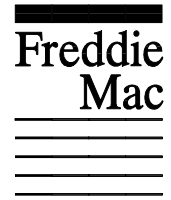


**PRICING SUPPLEMENT DATED July 3, 2003
(to Offering Circular Dated April 4, 2003)**



\$50,000,000

Freddie Mac

**Fixed/Variable Rate Medium-Term Notes Due July 23, 2013
Redeemable periodically, beginning July 23, 2005**

Issue Date:	July 23, 2003
Maturity Date:	July 23, 2013
Subject to Redemption:	Yes. The Medium-Term Notes are redeemable at our option, upon notice of not less than 5 Business Days, at a price of 100% of the principal amount, plus accrued interest to the Redemption Date. We will redeem all of the Medium-Term Notes if we exercise our option.
Redemption Date(s):	Quarterly, on the 23 rd day of January, April, July and October, commencing July 23, 2005
Interest Rate:	The Medium-Term Notes bear interest at different rates, during different periods. (See "Interest Rates" herein.)
Principal Payment:	At maturity, or upon redemption
CUSIP Number:	3128X1SK4

You should read this Pricing Supplement together with Freddie Mac's Debentures, Medium-Term Notes and Discount Notes Offering Circular, dated April 4, 2003 (the "Offering Circular"), and all documents that are incorporated by reference in the Offering Circular, which contain important detailed information about the Medium-Term Notes and Freddie Mac. See "Available Information" in the Offering Circular. Capitalized terms used in this Pricing Supplement have the meanings we gave them in the Offering Circular, unless we specify otherwise.

The Medium-Term Notes may not be suitable investments for you. You should not purchase the Medium-Term Notes unless you understand and are able to bear the redemption, yield, market, liquidity and other possible risks associated with the Medium-Term Notes. You should read and evaluate the discussion of risk factors (especially those risk factors that may be particularly relevant to this security) that appears in the Offering Circular under "Risk Factors" before purchasing any of the Medium-Term Notes.

The Medium-Term Notes, including any interest or return of discount on the Medium-Term Notes, are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac.

Merrill Lynch Government Securities Inc. (the "Underwriter") has agreed to purchase the Medium-Term Notes from Freddie Mac at 99.125% of their principal amount (\$49,562,500 aggregate proceeds to Freddie Mac, before deducting expenses payable by Freddie Mac estimated at \$5,000), plus accrued interest, if any, from July 23, 2003, subject to the terms and conditions of the Master Dealer Agreement between Freddie Mac and the Underwriter. The Underwriter proposes to offer the Medium-Term Notes from time to time for sale in one or more negotiated transactions, at prices to be determined, in each case, at the time of sale. See "Distribution Arrangements" in the Offering Circular.

Merrill Lynch & Co.

DESCRIPTION OF THE MEDIUM-TERM NOTES

INTEREST RATES

VARIABLE RATE: *Interest from July 23, 2003 to, but not including, July 23, 2005:*

Applicable Interest Rate Index:	LIBOR
Index Currency:	U.S. Dollars
Index Maturity:	3-Month
Designated Telerate Page:	3750
Reset Date:	Quarterly, on the 23 rd day of each January, April, July and October
LIBOR Determination Date:	The second London Banking Day preceding the applicable Reset Date
Spread:	Plus 100 basis points (+ 1.00 percentage points)
Interest Rate:	LIBOR (as defined in the Offering Circular) for the Index Currency at the Index Maturity, plus the applicable basis points listed above under "Spread". The Interest Rate will be adjusted on each Reset Date to reflect LIBOR for the Index Currency at the Index Maturity as of the applicable LIBOR Determination Date.
Initial Interest Rate:	The initial interest rate for the Medium-Term Notes applicable from and including the Issue Date to, but excluding, the first Reset Date, will be equal to LIBOR for the Index Currency at the Index Maturity two London Banking Days prior to the Issue Date, <i>plus</i> 100 basis points (+ 1.00 percentage points).
Day Count Convention:	30/360
Payment of Interest:	Quarterly, in arrears, on the 23 rd day of each January, April, July and October (each such date an "Interest Payment Date"), commencing October 23, 2003

