

# Federated Prime Cash Obligations Fund

## Automated Shares

Nasdaq Symbol: **PTAXX** | Cusip Number: **608919627** | Newspaper Listing: **PmCshObAS**

### Product Highlights

- Pursues current income consistent with stability of principal and liquidity.
- Invests primarily in short-term, high-quality, fixed-income securities issued by banks, corporations and the U.S. government.
- Offers the potential for higher yield than a money market fund portfolio limited to Treasury or government fixed-income securities.
- Holds AAAM, Aaa-mf and AAAmmf ratings from Standard & Poor's, Moody's and Fitch, respectively.
- Gives investors more time to complete daily cash processing and initiate late-day deposit transactions through 5 p.m. ET cut-off time for purchases and redemptions.

### Credit Ratings

**AAAm** *Standard & Poor's*  
**Aaa-mf** *Moody's*  
**AAAmmf** *Fitch*

### Portfolio Manager(s)

Deborah Cunningham  
 Paige Wilhelm

### Portfolio Assets

\$5.8 billion

### Top Ten Holdings

Toronto Dominion Bank  
 Bank of Montreal  
 Royal Bank of Canada  
 Wells Fargo & Co.  
 HSBC Holdings PLC  
 Svenska Handelsbanken, Stockholm  
 Mitsubishi UFJ Financial Group, Inc.  
 JPMorgan Chase & Co.  
 BNP Paribas SA  
 Standard Chartered PLC

Total % of Portfolio: 43.8%

### Share Class Statistics

#### Inception Date

6/2/15

#### Federated Fund Number

909

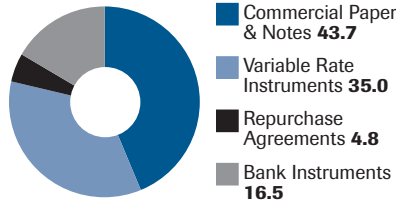
#### Cut-Off Times

5:00 p.m. ET — Purchases  
 5:00 p.m. ET — Redemptions

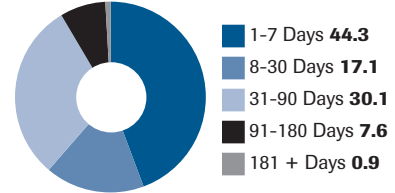
#### Dividends

Declared Daily/Paid Monthly

### Portfolio Composition (%)



### Effective Maturity Schedule (%)



### 2a-7 Liquidity

Daily 22.54%  
 Weekly 39.47%

### Weighted Average Maturity

31 Days

### Weighted Average Life

62 Days

### Fund Performance

Net Yields (%)		Total Return (%)	
7-Day	0.82	1 Year	0.38

Annualized Yields (%)	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
7-Day	0.07	0.07	0.04	0.06	0.26	0.44	0.52	0.53	0.67	0.70	0.71	0.82

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

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

Otherwise, the 7-day yield would have been .69% and total return would have been lower.

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

Rule 2a-7 requires that money market funds maintain a 10% daily liquidity bucket and a 30% weekly liquidity bucket. Both requirements are 'point of purchase' requirements. Thus, it is permissible and probable that money market funds may, at any given time, have liquidity percentages reflecting less than the 10% and 30% thresholds. In such circumstances, the portfolio manager will be required to purchase securities to fill the requisite liquidity bucket prior to purchasing longer-dated securities. Additionally, the SEC requirements for what may be defined as 'daily' and 'weekly' differs from the standard maturities used in calculating the 'Effective Maturity Schedule.' Therefore, the percentages in the 2a-7 Liquidity table will generally not equal the amounts shown in the 'Effective Maturity Schedule.'

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## Portfolio Manager Commentary

Despite a pullback in inflation and softening in some economic data, short-term interest rates marched higher in the second quarter, aided by actions taken by the US Federal Reserve. The central bank in June raised the target funds range another 25 basis points—the third increase in six months—and signaled it expects to make one more move, as well as initiate the first phases of a balance-sheet reduction plan, before year-end. While acknowledging it will keep an eye on inflation that's currently trending short of its 2% target, the Fed indicated an economy now in its eighth year of expansion no longer is in need of extraordinary accommodation. Policymakers also played down recession risks despite the spring slowdown in job growth, auto sales and manufacturing activity.

The risk markets appeared to agree with the Fed's take, as major equity indexes repeatedly set new highs over the three months and corporate credit markets performed well, with corporate bond spreads continuing to narrow relative to comparable maturity Treasuries. In fact, Treasuries were the one fly in the ointment in this risk-on scenario, as long-term yields declined over much of the April-June period before climbing somewhat in the final weeks. Reasons likely included a growing appreciation that, even with last November's Republican sweep of the White House and both houses of Congress, getting anything done in Washington is difficult, especially when the ideological divides are as deep as they are now. This has been particularly evident in Republicans' inability to pass legislation repealing and replacing the Affordable Care Act, even though doing so immediately was a key component of their election strategy last fall.

During the three months ended June 30, the 1-month and 3-month London interbank offered rate (Libor) rose a respective 25 and 15 basis points to 1.23% and 1.30%. The short end of the US Treasury curve also continued to steepen, with 1-month and 3-month Treasury yields rising 14 and 24 basis points to 0.89% and 1.00%, respectively.

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

**These materials include general information and have not been tailored for any specific recipient or recipients. Accordingly, these materials are not intended to cause Federated or any affiliate to become a fiduciary within the meaning of Section 3(21)(A)(ii) of the Employee Retirement Income Security Act of 1974, as amended or Section 4975(e)(3)(B) of the Internal Revenue Code of 1986, as amended.**

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

### A Word About Risk

The value of some asset-backed securities may be particularly sensitive to changes in prevailing interest rates, and although the securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that private guarantors or insurers will meet their obligations.

Current and future portfolio holdings are subject to risk.

### Definitions

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

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

The holdings percentages are based on net assets at the close of business on 6/30/17 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

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

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

Repurchase agreements consist of a financial institution selling securities to a fund and agreeing to repurchase them at a mutually agreed upon price and time.

### Ratings And Rating Agencies

Ratings are based on an evaluation of several factors, including credit quality, diversification and maturity of assets in the portfolio, as well as management strength and operational capabilities. A money market fund rated AAAM by Standard & Poor's is granted after evaluating a number of factors, including credit quality, market price, exposure and management. Money market funds rated Aaa-mf by Moody's are judged to be of an investment quality similar to Aaa-rated fixed income obligations, that is, they are judged to be of the best quality. Fitch's money market fund ratings are an assessment of a money market fund's capacity to preserve principal and provide liquidity through limiting credit, market and liquidity risk. For more information on credit ratings, visit [standardandpoors.com](http://standardandpoors.com), [v3.moody's.com](http://v3.moody's.com) and [fitchratings.com](http://fitchratings.com).

Ratings are subject to change and do not remove market risk.

Credit ratings do not provide assurance against default or other loss of money and can change.

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