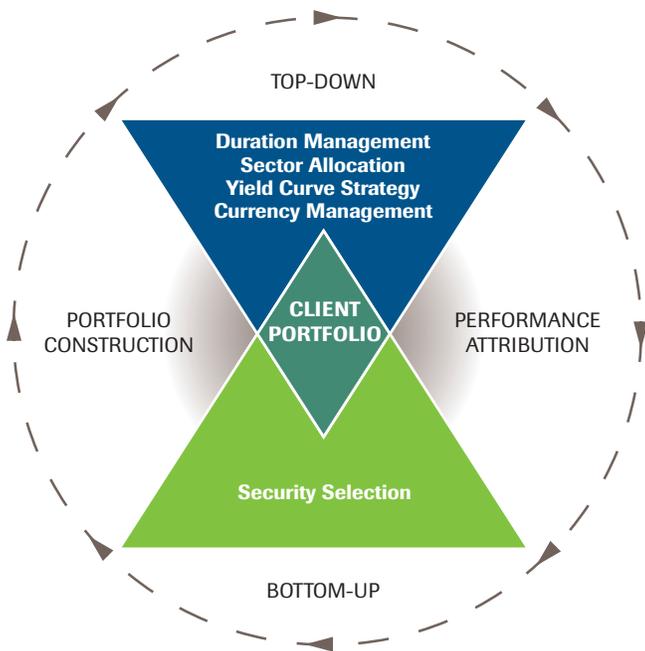


The Federated Approach to Managing Fixed-Income Investments



Experience

Federated has earned a well-deserved reputation as a strong fixed-income manager.¹ Our track record spans decades and we have been at the forefront of innovation, offering one of the first government bond funds (1969), one of the first high-yield bond funds (1972), one of the first tax-free² municipal bond funds (1976), and one of the first high-yield municipal bond funds (1996), but stability is also a strong trait. Our senior fixed-income management team averages 26 years of experience, and team members have worked together at Federated for 22 years.

Philosophy

Federated believes that optimum results in fixed-income products are best achieved through a traditional value-based approach, using fundamental analysis with teams focused by sector to extract value from each step. Our management process combines top-down decision making with bottom-up security selection to build diversified, risk-managed portfolios.

Multiple Alpha Sources: The Alpha Pod Process

Federated fixed-income teams make key investment decisions based on input from our proprietary structure we call alpha pods. The alpha pod process consists of duration management, sector allocation, yield-curve strategy and currency management. The culmination of this process occurs at the security selection level.

Alpha Pods				
<p>Duration Management</p> <p>Our interest-rate outlook based on a thorough analysis of:</p> <ul style="list-style-type: none"> ■ Business Cycle Analysis ■ Valuation Indicators ■ Global Attractiveness 	<p>Sector Allocation</p> <p>Our weighting position relative to the benchmark after an intensive review of:</p> <ul style="list-style-type: none"> ■ Historical Spread Analysis ■ Volatility Analysis ■ Business Cycle 	<p>Yield Curve Strategy</p> <p>Our position along the yield curve based on an assessment of:</p> <ul style="list-style-type: none"> ■ Federal Reserve Policy ■ Inflation Expectations ■ Multi-Factor Model 	<p>Currency Management</p> <p>Our exposure to non-dollar fixed income based upon:</p> <ul style="list-style-type: none"> ■ U.S. Current Account/ Fiscal Conditions ■ Interest Rate Differential ■ Growth Expectation 	<p>Security Selection</p> <p>A model list of securities identified through analysis of:</p> <ul style="list-style-type: none"> ■ Industry Outlook ■ Relative Value ■ Credit Quality ■ Structural Characteristics

¹ Source: Strategic Insight, Top 10% of fixed-income managers based on assets under management, 3/31/19.

² Income may be subject to the federal alternative minimum tax and state and local tax.

CIO**Bob Ostrowski**

Joined Federated: 1987
32 yrs. investment experience

Alpha Pod Chairs**Duration Management****R.J. Gallo**

Joined Federated: 2000
25 yrs. investment experience

Sector Allocation**Mark Durbiano**

Joined Federated: 1982
37 yrs. investment experience

Yield Curve Strategy**Don Ellenberger**

Joined Federated: 1996
33 yrs. investment experience

Currency Management**Ihab Salib**

Joined Federated: 1999
27 yrs. investment experience

Mutual funds are subject to risks and fluctuate in value.

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

High-yield, lower-rated securities generally entail greater market, credit/default and liquidity risks, and may be more volatile than investment-grade securities.

Alpha measures a fund's risk-adjusted performance. It represents the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. A positive value for alpha implies that the fund has performed better than would have been expected given its volatility. The higher the alpha, the better the fund's risk-adjusted performance.

Duration is a measure of a security's price sensitivity to changes in interest rates. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

Yield Curve: Graph showing the comparative yields of securities in a particular class according to maturity. Securities on the long end of the yield curve have longer maturities.

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

Diversification does not assure a profit nor protect against loss.

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 prospectus before investing.