



Q3 2024 Earnings Supplemental Materials

October 25, 2024

Disclaimers

Forward-Looking Information

This presentation contains forward-looking statements and information. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words “may,” “could,” “would,” “should,” “believe,” “expect,” “anticipate,” “plan,” “estimate,” “target,” “project,” “intend” and similar expressions. These statements include, among others, statements regarding our portfolio and targeted assets, expected performance, anticipated returns on our investments, interest rates, the mortgage backed securities markets, financing and hedging investment opportunities, funding costs, book value, interest rate sensitivity, the economy, inflation, capital raising and actual or anticipated actions of the Federal Reserve (the “Fed”), and the impact of those actual or anticipated actions on the Company.

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Financial Results

Financial Highlights for the Quarter Ended September 30, 2024

| Net Income (Loss) ¹ | |
|--------------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| \$0.24 | \$(0.09) |

| Book Value ¹ | |
|-------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| \$8.40 | \$8.58 |

| Total Return ² | |
|---------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| 2.10% | (1.97)% |

| Dividend Declared ¹ | |
|--------------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| \$0.36 | \$0.36 |

1. Data is on a per share basis
2. Equal to (a) the sum of dividends declared and paid during the quarter and changes in book value during the quarter, divided by (b) book value at the beginning of the quarter

Portfolio Highlights for the Quarter Ended September 30, 2024

| Average MBS Balances (in millions) | |
|---------------------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| \$4,984 | \$4,203 |

| Economic Leverage Ratio ¹ | |
|--------------------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| 7.6 | 7.1 |

| Speeds (3mo. Portfolio CPR) | |
|--------------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| 8.8 | 7.6 |

| Liquidity ² | |
|------------------------|--------------|
| <u>Q3 24</u> | <u>Q2 24</u> |
| 49.8 % | 47.7 % |

1. The economic leverage ratio is calculated by dividing ending total liabilities adjusted for net notional TBA positions by ending stockholders' equity
2. Liquidity is calculated as the percentage of unrestricted cash, cash equivalents, unpledged RMBS and unpledged U.S. Treasury securities to stockholders' equity

Orchid Island Capital Financial Results for the Three Months Ended September 30, 2024

Income Statement

(\$ in thousands, except for per share data)

| | Three Months Ended September 30, | |
|--|----------------------------------|--------------------|
| | 2024 | 2023 |
| Interest income | \$ 67,646 | \$ 50,107 |
| Interest expense | (67,306) | (58,705) |
| Net interest (expense) income | 340 | (8,598) |
| Realized gains (losses) on mortgage-backed securities | 510 | - |
| Unrealized gains (losses) on mortgage-backed securities and U.S. Treasury securities | 161,564 | (208,932) |
| (Losses) gains on derivative and other hedging instruments | (140,825) | 142,042 |
| Net portfolio income (loss) | 21,589 | (75,488) |
| Expenses | 4,269 | 4,644 |
| Net Income (loss) | \$ 17,320 | \$ (80,132) |
| Other comprehensive income | 48 | 16 |
| Comprehensive net income (loss) | 17,368 | (80,116) |
| Basic and diluted net income (loss) per share | \$ 0.24 | \$ (1.68) |
| Weighted Average Shares Outstanding | 72,377,373 | 47,773,409 |
| Dividends Declared Per Common Share | \$ 0.36 | \$ 0.48 |

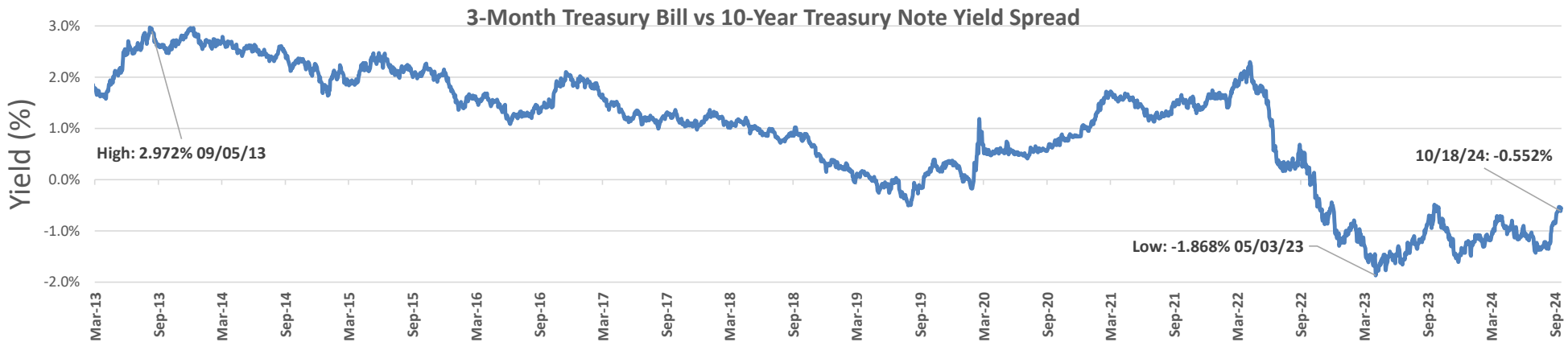
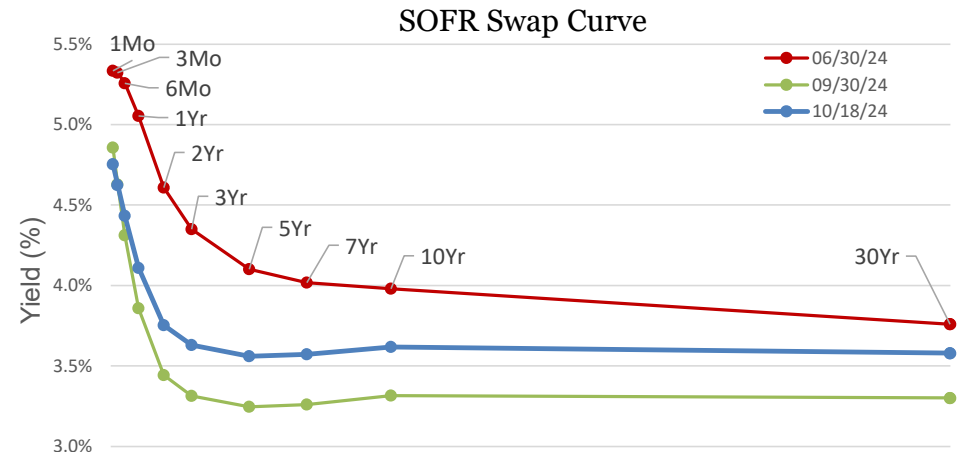
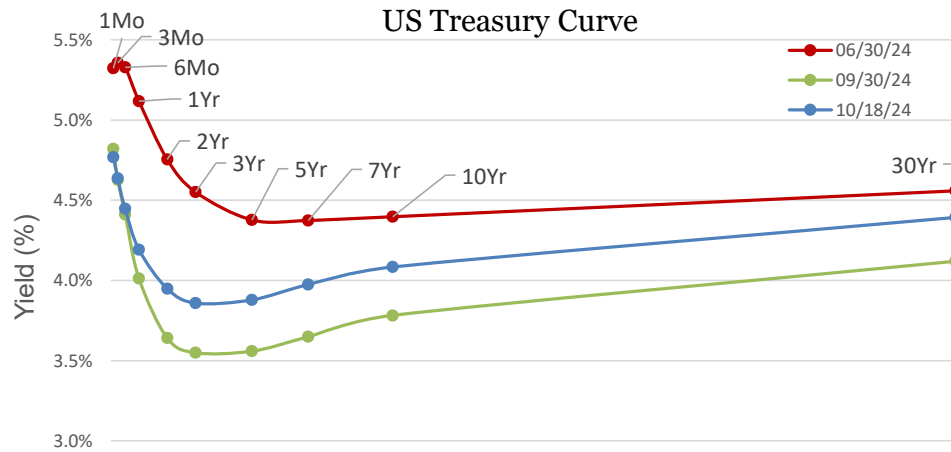
Balance Sheet

(\$ in thousands, except for per share data)

| | 30-Sep-24 | 31-Dec-23 |
|--|---------------------|---------------------|
| ASSETS: | | |
| Mortgage-backed securities | \$ 5,442,804 | \$ 3,894,012 |
| U.S. Treasury securities | 99,467 | 148,820 |
| Cash, cash equivalents and restricted cash | 333,717 | 200,289 |
| Accrued interest receivable | 22,868 | 14,951 |
| Derivative assets, at fair value | 16,846 | 6,420 |
| Receivables for investment securities and TBA transactions | 177 | - |
| Other assets | 614 | 455 |
| Total Assets | \$ 5,916,493 | \$ 4,264,947 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Repurchase agreements | \$ 5,230,871 | \$ 3,705,649 |
| Payable for investment securities and TBA transactions | 68 | 60,454 |
| Dividends payable | 9,396 | 6,222 |
| Derivative liabilities, at fair value | - | 12,694 |
| Accrued interest payable | 16,372 | 7,939 |
| Due to affiliates | 1,177 | 1,013 |
| Other liabilities | 2,585 | 1,031 |
| Total Liabilities | 5,260,469 | 3,795,002 |
| Total Stockholders' Equity | 656,024 | 469,945 |
| Total Liabilities and Stockholders' Equity | \$ 5,916,493 | \$ 4,264,947 |
| Common shares outstanding | 78,082,645 | 51,636,074 |
| Book value per share | \$ 8.40 | \$ 9.10 |

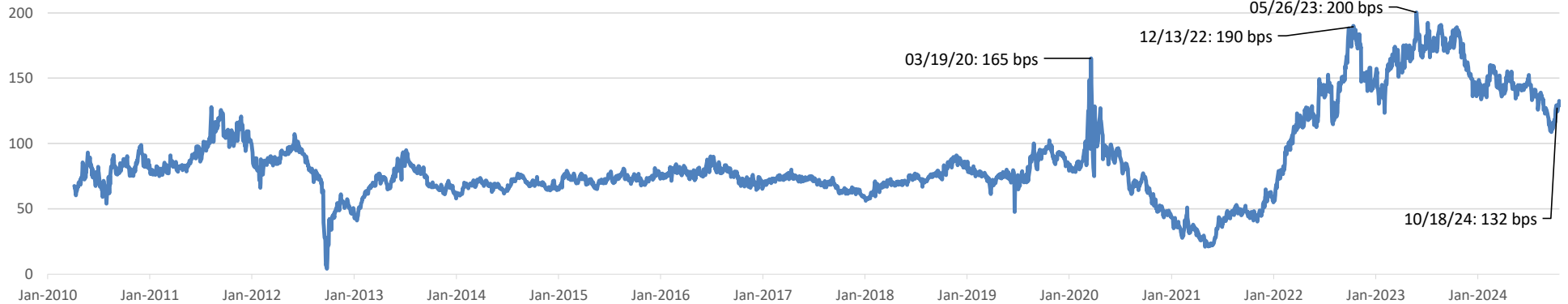
Market Developments

U.S. Treasury, U.S. Dollar Swap, Yield Spread Curve

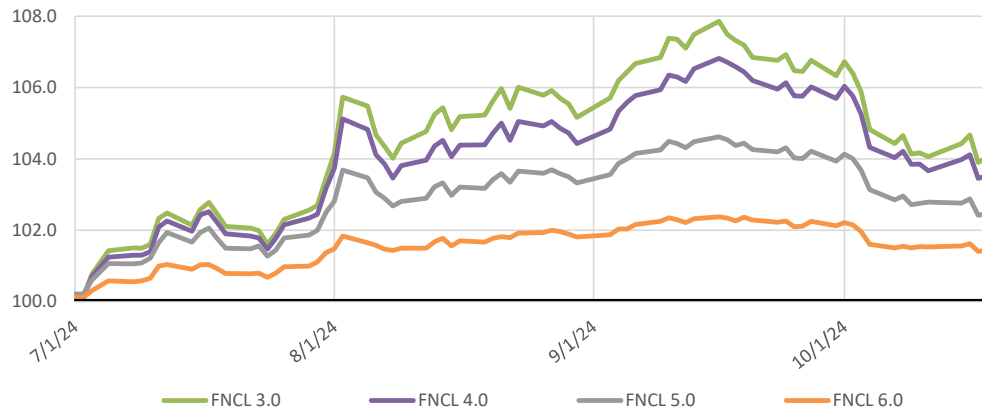


10-Year U.S. Treasury Note vs MBS Current Coupon

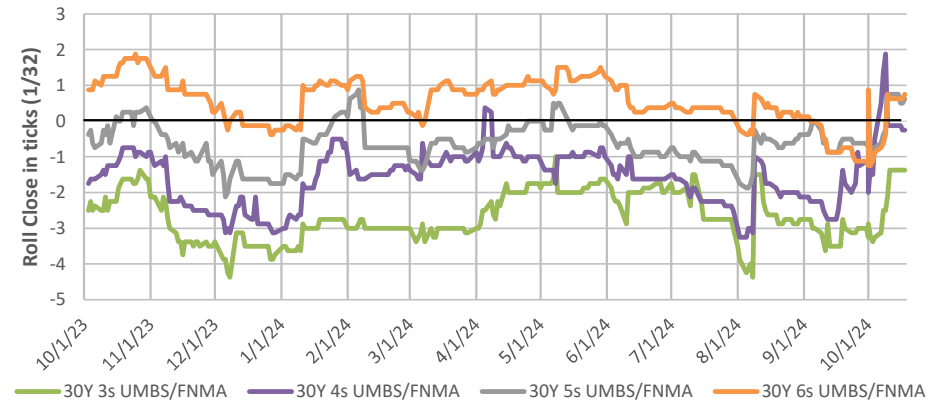
2010 – Current: 10Yr Treasury Note/Current Coupon Spread



