

2010 Year-End Funding Review: Fannie Mae Issued Record Amount of Callables and Continued Robust Issuance of Benchmark Notes[®]

December 2010

For the periods from 2010 to 2012, there is no limit on the maximum amount we can draw under the Agreement. Beginning in 2013, the Agreement remains in effect.

Fannie Mae enjoyed strong and consistent access to the capital markets over the course of 2010 issuing over \$450 billion in long-term debt securities, making it a “record” issuance year for the company (**Figure 1**). Notably, 2010 was the company’s most active year of issuance in callable debt and the second most active year of issuance in noncallable syndicated Benchmark Notes. Specifically, our callable issuance increased to \$309.3 billion in 2010 from \$191.8 billion in 2009. This increase in issuance was driven by historically low interest rates over the course of 2010 resulting in a high level of callable redemptions (**Figure 2**).

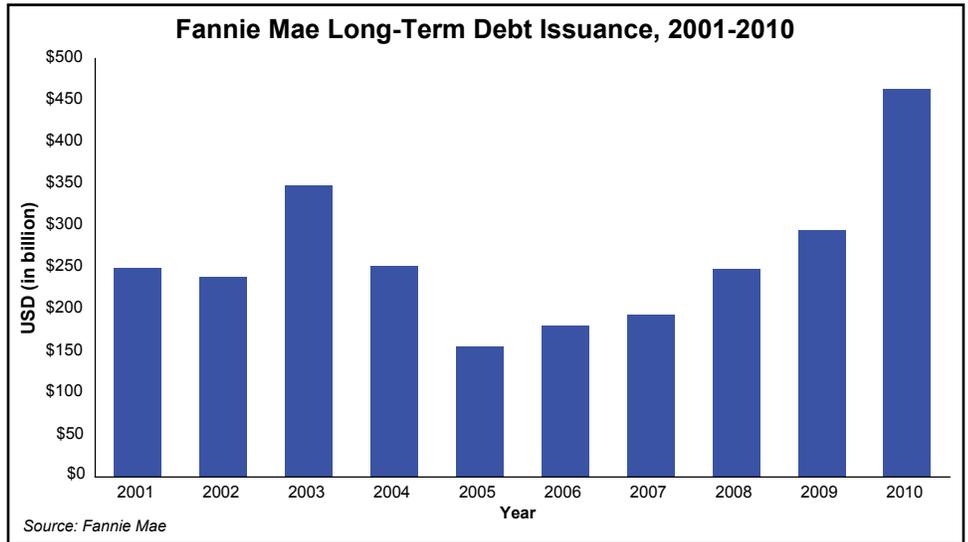


Figure 1

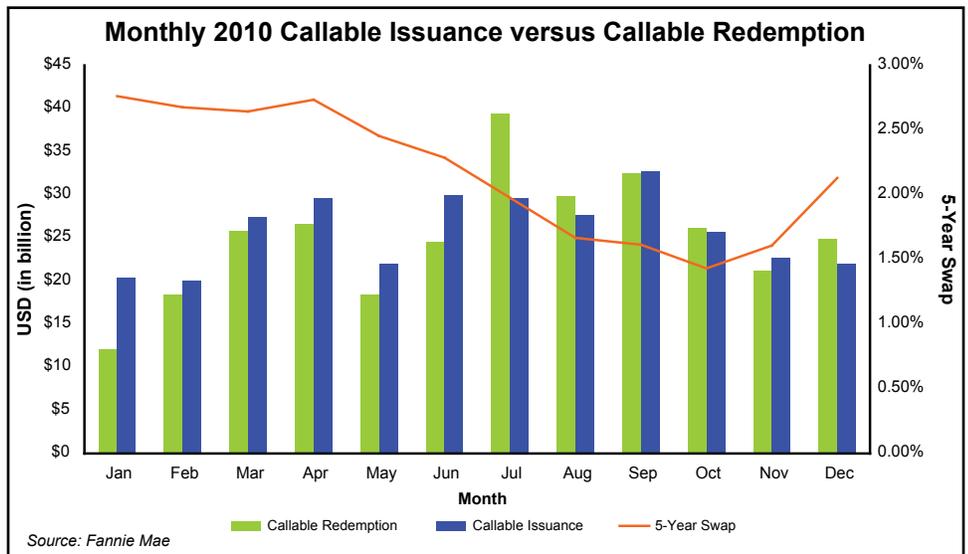


Figure 2

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Consequently, by the end of 2010, Fannie Mae had extended the company's debt maturity profile. Fannie Mae short-term debt outstanding stood at \$200.1 billion at the end of 2009 and had declined to \$174.5 billion as of November 30, 2010. The issuance of Fannie Mae Discount Notes notably increased from February to July 2010, averaging approximately \$50 billion in issuance per month, primarily due to Fannie Mae's MBS four-months plus delinquent loan buyout program, while Discount Notes monthly issuance averaged approximately \$24 billion (August to November 2010).

In this year-end edition of *FundingNotes*, we review the U.S. Treasury's Senior Preferred Stock Purchase Agreement as it is important for investors to have a clear understanding of the details in the Agreement. Then, we examine Fannie Mae's callable issuance over the past year and characteristics of the callables we issued during this time period. We also discuss investor trends and preferences in 2010 for these callable securities. This edition also highlights the \$82 billion of Benchmark Notes issuance in 2010, an increase of \$6.5 billion over 2009, and investor participation in these securities.

Senior Preferred Stock Purchase Agreement

The Senior Preferred Stock Purchase Agreement

between Fannie Mae and the U.S. Department of the Treasury (the "Agreement") was entered into in September of 2008 and most recently amended in December 2009. According to the Federal Housing Finance Agency, the changes made to the Agreement in December 2009 were designed to quell any market uncertainty and to ensure Fannie Mae remains a stable source of funds for new home purchases and refinancing of existing mortgages.

See **Figure 3** below for a summary of key points of the Agreement. Pursuant to the terms of the Agreement, Treasury committed to provide Fannie Mae with funding in the event Fannie Mae's liabilities exceed its assets on its balance sheet, as calculated under U.S. Generally Accepted Accounting Principles (GAAP). In the event that Fannie Mae's liabilities exceed its assets, Fannie Mae may draw funds under the commitment from Treasury up to the maximum amount specified in the Agreement.

For the periods from 2010 to 2012, there is no limit on the maximum amount we can draw under the Agreement. After December 31, 2012, the Agreement remains in effect and the maximum amount available from Treasury under the Agreement will be \$124.8 billion, less the smaller of either (a) our positive net worth as of December 31, 2012 or (b) our cumulative draws from Treasury for the calendar quarters in 2010 through 2012.

Senior Preferred Stock Purchase Agreement		
	Pre-December 2009 Amendment	December 2009 Amendment
Maximum Amount	<ul style="list-style-type: none"> Under the original Agreement, Fannie Mae could draw funds up to the amount its total liabilities exceed its total assets for the applicable quarter subject to a maximum amount of \$100 billion. The maximum amount was increased to \$200 billion in May 2009. 	<ul style="list-style-type: none"> In December 2009, the maximum amount was increased to the greater of: <ul style="list-style-type: none"> (a) \$200 billion OR (b) \$200 billion plus the cumulative amount of our net worth deficit as of the end of any and each calendar quarter in 2010, 2011 and 2012, less any positive net worth as of December 31, 2012
Portfolio Cap	<ul style="list-style-type: none"> On December 31, 2009, \$900 billion; and thereafter, 90% of the <i>actual size</i> of the portfolio on December 31st of the preceding year 	<ul style="list-style-type: none"> On December 31, 2010, \$810 billion; and thereafter, 90% of the <i>maximum allowable size</i> of the portfolio on December 31st of the preceding year
Debt Cap	<ul style="list-style-type: none"> 120% of the portfolio cap 	<ul style="list-style-type: none"> 120% of the portfolio cap
Commitment Fee	<ul style="list-style-type: none"> Periodic Commitment Fee Commencing on March 31, 2010 	<ul style="list-style-type: none"> Periodic Commitment Fee Commencing on March 31, 2011
Definition of Mortgage Assets	<ul style="list-style-type: none"> Mortgage assets definition only included the exclusion of the impact of FAS 140 	<ul style="list-style-type: none"> Explicitly states that mortgage assets also does not include changes made by FAS 166/167 In effect, MBS guarantee-related assets and liabilities, which have been consolidated onto Fannie Mae balance sheets, will not count towards the portfolio and debt caps
Payment of Dividends	<ul style="list-style-type: none"> The senior preferred stock shall accrue dividends at 10% per year or 12% when not paid 	<ul style="list-style-type: none"> The senior preferred stock shall accrue dividends at 10% per year or 12% when not paid

Figure 3

Figure 4 provides some additional details on how the amount of funding remaining after 2012 is calculated. In 2008 and 2009, the company requested draws of \$75.2 billion from the Treasury under the commitment. Since under the terms of the Agreement, the maximum amount will be \$200 billion minus the \$75.2 billion that the company drew through December 31, 2009, it will have \$124.8 billion maximum amount at the beginning of 2013, which could be further decreased based on the company's net worth as of December 31, 2012. Also of note is that through September 30, 2010, the company has paid an aggregate of \$8.1 billion to Treasury in dividends on the senior preferred stock. The company's net loss attributable to common stockholders during the third quarter of 2010 was \$3.5 billion, including \$2.1 billion in dividend payments to the U.S. Treasury. To eliminate the company's net worth deficit of \$2.4 billion as of September 30, 2010, more than 85 percent of which is the dividend payment to Treasury, the Federal Housing Finance Agency requested \$2.5 billion on the company's behalf from Treasury. As our draws from Treasury for credit losses abate, we expect our draws instead to be driven increasingly by dividend payments to Treasury.

