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FOR IMMEDIATE RELEASE:

Office of Finance Announces Second Quarter 2023 Combined Operating Highlights for the Federal Home Loan Banks

The second quarter 2023 combined operating highlights are prepared from the preliminary unaudited financial information of each Federal Home Loan Bank (FHLBank) and are subject to change. The combined and individual FHLBank statement of condition and statement of income highlights are attached as Tables I and II. Each of the FHLBanks has released its unaudited financial results for the period ended June 30, 2023, and filed a Form 8-K with the U.S. Securities and Exchange Commission.

Combined Highlights

Net income was \$1,839 million and \$3,349 million for the three and six months ended June 30, 2023, increases of 203% and 202% compared to the three and six months ended June 30, 2022. As of June 30, 2023, total assets were \$1,421.8 billion, an increase of 14%, total liabilities were \$1,348.4 billion, an increase of 14%, and total GAAP capital was \$73.4 billion, an increase of 8%, compared to December 31, 2022.

During March 2023, member demand for advances accelerated in response to the stress placed on the banking industry and financial markets resulting from the financial difficulties experienced by some depository institutions. During the second quarter of 2023, member demand moderated as market liquidity began to normalize and as of June 30, 2023 advances and consolidated obligations decreased \$162.6 billion and \$138.1 billion compared to March 31, 2023, but remained above the levels at December 31, 2022.

Combined Financial Condition

<i>(Dollars in millions)</i>	June 30, 2023	December 31, 2022	Change
Assets			
Cash and due from banks	\$ 2,435	\$ 417	\$ 2,018
Investments, net	469,504	363,812	105,692
Advances	882,057	819,121	62,936
Mortgage loans held for portfolio, net	57,607	56,048	1,559
Other assets, net	10,214	7,849	2,365
Total assets	\$ 1,421,817	\$ 1,247,247	\$ 174,570
Liabilities			
Consolidated obligations			
Discount notes	\$ 365,472	\$ 466,049	\$ (100,577)
Bonds	955,516	695,381	260,135
Total consolidated obligations	1,320,988	1,161,430	159,558
Mandatorily redeemable capital stock	1,538	708	830
Other liabilities	25,851	17,302	8,549
Total liabilities	1,348,377	1,179,440	168,937
Capital			
Capital stock	47,570	44,006	3,564
Retained earnings	26,427	24,554	1,873
Accumulated other comprehensive income (loss)	(557)	(753)	196
Total capital (GAAP)	73,440	67,807	5,633
Total liabilities and capital	\$ 1,421,817	\$ 1,247,247	\$ 174,570
Combined regulatory capital	\$ 75,535	\$ 69,268	\$ 6,267
GAAP capital-to-assets ratio	5.17 %	5.44 %	(0.27)%
Regulatory capital-to-assets ratio	5.31 %	5.55 %	(0.24)%



The FHLBanks' assets and liabilities expand and contract as the needs of member financial institutions and their communities change over time. As of June 30, 2023, total assets increased 14%, total liabilities increased 14%, and total GAAP capital increased 8%, compared to December 31, 2022.

- Advances totaled \$882.1 billion at June 30, 2023, an increase of 8% resulting primarily from an increase in fixed-rate advances, driven principally by demand from depository institutions for liquidity.
- Investments were \$469.5 billion at June 30, 2023, an increase of 29% as the FHLBanks grew their investment portfolios to increase liquidity to continue to meet the credit needs of members.
- Mortgage loans held for portfolio were \$57.6 billion at June 30, 2023, an increase of 3% as mortgage loan purchase volume outpaced repayments.
- Consolidated obligations totaled \$1,321.0 billion at June 30, 2023, an increase of 14% in line with the increase in total assets and consisting of an increase of 37% in consolidated bonds, partially offset by a decrease of 22% in consolidated discount notes.
- Capital stock was \$47.6 billion at June 30, 2023, an increase of 8% due principally to the net issuance of activity-based capital stock, driven by the increase in advances.
- Retained earnings grew to \$26.4 billion at June 30, 2023, an increase of 8% resulting principally from net income of \$3,349 million, partially offset by dividends of \$1,476 million.

