

FHLBanks Report Confirms Continued Reliable Liquidity for Local Communities

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The Federal Home Loan Banks (FHLBanks) preliminary unaudited first quarter 2015 combined operating highlights reported today by the FHLBanks' Office of Finance show continued stability in the nationwide system of wholesale regional banks. The strength demonstrated by the numbers is important to the U.S. financial system because FHLBank member institutions consider uninterrupted access to liquidity the single most vital aspect of their membership, according to John von Seggern, President and CEO of the Council of FHLBanks.

"The mission of the FHLBanks is to provide reliable liquidity for members in support of housing finance and community investment," von Seggern said.

"Members seek attractive financing from their regional, cooperatively owned FHLBanks to fulfill their business needs, enhance income and manage interest rate risk," he said. "They participate in FHLBank mortgage programs to acquire liquidity for mortgage originations and garner access to the secondary mortgage markets."

"Local lenders use the reliable liquidity that they obtain from their FHLBanks and put it to work by investing it in jobs, housing and economic growth in their communities," said von Seggern.

FHLBanks supply funding at the lowest possible cost to nearly 7,400 community banks, credit unions, insurance companies and community development financial institutions everywhere in the U.S. in all economic conditions. Without the FHLBanks, it would be more difficult for community-based financial institutions to make loans to local families, farms and businesses.