FannieMae

FUNDINGNOTES®

For Fannie Mae's Investors and Dealers

Callable Issuance Trends for the First Half of 2009

July 2009

Fannie Mae strives to be responsive to investors and expect to issue callable debt on a consistent basis.

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In the first six months of 2009, Fannie Mae experienced improved access to the long-term debt market, when compared to late 2008, with strong issuance in both noncallable debt securities through our Benchmark Notes® program as well as in callable medium-term notes (MTNs) via the reverse inquiry process. We saw an increase in our issuance of callable debt securities in the first quarter of 2009. This increased issuance volume continued during much of the second quarter as Fannie Mae benefited from investors seeking to deploy cash into investment-grade products. More recently, Fannie Mae's funding needs have decreased somewhat and we expect to see our funding needs decline further in the second half of 2009. However, we will strive to be responsive to investors and expect to issue callable debt on a consistent basis. This edition of *FundingNotes* reviews Fannie Mae's issuance of callable debt through our MTN program during the first half of 2009 and examines some notable trends in the issuance of our callable debt over this time period. Furthermore, we discuss investment preferences for specific callable debt structures among various investor segments.

Trends in Callable Issuance in First Half of 2009

During the first six months of 2009, Fannie Mae issued over $114 billion in callable debt, with particularly strong issuances in March, April, and May. We also issued an increased proportion of shorter maturity callable debt (i.e. two- to five-years) in early 2009. However, towards the end of the second quarter, we began to receive increased interest in issuing more