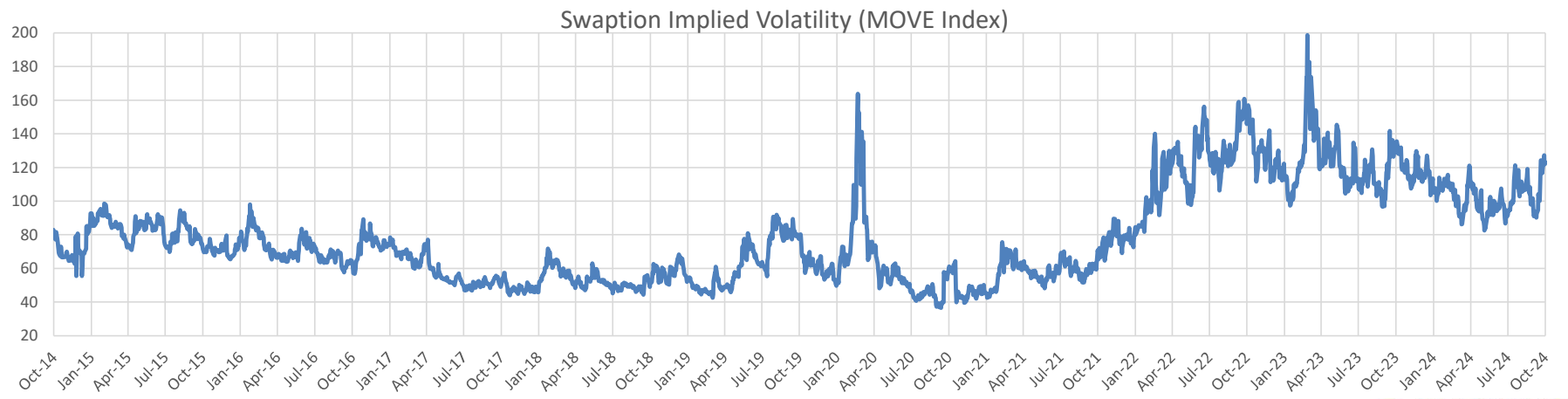
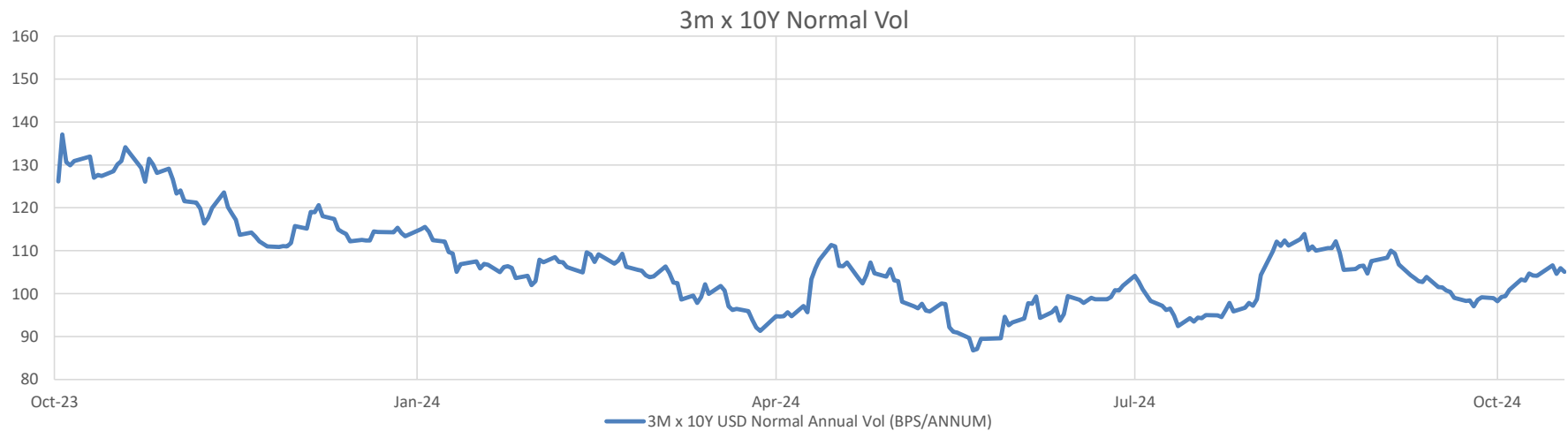
FNCL Change



1 Year FNCL Roll



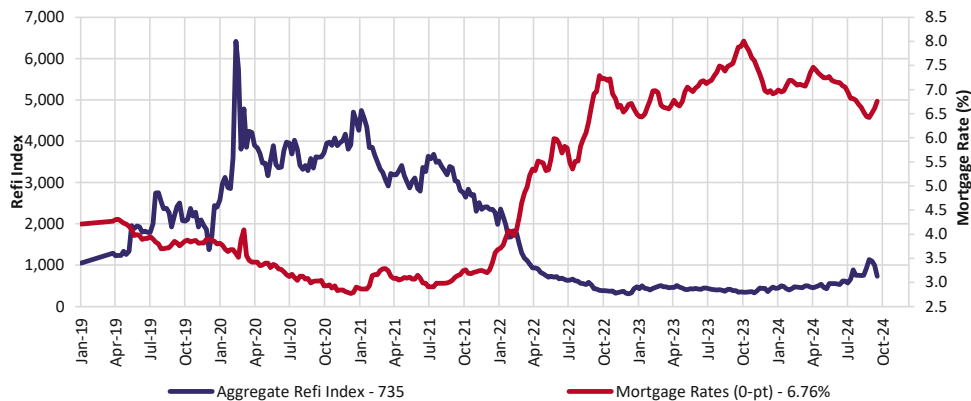
Swaption Implied Volatility



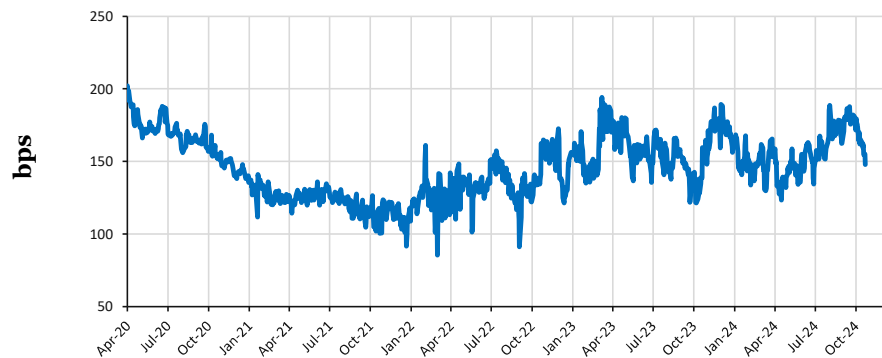
Source: Citi Velocity, Bloomberg Data

Refinancing Activity

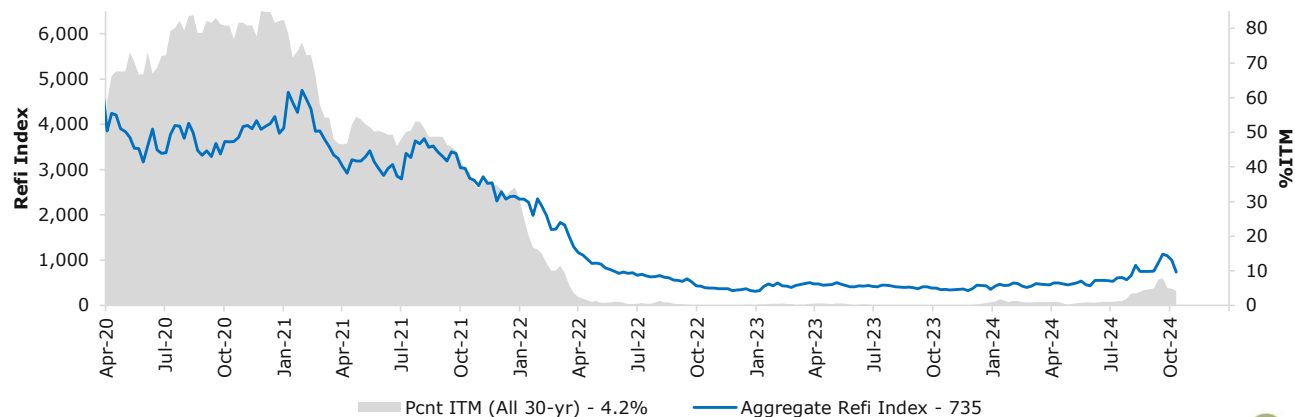
Refi Index vs. Mortgage Rates



Primary – Secondary Spreads

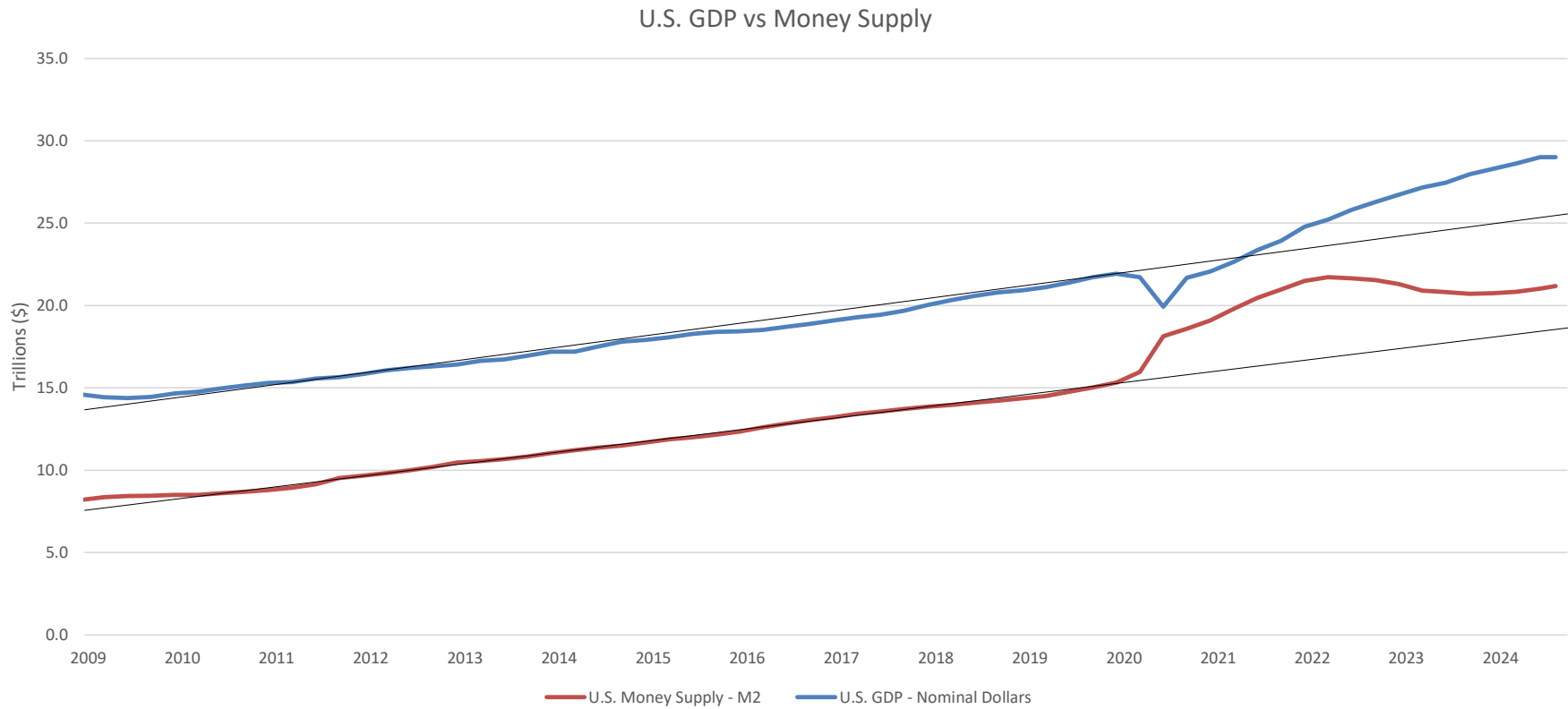


Refi Index vs. Percent In-The-Money (“ITM”)



Source: Wells Fargo Securities

U.S. Economy



Source: Bloomberg Data

Portfolio Characteristics, Credit & Hedge Positions

Investment Portfolio

The long-awaited pivot on the part of the Federal Reserve finally occurred but may not lead to an extended easing cycle. The economy appears too resilient and very unlikely to contract anytime soon. We raised approximately \$110 million via our ATM program during the third quarter and used the proceeds to continue to position the portfolio defensively.

