East West Bancorp, Inc. (NYSE: EWBC)
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Participants

EXECUTIVES

Irene H. Oh
Executive VP & CFO

Julianna Balicka
Director of Investor Relations

ANALYSTS

Gerry Benson

Gerard Benson, Analyst

Hi everyone. I'm Gerry Benson. And up next, we have East West Bancorp. East West is a commercial bank specializing in commercial, construction, real estate lending, as well as financing international trade, headquartered in Pasadena, California. The bank has a particular focus on the Asian American community. And it operates through 120 locations and major U.S. Metro areas in addition to China, Hong Kong and Taiwan. At September 30, East West had approximately $61 billion in assets. Presenting today for East West is Irene Oh, Executive Vice President and Chief Financial Officer. Irene joined East West in 2004 and was named CFO in January 2010. And joining Irene is Julianna Balicka, Director of Investor Relations.

So with that, please join me in welcoming Irene and Julianna.

Irene Oh, Executive Vice President and Chief Financial Officer

Thank you, Gerry.

Julianna Balicka, Director of Investor Relations

Thank you, Gerry. We're so delighted to be here.

Gerard Benson, Analyst

We really appreciate you making the effort. And unless you wanted to start off with anything top of mind, we're going to just do a fireside chat and just get some questions going. And audience, please feel free to chime in with any questions you have.

Irene Oh, Executive Vice President and Chief Financial Officer

That sounds great, Gerry.

Gerard Benson, Analyst

Okay, great. Let's just start in general, East West similar to all banks is a product of its environment. Can you generally speak to macroeconomic expectations across the different markets in which you operate?

Irene Oh, Executive Vice President and Chief Financial Officer

Yes, I think, that's a great question, especially right now. What we are seeing in the markets that we're in is generally speaking things are much more positive, post-COVID. Especially, I think, if you look at the regions we're in China, Hong Kong in some ways maybe related to COVID, we feel that those markets have bounced back a little bit faster, and we certainly see that in the business activity. Other areas, where we have strong presence, California, New York Metro, small, but growing presence in Texas and Seattle, all of those areas we're very excited about kind of the potential and the future. Particularly if you look at it from our clients, I would say that at this point in sign still clients have a lot of liquidity. We definitely see that on the deposit size. We definitely see that on the C&I utilization size. When you look at CRE, there are certain asset classes, where there is a lot of activity. Cap rates all time kind of low really if you look at it for certain industries such as industrial and multifamily, but I think there is enough activity and enough volume there. And certainly, the sentiment is much more positive than it's been in the last 18 months or so.

Gerard Benson, Analyst

Well, that's great. Thank you. You've mentioned China when you're talking about just the health of the market. And I know you guys talk about being a financial bridge between the east and the west. And I know you've said in the past like the value proposition comes from your knowledge and expertise of knowing like the regulatory change in both the U.S. and China. There's just so much going on. It's so dynamic right now. So I'm just curious how you guys are viewing that at this point.

Irene Oh, Executive Vice President and Chief Financial Officer

Yes. I don't think our views really changed, Gerry. We still feel that we have a value proposition to offer our clients in a way particularly in these times where maybe it's harder to navigate even more reason why you need to bank with a bank like East West. And I'll just comment too, our portfolio that we have there largely focused on – and it's much smaller versus our entire book of business on our entire loan book is really focused on where is our value proposition, cross-border business. We've really stayed away from industries and sectors such as real estate for a variety of reasons in both Mainland China and in Hong Kong as well. So when I talk about kind of the markets are a little bit better, I'm talking specifically for East West as we kind of emerge from the pandemic and what also the activity that we're seeing from our clients.

Gerard Benson, Analyst

Thank you. I mean you did touch upon this, the loan growth, and obviously you guys really stand out from the pack this year, having raised loan growth guidance for the past few quarters and your commentary suggesting that this momentum has continued. Can you talk a bit about your expectations for loan growth over the next few quarters and talk about some of the drivers?

Irene Oh, Executive Vice President and Chief Financial Officer

When we did increase our guidance this year, I would characterize it as modest increases, every time we increase that. And when I look at the fourth quarter and to certain extent I think 2022 what we haven't seen yet really, Gerry, is really, as I mentioned earlier, with align utilizations increasing. And so the growth that we've see been seeing in C&I largely for new clients that we are bringing on board. PPP definitely helped us with the number of new commercial small business customers we onboarded and getting our name out there. I think the business activity is increasing and then also our commercial bankers are doing a great job of bringing in larger relationships as well.

