July 30, 2021

FOR IMMEDIATE RELEASE:

Office of Finance Announces Second Quarter 2021 Combined Operating Highlights for the Federal Home Loan Banks

The second quarter 2021 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, 2021, and filed a Form 8-K with the U.S. Securities and Exchange Commission (SEC).

Combined Highlights

Net income was $408 million and $909 million for the three and six months ended June 30, 2021, decreases of 40% and 31% compared to the three and six months ended June 30, 2020. As of June 30, 2021, total assets were $738.2 billion, a decrease of 10%, total liabilities were $688.3 billion, a decrease of 11%, and total GAAP capital was $49.9 billion, a decrease of 1%, compared to December 31, 2020.

The financial condition and results of operations of the FHLBanks continued to be affected by developments arising from the global COVID-19 pandemic, in particular the lower interest-rate environment and the reduced demand for advances. The FHLBanks continued to meet their funding needs and be a reliable source of liquidity to their members during the pandemic. The extent to which the COVID-19 pandemic affects the FHLBanks' businesses, financial condition, and results of operations will depend on many factors that remain highly uncertain and difficult to predict.

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Combined Financial Condition

(Dollars in millions)	June 30, 2021	December 31, 2020	Change
Assets			
Cash and due from banks	$ 4,777	$ 25,125	$ (20,348)
Investments, net	302,288	305,865	(3,577)
Advances	370,352	422,639	(52,287)
Mortgage loans held for portfolio, net	56,541	62,842	(6,301)
Other assets, net	4,213	4,269	(56)
Total assets	**$ 738,171**	**$ 820,740**	**$ (82,569)**
Liabilities			
Consolidated obligations			
Discount notes	$ 231,720	$ 274,804	$ (43,084)
Bonds	435,797	473,714	(37,917)
Total consolidated obligations	667,517	748,518	(81,001)
Mandatorily redeemable capital stock	614	772	(158)
Other liabilities	20,169	21,270	(1,101)
Total liabilities	**688,300**	**770,560**	**(82,260)**
Capital			
Capital stock	25,806	27,398	(1,592)
Retained earnings	22,387	21,998	389
Accumulated other comprehensive income (loss)	1,678	784	894
Total capital (GAAP)	**49,871**	**50,180**	**(309)**
Total liabilities and capital	**$ 738,171**	**$ 820,740**	**$ (82,569)**
Regulatory capital	**$ 48,807**	**$ 50,168**	**$ (1,361)**
GAAP capital-to-assets ratio	**6.76 %**	**6.11 %**	**0.65 %**
Regulatory capital-to-assets ratio	**6.61 %**	**6.11 %**	**0.50 %**

The FHLBanks' assets expand and contract as the needs of member financial institutions and their communities change over time. As of June 30, 2021, total assets decreased 10%, total liabilities decreased 11%, and total GAAP capital decreased 1%, compared to December 31, 2020.

- Advances totaled $370.4 billion at June 30, 2021, a decrease of 12%, principally those made to commercial bank members, due primarily to elevated levels of deposits and liquidity in the financial markets, partially offset by an increase in advances to insurance company members.

- Investments were generally flat at June 30, 2021, totaling $302.3 billion.

- Mortgage loans held for portfolio were $56.5 billion at June 30, 2021, a decrease of 10% driven primarily by the high level of prepayments, resulting from the low mortgage interest-rate environment, and reduced mortgage loan purchase volume.

- Consolidated obligations totaled $667.5 billion at June 30, 2021, a decrease of 11% in line with the decrease in total assets and consisting of a 16% decrease in consolidated discount notes and an 8% decrease in consolidated bonds.

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- Capital stock was $25.8 billion at June 30, 2021, a decrease of 6% due to the net repurchases and redemptions of activity-based capital stock, driven primarily by the decrease in advances, and the reclassification of capital stock to mandatorily redeemable capital stock.

- Retained earnings grew to $22.4 billion at June 30, 2021, an increase of 2% resulting principally from net income of $909 million, partially offset by dividends of $520 million.

