

Monthly Volume Summary: October 2016

(unaudited & subject to change)

(dollars in millions)

TABLE 1 - TOTAL MORTGAGE PORTFOLIO

	Purchases or Issuances	Sales	Liquidations	Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate	Annualized Liquidation Rate
Oct 2015	\$28,372	(\$1,604)	(\$25,559)	\$1,209	\$1,932,530	0.8%	15.9%
Nov	26,537	(2,126)	(25,040)	(629)	1,931,901	(0.4%)	15.5%
Dec	34,028	(1,072)	(23,270)	9,686	1,941,587	6.0%	14.5%
Full-Year 2015	402,010	(24,445)	(346,084)	31,481	1,941,587	1.6%	18.1%
Jan 2016	28,965	(218)	(26,225)	2,522	1,944,109	1.6%	16.2%
Feb	26,034	(1,384)	(21,738)	2,912	1,947,021	1.8%	13.4%
Mar	31,776	(1,626)	(21,768)	8,382	1,955,403	5.2%	13.4%
Apr	30,478	(3,638)	(28,726)	(1,886)	1,953,517	(1.2%)	17.6%
May	35,684	(3,678)	(27,861)	4,145	1,957,662	2.5%	17.1%
Jun	37,196	(3,024)	(31,029)	3,143	1,960,805	1.9%	19.0%
Jul	38,246	(1,100)	(31,906)	5,240	1,966,045	3.2%	19.5%
Aug	45,882	(2,428)	(29,987)	13,467	1,979,512	8.2%	18.3%
Sep	45,015	(2,159)	(38,366)	4,490	1,984,002	2.7%	23.3%
Oct	41,540	(478)	(36,006)	5,056	1,989,057	3.1%	21.8%
YTD 2016	\$360,816	(\$19,733)	(\$293,612)	\$47,471	\$1,989,057	2.9%	18.1%

TABLE 2 - MORTGAGE-RELATED INVESTMENTS PORTFOLIO

	Purchases ¹	Sales	Liquidations	Ending Balance ²	Annualized Growth Rate	Annualized Liquidation Rate
Oct 2015	\$16,690	(\$22,718)	(\$5,547)	\$355,570	(37.8%)	18.1%
Nov	15,133	(20,699)	(5,031)	344,973	(35.8%)	17.0%
Dec	25,041	(18,017)	(5,086)	346,911	6.7%	17.7%
Full-Year 2015	230,256	(223,869)	(67,890)	346,911	(15.1%)	16.6%
Jan 2016	20,835	(11,577)	(6,545)	349,624	9.4%	22.6%
Feb	17,369	(15,776)	(4,545)	346,672	(10.1%)	15.6%
Mar	21,514	(23,777)	(4,550)	339,859	(23.6%)	15.7%
Apr	22,645	(24,710)	(4,287)	333,507	(22.4%)	15.1%
May	22,425	(25,870)	(4,058)	326,004	(27.0%)	14.6%
Jun	25,792	(25,888)	(5,235)	320,673	(19.6%)	19.3%
Jul	24,209	(21,417)	(4,205)	319,260	(5.3%)	15.7%
Aug	29,176	(31,941)	(4,277)	312,218	(26.5%)	16.1%
Sep	27,572	(27,156)	(4,521)	308,114	(15.8%)	17.4%
Oct	26,472	(21,230)	(4,038)	309,318	4.7%	15.7%
YTD 2016	\$238,009	(\$229,342)	(\$46,261)	\$309,318	(13.0%)	16.0%

October 2016 Highlights:

- The total mortgage portfolio increased at an annualized rate of 3.1% in October.
- Single-family refinance-loan purchase and guarantee volume was \$22.4 billion in October, representing 60% of total single-family mortgage portfolio purchases and issuances. Relief refinance mortgages comprised approximately 4% of our total single-family refinance volume during October.
- Total number of single-family loan modifications were 3,455 in October 2016 and 35,342 for the ten months ended October 31, 2016.
- The aggregate unpaid principal balance (UPB) of our mortgage-related investments portfolio increased by approximately \$1.2 billion in October.
- Freddie Mac mortgage-related securities and other mortgage-related guarantees increased at an annualized rate of 2.9% in October.
- Our single-family seriously delinquent rate increased from 1.02% in September to 1.03% in October. Our multifamily delinquency rate remained flat at 0.01% in October.
- The measure of our exposure to changes in portfolio market value (PMVS-L) averaged \$13 million in October. Duration gap averaged 0 months.
- Since September 2008, Freddie Mac has been operating in conservatorship, with the Federal Housing Finance Agency (FHFA) acting as Conservator.

