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**FOR IMMEDIATE RELEASE:**

**Office of Finance Announces Fourth Quarter and Annual 2022 Combined Operating Highlights for the Federal Home Loan Banks**

The fourth quarter and annual 2022 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 December 31, 2022, and filed a Form 8-K with the U.S. Securities and Exchange Commission.

**Combined Highlights**

Net income was \$1,140 million and \$3,166 million for the three months and year ended December 31, 2022, increases of 162% and 79% compared to the three months and year ended December 31, 2021. As of December 31, 2022, total assets were \$1,247.2 billion, an increase of 72%, total liabilities were \$1,179.4 billion, an increase of 75%, and total GAAP capital was \$67.8 billion, an increase of 38%, compared to December 31, 2021.

**Combined Financial Condition**

<i>(Dollars in millions)</i>	December 31, 2022	December 31, 2021	Change
<b>Assets</b>			
Cash and due from banks	\$ 417	\$ 3,532	\$ (3,115)
Investments, net	363,812	308,471	55,341
Advances	819,121	351,278	467,843
Mortgage loans held for portfolio, net	56,048	55,497	551
Other assets, net	7,849	4,460	3,389
<b>Total assets</b>	<b>\$ 1,247,247</b>	<b>\$ 723,238</b>	<b>\$ 524,009</b>
<b>Liabilities</b>			
Consolidated obligations			
Discount notes	\$ 466,049	\$ 210,897	\$ 255,152
Bonds	695,381	441,024	254,357
Total consolidated obligations	1,161,430	651,921	509,509
Mandatorily redeemable capital stock	708	398	310
Other liabilities	17,302	21,797	(4,495)
<b>Total liabilities</b>	<b>1,179,440</b>	<b>674,116</b>	<b>505,324</b>
<b>Capital</b>			
Capital stock	44,006	25,065	18,941
Retained earnings	24,554	22,760	1,794
Accumulated other comprehensive income (loss)	(753)	1,297	(2,050)
<b>Total capital (GAAP)</b>	<b>67,807</b>	<b>49,122</b>	<b>18,685</b>
<b>Total liabilities and capital</b>	<b>\$ 1,247,247</b>	<b>\$ 723,238</b>	<b>\$ 524,009</b>
<b>Combined regulatory capital</b>	<b>\$ 69,268</b>	<b>\$ 48,223</b>	<b>\$ 21,045</b>
<b>GAAP capital-to-assets ratio</b>	<b>5.44 %</b>	<b>6.79 %</b>	<b>(1.35)%</b>
<b>Regulatory capital-to-assets ratio</b>	<b>5.55 %</b>	<b>6.67 %</b>	<b>(1.12)%</b>



The FHLBanks' assets expand and contract as the needs of member financial institutions and their communities change over time. As of December 31, 2022, total assets increased 72%, total liabilities increased 75%, and total GAAP capital increased 38%, compared to December 31, 2021.

- Advances totaled \$819.1 billion at December 31, 2022, an increase of 133% resulting primarily from an increase in short-term advances, driven by depository member demand for liquidity due to such factors as declining deposit balances, loan growth, and the effects of higher interest rates.
- Investments were \$363.8 billion at December 31, 2022, an increase of 18% as the FHLBanks grew their investment portfolios to maintain liquidity in response to the growth in advances and to continue to meet the credit needs of members.
- Mortgage loans held for portfolio were generally flat at December 31, 2022, totaling \$56.0 billion.
- Consolidated obligations totaled \$1,161.4 billion at December 31, 2022, an increase of 78% in line with the increase in total assets and consisting of an increase of 121% in consolidated discount notes and an increase of 58% in consolidated bonds.
- Capital stock was \$44.0 billion at December 31, 2022, an increase of 76% due principally to the net issuance of activity-based capital stock, driven by the increase in advances.
- Retained earnings grew to \$24.6 billion at December 31, 2022, an increase of 8% resulting principally from net income of \$3,166 million, partially offset by dividends of \$1,372 million.

