



Mortgage Market Note

Federal Home Loan Bank Capital

March 30, 2009

MORTGAGE MARKET NOTE 10-3 (UPDATE OF MORTGAGE MARKET NOTE 09-3)

Introduction

The 12 Federal Home Loan Banks (FHLBanks) are privately capitalized, government-sponsored enterprises. Unlike Fannie Mae and Freddie Mac, which are publicly traded and owned, each FHLBank is a cooperative. In keeping with that cooperative business model, all capital stock in an FHLBank is owned by member institutions, which purchase stock from their FHLBank at par and the FHLBank repurchases or redeems stock from its members at par.

The Gramm-Leach-Bliley Act of 1999 (GLBA) established a new capital framework for the FHLBanks. All FHLBanks except Chicago have converted to that framework. The FHLBank of Chicago has not converted due principally to its financial difficulties. The GLBA did not specify a date by which each FHLBank had to complete its capital conversion.

Discussions about capital requirements are sometimes confusing because of the various alternative types of capital and capital requirements. This note provides a quick reference for the different measures of capital, the capital requirements, the capital classifications, and data for each FHLBank and for the system as a whole as of yearend 2005 through 2009.

Types of Capital

Regulatory

As established by the Federal Home Loan Bank Act, the FHLBanks may issue either Class A stock, with a six-month redemption notice, or Class B stock, with a five-year redemption notice.¹

- *Permanent Capital* is the sum of the par value of Class B stock outstanding and retained earnings as determined in accordance with generally accepted accounting principles (GAAP).

¹ Under certain conditions, FHLBank stock may be repurchased before the scheduled redemption.

- *Total Capital* is the sum of permanent capital, the par value of Class A stock outstanding, a general allowance for losses, and the amount of any other instruments identified in an FHLBank's capital plan that the Federal Housing Finance Agency (FHFA) has determined to be available to absorb losses. FHFA considers mandatorily redeemable capital stock to be regulatory capital because it is "paid-in" capital and can absorb losses up to the day of its redemption. When a member submits a request to have the FHLBank redeem its stock, GAAP requires the FHLBank to categorize that stock on its statement of condition as a liability – mandatorily redeemable capital stock. Dividends on mandatorily redeemable capital stock are treated as an interest expense on the statement of income.

Accounting

- *Accounting total capital* is generally defined as the amount by which the book value of assets exceeds the book value of liabilities. For the FHLBanks, that is the sum of capital stock outstanding, retained earnings, and accumulated other comprehensive income (AOCI). AOCI reflects (1) the differences between the amortized cost of available-for-sale securities less estimated credit losses (if any) and the current market value of those securities, (2) differences between the amortized cost of held-to-maturity securities less estimated credit losses and the market value of those securities measured at the time any credit losses were recognized, and (3) gains or losses on certain types of hedging transactions. Although included in calculations of accounting total capital, AOCI is excluded from regulatory capital. The exclusion of AOCI from regulatory capital is consistent with its exclusion from tier 1 capital for commercial banks and thrifts.

Capital Requirements

Statutory--As established by the GLBA (all FHLBanks except Chicago)

The GLBA requires each FHLBank to establish a capital structure plan. Under those plans, members of the FHLBank must maintain sufficient investment in the stock of the FHLBank such that the FHLBank meets the capital standards established by the FHFA.

FHFA regulations require each FHLBank to hold capital sufficient to meet the greater of two requirements: a leverage capital requirement and a risk-based capital requirement.

- *Leverage Requirement:* To meet the leverage requirement, an FHLBank must have
 - Total capital of at least four percent of assets; and
 - Total capital, with permanent capital multiplied by 1.5, of at least 5 percent of assets.

Neither the statute nor regulation specifies a minimum requirement for either Class A or Class B stock. However, all FHLBanks operating under GLBA rules have capital structures dominated by Class B stock. Indeed, only the FHLBanks of Topeka and Seattle have any Class A stock outstanding. For reasons of safety and soundness, the FHFA may require an individual FHLBank to have and maintain a greater amount of capital than that determined by the leverage capital requirements.

- *Risk-Based Requirement:* To meet the risk-based capital requirement, an FHLBank must have permanent capital at least equal to the sum of three components.
 - The first component relates to credit risk and is the weighted sum of different classes of assets and off-balance-sheet instruments, where the weights reflect their relative credit risk.
 - The second component relates to market risk and has two elements.
 - One reflects market-risk as measured by a value-at-risk (VaR) model.
 - The second is the amount, if any, by which the market value of an FHLBank's equity falls below 85 percent of the book value of equity.
 - The third component relates to operations risk, and it equals 30 percent of the sum of the credit risk and market risk components.

