



**TABLE 1. TOTAL BOOK OF BUSINESS COMPONENTS (\$ in Millions) <sup>1</sup>**

	Gross Mortgage Portfolio [Table 2]	+	Total Fannie Mae MBS and Other Guarantees [Table 3]	-	Fannie Mae MBS in Portfolio [Table 4]	=	Total Book of Business	Compounded Growth (Decline) Rate	New Business Acquisitions
May 2015	\$ 395,158		\$ 2,809,948		\$ 94,990		\$ 3,110,116	(2.6)%	\$ 43,738
June 2015	390,307		2,812,570		92,807		3,110,070	0.0 %	48,177
July 2015	384,634		2,813,583		91,485		3,106,732	(1.3)%	47,345
August 2015	377,917		2,811,633		88,266		3,101,284	(2.1)%	39,606
September 2015	370,450		2,818,737		85,560		3,103,627	0.9 %	45,238
October 2015	364,259		2,823,392		83,110		3,104,541	0.4 %	41,938
November 2015	353,507		2,814,995		68,640		3,099,862	(1.8)%	37,041
December 2015	345,103		2,822,974		68,697		3,099,380	(0.2)%	36,868
<b>Full Year 2015</b>	<b>\$ 345,103</b>		<b>\$ 2,822,974</b>		<b>\$ 68,697</b>		<b>\$ 3,099,380</b>	<b>(0.8)%</b>	<b>\$ 515,541</b>
January 2016	\$ 346,505		\$ 2,825,076		\$ 74,546		\$ 3,097,035	(0.9)%	\$ 38,323
February 2016	337,210		2,827,506		66,732		3,097,984	0.4 %	35,948
March 2016	332,644		2,835,491		66,159		3,101,976	1.6 %	40,906
April 2016	328,035		2,837,180		64,645		3,100,570	(0.5)%	45,562
May 2016	317,655		2,841,013		57,738		3,100,930	0.1 %	46,333
<b>YTD 2016</b>	<b>\$ 317,655</b>		<b>\$ 2,841,013</b>		<b>\$ 57,738</b>		<b>\$ 3,100,930</b>	<b>0.1 %</b>	<b>\$ 207,072</b>

**TABLE 2. GROSS MORTGAGE PORTFOLIO (\$ in Millions) <sup>1</sup>**

	Purchases	Sales	Liquidations	End Balance	Compounded Growth (Decline) Rate	Annualized Liquidation Rate
May 2015	\$ 21,994	\$ (26,139)	\$ (5,862)	\$ 395,158	(25.9)%	(17.36)%
June 2015	24,065	(23,786)	(5,130)	390,307	(13.8)%	(15.58)%
July 2015	24,059	(24,404)	(5,328)	384,634	(16.1)%	(16.38)%
August 2015	22,309	(23,675)	(5,351)	377,917	(19.1)%	(16.69)%
September 2015	21,339	(23,275)	(5,531)	370,450	(21.3)%	(17.56)%
October 2015	21,648	(23,100)	(4,739)	364,259	(18.3)%	(15.35)%
November 2015	17,054	(23,087)	(4,719)	353,507	(30.2)%	(15.54)%
December 2015	18,582	(21,818)	(5,168)	345,103	(25.1)%	(17.54)%
<b>Full Year 2015</b>	<b>\$ 252,196</b>	<b>\$ (257,024)</b>	<b>\$ (63,382)</b>	<b>\$ 345,103</b>	<b>(16.5)%</b>	<b>(15.34)%</b>
January 2016	\$ 20,236	\$ (13,878)	\$ (4,956)	\$ 346,505	5.0 %	(17.23)%
February 2016	17,695	(22,664)	(4,326)	337,210	(27.8)%	(14.98)%
March 2016	20,937	(21,224)	(4,279)	332,644	(15.1)%	(15.23)%
April 2016	23,982	(24,296)	(4,295)	328,035	(15.4)%	(15.49)%
May 2016	23,453	(29,408)	(4,425)	317,655	(32.0)%	(16.19)%
<b>YTD 2016</b>	<b>\$ 106,303</b>	<b>\$ (111,470)</b>	<b>\$ (22,281)</b>	<b>\$ 317,655</b>	<b>(18.0)%</b>	<b>(15.50)%</b>

