets and total liabilities under U.S. GAAP differ from those reported under IFRS primarily due to the company presenting derivative balances gross under IFRS if they are not net settled in the normal course of business, even where it has a legally enforceable right to offset those balances.

Regulatory Matters and Other Developments

Impact of Coronavirus (COVID-19) Pandemic

While the availability of vaccines has raised hopes about an end to the COVID-19 pandemic, the pandemic's trajectory will depend on the speed and scale of vaccine distribution globally and the extent to which efforts to curtail infections are hampered by new surges caused by variants of the virus. Entering the second quarter of 2021, the situation has remained in flux globally, as some countries have encountered a significant increase in the number of new cases.

The company has continued to successfully execute on its Business Continuity Planning strategy since initially activating it in March 2020 in response to the emergence of the COVID-19 pandemic. The company's priority has been to safeguard its employees and to seek to ensure continuity of business operations on behalf of its clients. While a significant number of the company's employees continue to work remotely, a growing number of people are returning to the company's London office and this trend is expected to accelerate as the U.K. vaccination programme continues and U.K. government restrictions ease.

In the first quarter of 2021, financial markets were generally characterised by higher confidence in the prospect of rapid and sustained economic growth, a sentiment that was largely driven by the anticipated impact of mass distribution of vaccines, additional government spending and continued business reopenings. Client activity in the quarter was strong, and the company remained committed to service the needs of clients by facilitating risk management and deploying its balance sheet. See Note 8 "Capital Management and Financial Risk Management" for further information about the company's capital ratios, GCLA and Value-at-Risk (VaR).

Despite a strengthening in the economy during the quarter, the sustainability of the economic recovery is vulnerable to the risk that the course of the pandemic takes an adverse turn. A sustained period of weak economic conditions as a result of the pandemic would be detrimental to the company's businesses as it would negatively affect factors that are important to its operating performance, such as the level of client activity and creditworthiness of counterparties. The company will continue to closely monitor the rollout of vaccines across regions, as well as the impact of new variants of the virus, and it will take further actions, as necessary, in order to best serve the interests of its employees, clients and counterparties

For further information about the risks associated with the COVID-19 pandemic, see "Principal Risks and Uncertainties — Market Developments and General Business Environment" in Part I of the 2020 Annual Report.

Replacement of Interbank Offered Rates (IBORs), including London Interbank Offered Rate (LIBOR)

Central banks and regulators in a number of major jurisdictions (for example, U.S., U.K., E.U., Switzerland and Japan) have convened working groups to find, and implement the transition to, suitable replacements for IBORs. In March 2021, the FCA and the Intercontinental Exchange Benchmark Authority announced that the publication of all EUR and CHF LIBOR settings along with certain JPY, GBP and USD LIBOR settings will cease after December 31, 2021 and the publication of the most commonly used USD LIBOR settings will cease after June 30, 2023. The FCA plans to consult the market on publishing synthetic rates for certain GBP and JPY LIBOR settings for a limited time. In April 2021, the State of New York approved legislation which minimises legal and economic uncertainty for contracts that are governed by New York law and have no fallback provisions or have fallback provisions that are based on LIBOR by providing a statutory framework to replace LIBOR with a benchmark rate based on the Secured Overnight Financing Rate. The U.S. federal banking agencies have also issued guidance strongly encouraging banking organisations to cease using USD LIBOR as a reference rate in new contracts as soon as practicable and in any event by December 31, 2021.

The IBOR Fallbacks Protocol, which became effective in January 2021, provides derivatives market participants with new fallbacks for legacy and new derivatives contracts. Both counterparties will have to adhere to the Fallbacks Protocol or engage in bilateral amendments for the terms to be effective for derivative contracts. The company has adhered to the Fallbacks Protocol for its eligible derivative contracts. The International Swaps and Derivatives Association confirmed that the FCA's formal announcement in March 2021 fixed the spread adjustment for all LIBOR rates and that fallbacks will automatically occur for outstanding derivatives contracts that incorporate the relevant terms. For further information about the company's transition programme, see "Regulatory Matters and Other Developments — Replacement of Interbank Offered Rates (IBORs), including London Interbank Offered Rate (LIBOR)" in Part I of the 2020 Annual Report.

