October 29, 2021

FOR IMMEDIATE RELEASE:

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

The third 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 September 30, 2021, and filed a Form 8-K with the U.S. Securities and Exchange Commission (SEC).

Combined Highlights

Net income was $427 million and $1,336 million for the three and nine months ended September 30, 2021, decreases of 48% and 37% compared to the three and nine months ended September 30, 2020. As of September 30, 2021, total assets were $712.1 billion, a decrease of 13%, total liabilities were $663.3 billion, a decrease of 14%, and total GAAP capital was $48.8 billion, a decrease of 3%, 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, the elevated levels of liquidity in the financial markets, 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)	September 30, 2021	December 31, 2020	Change
Assets			
Cash and due from banks	$ 6,805	$ 25,125	$ (18,320)
Investments, net	294,696	305,865	(11,169)
Advances	350,041	422,639	(72,598)
Mortgage loans held for portfolio, net	56,101	62,842	(6,741)
Other assets, net	4,446	4,269	177
Total assets	**$ 712,089**	**$ 820,740**	**$ (108,651)**
Liabilities			
Consolidated obligations			
Discount notes	$ 204,424	$ 274,804	$ (70,380)
Bonds	437,414	473,714	(36,300)
Total consolidated obligations	641,838	748,518	(106,680)
Mandatorily redeemable capital stock	391	772	(381)
Other liabilities	21,059	21,270	(211)
Total liabilities	**663,288**	**770,560**	**(107,272)**
Capital			
Capital stock	24,814	27,398	(2,584)
Retained earnings	22,568	21,998	570
Accumulated other comprehensive income (loss)	1,419	784	635
Total capital (GAAP)	**48,801**	**50,180**	**(1,379)**
Total liabilities and capital	**$ 712,089**	**$ 820,740**	**$ (108,651)**
Regulatory capital	**$ 47,773**	**$ 50,168**	**$ (2,395)**
GAAP capital-to-assets ratio	**6.85 %**	**6.11 %**	**0.74 %**
Regulatory capital-to-assets ratio	**6.71 %**	**6.11 %**	**0.60 %**

The FHLBanks' assets expand and contract as the needs of member financial institutions and their communities change over time. As of September 30, 2021, total assets decreased 13%, total liabilities decreased 14%, and total GAAP capital decreased 3%, compared to December 31, 2020.

- Advances totaled $350.0 billion at September 30, 2021, a decrease of 17%, principally attributable to those made to commercial bank members, driven by elevated levels of liquidity in the financial markets and elevated deposits at depository member institutions, partially offset by an increase in advances to insurance company members.

- Investments declined to $294.7 billion at September 30, 2021, a decrease of 4% resulting primarily from a decrease in investment securities, partially offset by an increase in federal funds sold.

- Mortgage loans held for portfolio were $56.1 billion at September 30, 2021, a decrease of 11% driven primarily by prepayments, resulting from the low mortgage interest-rate environment, outpacing mortgage loan purchase volume.

- Consolidated obligations totaled $641.8 billion at September 30, 2021, a decrease of 14% in line with the decrease in total assets and consisting of a 26% decrease in consolidated discount notes and an 8% decrease in consolidated bonds.

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- Capital stock was $24.8 billion at September 30, 2021, a decrease of 9% 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 $22.6 billion at September 30, 2021, an increase of 3% resulting principally from net income of $1,336 million, partially offset by dividends of $766 million.

