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18 July 2025

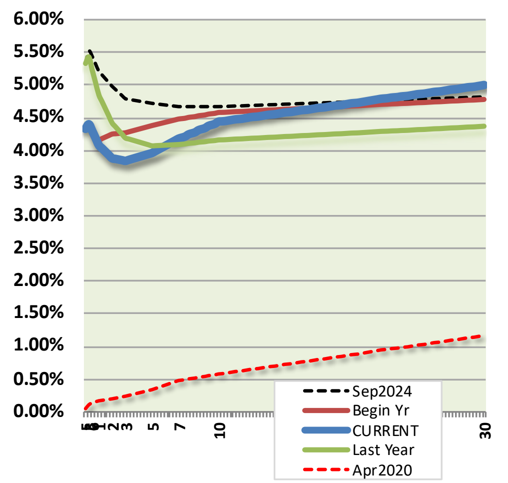
BENCHMARK INTEREST RATES AND YIELD CURVE

US Treasury Rates-

	THIS WK 7/17/25	LAST MO 6/17/25	YR END 12/31/24	LAST YR 7/17/24	CHANGES SINCE This Yr	Last Yr	This Cycle*
Prime	7.50%	7.50%	7.50%	8.50%	0.00%	-1.00%	-1.00%
Fed Funds	4.33%	4.33%	4.33%	5.33%	0.00%	-1.00%	-1.00%
3mo	4.40%	4.42%	4.37%	5.43%	0.03%	-1.03%	-1.12%
6mo	4.30%	4.31%	4.24%	5.23%	0.06%	-0.93%	-1.14%
1yr	4.08%	4.10%	4.16%	4.85%	-0.08%	-0.77%	-1.13%
2yr	3.88%	3.94%	4.25%	4.42%	-0.37%	-0.54%	-1.10%
3yr	3.84%	3.90%	4.27%	4.19%	-0.43%	-0.35%	-0.95%
5yr	3.96%	3.99%	4.38%	4.07%	-0.42%	-0.11%	-0.76%
7yr	4.18%	4.17%	4.48%	4.09%	-0.30%	0.09%	-0.49%
10yr	4.44%	4.39%	4.58%	4.16%	-0.14%	0.28%	-0.23%
30yr	5.00%	4.88%	4.78%	4.37%	0.22%	0.63%	0.18%
Slope of the Yield Curve-							
2yr-3mo	-0.52%	-0.48%	-0.12%	-1.01%	-0.40%	0.49%	0.02%
5yr-2yr	0.08%	0.05%	0.13%	-0.35%	-0.05%	0.43%	0.34%
10yr-5yr	0.48%	0.40%	0.20%	0.09%	0.28%	0.39%	0.53%
10yr-3mo	0.04%	-0.03%	0.21%	-1.27%	-0.17%	1.31%	0.89%

*Since Sep 2024

YIELD CURVE ASSESSMENT



ECONOMIC UPDATE AND ANALYSIS

ANNUALIZED INFLATION INCREASES 2.7% IN JUNE; KEY ELEMENTS UNCHANGED

Inflation increased in June as central bank policymakers prepare to meet later this month amid President Trump's calls for interest rate cuts.

The Bureau of Labor Statistics on Tuesday said that consumer prices rose 0.3% in June compared with last month, while it was up 2.7% on an annual basis. Both marked accelerations from last month, when the monthly increase was 0.1% and the annual figure was 2.4%.

So-called core prices, which exclude more volatile commodity-driven food and energy, were up 0.2% from the prior month and 2.9% from a year ago.

High inflation has created severe financial pressures for most U.S. households, which have been forced to pay more for everyday necessities like food and rent. Price hikes are particularly difficult for lower-income Americans, because they tend to spend more of their already-stretched paychecks on necessities and have less flexibility to save money.

But the June data that the pace of increase for shelter, food and transportation collectively, has been on a downward path. Food prices were slightly higher but that was a result from an increase in food-eaten-away that rose 3.8%.