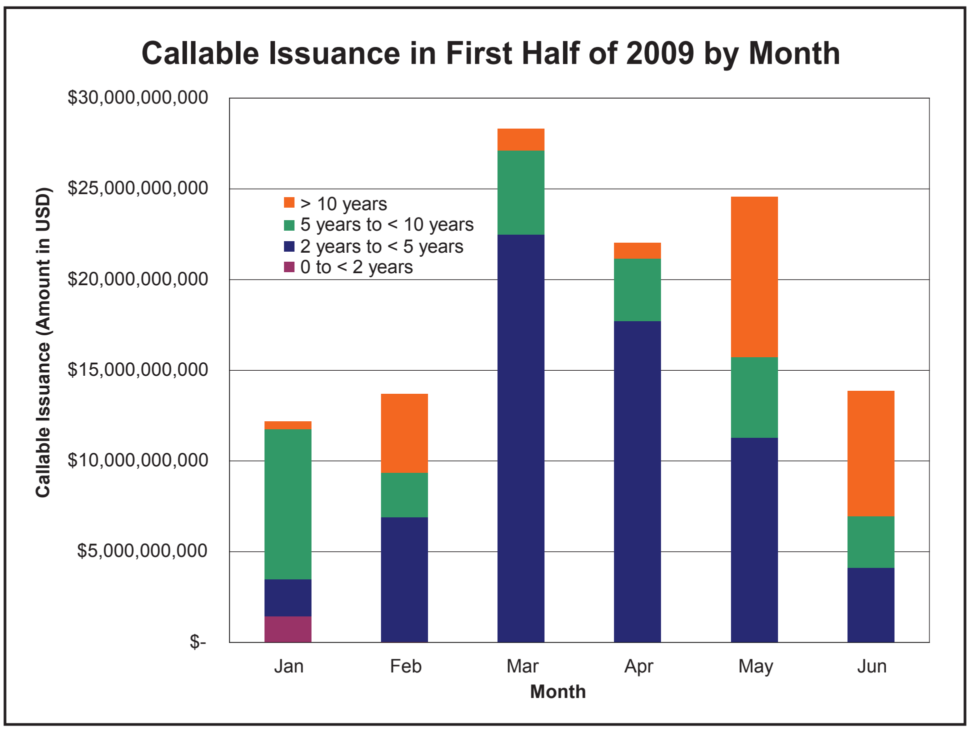


Exhibit 1

Callable Issuance Comparison: First Half of 2009 versus 2008

2009	0 years to < 2 years	2 years to < 5 years	5 years to < 10 years	> 10 years	Total Percentage	Total Issued
Jan	1.25%	1.77%	7.23%	0.38%	10.63%	$ 12,191,000,000
Feb	0.04%	5.97%	2.15%	3.79%	11.95%	$ 13,706,250,000
Mar	-	19.60%	4.05%	1.06%	24.71%	$ 28,329,560,000
Apr	-	15.45%	2.99%	0.75%	19.20%	$ 22,010,000,000
May	-	9.85%	3.88%	7.70%	21.43%	$ 24,567,075,000
Jun	-	3.58%	2.47%	6.03%	12.08%	$ 13,852,500,000
1H 2009	1.30%	56.23%	22.77%	19.70%	100.00%	$ 114,656,385,000
2008	2.13%	44.57%	26.49%	26.81%	100.00%	$ 152,536,020,000

Exhibit 2

Source: Fannie Mae

longer-maturity callable debt (greater than ten years). In addition, we saw the amount of callable debt issuance with European options increase during the first half of 2009.

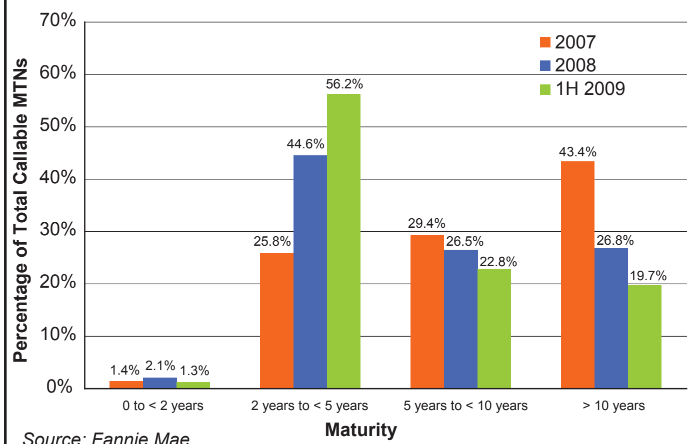
Strong Callable Issuance in March, April and May 2009

As seen in **Exhibits 1 and 2**, callable debt issuance was particularly strong in the months of March, April and May. The factors that seem to have contributed to the increases are a combination of investors' reinvestments in Fannie Mae callable debt due to redemptions and a historical high volatility level. As rates rallied, Fannie Mae exercised its call option on many callable securities that were eligible to be called, leaving investors with cash to reinvest. Combining this factor with historically high volatility, investor demand increased and, subsequently, we issued more callable debt in those months.

An Increase of Callable Issuance in the Two- to Five-Year Maturity Segment

Another interesting trend seen on **Exhibits 1 and 2** is that the issuance for callable MTNs with maturities between two and five years represented the majority of callable MTNs issuance in the first half of 2009 at 56 percent. On a dollar volume basis, issuance in this maturity segment has increased nearly 25 percent since 2008. This was more than double the MTN issuance for 2007 (**Exhibit 3**). We have seen investor segments such as commercial banks and state/local government entities with excess cash, who believe that rates will increase, invest in this maturity range as it is an attractive way to pick up yield while limiting extension risk.