The funding commitment from Treasury is not intended to constitute a guarantee of Fannie Mae's obligations to the holders of its debt and mortgage-related securities. However, the Agreement does provide investors in Fannie Mae debt and MBS securities with certain protections. For example, the Agreement may not be amended to decrease the amount of Treasury's funding commitment or to add conditions to the funding commitment that would have a material adverse effect on such investors.

Recent Callable Issuance Volumes

As noted previously, it has been a record breaking year for Fannie Mae issuances of callable medium-term notes, reaching an all-time high of \$309.3 billion of notional issuance in 2010. Investors may have preferred Fannie Mae callables over other debt securities because of the pick-up in yield over bullet securities; the highest credit rating of triple-A by Standard & Poor's, Fitch, and Moody's; or as an investment product to reinvest the proceeds from the increased volume of Fannie Mae callable redemptions. Over the past four years, Fannie Mae callable issuance has remained at elevated levels over previous historical norms. Furthermore, as shown in **Figure 5**, the

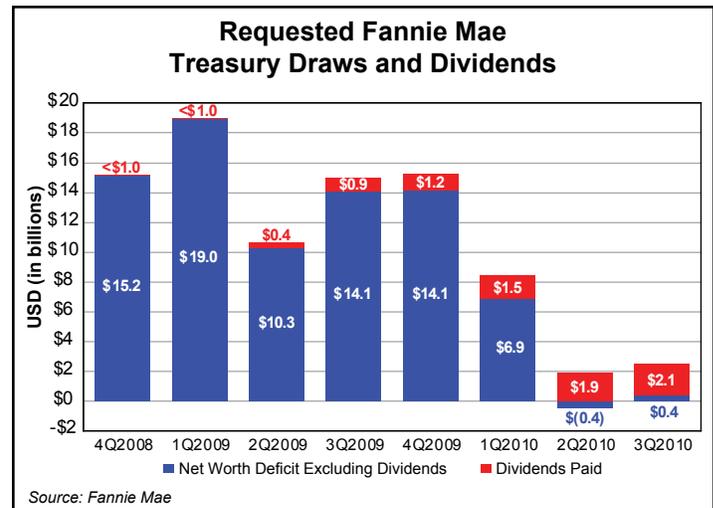


Figure 4

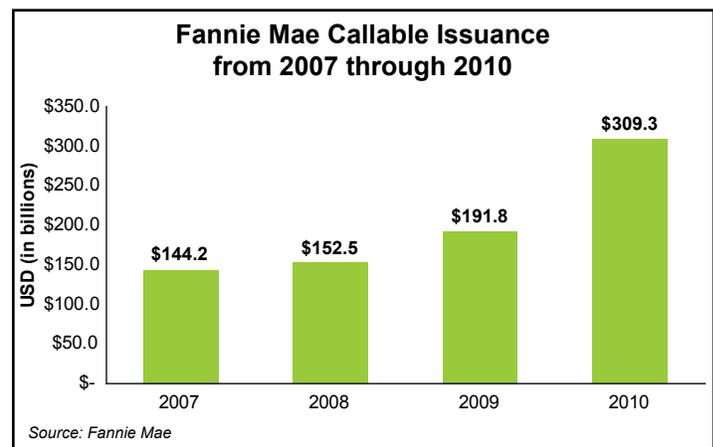


Figure 5

volume of Fannie Mae callables issued in 2010 far exceeds each of the last three years. In fact, in 2010, there was a 61.2 percent increase in the notional amount of callable issuance versus 2009.

Characteristics of 2010 Callable Securities

To meet investor needs, Fannie Mae provides a variety of features in which to customize callable medium-term notes, ranging from lockout period to call option as well as maturity term. **Figure 6** reviews the attributes of the callable securities issued in 2010 and compares them to callable structures issued in 2009.

As shown in **Figure 6**, over 50 percent of all callables issued in 2010 had a six-month lockout as well as a Bermudan call option. It is interesting to note that although the American call option provides the greatest amount of yield pick-up over bullet securities, this call option accounted for less than two percent of total 2010 callables issued. Investors may have preferred

Callable Characteristics in 2010 and 2009

Callable Characteristic	2010		2009	
	Total Notional Amount (\$ billions)	Percentage of Total Issued	Total Notional Amount (\$ billions)	Percentage of Total Issued
Lockout Period				
3 months	\$42.5	13.8%	\$29.5	15.4%
6 months	\$160.9	52.0%	\$37.1	19.3%
1 year	\$87.9	28.4%	\$108.8	56.7%
Greater than 1 year	\$18.0	5.8%	\$16.4	8.6%
Maturity Term				
Less than or equal to 2 years	\$30.3	9.8%	\$40.8	21.3%
Greater than 2 years and less than or equal to 3 years	\$88.8	28.7%	\$45.0	23.5%
Greater than 3 years and less than or equal to 5 years	\$103.5	33.5%	\$51.4	26.8%
Greater than 5 years and less than or equal to 10 years	\$53.6	17.2%	\$23.0	11.9%
Greater than 10 years and less than or equal to 20 years	\$25.5	8.3%	\$24.5	12.8%
Greater than 20 years and up to 30 years	\$7.6	2.5%	\$7.1	3.7%
Structure Type				
Standard Fixed	\$210.6	68.1%	\$147.3	76.8%
Step Up or Step Down	\$88.4	28.6%	\$34.8	18.1%
Zero Coupon	\$7.6	2.5%	\$6.2	3.2%
Convertible Floating	\$2.6	0.8%	\$3.4	1.7%
Range Accrual	\$0.1	Less than 0.1%	\$0.1	0.2%
Call Option				
American	\$5.7	1.8%	\$11.1	5.8%
Bermudan	\$161.0	52.1%	\$64.5	33.7%
European	\$142.6	46.1%	\$116.2	60.5%
Notional Size				
Less than or equal to \$50 million	\$109.2	35.3%	\$58.9	30.6%
Greater than \$50 million and less than or equal to \$100 million	\$32.0	10.3%	\$19.6	10.2%
Greater than \$100 million and less than or equal to \$500 million	\$96.7	31.3%	\$42.3	22.1%
Greater than \$500 million and less than or equal to \$1 billion	\$61.8	20.0%	\$44.3	23.1%
Greater than \$1 billion	\$9.7	3.1%	\$26.7	14.0%

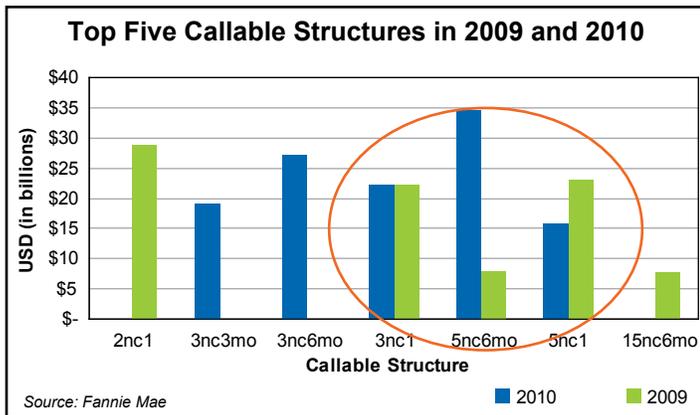
Figure 6

the Bermudan call option because they were seeking higher yield than the European call option provides and more predictability around potential call dates as compared with the American option. In contrast, in 2009, the preference for the European call option and the one-year lockout accounted for over half of the total callables issued that year. With the low interest rate environment of 2009 that extended into and continued through 2010, investors may have sought extra

yield in the Bermudan call option and a shorter lockout term in the belief that interest rates may remain low.

Of the variety of callable structure types offered by Fannie Mae, the standard fixed-rate callable structure predominates. The next most frequently issued structure type is the step structure which consists of both step-ups and step-downs. These step structures were most popular among commercial banks and municipalities in 2010. Step-up notes have a coupon

Figure 7



that typically starts below current on-the-run market levels and then gradually adjusts upwards, according to a pre-determined schedule, while step-down notes do the opposite. Step-down notes begin with a coupon above current on-the-run market levels and then the coupon decreases according to a pre-determined schedule. Step-ups accounted for nearly all of total step notes issued in 2010.

