



Federal Housing Finance Agency

Quarterly Performance Report of the Housing GSEs

Fourth Quarter 2013



FHFA Quarterly Performance Report of the Housing GSEs

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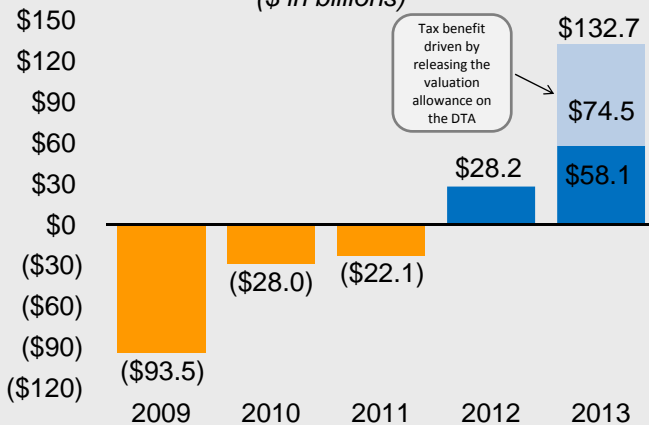
The Enterprises

(Freddie Mac and Fannie Mae)

- Combined full-year earnings of \$132.7 billion
- Financial results benefited from release of the valuation allowance on deferred tax assets (DTA), rising national house prices, fewer delinquent loans, and proceeds from representation and warranty settlements and private-label mortgage-related (PLS) securities settlements

The Enterprises Net Income

(\$ in billions)



Source : FHFA (Fannie Mae and Freddie Mac)

The Federal Home Loan Bank System

- Aggregate 2013 earnings of \$2.5 billion compared with \$2.6 billion in 2012
- Aggregate advances increased during the year by 17 percent to \$499 billion
- Advances as a percentage of total assets increased to 60 percent
- Retained earnings increased to \$12.1 billion
- Legal settlements at several Banks related to private-label mortgage-backed securities contributed to earnings

FHLBank System Net Income

(\$ in Billions)



Source : FHFA (Federal Home Loan Banks)

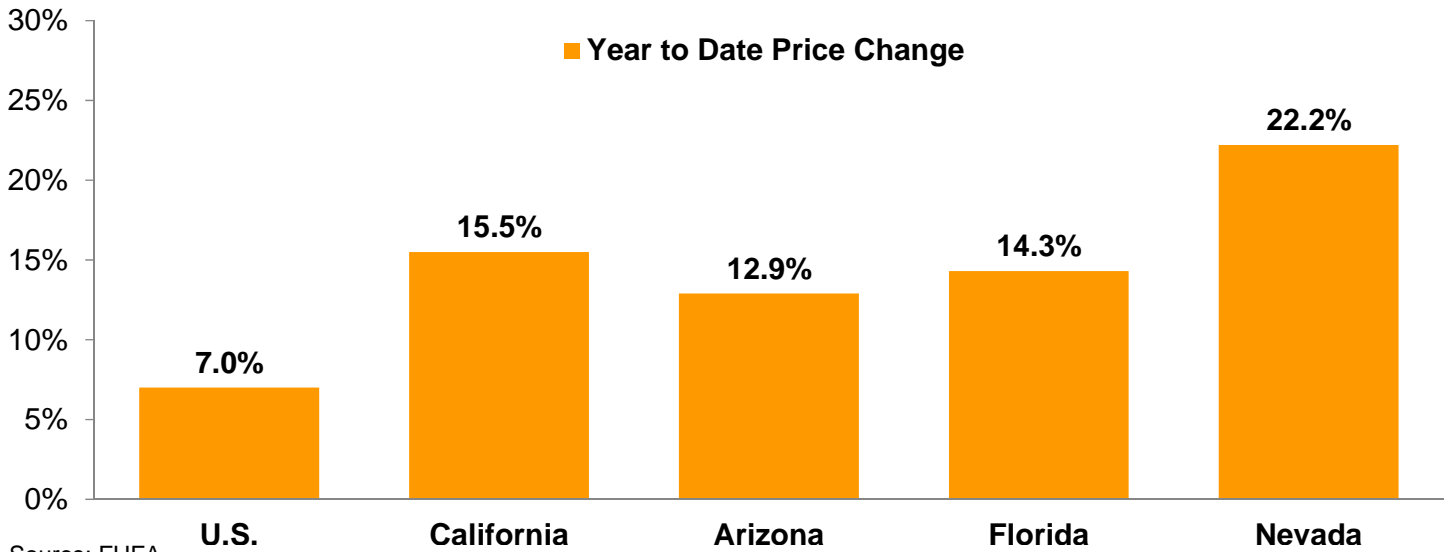
Increasing House Prices and Interest Rates Contribute to Net Income

In 2013, national house prices rose 7.0 percent, according to the FHFA House Price Index (purchase-only, seasonally adjusted index) (Figure 1). The Enterprises and the Federal Home Loan Bank System reported positive earnings in 2013, as credit exposure improved throughout the year influenced by rising house prices.

An increase in longer-term interest rates (Figure 3) resulted in fair value gains, which further augmented earnings.

Key Market Drivers

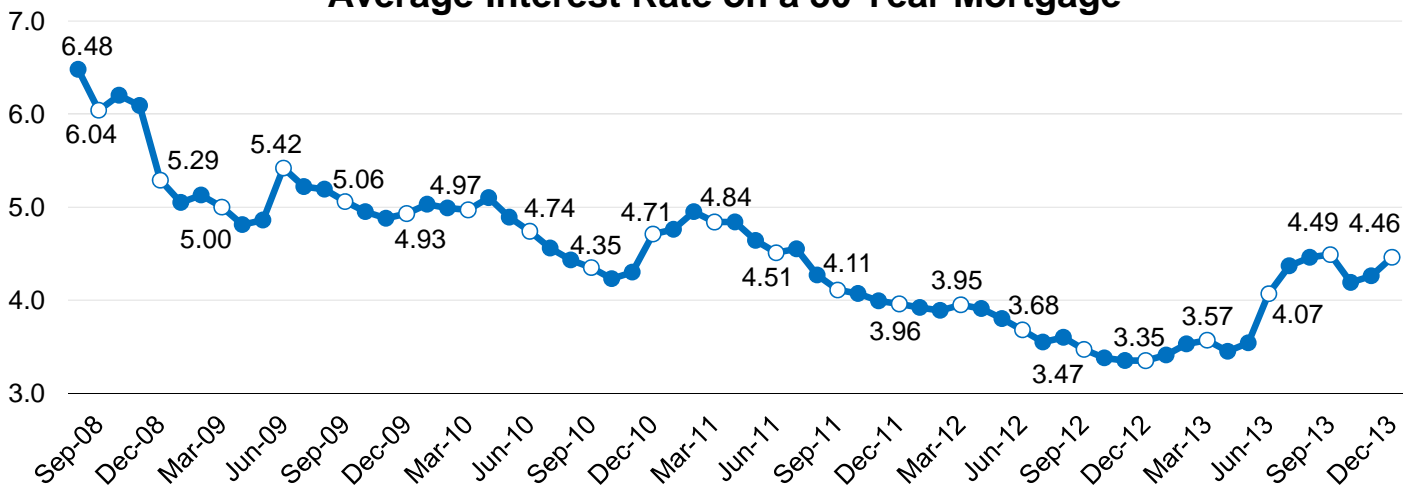
Figure 1 FHFA House Price Index (through December 2013)



Source: FHFA

Figure 2

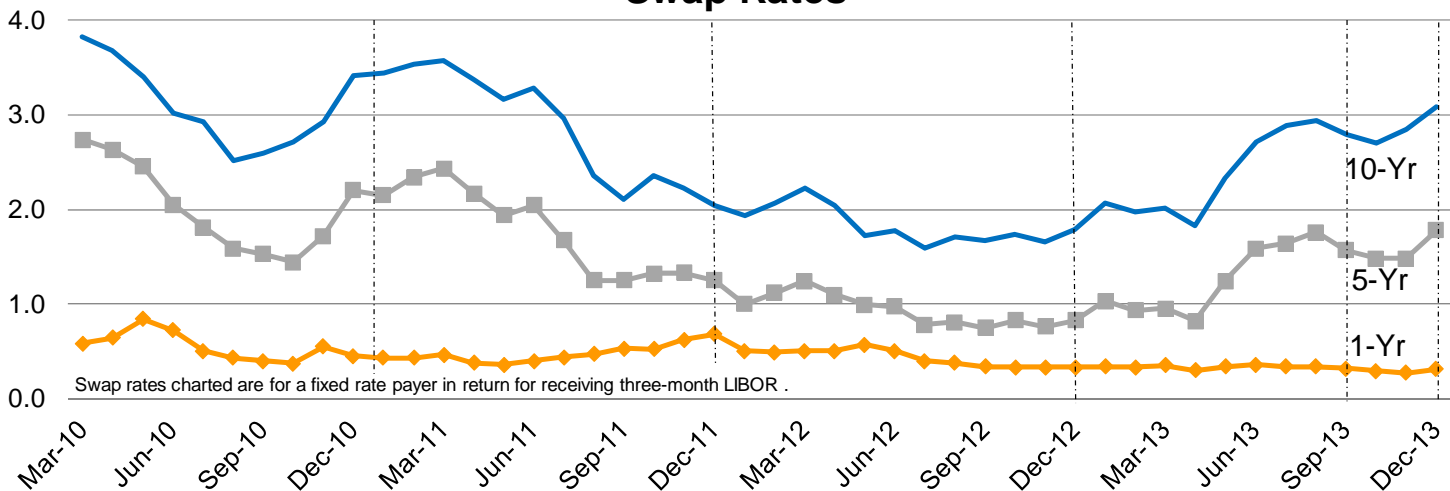
Average Interest Rate on a 30 Year Mortgage



Source: Freddie Mac Primary Mortgage Market Survey, monthly average

Figure 3

Swap Rates



Source: Federal Reserve

The Enterprises

Deferred Tax Assets Valuation Allowance Release Boost Annual Earnings

For the full-year 2013, combined net income at the Enterprises totaled \$132.7 billion, resulting in large part from each Enterprise releasing its deferred tax assets (DTA) valuation allowance in 2013. Releases of the DTA valuation allowances at Fannie Mae and Freddie Mac contributed \$50.6 billion and \$26.4 billion, respectively, to annual net income.

Earnings at the Enterprises were further bolstered by rising house prices, coupled with the continued decline in the number of delinquent loans guaranteed by the Enterprises.

Recoveries from counterparty settlement agreements related to representations and warranties, as well as private-label mortgage-related securities (PLS) settlements with a number of financial institutions, also contributed to earnings during the year. In addition, the Enterprises benefited from fair value gains as a result of the increase in interest rates during the year.

Loan Loss Reserves Continue to Fall

Credit exposure continued to improve at the Enterprises throughout the year driven by rising house prices and stronger credit characteristics. Credit quality improved during the year primarily as a result of the continued decline in the number of delinquent loans, and the growing impact of post-conservatorship business (loans acquired since 2009), with stronger credit profiles.

The improvement in house prices during the year led to the reduction in expected defaults and the level of credit losses associated with defaults on mortgages guaranteed by the Enterprises. States with the highest severity levels in recent years, such as Arizona, California, Nevada, and Florida experienced substantial improvement in house prices in 2013, resulting in lower severity of credit losses on the disposition of REO properties by the Enterprises (Figure 1).

The Enterprises' loan loss reserves benefited from recoveries on settlements to resolve certain representation and warranty claims with a number of their sellers during the year. In 2013, proceeds received from counterparty settlements related to representations and warranties (the majority of which related to pre-conservatorship loan origination activity) at Fannie Mae and Freddie Mac totaled \$13.8 billion and \$1.8 billion, respectively.

The combination of these factors resulted in a 23% or \$21.5 billion decrease in the Enterprises' combined loan loss reserves in 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 \$11.4 billion for the year.

Further Decline in Delinquent Loan Counts

In 2013, the number of delinquent loans continued to decline at the Enterprises primarily driven by slower inflows into delinquency, loan modifications and transitions to foreclosure. In the fourth quarter of 2013, the Enterprises' seriously delinquent loan count declined by 7 percent to approximately 674,000 loans as of December 31, 2013 compared to approximately 724,000 loans as of September 30, 2013. For the year, the number of seriously delinquent loans at the Enterprises declined by 27 percent or approximately 256,000 loans (Figure 5).

Credit Quality of New Single-Family Business Remains High

The credit quality of new single-family business remained high in 2013. The weighted average credit score for new single-family business volume was 753 for Fannie Mae and 749 for Freddie Mac, down from the scores reported at the end of 2012 of 761 and 756, respectively. The

decline in the average credit scores at the Enterprises was driven by the reduction in re-finance activity and increase in home purchases. 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' re-finance 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 76 percent of the total single-family portfolio at both Enterprises. Serious delinquency rates for these newer vintages remain at or below one percent. However, seriously delinquent rates remain at a heightened level for loans originated between 2005 and 2008, which account for approximately 15 percent of the single-family portfolios.

Proceeds from Recoveries on PLS Settlement Agreements Contributes to Net Income

In 2013, the Enterprises and FHFA reached agreements with a number of financial institutions to cover claims in connection with the purchase of private-label mortgage-backed securities (PLS). The proceeds from these settlements contributed \$2.2 billion and \$5.5 billion to full-year pre-tax income at Fannie Mae and Freddie Mac, respectively.

Rise in Interest Rates Contributes to Net Income

For the full-year 2013, the Enterprises reported combined fair value gains on derivatives, which are used to hedge interest rate risk, of \$5.9 billion, driven by the increase in long-term swap rates (Figure 3).

Refinance Activity Declines But Continues To Drive Total New Business Volume

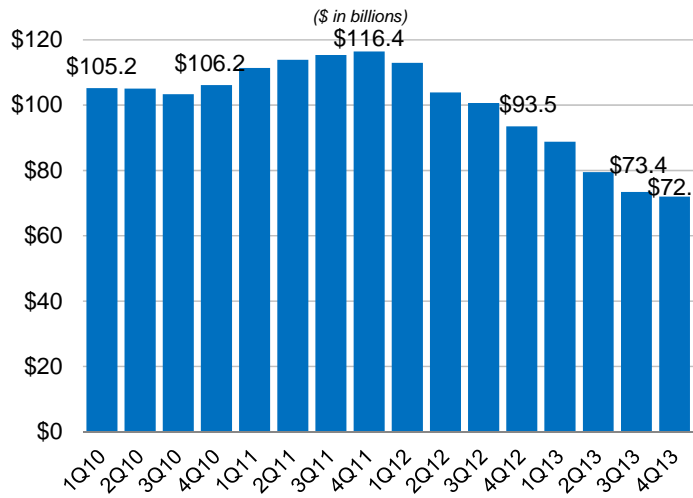
In 2013, refinances accounted for 70 percent and 73 percent, respectively, of single-family new business volume at Fannie Mae and Freddie Mac. Refinance activity decreased in the second half of the year as mortgage rates rose. (Figure 2)

Similarly, HARP volume decreased by 8 percent to approximately 893,000 refinances in 2013, compared to approximately 1,075,000 refinances in 2012. However, HARP volume as a percentage of total refinance volume remained relatively constant at 22% in all of 2013.

The Enterprises and Ginnie Mae continue to account for essentially all issuances of mortgage-backed securities (MBS). In 2013, the Enterprises accounted for \$1,225 billion or 76 percent of MBS issuances. However, as refinance volumes declined, MBS issuance levels trended down in 2013 from \$1,332 billion in the prior year (Figure 6).

