

# Federated Institutional Prime Value Obligations Fund

## Institutional Shares

Nasdaq Symbol: **PVOXX** | Cusip Number: **60934N583** | Newspaper Listing: **PrmVluObl**

### Product Highlights

- Pursues current income consistent with stability of principal and liquidity.
- Invests substantially all of its assets in Federated Institutional Prime Obligations Fund
- Federated Institutional Prime Obligations Fund invests primarily in short-term, high-quality, fixed-income securities issued by banks, corporations and the U.S. government.
- Holds AAAM and AAAMmf ratings from Standard & Poor's and Fitch, respectively.
- Offers a single strike time with T+0 and T+1 settlement.

### Credit Ratings

**AAAM** Standard & Poor's

**AAAMmf** Fitch

### Portfolio Manager(s)

Deborah Cunningham  
Paige Wilhelm

### Portfolio Assets

\$15.5 billion

### Top Ten Holdings

Federated Institutional Prime Obligations Fund - Class IS  
HSBC Holdings PLC

Total % of Portfolio: 100%

### Share Class Statistics

#### Inception Date

2/8/93

#### Federated Fund Number

853

#### Cut-Off Times

3:00 p.m. ET — Purchases

3:00 p.m. ET — Redemptions

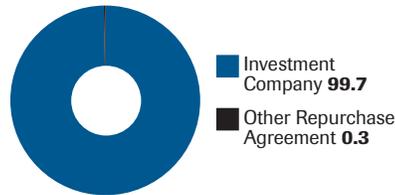
#### Strike Times

3:00 p.m. ET

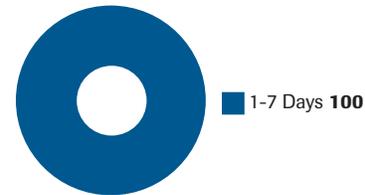
#### Dividends

Declared Daily/Paid Monthly

### Portfolio Composition (%)



### Effective Maturity Schedule (%)



### 2a-7 Liquidity

Daily	100.0%
Weekly	100.0%

### Weighted Average Maturity

1 Days

### Weighted Average Life

1 Days

### Fund Performance

Net Yields (%)		Total Return (%)	
7-Day	2.06	1 Year	2.44

Annualized Yields (%)	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
7-Day	2.31	2.36	2.54	2.57	2.55	2.55	2.52	2.46	2.45	2.39	2.20	2.06

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

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

Otherwise, the 7-day yield would have been 1.77% and total return would have been lower.

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

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

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## Portfolio Manager Commentary

In the third quarter of 2019, the Federal Reserve cut its benchmark rate twice, the Libor curve returned to being positively sloped and U.S.-China trade negotiations remained unresolved. The policy easing steps by the Federal Reserve and other developments put downward pressure on yields on short-term securities and returns in the liquidity space. However, investors continued to favor money market funds and similar products, with inflows continuing.

After steadily raising it for several years, in July the Fed reduced its federal funds rate for the first time since the financial crisis. Policymakers took great care in describing the action to the markets for fear it would be misunderstood amid growing calls for easing. Their primary message was that the quarter-point move to a target range of 2-2.25% was not the first step in a descent to the zero-rate environment of the years following the Great Recession, but part of its continuing attempt to normalize policy and spur inflation. Fed Chair Jerome Powell specifically referred to the cut as a "mid-cycle adjustment to policy" rather than the start of a new stimulus cycle. The Treasury yield curve continued to be inverted, a sign that historically predicted a recession, but as the period progressed it began to flatten and eventually steepen as expectations of a Fed cut in September grew. This came to pass, with policymakers lowering the target range again by 25 basis points to 1.75-2%. However, dissent grew, as two members of the Federal Open Market Committee voted to leave rates unchanged and another preferred to lower them by 50 basis points.

The third quarter was an eventful one for the government space. Sandwiched between the two rate cuts was a rare case of volatility in the overnight repo market. The latter resulted from a confluence of technical factors—including corporate quarterly tax payments and a large settlement of net new Treasury supply—not a credit event. The Fed intervened and the volatility subsided. As the quarter ended, domestic economic indicators, while moderating, did not point to an imminent recession.

The Treasury yield curve ended the quarter with 1-month at 1.90%, 3-month at 1.83%, 6-month at 1.83% and 12-month at 1.77%. The London interbank offered rate (Libor) curve finished with 1-month at 2.03%, 3-month at 2.10%, 6-month at 2.06% and 12-month at 2.04%.

*You could lose money by investing in this fund. Because the share price of this fund will fluctuate, when you sell your shares, they may be worth more or less than what you originally paid for them. The fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.*

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

### A Word About Risk

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

Current and future holdings and that of the Federated Institutional Prime Obligations Fund in which it invests are subject to risk.

The fund invests substantially all of its assets in Federated Institutional Prime Obligations Fund, an affiliated institutional money market fund.

### Definitions

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

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

The holdings percentages are based on net assets at the close of business on 9/30/19 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

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

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

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

### Ratings And Rating Agencies

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

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

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

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