Key Economic Indicators for Banks, Thrifts & Credit Unions-

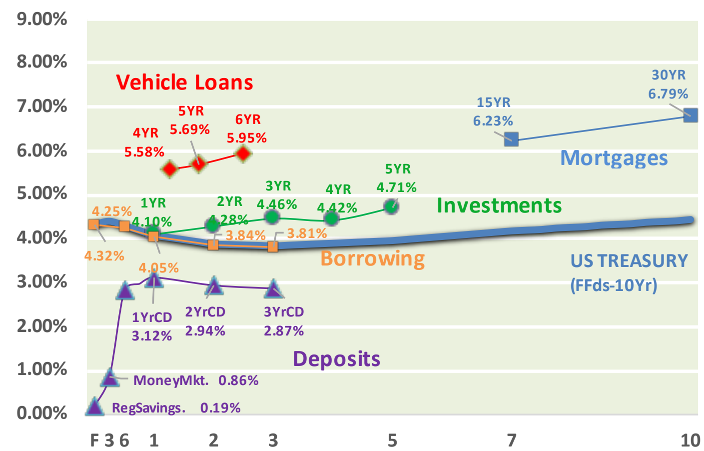
		LATEST	CURRENT	PREV
GDP	QoQ	Q1-25 3rd	-0.5%	2.4%
GDP - YTD	Annl	Q1-25 3rd	-0.5%	2.5%
Consumer Spending	QoQ	Q1-25 3rd	0.5%	4.0%
Consumer Spending YTD	Annl	Q1-25 3rd	0.5%	3.1%
Unemployment Rate	Mo	June	4.1%	4.2%
Underemployment Rate	Mo	June	7.7%	7.8%
Participation Rate	Mo	June	62.3%	62.4%
Wholesale Inflation	YoY	June	2.3%	2.6%
Consumer Inflation	YoY	June	2.7%	2.4%
Core Inflation	YoY	June	2.9%	2.8%
Consumer Credit	Annual	May	1.2%	4.0%
Retail Sales	YoY	June	3.6%	3.6%
Vehicle Sales	Annl (Mil)	June	15.8	16.1
Home Sales	Annl (Mil)	May	4.773	4.724
Home Prices (Natl Avg)	YoY	April	2.7%	3.4%

Key Consumer Market Data-

	THIS WK 7/17/25	YR END 12/31/24	PCT CHANGES YTD	12Mos
DJIA	44,484	42,544	4.6%	10.0%
S&P 500	20,885	5,881	255.1%	17.8%
NASDAQ	20,885	19,310	8.2%	17.8%
Crude Oil	67.54	71.72	-5.8%	-16.0%
Avg Gasoline	3.13	3.13	-0.1%	-10.5%
Gold	3,345	2,641	26.7%	39.7%

AVERAGE CREDIT UNION RATES, RATE SENSITIVITIES AND RELATIVE VALUE

	THIS WK 7/17/25	CHG IN MKT SINCE YTD	2024 High	RATE SENSITIVITY Bmk Decline	RS
Classic CC	13.14%	-0.03%	-0.23%	-1.00%	23%
Platinum CC	12.52%	-0.15%	-0.50%	-1.00%	50%
48mo Veh	5.58%	-0.30%	-0.63%	0.24%	-263%
60mo Veh	5.69%	-0.30%	-0.64%	0.37%	-173%
72mo Veh	5.95%	-0.31%	-0.65%	0.43%	-151%
HE LOC	7.55%	-0.30%	-0.90%	-1.00%	90%
10yr HE	7.60%	0.20%	0.06%	-1.00%	-6%
15yr FRM	6.23%	-0.18%	-0.53%	-0.82%	65%
30yr FRM	6.79%	-0.09%	-0.97%	-0.54%	180%
Sh Drafts	0.13%	0.00%	0.01%	-1.00%	-1%
Reg Svgs	0.19%	0.00%	0.00%	-1.00%	0%
MMkt-10k	0.86%	-0.01%	-0.05%	-1.00%	5%
MMkt-50k	1.16%	-0.01%	-0.07%	-1.00%	7%
6mo CD	2.83%	-0.07%	-0.20%	-0.38%	53%
1yr CD	3.12%	-0.05%	-0.28%	-0.01%	2800%
2yr CD	2.94%	0.01%	-0.12%	0.24%	-50%
3yr CD	2.87%	0.03%	-0.05%	0.37%	-14%



Spreads Over(Under) US Treasury

4Y Vehicle	1.70%	Reg Svgs	-4.14%
5Y Vehicle	1.85%	1Y CD	-0.96%
15Y Mortg	2.05%	2Y CD	-0.94%
30Y Mortg	2.35%	3Y CD	-0.97%

STRATEGICALLY SPEAKING

Egg prices declined 7.4% in June, continuing a cooling trend after the industry saw rapid price growth last year due to an avian flu outbreak, which left prices still 27.3% higher than a year ago.

The index for meats, poultry and fish rose 0.8% on a monthly basis and is up 4.1% from last year. The dairy index declined 0.3% from a month ago and is up 0.9% compared with a year ago, while the fruits and vegetable index was up 0.9% in June and is 0.7% higher than last year.

Energy prices increased 0.9% in June after falling by 1% in May, driven by 1% increases in the gasoline and energy indexes last month, as well as a 0.5% increase in the natural gas index. The energy index fell 0.8% over the last year while the gasoline index is down 8.3% from a year ago, although the electricity index is up 5.8% and natural gas has risen 14.2% in the last year.

Fed Chairman Powell recently indicated that the central bank would likely have cut interest rates earlier this year but wanted to get a clearer indication for what potential tariff policy might have on the economy and will continue to monitor economic data as they consider monetary policy shifts.

The June CPI report solidifies our view that the probability of rates being held steady after the Fed's September meeting ticked higher from 37.4% to 42.2% following today's report.

But that is also questionable.

