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FOR IMMEDIATE RELEASE:

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

The third 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 September 30, 2023, and filed a Form 8-K with the U.S. Securities and Exchange Commission.

Combined Highlights

Net income was \$1,735 million and \$5,084 million for the three and nine months ended September 30, 2023, increases of 89% and 151% compared to the three and nine months ended September 30, 2022. As of September 30, 2023, total assets were \$1,309.5 billion, an increase of 5%, total liabilities were \$1,238.1 billion, an increase of 5%, and total GAAP capital was \$71.4 billion, an increase of 5%, 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 and third quarters of 2023, member demand moderated as market liquidity normalized and as of September 30, 2023, advances and consolidated obligations decreased \$217.7 billion and \$247.6 billion compared to March 31, 2023, but remained marginally higher than the levels at December 31, 2022.

Combined Financial Condition

<i>(Dollars in millions)</i>	September 30, 2023	December 31, 2022	Change
Assets			
Cash and due from banks	\$ 702	\$ 417	\$ 285
Investments, net	412,306	363,812	48,494
Advances	826,945	819,121	7,824
Mortgage loans held for portfolio, net	59,783	56,048	3,735
Other assets, net	9,753	7,849	1,904
Total assets	\$ 1,309,489	\$ 1,247,247	\$ 62,242
Liabilities			
Consolidated obligations			
Discount notes	\$ 304,971	\$ 466,049	\$ (161,078)
Bonds	906,531	695,381	211,150
Total consolidated obligations	1,211,502	1,161,430	50,072
Mandatorily redeemable capital stock	1,402	708	694
Other liabilities	25,208	17,302	7,906
Total liabilities	1,238,112	1,179,440	58,672
Capital			
Capital stock	45,219	44,006	1,213
Retained earnings	27,192	24,554	2,638
Accumulated other comprehensive income (loss)	(1,034)	(753)	(281)
Total capital (GAAP)	71,377	67,807	3,570
Total liabilities and capital	\$ 1,309,489	\$ 1,247,247	\$ 62,242
Combined regulatory capital	\$ 73,813	\$ 69,268	\$ 4,545
GAAP capital-to-assets ratio	5.45 %	5.44 %	0.01 %
Regulatory capital-to-assets ratio	5.64 %	5.55 %	0.09 %



The FHLBanks' assets and liabilities expand and contract as the needs of member financial institutions and their communities change over time. As of September 30, 2023, total assets increased 5%, total liabilities increased 5%, and total GAAP capital increased 5%, compared to December 31, 2022.

- Advances totaled \$826.9 billion at September 30, 2023, an increase of 1% resulting primarily from an increase in long-term advances partially offset by a decrease in short-term advances.
- Investments were \$412.3 billion at September 30, 2023, an increase of 13% as the FHLBanks grew their investment portfolios largely to maintain liquidity to continue to meet the credit needs of members.
- Mortgage loans held for portfolio were \$59.8 billion at September 30, 2023, an increase of 7% as mortgage loan purchase volume outpaced repayments.
- Consolidated obligations totaled \$1,211.5 billion at September 30, 2023, an increase of 4% in line with the increase in total assets and consisting of an increase of 30% in consolidated bonds, partially offset by a decrease of 35% in consolidated discount notes.
- Capital stock was \$45.2 billion at September 30, 2023, an increase of 3% due principally to the net issuance of activity-based capital stock.
- Retained earnings grew to \$27.2 billion at September 30, 2023, an increase of 11% resulting principally from net income of \$5,084 million, partially offset by dividends of \$2,446 million.