### Combined Results of Operations

<i>(Dollars in millions)</i>	Three Months Ended December 31,			Year Ended December 31,		
	2022	2021	Change	2022	2021	Change
<b>Interest income</b>						
Advances	\$ 7,507	\$ 610	\$ 6,897	\$ 13,257	\$ 2,634	\$ 10,623
Investments	3,655	542	3,113	7,509	2,408	5,101
Mortgage loans held for portfolio	430	357	73	1,620	1,425	195
Other interest income	1	3	(2)	2	4	(2)
<b>Total interest income</b>	<b>11,593</b>	<b>1,512</b>	<b>10,081</b>	<b>22,388</b>	<b>6,471</b>	<b>15,917</b>
<b>Interest expense</b>						
Consolidated obligations - Discount notes	4,042	49	3,993	6,922	226	6,696
Consolidated obligations - Bonds	5,722	563	5,159	10,112	2,473	7,639
Other interest expense	109	5	104	205	25	180
<b>Total interest expense</b>	<b>9,873</b>	<b>617</b>	<b>9,256</b>	<b>17,239</b>	<b>2,724</b>	<b>14,515</b>
<b>Net interest income</b>	<b>1,720</b>	<b>895</b>	<b>825</b>	<b>5,149</b>	<b>3,747</b>	<b>1,402</b>
Provision (reversal) for credit losses	8	1	7	27	(15)	42
<b>Net interest income after provision (reversal) for credit losses</b>	<b>1,712</b>	<b>894</b>	<b>818</b>	<b>5,122</b>	<b>3,762</b>	<b>1,360</b>
<b>Non-interest income (loss)</b>						
Net gains (losses) on investment securities	81	(150)	231	(979)	(708)	(271)
Net gains (losses) on financial instruments held under fair value option	(112)	(6)	(106)	266	(67)	333
Net gains (losses) on derivatives	(71)	62	(133)	415	195	220
Gains on litigation settlements, net	—	15	(15)	11	15	(4)
Other non-interest income (loss)	63	47	16	163	207	(44)
<b>Total non-interest income (loss)</b>	<b>(39)</b>	<b>(32)</b>	<b>(7)</b>	<b>(124)</b>	<b>(358)</b>	<b>234</b>
Non-interest expense	406	377	29	1,477	1,432	45
Affordable Housing Program assessments	127	50	77	355	201	154
<b>Net income</b>	<b>\$ 1,140</b>	<b>\$ 435</b>	<b>\$ 705</b>	<b>\$ 3,166</b>	<b>\$ 1,771</b>	<b>\$ 1,395</b>
<b>Net interest margin</b>	<b>0.57 %</b>	<b>0.49 %</b>	<b>0.08 %</b>	<b>0.54 %</b>	<b>0.50 %</b>	<b>0.04 %</b>



Net income was \$1,140 million and \$3,166 million for the three months and year ended December 31, 2022, increases of 162% and 79% compared to the three months and year ended December 31, 2021, resulting primarily from higher net interest income.

Net interest income was \$1,720 million and \$5,149 million for the three months and year ended December 31, 2022, increases of 92% and 37% compared to the three months and year ended December 31, 2021. Net interest margin was 0.57% and 0.54% for the three months and year ended December 31, 2022, increases of 8 and 4 basis points compared to the three months and year ended December 31, 2021.

- Interest income was \$11,593 million and \$22,388 million for the three months and year ended December 31, 2022, increases of \$10,081 million and \$15,917 million compared to the three months and year ended December 31, 2021, driven by increases in the average yields on interest-earning assets. The average yields on interest-earning assets were 3.85% and 2.34% for the three months and year ended December 31, 2022, increases of 302 and 148 basis points compared to the three months and year ended December 31, 2021. Although significantly higher interest rates were the primary factor affecting interest income, higher average balances of advances were also a contributing factor. The average balances of advances were \$759.7 billion and \$562.7 billion for the three months and year ended December 31, 2022, increases of 102% and 42% compared to the three months and year ended December 31, 2021.
- Interest expense was \$9,873 million and \$17,239 million for the three months and year ended December 31, 2022, increases of \$9,256 million and \$14,515 million compared to the three months and year ended December 31, 2021, driven by the higher average rates on consolidated obligations. The average rates on consolidated obligations were 3.51% and 1.94% for the three months and year ended December 31, 2022, increases of 314 and 155 basis points compared to the three months and year ended December 31, 2021. The significantly higher interest rates were the primary factor affecting interest expense, and higher average balances of consolidated obligations were also a contributing factor. The average balances of consolidated obligations were \$1,102.5 billion and \$876.5 billion for the three months and year ended December 31, 2022, increases of 68% and 28% compared to the three months and year ended December 31, 2021.