Combined Results of Operations

	Three Months Ended June 30,			Six Months Ended June 30,		
(Dollars in millions)	2021	2020	Change	2021	2020	Change
Interest income						
Advances	$ 665	$ 1,765	$ (1,100)	$ 1,422	$ 4,657	$ (3,235)
Investments	602	986	(384)	1,293	2,720	(1,427)
Mortgage loans held for portfolio	336	496	(160)	711	1,062	(351)
Other interest income	—	—	—	1	1	—
Total interest income	**1,603**	**3,247**	**(1,644)**	**3,427**	**8,440**	**(5,013)**
Interest expense						
Consolidated obligations - Discount notes	46	652	(606)	131	2,175	(2,044)
Consolidated obligations - Bonds	623	1,332	(709)	1,323	4,042	(2,719)
Other interest expense	7	15	(8)	15	60	(45)
Total interest expense	**676**	**1,999**	**(1,323)**	**1,469**	**6,277**	**(4,808)**
Net interest income	**927**	**1,248**	**(321)**	**1,958**	**2,163**	**(205)**
Provision (reversal) for credit losses	—	8	(8)	(10)	51	(61)
Net interest income after provision (reversal) for credit losses	**927**	**1,240**	**(313)**	**1,968**	**2,112**	**(144)**
Non-interest income (loss)						
Net gains (losses) on investment securities	(119)	(142)	23	(424)	1,032	(1,456)
Net gains (losses) on financial instruments held under fair value option	5	87	(82)	(47)	143	(190)
Net gains (losses) on derivatives	(68)	(97)	29	110	(1,218)	1,328
Gains on litigation settlements, net	—	1	(1)	—	56	(56)
Other non-interest income (loss)	62	72	(10)	116	100	16
Total non-interest income (loss)	**(120)**	**(79)**	**(41)**	**(245)**	**113**	**(358)**
Non-interest expense	353	402	(49)	711	767	(56)
Affordable Housing Program assessments	46	77	(31)	103	149	(46)
Net income	**$ 408**	**$ 682**	**$ (274)**	**$ 909**	**$ 1,309**	**$ (400)**
Net interest margin	**0.49 %**	**0.45 %**	**0.04 %**	**0.51 %**	**0.39 %**	**0.12 %**

Net income was $408 million for the three months ended June 30, 2021, a decrease of 40% compared to the three months ended June 30, 2020, due primarily to a decrease in net interest income after provision (reversal) for credit losses. Net income was $909 million for the six months ended June 30, 2021, a decrease of 31% compared to the six months ended June 30, 2020, resulting primarily from decreases in non-interest income and net interest income after provision (reversal) for credit losses.

Net interest income after provision (reversal) for credit losses was $927 million and $1,968 million for the three and six months ended June 30, 2021, decreases of 25% and 7% compared to the three and six months ended June 30, 2020. Net interest margin was 0.49% and 0.51% for the three and six months ended June 30, 2021, increases of 4 and 12 basis points compared to the three and six months ended June 30, 2020. The increase in

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net interest margin during the six months ended June 30, 2021, was driven primarily by the lower cost of consolidated obligations resulting from the tightening of spreads relative to certain benchmark interest rates during this period, and the lower net interest margin for the six months ended June 30, 2020, driven by several factors associated with the decline in interest rates that occurred in March 2020, during the onset of the COVID-19 pandemic. Both interest income and interest expense were significantly lower for the three and six months ended June 30, 2021, compared to the three and six months ended June 30, 2020, primarily as a result of the low interest-rate environment resulting from the COVID-19 pandemic and the reduced demand for advances due to elevated deposit levels at member institutions and liquidity in the financial markets.

- Interest income was $1,603 million and $3,427 million for the three and six months ended June 30, 2021, decreases of 51% and 59% compared to the three and six months ended June 30, 2020, resulting from decreases in both the average yields on, and the average balances of, interest-earning assets, principally advances. The average yields on interest-earning assets were 0.85% and 0.89% for the three and six months ended June 30, 2021, decreases of 31 and 64 basis points, compared to the three and six months ended June 30, 2020. The average balances of interest-earning assets for the three and six months ended June 30, 2021, decreased 33% and 30% compared to the three and six months ended June 30, 2020.