Developments During the Quarter:

- Continued to increase the weighted average coupon of the fixed rate MBS portfolio from 4.72% to 4.94% at June 30, 2024 and September 30, 2024, respectively.
- Realized yield¹ on portfolio increased from 5.05% to 5.43% at June 30, 2024 and September 30, 2024, respectively.
- Inclusive of hedge instruments, economic net interest spread² for the quarter was 2.47% from 2.64% for second quarter of 2024.
- Increased allocation to 30yr 6.0%, 6.5%, and 7.0% by \$668m, \$182m, and \$46m, respectively.

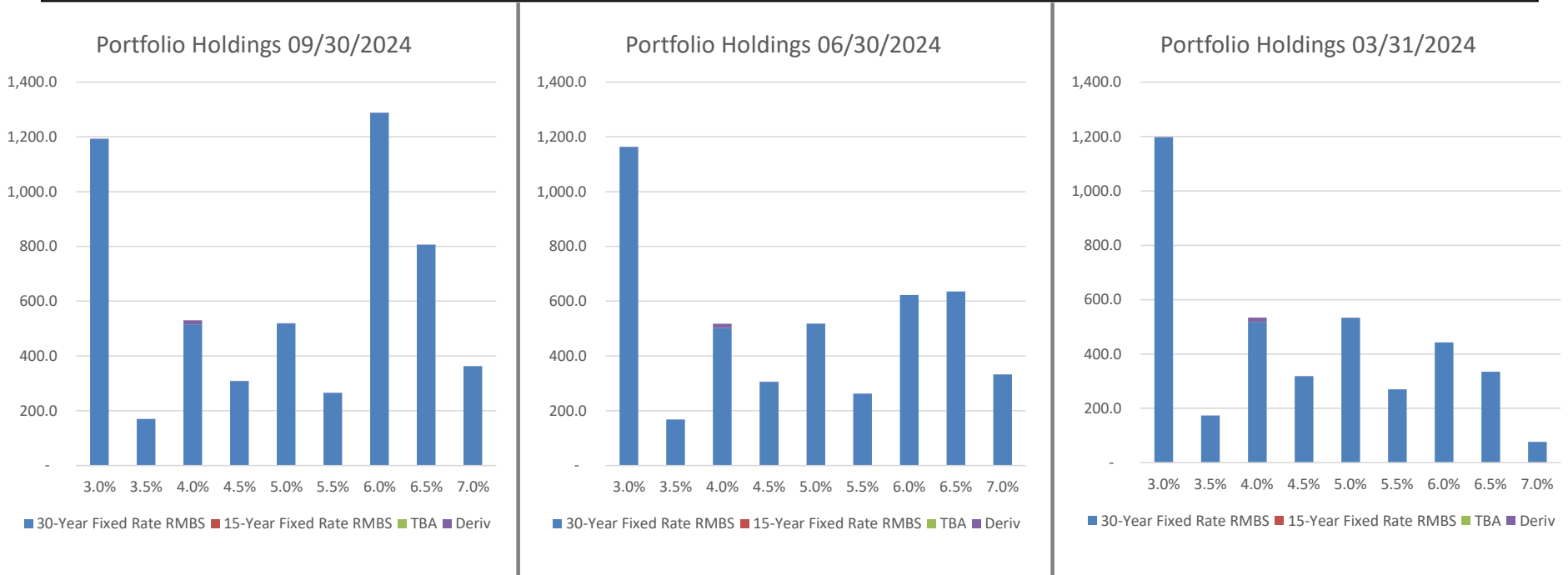
1. Defined as GAAP interest income divided by average of the beginning and ending balance of the MBS portfolio
2. See appendix for calculations and reconciliation to net interest income

Targeted assets:

- Orchid Island Capital's portfolio consists entirely of highly liquid Agency fixed rate pass through securities, interest only securities, and inverse interest-only securities
- Agency pass throughs are generally fixed rate 30-year and 15-year securities in specified pools or TBA form
- Orchid retains ample access to financing sources in excess of needs via the repurchase agreement funding market
- Orchid self clears all security buys and sells and manages all margin activity related to the funding of assets and hedging our interest rate exposure

Investment Portfolio Pass-Through Holdings

We continued to position Orchid’s MBS portfolio with a barbell strategy – favoring lower and higher 30-year fixed rate securities with an up in coupon bias. We have used the proceeds from our capital raising and paydowns to fund acquisition exclusively in the higher coupons. We have increased the weighted average coupon from 4.72% on June 30, 2024, to 4.94% on September 30, 2024, while still retaining discount securities with more favorable convexity characteristics in the event of another rally in long end rates.

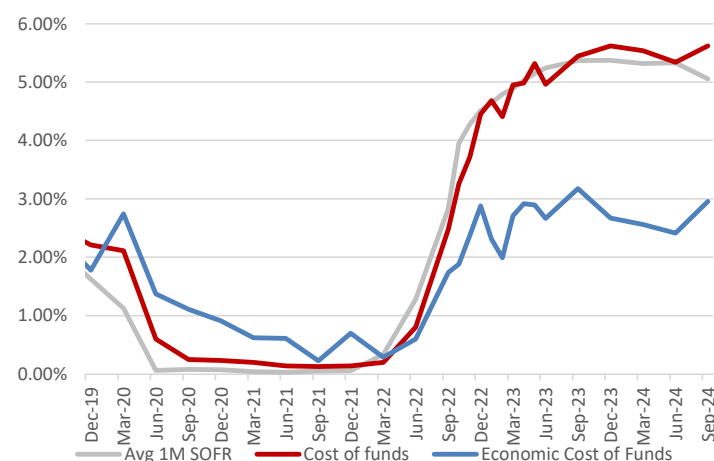


*The above excludes U.S. Treasury Bills valued at \$99.5 million as of 09/30/2024

Investment Portfolio Funding Costs as of September 30, 2024

The interest rate cut by the Federal Reserve in September had an immediate impact on Orchid's funding costs as our interest expense for September was approximately 30 basis points lower than in August. Funding spreads to Fed funds over quarter-end were elevated and, to the extent this occurs again, may partially offset the benefit to us of rate cuts by the Federal Reserve.

- Average repo rate for the quarter ended September 30, 2024, was 5.62% compared to 5.34% for the quarter ended June 30, 2024
- Repurchase obligation weighted average maturity as of September 30, 2024, was 25 days compared to 29 days as of June 30, 2024
- Orchid's average economic cost of funds¹, inclusive of interest rate swaps, swaptions, and U.S. Treasury future short positions was 2.96% for the quarter ended September 30, 2024, vs 2.41% for the quarter ended June 30, 2024
- Orchid currently has 25 different counterparties that provide funding (see Appendix for details)



Agency Repurchase Agreements

| Term | Amount (\$ in thousands) | Interest Rate |
|------------------------------------|--------------------------|---------------|
| Repo Funding ≤30 days | \$3,938,523 | 5.23% |
| Repo Funding >30 days | \$1,292,348 | 5.25% |
| Total | \$5,230,871 | 5.24% |
| Swaps (Pay Fixed vs. Receive SOFR) | \$(3,486,800) | 2.78% |
| Blended Cost of Funds | | 4.25% |

1. See appendix for calculations and reconciliations

Hedging Positions

Orchid has hedge positions equal to approximately 76% of our repo funding liability (excluding TBA shorts) with a greater emphasis on interest rate swaps and a slightly longer duration. The migration of the pass-through portfolio into higher coupons has also reduced the interest rate sensitivity of the portfolio.

- Total notional balance of hedge positions (excluding short TBAs) of \$(3,955.2) million
- Interest rate swaps with a notional balance of \$(3,486.8) million at September 30, 2024
 - Covered 67% of our repo funding liability
 - Weighted average pay fix rate of 2.78%
- Short TBA positions of \$(300.0) million (FNCL 3.0)
- SOFR and U.S. Treasury future short position of \$(468.4) million at September 30, 2024
- As of September 30, 2024, there are no swaption positions in Orchid Island's portfolio

Hedge Positions – Summary Metrics

Three Months Ended September 30, 2024

| | Notional (\$ in thousands) | Hedge Period Average End | Mark to Market Gain (Loss) (\$ in thousands) | Mark to Market Gain (Loss) / Share* |
|------------------------------|-------------------------------|-----------------------------|---|--|
| Interest Rate Swaps | \$(3,486,800) | Jun-30 | \$(110,085) | \$(1.52) |
| Short Future Positions | \$(468,400) | Sep-25 | \$(14,668) | \$(0.20) |
| Swaptions & Rate Derivatives | - | N/A | \$(105) | \$(0.00) |
| Short TBAs | \$(300,000) | Oct-24 | \$(15,967) | \$(0.22) |
| Totals | \$(4,255,200) | | \$(140,825) | \$(1.94) |

*Weighted average shares for the period ended 09/30/2024 was 72,377,373

Hedging Positions

Interest Rate Futures

| (\$ in thousands) | | | | |
|------------------------------------|---------------------------------------|-----------------------------|---------------------------------|----------------------------|
| | Contract Notional Amount | Weighted Average Entry Rate | Weighted Average Effective Rate | Open Equity ⁽¹⁾ |
| As of September 30, 2024 | <i>(Short Position)⁽²⁾</i> | | | |
| 3-Month SOFR Future ⁽³⁾ | (455,900) | 3.75% | 3.57% | (2,056) |
| Dec 2024 10-year T-Note | (12,500) | 3.73% | 3.62% | (88) |
| | \$ (468,400) | | | (2,144) |
| As of June 30, 2024 | <i>(Short Position)</i> | | | |
| 3-Month SOFR Future | (100,000) | 3.60% | 4.50% | 1,351 |
| Sep 2024 5-year T-Note | (421,500) | 4.42% | 4.52% | (2,025) |
| | \$ (521,500) | | | (674) |

TBA Positions

| (\$ in thousands) | | | | |
|---------------------------------|-------------------------|--------------|--------------|--------------------|
| | Notional Amount (Short) | Cost Basis | Market Value | Net Carrying Value |
| As of September 30, 2024 | | | | |
| FNCL 3.0 10/24 | (300,000) | (271,195) | (269,027) | 2,168 |
| | \$ (300,000) | \$ (271,195) | \$ (269,027) | \$ 2,168 |
| As of June 30, 2024 | | | | |
| FNCL 3.0 7/24 | (400,000) | (340,281) | (341,125) | (844) |
| | \$ (400,000) | \$ (340,281) | \$ (341,125) | \$ (844) |

Swap Agreements

| (\$ in thousands) | | | | | |
|---------------------------------|-----------------|------------------------|----------------------|--------------------------|-------------------------------|
| | Notional Amount | Average Fixed Pay Rate | Average Receive Rate | Net Estimated Fair Value | Weighted Avg Maturity (Years) |
| As of September 30, 2024 | | | | | |
| Expiration > 1 to ≤ 5 years | \$ 1,450,000 | 1.69% | 5.41% | 100,100 | 3.6 |
| Expiration > 5 years | 2,036,800 | 3.55% | 5.35% | (4,285) | 7.2 |
| | \$ 3,486,800 | 2.78% | 5.37% | \$ 95,815 | 5.7 |
| As of June 30, 2024 | | | | | |
| Expiration > 1 to ≤ 5 years | \$ 1,200,000 | 1.34% | 5.44% | 120,507 | 3.6 |
| Expiration > 5 years | 1,936,800 | 3.56% | 5.36% | 59,755 | 7.5 |
| | \$ 3,136,800 | 2.71% | 5.40% | \$ 180,262 | 6.0 |

1. Open equity represents the cumulative gains (losses) recorded on open futures positions from inception.
2. 10-year T-Note futures contracts were valued at a price of \$114.28 at September 30, 2024.
3. 3-Month SOFR futures expire every 3 months starting December 2024 and ending March 2026.

