

Semi-Annual Shareholder Report

February 28, 2019

Share Class | Ticker

A | FMOAX
F | FHFTX

B | FMOBX
Institutional | FMYIX

C | FMNCX

Federated Municipal High Yield Advantage Fund

Fund Established 1987

A Portfolio of Federated Municipal Securities Income Trust

IMPORTANT NOTICE REGARDING REPORT DELIVERY

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports like this one will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically by contacting your financial intermediary (such as a broker-dealer or bank); other shareholders may call the Fund at 1-800-341-7400, Option 4.

You may elect to receive all future reports in paper free of charge. You can inform the Fund or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by contacting your financial intermediary (such as a broker-dealer or bank); other shareholders may call the Fund at 1-800-341-7400, Option 4. Your election to receive reports in paper will apply to all funds held with the Fund complex or your financial intermediary.

Not FDIC Insured • May Lose Value • No Bank Guarantee



**J. Christopher
Donahue**

President

Federated Municipal
High Yield
Advantage Fund

Letter from the President

Dear Valued Shareholder,

I am pleased to present the Semi-Annual Shareholder Report for your fund covering the period from September 1, 2018 through February 28, 2019. This report includes a complete listing of your fund's holdings, performance information and financial statements along with other important fund information.

In addition, our website, FederatedInvestors.com, offers easy access to Federated resources that include timely fund updates, economic and market insights from our investment strategists, and financial planning tools.

Thank you for investing with Federated. I hope you find this information useful and look forward to keeping you informed.

Sincerely,

A handwritten signature in cursive script that reads "J. Christopher Donahue". The ink is dark and the signature is fluid and legible.

J. Christopher Donahue, President

CONTENTS

In Memoriam..... 1

Portfolio of Investments Summary Table 2

Portfolio of Investments..... 3

Financial Highlights 30

Statement of Assets and Liabilities..... 35

Statement of Operations..... 37

Statement of Changes in Net Assets..... 38

Notes to Financial Statements 39

Shareholder Expense Example 51

Evaluation and Approval of Advisory Contract..... 53

Voting Proxies on Fund Portfolio Securities 60

Quarterly Portfolio Schedule 60

In Memoriam

With profound sadness, Federated announces the passing of Richard B. (“Dick”) Fisher. He will be greatly missed.

RICHARD B. FISHER

(Former Officer of the Federated Funds, Chairman of Federated Securities Corp., and Vice Chairman of Federated Investors, Inc.)

Dick Fisher, along with John F. (“Jack”) Donahue and Thomas J. Donnelly, Esq., co-founded Federated in 1955 and served as a leader, particularly for Federated’s sales division, and an officer of the Federated Funds. Mr. Fisher was a family man of deep faith, with exemplary character, prodigious generosity, immeasurable devotion, undeniable charm and a good sense of humor. He served his religion, family, community, and the Federated Funds and Federated, as well as their shareholders, officers and employees, with distinction. His integrity, intelligence, and keen sense of duty to shareholders, coupled with his faith and devotion to family, allowed him to become the consummate gentleman and salesman par excellence who will be greatly missed. Among his many achievements, Mr. Fisher led the sales strategy and execution for Federated’s Fund for U.S. Government Securities, the first fund to invest exclusively in government bonds, and spearheaded the campaign for sales of Federated’s Government Income Securities Fund, the first of what would become Federated’s Fortress family of funds. Federated expresses deep gratitude to Mr. Fisher for his inspiring leadership, distinguished service and contributions as a husband, father, co-founder, officer, colleague and friend.

Portfolio of Investments Summary Table (unaudited)

At February 28, 2019, the Fund's sector composition¹ was as follows:

Sector Composition	Percentage of Total Net Assets
Senior Care	11.5%
Education	10.2%
Industrial Development Bond/Pollution Control Revenue Bond	10.0%
Incremental Tax	9.0%
Dedicated Tax	8.6%
Hospital	7.1%
Tobacco	5.6%
Toll Road	4.6%
General Obligation—Local	4.4%
Water and Sewer	4.1%
Other ²	23.6%
Other Assets and Liabilities—Net ³	1.3%
TOTAL	100.0%

- 1 Sector classifications, and the assignment of holdings to such sectors, are based upon the economic sector and/or revenue source of the underlying obligor, as determined by the Fund's Adviser. For securities that have been enhanced by a third-party guarantor, such as bond insurers and banks, sector classifications are based upon the economic sector and/or revenue source of the underlying obligor, as determined by the Fund's Adviser.*
- 2 For purposes of this table, sector classifications constitute 75.1% of the Fund's total net assets. Remaining sectors have been aggregated under the designation "Other."*
- 3 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.*

Portfolio of Investments

February 28, 2019 (unaudited)

Principal Amount		Value
	MUNICIPAL BONDS—97.9%	
	Alabama—1.2%	
\$ 500,000	Huntsville, AL Special Care Facilities Financing Authority (Redstone Village), Retirement Facilities Revenue Bonds (Series 2011A), (Original Issue Yield: 7.625%), 7.500%, 1/1/2047	\$ 422,490
1,500,000	Huntsville, AL Special Care Facilities Financing Authority (Redstone Village), Retirement Facility Revenue Bonds (Series 2007), (Original Issue Yield: 5.600%), 5.500%, 1/1/2043	1,059,645
2,000,000	Jefferson County, AL Sewer System, Senior Lien Sewer Revenue Current Interest Warrants (Series 2013-A), (Original Issue Yield: 5.650%), (Assured Guaranty Municipal Corp. INS), 5.500%, 10/1/2053	2,202,940
2,000,000	Jefferson County, AL Sewer System, Senior Lien Sewer Revenue Current Interest Warrants (Series 2013A), (Original Issue Yield: 5.450%), (Assured Guaranty Municipal Corp. INS), 5.250%, 10/1/2048	2,188,080
835,000	Selma, AL IDB (International Paper Co.), Gulf Opportunity Zone Bonds (Series 2010A), 5.800%, 5/1/2034	867,114
	TOTAL	6,740,269
	Alaska—0.0%	
1,000,000	¹⁻² Alaska Industrial Development and Export Authority (Boys & Girls Home & Family Services, Inc.), Community Provider Revenue Bonds (Series 2007C), 6.000%, 12/1/2036	50,000
	Arizona—2.7%	
650,000	³ Arizona State Industrial Development Authority Education Revenue (Basis Schools, Inc. Obligated Group), (Series 2017D), 5.000%, 7/1/2051	654,797
500,000	³ Arizona State Industrial Development Authority Education Revenue (Basis Schools, Inc. Obligated Group), Education Revenue Bonds (Series 2017G), 5.000%, 7/1/2051	503,690
1,750,000	³ Arizona State Industrial Development Authority Education Revenue (Pinecrest Academy of Nevada), Horizon, Inspirada and St. Rose Campus Education Revenue Bonds (Series 2018A), 5.750%, 7/15/2048	1,832,110
4,000,000	Maricopa County, AZ Pollution Control Corp. (Public Service Co., NM), PCR Refunding Bonds (Series 2003A), 6.250%, 1/1/2038	4,166,120
1,000,000	³ Maricopa County, AZ, IDA (Paradise Schools), Revenue Refunding Bonds, 5.000%, 7/1/2047	1,020,210
1,500,000	Phoenix, AZ IDA (GreatHearts Academies), Education Facility Revenue Bonds (Series 2014A), 5.000%, 7/1/2044	1,545,810
1,000,000	Phoenix, AZ IDA (GreatHearts Academies), Education Facility Revenue Bonds (Series 2016A), 5.000%, 7/1/2046	1,034,430
3,000,000	Salt Verde Financial Corp., AZ, Senior Gas Revenue Bonds (Series 2007), (Citigroup, Inc. GTD), 5.000%, 12/1/2037	3,543,990

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Arizona—continued	
\$1,000,000	Tempe, AZ IDA (Mirabella at ASU), Revenue Bonds (Series 2017A), 6.125%, 10/1/2047	\$ 1,081,980
430,000	³ Verrado Community Facilities District No. 1, AZ, District GO Refunding Bonds (Series 2013A), 6.000%, 7/15/2027	457,546
	TOTAL	15,840,683
	California—7.5%	
750,000	³ California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2014A), 5.125%, 7/1/2044	797,790
565,000	³ California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2015A), 5.000%, 7/1/2045	602,866
500,000	³ California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2017A), 5.000%, 7/1/2047	541,545
2,000,000	California State Municipal Finance Authority (LINXS APM Project), Senior Lien Revenue Bonds (Series 2018A), 5.000%, 6/1/2048	2,202,600
1,000,000	³ California State School Finance Authority Charter School Revenue (Bright Star Schools-Obligated Group), Charter School Revenue Bonds (series 2017), 5.000%, 6/1/2047	1,016,130
500,000	³ California State School Finance Authority Charter School Revenue (Rocketship Public Schools), Revenue Bonds (Series 2017G), 5.000%, 6/1/2047	510,800
1,100,000	³ California State School Finance Authority Charter School Revenue (Summit Public Schools Obligated Group), (Series 2017), 5.000%, 6/1/2053	1,171,742
2,250,000	³ California Statewide Communities Development Authority (Loma Linda University Medical Center), Revenue Bonds (Series 2016A), 5.250%, 12/1/2056	2,390,490
1,555,000	Community Facilities District No. 2016 of the County of Orange (CFD 2016-1 (Village of Esencia)), Special Tax Revenue Bonds (Series 2016A), 5.000%, 8/15/2046	1,660,864
1,000,000	Community Facilities District No. 2017 of the County of Orange (CFD 2017-1 (Village of Esencia)), Improvement Area No.1 Special Tax Revenue Bonds (Series 2018A), 5.000%, 8/15/2047	1,080,460
500,000	Corona-Norco USD Community Facilities District No. 98-1, CA, 2013 Special Tax Refunding Bonds, 5.000%, 9/1/2032	562,950
3,000,000	Foothill/Eastern Transportation Corridor Agency, CA, Toll Road Refunding Revenue Bonds (Series 2013A), (Original Issue Yield: 6.400%), 6.000%, 1/15/2053	3,431,220
2,500,000	Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Asset-Backed Bonds (Series 2018A-1), 5.000%, 6/1/2047	2,406,175
95,000	Irvine, CA (Irvine, CA Reassessment District No. 13-1), Limited Obligation Improvement Bonds, 5.000%, 9/2/2028	105,355
365,000	Irvine, CA (Irvine, CA Reassessment District No. 13-1), Limited Obligation Improvement Bonds, 5.000%, 9/2/2029	403,343
180,000	Irvine, CA (Irvine, CA Reassessment District No. 13-1), Limited Obligation Improvement Bonds, 5.000%, 9/2/2030	198,018

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	California—continued	
\$1,300,000	Irvine, CA Community Facilities District No. 2013-3 (Great Park Improvement Area No. 4), Special Tax Bonds (Series 2016), 4.000%, 9/1/2049	\$ 1,299,077
1,000,000	Irvine, CA Community Facilities District No. 2013-3 (Great Park Improvement Area No.1), Special Tax Bonds (Series 2014), 5.000%, 9/1/2049	1,058,970
3,000,000	Los Angeles Department of Water & Power (Los Angeles, CA Department of Water & Power (Electric/Power System)), Revenue Refunding Bonds (Series 2017B), 5.000%, 7/1/2038	3,448,800
850,000	Los Angeles, CA Department of Airports (Los Angeles International Airport), Subordinate Revenue Bonds (Series 2017A), 5.000%, 5/15/2047	945,710
1,000,000	Los Angeles, CA Harbor Department, Revenue Refunding Bonds (Series 2014A), 5.000%, 8/1/2044	1,112,380
2,500,000	M-S-R Energy Authority, CA, Gas Revenue Bonds (Series 2009A), (Citigroup, Inc. GTD), 7.000%, 11/1/2034	3,579,200
1,000,000	Palomar Health, CA Revenue, (Series 2016), 5.000%, 11/1/2039	1,067,180
485,000	Poway, CA Unified School District (Community Facilities District No. 6 (4S Ranch)), Special Tax Bonds (Series 2012), 5.000%, 9/1/2033	532,933
1,000,000	Roseville, CA Special Tax (Fiddymant Ranch CFD No. 1), Special Tax Refunding Revenue Bonds (Series 2017), 5.000%, 9/1/2034	1,098,580
308,000	San Bernardino County, CA Housing Authority (Glen Aire Park & Pacific Palms), Subordinated Revenue Bonds, 7.250%, 4/15/2042	203,326
1,250,000	San Buenaventura, CA (Community Memorial Health System), Revenue Bonds (Series 2011), 8.000%, 12/1/2031	1,396,000
3,000,000	San Francisco, CA City & County Airport Commission, Second Series Revenue Bonds (Series 2019A), 5.000%, 5/1/2049	3,382,770
1,000,000	San Francisco, CA City & County Redevelopment Financing Agency (Mission Bay North Redevelopment), Tax Allocation Bonds (Series 2011C), (Original Issue Yield: 6.860%), (United States Treasury PRF 2/1/2021@100), 6.750%, 8/1/2041	1,099,780
1,280,000	San Francisco, CA City & County Redevelopment Financing Agency (Mission Bay North Redevelopment), Tax Allocation Refunding Bonds (Series 2016A), (National Public Finance Guarantee Corporation INS), 5.000%, 8/1/2041	1,427,085
500,000	San Francisco, CA City & County Redevelopment Financing Agency (Mission Bay South Redevelopment), Tax Allocation Refunding Bonds (Series 2016C), (National Public Finance Guarantee Corporation INS), 5.000%, 8/1/2041	557,110
1,250,000	Santa Margarita, CA Water District Community Facilities District No. 2013-1, Special Tax Bonds (Series 2013), (Original Issue Yield: 5.700%), 5.625%, 9/1/2043	1,340,713
990,000	Western Riverside Water & Wastewater Financing Authority, CA, Local Agency Revenue Refunding Bonds (Series 2016A), 5.000%, 9/1/2044	1,084,812
	TOTAL	43,716,774

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Colorado—8.8%	
\$ 750,000	Arista, CO Metropolitan District, Special Revenue Refunding and Improvement Bonds (Series 2018A), 5.000%, 12/1/2038	\$ 761,490
1,000,000	Banning Lewis Ranch Metropolitan District No.4, LT GO Bonds (Series 2018A), 5.750%, 12/1/2048	1,010,470
1,000,000	Banning Lewis Ranch Regional Metropolitan District, LT GO Bonds (Series 2018A), 5.375%, 12/1/2048	1,013,490
1,500,000	Base Village Metropolitan District No. 2, LT GO Refunding Bonds (Series 2016A), 5.750%, 12/1/2046	1,509,315
2,750,000	Castle Oaks, CO Metropolitan District No. 3, LT GO Tax Refunding Bonds (Series 2017), 5.000%, 12/1/2047	2,696,347
1,500,000	Centerra Metropolitan District No. 1, CO, Special Revenue Refunding and Improvement Bonds (Series 2017), (Original Issue Yield: 5.100%), 5.000%, 12/1/2047	1,504,995
2,000,000	Central Platte Valley, CO Metropolitan District, GO Refunding Bonds (Series 2013A), 5.625%, 12/1/2038	2,220,780
1,250,000	Central Platte Valley, CO Metropolitan District, GO Refunding Bonds (Series 2013A), 6.000%, 12/1/2038	1,418,538
1,000,000	Central Platte Valley, CO Metropolitan District, GO Refunding Bonds (Series 2014), 5.000%, 12/1/2043	1,046,260
2,000,000	Colliers Hill, CO Metropolitan District No. 2, General Obligation Limited Tax Bonds (Series 2017A), 6.500%, 12/1/2047	2,006,220
1,000,000	³ Colorado Educational & Cultural Facilities Authority (Loveland Classical School), School Improvement Revenue Bonds (Series 2016), 5.000%, 7/1/2046	1,001,750
1,625,000	Colorado Educational & Cultural Facilities Authority (Skyview Academy), Charter School Refunding & Improvement Revenue Bonds (Series 2014), 5.500%, 7/1/2049	1,650,317
1,000,000	³ Colorado Educational & Cultural Facilities Authority (University Lab School), Charter School Refunding & Improvement Revenue Bonds (Series 2015), (Original Issue Yield: 5.020%), 5.000%, 12/15/2045	1,032,410
1,500,000	Colorado Health Facilities Authority (Christian Living Communities), Revenue Refunding Bonds (Series 2016), 5.000%, 1/1/2037	1,577,760
800,000	Colorado Health Facilities Authority (Volunteers of America Care Facilities), Health & Residential Care Facilities Revenue Bonds (Series 2007), 5.300%, 7/1/2037	794,376
2,000,000	Colorado High Performance Transport Enterprise Revenue, C-470 Express Lanes Senior Revenue Bonds (Series 2017), 5.000%, 12/31/2056	2,132,860
2,000,000	Colorado State Health Facilities Authority Revenue (Frasier Meadows Manor, Inc.), (Series 2017A), 5.250%, 5/15/2047	2,125,700
1,500,000	Copperleaf Metropolitan District No. 2, CO, LT GO Refunding Bonds (Series 2015), 5.750%, 12/1/2045	1,564,185
1,250,000	Denver Connection West Metropolitan District, LT GO Bonds (Series 2017A), 5.375%, 8/1/2047	1,255,850