TABLE 3 - MORTGAGE-RELATED INVESTMENTS PORTFOLIO COMPONENTS

	Freddie Mac Mortgage-Related Securities	Non-Freddie Mac Mortgage-Related Securities			Ending Balance
		Agency	Non-Agency	Mortgage Loans	
Oct 2015	\$152,281	\$13,752	\$42,923	\$146,614	\$355,570
Nov	148,713	13,290	41,510	141,460	344,973
Dec	147,824	12,970	40,453	145,664	346,911
Full-Year 2015	147,824	12,970	40,453	145,664	346,911
Jan 2016	150,092	12,807	37,872	148,853	349,624
Feb	150,699	12,711	37,439	145,823	346,672
Mar	147,909	12,446	36,252	143,252	339,859
Apr	147,779	12,149	34,170	139,409	333,507
May	144,532	11,703	32,207	137,562	326,004
Jun	143,836	11,211	30,818	134,808	320,673
Jul	146,093	10,871	29,618	132,678	319,260
Aug	138,799	10,649	27,757	135,013	312,218
Sep	141,971	10,015	25,954	130,174	308,114
Oct	142,469	9,718	25,342	131,789	309,318
YTD 2016	\$142,469	\$9,718	\$25,342	\$131,789	\$309,318

TABLE 4 - FREDDIE MAC MORTGAGE-RELATED SECURITIES AND OTHER MORTGAGE-RELATED GUARANTEES

	Issuances	Liquidations	Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate	Annualized Liquidation Rate
Oct 2015	\$32,564	(\$22,526)	\$10,038	\$1,729,240	7.0%	15.7%
Nov	28,947	(22,547)	6,400	1,735,640	4.4%	15.6%
Dec	27,317	(20,458)	6,859	1,742,499	4.7%	14.1%
Full-Year 2015	389,991	(310,725)	79,266	1,742,499	4.8%	18.7%
Jan 2016	24,212	(22,137)	2,075	1,744,574	1.4%	15.2%
Feb	25,870	(19,399)	6,471	1,751,045	4.5%	13.3%
Mar	32,017	(19,612)	12,405	1,763,450	8.5%	13.4%
Apr	31,332	(26,996)	4,336	1,767,786	3.0%	18.4%
May	34,528	(26,127)	8,401	1,776,187	5.7%	17.7%
Jun	35,868	(28,090)	7,778	1,783,965	5.3%	19.0%
Jul	39,039	(30,130)	8,909	1,792,874	6.0%	20.3%
Aug	41,278	(28,063)	13,215	1,806,089	8.8%	18.8%
Sep	48,145	(36,378)	11,767	1,817,855	7.8%	24.2%
Oct	38,690	(34,340)	4,350	1,822,205	2.9%	22.7%
YTD 2016	\$350,979	(\$271,272)	\$79,707	\$1,822,205	5.5%	18.7%

TABLE 6 - DELINQUENCIES - TOTAL

	Single-Family			Multifamily	
	Credit Enhanced				
	Non-Credit Enhanced	Primary Mortgage Insurance	Other	Total	Total
Oct 2015	1.33%	2.20%	0.67%	1.38%	0.03%
Nov	1.32%	2.18%	0.61%	1.36%	0.03%
Dec	1.30%	2.06%	0.58%	1.32%	0.02%
Full-Year 2015					
Jan 2016	1.33%	2.05%	0.54%	1.33%	0.04%
Feb	1.25%	1.97%	0.53%	1.26%	0.04%
Mar	1.20%	1.78%	0.49%	1.20%	0.04%
Apr	1.15%	1.71%	0.48%	1.15%	0.04%
May	1.12%	1.67%	0.43%	1.11%	0.02%
Jun	1.12%	1.58%	0.39%	1.08%	0.02%
Jul	1.11%	1.56%	0.39%	1.08%	0.02%
Aug	1.05%	1.52%	0.44%	1.03%	0.01%
Sep	1.05%	1.49%	0.41%	1.02%	0.01%
Oct	1.05%	1.49%	0.42%	1.03%	0.01%
YTD 2016					

TABLE 7 - OTHER INVESTMENTS

	Ending Balance
Oct 2015	\$47,395
Nov	45,033
Dec	71,543
Full-Year 2015	71,543
Jan 2016	59,133
Feb	50,938
Mar	44,109
Apr	42,340
May	41,300
Jun	48,110
Jul	60,025
Aug	59,843
Sep	65,072
Oct	66,875
YTD 2016	\$66,875