- Interest expense was $676 million and $1,469 million for the three and six months ended June 30, 2021, decreases of 66% and 77% compared to the three and six months ended June 30, 2020, due to the lower average rates on consolidated obligations, and the lower average balances of consolidated obligations. The average rates on consolidated obligations were 0.39% and 0.41% for the three and six months ended June 30, 2021, decreases of 37 and 79 basis points, compared to the three and six months ended June 30, 2020. The average balances of consolidated obligations for the three and six months ended June 30, 2021, decreased 35% and 32% compared to the three and six months ended June 30, 2020.

Non-interest income was a loss of $120 million and of $245 million for the three and six months ended June 30, 2021, due primarily to changes in the fair value of investment securities, derivatives, and financial instruments held under fair value option resulting primarily from changes in interest rates. Non-interest income was a loss of $79 million and a gain of $113 million for the three and six months ended June 30, 2020.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were $46 million and $103 million for the three and six months ended June 30, 2021, decreases of 40% and 31% compared to the three and six months ended June 30, 2020.

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About the FHLBanks

Each FHLBank manages its operations independently and is responsible for establishing its own accounting and financial reporting policies in accordance with GAAP. The accounting and financial reporting policies and practices of the individual FHLBanks are not always identical because different policies and presentations are permitted under GAAP in certain circumstances within a combined financial statement presentation.

The FHLBanks have delivered innovation and service to the U.S. housing market since 1932, and currently have approximately 6,600 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.

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; changes to, and replacement of, the London Interbank Offered Rate benchmark interest rate, and the use and acceptance of the Secured Overnight Financing Rate; 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; changes in monetary and fiscal policies; changes in liquidity in the financial markets; political events, including legislative, regulatory, judicial, or other developments, that affect the FHLBanks, their members, counterparties, dealers of consolidated obligations, or investors in consolidated obligations; natural disasters, pandemics or other widespread health emergencies, terrorist attacks, civil unrest, or other unanticipated or catastrophic events, including the economic and financial disruptions and uncertainties and significant operational challenges created by the COVID-19 pandemic and related developments; demand for FHLBank advances; competitive forces, including other sources of funding available to FHLBank members; loss of members and repayment of advances made to those members due to institutional failures, changes in the financial health of members or other factors; changes in investor demand for consolidated obligations, including those resulting from changes in credit ratings and/or the terms of derivative transactions; the ability to introduce new FHLBank products and services and successfully manage the risks associated with those products and services; the pace of technological change and the ability to develop, secure, and support technology and information systems to effectively manage the risks, including information security; and the effect of new accounting guidance. 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 web site, 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.

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FHLBanks Office of Finance
Table I - Statement of Condition Highlights
Unaudited