Current Agency Conventional 30-year Fixed Rate Risk Metrics

Below are the return projections under various scenarios of conventional 30-year fixed rate Agency RMBS, option adjusted spreads, effective duration and convexity figures, as well as Orchid's portfolio allocation to each. All figures are as of September 30, 2024.

| Coupon | Current Price ¹ (\$) | OAS ² | Effective Duration ² | Effective Convexity ² | Interest Rate Sensitivities | | | | ORC Portfolio Allocation ⁵ |
|--------|------------------------------------|------------------|---------------------------------|----------------------------------|-----------------------------|----------------------|-----------------------------|-----------------------------|---------------------------------------|
| | | | | | -50 bps ³ | +50 bps ³ | Bull Steepener ⁴ | Bear Flattener ⁴ | |
| 3.0 | 89.76 | 68.34 | 6.41 | -0.86 | 3.11 | -3.28 | 3.43 | -3.43 | 22% |
| 3.5 | 93.16 | 62.14 | 5.49 | -1.10 | 2.62 | -2.86 | 3.02 | -3.12 | 3% |
| 4.0 | 96.08 | 55.23 | 4.71 | -1.11 | 2.21 | -2.48 | 2.67 | -2.83 | 9% |
| 4.5 | 98.38 | 57.90 | 4.00 | -1.51 | 1.81 | -2.16 | 2.26 | -2.58 | 6% |
| 5.0 | 99.92 | 68.08 | 3.13 | -1.58 | 1.37 | -1.75 | 1.80 | -2.20 | 9% |
| 5.5 | 101.16 | 80.71 | 2.33 | -1.45 | 0.99 | -1.35 | 1.34 | -1.81 | 5% |
| 6.0 | 102.19 | 89.32 | 1.65 | -1.09 | 0.70 | -0.98 | 1.01 | -1.42 | 24% |
| 6.5 | 103.09 | 94.09 | 1.26 | -0.54 | 0.56 | -0.71 | 0.87 | -1.11 | 15% |
| 7.0 | 103.93 | 105.53 | 1.16 | -0.38 | 0.53 | -0.64 | 0.81 | -0.99 | 7% |

1. TBA prices at 09/30/24
2. Per YieldBook
3. Parallel 50bp interest rate shifts
4. Represents YieldBook's default scenario Bull Steepener (+50) and Bear Flattener (-50)
5. Table excludes interest only securities

Investment Portfolio Interest Rate Sensitivity

Orchid's Agency RMBS portfolio consists predominantly of 30-year, fixed rate pass through securities with a bias towards securities with favorable convexity characteristics and expected returns in various interest rate scenarios. Combined with our hedge positions the portfolio has a very modest sensitivity to interest rates.

(\$ in thousands)

| Agency RMBS Assets | Market Value /Notional | Dollar Duration (per .01% change in yield) | Model Interest Rate Sensitivity | |
|--|------------------------|---|---------------------------------|-----------------|
| | | | -50 bps (\$) | +50 bps (\$) |
| 30-year MBS | \$5,427,068 | 1,902 | 89,326 | (100,907) |
| IO/IIO Securities | \$15,735 | (5) | (323) | 213 |
| Total RMBS Assets | \$5,442,803 | 1,897 | 89,003 | (100,694) |
| Hedge Position | \$4,255,200 | (2,087) | (105,770) | 102,979 |
| Net Duration Gap | | (190) | (16,767) | 2,285 |
| Duration Gap / Total Equity ¹ | | | (2.55%) | 0.34% |

1. Total equity of \$656.0 million at 09/30/24

Investment Portfolio Prepayment Experience

Despite the rally in rates during the quarter and available Agency fixed rate mortgages approaching 6%, prepayment rates for Orchid’s Agency RMBS portfolio generally remained quite low, even for our higher coupon securities. Our discount holdings continued to benefit from the effects of seasoning and their speeds increased.

| Prepayment Speeds (CPR) | | | | | | |
|-------------------------|-------------------|-----------|-------------|----------------|----------------------|----------------------|
| Securities (by coupon) | WALA ¹ | July 2024 | August 2024 | September 2024 | Q2 2024 ² | Q3 2024 ² |
| 30-year MBS | | | | | | |
| 3.0 | 42 | 7.0% | 7.1% | 4.9% | 5.5% | 6.3% |
| 3.5 | 55 | 9.5% | 8.7% | 7.3% | 8.4% | 8.5% |
| 4.0 | 68 | 7.4% | 5.3% | 3.2% | 4.3% | 5.3% |
| 4.5 | 27 | 7.4% | 7.3% | 5.5% | 12.5% | 6.7% |
| 5.0 | 25 | 3.9% | 8.7% | 7.9% | 9.0% | 6.8% |
| 5.5 | 18 | 7.0% | 6.5% | 3.3% | 6.5% | 5.6% |
| 6.0 | 9 | 6.4% | 8.5% | 11.7% | 9.9% | 8.9% |
| 6.5 | 9 | 7.9% | 11.3% | 15.8% | 8.4% | 11.7% |
| 7.0 | 11 | 11.2% | 31.4% | 22.4% | 17.2% | 21.7% |
| IO/IIO | | | | | | |
| 3.0 | 116 | 1.2% | 1.5% | 0.9% | 6.5% | 1.2% |
| 3.745 | 84 | 5.7% | 10.6% | 5.7% | 3.3% | 7.3% |
| 4.0 | 124 | 6.6% | 7.4% | 6.8% | 8.1% | 6.9% |
| 4.5 | 171 | 7.6% | 7.1% | 7.8% | 5.0% | 7.5% |
| 5.0 | 171 | 1.6% | 10.3% | 4.4% | 11.1% | 5.4% |
| Total | | 7.1% | 9.6% | 9.2% | 7.6% | 8.6% |

1. Weighted average loan age in months as of 09/30/2024
2. Calculated as the average of 1-month CPR during the quarter

Source: Bloomberg Data

Orchid Island Capital – Q3 Wrap-up and Outlook

The long-awaited pivot on the part of the Federal Reserve finally happened when the Federal Reserve lowered the funds rate by 50 basis points at their September meeting. However, persistently strong growth of the U.S. economy and stubborn, above-trend inflation may limit the extent of further rate cuts. We continue to position Orchid's MBS portfolio using a barbell strategy in terms of our coupon selection, but now with an up-in-coupon bias.

Looking back:

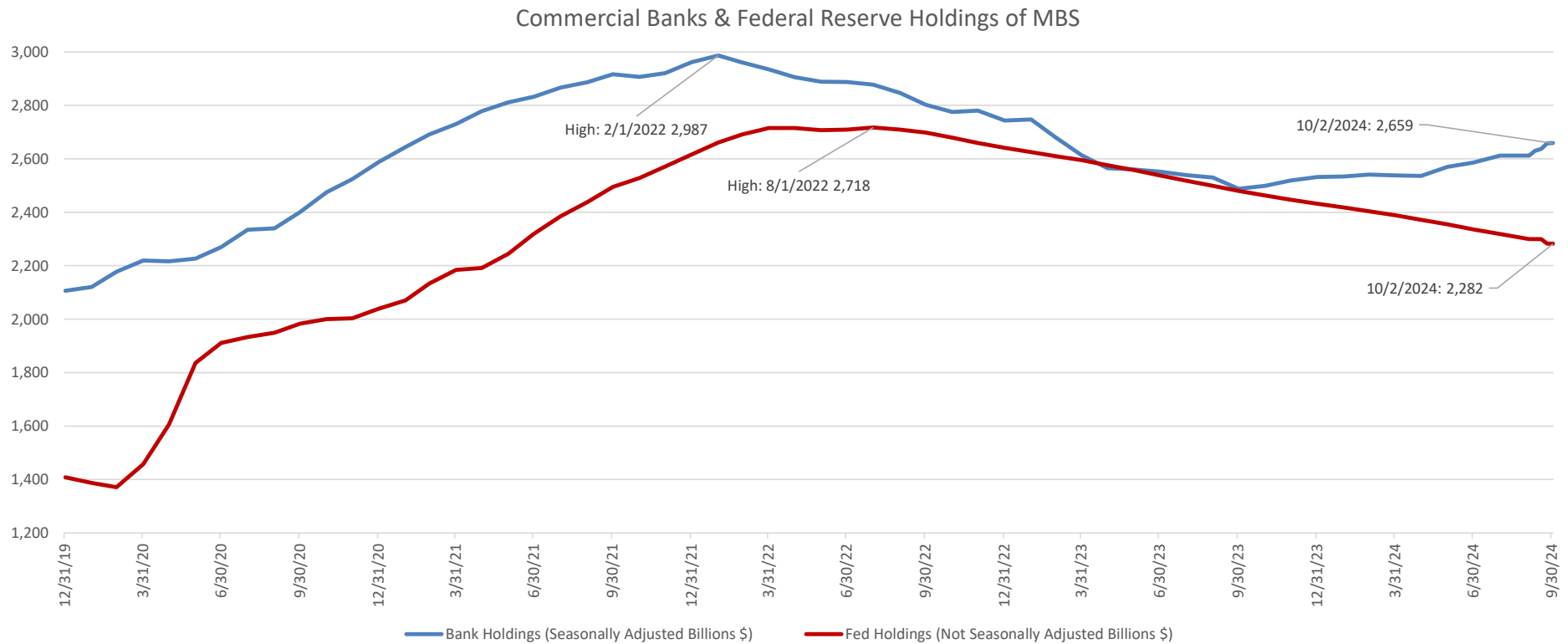
- During the third quarter, interest rates across the curve declined significantly and Agency MBS tightened modestly.
- The up-in-coupon bias to our portfolio coupled with a corresponding longer duration bias to our hedges underperformed during the quarter given the magnitude of the rally in long term rates and prepayment fear induced widening of higher coupons.

Looking forward:

- The market continues to overestimate weakness in the economy as well as the extent and timing of Fed rate cuts.
- So far in the fourth quarter, interest rates and mortgage spreads have given back some of the gains achieved during the third quarter.
- We remain comfortable with our portfolio positioning and hedge structure given recent developments.
- With funding costs declining slightly and our weighted average portfolio coupon/yield continuing to rise, Orchid believes that it stands well positioned to continue to support the current dividend/yield.