Principal Risks and Uncertainties

The company faces a variety of risks that are substantial and inherent in its businesses.

The principal risks and uncertainties that the company faces are: market risk, liquidity risk, credit risk, operational risk, legal and regulatory risk, market developments and general business environment, and competition. Those risks and uncertainties are consistent with those described in the 2020 Annual Report.

Date of Issue

This financial information was issued on May 7, 2021.

Income Statement
(Unaudited)

$ in millions	Note	Three Months Ended March 2021	Three Months Ended February 2020
Gains or losses from financial instruments at fair value through profit or loss		**$2,695**	$1,524
Fees and commissions		**826**	520
Non-interest income		**3,521**	2,044
Interest income from financial instruments measured at fair value through profit or loss		**538**	889
Interest income from financial instruments measured at amortised cost		**270**	626
Interest expense from financial instruments measured at fair value through profit or loss		**(488)**	(724)
Interest expense from financial instruments measured at amortised cost		**(455)**	(946)
Net interest expense		**(135)**	(155)
Net revenues		**3,386**	1,889
Net operating expenses		**(2,546)**	(1,470)
Profit before taxation		**840**	419
Income tax expense	2	**(220)**	(101)
Profit for the financial period		**$ 620**	$ 318

Net revenues and profit before taxation of the company are derived from continuing operations in the current and prior periods.

Statement of Comprehensive Income
(Unaudited)

$ in millions	Three Months Ended March 2021	Three Months Ended February 2020
Profit for the financial period	**$ 620**	$ 318
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Actuarial profit/(loss) relating to the pension scheme	**44**	(81)
Debt valuation adjustment	**(31)**	112
U.K. deferred tax attributable to the components of other comprehensive income	**(7)**	(9)
U.K. current tax attributable to the components of other comprehensive income	**4**	–
Other comprehensive income for the financial period, net of tax	**10**	22
Total comprehensive income for the financial period	**$ 630**	$ 340

Balance Sheet
(Unaudited)

		As of	
$ in millions	**Note**	**March 2021**	December 2020
Assets			
Cash and cash equivalents		**$ 36,725**	$ 43,833
Collateralised agreements	3	**194,299**	140,682
Customer and other receivables		**91,168**	90,380
Trading assets (includes $33,784 and $27,295 pledged as collateral)	4	**834,683**	982,919
Investments (includes $55 and $62 pledged as collateral)		**1,478**	888
Loans		**567**	567
Other assets		**3,211**	8,589
Total assets		**$1,162,131**	$1,267,858
Liabilities			
Collateralised financings	5	**$ 160,311**	$ 113,127
Customer and other payables		**104,976**	100,519
Trading liabilities	4	**780,290**	932,414
Unsecured borrowings	6	**74,003**	80,351
Other liabilities		**5,343**	4,869
Total liabilities		**1,124,923**	1,231,280
Shareholder's equity			
Share capital		**598**	598
Share premium account		**5,568**	5,568
Other equity instruments		**8,300**	8,300
Retained earnings		**23,047**	22,437
Accumulated other comprehensive income		**(305)**	(325)
Total shareholder's equity		**37,208**	36,578
Total liabilities and shareholder's equity		**$1,162,131**	$1,267,858

Supplementary Notes (Unaudited)

Note 1.

Basis of Preparation

This financial information has been prepared using the same principles as those applied in the company's 2020 Annual Report, which were prepared in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRS) adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the E.U. For the three months ended February 2020, the company prepared financial statements under United Kingdom Generally Accepted Accounting Practices, in accordance with FRS 104 'Interim Financial Reporting', prior to the adoption of IFRS. The company has updated its comparatives in the income statement to conform to the current period presentation.

This financial information should be read in conjunction with the company's 2020 Annual Report.

The significant accounting policies applied in the preparation of the financial information are consistent with those described in the 2020 Annual Report. The company's critical accounting estimates and judgements include those described in the 2020 Annual Report and estimated year-end discretionary compensation, see "Results of Operations — Net Operating Expenses" for further information.

Note 2.

