



Federal Housing Finance Agency

Quarterly Performance Report of the Housing GSEs

Second Quarter 2014

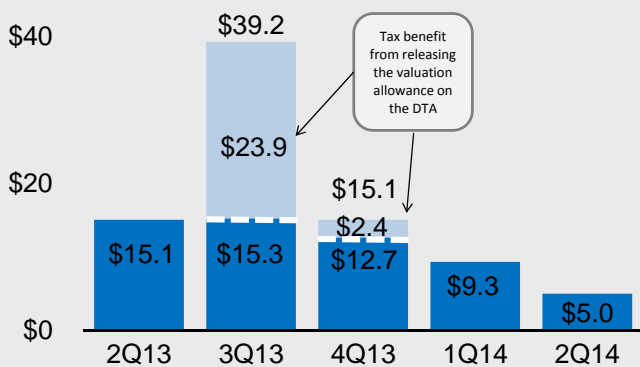
Summary

The Enterprises

(Freddie Mac and Fannie Mae)

- Combined second quarter net income of \$5.0 billion compared to \$9.3 billion in the first quarter of 2014
- Continued improvement in national home prices contributed to releases of loan loss reserves at both Enterprises
- Net income declined at both Enterprises mainly driven by lower income from private-label mortgage-related securities (PLS) settlements
- Combined loan loss reserves decreased \$4.5 billion during the quarter
- Enterprise MBS issuance share continued to decline in the second quarter of 2014

Combined Enterprise Net Income
(\$ in Billions)

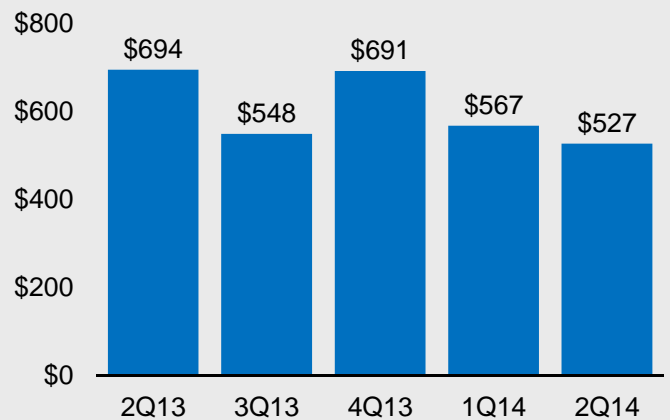


Source : FHFA (Fannie Mae and Freddie Mac)

The Federal Home Loan Bank System

- Aggregate second quarter 2014 income of \$527 million compared to \$567 million in the first quarter of 2014 and \$691 million in the last quarter of 2013
- Aggregate advances increased by 11 percent over the quarter to \$537 billion
- Advances increased to 62 percent of assets
- Retained earnings increased to \$12.6 billion

FHLBank System Net Income
(\$ in Millions)



Source : FHFA (Federal Home Loan Banks)

Key Market Drivers

Figure 1

FHFA House Price Index (through June 2014)

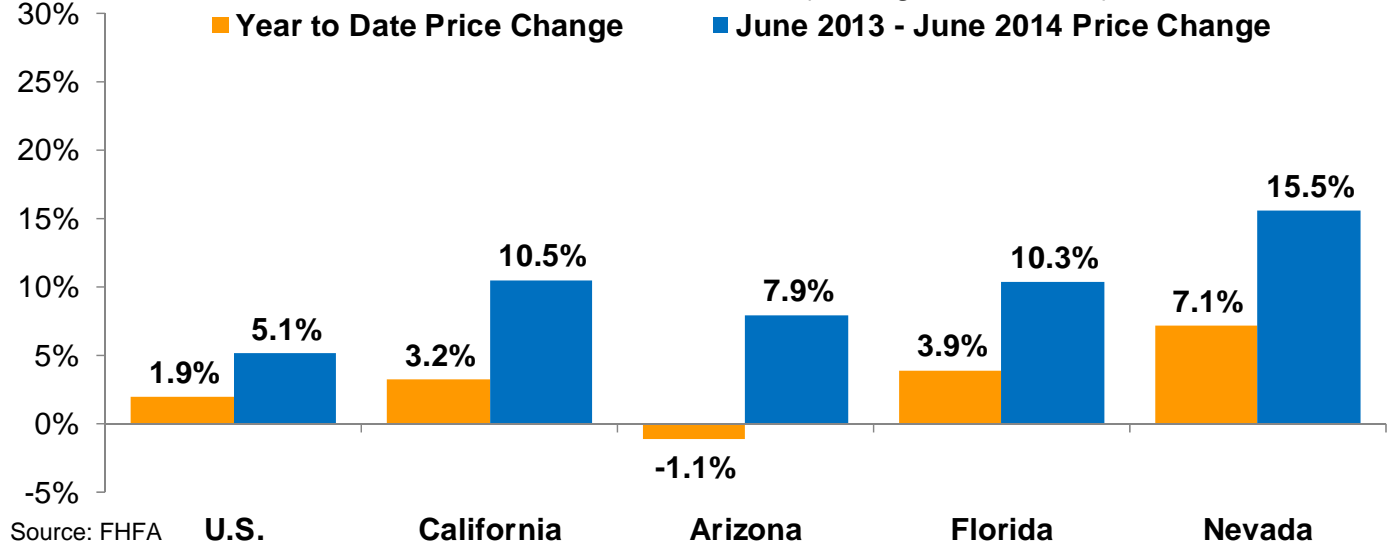


Figure 2

Average Interest Rate on a 30-Year Mortgage

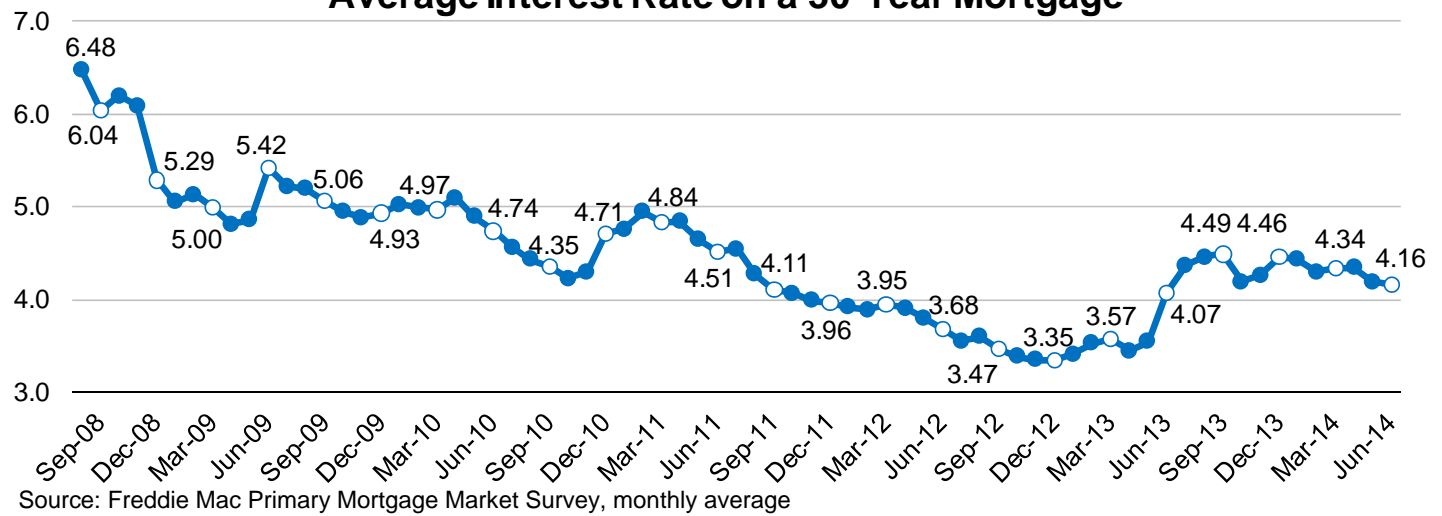
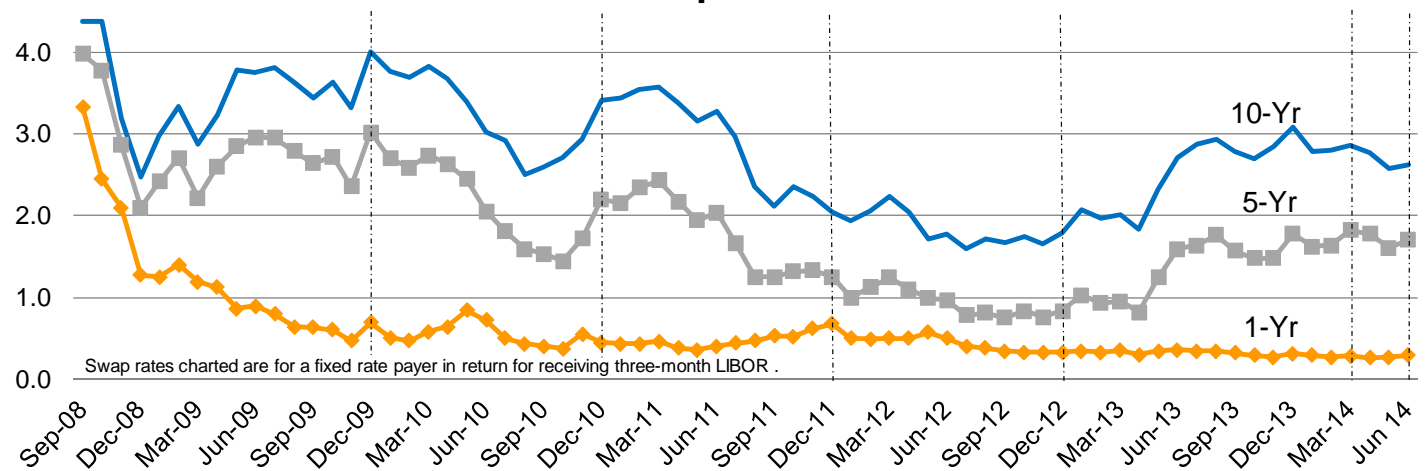


Figure 3

Swap Rates



Source: Federal Reserve

The Enterprises

Improving Housing and Mortgage Markets Contribute to Net Income

The Enterprises reported combined net income of \$5.0 billion in the second quarter of 2014, largely influenced by rising house prices and the continued reduction in the number of delinquent loans guaranteed by the Enterprises.

For the first half of 2014, the Enterprises reported combined net income of \$14.3 billion, driven by proceeds from legal settlements in the first quarter, as the Enterprises and FHFA continued to reach agreements with a number of financial institutions to cover claims in connection with the purchase of private-label mortgage-related securities (PLS). In addition, both Enterprises reported a benefit for credit losses for the first half of the 2014, as the Enterprises reduced loan loss reserves over the period.

Year-to-date through June 2014, national house prices rose 1.9 percent, according to the FHFA House Price Index (purchase-only, seasonally adjusted index). Moreover, national house prices rose 5.1 percent compared to June 2013 (Figure 1).

Loan Loss Reserves Continued to Fall

In the second quarter and the first half of 2014, rising home prices combined with lower loss severity contributed to further releases of loan loss reserves at both Enterprises.

The increase in national house prices during the quarter reduced expected defaults and expected credit losses on loans guaranteed by the Enterprises, particularly in those states with the highest severity levels including California, Florida, and Nevada (Figure 1).

Furthermore, the quality of the Enterprises' portfolios continued to improve as the number of delinquencies on loans acquired prior to 2009 continued to decline, and the number of new loans acquired since 2009 with stronger credit characteristics continued to increase.

These factors resulted in a \$4.5 billion decrease in the Enterprises' combined loan loss reserves during the second quarter of 2014 (Figure 4). The reduction in loan loss reserves led to both Enterprises reporting a combined benefit for credit losses (i.e., a negative provision for credit losses) of \$2.2 billion for the quarter.

Since December 31, 2013, combined loan loss reserves at the Enterprises declined 10 percent or \$7.1 billion to \$64.9 billion.

Further Decline in Delinquent Loan Counts

The Enterprises' seriously delinquent loan count declined by 7 percent to approximately 577,000 loans as of June 30, 2014, compared to approximately 619,000 loans as of March 31, 2014. Since June 30, 2013, the number of seriously delinquent loans at the Enterprises has declined by 26 percent or approximately 206,000 loans (Figure 5).

Decrease in Longer Term Interest Rates Drove Derivative Losses

The Enterprises reported combined fair value losses on derivatives, which are used to hedge interest rate risk, of \$3.1 billion in the second quarter of 2014 and \$6.8 billion for the first half of 2014 driven by a decrease in the fair value of pay-fixed derivatives due to a decrease in longer-term swap rates during the period (Figure 3).

Lower Proceeds from Legal Settlements Related to Private-Label Mortgage-Related Securities

In the second quarter of 2014, proceeds from legal settlements related to PLS contributed \$0.5 billion to the Enterprises' combined pre-tax net income compared to \$8.6 billion in the first quarter of 2014.

Credit Quality of New Single-Family Business Remained High

The credit quality of new single-family business remained high in the first half of 2014. The weighted average credit score for new single-family business volume was 744 for Fannie Mae and 742 for Freddie Mac, down from the scores reported at the end of 2013 of 753 and 749, respectively. The decline in the average credit scores at the Enterprises was driven by the reduction in refinance activity and increase in home purchases. Purchases of non-traditional and higher-risk mortgages continued to be very low, and the average loan-to-value (LTV) ratio for new business remained relatively unchanged as borrowers continued to use the Enterprises' refinance programs, including the Home Affordable Refinance Program (HARP), targeting deeply underwater borrowers.

The post-conservatorship business (2009 to present) continues to become a larger piece of the total single-family portfolios as new business is added and homeowners take advantage of low interest rates to refinance existing loans. This post-conservatorship business now accounts for approximately 78 percent of the total single-family portfolio at both Enterprises. However, the percentage of seriously delinquent loans originated between 2005 and 2008 remain at a heightened level. Loans originated between 2005-2008 represent approximately 15 percent of the single-family portfolios.

Refinance Activity Continues to Trend Down

In the first half of 2014, refinances accounted for 50 percent and 48 percent, respectively, of single-family new business volume at Fannie Mae and Freddie Mac. As mortgage rates have increased to between four to four and a half percent since June 2013 (Figure 2), refinance activity continued to trend down throughout the first half of 2014.

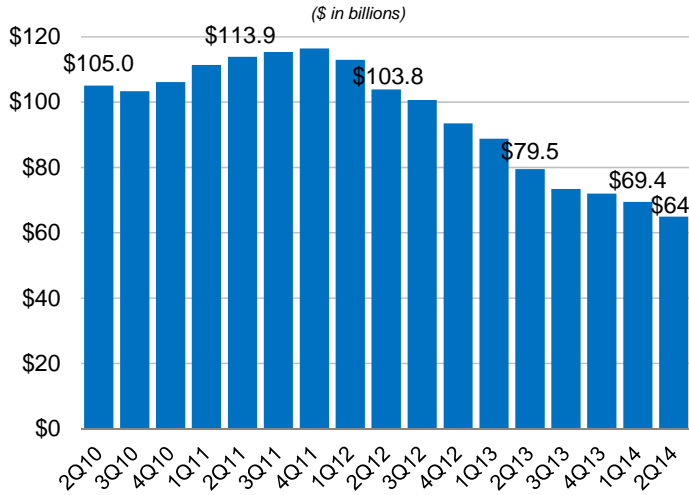
Similarly, HARP volume decreased by 30 per-

cent to approximately 54,000 refinances in the second quarter of 2014, compared to approximately 77,000 refinances in the first quarter of 2014. HARP volume represented 16 percent of total refinance volume in the second quarter of 2014.

The Enterprises and Ginnie Mae continue to account for essentially all issuances of mortgage-backed securities (MBS). In the first half of 2014, the Enterprises accounted for \$290 billion or 69 percent of MBS issuance volume, down considerably from \$728 billion in the first half of 2013 (Figure 6). MBS issuance levels continue to trend down, driven by the decline in refinance activity, which has fallen to levels not experienced since late in 2000.

