

# Federated California Municipal Cash Trust

## Wealth Shares

Nasdaq Symbol: **CAIXX** | Cusip Number: **60934N369** | Newspaper Listing: **FedCAMuniCsh WS**

### Product Highlights

- Pursues current income exempt from federal regular income tax and California state income tax, consistent with stability of principal.
- Invests in short-term, high-quality, California tax-exempt securities.
- Offers California residents the potential for attractive taxable-equivalent yields compared to taxable money market funds and direct securities.
- Income may be subject to the federal alternative minimum tax (AMT) for individuals. However, the fund will normally invest its assets so that distributions are exempt from AMT.

### Portfolio Manager(s)

Michael Sirianni  
Kyle Stewart

### Portfolio Assets

\$1.2 billion

### Credit/Obligor Exposure

Kaiser Permanente  
Assured Guaranty Municipal Corp.  
Royal Bank of Canada  
Barclays Bank plc  
Federal Home Loan Bank of San Francisco  
University of California (The Regents of)  
California State Department of Water Resources  
San Diego County, CA Water Authority  
Bay Area Toll Authority, CA  
Fairfield-Suisun, CA Unified School District

Total % of Portfolio: 65.03%

### Share Class Statistics

#### Inception Date

3/4/96

#### Federated Fund Number

800

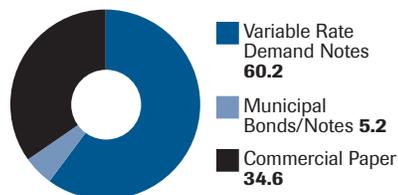
#### Cut-Off Times

1:00 p.m. ET — Purchases  
12:00 p.m. ET — Redemptions

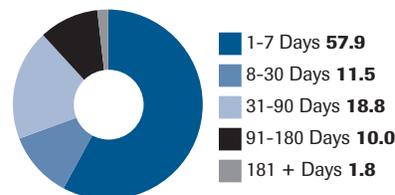
#### Dividends

Declared Daily/Paid Monthly

### Portfolio Composition (%)



### Effective Maturity Schedule (%)



### Weighted Average Maturity

32 Days

### Weighted Average Life

32 Days

### Fund Performance

Net Yields (%)		Total Return (%)	
7-Day	1.12	1 Year	1.21

Annualized Yields (%)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
7-Day	1.16	1.43	1.33	1.80	1.17	1.49	1.14	1.07	1.18	0.93	0.83	1.12

**Performance quoted represents past performance, which is no guarantee of future results. Investment return will vary. An investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, contact us or visit [FederatedInvestors.com](http://FederatedInvestors.com).**

Although not contractually obligated to do so, the advisor and/or certain fund service providers waived all or a portion of their fees or reimbursed the fund for certain operating expenses. These voluntary waivers and reimbursements may be modified or terminated at any time; accordingly, the fund's expenses may vary (i.e., increase or decrease) during the fund's fiscal year. These waivers increase income to the fund and result in a higher return to investors.

Otherwise, the 7-day yield would have been .99% and total return would have been lower.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Yield quotations more closely reflect the current earnings of the fund than the total return quotation.

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## Portfolio Manager Commentary

For investors and financial institutions, the fourth quarter of 2019 might be best described as shifting from anxiety to optimism. Several macroeconomic and geopolitical uncertainties abated, leading the Federal Reserve to put monetary policy on hold and suggest that a recession was not imminent.

Despite being light on details, the U.S. and China reached a truce in their trade war late in the quarter. This lifted worries that the conflict would continue to be a drag on the two economies. In particular, it has been blamed for the weakness in the U.S. manufacturing sector. In Europe, the drawn-out affair of the negotiations for the U.K. to leave the European Union finally received the necessary political will, as Boris Johnson and his pro-Brexit party won a decisive victory in a snap election. The impeachment of President Trump could be seen as a relief for investors. Because it was widely thought that the trial in the Senate would be short and that Trump would remain in office, the vote in the House of Representatives seemed to alleviate this long-running uncertainty for the markets.

