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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 17, 2004**

**Federal National Mortgage Association**  
*(Exact name of registrant as specified in its charter)*

**Fannie Mae**

**Federally chartered corporation**  
*(State or other jurisdiction  
of incorporation)*

**0-50231**  
*(Commission  
File Number)*

**52-0883107**  
*(IRS Employer  
Identification Number)*

**3900 Wisconsin Avenue, NW**  
**Washington, DC**  
*(Address of principal executive offices)*

**20016**  
*(Zip Code)*

**Registrant's telephone number, including area code: 202-752-7000**

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***Item 9. Regulation FD Disclosure.***

On May 17, 2004, Fannie Mae (formally, the Federal National Mortgage Association), issued its monthly financial summary release and voluntary initiatives disclosure for the month of April 2004, a copy of which is furnished as Exhibit 99.1 to this report, and which is incorporated herein by reference.

This information, including the exhibits attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any disclosure document of the Company, except as shall be expressly set forth by specific reference in such document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By /s/ Leanne G. Spencer

Leanne G. Spencer  
Senior Vice President and Controller

Date: May 17, 2004

EXHIBIT INDEX

The following is a list of the Exhibits furnished herewith.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Monthly summary release and voluntary initiatives disclosure for April 2004 issued by Fannie Mae on May 17, 2004.

**FANNIE MAE  
MONTHLY SUMMARY****APRIL 2004**

Fannie Mae's summary of monthly business volumes, delinquency rates, and interest rate risk measures reflect the company's continued record of disciplined growth.

Because of increased levels of actual and anticipated variability in performance measures on a month-to-month and quarter-to-quarter basis, management believes that it is important to view these measures on a year-to-date basis, and in the context of our longer-term outlook.

**HIGHLIGHTS FOR APRIL INCLUDE:**

- Total business volume rose to \$73.8 billion from \$59.1 billion in March.
- Mortgage portfolio purchases rose for the third month to \$27.4 billion in April from \$20.3 billion in March. Retained commitments were \$28.9 billion in April.
- Fannie Mae's book of business grew at an annualized 3.9 percent rate compared with 5.0 percent the previous month.
- Outstanding MBS growth slowed to a 6.9 percent annual rate and the mortgage portfolio declined at a 0.6 percent annual rate, the result of higher liquidations in April.
- The duration gap on Fannie Mae's mortgage portfolio averaged three months in April.
- Both the conventional single-family and multifamily delinquency rates declined in March to 0.58 percent and 0.17 percent, respectively.

**BUSINESS BALANCES AND GROWTH (\$ in Millions) 1/**

	Mortgage Portfolio, Gross 2, 3/		Outstanding MBS 4/		Book of Business 3/	
	End Balance	Growth Rate 5/	End Balance	Growth Rate 5/	End Balance	Growth Rate 5/
May 2003	\$817,404	(3.4)%	\$1,186,128	35.9%	\$2,003,532	18.1%
June 2003	814,882	(3.6)%	1,237,461	66.3%	2,052,343	33.5%
July 2003	838,236	40.4%	1,248,869	11.6%	2,087,104	22.3%
August 2003	865,461	46.8%	1,227,115	(19.0)%	2,092,576	3.2%
September 2003	917,123	100.5%	1,211,079	(14.6)%	2,128,202	22.5%
October 2003	912,658	(5.7)%	1,239,925	32.6%	2,152,583	14.6%
November 2003	906,380	(7.9)%	1,264,673	26.8%	2,171,053	10.8%
December 2003	898,438	(10.0)%	1,300,166	39.4%	2,198,604	16.3%
<b>Full year 2003</b>	<b>\$898,438</b>	<b>13.1%</b>	<b>\$1,300,166</b>	<b>26.3%</b>	<b>\$2,198,604</b>	<b>20.6%</b>
January 2004	\$886,665	(14.6)%	\$1,318,712	18.5%	\$2,205,376	3.8%
February 2004	882,108	(6.0)%	1,335,714	16.6%	2,217,822	7.0%
March 2004	880,911	(1.6)%	1,345,892	9.5%	2,226,803	5.0%
April 2004	880,481	(.6)%	1,353,399	6.9%	2,233,880	3.9%
<b>YTD 2004</b>	<b>\$880,481</b>	<b>(5.9)%</b>	<b>\$1,353,399</b>	<b>12.8%</b>	<b>\$2,233,880</b>	<b>4.9%</b>

