



FHFA Quarterly Performance Report of the Housing GSEs

Second Quarter 2013

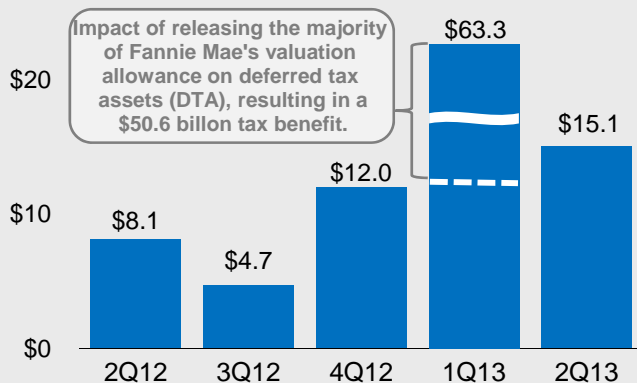
The Enterprises

(Freddie Mac and Fannie Mae)

- Combined second quarter earnings of \$15.1 Billion
- Second quarter of 2013 marks the sixth consecutive quarter in which both Enterprises reported positive net income
- Continued improvement in national house prices drove financial results
- Credit quality of new single-family business remained high

The Enterprises Net Income

(\$ in billions)



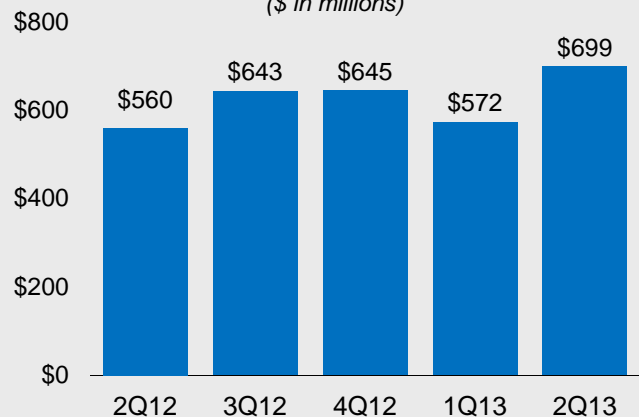
Source : FHFA (Fannie Mae and Freddie Mac)

The Federal Home Loan Bank System

- Combined second quarter earnings of \$699 Million
- Credit impairment charges remain low
- Combined advances increased during the second quarter
- Advances as a percentage of total assets increased to 59 percent
- Retained earnings increased to the highest level in more than 20 years

FHLBank System Net Income

(\$ in millions)



Source : FHFA (Federal Home Loan Banks)

Improving Housing and Mortgage Markets Contribute to Net Income

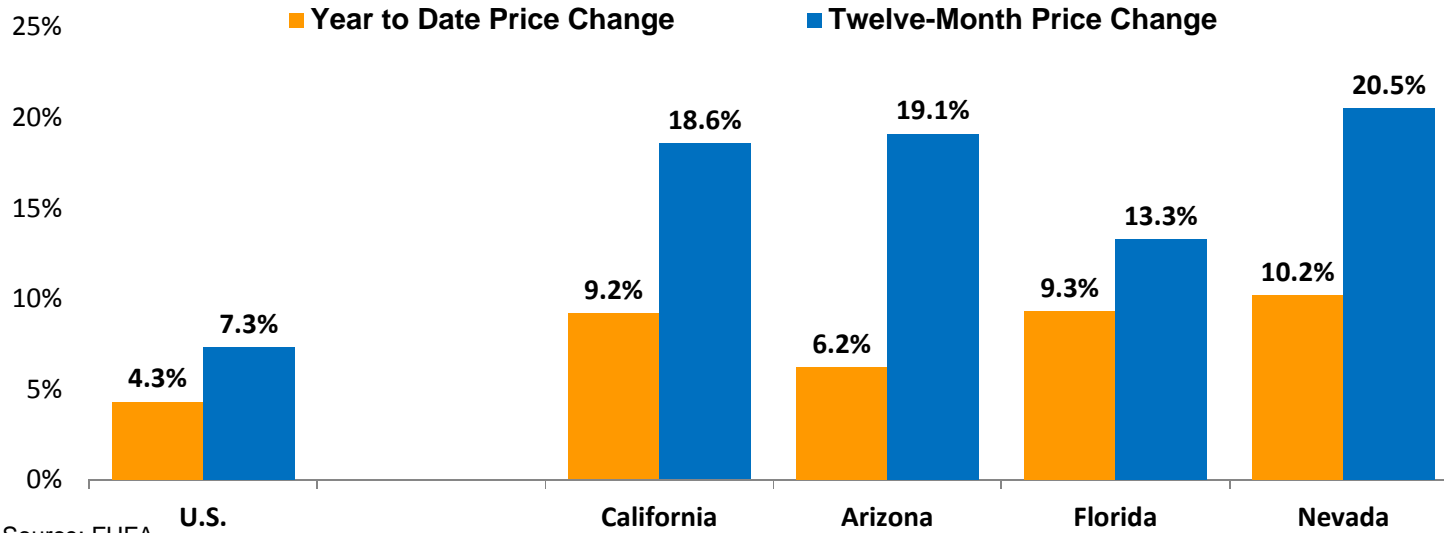
Both the Enterprises and the Federal Home Loan Bank System (the “Housing GSEs”) reported positive earnings in the second quarter of 2013, significantly influenced by rising house prices. Year-to-date through May 2013, national house prices rose 4.3 percent, according to the FHFA House Price Index, marking the seventh consecutive quarterly price increase in the purchase-only, seasonally adjusted index. Moreover, national house prices rose 7.3 percent compared to a year ago. (Figure 1)

Earnings also benefited from increased hedging income driven by increases in interest rates during the second quarter of 2013. Rate increases followed positive economic data including improvement in the housing market and the increasing possibility that the Federal Reserve may begin reducing asset purchases. (Figure 3)

Key Market Drivers

Figure 1

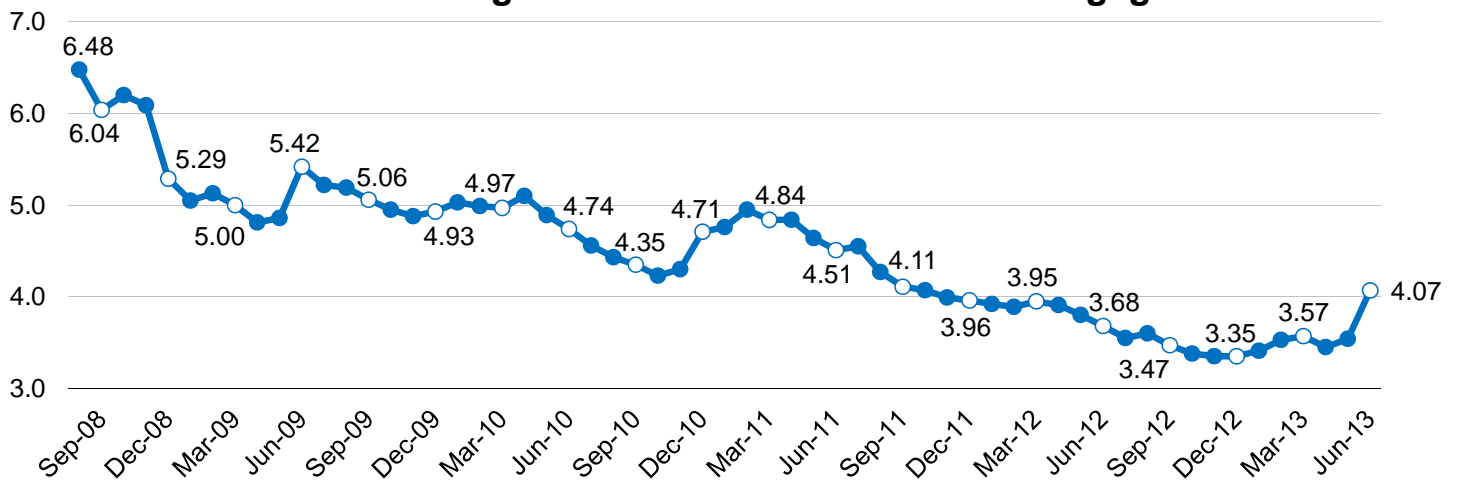
FHFA House Price Index (through May 2013)



Source: FHFA

Figure 2

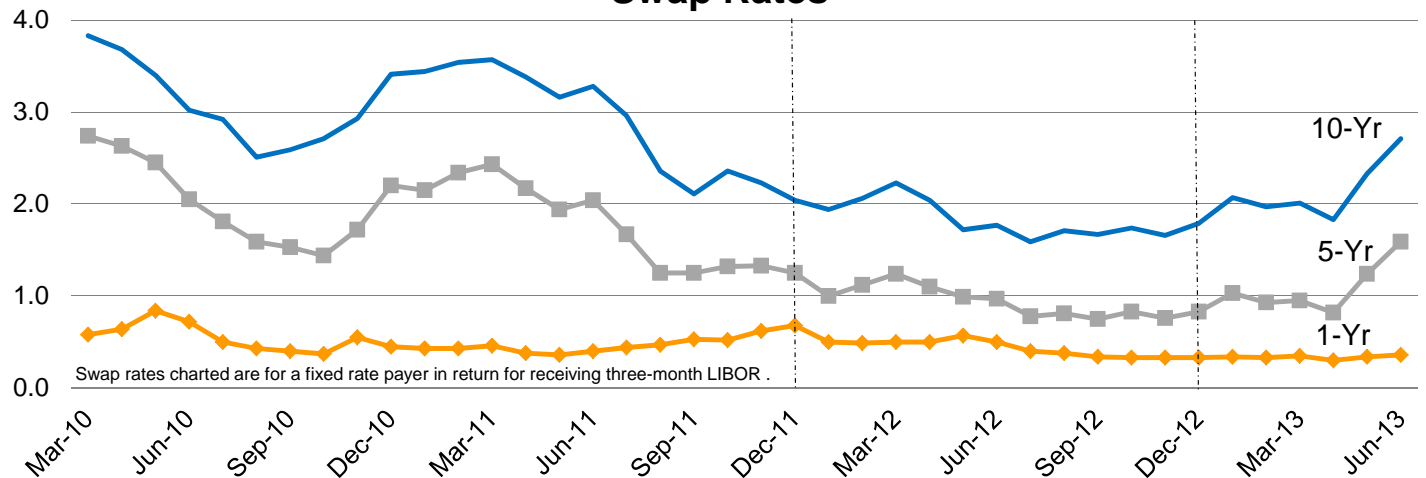
Average Interest Rate on a 30 Year Mortgage



Source: Freddie Mac Primary Mortgage Market Survey, monthly average

Figure 3

Swap Rates



Swap rates charted are for a fixed rate payer in return for receiving three-month LIBOR.

Source: Federal Reserve

The Enterprises

The Enterprises Continue to Report Positive Quarterly Earnings

The Enterprises reported combined net income of \$15.1 billion in the second quarter of 2013. Net income for the quarter was driven by continued improvement in house prices, including sales prices of real estate owned (REO) properties, and further reductions in the number of delinquent loans guaranteed by the Enterprises.

For the first half of 2013, the Enterprises reported combined net income of \$78.4 billion, buoyed by Fannie Mae's release of a substantial portion of its valuation allowance against deferred tax assets (DTA) in the first quarter of 2013, resulting in the recognition of a \$50.6 billion tax benefit.

Loan Loss Reserves Continue to Fall

The Enterprises' portfolio quality continues to improve as the number of delinquencies from loans acquired prior to 2009 continues to decline and new loans acquired since 2009 have strong credit characteristics. Furthermore, rising house prices in almost all states lowered expected defaults on mortgages guaranteed by the Enterprises. Certain states that experienced severe house price declines several years ago such as Arizona, California, Nevada, and Florida have seen sharp rises in house prices over the past year, which have reduced the severity of credit losses when the Enterprises sell REO properties. (Figure 1)

These factors resulted in a \$9.3 billion decrease in the Enterprises' combined loan loss reserves during the second quarter of 2013. (Figure 4) The reduction in loan loss reserves led to the Enterprises reporting a benefit for credit losses (i.e., a negative provision for credit losses) of \$6.0 billion. This marks the third consecutive quarter that both Enterprises reported a benefit for credit losses.

Since December 31, 2012, combined loan loss reserves at the Enterprises declined 15% or \$14.0 billion to \$79.5 billion.

Further Decline in Delinquent Loan Counts

The Enterprises' seriously delinquent loan count declined by 8 percent to approximately 783,000 loans as of June 30, 2013 compared to approximately 854,000 loans as of March 31, 2013. Since June 30, 2012, the number of seriously delinquent loans at the Enterprises declined by 22 percent or approximately 226,000 loans. (Figure 5)

Rise in Interest Rates Contributes to Net Income

The Enterprises reported combined fair value gains on derivatives, which are used to hedge interest rate risk, of \$2.6 billion in the second quarter of 2013 and \$3.5 billion for the first half of 2013 driven by the increase in the fair value of pay-fixed derivatives due to the increase in swap rates during the period. (Figure 3)

Credit Quality of New Single-Family Business Remains High

The credit quality of new Single-Family business remained high in the first half of 2013. The average FICO credit score for new single-family business volume was 756 for Fannie Mae and 751 for Freddie Mac, down slightly from the scores reported in the fourth quarter of 2012. Purchases of non-traditional and higher-risk mortgages continued to be minimal, 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 71 percent of the total single-family portfolio at both Enterprises. Serious delinquency rates for these newer vintages remain below one percent of the total portfolio. However, serious delinquency rates remain very high for loans originated between 2005 and 2008, which account for approximately 18 percent of the single-family portfolio.

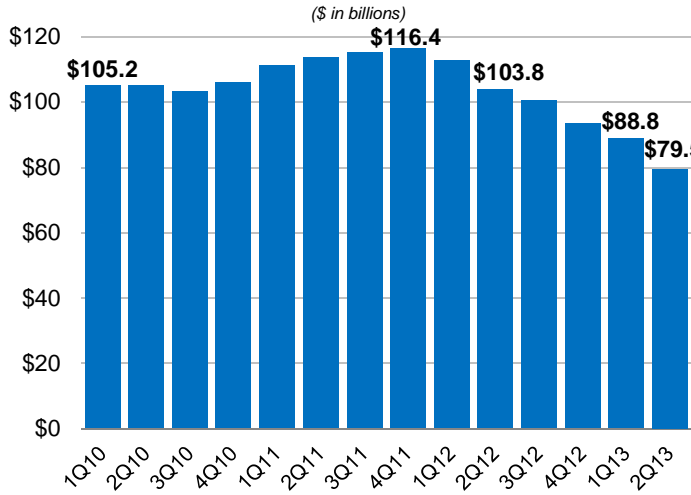
Refinances Continue To Drive New Business Volume

In the first half of 2013 refinances accounted for 79 percent and 81 percent, respectively, of single-family new business volume at Fannie Mae and Freddie Mac. Refinance activity continued to be robust as mortgage rates remained low (Figure 2) and HARP volume remained high driven by enhancements made to the program in late 2011 (HARP 2.0) targeting deeply underwater borrowers.

