The Huntington National Bank_Barclays Global Financial Services Conference 2021_September 13, 2021

Jason Goldberg: I am Jason Goldberg, and I cover the US large-cap bank stocks here at Barclays. Welcome to our 19th Annual Global Financial Services Conference. Next up, very pleased to have Huntington Bancshares. From the company, we have Zach Wasserman, Chief Financial Officer.

Jason Goldberg: Before I turn over to Zach, just keep in mind in the upper right-hand corner of your screen there were a few buttons. One of them is Ask a Question. Feel free to type in your question. Keep in mind the questions do take a little bit of time to get to me, so the earlier you ask them, the greater the chances I will get them before Zack is done. Also in the top right-hand corner is a button called Survey. If you click on that, you're able to answer our traditional automated response questions and, time permitting, we'll take a look at those. Worst-case scenario we'll publish them tonight. Zach, please take it away.

Zach Wasserman: Good morning. Thanks, Jason, and thanks to Barclays for hosting us today. I want to start off with a welcome to everyone listening today. We really appreciate your interest and support of Huntington. For today's event, I'm joined by Tim Sedabres, our Head of Investor Relations.

Zach Wasserman: Before we get started, I will be referencing our slide presentation. So, before we get started, let's look at slide two. Please review this slide regarding forward-looking statements we'll make today. This morning, I'll start by sharing a couple updates related to our strategy and recent initiatives, and then I'll turn it over to Jason for Q&A.

Zach Wasserman: Moving to slide three, at Huntington we're focused on building the leading people-first digitally powered bank in the nation. The recent acquisition of TCF continues to be additive to and aligned with this overall strategy. TCF bolsters our ability to drive organic growth across the bank through both increased market density, and the addition of key growth markets. The incremental scale it provides further allows us to leverage the investments we've made to date, and support our commitment to delivering sustainable, top-quartile financial returns for shareholders. Slide four summarizes the three key points I want to cover today. First, Huntington's Fair Play Banking philosophy is the foundation of our consumer and business banking offerings. We were an early innovator in the space, dating back over 10 years ago when we introduced to Asterisk-free Checking and 24-Hour Grace. We have continued to innovate with launches of new and disruptive products. This strategy is yielding measurable results, as evidenced by strong new household acquisition, reduced attrition, and continued deepening of customer relationships with Huntington. Secondly, in the commercial bank, we have a comprehensive solution set for customers and we are driving growth across all groups. This includes middle market and corporate banking, as well as numerous specialty areas of expertise, including healthcare, asset-based lending, franchise lending, technology and telecom equipment finance, and inventory finance.

Zach Wasserman: Additionally, we're extending relationships with our customers with strong adoption of our treasury management and capital markets capabilities. Third and finally, we're focused on successfully completing the TCF integration. We're on track for timely completion of integration activities, including our targeted cost savings, and we are underway with the execution of revenue synergy opportunities. The bulk of system conversions are slated for Columbus Day weekend next month. The branch divestiture is set to close this upcoming weekend, and the branch consolidations will occur in a phased approach through the end of October.

Zach Wasserman: Let's turn to slide five, which gives an overview of our five primary businesses and our strategies for each. In all of these we benefit from scale, competitive positioning, and our expertise. The collective nature of these groups provides comprehensive banking solutions for customers, ranging from consumers to business owners, all the way up to large corporations.

Zach Wasserman: Looking at our consumer business first, we're leveraging the market leadership of our Fair Play philosophy and continuing to bring to market innovative and disruptive products. Additionally, we're focused on deepening customer relationships across the space. We're advancing our digital roadmap with added features and functionality that makes it easier to do business with us and, importantly, supports customer acquisition and new product origination. We're very pleased that our continued digital progress was recognized again by J.D. Power with our third consecutive award for top US banking mobile app satisfaction study, amongst regional banks.

Zach Wasserman: In business banking, we start as the number one SBA lender in the nation. This expertise coupled with our Fair Play and enhanced digital capabilities continues to fuel growth and outstanding customer satisfaction. We've leveraged our digital leadership in the consumer space, and applied that to our business banking platform as well with improved digital product origination, account management, and self-servicing. We're also expanding our practice finance capabilities, which builds on the SBA experience we have. Additionally, we see significant traction and further opportunity with tailored treasury management and merchant acquiring offerings for business banking customers. We're committed to meeting our customers where they are and serving not only their needs through products and services, but through ease of use and seamless interoperability, as well.

