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Transcript

Speakers:
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Amit Goel: Thank you, ladies and gentlemen. It's Amit Goel here. I co-head the European banks team at Barclays.

And I'm delighted to have with me, Fabrizio Campelli, the Head of the Investment Bank and Corporate Bank at Deutsche Bank. So, thank you very much for joining us.

So, I'll go straight into the questions. And maybe I'll start off on the bigger picture, Fabrizio. You're the Management Board member for the Investment and Corporate Banks. What are the biggest changes that you've observed since starting in that role?

Fabrizio Campelli: I started in 2021 in that role – I've been at the bank nearly 20 years – and this was two years after we'd launched a new strategy for the bank which was very focused on transforming our overall businesses, including the Corporate Bank and Investment Bank. It's fair to say those are two fundamentally transformed businesses. Since we launched that strategy, the business model has been very significantly sharpened up, refocused. And both businesses have been geared quite differently in the strategy they pursue towards capturing profitable growth and contributing to a more balanced, well-diversified business mix at the bank.

The Corporate Bank has had very substantial growth since 2019, since '21, when I took over. That has been the result of a number of different dynamics, including obviously a more benign net interest income environment, but also pricing discipline and growth in selected fee products. In the first half of this year, it contributed about 50% of pre-tax profits to the overall group. Obviously, in a fairly benign net interest income environment, but it's to show the potential of creating much higher stability and resilience of the revenue mix.

The Investment Bank also has been fundamentally transformed – particularly, the FIC platform has been refocused and sharpened – and has been built around a more diversified set of businesses within its mix. The results, I think, speak for themselves. I think the FIC franchise overall has had a very material growth in revenues between 2019 and today, a 40% revenue growth. The pre-tax profit level was € 0.5 million in 2019, it's over € 3 billion as of 2022.

And the market share gains that that franchise have made is also proven that this was not just a tidal, well-managed fee expansion across the street; it has been actually a well-earned and targeted investment in market share gains.

Client centricity has also been a big theme for these businesses. They've really changed the product set and the way we cover clients to be more relevant across all our products suites to client needs. That's where the Hausbank strategy that we've embraced since the last couple of years is really aimed at creating that bank of reference role across the Corporate Bank and the Investment Bank for all our clients in all geographies. And that speaks particularly to the benefits that we can play to the corporate client set.

Amit Goel: Got it. Thank you. I guess part of that was also where you see the biggest challenges and opportunities and also looking towards those future targets.

Fabrizio Campelli: Challenges, obviously, have played out quite significantly in recent years around market turbulence, macro trends that have created a lot of uncertainty in our clients. In fact, those challenges have in some way played right in the hands of the strategy we've laid out. The uncertainty on macroeconomic outlook has played into volatility dynamics that have really played into the strength of our macro businesses in rates and FX, in particular. But increasingly, in emerging markets, as following the supply chain dynamics, the recreation of new corridors of trade on the back also of the Ukraine-Russia war, it is benefiting the emerging markets franchise, which we're very strong at.

The other dynamic on the Corporate Bank side, clients' needs have become more complex on the back of these macroeconomic challenges. When you think about supply chain refinancing, localization of supply chains, for example, due to tariffs, that plays right into the hands of a bank like ours, which in the Corporate Bank covers 150 countries, is present onshore in 53 of those countries. So, has the ability to truly support clients when their needs change and are redirected to new geographies. So, from a strategy perspective, those challenges have been quite helpful to us.

A big challenge has been in the corporate finance space. The significant drop in fee pool that we've seen in the last twelve months has obviously affected the whole Street, including us. And in particular, given our exposure to leveraged finance, it has been particularly acute for us. But that actually, again, has presented us with an opportunity to make targeted investments to build out our more return-on-equity-efficient, resource-efficient parts of the business, which is the advisory complex within Origination and Advisory.

