



FEDERATED INTERNATIONAL FUNDS PLC

Combined Annual Report and Audited Accounts

An umbrella fund with segregated liability between sub-funds

For the financial year ended 31 December 2016

Federated Short-Term U.S. Government Securities Fund

Federated Short-Term U.S. Treasury Securities Fund

Federated Short-Term U.S. Prime Fund

Federated Emerging Markets Global Debt Fund

Federated High Income Advantage Fund

Federated U.S. Total Return Bond Fund

Federated Strategic Value Equity Fund

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BACKGROUND INFORMATION

Federated International Funds plc (the “Company”)*, an umbrella fund with segregated liability between sub-funds, is an investment company with variable capital organised under the laws of Ireland as a public limited company.

As of the date of this report, the sub-funds (collectively the “Funds” and each a “Fund”) and series established by the Company are set forth below.

The Company’s articles of association provide that shares (“Shares”) of any one Fund may be offered in any one or more series.

FUNDS AND SERIES

Federated Short-Term U.S. Government Securities Fund

Institutional Services-Dividend Series
Institutional Series
Investment-Dividend Series
Investment-Growth Series

Federated Short-Term U.S. Treasury Securities Fund

Institutional Service Series
Institutional Series

Federated Short-Term U.S. Prime Fund

Institutional Service Series
Institutional Series
Investment-Dividend Series
Institutional Services-Dividend Series
Accumulating Shares-Institutional Series

Federated Emerging Markets Global Debt Fund**

Class I Shares-EUR DIS
Class I Shares-USD DIS
Class I Shares-GBP DIS
Class A Shares-EUR DIS

Federated High Income Advantage Fund

Class A Shares-USD ACC
Class A Shares-EUR ACC
Class I Shares-EUR DIS
Class I Shares-USD DIS
Class I Shares-GBP DIS
Class A Shares-EUR DIS

Federated U.S. Total Return Bond Fund

Class I Shares-EUR DIS
Class I Shares-USD DIS
Class I Shares-GBP DIS
Class A Shares-EUR DIS

Federated Strategic Value Equity Fund

Class A Shares-USD DIS
Class I Shares-USD DIS

Federated MDT All Cap U.S. Stock Fund***

Class A (dis) Shares-USD

With the prior approval of the Central Bank of Ireland (the “Central Bank”), the Company may from time to time establish additional sub-funds and on prior notification to the Central Bank create additional series of Funds.

* The Company is organised pursuant to the Companies Act 2014 as amended (the “Companies Act”), and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended (the “UCITS Regulations”).

** As of 14 March 2016, the Federated Emerging Markets Global Debt Fund was closed to new subscriptions (including conversions into the Fund), and is in the process of being terminated.

*** Federated MDT All Cap U.S. Stock Fund did not operate during the 12-month reporting period.

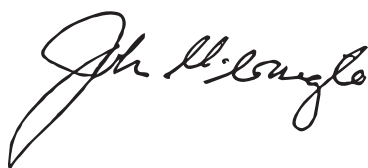
CHAIRMAN'S MESSAGE

Dear Investor:

I am pleased to present the Annual Report to Shareholders of the Company. This report covers the financial year ended 31 December 2016. The Annual Report begins with economic overviews of the U.S. fixed income and equity markets, the euro market, and the high yield market, followed by investment reviews of each Fund prepared by the respective portfolio managers. The Annual Report then sets forth the Company's Audited Financial Statements, the Portfolios of Investments and Statements of Significant Portfolio Changes.

We thank you for your confidence in the Company and the Funds as you pursue your financial goals, and we urge you to review this Annual Report carefully, including the economic overviews, which address the complex global economic conditions existing during the reporting period.

Sincerely,



John W. McGonigle
Chairman

Date: 23 March 2017

DIRECTORS

John W. McGonigle (U.S. and Irish citizen)

Denis McAuley III (U.S. citizen)

Michael Boyce (Irish citizen)

Ronan Walsh (Irish citizen)

(The address of the Directors is the registered office of the Company.)

OFFICERS

John W. McGonigle
Chairman

Gregory P. Dulski
Company Secretary

Bradwell Limited
Peter J. Germain (effective until 14 December 2016)
Richard A. Novak
Robert J. Wagner
Assistant Company Secretaries

2016 ECONOMIC OVERVIEWS

U.S. FIXED INCOME MARKET

The bond market experienced substantial volatility during the reporting period, one marked by major political developments. Early in calendar 2016, U.S. gross domestic product (GDP) slowed and fears surged that China's economy would have a hard landing and commodity prices would fail to rebound. The combination raised concerns not only of a U.S. recession, but also a global recession, sparking flight-to-quality buying of U.S. Treasuries. But these concerns abated by mid-February and trends dramatically reversed, driven in part by rising commodity prices, especially oil. Markets also were calmed by U.S. Federal Reserve (Fed) Chair Janet Yellen's insistence that future rate hikes would proceed at a cautious and gradual pace, lessening the likelihood of four moves in 2016 that the Fed had previously signaled, and by additional monetary stimulus in Europe and Asia.

Consumer spending began to pick up along with modest improvements in other economic data as winter gave way to spring, but weak investment spending kept GDP growth from pushing above the 2% glide path the economy had been on since 2009. As a result, the Fed held off raising its target federal funds interest rate, with policymakers also citing uncertainty surrounding a vote on the U.K.'s potential withdrawal from the European Union (EU), also known as Brexit, and disappointment that inflation continued to languish below its stated 2% goal. With interest rates remaining low, and even falling, in many developed countries, most credit sectors of the bond market—including investment-grade and high-yield corporate bonds as well as emerging-market debt securities—outperformed U.S. Treasuries in the first half of the reporting period.

In late June, markets were shocked by Brexit's narrow approval, with the 10-year U.S. Treasury yield falling to as low as 1.36% by early July. Rates soon retraced their decline as the markets realised Brexit would not have major implications in the short term. Meanwhile, economic data out of the U.S. registered continued improvement, raising expectations for a potential Fed rate hike in September that did not come. What did arrive was another shock to the market with the unexpected election of Donald Trump as U.S. president in November. An instantaneous and sharp risk-off trade reversed itself almost as quickly as the markets focused on the pro-growth aspects of Trump's platform, namely lower tax rates, diminished regulation and increased stimulus. The result was a strong post-election rally in stocks and a sell-off in U.S. Treasuries that drove the 10-year yield up 84 basis points in 2016's final quarter. Signs that the economy was accelerating and should experience stronger growth in 2017 also led the Fed to vote in December to raise the target rate range for the first time in a year, to 0.50–0.75%. While increases in yields across the U.S. Treasury curve undermined U.S. Government bond returns over the final months of the reporting period, the credit sectors of the fixed-income market benefitted as their spreads—the difference between their yields and those of comparable-maturity U.S. Treasuries—narrowed and credit conditions remained relatively healthy.

U.S. EQUITY MARKET

Market volatility burst out of the gates in the early days of the reporting period. The unexpected tumult had some investors and analysts wondering if the Fed's decision to raise rates in December 2015 was the right move. But it soon became clear that the turbulence had more to do with economic developments overseas. On the domestic front, U.S. GDP barely advanced, and a stronger U.S. dollar, declining global demand, low commodity prices and general uncertainty hurt manufacturing and exports. Enough positive, or at least neutral, additional reports—housing, retail sales and consumer confidence among them—added balance to suggest a recession was unlikely but inflation gauges still fell short of Fed targets. The latter, and geopolitical events at home and abroad, dampened expectations for rate hikes. Brexit lowered them further, roiling both equities and fixed-income globally until the markets began to view the exodus process as a protracted one.

Continued strength in payrolls sent equity markets to record highs in the last half of the reporting period, despite other economic data being uneven. The housing market improved, but auto sales appeared to plateau. Consumer confidence rose, yet retail sales were mixed and core producer and consumer prices tailed off. But in autumn, economic data perked up, eventually resulting in third-quarter GDP growth of 3.5%, the highest rate in two years. It was not enough for the Fed to hike rates in September, but Yellen left open the possibility of action before the end of the year, which the market assigned to the December meeting given the presidential election in early November. That turned out to be wise as the surprise of Donald Trump's victory initially rattled the markets. But they recovered on hopes that the president-elect would make good on his stated pro-growth policy. It is not certain the Fed took this into consideration, but it finally did raise rates in mid-December 2016 and implied it would hike three more times in 2017. This action reflected the Fed's increased confidence that the U.S. economy is headed in the right direction, stating that the labour market's improvement raised the likelihood of building wage pressures that could help to boost inflation.

EURO ECONOMIC REVIEW

In Europe, the economic outlook remained on a gradual upward trajectory during the reporting period despite geopolitical turmoil and unexpected political events with significant economic implications. Tragic acts of terrorism, continued massive influx of refugees, commodity-price volatility, concerns of a financial crisis in emerging markets and the potential for the U.K. to exit the EU threatened to upend the modest recovery, including an expanding manufacturing sector. However, as the reporting period progressed, demand continued to recover, aided by record low interest rates, decreased energy costs and a relatively weaker euro. Furthermore, government budgets improved, diminishing the effects of austerity on growth, and the European Central Bank (ECB) expanded its quantitative-easing (QE) programme to begin buying corporate bonds in its continuing effort to counter deflationary forces.

Just as the euro area appeared to be stabilising and the economy seemed to be on an upward path, Brexit upset the situation, slowing momentum and introducing volatility worldwide. The surprise result of the vote did not just shakeup

the U.K., but also created significant uncertainty about its impact on European and global economies. Growing populism spurred by an anti-immigration movement, persistent austerity and lackluster domestic growth drove much of the pro-Brexit camp's negative sentiment toward the EU. But these were by no means unique to the U.K., so the potential for future exit referendums by other member states weighed on the eurozone, if not the world.

Still, investor sentiment turned positive soon after Brexit, with investors recognising the fallout from the vote would not be realised for months, if not years. Also, consensus began to view it as unlikely to translate into systematic global financial shock. Soon after, however, another event did shock the markets when the U.S. presidential election resulted in a Trump victory. His election platforms, such as his criticism of global trade, now had to be seen as quite possible instead of simply as campaign rhetoric. While the ECB extended QE, the Fed, after much anticipation, raised interest rates as the reporting period came to a close in December.

HIGH YIELD MARKET

The total return for the high yield market for the reporting period was attractive on both an absolute and relative basis. For example, the Bloomberg Barclays U.S. High Yield 2% Issuer Capped Index (BBHY2%ICI), which returned 17.13% for the reporting period, substantially outperformed the Bloomberg Barclays U.S. Aggregate Bond Index, a measure of high-quality bond performance, which returned 2.65%.

The major factor that drove the performance of the high yield market was the global rebound in commodity prices. The price of West Texas Intermediate crude oil (WTI) began 2016 at \$44.59 a barrel, hit a low of \$35.73 in late January and then rebounded to end the year at \$53.72. This rally led to a substantial rebound in the bonds of commodity-oriented companies. Independent Energy, Oil Field Service and Metals were the best performing sectors of 2016, only a year after being the worst performing sectors of 2015. Also contributing to the high yield market's strong performance was the continued solid growth of the U.S. economy. While geopolitical events such as Brexit, unrest in Syria and the U.S. presidential election threatened to derail the market's recovery, fundamental credit stability and strength in commodities overwhelmed these concerns. While default rates rose to their highest level since the financial crisis, they were driven by commodity issues which had depreciated in price substantially in 2015 and, in many cases, actually rose in price in 2016 despite their defaults. Also, default rates did not reach the levels projected by many for 2016. The impact of these events can be seen in the spread between high yield bonds and U.S. Treasury securities with comparable maturities, which according to the Credit Suisse High Yield Bond Index, began the reporting period at 747 basis points and ended it at 472 basis points.

Within the high yield market, major industry sectors that substantially outperformed the overall BBHY2%ICI included: Metals and Mining; Independent Energy; Oil Field Services; Midstream; and Industrial Other. Major industry sectors that substantially underperformed the overall BBHY2%ICI included: Pharmaceuticals; Leisure; Home Construction; Health Care; and Transportation Services. From a credit-quality perspective, the CCC-rated sector returned 31.46% while the B-rated and BB-rated sectors returned 15.80% and 12.78%, respectively.

INVESTMENT REVIEWS

FEDERATED SHORT-TERM U.S. GOVERNMENT SECURITIES FUND

Investment Objective: To achieve current income while maintaining stability of principal and liquidity.

At the end of the reporting period, the Fed raised its key short-term interest rate from a range of 0.25-0.50% to 0.50-0.75%. This hike was only its second in nearly 11 years and, like the one in 2015, took place in December. Job growth continued to strengthen throughout 2016, and signs of wage gains were evident late, a key factor behind the Fed's action. The potential policies of U.S. President-elect Trump, including possible tax reform and stimulus, may spur economic growth and boost inflation. Given the underlying strength of the U.S. economy and the potential for additional stimulus, more Fed rate increases are expected in 2017. Positioning the fund in this environment, management set the average maturity target range at 35 to 45 days over most of the reporting period. At year-end, 63% of the fund was invested in overnight repurchase agreements, 15% in agency floating-rate securities, 16% in agency securities and 6% in U.S. Treasury securities.

FEDERATED SHORT-TERM U.S. TREASURY SECURITIES FUND

Investment Objective: To achieve current income while maintaining stability of principal and liquidity.

Holdings of U.S. Treasury bills and notes represented 33% of the fund at the end of the reporting period, down from 53% at year-end 2015. In anticipation of rising interest rates, the fund maintained an 8% position in floating-rate U.S. Treasury securities, as well as a 59% position in overnight repurchase agreements.

FEDERATED SHORT-TERM U.S. PRIME FUND

Investment Objective: To achieve current income while maintaining stability of principal and liquidity.

Expectations that the Fed would raise the federal funds target rate several times in 2016 following its hike from near zero in December of 2015 were not met. Only in the last month of the year did the Fed act, and then only by 25 basis points to a 0.50-0.75% range. But prime funds benefitted from an elevated London Interbank Offered Rate (LIBOR) curve, high due to the U.S. Securities and Exchange Commission's money market fund reform implemented in October. The fund's weighted average maturity (WAM) began at a range of 35 to 45 days, but fund management increased that to 40 to 50 days as the reporting period came to a close. Increased holdings in floating rate instruments throughout 2016 positioned the fund well for the rate hike in December. From an issuer perspective, management remained heavily invested in the Financial Services sector, and overall credit performance was comparably excellent. As a result, the fund was able to maintain a competitive yield during the reporting period.

FEDERATED HIGH INCOME ADVANTAGE FUND

Investment Objective: To provide high current income.

The total return of the Federated High Income Advantage Fund based on net asset value for the reporting period ended 31 December 2016 was 13.60%. The total return of the Bloomberg Barclays U.S. High Yield 2% Issuer Capped Index (BBHY2%ICI), a broad-based securities market index, was

17.13%, and that of the Morningstar EAA OE USD High Yield Bond Category, a peer group for the fund, was 12.66%. The total return of the fund, as well as that of its peer group, for the most recently completed fiscal year reflected actual cash flows, transaction costs and other expenses which were not reflected in the total return of the BBHY2%ICI.

The fund was negatively impacted by its sector allocation, including being underweight, relative to the BBHY2%ICI, to the strong performing Metals and Mining, Independent Energy and Oil Field Services industry sectors. The fund's overweight in the underperforming Health Care, Packaging and Pharmaceutical sectors also negatively impacted performance. Lastly, the fund's holdings in the Independent Energy, Media and Entertainment, and Gaming sectors underperformed, negatively impacting performance. Given the strong overall market performance, the portfolio's cash holding was also a drag on performance. Specific fund holdings that substantially underperformed the BBHY2%ICI included: Intelsat Luxembourg; Community Health Systems; Valeant Pharmaceuticals; Endo Finance LLC; and Hertz Corp.

The fund benefitted from its underweight to the poor performing Financial and Home Construction sectors and its overweight to the strong performing Midstream sector. It benefitted from security selection in Technology and Wireless Telecommunication. Security selection in the Pharmaceutical and Packaging sectors helped offset some of the negative impact resulting from being overweight these weak-performing sectors. Specific fund holdings that substantially outperformed the BBHY2%ICI included: Chesapeake Energy; Legacy Reserves; Syniverse Holdings; Oasis Petroleum; and Advanced Micro Devices.

FEDERATED U.S. TOTAL RETURN BOND FUND

Investment Objective: To provide total return over time.

In 2016, the fund returned 4.33%, compared to its stated benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, which returned 2.65%. The key drivers for the fund's performance were sector allocation, including an overweight to corporate bonds (and, in turn, to lower-rated quality within corporates), and a flattening yield-curve bias, which benefitted the fund especially in the first half of the reporting period. Detracting from performance were the fund's short duration, especially in the first half of the reporting period when yields fell sharply, and security selection, as contributions from commercial mortgage-backed securities and Treasury Inflation Protection Securities were offset by select corporate holdings. The 10-year U.S. Treasury yield began the year at 2.27%, reached an all-time low of 1.36% in early July, touched 2.60% in mid-December and ended the year at 2.44%.

FEDERATED STRATEGIC VALUE EQUITY FUND

Investment Objective: To achieve income and long-term capital appreciation.

The fund's Class A Shares-USD DIS ended the reporting period with a weighted average dividend yield of 4.1%, significantly higher than both the 2.1% of the S&P 500 Index and the 3.5% of the Dow Jones Select Dividend Index (DJSIDI), which aims to represent the domestic dividend-paying universe. Additionally, the fund's holdings experienced 35 dividend increases during 2016, including increases of 27.8% by Reynolds American, 12.3% by Abbvie, 9.1% by General Mills, 8.0% by Altria, 7.9% by Dominion Resources and 7.3% by Crown Castle. Additionally, GlaxoSmithKline declared a special cash distribution of approximately \$0.58 a share, paid on 15 May 2016.

The fund posted a total return of 9.5% for 2016. The DJSDI posted a 22.0% return and the S&P 500 generated a return of 12.0%. The DJSDI benefitted from the strong performance in small- and mid-cap investments. The unexpected election results in the U.S. coupled with the Fed's rate hike in December triggered a strong risk-on trade, as high-beta investments dominated investor preferences. From a sector perspective, Financials was the top performer in the broad market, followed by the cyclical sectors of Energy and Industrials.

From an absolute perspective, the fund posted positive returns across all of the sectors that it was invested in, with the highest contributions to total returns derived from Energy at 24.7%, Consumer Staples at 11.6%, Telecom at 11.5% and Health Care

at 9.2%. While the fund did not post negative returns at the sector level, weakness was noted in the portfolio's U.K. holdings due to the decline of the British pound. The U.K. investments posted a 13.1% return in local currency, but the British pound fell 16.2% over the year.

Our investment style remains focused on high-quality assets that deliver a high and rising income stream. Historically, dividend yield and dividend growth have been the primary drivers of total return. In addition, consistent dividend-paying and dividend-growing stocks have displayed considerably less volatility than the broader market—as reflected in the fund's beta of 0.61 versus the S&P 500.

DIRECTORS' REPORT

1. DATE OF INCORPORATION

The Company was incorporated on 31 December 1990, under registration number 168193, and commenced business on 14 January 1991. The first public investment in the Federated Short-Term U.S. Government Securities Fund occurred on 4 June 1991.

2. PRINCIPAL ACTIVITIES

The Company has been approved by the Central Bank as an undertaking for collective investment in transferable securities and has been established pursuant to the Companies Act and the UCITS Regulations. The Company is an umbrella fund with segregated liability between sub-funds.

As of the end of the reporting period, the Company has eight Funds in respect of which 28 series of Shares are established. Each Fund, except the Federated MDT All Cap U.S. Stock Fund, operated during the reporting year. Federated Emerging Markets Global Debt Fund discontinued operations on 6 April 2016.

3. BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A detailed review of the business and future developments is included in the Investment Reviews beginning on page 5, and under "Future Prospects" in Note 6 of this Directors' Report. The Company intends to continue promoting and generating interest in its business in the future.

4. RESULTS

The results for the year ended 31 December 2016 are stated on pages 10-22 of the Financial Statements.

5. DIVIDENDS

The dividend policies for the Funds are detailed in Note 5 on page 31. Details of dividends paid are disclosed in the Statement of Comprehensive Income.

6. FUTURE PROSPECTS

The Company continues to seek new distribution channels and markets for its products. In addition, the Company will continue to evaluate potential new products, including new funds and share classes, as opportunities arise. As of 14 March 2016, the Federated Emerging Markets Global Debt Fund was closed to new subscriptions (including conversions into the Fund), and is in the process of being terminated.

7. DIRECTORS AND COMPANY SECRETARY

The Directors of the Company (the "Directors") are:

John W. McGonigle
Denis McAuley III
Michael Boyce (independent)
Ronan Walsh (independent)

All four Directors are also directors of Federated International Management Limited (the "Manager"), the manager of the Company.

John W. McGonigle is a Director, Vice Chairman, Executive Vice President, Secretary and Chief Legal Officer of Federated Investors, Inc. ("Federated"); Secretary and Executive Vice President of Federated's U.S. registered investment companies; and, a Director of various Federated subsidiaries, including Federated Administrative Services, Inc. ("FASI").

Denis McAuley III is Corporate Finance Director and Vice President of Federated, and holds other positions with U.S. and non-U.S. affiliates of Federated.

Federated is the ultimate parent company of the Manager, Federated Investment Counseling ("FIC") and FASI.

Gregory P. Dulski held the office of Company Secretary throughout the financial year.

8. INTERESTS OF THE DIRECTORS, COMPANY SECRETARY AND ASSISTANT COMPANY SECRETARIES

Neither the Directors, the Company Secretary nor the Assistant Company Secretaries had any interest in the share capital of the Company during the financial year. Each Director holds one subscriber share in the Company in trust for the Manager.

9. DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for overseeing the preparation of the Directors' Report and the financial statements in accordance with applicable law and regulations. Irish company law requires the Directors to oversee the preparation of the financial statements for each financial year. These financial statements have been prepared in accordance with accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in Ireland), the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertaking for Collective Investment in Transferable Securities) Regulations 2015 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 (the "Central Bank UCITS Regulations"). Under Irish company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the end of the financial year, and the profit or loss of the Company for the financial year, and otherwise comply with the Companies Act.

In preparing these financial statements, the Directors are required to:

- oversee the selection of suitable accounting policies and ensure that such policies are applied consistently;
- ensure that judgements and estimates applied are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- oversee the preparation of the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that adequate accounting records are kept which are sufficient: to correctly explain and record the transactions of the Company; enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and enable the Directors to ensure that the financial statements and Directors' Report comply with the requirements of the Companies Act and enable the financial statements to be audited. The Directors are also responsible for safeguarding the

assets of the Company and in fulfillment of this responsibility have appointed BNY Mellon Trust Company (Ireland) Limited to safekeep the Company's assets in accordance with the constitution. In addition, the Directors are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

10. AUDIT INFORMATION STATEMENT

In accordance with Section 330 of the Companies Act, the Directors confirm that as at the date of this report:

- (i) so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- (ii) the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

11. ACCOUNTING RECORDS

The Directors have appointed an experienced fund administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") to keep the Company's accounting records. As at 31 December 2016, the accounting records are maintained at the Administrator's office at Guild House, Guild Street, International Financial Services Centre, Dublin 1, D01 E4X0, Ireland.

12. SEGREGATED LIABILITY

The Company is an umbrella fund with segregated liability between sub-funds and under Irish law the Company will not be subject to cross liability between the sub-funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated liability between the sub-funds would be upheld.

13. AUDITORS

The Company's auditors, Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act.

14. PROSPECTUS

As at 31 December 2016, the current prospectus for the Company and its sub-funds was issued and dated 13 December 2016.

15. EMPLOYEES

The Company had no employees during the year ended 31 December 2016 (31 December 2015: None).

16. RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of certain of the investment risks of the Company are listed in Note 12 ("*Risks Associated with Financial Instruments*"), including market risk, price risk, interest rate risk, credit risk, liquidity risk and currency risk. In order to manage such risks, the Company shall comply with the investment restrictions and diversification limits provided for in the Company's prospectus, as well as in the UCITS Regulations.

17. CONNECTED PERSONS TRANSACTIONS

For the purpose of Regulation 40 of the Central Bank UCITS Regulations a "connected person" means the management

company or depositary to a UCITS; and the delegates, or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate.

Regulation 41 of the Central Bank UCITS Regulations "Restrictions of transactions with connected persons" requires that any transaction between a UCITS and a connected person is conducted at arm's length and be in the best interests of the shareholders of the UCITS.

The Board of Directors is satisfied that (i) there are arrangements in place, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) of the Central Bank UCITS Regulations are applied to all transactions with a connected person; and (ii) all transactions with connected persons entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 41(1) of the Central Bank UCITS Regulations. Connected persons transactions are detailed in Note 17.

18. CORPORATE GOVERNANCE STATEMENT

General Principles

The Board of Directors has assessed the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by Irish Funds (formerly, the Irish Funds Industry Association) in December 2011 (the "IF Code"). The Directors adopted the corporate governance practices and procedures in the IF Code with effect from 22 August 2012.

During the year ended 31 December 2016, Ronan Walsh held in excess of eight non-fund directorships. As at the date of this report, Mr. Walsh holds eight non-fund directorships. Mr. Walsh has confirmed that he has sufficient time to discharge his duties as a director of the Company.

19. GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit, liquidity and cash flow risk are described as part of Note 12. The Company has considerable financial resources in the form of highly liquid investments and cash balances. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Accordingly, the financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through the profit or loss for all sub-funds except the Federated Emerging Markets Global Debt Fund for which the financial statements have been prepared on a termination basis.

20. DIRECTORS' COMPLIANCE STATEMENT

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act). As required by Section 225(2) of the Companies Act, the Directors

acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations. These arrangements and structures were reviewed by the Company during the financial year. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

21. AUDIT COMMITTEE

The Company has not established an audit committee. Given the internal organisation of the Company, the nature, scope and complexity of the Company's activities and the existing processes and procedures adopted by the Company, the Board of Directors does not consider that an audit committee is required for the purposes of Section 167 of the Companies Act.

22. SUBSEQUENT EVENTS

Effective 9 January 2017, the Funds were delisted from the Irish Stock Exchange.



Michael Boyce
Director



Ronan Walsh
Director

Date: 23 March 2017

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME

For the financial years ended 31 December 2016 and 2015

	Notes	Federated Short-Term U.S. Government Securities Fund 31 December 2016 US\$	Federated Short-Term U.S. Government Securities Fund 31 December 2015 US\$	Federated Short-Term U.S. Treasury Securities Fund 31 December 2016 US\$	Federated Short-Term U.S. Treasury Securities Fund 31 December 2015 US\$
INCOME – CONTINUING OPERATIONS					
Interest & Dividend Income		2,852,250	892,352	1,589,529	840,828
Repurchase Agreement Interest Income		2,407,429	763,261	1,502,901	901,061
Net Gain/(Loss) on Financial Assets at Fair Value Through Profit or Loss					
Net Realised Gain/(Loss) on Investments	3	–	–	–	–
Net Unrealised Gain/(Loss) on Investments	3	–	–	–	–
		5,259,679	1,655,613	3,092,430	1,741,889
EXPENSES – CONTINUING OPERATIONS					
Management Fees	17	(12,981,356)	(13,599,417)	(8,563,662)	(17,879,645)
Fund Administration Fees	19	(172,736)	(211,663)	(125,289)	(233,846)
Transfer Agency Fees	19	(108,415)	(99,720)	(53,739)	(57,734)
Depository Fees	20	(152,397)	(199,565)	(120,432)	(220,494)
Directors' Fees	17	(5,350)	(6,901)	(5,351)	(6,900)
Auditors' Remuneration	4	(20,737)	(17,183)	(20,739)	(18,028)
Legal Fees		(62,149)	(62,626)	(58,885)	(65,889)
Other Expenses		(105,453)	(100,886)	(104,533)	(91,356)
		(13,608,593)	(14,297,961)	(9,052,630)	(18,573,892)
Waiver of Management Fees	17	5,162,674	4,709,547	6,689,833	13,871,714
Reimbursement of Other Expenditures and Assumption Fees	17	3,722,115	7,941,629	391,964	3,021,359
Net Operating Expenses Before Finance Costs		(4,723,804)	(1,646,785)	(1,970,833)	(1,680,819)
Net Investment Income/(Loss) Before Finance Costs		535,875	8,828	1,121,597	61,070
Finance Costs					
Distributions to Shareholders	5	(528,411)	(6,986)	(1,159,341)	(25,325)
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		7,464	1,842	(37,744)	35,745

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME

For the financial years ended 31 December 2016 and 2015

	Notes	Federated Short-Term U.S. Prime Fund 31 December 2016 US\$	Federated Short-Term U.S. Prime Fund 31 December 2015 US\$	Federated Emerging Markets Global Debt Fund* 31 December 2016 US\$	Federated Emerging Markets Global Debt Fund 31 December 2015 US\$
INCOME – CONTINUING OPERATIONS					
Interest & Dividend Income		17,268,354	6,141,637	6,953	1,466,970
Repurchase Agreement Interest Income		1,168,378	374,748	279	1,920
Swap Income		–	–	–	96,530
Net Gain/(Loss) on Financial Assets at Fair Value Through Profit or Loss					
Net Realised Gain/(Loss) on Investments	3	–	–	(268,009)	(6,388,191)
Net Unrealised Gain/(Loss) on Investments	3	–	–	290,441	1,514,467
		18,436,732	6,516,385	29,664	(3,308,304)
EXPENSES – CONTINUING OPERATIONS					
Management Fees	17	(27,009,067)	(23,644,736)	(4,330)	(386,347)
Fund Administration Fees	19	(425,951)	(313,294)	(22,837)	(89,047)
Transfer Agency Fees	19	(138,223)	(131,758)	(22,532)	(30,554)
Depository Fees	20	(431,825)	(326,201)	(13,080)	(45,852)
Directors' Fees	17	(5,351)	(6,900)	(346)	(6,901)
Auditors' Remuneration	4	(20,738)	(17,234)	(18,834)	(18,028)
Legal Fees		(53,760)	(75,282)	(11,241)	(19,654)
Interest Paid on Swaps		–	–	(1,125)	–
Other Expenses		(160,267)	(117,074)	(31,810)	(38,304)
		(28,245,182)	(24,632,479)	(126,135)	(634,687)
Waiver of Management Fees	17	15,935,649	14,304,960	4,330	317,861
Reimbursement of Other Expenditures and Assumption Fees	17	1,408,848	4,471,965	116,974	13,456
Net Operating Expenses Before Finance Costs		(10,900,685)	(5,855,554)	(4,831)	(303,370)
Net Investment Income/(Loss) Before Finance Costs		7,536,047	660,831	24,833	(3,611,674)
Finance Costs					
Distributions to Shareholders	5	(7,571,028)	(639,124)	–	(1,383,969)
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		(34,981)	21,707	24,833	(4,995,643)

* Discontinued operations on 6 April 2016.

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME

For the financial years ended 31 December 2016 and 2015

	Notes	Federated High Income Advantage Fund 31 December 2016 US\$	Federated High Income Advantage Fund 31 December 2015 US\$	Federated U.S. Total Return Bond Fund 31 December 2016 US\$	Federated U.S. Total Return Bond Fund 31 December 2015 US\$
INCOME – CONTINUING OPERATIONS					
Interest & Dividend Income		2,277,371	1,808,437	184,633	187,768
Repurchase Agreement Interest Income		2,675	676	1,036	169
Net Gain/(Loss) on Financial Assets at Fair Value Through Profit or Loss					
Net Realised Gain/(Loss) on Investments	3	(403,754)	(1,753,227)	(16,492)	(375,835)
Net Unrealised Gain/(Loss) on Investments	3	2,838,662	(1,564,853)	(48,924)	(92,626)
		4,714,954	(1,508,967)	120,253	(280,524)
EXPENSES – CONTINUING OPERATIONS					
Management Fees	17	(360,031)	(312,865)	(57,482)	(55,631)
Fund Administration Fees	19	(38,351)	(32,311)	(17,002)	(13,779)
Transfer Agency Fees	19	(54,725)	(53,717)	(34,588)	(30,611)
Depository Fees	20	(10,968)	(8,507)	(8,295)	(5,583)
Directors' Fees	17	(5,350)	(6,900)	(5,350)	(6,901)
Auditors' Remuneration	4	(20,738)	(18,028)	(20,738)	(17,182)
Legal Fees		(48,057)	(60,368)	(44,533)	(26,019)
Other Expenses		(59,447)	(49,605)	(44,808)	(34,587)
		(597,667)	(542,301)	(232,796)	(190,293)
Waiver of Management Fees	17	313,950	294,379	57,340	55,787
Reimbursement of Other Expenditures and Assumption Fees	17	2,958	1,528	137,801	98,058
Net Operating Expenses Before Finance Costs		(280,759)	(246,394)	(37,655)	(36,448)
Net Investment Income/(Loss) Before Finance Costs		4,434,195	(1,755,361)	82,598	(316,972)
Finance Costs					
Distributions to Shareholders	5	(1,809,186)	(1,367,019)	(150,736)	(148,745)
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		2,625,009	(3,122,380)	(68,138)	(465,717)

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME

For the financial years ended 31 December 2016 and 2015

	Notes	Federated Strategic Value Equity Fund 31 December 2016 US\$	Federated Strategic Value Equity Fund 31 December 2015 US\$	Company Total 31 December 2016 US\$	Company Total 31 December 2015 US\$
INCOME – CONTINUING OPERATIONS					
Interest & Dividend Income		410,827	315,033	24,589,917	11,653,025
Repurchase Agreement Interest Income		2,403	653	5,085,101	2,042,488
Swap Income		–	–	–	96,530
Net Gain/(Loss) on Financial Assets at Fair Value Through Profit or Loss					
Net Realised Gain/(Loss) on Investments	3	109,007	(124,843)	(579,248)	(8,642,096)
Net Unrealised Gain/(Loss) on Investments	3	511,880	143,619	3,592,059	607
		1,034,117	334,462	32,687,829	5,150,554
EXPENSES – CONTINUING OPERATIONS					
Management Fees	17	(209,756)	(147,062)	(49,185,684)	(56,025,703)
Fund Administration Fees	19	(7,179)	(7,179)	(809,345)	(901,119)
Transfer Agency Fees	19	(55,247)	(48,495)	(467,469)	(452,589)
Depository Fees	20	(19,410)	(6,360)	(756,407)	(812,562)
Directors' Fees	17	(5,350)	(6,900)	(32,448)	(48,303)
Auditors' Remuneration	4	(20,738)	(18,028)	(143,262)	(123,711)
Legal Fees		(48,762)	(22,416)	(327,387)	(332,254)
Interest Paid on Swaps		–	–	(1,125)	–
Other Expenses		(31,884)	(40,024)	(538,202)	(471,836)
		(398,326)	(296,464)	(52,261,329)	(59,168,077)
Waiver of Management Fees	17	208,435	145,300	28,372,211	33,699,548
Reimbursement of Other Expenditures and Assumption Fees	17	66,521	55,989	5,847,181	15,603,984
Net Operating Expenses Before Finance Costs		(123,370)	(95,175)	(18,041,937)	(9,864,545)
Net Investment Income/(Loss) Before Finance Costs		910,747	239,287	14,645,892	(4,713,991)
Finance Costs					
Distributions to Shareholders	5	(289,778)	(220,576)	(10,979,789)	(3,791,744)
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		620,969	18,711	3,666,103	(8,505,735)

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 and 2015

		Federated Short-Term U.S. Government Securities Fund 31 December 2016	Federated Short-Term U.S. Government Securities Fund 31 December 2015	Federated Short-Term U.S. Treasury Securities Fund 31 December 2016	Federated Short-Term U.S. Treasury Securities Fund 31 December 2015
	Notes	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Balances due from Brokers – Repurchase Agreements	8, 12	836,723,000	836,527,000	444,000,000	483,000,000
Financial Assets at Fair Value through Profit or Loss	3	497,746,309	513,944,790	312,571,239	757,050,371
Current Assets:					
Cash and Cash Equivalents	7	830,025	289,534	452,161	486,287
Income Receivable	6	1,167,670	1,151,153	1,399,839	3,110,284
TOTAL FINANCIAL ASSETS		1,336,467,004	1,351,912,477	758,423,239	1,243,646,942
FINANCIAL LIABILITIES					
Creditors: Amounts falling due within one year					
Distributions Payable		93,204	6,416	132,665	21,039
Payable for Investments Purchased		—	39,970,167	—	—
Accrued Expenses	9	563,917	432,535	253,457	346,212
TOTAL FINANCIAL LIABILITIES		657,121	40,409,118	386,122	367,251
Net Assets Attributable to Holders of Redeemable Participating Shares		1,335,809,883	1,311,503,359	758,037,117	1,243,279,691

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 and 2015

		Federated Short-Term U.S. Prime Fund 31 December 2016	Federated Short-Term U.S. Prime Fund 31 December 2015	Federated Emerging Markets Global Debt Fund* 31 December 2016	Federated Emerging Markets Global Debt Fund 31 December 2015
	Notes	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Balances due from Brokers – Repurchase Agreements	8, 12	448,000,000	570,000,000	–	760,000
Financial Assets at Fair Value through Profit or Loss	3	2,223,293,673	1,966,433,681	–	589,134
Derivative Assets:					
Forward Foreign Currency Exchange Contracts	3	–	–	–	1,002,067
Current Assets:					
Cash and Cash Equivalents	7	453,913	546,948	–	–
Income Receivable	6	1,391,339	2,069,019	–	6,166
TOTAL FINANCIAL ASSETS		2,673,138,925	2,539,049,648	–	2,357,367
FINANCIAL LIABILITIES					
Bank Overdraft	7	–	–	–	1,616
Derivative Liabilities:					
Forward Foreign Currency Exchange Contracts	3	–	–	–	1,060,907
Creditors: Amounts falling due within one year					
Distributions Payable		1,056,750	129,032	–	–
Payable for Investments Purchased		–	–	–	–
Accrued Expenses	9	1,179,165	856,593	–	84,042
TOTAL FINANCIAL LIABILITIES		2,235,915	985,625	–	1,146,565
Net Assets Attributable to Holders of Redeemable Participating Shares		2,670,903,010	2,538,064,023	–	1,210,802

* Discontinued operations on 6 April 2016.