Appendix

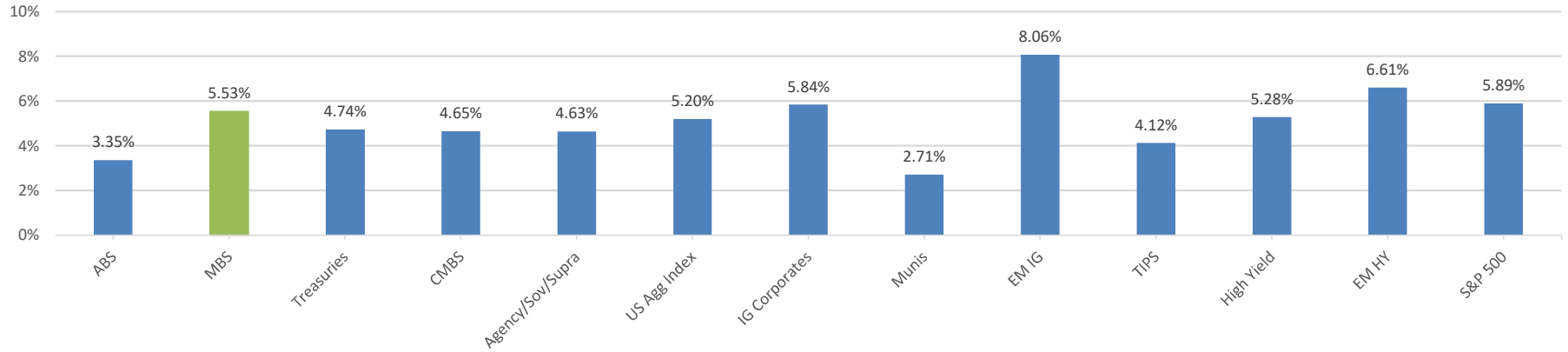
Commercial Bank & Federal Reserve MBS Holdings



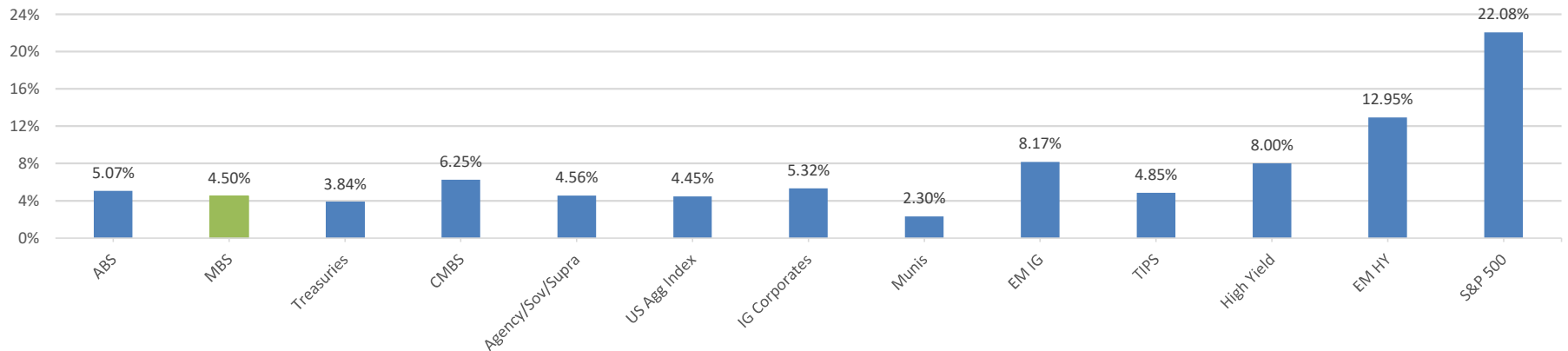
Note: Data include the following types of institutions in the fifty states and the District of Columbia: domestically chartered commercial banks; U.S. branches and agencies of foreign banks; and Edge Act and agreement corporations. Data exclude International Banking Facilities. Weekly levels are Wednesday values; monthly levels are pro rata averages of Wednesday values. The data for domestically chartered commercial banks and U.S. branches and agencies of foreign banks are estimated by benchmarking weekly data provided by a sample of banks to quarter-end reports of condition (Call Reports). Large domestically chartered commercial banks are defined as the top 25 domestically chartered commercial banks, ranked by domestic assets as of the previous commercial bank Call Report to which the H.8 release data have been benchmarked. Small domestically chartered commercial banks are defined as all domestically chartered commercial banks not included in the top 25. The data for large and small domestically chartered banks are adjusted to remove the estimated effects of mergers and panel shifts between these two bank groups. (See www.federalreserve.gov/releases/h8/about.htm for more information on how these data were constructed.)

Cross Asset Fixed Income Performance by U.S. Aggregate Bond Index Component

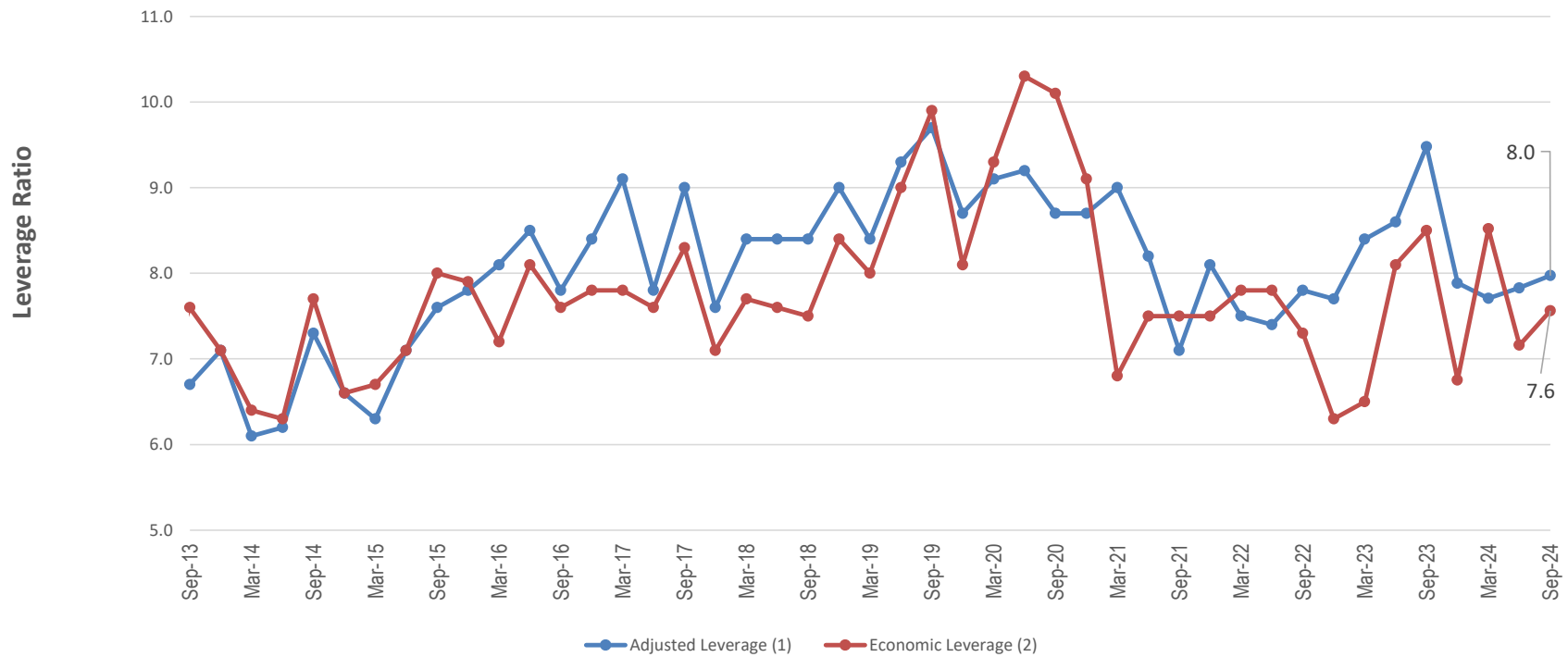
Q3 2024 Returns



YTD 2024 Returns as of 09/30/24



Orchid Island Capital Leverage Ratio History



1. The adjusted leverage ratio is calculated by dividing ending repurchase agreement liabilities by ending stockholders' equity
2. The economic leverage ratio is calculated by dividing ending total liabilities adjusted for net notional TBA positions by ending stockholders' equity

Orchid Island Capital MBS Portfolio Characteristics as of September 30, 2024

| Type | Face | FMV | Percent of Portfolio | Current Price | CPN | GWAC | AGE | WA Mat | 1m CPR | 3m CPR | Int Rate Sensitivity (-50 BPS) ¹ | Int Rate Sensitivity (+50 BPS) ¹ |
|-------------------------------|---------------------------------|---------------------------------|----------------------|---------------|--------------|--------------|------------|------------|--------------|--------------|---|---|
| Fixed Rate MBS | | | | | | | | | | | | |
| 30yr 3.0 | 1,313,569,064 | 1,192,648,971 | 21.91% | 90.79 | 3.00% | 3.46% | 42 | 312 | 4.9% | 6.4% | 36,155,793 | (37,050,492) |
| 30yr 3.5 | 180,158,664 | 170,463,081 | 3.13% | 94.62 | 3.50% | 4.04% | 55 | 293 | 7.3% | 8.6% | 4,630,795 | (4,728,316) |
| 30yr 4.0 | 534,811,614 | 515,427,338 | 9.47% | 96.38 | 4.00% | 4.64% | 68 | 285 | 3.2% | 4.6% | 11,714,828 | (12,733,013) |
| 30yr 4.5 | 312,191,657 | 308,236,164 | 5.66% | 98.73 | 4.50% | 5.44% | 27 | 330 | 5.5% | 6.8% | 5,377,378 | (6,191,249) |
| 30yr 5.0 | 517,496,641 | 518,746,407 | 9.53% | 100.24 | 5.00% | 5.93% | 25 | 330 | 7.9% | 7.0% | 7,904,536 | (9,531,040) |
| 30yr 5.5 | 259,122,701 | 265,083,169 | 4.87% | 102.30 | 5.50% | 6.43% | 18 | 338 | 3.3% | 5.8% | 3,498,480 | (4,474,806) |
| 30yr 6.0 | 1,248,052,205 | 1,287,953,715 | 23.66% | 103.20 | 6.00% | 6.98% | 9 | 347 | 11.7% | 9.5% | 12,336,331 | (16,401,520) |
| 30yr 6.5 | 776,146,315 | 806,064,868 | 14.81% | 103.85 | 6.50% | 7.43% | 9 | 348 | 15.8% | 11.9% | 5,417,741 | (7,020,016) |
| 30yr 7.0 | 346,281,825 | 362,444,708 | 6.66% | 104.67 | 7.00% | 7.94% | 11 | 343 | 22.4% | 22.7% | 2,290,761 | (2,776,949) |
| 30yr Total | 5,487,830,685 | 5,427,068,420 | 99.71% | 98.89 | 4.94% | 5.72% | 27 | 327 | 9.26% | 8.83% | 89,326,643 | (100,907,401) |
| Total Pass-Through MBS | 5,487,830,685 | 5,427,068,420 | 99.71% | 98.89 | 4.94% | 5.72% | 27 | 327 | 9.26% | 8.83% | 89,326,643 | (100,907,401) |
| Structured MBS | | | | | | | | | | | | |
| IO 20yr 4.0 | 7,414,412 | 693,424 | 0.01% | 9.35 | 4.00% | 4.57% | 153 | 81 | 11.0% | 11.5% | 3,191 | (3,618) |
| IO 30yr 3.0 | 2,690,302 | 376,104 | 0.01% | 13.98 | 3.00% | 3.64% | 116 | 234 | 0.9% | 1.2% | (1,896) | (98) |
| IO 30yr 4.0 | 73,719,134 | 13,338,744 | 0.25% | 18.09 | 4.00% | 4.60% | 121 | 230 | 5.8% | 6.3% | (424,469) | 301,717 |
| IO 30yr 4.5 | 3,217,673 | 619,653 | 0.01% | 19.26 | 4.50% | 4.99% | 171 | 176 | 8.6% | 7.8% | (11,129) | 6,853 |
| IO 30yr 5.0 | 1,733,128 | 354,411 | 0.01% | 20.45 | 5.00% | 5.37% | 171 | 177 | 1.1% | 4.4% | (9,629) | 7,280 |
| IO Total | 88,774,650 | 15,382,337 | 0.28% | 17.33 | 4.01% | 4.60% | 126 | 214 | 6.1% | 6.6% | (443,932) | 312,134 |
| IIO 30yr 4.0 | 23,449,701 | 352,759 | 0.01% | 1.50 | 0.00% | 4.40% | 84 | 264 | 0.6% | 5.7% | 120,943 | (99,033) |
| Total Structured MBS | 112,224,351 | 15,735,095 | 0.289% | 14.02 | 3.17% | 4.55% | 117 | 225 | 4.9% | 6.4% | (322,988) | 213,101 |
| Mortgage Assets | | | | | | | | | | | | |
| Total Mortgage Assets | \$ 5,600,055,036 | \$ 5,442,803,515 | 100% | | 4.90% | 5.70% | 29 | 325 | 9.17% | 8.77% | \$ 89,003,654 | \$ (100,694,300) |
| Hedge | Average Notional Balance | Hedge Period Average End | | | | | | | | | Int Rate Sensitivity (-50 BPS) | Int Rate Sensitivity (+50 BPS) |
| 3-Month SOFR Futures | (455,900,000) | Oct-2025 | | | | | | | | | (5,698,750) | 5,698,750 |
| 10-Year Treasury Future | (12,500,000) | Dec-2024 | | | | | | | | | (410,391) | 396,646 |
| Swaps | (3,486,800,000) | Jun-2030 | | | | | | | | | (91,274,193) | 88,056,908 |
| TBA Short | (300,000,000) | Oct-2024 | | | | | | | | | (8,387,080) | 8,827,081 |
| Hedge Total | \$ (4,255,200,000) | | | | | | | | | | (105,770,415) | 102,979,385 |
| Rate Shock Grand Total | | | | | | | | | | | \$ (16,766,760) | \$ 2,285,085 |

Note: Above table excludes Treasury Bills valued at \$99.5 million. The bills were purchased to post as collateral for hedge positions.

