

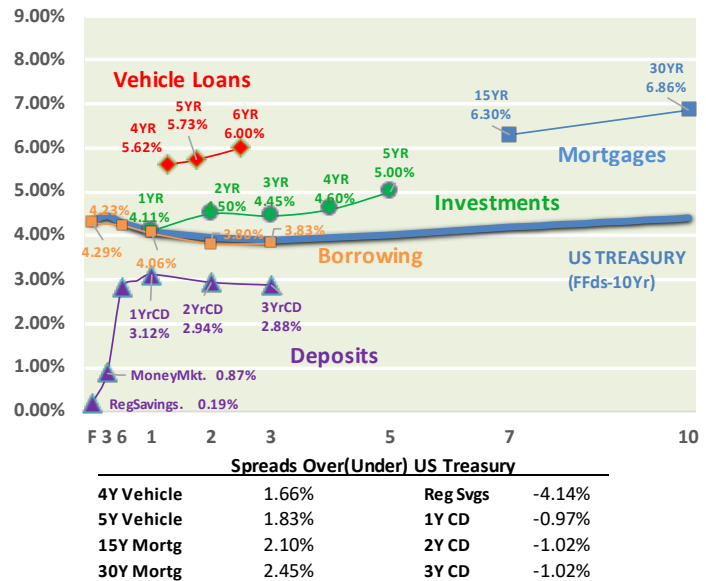
BENCHMARK INTEREST RATES AND YIELD CURVE	US Treasury Rates-				CHANGES SINCE			YIELD CURVE ASSESSMENT
	THIS WK	LAST MO	YR END	LAST YR	CHANGES SINCE			
	6/12/25	5/12/25	12/31/24	6/12/24	This Yr	Last Yr	This Cycle*	
Prime	7.50%	7.50%	7.50%	8.50%	0.00%	-1.00%	-1.00%	
Fed Funds	4.33%	4.33%	4.33%	5.33%	0.00%	-1.00%	-1.00%	
3mo	4.45%	4.42%	4.37%	5.51%	0.08%	-1.06%	-1.07%	
6mo	4.30%	4.29%	4.24%	5.38%	0.06%	-1.08%	-1.14%	
1yr	4.09%	4.11%	4.16%	5.13%	-0.07%	-1.04%	-1.12%	
2yr	3.96%	3.98%	4.25%	4.75%	-0.29%	-0.79%	-1.02%	
3yr	3.90%	3.97%	4.27%	4.48%	-0.37%	-0.58%	-0.89%	
5yr	4.02%	9.00%	4.38%	4.32%	-0.36%	-0.30%	-0.70%	
7yr	4.20%	4.27%	4.48%	4.31%	-0.28%	-0.11%	-0.47%	
10yr	4.41%	4.45%	4.58%	4.31%	-0.17%	0.10%	-0.26%	
30yr	4.90%	4.89%	4.78%	4.47%	0.12%	0.43%	0.08%	
<b>Slope of the Yield Curve-</b>								
2yr-3mo	-0.49%	-0.44%	-0.12%	-0.76%	-0.37%	0.27%	0.05%	
5yr-2yr	0.06%	5.02%	0.13%	-0.43%	-0.07%	0.49%	0.32%	
10yr-5yr	0.39%	-4.55%	0.20%	-0.01%	0.19%	0.40%	0.44%	
10yr-3mo	-0.04%	0.03%	0.21%	-1.20%	-0.25%	1.16%	0.81%	