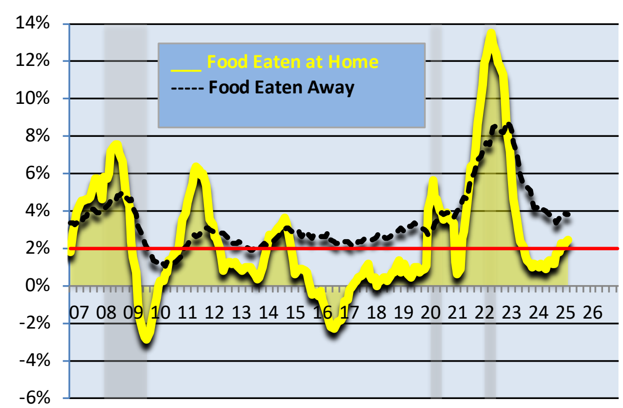
ECONOMIC RELEASES

RELEASES THIS WEEK:	Latest	Projected	Previous
Consumer Inflation (June, YoY)	2.7%	2.5%	2.4%
Wholesale Inflation (June, YoY)	2.3%	2.8%	2.6%
Retail Sales (June, MoM)	0.6%	0.2%	-0.9%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
Leading Indicators (June, MoM)	-0.1%	-0.1%
Existing Home Sales (June, Annl)	4.00M	4.03M
New Home Sales (June, Ann)	623k	690k

US Inflation Profile

FOOD - EATEN AT HOME versus FOOD - EATEN AWAY, Monthly Year-over-Year



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THE ECONOMY AND STRATEGIC ASSESSMENT

CURRENT PROFILE

Growth Outlook
Slower pace nationally with pockets of stronger demand and spending

Inflation
More members living paycheck -to-paycheck. This dilutes purchasing power and discretionary spending

Household Wealth
Boosted by improvement in capital market, home values and stable wage growth

IMPACT ON OUTLOOK

Growth
Local demand should be sufficient to satisfy pending loan and deposit growth

Inflation and Household Wealth
Expect pace of inflation to range between 2.3% to 2.9% .. Pace of home prices should slow ... Expect pockets of course correction in credit markets

Credit Risk and Liquidity
Two biggest concerns mounting delinquency & cash flow mismatch

IMPACT ON DEMAND

Growth and Liquidity
Volatility in core deposits remains thus creating unable share growth and potential mismatch between loan/share growth capacity

Credit Demand
Slight fluctuation between A- and C-quality loan applications. Pressure to compromise U/W should be avoided

Share Growth
Volatile core deposits and organic growth will determine permissible loan growth

ENTERPRISE RISK EXPOSURE AND STRATEGIC ASSESSMENT

ASSET & NET WORTH

Growth & Capitalization
Efforts should focus on net worth with growth tied to retaining a well-capitalized net worth (>7%)

Balance Sheet Allocation
Must have limited complexity but capable to adjust due to economic, risk pressure and reallocation

Liquidity
Monitor mismatch between loan and share growth .. Core deposit volatility continues in market ... Loan growth is dependent on share growth

RISK EXPOSURES

Enterprise Risk
To garner best balance between financial and member service, the focus must take into account all risk exposures

Interest Rate Risk
Retain risk-to-ST earnings no greater than -10% to -12% given +/-100bp shift and risk-to-LT earnings no greater than -30% given +/-300bp shift

Liquidity Risk
Retail surplus-to-assets no less than 9%; ST Funding no less than 12%

CREDIT MITIGATION

Credit Risk Exposure
High priority in 2025 ... 87% of new origination must be B+-quality or better ...

Allocation and Average Life
Prime quality must be no less than 92% of portfolio .. Average life must range between 2.7 and 3.1 years

Recommend risk classifications of A+ (730+), A (680-729, B (640-679, C (620-639

Loss exposure of Sub-prime may not dilute net worth below 7%

INTEREST RATES, PRICING SPREADS AND STRATEGIC ASSESSMENT

MARKET RATES

Benchmarks
Downward pressure on most treasury benchmarks with greater volatility on the long-end of the curve

Market Rates
Consumer rates will not experience as great a downward pressure as benchmarks... potential to 25 to 30 bp decline in vehicle loan rates

Greater volatility in mortgage rates with range between 6% to 7%

No change in core deposit rates but lower term CD rates

PRICING SPREADS

Effect on Pricing Spreads
Any downward shift in asset rates will be slower than benchmarks therefore relative value of credit -risk asset should increase.

No exposure in core deposit rates will see increase in relative value of core shares ... Improved liquidity profile and downward pressure on term rates should narrow funding spreads and potentially minimize the impact and need of promotional term CDs.

Largest impact from downward pressure comes from overnight cash

ALLOCATION & RETURN

Risk Allocation Metrics

Surplus-to-Assets:	>9%
ST Funds-to-Assets:	>12%
Vehicle-to-Loans:	>60%<75%
RE Loans-to-Loans:	>25%<50%
RE Loans-to-Net Worth:	<275%
Core-to-Shares:	>75%
Term-to-Shares:	<20%
"Misery" Index:	<0.80%

Outlook on Return
Marginal loan rates still higher than portfolio yields so even fewer originations might increase revenue