Combined Results of Operations

<i>(Dollars in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	Change	2023	2022	Change
Interest income						
Advances	\$ 13,663	1,411	\$ 12,252	\$ 24,471	\$ 2,045	\$ 22,426
Investments	6,034	1,044	4,990	10,674	1,643	9,031
Mortgage loans held for portfolio	453	397	56	894	779	115
Other interest income	1	1	—	1	1	—
Total interest income	20,151	2,853	17,298	36,040	4,468	31,572
Interest expense						
Consolidated obligations - Discount notes	5,679	629	5,050	10,983	716	10,267
Consolidated obligations - Bonds	11,926	1,121	10,805	20,357	1,670	18,687
Other interest expense	174	25	149	309	32	277
Total interest expense	17,779	1,775	16,004	31,649	2,418	29,231
Net interest income	2,372	1,078	1,294	4,391	2,050	2,341
Provision (reversal) for credit losses	8	6	2	8	6	2
Net interest income after provision (reversal) for credit losses	2,364	1,072	1,292	4,383	2,044	2,339
Non-interest income (loss)						
Net gains (losses) on investment securities	(140)	(253)	113	44	(733)	777
Net gains (losses) on financial instruments held under fair value option	79	144	(65)	(69)	216	(285)
Net gains (losses) on derivatives	107	62	45	39	345	(306)
Other non-interest income (loss)	60	14	46	160	77	83
Total non-interest income (loss)	106	(33)	139	174	(95)	269
Non-interest expense	426	363	63	834	715	119
Affordable Housing Program assessments	205	69	136	374	125	249
Net income	\$ 1,839	\$ 607	\$ 1,232	\$ 3,349	\$ 1,109	\$ 2,240
Net interest margin	0.61 %	0.50 %	0.11 %	0.61 %	0.51 %	0.10 %



Net income was \$1,839 million and \$3,349 million for the three and six months ended June 30, 2023, increases of 203% and 202% compared to the three and six months ended June 30, 2022, resulting primarily from higher net interest income.

Net interest income was \$2,372 million and \$4,391 million for the three and six months ended June 30, 2023, increases of 120% and 114% compared to the three and six months ended June 30, 2022. Net interest margin was 0.61% for both the three and six months ended June 30, 2023, increases of 11 and 10 basis points compared to the three and six months ended June 30, 2022.

- Interest income was \$20,151 million and \$36,040 million for the three and six months ended June 30, 2023, increases of \$17,298 million and \$31,572 million compared to the three and six months ended June 30, 2022, driven primarily by increases in the average yields on interest-earning assets. The average yields on interest-earning assets were 5.19% and 4.98% for the three and six months ended June 30, 2023, compared to 1.33% and 1.12% for the three and six months ended June 30, 2022. Although significantly higher interest rates were the primary factor affecting interest income, the higher average balances of advances were also a contributing factor. The average balances of advances were \$1,035.0 billion and \$969.4 billion for the three and six months ended June 30, 2023, increases of 113% and 120% compared to the three and six months ended June 30, 2022.
- Interest expense was \$17,779 million and \$31,649 million for the three and six months ended June 30, 2023, increases of \$16,004 million and \$29,231 million compared to the three and six months ended June 30, 2022, driven primarily by the higher average rates on consolidated obligations. The average rates on consolidated obligations were 4.87% and 4.66% for the three and six months ended June 30, 2023, compared to 0.89% and 0.66% for the three and six months ended June 30, 2022. Although significantly higher interest rates were the primary factor affecting interest expense, the higher average balances of consolidated obligations were also a contributing factor. The average balances of consolidated obligations were \$1,451.2 billion and \$1,357.5 billion for the three and six months ended June 30, 2023, increases of 85% in both periods compared to the three and six months ended June 30, 2022.