Amit Goel: Got it. Thank you. And so, coming into more current trends, so eight months into the year we've seen strong results in the Corporate Bank, whilst the IB is experiencing a bit more normalization. So, what trends are you seeing in the market currently and anticipating, going forwards? And how are those trends impacting business in the IB and Corporate Bank? Overlaid with, how is that business mix supporting group revenues?

Fabrizio Campelli: You're right, the dynamics in the market have been quite acute. I think if I look back at the last couple of years, there has been a pretty extreme range of operating conditions that have made predicting the future harder. If I think about COVID, war, supply chain re-design, inflation, interest rates, environmental policy changes, a very buoyant capital markets advisory market crashing down to the lowest levels in history, all of this has created a fairly uneven, a fairly hard-to-predict environment for us and our clients.

The businesses of the Corporate Bank and Investment Bank at Deutsche Bank have actually been quite good at adapting, thanks to a diversified business model, and being quite responsive to these environments. Obviously, in the Corporate Bank we've seen a more benign operating environment, predominantly on the back of the net interest income dynamic that have contributed to a positive development on overnight deposit remuneration. I think combined with pricing discipline, as I mentioned earlier, and a very systematic pursuit of new initiatives, which we have been signaling to the market since our Investor Days in 2020 and '22, we have seen a very strong performance by that business.

In the Investment Bank, I think we've had an extraordinary '22. It's been a spectacular year for the industry. The normalization we've seen is one that was expected. Like I said, it's one that is still within the range of what we expected to see. And in fact, within that, we continue to gain market share. So, Coalition pointing to the first half of this year to be a positive development for our FIC franchise.

In terms of trends, in the Corporate Bank there are probably four that really matter to us. One is clients' needs are becoming more complex. They have a multitude of diversification needs that were not as acute before. Particularly, European clients are diversifying their supply chain requirements significantly more than they had done historically. American clients we see have started already after COVID to diversify their supply chains to avoid disruptions. I think a lot of European clients probably took the added challenge of the Ukraine-Russia war to make that move. This has a particular effect on the supply chain dynamics. And Corporate Bank that helps clients on the institutional side and the corporate side on trade finance, on cash management, international connectivity is obviously benefiting from that trend.

The second one is the need for financing solutions is evolving. In the Corporate Bank, we're seeing clients that are requiring more sophisticated financing. Obviously, access to financing is becoming more complex. There's a lot less liquidity and less availability than before. It plays well to have these long-term relationships with these clients and to be present globally to the extent we are.

A third trend is clients are seeking higher levels of efficiency in their business model, particularly on channel access and distribution. And we're seeing that being their supporter towards digitalizing their business model, whether it's financing their CapEx requirements or providing them access to ideas on digitalizing their business model, contributes quite positively to that relationship.

Another one is the continued focus on ESG requirements for these corporates plays right in efforts that we've made as a bank to invest and be their transition partners.

In Investment Banking, I think the trends are the obvious one, that interest rates and the policy environments are dominating I think the discussion for a business like us, particularly in FX and bonds.

We're also seeing how in corporate finance – what we call the Origination and Advisory business – there is an expected normalization of fees and of fee pools. That is coming, I think, from a more positive outlook on the future. I think the reduced risk of this unbridled uncertainty we've seen so far. Perhaps also a reduced event risk. But also, increasingly, the fact that there's a lot of pent-up energy needing to find its way into the market. Just as an example, at the end of '22, we saw financial sponsors sitting on dry powder to the order of $ 1 trillion needing to be deployed.

And so, we're seeing that this will likely be a catalyst for a pickup of activity. And in fact, we are already seeing this starting to show up; not quite in monetization of events, but we're starting to see more activity in M&A mandates and, to a certain extent, actually, a return to markets in ECM, particularly after the summer.

Deglobalization remains a big topic, because that means a number of clients need to unwind and restructure their presence in regions far away and rebuild their presence locally or restructure positions that enable them to potentially separate from arms of their own businesses should geopolitics require that. Investment Bank ESG remains a dominant factor as well.

