

FEDERATED ADJUSTABLE RATE SECURITIES FUND

Federated

WORLD-CLASS INVESTMENT MANAGER[®]

PORTFOLIO AS OF DECEMBER 31, 2009 CURRENT NET ASSETS -- \$ 698,838,692

Principal Amount or Shares		Value
	ADJUSTABLE RATE MORTGAGES - 40.7%	
	Federal Home Loan Mortgage Corp. ARM - 8.8%	
\$2,668,227	3.055%, 4/1/2034	\$2,770,890
6,896,020	3.086%, 7/1/2030	7,037,202
6,257,225	3.143%, 11/1/2034	6,520,347
4,878,359	3.590%, 2/1/2036	5,080,386
2,184,230	3.592%, 4/1/2036	2,257,439
617,614	3.657%, 4/1/2027	638,389
6,910,581	3.794%, 5/1/2035	7,169,804
1,203,999	4.366%, 1/1/2035	1,234,853
341,924	4.524%, 4/1/2035	351,163
13,094,119	4.627%, 5/1/2035	13,460,611
3,997,148	4.835%, 4/1/2038	4,230,493
154,765	4.976%, 9/1/2020	159,923
9,702,224	5.955%, 7/1/2036	10,317,714
	TOTAL	61,229,214
	Federal National Mortgage Association ARM - 31.6%	
11,352,166	1.740%, 3/1/2044	11,388,868
4,612,366	1.790%, 7/1/2042	4,634,934
5,598,440	2.370%, 12/1/2034	5,743,865
63,142	2.430%, 10/1/2028	64,578
2,633,969	2.550%, 11/1/2035	2,707,633
2,465,640	2.590%, 12/1/2033	2,554,943
2,358,035	2.630%, 5/1/2035	2,414,593
4,481,633	2.670%, 1/1/2035	4,665,766
255,350	2.750%, 10/1/2016	260,587
3,756,892	2.770%, 7/1/2034	3,896,370
4,881,854	2.790%, 6/1/2035	5,081,903
14,907,317	2.800%, 10/1/2034	15,404,684
117,020	2.840%, 10/1/2033	121,037
270,721	2.850%, 2/1/2019	276,940
1,442,916	2.860%, 12/1/2040	1,492,831
3,900,476	2.920%, 6/1/2033	4,047,426
188,425	2.960%, 2/1/2020	192,508
8,105,126	3.010%, 7/1/2035	8,390,929
5,788,119	3.130%, 1/1/2036	6,061,579
490,012	3.160%, 7/1/2027	509,437
6,501,796	3.270%, 7/1/2035	6,698,261
529,580	3.340%, 5/1/2018	540,391
7,386,476	3.400%, 2/1/2033	7,589,175

Principal
Amount
or Shares

Value

13,856,839	3.440%, 5/1/2039	14,206,045
8,101,862	3.480%, 5/1/2035	8,335,179
3,899,005	3.510%, 1/1/2035	4,023,367
18,329,576	3.650%, 1/1/2039	18,922,373
40,000,000	3.740%, 8/1/2039	41,037,080
9,005,348	3.800%, 2/1/2036 - 7/1/2039	9,254,720
5,794,140	3.840%, 6/1/2034	6,012,232
3,465,579	4.050%, 5/1/2036	3,618,522
6,738,642	4.060%, 7/1/2036	7,022,521
624,072	4.290%, 4/1/2034	652,781
2,360,621	4.550%, 5/1/2038	2,469,769
7,437,223	4.700%, 10/1/2035	7,700,017
2,773,211	4.800%, 12/1/2034	2,894,318
	TOTAL	220,888,162
	Government National Mortgage Association ARM - 0.3%	
456,176	3.625%, 7/20/2023 - 9/20/2023	470,350
297,195	4.125%, 11/20/2023 - 10/20/2029	305,488
38,854	4.250%, 1/20/2030	40,227
1,214,232	4.375%, 1/20/2022 - 5/20/2029	1,255,188
	TOTAL	2,071,253
	TOTAL ADJUSTABLE RATE MORTGAGES	284,188,629
	COLLATERALIZED MORTGAGE OBLIGATIONS - 40.0%	
	Federal Home Loan Mortgage Corp. REMIC - 13.9%	
3,306,035	REMIC 3346 FA, 0.463%, 2/15/2019	3,272,799
3,533,123	REMIC 3001 EA, 0.583%, 3/15/2035	3,457,655
3,260,069	REMIC 3174 FL, 0.583%, 6/15/2036	3,224,422
4,518,605	REMIC 3380 FP, 0.583%, 11/15/2036	4,454,768
3,879,864	REMIC 3179 FP, 0.613%, 7/15/2036	3,831,782
4,430,850	REMIC 2819 F, 0.633%, 6/15/2034	4,377,524
3,320,643	REMIC 3301 MF, 0.633%, 4/15/2037	3,201,093
2,015,959	REMIC 3221 FW, 0.653%, 9/15/2036	1,989,917
2,364,190	REMIC 3213 GF, 0.663%, 9/15/2036	2,322,430
4,457,202	REMIC 3085 UF, 0.683%, 12/15/2035	4,386,442
984,175	REMIC 2774 FQ, 0.783%, 4/15/2031	986,579
2,303,108	REMIC 2475 FD, 0.783%, 6/15/2031	2,304,137
2,142,130	REMIC 2380 FL, 0.833%, 11/15/2031	2,152,057
9,851,882	REMIC 3593 CF, 0.833%, 2/15/2036	9,799,929
10,000,000	REMIC 3611 FH, 0.983%, 7/15/2034	9,800,405
11,096,196	REMIC 3550 GF, 0.983%, 7/15/2039	11,040,804
9,309,125	REMIC MS 1128 F, 1.143%, 7/15/2037	9,311,111
877,799	REMIC 2448 FA, 1.233%, 1/15/2032	888,865
928,737	REMIC 2452 FC, 1.233%, 1/15/2032	940,446
3,001,406	REMIC 2480 NF, 1.233%, 1/15/2032	3,041,106
3,837,010	REMIC 2475 F, 1.233%, 2/15/2032	3,891,559
3,257,487	REMIC 2434 FA, 1.233%, 3/15/2032	3,301,334
1,023,781	REMIC 2470 EF, 1.233%, 3/15/2032	1,037,561
1,008,077	REMIC 2498 AF, 1.233%, 3/15/2032	1,021,646
3,171,815	REMIC 2459 FP, 1.233%, 6/15/2032	3,215,172
	TOTAL	97,251,543
	Federal National Mortgage Association REMIC - 26.1%	
7,914,049	REMIC 2005-29 FE, 0.531%, 4/25/2035	7,745,738
9,731,556	REMIC 2005-67 FJ, 0.531%, 8/25/2035	9,509,523
12,474,926	REMIC 2007-75 EF, 0.531%, 1/25/2036	12,241,914
1,765,177	REMIC 2006-11 FB, 0.531%, 3/25/2036	1,725,023
1,387,529	REMIC 2004-27 FM, 0.551%, 7/25/2022	1,383,141
2,428,622	REMIC 2006-20 PF, 0.551%, 11/25/2030	2,399,156
2,033,062	REMIC 2005-67 FM, 0.581%, 8/25/2035	1,971,998
1,841,391	REMIC 2006-81 FA, 0.581%, 9/25/2036	1,806,824
3,774,978	REMIC 2006-8 NF, 0.601%, 3/25/2036	3,696,925
1,690,787	REMIC 2007-15 AF, 0.601%, 3/25/2037	1,642,862
10,300,346	REMIC 2004-28 PF, 0.631%, 3/25/2034	10,145,352

