



\$150,000,000

Freddie Mac

**Step Medium-Term Notes Due February 9, 2007
Redeemable on February 9, 2005 only**

Issue Date:	February 9, 2004
Maturity Date:	February 9, 2007
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 date of redemption. We will redeem all of the Medium-Term Notes if we exercise our option.
Redemption Date(s):	On February 9, 2005 only
Interest Rate:	The Medium-Term Notes bear interest at different fixed rates, during different periods. (See "Step Interest Rates" herein.)
Frequency of Interest Payments:	Semiannually, in arrears, commencing August 9, 2004
Interest Payment Dates:	February 9 and August 9
Principal Payment:	At maturity, or upon redemption
CUSIP Number:	3128X2QN8

You should read this Pricing Supplement together with Freddie Mac's Debentures, Medium-Term Notes and Discount Notes Offering Circular dated December 31, 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.

Per Medium-Term Note	<u>Price to Public</u> ⁽¹⁾⁽²⁾	<u>Underwriting Discount</u> ⁽²⁾	<u>Proceeds to Freddie Mac</u> ⁽¹⁾⁽³⁾
Total	100% \$150,000,000	.15% \$225,000	99.85% \$149,775,000

- (1) Plus accrued interest, if any, from February 9, 2004.
- (2) See "Distribution Arrangements" in the Offering Circular.
- (3) Before deducting expenses payable by Freddie Mac estimated at \$5,000.

Merrill Lynch & Co.

Goldman, Sachs & Co.

OFFERING:

1. Pricing date: January 20, 2004
2. Method of Distribution: Principal Agent
3. Concession: .125%
4. Reallowance: N/A
5. Syndication: Yes:

UnderwritersUnderwriting Commitment

Merrill Lynch Government Securities Inc. (the "Representative")
 Goldman, Sachs & Co.

\$75,000,000
75,000,000

\$150,000,000

6. Underwriters' Counsel: Sidley Austin Brown & Wood LLP

STEP INTEREST RATES:

2.250% per annum from February 9, 2004 to, but not including, February 9, 2005;
 3.125% per annum from February 9, 2005 to, but not including, February 9, 2007.