- (1) Modeled results from Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant SOFR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.
- (2) See slide 19 for additional hedge detail

Orchid Island Capital MBS Portfolio Characteristics as of June 30, 2024

| Type | Face | FMV | Percent of Portfolio | Current Price | CPN | GWAC | AGE | WA Mat | 1m CPR | 3m CPR | Int Rate Sensitivity (-50 BPS) ¹ | Int Rate Sensitivity (+50 BPS) ¹ |
|-------------------------------|---------------------------------|---------------------------------|----------------------|---------------|--------------|--------------|------------|------------|--------------|--------------|---|---|
| Fixed Rate MBS | | | | | | | | | | | | |
| 30yr 3.0 | 1,344,062,768 | 1,163,056,346 | 25.70% | 86.53 | 3.00% | 3.46% | 39 | 315 | 5.4% | 5.5% | 36,663,918 | (37,298,045) |
| 30yr 3.5 | 185,860,801 | 167,726,219 | 3.71% | 90.24 | 3.50% | 4.04% | 52 | 296 | 9.8% | 8.6% | 4,725,195 | (4,791,982) |
| 30yr 4.0 | 545,531,605 | 502,030,613 | 11.09% | 92.03 | 4.00% | 4.78% | 29 | 327 | 4.8% | 4.3% | 12,984,099 | (13,772,010) |
| 30yr 4.5 | 322,297,181 | 305,677,903 | 6.75% | 94.84 | 4.50% | 5.45% | 24 | 333 | 15.3% | 13.0% | 6,431,761 | (6,940,168) |
| 30yr 5.0 | 533,332,349 | 517,505,902 | 11.43% | 97.03 | 5.00% | 5.93% | 22 | 334 | 15.8% | 9.5% | 10,381,045 | (11,385,386) |
| 30yr 5.5 | 263,728,195 | 262,430,960 | 5.80% | 99.51 | 5.50% | 6.43% | 15 | 342 | 2.9% | 6.7% | 4,731,413 | (5,305,723) |
| 30yr 6.0 | 617,207,289 | 622,737,349 | 13.76% | 100.90 | 6.00% | 6.98% | 11 | 344 | 6.9% | 11.5% | 8,768,278 | (10,053,915) |
| 30yr 6.5 | 620,610,906 | 635,540,325 | 14.04% | 102.41 | 6.50% | 7.42% | 8 | 350 | 9.4% | 7.2% | 6,818,098 | (8,067,945) |
| 30yr 7.0 | 320,972,354 | 332,377,670 | 7.34% | 103.55 | 7.00% | 7.95% | 8 | 347 | 12.4% | 12.4% | 2,779,821 | (3,359,111) |
| 30yr Total | 4,753,603,449 | 4,509,083,287 | 99.63% | 94.86 | 4.72% | 5.49% | 24 | 331 | 8.39% | 7.58% | 94,283,629 | (100,974,285) |
| Total Pass-Through MBS | 4,753,603,449 | 4,509,083,287 | 99.63% | 94.86 | 4.72% | 5.49% | 24 | 331 | 8.39% | 7.58% | 94,283,629 | (100,974,285) |
| Structured MBS | | | | | | | | | | | | |
| IO 20yr 4.0 | 7,890,345 | 762,699 | 0.02% | 9.67 | 4.00% | 4.57% | 150 | 84 | 11.0% | 10.4% | 4,094 | (3,458) |
| IO 30yr 3.0 | 2,721,546 | 372,893 | 0.01% | 13.70 | 3.00% | 3.64% | 113 | 237 | 0.7% | 6.9% | 578 | (731) |
| IO 30yr 4.0 | 76,264,697 | 14,284,480 | 0.32% | 18.73 | 4.00% | 4.60% | 118 | 233 | 9.3% | 7.9% | (192,828) | 172,833 |
| IO 30yr 4.5 | 3,301,965 | 642,084 | 0.01% | 19.45 | 4.50% | 4.99% | 168 | 178 | 3.2% | 5.0% | (1,824) | 745 |
| IO 30yr 5.0 | 1,827,017 | 384,418 | 0.01% | 21.04 | 5.00% | 5.36% | 168 | 180 | 31.3% | 12.3% | (3,456) | 2,333 |
| IO Total | 92,005,569 | 16,446,572 | 0.36% | 17.88 | 4.01% | 4.60% | 123 | 217 | 9.4% | 8.1% | (193,436) | 171,722 |
| IIO 30yr 4.0 | 25,049,131 | 224,403 | 0.00% | 0.90 | 0.00% | 4.40% | 81 | 267 | 7.8% | 3.3% | 78,976 | (62,357) |
| Total Structured MBS | 117,054,701 | 16,670,975 | 0.368% | 14.24 | 3.15% | 4.55% | 114 | 228 | 9.0% | 7.1% | (114,459) | 109,365 |
| Mortgage Assets | | | | | | | | | | | | |
| Total Mortgage Assets | \$ 4,870,658,149 | \$ 4,525,754,262 | 100% | | 4.68% | 5.47% | 26 | 329 | 8.41% | 7.57% | \$ 94,169,170 | \$ (100,864,920) |
| Hedge | Average Notional Balance | Hedge Period Average End | | | | | | | | | Int Rate Sensitivity (-50 BPS) | Int Rate Sensitivity (+50 BPS) |
| 3-Month SOFR Futures | (100,000,000) | Mar-2026 | | | | | | | | | (750,000) | 750,000 |
| 5-Year Treasury Future | (421,500,000) | Sep-2024 | | | | | | | | | (8,616,209) | 8,353,119 |
| Swaps | (3,136,800,000) | Jul-2030 | | | | | | | | | (80,573,095) | 77,665,913 |
| TBA Short | (400,000,000) | Jul-2024 | | | | | | | | | (11,205,908) | 11,479,340 |
| Swaptions | (9,400,000) | Sep-2024 | | | | | | | | | (82,588) | 52,556 |
| Hedge Total | \$ (4,067,700,000) | | | | | | | | | | (101,227,800) | 98,300,928 |
| Rate Shock Grand Total | | | | | | | | | | | \$ (7,058,630) | \$ (2,563,992) |

Note: Above table excludes Treasury Bills valued at \$98.1 million. The bills were purchased to post as collateral for hedge positions.

- (1) Modeled results from Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant SOFR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.
- (2) See slide 19 for additional hedge detail

Orchid Credit Counterparties

(\$ in thousands)

As of September 30, 2024

| Counterparty | Total Outstanding Balances | % of Total | Weighted Average Maturity in Days | Longest Maturity |
|---------------------------------------|----------------------------|---------------|-----------------------------------|-------------------|
| ABN AMRO Bank N.V. | 381,192 | 7.29% | 15 | 10/15/2024 |
| Merrill Lynch, Pierce, Fenner & Smith | 379,748 | 7.26% | 35 | 11/15/2024 |
| ASL Capital Markets Inc. | 346,397 | 6.62% | 31 | 11/15/2024 |
| Cantor Fitzgerald & Co | 289,468 | 5.53% | 11 | 10/18/2024 |
| DV Securities, LLC Repo | 274,284 | 5.24% | 19 | 10/28/2024 |
| Mitsubishi UFJ Securities (USA), Inc | 263,580 | 5.04% | 23 | 10/28/2024 |
| J.P. Morgan Securities LLC | 254,798 | 4.87% | 9 | 10/25/2024 |
| Banco Santander SA | 248,472 | 4.75% | 49 | 11/18/2024 |
| Daiwa Securities America Inc. | 247,191 | 4.73% | 28 | 11/19/2024 |
| Citigroup Global Markets Inc | 244,746 | 4.68% | 25 | 10/25/2024 |
| Wells Fargo Bank, N.A. | 241,641 | 4.62% | 16 | 10/16/2024 |
| ING Financial Markets LLC | 225,593 | 4.31% | 39 | 11/8/2024 |
| Marex Capital Markets Inc. | 223,192 | 4.27% | 21 | 10/21/2024 |
| Goldman, Sachs & Co | 208,485 | 3.99% | 16 | 10/16/2024 |
| Bank of Montreal | 204,522 | 3.91% | 15 | 10/15/2024 |
| South Street Securities, LLC | 194,516 | 3.72% | 19 | 10/24/2024 |
| Clear Street LLC | 193,535 | 3.70% | 48 | 11/20/2024 |
| Mirae Asset Securities (USA) Inc. | 193,120 | 3.69% | 26 | 11/18/2024 |
| StoneX Financial Inc. | 159,098 | 3.04% | 21 | 10/21/2024 |
| The Bank of Nova Scotia | 149,958 | 2.87% | 15 | 10/15/2024 |
| RBC Capital Markets, LLC | 143,225 | 2.74% | 45 | 11/14/2024 |
| Nomura Securities International, Inc. | 75,278 | 1.44% | 15 | 10/15/2024 |
| Lucid Prime Fund, LLC | 48,322 | 0.92% | 17 | 10/17/2024 |
| Wells Fargo Securities, LLC | 23,004 | 0.44% | 25 | 10/25/2024 |
| Lucid Cash Fund USG LLC | 17,506 | 0.33% | 17 | 10/17/2024 |
| Total / Weighted Average | \$ 5,230,871 | 100.0% | 25 | 11/20/2024 |

Source: Company Press Releases

Gains (Losses) on Derivative Instruments

Gains (Losses) on Derivative Instruments

(in thousands)

| | Recognized in Income Statement (GAAP) | TBA Securities Gain (Loss) | | Funding Hedges | | |
|---------------------------|--|-------------------------------|---------------------|--|--|--|
| | | (Short Positions) | (Long Positions) | Attributed to Current Period (Non-GAAP) | Attributed to Future Periods (Non-GAAP) | |
| Three Months Ended | | | | | | |
| September 30, 2024 | \$ (140,825) | \$ (16,315) | \$ 348 | 31,924 | (156,782) | |
| June 30, 2024 | 26,068 | 3,042 | 0 | 29,459 | (6,433) | |
| March 31, 2024 | 87,899 | 9,903 | 105 | 27,587 | 50,304 | |
| December 31, 2023 | (149,016) | (29,750) | (2,262) | 25,161 | (142,165) | |
| September 30, 2023 | 142,042 | 21,511 | (2,024) | 24,440 | 98,115 | |
| June 30, 2023 | 93,367 | 15,599 | (574) | 23,482 | 54,860 | |
| March 31, 2023 | (41,156) | (5,990) | - | 19,211 | (54,377) | |

The tables to the left present a reconciliation of the adjustments to interest expense shown for each period relative to our derivative instruments, and the income statement line item, gains (losses) on derivative instruments, calculated in accordance with GAAP for each quarter of 2024 to date and 2023.

Economic Interest Expense and Economic Net Interest Income

(in thousands)

| | Interest Expense on Borrowings | | | | | |
|---|--------------------------------|-----------------------------|---|--------------------------------|---|-----------|
| | GAAP Interest Income | GAAP Interest Expense | Gains (Losses) on Derivative Instruments | | Net Interest Income | |
| Attributed to Current Period ⁽¹⁾ | | | Economic Interest Expense ⁽²⁾ | GAAP Net Interest Income | Economic Net Interest Income ⁽³⁾ | |
| Three Months Ended | | | | | | |
| September 30, 2024 | \$ 67,646 | \$ 67,306 | \$ 31,924 | \$ 35,382 | \$ 340 | \$ 32,264 |
| June 30, 2024 | 53,064 | 53,761 | 29,459 | 24,302 | (697) | 28,762 |
| March 31, 2024 | 48,871 | 51,361 | 27,587 | 23,774 | (2,490) | 25,097 |
| December 31, 2023 | 49,539 | 52,325 | 25,161 | 27,164 | (2,786) | 22,375 |
| September 30, 2023 | 50,107 | 58,705 | 24,440 | 34,265 | (8,598) | 15,842 |
| June 30, 2023 | 39,911 | 48,671 | 23,482 | 25,189 | (8,760) | 14,722 |
| March 31, 2023 | 38,012 | 42,217 | 19,211 | 23,006 | (4,205) | 15,006 |

1. Reflects the effect of derivative instrument hedges for only the period presented.
2. Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP interest expense.
3. Calculated by adding the effect of derivative instrument hedges attributed to the period presented to GAAP net interest income.