Callable MTN Issuance in First Half of 2009 by Maturity



Source: Fannie Mae

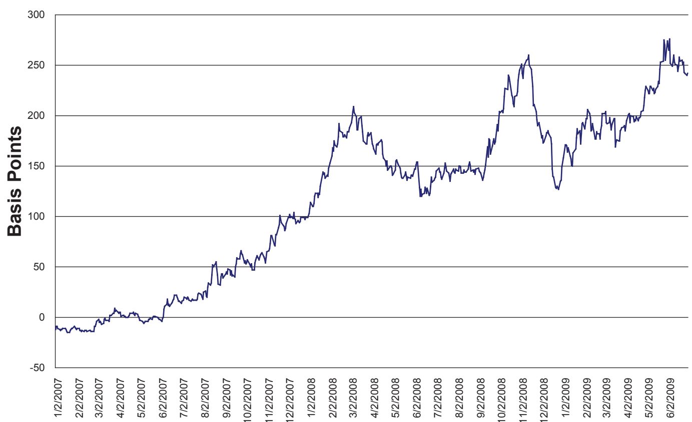
Exhibit 3

Increased Interest for Longer-Dated Maturities

Although the percentage of total callable MTNs issued with maturities between two and five years was the largest maturity segment in the first half of 2009, the demand for callable MTNs with maturities greater than ten years has also increased noticeably in May and June. Of particular interest during that period is that one-third of the total callable debt issuance with maturities greater than ten years were 30-year non-call one-year zero-coupon bonds. This increase might be attributed to the sell-off in rates and investors' desire for yield pick-up in longer-dated maturities, as well as the steepening of the yield curve, especially towards the end of May and the beginning of June. **Exhibit 4** illustrates the historical spreads between the two-year and ten-year Treasury notes, which reached the steepest level on June 4, 2009. Historically, investors tend to purchase longer-term callable MTNs when rates sell off and the 2s/10s curve steepens. Investors such as insurance companies that have a need for longer durations took advantage of the higher yield in longer-dated maturity callable debt in an environment that may have lacked suitable investment alternatives.

Exhibit 4

Historical Two-Year and Ten-Year Treasury Spreads



Source: Fannie Mae

Exhibit 5

Callable MTN Structures

	Floating-to-Fixed	Fixed	Floating	Step	Zero Coupon	Structured Notes	Total
1H2009	2.31%	77.89%	0.27%	14.19%	5.28%	0.07%	100%
2008	0.40%	89.30%	0.00%	6.30%	3.60%	0.50%	100%
2007	0.09%	91.61%	0.00%	2.03%	0.62%	5.65%	100%

Source: Fannie Mae

Variations on Traditional Callable Structures

Traditionally, as seen in **Exhibit 5**, plain vanilla fixed-rate callable MTNs comprised approximately 90 percent of the total callable debt issuance in 2007 and 2008. Even though issuance of these securities remained proportionally high at close to 78 percent in the first half of 2009, there was interest in a number of other callable structures such as callable step-up notes, floating-to-fixed rate callable notes and zero-coupon callable notes.[1] While we experienced an increased interest in these particular securities, Fannie Mae has not been active in issuing more complex callable structured notes in the first half of 2009. **Exhibit 5** also shows that Fannie Mae issued approximately $8 billion in structured notes in 2007 and less than $100 million in the first half of 2009.

- Callable Step-Up Notes
  - Most noticeably, the issuance of callable step-up notes has risen to almost 15 percent of total callable MTN issuance in the first half of 2009 from only two percent in 2007.
  - Callable step-up notes are securities with a coupon that increases to a specific rate on one or more predetermined dates over the life of the security if the security has not been called.
  - Investors can express their views on future interest rate and volatility movements by purchasing callable step-up notes. If an investor anticipates an increase in interest rates in the short-term, it would expect the security to remain outstanding throughout the life of the note and that investor would be protected from mark-to-market risk. The callable step-up notes' structure offers back-end coupon protection during a market environment with current low rates and the expectation of an increase in rates in the future.
- Floating-to-Fixed Callable Notes
  - The issuance of floating-to-fixed callable notes has risen from close to zero percent to over two percent of total callable issuance from 2007 to 2009.
  - Floating-to-fixed callable notes are securities with a coupon that pays a floating rate for a specified period of time based on a margin to an index on a predetermined schedule, and then adjusts to a fixed-rate coupon determined at pricing after the call date expires.
  - Investors such as fund managers who believe short-term rates will rise in the near term could potentially obtain a higher coupon by investing in floating-to-fixed callable notes whose structure offers back-end coupon protection.
- Zero-Coupon Callable Notes
  - Of total callable issuance, zero-coupon callable note issuance increased from half a percent in 2007 to over five percent in 2009. As mentioned earlier, the most popular structure of zero-coupon callable notes has been the 30-year non-call one-year zero-coupon security.
  - The increase in this structure may be attributed

[1] Detailed research on these callable structures can be found in Fannie Mae's 2009 March and April/May issues of FundingNotes. http://www.fanniemae.com/markets/debt/fundingnotes/fn_role.jhtml?p=Debt+Securities&s=FundingNotes