I'll also kind of add related to our kind of why we're comfortable with the growth, I really think the diversified balance sheet and diversified business model that we have from a loan product perspective, commercial consumer, C&I, CRE, single-family that certainly helps, right, this year and last year as well to a certain extent maybe more so this year. Earlier in the year, when there was more slowness in C&I growth, and we really didn't see the balance increase, single-family growth continued to be outstanding. So I think that this help kind of propel our growth, given the diversification and the number of sources honestly that we have for that growth.

Gerard Benson, Analyst

And you've had real good success with your C&I verticals, your niche strategy. Do any stand out and in addition to that are you evaluating any other additional verticals as you look into 2022?

Irene Oh, Executive Vice President and Chief Financial Officer

I think what we have seen also with the niche verticals maybe similar to what I just spoke about with the diversification or portfolio, we have so many different niche verticals. There have been times when some have done better, others haven't and that's been able to also kind of sustain our growth. So there were a few as were PE every month, every quarter, the balances came down and to a certain extent that's still the case. A few years before, we saw a lot of growth in PE, but what we're seeing especially now there are different verticals where maybe the growth was lower. We didn't lose the client relationships. It was just the business environment where we're seeing growth pick up. So, overall, I think that helps us as well as the diversification markets, sectors, where there is growth, both here and China.

When we talk about new verticals, we're always exploring that, Gerry. I think at this point in time we feel that we have enough kind of expertise and bench strength throughout. However, there're a lot of verticals where we think that we need much more kind of penetration and still there is a lot of growth ability for us. We try to make sure there's enough diversification limit setting in everywhere, risk relative to return, some of these lending verticals that's entertainment PE what's going on a decade here. So I think we're also comfortable with the history and the experiences that we've had over this period of time. Occasionally, if there is a workout loan, how we work it out. And that also informs our decision as far as a size and the exposures we're willing to take on.

Gerard Benson, Analyst

Right. Right. Makes sense. And you did highlight the utilization rate and I think you mentioned on the last call that it may have hit a low at 69% or it was near a trough. And I'm just curious on how you guys think about that and where it normalizes at, and like at this point given – and you did comment that there is a lot of liquidity in the system obviously, but just kind of when – how you see that trajectory of that increase in.

Irene Oh, Executive Vice President and Chief Financial Officer

Yes, honestly, I would have thought that it had already increased at this point in time. I think across the board, if you look at our C&I clients, whether it's a smaller kind of mom and pop, import export company, trade finance, also certainly the PE funds, commitments are – we're growing commitments, we're growing customers, but line utilization is certainly not there. I think it's hard to say quite frankly. I think the good thing about East West with the growth that we have, we don't need the line utilization increase to really kind of hit those growth levels we'd like, certainly will help. 1%, 2%, 3% makes a big difference in the balance outstanding NII, also just some profitability, but it's not something that we're banking on for growth.

It will take some time for that liquidity. I think we're realistic. It will take more time for the liquidity to kind of get reduced in the system. Some of our clients as well generally at this point in time of the cycle, at this time point – time of the year, they'd be borrowing, but they still have a lot of cash. They will have other ability to kind of fund their businesses at this point in time.

Gerard Benson, Analyst

Right. Why don't we talk about that the other side of the balance sheet? I mean, your non-interest bearing deposit growth has been extremely strong at East West, increased almost 20% sequentially in the most recent quarter. We have fiscal stimulus, easy monetary policy. Maybe you could talk about some of the drivers of growth in your expectations looking forward.

Irene Oh, Executive Vice President and Chief Financial Officer

Yes, you're right. Those are certainly factors that we've considered and evaluated as far as with the deposit growth and the trajectory. We do not expect this kind of high double-digit deposit growth to continue. We're realistic with that. I think on top of that, we've had many clients who've gone public, have excess cash that they raised through SPACs, whatever it may be. So we're evaluating this pretty carefully. But I would just point out with the continuous investments that we have made the last several years for commercial deposit products and offerings, treasury management products and offerings and as I mentioned earlier with PPP, just the sheer of commercial clients, large, and also small clients from the retail branches that we've onboarded, it's truly exciting to see that and to see just the volume of transactions that have increased. So although I think we're realistic that there is a certain amount of let's call it surge deposit that may leave the system overall and they leave East West Bank. What I'm more interested about is those sticky kind of deposit relationships where I think there's more opportunity for fee income and a longer longevity.

