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Canadian Imperial Bank of Commerce F3Q09 (Qtr End 07/31/09) Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). The first question is from Steve Theriault from Bank of America. Please go ahead.

Steve Theriault - Bank of America-Merrill Lynch

Sonia, the retail NIM was quite a bit higher this quarter. Can you talk a little about sustainability and what the biggest drivers were in Q3 to that improvement?

Sonia Baxendale

Yes, the primary factor in the retail NIM was reprising on credit and the prime BA on that front. So, I would expect it to remain pretty much in line with where it was this quarter on a go-forward basis.

Steve Theriault - Bank of America-Merrill Lynch

Another quick one if I might. The US real estate finance exposure looks like it was about C\$2.4 billion, probably a question for Tom. That split between, what you are calling a construction program and an interim program weighted quite heavily to the interim program. Should we think of those as any different or are they really just construction lending exposures?

Tom Woods

They are a little different. I mean, construction is just as the name implies, it's starting from scratch. Interim is a little lower risk and that it's generally renovation, refurbishment where there is already lease up, but they are generally both pretty low risk given the relationships we've got with the sponsors and the locations, but interim is just one step further along.

Steve Theriault - Bank of America-Merrill Lynch

If I could squeeze one more in just on the card securitization, I know that card securitizations were down about half a billion or so I think on the quarter, so anything going on there, anything that you would like to highlight or is it just timing or a replenishing issue with respect to those structures?

David Williamson

No, nothing, Steve going on there particularly just the rolling off; just maturities.

Operator

Thank you. The next question is from Andre Hardy from RBC Capital Markets. Please go ahead.

Andre Hardy -RBC Capital Markets

I just want to start with a clarification. I hear the comments that business loan losses are expected to decline from the current quarter on page nine of the report to shareholders in the outlook section. There was a comment about Wholesale Banking provisions expected to increase. Are we just dealing with a different starting point or did I mishear something?

Tom Woods

We had to repay exactly 22 quarters where we've had essentially no loan losses in the state driven by the de-risking that we started in '02, '03. This quarter, although we do a very detailed review every quarter, we did a particularly detailed review this quarter and we've had an unusually high number, I think, it was a C\$129 million.

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