Statutory— Pre-GLBA (Federal Home Loan Bank of Chicago only)

Under the pre-GLBA capital provisions, which still apply to the FHLBank of Chicago, an FHLBank's capital requirement depends on the portfolio of its members. Each member must hold stock in the FHLBank in an amount equal to the greater of 1 percent of that member's residential mortgage assets, 5 percent of its advances outstanding, or \$500.

FHFA-Directed (FHLBank of Chicago)

Over the past five years, capital requirements for the Federal Home Loan Bank of Chicago have been determined by a series of supervisory agreements. Since 2006, the Bank must maintain both: (i) a ratio of the sum of the paid-in value of its capital stock, retained earnings, and the face value of the outstanding subordinated debt to total assets of at least 4.5 percent, and (ii) an aggregate amount of outstanding capital stock plus the face value of the outstanding subordinated debt of at least \$3.5 billion. The amount of subordinated debt that may be included in determining the Bank's compliance with the revised capital requirement is scheduled to decline starting in 2011 by 20 percentage points annually, phasing out completely in 2016. To date, the FHLBank of Chicago has issued \$1 billion of subordinated debt.

Capital Structure Plans, Classification, and Prompt Corrective Action

Capital Structure Plans

The capital structure plans required by the GLBA and submitted by the FHLBanks have two common features. First as an activity requirement, each plan assesses a capital charge against member advances, generally between 4 and 5 percent. Some plans assess a capital requirement on mortgage loans sold by the member to the FHLBank. Second as a membership requirement, each plan has a membership capital charge based on the member's total assets, mortgage assets, or similar measure. In some cases, the amount of the membership requirement is capped at a fixed dollar limit. Some FHLBanks have capital structure plans in which the activity and membership requirements are summed, and other FHLBanks have capital structure plans where a member's required minimum capital is the greater of the activity or membership charge.

Failure to Meet Capital Requirements

No FHLBank may redeem capital if either the FHLBank's board of directors or the FHFA has determined that the FHLBank's capital is impaired or that capital impairment is likely. No FHLBank may redeem capital stock if by doing so it would violate any capital requirement. No FHLBank may pay any dividend if after doing so it would be in violation of any minimum capital requirement. Although the FHLBank of Chicago has met its capital requirements, under FHFA order it may not redeem capital stock or pay dividends.

Classification and Prompt Corrective Action

On August 4, 2009, the FHFA published in the *Federal Register* a final rule establishing classification and prompt corrective action (PCA) requirements relating to the capitalization of the 12 FHLBanks. That rule specifies that an FHLBank will be classified as

- *Adequately Capitalized* if the FHLBank has sufficient permanent and total capital, as applicable, to meet or exceed its risk-based and minimum capital requirements.
- *Undercapitalized* if the FHLBank does not have sufficient permanent or total capital to meet any one or more of its risk-based or minimum capital requirements but permanent or total capital is more than 75 percent of those requirements.
- *Significantly undercapitalized* if the amount of permanent or total capital held by the FHLBank is less than 75 percent of what is required to meet any one of its risk-based or minimum capital requirements but total capital is greater than 2 percent of total assets.
- *Critically undercapitalized* if the total capital held by the FHLBank is less than or equal 2 percent of total assets.

The rule also allows the Director of FHFA to use discretion to reclassify an FHLBank by one step (for example, from adequately capitalized to undercapitalized) if he determines in writing that

- (i) The FHLBank is engaging in conduct that could result in the rapid depletion of permanent or total capital;
- (ii) The value of collateral pledged to the FHLBank has decreased significantly; or
- (iii) The value of property subject to mortgages owned by the FHLBank has decreased significantly.

As the capital classification deteriorates, FHFA may apply an increasingly broad array of enforcement authorities.