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 and 2015

	Notes	Federated High Income Advantage Fund 31 December 2016 US\$	Federated High Income Advantage Fund 31 December 2015 US\$	Federated U.S. Total Return Bond Fund 31 December 2016 US\$	Federated U.S. Total Return Bond Fund 31 December 2015 US\$
FINANCIAL ASSETS					
Balances due from Brokers – Repurchase Agreements	8, 12	526,000	137,000	63,000	125,000
Financial Assets at Fair Value through Profit or Loss	3	36,946,108	28,659,983	5,674,681	5,341,591
Derivative Assets:					
Forward Foreign Currency Exchange Contracts	3	253	59,124	–	17,327
Futures Contracts	3	–	–	1,073	790
Current Assets:					
Cash and Cash Equivalents	7	16,516	19,132	5,396	9,992
Margin Cash	7	–	–	8	8
Income Receivable	6	594,323	479,143	38,913	39,703
TOTAL FINANCIAL ASSETS		38,083,200	29,354,382	5,783,071	5,534,411
FINANCIAL LIABILITIES					
Derivative Liabilities:					
Forward Foreign Currency Exchange Contracts	3	264,105	2,203	94,395	142
Creditors: Amounts falling due within one year					
Distributions Payable		176,241	117,513	12,784	12,689
Accrued Expenses	9	78,642	80,115	50,665	49,526
TOTAL FINANCIAL LIABILITIES		518,988	199,831	157,844	62,357
Net Assets Attributable to Holders of Redeemable Participating Shares		37,564,212	29,154,551	5,625,227	5,472,054

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 and 2015

	Notes	Federated Strategic Value Equity Fund 31 December 2016 US\$	Federated Strategic Value Equity Fund 31 December 2015 US\$	Company Total 31 December 2016 US\$	Company Total 31 December 2015 US\$
FINANCIAL ASSETS					
Balances due from Brokers – Repurchase Agreements	8, 12	688,000	451,000	1,730,000,000	1,891,000,000
Financial Assets at Fair Value through Profit or Loss	3	12,960,490	11,685,710	3,089,192,500	3,283,705,260
Derivative Assets:					
Forward Foreign Currency Exchange Contracts	3	–	–	253	1,078,518
Futures Contracts	3	–	–	1,073	790
Current Assets:					
Cash and Cash Equivalents	7	420	–	1,758,431	1,351,893
Margin Cash	7	–	–	8	8
Income Receivable	6	49,831	50,003	4,641,915	6,905,471
TOTAL FINANCIAL ASSETS		13,698,741	12,186,713	4,825,594,180	5,184,041,940
FINANCIAL LIABILITIES					
Bank Overdraft	7	–	248	–	1,864
Derivative Liabilities:					
Forward Foreign Currency Exchange Contracts	3	–	–	358,500	1,063,252
Creditors: Amounts falling due within one year					
Distributions Payable		–	–	1,471,644	286,689
Payable for Investments Purchased		–	–	–	39,970,167
Accrued Expenses	9	83,566	75,825	2,209,412	1,924,848
TOTAL FINANCIAL LIABILITIES		83,566	76,073	4,039,556	43,246,820
Net Assets Attributable to Holders of Redeemable Participating Shares		13,615,175	12,110,640	4,821,554,624	5,140,795,120



Michael Boyce
Director
on behalf of the Board

Date: 23 March 2017



Ronan Walsh
Director
on behalf of the Board

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF FINANCIAL POSITION (CONTINUED) NET ASSET VALUE PER SHARE AS AT 31 DECEMBER 2016

Federated Short-Term U.S. Government Securities Fund

Institutional Services – Dividend Series Net Asset Value per Share (US\$ 689,924,760/689,920,445 Shares outstanding)	US\$ 1.00
Institutional Series Net Asset Value per Share (US\$ 397,978,080/397,975,671 Shares outstanding)	US\$ 1.00
Investment – Dividend Series Net Asset Value per Share (US\$ 239,232,991/239,231,295 Shares outstanding)	US\$ 1.00
Investment – Growth Series Net Asset Value per Share (US\$ 8,674,052/51,350 Shares outstanding)	US\$ 168.92

Federated Short-Term U.S. Treasury Securities Fund

Institutional Service Series Net Asset Value per Share (US\$ 109,756,826/109,755,866 Shares outstanding)	US\$ 1.00
Institutional Series Net Asset Value per Share (US\$ 648,280,291/648,272,188 Shares outstanding)	US\$ 1.00

Federated Short-Term U.S. Prime Fund

Institutional Service Series Net Asset Value per Share (US\$ 1,177,819,282/1,177,818,125 Shares outstanding)	US\$ 1.00
Institutional Series Net Asset Value per Share (US\$ 1,004,071,491/1,004,067,944 Shares outstanding)	US\$ 1.00
Investment – Dividend Series Net Asset Value per Share (US\$ 478,397,770/478,397,916 Shares outstanding)	US\$ 1.00
Institutional Services – Dividend Series Net Asset Value per Share (US\$ 10,614,359/10,614,353 Shares outstanding)	US\$ 1.00
Accumulating Shares – Institutional Series Net Asset Value per Share (US\$ 108/1 Share outstanding)	US\$ 108.33

Federated High Income Advantage Fund

Class A Shares – USD ACC Net Asset Value per Share (US\$ 1,001,063/22,864 Shares outstanding)	US\$ 43.78
Class A Shares – EUR ACC Net Asset Value per Share (€ 1,023,668/3,812 Shares outstanding)	€ 268.54
Class I Shares – EUR DIS Net Asset Value per Share (€ 7,991,962/820,622 Shares outstanding)	€ 9.74
Class I Shares – USD DIS Net Asset Value per Share (US\$ 27,071,033/2,722,573 Shares outstanding)	US\$ 9.94
Class I Shares – GBP DIS Net Asset Value per Share (£ 101/10 Shares outstanding)	£ 10.05
Class A Shares – EUR DIS Net Asset Value per Share (€ 1,573/161 Shares outstanding)	€ 9.78

Federated U.S. Total Return Bond Fund

Class I Shares – EUR DIS Net Asset Value per Share (€ 2,338,506/17,523 Shares outstanding)	€ 133.45
Class I Shares – USD DIS Net Asset Value per Share (US\$ 3,157,422/33,081 Shares outstanding)	US\$ 95.44
Class I Shares – GBP DIS Net Asset Value per Share (£ 95/1 Share outstanding)	£ 95.44
Class A Shares – EUR DIS Net Asset Value per Share (€ 5,747/61 Shares outstanding)	€ 95.44

Federated Strategic Value Equity Fund

Class A Shares – USD DIS Net Asset Value per Share (US\$ 5,977,718/553,033 Shares outstanding)	US\$ 10.81
Class I Shares – USD DIS Net Asset Value per Share (US\$ 7,637,457/707,985 Shares outstanding)	US\$ 10.79

Note: Net asset totals and shares outstanding round to the nearest whole total.

Federated Emerging Markets Global Debt Fund discontinued operations on 6 April 2016.

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial years ended 31 December 2016 and 2015

		Federated Short-Term U.S. Government Securities Fund	Federated Short-Term U.S. Government Securities Fund	Federated Short-Term U.S. Treasury Securities Fund	Federated Short-Term U.S. Treasury Securities Fund
	Notes	31 December 2016	31 December 2015	31 December 2016	31 December 2015
		US\$	US\$	US\$	US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at Beginning of Year		1,311,503,359	1,830,645,970	1,243,279,691	2,326,330,168
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		7,464	1,842	(37,744)	35,745
Capital Transactions					
Subscriptions	10	2,438,310,910	3,345,044,210	5,308,476,522	8,222,672,610
Reinvestments	10	146,941	302	407,117	1,213
Redemptions	10	(2,414,158,791)	(3,864,188,965)	(5,794,088,469)	(9,305,760,045)
		24,299,060	(519,144,453)	(485,204,830)	(1,083,086,222)
Net Increase/(Decrease) from Operations and Capital Transactions		24,306,524	(519,142,611)	(485,242,574)	(1,083,050,477)
Net Assets Attributable to Holders of Redeemable Participating Shares at End of Year		1,335,809,883	1,311,503,359	758,037,117	1,243,279,691

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial years ended 31 December 2016 and 2015

		Federated Short-Term U.S. Prime Fund 31 December 2016	Federated Short-Term U.S. Prime Fund 31 December 2015	Federated Emerging Markets Global Debt Fund* 31 December 2016	Federated Emerging Markets Global Debt Fund 31 December 2015
	Notes	US\$	US\$	US\$	US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at Beginning of Year		2,538,064,023	2,561,547,719	1,210,802	30,340,365
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		(34,981)	21,707	24,833	(4,995,643)
Capital Transactions					
Subscriptions	10	9,456,098,599	8,593,761,908	—	18,887
Reinvestments	10	4,883,255	339,845	—	188,557
Redemptions	10	(9,328,107,886)	(8,617,607,156)	(1,235,635)	(24,341,364)
		132,873,968	(23,505,403)	(1,235,635)	(24,133,920)
Net Increase/(Decrease) from Operations and Capital Transactions		132,838,987	(23,483,696)	(1,210,802)	(29,129,563)
Net Assets Attributable to Holders of Redeemable Participating Shares at End of Year		2,670,903,010	2,538,064,023	—	1,210,802

* Discontinued operations on 6 April 2016.

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial years ended 31 December 2016 and 2015

		Federated High Income Advantage Fund 31 December 2016	Federated High Income Advantage Fund 31 December 2015	Federated U.S. Total Return Bond Fund 31 December 2016	Federated U.S. Total Return Bond Fund 31 December 2015
	Notes	US\$	US\$	US\$	US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at Beginning of Year		29,154,551	31,410,602	5,472,054	5,692,386
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		2,625,009	(3,122,380)	(68,138)	(465,717)
Capital Transactions					
Subscriptions	10	11,472,360	4,308,946	133,580	162,074
Reinvestments	10	1,117,518	996,810	87,731	88,270
Redemptions	10	(6,805,226)	(4,439,427)	—	(4,959)
		5,784,652	866,329	221,311	245,385
Net Increase/(Decrease) from Operations and Capital Transactions		8,409,661	(2,256,051)	153,173	(220,332)
Net Assets Attributable to Holders of Redeemable Participating Shares at End of Year		37,564,212	29,154,551	5,625,227	5,472,054

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial years ended 31 December 2016 and 2015

	Notes	Federated Strategic Value Equity Fund 31 December 2016 US\$	Federated Strategic Value Equity Fund 31 December 2015 US\$	Company Total 31 December 2016 US\$	Company Total 31 December 2015 US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at Beginning of Year		12,110,640	7,173,491	5,140,795,120	6,793,140,701
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		620,969	18,711	3,666,103	(8,505,735)
Capital Transactions					
Subscriptions	10	7,259,165	6,788,910	17,221,751,136	20,172,757,545
Reinvestments	10	92,661	101,967	6,735,223	1,716,964
Redemptions	10	(6,468,260)	(1,972,439)	(17,551,392,958)	(21,818,314,355)
		883,566	4,918,438	(322,906,599)	(1,643,839,846)
Net Increase/(Decrease) from Operations and Capital Transactions		1,504,535	4,937,149	(319,240,496)	(1,652,345,581)
Net Assets Attributable to Holders of Redeemable Participating Shares at End of Year		13,615,175	12,110,640	4,821,554,624	5,140,795,120

The accompanying notes form an integral part of the Financial Statements.

FEDERATED INTERNATIONAL FUNDS PLC

NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the financial year ended 31 December 2016

(1) THE COMPANY

The Company is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds, and is organised under the laws of Ireland as a public limited company pursuant to the Companies Act and the UCITS Regulations. It was incorporated on 31 December 1990 under Registration Number 168193.

The Company is a UCITS within the meaning of the UCITS Regulations and has been approved by the Central Bank in accordance with the UCITS Regulations.

The investment objectives and policies of the Company's sub-funds operating as at 31 December 2016 are as follows:

Federated Short-Term U.S. Government Securities Fund:

The Fund is considered a "Short-Term Money Market Fund" in accordance with the requirements of the Central Bank UCITS Regulations on money market funds. Its investment objective is to achieve current income while maintaining stability of principal and liquidity. The Company pursues the investment objective of the Fund by investing in a portfolio of high quality short-term U.S. Treasury securities and U.S. Government Agency securities which comply with the criteria for money market instruments as set out in the UCITS Regulations. These investments include repurchase agreements collateralised fully by U.S. Treasury securities and U.S. Government Agency securities. The maximum weighted average maturity of the securities in the Fund's portfolio will not exceed 60 days. The weighted average life of the Fund's portfolio will be limited to 120 days or less.

Federated Short-Term U.S. Treasury Securities Fund:

The Fund is considered a "Short-Term Money Market Fund" in accordance with the requirements of the Central Bank UCITS Regulations on money market funds. Its investment objective is to achieve current income while maintaining stability of principal and liquidity. The Company pursues the investment objective of the Fund by investing in a portfolio of high quality short-term U.S. Treasury securities which comply with the criteria for money market instruments as set out in the UCITS Regulations, as well as, for efficient portfolio management purposes, repurchase agreements collateralised by U.S. Treasury securities. The weighted average maturity of the U.S. Treasury securities in the Fund's portfolio will not exceed 60 days. The weighted average life of the Fund's portfolio will be limited to 120 days or less.

Federated Short-Term U.S. Prime Fund:

The Fund is considered a "Short-Term Money Market Fund" in accordance with the requirements of the Central Bank UCITS Regulations on money market funds. Its investment objective is to achieve current income while maintaining stability of principal and liquidity. The Company pursues the investment objective of the Fund by investing in a portfolio of high quality U.S. dollar-denominated short-term debt instruments which comply with the criteria for money market instruments as set out in the UCITS Regulations. The maximum weighted average maturity of the securities in the Fund's portfolio will not exceed 60 days. The weighted average life of the Fund's portfolio will be limited to 120 days or less.

Federated High Income Advantage Fund:

The investment objective of the Fund is to provide high current income. The Company pursues the investment objective of the Fund by investing, under normal circumstances, primarily in a portfolio of debt securities. These debt securities are expected to be lower-rated corporate debt obligations (those rated below investment-grade), and some may involve equity features.

Federated U.S. Total Return Bond Fund:

The investment objective of the Fund is to provide total return over time. The Company pursues the investment objective of the Fund by investing primarily in U.S. dollar denominated, investment-grade, fixed-income securities of U.S. issuers. In addition, the Fund may invest in high-yield, non-U.S. dollar denominated and emerging market fixed-income securities when the investment adviser considers the risk-return prospects of those sectors to be attractive.

Federated Strategic Value Equity Fund:

The investment objective of the Fund is to achieve income and long-term capital appreciation. The Company pursues the investment objective of the Fund by investing primarily in high dividend yielding stocks with dividend growth potential and compelling performance during periods of market weakness. The Fund generally invests in large cap or mid cap value stocks of U.S. issuers, and non-U.S. issuers, including American depositary receipts issued with respect to the stocks of non-U.S. issuers. On a limited basis, the Fund may also invest in small cap value stocks.

Please see the prospectus of the Company for the complete description of the investment objectives and policies of each Fund.

(2) ACCOUNTING POLICIES

A. Basis of Accounting

These annual audited financial statements for the financial year ended 31 December 2016 have been prepared in accordance with accounting standards generally accepted in Ireland ("Irish GAAP") including Financial Reporting Standard ("FRS") 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), Irish statute comprising the Companies Act, the UCITS Regulations and the Central Bank UCITS Regulations.

The Directors have adopted Irish GAAP, including FRS 102 for its annual financial statements effective 1 January 2015 and FRS 104 for its interim financial statements. The Company resolved to undertake the option for the early adoption (or early application of) the "Amendments to FRS 102—Fair value hierarchy disclosures" which were issued in March 2016 and are applicable for accounting periods beginning on or after 1 January 2017 with early application permitted. "Amendments to FRS 102—Fair value hierarchy disclosures" proposed to amend the paragraphs 34.22 and 34.42 of FRS 102 to require disclosure of financial instruments held at fair value on the basis of a fair value hierarchy consistent with EU-adopted International Financial Reporting Standards ("IFRS") based on Level 1, 2 and 3 classification.

Except for the early adoption of the "Amendments to FRS 102—Fair value hierarchy disclosures"; there have been no changes to the significant accounting policies adopted by the Company since the last audited financial statements dated 31 December 2015.

The Directors have a reasonable expectation that the sub-funds comprising the Company, operating as at 31 December 2016, have adequate resources to continue in operational existence for the foreseeable future. At 14 March 2016, the Federated Emerging Markets Global Debt Fund was closed to new subscriptions (including conversions into the Fund) and discontinued operations on 6 April 2016. Except for Federated Emerging Markets Global Debt Fund in respect of which these audited annual financial statements have been prepared on a termination basis, these audited annual financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss. Federated MDT All Cap U.S. Stock Fund did not operate during the reporting period.

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit and liquidity risks are described as part of Note 12. The Company has considerable financial resources in the form of highly liquid investments and cash balances.

The Company has availed of the exemption available to open-ended investment funds under Section 7 "Statement of Cash Flows" of FRS 102, not to prepare a cash flow statement on the basis that substantially all of the Company's investments are highly liquid and carried at fair value, and the Company provides a Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

The report has been prepared in U.S. dollars for all Funds. The functional and presentation currency of the Company is the U.S. dollar.

The format and certain wordings of the financial statements have been adapted from those contained in the Companies Act so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment fund.

Under FRS 102, in accounting for its financial instruments a reporting entity is required to apply either (a) the full provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102; (b) the recognition and measurement provisions of International Accounting Standards ("IAS") 39 "Financial Instruments: Recognition and Measurement" ("IAS 39") and only the disclosure requirements of Sections 11 and 12 of FRS 102; or c) the recognition and measurement provisions of IFRS 9 "Financial Instruments" ("IFRS 9") and the disclosure requirements of Sections 11 and 12. The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12. The Company has also early adopted the "Amendments to FRS 102—Fair value hierarchy disclosures."

The information required by FRS 102, to include a single statement for the reporting period displaying all items of income and expense recognised during the period including those items recognised in determining profit or loss and items of other comprehensive income and a Reconciliation of Movements in Shareholders' Funds are, in the opinion of the Directors, contained in the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shareholders. In arriving at the results for the financial year, all amounts in the Statement of Comprehensive Income relate to continuing activities except for the Federated Emerging Markets Global Debt Fund which has discontinued operations. In the opinion of the Directors, the financial statements provide, in all other respects, the information required by the UCITS Regulations, the Central Bank UCITS Regulations and the Companies Act.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating Shares unless otherwise stated.

All gains and losses for the financial year are reflected in the Statement of Comprehensive Income.

B. Financial Instruments

(1) CLASSIFICATION

The Company classified and designated its financial assets and liabilities into the following categories in accordance with the FRS 102 option to apply the provisions of IAS 39.

Financial assets and liabilities at fair value through profit or loss

The category of financial assets and liabilities at fair value through profit or loss comprises:

- *Financial assets and liabilities held for trading:*

These include bonds, equities, warrants, exchange traded future contracts, credit default swaps, interest rate swaps and forward foreign currency exchange contracts. These instruments are acquired or incurred principally for the purpose of generating a profit from short-term fluctuation in price. Derivatives are also categorised as held for trading, as the Company does not designate any derivatives as hedges in a hedging relationship.

- *Financial instruments designated at fair value through profit or loss upon initial recognition:*

These include financial assets or financial liabilities that are not held for trading, such as unlisted equity instruments, repurchase agreements and commercial paper. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and investment strategy as set out in the Company's prospectus.

Financial liabilities, other than those at fair value through the profit or loss, are measured at amortised cost using the effective interest method.

- *Loans and Receivables:*

These include balances due from brokers, cash and cash equivalents, cash collateral, margin cash and income receivable.

(II) INITIAL MEASUREMENT

Purchases and sales of financial instruments are accounted for at trade date. Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out method.

Financial instruments classified at fair value through profit or loss are measured initially at fair value with transaction costs for such instruments recognised directly in the Statement of Comprehensive Income.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company includes in this category balances due from brokers, cash and cash equivalents, cash collateral, margin cash and income receivable.

(III) SUBSEQUENT MEASUREMENT

After initial measurement, the Company measures financial instruments which are classified at fair value through profit or loss, at their fair values. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets are priced at their current bid prices, while financial liabilities are priced at their current offer prices.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument may be estimated by the Directors using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

The following security, which is held by Federated High Income Advantage Fund, has been valued at a fair value derived by the Directors as no quoted market price (i.e., no observable market inputs) was available:

	Principal Amount		Fair Value	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Hard Rock Park Operations LLC, Sr. Secd. Note, Series 144A, 7.4% 1/12/2099	125,000	125,000	US\$ 0	US\$ 0

C. Impairment of Financial Assets

The Company assesses at each reporting date whether a financial asset or a group of financial assets classified as receivables is impaired. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as a 'credit loss expense.'

Impaired debts together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the 'credit loss expense'.

Interest revenue on an impaired financial asset is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

D. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set-off recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously. This is generally not the case with master-netting agreements, and the related assets and liabilities are presented gross in the Statement of Financial Position. There was no legally enforceable right to set-off; hence, financial assets and liabilities were presented at gross in the Statement of Financial Position.

E. Net Gain or Loss on Financial Assets and Liabilities at Fair Value through Profit and Loss

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as held at fair value through profit and loss and excludes interest and dividend income and expenses.

Realised gains and losses on disposals of financial instruments classified as 'at fair value through profit or loss' are calculated using the first-in-first-out method. Unrealised gains and losses from movements in the value of financial instruments are included in the Statement of Comprehensive Income in the financial year in which they arise.

F. Foreign Currency Translation

(a) Functional and presentation currency

Account totals included in the Company's audited annual financial statements are measured and presented using the currency of the primary economic environment in which it operates (the "functional currency"). This is the U.S. dollar which reflects the Company's primary activity of investing in U.S. securities and derivatives.

- (i) Assets and liabilities, including net assets attributable to holders of redeemable participating Shares, are translated at the closing rate at each Statement of Financial Position date;
- (ii) Proceeds from subscriptions and amounts paid on redemptions of redeemable participating Shares are translated at daily rates, which approximate the rates prevailing at the dates of the transactions. Translation differences on non-monetary items, such as equities, held at fair value through profit or loss are reported as part of the fair value gain or loss; and
- (iii) Income and expenses are translated at the daily average exchange rates.

(b) Foreign currency transactions

Monetary assets and liabilities denominated in currencies other than the U.S. dollar are translated into the U.S. dollar at the closing rates of exchange at each period end. Transactions during the financial year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in realised and unrealised gain and loss on investments.

G. Interest Income

For the Funds, interest income includes interest and discount earned (net of premium), including original issue discount on portfolio securities.

Interest income is recognised in the Statement of Comprehensive Income for all interest-bearing financial instruments using the effective interest method. Interest is accrued on a daily basis.

Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant financial year.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instruments, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees and points paid if received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

H. Dividend Income

Dividends are credited to the Statement of Comprehensive Income on the dates in which the relevant securities are listed as "ex-dividend." Dividend Income is shown net of any non-recoverable withholding taxes.

I. Cash and Cash Equivalents

Cash comprises current deposits with banks and bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes.

J. Cash Collateral

Cash collateral provided by the Fund is identified in the Statement of Financial Position as cash collateral and is not included as a component of cash and cash equivalents. For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Fund classifies that asset in its Statement of Financial Position separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the collateral provided is made in the notes to the financial statements.

K. Expenses

All expenses, including management fees and depositary fees, are recognised in the Statement of Comprehensive Income on an accrual basis.

L. Forward Foreign Currency Exchange Contracts

A forward foreign currency exchange contract is an exchange-traded contract to buy or sell a particular currency at a specific price at some time in the future (commonly three months or more). A forward foreign currency exchange contract is an over-the-counter ("OTC") derivative that represents an obligation to purchase or sell a specific currency at a future date, at a price set at the time of the contract and for a period agreed upon by the parties which may be either a window of time or a fixed number of days from the date of the contract. Certain of the Funds may enter into these contracts to hedge against changes in currency exchange rates. The forward foreign currency exchange contracts are marked to market daily based upon quotations from market makers. Unrealised gains or losses on open forward foreign currency exchange contracts are included in the Statement of Financial Position under the heading Derivative Assets: Forward Foreign Currency Exchange Contracts and Derivative Liabilities: Forward Foreign Currency Exchange Contracts in the Statement of Financial Position and are shown in the Portfolio of Investments. Any realised gains or losses are recognised in the Statement of Comprehensive Income at trade date.

M. Exchange Traded Futures Contracts

Exchange traded futures contracts ("Futures Contracts") provide for the future sale by one party and purchase by another party of a specified amount of a reference instrument at a specified price and date. Entering into a contract to buy a reference instrument is commonly referred to as buying a contract or holding a long position in the asset. Entering into a contract to sell a reference instrument is commonly referred to as selling a contract or holding a short position in the reference instrument. The fair value of open future contracts is calculated as the difference between the contracted rate and the current rate that would close out the contract on the Statement of Financial Position date. The futures contracts are marked to market daily based upon quotations from market makers. Unrealised gains or losses on futures contracts are included under the heading Derivative Assets: Futures Contracts and Derivative Liabilities: Futures Contracts on the Statement of Financial Position and are shown in the Portfolio of Investments. When the contract is terminated, the Fund will recognise a realised gain or loss in the Statement of Comprehensive Income equal to the difference between the value of the contract at the time it was entered into and the time it was closed. The Fund holds margin deposits with respect to open exchange traded futures contracts with J.P. Morgan.

N. Credit default swaps

A credit default swap is an agreement between two parties whereby one party (the "protection buyer") agrees to make payments over the term of the credit default swap to the other party (the "protection seller"), provided that no designated event of default, restructuring or other credit related event (each a "credit event") occurs with respect to the reference instrument that is usually a particular bond, a portfolio of bonds or the unsecured credit of an issuer, in general. When the swap terminates any gains or losses arising are reflected in the Statement of Comprehensive Income as a net gain/(loss) on investment activities. A credit default swap provides the Fund with an alternative to investing in assets themselves for a potentially higher return with the same risk or they may be used to obtain exposure to assets which the Fund could not otherwise acquire due to illiquidity in the relevant market. The Fund recognises the swap when it becomes party to the contract. The credit default swaps are marked to market daily based upon quotations from market makers and recorded in the Statement of Financial Position under the heading Derivative Assets: Swap Contracts and Derivative Liabilities: Swap Contracts. Any collateral held is pledged with the counterparty to the contract.

O. Interest rate swaps

Interest rate swaps are contracts in which one party agrees to make regular payments equal to a fixed or floating interest rate times a stated principal amount (commonly referred to as a "notional principal amount") in return for payments equal to a different fixed or floating rate times the same principal amount, for a specific period. The interest rate swaps are marked to market daily based upon quotations from market makers and recorded in the Statement of Financial Position under the heading Derivative Assets: Swap Contracts and Derivative Liabilities: Swap Contracts.

P. Repurchase Agreements

The Company enters into agreements to purchase securities and to resell them at a future date ("Repurchase Agreements"). The difference between the purchase cost and sales proceeds is recorded as interest income.

Repurchase Agreements are valued at cost. During the term of a Repurchase Agreement, the market value of the underlying collateral, including accrued interest, is required to exceed the market value of the Repurchase Agreement. It is the Company's policy that collateral be received on a daily basis and held on behalf of the Company in accordance with the requirements of the UCITS Regulations. The underlying collateral is intended to protect the Company in the event that the securities are not purchased by the counterparty.

The Repurchase Agreements are fully collateralised by U.S. Treasury and/or U.S. Government Agency obligations with a market value (after transaction costs) at least equal to the repurchase price to be paid under the Repurchase Agreement.

Q. When-Issued and Delayed Delivery Transactions

The Company may purchase securities on a when-issued or delayed delivery basis. These transactions are arrangements by which securities are purchased with payment and delivery scheduled for a future time. The Company does not engage in when-issued and delayed delivery transactions for investment leverage or borrowing purposes.

R. Distributions to Holders of Redeemable Participating Shares

Distributions to holders of redeemable participating Shares are considered to be a finance cost and are recorded in the Statement of Comprehensive Income.

S. Redeemable Participating Shares

Redeemable participating Shares are issued and redeemed at the shareholder's option at prices based on that Fund's net asset value ("NAV") per Share, for the relevant Share class, at the time of subscription or redemption. Each Fund's NAV per Share is calculated by dividing the net assets attributable to the holders of redeemable participating Shares with the total number of outstanding redeemable participating Shares. The Shares can be redeemed at the shareholder's option on any Dealing Day (as defined in the prospectus of the Company) and are classified as financial liabilities.

T. Share Capital

The Company's subscriber shares are classified as equity in accordance with the Company's Articles of Association. These shares do not participate in the profits of the Company.

U. Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of securities. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the security. When a security is recognised initially, it is measured at its market value, plus transaction costs that are directly attributable to the acquisition or issue of the security.

Transaction costs excluding Depositary transaction fees on purchases or sales of securities are included within net realised appreciation/(depreciation) or net change in unrealised appreciation/(depreciation) within the Statement of Comprehensive Income of each Fund.

V. Cross Holdings

All cross holdings and intra-company transactions are presented in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the Company.

(3) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Federated Short-Term U.S. Government Securities Fund		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
U.S. Government Agencies	413,680,484	385,363,454
U.S. Treasury	84,065,825	128,581,336
TOTAL FINANCIAL ASSETS HELD FOR TRADING	497,746,309	513,944,790
Net Changes in fair value on financial assets through profit or loss		
Realised	—	—
Unrealised	—	—
TOTAL GAINS	—	—

Federated Short-Term U.S. Treasury Securities Fund		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
U.S. Treasury	312,571,239	757,050,371
TOTAL FINANCIAL ASSETS HELD FOR TRADING	312,571,239	757,050,371
Net Changes in fair value on financial assets through profit or loss		
Realised	—	—
Unrealised	—	—
TOTAL GAINS	—	—

Federated Short-Term U.S. Prime Fund		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
Asset Backed Securities	—	25,000,000
Corporate Bonds	51,806,984	174,279,505
Corporate Notes	—	14,973,592
Notes – Variable	448,932,402	663,758,976
U.S. Government Agencies	—	20,780,160
TOTAL FINANCIAL ASSETS HELD FOR TRADING	500,739,386	898,792,233
Financial assets designated as at fair value through profit or loss		
Certificate of Deposits	599,559,914	524,985,709
Commercial Paper	1,122,994,373	542,655,739
Total financial assets designated as at fair value through profit or loss	1,722,554,287	1,067,641,448
TOTAL FINANCIAL ASSETS	2,223,293,673	1,966,433,681
Net Changes in fair value on financial assets through profit or loss		
Realised	—	—
Unrealised	—	—
TOTAL GAINS	—	—
Federated Emerging Markets Global Debt Fund*		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
Corporate Bonds	—	373,804
U.S. Government Agencies	—	215,330
Forward Foreign Currency Exchange Contracts	—	1,002,067
TOTAL FINANCIAL ASSETS HELD FOR TRADING	—	1,591,201
Financial liabilities held for trading		
Forward Foreign Currency Exchange Contracts	—	(1,060,907)
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	—	(1,060,907)
Net Changes in fair value on financial assets through profit or loss		
Realised		
Investments	(210,685)	(5,634,406)
Options	—	69,900
Forward Foreign Currency Exchange Contracts	(57,277)	(871,451)
Futures Contracts	—	169,750
Other Transactions	(47)	(121,984)
Total Realised	(268,009)	(6,388,191)
Unrealised		
Investments	231,600	1,310,623
Forward Foreign Currency Exchange Contracts	58,840	86,584
Futures Contracts	—	46,600
Swap Contracts	—	67,323
Other Transactions	1	3,337
Total Unrealised	290,441	1,514,467
TOTAL GAINS/(LOSSES)	22,432	(4,873,724)

* Discontinued operations on 6 April 2016.

Federated High Income Advantage Fund		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
Corporate Bonds	36,946,108	28,659,983
Forward Foreign Currency Exchange Contracts	253	59,124
TOTAL FINANCIAL ASSETS HELD FOR TRADING	36,946,361	28,719,107
Financial liabilities held for trading		
Forward Foreign Currency Exchange Contracts	(264,105)	(2,203)
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	(264,105)	(2,203)
Net Changes in fair value on financial assets through profit or loss		
Realised		
Investments	(389,233)	(386,707)
Forward Foreign Currency Exchange Contracts	935	(1,378,985)
Other Transactions	(15,456)	12,465
Total Realised	(403,754)	(1,753,227)
Unrealised		
Investments	3,161,865	(1,868,535)
Forward Foreign Currency Exchange Contracts	(320,774)	304,520
Other Transactions	(2,429)	(838)
Total Unrealised	2,838,662	(1,564,853)
TOTAL GAINS/(LOSSES)	2,434,908	(3,318,080)

Federated U.S. Total Return Bond Fund		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
Collateralised Mortgage Obligations	287,336	318,581
Corporate Bonds	2,107,692	2,408,533
Mortgage Backed Securities	1,287,380	1,213,045
Investment Funds	440,928	479,647
U.S. Government Agencies	275,927	275,334
U.S. Treasury	1,275,418	646,451
Forward Foreign Currency Exchange Contracts	—	17,327
Futures Contracts	1,073	790
TOTAL FINANCIAL ASSETS HELD FOR TRADING	5,675,754	5,359,708
Financial liabilities held for trading		
Forward Foreign Currency Exchange Contracts	(94,395)	(142)
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	(94,395)	(142)
Net Changes in fair value on financial assets through profit or loss		
Realised		
Investments	(181)	129
Forward Foreign Currency Exchange Contracts	(11,177)	(368,854)
Futures Contracts	(4,429)	(5,589)
Other Transactions	(705)	(1,521)
Total Realised	(16,492)	(375,835)

Federated U.S. Total Return Bond Fund (Continued)		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Unrealised		
Investments	62,754	(176,620)
Forward Foreign Currency Exchange Contracts	(111,581)	82,631
Futures Contracts	283	762
Other Transactions	(380)	601
Total Unrealised	(48,924)	(92,626)
TOTAL (LOSSES)	(65,416)	(468,461)

Federated Strategic Value Equity Fund		
	2016 Fair Value	2015 Fair Value
	US\$	US\$
Financial assets held for trading		
Common Stocks	12,960,490	11,685,710
TOTAL FINANCIAL ASSETS HELD FOR TRADING	12,960,490	11,685,710
Net Changes in fair value on financial assets through profit or loss		
Realised		
Investments	130,779	(119,158)
Forward Foreign Currency Exchange Contracts	132	(36)
Other Transactions	(21,904)	(5,649)
Total Realised	109,007	(124,843)
Unrealised		
Investments	511,534	144,213
Other Transactions	346	(594)
Total Unrealised	511,880	143,619
TOTAL GAINS	620,887	18,776

(4) AUDITOR'S REMUNERATION

The Audit Fees (inclusive of VAT) for the financial year ended 31 December 2016 were US\$ 143,262 (31 December 2015: US\$ 123,711). This included fees in respect of non-audit services of US\$ nil (31 December 2015: US\$ nil).

(5) DISTRIBUTION TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For Federated High Income Advantage Fund–Class A Shares–USD ACC and Class A Shares–EUR ACC; Federated Short-Term U.S. Government Securities Fund–Investment–Growth Series; and Federated Short-Term U.S. Prime Fund–Accumulating Shares–Institutional Series: it is the policy of the Directors not to declare or pay dividends with respect to the Shares.

For Federated High Income Advantage Fund (except Class A Shares–USD ACC and Class A Shares–EUR ACC); Federated U.S. Total Return Bond Fund; Federated Short-Term U.S. Prime Fund (except Accumulating Shares–Institutional Series); Federated Short-Term U.S. Treasury Securities Fund; and Federated Short-Term U.S. Government Securities Fund–(except Investment–Growth Series): it is the policy of the Directors so far as possible to declare dividends from the Fund's net investment income daily and pay them monthly.

For Federated Emerging Markets Global Debt Fund which discontinued operations on 6 April 2016: it was the policy of the Directors so far as possible to declare and pay any dividends from the Fund's net investment income semi-annually.

For Federated Strategic Value Equity Fund: it is the policy of the Directors so far as possible to declare and pay any dividends of the Fund's net investment income monthly.

Details of distributions to shareholders paid by each Fund during the financial years ended 31 December 2016 and 2015 are disclosed in the Statement of Comprehensive Income.

Distributions payable as at 31 December 2016 were US\$ 1,471,644 (31 December 2015: US\$ 286,689).