Callable MTN by Call Features

Exhibit 6

Callable MTN Issuance	2007	2008	1H2009
American Options	5.4%	5.5%	6.2%
Bermudan Options	40.7%	31.2%	25.8%
European Options	53.9%	63.3%	68.0%
Total Issuance Amount	$144.2 billion	$152.5 billion	$114.7 billion

Source: Fannie Mae

due to a lack of availability and suitability of other investment alternatives in the marketplace for longer-maturity notes. Certain investors such as insurance companies look for investments with higher yield in longer duration securities while matching future liabilities they may have.

Callable Debt with European-Style Options

Furthermore, we look at the type of call options in the issuance of callable MTNs in the first half of 2009 versus 2008. As seen in **Exhibit 6**, the issuance for callable MTNs with European options has been increasing since 2007. On a dollar volume basis, the increase in issuance was nearly 20 percent from 2008 to the first half of 2009. A couple of factors could explain this increase. First, the investor base that traditionally purchased callable MTNs with American or Bermudan options may have changed. Investors seemingly prefer to invest in callable MTNs with European options due to the pick-up in yield over noncallable securities that these notes could provide coupled with the relative ease in which investors can model these securities. Second, callable notes with American or Bermudan options may not offer enough of an increased incremental yield for investors who prefer to purchase callable MTNs that are not continuously callable after the lockout period has passed (European options).

Conclusion

In the first half of 2009, Fannie Mae saw a resurgence in its issuance of callable MTNs, and this resurgence may be based on a number of market factors coupled with the trends discussed in this issue of *FundingNotes*. As the year continues, Fannie Mae may have less need for callable funding as its liability needs continue to decline as our mortgage portfolio starts to decline in size by ten percent annually in 2010 per the terms of the Senior Preferred Stock Purchase Agreement with the U.S. Department of the Treasury. Fannie Mae is still committed to maintain flexibility in its callable MTN issuance and will strive to remain responsive to investor demand on a day-to-day basis while achieving an optimal funding profile.

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Fannie Mae Funding Liabilities and Debt Outstanding 2006 through June 30, 2009

Funding Liabilities and Debt Outstanding (in millions)	**12/31/06**	**12/31/07**	**12/31/08**	**6/30/09**
Federal Fund Borrowings	$ 700	$ -	$ -	$ -
Other Short Term Funding Liabilities[1]	-	869	77	-
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	**$ 700**	**$ 869**	**$ 77**	**$ -**
Average maturity (in days)	1	1	-	-
Discount Notes[13]	$ 83,893	$ 155,358	$ 272,476	$ 256,741
FX Discount Notes	1,917	859	402	339
Other Short Term Debt[2]	5,613	50	7,661	3,177
Total Short Term Debt[3]	**$ 167,923**	**$ 236,267**	**$ 332,542**	**$ 260,257**
Average maturity (in days)	81	74	102	89
Benchmark Notes & Bonds[4]	$ 277,706	$ 256,823	$ 251,315	$ 277,696
Callable Benchmark Notes[4]	-	-	-	-
Subordinated Benchmark Notes	11,000	9,000	7,398	7,398
Callable Fixed Rate MTNs[5,6]	192,374	207,504	190,950	182,704
Noncallable Fixed Rate MTNs[5,6]	114,242	77,331	50,131	45,933
Callable Floating Rate MTNs[5,6]	831	8,135	1,530	4,025
Noncallable Floating Rate MTNs[5,6]	5,470	5,761	45,470	64,774
Other LongTerm Debt[7]	4,138	4,580	3,763	3,411
Total Long Term Debt[8,9]	**$ 605,761**	**$ 569,134**	**$ 550,557**	**$ 585,941**
Average maturity (in months)	57	68	66	60
Agreements to Repurchase and Debt Outstanding	**$ 774,384**	**$ 806,270**	**$ 883,176**	**$ 846,198**
Average maturity (in months)	45	48	42	42