Gerard Benson, Analyst

Actually, that's a good point. Why don't we talk about that a little bit just in terms of your thoughts on the deposit duration and how that's impacting your liquidity deployment strategy?

Irene Oh, Executive Vice President and Chief Financial Officer

Yes. It's certainly a factor and at various times there – the amount of cash that we've had at any given time has been truly shocking, quite honestly. And the deposit duration is a factor. As you know, it's also the shape of the curve and what we can redeploy it and our expectation of what might happen with rates, right. But both of that –that's both been part of our consideration. I think at this point in time we have – and we've taken action throughout the year kind of depending on our understanding of what we could redeploy at and then also our expectation of how our customers would be utilizing those deposits and you saw those actions that we took to redeploy excess cash into securities over the course of this year quite sizable, actually never, never did I think that we'd have that kind of securities deployment within a nine month period, but those are things that we're actively monitoring and trying to balance out quite candidly. I would also just say in continuation of what we said earlier, I don't think it's realistic to assume this level of deposit growth continues. So to a certain extent I think we're being a little cautious about that as well.

Gerard Benson, Analyst

Right. Let me pause for a second here and remind the audience that they can type in a question and send it in via the web, just either that or grab Gerard and have them run here and ask me. Why don't we shift gears a little bit here. And let's shift over to the cost side of the equation. I mean East West has done well in recent years to keep costs contained and maintain positive operating leverage. Given the recent inflation in cost pressures, there's an investment in IT and acquired continuous IT spend. Can you talk to how comfortable you are and being able to contain expenses as we head into 2022?

Irene Oh, Executive Vice President and Chief Financial Officer

Yes. I want to just clarify one of your comments, Gerry. I think it's not just the last few years. East West has always maintained a focus on cost containment, right. It hasn't always in every year, every quarter resulted in depositing offering leverage, but nonetheless, I think that focus and that discipline and that culture for East West remains. And I think that I want to just share and that's we're doing that while we are making the investments that we think are appropriate to grow the technology investments that we need to, a lot of that is customer focused quite frankly, customer focused in areas we think are critical for our customers. For example, like say on the consumer side, but we're not trying to have all the bells and whistles you'll have at your personal account at chase, but we're focused on our product offerings that we think are more important to our clients and kind of getting out front and center with that.

So for example, unlike probably any other bank in the country, we implemented through our mobile app, Alipay, so that people can easily, our consumers can easily send money to China in RMB well before we implemented sell, right. So things like that to try to focus and make sure our resources are

wisely used to things that we think are important to our clients. I think that's been a focus another area where we've spent tremendous amount of time and energy is really related to info security to make sure from an infrastructure perspective I think that we're comfortable. I think I also would just add I think something maybe that we've done well is when we do implement systems, we try to go big, right. And have that be something that is scalable for a while.

Towards the end of the life cycle of that, we may be on something somewhat ancient and need to upgrade. But I think what we try to do is get as much value as we can as necessary. But as I mentioned from a frontline perspective, a customer interaction perspective areas where we think that we can kind of innovate or provide value, a lot of that is related to payments cross-border payments. Ten years ago, our cross border customer strategy was trade finance, right. Importing before maybe 20 years ago then exporting for a while with a growth in China. But now it's really like how are we helping our clients who are in the e-commerce space, facilitate their trade and a lot of it is more focused on payment areas specific for our clients. So I want to just kind of just characterize that. I think we're always mindful of the spend and the cost and making sure that there's a good balance with the revenue growth and the operating expense growth, but also the investments that are necessary to sustain our business. We do that. We don't manage through efficiency ratio.

Gerard Benson, Analyst

When you think about the cross border opportunity when you're looking forward, is there a bigger opportunity on the payment side or is it still much more so on the credit side?

Irene Oh, Executive Vice President and Chief Financial Officer

I think both, right. We have certainly expanded relationships where – we have relationships where maybe we started on the credit side, but we expanded to a deposit side and the deposits and the fee income are certainly greater potential for us. That's also something that we balance that with kind of, you know, as it's scalable, right. I'm not looking to spend a million dollars to only earn $1.1 million in fee. So that's something that we constantly spend time on specifically with some of the technology, the APIs that we're helping our clients with and utilizing.

