

Federated Adjustable Rate Securities Fund

Nasdaq Symbol — IS: FEUGX | SS: FASSX

Product Highlights

- Pursues current income consistent with minimal volatility of principal.
- Invests primarily in adjustable and floating rate mortgage-backed securities, which pay interest at rates that increase or decrease with changes in market rates.
- Features a track record of more than 30 years.

Morningstar Category

Short Government

Benchmark

ICE BofAML 1-Year U.S. Treasury Note Index

Key Investment Team

Todd Abraham, CFA
Liam O'Connell, CFA

Yields

30-Day Yield - IS	2.49%
30-Day Yield - SS	2.24%

Fund Statistics

Portfolio Assets	\$140.1 m
Dividends	Paid Monthly
Weighted Average Effective Duration (Yield Book Calculation)	0.9 Years
Weighted Average Bond Price	\$102.46

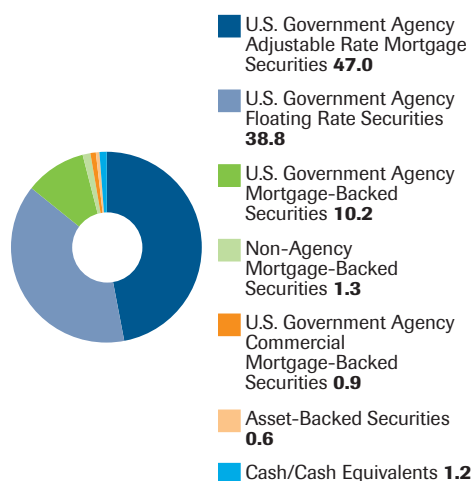
Credit Rating

Aaa Moody's***

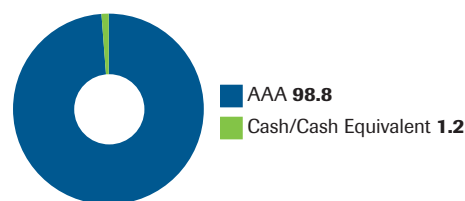
Top Holdings (%)

FNMA 4% due 2/1/48	5.9
GNMA Remic 2012-90 FA 2.8877% due 7/20/42	3.8
FHLMC Remic 3284 BF 2.7837% due 3/15/37	3.7
FNMA Remic 2010-68 BF 2.9855% due 7/25/40	3.7
FNMA ARM 4.749% due 8/1/35	3.3
FNMA Remic 2012-130 DF 2.8855% due 12/25/42	3.0
FNMA ARM 4.363% due 8/1/39	2.8
FNMA Remic 2006-W1 2AF1 2.7055% due 2/25/46	2.6
FNMA Remic 2011-4 PF 3.0355% due 2/25/41	2.6
FHLMC ARM 3.808% due 7/1/34	2.5

Sector Weightings (%)



Quality Breakdown (%) **



Average Annual Total Returns (%)

Performance shown is before tax.

NAV	Performance Inception	Cumulative 3 Month	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception	Expense Ratio*	
									Before Waivers	After Waivers
IS	12/3/85	0.71	2.08	1.15	0.72	1.02	1.90	4.08	1.12	0.66
SS	4/25/92	0.76	1.83	0.91	0.49	0.78	1.66	2.90	1.13	0.91
Benchmark		0.82	2.44	1.21	0.85	0.70	1.63	-	-	-

Calendar Year Total Returns (%)

Institutional Shares/NAV

	YTD	2018	2017	2016	2015	2014	2013	2012	2011	2010
NAV	0.71	1.66	0.67	0.26	-0.32	0.78	-0.36	1.22	1.16	1.72
Benchmark	0.82	1.86	0.57	0.76	0.15	0.18	0.25	0.24	0.57	0.83

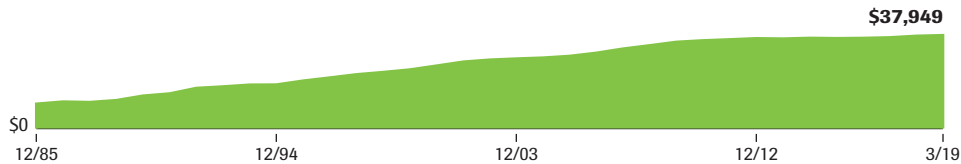
Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit FederatedInvestors.com.

