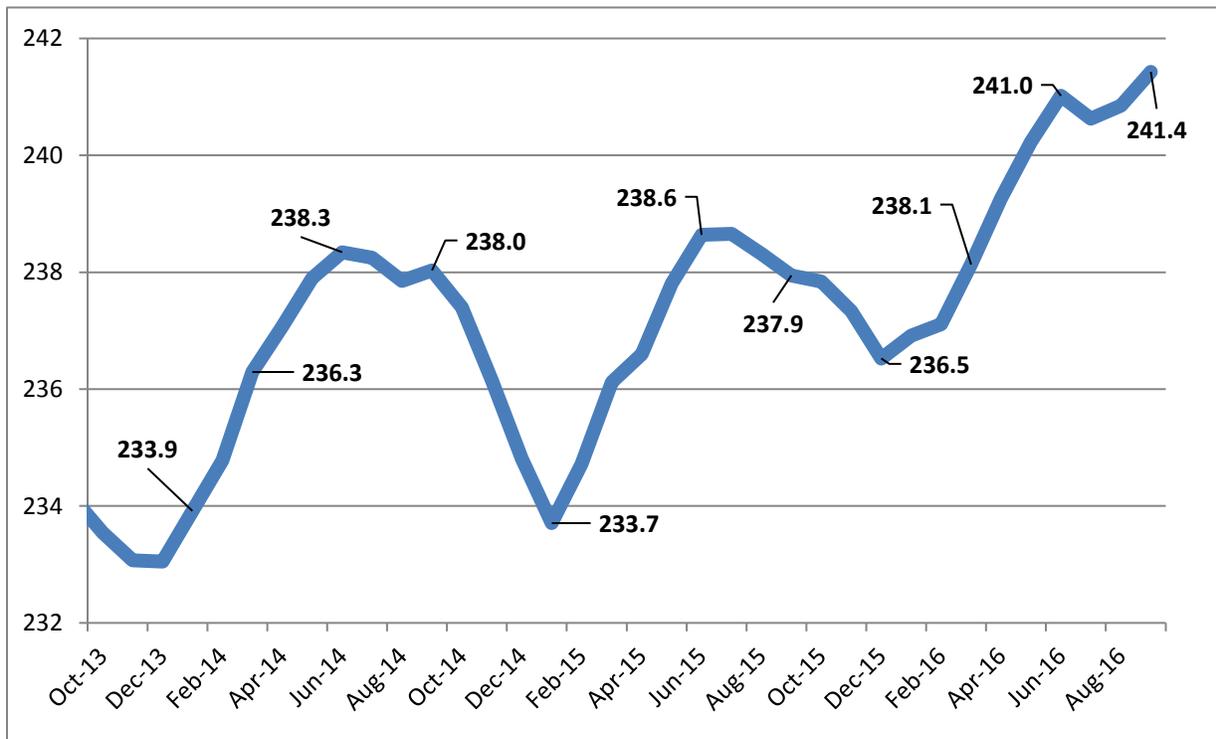


Executive Summary

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by American consumers for goods and services. The Consumer Price Index is measured by the U.S. Bureau of Labor and Statistics and reported monthly and is often used as a measure for cost of living and economic conditions. The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments.

The 3rd Quarter average Consumer Price Index (US City Average) increased to 241.0. The quarterly CPI average has been trending up since the 4th Quarter of 2015, when it reached the 237.2 level. This September, the CPI for all U.S. Urban Consumers increased by 0.2%, before seasonal adjustment; this was a rebound after a 0.2% drop in July. The yearly levels keep trending upwards: this September the nationwide CPI levels were approximately 1.5% higher than September 2015. Inflation is expected to rise to 2% over the medium term as the transitory effects of past declines in energy and import prices dissipate and the labor market strengthens further. Near-term risks to the economic outlook appear roughly balanced.

