

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

	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
July 2013	\$ 547,046		\$ 2,770,055		\$ 147,993		\$ 3,169,108	(1.7%)	\$ 73,387
August 2013	531,282		2,778,359		142,726		3,166,915	(0.8%)	68,266
September 2013	516,259		2,784,540		137,240		3,163,559	(1.3%)	55,973
October 2013	504,832		2,794,938		134,168		3,165,602	0.8%	49,209
November 2013	495,654		2,798,759		128,647		3,165,766	0.1%	42,069
December 2013	490,701		2,803,849		129,841		3,164,709	(0.4%)	39,695
<b>Full Year 2013</b>	<b>\$ 490,701</b>		<b>\$ 2,803,849</b>		<b>\$ 129,841</b>		<b>\$ 3,164,709</b>	<b>(0.8%)</b>	<b>\$ 796,562</b>
January 2014	\$ 480,705		\$ 2,798,928		\$ 124,354		\$ 3,155,279	(3.5%)	\$ 30,734
February 2014	471,379		2,798,723		118,403		3,151,699	(1.4%)	29,331
March 2014	467,712		2,796,591		117,283		3,147,020	(1.8%)	26,539
April 2014	461,731		2,794,025		115,876		3,139,880	(2.7%)	30,018
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
<b>YTD 2014</b>	<b>\$ 449,878</b>		<b>\$ 2,792,181</b>		<b>\$ 114,627</b>		<b>\$ 3,127,432</b>	<b>(2.0%)</b>	<b>\$ 222,563</b>

**TABLE 2. PORTFOLIO COMMITMENTS (\$ in Millions) <sup>1,2,3</sup>**

	Commitments to Purchase, Net	Commitments to Sell	Net Retained Commitments
July 2013	\$ 62,445	\$ (67,724)	\$ (5,279)
August 2013	51,008	(53,964)	(2,956)
September 2013	53,287	(57,460)	(4,173)
October 2013	55,475	(56,996)	(1,521)
November 2013	47,427	(46,348)	1,079
December 2013	37,706	(34,899)	2,807
<b>Full Year 2013</b>	<b>\$ 801,291</b>	<b>\$ (802,693)</b>	<b>\$ (1,402)</b>
January 2014	\$ 39,501	\$ (38,729)	\$ 772
February 2014	36,191	(35,059)	1,132
March 2014	40,053	(42,192)	(2,139)
April 2014	39,300	(38,484)	816
May 2014	48,656	(48,059)	597
June 2014	47,746	(48,228)	(482)
July 2014	62,754	(62,962)	(208)
<b>YTD 2014</b>	<b>\$ 314,201</b>	<b>\$ (313,713)</b>	<b>\$ 488</b>

**TABLE 3. GROSS MORTGAGE PORTFOLIO (\$ in Millions) <sup>1,2</sup>**

	Purchases <sup>3</sup>	Sales <sup>3</sup>	Liquidations	End Balance <sup>3</sup>	Compounded Growth Rate <sup>3</sup>	Annualized Liquidation Rate
July 2013	\$ 22,115	\$ (29,453)	\$ (10,814)	\$ 547,046	(32.4%)	(22.96%)
August 2013	20,617	(26,530)	(9,851)	531,282	(29.6%)	(21.61%)
September 2013	17,410	(23,047)	(9,386)	516,259	(29.1%)	(21.20%)
October 2013	19,233	(20,906)	(9,754)	504,832	(23.6%)	(22.67%)
November 2013	15,329	(16,672)	(7,835)	495,654	(19.8%)	(18.62%)
December 2013	15,612	(11,999)	(8,566)	490,701	(11.4%)	(20.74%)
<b>Full Year 2013</b>	<b>\$ 269,430</b>	<b>\$ (279,667)</b>	<b>\$ (132,116)</b>	<b>\$ 490,701</b>	<b>(22.5%)</b>	<b>(20.87%)</b>
January 2014	\$ 12,634	\$ (15,434)	\$ (7,196)	\$ 480,705	(21.9%)	(17.60%)
February 2014	10,199	(13,647)	(5,878)	471,379	(21.0%)	(14.67%)
March 2014	11,597	(9,178)	(6,086)	467,712	(8.9%)	(15.49%)
April 2014	12,144	(11,826)	(6,299)	461,731	(14.3%)	(16.16%)
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%)
<b>YTD 2014</b>	<b>\$ 92,543</b>	<b>\$ (88,766)</b>	<b>\$ (44,600)</b>	<b>\$ 449,878</b>	<b>(13.8%)</b>	<b>(15.58%)</b>

