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
April 2008	$ 728,414		$ 2,509,223		$ 251,673		$ 2,985,964	6.7%	$ 65,891
May 2008	736,925		2,532,293		259,635		3,009,583	9.9%	69,340
June 2008	749,640		2,558,851		268,918		3,039,573	12.6%	63,847
July 2008	758,112		2,566,443		276,304		3,048,251	3.5%	42,368
August 2008	759,980		2,573,423		274,157		3,059,246	4.4%	40,481
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
YTD 2009	**$ 770,062**		**$ 2,638,362**		**$ 271,413**		**$ 3,137,011**	**2.5%**	**$ 232,982**

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

	Commitments to Purchase, Net	Commitments to Sell	Net Retained Commitments
April 2008	$ 42,178	$ (15,188)	$ 26,990
May 2008	42,963	(20,864)	22,099
June 2008	38,266	(17,858)	20,408
July 2008	43,342	(26,763)	16,579
August 2008	24,999	(20,971)	4,028
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
YTD 2009	**$ 169,158**	**$ (153,528)**	**$ 15,630**

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

	Purchases [3]	Sales [3]	Liquidations	**End Balance [3]**	Compounded Growth Rate [3]	Annualized Liquidation Rate
April 2008	$ 17,961	$ (3,425)	$ (8,890)	**$ 728,414**	9.8%	(14.76%)
May 2008	20,001	(2,894)	(8,596)	**736,925**	15.0%	(14.16%)
June 2008	23,385	(2,674)	(7,996)	**749,640**	22.8%	(13.02%)
July 2008	18,214	(1,863)	(7,879)	**758,112**	14.4%	(12.61%)
August 2008	13,614	(4,603)	(7,143)	**759,980**	3.0%	(11.31%)
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%)
YTD 2009	**$ 68,438**	**$ (44,418)**	**$ (41,252)**	**$ 770,062**	**(6.4%)**	**(15.72%)**

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
April 2008	$ 58,637	$ (38,470)	$ 2,474,030	(18.81%)	$ 35,193	**$ 2,509,223**	7.2%	$ 334,921	$ 2,844,144
May 2008	63,590	(36,077)	2,501,543	(17.50%)	30,750	**2,532,293**	11.6%	336,030	2,868,323
June 2008	55,536	(30,040)	2,527,039	(14.41%)	31,812	**2,558,851**	13.3%	339,943	2,898,794
July 2008	36,564	(27,779)	2,535,824	(13.19%)	30,619	**2,566,443**	3.6%	342,178	2,908,621
August 2008	32,072	(24,911)	2,542,985	(11.79%)	30,438	**2,573,423**	3.3%	347,685	2,921,108
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
YTD 2009	**$ 210,319**	**$ (180,295)**	**$ 2,613,613**	**(20.94%)**	**$ 24,749**	**$ 2,638,362**	**3.1%**	**$ 369,276**	**$ 3,007,638**

MONTHLY SUMMARY HIGHLIGHTS

APRIL 2009

- In April, Fannie Mae provided $60.9 billion in liquidity to the market through *MBS Issuances* of $56.0 billion and *Net Retained Commitments* of $4.9 billion. Additional liquidity was provided by our portfolio through dollar roll transactions and whole loan conduit activity, which are reflected in the gross (purchase and sell) commitment numbers in Table 2.
- Fannie Mae's *Book of Business* declined at a compound annualized rate of (2.6) percent in April.
- April refinance volume declined from March levels but remained elevated at $45.5 billion, as borrowers continued to take advantage of historically low mortgage rates. We expect that our refinance volumes will remain above historical norms in the near term, but may fluctuate from month-to-month based on a number of market factors. Fannie Mae began accepting deliveries of refinance mortgage originations under the Making Home Affordable Program (MHA Program) in April 2009. We expect that the MHA Program will bolster refinance volumes over time as major lenders adopt necessary system changes and consumer awareness continues to build.
- *Fannie Mae MBS and Other Guarantees* were stable in April. *MBS Issuances* were $56.0 billion, driven largely by refinancing volume; liquidations remained elevated at $56.3 billion.
- *Gross Mortgage Portfolio* declined at a compound annualized rate of (19.2) percent in April.
- The *Conventional Single-Family Serious Delinquency Rate* rose 19 basis points in March to 3.15 percent; the *Multifamily Serious Delinquency Rate* rose two basis points to 0.34 percent in March (latest data available).
- The *Effective Duration Gap* on Fannie Mae's portfolio averaged negative one month in April.
- On September 6, 2008, the Federal Housing Finance Agency (FHFA) was appointed conservator of Fannie Mae. Information about Fannie Mae's business under conservatorship and about the effects of agreements between Fannie Mae and the U.S. Treasury Department is contained in Fannie Mae's 2008 annual report on Form 10-K, as filed with the SEC on February 26, 2009, a copy of which is available on Fannie Mae's Web site at www.fanniemae.com.

