



November 13, 2018

FOR IMMEDIATE RELEASE:

FHLBanks Price First SOFR-Linked Bonds

The Office of Finance announced today that the Federal Home Loan Banks (FHLBanks) have priced their first 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 vast majority of U.S. financial institutions currently use LIBOR as a key benchmark for short-term interest rates, so the transition from LIBOR to SOFR will have an important impact throughout the financial system. Given our position as a leading issuer of LIBOR-linked securities, the FHLBanks intend to play a key role in supporting the transition to this new market index,” said John D. Fisk, CEO of the Office of Finance. “We believe that our participation in the issuance of SOFR-linked securities will help build momentum for a broader acceptance of this new index across multiple markets, and will strengthen the FHLBanks’ ability to provide reliable liquidity to members in support of housing finance and community investment.”

“The FHLBanks are taking an important next step in the continued development of SOFR markets,” said Federal Reserve Vice Chairman for Supervision Randal K. Quarles. “Regular issuance programs of this kind will support further liquidity in and demonstrates the level of demand for SOFR products. I am pleased to see market participants continue to take the lead in the transition away from LIBOR.”

Today’s SOFR offering was led by Barclays Capital Inc., Nomura Securities International Inc., and Wells Fargo Securities, LLC, with Loop Capital Markets LLC and The Williams Capital Group, L.P. acting as co-managers. The two-tranche \$4 billion transaction is scheduled to settle on November 15, 2018.

Pricing and Transaction information:

	6-Month	12-Month
CUSIP	3130AFFV4	3130AFFW2
Pricing Date	11/13/2018	11/13/2018
Settlement Date	11/15/2018	11/15/2018
Maturity Date	5/15/2019	11/15/2019
Principal Amount	\$1.5B	\$2.5B
Interest Rate	SOFR + 4 bps	SOFR + 6.5 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:

6-Month	
2a7 Funds	74.20%
Investment Advisors/Fund managers	5.27%
Insurance/Pension Funds	9.00%
State/Local Governments	6.47%
Other	5.07%

12-Month	
2a7 Funds	90.28%
Investment Advisors/Fund Managers	1.80%
Corporate	1.60%
State/Local Government	4.12%
Central Banks	1.40%
Other	0.80%

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.