FIXED RATE: *Interest from July 23, 2005 to, but not including, July 23, 2013:*

Interest Rate:	5.50% per annum
Day Count Convention:	30/360
Payment of Interest:	Quarterly, in arrears, on the 23 rd day of each January, April, July and October (each such date an "Interest Payment Date"), commencing October 23, 2005

RISK FACTORS

An investment in the Medium-Term Notes entails certain risks not associated with an investment in conventional fixed rate debt securities. See "Risk Factors" generally, and "Various Factors Could Adversely Affect the Trading Value and Yield of Your Securities," in the Offering Circular. Between July 23, 2003 and July 22, 2005, the interest rate of the Medium-Term Notes will be equal to LIBOR for the Index Currency at the Index Maturity *plus* a Spread of the applicable basis points, as described above. Investors should consider the risk that the variable interest rate on the Medium-Term Notes may be less than that payable on a conventional fixed rate debt security issued by Freddie Mac at the same time.

The secondary market for, and the market value of, the Medium-Term Notes will be affected by a number of factors independent of the creditworthiness of Freddie Mac, including the level and direction of interest rates, the variable rate of interest payable on the Medium-Term Notes, the anticipated level and potential volatility of LIBOR for the Index Currency at the Index Maturity, the method of calculating LIBOR for the Index Currency at the Index Maturity, the time remaining to the maturity of the Medium-Term Notes, the aggregate principal amount of the Medium-Term Notes and the availability of comparable instruments. The level of LIBOR for the Index Currency at the Index Maturity depends on a number of interrelated factors, including economic, financial and political events, over which Freddie Mac has no control. The following table, showing the level of LIBOR for the Index Currency at the Index Maturity in effect for the hypothetical Determination Dates listed below, illustrates the variability of that rate:

Historical Levels of 3-Month LIBOR

Hypothetical Determination Date	3-Month LIBOR Percentage
07/21/2001	3.71000
10/21/2001	2.37000
01/21/2002	1.79620
04/21/2002	1.94000
07/21/2002	1.86000
10/21/2002	1.83000
01/21/2003	1.36250
04/21/2003	1.32000

The historical experience of LIBOR for the Index Currency at the Index Maturity should not be taken as an indication of the future performance of LIBOR for the Index Currency at the Index Maturity during the term of the Medium-Term Notes. Fluctuations in the level of LIBOR for the Index Currency at the Index Maturity make the Medium-Term Notes' interest rates difficult to predict and can result in actual interest rates to investors that are lower than anticipated. In addition, historical interest rates are not necessarily indicative of future interest rates. Fluctuations in interest rates and interest rate trends that have occurred in the past are not necessarily indicative of fluctuations that may occur in the future, which may be wider or narrower than those that have occurred historically.

OFFERING:

- | | | |
|----|-------------------------|--|
| 1. | Pricing date: | July 3, 2003 |
| 2. | Method of Distribution: | <input checked="" type="checkbox"/> Principal <input type="checkbox"/> Agent |
| 3. | Concession: | .250% |
| 4. | Reallowance: | N/A |
| 5. | Underwriter: | Merrill Lynch Government Securities Inc. |
| 6. | Underwriter's Counsel: | Sidley Austin Brown & Wood LLP |

CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES

The Medium-Term Notes constitute "variable rate debt instruments" as defined in the OID Regulations. In accordance with the OID Regulations, Freddie Mac believes that the Medium-Term Notes are not issued with OID because, pursuant to the OID Regulations, it is assumed that the Medium-Term Notes will be redeemed on the date on which the interest rate converts from a variable rate to a fixed rate. Therefore, Freddie Mac believes that all interest payments will be "qualified stated interest" under the OID Regulations, and will not report any original issue discount on the Medium-Term Notes. See "Certain United States Federal Tax Consequences – U.S. Owners – Callable Debt Obligations" in the Offering Circular.