(Dollars in millions)	Combined[1]		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Assets												
Cash and due from banks	$ 4,777	$ 25,125	$ 497	$ 2,050	$ 53	$ 1,896	$ 545	$ 1,036	$ 1,032	$ 2,905	$ 135	$ 2,984
Investments, net	302,288	305,865	16,053	13,342	37,461	39,668	21,033	16,523	30,078	36,380	27,096	27,041
Advances	370,352	422,639	15,177	18,817	79,985	92,067	14,955	24,971	47,075	52,168	23,587	25,362
Mortgage loans held for portfolio, net	56,541	62,842	3,471	3,930	2,526	2,900	4,774	4,886	178	218	7,717	9,549
Other assets	4,213	4,269	486	322	424	465	355	297	541	624	337	360
Total assets	$ 738,171	$ 820,740	$ 35,684	$ 38,461	$ 120,449	$ 136,996	$ 41,662	$ 47,713	$ 78,904	$ 92,295	$ 58,872	$ 65,296
Liabilities												
Consolidated obligations												
Discount notes	$ 231,720	$ 274,804	$ 8,366	$ 12,878	$ 42,173	$ 57,659	$ 15,113	$ 9,510	$ 22,318	$ 25,385	$ 21,180	$ 27,500
Bonds	435,797	473,714	23,475	21,472	69,313	69,716	22,514	33,855	49,030	59,379	31,678	31,997
Total consolidated obligations	667,517	748,518	31,841	34,350	111,486	127,375	37,627	43,365	71,348	84,764	52,858	59,497
Mandatorily redeemable capital stock	614	772	7	6	2	3	63	143	—	—	14	19
Other liabilities	20,169	21,270	1,192	1,323	2,141	2,362	1,255	1,164	2,880	2,271	1,987	1,850
Total liabilities	688,300	770,560	33,040	35,679	113,629	129,740	38,945	44,672	74,228	87,035	54,859	61,366
Capital												
Capital stock	25,806	27,398	1,081	1,268	4,867	5,367	1,203	1,528	2,448	3,078	2,718	2,641
Retained earnings	22,387	21,998	1,515	1,498	1,923	1,909	1,387	1,376	2,240	2,198	1,297	1,304
Accumulated other comprehensive income (loss)	1,678	784	48	16	30	(20)	127	137	(12)	(16)	(2)	(15)
Total capital (GAAP)	49,871	50,180	2,644	2,782	6,820	7,256	2,717	3,041	4,676	5,260	4,013	3,930
Total liabilities and capital	$ 738,171	$ 820,740	$ 35,684	$ 38,461	$ 120,449	$ 136,996	$ 41,662	$ 47,713	$ 78,904	$ 92,295	$ 58,872	$ 65,296
Regulatory capital	$ 48,807	$ 50,168	$ 2,604	$ 2,772	$ 6,793	$ 7,279	$ 2,652	$ 3,047	$ 4,688	$ 5,276	$ 4,029	$ 3,964

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Assets												
Cash and due from banks	$ 1,363	$ 1,812	$ 440	$ 3,541	$ 52	$ 978	$ 189	$ 3,178	$ 419	$ 4,570	$ 53	$ 174
Investments, net	25,594	23,756	40,586	39,649	29,712	31,497	30,152	25,660	16,248	17,252	28,403	35,228
Advances	27,633	31,347	46,270	46,695	45,560	46,530	24,922	32,479	20,996	21,227	24,194	30,976
Mortgage loans held for portfolio, net	7,737	8,516	9,759	10,038	7,545	8,242	3,206	3,423	8,328	9,205	1,301	1,935
Other assets	444	494	439	433	416	444	158	173	319	338	293	321
Total assets	$ 62,771	$ 65,925	$ 97,494	$ 100,356	$ 83,285	$ 87,691	$ 58,627	$ 64,913	$ 46,310	$ 52,592	$ 54,244	$ 68,634
Liabilities												
Consolidated obligations												
Discount notes	$ 14,445	$ 16,617	$ 45,728	$ 48,643	$ 23,098	$ 27,345	$ 11,371	$ 22,171	$ 10,330	$ 10,882	$ 17,598	$ 16,213
Bonds	42,363	43,333	42,922	42,670	52,081	52,254	41,615	37,113	32,088	37,648	28,839	44,408
Total consolidated obligations	56,808	59,950	88,650	91,313	75,179	79,599	52,986	59,284	42,418	48,530	46,437	60,621
Mandatorily redeemable capital stock	233	251	248	279	35	52	7	14	2	2	3	2
Other liabilities	2,147	2,274	1,963	2,475	2,161	2,300	1,842	2,058	1,243	1,392	1,376	1,817
Total liabilities	59,188	62,475	90,861	94,067	77,375	81,951	54,835	61,356	43,663	49,924	47,816	62,440
Capital												
Capital stock	2,234	2,208	2,007	2,010	3,429	3,341	2,093	2,101	1,457	1,574	2,269	2,284
Retained earnings	1,156	1,137	4,139	4,072	2,383	2,351	1,477	1,408	1,097	1,052	3,765	3,680
Accumulated other comprehensive income (loss)	193	105	487	207	98	48	222	48	93	42	394	230
Total capital (GAAP)	3,583	3,450	6,633	6,289	5,910	5,740	3,792	3,557	2,647	2,668	6,428	6,194
Total liabilities and capital	$ 62,771	$ 65,925	$ 97,494	$ 100,356	$ 83,285	$ 87,691	$ 58,627	$ 64,913	$ 46,310	$ 52,592	$ 54,244	$ 68,634
Regulatory capital	$ 3,623	$ 3,596	$ 6,394	$ 6,361	$ 5,847	$ 5,744	$ 3,577	$ 3,523	$ 2,555	$ 2,627	$ 6,037	$ 5,966