\*Since Sep 2024

ECONOMIC UPDATE AND ANALYSIS	INFLATION REMAINS IN CHECK BUT STILL SLIGHTLY HIGHER THAN FOMC TARGET		Key Economic Indicators for Banks, Thrifts & Credit Unions-				
			LATEST		CURRENT	PREV	
			QoQ	Q1-25 2nd	Q1-25 2nd	Q1-25 2nd	
<p>US inflation picked up slightly last month as some food prices rose, though overall inflation remained mostly tame.</p> <p>Consumer prices increased 2.4% in May compared with a year ago, according to a recently released Labor Department report. That is up from a 2.3% yearly increase in April. Excluding the volatile food and energy categories, core prices rose 2.8% for the third straight month. Economists pay close attention to core prices because they generally provide a better sense of where inflation is headed.</p> <p>The figures suggest inflation continues to remain stubbornly above the Federal Reserve's 2% target, which makes it less likely that the central bank will cut its key short-term interest rate.</p> <p>Despite fears that tariffs would spark inflation, the prices on most imported goods, such as clothing, actually fell in May. Other services like airline fares and hotel rooms also dropped in price.</p> <p>Inflation has cooled in the past year and, excluding the impact of tariffs, economists say it would be on track to return to the Fed's target, which would allow the central bank to cut its key interest rates. Yet core prices have been more stubborn and were stuck between 3.2% and 3.4% for nearly a year until February, when they started to decline.</p>			GDP	Mo	May	4.2%	4.2%
			GDP - YTD	Annl	May	7.8%	7.9%
			Consumer Spending	Mo	May	62.6%	62.5%
			Consumer Spending YTD	Annl	May	2.6%	2.4%
			Unemployment Rate	YoY	May	2.4%	2.3%
			Underemployment Rate	YoY	May	2.8%	2.8%
			Participation Rate	YoY	March	4.3%	2.1%
			Wholesale Inflation	Annual	April	3.8%	2.8%
			Consumer Inflation	YoY	April	16.1	17.8
			Core Inflation	Annl (Mil)	May	4.724	4.744
		Consumer Credit	Annl (Mil)	April	3.4%	3.9%	
		Retail Sales	YoY	March			
		Vehicle Sales	YoY	March			
		Home Sales	YoY	March			
		Home Prices (Natl Avg)	YoY	March			
		Key Consumer Market Data-					
			THIS WK	YR END	PCT CHANGES		
			6/12/25	12/31/24	YTD	12Mos	
		DJIA	42,197	42,544	-0.8%	9.3%	
		S&P 500	6,045	5,881	2.8%	10.0%	
		NASDAQ	19,662	19,310	1.8%	9.7%	
		Crude Oil	68.04	71.72	-5.1%	-6.8%	
		Avg Gasoline	3.11	3.13	-0.6%	-9.4%	
		Gold	3,402	2,641	28.8%	48.7%	

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

	THIS WK	CHG IN MKT SINCE		RATE SENSITIVITY	
	6/12/25	YTD	2024 High	Bmk Decline	RS
Classic CC	13.12%	-0.05%	-0.25%	-1.00%	25%
Platinum CC	12.52%	-0.15%	-0.50%	-1.00%	50%
48mo Veh	5.62%	-0.26%	-0.59%	0.32%	-184%
60mo Veh	5.73%	-0.26%	-0.60%	0.43%	-140%
72mo Veh	6.00%	-0.26%	-0.60%	0.49%	-122%
HE LOC	7.57%	-0.28%	-0.88%	-1.00%	88%
10yr HE	7.28%	-0.12%	-0.26%	-1.00%	26%
15yr FRM	6.30%	-0.11%	-0.46%	-0.80%	57%
30yr FRM	6.86%	-0.02%	-0.90%	-0.57%	158%
Sh Drafts	0.13%	0.00%	0.01%	-1.00%	-1%
Reg Svgs	0.19%	0.00%	0.00%	-1.00%	0%
MMkt-10k	0.87%	0.00%	-0.04%	-1.00%	4%
MMkt-50k	1.17%	0.00%	-0.06%	-1.00%	6%
6mo CD	2.83%	-0.07%	-0.20%	-0.38%	53%
1yr CD	3.12%	-0.05%	-0.28%	0.00%	#DIV/0!
2yr CD	2.94%	0.01%	-0.12%	0.32%	-38%
3yr CD	2.88%	0.04%	-0.04%	0.43%	-9%



**STRATEGICALLY SPEAKING**

Fed Chair Jerome Powell and other Fed officials have made clear they will keep their key rate unchanged until they have a better sense of how tariffs might affect the economy.

On a monthly basis, overall prices ticked up just 0.1% from April to May, down from 0.2% the previous month, with inflationary pressures appearing muted. Core prices also dropped to 0.1% from 0.2%.

