

Monthly Volume Summary: May 2019
(unaudited & subject to change)
(dollars in millions)

TABLE 1 - TOTAL MORTGAGE PORTFOLIO

	Purchases or Issuances	Sales	Liquidations	Net Increase/ (Decrease)	Ending Balance ²	Annualized Growth Rate	Annualized Liquidation Rate
May 2018	\$35,493	(\$1,215)	(\$23,219)	\$11,059	\$2,120,490	6.3%	13.2%
June	35,543	(3,318)	(25,167)	7,058	2,127,548	4.0%	14.2%
Jul	32,721	(1,028)	(25,405)	6,288	2,133,836	3.5%	14.3%
Aug	38,413	(2,569)	(25,059)	10,785	2,144,621	6.1%	14.1%
Sep	31,296	(1,474)	(25,560)	4,262	2,148,883	2.4%	14.3%
Oct	33,968	(686)	(24,739)	8,543	2,157,426	4.8%	13.8%
Nov	40,878	(4,776)	(23,473)	12,629	2,170,055	7.0%	13.1%
Dec	35,155	(2,351)	(20,867)	11,937	2,181,992	6.6%	11.5%
Full-Year 2018	\$395,601	(\$24,729)	(\$283,215)	\$87,657	\$2,181,992	4.2%	13.5%
Jan 2019	23,713	(909)	(20,564)	2,240	2,184,232	1.2%	11.3%
Feb	24,566	(424)	(18,673)	5,469	2,189,701	3.0%	10.3%
Mar	37,311	(3,048)	(19,717)	14,546	2,204,247	8.0%	10.8%
Apr	36,071	(1,204)	(23,570)	11,297	2,215,545	6.2%	12.8%
May	46,082	(4,436)	(27,707)	13,939	2,229,484	7.5%	15.0%
YTD 2019	\$167,743	(\$10,021)	(\$110,231)	\$47,491	\$2,229,484	5.2%	12.1%

May 2019 Highlights:

- ▶ The total mortgage portfolio increased at an annualized rate of 7.5% in May.
- ▶ Single-family refinance-loan purchase and guarantee volume was \$13.3 billion in May, representing 37% of total single-family mortgage portfolio purchases and issuances.
- ▶ The aggregate unpaid principal balance (UPB) of our mortgage-related investments portfolio decreased by approximately \$0.5 billion in May.
- ▶ Freddie Mac mortgage-related securities and other mortgage-related guarantees increased at an annualized rate of 8.5% in May.
- ▶ Our single-family seriously delinquent rate decreased from 65 basis points in April to 63 basis points in May. Our multifamily delinquency rate remained flat at 3 basis points in May.
- ▶ The measure of our exposure to changes in portfolio value (PVS-L) averaged \$275 million in May. Duration gap averaged 2 months. As discussed in Endnote (3), the elevated interest-rate risk exposure measures were due to the inclusion of Single-Family upfront fees risk into our asset & liability management strategy and definition.
- ▶ Since September 2008, Freddie Mac has been operating in conservatorship, with the Federal Housing Finance Agency (FHFA) acting as Conservator.

TABLE 2 - MORTGAGE-RELATED INVESTMENTS PORTFOLIO

	Purchases ¹	Sales	Liquidations	Ending Balance	Annualized Growth Rate	Annualized Liquidation Rate
May 2018	\$26,994	(\$22,350)	(\$2,832)	\$242,114	9.0%	14.1%
June	25,603	(27,983)	(3,343)	236,391	(28.4%)	16.6%
Jul	24,654	(13,821)	(3,087)	244,137	39.3%	15.7%
Aug	29,391	(36,095)	(2,969)	234,464	(47.5%)	14.6%
Sep	23,854	(27,607)	(2,907)	227,804	(34.1%)	14.9%
Oct	26,630	(22,565)	(3,533)	228,336	2.8%	18.6%
Nov	28,456	(31,860)	(2,971)	221,961	(33.5%)	15.6%
Dec	29,506	(31,078)	(2,309)	218,080	(21.0%)	12.5%
Full-Year 2018	\$296,649	(\$296,843)	(\$35,181)	\$218,080	(14.0%)	13.9%
Jan 2019	17,282	(14,434)	(2,009)	218,919	4.6%	11.1%
Feb	19,072	(17,012)	(1,840)	219,139	1.2%	10.1%
Mar	23,641	(21,877)	(1,963)	218,940	(1.1%)	10.7%
Apr	24,896	(24,948)	(2,402)	216,486	(13.4%)	13.2%
May	29,097	(26,797)	(2,831)	215,955	(2.9%)	15.7%
YTD 2019	\$113,988	(\$105,068)	(\$11,045)	\$215,955	(2.3%)	12.2%