Fannie Mae Funding Liabilities and Debt Issuance 2006 through June 30, 2009

Funding Liabilities and Debt Issuance (in millions)	**2006**	**2007**	**2008**	**2009**
Federal Fund Borrowings	$ 58,186	$ 13,065	$ 5,617	$ -
Other Short Term Funding Liabilities[1]	172,493	25,324	60,888	3,321
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	**$ 230,679**	**$ 38,389**	**$ 66,505**	**$ 3,321**
Discount Notes	$ 2,030,188	$ 1,499,540	$ 1,547,462	$ 685,711
FX Discount Notes	6,379	2,291	2,583	767
Other Short Term Debt[10]	4,863	86,777	8,661	50
Total Short Term Debt[3]	**$ 2,041,430**	**$ 1,588,608**	**$ 1,558,706**	**$ 686,528**
Benchmark Notes & Bonds	$ 42,000	$ 37,000	$ 50,500	$ 52,000
Callable Benchmark Notes	-	-	-	-
Subordinated Benchmark Notes	-	-	-	-
Callable Fixed Rate MTNs[6]	113,716	135,886	150,255	111,637
Noncallable Fixed Rate MTNs[6]	20,898	8,438	4,336	2,500
Callable Floating Rate MTNs[6]	2,700	8,275	1,280	3,035
Noncallable Floating Rate MTNs[6]	2,000	4,176	41,284	23,180
Other LongTerm Debt[11]	0	138	743	181
Total Long Term Debt[8]	**$ 181,314**	**$ 193,913**	**$ 248,399**	**$ 192,533**
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Issued	**$ 2,453,423**	**$ 1,820,910**	**$ 1,873,610**	**$ 882,382**
Net Issuance Long Term Debt[12]	**$ 12,058**	**$ (39,201)**	**$ (18,363)**	**$ 35,278**

Please see the Endnotes on the following page for more detail.

Endnotes

Footnotes for Tables 1 and 2

[1] Other Short Term Funding Liabilities includes Benchmark repos, contingency repo lending, and other short term funding liabilities. For 2006, the Other Short Term Funding Liabilities amount of $172,493 million includes intra-days loans in the amount of $163,509 million.
[2] For 2007 and thereafter Other Short Term Debt consists of coupon bearing short term notes. For 2006 Other Short Term Debt consists of coupon bearing short term notes and investment agreements.
[3] Short term debt consists of borrowings with an original contractual maturity of one year or less.
[4] Outstanding Benchmark Notes & Bonds with expired call options are reported as Benchmark Notes & Bonds.
[5] Outstanding MTNs with expired call options are reported as Noncallable MTNs.
[6] MTNs include all long term non-Benchmark Securities such as globals, zero coupon securities, medium term notes, Final Maturity Amortizing Notes, and other long term debt securities.
[7] For 2007 and thereafter Other Long Term Debt consists of long term foreign currency debt, investment agreements, and other long term securities. For 2006 Other Long Term Debt consists of long term foreign currency debt and other long term securities.
[8] Long term debt consists of borrowings with an original contractual maturity of greater than one year.
[9] Unamortized discounts and issuance costs of long term zero coupon securities are approximately $11 billion at December 31, 2006, $10.8 billion at December 31, 2007, $14.8 billion at December 31, 2008 and $16.1 billion at June 30, 2009.
[10] For months beginning Oct 2007 and thereafter Other Short Term Debt includes coupon bearing short term notes. For 2006 and the first 9 months of 2007, Other Short Term Debt includes coupon bearing short term notes and investment agreements. For 2007, the Other Short Term Debt issuance amount of $86,777 million includes intra-days loans in the amount of $86,727 million.
[11] For months beginning Oct 2007 and thereafter Other Long Term Debt consists of long term foreign currency debt, investment agreements, and other long term securities. For 2006 Other Long Term Debt consists of long term foreign currency debt and other long term securities.
[12] Net Issuance Long Term Debt amounts represent the difference between long term debt issued and long term debt repaid during the period. For any period, a positive value indicates that the amount of long term debt issued was greater than the amount of long term debt repaid, and a negative value indicates that the amount of long term debt repaid was greater than the amount of long term debt issued.
[13] Prior period amounts have been collapsed to conform to the current period presentation.

