

Post Reset ARM	\$ 1,123	\$ 1,189	0.03	%	\$ 105.86	4.78	%	5.21	%	179	182	-	-	\$ 10	\$ (9)		
Fixed Rate CMO	631,689	653,420	18.47	%	103.44	4.25	%	4.60	%	18	339	23.52	%	19.08	%	(747) (631)
15yr 4.0	387,628	412,161	11.65	%	106.33	4.00	%	4.53	%	14	162	12.50	%	10.57	%	6,215	(6,742)
15yr Total	387,628	412,161	11.65	%	106.33	4.00	%	4.53	%	14	162	12.50	%	10.57	%	6,215	(6,742)
20yr 4.0	84,934	91,025	2.57	%	107.17	4.00	%	4.48	%	24	212	5.60	%	7.47	%	1,721	(1,870)
20yr Total	84,934	91,025	2.57	%	107.17	4.00	%	4.48	%	24	212	5.60	%	7.47	%	1,721	(1,870)
30yr 3.0	84,271	85,751	2.42	%	101.76	3.00	%	3.92	%	2	359	n/a		n/a		1,650	(2,272)
30yr 3.5	338,957	351,046	9.92	%	103.57	3.50	%	4.33	%	5	354	4.12	%	9.81	%	4,366	(6,841)
30yr 4.0	803,747	849,857	24.03	%	105.74	4.00	%	4.64	%	15	343	6.60	%	7.07	%	7,601	(12,570)
30yr 4.5	132,864	141,790	4.01	%	106.72	4.50	%	5.07	%	16	342	15.31	%	12.68	%	1,198	(1,653)
30yr 5.0	759,253	831,493	23.51	%	109.51	5.00	%	5.52	%	14	344	17.95	%	14.39	%	6,338	(8,515)
30yr Total	2,119,092	2,259,937	63.89	%	106.65	4.27	%	4.90	%	13	345	11.15	%	10.93	%	21,153	(31,851)
Total Pass Through RMBS	3,224,466	3,417,732	96.62	%	105.99	4.23	%	4.79	%	14	319	13.71	%	12.63	%	28,352	(41,103)
Structured RMBS																		
Interest-Only Securities	756,926	94,213	2.66	%	12.45	3.76	%	4.35	%	66	251	18.07	%	16.16	%	(16,606)	18,675
Inverse Interest-Only Securities	206,189	25,375	0.72	%	12.31	2.80	%	4.86	%	60	290	19.68	%	14.41	%	1,007	(1,764)
Total Structured RMBS	963,115	119,588	3.38	%	12.42	3.56	%	4.46	%	64	259	18.42	%	15.79	%	(15,599)	16,911
Total Mortgage Assets	\$ 4,187,581	\$ 3,537,320	100.00	%		4.07	%	4.71	%	26	305	14.83	%	13.45	%	\$ 12,753	\$ (24,192)

	Average Notional	Hedge Period			Interest Rate Sensitivity (-50 BPS)(2)	Interest Rate Sensitivity (+50 BPS)(2)
Hedge	Balance	End				
Eurodollar Futures	\$ (500,000)	Apr-2020			\$ (3,750)	\$ 3,750
Swaps	(2,120,000)	May-2022			(32,158)	32,158
5-Year Treasury Future	(165,000)	Sep-2019 ⁽³⁾			(7,404)	1,572
TBA Long	160,000	Oct-2019			2,128	(3,210)
TBA Short	(125,000)	Aug-2019			(1,153)	1,757
Swaptions	(250,000)	Sep-2024			(87)	693
Hedge Total	\$ (3,000,000)				\$ (42,424)	\$ 36,720
Rate Shock Grand Total					\$ (29,671)	\$ 12,528

(1) Amounts in the tables above include assets with a fair value of approximately \$161.2 million purchased in July 2019, which settle in August 2019.

(2) Modeled results from Citigroup Global Markets Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant LIBOR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.

