FannieMae®

MONTHLY SUMMARY

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
September 2008	761,396		2,591,711		274,204		3,078,903	8.0%	44,097
October 2008	777,112		2,597,969		287,249		3,087,832	3.5%	35,277
November 2008	782,878		2,595,108		290,711		3,087,275	(0.2%)	29,652
December 2008	787,294		2,611,376		287,570		3,111,100	9.7%	48,376
YTD 2008	**$ 787,294**		**$ 2,611,376**		**$ 287,570**		**$ 3,111,100**	**7.7%**	**$ 631,356**
January 2009	$ 785,548		$ 2,606,196		$ 283,097		$ 3,108,647	(0.9%)	$ 28,829
February 2009	784,724		2,608,979		280,047		3,113,656	2.0%	53,756
March 2009	783,868		2,640,355		280,248		3,143,975	12.3%	92,837
April 2009	770,062		2,638,362		271,413		3,137,011	(2.6%)	57,560
May 2009	789,634		2,711,439		351,158		3,149,915	5.0%	72,594
June 2009	792,612		2,781,056		379,890		3,193,778	18.1%	109,628
July 2009	779,446		2,795,661		355,550		3,219,557	10.1%	95,110
August 2009	779,424		2,805,128		355,295		3,229,257	3.7%	70,600
September 2009	792,675		2,820,736		370,588		3,242,823	5.2%	68,942
YTD 2009	**$ 792,675**		**$ 2,820,736**		**$ 370,588**		**$ 3,242,823**	**5.7%**	**$ 649,856**

TABLE 2. PORTFOLIO COMMITMENTS ($ in Millions) [1, 2, 3]

	Commitments to Purchase, Net	Commitments to Sell	Net Retained Commitments
September 2008	43,764	(34,735)	9,029
October 2008	33,477	(22,913)	10,564
November 2008	21,192	(13,286)	7,906
December 2008	32,464	(20,805)	11,659
Full Year 2008	**$ 408,341**	**$ (258,373)**	**$ 149,968**
January 2009	$ 26,290	$ (23,316)	$ 2,974
February 2009	36,430	(34,078)	2,352
March 2009	42,633	(37,194)	5,439
April 2009	63,805	(58,940)	4,865
May 2009	76,925	(72,982)	3,943
June 2009	72,045	(69,337)	2,708
July 2009	103,588	(99,359)	4,229
August 2009	31,756	(24,849)	6,907
September 2009	69,667	(61,845)	7,822
YTD 2009	**$ 523,139**	**$ (481,900)**	**$ 41,239**

TABLE 3. GROSS MORTGAGE PORTFOLIO ($ in Millions) [1, 2]

	Purchases [3]	Sales [3]	Liquidations	End Balance [3]	Compounded Growth Rate [3]	Annualized Liquidation Rate
September 2008	14,572	(6,661)	(6,495)	**761,396**	2.3%	(10.25%)
October 2008	24,606	(2,341)	(6,549)	**777,112**	27.8%	(10.32%)
November 2008	13,989	(1,634)	(6,589)	**782,878**	9.3%	(10.17%)
December 2008	13,980	(3,353)	(6,211)	**787,294**	7.0%	(9.52%)
Full Year 2008	**$ 196,645**	**$ (42,984)**	**$ (90,343)**	**$ 787,294**	**8.7%**	**(12.48%)**
January 2009	$ 11,703	$ (5,392)	$ (8,057)	**$ 785,548**	(2.6%)	(12.28%)
February 2009	15,847	(6,570)	(10,101)	**784,724**	(1.3%)	(15.43%)
March 2009	22,436	(12,128)	(11,164)	**783,868**	(1.3%)	(17.07%)
April 2009	18,452	(20,328)	(11,930)	**770,062**	(19.2%)	(18.26%)
May 2009	42,652	(11,321)	(11,759)	**789,634**	35.1%	(18.32%)
June 2009	48,285	(34,277)	(11,030)	**792,612**	4.6%	(16.76%)
July 2009	39,594	(40,376)	(12,384)	**779,446**	(18.2%)	(18.75%)
August 2009	24,823	(13,982)	(10,863)	**779,424**	(0.0%)	(16.72%)
September 2009	33,894	(11,548)	(9,095)	**792,675**	22.4%	(14.00%)
YTD 2009	**$ 257,686**	**$ (155,922)**	**$ (96,383)**	**$ 792,675**	**0.9%**	**(16.32%)**