The Enterprises and Ginnie Mae continue to account for essentially all issuances of mortgage-backed securities (MBS). In the first half of 2013, the Enterprises accounted for \$728 billion or 77 percent of MBS issuances. (Figure 6)

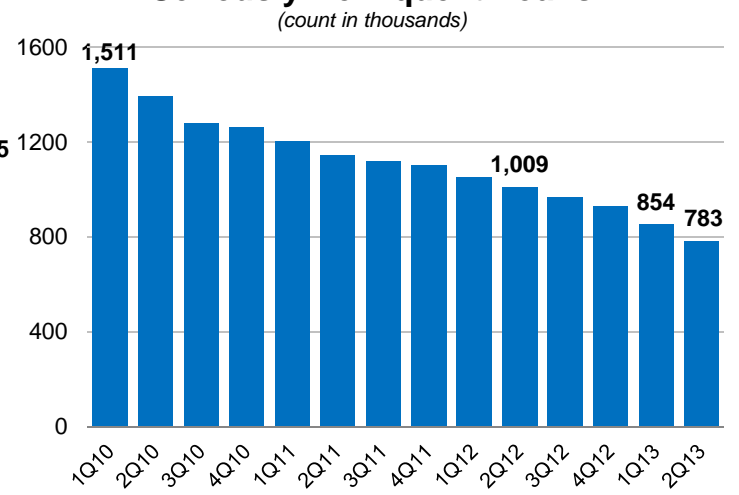
Enterprises

Figure 4 **Loan Loss Reserves**



Source: FHFA (Fannie Mae and Freddie Mac)

Figure 5 **Seriously Delinquent Loans**

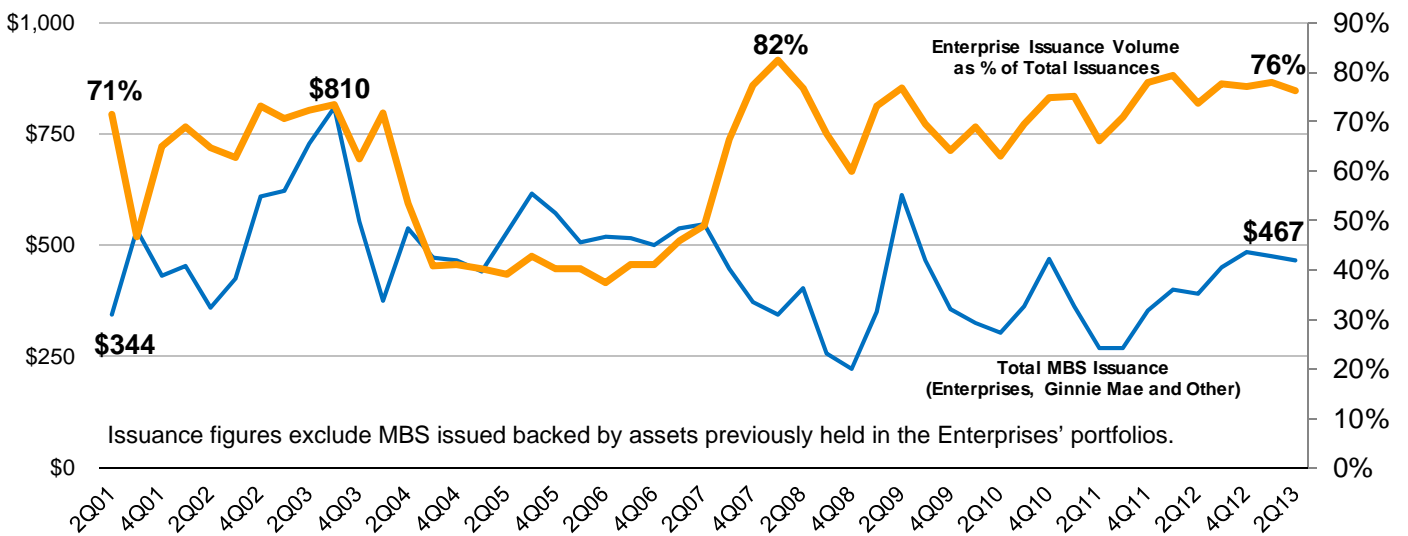


Source: FHFA (Fannie Mae and Freddie Mac)

Figure 6

MBS Issuance Volume

(\$ in billions)

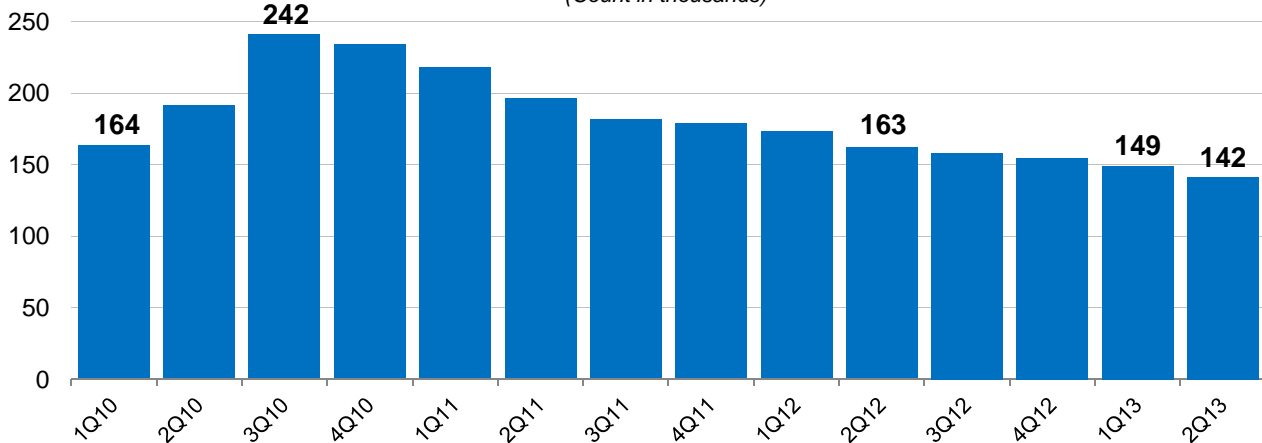


Source: Inside Mortgage Finance, Inside MBS & ABS, Enterprises' Monthly Volume Summaries.

Figure 7

REO Inventory

(Count in thousands)



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 2013, the Enterprises' combined charges against capital totaled \$245 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 over the past five quarters.

The Single-Family Credit Guarantee segment continues to be the largest contributor to charges against capital, accounting for \$165 billion, or 67 percent of the cumulative change in capital since 2007.

Senior preferred dividends on Treasury draws accounted for \$132 billion, or 54 percent of the cumulative change in capital, which will increase in the next quarter as income generated in the second quarter is paid out as dividends. Combined net worth totaled \$20.6 billion as of June 30, 2013. The current combined dividend obligation related to second quarter income is \$14.6 billion due by September 30, 2013.

The Enterprises generated \$44 billion in total comprehensive income from the Single-Family Guarantee Segment in the first half of 2013. At Fannie Mae, the bulk of net income was the result of a tax benefit of \$32 billion due to the release of a substantial portion of its deferred tax assets (DTA) valuation allowance in the first quarter of 2013.

Credit losses from non-traditional and higher-risk mortgages acquired in 2006 and 2007 continue to account for a disproportionate share of credit losses.

The Investments and Capital Markets segments generated \$28 billion in total comprehensive income in the first half of 2013 as both Enterprises continued to benefit from low funding costs driven by the low interest rate environment.

Press Releases

- 03 SEP 2013** FHFA announced that in the second quarter of 2013, there were nearly 1.3 million refinances on the Enterprises loans. Close to 280,000 or 22 percent of those refinances were through the Home Affordable Refinance Program (HARP).
- 13 AUG 2013** FHFA released a Working Paper that evaluates the impact of distressed sales—sales of bank-owned properties and short sales—on the FHFA house price index (HPI).
- 09 AUG 2013** FHFA seeks public input on strategies for reducing Fannie Mae and Freddie Mac's presence in the multifamily housing finance market in 2014.
- 25 JUL 2013** FHFA announced it reached a settlement with UBS Americas, Inc. for \$885 million. The settlement covers claims of alleged violations of federal and state securities laws in connection with private-label residential mortgage-backed securities purchased by the Enterprises.
- 01 JUL 2013** FHFA announced that during the first quarter of 2013, the Enterprises completed more than 130,000 foreclosure prevention actions, bringing total foreclosure prevention actions to nearly 2.8 million since the start of conservatorship.
- 30 MAY 2013** FHFA directed the Enterprises to extend both the Home Affordable Modification Program (HAMP) and the Streamlined Modification initiative through year end 2015.
- 06 MAY 2013** FHFA directed the Enterprises to limit their future mortgage acquisitions, beginning January 10, 2014, to loans that meet the requirements for a "qualified mortgage".
- 30 APR 2013** FHFA issued a progress report on the steps being taken to establish a Common Securitization Infrastructure for residential mortgage-backed securities.
- 11 APR 2013** FHFA directed the Enterprises to extend the Home Affordable Refinance Program (HARP) by two years to December 31, 2015 to enable more underwater borrowers to benefit from lower interest rates.

Capital Changes - Enterprises

Fannie Mae					
(\$ in billions)	2008-			YTD	2008 -
	2010	2011	2012	2Q13	2Q13
Beginning Capital ¹	\$44	\$0	\$0	\$7	\$44
Equity Issuance ²	<u>7</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
Available Capital	\$51	\$0	\$0	\$7	\$51
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$117)	(\$24)	\$6	\$41	(\$94)
Multifamily Comprehensive Income (Loss) ^{3,4}	(6)	1	2	9	5
Investments Comprehensive Income (Loss) ^{3,4}	(0)	10	16	20	45
Other	(8)	(3)	(5)	(1)	(16)
Senior Preferred dividends	<u>(10)</u>	<u>(10)</u>	<u>(12)</u>	<u>(64)</u>	<u>(95)</u>
Total Capital Change ⁵	(\$141)	(\$26)	\$7	\$6	(\$154)
Capital surplus (deficit)	(\$90)	(\$26)	\$7	\$13	(\$103)
Treasury Senior Preferred draw ⁶	\$90.2	\$25.9	\$0.0	\$0.0	\$116.1

Freddie Mac					
(\$ in billions)	2008-			YTD	2008 -
	2010	2011	2012	2Q13	2Q13
Beginning Capital ¹	\$27	\$0	\$0	\$9	\$27
Equity Issuance ²	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Available Capital	\$27	\$0	\$0	\$9	\$27
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$64)	(\$10)	(\$0)	\$3	(\$71)
Multifamily Comprehensive Income (Loss) ^{3,4}	12	2	4	1	19
Investments Comprehensive Income (Loss) ^{3,4}	(14)	6	11	8	12
Other	(15)	0	1	(0)	(14)
Senior Preferred dividends	<u>(10)</u>	<u>(6)</u>	<u>(7)</u>	<u>(13)</u>	<u>(37)</u>
Total Capital Change ⁵	(\$91)	(\$8)	\$9	(\$1)	(\$91)
Capital surplus (deficit)	(\$64)	(\$8)	\$9	\$7	(\$64)
Treasury Senior Preferred draw ⁶	\$63.7	\$7.6	\$0.0	\$0.0	\$71.3

Enterprises Combined					
(\$ in billions)	2008-			YTD	2008 -
	2010	2011	2012	2Q13	2Q13
Beginning Capital ¹	\$71	\$0	\$0	\$16	\$71
Equity Issuance ²	<u>7</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
Available Capital (Pre-Conservatorship)	\$78	\$0	\$0	\$16	\$78
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$181)	(\$34)	\$6	\$44	(\$165)
Multifamily Comprehensive Income (Loss) ^{3,4}	6	3	6	10	24
Investments Comprehensive Income (Loss) ^{3,4}	(14)	16	27	28	57
Other	(22)	(3)	(4)	(1)	(29)
Senior Preferred dividends	<u>(20)</u>	<u>(16)</u>	<u>(19)</u>	<u>(76)</u>	<u>(132)</u>
Total Capital Change ⁵	(\$232)	(\$34)	\$16	\$5	(\$245)
Capital surplus (deficit)	(\$154)	(\$34)	\$16	\$21	(\$167)
Treasury Senior Preferred draw ⁶	\$153.9	\$33.6	\$0.0	\$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 net interest income on investments in multifamily loans, net interest income on commercial mortgage-backed securities, and non-interest rate risk-related unrealized gains (losses) on commercial mortgage-backed securities and held-for-sale loans 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.

⁵ 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 has been allocated across segments). 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.

⁶ Amounts represent the total draws requested based on quarterly net deficits for the periods presented.

Single-Family Credit Guarantee Segment - Enterprises

Single-Family Credit Guarantee Segment Results

	Fannie Mae				Freddie Mac				Combined		
	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	2008 - 2Q13
Revenue ¹	\$20	\$6	\$8	\$6	\$40	\$14	\$5	\$5	\$3	\$27	\$67
(Provision) benefit for credit losses ²	(100)	(26)	1	6	(120)	(64)	(12)	(3)	1	(79)	(199)
Other expenses ³	(34)	(3)	(3)	(1)	(41)	(13)	(3)	(2)	(1)	(19)	(60)
(Provision) benefit for taxes	(3)	0	(0)	31	27	(1)	(0)	0	(0)	(1)	26
Comprehensive Income (Loss) ⁴	(\$118)	(\$24)	\$6	\$41	(\$94)	(\$64)	(\$10)	(\$0)	\$3	(\$71)	(\$165)

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.

Loan Loss Reserves

	Fannie Mae				Freddie Mac					
	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13
Single-Family Loss Reserve										
Beginning balance ¹	\$3	\$60	\$72	\$59		\$3	\$39	\$39	\$31	
Provision (benefit) for credit losses ^{2,3}	100	26	(1)	(6)	120	64	12	3	(1)	79
Charge-offs, net ³	(39)	(18)	(15)	(4)	(74)	(22)	(12)	(11)	(4)	(49)
Other	(5)	3	3	1		(5)	(1)	(0)	0	
Ending balance ¹	\$60	\$72	\$59	\$50		\$39	\$39	\$31	\$26	
Credit Losses - Single-Family										
Charge-offs ³	\$39	\$18	\$15	\$4	\$74	\$22	\$12	\$11	\$4	\$49
Other ⁴	0	0	0	0	0	1	0	0	(0)	2
Foreclosed Property Expense	4	1	(0)	(1)	4	2	1	0	0	3
Total ³	\$43	\$18	\$14	\$3	\$79	\$26	\$13	\$12	\$4	\$54

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 2Q13		% of UPB as of Dec 31, 2008 ¹	2008	YTD 2Q13
by State				by State			
California	16%	25%	7%	California	14%	30%	17%
Florida	7%	11%	29%	Florida	7%	10%	25%
Arizona	3%	8%	2%	Arizona	3%	9%	4%
Nevada	1%	5%	4%	Nevada	1%	4%	5%
Illinois	4%	3%	13%	Illinois	5%	2%	11%
by Product²				by Product²			
Alt-A	11%	46%	28%	Alt-A	10%	50%	23%
Interest-Only	8%	34%	21%	Interest-Only	9%	50%	19%
by Vintage				by Vintage			
2006	14%	35%	26%	2006	15%	41%	24%
2007	20%	28%	32%	2007	19%	25%	33%
2008	16%	1%	7%	2008	15%	0%	9%
2009	N/A	N/A	3%	2009	N/A	N/A	2%
2010	N/A	N/A	2%	2010	N/A	N/A	2%
2011	N/A	N/A	1%	2011	N/A	N/A	1%
2012	N/A	N/A	1%	2012	N/A	N/A	1%

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Represents each category's share of the respective Enterprise's 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 Enterprise's other guarantee commitments.

