# Federated Prime Cash Obligations Fund
## Automated Shares

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

MONEY MARKET PRIME RETAIL

### 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

$8.5 billion

### Top Ten Holdings

DNB Bank ASA
Sumitomo Mitsui Trust Holdings, Inc.
Canadian Imperial Bank of Commerce
Royal Bank of Canada
Sheffield Receivables Company LLC
JPMorgan Chase & Co.
Bank of Montreal
Toronto Dominion Bank
Wells Fargo & Co.
Mitsubishi UFJ Financial Group, Inc.

*Total % of Portfolio: 47.4%*

### Share Class Statistics

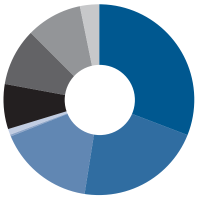
**Inception Date**
6/2/15

**Federated Fund Number**
909

**Cut-Off Times**
5:00 p.m. ET — Purchases
5:00 p.m. ET — Redemptions

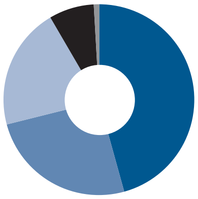
**Dividends**
Declared Daily/Paid Monthly

### Portfolio Composition (%)



- Asset Backed Commercial Paper **30.8**
- Certificate of Deposit **21.7**
- Financial Company Commercial Paper **16.5**
- Investment Company **0.3**
- Non-Financial Company Commercial Paper **1.0**
- Non-Negotiable Time Deposit **7.6**
- Other Repurchase Agreement **9.6**
- U.S. Government Agency Repurchase Agreement **9.3**
- Variable Rate Demand Note **3.2**

### Effective Maturity Schedule (%)



- 1-7 Days **45.7**
- 8-30 Days **25.4**
- 31-90 Days **20.5**
- 91-180 Days **7.5**
- 181 + Days **0.9**

### 2a-7 Liquidity

| | |
|---|---|
| Daily | 25.47% |
| Weekly | 39.77% |

### Weighted Average Maturity

30 Days

### Weighted Average Life

80 Days

### Fund Performance

| Net Yields (%) | | Total Return (%) | |
|---|---|---|---|
| 7-Day | 1.69 | 1 Year | 1.14 |

| Annualized Yields (%) | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 7-Day | 0.87 | 0.89 | 0.89 | 0.91 | 0.92 | 1.09 | 1.13 | 1.17 | 1.42 | 1.51 | 1.56 | 1.69 |

**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 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 1.56% 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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MONEY MARKET PRIME RETAIL

## Portfolio Manager Commentary

The second quarter of 2018 saw the U.S. economy withstand bumps and bruises while maintaining momentum and again receiving the blessing of the Federal Reserve.

After raising the federal funds target range in March, the central bank moved closer to entering a tightening cycle with a hike in June that raised the fed funds rate to a target range of 1.75-2%, while also projecting two more similar size increases to take place in 2018 instead of one. The Fed has characterized rate action since ultra-low levels following the financial crisis as “normalizing” monetary policy. However, the second quarter saw it move closer to a bona-fide “tightening” cycle. This was not just because of the hike, but also because it increased to $30 billion a month the pace of quantitative tapering (QT) to reduce its mammoth balance sheet. Lastly, the Fed made progress on returning to a full complement of governors. It has operated with only three of seven for some time, counting new Chair Jerome Powell. President Trump nominated two more in April, including one for the important vice chair position.

The labor market continued its own tightening over the 3-month period, with the Bureau of Labor Statistics reporting stronger-than-expected employment figures in May: healthy gains of 223,000 jobs and the closely watched unemployment rate declining to 3.8%—matching April 2000 as the lowest level in nearly half a century. Related to this, average hourly earnings ticked up. Inflation percolated but did not boil, remaining below the Fed’s established goal of 2%. However, other economic indicators and sectors improved in the second quarter, led by strong retail sales, robust manufacturing activity and solid gains in the service industry.

While global political events, including a summit between the U.S. and North Korea, a brewing trade war and a political crisis in Italy, dominated the news cycle, a lesser-known issue worried some investors in cash markets: a growing spread between the 3-month London interbank offered rate (Libor) and the Overnight Index Swap (OIS). But this widening was not due to poor credit of European banks, but rather because of excess bill supply issued by the Treasury Department to fund the government and the Fed’s QT. Both undertakings flooded the market with short-term Treasury bills, pushing rates up.

Over the course of the three months, the 1-month London interbank offered rate (Libor) rose from 1.88% to 2.09% and 3-month Libor rose from 2.31% to 2.34%. The short end of the Treasury yield curve also increased over the quarter, with 1-month and 3-month Treasury yields rising from 1.71% to 1.77% and 1.76% to 1.90%, 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 6/30/18 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.

Variable rate demand notes are tax-exempt securities that require the issuer or a third party, such as a dealer or bank, to repurchase the security for its face value upon demand. The securities also pay interest at a variable rate intended to cause the securities to trade at their face value.

### 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, moodys.com and 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.**



*G28336-37 (7/18)*