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

	Total Fannie Mae MBS Issuances [4]	Total Fannie Mae MBS Liquidations	Total Fannie Mae MBS 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
September 2008	38,354	(21,818)	2,559,521	(10.30%)	32,190	**2,591,711**	8.9%	350,037	2,941,748
October 2008	28,597	(21,661)	2,566,457	(10.16%)	31,512	**2,597,969**	2.9%	353,160	2,951,129
November 2008	23,806	(25,057)	2,565,206	(11.72%)	29,902	**2,595,108**	(1.3%)	356,608	2,951,716
December 2008	37,064	(18,681)	2,583,589	(8.74%)	27,787	**2,611,376**	7.8%	365,254	2,976,630
Full Year 2008	**$ 542,813**	**$ (339,215)**	**$ 2,583,589**	**(14.25%)**	**$ 27,787**	**$ 2,611,376**	**7.8%**	**$ 365,254**	**$ 2,976,630**
January 2009	$ 21,218	$ (24,755)	$ 2,580,052	(11.50%)	$ 26,144	**$ 2,606,196**	(2.4%)	$ 369,119	$ 2,975,315
February 2009	45,289	(42,278)	2,583,063	(19.66%)	25,916	**2,608,979**	1.3%	372,518	2,981,497
March 2009	87,813	(56,974)	2,613,902	(26.47%)	26,453	**2,640,355**	15.4%	372,792	3,013,147
April 2009	55,999	(56,288)	2,613,613	(25.84%)	24,749	**2,638,362**	(0.9%)	369,276	3,007,638
May 2009	129,091	(55,766)	2,686,938	(25.60%)	24,501	**2,711,439**	38.8%	310,452	3,021,891
June 2009	130,865	(62,864)	2,754,939	(28.08%)	26,117	**2,781,056**	35.6%	277,153	3,058,209
July 2009	79,740	(63,294)	2,771,385	(27.57%)	24,276	**2,795,661**	6.5%	271,604	3,067,265
August 2009	62,111	(52,453)	2,781,043	(22.71%)	24,085	**2,805,128**	4.1%	271,160	3,076,288
September 2009	59,246	(44,555)	2,795,734	(19.23%)	25,002	**2,820,736**	6.9%	268,642	3,089,378
YTD 2009	**$ 671,372**	**$ (459,227)**	**$ 2,795,734**	**(23.70%)**	**$ 25,002**	**$ 2,820,736**	**10.8%**	**$ 268,642**	**$ 3,089,378**

MONTHLY SUMMARY HIGHLIGHTS

SEPTEMBER 2009

- Fannie Mae's *Book of Business* grew at a compound annualized rate of 5.2 percent in September and 5.7 percent year-to-date.
- Fannie Mae's *Gross Mortgage Portfolio* grew at a compound annualized rate of 22.4 percent in September and 0.9 percent year-to-date.
- The *Conventional Single-Family Serious Delinquency Rate* rose 28 basis points in August to 4.45 percent; the *Multifamily Serious Delinquency Rate* was unchanged at 0.56 percent in August (latest data available).
- The *Effective Duration Gap* on Fannie Mae's portfolio averaged negative two months in September.

IMPORTANT NOTE:
On September 6, 2008, the Federal Housing Finance Agency (FHFA) was appointed conservator of Fannie Mae.

