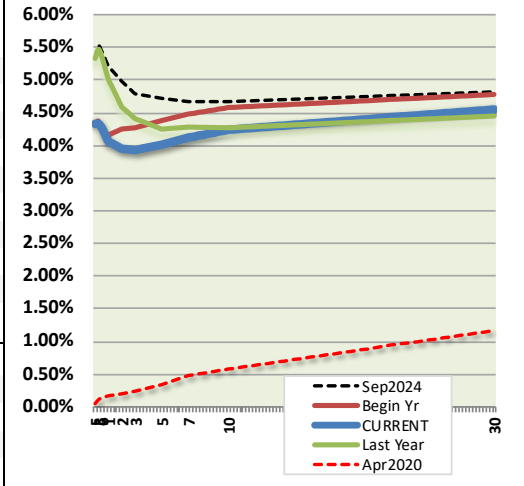


**21 March 2025**

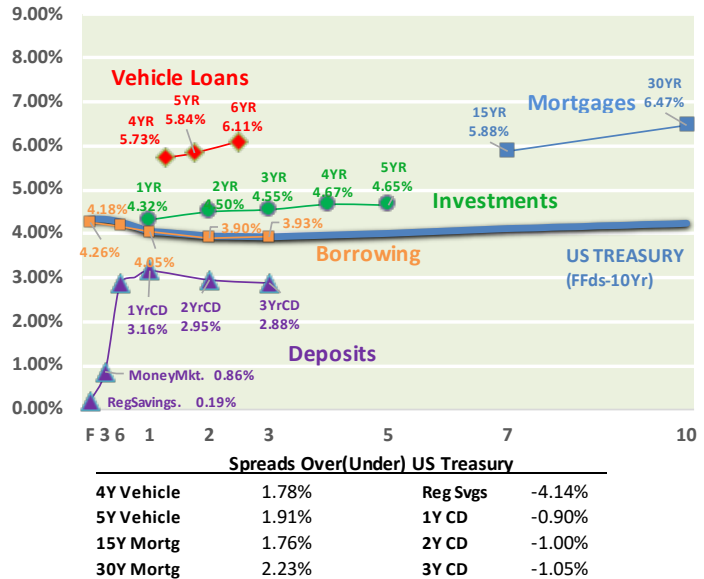
BENCHMARK INTEREST RATES AND YIELD CURVE	US Treasury Rates-				CHANGES SINCE			YIELD CURVE ASSESSMENT
	THIS WK	LAST MO	YR END	LAST YR	This Yr	Last Yr	This Cycle*	
	3/20/25	2/20/25	12/31/24	3/20/24				
Prime	7.50%	7.50%	7.50%	8.50%	0.00%	-1.00%	-1.00%	
Fed Funds	4.33%	4.33%	4.33%	5.33%	0.00%	-1.00%	-1.00%	
3mo	4.33%	4.38%	4.37%	5.47%	-0.04%	-1.14%	-1.19%	
6mo	4.27%	4.33%	4.24%	5.36%	0.03%	-1.09%	-1.17%	
1yr	4.06%	4.20%	4.16%	5.01%	-0.10%	-0.95%	-1.15%	
2yr	3.95%	4.28%	4.25%	4.59%	-0.30%	-0.64%	-1.03%	
3yr	3.93%	4.70%	4.27%	4.41%	-0.34%	-0.48%	-0.86%	
5yr	4.01%	4.34%	4.38%	4.25%	-0.37%	-0.24%	-0.71%	
7yr	4.12%	4.43%	4.48%	4.28%	-0.36%	-0.16%	-0.55%	
10yr	4.24%	4.50%	4.58%	4.27%	-0.34%	-0.03%	-0.43%	
30yr	4.55%	4.74%	4.78%	4.45%	-0.23%	0.10%	-0.27%	
<b>Slope of the Yield Curve-</b>								
2yr-3mo	-0.38%	-0.10%	-0.12%	-0.88%	-0.26%	0.50%	0.16%	
5yr-2yr	0.06%	0.06%	0.13%	-0.34%	-0.07%	0.40%	0.32%	
10yr-5yr	0.23%	0.16%	0.20%	0.02%	0.03%	0.21%	0.28%	
10yr-3mo	-0.09%	0.12%	0.21%	-1.20%	-0.30%	1.11%	0.76%	