The quarter saw the U.S. economy seeming to retreat from previous indications that it might slip into recession in 2020. Gross domestic product growth in the third quarter, the most recent data, hit a healthy 2.1%. This was buoyed by the continued strength of the labor market, with unemployment dipping to levels not seen since 1969. Robust consumer confidence led to record retail sales on Black Friday and Cyber Monday.

At its October Federal Open Market (FOMC) meeting, the Fed eased rates for the third time in 2019, lowering the federal funds target range by 25 basis points to a range of 1.50-1.75%. Unlike with the previous two policy actions, however, Fed officials signaled strongly that absent a material change in the outlook for the economy or inflation, they were likely to remain at the new target range for quite some time. The markets received more detail at the December FOMC meeting, in which policymakers not only refrained from cutting rates, but communicated in their projections that they don't intend to make any changes through the entirety of 2020.

In the liquidity space, the Fed played another role in a different anxiety-causing arena, that of quelling concern about how the repo market would respond to year-end pressure. The worry stemmed from the unexpected spike in the repo rate in September, one caused by technical events rather than any credit stress but exacerbated by a lower amount of bank reserves held at the central bank. Despite aggressive action by the Fed following that occurrence, markets did not appear to be satisfied that the Fed could eliminate the potential for another bout of volatility at the end of the year. In his press conference following the announcement of the pause in rate action at the December FOMC meeting, Chair Jerome Powell said that the Fed stood ready to support the overnight market and that the measures already taken through overnight, term and permanent operations (its purchases of Treasury bills) made policymakers confident year-end would go smoothly. This was the case as the liquidity the Fed offered to primary dealers successfully averted any dislocations.

In the reporting period, municipal and tax-free money market rates remained stable, and sector cash flows flipped to positive. The SIFMA Municipal Swap Index entered the quarter at 1.58% and ended at 1.61%, inflated slightly due to year-end pressures. The Treasury yield curve ended the quarter with 1-month at 1.47%, 3-month at 1.55%, 6-month at 1.59% and 12-month at 1.58%. The London interbank offered rate (LIBOR) ended with 1-month at 1.76%, 3-month at 1.91%, 6-month at 1.91% and 12-month at 1.99%.

*You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.*

Performance shown is for Wealth Shares. The fund offers additional share classes whose performance will vary due to differences in charges and expenses. Please consult your financial institution regarding your eligibility to purchase these classes.

### A Word About Risk

Income may be subject to the federal alternative minimum tax (AMT) for individuals. Although the fund will normally invest its assets so that distributions of annual interest income are exempt from federal regular income tax and AMT, the Fund may invest its assets in securities the interest from which may be subject to AMT, state and/or federal income tax. Consult your tax professional for more information.

Current and future portfolio holdings are subject to risk.

### Definitions

Net yields are based on the average daily income dividend and average net asset value for the 7 days ended on the date of calculation. The 7-day net annualized yield is based on the average net income per share for the 7 days ended on the date of calculation and the offering price on that date.

The fund is a managed portfolio and its holdings are subject to change.

The holdings percentages are based on net assets at the close of business on 12/31/19 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

Weighted Average Maturity is the mean average of the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid, (b) would be repaid upon a demand by the fund or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates if their scheduled maturity is 397 days or less, and the later of the two dates if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

Weighted Average Life is calculated in the same manner as the Weighted Average Maturity (WAM), but is based solely on the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid or (b) would be repaid upon a demand by the fund without reference to when interest rates of securities within the fund are scheduled to be readjusted.

Variable rate demand notes are tax-exempt securities that require the issuer or a third party, such as a dealer or bank, to repurchase the security for its face value upon demand. The securities also pay interest at a variable rate intended to cause the securities to trade at their face value.

**This must be preceded or accompanied by a current prospectus.**