More Information:

Statutory Language:

12 U.S.C. 1426: CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS is at:

http://www4.law.cornell.edu/uscode/uscode12/usc_sec_12_00001426----000-.html

Regulation:

12 CFR 930-933: SUBCHAPTER E--FEDERAL HOME LOAN BANK RISK MANAGEMENT AND CAPITAL STANDARDS

<u>930</u>	<u>930.1</u>	DEFINITIONS APPLYING TO RISK MANAGEMENT AND CAPITAL REGULATIONS
<u>931</u>	<u>931.1 to 931.9</u>	FEDERAL HOME LOAN BANK CAPITAL STOCK
<u>932</u>	<u>932.1 to 932.9</u>	FEDERAL HOME LOAN BANK CAPITAL REQUIREMENTS
<u>933</u>	<u>933.1 to 933.5</u>	BANK CAPITAL STRUCTURE PLANS

12 CFR 1229: SUBCHAPTER B--ENTITY REGULATIONS

<u>1229</u>	<u>1229.1 to 1229.12</u>	CAPITAL CLASSIFICATIONS AND PROMPT CORRECTIVE ACTION
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<i>(\$ millions)</i>	FHLBank of Boston Capital					FHLBank of New York Capital					
Types of Capital	2005	2006	2007	2008	2009	Types of Capital	2005	2006	2007	2008	2009
Permanent Capital	\$2,675	\$2,542	\$3,422	\$3,658	\$3,877	Permanent Capital	\$3,900	\$4,025	\$5,025	\$6,112	\$5,874
Regulatory Total Capital	2,675	2,542	3,422	3,658	3,877	Regulatory Total Capital	3,900	4,025	5,025	6,113	5,874
Accounting Total Capital	2,678	2,533	3,388	3,430	2,764	Accounting Total Capital	3,885	3,904	4,751	5,867	5,603
Capital Requirements	2005	2006	2007	2008	2009	Capital Requirements	2005	2006	2007	2008	2009
Regulatory Total Capital (Unweighted)	\$2,675	\$2,542	\$3,422	\$3,658	\$3,877	Regulatory Total Capital (Unweighted)	\$3,900	\$4,025	\$5,025	\$6,113	\$5,879
Minimum Unweighted Requirement	2,308	2,296	3,128	3,214	2,499	Minimum Unweighted Requirement	3,401	3,263	4,370	5,502	4,578
Surplus - \$	367	247	294	444	1,377	Surplus - \$	499	762	656	611	1,300
Surplus - %	16%	11%	9%	14%	55%	Surplus - %	15%	23%	15%	11%	28%
Regulatory Total Capital (Weighted)	\$4,012	\$3,813	\$5,132	\$5,488	\$5,815	Regulatory Total Capital (Weighted)	\$5,850	\$6,037	\$7,537	\$9,168	\$8,811
Minimum Weighted Requirement	2,885	2,869	3,910	4,018	3,124	Minimum Weighted Requirement	4,251	4,079	5,462	6,877	5,723
Surplus - \$	1,127	944	1,222	1,470	2,691	Surplus - \$	1,599	1,958	2,075	2,291	3,088
Surplus - %	39%	33%	31%	37%	86%	Surplus - %	38%	48%	38%	33%	54%
Permanent Capital	\$2,675	\$2,542	\$3,422	\$3,658	\$3,877	Permanent Capital	\$3,900	\$4,025	\$5,025	\$6,112	\$5,874
Risk-Based Capital Requirement	370	342	364	2,133	1,526	Risk-Based Capital Requirement	626	612	579	650	607
Surplus - \$	2,305	2,200	3,058	1,525	2,351	Surplus - \$	3,273	3,413	4,446	5,461	5,267
Surplus - %	623%	643%	841%	71%	154%	Surplus - %	523%	558%	768%	840%	868%
All Capital Requirements Met					All Capital Requirements Met						

(\$ millions)