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Colorado—continued	
\$1,000,000	Denver, CO City & County Department of Aviation (Denver, CO City & County Airport Authority), Airport System Revenue Bonds (Series 2018A), (Original Issue Yield: 4.070%), 4.000%, 12/1/2048	\$ 1,003,890
500,000	Denver, CO Convention Center Hotel Authority, Senior Revenue Refunding Bonds (Series 2016), 5.000%, 12/1/2040	537,510
1,000,000	³ Denver, CO Health & Hospital Authority, Revenue Refunding Bonds (Series 2017A), 5.000%, 12/1/2034	1,112,770
750,000	Eagle County, CO Air Terminal Corp., Revenue Refunding Bonds (Series 2011A), 6.000%, 5/1/2027	807,645
1,500,000	Lakes at Centerra Metropolitan District No. 2, LT GO Refunding and Improvement Bonds (Series 2018A), 5.250%, 12/1/2047	1,509,360
1,250,000	Leyden Rock Metropolitan District No. 10, CO, LT GO Refunding & Improvement Bonds (Series 2016A), 5.000%, 12/1/2045	1,256,713
2,500,000	North Range, CO Metropolitan District No. 2, LT GO and Special Revenue Refunding and Improvement Bonds (Series 2017A), 5.750%, 12/1/2047	2,489,300
1,500,000	Park 70 Metropolitan District, CO, General Obligation Refunding and Improvement Bonds (Series 2016), 5.000%, 12/1/2046	1,578,810
2,000,000	Public Authority for Colorado Energy, Natural Gas Purchase Revenue Bonds (Series 2008), (Original Issue Yield: 6.630%), (Bank of America Corp. GTD), 6.250%, 11/15/2028	2,505,860
1,500,000	Sierra Ridge Metropolitan District No. 2, LT GO Bonds (Series 2016A), 5.500%, 12/1/2046	1,522,710
2,500,000	St. Vrain Lakes, CO Metropolitan District No.2, Limited Tax GO Senior Bonds (Series 2017A), 5.125%, 12/1/2047	2,486,750
1,220,000	STC Metropolitan District No. 2, CO, LT GO Senior Bonds (Series 2015A), (Original Issue Yield: 6.250%), 6.000%, 12/1/2038	1,243,558
1,500,000	Sterling Ranch Community Authority Board, CO (Sterling Ranch Metropolitan District No. 2, CO), Limited Tax Supported Revenue Senior Bonds (Series 2015A), (Original Issue Yield: 5.830%), 5.750%, 12/1/2045	1,530,990
1,030,000	Tallyn's Reach Metropolitan District No. 3, CO, LT GO Refunding & Improvement Bonds (Series 2013), 5.125%, 11/1/2038	1,074,105
2,000,000	Three Springs Metropolitan District No. 3, CO, Property Tax Supported Revenue Bonds (Series 2010), 7.750%, 12/1/2039	2,037,940
	TOTAL	51,021,024
	Connecticut—0.8%	
1,000,000	Connecticut Development Authority (Bombardier, Inc.), Airport Facility Revenue Bonds, 7.950%, 4/1/2026	957,330
1,500,000	Connecticut State Special Transportation Fund, Special Tax Obligation Bonds Transportation Infrastructure Purpose (Series 2018B), 5.000%, 10/1/2038	1,669,485

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Connecticut—continued	
\$1,835,000	³ Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment Refunding Bonds (Series 2015C), (Original Issue Yield: 6.375%), 6.250%, 2/1/2030	\$ 2,003,288
	TOTAL	4,630,103
	Delaware—1.1%	
1,350,000	³ Delaware Economic Development Authority (ASPIRA of Delaware Charter Operations, Inc.), Charter School Revenue Bonds (Series 2016A), 5.000%, 6/1/2051	1,295,676
1,905,000	Delaware Economic Development Authority (Delmarva Power and Light Co.), Gas Facilities Refunding Bonds, 5.400%, 2/1/2031	1,982,095
3,000,000	³ Millsboro, DE Special Obligations (Plantation Lakes Special Development District), Special Tax Revenue Refunding Bonds (Series 2018), 5.250%, 7/1/2048	3,061,860
	TOTAL	6,339,631
	District of Columbia—1.3%	
1,030,000	District of Columbia (KIPP DC), Revenue Bonds (Series 2013A), (United States Treasury PRF 7/1/2023@100), 6.000%, 7/1/2043	1,212,011
2,000,000	District of Columbia Revenue (Friendship Public Charter School, Inc.), Revenue Bonds (Series 2012A), 5.000%, 6/1/2042	2,067,560
1,000,000	District of Columbia Revenue (Friendship Public Charter School, Inc.), Revenue Bonds (Series 2016A), 5.000%, 6/1/2046	1,058,360
1,000,000	District of Columbia Revenue (Ingleside at Rock Creek), Project Revenue Bonds (Series 2017A), (Original Issue Yield: 5.250%), 5.000%, 7/1/2052	1,006,020
1,000,000	Metropolitan Washington, DC Airports Authority, Airport System Revenue Refunding Bonds (Series 2018A), 5.000%, 10/1/2038	1,139,060
1,000,000	Metropolitan Washington, DC Airports Authority, Revenue Refunding Bonds (Series 2017A), 5.000%, 10/1/2047	1,109,680
	TOTAL	7,592,691
	Florida—4.0%	
150,000	Arborwood, FL Community Development District, Special Assessment Revenue Bonds (Series 2014A-1), (Original Issue Yield: 6.900%), 6.900%, 5/1/2036	162,379
3,000,000	³ Collier County, FL IDA (Arlington of Naples), Continuing Care Community Revenue Bonds (Series 2013A), (Original Issue Yield: 8.375%), 8.250%, 5/15/2049	2,926,050
1,000,000	Florida State Mid-Bay Authority, First Senior Lien Revenue Bonds (Series 2015A), 5.000%, 10/1/2040	1,080,300
1,000,000	Lakewood Ranch Stewardship District, FL (Lakewood Centre North), Special Assessment Revenue Bonds (Series 2015), (Original Issue Yield: 4.960%), 4.875%, 5/1/2045	995,640
1,000,000	Lakewood Ranch Stewardship District, FL (Lakewood National & Polo Run), Special Assessment Bonds, (Original Issue Yield: 5.400%), 5.375%, 5/1/2047	1,032,240

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Florida—continued	
\$1,000,000	Lakewood Ranch Stewardship District, FL (Northeast Sector Project—Phase 1B), Special Assessment Revenue Bonds (Series 2018), 5.450%, 5/1/2048	\$ 1,022,260
1,375,000	Lakewood Ranch Stewardship District, FL (Villages of Lakewood Ranch South), Special Assessment Revenue Bonds (Series 2016), (Original Issue Yield: 5.160%), 5.125%, 5/1/2046	1,379,166
2,000,000	Lee County, FL IDA (Cypress Cove at Healthpark), Healthcare Facilities Refunding Revenue Bonds (Series 2012), 6.500%, 10/1/2047	2,167,720
2,000,000	Martin County, FL Health Facilities Authority (Martin Memorial Medical Center), Hospital Revenue Bonds (Series 2012), (Original Issue Yield: 5.530%), 5.500%, 11/15/2042	2,131,740
1,000,000	Miami-Dade County, FL Aviation, Aviation Revenue Refunding Bonds (Series 2014A), 5.000%, 10/1/2036	1,094,940
745,000	Midtown Miami, FL Community Development District, Special Assessment & Revenue Refunding Bonds (Series 2014A), (Original Issue Yield: 5.250%), 5.000%, 5/1/2037	770,352
1,000,000	Palm Beach County, FL Health Facilities Authority (Sinai Residences of Boca Raton), Revenue Bonds (Series 2014A), (Original Issue Yield: 7.625%), 7.500%, 6/1/2049	1,122,600
1,405,000	Pinellas County, FL Educational Facilities Authority (Pinellas Preparatory Academy), Revenue Bonds (Series 2011A), 7.125%, 9/15/2041	1,448,527
145,000	^{1,2} Reunion East Community Development District, FL, Special Assessment Bonds (Series 2002A-1), 7.375%, 5/1/2033	1
145,000	Reunion East Community Development District, FL, Special Assessment Refunding Bonds (2015-1), 6.600%, 5/1/2033	144,194
1,000,000	South Lake County, FL Hospital District (South Lake Hospital, Inc.), Revenue Bonds (Series 2009A), (Original Issue Yield: 6.300%), 6.250%, 4/1/2039	1,002,610
10,000	Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 1), 6.550%, 5/1/2027	9,884
1,085,000	Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 2006), 5.400%, 5/1/2037	1,085,944
290,000	Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 2015-1), 0.000%, (Step Coupon 11/1/2021@6.610%)/(Original Issue Yield: 6.930%), 5/1/2040	233,955
175,000	Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 2015-2), 0.000%, (Step Coupon 11/1/2024@6.610%)/(Original Issue Yield: 6.752%), 5/1/2040	115,600
190,000	^{1,2} Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 2015-3), 6.610%, 5/1/2040	2
155,000	^{1,2} Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 3), 6.550%, 5/1/2027	2

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Florida—continued	
\$ 130,000	Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series A-3), 0.000%, (Step Coupon 5/1/2019@6.610%), 5/1/2040	\$ 128,770
70,000	Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series A-4), 0.000%, (Step Coupon 5/1/2022@6.610%), 5/1/2040	57,581
945,000	Verandah West, FL Community Development District, Capital Improvement Revenue Refunding Bonds (Series 2013), (Original Issue Yield: 5.125%), 5.000%, 5/1/2033	954,469
2,000,000	Willow Walk, FL Community Development District, Special Assessment Bonds (Series 2015), 5.625%, 5/1/2045	2,055,540
	TOTAL	23,122,466
	Georgia—0.6%	
1,645,000	Atlanta, GA Development Authority Senior Health Care Facilities (Georgia Proton Treatment Center), Revenue Bonds (Series 2017A-1), (Original Issue Yield: 7.250%), 7.000%, 1/1/2040	1,602,543
1,000,000	Atlanta, GA Water & Wastewater, Revenue Refunding Bonds (Series 2015), 5.000%, 11/1/2040	1,114,690
500,000	Rockdale County, GA Development Authority (Pratt Paper, LLC), Revenue Refunding Bonds (Series 2018), 4.000%, 1/1/2038	500,345
	TOTAL	3,217,578
	Guam—0.2%	
1,000,000	Guam Government Limited Obligation (Section 30), Revenue Refunding Bonds (Series 2016A), 5.000%, 12/1/2046	1,047,150
	Hawaii—0.8%	
1,000,000	Hawaii State Airports System Revenue, Airports Systems Revenue Bonds (Series 2018A), 5.000%, 7/1/2048	1,115,360
3,660,000	Hawaii State Department of Budget & Finance (Hawaiian Electric Co., Inc.), Special Purpose Revenue Bonds (Series 2009), 6.500%, 7/1/2039	3,720,061
	TOTAL	4,835,421
	Idaho—0.6%	
3,000,000	Idaho Health Facilities Authority (Terraces of Boise), Revenue Bonds (Series 2013A), (Original Issue Yield: 8.250%), 8.125%, 10/1/2049	3,332,520
	Illinois—9.8%	
1,875,000	Chicago, IL Board of Education, UT GO Dedicated Refunding Bonds (Series 2018D), (Original Issue Yield: 5.210%), 5.000%, 12/1/2046	1,899,394
3,300,000	Chicago, IL Board of Education, UT GO Dedicated Revenue Bonds (Series 2017A), (Original Issue Yield: 7.650%), 7.000%, 12/1/2046	3,900,996
4,200,000	Chicago, IL Board of Education, UT GO Dedicated Revenue Bonds (Series 2017H), 5.000%, 12/1/2046	4,244,142
1,000,000	Chicago, IL Board of Education, UT GO Dedicated Revenue Refunding Bonds (Series 2018A), 5.000%, 12/1/2030	1,064,180

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Illinois—continued	
\$1,000,000	Chicago, IL Board of Education, UT GO Dedicated Revenue Refunding Bonds (Series 2018A), 5.000%, 12/1/2031	\$ 1,057,620
500,000	Chicago, IL Motor Fuel Tax, Motor Fuel Tax Revenue Refunding Bonds (Series 2013), (Assured Guaranty Municipal Corp. INS), 5.000%, 1/1/2033	533,945
1,125,000	Chicago, IL O'Hare International Airport (Trips Obligated Group), Senior Special Facilities Revenue Bonds ((Series 2018), 5.000%, 7/1/2048	1,225,845
385,000	Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Refunding Bonds (Series 2016B), 5.000%, 1/1/2041	422,114
2,000,000	Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Refunding Bonds (Series 2016D), 5.000%, 1/1/2052	2,183,740
275,000	Chicago, IL O'Hare International Airport, General Airport Third Lien Revenue Bonds (Series 2011A), (Original Issue Yield: 5.940%), 5.750%, 1/1/2039	291,132
1,000,000	Chicago, IL Sales Tax, Revenue Refunding Bonds (Series 2002), (United States Treasury PRF 1/1/2025@100), 5.000%, 1/1/2032	1,173,160
1,250,000	Chicago, IL Water Revenue, Second Lien Water Revenue Bonds (Series 2014), 5.000%, 11/1/2044	1,358,412
625,000	Chicago, IL, UT GO Bonds (Series 2009C), (Original Issue Yield: 5.160%), 5.000%, 1/1/2034	626,100
3,000,000	Chicago, IL, UT GO Bonds (Series 2015A), (Original Issue Yield: 5.640%), 5.500%, 1/1/2033	3,226,740
3,000,000	Chicago, IL, UT GO Refunding Bonds (Series 2014A), (Original Issue Yield: 5.140%), 5.000%, 1/1/2035	3,111,630
2,500,000	Chicago, IL, UT GO Refunding Bonds (Series 2017A), (Original Issue Yield: 6.200%), 6.000%, 1/1/2038	2,807,950
315,000	DuPage County, IL (Naperville Campus LLC), Special Tax Bonds (Series 2006), 5.625%, 3/1/2036	315,564
2,000,000	Illinois Finance Authority (Admiral at the Lake), Revenue Refunding Bonds (Series 2017), 5.500%, 5/15/2054	2,006,360
800,000	Illinois Finance Authority (DeKalb Supportive Living Facility), Multi-Family Housing Revenue Bonds (Series 2007), 6.100%, 12/1/2041	757,632
1,250,000	Illinois Finance Authority (Noble Network of Charter Schools), Education Revenue Bonds (Series 2015), 5.000%, 9/1/2032	1,341,062
1,500,000	Illinois Finance Authority (Uno Charter School Network, Inc.), Charter School Refunding & Improvement Revenue Bonds (Series 2011A), 7.125%, 10/1/2041	1,569,780
1,100,000	Illinois Finance Authority Educational Facility Revenue (Rogers Park Montessori School Project), Senior Revenue Bonds (Series 2014A), 6.125%, 2/1/2045	1,142,537
2,000,000	Illinois State, UT GO Bonds (Series 2013A), 5.000%, 4/1/2035	2,045,020
5,000,000	Illinois State, UT GO Bonds (Series 2017D), 5.000%, 11/1/2027	5,429,400

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Illinois—continued	
\$2,025,000	Illinois State, UT GO Bonds (Series June 2013), (Original Issue Yield: 5.650%), 5.000%, 7/1/2038	\$ 2,114,748
1,485,000	Illinois State, UT GO Bonds (Series May 2014), 5.000%, 5/1/2023	1,578,600
1,000,000	Illinois State, UT GO Bonds (Series of February 2014), (Original Issue Yield: 5.040%), 5.000%, 2/1/2039	1,015,160
3,000,000	Illinois State, UT GO Refunding Bonds (Series 2018A), 5.000%, 10/1/2032	3,176,820
410,000	Illinois State, UT GO Refunding Bonds (Series May 2012), 5.000%, 8/1/2025	429,151
2,000,000	Metropolitan Pier & Exposition Authority, IL, McCormick Place Expansion Project Bonds (Series 2015A), 5.500%, 6/15/2053	2,137,300
1,000,000	Metropolitan Pier & Exposition Authority, IL, McCormick Place Expansion Project Bonds (Series 2017A), 5.000%, 6/15/2057	1,041,030
2,000,000	⁴ Metropolitan Pier & Exposition Authority, IL, McCormick Place Expansion Project Bonds (Series 2017A), (Original Issue Yield: 5.250%), 12/15/2056	308,500
1,000,000	Sales Tax Securitization Corp., IL, Sales Tax Revenue Bonds (Series 2017A), 5.000%, 1/1/2030	1,144,840
	TOTAL	56,680,604
	Indiana—1.4%	
1,250,000	^{1,2,5} Carmel, IN (Barrington of Carmel), Revenue Bonds (Series 2012A), (Original Issue Yield: 7.200%), 7.125%, 11/15/2042	937,500
1,000,000	^{1,2,5} Carmel, IN (Barrington of Carmel), Revenue Bonds (Series 2012A), (Original Issue Yield: 7.300%), 7.125%, 11/15/2047	750,000
4,000,000	Indiana State Finance Authority (Ohio River Bridges East End Crossing), Tax-Exempt Private Activity Bonds (Series 2013), 5.250%, 1/1/2051	4,239,960
2,000,000	Rockport, IN (AK Steel Corp.), Revenue Refunding Bonds (Series 2012-A), 7.000%, 6/1/2028	2,030,160
	TOTAL	7,957,620
	Iowa—1.7%	
979,973	Iowa Finance Authority (Deerfield Retirement Community, Inc.), Senior Living Facility Revenue Refunding Bonds (Series 2014A), 2.700%, 11/15/2046	1,020,965
186,592	¹ Iowa Finance Authority (Deerfield Retirement Community, Inc.), Senior Living Facility Revenue Refunding Bonds (Series 2014B), 2.000%, 5/15/2056	2,332
5,000	Iowa Finance Authority (Iowa Fertilizer Co. LLC), Midwestern Disaster Area Revenue Bonds (Series 2013), 5.500%, 12/1/2022	5,005
995,000	Iowa Finance Authority (Iowa Fertilizer Co. LLC), Midwestern Disaster Area Revenue Bonds (Series 2013) Exchange Bonds (Series B), 5.250%, 12/1/2050	1,058,889

