

TABLE 1. TOTAL BOOK OF BUSINESS COMPONENTS (\$ in Millions) ¹

	Gross Mortgage Portfolio [Table 3]	+	Total Fannie Mae MBS and Other Guarantees [Table 4]	-	Fannie Mae MBS in Portfolio [Table 5]	=	Total Book of Business	Compounded Growth Rate	New Business Acquisitions ²
May 2014	\$ 456,613		\$ 2,790,733		\$ 113,760		\$ 3,133,586	(2.4%)	\$ 30,411
June 2014	452,772		2,790,709		114,396		3,129,085	(1.7%)	35,631
July 2014	449,878		2,792,181		114,627		3,127,432	(0.6%)	39,899
August 2014	443,078		2,784,982		111,159		3,116,901	(4.0%)	37,670
September 2014	438,100		2,791,097		108,460		3,120,737	1.5%	45,599
October 2014	436,225		2,793,388		111,330		3,118,283	(0.9%)	42,302
November 2014	423,992		2,791,123		95,125		3,119,990	0.7%	42,457
December 2014	413,313		2,803,564		92,819		3,124,058	1.6%	43,247
Full Year 2014	\$ 413,313		\$ 2,803,564		\$ 92,819		\$ 3,124,058	(1.3%)	\$ 433,838
January 2015	\$ 414,485		\$ 2,802,809		\$ 95,693		\$ 3,121,601	(0.9%)	\$ 39,651
February 2015	409,106		2,805,739		93,424		3,121,421	(0.1%)	38,463
March 2015	411,684		2,809,893		98,999		3,122,578	0.4%	45,874
April 2015	405,165		2,810,583		98,693		3,117,055	(2.1%)	51,602
May 2015	395,158		2,809,948		94,990		3,110,116	(2.6%)	43,738
YTD 2015	\$ 395,158		\$ 2,809,948		\$ 94,990		\$ 3,110,116	(1.1%)	\$ 219,328

TABLE 2. PORTFOLIO COMMITMENTS (\$ in Millions) ^{1,3}

	Commitments to Purchase, Net	Commitments to Sell	Net Retained Commitments
May 2014	\$ 48,656	\$ (48,059)	\$ 597
June 2014	47,746	(48,228)	(482)
July 2014	62,754	(62,962)	(208)
August 2014	61,911	(62,351)	(440)
September 2014	48,912	(49,062)	(150)
October 2014	73,954	(74,384)	(430)
November 2014	56,080	(59,445)	(3,365)
December 2014	69,796	(68,034)	1,762
Full Year 2014	\$ 624,854	\$ (626,989)	\$ (2,135)
January 2015	\$ 81,722	\$ (83,976)	\$ (2,254)
February 2015	68,677	(71,854)	(3,177)
March 2015	84,745	(83,735)	1,010
April 2015	87,133	(88,702)	(1,569)
May 2015	75,530	(76,609)	(1,079)
YTD 2015	\$ 397,807	\$ (404,876)	\$ (7,069)

TABLE 3. GROSS MORTGAGE PORTFOLIO (\$ in Millions) ¹

	Purchases ³	Sales ³	Liquidations	End Balance ³	Compounded Growth Rate ³	Annualized Liquidation Rate
May 2014	\$ 13,147	\$ (11,769)	\$ (6,496)	\$ 456,613	(12.5%)	(16.88%)
June 2014	15,571	(13,109)	(6,303)	452,772	(9.6%)	(16.56%)
July 2014	17,251	(13,803)	(6,342)	449,878	(7.4%)	(16.81%)
August 2014	16,827	(17,552)	(6,075)	443,078	(16.7%)	(16.20%)
September 2014	16,761	(14,637)	(7,102)	438,100	(12.7%)	(19.24%)
October 2014	18,741	(13,863)	(6,753)	436,225	(5.0%)	(18.50%)
November 2014	14,988	(22,014)	(5,207)	423,992	(28.9%)	(14.32%)
December 2014	18,455	(22,928)	(6,206)	413,313	(26.4%)	(17.56%)
Full Year 2014	\$ 178,315	\$ (179,760)	\$ (75,943)	\$ 413,313	(15.8%)	(15.48%)
January 2015	\$ 16,656	\$ (10,289)	\$ (5,195)	\$ 414,485	3.5%	(15.08%)
February 2015	16,126	(16,730)	(4,775)	409,106	(14.5%)	(13.83%)
March 2015	24,696	(16,649)	(5,469)	411,684	7.8%	(16.04%)
April 2015	23,668	(24,072)	(6,115)	405,165	(17.4%)	(17.82%)
May 2015	21,994	(26,139)	(5,862)	395,158	(25.9%)	(17.36%)
YTD 2015	\$ 103,140	\$ (93,879)	\$ (27,416)	\$ 395,158	(10.2%)	(15.92%)