Zach Wasserman: Looking at commercial banking next, we go to market with a full set of offerings across the commercial bank to serve a range of customers across all size spectrums. Additionally, we have expertise in specialty verticals as well as our asset based lending capital markets, equipment finance, and inventory finance capabilities. As we go forward, our commercial opportunity is threefold. First, to move up market in the middle-market and mid-corporate spaces. We've proven we have the right teams, products, and expertise to compete and win, and our increased scale substantially enhances this opportunity. With a larger balance sheet, our ability to secure a lead or agent role with our up-market customers has greatly improved, which also supports deeper relationships, including treasury management, capital markets, and other solutions. This comprehensive approach drives sustainable and attractive return on capital at the customer and product level.

Zach Wasserman: Secondly, our opportunity is to continue to leverage and further expand the expertise we have, including our specialty commercial verticals. Many of these areas continue to have substantial runway and we expect them to fuel continued market share growth. Third, excuse me, we have an overarching focus on digital transformation to further enhance our capabilities and improve the customer experience. Smooth and intuitive digital-first client onboarding enables accelerated adoption of our other digital servicing capabilities, account management, and treasury management products. Digital loan origination capabilities not only drive incremental business, but also improve internal cost efficiency and operational quality. Advanced analytics supports our ability to provide bankers insights to help clients optimize their own financial performance, leading to exceptional experiences, loyalty, and deeper relationships.

Zach Wasserman: In wealth management, we have a comprehensive platform, inclusive of private banking, trust, and investment management. We're seeing substantial momentum in this business, with record net asset flows and sales. Our teams have done a great job leveraging our brand and our presence in many of our markets where we have a deep history. That success is what makes us excited about the opportunity to take this business to our expanded growth markets in areas such as the Twin Cities in Minnesota, Denver, and Chicago. Our relationship model works well, especially when coupled with a customer doing business with other areas of the bank, such as commercial business, and owners of our middle-market and business banking clients. Our strategy expands on that to optimize our go-to-market approach across channels and digitally engage with all of our customers, ranging from mass affluent through high-net-worth. Looking next at the payments vertical, while we go to market through our commercial business and consumer groups, we think about payments capabilities holistically across the bank. Our combined opportunity here is very substantial given the size and scale of our businesses, looking at all of the payment related revenue streams across the company. We're continuing to advance our treasury management products and capabilities and further penetrating adoption and utilization. Additionally, we're digitizing and simplifying the customer experience. On the card side, we continue to refine our offerings for consumer and businesses, and we have terrific and just really strong debit card penetration, as evidenced by our number 14 ranking nationally, as the largest debit card programs are ranked. We are also focused on expanding our credit card business with refreshed products and improved digital user experience.

Zach Wasserman: Moving to the next slide, on slide six, and looking at our consumer banking strategy in particular, you can see that it's founded on our Fair Play Banking philosophy. As a reminder, we were an early leader. We launched Fair Play back in 2010, and we have a long track record of demonstrated success. 24-Hour Grace was the first of its kind in the industry with a simple and transparent feature to help customers avoid an overdraft. I say this to remind everyone of our deep history in looking out for our customers. While others have recently reached the same conclusion as we did many years ago, our culture at Huntington reflects this mindset. We've continued to innovate in this regard, launching Standby Cash and Early Pay, two new features, just last quarter. Again, to give our customers increased flexibility, to tap a small dollar, digitally-enabled line of credit with no fees or interest, paid back within 90 days with auto-pay. And secondly, to receive their direct deposit up to two days early.

Zach Wasserman: Adding these compelling products and capabilities is our leading market share density and comprehensive channels. We have market-leading convenience with top five market share in almost 70% of our MSA, 69 to be precise, across the footprint, compared to 52% at our typical peers. We have strong digital capabilities, including online origination across the product set. The combination of these factors demonstrates Huntington's value proposition and drives exceptional household growth metrics, which as you can see from

Zach Wasserman: ...in the slide are up 7% annualized year-to-date for consumer, and 8% year-to-date for business.

Zach Wasserman: Turning to the next slide, on slide seven, I'd like to give you a deeper view into our priorities for the commercial business. We have three primary themes in our commercial strategy: driving acquisition and deepening, amplifying experience and capabilities, and extending digital transformation. Under this umbrella, we have six primary strategic priorities to drive growth of all our commercial relationships.