See Endnotes and Glossary on Pages 3 and 4

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

	Fannie Mae MBS in Portfolio					Mortgage	Non-Fannie Mae Mortgage Securities		Mortgage Portfolio
	Purchases	Sales	Liquidations	Securitizations [5]	**End Balance**	Loans	Agency	Non-Agency	End Balance
September 2008	4,956	(6,139)	(2,643)	3,873	**274,204**	350,037	35,007	102,148	761,396
October 2008	15,153	(2,341)	(2,540)	2,773	**287,249**	353,160	35,436	101,267	777,112
November 2008	5,506	(1,634)	(3,047)	2,637	**290,711**	356,608	35,185	100,374	782,878
December 2008	649	(3,338)	(2,471)	2,019	**287,570**	365,254	34,853	99,617	787,294
YTD 2008	**$ 68,009**	**$ (41,244)**	**$ (35,235)**	**$ 40,093**	**$ 287,570**	**$ 365,254**	**$ 34,853**	**$ 99,617**	**$ 787,294**
January 2009	$ 609	$ (5,358)	$ (3,207)	$ 3,483	**$ 283,097**	$ 369,119	$ 34,483	$ 98,849	$ 785,548
February 2009	444	(6,570)	(3,860)	6,936	**280,047**	372,518	34,018	98,141	784,724
March 2009	4,898	(12,127)	(5,084)	12,514	**280,248**	372,792	33,384	97,444	783,868
April 2009	2,620	(20,298)	(5,428)	14,271	**271,413**	369,276	32,697	96,676	770,062
May 2009	26,474	(11,272)	(8,132)	72,675	**351,158**	310,452	32,189	95,835	789,634
June 2009	21,647	(34,038)	(6,752)	47,875	**379,890**	277,153	40,494	95,075	792,612
July 2009	8,832	(40,332)	(8,232)	15,392	**355,550**	271,604	57,991	94,301	779,446
August 2009	4,293	(9,692)	(6,897)	12,041	**355,295**	271,160	59,402	93,567	779,424
September 2009	12,775	(3,267)	(5,638)	11,423	**370,588**	268,642	60,573	92,872	792,675
YTD 2009	**$ 82,592**	**$ (142,954)**	**$ (53,230)**	**$ 196,610**	**$ 370,588**	**$ 268,642**	**$ 60,573**	**$ 92,872**	**$ 792,675**

TABLE 6. OTHER INVESTMENTS ($ in Millions) [1]

	Other Investments End Balance
September 2008	85,619
October 2008	105,069
November 2008	105,984
December 2008	82,900
YTD 2008	**$ 82,900**
January 2009	$ 105,700
February 2009	93,666
March 2009	87,591
April 2009	78,133
May 2009	77,250
June 2009	67,457
July 2009	71,016
August 2009	66,703
September 2009	59,354
YTD 2009	**$ 59,354**

TABLE 7. DEBT ACTIVITY ($ in Millions) [6]

	Original Maturity ≤ 1 Year	Original Maturity > 1 Year					Total Debt
	End Balance	Issuances	Maturities and Redemptions	Repurchases	Foreign Exchange Adjustments	End Balance	Outstanding
September 2008	281,894	12,632	(22,426)	(1,181)	(52)	561,111	843,005
October 2008	325,662	3,322	(9,551)	(439)	(137)	554,306	879,968
November 2008	336,354	3,674	(8,470)	(206)	(42)	549,262	885,616
December 2008	332,542	19,598	(15,107)	(3,211)	15	550,557	883,099
YTD 2008	**$ 332,542**	**$ 248,399**	**$ (253,550)**	**$ (13,213)**	**$ (213)**	**$ 550,557**	**$ 883,099**
January 2009	$ 330,198	$ 29,205	$ (23,186)	$ (1,745)	$ (56)	$ 554,775	$ 884,973
February 2009	300,373	40,895	(24,455)	(456)	(15)	570,744	871,117
March 2009	275,527	38,428	(13,946)	(1,450)	26	593,802	869,329
April 2009	269,793	34,070	(42,027)	(445)	37	585,437	855,230
May 2009	260,507	34,730	(26,403)	-	95	593,859	854,366
June 2009	260,257	15,205	(22,454)	(686)	17	585,941	846,198
July 2009	238,867	14,886	(16,711)	(222)	24	583,918	822,785
August 2009	229,507	15,838	(11,696)	(700)	(12)	587,348	816,855
September 2009	241,039	15,044	(27,692)	(245)	13	574,468	815,507
YTD 2009	**$ 241,039**	**$ 238,301**	**$ (208,570)**	**$ (5,949)**	**$ 129**	**$ 574,468**	**$ 815,507**