**TABLE 3. FANNIE MAE GUARANTEED SECURITIES AND MORTGAGE LOANS (\$ in Millions) <sup>1</sup>**

	Total Fannie Mae MBS			Fannie Mae MBS Liquidation Rate	Other Fannie Mae Guarantees	Total Fannie Mae MBS and Other Guarantees	Compounded Growth (Decline) Rate	Mortgage Loans	Fannie Mae Guaranteed Securities and Mortgage Loans
	Issuances <sup>2</sup>	Liquidations	End Balance						
May 2015	\$ 45,520	\$ (45,887)	\$ 2,792,440	(19.72)%	\$ 17,508	\$ 2,809,948	(0.3)%	\$ 272,848	\$ 3,082,796
June 2015	47,753	(45,118)	2,795,075	(19.39)%	17,495	2,812,570	1.1 %	270,809	3,083,379
July 2015	47,555	(46,114)	2,796,516	(19.80)%	17,067	2,813,583	0.4 %	266,824	3,080,407
August 2015	39,949	(41,727)	2,794,738	(17.91)%	16,895	2,811,633	(0.8)%	263,901	3,075,534
September 2015	46,124	(38,908)	2,801,954	(16.71)%	16,783	2,818,737	3.1 %	259,988	3,078,725
October 2015	42,475	(37,713)	2,806,716	(16.15)%	16,676	2,823,392	2.0 %	257,286	3,080,678
November 2015	30,180	(38,415)	2,798,481	(16.42)%	16,514	2,814,995	(3.5)%	262,061	3,077,056
December 2015	41,746	(33,757)	2,806,470	(14.48)%	16,504	2,822,974	3.5 %	253,592	3,076,566
<b>Full Year 2015</b>	<b>\$ 516,394</b>	<b>\$ (494,708)</b>	<b>\$ 2,806,470</b>	<b>(17.76)%</b>	<b>\$ 16,504</b>	<b>\$ 2,822,974</b>	<b>0.7 %</b>	<b>\$ 253,592</b>	<b>\$ 3,076,566</b>
January 2016	\$ 39,733	\$ (37,506)	\$ 2,808,697	(16.04)%	\$ 16,379	\$ 2,825,076	0.9 %	\$ 250,560	\$ 3,075,636
February 2016	33,776	(31,223)	2,811,250	(13.34)%	16,256	2,827,506	1.0 %	251,070	3,078,576
March 2016	40,838	(32,678)	2,819,410	(13.95)%	16,081	2,835,491	3.4 %	248,360	3,083,851
April 2016	45,602	(43,860)	2,821,152	(18.67)%	16,028	2,837,180	0.7 %	246,279	3,083,459
May 2016	46,549	(42,445)	2,825,256	(18.05)%	15,757	2,841,013	1.6 %	243,464	3,084,477
<b>YTD 2016</b>	<b>\$ 206,498</b>	<b>\$ (187,712)</b>	<b>\$ 2,825,256</b>	<b>(16.05)%</b>	<b>\$ 15,757</b>	<b>\$ 2,841,013</b>	<b>1.5 %</b>	<b>\$ 243,464</b>	<b>\$ 3,084,477</b>

Numbers may not sum due to rounding

See Endnotes and Glossary on Pages 3 and 4

## MONTHLY SUMMARY HIGHLIGHTS

### May 2016

- Fannie Mae's *Book of Business* increased at a compound annualized rate of 0.1 percent in May.
- Fannie Mae's *Gross Mortgage Portfolio* decreased at a compound annualized rate of 32 percent in May.
- The *Conventional Single-Family Serious Delinquency Rate* decreased two basis points to 1.38 percent in May; the *Multifamily Serious Delinquency Rate* remained flat at 0.05 percent in May.
- Fannie Mae completed 6,552 loan modifications in May.

