



Company	Ticker	Sector	Industry
KeyCorp	KEY-US	Financials	Banks

## Business Description

KeyCorp operates as a bank holding company, which engages in the provision of financial services. It provides a range of retail and commercial banking, commercial leasing, investment management, consumer finance, student loan refinancing, commercial mortgage servicing and special servicing, and investment banking products and services to individual, corporate, and institutional clients. The firm operates through the following segments: Consumer Bank and Commercial Bank. The Consumer Bank segment offers deposit and investment products, personal finance and financial wellness services, lending, mortgage and home equity, student loan refinancing, credit card, treasury services, and business advisory services. The Commercial Bank segment engages in serving the needs of middle market clients in seven industry sectors: consumer, energy, healthcare, industrial, public sector, real estate, and technology. The company was founded in 1958 and is headquartered in Cleveland, OH.

## Price Chart

## Key Info & Metrics



<b>Empirical Research Rank:</b>	<b>6</b>
<b>Date Purchased:</b>	<b>11/01/2019</b>
<b>Price:</b>	<b>\$20.02</b>
<b>52-Week Range:</b>	<b>\$15.59 - \$26.95</b>
<b>Dividend Yield:</b>	<b>3.95%</b>
<b>Market Cap (\$M):</b>	<b>\$18,678</b>
<b>Forward Price-to-Earnings:</b>	<b>10</b>

## Total Return

<b>Year-to-Date:</b>	<b>14.9%</b>
<b>1 Year:</b>	<b>-21.1%</b>
<b>3 Year:</b>	<b>16.0%</b>
<b>5 Year:</b>	<b>15.3%</b>

## Investment Case - Updated: November 6, 2022

Unlike some regional banks, KEY has a diversified revenue mix with about 40% from fee income. Its investment bank has a niche as a leader in healthcare mergers & acquisitions (M&A). Investment banking fees have grown at an 11% compound annual growth rate over the last 10 years, and management believes that is an appropriate long-term target. KEY's Laurel Road digital platform is a differentiator as it focuses on healthcare professionals, an attractive demographic. Laurel Road has driven strong mortgage originations and helped to expand KEY's national reach. It could also help KEY shrink its branch footprint and lower expenses over time. While KEY's core markets are in the Midwest/East, its faster growing Western region is another growth driver. KEY only began to focus on this region several years ago, so there is ample runway for growth. KEY's capital ratios are above its internal target, so the company has been buying back stock over the past year.

## Disclaimer

CapFinancial Partners, LLC (dba "CAPTRUST") is a registered investment adviser. This report contains analysis/opinions as of the date of the report (subject to change without notice). This is not a recommendation to invest in an individual stock, but rather it is a summary of select data/statistics considered by CAPTRUST in making discretionary investment decisions (and may not include all relevant factors). Investing involves risk, so there is always a possibility of loss. Past performance is not a guarantee of future results. CAPTRUST (and/or associated persons) may engage in securities transactions in a manner inconsistent with the information contained herein.