(6) INCOME RECEIVABLE

	31 December 2016	31 December 2015
	US\$	US\$
Interest and Dividends Receivable	4,641,915	6,905,471
TOTAL INCOME RECEIVABLE	4,641,915	6,905,471

(7) CASH AND CASH EQUIVALENTS

	31 December 2016	31 December 2015
	US\$	US\$
Cash and Cash Equivalents*		
United States Dollar	1,735,366	1,248,083
Euro (translated into US\$)	10,087	14,689
British Pound Sterling (translated into US\$)	12,978	89,062
Brazilian Real (translated into US\$)	–	2
South African Rand (translated into US\$)	–	1
Swiss Franc (translated into US\$)	–	56
TOTAL CASH AND CASH EQUIVALENTS	1,758,431	1,351,893
Margin Cash**		
United States Dollar	8	8
TOTAL MARGIN CASH	8	8
Bank Overdraft*		
United States Dollar	–	1,863
Mexican Peso (translated into US\$)	–	1
TOTAL BANK OVERDRAFT	–	1,864

* Cash and Cash Equivalents and Bank Overdrafts are held with the Bank of New York Mellon Trust Company (Ireland) Limited—the Depositary of the company.

** Margin Cash is held with J.P. Morgan.

(8) BALANCES DUE FROM BROKERS

	31 December 2016	31 December 2015
	US\$	US\$
Receivable from Repurchase Agreements	1,730,000,000	1,891,000,000

(9) ACCRUED EXPENSES

	31 December 2016	31 December 2015
	US\$	US\$
Management Fees Payable	1,403,762	1,004,169
Fund Administration Fees Payable	249,717	298,479
Depositary Fees Payable	177,882	179,801
Directors' Fees Payable	3,597	15,766
Auditors' Remuneration	131,794	149,904
Other Creditors	242,660	276,729
TOTAL ACCRUED EXPENSES	2,209,412	1,924,848

(10) SHARE CAPITAL

Authorised

The authorised share capital of the Company is five hundred billion Shares of no par value. In addition, the Company has issued seven subscriber shares of no par value at a price of €1.27 each. Holders of all classes of Shares are entitled to vote at meetings of shareholders.

The share capital of the Company will at all times equal its NAV. The Directors can issue up to five hundred billion Shares at the NAV per Share on such terms, and in such Funds and Series as they deem fit.

The Company is not subject to externally imposed capital requirements.

Subscriber Shares

The subscriber shares do not form part of the net asset value of the Company and are thus disclosed in the financial statements by way of this note only. Holders of subscriber shares are not entitled to share in the assets of the Company upon winding up and do not have any entitlement to dividends. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

Redeemable Participating Shares

The net assets attributable to holders of redeemable participating Shares are at all times equal to the net asset value of the Company. The participating Shares are in substance a liability to shareholders as they can be redeemed at any time at the option of the shareholder. The Company is not subject to externally imposed capital requirements.

The movement in the number of participating Shares is as follows:

	Financial Year Ended 31 December 2016 Shares	Financial Year Ended 31 December 2015 Shares
Federated Short-Term U.S. Government Securities Fund		
INSTITUTIONAL SERVICES – DIVIDEND SERIES		
Balance at beginning of financial year	804,600,974	812,055,691
Subscriptions	922,936,161	1,389,773,994
Reinvestments	706	62
Redemptions	(1,037,617,396)	(1,397,228,773)
Balance at end of financial year	689,920,445	804,600,974
INSTITUTIONAL SERIES		
Balance at beginning of financial year	215,338,907	347,662,502
Subscriptions	1,243,062,159	1,456,860,169
Reinvestments	145,407	26
Redemptions	(1,060,570,802)	(1,589,183,790)
Balance at end of financial year	397,975,671	215,338,907
INVESTMENT – DIVIDEND SERIES		
Balance at beginning of financial year	284,173,408	668,741,385
Subscriptions	267,372,669	490,847,547
Reinvestments	828	214
Redemptions	(312,315,610)	(875,415,738)
Balance at end of financial year	239,231,295	284,173,408
INVESTMENT – GROWTH SERIES		
Balance at beginning of financial year	43,743	12,948
Subscriptions	29,244	44,770
Reinvestments	—	—
Redemptions	(21,637)	(13,975)
Balance at end of financial year	51,350	43,743
Federated Short-Term U.S. Treasury Securities Fund		
INSTITUTIONAL SERVICE SERIES		
Balance at beginning of financial year	201,874,668	379,467,180
Subscriptions	344,760,971	745,580,760
Reinvestments	5,021	500
Redemptions	(436,884,794)	(923,173,772)
Balance at end of financial year	109,755,866	201,874,668

	Financial Year Ended 31 December 2016 Shares	Financial Year Ended 31 December 2015 Shares
Federated Short-Term U.S. Treasury Securities Fund (Continued)		
INSTITUTIONAL SERIES		
Balance at beginning of financial year	1,041,358,217	1,946,851,927
Subscriptions	4,963,715,551	7,477,091,851
Reinvestments	402,096	713
Redemptions	(5,357,203,676)	(8,382,586,274)
Balance at end of financial year	648,272,188	1,041,358,217
Federated Short-Term U.S. Prime Fund		
INSTITUTIONAL SERVICE SERIES		
Balance at beginning of financial year	1,239,627,876	1,157,987,036
Subscriptions	3,812,391,680	3,877,454,847
Reinvestments	2,161,589	9,219
Redemptions	(3,876,363,020)	(3,795,823,226)
Balance at end of financial year	1,177,818,125	1,239,627,876
INSTITUTIONAL SERIES		
Balance at beginning of financial year	916,526,043	1,029,998,915
Subscriptions	5,195,731,354	4,254,666,497
Reinvestments	2,705,869	327,271
Redemptions	(5,110,895,322)	(4,368,466,640)
Balance at end of financial year	1,004,067,944	916,526,043
INVESTMENT – DIVIDEND SERIES		
Balance at beginning of financial year	362,755,176	363,730,963
Subscriptions	430,930,692	409,992,611
Reinvestments	5,239	3,265
Redemptions	(315,293,191)	(410,971,663)
Balance at end of financial year	478,397,916	362,755,176
INSTITUTIONAL SERVICES – DIVIDEND SERIES		
Balance at beginning of financial year	19,115,275	9,303,326
Subscriptions	17,044,873	51,647,952
Reinvestments	10,558	91
Redemptions	(25,556,353)	(41,836,094)
Balance at end of financial year	10,614,353	19,115,275
ACCUMULATING SHARES – INSTITUTIONAL SERIES		
Balance at beginning of financial year	1	4,738
Subscriptions	–	–
Reinvestments	–	–
Redemptions	–	(4,737)
Balance at end of financial year	1	1
Federated Emerging Markets Global Debt Fund*		
CLASS I SHARES – EUR DIS		
Balance at beginning of financial year	1	250,001
Subscriptions	–	–
Reinvestments	–	–
Redemptions	(1)	(250,000)
Balance at end of financial year	–	1

* Discontinued operations on 6 April 2016.

	Financial Year Ended 31 December 2016 Shares	Financial Year Ended 31 December 2015 Shares
Federated Emerging Markets Global Debt Fund* (Continued)		
CLASS I SHARES – USD DIS		
Balance at beginning of financial year	16,048	57,301
Subscriptions	–	60
Reinvestments	–	2,355
Redemptions	(16,048)	(43,668)
Balance at end of financial year	–	16,048
CLASS I SHARES – GBP DIS		
Balance at beginning of financial year	1	1
Subscriptions	–	–
Reinvestments	–	–
Redemptions	(1)	–
Balance at end of financial year	–	1
CLASS A SHARES – EUR DIS		
Balance at beginning of financial year	388	388
Subscriptions	–	–
Reinvestments	–	–
Redemptions	(388)	–
Balance at end of financial year	–	388
Federated High Income Advantage Fund		
CLASS A SHARES – USD ACC		
Balance at beginning of financial year	65,760	54,115
Subscriptions	5,502	40,182
Reinvestments	–	–
Redemptions	(48,398)	(28,536)
Balance at end of financial year	22,864	65,760
CLASS A SHARES – EUR ACC		
Balance at beginning of financial year	5,465	8,326
Subscriptions	93	3,438
Reinvestments	–	–
Redemptions	(1,746)	(6,299)
Balance at end of financial year	3,812	5,465
CLASS I SHARES – EUR DIS		
Balance at beginning of financial year	640,622	640,622
Subscriptions	180,000	–
Reinvestments	–	–
Redemptions	–	–
Balance at end of financial year	820,622	640,622
CLASS I SHARES – USD DIS		
Balance at beginning of financial year	2,037,869	1,925,918
Subscriptions	995,425	171,834
Reinvestments	116,269	100,819
Redemptions	(426,990)	(160,702)
Balance at end of financial year	2,722,573	2,037,869

* Discontinued operations on 6 April 2016.

	Financial Year Ended 31 December 2016 Shares	Financial Year Ended 31 December 2015 Shares
Federated High Income Advantage Fund (Continued)		
CLASS I SHARES – GBP DIS		
Balance at beginning of financial year	10	10
Subscriptions	–	–
Reinvestments	–	–
Redemptions	–	–
Balance at end of financial year	10	10
CLASS A SHARES – EUR DIS		
Balance at beginning of financial year	160	10
Subscriptions	–	150
Reinvestments	1	–
Redemptions	–	–
Balance at end of financial year	161	160
Federated U.S. Total Return Bond Fund		
CLASS I SHARES – EUR DIS		
Balance at beginning of financial year	16,617	15,609
Subscriptions	875	1,009
Reinvestments	31	32
Redemptions	–	(33)
Balance at end of financial year	17,523	16,617
CLASS I SHARES – USD DIS		
Balance at beginning of financial year	32,224	31,365
Subscriptions	–	–
Reinvestments	857	859
Redemptions	–	–
Balance at end of financial year	33,081	32,224
CLASS I SHARES – GBP DIS		
Balance at beginning of financial year	1	1
Subscriptions	–	–
Reinvestments	–	–
Redemptions	–	–
Balance at end of financial year	1	1
CLASS A SHARES – EUR DIS		
Balance at beginning of financial year	61	1
Subscriptions	–	60
Reinvestments	–	–
Redemptions	–	–
Balance at end of financial year	61	61
Federated Strategic Value Equity Fund		
CLASS A SHARES – USD DIS		
Balance at beginning of financial year	447,210	425,359
Subscriptions	310,202	52,682
Reinvestments	4,419	6,146
Redemptions	(208,798)	(36,977)
Balance at end of financial year	553,033	447,210

	Financial Year Ended 31 December 2016 Shares	Financial Year Ended 31 December 2015 Shares
Federated Strategic Value Equity Fund (Continued)		
CLASS I SHARES – USD DIS		
Balance at beginning of financial year	752,610	284,945
Subscriptions	353,756	622,434
Reinvestments	4,156	4,003
Redemptions	(402,537)	(158,772)
Balance at end of financial year	707,985	752,610

Shares may be redeemed on each Dealing Day (as defined in the prospectus) subject to the Fund's Dealing Deadline (as defined in the prospectus). Redemption requests are effective only upon acceptance by BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator").

Shareholders, with the exception of holders of subscriber shares, are entitled to receive all dividends declared and paid by the Company. Upon winding up, the shareholders are entitled to a return of capital based on the net asset value per Share of the respective Share series or classes.

(11) TAXES

The Directors have been advised that, under current Irish law and practice, the Company qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended so long as the Company is resident in Ireland. Accordingly, it is generally not chargeable to Irish tax on its income and gains.

However, Irish tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any payments of distributions to shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares as described below for Irish tax purposes arising as a result of holding Shares in the Company for a period of eight years or more. Where a chargeable event occurs, the Company is required to account for the Irish tax thereon.

No Irish tax will arise in respect of chargeable events where:

- the shareholder is neither a resident nor ordinarily resident in Ireland ("Non-Irish Resident") and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained in the declaration is not, or is no longer, materially correct; or
- the shareholder is a Non-Irish Resident and has confirmed that to the Company and the Company is in possession of written notice of approval from the Irish Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the shareholder and the approval has not been withdrawn; or
- the shareholder is an Exempt Irish Resident and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect.

In the absence of a signed and completed declaration or written notice of approval from the Irish Revenue Commissioners, as applicable, being in the possession of the Company at the relevant time there is a presumption that the shareholder is an Irish Resident or ordinarily resident in Ireland or is not an Exempt Irish Resident and a charge to tax arises.

(12) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

Risk Management Structure

The Company's investment adviser is responsible for identifying and controlling risks. The Board of Directors supervises the investment adviser and is ultimately responsible for the overall risk management approach within the Company.

Each Fund is exposed to risk arising from the financial instruments it holds including, but not limited to market price risk, interest rate risk, credit risk, liquidity risk and currency risk. As permitted, a Fund may use derivatives and other instruments in connection with its risk management activities.

Each Fund has investment guidelines that sets out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control hedging transactions in a timely and accurate manner. These guidelines are reviewed annually by the Directors of the Company and reviews are performed on a recurring basis to ensure that the Funds' guidelines are adhered to. The Company's accounting policies in relation to derivatives are set out in Note 2.

Each Fund's assets and liabilities comprise financial instruments which include:

- Investments including equity and non-equity Shares, fixed income securities and floating rate securities. These are held in accordance with each Fund's investment objectives and policies;
- cash, liquid resources and short-term debtors and creditors that arise directly from its investment activities; and
- derivative transactions which a Fund also enters into (principally forward foreign currency exchange contracts, futures contracts, credit default swaps and interest rate swaps), the purpose of which is to principally manage currency risks arising from the Company's investment activities and related financing.

As an investment fund, each Fund buys, sells or holds financial assets and liabilities in order to take advantage of short-term changes in market prices or rates.

The risk management policies employed by the Manager to manage risks are discussed as follows.

A. MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk; interest rate risk; and currency risk.

The Company's strategy on the management of market risk is driven by each Fund's investment objective. The Funds' market risk is mitigated by the investment adviser through maintaining a well diversified portfolio of investments. Each Fund's overall market position is monitored on a regular basis by the investment adviser.

B. PRICE RISK

Price risk is the risk that the value of a security or portfolio of securities will decline in the future.

The issuers of securities held in the Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund and Federated Short-Term U.S. Prime Fund are domiciled in the United States. As money markets funds, the Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund and Federated Short-Term U.S. Prime Fund generally have lower market price risks than other types of funds due to regulatory and prospectus limitations on the type, quality, and maturity of their portfolio securities. The short-term money market funds invest in a diversified portfolio of highly-rated, short-term instruments with remaining maturities of 397 days or less, and maintain a weighted average maturity that will not exceed 60 days. Market price risks for the short-term money market funds are further reduced by the investment adviser's investment selection process.

As at 31 December 2016, Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund's exposure by geographic region and investment product type is broken down as follows:

Federated High Income Advantage Fund			
	Total	Corporate Bonds	Repurchase Agreements
	US\$	US\$	US\$
Geographical Region			
Bermuda	41,250	41,250	—
Canada	660,219	660,219	—
France	153,750	153,750	—
Ireland	264,906	264,906	—
Luxembourg	1,003,284	1,003,284	—
Netherlands	195,460	195,460	—
New Zealand	106,438	106,438	—
Spain	130,000	130,000	—
United Kingdom	399,500	399,500	—
United States	34,517,301	33,991,301	526,000
TOTAL	37,472,108	36,946,108	526,000

Federated U.S. Total Return Bond							
	Total	Mortgage-Backed Securities	Corporate Bonds	U.S. Government Agencies	U.S. Treasuries	Repurchase Agreements	Investment Funds
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Geographical Region							
Brazil	13,143	—	13,143	—	—	—	—
Canada	121,219	—	121,219	—	—	—	—
Israel	23,061	—	23,061	—	—	—	—
Mexico	24,750	—	24,750	—	—	—	—
Netherlands	19,980	—	19,980	—	—	—	—
United Kingdom	64,743	—	64,743	—	—	—	—
United States	5,470,785	1,574,716	1,840,796	275,927	1,275,418	63,000	440,928
TOTAL	5,737,681	1,574,716	2,107,692	275,927	1,275,418	63,000	440,928

Federated Strategic Value Equity Fund			
	Total	Common Stocks	Repurchase Agreements
	US\$	US\$	US\$
Geographical Region			
Canada	517,782	517,782	—
France	705,689	705,689	—
Switzerland	125,110	125,110	—
United Kingdom	1,916,914	1,916,914	—
United States	10,382,995	9,694,995	688,000
TOTAL	13,648,490	12,960,490	688,000

As at 31 December 2015, Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund's exposure by geographic region and investment product type is broken down as follows:

Federated Emerging Markets Global Debt Fund*				
	Total	Corporate Bonds	U.S. Government Agencies	Repurchase Agreements
	US\$	US\$	US\$	US\$
Geographical Region				
Argentina	58,865	58,865	—	—
Brazil	28,265	28,265	—	—
Bulgaria	190,500	190,500	—	—
Mexico	170,050	51,620	118,430	—
Nigeria	3,942	3,942	—	—
Peru	117,650	20,750	96,900	—
South Korea	19,862	19,862	—	—
United States	760,000	—	—	760,000
TOTAL	1,349,134	373,804	215,330	760,000

* Discontinued operations on 6 April 2016.

Federated High Income Advantage Fund			
	Total	Corporate Bonds	Repurchase Agreements
	US\$	US\$	US\$
Geographical Region			
Canada	94,875	94,875	—
Ireland	153,938	153,938	—
Luxembourg	318,876	318,876	—
Netherlands	383,344	383,344	—
Spain	226,688	226,688	—
United States	27,619,262	27,482,262	137,000
TOTAL	28,796,983	28,659,983	137,000

Federated U.S. Total Return Bond							
	Total	Mortgage-Backed Securities	Corporate Bonds	U.S. Government Agencies	U.S. Treasuries	Repurchase Agreements	Investment Funds
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Geographical Region							
Brazil	9,938	—	9,938	—	—	—	—
Canada	111,386	—	111,386	—	—	—	—
Germany	25,009	—	25,009	—	—	—	—
Mexico	22,469	—	22,469	—	—	—	—
Netherlands	18,250	—	18,250	—	—	—	—
United Kingdom	73,188	—	73,188	—	—	—	—
United States	5,206,351	1,531,626	2,148,293	275,334	646,451	125,000	479,647
TOTAL	5,466,591	1,531,626	2,408,533	275,334	646,451	125,000	479,647

Federated Strategic Value Equity Fund			
	Total	Common Stocks	Repurchase Agreements
	US\$	US\$	US\$
Geographical Region			
Canada	327,629	327,629	—
France	83,534	83,534	—
United Kingdom	2,430,973	2,430,973	—
United States	9,294,574	8,843,574	451,000
TOTAL	12,136,710	11,685,710	451,000

Market price risks for the Funds are managed by the investment adviser through constant analysis and evaluation of the underlying fundamentals of the companies in which each Fund invests. This encompasses analysis of the underlying issuers' financial statements as well as monitoring the underlying business conditions of the sector and country in which these companies operate. Market price risks for Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund are measured on a daily basis by monitoring each Fund's tracking error, which is a measure of the difference between a Fund's performance and a relevant benchmark index by calculating the standard deviation. The standard deviation represents how much variation there is between the Fund's performance and its relevant benchmark index over time. Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund compare their performance to the J.P. Morgan Emerging Markets Bond Index Global, Bloomberg Barclays U.S. High Yield 2% Issuer Capped Index and the Bloomberg Barclays U.S. Aggregate Bond Index, respectively.

The tracking errors as at 31 December 2016 for Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund were 1.69 and 1.63, respectively. The tracking errors as at 31 December 2016 for Federated High Income Advantage Fund and Federated U.S. Total Return Bond, with all other variables remaining constant, results in a deviation of +/- US\$ 634,835 and +/- US\$ 91,691, respectively. In practice, the actual trading results may differ from the above sensitivity analysis and these differences may be material.

The tracking errors as at 31 December 2015 for Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund were 5.52, 1.23 and 1.21, respectively. The tracking errors as at 31 December 2015 for Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund, with all other variables remaining constant, results in a deviation of +/- US\$ 66,836, +/- US\$ 358,601 and +/- US\$ 66,212, respectively. In practice, the actual trading results may differ from the above sensitivity analysis and these differences may be material.

The realised tracking error as at 31 December 2016 may vary from the tracking error predicted at the outset of the fiscal year, depending on a range of circumstances. The anticipated tracking errors for the financial year ended 31 December 2016 for Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund were 1.29 and 0.83, respectively.

Federated High Income Advantage Fund's anticipated and realized tracking errors varied due to the significant outperformance of commodity sectors such as Oil Field Services, Metals and Independent Energy which the fund was underweight. Also, the Healthcare sector which the fund is overweight, underperformed the benchmark. Also, given the market's strong return, the fund's cash position was a drag. Federated U.S. Total Return Bond Fund's anticipated and realized tracking errors differed because the portfolio's anticipated tracking error was calculated at a point in time, namely year-end 2015, and the fixed income market was very dynamic during 2016, leading to a higher realised tracking error. The Fund maintained a short duration relative to its benchmark, which ultimately detracted from performance as yields plummeted to all-time lows, but benefited performance as yields rose toward year-end. The Fund also maintained an overweight to investment grade credit, namely to lower-rated credit, with an allocation to the high yield market, which also contributed to tracking error. The individual securities held in the Fund's portfolio by their very nature differ from the benchmark in number, sector, and weighting, which also creates tracking error against the benchmark.

The realised tracking errors for the financial year ended 31 December 2015 for Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund were 3.96, 0.99 and 0.53, respectively. Federated Emerging Markets Global Debt Fund's anticipated and realised tracking errors differed due to a decline in interest rates and increased market volatility during the course of the financial year as well as the effect from a series of significant redemptions experienced by the Fund during the fourth quarter on the composition of the portfolio. Federated High Income Advantage Fund's anticipated and realised tracking errors varied due to the significant underperformance of the Energy and Metals sectors, the Fund's under benchmark positions in these sectors and the Fund's overall strong security selection during the financial year. Federated U.S. Total Return Bond Fund's anticipated and realised tracking errors differed because the portfolio's anticipated tracking error was calculated at a point in time, and the fixed income market was very dynamic during 2015, leading to a higher realised tracking error. The Fund maintained a short duration relative to its benchmark, which benefited performance but contributed to tracking error, as market volatility was high during the year. The Fund maintained an overweight to investment-grade credit, with allocations to high yield and emerging markets, which also contributed to tracking error. The individual securities held in the Fund's portfolio by their very nature differ from the benchmark in number, sector, and weighting, which in the case of the Fund, created a positive variance.

Market price risks for the Federated Strategic Value Equity Fund can be measured by its beta coefficient. Beta is a measure of a stock's (or stock portfolio's) volatility in relation to the broader stock market or an index. It is calculated using regression analysis based on historical returns of an index and a stock or stock portfolio. The broad market (e.g., indicated by the S&P 500 Index) has a beta of 1. Stocks with a higher beta can be expected to rise and fall more quickly than the market. For example a stock with a beta of 1.5 can be expected to increase by 12% if the S&P 500 increases by 8%. A stock with a beta of 0 can be said to have no correlation to changes in the market. The following are the beta coefficients of the Federated Strategic Value Equity Fund against the S&P 500 Index as at 31 December 2016 and 2015:

	31 December 2016	31 December 2015
Federated Strategic Value Equity Fund	0.61	0.76

If the S&P 500 Index decreased by 10% with all variables remaining constant, the decrease in the total investment market value for Federated Strategic Value Equity Fund, for 2016 and 2015, would be US\$ 786,702 and US\$ 891,620, respectively. In practice, the actual trading results may differ from the above sensitivity analysis and these differences could be material.

C. INTEREST RATE RISK

Interest rate risk is the risk (variability in value) borne by an interest-bearing asset, such as a bond, due to variability of interest rates. As certain Funds may invest in fixed income securities, any change to the relevant interest rates for particular securities may result in the Investment Manager being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing interest rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. Generally, if interest rates rise, the income potential of the Fund also rises. Conversely, a decline in interest rates will generally have the opposite effect.

The short-term money market funds invest in low risk short-term investments. Accordingly, it is expected that the short-term money market funds will carry a low degree of interest rate risk. Interest rate changes have a greater effect on the price of fixed-income securities with longer durations, in particular, for fixed income securities held in Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund. The investment adviser for these three aforementioned funds monitors the overall sensitivity to interest rate fluctuations on a daily basis. Federated Strategic Value Equity Fund is minimally exposed to interest rate risk since it invests principally in equity securities. However, in the event this Fund acquires a fixed-income security, the investment adviser will monitor the Fund's sensitivity to interest rate fluctuations in the same manner as the aforementioned Funds.

Duration is a measure of a bond's (or bond portfolio's) volatility or sensitivity to changes in interest rates. It is a weighted-average term-to-maturity of the bond's cash flows, the weights being the present value of each cash flow as a percentage of the bond's full price. In short, duration is a measure of how long, in terms of years, it takes for the price of a bond to be repaid by its internal cash flows. Bonds with longer durations will be more volatile and have more risk than bonds with lower durations. It represents the approximate change in price for a 1% (100 basis points) change in yield. For example, a duration of 3 means that the price of a bond will change by approximately 3% for a 1% change in yield.

As of 31 December 2016, the average duration of the Federated High Income Advantage Fund and the Federated U.S. Total Return Bond Fund was 4.03 and 5.44, respectively. If interest rates increased by 0.25% on 31 December 2016, with all other variables remaining constant, the decrease in net assets attributable to holders of redeemable Shares of the Federated High Income Advantage Fund and the Federated U.S. Total Return Bond Fund would have been US\$ 377,531, and US\$ 78,032, respectively. In practice, the actual trading results may differ from the above sensitivity analysis and these differences could be material.

As at 31 December 2015, the average duration of the Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund and the Federated U.S. Total Return Bond Fund was 3.19, 4.47 and 4.75, respectively. If interest rates increased by 0.25% on 31 December 2015, with all other variables remaining constant, the decrease in net assets attributable to holders of redeemable Shares of the Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund and the Federated U.S. Total Return Bond Fund would have been US\$ 10,759, US\$ 321,806 and US\$ 64,916 respectively. The actual trading results may differ from the above sensitivity analysis and the differences could be material.

The tables that follow represent the interest rate risk maturity profile for each Fund as at 31 December 2016 and 2015:

Federated Short-Term U.S. Government Securities Fund						
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	111,029,890	149,915,900	236,800,519	—	—	497,746,309
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	836,723,000	—	—	—	—	836,723,000
Cash and receivables:						
Cash and cash equivalents	830,025	—	—	—	—	830,025
Interest and other receivables	—	—	—	—	1,167,670	1,167,670
TOTAL ASSETS	948,582,915	149,915,900	236,800,519	—	1,167,670	1,336,467,004
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	93,204	93,204
Accrued Expenses	—	—	—	—	563,917	563,917
TOTAL LIABILITIES	—	—	—	—	657,121	657,121
TOTAL INTEREST SENSITIVITY GAP	948,582,915	149,915,900	236,800,519	—		

Federated Short-Term U.S. Treasury Securities Fund

31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	195,621,960	32,054,728	84,894,551	—	—	312,571,239
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	444,000,000	—	—	—	—	444,000,000
Cash and receivables:						
Cash and cash equivalents	452,161	—	—	—	—	452,161
Interest and other receivables	—	—	—	—	1,399,839	1,399,839
TOTAL ASSETS	640,074,121	32,054,728	84,894,551	—	1,399,839	758,423,239
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	132,665	132,665
Accrued Expenses	—	—	—	—	253,457	253,457
TOTAL LIABILITIES	—	—	—	—	386,122	386,122
TOTAL INTEREST SENSITIVITY GAP	640,074,121	32,054,728	84,894,551	—		

Federated Short-Term U.S. Prime Fund

31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	289,931,969	161,807,417	49,000,000	—	—	500,739,386
Designated at fair value through Profit or Loss upon initial recognition:						
Money Instruments	496,051,697	966,952,778	259,549,812	—	—	1,722,554,287
Balances due from Brokers – Repurchase Agreements	448,000,000	—	—	—	—	448,000,000
Cash and receivables:						
Cash and cash equivalents	453,913	—	—	—	—	453,913
Interest and other receivables	—	—	—	—	1,391,339	1,391,339
TOTAL ASSETS	1,234,437,579	1,128,760,195	308,549,812	—	1,391,339	2,673,138,925
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	1,056,750	1,056,750
Accrued Expenses	—	—	—	—	1,179,165	1,179,165
TOTAL LIABILITIES	—	—	—	—	2,235,915	2,235,915
TOTAL INTEREST SENSITIVITY GAP	1,144,505,177	1,128,760,195	308,549,812	—		

Federated High Income Advantage Fund

31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	50,019	—	—	36,896,089	—	36,946,108
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	526,000	—	—	—	—	526,000
Cash and receivables:						
Cash and cash equivalents	16,516	—	—	—	—	16,516
Interest and other receivables	—	—	—	—	594,323	594,323
Forward Foreign Currency Exchange Contracts	—	—	—	—	253	253
TOTAL ASSETS	592,535	—	—	36,896,089	594,576	38,083,200
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	176,241	176,241
Accrued Expenses	—	—	—	—	78,642	78,642
Forward Foreign Currency Exchange Contracts	—	—	—	—	264,105	264,105
TOTAL LIABILITIES	—	—	—	—	518,988	518,988
TOTAL INTEREST SENSITIVITY GAP	592,535	—	—	36,896,089		

Federated U.S. Total Return Bond Fund						
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	—	25,130	249,783	4,958,840	—	5,233,753
Investment Funds	—	—	—	—	440,928	440,928
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	63,000	—	—	—	—	63,000
Cash and receivables:						
Cash and cash equivalents	5,396	—	—	—	—	5,396
Margin Cash	8	—	—	—	—	8
Interest, dividends and other receivables	—	—	—	—	38,913	38,913
Forward Foreign Currency Exchange Contracts	—	—	—	—	—	—
Futures Contracts	—	—	—	—	1,073	1,073
TOTAL ASSETS	68,404	25,130	249,783	4,958,840	480,914	5,783,071
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	12,784	12,784
Accrued Expenses	—	—	—	—	50,665	50,665
Forward Foreign Currency Exchange Contracts	—	—	—	—	94,395	94,395
TOTAL LIABILITIES	—	—	—	—	157,844	157,844
TOTAL INTEREST SENSITIVITY GAP	68,404	25,130	249,783	4,958,840		

Federated Strategic Value Equity Fund						
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Equity Instruments	—	—	—	—	12,960,490	12,960,490
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	688,000	—	—	—	—	688,000
Cash and receivables:						
Cash and cash equivalents	420	—	—	—	—	420
Interest, dividends and other receivables	—	—	—	—	49,831	49,831
TOTAL ASSETS	688,420	—	—	—	13,010,321	13,698,741
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accrued Expenses	—	—	—	—	83,566	83,566
TOTAL LIABILITIES	—	—	—	—	83,566	83,566
TOTAL INTEREST SENSITIVITY GAP	688,420	—	—	—		

Federated Short-Term U.S. Government Securities Fund						
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	125,142,455	129,283,107	259,519,228	—	—	513,944,790
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	836,527,000	—	—	—	—	836,527,000
Cash and receivables:						
Cash and cash equivalents	289,534	—	—	—	—	289,534
Interest and other receivables	—	—	—	—	1,151,153	1,151,153
TOTAL ASSETS	961,958,989	129,283,107	259,519,228	—	1,151,153	1,351,912,477
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	39,976,583	39,976,583
Accrued Expenses	—	—	—	—	432,535	432,535
TOTAL LIABILITIES	—	—	—	—	40,409,118	40,409,118
TOTAL INTEREST SENSITIVITY GAP	961,958,989	129,283,107	259,519,228	—		

Federated Short-Term U.S. Treasury Securities Fund						
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	407,089,534	144,337,437	205,623,400	—	—	757,050,371
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	483,000,000	—	—	—	—	483,000,000
Cash and receivables:						
Cash and cash equivalents	486,287	—	—	—	—	486,287
Interest and other receivables	—	—	—	—	3,110,284	3,110,284
TOTAL ASSETS	890,575,821	144,337,437	205,623,400	—	3,110,284	1,243,646,942
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	21,039	21,039
Accrued Expenses	—	—	—	—	346,212	346,212
TOTAL LIABILITIES	—	—	—	—	367,251	367,251
TOTAL INTEREST SENSITIVITY GAP	890,575,821	144,337,437	205,623,400	—		

Federated Short-Term U.S. Prime Fund						
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	461,252,189	241,721,160	195,818,884	—	—	898,792,233
Designated at fair value through Profit or Loss upon initial recognition:						
Money Instruments	259,968,542	662,823,464	144,849,442	—	—	1,067,641,448
Balances due from Brokers – Repurchase Agreements	570,000,000	—	—	—	—	570,000,000
Cash and receivables:						
Cash and cash equivalents	546,948	—	—	—	—	546,948
Interest and other receivables	—	—	—	—	2,069,019	2,069,019
TOTAL ASSETS	1,291,767,679	904,544,624	340,668,326	—	2,069,019	2,539,049,648
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	129,032	129,032
Accrued Expenses	—	—	—	—	856,593	856,593
TOTAL LIABILITIES	—	—	—	—	985,625	985,625
TOTAL INTEREST SENSITIVITY GAP	1,291,767,679	904,544,624	340,668,326	—		

Federated Emerging Markets Global Debt Fund*						
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	—	3,942	—	585,192	—	589,134
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	760,000	—	—	—	—	760,000
Cash and receivables:						
Cash and cash equivalents	—	—	—	—	—	—
Interest and other receivables	—	—	—	—	6,166	6,166
Forward Foreign Currency Exchange Contracts	—	—	—	—	1,002,067	1,002,067
TOTAL ASSETS	760,000	3,942	—	585,192	1,008,233	2,357,367
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accrued Expenses	—	—	—	—	84,042	84,042
Bank Overdraft	1,616	—	—	—	—	1,616
Forward Foreign Currency Exchange Contracts	—	—	—	—	1,060,907	1,060,907
TOTAL LIABILITIES	1,616	—	—	—	1,144,949	1,146,565
TOTAL INTEREST SENSITIVITY GAP	758,384	3,942	—	585,192		

* Discontinued operations on 6 April 2016.

Federated High Income Advantage Fund						
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31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	—	—	—	28,659,983	—	28,659,983
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	137,000	—	—	—	—	137,000
Cash and receivables:						
Cash and cash equivalents	19,132	—	—	—	—	19,132
Interest and other receivables	—	—	—	—	479,143	479,143
Forward Foreign Currency Exchange Contracts	—	—	—	—	59,124	59,124
TOTAL ASSETS	156,132	—	—	28,659,983	538,267	29,354,382
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	117,513	117,513
Accrued Expenses	—	—	—	—	80,115	80,115
Forward Foreign Currency Exchange Contracts	—	—	—	—	2,203	2,203
TOTAL LIABILITIES	—	—	—	—	199,831	199,831
TOTAL INTEREST SENSITIVITY GAP	156,132	—	—	28,659,983		

Federated U.S. Total Return Bond Fund						
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31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	50,054	—	20,151	4,791,739	—	4,861,944
Investment Funds	—	—	—	—	479,647	479,647
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	125,000	—	—	—	—	125,000
Cash and receivables:						
Cash and cash equivalents	9,992	—	—	—	—	9,992
Margin Cash	8	—	—	—	—	8
Interest, dividends and other receivables	—	—	—	—	39,703	39,703
Forward Foreign Currency Exchange Contracts	—	—	—	—	17,327	17,327
Futures Contracts	—	—	—	—	790	790
TOTAL ASSETS	185,054	—	20,151	4,791,739	537,467	5,534,411
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts Payable	—	—	—	—	12,689	12,689
Accrued Expenses	—	—	—	—	49,526	49,526
Forward Foreign Currency Exchange Contracts	—	—	—	—	142	142
TOTAL LIABILITIES	—	—	—	—	62,357	62,357
TOTAL INTEREST SENSITIVITY GAP	185,054	—	20,151	4,791,739		

Federated Strategic Value Equity Fund						
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Equity Instruments	—	—	—	—	11,685,710	11,685,710
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	451,000	—	—	—	—	451,000
Cash and receivables:						
Cash and cash equivalents	—	—	—	—	—	—
Interest, dividends and other receivables	—	—	—	—	50,003	50,003
TOTAL ASSETS	451,000	—	—	—	11,735,713	12,186,713
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accrued Expenses	—	—	—	—	75,825	75,825
Bank Overdraft	248	—	—	—	—	248
TOTAL LIABILITIES	248	—	—	—	75,825	76,073
TOTAL INTEREST SENSITIVITY GAP	450,752	—	—	—		

D. CURRENCY RISK

Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever a Fund's portfolio includes assets that are denominated in different currencies, it is subject to currency risk if the portfolio's positions are not hedged. The investment adviser for Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund manage currency risk through a top-down approach by monitoring the macro-economic fundamentals of the countries/regions in which the Funds invest. Additionally, the investment adviser may attempt to mitigate currency risk by applying currency hedging techniques, such as transacting in forward foreign currency exchange contracts. The investment adviser monitors currency risk by constantly reviewing and evaluating central bank policies, political developments, and macro-economic conditions in the countries where the Funds invest.

The Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund, and Federated Short-Term U.S. Prime Fund were not materially exposed to currency risk for the financial years ended 31 December 2016 and 2015.