U.S. Consumer Price Index September 2013 – September 2016



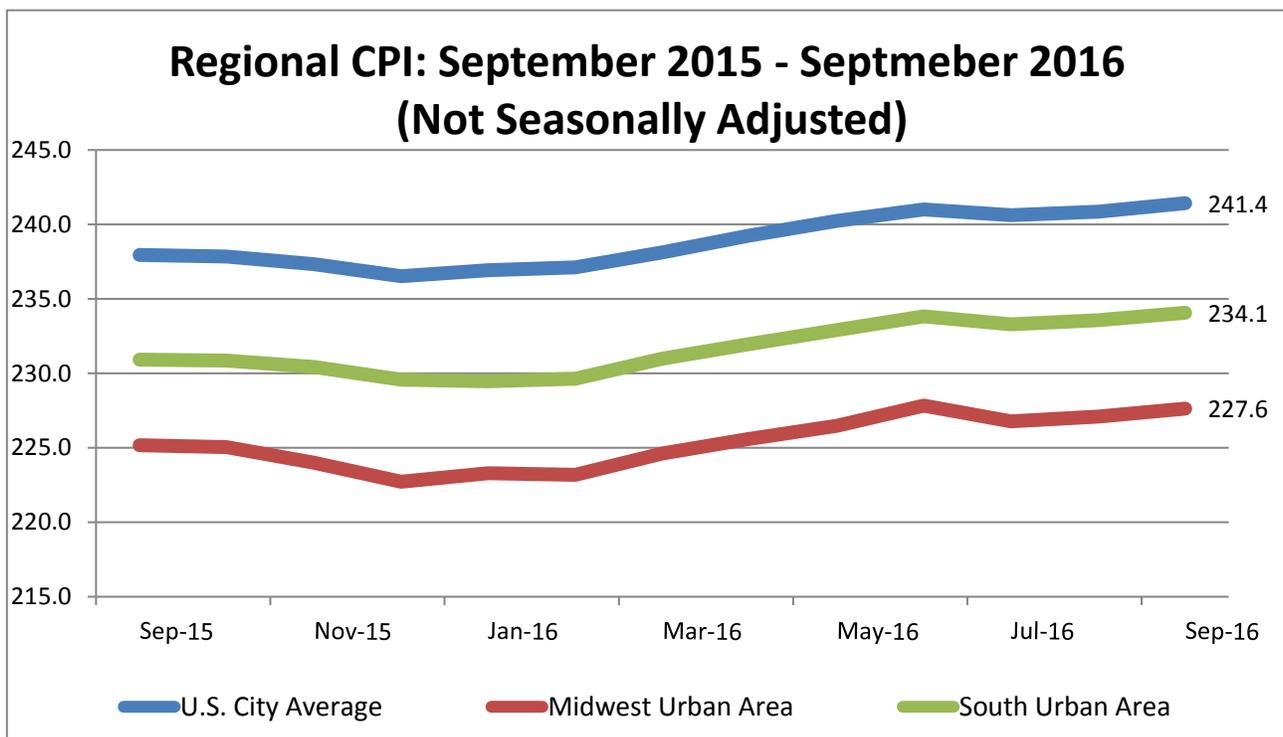
U.S. City Average Not Seasonally Adjusted – September 2016 – 241.428

Regional Consumer Price Index

Oklahoma is the most northwestern state in the Southern region, as defined by the Bureau of Labor Statistics. Oklahoma shares many characteristics with the Midwest region, given that it is in such close proximity. The South region is comprised of: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. The Midwest region is comprised of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

The Midwest and the South Urban Areas' CPI increased: by 1.14% and 1.37% respectively over the 12 month period. This is a welcome relief from the deflationary pressures mainly from energy prices that affected states in the Midwest and South regions. Energy prices remain low but show signs of bottoming out from the downward spiral in prices.