TABLE 4. FANNIE MAE GUARANTEED SECURITIES AND MORTGAGE LOANS (\$ in Millions) ¹

	Total Fannie Mae MBS Issuances ⁴	Liquidations	End Balance	Fannie Mae MBS Annualized Liquidation Rate	Other Fannie Mae Guarantees	Total Fannie Mae MBS and Other Guarantees	Compounded Growth Rate	Mortgage Loans	Fannie Mae Guaranteed Securities and Mortgage Loans
May 2014	\$ 28,551	\$ (31,428)	\$ 2,761,554	(13.64%)	\$ 29,179	\$ 2,790,733	(1.4%)	\$ 301,471	\$ 3,092,204
June 2014	33,134	(32,930)	2,761,758	(14.31%)	28,951	2,790,709	(0.0%)	298,683	3,089,392
July 2014	37,918	(36,087)	2,763,589	(15.68%)	28,592	2,792,181	0.6%	296,017	3,088,198
August 2014	35,419	(37,031)	2,761,977	(16.08%)	23,005	2,784,982	(3.1%)	294,134	3,079,116
September 2014	41,915	(35,601)	2,768,291	(15.47%)	22,806	2,791,097	2.7%	292,543	3,083,640
October 2014	41,269	(34,981)	2,774,579	(15.16%)	18,809	2,793,388	1.0%	287,949	3,081,337
November 2014	33,628	(35,732)	2,772,475	(15.45%)	18,648	2,791,123	(1.0%)	293,491	3,084,614
December 2014	46,058	(33,749)	2,784,784	(14.61%)	18,780	2,803,564	5.5%	285,610	3,089,174
Full Year 2014	\$ 407,673	\$ (396,141)	\$ 2,784,784	(14.28%)	\$ 18,780	\$ 2,803,564	(0.0%)	\$ 285,610	\$ 3,089,174
January 2015	\$ 38,293	\$ (38,912)	\$ 2,784,165	(16.77%)	\$ 18,644	\$ 2,802,809	(0.3%)	\$ 285,125	\$ 3,087,934
February 2015	37,789	(34,592)	2,787,362	(14.91%)	18,377	2,805,739	1.3%	284,138	3,089,877
March 2015	46,330	(42,054)	2,791,638	(18.10%)	18,255	2,809,893	1.8%	281,402	3,091,295
April 2015	52,680	(51,511)	2,792,807	(22.14%)	17,776	2,810,583	0.3%	277,437	3,088,020
May 2015	45,520	(45,887)	2,792,440	(19.72%)	17,508	2,809,948	(0.3%)	272,848	3,082,796
YTD 2015	\$ 220,612	\$ (212,956)	\$ 2,792,440	(22.94%)	\$ 17,508	\$ 2,809,948	0.5%	\$ 272,848	\$ 3,082,796

MONTHLY SUMMARY HIGHLIGHTS
May 2015

- Fannie Mae's *Book of Business* decreased at a compound annualized rate of 2.6 percent in May.
- Fannie Mae's *Gross Mortgage Portfolio* decreased at a compound annualized rate of 25.9 percent in May.
- The *Conventional Single-Family Serious Delinquency Rate* fell three basis points to 1.70 percent in May; the *Multifamily Serious Delinquency Rate* decreased one basis point to 0.06 percent in May.
- The *Effective Duration Gap* on Fannie Mae's portfolio averaged zero months in May.
- Fannie Mae completed 8,579 loan modifications in May for a total of 44,558 loan modifications in the five months ended May 31, 2015.