\*Since Sep 2024

ECONOMIC UPDATE AND ANALYSIS	FED POLICY-MAKERS HOLD BENCHMARK RATE UNCHANGED; TRIMS GROWTH OUTLOOK		Key Economic Indicators for Banks, Thrifts & Credit Unions-				
	<p>The Federal Reserve held its benchmark interest rate steady on Wednesday, stating that "uncertainty around the economic outlook has increased. ... The committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the committee's goals."</p> <p>The Fed now expects the economy to grow more slowly this year than it did three months ago, with unemployment around the U.S. projected to hit 4.4%, up from 4.1% in February according to economic projections also released Wednesday. The central bank forecasts inflation to edge up to 2.7%, up from from its current level of 2.5%.</p> <p>Policymakers now expect the nation's gross domestic product — the total output of goods and services — to expand 1.7% this year, down from their December forecast of 2.1%. In 2024, GDP grew 2.8%.</p> <p>The Fed said it will maintain the federal funds rate at its current range of 4.25% to 4.5%. We expect the Fed to lower interest rates only once more this year, although that hinges on inflation continuing to move closer to the central bank's 2% annual target.</p>			LATEST	CURRENT	PREV	
		GDP	QoQ	Q4-24 2nd	2.3%	3.1%	
		GDP - YTD	Annl	Q4-24 2nd	2.5%	2.6%	
		Consumer Spending	QoQ	Q4-24 2nd	4.2%	3.7%	
		Consumer Spending YTD	Annl	Q4-24 2nd	3.2%	2.8%	
		Unemployment Rate	Mo	February	4.1%	4.0%	
		Underemployment Rate	Mo	February	8.0%	7.5%	
		Participation Rate	Mo	February	62.4%	62.6%	
		Wholesale Inflation	YoY	February	3.2%	3.5%	
		Consumer Inflation	YoY	February	2.8%	3.0%	
		Core Inflation	YoY	February	3.1%	3.3%	
		Consumer Credit	Annual	January	4.3%	8.7%	
		Retail Sales	YoY	February	1.8%	4.8%	
		Vehicle Sales	Annl (Mil)	February	16.5	16.5	
		Home Sales	Annl (Mil)	February	4.778	4.904	
		Home Prices	YoY	November	3.9%	4.3%	
		Key Consumer Market Data-				PCT CHANGES	
		THIS WK	YR END	YTD		12Mos	
		3/20/25	12/31/24				
		DJIA	41,953	42,544	-1.4%	6.3%	
		S&P 500	5,662	5,881	-3.7%	8.1%	
		NASDAQ	17,691	19,310	-8.4%	7.7%	
		Crude Oil	67.86	71.72	-5.4%	-16.1%	
		Avg Gasoline	3.06	3.13	-2.2%	-11.4%	
		Gold	3,043	2,641	15.2%	40.4%	

**AVERAGE CREDIT UNION RATES, RATE SENSITIVITIES AND RELATIVE VALUE**

	THIS WK	CHG IN MKT SINCE		RATE SENSITIVITY	
	3/20/25	YTD	2024 High	Bmk Decline	RS
Classic CC	13.15%	-0.02%	-0.22%	-1.00%	22%
Platinum CC	12.55%	-0.12%	-0.47%	-1.00%	47%
48mo Veh	5.73%	-0.15%	-0.48%	0.31%	-155%
60mo Veh	5.84%	-0.15%	-0.49%	0.46%	-107%
72mo Veh	6.11%	-0.15%	-0.49%	0.50%	-98%
HE LOC	7.62%	-0.23%	-0.83%	-1.00%	83%
10yr HE	7.34%	-0.06%	-0.20%	-1.00%	20%
15yr FRM	5.88%	-0.53%	-0.88%	-0.88%	100%
30yr FRM	6.47%	-0.41%	-1.29%	-0.74%	174%
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	2.86%	-0.04%	-0.17%	-0.41%	41%
1yr CD	3.16%	-0.01%	-0.24%	-0.03%	800%
2yr CD	2.95%	0.02%	-0.11%	0.31%	-35%
3yr CD	2.88%	0.04%	-0.04%	0.46%	-9%



**STRATEGICALLY SPEAKING**

By holding rates steady at 4.25% to 4.5%, the Fed is setting the stage for a prolonged wait-and-see approach—monitoring inflation's trajectory and awaiting clarity on Trump's trade and immigration plans.