Gerard Benson, Analyst

Right. So if you think about like your top IT projects and what you want to work on? And I think you're always going to have a long list and you need to prioritize like, can you say you try to balance it? Do you try to target a certain efficiency ratio? And while you're incorporating a certain amount of projects each year, and like, how do you evaluate that?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah, it's an efficiency ratio. Certainly, I think from our overall kind of budgeting process, we look at – I look at that operating leverage, right, especially given the opportunities. But I would say kind of, it's a bottoms up approach, where we look at where we need to make the investments. I look at kind of the IRR of the projects themselves. I'd only caveat things like info security. There's no IRR. I don't know what that IRR is. It's more what do we feel that we need to spend to make sure, I think from the

perspective of safety for our clients, the data security, our network that we're keeping up, it's a different kind of calculus.

Gerard Benson, Analyst

Right. How do you assess that? I'm just curious, I mean, because it is, you could keep throwing a lot of money on it. There's a lot of unknowns. I'm just curious do you try to target a certain percentage of the budget for that part?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah. That's a great question. It isn't necessarily a certain percentage of the budget targeted. We are highly regulated. There's a lot of guidance from the regulators and a lot of information that we get as far as what we need to do to be best of class where the risks are. Overall, obviously, we're also kind of migrating to the cloud. So there are some cost savings with that, but also different kind of areas, or we need to kind of mitigate risk as well. So it isn't a certain metric that we look at. I think Gerry, more so than what is appropriate given the risk profile of our customers and the transactions and what we're doing.

Gerard Benson, Analyst

Right. Do you think given your cross-border activity and being the gateway between the East and the West that requires a higher level of spend for cybersecurity?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah. I don't know that it itself requires a higher level of cybersecurity spend. I think, probably given the different locations that we are in, the different countries, at different jurisdictions. Hong Kong is different than China. Just naturally, it's going to be more than if we were just in the U.S.

Gerard Benson, Analyst

Let me just ask this one high-level question. Do you still think like at this point you can still achieve positive operating leverage in view of the current rate environment?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah, I think so. Certainly that will help. If long-term rates go up or short-term rates go up better, but I think in this current environment, I think that's still possible with the expectation if you're looking at 2022.

Gerard Benson, Analyst

In given how your balance sheet is positioned at this point? At this point in the cycle, we do have a yield curve steepening. We have the Ford yield curve telling us, we could get two, maybe even three hikes in 2022. I mean, can you kind of talk about like, what's most important for an increase in earnings, based on your balance sheet and given the shape of the yield curve?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah, I think what's most important for us to achieve higher NII would be an increase in short-term rates, right. Because our balance sheet is largely variable rate, LIBOR prime base. That would be the most impactful. And I think, certainly I'll take the long enough the curve going up as well, Gerry. But I think that would be the most impactful for us.

Julianna Balicka, Director of Investor Relations

Outside of loan growth, of course.

Irene Oh, Executive Vice President and Chief Financial Officer

Oh, yes.

Julianna Balicka, Director of Investor Relations

Yes.

Irene Oh, Executive Vice President and Chief Financial Officer

Yes. Separate from loan growth, right.

Gerard Benson, Analyst

Let's talk a little bit about capital management. East West dividend payout ratio is under 21%. I know there's an existing share repurchase authorization. Just curious on your thoughts on capital management in general, and then on repurchases more specifically now that the worst of COVID driven fears are behind us?

Irene Oh, Executive Vice President and Chief Financial Officer

Well, I think what the worst of the COVID driven fears that did not manifest themselves, that buyback opportunities should have been better before, right. And we bought back $150 million worth of our stock. In a very short period of time, really before COVID blew up and after we had the authorization. But if I had only had a few more weeks there, that could have been a lot better for us.

I think for East West stake, we really believe that we are a growth organization and that the highest and best use of that capital for our shareholders at this point in time is redeploying that in organic

growth. Now, I think making sure that our common dividend is appropriate relative to the EPS growth, relative to peers, from a payout ratio, the dividend yield, that's also something that we monitor. I think, right now, probably a little bit on the low end, relative to many peers. But I also, I think other things. If you look at kind of the hierarchy of the use of capital well-priced strategic M&A that'd be something that we looked at. And then of course, some sort of special dividend or return of the buyback. Those are things that we would consider probably in that order.