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General

On November 9, 2007, we filed current financial statements in our Form 10-Q for the third quarter of 2007. As a result,beginning with the data for October 2007, we are implementing data reclassifications and other changes to betteralign the statistical information we present in our funding summary report with the financial information we report in our quarterly and annual filings with the SEC.

Previously reported amounts have been revised to conform to the current period presentation and to reflect the completion of Fannie Mae's 2005 audited financial statements.

Funding Liabilities and Debt include Federal Funds Purchased and Securities Sold under Agreements to Repurchase, Short Term Debt and Long Term Debt.

Reported amounts represent the unpaid principal balance at each reporting period or, in the case of the long term zero coupon bonds, at maturity. Unpaid principal balance does not reflect the effect of debt basis adjustments, including discounts, premiums, and issuance costs.

Numbers may not foot due to rounding.

Debt Securities Index Reports

	June % of BIG	June Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return
Citigroup						
Fannie Mae Index:	2.94	0.05	-0.22	-0.52	-0.52	7.91
1-10 Years	2.72	-0.03	0.12	0.52	0.52	7.97
10+ Years	0.22	1.10	-4.12	-10.74	-10.74	6.35
Callable	0.63	0.09	0.35	0.18	0.18	4.91
Noncallable	2.31	0.04	-0.34	-0.68	-0.68	8.24
Globals	2.07	0.04	-0.19	-0.47	-0.47	8.05
Agency:	7.84	0.10	-0.50	-0.84	-0.84	7.62
Callable	1.10	0.03	0.42	0.45	0.45	4.69
Noncallable	6.74	0.11	-0.62	-0.99	-0.99	7.80
Globals	5.76	0.08	-0.16	-0.41	-0.41	8.35
Citigroup						
Index*:	100.00	0.64	1.20	1.44	1.44	7.05
U.S. Treasury	27.66	-0.20	-3.03	-4.42	-4.42	6.48
GSE**	9.03	0.14	-0.36	-0.70	-0.70	7.55
Credit	24.41	2.67	8.26	7.08	7.08	4.23
MBS	38.63	0.09	0.43	2.70	2.70	9.38
ABS	0.28	0.51	9.02	18.14	18.14	7.65

	June % of Agg	June Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return
Barclays Capital						
Fannie Mae Index:	3.03	0.11	-0.18	-0.32	-0.32	7.06
1-10 Years	2.73	-0.03	0.13	0.59	0.59	7.15
10+ Years	0.30	1.42	-3.02	-7.43	-7.43	5.77
Callable	0.93	0.05	0.00	0.52	0.52	5.05
Noncallable	2.09	0.14	-0.27	-0.72	-0.72	8.01
Globals	2.04	0.03	-0.24	-0.54	-0.54	7.83
Agency:	9.62	0.07	-0.07	-0.19	-0.19	7.27
Callable	2.00	0.01	-0.04	0.66	0.66	4.86
Noncallable	7.62	0.09	-0.08	-0.43	-0.43	8.09
Globals***	6.76	0.00	-0.06	-0.21	-0.21	8.13
Barclays Aggregate						
Index:	100.00	0.57	1.78	1.90	1.90	6.05
U.S. Treasury	25.65	-0.21	-3.02	-4.30	-4.30	6.47
Government-Related**	13.75	0.35	0.44	0.03	0.03	6.79
Corporate	18.71	2.73	10.45	8.32	8.32	3.84
MBS	38.09	0.12	0.70	2.91	2.91	9.38
ABS	0.47	0.77	7.64	15.78	15.78	3.87
CMBS	3.34	0.56	12.46	10.36	10.36	-10.13

* Components of Broad (BIG) Index: Treasury, GSE, Corporate, Mortgage
** Includes US Agencies
*** Includes World Bank global issues

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Summary Breakdown of 2009 Debt Issuances

Includes all settled fixed-rate debt issues with maturities greater than one year. Variable rate debt is not included in totals.