IMPORTANT NOTE:
Fannie Mae has been under conservatorship, with the Federal Housing Finance Agency (FHFA) acting as conservator, since September 6, 2008.

TABLE 5. MORTGAGE PORTFOLIO COMPOSITION (\$ in Millions) ¹

	Fannie Mae MBS in Portfolio					Mortgage Loans	Non-Fannie Mae Mortgage Securities		Mortgage Portfolio End Balance
	Purchases	Sales	Liquidations	Securizations ⁵	End Balance		Agency	Non-Agency	
May 2014	\$ 1,201	\$ (11,564)	\$ (1,839)	\$ 10,086	\$ 113,760	\$ 301,471	\$ 8,024	\$ 33,358	\$ 456,613
June 2014	1,771	(10,765)	(1,673)	11,303	114,396	298,683	8,067	31,626	452,772
July 2014	2,155	(13,263)	(1,776)	13,115	114,627	296,017	7,941	31,293	449,878
August 2014	2,514	(16,183)	(1,861)	12,062	111,159	294,134	7,798	29,987	443,078
September 2014	2,773	(14,133)	(1,643)	10,304	108,460	292,543	7,507	29,590	438,100
October 2014	2,558	(13,173)	(1,665)	15,150	111,330	287,949	7,650	29,296	436,225
November 2014	1,659	(20,664)	(1,700)	4,500	95,125	293,491	7,047	28,329	423,992
December 2014	1,962	(22,260)	(1,312)	19,304	92,819	285,610	6,940	27,944	413,313
Full Year 2014	\$ 20,574	\$ (168,276)	\$ (20,896)	\$ 131,576	\$ 92,819	\$ 285,610	\$ 6,940	\$ 27,944	\$ 413,313
January 2015	\$ 2,024	\$ (8,596)	\$ (1,428)	\$ 10,874	\$ 95,693	\$ 285,125	\$ 7,237	\$ 26,430	\$ 414,485
February 2015	1,720	(14,604)	(1,322)	11,937	93,424	284,138	6,874	24,670	409,106
March 2015	2,690	(15,846)	(1,216)	19,947	98,999	281,402	7,041	24,242	411,684
April 2015	2,802	(21,258)	(1,558)	19,708	98,693	277,437	7,116	21,919	405,165
May 2015	3,635	(23,715)	(1,497)	17,874	94,990	272,848	6,541	20,779	395,158
YTD 2015	\$ 12,871	\$ (84,019)	\$ (7,021)	\$ 80,340	\$ 94,990	\$ 272,848	\$ 6,541	\$ 20,779	\$ 395,158

TABLE 6. OTHER INVESTMENTS (\$ in Millions) ¹**TABLE 7. DEBT ACTIVITY (\$ in Millions) ⁶**

Other Investments End Balance	Original Maturity ≤ 1 Year End Balance	Original Maturity > 1 Year				Total Debt Outstanding	
		Issuances	Maturities and Redemptions	Repurchases	Foreign Exchange Adjustments		
May 2014	\$ 61,997	\$ 4,271	\$ (9,505)	\$ (55)	\$ (5)	\$ 404,322	\$ 491,325
June 2014	50,554	1	(12,190)	(1,525)	14	390,622	481,566
July 2014	68,736	5,581	(4,401)	(21)	(9)	391,772	495,937
August 2014	75,012	4,673	(9,267)	-	(13)	387,165	494,004
September 2014	63,465	8,575	(14,105)	(2)	(14)	381,619	479,049
October 2014	62,749	4,486	(13,167)	-	(8)	372,930	477,656
November 2014	69,169	7,381	(15,051)	(210)	(15)	365,035	469,547
December 2014	72,389	1,960	(7,573)	-	-	359,422	464,464
Full Year 2014	\$ 72,389	\$ 45,825	\$ (145,707)	\$ (2,544)	\$ (38)	\$ 359,422	\$ 464,464
January 2015	\$ 75,761	\$ 7,702	\$ (2,454)	\$ -	\$ (18)	\$ 364,652	\$ 468,556
February 2015	69,851	7,578	(11,197)	-	15	361,048	456,790
March 2015	63,417	1,454	(9,273)	(250)	(24)	352,955	452,347
April 2015	65,981	8,340	(7,993)	-	20	353,322	449,307
May 2015	66,723	4,705	(10,716)	-	(2)	347,309	436,327
YTD 2015	\$ 66,723	\$ 29,779	\$ (41,633)	\$ (250)	\$ (9)	\$ 347,309	\$ 436,327