#### IMPORTANT NOTE:

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

**TABLE 4. MORTGAGE PORTFOLIO COMPOSITION (\$ in Millions) <sup>1</sup>**

	Fannie Mae MBS in Portfolio					Mortgage Loans	Non-Fannie Mae Mortgage Securities		Mortgage Portfolio End Balance
	Purchases	Sales	Liquidations	Securitized <sup>3</sup>	End Balance		Agency	Non-Agency	
May 2015	\$ 3,635	\$ (23,715)	\$ (1,497)	\$ 17,874	\$ 94,990	\$ 272,848	\$ 6,541	\$ 20,779	\$ 395,158
June 2015	2,786	(21,548)	(1,467)	18,046	92,807	270,809	6,613	20,078	390,307
July 2015	3,776	(21,798)	(1,442)	18,142	91,485	266,824	6,824	19,501	384,634
August 2015	4,325	(22,341)	(1,267)	16,064	88,266	263,901	6,519	19,231	377,917
September 2015	4,053	(21,263)	(1,648)	16,152	85,560	259,988	6,315	18,587	370,450
October 2015	3,988	(21,460)	(1,130)	16,152	83,110	257,286	6,227	17,636	364,259
November 2015	3,109	(21,537)	(1,346)	5,304	68,640	262,061	5,814	16,992	353,507
December 2015	3,401	(20,448)	(969)	18,073	68,697	253,592	5,980	16,834	345,103
<b>Full Year 2015</b>	<b>\$ 38,309</b>	<b>\$ (234,414)</b>	<b>\$ (16,290)</b>	<b>\$ 188,273</b>	<b>\$ 68,697</b>	<b>\$ 253,592</b>	<b>\$ 5,980</b>	<b>\$ 16,834</b>	<b>\$ 345,103</b>
January 2016	\$ 6,187	\$ (12,802)	\$ (970)	\$ 13,434	\$ 74,546	\$ 250,560	\$ 6,186	\$ 15,212	\$ 346,505
February 2016	3,623	(20,102)	(1,323)	9,988	66,732	251,070	5,183	14,225	337,210
March 2016	3,142	(18,524)	(900)	15,709	66,159	248,360	4,879	13,246	332,644
April 2016	3,797	(22,503)	(803)	17,995	64,645	246,279	4,541	12,570	328,035
May 2016	3,417	(27,568)	(671)	17,915	57,738	243,464	4,734	11,719	317,655
<b>YTD 2016</b>	<b>\$ 20,166</b>	<b>\$ (101,499)</b>	<b>\$ (4,667)</b>	<b>\$ 75,041</b>	<b>\$ 57,738</b>	<b>\$ 243,464</b>	<b>\$ 4,734</b>	<b>\$ 11,719</b>	<b>\$ 317,655</b>

**TABLE 5. OTHER INVESTMENTS (\$ in Millions) <sup>1</sup>**

	Other Investments End Balance
May 2015	\$ 66,723
June 2015	64,937
July 2015	52,155
August 2015	74,044
September 2015	73,113
October 2015	78,230
November 2015	77,370
December 2015	71,353
<b>Full Year 2015</b>	<b>\$ 71,353</b>
January 2016	\$ 59,920
February 2016	74,348
March 2016	67,060
April 2016	63,827
May 2016	67,849
<b>YTD 2016</b>	<b>\$ 67,849</b>