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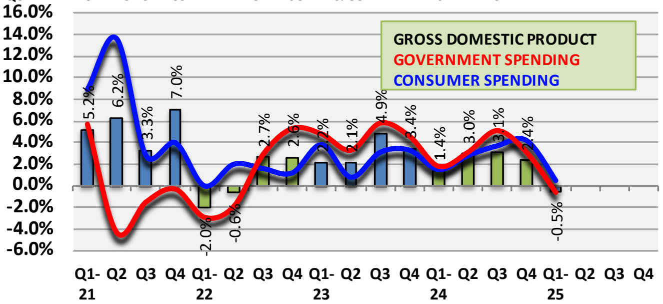
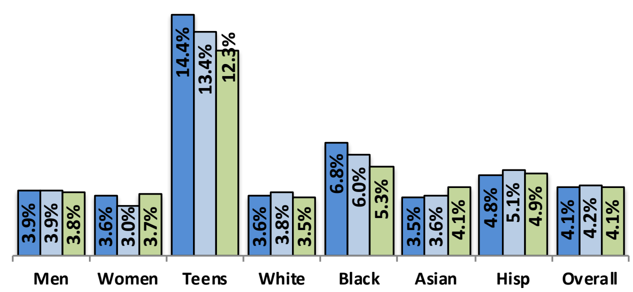
GROSS DOMESTIC PRODUCT

QUARTERLY CHANGE GDP COMPARED TO PERSONAL & GOVERNMENT SPENDING



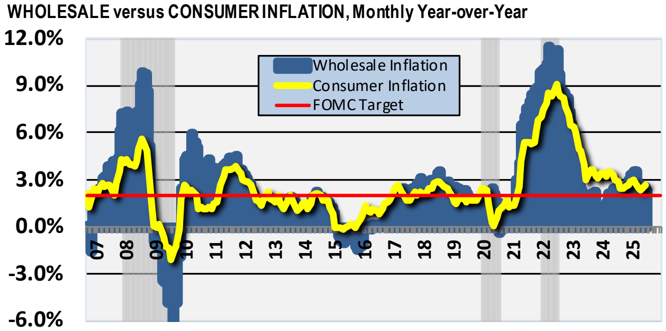
UNEMPLOYMENT BY DEMOGRAPHIC

CURRENT, LAST MONTH and ONE YEAR AGO



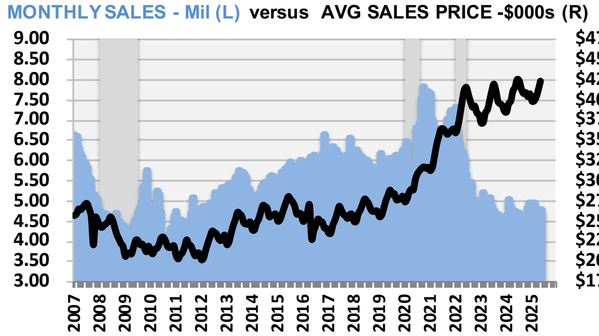
INFLATION PROFILE

WHOLESALE versus CONSUMER INFLATION, Monthly Year-over-Year



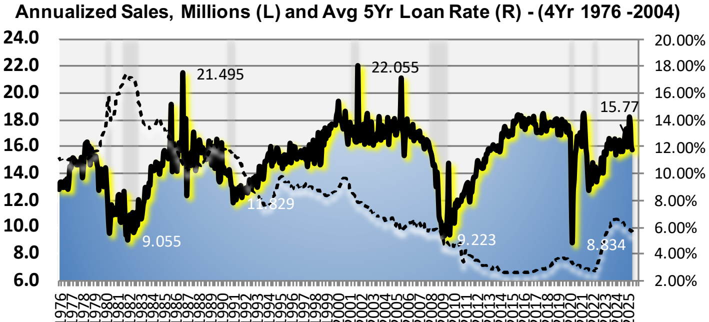
TOTAL HOME SALES

MONTHLY SALES - Mil (L) versus AVG SALES PRICE -$000s (R)



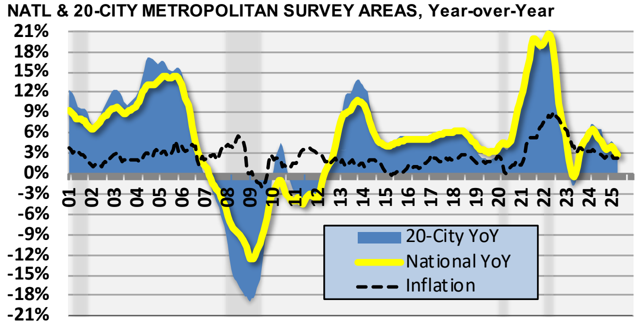
VEHICLE SALES

Annualized Sales, Millions (L) and Avg 5Yr Loan Rate (R) - (4Yr 1976 -2004)