Zach Wasserman: Number one is market expansion, including taking the Huntington brand and expertise to new growth markets, such as the Twin Cities, Denver, as well as our expanded efforts in Chicago.

Zach Wasserman: Second, we're leveraging the substantial size and scale of the combined equipment and inventory finance business group we now benefit from. This group has grown over 50% with the acquisition of GCF.

Zach Wasserman: Third, corporate banking includes our move up-market in the mid-corporate and middle-market space, as well as leveraging sector-based expertise through our industry vertical groups in healthcare, asset-based lending, franchise, and tech and telecom. As we look out, we continue to seek new opportunities to add bankers and teams with expertise that aligns with these targeted industry verticals.

Zach Wasserman: Fourth, in capital markets, we want to drive incremental fee revenue through deeper penetration into the customer base and to continue to add expanded expertise and capabilities. This initiative closely aligns with our focus for corporate banking and up-market positioning.

Zach Wasserman: Fifth, growing share-of-wallet with treasury management. This is both through increased new acquisition and expansion of existing relationships. We're also enhancing the technology-enabled solutions and accelerating capabilities such as real-time payments and API enablement, which allows our more sophisticated corporate customers to integrate into their banking and liquidity data feeds on their own side.

Zach Wasserman: Finally, digital transformation, which is designed to improve both the customer experience as well as operational efficiency and includes enhancements to onboarding, lending, and transactional activities. Through our existing investment program, we've directed substantial resources toward this digital roadmap and established best-practice agile-development approaches within the business.

Zach Wasserman: On slide eight, I want to transition now and outline five select opportunities we see for revenue synergies that are being created as part of the TCF acquisition, many of which are already well underway in their execution. First, middle market expansion. We see substantial opportunity to grow share within the vibrant commercial activity hubs in the Twin Cities, Denver, and Chicago. This initiative is gaining traction with key leadership personnel in place and growing banker teams to go after these markets.

Zach Wasserman: Second, deploying our consumer product set to the legacy TCF customers. We've added 1.5 million customers from TCF, all of whom will receive the upgraded product capabilities and digital offerings in just over a month when we convert systems. The opportunity to bring fair play to these customers and to further expand and strengthen relationships is very substantial. In many cases, TCF was under-penetrated in some of the areas where Huntington has a strong offering, such as mortgage, home equity, and debit card.

Zach Wasserman: Third, business banking expansion. Similar to our middle-market work, we see the opportunity to bring our leading SBA platform and business banking program broadly to the TCF markets. There are over 2 million small businesses in Minnesota, Colorado, and Illinois, and we believe we can capture more than our fair share with our expertise and offerings. We're building out SBA banker teams as we speak to go after these opportunities.

Zach Wasserman: Fourth, wealth management expansion. The addition of legacy TCF markets brings tremendous opportunity for our private banking, trust, and investment teams. The size and the wealth in these markets provides us with a great deal of runway to leverage that infrastructure and expertise to go after this wealth management business. Just last month, we were pleased to announce we added a leader for our wealth efforts in the Twin Cities, and we continue to build out that team.

Zach Wasserman: Fifth, inventory and equipment finance. Combined with TCF, this group now serves a much wider span of channels, verticals, and ticket sizes. With that breadth of product and offerings, we believe we can deepen the relationships between and across vendors and manufacturers as well as extend those offerings to their own end-user customers. Our combined equipment finance business is now the seventh largest bank-owned business nationally, which gives you a sense of the significant market position we have in this area.

Zach Wasserman: Turning to slide nine, I'd like to transition now and give you a update mid-quarter through the end of August. Three primary points I want to share on what we're seeing to date for loans, deposits, liquidity management, and capital.

Zach Wasserman: First on loans, balances, including PPP, are lower quarter-to-date by approximately 2 billion from the end of June. Excluding PPP, loans are lower by approximately 1 billion, driven primarily by dealer, floor plan, and home equity. New production and forward-looking pipelines continue to be very strong and growing. However, pressure from flat to modestly-down existing line utilization trends and paid-out activity has persisted. The net effect has been modest pressure on overall loan balances through August. Going forward for the balance of this quarter, we believe that loan balances, ex PPP, have troughed and have modest upside through quarter end. Further, we expect modest sequential loan growth, ex PPP, into Q4, driven by sustained new production.