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Iowa—continued	
\$3,000,000	Iowa Finance Authority (Iowa Fertilizer Co. LLC), Midwestern Disaster Area Revenue Bonds (Series 2013), (Original Issue Yield: 5.300%), 5.250%, 12/1/2025	\$ 3,180,270
3,750,000	Tobacco Settlement Financing Corp., IA, Tobacco Settlement Asset-Backed Bonds (Series 2005C), (Original Issue Yield: 5.780%), 5.500%, 6/1/2042	3,736,500
1,060,000	Xenia Rural Water District, Water Revenue Refunding Capital Loan Notes (Series 2016), 5.000%, 12/1/2041	1,136,310
	TOTAL	10,140,271
	Kansas—0.0%	
45,000	Kansas State Development Finance Authority (Adventist Health System/Sunbelt Obligated Group), Revenue Bonds, (Original Issue Yield: 5.950%), (United States Treasury PRF 11/15/2019@100), 5.750%, 11/15/2038	46,218
	Kentucky—0.8%	
1,250,000	Kentucky Economic Development Finance Authority (Miralea), Revenue Bonds (Series 2011A), (Original Issue Yield: 7.400%), (United States Treasury PRF 5/15/2021@100), 7.375%, 5/15/2046	1,400,288
3,000,000	Kentucky Economic Development Finance Authority (Miralea), Revenue Bonds (Series 2016A), 5.000%, 5/15/2046	3,034,110
	TOTAL	4,434,398
	Louisiana—1.0%	
1,725,000	Louisiana Local Government Environmental Facilities Community Development Authority (Westlake Chemical Corp.), Revenue Refunding Bonds (Series 2017), 3.500%, 11/1/2032	1,699,297
970,000	Louisiana Public Facilities Authority (Ochsner Clinic Foundation), Refunding Revenue Bonds (Series 2016), 5.000%, 5/15/2047	1,047,532
30,000	Louisiana Public Facilities Authority (Ochsner Clinic Foundation), Refunding Revenue Bonds (Series 2016), (United States Treasury PRF 5/15/2026@100), 5.000%, 5/15/2047	35,960
1,000,000	Louisiana Public Facilities Authority (Ochsner Clinic Foundation), Revenue Bonds (Series 2011), (Original Issue Yield: 6.650%), (United States Treasury PRF 5/15/2021@100), 6.500%, 5/15/2037	1,102,370
1,500,000	Tobacco Settlement Financing Corp., LA, Tobacco Settlement Asset-Backed Refunding Bonds (Series 2013A), 5.250%, 5/15/2035	1,624,710
	TOTAL	5,509,869
	Maine—0.8%	
1,000,000	Maine Health & Higher Educational Facilities Authority (Eastern Maine Healthcare Systems Obligated Group), Revenue Bonds (Series 2016A), 5.000%, 7/1/2046	1,056,930
1,335,000	Maine Health & Higher Educational Facilities Authority (MaineGeneral Medical Center), Revenue Bonds (Series 2011), 7.500%, 7/1/2032	1,476,190

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Maine—continued	
\$2,000,000	³ Maine State Finance Authority Solid Waste Disposal (Casella Waste Systems, Inc.), Revenue Bonds (Series 2005R-3), 5.250%, 1/1/2025	\$ 2,154,480
	TOTAL	4,687,600
	Maryland—2.1%	
500,000	Baltimore, MD (Harbor Point), Special Obligation Refunding Bonds (Series 2016), (Original Issue Yield: 5.160%), 5.125%, 6/1/2043	512,260
1,500,000	Baltimore, MD Convention Center Hotel Revenue (Baltimore Hotel Corp.), Convention Center Hotel Revenue Refunding Bonds (Series 2017), 5.000%, 9/1/2046	1,616,055
955,000	Baltimore, MD Special Obligation (East Baltimore Research Park), Special Obligation Revenue Refunding Bonds (Series 2017A), 5.000%, 9/1/2038	1,004,221
1,990,000	⁵ Frederick County, MD (Jefferson Technology Park), Tax Increment & Special Tax B Limited Obligation Bonds (Series 2013B), (Original Issue Yield: 7.300%), 7.125%, 7/1/2043	1,791,000
1,060,000	Maryland State Economic Development Corp. (CONSOL Energy, Inc.), Port Facilities Refunding Revenue Bonds (Series 2010), 5.750%, 9/1/2025	1,090,009
200,000	Maryland State Economic Development Corp. (Ports America Chesapeake, Inc.), Transportation Facilities Revenue Refunding Bonds (Series 2017A), 5.000%, 6/1/2032	228,180
450,000	Maryland State Economic Development Corp. (Ports America Chesapeake, Inc.), Transportation Facilities Revenue Refunding Bonds (Series 2017A), 5.000%, 6/1/2035	507,064
1,000,000	Maryland State Economic Development Corp. (Purple Line Transit Partners LLC), Private Activity Revenue Bonds (Series 2016D Green Bonds), 5.000%, 3/31/2051	1,064,750
1,000,000	³ Prince Georges County, MD (Westphalia Town Center), Special Obligation Revenue Bonds (Series 2018), (Original Issue Yield: 5.330%), 5.250%, 7/1/2048	1,017,630
1,000,000	Prince Georges County, MD Revenue Authority (Suitland-Naylor Road Project), Special Obligation Bonds (Series 2016), 5.000%, 7/1/2046	983,820
1,000,000	Rockville, MD Mayor & City Council Economic Development Revenue (Ingleside at King Farm), (Series 2017B), 5.000%, 11/1/2047	1,032,570
1,000,000	Westminster, MD (Lutheran Village at Miller's Grant, Inc.), Revenue Bonds (Series 2014A), (Original Issue Yield: 6.300%), 6.250%, 7/1/2044	1,063,000
	TOTAL	11,910,559
	Massachusetts—0.7%	
1,000,000	³ Massachusetts Development Finance Agency (Newbridge on the Charles), Revenue Refunding Bonds (Series 2017), 5.000%, 10/1/2057	1,033,060
2,000,000	Massachusetts Development Finance Agency (Partners Healthcare Systems), Revenue Refunding Bonds (Series 2016Q), 5.000%, 7/1/2047	2,198,460

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Massachusetts—continued	
\$ 800,000	Massachusetts Development Finance Agency (Tufts Medical Center), Revenue Bonds (Series 2011I), (United States Treasury PRF 1/1/2021@100), 7.250%, 1/1/2032	\$ 877,904
200,000	Massachusetts State Development Finance Agency (Wellforce Obligated Group), Revenue Refunding Bonds (Series 2019A), (Original Issue Yield: 4.170%), 4.000%, 7/1/2044	195,284
	TOTAL	4,304,708
	Michigan—2.4%	
1,000,000	Detroit, MI City School District, School Building & Site Improvement Refunding Bonds (Series 2012A), (Michigan School Bond Qualification and Loan Program GTD), 5.000%, 5/1/2031	1,082,210
1,500,000	Detroit, MI Sewage Disposal System (Great Lakes, MI Water Authority Sewage Disposal System), Senior Lien Revenue Refunding Bonds (Series 2012A), (Original Issue Yield: 5.300%), 5.250%, 7/1/2039	1,616,880
1,000,000	Michigan State Finance Authority Revenue (Great Lakes, MI Water Authority Sewage Disposal System), Senior Lien Revenue Bonds (Series 2014 C-7), (National Public Finance Guarantee Corporation INS), 5.000%, 7/1/2032	1,102,420
1,000,000	Michigan State Finance Authority Revenue (Great Lakes, MI Water Authority Water Supply System), Senior Lien Revenue Bonds (Series 2014 D-6), (National Public Finance Guarantee Corporation INS), 5.000%, 7/1/2036	1,088,220
2,000,000	Michigan State Finance Authority Revenue (Public Lighting Authority), Local Government Loan Program Revenue Bonds (Series 2014B), 5.000%, 7/1/2044	2,117,480
5,000,000	Michigan Tobacco Settlement Finance Authority, Tobacco Settlement Asset-Backed Bonds (Series 2007A), (Original Issue Yield: 6.250%), 6.000%, 6/1/2048	4,912,850
1,500,000	Plymouth, MI Educational Center Charter School, Public School Academy Revenue Refunding Bonds, Series 2005, 5.625%, 11/1/2035	957,840
1,000,000	University of Michigan (The Regents of), General Revenue Bonds (Series 2015), 5.000%, 4/1/2040	1,131,350
	TOTAL	14,009,250
	Minnesota—2.3%	
750,000	Baytown Township, MN (St. Croix Preparatory Academy), Charter School Lease Revenue Refunding Bonds (Series 2016A), 4.000%, 8/1/2041	691,402
1,100,000	Baytown Township, MN (St. Croix Preparatory Academy), Charter School Lease Revenue Refunding Bonds (Series 2016A), 4.250%, 8/1/2046	1,035,430
2,000,000	Duluth, MN EDA (St. Luke's Hospital of Duluth Obligated Group), Health Care Facilities Revenue Bonds (Series 2012), 6.000%, 6/15/2039	2,177,740
1,700,000	Forest Lake, MN (Lakes International Language Academy), Charter School Lease Revenue Bonds (Series 2014A), 5.750%, 8/1/2044	1,755,624

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Minnesota—continued	
\$1,000,000	Forest Lake, MN (Lakes International Language Academy), Charter School Lease Revenue Bonds (Series 2018A), 5.375%, 8/1/2050	\$ 1,014,680
3,000,000	³ Minneapolis, MN Charter School Lease Revenue (Twin Cities International School), (Series 2017A), (Original Issue Yield: 5.150%), 5.000%, 12/1/2047	2,748,030
2,000,000	St. Cloud, MN Charter School (Stride Academy), Lease Revenue Bonds (Series 2016A), 5.000%, 4/1/2046	1,095,600
2,000,000	St. Paul and Ramsey County, MN Housing and Redevelopment Authority (Twin Cities Academy), Charter School Lease Revenue Bonds (Series 2015A), 5.375%, 7/1/2050	2,008,880
325,000	Winona, MN Port Authority (Bluffview Montessori School Project), Lease Revenue Bonds (Series 2016A), 4.500%, 6/1/2036	300,677
750,000	Winona, MN Port Authority (Bluffview Montessori School Project), Lease Revenue Bonds (Series 2016A), 4.750%, 6/1/2046	685,793
	TOTAL	13,513,856
	Mississippi—0.2%	
945,000	Warren County, MS Gulf Opportunity Zone (International Paper Co.), Gulf Opportunity Zone Bonds (Series 2011A), 5.375%, 12/1/2035	1,015,506
	Missouri—0.9%	
2,000,000	³ Kansas City, MO Redevelopment Authority (Kansas City Convention Center Headquarters Hotel CID), Revenue Bonds (Series 2018B), (Original Issue Yield: 5.079%), 5.000%, 2/1/2050	2,017,040
1,000,000	Kirkwood, MO IDA (Aberdeen Heights Project), Retirement Community Revenue Bonds (Series 2010A), (Original Issue Yield: 8.400%), (United States Treasury PRF 5/15/2020@100), 8.250%, 5/15/2039	1,075,510
1,000,000	Kirkwood, MO IDA (Aberdeen Heights Project), Retirement Community Revenue Bonds (Series 2017A), 5.250%, 5/15/2050	1,041,130
915,000	St. Joseph, MO IDA (Living Community St. Joseph Project), Healthcare Revenue Bonds, 7.000%, 8/15/2032	914,982
	TOTAL	5,048,662
	Montana—0.4%	
900,000	Kalispell, MT Housing and Healthcare Facilities (Immanuel Lutheran Corp.), Revenue Bonds (Series 2017A), 5.250%, 5/15/2047	922,824
1,250,000	Kalispell, MT Housing and Healthcare Facilities (Immanuel Lutheran Corp.), Revenue Bonds (Series 2017A), 5.250%, 5/15/2052	1,277,463
	TOTAL	2,200,287
	Nebraska—1.4%	
2,500,000	Central Plains Energy Project, NE, Gas Project Revenue Bonds (Project No. 3) (Series 2012), (Goldman Sachs Group, Inc. GTD), 5.250%, 9/1/2037	2,704,125

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Nebraska—continued	
\$4,700,000	Central Plains Energy Project, NE, Gas Project Revenue Bonds (Project No. 3) (Series 2017C), (Goldman Sachs Group, Inc. GTD), 5.000%, 9/1/2042	\$ 5,416,233
	TOTAL	8,120,358
	Nevada—0.8%	
905,000	³ Director of the State of Nevada Department of Business and Industry (Doral Academy of Nevada), Charter School Revenue Bonds (Series 2017A), 5.000%, 7/15/2047	910,330
1,000,000	³ Director of the State of Nevada Department of Business and Industry (Somerset Academy of Las Vegas), Charter School Lease Revenue Bonds (Series 2018A), 5.000%, 12/15/2048	1,005,640
1,000,000	Las Vegas, NV (Summerlin Village 24 SID No. 812), Local Improvement Bonds (Series 2015), 5.000%, 12/1/2035	1,010,760
1,500,000	Las Vegas, NV Redevelopment Agency, Tax Increment Revenue Refunding Bonds (Series 2016), 5.000%, 6/15/2045	1,619,745
	TOTAL	4,546,475
	New Hampshire—0.3%	
1,500,000	³ New Hampshire Health and Education Facilities Authority (Hillside Village), Revenue Bonds (Series 20017A), (Original Issue Yield: 6.375%), 6.125%, 7/1/2052	1,559,775
	New Jersey—3.8%	
1,000,000	Essex County, NJ Improvement Authority (Covanta Energy Corp.), Solid Waste Disposal Revenue Bonds (Series 2015), 5.250%, 7/1/2045	1,003,980
3,255,000	New Jersey EDA (New Jersey State), School Facilities Construction Bonds (Series 2015 WW), 5.250%, 6/15/2040	3,457,038
3,000,000	New Jersey EDA (New Jersey State), School Facilities Construction Revenue Refunding Bonds (Series 2013NN), 5.000%, 3/1/2030	3,187,350
580,000	New Jersey EDA (New Jersey State), School Facilities Construction Refunding Bonds (Series 2017 DDD), 5.000%, 6/15/2042	609,313
1,335,000	New Jersey EDA (Port Newark Container Terminal LLC), Special Facilities Revenue and Refunding Bonds (Series 2017), 5.000%, 10/1/2047	1,408,492
1,000,000	New Jersey EDA (UMM Energy Partners LLC), Energy Facility Revenue Bonds (Series 2012A), (Original Issue Yield: 5.190%), 5.125%, 6/15/2043	1,031,410
1,500,000	New Jersey EDA (United Airlines, Inc.), Special Facilities Revenue Bonds (Series 2003), 5.500%, 6/1/2033	1,646,970
2,500,000	New Jersey EDA (United Airlines, Inc.), Special Facility Revenue Bonds (Series 1999), 5.250%, 9/15/2029	2,714,125
1,125,000	New Jersey EDA (United Airlines, Inc.), Special Facility Revenue Bonds (Series 2000B), 5.625%, 11/15/2030	1,269,619
1,280,000	New Jersey EDA Motor Vehicle Surcharge Revenue, Subordinate Revenue Refunding Bonds (Series 2017A), 5.000%, 7/1/2033	1,384,921

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	New Jersey—continued	
\$1,200,000	New Jersey State Transportation Trust Fund Authority (New Jersey State), Transportation System Bonds (Series 2011A), 6.000%, 6/15/2035	\$ 1,281,672
1,000,000	New Jersey State Transportation Trust Fund Authority (New Jersey State), Transportation System Bonds (Series 2018A), 5.000%, 12/15/2036	1,080,730
500,000	South Jersey Port Corp., Subordinate Marine Terminal Revenue Bonds (Series 2017B), 5.000%, 1/1/2048	531,850
1,540,000	Tobacco Settlement Financing Corp., NJ, Tobacco Settlement Asset-Backed Subordinate Refunding Bonds (Series 2018B), 5.000%, 6/1/2046	1,559,219
	TOTAL	22,166,689
	New Mexico—0.5%	
1,000,000	New Mexico State Hospital Equipment Loan Council (Gerald Champion Regional Medical Center), Hospital Improvement and Refunding Revenue Bonds (Series 2012A), (Original Issue Yield: 5.700%), 5.500%, 7/1/2042	1,072,960
2,000,000	³ Winrock Town Center, NM Tax Increment Development District 1, Senior Lien Gross Receipts Tax Increment Bonds (Series 2015), (Original Issue Yield: 6.120%), 6.000%, 5/1/2040	2,012,940
	TOTAL	3,085,900
	New York—4.9%	
1,000,000	³ Build NYC Resource Corporation (Albert Einstein School of Medicine, Inc.), Revenue Bonds (Series 2015), 5.500%, 9/1/2045	1,063,990
5,000,000	⁴ Glen Cove, NY Local Economic Assistance Corp. (Garvies Point Public Improvement Project), Capital Appreciation Revenue Bonds (Series 2016B), (Original Issue Yield: 6.000%), 1/1/2045	1,269,250
1,550,000	Glen Cove, NY Local Economic Assistance Corp. (Garvies Point Public Improvement Project), Revenue Bonds (Series 2016A), (Original Issue Yield: 5.080%), 5.000%, 1/1/2056	1,585,138
20,000	Hudson Yards Infrastructure Corp. NY, Hudson Yards Senior Revenue Bonds (Series 2012A), (United States Treasury PRF 2/15/2021@100), 5.750%, 2/15/2047	21,601
2,000,000	Metropolitan Transportation Authority, NY (MTA Transportation Revenue), Revenue Bonds (Series 2014D-1), 5.000%, 11/15/2039	2,187,260
5,000,000	^{3,6} Metropolitan Transportation Authority, NY (MTA Transportation Revenue), Trust Receipts/Certificates (Series 2019-FG0227) MUNINVs, (Assured Guaranty Municipal Corp. GTD), 8.116%, 11/15/2046	5,309,750
1,500,000	Nassau County, NY IDA (Amsterdam at Harborside), Continuing Care Retirement Community Fixed Rate Revenue Bonds (Series 2014A), 6.700%, 1/1/2049	1,498,140
587,731	Nassau County, NY IDA (Amsterdam at Harborside), Continuing Care Retirement Community Fixed Rate Revenue Bonds (Series 2014C), 2.000%, 1/1/2049	99,914