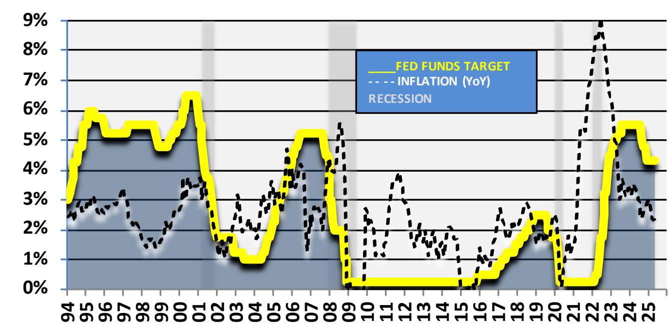
S&P CL CASE-SHILLER HOME PRICE INDEX

NATL & 20-CITY METROPOLITAN SURVEY AREAS, Year-over-Year



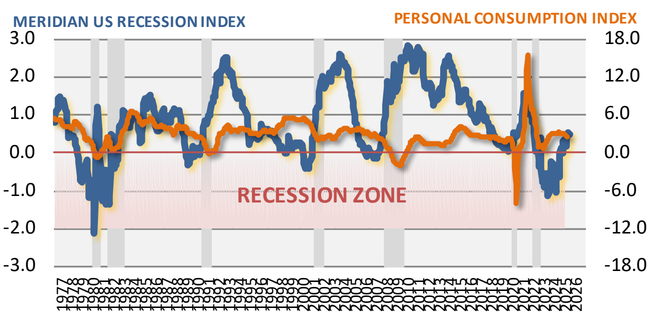
US FEDERAL FUNDS RATE

HISTORICAL FEDERAL FUNDS RATE



MERIDIAN US RECESSION INDEX ™

CREDIT, INTEREST RATE AND CONSUMER SPENDING COMPOSITE



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ECONOMIC CALENDAR

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
JUNE 16	17 Retail Sales 3.3%	18 FOMC Announcement 4.5% Jobless Claims 245k Cont'd Claims 1.95M	19 JUNETEENTH HOLIDAY	20 Leading Indicators -0.1%	21
23 Existing Home Sales 4.04M	24 Consumer Confidence 93.0	25 New Home Sales 623k	26 Jobless Claims 236k Cont'd Claims 1.95M GDP (Q1-25 Final) -0.5%	27	28
30	JULY 1	2	3 Jobless Claims 233k Cont'd Claims 1.96M Unemployment 4.1%	4 INDEPENDENCE DAY HOLIDAY	5
7 Consumer Credit +$5.1B	8	9 FOMC Minutes	10 Jobless Claims 227k Cont'd Claims 1.96M	11	12
14	15 Consumer Inflation 2.7%	16 Wholesale Inflation 2.3% Fed Beige Book	17 Jobless Claims 221k Cont'd Claims 1.96M Retail Sales 3.9%	18	19
21 Leading Indicators	22 Existing Home Sales	23	24 Jobless Claims New Home Sales	25	26
28	29 Home Prices	30 GDP - Q2 1st	31 Jobless Claims New Home Sales	AUGUST 1 Unemployment Non-Farm Fayrolls Private Payrolls Particiation Rate	2
4	5	6	7 Jobless Claims New Home Sales Consumer Credit	8	9
11	12 Consumer Inflation	13	14 Jobless Claims New Home Sales Wholesale Inflation	15 Retail Sales	16

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ECONOMIC FORECAST

June 2025
(Updated June 19, 2025)

