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Betsy L. Graseck
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MANAGEMENT DISCUSSION SECTION

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Thank you [ph] everyone (00:04) for joining us this morning. I'm pleased to have with me Regions Financial. We have with us this morning John Turner, President and CEO; David Turner, CFO; Barb Godin, Chief Credit Officer; Ronnie Smith, Head of Corporate Banking; Martha Raber, Head of Financial Risk, [ph] Tom Speir (00:23), Assistant Treasurer; and Anil Chadha, Head of Risk Shared Services.

Now, for the disclosure statement, I just want to highlight, please see Morgan Stanley Research Disclosure Website at www.morganstanley.com/researchdisclosures. If you have any questions please reach out to your Morgan Stanley sales representative. So, with that housekeeping out of the way, John, I would be delighted if you could kick us off with a few opening remarks and then we're going to head into Q&A. And as always, audience on the webcast, you can feel free to shoot a question to me and we can – ask your questions towards the end of Q&A. John?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

Thank you, Betsy. Thanks for having us. We appreciate the opportunity to present this morning. These are clearly challenge – these are clearly challenging times. But despite that, we think our core business is performing well. Our teams have adapted to the uncertainty and we think it really positioned the bank to operate remotely. Our bankers are focused on helping their customers and to that end we've had a lot of really good conversations over the last three months or so with our customers. Our bankers are lending money. We've been very active in the Paycheck Protection Program. And, as a result, we're seeing growth in loans and deposits. Fee income has been under more pressure because we've seen a decline in consumer activity particularly, but that's beginning to recover and mortgage has clearly been a bright spot as we've seen tremendous amount of activity in the mortgage business.

Expense management has been solid. We're benefiting from the de-risking of our – we hope we are benefiting from the de-risking of our loan portfolios and the work we've done over the last couple of years to better position our balance sheet, more balance and diversity. Our interest rate de-risking strategy and the hedges that we have in place are clearly benefiting us today. The real unknown is the length and severity of the crisis and the open impact on credit. We are experiencing some stress in our energy portfolio, in hotel, in restaurant and in retail and we'll certainly talk about that.

Interestingly, over 90% or almost 90% of our deposits are in seven Southeastern states and we do believe that the Southeast at least to this point has fared a little better than other parts of the economy as evidenced by the fact that the unemployment rate in the majority of our Southeastern states is little better the national average. The number of small businesses that closed as a result of the crisis is little better than national average. And we estimate 70% to 80% of small businesses in the Southeast are now open. 7 out of 10 states that we operate in have been amongst the fastest to reopen.

So, beginning to see some positive things in the economy, but, still we remain very, very cautious about the depths and speed of the recovery. As we begin to think about returning to the office and providing greater access to our branches, very focused on the health and safety of our associates and customers. And, I'll close by just saying that, we talk about in this period of uncertainty what we need to focus on. And that's the things that we can control. [ph] Financial (03:59) activity, sound underwriting, active credit servicing, providing effective advice and guidance to our customers and customer service, those are things that we think we can control and really impact our business. So, with that, Betsy, we'll answer questions.

QUESTION AND ANSWER SECTION

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Super John. That's a great overview. Appreciate that. We're going to dig into some of the themes that like you mentioned. Just kind of an overarching question I have in this environment. I know you removed your guidance like many folks did, how are you managing the team? What kind of top line management tools or goals you have? And then, how are you dealing with the expense side of the equation in this environment?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

A

Yeah. Well, I think we've – first of all, I think we've done historically a very good job of managing expenses and we recognize in this environment where revenue growth is hard to achieve and where we may be over the next few years operating in a fairly lower interest rate environment, we've got to continue to manage expense as well. And so, we're leaning into our [ph] simplifying grow (05:10) continuous improvement effort. We still have 60-plus-percent of the opportunities we identified in that process to complete and we think that will provide some significant benefit. And just overall, we are very committed to effectively managing expenses. In terms of how we're managing the team, it is different. It's more challenging in this uncertain environment. There are lots of variables that we have to consider. I think what we want to do is take care of our customers. And we believe if we do that and stay focused on making sure that we are talking to our customers on a regular basis that we're positioned to meet their needs that we can still we believe maintain revenue and potentially grow revenue over time and hopefully that will have a positive impact on our business.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

And just on the expense side, how are you thinking about commercial real estate either in the headquarters or your branch footprint. We've seen an increase in digital adoption I think even your customers, is that right?