Top Five Callable Structures in 2010

As mentioned previously, low interest rates have caused Fannie Mae to have higher callable redemptions in 2010, which left investors with cash for reinvestment. In 2010, of the total \$309.3 billion callables Fannie Mae issued, the top structure in which investors participated was the five-year non-call six-months (\$34.5 billion); followed by three-year non-call six-months (\$27.3 billion); three-year non-call one-year (\$22.3 billion); three-year non-call three months (\$19.1 billion); and five-year non-call one year (\$15.9 billion). These five structures represented approximately 40 percent of the total callable debt issuance in 2010. The highest coupons for these structures occurred from April to August, a time when interest rates sold off at an accelerated speed (**Figure 2**). Interestingly, as compared to the top five structures in 2009, three of the top five structures were the same for both years, which included three-year non-call one-year, five-year non-call six-months, and five-year non-call one-year, as illustrated in **Figure 7**.

Callable Investor Trends and Characteristics

During 2010, Fannie Mae's long-term funding desk structured callable debt securities for a variety of investors via the reverse inquiry process. We believe

that domestic commercial banks, money managers, and municipalities were active in Fannie Mae callable debt. Over the past 12 months, according to the Federal Reserve, the top 100 commercial banks in the U.S., as measured by total assets, have increased their agency debt holdings by approximately 16.9 percent, from \$132.9 billion in the second quarter of 2009 to \$155.3 billion in the third quarter of 2010. In addition to domestic investors, Asian investors, specifically commercial banks, insurance companies, and central banks, also invested in Fannie Mae callable debt in 2010.

A key feature of Fannie Mae callable debt securities is that they may be eligible for inclusion in major fixed-income indices. For example, in 2010, Fannie Mae callable debt securities comprised 10.3 percent of the U.S. agency component of the Barclays Capital U.S. Aggregate Bond Index (agency debt securities comprised approximately 7.2 percent of the total index as of year-end 2010). Many investors may be including callable agency debt in their portfolios in an attempt to potentially match or outperform their benchmark fixed-income index. Additionally, Fannie Mae callable debt securities with an original issue amount of \$1.5 billion or more are eligible to be traded in TradeWeb. These large callable securities often experience greater liquidity in the secondary market, as investors seem to value the live quotes on these securities provided by TradeWeb.

Benchmark Notes

This year marked the 13th consecutive year that Fannie Mae issued long-term, syndicated noncallable debt securities via our Benchmark Notes program. Benchmark Notes issuance in 2010, totaling \$82 billion, was the second highest since the program's inception in 1998. Of this amount was \$77 billion in newly-issued Benchmark Notes (\$33.5 billion in 2-year Benchmark Notes; \$35 billion in 3-year Benchmark Notes; and \$8.5 billion in 5-year Benchmark Notes). Fannie Mae re-opened an additional \$5 billion in outstanding Benchmark Notes in 2010 via Dutch Auction, with auction sizes of generally \$1 billion. Re-openings offer additional amounts of a specific issue and share identical terms and CUSIP to the original Benchmark Notes. In 2010, as in 2009, Fannie Mae had the option to announce Benchmark Notes on an alternating schedule of two announcement dates one month and one announcement date

the following month. With these 18 announced calendar dates in 2010, Fannie Mae was able to increase the amount of funding it was able to obtain in the primary market in order to better meet investor demand while fulfilling the company's funding needs. As of December 31, 2010, Benchmark Notes outstanding reached a record amount of \$300.6 billion.

Stability in spreads may have increased the attractiveness of these securities to some investors. Persistent low interest rates, coupled with less volatility compared to 2009, provided for a favorable environment in which to issue Benchmark Notes in 2010. As seen in **Figure 8**, in 2010, spreads to Treasuries stabilized and generally remained range-bound.

During 2010, fund managers continued to be the most active investor segment in Fannie Mae Benchmark Notes. Fund manager participation in our Benchmark Notes increased from an average of 29.1 percent in years 2006 to 2008, to 52.6 percent in 2010. As interest rates hovered near historical lows over the course of 2010, Benchmark Notes were able to provide a slight yield pick-up over comparable duration Treasuries in 2010, which may have contributed to increased demand from domestic money managers. In addition, central banks, a historically large investor segment in Benchmark Notes, increased their participation in Benchmark Notes issuances after a substantial decline in 2009. In 2010, central bank participation rose to approximately 32 percent from approximately 19 percent in 2009, equating to an increase of \$11.2 billion to \$24.9 billion in total purchases, which is the largest amount of dollar volume purchased since the inception of the Benchmark Notes program. There are several factors that may have led to increased central bank participation in Fannie Mae Benchmark Notes in 2010. As discussed earlier, in December 2009, the U.S. Treasury entered into a second amendment to the Agreement with Fannie Mae, which may have been viewed favorably by foreign investors. Also, with the perceived erosion of the quality in the supra/

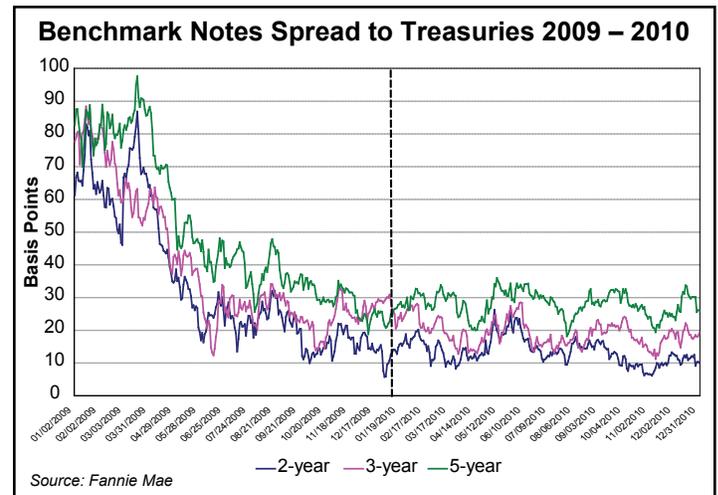
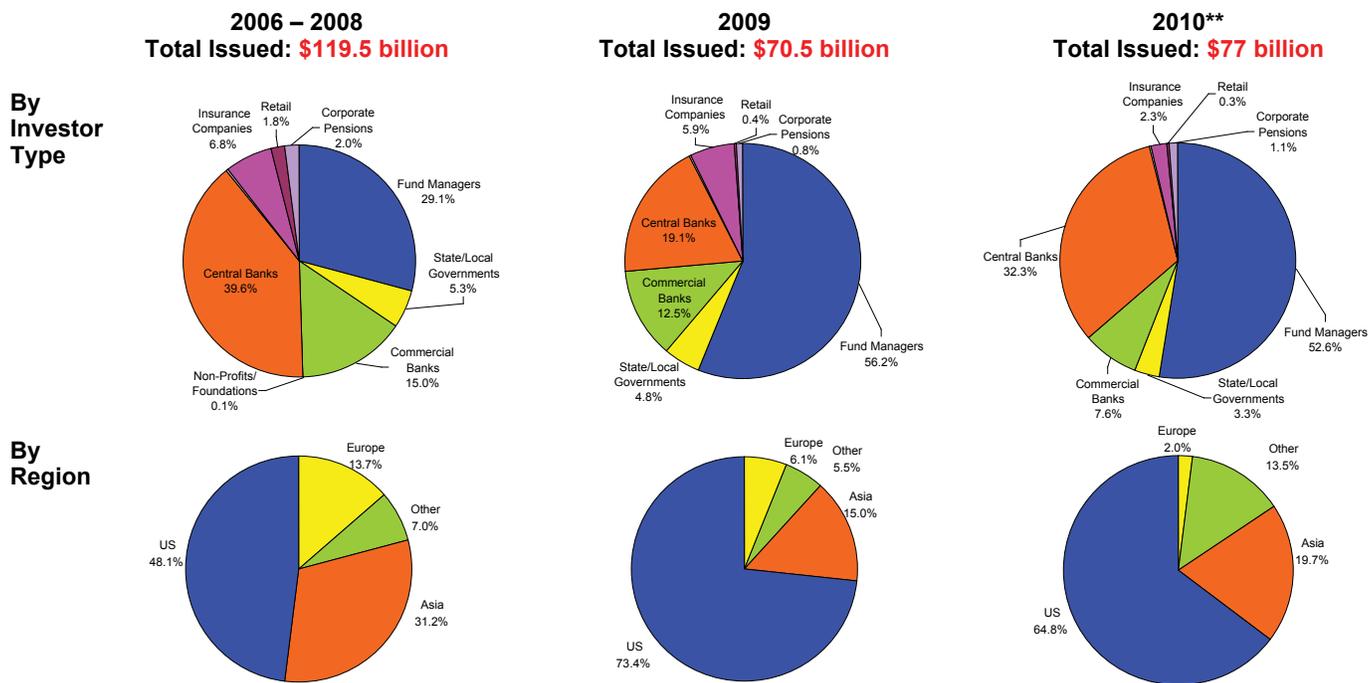


Figure 8

sovereign debt sector in 2010 there may have been a flight-to-quality among investors around the globe to highly-rated securities with strong liquidity, such as Fannie Mae's Benchmark Notes.