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	New York—continued	
\$1,000,000	New York Counties Tobacco Trust VI, Tobacco Settlement Pass-Through Bonds (Series 201A-2B), 5.000%, 6/1/2051	\$ 1,013,260
2,000,000	³ New York Liberty Development Corporation (3 World Trade Center), Revenue Bonds (Series 2014 Class 1), 5.000%, 11/15/2044	2,082,260
1,000,000	³ New York Liberty Development Corporation (3 World Trade Center), Revenue Bonds (Series 2014 Class 2), 5.375%, 11/15/2040	1,058,920
2,900,000	New York Transportation Development Corporation (American Airlines, Inc.), Special Facility Revenue Refunding Bonds (Series 2016), 5.000%, 8/1/2031	3,007,068
1,000,000	New York Transportation Development Corporation (Delta Air Lines, Inc.), LaGuardia Airport Terminals Special Facilities Revenue Bonds (Series 2018), 5.000%, 1/1/2034	1,129,170
1,185,000	Newburgh, NY, UT GO Bonds (Series 2012A), 5.500%, 6/15/2030	1,291,401
1,120,000	Newburgh, NY, UT GO Bonds (Series 2012A), (Original Issue Yield: 5.400%), 5.250%, 6/15/2029	1,215,637
1,000,000	Niagara Area Development Corporation, NY (Covanta Energy Corp.), Solid Waste Disposal Facility Revenue Refunding Bonds (Series 2018A), 4.750%, 11/1/2042	988,730
2,500,000	Port Authority of New York and New Jersey (JFK International Air Terminal LLC), Special Project Bonds (Series 8), (Original Issue Yield: 6.150%), 6.000%, 12/1/2042	2,641,450
1,000,000	TSASC, Inc. NY, Tobacco Settlement Asset Backed Senior Refunding Bonds (Series 2017A), 5.000%, 6/1/2041	1,059,470
	TOTAL	28,522,409
	North Carolina—1.0%	
2,250,000	North Carolina Department of Transportation (I-77 HOT Lanes), Tax-Exempt Private Activity Revenue Bonds (Series 2015), 5.000%, 6/30/2054	2,350,170
1,000,000	North Carolina Medical Care Commission (United Methodist Retirement Homes), Revenue Refunding Bonds (Series 2017A), 5.000%, 10/1/2037	1,074,020
1,000,000	North Carolina Medical Care Commission (United Methodist Retirement Homes), Revenue Refunding Bonds (Series 2017A), 5.000%, 10/1/2047	1,044,320
1,000,000	North Carolina Medical Care Commission (Whitestone Project), Retirement Facilities First Mortgage Revenue Bonds (Series 2011A), (Original Issue Yield: 8.000%), (United States Treasury PRF 3/1/2021@100), 7.750%, 3/1/2041	1,114,850
	TOTAL	5,583,360
	Ohio—4.1%	
1,000,000	American Municipal Power-Ohio, Inc. (American Municipal Power, Prairie State Energy Campus Project), Refunding Revenue Bonds (Series 2015A), 5.000%, 2/15/2039	1,094,740

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Ohio—continued	
\$2,000,000	Buckeye Tobacco Settlement Financing Authority, OH, Tobacco Settlement Asset-Backed Bonds (Series 2007A-2), (Original Issue Yield: 5.950%), 5.875%, 6/1/2030	\$ 1,885,040
4,020,000	Buckeye Tobacco Settlement Financing Authority, OH, Tobacco Settlement Asset-Backed Bonds (Series 2007A-2), (Original Issue Yield: 6.070%), 5.875%, 6/1/2047	3,763,805
3,655,000	Buckeye Tobacco Settlement Financing Authority, OH, Tobacco Settlement Asset-Backed Bonds (Series A-2), 6.500%, 6/1/2047	3,632,083
1,000,000	Cuyahoga County, OH Hospital Authority (MetroHealth System), Hospital Revenue Bonds (Series 2017), 5.500%, 2/15/2057	1,084,090
1,500,000	Hamilton County, OH (Life Enriching Communities), Healthcare Revenue Bonds (Series 2011A), (Original Issue Yield: 6.750%), (United States Treasury PRF 1/1/2021@100), 6.625%, 1/1/2046	1,631,865
2,000,000	Muskingum County, OH (Genesis Healthcare Corp.), Hospital Facilities Revenue Bonds (Series 2013), (Original Issue Yield: 5.080%), 5.000%, 2/15/2044	2,043,360
4,000,000	Northeast OH Regional Sewer District, Wastewater Improvement Revenue & Refunding Bonds (Series 2014), 5.000%, 11/15/2044	4,462,800
1,000,000	Ohio Air Quality Development Authority (Pratt Paper, LLC), Exempt Facilities Revenue Bonds (Series 2017), 4.500%, 1/15/2048	1,024,950
1,125,000	Ohio State Hospital Revenue (University Hospitals Health System, Inc.), Hospital Revenue Bonds (Series 2016A), 5.000%, 1/15/2041	1,221,008
1,000,000	Ohio State Treasurer Private Activity (Portsmouth Gateway Group LLC), Revenue Bonds (Series 2015), 5.000%, 6/30/2053	1,050,190
750,000	Southeastern Ohio Port Authority, OH (Memorial Health System, OH), Hospital Facilities Revenue Refunding & Improvement Bonds (Series 2012), (Original Issue Yield: 6.020%), 6.000%, 12/1/2042	787,725
	TOTAL	23,681,656
	Oklahoma—1.7%	
1,000,000	Oklahoma Development Finance Authority (OU Medicine), Hospital Revenue Bonds (Series 2018B), 5.500%, 8/15/2057	1,101,300
2,000,000	Tulsa, OK Industrial Authority (Montereau, Inc.), Senior Living Community Revenue Bonds (Series 2010A), (Original Issue Yield: 7.500%), (United States Treasury PRF 5/1/2020@100), 7.250%, 11/1/2045	2,123,380
1,750,000	Tulsa, OK Industrial Authority (Montereau, Inc.), Senior Living Community Revenue Refunding Bonds (Series 2017), 5.250%, 11/15/2045	1,886,955
3,000,000	Tulsa, OK Municipal Airport Trust (American Airlines, Inc.), Refunding Revenue Bonds (Series 2000B), 5.500%, 6/1/2035	3,208,830
1,500,000	Tulsa, OK Municipal Airport Trust (American Airlines, Inc.), Refunding Revenue Bonds (Series 2015) TOBs, 5.000%, Mandatory Tender 6/1/2025	1,621,635
	TOTAL	9,942,100

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Oregon—0.5%	
\$ 440,000	Clackamas County, OR Hospital Facilities Authority (Mary’s Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series2018A), 5.000%, 5/15/2038	\$ 461,683
635,000	Clackamas County, OR Hospital Facilities Authority (Mary’s Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series2018A), 5.000%, 5/15/2043	662,718
400,000	Clackamas County, OR Hospital Facilities Authority (Mary’s Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series2018A), 5.000%, 5/15/2048	416,060
500,000	Clackamas County, OR Hospital Facilities Authority (Mary’s Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series2018A), 5.000%, 5/15/2052	518,685
250,000	Yamhill County, OR Hospital Authority (Friendsview Retirement Community), Revenue Refunding Bonds (Series 2016A), 5.000%, 11/15/2036	265,048
550,000	Yamhill County, OR Hospital Authority (Friendsview Retirement Community), Revenue Refunding Bonds (Series 2016A), 5.000%, 11/15/2051	570,586
	TOTAL	2,894,780
	Pennsylvania—3.8%	
1,000,000	³ Allentown, PA Neighborhood Improvement Zone Development Authority, City Center Refunding Project Tax Revenue Bonds (Series 2017), 5.000%, 5/1/2042	1,064,670
3,715,000	Allentown, PA Neighborhood Improvement Zone Development Authority, Tax Revenue Bonds (Series 2012A), 5.000%, 5/1/2042	3,801,336
2,000,000	Bucks County, PA IDA (School Lane Charter School), (Series 2016A), 5.125%, 3/15/2046	2,093,040
500,000	Butler County, PA Hospital Authority (Butler Health System), Hospital Revenue Bonds (Series 2015A), 5.000%, 7/1/2035	549,210
1,200,000	Chester County, PA IDA (Avon Grove Charter School), Revenue Bonds (Series 2017A), 5.000%, 12/15/2047	1,229,916
800,000	Chester County, PA IDA (Avon Grove Charter School), Revenue Bonds (Series 2017A), 5.000%, 12/15/2051	814,168
1,000,000	Clairton Municipal Authority, PA, Sewer Revenue Bonds (Series 2012B), (Original Issue Yield: 5.050%), 5.000%, 12/1/2042	1,053,520
1,250,000	Pennsylvania Economic Development Financing Authority (Pennsylvania Rapid Bridge Replacement), Tax-Exempt Private Activity Revenue Bonds (Series 2015), 5.000%, 12/31/2038	1,349,500
2,000,000	Pennsylvania EDFA (National Gypsum Co.), Exempt Facilities Refunding Revenue Bonds (Series 2014), 5.500%, 11/1/2044	2,075,540
1,000,000	Philadelphia, PA Authority for Industrial Development (Global Leadership Academy Charter School), Revenue Bonds (Series 2010), 6.375%, 11/15/2040	1,018,760

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Pennsylvania—continued	
\$1,205,000	Philadelphia, PA Authority for Industrial Development (New Foundations Charter School), Revenue Bonds (Series 2012), (United States Treasury PRF 12/15/2022@100), 6.625%, 12/15/2041	\$ 1,412,670
840,000	Philadelphia, PA Authority for Industrial Development (Presby Homes Germantown/Morrisville), Senior Living Revenue Bonds (Series 2005A), 5.625%, 7/1/2035	840,655
1,665,000	Philadelphia, PA Hospitals & Higher Education Facilities Authority (Temple University Health System Obligated Group), Hospital Revenue Bonds (Series 2012A), (Original Issue Yield: 5.875%), 5.625%, 7/1/2042	1,764,900
1,000,000	Philadelphia, PA Water & Wastewater System, Water and Wastewater Revenue Bonds (Series 2017A), 5.000%, 10/1/2052	1,112,500
1,500,000	Reading Area Water Authority, PA, Water Revenue Bonds (Series 2011), (Original Issue Yield: 5.270%), 5.250%, 12/1/2036	1,621,425
	TOTAL	21,801,810
	Puerto Rico—1.8%	
995,000	^{1,2} Puerto Rico Electric Power Authority, (Original Issue Yield: 5.080%), 5.050%, 7/1/2042	680,331
195,000	^{1,2} Puerto Rico Electric Power Authority, (Original Issue Yield: 7.070%), 7.000%, 7/1/2040	136,256
4,000,000	^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds (Series 2010 XX), (Original Issue Yield: 5.400%), 5.250%, 7/1/2040	2,735,000
310,000	^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds (Series 2013A), 7.000%, 7/1/2033	216,613
2,500,000	^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds (Series 2013A), (Original Issue Yield: 7.120%), 7.000%, 7/1/2043	1,746,875
5,000,000	Puerto Rico Sales Tax Financing Corp., Restructured Sales Tax Bonds (Series 2019A), 5.000%, 7/1/2058	4,740,250
	TOTAL	10,255,325
	Rhode Island—0.8%	
1,375,000	Rhode Island State Health and Educational Building Corp. (Care New England), Hospital Financing Revenue Refunding Bonds (Series 2016B), 5.000%, 9/1/2036	1,455,451
500,000	Rhode Island State Health and Educational Building Corp. (Lifespan Obligated Group), Hospital Financing Revenue Refunding Bonds (Series 2016), 5.000%, 5/15/2039	540,290
2,730,000	Tobacco Settlement Financing Corp., RI, Tobacco Settlement Asset-Backed Bonds (Series 2015B), 5.000%, 6/1/2050	2,745,780
	TOTAL	4,741,521
	South Carolina—0.3%	
1,000,000	South Carolina Jobs-EDA (South Carolina Episcopal Home at Still Hopes), Residential Care Facilities Revenue Bonds (Series 2017), 5.000%, 4/1/2047	1,007,230

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	South Carolina—continued	
\$1,000,000	South Carolina Jobs-EDA (South Carolina Episcopal Home at Still Hopes), Residential Care Facilities Revenue Bonds (Series 2017), 5.000%, 4/1/2052	\$ 1,001,280
	TOTAL	2,008,510
	South Dakota—0.3%	
1,000,000	Sioux Falls, SD Health Facilities Revenue (Dow Rummel Village), (Series 2017), (Original Issue Yield: 5.050%), 5.000%, 11/1/2042	1,006,260
1,000,000	Sioux Falls, SD Health Facilities Revenue (Dow Rummel Village), (Series 2017), (Original Issue Yield: 5.200%), 5.125%, 11/1/2047	1,010,340
	TOTAL	2,016,600
	Tennessee—1.6%	
1,200,000	Blount County, TN Health and Educational Facilities Board (Asbury, Inc.), Revenue Refunding and Improvement Bonds (Series 2016A), 5.000%, 1/1/2047	1,207,644
3,500,000	Greenville, TN Health and Educational Facilities Board (Ballad Health), Hospital Revenue Bonds (Series 2018A), 5.000%, 7/1/2036	3,951,675
1,000,000	Greenville, TN Health and Educational Facilities Board (Ballad Health), Hospital Revenue Bonds (Series 2018A), 5.000%, 7/1/2037	1,122,320
2,725,000	Tennessee Energy Acquisition Corp., Gas Revenue Bonds (Series 2006A), (Goldman Sachs Group, Inc. GTD), 5.250%, 9/1/2023	3,030,309
	TOTAL	9,311,948
	Texas—9.6%	
1,100,000	Arlington, TX Higher Education Finance Corp. (Uplift Education), Revenue Bonds (Series 2016A), 5.000%, 12/1/2046	1,164,284
500,000	Austin, TX Airport System, Airport System Revenue Bonds (Series 2014), 5.000%, 11/15/2044	549,275
250,000	Austin, TX Convention Center Enterprises, Inc., Convention Center Hotel First Tier Revenue Refunding Bonds (Series 2017A), 5.000%, 1/1/2034	279,270
250,000	Austin, TX Convention Center Enterprises, Inc., Convention Center Hotel Second Tier Revenue Refunding Bonds (Series 2017B), 5.000%, 1/1/2034	270,657
1,000,000	Board of Managers, Joint Guadalupe County-City of Seguin, TX, Hospital Mortgage Revenue Refunding & Improvement Bonds (Series 2015), (Original Issue Yield: 5.080%), 5.000%, 12/1/2045	1,018,040
2,000,000	Cass County, TX Industrial Development Corp. (International Paper Co.), Environmental Improvement Revenue Bonds (Series 2009A), 9.500%, 3/1/2033	2,010,240
1,000,000	Central Texas Regional Mobility Authority, Senior Lien Revenue Refunding Bonds (Series 2016), 5.000%, 1/1/2046	1,088,740
2,000,000	Clifton Higher Education Finance Corporation, TX (Idea Public Schools), 6.000%, 8/15/2043	2,212,360

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Texas—continued	
\$ 750,000	Clifton Higher Education Finance Corporation, TX (Idea Public Schools), Education Revenue Bonds (Series 2011), (Original Issue Yield: 6.000%), (United States Treasury PRF 8/15/2021@100), 5.750%, 8/15/2041	\$ 820,230
500,000	Clifton Higher Education Finance Corporation, TX (Idea Public Schools), Education Revenue Bonds (Series 2012), 5.000%, 8/15/2042	520,800
1,000,000	Clifton Higher Education Finance Corporation, TX (Idea Public Schools), Revenue Bonds (Series 2014), (Texas Permanent School Fund Guarantee Program GTD), 5.000%, 8/15/2039	1,104,470
2,000,000	Clifton Higher Education Finance Corporation, TX (Uplift Education), Revenue Bonds (Series 2015A), 5.000%, 12/1/2050	2,086,920
1,500,000	Decatur, TX Hospital Authority (Wise Regional Health System), Hospital Revenue Bonds (Series 2014A), (Original Issue Yield: 5.300%), 5.250%, 9/1/2044	1,587,540
515,000	Decatur, TX Hospital Authority (Wise Regional Health System), Revenue Bonds, 6.375%, 9/1/2042	575,729
1,110,000	Grand Parkway Transportation Corp., TX, Subordinate Tier Toll Revenue Bonds (Series 2013B TELA Supported), 5.250%, 10/1/2051	1,214,185
1,500,000	Houston, TX Airport System (United Airlines, Inc.), Special Facilities Revenue & Refunding Bonds (Series 2011), (Original Issue Yield: 6.875%), 6.625%, 7/15/2038	1,606,275
2,000,000	Houston, TX Airport System (United Airlines, Inc.), Special Facilities Revenue Bonds (Series 2015B-1), 5.000%, 7/15/2035	2,150,040
500,000	Houston, TX Airport System (United Airlines, Inc.), Special Facilities Revenue Refunding Bonds (Series 2014), (Original Issue Yield: 4.900%), 4.750%, 7/1/2024	538,735
1,000,000	Houston, TX Airport System (United Airlines, Inc.), Special Facilities Revenue Refunding Bonds (Series 2014), (Original Issue Yield: 5.150%), 5.000%, 7/1/2029	1,093,860
1,000,000	Houston, TX Airport System, Subordinate Lien Revenue Refunding Bonds (Series 2012A), 5.000%, 7/1/2032	1,073,330
535,000	Houston, TX Higher Education Finance Corp. (Cosmos Foundation, Inc.), Education Revenue Bonds (Series 2011A), (United States Treasury PRF 5/15/2021@100), 6.875%, 5/15/2041	592,240
1,500,000	Irving, TX Hospital Authority (Baylor Scott & White Medical Center, Irving), Hospital Revenue Bonds (Series 2017A), 5.000%, 10/15/2044	1,612,470
2,000,000	La Vernia, TX Higher Education Finance Corporation (Meridian World School), Education Revenue Bonds (Series 2015A), 5.500%, 8/15/2045	2,052,860
1,000,000	Matagorda County, TX Navigation District No. 1 (AEP Texas, Inc.), PCR Refunding Bonds (Series 2001A), 6.300%, 11/1/2029	1,032,940
1,500,000	³ Mission, TX Economic Development Corporation (Natgasoline), Senior Lien Revenue Bonds (Series 2018), (Original Issue Yield: 4.716%), 4.625%, 10/1/2031	1,534,110