**BUSINESS VOLUMES (\$ in Millions) 1/**

	MBS						
	Single-family Issues	Multifamily Issues	Total Lender-original Issues 6/	Fannie Mae MBS Purchases 7/	MBS Issues Acquired by Others	Portfolio Purchases	Business Volume
May 2003	\$ 107,447	\$ 989	\$ 108,436	\$ 23,180	\$ 85,256	\$ 43,749	\$ 129,005
June 2003	121,457	1,449	122,906	21,655	101,251	41,183	142,434
July 2003	118,545	1,420	119,965	48,266	71,699	72,447	144,146
August 2003	108,866	796	109,662	54,295	55,367	82,656	138,023
September 2003	116,105	4,192	120,297	73,504	46,793	98,804	145,597
October 2003	78,765	3,009	81,774	9,110	72,664	27,609	100,273
November 2003	56,840	3,657	60,497	2,888	57,609	17,596	75,205
December 2003	56,598	4,265	60,863	1,226	59,637	13,775	73,412
<b>Full year 2003</b>	<b>\$1,175,599</b>	<b>\$23,018</b>	<b>\$1,198,617</b>	<b>\$348,413</b>	<b>\$850,204</b>	<b>\$572,852</b>	<b>\$1,423,056</b>
January 2004	\$ 44,289	\$ 505	\$ 44,794	\$ 268	\$ 44,527	\$ 8,573	\$ 53,100
February 2004	38,605	200	38,804	181	38,624	12,170	50,794
March 2004	44,345	1,019	45,365	6,507	38,858	20,260	59,118
April 2004	56,117	424	56,541	10,198	46,344	27,448	73,792
<b>YTD 2004</b>	<b>\$ 183,357</b>	<b>\$ 2,149</b>	<b>\$ 185,505</b>	<b>\$ 17,154</b>	<b>\$168,352</b>	<b>\$ 68,452</b>	<b>\$ 236,804</b>

**MORTGAGE PORTFOLIO COMMITMENTS, PURCHASES, AND SALES (\$ in Millions) 1/**

	Purchases					Mortgage Portfolio Sales
	Retained Commitments	Single-family	Multifamily	Total Purchases	Net Yield 8/	
May 2003	\$ 73,784	\$ 42,795	\$ 954	\$ 43,749	5.12%	\$ 1,894
June 2003	75,515	40,306	877	41,183	4.96%	2,885
July 2003	77,679	70,246	2,201	72,447	4.86%	513
August 2003	43,351	81,255	1,401	82,656	4.83%	384
September 2003	27,961	97,693	1,111	98,804	4.85%	581
October 2003	12,313	26,353	1,256	27,609	4.98%	1,227
November 2003	13,104	16,540	1,056	17,596	4.20%	1,452
December 2003	8,057	12,249	1,526	13,775	4.96%	2,875
<b>Full year 2003</b>	<b>\$489,073</b>	<b>\$559,669</b>	<b>\$13,183</b>	<b>\$572,852</b>	<b>5.00%</b>	<b>\$13,727</b>
January 2004	\$ 11,696	\$ 7,996	\$ 577	\$ 8,573	4.77%	\$ 2,025
February 2004	12,576	11,834	337	12,170	3.68%	1,326
March 2004	29,411	19,406	854	20,260	4.60%	1,023
April 2004	28,860	25,997	1,451	27,448	4.37%	1,583
<b>YTD 2004</b>	<b>\$ 82,543</b>	<b>\$ 65,233</b>	<b>\$ 3,219</b>	<b>\$ 68,452</b>	<b>4.37%</b>	<b>\$ 5,957</b>

1/ Represents unpaid principal balance.

- 2/ Excludes mark-to-market adjustments, deferred balances and allowance for losses. Includes \$527 billion of Fannie Mae MBS as of April 30, 2004.
- 3/ Prior periods have been revised to be consistent with balance sheet reclassifications implemented during the third quarter of 2003.
- 4/ MBS held by investors other than Fannie Mae's portfolio.
- 5/ Growth rates are compounded.
- 6/ Excludes MBS issued from Fannie Mae's portfolio, which was \$2,144 million in April 2004.
- 7/ Included in total portfolio purchases.
- 8/ Yields shown on a taxable-equivalent basis.

Numbers may not foot due to rounding.