Zach Wasserman: Utilization trends will continue to be an important area to watch for the timing of loan growth acceleration. There's over $6 billion of embedded growth opportunity as our three major aligned categories, general commercial lines, auto dealer floor plan, and inventory finance return to more normal levels. The timing of this recovery will likely be highly correlated with the pace of economic recovery, supply chain stabilization, and the gradual abatement of elevated levels of liquidity. It's our expectation that we will see a generally flat line utilization trend for the balance of this year. We expect some modest recovery in 2022, particularly inventory finance, and as 2022 draws on, likely an auto dealer floor plan utilization as well.

Zach Wasserman: Secondly, turning to deposits, liquidity levels remain relatively stable quarter-to-date, with average balances quarter- to-date just below where we ended the second quarter. We've not yet seen substantial client excess liquidity deployed or coming off the sheet, and we have $12 billion of cash balances at the Fed continuing through August. With this continued liquidity, we shared in July we had planned to add $4 billion of securities over the course of the second half of 2021. And we're about halfway through that strategy as of the end of August. We continue to see net interest margin, excluding purchase accounting accretion, settling in at the two nineties level over time. Q3 is expected to come in just under that level, as we work our way through the excess liquidity on the sheet, which has been a drag on the margin.

Zach Wasserman: Finally, turning to capital. As we shared previously, we intend to manage our capital toward the lower half of our operating range of nine to 10%. And the Board has authorized an $800 million share repurchase program through Q2 of 2022. As we noted, we expect much of this program to be front-loaded in the early portion of the capital planning window. Quarter-to-date through September 3rd, we have repurchased $415 million of common stock, totaling 27.9 million shares, or just over half of the aggregate share repurchase program authorized.

Zach Wasserman: In summary, we remain optimistic on the growth outlook for our business over the moderate term. Elevated levels of liquidity and its impact on NIM and utilization trends will remain a factor for some time to come. However, client growth and loan pipelines remain robust and growing. Credit trends are quite good and validate both our effective client selection and the solid health of our customer base. And our investments in growth strategies are supporting continued outsize growth in our key payments, wealth, and capital market fee businesses.

Zach Wasserman: Wrapping up on slide 10, we remain committed to the achievement of the medium- term financial targets we shared in July. While the low interest rate environment is certainly challenging, and the recent trajectory of COVID and its impact on the timing of full recovery is not helpful, these objectives are the right targets for the company and will deliver the top quartile performance that has been our hallmark in the past. We're managing through a dynamic environment, and we're focused on what we can control. We're actively managing the balance sheet and the bank with an eye toward revenue acceleration. We're delivering the cost synergies from the acquisition, and we're executing on our organic growth strategies and revenue synergies that will fuel a sustained growth and returns for the future.

Zach Wasserman: With that, let me turn it back to Jason, and we can get to your questions.

Jason Goldberg: Thanks. And I can remember, for those in the audience, click the Ask a Question button in the upper right-hand corner of your screen, and you'll be able to send in questions.

Jason Goldberg: I do want to delve more into the TCF acquisition and some of the opportunities that bring, but I can't help myself starting with some of the guidance and financial metrics you laid out. I guess, first, on loan growth, it sounds like a little bit more pressure than maybe you thought this quarter, but then you went on to say that that balances have troughed, and you expect modest growth into the end of the year. What gives you that confidence that we're at this inflection point, albeit maybe if it's only a slight uptick off the bottom?

Zach Wasserman: Yeah. Thanks for that. Glad to have the chance to extend on those comments.

Zach Wasserman: Look, I think on loan growth, it continues to be a tale of two cities. We're seeing, as I mentioned in my comments, quite strong new production at our budget levels and a really strong pipeline growth as well. Pipelines, to give you a sense, are, in the commercial business, up about 15% from the end of Q2. So we continue to see, not only new

Zach Wasserman: ... production coming through robust, but also the expectation for future production, as evidenced by the pipelines growing. I think that's offset by what I've mentioned in terms of challenging line utilization. And I think if there's a new information or kind of a new perspective we've got, it's that the line utilization, recovery will likely take longer. And that's why I tried to indicate in my previous comments that it'll likely be generally flat throughout 2022, seeing some early restoration in our inventory finance line, probably followed by the auto dealer floor plan utilization in the back half of '22. General middle-market lines should likely be relatively flat over the course of '22. But those are the two dynamics.