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Texas—continued	
\$2,000,000	New Hope Cultural Education Facilities Finance Corporation (Longhorn Village), Retirement Facilities Revenue Bonds (Series 2017), 5.000%, 1/1/2047	\$ 2,007,580
700,000	New Hope Cultural Education Facilities Finance Corporation (MRC Crestview), Retirement Facility Revenue Bonds (Series 2016), 5.000%, 11/15/2046	720,678
1,000,000	New Hope Cultural Education Facilities Finance Corporation (MRC Langford), Retirement Facilities Revenue Bonds (Series 2016A), (Original Issue Yield: 5.530%), 5.500%, 11/15/2052	992,330
1,500,000	North Texas Tollway Authority, System First Tier Revenue Refunding Bonds (Series 2016A), 5.000%, 1/1/2026	1,704,390
600,000	North Texas Tollway Authority, System First Tier Revenue Refunding Bonds (Series 2016A), 5.000%, 1/1/2039	667,428
2,000,000	Red River, TX HFDC (MRC The Crossings), Retirement Facility Revenue Bonds (Series 2014A), 8.000%, 11/15/2049	2,262,320
2,500,000	San Antonio, TX Electric & Gas System, Revenue Refunding Bonds (Series 2017), 5.000%, 2/1/2042	2,827,600
1,000,000	San Juan Higher Education Finance Authority, TX (Idea Public Schools), Education Revenue Bonds (Series 2010A), (United States Treasury PRF 8/15/2020@100), 6.700%, 8/15/2040	1,070,420
1,500,000	Tarrant County, TX Cultural Education Facilities Finance Corp. (Buckingham Senior Living Community), Retirement Facility Revenue Bonds (Series 2015A Fixed Rate Bonds), 5.500%, 11/15/2045	1,185,000
2,655,000	Tarrant County, TX Cultural Education Facilities Finance Corp. (Buckner Senior Living-Ventana Project), Retirement Facility Revenue Bonds (Series 2017A), (Original Issue Yield: 6.770%), 6.750%, 11/15/2052	2,896,950
2,000,000	Texas Private Activity Bonds Surface Transportation Corporation (Blueridge Transportation Group, LLC SH 288 Toll Lanes), Senior Lien Revenue Bonds (Series 2016), 5.000%, 12/31/2055	2,117,080
2,680,000	Texas State Transportation Commission (Central Texas Turnpike System), Second Tier Revenue Refunding Bonds (Series 2015-C), 5.000%, 8/15/2042	2,848,652
545,000	Texas State Transportation Commission (State Highway 249 System), First Tier Toll Revenue Bonds (Series 2019A), 5.000%, 8/1/2057	591,521
2,000,000	Texas State Transportation Commission (Texas State), Highway Improvement UT GO Bonds (Series 2016), 5.000%, 4/1/2046	2,243,940
1,500,000	Texas Water Development Board, State Revolving Fund Revenue Bonds (Series 2018), 4.000%, 8/1/2036	1,603,785
	TOTAL	55,529,274
	Utah—0.5%	
1,000,000	Salt Lake City, UT Airport Revenue, Airport Revenue Bonds (Series 2018A), 5.000%, 7/1/2048	1,114,520

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Utah—continued	
\$2,000,000	³ Utah State Charter School Finance Authority (Freedom Academy Foundation), Charter School Revenue Refunding Bonds (Series 2017), (Original Issue Yield: 5.500%), 5.375%, 6/15/2048	\$ 1,969,340
	TOTAL	3,083,860
	Vermont—0.2%	
1,000,000	³ Vermont EDA (Casella Waste Systems, Inc.), Solid Waste Disposal Revenue Bonds (Series 2013) TOBs, 4.625%, Mandatory Tender 4/3/2028	1,003,280
	Virginia—1.9%	
1,800,000	Chesapeake Bay Bridge & Tunnel District, VA, First Tier General Resolution Revenue Bonds (Series 2016), 5.000%, 7/1/2051	1,952,262
1,500,000	Chesterfield County, VA EDA (Virginia Electric & Power Co.), PCR Refunding Bonds (Series 2009A), 5.000%, 5/1/2023	1,506,825
1,500,000	³ Embrey Mill Community Development Authority, VA, Special Assessment Revenue Bonds (Series 2015), 5.600%, 3/1/2045	1,515,180
1,380,000	Mosaic District CDA, VA, Revenue Bonds (Series 2011A), (Original Issue Yield: 6.930%), 6.875%, 3/1/2036	1,465,284
4,250,000	Tobacco Settlement Financing Corp., VA, Tobacco Settlement Asset-Backed Bonds (Series 2007B-1), (Original Issue Yield: 5.120%), 5.000%, 6/1/2047	4,048,465
370,000	Virginia Small Business Financing Authority (Covanta Energy Corp.), Solid Waste Disposal Revenue Bonds (Series 2018) TOBs, 5.000%, Mandatory Tender 7/1/2038	377,467
	TOTAL	10,865,483
	Washington—2.1%	
1,000,000	Port of Seattle, WA IDC (Delta Air Lines, Inc.), Special Facilities Revenue Refunding Bonds (Series 2012), (Original Issue Yield: 5.310%), 5.000%, 4/1/2030	1,073,990
5,000,000	³ Seattle, WA Municipal Light & Power, Trust Receipts/Certificates (Series 2019-FG0226B) MUNINVs, 8.146%, 1/1/2047	5,308,500
1,000,000	Washington State Health Care Facilities Authority (Virginia Mason Medical Center), Revenue Bonds (Series 2017), 5.000%, 8/15/2037	1,077,750
1,000,000	³ Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), 7.000%, 7/1/2045	1,058,880
1,000,000	³ Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), (Original Issue Yield: 7.050%), 7.000%, 7/1/2050	1,056,180
2,500,000	³ Washington State Housing Finance Commission (Rockwood Retirement Communities), Nonprofit Housing Revenue & Refunding Revenue Bonds (Series 2014A), 7.500%, 1/1/2049	2,827,600
	TOTAL	12,402,900

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Wisconsin—1.9%	
\$1,000,000	³ Public Finance Authority, WI (Alabama Proton Therapy Center), Senior Revenue Bonds (Series 2017A), 7.000%, 10/1/2047	\$ 1,051,340
3,000,000	³ Public Finance Authority, WI (American Dream at Meadowlands), Limited Obligation PILOT Revenue Bonds (Series 2017), 7.000%, 12/1/2050	3,370,680
750,000	Public Finance Authority, WI (Mountain Island Charter School), Education Revenue Refunding Bonds (Series 2017), 5.000%, 7/1/2047	779,407
1,000,000	Public Finance Authority, WI (Mountain Island Charter School), Education Revenue Refunding Bonds (Series 2017), 5.000%, 7/1/2052	1,033,420
1,000,000	Public Finance Authority, WI (National Gypsum Co.), Exempt Facilities Refunding Revenue Bonds (Series 2016), 4.000%, 8/1/2035	967,200
3,000,000	³ Public Finance Authority, WI (Southminster), Retirement Facilities First Mortgage Revenue Bonds (Series 2018), 5.000%, 10/1/2053	3,013,470
800,000	Wisconsin State HEFA (ProHealth Care, Inc.), Revenue Refunding Bonds (Series 2015), 5.000%, 8/15/2039	865,880
	TOTAL	11,081,397
	TOTAL MUNICIPAL BONDS (IDENTIFIED COST \$554,453,978)	567,151,128
	⁶ SHORT-TERM MUNICIPALS—0.8%	
	Alabama—0.1%	
300,000	West Jefferson, AL IDB Solid Waste Disposal (Alabama Power Co.), (Series 2008) Daily VRDNs, 1.790%, 3/1/2019	300,000
	Florida—0.1%	
300,000	Putnam County, FL Development Authority (Florida Power & Light Co.), (PCR: Series 1994) Daily VRDNs, 1.730%, 3/1/2019	300,000
	New York—0.3%	
2,000,000	New York City, NY Municipal Water Finance Authority, (2014 Series AA-2) Daily VRDNs, (JPMorgan Chase Bank, N.A. LIQ), 1.720%, 3/1/2019	2,000,000
	North Carolina—0.1%	
450,000	Charlotte-Mecklenburg Hospital Authority, NC (Atrium Health (previously Carolinas HealthCare) System), (Series 2018G) Daily VRDNs, (JPMorgan Chase Bank, N.A. LIQ), 1.730%, 3/1/2019	450,000
	Texas—0.1%	
900,000	³ Harris County, TX IDC (Exxon Mobil Corp.), (Series 1997) Daily VRDNs, 1.770%, 3/1/2019	900,000

Principal Amount	Value
⁶ SHORT-TERM MUNICIPALS—continued	
Wyoming—0.1%	
\$ 400,000	Sweetwater County, WY Environmental Improvement (Pacificorp), (Series1995) Daily VRDNs, (Bank of Nova Scotia, Toronto LOC), 1.760%, 3/1/2019
	\$ 400,000
	TOTAL SHORT-TERM MUNICIPALS (IDENTIFIED COST \$4,350,000)
	4,350,000
	TOTAL INVESTMENT IN SECURITIES—98.7% (IDENTIFIED COST \$558,803,978) ⁷
	571,501,128
	OTHER ASSETS AND LIABILITIES - NET—1.3% ⁸
	7,652,634
	TOTAL NET ASSETS—100%
	\$579,153,762

Securities that are subject to the federal alternative minimum tax (AMT) represent 11.9% of the Fund's portfolio as calculated based upon total market value.

- 1 *Non-income-producing security.*
- 2 *Security in default.*
- 3 *Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or availing of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At February 28, 2019, these restricted securities amounted to \$73,580,595, which represented 12.7% of total net assets.*
- 4 *Zero coupon bond.*
- 5 *Fair Value determined by a valuation committee using significant unobservable inputs in accordance with procedures established by and under the general supervision of the Fund's Board of Trustees (the "Trustees").*
- 6 *Current rate and current maturity or next reset date shown for floating rate notes and variable rate notes/demand instruments. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description above.*
- 7 *The cost of investments for federal tax purposes amounts to \$558,205,461.*
- 8 *Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.*

Note: The categories of investments are shown as a percentage of total net assets at February 28, 2019.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1—quoted prices in active markets for identical securities.

Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of February 28, 2019, in valuing the Fund's assets carried at fair value.

Valuation Inputs

	Level 1— Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Total
Debt Securities:				
Municipal Bonds	\$—	\$563,672,628	\$3,478,500 ¹	\$567,151,128
Short-Term Municipals	—	4,350,000	—	4,350,000
TOTAL SECURITIES	\$—	\$568,022,628	\$3,478,500	\$571,501,128

1 Includes \$4,400,123 of securities transferred from Level 2 to Level 3 because fair value was determined by a valuation committee using significant unobservable inputs in accordance with procedures established by and under the general supervision of the Fund's Trustees. Transfer shown represents the value of the securities at the beginning of the period.

The following acronyms are used throughout this portfolio:

- CDA —Community Development Authority
- EDA —Economic Development Authority
- EDFA —Economic Development Finance Authority
- GO —General Obligation
- GTD —Guaranteed
- HEFA —Health and Education Facilities Authority
- HFDC —Health Facility Development Corporation
- IDA —Industrial Development Authority
- IDB —Industrial Development Bond
- IDC —Industrial Development Corporation
- INS —Insured
- LIQ —Liquidity Agreement
- LOC —Letter of Credit
- LT —Limited Tax
- MUNINVs—Municipal Inverse Floater
- PCR —Pollution Control Revenue
- PILOT —Payment in Lieu of Taxes
- PRF —Pre-refunded
- SID —Special Improvement District
- TELA —Toll Equity Loan Agreement
- TOBs —Tender Option Bonds
- USD —Unified School District
- UT —Unlimited Tax
- VRDNs —Variable Rate Demand Notes

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class A Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 2/28/2019	Year Ended August 31,				
		2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$8.88	\$8.98	\$9.28	\$8.86	\$8.85	\$8.11
Income From Investment Operations:						
Net investment income	0.17 ¹	0.34 ¹	0.35	0.37	0.39	0.41
Net realized and unrealized gain (loss)	(0.11)	(0.10)	(0.30)	0.42	0.01	0.74
TOTAL FROM INVESTMENT OPERATIONS	0.06	0.24	0.05	0.79	0.40	1.15
Less Distributions:						
Distributions from net investment income	(0.17)	(0.34)	(0.35)	(0.37)	(0.39)	(0.41)
Net Asset Value, End of Period	\$8.77	\$8.88	\$8.98	\$9.28	\$8.86	\$8.85
Total Return²	0.68%	2.71%	0.67%	9.17%	4.63%	14.54%
Ratios to Average Net Assets:						
Net expenses	0.89% ^{3,4}	0.90% ⁴	0.89%	0.89%	0.89%	0.89%
Net investment income	3.87% ³	3.81%	3.96%	4.12%	4.42%	4.84%
Expense waiver/reimbursement ⁵	0.16% ³	0.15%	0.15%	0.14%	0.15%	0.17%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$203,839	\$222,108	\$221,586	\$270,092	\$230,664	\$224,298
Portfolio turnover	6%	24%	24%	10%	12%	19%

- Per share numbers have been calculated using the average shares method.*
- Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods of less than one year are not annualized.*
- Computed on an annualized basis.*
- The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratio is 0.89% for the six months ended February 28, 2019 and 0.90% for the year ended August 31, 2018, after taking into account these expense reductions.*
- This expense decrease is reflected in both the net expense and net investment income ratios shown above.*

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class B Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 2/28/2019	Year Ended August 31,				
		2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$8.87	\$8.97	\$9.27	\$8.85	\$8.84	\$8.11
Income From Investment Operations:						
Net investment income	0.13 ¹	0.27 ¹	0.32	0.31	0.35	0.36
Net realized and unrealized gain (loss)	(0.10)	(0.11)	(0.34)	0.42	(0.01)	0.71
TOTAL FROM INVESTMENT OPERATIONS	0.03	0.16	(0.02)	0.73	0.34	1.07
Less Distributions:						
Distributions from net investment income	(0.14)	(0.26)	(0.28)	(0.31)	(0.33)	(0.34)
Net Asset Value, End of Period	\$8.76	\$8.87	\$8.97	\$9.27	\$8.85	\$8.84
Total Return²	0.30%	1.92%	(0.09)%	8.35%	3.85%	13.56%
Ratios to Average Net Assets:						
Net expenses	1.64% ^{3,4}	1.65% ⁴	1.64%	1.64%	1.64%	1.64%
Net investment income	3.12% ³	3.05%	3.21%	3.38%	3.66%	4.09%
Expense waiver/reimbursement ⁵	0.16% ³	0.15%	0.15%	0.14%	0.15%	0.17%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$5,204	\$6,504	\$9,446	\$12,241	\$11,528	\$13,424
Portfolio turnover	6%	24%	24%	10%	12%	19%

1 Per share numbers have been calculated using the average shares method.

2 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods of less than one year are not annualized.

3 Computed on an annualized basis.

4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratio is 1.64% for the six months ended February 28, 2019 and 1.65% for the year ended August 31, 2018, after taking into account these expense reductions.

5 This expense decrease is reflected in both the net expense and net investment income ratios shown above.

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class C Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 2/28/2019	Year Ended August 31,				
		2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$8.87	\$8.97	\$9.28	\$8.85	\$8.85	\$8.11
Income From Investment Operations:						
Net investment income	0.13 ¹	0.27 ¹	0.29	0.31	0.33	0.35
Net realized and unrealized gain (loss)	(0.09)	(0.10)	(0.32)	0.43	(0.00) ²	0.74
TOTAL FROM INVESTMENT OPERATIONS	0.04	0.17	(0.03)	0.74	0.33	1.09
Less Distributions:						
Distributions from net investment income	(0.14)	(0.27)	(0.28)	(0.31)	(0.33)	(0.35)
Net Asset Value, End of Period	\$8.77	\$8.87	\$8.97	\$9.28	\$8.85	\$8.85
Total Return³	0.43%	1.94%	(0.20)%	8.47%	3.73%	13.69%
Ratios to Average Net Assets:						
Net expenses	1.64% ^{4,5}	1.65% ⁵	1.64%	1.64%	1.64%	1.64%
Net investment income	3.12% ⁴	3.06%	3.21%	3.37%	3.67%	4.09%
Expense waiver/reimbursement ⁶	0.16% ⁴	0.15%	0.15%	0.14%	0.15%	0.17%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$45,703	\$50,262	\$68,461	\$77,213	\$61,093	\$56,208
Portfolio turnover	6%	24%	24%	10%	12%	19%

1 Per share numbers have been calculated using the average shares method.

2 Represents less than \$0.01.

3 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods of less than one year are not annualized.

4 Computed on an annualized basis.

5 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratio is 1.64% for the six months ended February 28, 2019 and 1.65% for the year ended August 31, 2018, after taking into account these expense reductions.

