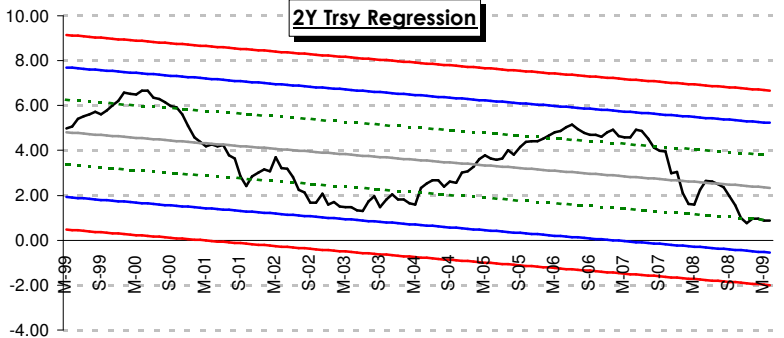
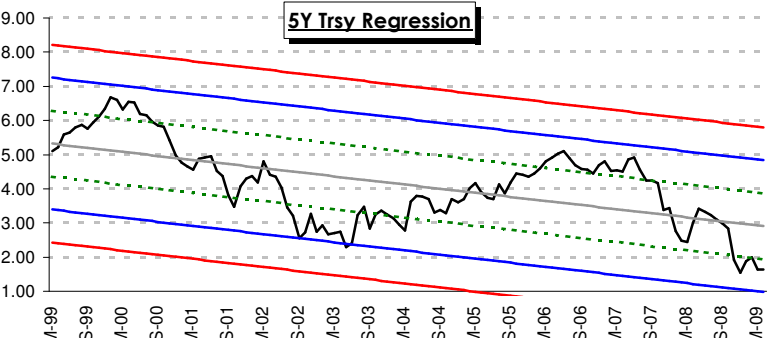
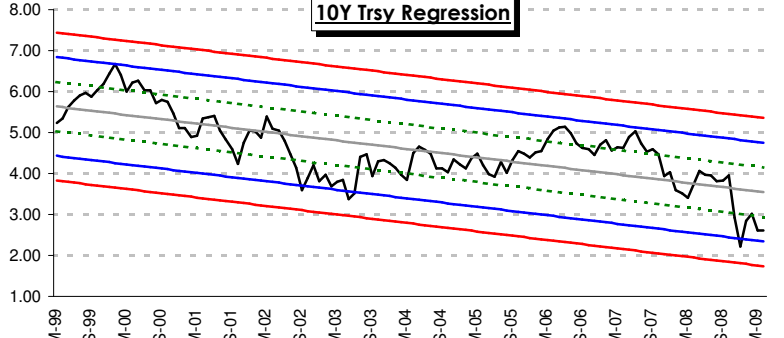
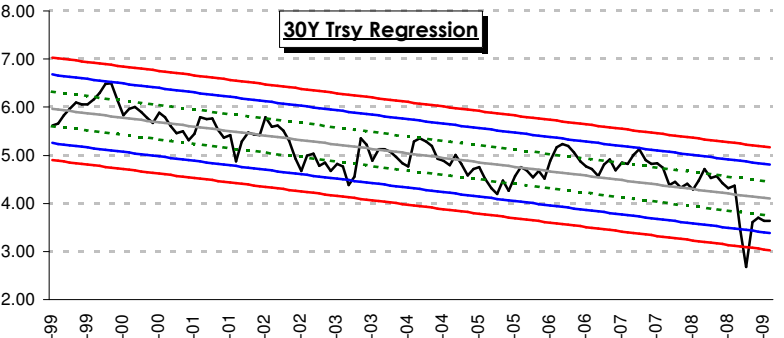


Regression Analysis is a tool to help in determining the timing of changes to the duration of the assets (or liabilities) of a financial institution. Although this analysis does not necessarily PREDICT interest rates, it does help to understand the rate cycle, i.e. when rates are "relatively high", or "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 5.25%</p> <p>+1 StD 3.80%</p> <p>Mean 2.36%</p> <p>-1 StD 0.91%</p> <p><b>Current 0.87%</b></p> <p>-2 StD -0.53%</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 4.85%</p> <p>+1 StD 3.89%</p> <p>Mean 2.92%</p> <p>-1 StD 1.96%</p> <p><b>Current 1.64%</b></p> <p>-2 StD 0.99%</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 4.77%</p> <p>+1 StD 4.17%</p> <p>Mean 3.56%</p> <p>-1 StD 2.96%</p> <p><b>Current 2.61%</b></p> <p>-2 StD 2.36%</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 4.82%</p> <p>+1 StD 4.47%</p> <p>Mean 4.11%</p> <p>-1 StD 3.76%</p> <p><b>Current 3.64%</b></p> <p>-2 StD 3.40%</p>	 <p><b>30Y Trsy Regression</b></p>