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

A

Yes, we have Betsy, this is David?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

A

Yeah, I think, we're – what we've discovered is that we can do a lot of things remotely that we couldn't do before and clearly have transitioned roughly all of our workforce, virtually 100% of our workforce is not in our branches, so roughly 10,000 people are working remotely and that's – I think that's been – has really benefited us. I don't know that though that is a long-term solution for Regions, I think we will see some subset of our workforce continue to work remotely, but over time, our expectation is that we'll bring more of our non-branch related associates back into the business. We like working together. Having said that, we occupied over 12 million square feet of space and about half of that is an office space. We have a number of large buildings that we own and occupy and we do believe there's opportunity to continue to reduce expenses by bringing that – that level of space down and we can do that, we believe whether we work more people remotely or not, we still have lots of opportunity to reduce office space.

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

A

And Betsy, we spend little over $300 million on occupancy expense. As John mentioned, half of our square foot, each being in branches and half in operations and office. And so from – from the branch standpoint, given the reduction in branch transactions, obviously, part of that is due to closing the branches except for appointments and drive-thrus, those transactions would be down, but you've seen the digital side pick up quite a bit mobile and online and we're pretty good at that. So, the challenge for us is to evaluate our retail network strategy which we continue to look at. We have consolidated a number of branches over the years and we will continue to challenge ourselves there as we seek to optimize our retail network in each of our markets. So, there's likely to be some opportunity there. The exact amount of which is hard to tell at this time.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Okay. Flipping to some of the opportunities in this kind of environment, sometimes these kind of [indiscernible] (08:56) challenges comes with opportunities to expand footprint of products. Is this something you think you would be taking advantage of?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

A

No. I think in terms of opportunities, we still believe we have a solid plan and that's built around making investments in people and markets and technology and continuing to grow and diversify our revenue base. We've made some non-bank acquisitions over the last few years that have been helpful to us and we believe that currently that we enjoy a very good 15 state footprint, a lot of growth opportunities went into the markets that we currently serve. We want to continue to work on developing our capabilities to meet our customer needs. And I would say, just executing the plan that we've developed continues to be our primary focus. And we believe that we do that, do it well, that will generate nice returns for our shareholders.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

What about – maybe we could spend a little bit of time on one of those non-bank acquisitions, you did recently Ascentium. Could you give us some sense as to how it fits into Regions' strategy and how you anticipate working with small businesses in that portfolio and will it be a lever for some incremental growth going forward?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

A

Yes. Sure. We – we really like to send him for a couple reasons. One, they had a technology platform that we thought allowed them to very efficiently originate credit small business. Importantly, they had carved out a niche around what we call business essential equipment finance through strategic vendor relationships that we thought would be very helpful to us. Small business is a customer segment that we have historically banked, banked well and want to continue to bank, and as we've seen [indiscernible] (10:57) disintermediation of credit origination to small business. It was an opportunity for us to acquire a platform that we thought gave us reach into that – into that market with a different approach and one that we liked a lot. We believe we can leverage it significantly across our footprint. Today there, Ascentium is originating credit on a national basis from Texas, which is obviously in our market. Our approach will primarily be focused on – obviously, continue to operate the business that they've been running, but primarily focused on small businesses in our footprint and the opportunities that, that those present to build broader and deeper relationship. So we think we can leverage their technology platform, some of the efficiencies that we've observed in the way they do business as effectively a fintech into our operations and at the same time leverage that platform into small business across our 15 state footprint.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

So, one of the questions we get a lot from investors is around small business, small business health, trying to keep up with that in this recession here. How is Ascentium and also Regions' overall small business portfolio holding up? I'm wondering how you're assessing the credit of this new acquisition that you just got?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

A

The last numbers I had on the Ascentium were about a 25% – 25% of the customer base have been granted deferrals which is higher than the overall business portfolio within Regions, but I think to be expected given that a lot of the customer base at the bank would be small businesses and professionals in particular. Historically, loss rates have been at 2.5% range, but remember their yields on that portfolio are significantly higher than we experienced. Overall, credit quality has been good and we would expect it to continue to perform well.