6 This expense decrease is reflected in both the net expense and net investment income ratios shown above.

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class F Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 2/28/2019	Year Ended August 31,				
		2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$8.88	\$8.98	\$9.28	\$8.86	\$8.85	\$8.11
Income From Investment Operations:						
Net investment income	0.17 ¹	0.34 ¹	0.35	0.37	0.39	0.41
Net realized and unrealized gain (loss)	(0.11)	(0.10)	(0.30)	0.42	0.01	0.74
TOTAL FROM INVESTMENT OPERATIONS	0.06	0.24	0.05	0.79	0.40	1.15
Less Distributions:						
Distributions from net investment income	(0.17)	(0.34)	(0.35)	(0.37)	(0.39)	(0.41)
Net Asset Value, End of Period	\$8.77	\$8.88	\$8.98	\$9.28	\$8.86	\$8.85
Total Return²	0.68%	2.71%	0.66%	9.17%	4.63%	14.54%
Ratios to Average Net Assets:						
Net expenses	0.89% ^{3,4}	0.90% ⁴	0.89%	0.89%	0.89%	0.89%
Net investment income	3.87% ³	3.81%	3.96%	4.12%	4.41%	4.84%
Expense waiver/reimbursement ⁵	0.16% ³	0.15%	0.15%	0.14%	0.15%	0.17%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$185,210	\$194,464	\$207,266	\$213,796	\$189,216	\$187,704
Portfolio turnover	6%	24%	24%	10%	12%	19%

- Per share numbers have been calculated using the average shares method.*
- Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods of less than one year are not annualized.*
- Computed on an annualized basis.*
- The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratio is 0.89% for the six months ended February 28, 2019 and 0.90% for the year ended August 31, 2018, after taking into account these expense reductions.*
- This expense decrease is reflected in both the net expense and net investment income ratios shown above.*

See Notes which are an integral part of the Financial Statements

Financial Highlights – Institutional Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 2/28/2019	Year Ended August 31,				
		2018	2017	2016	2015	2014
Net Asset Value, Beginning of Period	\$8.87	\$8.97	\$9.27	\$8.85	\$8.84	\$8.11
Income From Investment Operations:						
Net investment income	0.18 ¹	0.36 ¹	0.37	0.40	0.42	0.42
Net realized and unrealized gain (loss)	(0.11)	(0.10)	(0.30)	0.42	0.01	0.74
TOTAL FROM INVESTMENT OPERATIONS	0.07	0.26	0.07	0.82	0.43	1.16
Less Distributions:						
Distributions from net investment income	(0.18)	(0.36)	(0.37)	(0.40)	(0.42)	(0.43)
Net Asset Value, End of Period	\$8.76	\$8.87	\$8.97	\$9.27	\$8.85	\$8.84
Total Return²	0.80%	2.97%	0.92%	9.45%	4.90%	14.71%
Ratios to Average Net Assets:						
Net expenses	0.64% ^{3,4}	0.65% ⁴	0.64%	0.64%	0.64%	0.64%
Net investment income	4.12% ³	4.06%	4.21%	4.35%	4.67%	5.01%
Expense waiver/reimbursement ⁵	0.16% ³	0.15%	0.15%	0.14%	0.15%	0.16%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$139,198	\$155,902	\$137,235	\$106,699	\$63,857	\$48,577
Portfolio turnover	6%	24%	24%	10%	12%	19%

- Per share numbers have been calculated using the average shares method.*
- Based on net asset value. Total returns for periods of less than one year are not annualized.*
- Computed on an annualized basis.*
- The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratio is 0.64% for the six months ended February 28, 2019 and 0.65% for the year ended August 31, 2018, after taking into account these expense reductions.*
- This expense decrease is reflected in both the net expense and net investment income ratios shown above*

See Notes which are an integral part of the Financial Statements

Statement of Assets and Liabilities

February 28, 2019 (unaudited)

Assets:

Investment in securities, at value (identified cost \$558,803,978)	\$571,501,128
Cash	51,869
Income receivable	7,366,967
Receivable for shares sold	514,253
Receivable for investments sold	105,150
Prepaid expenses	4,861
TOTAL ASSETS	579,544,228

Liabilities:

Payable for shares redeemed	\$137,125
Payable for portfolio accounting fees	90,021
Payable for other service fees (Notes 2 and 5)	82,196
Payable for transfer agent fee	44,504
Payable for distribution services fee (Note 5)	29,181
Payable for investment adviser fee (Note 5)	6,985
Payable for Directors'/Trustees' fees (Note 5)	454
TOTAL LIABILITIES	390,466

Net assets for 66,032,020 shares outstanding \$579,153,762

Net Assets Consists of:

Paid-in capital	\$604,536,920
Total distributable earnings (loss)	(25,383,158)
TOTAL NET ASSETS	\$579,153,762

Statement of Assets and Liabilities – continued

Net Asset Value, Offering Price and Redemption Proceeds Per Share:

Class A Shares:

Net asset value per share (\$203,839,183 ÷ 23,230,300 shares outstanding), no par value, unlimited shares authorized	\$8.77
Offering price per share (100/95.50 of \$8.77)	\$9.18
Redemption proceeds per share	\$8.77

Class B Shares:

Net asset value per share (\$5,203,944 ÷ 593,752 shares outstanding), no par value, unlimited shares authorized	\$8.76
Offering price per share	\$8.76
Redemption proceeds per share (94.50/100 of \$8.76)	\$8.28

Class C Shares:

Net asset value per share (\$45,702,888 ÷ 5,213,318 shares outstanding), no par value, unlimited shares authorized	\$8.77
Offering price per share	\$8.77
Redemption proceeds per share (99.00/100 of \$8.77)	\$8.68

Class F Shares:

Net asset value per share (\$185,209,990 ÷ 21,108,984 shares outstanding), no par value, unlimited shares authorized	\$8.77
Offering price per share (100/99.00 of \$8.77)	\$8.86
Redemption proceeds per share (99.00/100 of \$8.77)	\$8.68

Institutional Shares:

Net asset value per share (\$139,197,757 ÷ 15,885,666 shares outstanding), no par value, unlimited shares authorized	\$8.76
Offering price per share	\$8.76
Redemption proceeds per share	\$8.76

See Notes which are an integral part of the Financial Statements

Statement of Operations

Six Months Ended February 28, 2019 (unaudited)

Investment Income:

Interest	\$14,024,271
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Expenses:

Investment adviser fee (Note 5)	\$1,765,326
Administrative fee (Note 5)	235,262
Custodian fees	11,914
Transfer agent fees	169,259
Directors'/Trustees' fees (Note 5)	3,302
Auditing fees	17,456
Legal fees	6,182
Distribution services fee (Note 5)	194,412
Other service fees (Notes 2 and 5)	554,376
Portfolio accounting fees	75,628
Share registration costs	42,023
Printing and postage	20,015
Miscellaneous (Note 5)	15,839
TOTAL EXPENSES	3,110,994

Waiver and Reduction:

Waiver of investment adviser fee (Note 5)	\$(464,775)
Reduction of custodian fees (Note 6)	(245)
TOTAL WAIVER AND REDUCTION	(465,020)

Net expenses	2,645,974
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Net investment income	11,378,297
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Realized and Unrealized Gain (Loss) on Investments:

Net realized gain on investments	24,621
Net change in unrealized appreciation of investments	(7,745,012)
Net realized and unrealized gain (loss) on investments	(7,720,391)
Change in net assets resulting from operations	\$ 3,657,906

See Notes which are an integral part of the Financial Statements

Statement of Changes in Net Assets

	Six Months Ended (unaudited) 2/28/2019	Year Ended 8/31/2018
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	\$ 11,378,297	\$ 24,205,973
Net realized gain	24,621	3,674,079
Net change in unrealized appreciation/depreciation	(7,745,012)	(11,113,615)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	3,657,906	16,766,437
Distributions to Shareholders (Note 2):		
Class A Shares	(4,032,278)	(8,247,855)
Class B Shares	(88,307)	(223,442)
Class C Shares	(733,106)	(2,016,716)
Class F Shares	(3,614,414)	(7,688,836)
Institutional Shares	(2,979,963)	(5,965,380)
CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS	(11,448,068)	(24,142,229)
Share Transactions:		
Proceeds from sale of shares	46,425,443	124,325,035
Net asset value of shares issued to shareholders in payment of distributions declared	10,487,693	21,739,284
Cost of shares redeemed	(99,208,829)	(153,443,507)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	(42,295,693)	(7,379,188)
Change in net assets	(50,085,855)	(14,754,980)
Net Assets:		
Beginning of period	629,239,617	643,994,597
End of period	\$579,153,762	\$ 629,239,617

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

February 28, 2019 (unaudited)

1. ORGANIZATION

Federated Municipal Securities Income Trust (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust consists of four portfolios. The financial statements included herein are only those of the Federated Municipal High Yield Advantage Fund (the "Fund"), a non-diversified portfolio. The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. Each portfolio pays its own expenses. The Fund offers five classes of shares: Class A Shares, Class B Shares, Class C Shares, Class F Shares and Institutional Shares. All shares of the Fund have equal rights with respect to voting, except on class-specific matters. The investment objective of the Fund is to provide a high level of current income which is generally exempt from federal regular income tax. Interest income from the Fund's investments may be subject to the federal AMT for individuals and state and local taxes.

On March 30, 2017, the Fund's T Share class became effective with the Securities and Exchange Commission (SEC), but is not yet offered for sale.

Class B Shares are closed to new accounts, new investors and new purchases by existing shareholders (excluding reinvestment of dividends and capital gains). Class B Shares of the Fund may be exchanged for Class B Shares of any other Federated fund.

Effective August 1, 2018, an automatic conversion feature for Class C Shares was implemented. Pursuant to this automatic conversion feature, after Class C Shares have been held for ten years from the date of purchase, they will automatically convert to Class A Shares on the next monthly conversion processing date.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with U.S. generally accepted accounting principles (GAAP).

Investment Valuation

In calculating its net asset value (NAV), the Fund generally values investments as follows:

- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by the Trustees.
- Shares of other mutual funds or non-exchange-traded investment companies are valued based upon their reported NAVs.
- Derivative contracts listed on exchanges are valued at their reported settlement or closing price, except that options are valued at the mean of closing bid and asked quotations.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service approved by the Trustees.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Trustees, certain factors may be considered such as: the last traded or purchase price of the security, information obtained by contacting the issuer or dealers, analysis of the issuer's financial statements or other available documents, fundamental analytical data, the nature and duration of restrictions on disposition, the movement of the market in which the security is normally traded, public trading in similar

securities or derivative contracts of the issuer or comparable issuers, movement of a relevant index, or other factors including but not limited to industry changes and relevant government actions.

If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, if the Fund cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the Fund's valuation policies and procedures, or if information furnished by a pricing service, in the opinion of the valuation committee ("Valuation Committee"), is deemed not representative of the fair value of such security, the Fund uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that the Fund could obtain the fair value assigned to an investment if it sold the investment at approximately the time at which the Fund determines its NAV per share.

Fair Valuation Procedures

The Trustees have ultimate responsibility for determining the fair value of investments for which market quotations are not readily available. The Trustees have appointed a Valuation Committee comprised of officers of the Fund, Federated Investment Management Company (the "Adviser") and certain of the Adviser's affiliated companies to assist in determining fair value and in overseeing the calculation of the NAV. The Trustees have also authorized the use of pricing services recommended by the Valuation Committee to provide fair value evaluations of the current value of certain investments for purposes of calculating the NAV. The Valuation Committee employs various methods for reviewing third-party pricing-service evaluations including periodic reviews of third-party pricing services' policies, procedures and valuation methods (including key inputs, methods, models and assumptions), transactional back-testing, comparisons of evaluations of different pricing services and review of price challenges by the Adviser based on recent market activity. In the event that market quotations and price evaluations are not available for an investment, the Valuation Committee determines the fair value of the investment in accordance with procedures adopted by the Trustees. The Trustees periodically review and approve the fair valuations made by the Valuation Committee and any changes made to the procedures.

Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and asked for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses mid evaluations for any other types of fixed-income securities and any OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with procedures adopted by the Trustees.

Investment Income, Gains and Losses, Expenses and Distributions

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Distributions of net investment income, if any, are declared and paid monthly. Non-cash dividends included in dividend income, if any, are recorded at fair value.

Amortization/accretion of premium and discount is included in investment income. Investment income, realized and unrealized gains and losses and certain fund-level expenses are allocated to each class based on relative average daily net assets, except that select classes will bear certain expenses unique to those classes. The detail of the total fund expense waiver and reduction of \$465,020 is disclosed in Note 5 and Note 6.

Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share dividend rates are generally due to differences in separate class expenses. All distributions as indicated on the Statement of Changes in Net Assets for the year ended August 31, 2018 were from net investment income. Undistributed net investment income at August 31, 2018 was \$635,529.

Other Service Fees

The Fund may pay other service fees up to 0.25% of the average daily net assets of the Fund's Class A Shares, Class B Shares, Class C Shares and Class F Shares to unaffiliated financial intermediaries or to Federated Shareholder Services Company (FSSC) for providing services to shareholders and maintaining shareholder accounts. Subject to the terms described in the Expense Limitation note, FSSC may voluntarily reimburse the Fund for other service fees. For the six months ended February 28, 2019, other service fees for the Fund were as follows:

	Other Service Fees Incurred
Class A Shares	\$257,199
Class B Shares	7,069
Class C Shares	57,735
Class F Shares	232,373
TOTAL	\$554,376

Federal Taxes

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code (the "Code") and to distribute to shareholders each year substantially all of its income. Accordingly, no provision for federal income tax is necessary. As of and during the six months ended February 28, 2019, the Fund did not have a liability for any uncertain tax positions. The Fund recognizes interest and penalties, if any, related to tax liabilities as income tax expense in the Statement of Operations. As of February 28, 2019, tax years 2015 through 2018 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

When-Issued and Delayed-Delivery Transactions

The Fund may engage in when-issued or delayed-delivery transactions. The Fund records when-issued securities on the trade date and maintains security positions such that sufficient liquid assets will be available to make payment for the securities purchased. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily and begin earning interest on the settlement date. Losses may occur on these transactions due to changes in market conditions or the failure of counterparties to perform under the contract.

Restricted Securities

The Fund may purchase securities which are considered restricted. Restricted securities are securities that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, either upon demand by the Fund or in connection with another registered offering of the securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities may be determined to be liquid under criteria established by the Trustees. The Fund will not incur any registration costs upon such resales. The Fund's restricted securities, like other securities, are priced in accordance with procedures established by and under the general supervision of the Trustees.

Additional information on restricted securities held at February 28, 2019, is as follows:

Security	Acquisition Date	Acquisition Cost	Market Value
Allentown, PA Neighborhood Improvement Zone Development Authority, City Center Refunding Project Tax Revenue Bonds (Series 2017), 5.000%, 5/1/2042	6/29/2017	\$1,016,703	\$1,064,670
Arizona State Industrial Development Authority Education Revenue (Basis Schools, Inc. Obligated Group), (Series 2017D), 5.000%, 7/1/2051	10/12/2017	\$ 665,080	\$ 654,797
Arizona State Industrial Development Authority Education Revenue (Basis Schools, Inc. Obligated Group), Education Revenue Bonds (Series 2017G), 5.000%, 7/1/2051	12/15/2017	\$ 518,967	\$ 503,690
Arizona State Industrial Development Authority Education Revenue (Pinecrest Academy of Nevada), Horizon, Inspirada and St. Rose Campus Education Revenue Bonds (Series 2018A), 5.750%, 7/15/2048	12/14/2018	\$1,813,666	\$1,832,110
Build NYC Resource Corporation (Albert Einstein School of Medicine, Inc.), Revenue Bonds (Series 2015), 5.500%, 9/1/2045	1/14/2016	\$1,000,000	\$1,063,990
California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2014A), 5.125%, 7/1/2044	6/13/2014	\$ 750,000	\$ 797,790
California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2015A), 5.000%, 7/1/2045	8/27/2015	\$ 583,543	\$ 602,866
California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2017A), 5.000%, 7/1/2047	8/4/2017	\$ 553,805	\$ 541,545
California State School Finance Authority Charter School Revenue (Bright Star Schools-Obligated Group), Charter School Revenue Bonds (series 2017), 5.000%, 6/1/2047	12/13/2017	\$1,038,315	\$1,016,130

Security	Acquisition Date	Acquisition Cost	Market Value
California State School Finance Authority Charter School Revenue (Rocketship Public Schools), Revenue Bonds (Series 2017G), 5.000%, 6/1/2047	12/4/2017	\$ 517,413	\$ 510,800
California State School Finance Authority Charter School Revenue (Summit Public Schools Obligated Group), (Series 2017), 5.000%, 6/1/2053	10/5/2017	\$1,183,599	\$1,171,742
California Statewide Communities Development Authority (Loma Linda University Medical Center), Revenue Bonds (Series 2016A), 5.250%, 12/1/2056	4/28/2016	\$2,325,247	\$2,390,490
Collier County, FL IDA (Arlington of Naples), Continuing Care Community Revenue Bonds (Series 2013A), (Original Issue Yield: 8.375%), 8.250%, 5/15/2049	12/16/2013	\$2,958,469	\$2,926,050
Colorado Educational & Cultural Facilities Authority (Loveland Classical School), School Improvement Revenue Bonds (Series 2016), 5.000%, 7/1/2046	8/11/2016	\$1,029,645	\$1,001,750
Colorado Educational & Cultural Facilities Authority (University Lab School), Charter School Refunding & Improvement Revenue Bonds (Series 2015), (Original Issue Yield: 5.020%), 5.000%, 12/15/2045	3/13/2015	\$ 996,992	\$1,032,410
Delaware Economic Development Authority (ASPIRA of Delaware Charter Operations, Inc.), Charter School Revenue Bonds (Series 2016A), 5.000%, 6/1/2051	7/15/2016	\$1,434,186	\$1,295,676
Denver, CO Health & Hospital Authority, Revenue Refunding Bonds (Series 2017A), 5.000%, 12/1/2034	8/23/2017	\$1,094,814	\$1,112,770
Director of the State of Nevada Department of Business and Industry (Doral Academy of Nevada), Charter School Revenue Bonds (Series 2017A), 5.000%, 7/15/2047	8/31/2017	\$ 923,501	\$ 910,330
Director of the State of Nevada Department of Business and Industry (Somerset Academy of Las Vegas), Charter School Lease Revenue Bonds (Series 2018A), 5.000%, 12/15/2048	4/6/2018	\$1,002,792	\$1,005,640
Embrey Mill Community Development Authority, VA, Special Assessment Revenue Bonds (Series 2015), 5.600%, 3/1/2045	10/22/2015	\$1,500,000	\$1,515,180
Harris County, TX IDC (Exxon Mobil Corp.), (Series 1997) Daily VRDNs, 1.770%, 3/1/2019	2/19/2019	\$ 900,000	\$ 900,000