Income Tax Expense

The U.K. government announced in its budget on March 3, 2021 that the U.K. corporation tax main rate will increase from 19.0% to 25.0% from April 1, 2023, while noting that the 8.0% bank surcharge applicable to the company will be under review to ensure that the combined tax burden on banks does not rise substantially. The results of this review, including changes to the bank surcharge, will be announced in the second half of 2021. The company will remeasure its deferred tax assets on substantive enactment of this change.

Note 3.

Collateralised Agreements

The table below presents collateralised agreements.

	As of	
	March	December
$ in millions	**2021**	2020
Resale agreements	**$122,972**	$ 75,140
Securities borrowed	**71,327**	65,542
Total	**$194,299**	$140,682

In the table above, total collateralised agreements of $141.55 billion as of March 2021 and $92.62 billion as of December 2020 were mandatorily measured at fair value.

Note 4.

Trading Assets and Liabilities

Trading assets and liabilities include trading cash instruments and derivatives held in connection with the company's market-making or risk management activities and are measured at fair value.

The table below presents trading assets.

	As of	
	March	December
$ in millions	**2021**	2020
Trading cash instruments		
Money market instruments	**$ 302**	$ 338
Government and agency obligations	**30,956**	24,759
Mortgage and other asset-backed loans and securities	**588**	586
Corporate debt instruments	**21,784**	21,790
Equity securities	**52,245**	47,135
Commodities	**166**	9
Total trading cash instruments	**106,041**	94,617
Derivatives		
Interest rates	**514,891**	671,483
Credit	**27,012**	24,778
Currencies	**104,894**	110,493
Commodities	**11,122**	10,824
Equities	**70,723**	70,724
Total derivatives	**728,642**	888,302
Total trading assets	**$834,683**	$982,919

The table below presents trading liabilities.

	As of	
	March	December
$ in millions	**2021**	2020
Trading cash instruments		
Government and agency obligations	**$ 23,290**	$ 16,772
Corporate debt instruments	**4,702**	3,700
Equity securities	**36,842**	31,473
Commodities	**38**	40
Total trading cash instruments	**64,872**	51,985
Derivatives		
Interest rates	**502,408**	660,262
Credit	**24,470**	22,141
Currencies	**104,042**	114,495
Commodities	**10,722**	10,663
Equities	**73,776**	72,868
Total derivatives	**715,418**	880,429
Total trading liabilities	**$780,290**	$932,414

Note 5.

Collateralised Financings

The table below presents collateralised financings.

	As of	
	March	December
$ in millions	**2021**	2020
Repurchase agreements	**$110,709**	$ 77,726
Securities loaned	**32,719**	21,034
Intercompany loans	**3,599**	1,432
Debt securities issued	**7,048**	6,664
Other borrowings	**6,236**	6,271
Total	**$160,311**	$113,127

In the table above, total collateralised financings of $138.31 billion as of March 2021 and $97.10 billion as of December 2020 were designated at fair value.

Note 6.

Unsecured Borrowings

The table below presents unsecured borrowings.

	As of	
	March	December
$ in millions	**2021**	2020
Bank loans	**$ 6**	$ 6
Overdrafts	**27**	115
Intercompany loans	**30,202**	37,755
Debt securities issued	**34,388**	32,385
Subordinated loans	**5,428**	5,394
Other borrowings	**3,952**	4,696
Total	**$74,003**	$80,351

In the table above:

- Total unsecured borrowings of $33.65 billion as of March 2021 and $29.43 billion as of December 2020 were designated at fair value.
- Total unsecured borrowings included non-current borrowings of $45.70 billion as of March 2021 and $55.78 billion as of December 2020.

Note 7.

Fair Value Measurement of Financial Assets and Liabilities

The table below presents, by level within the fair value hierarchy, financial assets and liabilities measured at fair value on a recurring basis.