Zach Wasserman: I think what gives us confidence in the modest growth that I referenced coming out of the trough we've seen through August, through the end of this quarter, and then further through the end of the year, is just really the net of those two things. And then the new production driving that incremental growth on that to cross the book. And we continue to be very pleased with what we're seeing in mortgage production, in our auto and RV marine business production and commercial segments, like asset-based lending, equipment finance, middle market, and our business banking division. So generally, the net of those things should be positive, albeit with some incremental delayed line utilization.

Jason Goldberg: Got it. And then you talked about the core NIM a little bit below that 290 bogey you laid out. I guess, it sounds like you're only halfway through deployment at 4 billion of its securities they wanted to. I guess, as you finish that 4 billion, I guess, do you still expect to finish it this year and then at that point, would you expect to be at the 290 level?

Zach Wasserman: Yeah. So on NIM, my expectation, as I look out over the course of the rest of this year, and certainly the forecast that I'm running through 2022 and beyond, continue to indicate that that 290s level is the right expectation. As we noted in our earnings call last quarter, we think Q2 was the trough, Q3 will be up, probably a couple basis points below the 290 level as we're still working through that excess cash and liquidity at the Fed. To give you a sense in Q2, that elevated liquidity represented a drag around 18 basis points on NIM. It's actually increased to 21 basis points for Q3, but over time, as we deploy that strategy, as you noted, that that will begin to reduce. And so I think the 290s is what we're forecasting now for Q4 and beyond, likely just a couple of basis points short of that in Q3.

Jason Goldberg: And then, I guess, when we think of a reported NIM, I think we have in our model, I think it's seven, eight basis points of PPA on top of that, is that the right way to think about it?

Zach Wasserman: It's low single digits. Accretion is different by quarter. But I think that generally sounds right.

Jason Goldberg: Got it. And then there was some questions from the audience on medium term targets, basically, do you need rates to get there and how should we think about the timeframe?

Zach Wasserman: Yeah. Our forecasts are based on the forward yield curve, which, as you know, is fairly flat for the foreseeable future. So there really isn't a substantial contribution from increasing yield curve and numbers that we just talked about in the outlook for NIM. And really it's just us executing on our strategy, A, the TCF book is accretive to NIM and will now, in the third quarter, and certainly as we go into the fourth, have the full calendarized benefit of that at a quarterly basis. Whereas in Q2, we just had 21 days of that book. So that'll be a accretive, likewise will benefit as the elevated levels of liquidity get utilized, both in inorganic loan growth and the completion of the security strategy that we are intending to complete by the end of the year. And so those are the things that will be additive to help bolster what would otherwise be some effects of the low interest rate environment and the slow gradual run off of our existing hedging program.

Jason Goldberg: And I guess, also, you're using a 56% efficiency ratio. I think, historically, you guys talked a 53 to 56. Is the main difference between the two, the low rate environment, or is there just a structural change in your cost base? Maybe just flush that out a bit more.

Zach Wasserman: Yeah. The efficiency ratio is an important outcome. Really, as I look at the medium term targets, I would point you to, most importantly, the revenue growth, the positive operating leverage posture, in terms of how we manage expenses to grow lower than the growth rate of revenue, the return capital of 17% and that capital management strategy of managing the CET 1 toward the middle of the lower half of the 9% range. Those are the most important metrics.

Zach Wasserman: The efficiency ratio, to some degree, is an outcome of that. With that being said, I think the 56 relative to the longer-term view and what had been the case in the past, I think, yes, Jason, is to some degree, a function of the yield curve environment. But I think the confluence of those goals is still the right ones and, certainly, that's our expectation to achieve it.

Jason Goldberg: Got it. And then I guess, I think you're slated to convert TCF onto your systems in October. Talk about, is that on track and just, what are you doing to prepare for that?

Zach Wasserman: Yeah. We feel great, actually, about how the TCF integration is going and the answer is yes, the system integration is very much on track. Pulling back, it was in mid-December of last year that we announced the acquisition and we're on track now to complete the system conversion, but the vast majority of it, just 10 months later. So we feel terrific about how we've executed on that, how we've hit our timelines and just generally how our customers and colleagues have reacted to an incredibly structured and well-managed program. In terms of the system conversion, as you might imagine, we'll be doing lots of preparatory planning, all of which continues to go very well. And so we're excited about the opportunity to convert the vast majority of the systems onto the Huntington platform just around one month's time from today.

Jason Goldberg: And I guess you've talked about 490 million in expense synergies from the deal. Given how that we're three months past close, any potential upside or comfort around that number? Just how has that evolved in your thoughts?