Geographically, although Asian investor participation dropped to 15 percent in 2009 from an average of 31.2 percent in years 2006 to 2008, Asian investors began to return to the Benchmark Notes market in 2010. Asian investor participation reached approximately 20 percent in 2010, purchasing a total of \$15.1 billion in Benchmark Notes, making it a record year in absolute dollar terms. In addition to Asian investors, "Other" investors, which are investors located in countries outside of the United States, Europe and Asia, dramatically increased their purchases of Benchmark Notes in 2010. In 2010, "Other" investors purchased 13.5 percent of total Benchmark Notes issued, which is up from 5.5 percent in 2009 and the historical average of 6.1 percent for this group of investors. The total dollar volume in Benchmark Notes purchased by "Other" investors in 2010 totaled approximately \$10.4 billion, which is a record amount for this investor segment and is more than this investor segment purchased in 2008 and 2009 combined. **Figure 9** illustrates the trends discussed.

Geographic Investor Participation in Fannie Mae Benchmark Notes



Source: Fannie Mae

* The total issued amounts do not include the reopening of Benchmark Notes via Dutch auction, which totaled \$3 billion in 2006, \$5 billion in 2007, \$2 billion in 2008, \$5 billion in 2009, and \$5 billion in 2010.

** As of December 31, 2010

Figure 9

Conclusion

As Treasury continues to provide an unlimited amount of available funding under the commitment from 2010 through 2012, it is imperative for investors to realize that the Senior Preferred Stock Purchase Agreement does not end after 2012. In fact, after 2012, the Agreement remains in effect and the maximum amount available from Treasury under the Agreement will be \$124.8 billion, less the smaller of either (a) positive net worth as of December 31, 2012 or (b) our cumulative draws from Treasury from 2010 to 2012. As our draws from Treasury for credit losses have decreased, we expect our draws instead to be driven increasingly by dividend payments to Treasury.

Due in part to the Senior Preferred Stock Purchase Agreement between Fannie Mae and Treasury, Fannie Mae continued to enjoy consistent access to the capital markets and a broad and diverse investor base throughout 2010. With this support from the investment community, Fannie Mae experienced robust issuance in long-term debt securities. Going forward in 2011, the company's mortgage portfolio will be required to decrease by ten percent on an annual basis due to the terms of the Senior Preferred Stock Agreement. Therefore, our funding needs may also decline. However, we will continue to issue long-term callable debt securities and noncallable syndicated Benchmark Notes as well as short-term debt securities to meet investor demand as well as to meet our corporate funding needs.



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Fannie Mae Funding Liabilities and Debt Outstanding 2007 through November 30, 2010

Funding Liabilities and Debt Outstanding (in millions)	12/31/07	12/31/08	12/31/09	11/30/10
Federal Fund Borrowings	\$ -	\$ -	\$ -	\$ -
Other Short Term Funding Liabilities ¹	869	77	-	75
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	\$ 869	\$ 77	\$ -	\$ 75
Average maturity (in days)	1	-	-	1
Discount Notes	\$ 235,358	\$ 324,479	\$ 200,116	\$ 174,548
FX Discount Notes	859	402	401	311
Other Short Term Debt ²	50	7,661	50	-
Total Short Term Debt³	\$ 236,267	\$ 332,542	\$ 200,567	\$ 174,859
Average maturity (in days)	74	102	82	98
Benchmark Notes & Bonds ⁴	\$ 256,823	\$ 251,315	\$ 280,245	\$ 303,638
Callable Benchmark Notes ⁴	-	-	-	-
Subordinated Benchmark Notes	9,000	7,398	7,398	7,398
Callable Fixed Rate MTNs ^{5,6}	207,504	190,950	206,310	220,292
Noncallable Fixed Rate MTNs ^{5,6}	77,331	50,131	45,032	41,837
Callable Floating Rate MTNs ^{5,6}	8,135	1,530	3,871	2,625
Noncallable Floating Rate MTNs ^{5,6}	5,761	45,470	39,005	56,834
Other Long Term Debt ⁷	4,580	3,763	3,347	2,608
Total Long Term Debt^{8,9}	\$ 569,134	\$ 550,557	\$ 585,208	\$ 635,232
Average maturity (in months)	68	66	60	53
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Outstanding	\$ 806,270	\$ 883,176	\$ 785,775	\$ 810,166
Average maturity (in months)	48	42	45	42

Fannie Mae Funding Liabilities and Debt Issuance 2007 through November 30, 2010

Funding Liabilities and Debt Issuance (in millions)	2007	2008	2009	2010
Federal Fund Borrowings	\$ 13,065	\$ 5,617	\$ 1,000	\$ 2,000
Other Short Term Funding Liabilities ¹	25,324	60,888	5,822	5,652
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	\$ 38,389	\$ 66,505	\$ 6,822	\$ 8,552
Discount Notes	\$ 1,499,540	\$ 1,547,462	\$ 1,373,711	\$ 425,798
FX Discount Notes	2,291	2,583	1,060	556
Other Short Term Debt ¹⁰	86,777	8,661	50	-
Total Short Term Debt³	\$ 1,588,608	\$ 1,558,706	\$ 1,374,821	\$ 426,354
Benchmark Notes & Bonds	\$ 37,000	\$ 50,500	\$ 75,500	\$ 82,000
Callable Benchmark Notes	-	-	-	-
Subordinated Benchmark Notes	-	-	-	-
Callable Fixed Rate MTNs ⁶	135,886	150,255	187,983	284,675
Noncallable Fixed Rate MTNs ⁶	8,438	4,336	4,517	8,834
Callable Floating Rate MTNs ⁶	8,275	1,280	3,846	2,630
Noncallable Floating Rate MTNs ⁶	4,176	41,284	23,180	50,100
Other Long Term Debt ⁷	138	743	249	234
Total Long Term Debt⁸	\$ 193,913	\$ 248,399	\$ 295,275	\$ 428,473
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Issued	\$ 1,820,910	\$ 1,873,610	\$ 1,676,918	\$ 863,379
Net Issuance Long Term Debt¹¹	\$ (39,201)	\$ (18,363)	\$ 34,511	\$ 50,010

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.
- ² Other Short Term Debt includes coupon bearing short term notes.
- 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 the first 9 months of 2007, Other Long Term Debt consists of long term foreign currency debt and other long term securities. For months beginning Oct 2007 and thereafter, Other Long Term Debt also includes investment agreements.
- 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 \$10.8 billion at December 31, 2007, \$14.8 billion at December 31, 2008, \$14.9 billion at December 31, 2009 and \$13.8 billion at November 30, 2010.
- ¹⁰ For months beginning Oct 2007 and thereafter Other Short Term Debt includes coupon bearing short term notes. For 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 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.

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 implemented data reclassifications and other changes to better align 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.

Reported amounts represent the unpaid principal balance as of 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 unamortized discounts, premiums, issuance costs and fair value adjustments.

Numbers may not foot due to rounding.

Debt Securities Index Reports

	November % of BIG	November Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return		November % of Agg	November Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return
Citigroup							Barclays Capital						
Fannie Mae Index:	2.19	-0.55	0.06	3.12	6.11	4.63	Fannie Mae Index:	2.57	-0.54	0.00	2.78	5.57	4.16
1-10 Years	2.08	-0.51	0.34	2.73	5.42	4.10	1-10 Years	2.38	-0.51	0.24	2.41	4.90	3.65
10+ Years	0.12	-1.18	-3.55	7.91	15.08	11.22	10+ Years	0.20	-0.91	-2.71	6.59	12.71	9.60
Callable	0.25	-0.13	0.09	1.32	3.11	2.57	Callable	0.78	-0.26	-0.02	1.16	3.18	2.41
Noncallable	1.94	-0.61	0.07	3.47	6.74	4.94	Noncallable	1.80	-0.65	0.01	3.57	6.72	4.99
Globals*	2.07	-0.56	0.04	3.04	5.87	4.44	Globals	2.00	-0.57	0.01	3.05	5.96	4.42
Agency:	5.56	-0.29	0.26	3.70	6.83	5.21	Agency:	7.46	-0.55	-0.01	2.56	5.21	3.91
Callable	0.38	-0.12	0.13	1.21	2.65	2.17	Callable	1.54	-0.26	-0.04	0.96	2.70	2.05
Noncallable	5.17	-0.30	0.27	3.96	7.34	5.48	Noncallable	5.91	-0.62	-0.01	3.00	5.90	4.41
Globals	4.66	-0.59	0.03	3.01	5.76	4.33	Globals****	5.50	-0.53	0.04	2.59	5.12	3.80
Citigroup							Barclays Aggregate						
Index**:	100.00	-0.51	-0.20	3.83	7.55	5.71	Index:	100.00	-0.57	-0.11	3.85	7.70	6.02
U.S. Treasury	36.04	-0.68	-0.84	3.67	7.68	4.91	U.S. Treasury	33.73	-0.70	-0.83	3.74	7.81	4.99
GSE***	6.79	-0.36	0.16	3.63	6.69	5.03	Government-Related***	12.12	-0.99	-0.43	3.12	6.11	4.55
Credit	23.80	-0.85	-0.22	5.85	9.68	8.47	Corporate	18.53	-0.81	0.00	6.20	10.01	9.15
MBS	33.14	-0.11	0.46	2.67	6.17	4.60	MBS	32.44	-0.18	0.41	2.57	5.95	4.46
ABS	0.22	-0.62	0.40	5.17	8.44	7.29	ABS	0.28	-0.65	-0.14	3.49	6.91	6.82

* In July 2009 the definition of Globals changed due to a change in index methodology. Previously, if a bond was classified as the Eurodollar Index, then it was "Global." Currently, if a bond is cleared in DTC, Euroclear/Clearstream and/or other clearances, then it is "Global."