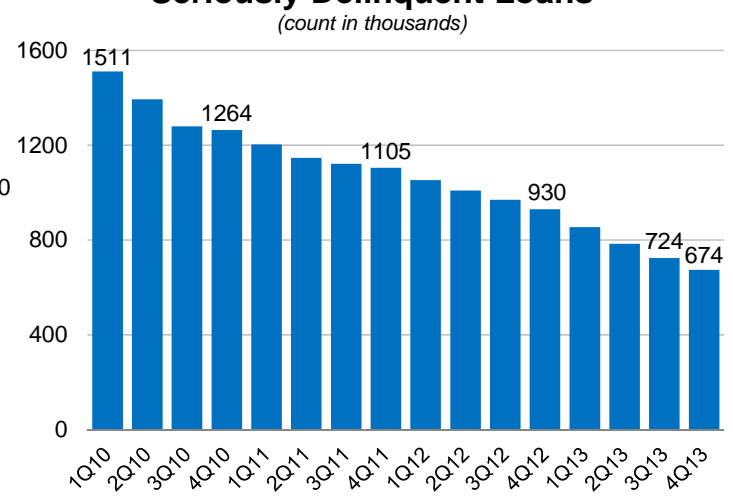
Enterprises

Figure 4 **Loan Loss Reserves**



Source: FHFA (Fannie Mae and Freddie Mac)

Figure 5 **Seriously Delinquent Loans**

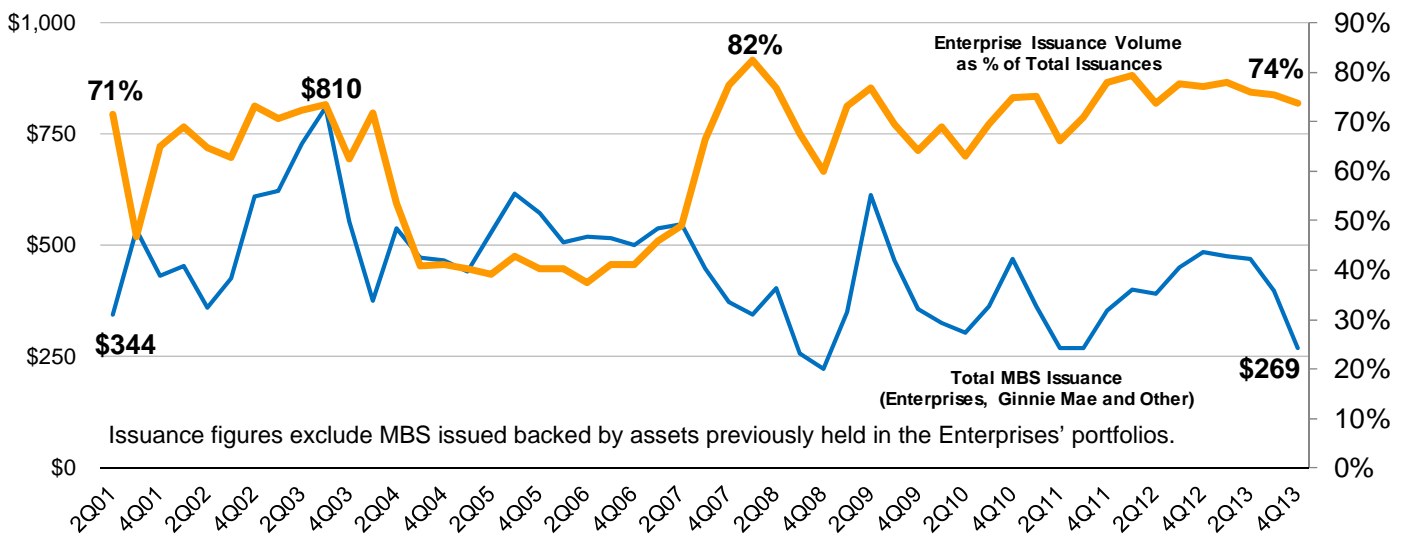


Source: FHFA (Fannie Mae and Freddie Mac)

Figure 6

MBS Issuance Volume

(\$ in billions)

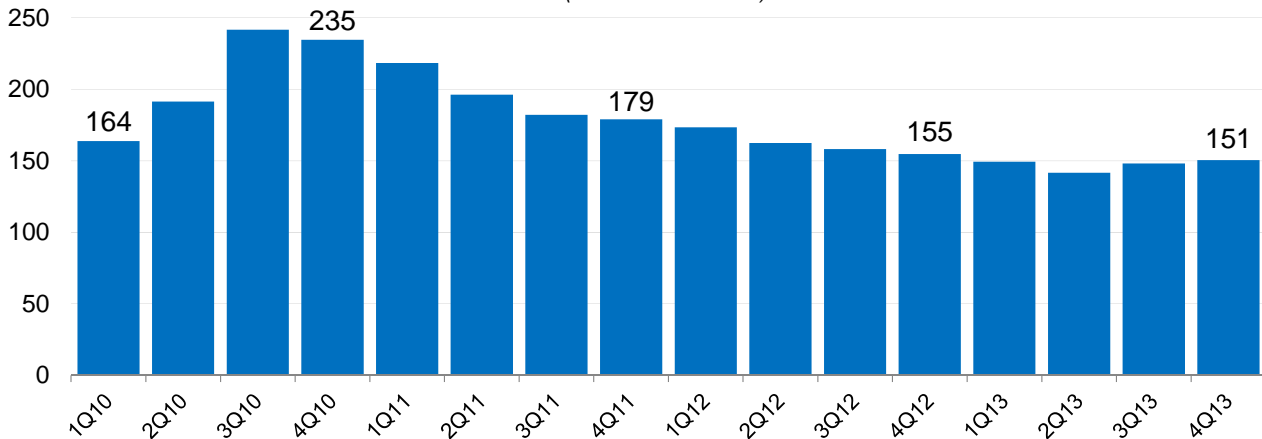


Source: Inside Mortgage Finance, Inside MBS & ABS, Enterprises' Monthly Volume Summaries.

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 2013, the Enterprises' combined charges against capital totaled \$243 billion, requiring Treasury support of \$187.5 billion through draws under the Senior Preferred Stock Purchase Agreements. Neither Enterprise required funding from the Treasury in 2013.

Senior preferred dividends paid on Treasury draws accounted for \$185 billion, or 76 percent of the cumulative change in capital, which will increase in the first quarter of 2014 as comprehensive income generated in the fourth quarter is paid out as dividends. Combined net worth totaled \$22.4 billion as of December 31, 2013, \$17.6 billion of which was paid out as dividends in the first quarter of 2014.

In 2013, the Enterprises generated \$54 billion in total comprehensive income from the Single-Family Guarantee Segment. However, the segment continues to be the largest contributor to charges against capital, accounting for \$155 billion, or 64 percent of the cumulative change in capital since 2007.

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

In 2013, the Investments and Capital Markets segments generated \$49 billion in total comprehensive income, as both Enterprises continued to benefit from low funding costs driven by the low interest rate environment. The Enterprises also benefited from private-label mortgage-related securities (PLS) litigation settlement proceeds received during the year.

Press Releases

- 10 FEB 2014** FHFA announced that the Home Affordable Refinance Program (HARP) has reached a significant milestone: more than 3 million homeowners have now refinanced their mortgage through the program.
- 07 FEB 2014** FHFA announced it has reached a settlement with Morgan Stanley, related companies and specifically named individuals for \$1.25 billion to resolve claims alleging violations of federal and state securities laws in connection with private-label mortgage-backed securities (PLS) purchased by Fannie Mae and Freddie Mac between 2005 and 2007.
- 06 JAN 2014** Melvin L. Watt was sworn in to a five-year term as the first Senate-confirmed Director of the Federal Housing Finance Agency.
- 02 JAN 2014** FHFA announced that it has recovered nearly \$8 billion on behalf of taxpayers in 2013 through settlements with financial institutions that sold PLS to Fannie Mae and Freddie Mac between 2005 and 2007.
- 23 DEC 2013** FHFA announced that Fannie Mae and Freddie Mac have reached a significant milestone, completing over 3 million foreclosure prevention actions since the start of conservatorship in September 2008.
- 20 DEC 2013** FHFA announced that it has reached a settlement with Deutsche Bank AG, related companies and specifically named individuals for \$1.925 billion to resolve claims alleging violations of federal and state securities laws in connection with PLS purchased by Fannie Mae and Freddie Mac between 2005 and 2007.
- 17 DEC 2013** FHFA issued scenarios and guidance to Fannie Mae, Freddie Mac and Federal Home Loan Banks regarding the reporting of the Dodd-Frank stress testing results.
- 02 DEC 2013** FHFA announced that Fannie Mae and Freddie Mac have completed the first major overhaul of mortgage insurance master policy requirements.
- 26 NOV 2013** FHFA announced that the 2014 maximum conforming loan limits for mortgages acquired by Fannie Mae and Freddie Mac will remain at \$417,000 for one-unit properties in most areas of the country.

Capital Changes - Enterprises

Fannie Mae					
(\$ in billions)	2008- 2010	2011	2012	2013	2008 - 2013
Beginning Capital ¹	\$44	\$0	\$0	\$7	\$44
Equity Issuance ²	<u>7</u>	-	-	-	<u>7</u>
Available Capital	\$51	\$0	\$0	\$7	\$51
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$117)	(\$24)	\$6	\$48	(\$87)
Multifamily Comprehensive Income (Loss) ^{3,4}	(6)	1	2	10	6
Investments Comprehensive Income (Loss) ^{3,4}	(0)	10	16	28	53
Other	(8)	(3)	(5)	(2)	(17)
Senior Preferred dividends ⁵	<u>(10)</u>	<u>(10)</u>	<u>(12)</u>	<u>(82)</u>	<u>(114)</u>
Total Capital Change ⁶	(\$141)	(\$26)	\$7	\$2	(\$158)
Capital surplus (deficit)	(\$90)	(\$26)	\$7	\$10	(\$107)
Treasury Senior Preferred draw ⁷	\$90.2	\$25.9	\$0.0	\$0.0	\$116.1
Freddie Mac					
(\$ in billions)	2008- 2010	2011	2012	2013	2008 - 2013
Beginning Capital ¹	\$27	\$0	\$0	\$9	\$27
Equity Issuance ²	-	-	-	-	-
Available Capital	\$27	\$0	\$0	\$9	\$27
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$64)	(\$10)	(\$0)	\$6	(\$68)
Multifamily Comprehensive Income (Loss) ^{3,4}	12	2	4	1	20
Investments Comprehensive Income (Loss) ^{3,4}	(14)	6	11	20	24
Other	(15)	0	1	24	10
Senior Preferred dividends ⁵	<u>(10)</u>	<u>(6)</u>	<u>(7)</u>	<u>(48)</u>	<u>(71)</u>
Total Capital Change ⁶	(\$91)	(\$8)	\$9	\$4	(\$85)
Capital surplus (deficit)	(\$64)	(\$8)	\$9	\$13	(\$59)
Treasury Senior Preferred draw ⁷	\$63.7	\$7.6	\$0.0	\$0.0	\$71.3
Enterprises Combined					
(\$ in billions)	2008- 2010	2011	2012	2013	2008 - 2013
Beginning Capital ¹	\$71	\$0	\$0	\$16	\$71
Equity Issuance ²	<u>7</u>	-	-	-	<u>7</u>
Available Capital (Pre-Conservatorship)	\$78	\$0	\$0	\$16	\$78
Capital Change					
Single-Family Comprehensive Income (Loss) ³	(\$181)	(\$34)	\$6	\$54	(\$155)
Multifamily Comprehensive Income (Loss) ^{3,4}	6	3	6	12	26
Investments Comprehensive Income (Loss) ^{3,4}	(14)	16	27	49	78
Other	(22)	(3)	(4)	22	(7)
Senior Preferred dividends ⁵	<u>(20)</u>	<u>(16)</u>	<u>(19)</u>	<u>(130)</u>	<u>(185)</u>
Total Capital Change ⁶	(\$232)	(\$34)	\$16	\$6	(\$243)
Capital surplus (deficit)	(\$154)	(\$34)	\$16	\$22	(\$165)
Treasury Senior Preferred draw ⁷	\$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 Senior Preferred Dividends from 2008 - 2012 were calculated by applying an annual dividend rate of 10% to the aggregate liquidation preference of the senior preferred stock. Effective January 1, 2013, dividends payable are determined based on the Enterprises' net worth as of the end of the immediately preceding fiscal quarter less the applicable capital reserve.

⁶ Included in total capital change for both Enterprises are losses attributable to the writedown of low income housing tax credits (LIHTC) investments to zero in the fourth quarter of 2009. The writedown of these LIHTC losses for Fannie Mae and Freddie Mac were \$5 billion and \$3 billion, respectively, and are included in Other. The establishment of a deferred tax asset valuation allowance, which reduced capital by \$21 billion for Fannie Mae and \$14 billion for Freddie Mac in 2008 is also contributing to the total capital change (valuation allowance and releases have been allocated across segments at Fannie Mae and in Other at Freddie Mac). In the first quarter of 2013, Fannie Mae released the substantial majority of the valuation allowance against its deferred tax assets, resulting in a benefit for federal income taxes of \$50.6 billion. In the third quarter of 2013, Freddie Mac released a substantial portion of the valuation allowance against its deferred tax assets, resulting in a benefit for federal income taxes of \$23.9 billion.

⁷ 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	2013	2008 - 2013	2008 - 2010	2011	2012	2013	2008 - 2013	2008 - 2013
<i>(\$ in billions)</i>											
Revenue ¹	\$20	\$6	\$8	\$11	\$45	\$14	\$5	\$5	\$6	\$31	\$76
(Provision) benefit for credit losses ²	(100)	(26)	1	9	(118)	(64)	(12)	(3)	1	(78)	(196)
Other expenses ³	(34)	(3)	(3)	(1)	(41)	(13)	(3)	(2)	(2)	(20)	(61)
(Provision) benefit for taxes	(3)	0	(0)	29	26	(1)	(0)	0	0	(1)	25
Comprehensive Income (Loss) ⁴	(\$117)	(\$24)	\$6	\$48	(\$87)	(\$64)	(\$10)	(\$0)	\$6	(\$68)	(\$155)

Source: FHFA (Fannie Mae and Freddie Mac)

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

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

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

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

Single-Family Loan Loss Reserves

	Fannie Mae				Freddie Mac					
	2008 - 2010	2011	2012	2013	2008 - 2013	2008 - 2010	2011	2012	2013	2008 - 2013
<i>(\$ in billions)</i>										
Beginning balance ¹	\$3	\$60	\$72	\$59		\$3	\$39	\$39	\$31	
Provision (benefit) for credit losses ^{2,3}	100	26	(1)	(9)	118	64	12	3	(1)	78
Charge-offs, net ³	(39)	(18)	(15)	(7)	(78)	(22)	(12)	(11)	(5)	(50)
Other	(5)	3	3	2		(5)	(1)	(0)	0	
Ending balance ¹	\$60	\$72	\$59	\$45		\$39	\$39	\$31	\$25	
Credit Losses - Single-Family										
Charge-offs ³	\$39	\$18	\$15	\$7	\$78	\$22	\$12	\$11	\$5	\$50
Other ⁴	-	-	-	-	-	1	0	0	0	2
Foreclosed Property Expense	4	1	(0)	(3)	2	2	1	0	(0)	3
Total ³	\$43	\$18	\$14	\$4	\$80	\$26	\$13	\$12	\$5	\$55

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,				% of UPB as of Dec 31,		
	2008 ¹	2008	2013		2008 ¹	2008	2013
by State				by State			
California	16%	25%	5%	California	14%	30%	12%
Florida	7%	11%	29%	Florida	7%	10%	29%
Arizona	3%	8%	1%	Arizona	3%	9%	1%
Nevada	1%	5%	4%	Nevada	1%	4%	5%
Illinois	4%	3%	13%	Illinois	5%	2%	13%
by Product²				by Product²			
Alt-A	11%	46%	26%	Alt-A	10%	50%	26%
Interest-Only	8%	34%	19%	Interest-Only	9%	50%	18%
by Vintage				by Vintage			
2006	14%	35%	25%	2006	15%	41%	24%
2007	20%	28%	30%	2007	19%	25%	35%
2008	16%	1%	7%	2008	15%	0%	10%
2009	N/A	N/A	3%	2009	N/A	N/A	3%
2010	N/A	N/A	3%	2010	N/A	N/A	3%
2011	N/A	N/A	2%	2011	N/A	N/A	2%
2012	N/A	N/A	2%	2012	N/A	N/A	2%
2013	N/A	N/A	0%	2013	N/A	N/A	0%

Source: FHFA (Fannie Mae and Freddie Mac)

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

² Product categories overlap.