Combined Results of Operations

	Three Months Ended September 30,			Nine Months Ended September 30,		
(Dollars in millions)	2021	2020	Change	2021	2020	Change
Interest income						
Advances	$ 602	$ 1,099	$ (497)	$ 2,024	$ 5,756	$ (3,732)
Investments	573	808	(235)	1,866	3,528	(1,662)
Mortgage loans held for portfolio	357	418	(61)	1,068	1,480	(412)
Other interest income	—	1	(1)	1	2	(1)
Total interest income	**1,532**	**2,326**	**(794)**	**4,959**	**10,766**	**(5,807)**
Interest expense						
Consolidated obligations - Discount notes	46	236	(190)	177	2,411	(2,234)
Consolidated obligations - Bonds	587	910	(323)	1,910	4,952	(3,042)
Other interest expense	5	13	(8)	20	73	(53)
Total interest expense	**638**	**1,159**	**(521)**	**2,107**	**7,436**	**(5,329)**
Net interest income	**894**	**1,167**	**(273)**	**2,852**	**3,330**	**(478)**
Provision (reversal) for credit losses	(6)	1	(7)	(16)	52	(68)
Net interest income after provision (reversal) for credit losses	**900**	**1,166**	**(266)**	**2,868**	**3,278**	**(410)**
Non-interest income (loss)						
Net gains (losses) on investment securities	(134)	(158)	24	(558)	874	(1,432)
Net gains (losses) on financial instruments held under fair value option	(14)	4	(18)	(61)	147	(208)
Net gains (losses) on derivatives	23	47	(24)	133	(1,171)	1,304
Gains on litigation settlements, net	—	64	(64)	—	120	(120)
Other non-interest income (loss), net	44	151	(107)	160	251	(91)
Total non-interest income (loss)	**(81)**	**108**	**(189)**	**(326)**	**221**	**(547)**
Non-interest expense	344	356	(12)	1,055	1,123	(68)
Affordable Housing Program assessments	48	93	(45)	151	242	(91)
Net income	**$ 427**	**$ 825**	**$ (398)**	**$ 1,336**	**$ 2,134**	**$ (798)**
Net interest margin	**0.49 %**	**0.50 %**	**(0.01)%**	**0.50 %**	**0.42 %**	**0.08 %**

Net income was $427 million and $1,336 million for the three and nine months ended September 30, 2021, decreases of 48% and 37% compared to the three and nine months ended September 30, 2020, resulting primarily from decreases in net interest income and non-interest income.

Net interest income was $894 million and $2,852 million for the three and nine months ended September 30, 2021, decreases of 23% and 14% compared to the three and nine months ended September 30, 2020. Net interest margin was 0.49% for the three months ended September 30, 2021, a decrease of 1 basis point compared to the three months ended September 30, 2020. Net interest margin was 0.50% for the nine months ended September 30, 2021, an increase of 8 basis points compared to the nine months ended September 30, 2020. The increase in net interest margin during the nine months ended September 30, 2021, was driven

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primarily by the lower cost of consolidated obligations resulting from the tightening of spreads relative to certain benchmark interest rates during this period. Also contributing to the increase in net interest margin compared to the nine months ended September 30, 2020, was the lower net interest margin for the nine months ended September 30, 2020, which was 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 nine months ended September 30, 2021, compared to the three and nine months ended September 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 depository member institutions and liquidity in the financial markets.

- Interest income was $1,532 million and $4,959 million for the three and nine months ended September 30, 2021, decreases of 34% and 54% compared to the three and nine months ended September 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 0.83% and 0.87% for the three and nine months ended September 30, 2021, decreases of 16 and 50 basis points compared to the three and nine months ended September 30, 2020. The average balances of interest-earning assets for the three and nine months ended September 30, 2021, decreased 22% and 28% compared to the three and nine months ended September 30, 2020.

- Interest expense was $638 million and $2,107 million for the three and nine months ended September 30, 2021, decreases of 45% and 72% compared to the three and nine months ended September 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 0.38% and 0.40% for the three and nine months ended September 30, 2021, decreases of 14 and 60 basis points compared to the three and nine months ended September 30, 2020. The average balances of consolidated obligations for the three and nine months ended September 30, 2021, decreased 24% and 30% compared to the three and nine months ended September 30, 2020.

