



December 6, 2018

FOR IMMEDIATE RELEASE:

FHLBanks Price SOFR-Linked Bonds

The Office of Finance announced today that the Federal Home Loan Banks (FHLBanks) have priced their second set of bonds linked to the Secured Overnight Financing Rate (SOFR), which has been identified by the Federal Reserve’s Alternative Reference Rates Committee as its recommended alternative to U.S. Dollar LIBOR.

“The FHLBanks are significant providers of LIBOR-linked advances to nearly 7,000 members across the country, and will play a key role in the transition from LIBOR to SOFR,” stated Mike Wilson, President and CEO of the Federal Home Loan Bank of Des Moines. “Our commitment to the issuance of SOFR-linked securities will strengthen our ability to provide reliable liquidity to our members in support of housing finance and community investment.”

Today’s SOFR offering was led by Citigroup Global Markets Inc., J.P. Morgan Securities LLC, and TD Securities (USA) LLC, with CastleOak Securities, L.P. acting as co-manager. The two-tranche \$3.6 billion transaction is scheduled to settle on December 10, 2018.

“We are pleased with the continued SOFR market development and broad investor participation in our initial transactions,” said John Gerli, Chief Capital Markets Officer of the Office of Finance. “Through a program of regular issuance, we believe that we will support further liquidity in SOFR products, and contribute to a broader acceptance of this index across multiple markets.”

Pricing and Transaction information:

	9-Month	18-Month
CUSIP	3130AFK22	3130AFK30
Pricing Date	12/06/2018	12/06/2018
Settlement Date	12/10/2018	12/10/2018
Maturity Date	9/10/2019	6/10/2020
Principal Amount	\$2.050 B	\$1.550 B
Interest Rate	SOFR + 6 bps	SOFR + 11 bps
Coupon Frequency	Quarterly	Quarterly
Reset Frequency	Daily	Daily
Coupon Lockout	2 U.S Government Securities Business Days	2 U.S Government Securities Business Days
Day Count	Actual/360	Actual/360



Preliminary Investor Distribution:

9-Month	
2a7 Funds	97.1%
Insurance/Pension Funds	0.6%
Investment Advisors/Fund managers	1.3%
State/Local Governments	1.0%

18-Month	
2a7 Funds	94.8%
Investment Advisors/Fund Managers	0.4%
State/Local Government	4.8%

The FHLBanks have delivered innovation and service to the U.S. housing market since 1932, and currently have approximately 6,900 members serving all 50 states, the District of Columbia and U.S. territories. Please contact Nancy Nowalk at 703-467-3608 or nnowalk@fhlb-of.com for additional information.

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities of the FHLBanks; nor shall there be any sale of these securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful. Any investment decision as to any purchase of securities referred to in this press release must be made solely on the basis of information contained in the FHLBanks' Information Memorandum, as amended or supplemented (including the information incorporated by reference therein), and no reliance may be placed on the completeness or accuracy of the information contained in this press release.

Statements contained in this press release may be "forward-looking statements." Forward-looking statements may be identified by words such as "intend," "anticipate," "believe," "could," "estimate," "may," or comparable terminology. Any forward-looking statements are subject to risks and uncertainties related to the future operations of the FHLBanks and the business environment. These risks and uncertainties could cause actual results to differ materially from current expectations. These risks and uncertainties include, but are not limited to, the following: changes in interest rates and housing prices; size and volatility of the residential mortgage market; demand for FHLBank advances; volatility of market prices, rates, and indices that could affect the value of investments, including collateral held by the FHLBanks as security; political events, including legislative, regulatory, judicial, or other developments, that affect the FHLBanks, their members, counterparties, underwriters, and/or investors in the consolidated obligations of the FHLBanks; competitive forces, including other sources of funding available to FHLBank members; changes in investor demand for consolidated obligations, including those resulting from changes in credit ratings and/or the terms of derivative transactions; implementation of accounting rules; and the ability to introduce new FHLBank products and services and successfully manage the risks associated with those products and services. Investors are encouraged to consider these and other risks and uncertainties that are discussed in the FHLBanks' Information Memorandum, as amended or supplemented, the FHLBanks' periodic combined financial reports posted on the Office of



Finance web site, www.fhlb-of.com, and reports filed by each FHLBank with the U. S. Securities and Exchange Commission. Any duty to update these forward-looking statements is disclaimed.