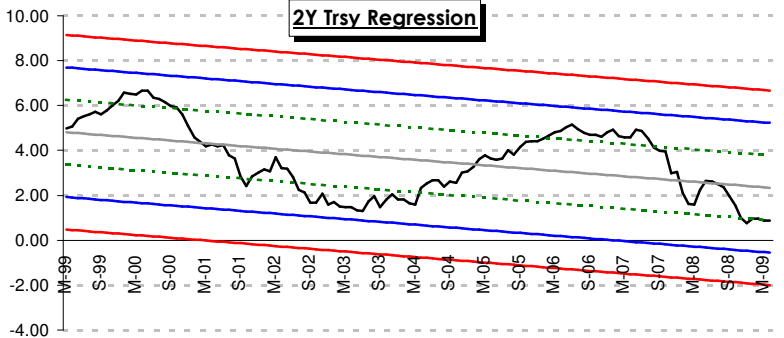
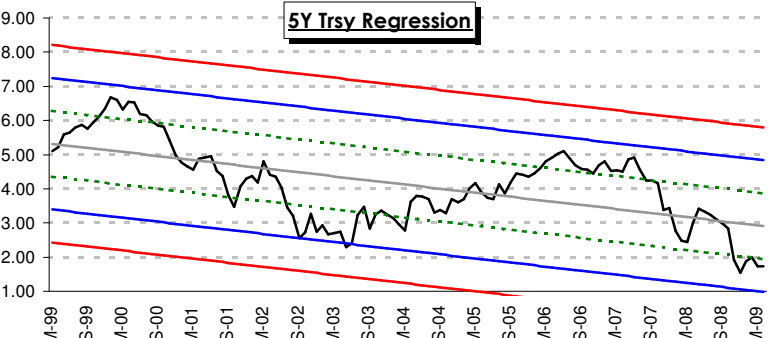
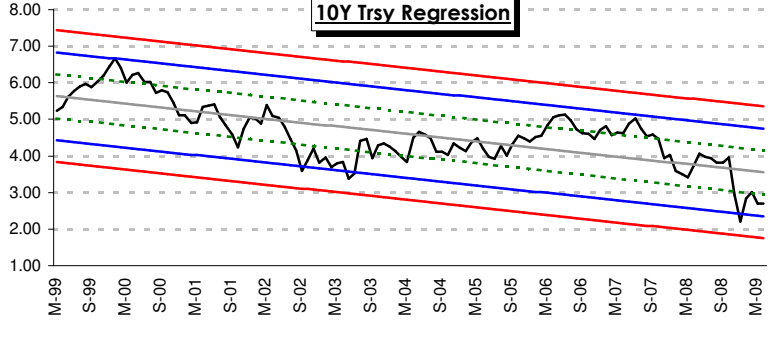
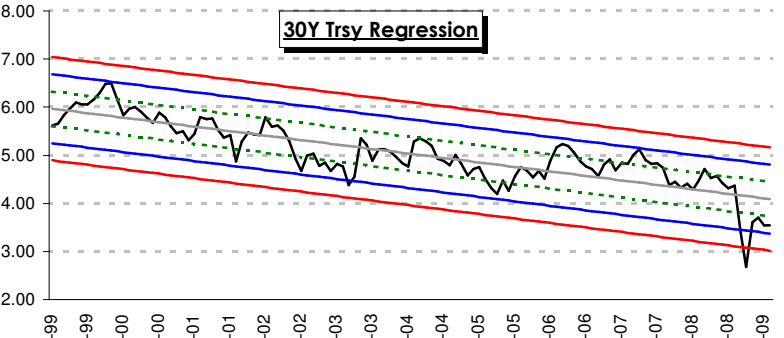


Regression Analysis is a tool to help in determining the timing of changes to the duration of the assets (or liabilities) of a financial institution. Although this analysis does not necessarily PREDICT interest rates, it does help to understand the rate cycle, i.e. when rates are "relatively high", or "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>Current 0.87%</p> <p>-2 StD -0.53%</p>	 <p>2Y Trsy Regression</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 2.93%</p> <p>-1 StD 1.97%</p> <p>Current 1.72%</p> <p>-2 StD 1.00%</p>	 <p>5Y Trsy Regression</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 3.57%</p> <p>-1 StD 2.97%</p> <p>Current 2.69%</p> <p>-2 StD 2.37%</p>	 <p>10Y Trsy Regression</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 4.46%</p> <p>Mean 4.11%</p> <p>-1 StD 3.75%</p> <p>Current 3.55%</p> <p>-2 StD 3.39%</p>	 <p>30Y Trsy Regression</p>