Security	Acquisition Date	Acquisition Cost	Market Value
Kansas City, MO Redevelopment Authority (Kansas City Convention Center Headquarters Hotel CID), Revenue Bonds (Series 2018B), (Original Issue Yield: 5.079%), 5.000%, 2/1/2050	1/10/2018	\$1,975,361	\$2,017,040
Maine State Finance Authority Solid Waste Disposal (Casella Waste Systems, Inc.), Revenue Bonds (Series 2005R-3), 5.250%, 1/1/2025	1/27/2017	\$2,000,000	\$2,154,480
Maricopa County, AZ, IDA (Paradise Schools), Revenue Refunding Bonds, 5.000%, 7/1/2047	10/6/2016	\$1,044,868	\$1,020,210
Massachusetts Development Finance Agency (Newbridge on the Charles), Revenue Refunding Bonds (Series 2017), 5.000%, 10/1/2057	12/7/2017	\$1,065,207	\$1,033,060
Metropolitan Transportation Authority, NY (MTA Transportation Revenue), Trust Receipts/ Certificates (Series 2019-FG0227) MUNINVs, (Assured Guaranty Municipal Corp. GTD), 8.116%, 11/15/2046	2/12/2019	\$5,226,045	\$5,309,750
Millsboro, DE Special Obligations (Plantation Lakes Special Development District), Special Tax Revenue Refunding Bonds (Series 2018), 5.250%, 7/1/2048	11/15/2018	\$2,977,642	\$3,061,860
Minneapolis, MN Charter School Lease Revenue (Twin Cities International School), (Series 2017A), (Original Issue Yield: 5.150%), 5.000%, 12/1/2047	12/8/2017	\$2,932,769	\$2,748,030
Mission, TX Economic Development Corporation (Natgasoline), Senior Lien Revenue Bonds (Series 2018), (Original Issue Yield: 4.716%), 4.625%, 10/1/2031	10/30/2018	\$1,487,095	\$1,534,110
Mohegan Tribe of Indians of Connecticut Gaming Authority, Priority Distribution Payment Refunding Bonds (Series 2015C), (Original Issue Yield: 6.375%), 6.250%, 2/1/2030	11/25/2015	\$1,817,038	\$2,003,288
New Hampshire Health and Education Facilities Authority (Hillside Village), Revenue Bonds (Series 20017A), (Original Issue Yield: 6.375%), 6.125%, 7/1/2052	6/8/2017	\$1,448,384	\$1,559,775
New York Liberty Development Corporation (3 World Trade Center), Revenue Bonds (Series 2014 Class 1), 5.000%, 11/15/2044	10/29/2014	\$2,000,000	\$2,082,260
New York Liberty Development Corporation (3 World Trade Center), Revenue Bonds (Series 2014 Class 2), 5.375%, 11/15/2040	10/29/2014	\$1,000,000	\$1,058,920
Prince Georges County, MD (Westphalia Town Center), Special Obligation Revenue Bonds (Series 2018), (Original Issue Yield: 5.330%), 5.250%, 7/1/2048	11/16/2018	\$ 988,143	\$1,017,630

Security	Acquisition Date	Acquisition Cost	Market Value
Public Finance Authority, WI (Alabama Proton Therapy Center), Senior Revenue Bonds (Series 2017A), 7.000%, 10/1/2047	12/1/2017	\$1,000,000	\$1,051,340
Public Finance Authority, WI (American Dream at Meadowlands), Limited Obligation PILOT Revenue Bonds (Series 2017), 7.000%, 12/1/2050	6/22/2017	\$3,073,615	\$3,370,680
Public Finance Authority, WI (Southminster), Retirement Facilities First Mortgage Revenue Bonds (Series 2018), 5.000%, 10/1/2053	6/28/2018	\$3,146,955	\$3,013,470
Seattle, WA Municipal Light & Power, Trust Receipts/Certificates (Series 2019-FG0226B) MUNINVs, 8.146%, 1/1/2047	2/1/2019	\$5,292,226	\$5,308,500
Utah State Charter School Finance Authority (Freedom Academy Foundation), Charter School Revenue Refunding Bonds (Series 2017), (Original Issue Yield: 5.500%), 5.375%, 6/15/2048	8/31/2017	\$1,972,279	\$1,969,340
Vermont EDA (Casella Waste Systems, Inc.), Solid Waste Disposal Revenue Bonds (Series 2013) TOBs, 4.625%, Mandatory Tender 4/3/2028	3/28/2018	\$1,000,000	\$1,003,280
Verrado Community Facilities District No. 1, AZ, District GO Refunding Bonds (Series 2013A), 6.000%, 7/15/2027	7/3/2013	\$ 439,096	\$ 457,546
Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), 7.000%, 7/1/2045	7/22/2015	\$1,007,538	\$1,058,880
Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), (Original Issue Yield: 7.050%), 7.000%, 7/1/2050	7/22/2015	\$ 993,620	\$1,056,180
Washington State Housing Finance Commission (Rockwood Retirement Communities), Nonprofit Housing Revenue & Refunding Revenue Bonds (Series 2014A), 7.500%, 1/1/2049	1/31/2014	\$2,500,000	\$2,827,600
Winrock Town Center, NM Tax Increment Development District 1, Senior Lien Gross Receipts Tax Increment Bonds (Series 2015), (Original Issue Yield: 6.120%), 6.000%, 5/1/2040	6/30/2015	\$1,970,363	\$2,012,940

Other

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, liabilities, expenses and revenues reported in the financial statements. Actual results could differ from those estimated. The Fund applies investment company accounting and reporting guidance.

3. SHARES OF BENEFICIAL INTEREST

The following tables summarize share activity:

	Six Months Ended 2/28/2019		Year Ended 8/31/2018	
	Shares	Amount	Shares	Amount
Class A Shares:				
Shares sold	1,282,988	\$ 11,191,879	4,292,007	\$ 38,176,506
Shares issued to shareholders in payment of distributions declared	426,230	3,717,378	828,528	7,369,875
Shares redeemed	(3,490,858)	(30,424,803)	(4,784,409)	(42,562,274)
NET CHANGE RESULTING FROM CLASS A SHARE TRANSACTIONS	(1,781,640)	\$(15,515,546)	336,126	\$ 2,984,107

	Six Months Ended 2/28/2019		Year Ended 8/31/2018	
	Shares	Amount	Shares	Amount
Class B Shares:				
Shares sold	24,696	\$ 215,012	6,523	\$ 49,830
Shares issued to shareholders in payment of distributions declared	9,377	81,772	23,911	212,729
Shares redeemed	(173,622)	(1,513,774)	(349,965)	(3,126,358)
NET CHANGE RESULTING FROM CLASS B SHARE TRANSACTIONS	(139,549)	\$(1,216,990)	(319,531)	\$(2,863,799)

	Six Months Ended 2/28/2019		Year Ended 8/31/2018	
	Shares	Amount	Shares	Amount
Class C Shares:				
Shares sold	329,061	\$ 2,868,464	630,573	\$ 5,618,134
Shares issued to shareholders in payment of distributions declared	72,623	633,331	200,906	1,786,777
Shares redeemed	(852,875)	(7,432,725)	(2,795,990)	(24,807,647)
NET CHANGE RESULTING FROM CLASS C SHARE TRANSACTIONS	(451,191)	\$(3,930,930)	(1,964,511)	\$(17,402,736)

	Six Months Ended 2/28/2019		Year Ended 8/31/2018	
	Shares	Amount	Shares	Amount
Class F Shares:				
Shares sold	482,909	\$ 4,211,118	1,462,269	\$ 13,029,983
Shares issued to shareholders in payment of distributions declared	383,761	3,346,906	794,523	7,067,981
Shares redeemed	(1,658,454)	(14,458,821)	(3,438,756)	(30,577,604)
NET CHANGE RESULTING FROM CLASS F SHARE TRANSACTIONS	(791,784)	\$(6,900,797)	(1,181,964)	\$(10,479,640)

Institutional Shares:	Six Months Ended 2/28/2019		Year Ended 8/31/2018	
	Shares	Amount	Shares	Amount
Shares sold	3,209,703	\$ 27,938,970	7,583,601	\$ 67,450,582
Shares issued to shareholders in payment of distributions declared	310,946	2,708,306	597,192	5,301,922
Shares redeemed	(5,215,981)	(45,378,706)	(5,902,859)	(52,369,624)
NET CHANGE RESULTING FROM INSTITUTIONAL SHARE TRANSACTIONS	(1,695,332)	\$(14,731,430)	2,277,934	\$ 20,382,880
NET CHANGE RESULTING FROM TOTAL FUND SHARE TRANSACTIONS	(4,859,496)	\$(42,295,693)	(851,946)	\$ (7,379,188)

4. FEDERAL TAX INFORMATION

At February 28, 2019, the cost of investments for federal tax purposes was \$558,205,461. The net unrealized appreciation of investments for federal tax purposes was \$13,295,667. This consists of net unrealized appreciation from investments for those securities having an excess of value over cost of \$21,984,191 and net unrealized depreciation from investments for those securities having an excess of cost over value of \$8,688,524.

At August 31, 2018, the Fund had a capital loss carryforward of \$38,840,851 which will reduce the Fund's taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Code, thereby reducing the amount of distributions to shareholders which would otherwise be necessary to relieve the Fund of any liability for federal income tax. Pursuant to the Code, a net capital loss incurred in taxable years beginning on or before December 22, 2010, is characterized as short-term and may be carried forward for a maximum of eight tax years ("Carryforward Limit"), whereas a net capital loss incurred in taxable years beginning after December 22, 2010, retains its character as either short-term or long-term, does not expire and is required to be utilized prior to the losses which have a Carryforward Limit.

The following schedule summarizes the Fund's capital loss carryforwards and expiration years:

Expiration Year	Short-Term	Long-Term	Total
No expiration	\$7,621,533	\$28,273,371	\$35,894,904
2019	\$2,945,947	NA	\$ 2,945,947

5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser Fee

The advisory agreement between the Fund and the Adviser provides for an annual fee equal to 0.60% of the Fund's average daily net assets. Subject to the terms described in the Expense Limitation note, the Adviser may voluntarily choose to waive any portion of its fee. For the six months ended February 28, 2019, the Adviser voluntarily waived \$464,775 of its fee.

Administrative Fee

Federated Administrative Services (FAS), under the Administrative Services Agreement, provides the Fund with administrative personnel and services. For purposes of determining the appropriate rate breakpoint, "Investment Complex" is defined as all of the Federated Funds subject to a fee under the Administrative Services Agreement. The fee paid to FAS is based on the average daily net assets of the Investment Complex as specified below.

Administrative Fee	Average Daily Net Assets of the Investment Complex
0.100%	on assets up to \$50 billion
0.075%	on assets over \$50 billion

Subject to the terms described in the Expense Limitation note, FAS may voluntarily choose to waive any portion of its fee. For the six months ended February 28, 2019, the annualized fee paid to FAS was 0.080% of average daily net assets of the Fund.

In addition, FAS may charge certain out-of-pocket expenses to the Fund.

Distribution Services Fee

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act. Under the terms of the Plan, the Fund will compensate Federated Securities Corp. (FSC), the principal distributor, from the daily net assets of the Fund's Class A Shares, Class B Shares, Class C Shares and Class F Shares to finance activities intended to result in the sale of these shares. The Plan provides that the Fund may incur distribution expenses at the following percentages of average daily net assets annually, to compensate FSC:

	Percentage of Average Daily Net Assets of Class
Class A Shares	0.05%
Class B Shares	0.75%
Class C Shares	0.75%
Class F Shares	0.05%

Subject to the terms described in the Expense Limitation note, FSC may voluntarily choose to waive any portion of its fee. For the six months ended February 28, 2019, distribution services fees for the Fund were as follows:

	Distribution Services Fee Incurred
Class B Shares	\$ 21,208
Class C Shares	173,204
TOTAL	\$194,412

For the six months ended February 28, 2019, FSC retained \$35,507 of fees paid by the Fund. When FSC receives fees, it may pay some or all of them to financial intermediaries whose customers purchase shares. For the six months ended February 28, 2019, the Fund's Class A Shares and Class F Shares did not incur a distribution services fee; however, each may begin to incur this fee upon approval by the Trustees.

Sales Charges

Front-end sales charges and contingent deferred sales charges (CDSC) do not represent expenses of the Fund. They are deducted from the proceeds of sales of Fund shares prior to investment or from redemption proceeds prior to remittance, as applicable. For the six months ended February 28, 2019, FSC retained \$6,984 and \$227 in sales charges from the sale of Class A Shares and Class F Shares, respectively. FSC also retained \$1,885, \$3,497, \$4,005 and \$15,123 of CDSC relating to redemptions of Class A Shares, Class B Shares, Class C Shares and Class F Shares, respectively.

Other Service Fees

For the six months ended February 28, 2019, FSSC received \$14,499 of the other service fees disclosed in Note 2.

Expense Limitation

The Adviser and certain of its affiliates (which may include FSC, FAS and FSSC) on their own initiative have agreed to waive certain amounts of their respective fees and/or reimburse expenses. Effective November 1, 2018, total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, extraordinary expenses, and proxy-related expenses paid by the Fund, if any) paid by the Fund's Class A Shares, Class B Shares, Class C Shares, Class F Shares and Institutional Shares (after the voluntary waivers and reimbursements) will not exceed 0.89%, 1.64%, 1.64%, 0.89% and 0.64% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"):

(a) November 1, 2019; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its applicable affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees.

Interfund Transactions

During the six months ended February 28, 2019, the Fund engaged in purchase and sale transactions with funds that have a common investment adviser (or affiliated investment advisers), common Directors/Trustees and/or common Officers. These purchase and sale transactions complied with Rule 17a-7 under the Act and amounted to \$47,800,000 and \$53,950,000, respectively.

Directors'/Trustees' and Miscellaneous Fees

Certain Officers and Trustees of the Fund are Officers and Directors or Trustees of certain of the above companies. To efficiently facilitate payment, Directors'/Trustees' fees and certain expenses related to conducting meetings of the Directors/Trustees and other miscellaneous expenses are paid by an affiliate of the Adviser which in due course are reimbursed by the Fund. These expenses related to conducting meetings of the Directors/Trustees and other miscellaneous expenses may be included in Accrued and Miscellaneous Expenses on the Statement of Assets and Liabilities and Statement of Operations, respectively.

6. EXPENSE REDUCTION

Through arrangements with the Fund's custodian, net credits realized as a result of uninvested cash balances were used to reduce custody expenses. For the six months ended February 28, 2019, the Fund's expenses were reduced by \$245 under these arrangements.

7. INVESTMENT TRANSACTIONS

Purchases and sales of investments, excluding long-term U.S. government securities and short-term obligations, for the six months ended February 28, 2019, were as follows:

Purchases	\$33,079,104
Sales	\$87,068,052

8. CONCENTRATION OF RISK

The Fund has 50.8% of its portfolio invested in lower rated and comparable quality unrated high-yield securities. Investments in higher yield securities may be subject to a greater degree of credit risk and the risk tends to be more sensitive to economic conditions than higher rated securities. The risk of loss due to default by the issuer may be significantly higher for the holders of high yielding securities because such securities are generally unsecured and often subordinated to other creditors of the issuer.

9. LINE OF CREDIT

The Fund participates with certain other Federated Funds, on a several basis, in an up to \$500,000,000 unsecured, 364-day, committed, revolving line of credit (LOC) agreement. The LOC was made available to finance temporarily the repurchase or redemption of shares of the Fund, failed trades, payment of dividends, settlement of trades and for other short-term, temporary or emergency general business purposes. The Fund cannot borrow under the LOC if an inter-fund loan is outstanding. The Fund's ability to borrow under the LOC also is subject to the limitations of the Act and various conditions precedent that must be satisfied before the Fund can borrow. Loans under the LOC are charged interest at a fluctuating rate per annum equal to the highest, on any day, of (a) (i) the federal funds effective rate, (ii) the one month London Interbank Offered Rate (LIBOR), and (iii) 0.0%, plus (b) a margin. The LOC also requires the Fund to pay, quarterly in arrears and at maturity, its pro rata share of a commitment fee based on the amount of the lenders' commitment that has not been utilized. As of February 28, 2019, the Fund had no outstanding loans. During the six months ended February 28, 2019, the Fund did not utilize the LOC.

10. INTERFUND LENDING

Pursuant to an Exemptive Order issued by the SEC, the Fund, along with other funds advised by subsidiaries of Federated Investors, Inc., may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from other participating affiliated funds. As of February 28, 2019, there were no outstanding loans. During the six months ended February 28, 2019, the program was not utilized.

Shareholder Expense Example (unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase or redemption payments; and (2) ongoing costs, including management fees and to the extent applicable, distribution (12b-1) fees and/or other service fees and other Fund expenses. This Example is intended to help you to understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. It is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from September 1, 2018 to February 28, 2019.

ACTUAL EXPENSES

The first section of the table below provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to *estimate* the expenses that you incurred over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first section under the heading entitled “Expenses Paid During Period” to estimate the expenses attributable to your investment during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second section of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an *assumed* rate of return of 5% per year before expenses, which is not the Fund’s actual return. Thus, you should *not* use the hypothetical account values and expenses to estimate the actual ending account balance or your expenses for the period. Rather, these figures are required to be provided to enable you to compare the ongoing costs of investing in the Fund with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads) on purchase or redemption payments. Therefore, the second section of the table is useful in comparing ongoing costs only, and will not help you determine the relative *total* costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

	Beginning Account Value 9/1/2018	Ending Account Value 2/28/2019	Expenses Paid During Period ¹
Actual:			
Class A Shares	\$1,000	\$1,006.80	\$4.43
Class B Shares	\$1,000	\$1,003.00	\$8.14
Class C Shares	\$1,000	\$1,004.30	\$8.15
Class F Shares	\$1,000	\$1,006.80	\$4.43
Institutional Shares	\$1,000	\$1,008.00	\$3.19
Hypothetical (assuming a 5% return before expenses):			
Class A Shares	\$1,000	\$1,020.38	\$4.46
Class B Shares	\$1,000	\$1,016.66	\$8.20
Class C Shares	\$1,000	\$1,016.66	\$8.20
Class F Shares	\$1,000	\$1,020.38	\$4.46
Institutional Shares	\$1,000	\$1,021.62	\$3.21

¹ Expenses are equal to the Fund's annualized net expense ratios, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half-year period). The annualized net expense ratios are as follows:

Class A Shares	0.89%
Class B Shares	1.64%
Class C Shares	1.64%
Class F Shares	0.89%
Institutional Shares	0.64%

Evaluation and Approval of Advisory Contract – May 2018

FEDERATED MUNICIPAL HIGH YIELD ADVANTAGE FUND (THE “FUND”)

At its meetings in May 2018, the Fund’s Board of Trustees (the “Board”), including a majority of those Trustees who are not “interested persons” of the Fund, as defined in the Investment Company Act of 1940 (the “Independent Trustees”), reviewed and unanimously approved the continuation of the Fund’s investment advisory contract for an additional one-year term. The Board’s decision regarding the contract reflects the exercise of its business judgment after considering all of the information received on whether to continue the existing arrangements.