**TABLE 6. DEBT ACTIVITY (\$ in Millions) <sup>4</sup>**

	Original < 1 Year		Original Maturity > 1 Year				Total Debt Outstanding	
	End Balance	End Balance	Issuances	Maturities and Redemptions	Repurchases	Foreign Exchange Adjustments		End Balance
May 2015	\$ 89,018	\$ 89,018	\$ 4,705	\$ (10,716)	\$ —	\$ (2)	\$ 347,309	\$ 436,327
June 2015	81,383	81,383	3,480	(3,562)	—	17	347,244	428,627
July 2015	71,691	71,691	1,559	(10,375)	—	(3)	338,425	410,116
August 2015	97,760	97,760	625	(11,056)	—	(11)	327,983	425,743
September 2015	95,484	95,484	12,304	(14,834)	(31)	(8)	325,414	420,898
October 2015	96,039	96,039	16,621	(23,864)	—	11	318,182	414,221
November 2015	78,604	78,604	11,185	(4,151)	—	(13)	325,203	403,807
December 2015	71,050	71,050	872	(6,215)	(1,402)	(12)	318,446	389,496
<b>Full Year 2015</b>	<b>\$ 71,050</b>	<b>\$ 71,050</b>	<b>\$ 76,425</b>	<b>\$ (115,690)</b>	<b>\$ (1,683)</b>	<b>\$ (28)</b>	<b>\$ 318,446</b>	<b>\$ 389,496</b>
January 2016	\$ 56,905	\$ 56,905	\$ 3,840	\$ (631)	\$ —	\$ (18)	\$ 321,637	\$ 378,542
February 2016	62,010	62,010	13,081	(9,800)	—	(13)	324,905	386,915
March 2016	60,469	60,469	7,348	(18,866)	(24)	16	313,379	373,848
April 2016	55,712	55,712	8,687	(14,512)	—	9	307,563	363,275
May 2016	56,582	56,582	6,405	(12,179)	(15)	(4)	301,770	358,352
<b>YTD 2016</b>	<b>\$ 56,582</b>	<b>\$ 56,582</b>	<b>\$ 39,361</b>	<b>\$ (55,988)</b>	<b>\$ (39)</b>	<b>\$ (10)</b>	<b>\$ 301,770</b>	<b>\$ 358,352</b>

**TABLE 7. 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 2015	\$ 0.0	\$ 0.0	0
June 2015	0.0	0.0	0
July 2015	0.0	0.0	0
August 2015	(0.1)	0.0	0
September 2015	0.0	(0.1)	0
October 2015	0.0	0.0	0
November 2015	(0.2)	0.0	0
December 2015	(0.1)	0.0	0
<b>Full Year 2015</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	
January 2016	\$ 0.0	\$ 0.0	0
February 2016	0.0	0.0	0
March 2016	0.0	(0.1)	0
April 2016	0.0	(0.1)	0
May 2016	0.0	(0.1)	0
<b>YTD 2016</b>	<b>\$ 0.0</b>	<b>\$ (0.1)</b>	

**TABLE 8. SERIOUS DELINQUENCY RATES**

	Conventional Single-Family <sup>5</sup>			Multifamily Total <sup>6</sup>
	Non-Credit Enhanced	Credit Enhanced	Total	
May 2015	1.47%	3.04%	1.70%	0.06%
June 2015	1.43%	2.98%	1.66%	0.05%
July 2015	1.41%	2.89%	1.63%	0.06%
August 2015	1.41%	2.84%	1.62%	0.05%
September 2015	1.38%	2.76%	1.59%	0.05%
October 2015	1.37%	2.71%	1.58%	0.07%
November 2015	1.38%	2.71%	1.58%	0.07%
December 2015	1.34%	2.65%	1.55%	0.07%
January 2016	1.35%	2.65%	1.55%	0.08%
February 2016	1.32%	2.56%	1.52%	0.07%
March 2016	1.25%	2.39%	1.44%	0.06%
April 2016	1.22%	2.29%	1.40%	0.05%
May 2016	1.21%	2.23%	1.38%	0.05%

Numbers 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. Includes Fannie Mae mortgage-backed securities ("Fannie Mae MBS") issued from Fannie Mae's mortgage portfolio. See Table 4 for monthly activity and balances for Fannie Mae MBS held in portfolio.
3. Securitizations in Table 4 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 3 and, if sold during the month, will be included in sales in Table 4. Our securitizations of loans we held in our portfolio the prior month will reduce the mortgage loans reported in Table 4.
4. 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.
5. 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.
6. 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 7, 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.

### Table 2

**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 3

**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 4.

**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 4

**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 5

**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 6

**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 7

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 8

**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.