



Fannie Mae®

TABLE 1. GUARANTY BOOK OF BUSINESS (\$ in Millions)¹

	Fannie Mae MBS, excluding the portion backed by Freddie Mac securities, and Other Guarantees [Table 4]		+	Mortgage Loans [Table 3]	=	Fannie Mae Guaranty Book of Business	Compounded Growth (Decline) Rate	New Business Acquisitions
November 2018	\$	3,130,084	\$	136,408	\$	3,266,492	0.7 %	\$ 39,084
December 2018		3,142,477		126,675		3,269,152	1.0 %	39,675
Full Year 2018	\$	3,142,477	\$	126,675	\$	3,269,152	1.8 %	\$ 512,023
January 2019	\$	3,151,242	\$	125,649	\$	3,276,891	2.9 %	\$ 38,389
February 2019		3,154,375		123,770		3,278,145	0.5 %	29,772
March 2019		3,158,815		122,012		3,280,827	1.0 %	33,867
April 2019		3,162,087		120,787		3,282,874	0.8 %	39,807
May 2019		3,172,540		122,910		3,295,450	4.7 %	52,857
June 2019		3,177,350		122,081		3,299,431	1.5 %	52,676
July 2019		3,190,432		127,157		3,317,589	6.8 %	63,436
August 2019		3,214,254		125,064		3,339,318	8.1 %	77,685
September 2019		3,231,290		121,520		3,352,810	5.0 %	71,488
October 2019		3,242,888		116,163		3,359,051	2.3 %	73,559
November 2019		3,250,825		109,226		3,360,051	0.4 %	67,541
YTD 2019	\$	3,250,825	\$	109,226	\$	3,360,051	3.0 %	\$ 601,077

MONTHLY SUMMARY HIGHLIGHTS

November 2019

- Fannie Mae's *Guaranty Book of Business* increased at a compound annualized rate of 0.4% in November.
- The *Conventional Single-Family Serious Delinquency Rate* decreased 1 basis point to 0.66% in November.
- The *Multifamily Serious Delinquency Rate* remained flat at 0.04% in November.
- In November 2019, Fannie Mae issued resecuritizations that were backed by \$8.0 billion in Freddie Mac securities.
- As of November 30, 2019, Fannie Mae's maximum exposure to Freddie Mac collateral that was included in outstanding Fannie Mae resecuritizations was \$46.4 billion.

IMPORTANT NOTE:

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

TABLE 2. RETAINED MORTGAGE PORTFOLIO ACTIVITY (\$ in Millions)¹

	Purchases	Sales	Liquidations	Retained Mortgage Portfolio End Balance
November 2018	\$ 18,170	\$ (27,057)	\$ (2,399)	\$ 184,454
December 2018	19,036	(22,422)	(1,915)	179,153
Full Year 2018	\$ 277,060	\$ (299,517)	\$ (29,173)	\$ 179,153
January 2019	\$ 18,197	\$ (18,817)	\$ (2,066)	\$ 176,467
February 2019	13,924	(15,229)	(1,730)	173,432
March 2019	19,811	(14,887)	(1,923)	176,433
April 2019	23,477	(23,509)	(1,940)	174,461
May 2019	28,283	(24,637)	(2,080)	176,027
June 2019	27,631	(31,097)	(2,045)	170,516
July 2019	36,512	(26,749)	(2,077)	178,202
August 2019	37,878	(29,617)	(2,180)	184,283
September 2019	34,644	(39,179)	(2,759)	176,989
October 2019	36,954	(36,459)	(2,235)	175,249
November 2019	30,123	(40,477)	(1,896)	162,999
YTD 2019	\$ 307,434	\$ (300,657)	\$ (22,931)	\$ 162,999

TABLE 3. RETAINED MORTGAGE PORTFOLIO COMPOSITION (\$ in Millions)¹

	Fannie Mae MBS in Portfolio	Mortgage Loans	Non-Fannie Mae Mortgage Securities		Retained Mortgage Portfolio End Balance
			Agency	Non-Agency	
November 2018	\$ 39,870	\$ 136,408	\$ 4,731	\$ 3,445	\$ 184,454
December 2018	45,405	126,675	3,656	3,417	179,153
Full Year 2018	\$ 45,405	\$ 126,675	\$ 3,656	\$ 3,417	\$ 179,153
January 2019	\$ 44,647	\$ 125,649	\$ 3,310	\$ 2,861	\$ 176,467
February 2019	43,215	123,770	3,602	2,845	173,432
March 2019	48,290	122,012	3,309	2,822	176,433
April 2019	47,190	120,787	3,684	2,800	174,461
May 2019	46,623	122,910	4,421	2,073	176,027
June 2019	42,679	122,081	3,728	2,028	170,516
July 2019	44,610	127,157	4,424	2,011	178,202
August 2019	52,380	125,064	4,846	1,993	184,283
September 2019	49,694	121,520	3,802	1,973	176,989
October 2019	53,307	116,163	3,819	1,960	175,249
November 2019	48,210	109,226	4,011	1,552	162,999
YTD 2019	\$ 48,210	\$ 109,226	\$ 4,011	\$ 1,552	\$ 162,999