Zach Wasserman: Yeah. Very comfortable with the cost energy plan at this point. And we have full line of sight to achieve it in totality. If you think back to some of the things we've talked about in prior discussions, we're going to save a fair amount optimizing our branch network. And I talked in some of my prepared remarks about how that program is on track and will complete by the end of October. The system and technology efficiencies that we had the opportunity to pull the TCF business imported onto, in large part, the Huntington core system, without significant incremental costs, is a really substantial portion of those cost synergies. And that'll manifest itself after we convert. We've done a lot to go and look at the overall overhead levels across the companies and even things like real estate and other elements of our overall cost base. And so collectively, we feel great about the cost synergies.

Zach Wasserman: Overall, the expense trajectory that I expect for the total enterprise is really unchanged from what we guided back in our second quarter earnings call. We expect that Q3 will be the high-water point of expenses on a dollar basis. And over the successive quarters through the end of 2022, we should expect to see steady reduction in the dollar amount of expenses across that time. No big drops or steps, but just a steady, continued downdraft as those synergies are realized. And as the rest of our business operating expenses are managed in that trajectory.

Jason Goldberg: I guess, in that vein, I guess that some of have complained that, I guess, first-half expenses were a little bit higher than anticipated. It's driven by some investments you've done, now with obviously you have the full of quarter of TCF. In the third quarter, so I think we have a billion dollars in our number, in our model, for the third quarter, I think is the number you talked to, is that the base we should think about at then see that gradual reduction from there?

Zach Wasserman: Yeah, I think of what we reported for dollars of expenses in Q2 was just over $800 million, $803 million to be precise, excluding merger-related costs. And what we said, at the time, in our earnings call two months ago, was to expect the full calendarized run rate of expenses with a full three months of the TCF cost-based embedded as opposed to just one month, which was the case in Q2, that the overall expenses would go up by around $250 million. So that continues to be my expectation for Q3 on around that level. And then as we go forward into Q4 and into the quarters of next year to see a steady downdraft.

Zach Wasserman: Just bridging onto that from your comment before, we feel great about the investments we've made in the back half of last year and at the early part of this year on a core basis. And I think you're starting to see the benefit of that come through in new product launches and in terrific production growth and in some of the household growth metrics that I've shown in the presentation. So those were well-timed, in our view, in really helping to make sure that we're even more competitive than we would have otherwise been right now.

Jason Goldberg: Gotcha.

Jason Goldberg: I think one of the real potential under-appreciated aspects of the TCF deal is just the potential for revenue synergies. Clearly, you were in some businesses they weren't in, they were in some businesses you weren't as big in. They bring some new markets that you get to overlay your products into. Just maybe just talk about maybe two or three of the bigger opportunities that you see, and then just maybe talk to how we could

Jason Goldberg: ... size the potential impact of those opportunities, as well as, how long does it take to really start to realize those revenue synergies, given the opportunity at first you have to kind of focus on the integration.

Zach Wasserman: Yeah, absolutely glad to spend some more time getting to this in more detail. I referenced there are sort of five key areas we're executing on now, two or three of them that are extremely compelling and I would just re-emphasize them. Firstly to me, one of the ones I'm extremely excited about is on the consumer side, is bringing the Huntington products that in some degree, our overall operating model in consumer to the TCF customers. Think about things like the way that we manage branches and the branch engagement model, which drives great new household acquisition and deepening. Huntington is outstanding in mortgage. And I think you've probably seen that watching the company over the last four or five quarters as we've done exceptionally well growing mortgage and home equity to be one of the national leaders in those product sets and certainly generate a lot of business for Huntington.

Zach Wasserman: Well we're at same capability into the TCF geographies and then thinking about things like debit card, we really punch above our weight there. And I think we're great at embedding and getting a greater usage of debit cards into our core DDA consumer accounts. So that's going to be one that's extremely interesting to me. And I think, you'll start to see that come online with assistance integration in a month stop. And then it'll build over the course of the next, of four to six quarters as we continue to drive that into that business line. Another one is commercial as you know, well watching the sector, with scale comes the ability to bank more effectively, larger corporations, larger hold limits, more and more breadth of capability and expertise. And I think we're really excited about the opportunity to leverage that scale in that business for us, and not only to broaden relationships and bring on new names, but also to bring our stronger capital markets and treasury management business into the legacy TCF commercial middle market basis.