	2024				2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
ECONOMIC OUTLOOK												
Economic Growth-												
GDP - (QoQ)	1.6%	3.0%	3.1%	2.4%	-0.5%	2.0%	0.1%	0.4%	1.1%	1.3%	1.7%	1.8%
GDP - (YTD)	1.6%	2.3%	2.6%	2.5%	-0.5%	0.8%	0.5%	0.5%	1.1%	1.2%	1.4%	1.6%
Consumer Spding	1.9%	2.8%	3.7%	4.0%	0.5%	3.8%	-0.7%	-1.0%	0.6%	0.5%	1.4%	2.0%
(YTD)	1.9%	2.4%	2.8%	3.1%	0.5%	2.2%	1.2%	0.7%	0.6%	0.6%	0.8%	1.3%
Govt Spending	1.8%	3.1%	5.1%	3.1%	-0.7%	-0.6%	-0.6%	-0.8%	0.0%	0.1%	0.0%	-0.2%
(YTD)	1.8%	2.5%	3.3%	3.3%	-0.7%	-0.7%	-0.6%	-0.7%	0.0%	0.1%	0.0%	0.0%
Consumer Wealth-												
Unemployment	3.8%	4.0%	4.2%	4.2%	4.1%	4.2%	4.6%	4.7%	4.8%	4.8%	4.7%	4.6%
Cons Inflation	3.2%	3.2%	2.6%	2.7%	2.7%	2.4%	3.0%	3.2%	3.4%	3.6%	3.3%	2.8%
Home Prices	6.3%	6.3%	5.0%	4.0%	3.5%	2.7%	2.5%	2.4%	2.0%	2.0%	1.8%	1.7%
SINGLE FAMILY HOME & VEHICLE LOAN MARKETS												
Home Sales (Mils)-												
Home Sales	4.863	4.740	4.605	4.842	4.811	4.824	4.962	5.101	5.080	5.168	5.287	5.290
Existing Homes	4.200	4.047	3.893	4.163	4.127	4.112	4.239	4.362	4.319	4.411	4.520	4.518
New Homes	0.663	0.693	0.712	0.679	0.684	0.712	0.723	0.739	0.761	0.757	0.767	0.772
Mortgage Originations (Mils)												
Single Family	1.076	1.203	1.343	1.427	1.068	1.533	1.557	1.510	1.511	1.619	1.602	1.489
Purchase App	0.773	0.880	0.924	0.780	0.690	0.924	0.941	0.882	0.852	0.954	0.973	0.858
Refi Apps	0.303	0.323	0.419	0.647	0.378	0.609	0.616	0.628	0.659	0.665	0.629	0.631
Refi Share	28%	27%	31%	45%	35%	40%	40%	42%	44%	41%	39%	42%
Vehicle Sales (Mils)-												
Vehicle Sales	15.6	16.0	16.3	17.0	18.0	16.2	15.7	15.6	16.9	17.0	17.1	17.0
MARKET RATE OUTLOOK												
Benchmark Rates-												
Prime	8.5%	8.5%	8.0%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%
Fed Funds	5.4%	5.4%	4.9%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%
3yr UST	4.6%	4.1%	4.0%	4.2%	3.9%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
7yr UST	4.4%	3.8%	4.2%	4.2%	4.2%	4.0%	3.9%	3.9%	3.8%	3.8%	3.8%	3.8%
10yr UST	4.2%	4.4%	3.9%	4.3%	4.5%	4.4%	4.4%	4.3%	4.3%	4.3%	4.3%	4.3%
Market Rates-												
5yr Veh Loan	6.6%	6.5%	6.3%	6.3%	5.9%	5.7%	5.7%	5.6%	5.6%	5.6%	5.6%	5.6%
15yr 1st Mortg	6.5%	6.6%	5.8%	6.3%	5.9%	6.0%	6.0%	5.9%	5.9%	5.9%	5.8%	5.8%
30yr 1st Mortg	6.7%	7.0%	6.5%	6.6%	6.8%	6.8%	6.8%	6.7%	6.6%	6.6%	6.5%	6.4%
Regular Svgs	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
1Yr Term CD	3.4%	3.4%	3.3%	3.2%	3.1%	3.1%	3.0%	3.0%	3.0%	3.0%	2.9%	2.9%

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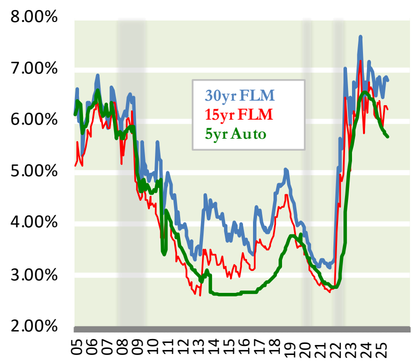
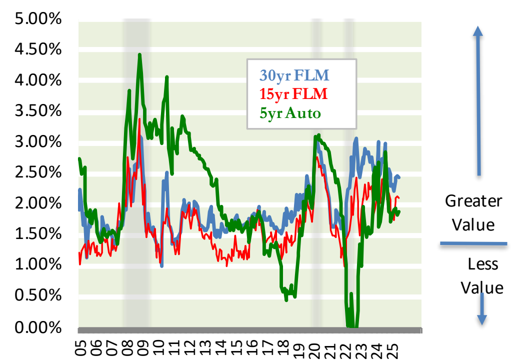
INDICATIVE PRICING SPREADS AND RELATIVE VALUE OF INVESTMENT OPTIONS

From: / To:	30yr FLM / 10Yr UST	15yr FLM / 7Yr UST	5yr Vehicle / 2Yr UST
Current	**2.43%**	**2.10%**	**1.88%**
Jun-25	2.47%	2.13%	1.83%
May-25	2.44%	2.10%	1.91%
Apr-25	2.37%	2.06%	1.95%
Mar-25	2.23%	1.76%	1.91%
Feb-25	2.32%	1.87%	1.84%
Jan-25	2.29%	1.89%	1.71%
Dec-24	2.48%	2.09%	1.87%
Nov-24	2.58%	2.20%	1.88%
Oct-24	2.40%	2.08%	2.34%
Sep-24	2.79%	2.54%	2.85%
Aug-24	2.99%	2.73%	2.75%
Jul-24	2.70%	2.42%	2.15%

