



REPORT FROM THE PRESIDENT

February 28, 2003

TO: All Stockholders
(individually addressed)

SUBJECT: Report for the Month

MEMBER DEMAND FOR ADVANCES REMAINS STRONG

The Home Loan Bank began 2003 with a strong financial performance. In January at \$66.5 billion, advances averaged \$557 million above December's level and closed January at \$68.1 billion. Compared with January 2002, average advances increased by a healthy \$7.2 billion. Increases in demand were booked in Long-Term Fixed, Adjustable Rate of Credit and Repo advance products.

Average short-term investments during January 2003 decreased by \$1.1 billion from December 2002's levels, while average mortgage-backed securities increased \$350 million.

In January, at \$180.9 million, annualized net income after REFCORP remained strong. This solid return for our stockholders indicates that 2003 is off to a good start. Through our competitive pricing, innovative products, and exceptional service, we look forward to providing sustained strong performance and greater value.

2003 REGIONAL STOCKHOLDER MEETINGS SET FOR SPRING

Arrangements have been finalized for the Home Loan Bank's 2003 Regional Stockholder Meetings. This year's meetings will focus on the transition to our new risk-based capital plan -- which will go into effect on October 1, 2003. The new, flexible plan changes the minimum capital investment in our Bank. It will also change the investments required when you borrow at our advances window or when you use our other credit products. At the meetings, we will also discuss the Home Loan Bank's accomplishments in 2002 as well as the value membership brings to your organization.

Given the importance of the new capital structure, I believe these meetings will be a good investment of your time. The following is a list of the dates and locations of the 2003 Regional Stockholder Meetings:

March 25, 2003	Bankers Club Puerto Rico	Hato Rey, PR
April 23, 2003	Buffalo/Niagara Marriott	Buffalo, NY
April 24, 2003	Wyndham Syracuse Hotel	Syracuse, NY
April 25, 2003	Albany Marriott	Albany, NY
May 6, 2003	Club 101	New York, NY
May 20, 2003	Sheraton Meadowlands	East Rutherford, NJ
May 21, 2003	Seaview Marriott	Galloway, NJ

101 PARK AVENUE
NEW YORK, NY 10178-0599

T: 212.681.6000
F: 212.441.6890
WWW.FHLBNY.COM

The May 6 meeting in New York City will be followed by a cocktail reception honoring our recently retired Directors. Watch your mail in mid-March for more information and registration forms. Should you have any questions regarding the meetings, please contact Jim Gilmore, Senior Vice President of Banking Services, at (212) 441-6812.

FHLBNY SUBMITS PRO MULTI-DISTRICT MEMBERSHIP COMMENTS TO FHFB

The Home Loan Bank of New York submitted comments arguing in favor of Limited Multi-District Membership (LMDM) to the Federal Housing Finance Board (FHFB) on February 7, 2003. (Our comments were made in response to a December 20, 2002 request by the FHFB, our regulator, for all 12 FHLBanks to comment on the issue.)

In our February 7, 2003, comments we stressed that consolidation of our member institutions will continue and that the Home Loan Bank System needs to be permitted LMDM in order for the Bank System to stay in step and efficiently serve the financial services industry. LMDM will permit the continuing close connection of the deposit bases and communities served by each member lender to the FHLBank in each region. The FHLBNY also recommended that the FHFB make the effective date of the change retroactive to allow the surviving organizations of acquired institutions that previously petitioned the FHFB on the issue of LMDM to again enjoy the benefits of their previous partnerships. The FHFB indicated that, after reviewing the comments from the Home Loan Banks, the FHFB will determine if multi-district membership should be permitted; and then, if needed, the agency is shooting for June of 2003 as the target date for a rulemaking to modernize membership terms.

We are appreciative to FHFB Chairman John T. Korsmo and the FHFB staff for considering the issue.

FHFB/SEC DISCLOSURE REGULATION UPDATE

Although I do not have anything concrete to report to you, the Home Loan Banks are continuing to work with the policymakers in Washington to work out an agreement that will ensure full and complete financial disclosure consistent with the standard set forth in the Securities Exchange Act of 1934 and in the related implementing regulations of the SEC. But the trick in doing this is to ensure that no unintended consequences of voluntarily registering will ripple through the System, hindering your ability to tap our low-cost funds.

I would like to thank each stockholder for your business.

Sincerely,

Alfred A. DelliBovi
President