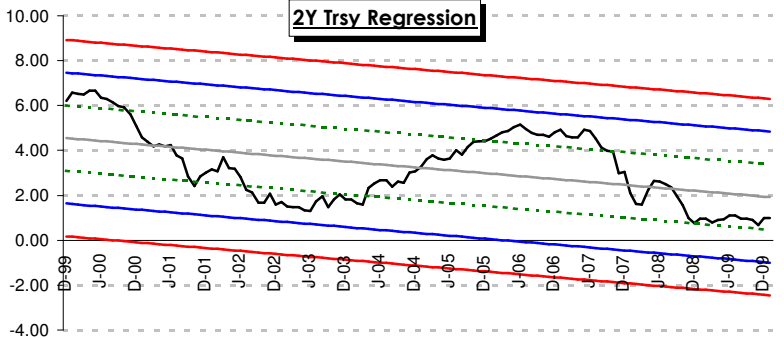
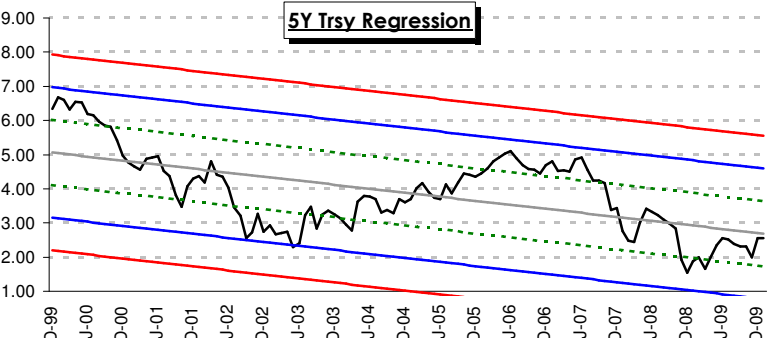
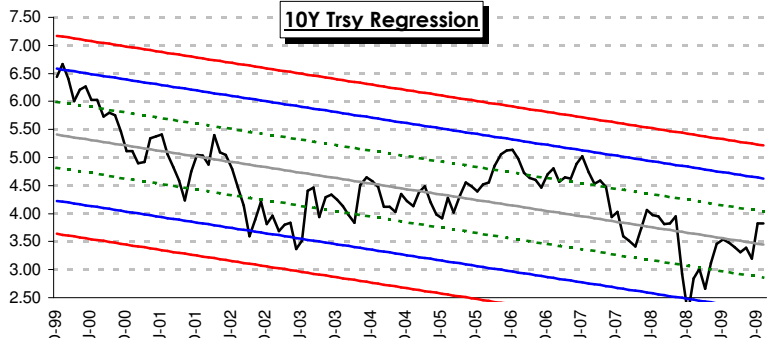
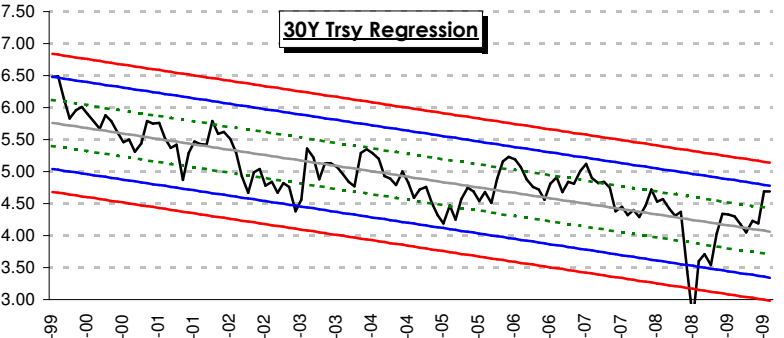


Regression Analysis is a tool to help in determining the timing of changes to the duration of the assets (or liabilities) of a financial institution. Although this analysis does not necessarily PREDICT interest rates, it does help to understand the rate cycle, i.e. when rates are "relatively high", or "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 4.86%</p> <p>+1 StD 3.40%</p> <p>Mean 1.94%</p> <p><b>Current 0.99%</b></p> <p>-1 StD 0.49%</p> <p>-2 StD -0.97%</p>	 <p><b>2Y Trsy Regression</b></p>
<p>Current Rates are within ONE standard deviation from the mean, suggesting that portfolio durations be maintained.</p>	<p>+2 StD 4.62%</p> <p>+1 StD 3.66%</p> <p>Mean 2.71%</p> <p><b>Current 2.55%</b></p> <p>-1 StD 1.75%</p> <p>-2 StD 0.80%</p>	 <p><b>5Y Trsy Regression</b></p>
<p>Current Rates are within ONE standard deviation from the mean, suggesting that portfolio durations be maintained.</p>	<p>+2 StD 4.64%</p> <p>+1 StD 4.05%</p> <p><b>Current 3.82%</b></p> <p>Mean 3.46%</p> <p>-1 StD 2.87%</p> <p>-2 StD 2.29%</p>	 <p><b>10Y Trsy Regression</b></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 4.79%</p> <p><b>Current 4.69%</b></p> <p>+1 StD 4.44%</p> <p>Mean 4.08%</p> <p>-1 StD 3.72%</p> <p>-2 StD 3.36%</p>	 <p><b>30Y Trsy Regression</b></p>