As of the reporting date, 31 December 2016, the Funds' financial assets exposed to currency risk amounted to the following:

	Monetary Assets	Monetary Liabilities	Forward FX Contracts	Net Exposure	% Exposure (of NAV)
	US\$	US\$	US\$	US\$	
Federated High Income Advantage Fund					
Euro	3,347	—	9,420,337	9,423,684	25.09
British Pound Sterling	12,978	—	123	13,101	0.03
TOTAL	16,325	—	9,420,460	9,436,785	25.12
Federated U.S. Total Return Bond Fund					
Euro	6,741	—	2,458,479	2,465,220	43.82
British Pound Sterling	—	—	117	117	0.00
TOTAL	6,741	—	2,458,596	2,465,337	43.82
Federated Strategic Value Equity Fund					
Canadian Dollar	522,448	—	—	522,448	3.84
Euro	706,982	—	—	706,982	5.19
British Pound Sterling	1,941,792	—	—	1,941,792	14.26
Swiss Franc	125,110	—	—	125,110	0.92
TOTAL	3,296,332	—	—	3,296,332	24.21

As of the reporting date, 31 December 2015, the Funds' financial assets exposed to currency risk amounted to the following:

	Monetary Assets	Monetary Liabilities	Forward FX Contracts	Net Exposure	% Exposure (of NAV)
	US\$	US\$	US\$	US\$	
Federated Emerging Markets Global Debt Fund*					
Brazilian Real	2	—	—	2	0.00
Euro	—	—	31,970	31,970	2.64
Mexican Peso	—	(1)	—	(1)	(0.00)
Nigerian Naira	—	—	4,307	4,307	0.36
British Pound Sterling	—	—	121	121	0.01
Saudi Riyal	—	—	(72,861)	(72,861)	(6.02)
South African Rand	1	—	—	1	0.00
TOTAL	3	(1)	(36,463)	(36,461)	(3.01)
Federated High Income Advantage Fund					
Euro	3,460	—	7,804,590	7,808,050	26.78
British Pound Sterling	15,524	—	138	15,662	0.05
Swiss Franc	56	—	—	56	0.00
TOTAL	19,040	—	7,804,728	7,823,768	26.83
Federated U.S. Total Return Bond Fund					
Euro	11,229	—	2,452,035	2,463,264	45.02
British Pound Sterling	—	—	141	141	0.00
TOTAL	11,229	—	2,452,176	2,463,405	45.02
Federated Strategic Value Equity Fund					
Canadian Dollar	331,015	—	—	331,015	2.73
Euro	83,534	—	—	83,534	0.69
British Pound Sterling	2,527,759	—	—	2,527,759	20.87
TOTAL	2,942,308	—	—	2,942,308	24.29

* Discontinued operations on 6 April 2016.

Foreign currency risk sensitivity analysis

Based on the Funds' financial year-end net exposures to foreign currencies, as included within the Statement of Financial Position, if foreign exchange rates were to increase by 5%, the effect on net assets attributable to holders of redeemable participating Shares would be as follows:

	Net Exposure as at 31 December 2016	Effect of 5% Increase	Net Exposure as at 31 December 2015	Effect of 5% Increase
	US\$	US\$	US\$	US\$
Federated Emerging Markets Global Debt Fund*				
Brazilian Real	—	—	2	0
Euro	—	—	31,970	(1,599)
Mexican Peso	—	—	(1)	(0)
Nigerian Naira	—	—	4,307	(215)
British Pound Sterling	—	—	121	(6)
Saudi Riyal	—	—	(72,861)	3,643
South African Rand	—	—	1	0
TOTAL	—	—	(36,461)	1,823

* Discontinued operations on 6 April 2016.

	Net Exposure as at 31 December 2016	Effect of 5% Increase	Net Exposure as at 31 December 2015	Effect of 5% Increase
	US\$	US\$	US\$	US\$
Federated High Income Advantage Fund				
Euro	9,423,684	(471,184)	7,808,050	(390,403)
British Pound Sterling	13,101	(655)	15,662	(783)
Swiss Franc	—	—	56	(3)
TOTAL	9,436,785	(471,839)	7,823,768	(391,189)
Federated U.S. Total Return Bond Fund				
Euro	2,465,220	(123,261)	2,463,264	(123,163)
British Pound Sterling	117	(6)	141	(7)
TOTAL	2,465,337	(123,267)	2,463,405	(123,170)
Federated Strategic Value Equity Fund				
Canadian Dollar	522,448	(26,122)	331,015	(16,551)
Euro	706,982	(35,349)	83,534	(4,177)
British Pound Sterling	1,941,792	(97,090)	2,527,759	(126,388)
Swiss Franc	125,110	(6,256)	—	—
TOTAL	3,296,332	(164,817)	2,942,308	(147,116)

A decline in foreign exchange rates by the same amount will generally have the opposite effect.

E. CREDIT RISK

Credit risk is the possibility that an issuer of a fixed income security will default on a security by failing to pay interest or principal when due. The Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund, Federated Short-Term U.S. Prime Fund, Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund have exposure to credit risks with the counterparties with whom they trade and also incur the risk of settlement default. These Funds minimise concentrations of credit risks by undertaking transactions with a large number of customers and counterparties on recognised and reputable exchanges. Both the Federated Short-Term U.S. Government Securities Fund and the Federated Short-Term U.S. Treasury Securities Fund are rated AAA by Standard & Poor's ("S&P") and Moody's Investors Service ("Moody's"). The Federated Short-Term U.S. Prime Fund invests in securities that must be rated in one of the three highest short-term rating categories by one or more of the recognised credit rating agencies or be of comparable quality to securities having such ratings.

The investment adviser utilises several committees to manage credit risk exposure of the Funds, including a Counterparty Risk Committee, a Bank Credit Committee, an Asset-Backed Committee, and a Corporate Credit Committee. Each committee is chaired by the investment adviser's Director of Investment Research, and voting members include a team of portfolio managers and senior analysts. These committees are tasked with reviewing each issuer and counterparty and assigning an internal rating of "1" to "5" with 1 being the strongest (equivalent of an issuer with the highest possible short-term rating from S&P or Moody's). The committee decisions incorporate the recommendations of the analysts and the market view of the portfolio managers. After the initial assessment, the investment adviser continually monitors the internal ratings assigned through ongoing analysis and coverage of major credit events, such as mergers or reorganisations, management changes, periodic financial reports from issuers and counterparties, and credit rating changes.

Substantially all of the assets of the Funds are held in segregated accounts with the BNY Mellon Trust Company (Ireland) Limited (the "Depository"). The bankruptcy or insolvency of BNY Mellon may cause the Funds' rights with respect to securities and cash held by the Depository to be delayed or limited. The investment adviser monitors this risk by reviewing the credit quality and financial positions of the Depository.

The carrying amounts of the financial assets most appropriately represent the maximum credit risk exposure at the Statement of Financial Position date. As at 31 December 2016 and 2015, the Funds held no impaired financial assets.

At the reporting date, the Funds' financial assets exposed to credit risk amounted to the following:

Federated Short-Term U.S. Government Securities Fund		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	836,723,000	836,527,000
Cash	830,025	289,534
Investments in debt instruments	497,746,309	513,944,790
Interest receivable	1,167,670	1,151,153
TOTAL	1,336,467,004	1,351,912,477

Federated Short-Term U.S. Treasury Securities Fund		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	444,000,000	483,000,000
Cash	452,161	486,287
Investments in debt instruments	312,571,239	757,050,371
Interest receivable	1,399,839	3,110,284
TOTAL	758,423,239	1,243,646,942

Federated Short-Term U.S. Prime Fund		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	448,000,000	570,000,000
Cash	453,913	546,948
Investments in debt instruments	500,739,386	898,792,233
Investments in money market instruments	1,722,554,287	1,067,641,448
Interest receivable	1,391,339	2,069,019
TOTAL	2,673,138,925	2,539,049,648

Federated Emerging Markets Global Debt Fund*		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	—	760,000
Forward Foreign Currency Exchange Contracts	—	1,002,067
Investments in debt instruments	—	589,134
Interest receivable	—	6,166
TOTAL	—	2,357,367

* Discontinued operations on 6 April 2016

Federated High Income Advantage Fund		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	526,000	137,000
Forward Foreign Currency Exchange Contracts	253	59,124
Cash	16,516	19,132
Investments in debt instruments	36,946,108	28,659,983
Interest receivable	594,323	479,143
TOTAL	38,083,200	29,354,382

Federated U.S. Total Return Bond Fund		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	63,000	125,000
Forward Foreign Currency Exchange Contracts	—	17,327
Futures Contracts	1,073	790
Cash	5,396	9,992
Margin Cash	8	8
Investments in debt instruments	5,233,753	4,861,944
Investments in investment funds	440,928	479,647
Dividends and interest receivable	38,913	39,703
TOTAL	5,783,071	5,534,411

Federated Strategic Value Equity Fund		
	31 December 2016	31 December 2015
	US\$	US\$
Balances due from Brokers – Repurchase Agreements	688,000	451,000
Cash	420	–
Investments in equity instruments	12,960,490	11,685,710
Dividends and interest receivable	49,831	50,003
TOTAL	13,698,741	12,186,713

Amounts in the tables above are based on the carrying value of all accounts.

For Funds with significant credit risk exposure the following are their credit ratings:

Federated Short-Term U.S. Government Securities Fund			
At 31 December 2016, the Fund's credit quality ratings composition ¹ was as follows:			
S & P Short-Term Ratings as Percentage of Total Investments*	%	Moody's Short-Term Ratings as Percentage of Total Investments*	%
A-1+	41.0	P-1	92.5
A-1	59.0	P-2	7.5
Not Rated by S&P	0.0	Not Rated by Moody's	0.0
TOTAL	100.0	TOTAL	100.0

Federated Short-Term U.S. Treasury Securities Fund			
At 31 December 2016, the Fund's credit quality ratings composition ¹ was as follows:			
S & P Short-Term Ratings as Percentage of Total Investments*	%	Moody's Short-Term Ratings as Percentage of Total Investments*	%
A-1+	41.3	P-1	86.8
A-1	58.7	P-2	13.2
Not Rated by S&P	0.0	Not Rated by Moody's	0.0
TOTAL	100.0	TOTAL	100.0

Federated Short-Term U.S. Prime Fund			
At 31 December 2016, the Fund's credit quality ratings composition ¹ was as follows:			
S & P Short-Term Ratings as Percentage of Total Investments*	%	Moody's Short-Term Ratings as Percentage of Total Investments*	%
A-1+	50.0	P-1	100.0
A-1	50.0	Not Rated by Moody's	0.0
Not Rated by S&P	0.0	TOTAL	100.0
TOTAL	100.0		

Federated High Income Advantage Fund			
At 31 December 2016, the Fund's credit quality ratings composition ² was as follows:			
S & P Long-Term Ratings as Percentage of Total Investments*	%	Moody's Long-Term Ratings as Percentage of Total Investments*	%
A	1.4	A	1.4
BBB	3.7	Baa	1.0
BB	36.4	Ba	23.9
B	42.3	B	47.9
CCC	14.7	Caa	24.2
D	0.4	Ca	0.1
Not Rated by S&P	1.1	Not Rated by Moody's	1.5
TOTAL	100.0	TOTAL	100.0

Federated U.S. Total Return Bond Fund

At 31 December 2016, the Fund's credit quality ratings composition² was as follows:

S & P Long-Term Ratings**as Percentage of Total Investments*****%**

AAA	32.5
AA	24.0
A	10.0
BBB	25.6
B	0.2
Not Rated by S&P	7.7
TOTAL	100.0

Moody's Long-Term Ratings**as Percentage of Total Investments*****%**

Aaa	55.0
Aa	0.3
A	10.3
Baa	23.9
Ba	2.6
B	0.2
Not Rated by Moody's	7.7
TOTAL	100.0

Federated Short-Term U.S. Government Securities Fund

At, the 31 December 2015, the Fund's credit quality ratings composition¹ was as follows:

S & P Short-Term Ratings**as Percentage of Total Investments*****%**

A-1+	100.0
Not Rated by S&P	0.0
Total	100.0

Moody's Short-Term Ratings**as Percentage of Total Investments*****%**

P-1	100.0
Not Rated by Moody's	0.0
Total	100.0

Federated Short-Term U.S. Treasury Securities Fund

At 31 December 2015, the Fund credit quality ratings composition¹ was as follows:

S & P Short-Term Ratings**as Percentage of Total Investments*****%**

A-1+	100.0
Not Rated by S&P	0.0
Total	100.0

Moody's Short-Term Ratings**as Percentage of Total Investments*****%**

P-1	100.0
Not Rated by Moody's	0.0
Total	100.0

Federated Short-Term U.S. Prime Fund

At 31 December 2015, the Fund's credit quality ratings composition¹ was as follows:

S & P Short-Term Ratings**as Percentage of Total Investments*****%**

A-1+	63.5
A-1	36.5
Not Rated by S&P	0.0
Total	100.0

Moody's Short-Term Ratings**as Percentage of Total Investments*****%**

P-1	100.0
Not Rated by Moody's	0.0
Total	100.0

Federated Emerging Markets Global Debt Fund**

At 31 December 2015, the Fund's credit quality ratings composition² was as follows:

S & P Long-Term Ratings as Percentage of Total Investments*		Moody's Long-Term Ratings as Percentage of Total Investments*	
	%		%
AAA	56.3	Aaa	56.3
A	1.5	A	16.0
BBB	22.5	Baa	8.0
BB	14.8	Ba	0.6
B	0.3	B	14.4
CCC	4.3	Caa	4.4
D	0.3	D	0.3
Not Rated by S&P	0.0	Not Rated by Moody's	0.0
Total	100.0	Total	100.0

** Discontinued operations on 6 April 2016.

Federated High Income Advantage Fund

At 31 December 2015, the Fund's credit quality ratings composition² was as follows:

S & P Long-Term Ratings as Percentage of Total Investments*		Moody's Long-Term Ratings as Percentage of Total Investments*	
	%		%
AAA	0.5	Aaa	0.5
BBB	5.4	Baa	1.8
BB	44.7	Ba	33.4
B	35.8	B	45.1
CCC	13.6	Caa	19.1
D	0.0	Ca	0.1
Not Rated by S&P	0.0	Not Rated by Moody's	0.0
Total	100.0	Total	100.0

Federated U.S. Total Return Bond Fund

At 31 December 2015, the Fund's credit quality ratings composition² was as follows:

S & P Long-Term Ratings as Percentage of Total Investments*		Moody's Long-Term Ratings as Percentage of Total Investments*	
	%		%
AAA	25.0	Aaa	47.2
AA	24.0	Aa	0.3
A	9.3	A	10.0
BBB	32.8	Baa	31.7
BB	0.2	Ba	2.0
Not Rated by S&P	8.7	Not Rated by Moody's	8.8
Total	100.0	Total	100.00

* Total investments refer to the Net of Financial Assets at Fair Value through Profit or Loss and Balances due from Brokers as shown on the Statement of Financial Position.

1. These tables depict the short-term credit-quality ratings assigned to the Fund's portfolio holdings by S&P and Moody's.

Rated securities include a security with an obligor and/or credit enhancer that has received a rating from a recognised credit rating agency with respect to a class of debt obligations that is comparable in priority and security with the security held by the Fund. Credit-quality ratings are an assessment of the risk that a security will default in payment and do not address other risks presented by the security.

2. These tables depict the long-term credit-quality ratings assigned to the Fund's portfolio holdings by S&P and Moody's, each of which is a recognised credit agency. These credit-quality ratings are shown without regard to gradations within a given rating category. For example, securities rated "A-" have been included in the "A" rated category. Rated securities that have been prerefunded, but not rated again by a recognised credit rating agency, have been included in the "Not rated by S&P and Moody's" category.

Rated securities include a security with an obligor and/or credit enhancer that has received a rating from a recognised credit rating agency with respect to a class of debt obligations that is comparable in priority and security with the security held by the Fund. Credit-quality ratings are an assessment of the risk that a security will default in payment and do not address other risks presented by the security.

Repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate of maturity of the purchased securities. The Funds invest in repurchase agreements, subject to conditions and limitations outlined by the Central Bank. It is the policy of the Funds to require the other party to a repurchase agreement to transfer to the Depositary or sub-custodian eligible securities or cash with a market value (after transaction costs) at least equal to the repurchase price to be paid under the repurchase agreement. The Funds have established procedures for monitoring the market value of the transferred securities and require the transfer of additional eligible securities if necessary to equal at least the repurchase price.

As at 31 December 2016 and 2015, the trading Funds participated in repurchase agreements as set out in the following tables:

	31 December 2016	31 December 2015
Federated Short-Term U.S. Government Securities Fund		
Participation in Repurchase Agreements (US\$)	836,723,000	836,527,000
Collateral (U.S. Government Agencies) (US\$)	855,790,176 ⁽ⁱ⁾	853,611,099 ⁽ⁱⁱ⁾
Federated Short-Term U.S. Treasury Securities Fund		
Participation in Repurchase Agreements (US\$)	444,000,000	483,000,000
Collateral (U.S. Treasury securities) (US\$)	452,905,446 ⁽ⁱⁱⁱ⁾	492,673,827 ^(iv)
Federated Short-Term U.S. Prime Fund		
Participation in Repurchase Agreements (US\$)	448,000,000	570,000,000
Collateral (U.S. Government Agencies) (US\$)	456,983,868 ^(v)	581,418,411 ^(vi)
Federated Emerging Markets Global Debt Fund*		
Participation in Repurchase Agreements (US\$)	—	760,000
Collateral (U.S. Government Agencies) (US\$)	—	776,624 ^(vii)
Federated High Income Advantage Fund		
Participation in Repurchase Agreements (US\$)	526,000	137,000
Collateral (U.S. Government Agencies) (US\$)	541,810 ^(viii)	140,383 ^(viii)
Federated U.S. Total Return Bond Fund		
Participation in Repurchase Agreements (US\$)	63,000	125,000
Collateral (U.S. Government Agencies) (US\$)	64,894 ^(viii)	128,087 ^(viii)
Federated Strategic Value Equity Fund		
Participation in Repurchase Agreements (US\$)	688,000	451,000
Collateral (U.S. Government Agencies) (US\$)	708,679 ^(viii)	462,136 ^(viii)

* Discontinued operations on 6 April 2016.

Note: Not all direct and indirect operational costs and fees are separately identifiable. For repurchase agreements, direct and indirect operational costs and fees will be included in the purchase and sale price of investments, and not separately disclosed.

(i) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Inc., Natixis Financial Products LLC and Wells Fargo Securities LLC.

(ii) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., Goldman Sachs, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Inc., Natixis Financial Products LLC and Wells Fargo Securities LLC.

(iii) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Inc. and Natixis Financial Products LLC.

(iv) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., Citigroup Global Markets Inc., Natixis Financial Products LLC and Wells Fargo Securities LLC.

(v) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., Citigroup Global Markets Inc., HSBC Securities (USA) Inc. and Natixis Financial Products LLC.

(vi) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., HSBC Securities (USA) Inc. and Natixis Financial Products LLC.

(vii) Cash collateral was received from the following counterparties: BNP Paribas Securities Corp., Merrill Lynch, Pierce, Fenner & Smith Inc. and Natixis Financial Products LLC.

(viii) Cash collateral was received from the following counterparty: BNP Paribas Securities Corp.

F. LIQUIDITY RISK

Liquidity risk refers to the possibility that the Funds may not be able to discharge their debts as they become due. The Funds provide for the purchase and redemption of Shares on any Dealing Day (as defined in the prospectus) and are therefore exposed to the liquidity risk of meeting shareholder redemptions on Dealing Days. However, the Funds' assets comprise mainly of readily realisable securities, which can be readily sold. In the event of receipt of a substantial number of redemption requests from shareholders in a short period of time, a Fund may have difficulty selling a sufficient amount of securities to pay redemption proceeds to redeeming shareholders. In such situations where such requests exceed one-tenth of the number of Shares in issue, in order to protect the interests of non-redeeming shareholders, the Directors may in their discretion refuse to redeem any Fund Shares in excess of one-tenth of the total number of Shares in issue for that Fund, and, if they so refuse, the requests for redemption on such Dealing Day shall be reduced ratably and the Shares to which each request relates which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made on each subsequent Dealing Day until all of the Shares to which the original request related have been redeemed. Requests for redemption which have been carried forward from an earlier Dealing Day shall (subject to the foregoing) have priority to later redemption requests.

The tables below analyse each Fund's financial liabilities into maturity groupings based on the remaining period from the financial year-end date to the contractual maturity date. The amounts in the tables are the contractual commitments, based on undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the amount of discounting is not significant.

Federated Short-Term U.S. Government Securities Fund					
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	111,029,890	149,915,900	236,800,519	—	—
Balances due from Brokers – Repurchase Agreements	836,723,000	—	—	—	—
Other receivables	1,167,670	—	—	—	—
Cash and cash equivalents	830,025	—	—	—	—
TOTAL ASSETS	949,750,585	149,915,900	236,800,519	—	—
FINANCIAL LIABILITIES					
Accounts Payable	93,204	—	—	—	—
Accrued Expenses	563,917	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	1,335,809,883	—	—	—	—
TOTAL LIABILITIES	1,336,467,004	—	—	—	—

Federated Short-Term U.S. Treasury Securities Fund					
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	195,621,960	32,054,728	84,894,551	—	—
Balances due from Brokers – Repurchase Agreements	444,000,000	—	—	—	—
Other receivables	1,399,839	—	—	—	—
Cash and cash equivalents	452,161	—	—	—	—
TOTAL ASSETS	641,473,960	32,054,728	84,894,551	—	—
FINANCIAL LIABILITIES					
Accounts Payable	132,665	—	—	—	—
Accrued Expenses	253,457	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	758,037,117	—	—	—	—
TOTAL LIABILITIES	758,423,239	—	—	—	—

Federated Short-Term U.S. Prime Fund					
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	696,051,264	1,128,760,195	308,549,812	—	89,932,402
Balances due from Brokers – Repurchase Agreements	448,000,000	—	—	—	—
Other receivables	1,391,339	—	—	—	—
Cash and cash equivalents	453,913	—	—	—	—
TOTAL ASSETS	1,145,896,516	1,128,760,195	308,549,812	—	89,932,402
FINANCIAL LIABILITIES					
Accounts Payable	1,056,750	—	—	—	—
Accrued Expenses	1,179,165	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	2,670,903,010	—	—	—	—
TOTAL LIABILITIES	2,673,138,925	—	—	—	—

Federated High Income Advantage Fund					
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	50,019	—	—	36,896,089	—
Balances due from Brokers – Repurchase Agreements	526,000	—	—	—	—
Other receivables	594,323	—	—	—	—
Cash and cash equivalents	16,516	—	—	—	—
Forward Foreign Currency Exchange Contracts	—	253	—	—	—
TOTAL ASSETS	1,186,858	253	—	36,896,089	—
FINANCIAL LIABILITIES					
Accounts Payable	176,241	—	—	—	—
Accrued Expenses	78,642	—	—	—	—
Forward Foreign Currency Exchange Contracts	—	264,105	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	37,564,212	—	—	—	—
TOTAL LIABILITIES	37,819,095	264,105	—	—	—

Federated U.S. Total Return Bond Fund					
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	—	25,130	249,783	4,958,840	440,928
Balances due from Brokers – Repurchase Agreements	63,000	—	—	—	—
Other receivables	38,913	—	—	—	—
Cash and cash equivalents	5,396	—	—	—	—
Margin Cash	8	—	—	—	—
Futures Contracts	—	1,073	—	—	—
TOTAL ASSETS	107,317	26,203	249,783	4,958,840	440,928
FINANCIAL LIABILITIES					
Accounts Payable	12,784	—	—	—	—
Accrued Expenses	50,665	—	—	—	—
Forward Foreign Currency Exchange Contracts	—	94,395	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	5,625,227	—	—	—	—
TOTAL LIABILITIES	5,688,676	94,395	—	—	—

Federated Strategic Value Equity Fund					
31 December 2016	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	—	—	—	—	12,960,490
Balances due from Brokers – Repurchase Agreements	688,000	—	—	—	—
Other receivables	49,831	—	—	—	—
Cash and cash equivalents	420	—	—	—	—
TOTAL ASSETS	738,251	—	—	—	12,960,490
FINANCIAL LIABILITIES					
Accrued Expenses	83,566	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	13,615,175	—	—	—	—
TOTAL LIABILITIES	13,698,741	—	—	—	—

Federated Short-Term U.S. Government Securities Fund					
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	125,142,455	129,283,107	259,519,228	—	—
Balances due from Brokers – Repurchase Agreements	836,527,000	—	—	—	—
Other receivables	1,151,153	—	—	—	—
Cash and cash equivalents	289,534	—	—	—	—
TOTAL ASSETS	963,110,142	129,283,107	259,519,228	—	—
FINANCIAL LIABILITIES					
Accounts Payable	39,976,583	—	—	—	—
Accrued Expenses	432,535	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	1,311,503,359	—	—	—	—
TOTAL LIABILITIES	1,351,912,477	—	—	—	—

Federated Short-Term U.S. Treasury Securities Fund					
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31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	407,089,534	144,337,437	205,623,400	—	—
Balances due from Brokers – Repurchase Agreements	483,000,000	—	—	—	—
Other receivables	3,110,284	—	—	—	—
Cash and cash equivalents	486,287	—	—	—	—
TOTAL ASSETS	893,686,105	144,337,437	205,623,400	—	—
FINANCIAL LIABILITIES					
Accounts Payable	21,039	—	—	—	—
Accrued Expenses	346,212	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	1,243,279,691	—	—	—	—
TOTAL LIABILITIES	1,243,646,942	—	—	—	—

Federated Short-Term U.S. Prime Fund					
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31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	721,220,731	904,544,624	340,668,326	—	—
Balances due from Brokers – Repurchase Agreements	570,000,000	—	—	—	—
Other receivables	2,069,019	—	—	—	—
Cash and cash equivalents	546,948	—	—	—	—
TOTAL ASSETS	1,293,836,698	904,544,624	340,668,326	—	—
FINANCIAL LIABILITIES					
Accounts Payable	129,032	—	—	—	—
Accrued Expenses	856,593	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	2,538,064,023	—	—	—	—
TOTAL LIABILITIES	2,539,049,648	—	—	—	—

Federated Emerging Markets Global Debt Fund*					
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31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	—	3,942	—	585,192	—
Balances due from Brokers – Repurchase Agreements	760,000	—	—	—	—
Other receivables	6,166	—	—	—	—
Forward Foreign Currency Exchange Contracts	656,839	166,295	178,933	—	—
TOTAL ASSETS	1,423,005	170,237	178,933	585,192	—
FINANCIAL LIABILITIES					
Accrued Expenses	84,042	—	—	—	—
Bank Overdraft	1,616	—	—	—	—
Forward Foreign Currency Exchange Contracts	690,988	248,822	121,097	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	1,210,802	—	—	—	—
TOTAL LIABILITIES	1,987,448	248,822	121,097	—	—

* Discontinued operations on 6 April 2016.

Federated High Income Advantage Fund					
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	—	—	—	28,659,983	—
Balances due from Brokers – Repurchase Agreements	137,000	—	—	—	—
Other receivables	479,143	—	—	—	—
Cash and cash equivalents	19,132	—	—	—	—
Forward Foreign Currency Exchange Contracts	59,124	—	—	—	—
TOTAL ASSETS	694,399	—	—	28,659,983	—
FINANCIAL LIABILITIES					
Accounts Payable	117,513	—	—	—	—
Accrued Expenses	80,115	—	—	—	—
Forward Foreign Currency Exchange Contracts	2,203	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	29,154,551	—	—	—	—
TOTAL LIABILITIES	29,354,382	—	—	—	—

Federated U.S. Total Return Bond Fund					
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	50,054	—	20,151	4,791,739	479,647
Balances due from Brokers – Repurchase Agreements	125,000	—	—	—	—
Other receivables	39,703	—	—	—	—
Cash and cash equivalents	9,992	—	—	—	—
Margin Cash	8	—	—	—	—
Forward Foreign Currency Exchange Contracts	17,327	—	—	—	—
Futures Contracts	790	—	—	—	—
TOTAL ASSETS	242,874	—	20,151	4,791,739	479,647
FINANCIAL LIABILITIES					
Accounts Payable	12,689	—	—	—	—
Accrued Expenses	49,526	—	—	—	—
Forward Foreign Currency Exchange Contracts	142	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	5,472,054	—	—	—	—
TOTAL LIABILITIES	5,534,411	—	—	—	—

Federated Strategic Value Equity Fund					
31 December 2015	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	—	—	—	—	11,685,710
Balances due from Brokers – Repurchase Agreements	451,000	—	—	—	—
Other receivables	50,003	—	—	—	—
TOTAL ASSETS	501,003	—	—	—	11,685,710
FINANCIAL LIABILITIES					
Accrued Expenses	75,825	—	—	—	—
Bank Overdraft	248	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	12,110,640	—	—	—	—
TOTAL LIABILITIES	12,186,713	—	—	—	—

G. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

In March 2016, the Financial Reporting Council issued “Amendments to FRS 102—Fair value hierarchy disclosures”, effective for accounting periods beginning on or after 1 January 2017, with early adoption permitted. “Amendments to FRS 102—Fair value hierarchy disclosures” proposed to amend paragraphs 34.22 and 34.42 of FRS 102 to require disclosure of financial instruments held at fair value on the basis of a fair value hierarchy consistent with EU-adopted IFRS based on Level 1, 2 and 3 classifications. The Company has availed of early adoption, thus the financial statements have been prepared in accordance with these amendments and fair value measurement is categorised based on Levels 1, 2 and 3.

Under FRS 102, the Company is required to classify fair value measurement using a fair value hierarchy that reflects the significance of inputs used in determining the measurements. The fair value hierarchy consists of the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Hard Rock Park Operations LLC, Sr. Secd. Note, Series 144A, 7.4% 1/12/2099 held by Federated High Income Advantage Fund is the only security classified as Level 3 for the financial year ended 31 December 2016 and is a nil valued security.

During the financial year ended 31 December 2016 and 31 December 2015 there were no significant transfers between Levels 1, 2 or 3 of the fair value hierarchy for financial assets and liabilities which were recorded at fair value.

The following tables analyse the financial assets of each Fund against the fair value hierarchy and measures them at fair value for 31 December 2016 and 31 December 2015 in accordance with FRS 102.

Federated Short-Term U.S. Government Securities Fund				
Fair value measurement as at 31 December 2016	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
U.S. Government Agencies	—	413,680,484	—	413,680,484
U.S. Treasury	—	84,065,825	—	84,065,825
TOTAL	—	497,746,309	—	497,746,309

Federated Short-Term U.S. Treasury Securities Fund				
Fair value measurement as at 31 December 2016	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
U.S. Treasury	–	312,571,239	–	312,571,239
TOTAL	–	312,571,239	–	312,571,239

Federated Short-Term U.S. Prime Fund				
Fair value measurement as at 31 December 2016	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Certificate of Deposits	–	599,559,914	–	599,559,914
Commercial Paper	–	1,122,994,373	–	1,122,994,373
Corporate Bonds	–	51,806,984	–	51,806,984
Notes – Variable	–	448,932,402	–	448,932,402
TOTAL	–	2,223,293,673	–	2,223,293,673

Federated High Income Advantage Fund				
Fair value measurement as at 31 December 2016	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Corporate Bonds	–	36,946,108	–	36,946,108
Derivative Assets:				
Forward Foreign Currency Exchange Contracts	–	253	–	253
Derivative Liabilities:				
Forward Foreign Currency Exchange Contracts	–	(264,105)	–	(264,105)
TOTAL	–	36,682,256	–	36,682,256

Federated U.S. Total Return Bond Fund				
Fair value measurement as at 31 December 2016	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Collateralised Mortgage Obligations	–	287,336	–	287,336
Corporate Bonds	–	2,107,692	–	2,107,692
Mortgage Backed Securities	–	1,287,380	–	1,287,380
U.S. Government Agencies	–	275,927	–	275,927
U.S. Treasury	–	1,275,418	–	1,275,418
Investment Funds	440,928	–	–	440,928
Derivative Assets:				
Futures Contracts	1,073	–	–	1,073
Derivative Liabilities:				
Forward Foreign Currency Exchange Contracts	–	(94,395)	–	(94,395)
TOTAL	442,001	5,139,358	–	5,581,359

Federated Strategic Value Equity Fund				
Fair value measurement as at 31 December 2016	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Common Stocks	12,960,490	–	–	12,960,490
TOTAL	12,960,490	–	–	12,960,490

Federated Short-Term U.S. Government Securities Fund				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
U.S. Government Agencies	–	385,363,454	–	385,363,454
U.S. Treasury	–	128,581,336	–	128,581,336
TOTAL	–	513,944,790	–	513,944,790

Federated Short-Term U.S. Treasury Securities Fund				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
U.S. Treasury	–	757,050,371	–	757,050,371
TOTAL	–	757,050,371	–	757,050,371

Federated Short-Term U.S. Prime Fund				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Asset Backed Securities	–	25,000,000	–	25,000,000
Certificate of Deposits	–	524,985,709	–	524,985,709
Commercial Paper	–	542,655,739	–	542,655,739
Corporate Bonds	–	174,279,505	–	174,279,505
Corporate Notes	–	14,973,592	–	14,973,592
Notes – Variable	–	663,758,976	–	663,758,976
U.S. Government Agencies	–	20,780,160	–	20,780,160
TOTAL	–	1,966,433,681	–	1,966,433,681

Federated Emerging Markets Global Debt Fund*				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Corporate Bonds	–	373,804	–	373,804
U.S. Government Agencies	–	215,330	–	215,330
Derivative Assets:				
Forward Foreign Currency Exchange Contracts	–	1,002,067	–	1,002,067
Derivative Liabilities:				
Forward Foreign Currency Exchange Contracts	–	(1,060,907)	–	(1,060,907)
TOTAL	–	530,294	–	530,294

* Discontinued operations on 6 April 2016.

Federated High Income Advantage Fund				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Corporate Bonds	–	28,659,983	–	28,659,983
Derivative Assets:				
Forward Foreign Currency Exchange Contracts	–	59,124	–	59,124
Derivative Liabilities:				
Forward Foreign Currency Exchange Contracts	–	(2,203)	–	(2,203)
TOTAL	–	28,716,904	–	28,716,904

Federated U.S. Total Return Bond Fund				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Collateralised Mortgage Obligations	—	318,581	—	318,581
Corporate Bonds	—	2,408,533	—	2,408,533
Mortgage Backed Securities	—	1,213,045	—	1,213,045
U.S. Government Agencies	—	275,334	—	275,334
U.S. Treasury	—	646,451	—	646,451
Investment Funds	479,647	—	—	479,647
Derivative Assets:				
Forward Foreign Currency Exchange Contracts	—	17,327	—	17,327
Futures Contracts	790	—	—	790
Derivative Liabilities:				
Forward Foreign Currency Exchange Contracts	—	(142)	—	(142)
TOTAL	480,437	4,879,129	—	5,359,566

Federated Strategic Value Equity Fund				
Fair value measurement as at 31 December 2015	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
Common Stocks	11,685,710	—	—	11,685,710
TOTAL	11,685,710	—	—	11,685,710

(13) TRANSACTION COSTS

Disclosed in the table below are separately identifiable transaction costs incurred by each Fund for the financial year ended 31 December 2016 and 31 December 2015. These include brokerage commissions and broker fees on security transactions.

	Financial Year Ended 31 December 2016	Financial Year Ended 31 December 2015
Federated Short-Term U.S. Government Securities Fund	—	—
Federated Short-Term U.S. Treasury Securities Fund	—	—
Federated Short-Term U.S. Prime Fund	—	—
Federated Emerging Markets Global Debt Fund*	—	US\$ 1,398
Federated High Income Advantage Fund	—	US\$ 3
Federated U.S. Total Return Bond Fund	—	—
Federated Strategic Value Equity Fund	US\$ 17,319	US\$ 12,756

* Discontinued operations on 6 April 2016.

As at 31 December 2016, the amounts paid specifically for directed brokerage services or other arrangements and included in the figure above for Federated Strategic Value Equity Fund are US\$ 9,840.

As at 31 December 2015, the amounts paid specifically for directed brokerage services or other arrangements and included in the figures above for Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund and Federated Strategic Value Equity Fund are US\$ 18, US\$ 3 and US\$ 5,322, respectively.

Not all transaction costs are separately identifiable. For fixed income investments and forward foreign currency exchange contracts, transaction costs will be included in the purchase and sales price of the investment, and not separately disclosed as transaction costs.