TABLE 3 - MORTGAGE-RELATED INVESTMENTS PORTFOLIO COMPONENTS

	Non-Freddie Mac Mortgage-Related Securities				Ending Balance
	Freddie Mac Mortgage-Related Securities ²	Agency	Non-Agency ²	Mortgage Loans	
May 2018	\$130,684	\$4,356	\$3,497	\$103,577	\$242,114
June	129,726	4,463	3,443	98,759	236,391
Jul	135,070	4,353	2,913	101,801	244,137
Aug	126,545	4,173	2,880	100,866	234,464
Sep	124,062	4,395	2,841	96,505	227,804
Oct	124,015	4,277	2,762	97,281	228,336
Nov	122,404	4,097	2,723	92,737	221,961
Dec	120,148	3,979	2,335	91,618	218,080
Full-Year 2018	\$120,148	\$3,979	\$2,335	\$91,618	\$218,080
Jan 2019	121,427	3,748	2,319	91,425	218,919
Feb	120,955	3,660	2,288	92,236	219,139
Mar	122,365	3,841	2,272	90,462	218,940
Apr	120,987	4,079	2,250	89,170	216,486
May	121,581	5,549	2,024	86,801	215,955
YTD 2019	\$121,581	\$5,549	\$2,024	\$86,801	\$215,955

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

	Single-Family		Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate	Annualized Liquidation Rate
	Issuances	Liquidations				
May 2018	\$32,283	(\$22,351)	\$9,932	\$2,009,044	6.0%	13.4%
June	36,068	(24,256)	11,812	2,020,855	7.1%	14.5%
Jul	28,816	(24,931)	3,885	2,024,740	2.3%	14.8%
Aug	36,305	(24,371)	11,934	2,036,674	7.1%	14.4%
Sep	33,739	(25,312)	8,427	2,045,101	5.0%	14.9%
Oct	31,482	(23,519)	7,963	2,053,064	4.7%	13.8%
Nov	40,115	(22,722)	17,393	2,070,458	10.2%	13.3%
Dec	33,896	(20,348)	13,548	2,084,006	7.9%	11.8%
Full-Year 2018	\$381,919	(\$274,337)	\$107,582	\$2,084,006	5.4%	13.9%
Jan 2019	22,984	(20,305)	2,679	2,086,685	1.5%	11.7%
Feb	23,245	(18,467)	4,778	2,091,463	2.7%	10.6%
Mar	35,563	(19,409)	16,154	2,107,617	9.3%	11.1%
Apr	35,458	(23,082)	12,376	2,119,992	7.0%	13.1%
May	42,026	(26,961)	15,065	2,135,057	8.5%	15.3%
YTD 2019	\$159,276	(\$108,224)	\$51,052	\$2,135,057	5.9%	12.5%

TABLE 6 - DELINQUENCIES - TOTAL

	Single-Family Credit Enhanced			Total	Multifamily Total
	Non-Credit Enhanced	Primary Mortgage Insurance			
		Other	Total		
May 2018	0.98%	1.13%	0.39%	0.87%	0.01%
June	0.96%	1.04%	0.33%	0.82%	0.01%
Jul	0.92%	0.96%	0.32%	0.78%	0.01%
Aug	0.86%	0.90%	0.31%	0.73%	0.01%
Sep	0.88%	0.89%	0.30%	0.73%	0.01%
Oct	0.85%	0.86%	0.30%	0.71%	0.01%
Nov	0.86%	0.85%	0.29%	0.70%	0.01%
Dec	0.83%	0.86%	0.31%	0.69%	0.01%
Jan 2019	0.84%	0.86%	0.32%	0.70%	0.01%
Feb	0.84%	0.85%	0.32%	0.69%	0.01%
Mar	0.82%	0.82%	0.31%	0.67%	0.03%
Apr	0.79%	0.79%	0.31%	0.65%	0.03%
May	0.76%	0.77%	0.30%	0.63%	0.03%

TABLE 7 - OTHER INVESTMENTS

	Ending Balance
May 2018	\$49,720
June	55,254
Jul	52,729
Aug	63,186
Sep	67,516
Oct	57,325
Nov	53,446
Dec	48,388
Full-Year 2018	\$48,388
Jan 2019	52,063
Feb	75,873
Mar	59,576
Apr	66,807
May	56,220
May 2019	\$56,220