** Components of Broad (BIG) Index: Treasury, GSE, Corporate, Mortgage

*** Includes US agencies

**** Includes World Bank global issues

This data has been compiled from reports supplied by Citigroup and Barclays Capital and is reproduced here with their permission. The indexes are constructed according to rules developed by these firms and the index values are calculated by them.

Summary Breakdown of 2010 Debt Issuances

Includes all settled callable debt issues with maturities greater than one year.

Fannie Mae Callable Debt

Maturity/Call (Year)	November 2010 Par Amount (in thousands)	# Issues	YTD 2010 Par Amount (in thousands)	# Issues
1.50 NC 0.50			2,000,000,000	2
1.99 NC 0.24			2,000,000,000	2
2.00 NC 0.25			5,175,000,000	16
2.00 NC 0.50			10,790,500,000	56
2.00 NC 0.51			50,000,000	1
2.00 NC 0.75			125,000,000	3
2.00 NC 1.00	2,500,000,000	2	6,250,000,000	17
2.08 NC 0.57	1,000,000,000	1	1,000,000,000	1
2.08 NC 0.75			100,000,000	3
2.09 NC 0.75			350,000,000	10
2.25 NC 0.25			650,000,000	4
2.25 NC 0.50			875,000,000	13
2.25 NC 0.75			100,000,000	1
2.25 NC 1.00			160,000,000	3
2.25 NC 1.25	50,000,000	1	50,000,000	1
2.49 NC 0.99			50,000,000	1
2.50 NC 0.25			175,000,000	2
2.50 NC 0.50	50,000,000	1	3,125,000,000	32
2.50 NC 0.75			60,000,000	1
2.50 NC 1.00			1,000,000,000	22
2.51 NC 0.25			1,725,000,000	7
2.51 NC 0.50			2,660,000,000	19
2.51 NC 1.00			475,000,000	5
2.51 NC 1.25			100,000,000	1
2.58 NC 0.99			75,000,000	2
2.65 NC 0.65			50,000,000	1
2.67 NC 0.67			100,000,000	1
2.75 NC 0.25			600,000,000	2
2.75 NC 0.50			680,000,000	12
2.75 NC 0.75			1,110,000,000	21
2.75 NC 1.00			300,000,000	5
2.99 NC 0.49	350,000,000	2	350,000,000	2
2.99 NC 0.99			350,000,000	3
3.00 NC 0.25			19,100,000,000	42
3.00 NC 0.50	1,250,000,000	4	22,966,000,000	127
3.00 NC 0.51			50,000,000	1
3.00 NC 0.99			230,000,000	7
3.00 NC 1.00	3,375,000,000	9	21,360,000,000	93
3.00 NC 1.49			500,000,000	1
3.00 NC 1.50			500,000,000	1
3.00 NC 2.00			1,375,000,000	7
3.01 NC 0.25			1,000,000,000	1
3.01 NC 0.26			1,200,000,000	2
3.01 NC 0.51			250,000,000	1
3.01 NC 0.52			250,000,000	1
3.07 NC 1.32			50,000,000	1
3.08 NC 1.08			30,000,000	1
3.09 NC 1.08			1,350,000,000	3
3.15 NC 0.56	50,000,000	1	50,000,000	1
3.17 NC 1.17			30,000,000	1
3.24 NC 1.00			250,000,000	2
3.25 NC 0.25			100,000,000	1
3.25 NC 0.50			850,000,000	15
3.25 NC 0.75			100,000,000	1
3.25 NC 1.00	50,000,000	1	1,205,000,000	20
3.25 NC 1.25			50,000,000	1
3.33 NC 0.50			100,000,000	2
3.33 NC 0.84			75,000,000	2
3.34 NC 1.34			50,000,000	1
3.35 NC 1.01			100,000,000	2
3.41 NC 1.25			50,000,000	1
3.41 NC 1.42			50,000,000	1
3.49 NC 0.49	100,000,000	2	100,000,000	2
3.50 NC 0.25	50,000,000	1	1,950,000,000	11
3.50 NC 0.50	390,000,000	3	10,006,000,000	75
3.50 NC 1.00	125,000,000	3	3,110,000,000	37
3.50 NC 1.49			100,000,000	2
3.50 NC 1.50			1,050,000,000	11
3.50 NC 2.00			80,000,000	2
3.56 NC 1.07	25,000,000	1	75,000,000	2
3.57 NC 0.99			50,000,000	2
3.57 NC 1.41			50,000,000	1
3.59 NC 1.33			50,000,000	1
3.66 NC 1.08			50,000,000	1
3.66 NC 1.10			50,000,000	1
3.75 NC 0.25			100,000,000	1
3.75 NC 0.50	250,000,000	1	300,000,000	2
3.75 NC 0.75			565,000,000	15
3.75 NC 1.00			225,000,000	5
3.75 NC 1.08			50,000,000	1
3.75 NC 1.16			50,000,000	1
3.75 NC 1.75			50,000,000	1
3.76 NC 1.00			200,000,000	6
3.83 NC 0.91			50,000,000	1
3.83 NC 1.25			50,000,000	1
3.92 NC 1.00			50,000,000	1
3.92 NC 1.17	50,000,000	1	50,000,000	1
3.99 NC 1.50			30,000,000	2
4.00 NC 0.25			325,000,000	5
4.00 NC 0.50	600,000,000	5	4,965,000,000	42
4.00 NC 0.75			75,000,000	2
4.00 NC 0.76			100,000,000	1
4.00 NC 1.00	400,000,000	3	4,200,000,000	35
4.00 NC 1.08	50,000,000	1	50,000,000	1
4.00 NC 1.49			20,000,000	1
4.00 NC 1.50			70,000,000	1
4.00 NC 2.00	125,000,000	4	175,000,000	5
4.25 NC 0.50			300,000,000	6
4.25 NC 1.00			250,000,000	3
4.33 NC 0.50			75,000,000	5
4.50 NC 0.25			1,650,000,000	5
4.50 NC 0.50	50,000,000	1	2,025,000,000	21
4.50 NC 0.75			50,000,000	1
4.50 NC 1.00			1,060,000,000	15