TABLE 8. INTEREST RATE RISK DISCLOSURES (\$ in Billions)

	Market Value Sensitivity		Effective Duration Gap (in months)
	Rate Level Shock (50 bp)	Rate Slope Shock (25 bp)	
May 2014	\$ 0.0	\$ 0.0	0
June 2014	(0.1)	0.0	0
July 2014	(0.1)	0.0	0
August 2014	(0.1)	(0.1)	0
September 2014	(0.1)	0.0	0
October 2014	0.0	(0.1)	0
November 2014	0.0	(0.1)	0
December 2014	(0.1)	(0.1)	0
Full Year 2014	\$ (0.1)	\$ 0.0	
January 2015	\$ 0.0	\$ (0.1)	0
February 2015	0.0	0.0	0
March 2015	(0.1)	0.0	0
April 2015	0.0	0.0	0
May 2015	0.0	0.0	0
YTD 2015	\$ 0.0	\$ 0.0	

TABLE 9. SERIOUS DELINQUENCY RATES

	Conventional Single-Family ⁷			Multifamily Total ⁸
	Non-Credit Enhanced	Credit Enhanced	Total	
May 2014	1.77%	4.01%	2.08%	0.10%
June 2014	1.74%	3.91%	2.05%	0.10%
July 2014	1.71%	3.81%	2.00%	0.10%
August 2014	1.70%	3.73%	1.99%	0.09%
September 2014	1.68%	3.66%	1.96%	0.09%
October 2014	1.65%	3.56%	1.92%	0.06%
November 2014	1.64%	3.56%	1.91%	0.05%
December 2014	1.62%	3.47%	1.89%	0.05%
January 2015	1.60%	3.41%	1.86%	0.07%
February 2015	1.57%	3.33%	1.83%	0.08%
March 2015	1.53%	3.21%	1.78%	0.09%
April 2015	1.50%	3.11%	1.73%	0.07%
May 2015	1.47%	3.04%	1.70%	0.06%

ENDNOTES

1. The end balances and business activity in this report represent unpaid principal balances ("UPB"), which do not reflect market valuation adjustments, allowance for loan losses, impairments, unamortized premiums and discounts, and the impact of consolidation of variable interest entities.
2. Beginning January 2015, the balance of New Business Acquisitions in Table 1 excludes purchases of non-Fannie Mae agency securities and purchases of delinquent loans out of our MBS trusts.
3. Gross commitments in Table 2 include dollar roll transactions (purchase commitments with concurrent agreements to re-sell later, or sale commitments with concurrent agreements to repurchase later) in the month in which we enter into them. Table 3 reflects activity from settlements of dollar rolls that are accounted for as purchases and sales of securities, but does not include activity from settlements of dollar rolls that are accounted for as secured financings. Dollar roll activity may result in volatility on a month-to-month basis in our reported portfolio commitments, purchases, sales, end balances, and compounded growth rate.
4. Includes Fannie Mae mortgage-backed securities ("Fannie Mae MBS") issued from Fannie Mae's mortgage portfolio. See Table 5 for monthly activity and balances for Fannie Mae MBS held in portfolio.
5. Securitizations in Table 5 represent new Fannie Mae MBS created from mortgage assets held in the mortgage portfolio, including whole loans. These amounts are included in issuances in Table 4 and, if sold during the month, will be included in sales in Table 5. Our securitizations of loans we held in our portfolio the prior month will reduce the mortgage loans reported in Table 5.
6. Reported amounts represent the UPB at each reporting period or, in the case of the long-term zero coupon bonds, at maturity. UPB does not reflect the effect of debt basis adjustments, including discounts, premiums, and issuance costs.
7. Includes seriously delinquent conventional single-family loans as a percent of the total number of conventional single-family loans. These rates are based on conventional single-family mortgage loans and exclude reverse mortgages and non-Fannie Mae mortgage securities held in our portfolio. Credit enhanced refers to loans that have primary mortgage insurance and/or other credit enhancements.
8. Calculated based on the UPB of seriously delinquent multifamily loans owned by Fannie Mae or underlying Fannie Mae guaranteed securities, divided by the UPB of multifamily loans owned by Fannie Mae or underlying Fannie Mae guaranteed securities.

