

FEDERATED ADJUSTABLE RATE SECURITIES FUND

Federated

WORLD-CLASS INVESTMENT MANAGER[®]

PORTFOLIO AS OF DECEMBER 30, 2011 CURRENT NET ASSETS -- \$ 960,037,881

| Principal Amount or Shares | | Value |
|----------------------------------|---|--------------------|
| | ADJUSTABLE RATE MORTGAGES - 49.0% | |
| | Federal Home Loan Mortgage Corporation ARM - 17.6% | |
| \$4,988,132 | 2.041%, 5/1/2035 | \$5,200,496 |
| 17,262,898 | 2.090%, 7/1/2034 | 18,031,183 |
| 4,939,309 | 2.142%, 7/1/2030 | 5,055,213 |
| 3,768,697 | 2.250%, 2/1/2035 | 3,887,424 |
| 470,088 | 2.276%, 4/1/2027 | 474,805 |
| 4,954,859 | 2.285%, 7/1/2038 | 5,276,925 |
| 243,652 | 2.373%, 4/1/2035 | 252,482 |
| 8,669,723 | 2.385%, 11/1/2036 | 9,041,728 |
| 2,007,437 | 2.421%, 4/1/2034 | 2,099,875 |
| 16,878,125 | 2.458%, 1/1/2038 | 17,660,181 |
| 11,347,860 | 2.474%, 7/1/2036 | 12,039,421 |
| 11,443,706 | 2.480%, 11/1/2034 - 8/1/2035 | 12,050,934 |
| 5,135,050 | 2.481%, 5/1/2035 | 5,406,346 |
| 12,036,586 | 2.490%, 2/1/2035 | 12,682,753 |
| 9,393,136 | 2.497%, 1/1/2035 | 9,897,824 |
| 7,862,465 | 2.500%, 4/1/2034 | 8,228,412 |
| 3,388,811 | 2.518%, 2/1/2036 | 3,609,084 |
| 3,960,462 | 2.525%, 7/1/2036 | 4,209,928 |
| 7,641,200 | 2.594%, 12/1/2034 | 8,122,817 |
| 1,444,729 | 2.605%, 4/1/2036 | 1,526,062 |
| 6,122,775 | 2.673%, 4/1/2037 | 6,520,755 |
| 8,671,476 | 2.742%, 7/1/2035 | 9,235,121 |
| 1,536,999 | 2.864%, 4/1/2038 | 1,614,203 |
| 73,561 | 2.940%, 9/1/2020 | 74,965 |
| 6,336,913 | 3.740%, 12/1/2039 | 6,675,450 |
| | TOTAL | 168,874,387 |
| | Federal National Mortgage Association ARM - 31.2% | |
| 7,125,308 | 1.408%, 3/1/2044 | 7,073,735 |
| 3,514,924 | 1.458%, 7/1/2042 | 3,488,608 |
| 38,276 | 1.850%, 10/1/2028 | 39,255 |
| 7,482,583 | 1.875%, 9/1/2033 - 10/1/2033 | 7,752,591 |
| 6,811,579 | 1.937%, 8/1/2034 | 7,165,715 |
| 6,149,993 | 1.983%, 8/1/2034 | 6,453,466 |
| 6,824,103 | 2.065%, 10/1/2034 | 7,117,580 |
| 1,752,494 | 2.071%, 5/1/2035 | 1,808,282 |
| 4,892,753 | 2.110%, 6/1/2034 | 5,105,648 |
| 3,999,523 | 2.123%, 12/1/2034 | 4,169,356 |
| 1,039,172 | 2.135%, 11/1/2035 | 1,056,155 |
| 117,974 | 2.217%, 2/1/2020 | 120,555 |