Fannie Mae Fixed-Rate Callable Debt

Maturity/Call (Year)	*June 2009 Par Amount (in thousands)*	*# Issues*	*YTD 2009 Par Amount (in thousands)*	*# Issues*
1.50NC0.25			1,435,000,000	8
1.99NC0.99			50,000,000	1
2.00NC0.24			250,000,000	1
2.00NC0.25	1,450,000,000	7	4,690,000,000	22
2.00NC0.42		8	00,000,000	6
2.00NC0.50			1,270,000,000	15
2.00NC1.00	50,000,000	2	28,645,000,000	49
2.02NC1.02			80,000,000	2
2.05NC1.05			150,000,000	1
2.06NC1.06			2,000,000,000	1
2.08NC1.08			1,000,000,000	1
2.17NC1.17			10,000,000	1
2.25NC0.25	25,000,000	1	275,000,000	2
2.25NC0.76			25,000,000	1
2.25NC1.00			65,000,000	2
2.34NC1.17			20,000,000	1
2.50NC0.25	150,000,000	2	395,000,000	6
2.50NC0.50			595,000,000	5
2.50NC0.75			30,000,000	1
2.50NC1.00	335,000,000	4	2,275,000,000	31
2.75NC1.00			890,000,000	13
2.75NC1.75			25,000,000	1
2.76NC0.25			175,000,000	2
2.76NC1.00			40,000,000	1
3.00NC0.24			856,000,000	15
3.00NC0.25	400,000,000	7	1,160,000,000	17
3.00NC0.50	195,000,000	4	405,000,000	12
3.00NC0.75			25,000,000	1
3.00NC1.00	580,000,000	8	12,535,000,000	43
3.00NC1.50			460,000,000	5
3.00NC2.00			710,000,000	7
3.17NC1.17			20,000,000	2
3.42NC0.25	10,000,000	1	10,000,000	1
3.42NC1.41			15,000,000	1
3.50NC0.24			250,000,000	1
3.50NC0.25	330,000,000	7	385,000,000	9
3.50NC0.50	125,000,000	4	125,000,000	4
3.50NC1.00	400,000,000	2	705,000,000	9
3.50NC1.50	50,000,000	2	200,000,000	5
3.50NC2.00			125,000,000	3
3.51NC0.25			109,800,000	4
3.51NC1.00			720,000,000	11
3.51NC1.25			10,000,000	1
3.51NC1.50			110,000,000	2
3.51NC2.00			80,000,000	1
3.59NC0.25	10,000,000	1	10,000,000	1
3.75NC0.24			25,000,000	1
3.76NC0.76			100,000,000	3
3.76NC1.00			25,000,000	1
3.84NC0.84			10,000,000	1
4.00NC0.24			280,000,000	2
4.00NC0.25			40,000,000	2
4.00NC0.50			100,000,000	1
4.00NC1.00			360,000,000	9
4.00NC2.00			20,000,000	1
4.08NC1.08			10,000,000	1
4.50NC0.24			250,000,000	1
4.50NC0.25			250,000,000	1
4.50NC1.00			10,000,000	1
4.51NC0.25			25,000,000	2
4.51NC1.00			165,000,000	5
4.51NC1.50			25,000,000	1
4.58NC1.08			15,000,000	1
4.76NC0.25			10,000,000	1
4.99NC0.50			25,000,000	1
5.00NC0.24			530,000,000	10
5.00NC0.25	1,190,000,000	29	2,885,000,000	56
5.00NC0.50	460,000,000	11	480,000,000	12
5.00NC1.00	195,000,000	3	11,465,000,000	31
5.00NC1.25			40,000,000	2
5.00NC1.50			15,000,000	1
5.00NC2.00			3,135,000,000	32