Within Regions, we've granted about 15,000 deferrals to small business customers. We've seen the rate of request slowdown over the last few weeks. We granted [ph] or (13:25) participated in the origination of over 40,000 Paycheck Protection Program loans with an average size of about $114,000. I think 98% of the loans that we originated were to customers who employ 100 people or less and, today about 70% of that money still sits in the bank. So what we've seen is those customers who took advantage of the PPE program are carefully using the funding. And as I mentioned earlier, 70% to 80% we think of small businesses in the Southeast have reopened. So, it's a mixed bag and we're going to hear – if you talk to five small business owners, one or two are doing okay, doing fine. One or two have been moderately impacted negatively and one or two have been severely negatively impacted and I think it – it's going to take some time given all the relief money that the government has put in lot of place, take some time to determine what the impact of all that's going to be.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC Q

So on the PPP side, since you brought that up, there were some rule changes over the weekend that were adopted [indiscernible] (14:45) fund by the White House. Could you give us sense as to how you're anticipating that PPP fees that come through NII to [indiscernible] (14:56) over the next several quarters. Is it likely to be really lumpy in 3Q that you recognize that are due to the rule change over the weekend. Could it be more extended into next year?

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp. A

Yeah. So, Betsy, our expectation is, this probably gets pushed out a bit. It is ultimately dependent on the customer. So, originally they borrow two and a half months of payroll. They can spend it now longer and spend it on other things. But you would expect a good portion of that to ultimately be forgiven. And, if they spend it like they originally [ph] wanted to do (15:33), you would expect that to be expended in a couple of months' time in which case they turnaround and ask for forgiveness which triggers the fee recognition. So, we don't know what they're going to do because it's in their court. We suspect that's going to get pushed out. We'll have a little bit of fees we recognize in the second quarter, a little more than the third, but it's probably a fourth quarter to 2021 type event for anything meaningful at this time. And we'll see how this transition over the next month or so through our discussions with them, we will provide an updated earnings based on what we hear.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC Q

Okay. And we're going to get into the credit side of this in a minute, but, one of the other questions around small business we've been getting is -- is pricing, obviously, LIBOR spreads have come down quite significantly over the past month. How are you working with your small businesses on that front? Are you putting in floors, I know you had some last cycle, just wondering what your approach is this cycle?

Ronald G. Smith
Senior Executive Vice President & Head of Corporate Banking Group, Regions Bank A

Hey, Betsy, it's Ronnie Smith. We are putting floors in place and that's on a deal by deal basis as we have the opportunity to have an [ph] event with the client (16:50) whether that's a new request or deferral or whether they have a covenant issue, it gives us the chance to sit back down, talk with them about the interest rate environment, and we are putting more LIBOR floors in place consistently.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC Q

Okay. I think last cycle, I can't remember exactly what the percentage was, but do you think, you'll get it high, which is like 40%, is that right last cycle?

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

A

Yeah. Betsy, I don't remember that percentage.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Okay, okay.

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

A

But will – let us get back with you on that.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Okay. All right. Got it.

Ronald G. Smith
Senior Executive Vice President & Head of Corporate Banking Group, Regions Bank

A

Betsy, just a – I'm sorry, Betsy, just a point there that you're focused a bit on the small business side, but as you look upstream, fortunately, all of our larger corporate credits have floors in place already. And so, your question is right, focus back on the small business and what we consider to be the commercial side of our house. So, that's where a lot of the work is being focused today. But, if you look at dollars versus the number of deals, that's the percentage that we'll come back to you with.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Got it. Okay. Great. So, I think you gave a lot of color on how your small businesses are feeling right now today. Any difference from what you're seeing on the consumer side or the large corporate side, commercial real estate, your at-risk industries with regard to how they're evolving right now?