(3) Five year treasury futures contracts were valued at prices of \$117.55 at July 31, 2019. The notional contract value of the short position was \$194.0 million.

RMBS Assets by Agency

(\$ in thousands)

Asset Category	Fair Value ⁽¹⁾	Percentage of Portfolio	Investment Company Act of 1940 Whole Pool Test			
			Asset Category	Fair Value ⁽¹⁾	Percentage of Portfolio	
As of July 31, 2019			As of July 31, 2019			
Fannie Mae	\$ 2,330,047	65.9 %	Non-Whole Pool Assets	\$ 948,736	26.8 %	
Freddie Mac	1,204,702	34.0 %	Whole Pool Assets	2,588,584	73.2 %	
Ginnie Mae	2,571	0.1 %	Total Mortgage Assets	\$ 3,537,320	100.0 %	
Total Mortgage Assets	\$ 3,537,320	100.0 %				

(1) Amounts in the tables above include assets with a fair value of approximately \$161.2 million purchased in July 2019, which settle in August 2019.

Borrowings By Counterparty

(\$ in thousands)

	Total Borrowings	% of Total Debt	Weighted Average Repo Rate	Weighted Average Maturity in Days	Longest Maturity
As of July 31, 2019					

RBC Capital Markets, LLC	\$ 423,950	13.4	% 2.55	% 21	9/12/2019
Wells Fargo Bank, N.A.	359,459	11.3	% 2.54	% 21	9/20/2019
Mirae Asset Securities (USA) Inc.	301,766	9.5	% 2.63	% 65	12/9/2019
J.P. Morgan Securities LLC	248,221	7.8	% 2.61	% 101	11/12/2019
ABN AMRO Bank N.V.	215,550	6.8	% 2.63	% 8	8/13/2019
Mitsubishi UFJ Securities (USA), Inc	205,272	6.4	% 2.53	% 81	11/12/2019
Citigroup Global Markets Inc	184,131	5.8	% 2.65	% 23	9/20/2019
ASL Capital Markets Inc.	177,332	5.6	% 2.61	% 30	10/7/2019
South Street Securities, LLC	176,119	5.5	% 2.61	% 187	4/9/2020
Cantor Fitzgerald & Co	165,541	5.2	% 2.62	% 13	8/19/2019
ING Financial Markets LLC	164,747	5.2	% 2.52	% 20	8/30/2019
ICBC Financial Services LLC	105,636	3.3	% 2.62	% 12	8/12/2019
Guggenheim Securities, LLC	94,331	3.0	% 2.61	% 31	9/30/2019
FHLB-Cincinnati	81,100	2.5	% 2.64	% 1	8/1/2019
ED&F Man Capital Markets Inc	60,384	1.9	% 2.62	% 55	10/7/2019
Daiwa Securities America Inc.	49,594	1.6	% 2.60	% 12	8/12/2019
Lucid Cash Fund USG LLC	49,212	1.5	% 2.58	% 15	8/15/2019
Bank of Montreal	42,702	1.3	% 2.64	% 15	8/28/2019
Merrill Lynch, Pierce, Fenner & Smith	29,152	0.9	% 2.73	% 8	8/12/2019
J.V.B. Financial Group, LLC	24,556	0.8	% 2.58	% 9	8/15/2019
Lucid Prime Fund, LLC	14,922	0.5	% 2.62	% 15	8/15/2019
Natixis, New York Branch	4,732	0.1	% 2.55	% 15	8/15/2019
Mizuho Securities USA, Inc	4,698	0.1	% 2.86	% 15	8/15/2019
Total Borrowings	\$ 3,183,107	100.0	% 2.59	% 43	4/9/2020

(1) In July 2019, the Company purchased assets with a fair value of approximately \$161.2 million, which settle in August 2019 that are expected to be funded by repurchase agreements. The anticipated borrowings are not included in the table above.

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Source: Orchid Island Capital, Inc.