FHLBank of Pittsburgh Capital

FHLBank of Atlanta Capital

Types of Capital	2005	2006	2007	2008	2009	Types of Capital	2005	2006	2007	2008	2009
Permanent Capital	\$3,284	\$3,647	\$4,295	\$4,157	\$4,415	Permanent Capital	\$6,225	\$6,394	\$8,080	\$8,942	\$9,185
Regulatory Total Capital	3,284	3,647	4,295	4,157	4,415	Regulatory Total Capital	6,225	6,394	8,080	8,942	9,185
Accounting Total Capital	3,260	3,634	4,285	4,135	3,713	Accounting Total Capital	6,082	6,174	8,022	8,893	8,253
Capital Requirements	2005	2006	2007	2008	2009	Capital Requirements	2005	2006	2007	2008	2009
Regulatory Total Capital (Unweighted)	\$3,289	\$3,655	\$4,303	\$4,171	\$4,415	Regulatory Total Capital (Unweighted)	\$6,225	\$6,394	\$8,080	\$8,942	\$9,185
Minimum Unweighted Requirement	2,916	3,081	4,037	3,632	2,612	Minimum Unweighted Requirement	5,729	5,621	7,558	8,343	6,055
Surplus - \$	373	574	265	539	1,804	Surplus - \$	496	773	523	600	3,130
Surplus - %	13%	19%	7%	15%	69%	Surplus - %	9%	14%	7%	7%	52%
Regulatory Total Capital (Weighted)	\$4,926	\$5,471	\$6,442	\$6,235	\$6,623	Regulatory Total Capital (Weighted)	\$9,337	\$9,591	\$12,120	\$13,413	\$13,777
Minimum Weighted Requirement	3,645	3,851	5,047	4,540	3,265	Minimum Weighted Requirement	7,161	7,027	9,447	10,428	7,569
Surplus - \$	1,281	1,619	1,396	1,695	3,358	Surplus - \$	2,176	2,564	2,674	2,985	6,208
Surplus - %	35%	42%	28%	37%	103%	Surplus - %	30%	36%	28%	29%	82%
Permanent Capital	\$3,284	\$3,647	\$4,295	\$4,157	\$4,415	Permanent Capital	\$6,225	\$6,394	\$8,080	\$8,942	\$9,185
Risk-Based Capital Requirement	499	509	647	3,923	2,827	Risk-Based Capital Requirement	760	830	982	5,716	3,010
Surplus - \$	2,785	3,138	3,648	234	1,588	Surplus - \$	5,465	5,563	7,099	3,227	6,175
Surplus - %	558%	616%	564%	6%	56%	Surplus - %	719%	670%	723%	56%	205%
All Capital Requirements Met						All Capital Requirements Met					

<i>(\$ millions)</i>	FHLBank of Cincinnati Capital					FHLBank of Indianapolis Capital				
Types of Capital	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Permanent Capital	\$4,130	\$4,050	\$3,877	\$4,399	\$4,151	\$2,349	\$2,111	\$2,368	\$2,701	\$2,831
Regulatory Total Capital	4,130	4,050	3,877	4,399	4,151	2,349	2,111	2,368	2,701	2,831
Accounting Total Capital	3,709	3,907	3,755	4,282	3,467	2,303	1,955	2,199	2,091	1,746
Capital Requirements	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Regulatory Total Capital (Unweighted)	\$4,130	\$4,050	\$3,877	\$4,399	\$4,151	\$2,349	\$2,111	\$2,368	\$2,701	\$2,831
Minimum Unweighted Requirement	3,087	3,255	3,493	3,928	2,855	1,924	1,872	2,242	2,274	1,864
Surplus - \$	1,042	795	384	471	1,295	425	239	126	427	967
Surplus - %	34%	24%	11%	12%	45%	22%	13%	6%	19%	52%
Regulatory Total Capital (Weighted)	\$6,194	\$6,075	\$5,816	\$6,599	\$6,226	\$3,524	\$3,167	\$3,553	\$4,052	\$4,246
Minimum Weighted Requirement	3,859	4,069	4,367	4,910	3,569	2,405	2,340	2,803	2,843	2,330
Surplus - \$	2,335	2,006	1,449	1,688	2,657	1,119	827	750	1,209	1,916
Surplus - %	61%	49%	33%	34%	74%	47%	35%	27%	43%	82%
Permanent Capital	\$4,130	\$4,050	\$3,877	\$4,399	\$4,151	\$2,349	\$2,111	\$2,368	\$2,701	\$2,831
Risk-Based Capital Requirement	579	577	611	543	389	484	522	440	1,482	889
Surplus - \$	3,551	3,474	3,267	3,856	3,761	1,865	1,589	1,929	1,219	1,942
Surplus - %	613%	602%	535%	711%	966%	385%	304%	438%	82%	218%
All Capital Requirements Met					All Capital Requirements Met					

(\$ millions)

