

Financial Highlights – Balance Sheet

(Dollars in millions)	<u>September 30, 2009</u>	<u>December 31, 2008</u>	<u>\$ Change</u>	<u>% Change</u>
Advances	\$ 36,303	\$ 41,897	\$ (5,594)	(13%)
Mortgage loans, net	7,838	10,685	(2,847)	(27%)
Mortgage-backed securities	9,335	9,307	28	0%
Short-term investments	4,953	3,810	1,143	30%
Other investments	6,846	2,252	4,594	204%
Other assets	151	178	(27)	(15%)
Total Assets	\$ 65,426	\$ 68,129	\$ (2,703)	(4%)
Deposits	\$ 1,217	\$ 1,496	\$ (279)	(19%)
CO - Discount notes	12,874	20,061	(7,187)	(36%)
CO - Bonds	46,918	42,723	4,195	10%
Other liabilities	1,031	832	199	24%
Total Liabilities	62,040	65,112	(3,072)	(5%)
Capital stock	2,952	2,781	171	6%
Retained earnings	458	382	76	20%
Accumulated other comprehensive income	(24)	(146)	122	(84%)
Total Capital	3,386	3,017	369	12%
Total Liabilities and Capital	\$ 65,426	\$ 68,129	\$ (2,703)	(4%)



Financial Highlights – QTD Income Statement

(Dollars in thousands)	QTD	QTD
	<u>September 30, 2009</u>	<u>September 30, 2008</u>
Advances	\$ 152,351	\$ 372,120
Investments	78,191	107,372
Mortgage loans	95,057	132,980
Total Interest Income	325,599	612,472
Consolidated obligations	266,758	526,878
Deposits	582	5,662
Other interest expense	117	266
Total Interest Expense	267,457	532,806
Net Interest Income Before Provision	58,142	79,666
Loan Loss Provision	91	0
Net Interest Income After Provision	58,051	79,666
Net realized and unrealized (loss) gain on trading securities	(1,697)	0
Net loss on bonds held at fair value	(3,165)	0
Net gain on loans held for sale	0	0
Net gain (loss) on sale of available-for-sale securities	31,059	0
Net gain (loss) on derivatives and hedging activities	1,881	(2,143)
Loss on extinguishment of debt	(28,567)	0
Other non-interest income	1,967	(4,421)
Total Non-Interest Income	1,478	(6,564)
Operating expense & other non-interest expense	10,284	9,869
Finance Agency & Office of Finance	1,019	865
Total other expense	11,303	10,734
Income (Loss) Before Assessment	48,226	62,368
Affordable Housing Program	3,948	5,099
REFCORP	8,856	11,450
Total Assessments	12,804	16,549
Net Income (Loss)	\$ 35,422	\$ 45,819



Financial Highlights – YTD Income Statement

(Dollars in thousands)	YTD	YTD
	<u>September 30, 2009</u>	<u>September 30, 2008</u>
Advances	\$ 541,850	\$ 1,091,480
Investments	241,532	315,871
Mortgage loans	348,972	399,789
Total Interest Income	1,132,354	1,807,140
Consolidated obligations	999,563	1,566,167
Deposits	2,050	20,559
Other interest expense	220	3,049
Total Interest Expense	1,001,833	1,589,775
Net Interest Income Before Provision	130,521	217,365
Loan Loss Provision	341	0
Net Interest Income After Provision	130,180	217,365
Net realized and unrealized gain on trading securities	52,056	0
Net loss on bonds held at fair value	(15,392)	0
Net gain on loans held for sale	1,342	0
Net loss on sale of available-for-sale securities	(11,710)	0
Net gain (loss) on derivatives and hedging activities	98,297	(12,516)
(Loss) gain on extinguishment of debt	(80,925)	239
Other non-interest income	5,543	(2,009)
Total Non-Interest Income	49,211	(14,286)
Operating expense & other non-interest expense	32,565	30,024
Finance Agency & Office of Finance	3,270	2,725
Total other expense	35,835	32,749
Income (Loss) Before Assessment	143,556	170,330
Affordable Housing Program	11,739	13,939
REFCORP	26,364	31,263
Total Assessments	38,103	45,202
Net Income (Loss)	\$ 105,453	\$ 125,128



Financial Highlights – Ratios

	<u>QTD</u> <u>September 30, 2009</u>	<u>QTD</u> <u>September 30, 2008</u>	<u>YTD</u> <u>September 30, 2009</u>	<u>YTD</u> <u>September 30, 2008</u>
Net interest spread	0.24%	0.26%	0.13%	0.25%
Net interest margin	0.34%	0.42%	0.25%	0.42%
Operating expense to average assets	0.06%	0.05%	0.06%	0.06%
Return on average assets	0.21%	0.24%	0.20%	0.24%
Return on average capital stock	4.78%	5.63%	4.87%	5.61%
Spread between return on average capital stock and average three month LIBOR	4.37%	2.72%	4.04%	2.63%