$ in millions	Level 1	Level 2	Level 3	Total
As of March 2021				
Financial assets				
Collateralised agreements	**$ –**	**$ 141,547**	**$ –**	**$ 141,547**
Trading cash instruments	**74,259**	**31,475**	**307**	**106,041**
Derivative instruments	**24**	**723,437**	**5,181**	**728,642**
Trading assets	**74,283**	**754,912**	**5,488**	**834,683**
Investments	**2**	**1,289**	**187**	**1,478**
Loans	**–**	**448**	**119**	**567**
Other assets	**–**	**12**	**–**	**12**
Total	**$74,285**	**$ 898,208**	**$ 5,794**	**$978,287**
Financial liabilities				
Collateralised financings	**$ –**	**$ 137,979**	**$ 335**	**$ 138,314**
Trading cash instruments	**57,524**	**7,292**	**56**	**64,872**
Derivative instruments	**41**	**712,176**	**3,201**	**715,418**
Trading liabilities	**57,565**	**719,468**	**3,257**	**780,290**
Unsecured borrowings	**–**	**23,039**	**10,611**	**33,650**
Total	**$57,565**	**$ 880,486**	**$14,203**	**$ 952,254**
Net derivatives	**$ (17)**	**$ 11,261**	**$ 1,980**	**$ 13,224**
As of December 2020				
Financial assets				
Collateralised agreements	$ –	$ 92,619	$ –	$ 92,619
Trading cash instruments	63,079	31,035	503	94,617
Derivative instruments	291	882,392	5,619	888,302
Trading assets	63,370	913,427	6,122	982,919
Investments	18	738	132	888
Loans	–	456	111	567
Other assets	–	6,013	–	6,013
Total	$63,388	$1,013,253	$ 6,365	$1,083,006
Financial liabilities				
Collateralised financings	$ –	$ 96,863	$ 240	$ 97,103
Trading cash instruments	46,752	5,204	29	51,985
Derivative instruments	255	876,645	3,529	880,429
Trading liabilities	47,007	881,849	3,558	932,414
Unsecured borrowings	–	19,774	9,652	29,426
Total	$47,007	$ 998,486	$13,450	$1,058,943
Net derivatives	$ 36	$ 5,747	$ 2,090	$ 7,873

See “Note 31. Fair Value Measurement” in Part II of the 2020 Annual Report for further information about the valuation techniques and significant inputs to the valuation of the company's financial assets and liabilities measured at fair value.

Note 8.

Capital Management and Financial Risk Management

Regulatory Capital

The company is subject to the U.K. capital framework, which is predominately aligned with the E.U. capital framework prescribed in the amended E.U. Capital Requirements Directive and the E.U. Capital Requirements Regulation. These capital regulations are largely based on the Basel Committee on Banking Supervision's capital framework for strengthening international capital standards.

Regulatory Risk-Based Capital Ratios. The table below presents information about the company's minimum risk-based capital requirements.

	As of	
	March 2021	December 2020
Minimum risk-based capital requirements		
CET1 capital ratio	**8.1%**	8.1%
Tier 1 capital ratio	**9.9%**	10.0%
Total capital ratio	**12.4%**	12.5%

In the table above, the minimum risk-based capital requirements incorporate capital guidance received from the PRA and could change in the future.

The table below presents information about the company's risk-based capital ratios.

	As of	
$ in millions	**March 2021**	December 2020
Risk-based capital and risk-weighted assets		
CET1 capital	**$ 27,235**	$ 26,962
Additional Tier 1 notes	**$ 8,300**	$ 8,300
Tier 1 capital	**$ 35,535**	$ 35,262
Tier 2 capital	**$ 5,377**	$ 5,377
Total capital	**$ 40,912**	$ 40,639
Risk-weighted assets	**$268,976**	$252,355
Risk-based capital ratios		
CET1 capital ratio	**10.1%**	10.7%
Tier 1 capital ratio	**13.2%**	14.0%
Total capital ratio	**15.2%**	16.1%

In the table above, CET1 capital, Tier 1 capital and Total capital as of March 2021 included the company's profit after foreseeable charges for the three months ended March 2021 (which will be finalised upon verification by the company's external auditors). This contributed approximately 20 basis points to the company's risk-based capital ratios, which represents the company's profit for the financial period reduced by foreseeable charges, divided by its risk-weighted assets.