| Principal Amount or Shares | | Value |
|----------------------------------|---|--------------------|
| 110,246 | 2.220%, 10/1/2033 | 115,395 |
| 4,112,134 | 2.225%, 5/1/2035 | 4,357,616 |
| 4,135,684 | 2.263%, 2/1/2019 - 10/1/2035 | 4,306,840 |
| 2,495,339 | 2.270%, 7/1/2035 | 2,588,193 |
| 5,855,397 | 2.339%, 7/1/2035 | 6,112,142 |
| 9,833,141 | 2.340%, 12/1/2033 - 5/1/2039 | 10,168,652 |
| 2,626,600 | 2.347%, 1/1/2035 | 2,793,968 |
| 3,691,004 | 2.351%, 1/1/2035 | 3,902,843 |
| 113,237 | 2.376%, 10/1/2016 | 115,097 |
| 288,770 | 2.384%, 4/1/2034 | 305,438 |
| 4,049,641 | 2.385%, 10/1/2035 | 4,232,298 |
| 2,621,436 | 2.388%, 7/1/2034 | 2,742,189 |
| 14,692,666 | 2.397%, 5/1/2035 | 15,350,038 |
| 10,525,209 | 2.406%, 7/1/2034 | 11,003,574 |
| 5,562,402 | 2.414%, 2/1/2033 | 5,780,396 |
| 3,895,031 | 2.416%, 5/1/2018 - 6/1/2035 | 4,081,596 |
| 496,845 | 2.418%, 2/1/2036 | 525,800 |
| 1,029,291 | 2.420%, 12/1/2040 | 1,082,436 |
| 5,570,518 | 2.425%, 7/1/2035 | 5,824,486 |
| 5,305,723 | 2.450%, 6/1/2034 - 5/1/2038 | 5,631,712 |
| 1,169,270 | 2.461%, 12/1/2034 | 1,213,822 |
| 2,928,234 | 2.465%, 6/1/2033 | 3,081,370 |
| 7,298,586 | 2.466%, 7/1/2035 | 7,685,536 |
| 3,862,625 | 2.487%, 5/1/2035 | 4,113,695 |
| 1,715,452 | 2.560%, 2/1/2036 | 1,789,525 |
| 21,920,455 | 2.577%, 8/1/2039 | 23,020,796 |
| 4,810,506 | 2.649%, 1/1/2036 | 5,077,853 |
| 275,551 | 2.670%, 7/1/2027 | 288,431 |
| 12,644,935 | 2.685%, 1/1/2039 | 13,224,319 |
| 2,294,516 | 2.712%, 5/1/2036 | 2,443,659 |
| 15,276,335 | 2.749%, 3/1/2039 | 16,114,654 |
| 3,153,320 | 2.766%, 7/1/2036 | 3,219,201 |
| 19,359,758 | 2.826%, 8/1/2035 | 20,618,142 |
| 5,724,082 | 2.852%, 12/1/2040 | 5,907,730 |
| 7,443,437 | 2.953%, 11/1/2040 | 7,732,321 |
| 9,316,413 | 3.561%, 1/1/2040 | 9,803,387 |
| 4,326,783 | 3.830%, 7/1/2039 | 4,571,781 |
| 8,730,397 | 3.914%, 11/1/2039 | 9,240,955 |
| 8,274,078 | 4.200%, 12/1/2039 | 8,670,047 |
| 8,694,502 | 4.704%, 7/1/2035 | 9,239,656 |
| | TOTAL | 299,428,535 |
| | Government National Mortgage Association ARM - 0.2% | |
| 363,990 | 1.625%, 7/20/2023 - 9/20/2023 | 372,062 |
| 241,426 | 2.125%, 11/20/2023 - 10/20/2029 | 247,447 |
| 24,214 | 2.250%, 1/20/2030 | 25,402 |
| 935,736 | 2.375%, 1/20/2022 - 5/20/2029 | 956,598 |
| | TOTAL | 1,601,509 |
| | TOTAL ADJUSTABLE RATE MORTGAGES | 469,904,431 |
| | COLLATERALIZED MORTGAGE OBLIGATIONS - 37.6% | |
| | Federal Home Loan Mortgage Corporation REMIC - 10.9% | |
| 5,629,980 | REMIC 3012 EF, 0.578%, 8/15/2035 | 5,611,032 |
| 6,174,774 | REMIC 3284 AF, 0.588%, 3/15/2037 | 6,145,007 |
| 1,798,400 | REMIC 3001 EA, 0.628%, 3/15/2035 | 1,802,230 |
| 1,795,186 | REMIC 3155 PF, 0.628%, 5/15/2036 | 1,793,412 |
| 1,717,485 | REMIC 3174 FL, 0.628%, 6/15/2036 | 1,714,188 |
| 8,926,234 | REMIC 3380 FP, 0.628%, 11/15/2036 | 8,906,208 |
| 2,525,569 | REMIC 3179 FP, 0.658%, 7/15/2036 | 2,523,946 |
| 2,956,199 | REMIC 2819 F, 0.678%, 6/15/2034 | 2,958,170 |
| 10,138,624 | REMIC 3317 F, 0.678%, 7/15/2036 | 10,130,403 |
| 1,737,795 | REMIC 3301 MF, 0.678%, 4/15/2037 | 1,732,631 |
| 1,156,048 | REMIC 3221 FW, 0.698%, 9/15/2036 | 1,157,268 |