Non-interest income was a gain of \$106 million and a gain of \$174 million for the three and six months ended June 30, 2023, resulting primarily from changes in the fair value of investment securities, derivatives, and financial instruments held under fair value option, driven by changes in interest rates. Non-interest income was a loss of \$33 million and a loss of \$95 million for the three and six months ended June 30, 2022.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were \$205 million and \$374 million for the three and six months ended June 30, 2023, increases of 197% and 199% compared to the three and six months ended June 30, 2022.



About the FHLBanks

The FHLBanks, as member-owned cooperative institutions, provide financial products and services to their members and housing associates that assist and enhance the financing of housing and community lending. In addition, the FHLBanks support community development through affordable housing and community investment. Each FHLBank is privately capitalized and independently managed.

The FHLBanks have delivered innovation and service to the U.S. housing market since 1932, and currently have approximately 6,500 members serving all 50 states, the District of Columbia, and U.S. territories. Please contact Tom Heinle at 703-467-3646 or theinle@fhlb-of.com for additional information.

Statements contained in this release, including statements describing the objectives, projections, estimates, or future predictions of the FHLBanks and the Office of Finance, may be "forward-looking statements." These statements may use forward-looking terminology, such as "anticipates," "believes," "could," "estimates," "expects," "may," "should," "will," "would," or their negatives or other variations on these terms. Investors should note that forward-looking statements, by their nature, involve risks or uncertainties. Therefore, the actual results could differ materially from those expressed or implied in these forward-looking statements or could affect the extent to which a particular objective, projection, estimate, or prediction is realized. These forward-looking statements involve risks and uncertainties including, but not limited to, the following: changes in the general economy; changes in interest rates and housing prices; size and volatility of the residential mortgage market; disruptions in the credit and debt markets and the effect on the FHLBanks' funding costs, sources, and availability; levels and volatility of market prices, rates, and indices that could affect the value of investments or collateral held by the FHLBanks as security; monetary and fiscal policies; widespread health emergencies; geopolitical instability or conflicts; demand for FHLBank advances; competitive forces, including other sources of funding available to FHLBank members; and changes in investor demand for consolidated obligations. Investors are encouraged to consider these and other risks and uncertainties that are discussed in periodic combined financial reports posted on the Office of Finance website, www.fhlb-of.com, and in reports filed by each FHLBank with the U. S. Securities and Exchange Commission. Any duty to update these forward-looking statements is disclaimed.