TABLE 5 - OTHER DEBT ACTIVITIES

	Original Maturity ≤ 1 Year		Original Maturity > 1 Year			Total Debt Outstanding
	Ending Balance	Issuances	Maturities and Redemptions	Repurchases	Ending Balance	
May 2018	\$55,180	\$2,202	(\$4,734)	(\$1,026)	\$223,561	\$278,741
June	56,952	6,489	(8,222)	-	221,829	278,781
Jul	67,709	2,143	(9,076)	-	214,896	282,605
Aug	68,806	4,075	(4,320)	-	214,651	283,457
Sep	68,652	2,305	(4,516)	-	212,439	281,092
Oct	62,460	1,077	(6,204)	-	207,311	269,771
Nov	55,132	875	(2,492)	(650)	205,045	260,176
Dec	51,246	2,090	(2,617)	(64)	204,454	255,700
Full-Year 2018	\$51,246	\$39,690	(\$76,045)	(\$2,735)	\$204,454	\$255,700
Jan 2019	56,676	3,658	(3,810)	(221)	204,082	260,758
Feb	81,160	5,950	(6,849)	-	203,183	284,343
Mar	77,326	4,792	(12,478)	-	195,496	272,822
Apr	78,987	11,949	(9,723)	(135)	197,588	276,575
May	71,565	11,188	(12,211)	(317)	196,248	267,813
YTD 2019	\$71,565	\$37,537	(\$45,071)	(\$673)	\$196,248	\$267,813

TABLE 8 - INTEREST-RATE RISK SENSITIVITY DISCLOSURES³

	Portfolio Value- Level (PVS-L) (50 bp) (dollars in millions)		Portfolio Value- Yield Curve (PVS-YC) (25 bp) (dollars in millions)		Duration Gap (Rounded to Nearest Month)	
	Monthly Average	Quarterly Average	Monthly Average	Quarterly Average	Monthly Average	Quarterly Average
June	29	23	14	12	0	0
Jul	26	--	13	--	0	--
Aug	18	--	14	--	0	--
Sep	9	18	8	12	0	0
Oct	7	--	13	--	0	--
Nov	3	--	8	--	0	--
Dec	23	11	9	10	0	0
Full-Year 2018	\$15	--	\$11	--	0	--
Jan 2019	29	--	4	--	0	--
Feb	8	--	9	--	0	--
Mar	7	15	16	10	0	0
Apr	480	--	177	--	4	--
May	275	--	109	--	2	--
YTD 2019	\$164	--	\$65	--	1	--

ENDNOTES

- Purchases of Freddie Mac mortgage-related securities into the mortgage-related investments portfolio totaled \$5 billion (based on UPB) during May 2019.
- In December 2018, we reclassified certain securities issued by third-party trusts but guaranteed by Freddie Mac from Non-Agency Securities to Freddie Mac Mortgage-Related Securities. Prior periods have been revised to conform to current period presentation.
- In April 2019, we updated our interest-rate risk measures to include upfront fees (including buy-downs) related to single-family credit guarantee activity as we have changed our strategy to incorporate upfront fees into our asset and liability interest-rate risk management strategy and definition. To avoid any disruption to the interest rate derivatives market, this upfront fees interest-rate risk is being hedged over several weeks resulting in temporarily elevated PVS-L, PVS-YC, and Duration Gap levels. These levels will remain elevated until we have completed hedging of this additional interest-rate risk from upfront fees. We also changed the name of the Portfolio Market Value Sensitivity (PMVS) metrics to Portfolio Value Sensitivity (PVS). We removed "market" from these metrics as we economically hedge the present value of cash flows, which may not necessarily be the fair value of an instrument.

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: 1551 Park Run Drive, MS D5F, McLean, VA 22102-3110 or sending an email to shareholder@freddiemac.com.

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 \$52 million of unguaranteed Freddie Mac mortgage-related securities retained by us associated with credit risk transfer transactions.

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 or 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. Notional balances of interest-only strips are excluded because this table is based on UPB. Excludes any rescuritization activity involving Freddie Mac mortgage-related securities and guaranteed securities issued by Freddie Mac where the transfer of the underlying collateral would be accounted for as a secured borrowing.

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

Primarily includes 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.freddiemac.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, as reported by our servicers. Loans that have been modified (or are subject to forbearance agreements) are not counted as delinquent as long as the borrower is less than two monthly payments past due under the modified (or forbearance) terms.

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

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

The PVS 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 had a minimal impact on our PVS and duration gap results.