Principal
Amount
or Shares

Value

| | | |
|------------|--|--------------------|
| 1,609,864 | REMIC 3213 GF, 0.708%, 9/15/2036 | 1,612,476 |
| 2,682,879 | REMIC 3085 UF, 0.728%, 12/15/2035 | 2,686,987 |
| 6,398,091 | REMIC 3156 HF, 0.751%, 8/15/2035 | 6,410,064 |
| 7,144,323 | REMIC 3184 FH, 0.778%, 7/15/2036 | 7,165,823 |
| 1,358,892 | REMIC 2475 FD, 0.828%, 6/15/2031 | 1,369,551 |
| 1,292,826 | REMIC 2380 FL, 0.878%, 11/15/2031 | 1,305,560 |
| 5,386,824 | REMIC 3593 CF, 0.878%, 2/15/2036 | 5,415,212 |
| 12,665,108 | REMIC 3609 FA, 0.938%, 12/15/2039 | 12,769,422 |
| 6,290,687 | REMIC 3550 GF, 1.028%, 7/15/2039 | 6,368,523 |
| 5,512,460 | REMIC MS 1128 F, 1.188%, 7/15/2037 | 5,602,350 |
| 539,458 | REMIC 2448 FA, 1.278%, 1/15/2032 | 548,002 |
| 570,763 | REMIC 2452 FC, 1.278%, 1/15/2032 | 579,802 |
| 1,626,144 | REMIC 2480 NF, 1.278%, 1/15/2032 | 1,652,022 |
| 2,123,071 | REMIC 2475 F, 1.278%, 2/15/2032 | 2,158,196 |
| 1,569,050 | REMIC 2434 FA, 1.278%, 3/15/2032 | 1,594,465 |
| 493,130 | REMIC 2470 EF, 1.278%, 3/15/2032 | 501,117 |
| 485,566 | REMIC 2498 AF, 1.278%, 3/15/2032 | 493,430 |
| 1,759,966 | REMIC 2459 FP, 1.278%, 6/15/2032 | 1,788,872 |
| | TOTAL | 104,496,369 |
| | Federal National Mortgage Association REMIC - 25.5% | |
| 3,962,045 | REMIC 2007-16 PF, 0.484%, 3/25/2037 | 3,936,742 |
| 15,157,003 | REMIC 2006-W1 2AF1, 0.514%, 2/25/2046 | 15,003,593 |
| 10,459,749 | REMIC 2006-49 PF, 0.544%, 4/25/2036 | 10,432,063 |
| 4,228,607 | REMIC 2007-20 F, 0.554%, 3/25/2037 | 4,203,627 |
| 6,364,152 | REMIC 2005-67 FJ, 0.594%, 8/25/2035 | 6,341,353 |
| 6,353,073 | REMIC 2007-75 EF, 0.594%, 1/25/2036 | 6,364,280 |
| 1,184,534 | REMIC 2006-11 FB, 0.594%, 3/25/2036 | 1,180,580 |
| 16,340,580 | REMIC 2006-72 TE, 0.594%, 8/25/2036 | 16,297,210 |
| 357,997 | REMIC 2004-27 FM, 0.614%, 7/25/2022 | 357,911 |
| 1,681,637 | REMIC 2006-20 PF, 0.614%, 11/25/2030 | 1,672,973 |
| 3,919,537 | REMIC 2007-67 FB, 0.614%, 7/25/2037 | 3,910,295 |