² Product categories overlap.

Investments and Capital Markets Segments - Enterprises

Investments and Capital Markets Segment Results

	Fannie Mae				Freddie Mac				Combined		
	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	2008 - 2Q13
Revenue ^{1,2}	\$34	\$13	\$13	\$5	\$65	\$17	\$7	\$6	\$2	\$32	\$97
Derivatives gains (losses)	(25)	(7)	(4)	2	(33)	(\$10)	(\$4)	\$2	\$4	(\$8)	(41)
Trading gains (losses)	(0)	0	1	(0)	0	\$4	(\$1)	(\$2)	(\$1)	\$1	1
Security impairments	(18)	(0)	(1)	(0)	(19)	(\$31)	(\$2)	(\$2)	\$0	(\$34)	(53)
Other ³	\$5	\$3	\$5	\$2	15	\$1	\$2	\$3	\$1	\$8	23
(Provision) benefit for taxes ⁴	(9)	0	(0)	10	1	(2)	0	1	0	(1)	(0)
Net income (loss)	(\$12)	\$9	\$14	\$19	\$30	(\$20)	\$3	\$8	\$6	(\$3)	\$27
Unrealized gains (losses) on AFS ⁵	9	1	2	1	12	\$1	\$3	\$3	\$2	\$9	21
Accounting change for Impairments	3	-	-	-	3	5	0	0	0	5	8
Total Comprehensive Income (Loss)¹	(\$0)	\$10	\$16	\$20	\$45	(\$14)	\$6	\$11	\$8	\$12	\$57

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Freddie Mac includes net interest income on investments in multifamily loans, net interest income on commercial mortgage-backed securities, and non-interest rate risk-related unrealized gains (losses) on commercial mortgage-backed securities and held-for-sale loans 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.

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

³ Figures consist of debt extinguishment losses, debt foreign exchange gains (losses), debt fair-value 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 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	2008 - 2010	2011	2012	YTD 2Q13	2008 - 2Q13	
Alt-A/Option	\$9.1	\$0.6	\$0.4	\$0.0	\$10.0	Alt-A	\$6.4	\$0.2	\$0.2	\$0.0	\$6.8
Subprime	8.0	(0.3)	0.3	0.0	8.0	Subprime	11.9	1.3	1.3	\$0.0	\$14.5
Other	0.5	0.0	0.0	0.0	0.6	CMBS	0.2	0.4	0.1	\$0.0	\$0.7
Total ¹	\$17.6	\$0.3	\$0.7	\$0.0	\$18.6	Option ARM	10.7	0.4	0.6	\$0.0	\$11.7
						Other	2.6	0.1	0.0	\$0.0	\$2.7
						Total ¹	\$31.9	\$2.3	\$2.2	\$0.1	\$36.4

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 Figure 5.2. 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

Combined System Earnings Increased During the Quarter

The System reported net income of \$699 million in the second quarter, an increase of 22 percent from the first quarter. Year-to-date the System has earned \$1.3 billion, just \$22 million less than what it earned in the second half of 2012. Year-over-year, the System earned \$134 million, or 25 percent, more than in the second quarter of 2012. Focusing on the year-over-year figure, the higher net income was attributable to items in non-interest income – unrealized gains in derivatives and hedging activities, changes in fair value, and low credit impairment charges.

Private-label mortgage-backed securities continue to roll off and now stand at 3.0 percent of assets. While the FHLBanks have recorded cumulative credit impairment charges of \$4.0 billion on these securities, credit impairment charges in the second quarter were less than \$1 million.

The improvement in net income comes despite lower net interest income of \$191.6 million year-over-year, or 19 percent, which stems from reductions in yields on earning assets as a result of a prolonged low rate environment and overall declines in asset balances. With the exception of net interest spread, the System's second quarter 2013 profitability metrics have increased both quarter-over-quarter and year-over-year. Return on assets of 37 basis points was six basis points higher than in the first quarter and seven basis points higher than four quarters before. Similarly, return on equity of 6.65 percent was 1.16 percentage points higher quarter-over-quarter and 0.94 percentage points higher year-over-year.

Combined Advances Increased

As of June 30, 2013, the Federal Home Loan Banks had combined assets of \$775.2 billion, which was \$36.3 billion more than one quarter earlier and \$15.5 billion more than one year before. The quarterly increase was primarily caused by a \$40.2 billion (9.6 percent) increase

in advances as other asset classes marginally declined. At the end of the second quarter, advances were 59.1 percent of assets, up from 56.6 percent at March 31, 2013. Investments decreased to 34.5 percent of assets from 36.5 percent of assets quarter-over-quarter, while mortgages declined to 6.0 percent of assets from 6.5 percent. (Figure 8)

Advances and acquired member assets (AMA), which consist primarily of whole loan mortgages purchased from members, are two asset classes that are directly related to the mission of the FHLBanks. Advances plus AMA average 65.4 percent of total assets across the System and range from 35.9 percent to 75.6 percent of assets at each of the individual FHLBanks. The FHLBanks of Cincinnati and Atlanta have the largest portfolios of advances plus AMA relative to total assets, while the FHLBanks of Seattle and Chicago have the smallest. (Figure 9)

The largest 10 borrowers not aggregated to the holding company level held 34 percent of the par value of advances at the end of the second quarter compared with 28 percent one year ago. This principally reflects large increases at two members. Fifty-six percent of the 7,558 members have advances outstanding.

Retained Earnings Increased to The Highest Level in More Than 20 Years

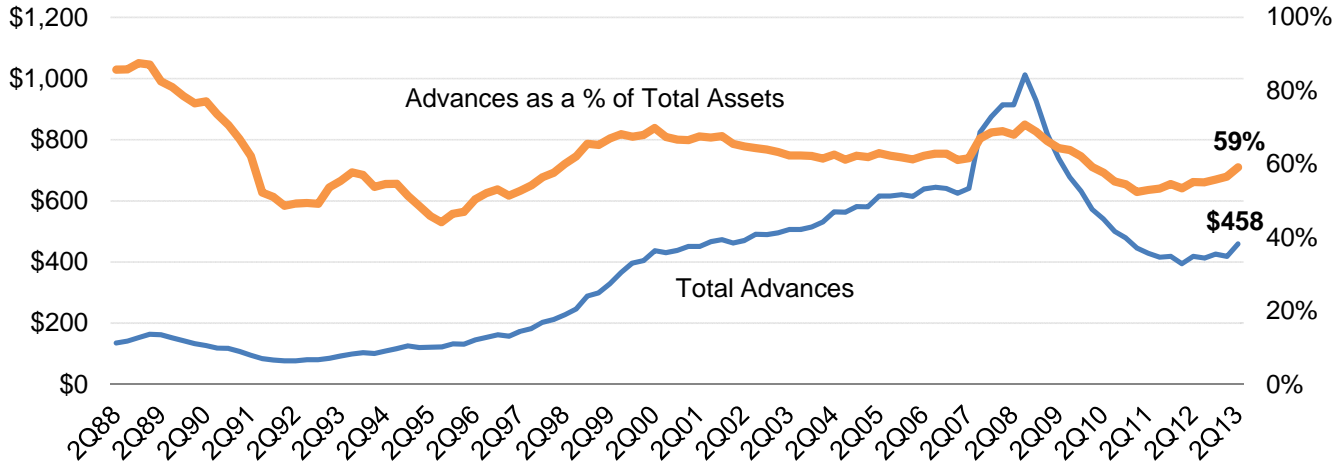
As of June 30, 2013, the System held \$51.0 billion of regulatory capital and \$43.1 billion of GAAP capital. Regulatory capital equals GAAP stock (\$32.7 billion), plus retained earnings (\$11.3 billion) and mandatorily redeemable capital stock (\$6.9 billion), while GAAP capital equals GAAP capital stock plus retained earnings and accumulated other comprehensive income (-\$893 million). The current System regulatory capital ratio is 6.6 percent and the current GAAP capital ratio is 5.6 percent. (Figure 10) Both ratios marginally decreased over the quarter. Retained earnings now equal 1.5 percent of assets, the highest level in more than 20 years.

Federal Home Loan Bank System

Figure 8

System Total Advances

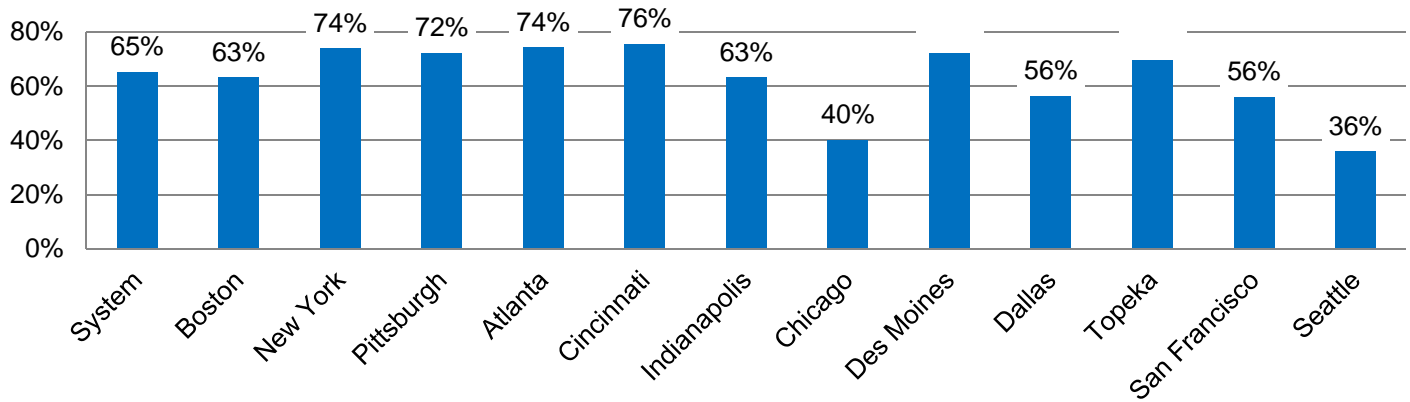
(\$ in billions)



Source: FHFA (Federal Home Loan Banks)

Figure 9

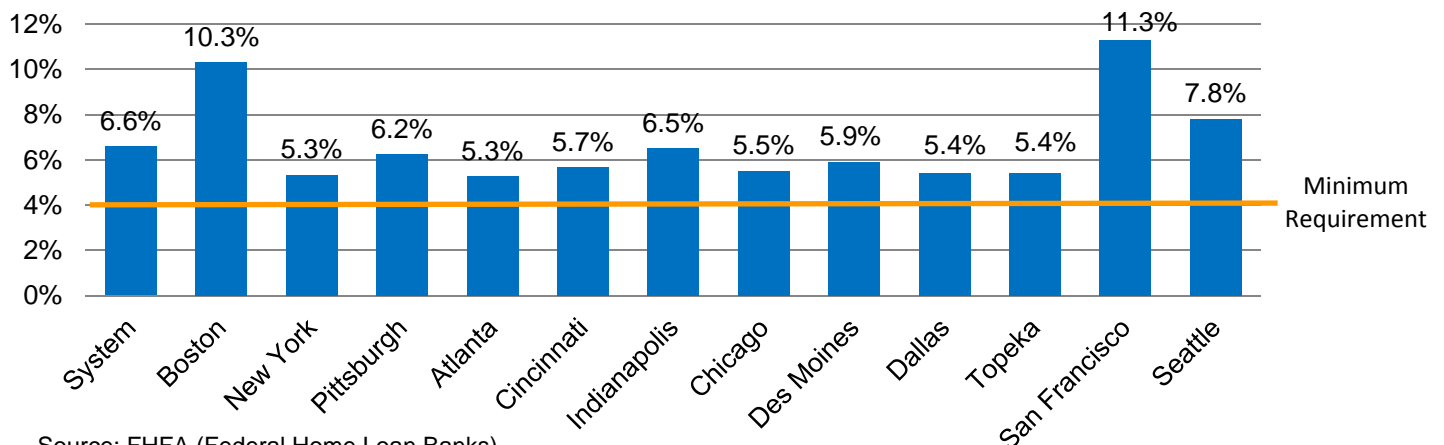
Advances Plus Acquired Member Assets as a Percent of Total Assets



Source: FHFA (Federal Home Loan Banks)

Figure 10

Regulatory Capital-to-Assets Ratio



Source: FHFA (Federal Home Loan Banks)

Appendix

Financial Data

Income Statements, Balance Sheets, and Performance Measures

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Note:

All of the line items presented in the financial statements in the appendix follow the definitions used by the regulated entities in financial statements filed with the Securities and Exchange Commission.

Financial Data - Fannie Mae

Income Statement

(\$ in billions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2nd Quarter 2013	2nd Quarter 2012
Net interest income	\$19.3	\$21.5	\$5.4	\$6.3	\$5.7	\$12.0	\$10.6
Other income	1.2	1.5	0.4	0.6	0.5	1.1	0.8
Total Revenues	20.4	23.0	5.8	6.9	6.2	13.0	11.4
Derivatives gains (losses)	(6.6)	(3.6)	(2.4)	0.6	1.2	1.8	(2.4)
Trading gains (losses)	0.3	1.0	(0.0)	0.4	(0.2)	0.2	0.3
Other gains (losses)	(0.1)	(0.1)	(0.0)	(0.0)	0.2	0.2	0.1
Total Mark-to-Market Gains (Losses)	(6.3)	(2.7)	(2.4)	0.9	1.1	2.1	(2.0)
(Provision) benefit for credit losses	(26.7)	0.9	3.0	1.0	5.4	6.3	1.0
REO (Foreclosed property exp.)	(0.8)	0.3	0.1	0.3	0.3	0.6	(0.3)
Security impairments	(0.3)	(0.7)	(0.6)	(0.0)	(0.0)	(0.0)	(0.7)
Total Credit-Related Income (Expenses/Losses)	(27.8)	0.4	2.5	1.2	5.7	6.9	0.1
Administrative expenses	(2.4)	(2.4)	(0.6)	(0.6)	(0.6)	(1.3)	(1.1)
Other expenses	(0.9)	(1.1)	(0.2)	(0.3)	(0.3)	(0.6)	(0.5)
Pre-Tax Income (Loss)	(16.9)	17.2	5.1	8.1	12.1	20.2	7.8
Tax (expense)/benefit / Extraordinary items	0.1	0.0	0.0	50.6	(2.0)	48.6	0.0
Net Income (Loss)	(\$16.9)	\$17.2	\$5.1	\$58.7	\$10.1	\$68.8	\$7.8
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	(\$16.9)	\$17.2	\$5.1	\$58.7	\$10.1	\$68.8	\$7.8
Preferred stock dividends and undistributed net worth sweep	(9.6)	(15.8)	(2.9)	(59.4)	(10.2)	(69.6)	(5.7)
Net Income (Loss) to Common Stockholders	(\$26.5)	\$1.4	\$2.2	(\$0.7)	(\$0.2)	(\$0.8)	\$2.1