Combined Results of Operations

<i>(Dollars in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
Interest income						
Advances	\$ 12,067	3,705	\$ 8,362	\$ 36,538	\$ 5,750	\$ 30,788
Investments	5,902	2,211	3,691	16,576	3,854	12,722
Mortgage loans held for portfolio	494	411	83	1,388	1,190	198
Other interest income	—	—	—	1	1	—
Total interest income	18,463	6,327	12,136	54,503	10,795	43,708
Interest expense						
Consolidated obligations - Discount notes	4,157	2,164	1,993	15,140	2,880	12,260
Consolidated obligations - Bonds	11,766	2,720	9,046	32,123	4,390	27,733
Other interest expense	210	64	146	519	96	423
Total interest expense	16,133	4,948	11,185	47,782	7,366	40,416
Net interest income	2,330	1,379	951	6,721	3,429	3,292
Provision (reversal) for credit losses	8	13	(5)	16	19	(3)
Net interest income after provision (reversal) for credit losses	2,322	1,366	956	6,705	3,410	3,295
Non-interest income (loss)						
Net gains (losses) on investment securities	(90)	(327)	237	(46)	(1,060)	1,014
Net gains (losses) on financial instruments held under fair value option	(75)	162	(237)	(144)	378	(522)
Net gains (losses) on derivatives	162	141	21	201	486	(285)
Other non-interest income (loss)	41	34	7	201	111	90
Total non-interest income (loss)	38	10	28	212	(85)	297
Non-interest expense	429	356	73	1,263	1,071	192
Affordable Housing Program assessments	196	103	93	570	228	342
Net income	\$ 1,735	\$ 917	\$ 818	\$ 5,084	\$ 2,026	\$ 3,058
Net interest margin	0.69 %	0.54 %	0.15 %	0.63 %	0.52 %	0.11 %



Net income was \$1,735 million and \$5,084 million for the three and nine months ended September 30, 2023, increases of 89% and 151% compared to the three and nine months ended September 30, 2022, resulting primarily from higher net interest income.

Net interest income was \$2,330 million and \$6,721 million for the three and nine months ended September 30, 2023, increases of 69% and 96% compared to the three and nine months ended September 30, 2022. Net interest margin was 0.69% and 0.63% for the three and nine months ended September 30, 2023, increases of 15 and 11 basis points compared to the three and nine months ended September 30, 2022.

- Interest income was \$18,463 million and \$54,503 million for the three and nine months ended September 30, 2023, increases of \$12,136 million and \$43,708 million compared to the three and nine months ended September 30, 2022, driven primarily by increases in the average yields on interest-earning assets. The average yields on interest-earning assets were 5.47% and 5.14% for the three and nine months ended September 30, 2023, compared to 2.47% and 1.65% for the three and nine months ended September 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 \$853.1 billion and \$930.2 billion for the three and nine months ended September 30, 2023, increases of 41% and 87% compared to the three and nine months ended September 30, 2022.
- Interest expense was \$16,133 million and \$47,782 million for the three and nine months ended September 30, 2023, increases of \$11,185 million and \$40,416 million compared to the three and nine months ended September 30, 2022, driven primarily by the higher average rates on consolidated obligations. The average rates on consolidated obligations were 5.11% and 4.80% for the three and nine months ended September 30, 2023, compared to 2.08% and 1.21% for the three and nine months ended September 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 \$1,236.2 billion and \$1,316.7 billion for the three and nine months ended September 30, 2023, increases of 32% and 64% compared to the three and nine months ended September 30, 2022.

