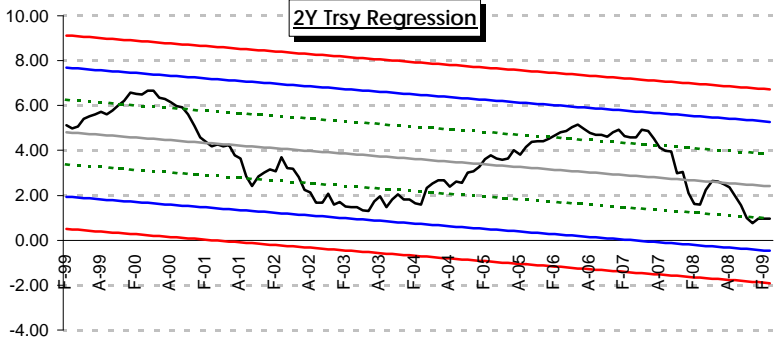
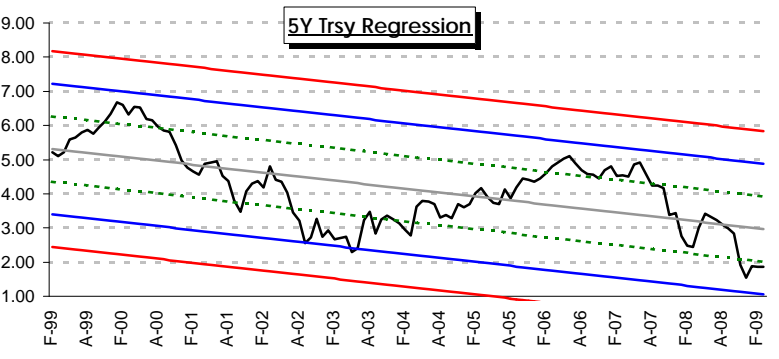
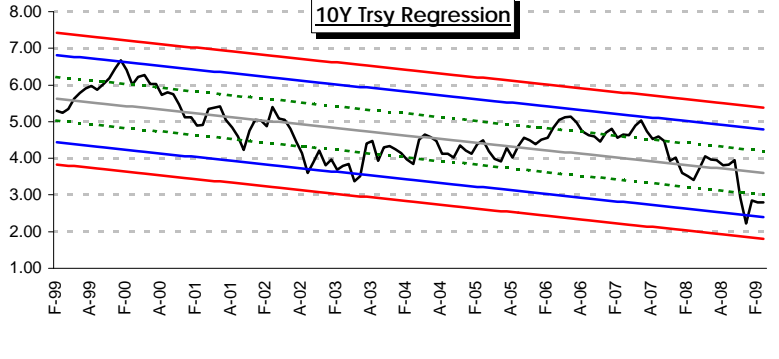
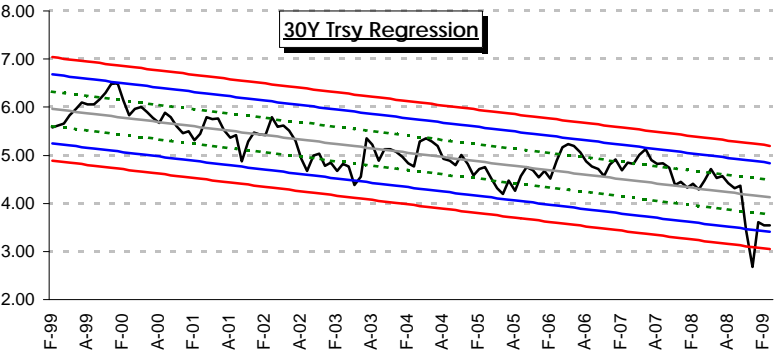


Regression Analysis is a tool to help in determining the timing of changes to the duration of the assets (or liabilities) of a financial institution. Although this analysis does not necessarily PREDICT interest rates, it does help to understand the rate cycle, i.e. when rates are "relatively high", or "relatively low".

Red Lines = 3 Std (99.5%); Blue Lines = 2 Std (96.4%); Green Lines = 1 Std (66.5%).

<p>Current Rates are between ONE and TWO standard deviations BELOW the mean, suggesting that portfolio durations be gradually shortened.</p>	<p>+2 StD 5.30%</p> <p>+1 StD 3.86%</p> <p>Mean 2.42%</p> <p>-1 StD 0.99%</p> <p><b>Current 0.97%</b></p> <p>-2 StD -0.45%</p>	 <p><b>2Y Trsy Regression</b></p>
<p>Current Rates are between ONE and TWO standard deviations BELOW the mean, suggesting that portfolio durations be gradually shortened.</p>	<p>+2 StD 4.90%</p> <p>+1 StD 3.95%</p> <p>Mean 2.99%</p> <p>-1 StD 2.03%</p> <p><b>Current 1.86%</b></p> <p>-2 StD 1.08%</p>	 <p><b>5Y Trsy Regression</b></p>
<p>Current Rates are between ONE and TWO standard deviations BELOW the mean, suggesting that portfolio durations be gradually shortened.</p>	<p>+2 StD 4.81%</p> <p>+1 StD 4.21%</p> <p>Mean 3.62%</p> <p>-1 StD 3.02%</p> <p><b>Current 2.79%</b></p> <p>-2 StD 2.42%</p>	 <p><b>10Y Trsy Regression</b></p>
<p>Current Rates are between ONE and TWO standard deviations BELOW the mean, suggesting that portfolio durations be gradually shortened.</p>	<p>+2 StD 4.86%</p> <p>+1 StD 4.50%</p> <p>Mean 4.14%</p> <p>-1 StD 3.78%</p> <p><b>Current 3.54%</b></p> <p>-2 StD 3.42%</p>	 <p><b>30Y Trsy Regression</b></p>