FHLBanks Office of Finance
Table I - Statement of Condition Highlights

Unaudited

	Combined ⁽¹⁾		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<i>(Dollars in millions)</i>												
Cash and due from banks	\$ 2,435	\$ 417	\$ 250	\$ 8	\$ 45	\$ 27	\$ 16	\$ 13	\$ 1,890	\$ 141	\$ 20	\$ 20
Investments, net	469,504	363,812	19,120	17,919	59,718	39,021	23,233	22,082	58,429	40,902	55,859	33,605
Advances	882,057	819,121	40,246	41,600	108,573	115,293	80,580	68,856	112,380	109,595	86,890	67,019
Mortgage loans held for portfolio, net	57,607	56,048	2,807	2,758	2,139	2,107	4,583	4,591	111	120	6,996	7,163
Other assets	10,214	7,849	859	613	933	943	927	599	1,446	864	1,364	803
Total assets	\$ 1,421,817	\$ 1,247,247	\$ 63,282	\$ 62,898	\$ 171,408	\$ 157,391	\$ 109,339	\$ 96,141	\$ 174,256	\$ 151,622	\$ 151,129	\$ 108,610
Consolidated obligations												
Discount notes	\$ 365,472	\$ 466,049	\$ 17,461	\$ 26,975	\$ 57,912	\$ 61,793	\$ 19,367	\$ 33,745	\$ 20,999	\$ 39,781	\$ 48,337	\$ 40,691
Bonds	955,516	695,381	40,879	31,566	101,049	85,498	82,526	56,471	141,994	101,729	93,212	59,668
Total consolidated obligations	1,320,988	1,161,430	58,340	58,541	158,961	147,291	101,893	90,216	162,993	141,510	141,549	100,359
Mandatorily redeemable capital stock	1,538	708	5	10	7	5	28	28	—	—	16	17
Other liabilities	25,851	17,302	1,467	932	3,922	1,748	1,778	1,000	3,318	2,466	2,167	1,732
Total liabilities	1,348,377	1,179,440	59,812	59,483	162,890	149,044	103,699	91,244	166,311	143,976	143,732	102,108
Capital stock	47,570	44,006	2,006	2,031	6,362	6,387	3,985	3,428	5,544	5,397	5,849	5,151
Retained earnings	26,427	24,554	1,756	1,690	2,282	2,096	1,706	1,536	2,403	2,283	1,582	1,401
Accumulated other comprehensive income (loss)	(557)	(753)	(292)	(306)	(126)	(136)	(51)	(67)	(2)	(34)	(34)	(50)
Total capital (GAAP)	73,440	67,807	3,470	3,415	8,518	8,347	5,640	4,897	7,945	7,646	7,397	6,502
Total liabilities and capital	\$ 1,421,817	\$ 1,247,247	\$ 63,282	\$ 62,898	\$ 171,408	\$ 157,391	\$ 109,339	\$ 96,141	\$ 174,256	\$ 151,622	\$ 151,129	\$ 108,610
Regulatory capital	\$ 75,535	\$ 69,268	\$ 3,767	\$ 3,732	\$ 8,651	\$ 8,488	\$ 5,720	\$ 4,992	\$ 7,947	\$ 7,680	\$ 7,447	\$ 6,569

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Cash and due from banks	\$ 64	\$ 21	\$ 30	\$ 35	\$ 52	\$ 89	\$ 31	\$ 28	\$ 25	\$ 26	\$ 12	\$ 9
Investments, net	29,018	27,204	45,807	49,647	55,498	43,381	59,509	40,613	20,185	19,261	43,139	30,291
Advances	36,234	36,683	79,569	66,288	114,057	111,202	109,032	68,922	43,958	44,263	70,537	89,400
Mortgage loans held for portfolio, net	7,899	7,687	10,533	10,160	8,909	8,348	4,781	4,395	8,064	7,905	785	815
Other assets	1,055	689	753	723	1,665	1,149	631	391	628	538	404	541
Total assets	\$ 74,270	\$ 72,284	\$ 136,692	\$ 126,853	\$ 180,181	\$ 164,169	\$ 173,984	\$ 114,349	\$ 72,860	\$ 71,993	\$ 114,877	\$ 121,056
Consolidated obligations												
Discount notes	\$ 20,200	\$ 27,387	\$ 43,757	\$ 59,531	\$ 50,443	\$ 69,170	\$ 41,309	\$ 46,270	\$ 20,893	\$ 24,775	\$ 24,795	\$ 35,929
Bonds	48,508	39,882	82,310	58,116	116,810	84,337	121,323	59,946	47,053	42,506	79,855	75,768
Total consolidated obligations	68,708	67,269	126,067	117,647	167,253	153,507	162,632	106,216	67,946	67,281	104,650	111,697
Mandatorily redeemable capital stock	371	373	246	248	13	15	8	7	—	—	843	5
Other liabilities	1,407	1,258	2,125	1,493	3,719	1,896	2,769	2,125	1,018	1,034	2,621	1,631
Total liabilities	70,486	68,900	128,438	119,388	170,985	155,418	165,409	108,348	68,964	68,315	108,114	113,333
Capital stock	2,381	2,123	3,536	2,989	6,449	6,250	6,216	3,984	2,644	2,508	2,600	3,758
Retained earnings	1,413	1,287	4,771	4,564	2,854	2,618	2,140	1,834	1,336	1,254	4,182	3,994
Accumulated other comprehensive income (loss)	(10)	(26)	(53)	(88)	(107)	(117)	219	183	(84)	(84)	(19)	(29)
Total capital (GAAP)	3,784	3,384	8,254	7,465	9,196	8,751	8,575	6,001	3,896	3,678	6,763	7,723
Total liabilities and capital	\$ 74,270	\$ 72,284	\$ 136,692	\$ 126,853	\$ 180,181	\$ 164,169	\$ 173,984	\$ 114,349	\$ 72,860	\$ 71,993	\$ 114,877	\$ 121,056
Regulatory capital	\$ 4,165	\$ 3,782	\$ 8,553	\$ 7,801	\$ 9,316	\$ 8,883	\$ 8,364	\$ 5,826	\$ 3,981	\$ 3,761	\$ 7,625	\$ 7,757