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Cash and cash equivalents	\$17.5	\$21.1	\$24.7	\$23.4	\$24.7
Restricted cash	50.8	67.9	56.0	57.2	53.9
Federal Funds sold and securities purchased under agreements to resell	46.0	32.5	24.0	79.4	37.8
Investments in securities					
Agency	41.0	30.0	35.1	28.6	26.0
CMBS	24.4	22.9	23.6	22.6	19.1
Subprime	8.9	8.8	8.5	9.3	9.4
Alt-A	13.0	12.4	12.5	12.6	12.6
U.S. Treasury securities	47.7	18.0	27.1	28.4	18.5
Other	16.7	11.8	14.0	11.2	10.2
Total investments in securities	151.8	103.9	120.6	112.7	95.7
Total mortgage loans, net	2,898.6	2,949.4	2,923.2	2,958.6	2,976.1
Other assets	46.7	47.6	47.0	89.3	92.4
Total Assets	\$3,211.5	\$3,222.4	\$3,195.6	\$3,320.7	\$3,280.7
Liabilities and Equity					
Accrued interest payable	\$12.6	\$11.3	\$11.9	\$11.2	\$10.6
Total debt	3,189.9	3,189.5	3,163.9	3,232.5	3,240.5
Other liabilities	13.5	14.4	17.1	14.6	16.3
Total Liabilities	\$3,216.1	\$3,215.2	\$3,192.9	\$3,258.3	\$3,267.4
Stockholders' Equity					
Senior preferred stock	\$112.6	\$117.1	\$117.1	\$117.1	\$117.1
Preferred stock	19.1	19.1	19.1	19.1	19.1
Accumulated deficit	(128.4)	(122.8)	(126.3)	(68.3)	(117.6)
Accumulated other comprehensive income	(1.2)	0.4	(0.5)	1.0	1.2
Other Equity	(6.7)	(6.7)	(6.7)	(6.7)	(6.7)
Total Equity	(\$4.6)	\$7.2	\$2.8	\$62.4	\$13.2
Total Liabilities and Equity	\$3,211.5	\$3,222.4	\$3,195.6	\$3,320.7	\$3,280.7

Financial Data - Fannie Mae

Income Statement

(\$ in billions)						2nd Quarter
	2008	2009	2010	2011	2012	2013
Net interest income	\$8.8	\$14.5	\$16.4	\$19.3	\$21.5	\$5.7
Other income	8.7	8.0	1.1	1.2	1.5	0.5
Total Revenues	17.4	22.5	17.5	20.4	23.0	6.2
Derivatives gains (losses)	(15.4)	(6.4)	(3.0)	(6.6)	(3.6)	1.2
Trading gains (losses)	(7.0)	3.7	2.7	0.3	1.0	(0.2)
Other gains (losses)	1.9	0.9	(0.4)	(0.1)	(0.1)	0.2
Total Mark-to-Market Gains (Losses)	(20.6)	(1.7)	(0.7)	(6.3)	(2.7)	1.1
(Provision) benefit for credit losses	(25.5)	(52.1)	(24.9)	(26.7)	0.9	5.4
REO (Foreclosed property exp.)	(1.9)	(0.9)	(1.7)	(0.8)	0.3	0.3
SOP 03-3 losses, net	(2.4)	(20.6)				
Security impairments	(7.0)	(9.9)	(0.7)	(0.3)	(0.7)	(0.0)
Total Credit-Related Income (Expenses/Losses)	(36.8)	(83.4)	(27.3)	(27.8)	0.4	5.7
Administrative expenses	(2.0)	(2.2)	(2.6)	(2.4)	(2.4)	(0.6)
Other expenses	(2.6)	(8.2)	(0.9)	(0.9)	(1.1)	(0.3)
Pre-Tax Income (Loss)	(44.6)	(73.0)	(14.1)	(16.9)	17.2	12.1
Tax (expense)/benefit / Extraordinary items	(14.2)	1.0	0.1	0.1	0.0	(2.0)
Net Income (Loss)	(\$58.7)	(\$72.0)	(\$14.0)	(\$16.9)	\$17.2	\$10.1
Less: Net income (loss) attributable to noncontrolling interest	0.0	0.1	0.0	(0.0)	0.0	(0.0)
Net Income (Loss) Attributable to the Enterprise	(\$58.7)	(\$72.0)	(\$14.0)	(\$16.9)	\$17.2	\$10.1
Preferred stock dividends and undistributed net worth sweep	(1.1)	(2.5)	(7.7)	(9.6)	(15.8)	(10.2)
Net Income (Loss) to Common Stockholders	(\$59.8)	(\$74.4)	(\$21.7)	(\$26.5)	\$1.4	(\$0.2)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31	Jun 30
	2008	2009	2010	2011	2012	2013
Assets						
Cash and cash equivalents	\$17.9	\$6.8	\$17.3	\$17.5	\$21.1	\$24.7
Restricted cash	0.5	3.1	63.7	50.8	67.9	53.9
Federal Funds sold and securities purchased under agreements to resell	57.4	53.7	11.8	46.0	32.5	37.8
Investments in securities						
Agency	269.7	273.1	50.2	41.0	30.0	26.0
CMBS	19.7	22.5	25.6	24.4	22.9	19.1
Subprime	16.6	12.5	11.5	8.9	8.8	9.4
Alt-A	16.8	15.5	15.6	13.0	12.4	12.6
U.S. Treasury securities	0.0	0.0	27.4	47.7	18.0	18.5
Other	34.5	26.0	20.9	16.7	11.8	10.2
Total investments in securities	357.3	349.7	151.2	151.8	103.9	95.7
Total mortgage loans, net	425.4	394.6	2,923.7	2,898.6	2,949.4	2,976.1
Other assets	53.8	61.3	54.3	46.7	47.6	92.4
Total Assets	\$912.4	\$869.1	\$3,222.0	\$3,211.5	\$3,222.4	\$3,280.7
Liabilities and Equity						
Accrued interest payable	\$5.9	\$5.0	\$13.8	\$12.6	\$11.3	\$10.6
Total debt	870.4	774.6	3,197.0	3,189.9	3,189.5	3,240.5
Other liabilities	51.2	104.9	13.7	13.5	14.4	16.3
Total Liabilities	\$927.6	\$884.4	\$3,224.5	\$3,216.1	\$3,215.2	\$3,267.4
Stockholders' Equity						
Senior preferred stock	\$1.0	\$60.9	\$88.6	\$112.6	\$117.1	\$117.1
Preferred stock	21.2	20.3	20.2	19.1	19.1	19.1
Accumulated deficit	(26.8)	(90.2)	(103.0)	(128.4)	(122.8)	(117.6)
Accumulated other comprehensive income	(7.7)	(1.7)	(1.7)	(1.2)	0.4	1.2
Other Equity	(2.9)	(4.6)	(6.7)	(6.7)	(6.7)	(6.7)
Total Equity	(\$15.2)	(\$15.3)	(\$2.5)	(\$4.6)	\$7.2	\$13.2
Total Liabilities and Equity	\$912.4	\$869.1	\$3,222.0	\$3,211.5	\$3,222.4	\$3,280.7

Financial Data - Freddie Mac

Income Statement

(\$ in billions)						YTD	YTD
	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter 2013	2nd Quarter 2013	2nd Quarter 2012
Net interest income	\$18.4	\$17.6	\$4.4	\$4.3	\$4.1	\$8.4	\$8.9
Other income	0.9	0.8	0.2	0.3	0.3	0.5	0.4
Total Revenues	19.3	18.5	4.6	4.5	4.4	8.9	9.3
Derivatives gains (losses)	(9.8)	(2.4)	(0.9)	0.4	1.4	1.7	(1.9)
Trading gains (losses)	(1.0)	(1.7)	(0.4)	(0.4)	(0.8)	(1.1)	(0.8)
Other gains (losses)	0.8	1.0	0.3	0.1	(0.3)	(0.1)	0.5
Total Mark-to-Market Gains (Losses)	(10.0)	(3.2)	(1.0)	0.1	0.4	0.5	(2.2)
(Provision) benefit for credit losses	(10.7)	(1.9)	(0.2)	0.5	0.6	1.1	(2.0)
REO (Foreclosed property exp.)	(0.6)	(0.1)	0.0	(0.0)	0.1	0.1	(0.1)
SOP 03-3 losses, net	0.5	0.4	0.1	0.1	0.1	0.1	0.2
Security impairments	(2.3)	(2.2)	(0.1)	(0.0)	(0.0)	(0.1)	(0.7)
Total Credit-Related Income (Expenses/Losses)	(13.1)	(3.7)	(0.1)	0.5	0.8	1.3	(2.6)
Administrative expenses	(1.5)	(1.6)	(0.4)	(0.4)	(0.4)	(0.9)	(0.7)
Other expenses	(0.4)	(0.6)	(0.2)	(0.2)	(0.2)	(0.4)	(0.3)
Pre-Tax Income (Loss)	(5.7)	9.4	2.9	4.5	4.9	9.5	3.5
Tax (expense)/benefit / Extraordinary items	0.4	1.5	0.1	0.0	0.0	0.1	0.1
Net Income (Loss)	(5.3)	11.0	3.0	4.6	5.0	9.6	3.6
Less: Net income (loss) attributable to noncontrolling interest	-	-	-	-	-	-	-
Net Income (Loss) Attributable to the Enterprise	(5.3)	\$11.0	\$3.0	\$4.6	\$5.0	\$9.6	\$3.6
Preferred stock dividends and undistributed net worth sweep	(6.5)	(13.1)	(1.8)	(7.0)	(4.4)	(11.3)	(3.6)
Net Income (Loss) to Common Stockholders	(\$11.8)	(\$2.1)	\$1.2	(\$2.4)	\$0.6	(\$1.8)	(\$0.0)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Cash and cash equivalents	\$28.4	\$8.5	\$19.2	\$27.7	\$13.9
Restricted cash	28.1	14.6	10.2	1.8	1.1
Federal Funds sold and securities purchased under agreements to resell	12.0	37.6	38.9	38.6	40.1
Investments in securities					
Agency	133.0	94.8	117.4	85.5	77.2
CMBS	55.7	51.3	53.0	49.7	45.8
Subprime	28.0	26.5	25.8	28.5	28.0
Alt-A	10.9	10.9	10.7	11.0	10.1
U.S. Treasury securities	24.8	20.2	19.0	12.3	24.5
Other	17.1	12.7	15.6	12.4	11.8
Total investments in securities	269.5	216.4	241.5	199.3	197.3
Total mortgage loans, net	1,781.3	1,686.3	1,730.1	1,688.2	1,690.6
Other assets	27.9	26.5	26.4	23.7	24.5
Total Assets	\$2,147.2	\$1,989.9	\$2,066.3	\$1,979.4	\$1,967.5
Liabilities and Equity					
Accrued interest payable	\$8.9	\$7.7	\$8.3	\$6.9	\$7.2
Total debt	2,132.0	1,967.0	2,050.4	1,955.8	1,945.9
Other liabilities	6.5	6.3	6.6	6.6	7.1
Total Liabilities	\$2,147.4	\$1,981.0	\$2,065.2	\$1,969.4	\$1,960.2
Stockholders' Equity					
Senior preferred stock	\$72.2	\$72.3	\$72.3	\$72.3	\$72.3
Preferred stock	14.1	14.1	14.1	14.1	14.1
Accumulated deficit	(74.5)	(70.8)	(74.6)	(72.0)	(74.0)
Accumulated other comprehensive income	(8.0)	(2.9)	(6.9)	(0.5)	(1.2)
Other Equity	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)
Total Equity	(\$0.1)	\$8.8	\$1.1	\$10.0	\$7.4
Total Liabilities and Equity	\$2,147.2	\$1,989.9	\$2,066.3	\$1,979.4	\$1,967.5

Financial Data - Freddie Mac

Income Statement

(\$ in billions)						2nd Quarter
	2008	2009	2010	2011	2012	2013
Net interest income	\$6.8	\$17.1	\$16.9	\$18.4	\$17.6	\$4.1
Other income	8.3	6.0	1.0	0.9	0.8	0.3
Total Revenues	15.1	23.0	17.9	19.3	18.5	4.4
Derivatives gains (losses)	(15.0)	(1.9)	(8.1)	(9.8)	(2.4)	1.4
Trading gains (losses)	1.0	4.9	(1.3)	(1.0)	(1.7)	(0.8)
Other gains (losses)	(5.9)	3.3	0.3	0.8	1.0	(0.3)
Total Mark-to-Market Gains (Losses)	(19.9)	6.3	(9.1)	(10.0)	(3.2)	0.4
(Provision) benefit for credit losses	(16.4)	(29.5)	(17.2)	(10.7)	(1.9)	0.6
REO (Foreclosed property exp.)	(1.1)	(0.3)	(0.7)	(0.6)	(0.1)	0.1
SOP 03-3 losses, net	(1.1)	(4.4)	0.8	0.5	0.4	0.1
Security impairments	(17.7)	(11.2)	(4.3)	(2.3)	(2.2)	(0.0)
Total Credit-Related Income (Expenses/Losses)	(36.4)	(45.4)	(21.4)	(13.1)	(3.7)	0.8
Administrative expenses	(1.5)	(1.7)	(1.5)	(1.5)	(1.6)	(0.4)
Other expenses	(2.0)	(4.6)	(0.7)	(0.4)	(0.6)	(0.2)
Pre-Tax Income (Loss)	(44.6)	(22.4)	(14.9)	(5.7)	9.4	4.9
Tax (expense)/benefit / Extraordinary items	(5.6)	0.8	0.9	0.4	1.5	0.0
Net Income (Loss)	(50.1)	(21.6)	(14.0)	(5.3)	11.0	5.0
Less: Net income (loss) attributable to noncontrolling interest	(0.0)	(0.0)	0.0	-	-	-
Net Income (Loss) Attributable to the Enterprise	(\$50.1)	(\$21.6)	(\$14.0)	(\$5.3)	\$11.0	\$5.0
Preferred stock dividends and undistributed net worth sweep	(0.7)	(4.1)	(5.7)	(6.5)	(13.1)	(4.4)
Net Income (Loss) to Common Stockholders	(\$50.8)	(\$25.7)	(\$19.8)	(\$11.8)	(\$2.1)	\$0.6