* The fund's expense ratio is from the most recent prospectus. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and its affiliates. The voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 11/1/19 or the date of the fund's next effective prospectus.

Federated Adjustable Rate Securities Fund

Growth Over Time

If you had invested \$10,000 in Institutional Shares on 12/31/85 (month end of the fund's performance inception) and reinvested all distributions, here's how your account would have grown by 3/31/19.



Effective January 21, 1992, the fund converted its investment policy from intermediate- to longer-term Treasuries to adjustable rate mortgage securities.

A Word About Risk

Mutual funds are subject to risks and fluctuate in value. Bond prices are sensitive to changes in interest rates, and a rise in interest rates can cause a decline in their prices.

The value of some mortgage-backed securities may be particularly sensitive to changes in prevailing interest rates, and although the securities are generally supported by some form of government or private insurance, there is no assurance that private guarantors or insurers will meet their obligations.

Definitions

The holdings percentages are based on net assets at the close of business on 3/31/19 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Total return would have been lower in the absence of temporary expense waivers or reimbursements.

30-day yield (also known as "SEC yield") is a compounded and annualized figure calculated according to a formula set by the SEC. The formula requires use of a specific methodology for calculating dividends and interest earned, and expenses accrued, during the period, and reflects the maximum offering price per fund share. The standardized computation is designed to facilitate yield comparisons among different funds. For an indefinite period of time, the investment advisor is waiving all or part of its fee and, in addition, may reimburse the fund for some of its expenses. Otherwise, the yield would have been 2.14% for Institutional Shares and 1.95% for Service Shares.

Growth Over Time performance is for the fund's Institutional Shares. The fund offers an additional share class whose performance will vary due to differences in charges and expenses.

Weighted Average Effective Duration (sometimes called "Option-Adjusted Duration") is a measure of a security's price sensitivity to changes in interest rates calculated using a model that recognizes that the probability of a bond being called or remaining outstanding until maturity may vary if market interest rates change, and that makes adjustments based on a bond's embedded options (e.g., call rights, or in the case of a mortgage-backed security, the probability that homeowners will prepay their mortgages), if any, based on the probability that the options will be exercised. A fund's weighted average effective duration will equal the market value weighted average of each bond's effective duration in the fund's portfolio. As with any model, several assumptions are made so the weighted average effective duration of a fund in the Federated family of funds may not be comparable to other funds outside of the Federated family of funds. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. To obtain a summary prospectus or prospectus containing this and other information, contact us or visit FederatedInvestors.com. Please carefully read the summary prospectus or the prospectus before investing.

Past performance is no guarantee of future results.

Weighted Average Bond Price - Morningstar generates this figure from the portfolio by weighting the price of each bond by its relative size in the portfolio. This number reveals if the manager favors bonds selling at prices above or below face value (discount or premium securities, respectively). A higher number indicates a bias toward premiums. This statistic is expressed as a percentage of par (face) value.

ICE BofAML 1-Year U.S. Treasury Note Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding two-year Treasury note that matures closest to, but not beyond, one year from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

Indexes are unmanaged and cannot be invested in directly.

Ratings and Rating Agencies

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. If the fund is less than three years old, the category is based on the life of the fund. ©2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

** The ratings agencies that provided the ratings are Standard and Poor's, Moody's and Fitch. When ratings vary, the highest rating is used. Credit ratings of A or better are considered to be high credit quality; credit ratings of BBB are good credit quality and the lowest category of investment grade; credit ratings BB and below are lower-rated securities ("junk bonds"); and credit ratings of CCC or below have high default risk. The credit quality breakdown does not give effect to the impact of any credit derivative investments made by the fund.

*** Moody's Credit Ratings - obtained after Moody's evaluates a number of factors, including credit quality, market price exposure and management. Credit Ratings are subject to change and do not remove market risk.