Investments and Capital Markets Segments - Enterprises

Investments and Capital Markets Segment Results

	Fannie Mae				2008 - 2013	Freddie Mac				2008 - 2013	2008 - 2013
	2008 - 2010	2011	2012	2013		2008 - 2010	2011	2012	2013		
<i>(\$ in billions)</i>											
Revenue ^{1,2}	\$34	\$13	\$13	\$12	\$71	\$17	\$7	\$6	\$4	\$34	\$105
Derivatives gains (losses)	(25)	(7)	(4)	3	(32)	(10)	(4)	2	7	(5)	(37)
Trading gains (losses)	(0)	0	1	(0)	0	4	(1)	(2)	(2)	0	1
Security impairments	(18)	(0)	(1)	(0)	(19)	(31)	(2)	(2)	(1)	(35)	(54)
Other ³	5	3	5	5	17	1	2	3	10	17	34
(Provision) benefit for taxes ⁴	(9)	0	(0)	8	(1)	(2)	0	1	(1)	(2)	(3)
Net income (loss)	(\$12)	\$9	\$14	\$28	\$38	(\$20)	\$3	\$8	\$17	\$8	\$46
Unrealized gains (losses) on AFS ⁵	9	1	2	1	12	1	3	3	4	11	23
Accounting change for Impairments	3	-	-	-	3	5	-	-	-	5	8
Total Comprehensive Income (Loss)¹	(\$0)	\$10	\$16	\$28	\$53	(\$14)	\$6	\$11	\$20	\$24	\$78

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

⁴ Includes extraordinary losses /noncontrolling interest.

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

Totals may not sum due to rounding.

Security Impairments

	Fannie Mae						Freddie Mac				
	2008 - 2010	2011	2012	2013	2008 - 2013		2008 - 2010	2011	2012	2013	2008 - 2013
<i>(\$ in billions)</i>						<i>(\$ in billions)</i>					
Alt-A/Option	\$9.1	\$0.6	\$0.4	\$0.0	\$10.1	Alt-A	\$6.4	\$0.2	\$0.2	\$0.1	\$6.9
Subprime	8.0	(0.3)	0.3	0.0	8.0	Subprime	11.9	1.3	1.3	1.3	15.7
Other	<u>0.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.6</u>	CMBS	0.2	0.4	0.1	0.0	0.7
Total ¹	\$17.6	\$0.3	\$0.7	\$0.1	\$18.6	Option ARM	10.7	0.4	0.6	0.1	11.8
						Other	<u>2.6</u>	<u>0.1</u>	<u>0.0</u>	<u>0.0</u>	<u>2.7</u>
						Total ¹	\$31.9	\$2.3	\$2.2	\$1.5	\$37.8

Source: FHFA (Fannie Mae and Freddie Mac)

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

Totals may not sum due to rounding.

The Federal Home Loan Bank System

Aggregate System Earnings Remain Robust

During 2013, the Banks earned \$3.4 billion of net interest income and \$2.5 billion of net income, which compares with net interest income of \$4.1 billion and net income of \$2.6 billion earned during 2012. During the fourth quarter of 2013, the Banks generated \$907 million of net interest income and \$691 million of net income. Compared to the third quarter, net interest income increased by \$50 million and net income increased by \$143 million. Net income increased in the fourth quarter primarily due to larger gains on derivatives and legal settlements at several Banks related to private-label mortgage-backed securities litigation. (Figure 8)

Profitability metrics remain strong. The average 2013 net interest spread was 40 basis points, down from 47 basis points in 2012. The slight decrease in annual net income resulted in a decrease in annualized return on assets to 32 basis points from 34 basis points in 2012. Similarly, annualized return on equity decreased to 5.86 percent in 2013 from 6.44 percent in 2012.

The average fourth quarter net interest spread was unchanged at 40 basis points, greater than the 10-year quarterly average of 32 basis points. The increase in net income quarter-over-quarter resulted in an increase in annualized return on assets to 33 basis points from 28 basis points in the third quarter. Similarly, annualized return on equity increased to 6.27 percent in the fourth quarter from 5.07 percent in the third quarter. Return on assets and return on equity remain greater than their 10-year quarterly averages of 23 basis points and 4.93 percent.

Aggregate Advances Increased

As of December 31, 2013, the Banks held com-

bined assets of \$834.5 billion, consisting of \$498.6 billion of advances (60 percent of total assets), \$289.0 billion of cash and investments (35 percent of total assets), and \$44.4 billion of mortgages (5 percent of total assets). During the fourth quarter, total assets increased by \$45.1 billion -- advances grew by \$33.5 billion, investments increased by \$12.2 billion, and mortgages declined by \$727 million. The aggregate advances-to-assets ratio increased to 60 percent at year-end 2013 from 59 percent at the end of the third quarter. During 2013, total assets grew by \$71.9 billion, while advances increased by \$72.9 billion. As a result, the average ratio of advances as a percentage of assets increased by four percentage points from 56 percent at the end of 2012. (Figure 9)

Advance growth during the fourth quarter was relatively even, while growth during 2013 overall was primarily attributable to a few large members. At year-end 2013, the 10 largest borrowers, aggregated to the holding company level, held \$207.6 billion or 42 percent of outstanding advances. These 10 holding companies increased their advance holdings by \$15.4 billion during the fourth quarter and by \$53.5 billion during the year. Advances held by smaller members increased by \$19.6 billion during the quarter and \$25.2 billion during the year. Overall, 57 percent of the 7,504 members had advances outstanding at the end of 2013.

As of December 31, 2013, the Banks ranged in size from \$30.2 billion to \$128.3 billion. Asset composition also varies among individual Banks. Advances make up 70 percent or more of assets at the FHLBanks of Atlanta, Pittsburgh, and New York. All of these Banks experienced advance growth from large bank holding companies during 2013. Despite also experiencing some advance growth from these large borrowers during the year, the FHLBanks of Seattle and Chicago have significantly lower proportions of advances to assets. Investments are greater than 50 percent of assets at two Banks,

and three Banks have whole mortgage holdings greater than 10 percent of assets.

Capital Remains Strong

As of December 31, 2013, the Banks held \$50.5 billion of regulatory capital and \$45.0 billion of GAAP capital. Regulatory capital equals total capital stock (\$38.4 billion) plus retained earnings (\$12.1 billion), while GAAP capital equals regulatory capital less mandatorily redeemable capital stock (\$5.0 billion) plus accumulated other comprehensive income (-\$509 million). At year-end 2013, the average regulatory capital ratio was 6.05 percent and the average GAAP capital ratio was 5.39 percent. All Banks exceeded the minimum leverage requirement of a 4.00 percent regulatory capital ratio. Aggregate retained earnings totaled \$12.1 billion at the end of 2013, up \$452 million (4 percent) from the end of the third quarter and up \$1.7 billion (16 percent) from the end of 2012. Retained earnings were 1.45 percent of assets at year-end 2013, up from 1.37 percent at the end of 2012. (Figure 10)

Federal Home Loan Banks

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

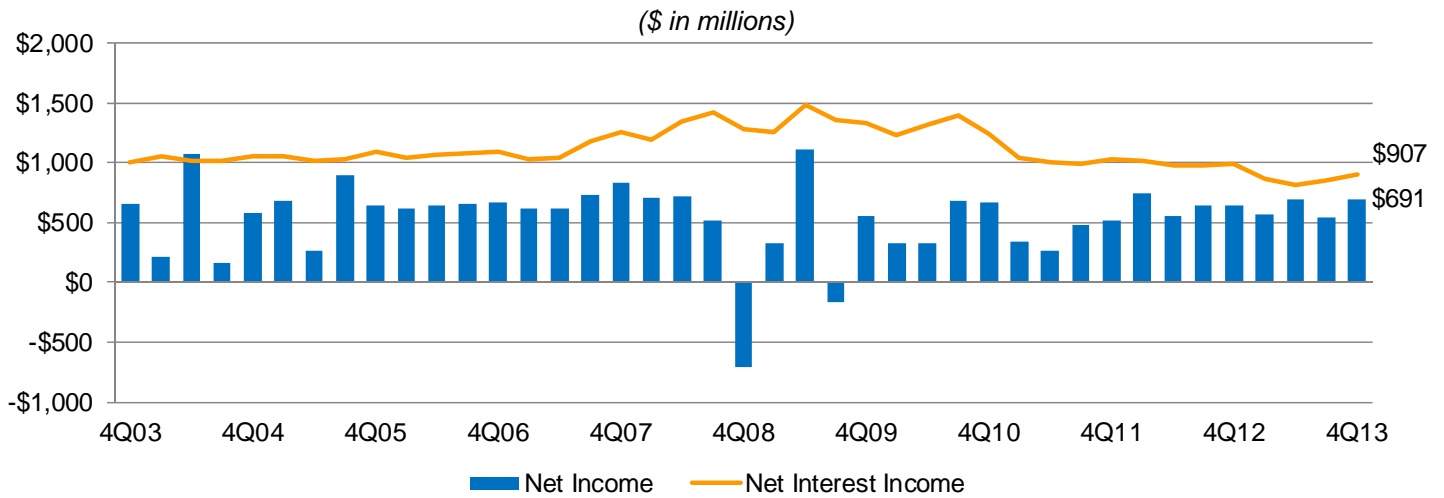
With a few exceptions, borrowing from a Bank requires the institution to be a member and purchase stock in the Bank; only current and former members can own stock in any Bank.

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

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

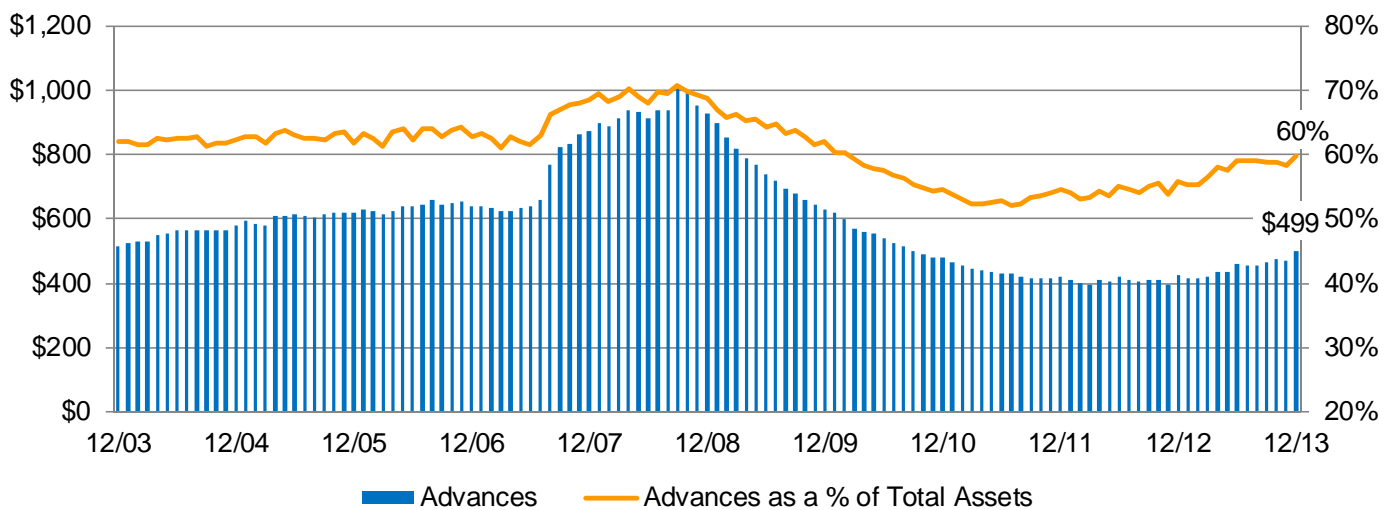
Federal Home Loan Bank System

Figure 8 Quarterly Net Interest Income/Net Income



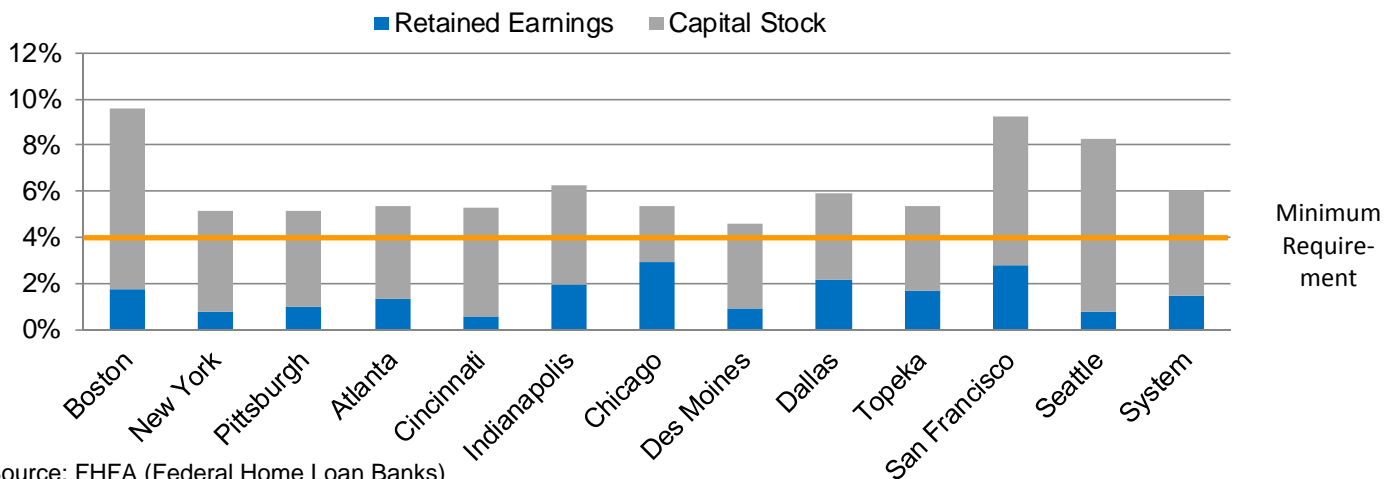
Source: FHFA (Federal Home Loan Banks)

Figure 9 System Total Advances



Source: FHFA (Federal Home Loan Banks)

Figure 10 Regulatory Capital-to-Assets Ratio



Source: FHFA (Federal Home Loan Banks)

