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## Fulton Financial Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Thank you. (Operator Instructions). We'll go first to Frank Schiraldi with Sandler O'Neill.

#### Frank Schiraldi - Sandler O'Neill & Partners L.P

Good morning guys.

#### R. Scott Smith, Jr.

Good morning.

#### Charles Nugent

Good morning.

#### Frank Schiraldi - Sandler O'Neill & Partners L.P

Hey, just a couple of questions here. I wondered if you could give us levels of 30 to 89 days pass due in the loan portfolio, sort of quarter-over-quarter what that did?

#### Charles Nugent

Yeah. We actually had a decrease from December 31 to March 31 in the 30 and 60 category. Most of that -- almost all of that increase actually was in the 30 day and 60 day remained flat.

#### Frank Schiraldi - Sandler O'Neill & Partners L.P

Okay. And then on the I wonder Charlie on the margins, seems to me at some point there has got to be an inflection point given where your average cost of FHLB borrowings are and still the average cost of CD is up over 3%. Like you said, the new variable-rate CD is going out at 225. Just wondering what sort of a break out of that borrowing stream from the FHLB and when we see sort of an inflection point? Your thoughts on that.

#### Charles Nugent

Frankly out of that \$1.4 billion in advances from the Federal Home Loan banks and if they're staggered out and there are some schedules going through this year and when they mature that will help our margin -- should help our margin.

**Frank Schiraldi - Sandler O'Neill & Partners L.P**

Okay and most of the CD growth, is that the variable-rate product?

**Charles Nugent**

Yes.

**Frank Schiraldi - Sandler O'Neill & Partners L.P**

Okay.

**Charles Nugent**

All of our deposit categories were up nicely, we thought. And a lot of it in the CDs was a variable-rate product, but obviously the CDs also increased.

**Frank Schiraldi - Sandler O'Neill & Partners L.P**

Okay and I think you mentioned that you started -- or there was a pick up or got better in terms of deposits growth near the end of the quarter as far as average cost, we could see that next quarter go through?

**R. Scott Smith, Jr.**

Average cost.

**Frank Schiraldi - Sandler O'Neill & Partners L.P**

As far as the average cost of the deposits in the quarter you saw lot of the core deposit growth at the end of the quarter. So that wasn't totally reflected in the average. Is that fair?

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