Economic Net Interest Spread

The tables below provide information on our portfolio average balances, interest income, yield on assets, average borrowings, interest expense, cost of funds, net interest income and net interest spread for each quarter of 2024 to date and 2023 on both a GAAP and economic basis.

(\$ in thousands)

| | Average RMBS Held ⁽¹⁾ | Interest Income | Yield on Average RMBS | Average Borrowings ⁽⁴⁾ | Interest Expense | | Average Cost of Funds | |
|---------------------------|--|--------------------|-----------------------------|--------------------------------------|------------------|----------------------------------|-----------------------|----------------------------------|
| | | | | | GAAP Basis | Economic Basis ⁽²⁾ | GAAP Basis | Economic Basis ⁽²⁾ |
| Three Months Ended | | | | | | | | |
| September 30, 2024 | \$ 4,984,279 | \$ 67,646 | 5.43% | \$ 4,788,287 | \$ 67,306 | \$ 35,382 | 5.62% | 2.96% |
| June 30, 2024 | 4,203,416 | 53,064 | 5.05% | 4,028,601 | 53,761 | 24,302 | 5.34% | 2.41% |
| March 31, 2024 | 3,887,545 | 48,871 | 5.03% | 3,708,573 | 51,361 | 23,774 | 5.54% | 2.56% |
| December 31, 2023 | 4,207,118 | 49,539 | 4.71% | 4,066,298 | 52,325 | 27,164 | 5.15% | 2.67% |
| September 30, 2023 | 4,447,098 | 50,107 | 4.51% | 4,314,332 | 58,705 | 34,265 | 5.44% | 3.18% |
| June 30, 2023 | 4,186,939 | 39,911 | 3.81% | 3,985,577 | 48,671 | 25,189 | 4.88% | 2.53% |
| March 31, 2023 | 3,769,954 | 38,012 | 4.03% | 3,573,941 | 42,217 | 23,006 | 4.72% | 2.57% |

(\$ in thousands)

| | Net Interest Expense | | Net Interest Spread | |
|---------------------------|----------------------|----------------------------------|---------------------|----------------------------------|
| | GAAP Basis | Economic Basis ⁽²⁾ | GAAP Basis | Economic Basis ⁽⁴⁾ |
| Three Months Ended | | | | |
| September 30, 2024 | \$ 340 | \$ 32,264 | (0.19)% | 2.47% |
| June 30, 2024 | (697) | 28,762 | (0.29)% | 2.64% |
| March 31, 2024 | (2,490) | 25,097 | (0.51)% | 2.47% |
| December 31, 2023 | (2,786) | 22,375 | (0.44)% | 2.04% |
| September 30, 2023 | (8,598) | 15,842 | (0.93)% | 1.33% |
| June 30, 2023 | (8,760) | 14,722 | (1.07)% | 1.28% |
| March 31, 2023 | (4,205) | 15,006 | (0.69)% | 1.46% |

- Portfolio yields and costs of borrowings presented in the tables above are calculated based on the average balances of the underlying investment portfolio/borrowings balances and are annualized for the periods presented. Average balances for quarterly periods are calculated using two data points, the beginning and ending balances.
- Economic interest expense and economic net interest income presented in the tables above includes the effect of our derivative instrument hedges for only the periods presented.
- Represents interest cost of our borrowings and the effect of derivative instrument hedges attributed to the period divided by average RMBS.
- Economic net interest spread is calculated by subtracting average economic cost of funds from realized yield on average RMBS.

Securitized Products Returns September 2024

Last 12 months from September 2023 return summary – sorted by total returns

| Sector | Last 12 Mo. (As of 9/30/24) | | 2023 | | 9/30/2024 |
|-----------------------------|-----------------------------|---------------------------------|--------------|---------------------------------|------------------------|
| | Total Return | Excess Return (vs. Swaps/Libor) | Total Return | Excess Return (vs. Swaps/Libor) | Current Spread / Price |
| NDX 100 | 37.5% | N/A | 55.1% | N/A | 24183 |
| S&P 500 | 36.4% | N/A | 26.3% | N/A | 12608 |
| CLO 2.0/3.0 BB | 22.9% | 17.1% | 25.1% | 19.3% | 625 |
| CMBS BBB | 19.8% | 10.8% | -1.1% | -5.5% | 1087 |
| SP down in credit indicator | 16.6% | 12.2% | 16.0% | 10.9% | NA |
| HY Corporate | 15.7% | 6.8% | 13.5% | 8.6% | 303 |
| CLO 2.0/3.0 BBB | 14.9% | 9.5% | 17.3% | 11.8% | 300 |
| CRT B1 | 14.9% | 9.3% | 20.7% | 15.1% | 215 |
| IG Corporate | 14.1% | 3.2% | 8.4% | 4.6% | 92 |
| Agency MBS | 12.4% | 2.1% | 5.0% | 0.7% | 37 |
| CMBS | 11.8% | 3.1% | 4.7% | 0.3% | 196 |
| CRT M2/Old M3 | 11.2% | 5.7% | 16.0% | 10.6% | 155 |
| Legacy RMBS | 11.0% | 4.8% | 6.7% | 1.4% | 216 |
| CLO 2.0/3.0 A | 10.5% | 5.2% | 14.4% | 8.9% | 190 |
| Agency CMBS | 10.4% | 1.3% | 5.1% | 0.8% | 42 |
| US Treasury | 9.9% | -0.3% | 3.9% | 0.1% | 1 |
| Leveraged Loans | 9.6% | 4.3% | 13.1% | 7.7% | NA |
| CLO 2.0/3.0 AA | 9.6% | 4.5% | 10.9% | 5.7% | 170 |
| SP return indicator | 9.5% | 3.1% | 7.8% | 2.8% | NA |
| CLO 2.0/3.0 Total | 9.5% | 4.1% | 10.6% | 5.2% | 164 |
| CRT M1 | 9.4% | 4.0% | 11.0% | 5.7% | 110 |
| Fixed ABS | 8.6% | 1.2% | 6.3% | 1.5% | 104 |
| SP AAA indicator | 8.4% | 3.1% | 6.7% | 1.8% | NA |
| CLO 2.0/3.0 AAA | 7.9% | 2.7% | 8.6% | 3.3% | 120 |
| Floating ABS | 7.3% | 2.1% | 7.6% | 2.3% | 51 |

Last 12 months from September 2023 returns summary – sorted by excess return

| Sector | Last 12 Mo. (As of 9/30/24) | | 2023 | | 9/30/2024 |
|-----------------------------|-----------------------------|---------------------------------|--------------|---------------------------------|------------------------|
| | Total Return | Excess Return (vs. Swaps/Libor) | Total Return | Excess Return (vs. Swaps/Libor) | Current Spread / Price |
| S&P 500 | 36.4% | N/A | 26.3% | N/A | 12608 |
| NDX 100 | 37.5% | N/A | 55.1% | N/A | 24183 |
| CLO 2.0/3.0 BB | 22.9% | 17.1% | 25.1% | 19.3% | 625 |
| SP down in credit indicator | 16.6% | 12.2% | 16.0% | 10.9% | N/A |
| CMBS BBB | 19.8% | 10.8% | -1.1% | -5.5% | 1087 |
| CLO 2.0/3.0 BBB | 14.9% | 9.5% | 17.3% | 11.8% | 300 |
| CRT B1 | 14.9% | 9.3% | 20.7% | 15.1% | 215 |
| HY Corporate | 15.7% | 6.8% | 13.5% | 8.6% | 303 |
| CRT M2/Old M3 | 11.2% | 5.7% | 16.0% | 10.6% | 155 |
| CLO 2.0/3.0 A | 10.5% | 5.2% | 14.4% | 8.9% | 190 |
| Legacy RMBS | 11.0% | 4.8% | 6.7% | 1.4% | 216 |
| CLO 2.0/3.0 AA | 9.6% | 4.5% | 10.9% | 5.7% | 170 |
| Leveraged Loans | 9.6% | 4.3% | 13.1% | 7.7% | N/A |
| CLO 2.0/3.0 Total | 9.5% | 4.1% | 10.6% | 5.2% | 164 |
| CRT M1 | 9.4% | 4.0% | 11.0% | 5.7% | 110 |
| IG Corporate | 14.1% | 3.2% | 8.4% | 4.6% | 92 |
| SP return indicator | 9.5% | 3.1% | 7.8% | 2.8% | N/A |
| CMBS | 11.8% | 3.1% | 4.7% | 0.3% | 196 |
| SP AAA indicator | 8.4% | 3.1% | 6.7% | 1.8% | N/A |
| CLO 2.0/3.0 AAA | 7.9% | 2.7% | 8.6% | 3.3% | 120 |
| Agency MBS | 12.4% | 2.1% | 5.0% | 0.7% | 37 |
| Floating ABS | 7.3% | 2.1% | 7.6% | 2.3% | 51 |
| Agency CMBS | 10.4% | 1.3% | 5.1% | 0.8% | 42 |
| Fixed ABS | 8.6% | 1.2% | 6.3% | 1.5% | 104 |
| US Treasury | 9.9% | -0.3% | 3.9% | 0.1% | 1 |

Source: BofA Global Research - Securitized Products Returns for September 2024/
Securitized Products Strategy / 01 October 2024