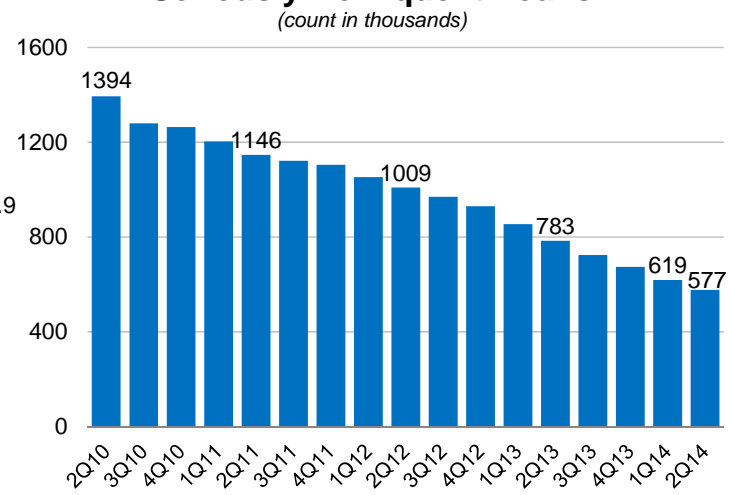
Enterprises

Figure 4 **Loan Loss Reserves**



Source: FHFA (Fannie Mae and Freddie Mac)

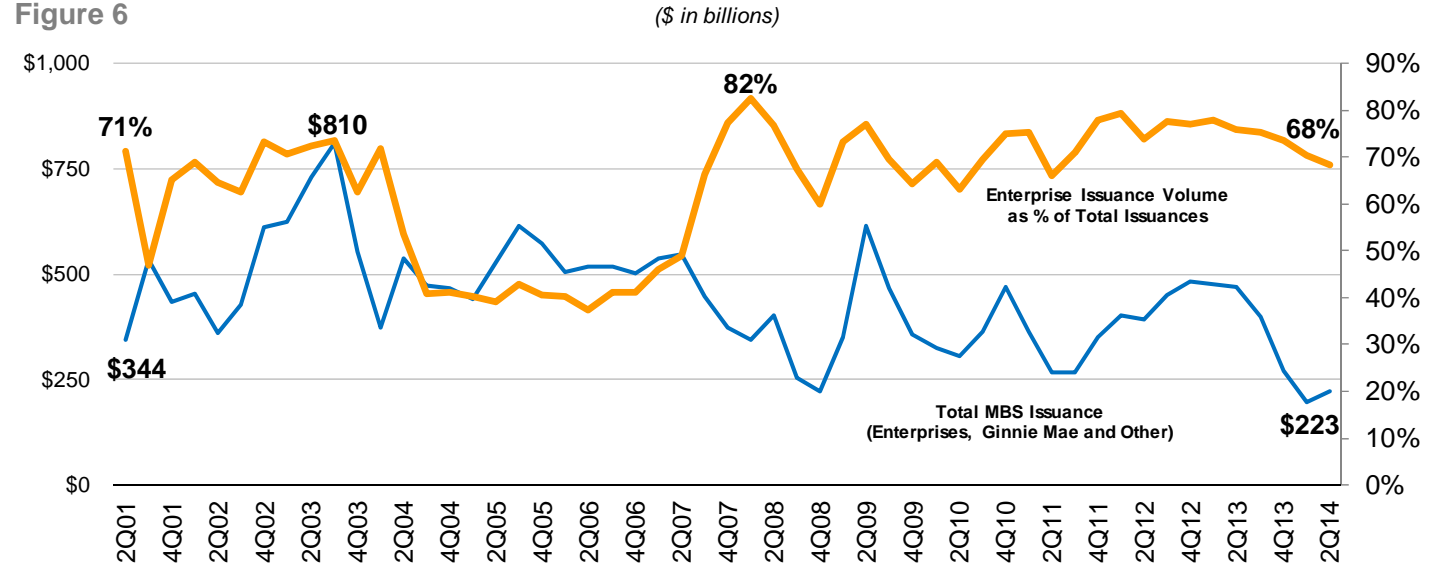
Figure 5 **Seriously Delinquent Loans**



Source: FHFA (Fannie Mae and Freddie Mac)

Figure 6

MBS Issuance Volume

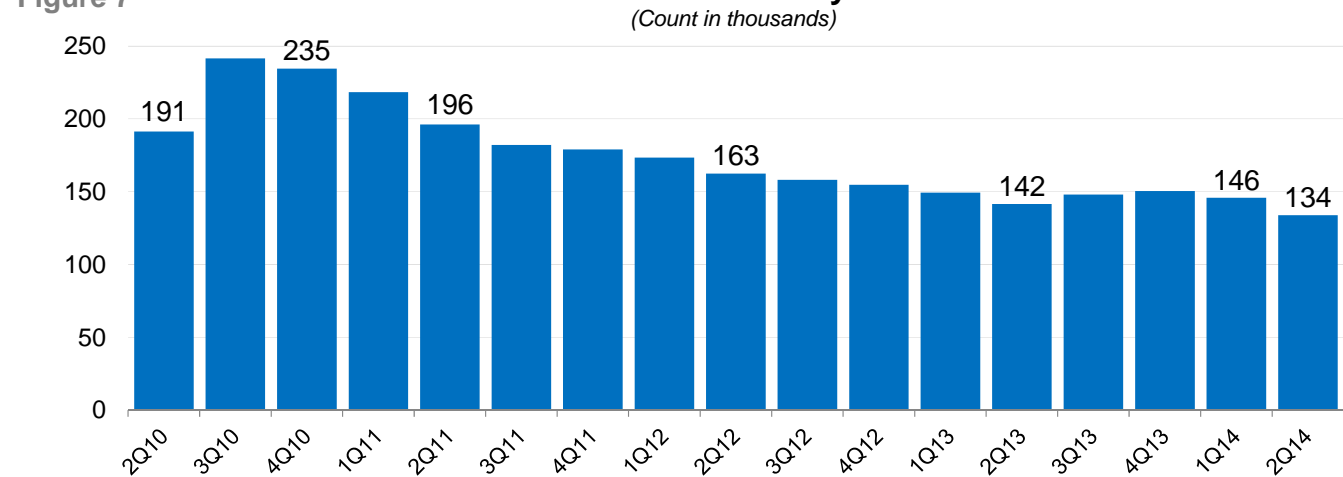


Issuance figures exclude MBS issued backed by assets previously held in the Enterprises' portfolios.

Source: Inside Mortgage Finance, Inside MBS & ABS, Enterprises' Monthly Volume Summaries.

Figure 7

REO Inventory



Source: FHFA (Fannie Mae and Freddie Mac)

Conservator's Update on Fannie Mae and Freddie Mac

At the end of 2007, the Enterprises had \$71 billion of combined capital. From the end of 2007 through the second quarter of 2014, the Enterprises' combined charges against capital totaled \$255 billion, requiring Treasury support of \$187.5 billion through draws under the Senior Preferred Stock Purchase Agreements. Neither Enterprise has required funding from the Treasury in the past nine quarters.

Senior preferred dividends paid on Treasury draws accounted for \$213 billion, or 84 percent of the cumulative change in capital, which will increase in the third quarter of 2014 as comprehensive income generated in the second quarter is paid out as dividends. The Enterprises' combined net worth totaled \$10.4 billion as of June 30, 2014, \$5.6 billion of which was paid out as dividends in the third quarter of 2014.

The Enterprises generated \$6 billion in total comprehensive income from the Single-Family Guarantee Segment in the first half of 2014. However, the segment continues to be the largest contributor to charges against capital, accounting for \$149 billion, or 58 percent of the cumulative change in capital since 2007.

The Investments and Capital Markets segments generated \$10 billion in total comprehensive income in the first half of 2014, as both Enterprises continued to benefit from low funding costs driven by the low interest rate environment. The Enterprises also benefited from private-label mortgage-related securities (PLS) litigation settlement proceeds, particularly in the first quarter of the 2014.

Press Releases

- 26 AUG 2014** FHFA announced that U.S. house prices rose 0.8 percent in the second quarter of 2014, according to its purchase-only, seasonally adjusted House Price Index (HPI). This is the twelfth consecutive quarterly price increase in the HPI.
- 22 AUG 2014** FHFA announced that it has reached a settlement with Goldman Sachs, related companies and certain named individuals for \$3.2 billion to resolve claims alleging violations of federal and state securities laws in connection with private-label mortgage-backed securities purchased by Freddie Mac during 2005-2007.
- 20 AUG 2014** FHFA announced that the total volume of mortgage refinances increased slightly in June as mortgage rates decreased from May. Total refinance volume for the second quarter topped 344,000, while refinances through the Home Affordable Refinance Program exceeded 54,000.
- 22 JUL 2014** FHFA announced that U.S. house prices rose 0.4 percent in May from the previous month and from May 2013 to May 2014, house prices rose 5.5 percent.
- 27 JUN 2014** FHFA announced that Fannie Mae and Freddie Mac have completed nearly 3.2 million foreclosure prevention actions since the start of conservatorship in September 2008.
- 19 JUN 2014** FHFA announced that it has reached a settlement with RBS Securities, Inc. for \$99.5 million for claims against RBS in *FHFA v. Ally Financial Inc.* to resolve claims alleging violations of federal and state securities laws in connection with private-label mortgage-backed securities purchased by Freddie Mac during 2005-2007.
- 13 JUN 2014** FHFA released its 2013 *Report to Congress*, which details the findings of the agency's 2013 examinations of Fannie Mae, Freddie Mac, the 12 Federal Home Loan Banks (FHLBanks) and the FHLBanks' joint Office of Finance.

Capital Changes - Enterprises

Fannie Mae					
(\$ in billions)	2008-			YTD	2008 -
	2011	2012	2013	2Q14	2Q14
Beginning Capital ¹	\$44	\$0	\$7	\$10	\$44
Equity Issuance ²	<u>7</u>	<u>-</u>	<u>-</u>	<u>0</u>	<u>7</u>
Available Capital	\$51	\$0	\$7	\$10	\$51
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$141)	\$6	\$48	\$5	(\$82)
Multifamily Comprehensive Income (Loss) ^{3,4}	(5)	2	10	1	7
Investments Comprehensive Income (Loss) ^{3,4}	9	16	28	6	59
Other	(10)	(5)	(2)	(2)	(19)
Senior Preferred dividends ⁵	<u>(20)</u>	<u>(12)</u>	<u>(82)</u>	<u>(13)</u>	<u>(127)</u>
Total Capital Change ⁶	(\$167)	\$7	\$2	(\$3)	(\$161)
Capital surplus (deficit)	(\$116)	\$7	\$10	\$6	(\$110)
Treasury Senior Preferred draw ⁷	\$116.1	-	-	-	\$116.1

Freddie Mac					
(\$ in billions)	2008-			YTD	2008 -
	2011	2012	2013	2Q14	2Q14
Beginning Capital ¹	\$27	\$0	\$9	\$13	\$27
Equity Issuance ²	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Available Capital	\$27	\$0	\$9	\$13	\$27
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$74)	(\$0)	\$6	\$1	(\$67)
Multifamily Comprehensive Income (Loss) ^{3,4}	14	4	1	1	20
Investments Comprehensive Income (Loss) ^{3,4}	(7)	11	20	5	29
Other	(15)	1	24	(0)	10
Senior Preferred dividends ⁵	<u>(17)</u>	<u>(7)</u>	<u>(48)</u>	<u>(15)</u>	<u>(86)</u>
Total Capital Change ⁶	(\$98)	\$9	\$4	(\$9)	(\$94)
Capital surplus (deficit)	(\$71)	\$9	\$13	\$4	(\$67)
Treasury Senior Preferred draw ⁷	\$71.3	\$0.0	-	-	\$71.3

Enterprises Combined					
(\$ in billions)	2008-			YTD	2008 -
	2011	2012	2013	2Q14	2Q14
Beginning Capital ¹	\$71	\$0	\$16	\$22	\$71
Equity Issuance ²	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>
Available Capital (Pre-Conservatorship)	\$78	\$0	\$16	\$22	\$78
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$215)	\$6	\$54	\$6	(\$149)
Multifamily Comprehensive Income (Loss) ^{3,4}	9	6	12	2	27
Investments Comprehensive Income (Loss) ^{3,4}	2	27	49	10	88
Other	(25)	(4)	22	(2)	(9)
Senior Preferred dividends ⁵	<u>(36)</u>	<u>(19)</u>	<u>(130)</u>	<u>(28)</u>	<u>(213)</u>
Total Capital Change ⁶	(\$266)	\$16	\$6	(\$12)	(\$255)
Capital surplus (deficit)	(\$187)	\$16	\$22	\$10	(\$177)
Treasury Senior Preferred draw ⁷	\$187.5	\$0.0	-	-	\$187.5

Notes

Totals may not sum due to rounding.

¹ Capital is defined as stockholders' equity. In 2011 and 2012, beginning capital includes requested Treasury draws pertaining to the fourth quarter of the prior year.

² Fannie Mae's figure includes common and preferred stock issuance pre-conservatorship.

³ Segment comprehensive income (loss) represents net income (loss) plus total other comprehensive income (loss) by segment.

⁴ Freddie Mac includes activities related to Multifamily loans and Multifamily securities in Multifamily Comprehensive Income (Loss), while Fannie Mae includes similar items in Investments comprehensive income. Investments comprehensive income includes the impact of accounting changes for security impairments. In 1Q14, Freddie Mac revised its inter-segment allocations between the Multifamily and the Investments segments for the Multifamily segment's investment securities and held-for-sale loans. Certain prior period results for Freddie Mac (2012 and 2013) have been revised to conform with the current period presentation.

⁵ Senior Preferred Dividends from 2008 - 2012 were calculated by applying an annual dividend rate of 10% to the aggregate liquidation preference of the senior preferred stock. Effective January 1, 2013, dividends payable are determined based on the Enterprises' net worth as of the end of the immediately preceding fiscal quarter less the applicable capital reserve.

⁶ Included in total capital change for both Enterprises are losses attributable to the writedown of low income housing tax credits (LIHTC) investments to zero in the fourth quarter of 2009. The writedown of these LIHTC losses for Fannie Mae and Freddie Mac were \$5 billion and \$3 billion, respectively, and are included in Other. The establishment of a deferred tax asset valuation allowance, which reduced capital by \$21 billion for Fannie Mae and \$14 billion for Freddie Mac in 2008 is also contributing to the total capital change (valuation allowance and releases have been allocated across segments at Fannie Mae and in Other at Freddie Mac). In the first quarter of 2013, Fannie Mae released the substantial majority of the valuation allowance against its deferred tax assets, resulting in a benefit for federal income taxes of \$50.6 billion. In 2013, Freddie Mac released the valuation allowance against its deferred tax assets, resulting in a benefit for federal income taxes change of \$26.4 billion.

⁷ Amounts represent the total draws requested based on quarterly net deficits for the periods presented.

Totals may not sum due to rounding.

Single-Family Credit Guarantee Segment - Enterprises

Single-Family Credit Guarantee Segment Results

(\$ in billions)	Fannie Mae				Freddie Mac				Combined		
	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14	2008 - 2Q14
Revenue ¹	\$26	\$8	\$11	\$6	\$51	\$19	\$5	\$6	\$2	\$33	\$85
(Provision) benefit for credit losses ²	(127)	1	9	2	(115)	(77)	(3)	1	0	(78)	(193)
Other expenses ³	(37)	(3)	(1)	(2)	(42)	(15)	(2)	(2)	(1)	(21)	(63)
(Provision) benefit for taxes	(3)	(0)	29	(2)	24	(1)	0	0	(0)	(1)	23
Comprehensive Income (Loss) ⁴	(\$141)	\$6	\$48	\$5	(\$82)	(\$74)	(\$0)	\$6	\$1	(\$67)	(\$149)

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Consists of guarantee fee income, trust management income, net interest income, and other income.

² The provision for credit losses is the recognition of estimated incurred losses and increases the loan loss reserve. Fannie Mae's figures have been adjusted to exclude losses on credit-impaired loans acquired from MBS trusts.

³ Consists of investment gains (losses), fair value losses (Fannie Mae), administrative expenses, foreclosed property income (expense), other expenses, losses on credit-impaired loans acquired from MBS/PC Trusts, and at Freddie Mac, segment adjustments.

⁴ Represents segment earnings (loss) and, for periods after 2008, total comprehensive income (loss), net of taxes, for the Single-Family Credit Guarantee segment. Totals may not sum due to rounding.

Single-Family Loan Loss Reserves

(\$ in billions)	Fannie Mae				Freddie Mac					
	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14
Beginning balance ¹	\$3	\$72	\$59	\$45		\$3	\$39	\$31	\$25	
Provision (benefit) for credit losses ^{2,3}	127	(1)	(9)	(2)	115	77	3	(1)	(0)	78
Charge-offs, net ³	(56)	(15)	(7)	(3)	(81)	(34)	(11)	(5)	(2)	(52)
Other	(2)	3	2	1		(6)	(0)	0	(0)	
Ending balance ¹	\$72	\$59	\$45	\$40		\$39	\$31	\$25	\$23	
Credit Losses - Single-Family										
Charge-offs ³	\$56	\$15	\$7	\$3	\$81	\$34	\$11	\$5	\$2	\$52
Other ⁴	-	-	-	-	-	2	0	0	0	2
Foreclosed Property Expense	5	(0)	(3)	(0)	2	3	0	(0)	0	3
Total ³	\$61	\$14	\$4	\$3	\$83	\$39	\$12	\$5	\$2	\$57

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Fannie Mae's loan loss reserve excludes amounts related to the allowance for accrued interest receivable and allowance for pre-foreclosure property taxes and insurance receivable. Freddie Mac's loan loss reserve excludes amounts related to the allowance for accrued interest receivable and forgone interest on loans placed on non-accrual status.