(14) NET ASSET VALUE DETAILS

	Financial Year Ended 31 December 2016		Financial Year Ended 31 December 2015		Financial Year Ended 31 December 2014	
	NAV	NAV per Share	NAV	NAV per Share	NAV	NAV per Share
Federated Short-Term U.S. Government Securities Fund						
Institutional Services – Dividend Series	US\$ 689,924,760	US\$ 1.00	US\$ 804,611,109	US\$ 1.00	US\$ 812,064,577	US\$ 1.00
Institutional Series	US\$ 397,978,080	US\$ 1.00	US\$ 215,322,969	US\$ 1.00	US\$ 347,646,409	US\$ 1.00
Investment – Dividend Series	US\$ 239,232,991	US\$ 1.00	US\$ 284,180,205	US\$ 1.00	US\$ 668,747,762	US\$ 1.00
Investment – Growth Series	US\$ 8,674,052	US\$ 168.92	US\$ 7,389,076	US\$ 168.92	US\$ 2,187,222	US\$ 168.92
Federated Short-Term U.S. Treasury Securities Fund						
Institutional Service Series	US\$ 109,756,826	US\$ 1.00	US\$ 201,876,509	US\$ 1.00	US\$ 379,465,512	US\$ 1.00
Institutional Series	US\$ 648,280,291	US\$ 1.00	US\$ 1,041,403,182	US\$ 1.00	US\$ 1,946,864,656	US\$ 1.00
Federated Short-Term U.S. Prime Fund						
Institutional Service Series	US\$ 1,177,819,282	US\$ 1.00	US\$ 1,239,667,531	US\$ 1.00	US\$ 1,158,017,155	US\$ 1.00
Institutional Series	US\$ 1,004,071,491	US\$ 1.00	US\$ 916,522,745	US\$ 1.00	US\$ 1,029,986,471	US\$ 1.00
Investment – Dividend Series	US\$ 478,397,770	US\$ 1.00	US\$ 362,758,254	US\$ 1.00	US\$ 363,731,208	US\$ 1.00
Institutional Services – Dividend Series	US\$ 10,614,359	US\$ 1.00	US\$ 19,115,385	US\$ 1.00	US\$ 9,303,339	US\$ 1.00
Accumulating Shares – Institutional Series	US\$ 108	US\$ 108.33	US\$ 108	US\$ 107.80	US\$ 509,546	US\$ 107.53
Federated Emerging Markets Global Debt Fund*						
Class I Shares – EUR DIS	€ –	€ –	€ 86	€ 75.45	€ 21,133,839	€ 84.53
Class I Shares – USD DIS	US\$ –	US\$ –	US\$ 1,178,887	US\$ 73.46	US\$ 4,727,731	US\$ 82.51
Class I Shares – GBP DIS	£ –	£ –	£ 82	£ 73.46	£ 83	£ 82.51
Class A Shares – EUR DIS	€ –	€ –	€ 29,170	€ 75.24	€ 32,594	€ 84.08
Federated High Income Advantage Fund						
Class A Shares – USD ACC	US\$ 1,001,063	US\$ 43.78	US\$ 2,534,431	US\$ 38.54	US\$ 2,138,249	US\$ 39.51
Class A Shares – EUR ACC	€ 1,023,668	€ 268.54	€ 1,309,157	€ 239.55	€ 2,045,880	€ 245.72
Class I Shares – EUR DIS	€ 7,991,962	€ 9.74	€ 5,871,454	€ 9.17	€ 6,340,125	€ 9.90
Class I Shares – USD DIS	US\$ 27,071,033	US\$ 9.94	US\$ 18,814,809	US\$ 9.23	US\$ 19,124,566	US\$ 9.93
Class I Shares – GBP DIS	£ 101	£ 10.05	£ 93	£ 9.34	£ 100	£ 10.01
Class A Shares – EUR DIS	€ 1,573	€ 9.78	€ 1,475	€ 9.20	€ 99	€ 9.93
Federated U.S. Total Return Bond Fund						
Class I Shares – EUR DIS	€ 2,338,506	€ 133.45	€ 2,227,481	€ 134.05	€ 2,174,046	€ 139.28
Class I Shares – USD DIS	US\$ 3,157,422	US\$ 95.44	US\$ 3,044,916	US\$ 94.49	US\$ 3,061,405	US\$ 97.60
Class I Shares – GBP DIS	£ 95	£ 95.44	£ 94	£ 94.49	£ 98	£ 97.60
Class A Shares – EUR DIS	€ 5,747	€ 95.44	€ 5,770	€ 94.49	€ 98	€ 97.60
Federated Strategic Value Equity Fund						
Class A Shares – USD DIS	US\$ 5,977,718	US\$ 10.81	US\$ 4,520,292	US\$ 10.11	US\$ 4,299,347	US\$ 10.11
Class I Shares – USD DIS	US\$ 7,637,457	US\$ 10.79	US\$ 7,590,348	US\$ 10.09	US\$ 2,874,144	US\$ 10.09

* Discontinued operations on 6 April 2016.

(15) SOFT COMMISSION ARRANGEMENTS

The Manager, on behalf of Federated Strategic Value Equity Fund, has delegated to its affiliate, FIC, responsibility for investment management of the Fund's investments. FIC is responsible for the selection of brokers with whom it deals, and, in some instances, has entered into soft commission arrangements with these brokers, whereby FIC obtains services or benefits from third parties which are paid for by the brokers out of the commissions they receive. Such services or benefits relate primarily to performance measurement, valuation and research services. FIC is satisfied that the arrangements generating soft commissions comply with the requirements for best execution both as to price and settlement.

(16) CONTINGENT LIABILITIES

As at 31 December 2016, no commitments or contingent liabilities exist (31 December 2015: none).

(17) CONNECTED PERSON AND RELATED PARTIES TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or other operating decisions.

The following are deemed connected person and related parties transactions:

Manager

The Manager receives for its services an annual management fee equal to 1.00% of the average daily net assets of Federated Short-Term U.S. Government Securities Fund; Federated Short-Term U.S. Treasury Securities Fund; Federated Short-Term U.S. Prime Fund and Federated U.S. Total Return Bond Fund.

The Manager received for its services an annual management fee of 1.50% of the average daily net assets of Federated Emerging Markets Global Debt Fund which discontinued operations on 6 April 2016.

The Manager receives for its services an annual management fee of 1.00%, 1.00%, 1.00%, 1.00%, 1.00% and 1.25% of the average daily net assets of Federated High Income Advantage Fund's Class A Shares – USD ACC, Class A Shares – EUR ACC, Class I Shares – USD DIS, Class I Shares – EUR DIS, Class I Shares – GBP DIS and Class A Shares – EUR DIS, respectively.

The Manager receives for its services an annual management fee of 1.25% and 1.75% of the average daily net assets of Federated Strategic Value Equity Fund's Class A Shares – USD DIS and Class I Shares – USD DIS, respectively.

The Manager has voluntarily undertaken to waive the amount by which the Funds' aggregate annual operating expenses exceeds the expense limitations of the Funds. Such operating expenses include the Management Fee, but exclude interest, taxes (including any withholding tax applicable to portfolio securities or distributions to shareholders and any costs associated therewith), brokerage commissions, insurance premiums, the costs associated with registering the Company, the Funds or the Shares with any governmental or regulatory authority or with any stock market or other regulated market and extraordinary expenses. The expense limitations of the Funds are as follows:

Fund	Expense Cap as a Percentage of Average Daily Net Assets
Federated Short-Term U.S. Government Securities Fund	
Institutional Services – Dividend Series	0.65%
Institutional Series	0.20%
Investment – Dividend Series	1.08%
Investment – Growth Series	1.05%
Federated Short-Term U.S. Treasury Securities Fund	
Institutional Service Series	0.65%
Institutional Series	0.20%
Federated Short-Term U.S. Prime Fund	
Institutional Service Series	0.45%
Institutional Series	0.20%
Investment – Dividend Series	1.00%
Institutional Services – Dividend Series	0.55%
Accumulating Shares – Institutional Series	0.20%
Federated Emerging Markets Global Debt Fund*	
Class I Shares – EUR DIS	1.25%
Class I Shares – USD DIS	1.25%
Class I Shares – GBP DIS	1.25%
Class A Shares – EUR DIS	1.45%

* Discontinued operations on 6 April 2016.

Fund	Expense Cap as a Percentage of Average Daily Net Assets
Federated High Income Advantage Fund	
Class A Shares – USD ACC	1.00%
Class A Shares – EUR ACC	1.00%
Class I Shares – EUR DIS	0.75%
Class I Shares – USD DIS	0.75%
Class I Shares – GBP DIS	0.75%
Class A Shares – EUR DIS	1.25%
Federated U.S. Total Return Bond Fund	
Class I Shares – EUR DIS	0.65%
Class I Shares – USD DIS	0.65%
Class I Shares – GBP DIS	0.65%
Class A Shares – EUR DIS	1.00%
Federated Strategic Value Equity Fund	
Class A Shares – USD DIS	1.25%
Class I Shares – USD DIS	0.75%

Pursuant to an Amended and Restated Investment Advisory Agreement dated 5 June 2009, as amended by addenda dated 1 July 2011, 17 December 2012 and 24 November 2015, FIC was retained to act as adviser to the Manager in relation to all of the Company's sub-funds in operation. FIC provides the Manager with investment research and assists the Manager in the purchase, sale and exchange of the Funds' investments. The investment advisory fee is discharged by the Manager from its management fee.

For the financial year ended 31 December 2016, the management fee recorded across the Funds amounted to US\$ 49,185,684 (31 December 2015: US\$ 56,025,703) of which US\$28,372,211 (31 December 2015: US\$ 33,699,548) was voluntarily waived by the Manager. Expenses totalling US\$ 5,847,181 (31 December 2015: US\$ 15,603,984) were also reimbursed by the Manager. From the management fee, the Manager paid advisory fees to FIC in the amount of US\$ 2,507,869 for the financial year ended 31 December 2016 (31 December 2015: US\$ 1,200,455).

During the financial year ended 31 December 2016, the Manager, on behalf of Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund, and Federated Short-Term U.S. Prime Fund voluntarily reimbursed other operating expenses for such Funds in the amounts of US\$ 3,722,115, US\$ 391,964, and US\$ 1,408,848, respectively. Additionally, the Manager on behalf of Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund voluntarily reimbursed other operating expenses for such Funds in the amounts of US\$ 116,974, US\$ 2,958, US\$ 137,801, and US\$ 66,521, respectively. However, there can be no assurance that the level of reimbursements reflected in the Statement of Comprehensive Income will be maintained in the future.

During the financial year ended 31 December 2015, the Manager on behalf of Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund and Federated Short-Term U.S. Prime Fund voluntarily reimbursed other operating expenses for such Funds in the amounts of US\$ 7,941,629, US\$ 3,021,359, and US\$ 4,471,965, respectively. Additionally, the Manager on behalf of Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund voluntarily reimbursed other operating expenses for such Funds in the amounts of US\$ 13,456, US\$ 1,528, US\$ 98,058 and US\$ 55,989, respectively. However, there can be no assurance that the level of reimbursements reflected in the Statement of Comprehensive Income will be maintained in the future.

As at 31 December 2016, the Manager invested its proprietary assets in the Federated Short-Term U.S. Prime Fund, Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund in the amounts of US\$ 1,296, US\$ 236, US\$ 3,164,668, and US\$ 644,726, respectively.

As at 31 December 2015, the Manager invested its proprietary assets in the Federated Short-Term U.S. Prime Fund, Federated Emerging Markets Global Debt Fund, Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund in the amounts of US\$ 1,290, US\$ 307, US\$ 241, US\$ 3,052,170 and US\$ 684,903, respectively.

FASI, an affiliate of the Manager, under an agreement with the Manager, provides the Manager with operational support services. The fee for this support is calculated taking into consideration the average daily net assets of all funds managed by Federated, the ultimate parent company of the Manager. The fee ranges from 0.15% on the first US\$ 5 billion average aggregate daily net assets to 0.075% on assets in excess of US\$ 20 billion. This fee is paid by the Manager out of its management fee. The Manager paid fees to FASI in the amount of US\$ 1,059,271 for the financial year ended 31 December 2016 (31 December 2015: US\$ 558,469).

Affiliated Holdings

As at 31 December 2016 and 2015, a majority of the Shares outstanding for Federated U.S. Total Return Bond Fund are owned by the Manager and affiliates of the Manager. As at 31 December 2015, a majority of the Shares outstanding for Federated Emerging Markets Global Debt Fund were owned by an affiliate of the Manager.

As at 31 December 2016, Federated U.S. Total Return Bond Fund holds investments of 44,344 Shares valued at US\$ 440,928 in Federated High Income Advantage Fund. As at 31 December 2015, Federated U.S. Total Return Bond Fund held investments of 841 Shares valued at

US\$ 61,762 in Federated Emerging Markets Global Debt Fund and 45,262 Shares valued at US\$ 417,885 in Federated High Income Advantage Fund.

Directors

The Directors of the Company are also Directors of the Manager. The Directors' fees recorded across all sub-funds for the financial year ended 31 December 2016 were US\$ 32,448 (31 December 2015: US\$ 48,303) of which US\$ 3,597 was payable as at 31 December 2016 (31 December 2015: US\$ 15,766).

John W. McGonigle, Chairman and Director of the Company and the Manager, is a Director, Executive Vice President, Vice Chairman, Secretary and Chief Legal Officer of Federated; Secretary and Executive Vice President of Federated's U.S. registered investment companies; and a Director of various Federated subsidiaries, including FASI. Mr. McGonigle does not receive a Director's fee from the Company.

Denis McAuley III is Director of the Company and the Manager; Corporate Finance Director and Vice President of Federated; and holds other positions with U.S. and non-U.S. affiliates of Federated including non-U.S. investment companies. Mr. McAuley does not receive a Director's fee from the Company.

(18) EFFICIENT PORTFOLIO MANAGEMENT

The investment adviser for Federated Emerging Markets Global Debt Fund (discontinued operations on 6 April 2016), Federated High Income Advantage Fund, Federated U.S. Total Return Bond Fund and Federated Strategic Value Equity Fund may employ investment techniques and instruments, such as financial derivative instruments, for the purposes of efficient portfolio management (i.e., hedging, reducing risks or costs, or for increasing capital or income returns), subject to the conditions and within the limits established by the Central Bank. Financial derivative instruments used for efficient portfolio management must also comply with the provisions of the UCITS Regulations, Central Bank UCITS Regulations and Central Bank guidance.

The investment adviser for Federated Short-Term U.S. Government Securities Fund, Federated Short-Term U.S. Treasury Securities Fund and Federated Short-Term U.S. Prime Fund may employ certain investment techniques and transact in instruments such as repurchase agreements and reverse repurchase agreements for efficient portfolio management, subject to the conditions and within the limits established by the Central Bank.

All of the derivative instruments and repurchase agreements disclosed in the portfolio of investments and the repurchase agreements disclosed on pages 56 are for the purposes of efficient portfolio management.

The revenue arising from the efficient portfolio management techniques consists of repurchase agreement interest income (disclosed in the Statement of Comprehensive Income), swap income (disclosed in the Statement of Comprehensive Income) and realised gains/losses on forward foreign currency exchange contracts, futures contracts and swap contracts (disclosed in the Statement of Comprehensive Income).

These revenues are subject to transaction costs which are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Refer to Note 2(U) for details.

(19) ADMINISTRATOR FEES

BNY Mellon Fund Services (Ireland) Designated Activity Company acts as administrator, registrar and transfer agent for the Company. The Administrator also maintains the Company's registered office.

The Administrator performs certain day-to-day administrative tasks on behalf of the Company, including maintenance of the Company's books and accounting records, processing of shareholder transactions, calculation of the net asset value and fees, and payment of the Company's expenses.

For the financial year ended 31 December 2016 the Funds paid the Administrator fees in the amount of US\$ 1,276,814 (31 December 2015: US\$ 1,353,708) for fund accounting and transfer agency services provided to the Funds.

(20) DEPOSITARY FEES

BNY Mellon Trust Company (Ireland) Limited acts as the depositary of the Company. In accordance with the requirements of the Central Bank and the Depositary Agreement, certain Depositary responsibilities may be delegated to certain sub-custodians. For the financial year ended 31 December 2016, the Funds paid Depositary fees in the amount of US\$ 756,407 (31 December 2015: US\$ 812,562).

(21) LEGAL PROCEEDINGS

The Company is not involved in any litigation or arbitration and no litigation or claim is known to the Directors to be pending against the Company or any of the Funds.

(22) EXCHANGE RATES

The foreign exchange rates used in the Financial Statements as at 31 December 2016 expressed in U.S. dollars are as follows:

BRL	3.2547
CAD	1.3427
EUR	0.9500
GBP	0.8114
MXN	20.7297
RUB	61.3450
TRY	3.5269
ZAR	13.7338

The foreign exchange rates used in the Financial Statements as at 31 December 2015 expressed in U.S. dollars are as follows:

BRL	3.9563	MYR	4.2935
CAD	1.3837	NGN	199.0500
CHF	1.0016	PEN	3.4145
CLP	708.5600	PHP	47.0550
CNY	6.4936	PLN	3.9227
COP	3,174.5000	RUB	73.0000
EUR	0.9202	SAR	3.7540
GBP	0.6783	SGD	1.4179
HUF	290.2002	TRY	2.9164
IDR	13,785.0000	TWD	32.8470
KRW	1,172.5500	ZAR	15.4650
MXN	17.2345		

(23) SEGREGATED LIABILITY

The Company is an umbrella fund with segregated liability between sub-funds.

(24) SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

On 12 February 2016, updated key investor information documents were issued in connection with their required annual update.

As of 14 March 2016, the Federated Emerging Markets Global Debt Fund was closed to new subscriptions (including conversions into the Fund), and discontinued operations on 6 April 2016. All Shares of the Federated Emerging Markets Global Debt Fund that remained in issue as at 6 April 2016 were compulsorily redeemed on that date. As of 31 December 2016, Federated Emerging Markets Global Debt Fund had no shareholders and a net asset value of zero. Termination costs were borne by the Manager.

The UCITS V Directive ("UCITS V") amended the regulatory framework for Undertakings for Collective Investment in Transferable Securities ("UCITS") to address issues, inter alia, relating to the depositary function and liability, remuneration and administrative sanctions. UCITS V was transposed into Irish law on 21 March 2016.

Securities Financing Transactions Regulation ("SFTR") is an European Union ("EU") regulation aimed at improving the transparency of securities financing transactions ("STFs") in the shadow banking sector and giving regulators (European Securities and Market Authority ("ESMA") and national EU regulators) access to detailed information to enable them to monitor risks in that sector on an ongoing basis. SFTR came into force on 12 January 2016, with a number of requirements coming into effect at a later date.

On 28 October 2016, an updated prospectus for the Company was noted by the Central Bank. The newly issued prospectus included the following principal changes:

On 28 October 2016, an updated prospectus for the Company was noted by the Central Bank. The updated prospectus included the following principal changes: (i) updates in light of the Central Bank UCITS Regulations (including updates to the list of Member States, local authorities, third countries, or public international bodies issuing or guaranteeing securities which a Fund is able to accept as collateral for more than 20% of its net asset value) and UCITS V (including updates to the disclosure on the Depositary's liability standard and remuneration, and inclusion of list of sub-delegates appointed by BNY Mellon); (ii) inclusion of disclosure in relation to the operation of umbrella cash accounts including the risk associated thereto and what occurs should an investor fail to pay subscription monies; (iii) updates to cyber security risk disclosure and inclusion of a new risk disclosure in relation to the European Market Infrastructure Regulation (EMIR); (iv) clarifications as to the timing for settlement of purchase orders; (v) clarifications as to the process for the payment of redemption proceeds; (vi) addition of disclosures regarding deferred redemptions and redemptions in specie; (vii) general updates to taxation disclosure; (viii) addition of data protection language; (ix) addition of connected party transaction disclosure; (x) updates to name of the Administrator; and (xi) notation regarding the closure of Federated Emerging Markets Global Debt Fund.

On 13 December 2016, an updated prospectus for the Company was noted by the Central Bank. The newly issued prospectus was updated to, inter alia, clarify that the fee payable to FASI for operational support services is paid by the Manager out of its management fee.

There were no other significant events impacting the Company during the financial year.

(25) SUBSEQUENT EVENTS

Effective 9 January 2017, the Funds were delisted from the Irish Stock Exchange.

With effect from the dealing day 16 March 2016, the sole shareholder in the Federated Short-Term U.S. Prime Fund – Accumulating Shares – Institutional Series voluntarily redeemed all of their shares and this share class is in the process of being terminated.

There were no other significant events impacting the Company subsequent to the financial year-end and up to 23 March 2017.

(26) APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Directors on 23 March 2017 for filing with the Central Bank and circulation to the shareholders.

INDEPENDENT AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEDERATED INTERNATIONAL FUNDS PLC

We have audited the financial statements of Federated International Funds plc (the "Company") for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and the related notes 1 to 26. The financial reporting framework that has been applied in their preparation is Irish law, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended), the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement on page 7, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Company's directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Message, Economic Overviews, Investment Reviews, Directors' Report, Report of the Depositary and Portfolio of Investments to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

Matters on which we are required to report by the Companies Acts

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of Sections 305 to 312 of the Companies Act which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Eoin MacManus

for and on behalf of Ernst & Young
Chartered Accountants and Statutory Audit Firm

Dublin

Date 23 March 2017

REPORT OF THE DEPOSITARY

TO THE SHAREHOLDERS OF FEDERATED INTERNATIONAL FUNDS PLC (THE “COMPANY”)

For the period from 1 January 2016 to 31 December 2016 (the “Period”)

BNY Mellon Trust Company (Ireland) Limited (the “Depositary” “us”, “we”, or “our”), has enquired into the conduct of Federated International Funds plc (the “Company”) for the Period, in its capacity as depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as depositary to the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the “UCITS Regulations”).

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company’s constitutional documentation (the “Constitution”) and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Constitution and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Constitution and by the UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the Constitution and the UCITS Regulations.

For and on behalf of

BNY Mellon Trust Company (Ireland) Limited,
Guild House,
Guild Street,
IFSC, Dublin 1, Ireland

Date 23 March 2017

STATEMENT OF THE DEPOSITARY’S RESPONSIBILITIES

The Depositary is required under the UCITS Regulations to:

1. ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected by or on behalf of the Company are carried out in accordance with the UCITS Regulations and in accordance with the Constitution.
2. ensure that the value of Shares is calculated in accordance with the UCITS Regulations and the Constitution.
3. carry out the instructions of the Company unless they conflict with the UCITS Regulations or the Constitution.
4. ensure that in transactions involving the Company’s assets, any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction.
5. ensure that the Company’s income is applied in accordance with the UCITS Regulations and the Constitution.
6. notify the Central Bank promptly of any material and non-material breach (if the relevant breach is not resolved within four weeks of the Depositary becoming aware of it) of the UCITS Regulations, conditions imposed by the Central Bank or provisions of the prospectus with regard to the Company.

The duties provided for above may not be delegated by the Depositary to a third party. These duties must be carried out in Ireland.

The Depositary’s report shall be delivered to the Company in good time to enable the Company to include a copy of the report in its annual report. The Depositary’s report shall state whether in the Depositary’s opinion the Company has been managed in that period:

- (i) in accordance with the limitations imposed on the investment and borrowings powers of the Company by the Constitution and the UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the Constitution and the UCITS Regulations.

If the Company does not comply with (i) or (ii) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

The Depositary also takes into its custody or under its control the assets of the Company entrusted to it for safekeeping and holds them in safekeeping for the shareholders.

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. GOVERNMENT SECURITIES FUND

At 31 December 2016

Principal Amount			Fair Value US\$	% of Total Net Assets
BALANCES DUE FROM BROKERS				
Repurchase Agreements				
136,723,000		BNP Paribas Securities Corp., 0.5%, dated 30/12/2016, due 3/1/2017	136,723,000	10.24
250,000,000		Citigroup Global Markets, Inc., 0.51%, dated 30/12/2016, due 3/1/2017	250,000,000	18.71
50,000,000		J.P. Morgan Securities LLC, 0.53%, dated 30/12/2016, due 3/1/2017	50,000,000	3.74
100,000,000		Merrill Lynch, Pierce, Fenner & Smith, Inc., 0.5%, dated 30/12/2016, due 3/1/2017	100,000,000	7.49
250,000,000		Natixis Financial Products LLC, 0.51%, dated 30/12/2016, due 3/1/2017	250,000,000	18.72
50,000,000		Wells Fargo Securities LLC, 0.5%, dated 30/12/2016, due 3/1/2017	50,000,000	3.74
TOTAL REPURCHASE AGREEMENTS			836,723,000	62.64
TOTAL BALANCES DUE FROM BROKERS			836,723,000	62.64
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
U.S. Government Agencies				
21,500,000	1	Federal Farm Credit System Discount Notes, 0.51%–0.68%, 5/1/2017–18/7/2017	21,482,197	1.61
40,000,000	2	Federal Farm Credit System Floating Rate Notes, 0.732%–0.758%, 31/12/2016–7/1/2017	39,999,487	3.00
4,000,000		Federal Farm Credit System Notes, 0.8%–0.9%, 5/6/2017–11/12/2017	3,999,234	0.30
115,800,000	1	Federal Home Loan Bank System Discount Notes, 0.45%–0.58%, 11/1/2017–5/5/2017	115,739,287	8.67
137,860,000	2	Federal Home Loan Bank System Floating Rate Notes, 0.621%–0.868%, 5/1/2017–23/3/2017	137,882,227	10.32
30,500,000		Federal Home Loan Bank System Notes, 0.44%–0.75%, 11/1/2017–30/5/2017	30,499,168	2.28
11,500,000	1	Federal Home Loan Mortgage Corp. Discount Notes, 0.5%, 16/5/2017	11,478,437	0.86
15,000,000	2	Federal Home Loan Mortgage Corp. Floating Rate Notes, 0.669%, 12/1/2017	14,999,729	1.12
22,651,000		Federal Home Loan Mortgage Corp. Notes, 0.75%–1.25%, 9/3/2017–28/7/2017	22,684,187	1.70
5,920,000	2	Federal National Mortgage Association Floating Rate Notes, 0.645%, 5/1/2017	5,924,473	0.44
9,000,000		Federal National Mortgage Association Notes, 1.25%, 30/1/2017–1/6/2017	8,992,058	0.67
TOTAL U.S. GOVERNMENT AGENCIES			413,680,484	30.97
U.S. Treasury				
6,800,000		United States Treasury Notes, 0.625%, 31/8/2017	6,797,705	0.51
1,500,000		United States Treasury Notes, 0.875%, 15/7/2017	1,501,350	0.11
6,000,000		United States Treasury Notes, 1.0%–2.75%, 31/12/2017	6,046,823	0.45
5,000,000		United States Treasury Notes, 1.0%, 31/3/2017	5,005,907	0.37
4,000,000		United States Treasury Notes, 1.875%, 31/10/2017	4,034,906	0.30
3,500,000		United States Treasury Notes, 2.25%, 30/11/2017	3,545,167	0.27
7,000,000		United States Treasury Notes, 3.0%, 28/2/2017	7,027,766	0.53
50,000,000		United States Treasury Notes, 3.125%, 31/1/2017	50,106,201	3.75
TOTAL U.S. TREASURY			84,065,825	6.29
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			497,746,309	37.26
TOTAL INVESTMENTS			1,334,469,309	99.90
OTHER NET ASSETS			1,340,574	0.10
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES			1,335,809,883	100.00

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. GOVERNMENT SECURITIES FUND

At 31 December 2016

Analysis of Total Assets	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	37.24
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	62.61
(d) Other assets	0.15
TOTAL ASSETS	100.00

Note: The categories of investments are shown as a percentage of net assets (US\$1,335,809,883) attributable to participating shareholders at 31 December 2016.

1 The issue shows the discount rate at time of purchase.

2 Floating rate note with current rate and next reset date shown.

The following acronym is used throughout this portfolio:

LLC—Limited Liability Corporation

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. TREASURY SECURITIES FUND

At 31 December 2016

Principal Amount			Fair Value US\$	% of Total Net Assets
BALANCES DUE FROM BROKERS				
Repurchase Agreements				
144,000,000		BNP Paribas Securities Corp., 0.5%, dated 30/12/2016, due 3/1/2017	144,000,000	19.00
50,000,000		Citigroup Global Markets, Inc., 0.51%, dated 30/12/2016, due 3/1/2017	50,000,000	6.59
100,000,000		Merrill Lynch, Pierce, Fenner & Smith, Inc., 0.5%, dated 30/12/2016, due 3/1/2017	100,000,000	13.19
150,000,000		Natixis Financial Products LLC, 0.51%, dated 30/12/2016, due 3/1/2017	150,000,000	19.79
		TOTAL REPURCHASE AGREEMENTS	444,000,000	58.57
		TOTAL BALANCES DUE FROM BROKERS	444,000,000	58.57
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
U.S. Treasury				
7,000,000	1	United States Treasury Bills, 0.425%, 19/1/2017	6,998,512	0.92
6,000,000	1	United States Treasury Bills, 0.6%–0.61%, 27/4/2017	5,988,303	0.79
5,000,000		United States Treasury Bonds, 8.75%, 15/5/2017	5,150,275	0.68
60,000,000	2	United States Treasury Floating Rate Notes, 0.63%–0.633%, 4/1/2017	60,008,803	7.92
13,000,000		United States Treasury Notes, 0.5%–3.125%, 30/4/2017	13,030,722	1.72
99,500,000		United States Treasury Notes, 0.5%–3.125%, 31/1/2017	99,613,619	13.14
5,000,000		United States Treasury Notes, 0.5%, 31/7/2017	4,994,923	0.66
12,500,000		United States Treasury Notes, 0.625%–0.75%, 30/6/2017	12,503,649	1.65
6,000,000		United States Treasury Notes, 0.625%–2.25%, 30/11/2017	6,031,671	0.80
6,500,000		United States Treasury Notes, 0.625%–2.75%, 31/5/2017	6,531,871	0.86
6,000,000		United States Treasury Notes, 0.625%, 15/2/2017	6,000,813	0.79
7,500,000		United States Treasury Notes, 0.75%–1.0%, 31/12/2017	7,497,667	0.99
12,000,000		United States Treasury Notes, 0.75%, 15/1/2017	12,001,026	1.58
14,000,000		United States Treasury Notes, 0.75%, 15/3/2017	14,006,113	1.85
8,000,000		United States Treasury Notes, 0.875%–3.0%, 28/2/2017	8,021,749	1.06
17,000,000		United States Treasury Notes, 0.875%–3.25%, 31/12/2016	17,000,000	2.24
4,900,000		United States Treasury Notes, 0.875%, 15/4/2017	4,904,735	0.65
1,000,000		United States Treasury Notes, 1.875%, 31/10/2017	1,008,727	0.13
11,000,000		United States Treasury Notes, 1.875%, 31/8/2017	11,087,963	1.46
4,000,000		United States Treasury Notes, 3.25%, 31/3/2017	4,026,053	0.53
3,000,000		United States Treasury Notes, 4.25%, 15/11/2017	3,087,947	0.41
3,000,000		United States Treasury Notes, 4.75%, 15/8/2017	3,076,098	0.41
		TOTAL U.S. TREASURY	312,571,239	41.24
		TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	312,571,239	41.24
		TOTAL INVESTMENTS	756,571,239	99.81
		OTHER NET ASSETS	1,465,878	0.19
		NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	758,037,117	100.00

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. TREASURY SECURITIES FUND

At 31 December 2016

Analysis of Total Assets	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	41.21
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	58.54
(d) Other assets	0.25
TOTAL ASSETS	100.00

Note: Note: The categories of investments are shown as a percentage of net assets (US\$758,037,117) attributable to participating Shareholders at 31 December 2016.

1 The issue shows the discount rate at time of purchase.

2 Floating rate note with current rate and next reset date shown.

The following acronym is used throughout this portfolio:

LLC—Limited Liability Corporation

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. PRIME FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
BALANCES DUE FROM BROKERS			
Repurchase Agreements			
98,000,000	BNP Paribas Securities Corp., 0.5%, dated 30/12/2016, due 3/1/2017	98,000,000	3.67
150,000,000	Citigroup Global Markets, Inc., 0.51%, dated 30/12/2016, due 3/1/2017	150,000,000	5.62
100,000,000	HSBC Securities (USA), Inc., 0.47%, dated 30/12/2016, due 3/1/2017	100,000,000	3.74
100,000,000	Natixis Financial Products LLC, 0.51%, dated 30/12/2016, due 3/1/2017	100,000,000	3.74
	TOTAL REPURCHASE AGREEMENTS	448,000,000	16.77
	TOTAL BALANCES DUE FROM BROKERS	448,000,000	16.77
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Certificate of Deposits			
BANKING			
75,000,000	Bank of Montreal, 0.67%, 3/1/2017	75,000,000	2.81
50,000,000	Bank of Nova Scotia, Toronto, 1.23%, 24/2/2017	50,000,000	1.87
130,000,000	Bank of Tokyo-Mitsubishi UFJ Ltd., 0.65%, 3/1/2017	130,000,000	4.87
50,000,000	Credit Suisse AG, 0.95%, 15/2/2017	49,940,769	1.87
130,000,000	DZ Bank AG Deutsche Zentral-Genossenschaftsbank, 1.2%–1.24%, 27/3/2017–6/6/2017	129,619,145	4.85
50,000,000	HSBC Bank PLC, 1.16%, 6/4/2017	50,000,000	1.87
75,000,000	Sumitomo Mitsui Banking Corp., 0.8%, 6/1/2017	75,000,000	2.81
20,000,000	Toronto Dominion Bank, 1.2%, 28/2/2017	20,000,000	0.75
20,000,000	Wells Fargo Bank, N.A., 1.3%, 9/11/2017	20,000,000	0.75
	TOTAL BANKING	599,559,914	22.45
	TOTAL CERTIFICATE OF DEPOSITS	599,559,914	22.45
Commercial Paper			
BANKING			
35,000,000	Alpine Securitization Ltd., (Credit Suisse AG LIQ), Series 144A, 1.053%, 10/3/2017	34,930,583	1.31
50,000,000	Anglesea Funding LLC, Series 144A, 0.85%, 5/1/2017	49,995,278	1.87
46,000,000	Bank of Nova Scotia, Toronto, Series 144A, 1.105%–1.208%, 23/2/2017–14/3/2017	45,909,633	1.72
90,000,000	Banque et Caisse d'Epargne de L'Etat, 1.03%–1.07%, 3/2/2017–6/3/2017	89,872,371	3.36
50,000,000	Commonwealth Bank of Australia, 1.167%, 6/4/2017	50,000,000	1.87
10,000,000	J.P. Morgan Securities LLC, 1.211%, 28/7/2017	9,930,667	0.37
62,300,000	Matchpoint Finance PLC, (BNP Paribas SA LIQ), 1.01%–1.05%, 27/2/2017	62,198,897	2.33
48,000,000	Matchpoint Finance PLC, (BNP Paribas SA LIQ), Series 144A, 0.912%, 2/2/2017	47,961,173	1.80
120,850,000	OP Corporate Bank plc, 0.94%–1.21%, 10/1/2017–7/3/2017	120,720,784	4.52
78,000,000	Starbird Funding Corp., Series 144A, 0.952%–1.003%, 12/1/2017–16/2/2017	77,930,750	2.92
40,000,000	Toronto Dominion Bank, 0.97%, 19/1/2017	39,980,696	1.50
	TOTAL BANKING	629,430,832	23.57
FINANCE–RETAIL			
50,000,000	CAFCO, LLC, Series 144A, 1.187%, 9/2/2017	49,936,083	1.87
50,000,000	CRC Funding, LLC, Series 144A, 1.258%, 13/3/2017	49,876,736	1.86
50,000,000	Old Line Funding, LLC, Series 144A, 1.268%, 7/3/2017	49,886,250	1.87
	TOTAL FINANCE–RETAIL	149,699,069	5.60

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. PRIME FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Commercial Paper (Continued)			
SOVEREIGN			
103,000,000	Agence Centrale des Organismes de Securite Sociale, 0.94%–1.034%, 17/1/2017–21/2/2017	102,905,054	3.85
26,100,000	Caisse des Depots et Consignations (CDC), 0.725%, 11/1/2017	26,094,746	0.98
115,000,000	Kells Funding, LLC, (FMS Wertmanagement AoR LIQ), Series 144A, 1.049%–1.064%, 6/2/2017–16/2/2017	114,883,695	4.30
100,000,000	KFW, 0.685%, 11/1/2017	99,980,977	3.74
	TOTAL SOVEREIGN	343,864,472	12.87
	TOTAL COMMERCIAL PAPER	1,122,994,373	42.04
Corporate Bonds			
BANKING			
1,800,000	Nordea Bank AB, 3.125%, 20/3/2017	1,807,417	0.07
50,000,000	Royal Bank of Canada, 1.212%, 23/1/2017	49,999,567	1.87
	TOTAL BANKING	51,806,984	1.94
	TOTAL CORPORATE BONDS	51,806,984	1.94
Notes – Variable (1)			
BANKING			
25,000,000	Bank of Montreal, 1.231%, 3/2/2017	25,000,000	0.94
30,000,000	Bank of Montreal, 1.286%, 27/1/2017	30,000,000	1.12
15,000,000	Bedford Row Funding Corp., (Guaranteed by Royal Bank of Canada), Series 144A, 1.06%, 13/1/2017	15,000,000	0.56
15,000,000	Bedford Row Funding Corp., (Guaranteed by Royal Bank of Canada), Series 144A, 1.187%, 30/1/2017	15,000,000	0.56
40,000,000	Bedford Row Funding Corp., (Guaranteed by Royal Bank of Canada), Series 144A, 1.212%, 13/2/2017	40,000,000	1.50
25,000,000	J.P. Morgan Securities LLC, 1.181%, 31/1/2017	25,000,000	0.94
50,000,000	J.P. Morgan Securities LLC, 1.198%, 10/1/2017	50,000,000	1.87
15,000,000	J.P. Morgan Securities LLC, Series 144A, 1.2%, 17/1/2017	15,000,000	0.56
10,000,000	Royal Bank of Canada, 1.287%, 27/2/2017	10,000,000	0.37
25,000,000	Toronto Dominion Bank, 1.284%, 2/3/2017	25,000,000	0.94
89,932,402	Wells Fargo Bank International, 0.65%, 6/1/2017	89,932,402	3.37
25,000,000	Wells Fargo Bank, N.A., 1.261%, 16/2/2017	25,000,000	0.94
	TOTAL BANKING	364,432,402	13.67
FINANCE - RETAIL			
15,000,000	Old Line Funding, LLC, Series 144A, 1.08%, 13/6/2017	15,000,000	0.56
34,000,000	Old Line Funding, LLC, Series 144A, 1.156%, 27/6/2017	34,000,000	1.27
35,000,000	Thunder Bay Funding, LLC, Series 144A, 1.349%, 22/2/2017	35,000,000	1.31
	TOTAL FINANCE - RETAIL	84,000,000	3.14
	TOTAL NOTES – VARIABLE (1)	448,432,402	16.81

PORTFOLIO OF INVESTMENTS – FEDERATED SHORT-TERM U.S. PRIME FUND

At 31 December 2016

Principal Amount or Shares	Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	2,223,293,673	83.24
TOTAL INVESTMENTS	2,671,293,673	100.01
OTHER NET LIABILITIES	(390,663)	(0.01)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	2,670,903,010	100.00

Analysis of Total Assets	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	83.17
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	16.76
(d) Other assets	0.07
TOTAL ASSETS	100.00

Note: The categories of investments are shown as a percentage of net assets (US\$2,670,903,010) attributable to participating shareholders at 31 December 2016.