Non-interest income was a loss of \$39 million and a loss of \$124 million for the three months and year ended December 31, 2022, resulting primarily from changes in the fair value of investment securities, derivatives, and financial instruments held under fair value option, driven by increases in interest rates. Non-interest income was a loss of \$32 million and a loss of \$358 million for the three months and year ended December 31, 2021.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were \$127 million and \$355 million for the three months and year ended December 31, 2022, increases of 154% and 77% compared to the three months and year ended December 31, 2021.



### **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](mailto: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; the COVID-19 pandemic or other 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.fhlab-of.com](http://www.fhlab-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 II - Statement of Income Highlights**  
 Unaudited

Three Months Ended December 31,												
<i>(Dollars in millions)</i>	Combined <sup>(1)</sup>		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net interest income after provision (reversal) for credit losses	\$ 1,712	\$ 894	\$ 70	\$ 56	\$ 196	\$ 112	\$ 138	\$ 41	\$ 107	\$ 45	\$ 193	\$ 71
Non-interest income (loss)	(39)	(32)	5	(8)	33	3	7	3	9	3	(52)	(28)
Non-interest expense	406	377	13	20	58	56	39	28	33	40	25	24
Affordable Housing Program assessments	127	50	7	3	17	6	10	2	9	1	12	2
<b>Net income</b>	<b>\$ 1,140</b>	<b>\$ 435</b>	<b>\$ 55</b>	<b>\$ 25</b>	<b>\$ 154</b>	<b>\$ 53</b>	<b>\$ 96</b>	<b>\$ 14</b>	<b>\$ 74</b>	<b>\$ 7</b>	<b>\$ 104</b>	<b>\$ 17</b>
	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net interest income after provision (reversal) for credit losses	\$ 91	\$ 63	\$ 226	\$ 139	\$ 261	\$ 91	\$ 151	\$ 79	\$ 99	\$ 85	\$ 175	\$ 117
Non-interest income (loss)	21	(2)	(10)	13	(53)	3	8	1	4	(10)	—	—
Non-interest expense	34	31	66	54	46	43	30	28	22	23	45	43
Affordable Housing Program assessments	8	3	16	10	16	5	13	5	8	5	13	7
<b>Net income</b>	<b>\$ 70</b>	<b>\$ 27</b>	<b>\$ 134</b>	<b>\$ 88</b>	<b>\$ 146</b>	<b>\$ 46</b>	<b>\$ 116</b>	<b>\$ 47</b>	<b>\$ 73</b>	<b>\$ 47</b>	<b>\$ 117</b>	<b>\$ 67</b>
Year Ended December 31,												
<i>(Dollars in millions)</i>	Combined <sup>(1)</sup>		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net interest income after provision (reversal) for credit losses	\$ 5,122	\$ 3,762	\$ 282	\$ 212	\$ 634	\$ 547	\$ 351	\$ 183	\$ 327	\$ 282	\$ 487	\$ 277
Non-interest income (loss)	(124)	(358)	14	(47)	29	(48)	11	13	16	15	(103)	(138)
Non-interest expense	1,477	1,432	91	88	200	204	110	100	138	149	103	92
Affordable Housing Program assessments	355	201	21	8	46	29	25	10	21	15	29	5
<b>Net income</b>	<b>\$ 3,166</b>	<b>\$ 1,771</b>	<b>\$ 184</b>	<b>\$ 69</b>	<b>\$ 417</b>	<b>\$ 266</b>	<b>\$ 227</b>	<b>\$ 86</b>	<b>\$ 184</b>	<b>\$ 133</b>	<b>\$ 252</b>	<b>\$ 42</b>
	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net interest income after provision (reversal) for credit losses	\$ 291	\$ 252	\$ 675	\$ 541	\$ 679	\$ 381	\$ 479	\$ 277	\$ 363	\$ 299	\$ 552	\$ 528
Non-interest income (loss)	19	(34)	32	(12)	(40)	4	(25)	10	(14)	(42)	(31)	(50)
Non-interest expense	113	113	244	222	161	156	102	105	81	78	162	159
Affordable Housing Program assessments	20	11	48	32	48	23	35	18	27	18	36	32
<b>Net income</b>	<b>\$ 177</b>	<b>\$ 94</b>	<b>\$ 415</b>	<b>\$ 275</b>	<b>\$ 430</b>	<b>\$ 206</b>	<b>\$ 317</b>	<b>\$ 164</b>	<b>\$ 241</b>	<b>\$ 161</b>	<b>\$ 323</b>	<b>\$ 287</b>

(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.