TABLE 4. FANNIE MAE MBS AND OTHER GUARANTEES (\$ in Millions)¹

	Fannie Mae MBS, excluding the portion backed by Freddie Mac securities				+	Other Fannie Mae Guarantees	=	Fannie Mae MBS, excluding the portion backed by Freddie Mac securities, and Other Guarantees		Compounded Growth Rate
	Issuances	Liquidations	End Balance	Liquidation Rate						
November 2018	\$ 41,008	\$ (34,655)	\$ 3,116,165	(13.4)%	\$ 13,919	\$ 3,130,084		2.5 %		
December 2018	44,146	(31,681)	3,128,630	(12.2)%	13,847	3,142,477		4.9 %		
Full Year 2018	\$ 534,805	\$ (426,403)	\$ 3,128,630	(14.1)%	\$ 13,847	\$ 3,142,477		3.6 %		
January 2019	\$ 38,760	\$ (29,900)	\$ 3,137,490	(11.5)%	\$ 13,752	\$ 3,151,242		3.4 %		
February 2019	31,287	(28,050)	3,140,727	(10.7)%	13,648	3,154,375		1.2 %		
March 2019	35,062	(30,600)	3,145,189	(11.7)%	13,626	3,158,815		1.7 %		
April 2019	37,495	(34,055)	3,148,629	(13.0)%	13,458	3,162,087		1.3 %		
May 2019	49,807	(39,193)	3,159,243	(14.9)%	13,297	3,172,540		4.0 %		
June 2019	49,733	(45,046)	3,163,930	(17.1)%	13,420	3,177,350		1.8 %		
July 2019	56,575	(43,414)	3,177,091	(16.5)%	13,341	3,190,432		5.1 %		
August 2019	76,578	(52,659)	3,201,010	(19.9)%	13,244	3,214,254		9.3 %		
September 2019	73,460	(56,161)	3,218,309	(21.1)%	12,981	3,231,290		6.5 %		
October 2019	72,977	(61,323)	3,229,963	(22.9)%	12,925	3,242,888		4.4 %		
November 2019	73,325	(65,261)	3,238,027	(24.2)%	12,798	3,250,825		3.0 %		
YTD 2019	\$ 595,059	\$ (485,662)	\$ 3,238,027	(16.9)%	\$ 12,798	\$ 3,250,825		3.8 %		

TABLE 5. OTHER INVESTMENTS (\$ in Millions)¹

	Other Investments End Balance
November 2018	\$ 100,458
December 2018	93,951
Full Year 2018	\$ 93,951
January 2019	\$ 96,909
February 2019	95,381
March 2019	84,671
April 2019	84,089
May 2019	87,724
June 2019	85,349
July 2019	76,813
August 2019	70,270
September 2019	81,488
October 2019	69,321
November 2019	67,231
YTD 2019	\$ 67,231

TABLE 6. DEBT ACTIVITY(\$ in Millions)²

Original Maturity < 1 Year End Balance	Original Maturity > 1 Year					Total Debt Outstanding
	Issuances	Maturities and Redemptions	Repurchases	Foreign Exchange Adjustments	End Balance	
\$ 26,185	\$ 2,000	\$ (5,139)	\$ (25)	\$ (1)	\$ 212,560	\$ 238,745
24,915	—	(5,004)	—	—	207,556	232,471
\$ 24,915	\$ 22,028	\$ (57,154)	\$ (1,348)	\$ (27)	\$ 207,556	\$ 232,471
\$ 24,725	\$ 4,515	\$ (4,646)	\$ —	\$ 12	\$ 207,437	\$ 232,162
25,801	2,080	(9,385)	—	5	200,137	225,938
23,099	—	(1,779)	—	(8)	198,350	221,449
17,730	4,800	(2,375)	—	—	200,775	218,505
21,848	—	(1,812)	(35)	(14)	198,914	220,762
22,924	—	(4,877)	—	2	194,039	216,963
18,878	4,015	(4,584)	—	(19)	193,451	212,329
28,670	—	(11,191)	—	—	182,260	210,930
35,856	2,925	(7,472)	—	5	177,718	213,574
30,504	3,200	(14,677)	—	23	166,264	196,768
25,975	10	(7,714)	—	(1)	158,559	184,534
\$ 25,975	\$ 21,545	\$ (70,512)	\$ (35)	\$ 5	\$ 158,559	\$ 184,534