1 Floating rate note with current rate and next reset date shown.

The following acronyms are used throughout this portfolio:

AB—Corporation (Aktiebolag)

AG—Corporation (Aktiengesellschaft)

LLC—Limited Liability Corporation

N.A.—National Association

PLC—Public Limited Company

SA—Corporation (Société Anonyme)

PORTFOLIO OF INVESTMENTS – FEDERATED HIGH INCOME ADVANTAGE FUND

At 31 December 2016

Principal Amount		Fair Value US\$	% of Total Net Assets
BALANCES DUE FROM BROKERS			
Repurchase Agreements			
526,000	BNP Paribas Securities Corp., 0.5%, dated 30/12/2016, due 3/1/2017	526,000	1.40
	TOTAL REPURCHASE AGREEMENTS	526,000	1.40
	TOTAL BALANCES DUE FROM BROKERS	526,000	1.40
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Corporate Bonds			
AEROSPACE / DEFENSE			
50,000	Engility Corp., Sr. Unsecd. Note, Series 144A, 8.875%, 1/9/2024	52,563	0.14
125,000	TransDigm, Inc., 5.5%, 15/10/2020	128,203	0.34
100,000	TransDigm, Inc., Sr. Sub. Note, 6.5%, 15/5/2025	105,125	0.28
50,000	TransDigm, Inc., Sr. Sub. Note, 6.5%, 15/7/2024	52,562	0.14
50,000	TransDigm, Inc., Sr. Unsecd. Note, Series 144A, 6.375%, 15/6/2026	51,600	0.14
	TOTAL AEROSPACE / DEFENSE	390,053	1.04
AUTOMOTIVE			
200,000	Adient Global Holdings Ltd., Sr. Unsecd. Note, Series 144A, 4.875%, 15/8/2026	196,500	0.52
100,000	Allison Transmission, Inc., Sr. Unsecd. Note, Series 144A, 5.0%, 1/10/2024	101,250	0.27
75,000	BCD Acquisition, Inc., Series 144A, 9.625%, 15/9/2023	80,625	0.21
50,000	Cooper-Standard Automotive, Inc., Sr. Unsecd. Note, Series 144A, 5.625%, 15/11/2026	49,563	0.13
75,000	Dana Financing Lux Sarl, Series 144A, 6.5%, 1/6/2026	78,562	0.21
200,000	Gates Global LLC, Series 144A, 6.0%, 15/7/2022	196,600	0.52
100,000	Goodyear Tire & Rubber Co., Sr. Unsecd. Note, 5.0%, 31/5/2026	99,794	0.27
100,000	MPG Holdco I, Inc., Sr. Unsecd. Note, 7.375%, 15/10/2022	105,000	0.28
100,000	Tenneco, Inc., Sr. Unsecd. Note, 5.375%, 15/12/2024	103,780	0.28
100,000	TI Group Auto Systems LLC, Sr. Unsecd. Note, Series 144A, 8.75%, 15/7/2023	105,000	0.28
	TOTAL AUTOMOTIVE	1,116,674	2.97
BUILDING MATERIALS			
100,000	Allegion PLC, Sr. Unsecd. Note, 5.875%, 15/9/2023	106,500	0.28
150,000	Beacon Roofing Supply, Inc., 6.375%, 1/10/2023	160,782	0.43
75,000	Masonite International Corp., Sr. Unsecd. Note, Series 144A, 5.625%, 15/3/2023	77,812	0.21
75,000	NCI Building System, Inc., Sr. Unsecd. Note, Series 144A, 8.25%, 15/1/2023	81,375	0.21
75,000	Ply Gem Industries, Inc., 6.5%, 1/2/2022	78,094	0.21
150,000	RSI Home Products, Inc., Series 144A, 6.5%, 15/3/2023	157,500	0.42
	TOTAL BUILDING MATERIALS	662,063	1.76
CABLE SATELLITE			
250,000	Altice US Finance I Corp., Sr. Unsecd. Note, Series 144A, 7.75%, 15/7/2025	276,250	0.73
150,000	Cablevision Systems Corp., Sr. Unsecd. Note, 5.875%, 15/9/2022	146,625	0.39
175,000	CCO Holdings LLC/Cap Corp., 5.75%, 1/9/2023	183,312	0.49
50,000	CCO Holdings LLC/Cap Corp., Series 144A, 5.375%, 1/5/2025	51,625	0.14
75,000	CCO Holdings LLC/Cap Corp., Series 144A, 5.75%, 15/2/2026	77,813	0.21
75,000	CCO Holdings LLC/Cap Corp., Sr. Unsecd. Note, Series 144A, 5.875%, 1/4/2024	80,250	0.21
75,000	Charter Communications Holdings II, 5.125%, 15/2/2023	77,250	0.20

PORTFOLIO OF INVESTMENTS – FEDERATED HIGH INCOME ADVANTAGE FUND

At 31 December 2016

Principal Amount		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
CABLE SATELLITE (CONTINUED)			
50,000	Charter Communications Holdings II, 6.625%, 31/1/2022	51,875	0.14
225,000	CSC Holdings, Inc., Sr. Unsecd. Note, 5.25%, 1/6/2024	220,500	0.59
50,000	DISH DBS Corp., 5.0%, 15/3/2023	49,875	0.13
125,000	DISH DBS Corp., 5.875%, 15/7/2022	131,875	0.35
100,000	DISH DBS Corp., Sr. Unsecd. Note, 5.875%, 15/11/2024	103,275	0.27
150,000	Intelsat (Luxembourg) S. A., Sr. Unsecd. Note, 8.125%, 1/6/2023	47,625	0.13
50,000	Intelsat Jackson Holdings S.A., Series 144A, 8.0%, 15/2/2024	51,625	0.14
50,000	Intelsat Jackson Holdings S.A., Sr. Unsecd. Note, 5.5%, 1/8/2023	33,940	0.09
250,000	Intelsat Jackson Holdings S.A., Sr. Unsecd. Note, 7.5%, 1/4/2021	191,875	0.51
275,000	Sirius XM Radio, Inc., Sr. Unsecd. Note, Series 144A, 5.375%, 15/4/2025	274,312	0.73
200,000	Virgin Media Secured Finance PLC, Series 144A, 5.25%, 15/1/2026	198,250	0.53
200,000	Virgin Media, Inc., Sr. Unsecd. Note, Series 144A, 5.75%, 15/1/2025	201,250	0.54
200,000	Ziggo Finance BV, Sec. Fac. Bond, Series 144A, 5.5%, 15/1/2027	195,460	0.52
	TOTAL CABLE SATELLITE	2,644,862	7.04
CHEMICALS			
50,000	Axalta Coating Systems LLC, Sr. Unsecd. Note, Series 144A, 4.875%, 15/8/2024	50,125	0.13
100,000	Compass Minerals International, Inc., Series 144A, 4.875%, 15/7/2024	95,000	0.25
50,000	Eco Services Operations LLC, Sr. Unsecd. Note, Series 144A, 8.5%, 1/11/2022	53,375	0.14
125,000	Hexion U.S. Finance Corp., 6.625%, 15/4/2020	111,250	0.30
50,000	Hexion U.S. Finance Corp., Sr. Secd. Note, 8.875%, 1/2/2018	50,000	0.13
200,000	Huntsman International LLC, Sr. Unsecd. Note, 4.875%, 15/11/2020	208,250	0.56
150,000	Platform Specialty Products Corp., Sr. Unsecd. Note, Series 144A, 10.375%, 1/5/2021	166,500	0.44
125,000	Platform Specialty Products Corp., Sr. Unsecd. Note, Series 144A, 6.50%, 1/2/2022	126,562	0.34
50,000	PQ Corp., Series 144A, 6.75%, 15/11/2022	53,625	0.14
	TOTAL CHEMICALS	914,687	2.43
CONSTRUCTION MACHINERY			
50,000	Ritchie Bros. Auctioneers, Inc., Sr. Unsecd. Note, Series 144A, 5.375%, 15/1/2025	51,125	0.14
100,000	United Rentals, Inc., 5.75%, 15/11/2024	105,500	0.28
	TOTAL CONSTRUCTION MACHINERY	156,625	0.42
CONSUMER CYCLICAL SERVICES			
50,000	Garda World Security Corp., Series 144A, 7.25%, 15/11/2021	46,750	0.12
100,000	Garda World Security Corp., Series 144A, 7.25%, 15/11/2021	93,500	0.25
150,000	Hearthside Group Holdings LLC, Series 144A, 6.5%, 1/5/2022	149,812	0.40
125,000	ServiceMaster Co. LLC, Sr. Unsecd. Note, Series 144A, 5.125%, 15/11/2024	127,188	0.34
	TOTAL CONSUMER CYCLICAL SERVICES	417,250	1.11
CONSUMER PRODUCTS			
125,000	FGI Operating Co. LLC/FGI Finance, Inc., 7.875%, 1/5/2020	106,875	0.29
150,000	First Quality Finance Co. Inc., Series 144A, 4.625%, 15/5/2021	149,250	0.40
50,000	Party City Holdings, Inc., Sr. Unsecd. Note, Series 144A, 6.125%, 15/8/2023	52,500	0.14

PORTFOLIO OF INVESTMENTS – FEDERATED HIGH INCOME ADVANTAGE FUND

At 31 December 2016

Principal Amount		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
CONSUMER PRODUCTS (CONTINUED)			
200,000	Prestige Brands, Inc., Sr. Unsecd. Note, Series 144A, 6.375%, 1/3/2024	211,000	0.56
50,000	Scotts Miracle-Gro Co., Sr. Unsecd. Note, Series 144A, 5.25%, 15/12/2026	50,125	0.13
50,000	Spectrum Brands, Inc., 5.75%, 15/7/2025	52,125	0.14
50,000	Spectrum Brands, Inc., 6.125%, 15/12/2024	53,000	0.14
50,000	Tempur Sealy International, Inc., Sr. Unsecd. Note, 5.5%, 15/6/2026	50,375	0.13
50,000	Valvoline Finco Two LLC, Sr. Unsecd. Note, Series 144A, 5.5%, 15/7/2024	51,875	0.14
	TOTAL CONSUMER PRODUCTS	777,125	2.07
DIVERSIFIED MANUFACTURING			
75,000	Entegris, Inc., Series 144A, 6.0%, 1/4/2022	78,281	0.21
225,000	WESCO Distribution, Inc., Sr. Unsecd. Note, 5.375%, 15/12/2021	233,438	0.62
50,000	WESCO Distribution, Inc., Sr. Unsecd. Note, Series 144A, 5.375%, 15/6/2024	50,250	0.13
	TOTAL DIVERSIFIED MANUFACTURING	361,969	0.96
FINANCIAL INSTITUTIONS			
300,000	Ally Financial, Inc., Sr. Sub. Note, 5.75%, 20/11/2025	300,375	0.80
50,000	Ally Financial, Inc., Sr. Unsecd. Note, 2.75%, 30/1/2017	50,019	0.13
250,000	Ally Financial, Inc., Sr. Unsecd. Note, 4.625%, 30/3/2025	247,187	0.66
100,000	Hub Holdings LLC/Hub Hol, Sr. Unsecd. Note, Series 144A, 8.125%, 15/7/2019	100,250	0.27
225,000	Hub International Ltd., Sr. Unsecd. Note, Series 144A, 7.875%, 1/10/2021	238,255	0.63
275,000	Navient Corp., Sr. Unsecd. Note, 5.875%, 25/10/2024	262,625	0.70
200,000	Quicken Loans, Inc., Series 144A, 5.75%, 1/5/2025	195,500	0.52
	TOTAL FINANCIAL INSTITUTIONS	1,394,211	3.71
FOOD & BEVERAGE			
50,000	AdvancePierre Foods Holdings, Inc., Sr. Unsecd. Note, Series 144A, 5.5%, 15/12/2024	50,594	0.14
200,000	Anna Merger Sub, Inc., Series 144A, 7.75%, 1/10/2022	169,000	0.45
50,000	Aramark Services, Inc., Series 144A, 4.75%, 1/6/2026	49,625	0.13
50,000	Aramark Services, Inc., Sr. Unsecd. Note, 5.125%, 15/1/2024	51,687	0.14
50,000	Lamb Weston Holdings, Inc., Sr. Unsub., Series 144A, 4.875%, 1/11/2026	49,594	0.13
50,000	Performance Food Group, Inc., Series 144A, 5.5%, 1/6/2024	50,500	0.13
325,000	Post Holdings, Inc., Sr. Unsecd. Note, Series 144A, 5.0%, 15/8/2026	312,000	0.83
125,000	U.S. Foodservice, Inc., Sr. Unsecd. Note, Series 144A, 5.875%, 15/6/2024	129,688	0.35
	TOTAL FOOD & BEVERAGE	862,688	2.30
GAMING			
175,000	Boyd Gaming Corp., Sr. Unsecd. Note, 6.875%, 15/5/2023	188,781	0.50
100,000	Chester Downs & Marina, Series 144A, 9.25%, 1/2/2020	96,500	0.26
75,000	GLP Capital LP / GLP Financing II, Inc., Sr. Unsecd. Note, 5.375%, 15/4/2026	78,405	0.21
150,000	MGM Mirage, Inc., Sr. Unsecd. Note, 6.75%, 1/10/2020	167,250	0.45
50,000	MGM Resorts International, 6.00%, 15/3/2023	54,125	0.14
50,000	MGP Escrow Issuer LLC/MGP Escrow Co-Issuer, Inc., Series 144A, 5.625%, 1/5/2024	52,500	0.14
100,000	Mohegan Tribal Gaming Authority, Sr. Unsecd. Note, Series 144A, 7.875%, 15/10/2024	102,375	0.27

PORTFOLIO OF INVESTMENTS – FEDERATED HIGH INCOME ADVANTAGE FUND

At 31 December 2016

Principal Amount		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
GAMING (CONTINUED)			
150,000	Penn National Gaming, Inc., 5.875%, 1/11/2021	157,125	0.42
125,000	Pinnacle Entertainment, Inc., Series 144A, 5.625%, 1/5/2024	125,625	0.33
100,000	Rivers Pittsburgh LP, Series 144A, 6.125%, 15/8/2021	102,500	0.27
150,000	Seminole Hard Rock Entertainment, Inc./Seminole Hard Rock International LLC, Series 144A, 5.875%, 15/5/2021	149,250	0.40
175,000	Station Casinos, Inc., Sr. Note, 7.5%, 1/3/2021	183,750	0.49
	TOTAL GAMING	1,458,186	3.88
HEALTHCARE			
200,000	Acadia Healthcare Co., Inc., Sr. Unsecd. Note, 5.625%, 15/2/2023	201,000	0.53
50,000	Acadia Healthcare Co., Inc., Sr. Unsecd. Note, 6.5%, 1/3/2024	51,250	0.14
150,000	Air Medical Group Holdings, Inc., Sr. Unsecd. Note, Series 144A, 6.375%, 15/5/2023	144,750	0.39
75,000	Amsurg Corp., Sr. Unsecd. Note, 5.625%, 15/7/2022	77,606	0.21
75,000	CHS/Community Health Systems, Inc., 5.125%, 1/8/2021	69,750	0.19
300,000	CHS/Community Health Systems, Inc., Sr. Unsecd. Note, 6.875%, 1/2/2022	210,000	0.56
50,000	DaVita HealthCare Partners, Inc., 5.0%, 1/5/2025	49,313	0.13
75,000	DaVita HealthCare Partners, Inc., 5.125%, 15/7/2024	74,953	0.20
100,000	Emdeon, Inc., 11.0%, 31/12/2019	103,275	0.27
50,000	Emdeon, Inc., Sr. Unsecd. Note, Series 144A, 6.0%, 15/2/2021	52,375	0.14
150,000	Envision Healthcare Holdings, Inc., Series 144A, 5.125%, 1/7/2022	150,187	0.40
325,000	HCA, Inc., 5.0%, 15/3/2024	335,156	0.89
50,000	HCA, Inc., 5.25%, 15/6/2026	51,813	0.14
75,000	HCA, Inc., 5.875%, 15/2/2026	77,438	0.21
50,000	HCA, Inc., 6.25%, 15/2/2021	53,937	0.14
75,000	HCA, Inc., Sr. Unsecd. Note, 5.375%, 1/2/2025	75,281	0.20
225,000	HCA, Inc., Term Loan—1st Lien, 5.25%, 15/4/2025	235,406	0.63
200,000	lasis Healthcare, Sr. Unsecd. Note, 8.375%, 15/5/2019	175,000	0.47
50,000	LifePoint Health, Inc., 5.875%, 1/12/2023	50,750	0.13
50,000	LifePoint Health, Inc., Sr. Unsecd. Note, Series 144A, 5.375%, 1/5/2024	49,100	0.13
225,000	MPH Acquisition Holdings LLC, Series 144A, 7.125%, 1/6/2024	237,398	0.63
75,000	New Amethyst Corp., Sr. Unsecd. Note, Series 144A, 6.25%, 1/12/2024	79,313	0.21
325,000	Ortho-Clinical Diagnostics, Inc., Series 144A, 6.625%, 15/5/2022	289,250	0.77
175,000	SteriGenics-Nordion Holdings LLC, Sr. Unsecd. Note, Series 144A, 6.5%, 15/5/2023	178,500	0.47
100,000	SteriGenics Nordion Topc, Sr. Unsecd. Note, Series 144A, 8.125%, 1/11/2021	99,750	0.27
125,000	Surgical Care Affiliates, Inc., Sr. Unsecd. Note, Series 144A, 6.0%, 1/4/2023	129,688	0.35
100,000	Team Health, Inc., Sr. Unsecd. Note, Series 144A, 7.25%, 15/12/2023	114,000	0.30
100,000	Teleflex, Inc., Sr. Unsecd. Note, 4.875%, 1/6/2026	99,250	0.26
100,000	Teleflex, Inc., Sr. Unsecd. Note, 5.25%, 15/6/2024	103,125	0.27
125,000	Tenet Healthcare Corp., 8.125%, 1/4/2022	118,562	0.32
125,000	Tenet Healthcare Corp., Sr. Secd. Note, 4.5%, 1/4/2021	125,000	0.33
300,000	Tenet Healthcare Corp., Sr. Unsecd. Note, 6.75%, 15/6/2023	264,750	0.70

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
HEALTHCARE (CONTINUED)			
50,000	Tenet Healthcare Corp., Term Loan—2nd Lien, Series 144A, 7.5%, 1/1/2022	52,250	0.14
125,000	Vizient, Inc., Sr. Unsecd. Note, Series 144A, 10.375%, 1/3/2024	141,875	0.38
	TOTAL HEALTHCARE	4,321,051	11.50
INDEPENDENT ENERGY			
100,000	Antero Resources Corp., 6.0%, 1/12/2020	103,005	0.27
50,000	Antero Resources Corp., Sr. Unsecd. Note, 5.125%, 1/12/2022	50,750	0.13
100,000	Antero Resources Corp., Sr. Unsecd. Note, Series 144A, 5.0%, 1/3/2025	98,301	0.26
50,000	Callon Petroleum Corp., Sr. Unsecd. Note, Series 144A, 6.125%, 1/10/2024	51,750	0.14
50,000	Carrizo Oil & Gas, Inc., 6.25%, 15/4/2023	51,500	0.14
100,000	Carrizo Oil & Gas, Inc., Sr. Unsecd. Note, 7.5%, 15/9/2020	103,750	0.28
100,000	Chesapeake Energy Corp., 5.75%, 15/3/2023	94,500	0.25
75,000	Chesapeake Energy Corp., Series 144A, 8.0%, 15/12/2022	81,319	0.22
50,000	Chesapeake Energy Corp., Sr. Unsecd. Note, Series 144A, 8.0%, 15/1/2025	51,188	0.14
125,000	Continental Resources, Inc., 4.5%, 15/4/2023	123,125	0.33
50,000	Diamondback Energy, Inc., Sr. Unsecd. Note, Series 144A, 4.75%, 1/11/2024	49,250	0.13
25,000	Diamondback Energy, Inc., Sr. Unsecd. Note, Series 144A, 5.375%, 31/5/2025	25,205	0.07
50,000	EP Energy LLC / Everest Acquisition Finance, Inc., Sec. Fac. Bond, Series 144A, 8.0%, 29/11/2024	53,985	0.14
50,000	Gulfport Energy Corp., Sr. Unsecd. Note, Series 144A, 6.0%, 15/10/2024	51,125	0.14
50,000	Gulfport Energy Corp., Sr. Unsecd. Note, Series 144A, 6.375%, 15/5/2025	50,760	0.14
50,000	Halcon Resources Corp., Series 144A, 8.625%, 1/2/2020	52,250	0.14
50,000	Laredo Petroleum, 5.625%, 15/1/2022	50,625	0.13
50,000	Laredo Petroleum, Sr. Unsecd. Note, 6.25%, 15/3/2023	52,000	0.14
100,000	Northern Oil and Gas, Inc., Sr. Note, 8.0%, 1/6/2020	83,500	0.22
50,000	Oasis Petroleum Inc., 6.875%, 15/3/2022	51,500	0.14
100,000	Oasis Petroleum Inc., Company Guarantee, 6.5%, 1/11/2021	102,375	0.27
25,000	Parsley Energy LLC / Parsley Finance Corp., Series 144A, 6.25%, 1/6/2024	26,433	0.07
50,000	Parsley Energy LLC / Parsley Finance Corp., Sr. Unsecd. Note, Series 144A, 5.375%, 15/1/2025	50,420	0.13
50,000	PDC Energy, Inc., Sr. Unsecd. Note, Series 144A, 6.125%, 15/9/2024	51,375	0.14
50,000	QEP Resources, Inc., Sr. Unsecd. Note, 5.25%, 1/5/2023	50,375	0.13
125,000	QEP Resources, Inc., Sr. Unsecd. Note, 6.875%, 1/3/2021	133,437	0.36
75,000	Range Resources Corp., Sr. Unsecd. Note, 4.875%, 15/5/2025	73,031	0.19
25,000	Range Resources Corp., Sr. Unsecd. Note, Series 144A, 5.0%, 15/8/2022	24,969	0.07
100,000	Rice Energy, Inc., Sr. Unsecd. Note, 6.25%, 1/5/2022	103,250	0.27
50,000	RSP Permian, Inc., Sr. Unsecd. Note, 6.625%, 1/10/2022	53,125	0.14
50,000	RSP Permian, Inc., Sr. Unsecd. Note, Series 144A, 5.25%, 15/1/2025	50,375	0.13
75,000	SM Energy Co., Sr. Unsecd. Note, 5.0%, 15/1/2024	71,062	0.19
50,000	SM Energy Co., Sr. Unsecd. Note, 5.625%, 1/6/2025	48,500	0.13
50,000	SM Energy Co., Sr. Unsecd. Note, 6.5%, 1/1/2023	51,062	0.14

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
INDEPENDENT ENERGY (CONTINUED)			
100,000	Southwestern Energy Co., Sr. Unsecd. Note, 4.1%, 15/3/2022	94,980	0.25
50,000	Whiting Petroleum Corp., Sr. Unsecd. Note, 5.75%, 15/3/2021	50,042	0.13
75,000	Whiting Petroleum Corp., Sr. Unsecd. Note, 6.25%, 1/4/2023	75,375	0.20
50,000	WPX Energy Inc., Sr. Unsecd. Note, 8.25%, 1/8/2023	56,125	0.15
	TOTAL INDEPENDENT ENERGY	2,495,699	6.64
INDUSTRIAL – OTHER			
175,000	Anixter, Inc., 5.5%, 1/3/2023	182,219	0.49
175,000	Hillman Group, Inc., Unsecd. Note, Series 144A, 6.375%, 15/7/2022	165,375	0.44
50,000	Unifrax Investment Corp., Series 144A, 7.5%, 15/2/2019	50,000	0.13
	TOTAL INDUSTRIAL – OTHER	397,594	1.06
LEISURE			
50,000	AMC Entertainment Holdings, Inc., Sr. Sub. Note, Series 144A, 5.875%, 15/11/2026	51,250	0.14
50,000	Cedar Fair LP, Sr. Unsecd. Note, 5.375%, 1/6/2024	51,750	0.14
125,000	Hard Rock Park Operations LLC, Sr. Secd. Note, Series 144A, 7.4%, 1/12/2099	0	0.00
50,000	Live Nation Entertainment, Inc., Sr. Unsecd. Note, Series 144A, 4.875%, 1/11/2024	50,250	0.13
100,000	Regal Cinemas, Inc., 5.75%, 1/2/2025	102,000	0.27
	TOTAL LEISURE	255,250	0.68
LODGING			
50,000	Hilton Domestic Operations, Series 144A, 4.25%, 1/9/2024	48,750	0.13
75,000	RHP Hotel Property/RHP Finance Corp., Sr. Unsecd. Note, 5.0%, 15/4/2023	76,125	0.20
	TOTAL LODGING	124,875	0.33
MEDIA ENTERTAINMENT			
150,000	AMC Networks, Inc., Sr. Unsecd. Note, 4.75%, 15/12/2022	151,312	0.40
75,000	AMC Networks, Inc., Sr. Unsecd. Note, 5.0%, 1/4/2024	75,469	0.20
50,000	CBS Outdoor Americas Capital LLC / Corp., Sr. Unsecd. Note, 5.625%, 15/2/2024	52,312	0.14
50,000	CBS Radio, Inc., Sr. Unsecd. Note, Series 144A, 7.25%, 1/11/2024	52,375	0.14
100,000	Clear Channel Communications, Inc., Company Guarantee, 9.0%, 1/3/2021	74,375	0.20
150,000	Clear Channel Worldwide, Series B, 6.5%, 15/11/2022	154,125	0.41
125,000	EMI Music Publishing Group North America Holdings, Inc., Series 144A, 7.625%, 15/6/2024	135,625	0.36
125,000	Gannett Co., Inc., 6.375%, 15/10/2023	132,737	0.35
125,000	Gray Television, Inc., Sr. Unsecd. Note, Series 144A, 5.875%, 15/7/2026	124,375	0.33
50,000	Lamar Media Corp., Sr. Unsecd. Note, 5.75%, 1/2/2026	52,813	0.14
125,000	Lin Television Corp., Sr. Unsecd. Note, 5.875%, 15/11/2022	127,813	0.34
125,000	Match Group, Inc., Sr. Unsecd. Note, 6.375%, 1/6/2024	132,344	0.35
50,000	McGraw Hill Global Education Holdings LLC, Sr. Unsecd. Note, Series 144A, 7.875%, 15/5/2024	50,563	0.14
125,000	Nexstar Broadcasting, Inc., Sr. Unsecd. Note, 6.875%, 15/11/2020	129,687	0.35
50,000	Nexstar Escrow Corp., Sr. Unsecd. Note, Series 144A, 5.625%, 1/8/2024	49,750	0.13
200,000	Nielsen Finance LLC/Nielsen Finance Co., 4.5%, 1/10/2020	203,750	0.54

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
MEDIA ENTERTAINMENT (CONTINUED)			
125,000	Radio One, Inc., Series 144A, 7.375%, 15/4/2022	124,375	0.33
50,000	Radio One, Inc., Series 144A, 9.25%, 15/2/2020	45,625	0.12
250,000	Sinclair Television Group, Series 144A, 5.625%, 1/8/2024	256,250	0.68
100,000	Southern Graphics Systems, Inc., Series 144A, 8.375%, 15/10/2020	102,000	0.27
75,000	Townsquare Media, Inc., Sr. Unsecd. Note, Series 144A, 6.5%, 1/4/2023	71,906	0.19
175,000	Tribune Media Co., Sr. Unsecd. Note, 5.875%, 15/7/2022	178,281	0.48
50,000	WMG Acquisition Corp., Series 144A, 5.0%, 1/8/2023	50,375	0.14
	TOTAL MEDIA ENTERTAINMENT	2,528,237	6.73
METALS & MINING			
125,000	ArcelorMittal SA, 6.125%, 1/6/2025	137,500	0.37
100,000	Freeport-McMoRan, Inc., Sr. Unsecd. Note, 3.875%, 15/3/2023	92,250	0.25
200,000	Freeport-McMoRan, Inc., Sr. Unsecd. Note, 5.4%, 14/11/2034	169,000	0.45
50,000	HudBay Minerals, Inc., Sr. Unsecd. Note, Series 144A, 7.625%, 15/1/2025	52,094	0.14
75,000	Steel Dynamics, Inc., Sr. Unsecd. Note, 5.125%, 1/10/2021	78,595	0.21
75,000	Steel Dynamics, Inc., Sr. Unsecd. Note, 5.5%, 1/10/2024	79,688	0.21
100,000	Teck Resources Ltd., Sr. Unsecd. Note, 6.125%, 1/10/2035	97,750	0.26
50,000	Teck Resources Ltd., Sr. Unsecd. Note, Series 144A, 8.5%, 1/6/2024	57,750	0.15
	TOTAL METALS & MINING	764,627	2.04
MIDSTREAM			
125,000	Access Midstream Partners LP, Sr. Unsecd. Note, 4.875%, 15/3/2024	126,262	0.34
50,000	AmeriGas Partners LP, Sr. Unsecd. Note, 5.5%, 20/5/2025	50,688	0.13
50,000	AmeriGas Partners LP, Sr. Unsecd. Note, 5.625%, 20/5/2024	51,375	0.14
125,000	AmeriGas Partners LP, Sr. Unsecd. Note, 5.875%, 20/8/2026	127,500	0.34
50,000	Antero Midstream Partners LP, Sr. Unsecd. Note, Series 144A, 5.375%, 15/9/2024	51,125	0.14
100,000	Cheniere Corpus Christi Holdings LLC, Series 144A, 7.0%, 30/6/2024	108,750	0.29
225,000	Energy Transfer Equity LP, 5.875%, 15/1/2024	233,437	0.62
50,000	Ferrellgas LP / Ferrellgas Finance Corp., Sr. Unsecd. Note, 6.75%, 15/6/2023	49,375	0.13
75,000	Ferrellgas, L.P., Sr. Unsecd. Note, 6.5%, 1/5/2021	74,625	0.20
125,000	Ferrellgas, L.P., Sr. Unsecd. Note, 6.75%, 15/1/2022	124,375	0.33
50,000	Hiland Partners LP, Series 144A, 5.5%, 15/5/2022	52,234	0.14
75,000	Holly Energy Partners LP, Series 144A, 6.0%, 1/8/2024	78,563	0.21
175,000	Holly Energy Partners LP, Sr. Unsecd. Note, 6.5%, 1/3/2020	180,687	0.48
75,000	MPLX LP, Sr. Unsecd. Note, 4.875%, 1/12/2024	77,260	0.21
75,000	MPLX LP, Sr. Unsecd. Note, 4.875%, 1/6/2025	77,146	0.20
50,000	Regency Energy Partners LP, 5.5%, 15/4/2023	51,875	0.14
100,000	Sabine Pass LNG LP, 5.625%, 1/2/2021	107,500	0.29
100,000	Sabine Pass LNG LP, 5.625%, 15/4/2023	106,750	0.28
50,000	Sabine Pass LNG LP, Sec. Fac. Bond, Series 144A, 5.0%, 15/3/2027	50,625	0.13
75,000	Suburban Propane Partners LP, 5.5%, 1/6/2024	76,312	0.20

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
MIDSTREAM (CONTINUED)			
144,000	Suburban Propane Partners LP, 7.375%, 1/8/2021	149,400	0.40
175,000	Summit Midstream Holdings LLC, 5.5%, 15/8/2022	171,500	0.46
50,000	Summit Midstream Holdings LLC, Sr. Unsecd. Note, 7.5%, 1/7/2021	52,750	0.14
50,000	Targa Resources Partners LP / Targa Resources Partners Finance Corp., Sr. Unsecd. Note, Series 144A, 5.125%, 1/2/2025	49,813	0.13
75,000	Targa Resources Partners LP / Targa Resources Partners Finance Corp., Sr. Unsecd. Note, Series 144A, 5.375%, 1/2/2027	74,625	0.20
75,000	Tesoro Logistics LP, Sr. Unsecd. Note, 5.875%, 1/10/2020	77,437	0.21
50,000	Tesoro Logistics LP, Sr. Unsecd. Note, 6.125%, 15/10/2021	52,625	0.14
50,000	Tesoro Logistics LP, Sr. Unsecd. Note, 6.25%, 15/10/2022	53,250	0.14
100,000	Tesoro Logistics LP, Sr. Unsecd. Note, 6.375%, 1/5/2024	107,500	0.29
150,000	Western Refining Logistics LP / WNRL Finance Corp., Sr. Unsecd. Note, 7.5%, 15/2/2023	162,750	0.43
100,000	Williams Cos., Inc., Sr. Unsecd. Note, 4.55%, 24/6/2024	99,750	0.26
	TOTAL MIDSTREAM	2,907,864	7.74
OIL FIELD SERVICES			
50,000	Precision Drilling Corp., Sr. Unsecd. Note, Series 144A, 7.75%, 15/12/2023	53,000	0.14
50,000	Tervita Escrow Corp., Term Loan—2nd Lien, Series 144A, 7.625%, 1/12/2021	51,125	0.14
50,000	Weatherford International Ltd., 7.0%, 15/3/2038	41,875	0.11
50,000	Weatherford International Ltd., Sr. Unsecd. Note, Series 144A, 9.875%, 15/2/2024	53,406	0.14
50,000	Weatherford International, Inc., Sr. Unsecd. Note, 6.8%, 15/6/2037	41,250	0.11
	TOTAL OIL FIELD SERVICES	240,656	0.64
PACKAGING			
200,000	ARD Finance SA, Series 144A, 7.125%, 15/9/2023	198,250	0.53
200,000	Ardagh Packaging Finance PLC/Ardagh Holdings, Sr. Unsecd. Note, Series 144A, 7.25%, 15/5/2024	211,500	0.56
175,000	Ball Corp., Sr. Unsecd. Note, 5.25%, 1/7/2025	183,531	0.49
75,000	Berry Plastics Corp., 5.125%, 15/7/2023	76,687	0.20
200,000	Berry Plastics Corp., 5.5%, 15/5/2022	209,000	0.56
200,000	Bway Holding Co., Series 144A, 9.125%, 15/8/2021	212,000	0.57
125,000	Multi-Color Corp., Series 144A, 6.125%, 1/12/2022	131,250	0.35
50,000	Owens-Brockway Glass Container, Inc., Series 144A, 5.875%, 15/8/2023	52,219	0.14
50,000	Owens-Brockway Glass Container, Inc., Series 144A, 6.375%, 15/8/2025	52,844	0.14
125,000	Reynolds Group Issuer, Inc. / LLC / LU, 5.75%, 15/10/2020	129,062	0.34
100,000	Reynolds Group Issuer, Inc. / LLC / LU, Series 144A, 7.0%, 15/7/2024	106,438	0.28
112,708	Reynolds Group, 8.25%, 15/2/2021	116,404	0.31
200,000	Signode Industrial Group, Series 144A, 6.375%, 1/5/2022	202,000	0.54
	TOTAL PACKAGING	1,881,185	5.01
PAPER			
75,000	Clearwater Paper Corp., Sr. Note, 4.5%, 1/2/2023	73,875	0.20
50,000	Clearwater Paper Corp., Sr. Unsecd. Note, Series 144A, 5.375%, 1/2/2025	49,625	0.13
	TOTAL PAPER	123,500	0.33