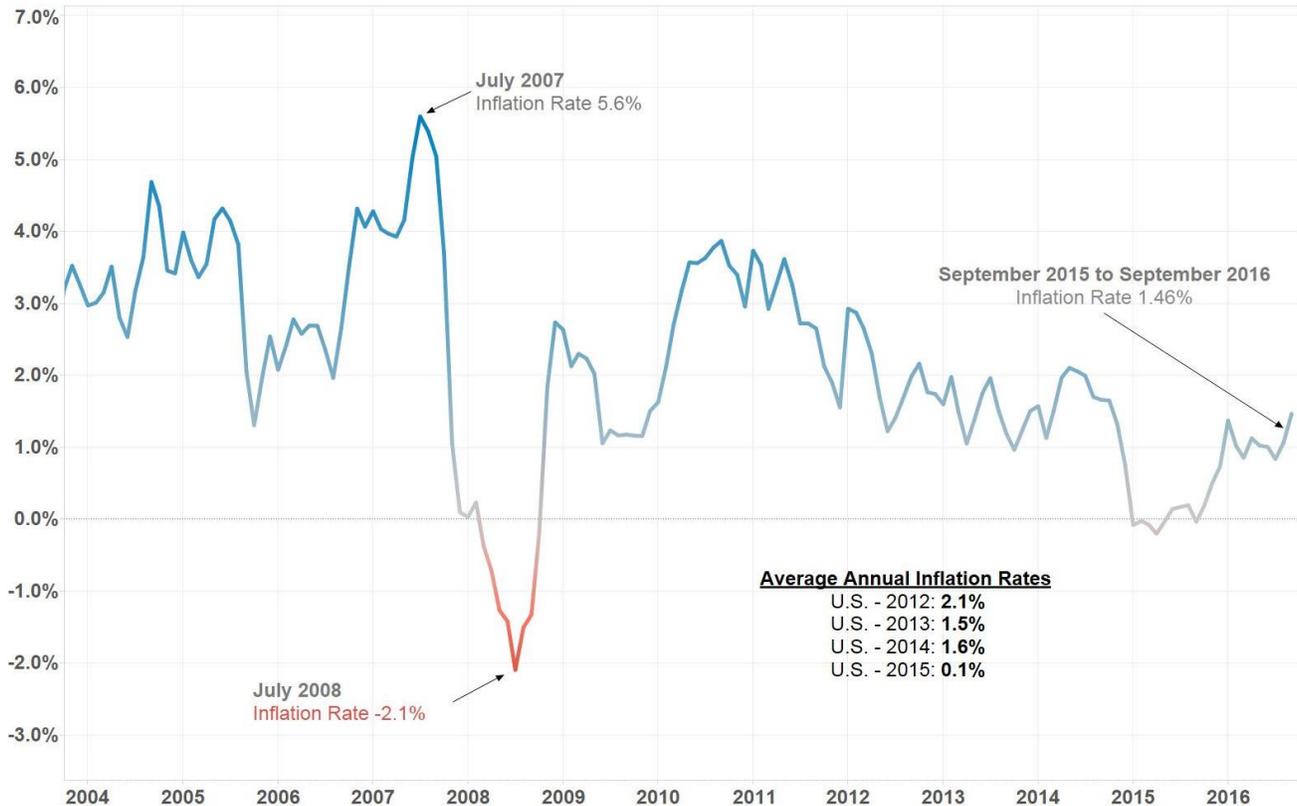
The graph below shows a 12 month moving average for the U.S., as well as the South and Midwest Regions.



12 Month Moving Average: **U.S.** – 238.9, **Midwest Urban Area** – 225.4, **South Urban Area** – 231.7

Inflation Rate (Month over Month)

The inflation rate is a measure of the rise in the general price levels of goods and services over a period of time. The chief measure of price inflation is the percentage change in the Consumer Price Index.



Observations: Oil price reductions led to considerable deflation between Q3 2014 and Q4 2015. The second quarter of 2015 was the first quarter to see a significant rebound in terms of aggregate price inflation (on a month over month basis). Fuel & energy commodities measured by Consumer Price Index (CPI) have been the impetus for the decline in prices domestically. The price of gasoline was significantly reduced in Q4 2014 and Q1 2015 in the United States due to large oil supply expansions from the U.S. shale boom and overall supply glut. Additional exogenous factors in the energy sector on a global scale catalyzed domestic deflation from previous levels on a month to month basis.

The data reflected in this report indicate that the labor market has continued to strengthen and growth of economic activity has picked up from the modest pace seen in the first half of this year.