TABLE 7. SERIOUS DELINQUENCY RATES

Vintage by Origination Year	Conventional Single-Family ³					Credit Enhanced			Multifamily ⁶
	2004 and Prior	2005 - 2008	2009 - 2019	Overall	Non-Credit Enhanced	Primary MI and Other ⁴	Credit Risk Transfer ⁵	Overall	
	November 2018	2.62 %	4.50 %	0.33 %	0.76 %	0.83 %	1.11 %	0.23 %	
December 2018	2.69 %	4.61 %	0.34 %	0.76 %	0.85 %	1.11 %	0.24 %	0.76 %	0.06 %
January 2019	2.71 %	4.58 %	0.33 %	0.76 %	0.84 %	1.10 %	0.25 %	0.76 %	0.07 %
February 2019	2.72 %	4.58 %	0.34 %	0.76 %	0.84 %	1.11 %	0.25 %	0.76 %	0.07 %
March 2019	2.68 %	4.50 %	0.33 %	0.74 %	0.83 %	1.07 %	0.24 %	0.74 %	0.07 %
April 2019	2.64 %	4.45 %	0.33 %	0.72 %	0.82 %	1.04 %	0.23 %	0.72 %	0.06 %
May 2019	2.57 %	4.36 %	0.32 %	0.70 %	0.79 %	1.01 %	0.23 %	0.70 %	0.07 %
June 2019	2.61 %	4.45 %	0.32 %	0.70 %	0.79 %	1.01 %	0.24 %	0.70 %	0.05 %
July 2019	2.51 %	4.22 %	0.32 %	0.67 %	0.75 %	0.96 %	0.24 %	0.67 %	0.07 %
August 2019	2.50 %	4.20 %	0.32 %	0.67 %	0.75 %	0.96 %	0.25 %	0.67 %	0.06 %
September 2019	2.53 %	4.24 %	0.33 %	0.68 %	0.75 %	0.97 %	0.27 %	0.68 %	0.06 %
October 2019	2.51 %	4.25 %	0.33 %	0.67 %	0.73 %	0.97 %	0.28 %	0.67 %	0.04 %
November 2019	2.45 %	4.08 %	0.34 %	0.66 %	0.73 %	0.96 %	0.29 %	0.66 %	0.04 %
Nov. 2019 % of Book Outstanding	2 %	4 %	94 %		50 %	22 %	43 %		

Table 8. INTEREST RATE RISK DISCLOSURES

	Market Value Sensitivity (\$ in Millions)		Effective Duration Gap (in years)
	Rate Level	Rate Slope	
	Shock (50 bp)	Shock (25 bp)	
November 2018	\$ (53)	\$ (5)	—
December 2018	(78)	(12)	(0.03)
Full Year 2018	(56)	(8)	
January 2019	(62)	(5)	(0.03)
February 2019	(46)	(6)	(0.02)
March 2019	(37)	(7)	(0.02)
April 2019	(22)	(7)	(0.01)
May 2019	(7)	(17)	0.01
June 2019	(26)	(18)	0.04
July 2019	(23)	(5)	0.04
August 2019	(44)	(5)	(0.01)
September 2019	(2)	(15)	(0.01)
October 2019	(2)	(17)	(0.03)
November 2019	9	(19)	(0.02)
YTD 2019	\$ (24)	\$ (11)	

GLOSSARY & OTHER INFORMATION

General

Fannie Mae MBS backed by Freddie Mac securities. Fannie Mae and Freddie Mac began issuing uniform mortgage-backed securities ("UMBS") in June 2019. Fannie Mae also began issuing commingled resecuritizations backed in whole or in part by Freddie Mac securities. Fannie Mae excludes the portion of Fannie Mae MBS ultimately backed by Freddie Mac securities from its guaranty book of business and reports its maximum exposure to Freddie Mac in its Monthly Summary Highlights. This amount represents the maximum amount of Freddie Mac securities that Fannie Mae guarantees. A portion of these Freddie Mac securities may be backed in whole or in part by Fannie Mae MBS, which would also be included in Fannie Mae's guaranty book of business.

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 and credit risk is included in its most recent Form 10-K or Form 10-Q filed with the Securities and Exchange Commission.

Compounded Growth (Decline) Rate. Monthly growth/decline rates are compounded to provide an annualized rate of growth/decline.

Table 1

Guaranty Book of Business. Consists of (1) Fannie Mae MBS outstanding (excluding the portions of any structured securities Fannie Mae issues that are backed by Freddie Mac securities), (2) other credit enhancements that Fannie Mae provides on mortgage assets, and (3) mortgage loans of Fannie Mae held in its retained 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 Fannie Mae's statutory affordable housing allocations are based.