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31	Jun 30
	2008	2009	2010	2011	2012	2013
Assets						
Cash and cash equivalents	\$45.3	\$64.7	\$37.0	\$28.4	\$8.5	\$13.9
Restricted cash	1.0	0.5	8.1	28.1	14.6	1.1
Federal Funds sold and securities purchased under agreements to resell	10.2	7.0	46.5	12.0	37.6	40.1
Investments in securities						
Agency	506.8	464.9	142.7	133.0	94.8	77.2
CMBS	49.5	54.0	58.1	55.7	51.3	45.8
Subprime	52.3	35.7	33.9	28.0	26.5	28.0
Alt-A	13.3	13.4	13.2	10.9	10.9	10.1
U.S. Treasury securities	0.0	14.8	27.4	24.8	20.2	24.5
Other	27.5	24.1	17.7	17.1	12.7	11.8
Total investments in securities	649.3	606.9	292.9	269.5	216.4	197.3
Total mortgage loans, net	107.6	127.9	1,844.9	1,781.3	1,686.3	1,690.6
Other assets	37.7	34.8	32.3	27.9	26.5	24.5
Total Assets	\$851.0	\$841.8	\$2,261.8	\$2,147.2	\$1,989.9	\$1,967.5
Liabilities and Equity						
Accrued interest payable	\$6.5	\$5.0	\$10.3	\$8.9	\$7.7	\$7.2
Total debt	843.0	780.6	2,242.6	2,132.0	1,967.0	1,945.9
Other liabilities	32.1	51.8	9.3	6.5	6.3	7.1
Total Liabilities	\$881.6	\$837.4	\$2,262.2	\$2,147.4	\$1,981.0	\$1,960.2
Stockholders' Equity						
Senior preferred stock	\$14.8	\$51.7	\$64.2	\$72.2	\$72.3	\$72.3
Preferred stock	14.1	14.1	14.1	14.1	14.1	14.1
Accumulated deficit	(23.2)	(33.9)	(62.7)	(74.5)	(70.8)	(74.0)
Accumulated other comprehensive income	(32.4)	(23.6)	(12.0)	(8.0)	(2.9)	(1.2)
Other Equity	(4.0)	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)
Total Equity	(\$30.6)	\$4.4	(\$0.4)	(\$0.1)	\$8.8	\$7.4
Total Liabilities and Equity	\$851.0	\$841.8	\$2,261.8	\$2,147.2	\$1,989.9	\$1,967.5

Fannie Mae

Portfolio Quality

	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter 2013
SDQ Rate:	3.91%	3.29%	3.53%	3.02%	2.77%
SDQ Loan Count (<i>in thousands</i>):	691	577	622	528	483
Average FICO:	738	742	740	743	743
Average MTM LTV:	79%	75%	77%	74%	70%
REO Inventory (<i>in thousands</i>):	119	106	109	101	97
Loan Loss Reserve (<i>\$ in billions</i>):	\$75.3	\$61.4	\$66.7	\$59.1	\$52.1

New Business Purchase Quality

	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter ¹ 2013
Weighted Average FICO:	762	761	760	757	756
Percent of Purchases with FICO <620	1%	1%	1%	1%	1%
Percent of Purchases with FICO 620 - 739	25%	25%	26%	28%	29%
Percent of Purchases with FICO >=740	75%	74%	73%	71%	70%
Weighted Average Origination LTV Ratio	69%	75%	76%	75%	75%
Weighted Average Origination LTV Ratio (excluding Refi Plus)	67%	68%	69%	68%	68%
Weighted Average Origination LTV Ratio (Refi Plus)	94%	111%	111%	113%	112%
Percent of Purchases with Original LTV >90%	9%	17%	19%	17%	18%

Freddie Mac

Portfolio Quality

	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter 2013
SDQ Rate:	3.58%	3.25%	3.45%	3.03%	2.79%
SDQ Loan Count (<i>in thousands</i>):	414	353	387	327	300
Average FICO:	735	737	736	738	739
Average MTM LTV:	80%	75%	78%	74%	73%
REO Inventory (<i>in thousands</i>):	61	49	53	48	45
Loan Loss Reserve (<i>\$ in billions</i>):	\$38.9	\$30.5	\$35.3	\$28.3	\$26.2

New Business Purchase Quality

	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter ¹ 2013
Weighted Average FICO:	755	756	754	753	751
Percent of Purchases with FICO <620	1%	1%	1%	1%	1%
Percent of Purchases with FICO 620 - 739	28%	27%	29%	30%	30%
Percent of Purchases with FICO >= 740	71%	72%	70%	69%	69%
Weighted Average Origination LTV Ratio	70%	76%	81%	74%	75%
Weighted Average Origination LTV Ratio (excluding Relief Refinance)	67%	68%	68%	68%	69%
Weighted Average Origination LTV Ratio (Relief Refinance)	77%	97%	106%	93%	92%
Percent of Purchases with Original LTV >90%	11%	20%	25%	18%	18%

1. Amounts represent year-to-date totals

FHLBank - System¹

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$3,597	\$3,446	\$859	\$676	\$666	\$1,342	\$1,781
Investments	\$5,127	\$4,419	\$1,127	\$961	\$926	\$1,887	\$2,305
Fed Funds	\$98	\$79	\$22	\$22	\$17	\$40	\$37
Mortgage Loans	\$2,639	\$2,190	\$550	\$494	\$474	\$968	\$1,140
Other Income	\$29	\$76	\$17	\$16	\$10	\$26	\$29
Total Interest Income	\$11,490	\$10,209	\$2,574	\$2,169	\$2,093	\$4,263	\$5,293
Interest Expense							
Bonds	\$6,633	\$5,457	\$1,402	\$1,125	\$1,099	\$2,224	\$2,926
Notes	\$529	\$525	\$130	\$136	\$128	\$263	\$239
Deposits	\$7	\$6	\$2	\$1	\$1	\$2	\$3
Other Expenses	\$123	\$142	\$29	\$46	\$56	\$102	\$60
Total Interest Expense	\$7,292	\$6,129	\$1,563	\$1,307	\$1,284	\$2,591	\$3,229
Provision for credit losses on mortgage loans	\$72	\$21	\$2	(\$4)	(\$8)	(\$11)	\$14
Net Interest Income	\$4,126	\$4,059	\$1,009	\$866	\$817	\$1,683	\$2,050
Gain (Loss) on Securities	\$48	(\$106)	\$27	(\$45)	(\$127)	(\$172)	(\$46)
Gain (Loss) on Hedging	(\$378)	\$40	(\$123)	\$58	\$260	\$318	\$22
Gain (Loss) on Credit Portion of OTTI	(\$855)	(\$113)	(\$54)	(\$6)	(\$1)	(\$7)	(\$88)
Other Non-Interest Income	\$68	(\$23)	\$10	\$2	\$15	\$17	(\$3)
Other Non-Interest Expense	\$1,408	\$1,271	\$309	\$301	\$266	\$568	\$636
Net Income	\$1,602	\$2,586	\$560	\$572	\$699	\$1,271	\$1,299

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$418,156	\$425,748	\$418,366	\$418,297	\$458,462
Cash and Liquidity Investments	89,805	102,774	92,860	88,909	88,221
MBS Investments	140,156	138,522	142,113	137,141	137,253
Private Label MBS	29,501	25,424	26,901	24,685	23,314
Agency and Federal MBS	110,654	113,099	115,212	112,456	113,939
Other Investments	61,717	43,308	51,831	43,844	42,281
Mortgages	53,377	49,424	51,712	47,953	46,630
Other	3,141	2,899	2,885	2,816	2,389
Total Assets	\$766,352	\$762,675	\$759,766	\$738,961	\$775,236
Liabilities					
Bonds	\$507,236	\$476,133	\$494,208	\$476,715	\$484,448
Notes	190,149	216,284	196,264	192,977	221,411
Deposits	12,584	13,736	13,053	13,383	11,983
Mandatory Redeemable Capital Stock	8,015	6,927	7,502	6,070	6,948
Other	8,601	7,121	8,567	7,198	7,323
Total Liabilities	\$726,585	\$720,200	\$719,593	\$696,343	\$732,112
Capital					
Capital Stock Outstanding	\$35,542	\$33,538	\$34,073	\$32,617	\$32,681
Retained Earnings	8,521	10,447	9,508	10,832	11,336
Accumulated Other Comprehensive Income (Loss)	(4,297)	(1,510)	(3,408)	(831)	(893)
Total GAAP Capital	\$39,767	\$42,476	\$40,173	\$42,618	\$43,124
Total Liabilities and Capital	\$766,352	\$762,675	\$759,766	\$738,961	\$775,236

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.19	0.34	0.29	0.31	0.37
Return on Average Equity	3.80	6.44	5.67	5.45	6.65
Retained Earnings (%)					
Retained Earnings/Total Assets	1.11	1.37	1.25	1.47	1.46
AOCI/Retained Earnings	-50.42	-14.45	-35.84	-7.67	-7.88
Market Risk					
MVE/BVE	97.07	101.19	99.65	101.16	102.50
Credit Risk (%)					
PLMBS/Total Assets	3.85	3.33	3.54	3.34	3.01

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

FHLBank - System¹

Income Statement						
(\$ in millions)	2008	2009	2010	2011	2012	2nd Quarter 2013
Interest Income						
Advances	\$29,733	\$9,922	\$5,125	\$3,597	\$3,446	\$666
Investments	\$9,553	\$6,904	\$5,991	\$5,127	\$4,419	\$926
Fed Funds	\$1,738	\$135	\$150	\$98	\$79	\$17
Mortgage Loans	\$4,495	\$3,872	\$3,187	\$2,639	\$2,190	\$474
Other Income	\$141	\$95	\$61	\$29	\$76	\$10
Total Interest Income	\$45,660	\$20,927	\$14,514	\$11,490	\$10,209	\$2,093
Interest Expense						
Bonds	\$29,911	\$13,162	\$8,475	\$6,633	\$5,457	\$1,099
Notes	\$9,911	\$2,175	\$670	\$529	\$525	\$128
Deposits	\$412	\$22	\$16	\$7	\$6	\$1
Other Expenses	\$174	\$124	\$129	\$123	\$142	\$56
Total Interest Expense	\$40,407	\$15,482	\$9,290	\$7,292	\$6,129	\$1,284
Provision for credit losses on mortgage loans	\$12	\$17	\$58	\$72	\$21	(\$8)
Net Interest Income	\$5,241	\$5,428	\$5,166	\$4,126	\$4,059	\$817
Gain (Loss) on Securities	\$277	(\$116)	\$98	\$48	(\$106)	(\$127)
Gain (Loss) on Hedging	(\$679)	\$748	(\$409)	(\$378)	\$40	\$260
Gain (Loss) on Credit Portion of OTTI	(\$2,028)	(\$2,431)	(\$1,071)	(\$855)	(\$113)	(\$1)
Other Non-Interest Income	\$18	(\$46)	(\$116)	\$68	(\$23)	\$15
Other Non-Interest Expense	\$1,614	\$1,746	\$1,669	\$1,408	\$1,271	\$266
Net Income	\$1,215	\$1,837	\$2,000	\$1,602	\$2,586	\$699

Balance Sheet						
(\$ in millions)	Dec 31 2008	Dec 31 2009	Dec 31 2010	Dec 31 2011	Dec 31 2012	Jun 30 2013
Assets						
Advances	\$928,638	\$631,159	\$478,590	\$418,156	\$425,748	\$458,462
Cash and Liquidity Investments	138,466	115,547	126,968	89,805	102,774	88,221
MBS Investments	169,171	152,029	146,882	140,156	138,522	137,253
Private Label MBS	73,044	48,070	37,604	29,501	25,424	23,314
Agency and Federal MBS	96,127	103,959	109,278	110,654	113,099	113,939
Other Investments	19,723	41,470	60,629	61,717	43,308	42,281
Mortgages	87,361	71,437	61,193	53,377	49,424	46,630
Other	6,324	4,304	4,055	3,141	2,899	2,389
Total Assets	\$1,349,682	\$1,015,946	\$878,317	\$766,352	\$762,675	\$775,236
Liabilities						
Bonds	\$818,947	\$736,676	\$606,822	\$507,236	\$476,133	\$484,448
Notes	439,894	198,531	194,429	190,149	216,284	221,411
Deposits	15,506	15,908	14,413	12,584	13,736	11,983
Mandatory Redeemable Capital Stock	6,137	8,140	7,066	8,015	6,927	6,948
Other	17,812	13,863	11,907	8,601	7,121	7,323
Total Liabilities	\$1,298,296	\$973,119	\$834,637	\$726,585	\$720,200	\$732,112
Capital						
Capital Stock Outstanding	\$49,551	\$44,980	\$41,738	\$35,542	\$33,538	\$32,681
Retained Earnings	2,970	6,050	7,489	8,521	10,447	11,336
Accumulated Other Comprehensive Income (Loss)	(1,135)	(8,203)	(5,546)	(4,297)	(1,510)	(893)
Total GAAP Capital	\$51,387	\$42,827	\$43,680	\$39,767	\$42,476	\$43,124
Total Liabilities and Capital	\$1,349,682	\$1,015,946	\$878,317	\$766,352	\$762,675	\$775,236

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

FHLBank - Atlanta

Income Statement

(\$ in millions)	2011	2012	2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2012	2013	2013	2013	2012
Interest Income							
Advances	\$258	\$294	\$79	\$63	\$61	\$124	\$147
Investments	\$726	\$577	\$149	\$124	\$118	\$241	\$308
Fed Funds	\$24	\$18	\$5	\$3	\$3	\$6	\$10
Mortgage Loans	\$97	\$77	\$20	\$16	\$17	\$33	\$41
Other Income	\$4	\$8	\$2	\$2	\$2	\$3	\$3
Total Interest Income	\$1,109	\$973	\$255	\$208	\$200	\$408	\$509
Interest Expense							
Bonds	\$629	\$568	\$144	\$113	\$108	\$221	\$309
Notes	\$17	\$25	\$6	\$8	\$6	\$14	\$9
Deposits	\$1	\$1	\$0	\$0	\$0	\$0	\$1
Other Expenses	\$4	\$3	\$1	\$0	\$0	\$0	\$2
Total Interest Expense	\$650	\$597	\$152	\$121	\$114	\$235	\$321
Provision for credit losses on mortgage loans	\$5	\$6	\$0	\$2	\$1	\$3	\$3
Net Interest Income	\$454	\$370	\$103	\$85	\$85	\$170	\$185
Gain (Loss) on Securities	\$2	(\$67)	(\$4)	(\$24)	(\$40)	(\$64)	(\$33)
Gain (Loss) on Hedging	(\$9)	\$117	(\$1)	\$42	\$76	\$117	\$53
Gain (Loss) on Credit Portion of OTTI	(\$118)	(\$16)	(\$8)	(\$0)	\$0	(\$0)	(\$15)
Other Non-Interest Income	\$21	\$22	\$6	\$5	\$6	\$11	\$12
Other Non-Interest Expense	\$166	\$155	\$37	\$37	\$41	\$78	\$72
Net Income	\$184	\$270	\$59	\$71	\$86	\$157	\$130

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$86,971	\$87,503	\$81,842	\$80,260	\$89,450
Cash and Liquidity Investments	14,489	13,123	14,790	8,889	7,870
MBS Investments	17,323	16,805	16,845	16,248	17,543
Private Label MBS	6,635	5,420	5,914	5,164	4,804
Agency and Federal MBS	10,689	11,386	10,930	11,084	12,739
Other Investments	4,331	4,609	4,080	4,583	5,435
Mortgages	1,633	1,244	1,423	1,154	1,064
Other	523	421	460	413	416
Total Assets	\$125,270	\$123,705	\$119,440	\$111,547	\$121,778
Liabilities					
Bonds	\$90,663	\$82,947	\$89,079	\$82,858	\$86,196
Notes	24,330	31,737	21,427	20,040	26,161
Deposits	2,655	2,094	2,133	2,037	2,172
Mandatory Redeemable Capital Stock	286	40	115	34	25
Other	777	612	621	697	773
Total Liabilities	\$118,710	\$117,430	\$113,375	\$105,667	\$115,327
Capital					
Capital Stock Outstanding	\$5,718	\$4,898	\$5,008	\$4,380	\$4,847
Retained Earnings	1,254	1,435	1,344	1,477	1,537
Accumulated Other Comprehensive Income (Loss)	(411)	(58)	(286)	24	67
Total GAAP Capital	\$6,560	\$6,275	\$6,065	\$5,881	\$6,451
Total Liabilities and Capital	\$125,270	\$123,705	\$119,440	\$111,547	\$121,778