If it occurs at all, Americans will start feeling the impact of tariffs in July. Most are anticipating producers to pass on their higher costs to the consumers. But that will be a difficult maneuver in that raising prices during a volatility period for spending behavior might shut down demand and leave both the producer and consumer with greater losses than from just taking the temporary hit and absorbing the high costs.

Besides, most imported goods are actually parts or raw materials for larger products, such as the steel and aluminum goods now facing 50% duties. It will take time for those costs to filter through the supply chain and affect prices.

The ultimate goal is to lower the price of goods by turning to American manufacturing instead of relying on overseas entities to provide natural minerals and critical resources we need to produce important commodities.

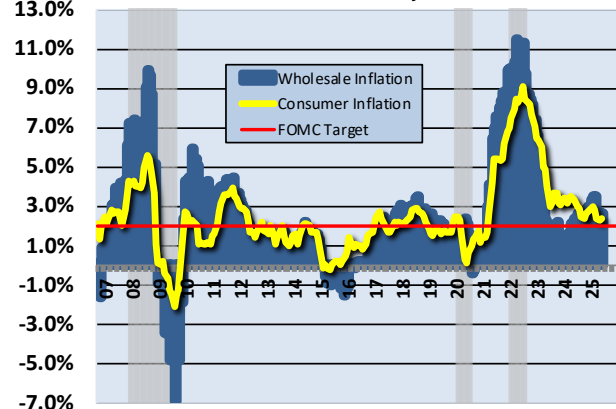
**ECONOMIC RELEASES**

RELEASES THIS WEEK:	Latest	Projected	Previous
Consumer Inflation (May, YoY)	2.4%	2.5%	2.3%
Wholesale Inflation (May, YoY)	2.6%	2.3%	2.4%

RELEASES FOR UPCOMING WEEK:	Projected	Previous
Existing Home Sales (May, Annl)	3.9M	4.0M
Home Prices (Apr, YoY)	3.7%	3.4%
Consumer Confidence (Jun)	97.0	98.0
GDP (Q1, QoQ, Final)	-0.2%	-0.2%