Fannie Mae Callable Debt

Maturity/Call (Year)	November 2010 Par Amount (in thousands)	# Issues	YTD 2010 Par Amount (in thousands)	# Issues
4.75 NC 0.50			250,000,000	5
4.75 NC 0.75			100,000,000	2
4.75 NC 1.00			50,000,000	1
4.84 NC 0.84			50,000,000	1
4.99 NC 0.25			75,000,000	1
4.99 NC 0.50			50,000,000	1
5.00 NC 0.25			2,875,000,000	26
5.00 NC 0.49	450,000,000	11	450,000,000	11
5.00 NC 0.50	2,710,000,000	37	31,047,786,000	499
5.00 NC 0.75	50,000,000	1	50,000,000	1
5.00 NC 0.92			50,000,000	1
5.00 NC 1.00	3,135,000,000	15	15,432,000,000	171
5.00 NC 1.50	50,000,000	1	1,460,000,000	18
5.00 NC 2.00	300,000,000	6	4,545,000,000	55
5.00 NC 2.50			50,000,000	1
5.00 NC 2.51			350,000,000	9
5.01 NC 0.51			75,000,000	2
5.04 NC 0.29			200,000,000	1
5.08 NC 0.50			163,000,000	1
5.25 NC 0.50			280,000,000	6
5.25 NC 1.00			50,000,000	1
5.33 NC 1.00			50,000,000	1
5.49 NC 0.50			720,000,000	17
5.49 NC 0.75			50,000,000	1
5.49 NC 1.00			526,000,000	11
5.49 NC 2.00			100,000,000	2
5.50 NC 0.25			600,000,000	4
5.50 NC 0.50			4,160,000,000	79
5.50 NC 0.75			50,000,000	1
5.50 NC 1.00			1,735,000,000	31
5.50 NC 1.50			400,000,000	8
5.50 NC 2.00			425,000,000	10
5.51 NC 0.51			50,000,000	1
5.75 NC 0.25			50,000,000	1
5.75 NC 0.75			225,000,000	7
5.99 NC 0.99			50,000,000	1
6.00 NC 0.25			200,000,000	4
6.00 NC 0.50	325,000,000	2	1,270,000,000	19
6.00 NC 1.00	160,000,000	3	1,620,400,000	33
6.00 NC 1.50			50,000,000	1
6.00 NC 2.00			275,000,000	6
6.00 NC 2.50			155,000,000	5
6.08 NC 0.50	50,000,000	1	50,000,000	1
6.25 NC 0.50			200,000,000	5
6.25 NC 1.00			200,000,000	6
6.25 NC 2.00			50,000,000	1
6.50 NC 0.25			100,000,000	2
6.50 NC 0.50	100,000,000	1	100,000,000	1
6.50 NC 0.75	75,000,000	1	75,000,000	1
6.50 NC 1.00	315,000,000	7	680,000,000	17
6.51 NC 0.50			50,000,000	1
6.51 NC 1.00			100,000,000	2
6.75 NC 1.00			300,000,000	8
6.99 NC 0.99			50,000,000	1
7.00 NC 0.25			550,000,000	2
7.00 NC 0.50	50,000,000	1	3,370,000,000	44
7.00 NC 0.51			54,837,000	1
7.00 NC 1.00	110,000,000	3	4,635,000,000	16
7.00 NC 2.00	50,000,000	1	1,275,000,000	6
7.00 NC 2.51			50,000,000	1
7.00 NC 3.00			50,000,000	3
7.50 NC 0.50	100,000,000	2	625,000,000	14
7.50 NC 0.99			50,000,000	1
7.50 NC 1.00			150,000,000	3
7.51 NC 0.51			50,000,000	1
7.75 NC 0.75			50,000,000	1
8.00 NC 0.50	50,000,000	1	1,810,000,000	40
8.00 NC 1.00			375,000,000	9
8.00 NC 3.00			75,000,000	2
8.25 NC 1.00			50,000,000	1
8.50 NC 0.25			100,000,000	2
8.50 NC 0.50			2,050,000,000	59
9.00 NC 0.25			50,000,000	1
9.00 NC 0.50			425,000,000	9
9.25 NC 0.50			125,000,000	3
9.50 NC 0.50			50,000,000	1
9.50 NC 1.00			50,000,000	1
10.00 NC 0.25			2,210,000,000	16
10.00 NC 0.49	125,000,000	4	125,000,000	4
10.00 NC 0.50	1,100,000,000	15	13,030,000,000	253
10.00 NC 0.75			115,000,000	2
10.00 NC 1.00	175,000,000	3	3,415,000,000	50
10.00 NC 1.50			250,000,000	1
10.00 NC 2.00			500,000,000	10
10.50 NC 0.50			75,000,000	2
12.00 NC 0.25			150,000,000	3
12.00 NC 0.50	350,000,000	8	3,472,000,000	66
12.00 NC 1.00	75,000,000	2	675,000,000	17
12.50 NC 0.50			0,000,000	3
15.00 NC 0.25			835,000,000	14
15.00 NC 0.50	780,000,000	15	11,630,000,000	209
15.00 NC 0.76			50,000,000	1
15.00 NC 1.00	425,000,000	11	2,390,000,000	52
15.01 NC 3.00			50,000,000	1
15.01 NC 1.00	100,000,000	1	100,000,000	1
19.95 NC 0.94			50,000,000	1
19.99 NC 1.99			200,000,000	1
20.00 NC 1.00	385,000,000	7	1,860,000,000	38
20.00 NC 2.00	200,000,000	2	200,000,000	2
25.00 NC 1.00			2,500,000,000	3
30.00 NC 0.50			3,289,000,000	9
30.00 NC 1.00			1,233,000,000	2
30.00 NC 2.00			550,000,000	1
Total	\$22,685,000,000	210	\$287,305,523,000	3,030

2010 Debt Redemptions

Callable Debt Redeemed (in billions)

January	\$	12.0
February	\$	18.4
March	\$	25.8
April	\$	26.6
May	\$	18.4
June	\$	24.5
July	\$	39.4
August	\$	29.8
September	\$	32.4
October	\$	26.1
November	\$	21.1
Total	\$	274.5

Summary Breakdown of 2010 Benchmark Notes Issuance

Fannie Mae Noncallable Benchmark Notes

Maturity	Nov 10		YTD 2010	
	Par Amount	# Issues	Par Amount	# Issues
2 Years	7,500,000,000	1	33,500,000,000	6
3 Years			35,000,000,000	6
5 Years			8,500,000,000	2
TOTAL NEW ISSUANCE	7,500,000,000	1	77,000,000,000	14

Recent Benchmark Notes Transaction

Benchmark Securities	Size/Cusip	Lead-Managers	Co-Managers	Pricing Date and Spread	Geographic Distribution	Investor Type Distribution
2 year 0.375% 12/28/2012	\$7.5 billion 31398A6F4	Barclays Capital Inc.; Deutsche Bank Securities Inc.; UBS Securities LL	BNP Paribas Securities Corp.; Cabrera Capital Markets LLC; Citigroup Global Markets Inc.; Credit Suisse Securities (USA) LLC; FTN Financial Capital Markets; Loop Capital Markets	November 5, 2010 +10.5 basis points 0.375% 10/31/2012 U.S. Treasury	U.S. 57.2% Asia 16.6% Europe 0.8% Other 25.4%	Fund Manager 48.8% Comm. Banks 7.7% Insurance 2.5% Central Banks 39.7% State & Local Gov't 1.3%

Benchmark Repo Lending Facility Auction Results

Auction Date	REPO Maturity	CUSIP	Maturity	Amount Loaned (\$MM)	WAVG Yield	# of Bids
11/3/10	11/4/10	31398A4M1	10/26/2015	\$83,000,000	0.010	1
11/18/10	11/19/10	31398A4M1	10/26/2015	\$40,000,000	0.010	1
11/24/10	11/26/10	31398A4M1	10/26/2015	\$84,000,000	0.010	1
11/30/10	12/1/10	31398A4M1	10/26/2015	\$75,000,000	0.010	1

Fannie Mae Funding Liabilities and Debt Outstanding 2007 through October 31, 2010

Funding Liabilities and Debt Outstanding (in millions)	12/31/07	12/31/08	12/31/09	10/31/10
Federal Fund Borrowings	\$ -	\$ -	\$ -	\$ -
Other Short Term Funding Liabilities ¹	869	77	-	-
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	\$ 869	\$ 77	\$ -	\$ -
Average maturity (in days)	1	-	-	-
Discount Notes	\$ 235,358	\$ 324,479	\$ 200,116	\$ 209,055
FX Discount Notes	859	402	401	311
Other Short Term Debt ²	50	7,661	50	-
Total Short Term Debt³	\$ 236,267	\$ 332,542	\$ 200,567	\$ 209,366
Average maturity (in days)	74	102	82	105
Benchmark Notes & Bonds ⁴	\$ 256,823	\$ 251,315	\$ 280,245	\$ 292,713
Callable Benchmark Notes ⁴	-	-	-	-
Subordinated Benchmark Notes	9,000	7,398	7,398	7,398
Callable Fixed Rate MTNs ^{5,6}	207,504	190,950	206,310	218,721
Noncallable Fixed Rate MTNs ^{5,6}	77,331	50,131	45,032	41,881
Callable Floating Rate MTNs ^{5,6}	8,135	1,530	3,871	2,625
Noncallable Floating Rate MTNs ^{5,6}	5,761	45,470	39,005	47,843
Other Long Term Debt ⁷	4,580	3,763	3,347	2,969
Total Long Term Debt^{8,9}	\$ 569,134	\$ 550,557	\$ 585,208	\$ 614,150
Average maturity (in months)	68	66	60	55
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Outstanding	\$ 806,270	\$ 883,176	\$ 785,775	\$ 614,150
Average maturity (in months)	48	42	45	42

Fannie Mae Funding Liabilities and Debt Issuance 2007 through October 31, 2010

Funding Liabilities and Debt Issuance (in millions)	2007	2008	2009	2010
Federal Fund Borrowings	\$ 13,065	\$ 5,617	\$ 1,000	\$ 2,900
Other Short Term Funding Liabilities ¹	25,324	60,888	5,822	5,369
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	\$ 38,389	\$ 66,505	\$ 6,822	\$ 8,269
Discount Notes	\$ 1,499,540	\$ 1,547,462	\$ 1,373,711	\$ 420,456
FX Discount Notes	2,291	2,583	1,060	502
Other Short Term Debt ¹⁰	86,777	8,661	50	-
Total Short Term Debt³	\$ 1,588,608	\$ 1,558,706	\$ 1,374,821	\$ 420,958
Benchmark Notes & Bonds	\$ 37,000	\$ 50,500	\$ 75,500	\$ 65,500
Callable Benchmark Notes	-	-	-	-
Subordinated Benchmark Notes	-	-	-	-
Callable Fixed Rate MTNs ⁶	135,886	150,255	187,983	261,990
Noncallable Fixed Rate MTNs ⁶	8,438	4,336	4,517	8,834
Callable Floating Rate MTNs ⁶	8,275	1,280	3,846	2,630
Noncallable Floating Rate MTNs ⁶	4,176	41,284	23,180	41,100
Other Long Term Debt ⁷	138	743	249	195
Total Long Term Debt⁸	\$ 193,913	\$ 248,399	\$ 295,275	\$ 380,249
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Issued	\$ 1,820,910	\$ 1,873,610	\$ 1,676,918	\$ 809,476
Net Issuance Long Term Debt¹¹	\$ (39,201)	\$ (18,363)	\$ 34,511	\$ 28,900

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.
- ² Other Short Term Debt includes coupon bearing short term notes.
- 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 the first 9 months of 2007, Other Long Term Debt consists of long term foreign currency debt and other long term securities. For months beginning Oct 2007 and thereafter, Other Long Term Debt also includes investment agreements.
- 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 \$10.8 billion at December 31, 2007, \$14.8 billion at December 31, 2008, \$14.9 billion at December 31, 2009 and \$15.3 billion at October 31, 2010.
- ¹⁰ For months beginning Oct 2007 and thereafter Other Short Term Debt includes coupon bearing short term notes. For 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 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.