TABLE 5 - OTHER DEBT ACTIVITIES

	Original Maturity ≤ 1 Year	Original Maturity > 1 Year				
	Ending Balance	Issuances	Maturities and Redemptions	Repurchases	Ending Balance	Total Debt Outstanding
Oct 2015	\$105,927	\$21,914	(\$23,486)	-	\$297,904	\$403,831
Nov	99,133	12,201	(17,982)	-	292,123	391,256
Dec	113,633	15,405	(2,960)	(180)	304,388	418,021
Full-Year 2015	113,633	168,583	(183,156)	(398)	304,388	418,021
Jan 2016	106,395	7,810	(6,670)	-	305,528	411,923
Feb	99,304	12,972	(15,234)	-	303,266	402,570
Mar	85,204	18,057	(15,205)	-	306,118	391,322
Apr	74,543	16,338	(14,338)	-	308,118	382,661
May	71,033	18,572	(20,913)	-	305,777	376,810
Jun	75,944	22,921	(23,094)	-	305,604	381,548
Jul	82,506	23,258	(21,959)	-	306,903	389,409
Aug	77,947	15,405	(20,340)	-	301,968	379,915
Sep	77,559	13,829	(11,820)	-	303,977	381,536
Oct	87,631	8,909	(21,627)	-	291,259	378,890
YTD 2016	\$87,631	\$158,071	(\$171,200)	\$ -	\$291,259	\$378,890

TABLE 8 - INTEREST-RATE RISK SENSITIVITY DISCLOSURES

	Portfolio Market Value- Level (PMVS-L) (50 bp) (dollars in millions)		Portfolio Market Value- Yield Curve (PMVS-YC) (25 bp) (dollars in millions)		Duration Gap (Rounded to Nearest Month)	
	Monthly Average	Quarterly Average	Monthly Average	Quarterly Average	Monthly Average	Quarterly Average
Oct	\$69	--	\$9	--	0	--
Nov	74	--	5	--	0	--
Dec	62	68	12	9	0	0
Full-Year 2015	90	--	17	--	0	--
Jan 2016	37	--	8	--	0	--
Feb	28	--	8	--	0	--
Mar	23	29	6	8	0	0
Apr	7	--	4	--	0	--
May	27	--	4	--	0	--
Jun	30	21	5	4	0	0
Jul	18	--	5	--	0	--
Aug	8	--	5	--	0	--
Sep	17	14	6	6	0	0
Oct	13	--	8	--	0	--
YTD 2016	\$20	--	\$6	--	0	--

ENDNOTES

(1) Purchases of Freddie Mac mortgage-related securities into the mortgage-related investments portfolio totaled \$5.8 billion (based on UPB) during October 2016.

(2) As of October 31, 2016, we had net unsettled purchase (sale) agreements of approximately (\$8.1) billion. The ending balance of our mortgage-related investments portfolio as of October 31, 2016 after giving effect to these unsettled agreements would have been \$301 billion.

The Monthly Volume Summary includes volume and statistical data pertaining to our portfolios. Inquiries should be addressed to our Investor Relations Department, which can be reached by calling (571) 382-4732 or writing to:
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McLean, VA 22102-3110
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ADDITIONAL INFORMATION

General

The activity and balances set forth in Tables 1, 2, 3, 4 and 7 represent unpaid principal balances (UPB), and do not include market valuation adjustments, allowance for loan losses and security impairments, unamortized premiums and discounts, and the impact of consolidation of variable interest entities. In addition, all activity and balances in these tables are presented on a settlement date basis (*i.e.*, exclude amounts that are traded but not yet settled).

Table 1

Represents the sum of Freddie Mac mortgage-related securities and other mortgage-related guarantees (Table 4), mortgage loans (Table 3), non-Freddie Mac mortgage-related securities (agency and non-agency) (Table 3) and \$3 million of unguaranteed Freddie Mac mortgage-related securities retained by us associated with a credit risk transfer transaction.

Purchases or Issuances. Includes cash purchases of single-family and multifamily mortgage loans, issuances of Freddie Mac mortgage-related securities through our guarantor swap program, issuances of other mortgage-related guarantees, issuances of other securitization products and purchases of non-Freddie Mac mortgage-related securities.

Sales. Includes sales of non-Freddie Mac mortgage-related securities, sales of unguaranteed Freddie Mac mortgage-related securities and sales of mortgage loans.

Table 2

Represents mortgage loans and mortgage-related securities held by Freddie Mac. Mortgage-related securities balances reflect security balances and not the balance of underlying mortgage loan collateral.