But this pause might not last long. If inflation resumes its decline and officials determine that Trump's policies will only modestly push up prices, the central bank could quickly return to easing mode.

Fed Chair Jerome Powell acknowledged that predicting inflation's trajectory has become more challenging—thanks, in part, to the unpredictability of Trump's economic agenda.

With President Trump vowing sweeping tariffs, tax cuts, and mass deportations, the economic landscape could shift dramatically, potentially fueling higher prices. The Fed's usual playbook to combat inflation? Keeping interest rates elevated to curb borrowing and spending. But with so many unknowns, Powell and his team may have a tough road ahead in balancing growth and price stability.

The report concludes, "The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. The Committee judges that the risks to achieving its employment and inflation goals are roughly in balance. The economic outlook is uncertain, and the Committee is attentive to the risks to both sides of its dual mandate."

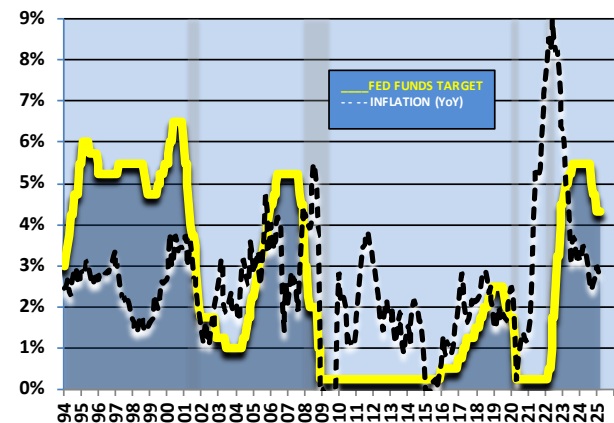
**ECONOMIC RELEASES**

RELEASES THIS WEEK:	Current	Projected	Previous
Retail Sales (Feb, YoY)	3.1%	3.5%	4.2%
FOMC Announcement	4.5%	4.5%	4.5%
Existing Home Sales (Feb, Annlzd)	4.26M	4.05M	4.08M
Leading Indicators (Feb, MoM)	-0.3%	-0.2%	-0.3%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
Home Prices (Jan, YoY)	4.2%	50.0%
New Home Sales (Feb, Annl)	660k	657k
Consumer Confidence (Mar, 1985=100)	97.4	98.3
GDP (Q4, Final)	2.3%	2.3%

**US Federal Funds Rate**

**HISTORICAL FEDERAL FUNDS RATE**





**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 satisfying 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



**ECONOMIC CALENDAR**

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
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<b>FEBRUARY 17</b>	<b>18</b>	<b>19</b> FOMC Minutes	<b>20</b> Jobless Claims 219k Cont'd Claims 1.87M Leading Indicators -0.3%	<b>21</b> Existing Home Sales	<b>22</b>
<b>24</b>	<b>25</b> Home Prices 3.9% Consumer Confidence 98.3	<b>26</b> New Home Sales 657k	<b>27</b> Jobless Claims 242k Cont'd Claims 1.86M GDP (Q4, 2nd) 2.3%	<b>28</b>	<b>MARCH 1</b>
<b>3</b>	<b>4</b>	<b>5</b> FRB Beige Book	<b>6</b> Jobless Claims 221k Cont'd Claims 1.89M	<b>7</b> Unemployment Non-farm Jobs Private Payrolls Participation Rate	<b>8</b>
<b>10</b>	<b>11</b>	<b>12</b> Consumer Inflation 2.8%	<b>13</b> Jobless Claims 220k Cont'd Claims 1.87M Wholesale Inflation 3.1%	<b>14</b>	<b>15</b>
<b>17</b> Retail Sales 3.1%	<b>18</b>	<b>19</b> FOMC Announcement 4.5%	<b>20</b> Jobless Claims 223k Cont'd Claims 1.89M Leading Indicators -0.3% Existing Home Sales 4.26M	<b>21</b>	<b>22</b>
<b>24</b>	<b>25</b> <b>Home Prices</b> <b>Consumer Confidence</b> <b>New Hme Sales</b>	<b>26</b>	<b>27</b> <b>Jobless Claims</b> <b>Cont'd Claims</b>	<b>28</b>	<b>29</b>
<b>31</b>	<b>APRIL 1</b>	<b>2</b>	<b>3</b> <b>Jobless Claims</b> <b>Cont'd Claims</b>	<b>4</b> <b>Unemployment</b> <b>Non-farm Jobs</b> <b>Private Payrolls</b> <b>Participation Rate</b>	<b>5</b>
<b>7</b> <b>Consumer Credit</b>	<b>8</b>	<b>9</b> <b>FOMC Minutes</b>	<b>10</b> <b>Jobless Claims</b> <b>Cont'd Claims</b> <b>Consumer Inflation</b>	<b>11</b> <b>Wholesale Inflation</b>	<b>12</b>
<b>14</b>	<b>15</b>	<b>16</b> <b>Retail Sales</b>	<b>17</b> <b>Jobless Claims</b> <b>Cont'd Claims</b>	<b>18</b>	<b>19</b>