TABLE 8. INTEREST RATE RISK DISCLOSURES ($ in Billions) [7]

	Market Value Sensitivity		Effective
	Rate Level Shock (50 bp)	Rate Slope Shock (25 bp)	Duration Gap (in months)
September 2008	(0.8)	(0.1)	1
October 2008	(1.0)	(0.2)	2
November 2008	(0.6)	(0.2)	0
December 2008	(1.1)	(0.3)	(1)
YTD 2008	**$ (0.8)**	**$ (0.1)**	
January 2009	$ (1.3)	$ (0.4)	0
February 2009	(0.5)	(0.3)	1
March 2009	(0.9)	(0.1)	(2)
April 2009	(0.7)	(0.1)	(1)
May 2009	(0.6)	(0.2)	1
June 2009	(0.5)	(0.2)	1
July 2009	(0.5)	(0.2)	(1)
August 2009	(0.4)	(0.2)	0
September 2009	(0.8)	(0.2)	(2)
YTD 2009	**$ (0.7)**	**$ (0.2)**	

TABLE 9. SERIOUS DELINQUENCY RATES

	Conventional Single-Family [8]			Multifamily
	Non-Credit Enhanced	Credit Enhanced	Total	Total [9]
August 2008	0.86%	4.26%	1.57%	0.16%
September 2008	0.96%	4.68%	1.72%	0.16%
October 2008	1.06%	5.12%	1.89%	0.21%
November 2008	1.22%	5.69%	2.13%	0.25%
December 2008	1.40%	6.42%	2.42%	0.30%
January 2009	1.63%	7.24%	2.77%	0.27%
February 2009	1.77%	7.70%	2.96%	0.32%
March 2009	1.91%	8.17%	3.15%	0.34%
April 2009	2.10%	8.79%	3.42%	0.36%
May 2009	2.29%	9.60%	3.68%	0.50%
June 2009	2.47%	10.25%	3.94%	0.51%
July 2009	2.66%	10.83%	4.17%	0.56%
August 2009	2.87%	11.52%	4.45%	0.56%

Numbes may not sum due to rounding

See Endnotes and Glossary on Pages 3 and 4

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. As of September 30, 2009, our gross mortgage portfolio end balance, after taking into account net outstanding commitments to sell of $60.6 billion, was $732.0 billion.
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. From December 2008 through August 2009, this table disclosed interest rate risk metrics that were adjusted to exclude the sensitivity associated with our Alt-A and subprime private-label mortgage-related securities because the interest rate risk metrics generated from our internal prepayment models reflected a higher level of responsiveness to changes in mortgage rates for these securities than we believed was reasonable given existing market conditions. We used these adjusted metrics in managing our interest rate risk but also reported the unadjusted risk metrics generated by our models. During September 2009, we implemented a modeling enhancement for estimating the interest rate risk of Alt-A and subprime securities. Beginning September 2009, we are using our updated models in managing our interest rate risk and are disclosing only our updated model-generated interest-rate risk metrics.
8. 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.
9. 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. Sum of MBS issuances and Mortgage Portfolio purchases less Fannie Mae MBS purchases and securitizations of mortgage loans previously held in portfolio.

Table 2

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

Commitments to Purchase, Net. Represents mandatory 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 mandatory commitments.

Commitments to Sell. Represents mandatory commitments to sell mortgage securities.

Net Retained Commitments. Represents mandatory commitments to purchase, less commitments to sell, net of mortgage loans for which a cash pair-off has been paid.

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.

Purchases. Acquisition of mortgage loans and mortgage securities for the mortgage portfolio. Includes capitalized interest.

Sales. Sales of mortgage securities 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 are commonly referred to as "private-label securities."

Table 6

Other Investments. The $59.4 billion total as of September 30, 2009 includes $49.4 billion of readily marketable instruments such as certificates of deposit, federal funds sold and securities purchased under agreements to resell. In addition, the balance includes $9.5 billion of non-governmental asset-backed securities and $0.5 billion of unsecured corporate notes.

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 www.fanniemae.com/markets/debt/debt_activity.

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 estimated loss in pre-tax 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 estimated loss in pre-tax 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.