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
PHARMACEUTICALS			
225,000	ENDO Finance LLC/ENDO Finco, Inc., Sr. Unsecd. Note, Series 144A, 6.5%, 1/2/2025	188,438	0.50
125,000	Grifols Worldwide Operations Ltd., Sr. Unsecd. Note, 5.25%, 1/4/2022	130,000	0.35
200,000	IMS Health, Inc., Sr. Unsecd. Note, Series 144A, 5.0%, 15/10/2026	201,000	0.53
300,000	Jaguar Holding Co. II/Pharmaceutical Product Development LLC, Sr. Unsecd. Note, Series 144A, 6.375%, 1/8/2023	321,750	0.86
300,000	Mallinckrodt International Finance SA/Mallinckrodt CB LLC, Sr. Unsecd. Note, 4.75%, 15/4/2023	262,500	0.70
400,000	Valeant Pharmaceuticals International, Inc., Series 144A, 5.625%, 1/12/2021	312,000	0.83
75,000	Valeant Pharmaceuticals International, Inc., Sr. Unsecd. Note, Series 144A, 6.125%, 15/4/2025	56,625	0.15
50,000	Valeant Pharmaceuticals International, Inc., Sr. Unsecd. Note, Series 144A, 7.25%, 15/7/2022	41,125	0.11
	TOTAL PHARMACEUTICALS	1,513,438	4.03
REFINING			
175,000	CVR Refining LLC/Coffeyville Finance, Inc., 6.5%, 1/11/2022	174,562	0.46
150,000	Northern Tier Energy LLC / Northern Tier Fin Corp., Bond, 7.125%, 15/11/2020	156,563	0.42
75,000	Tesoro Corp., Sr. Unsecd. Note, Series 144A, 5.125%, 15/12/2026	75,996	0.20
50,000	Tesoro Petroleum Corp., 5.125%, 1/4/2024	51,375	0.14
	TOTAL REFINING	458,496	1.22
RESTAURANTS			
150,000	1011778 BC Unltd. Liability Co./New Red Finance, Inc., Series 144A, 6.0%, 1/4/2022	157,125	0.42
50,000	Yum! Brands, Inc., 3.875%, 1/11/2023	48,063	0.13
50,000	Yum! Brands, Inc., Sr. Unsecd. Note, Series 144A, 5.25%, 1/6/2026	50,875	0.13
	TOTAL RESTAURANTS	256,063	0.68
RETAILERS			
225,000	Argos Merger Sub, Inc., Sr. Unsecd. Note, Series 144A, 7.125%, 15/3/2023	230,062	0.61
50,000	Penney (J.C.) Co., Inc., Series 144A, 5.875%, 1/7/2023	51,688	0.14
150,000	Rite Aid Corp., Sr. Unsecd. Note, Series 144A, 6.125%, 1/4/2023	161,812	0.43
50,000	Sally Hldgs. LLC/Sally Capital, Inc., 5.625%, 1/12/2025	52,250	0.14
100,000	Sally Hldgs. LLC/Sally Capital, Inc., 5.75%, 1/6/2022	104,375	0.28
	TOTAL RETAILERS	600,187	1.60
SUPERMARKETS			
125,000	Albertsons Cos. LLC/SAFEW, Sr. Unsecd. Note, Series 144A, 5.75%, 15/3/2025	124,063	0.33
50,000	Albertsons Cos. LLC/SAFEW, Sr. Unsecd. Note, Series 144A, 6.625%, 15/6/2024	52,250	0.14
	TOTAL SUPERMARKETS	176,313	0.47
TECHNOLOGY			
200,000	BMC Software, Inc., Series 144A, 8.125%, 15/7/2021	187,875	0.50
175,000	CDW LLC/ CDW Finance, Sr. Unsecd. Note, 5.5%, 1/12/2024	179,812	0.48
50,000	CommScope, Inc., Series 144A, 5.5%, 15/6/2024	51,937	0.14
175,000	Diamond 1 Finance Corp./Diamond 2 Finance Corp., Sr. Unsecd. Note, Series 144A, 7.125%, 15/6/2024	194,311	0.52

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Principal Amount		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
TECHNOLOGY (CONTINUED)			
100,000	Ensemble S Merger Sub, Inc., Sr. Unsecd. Note, Series 144A, 9.00%, 30/9/2023	106,500	0.28
325,000	First Data Corp., Series 144A, 5.75%, 15/1/2024	336,580	0.90
175,000	First Data Corp., Sr. Unsecd. Note, Series 144A, 7.0%, 1/12/2023	186,813	0.50
175,000	Inception Merger Sub, Inc., Sr. Unsecd. Note, Series 144A, 8.625%, 15/11/2024	185,666	0.49
400,000	Infor US, Inc., 6.5%, 15/5/2022	418,000	1.11
75,000	Iron Mountain, Inc., 5.75%, 15/8/2024	77,437	0.21
150,000	Italics Merger Sub, Inc., Sr. Unsecd. Note, Series 144A, 7.125%, 15/7/2023	143,625	0.38
100,000	JDA Escrow LLC / JDA Bond Finance, Inc., Series 144A, 7.375%, 15/10/2024	103,875	0.28
50,000	Micron Technology, Inc., Sr. Unsecd. Note, 5.5%, 1/2/2025	50,000	0.13
50,000	Micron Technology, Inc., Sr. Unsecd. Note, Series 144A, 5.25%, 1/8/2023	50,437	0.13
50,000	Microsemi Corp., Sr. Unsecd. Note, Series 144A, 9.125%, 15/4/2023	58,500	0.16
50,000	MSCI, Inc., Sr. Unsecd. Note, Series 144A, 4.75%, 1/8/2026	49,688	0.13
200,000	NCR Corp., Sr. Unsecd. Note, 5.0%, 15/7/2022	205,000	0.54
50,000	Nuance Communications, Inc., Sr. Unsecd. Note, Series 144A, 5.625%, 15/12/2026	49,288	0.13
150,000	Nuance Communications, Inc., Sr. Unsecd. Note, Series 144A, 6.0%, 1/7/2024	155,250	0.41
100,000	PTC, Inc., Sr. Unsecd. Note, 6.0%, 15/5/2024	105,250	0.28
75,000	Qorvo, Inc., Sr. Unsecd. Note, 7.0%, 1/12/2025	83,438	0.22
100,000	Riverbed Technology, Inc., Sr. Unsecd. Note, Series 144A, 8.875%, 1/3/2023	106,500	0.28
175,000	Solera LLC/Solera Finance, Inc., Series 144A, 10.5%, 1/3/2024	197,750	0.53
100,000	SS&C Technologies Holdings, Inc., 5.875%, 15/7/2023	104,125	0.28
50,000	Syniverse Holdings, Inc., Company Guarantee, 9.125%, 15/1/2019	44,000	0.12
50,000	Verisign, Inc., Sr. Unsecd. Note, 5.25%, 1/4/2025	51,375	0.14
50,000	Versum Materials, Inc., Sr. Unsecd. Note, Series 144A, 5.5%, 30/9/2024	51,250	0.14
175,000	Zebra Technologies Corp., Sr. Note, 7.25%, 15/10/2022	191,187	0.51
	TOTAL TECHNOLOGY	3,725,469	9.92
TRANSPORTATION SERVICES			
225,000	Avis Budget Group, Inc., Sr. Unsecd. Note, 5.5%, 1/4/2023	221,906	0.59
225,000	HDTFS, Inc., 6.25%, 15/10/2022	212,063	0.57
	TOTAL TRANSPORTATION SERVICES	433,969	1.16
UTILITY – ELECTRIC			
225,000	Calpine Corp., 5.75%, 15/1/2025	218,250	0.58
100,000	Enviva Partners LP/Enviva Partners Finance Corp., Sr. Unsecd. Note, Series 144A, 8.5%, 1/11/2021	104,500	0.28
2,542	FPL Energy National Wind, Note, Series 144A, 6.125%, 25/3/2019	2,555	0.01
150,000	NRG Energy, Inc., 6.25%, 1/5/2024	146,625	0.39
125,000	NRG Energy, Inc., Sr. Unsecd. Note, 6.625%, 15/3/2023	125,937	0.33
50,000	NRG Energy, Inc., Sr. Unsecd. Note, Series 144A, 6.625%, 15/1/2027	47,500	0.13
	TOTAL UTILITY – ELECTRIC	645,367	1.72

PORTFOLIO OF INVESTMENTS – FEDERATED HIGH INCOME ADVANTAGE FUND

At 31 December 2016

Principal Amount		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
WIRELESS COMMUNICATIONS			
325,000	Altice Luxembourg SA, Sr. Unsecd. Note, Series 144A, 7.625%, 15/2/2025	342,469	0.91
75,000	MetroPCS Wireless, Inc., Sr. Note, 6.625%, 15/11/2020	76,781	0.20
150,000	Numericable-SFR SAS, Series 144A, 7.375%, 1/5/2026	153,750	0.41
75,000	Sprint Capital Corp., Company Guarantee, 6.875%, 15/11/2028	74,250	0.20
125,000	Sprint Corp., 7.125%, 15/6/2024	129,063	0.34
75,000	Sprint Corp., 7.875%, 15/9/2023	80,250	0.21
450,000	Sprint Nextel Corp., Sr. Unsecd. Note, 6.0%, 15/11/2022	454,500	1.21
50,000	T-Mobile USA, Inc., 6.25%, 1/4/2021	52,125	0.14
175,000	T-Mobile USA, Inc., 6.625%, 1/4/2023	185,937	0.50
50,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 6.0%, 1/3/2023	52,937	0.14
50,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 6.375%, 1/3/2025	53,563	0.14
125,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 6.5%, 15/1/2024	134,375	0.36
	TOTAL WIRELESS COMMUNICATIONS	1,790,000	4.76
WIRELINE COMMUNICATIONS			
100,000	Level 3 Financing, Inc., Series 144A, 5.25%, 15/3/2026	99,250	0.26
50,000	Level 3 Financing, Inc., Sr. Unsecd. Note, 5.375%, 15/1/2024	50,625	0.14
	TOTAL WIRELINE COMMUNICATIONS	149,875	0.40
	TOTAL CORPORATE BONDS	36,946,108	98.35
	TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	36,946,108	98.35
	TOTAL INVESTMENTS	37,472,108	99.75

OTC OPEN FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS

Settlement Date	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised Appreciation/ (Depreciation) US\$	% of Total Net Assets
17/2/2017	EUR	(29,194)	USD	31,059	BNY Mellon	253	0.00
17/2/2017	USD	(9,715,247)	EUR	8,956,731	BNY Mellon	(264,104)	(0.70)
17/2/2017	USD	(124)	GBP	100	BNY Mellon	(1)	(0.00)
UNREALISED APPRECIATION ON FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS						253	0.00
UNREALISED DEPRECIATION ON FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS						(264,105)	(0.70)
NET UNREALISED DEPRECIATION ON FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS (Underlying exposure: US\$9,458,992)						(263,852)	(0.70)
OTHER NET ASSETS						355,956	0.95
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES						37,564,212	100.00

PORTFOLIO OF INVESTMENTS – FEDERATED HIGH INCOME ADVANTAGE FUND

At 31 December 2016

Analysis of Total Assets	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	97.01
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	1.38
(d) Other assets	1.61
TOTAL ASSETS	100.00

Note: The categories of investments are shown as a percentage of net assets (US\$37,564,212) attributable to participating Shareholders at 31 December 2016.

The following acronyms are used throughout this portfolio:

EUR—Euro

GBP—Pound Sterling

LLC—Limited Liability Corporation

LP—Limited Partnership

LU—Luxembourg

PLC—Public Limited Company

SA—Corporation (Société Anonyme)

SARL—Société à responsabilité limitée

USD—United States Dollar

PORTFOLIO OF INVESTMENTS – FEDERATED U.S. TOTAL RETURN BOND FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
BALANCES DUE FROM BROKERS			
Repurchase Agreements			
63,000	BNP Paribas Securities Corp., 0.5%, dated 30/12/2016, due 3/1/2017	63,000	1.12
	TOTAL REPURCHASE AGREEMENTS	63,000	1.12
	TOTAL BALANCES DUE FROM BROKERS	63,000	1.12
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Collateralized Mortgage Obligations			
67,308	Citigroup/Deutsche Bank Commercial Mortgage 2007-CD5, Class A4, 5.886%, 15/11/2044	68,214	1.21
25,000	Comm Mortgage Trust 2013-CR8, Class A2, 2.367%, 10/6/2046	25,238	0.45
50,000	Comm Mortgage Trust 2014-LC17, Class A2, 3.164%, 10/10/2047	51,405	0.91
1,340	Commercial Mortgage Pass-Through Certificates 2012-LC4, Class A2, 2.256%, 10/12/2044	1,340	0.03
37,243	JPMBB Commercial Mortgage Securities Trust 2013-C15, Class A2, 2.9768%, 15/11/2045	37,827	0.67
100,000	UBS-Citigroup Commercial Mortgage Trust 2011-C1, Class A3, 3.595%, 10/1/2045	103,312	1.84
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS	287,336	5.11
Corporate Bonds			
5,000	21st Century Fox America, Inc., Sr. Unsecd. Note, 4.0%, 1/10/2023	5,167	0.09
25,000	Abbott Laboratories, Sr. Unsecd. Note, 3.75%, 30/11/2026	24,865	0.44
25,000	ACE INA Holdings, Inc., Sr. Unsecd. Note, 3.35%, 15/5/2024	25,464	0.45
25,000	Aetna, Inc., Sr. Unsecd. Note, 3.2%, 15/6/2026	24,745	0.44
25,000	Aflac, Inc., Sr. Unsecd. Note, 3.625%, 15/6/2023	25,873	0.46
25,000	Agilent Technologies, Inc., Sr. Unsecd. Note, 3.2%, 1/10/2022	25,054	0.45
15,000	Anadarko Petroleum Corp., Sr. Unsecd. Note, 4.5%, 15/7/2044	14,120	0.25
20,000	Anheuser-Busch InBev Finance, Inc., 3.65%, 1/2/2026	20,311	0.36
20,000	Apple, Inc., Sr. Unsecd. Note, 2.4%, 3/5/2023	19,470	0.35
20,000	AT&T, Inc., Sr. Unsecd. Note, 4.45%, 15/5/2021	21,155	0.38
25,000	AT&T, Inc., Sr. Unsecd. Note, 5.0%, 1/3/2021	26,891	0.48
25,000	Atmos Energy Corp., 8.5%, 15/3/2019	28,426	0.50
15,000	Bank of America Corp., Sr. Unsecd. Note, Series MTN, 4.0%, 1/4/2024	15,477	0.27
50,000	Bank of America Corp., Sr. Unsecd. Note, Series MTN, 5.625%, 1/7/2020	54,984	0.98
25,000	BB&T Corp., Sr. Unsecd. Note, Series MTN, 2.25%, 1/2/2019	25,193	0.45
25,000	Boston Properties LP, Sr. Unsecd. Note, 3.8%, 1/2/2024	25,365	0.45
25,000	BP Capital Markets PLC, Floating Rate Note—Sr. Note, 1.627%, 26/9/2018	25,101	0.45
25,000	BP Capital Markets PLC, Sr. Unsecd. Note, 2.75%, 10/5/2023	24,539	0.44
25,000	Canadian Natural Resources Ltd., Sr. Unsecd. Note, 6.25%, 15/3/2038	28,486	0.51
15,000	Capital One Financial Corp., Sr. Unsecd. Note, 2.45%, 24/4/2019	15,097	0.27
10,000	Carpenter Technology Corp., Sr. Unsecd. Note, 4.45%, 1/3/2023	9,573	0.17
25,000	CCO Safari II LLC, 4.908%, 23/7/2025	26,218	0.47
10,000	Celgene Corp., Sr. Unsecd. Note, 5.0%, 15/8/2045	10,417	0.18
25,000	Citigroup, Inc., Sr. Unsecd. Note, 4.5%, 14/1/2022	26,659	0.47
25,000	CNA Financial Corp., Sr. Unsecd. Note, 3.95%, 15/5/2024	25,368	0.45
25,000	CNA Financial Corp., Sr. Unsecd. Note, 5.75%, 15/8/2021	27,932	0.50
25,000	Columbia Pipeline Group, Inc., 3.3%, 1/6/2020	25,473	0.45

PORTFOLIO OF INVESTMENTS – FEDERATED U.S. TOTAL RETURN BOND FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
25,000	Comcast Corp., Company Guarantee, 6.95%, 15/8/2037	34,109	0.61
25,000	CVS Health Corp., Sr. Unsecd. Note, 2.875%, 1/6/2026	23,842	0.42
10,000	Diamond 1 Finance Corp./Diamond 2 Finance Corp., Term Loan—1st Lien, Series 144A, 6.02%, 15/6/2026	10,838	0.19
20,000	Dollar General Corp., Sr. Unsecd. Note, 4.15%, 1/11/2025	20,588	0.37
20,000	Duke Energy Corp., Sr. Unsecd. Note, 3.75%, 1/9/2046	18,043	0.32
20,000	Embraer Netherlands BV, Sr. Unsecd. Note, 5.05%, 15/6/2025	19,980	0.35
20,000	Emera US Finance LP, Sr. Unsecd. Note, Series 144A, 3.55%, 15/6/2026	19,671	0.35
15,000	Energy Transfer Partners LP, Sr. Unsecd. Note, 4.9%, 1/2/2024	15,521	0.28
20,000	EOG Resources, Inc., Sr. Unsecd. Note, 2.45%, 1/4/2020	20,032	0.36
15,000	Flextronics International Ltd., Sr. Unsecd. Note, 4.75%, 15/6/2025	15,878	0.28
10,000	Flowers Foods, Inc., Sr. Unsecd. Note, 3.5%, 1/10/2026	9,524	0.17
20,000	Fortis, Inc., Sr. Unsecd. Note, Series 144A, 3.055%, 4/10/2026	18,716	0.33
50,000	General Electric Capital Corp., Sr. Unsecd. Note, Series MTN, 4.65%, 17/10/2021	54,832	0.97
10,000	General Motors Co., Sr. Unsecd. Note, 5.2%, 1/4/2045	9,657	0.17
25,000	Goldcorp, Inc., Sr. Unsecd. Note, 3.7%, 15/3/2023	24,604	0.44
50,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 5.25%, 27/7/2021	54,808	0.97
15,000	HollyFrontier Corp., Sr. Unsecd. Note, 5.875%, 1/4/2026	15,336	0.27
27,000	HSBC Finance Corp., Sr. Sub. Note, 6.676%, 15/1/2021	30,353	0.54
20,000	Husky Energy, Inc., 4.0%, 15/4/2024	20,372	0.36
20,000	International Paper Co., Sr. Unsecd. Note, 3.0%, 15/2/2027	18,880	0.34
10,000	Invesco Finance PLC, Sr. Unsecd. Note, 3.75%, 15/1/2026	10,131	0.18
10,000	Jefferies Group LLC, Sr. Unsecd. Note, 5.125%, 20/1/2023	10,469	0.19
25,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 4.25%, 15/10/2020	26,450	0.47
25,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 4.5%, 24/1/2022	26,953	0.48
20,000	Keysight Technologies, Inc., 4.55%, 30/10/2024	19,808	0.35
5,000	Kimco Realty Corp., Sr. Unsecd. Note, 3.4%, 1/11/2022	5,075	0.09
15,000	Kinder Morgan Energy Partners LP, Sr. Unsecd. Note, 5.8%, 1/3/2021	16,441	0.29
10,000	Kraft Heinz Foods Co., Sr. Unsecd. Note, 4.375%, 1/6/2046	9,429	0.17
25,000	Kroger Co., Company Guarantee, 6.15%, 15/1/2020	27,678	0.49
10,000	Lennox International, Inc., Sr. Unsecd. Note, 3.0%, 15/11/2023	9,712	0.17
20,000	Lincoln National Corp., Sr. Secd. Note, 8.75%, 1/7/2019	23,015	0.41
15,000	Marathon Petroleum Corp., Sr. Unsecd. Note, 3.625%, 15/9/2024	14,821	0.26
15,000	Masco Corp., Unsecd. Note, 4.45%, 1/4/2025	15,300	0.27
30,000	Microsoft Corp., Sr. Unsecd. Note, 2.4%, 8/8/2026	28,350	0.50
25,000	Molex Electronics Technologies LLC, Sr. Unsecd. Note, Series 144A, 2.878%, 15/4/2020	24,946	0.44
25,000	Morgan Stanley, Sr. Unsecd. Note, Series GMTN, 5.5%, 28/7/2021	27,707	0.49
25,000	Nabors Industries, Inc., Company Guarantee, 5.0%, 15/9/2020	25,750	0.46
20,000	National Fuel Gas Co., Sr. Unsecd. Note, 3.75%, 1/3/2023	19,509	0.35
25,000	National Rural Utilities Cooperative Finance Corp., Sr. Unsecd. Note, 10.375%, 1/11/2018	28,833	0.51
10,000	Newell Rubbermaid, Inc., Sr. Unsecd. Note, 3.15%, 1/4/2021	10,178	0.18

PORTFOLIO OF INVESTMENTS – FEDERATED U.S. TOTAL RETURN BOND FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Corporate Bonds (Continued)			
15,000	NextEra Energy Capital Holdings, Inc., Sr. Unsecd. Note, 2.7%, 15/9/2019	15,193	0.27
25,000	Pacific Gas & Electric Co., 6.05%, 1/3/2034	31,332	0.56
25,000	Pemex Project Funding Master Trust, Company Guarantee, 6.625%, 15/6/2035	24,750	0.44
15,000	Petrobras Global Finance BV, Sr. Unsecd. Note, 4.375%, 20/5/2023	13,143	0.23
15,000	PPL Capital Funding, Inc., Sr. Unsecd. Note, 3.95%, 15/3/2024	15,530	0.28
25,000	ProLogis LP, Sr. Unsecd. Note, 3.35%, 1/2/2021	25,729	0.46
10,000	Prudential Financial, Inc., Sr. Unsecd. Note, Series MTN, 5.375%, 21/6/2020	10,955	0.19
15,000	PSEG Power LLC, Sr. Unsecd. Note, 2.45%, 15/11/2018	15,109	0.27
10,000	Raymond James Financial, Inc., Sr. Unsecd. Note, 3.625%, 15/9/2026	9,758	0.17
15,000	Reynolds American, Inc., Sr. Unsecd. Note, 5.85%, 15/8/2045	17,795	0.32
15,000	Roper Technologies, Inc., Sr. Unsecd. Note, 3.8%, 15/12/2026	15,124	0.27
15,000	Schlumberger Holdings Corp., Sr. Unsecd. Note, Series 144A, 4.0%, 21/12/2025	15,716	0.28
25,000	Sempra Energy, Sr. Unsecd. Note, 3.55%, 15/6/2024	25,311	0.45
20,000	Shire Acquisitions Investments Ireland Designated Activity Company, Sr. Unsecd. Note, 2.4%, 23/9/2021	19,323	0.34
20,000	Southern Co., Sr. Unsecd. Note, 4.4%, 1/7/2046	19,823	0.35
15,000	Southwestern Electric Power Co., Sr. Unsecd. Note, Series K, 2.75%, 1/10/2026	14,162	0.25
35,000	SunTrust Banks, Inc., Sr. Unsecd. Note, 2.5%, 1/5/2019	35,304	0.63
20,000	Tanger Properties LP, Sr. Unsecd. Note, 3.875%, 1/12/2023	20,291	0.36
10,000	TELUS Corp., Sr. Unsecd. Note, 2.8%, 16/2/2027	9,370	0.17
25,000	Teva Pharmaceutical Finance III BV, Sr. Unsecd. Note, 3.15%, 1/10/2026	23,061	0.41
10,000	Thermo Fisher Scientific, Inc., Sr. Unsecd. Note, 2.95%, 19/9/2026	9,437	0.17
25,000	Time Warner Cable, Inc., Sr. Unsecd. Note, 4.125%, 15/2/2021	25,849	0.46
25,000	Time Warner, Inc., Company Guarantee, 4.75%, 29/3/2021	26,786	0.48
10,000	Total System Services, Inc., Sr. Unsecd. Note, 3.8%, 1/4/2021	10,323	0.18
10,000	Under Armour, Inc., Sr. Unsecd. Note, 3.25%, 15/6/2026	9,449	0.17
15,000	UnitedHealth Group, Inc., Sr. Unsecd. Note, 3.75%, 15/7/2025	15,525	0.28
15,000	Valero Energy Corp., 9.375%, 15/3/2019	17,276	0.31
25,000	Valmont Industries, Inc., 5.25%, 1/10/2054	21,942	0.39
30,000	Verisk Analytics, Inc., Unsecd. Note, 4.0%, 15/6/2025	30,435	0.54
25,000	Verizon Communications, Inc., Sr. Unsecd. Note, 5.15%, 15/9/2023	27,654	0.49
20,000	Viacom, Inc., Sr. Unsecd. Note, 2.25%, 4/2/2022	18,798	0.33
15,000	Wabtec Corp., Sr. Unsecd. Note, Series 144A, 3.45%, 15/11/2026	14,427	0.26
15,000	WPP Finance 2010, 3.75%, 19/9/2024	15,103	0.27
5,000	Xylem, Inc., Sr. Unsecd. Note, 3.25%, 1/11/2026	4,858	0.09
20,000	Zimmer Biomet Holdings, Inc., Sr. Unsecd. Note, 3.55%, 1/4/2025	19,489	0.35
	TOTAL CORPORATE BONDS	2,107,692	37.47

PORTFOLIO OF INVESTMENTS – FEDERATED U.S. TOTAL RETURN BOND FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Mortgage Backed Securities			
11,161	Federal Home Loan Mortgage Corp., Pool A83402, 5.0%, 1/12/2038	12,222	0.22
28,813	Federal Home Loan Mortgage Corp., Pool A85593, 4.5%, 1/4/2039	31,102	0.55
14,953	Federal Home Loan Mortgage Corp., Pool A91787, 4.5%, 1/3/2040	16,127	0.29
59,288	Federal Home Loan Mortgage Corp., Pool A96706, 3.5%, 1/2/2041	60,986	1.08
24,097	Federal Home Loan Mortgage Corp., Pool A97942, 4.5%, 1/4/2041	25,951	0.46
14,166	Federal Home Loan Mortgage Corp., Pool E02703, 4.0%, 1/7/2025	14,931	0.27
273,359	Federal Home Loan Mortgage Corp., Pool G08732, 3.0%, 1/11/2046	271,768	4.83
105,182	Federal Home Loan Mortgage Corp., Pool G60169, 3.5%, 1/7/2045	108,177	1.92
4,627	Federal Home Loan Mortgage Corp., Pool J07687, 4.5%, 1/4/2023	4,886	0.09
6,703	Federal Home Loan Mortgage Corp., Pool J12412, 4.0%, 1/6/2025	7,065	0.13
58,568	Federal Home Loan Mortgage Corp., Pool Q01456, 5.0%, 1/4/2041	64,029	1.14
25,519	Federal Home Loan Mortgage Corp., Pool Q02288, 4.0%, 1/7/2041	26,921	0.48
179,039	Federal Home Loan Mortgage Corp., Pool Q37291, 3.5%, 1/11/2045	183,409	3.26
13,074	Federal National Mortgage Association, Pool AD7856, 4.5%, 1/6/2040	14,107	0.25
56,774	Federal National Mortgage Association, Pool AI8218, 4.0%, 1/8/2041	59,926	1.07
14,418	Federal National Mortgage Association, Pool AJ1589, 4.0%, 1/10/2041	15,218	0.27
55,697	Federal National Mortgage Association, Pool AJ9538, 3.0%, 1/1/2027	57,492	1.02
95,493	Federal National Mortgage Association, Pool AK8211, 3.5%, 1/4/2042	98,413	1.75
78,846	Federal National Mortgage Association, Pool AO9990, 2.5%, 1/7/2027	80,041	1.42
84,076	Federal National Mortgage Association, Pool AS2976, 4.0%, 1/8/2044	88,848	1.58
42,898	Government National Mortgage Association, Pool 739956, 4.0%, 15/11/2040	45,761	0.81
	TOTAL MORTGAGE BACKED SECURITIES	1,287,380	22.89
U.S. Government Agencies			
150,000	Federal Home Loan Mortgage Corp., 1.25%, 2/10/2019	149,200	2.65
100,000	Federal Home Loan Mortgage Corp., 2.375%, 13/1/2022	101,597	1.80
25,000	Federal National Mortgage Association, 5.0%, 13/2/2017	25,130	0.45
	TOTAL U.S. GOVERNMENT AGENCIES	275,927	4.90
U.S. Treasury			
102,048	U.S. Treasury Inflation Protected Note, 0.25%, 15/1/2025	100,412	1.78
50,000	United States Treasury Bond, 2.25%, 15/8/2046	41,910	0.74
50,000	United States Treasury Bond, 2.5%, 15/2/2046	44,292	0.79
50,000	United States Treasury Bond, 2.5%, 15/5/2046	44,292	0.79
*125,000	United States Treasury Bond, 2.875%, 15/8/2045	119,914	2.13
75,000	United States Treasury Bond, 3.0%, 15/5/2042	74,209	1.32
150,000	United States Treasury Note, 0.5%, 31/7/2017	149,798	2.66
100,000	United States Treasury Note, 0.625%, 31/5/2017	99,985	1.78
25,000	United States Treasury Note, 0.75%, 31/8/2018	24,850	0.44
125,000	United States Treasury Note, 1.0%, 30/11/2019	123,480	2.20
50,000	United States Treasury Note, 1.125%, 31/8/2021	48,312	0.86
250,000	United States Treasury Note, 1.25%, 31/3/2021	244,209	4.34

* 7,000 principal provided as non-cash collateral in respect of open exchange traded futures contract position.

PORTFOLIO OF INVESTMENTS – FEDERATED U.S. TOTAL RETURN BOND FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
U.S. Treasury (Continued)			
120,000	United States Treasury Note, 1.5%, 15/8/2026	110,387	1.96
50,000	United States Treasury Note, 2.25%, 15/11/2025	49,368	0.88
	TOTAL U.S. TREASURY	1,275,418	22.67
Investment Funds			
**44,344	Federated High Income Advantage Fund	440,928	7.84
	TOTAL INVESTMENT FUNDS	440,928	7.84
	TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	5,674,681	100.88
	TOTAL INVESTMENTS	5,737,681	102.00

** Affiliated holding.

EXCHANGE TRADED FUTURES CONTRACTS

Number of Contracts	Description	Counterparty	Position	Unrealised Appreciation US\$	% of Total Net Assets
(2)	United States Treasury, 5 Year Note, 31/3/2017	J.P. Morgan	Short	1,073	0.02
	TOTAL UNREALISED APPRECIATION ON FUTURES CONTRACTS (Underlying exposure: US\$235,328)			1,073	0.02

OTC OPEN FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS

Settlement Date	Currency Sold	Amount Sold	Currency Bought	Amount Bought	Counterparty	Unrealised (Depreciation) US\$	% of Total Net Assets
17/2/2017	EUR	(51,992)	USD	54,396	BNY Mellon	(466)	(0.01)
17/2/2017	GBP	(2)	USD	2	BNY Mellon	0	0.00
17/2/2017	USD	(2,607,268)	EUR	2,381,861	BNY Mellon	(93,928)	(1.67)
17/2/2017	USD	(120)	GBP	97	BNY Mellon	(1)	(0.00)
	UNREALISED DEPRECIATION ON FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS					(94,395)	(1.68)
	NET UNREALISED DEPRECIATION ON FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS (Underlying exposure: US\$2,562,072)					(94,395)	(1.68)
	OTHER NET LIABILITIES					(19,132)	(0.34)
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES					5,625,227	100.00

PORTFOLIO OF INVESTMENTS – FEDERATED U.S. TOTAL RETURN BOND FUND

At 31 December 2016

Analysis of Total Assets	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	98.13
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	1.09
(d) Other assets	0.78
TOTAL ASSETS	100.00

Note: The categories of investments are shown as a percentage of net assets (US\$5,625,227) attributable to participating Shareholders at 31 December 2016.

The following acronyms are used throughout this portfolio:

BV—Limited Company (Belstolen Venootschap)

EUR—Euro

GBP—Pound Sterling

GMTN—Global Medium Term Note

LLC—Limited Liability Corporation

LP—Limited Partnership

MTN—Medium Term Note

PLC—Public Limited Company

USD—United States Dollar

PORTFOLIO OF INVESTMENTS – FEDERATED STRATEGIC VALUE EQUITY FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
BALANCES DUE FROM BROKERS			
Repurchase Agreements			
688,000	BNP Paribas Securities Corp., 0.5%, dated 30/12/2016, due 3/1/2017	688,000	5.05
	TOTAL REPURCHASE AGREEMENTS	688,000	5.05
	TOTAL BALANCES DUE FROM BROKERS	688,000	5.05
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Common Stocks			
9,578	AbbVie, Inc.	599,774	4.41
9,050	Altria Group, Inc.	611,961	4.49
2,290	American Electric Power Co., Inc.	144,178	1.06
4,550	AstraZeneca PLC	246,763	1.81
16,070	AT&T, Inc.	683,457	5.02
11,980	BCE, Inc.	517,781	3.80
40,930	BP PLC	254,320	1.87
3,801	Chevron Corp.	447,378	3.29
1,520	Consolidated Edison Co.	111,994	0.82
4,796	Crown Castle International Corp.	416,149	3.06
1,335	Darden Restaurants, Inc.	97,081	0.71
1,135	Digital Realty Trust, Inc.	111,525	0.82
5,210	Dominion Resources, Inc.	399,034	2.93
5,536	Duke Energy Corp.	429,704	3.16
3,715	Exxon Mobil Corp.	335,316	2.46
1,735	General Mills, Inc.	107,171	0.79
16,877	GlaxoSmithKline PLC	322,305	2.37
1,265	Johnson & Johnson	145,741	1.07
1,885	Kimberly-Clark Corp.	215,116	1.58
2,215	Kraft Heinz Co./The	193,414	1.42
4,275	McDonald's Corp.	520,353	3.82
6,855	Merck & Co., Inc.	403,554	2.96
35,355	National Grid PLC	413,491	3.04
2,670	National Retail Properties, Inc.	118,014	0.87
1,720	Novartis AG	125,110	0.92
2,690	Occidental Petroleum Corp.	191,609	1.41
1,785	Paychex, Inc.	108,671	0.80
860	PepsiCo, Inc.	89,982	0.66
6,462	Philip Morris International, Inc.	591,208	4.34
9,790	PPL Corp.	333,350	2.45
5,626	Procter & Gamble Co.	473,034	3.47
1,860	Realty Income Corp.	106,913	0.79
7,034	Sanofi	568,883	4.18
9,505	Southern Co.	467,551	3.43
10,950	The Coca-Cola Co.	453,987	3.33

PORTFOLIO OF INVESTMENTS – FEDERATED STRATEGIC VALUE EQUITY FUND

At 31 December 2016

Principal Amount or Shares		Fair Value US\$	% of Total Net Assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)			
Common Stocks (Continued)			
2,680	Total S.A.	136,808	1.00
4,055	Unilever PLC	164,026	1.20
2,410	Ventas, Inc.	150,673	1.11
11,935	Verizon Communications, Inc.	637,090	4.68
209,808	Vodafone Group PLC	516,021	3.79
	TOTAL COMMON STOCKS	12,960,490	95.19
	TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	12,960,490	95.19
	TOTAL INVESTMENTS	13,648,490	100.24
	OTHER NET LIABILITIES	(33,315)	(0.24)
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	13,615,175	100.00

Analysis of Total Assets	% of Total Assets
(a) Transferable securities admitted to official stock exchange listing	94.61
(b) Transferable securities dealt in on another regulated market	—
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	5.02
(d) Other assets	0.37
TOTAL ASSETS	100.00

Note: The categories of investments are shown as a percentage of net assets (US\$13,615,175) attributable to participating Shareholders at 31 December 2016.

The following acronyms are used throughout this portfolio:

AG—Corporation (Aktiengesellschaft)

PLC—Public Limited Company

SA—Corporation (Société Anonyme)

GLOBAL EXPOSURE AND LEVERAGE (UNAUDITED)

Global Exposure

UCITS funds are required to monitor global exposures on a daily basis by utilising either the commitment approach or value at risk ("VaR") approach when financial derivative instruments ("FDI") are held.

Breaches of the exposure limits, if any, are addressed by the investment adviser and reported to the Directors. An annual FDI report is provided to the Central Bank detailing any breaches that occurred during the year and any material changes to the risk monitoring process. During the year ended 31 December 2016 there were no material breaches of the FDI exposure limits. Please see the credit risk section for a review of the risk and related measurements related to FDI counterparties as of 31 December 2016.

Federated High Income Advantage Fund and Federated U.S. Total Return Bond Fund use a relative VaR approach. Federated Strategic Value Equity Fund uses an absolute VaR approach. These Funds use the Wilshire Axiom Global Credit Risk Model Performance and Risk Analytical System ("Wilshire") to calculate VaR. The investment adviser determines a reference portfolio as the basis for the relative VaR calculation. The reference portfolio is typically the index benchmark established as the comparison point for the performance of the relevant Fund. This is an index (or composite of indices) constructed by a recognised index provider(s) from relevant securities which are eligible for investment by the relevant Fund. This process gives appropriate consideration to the availability of indices with construction rules which are themselves compliant with diversification rules. For each Fund using FDI, the investment adviser employs the VaR method in measuring global exposure. Relative VaR is the one day VaR of a Fund divided by the one day VaR of a reference portfolio (i.e., a benchmark index) with no derivatives. The risk profile of the reference portfolio is consistent with the investment objective, policies and limitations of the applicable Fund's portfolio. Under the Central Bank's requirements, the VaR of a Fund using the relative VaR approach is required to be no greater than twice the VaR of a reference portfolio. A transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a Fund must be covered as follows: (i) in the case of FDI which automatically, or at the discretion of the Fund, are cash settled, a Fund must hold, at all times, liquid assets which are sufficient to cover the exposure and; (ii) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a Fund. Alternatively, a Fund may cover the exposure with sufficient liquid assets whereby underlying assets consist of highly liquid fixed income securities; and/or the Fund considers that the exposure can be adequately covered without the need to hold the underlying assets, the specific FDI are addressed in the risk management process and details are provided in the prospectus.

To calculate a relative VaR, Wilshire incorporates eighteen months of daily factor returns. The factors consist of 140 parameterized currency factors and 224 parameterized fixed income factors for term structure, sector, quality and other spreads for both developed countries and emerging markets. Wilshire covers 13 markets in the Asia Pacific region, 12 markets in Europe/Middle East, one market in Africa, 2 markets in North America and 5 markets in Latin America. To accommodate the Euro, the European market contains 10 factors for member country spreads to the Germany treasury curve. Wilshire calculates a 95% confidence interval for a one-day holding period, which is ultimately converted to a 99% confidence interval for both a one and 10 day holding period.