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 implemented data reclassifications and other changes to better align 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.

Reported amounts represent the unpaid principal balance as of 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 unamortized discounts, premiums, issuance costs and fair value adjustments.

Numbers may not foot due to rounding.

Debt Securities Index Reports

	October % of BIG	October Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return		October % of Agg	October Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return
Citigroup							Barclays Capital						
Fannie Mae Index:	2.17	0.43	1.53	4.79	6.70	6.21	Fannie Mae Index:	2.58	0.36	1.39	4.29	6.14	5.72
1-10 Years	2.05	0.59	1.39	4.22	5.96	5.64	1-10 Years	2.38	0.51	1.27	3.76	5.44	5.17
10+ Years	0.12	-1.65	3.25	12.05	16.46	13.36	10+ Years	0.20	-1.26	2.72	9.99	13.74	11.69
Callable	0.27	0.16	0.42	1.91	3.25	3.17	Callable	0.75	0.16	0.53	1.98	3.45	3.34
Noncallable	1.90	0.47	1.72	5.32	7.39	6.75	Noncallable	1.83	0.46	1.78	5.40	7.42	6.84
Globals*	2.06	0.43	1.49	4.65	6.46	6.00	Globals	2.00	0.41	1.48	4.67	6.57	6.07
Agency:	5.53	0.40	1.66	5.20	7.14	6.58	Agency:	7.44	0.37	1.32	4.01	5.79	5.48
Callable	0.41	0.17	0.44	1.63	2.77	2.72	Callable	1.44	0.15	0.47	1.67	2.97	2.93
Noncallable	5.12	0.41	1.77	5.58	7.66	6.99	Noncallable	5.99	0.42	1.54	4.66	6.57	6.18
Globals	4.62	0.44	1.53	4.63	6.40	5.98	Globals****	5.48	0.39	1.30	4.01	5.68	5.35
Citigroup							Barclays Aggregate						
Index**:	100.00	0.33	1.66	5.43	8.10	7.68	Index:	100.00	0.36	1.76	5.33	8.33	8.01
U.S. Treasury	35.70	-0.16	1.83	6.15	8.43	7.10	U.S. Treasury	33.54	-0.16	1.87	6.25	8.57	7.20
GSE***	6.79	0.33	1.63	5.09	7.07	6.50	Government-Related***	12.17	0.29	1.85	4.85	7.17	6.83
Credit	23.80	0.19	2.71	6.50	10.61	10.90	Corporate	18.63	0.12	2.82	6.48	10.90	11.61
MBS	33.49	0.98	0.74	4.07	6.29	6.12	MBS	32.47	0.98	0.75	3.90	6.14	5.99
ABS	0.22	0.30	3.19	5.96	9.11	9.15	ABS	0.27	0.16	1.41	4.70	7.62	7.81

* In July 2009 the definition of Globals changed due to a change in index methodology. Previously, if a bond was classified as the Eurodollar Index, then it was "Global." Currently, if a bond is cleared in DTC, Euroclear/Clearstream and/or other clearances, then it is "Global."

** Components of Broad (BIG) Index: Treasury, GSE, Corporate, Mortgage

*** Includes US agencies

**** Includes World Bank global issues

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Summary Breakdown of 2010 Debt Issuances

Includes all settled callable debt issues with maturities greater than one year.

Fannie Mae Callable Debt

Maturity/Call (Year)	October 2010 Par Amount (in thousands)	# Issues	YTD 2010 Par Amount (in thousands)	# Issues
1.50 NC 0.50			2,000,000,000	2
1.99 NC 0.24			2,000,000,000	2
2.00 NC 0.25			5,175,000,000	16
2.00 NC 0.50	1,250,000,000	2	10,790,500,000	56
2.00 NC 0.51			50,000,000	1
2.00 NC 0.75			125,000,000	3
2.00 NC 1.00			3,750,000,000	15
2.08 NC 0.75			100,000,000	3
2.09 NC 0.75			350,000,000	10
2.25 NC 0.25			650,000,000	4
2.25 NC 0.50			875,000,000	13
2.25 NC 0.75			100,000,000	1
2.25 NC 1.00			160,000,000	3
2.49 NC 0.99			50,000,000	1
2.50 NC 0.25			175,000,000	2
2.50 NC 0.50	550,000,000	2	3,075,000,000	31
2.50 NC 0.75			60,000,000	1
2.50 NC 1.00			1,000,000,000	22
2.51 NC 0.25			1,725,000,000	7
2.51 NC 0.50			2,660,000,000	19
2.51 NC 1.00			475,000,000	5
2.51 NC 1.25			100,000,000	2
2.58 NC 0.99			75,000,000	2
2.65 NC 0.65			50,000,000	1
2.67 NC 0.67			100,000,000	1
2.75 NC 0.25			600,000,000	2
2.75 NC 0.50			680,000,000	12
2.75 NC 0.75			1,110,000,000	21
2.75 NC 1.00	50,000,000	1	300,000,000	5
2.99 NC 0.99			350,000,000	3
3.00 NC 0.25			19,100,000,000	42
3.00 NC 0.50	4,411,000,000	14	21,716,000,000	123
3.00 NC 0.51			50,000,000	1
3.00 NC 0.99			230,000,000	7
3.00 NC 1.00	1,750,000,000	8	17,985,000,000	84
3.00 NC 1.49			500,000,000	1
3.00 NC 1.50			500,000,000	1
3.00 NC 2.00			1,375,000,000	7
3.01 NC 0.25			1,000,000,000	1
3.01 NC 0.26			1,200,000,000	2
3.01 NC 0.51			250,000,000	1
3.01 NC 0.52			250,000,000	1
3.07 NC 1.32	50,000,000	1	50,000,000	1
3.08 NC 1.08			30,000,000	1
3.09 NC 1.08			1,350,000,000	3
3.17 NC 1.17			30,000,000	1
3.24 NC 1.00			250,000,000	2
3.25 NC 0.25			100,000,000	1
3.25 NC 0.50			850,000,000	15
3.25 NC 0.75			100,000,000	1
3.25 NC 1.00	50,000,000	1	1,155,000,000	19
3.25 NC 1.25			50,000,000	1
3.33 NC 0.50			100,000,000	2
3.33 NC 0.84			75,000,000	2
3.34 NC 1.34	50,000,000	1	50,000,000	1
3.35 NC 1.01			100,000,000	2
3.41 NC 1.25	50,000,000	1	50,000,000	1
3.41 NC 1.42	50,000,000	1	50,000,000	1
3.50 NC 0.25			1,900,000,000	10
3.50 NC 0.50	350,000,000	2	9,616,000,000	72
3.50 NC 1.00	1,350,000,000	6	2,985,000,000	34
3.50 NC 1.49			100,000,000	2
3.50 NC 1.50			1,050,000,000	11
3.50 NC 2.00			80,000,000	2
3.56 NC 1.07	50,000,000	1	50,000,000	1
3.57 NC 0.99			50,000,000	1
3.57 NC 1.41			50,000,000	1
3.59 NC 1.33			50,000,000	1
3.66 NC 1.08			50,000,000	1
3.66 NC 1.10			50,000,000	1
3.75 NC 0.25			100,000,000	1
3.75 NC 0.50			50,000,000	1
3.75 NC 0.75	50,000,000	1	565,000,000	15
3.75 NC 1.00	150,000,000	3	225,000,000	5
3.75 NC 1.08			50,000,000	1
3.75 NC 1.16			50,000,000	1
3.75 NC 1.75			50,000,000	1
3.76 NC 1.00			200,000,000	6
3.83 NC 0.91			50,000,000	1
3.83 NC 1.25			50,000,000	1
3.92 NC 1.00			50,000,000	1
3.99 NC 1.50			30,000,000	2
4.00 NC 0.25			325,000,000	5
4.00 NC 0.50	100,000,000	1	4,365,000,000	37
4.00 NC 0.75			75,000,000	2
4.00 NC 0.76			100,000,000	1
4.00 NC 1.00	800,000,000	7	3,800,000,000	32
4.00 NC 1.49			20,000,000	1
4.00 NC 1.50			70,000,000	1
4.00 NC 2.00			50,000,000	1
4.25 NC 0.50			300,000,000	6
4.25 NC 1.00			250,000,000	3
4.33 NC 0.50			75,000,000	2
4.50 NC 0.25			1,650,000,000	5
4.50 NC 0.50	500,000,000	1	1,975,000,000	20
4.50 NC 0.75			50,000,000	1
4.50 NC 1.00	350,000,000	2	1,060,000,000	15