What does that mean in terms of outlook on revenues? I think for CB, the first half of 2023 was probably a peak in terms of the revenue outlook. However, when we think about Q3, we're feeling quite good about what we're seeing. It remains a strong quarter, in part because this normalization of net interest income, the passthrough, the deposit betas are probably happening at a slower pace than we initially modeled and anticipated.

In Investment Bank, I would say for Q3 the revenue consensus is probably right in the ballpark of what we expect.

Amit Goel: Okay. Thank you. And then just circling back on the Corporate Bank. That business did about € 2 billion of revenues in the first quarter, € 1.9 billion in the second quarter. So, as you said, maybe there's a bit more of a benefit on the betas. What do you see as the sustainable revenue run rate for that business? And how are you looking to compensate for any kind of slowdown in net interest income, whether that's via volumes or fee income? How are you looking to compensate that?

Fabrizio Campelli: It would be a combination. I think you're right, € 1.9 billion in Q2 was a good result, considered that there has been this normalization of net interest income, which, by the way, is happening at a different pace by currency and segment of clients. So, it's not a simple equation. There is quite a nuanced set of behaviors and deposit betas that need to be modeled across a business like ours which is quite global.

The normalization that we expect is, nonetheless, likely to happen. We have made it very clear that, like I said, H1 of this year was a bit of a peak. But as we see the trend playing out, we will probably see over the next few months these deposit betas resulting in a contraction of NIIs. This is not a permanent outlook. In fact, we see that partly because hedges that we put on that will roll off during the course of later this year, beginning of next year will then allow for investment at a higher return. So, there will be possibly a more positive outcome there.

But if I think about the ultimate outlook, we expect this normalization to result anyway in net interest income levels that from '24 onwards would be materially higher than the 2022 levels. So, it's not a dramatic reset and return to previous levels.

Nonetheless, there is work to do to offset what is likely to be that gradual reduction. We're focusing on a combination of pricing discipline, fee income initiatives, new products, and new volumes. To give you a sense, we have been investing quite significantly across different regions and different client segments within the Corporate Bank to build out that capability of increased volumes, particularly in the multinational corporate segments, globally across regions.

In the high-earning fee businesses, for example, our Trust and Agency Services, which here in the U.S., in particular, has a long history with Deutsche Bank having a very strong corporate trust business dating back to the Bankers Trust days, which has been doing quite well and continues to do well. Also, as Deutsche Bank's credit trading continues to improve.

We also see opportunities that are arising from investments we've made in solutions. For example, we have seen that as there is a trend by clients to look for new trade corridors, to diversify their supply chains, to have access to commodities and raw materials, having turnkey solutions for corporate treasurers to access highly regulated currency markets through workflow solutions in FX, in hedging, in risk management has been very successful. It is a very scalable business process because once the technology is developed, it can be scaled up for fees relatively efficiently. And we're seeing that that business is one that is connecting more and more with clients as they diversify their own supply chains.

I would not underestimate the importance of pricing discipline. And we are seeing already in Q3 the impact of that on the back of measures taken in Q2.

The other trend which I think will continue to be relevant, increasingly so in quarters to come, is ESG. We're seeing clients that are needing transition partners, and being there to help them on financing and advisory is playing into the substitution for net interest income into that growth.

I would say in the medium term, if I think about the growth trends, I would say a third would be the rates environment ultimately stabilizing to the long-term level; a third would be the wallet expanding and, therefore, offering us to grow into that wallet expansion; and a third would be our own initiatives, which we've been signaling and some of which I listed today, which we expect to bring us into a corridor for revenues in the medium term which would possibly be quite benign.

So, to put it in numbers, we had signaled a 6% to 7% CAGR for revenues between 2021 and 2025 for the Corporate Bank. And based on what we're seeing right now, we expect that the '25 targets probably would be at the lower end of what can be achieved.