FHLBank of Des Moines Capital

FHLBank of Dallas Capital

Types of Capital	2005	2006	2007	2008	2009	Types of Capital	2005	2006	2007	2008	2009
Permanent Capital	\$2,346	\$2,315	\$3,125	\$3,174	\$2,953	Permanent Capital	\$2,796	\$2,598	\$2,688	\$3,530	\$2,897
Regulatory Total Capital	2,346	2,315	3,125	3,174	2,953	Regulatory Total Capital	2,796	2,598	2,688	3,530	2,897
Accounting Total Capital	2,260	2,249	3,052	3,017	2,911	Accounting Total Capital	2,474	2,440	2,605	3,438	2,822
Capital Requirements	2005	2006	2007	2008	2009	Capital Requirements	2005	2006	2007	2008	2009
Regulatory Total Capital (Unweighted)	\$2,346	\$2,315	\$3,125	\$3,174	\$2,953	Regulatory Total Capital (Unweighted)	\$2,796	\$2,598	\$2,688	\$3,530	\$2,897
Minimum Unweighted Requirement	1,829	1,681	2,429	2,725	2,586	Minimum Unweighted Requirement	2,594	2,218	2,538	3,157	2,604
Surplus - \$	517	634	695	449	367	Surplus - \$	202	380	150	373	293
Surplus - %	28%	38%	29%	16%	14%	Surplus - %	8%	17%	6%	12%	11%
Regulatory Total Capital (Weighted)	\$3,520	\$3,472	\$4,687	\$4,761	\$4,429	Regulatory Total Capital (Weighted)	\$4,195	\$3,898	\$4,032	\$5,295	\$4,346
Minimum Weighted Requirement	2,286	2,101	3,037	3,406	3,233	Minimum Weighted Requirement	3,243	2,773	3,173	3,947	3,255
Surplus - \$	1,233	1,371	1,650	1,354	1,196	Surplus - \$	952	1,125	859	1,349	1,091
Surplus - %	54%	65%	54%	40%	37%	Surplus - %	29%	41%	27%	34%	34%
Permanent Capital	\$2,346	\$2,315	\$3,125	\$3,174	\$2,953	Permanent Capital	\$2,796	\$2,598	\$2,688	\$3,530	\$2,897
Risk-Based Capital Requirement	520	491	578	1,968	827	Risk-Based Capital Requirement	531	446	438	930	507
Surplus - \$	1,826	1,824	2,546	1,206	2,126	Surplus - \$	2,265	2,152	2,251	2,600	2,390
Surplus - %	351%	371%	440%	61%	257%	Surplus - %	427%	483%	514%	280%	471%
All Capital Requirements Met						All Capital Requirements Met					

<i>(\$ millions)</i>	FHLBank of Topeka Capital					FHLBank of San Francisco Capital					
Types of Capital	2005	2006	2007	2008	2009	Types of Capital	2005	2006	2007	2008	2009
Permanent Capital	\$1,430	\$1,649	\$1,696	\$1,763	\$1,668	Permanent Capital	\$9,698	\$10,865	\$13,860	\$13,539	14,656
Regulatory Total Capital	1,990	2,227	2,336	2,432	1,980	Regulatory Total Capital	9,698	10,865	13,860	13,539	14,656
Accounting Total Capital	1,918	2,173	2,298	2,395	1,946	Accounting Total Capital	9,648	10,754	13,627	9,784	6,230
Capital Requirements						Capital Requirements					
Regulatory Total Capital (Unweighted)	\$1,990	\$2,227	\$2,336	\$2,432	\$1,980	Regulatory Total Capital (Unweighted)	\$9,698	\$10,865	\$13,860	\$13,539	\$14,656
Minimum Unweighted Requirement	1,878	2,107	2,212	2,342	1,705	Minimum Unweighted Requirement	8,944	9,797	12,898	12,850	7,714
Surplus - \$	112	120	124	90	275	Surplus - \$	754	1069	962	689	6,942
Surplus - %	6%	6%	6%	4%	16%	Surplus - %	8%	11%	7%	5%	90%
Regulatory Total Capital (Weighted)	\$2,705	\$3,051	\$3,184	\$3,314	\$2,814	Regulatory Total Capital (Weighted)	\$14,547	\$16,298	\$20,789	\$20,308	\$21,984
Minimum Weighted Requirement	2,348	2,634	2,765	2,928	2,132	Minimum Weighted Requirement	11,180	12,246	16,122	16,062	9,643
Surplus - \$	357	417	419	386	683	Surplus - \$	3,367	4,052	4,667	4,246	12,341
Surplus - %	15%	16%	15%	13%	32%	Surplus - %	30%	33%	29%	26%	128%
Permanent Capital	\$1,430	\$1,649	\$1,696	\$1,763	\$1,668	Permanent Capital	\$9,698	\$10,865	\$13,860	\$13,539	\$14,656
Risk-Based Capital Requirement	429	467	666	1,389	647	Risk-Based Capital Requirement	862	1182	1578	8,635	6,198
Surplus - \$	1,000	1,182	1,030	374	1,022	Surplus - \$	8,835	9,684	12,281	4,904	8,459
Surplus - %	233%	253%	155%	27%	158%	Surplus - %	1024%	820%	778%	57%	136%
All Capital Requirements Met						All Capital Requirements Met					