**LIQUIDATIONS (\$ in Millions) 1/**

	Mortgage Portfolio Liquidations		Outstanding MBS Liquidations	
	Amount	Annual Rate	Amount	Annual Rate
May 2003	\$ 44,203	64.95%	\$ 57,226	58.64%
June 2003	41,279	60.85%	52,607	52.09%
July 2003	48,309	70.33%	60,611	58.51%
August 2003	55,220	77.99%	76,854	74.50%
September 2003	44,244	59.65%	63,577	62.58%
October 2003	30,862	40.48%	44,975	44.04%
November 2003	22,438	29.60%	34,214	32.78%
December 2003	18,859	25.08%	26,301	24.61%
<b>Full year 2003</b>	<b>\$451,487</b>	<b>53.29%</b>	<b>\$591,351</b>	<b>50.15%</b>
January 2004	\$ 18,274	24.57%	\$ 27,717	25.40%
February 2004	15,419	20.92%	22,948	20.75%
March 2004	20,444	27.83%	29,702	26.58%
April 2004	26,086	35.54%	40,419	35.94%
<b>YTD 2004</b>	<b>\$ 80,222</b>	<b>27.17%</b>	<b>\$120,786</b>	<b>27.23%</b>

**DELINQUENCY RATES**

Single-family Conventional 2/			
Non-Credit Enhancement 3/	Credit Enhancement 4/	Total 5/	Multifamily Total 6/
0.29%	1.38%	0.55%	0.15%
0.29%	1.42%	0.56%	0.13%
0.29%	1.47%	0.57%	0.13%
0.29%	1.52%	0.58%	0.13%
0.29%	1.56%	0.58%	0.12%
0.29%	1.56%	0.57%	0.12%
0.30%	1.63%	0.59%	0.13%
0.30%	1.65%	0.60%	0.27%
0.31%	1.70%	0.61%	0.24%
0.31%	1.70%	0.61%	0.24%
0.30%	1.62%	0.58%	0.17%

**AVERAGE INVESTMENT BALANCES (\$ in Millions)**

	Net Mortgages	Liquid Investments	Total Net Investments
May 2003	\$806,511	\$83,895	\$890,406
June 2003	808,205	86,136	894,341
July 2003	813,728	82,011	895,739
August 2003	832,100	95,607	927,708
September 2003	876,724	78,892	955,617
October 2003	906,989	68,317	975,305
November 2003	902,601	63,262	965,863
December 2003	898,858	65,966	964,824
<b>Full year 2003</b>	<b>\$839,171</b>	<b>\$75,114</b>	<b>\$914,286</b>
January 2004	\$888,908	\$68,830	\$957,738
February 2004	883,892	63,749	947,641
March 2004	876,205	66,996	943,201
April 2004	870,446	75,787	946,232
<b>YTD 2004</b>	<b>\$879,863</b>	<b>\$68,841</b>	<b>\$948,703</b>

**INTEREST RATE RISK DISCLOSURES**

	Effective Duration Gap 7/ (in months)	Rate Level Shock (50bp) 8/		Rate Slope Shock (25bp) 8/	
		1 Year Portfolio Net Interest Income at Risk	4 Year Portfolio Net Interest Income at Risk	1 Year Portfolio Net Interest Income at Risk	4 Year Portfolio Net Interest Income at Risk
May 2003	-5	0.7%	2.2%	5.3%	7.1%
June 2003	-1	2.1%	6.6%	3.9%	5.9%
July 2003	6	9.3%	8.7%	1.9%	2.9%
August 2003	4	4.8%	3.2%	3.4%	5.2%
September 2003	1	2.7%	1.3%	5.2%	6.8%
October 2003	1	4.5%	2.4%	4.1%	5.9%
November 2003	-1	3.7%	2.7%	3.7%	6.1%
December 2003	-1	2.6%	2.1%	3.6%	6.1%
January 2004	-1	0.9%	3.1%	3.0%	6.4%
February 2004	-1	1.4%	3.3%	3.7%	6.7%
March 2004	0	3.8%	5.4%	4.0%	6.6%
April 2004	3	5.0%	5.3%	2.9%	5.4%

1/ Represents unpaid principal balance.

2/ Includes conventional loans three or more months delinquent or in foreclosure process as a percent of the number of loans.

3/ Loans without primary mortgage insurance or any credit enhancements.

4/ Loans with primary mortgage insurance and other credit enhancements.

5/ Total of single-family non-credit enhanced and credit enhanced loans.



- 6/ Includes loans two or more months delinquent as a percent of loan dollars and includes the total mortgage credit book of business.
- 7/ The duration gap is a weighted average for the month.
- 8/ Expresses projected core net interest income under the more adverse of the interest rate and yield curve scenarios as a percentage of projected net interest income without the rate shocks.

Numbers may not foot due to rounding.