Amit Goel: Got it. Thank you. In terms of the growth areas and regions that you see for the Corporate Bank, how do you think about your relative position versus the peers in that space?

Fabrizio Campelli: Well, the Corporate Bank has pursued this strategy quite systematically. In fact, one of the reasons for establishing the Corporate Bank in 2018 – so, separating it from the Investment Bank and giving it its own identity and attaching all of our commercial banking activities as well as the transaction banking activity – was to pursue a strategy of being the one-stop shop, corporate client and institutional client service provider of financial services for domestic and international needs.

And this has actually started to play out quite effectively. Revenues in this particular business tend to be quite sticky. They tend to be repeated over many years. And increasingly, they are enriched by a multi-product and multi-solution flavor.

To give you a sense, in what we call the transaction banking services, which is basically the Corporate Bank, excluding the 800,000 small-cap plans in Germany, the business banking segment, for all of the Corporate Bank, excluding Business Banking, we see that 80% of revenues come from clients who have more than one product with the Corporate Bank, which means the stickiness, the diversification, the ability to cross-sell continues to grow over time. That is quite unique to what we have to offer.

The other distinctive positioning is the global network, the global reach. It's a Corporate Bank that covers 150 geographies. The 53 countries, in which we are present onshore, makes a very substantial difference to the experience we can give to these clients. 15 of those countries are in Asia, 22 in Europe. It makes a big difference for those clients to have a partner that can operate locally.

And in fact, we're seeing increasingly this is not just for German multinational corporates who needed a partner abroad, going back to the history of what Deutsche Bank was founded to do. But we're seeing that that is a benefit that is increasingly attractive to European, non-German corporates, but also increasingly Asian corporates looking to connect more tightly to Europe.

Another feature, which is quite important to us and we're investing heavily, is the connectivity across businesses. Over the last few years, we've built a great effort of building solutions that are really relevant for clients, regardless of which part of the bank provides them, and connecting the dots. An example we announced recently is the Lufthansa Miles & More announcement of a 10-year partnership, where Deutsche Bank will be the credit card provider to one of the largest loyalty schemes in Europe. And this is something we can provide thanks to the connectivity. We provide this in the Private Bank, the Corporate Bank, and the technology parts of the bank that will enable that business quite significantly.

In terms of growth opportunities, they're quite nuanced between regions. I think in EMEA we see the opportunity mainly in multinational corporates and corporate cash management. That's where we have made the significant investments.

In Asia-Pacific, that notion of building on those new corridors that clients are pursuing means that in corporate cash management, but also in workflow solutions, we see opportunities. Deploying also new technologies will be very relevant because particularly Asian clients are looking for more digital delivery of their channels. An example is, in February, we announced an investment in an Australian data tech company that's called DataMesh, and it actually enables us to connect with clients much more effectively on those kinds of digital solutions, on delivery of electronic payments to treasurers.

In the Americas, it's much more about building that fee business. It's a region in which our Trust and Agency Service has historically done quite well. So, corporate trust, depository receipts, doc custody. And we see that there is an opportunity for us to grow, particularly in the CLOs and mortgage-backed securities agencies services to issuers.

Amit Goel: Okay. Thank you. Changing tack slightly from the Corporate Bank back to the Investment Bank. So, IB revenues have been far stronger for the industry and Deutsche in recent years than anticipated maybe a few years prior. In 2022, FIC delivered about €9 billion of revenue. There was about € 6.7 billion anticipated in the 2020 Deep Dive. The '22 Deep Dive talked about 1% to 2% revenue growth versus '21, going out to 2025.

So, now we're seeing a bit of normalization. Just to get a sense of what proportion of the € 2 billion of kind of extra revenue versus that prior amount do you see as sustainable? What gives you confidence that that's sustainable? And also, as an aside to that, on the financing business, because I think there's been a bit of focus on that, too, could you give some insight into the business and its profitability levels?