Non-interest income was a net gain of \$38 million and a net gain of \$212 million for the three and nine months ended September 30, 2023, resulting primarily from changes in the fair value of derivatives, financial instruments held under fair value option, and investment securities driven by changes in interest rates. Non-interest income was a net gain of \$10 million and a net loss of \$85 million for the three and nine months ended September 30, 2022.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were \$196 million and \$570 million for the three and nine months ended September 30, 2023, increases of 90% and 150% compared to the three and nine months ended September 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	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
<i>(Dollars in millions)</i>												
Cash and due from banks	\$ 702	\$ 417	\$ 319	\$ 8	\$ 47	\$ 27	\$ 20	\$ 13	\$ 43	\$ 141	\$ 21	\$ 20
Investments, net	412,306	363,812	18,736	17,919	39,870	39,021	25,066	22,082	53,839	40,902	40,813	33,605
Advances	826,945	819,121	40,131	41,600	101,488	115,293	76,202	68,856	108,091	109,595	69,786	67,019
Mortgage loans held for portfolio, net	59,783	56,048	2,940	2,758	2,165	2,107	4,664	4,591	107	120	7,076	7,163
Other assets	9,753	7,849	621	613	851	943	985	599	1,301	864	892	803
Total assets	\$ 1,309,489	\$ 1,247,247	\$ 62,747	\$ 62,898	\$ 144,421	\$ 157,391	\$ 106,937	\$ 96,141	\$ 163,381	\$ 151,622	\$ 118,588	\$ 108,610
Consolidated obligations												
Discount notes	\$ 304,971	\$ 466,049	\$ 20,337	\$ 26,975	\$ 36,397	\$ 61,793	\$ 12,520	\$ 33,745	\$ 34,443	\$ 39,781	\$ 24,297	\$ 40,691
Bonds	906,531	695,381	37,364	31,566	96,374	85,498	86,843	56,471	117,092	101,729	86,058	59,668
Total consolidated obligations	1,211,502	1,161,430	57,701	58,541	132,771	147,291	99,363	90,216	151,535	141,510	110,355	100,359
Mandatorily redeemable capital stock	1,402	708	6	10	7	5	28	28	—	—	19	17
Other liabilities	25,208	17,302	1,581	932	3,761	1,748	2,040	1,000	3,227	2,466	2,110	1,732
Total liabilities	1,238,112	1,179,440	59,288	59,483	136,539	149,044	101,431	91,244	154,762	143,976	112,484	102,108
Capital stock	45,219	44,006	2,007	2,031	5,750	6,387	3,841	3,428	6,165	5,397	4,535	5,151
Retained earnings	27,192	24,554	1,779	1,690	2,321	2,096	1,781	1,536	2,454	2,283	1,619	1,401
Accumulated other comprehensive income (loss)	(1,034)	(753)	(327)	(306)	(189)	(136)	(116)	(67)	—	(34)	(50)	(50)
Total capital (GAAP)	71,377	67,807	3,459	3,415	7,882	8,347	5,506	4,897	8,619	7,646	6,104	6,502
Total liabilities and capital	\$ 1,309,489	\$ 1,247,247	\$ 62,747	\$ 62,898	\$ 144,421	\$ 157,391	\$ 106,937	\$ 96,141	\$ 163,381	\$ 151,622	\$ 118,588	\$ 108,610
Regulatory capital	\$ 73,813	\$ 69,268	\$ 3,792	\$ 3,732	\$ 8,079	\$ 8,488	\$ 5,650	\$ 4,992	\$ 8,620	\$ 7,680	\$ 6,173	\$ 6,569