Principal Amount or Shares		Value
3,481,918	REMIC 2006-76 QF, 0.631%, 8/25/2036	3,428,948
11,634,616	REMIC 2006-103 FB, 0.631%, 10/25/2036	11,463,002
1,396,026	REMIC 2003-90 FL, 0.681%, 3/25/2031	1,396,421
1,157,012	REMIC 2001-57 FA, 0.681%, 6/25/2031	1,151,839
3,426,669	REMIC 2007-88 FY, 0.691%, 9/25/2037	3,355,541
1,807,784	REMIC 2002-52 FG, 0.731%, 9/25/2032	1,805,098
3,056,104	REMIC 2001-32 FA, 0.781%, 7/25/2031	3,064,039
899,651	REMIC 2002-77 FG, 0.783%, 12/18/2032	897,146
2,752,210	REMIC 2007-102 FA, 0.801%, 11/25/2037	2,700,553
1,090,796	REMIC 2001-71 FS, 0.831%, 11/25/2031	1,092,731
928,786	REMIC 2001-62 FC, 0.881%, 11/25/2031	932,542
13,836,688	REMIC 2009-66 FA, 0.981%, 9/25/2039	13,741,461
19,254,017	REMIC 2009-87 FX, 0.981%, 11/25/2039	19,154,095
1,525,547	REMIC 2002-8 FA, 0.983%, 3/18/2032	1,537,625
5,987,181	REMIC 2009-78 UF, 1.001%, 10/25/2039	5,959,882
24,065,389	REMIC 2009-87 HF, 1.081%, 11/25/2039	23,917,649
5,017,850	REMIC 2002-7 FG, 1.131%, 1/25/2032	5,072,261
7,562,336	REMIC 2002-58 FG, 1.231%, 8/25/2032	7,979,480
1,228,880	REMIC 2002-60 FH, 1.231%, 8/25/2032	1,245,674
14,957,316	REMIC 2008-69 FB, 1.231%, 6/25/2037	14,957,452
2,445,827	REMIC 2002-77 FA, 1.233%, 12/18/2032	2,479,731
1,026,341	REMIC 1995-17 B, 2.679%, 2/25/2025	1,047,523
	TOTAL	182,649,149
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS	279,900,692
	FDIC GUARANTEED DEBT - 3.8%	
12,000,000	General Electric Capital Corp. Floating Rate Note, 0.225%, 5/8/2012	12,003,933
14,950,000	General Electric Capital Corp. Floating Rate Note, 0.253%, 12/21/2012	14,964,306
	TOTAL FDIC GUARANTEED DEBT	26,968,239
	MORTGAGE-BACKED SECURITIES - 13.3%	
36,317,727	Federal Home Loan Mortgage Corp., 4.500%, 7/1/2024 - 10/1/2024	37,387,397
14,083,748	Federal Home Loan Mortgage Corp., 5.000%, 3/1/2023 - 4/1/2039	14,641,291
16,377,316	Federal Home Loan Mortgage Corp., 5.500%, 8/1/2023 - 3/1/2039	17,267,514
9,838,971	Federal National Mortgage Association, 4.500%, 4/1/2024	10,138,753
12,207,251	Federal National Mortgage Association, 5.000%, 1/1/2024 - 3/1/2039	12,624,023
816,708	Federal National Mortgage Association, 5.500%, 9/1/2037	856,267
36,849	Government National Mortgage Association, 8.500%, 1/15/2030	41,508
	TOTAL MORTGAGE-BACKED SECURITIES	92,956,753
	MUTUAL FUND - 7.0%	
48,661,196	(1)Government Obligations Fund, Institutional Shares, 0.04%	48,661,196
	TOTAL INVESTMENTS	\$732,675,509

(1) 7-Day net yield.

Note: The categories of investments are shown as a percentage of net assets (\$698,838,692) at the close of business on December 31, 2009, 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
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