The table below details the highest, lowest and average utilisation of the VaR limit, expressed as a percentage of the respective absolute and relative VaR regulatory limit;

Fund	Market Risk Approach	Reference portfolio	Highest utilisation of the VaR limit %	Lowest utilisation of the VaR limit %	Average utilisation of the VaR limit %
Federated High Income Advantage Fund	Relative VaR	Bloomberg Barclays U.S. High Yield 2% Issuer Capped Index	61.9%	52.4%	56.7%
Federated U.S. Total Return Bond Fund	Relative VaR	Bloomberg Barclays U.S. Aggregate Bond Index	48.3%	37.5%	43.3%
Federated Strategic Value Equity Fund	Absolute VaR	Not Applicable	56.2%	29.6%	41.2%

Leverage

The use of FDI may expose Funds to a higher degree of risk. In particular, FDI can be highly volatile, and the amount of initial margin is generally small relative to the size of the FDI so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on FDI than on standard bonds. Leveraged derivative positions can therefore increase Fund volatility.

The leverage is calculated by taking the sum of the notional values of the derivatives used by a Fund and is expressed as a percentage of the net asset value.

Fund	Average leverage employed during the year
Federated High Income Advantage Fund	25%
Federated U.S. Total Return Bond Fund	44%

The Federated Strategic Value Equity Fund did not engage in any form of leverage for the year ended 31 December 2016.

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED EMERGING MARKETS GLOBAL DEBT FUND*

Purchases in 2016

SECURITY DESCRIPTION	Nominal	Cost
United States Treasury Bills, 0.275%, 7/4/2016	380,000	US\$ 379,821
Caterpillar Financial Services Corp., 0.0%, 7/3/2016	200,000	199,869
Hyundai Capital America, 3.75%, 6/4/2016	100,000	101,123
Hyundai Capital America, 2.55%, 6/2/2019	74,000	74,213
Fibria Overseas Finance, Sr. Unsecd. Note, 5.25%, 12/5/2024	75,000	71,738

Sales in 2016

SECURITY DESCRIPTION	Nominal	Proceeds
United States Treasury Bills, 0.275%, 7/4/2016	380,000	US\$ 379,984
Caterpillar Financial Services Corp., 0.0%, 7/3/2016	200,000	199,880
ContourGlobal Power Holdings SA, Series 144A, 7.125%, 1/6/2019	200,000	189,000
Mexico, Government of, 4.75%, 8/3/2044	130,000	130,130
Peru, Government of, Sr. Unsecd. Note, 5.625%, 18/11/2050	95,000	107,350
Hyundai Capital America, 3.75%, 6/4/2016	100,000	100,250
Hyundai Capital America, Sr. Unsecd. Note, Series 144A, 2.55%, 6/2/2019	94,000	94,720
Fibria Overseas Finance, Sr. Unsecd. Note, 5.25%, 12/5/2024	85,000	83,088
Petroleos Mexicanos, Sr. Unsecd. Note, Series REGS, 5.625%, 23/1/2046	50,000	37,250
Provincia De Buenos Aires, Sr. Unsecd. Note, Series REGS, 9.25%, 15/4/2017	33,000	33,578
Provincia De Buenos Aires, Sr. Unsecd. Note, Series REGS, 4.0%, 15/5/2035	40,000	27,050
BBVA Banco Continental, Series REGS, 5.0%, 26/8/2022	10,000	10,675
Banco de Credito del Peru, Series REGS, 24/4/2027	10,000	10,656
Vale Overseas Ltd., Sr. Unsecd. Note, 6.25%, 23/1/2017	10,000	10,195
Southern Copper Corp., Sr. Unsecd. Note, 3.875%, 23/4/2025	10,000	9,525
JBS USA LLC/JBS USA Finance, Inc., Sr. Unsecd. Note, Series REGS, 5.75%, 15/6/2025	10,000	7,700
Axtel SAB de CV, Series REGS, 9.0%, 31/1/2020	4,000	4,270
Afren PLC, Series REGS, 11.5%, 1/2/2016	195,167	976

* The Federated Emerging Markets Global Debt Fund discontinued operations on 6 April 2016 and had less than 20 significant purchases or sales during the reporting period. All purchases and sales pertaining to the Fund for the reporting period have been listed above.

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED HIGH INCOME ADVANTAGE FUND

Purchases in 2016

SECURITY DESCRIPTION	Nominal	Cost
Valeant Pharmaceuticals International, Inc., Series 144A, 5.625%, 1/12/2021	400,000	US\$ 338,406
Ardagh Packaging Finance PLC/Ardagh Holdings, Sr. Unsecd. Note, Series 144A, 7.25%, 15/5/2024	325,000	329,938
Altice Luxembourg SA, Sr. Unsecd. Note, Series 144A, 7.625%, 15/2/2025	325,000	324,063
Post Holdings, Inc., Sr. Unsecd. Note, Series 144A, 5.0%, 15/8/2026	325,000	323,375
Sirius XM Radio, Inc., Sr. Unsecd. Note, Series 144A, 5.375%, 15/4/2025	275,000	285,828
Altice US Finance I Corp., Sr. Unsecd. Note, Series 144A, 7.75%, 15/7/2025	250,000	262,875
Ally Financial, Inc., Sr. Sub. Note, 5.75%, 20/11/2025	250,000	246,875
MPH Acquisition Holdings LLC, Series 144A, 7.125%, 1/6/2024	225,000	230,219
Tenet Healthcare Corp., Sr. Unsecd. Note, 6.75%, 15/6/2023	250,000	229,063
First Data Corp., Series 144A, 5.75%, 15/1/2024	225,000	227,688
Navient Corp., Sr. Unsecd. Note, 5.875%, 25/10/2024	275,000	226,625
Avis Budget Group, Inc., Sr. Unsecd. Note, 5.5%, 1/4/2023	225,000	218,156
Jaguar Holding Co. II/Pharmaceutical Product Development LLC, Sr. Unsecd. Note, Series 144A, 6.375%, 1/8/2023	200,000	206,000
Prestige Brands, Inc., Sr. Unsecd. Note, Series 144A, 6.375%, 1/3/2024	200,000	203,531
Virgin Media, Inc., Sr. Unsecd. Note, Series 144A, 5.75%, 15/1/2025	200,000	203,250
ARD Finance SA, Series 144A, 7.125%, 15/9/2023	200,000	200,000
Ziggo Finance BV, Sec. Fac. Bond, Series 144A, 5.5%, 15/1/2027	200,000	200,000
Adient Global Holdings Ltd., Sr. Unsecd. Note, Series 144A, 4.875%, 15/8/2026	200,000	200,000
IMS Health, Inc., Sr. Unsecd. Note, Series 144A, 5.0%, 15/10/2026	200,000	200,000
Quicken Loans, Inc., Series 144A, 5.75%, 1/5/2025	200,000	199,563

Sales in 2016

SECURITY DESCRIPTION	Nominal	Proceeds
Post Holdings, Inc., Sr. Unsecd. Note, 7.375%, 15/2/2022	325,000	US\$ 348,020
U.S. Foodservice, Inc., Sr. Unsecd. Note, 8.5%, 30/6/2019	325,000	331,906
American Axle & Manufacturing Holdings, Inc., Sr. Note, 6.625%, 15/10/2022	250,000	265,656
Reynolds Group, 8.25%, 15/2/2021	262,292	264,292
Aramark Corp., Sr. Unsecd. Note, 5.75%, 15/3/2020	250,000	257,403
Prestige Brands Holdings, Inc., 8.125%, 1/2/2020	225,000	234,142
Ashland, Inc., 4.75%, 15/8/2022	225,000	233,875
Crown Americas LLC, 4.5%, 15/1/2023	225,000	232,438
Sabine Pass LNG LP, 5.625%, 1/2/2021	225,000	232,125
Lear Corp., 5.25%, 15/1/2025	200,000	214,875
HCA, Inc., 5.0%, 15/3/2024	200,000	212,000
CDW LLC/ CDW Finance, Sr. Unsecd. Note, 5.5%, 1/12/2024	200,000	210,375
Gray Television, Inc., 7.5%, 1/10/2020	200,000	208,440
Level 3 Financing, Inc., 7.0%, 1/6/2020	200,000	208,276
HD Supply, Inc., Sr. Unsecd. Note, 7.5%, 15/7/2020	200,000	207,500
International Lease Finance Corp., 5.875%, 15/8/2022	175,000	193,931
Affinia Group, Inc., Sr. Unsecd. Note, 7.75%, 1/5/2021	175,000	185,173
Lamar Media Corp., 5.0%, 1/5/2023	175,000	184,563
Nortek, Inc., Sr. Unsecd. Note, 8.5%, 15/4/2021	175,000	182,438
Hilton Worldwide Finance LLC, Sr. Unsecd. Note, 5.625%, 15/10/2021	175,000	181,344
AmeriGas Partners LP, Sr. Unsecd. Note, 6.5%, 20/5/2021	175,000	181,300

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED HIGH INCOME ADVANTAGE FUND

Sales in 2016 (Continued)

SECURITY DESCRIPTION	Nominal	Proceeds
Pinnacle Foods Finance LLC/Pinnacle Foods Finance Corp., 4.875%, 1/5/2021	175,000	US\$ 179,344
Ally Financial, Inc., Sr. Unsecd. Note, 5.5%, 15/2/2017	175,000	178,500
Ball Corp., 4.0%, 15/11/2023	175,000	175,875
United Rentals, Inc., Sr. Unsecd. Note, 5.5%, 15/7/2025	175,000	173,500
HCA, Inc., Bond, 5.875%, 15/3/2022	150,000	164,625
MGM Mirage, Inc., Sr. Unsecd. Note, 6.75%, 1/10/2020	150,000	164,188
Spectrum Brands, Inc., 6.625%, 15/11/2022	150,000	160,500
AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, Sr. Unsecd. Note, 4.625%, 1/7/2022	150,000	160,500
AerCap Ireland Capital Ltd / AerCap Global Aviation Trust, Sr. Unsecd. Note, 5.0%, 1/10/2021	150,000	160,125

The Significant Portfolio Changes reflect the top 20 purchases for the period (as securities where the aggregate purchases exceeded one per cent of the total value of purchases for the period did not amount to 20 purchases) and aggregate disposals greater than one per cent of the total value of the sales.

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED U.S. TOTAL RETURN BOND FUND

Purchases in 2016

SECURITY DESCRIPTION	Nominal	Cost
Federal Home Loan Mortgage Corp., Pool G08732, 3.0%, 1/11/2046	274,388	US\$ 273,917
United States Treasury Note, 1.25%, 31/3/2021	250,000	249,248
United States Treasury Bond, 2.875%, 15/8/2045	125,000	129,092
United States Treasury Note, 1.5%, 15/8/2026	120,000	118,695
United States Treasury Bond, 2.5%, 15/5/2046	75,000	77,009
United States Treasury Note, 2.25%, 15/11/2025	50,000	51,676
United States Treasury Note, 1.125%, 31/8/2021	50,000	49,952
United States Treasury Bond, 2.25%, 15/8/2046	50,000	48,774
United States Treasury Bond, 2.5%, 15/2/2046	50,000	48,473
Anheuser-Busch InBev Finance, Inc., 3.65%, 1/2/2026	30,000	29,950
Microsoft Corp., Sr. Unsecd. Note, 2.4%, 8/8/2026	30,000	29,944
United States Treasury Note, 0.75%, 31/8/2018	25,000	24,970
Teva Pharmaceutical Finance III BV, Sr. Unsecd. Note, 3.15%, 1/10/2026	25,000	24,934
Aetna, Inc., Sr. Unsecd. Note, 3.2%, 15/6/2026	25,000	24,907
Abbott Laboratories, Sr. Unsecd. Note, 3.75%, 30/11/2026	25,000	24,814
CVS Health Corp., Sr. Unsecd. Note, 2.875%, 1/6/2026	25,000	24,785
Federated High Income Advantage Fund	2,409	23,122
Fortis, Inc., Sr. Unsecd. Note, Series 144A, 3.055%, 4/10/2026	20,000	20,000
Duke Energy Corp., Sr. Unsecd. Note, 3.75%, 1/9/2046	20,000	19,989
Shire Acquisitions Investments Ireland Designated Activity Company, Sr. Unsecd. Note, 2.4%, 23/9/2021	20,000	19,978
Molson Coors Brewing Co., Sr. Unsecd. Note, 3.0%, 15/7/2026	20,000	19,969
Raymond James Financial, Inc., Sr. Unsecd. Note, 3.625%, 15/9/2026	20,000	19,968
Emera US Finance LP, Sr. Unsecd. Note, Series 144A, 3.55%, 15/6/2026	20,000	19,945
Viacom, Inc., Sr. Unsecd. Note, 2.25%, 4/2/2022	20,000	19,938
Kraft Heinz Foods Co., Sr. Unsecd. Note, Series 144A, 4.375%, 1/6/2046	20,000	19,937
International Paper Co., Sr. Unsecd. Note, 3.0%, 15/2/2027	20,000	19,925
Southern Co., Sr. Unsecd. Note, 4.4%, 1/7/2046	20,000	19,896

Sales in 2016

SECURITY DESCRIPTION	Nominal	Proceeds
U.S. Treasury Inflation Protected Note, Series X-2017, 0.125%, 15/4/2017	100,000	US\$ 104,517
Federated Emerging Markets Global Debt Fund	878	64,358
Enterprise Products Operating LLC, 5.1%, 15/2/2045	35,000	35,516
Viacom, Inc., Sr. Unsecd. Note, 3.875%, 1/4/2024	30,000	31,080
Federated High Income Advantage Fund	3,326	29,964
Verizon Communications, Inc., Sr. Unsecd. Note, 6.35%, 1/4/2019	25,000	28,333
Expedia, Inc., 4.5%, 15/8/2024	25,000	26,403
Omnicom Group, Inc., Sr. Unsecd. Note, 3.625%, 1/5/2022	25,000	26,375
CBS Corp., 4.9%, 15/8/2044	25,000	26,089
Magna International, Inc., 3.625%, 15/6/2024	25,000	25,819
United States Treasury Bond, 2.5%, 15/5/2046	25,000	25,811
HJ Heinz Co., Sr. Unsecd. Note, Series 144A, 2.8%, 2/7/2020	25,000	25,612
Mid-America Apartment Communities LP, Sr. Unsecd. Note, 3.75%, 15/6/2024	25,000	25,523
Ford Motor Co., Sr. Unsecd. Note, 4.75%, 15/1/2043	25,000	25,395
Hasbro, Inc., Sr. Unsecd. Note, 5.1%, 15/5/2044	25,000	25,315

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED U.S. TOTAL RETURN BOND FUND

Sales in 2016 (Continued)

SECURITY DESCRIPTION	Nominal	Proceeds
Fiserv, Inc., Sr. Unsecd. Note, 2.7%, 1/6/2020	25,000	US\$ 25,084
Deutsche Bank AG London, Sr. Unsecd. Note, 3.25%, 11/1/2016	25,000	25,000
Fifth Third Bancorp, Sr. Unsecd. Note, 3.625%, 25/1/2016	25,000	25,000
Alexandria Real Estate Equities, Inc., Sr. Unsecd. Note, 3.9%, 15/6/2023	25,000	24,890
Goldcorp, Inc., Sr. Unsecd. Note, 3.7%, 15/3/2023	25,000	24,572
Bed Bath & Beyond, Inc., 3.749%, 1/8/2024	25,000	24,213
Lockheed Martin Corp., Sr. Unsecd. Note, 4.7%, 15/5/2046	20,000	23,880
CVS Health Corp., Sr. Unsecd. Note, 5.125%, 20/7/2045	20,000	23,779
Marathon Oil Corp., Sr. Unsecd. Note, 3.85%, 1/6/2025	25,000	22,809
Williams Partners LP, 4.9%, 15/1/2045	25,000	22,110
Federal National Mortgage Association, Pool AS2976, 4.0%, 1/8/2044	21,754	21,754
Ecolab, Inc., Sr. Unsecd. Note, 4.35%, 8/12/2021	20,000	21,526
Adobe Systems, Inc., Sr. Unsecd. Note, 3.25%, 1/2/2025	20,000	20,764
Federal Home Loan Mortgage Corp., Pool Q37291, 3.5%, 1/11/2045	20,658	20,658
Tyson Foods, Inc., 3.95%, 15/8/2024	20,000	20,644
Molson Coors Brewing Co., Sr. Unsecd. Note, 3.0%, 15/7/2026	20,000	20,166
Dentsply International, Inc., Sr. Unsecd. Note, 2.75%, 15/8/2016	20,000	20,000
Host Hotels & Resorts LP, Sr. Unsecd. Note, Series E, 4.0%, 15/6/2025	20,000	19,386
Federal National Mortgage Association, Pool AK8211, 3.5%, 1/4/2042	19,008	19,008
Federal National Mortgage Association, Pool AO9990, 2.5%, 1/7/2027	17,916	17,916
Federal National Mortgage Association, Pool AI8218, 4.0%, 1/8/2041	16,954	16,954
Federal National Mortgage Association, Pool AJ9538, 3.0%, 1/1/2027	16,793	16,793
Federal Home Loan Mortgage Corp., Pool G60169, 3.5%, 1/7/2045	16,288	16,288
Becton Dickinson & Co., Sr. Unsecd. Note, 3.734%, 15/12/2024	15,000	16,029
Gilead Sciences, Inc., Sr. Unsecd. Note, 3.5%, 1/2/2025	15,000	15,843
Energy Transfer Partners LP, Sr. Unsecd. Note, 4.9%, 1/2/2024	15,000	15,521
Principal Financial Group, Inc., Sr. Unsecd. Note, 3.3%, 15/9/2022	15,000	15,125

The Significant Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the period and aggregate disposals greater than one per cent of the total value of the sales.

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED STRATEGIC VALUE EQUITY FUND

Purchases in 2016

SECURITY DESCRIPTION	Nominal	Cost
AbbVie, Inc.	12,428	US\$ 713,156
Sanofi	7,985	652,879
Crown Castle International Corp.	5,976	544,424
The Coca-Cola Co.	10,670	452,684
BCE, Inc.	9,630	446,805
Vodafone Group PLC	148,600	440,268
Dominion Resources, Inc.	5,020	369,807
AstraZeneca PLC	5,670	357,051
Philip Morris International, Inc.	2,875	272,721
Merck & Co., Inc.	4,690	259,184
McDonald's Corp.	2,210	256,233
Occidental Petroleum Corp.	3,350	253,258
Southern Co.	4,800	251,388
Altria Group, Inc.	3,890	249,866
AT&T, Inc.	5,930	234,498
Verizon Communications, Inc.	4,020	209,540
Diageo PLC	7,000	183,459
Novartis AG	2,140	161,034
Reynolds American, Inc.	3,200	151,208
Total S.A.	3,030	149,713
Darden Restaurants, Inc.	2,365	148,461
Chevron Corp.	1,380	138,926
Consolidated Edison Co.	2,000	133,937
Paychex, Inc.	2,225	125,726
PPL Corp.	3,640	123,373
Procter & Gamble Co.	1,435	120,185
Duke Energy Corp.	1,345	104,566
National Grid PLC	8,665	101,835

Sales in 2016

SECURITY DESCRIPTION	Nominal	Proceeds
Reynolds American, Inc.	15,690	US\$ 829,969
McDonald's Corp.	3,230	387,398
Kraft Heinz Co./The	3,815	315,687
Altria Group, Inc.	4,570	290,707
BCE, Inc.	6,130	261,626
AT&T, Inc.	6,390	247,477
Procter & Gamble Co.	2,940	243,435
Merck & Co., Inc.	3,920	237,046
Unilever PLC	5,460	233,379
Philip Morris International, Inc.	2,550	227,941
GlaxoSmithKline PLC	11,820	223,884
Royal Dutch Shell PLC, Class B	10,345	209,822
Diageo PLC	7,000	187,134
National Grid PLC	15,030	186,149

STATEMENT OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) – FEDERATED STRATEGIC VALUE EQUITY FUND

Sales in 2016 (Continued)

SECURITY DESCRIPTION	Nominal	Proceeds
General Mills, Inc.	2,790	US\$ 181,762
Verizon Communications, Inc.	3,560	180,547
Kellogg Co.	2,440	180,441
HCP, Inc.	4,610	171,966
AbbVie, Inc.	2,850	171,073
Sanofi	1,930	154,348
Vodafone Group PLC	58,150	144,967
Chevron Corp.	1,240	136,323
Southern Co.	2,750	130,670
Duke Energy Corp.	1,730	129,806
The Coca-Cola Co.	2,870	117,790
Johnson & Johnson	1,020	111,463
BP PLC	20,370	108,878
Dominion Resources, Inc.	1,430	104,481
Exxon Mobil Corp.	1,150	99,262
Crown Castle International Corp.	1,180	99,165
PPL Corp.	2,910	98,705
National Retail Properties, Inc.	2,190	96,889
Welltower, Inc.	1,470	94,101
Digital Realty Trust, Inc.	865	83,048
Darden Restaurants, Inc.	1,030	78,035

The Significant Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the period and aggregate disposals greater than one per cent of the total value of the sales.

SECURITIES FINANCING TRANSACTIONS REGULATION (SFTR) ANNUAL REPORT DISCLOSURES (UNAUDITED)

For the financial year ended 31 December 2016

Securities Financing Transactions (“SFTs”) on Repurchase Agreements

Concentration Data

The table below shows the issuers of total collateral received on repurchase agreements that are outstanding as at 31 December 2016:

Fund	Collateral Issuer	Market value of collateral received as at 31-Dec 2016
Federated Short-Term U.S. Government Securities Fund	Government of the United States - U.S. Government Agencies, Collateralised Mortgage Obligations	US\$ 855,790,176
Federated Short-Term U.S. Treasury Securities Fund	Government of the United States - U.S. Treasury Securities	US\$ 452,905,446
Federated Short-Term U.S. Prime Fund	Government of the United States - U.S. Government Agencies	US\$ 456,983,868
Federated High Income Advantage Fund	Government of the United States - Collateralised Mortgage Obligations	US\$ 541,810
Federated U.S. Total Return Bond Fund	Government of the United States - Collateralised Mortgage Obligations	US\$ 64,894
Federated Strategic Value Equity Fund	Government of the United States - Collateralised Mortgage Obligations	US\$ 708,679

The collateral received by the Funds is held in segregated accounts as at 31 December 2016.

The table below shows the counterparties with respect to outstanding repurchase agreement transactions as at 31 December 2016:

Fund	Counterparty ¹	Repurchase Agreement Transactions
		US\$
Federated Short-Term U.S. Government Securities Fund	Natixis Financial Products LLC	255,014,466
	Citigroup Global Markets Inc.	255,014,450
	BNP Paribas Securities Corp	140,752,512
	Merrill Lynch, Pierce, Fenner & Smith Inc.	102,005,681
	Wells Fargo Securities LLC	51,502,862
	J.P. Morgan Securities LLC	51,500,205
	Total Collateral	US\$ 855,790,176
Federated Short-Term U.S. Treasury Securities Fund	Natixis Financial Products LLC	153,008,680
	BNP Paribas Securities Corp	146,888,196
	Merrill Lynch Pierce, Fenner & Smith Inc.	102,005,680
	Citigroup Global Markets Inc.	51,002,890
	Total Collateral	US\$ 452,905,446
Federated Short-Term U.S. Prime Fund	Citigroup Global Markets Inc.	153,008,670
	Natixis Financial Products LLC	102,005,786
	HSBC Securities (USA) Inc.	102,003,834
	BNP Paribas Securities Corp	99,965,578
	Total Collateral	US\$ 456,983,868
Federated High Income Advantage Fund	BNP Paribas Securities Corp	541,810
	Total Collateral	US\$ 541,810
Federated U.S. Total Return Bond Fund	BNP Paribas Securities Corp	64,894
	Total Collateral	US\$ 64,894
Federated Strategic Value Equity Fund	BNP Paribas Securities Corp	708,679
	Total Collateral	US\$ 708,679

¹ Risk concentration in respect of repurchase agreements is fully collateralised. For further details please refer to note 12.

SECURITIES FINANCING TRANSACTIONS REGULATION (SFTR) ANNUAL REPORT DISCLOSURES (UNAUDITED)

For the financial year ended 31 December 2016

Transaction Data

The table below shows the maturity tenor of the SFTs (Repurchase Agreements) as at 31 December 2016:

Fund	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open Maturity	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Federated Short-Term U.S. Government Securities Fund	—	836,723,000	—	—	—	—	—	836,723,000
Federated Short-Term U.S. Treasury Securities Fund	—	444,000,000	—	—	—	—	—	444,000,000
Federated Short-Term U.S. Prime Fund	—	448,000,000	—	—	—	—	—	448,000,000
Federated High Income Advantage Fund	—	526,000	—	—	—	—	—	526,000
Federated U.S. Total Return Bond Fund	—	63,000	—	—	—	—	—	63,000
Federated Strategic Value Equity Fund	—	688,000	—	—	—	—	—	688,000

The table below shows the maturity profile of collateral received as at 31 December 2016:

Fund	Less than one day	One day to one week	One week to one month	One to three months	Three months to one year	Above one year	Open Maturity	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Federated Short-Term U.S. Government Securities Fund	193,803	—	10,150,979	31,827	3,912,767	841,500,800	—	855,790,176
Federated Short-Term U.S. Treasury Securities Fund	3,488,462	—	6,090,977	572,890	2,156,466	440,596,651	—	452,905,446
Federated Short-Term U.S. Prime Fund	2,374,092	—	4,060,657	5,484,691	33,815,185	411,249,243	—	456,983,868
Federated High Income Advantage Fund	—	—	—	—	—	541,810	—	541,810
Federated U.S. Total Return Bond Fund	—	—	—	—	—	64,894	—	64,894
Federated Strategic Value Equity Fund	—	—	—	—	—	708,679	—	708,679

UCITS V REMUNERATION ANNUAL REPORT DISCLOSURES (UNAUDITED)

For the financial year ended 31 December 2016

UCITS V Remuneration Disclosure

In line with the requirements of the UCITS Regulations, the Company has adopted a remuneration policy which is consistent with the principles outlined in the ESMA guidelines on sound remuneration policies under the UCITS Directive (the “Remuneration Guidelines”). The remuneration policy is appropriate to the Company’s size, internal organisation and the nature, scope and complexity of its activities.

The Company’s remuneration policy applies to certain identified staff whose professional activities have a material impact on the risk profile of the Company. As at 31 December 2016, the Company did not have any employees and the Company’s remuneration policy applies only to members of the Company’s management body (i.e. the board of directors). The Directors not affiliated with the Advisers receive a fixed annual fee which is in line with the fees paid by other Irish funds and compensates these directors for their tasks, expertise and responsibilities. Directors who are employees of the Advisers (or an affiliate) are not paid any fees for their services as Directors.

Quantitative remuneration disclosures as required by paragraphs (a) and (b) of Regulation 89(3A) of the UCITS Regulations will be included in the financial statements for the year ending 31 December 2017. The disclosures required by paragraphs (c) and (d) of Regulation 24(B) of the UCITS Regulations will also be made at this time following the first annual review of the remuneration policy.

The remuneration policy was amended to take account of the issue of Remuneration Guidelines in December 2016, and in particular the requirements in relation to delegated management functions, but no other material changes have been made to the remuneration policy since its adoption.

INFORMATION FOR INVESTORS IN THE UNITED KINGDOM

All trading Funds and series thereof have been accepted into the UK “reporting fund” regime for offshore funds under the UK Offshore Funds (Tax) Regulations 2009.

The amount of reportable income per share for UK tax payers to include on their UK tax return is displayed on our website at fiml.federatedinvestors.com. Alternatively, if you own shares through a financial intermediary (such as a bank or broker) you should contact your financial representative. This information is also available from the Funds’ facilities agent in the UK, Société Générale London Branch, at SGSS Custody London, SG House, 41 Tower Hill, London, EC3N 4SG, or by calling the agent on +44 (0) 207 676 6230, to obtain a hard copy of this information.

INFORMATION FOR INVESTORS IN HONG KONG

Effective from 15 February 2011, Federated International Funds plc was authorised in Hong Kong and the following sub-funds are available to the public of Hong Kong: Federated Short-Term U.S. Government Securities Fund; Federated Short-Term U.S. Treasury Securities Fund; Federated Short-Term U.S. Prime Fund; and Federated High Income Advantage Fund.

Please note that the Federated U.S. Total Return Bond Fund, Federated Emerging Markets Global Debt Fund, Federated Strategic Value Equity Fund and Federated MDT All Cap U.S. Stock Fund are not authorised in Hong Kong and are not available to the public in Hong Kong.

INFORMATION FOR INVESTORS IN SWITZERLAND

Société Générale, Paris, Zurich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zürich, is the representative and paying agent in Switzerland (the “Swiss Representative”).

The prospectus; the key investor information document for each Fund listed below; the constitution of the Company; the annual and semi-annual reports; and the list of purchases and sales of investments may be obtained free of charge on request from the Swiss Representative.

Total Expense Ratio (Unaudited)

Total expense ratio (“TER”) expresses the sum of all costs and commissions charged on an ongoing basis to a fund’s assets (operating expenses) taken retrospectively as a percentage of the net assets.

The TER of the underlying series of each Fund listed below for the financial year ended 31 December 2016 is as follows:

Fund	TER
Federated Short-Term U.S. Government Securities Fund	
Institutional Services – Dividend Series	0.40%
Institutional Series	0.20%
Investment – Dividend Series	0.40%
Investment – Growth Series	0.41%
Federated Short-Term U.S. Treasury Securities Fund	
Institutional Service Series	0.36%
Institutional Series	0.20%

Fund	TER
Federated Short-Term U.S. Prime Fund	
Institutional Service Series	0.45%
Institutional Series	0.20%
Investment – Dividend Series	0.69%
Institutional Services – Dividend Series	0.55%
Accumulating Shares – Institutional Series	0.20%
Federated High Income Advantage Fund	
Class A Shares – USD ACC	1.00%
Class A Shares – EUR ACC	1.00%
Class I Shares – EUR DIS	0.75%
Class I Shares – USD DIS	0.75%
Class I Shares – GBP DIS	0.75%
Class A Shares – EUR DIS	1.25%
Federated U.S. Total Return Bond Fund	
Class I Shares – EUR DIS	0.65%
Class I Shares – USD DIS	0.65%
Class I Shares – GBP DIS	0.65%
Class A Shares – EUR DIS	1.00%
Federated Strategic Value Equity Fund	
Class A Shares – USD DIS	1.25%
Class I Shares – USD DIS	0.75%

Past Performance Data (Unaudited)

Performance data for the last calendar year (1 January 2016 to 31 December 2016), together with the last three calendar years (shown as an annual average total return), is shown in the tables that follow. In addition, the performance data shown for each fund is compared to a broad-based securities market index for **illustrative purposes**. There is no guarantee that the Fund will outperform the index.

Federated Short-Term U.S. Government Securities Fund – Performance		
	2016	2014-2016 Average
Institutional Services – Dividend Series	0.0%	0.0%
iMoneyNet MFR Government & Agencies Institutional Funds Average	0.4%	0.2%

Federated Short-Term U.S. Government Securities Fund – Performance		
	2016	2014-2016 Average
Institutional Series	0.2%	0.1%
iMoneyNet MFR Government & Agencies Institutional Funds Average	0.4%	0.2%

Federated Short-Term U.S. Government Securities Fund – Performance		
	2016	2014-2016 Average
Investment – Dividend Series	0.0%	0.0%
iMoneyNet MFR Government & Agencies Institutional Funds Average	0.4%	0.2%

Federated Short -Term U.S. Government Securities Fund – Performance		
	2016	2014-2016 Average
Investment-Growth Series	0.0%	0.0%
iMoneyNet MFR Government & Agencies Institutional Funds Average	0.4%	0.2%

Federated Short Term U.S. Treasury Securities Fund – Performance		
	2016	2014-2016 Average
Institutional Service Series	0.0%	0.0%
iMoneyNet MFR Treasury & Repo Institutional	0.3%	0.2%

Federated Short Term U.S. Treasury Securities Fund – Performance		
	2016	2014-2016 Average
Institutional Series	0.2%	0.1%
iMoneyNet MFR Treasury & Repo Institutional	0.3%	0.2%

Federated Short-Term U.S. Prime Fund – Performance		
	2016	2014-2016 Average
Institutional Service Series	0.2%	0.1%
IMMFA MFR Stable US\$ Average	0.6%	0.3%

Federated Short-Term U.S. Prime Fund – Performance		
	2016	2014-2016 Average
Institutional Series	0.5%	0.2%
IMMFA MFR Stable US\$ Average	0.6%	0.3%

Federated Short-Term U.S. Prime Fund – Performance		
	2016	2014-2016 Average
Investment – Dividend Series	0.0%	0.0%
IMMFA MFR Stable US\$ Average	0.6%	0.3%

Federated Short-Term U.S. Prime Fund – Performance		
	2016	2014-2016 Average
Institutional Services – Dividend Series	0.1%	0.1%
IMMFA MFR Stable US\$ Average	0.6%	0.3%

Federated Short-Term U.S. Prime Fund – Performance		
	2016	2014-2016 Average
Accumulating Shares – Institutional Series	0.5%	0.3%
IMMFA MFR Stable US\$ Average	0.6%	0.3%

Federated Emerging Markets Global Debt Fund* – Performance		
	2016	2014-2016 Average
Class I Shares – EUR DIS	N/A	N/A
Blended Composite	N/A	N/A

Federated Emerging Markets Global Debt Fund* – Performance		
	2016	2014-2016 Average
Class I Shares – USD DIS	N/A	N/A
Blended Composite	N/A	N/A

Federated Emerging Markets Global Debt Fund* – Performance		
	2016	2014-2016 Average
Class I Shares – GBP DIS	N/A	N/A
Blended Composite	N/A	N/A

Federated Emerging Markets Global Debt Fund* – Performance		
	2016	2014-2016 Average
Class A Shares – EUR DIS	N/A	N/A
Blended Composite	N/A	N/A

Federated High Income Advantage Fund – Performance		
	2016	2014-2016 Average
Class A Shares – USD ACC	13.6%	4.5%
Bloomberg Barclays High Yield 2% Issuer Capped Index	17.1%	4.7%

Federated High Income Advantage Fund – Performance		
	2016	2014-2016 Average
Class A Shares – EUR ACC	12.1%	4.0%
Bloomberg Barclays High Yield 2% Issuer Capped Index	17.1%	4.7%

Federated High Income Advantage Fund – Performance		
	2016	2014-2016 Average
Class I Shares – EUR DIS	12.3%	4.1%
Bloomberg Barclays High Yield 2% Issuer Capped Index	17.1%	4.7%

* As of 14 March 2016, the Federated Emerging Markets Global Debt Fund was closed to new subscriptions (including conversions into the Fund), and is in the process of being terminated.

Federated High Income Advantage Fund – Performance		
	2016	2014-2016 Average
Class I Shares – USD DIS	13.8%	4.7%
Bloomberg Barclays High Yield 2% Issuer Capped Index	17.1%	4.7%

Federated High Income Advantage Fund – Performance		
	2016	2014-2016 Average
Class I Shares – GBP DIS	7.6%	0.2%
Bloomberg Barclays High Yield 2% Issuer Capped Index	17.1%	4.7%

Federated High Income Advantage Fund – Performance		
	2016	2014-2016 Average
Class A Shares – EUR DIS	11.8%	1.6%
Bloomberg Barclays High Yield 2% Issuer Capped Index	17.1%	4.7%

Federated U.S. Total Return Bond Fund – Performance		
	2016	2014-2016 Average
Class I Shares – EUR DIS	2.2%	1.7%
Bloomberg Barclays U.S. Aggregate Bond Index	2.7%	3.0%

Federated U.S. Total Return Bond Fund – Performance		
	2016	2014-2016 Average
Class I Shares – USD DIS	3.7%	2.4%
Bloomberg Barclays U.S. Aggregate Bond Index	2.7%	3.0%

Federated U.S. Total Return Bond Fund – Performance		
	2016	2014-2016 Average
Class I Shares – GBP DIS	1.0%	-0.2%
Bloomberg Barclays U.S. Aggregate Bond Index	2.7%	3.0%

Federated U.S. Total Return Bond Fund – Performance		
	2016	2014-2016 Average
Class A Shares – EUR DIS	3.3%	1.1%
Bloomberg Barclays U.S. Aggregate Bond Index	2.7%	3.0%

Federated Strategic Value Equity Fund – Performance		
	2016	2014-2016 Average
Class A Shares – USD DIS	8.9%	7.0%
Dow Jones Select Dividend Index	12.0%	8.9%

Federated Strategic Value Equity Fund – Performance		
	2016	2014-2016 Average
Class I Shares – USD DIS	9.5%	7.6%
Dow Jones Select Dividend Index	12.0%	8.9%

Past performance is no indication of current or future performance and that the performance data do not take account of commissions and costs incurred on the issue and redemption of shares.

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ADMINISTRATOR

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Denis McAuley III
Michael Boyce (independent)
Ronan Walsh (independent)

OFFICERS

John W. McGonigle, Chairman
Gregory P. Dulski, Company Secretary
Bradwell Limited, Assistant Company Secretary
Peter J. Germain, Assistant Company Secretary (effective until
14 December 2016)
Richard A. Novak, Assistant Company Secretary
Robert J. Wagner, Assistant Company Secretary

Federated International Funds plc

Federated International Funds plc
Federated International Management Limited, Manager
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Guild Street
International Financial Services Centre
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