² Freddie Mac's figures represent Segment Earnings provision for credit losses, which is generally higher than that recorded under GAAP, primarily due to recognized provision associated with forgone interest income on loans placed on non-accrual status, which is not recognized under GAAP.

³ Fannie Mae's provision for credit losses has been adjusted to exclude losses on credit-impaired loans acquired from MBS trusts. Additionally, the effect of losses from credit-impaired loans acquired from MBS trusts on charge-offs and foreclosed property expense has been reflected as an adjustment to total credit losses and charge-offs, net.

⁴ Freddie Mac's figures include charge-offs related to certain loans purchased under financial guarantees.

Totals may not sum due to rounding.

Single-Family Credit Guarantee Segment - Enterprises

Credit Losses (Percent of Total Credit Losses)

	Fannie Mae			Freddie Mac			
	% of UPB as of Dec 31, 2008 ¹	2008	YTD 2Q14 ³		% of UPB as of Dec 31, 2008 ¹	2008	YTD 2Q14
by State				by State			
California	16%	25%	-6%	California	14%	30%	3%
Florida	7%	11%	37%	Florida	7%	10%	31%
Arizona	3%	8%	0%	Arizona	3%	9%	1%
Nevada	1%	5%	1%	Nevada	1%	4%	3%
Illinois	4%	3%	12%	Illinois	5%	2%	10%
by Product²				by Product²			
Alt-A	11%	46%	10%	Alt-A	10%	50%	11%
Interest-Only	8%	34%	0%	Interest-Only	9%	50%	11%
by Vintage				by Vintage			
2006	14%	35%	24%	2006	15%	41%	23%
2007	20%	28%	23%	2007	19%	25%	37%
2008	16%	1%	10%	2008	15%	0%	11%
2009	N/A	N/A	4%	2009	N/A	N/A	3%
2010	N/A	N/A	3%	2010	N/A	N/A	2%
2011	N/A	N/A	2%	2011	N/A	N/A	1%
2012	N/A	N/A	4%	2012	N/A	N/A	2%
2013	N/A	N/A	1%	2013	N/A	N/A	0%

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Represents each category's share of the respective Enterprises' single-family book of business, which is based on the unpaid principal balance of all single-family unsecuritized mortgages held by the Enterprises and those underlying Freddie Mac mortgage-related securities, or covered by the Enterprises' other guarantee commitments.

² Product categories overlap.

³ Negative values are the result of recoveries on previously recognized credit losses.

Investments and Capital Markets Segments - Enterprises

Investments and Capital Markets Segment Results

	Fannie Mae					Freddie Mac					Combined	
	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14	2008 - 2Q14	
<i>(\$ in billions)</i>												
Revenue ^{1,2}	\$47	\$13	\$12	\$8	\$79	\$24	\$6	\$4	\$2	\$35	\$114	
Derivatives gains (losses)	(31)	(4)	3	(3)	(34)	(14)	1	6	(3)	(10)	(44)	
Trading gains (losses)	0	1	(0)	0	1	3	(2)	(1)	(0)	0	1	
Security impairments	(18)	(1)	(0)	(0)	(19)	(33)	(2)	(1)	(0)	(36)	(54)	
Other ³	8	5	5	2	20	4	3	10	6	23	43	
(Provision) benefit for taxes ⁴	(9)	(0)	8	(2)	(3)	(2)	1	(0)	(2)	(3)	(6)	
Net income (loss)	(\$3)	\$14	\$28	\$5	\$44	(\$17)	\$7	\$16	\$4	\$10	\$54	
Unrealized gains (losses) on AFS ⁵	10	2	1	0	13	4	4	4	1	14	26	
Accounting change for Impairments	3	-	-	-	3	5	-	-	-	5	8	
Total Comprehensive Income (Loss)¹	\$9	\$16	\$28	\$6	\$59	(\$7)	\$11	\$20	\$5	\$29	\$88	

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Freddie Mac includes activities related to Multifamily loans and Multifamily securities in Multifamily Comprehensive Income (Loss), while Fannie Mae includes similar items in Investments comprehensive income. Investments comprehensive income includes the impact of accounting changes for security impairments. In 1Q14, Freddie Mac revised its inter-segment allocations between the Multifamily and the Investments segments for the Multifamily segment's investment securities and held-for-sale loans. Certain prior period results for Freddie Mac (2012 and 2013) have been revised to conform with the current period presentation.

² Consists of guarantee fee expense, trust management income, net interest income, and other income.

³ Figures consist of debt extinguishment gains (losses), debt foreign exchange gains (losses), debt fair-value gains (losses), investment gains (losses), hedged mortgage assets gains, net, administrative expenses, other expenses, and at Freddie Mac, segment adjustments.

⁴ Includes extraordinary losses / noncontrolling interest.

⁵ Amount for 2008 includes consolidated changes in unrealized gains (losses) on available for sale securities, net of taxes. Effective April 2009, includes adjustments for other-than-temporary impairments, net of taxes, included in accumulated other comprehensive income due to a change in accounting standards for impairments. At Freddie Mac, amount also includes the change in unrealized gains (losses), net of taxes, related to cash flow hedge relationships.

Totals may not sum due to rounding.

Security Impairments

	Fannie Mae					Freddie Mac					
	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14	<i>(\$ in billions)</i>	2008 - 2011	2012	2013	YTD 2Q14	2008 - 2Q14
Alt-A/Option	\$9.7	\$0.4	\$0.0	\$0.0	\$10.1	Alt-A	\$6.6	\$0.2	\$0.1	\$0.0	\$6.9
Subprime	7.7	0.3	0.0	0.1	8.1	Subprime	13.2	1.3	1.3	0.5	16.2
Other	0.5	0.0	0.0	0.0	0.6	CMBS	0.6	0.1	0.0	-	0.7
Option ARM						Option ARM	11.1	0.6	0.1	0.0	11.8
Other						Other	2.7	0.0	0.0	0.0	2.7
Total¹	\$17.9	\$0.7	\$0.1	\$0.1	\$18.7	Total¹	\$34.2	\$2.2	\$1.5	\$0.5	\$38.4

Source: FHFA (Fannie Mae and Freddie Mac)

¹ The adoption of an accounting standard for impairments in April 2009 required the Enterprises to begin recognizing only the credit portion of impairments in their statements of income and comprehensive income. This accounting standard did not require the Enterprises to revise previously recorded amounts in their statements of income and comprehensive income but did result in an equity increase of \$5 billion and \$3 billion for Freddie Mac and Fannie Mae, respectively, which is not reflected in the table above. For the full year of 2008 and a portion of 2009, amounts include both credit and non-credit-related security impairments.

Totals may not sum due to rounding.

The Federal Home Loan Bank System

Aggregate Earnings Remain Robust

For the eleventh consecutive quarter, all FHLBanks recorded positive net income. The FHLBanks' reported aggregate net income of \$527 million in the second quarter of 2014, down from \$567 million in the first quarter of 2014. While net income declined by \$41 million, net interest income declined by only \$1 million, meaning that other income drove the quarterly difference in net income. The FHLBanks collected \$21 million in private-label MBS litigation settlements in the second quarter, \$22 million less than in the previous quarter and far less than the \$201 million collected in the fourth quarter of 2013. This line item is not expected to return to previous high levels as most of the private-label MBS settlement fees have been collected at this point. Additionally, compared to a \$13 million gain associated with debt extinguishment in the first quarter of 2014, the Banks took a combined \$3 million loss in the second quarter. These two items accounted for nearly all of the difference in net income.

Aggregate return on assets was 25 basis points in the second quarter of 2014, ranging from a high of 53 basis points at Chicago to lows of 14 basis points at Des Moines, 16 basis points at Seattle, and 17 basis points at Dallas. Chicago also led the FHLBanks in return on equity at 9.13 percent. Des Moines and Dallas remained at the low end of the range for return on equity, and San Francisco exhibited the lowest return on equity ratio at 2.80 percent.¹

Aggregate Advances Rebound After First Quarter Decline

Aggregate assets of the FHLBanks totaled \$866.2 billion as of June 30, 2014, up by \$31.7 billion from year-end 2013. Advances increased by \$38.0 billion in the first half of 2014. At the end of the second quarter of 2014, advances represented 62 percent of aggregate assets,

investments 33 percent of aggregate assets, and mortgages 5 percent of aggregate assets.

Advances increased by \$52 billion, or 11 percent, during the second quarter to an aggregate total of \$536.6 billion at June 30, 2014. This was a significant rebound in advance balances after a decrease of \$14.1 billion in the first quarter of 2014. At this level, advances are at their highest nominal level since the second quarter of 2010. Relative to year-end 2013, every FHLBank except Seattle experienced advance increases. Des Moines experienced the largest nominal increase with advance growth of \$6.0 billion, and Boston had the highest percentage increase at 17.5 percent. Seattle's advance balance decreased by \$0.7 billion, or 6.3 percent, during the first half of 2014. While aggregate advances increased by \$52.2 billion over the second quarter, advances to top 10 borrowers increased by only \$7.0 billion as smaller borrowers accounted for much of the increase in advances during the quarter.

Mortgages declined by 0.9 percent during the second quarter of 2014 to \$43.3 billion. Half of the FHLBanks expanded their mortgage portfolios during the quarter, although all increases were less than 2 percent of the first quarter-end balance. Some FHLBanks have expressed interest in either resuming mortgage purchases or expanding current mortgage purchase activities.

Balance sheet composition varies across the FHLBanks. New York, Pittsburgh, and Atlanta have more than 70 percent of their assets in advances. By contrast, advances are less than 40 percent of assets at Chicago and Seattle. Investments are more than 40 percent of assets at the FHLBanks of Chicago, Dallas, San Francisco, and Seattle. Mortgages are greater than 10 percent of assets only at the FHLBanks of Indianapolis, Chicago, and Topeka. The FHLBanks of Boston, Cincinnati, and Des Moines also hold significant mortgage portfolios.

¹ Under GAAP, mandatorily redeemable capital stock is a liability and dividends on this stock are classified as interest expense. Thus, Banks with large amounts of mandatorily redeemable capital stock and high dividends, San Francisco in particular, exhibit lower earnings ratios.

Capital Remains Strong

At June 30, 2014, aggregate GAAP capital totaled \$46.0 billion and aggregate regulatory capital totaled \$49.5 billion. The aggregate GAAP capital ratio was 5.3 percent and the aggregate regulatory capital ratio was 5.7 percent. During the second quarter of 2014, total GAAP capital increased by \$2.0 billion, mostly due to a \$1.5 billion increase in capital stock. However, total regulatory capital only increased by \$864 million as reductions in mandatorily redeemable stock partially offset growth in GAAP capital stock. The FHLBanks continued to build their retained earnings in the first half of 2014 as profitability has been strong. In aggregate, the FHLBanks held total retained earnings of \$12.6 billion as of June 30, 2014, representing 1.5 percent of total assets.

Federal Home Loan Banks

Each of the twelve Federal Home Loan Banks is a cooperative owned by its members, which are mostly federally insured depository institutions.

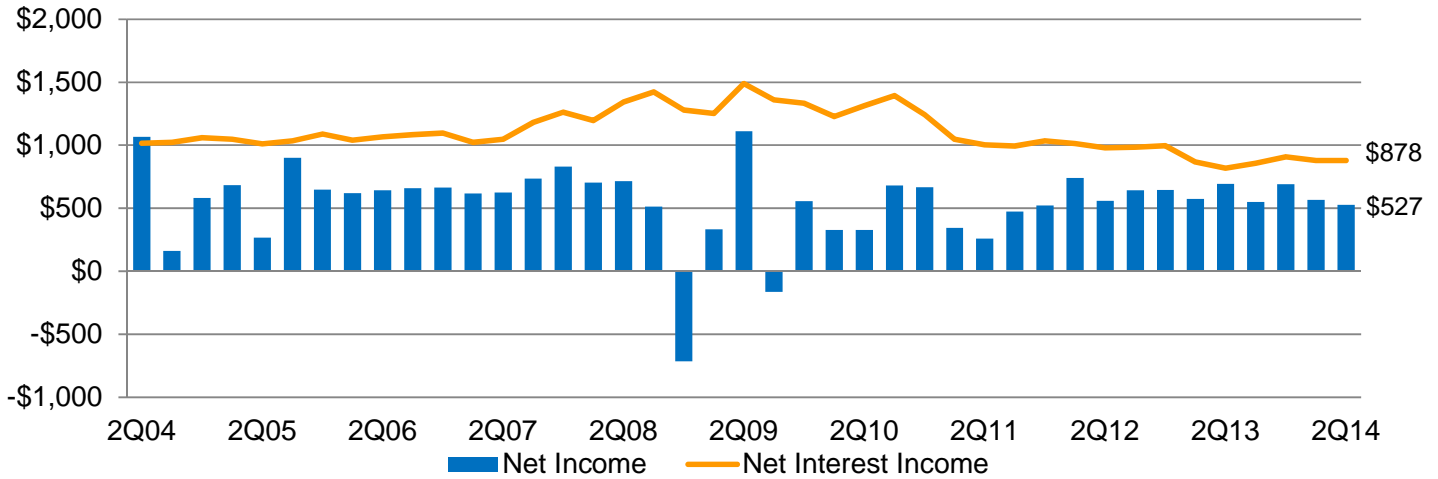
With a few exceptions, borrowing from a Bank requires the institution to be a member and purchase stock in the Bank; only current and former members can own stock in any Bank.

As cooperatives, each Bank can decide how to distribute the benefits of membership. Some Banks do this by pricing advances and other services to generate significant net interest income so they can pay dividends to their members. Other Banks distribute the benefits of membership by having low pricing on advances and correspondingly low dividends.

Because of the customer-owner nexus at each Bank, metrics used to gauge the profitability of publicly traded corporations may not be directly applicable to the Banks.