Purchases. Includes cash purchases of single-family and multifamily mortgage loans, purchases of Freddie Mac and non-Freddie Mac mortgage-related securities from third parties, and additions for seriously delinquent, modified, and balloon/reset mortgage loans purchased out of PC pools.

Sales. Includes sales of Freddie Mac mortgage-related securities (including sales to third parties from the securitization of single-family and multifamily mortgage loans), sales of non-Freddie Mac mortgage-related securities, and sales of mortgage loans.

Liquidations. Represents the total amount of prepayments, curtailments, payoffs, foreclosures, or other repayments of principal on loans and securities.

Table 3

Presents the ending balances of the mortgage-related investments portfolio's four primary components.

Freddie Mac mortgage-related securities. Securities we issue and guarantee that are backed by mortgages.

Table 4

Issuances. Consists of: (a) guaranteed securities issued by Freddie Mac where the underlying collateral are mortgage loans or mortgage-backed securities; and (b) other mortgage-related guarantees, which are mortgage-related assets held by third parties for which we provide our guarantee without securitization of those assets. Other mortgage-related guarantees include tax-exempt multifamily housing revenue bonds, HFA bonds, and credit-related commitments with respect to single-family mortgage loans. Excludes any resecuritization activity involving Freddie Mac mortgage-related securities. Notional balances of interest-only strips are excluded because this table is based on UPB.

Liquidations. Represents principal repayments relating to guaranteed Freddie Mac mortgage-related securities and other mortgage-related guarantees. Also includes our purchases of seriously delinquent, modified and balloon/reset mortgage loans out of PC pools.

Table 5

Represents the balance and activity of our other debt, based on par values. Includes Reference Bills[®] securities, discount notes, medium-term notes, securities sold under agreements to repurchase and other secured borrowings, Reference Notes[®] securities, Structured Agency Credit Risk (STACR) debt notes, and subordinated debt. For more information about Freddie Mac's debt activity, please visit www.freddie-mac.com/debt.

Table 6

Reflects Freddie Mac's single-family and multifamily delinquency rates, which are considered mortgage credit performance metrics.

Single-Family Serious Delinquency Rate information is based on the number of mortgage loans that are three monthly payments or more past due or in the process of foreclosure.

Multifamily Delinquency Rate information is based on the UPB of mortgage loans that are two monthly payments or more past due or in the process of foreclosure.

Single-Family Credit Enhanced Other. Consists of Freddie Mac single-family mortgage loans covered by financial arrangements (other than primary mortgage insurance) that are designed to reduce our credit risk exposure, including loans in reference pools covered by STACR debt note transactions as well as other forms of credit protection. STACR debt note transactions transfer a portion of credit risk on certain groups of loans from Freddie Mac to private investors. The value of these transactions to us is dependent on various economic scenarios, and we will primarily benefit from these transactions if we experience significant mortgage loan defaults. The credit enhanced categories are not mutually exclusive as a single loan may be included in both the Primary Mortgage Insurance category and the Other category.

Mortgage loans that have been modified are not counted as seriously delinquent as long as the borrower is less than three monthly payments past due under the modified terms for single-family, and less than two monthly payments past due for multifamily.

Delinquency rates exclude financial guarantees that are backed by either HFA bonds or Ginnie Mae Certificates. For HAMP or non-HAMP modifications, we include loans in a trial period as seriously delinquent until the modification becomes effective.

Table 7

Reflects balances of cash and cash equivalents, federal funds sold and securities purchased under agreements to resell, and non-mortgage-related securities.

Table 8

PMVS and Duration Gap are our primary interest-rate risk measures. These measures include the impact of our purchases and sales of derivative instruments, which we use to limit our exposure to changes in interest rates.

Our PMVS measures are estimates of the amount of average potential pre-tax loss in the market value of our financial assets and liabilities due to parallel (PMVS-L) and non-parallel (PMVS-YC) changes in London Interbank Offered Rates (LIBOR). While we believe that our PMVS 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.

As discussed in the May 2016 Monthly Volume Summary, the PMVS and duration gap information presented above does not fully reflect the potential effect of negative index values across all of the company's floating rate assets and liabilities. However, we have implemented model adjustments to incorporate the effect of negative index values for the majority of the company's floating rate assets and liabilities. These adjustments will apply on a prospective basis, beginning with the PMVS and duration gap results presented above for June 2016. These adjustments had a minimal impact on our PMVS and duration gap results. The company is in the process of assessing the effect of negative index values for the remaining population of floating rate assets.