Non-interest income was a loss of $81 million and a loss of $326 million for the three and nine months ended September 30, 2021, driven by 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 gain of $108 million and a gain of $221 million for the three and nine months ended September 30, 2020.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were $48 million and $151 million for the three and nine months ended September 30, 2021, decreases of 48% and 38% compared to the three and nine months ended September 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 Kyle Lynch at 703-467-3642 or klynch@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 and any alternative reference 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	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Assets												
Cash and due from banks	$ 6,805	$ 25,125	$ 205	$ 2,050	$ 119	$ 1,896	$ 1,120	$ 1,036	$ 2,079	$ 2,905	$ 20	$ 2,984
Investments, net	294,696	305,865	16,405	13,342	28,984	39,668	18,041	16,523	30,979	36,380	27,306	27,041
Advances	350,041	422,639	14,057	18,817	70,548	92,067	12,987	24,971	43,779	52,168	22,793	25,362
Mortgage loans held for portfolio, net	56,101	62,842	3,284	3,930	2,418	2,900	4,780	4,886	162	218	7,688	9,549
Other assets	4,446	4,269	498	322	608	465	320	297	509	624	375	360
Total assets	$ 712,089	$ 820,740	$ 34,449	$ 38,461	$ 102,677	$ 136,996	$ 37,248	$ 47,713	$ 77,508	$ 92,295	$ 58,182	$ 65,296
Liabilities												
Consolidated obligations												
Discount notes	$ 204,424	$ 274,804	$ 5,554	$ 12,878	$ 32,769	$ 57,659	$ 12,108	$ 9,510	$ 22,796	$ 25,385	$ 26,609	$ 27,500
Bonds	437,414	473,714	25,098	21,472	61,454	69,716	21,126	33,855	47,609	59,379	24,686	31,997
Total consolidated obligations	641,838	748,518	30,652	34,350	94,223	127,375	33,234	43,365	70,405	84,764	51,295	59,497
Mandatorily redeemable capital stock	391	772	14	6	2	3	23	143	—	—	13	19
Other liabilities	21,059	21,270	1,187	1,323	2,041	2,362	1,267	1,164	2,533	2,271	3,146	1,850
Total liabilities	663,288	770,560	31,853	35,679	96,266	129,740	34,524	44,672	72,938	87,035	54,454	61,366
Capital												
Capital stock	24,814	27,398	1,028	1,268	4,447	5,367	1,202	1,528	2,332	3,078	2,429	2,641
Retained earnings	22,568	21,998	1,528	1,498	1,930	1,909	1,396	1,376	2,244	2,198	1,288	1,304
Accumulated other comprehensive income (loss)	1,419	784	40	16	34	(20)	126	137	(6)	(16)	11	(15)
Total capital (GAAP)	48,801	50,180	2,596	2,782	6,411	7,256	2,724	3,041	4,570	5,260	3,728	3,930
Total liabilities and capital	$ 712,089	$ 820,740	$ 34,449	$ 38,461	$ 102,677	$ 136,996	$ 37,248	$ 47,713	$ 77,508	$ 92,295	$ 58,182	$ 65,296
Regulatory capital	$ 47,773	$ 50,168	$ 2,570	$ 2,772	$ 6,379	$ 7,279	$ 2,622	$ 3,047	$ 4,576	$ 5,276	$ 3,730	$ 3,964