The company is also subject to a minimum requirement for own funds and eligible liabilities issued to GS Group affiliates. This requirement is subject to a transitional period which began to phase in from January 1, 2019 and will become fully effective beginning on January 1, 2022. As of both March 2021 and December 2020, the company was in compliance with this requirement.

Leverage Ratio. The company will become subject to a PRA required leverage ratio that is expected to become effective in January 2022 and is similar to the E.U. capital framework's minimum 3% leverage ratio requirement. The company had a leverage ratio of 4.2% as of March 2021 and 4.7% as of December 2020. The leverage ratio compares Tier 1 capital to a measure of leverage exposure, defined as the sum of certain assets plus certain off-balance-sheet exposures (which include a measure of derivatives, securities financing transactions, commitments and guarantees), less Tier 1 capital deductions. Tier 1 capital as of March 2021 included the company's profit after foreseeable charges for the three months ended March 2021 (which will be finalised upon verification by the company's external auditors). This contributed approximately 6 basis points to the company's leverage ratio, which represents the company's profit for the financial period reduced by foreseeable charges, divided by its leverage exposure. This leverage ratio is based on the company's current interpretation and understanding of this rule and may evolve as the interpretation and application of this rule is discussed with the company's regulators.

Liquidity Risk

GCLA. The table below presents information about the company's GCLA by asset class.

	Average For The	
	Three Months Ended	Four Months Ended
$ in millions	**March 2021**	December 2020
Overnight cash deposits	**$35,243**	$23,731
U.S. government obligations	**13,070**	13,569
Non-U.S. government obligations	**16,981**	24,368
Total	**$65,294**	$61,668

Credit Ratings. In April 2021, Fitch revised the outlook of the company and Group Inc. from negative to stable.

Market Risk

VaR. The table below presents the company's average daily VaR.

	Three Months Ended	
	March	February
$ in millions	**2021**	2020
Categories		
Interest rates	**$ 26**	$ 23
Equity prices	**28**	18
Currency rates	**14**	8
Commodity prices	**2**	1
Diversification effect	**(30)**	(18)
Total	**$ 40**	$ 32

Note 9.

Legal Proceedings

The company is involved in a number of judicial, regulatory and arbitration proceedings (including those described below) concerning matters arising in connection with the conduct of the company's business, however, except as noted in the first matter below, it is not practicable to reliably estimate the financial impact, if any, of these proceedings on the company.

Banco Espirito Santo S.A. and Oak Finance. Beginning in February 2015, the company commenced actions against Novo Banco S.A. (Novo Banco) in the English Commercial Court and the Bank of Portugal (BoP) in Portuguese Administrative Court in response to BoP's decision in December 2014 not to transfer to Novo Banco an $835 million facility agreement (the Facility), structured by the company, between Oak Finance Luxembourg S.A. (Oak Finance), a special purpose vehicle formed in connection with the Facility, and Banco Espirito Santo S.A. (BES) prior to the failure of BES. In July 2018, the English Supreme Court found that the English courts did not have jurisdiction over the company's action. In July 2018, the Liquidation Committee for BES issued a decision seeking to claw back $54 million paid to the company and $50 million paid to Oak Finance in connection with the Facility, alleging that the company acted in bad faith in extending the Facility, including because the company allegedly knew that BES was at risk of imminent failure. The company has also issued a claim against the Portuguese State seeking compensation for losses related to the failure of BES, including a contingent claim for the $104 million sought by the Liquidation Committee.

