

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 8, 2018**

**Orchid Island Capital, Inc.**  
(Exact Name of Registrant as Specified in Charter)

**Maryland**  
(State or Other Jurisdiction of Incorporation)

**001-35236**  
(Commission File Number)

**27-3269228**  
(IRS Employer Identification No.)

**3305 Flamingo Drive, Vero Beach, Florida 32963**  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(772) 231-1400**

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 8.01. Other Events.**

On March 8, 2018, Orchid Island Capital, Inc. (the "Company") announced that the Board of Directors of the Company declared a dividend for the month of March 2018 of \$0.09 per share to be paid on April 10, 2018 to holders of record on March 29, 2018, with an ex-dividend date of March 28, 2018. In addition, the Company announced certain details of its RMBS portfolio as of February 28, 2018, as well as certain other information regarding the Company. A copy of the Company's press release announcing the dividend and the other information regarding the Company is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

**Caution About Forward-Looking Statements.**

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws, including but not limited to statements about the Company's distributions. These forward-looking statements are based upon the Company's present expectations, but the Company cannot assure investors that actual results will not vary from the expectations contained in the forward-looking statements. Investors should not place undue reliance upon forward-looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the Company's Form 10-K for the year ended December 31, 2017. All forward-looking statements speak only as of the date on which they are made. New risks and uncertainties arise over time, and it is not possible to predict those events or how they may affect the Company. Except as required by law, the Company is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

## (d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated March 8, 2018

---

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 8, 2018

ORCHID ISLAND CAPITAL, INC.

By: /s/ Robert E. Cauley  
Robert E. Cauley  
Chairman and Chief Executive Officer

---

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated March 8, 2018



**RMBS Valuation Characteristics**
*(\$ in thousands)*

<b>Asset Category</b>	<b>Current Face</b>	<b>Fair Value</b>	<b>Current Price</b>	<b>Percentage of Portfolio</b>	<b>Weighted Average Coupon</b>	<b>Realized Feb 2018 CPR (Reported in Mar)</b>
<b>As of February 28, 2018</b>						
<b>Adjustable Rate RMBS</b>	\$ 1,649	\$ 1,740	\$ 105.53	0.05%	3.95%	0.02%
10-1 Hybrid Rate RMBS	26,568	26,448	99.55	0.69%	2.59%	0.70%
<b>Hybrid Adjustable Rate RMBS</b>	26,568	26,448	99.55	0.69%	2.59%	0.70%
15 Year Fixed Rate RMBS	38,111	38,944	102.19	1.02%	3.50%	10.69%
20 Year Fixed Rate RMBS	498,438	517,292	103.78	13.50%	4.00%	6.03%
30 Year Fixed Rate RMBS	2,965,939	3,109,311	104.83	81.16%	4.32%	5.71%
<b>Total Fixed Rate RMBS</b>	<b>3,502,488</b>	<b>3,665,547</b>	<b>104.66</b>	<b>95.68%</b>	<b>4.26%</b>	<b>5.81%</b>
<b>Total Pass-through RMBS</b>	<b>3,530,705</b>	<b>3,693,735</b>	<b>104.62</b>	<b>96.41%</b>	<b>4.25%</b>	<b>5.77%</b>
Interest-Only Securities	735,979	108,333	14.72	2.83%	3.80%	11.36%
Inverse Interest-Only Securities	259,670	29,024	11.18	0.76%	4.04%	11.68%
<b>Structured RMBS</b>	<b>995,649</b>	<b>137,357</b>	<b>13.80</b>	<b>3.59%</b>	<b>3.85%</b>	<b>11.44%</b>
<b>Total Mortgage Assets</b>	<b>\$ 4,526,354</b>	<b>\$ 3,831,092</b>		<b>100.00%</b>	<b>4.24%</b>	<b>7.02%</b>

**RMBS Assets by Agency**
*(\$ in thousands)*
**Investment Company Act of 1940 Whole Pool Test**
*(\$ in thousands)*

<b>Asset Category</b>	<b>Fair Value</b>	<b>Percentage of Portfolio</b>	<b>Asset Category</b>	<b>Fair Value</b>	<b>Percentage of Portfolio</b>
<b>As of February 28, 2018</b>					
Fannie Mae	\$ 2,291,799	59.8%	Whole Pool Assets	\$ 3,129,859	81.7%
Freddie Mac	1,533,373	40.0%	Non-Whole Pool Assets	701,233	18.3%
Ginnie Mae	5,920	0.2%	Total Mortgage Assets	\$ 3,831,092	100.0%
<b>Total Mortgage Assets</b>	<b>\$ 3,831,092</b>	<b>100.0%</b>			