Securitized Products Returns September 2024

Securitized products total and excess returns versus swaps

| | Mod | Total Returns | | | | Excess Returns vs. Swaps | | | | |
|--------------------|-----|---------------|--------|------|------|--------------------------|-------|-------|-------|-------|
| | | Dur | Sep-24 | QTD | YTD | 2023 | 9/24 | QTD | YTD | 2023 |
| Agency MBS | | 5.3 | 1.2% | 5.9% | 4.7% | 5.0% | 0.1% | 0.7% | 0.5% | 0.7% |
| UMBS CC | | 3.9 | 1.0% | 4.0% | 4.5% | 3.5% | 0.1% | 0.3% | -0.1% | -1.8% |
| GNMA 30Y CC | | 4.0 | 0.8% | 3.1% | 3.0% | 3.1% | -0.2% | -0.7% | -1.7% | -1.8% |
| All FNMA | | 5.4 | 1.3% | 5.8% | 4.9% | 4.9% | 0.2% | 0.9% | 0.7% | 0.7% |
| All GNMA | | 5.1 | 1.0% | 5.0% | 4.1% | 5.3% | -0.1% | 0.4% | 0.0% | 0.9% |
| UMBS 30yr | | 5.7 | 1.3% | 5.9% | 4.8% | 4.9% | 0.2% | 1.0% | 0.6% | 0.7% |
| 20 | | | 1.4% | 6.7% | 4.6% | 4.4% | 0.1% | 1.1% | 0.3% | 0.6% |
| 25 | | | 1.5% | 6.9% | 5.3% | 4.7% | 0.2% | 1.4% | 1.1% | 0.8% |
| 30 | | | 1.5% | 6.6% | 5.0% | 5.5% | 0.3% | 1.3% | 0.8% | 1.4% |
| 35 | | | 1.6% | 6.1% | 5.0% | 5.4% | 0.4% | 0.9% | 0.7% | 1.1% |
| 40 | | | 1.6% | 5.9% | 5.1% | 5.6% | 0.5% | 0.9% | 0.8% | 1.0% |
| 45 | | | 1.4% | 5.4% | 5.3% | 5.6% | 0.4% | 0.8% | 0.9% | 0.6% |
| 50 | | | 1.1% | 4.8% | 5.1% | 5.4% | 0.1% | 0.7% | 0.7% | 0.1% |
| 55 | | | 0.9% | 4.0% | 5.0% | 5.4% | 0.1% | 0.4% | 0.4% | -0.2% |
| 60 | | | 0.9% | 3.5% | 5.2% | 5.6% | 0.2% | 0.4% | 0.5% | -0.1% |
| 65 | | | 0.7% | 2.9% | 5.3% | 5.6% | 0.0% | 0.2% | 0.8% | -0.3% |
| 70 | | | 0.6% | 2.6% | 5.4% | 3.0% | 0.0% | 0.2% | 1.0% | 0.4% |
| UMBS 15yr | 3.5 | | 1.3% | 4.7% | 5.0% | 4.6% | 0.3% | 0.6% | 0.9% | 0.3% |
| 20 | | | 1.3% | 4.9% | 4.9% | 4.7% | 0.3% | 0.5% | 0.8% | -0.3% |
| 25 | | | 1.2% | 4.2% | 4.9% | 4.9% | 0.2% | 0.4% | 0.7% | -0.1% |
| 30 | | | 1.1% | 4.0% | 5.0% | 4.8% | 0.2% | 0.5% | 0.9% | -0.1% |
| 35 | | | 1.1% | 4.0% | 4.7% | 5.3% | 0.2% | 0.4% | 0.5% | 0.2% |
| 40 | | | 1.0% | 4.2% | 4.8% | 5.5% | 0.1% | 0.5% | 0.5% | 0.2% |
| 45 | | | 0.9% | 3.6% | 4.5% | 3.4% | 0.0% | 0.1% | 0.2% | 0.4% |
| 50 | | | 0.9% | 3.3% | 4.4% | 4.4% | 0.1% | 0.0% | 0.1% | 0.3% |
| Ginnie 30yr | 5.1 | | 1.0% | 5.0% | 4.1% | 5.2% | -0.1% | 0.4% | 0.0% | 0.5% |
| 20 | | | 1.0% | 5.9% | 3.4% | 4.7% | -0.2% | 0.4% | -0.8% | -0.3% |
| 25 | | | 1.2% | 6.0% | 4.2% | 5.2% | 0.0% | 0.6% | 0.1% | 0.1% |
| 30 | | | 1.1% | 5.7% | 4.0% | 5.9% | -0.1% | 0.5% | -0.2% | 0.6% |
| 35 | | | 1.2% | 5.7% | 4.4% | 5.7% | 0.1% | 0.6% | 0.2% | 0.3% |
| 40 | | | 1.5% | 5.7% | 4.9% | 5.6% | 0.4% | 0.8% | 0.6% | 0.0% |
| 45 | | | 1.2% | 5.0% | 5.0% | 5.4% | 0.2% | 0.6% | 0.6% | -0.4% |
| 50 | | | 0.8% | 4.2% | 4.9% | 5.3% | -0.2% | 0.3% | 0.3% | -0.5% |
| 55 | | | 0.8% | 3.2% | 4.5% | 5.4% | -0.1% | -0.3% | -0.2% | -0.4% |
| 60 | | | 0.7% | 2.9% | 4.7% | 5.3% | -0.2% | -0.2% | 0.2% | 0.9% |
| 65 | | | 0.6% | 2.5% | 4.7% | 4.4% | -0.2% | -0.4% | 0.3% | 1.0% |
| 70 | | | 0.5% | 2.1% | 4.5% | 2.2% | -0.3% | -0.8% | 0.3% | -0.4% |
| US Treasuries | | 6.3 | 1.2% | 4.8% | 4.0% | 3.9% | 0.0% | -0.3% | 0.0% | 0.1% |
| 1-3yrs | | 1.8 | 0.8% | 2.9% | 4.2% | 4.3% | 0.0% | -0.1% | -0.1% | -0.4% |
| 3-5yrs | | 3.7 | 1.0% | 4.1% | 4.3% | 4.4% | 0.0% | -0.2% | 0.2% | 0.1% |
| 5-7yrs | | 5.4 | 1.2% | 5.1% | 4.6% | 4.3% | 0.0% | -0.2% | 0.4% | 0.1% |
| 7-10yrs | | 7.2 | 1.3% | 5.7% | 4.3% | 3.4% | 0.0% | -0.4% | 0.1% | -0.6% |
| 20+yrs | | 16.8 | 1.9% | 8.0% | 2.1% | 2.2% | 0.0% | -0.9% | -1.0% | 1.2% |
| Agency Debt | | 4.0 | 1.0% | 3.9% | 4.6% | 4.3% | 0.0% | -0.1% | 0.4% | -0.2% |
| Fannie | | 5.6 | 1.1% | 4.0% | 4.6% | 4.2% | 0.1% | 0.0% | 0.3% | 0.1% |
| Freddie | | 3.6 | 1.0% | 3.8% | 4.5% | 4.4% | 0.0% | -0.2% | 0.4% | -0.3% |
| High Yield | | 3.9 | 1.6% | 5.3% | 8.0% | 13.5% | 0.7% | 1.4% | 3.7% | 8.6% |
| High Grade | | 6.9 | 1.7% | 5.7% | 5.8% | 8.4% | 0.5% | 0.3% | 1.7% | 4.6% |
| Banks | | 4.7 | 1.5% | 5.1% | 6.7% | 8.0% | 0.4% | 0.5% | 2.4% | 3.7% |
| Financials | | 5.2 | 1.5% | 5.2% | 6.6% | 8.1% | 0.4% | 0.5% | 2.4% | 3.8% |
| Non-Agency: Legacy | | | | | | | | | | |
| Prime Fixed | | | 1.4% | 6.4% | 9.2% | 7.0% | 0.4% | 2.3% | 4.4% | 1.0% |
| Alt-A 5/1 WAC | | | 1.0% | 5.3% | 7.5% | 7.3% | 0.7% | 4.1% | 3.6% | 2.0% |
| Opton ARM | | | 1.2% | 5.8% | 8.3% | 7.4% | 0.9% | 4.7% | 4.4% | 2.3% |
| Subprime ARM | | | 1.0% | 3.9% | 7.5% | 5.9% | 0.7% | 2.7% | 3.7% | 0.9% |
| Non-Agency: 2.0 | | | | | | | | | | |
| Nm-QMA1 | | | 0.7% | 2.9% | 4.6% | 4.7% | -0.3% | -1.2% | -0.1% | -1.9% |
| RPLA1 | | | 0.7% | 3.1% | 5.4% | 5.9% | -0.2% | -0.9% | 0.7% | -1.0% |

| | Mod | Total Returns | | | | Excess Returns vs. Swaps | | | | |
|-----------------------------|-----|---------------|--------|------|-------|--------------------------|-------|-------|-------|-------|
| | | Dur | Sep-24 | QTD | YTD | 2023 | 9/24 | QTD | YTD | 2023 |
| SP return indicator | | | 0.9% | 2.9% | 6.5% | -4.6% | 0.3% | 0.6% | 2.5% | 2.5% |
| SP AAA indicator | | | 0.8% | 2.7% | 5.5% | -3.9% | 0.2% | 0.3% | 2.6% | 2.6% |
| SP down in credit indicator | | | 1.1% | 2.9% | 12.9% | -6.4% | 0.7% | 1.4% | 9.7% | 9.7% |
| CAS | | | | | | | | | | |
| 1M1 | | | 0.5% | 1.5% | 5.9% | 8.9% | 0.2% | 0.3% | 2.1% | 3.7% |
| 1M2 | | | 0.4% | 1.9% | 7.7% | 13.2% | 0.1% | 0.7% | 3.8% | 7.9% |
| 1B1 | | | 0.6% | 2.1% | 9.1% | 19.1% | 0.3% | 1.0% | 5.1% | 13.4% |
| 2M1 | | | 0.5% | 1.6% | 6.1% | 8.9% | 0.1% | 0.4% | 2.2% | 3.8% |
| 2M2 | | | 0.4% | 1.9% | 7.4% | 15.0% | 0.1% | 0.7% | 3.5% | 9.6% |
| 2B1 | | | 0.6% | 2.1% | 8.8% | 19.3% | 0.3% | 0.9% | 4.9% | 13.7% |
| STACR | | | | | | | | | | |
| Low LTV M1 | | | 0.5% | 1.6% | 6.6% | 11.0% | 0.1% | 0.4% | 2.7% | 5.7% |
| Low LTV New M2/Old M3 | | | 0.4% | 1.8% | 7.5% | 16.0% | 0.1% | 0.7% | 3.6% | 10.6% |
| Low LTV B1 | | | 0.5% | 2.2% | 10.6% | 20.7% | 0.2% | 1.0% | 6.6% | 15.1% |
| High LTV M1 | | | 0.3% | 1.5% | 6.6% | 13.5% | 0.0% | 0.4% | 2.7% | 8.2% |
| High LTV New M2/Old M3 | | | 0.4% | 1.7% | 7.7% | 17.2% | -0.1% | 0.5% | 3.7% | 11.6% |
| High LTV B1 | | | 0.6% | 2.1% | 10.1% | 22.3% | 0.3% | 1.0% | 6.1% | 16.5% |
| SFR Fixed | | | | | | | | | | |
| A | | | 0.4% | 1.6% | 4.5% | 6.1% | -0.5% | -2.4% | -0.3% | -0.7% |
| B | | | 0.4% | 1.3% | 2.2% | 3.7% | -0.6% | -2.7% | -2.5% | -3.1% |
| C | | | 0.5% | 1.4% | 2.2% | 3.0% | -0.5% | -2.6% | -2.5% | -3.6% |
| D | | | 0.6% | 1.7% | 3.9% | 5.4% | -0.4% | -2.3% | -0.9% | -1.3% |
| E | | | 0.4% | 1.1% | 3.0% | 7.6% | -0.6% | -2.8% | -1.7% | 0.6% |
| CMBS | | 3.6 | 1.3% | 4.2% | 6.9% | 4.7% | 0.3% | 0.2% | 2.8% | 0.3% |
| AAA | | 3.7 | 1.2% | 4.3% | 6.0% | 5.1% | 0.3% | 0.2% | 1.9% | 0.8% |
| AA-BBB | | 3.2 | 1.4% | 3.8% | 10.7% | 2.8% | 0.5% | 0.0% | 6.4% | -1.6% |
| BBB | | 3.1 | 1.4% | 3.5% | 16.4% | -1.1% | 0.5% | -0.2% | 11.8% | -5.5% |
| Agency | | 4.3 | 1.1% | 4.5% | 5.2% | 5.1% | 0.1% | 0.0% | 1.1% | 0.8% |
| SASB fixed | | | 1.4% | 4.0% | 8.0% | 4.9% | 0.5% | 0.5% | 4.4% | 1.0% |
| SASB floating | | | 1.0% | 2.2% | 8.0% | 8.1% | 0.7% | 1.1% | 4.2% | 2.9% |
| ABS - Fixed | | 2.2 | 0.8% | 2.9% | 5.5% | 6.3% | 0.0% | -0.1% | 1.2% | 1.5% |
| Autos | | 1.5 | 0.8% | 2.6% | 5.0% | 5.6% | 0.0% | 0.0% | 0.7% | 0.7% |
| Cards | | 1.6 | 0.8% | 2.6% | 4.5% | 4.8% | 0.0% | 0.0% | 0.3% | 0.3% |
| HEL | | 4.3 | 1.2% | 3.9% | 6.6% | 6.0% | 0.1% | -0.4% | 2.5% | 1.8% |
| Other | | 3.1 | 0.9% | 3.4% | 6.5% | 7.7% | 0.0% | -0.3% | 2.2% | 3.0% |
| ABS - Floating | | 2.0 | 0.5% | 1.5% | 5.4% | 7.6% | 0.1% | 0.4% | 1.6% | 2.3% |
| Cards | | 1.5 | 0.5% | 1.5% | 4.6% | 6.1% | 0.1% | 0.3% | 0.9% | 1.0% |
| HEL | | 3.3 | 0.7% | 2.7% | 6.1% | 6.3% | 0.4% | 1.5% | 2.4% | 1.0% |
| Other | | 2.6 | 0.5% | 1.6% | 5.9% | 8.2% | 0.2% | 0.4% | 2.1% | 2.9% |
| Student Loans | | 2.7 | 0.5% | 1.6% | 5.9% | 8.2% | 0.2% | 0.4% | 2.2% | 2.9% |
| CLO 2.0/3.0 Total | | | 0.7% | 1.9% | 6.7% | 10.6% | 0.3% | 0.8% | 2.8% | 5.2% |
| CLO 2.0/3.0AAA | | | 0.6% | 1.7% | 5.6% | 8.6% | 0.3% | 0.6% | 1.9% | 3.3% |
| CLO 2.0/3.0AA | | | 0.6% | 1.8% | 6.6% | 10.9% | 0.3% | 0.7% | 2.9% | 5.7% |
| CLO 2.0/3.0A | | | 0.7% | 2.0% | 7.3% | 14.4% | 0.3% | 0.8% | 3.5% | 8.9% |
| CLO 2.0/3.0BBB | | | 0.8% | 2.5% | 10.4% | 17.3% | 0.5% | 1.3% | 6.5% | 11.8% |
| CLO 2.0/3.0BB | | | 1.5% | 3.5% | 15.9% | 25.1% | 1.2% | 2.3% | 11.7% | 19.3% |

Source: BofA Global Research - Securitized Products Returns for September 2024/
Securitized Products Strategy / 01 October 2024