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

A

Our large corporate customers and our real estate customers all were seeking to build as much liquidity as they could. Those that qualify for a deferral or need deferral generally ask for them. I think customers are focused on doing the things they need to do to protect themselves and to position themselves to continue to be viable post-crisis whatever that is. And so, we've had some requests from each of those groups for deferral.

But, by and large, I think while we've necessarily seen some movement in credit classification, just because of the ongoing weakness in the industry, business is working hard to do all the right things they need to do it during the crisis. The consumer seemed to be and did enter this period of time in pretty good shape. Again, we're seeing consumers gather up liquidity, balances in consumer accounts are up, consumer spending picked up in the last few weeks, but primarily only on debit card, we haven't seen it on credit, so that really demonstrates to us a carefulness, if you will, on the part of the consumer, they're going to spend what they know they have which is money in their checking account via use of their debit card without building significant credit card balances.

In fact, credit card balances are about flat and continue to be. So, all-in-all, consumer is doing pretty well. We've seen roughly 9% of our mortgage customers request a deferral and somewhere between 20% and 25% of those customers are still making payments on their loan. Similarly, I think last number I saw was 45% of our credit card customers, who had requested a deferral, were still making payments. So, I think we're seeing customers get the protection they think they could need, but still demonstrate, I think, good discipline in terms of, if they can, paying their loans to the bank.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Okay. We can turn to credit and the credit outlook here. And I guess, there have been a couple of questions that have been coming in. One is just on, how you're thinking about the reserve build as we go into 2Q 2020 since the unemployment rate, obviously, came up since the end of March?

Anil Chadha
Executive Vice President-Head of Shared Risk Services & Analytics, Regions Financial Corp.

A

Hey, this is Anil Chadha. So, I lead the Allowance Process at Regions. So, you're right. So, when we closed the books at the end of March, clearly the economic backdrop was evolving rather rapidly and when we set the reserve at the end of the quarter, I'd say, probably the most severe outlook that we saw as of 03/31 was probably an unemployment rate around 9% and then rebounding from there, GDP contraction was meaningfully less than what we're seeing now.

So now that we're a good part of the way through the second quarter, clearly seeing the unemployment rate spiked to a higher level. We're optimistic in terms of what we saw last Friday in terms of the jobs report, so we are hoping that that suggests a quick recovery. With respect to the allowance, we clearly have observed as we've gone into the second quarter, the economic outlook has declined since the first quarter. So, that sets the stage for kind of how we think about provisioning to the points we've already discussed.

There's a lot of other factors that we need to consider that our models really don't know how to take into consideration. We've talked about the stimulus programs that have been enacted, the $6 trillion that have come out very rapidly, dwarfs anything we saw on the financial crisis. So, that's clearly something that we need to take into consideration as we think about life-of-loan expected losses. The other things that we've talked about already, the deferral activity and how our customers are using that to build liquidity, we think is positive.

[indiscernible] (22:49) John's comments with respect to the consumer and how strong they are entering this crisis, and the data that we're seeing as of now, suggests that they're doing all the right things from a prudent standpoint. So ultimately, where we really need to spend our time as we think about the allowance, are those industries that have been most affected given the pandemic; retail, hotels, restaurant, energy. This is where we're squarely focused and you've seen us disclose some high-risk industry segments of about $12.5 billion in total across many different areas, our focus is to really fine-tune the risk we're seeing in those and ultimately, we'll use our allowance process both model, but then also other analytics to ultimately get to, what we feel, will be an appropriate reserve at the end of the quarter.

In many cases, as we think about provisioning overcharge-offs, that really is a capital discussion, moving capital from one bucket to the other. So clearly, we feel good about where we are there, but we'll execute the rest of our process over the balance of the quarter. Would expect that we'll be providing overcharge-offs given what we've seen this quarter, but more work yet to be done there.