Gerard Benson, Analyst

Maybe we can talk about that though. I think you said well priced strategic M&A, I mean, there's been a lot of discussion from the different banks today about non-bank, FinTech type opportunities, just expanding capabilities. So just curious on what your thoughts are on that subject?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah, I think if certainly those are things that we'd evaluate from the perspective of, is it an enhancement of our capabilities? Is there a revenue generating opportunity that we do not currently have? Why is it strategically alignment of where we're trying to go? I don't think we haven't found anything of size of a very small investments that we've made. That fits along those lines. But certainly I think, especially related to our cross-border business, that's certainly something that we'll certainly evaluate.

Gerard Benson, Analyst

Let's just talk about like, when you're looking out, so we talked about COVID most of the fears being behind us like, just given your model in the macro environment now, what do you see as the biggest risks on the horizon for East West?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah. Actually Dominic and I had this conversation, not that long ago and in some ways – last week, actually. Some ways I think, there's so much opportunity for us as far as credits benign, all of our clients, most of our clients at all are seem to be doing very well, like where, I think to a certain extent, our conversation was like, we need to make sure that we take advantage of these opportunities that are in front of us right now. And how do we maximize that? I think that this is a – we're in a really great space from being able that I think have the size and the scale that we did not before in order to kind of grow customers or achieve more inroads than we'd done in the past in certain sectors or areas, right. Larger customers that we're able to service.

I think, I'd have to go back to the conversation about the deposit customers. We have much more larger sophisticated customers that we know it would have been very hard for us to be able to manage several years ago or a few years ago, or maybe we had those relationships a few years ago. But their primary operating account was that Bank of America or Wells Fargo and now they're at East West. So I think part of it also maybe our internal kind of struggles are, as we grow, how do we make sure that we keep the culture and the rigor kind of have the ability to kind of operate at the same

speed we were able to, when we were smaller. I think be able to retain ultimately and I think that would translate itself as far as positive operating leverage, right.

Gerard Benson, Analyst

Right. And so clearly, when you think, when I've asked about the risk and what you've conveyed is you're definitely more of the mindset of playing offense in this environment. And you're pretty excited about all the different opportunities. I mean, just with that in mind, when you think about the regions of your franchise, which – what is showing the best strength and not only the regions, but the products as well.

Irene Oh, Executive Vice President and Chief Financial Officer

Well, certainly, given the kind of the size and the prominence that we have in California, it's still California. But if you look at outer regions, as I mentioned Hong Kong, China, also other states where we have less penetration or scale such as Texas, also New York, the growth rates are certainly higher, right. So we're excited about all these areas. It's really a matter of, it's a certain extent like in Texas, we need to scale up little bit more to make sure that profitability is really there, but the growth trajectory is certainly very positive.

Gerard Benson, Analyst

Right.

Julianna Balicka, Director of Investor Relations

And when we're talking about Texas growth to clarify, we're talking about outside of oil and gas, so general C&I, CRE areas that we have not been growing as much over the last few years. Today, we have enough footings in terms of people and dollars on the balance sheet to generate more and bigger growth.

Irene Oh, Executive Vice President and Chief Financial Officer

That's an important clarification, Julianna. I mean, at this point in time, the oil and gas portfolio, bill and commitment $700 million or so little under that outstanding. We don't expect to grow that. And we have been reducing that over the course of the year.

Gerard Benson, Analyst

Yeah. Okay. Thanks. Just I guess, we did talk about risk and we kind of didn't focus too much on anything particular in credit quality. Certainly, this has been the upside down recession, right. And credit quality really has been pristine and then really hasn't been much of any sort of hiccup. I mean, like net charge-offs are running at really low levels right now. Can you kind of give us an idea of how sustainable these very low levels of a net charge-offs might be and how you're thinking about credit?

Irene Oh, Executive Vice President and Chief Financial Officer

Near term, and as we evaluate our portfolio, there really are not a lot of issues. There certainly are some loans that we're working out that have been problematic throughout COVID. Maybe some of them were before, some still, COVID related kind of vacancy issues. But all in all, the credit is continues to be very good. We see that in the near term being an issue, if anything, honestly, now I think 2022 maybe better, right. If you look at it from a like a net charge-offs perspective.

