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## UCBH Holdings, Inc. Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Andrea Jao – Barclays.

#### Andrea Jao – Barclays

Craig, I was hoping to get your interest rate assumptions, not just for the remaining quarter of 2008 but also for 2009 and given those assumptions, how should we think about the drivers in the margin into 2009?

#### Craig S. On

I think we see, based on where we were at for Q3, that we see the margin staying flat. As we indicated in our presentation, we ended up at about 3.05% for Q3 so I believe we will be staying there or maybe down-ticking just a little bit.

#### Thomas S. Wu

And for 2009 I think the model really depends on how the Fed Funds rate will come in at the end of the year. Assuming another 25 basis point rate cut in the fourth quarter, I think we believe there should not be any more rate cuts for 2009. And our margin will be stable at the beginning and then increase at the end of the year.

#### Andrea Jao – Barclays

And Tommy, I was hoping to get more detail in terms of conditions in both Greater China and Hong Kong and how this is impacting what you want to do over there.

#### Thomas S. Wu

Let's go to Hong Kong. I think Hong Kong, right now the economy is still stable, even though the stock market came down a little bit. But I think the overall economy is still very stable. The retail sales still remain very stable in Hong Kong and I would expect the Hong Kong GDP growth will slow down a little bit in 2009 but I think overall the economy is healthy in the Hong Kong market.

Now as far as Greater China is the GDP growth for the third quarter for the third quarter is about 9% compared to 12% in the past year. But 9% growth is still a very healthy growth for Greater China, particularly a lot of growth is different internally. And also because of the turmoil in the U.S. and also around the world, it does affect the export of China. But having China, the currency, RMB, being very

stable right now at \$6.83 to US\$1.00, I would expect that the export will be stable in next year, unless the global economy melts down, which I don't think will be the case.

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