**INFLATION PROFILE**

WHOLESALE versus CONSUMER INFLATION, Monthly Year-over-Year





**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%

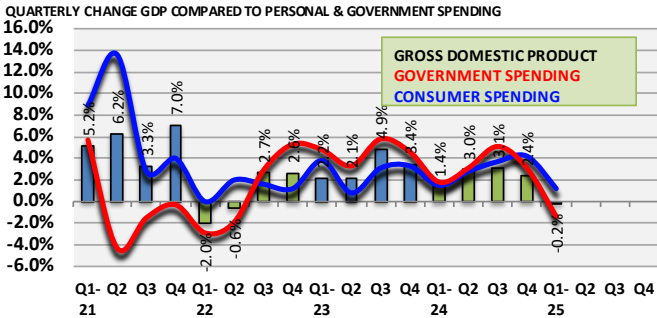
"Misery" Index: <0.80%

**Outlook on Return**

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

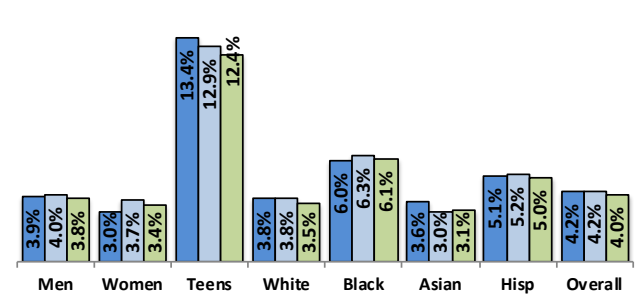


### GROSS DOMESTIC PRODUCT



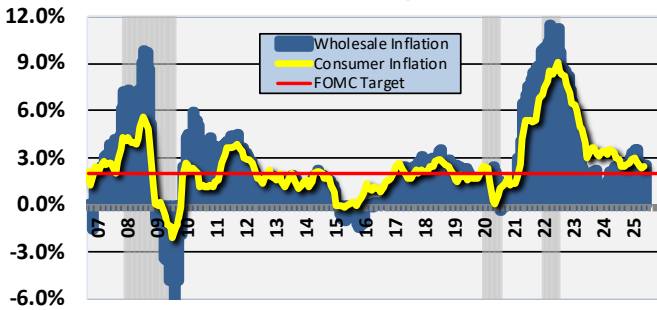
### UNEMPLOYMENT BY DEMOGRAPHIC

CURRENT, LAST MONTH and ONE YEAR AGO



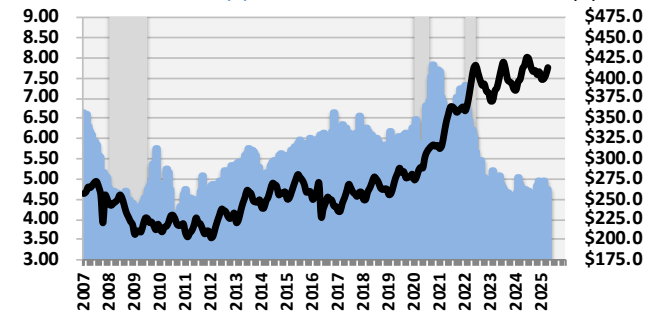
### INFLATION PROFILE

WHOLESALE versus CONSUMER INFLATION, Monthly Year-over-Year



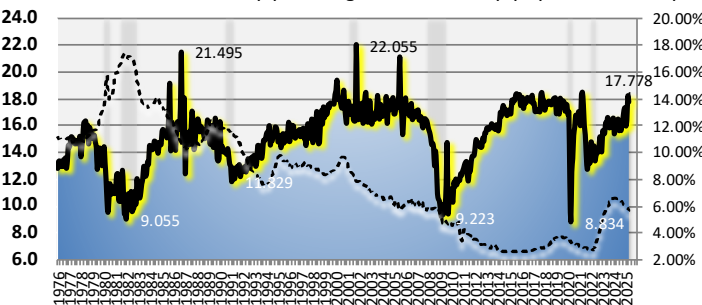
### TOTAL HOME SALES

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



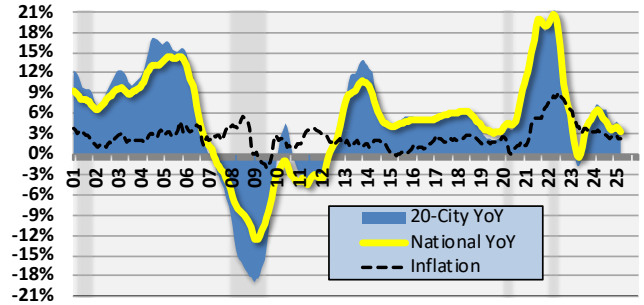
### VEHICLE SALES

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



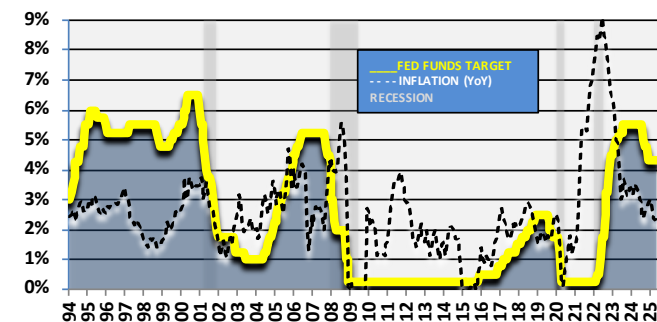
### S&P CL CASE-SHILLER HOME PRICE INDEX