**TABLE 4. FANNIE MAE GUARANTEED SECURITIES AND MORTGAGE LOANS (\$ in Millions) <sup>1</sup>**

	Total Fannie Mae MBS Issuances <sup>4</sup>			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
July 2013	\$ 73,088	\$ (63,003)	\$ 2,737,576	(27.72%)	\$ 32,479	\$ 2,770,055	4.3%	\$ 336,134	\$ 3,106,189
August 2013	66,414	(57,701)	2,746,289	(25.29%)	32,070	2,778,359	3.7%	331,957	3,110,316
September 2013	53,330	(46,806)	2,752,813	(20.45%)	31,727	2,784,540	2.7%	328,405	3,112,945
October 2013	47,790	(37,030)	2,763,573	(16.14%)	31,365	2,794,938	4.6%	322,522	3,117,460
November 2013	39,335	(35,147)	2,767,761	(15.26%)	30,998	2,798,759	1.7%	320,293	3,119,052
December 2013	38,439	(32,948)	2,773,252	(14.29%)	30,597	2,803,849	2.2%	314,664	3,118,513
<b>Full Year 2013</b>	<b>\$ 764,514</b>	<b>\$ (696,311)</b>	<b>\$ 2,773,252</b>	<b>(25.74%)</b>	<b>\$ 30,597</b>	<b>\$ 2,803,849</b>	<b>2.3%</b>	<b>\$ 314,664</b>	<b>\$ 3,118,513</b>
January 2014	\$ 29,089	\$ (33,836)	\$ 2,768,505	(14.64%)	\$ 30,423	\$ 2,798,928	(2.1%)	\$ 310,992	\$ 3,109,920
February 2014	28,300	(28,180)	2,768,625	(12.21%)	30,097	2,798,723	(0.1%)	308,076	3,106,799
March 2014	24,462	(26,341)	2,766,746	(11.42%)	29,845	2,796,591	(0.9%)	305,989	3,102,580
April 2014	27,930	(30,245)	2,764,431	(13.12%)	29,594	2,794,025	(1.1%)	303,860	3,097,885
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
<b>YTD 2014</b>	<b>\$ 209,384</b>	<b>\$ (219,047)</b>	<b>\$ 2,763,589</b>	<b>(13.54%)</b>	<b>\$ 28,592</b>	<b>\$ 2,792,181</b>	<b>(0.7%)</b>	<b>\$ 296,017</b>	<b>\$ 3,088,198</b>

**MONTHLY SUMMARY HIGHLIGHTS**
**July 2014**

- Fannie Mae's *Book of Business* decreased at a compound annualized rate of 0.6 percent in July.
- Fannie Mae's *Gross Mortgage Portfolio* declined at a compound annualized rate of 7.4 percent in July.
- The *Conventional Single-Family Serious Delinquency Rate* fell five basis points to 2.00 percent in July; the *Multifamily Serious Delinquency Rate* remained at 0.10 percent in July.
- The *Effective Duration Gap* on Fannie Mae's portfolio averaged zero months in July.
- Fannie Mae completed 10,812 loan modifications in July, for a total of 78,866 loan modifications in the seven months ended July 31, 2014.

**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) <sup>1</sup>**

	Fannie Mae MBS in Portfolio					Mortgage Loans	Non-Fannie Mae Mortgage Securities		Mortgage Portfolio End Balance
	Purchases	Sales	Liquidations	Securitizations <sup>5</sup>	End Balance		Agency	Non-Agency	
July 2013	\$ 2,334	\$ (22,365)	\$ (3,287)	\$ 19,482	\$ 147,993	\$ 336,134	\$ 10,565	\$ 52,354	\$ 547,046
August 2013	2,360	(20,506)	(3,526)	16,405	142,726	331,957	9,864	46,735	531,282
September 2013	1,688	(17,210)	(3,043)	13,079	137,240	328,405	9,781	40,833	516,259
October 2013	3,334	(18,285)	(2,601)	14,480	134,168	322,522	9,616	38,526	504,832
November 2013	2,612	(15,670)	(2,446)	9,983	128,647	320,293	9,034	37,680	495,654
December 2013	1,895	(11,019)	(2,143)	12,461	129,841	314,664	9,023	37,173	490,701
<b>Full Year 2013</b>	<b>\$ 29,945</b>	<b>\$ (251,045)</b>	<b>\$ (40,460)</b>	<b>\$ 207,437</b>	<b>\$ 114,627</b>	<b>\$ 314,664</b>	<b>\$ 9,023</b>	<b>\$ 37,173</b>	<b>\$ 490,701</b>
January 2014	\$ 1,227	\$ (14,159)	\$ (2,317)	\$ 9,762	\$ 124,354	\$ 310,992	\$ 8,601	\$ 36,758	\$ 480,705
February 2014	1,001	(13,310)	(1,809)	8,167	118,403	308,076	8,454	36,446	471,379
March 2014	906	(9,094)	(1,546)	8,614	117,283	305,989	8,335	36,105	467,712
April 2014	847	(9,708)	(1,755)	9,209	115,876	303,860	8,153	33,842	461,731
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
<b>YTD 2014</b>	<b>\$ 9,108</b>	<b>\$ (81,863)</b>	<b>\$ (12,715)</b>	<b>\$ 70,256</b>	<b>\$ 114,627</b>	<b>\$ 296,017</b>	<b>\$ 7,941</b>	<b>\$ 31,293</b>	<b>\$ 449,878</b>