The Board had previously appointed a Senior Officer, whose duties included specified responsibilities relating to the process by which advisory fees are to be charged to a fund advised by Federated Investment Management Company (the “Adviser”) or its affiliates (collectively, “Federated”) (each, a “Federated fund”). The Senior Officer’s responsibilities included preparing and furnishing to the Board an annual independent written evaluation that covered topics discussed below. In December 2017, the Senior Officer position was eliminated. Notwithstanding the elimination of the Senior Officer position, at the request of the Independent Trustees, the Fund’s Chief Compliance Officer (the CCO) furnished to the Board in advance of its May 2018 meetings an independent written evaluation covering substantially the same topics that had been covered in the Senior Officer’s written evaluation in prior years. The Board considered the CCO’s independent written evaluation (the “CCO Fee Evaluation Report”), along with other information, in evaluating the reasonableness of the Fund’s management fee and in deciding to approve the continuation of the investment advisory contract. Consistent with the former Senior Officer position, the CCO, in preparing the CCO Fee Evaluation Report, has the authority to retain consultants, experts or staff as reasonably necessary to assist in the performance of his duties, reports directly to the Board, and can be terminated only with the approval of a majority of the Independent Trustees.

The Board also considered judicial decisions concerning allegedly excessive investment advisory fees in making its decision. Using these judicial decisions as a guide, the Board observed that the following factors may be relevant to an adviser’s fiduciary duty with respect to its receipt of compensation from a fund: (1) the nature and quality of the services provided by an adviser to a fund and its shareholders (including the performance of the fund, its benchmark, and comparable funds); (2) an adviser’s cost of providing the services (including the profitability to an adviser of providing advisory services to a fund); (3) the extent to which an adviser may realize “economies of scale” as a fund grows larger and, if such economies of scale exist, whether they have been shared with a fund and its shareholders or the family of funds; (4) any “fall-out” financial benefits that accrue to an adviser because of its relationship with a fund (including

research services received from brokers that execute fund trades and any fees paid to affiliates of an adviser for services rendered to a fund); (5) comparative fee and expense structures (including a comparison of fees paid to an adviser with those paid by similar funds both internally and externally as well as management fees charged to institutional and other advisory clients of the Adviser or its affiliates for what might be viewed as like services); and (6) the extent of care, conscientiousness and independence with which the fund's board members perform their duties and their expertise (including whether they are fully informed about all facts the board deems relevant to its consideration of an adviser's services and fees). The Board noted that the Securities and Exchange Commission (SEC) disclosure requirements regarding the basis for the Board's approval of the Fund's investment advisory contract generally align with the factors listed above. The Board was aware of these factors and was guided by them in its review of the Fund's investment advisory contract to the extent it considered them to be appropriate and relevant, as discussed further below.

The Board considered and weighed these factors in light of its substantial accumulated experience in governing the Fund and working with Federated on matters relating to the Federated funds. The Independent Trustees were assisted in their deliberations by independent legal counsel.

In addition to the extensive materials that comprise and accompany the CCO Fee Evaluation Report, the Board received detailed information about the Fund and the Federated organization throughout the year, and in connection with its May meetings at which the Board's formal approval of the advisory and subadvisory contracts occurred. In this regard, Federated provided much of this information at each regular meeting of the Board, and furnished additional information specifically in connection with the May meetings. In the months preceding the May meetings, the Board requested and reviewed written materials prepared by Federated in response to requests on behalf of the Independent Trustees encompassing a wide variety of topics. At the May meetings, in addition to meeting in separate sessions of the Independent Trustees without management present, senior management of the Adviser also met with the Independent Trustees and their counsel to discuss the materials presented and such additional matters as the Independent Trustees deemed reasonably necessary to evaluate the advisory and subadvisory contracts. Between regularly scheduled meetings, the Board also received information on particular matters as the need arose.

The Board's consideration of the investment advisory contract included review of the CCO Fee Evaluation Report, accompanying data and additional information covering the following matters, among others: the Adviser's investment philosophy, revenue, profitability, personnel and processes; investment and operating strategies; the Fund's short-term and long-term performance (in absolute terms, both on a gross basis and net of expenses, as well as in terms relative to its particular investment program and certain competitor or "peer group" funds and/or other benchmarks, as appropriate) and comments on the

reasons for performance; the Fund's investment objectives; the Fund's expenses, including the advisory fee and the overall expense structure of the Fund (both in absolute terms and relative to similar and/or competing funds), with due regard for contractual or voluntary expense limitations; the use and allocation of brokerage commissions derived from trading the Fund's portfolio securities (if any); and the nature, quality and extent of the advisory and other services provided to the Fund by the Adviser and its affiliates. The Board also considered the preferences and expectations of Fund shareholders; the entrepreneurial and other risks assumed by the Adviser in sponsoring the Fund; the continuing state of competition in the mutual fund industry and market practices; the range of comparable fees for similar funds in the mutual fund industry; the Fund's relationship to the Federated funds which include a comprehensive array of funds with different investment objectives, policies and strategies which are generally available for exchange without the incurrance of additional sales charges; compliance and audit reports concerning the Federated funds and the Federated companies that service them (including communications from regulatory agencies), as well as Federated's responses to any issues raised therein; and relevant developments in the mutual fund industry and how the Federated funds and/or Federated are responding to them. The Board's evaluation process is evolutionary. The criteria considered and the emphasis placed on relevant criteria change in recognition of changing circumstances in the mutual fund marketplace.

While mindful that courts have cautioned against giving too much weight to comparative information concerning fees charged by other advisers for managing funds with comparable investment programs, the Board has found the use of such comparisons to be relevant to its deliberations. In this regard, the Board was presented with, and considered, information regarding the contractual advisory fee rates, net advisory fee rates, total expense ratios and each element of the Fund's total expense ratio (i.e., gross and net advisory fees, custody fees, portfolio accounting fees and transfer agency fees) relative to an appropriate group of peer funds compiled by Federated using data supplied by independent fund ranking organizations (the "Peer Group"). The Board received a description of the composition and methodology used to select the Peer Group. The Board focused on comparisons with other similar mutual funds more heavily than non-mutual fund products or services because it is believed that they are more relevant. For example, other mutual funds are the products most like the Fund, in that they are readily available to Fund shareholders as alternative investment vehicles. Also, they are the type of investment vehicle, in fact, chosen and maintained by the Fund's investors. The range of their fees and expenses, therefore, appears to be a relevant indicator of what consumers have found to be reasonable in the marketplace in which the Fund competes.

The Board reviewed the contractual advisory fee rate, net advisory fee rate and other expenses of the Fund and noted the position of the Fund's fee rates relative to its Peer Group. In this regard, the Board noted that the contractual advisory fee rate was above the median of the relevant Peer Group, but the Board noted the applicable waivers and reimbursements, and that the overall expense structure of the Fund remained competitive in the context of other factors considered by the Board.

For comparison, the CCO reviewed the fees charged by Federated for providing advisory services to products other than the Federated funds (e.g., institutional and separate accounts and third-party unaffiliated mutual funds for which Federated serves as sub-adviser) (referenced to as "Comparable Funds/Accounts"). With respect to Comparable Funds/Accounts other than third-party mutual funds, the CCO concluded that they are inherently different products. Those differences include, but are not limited to, different types of targeted investors; different applicable laws and regulations; different legal structures; different average account sizes and portfolio management techniques made necessary by different cash flows and different associated costs; and the time spent by portfolio managers and their teams, as well as personnel in the Funds Financial Services, Legal, Compliance and Risk Management departments, in reviewing securities pricing, addressing different administrative responsibilities, addressing different degrees of risk associated with management and a variety of different costs. The CCO also reviewed the differences in the nature of the services required for Federated to manage its proprietary mutual fund business versus managing a discrete pool of assets as a sub-adviser to another institution's mutual fund, and that Federated generally performs significant additional services and assumes substantially greater risk in managing the Fund and other Federated funds than in its role as sub-adviser to an unaffiliated third-party mutual fund. The CCO did not consider the fees for providing advisory services to Comparable Funds/Accounts to be determinative in judging the appropriateness of the Federated funds' advisory fees.

Following such evaluation, and full deliberations, the Board concluded that the fees and expenses of the Fund are reasonable and supported renewal of the Fund's investment advisory contract.

The Board considered the nature, extent and quality of the services provided to the Fund by the Adviser and the resources of the Adviser and its affiliates dedicated to the Fund. In this regard, the Board evaluated, among other things, the Adviser's personnel, experience, track record, overall reputation and willingness to invest in personnel and infrastructure that benefit the Fund. In addition, the Board reviewed the qualifications, backgrounds and responsibilities of the portfolio management team primarily responsible for the day-to-day management of the Fund and the Adviser's ability and experience in attracting and retaining qualified personnel to service the Fund. The Board noted the compliance program of the Adviser and the compliance-related resources provided to the Fund by the Adviser, including the Adviser's commitment to

respond to rulemaking initiatives of the SEC. The Fund's ability to deliver competitive performance when compared to its Peer Group was also deemed to be relevant by the Board as a useful indicator of how the Adviser is executing the Fund's investment program. The Adviser's ability to execute this program was one of the Board's considerations in reaching a conclusion that the nature, extent and quality of the Adviser's investment management services warrant the continuation of the investment advisory contract.

In evaluating the Fund's investment performance, the Board considered performance results in light of the Fund's investment objective, strategies and risks, as disclosed in the Fund's prospectus. The Board considered detailed investment reports on the Fund's performance that were provided to the Board throughout the year and in connection with the May meetings. The CCO also reviewed information regarding the performance of other mutual funds in the Peer Group, noting the CCO's view that comparisons to fund peer groups may be helpful, though not conclusive, in evaluating the performance of the Adviser in managing the Fund. The Board considered, in evaluating such comparisons, that in some cases individual funds may exhibit significant and unique differences in their objectives and management techniques when compared to other funds within a Peer Group.

For the periods covered by the CCO Fee Evaluation Report, the Fund's performance for the five-year period was above the median of the relevant Peer Group, and the Fund's performance fell below the median of the relevant Peer Group for the one-year and three-year periods. The Board discussed the Fund's performance with the Adviser and recognized the efforts being taken by the Adviser in the context of other factors considered relevant by the Board.

Following such evaluation, and full deliberations, the Board concluded that the performance of the Fund supported renewal of the Fund's investment advisory contract.

The Board also received financial information about Federated, including information regarding the compensation and ancillary (or "fall-out") benefits Federated derived from its relationships with the Federated funds. This information covered not only the fees under the investment advisory contracts, but also fees received by Federated's subsidiaries for providing other services to the Federated funds under separate contracts (e.g., for serving as the Federated funds' administrator and distributor). In this regard, the Board considered that certain Federated subsidiaries provide distribution and shareholder services to the Federated funds, for which they may be compensated through distribution and servicing fees paid pursuant to Rule 12b-1 plans or otherwise. The information also detailed any indirect benefit Federated may derive from its receipt of research services from brokers who execute Federated fund trades. In addition, the Board considered the fact that, in order for a Federated fund to be competitive in the marketplace, the Adviser and its affiliates frequently waived fees and/or reimbursed expenses and have disclosed to Federated fund investors and/or indicated to the Board their intention to do so in the future. Moreover,

the Board receives regular reporting as to the institution, adjustment or elimination of these voluntary waivers. The Board considered Federated's previous reductions in contractual management fees to certain Federated funds in response to the CCO's recommendations.

Federated furnished information, requested by the CCO, that reported revenues on a fund-by-fund basis and made estimates of the allocation of expenses on a fund-by-fund basis, using allocation methodologies specified by the CCO. The CCO noted that, while these cost allocation reports apply consistent allocation processes, the inherent difficulties in allocating costs continues to cause the CCO to question the precision of the process and to conclude that such reports may be unreliable, since a single change in an allocation estimate may dramatically alter the resulting estimate of cost and/or profitability of a Federated fund and may produce unintended consequences. The allocation information, including the CCO's view that fund-by-fund estimations may be unreliable, was considered in the evaluation by the Board.

The Board and the CCO also reviewed information compiled by Federated comparing its profitability information to other publicly held fund management companies, including information regarding profitability trends over time. In this regard, the CCO concluded that Federated's profit margins did not appear to be excessive. The CCO also noted that Federated appeared financially sound, with the resources necessary to fulfill its obligations under its contracts with the Fund.

The CCO Fee Evaluation Report also discussed the notion of possible realization of "economies of scale" as a fund grows larger. In this regard, the Board considered that the Adviser has made significant and long-term investments in areas that support all of the Federated funds, such as personnel and processes for the portfolio management, shareholder services, compliance, internal audit and risk management functions, as well as systems technology (including technology relating to cybersecurity) and that the benefits of these efforts (as well as any economies of scale, should they exist) were likely to be shared with the Federated fund family as a whole. The Board noted that the Adviser's investments in these areas are extensive. In addition, the Board considered that the Adviser and its affiliates have frequently waived fees and/or reimbursed expenses and that this has allowed fund shareholders to share potential economies of scale with shareholders. The Board also considered that such waivers and reimbursements can provide protection from an increase in expenses if a Federated fund's assets decline. Federated, as it does throughout the year, and specifically in connection with the Board's review of the advisory and subadvisory contracts, furnished information relative to revenue sharing or adviser-paid fees. Federated and the CCO noted that this information should be viewed to determine if there was an incentive to either not apply breakpoints, or to apply breakpoints at higher levels, and should not be viewed to determine the appropriateness of advisory fees because it would represent marketing and distribution expenses. The Board also noted the absence of any applicable

regulatory or industry guidelines on this subject, which (as discussed in the CCO Fee Evaluation Report) is compounded by the lack of any common industry practice or general pattern with respect to structuring fund advisory fees with “breakpoints” that serve to reduce the fee as a fund attains a certain size.

The CCO stated that his observations and the information accompanying the CCO Fee Evaluation Report supported a finding by the Board that the management fee for the Fund was reasonable. Under these circumstances, no changes were recommended to, and no objection was raised to the continuation of, the Fund’s investment advisory contract. The CCO also recognized that the Board’s evaluation of the Federated funds’ advisory and subadvisory arrangements is a continuing and on-going process that is informed by the information that the Board requests and receives from management throughout the course of the year and, in this regard, the CCO noted certain items for future reporting to the Board or further consideration by management as the Board continues its on-going oversight of the Federated funds.

In its decision to continue an existing investment advisory contract, the Board was mindful of the potential disruptions of the Fund’s operations and various risks, uncertainties and other effects that could occur as a result of a decision to terminate or not renew an investment advisory contract. In particular, the Board recognized that many shareholders have invested in the Fund on the strength of the Adviser’s industry standing and reputation and with the expectation that the Adviser will have a continuing role in providing advisory services to the Fund. Thus, the Board’s approval of the investment advisory contract reflected the fact that it is the shareholders who have effectively selected the Adviser by virtue of having invested in the Fund. The Board concluded that, in light of the factors summarized above, including the nature, quality and scope of the services provided to the Fund by the Adviser and its affiliates, continuation of the investment advisory contract was appropriate.

The Board based its decision to approve the investment advisory contract on the totality of the circumstances and relevant factors and with a view to past and future long-term considerations. Not all of the factors and considerations identified above were necessarily relevant to the Fund, nor did the Board consider any one of them to be determinative. With respect to the factors that were relevant, the Board’s decision to approve the continuation of the contract reflects its view that Federated’s performance and actions provided a satisfactory basis to support the decision to continue the existing arrangement.

Voting Proxies on Fund Portfolio Securities

A description of the policies and procedures that the Fund uses to determine how to vote proxies, if any, relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling 1-800-341-7400. A report on "Form N-PX" of how the Fund voted any such proxies during the most recent 12-month period ended June 30 is available via the Proxy Voting Record (Form N-PX) link associated with the Fund and share class name at www.FederatedInvestors.com/FundInformation. Form N-PX filings are also available at the SEC's website at www.sec.gov.

Quarterly Portfolio Schedule

Each fiscal quarter, the Fund will file with the SEC a complete schedule of its monthly portfolio holdings on "Form N-PORT." The Fund's holdings as of the end of the third month of every fiscal quarter, as reported on Form N-PORT, will be publicly available on the SEC's website at www.sec.gov within 60 days of the end of the fiscal quarter upon filing. You may also access this information via the link to the Fund and share class name at www.FederatedInvestors.com.

Mutual funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in mutual funds involves investment risk, including the possible loss of principal.

This Report is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's Prospectus, which contains facts concerning its objective and policies, management fees, expenses and other information.

IMPORTANT NOTICE ABOUT FUND DOCUMENT DELIVERY

In an effort to reduce costs and avoid duplicate mailings, the Fund(s) intend to deliver a single copy of certain documents to each household in which more than one shareholder of the Fund(s) resides (so-called "householding"), as permitted by applicable rules. The Fund's "householding" program covers its/their Prospectus and Statement of Additional Information, and supplements to each, as well as Semi-Annual and Annual Shareholder Reports and any Proxies or information statements. Shareholders must give their written consent to participate in the "householding" program. The Fund is also permitted to treat a shareholder as having given consent ("implied consent") if (i) shareholders with the same last name, or believed to be members of the same family, reside at the same street address or receive mail at the same post office box, (ii) the Fund gives notice of its intent to "household" at least sixty (60) days before it begins "householding" and (iii) none of the shareholders in the household have notified the Fund(s) or their agent of the desire to "opt out" of "householding." Shareholders who have granted written consent, or have been deemed to have granted implied consent, can revoke that consent and opt out of "householding" at any time: shareholders who purchased shares through an intermediary should contact their representative; other shareholders may call the Fund at 1-800-341-7400.

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Federated Municipal High Yield Advantage Fund
Federated Investors Funds
4000 Ericsson Drive
Warrendale, PA 15086-7561

Contact us at **FederatedInvestors.com**
or call 1-800-341-7400.

Federated Securities Corp., Distributor

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