| 1,257,141 | REMIC 2005-67 FM, 0.644%, 8/25/2035 | 1,255,134 |
| 11,306,806 | REMIC 2008-52 FD, 0.644%, 6/25/2036 | 11,277,924 |
| 6,871,137 | REMIC 2006-65 DF, 0.644%, 7/25/2036 | 6,860,582 |
| 1,092,238 | REMIC 2006-81 FA, 0.644%, 9/25/2036 | 1,090,945 |
| 2,400,813 | REMIC 2006-8 NF, 0.664%, 3/25/2036 | 2,398,163 |
| 963,831 | REMIC 2007-15 AF, 0.664%, 3/25/2037 | 962,277 |
| 7,592,469 | REMIC 2004-28 PF, 0.694%, 3/25/2034 | 7,600,819 |
| 2,508,344 | REMIC 2006-76 QF, 0.694%, 8/25/2036 | 2,508,709 |
| 7,016,940 | REMIC 2006-103 FB, 0.694%, 10/25/2036 | 7,042,629 |
| 7,767,379 | REMIC 2006-93 FN, 0.694%, 10/25/2036 | 7,757,608 |
| 644,176 | REMIC 2003-90 FL, 0.744%, 3/25/2031 | 644,765 |
| 634,919 | REMIC 2001-57 FA, 0.744%, 6/25/2031 | 634,467 |
| 20,855,585 | REMIC 2007-71 WF, 0.744%, 7/25/2037 | 20,864,399 |
| 1,884,409 | REMIC 2007-88 FY, 0.754%, 9/25/2037 | 1,884,366 |
| 16,194,101 | REMIC 2007-88 GF, 0.774%, 9/25/2037 | 16,206,237 |
| 962,170 | REMIC 2002-52 FG, 0.794%, 9/25/2032 | 968,591 |
| 4,740,553 | REMIC 2007-84 FN, 0.794%, 8/25/2037 | 4,755,685 |
| 6,669,006 | REMIC 2010-39 EF, 0.814%, 6/25/2037 | 6,681,824 |
| 487,992 | REMIC 2002-77 FG, 0.835%, 12/18/2032 | 491,393 |
| 1,762,360 | REMIC 2001-32 FA, 0.844%, 7/25/2031 | 1,777,930 |
| 1,225,468 | REMIC 2007-102 FA, 0.864%, 11/25/2037 | 1,230,868 |
| 602,937 | REMIC 2001-71 FS, 0.894%, 11/25/2031 | 608,256 |
| 509,678 | REMIC 2001-62 FC, 0.944%, 11/25/2031 | 514,964 |
| 909,539 | REMIC 2002-8 FA, 1.035%, 3/18/2032 | 922,128 |
| 6,395,520 | REMIC 200966 FA, 1.044%, 9/25/2039 | 6,454,477 |
| 10,679,611 | REMIC 2009-87 FX, 1.044%, 11/25/2039 | 10,800,020 |
| 10,118,523 | REMIC 2009-106 FN, 1.044%, 1/25/2040 | 10,245,864 |
| 4,246,057 | REMIC 2009-78 UF, 1.064%, 10/25/2039 | 4,300,906 |
| 13,927,989 | REMIC 2009-87 HF, 1.144%, 11/25/2039 | 14,142,550 |
| 2,658,687 | REMIC 2002-7 FG, 1.194%, 1/25/2032 | 2,693,868 |