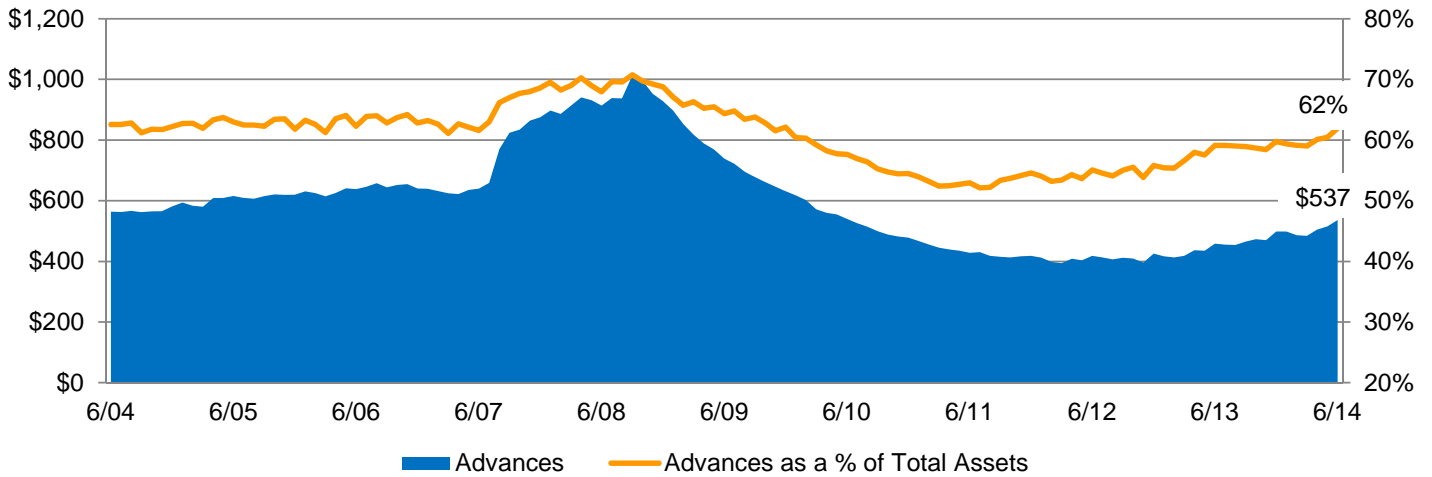
Federal Home Loan Bank System

Figure 8
Quarterly Net Interest Income/Net Income
 (\$ in millions)



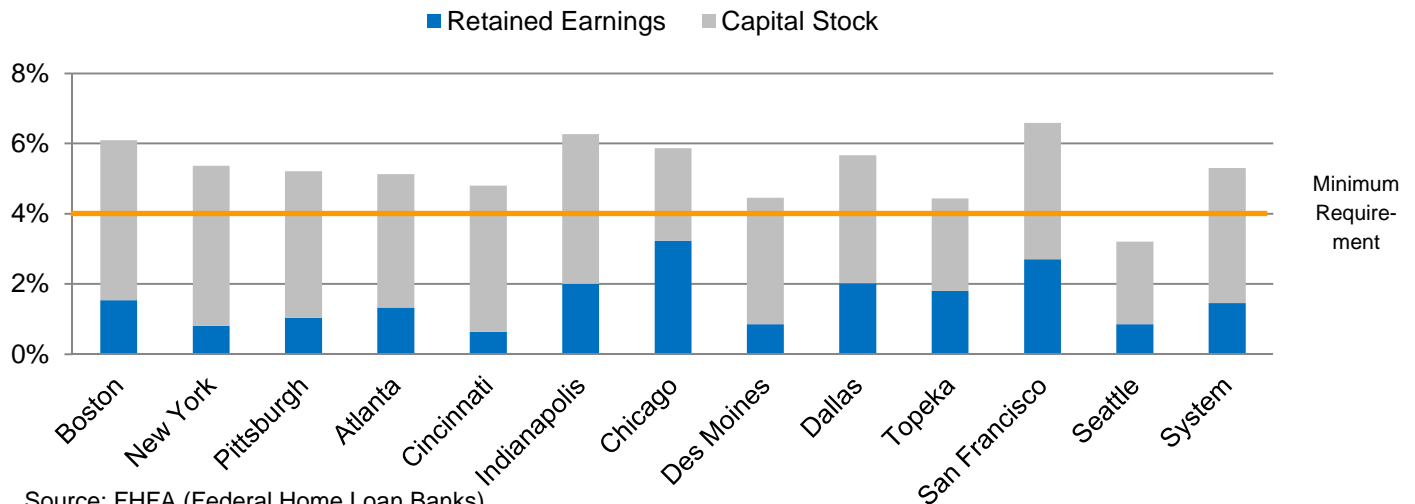
Source: FHFA (Federal Home Loan Banks)

Figure 9
System Total Advances
 (\$ in billions)



Source: FHFA (Federal Home Loan Banks)

Figure 10
Regulatory Capital-to-Assets Ratio



Source: FHFA (Federal Home Loan Banks)

Appendix

Financial Data

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Financial Data - Fannie Mae

Income Statement

(\$ in billions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2012	2013	2013	2014	2014	2014	2013
Net interest income	\$21.5	\$22.4	\$5.7	\$4.7	\$4.9	\$9.6	\$12.0
Other income	1.5	3.9	0.5	4.4	0.4	4.7	1.1
Total Revenues	23.0	26.3	6.2	9.1	5.3	14.4	13.0
Derivatives gains (losses)	(3.6)	3.3	1.2	(1.3)	(1.2)	(2.5)	1.8
Trading gains (losses)	1.0	0.3	(0.2)	0.1	0.2	0.4	0.2
Other gains (losses)	(0.1)	0.7	0.2	0.1	0.6	0.7	0.2
Total Mark-to-Market Gains (Losses)	(2.7)	4.3	1.1	(1.0)	(0.4)	(1.4)	2.1
(Provision) benefit for credit losses	0.9	8.9	5.4	0.8	1.6	2.4	6.3
REO (Foreclosed property exp.)	0.3	2.8	0.3	0.3	0.2	0.5	0.6
Security impairments	(0.7)	(0.1)	(0.0)	(0.1)	(0.0)	(0.1)	(0.0)
Total Credit-Related Income (Expenses/Losses)	0.4	11.7	5.7	1.0	1.8	2.8	6.9
Administrative expenses	(2.4)	(2.5)	(0.6)	(0.7)	(0.7)	(1.4)	(1.3)
Other expenses	(1.1)	(1.2)	(0.3)	(0.5)	(0.6)	(1.1)	(0.6)
Pre-Tax Income (Loss)	17.2	38.6	12.1	7.9	5.4	13.3	20.2
Tax (expense)/benefit / Extraordinary items	0.0	45.4	(2.0)	(2.6)	(1.8)	(4.3)	48.6
Net Income (Loss)	\$17.2	\$84.0	\$10.1	\$5.3	\$3.7	\$9.0	\$68.8
Less: Net income (loss) attributable to noncontrolling interest	0.0	(0.0)	(0.0)	-	(0.0)	(0.0)	(0.0)
Net Income (Loss) Attributable to the Enterprise	\$17.2	\$84.0	\$10.1	\$5.3	\$3.7	\$9.0	\$68.8
Preferred stock dividends and undistributed net worth sweep	(15.8)	(85.4)	(10.2)	(5.7)	(3.7)	(9.4)	(69.6)
Net Income (Loss) to Common Stockholders	\$1.4	(\$1.5)	(\$0.2)	(\$0.4)	(\$0.0)	(\$0.4)	(\$0.8)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets					
Cash and cash equivalents	\$21.1	\$19.2	\$24.7	\$14.1	\$20.8
Restricted cash	67.9	29.0	53.9	24.6	29.6
Federal Funds sold and securities purchased under agreements to resell	32.5	39.0	37.8	12.8	16.7
Investments in securities					
Agency	30.0	22.1	26.0	21.2	20.4
CMBS	22.9	4.3	19.1	4.2	4.1
Subprime	8.8	8.5	9.4	8.5	7.0
Alt-A	12.4	8.9	12.6	8.8	7.9
U.S. Treasury securities	18.0	16.3	18.5	17.6	13.1
Other	11.8	8.8	10.2	8.6	8.1
Total investments in securities	103.9	68.9	95.7	68.9	60.7
Total mortgage loans, net	2,949.4	3,026.2	2,976.1	3,018.0	3,004.8
Other assets	47.6	87.7	92.4	88.2	86.2
Total Assets	\$3,222.4	\$3,270.1	\$3,280.7	\$3,226.5	\$3,218.8
Liabilities and Equity					
Accrued interest payable	\$11.3	\$10.6	\$10.6	\$10.7	\$10.2
Total debt	3,189.5	3,234.5	3,240.5	3,194.7	3,189.5
Other liabilities	14.4	15.4	16.3	13.0	13.0
Total Liabilities	\$3,215.2	\$3,260.5	\$3,267.4	3,218.4	3,212.7
Stockholders' Equity					
Senior preferred stock	\$117.1	\$117.1	\$117.1	\$117.1	\$117.1
Preferred stock	19.1	19.1	19.1	\$19.1	\$19.1
Accumulated deficit	(122.8)	(121.2)	(117.6)	(\$123.1)	(\$125.1)
Accumulated other comprehensive income	0.4	1.2	1.2	\$1.6	\$1.6
Other Equity	(6.7)	(6.7)	(6.7)	(\$6.7)	(\$6.7)
Total Equity	\$7.2	\$9.6	\$13.2	\$8.1	\$6.1
Total Liabilities and Equity	\$3,222.4	\$3,270.1	\$3,280.7	\$3,226.5	\$3,218.8

Totals may not sum due to rounding

Financial Data - Fannie Mae

Income Statement

(\$ in billions)						2nd Quarter
	2009	2010	2011	2012	2013	2014
Net interest income	\$14.5	\$16.4	\$19.3	\$21.5	\$22.4	\$4.9
Other income	8.0	1.1	1.2	1.5	3.9	0.4
Total Revenues	22.5	17.5	20.4	23.0	26.3	5.3
Derivatives gains (losses)	(6.4)	(3.0)	(6.6)	(3.6)	3.3	(1.2)
Trading gains (losses)	3.7	2.7	0.3	1.0	0.3	0.2
Other gains (losses)	0.9	(0.4)	(0.1)	(0.1)	0.7	0.6
Total Mark-to-Market Gains (Losses)	(1.7)	(0.7)	(6.3)	(2.7)	4.3	(0.4)
(Provision) benefit for credit losses	(52.1)	(24.9)	(26.7)	0.9	8.9	1.6
REO (Foreclosed property exp.)	(0.9)	(1.7)	(0.8)	0.3	2.8	0.2
SOP 03-3 losses, net	(20.6)					
Security impairments	(9.9)	(0.7)	(0.3)	(0.7)	(0.1)	(0.0)
Total Credit-Related Income (Expenses/Losses)	(83.4)	(27.3)	(27.8)	0.4	11.7	1.8
Administrative expenses	(2.2)	(2.6)	(2.4)	(2.4)	(2.5)	(0.7)
Other expenses	(8.2)	(0.9)	(0.9)	(1.1)	(1.2)	(0.6)
Pre-Tax Income (Loss)	(73.0)	(14.1)	(16.9)	17.2	38.6	5.4
Tax (expense)/benefit / Extraordinary items	1.0	0.1	0.1	0.0	45.4	(1.8)
Net Income (Loss)	(\$72.0)	(\$14.0)	(\$16.9)	\$17.2	\$84.0	\$3.7
Less: Net income (loss) attributable to noncontrolling interest	0.1	0.0	(0.0)	0.0	(0.0)	(0.0)
Net Income (Loss) Attributable to the Enterprise	(\$72.0)	(\$14.0)	(\$16.9)	\$17.2	\$84.0	\$3.7
Preferred stock dividends and undistributed net worth sweep	(2.5)	(7.7)	(9.6)	(15.8)	(85.4)	(3.7)
Net Income (Loss) to Common Stockholders	(\$74.4)	(\$21.7)	(\$26.5)	\$1.4	(\$1.5)	(\$0.0)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Dec 31	Dec 31	Dec. 31	Jun 30
	2009	2010	2011	2012	2013	2014
Assets						
Cash and cash equivalents	\$6.8	\$17.3	\$17.5	\$21.1	\$19.2	\$20.8
Restricted cash	3.1	63.7	50.8	67.9	29.0	29.6
Federal Funds sold and securities purchased under agreements to resell	53.7	11.8	46.0	32.5	39.0	16.7
Investments in securities						
Agency	273.1	50.2	41.0	30.0	22.1	20.4
CMBS	22.5	25.6	24.4	22.9	4.3	4.1
Subprime	12.5	11.5	8.9	8.8	8.5	7.0
Alt-A	15.5	15.6	13.0	12.4	8.9	7.9
U.S. Treasury securities	0.0	27.4	47.7	18.0	16.3	13.1
Other	26.0	20.9	16.7	11.8	8.8	8.1
Total investments in securities	349.7	151.2	151.8	103.9	68.9	60.7
Total mortgage loans, net	394.6	2,923.7	2,898.6	2,949.4	3,026.2	3,004.8
Other assets	61.3	54.3	46.7	47.6	87.7	86.2
Total Assets	\$869.1	\$3,222.0	\$3,211.5	\$3,222.4	\$3,270.1	\$3,218.8
Liabilities and Equity						
Accrued interest payable	\$5.0	\$13.8	\$12.6	\$11.3	\$10.6	\$10.2
Total debt	774.6	3,197.0	3,189.9	3,189.5	3,234.5	3,189.5
Other liabilities	104.9	13.7	13.5	14.4	15.4	13.0
Total Liabilities	\$884.4	\$3,224.5	\$3,216.1	\$3,215.2	\$3,260.5	3,212.7
Stockholders' Equity						
Senior preferred stock	\$60.9	\$88.6	\$112.6	\$117.1	\$117.1	\$117.1
Preferred stock	20.3	20.2	19.1	19.1	19.1	\$19.1
Accumulated deficit	(90.2)	(103.0)	(128.4)	(122.8)	(121.2)	(\$125.1)
Accumulated other comprehensive income	(1.7)	(1.7)	(1.2)	0.4	1.2	\$1.6
Other Equity	(4.6)	(6.7)	(6.7)	(6.7)	(6.7)	(\$6.7)
Total Equity	(\$15.3)	(\$2.5)	(\$4.6)	\$7.2	\$9.6	\$6.1
Total Liabilities and Equity	\$869.1	\$3,222.0	\$3,211.5	\$3,222.4	\$3,270.1	\$3,218.8

Totals may not sum due to rounding

Financial Data - Freddie Mac

Income Statement

(\$ in billions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2012	2013	2013	2014	2014	2014	2013
Net interest income	\$17.6	\$16.5	\$4.1	\$3.5	\$3.5	\$7.0	\$8.4
Other income	0.8	6.7	0.3	4.7	0.5	5.2	0.5
Total Revenues	18.5	23.2	4.4	8.2	4.0	12.2	8.9
Derivatives gains (losses)	(2.4)	2.6	1.4	(2.4)	(1.9)	(4.3)	1.7
Trading gains (losses)	(1.7)	(1.6)	(0.8)	(0.0)	0.0	0.0	(1.1)
Other gains (losses)	1.0	2.0	(0.3)	1.0	0.1	1.2	(0.1)
Total Mark-to-Market Gains (Losses)	(3.2)	3.0	0.4	(1.3)	(1.8)	(3.1)	0.5
(Provision) benefit for credit losses	(1.9)	2.5	0.6	(0.1)	0.6	0.5	1.1
REO (Foreclosed property exp.)	(0.1)	0.1	0.1	(0.1)	0.1	(0.0)	0.1
SOP 03-3 losses, net	0.4	0.3	0.1	0.1	0.1	0.1	0.1
Security impairments	(2.2)	(1.5)	(0.0)	(0.4)	(0.2)	(0.5)	(0.1)
Total Credit-Related Income (Expenses/Losses)	(3.7)	1.4	0.8	(0.5)	0.6	0.1	1.3
Administrative expenses	(1.6)	(1.8)	(0.4)	(0.5)	(0.5)	(0.9)	(0.9)
Other expenses	(0.6)	(0.4)	(0.2)	(0.2)	(0.3)	(0.5)	(0.4)
Pre-Tax Income (Loss)	9.4	25.4	4.9	5.8	2.0	7.8	9.5
Tax (expense)/benefit / Extraordinary items	1.5	23.3	0.0	(1.7)	(0.7)	(2.4)	0.1
Net Income (Loss)	11.0	48.7	5.0	4.0	1.4	5.4	9.6
Less: Net income (loss) attributable to noncontrolling interest	-	-	-	-	-	-	-
Net Income (Loss) Attributable to the Enterprise	\$11.0	\$48.7	\$5.0	\$4.0	\$1.4	\$5.4	\$9.6
Preferred stock dividends and undistributed net worth sweep	(13.1)	(52.2)	(4.4)	(4.5)	(1.9)	(6.4)	(11.3)
Net Income (Loss) to Common Stockholders	(\$2.1)	(\$3.5)	\$0.6	(\$0.5)	(\$0.5)	(\$1.0)	(\$1.8)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets					
Cash and cash equivalents	\$8.5	\$11.3	\$13.9	\$10.6	\$4.7
Restricted cash	14.6	12.3	1.1	3.2	2.8
Federal Funds sold and securities purchased under agreements to resell	37.6	62.4	40.1	35.0	44.1
Investments in securities					
Agency	94.8	68.3	77.2	66.3	68.9
CMBS	51.3	30.3	45.8	28.6	25.7
Subprime	26.5	27.5	28.0	26.5	24.3
Alt-A	10.9	8.7	10.1	7.6	6.5
U.S. Treasury securities	20.2	6.6	24.5	9.0	12.7
Other	12.7	10.9	11.8	10.5	9.9
Total investments in securities	216.4	152.3	197.3	148.6	147.9
Total mortgage loans, net	1,686.3	1,684.8	1,690.6	1,680.9	1,678.6
Other assets	26.5	43.0	24.5	43.2	38.6
Total Assets	\$1,989.9	\$1,966.1	\$1,967.5	\$1,921.5	\$1,916.6
Liabilities and Equity					
Accrued interest payable	\$7.7	\$6.8	\$7.2	\$6.3	\$6.5
Total debt	1,967.0	1,940.8	1,945.9	1,900.3	1,898.7
Other liabilities	6.3	5.7	7.1	8.0	7.1
Total Liabilities	\$1,981.0	\$1,953.2	\$1,960.2	\$1,914.6	\$1,912.3
Stockholders' Equity					
Senior preferred stock	\$72.3	\$72.3	\$72.3	\$72.3	\$72.3
Preferred stock	14.1	14.1	14.1	14.1	14.1
Accumulated deficit	(70.8)	(69.7)	(74.0)	(76.1)	(79.3)
Accumulated other comprehensive income	(2.9)	(0.0)	(1.2)	0.5	1.0
Other Equity	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)
Total Equity	\$8.8	\$12.8	\$7.4	\$6.9	\$4.3
Total Liabilities and Equity	\$1,989.9	\$1,966.1	\$1,967.5	\$1,921.5	\$1,916.6