AVG "A"-PAPER MARKET RATES

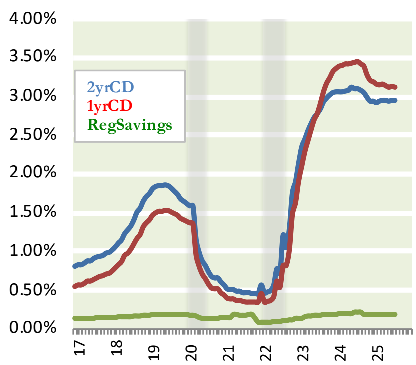


"A"-PAPER PRICING SPREADS

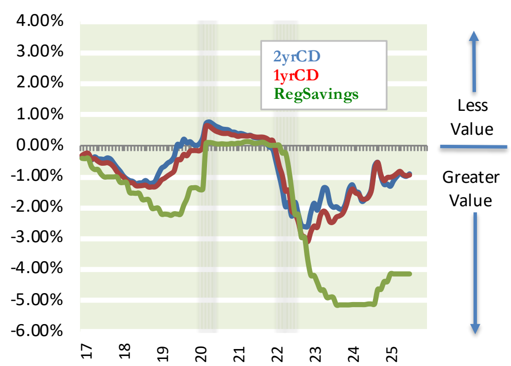


From: / To:	RegSvgs / FFds	1yr CD / 1Yr UST	2yr CD / 2Yr UST
Current	**-4.14%**	**-0.95%**	**-0.91%**
Jun-25	-4.14%	-0.97%	-0.99%
May-25	-4.14%	-0.93%	-0.96%
Apr-25	-4.14%	-0.83%	-0.89%
Mar-25	-4.14%	-0.90%	-1.00%
Feb-25	-4.14%	-0.98%	-1.13%
Jan-25	-4.14%	-1.02%	-1.31%
Dec-24	-4.39%	-1.03%	-1.24%
Nov-24	0.00%	0.00%	0.00%
Oct-24	-4.64%	-0.94%	-0.99%
Sep-24	-4.64%	-0.54%	-0.54%
Aug-24	-5.11%	-0.79%	-0.67%
Jul-24	-5.11%	-1.45%	-1.40%

AVG DEPOSIT MARKET RATES



AVG DEPOSIT PRICING SPREADS



INDICATIVE INTEREST SPREADS AND MATCHED FUNDING MATRICES

		Cash	1yr Agy	2yr Agy	3yr Agy	4yr Agy	5yr Agy	5yr New Veh	5yr Used Veh	15yr Mortgage	30yr Mortgage
		4.33%	**4.10%**	**4.28%**	**4.46%**	**4.42%**	**4.71%**	**5.69%**	**5.84%**	**6.23%**	**6.79%**
Share Draft	**0.13%**	**4.20%**	3.97%	4.15%	4.33%	4.29%	4.58%	5.56%	5.71%	6.10%	6.66%
Regular Savings	**0.19%**	**4.14%**	3.91%	4.09%	4.27%	4.23%	4.52%	5.50%	5.65%	6.04%	6.60%
Money Market	**0.86%**	**3.47%**	3.24%	3.42%	3.60%	3.56%	3.85%	4.83%	4.98%	5.37%	5.93%
FHLB Overnight	**4.25%**	**0.08%**	-0.15%	0.03%	0.21%	0.17%	0.46%	1.44%	1.59%	1.98%	2.54%
Catalyst Settlement	**5.50%**	**-1.17%**	-1.40%	-1.22%	-1.04%	-1.08%	-0.79%	0.19%	0.34%	0.73%	1.29%
6mo Term CD	**3.04%**	**1.29%**	1.06%	1.24%	1.42%	1.38%	1.67%	2.65%	2.80%	3.19%	3.75%
6mo FHLB Term	**4.21%**	**0.12%**	-0.11%	0.07%	0.25%	0.21%	0.50%	1.48%	1.63%	2.02%	2.58%
6mo Catalyst Term	**4.82%**	**-0.49%**	-0.72%	-0.54%	-0.36%	-0.40%	-0.11%	0.87%	1.02%	1.41%	1.97%
1yr Term CD	**4.07%**	0.26%	**0.03%**	0.21%	0.39%	0.35%	0.64%	1.62%	1.77%	2.16%	2.72%
1yr FHLB Term	**4.03%**	0.30%	**0.07%**	0.25%	0.43%	0.39%	0.68%	1.66%	1.81%	2.20%	2.76%
2yr Term CD	**3.95%**	0.38%	0.15%	**0.33%**	0.51%	0.47%	0.76%	**1.74%**	**1.89%**	2.28%	2.84%
2yr FHLB Term	**3.81%**	0.52%	0.29%	**0.47%**	0.65%	0.61%	0.90%	**1.88%**	**2.03%**	2.42%	2.98%
3yr Term CD	**3.96%**	0.37%	0.14%	0.32%	**0.50%**	0.46%	0.75%	1.73%	1.88%	2.27%	2.83%
3yr FHLB Term	**3.78%**	0.55%	0.32%	0.50%	**0.68%**	0.64%	0.93%	1.91%	2.06%	2.45%	3.01%
7yr FHLB Term	**4.19%**	0.14%	-0.09%	0.09%	0.27%	0.23%	0.52%	1.50%	1.65%	**2.04%**	2.60%
10yr FHLB Term	**4.51%**	-0.18%	-0.41%	-0.23%	-0.05%	-0.09%	0.20%	1.18%	1.33%	1.72%	**2.28%**