**ECONOMIC FORECAST**

**March 2025**  
(Updated March 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%	2.3%	1.1%	1.1%	1.2%	1.5%	1.5%	1.6%	1.5%	1.4%
GDP - (YTD)	1.6%	2.3%	2.6%	2.5%	1.1%	1.1%	1.1%	1.2%	1.5%	1.6%	1.5%	1.5%
Consumer Spding (YTD)	1.9%	2.8%	3.7%	4.2%	1.4%	1.9%	1.2%	0.8%	0.4%	1.5%	1.8%	2.1%
	1.9%	2.4%	2.8%	3.2%	1.4%	1.7%	1.5%	1.3%	0.4%	1.0%	1.2%	1.8%
Govt Spending (YTD)	1.8%	3.1%	5.1%	2.5%	-0.2%	-1.5%	-0.8%	0.0%	0.0%	0.0%	0.0%	-0.2%
	1.8%	2.5%	3.3%	3.1%	-0.2%	-0.9%	-0.8%	-0.6%	0.0%	0.0%	0.0%	-0.1%

**Consumer Wealth-**

Unemployment	3.8%	4.0%	4.2%	4.2%	4.1%	4.3%	4.4%	4.4%	4.5%	4.5%	4.5%	4.6%
Cons Inflation	3.2%	3.2%	2.6%	2.7%	2.9%	3.1%	3.1%	2.9%	2.6%	2.2%	2.4%	2.3%
Home Prices	6.3%	6.3%	5.0%	4.0%	3.5%	3.4%	3.0%	3.0%	2.8%	2.8%	3.0%	3.1%

**SINGLE FAMILY HOME & VEHICLE LOAN MARKETS**
**Home Sales (Mils)-**

Home Sales	4.863	4.740	4.605	4.779	4.862	5.046	5.175	5.323	5.347	5.382	5.429	5.394
Existing Homes	4.200	4.047	3.893	4.117	4.156	4.256	4.419	4.532	4.539	4.565	4.602	4.589
New Homes	0.663	0.693	0.712	0.662	0.706	0.790	0.756	0.791	0.808	0.817	0.827	0.805

**Mortgage Originations (Mils)**

Single Family	1.076	1.203	1.343	1.427	1.068	1.527	1.637	1.528	1.532	1.729	1.684	1.568
Purchase App	0.773	0.880	0.924	0.780	0.690	0.944	0.986	0.922	0.895	1.087	1.063	0.966
Refi Apps	0.303	0.323	0.419	0.647	0.378	0.583	0.651	0.606	0.637	0.642	0.621	0.602
Refi Share	28%	27%	31%	45%	35%	38%	40%	40%	42%	37%	37%	38%

**Vehicle Sales (Mils)-**

Vehicle Sales	15.6	16.0	16.3	17.0	16.5	17.3	17.1	17.0	16.9	17.0	17.1	17.0
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**MARKET RATE OUTLOOK**
**Benchmark Rates-**

Prime	8.5%	8.5%	8.0%	7.3%	7.3%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Fed Funds	5.4%	5.4%	4.9%	4.3%	4.3%	4.3%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
3yr UST	4.6%	4.1%	4.0%	4.2%	3.9%	3.9%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
7yr UST	4.4%	3.8%	4.2%	4.2%	4.2%	4.2%	4.2%	4.3%	4.3%	4.3%	4.3%	4.3%
10yr UST	4.2%	4.4%	3.9%	4.3%	4.5%	4.5%	4.5%	4.5%	4.4%	4.4%	4.4%	4.4%