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



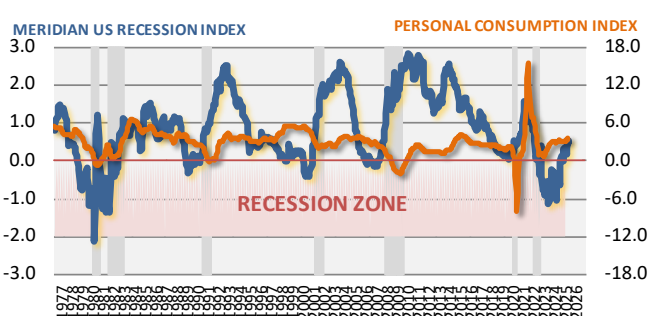
### US FEDERAL FUNDS RATE

HISTORICAL FEDERAL FUNDS RATE



### MERIDIAN US RECESSION INDEX™

CREDIT, INTEREST RATE AND CONSUMER SPENDING COMPOSITE





**ECONOMIC CALENDAR**

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
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<b>MAY 12</b>	<b>13</b> Consumer Inflation 2.3%	<b>14</b>	<b>15</b> Jobless Claims 229k Cont'd Claims 1.88M Retail Sales 5.2% Wholesale Inflation 2.4%	<b>16</b>	<b>17</b>
<b>19</b> Leading Indicators -1%	<b>20</b>	<b>21</b>	<b>22</b> Jobless Claims 227k Cont'd Claims 1.90M Existing Home Sales 4.0M	<b>23</b> New Home Sales 743k	<b>24</b>
<b>26</b> <b>MEMORIAL DAY HOLIDAY</b>	<b>27</b> Home Prices 3.4%	<b>28</b> FOMC Minutes	<b>29</b> Jobless Claims 240k Cont'd Claims 1.91M GDP (Q1, 2nd) -0.2%	<b>30</b>	<b>31</b>
<b>JUNE 2</b>	<b>3</b>	<b>4</b> FRM Beige Book	<b>5</b> Jobless Claims Cont'd Claims	<b>6</b> Unemployment Non-farm Payrolls Private Payrolls Participation Rate	<b>7</b>
<b>9</b>	<b>10</b>	<b>11</b> Consumer Inflation 2.4%	<b>12</b> Jobless Claims 248k Cont'd Claims 1.96M Wholesale Inflation 2.6%	<b>13</b>	<b>14</b>
<b>16</b>	<b>17</b> <b>Retail Sales</b>	<b>18</b> <b>FOMC Announcement</b>	<b>19</b> <b>Jobless Claims</b> <b>Cont'd Claims</b>	<b>20</b> <b>Leading Indicators</b>	<b>21</b>
<b>23</b> <b>Existing Home Sales</b>	<b>24</b> <b>Consumer Confidence</b>	<b>25</b> <b>New Home Sales</b>	<b>26</b> <b>Jobless Claims</b> <b>Cont'd Claims</b> <b>GDP (Q1-25 Final)</b>	<b>27</b>	<b>28</b>
<b>30</b>	<b>JULY 1</b>	<b>2</b>	<b>3</b> <b>Jobless Claims</b> <b>Cont'd Claims</b> <b>Unemployment</b>	<b>4</b> <b>INDEPENDENCE DAY HOLIDAY</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>11</b>	<b>12</b>

**ECONOMIC FORECAST**
**May 2025**  
 (Updated May19, 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%	-0.2%	1.4%	0.7%	1.4%	1.5%	1.6%	1.6%	1.6%
GDP - (YTD)	1.6%	2.3%	2.6%	2.5%	-0.2%	0.6%	0.6%	0.8%	1.5%	1.6%	1.6%	1.6%
Consumer Spndng (YTD)	1.9%	2.8%	3.7%	4.0%	1.8%	2.2%	0.8%	1.4%	0.8%	1.1%	1.1%	1.5%
	1.9%	2.4%	2.8%	3.1%	1.8%	2.0%	1.6%	1.6%	0.8%	1.0%	1.0%	1.2%
Govt Spending (YTD)	1.8%	3.1%	5.1%	3.1%	-1.4%	-0.5%	-0.9%	-0.7%	0.0%	0.0%	0.0%	-0.2%
	1.8%	2.5%	3.3%	3.3%	-1.4%	-1.0%	-0.9%	-0.9%	0.0%	0.0%	0.0%	-0.1%

**Consumer Wealth-**

Unemployment	3.8%	4.0%	4.2%	4.2%	4.1%	4.3%	4.5%	4.8%	4.8%	4.9%	4.7%	4.5%
Cons Inflation	3.2%	3.2%	2.6%	2.7%	2.7%	2.8%	3.2%	3.5%	3.5%	3.3%	3.2%	2.8%
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	4.842	4.811	4.839	5.075	5.233	5.244	5.253	5.302	5.377
Existing Homes	4.200	4.047	3.893	4.163	4.127	4.126	4.335	4.475	4.478	4.488	4.527	4.588
New Homes	0.663	0.693	0.712	0.679	0.684	0.713	0.740	0.758	0.766	0.765	0.775	0.789