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.15	0.22	0.20	0.24	0.29
Return on Average Equity	2.52	4.26	3.76	4.65	5.61
Retained Earnings (%)					
Retained Earnings/Total Assets	1.00	1.16	1.13	1.32	1.26
AOCI/Retained Earnings	-32.78	-4.03	-21.31	1.59	4.38
Market Risk					
MVE/BVE	97.58	102.19	105.25	98.95	98.93
Credit Risk (%)					
PLMBS/Total Assets	5.30	4.38	4.95	4.63	3.94
Capital Adequacy (%)					
Total Regulatory Capital	5.79	5.15	5.41	5.28	5.26
Total Leverage Capital	8.69	7.73	8.12	7.92	7.89
Permanent Capital/Risk Based Capital	372.02	392.23	369.76	330.43	306.80

FHLBank - Boston

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2nd Quarter 2013	2nd Quarter 2012
Interest Income							
Advances	\$357	\$356	\$101	\$71	\$62	\$133	\$185
Investments	\$249	\$226	\$58	\$56	\$51	\$106	\$113
Fed Funds	\$7	\$2	\$1	\$0	\$0	\$1	\$1
Mortgage Loans	\$149	\$136	\$35	\$32	\$32	\$65	\$69
Other Income	\$4	\$9	\$2	\$1	\$1	\$1	\$5
Total Interest Income	\$765	\$730	\$196	\$161	\$145	\$306	\$373
Interest Expense							
Bonds	\$449	\$405	\$104	\$82	\$82	\$164	\$210
Notes	\$10	\$12	\$3	\$2	\$1	\$3	\$4
Deposits	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0
Other Expenses	\$1	\$1	\$0	\$0	\$1	\$1	\$1
Total Interest Expense	\$459	\$418	\$107	\$84	\$85	\$169	\$215
Provision for credit losses on mortgage loans	(\$1)	(\$3)	(\$0)	(\$1)	(\$1)	(\$2)	(\$2)
Net Interest Income	\$307	\$316	\$90	\$77	\$62	\$139	\$159
Gain (Loss) on Securities	\$40	\$7	\$6	(\$2)	(\$10)	(\$12)	\$4
Gain (Loss) on Hedging	(\$25)	(\$7)	(\$8)	\$1	\$6	\$7	(\$6)
Gain (Loss) on Credit Portion of OTTI	(\$77)	(\$7)	(\$1)	(\$0)	(\$0)	(\$1)	(\$4)
Other Non-Interest Income	\$9	(\$15)	(\$8)	(\$1)	(\$3)	(\$4)	(\$7)
Other Non-Interest Expense	\$94	\$86	\$22	\$21	\$19	\$41	\$43
Net Income	\$160	\$207	\$56	\$53	\$36	\$89	\$103

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$25,195	\$20,790	\$26,457	\$19,900	\$21,463
Cash and Liquidity Investments	9,282	4,856	7,473	2,969	4,871
MBS Investments	7,816	7,817	8,597	7,540	6,975
Private Label MBS	1,556	1,320	1,403	1,281	1,238
Agency and Federal MBS	6,260	6,498	7,194	6,259	5,738
Other Investments	4,393	3,121	3,767	2,888	2,421
Mortgages	3,109	3,479	3,311	3,504	3,474
Other	173	145	158	132	135
Total Assets	\$49,968	\$40,209	\$49,763	\$36,935	\$39,341
Liabilities					
Bonds	\$29,879	\$26,120	\$27,623	\$25,722	\$24,421
Notes	14,652	8,639	16,610	5,981	9,876
Deposits	654	595	669	663	604
Mandatory Redeemable Capital Stock	227	216	216	191	977
Other	1,066	1,073	1,261	1,006	866
Total Liabilities	\$46,479	\$36,643	\$46,379	\$33,563	\$36,744
Capital					
Capital Stock Outstanding	\$3,625	\$3,455	\$3,421	\$3,202	\$2,401
Retained Earnings	398	588	492	638	670
Accumulated Other Comprehensive Income (Loss)	(534)	(477)	(528)	(468)	(474)
Total GAAP Capital	\$3,489	\$3,566	\$3,384	\$3,372	\$2,597
Total Liabilities and Capital	\$49,968	\$40,209	\$49,763	\$36,935	\$39,341

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.30	0.45	0.49	0.56	0.38
Return on Average Equity	4.73	6.03	6.70	6.10	5.55
Retained Earnings (%)					
Retained Earnings/Total Assets	0.80	1.46	0.99	1.73	1.70
AOCI/Retained Earnings	-134.24	-81.12	-107.44	-73.32	-70.77
Market Risk					
MVE/BVE	98.63	104.42	98.53	106.52	109.96
Credit Risk (%)					
PLMBS/Total Assets	3.11	3.28	2.82	3.47	3.15
Capital Adequacy (%)					
Total Regulatory Capital	8.51	10.59	8.30	10.91	10.29
Total Leverage Capital	12.76	15.89	12.44	16.37	15.44
Permanent Capital/Risk Based Capital	484.99	592.10	549.71	571.23	541.18

FHLBank - Chicago

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$259	\$241	\$55	\$41	\$43	\$84	\$129
Investments	\$1,240	\$1,119	\$285	\$245	\$233	\$478	\$581
Fed Funds	\$3	\$3	\$1	\$1	\$1	\$1	\$1
Mortgage Loans	\$737	\$546	\$144	\$113	\$103	\$215	\$297
Other Income	\$5	\$7	\$2	\$3	\$2	\$5	\$3
Total Interest Income	\$2,244	\$1,916	\$485	\$403	\$381	\$783	\$1,010
Interest Expense							
Bonds	\$1,276	\$980	\$255	\$198	\$193	\$392	\$531
Notes	\$357	\$307	\$78	\$77	\$74	\$151	\$153
Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$74	\$57	\$14	\$14	\$14	\$29	\$29
Total Interest Expense	\$1,707	\$1,344	\$347	\$290	\$282	\$572	\$713
Provision for credit losses on mortgage loans	\$19	\$9	\$2	\$0	(\$2)	(\$2)	\$8
Net Interest Income	\$518	\$563	\$136	\$113	\$101	\$213	\$289
Gain (Loss) on Securities	(\$61)	(\$43)	(\$11)	(\$6)	(\$3)	(\$9)	(\$25)
Gain (Loss) on Hedging	\$58	\$1	(\$6)	\$2	\$30	\$32	\$11
Gain (Loss) on Credit Portion of OTTI	(\$68)	(\$15)	(\$14)	\$0	\$0	\$0	(\$15)
Other Non-Interest Income	\$9	\$22	\$5	\$5	\$6	\$11	\$8
Other Non-Interest Expense	\$231	\$152	\$40	\$34	(\$15)	\$19	\$83
Net Income	\$224	\$375	\$70	\$81	\$148	\$229	\$185

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$15,291	\$14,530	\$15,797	\$14,403	\$16,663
Cash and Liquidity Investments	2,777	10,064	3,821	7,204	7,026
MBS Investments	24,231	22,426	23,341	21,750	20,811
Private Label MBS	1,765	1,503	1,634	1,450	1,392
Agency and Federal MBS	22,466	20,923	21,707	20,300	19,419
Other Investments	14,497	11,824	13,199	11,627	9,875
Mortgages	14,118	10,432	12,162	9,653	8,870
Other	342	309	321	285	255
Total Assets	\$71,255	\$69,584	\$68,641	\$64,922	\$63,502
Liabilities					
Bonds	\$39,880	\$32,569	\$39,872	\$34,751	\$36,239
Notes	25,404	31,260	23,439	24,292	21,583
Deposits	648	816	727	819	715
Mandatory Redeemable Capital Stock	4	6	10	4	3
Other	2,026	1,485	1,460	1,608	1,474
Total Liabilities	\$67,963	\$66,136	\$65,508	\$61,473	\$60,014
Capital					
Capital Stock Outstanding	\$2,402	\$1,650	\$1,850	\$1,549	\$1,540
Retained Earnings	1,321	1,691	1,504	1,770	1,917
Accumulated Other Comprehensive Income (Loss)	(431)	107	(221)	130	30
Total GAAP Capital	\$3,292	\$3,448	\$3,133	\$3,449	\$3,488
Total Liabilities and Capital	\$71,255	\$69,584	\$68,641	\$64,922	\$63,502

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.28	0.54	0.40	0.47	0.89
Return on Average Equity	7.23	12.91	9.42	9.55	16.73
Retained Earnings (%)					
Retained Earnings/Total Assets	1.85	2.43	2.19	2.73	3.02
AOCI/Retained Earnings	-32.64	6.31	-14.69	7.32	1.59
Market Risk					
MVE/BVE	91.19	101.87	97.40	105.61	109.56
Credit Risk (%)					
PLMBS/Total Assets	2.48	2.16	2.38	2.23	2.19
Capital Adequacy (%)					
Total Regulatory Capital	6.35	4.81	4.90	5.12	5.45
Total Leverage Capital	2.78	7.22	7.35	7.68	8.17
Permanent Capital/Risk Based Capital	0.00	217.00	224.00	235.00	222.00

FHLBank - Cincinnati

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$236	\$261	\$60	\$71	\$78	\$150	\$123
Investments	\$433	\$336	\$80	\$70	\$75	\$145	\$173
Fed Funds	\$5	\$7	\$2	\$2	\$2	\$4	\$2
Mortgage Loans	\$335	\$313	\$69	\$73	\$68	\$141	\$158
Other Income	\$3	\$5	\$1	\$1	\$1	\$1	\$2
Total Interest Income	\$1,011	\$921	\$211	\$217	\$224	\$441	\$458
Interest Expense							
Bonds	\$720	\$570	\$149	\$130	\$133	\$262	\$307
Notes	\$28	\$31	\$7	\$10	\$10	\$21	\$11
Deposits	\$1	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$14	\$12	\$3	\$2	\$1	\$3	\$6
Total Interest Expense	\$762	\$613	\$159	\$142	\$145	\$286	\$324
Provision for credit losses on mortgage loans	\$13	\$1	\$0	(\$3)	(\$4)	(\$7)	\$1
Net Interest Income	\$236	\$307	\$52	\$78	\$83	\$161	\$132
Gain (Loss) on Securities	(\$7)	(\$3)	\$18	\$0	(\$0)	(\$0)	\$9
Gain (Loss) on Hedging	(\$5)	\$11	\$3	\$5	(\$1)	\$4	\$9
Gain (Loss) on Credit Portion of OTTI	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Non-Interest Income	\$7	\$6	\$1	\$3	\$3	\$5	\$3
Other Non-Interest Expense	\$93	\$85	\$20	\$22	\$23	\$45	\$41
Net Income	\$138	\$235	\$55	\$64	\$62	\$125	\$112

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$28,424	\$53,944	\$35,095	\$58,282	\$65,093
Cash and Liquidity Investments	8,258	7,167	8,490	7,394	8,148
MBS Investments	11,204	12,774	10,885	13,696	14,950
Private Label MBS	17	0	0	0	0
Agency and Federal MBS	11,188	12,774	10,885	13,696	14,950
Other Investments	4,513	26	4,764	26	26
Mortgages	7,850	7,530	8,094	7,212	6,984
Other	147	121	138	118	119
Total Assets	\$60,397	\$81,562	\$67,466	\$86,729	\$95,320
Liabilities					
Bonds	\$28,855	\$44,346	\$31,319	\$45,937	\$49,521
Notes	26,136	30,840	30,539	34,076	38,926
Deposits	1,084	1,177	1,140	1,102	1,041
Mandatory Redeemable Capital Stock	275	211	265	134	125
Other	488	452	466	462	446
Total Liabilities	\$56,837	\$77,025	\$63,729	\$81,711	\$90,058
Capital					
Capital Stock Outstanding	\$3,126	\$4,011	\$3,259	\$4,467	\$4,690
Retained Earnings	444	538	488	563	582
Accumulated Other Comprehensive Income (Loss)	(11)	(12)	(9)	(11)	(11)
Total GAAP Capital	\$3,559	\$4,537	\$3,738	\$5,018	\$5,261
Total Liabilities and Capital	\$60,397	\$81,562	\$67,466	\$86,729	\$95,320

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.21	0.35	0.34	0.31	0.26
Return on Average Equity	3.89	6.20	6.03	5.49	4.80
Retained Earnings (%)					
Retained Earnings/Total Assets	0.74	0.66	0.72	0.65	0.61
AOCI/Retained Earnings	-2.48	-2.18	-1.89	-2.00	-1.86
Market Risk					
MVE/BVE	106.67	102.69	105.57	99.48	97.23
Credit Risk (%)					
PLMBS/Total Assets	0.03	0.00	0.00	0.00	0.00
Capital Adequacy (%)					
Total Regulatory Capital	6.37	5.84	5.95	5.95	5.66
Total Leverage Capital	9.55	8.75	8.92	8.93	8.49
Permanent Capital/Risk Based Capital	993.41	973.77	1034.12	1162.12	868.49

FHLBank - Dallas

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2nd Quarter 2013	2nd Quarter 2012
Interest Income							
Advances	\$221	\$195	\$49	\$38	\$39	\$77	\$101
Investments	\$88	\$98	\$26	\$20	\$19	\$40	\$51
Fed Funds	\$2	\$2	\$1	\$1	\$1	\$1	\$1
Mortgage Loans	\$10	\$8	\$2	\$2	\$2	\$3	\$4
Other Income	\$1	\$6	\$1	\$1	\$1	\$2	\$2
Total Interest Income	\$323	\$309	\$79	\$62	\$61	\$123	\$160
Interest Expense							
Bonds	\$167	\$139	\$36	\$25	\$23	\$48	\$75
Notes	\$4	\$8	\$2	\$2	\$2	\$4	\$4
Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Interest Expense	\$171	\$148	\$38	\$27	\$25	\$52	\$79
Provision for credit losses on mortgage loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Interest Income	\$152	\$161	\$41	\$35	\$37	\$71	\$81
Gain (Loss) on Securities	(\$0)	\$0	(\$0)	\$0	(\$0)	\$0	\$0
Gain (Loss) on Hedging	(\$13)	(\$5)	\$1	\$2	\$3	\$5	\$5
Gain (Loss) on Credit Portion of OTTI	(\$6)	(\$0)	(\$0)	\$0	\$0	\$0	(\$0)
Other Non-Interest Income	\$2	\$7	\$2	\$2	\$2	\$4	\$3
Other Non-Interest Expense	\$87	\$82	\$21	\$21	\$19	\$40	\$42
Net Income	\$48	\$82	\$23	\$18	\$22	\$40	\$47