**Market Rates-**

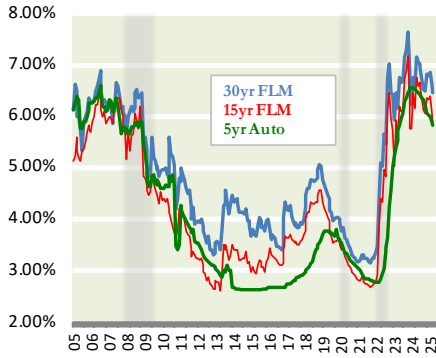
5yr Veh Loan	6.6%	6.5%	6.3%	6.3%	5.9%	5.8%	5.8%	5.7%	5.7%	5.7%	5.7%	5.7%
15yr 1st Mortg	6.5%	6.6%	5.8%	6.3%	5.9%	6.0%	6.0%	5.9%	5.9%	5.9%	5.8%	5.8%
30yr 1st Mortg	6.7%	7.0%	6.5%	6.6%	6.5%	6.7%	6.6%	6.5%	6.4%	6.4%	6.4%	6.4%
Regular Svgs	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
1Yr Term 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%



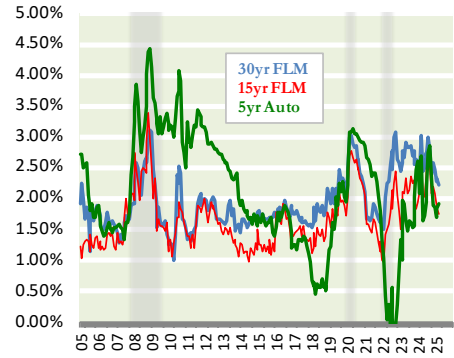
**INDICATIVE PRICING SPREADS AND RELATIVE VALUE OF INVESTMENT OPTIONS**

	30yr Mortgage	15yr Mortgage	5yr Vehicle
<b>Current</b>	<b>2.23%</b>	<b>1.76%</b>	<b>1.91%</b>
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%
Jun-24	2.74%	2.40%	1.95%
May-24	2.50%	2.03%	1.72%
Apr-24	2.45%	2.05%	1.64%
Mar-24	3.03%	2.57%	2.68%

**AVG "A"-PAPER MARKET RATES**

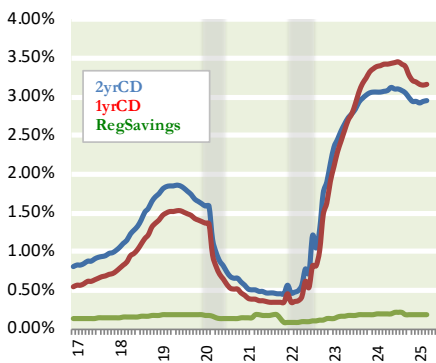


**"A"-PAPER PRICING SPREADS**

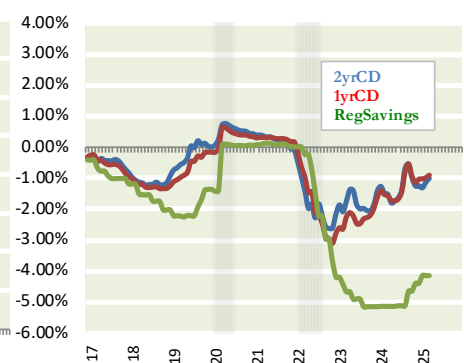


	Reg Svgs	1yr CD	2yr CD
<b>Current</b>	<b>-4.14%</b>	<b>-0.90%</b>	<b>-1.00%</b>
Feb-25	-4.14%	-0.98%	-1.13%
Jan-25	-4.14%	-1.02%	-1.31%
Dec-24	-4.39%	-1.03%	-1.24%
Nov-24	-4.39%	-1.13%	-1.25%
Oct-24	-4.64%	-0.94%	-0.99%
Sep-24	-4.64%	-0.54%	-0.54%
Aug-24	-5.11%	-0.79%	-0.67%
Jul-24	-5.11%	-1.45%	-1.40%
Jun-24	-5.11%	-1.67%	-1.64%
May-24	-5.13%	-1.73%	-1.74%
Apr-24	-5.13%	-1.72%	-1.79%
Mar-24	-5.13%	-1.57%	-1.52%