Totals may not sum due to rounding

Federal Housing Finance Agency

Financial Data - Freddie Mac

Income Statement

(\$ in billions)						2nd Quarter
	2009	2010	2011	2012	2013	2014
Net interest income	\$17.1	\$16.9	\$18.4	\$17.6	\$16.5	\$3.5
Other income	6.0	1.0	0.9	0.8	6.7	0.5
Total Revenues	23.0	17.9	19.3	18.5	23.2	4.0
Derivatives gains (losses)	(1.9)	(8.1)	(9.8)	(2.4)	2.6	(1.9)
Trading gains (losses)	4.9	(1.3)	(1.0)	(1.7)	(1.6)	0.0
Other gains (losses)	3.3	0.3	0.8	1.0	2.0	0.1
Total Mark-to-Market Gains (Losses)	6.3	(9.1)	(10.0)	(3.2)	3.0	(1.8)
(Provision) benefit for credit losses	(29.5)	(17.2)	(10.7)	(1.9)	2.5	0.6
REO (Foreclosed property exp.)	(0.3)	(0.7)	(0.6)	(0.1)	0.1	0.1
SOP 03-3 losses, net	(4.4)	0.8	0.5	0.4	0.3	0.1
Security impairments	(11.2)	(4.3)	(2.3)	(2.2)	(1.5)	(0.2)
Total Credit-Related Income (Expenses/Losses)	(45.4)	(21.4)	(13.1)	(3.7)	1.4	0.6
Administrative expenses	(1.7)	(1.5)	(1.5)	(1.6)	(1.8)	(0.5)
Other expenses	(4.6)	(0.7)	(0.4)	(0.6)	(0.4)	(0.3)
Pre-Tax Income (Loss)	(22.4)	(14.9)	(5.7)	9.4	25.4	2.0
Tax (expense)/benefit / Extraordinary items	0.8	0.9	0.4	1.5	23.3	(0.7)
Net Income (Loss)	(21.6)	(14.0)	(5.3)	11.0	48.7	1.4
Less: Net income (loss) attributable to noncontrolling interest	(0.0)	0.0	-	-	-	-
Net Income (Loss) Attributable to the Enterprise	(\$21.6)	(\$14.0)	(\$5.3)	\$11.0	\$48.7	\$1.4
Preferred stock dividends and undistributed net worth sweep	(4.1)	(5.7)	(6.5)	(13.1)	(52.2)	(1.9)
Net Income (Loss) to Common Stockholders	(\$25.7)	(\$19.8)	(\$11.8)	(\$2.1)	(\$3.5)	(\$0.5)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Dec 31	Dec 31	Dec. 31	Jun 30
	2009	2010	2011	2012	2013	2014
Assets						
Cash and cash equivalents	\$64.7	\$37.0	\$28.4	\$8.5	\$10.6	\$4.7
Restricted cash	0.5	8.1	28.1	14.6	3.2	2.8
Federal Funds sold and securities purchased under agreements to resell	7.0	46.5	12.0	37.6	35.0	44.1
Investments in securities						
Agency	464.9	142.7	133.0	94.8	66.3	68.9
CMBS	54.0	58.1	55.7	51.3	28.6	25.7
Subprime	35.7	33.9	28.0	26.5	26.5	24.3
Alt-A	13.4	13.2	10.9	10.9	7.6	6.5
U.S. Treasury securities	14.8	27.4	24.8	20.2	9.0	12.7
Other	24.1	17.7	17.1	12.7	10.5	9.9
Total investments in securities	606.9	292.9	269.5	216.4	148.6	147.9
Total mortgage loans, net	127.9	1,844.9	1,781.3	1,686.3	1,680.9	1,678.6
Other assets	34.8	32.3	27.9	26.5	43.2	38.6
Total Assets	\$841.8	\$2,261.8	\$2,147.2	\$1,989.9	\$1,921.5	\$1,916.6
Liabilities and Equity						
Accrued interest payable	\$5.0	\$10.3	\$8.9	\$7.7	\$6.3	\$6.5
Total debt	780.6	2,242.6	2,132.0	1,967.0	1,900.3	1,898.7
Other liabilities	51.8	9.3	6.5	6.3	8.0	7.1
Total Liabilities	\$837.4	\$2,262.2	\$2,147.4	\$1,981.0	\$1,914.6	\$1,912.3
Stockholders' Equity						
Senior preferred stock	\$51.7	\$64.2	\$72.2	\$72.3	\$72.3	\$72.3
Preferred stock	14.1	14.1	14.1	14.1	14.1	14.1
Accumulated deficit	(33.9)	(62.7)	(74.5)	(70.8)	(76.1)	(79.3)
Accumulated other comprehensive income	(23.6)	(12.0)	(8.0)	(2.9)	0.5	1.0
Other Equity	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)
Total Equity	\$4.4	(\$0.4)	(\$0.1)	\$8.8	\$6.9	\$4.3
Total Liabilities and Equity	\$841.8	\$2,261.8	\$2,147.2	\$1,989.9	\$1,921.5	\$1,916.6

Totals may not sum due to rounding

Fannie Mae

Portfolio Quality					
	2012	2013	2nd Quarter 2013	1st Quarter 2014	2nd Quarter 2014
SDQ Rate:	3.29%	2.38%	2.77%	2.19%	2.05%
SDQ Loan Count (<i>in thousands</i>):	577	419	483	384	357
Average FICO:	742	744	743	744	744
Average MTM LTV:	75%	67%	70%	66%	64%
REO Inventory (<i>in thousands</i>):	106	103	97	102	97
Loan Loss Reserve (<i>\$ in billions</i>):	\$61.4	\$46.7	\$52.1	\$44.8	\$41.7

New Business Purchase Quality					
	2012	2013	2nd Quarter ¹ 2013	1st Quarter 2014	2nd Quarter 2014
Weighted Average FICO:	761	753	756	741	744
Percent of Purchases with FICO <620	1%	1%	1%	2%	1%
FICO 620 - 739	25%	31%	29%	41%	39%
FICO >=740	74%	67%	70%	57%	59%
Weighted Average Origination LTV Ratio	75%	76%	75%	77%	77%
Weighted Average Origination LTV Ratio (excluding Refi Plus)	68%	70%	68%	75%	76%
Weighted Average Origination LTV Ratio (HARP)	111%	110%	112%	104%	102%
Percent of Purchases with Original LTV >90%	17%	19%	18%	19%	19%

Freddie Mac

Portfolio Quality					
	2012	2013	2nd Quarter 2013	1st Quarter 2014	2nd Quarter 2014
SDQ Rate:	3.25%	2.39%	2.79%	2.20%	2.07%
SDQ Loan Count (<i>in thousands</i>):	353	255	300	235	219
Average FICO:	737	739	739	739	740
Average MTM LTV:	75%	69%	73%	69%	68%
REO Inventory (<i>in thousands</i>):	49	47	45	44	36
Loan Loss Reserve (<i>\$ in billions</i>):	\$30.5	\$24.6	\$26.2	\$24.0	\$22.7

New Business Purchase Quality					
	2012	2013	2nd Quarter ¹ 2013	1st Quarter 2014	2nd Quarter ¹ 2014
Weighted Average FICO:	756	749	751	740	742
Percent of Purchases with FICO <620	1%	1%	1%	2%	2%
FICO 620 - 739	27%	33%	30%	41%	39%
FICO >= 740	72%	66%	69%	57%	59%
Weighted Average Origination LTV Ratio	76%	75%	75%	77%	77%
Weighted Average Origination LTV Ratio (excluding Relief Refinance)	68%	71%	69%	75%	76%
Weighted Average Origination LTV Ratio (Relief Refinance)	97%	91%	92%	86%	84%
Percent of Purchases with Original LTV >90%	20%	18%	18%	18%	19%

1. Amounts represent year-to-date totals

FHLBank - System¹

Income Statement

	2012	2013	4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2013	2014	2014	2nd Quarter	2nd Quarter
Interest Income (Millions)							
Advances	3,446.0	2,696.7	679.2	645.9	647.1	1,293.0	1,341.6
Investments	4,570.1	3,862.5	957.6	947.3	936.2	1,883.5	1,951.6
Mortgage Loans	2,190.1	1,867.0	448.6	437.8	428.2	866.0	968.0
Other	3.3	3.3	0.8	0.5	0.8	1.3	1.4
Total Interest Income	\$10,209.5	\$8,429.5	\$2,086.1	\$2,031.5	\$2,012.4	\$4,043.8	\$4,262.7
Interest Expense							
Bonds	5,456.8	4,251.0	991.9	971.1	958.9	1,930.0	2,223.9
Discount Notes	524.6	510.9	126.9	132.4	127.4	259.8	263.3
Other	147.6	238.9	67.0	59.9	53.1	112.9	103.8
Total Interest Expense	\$6,129.0	\$5,000.8	\$1,185.8	\$1,163.4	\$1,139.3	\$2,302.7	\$2,590.9
Provision for Credit Losses	21.4	-18.9	-7.0	-10.7	-4.7	-15.4	-11.2
Net Interest Income	\$4,059.1	\$3,447.6	\$907.4	\$878.7	\$877.7	\$1,756.4	\$1,682.9
Other Income	-193.3	310.3	152.7	8.0	-32.0	-24.0	156.8
Operating Expenses	839.7	889.4	256.2	218.1	227.7	445.7	415.4
Other Expense	142.8	63.5	30.1	33.4	28.7	62.2	8.9
Income Before AHP Assessment	\$2,883.2	\$2,804.9	\$773.8	\$635.3	\$589.3	\$1,224.6	\$1,415.4
Affordable Housing Program Assessment	296.8	293.3	82.5	68.1	62.8	130.9	143.8
Net Income	\$2,586.5	\$2,511.6	\$691.3	\$567.2	\$526.5	\$1,093.7	\$1,271.6

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	425.7	498.6	498.6	484.4	536.6
Cash and Liquidity Investments	102.8	101.0	101.0	102.9	97.0
MBS Investments	138.5	140.3	140.3	139.9	139.4
Private Label	25.4	21.3	21.3	20.6	20.0
Federal and Agency	113.1	119.1	119.1	119.2	119.4
Other Investments	43.3	47.7	47.7	47.5	47.3
Net Mortgage Loans	49.4	44.4	44.4	43.7	43.3
Other	2.9	2.5	2.5	2.5	2.7
Total Assets	\$762.7	\$834.5	\$834.5	\$820.9	\$866.3
Liabilities					
Bonds	476.1	474.3	474.3	487.5	478.8
Discount Notes	216.3	293.3	293.3	267.6	322.8
Deposits	13.7	10.6	10.6	10.4	9.1
Mandatorily Redeemable Capital Stock	6.9	5.0	5.0	4.5	3.6
Other	7.1	6.4	6.4	6.9	6.0
Total Liabilities	\$720.2	\$789.6	\$789.6	\$776.9	\$820.3
Capital					
Capital Stock	33.5	33.4	33.4	31.8	33.3
Retained Earnings	10.4	12.1	12.1	12.4	12.6
Accumulated Other Comprehensive Income	-1.5	-0.5	-0.5	-0.2	0.1
Total GAAP Capital	\$42.5	\$45.0	\$45.0	\$44.0	\$46.0

Performance Measures

	2012	2013	4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2013	2014	2014	2nd Quarter	2nd Quarter
Profitability							
Return on Assets (Annualized)	0.34%	0.32%	0.33%	0.28%	0.25%	0.26%	0.34%
Return on Equity (Annualized)	6.44%	5.86%	6.27%	5.13%	4.73%	4.93%	6.05%
Net Interest Spread	0.47%	0.40%	0.40%	0.38%	0.38%	0.39%	0.39%
Capital							
Retained Earnings/Total Assets	1.4%	1.5%	1.5%	1.5%	1.5%		
GAAP Capital/Total Assets	5.6%	5.4%	5.4%	5.4%	5.3%		
Regulatory Capital/Total Assets	6.7%	6.0%	6.0%	5.9%	5.7%		
Permanent Capital/Required RBC	388%	350%	350%	361%	391%		
Market Value							
Market Value of Equity / Book Value of Equity	101%	104%	104%	104%	105%		
Market Value of Equity / Par Value of Capital Stock	124%	135%	135%	139%	141%		
Base Duration of Equity	0.14	0.96	0.96	0.42	0.07		

1. FHLBank - System values do not include combining adjustments.

FHLBank - System¹

Income Statement

						2nd Quarter
	2009	2010	2011	2012	2013	2014
Interest Income (Millions)						
Advances	9,921.5	5,125.1	3,596.5	3,446.0	2,696.7	1,293.0
Investments	7,130.0	6,198.4	5,251.6	4,570.1	3,862.5	1,883.5
Mortgage Loans	3,872.2	3,187.1	2,641.8	2,190.1	1,867.0	866.0
Other	3.7	3.8	2.4	3.3	3.3	1.3
Total Interest Income	\$20,927.5	\$14,514.5	\$11,492.3	\$10,209.5	\$8,429.5	\$4,043.8
Interest Expense						
Bonds	13,161.6	8,474.8	6,633.2	5,456.8	4,251.0	1,930.0
Discount Notes	2,174.8	669.6	528.6	524.6	510.9	259.8
Other	145.8	145.3	130.0	147.6	238.9	112.9
Total Interest Expense	\$15,482.3	\$9,289.8	\$7,291.8	\$6,129.0	\$5,000.8	\$2,302.7
Provision for Credit Losses	17.1	58.5	71.8	21.4	-18.9	-15.4
Net Interest Income	\$5,428.1	\$5,166.2	\$4,128.7	\$4,059.1	\$3,447.6	\$1,756.4
Other Income	-1,844.6	-1,497.8	-1,111.8	-193.3	310.3	-24.0
Operating Expenses	810.8	860.0	854.8	839.7	889.4	445.7
Other Expense	104.8	80.7	206.3	142.8	63.5	62.2
Income Before AHP Assessment	\$2,667.9	\$2,727.6	\$1,955.9	\$2,883.2	\$2,804.9	\$1,224.6
Affordable Housing Program Assessment	830.6	728.0	348.3	296.8	293.3	130.9
Net Income	\$1,837.2	\$1,999.6	\$1,607.6	\$2,586.5	\$2,511.6	\$1,093.7

Balance Sheet

	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31	Jun 30
	2009	2010	2011	2012	2013	2014
Assets (Billions)						
Advances	631.2	478.6	418.2	425.7	498.6	536.6
Cash and Liquidity Investments	115.5	127.0	89.8	102.8	101.0	97.0
MBS Investments	152.0	146.9	140.2	138.5	140.3	139.4
Private Label	48.1	37.6	29.5	25.4	21.3	20.0
Federal and Agency	104.0	109.3	110.7	113.1	119.1	119.4
Other Investments	41.5	60.6	61.7	43.3	47.7	47.3
Net Mortgage Loans	71.4	61.2	53.4	49.4	44.4	43.3
Other	4.3	4.1	3.1	2.9	2.5	2.7
Total Assets	\$1015.9	\$878.3	\$766.3	\$762.7	\$834.5	\$866.3
Liabilities						
Bonds	736.7	606.8	507.2	476.1	474.3	478.8
Discount Notes	198.5	194.4	190.1	216.3	293.3	322.8
Deposits	15.9	14.4	12.6	13.7	10.6	9.1
Mandatorily Redeemable Capital Stock	8.1	7.1	8.0	6.9	5.0	3.6
Other	13.9	11.9	8.6	7.1	6.4	6.0
Total Liabilities	\$973.1	\$834.6	\$726.6	\$720.2	\$789.6	\$820.3
Capital						
Capital Stock	45.0	41.7	35.5	33.5	33.4	33.3
Retained Earnings	6.0	7.5	8.5	10.4	12.1	12.6
Accumulated Other Comprehensive Income	-8.2	-5.5	-4.3	-1.5	-0.5	0.1
Total GAAP Capital	\$42.8	\$43.7	\$39.8	\$42.5	\$45.0	\$46.0