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
April 2008	$ 6,012	$ (3,316)	$ (3,338)	$ 4,695	**$ 251,673**	$ 334,921	$ 34,029	$ 107,791	$ 728,414
May 2008	9,710	(2,894)	(3,395)	4,541	**259,635**	336,030	34,491	106,769	736,925
June 2008	11,151	(2,674)	(3,117)	3,923	**268,918**	339,943	35,026	105,753	749,640
July 2008	9,710	(1,863)	(3,161)	2,700	**276,304**	342,178	34,813	104,817	758,112
August 2008	2,721	(4,331)	(3,021)	2,484	**274,157**	347,685	34,580	103,558	759,980
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
YTD 2009	**$ 8,571**	**$ (44,353)**	**$ (17,579)**	**$ 37,204**	**$ 271,413**	**$ 369,276**	**$ 32,697**	**$ 96,676**	**$ 770,062**

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

	Other Investments End Balance
April 2008	$ 58,742
May 2008	64,290
June 2008	72,509
July 2008	103,574
August 2008	88,509
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
YTD 2009	**$ 78,133**

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
April 2008	$ 221,480	$ 27,812	$ (18,055)	$ (1,093)	$ 6	$ 560,166	$ 781,646
May 2008	223,171	24,930	(25,960)	(582)	(2)	558,552	781,723
June 2008	241,553	30,906	(19,046)	(993)	6	569,425	810,978
July 2008	272,977	18,123	(13,053)	(1,630)	(16)	572,849	845,826
August 2008	262,600	19,039	(16,838)	(2,784)	(128)	572,138	834,738
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**
December 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
YTD 2009	**$ 269,793**	**$ 142,598**	**$ (103,614)**	**$ (4,096)**	**$ (8)**	**$ 585,437**	**$ 855,230**

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)
April 2008	$ (1.0)	$ (0.1)	2
May 2008	(0.7)	(0.0)	1
June 2008	(0.6)	(0.0)	2
July 2008	(0.5)	(0.0)	1
August 2008	(0.5)	(0.1)	2
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)
YTD 2009	**$ (0.9)**	**$ (0.2)**	

TABLE 9. SERIOUS DELINQUENCY RATES

	Conventional Single-Family [8]			Multifamily
	Non-Credit Enhanced	Credit Enhanced	Total	Total [9]
March 2008	0.62%	3.15%	1.15%	0.09%
April 2008	0.66%	3.33%	1.22%	0.09%
May 2008	0.71%	3.56%	1.30%	0.09%
June 2008	0.74%	3.74%	1.36%	0.11%
July 2008	0.80%	3.97%	1.45%	0.13%
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%

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 June 2008, we have revised our reporting of our 2008 commitment amounts to reflect the trade date face value of the commitments. From February through May 2008, we previously reported commitment amounts based on the original face value of our commitments. We believe that reporting our commitments based on the face value on the date of the trade better reflects the economics of the transaction and the actual settlement amount.
3. Beginning in the second quarter of 2009, we increased our dollar roll activity, which may result in more 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. Represents new Fannie Mae MBS created from mortgage assets held in the mortgage portfolio, including securitizations of non-Fannie Mae mortgage securities and securitizations of mortgage loans, or whole loan conduit activity. These amounts are included in the issuance balance in Table 4 and may be included in sales.
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. The existing prepayment models we use to generate our interest rate risk disclosures reflect a higher level of responsiveness to changes in mortgage rates for our Alt-A and subprime private-label mortgage-related securities than we believe is reasonable given current market conditions. As a result, beginning in December 2008, management has reviewed and relied on adjusted interest rate risk metrics that exclude the sensitivity associated with our Alt-A and subprime private-label mortgage-related securities to manage our interest rate risk. Accordingly, we have revised the presentation of this table to show these adjusted interest rate risk metrics for December 2008 through March 2009 (including 2009 year-to-date metrics). Our unadjusted interest rate risk metrics for April 2009, which include the sensitivity associated with our Alt-A and subprime private-label mortgage-related securities, reflect a sensitivity of $(0.9) billion and $(0.1) billion for a 50bp rate shock and a 25bp slope shock, respectively, and a duration gap of 2 months. For our unadjusted interest rate risk metrics for December 2008 through March 2009, refer to our Monthly Summary reports for February and March 2009. Management currently is in the process of enhancing our risk models to better capture borrower refinancing and prepayment constraints that have resulted from the stressed housing market. Management expects to discontinue reporting these two different metrics once the enhancements to our risk metric system have been completed and our Enterprise Risk Office approves our revised risk metric system.
8. Includes conventional single-family loans three months or more past due or in foreclosure process 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. Includes multifamily loans and securities 60 days or more past due and is calculated based on the UPB of 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 $78.1 billion total as of April 30, 2009 includes $64.8 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 $10.8 billion of non-governmental asset-backed securities and $2.5 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 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.

For more information about Fannie Mae, please visit www.fanniemae.com