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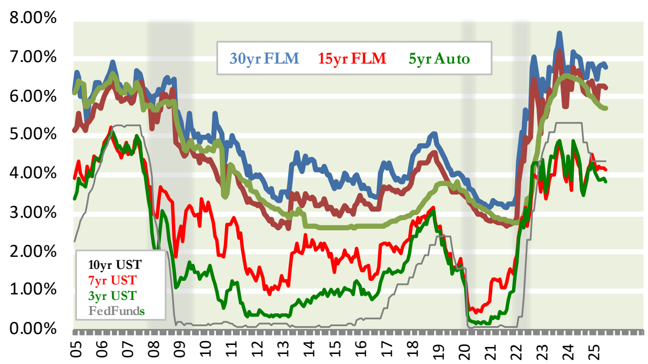
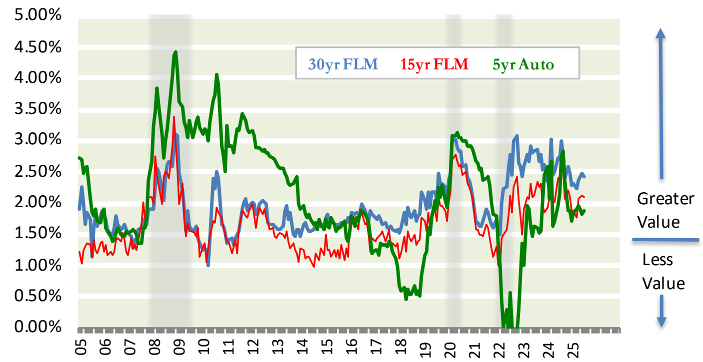
STRATEGIC ASSESSMENT OF INVESTMENT AND FUNDING OPTIONS, RELATIVE VALUE AND PRICING SPREADS

RELATIVE VALUE OF MARGINAL INVESTMENT OPTIONS

"A"-PAPER MARKET RATES



"A"-PAPER PRICING SPREADS



	Current Return	For	Then for the Next	The Net Return Needed to Break-even Against*: 30Y FLM	15Y FLM	5Y New	5Y Used	4Y MBS	4Y Call	3Y MBS	3Y Call
Cash	4.33%	-	-	-	-	-	-	-	-	-	-
1yr Agy	4.10%	1 year	4 years	7.46%	6.76%	6.09%	6.28%	5.19%	4.53%	5.27%	4.64%
2yr Agy Callable	4.28%	2 years	3 years	8.46%	7.53%	6.63%	6.88%	5.56%	4.56%	6.08%	4.82%
3yr Agy Callable	4.46%	3 years	2 years	10.29%	8.89%	7.54%	7.91%	6.30%	4.30%	-	-
3yr Agy MBS	4.88%	3 years	2 years	9.66%	8.26%	6.91%	7.28%	5.04%	3.04%	-	-
4yr Agy Callable	4.42%	4 years	1 year	16.27%	13.47%	10.77%	11.52%	-	-	-	-
4yr Agy MBS	4.92%	4 years	1 year	14.27%	11.47%	8.77%	9.52%	-	-	-	-
5yr Agy Callable	4.71%	5 years	-	-	-	-	-	-	-	-	-
5yr New Vehicle	5.69%	3 years	2 years	8.44%	7.04%	-	-	-	-	-	-
5yr Used Vehicle	5.84%	3 years	2 years	8.22%	6.82%	-	-	-	-	-	-
15yr Mortgage	6.23%	5 years	-	-	-	-	-	-	-	-	-
30yr Mortgage	6.79%	5 years	-	-	-	-	-	-	-	-	-

** Best relative value noted by probabilities of achieving "break-even" returns*

RELATIVE VALUE OF MARGINAL FUNDING OPTIONS

	Current Cost	For	Then for the Next	The Net Cost Needed to Break-even Against*: 3Y CD	3Y FHLB	2Y CD	2Y FHLB
Share Draft	0.13%	1 year	2 years	5.88%	5.65%	7.77%	7.55%
Regular Savings	0.19%	1 year	2 years	5.85%	5.62%	7.71%	7.49%
Money Market	0.86%	1 year	2 years	5.51%	5.29%	7.04%	6.82%
FHLB Overnight	4.32%	1 year	2 years	3.78%	3.56%	3.58%	3.36%
Catalyst Settlement	5.50%	1 year	2 years	3.19%	2.97%	1.20%	2.18%
6mo Term CD	3.04%	6 mos	2.5 yrs	4.14%	3.96%	4.25%	4.11%
6mo FHLB Term	4.25%	6 mos	2.5 yrs	3.90%	3.72%	3.85%	3.70%
6mo Catalyst Term	4.84%	6 mos	2.5 yrs	3.78%	3.60%	3.65%	3.51%
1yr Term CD	4.07%	1 year	2 years	3.91%	3.68%	3.83%	3.61%
1yr FHLB Term	4.05%	1 year	2 years	3.92%	3.69%	3.85%	3.63%
2yr Term CD	3.95%	2 years	1 year	3.98%	3.53%	-	-
2yr FHLB Term	3.84%	2 years	1 year	4.20%	3.75%	-	-
3yr Term CD	3.96%	3 years	-	-	-	-	-
3yr FHLB Term	3.81%	3 years	-	-	-	-	-
7yr FHLB Term	4.27%	-	-	-	-	-	-
10yr FHLB Term	4.60%	-	-	-	-	-	-

** Highest relative value noted by highest differentials and volatility projections*