Performance Measures

						2nd Quarter
	2009	2010	2011	2012	2013	2014
Profitability						
Return on Assets (Annualized)	0.16%	0.21%	0.19%	0.34%	0.32%	0.25%
Return on Equity (Annualized)	3.91%	4.63%	3.81%	6.44%	5.86%	4.73%
Net Interest Spread	0.38%	0.48%	0.45%	0.47%	0.40%	0.38%
Capital						
Retained Earnings/Total Assets	0.6%	0.9%	1.1%	1.4%	1.5%	1.5%
GAAP Capital/Total Assets	4.2%	5.0%	5.2%	5.6%	5.4%	5.3%
Regulatory Capital/Total Assets	5.9%	6.5%	6.9%	6.7%	6.0%	5.7%
Permanent Capital/Required RBC	288%	362%	367%	388%	350%	391%
Market Value						
Market Value of Equity / Book Value of Equity	92%	99%	97%	101%	104%	105%
Market Value of Equity / Par Value of Capital Stock	88%	103%	106%	124%	135%	141%
Base Duration of Equity	3.43	1.01	0.71	0.14	0.96	0.07

1. FHLBank - System values do not include combining adjustments.

FHLBank - Atlanta

Income Statement

	2012	2013	4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2013	2014	2014	2014	2013
Interest Income (Millions)							
Advances	294.1	233.0	53.4	57.2	51.5	108.7	124.2
Investments	602.3	496.9	120.4	115.3	113.9	229.2	250.7
Mortgage Loans	76.6	61.2	14.0	13.1	12.5	25.6	32.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$972.9	\$791.1	\$187.8	\$185.7	\$177.9	\$363.5	\$407.6
Interest Expense							
Bonds	567.5	420.8	95.9	88.1	79.4	167.5	220.5
Discount Notes	25.2	26.7	8.3	7.7	6.3	14.0	13.6
Other	4.1	1.3	0.2	0.3	0.3	0.6	0.8
Total Interest Expense	\$596.9	\$448.7	\$104.5	\$96.1	\$85.9	\$182.1	\$234.9
Provision for Credit Losses	5.9	4.8	0.4	-4.4	1.9	-2.4	3.1
Net Interest Income	\$370.2	\$337.6	\$83.0	\$93.9	\$90.0	\$183.9	\$169.7
Other Income	55.2	165.7	75.7	22.4	10.2	32.6	64.8
Operating Expenses	108.2	113.1	32.7	25.7	27.6	53.3	52.9
Other Expense	16.3	14.7	4.1	5.0	4.2	9.2	7.4
Income Before AHP Assessment	\$300.8	\$375.5	\$121.9	\$85.6	\$68.4	\$154.0	\$174.1
Affordable Housing Program Assessment	30.4	37.6	12.2	8.6	6.9	15.4	17.5
Net Income	\$270.4	\$337.9	\$109.7	\$77.0	\$61.5	\$138.5	\$156.7

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	87.5	89.6	89.6	84.2	95.1
Cash and Liquidity Investments	13.1	7.2	7.2	9.2	8.2
MBS Investments	16.8	18.6	18.6	18.5	18.0
Private Label	5.4	4.2	4.2	4.0	3.9
Federal and Agency	11.4	14.4	14.4	14.5	14.1
Other Investments	4.6	5.5	5.5	6.2	6.2
Net Mortgage Loans	1.2	0.9	0.9	0.9	0.8
Other	0.4	0.5	0.5	0.5	0.5
Total Assets	\$123.7	\$122.3	\$122.3	\$119.5	128.9
Liabilities					
Bonds	82.9	80.7	80.7	88.3	89.4
Discount Notes	31.7	32.2	32.2	22.8	30.7
Deposits	2.1	1.8	1.8	1.5	1.4
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.6	1.0	1.0	0.7	0.6
Total Liabilities	\$117.4	\$115.7	\$115.7	\$113.2	122.2
Capital					
Capital Stock	4.9	4.9	4.9	4.4	4.9
Retained Earnings	1.4	1.7	1.7	1.7	1.7
Accumulated Other Comprehensive Income	-0.1	0.1	0.1	0.1	0.1
Total GAAP Capital	\$6.3	\$6.7	\$6.7	\$6.2	\$6.7

Performance Measures

	2012	2013	4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2013	2014	2014	2014	2013
Profitability							
Return on Assets (Annualized)	0.22%	0.28%	0.36%	0.25%	0.19%	0.22%	0.26%
Return on Equity (Annualized)	4.26%	5.42%	6.86%	4.75%	3.81%	4.28%	5.13%
Net Interest Spread	0.27%	0.26%	0.24%	0.27%	0.27%	0.26%	0.27%
Capital							
Retained Earnings/Total Assets	1.2%	1.4%	1.4%	1.4%	1.3%		
GAAP Capital/Total Assets	5.1%	5.4%	5.4%	5.2%	5.2%		
Regulatory Capital/Total Assets	5.2%	5.4%	5.4%	5.1%	5.1%		
Permanent Capital/Required RBC	392%	292%	292%	296%	351%		
Market Value							
Market Value of Equity / Book Value of Equity	102%	99%	99%	99%	101%		
Market Value of Equity / Par Value of Capital Stock	131%	135%	135%	140%	138%		
Base Duration of Equity	-0.76	0.28	0.28	-0.42	-1.28		

FHLBank - Boston

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2014	2nd Quarter 2013
Interest Income (Millions)							
Advances	356.4	252.3	61.5	58.4	57.6	116.0	132.7
Investments	237.4	206.2	47.5	46.6	47.8	94.3	108.5
Mortgage Loans	136.4	128.2	32.1	31.8	31.5	63.2	64.7
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$730.2	\$586.8	\$141.0	\$136.7	\$136.8	\$273.5	\$305.8
Interest Expense							
Bonds	405.0	318.2	75.1	75.5	80.2	155.7	164.4
Discount Notes	11.6	7.0	1.9	3.0	3.9	6.9	3.2
Other	1.1	5.8	3.7	3.6	2.7	6.3	1.2
Total Interest Expense	\$417.7	\$330.9	\$80.6	\$82.1	\$86.8	\$168.9	\$168.8
Provision for Credit Losses	-3.1	-2.0	0.2	-0.3	0.2	-0.1	-2.3
Net Interest Income	\$315.6	\$257.8	\$60.2	\$54.9	\$49.8	\$104.7	\$139.3
Other Income	-22.1	43.4	53.1	2.5	1.7	4.2	-9.6
Operating Expenses	53.5	56.2	16.2	14.9	14.3	29.2	26.2
Other Expense	9.8	8.5	1.9	2.1	2.1	4.2	4.6
Income Before AHP Assessment	\$230.2	\$236.5	\$95.2	\$40.5	\$35.1	\$75.6	\$98.9
Affordable Housing Program Assessment	23.1	24.2	9.9	4.4	3.8	8.2	10.0
Net Income	\$207.1	\$212.3	\$85.3	\$36.1	\$31.3	\$67.4	\$88.9

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	20.8	27.5	27.5	29.7	32.3
Cash and Liquidity Investments	4.9	5.2	5.2	8.7	10.0
MBS Investments	7.8	6.6	6.6	7.0	7.8
Private Label	1.3	1.2	1.2	1.1	1.1
Federal and Agency	6.5	5.4	5.4	5.9	6.7
Other Investments	3.1	1.8	1.8	1.1	1.0
Net Mortgage Loans	3.5	3.4	3.4	3.3	3.4
Other	0.1	0.1	0.1	0.1	0.1
Total Assets	\$40.2	\$44.6	\$44.6	\$50.1	\$46.6
Liabilities					
Bonds	26.1	23.5	23.5	24.5	23.8
Discount Notes	8.6	16.1	16.1	20.2	26.1
Deposits	0.6	0.5	0.5	0.5	0.5
Mandatorily Redeemable Capital Stock	0.2	1.0	1.0	1.0	0.6
Other	1.1	0.8	0.8	0.9	0.8
Total Liabilities	\$36.6	\$41.8	\$41.8	\$47.2	\$51.7
Capital					
Capital Stock	3.5	2.5	2.5	2.6	2.5
Retained Earnings	0.6	0.8	0.8	0.8	0.8
Accumulated Other Comprehensive Income	-0.5	-0.5	-0.5	-0.5	-0.4
Total GAAP Capital	\$3.6	\$2.8	\$2.8	\$2.9	\$2.9

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2014	2nd Quarter 2013
Profitability							
Return on Assets (Annualized)	0.45%	0.54%	0.84%	0.31%	0.24%	0.27%	0.47%
Return on Equity (Annualized)	6.03%	7.40%	12.39%	5.10%	4.38%	4.73%	5.87%
Net Interest Spread	0.58%	0.56%	0.52%	0.41%	0.33%	0.43%	0.49%
Capital							
Retained Earnings/Total Assets	1.5%	1.8%	1.8%	1.6%	1.5%		
GAAP Capital/Total Assets	8.9%	6.4%	6.4%	5.8%	5.3%		
Regulatory Capital/Total Assets	10.6%	9.6%	9.6%	8.7%	7.2%		
Permanent Capital/Required RBC	592%	590%	590%	631%	580%		
Market Value							
Market Value of Equity / Book Value of Equity	104%	110%	110%	109%	110%		
Market Value of Equity / Par Value of Capital Stock	108%	119%	119%	120%	124%		
Base Duration of Equity	0.33	0.88	0.88	-0.60	-0.62		

FHLBank - Chicago

Income Statement

	2012	2013	4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2013	2014	2014	2nd Quarter	2nd Quarter
Interest Income (Millions)							
Advances	241.2	175.5	38.4	38.6	38.9	77.5	84.0
Investments	1,129.0	936.2	224.9	227.8	220.9	448.7	483.7
Mortgage Loans	545.8	399.0	91.2	88.7	85.1	173.8	215.5
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$1,916.0	\$1,510.8	\$354.5	\$355.2	\$344.8	\$700.0	\$783.2
Interest Expense							
Bonds	979.6	716.4	154.6	147.2	146.4	293.6	391.8
Discount Notes	306.6	287.3	65.6	67.2	66.0	133.2	151.4
Other	57.4	57.0	14.1	13.5	13.5	27.0	28.6
Total Interest Expense	\$1,343.6	\$1,060.8	\$234.3	\$228.0	\$225.9	\$453.8	\$571.8
Provision for Credit Losses	9.3	-2.2	-0.2	-2.6	-3.9	-6.4	-2.1
Net Interest Income	\$563.1	\$452.2	\$120.4	\$129.8	\$122.8	\$252.6	\$213.5
Other Income	-35.3	-19.8	-44.2	-10.1	11.0	0.9	32.9
Operating Expenses	91.2	102.9	30.0	26.2	28.0	54.2	47.1
Other Expense	19.5	-46.6	1.7	3.9	0.6	4.5	-49.2
Income Before AHP Assessment	\$417.0	\$376.1	\$44.4	\$89.6	\$105.3	\$194.8	\$248.5
Affordable Housing Program Assessment	41.7	32.6	4.4	9.0	10.5	19.5	19.9
Net Income	\$375.3	\$343.4	\$39.9	\$80.6	\$94.7	\$175.4	\$228.7

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	14.5	23.5	23.5	22.4	24.8
Cash and Liquidity Investments	10.1	6.0	6.0	10.6	6.3
MBS Investments	22.4	19.9	19.9	19.6	19.1
Private Label	1.5	1.3	1.3	1.2	1.2
Federal and Agency	20.9	18.6	18.6	18.3	17.9
Other Investments	11.8	11.5	11.5	12.0	10.7
Net Mortgage Loans	10.4	7.7	7.7	7.3	6.9
Other	0.3	0.2	0.2	0.2	0.2
Total Assets	\$69.6	\$68.8	\$68.8	\$72.0	68.1
Liabilities					
Bonds	32.6	32.0	32.0	39.2	38.0
Discount Notes	31.3	31.1	31.1	26.9	23.8
Deposits	0.8	0.5	0.5	0.6	0.5
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	1.5	1.4	1.4	1.4	1.5
Total Liabilities	\$66.1	\$65.0	\$65.0	\$68.1	63.8
Capital					
Capital Stock	1.7	1.7	1.7	1.7	1.8
Retained Earnings	1.7	2.0	2.0	2.1	2.2
Accumulated Other Comprehensive Income	0.1	0.1	0.1	0.2	0.2
Total GAAP Capital	\$3.4	\$3.8	\$3.8	\$4.0	\$4.2

Performance Measures

	2012	2013	4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2013	2014	2014	2nd Quarter	2nd Quarter
Profitability							
Return on Assets (Annualized)	0.54%	0.53%	0.25%	0.47%	0.53%	0.50%	0.68%
Return on Equity (Annualized)	12.91%	9.71%	4.34%	8.54%	9.13%	8.85%	13.23%
Net Interest Spread	0.62%	0.55%	0.65%	0.65%	0.59%	0.62%	0.60%
Capital							
Retained Earnings/Total Assets	2.4%	2.9%	2.9%	2.9%	3.2%		
GAAP Capital/Total Assets	5.0%	5.5%	5.5%	5.5%	6.2%		
Regulatory Capital/Total Assets	4.8%	5.4%	5.4%	5.3%	5.9%		
Permanent Capital/Required RBC	217%	253%	253%	296%	325%		
Market Value							
Market Value of Equity / Book Value of Equity	102%	116%	116%	115%	117%		
Market Value of Equity / Par Value of Capital Stock	212%	260%	260%	268%	275%		
Base Duration of Equity	0.75	0.96	0.96	0.51	0.38		

FHLBank - Cincinnati

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter	2nd Quarter	2nd Quarter
			2013	2014	2014	2014	2013
Interest Income (Millions)							
Advances	260.7	308.1	79.0	77.1	78.1	155.3	149.9
Investments	347.4	323.3	87.8	91.5	90.7	182.1	150.1
Mortgage Loans	312.7	268.7	62.0	60.3	57.4	117.7	140.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$920.8	\$900.2	\$228.8	\$228.9	\$226.2	\$455.1	\$440.9
Interest Expense							
Bonds	569.9	529.8	137.4	142.2	141.8	284.0	262.5
Discount Notes	30.7	36.7	7.7	8.4	6.2	14.7	20.5
Other	12.1	5.8	1.2	1.3	1.2	2.5	3.2
Total Interest Expense	\$612.7	\$572.3	\$146.3	\$151.9	\$149.3	\$301.2	\$286.2
Provision for Credit Losses	1.5	-7.5	0.0	0.0	-0.9	-0.9	-6.5
Net Interest Income	\$306.7	\$335.3	\$82.4	\$77.0	\$77.8	\$154.8	\$161.2
Other Income	13.4	19.8	6.4	3.7	6.3	10.1	9.2
Operating Expenses	44.9	51.5	14.0	13.7	12.6	26.3	24.4
Other Expense	13.1	12.9	3.5	3.4	4.1	7.5	6.3
Income Before AHP Assessment	\$262.1	\$290.7	\$71.3	\$63.7	\$67.5	\$131.2	\$139.7
Affordable Housing Program Assessment	27.4	29.6	7.2	6.5	6.9	13.4	14.3
Net Income	\$234.7	\$261.1	\$64.0	\$57.2	\$60.6	\$117.8	\$125.4

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	53.9	65.3	65.3	65.5	69.5
Cash and Liquidity Investments	7.2	14.9	14.9	12.4	9.3
MBS Investments	12.8	16.1	16.1	16.2	15.6
Private Label	0.0	0.0	0.0	0.0	0.0
Federal and Agency	12.8	16.1	16.1	16.2	15.6
Other Investments	0.0	0.0	0.0	0.0	0.0
Net Mortgage Loans	7.5	6.8	6.8	6.7	6.7
Other	0.1	0.1	0.1	0.1	0.1
Total Assets	\$81.6	\$103.2	\$103.2	\$100.9	101.3
Liabilities					
Bonds	44.3	58.2	58.2	61.4	59.7
Discount Notes	30.8	38.2	38.2	33.2	35.4
Deposits	1.2	0.9	0.9	0.9	0.8
Mandatorily Redeemable Capital Stock	0.2	0.1	0.1	0.1	0.1
Other	0.5	0.5	0.5	0.4	0.4
Total Liabilities	\$77.0	\$97.9	\$97.9	\$96.1	96.4
Capital					
Capital Stock	4.0	4.7	4.7	4.2	4.2
Retained Earnings	0.5	0.6	0.6	0.6	0.6
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$4.5	\$5.3	\$5.3	\$4.8	\$4.9

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter	2nd Quarter	2nd Quarter
			2013	2014	2014	2014	2013
Profitability							
Return on Assets (Annualized)	0.35%	0.28%	0.25%	0.23%	0.24%	0.23%	0.28%
Return on Equity (Annualized)	6.20%	5.10%	4.78%	4.51%	5.00%	4.75%	5.13%
Net Interest Spread	0.40%	0.31%	0.30%	0.27%	0.28%	0.29%	0.29%
Capital							
Retained Earnings/Total Assets	0.7%	0.6%	0.6%	0.6%	0.6%		
GAAP Capital/Total Assets	5.6%	5.1%	5.1%	4.8%	4.8%		
Regulatory Capital/Total Assets	5.8%	5.3%	5.3%	4.9%	4.9%		
Permanent Capital/Required RBC	974%	993%	993%	937%	1013%		
Market Value							
Market Value of Equity / Book Value of Equity	103%	93%	93%	96%	99%		
Market Value of Equity / Par Value of Capital Stock	115%	105%	105%	110%	113%		
Base Duration of Equity	1.94	2.54	2.54	2.09	1.79		