Zach Wasserman: That's going to be a really interesting work for us and we're already, not only building up the teams, but to engaging with clients there. And then lastly, I would just highlight the really attractive growth markets that Huntington now has access to the Minneapolis is, I think I've got the greatest share of fortune 500 companies per capita of any city in the United States. And one of the fastest growing populations as well. I think almost 50% faster than the national average is expected. Denver and Colorado generally, as you probably know, is just experiencing tremendous growth right now with not only a very scaled existing commercial hub, but the growth going forward. And then, even in markets where we were before like Chicago and Detroit, we've now gained significant market presence in market share that enables us just to be that much more effective.

Zach Wasserman: So I think rolling out into those growth markets for us, both a couple that were existing, but we'll double down into, and then a couple that are new is going to be really, really significant opportunities. My forecast and one of the things we wanted to do, Jason, as part of this discussion was to lay out these revenue synergy areas for you and for the investment community, so that you have visibility into it over time. We'll talk more about that. So I think my expectation is that those will ramp up and be contributing positively in 2022. And then we'll just continue to grow from there as we get into 23 and beyond.

Jason Goldberg: I guess, one of the, I guess concerns when the deal was first announced was is you had the Chemical, Talmer merger doubling in their size and [inaudible] TCF kind of doubling in their size again and now Huntington buying TCF. And just in terms of just kind of customer fatigue, even employee fatigue of kind of going through these mergers, have you had any issues on either of those fronts or just how has kind of in the customer and employer response to Huntington?

Zach Wasserman: Generally it's been unanimously positive. We've been incredibly pleased with both how our colleagues have reacted and the excitement around becoming part of one company. And it's on both sides. I would say, not only on TCF colleagues that are joining the new Huntington combined entity, but also in our Huntington colleagues, it was pretty clear to all of us that we were stronger together and that the growth opportunities infront of the combined company were just better and we were more able, more capable to go after them. So there's a kind of an excitement, a buzz around the company around that. Clearly any acquisition integration is a lot of work. And so on top of COVID and all the stresses that we've all across the nation is been experiencing over the last 18 months, that was certainly an incremental piece of work.

Zach Wasserman: But I think it was underpinned by a lot of excitement and I think pretty strong belief that we were quite a bit better together. And so people feeling good about that. And then just turning to the client side, you've heard a lot of excitement. They've done quite a bit of reach out on both the commercial and business banking customer base, as well as the consumer base of TCF. And I think universal we're hearing excitement about the capabilities that Huntington brings, the product set, the digital tools, some of the unique, disruptive new products we've been offering. So generally it's really, really positive. I think I don't want to minimize, we're very focused on executing and it's not easy and we need to do it with care and great management capabilities, but, we're all over it. And I think I'm really, really excited about moving forward to conversion and getting into revenue growth as we go forward.

Jason Goldberg: We've got two minutes left and it'd be irresponsible of me as a bank analyst not to ask about credit quality. So I guess as you look out, I guess any kind of pockets of concern to these kind of reserve releases we've seen continue and, ultimately maybe you're going to see this reserve to loan ratio ending up and particularly now that you have the purchase accounting kind of mocking it up as well.

Zach Wasserman: Yeah. Look, I think on credit, we can be very pleased with the trajectory of the credit metrics we're seeing the book is performing quite well. And I think that's a testament most importantly, to the health of the economy and to our customers and also our customer selection, which is very strong and very disciplined as we've talked about over time. I think if the trends continue, I expect that we'll continue to look at and likely release incremental reserves as we go forward. As we've talked about for a few quarters, just we need to keep watching those credit trends materialize. And the reserve level is something we look at very, very carefully on a quarter by quarter basis. And so we take the facts as we see them right then, but there's no real significant concerns that are coming up.

Zach Wasserman: I think at the margin, the trajectory of COVID is not helpful with that being said, everything we're seeing in our book continues to corroborate that credit is exceptionally good as we stand today. And as we go forward, assuming that the economy continues to recover as it's forecast to do that that'll be accompanied by further reserve releases. I'd be remiss by not re highlighting we were conservative on the way up building, and we'll likely be conservative on the way down building, but we see that as a prudent business approach and very much aligned to our overall risk profile.

Jason Goldberg: Perfect. I think that's a great place to leave it, Zach, thank you so much. And Tim, for spending time with us this morning,

Zach Wasserman: Thanks so much and really appreciate the chance to speak with you as well.