GLOSSARY & OTHER INFORMATION

General

Risk Disclosures. In addition to the interest rate risk disclosures provided in Table 8, Fannie Mae's most recent available information relating to subordinated debt, liquidity management, corporate risk ratings and credit risks is included in its most recent Form 10-K or Form 10-Q filed with the Securities and Exchange Commission.

Compounded Growth Rate. Monthly growth rates are compounded to provide an annualized rate of growth.

Table 1

Total Book of Business. Sum of the Gross Mortgage Portfolio balance and Total Fannie Mae MBS and Other Guarantees balance, less Fannie Mae MBS held in the mortgage portfolio.

New Business Acquisitions. Single-family and multifamily mortgage loans purchased during the period and single-family and multifamily mortgage loans underlying Fannie Mae MBS issued pursuant to lender swaps. These amounts reflect new business purchases on which our statutory affordable housing allocations will be based. For periods prior to January 2015, the amounts also include purchases of non-Fannie Mae agency securities and delinquent loans purchased out of our MBS trusts.

Table 2

Portfolio Commitments. Represents commitments entered into during the month. Fannie Mae enters into forward commitments to purchase or sell mortgage securities and mortgage loans for the mortgage portfolio. Purchase commitments typically require mandatory delivery and are subject to the payment of pair-off fees for non-delivery. Excludes certain matched trades and certain early funding activities.

Commitments to Purchase, Net. Represents commitments to purchase mortgage loans and mortgage securities, net of mortgage loans for which a cash pair-off has been paid. Pair-offs occur when loans are not delivered against commitments.

Commitments to Sell. Represents commitments to sell mortgage securities and mortgage loans.

Net Retained Commitments. Represents commitments to purchase, less commitments to sell.

Table 3

Gross Mortgage Portfolio. End balance represents the unpaid principal balance ("UPB") of the mortgage portfolio that Fannie Mae holds for investment and liquidity purposes. Excludes certain matched trades and certain early funding activities.

Purchases. Acquisition of mortgage loans and mortgage securities for the mortgage portfolio.

Sales. Sales of mortgage securities and mortgage loans from the mortgage portfolio.

Liquidations. Represents the total amount of repayments, curtailments, payoffs, and foreclosures on mortgage loans and mortgages underlying securities held in the mortgage portfolio.

Annualized Liquidation Rate. The liquidation rate is calculated as liquidations divided by the prior period ending balance of the mortgage portfolio, annualized.

Table 4

Fannie Mae Guaranteed Securities and Mortgage Loans. Consists of securities and mortgage loans for which Fannie Mae manages credit risk. This table excludes non-Fannie Mae securities held in the mortgage portfolio, which are shown in Table 5.

Total Fannie Mae MBS. Includes Fannie Mae MBS, private label wraps, whole loan REMICs, and Ginnie Mae wraps. Also includes Multifamily discount MBS (DMBS) that Fannie Mae guarantees, regardless of whether those MBS are held in the mortgage portfolio or held by investors other than Fannie Mae. If an MBS has been resecuritized into another MBS, the principal amount is only included once in this total.

