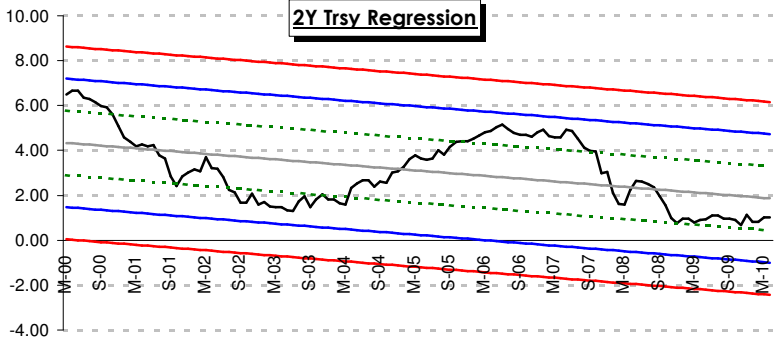
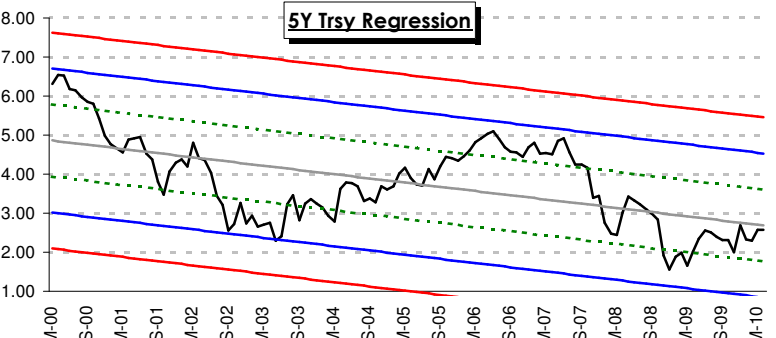
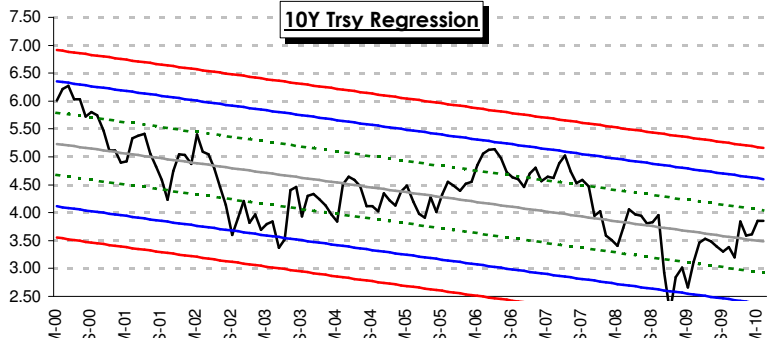
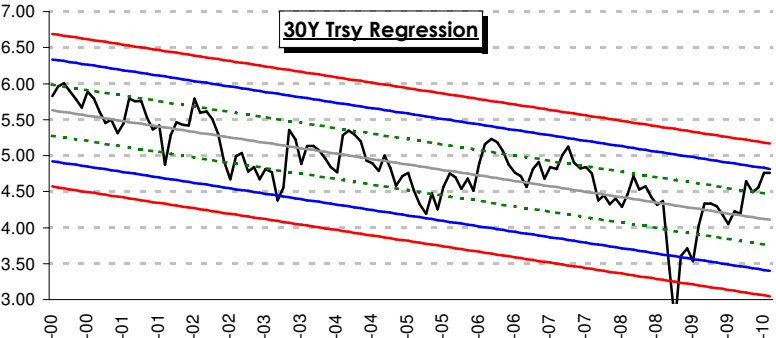


Regression Analysis is a tool to help in determining the timing of changes to the duration of the assets (or liabilities) of a financial institution. Although this analysis does not necessarily PREDICT interest rates, it does help to understand the rate cycle, i.e. when rates are "relatively high", or "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 4.75%</p> <p>+1 StD 3.32%</p> <p>Mean 1.89%</p> <p>Current 1.02%</p> <p>-1 StD 0.45%</p> <p>-2 StD -0.98%</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 4.55%</p> <p>+1 StD 3.63%</p> <p>Mean 2.70%</p> <p>Current 2.58%</p> <p>-1 StD 1.78%</p> <p>-2 StD 0.86%</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 4.62%</p> <p>+1 StD 4.06%</p> <p>Current 3.85%</p> <p>Mean 3.50%</p> <p>-1 StD 2.94%</p> <p>-2 StD 2.38%</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 4.83%</p> <p>Current 4.76%</p> <p>+1 StD 4.47%</p> <p>Mean 4.12%</p> <p>-1 StD 3.77%</p> <p>-2 StD 3.41%</p>	 <p>30Y Trsy Regression</p>