Appendix

Financial Data

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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)			4th Quarter	3rd Quarter	4th Quarter		
	2010	2011	2012	2013	2013	2013	2012
Net interest income	\$16.4	\$19.3	\$5.6	\$5.6	\$4.9	\$22.4	\$21.5
Other income	1.1	1.2	0.3	0.7	2.1	3.9	1.5
Total Revenues	17.5	20.4	5.9	6.3	7.0	26.3	23.0
Derivatives gains (losses)	(3.0)	(6.6)	0.1	0.5	1.0	3.3	(3.6)
Trading gains (losses)	2.7	0.3	0.3	(0.1)	0.1	0.3	1.0
Other gains (losses)	(0.4)	(0.1)	(0.2)	0.6	(0.0)	0.7	(0.1)
Total Mark-to-Market Gains (Losses)	(0.7)	(6.3)	0.3	1.1	1.1	4.3	(2.7)
(Provision) benefit for credit losses	(24.9)	(26.7)	1.9	2.6	0.0	8.9	0.9
REO (Foreclosed property exp.)	(1.7)	(0.8)	0.5	1.2	1.1	2.8	0.3
SOP 03-3 losses, net							
Security impairments	(0.7)	(0.3)	(0.0)	(0.0)	(0.0)	(0.1)	(0.7)
Total Credit-Related Income (Expenses/Losses)	(27.3)	(27.8)	2.4	3.7	1.1	11.7	0.4
Administrative expenses	(2.6)	(2.4)	(0.6)	(0.6)	(0.6)	(2.5)	(2.4)
Other expenses	(0.9)	(0.9)	(0.3)	(0.4)	(0.3)	(1.2)	(1.1)
Pre-Tax Income (Loss)	(14.1)	(16.9)	7.6	10.1	8.3	38.6	17.2
Tax (expense)/benefit / Extraordinary items	0.1	0.1	0.0	(1.4)	(1.8)	45.4	0.0
Net Income (Loss)	(\$14.0)	(\$16.9)	\$7.6	\$8.7	\$6.5	\$84.0	\$17.2
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	(\$14.0)	(\$16.9)	\$7.6	\$8.7	\$6.5	\$84.0	\$17.2
Preferred stock dividends and undistributed net worth sweep	(7.7)	(9.6)	(7.2)	(8.6)	(7.2)	(85.4)	(15.8)
Net Income (Loss) to Common Stockholders	(\$21.7)	(\$26.5)	\$0.4	\$0.1	(\$0.7)	(\$1.5)	\$1.4

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2010	2011	2012	2013	2013
Assets					
Cash and cash equivalents	\$17.3	\$17.5	\$21.1	\$30.8	\$19.2
Restricted cash	63.7	50.8	67.9	31.5	29.0
Federal Funds sold and securities purchased under agreements to resell	11.8	46.0	32.5	40.3	39.0
Investments in securities					
Agency	50.2	41.0	30.0	23.8	22.1
CMBS	25.6	24.4	22.9	7.0	4.3
Subprime	11.5	8.9	8.8	8.4	8.5
Alt-A	15.6	13.0	12.4	8.9	8.9
U.S. Treasury securities	27.4	47.7	18.0	16.4	16.3
Other	20.9	16.7	11.8	9.5	8.8
Total investments in securities	151.2	151.8	103.9	73.9	68.9
Total mortgage loans, net	2,923.7	2,898.6	2,949.4	3,013.2	3,026.2
Other assets	54.3	46.7	47.6	91.6	87.7
Total Assets	\$3,222.0	\$3,211.5	\$3,222.4	\$3,281.2	\$3,270.1
Liabilities and Equity					
Accrued interest payable	\$13.8	\$12.6	\$11.3	\$10.8	\$10.6
Total debt	3,197.0	3,189.9	3,189.5	3,240.1	3,234.5
Other liabilities	13.7	13.5	14.4	18.7	15.4
Total Liabilities	\$3,224.5	\$3,216.1	\$3,215.2	\$3,269.6	\$3,260.5
Stockholders' Equity					
Senior preferred stock	\$88.6	\$112.6	\$117.1	\$117.1	\$117.1
Preferred stock	20.2	19.1	19.1	19.1	19.1
Accumulated deficit	(103.0)	(128.4)	(122.8)	(119.1)	(121.2)
Accumulated other comprehensive income	(1.7)	(1.2)	0.4	1.1	1.2
Other Equity	(6.7)	(6.7)	(6.7)	(6.7)	(6.7)
Total Equity	(\$2.5)	(\$4.6)	\$7.2	\$11.6	\$9.6
Total Liabilities and Equity	\$3,222.0	\$3,211.5	\$3,222.4	\$3,281.2	\$3,270.1

Totals may not sum due to rounding

Financial Data - Fannie Mae

Income Statement

(\$ in billions)	2008	2009	2010	2011	2012	2013
Net interest income	\$8.8	\$14.5	\$16.4	\$19.3	\$21.5	\$22.4
Other income	8.7	8.0	1.1	1.2	1.5	3.9
Total Revenues	17.4	22.5	17.5	20.4	23.0	26.3
Derivatives gains (losses)	(15.4)	(6.4)	(3.0)	(6.6)	(3.6)	3.3
Trading gains (losses)	(7.0)	3.7	2.7	0.3	1.0	0.3
Other gains (losses)	1.9	0.9	(0.4)	(0.1)	(0.1)	0.7
Total Mark-to-Market Gains (Losses)	(20.6)	(1.7)	(0.7)	(6.3)	(2.7)	4.3
(Provision) benefit for credit losses	(25.5)	(52.1)	(24.9)	(26.7)	0.9	8.9
REO (Foreclosed property exp.)	(1.9)	(0.9)	(1.7)	(0.8)	0.3	2.8
SOP 03-3 losses, net	(2.4)	(20.6)				
Security impairments	(7.0)	(9.9)	(0.7)	(0.3)	(0.7)	(0.1)
Total Credit-Related Income (Expenses/Losses)	(36.8)	(83.4)	(27.3)	(27.8)	0.4	11.7
Administrative expenses	(2.0)	(2.2)	(2.6)	(2.4)	(2.4)	(2.5)
Other expenses	(2.6)	(8.2)	(0.9)	(0.9)	(1.1)	(1.2)
Pre-Tax Income (Loss)	(44.6)	(73.0)	(14.1)	(16.9)	17.2	38.6
Tax (expense)/benefit / Extraordinary items	(14.2)	1.0	0.1	0.1	0.0	45.4
Net Income (Loss)	(\$58.7)	(\$72.0)	(\$14.0)	(\$16.9)	\$17.2	\$84.0
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	\$84.0
Preferred stock dividends and undistributed net worth sweep	(1.1)	(2.5)	(7.7)	(9.6)	(15.8)	(85.4)
Net Income (Loss) to Common Stockholders	(\$59.8)	(\$74.4)	(\$21.7)	(\$26.5)	\$1.4	(\$1.5)

Balance Sheet

(\$ in billions)	Dec 31 2008	Dec 31 2009	Dec 31 2010	Dec 31 2011	Dec 31 2012	Dec. 31 2013
Assets						
Cash and cash equivalents	\$17.9	\$6.8	\$17.3	\$17.5	\$21.1	\$19.2
Restricted cash	0.5	3.1	63.7	50.8	67.9	29.0
Federal Funds sold and securities purchased under agreements to resell	57.4	53.7	11.8	46.0	32.5	39.0
Investments in securities						
Agency	269.7	273.1	50.2	41.0	30.0	22.1
CMBS	19.7	22.5	25.6	24.4	22.9	4.3
Subprime	16.6	12.5	11.5	8.9	8.8	8.5
Alt-A	16.8	15.5	15.6	13.0	12.4	8.9
U.S. Treasury securities	0.0	0.0	27.4	47.7	18.0	16.3
Other	34.5	26.0	20.9	16.7	11.8	8.8
Total investments in securities	357.3	349.7	151.2	151.8	103.9	68.9
Total mortgage loans, net	425.4	394.6	2,923.7	2,898.6	2,949.4	3,026.2
Other assets	53.8	61.3	54.3	46.7	47.6	87.7
Total Assets	\$912.4	\$869.1	\$3,222.0	\$3,211.5	\$3,222.4	\$3,270.1
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	3,234.5
Other liabilities	51.2	104.9	13.7	13.5	14.4	15.4
Total Liabilities	\$927.6	\$884.4	\$3,224.5	\$3,216.1	\$3,215.2	\$3,260.5
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)	(121.2)
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	\$9.6
Total Liabilities and Equity	\$912.4	\$869.1	\$3,222.0	\$3,211.5	\$3,222.4	\$3,270.1

Totals may not sum due to rounding

Financial Data - Freddie Mac

Income Statement

(\$ in billions)			4th Quarter	3rd Quarter	4th Quarter		
	2010	2011	2012	2013	2013	2013	2012
Net interest income	\$16.9	\$18.4	\$4.5	\$4.3	\$3.8	\$16.5	\$17.6
Other income	1.0	0.9	0.4	0.8	5.3	6.7	0.8
Total Revenues	17.9	19.3	4.8	5.1	9.1	23.2	18.5
Derivatives gains (losses)	(8.1)	(9.8)	(0.0)	(0.1)	1.0	2.6	(2.4)
Trading gains (losses)	(1.3)	(1.0)	(0.6)	(0.2)	(0.3)	(1.6)	(1.7)
Other gains (losses)	0.3	0.8	0.1	1.2	0.9	2.0	1.0
Total Mark-to-Market Gains (Losses)	(9.1)	(10.0)	(0.5)	0.9	1.7	3.0	(3.2)
(Provision) benefit for credit losses	(17.2)	(10.7)	0.7	1.1	0.2	2.5	(1.9)
REO (Foreclosed property exp.)	(0.7)	(0.6)	0.0	0.1	(0.0)	0.1	(0.1)
SOP 03-3 losses, net	0.8	0.5	0.1	0.1	0.0	0.3	0.4
Security impairments	(4.3)	(2.3)	(1.2)	(0.1)	(1.3)	(1.5)	(2.2)
Total Credit-Related Income (Expenses/Losses)	(21.4)	(13.1)	(0.4)	1.2	(1.1)	1.4	(3.7)
Administrative expenses	(1.5)	(1.5)	(0.4)	(0.5)	(0.5)	(1.8)	(1.6)
Other expenses	(0.7)	(0.4)	(0.2)	(0.2)	0.1	(0.4)	(0.6)
Pre-Tax Income (Loss)	(14.9)	(5.7)	3.3	6.5	9.3	25.4	9.4
Tax (expense)/benefit / Extraordinary items	0.9	0.4	1.1	24.0	(0.7)	23.3	1.5
Net Income (Loss)	(14.0)	(5.3)	4.5	30.5	8.6	48.7	11.0
Less: Net income (loss) attributable to noncontrolling interest	0.0	-	-	-	-	-	-
Net Income (Loss) Attributable to the Enterprise	(\$14.0)	(\$5.3)	\$4.5	\$30.5	\$8.6	\$48.7	\$11.0
Preferred stock dividends and undistributed net worth sweep	(5.7)	(6.5)	(7.6)	(30.4)	(10.4)	(52.2)	(13.1)
Net Income (Loss) to Common Stockholders	(\$19.8)	(\$11.8)	(\$3.2)	\$0.1	(\$1.8)	(\$3.5)	(\$2.1)

Balance Sheet

(\$ in billions)	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2010	2011	2012	2013	2013
Assets					
Cash and cash equivalents	\$37.0	\$28.4	\$8.5	\$9.5	\$11.3
Restricted cash	8.1	28.1	14.6	5.8	12.3
Federal Funds sold and securities purchased under agreements to resell	46.5	12.0	37.6	41.0	62.4
Investments in securities					
Agency	142.7	133.0	94.8	76.7	68.3
CMBS	58.1	55.7	51.3	36.4	30.3
Subprime	33.9	28.0	26.5	27.6	27.5
Alt-A	13.2	10.9	10.9	9.1	8.7
U.S. Treasury securities	27.4	24.8	20.2	31.6	6.6
Other	17.7	17.1	12.7	11.0	10.9
Total investments in securities	292.9	269.5	216.4	192.4	152.3
Total mortgage loans, net	1,844.9	1,781.3	1,686.3	1,689.5	1,684.8
Other assets	32.3	27.9	26.5	43.5	43.0
Total Assets	\$2,261.8	\$2,147.2	\$1,989.9	\$1,981.8	\$1,966.1
Liabilities and Equity					
Accrued interest payable	\$10.3	\$8.9	\$7.7	\$6.5	\$6.8
Total debt	2,242.6	2,132.0	1,967.0	1,935.6	1,940.8
Other liabilities	9.3	6.5	6.3	6.3	5.7
Total Liabilities	\$2,262.2	\$2,147.4	\$1,981.0	\$1,948.3	\$1,953.2
Stockholders' Equity					
Senior preferred stock	\$64.2	\$72.2	\$72.3	\$72.3	\$72.3
Preferred stock	14.1	14.1	14.1	14.1	14.1
Accumulated deficit	(62.7)	(74.5)	(70.8)	(47.9)	(69.7)
Accumulated other comprehensive income	(12.0)	(8.0)	(2.9)	(1.2)	(0.0)
Other Equity	(3.9)	(3.9)	(3.9)	(3.9)	(3.9)
Total Equity	(\$0.4)	(\$0.1)	\$8.8	\$33.4	\$12.8
Total Liabilities and Equity	\$2,261.8	\$2,147.2	\$1,989.9	\$1,981.8	\$1,966.1

Totals may not sum due to rounding

Federal Housing Finance Agency

Financial Data - Freddie Mac

Income Statement

(\$ in billions)	2008	2009	2010	2011	2012	2013
Net interest income	\$6.8	\$17.1	\$16.9	\$18.4	\$17.6	\$16.5
Other income	8.3	6.0	1.0	0.9	0.8	6.7
Total Revenues	15.1	23.0	17.9	19.3	18.5	23.2
Derivatives gains (losses)	(15.0)	(1.9)	(8.1)	(9.8)	(2.4)	2.6
Trading gains (losses)	1.0	4.9	(1.3)	(1.0)	(1.7)	(1.6)
Other gains (losses)	(5.9)	3.3	0.3	0.8	1.0	2.0
Total Mark-to-Market Gains (Losses)	(19.9)	6.3	(9.1)	(10.0)	(3.2)	3.0
(Provision) benefit for credit losses	(16.4)	(29.5)	(17.2)	(10.7)	(1.9)	2.5
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	0.3
Security impairments	(17.7)	(11.2)	(4.3)	(2.3)	(2.2)	(1.5)
Total Credit-Related Income (Expenses/Losses)	(36.4)	(45.4)	(21.4)	(13.1)	(3.7)	1.4
Administrative expenses	(1.5)	(1.7)	(1.5)	(1.5)	(1.6)	(1.8)
Other expenses	(2.0)	(4.6)	(0.7)	(0.4)	(0.6)	(0.4)
Pre-Tax Income (Loss)	(44.6)	(22.4)	(14.9)	(5.7)	9.4	25.4
Tax (expense)/benefit / Extraordinary items	(5.6)	0.8	0.9	0.4	1.5	23.3
Net Income (Loss)	(50.1)	(21.6)	(14.0)	(5.3)	11.0	48.7
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	\$48.7
Preferred stock dividends and undistributed net worth sweep	(0.7)	(4.1)	(5.7)	(6.5)	(13.1)	(52.2)
Net Income (Loss) to Common Stockholders	(\$50.8)	(\$25.7)	(\$19.8)	(\$11.8)	(\$2.1)	(\$3.5)