(1) The sum of the individual FHLBank statement of condition amounts may not agree to the combined statement of condition amounts due to combining adjustments.



FHLBanks Office of Finance
Table II - Statement of Income Highlights
Unaudited

Three Months Ended June 30,

<i>(Dollars in millions)</i>	Combined ⁽¹⁾		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net interest income after provision (reversal) for credit losses	\$ 2,364	\$ 1,072	\$ 110	\$ 70	\$ 273	\$ 147	\$ 199	\$ 65	\$ 234	\$ 71	\$ 247	\$ 71
Non-interest income (loss)	106	(33)	4	4	18	(15)	23	—	5	—	37	—
Non-interest expense	426	363	26	28	52	47	27	24	46	41	42	26
Affordable Housing Program assessments	205	69	9	5	24	9	19	4	19	3	24	4
Net income	\$ 1,839	\$ 607	\$ 79	\$ 41	\$ 215	\$ 76	\$ 176	\$ 37	\$ 174	\$ 27	\$ 218	\$ 41

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net interest income after provision (reversal) for credit losses	\$ 123	\$ 63	\$ 254	\$ 154	\$ 336	\$ 124	\$ 285	\$ 102	\$ 120	\$ 84	\$ 178	\$ 123
Non-interest income (loss)	9	(2)	—	5	(17)	25	14	(6)	19	(8)	4	(31)
Non-interest expense	31	25	67	58	41	39	32	23	21	20	48	38
Affordable Housing Program assessments	10	4	20	10	28	11	27	7	12	5	13	6
Net income	\$ 91	\$ 32	\$ 167	\$ 91	\$ 250	\$ 99	\$ 240	\$ 66	\$ 106	\$ 51	\$ 121	\$ 48

Six Months Ended June 30,

<i>(Dollars in millions)</i>	Combined ⁽¹⁾		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net interest income after provision (reversal) for credit losses	\$ 4,383	\$ 2,044	\$ 192	\$ 129	\$ 503	\$ 269	\$ 356	\$ 108	\$ 408	\$ 139	\$ 427	\$ 152
Non-interest income (loss)	174	(95)	8	5	59	(28)	30	—	4	6	26	(37)
Non-interest expense	834	715	49	57	102	93	54	46	82	75	70	52
Affordable Housing Program assessments	374	125	15	8	46	15	33	6	33	7	38	6
Net income	\$ 3,349	\$ 1,109	\$ 136	\$ 69	\$ 414	\$ 133	\$ 299	\$ 56	\$ 297	\$ 63	\$ 345	\$ 57

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net interest income after provision (reversal) for credit losses	\$ 227	\$ 128	\$ 476	\$ 308	\$ 618	\$ 221	\$ 482	\$ 192	\$ 225	\$ 169	\$ 466	\$ 229
Non-interest income (loss)	39	(9)	(4)	15	(32)	25	51	(27)	30	(17)	(22)	(13)
Non-interest expense	62	51	126	116	96	76	72	47	43	40	93	76
Affordable Housing Program assessments	21	7	36	21	49	17	46	11	21	11	35	14
Net income	\$ 183	\$ 61	\$ 310	\$ 186	\$ 441	\$ 153	\$ 415	\$ 107	\$ 191	\$ 101	\$ 316	\$ 126

(1) The sum of the individual FHLBank statement of income amounts may not agree to the combined statement of income amounts due to combining adjustments.