FHLBank - Dallas

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2014	2014	2013
Interest Income (Millions)							
Advances	195.4	157.9	36.0	31.6	35.0	66.7	77.2
Investments	106.2	80.0	18.1	16.8	16.4	33.1	42.9
Mortgage Loans	7.9	5.9	1.3	1.3	1.2	2.4	3.2
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$309.5	\$243.8	\$55.4	\$49.7	\$52.6	\$102.2	\$123.2
Interest Expense							
Bonds	139.3	89.0	19.6	19.1	18.6	37.8	48.1
Discount Notes	8.4	6.8	1.6	1.8	2.0	3.8	3.7
Other	0.4	0.2	0.0	0.0	0.0	0.1	0.1
Total Interest Expense	\$148.1	\$96.0	\$21.2	\$20.9	\$20.7	\$41.6	\$51.9
Provision for Credit Losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Interest Income	\$161.4	\$147.9	\$34.2	\$28.7	\$31.9	\$60.6	\$71.3
Other Income	2.2	20.7	4.4	2.8	2.8	5.7	8.7
Operating Expenses	67.6	66.1	17.2	16.0	18.1	34.0	32.9
Other Expense	5.1	4.8	1.3	1.2	1.1	2.3	2.4
Income Before AHP Assessment	\$90.9	\$97.6	\$20.2	\$14.3	\$15.6	\$29.9	\$44.7
Affordable Housing Program Assessment	9.1	9.8	2.0	1.4	1.6	3.0	4.5
Net Income	\$81.8	\$87.9	\$18.1	\$12.9	\$14.0	\$26.9	\$40.2

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	18.4	16.0	16.0	15.3	18.2
Cash and Liquidity Investments	6.1	2.4	2.4	3.5	3.5
MBS Investments	5.2	5.2	5.2	5.1	5.2
Private Label	0.2	0.2	0.2	0.2	0.2
Federal and Agency	5.0	5.0	5.0	4.9	5.0
Other Investments	5.8	6.5	6.5	6.5	6.5
Net Mortgage Loans	0.1	0.1	0.1	0.1	0.1
Other	0.1	0.1	0.1	0.1	0.1
Total Assets	\$35.8	\$30.2	\$30.2	\$30.6	33.7
Liabilities					
Bonds	25.7	21.5	21.5	20.1	19.0
Discount Notes	7.0	6.0	6.0	7.8	12.0
Deposits	1.2	0.9	0.9	0.8	0.6
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.1	0.1	0.1	0.1	0.2
Total Liabilities	\$34.0	\$28.5	\$28.5	\$28.9	31.7
Capital					
Capital Stock	1.2	1.1	1.1	1.1	1.2
Retained Earnings	0.6	0.7	0.7	0.7	0.7
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$1.8	\$1.7	\$1.7	\$1.7	\$1.9

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2014	2014	2013
Profitability							
Return on Assets (Annualized)	0.22%	0.26%	0.22%	0.16%	0.17%	0.17%	0.24%
Return on Equity (Annualized)	4.77%	5.15%	4.25%	3.08%	3.10%	3.09%	4.77%
Net Interest Spread	0.41%	0.43%	0.40%	0.35%	0.36%	0.38%	0.39%
Capital							
Retained Earnings/Total Assets	1.6%	2.2%	2.2%	2.2%	2.0%		
GAAP Capital/Total Assets	5.0%	5.8%	5.8%	5.7%	5.7%		
Regulatory Capital/Total Assets	5.0%	5.9%	5.9%	5.7%	5.7%		
Permanent Capital/Required RBC	444%	395%	395%	446%	525%		
Market Value							
Market Value of Equity / Book Value of Equity	109%	113%	113%	112%	109%		
Market Value of Equity / Par Value of Capital Stock	158%	176%	176%	180%	170%		
Base Duration of Equity	1.56	4.25	4.25	2.23	1.55		

FHLBank - Des Moines

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter 2014	2nd Quarter 2013	
Interest Income (Millions)							
Advances	270.6	200.8	56.0	53.0	57.2	110.2	96.9
Investments	221.2	180.1	45.3	44.4	45.5	89.9	91.7
Mortgage Loans	284.1	253.5	62.5	62.3	61.3	123.6	128.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$775.9	\$634.4	\$163.8	\$159.7	\$164.0	\$323.7	\$317.6
Interest Expense							
Bonds	523.3	407.2	97.7	97.9	93.5	191.5	209.7
Discount Notes	11.4	13.6	7.5	9.3	10.1	19.4	3.7
Other	0.6	0.4	0.1	0.1	0.1	0.1	0.2
Total Interest Expense	\$535.3	\$421.3	\$105.4	\$107.3	\$103.7	\$211.0	\$213.6
Provision for Credit Losses	0.0	-5.9	-5.9	-0.3	0.0	-0.3	0.0
Net Interest Income	\$240.6	\$219.0	\$64.3	\$52.7	\$60.3	\$113.0	\$104.0
Other Income	-49.3	-34.5	-3.7	3.5	-14.7	-11.2	-27.4
Operating Expenses	52.2	53.1	17.6	12.5	13.2	25.7	23.7
Other Expense	15.3	9.4	2.3	2.5	2.5	5.0	5.1
Income Before AHP Assessment	\$123.8	\$122.0	\$40.8	\$41.1	\$30.0	\$71.1	\$47.7
Affordable Housing Program Assessment	12.4	12.2	4.1	4.1	3.0	7.1	4.8
Net Income	\$111.4	\$109.8	\$36.7	\$37.0	\$27.0	\$64.0	\$43.0

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	26.6	45.7	45.7	44.9	51.7
Cash and Liquidity Investments	4.6	9.9	9.9	9.7	11.3
MBS Investments	6.9	8.2	8.2	9.0	10.1
Private Label	0.0	0.0	0.0	0.0	0.0
Federal and Agency	6.8	8.1	8.1	9.0	10.1
Other Investments	2.2	2.6	2.6	2.5	2.4
Net Mortgage Loans	7.0	6.6	6.6	6.5	6.5
Other	0.1	0.2	0.2	0.2	0.2
Total Assets	\$47.4	\$73.0	\$73.0	\$72.9	\$82.2
Liabilities					
Bonds	34.3	30.2	30.2	25.2	18.3
Discount Notes	8.7	38.1	38.1	42.8	59.3
Deposits	1.1	0.7	0.7	0.8	0.5
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.4	0.5	0.5	0.6	0.3
Total Liabilities	\$44.5	\$69.5	\$69.5	\$69.4	78.4
Capital					
Capital Stock	2.1	2.7	2.7	2.7	3.0
Retained Earnings	0.6	0.7	0.7	0.7	0.7
Accumulated Other Comprehensive Income	0.1	0.1	0.1	0.1	0.1
Total GAAP Capital	\$2.8	\$3.5	\$3.5	\$3.5	\$3.8

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter 2014	2nd Quarter 2013	
Profitability							
Return on Assets (Annualized)	0.23%	0.20%	0.20%	0.21%	0.14%	0.17%	0.18%
Return on Equity (Annualized)	3.98%	3.68%	4.27%	4.37%	3.02%	3.68%	3.09%
Net Interest Spread	0.42%	0.35%	0.29%	0.26%	0.30%	0.30%	0.31%
Capital							
Retained Earnings/Total Assets	1.3%	0.9%	0.9%	1.0%	0.9%		
GAAP Capital/Total Assets	6.0%	4.7%	4.7%	4.8%	4.6%		
Regulatory Capital/Total Assets	5.7%	4.6%	4.6%	4.6%	4.5%		
Permanent Capital/Required RBC	724%	500%	500%	551%	641%		
Market Value							
Market Value of Equity / Book Value of Equity	85%	94%	94%	94%	97%		
Market Value of Equity / Par Value of Capital Stock	117%	121%	121%	122%	125%		
Base Duration of Equity	-2.37	0.97	0.97	-0.14	-0.61		

FHLBank - Indianapolis

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2014	2nd Quarter 2013
Interest Income (Millions)							
Advances	174.6	145.5	43.6	29.2	24.5	53.6	71.1
Investments	210.6	173.7	41.2	38.7	38.7	77.4	89.9
Mortgage Loans	258.2	246.4	60.2	57.3	57.2	114.5	126.4
Other	1.4	1.5	0.4	0.1	0.4	0.5	0.5
Total Interest Income	\$644.8	\$567.1	\$145.5	\$125.3	\$120.8	\$246.1	\$288.0
Interest Expense							
Bonds	379.7	314.0	78.3	76.4	75.9	152.4	158.1
Discount Notes	8.0	7.8	1.7	1.4	1.3	2.7	4.4
Other	15.2	7.6	0.9	0.6	0.2	0.8	4.5
Total Interest Expense	\$402.9	\$329.5	\$80.9	\$78.5	\$77.4	\$155.9	\$167.0
Provision for Credit Losses	8.2	-4.2	-0.7	-0.7	-0.1	-0.8	-3.8
Net Interest Income	\$233.7	\$241.9	\$65.3	\$47.5	\$43.5	\$91.0	\$124.8
Other Income	-13.1	69.5	41.0	5.9	10.0	15.8	27.9
Operating Expenses	52.7	61.4	15.2	14.0	15.0	29.0	27.5
Other Expense	7.0	6.8	1.9	1.9	1.6	3.5	3.4
Income Before AHP Assessment	\$160.9	\$243.1	\$89.2	\$37.5	\$36.8	\$74.3	\$121.8
Affordable Housing Program Assessment	17.6	25.1	9.0	3.8	3.7	7.5	12.6
Net Income	\$143.3	\$218.0	\$80.2	\$33.7	\$33.1	\$66.8	\$109.1

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	18.1	17.3	17.3	17.1	19.2
Cash and Liquidity Investments	5.5	3.3	3.3	2.5	2.8
MBS Investments	7.9	7.3	7.3	7.1	7.1
Private Label	0.9	0.6	0.6	0.6	0.6
Federal and Agency	7.0	6.7	6.7	6.5	6.5
Other Investments	3.6	3.4	3.4	3.4	3.4
Net Mortgage Loans	6.0	6.2	6.2	6.2	6.3
Other	0.1	0.2	0.2	0.1	0.2
Total Assets	\$41.2	\$37.8	\$37.8	\$36.5	\$39.1
Liabilities					
Bonds	27.4	26.6	26.6	26.2	26.2
Discount Notes	8.9	7.4	7.4	6.4	9.0
Deposits	1.8	1.1	1.1	1.2	1.0
Mandatorily Redeemable Capital Stock	0.5	0.0	0.0	0.0	0.0
Other	0.4	0.3	0.3	0.3	0.3
Total Liabilities	\$39.0	\$35.4	\$35.4	\$34.1	\$36.6
Capital					
Capital Stock	1.6	1.6	1.6	1.6	1.7
Retained Earnings	0.6	0.8	0.8	0.8	0.8
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$2.2	\$2.4	\$2.4	\$2.4	\$2.5

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2014	2nd Quarter 2013
Profitability							
Return on Assets (Annualized)	0.35%	0.54%	0.79%	0.36%	0.35%	0.36%	0.55%
Return on Equity (Annualized)	6.89%	9.40%	13.68%	5.68%	5.40%	5.53%	9.59%
Net Interest Spread	0.54%	0.52%	0.58%	0.44%	0.38%	0.48%	0.48%
Capital							
Retained Earnings/Total Assets	1.4%	2.0%	2.0%	2.1%	2.0%		
GAAP Capital/Total Assets	5.4%	6.3%	6.3%	6.6%	6.4%		
Regulatory Capital/Total Assets	6.5%	6.3%	6.3%	6.6%	6.3%		
Permanent Capital/Required RBC	421%	311%	311%	344%	394%		
Market Value							
Market Value of Equity / Book Value of Equity	100%	116%	116%	109%	106%		
Market Value of Equity / Par Value of Capital Stock	128%	171%	171%	162%	159%		
Base Duration of Equity	0.25	-2.01	-2.01	-1.93	-0.46		

FHLBank - New York

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter	2nd Quarter	2nd Quarter
Interest Income (Millions)							
Advances	524.2	444.6	120.2	113.9	113.4	227.2	210.8
Investments	313.4	274.8	71.8	71.9	70.4	142.3	136.1
Mortgage Loans	65.9	68.3	17.5	17.5	17.6	35.0	33.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$903.5	\$787.7	\$209.5	\$203.2	\$201.3	\$404.5	\$380.7
Interest Expense							
Bonds	376.6	295.9	74.8	77.3	78.1	155.4	147.6
Discount Notes	57.5	68.8	17.1	17.4	16.7	34.0	34.1
Other	2.6	1.6	0.4	0.4	0.4	0.8	0.8
Total Interest Expense	\$436.7	\$366.2	\$92.2	\$95.1	\$95.1	\$190.2	\$182.5
Provision for Credit Losses	1.0	0.0	-0.1	0.3	-0.3	0.0	0.2
Net Interest Income	\$465.9	\$421.5	\$117.4	\$107.8	\$106.5	\$214.2	\$198.0
Other Income	31.6	14.1	7.3	1.2	2.5	3.7	21.6
Operating Expenses	82.5	83.3	22.0	21.4	19.6	41.0	41.4
Other Expense	13.9	13.7	4.1	3.9	3.8	7.7	6.5
Income Before AHP Assessment	\$401.0	\$338.6	\$98.6	\$83.8	\$85.5	\$169.2	\$171.7
Affordable Housing Program Assessment	40.3	34.0	9.8	8.4	8.6	17.0	17.2
Net Income	\$360.7	\$304.6	\$88.8	\$75.4	\$76.9	\$152.3	\$154.5

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	75.9	90.8	90.8	87.7	96.8
Cash and Liquidity Investments	11.6	21.3	21.3	15.9	14.7
MBS Investments	12.6	13.4	13.4	13.0	13.2
Private Label	0.5	0.4	0.4	0.4	0.4
Federal and Agency	12.1	13.0	13.0	12.6	12.8
Other Investments	0.7	0.7	0.7	0.7	0.8
Net Mortgage Loans	1.8	1.9	1.9	1.9	2.0
Other	0.2	0.2	0.2	0.2	0.3
Total Assets	\$103.0	\$128.3	\$128.3	\$119.5	127.8
Liabilities					
Bonds	64.8	73.3	73.3	75.0	75.4
Discount Notes	29.8	45.9	45.9	35.6	43.2
Deposits	2.1	1.9	1.9	1.7	1.7
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.9	0.7	0.7	0.7	0.8
Total Liabilities	\$97.5	\$121.8	\$121.8	\$113.1	121.1
Capital					
Capital Stock	4.8	5.6	5.6	5.4	5.8
Retained Earnings	0.9	1.0	1.0	1.0	1.0
Accumulated Other Comprehensive Income	-0.2	-0.1	-0.1	-0.1	-0.1
Total GAAP Capital	\$5.5	\$6.5	\$6.5	\$6.4	\$6.7

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter	2nd Quarter	2nd Quarter
Profitability							
Return on Assets (Annualized)	0.35%	0.27%	0.29%	0.25%	0.25%	0.25%	0.30%
Return on Equity (Annualized)	6.88%	5.22%	5.59%	4.79%	4.83%	4.81%	5.73%
Net Interest Spread	0.42%	0.36%	0.36%	0.33%	0.33%	0.35%	0.35%
Capital							
Retained Earnings/Total Assets	0.9%	0.8%	0.8%	0.8%	0.8%		
GAAP Capital/Total Assets	5.3%	5.1%	5.1%	5.3%	5.3%		
Regulatory Capital/Total Assets	5.5%	5.1%	5.1%	5.4%	5.4%		
Permanent Capital/Required RBC	1168%	1006%	1006%	1089%	1135%		
Market Value							
Market Value of Equity / Book Value of Equity	103%	104%	104%	104%	105%		
Market Value of Equity / Par Value of Capital Stock	118%	121%	121%	122%	121%		
Base Duration of Equity	-1.46	0.60	0.60	-0.10	-0.50		

