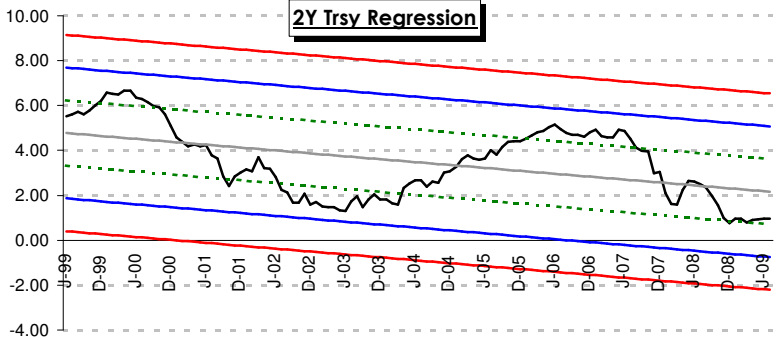
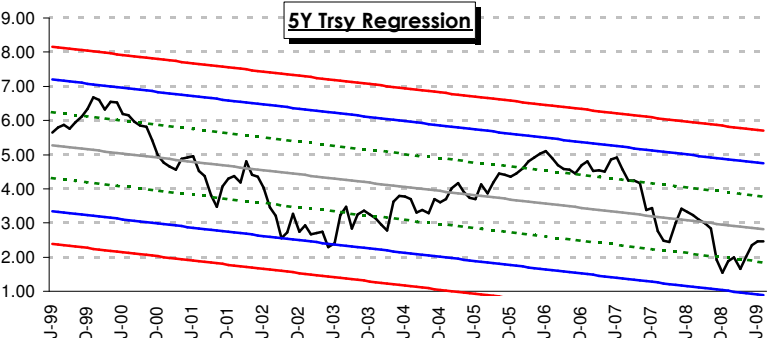
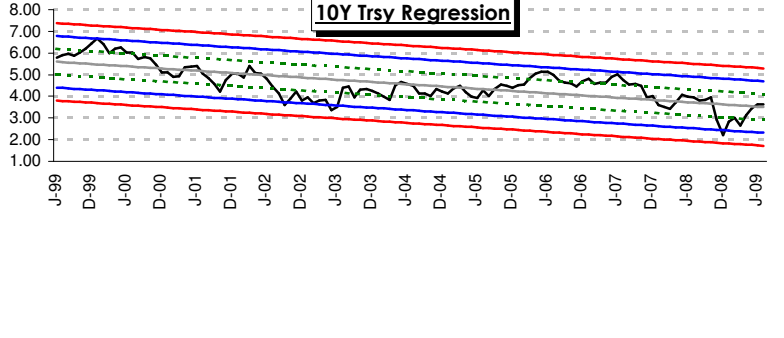
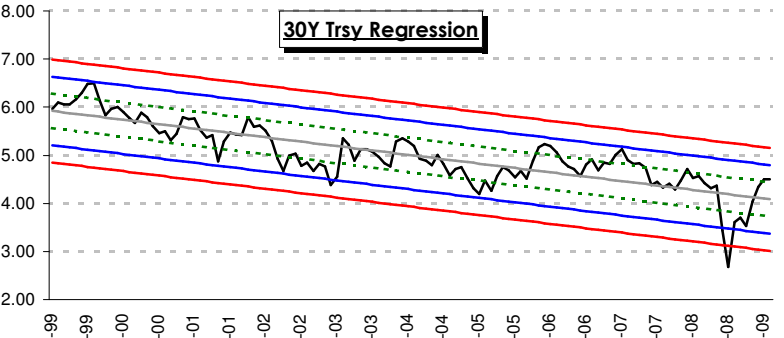


Regression Analysis is a tool to help in determining the timing of changes to the duration of the assets (or liabilities) of a financial institution. Although this analysis does not necessarily PREDICT interest rates, it does help to understand the rate cycle, i.e. when rates are "relatively high", or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

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

<p>Current Rates are within ONE standard deviation from the mean, suggesting that portfolio durations be maintained.</p>	<p>+2 StD 5.10%</p> <p>+1 StD 3.64%</p> <p>Mean 2.19%</p> <p>Current 0.97%</p> <p>-1 StD 0.73%</p> <p>-2 StD -0.73%</p>	 <p>2Y Trsy Regression</p>
<p>Current Rates are within ONE standard deviation from the mean, suggesting that portfolio durations be maintained.</p>	<p>+2 StD 4.76%</p> <p>+1 StD 3.80%</p> <p>Mean 2.83%</p> <p>Current 2.46%</p> <p>-1 StD 1.87%</p> <p>-2 StD 0.91%</p>	 <p>5Y Trsy Regression</p>
<p>Current Rates are within ONE standard deviation from the mean, suggesting that portfolio durations be maintained.</p>	<p>+2 StD 4.72%</p> <p>+1 StD 4.12%</p> <p>Current 3.64%</p> <p>Mean 3.52%</p> <p>-1 StD 2.93%</p> <p>-2 StD 2.33%</p>	 <p>10Y Trsy Regression</p>
<p>Current Rates are between ONE and TWO standard deviations ABOVE the mean, suggesting that portfolio durations be gradually extended.</p>	<p>+2 StD 4.81%</p> <p>Current 4.50%</p> <p>+1 StD 4.45%</p> <p>Mean 4.10%</p> <p>-1 StD 3.74%</p> <p>-2 StD 3.38%</p>	 <p>30Y Trsy Regression</p>