**Borrowings By Counterparty**  
(\$ in thousands)

<b>As of February 28, 2018</b>	<b>Total Borrowings</b>	<b>% of Total Debt</b>	<b>Weighted Average Maturity in Days</b>	<b>Longest Maturity</b>
J.P. Morgan Securities LLC	\$ 592,982	16.5%	95	8/10/2018
Mirae Asset Securities (USA) Inc.	393,335	10.8%	50	8/10/2018
Wells Fargo Bank, N.A.	273,290	7.5%	14	3/14/2018
Citigroup Global Markets Inc	226,543	6.2%	16	3/19/2018
RBC Capital Markets, LLC	219,183	6.0%	12	3/12/2018
Guggenheim Securities, LLC	207,991	5.7%	15	3/27/2018
Cantor Fitzgerald & Co	196,124	5.4%	16	3/16/2018
ING Financial Markets LLC	192,698	5.3%	11	3/12/2018
Mitsubishi UFJ Securities (USA), Inc	173,432	4.8%	19	3/23/2018
Goldman, Sachs & Co	154,046	4.2%	16	3/29/2018
ICBC Financial Services LLC	151,117	4.1%	2	3/2/2018
Nomura Securities International, Inc.	136,686	3.7%	18	3/29/2018
KGS-Alpha Capital Markets, L.P	124,525	3.4%	43	8/14/2018
Merrill Lynch, Pierce, Fenner & Smith Incorporated	111,128	3.0%	9	3/14/2018
Natixis, New York Branch	103,550	2.8%	20	3/26/2018
FHLB-Cincinnati	92,054	2.5%	1	3/1/2018
ED&F Man Capital Markets Inc	86,115	2.4%	17	3/22/2018
Mizuho Securities USA, Inc	73,769	2.0%	17	3/22/2018
Daiwa Securities America Inc.	67,255	1.8%	10	3/12/2018
Lucid Cash Fund USG LLC	40,111	1.1%	13	3/13/2018
J.V.B. Financial Group, LLC	18,697	0.5%	13	3/14/2018
South Street Securities, LLC	10,614	0.3%	28	3/28/2018
<b>Total Borrowings</b>	<b>\$ 3,645,245</b>	<b>100.0%</b>	<b>32</b>	<b>8/14/2018</b>

**RMBS Risk Measures**

(\$ in thousands)

<b>Mortgage Assets</b>						
<b>Asset Category</b>	<b>Fair Value</b>	<b>Weighted Average Months To Next Coupon Reset (if applicable)</b>	<b>Weighted Average Lifetime Cap (if applicable)</b>	<b>Weighted Average Periodic Cap Per Year (if applicable)</b>	<b>Modeled Interest Rate Sensitivity (-50 BPS)(1)</b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)(1)</b>
<b>As of February 28, 2018</b>						
Adjustable Rate RMBS	\$ 1,740	4	10.05%	2.00%	\$ 8	\$ (6)
Hybrid Adjustable Rate RMBS	26,448	58	7.59%	2.00%	386	(406)
Total Fixed Rate RMBS	3,665,547	n/a	n/a	n/a	74,508	(93,300)
Total Pass-through RMBS	3,693,735	n/a	n/a	n/a	74,902	(93,712)
Interest-Only Securities	108,333	n/a	n/a	n/a	(12,083)	8,526
Inverse Interest-Only Securities	29,024	1	5.28%	n/a	3,050	(3,647)
Structured RMBS	137,357	n/a	n/a	n/a	(9,033)	4,879
Total Mortgage Assets	\$ 3,831,092	n/a	n/a	n/a	\$ 65,869	\$ (88,833)
<b>Funding Hedges</b>						
			<b>Average Notional Balance(2)</b>	<b>Hedge Period End Date</b>	<b>Modeled Interest Rate Sensitivity (-50 BPS)(1)</b>	<b>Modeled Interest Rate Sensitivity (+50 BPS)(1)</b>
Eurodollar Futures Contracts - Short Positions			\$ 1,454,545	Dec-2020	\$ (20,000)	\$ 20,000
Treasury Futures Contracts - Short Positions			165,000	Jun-2018	(4,374)	4,308
Payer Swaps			1,010,000	Aug-2022	(12,175)	12,175
Payer Swaption			750,000	Aug-2028	(5,462)	13,106
Receiver Swaption			100,000	Feb-2024	1,141	(478)
TBA Short Positions			400,000	Mar-2018	(11,708)	13,640
Total Hedges					(52,578)	62,751
Grand Total					\$ 13,291	\$ (26,082)

(1) 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.

(2) Five year treasury futures contracts were valued at prices of \$113.93 at February 28, 2018. The notional contract value of the short position was \$188.0 million.

**Contact:**

Orchid Island Capital, Inc.  
Robert E. Cauley  
3305 Flamingo Drive, Vero Beach, Florida 32963  
Telephone: (772) 231-1400