[indiscernible] (23:58)

David Jackson Turner

Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

A

Adding to that, Betsy is, we will be receiving CCAR results, could be as early as any day now. And so, we'll see how our regulatory supervisors evaluate the COVID-19 overlay to what they otherwise would have done. And, we'll obviously be getting back to the market with expectations there as we get to the end of the quarter.

Betsy L. Graseck

Analyst, Morgan Stanley & Co. LLC

Q

Got it. Yeah. Maybe you could give us a little color on how we should think about the at-risk, the C&I, both the impacted industries, like around 12% and then your CRE book. People see these numbers and the $12.5 billion, what we don't know as much is, how much collateral is backing that, could you give us a sense of that?

Barbara I. Godin

Deputy Chief Risk Officer & Chief Credit Officer, Regions Bank

A

If we want to start with energy [indiscernible] (24:56) we want to start with energy as an example, we're senior secured, we have no second lien positions as an example. So, we look at the energy book, we know there's stress, we know there's going to continue to be stress. I'm glad that the price of a barrel of oil has come back up. But notwithstanding, it is going to shake some players out. So all eyes on that portfolio. As you look at some of the other portfolios that we talk about which is [ph] free transport (25:21), which is rail, trucking, and water, et cetera, there's some pressure there and again, it's because we're just not moving a lot of things across the country.

Healthcare and healthcare would be providers, especially elective surgery, assisted living and nursing homes would fall into that as well and that portfolio is $1.56 billion and that is on the C&I side. We have some additional senior housing that sits in our CRE-related exposure. Then, we have restaurants and it's the full service and the drinking places and catering segment, which is about $780 million, which I would say, has already seen a lot of stress, it was under stress coming into this cycle, and it continues to be in stress, especially given that even in our footprint, most of the places that have opened are limited to 50% capacity. And so, it's hard for the restaurants – a lot of the restaurants to survive at least at the level that they were at previously. So, we'll see some fallout there.

And then, you've got, of course, retail and a lot of the anchor tenants, some of the big names that you see have already declared bankruptcy, others are struggling. So, we anticipate some continued pressure on that portfolio, and of course, travel and leisure that we've listed as being another area of concern. With the travel segment [ph] now (26:46) people are starting to think about travel. There isn't a lot of travel, yet it's picked up, but it certainly hasn't picked up to the level that it needs to be, so careful eye on that one. And the last one I would point out under CRE is hotels. The hotels were running at about 10% occupancy at one point, there are above 32% now, are still running...

Ronald G. Smith

Senior Executive Vice President & Head of Corporate Banking Group, Regions Bank

A

Yes.

Barbara I. Godin

Deputy Chief Risk Officer & Chief Credit Officer, Regions Bank

A

...occupancy, so they are moving up, but again slowly. So, with all of these segments, it is staying close to your customer, making sure we're listening to what their issues are, seeing if we can help them, but at the same time, and I just want to make sure I comment on this, we are risk rating these loans as they move through and they've got issues and we see the issues and we see that it's going to impact their cash flows. We're actually risk rating them based on that, not based on the fact that they can or can't get a deferral. So, that will clearly impact some of the credit metrics that you see this quarter, but it's because, again, we are being conservative on that front and making sure that we are calling it the way we see it.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Got it. Okay.

Ronald G. Smith
Senior Executive Vice President & Head of Corporate Banking Group, Regions Bank

A

Just to add one more point to that, Barb, we're taking the current events versus the trailing 12, which would not be indicative of what that organization or hotel company would look like at this point. So, we are trying to sit down with them, look at projections, forecast where we think that they will be given the trends that are developing today.

Barbara I. Godin
Deputy Chief Risk Officer & Chief Credit Officer, Regions Bank

A

Thanks, Ronnie.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Okay. So we might just go over a few minutes here if you don't mind. I have a couple of other questions that we want to get through. One is around how your hedges are helping you in this rate environment and maybe you could give us a sense of how long they are on for, how long of a low rate environment they can protect you for? Why don't we start there, and then I have a follow up.