Balance Sheet

(\$ in billions)	Dec 31 2008	Dec 31 2009	Dec 31 2010	Dec 31 2011	Dec 31 2012	Dec 31 2013
Assets						
Cash and cash equivalents	\$45.3	\$64.7	\$37.0	\$28.4	\$8.5	\$11.3
Restricted cash	1.0	0.5	8.1	28.1	14.6	12.3
Federal Funds sold and securities purchased under agreements to resell	10.2	7.0	46.5	12.0	37.6	62.4
Investments in securities						
Agency	506.8	464.9	142.7	133.0	94.8	68.3
CMBS	49.5	54.0	58.1	55.7	51.3	30.3
Subprime	52.3	35.7	33.9	28.0	26.5	27.5
Alt-A	13.3	13.4	13.2	10.9	10.9	8.7
U.S. Treasury securities	0.0	14.8	27.4	24.8	20.2	6.6
Other	27.5	24.1	17.7	17.1	12.7	10.9
Total investments in securities	649.3	606.9	292.9	269.5	216.4	152.3
Total mortgage loans, net	107.6	127.9	1,844.9	1,781.3	1,686.3	1,684.8
Other assets	37.7	34.8	32.3	27.9	26.5	43.0
Total Assets	\$851.0	\$841.8	\$2,261.8	\$2,147.2	\$1,989.9	\$1,966.1
Liabilities and Equity						
Accrued interest payable	\$6.5	\$5.0	\$10.3	\$8.9	\$7.7	\$6.8
Total debt	843.0	780.6	2,242.6	2,132.0	1,967.0	1,940.8
Other liabilities	32.1	51.8	9.3	6.5	6.3	5.7
Total Liabilities	\$881.6	\$837.4	\$2,262.2	\$2,147.4	\$1,981.0	\$1,953.2
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)	(69.7)
Accumulated other comprehensive income	(32.4)	(23.6)	(12.0)	(8.0)	(2.9)	(0.0)
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	\$12.8
Total Liabilities and Equity	\$851.0	\$841.8	\$2,261.8	\$2,147.2	\$1,989.9	\$1,966.1

Totals may not sum due to rounding

Single Family Portfolio Credit Metrics - Enterprises

Fannie Mae

Portfolio Quality

	2010	2011	2012	2013
SDQ Rate:	4.48%	3.91%	3.29%	2.38%
SDQ Loan Count (<i>in thousands</i>):	802	691	577	419
Average FICO:	735	738	742	744
Average MTM LTV:	77%	79%	75%	67%
REO Inventory (<i>in thousands</i>):	162	119	106	103
Loan Loss Reserve (<i>\$ in billions</i>):	\$64.5	\$75.3	\$61.4	\$46.7

New Business Purchase Quality

	2010	2011	2012	2013
Weighted Average FICO:	762	762	761	753
Percent of Purchases with				
FICO <620	0%	1%	1%	1%
FICO 620 - 739	24%	25%	25%	31%
FICO >=740	75%	75%	74%	67%
Weighted Average Origination LTV Ratio	68%	69%	75%	76%
Weighted Average Origination LTV Ratio (excluding Refi Plus)	66%	67%	68%	70%
Weighted Average Origination LTV Ratio (Refi Plus)	92%	94%	111%	110%
Percent of Purchases with Original LTV >90%	7%	9%	17%	19%

Freddie Mac

Portfolio Quality

	2010	2011	2012	2013
SDQ Rate:	3.84%	3.58%	3.25%	2.39%
SDQ Loan Count (<i>in thousands</i>):	462	414	353	255
Average FICO:	733	735	737	739
Average MTM LTV:	78%	80%	75%	69%
REO Inventory (<i>in thousands</i>):	72	61	49	47
Loan Loss Reserve (<i>\$ in billions</i>):	\$39.1	\$38.9	\$30.5	\$24.6

New Business Purchase Quality

	2010	2011	2012	2013
Weighted Average FICO:	755	755	756	749
Percent of Purchases with				
FICO <620	1%	1%	1%	1%
FICO 620 - 739	28%	28%	27%	33%
FICO >= 740	71%	71%	72%	66%
Weighted Average Origination LTV Ratio	70%	70%	76%	75%
Weighted Average Origination LTV Ratio (excluding Relief Refinance)	67%	67%	68%	71%
Weighted Average Origination LTV Ratio (Relief Refinance)	77%	77%	97%	91%
Percent of Purchases with Original LTV >90%	9%	11%	20%	18%

FHLBank - System¹

Income Statement

			4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
	2012	2013	2012	2013	2013	4th Quarter 2013	4th Quarter 2012
Interest Income (Millions)							
Advances	3,446.0	2,696.7	814.7	675.9	679.2	2,696.7	3,446.0
Investments	4,570.1	3,862.5	1,071.1	953.4	957.6	3,862.5	4,570.1
Mortgage Loans	2,190.1	1,867.0	515.3	450.4	448.6	1,867.0	2,190.1
Other	3.3	3.3	0.6	1.0	0.8	3.3	3.3
Total Interest Income	\$10,209.5	\$8,429.5	\$2,401.6	\$2,080.7	\$2,086.1	\$8,429.5	\$10,209.5
Interest Expense							
Bonds	5,456.8	4,251.0	1,202.1	1,035.2	991.9	4,251.0	5,456.8
Discount Notes	524.6	510.9	144.5	120.8	126.9	510.9	524.6
Other	147.6	238.9	55.5	68.1	67.0	238.9	147.6
Total Interest Expense	\$6,129.0	\$5,000.8	\$1,402.1	\$1,224.1	\$1,185.8	\$5,000.8	\$6,129.0
Provision for Credit Losses	21.4	-18.9	2.9	-0.6	-7.0	-18.9	21.4
Net Interest Income	\$4,059.1	\$3,447.6	\$996.6	\$857.3	\$907.4	\$3,447.6	\$4,059.1
Other Income	-193.3	329.0	-16.8	0.8	169.7	329.0	-193.3
Operating Expenses	839.7	889.4	223.3	217.9	256.2	889.4	839.7
Other Expense	142.8	82.2	35.2	24.5	47.1	82.2	142.8
Income Before AHP Assessment	\$2,883.2	\$2,804.9	\$721.3	\$615.7	\$773.8	\$2,804.9	\$2,883.2
Affordable Housing Program Assessment	296.8	293.3	76.1	66.9	82.5	293.3	296.8
Net Income	\$2,586.5	\$2,511.6	\$645.3	\$548.7	\$691.3	\$2,511.6	\$2,586.5

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	425.7	498.6	425.7	465.1	498.6
Cash and Liquidity Investments	102.8	101.0	102.8	93.2	101.0
MBS Investments	138.5	140.3	138.5	139.5	140.3
Private Label	25.4	21.3	25.4	22.1	21.3
Federal and Agency	113.1	119.1	113.1	117.4	119.1
Other Investments	43.3	47.7	43.3	44.1	47.7
Net Mortgage Loans	49.4	44.4	49.4	45.2	44.4
Other	2.9	2.5	2.9	2.4	2.5
Total Assets	\$762.7	\$834.5	\$762.7	\$789.4	\$834.5
Liabilities					
Bonds	476.1	474.3	476.1	487.0	474.3
Discount Notes	216.3	293.3	216.3	235.2	293.3
Deposits	13.7	10.6	13.7	10.5	10.6
Mandatorily Redeemable Capital Stock	6.9	5.0	6.9	5.8	5.0
Other	7.1	6.4	7.1	7.9	6.4
Total Liabilities	\$720.2	\$789.6	\$720.2	\$746.3	789.6
Capital					
Capital Stock	33.5	33.4	33.5	32.3	33.4
Retained Earnings	10.4	12.1	10.4	11.7	12.1
Accumulated Other Comprehensive Income	-1.5	-0.5	-1.5	-0.8	-0.5
Total GAAP Capital	\$42.5	\$45.0	\$42.5	\$43.1	\$45.0

Performance Measures

			4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
	2012	2013	2012	2013	2013	4th Quarter 2013	4th Quarter 2012
Profitability							
Return on Assets (Annualized)	0.34%	0.32%	0.34%	0.28%	0.33%	0.32%	0.34%
Return on Equity (Annualized)	6.44%	5.86%	6.20%	5.07%	6.27%	5.86%	6.44%
Net Interest Spread	0.47%	0.40%	0.47%	0.40%	0.40%	0.40%	0.47%
Capital							
Retained Earnings/Total Assets	1.4%	1.5%	1.4%	1.5%	1.5%		
GAAP Capital/Total Assets	5.6%	5.4%	5.6%	5.5%	5.4%		
Regulatory Capital/Total Assets	6.7%	6.0%	6.7%	6.3%	6.0%		
Market Value							
Market Value of Equity / Book Value of Equity	101%	104%	101%	103%	104%		
Market Value of Equity / Par Value of Capital Stock	124%	135%	124%	132%	135%		
Base Duration of Equity	0.14	0.96	0.14	0.61	0.96		

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

FHLBank - System¹

Income Statement

	2009	2010	2011	2012	2013	YTD
						4th Quarter 2013
Interest Income (Millions)						
Advances	9,921.5	5,125.1	3,596.5	3,446.0	2,696.7	2,696.7
Investments	7,130.0	6,198.4	5,251.6	4,570.1	3,862.5	3,862.5
Mortgage Loans	3,872.2	3,187.1	2,639.2	2,190.1	1,867.0	1,867.0
Other	3.7	3.8	2.4	3.3	3.3	3.3
Total Interest Income	\$20,927.5	\$14,514.5	\$11,489.7	\$10,209.5	\$8,429.5	\$8,429.5
Interest Expense						
Bonds	13,161.6	8,474.8	6,633.2	5,456.8	4,251.0	4,251.0
Discount Notes	2,174.8	669.6	528.6	524.6	510.9	510.9
Other	145.8	145.3	130.0	147.6	238.9	238.9
Total Interest Expense	\$15,482.3	\$9,289.8	\$7,291.8	\$6,129.0	\$5,000.8	\$5,000.8
Provision for Credit Losses	17.1	58.5	71.8	21.4	-18.9	-18.9
Net Interest Income	\$5,428.1	\$5,166.2	\$4,126.1	\$4,059.1	\$3,447.6	\$3,447.6
Other Income	-1,844.6	-1,497.8	-1,116.3	-193.3	329.0	329.0
Operating Expenses	810.8	860.0	854.8	839.7	889.4	889.4
Other Expense	104.8	80.7	204.8	142.8	82.2	82.2
Income Before AHP Assessment	\$2,667.9	\$2,727.6	\$1,950.2	\$2,883.2	\$2,804.9	\$2,804.9
Affordable Housing Program Assessment	830.6	728.0	348.3	296.8	293.3	293.3
Net Income	\$1,837.2	\$1,999.6	\$1,601.9	\$2,586.5	\$2,511.6	\$2,511.6

Balance Sheet

	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31	Dec 31
	2009	2010	2011	2012	2013	2013
Assets (Billions)						
Advances	631.2	478.6	418.2	425.7	498.6	498.6
Cash and Liquidity Investments	115.5	127.0	89.8	102.8	101.0	101.0
MBS Investments	152.0	146.9	140.2	138.5	140.3	140.3
Private Label	48.1	37.6	29.5	25.4	21.3	21.3
Federal and Agency	104.0	109.3	110.7	113.1	119.1	119.1
Other Investments	41.5	60.6	61.7	43.3	47.7	47.7
Net Mortgage Loans	71.4	61.2	53.4	49.4	44.4	44.4
Other	4.3	4.1	3.1	2.9	2.5	2.5
Total Assets	\$1015.9	\$878.3	\$766.4	\$762.7	\$834.5	834.5
Liabilities						
Bonds	736.7	606.8	507.2	476.1	474.3	474.3
Discount Notes	198.5	194.4	190.1	216.3	293.3	293.3
Deposits	15.9	14.4	12.6	13.7	10.6	10.6
Mandatorily Redeemable Capital Stock	8.1	7.1	8.0	6.9	5.0	5.0
Other	13.9	11.9	8.6	7.1	6.4	6.4
Total Liabilities	\$973.1	\$834.6	\$726.6	\$720.2	\$789.6	789.6
Capital						
Capital Stock	45.0	41.7	35.5	33.5	33.4	33.4
Retained Earnings	6.0	7.5	8.5	10.4	12.1	12.1
Accumulated Other Comprehensive Income	-8.2	-5.5	-4.3	-1.5	-0.5	-0.5
Total GAAP Capital	\$42.8	\$43.7	\$39.8	\$42.5	\$45.0	\$45.0

Performance Measures

	2009	2010	2011	2012	2013	YTD
						4th Quarter 2013
Profitability						
Return on Assets (Annualized)	0.16%	0.21%	0.19%	0.34%	0.32%	0.32%
Return on Equity (Annualized)	3.91%	4.63%	3.80%	6.44%	5.86%	5.86%
Net Interest Spread	0.38%	0.48%	0.45%	0.47%	0.40%	0.40%
Capital						
Retained Earnings/Total Assets	0.6%	0.9%	1.1%	1.4%	1.5%	
GAAP Capital/Total Assets	4.2%	5.0%	5.2%	5.6%	5.4%	
Regulatory Capital/Total Assets	5.9%	6.5%	6.9%	6.7%	6.0%	
Market Value						
Market Value of Equity / Book Value of Equity	92%	99%	97%	101%	104%	
Market Value of Equity / Par Value of Capital Stock	88%	103%	106%	124%	135%	
Base Duration of Equity	3.43	1.01	0.71	0.14	0.96	

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

FHLBank - Atlanta

Income Statement

	2012	2013	4th Quarter		YTD		YTD 2012
			2012	2013	4th Quarter 2013	4th Quarter 2013	
Interest Income (Millions)							
Advances	294.1	233.0	71.9	55.4	53.4	233.0	294.1
Investments	602.3	496.9	136.6	125.9	120.4	496.9	602.3
Mortgage Loans	76.6	61.2	17.5	14.4	14.0	61.2	76.6
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$972.9	\$791.1	\$225.9	\$195.7	\$187.8	\$791.1	\$972.9
Interest Expense							
Bonds	567.5	420.8	118.9	104.3	95.9	420.8	567.5
Discount Notes	25.2	26.7	9.4	4.8	8.3	26.7	25.2
Other	4.1	1.3	0.8	0.2	0.2	1.3	4.1
Total Interest Expense	\$596.9	\$448.7	\$129.2	\$109.3	\$104.5	\$448.7	\$596.9
Provision for Credit Losses	5.9	4.8	1.7	1.3	0.4	4.8	5.9
Net Interest Income	\$370.2	\$337.6	\$95.1	\$85.0	\$83.0	\$337.6	\$370.2
Other Income	55.2	165.7	14.4	25.2	75.7	165.7	55.2
Operating Expenses	108.2	113.1	33.5	27.6	32.7	113.1	108.2
Other Expense	16.3	14.7	4.3	3.2	4.1	14.7	16.3
Income Before AHP Assessment	\$300.8	\$375.5	\$71.7	\$79.4	\$121.9	\$375.5	\$300.8
Affordable Housing Program Assessment	30.4	37.6	7.2	8.0	12.2	37.6	30.4
Net Income	\$270.4	\$337.9	\$64.5	\$71.5	\$109.7	\$337.9	\$270.4

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	87.5	89.6	87.5	78.2	89.6
Cash and Liquidity Investments	13.1	7.2	13.1	8.5	7.2
MBS Investments	16.8	18.6	16.8	18.6	18.6
Private Label	5.4	4.2	5.4	4.5	4.2
Federal and Agency	11.4	14.4	11.4	14.1	14.4
Other Investments	4.6	5.5	4.6	5.4	5.5
Net Mortgage Loans	1.2	0.9	1.2	1.0	0.9
Other	0.4	0.5	0.4	0.4	0.5
Total Assets	\$123.7	\$122.3	\$123.7	\$112.1	122.3
Liabilities					
Bonds	82.9	80.7	82.9	87.1	80.7
Discount Notes	31.7	32.2	31.7	16.3	32.2
Deposits	2.1	1.8	2.1	1.9	1.8
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.6	1.0	0.6	0.7	1.0
Total Liabilities	\$117.4	\$115.7	\$117.4	\$106.1	115.7
Capital					
Capital Stock	4.9	4.9	4.9	4.4	4.9
Retained Earnings	1.4	1.7	1.4	1.6	1.7
Accumulated Other Comprehensive Income	-0.1	0.1	-0.1	0.1	0.1
Total GAAP Capital	\$6.3	\$6.7	\$6.3	\$6.0	\$6.7