FHLBank - Pittsburgh

Income Statement

			4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2012	2013	2013	2014	2014	2014	2013
Interest Income (Millions)							
Advances	292.6	230.0	60.0	63.1	63.8	126.9	114.4
Investments	269.8	224.9	56.8	55.5	57.2	112.7	113.5
Mortgage Loans	168.1	141.7	34.2	33.4	32.9	66.2	73.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$730.4	\$596.6	\$151.1	\$151.9	\$153.9	\$305.8	\$301.2
Interest Expense							
Bonds	501.3	381.3	85.9	83.5	82.5	166.0	202.6
Discount Notes	18.1	18.5	5.0	6.0	5.6	11.6	9.8
Other	1.2	1.7	0.0	0.1	0.1	0.2	1.2
Total Interest Expense	\$520.6	\$401.4	\$90.9	\$89.6	\$88.1	\$177.8	\$213.7
Provision for Credit Losses	0.4	-1.8	0.2	-3.9	0.4	-3.5	-1.3
Net Interest Income	\$209.4	\$197.0	\$60.0	\$66.2	\$65.4	\$131.5	\$88.8
Other Income	7.1	47.5	15.0	41.7	2.5	44.2	14.7
Operating Expenses	64.4	72.3	24.1	16.9	16.3	33.2	32.3
Other Expense	8.0	7.8	2.3	2.2	2.0	4.2	3.8
Income Before AHP Assessment	\$144.2	\$164.5	\$48.6	\$88.8	\$49.6	\$138.3	\$67.5
Affordable Housing Program Assessment	14.5	16.6	4.9	8.9	5.0	13.8	6.9
Net Income	\$129.7	\$147.9	\$43.7	\$79.9	\$44.6	\$124.5	\$60.7

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	40.5	50.2	50.2	46.1	54.6
Cash and Liquidity Investments	8.9	6.0	6.0	4.0	4.3
MBS Investments	9.7	8.4	8.4	8.5	8.4
Private Label	2.6	2.0	2.0	1.9	1.9
Federal and Agency	7.1	6.4	6.4	6.6	6.6
Other Investments	1.8	2.6	2.6	2.6	3.0
Net Mortgage Loans	3.5	3.2	3.2	3.2	3.1
Other	0.2	0.2	0.2	0.2	0.2
Total Assets	\$64.6	\$70.7	\$70.7	\$64.6	73.6
Liabilities					
Bonds	35.1	37.7	37.7	37.9	37.5
Discount Notes	24.1	28.2	28.2	21.9	31.2
Deposits	1.0	0.7	0.7	0.8	0.7
Mandatorily Redeemable Capital Stock	0.4	0.0	0.0	0.0	0.0
Other	0.5	0.3	0.3	0.4	0.3
Total Liabilities	\$61.2	\$67.0	\$67.0	\$61.1	69.7
Capital					
Capital Stock	2.8	3.0	3.0	2.7	3.1
Retained Earnings	0.6	0.7	0.7	0.7	0.8
Accumulated Other Comprehensive Income	0.1	0.0	0.0	0.1	0.1
Total GAAP Capital	\$3.4	\$3.7	\$3.7	\$3.5	\$4.0

Performance Measures

			4th Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2012	2013	2013	2014	2014	2014	2013
Profitability							
Return on Assets (Annualized)	0.23%	0.24%	0.27%	0.48%	0.26%	0.37%	0.20%
Return on Equity (Annualized)	3.75%	4.32%	5.11%	8.76%	4.90%	6.83%	3.52%
Net Interest Spread	0.29%	0.27%	0.33%	0.34%	0.35%	0.34%	0.31%
Capital							
Retained Earnings/Total Assets	0.9%	1.0%	1.0%	1.2%	1.0%		
GAAP Capital/Total Assets	5.3%	5.2%	5.2%	5.4%	5.4%		
Regulatory Capital/Total Assets	5.9%	5.2%	5.2%	5.3%	5.2%		
Permanent Capital/Required RBC	370%	347%	347%	348%	417%		
Market Value							
Market Value of Equity / Book Value of Equity	97%	103%	103%	104%	103%		
Market Value of Equity / Par Value of Capital Stock	115%	128%	128%	136%	133%		
Base Duration of Equity	2.51	1.15	1.15	1.41	0.73		

FHLBank - San Francisco

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2014	2014	2013
Interest Income (Millions)							
Advances	584.3	345.1	83.3	78.4	80.1	158.5	177.7
Investments	832.3	691.1	173.5	171.4	168.6	340.0	346.1
Mortgage Loans	77.6	50.0	11.9	11.2	10.8	22.0	26.2
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$1,494.2	\$1,086.2	\$268.7	\$261.0	\$259.5	\$520.5	\$550.0
Interest Expense							
Bonds	573.6	431.7	90.0	80.7	82.3	163.0	240.1
Discount Notes	21.4	16.9	6.0	6.0	5.4	11.4	6.5
Other	51.1	155.3	45.6	39.2	33.9	73.2	62.3
Total Interest Expense	\$646.1	\$604.0	\$141.6	\$125.9	\$121.7	\$247.5	\$308.9
Provision for Credit Losses	-1.4	-0.9	-0.6	0.6	-0.1	0.5	0.0
Net Interest Income	\$849.5	\$483.1	\$127.7	\$134.6	\$137.9	\$272.5	\$241.1
Other Income	-164.2	4.9	-4.9	-48.3	-53.9	-102.2	31.7
Operating Expenses	115.6	116.0	32.4	28.6	34.1	62.7	54.3
Other Expense	18.8	12.4	3.3	3.8	2.5	6.3	6.5
Income Before AHP Assessment	\$551.0	\$359.6	\$87.1	\$53.8	\$47.5	\$101.3	\$212.0
Affordable Housing Program Assessment	60.2	51.5	13.3	9.3	8.1	17.4	27.4
Net Income	\$490.8	\$308.2	\$73.8	\$44.5	\$39.3	\$83.8	\$184.6

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	43.7	44.4	44.4	45.6	46.6
Cash and Liquidity Investments	14.2	14.1	14.1	13.9	14.4
MBS Investments	22.7	22.5	22.5	22.0	21.3
Private Label	10.5	9.3	9.3	9.1	8.9
Federal and Agency	12.2	13.2	13.2	12.9	12.4
Other Investments	3.7	3.6	3.6	3.5	3.9
Net Mortgage Loans	1.3	0.9	0.9	0.9	0.8
Other	0.7	0.3	0.3	0.3	0.3
Total Assets	\$86.4	\$85.8	\$85.8	\$86.2	87.2
Liabilities					
Bonds	70.3	53.2	53.2	53.2	56.2
Discount Notes	5.2	24.2	24.2	24.9	23.5
Deposits	0.2	0.2	0.2	0.3	0.2
Mandatorily Redeemable Capital Stock	4.3	2.1	2.1	1.6	1.2
Other	0.7	0.4	0.4	0.6	0.4
Total Liabilities	\$80.8	\$80.1	\$80.1	\$80.5	81.5
Capital					
Capital Stock	4.2	3.5	3.5	3.3	3.4
Retained Earnings	2.2	2.4	2.4	2.4	2.4
Accumulated Other Comprehensive Income	-0.8	-0.1	-0.1	-0.1	0.0
Total GAAP Capital	\$5.6	\$5.7	\$5.7	\$5.6	\$5.8

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2014	2014	2013
Profitability							
Return on Assets (Annualized)	0.48%	0.35%	0.34%	0.21%	0.18%	0.19%	0.42%
Return on Equity (Annualized)	9.44%	5.36%	5.20%	3.11%	2.80%	2.96%	6.36%
Net Interest Spread	0.80%	0.52%	0.53%	0.60%	0.60%	0.57%	0.56%
Capital							
Retained Earnings/Total Assets	2.6%	2.8%	2.8%	2.8%	2.7%		
GAAP Capital/Total Assets	6.5%	6.7%	6.7%	6.5%	6.6%		
Regulatory Capital/Total Assets	12.4%	9.2%	9.2%	8.5%	7.9%		
Permanent Capital/Required RBC	264%	203%	203%	197%	196%		
Market Value							
Market Value of Equity / Book Value of Equity	102%	103%	103%	103%	104%		
Market Value of Equity / Par Value of Capital Stock	119%	145%	145%	151%	158%		
Base Duration of Equity	-0.30	1.63	1.63	1.49	1.27		

FHLBank - Seattle

Income Statement

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter	2nd Quarter	2013
Interest Income (Millions)							
Advances	97.3	75.4	16.8	16.3	17.4	33.6	36.5
Investments	156.5	157.9	41.7	41.8	41.2	83.0	78.7
Mortgage Loans	62.6	48.5	10.9	10.3	10.0	20.3	26.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$316.3	\$281.8	\$69.4	\$68.4	\$68.6	\$136.9	\$141.3
Interest Expense							
Bonds	176.8	131.5	33.3	33.8	32.4	66.2	64.8
Discount Notes	16.4	11.9	2.3	2.3	2.1	4.5	7.7
Other	0.1	1.0	0.5	0.5	0.5	0.9	0.1
Total Interest Expense	\$193.3	\$144.5	\$36.1	\$36.7	\$35.0	\$71.7	\$72.6
Provision for Credit Losses	-2.9	-1.1	-0.1	0.2	0.1	0.4	0.0
Net Interest Income	\$125.9	\$138.5	\$33.4	\$31.5	\$33.4	\$64.9	\$68.7
Other Income	24.2	9.8	5.7	-0.7	2.8	2.1	0.0
Operating Expenses	64.8	70.4	22.1	17.5	18.5	36.0	32.5
Other Expense	6.7	9.6	1.5	1.4	1.3	2.7	6.8
Income Before AHP Assessment	\$78.7	\$68.4	\$15.5	\$11.9	\$16.4	\$28.4	\$29.3
Affordable Housing Program Assessment	7.9	6.9	1.6	1.2	1.7	2.9	2.9
Net Income	\$70.8	\$61.4	\$13.9	\$10.7	\$14.8	\$25.4	\$26.4

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	9.1	10.9	10.9	9.9	10.2
Cash and Liquidity Investments	13.0	8.2	8.2	9.8	9.6
MBS Investments	8.4	8.7	8.7	8.5	8.2
Private Label	1.9	1.7	1.7	1.7	1.7
Federal and Agency	6.5	7.0	7.0	6.8	6.5
Other Investments	3.6	7.1	7.1	7.0	7.7
Net Mortgage Loans	1.1	0.8	0.8	0.8	0.7
Other	0.2	0.1	0.1	0.1	0.1
Total Assets	\$35.4	\$35.9	\$35.9	\$36.1	\$36.5
Liabilities					
Bonds	10.5	17.4	17.4	16.8	15.9
Discount Notes	21.4	15.0	15.0	15.6	17.2
Deposits	0.5	0.4	0.4	0.4	0.4
Mandatorily Redeemable Capital Stock	1.2	1.7	1.7	1.7	1.6
Other	0.2	0.2	0.2	0.4	0.2
Total Liabilities	\$33.8	\$34.7	\$34.7	\$34.9	\$35.4
Capital					
Capital Stock	1.6	0.9	0.9	0.9	0.9
Retained Earnings	0.2	0.3	0.3	0.3	0.3
Accumulated Other Comprehensive Income	-0.2	-0.1	-0.1	0.0	0.0
Total GAAP Capital	\$1.6	\$1.1	\$1.1	\$1.2	\$1.2

Performance Measures

	2012	2013	4th Quarter		YTD		YTD
			2013	2014	2nd Quarter	2nd Quarter	2013
Profitability							
Return on Assets (Annualized)	0.19%	0.17%	0.15%	0.12%	0.16%	0.14%	0.15%
Return on Equity (Annualized)	4.98%	5.04%	5.01%	3.69%	4.81%	4.27%	3.90%
Net Interest Spread	0.29%	0.35%	0.33%	0.32%	0.35%	0.34%	0.34%
Capital							
Retained Earnings/Total Assets	0.6%	0.8%	0.8%	0.8%	0.9%		
GAAP Capital/Total Assets	4.4%	3.2%	3.2%	3.3%	3.2%		
Regulatory Capital/Total Assets	8.4%	8.2%	8.2%	8.0%	7.7%		
Permanent Capital/Required RBC	219%	209%	209%	208%	207%		
Market Value							
Market Value of Equity / Book Value of Equity	95%	100%	100%	99%	99%		
Market Value of Equity / Par Value of Capital Stock	95%	108%	108%	109%	113%		
Base Duration of Equity	1.46	0.03	0.03	-0.22	-1.44		

FHLBank - Topeka

Income Statement

	2012	2013	4th Quarter		YTD		YTD	
			2013	2014	2nd Quarter	2nd Quarter	2nd Quarter	2013
Interest Income (Millions)								
Advances	154.6	128.4	31.2	29.1	29.8	58.8	66.3	
Investments	144.0	117.3	28.6	25.6	25.0	50.6	59.7	
Mortgage Loans	194.4	195.6	50.6	50.8	50.8	101.6	96.4	
Other	1.8	1.7	0.4	0.4	0.4	0.8	0.8	
Total Interest Income	\$494.8	\$443.1	\$110.7	\$105.9	\$106.0	\$211.8	\$223.2	
Interest Expense								
Bonds	264.1	215.2	49.2	49.2	47.7	96.9	113.7	
Discount Notes	9.2	8.9	2.1	1.8	1.7	3.6	4.7	
Other	1.7	1.2	0.3	0.3	0.3	0.5	0.7	
Total Interest Expense	\$275.1	\$225.3	\$51.6	\$51.4	\$49.7	\$101.0	\$119.1	
Provision for Credit Losses	2.5	1.9	-0.1	0.3	-2.1	-1.8	1.5	
Net Interest Income	\$217.2	\$215.8	\$59.3	\$54.2	\$58.4	\$112.6	\$102.6	
Other Income	-43.1	-30.8	-3.2	-16.7	-13.2	-29.8	-17.7	
Operating Expenses	42.1	43.2	12.8	10.6	10.5	21.1	20.2	
Other Expense	9.4	9.6	2.2	2.2	3.0	5.2	5.2	
Income Before AHP Assessment	\$122.6	\$132.3	\$41.1	\$24.7	\$31.8	\$56.5	\$59.4	
Affordable Housing Program Assessment	12.3	13.2	4.1	2.5	3.2	5.7	5.9	
Net Income	\$110.3	\$119.0	\$37.0	\$22.3	\$28.6	\$50.8	\$53.5	

Balance Sheet

	Dec 31	Dec 31	Dec 31	Mar 31	Jun 30
	2012	2013	2013	2014	2014
Assets (Billions)					
Advances	16.6	17.4	17.4	16.1	17.4
Cash and Liquidity Investments	3.6	2.6	2.6	2.8	2.6
MBS Investments	5.3	5.5	5.5	5.3	5.3
Private Label	0.5	0.3	0.3	0.3	0.3
Federal and Agency	4.8	5.2	5.2	5.0	5.1
Other Investments	2.2	2.3	2.3	1.8	1.6
Net Mortgage Loans	5.9	5.9	5.9	6.0	6.1
Other	0.2	0.2	0.2	0.1	0.3
Total Assets	\$33.8	\$34.0	\$34.0	\$32.1	\$33.3
Liabilities					
Bonds	22.0	20.1	20.1	19.8	19.4
Discount Notes	8.7	10.9	10.9	9.4	11.5
Deposits	1.2	1.0	1.0	1.0	0.8
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.3	0.2	0.2	0.2	0.2
Total Liabilities	\$32.1	\$32.1	\$32.1	\$30.4	\$31.9
Capital					
Capital Stock	1.3	1.3	1.3	1.2	0.9
Retained Earnings	0.5	0.6	0.6	0.6	0.6
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$1.7	\$1.8	\$1.8	\$1.7	\$1.5

Performance Measures

	2012	2013	4th Quarter		YTD		YTD	
			2013	2014	2nd Quarter	2nd Quarter	2nd Quarter	2013
Profitability								
Return on Assets (Annualized)	0.32%	0.33%	0.40%	0.27%	0.35%	0.31%	0.31%	
Return on Equity (Annualized)	6.23%	6.37%	7.94%	4.91%	7.48%	6.08%	5.84%	
Net Interest Spread	0.58%	0.57%	0.62%	0.63%	0.65%	0.64%	0.60%	
Capital								
Retained Earnings/Total Assets	1.4%	1.7%	1.7%	1.8%	1.8%			
GAAP Capital/Total Assets	5.1%	5.3%	5.3%	5.4%	4.4%			
Regulatory Capital/Total Assets	5.2%	5.4%	5.4%	5.5%	4.4%			
Permanent Capital/Required RBC	446%	335%	335%	333%	354%			
Market Value								
Market Value of Equity / Book Value of Equity	116%	118%	118%	115%	120%			
Market Value of Equity / Par Value of Capital Stock	158%	169%	169%	171%	199%			
Base Duration of Equity	-0.57	-0.23	-0.23	0.12	-0.16			