The information presented in this report is unaudited and includes, in the opinion of management, all adjustments (consisting of normally recurring accruals) necessary for a fair presentation. The data should be read in conjunction with audited financial statements and notes to financial statements that are available from the corporation. For more information regarding Fannie Mae, or for a more detailed quarterly report on Fannie Mae's activity, please visit [www.fanniemae.com](http://www.fanniemae.com) or contact us at (202) 752-7115.



Voluntary Initiatives Disclosure  
April 2004

**INTEREST RATE RISK**

	Rate Level Shock (50bp)		Rate Slope Shock (25bp)		
	Effective Duration Gap (in months)	1 Year Portfolio Net Interest Income at Risk	4 Year Portfolio Net Interest Income at Risk	1 Year Portfolio Net Interest Income at Risk	4 Year Portfolio Net Interest Income at Risk
<b>2003</b>					
April	-2	2.1%	2.5%	4.6%	6.5%
May	-5	0.7%	2.2%	5.3%	7.1%
June	-1	2.1%	6.6%	3.9%	5.9%
July	6	9.3%	8.7%	1.9%	2.9%
August	4	4.8%	3.2%	3.4%	5.2%
September	1	2.7%	1.3%	5.2%	6.8%
October	1	4.5%	2.4%	4.1%	5.9%
November	-1	3.7%	2.7%	3.7%	6.1%
December	-1	2.6%	2.1%	3.6%	6.1%
<b>2004</b>					
January	-1	0.9%	3.1%	3.0%	6.4%
February	-1	1.4%	3.3%	3.7%	6.7%
March	0	3.8%	5.4%	4.0%	6.6%
April	3	5.0%	5.3%	2.9%	5.4%

- **Effective duration gap** — measures the extent the effective duration of the portfolio's assets and liabilities are matched. A positive duration gap indicates that the effective duration of our assets exceeds the effective duration of our liabilities by that amount, while a negative duration gap indicates the opposite. The duration gap is a calculated weighted-average for the month.

- **Net interest income at risk** — compares Fannie Mae's projected change in portfolio net interest income under the financially more adverse of a 50 basis point increase and decrease in interest rates. Fannie Mae also compares the expected change in portfolio net interest income for the more adverse of a 25 basis point decrease and increase in the slope of the yield curve. Both measurements are done for one-year and four-year periods.

A positive number indicates the percent by which net interest income could be reduced by the increased rate shock. A negative number would indicate the percent by which net interest income could be increased by the shock.

**LIQUIDITY**

Ratio of liquid to total assets	Ratio
June 30, 2003	7.5%
September 30, 2003	5.6%
December 31, 2003	6.5%
March 31, 2004	6.4%

- Fannie Mae will maintain at least three months of liquidity to ensure the company can meet all of its obligations in any period of time in which it does not have access to the debt markets. Fannie Mae also will comply with the Basel Committee on Banking Supervision's fourteen principles for sound liquidity management.

- To fulfill its liquidity commitment, Fannie Mae will maintain more than five percent of its on-balance sheet assets in high-quality, liquid assets.

**CREDIT RISK**

Lifetime credit loss sensitivity as of:	Before Credit Enhancements	After Credit Enhancements
<i>(Dollars in millions)</i>		
March 31, 2003	\$1,798	\$ 635
June 30, 2003	\$2,408	\$ 983
September 30, 2003	\$2,678	\$1,138
December 31, 2003 (1)	\$2,402	\$1,113

- Lifetime credit loss sensitivity measures the sensitivity of Fannie Mae's expected future credit losses to an immediate five percent decline in home values for all single-family mortgages held in Fannie Mae's retained portfolio and underlying guaranteed MBS.

- Credit loss sensitivity is reported in present value terms and measures expected losses in two ways: before receipt of private mortgage insurance claims and any other credit enhancements and after receipt of expected mortgage insurance and other credit enhancements.

**SUBORDINATED DEBT**

Total capital and subordinated debt	Total Capital	Net Proceeds on Subordinated Debt	Percent
<i>(Dollars in billions)</i>			
December 31, 2003	\$35.182	\$12.427	4.1
March 31, 2004	36.481	12.429	4.3

- Fannie Mae will issue subordinated debt in an amount sufficient to bring the sum of total capital (core capital plus general allowance for losses) and subordinated debt to 4% of on-balance sheet assets, after providing for the capitalization of off-balance sheet MBS.

- Subordinated debt only includes net proceeds on issuances from January 1, 2001

- Fannie Mae will maintain a weighted-average maturity of outstanding subordinated debt of at least five years. At March 31, 2004, the weighted-average maturity was 8.1 years.

(1) Most recent data available.