For most of the year the inflation was over the 1% mark, except for March (when it dropped to 0.85%), and July (when it dropped to 0.83%). But it remains below the Federal Open Market Committee's objective of 2%, partly reflecting earlier declines in energy prices and in prices of non-energy imports.

Methodology: The graph above illustrates month over month inflation levels using the U.S. City Average measure of the CPI. For example, the September 2016 inflation level of 1.46% was calculated by comparing CPI of the preceding September (2015) to the September 2016 figure.

Consumer Price Index - All Urban Consumers - Not Seasonally Adjusted- All Items (CPI-U)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Average YTD	Inflation Rate YOY
2004	185.2	186.2	187.4	188.0	189.1	189.7	189.4	189.5	189.9	190.9	191.0	190.3	188.9	2.7%
2005	190.7	191.8	193.3	194.6	194.4	194.5	195.4	196.4	198.8	199.2	197.6	196.8	195.3	3.4%
2006	198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	3.2%
2007	202.4	203.5	205.4	206.7	207.9	208.4	208.3	207.9	208.5	208.9	210.2	210.0	207.3	2.9%
2008	211.1	211.7	213.5	214.8	216.6	218.8	220.0	219.1	218.8	216.6	212.4	210.2	215.3	3.8%
2009	211.1	212.2	212.7	213.2	213.9	215.7	215.4	215.8	216.0	216.2	216.3	215.9	214.5	-0.4%
2010	216.7	216.7	217.6	218.0	218.2	218.0	218.0	218.3	218.4	218.7	218.8	219.2	218.1	1.6%
2011	220.2	221.3	223.5	224.9	226.0	225.7	225.9	226.5	226.9	226.4	226.2	225.7	224.9	3.2%
2012	226.7	227.7	229.4	230.1	229.8	229.5	229.1	230.4	231.4	231.3	230.2	229.6	229.6	2.1%
2013 U.S. City Average	230.3	232.2	232.8	232.5	232.9	233.5	233.6	233.9	234.1	233.5	233.1	233.0	233.0	1.5%
2013 Midwest Urban Area	219.3	221.6	222.1	221.9	223.0	223.8	222.9	223.0	223.3	222.2	221.7	221.2	222.2	1.4%
2013 South Urban Area	223.9	225.9	226.6	226.2	226.3	227.1	227.5	227.8	227.9	227.4	226.8	227.1	226.7	1.6%
2014 U.S. City Average	233.9	234.8	236.3	237.1	237.9	238.3	238.3	237.9	238.0	237.4	236.2	234.8	236.7	1.6%
2014 Midwest Urban Area	222.2	223.5	225.5	226.2	226.6	227.6	227.0	226.6	226.9	225.8	224.4	222.8	225.4	1.5%
2014 South Urban Area	227.7	228.7	230.1	231.3	231.8	232.3	232.0	231.6	231.8	231.1	229.8	228.5	230.5	1.7%
2015 U.S. City Average	233.7	234.7	236.1	236.6	237.8	238.6	238.7	238.3	237.9	237.8	237.3	236.5	237.0	0.1%
2015 Midwest Urban Area	221.5	222.3	223.6	223.8	224.7	225.9	225.9	225.8	225.2	225.1	224.0	222.7	224.2	-0.5%
2015 South Urban Area	226.9	227.9	229.3	230.0	230.9	232.0	231.7	231.3	230.9	230.9	230.4	229.6	230.1	-0.2%
2016 U.S. City Average	236.9	237.1	238.1	239.3	240.2	241.0	240.6	240.9	241.4					
2016 Midwest Urban Area	223.3	223.2	224.6	225.6	226.5	227.8	226.8	227.1	227.6					
2016 South Urban Area	229.5	229.6	231.0	232.0	232.9	233.8	233.3	233.5	234.1					

The table above, All Items Consumer Price Index for All Urban Consumers (CPI-U) is the Bureau of Labor Statistics' broadest and most comprehensive index. The base index year is 1982-1984 = 100. Source: U.S. Bureau of Labor Statistics, www.bls.gov/data