**AVG DEPOSIT MARKET RATES**



**AVG DEPOSIT PRICING SPREADS**



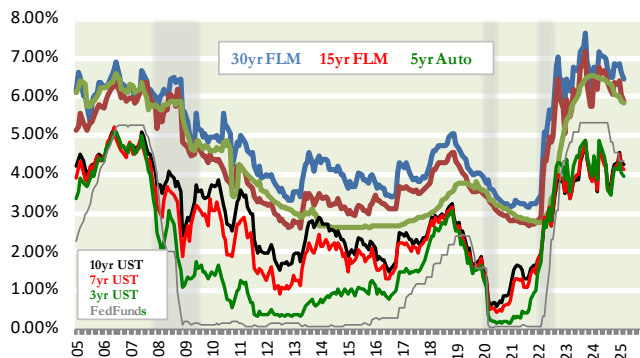
**INDICATIVE INTEREST SPREADS AND MATCHED FUNDING VARIABLES**

		1yr					5yr				
		Cash	Agy	Agy	Agy	Agy	Agy	New Veh	Used Veh	Mortgage	Mortgage
		4.33%	4.32%	4.50%	4.55%	4.67%	4.65%	5.84%	5.99%	5.88%	6.47%
<b>Share Draft</b>	<b>0.13%</b>	<b>4.20%</b>	4.19%	4.37%	4.42%	4.54%	4.52%	5.71%	5.86%	5.75%	6.34%
<b>Regular Savings</b>	<b>0.19%</b>	<b>4.14%</b>	4.13%	4.31%	4.36%	4.48%	4.46%	5.65%	5.80%	5.69%	6.28%
<b>Money Market</b>	<b>0.86%</b>	<b>3.47%</b>	3.46%	3.64%	3.69%	3.81%	3.79%	4.98%	5.13%	5.02%	5.61%
<b>FHLB Overnight</b>	<b>4.26%</b>	<b>0.07%</b>	0.06%	0.24%	0.29%	0.41%	0.39%	1.58%	1.73%	1.62%	2.21%
<b>Catalyst Settlement</b>	<b>5.50%</b>	<b>-1.17%</b>	-1.18%	-1.00%	-0.95%	-0.83%	-0.85%	0.34%	0.49%	0.38%	0.97%
<b>6mo Term CD</b>	<b>3.04%</b>	<b>1.29%</b>	1.28%	1.46%	1.51%	1.63%	1.61%	2.80%	2.95%	2.84%	3.43%
<b>6mo FHLB Term</b>	<b>4.18%</b>	<b>0.15%</b>	0.14%	0.32%	0.37%	0.49%	0.47%	1.66%	1.81%	1.70%	2.29%
<b>6mo Catalyst Term</b>	<b>4.78%</b>	<b>-0.45%</b>	-0.46%	-0.28%	-0.23%	-0.11%	-0.13%	1.06%	1.21%	1.10%	1.69%
<b>1yr Term CD</b>	<b>4.07%</b>	<b>0.26%</b>	0.25%	0.43%	0.48%	0.60%	0.58%	1.77%	1.92%	1.81%	2.40%
<b>1yr FHLB Term</b>	<b>4.05%</b>	<b>0.28%</b>	0.27%	0.45%	0.50%	0.62%	0.60%	1.79%	1.94%	1.83%	2.42%
<b>2yr Term CD</b>	<b>3.95%</b>	<b>0.38%</b>	0.37%	0.55%	0.60%	0.72%	0.70%	1.89%	2.04%	1.93%	2.52%
<b>2yr FHLB Term</b>	<b>3.90%</b>	<b>0.43%</b>	0.42%	0.60%	0.65%	0.77%	0.75%	1.94%	2.09%	1.98%	2.57%
<b>3yr Term CD</b>	<b>3.96%</b>	<b>0.37%</b>	0.36%	0.54%	0.59%	0.71%	0.69%	1.88%	2.03%	1.92%	2.51%
<b>3yr FHLB Term</b>	<b>3.93%</b>	<b>0.40%</b>	0.39%	0.57%	0.62%	0.74%	0.72%	1.91%	2.06%	1.95%	2.54%
<b>7yr FHLB Term</b>	<b>4.16%</b>	<b>0.17%</b>	0.16%	0.34%	0.39%	0.51%	0.49%	1.68%	1.83%	1.72%	2.31%
<b>10yr FHLB Term</b>	<b>4.34%</b>	<b>-0.01%</b>	-0.02%	0.16%	0.21%	0.33%	0.31%	1.50%	1.65%	1.54%	2.13%