Performance Measures

	2012	2013	4th Quarter		YTD		YTD 2012
			2012	2013	4th Quarter 2013	4th Quarter 2013	
Profitability							
Return on Assets (Annualized)	0.22%	0.28%	0.21%	0.24%	0.36%	0.28%	0.22%
Return on Equity (Annualized)	4.26%	5.42%	4.10%	4.50%	6.86%	5.42%	4.25%
Net Interest Spread	0.27%	0.26%	0.29%	0.26%	0.24%	0.25%	0.28%
Capital							
Retained Earnings/Total Assets	1.2%	1.4%	1.2%	1.4%	1.4%		
GAAP Capital/Total Assets	5.1%	5.4%	5.1%	5.4%	5.4%		
Regulatory Capital/Total Assets	5.2%	5.4%	5.2%	5.3%	5.4%		
Market Value							
Market Value of Equity / Book Value of Equity	102%	99%	102%	97%	99%		
Market Value of Equity / Par Value of Capital Stock	131%	135%	131%	135%	135%		
Base Duration of Equity	-0.76	0.28	-0.76	-1.08	0.28		

FHLBank - Boston

Income Statement

			4th Quarter			YTD	YTD
	2012	2013	2012	2013	2013	2013	2012
Interest Income (Millions)							
Advances	356.4	252.3	87.0	58.2	61.5	252.3	356.4
Investments	237.4	206.2	58.6	50.2	47.5	206.2	237.4
Mortgage Loans	136.4	128.2	32.8	31.5	32.1	128.2	136.4
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$730.2	\$586.8	\$178.4	\$139.9	\$141.0	\$586.8	\$730.2
Interest Expense							
Bonds	405.0	318.2	93.1	78.7	75.1	318.2	405.0
Discount Notes	11.6	7.0	3.4	1.8	1.9	7.0	11.6
Other	1.1	5.8	0.2	0.9	3.7	5.8	1.1
Total Interest Expense	\$417.7	\$330.9	\$96.7	\$81.5	\$80.6	\$330.9	\$417.7
Provision for Credit Losses	-3.1	-2.0	-1.1	0.1	0.2	-2.0	-3.1
Net Interest Income	\$315.6	\$257.8	\$82.8	\$58.3	\$60.2	\$257.8	\$315.6
Other Income	-22.1	43.4	-6.6	-0.1	53.1	43.4	-22.1
Operating Expenses	53.5	56.2	14.4	13.9	16.2	56.2	53.5
Other Expense	9.8	8.5	2.5	1.9	1.9	8.5	9.8
Income Before AHP Assessment	\$230.2	\$236.5	\$59.4	\$42.4	\$95.2	\$236.5	\$230.2
Affordable Housing Program Assessment	23.1	24.2	6.0	4.3	9.9	24.2	23.1
Net Income	\$207.1	\$212.3	\$53.5	\$38.1	\$85.3	\$212.3	\$207.1

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	20.8	27.5	20.8	22.6	27.5
Cash and Liquidity Investments	4.9	5.2	4.9	5.2	5.2
MBS Investments	7.8	6.6	7.8	6.5	6.6
Private Label	1.3	1.2	1.3	1.2	1.2
Federal and Agency	6.5	5.4	6.5	5.3	5.4
Other Investments	3.1	1.8	3.1	2.0	1.8
Net Mortgage Loans	3.5	3.4	3.5	3.4	3.4
Other	0.1	0.1	0.1	0.1	0.1
Total Assets	\$40.2	\$44.6	\$40.2	\$39.7	\$44.6
Liabilities					
Bonds	26.1	23.5	26.1	24.2	23.5
Discount Notes	8.6	16.1	8.6	10.5	16.1
Deposits	0.6	0.5	0.6	0.6	0.5
Mandatorily Redeemable Capital Stock	0.2	1.0	0.2	1.0	1.0
Other	1.1	0.8	1.1	0.8	0.8
Total Liabilities	\$36.6	\$41.8	\$36.6	\$37.1	\$41.8
Capital					
Capital Stock	3.5	2.5	3.5	2.4	2.5
Retained Earnings	0.6	0.8	0.6	0.7	0.8
Accumulated Other Comprehensive Income	-0.5	-0.5	-0.5	-0.5	-0.5
Total GAAP Capital	\$3.6	\$2.8	\$3.6	\$2.7	\$2.8

Performance Measures

			4th Quarter			YTD	YTD
	2012	2013	2012	2013	2013	2013	2012
Profitability							
Return on Assets (Annualized)	0.45%	0.54%	0.49%	0.37%	0.84%	0.54%	0.44%
Return on Equity (Annualized)	6.03%	7.40%	6.07%	5.73%	12.39%	7.40%	6.01%
Net Interest Spread	0.58%	0.56%	0.66%	0.49%	0.52%	0.51%	0.60%
Capital							
Retained Earnings/Total Assets	1.5%	1.8%	1.5%	1.8%	1.8%		
GAAP Capital/Total Assets	8.9%	6.4%	8.9%	6.7%	6.4%		
Regulatory Capital/Total Assets	10.6%	9.6%	10.6%	10.4%	9.6%		
Market Value							
Market Value of Equity / Book Value of Equity	104%	110%	104%	110%	110%		
Market Value of Equity / Par Value of Capital Stock	108%	119%	108%	117%	119%		
Base Duration of Equity	0.33	0.88	0.33	0.55	0.88		

FHLBank - Chicago

Income Statement

			4th Quarter		YTD		YTD
	2012	2013	2012	2013	2013	2013	2012
Interest Income (Millions)							
Advances	241.2	175.5	47.0	53.1	38.4	175.5	241.2
Investments	1,129.0	936.2	268.4	227.6	224.9	936.2	1,129.0
Mortgage Loans	545.8	399.0	124.8	92.4	91.2	399.0	545.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$1,916.0	\$1,510.8	\$440.3	\$373.1	\$354.5	\$1,510.8	\$1,916.0
Interest Expense							
Bonds	979.6	716.4	213.7	169.9	154.6	716.4	979.6
Discount Notes	306.6	287.3	76.4	70.3	65.6	287.3	306.6
Other	57.4	57.0	14.3	14.3	14.1	57.0	57.4
Total Interest Expense	\$1,343.6	\$1,060.8	\$304.4	\$254.6	\$234.3	\$1,060.8	\$1,343.6
Provision for Credit Losses	9.3	-2.2	1.5	0.2	-0.2	-2.2	9.3
Net Interest Income	\$563.1	\$452.2	\$134.4	\$118.3	\$120.4	\$452.2	\$563.1
Other Income	-35.3	-1.1	-2.2	-8.5	-27.2	-1.1	-35.3
Operating Expenses	91.2	102.9	21.3	25.8	30.0	102.9	91.2
Other Expense	19.5	-27.9	-0.5	0.8	18.8	-27.9	19.5
Income Before AHP Assessment	\$417.0	\$376.1	\$111.4	\$83.1	\$44.4	\$376.1	\$417.0
Affordable Housing Program Assessment	41.7	32.6	11.1	8.3	4.4	32.6	41.7
Net Income	\$375.3	\$343.4	\$100.3	\$74.8	\$39.9	\$343.4	\$375.3

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	14.5	23.5	14.5	14.8	23.5
Cash and Liquidity Investments	10.1	6.0	10.1	7.9	6.0
MBS Investments	22.4	19.9	22.4	20.3	19.9
Private Label	1.5	1.3	1.5	1.3	1.3
Federal and Agency	20.9	18.6	20.9	19.0	18.6
Other Investments	11.8	11.5	11.8	9.7	11.5
Net Mortgage Loans	10.4	7.7	10.4	8.2	7.7
Other	0.3	0.2	0.3	0.2	0.2
Total Assets	\$69.6	\$68.8	\$69.6	\$61.1	68.8
Liabilities					
Bonds	32.6	32.0	32.6	35.8	32.0
Discount Notes	31.3	31.1	31.3	19.5	31.1
Deposits	0.8	0.5	0.8	0.6	0.5
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	1.5	1.4	1.5	1.6	1.4
Total Liabilities	\$66.1	\$65.0	\$66.1	\$57.5	65.0
Capital					
Capital Stock	1.7	1.7	1.7	1.6	1.7
Retained Earnings	1.7	2.0	1.7	2.0	2.0
Accumulated Other Comprehensive Income	0.1	0.1	0.1	0.1	0.1
Total GAAP Capital	\$3.4	\$3.8	\$3.4	\$3.6	\$3.8

Performance Measures

			4th Quarter		YTD		YTD
	2012	2013	2012	2013	2013	2013	2012
Profitability							
Return on Assets (Annualized)	0.54%	0.53%	0.59%	0.49%	0.25%	0.53%	0.54%
Return on Equity (Annualized)	12.91%	9.71%	12.39%	8.42%	4.34%	9.71%	12.87%
Net Interest Spread	0.62%	0.55%	0.58%	0.66%	0.65%	0.66%	0.60%
Capital							
Retained Earnings/Total Assets	2.4%	2.9%	2.4%	3.3%	2.9%		
GAAP Capital/Total Assets	5.0%	5.5%	5.0%	5.9%	5.5%		
Regulatory Capital/Total Assets	4.8%	5.4%	4.8%	5.8%	5.4%		
Market Value							
Market Value of Equity / Book Value of Equity	102%	116%	102%	111%	116%		
Market Value of Equity / Par Value of Capital Stock	212%	260%	212%	255%	260%		
Base Duration of Equity	0.75	0.96	0.75	0.63	0.96		

FHLBank - Cincinnati

Income Statement

			4th Quarter		YTD		YTD	
	2012	2013	2012	2013	2013	4th Quarter 2013	4th Quarter 2012	
Interest Income (Millions)								
Advances	260.7	308.1	76.0	79.3	79.0	308.1	260.7	
Investments	347.4	323.3	82.4	85.5	87.8	323.3	347.4	
Mortgage Loans	312.7	268.7	72.9	65.7	62.0	268.7	312.7	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Interest Income	\$920.8	\$900.2	\$231.4	\$230.5	\$228.8	\$900.2	\$920.8	
Interest Expense								
Bonds	569.9	529.8	126.4	129.9	137.4	529.8	569.9	
Discount Notes	30.7	36.7	10.7	8.4	7.7	36.7	30.7	
Other	12.1	5.8	3.0	1.4	1.2	5.8	12.1	
Total Interest Expense	\$612.7	\$572.3	\$140.1	\$139.8	\$146.3	\$572.3	\$612.7	
Provision for Credit Losses	1.5	-7.5	0.5	-1.0	0.0	-7.5	1.5	
Net Interest Income	\$306.7	\$335.3	\$90.7	\$91.7	\$82.4	\$335.3	\$306.7	
Other Income	13.4	19.8	-3.9	4.2	6.4	19.8	13.4	
Operating Expenses	44.9	51.5	11.5	13.0	14.0	51.5	44.9	
Other Expense	13.1	12.9	3.1	3.1	3.5	12.9	13.1	
Income Before AHP Assessment	\$262.1	\$290.7	\$72.2	\$79.8	\$71.3	\$290.7	\$262.1	
Affordable Housing Program Assessment	27.4	29.6	7.5	8.1	7.2	29.6	27.4	
Net Income	\$234.7	\$261.1	\$64.7	\$71.7	\$64.0	\$261.1	\$234.7	

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	53.9	65.3	53.9	65.9	65.3
Cash and Liquidity Investments	7.2	14.9	7.2	8.4	14.9
MBS Investments	12.8	16.1	12.8	15.3	16.1
Private Label	0.0	0.0	0.0	0.0	0.0
Federal and Agency	12.8	16.1	12.8	15.3	16.1
Other Investments	0.0	0.0	0.0	0.0	0.0
Net Mortgage Loans	7.5	6.8	7.5	6.8	6.8
Other	0.1	0.1	0.1	0.1	0.1
Total Assets	\$81.6	\$103.2	\$81.6	\$96.6	103.2
Liabilities					
Bonds	44.3	58.2	44.3	56.3	58.2
Discount Notes	30.8	38.2	30.8	33.5	38.2
Deposits	1.2	0.9	1.2	0.9	0.9
Mandatorily Redeemable Capital Stock	0.2	0.1	0.2	0.1	0.1
Other	0.5	0.5	0.5	0.5	0.5
Total Liabilities	\$77.0	\$97.9	\$77.0	\$91.3	97.9
Capital					
Capital Stock	4.0	4.7	4.0	4.7	4.7
Retained Earnings	0.5	0.6	0.5	0.6	0.6
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$4.5	\$5.3	\$4.5	\$5.3	\$5.3

Performance Measures

			4th Quarter		YTD		YTD	
	2012	2013	2012	2013	2013	4th Quarter 2013	4th Quarter 2012	
Profitability								
Return on Assets (Annualized)	0.35%	0.28%	0.36%	0.30%	0.25%	0.28%	0.35%	
Return on Equity (Annualized)	6.20%	5.10%	6.22%	5.37%	4.78%	5.10%	6.18%	
Net Interest Spread	0.40%	0.31%	0.45%	0.34%	0.30%	0.32%	0.44%	
Capital								
Retained Earnings/Total Assets	0.7%	0.6%	0.7%	0.6%	0.6%			
GAAP Capital/Total Assets	5.6%	5.1%	5.6%	5.5%	5.1%			
Regulatory Capital/Total Assets	5.8%	5.3%	5.8%	5.6%	5.3%			
Market Value								
Market Value of Equity / Book Value of Equity	103%	93%	103%	95%	93%			
Market Value of Equity / Par Value of Capital Stock	115%	105%	115%	107%	105%			
Base Duration of Equity	1.94	2.54	1.94	4.18	2.54			

FHLBank - Dallas

Income Statement

			4th Quarter		YTD		YTD
	2012	2013	2012	2013	2013	2013	2012
Interest Income (Millions)							
Advances	195.4	157.9	43.6	44.8	36.0	157.9	195.4
Investments	106.2	80.0	24.9	19.0	18.1	80.0	106.2
Mortgage Loans	7.9	5.9	1.8	1.4	1.3	5.9	7.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$309.5	\$243.8	\$70.3	\$65.2	\$55.4	\$243.8	\$309.5
Interest Expense							
Bonds	139.3	89.0	29.1	21.4	19.6	89.0	139.3
Discount Notes	8.4	6.8	2.6	1.4	1.6	6.8	8.4
Other	0.4	0.2	0.1	0.0	0.0	0.2	0.4
Total Interest Expense	\$148.1	\$96.0	\$31.8	\$22.8	\$21.2	\$96.0	\$148.1
Provision for Credit Losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Interest Income	\$161.4	\$147.9	\$38.5	\$42.4	\$34.2	\$147.9	\$161.4
Other Income	2.2	20.7	-1.1	7.6	4.4	20.7	2.2
Operating Expenses	67.6	66.1	16.8	16.0	17.2	66.1	67.6
Other Expense	5.1	4.8	1.4	1.1	1.3	4.8	5.1
Income Before AHP Assessment	\$90.9	\$97.6	\$19.2	\$32.8	\$20.2	\$97.6	\$90.9
Affordable Housing Program Assessment	9.1	9.8	1.9	3.3	2.0	9.8	9.1
Net Income	\$81.8	\$87.9	\$17.3	\$29.5	\$18.1	\$87.9	\$81.8