| Principal Amount or Shares | | Value |
|----------------------------|---|----------------------|
| 1,315,257 | REMIC 2002-77 FA, 1.285%, 12/18/2032 | 1,337,107 |
| 4,066,690 | REMIC 2002-58 FG, 1.294%, 8/25/2032 | 4,134,469 |
| 660,837 | REMIC 2002-60 FH, 1.294%, 8/25/2032 | 671,851 |
| 7,338,167 | REMIC 2008-69 FB, 1.294%, 6/25/2037 | 7,485,710 |
| 4,771,830 | REMIC 2008-75 DF, 1.544%, 9/25/2038 | 4,884,483 |
| 725,023 | REMIC 1995-17 B, 1.827%, 2/25/2025 | 736,368 |
| | TOTAL | 244,528,963 |
| | Government National Mortgage Association REMIC - 1.2% | |
| 11,954,554 | REMIC 2011-H07 FA, 0.745%, 2/20/2061 | 11,829,031 |
| | TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS | 360,854,363 |
| | FDIC-GUARANTEED DEBT - 0.7% | |
| 7,162,971 | (1)(2)FDIC Structured Sale Guaranteed Notes 2010-S2, Class 1A, 0.795%, 11/29/2037 | 7,003,322 |
| | MORTGAGE-BACKED SECURITIES - 10.7% | |
| 12,628,999 | Federal Home Loan Mortgage Corp., 4.000%, 6/1/2025 - 8/1/2025 | 13,267,058 |
| 21,153,079 | Federal Home Loan Mortgage Corp., 4.500%, 6/1/2024 - 6/1/2040 | 22,411,396 |
| 6,955,127 | Federal Home Loan Mortgage Corp., 5.000%, 3/1/2023 - 4/1/2039 | 7,466,647 |
| 7,769,326 | Federal National Mortgage Association, 3.500%, 10/1/2020 - 11/1/2020 | 8,168,827 |
| 28,996,091 | Federal National Mortgage Association, 4.000%, 1/1/2026 - 3/1/2026 | 30,583,401 |
| 3,279,588 | Federal National Mortgage Association, 4.500%, 4/1/2024 | 3,493,558 |
| 16,243,203 | Federal National Mortgage Association, 5.000%, 1/1/2024 - 7/1/2041 | 17,547,296 |
| 35,339 | Government National Mortgage Association, 8.500%, 1/15/2030 | 42,257 |
| | TOTAL MORTGAGE-BACKED SECURITIES | 102,980,440 |
| | REPURCHASE AGREEMENT - 4.8% | |
| 45,834,000 | Bank of America N.A., 0.060%, dated 12/30/2011, due 1/3/2012 | 45,834,000 |
| | TOTAL INVESTMENTS | \$986,576,556 |

- (1) Denotes a restricted security 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) is subject to a contractual restriction on public sales. At December 30, 2011, these restricted securities amounted to \$7,003,322, which represented 0.7% of total net assets.
- (2) Denotes a restricted security that may be resold without restriction to "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933 and that the Fund has determined to be liquid under criteria established by the Fund's Board of Trustees. At December 30, 2011, these liquid restricted securities amounted to \$7,003,322, which represented 0.7% of total net assets.

Note: The categories of investments are shown as a percentage of net assets (\$960,037,881) at the close of business on December 30, 2011, and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

The following acronyms are used throughout this portfolio:

ARM --Adjustable Rate Mortgage
REMIC --Real Estate Mortgage Investment Conduit

Portfolio holdings are shown as of the date indicated and are unaudited. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

For more complete information on the fund, visit www.FederatedInvestors.com for a prospectus. You should consider the fund's investment objectives, risks, charges, and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

Federated Securities Corp., Distributor
(32154) 12/30/2011