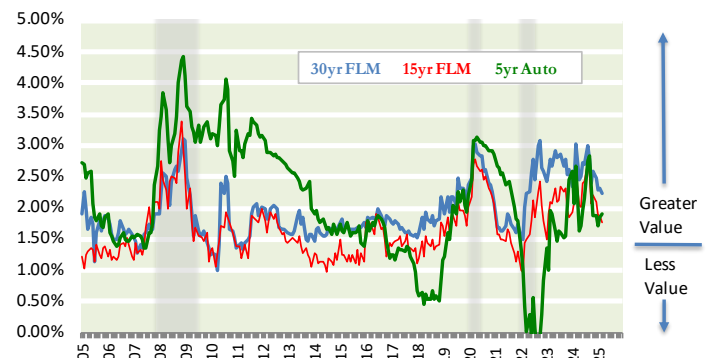
STRATEGIC ASSESSMENT OF INVESTMENT AND FUNDING OPTIONS, RELATIVE VALUE AND PRICING SPREADS

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	4.32%	1 year	4 years	7.01%	6.27%	6.22%	6.41%	4.87%	4.79%	5.06%	4.67%
2yr Agy Callable	4.50%	2 years	3 years	7.78%	6.80%	6.73%	6.98%	4.96%	4.84%	5.43%	4.65%
3yr Agy Callable	4.55%	3 years	2 years	9.35%	7.88%	7.78%	8.15%	5.27%	5.03%	-	-
3yr Agy MBS	4.81%	3 years	2 years	8.96%	7.49%	7.39%	7.76%	4.49%	4.25%	-	-
4yr Agy Callable	4.67%	4 years	1 year	13.67%	10.72%	10.52%	11.27%	-	-	-	-
4yr Agy MBS	4.73%	4 years	1 year	13.43%	10.48%	10.28%	11.03%	-	-	-	-
5yr Agy Callable	4.65%	5 years	-	-	-	-	-	-	-	-	-
5yr New Vehicle	5.84%	3 years	2 years	7.42%	5.94%	-	-	-	-	-	-
5yr Used Vehicle	5.99%	3 years	2 years	7.19%	5.72%	-	-	-	-	-	-
15yr Mortgage	5.88%	5 years	-	-	-	-	-	-	-	-	-
30yr Mortgage	6.47%	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%	5.83%	7.77%	7.67%
Regular Savings	0.19%	1 year	2 years	5.85%	5.80%	7.71%	7.61%
Money Market	0.86%	1 year	2 years	5.51%	5.47%	7.04%	6.94%
FHLB Overnight	4.26%	1 year	2 years	3.81%	3.77%	3.64%	3.54%
Catalyst Settlement	5.50%	1 year	2 years	3.19%	3.15%	1.20%	2.30%
6mo Term CD	3.04%	6 mos	2.5 yrs	4.14%	4.11%	4.25%	4.19%
6mo FHLB Term	4.18%	6 mos	2.5 yrs	3.92%	3.88%	3.87%	3.81%
6mo Catalyst Term	4.78%	6 mos	2.5 yrs	3.80%	3.76%	3.67%	3.61%
1yr Term CD	4.07%	1 year	2 years	3.91%	3.86%	3.83%	3.73%
1yr FHLB Term	4.05%	1 year	2 years	3.92%	3.87%	3.85%	3.75%
2yr Term CD	3.95%	2 years	1 year	3.98%	3.89%	-	-
2yr FHLB Term	3.90%	2 years	1 year	4.08%	3.99%	-	-
3yr Term CD	3.96%	3 years	-	-	-	-	-
3yr FHLB Term	3.93%	3 years	-	-	-	-	-
7yr FHLB Term	4.16%	-	-	-	-	-	-
10yr FHLB Term	4.34%	-	-	-	-	-	-

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