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Assets												
Cash and due from banks	$ 1,954	$ 1,812	$ 933	$ 3,541	$ 50	$ 978	$ 241	$ 3,178	$ 30	$ 4,570	$ 55	$ 174
Investments, net	25,050	23,756	41,334	39,649	29,211	31,497	31,686	25,660	15,458	17,252	30,364	35,228
Advances	26,958	31,347	46,042	46,695	44,076	46,530	24,776	32,479	21,411	21,227	22,613	30,976
Mortgage loans held for portfolio, net	7,570	8,516	9,846	10,038	7,566	8,242	3,338	3,423	8,316	9,205	1,134	1,935
Other assets	428	494	439	433	515	444	162	173	301	338	293	321
Total assets	$ 61,960	$ 65,925	$ 98,594	$ 100,356	$ 81,418	$ 87,691	$ 60,203	$ 64,913	$ 45,516	$ 52,592	$ 54,459	$ 68,634
Liabilities												
Consolidated obligations												
Discount notes	$ 12,714	$ 16,617	$ 40,878	$ 48,643	$ 10,749	$ 27,345	$ 5,156	$ 22,171	$ 10,277	$ 10,882	$ 24,814	$ 16,213
Bonds	43,226	43,333	49,041	42,670	62,595	52,254	49,193	37,113	31,477	37,648	22,025	44,408
Total consolidated obligations	55,940	59,950	89,919	91,313	73,344	79,599	54,349	59,284	41,754	48,530	46,839	60,621
Mandatorily redeemable capital stock	50	251	247	279	30	52	7	14	1	2	4	2
Other liabilities	2,420	2,274	1,868	2,475	2,196	2,300	1,984	2,058	1,189	1,392	1,242	1,817
Total liabilities	58,410	62,475	92,034	94,067	75,570	81,951	56,340	61,356	42,944	49,924	48,085	62,440
Capital												
Capital stock	2,236	2,208	1,969	2,010	3,379	3,341	2,155	2,101	1,383	1,574	2,253	2,284
Retained earnings	1,163	1,137	4,194	4,072	2,387	2,351	1,515	1,408	1,118	1,052	3,802	3,680
Accumulated other comprehensive income (loss)	151	105	397	207	82	48	193	48	71	42	319	230
Total capital (GAAP)	3,550	3,450	6,560	6,289	5,848	5,740	3,863	3,557	2,572	2,668	6,374	6,194
Total liabilities and capital	$ 61,960	$ 65,925	$ 98,594	$ 100,356	$ 81,418	$ 87,691	$ 60,203	$ 64,913	$ 45,516	$ 52,592	$ 54,459	$ 68,634
Regulatory capital	$ 3,450	$ 3,596	$ 6,410	$ 6,361	$ 5,796	$ 5,744	$ 3,676	$ 3,523	$ 2,501	$ 2,627	$ 6,059	$ 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 September 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	$ 900	$ 1,166	$ 51	$ 63	$ 130	$ 177	$ 44	$ 84	$ 64	$ 89	$ 64	$ 93
Non-interest income (loss)	(81)	108	(10)	18	(8)	(14)	4	5	4	9	(37)	(7)
Non-interest expense	344	356	22	21	49	51	24	24	38	35	20	22
Affordable Housing Program assessments	48	93	2	6	7	11	2	7	3	7	1	7
Net income	$ 427	$ 825	$ 17	$ 54	$ 66	$ 101	$ 22	$ 58	$ 27	$ 56	$ 6	$ 57

	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	$ 57	$ 60	$ 140	$ 168	$ 89	$ 139	$ 67	$ 80	$ 76	$ 65	$ 120	$ 149
Non-interest income (loss)	(9)	(17)	(2)	(8)	—	65	5	(1)	(17)	(2)	(3)	70
Non-interest expense	25	26	52	65	37	37	26	26	18	19	38	40
Affordable Housing Program assessments	3	2	9	10	5	16	5	5	4	4	8	18
Net income	$ 20	$ 15	$ 77	$ 85	$ 47	$ 151	$ 41	$ 48	$ 37	$ 40	$ 71	$ 161

Nine Months Ended September 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	$ 2,868	$ 3,278	$ 156	$ 133	$ 435	$ 557	$ 142	$ 278	$ 237	$ 264	$ 206	$ 325
Non-interest income (loss)	(326)	221	(39)	39	(51)	(29)	10	(26)	12	108	(110)	8
Non-interest expense	1,055	1,123	68	63	148	146	72	79	109	127	68	70
Affordable Housing Program assessments	151	242	5	11	23	38	8	19	14	25	3	27
Net income	$ 1,336	$ 2,134	$ 44	$ 98	$ 213	$ 344	$ 72	$ 154	$ 126	$ 220	$ 25	$ 236

	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	$ 189	$ 191	$ 402	$ 446	$ 290	$ 367	$ 198	$ 235	$ 214	$ 176	$ 411	$ 308
Non-interest income (loss)	(32)	(47)	(25)	3	1	116	9	31	(32)	(35)	(50)	79
Non-interest expense	82	79	168	207	113	119	77	82	55	61	116	119
Affordable Housing Program assessments	8	7	22	25	18	36	13	18	13	8	25	27
Net income	$ 67	$ 58	$ 187	$ 217	$ 160	$ 328	$ 117	$ 166	$ 114	$ 72	$ 220	$ 241

(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.