Fabrizio Campelli: So, we do believe that the FIC revenues are largely sustainable. They're stronger. And you're right, we delivered far ahead of our expectations and the outlook we had provided back then.

In '22, when we talked about the 1% to 2% CAGR between '21 and '25, that's probably still the ballpark, which speaks of a strong sustainable performance of that business. Yes, '22 was an outlier year. We did extraordinarily well in the context of what was a bumper year for pretty much everyone on the Street. Like I indicated earlier, for us, the test of the first two quarters of the year in competitive terms – obviously, it's too early to tell how Q3 will look like in competitive terms – for the first two quarters, we were very pleased to see that despite a market that has normalized, the franchise has continued to gain market share. And Q2, obviously, was an important quarter. In Q1, we had a slightly different quarter, mainly because of the quarter in itself across the fee pool being such a strong quarter in credit, in flow credit. So, the normalization we expect is actually a normalization that is expected, and we had planned.

Now, why do I believe that FIC is a business that can provide that resilience? Why do I believe that those revenues can be sustained? The way to think about it is to actually unpeel what's inside of our FIC Sales & Trading franchise. Financing we report in that business is actually a big part of it. And I think Christian said in reference in the Q2 disclosure that that is a very stable business for us. And as a matter of fact, it is. It's a market leader. It has strong market share that it has been defending for years. It has had historically a very disciplined deployment of resources. Very good risk management. It's a very stable business in terms of the leadership of that team. And it has really contributed quite positively to earnings stability thanks to very sound and very disciplined risk management.

The revenues in that business have actually grown by 25% between 2019 and 2022, full-year. And if you think about it, it is predominantly a banking book, a lot of corporate clients and banking book sponsors clients. That really speaks of a much more stable business than one that is kind of completely at the mercy of market volatility.

Also, very importantly, as we think about efficiency of resources, that business has consistently delivered return on equity that has been ahead of the targets we set for the group as a whole. So, positively contributing to the group target. So, that's one large chunk of our FIC business: stable, well managed, and quite sound in the way it's run.

There is also a whole sliver of revenues inside of FIC that actually derive from business we do with other parts of the bank. I described earlier workflow solutions in the Corporate Bank, where we earn the fee. Those obviously are flows that ultimately end up landing in rates for interest rate swaps, in FX for FX business. So, there is a whole chunk of revenues that are generated by steady relationships in the Corporate Bank for underlying real economy business that needs to be hedged and supported, which are once again less volatile in nature.

The remaining part of the business in FIC is actually one, in which we have been steadily investing in diversifying. Ram Nayak has been very systematic in pursuing for each pocket of this business the opportunities he saw, either to develop the strength of the existing franchises, which are already very well developed – think about the #1 FX franchise in the world we have – or in rounding out areas of potential upside. We've invested heavily in U.S. rates, in EMEA rates, in emerging markets – for example, relaunching our broker-dealer in Mexico – but also in strengthening areas of historical weakness for our franchise – for example, the investment in global credit trading, in flow credit in Asia in '21 and in Europe in '22.

So, in that sense, we do believe that that business has strong resilience and that many of the excess revenues we've generated compared to our previous outlook can be repeated.

Amit Goel: Great. Thank you. Just on that, in terms of the current business opportunities, how do you see that, given market and competitor developments? And are you prepared to deploy more capital and resources to take advantage in any specific product areas? And then, just kind of tied with that, how does the Numis transaction feed into your overall business development plans? And how does that potentially cross-sell with the Corporate Bank?

Fabrizio Campelli: I would say there are growth opportunities across FIC and Origination and Advisory, the corporate finance franchise, which we intend to pursue.

In FIC, they focus predominantly on the three themes. One is developing our businesses to achieve better diversification. I described some examples in emerging markets. Investing in LatAm is one that actually plays quite strongly to investments we're also making in the Origination and Advisory business in LatAm. So, create a holistic platform where the businesses can create synergies with each other. Flow credit, we've rebuilt the teams in Asia and in Europe. And in so doing, we've managed to have a substantial increase in revenues which we expect in '23, compared to '22, in that business.