**Mortgage Originations (Mils)**

Single Family	1.076	1.203	1.343	1.427	1.068	1.533	1.595	1.561	1.573	1.745	1.682	1.634
Purchase App	0.773	0.880	0.924	0.780	0.690	0.924	0.979	0.920	0.900	1.067	1.041	0.990
Refi Apps	0.303	0.323	0.419	0.647	0.378	0.609	0.616	0.641	0.673	0.678	0.641	0.644
Refi Share	28%	27%	31%	45%	35%	40%	39%	41%	43%	39%	38%	39%

**Vehicle Sales (Mils)-**

Vehicle Sales	15.6	16.0	16.3	17.0	18.0	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%	6.7%	6.7%	6.7%	6.7%
Fed Funds	5.4%	5.4%	4.9%	4.3%	4.3%	4.3%	4.1%	4.1%	3.9%	3.9%	3.9%	3.9%
3yr UST	4.6%	4.1%	4.0%	4.2%	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
7yr UST	4.4%	3.8%	4.2%	4.2%	4.2%	4.1%	4.0%	4.0%	3.9%	3.9%	3.9%	4.0%
10yr UST	4.2%	4.4%	3.9%	4.3%	4.5%	4.4%	4.4%	4.4%	4.3%	4.3%	4.3%	4.4%

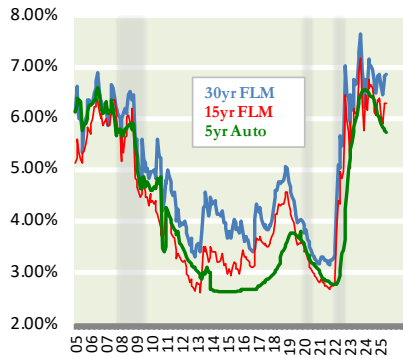
**Market Rates-**

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%	6.8%	7.0%	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%

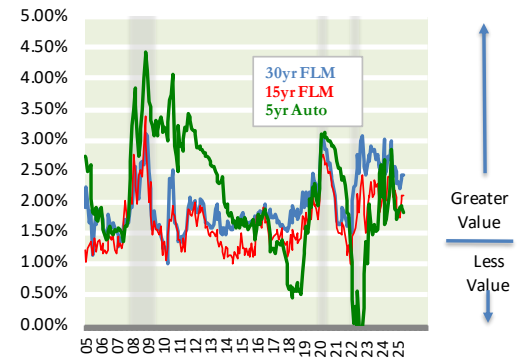
**INDICATIVE PRICING SPREADS AND RELATIVE VALUE OF INVESTMENT OPTIONS**

From:	30yr FLM	15yr FLM	5yr Vehicle
To:	10Yr UST	7Yr UST	2Yr UST
<b>Current</b>	<b>2.45%</b>	<b>2.10%</b>	<b>1.83%</b>
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%
Jun-24	2.74%	2.40%	1.95%

