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Comerica Incorporated Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Steven Alexopoulos – J.P. Morgan

Steven Alexopoulos – J.P. Morgan

Could you talk about which portfolio or geography is driving the increased expectation for charge offs for the full year compared to the guidance that you just gave last quarter?

Dale Greene

I don't know that I would necessarily pinpoint it in any one segment. I think our sense is that the recession is a little worse than we might have originally thought. I would start off from that perspective. We said that middle market and small business would get softer; we're clearly seeing that in all of our geographies.

As we've said before, residential real estate we're still seeing new appraisals showing lower value so that's having an impact how we look at our assessment going forward. I would say it's more around our line of business look than necessarily any one geography. Texas continues to do pretty well, it's a little softer here but it does well. Obviously Michigan, California and Florida are struggling a bit. I'd sort of characterize it that way.

Steven Alexopoulos – J.P. Morgan

Looking at the \$100 million or so direct exposure to GM and Ford is that all performing today and what happens if GM does declare bankruptcy in terms of loss content there?

Dale Greene

First of all, in terms of our GM exposure it's frankly relatively modest compared to where it had been historically, it's very well secured. Even if that were to happen I believe that we're pretty well protected. Again, it's not that large in terms of what we've got. In terms of how we handle, for example, the supplier portfolio we have brought that down a lot. We have in here what our exposure is to suppliers where there's 50% or more revenue coming from GM and Chrysler that's in terms of the size of our portfolio not all that large.

We're kind of paying attention to what happens. We're obviously paying attention to the supplier program they're putting in place; more details are emerging everyday on that. We think we've acted

as though GM is whether it's in a bankruptcy or not has obviously continued to struggle. We've think we've done all the right things, all the things that we can do to protect ourselves.

Operator

Your next question comes from Brian Klock – KBW

Brian Klock – KBW

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