Fannie Mae Callable Debt

Maturity/Call (Year)	October 2010 Par Amount (in thousands)	# Issues	YTD 2010 Par Amount (in thousands)	# Issues
4.75 NC 0.50			250,000,000	5
4.75 NC 0.75			100,000,000	2
4.75 NC 1.00	50,000,000	1	50,000,000	1
4.84 NC 0.84			50,000,000	1
4.99 NC 0.25			75,000,000	1
4.99 NC 0.50			50,000,000	1
5.00 NC 0.25			2,875,000,000	26
5.00 NC 0.50	3,590,000,000	48	28,337,786,000	462
5.00 NC 0.92			50,000,000	1
5.00 NC 1.00	1,750,000,000	10	12,297,000,000	156
5.00 NC 1.50	100,000,000	2	1,410,000,000	17
5.00 NC 2.00	275,000,000	5	4,245,000,000	49
5.00 NC 2.50			50,000,000	1
5.00 NC 2.51			350,000,000	9
5.01 NC 0.51			75,000,000	2
5.04 NC 0.29			200,000,000	1
5.08 NC 0.50			163,000,000	1
5.25 NC 0.50			280,000,000	6
5.25 NC 1.00			50,000,000	1
5.33 NC 1.00			50,000,000	1
5.49 NC 0.50			720,000,000	17
5.49 NC 0.75			50,000,000	1
5.49 NC 1.00			526,000,000	11
5.49 NC 2.00			100,000,000	2
5.50 NC 0.25	50,000,000	1	600,000,000	4
5.50 NC 0.50	50,000,000	1	4,160,000,000	79
5.50 NC 0.75	50,000,000	1	50,000,000	1
5.50 NC 1.00	175,000,000	3	1,735,000,000	31
5.50 NC 1.50			400,000,000	8
5.50 NC 2.00			425,000,000	10
5.51 NC 0.51			50,000,000	1
5.75 NC 0.25			50,000,000	1
5.75 NC 0.75			225,000,000	7
5.99 NC 0.99			50,000,000	1
6.00 NC 0.25			200,000,000	4
6.00 NC 0.50	300,000,000	5	945,000,000	17
6.00 NC 1.00	200,000,000	4	1,460,400,000	30
6.00 NC 1.50			50,000,000	1
6.00 NC 2.00			275,000,000	6
6.00 NC 2.50			155,000,000	5
6.25 NC 0.50	50,000,000	1	200,000,000	5
6.25 NC 1.00			200,000,000	6
6.25 NC 2.00			50,000,000	1
6.50 NC 0.25			100,000,000	2
6.50 NC 1.00	130,000,000	4	365,000,000	10
6.51 NC 0.50			50,000,000	1
6.51 NC 1.00			100,000,000	2
6.75 NC 1.00	75,000,000	2	300,000,000	8
6.99 NC 0.99			50,000,000	1
7.00 NC 0.25			550,000,000	2
7.00 NC 0.50	25,000,000	7	3,320,000,000	43
7.00 NC 0.51			54,837,000	1
7.00 NC 1.00	100,000,000	2	4,525,000,000	13
7.00 NC 2.00			1,225,000,000	5
7.00 NC 2.51			50,000,000	1
7.00 NC 3.00			50,000,000	3
7.50 NC 0.50	50,000,000	1	525,000,000	12
7.50 NC 0.99			50,000,000	1
7.50 NC 1.00	50,000,000	1	150,000,000	3
7.51 NC 0.51			50,000,000	1
7.75 NC 0.75			50,000,000	1
8.00 NC 0.50	150,000,000	3	1,760,000,000	39
8.00 NC 1.00			375,000,000	9
8.00 NC 3.00			75,000,000	2
8.25 NC 1.00			50,000,000	1
8.50 NC 0.25			100,000,000	2
8.50 NC 0.50	50,000,000	1	2,050,000,000	59
9.00 NC 0.25			50,000,000	1
9.00 NC 0.50			425,000,000	9
9.25 NC 0.50			125,000,000	3
9.50 NC 0.50			50,000,000	1
9.50 NC 1.00	50,000,000	1	50,000,000	1
10.00 NC 0.25	500,000,000	1	2,210,000,000	16
10.00 NC 0.50	1,380,000,000	22	11,930,000,000	238
10.00 NC 0.75			115,000,000	2
10.00 NC 1.00	100,000,000	2	3,240,000,000	47
10.00 NC 1.50			250,000,000	1
10.00 NC 2.00			500,000,000	10
10.50 NC 0.50			75,000,000	2
12.00 NC 0.25			150,000,000	3
12.00 NC 0.50	615,000,000	15	3,122,000,000	58
12.00 NC 1.00	75,000,000	2	600,000,000	15
12.50 NC 0.50			100,000,000	3
15.00 NC 0.25	50,000,000	1	835,000,000	14
15.00 NC 0.50	1,950,000,000	45	10,850,000,000	194
15.00 NC 0.76			50,000,000	1
15.00 NC 1.00	375,000,000	8	1,965,000,000	41
15.00 NC 3.00			50,000,000	1
19.95 NC 0.94	50,000,000	1	50,000,000	1
19.99 NC 1.99			200,000,000	1
20.00 NC 1.00	475,000,000	11	1,475,000,000	31
25.00 NC 1.00			2,500,000,000	3
30.00 NC 0.50			3,289,000,000	9
30.00 NC 1.00			1,233,000,000	2
30.00 NC 2.00			550,000,000	1
Total	\$25,551,000,000	268	\$264,620,523,000	2,820

2010 Debt Redemptions

Callable Debt Redeemed (in billions)

January	\$	12.0
February	\$	18.4
March	\$	25.8
April	\$	26.6
May	\$	18.4
June	\$	24.5
July	\$	39.4
August	\$	29.8
September	\$	32.4
October	\$	26.1
Total	\$	253.4

Summary Breakdown of 2010 Benchmark Notes Issuance

Fannie Mae Noncallable Benchmark Notes

Maturity	Oct 10		YTD 2010	
	Par Amount	# Issues	Par Amount	# Issues
2 Years	8,000,000,000	1	26,000,000,000	5
3 Years	8,000,000,000	1	35,000,000,000	6
5 Years			8,500,000,000	2
TOTAL NEW ISSUANCE	16,000,000,000	2	69,500,000,000	13

Recent Benchmark Notes Transaction

Benchmark Securities	Size/Cusip	Lead-Managers	Co-Managers	Pricing Date and Spread	Geographic Distribution	Investor Type Distribution
2 year 0.500% 10/30/2012	\$8 billion 31398A4T6	Barclays Capital Inc.; J.P. Morgan & Co.; UBS Securities LLC	Citigroup Global Markets Inc.; Credit Suisse Securities (USA) LLC; Deutsche Bank Securities Inc.; FTN Financial Capital Markets; MFR Securities, Inc.; Williams Capital Group L.P.	October 6, 2010 +13 basis points 0.375% 9/30/2012 U.S. Treasury	U.S. 47.5% Asia 36.1% Europe 1.1% Other 15.3%	Fund Manager 45.9% Comm. Banks 1.0% Corporate/Pensions 0.5% Insurance 1.0% Central Banks 49.4% State & Local Gov't 2.0% Retail 0.2%
3 year 0.750% 12/18/2013	\$8 billion 31398A5W8	Credit Suisse Securities (USA) LLC; Goldman Sachs & Co.; J.P. Morgan & Co.;	Blaylock Rober Van LLC; Deutsche Bank Securities Inc.; FTN Financial Capital Markets; Jefferies & Company, Inc.; M.R. Beal & Company; UBS Securities LLC	October 28, 2010 +19.5 basis points 0.500% 10/15/2013 U.S. Treasury	U.S. 86.2% Asia 8.4% Europe 0.5% Other 4.9%	Fund Manager 72.3% Comm. Banks 9.9% Corporate/Pensions 2.2% Insurance 1.3% Central Banks 11.3% State & Local Gov't 2.6% Retail 0.4%

Benchmark Repo Lending Facility Auction Results

Auction Date	REPO Maturity	CUSIP	Maturity	Amount Loaned (\$MM)	WAVG Yield	# of Bids
10/6/2010	10/7/2010	31398A3N0	9/24/2012	150,000,000	0	1