Table 2

Retained Mortgage Portfolio Activity. Ending balance represents the unpaid principal balance ("UPB") of Fannie Mae's retained mortgage portfolio. Excludes certain matched trades and certain early funding activities.

Purchases. Acquisition of mortgage loans and mortgage securities for the retained mortgage portfolio.

Sales. Sales of mortgage securities and mortgage loans from the retained mortgage portfolio.

Liquidations. Represents the total amount of repayments, curtailments, payoffs, and foreclosures on mortgage loans and mortgages underlying securities held in the retained mortgage portfolio.

Table 3

Retained Mortgage Portfolio Composition. Shows the primary components of Fannie Mae's retained mortgage portfolio.

Fannie Mae MBS in portfolio. Includes Fannie Mae commingled securities, which may be backed in whole or in part by Freddie Mac securities.

Non-Fannie Mae Agency Securities. Represents mortgage-related securities issued by Freddie Mac and Ginnie Mae. May include commingled Freddie Mac securities backed in whole or in part by Fannie Mae MBS.

Table 4

Fannie Mae MBS, excluding the portion backed by Freddie Mac securities. Includes Fannie Mae MBS, private-label wraps, whole loan REMICs, and Ginnie Mae wraps. If an MBS has been resecuritized into another MBS, the principal amount is only included once in this total. When Fannie Mae resecuritizes Freddie Mac securities in a Fannie Mae structured security, Fannie Mae reports the additive portion of the Freddie Mac securities that Fannie Mae guarantees in the Monthly Summary Highlights.

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 retained mortgage portfolio.

Liquidation Rate. The liquidation rate is calculated as liquidations divided by the prior period ending balance of total Fannie Mae MBS, annualized.

Other Fannie Mae Guarantees. Outstanding balance of Fannie Mae guaranty arrangements that are not Fannie Mae MBS. This primarily includes long-term standby commitments Fannie Mae has issued and credit enhancements it has provided.

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

Serious Delinquency Rates. A measure of credit performance and indicator of future defaults for the single-family and multifamily guaranty books. Fannie Mae includes 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. Fannie Mae includes in its single-family delinquency rate conventional single-family loans that it owns and that back Fannie Mae MBS and excludes Freddie Mac-acquired mortgage loans underlying Freddie Mac securities that Fannie Mae has resecuritized.

GLOSSARY & OTHER INFORMATION (Continued)

Table 8

The interest rate risk measures provide useful estimates of key interest-rate risk and include the impact of Fannie Mae's purchases and sales of derivative instruments, which Fannie Mae uses to limit its 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 on-balance sheet 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 on-balance sheet 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 on-balance sheet assets and liabilities to movements in interest rates. This statistic is expressed as a number of years, 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.

ENDNOTES

Note:

1. The end balances and business activity in this report represent UPB, which does not reflect market valuation adjustments, allowance for loan losses, impairments, unamortized premiums and discounts, and the impact of consolidation of variable interest entities.
2. Reported amounts represent the UPB at each reporting period or, in the case of long-term zero coupon bonds, at maturity. Also includes credit risk-sharing securities that were issued as Connecticut Avenue Securities[®] prior to November 2018. UPB does not reflect the effect of debt basis adjustments, including discounts, premiums, and issuance costs.
3. Delinquency rates represent 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 Fannie Mae's portfolio. The credit-enhanced categories are not mutually exclusive. A loan with primary mortgage insurance that is also covered by a credit risk transfer transaction will be included in both the "Primary MI and Other" category and the "Credit Risk Transfer" category. The percent of book outstanding is calculated based on the aggregate UPB of conventional single-family loans for each category, divided by the aggregate UPB of loans in Fannie Mae's single-family conventional book of business.
4. Refers to loans included in an agreement used to reduce credit risk by requiring primary mortgage insurance, collateral, letters of credit, corporate guarantees, or other agreements to provide an entity with some assurance that it will be compensated to some degree in the event of a financial loss. Excludes loans covered by credit risk transfer transactions unless such loans are also covered by primary mortgage insurance.
5. Refers to loans included in reference pools for credit risk transfer transactions, including loans in these transactions that are also covered by primary mortgage insurance. For Connecticut Avenue Securities and some lender risk-sharing transactions, this represents outstanding UPB of the underlying loans on the single-family mortgage credit book, not the outstanding reference pool, as of the specified date. Loans included in Fannie Mae's credit risk transfer transactions have all been acquired since 2012 and newer vintages typically have significantly lower delinquency rates than more seasoned loans.
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.