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	18.4	16.0	18.4	16.6	16.0
Cash and Liquidity Investments	6.1	2.4	6.1	3.1	2.4
MBS Investments	5.2	5.2	5.2	5.1	5.2
Private Label	0.2	0.2	0.2	0.2	0.2
Federal and Agency	5.0	5.0	5.0	4.9	5.0
Other Investments	5.8	6.5	5.8	6.3	6.5
Net Mortgage Loans	0.1	0.1	0.1	0.1	0.1
Other	0.1	0.1	0.1	0.1	0.1
Total Assets	\$35.8	\$30.2	\$35.8	\$31.3	\$30.2
Liabilities					
Bonds	25.7	21.5	25.7	22.0	21.5
Discount Notes	7.0	6.0	7.0	6.5	6.0
Deposits	1.2	0.9	1.2	0.9	0.9
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.1	0.1	0.1	0.1	0.1
Total Liabilities	\$34.0	\$28.5	\$34.0	\$29.6	\$28.5
Capital					
Capital Stock	1.2	1.1	1.2	1.1	1.1
Retained Earnings	0.6	0.7	0.6	0.6	0.7
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$1.8	\$1.7	\$1.8	\$1.7	\$1.7

Performance Measures

			4th Quarter		YTD		YTD
	2012	2013	2012	2013	2013	2013	2012
Profitability							
Return on Assets (Annualized)	0.22%	0.26%	0.18%	0.36%	0.22%	0.26%	0.22%
Return on Equity (Annualized)	4.77%	5.15%	3.89%	6.77%	4.25%	5.15%	4.76%
Net Interest Spread	0.41%	0.43%	0.38%	0.49%	0.40%	0.45%	0.40%
Capital							
Retained Earnings/Total Assets	1.6%	2.2%	1.6%	2.0%	2.2%		
GAAP Capital/Total Assets	5.0%	5.8%	5.0%	5.6%	5.8%		
Regulatory Capital/Total Assets	5.0%	5.9%	5.0%	5.8%	5.9%		
Market Value							
Market Value of Equity / Book Value of Equity	109%	113%	109%	112%	113%		
Market Value of Equity / Par Value of Capital Stock	158%	176%	158%	169%	176%		
Base Duration of Equity	1.56	4.25	1.56	2.59	4.25		

FHLBank - Des Moines

Income Statement

	2012	2013	4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
			2012	2013	2013	4th Quarter	4th Quarter
			2012	2013	2013	2013	2012
Interest Income (Millions)							
Advances	270.6	200.8	59.1	47.9	56.0	200.8	270.6
Investments	221.2	180.1	50.2	43.1	45.3	180.1	221.2
Mortgage Loans	284.1	253.5	66.2	62.0	62.5	253.5	284.1
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$775.9	\$634.4	\$175.5	\$153.0	\$163.8	\$634.4	\$775.9
Interest Expense							
Bonds	523.3	407.2	115.4	99.7	97.7	407.2	523.3
Discount Notes	11.4	13.6	3.5	2.4	7.5	13.6	11.4
Other	0.6	0.4	0.1	0.1	0.1	0.4	0.6
Total Interest Expense	\$535.3	\$421.3	\$119.1	\$102.3	\$105.4	\$421.3	\$535.3
Provision for Credit Losses	0.0	-5.9	0.0	0.0	-5.9	-5.9	0.0
Net Interest Income	\$240.6	\$219.0	\$56.4	\$50.7	\$64.3	\$219.0	\$240.6
Other Income	-49.3	-34.5	0.0	-3.4	-3.7	-34.5	-49.3
Operating Expenses	52.2	53.1	13.4	11.9	17.6	53.1	52.2
Other Expense	15.3	9.4	9.7	2.0	2.3	9.4	15.3
Income Before AHP Assessment	\$123.8	\$122.0	\$33.2	\$33.5	\$40.8	\$122.0	\$123.8
Affordable Housing Program Assessment	12.4	12.2	3.3	3.4	4.1	12.2	12.4
Net Income	\$111.4	\$109.8	\$29.9	\$30.1	\$36.7	\$109.8	\$111.4

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	26.6	45.7	26.6	45.8	45.7
Cash and Liquidity Investments	4.6	9.9	4.6	3.2	9.9
MBS Investments	6.9	8.2	6.9	7.3	8.2
Private Label	0.0	0.0	0.0	0.0	0.0
Federal and Agency	6.8	8.1	6.8	7.3	8.1
Other Investments	2.2	2.6	2.2	2.0	2.6
Net Mortgage Loans	7.0	6.6	7.0	6.6	6.6
Other	0.1	0.2	0.1	0.2	0.2
Total Assets	\$47.4	\$73.0	\$47.4	\$65.1	73.0
Liabilities					
Bonds	34.3	30.2	34.3	32.2	30.2
Discount Notes	8.7	38.1	8.7	28.2	38.1
Deposits	1.1	0.7	1.1	0.7	0.7
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.4	0.5	0.4	0.5	0.5
Total Liabilities	\$44.5	\$69.5	\$44.5	\$61.6	69.5
Capital					
Capital Stock	2.1	2.7	2.1	2.7	2.7
Retained Earnings	0.6	0.7	0.6	0.7	0.7
Accumulated Other Comprehensive Income	0.1	0.1	0.1	0.1	0.1
Total GAAP Capital	\$2.8	\$3.5	\$2.8	\$3.4	\$3.5

Performance Measures

	2012	2013	4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
			2012	2013	2013	4th Quarter	4th Quarter
			2012	2013	2013	2013	2012
Profitability							
Return on Assets (Annualized)	0.23%	0.20%	0.25%	0.23%	0.20%	0.20%	0.23%
Return on Equity (Annualized)	3.98%	3.68%	4.27%	4.12%	4.27%	3.68%	3.97%
Net Interest Spread	0.42%	0.35%	0.40%	0.39%	0.29%	0.34%	0.41%
Capital							
Retained Earnings/Total Assets	1.3%	0.9%	1.3%	1.0%	0.9%		
GAAP Capital/Total Assets	6.0%	4.7%	6.0%	5.3%	4.7%		
Regulatory Capital/Total Assets	5.7%	4.6%	5.7%	5.2%	4.6%		
Market Value							
Market Value of Equity / Book Value of Equity	85%	94%	85%	93%	94%		
Market Value of Equity / Par Value of Capital Stock	117%	121%	117%	119%	121%		
Base Duration of Equity	-2.37	0.97	-2.37	-0.11	0.97		

FHLBank - Indianapolis

Income Statement

	2012	2013	4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
			2012	2013	2013	2013	4th Quarter
Interest Income (Millions)							
Advances	174.6	145.5	39.2	30.8	43.6	145.5	174.6
Investments	210.6	173.7	50.9	42.5	41.2	173.7	210.6
Mortgage Loans	258.2	246.4	62.5	59.8	60.2	246.4	258.2
Other	1.4	1.5	0.1	0.6	0.4	1.5	1.4
Total Interest Income	\$644.8	\$567.1	\$152.7	\$133.7	\$145.5	\$567.1	\$644.8
Interest Expense							
Bonds	379.7	314.0	84.7	77.6	78.3	314.0	379.7
Discount Notes	8.0	7.8	2.9	1.7	1.7	7.8	8.0
Other	15.2	7.6	4.5	2.2	0.9	7.6	15.2
Total Interest Expense	\$402.9	\$329.5	\$92.1	\$81.5	\$80.9	\$329.5	\$402.9
Provision for Credit Losses	8.2	-4.2	0.3	0.3	-0.7	-4.2	8.2
Net Interest Income	\$233.7	\$241.9	\$60.3	\$51.8	\$65.3	\$241.9	\$233.7
Other Income	-13.1	69.5	-4.4	0.6	41.0	69.5	-13.1
Operating Expenses	52.7	61.4	14.2	18.6	15.2	61.4	52.7
Other Expense	7.0	6.8	1.7	1.5	1.9	6.8	7.0
Income Before AHP Assessment	\$160.9	\$243.1	\$39.9	\$32.2	\$89.2	\$243.1	\$160.9
Affordable Housing Program Assessment	17.6	25.1	4.4	3.4	9.0	25.1	17.6
Net Income	\$143.3	\$218.0	\$35.5	\$28.8	\$80.2	\$218.0	\$143.3

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	18.1	17.3	18.1	18.8	17.3
Cash and Liquidity Investments	5.5	3.3	5.5	3.5	3.3
MBS Investments	7.9	7.3	7.9	7.5	7.3
Private Label	0.9	0.6	0.9	0.7	0.6
Federal and Agency	7.0	6.7	7.0	6.9	6.7
Other Investments	3.6	3.4	3.6	3.5	3.4
Net Mortgage Loans	6.0	6.2	6.0	6.2	6.2
Other	0.1	0.2	0.1	0.2	0.2
Total Assets	\$41.2	\$37.8	\$41.2	\$39.6	\$37.8
Liabilities					
Bonds	27.4	26.6	27.4	27.6	26.6
Discount Notes	8.9	7.4	8.9	7.8	7.4
Deposits	1.8	1.1	1.8	1.1	1.1
Mandatorily Redeemable Capital Stock	0.5	0.0	0.5	0.3	0.0
Other	0.4	0.3	0.4	0.4	0.3
Total Liabilities	\$39.0	\$35.4	\$39.0	\$37.2	\$35.4
Capital					
Capital Stock	1.6	1.6	1.6	1.7	1.6
Retained Earnings	0.6	0.8	0.6	0.7	0.8
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$2.2	\$2.4	\$2.2	\$2.4	\$2.4

Performance Measures

	2012	2013	4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
			2012	2013	2013	2013	4th Quarter
Profitability							
Return on Assets (Annualized)	0.35%	0.54%	0.34%	0.29%	0.79%	0.54%	0.35%
Return on Equity (Annualized)	6.89%	9.40%	6.48%	4.82%	13.68%	9.40%	6.87%
Net Interest Spread	0.54%	0.52%	0.53%	0.45%	0.58%	0.52%	0.52%
Capital							
Retained Earnings/Total Assets	1.4%	2.0%	1.4%	1.7%	2.0%		
GAAP Capital/Total Assets	5.4%	6.3%	5.4%	6.0%	6.3%		
Regulatory Capital/Total Assets	6.5%	6.3%	6.5%	6.6%	6.3%		
Market Value							
Market Value of Equity / Book Value of Equity	100%	116%	100%	112%	116%		
Market Value of Equity / Par Value of Capital Stock	128%	171%	128%	152%	171%		
Base Duration of Equity	0.25	-2.01	0.25	-2.66	-2.01		

FHLBank - New York

Income Statement

			4th Quarter		YTD		YTD	
	2012	2013	2012	2013	2013	4th Quarter 2013	4th Quarter 2012	
Interest Income (Millions)								
Advances	524.2	444.6	119.2	113.6	120.2	444.6	524.2	
Investments	313.4	274.8	74.0	66.9	71.8	274.8	313.4	
Mortgage Loans	65.9	68.3	17.3	17.0	17.5	68.3	65.9	
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Interest Income	\$903.5	\$787.7	\$210.4	\$197.5	\$209.5	\$787.7	\$903.5	
Interest Expense								
Bonds	376.6	295.9	85.2	73.6	74.8	295.9	376.6	
Discount Notes	57.5	68.8	17.6	17.6	17.1	68.8	57.5	
Other	2.6	1.6	0.5	0.4	0.4	1.6	2.6	
Total Interest Expense	\$436.7	\$366.2	\$103.2	\$91.6	\$92.2	\$366.2	\$436.7	
Provision for Credit Losses	1.0	0.0	0.1	-0.2	-0.1	0.0	1.0	
Net Interest Income	\$465.9	\$421.5	\$107.1	\$106.1	\$117.4	\$421.5	\$465.9	
Other Income	31.6	14.1	11.8	-14.9	7.3	14.1	31.6	
Operating Expenses	82.5	83.3	21.9	19.9	22.0	83.3	82.5	
Other Expense	13.9	13.7	3.8	3.1	4.1	13.7	13.9	
Income Before AHP Assessment	\$401.0	\$338.6	\$93.2	\$68.3	\$98.6	\$338.6	\$401.0	
Affordable Housing Program Assessment	40.3	34.0	9.3	6.9	9.8	34.0	40.3	
Net Income	\$360.7	\$304.6	\$83.9	\$61.3	\$88.8	\$304.6	\$360.7	

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	75.9	90.8	75.9	89.1	90.8
Cash and Liquidity Investments	11.6	21.3	11.6	16.4	21.3
MBS Investments	12.6	13.4	12.6	13.0	13.4
Private Label	0.5	0.4	0.5	0.4	0.4
Federal and Agency	12.1	13.0	12.1	12.5	13.0
Other Investments	0.7	0.7	0.7	0.7	0.7
Net Mortgage Loans	1.8	1.9	1.8	1.9	1.9
Other	0.2	0.2	0.2	0.2	0.2
Total Assets	\$103.0	\$128.3	\$103.0	\$121.4	128.3
Liabilities					
Bonds	64.8	73.3	64.8	70.4	73.3
Discount Notes	29.8	45.9	29.8	42.3	45.9
Deposits	2.1	1.9	2.1	1.6	1.9
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.9	0.7	0.9	0.8	0.7
Total Liabilities	\$97.5	\$121.8	\$97.5	\$115.1	121.8
Capital					
Capital Stock	4.8	5.6	4.8	5.5	5.6
Retained Earnings	0.9	1.0	0.9	1.0	1.0
Accumulated Other Comprehensive Income	-0.2	-0.1	-0.2	-0.1	-0.1
Total GAAP Capital	\$5.5	\$6.5	\$5.5	\$6.3	\$6.5

Performance Measures

			4th Quarter		YTD		YTD	
	2012	2013	2012	2013	2013	4th Quarter 2013	4th Quarter 2012	
Profitability								
Return on Assets (Annualized)	0.35%	0.27%	0.32%	0.21%	0.29%	0.27%	0.35%	
Return on Equity (Annualized)	6.88%	5.22%	6.27%	3.95%	5.59%	5.22%	6.86%	
Net Interest Spread	0.42%	0.36%	0.38%	0.34%	0.36%	0.35%	0.39%	
Capital								
Retained Earnings/Total Assets	0.9%	0.8%	0.9%	0.8%	0.8%			
GAAP Capital/Total Assets	5.3%	5.1%	5.3%	5.2%	5.1%			
Regulatory Capital/Total Assets	5.5%	5.1%	5.5%	5.3%	5.1%			
Market Value								
Market Value of Equity / Book Value of Equity	103%	104%	103%	104%	104%			
Market Value of Equity / Par Value of Capital Stock	118%	121%	118%	120%	121%			
Base Duration of Equity	-1.46	0.60	-1.46	0.70	0.60			

FHLBank - Pittsburgh

Income Statement

			4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
	2012	2013	2012	2013	2013	2013	2012
Interest Income (Millions)							
Advances	292.6	230.0	81.3	55.6	60.0	230.0	292.6
Investments	269.8	224.9	62.6	54.6	56.8	224.9	269.8
Mortgage Loans	168.1	141.7	39.3	34.2	34.2	141.7	168.1
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$730.4	\$596.6	\$183.2	\$144.3	\$151.1	\$596.6	\$730.4
Interest Expense							
Bonds	501.3	381.3	109.2	92.8	85.9	381.3	501.3
Discount Notes	18.1	18.5	5.8	3.7	5.0	18.5	18.1
Other	1.2	1.7	0.4	0.4	0.0	1.7	1.2
Total Interest Expense	\$520.6	\$401.4	\$115.4	\$96.8	\$90.9	\$401.4	\$520.6
Provision for Credit Losses	0.4	-1.8	0.4	-0.7	0.2	-1.8	0.4
Net Interest Income	\$209.4	\$197.0	\$67.4	\$48.2	\$60.0	\$197.0	\$209.4
Other Income	7.1	47.5	9.8	17.8	15.0	47.5	7.1
Operating Expenses	64.4	72.3	17.6	15.9	24.1	72.3	64.4
Other Expense	8.0	7.8	2.0	1.7	2.3	7.8	8.0
Income Before AHP Assessment	\$144.2	\$164.5	\$57.5	\$48.4	\$48.6	\$164.5	\$144.2
Affordable Housing Program Assessment	14.5	16.6	5.8	4.9	4.9	16.6	14.5
Net Income	\$129.7	\$147.9	\$51.7	\$43.5	\$43.7	\$147.9	\$129.7