(\$ millions)

FHLBank of Seattle Capital

Types of Capital	2005	2006	2007	2008	2009
Permanent Capital	\$2,268	\$2,303	\$2,372	\$2,548	\$2,690
Regulatory Total Capital	2,268	2,303	2,660	2,687	2,849
Accounting Total Capital	2,201	2,231	2,576	1,766	994
Capital Requirements	2005	2006	2007	2008	2009
Regulatory Total Capital (Unweighted)	\$2,268	\$2,303	\$2,660	\$2,687	\$2,849
Minimum Unweighted Requirement	2,102	2,140	2,568	2,334	2,044
Surplus - \$	166	163	91	353	805
Surplus - %	8%	8%	4%	15%	39%
Regulatory Total Capital (Weighted)	\$3,401	\$3,454	\$3,846	\$3,961	\$4,194
Minimum Weighted Requirement	2,627	2,675	3,210	2,918	2,555
Surplus - \$	774	779	635	1,043	1,639
Surplus - %	29%	29%	20%	36%	64%
Permanent Capital	\$2,268	\$2,303	\$2,372	\$2,548	\$2,690
Risk-Based Capital Requirement	461	326	800	2,707	2,158
Surplus - \$	1,806	1,977	1,573	-159	532
Surplus - %	391%	607%	197%	-6%	25%
Capital Requirements Met, but Classified as “Undercapitalized” by FHFA Using Discretionary Authority					

(\$ millions)

FHLBank of Chicago Capital

Types of Capital	2005	2006	2007	2008	2009
Regulatory Total Capital (Retained Earnings plus Paid-in Capital)	\$4,507	\$3,208	\$3,343	\$3,327	\$3,502
Subordinated Debt	-	1,000	1,000	1,000	1,000
Accounting Total Capital	4,139	3,083	3,069	2,287	2,378
Capital Requirements	2005	2006	2007	2008	2009
Regulatory Total Capital + Subordinated Debt	\$4,507	\$4,208	\$4,343	\$4,327	\$4,502
Minimum \$ Requirement	3,978	3,500	3,500	3,500	3,500
Surplus - \$	529	708	843	827	1,002
Surplus - %	13%	20%	24%	24%	29%
Regulatory Total Capital + Subordinated Debt	\$4,507	\$4,208	\$4,343	\$4,327	\$4,502
Leverage Requirement (4.5% of Total Assets)	3,841	3,901	4,006	4,146	3,963
Surplus - \$	666	307	336	181	539
Surplus - %	17%	8%	8%	4%	14%
FHFA-directed Capital Requirements Met					

(\$ millions)

FHLB System Total Capital

Types of Capital¹	2005	2006	2007	2008	2009
Permanent Capital	\$41,625	\$43,106	\$51,467	\$55,064	\$55,905
Regulatory Total Capital	46,164	46,283	55,076	58,657	59,168
Accounting Total Capital	44,558	45,036	53,626	51,387	42,827
Capital Requirements²	2005	2006	2007	2008	2009
Regulatory Total Capital Unweighted	41,665	43,085	51,744	55,347	55,672
Total Assets	917,774	933,288	1,186,861	1,257,553	927,872
Minimum Unweighted Requirement	36,711	37,332	47,474	50,302	37,115
Surplus \$	4,954	5,754	4,270	5,045	18,558
Surplus %	13.5%	15.4%	9.0%	10.0%	50.0%
Minimum Weighted Requirement	45,889	46,664	59,343	62,878	46,394
Class A	560	560	927	808	471
Class B	38,955	38,955	47,753	52,094	49,855
Retained Earnings	2,145	2,145	3,055	2,430	5,342
Weighted Capital	62,210	62,210	77,140	82,593	83,266
Surplus \$	16,321	15,545	17,797	19,715	36,873
Surplus %	35.6%	33.3%	30.0%	31.4%	79.5%
Permanent Capital	41,100	41,100	50,808	54,523	55,197
Risk-Based Capital Requirement	6,123	6,303	7,681	30,077	19,585
Surplus \$	34,977	34,796	43,127	24,447	35,612
Surplus %	85.1%	84.7%	84.9%	44.8%	181.8%

¹ Data include FHLBank of Chicago.

² Data exclude FHLBank of Chicago.