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

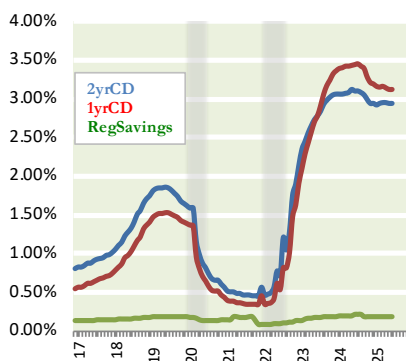


**"A"-PAPER PRICING SPREADS**

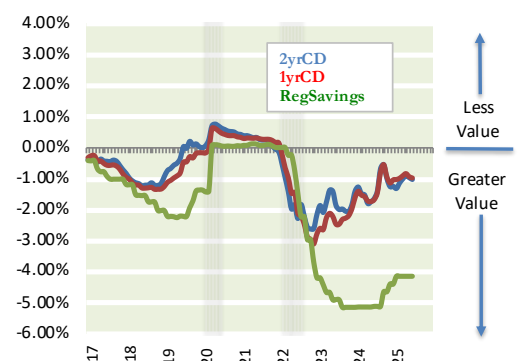


From:	RegSvgs	1yr CD	2yr CD
To:	FFds	1Yr UST	2Yr UST
<b>Current</b>	<b>-4.14%</b>	<b>-0.97%</b>	<b>-1.02%</b>
May-25	-4.14%	-0.93%	-0.96%
Apr-25	-4.14%	-0.83%	-0.89%
Mar-25	-4.14%	-0.90%	-1.00%
Feb-25	-4.14%	-0.98%	-1.13%
Jan-25	-4.14%	-1.02%	-1.31%
Dec-24	-4.39%	-1.03%	-1.24%
Nov-24	-4.39%	-1.13%	-1.25%
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%

**AVG DEPOSIT MARKET RATES**



**AVG DEPOSIT PRICING SPREADS**



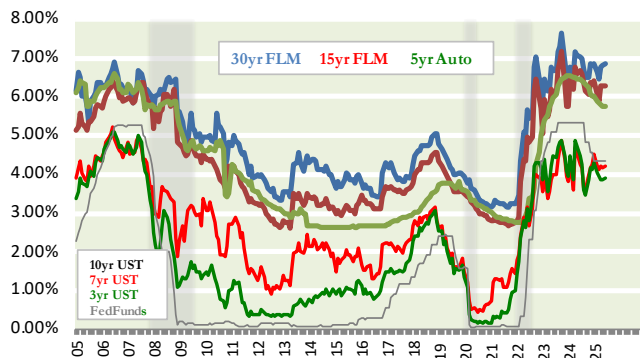
**INDICATIVE INTEREST SPREADS AND MATCHED FUNDING MATRICES**

		1yr					5yr				
		Cash	Agy	Agy	Agy	Agy	Agy	New Veh	Used Veh	Mortgage	Mortgage
		4.33%	4.11%	4.50%	4.45%	4.60%	5.00%	5.73%	5.88%	6.30%	6.86%
Share Draft	0.13%	4.20%	3.98%	4.37%	4.32%	4.47%	4.87%	5.60%	5.75%	6.17%	6.73%
Regular Savings	0.19%	4.14%	3.92%	4.31%	4.26%	4.41%	4.81%	5.54%	5.69%	6.11%	6.67%
Money Market	0.87%	3.46%	3.24%	3.63%	3.58%	3.73%	4.13%	4.86%	5.01%	5.43%	5.99%
FHLB Overnight	4.25%	0.08%	-0.14%	0.25%	0.20%	0.35%	0.75%	1.48%	1.63%	2.05%	2.61%
Catalyst Settlement	5.50%	-1.17%	-1.39%	-1.00%	-1.05%	-0.90%	-0.50%	0.23%	0.38%	0.80%	1.36%
6mo Term CD	3.04%	1.29%	1.07%	1.46%	1.41%	1.56%	1.96%	2.69%	2.84%	3.26%	3.82%
6mo FHLB Term	4.21%	0.12%	-0.10%	0.29%	0.24%	0.39%	0.79%	1.52%	1.67%	2.09%	2.65%
6mo Catalyst Term	4.82%	-0.49%	-0.71%	-0.32%	-0.37%	-0.22%	0.18%	0.91%	1.06%	1.48%	2.04%
1yr Term CD	4.07%	0.04%	0.26%	0.43%	0.38%	0.53%	0.93%	1.66%	1.81%	2.23%	2.79%
1yr FHLB Term	4.03%	0.30%	0.08%	0.47%	0.42%	0.57%	0.97%	1.70%	1.85%	2.27%	2.83%
2yr Term CD	3.95%	0.38%	0.16%	0.55%	0.50%	0.65%	1.05%	1.78%	1.93%	2.35%	2.91%
2yr FHLB Term	3.81%	0.52%	0.30%	0.69%	0.64%	0.79%	1.19%	1.92%	2.07%	2.49%	3.05%
3yr Term CD	3.96%	0.37%	0.15%	0.54%	0.49%	0.64%	1.04%	1.77%	1.92%	2.34%	2.90%
3yr FHLB Term	3.78%	0.55%	0.33%	0.72%	0.67%	0.82%	1.22%	1.95%	2.10%	2.52%	3.08%
7yr FHLB Term	4.19%	0.14%	-0.08%	0.31%	0.26%	0.41%	0.81%	1.54%	1.69%	2.11%	2.67%
10yr FHLB Term	4.51%	-0.18%	-0.40%	-0.01%	-0.06%	0.09%	0.49%	1.22%	1.37%	1.79%	2.35%