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	40.5	50.2	40.5	39.5	50.2
Cash and Liquidity Investments	8.9	6.0	8.9	7.4	6.0
MBS Investments	9.7	8.4	9.7	8.6	8.4
Private Label	2.6	2.0	2.6	2.1	2.0
Federal and Agency	7.1	6.4	7.1	6.5	6.4
Other Investments	1.8	2.6	1.8	2.6	2.6
Net Mortgage Loans	3.5	3.2	3.5	3.3	3.2
Other	0.2	0.2	0.2	0.2	0.2
Total Assets	\$64.6	\$70.7	\$64.6	\$61.6	70.7
Liabilities					
Bonds	35.1	37.7	35.1	35.2	37.7
Discount Notes	24.1	28.2	24.1	22.0	28.2
Deposits	1.0	0.7	1.0	0.8	0.7
Mandatorily Redeemable Capital Stock	0.4	0.0	0.4	0.0	0.0
Other	0.5	0.3	0.5	0.4	0.3
Total Liabilities	\$61.2	\$67.0	\$61.2	\$58.4	67.0
Capital					
Capital Stock	2.8	3.0	2.8	2.5	3.0
Retained Earnings	0.6	0.7	0.6	0.7	0.7
Accumulated Other Comprehensive Income	0.1	0.0	0.1	0.0	0.0
Total GAAP Capital	\$3.4	\$3.7	\$3.4	\$3.2	\$3.7

Performance Measures

			4th Quarter	3rd Quarter	4th Quarter	YTD	YTD
	2012	2013	2012	2013	2013	2013	2012
Profitability							
Return on Assets (Annualized)	0.23%	0.24%	0.35%	0.29%	0.27%	0.24%	0.22%
Return on Equity (Annualized)	3.75%	4.32%	6.05%	5.11%	5.11%	4.32%	3.74%
Net Interest Spread	0.29%	0.27%	0.40%	0.27%	0.33%	0.30%	0.34%
Capital							
Retained Earnings/Total Assets	0.9%	1.0%	0.9%	1.1%	1.0%		
GAAP Capital/Total Assets	5.3%	5.2%	5.3%	5.2%	5.2%		
Regulatory Capital/Total Assets	5.9%	5.2%	5.9%	5.1%	5.2%		
Market Value							
Market Value of Equity / Book Value of Equity	97%	103%	97%	99%	103%		
Market Value of Equity / Par Value of Capital Stock	115%	128%	115%	127%	128%		
Base Duration of Equity	2.51	1.15	2.51	2.32	1.15		

FHLBank - San Francisco

Income Statement

			4th Quarter		YTD		YTD
	2012	2013	2012	2013	2013	2013	4th Quarter 2012
Interest Income (Millions)							
Advances	584.3	345.1	129.5	84.1	83.3	345.1	584.3
Investments	832.3	691.1	187.4	171.6	173.5	691.1	832.3
Mortgage Loans	77.6	50.0	17.4	11.8	11.9	50.0	77.6
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$1,494.2	\$1,086.2	\$334.3	\$267.5	\$268.7	\$1,086.2	\$1,494.2
Interest Expense							
Bonds	573.6	431.7	129.2	101.6	90.0	431.7	573.6
Discount Notes	21.4	16.9	3.3	4.5	6.0	16.9	21.4
Other	51.1	155.3	31.1	47.4	45.6	155.3	51.1
Total Interest Expense	\$646.1	\$604.0	\$163.6	\$153.5	\$141.6	\$604.0	\$646.1
Provision for Credit Losses	-1.4	-0.9	0.0	-0.3	-0.6	-0.9	-1.4
Net Interest Income	\$849.5	\$483.1	\$170.7	\$114.3	\$127.7	\$483.1	\$849.5
Other Income	-164.2	4.9	-27.2	-21.9	-4.9	4.9	-164.2
Operating Expenses	115.6	116.0	32.1	29.4	32.4	116.0	115.6
Other Expense	18.8	12.4	3.6	2.6	3.3	12.4	18.8
Income Before AHP Assessment	\$551.0	\$359.6	\$107.7	\$60.5	\$87.1	\$359.6	\$551.0
Affordable Housing Program Assessment	60.2	51.5	13.9	10.8	13.3	51.5	60.2
Net Income	\$490.8	\$308.2	\$93.8	\$49.7	\$73.8	\$308.2	\$490.8

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	43.7	44.4	43.7	44.2	44.4
Cash and Liquidity Investments	14.2	14.1	14.2	15.9	14.1
MBS Investments	22.7	22.5	22.7	22.6	22.5
Private Label	10.5	9.3	10.5	9.6	9.3
Federal and Agency	12.2	13.2	12.2	13.0	13.2
Other Investments	3.7	3.6	3.7	3.6	3.6
Net Mortgage Loans	1.3	0.9	1.3	1.0	0.9
Other	0.7	0.3	0.7	0.3	0.3
Total Assets	\$86.4	\$85.8	\$86.4	\$87.7	\$85.8
Liabilities					
Bonds	70.3	53.2	70.3	56.1	53.2
Discount Notes	5.2	24.2	5.2	21.8	24.2
Deposits	0.2	0.2	0.2	0.3	0.2
Mandatorily Redeemable Capital Stock	4.3	2.1	4.3	2.6	2.1
Other	0.7	0.4	0.7	1.3	0.4
Total Liabilities	\$80.8	\$80.1	\$80.8	\$82.0	\$80.1
Capital					
Capital Stock	4.2	3.5	4.2	3.5	3.5
Retained Earnings	2.2	2.4	2.2	2.4	2.4
Accumulated Other Comprehensive Income	-0.8	-0.1	-0.8	-0.3	-0.1
Total GAAP Capital	\$5.6	\$5.7	\$5.6	\$5.6	\$5.7

Performance Measures

			4th Quarter		YTD		YTD
	2012	2013	2012	2013	2013	2013	4th Quarter 2012
Profitability							
Return on Assets (Annualized)	0.48%	0.35%	0.41%	0.23%	0.34%	0.35%	0.48%
Return on Equity (Annualized)	9.44%	5.36%	6.73%	3.48%	5.20%	5.36%	9.41%
Net Interest Spread	0.80%	0.52%	0.69%	0.48%	0.53%	0.51%	0.76%
Capital							
Retained Earnings/Total Assets	2.6%	2.8%	2.6%	2.7%	2.8%		
GAAP Capital/Total Assets	6.5%	6.7%	6.5%	6.4%	6.7%		
Regulatory Capital/Total Assets	12.4%	9.2%	12.4%	9.7%	9.2%		
Market Value							
Market Value of Equity / Book Value of Equity	102%	103%	102%	104%	103%		
Market Value of Equity / Par Value of Capital Stock	119%	145%	119%	140%	145%		
Base Duration of Equity	-0.30	1.63	-0.30	1.24	1.63		

FHLBank - Seattle

Income Statement

	2012	2013	4th Quarter		YTD		YTD 2012
			2012	2013	2013	2013	
Interest Income (Millions)							
Advances	97.3	75.4	23.5	22.1	16.8	75.4	97.3
Investments	156.5	157.9	42.5	37.5	41.7	157.9	156.5
Mortgage Loans	62.6	48.5	14.1	11.5	10.9	48.5	62.6
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Interest Income	\$316.3	\$281.8	\$80.1	\$71.2	\$69.4	\$281.8	\$316.3
Interest Expense							
Bonds	176.8	131.5	34.6	33.3	33.3	131.5	176.8
Discount Notes	16.4	11.9	6.0	1.9	2.3	11.9	16.4
Other	0.1	1.0	0.0	0.5	0.5	1.0	0.1
Total Interest Expense	\$193.3	\$144.5	\$40.6	\$35.8	\$36.1	\$144.5	\$193.3
Provision for Credit Losses	-2.9	-1.1	-0.5	-1.0	-0.1	-1.1	-2.9
Net Interest Income	\$125.9	\$138.5	\$40.0	\$36.4	\$33.4	\$138.5	\$125.9
Other Income	24.2	9.8	1.3	4.1	5.7	9.8	24.2
Operating Expenses	64.8	70.4	15.7	15.7	22.1	70.4	64.8
Other Expense	6.7	9.6	1.5	1.2	1.5	9.6	6.7
Income Before AHP Assessment	\$78.7	\$68.4	\$24.0	\$23.6	\$15.5	\$68.4	\$78.7
Affordable Housing Program Assessment	7.9	6.9	2.4	2.4	1.6	6.9	7.9
Net Income	\$70.8	\$61.4	\$21.7	\$21.2	\$13.9	\$61.4	\$70.8

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	9.1	10.9	9.1	10.8	10.9
Cash and Liquidity Investments	13.0	8.2	13.0	10.8	8.2
MBS Investments	8.4	8.7	8.4	8.8	8.7
Private Label	1.9	1.7	1.9	1.7	1.7
Federal and Agency	6.5	7.0	6.5	7.1	7.0
Other Investments	3.6	7.1	3.6	5.9	7.1
Net Mortgage Loans	1.1	0.8	1.1	0.8	0.8
Other	0.2	0.1	0.2	0.1	0.1
Total Assets	\$35.4	\$35.9	\$35.4	\$37.2	\$35.9
Liabilities					
Bonds	10.5	17.4	10.5	18.9	17.4
Discount Notes	21.4	15.0	21.4	14.6	15.0
Deposits	0.5	0.4	0.5	0.5	0.4
Mandatorily Redeemable Capital Stock	1.2	1.7	1.2	1.8	1.7
Other	0.2	0.2	0.2	0.4	0.2
Total Liabilities	\$33.8	\$34.7	\$33.8	\$36.2	\$34.7
Capital					
Capital Stock	1.6	0.9	1.6	0.9	0.9
Retained Earnings	0.2	0.3	0.2	0.3	0.3
Accumulated Other Comprehensive Income	-0.2	-0.1	-0.2	-0.1	-0.1
Total GAAP Capital	\$1.6	\$1.1	\$1.6	\$1.1	\$1.1

Performance Measures

	2012	2013	4th Quarter		YTD		YTD 2012
			2012	2013	2013	2013	
Profitability							
Return on Assets (Annualized)	0.19%	0.17%	0.24%	0.22%	0.15%	0.17%	0.19%
Return on Equity (Annualized)	4.98%	5.04%	5.71%	7.99%	5.01%	5.04%	4.97%
Net Interest Spread	0.29%	0.35%	0.40%	0.36%	0.33%	0.35%	0.35%
Capital							
Retained Earnings/Total Assets	0.6%	0.8%	0.6%	0.7%	0.8%		
GAAP Capital/Total Assets	4.4%	3.2%	4.4%	2.9%	3.2%		
Regulatory Capital/Total Assets	8.4%	8.2%	8.4%	8.0%	8.2%		
Market Value							
Market Value of Equity / Book Value of Equity	95%	100%	95%	99%	100%		
Market Value of Equity / Par Value of Capital Stock	95%	108%	95%	105%	108%		
Base Duration of Equity	1.46	0.03	1.46	-1.67	0.03		

FHLBank - Topeka

Income Statement

			4th Quarter			YTD	YTD
	2012	2013	2012	2013	2013	2013	2012
Interest Income (Millions)							
Advances	154.6	128.4	37.3	31.0	31.2	128.4	154.6
Investments	144.0	117.3	32.8	29.1	28.6	117.3	144.0
Mortgage Loans	194.4	195.6	48.7	48.7	50.6	195.6	194.4
Other	1.8	1.7	0.4	0.4	0.4	1.7	1.8
Total Interest Income	\$494.8	\$443.1	\$119.2	\$109.1	\$110.7	\$443.1	\$494.8
Interest Expense							
Bonds	264.1	215.2	62.6	52.3	49.2	215.2	264.1
Discount Notes	9.2	8.9	3.0	2.0	2.1	8.9	9.2
Other	1.7	1.2	0.4	0.2	0.3	1.2	1.7
Total Interest Expense	\$275.1	\$225.3	\$66.0	\$54.6	\$51.6	\$225.3	\$275.1
Provision for Credit Losses	2.5	1.9	0.0	0.5	-0.1	1.9	2.5
Net Interest Income	\$217.2	\$215.8	\$53.2	\$54.0	\$59.3	\$215.8	\$217.2
Other Income	-43.1	-30.8	-8.6	-9.8	-3.2	-30.8	-43.1
Operating Expenses	42.1	43.2	10.9	10.2	12.8	43.2	42.1
Other Expense	9.4	9.6	2.0	2.2	2.2	9.6	9.4
Income Before AHP Assessment	\$122.6	\$132.3	\$31.8	\$31.8	\$41.1	\$132.3	\$122.6
Affordable Housing Program Assessment	12.3	13.2	3.2	3.2	4.1	13.2	12.3
Net Income	\$110.3	\$119.0	\$28.6	\$28.6	\$37.0	\$119.0	\$110.3

Balance Sheet

	Dec 31	Dec 31	Dec 31	Sep 30	Dec 31
	2012	2013	2012	2013	2013
Assets (Billions)					
Advances	16.6	17.4	16.6	18.8	17.4
Cash and Liquidity Investments	3.6	2.6	3.6	3.0	2.6
MBS Investments	5.3	5.5	5.3	5.8	5.5
Private Label	0.5	0.3	0.5	0.3	0.3
Federal and Agency	4.8	5.2	4.8	5.5	5.2
Other Investments	2.2	2.3	2.2	2.5	2.3
Net Mortgage Loans	5.9	5.9	5.9	5.9	5.9
Other	0.2	0.2	0.2	0.1	0.2
Total Assets	\$33.8	\$34.0	\$33.8	\$36.1	\$34.0
Liabilities					
Bonds	22.0	20.1	22.0	21.1	20.1
Discount Notes	8.7	10.9	8.7	12.2	10.9
Deposits	1.2	1.0	1.2	0.8	1.0
Mandatorily Redeemable Capital Stock	0.0	0.0	0.0	0.0	0.0
Other	0.3	0.2	0.3	0.3	0.2
Total Liabilities	\$32.1	\$32.1	\$32.1	\$34.3	\$32.1
Capital					
Capital Stock	1.3	1.3	1.3	1.3	1.3
Retained Earnings	0.5	0.6	0.5	0.5	0.6
Accumulated Other Comprehensive Income	0.0	0.0	0.0	0.0	0.0
Total GAAP Capital	\$1.7	\$1.8	\$1.7	\$1.8	\$1.8

Performance Measures

			4th Quarter			YTD	YTD
	2012	2013	2012	2013	2013	2013	2012
Profitability							
Return on Assets (Annualized)	0.32%	0.33%	0.32%	0.31%	0.40%	0.33%	0.32%
Return on Equity (Annualized)	6.23%	6.37%	6.29%	5.87%	7.94%	6.37%	6.21%
Net Interest Spread	0.58%	0.57%	0.55%	0.56%	0.62%	0.59%	0.56%
Capital							
Retained Earnings/Total Assets	1.4%	1.7%	1.4%	1.5%	1.7%		
GAAP Capital/Total Assets	5.1%	5.3%	5.1%	5.0%	5.3%		
Regulatory Capital/Total Assets	5.2%	5.4%	5.2%	5.1%	5.4%		
Market Value							
Market Value of Equity / Book Value of Equity	116%	118%	116%	118%	118%		
Market Value of Equity / Par Value of Capital Stock	158%	169%	158%	165%	169%		
Base Duration of Equity	-0.57	-0.23	-0.57	-1.77	-0.23		