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$18,798	\$18,395	\$19,207	\$15,722	\$18,354
Cash and Liquidity Investments	3,298	6,140	4,021	4,303	3,668
MBS Investments	6,378	5,161	5,415	4,983	4,868
Private Label MBS	252	201	229	192	182
Agency and Federal MBS	6,126	4,960	5,187	4,792	4,686
Other Investments	4,979	5,818	5,817	5,784	5,578
Mortgages	163	121	140	113	104
Other	154	119	128	128	111
Total Assets	\$33,770	\$35,755	\$34,729	\$31,034	\$32,683
Liabilities					
Bonds	\$20,070	\$25,698	\$22,049	\$23,606	\$22,164
Notes	9,799	6,984	9,508	4,558	7,569
Deposits	1,521	1,178	1,145	1,039	1,082
Mandatory Redeemable Capital Stock	15	5	5	4	4
Other	660	120	323	122	131
Total Liabilities	\$32,065	\$33,985	\$33,030	\$29,329	\$30,951
Capital					
Capital Stock Outstanding	\$1,256	\$1,217	\$1,204	\$1,109	\$1,157
Retained Earnings	495	572	539	589	610
Accumulated Other Comprehensive Income (Loss)	(46)	(18)	(45)	7	(34)
Total GAAP Capital	\$1,705	\$1,771	\$1,699	\$1,705	\$1,733
Total Liabilities and Capital	\$33,770	\$35,755	\$34,729	\$31,034	\$32,683

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.14	0.22	0.25	0.21	0.27
Return on Average Equity	2.73	4.77	5.38	4.33	5.21
Retained Earnings (%)					
Retained Earnings/Total Assets	1.46	1.60	1.55	1.90	1.87
AOCI/Retained Earnings	-9.22	-3.19	-8.31	1.14	-5.55
Market Risk					
MVE/BVE	109.78	108.58	110.96	108.39	108.70
Credit Risk (%)					
PLMBS/Total Assets	0.75	0.56	0.66	0.62	0.56
Capital Adequacy (%)					
Total Regulatory Capital	5.23	5.02	5.03	5.48	5.42
Total Leverage Capital	7.84	7.52	7.55	8.23	8.13
Permanent Capital/Risk Based Capital	513.83	443.62	437.22	412.92	342.89

FHLBank - Des Moines

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2nd Quarter 2013	2nd Quarter 2012
Interest Income							
Advances	\$271	\$271	\$63	\$50	\$47	\$97	\$146
Investments	\$302	\$214	\$54	\$45	\$43	\$88	\$115
Fed Funds	\$2	\$2	\$1	\$0	\$0	\$1	\$1
Mortgage Loans	\$325	\$284	\$73	\$66	\$63	\$129	\$147
Other Income	\$2	\$5	\$1	\$2	\$1	\$3	\$2
Total Interest Income	\$903	\$776	\$192	\$163	\$154	\$318	\$411
Interest Expense							
Bonds	\$660	\$523	\$134	\$108	\$102	\$210	\$281
Notes	\$6	\$11	\$2	\$2	\$1	\$4	\$4
Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Interest Expense	\$667	\$535	\$137	\$110	\$104	\$214	\$286
Provision for credit losses on mortgage loans	\$9	\$0	\$0	\$0	\$0	\$0	\$0
Net Interest Income	\$226	\$241	\$55	\$53	\$51	\$104	\$125
Gain (Loss) on Securities	\$46	\$37	\$22	(\$7)	(\$70)	(\$77)	\$15
Gain (Loss) on Hedging	(\$117)	(\$21)	(\$42)	\$12	\$59	\$71	(\$19)
Gain (Loss) on Credit Portion of OTTI	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Non-Interest Income	\$1	(\$73)	\$1	(\$14)	(\$9)	(\$23)	(\$20)
Other Non-Interest Expense	\$78	\$72	\$17	\$17	\$15	\$32	\$37
Net Income	\$78	\$111	\$18	\$27	\$16	\$43	\$63

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$26,591	\$26,614	\$26,561	\$24,802	\$26,513
Cash and Liquidity Investments	3,301	4,640	3,517	7,189	3,744
MBS Investments	8,261	6,850	7,285	6,864	6,801
Private Label MBS	49	41	45	38	35
Agency and Federal MBS	8,212	6,809	7,240	6,826	6,766
Other Investments	3,315	2,195	2,194	2,173	2,117
Mortgages	7,138	6,952	7,253	6,771	6,711
Other	127	116	128	128	136
Total Assets	\$48,733	\$47,367	\$46,938	\$47,926	\$46,022
Liabilities					
Bonds	\$38,012	\$34,345	\$36,396	\$38,146	\$36,817
Notes	6,810	8,674	5,956	5,327	5,219
Deposits	750	1,085	1,352	1,099	804
Mandatory Redeemable Capital Stock	6	10	10	11	15
Other	343	419	409	591	374
Total Liabilities	\$45,921	\$44,533	\$44,124	\$45,173	\$43,228
Capital					
Capital Stock Outstanding	\$2,109	\$2,063	\$2,064	\$1,970	\$2,069
Retained Earnings	569	622	601	636	639
Accumulated Other Comprehensive Income (Loss)	135	150	150	147	86
Total GAAP Capital	\$2,812	\$2,834	\$2,815	\$2,753	\$2,794
Total Liabilities and Capital	\$48,733	\$47,367	\$46,938	\$47,926	\$46,022

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.15	0.23	0.15	0.23	0.13
Return on Average Equity	2.78	3.98	2.60	3.98	2.23
Retained Earnings (%)					
Retained Earnings/Total Assets	1.17	1.31	1.28	1.33	1.39
AOCI/Retained Earnings	23.65	24.06	24.89	23.09	13.49
Market Risk					
MVE/BVE	79.38	84.98	81.47	85.77	90.18
Credit Risk (%)					
PLMBS/Total Assets	0.10	0.09	0.10	0.08	0.08
Capital Adequacy (%)					
Total Regulatory Capital	5.51	5.69	5.70	5.46	5.92
Total Leverage Capital	8.26	8.53	8.55	8.19	8.87
Permanent Capital/Risk Based Capital	496.37	723.72	654.90	566.99	433.86

FHLBank - Indianapolis

Income Statement

(\$ in millions)	2011	2012	2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
			2012	2013	2013	2013	2012
Interest Income							
Advances	\$169	\$175	\$46	\$34	\$37	\$71	\$92
Investments	\$227	\$203	\$51	\$45	\$42	\$87	\$105
Fed Funds	\$6	\$2	\$1	\$1	\$1	\$1	\$1
Mortgage Loans	\$300	\$258	\$64	\$63	\$63	\$126	\$133
Other Income	\$2	\$7	\$1	\$2	\$0	\$2	\$3
Total Interest Income	\$703	\$645	\$162	\$144	\$144	\$288	\$334
Interest Expense							
Bonds	\$449	\$380	\$98	\$80	\$79	\$158	\$202
Notes	\$8	\$8	\$2	\$2	\$2	\$4	\$3
Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$14	\$15	\$3	\$2	\$2	\$4	\$7
Total Interest Expense	\$472	\$403	\$103	\$84	\$83	\$167	\$212
Provision for credit losses on mortgage loans	\$5	\$8	\$2	(\$4)	\$1	(\$4)	\$2
Net Interest Income	\$226	\$234	\$58	\$64	\$60	\$125	\$120
Gain (Loss) on Securities	\$4	\$0	\$0	\$0	\$17	\$17	\$0
Gain (Loss) on Hedging	(\$13)	(\$13)	(\$6)	(\$4)	\$15	\$11	(\$4)
Gain (Loss) on Credit Portion of OTTI	(\$27)	(\$4)	(\$0)	(\$2)	\$0	(\$2)	(\$4)
Other Non-Interest Income	\$3	\$3	\$1	\$1	\$1	\$2	\$2
Other Non-Interest Expense	\$83	\$77	\$19	\$20	\$24	\$44	\$39
Net Income	\$110	\$143	\$33	\$39	\$70	\$109	\$75

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$18,568	\$18,129	\$18,814	\$18,950	\$19,101
Cash and Liquidity Investments	3,935	5,466	4,135	3,259	3,537
MBS Investments	7,281	7,876	7,580	7,650	7,487
Private Label MBS	1,023	893	924	880	714
Agency and Federal MBS	6,258	6,983	6,655	6,770	6,773
Other Investments	4,500	3,609	3,722	3,592	3,473
Mortgages	5,955	6,001	5,780	6,093	6,167
Other	136	146	135	149	151
Total Assets	\$40,375	\$41,228	\$40,165	\$39,693	\$39,915
Liabilities					
Bonds	\$30,358	\$27,408	\$28,720	\$27,416	\$26,622
Notes	6,536	8,924	7,557	7,937	8,910
Deposits	629	1,787	783	1,445	1,382
Mandatory Redeemable Capital Stock	454	451	451	160	256
Other	451	442	577	396	398
Total Liabilities	\$38,428	\$39,012	\$38,088	\$37,355	\$37,567
Capital					
Capital Stock Outstanding	\$1,563	\$1,634	\$1,608	\$1,678	\$1,672
Retained Earnings	498	592	549	617	672
Accumulated Other Comprehensive Income (Loss)	(114)	(10)	(80)	43	4
Total GAAP Capital	\$1,947	\$2,216	\$2,077	\$2,337	\$2,348
Total Liabilities and Capital	\$40,375	\$41,228	\$40,165	\$39,693	\$39,915

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.26	0.35	0.33	0.40	0.69
Return on Average Equity	5.63	6.89	6.53	7.07	12.02
Retained Earnings (%)					
Retained Earnings/Total Assets	1.23	1.43	1.37	1.55	1.68
AOCI/Retained Earnings	-22.81	-1.70	-14.52	6.91	0.58
Market Risk					
MVE/BVE	102.05	100.31	100.04	98.71	105.99
Credit Risk (%)					
PLMBS/Total Assets	2.53	2.17	2.30	2.22	1.79
Capital Adequacy (%)					
Total Regulatory Capital	6.23	6.49	6.49	6.19	6.51
Total Leverage Capital	9.34	9.74	9.74	9.28	9.77
Permanent Capital/Risk Based Capital	402.84	420.84	454.53	357.18	344.44

FHLBank - New York

Income Statement

(\$ in millions)					YTD	YTD
	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter 2013	2nd Quarter 2012
Interest Income						
Advances	\$571	\$524	\$134	\$110	\$101	\$272
Investments	\$310	\$294	\$76	\$64	\$63	\$152
Fed Funds	\$7	\$15	\$4	\$4	\$3	\$7
Mortgage Loans	\$63	\$66	\$16	\$17	\$17	\$32
Other Income	\$3	\$4	\$1	\$1	\$1	\$2
Total Interest Income	\$953	\$904	\$232	\$196	\$184	\$464
Interest Expense						
Bonds	\$406	\$377	\$97	\$76	\$72	\$197
Notes	\$35	\$57	\$13	\$17	\$17	\$23
Deposits	\$1	\$1	\$0	\$0	\$0	\$0
Other Expenses	\$2	\$2	\$0	\$0	\$0	\$1
Total Interest Expense	\$445	\$437	\$111	\$93	\$89	\$222
Provision for credit losses on mortgage loans	\$3	\$1	(\$0)	(\$0)	\$0	\$1
Net Interest Income	\$506	\$466	\$121	\$103	\$95	\$242
Gain (Loss) on Securities	\$0	\$0	\$0	\$0	\$0	\$0
Gain (Loss) on Hedging	\$6	\$48	\$2	\$5	\$20	\$33
Gain (Loss) on Credit Portion of OTTI	(\$6)	(\$2)	(\$1)	\$0	\$0	(\$1)
Other Non-Interest Income	(\$81)	(\$14)	(\$3)	(\$6)	\$2	(\$15)
Other Non-Interest Expense	\$181	\$137	\$33	\$33	\$33	\$70
Net Income	\$244	\$361	\$87	\$70	\$85	\$188

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$70,864	\$75,888	\$77,610	\$71,723	\$84,702
Cash and Liquidity Investments	11,848	11,644	8,353	14,819	17,353
MBS Investments	12,477	12,620	13,774	12,520	12,123
Private Label MBS	653	515	569	489	441
Agency and Federal MBS	11,825	12,105	13,205	12,031	11,682
Other Investments	789	747	763	747	738
Mortgages	1,408	1,843	1,628	1,885	1,928
Other	276	246	265	229	228
Total Assets	\$97,662	\$102,989	\$102,394	\$101,923	\$117,073
Liabilities					
Bonds	\$67,441	\$64,784	\$72,964	\$61,014	\$64,538
Notes	22,123	29,780	21,331	32,555	43,887
Deposits	2,101	2,055	1,723	2,118	1,696
Mandatory Redeemable Capital Stock	55	23	42	26	25
Other	896	855	821	852	820
Total Liabilities	\$92,616	\$97,497	\$96,882	\$96,565	\$110,965
Capital					
Capital Stock Outstanding	\$4,491	\$4,797	\$4,888	\$4,627	\$5,279
Retained Earnings	746	894	827	911	949
Accumulated Other Comprehensive Income (Loss)	(190)	(199)	(204)	(180)	(121)
Total GAAP Capital	\$5,046	\$5,492	\$5,512	\$5,358	\$6,108
Total Liabilities and Capital	\$97,662	\$102,989	\$102,394	\$101,923	\$117,073

Performance Measures

	2011	2012	2nd Quarter 2012	1st Quarter 2013	2nd Quarter 2013
Profitability (%)					
Return on Average Assets	0.24	0.35	0.34	0.27	0.32
Return on Average Equity	4.83	6.88	6.75	5.28	6.18
Retained Earnings (%)					
Retained Earnings/Total Assets	0.76	0.87	0.81	0.89	0.81
AOCI/Retained Earnings	-25.52	-22.31	-24.61	-19.71	-12.69
Market Risk					
MVE/BVE	100.00	102.77	99.96	103.22	103.58
Credit Risk (%)					
PLMBS/Total Assets	0.67	0.50	0.56	0.48	0.38
Capital Adequacy (%)					
Total Regulatory Capital	5.42	5.55	5.62	5.46	5.34
Total Leverage Capital	8.13	8.32	8.43	8.19	8.01
Permanent Capital/Risk Based Capital	1068.10	1168.26	1083.57	976.96	928.70

FHLBank - Pittsburgh

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$255	\$293	\$73	\$57	\$57	\$114	\$143
Investments	\$316	\$261	\$68	\$56	\$54	\$110	\$137
Fed Funds	\$4	\$3	\$1	\$1	\$1	\$3	\$1
Mortgage Loans	\$201	\$168	\$43	\$38	\$36	\$73	\$88
Other Income	\$1	\$5	\$1	\$1	\$0	\$1	\$2
Total Interest Income	\$776	\$730	\$185	\$153	\$148	\$301	\$371
Interest Expense							
Bonds	\$610	\$501	\$131	\$102	\$101	\$203	\$272
Notes	\$11	\$18	\$4	\$5	\$5	\$10	\$6
Deposits	\$0	\$1	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$1	\$0	\$0	\$1	\$1	\$0
Total Interest Expense	\$622	\$521	\$135	\$108	\$106	\$214	\$278
Provision for credit losses on mortgage loans	\$10	\$0	\$0	(\$0)	(\$1)	(\$1)	\$0
Net Interest Income	\$144	\$209	\$50	\$46	\$43	\$89	\$92
Gain (Loss) on Securities	\$7	\$0	(\$0)	\$0	\$0	\$0	\$0
Gain (Loss) on Hedging	(\$6)	\$11	(\$5)	\$2	\$7	\$9	(\$1)
Gain (Loss) on Credit Portion of OTTI	(\$45)	(\$11)	(\$4)	(\$0)	\$0	(\$0)	(\$11)
Other Non-Interest Income	\$12	\$7	\$2	\$2	\$4	\$6	\$4
Other Non-Interest Expense	\$75	\$87	\$20	\$21	\$22	\$43	\$40
Net Income	\$38	\$130	\$23	\$29	\$32	\$61	\$45