A second area is client coverage. We've invested very pointedly in rebuilding client coverage capabilities. This is not just people in FIC, in sales teams, but also tools, client relationship management tools, systems. And just broadly speaking, bringing that client centricity to work, which has not historically been as much in focus as it is today for our bank.

The third piece is leaning on adjacencies. So, when we have platforms and capabilities that allow us to use one capability, one part of the bank to be deployed in another, being quite nimble in doing that. We have the Autobahn platform that can be used to deliver. For example, capabilities we have in precious metals, could we use them in base metals? Those are the kind of ideas we're exploring to create – with minimum resource deployment, minimum upfront technology investment, minimum new risk management investment – the ability to tackle new strategies.

The strategy here in FIC is not to deploy materially larger resources, but it's actually to optimize the portfolio.

In O&A, we've made targeted investments. We've made that because our franchise was historically overdependent on the capital-intensive part of the business, particularly leveraged finance. We are taking advantage of a dislocation in the market and a good timing to attract talent that can help us round out that business. Organically, we've built capabilities across sectors, particularly sectors we think are quite attractive to us and we can win market share in: FIG, pharma, consumer, technology, as examples. We've built an investment in LatAm to go alongside the investments we've made in the financing and in the emerging markets sales and trading businesses. And in Europe, we've done very similarly, a quite systematic targeting of the fee pools.

Here is where the Numis transaction plays a role. In Europe, you cannot be a serious Origination and Advisory player unless you have a good market share in the U.K. A quarter of all corporate finance fees are paid in the U.K.; half of those are paid in ECM and M&A. And the corporate brokers tend to win the lion's shares of M&A and ECM mandates from U.K. corporates.

Hence, for us, that was an investment that was aimed at building that strength of M&A and ECM fees in the leading market in our domestic region, Europe. And we believe that that deal will be accretive in 2024 on an EPS basis and will provide very attractive return on capital. This is obviously assuming, as we expect, that it will close in Q4 of this year.

It's a business that has historically had a very strong U.K. focus and a very strong corporate finance focus, which means our ability to then bring a Corporate Bank, a global corporate finance network, a Fixed Income network, even an International Private Bank network, will also provide very substantial synergy opportunities. So, for us, as a targeted investment opportunity, we believe it will be very accretive to our corporate finance franchise.

Amit Goel: Great. Thank you. I'm just conscious of the time so that we can also fit our audience response questions. So, I might roll the next two into one. But I guess, with increased revenues in the businesses, you've also seen cost inflation in the past years and quarters. If we do see a bit more revenue normalization, how much scope is there in the businesses to offset that via the cost line? And then, beyond that, also, if we were to see a bit more of a macro slowdown, how are you thinking about asset quality in that context?

Fabrizio Campelli: So, on cost, it has been a big focus of ours to stay on track on cost-income ratio. The target of 55% to 60% cost-income ratio for both the Corporate Bank and Investment Bank in '25 is the target we continue to pursue. We were already at 57% in the first half of this year in the Corporate Bank, admittedly in what has been a pretty benign revenue environment. But the initiatives are all there to continue to help us achieve that efficiency.

In the Corporate Bank, I think we're thinking of a flat adjusted cost base, adjusted in terms of removing the slightly elevated non-operating costs we've had these last two quarters, as the baseline upon which to build revenue growth to the tune of 6% to 7% CAGR, or more, as I indicated earlier.

In the Investment Bank our cost profile has been very benign. From 2019 to today, revenues have grown seven times faster than costs. And so, that ratio of the kind of 35% to 40% top line growth and approximately 5% cost growth has been very benign. Nonetheless, there's a very big focus on cost efficiency.