**TABLE 6. OTHER INVESTMENTS (\$ in Millions) <sup>1</sup>**

	Other Investments End Balance
July 2013	\$ 93,228
August 2013	103,078
September 2013	87,397
October 2013	88,420
November 2013	85,180
December 2013	74,445
<b>Full Year 2013</b>	<b>\$ 74,445</b>
January 2014	\$ 66,947
February 2014	60,165
March 2014	44,322
April 2014	54,869
May 2014	61,997
June 2014	50,554
July 2014	68,736
<b>YTD 2014</b>	<b>\$ 68,736</b>

**TABLE 7. DEBT ACTIVITY (\$ in Millions) <sup>6</sup>**

	Original Maturity ≤ 1 Year End Balance	Original Maturity > 1 Year				Total Debt Outstanding	
		Issuances	Maturities and Redemptions	Foreign Exchange Repurchases	Foreign Exchange Adjustments		End Balance
July 2013	\$ 99,644	\$ 5,709	\$ (9,425)	\$ (184)	\$ 2	\$ 501,706	\$ 601,350
August 2013	92,535	15,581	(15,906)	(703)	11	500,689	593,224
September 2013	77,838	2,886	(10,974)	(370)	29	492,260	570,098
October 2013	71,147	9,085	(11,552)	(282)	(6)	489,505	560,652
November 2013	64,248	2,202	(11,655)	-	13	480,065	544,313
December 2013	72,325	1,702	(19,890)	-	9	461,886	534,211
<b>Full Year 2013</b>	<b>\$ 72,325</b>	<b>\$ 138,482</b>	<b>\$ (190,309)</b>	<b>\$ (2,815)</b>	<b>\$ 15</b>	<b>\$ 461,886</b>	<b>\$ 534,211</b>
January 2014	\$ 57,426	\$ 4,098	\$ (5,650)	\$ (15)	\$ (6)	\$ 460,313	\$ 517,739
February 2014	62,632	76	(24,167)	(24)	14	436,212	498,844
March 2014	65,470	3,892	(19,203)	(74)	(5)	420,822	486,292
April 2014	78,588	831	(11,428)	(618)	9	409,616	488,204
May 2014	87,003	4,271	(9,505)	(55)	(5)	404,322	491,325
June 2014	90,944	1	(12,190)	(1,525)	14	390,622	481,566
July 2014	104,165	5,581	(4,401)	(21)	(9)	391,772	495,937
<b>YTD 2014</b>	<b>\$ 104,165</b>	<b>\$ 18,750</b>	<b>\$ (86,544)</b>	<b>\$ (2,332)</b>	<b>\$ 12</b>	<b>\$ 391,772</b>	<b>\$ 495,937</b>

**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)	
July 2013	\$ (0.2)	\$ 0.0	0
August 2013	(0.2)	0.0	0
September 2013	(0.2)	0.0	0
October 2013	(0.2)	0.0	0
November 2013	(0.1)	0.0	0
December 2013	(0.1)	(0.1)	0
<b>Full Year 2013</b>	<b>\$ (0.1)</b>	<b>\$ 0.0</b>	
January 2014	\$ (0.1)	\$ 0.0	0
February 2014	(0.1)	0.0	0
March 2014	(0.1)	0.0	0
April 2014	0.0	0.0	0
May 2014	0.0	0.0	0
June 2014	(0.1)	0.0	0
July 2014	(0.1)	0.0	0
<b>YTD 2014</b>	<b>\$ (0.1)</b>	<b>\$ 0.0</b>	

**TABLE 9. SERIOUS DELINQUENCY RATES**

	Conventional Single-Family <sup>7</sup>			Multifamily Total <sup>8</sup>
	Non-Credit Enhanced	Credit Enhanced	Total	
July 2013	2.24%	5.57%	2.70%	0.18%
August 2013	2.18%	5.36%	2.61%	0.18%
September 2013	2.14%	5.15%	2.55%	0.18%
October 2013	2.08%	4.97%	2.48%	0.13%
November 2013	2.04%	4.87%	2.44%	0.11%
December 2013	2.00%	4.75%	2.38%	0.10%
January 2014	1.96%	4.63%	2.33%	0.10%
February 2014	1.92%	4.48%	2.27%	0.11%
March 2014	1.85%	4.27%	2.19%	0.10%
April 2014	1.80%	4.13%	2.13%	0.11%
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%

## 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 July 31, 2014, our gross mortgage portfolio end balance, after taking into account net outstanding commitments to sell of \$13.4 billion, was \$436.4 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. 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.** 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. Excludes certain matched trades and certain early funding activities.

**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. Excludes certain matched trades and certain early funding activities.

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

**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 are commonly referred to as "private-label 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 90 days 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.