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$30,605	\$40,498	\$33,617	\$39,994	\$40,570
Cash and Liquidity Investments	5,100	8,857	6,258	4,946	5,328
MBS Investments	9,969	9,714	10,302	9,342	9,091
Private Label MBS	3,288	2,646	2,903	2,507	2,337
Agency and Federal MBS	6,681	7,068	7,399	6,836	6,753
Other Investments	2,204	1,837	2,041	2,213	2,200
Mortgages	3,883	3,533	3,621	3,483	3,387
Other	233	178	213	159	177
Total Assets	\$51,994	\$64,616	\$56,052	\$60,137	\$60,753
Liabilities					
Bonds	\$35,613	\$35,136	\$34,381	\$36,497	\$37,949
Notes	10,921	24,148	16,263	18,301	17,703
Deposits	1,100	1,000	1,103	1,023	821
Mandatory Redeemable Capital Stock	46	432	208	369	257
Other	652	472	588	451	447
Total Liabilities	\$48,331	\$61,187	\$52,542	\$56,640	\$57,177
Capital					
Capital Stock Outstanding	\$3,390	\$2,816	\$3,110	\$2,832	\$2,913
Retained Earnings	435	559	479	586	616
Accumulated Other Comprehensive Income (Loss)	(162)	54	(79)	79	47
Total GAAP Capital	\$3,663	\$3,429	\$3,510	\$3,496	\$3,576
Total Liabilities and Capital	\$51,994	\$64,616	\$56,052	\$60,137	\$60,753

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.07	0.23	0.16	0.20	0.21
Return on Average Equity	0.98	3.75	2.70	3.39	3.65
Retained Earnings (%)					
Retained Earnings/Total Assets	0.84	0.87	0.85	0.97	1.01
AOCI/Retained Earnings	-37.30	9.60	-16.42	13.45	7.60
Market Risk					
MVE/BVE	89.81	96.81	94.29	97.70	97.48
Credit Risk (%)					
PLMBS/Total Assets	6.32	4.09	5.18	4.17	3.85
Capital Adequacy (%)					
Total Regulatory Capital	7.44	5.89	6.77	6.30	6.23
Total Leverage Capital	11.17	8.84	10.16	9.44	9.35
Permanent Capital/Risk Based Capital	364.47	369.64	388.08	359.47	364.37

FHLBank - San Francisco

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$709	\$584	\$136	\$89	\$89	\$178	\$313
Investments	\$943	\$815	\$209	\$171	\$165	\$337	\$426
Fed Funds	\$21	\$12	\$4	\$4	\$4	\$9	\$6
Mortgage Loans	\$113	\$78	\$22	\$13	\$13	\$26	\$42
Other Income	\$0	\$5	\$1	\$1	\$0	\$1	\$1
Total Interest Income	\$1,786	\$1,494	\$372	\$279	\$271	\$550	\$789
Interest Expense							
Bonds	\$706	\$574	\$141	\$122	\$118	\$240	\$303
Notes	\$34	\$21	\$7	\$3	\$4	\$7	\$13
Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$12	\$51	\$7	\$26	\$36	\$62	\$14
Total Interest Expense	\$753	\$646	\$155	\$151	\$157	\$309	\$331
Provision for credit losses on mortgage loans	\$4	(\$1)	(\$2)	\$0	(\$0)	\$0	(\$1)
Net Interest Income	\$1,029	\$850	\$219	\$127	\$114	\$241	\$460
Gain (Loss) on Securities	(\$7)	(\$11)	(\$2)	\$2	\$1	\$3	(\$5)
Gain (Loss) on Hedging	(\$231)	(\$116)	(\$61)	(\$5)	\$34	\$29	(\$71)
Gain (Loss) on Credit Portion of OTTI	(\$412)	(\$44)	(\$21)	(\$3)	(\$1)	(\$3)	(\$30)
Other Non-Interest Income	\$5	\$6	\$1	\$2	\$2	\$3	\$3
Other Non-Interest Expense	\$168	\$195	\$44	\$42	\$46	\$88	\$97
Net Income	\$216	\$491	\$92	\$81	\$104	\$185	\$261

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$68,164	\$43,750	\$56,074	\$46,713	\$46,288
Cash and Liquidity Investments	14,199	14,200	14,817	12,242	11,305
MBS Investments	23,302	22,722	24,762	22,777	22,455
Private Label MBS	11,378	10,519	10,725	10,411	10,007
Agency and Federal MBS	11,924	12,203	14,037	12,366	12,448
Other Investments	5,361	3,710	4,843	3,914	3,655
Mortgages	1,829	1,289	1,547	1,173	1,067
Other	696	750	619	773	352
Total Assets	\$113,552	\$86,421	\$102,662	\$87,593	\$85,122
Liabilities					
Bonds	\$83,350	\$70,310	\$73,528	\$64,296	\$60,686
Notes	19,151	5,209	17,611	12,829	14,156
Deposits	156	227	147	223	270
Mandatory Redeemable Capital Stock	5,578	4,343	5,048	3,907	3,464
Other	611	718	1,202	537	743
Total Liabilities	\$108,847	\$80,808	\$97,536	\$81,792	\$79,320
Capital					
Capital Stock Outstanding	\$4,795	\$4,160	\$4,643	\$3,951	\$3,784
Retained Earnings	1,803	2,247	2,051	2,303	2,372
Accumulated Other Comprehensive Income (Loss)	(1,893)	(794)	(1,568)	(454)	(354)
Total GAAP Capital	\$4,705	\$5,613	\$5,126	\$5,801	\$5,802
Total Liabilities and Capital	\$113,552	\$86,421	\$102,662	\$87,593	\$85,122

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.15	0.48	0.34	0.37	0.47
Return on Average Equity	3.43	9.44	7.23	5.59	7.11
Retained Earnings (%)					
Retained Earnings/Total Assets	1.59	2.60	2.00	2.63	2.79
AOCI/Retained Earnings	-105.03	-35.34	-76.44	-19.70	-14.94
Market Risk					
MVE/BVE	97.54	101.85	100.33	102.55	103.48
Credit Risk (%)					
PLMBS/Total Assets	10.02	12.17	10.45	11.89	11.76
Capital Adequacy (%)					
Total Regulatory Capital	10.72	12.44	11.44	11.60	11.30
Total Leverage Capital	16.08	18.66	17.16	17.40	16.95
Permanent Capital/Risk Based Capital	247.74	263.94	280.15	247.40	235.84

FHLBank - Seattle

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$125	\$97	\$24	\$17	\$19	\$37	\$52
Investments	\$113	\$137	\$35	\$35	\$34	\$69	\$69
Fed Funds	\$16	\$11	\$3	\$3	\$2	\$6	\$5
Mortgage Loans	\$113	\$63	\$17	\$13	\$13	\$26	\$33
Other Income	\$3	\$9	\$2	\$2	\$2	\$4	\$3
Total Interest Income	\$370	\$316	\$80	\$71	\$70	\$141	\$162
Interest Expense							
Bonds	\$259	\$177	\$47	\$32	\$33	\$65	\$103
Notes	\$10	\$16	\$4	\$5	\$3	\$8	\$5
Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Interest Expense	\$269	\$193	\$50	\$36	\$36	\$73	\$109
Provision for credit losses on mortgage loans	\$4	(\$3)	\$0	(\$0)	\$0	(\$0)	\$0
Net Interest Income	\$97	\$126	\$30	\$34	\$34	\$69	\$53
Gain (Loss) on Securities	\$4	\$2	(\$0)	\$1	\$0	\$1	(\$0)
Gain (Loss) on Hedging	\$86	\$36	\$18	\$0	(\$1)	(\$1)	\$30
Gain (Loss) on Credit Portion of OTTI	(\$91)	(\$11)	(\$4)	(\$0)	\$0	(\$0)	(\$6)
Other Non-Interest Income	\$65	(\$3)	(\$0)	(\$0)	\$0	\$0	(\$2)
Other Non-Interest Expense	\$77	\$79	\$21	\$19	\$23	\$42	\$40
Net Income	\$84	\$71	\$23	\$16	\$11	\$26	\$36

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$11,292	\$9,135	\$9,562	\$9,966	\$11,447
Cash and Liquidity Investments	10,542	13,013	13,458	13,053	12,463
MBS Investments	6,672	8,412	7,944	8,492	8,632
Private Label MBS	2,075	1,871	1,933	1,834	1,776
Agency and Federal MBS	4,597	6,541	6,011	6,658	6,857
Other Investments	10,157	3,616	4,041	3,899	4,392
Mortgages	1,357	1,059	1,203	985	914
Other	165	186	162	169	169
Total Assets	\$40,184	\$35,421	\$36,370	\$36,564	\$38,018
Liabilities					
Bonds	\$23,221	\$10,497	\$16,631	\$15,152	\$18,429
Notes	14,035	21,418	16,418	17,878	15,799
Deposits	287	541	419	470	479
Mandatory Redeemable Capital Stock	1,061	1,186	1,124	1,225	1,791
Other	295	205	414	211	455
Total Liabilities	\$38,898	\$33,847	\$35,005	\$34,935	\$36,953
Capital					
Capital Stock Outstanding	\$1,740	\$1,572	\$1,681	\$1,508	\$923
Retained Earnings	157	228	193	244	254
Accumulated Other Comprehensive Income (Loss)	(611)	(226)	(510)	(123)	(112)
Total GAAP Capital	\$1,287	\$1,574	\$1,364	\$1,629	\$1,065
Total Liabilities and Capital	\$40,184	\$35,421	\$36,370	\$36,564	\$38,018

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.19	0.19	0.25	0.18	0.11
Return on Average Equity	6.40	4.98	6.68	3.90	3.83
Retained Earnings (%)					
Retained Earnings/Total Assets	0.39	0.64	0.53	0.67	0.67
AOCI/Retained Earnings	-387.84	-99.23	-263.72	-50.52	-44.03
Market Risk					
MVE/BVE	88.48	94.93	89.62	95.94	99.31
Credit Risk (%)					
PLMBS/Total Assets	5.16	5.28	5.31	5.02	4.67
Capital Adequacy (%)					
Total Regulatory Capital	7.36	8.43	8.24	8.14	7.81
Total Leverage Capital	10.84	12.45	12.15	12.04	11.55
Permanent Capital/Risk Based Capital	144.82	218.75	170.09	220.19	210.81

FHLBank - Topeka

Income Statement

(\$ in millions)			2nd Quarter	1st Quarter	2nd Quarter	YTD	YTD
	2011	2012	2012	2013	2013	2013	2012
Interest Income							
Advances	\$166	\$155	\$40	\$33	\$33	\$66	\$79
Investments	\$180	\$139	\$36	\$30	\$28	\$58	\$74
Fed Funds	\$2	\$1	\$0	\$0	\$0	\$1	\$0
Mortgage Loans	\$196	\$194	\$47	\$48	\$48	\$96	\$96
Other Income	\$3	\$5	\$1	\$1	\$1	\$2	\$2
Total Interest Income	\$546	\$495	\$124	\$113	\$110	\$223	\$252
Interest Expense							
Bonds	\$303	\$264	\$66	\$58	\$56	\$114	\$135
Notes	\$10	\$9	\$2	\$2	\$2	\$5	\$3
Deposits	\$3	\$2	\$0	\$0	\$0	\$1	\$1
Other Expenses	\$1	\$0	\$0	\$0	\$0	\$0	\$0
Total Interest Expense	\$316	\$275	\$69	\$61	\$58	\$119	\$139
Provision for credit losses on mortgage loans	\$1	\$2	\$0	\$2	(\$0)	\$2	\$1
Net Interest Income	\$230	\$217	\$55	\$50	\$52	\$103	\$112
Gain (Loss) on Securities	\$21	(\$28)	(\$1)	(\$10)	(\$21)	(\$31)	(\$11)
Gain (Loss) on Hedging	(\$109)	(\$21)	(\$18)	(\$3)	\$12	\$8	(\$18)
Gain (Loss) on Credit Portion of OTTI	(\$5)	(\$2)	(\$1)	(\$0)	(\$0)	(\$0)	(\$1)
Other Non-Interest Income	\$14	\$8	\$3	\$2	\$2	\$5	\$5
Other Non-Interest Expense	\$74	\$64	\$16	\$15	\$16	\$31	\$32
Net Income	\$77	\$110	\$22	\$25	\$29	\$53	\$54

Balance Sheet

(\$ in millions)	Dec 31	Dec 31	Jun 30	Mar 31	Jun 30
	2011	2012	2012	2013	2013
Assets					
Advances	\$17,394	\$16,573	\$17,730	\$17,582	\$18,817
Cash and Liquidity Investments	2,775	3,605	3,725	2,643	2,907
MBS Investments	5,240	5,344	5,385	5,277	5,516
Private Label MBS	810	496	622	441	388
Agency and Federal MBS	4,430	4,848	4,763	4,837	5,128
Other Investments	2,678	2,196	2,600	2,399	2,369
Mortgages	4,933	5,941	5,549	5,924	5,959
Other	170	160	157	133	140
Total Assets	\$33,190	\$33,819	\$35,146	\$33,958	\$35,709
Liabilities					
Bonds	\$19,894	\$21,974	\$21,646	\$21,320	\$20,866
Notes	10,251	8,669	9,605	9,204	11,622
Deposits	997	1,182	1,712	1,347	918
Mandatory Redeemable Capital Stock	8	6	8	5	5
Other	337	268	425	264	397
Total Liabilities	\$31,489	\$32,098	\$33,395	\$32,139	\$33,808
Capital					
Capital Stock Outstanding	\$1,328	\$1,264	\$1,338	\$1,344	\$1,405
Retained Earnings	401	481	441	498	518
Accumulated Other Comprehensive Income (Loss)	(28)	(25)	(28)	(24)	(22)
Total GAAP Capital	\$1,701	\$1,720	\$1,751	\$1,819	\$1,901
Total Liabilities and Capital	\$33,190	\$33,819	\$35,146	\$33,958	\$35,709

Performance Measures

	2011	2012	2nd Quarter	1st Quarter	2nd Quarter
			2012	2013	2013
Profitability (%)					
Return on Average Assets	0.21	0.32	0.26	0.29	0.32
Return on Average Equity	4.43	6.23	5.02	5.57	6.10
Retained Earnings (%)					
Retained Earnings/Total Assets	1.21	1.42	1.25	1.47	1.45
AOCI/Retained Earnings	-6.93	-5.25	-6.42	-4.75	-4.28
Market Risk					
MVE/BVE	106.64	116.33	111.17	116.11	116.93
Credit Risk (%)					
PLMBS/Total Assets	2.44	1.47	1.77	1.30	1.09
Capital Adequacy (%)					
Total Regulatory Capital	5.24	5.18	5.08	5.44	5.40
Total Leverage Capital	7.03	7.16	6.94	7.52	7.50
Permanent Capital/Risk Based Capital	524.63	445.81	495.30	394.76	323.82