(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,

(Dollars in millions)	Combined[1] 2021	Combined[1] 2020	Boston 2021	Boston 2020	New York 2021	New York 2020	Pittsburgh 2021	Pittsburgh 2020	Atlanta 2021	Atlanta 2020	Cincinnati 2021	Cincinnati 2020
Net interest income after provision (reversal) for credit losses	$ 927	$ 1,240	$ 44	$ 39	$ 145	$ 227	$ 40	$ 101	$ 94	$ 90	$ 66	$ 150
Non-interest income (loss)	(120)	(79)	(13)	(17)	(10)	(23)	(4)	—	4	6	(41)	(16)
Non-interest expense	353	402	24	20	52	51	22	34	35	34	25	24
Affordable Housing Program assessments	46	77	1	—	8	15	2	7	7	6	—	11
Net income (loss)	$ 408	$ 682	$ 6	$ 2	$ 75	$ 138	$ 12	$ 60	$ 56	$ 56	$ —	$ 99

	Indianapolis 2021	Indianapolis 2020	Chicago 2021	Chicago 2020	Des Moines 2021	Des Moines 2020	Dallas 2021	Dallas 2020	Topeka 2021	Topeka 2020	San Francisco 2021	San Francisco 2020
Net interest income after provision (reversal) for credit losses	$ 58	$ 68	$ 152	$ 134	$ 90	$ 119	$ 51	$ 110	$ 65	$ 56	$ 127	$ 149
Non-interest income (loss)	(10)	(26)	(10)	9	(1)	15	6	(3)	(9)	(10)	(26)	(9)
Non-interest expense	29	27	55	85	36	39	26	33	19	23	39	43
Affordable Housing Program assessments	2	2	9	6	6	10	3	7	4	3	7	9
Net income (loss)	$ 17	$ 13	$ 78	$ 52	$ 47	$ 85	$ 28	$ 67	$ 33	$ 20	$ 55	$ 88

Six Months Ended June 30,

(Dollars in millions)	Combined[1] 2021	Combined[1] 2020	Boston 2021	Boston 2020	New York 2021	New York 2020	Pittsburgh 2021	Pittsburgh 2020	Atlanta 2021	Atlanta 2020	Cincinnati 2021	Cincinnati 2020
Net interest income after provision (reversal) for credit losses	$ 1,968	$ 2,112	$ 105	$ 70	$ 305	$ 380	$ 98	$ 194	$ 173	$ 175	$ 142	$ 232
Non-interest income (loss)	(245)	113	(29)	21	(43)	(15)	6	(31)	8	99	(73)	15
Non-interest expense	711	767	46	42	99	95	48	55	71	92	48	48
Affordable Housing Program assessments	103	149	3	5	16	27	6	12	11	18	2	20
Net income (loss)	$ 909	$ 1,309	$ 27	$ 44	$ 147	$ 243	$ 50	$ 96	$ 99	$ 164	$ 19	$ 179

	Indianapolis 2021	Indianapolis 2020	Chicago 2021	Chicago 2020	Des Moines 2021	Des Moines 2020	Dallas 2021	Dallas 2020	Topeka 2021	Topeka 2020	San Francisco 2021	San Francisco 2020
Net interest income after provision (reversal) for credit losses	$ 132	$ 131	$ 262	$ 278	$ 201	$ 228	$ 131	$ 155	$ 138	$ 111	$ 291	$ 159
Non-interest income (loss)	(23)	(30)	(23)	11	1	51	4	32	(15)	(33)	(47)	9
Non-interest expense	57	53	116	142	76	82	51	56	37	42	78	79
Affordable Housing Program assessments	5	5	13	15	13	20	8	13	9	4	17	9
Net income (loss)	$ 47	$ 43	$ 110	$ 132	$ 113	$ 177	$ 76	$ 118	$ 77	$ 32	$ 149	$ 80

(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.