Interest Rate Swap Antitrust Litigation. The company is among the defendants named in a putative antitrust class action relating to the trading of interest rate swaps, filed in November 2015 and consolidated in the U.S. District Court for the Southern District of New York. The company is also among the defendants named in two antitrust actions relating to the trading of interest rate swaps, commenced in April 2016 and June 2018, respectively, in the U.S. District Court for the Southern District of New York by three operators of swap execution facilities and certain of their affiliates. These actions have been consolidated for pretrial proceedings. The complaints generally assert claims under federal antitrust law and state common law in connection with an alleged conspiracy among the defendants to preclude exchange trading of interest rate swaps. The complaints in the individual actions also assert claims under state antitrust law. The complaints seek declaratory and injunctive relief, as well as treble damages in an unspecified amount. Defendants moved to dismiss the class and the first individual action and the district court dismissed the state common law claims asserted by the plaintiffs in the first individual action and otherwise limited the state common law claim in the putative class action and the antitrust claims in both actions to the period from 2013 to 2016. On November 20, 2018, the court granted in part and denied in part the defendants' motion to dismiss the second individual action, dismissing the state common law claims for unjust enrichment and tortious interference, but denying dismissal of the federal and state antitrust claims. On March 13, 2019, the court denied the plaintiffs' motion in the putative class action to amend their complaint to add allegations related to 2008-2012 conduct, but granted the motion to add limited allegations from 2013-2016, which the plaintiffs added in a fourth consolidated amended complaint filed on March 22, 2019. The plaintiffs in the putative class action moved for class certification on March 7, 2019.

Commodities-Related Litigation. The company is among the defendants named in putative class actions relating to trading in platinum and palladium, filed beginning on November 25, 2014 and most recently amended on May 15, 2017, in the U.S. District Court for the Southern District of New York. The amended complaint generally alleges that the defendants violated federal antitrust laws and the Commodity Exchange Act in connection with an alleged conspiracy to manipulate a benchmark for physical platinum and palladium prices and seek declaratory and injunctive relief, as well as treble damages in an unspecified amount. On March 29, 2020, the court granted the defendants' motions to dismiss and for reconsideration, resulting in the dismissal of all claims. On April 27, 2020, plaintiffs appealed to the Second Circuit Court of Appeals.

The company is among the defendants in a number of putative class and individual actions filed beginning on August 1, 2013 and consolidated in the U.S. District Court for the Southern District of New York. The complaints generally allege violations of federal antitrust laws and state laws in connection with the storage of aluminium and aluminium trading. The complaints seek declaratory, injunctive and other equitable relief, as well as unspecified monetary damages, including treble damages. In December 2016, the district court granted defendants' motions to dismiss and on August 27, 2019, the Second Circuit vacated the district court's dismissals and remanded the case to district court for further proceedings. On July 23, 2020, the district court denied the class plaintiffs' motion for class certification, and on December 16, 2020 the Second Circuit denied leave to appeal the denial. On February 17, 2021, the district court granted defendants' motion for summary judgment with respect to the claims of most of the individual plaintiffs.

The company is among the defendants in an action filed on February 27, 2020 in the High Court of Justice, Business and Property Courts of England and Wales. The particulars of claim seeks unspecified compensatory and exemplary damages based on alleged violations of U.K. and E.U. competition laws in connection with the storage and trading of aluminium.

Regulatory Investigations and Reviews and Related Litigation. Group Inc. and certain of its affiliates, including the company, are subject to a number of other investigations and reviews by, and in some cases have received subpoenas and requests for documents and information from, various governmental and regulatory bodies and self-regulatory organisations and litigation relating to various matters relating to GS Group's businesses and operations, including:

- The public securities offering process and underwriting practices;
- Investment management and financial advisory services;
- Conflicts of interest;
- Transactions involving government-related financings and other matters;
- The offering, auction, sales, trading and clearance of corporate and government securities, currencies, commodities and other financial products and related sales and other communications and activities, as well as GS Group's supervision and controls relating to such activities, including compliance with applicable short sale rules, algorithmic, high-frequency and quantitative trading, futures trading, options trading, when-issued trading, transaction reporting, technology systems and controls, securities lending practices, prime brokerage activities, trading and clearance of credit derivative instruments and interest rate swaps, commodities activities and metals storage, private placement practices, allocations of and trading in securities, and trading activities and communications in connection with the establishment of benchmark rates, such as currency rates;
- Compliance with the U.K. Bribery Act and the FCPA;
- Hiring and compensation practices;
- System of risk management and controls; and
- Insider trading, the potential misuse and dissemination of material non-public information regarding corporate and governmental developments and the effectiveness of insider trading controls and information barriers.

In addition, investigations, reviews and litigation involving the company's affiliates and such affiliates' businesses and operations, including various matters referred to above but also other matters, may have an impact on the company's businesses and operations.