

*Federal Farm Credit Banks
Consolidated Systemwide
Designated Bonds*



This Term Sheet relates to the Bonds described below and should be read in conjunction with the Federal Farm Credit Banks Consolidated Systemwide Bonds and Discount Notes Offering Circular dated June 18, 1999, as amended and supplemented by the Offering Circular Supplements dated August 20, 2001 and November 26, 2003 (the "Offering Circular"). The Designated Bonds described herein (the "Bonds") were sold to HSBC Securities (USA) Inc. and Morgan Stanley & Co. Incorporated as the Joint Lead Managers (the "Lead Managers") of this issue of the Bonds, and to the Dealers in the Federal Farm Credit Banks Consolidated Systemwide Bond Selling Group (the "Co-Managers") listed in the Term Sheet, for resale to investors at varying prices according to prevailing market prices at the time of resale as determined by the Lead Managers. Terms set forth below unless otherwise defined have the meaning ascribed to them in the Offering Circular.

Principal Amount: \$1,000,000,000

Denomination: \$5,000 and integral multiples of \$1,000 in excess thereof

Issue Price: 99.943%

Issue Date & Settlement Date: November 1, 2004

Maturity Date: December 17, 2007

Interest Rate: 3.000%

Day Count Basis: Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

Interest Payment Dates: Each June 17 and December 17, beginning on December 17, 2004, and the Maturity Date

Redemption: The Bonds are not subject to redemption prior to the Maturity Date

Reopenings: The outstanding principal amount of this issue may be increased from time to time.

Underwriting Concession: 0.075%. The Lead Managers must sell a certain portion of the Bonds they have purchased as principal to other Dealers designated by Funding Corporation less the Selling Concession specified below which constitutes a portion of the Underwriting Concession received from the Funding Corporation.

Selling Concession: 0.050%

Stabilizing Managers: HSBC Securities (USA) Inc. and Morgan Stanley & Co. Incorporated

CUSIP Number: 31331S GQ0

**HSBC Securities (USA) Inc.
Morgan Stanley**

The date of the Term Sheet is October 26, 2004.

Eligibility for Stripping: The Bonds are eligible for stripping in minimum aggregate principal amounts of \$200,000. These Bonds may not be stripped any earlier than June 17, 2005.

Identifying CUSIP Number Table
Interest Components

<u>Interest Payment Dates</u>	<u>CUSIP Number</u>
June 17, 2005	31331U FJ2
December 17, 2005	31331U FK9
June 17, 2006	31331U FL7
December 17, 2006	31331U FM5
June 17, 2007	31331U FN3
December 17, 2007	31331U FP8

Principal Component

<u>Maturity Date</u>	<u>CUSIP Number</u>
December 17, 2007	31331W BF0

Lead Managers:	HSBC Securities (USA) Inc.	\$450,000,000
	Morgan Stanley & Co. Incorporated	\$450,000,000
Co-Managers:	Lehman Brothers Inc.	\$50,000,000
	Merrill Lynch Government Securities, Inc.	\$50,000,000
Total:		\$1,000,000,000

Backup Withholding and Information Reporting

The Jobs and Growth Tax Relief Reconciliation Act of 2003 lowered the backup withholding tax rate to 28%, effective January 1, 2003.

DISTRIBUTION

Morgan Stanley maintains two separate broker-dealer entities. Offerings are underwritten by Morgan Stanley & Co. Incorporated and distributed by both Morgan Stanley & Co. Incorporated and Morgan Stanley DW Inc.