Fannie Mae Fixed-Rate Callable Debt

Maturity/Call (Year)	*June 2009 Par Amount (in thousands)*	*# Issues*	*YTD 2009 Par Amount (in thousands)*	*# Issues*
5.00NC2.50			205,000,000	4
5.00NC2.75			15,000,000	1
5.00NC3.00			250,000,000	6
5.50NC0.25	30,000,000	1	40,000,000	2
5.50NC0.50	40,000,000	2	40,000,000	2
5.50NC1.00			60,000,000	2
5.50NC1.50	20,000,000	2	20,000,000	2
5.51NC0.25			180,000,000	4
5.51NC2.00			40,000,000	1
5.59NC0.25			10,000,000	1
5.67NC0.50			20,000,000	1
5.76NC2.00			15,000,000	1
6.00NC0.24			105,000,000	1
6.00NC0.25			200,000,000	3
6.00NC0.50			55,000,000	1
6.00NC1.00	25,000,000	1	215,000,000	5
6.00NC2.00			100,000,000	3
6.00NC3.00			25,000,000	1
6.50NC0.24			10,000,000	1
6.50NC0.25	10,000,000	1	10,000,000	1
6.50NC2.00			20,000,000	2
6.51NC1.00			15,000,000	1
6.67NC0.25			10,000,000	1
7.00NC0.24			35,000,000	1
7.00NC0.25	175,000,000	5	375,000,000	12
7.00NC0.50			15,000,000	1
7.00NC1.00	605,000,000	4	4,810,000,000	13
7.00NC1.50			25,000,000	1
7.00NC2.00			175,000,000	6
7.00NC3.00			25,000,000	1
7.26NC2.25			20,000,000	2
7.50NC0.25	25,000,000	1	25,000,000	1
7.50NC2.00	10,000,000	1	10,000,000	1
7.51NC2.00			160,000,000	2
7.51NC1.50			40,000,000	2
7.51NC2.25			20,000,000	1
7.52NC2.00			20,000,000	1
7.76NC2.00			20,000,000	1
7.84NC1.59			10,000,000	1
8.00NC0.24			10,000,000	1
8.00NC0.25	35,000,000	2	35,000,000	2
8.42NC0.25	10,000,000	1	10,000,000	1
8.50NC1.50			25,000,000	1
8.51NC1.00			10,000,000	1
9.00NC0.25			20,000,000	1
10.00NC0.24			100,000,000	4
10.00NC0.25	830,000,000	24	2,455,000,000	47
10.00NC0.50	45,000,000	2	45,000,000	2
10.00NC1.00	835,000,000	8	1,321,000,000	17
10.00NC2.00			15,000,000	1
10.00NC3.00			25,000,000	1
11.00NC1.00			15,000,000	1
12.00NC0.24			25,000,000	1
12.00NC0.25	90,000,000	4	90,000,000	4
12.00NC1.00			50,000,000	2
13.00NC0.25			51,000,000	2
15.00NC0.24			1,271,000,000	16
15.00NC0.25	2,362,500,000	70	5,962,500,000	108
15.00NC0.50	245,000,000	5	295,000,000	6
15.00NC0.75	20,000,000	1	20,000,000	1
15.00NC1.00	1,680,000,000	10	1,680,000,000	10
15.00NC3.00	50,000,000	1	50,000,000	1
15.00NC4.00	50,000,000	1	50,000,000	1
15.00NC5.00	50,000,000	1	50,000,000	1
15.02NC0.25			20,000,000	1
15.03NC0.28	40,000,000	1	40,000,000	1
15.00NC1.00			715,000,000	16
15.00NC5.00			40,000,000	1
20.00NC1.00	65,000,000	3	1,092,075,000	20
25.02NC1.00			140,000,000	4
30.00NC1.00	550,000,000	2	550,000,000	2
30.02NC1.00			6,438,010,000	23
Total			**$ 114,671,385,000**	**904**

2009 Debt Redemptions

Callable Debt Redeemed (in billions)

January	$	13.3
February	$	18.7
March	$	12.5
April	$	38.1
May	$	22.2
June	$	15.3
TOTAL	**$**	**120.1**

Summary Breakdown of 2009 Benchmark Notes Issuance

Fannie Mae Noncallable Benchmark Notes

	June 09		*YTD 2009*	
Maturity	***Par Amount***	***# Issues***	***Par Amount***	***# Issues***
2 Years			21,000,000,000	2
3 Years			10,000,000,000	2
5 Years			21,000,000,000	3
TOTAL			**$ 52,000,000,000**	**7**