Gerard Benson, Analyst

That's interesting. I mean, there is a little bit of volatility in the markets. I guess, it was last week when some of these non-prime, maybe it was allied, there was one main, there was some non-prime lenders that talked about credit normalizing, and obviously their delinquencies are taken up and they talked about credit normalizing in 2022. And there was a lot of people extrapolating that to a lot of any balance sheet financial. So I'm just – so you guys are thinking certainly not, and obviously they're different animals. But certainly not 2022 is a normalized charge-off ratio. You don't expect it for East West anyway.

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah. I would say at this point in time, I think 2022 will still be benign.

Julianna Balicka, Director of Investor Relations

And I'd like to add the one thing to bear in mind is when there's two separate things about the net charge-off ratio and the loss content where we're not seeing it. And maybe how banks approach risk ratings, right. For awhile during COVID, the regulators were very supportive of bank's efforts to support customers. And now we're kind of getting back to business as usual in terms of grading loans.

So for example, you might see a little bit more volatility in risk grades, such as special mention, because you have to look at the last 12 months of financials, which would include COVID financials. However, because the outlook for these borrowers is improving, you're not actually increasing the risk or the loss. So there's two different things that you might see a little bit more volatility on classifications while a benign net charge-off environment.

Gerard Benson, Analyst

Okay. Thank you. That's helpful. Thank you, Julianna. The – I'm going to kind of shift gears and ask you something we've never talked about. But it's become a very important topic with investors these days. Just kind of like how important do you think ESG factors will peak from investors over the next five years or so in deciding whether to purchase East West stock or not, and like, how do you think about it?

Irene Oh, Executive Vice President and Chief Financial Officer

We are certainly spending more time on this. I think, if I were a betting person, I think to a certain extent this is important from employee engagement and then also hiring and talent perspective. If it's important to them seems to be, especially for if you're younger we'd gotten more inquiries, I think from European investors, Gerry, I don't think any of the U.S.-based investors seem to care thus far or enough to reach out. So I think in answer to your question, I'm not sure, especially, I think there may be some difference as far as where U.S. investors are.

I mean, there's no question for banks in some ways, on the governance side with the structures in place, to a certain extent for East West in particular on the S side, right, with the social responsibility. And in some ways we're very uniquely position being a bank where we have a lot of employees who are minorities and then also we support a lot of kind of minority communities.

So I think that's something actually we're very proud of and that we distinguish ourselves. And – but all in all, I don't know if for investors in the near term of using this device, what stock, if it's going to be that critical, the SEC will tell you something else. And I think we're getting ready to try to better understand what those kinds of disclosure requirements will be. But we're certainly on that as well.

Gerard Benson, Analyst

Right. You mentioned, Irene, where you talking about like potential employees and the younger generation. I'm just curious about that like when you're interviewing a perspective employees like what are the – what is important to them? Like what are the questions they're asking and what do they want to say?

Irene Oh, Executive Vice President and Chief Financial Officer

Yeah, I think and this is just my perspective. I think compared to in the past, perspective employees are more interested in a value alignment, maybe that's ESG related, maybe that's working at East West, the bridge between the East and the West. But I think that's more important in some ways more important than even pay for a lot of our employees.

Gerard Benson, Analyst

Right. I mean, it is interesting. And that's where it's going to start is with the employee base, I would imagine. But anyway, we are almost out of time. I don't know if anyone has any questions. Yeah, I think we're good, I don’t. Julianna, do you see any type typed in, because I'm having trouble navigating my screens here?

Julianna Balicka, Director of Investor Relations

No, I don't see any questions from the web. So I think we're good on time.

Gerard Benson, Analyst

Okay. I really appreciate both of you making time to speak with us today. And hopefully next year, we will get to see you back in person here in Boston.

Julianna Balicka, Director of Investor Relations

And we appreciate you accommodating us being virtual halfway across the world, across the country…

Irene Oh, Executive Vice President and Chief Financial Officer

Across the country, not the world yet. And we also would like to see you in person next year, Gerry.

Gerard Benson, Analyst

Absolutely.

Julianna Balicka, Director of Investor Relations

And thank you everybody and the audience for tuning in.

Irene Oh, Executive Vice President and Chief Financial Officer

Bye-bye. Thank you so much for your support.

Gerard Benson, Analyst

Bye. Thank you.

Julianna Balicka, Director of Investor Relations

Thank you.