Issuances. Represents the total amount of Fannie Mae MBS created during the month, including lender-originated issues and Fannie Mae MBS created from mortgage loans previously held in Fannie Mae's portfolio. Fannie Mae MBS may be held in portfolio after their creation.

Liquidations. Represents the total amount of repayments, curtailments, payoffs, and foreclosures on mortgages underlying Fannie Mae MBS, including Fannie Mae MBS held in the mortgage portfolio.

Other Fannie Mae Guarantees. Outstanding balance of Fannie Mae guarantees, other than Fannie Mae MBS. This primarily includes long-term standby commitments we have issued and credit enhancements we have provided.

Annualized Liquidation Rate. The liquidation rate is calculated as liquidations divided by the prior period ending balance of total Fannie Mae MBS, annualized.

Table 5

Mortgage Portfolio Composition. Shows the primary components of Fannie Mae's mortgage portfolio and activity relating to Fannie Mae MBS held in the mortgage portfolio.

Non-Fannie Mae Agency Securities. Represents mortgage-related securities issued by Freddie Mac and Ginnie Mae.

Non-Fannie Mae Non-Agency Securities. These primarily include "private-label securities," "mortgage revenue bonds," and "commercial mortgage-backed securities."

Table 6

Other Investments. Primarily consists of cash and readily marketable instruments such as certificates of deposit, federal funds sold, securities purchased under agreements to resell and Treasury bills.

Table 7

Debt Activity. Debt is classified in the table based on its original maturity. For debt with an original term of more than one year, the portion of that long-term debt that is due within one year is not reclassified to "Original Maturity < 1 Year." For more information about Fannie Mae's debt activity, please visit <http://www.fanniemae.com/portal/funding-the-market/debt/reports/index.html>.

Table 8

Our interest rate risk measures provide useful estimates of key interest-rate risk and include the impact of our purchases and sales of derivative instruments, which we use to limit our exposure to changes in interest rates. While we believe that our market value sensitivity and duration gap metrics are useful risk management tools, they should be understood as estimates rather than precise measurements. Methodologies employed to calculate interest-rate risk sensitivity disclosures are periodically changed on a prospective basis to reflect improvements in the underlying estimation processes.

Market Value Sensitivity to Rate Level Shock (50bp). This measurement shows the most adverse pre-tax impact on the market value of Fannie Mae's assets and liabilities from an immediate adverse 50 basis point shift in the level of LIBOR rates. The amounts shown are estimates, not precise measurements. The measurement excludes any sensitivity of the guaranty business. Fannie Mae tracks the daily average of this measurement for the reported month.

Market Value Sensitivity to Rate Slope Shock (25bp). This measurement shows the most adverse pre-tax impact on the market value of Fannie Mae's assets and liabilities from an immediate adverse 25 basis point change in the slope of the LIBOR yield curve. To calculate the adverse change in the slope of the LIBOR yield curve, the company calculates the effect of a 25 basis point change in slope that results in a steeper LIBOR yield curve and the effect of a 25 basis point change in slope that results in a flatter LIBOR yield curve, and reports the more adverse of the two results. The amounts shown are estimates, not precise measurements. The measurement excludes any sensitivity of the guaranty business. Fannie Mae tracks the daily average of this measurement for the reported month.

Effective Duration Gap. The effective duration gap estimates the net sensitivity of the fair value of Fannie Mae's assets and liabilities to movements in interest rates. This statistic is expressed as a number of months, based on the daily average for the reported month. A duration gap of zero implies that the change in the fair value of assets from an interest rate move will be offset by an equal move in the fair value of liabilities, including debt and derivatives, resulting in no change in the fair value of the net assets. The calculation excludes any sensitivity of the guaranty business.

Table 9

Serious Delinquency Rates. A measure of credit performance and indicator of future defaults for the single-family and multifamily mortgage credit books. We include single-family loans that are three months or more past due or in the foreclosure process, and multifamily loans that are 60 days or more past due. We include conventional single-family loans that we own and that back Fannie Mae MBS in our single-family delinquency rate, including those with substantial credit enhancement.