

Federated Institutional High Yield Bond Fund

Nasdaq Symbol — R6: FIHLX | IS: FIHBX

Product Highlights

- Pursues a high level of current income.
- Invests in below-investment-grade securities, providing exposure to the higher-yielding, lower-rated, corporate bond market.
- Offers the potential for attractive relative total returns in economic recoveries through ratings upgrades or improved performance of issuing companies.
- Serves as a core institutional high-yield bond holding.
- Provides portfolio diversification; historically, high-yield bond performance has not been correlated to other types of bonds.

Morningstar Category

High Yield Bond

Benchmark

Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index

Key Investment Team

Mark Durbiano, CFA
Steven Wagner

Yields

30-Day Yield - R6	4.66%
30-Day Yield - IS	4.65%

Fund Statistics

Portfolio Assets	\$7.2 b
Number of Securities	523
Dividends	Paid Monthly
Weighted Average Effective Maturity	3.0 Years
Weighted Average Duration to Worst	2.5 Years
Weighted Average Bond Price	\$102.94

Top Holdings (%)

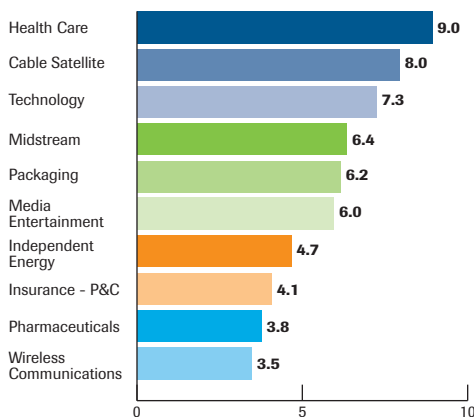
Charter Communications, Inc.	2.3
Bausch Health Cos, Inc.	2.0
CSC Holdings LLC	2.0
HCA Holdings, Inc.	1.6
Sprint Corp.	1.5
Tenet Healthcare Corp.	1.3
Hub International Ltd.	1.2
Targa Resources Partners LP / Targa Resources Partners Finance Corp.	1.2
Eagle Holding Co. II LLC	1.1
Flex Acquisition Co., Inc.	1.0

Overall Morningstar Rating™

Institutional Shares

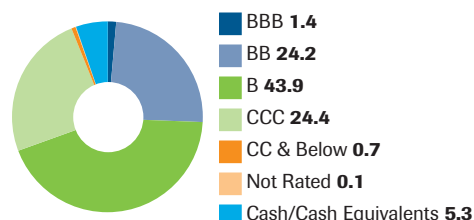


Top Sector Weightings (%)



Rating is based on risk adjusted total return for Institutional Shares out of 616 Funds in High Yield Bond Category. The overall rating is derived from a weighted average of the fund's three-, five-, and ten-year average annual returns, as applicable.

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
R6	11/1/02	2.89	14.98	6.19	6.14	7.56	6.95	8.26	0.51	0.49
IS	11/1/02	2.79	14.97	6.18	6.13	7.60	7.21	8.60	0.55	0.50
Benchmark		2.61	14.32	6.36	6.14	7.55	7.20	-	-	-

Calendar Year Total Returns (%)

Institutional Shares/NAV

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
NAV	14.97	-2.84	7.16	15.09	-2.29	3.08	7.31	15.16	5.68	14.78
Benchmark	14.32	-2.08	7.50	17.13	-4.43	2.46	7.44	15.78	4.96	14.94

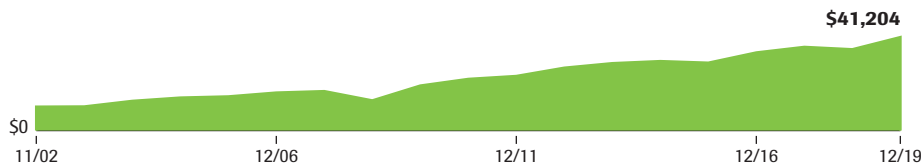
Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. 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 1/1/21 or the date of the fund's next effective prospectus.

Federated Institutional High Yield Bond Fund

Growth Over Time

If you had invested \$10,000 in Institutional Shares on 11/30/02 (month end of the fund's performance inception) and reinvested all distributions, here's how your account would have grown by 12/31/19.



The fund's R6 Shares commenced operations on June 30, 2016. For the period prior to the commencement of operations of the R6 Shares, the performance information shown is for Institutional Shares. The performance of the Institutional Shares has not been adjusted to reflect the expenses applicable to the R6 Shares since the R6 Shares have a lower expense ratio than the expense ratio of the Institutional Shares. The performance of the Institutional Shares has been adjusted to remove any voluntary waiver of fund expenses related to the Institutional Shares that may have occurred during the period prior to the commencement of operations of the R6 Shares.

The fund may invest in Federated Portfolios that are not available to the public and provide for more effective diversification than is available through the purchase of individual securities. Where applicable, the fund holdings reflect exposure to underlying securities held by the portfolios.

A Word About Risk

Mutual funds are subject to risks and fluctuate in value. High-yield, lower-rated securities generally entail greater market, credit/default and liquidity risks, and may be more volatile than investment-grade securities.

Bond prices are sensitive to changes in interest rates, and a rise in interest rates can cause a decline in their prices.

Definitions

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. Because this is a managed portfolio, the investment mix will change. Holdings are high-yield debt securities.

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. In the absence of temporary expense waivers or reimbursements, the 30-day yield would have been 4.64% for R6 Shares and 4.60% for Institutional 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 Maturity is the average time to maturity of debt securities held in the fund.

Weighted Average Duration to Worst is the approximate percentage change in a bond's price given a 1% change in its yield-to-maturity or its yield-to-call, whichever is lower. Duration-to-Worst is the same as Macaulay's duration except the predetermined set of principal and interest cash flows are based on either the final maturity date, or a call date within the bond's call schedule, whichever would result in the lowest yield to the investor - i.e., the Yield-to-Worst.

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.

Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index is an issuer-constrained version of the flagship U.S. Corporate High Yield Index, which measures the USD-denominated, high yield, fixed-rate corporate bond market. The index follows the same rules as the uncapped version, but limits the exposure of each issuer to 2% of the total market value and redistributes any excess market value index wide on a pro rata basis. The index was created in 2002, with history backfilled to January 1, 1993.

Indexes are unmanaged and cannot be invested in directly.

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.

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. ©2020 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 Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take sales charges into account. Federated Institutional High Yield Bond Fund was rated against the following numbers of U.S.-domiciled High Yield Bond funds over the following time periods. Ratings are for Institutional Shares; other classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/19, the fund received 4, 5 and 5 stars, and was rated among 616, 539 and 339 funds, respectively. 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.