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Cash and due from banks	\$ 56	\$ 21	\$ 38	\$ 35	\$ 84	\$ 89	\$ 36	\$ 28	\$ 27	\$ 26	\$ 10	\$ 9
Investments, net	27,122	27,204	49,294	49,647	56,667	43,381	50,708	40,613	19,967	19,261	30,235	30,291
Advances	34,782	36,683	74,963	66,288	122,258	111,202	91,338	68,922	44,322	44,263	63,584	89,400
Mortgage loans held for portfolio, net	8,261	7,687	11,064	10,160	9,546	8,348	4,982	4,395	8,207	7,905	770	815
Other assets	820	689	886	723	2,113	1,149	550	391	613	538	422	541
Total assets	\$ 71,041	\$ 72,284	\$ 136,245	\$ 126,853	\$ 190,668	\$ 164,169	\$ 147,614	\$ 114,349	\$ 73,136	\$ 71,993	\$ 95,021	\$ 121,056
Consolidated obligations												
Discount notes	\$ 17,458	\$ 27,387	\$ 42,088	\$ 59,531	\$ 64,315	\$ 69,170	\$ 20,931	\$ 46,270	\$ 17,893	\$ 24,775	\$ 14,293	\$ 35,929
Bonds	47,895	39,882	83,830	58,116	113,766	84,337	116,303	59,946	50,098	42,506	70,907	75,768
Total consolidated obligations	65,353	67,269	125,918	117,647	178,081	153,507	137,234	106,216	67,991	67,281	85,200	111,697
Mandatorily redeemable capital stock	368	373	185	248	12	15	1	7	—	—	776	5
Other liabilities	1,650	1,258	1,826	1,493	2,965	1,896	2,710	2,125	1,253	1,034	2,393	1,631
Total liabilities	67,371	68,900	127,929	119,388	181,058	155,418	139,945	108,348	69,244	68,315	88,369	113,333
Capital stock	2,227	2,123	3,544	2,989	6,811	6,250	5,204	3,984	2,649	2,508	2,485	3,758
Retained earnings	1,470	1,287	4,884	4,564	3,005	2,618	2,289	1,834	1,372	1,254	4,222	3,994
Accumulated other comprehensive income (loss)	(27)	(26)	(112)	(88)	(206)	(117)	176	183	(129)	(84)	(55)	(29)
Total capital (GAAP)	3,670	3,384	8,316	7,465	9,610	8,751	7,669	6,001	3,892	3,678	6,652	7,723
Total liabilities and capital	\$ 71,041	\$ 72,284	\$ 136,245	\$ 126,853	\$ 190,668	\$ 164,169	\$ 147,614	\$ 114,349	\$ 73,136	\$ 71,993	\$ 95,021	\$ 121,056
Regulatory capital	\$ 4,064	\$ 3,782	\$ 8,613	\$ 7,801	\$ 9,828	\$ 8,883	\$ 7,494	\$ 5,826	\$ 4,021	\$ 3,761	\$ 7,483	\$ 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 September 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	\$ 2,322	\$ 1,366	\$ 104	\$ 83	\$ 242	\$ 169	\$ 186	\$ 105	\$ 240	\$ 81	\$ 222	\$ 142
Non-interest income (loss)	38	10	2	4	12	24	14	4	(2)	1	(5)	(14)
Non-interest expense	429	356	28	21	52	49	26	25	40	30	28	26
Affordable Housing Program assessments	196	103	8	6	20	14	18	9	20	5	19	11
Net income	\$ 1,735	\$ 917	\$ 70	\$ 60	\$ 182	\$ 130	\$ 156	\$ 75	\$ 178	\$ 47	\$ 170	\$ 91

	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	\$ 128	\$ 72	\$ 297	\$ 141	\$ 340	\$ 197	\$ 285	\$ 136	\$ 116	\$ 95	\$ 164	\$ 148
Non-interest income (loss)	—	7	(16)	27	3	(12)	20	(6)	12	(1)	7	(18)
Non-interest expense	26	28	78	62	48	39	30	25	26	19	55	41
Affordable Housing Program assessments	11	5	20	11	30	15	28	11	10	8	13	9
Net income	\$ 91	\$ 46	\$ 183	\$ 95	\$ 265	\$ 131	\$ 247	\$ 94	\$ 92	\$ 67	\$ 103	\$ 80

Nine Months Ended September 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	\$ 6,705	\$ 3,410	\$ 296	\$ 212	\$ 745	\$ 438	\$ 542	\$ 213	\$ 648	\$ 220	\$ 649	\$ 294
Non-interest income (loss)	212	(85)	10	9	71	(4)	44	4	2	7	21	(51)
Non-interest expense	1,263	1,071	77	78	154	142	80	71	122	105	98	78
Affordable Housing Program assessments	570	228	23	14	66	29	51	15	53	12	57	17
Net income	\$ 5,084	\$ 2,026	\$ 206	\$ 129	\$ 596	\$ 263	\$ 455	\$ 131	\$ 475	\$ 110	\$ 515	\$ 148

	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	\$ 355	\$ 200	\$ 773	\$ 449	\$ 958	\$ 418	\$ 767	\$ 328	\$ 341	\$ 264	\$ 630	\$ 377
Non-interest income (loss)	39	(2)	(20)	42	(29)	13	71	(33)	42	(18)	(15)	(31)
Non-interest expense	88	79	204	178	144	115	102	72	69	59	148	117
Affordable Housing Program assessments	32	12	56	32	79	32	74	22	31	19	48	23
Net income	\$ 274	\$ 107	\$ 493	\$ 281	\$ 706	\$ 284	\$ 662	\$ 201	\$ 283	\$ 168	\$ 419	\$ 206

(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.