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

A

I'll start and then let [ph] Tom (28:44) kind of weigh in, but as we mentioned in the first quarter, the benefit to NII was about $10 million. We said that as a result of timing of when the hedges became effective that that number would increase to somewhere in the $75 million range per quarter as our five-year hedges and is not quite straight line like that for all five years. Benefit follows the curve, but it's a – that's a reasonable proxy. So, we're going to start seeing that benefit. That's part of the increase we're able to give you in terms of expectations of NII growth in the second quarter [ph] along PBT and other (29:21) deposit growth, but that kind of frames it up. [ph] Tom (29:27), do you want to add some – any details to that?

A

David, I think you framed that up well. I think that's correct. Well, the hedges come on. Majority of them came on in the first quarter and will continue to come on throughout the remainder of the year. They are five years in nature and we've got roughly $6.75 billion of floors and the rest in interest rate swaps for a total of $22.75 billion and those at the time of our disclosure we put out was – the P&L was around $1.9 billion. It's modestly lower today just given the move back in rates, but suffice it to say that, today at this point, we will realize that income over the next five-year period. So, we've got – we think we have a well-constructed hedge portfolio that positions us for a lower for longer rate period here.

[indiscernible] (30:15).

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.
A

Let me add one other thing, Betsy – let me add one other thing that it's important that the fair value of those swaps which, depending on where rates are, can range somewhere in the $1.7 billion to $1.9 billion pre-tax, they're sitting in OCI along with about $1 billion in security gains too. So, that's not in our capital numbers, like they are for the money center folks, because we exclude OCI from capital calculations, but nonetheless [indiscernible] (30:42) absorbing to the extent, we're starting to think about capital and the ability to absorb losses.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC
Q

So, two quick follow-ups. One is whether or not you would take those realized gain at any time, what would be the trigger for that decision?

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.
A

Well, we constantly look at the benefit of having that protection, and while the Federal Reserve has stated at a couple of different times that they aren't interested in having rates negative, they have also caveated that with, they'll do whatever it takes to keep the economy going. [ph] But this hasn't been a (31:18) very solid proof that rates can go negative, but they can't be low for an extraordinarily long period of time. And, we think that there is more downside risk and there is the fact that rates are going up anytime soon. And so, there was never an intent for these swaps and for these derivatives to be on the books four, five years.

We wanted that protection, because when we bought them, we bought them out of the money and they were cheap, and that what we would do is, wait until we had conviction and the market had conviction in terms of what rates we're going to do increasing obviously, and at which time, we would terminate the swaps, we would take whatever gain was there at the time, and that gain is amortized over the remaining life of the swap. So, that's a nuance a lot of people think that you could just trigger the gain and go straight into capital. It does not work like a security, where we could sell all the securities and take those gains. Today, we would obviously harm NII going forward. So, we're not anticipating doing that either, but I just want to make sure, if I was aware, that's how mechanically it would work.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC
Q

And then, just lastly, David, you mentioned CCAR could come any day now and I guess, investors have been asking, if you'd receive a kind of two-week warning from the Fed, there is this opinion that regulators are required to give banks a two-week notice before giving CCAR results. Is that something that you've received already or is that a misunderstanding on investors' part?

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.
A

I think the two-week warning is, they give us the information before they release it to the public [ph] before (33:00) two weeks, so that it gives us an opportunity to understand what they're saying and we've had meetings with them, and so, it's internal to us. We have not received the results yet. As I mentioned, they could come today, and they can any time this week or next week, but I don't expect the market to get that information for a couple of weeks after we receive it.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

Q

Got it.

Betsy L. Graseck
Analyst, Morgan Stanley & Co. LLC

All right. Great. We'll appreciate all your time, John, David, Barb, Ronnie, Martha, [ph] Tom (33:29) and Anil. Really appreciate your time this morning.

David Jackson Turner
Chief Financial Officer & Senior Executive VP, Regions Financial Corp.

Okay. Thank you, Betsy.

John M. Turner
President, Chief Executive Officer & Director, Regions Financial Corp.

Thanks for having us.