

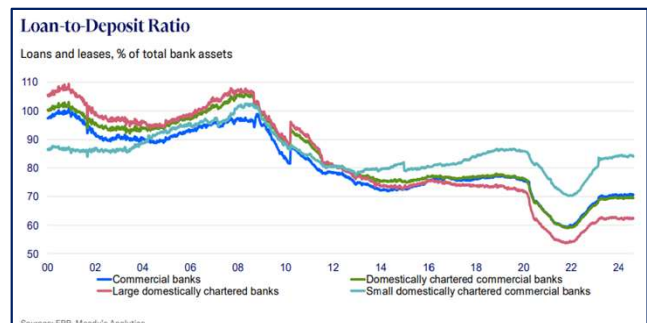
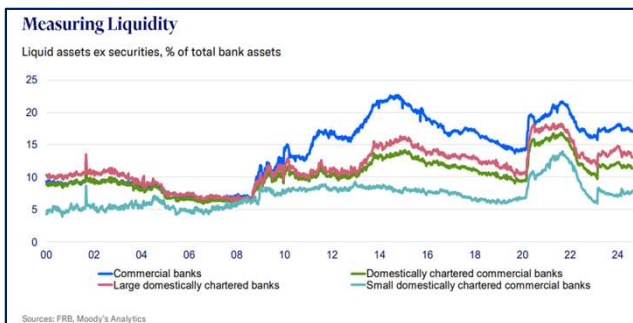
Get to know the FHLBanks and their role in the U.S. Financial System

DID YOU KNOW?

FHLBank liquidity is especially important for small and mid-sized members.

HOW DOES IT WORK?

- The FHLBanks provide liquidity to approximately 6,500 commercial banks, savings institutions, credit unions, insurance companies and community development financial institutions across the country.
- Providing liquidity fulfills the FHLBanks' mission and supports lending for homebuyers, affordable rental housing, community development, small businesses, and enhances the stability of the U.S. financial system.
 - Advances (collateralized loans) provide liquidity at terms ranging from overnight to 30 years.
 - Advances are primarily collateralized with mortgages and mortgage-backed securities.
 - FHLBank advances provided more than \$787 billion in liquidity as of the end of Q2 2024.*
 - Liquidity is used by members to support housing finance, other forms of lending, and balance sheet management.



- As of Q2 2024, 96.5 percent of FDIC insured FHLBank members had less than \$10 billion in assets.[†]
- According to Moody's Analytics, small domestic banks have the least liquid balance sheets and make proportionately more loans and leases than their larger peers.
- At the end of Q2 2024, more than 3,500 members had small advances (less than \$1.0 billion per member) outstanding across the FHLBank System, representing approximately 96 percent of the total number of borrowers and accounting for roughly 30 percent of the total principal amount of advances outstanding at quarter end.*

Small financial institutions rely on FHLBank liquidity every day to manage their business.

FHLBank liquidity helps local financial institutions serve their communities!