I think the low-hanging fruits, if you may, have all been harvested, and we're now targeting much more front-to-back efficiency measures that help both in the Corporate Bank and the Investment Bank to focus on technology and automation as a way to optimize our processes. In FIC, that has been very beneficial. Through the FIC re-engineering program, we have materially reduced our state of applications. In fact, we've decommissioned almost 60% of all the applications underpinning the FIC business. And there are continuous measures that we are pursuing in optimization and automation; so, removal of manual work underpinning our operations.

Particularly important for Corporate Bank, 50% of costs are allocated to the Corporate Bank. So, there's a large portion of middle office, back office, technology, control functions costs that get allocated there. As an example, if you normalize KYC costs, it would significantly contribute. If we continue to automate operations to our target of 90% automation for the Corporate Bank branch operations, again, large chunk of reductions. A big focus of the entire team. It's certainly high on my agenda.

On asset quality, there has been obviously a lot of uncertainty. I think our CFO, James von Moltke, has already managed, clearly, that the guidance for group-wide CLPs for the year will remain within the range we have outlined: 25 to 30bps, possibly at the higher end of that range.

For the Corporate Bank and Investment Bank, I would say the second half of this year taken together will be probably at similar levels to where those two businesses have provisioned for in the first half of the year. Both are sitting on quite resilient loan books.

We've seen some pickups of CLPs this year, but mainly on idiosyncratic events. We've not seen a fallout or a pattern arising on the back of the March events, on the U.S. regional banks events.

We're also seeing that the book continues to enjoy quite some resilience on the back of how well diversified it is geographically and by client segments.

And more recently, we've also enjoyed some upside from workout strategies actually paying off and recovery rates being higher than we had initially expected.

So, we are very cautious. We have become quite careful, particularly around certain sectors which have more stress in them, like non-essential retail or commercial real estate. But the stress we're seeing for Deutsche Bank is certainly not outside of what we're seeing from other peers. In fact, we're probably well below the average.

Amit Goel: Got it. Thank you.

So, with that, we'll turn to the audience response questions. "What would cause you to become more positive on the group shares: NII; growth in non-interest income; costs; better asset quality; bigger distributions; or stronger capital, higher payouts?"

Okay. So, here, clearly growth in non-interest income being the focus.

If we can go to question two, "What are you most concerned about at Deutsche Bank: weaker earnings; weaker capital; lower distribution; regulatory risk; or political risk?"

Okay. So, split. But a bit on "weaker earnings" and a bit on "regulatory risks."

Question three. "How are you thinking about Deutsche Bank's NII into 2024: loan growth-driven growth; structural hedge benefits; flat; falling, given deposit headwinds; or falling, driven by other headwinds?"

Okay. So, seeing some deposit headwinds.

Question four. "How do you think the group will perform versus market expectation in regards to capital and dividends: beats, given better earnings; beats, with lower reg requirements; miss, given weaker earnings; or miss, given higher reg requirements?"

Okay. So, there's a little bit of disappointment there in the expectation.

Question five. "What are you most concerned about at Deutsche Bank in the current macro environment: IB revenue normalization; cost inflation; asset quality; capital; or actually, none of those things?"

Okay. So, asset quality is a concern, alongside revenue normalization.

And then question six. "Where should management focus their energy in the next 12 months: maximizing capital return; bolt-on acquisitions; cost optimization; new technology and different ways of doing business; or ESG-related issues?"

Okay. A pretty clear message there on capital return.

So, I don't know if you have any last remarks or closing comments?

Fabrizio Campelli: Very interesting. No surprise, I think, on some of the messages. I think the focus is clearly on enhancing our fee income and reducing dependency on NII and on return on capital. So, both of those messages very much in line with what we are working on.

In relation to expectation, we'll work hard to surprise you and prove to you that actually we can beat expectations on capital and capital returns.

But very much appreciate the feedback. So, thank you for doing that.

Amit Goel: Thank you. And thank you very much for joining us today, and look forward to seeing you delivering on the targets.

Fabrizio Campelli: Thank you very much, Amit. Much appreciated. Thank you.

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