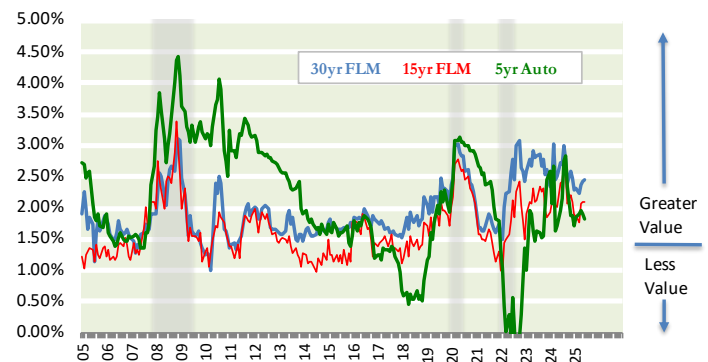
STRATEGIC ASSESSMENT OF INVESTMENT AND FUNDING OPTIONS, RELATIVE VALUE AND PRICING SPREADS

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	4.11%	1 year	4 years	7.55%	6.85%	6.14%	6.32%	5.43%	4.76%	4.55%	4.62%
2yr Agy Callable	4.50%	2 years	3 years	8.43%	7.50%	6.55%	6.80%	5.70%	4.70%	4.20%	4.35%
3yr Agy Callable	4.45%	3 years	2 years	10.48%	9.08%	7.65%	8.03%	7.05%	5.05%	-	-
3yr Agy MBS	4.40%	3 years	2 years	10.55%	9.15%	7.73%	8.10%	7.20%	5.20%	-	-
4yr Agy Callable	4.60%	4 years	1 year	15.90%	13.10%	10.25%	11.00%	-	-	-	-
4yr Agy MBS	5.10%	4 years	1 year	13.90%	11.10%	8.25%	9.00%	-	-	-	-
5yr Agy Callable	5.00%	5 years	-	-	-	-	-	-	-	-	-
5yr New Vehicle	5.73%	3 years	2 years	8.56%	7.16%	-	-	-	-	-	-
5yr Used Vehicle	5.88%	3 years	2 years	8.33%	6.93%	-	-	-	-	-	-
15yr Mortgage	6.30%	5 years	-	-	-	-	-	-	-	-	-
30yr Mortgage	6.86%	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%	5.68%	7.77%	7.47%
Regular Savings	0.19%	1 year	2 years	5.85%	5.65%	7.71%	7.41%
Money Market	0.87%	1 year	2 years	5.51%	5.31%	7.03%	6.73%
FHLB Overnight	4.29%	1 year	2 years	3.80%	3.60%	3.61%	3.31%
Catalyst Settlement	5.50%	1 year	2 years	3.19%	3.00%	1.20%	2.10%
6mo Term CD	3.04%	6 mos	2.5 yrs	4.14%	3.99%	4.25%	4.05%
6mo FHLB Term	4.23%	6 mos	2.5 yrs	3.91%	3.75%	3.86%	3.66%
6mo Catalyst Term	4.82%	6 mos	2.5 yrs	3.79%	3.63%	3.66%	3.46%
1yr Term CD	4.07%	1 year	2 years	3.91%	3.71%	3.83%	3.53%
1yr FHLB Term	4.06%	1 year	2 years	3.91%	3.72%	3.84%	3.54%
2yr Term CD	3.95%	2 years	1 year	3.98%	3.59%	-	-
2yr FHLB Term	3.80%	2 years	1 year	4.28%	3.89%	-	-
3yr Term CD	3.96%	3 years	-	-	-	-	-
3yr FHLB Term	3.83%	3 years	-	-	-	-	-
7yr FHLB Term	4.23%	-	-	-	-	-	-
10yr FHLB Term	4.53%	-	-	-	-	-	-

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