

FEDERATED PREMIER MUNICIPAL INCOME FUND

Form N-Q

April 24, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM N-Q  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT  
COMPANIES

811-21235

(Investment Company Act File Number)

Federated Premier Municipal Income Fund

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(Exact Name of Registrant as Specified in Charter)

Federated Investors Funds  
5800 Corporate Drive  
Pittsburgh, Pennsylvania 15237-7000  
(Address of Principal Executive Offices)

(412) 288-1900  
(Registrant's Telephone Number)

John W. McGonigle, Esquire  
Federated Investors Tower  
1001 Liberty Avenue  
Pittsburgh, Pennsylvania 15222-3779  
(Name and Address of Agent for Service)  
(Notices should be sent to the Agent for Service)

Date of Fiscal Year End: 11/30/07

Date of Reporting Period: Quarter ended 2/28/07

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ITEM 1. SCHEDULE OF INVESTMENTS

FEDERATED PREMIER MUNICIPAL INCOME FUND  
 PORTFOLIO OF INVESTMENTS  
 February 28, 2007 (unaudited)

PRINCIPAL VALUE  
 AMOUNT

|    |           |  |
|----|-----------|--|
|    |           | MUNICIPAL BONDS--100.0%  |
|    |           | ALABAMA--0.4%  |
| \$ | 550,000   | Courtland, AL IDB, PCR Refunding Bonds (Series 2005A), 5.00% (International Paper) |
|    |           | ARIZONA--1.5%  |
|    | 500,000   | Arizona Tourism & Sports Authority, Multipurpose Stadium Facilities Tax Revenue    |
|    |           | A), 5.00% (United States Treasury PRF 7/1/2013@100), 7/1/2024                      |
|    | 750,000   | Tempe, AZ IDA, Senior Living Revenue Bonds (Series A), 6.75% (Friendship Villa     |
|    |           | 12/1/2030  |
|    | 750,000   | Verrado Community Facilities District No. 1, AZ, Revenue Bonds, 6.50%, 7/15/202    |
|    |           | TOTAL  |
|    |           | ARKANSAS--0.8%   |
|    | 1,000,000 | Arkansas Development Finance Authority, Hospital Revenue Bonds (Series 2000), 7    |
|    |           | Regional Medical Center)/(United States Treasury PRF 2/1/2010@100)/(Original Iss   |
|    |           | 7.50%), 2/1/2029   |
|    |           | CALIFORNIA--5.2%   |
|    | 1,000,000 | California State Department of Water Resources Power Supply Program, Power Supp    |
|    |           | (Series A), 5.375% (United States Treasury PRF 5/1/2012@101)/(Original Issue Yi    |
|    |           | 5/1/2022   |
|    | 1,000,000 | California State, Refunding UT GO Bonds, 5.25%, 2/1/2020                           |
|    | 1,000,000 | California State, UT GO Bonds, 5.25%, 10/1/2020                                    |
|    | 250,000   | Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Asset-Backed     |
|    |           | (Series 2003A-1), 6.75% (Original Issue Yield: 7.00%), 6/1/2039                    |
|    | 750,000   | Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Revenue Bonds    |
|    |           | 2), 7.90%, 6/1/2042  |
|    | 500,000   | La Verne, CA, Revenue COPs (Series 2003B), 6.625% (Brethren Hillcrest Homes)/(O    |
|    |           | Yield: 6.70%), 2/15/2025   |
|    | 1,000,000 | Stockton, CA Public Financing Authority, Redevelopment Projects Revenue Bonds (    |
|    |           | 5.25% (Radian Asset Assurance INS), 9/1/2031                                       |
|    | 1,500,000 | Upland, CA Public Financing Authority, Water System Improvement Lease Revenue B    |
|    |           | 2003), 5.00% (AMBAC INS), 10/1/2027  |
|    |           | TOTAL  |
|    |           | COLORADO--5.5%   |
|    | 725,000   | Antelope Heights Metropolitan District, CO, LT GO Bonds, 8.00%, 12/1/2023          |
|    | 1,000,000 | Buckhorn Valley Metropolitan District No. 2, CO, LT GO Bonds, 7.00%, 12/1/2023     |
|    | 500,000   | Colorado Educational & Cultural Facilities Authority, Revenue Refunding Bonds (    |
|    |           | (Denver Academy)/(Original Issue Yield: 7.25%), 11/1/2023                          |
|    | 1,000,000 | Colorado Health Facilities Authority, Revenue Bonds (Series 2002A), 6.125% (Cov    |
|    |           | Communities, Inc.)/(Original Issue Yield: 6.40%), 12/1/2033                        |
|    | 2,000,000 | Colorado Health Facilities Authority, Revenue Bonds (Series 2006A), 4.75% (Cath    |
|    |           | Initiatives)/(Original Issue Yield: 4.828%), 9/1/2040                              |
|    | 250,000   | Conservatory Metropolitan District, CO, LT GO Bonds, 6.75%, 12/1/2034              |
|    | 500,000   | Conservatory Metropolitan District, CO, LT GO Bonds, 7.55%, 12/1/2032              |
|    | 1,000,000 | Denver, CO Health & Hospital Authority, Revenue Bonds, 6.25% (Original Issue Yi    |
|    |           | 12/1/2033  |
|    | 500,000   | Southlands, CO Metropolitan District No. 1, LT GO Bonds (Series 2004), 7.00% (O    |
|    |           | Yield: 7.05%), 12/1/2024   |
|    |           | TOTAL  |

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|           |   |
|-----------|---|
|           | CONNECTICUT--1.5%   |
| 1,250,000 | Connecticut State Development Authority, First Mortgage Gross Revenue Health Ca (Series 2003), 5.85% (Elim Park Baptist Home, Inc.)/(Original Issue Yield: 5.98   |
| 825,000   | Connecticut State HEFA, Revenue Bonds (Series 2006B), 5.00% (Canterbury School) (Radian Asset Assurance INS), 7/1/2036  |
|           | TOTAL   |
|           | DISTRICT OF COLUMBIA--2.0%  |
| 2,500,000 | District of Columbia Tobacco Settlement Financing Corp., Asset Backed Revenue B (Original Issue Yield: 6.67%), 5/15/2033  |
|           | FLORIDA--7.1%   |
| 600,000   | Broward County, FL Educational Facilities Authority, Educational Facilities Rev (Series 2004B), 5.60% (Nova Southeastern University)/(Original Issue Yield: 5.6   |
| 400,000   | 1 Capital Trust Agency, FL, Revenue Bonds (Series 2003A), 8.95% (Seminole Tribe o Convention and Resort Hotel Facilities)/(United States Treasury PRF 10/1/2012@1 |
| 1,490,000 | Citrus County, FL Hospital Board, Revenue Refunding Bonds, 6.375% (Citrus Memori Hospital)/(Original Issue Yield: 6.50%), 8/15/2032                               |
| 1,290,000 | Harbor Bay, FL Community Development District, Special Assessment Revenue Bonds   |
| 2,000,000 | Jacksonville, FL Sales Tax, Revenue Bonds (Series 2003), 5.00% (MBIA Insurance 10/1/2024  |
| 400,000   | Midtown Miami, FL Community Development District, Special Assessment Bonds (Ser 6.00%, 5/1/2024   |
| 400,000   | Orlando, FL Urban Community Development District, Capital Improvement Revenue B 5/1/2034  |
| 1,000,000 | South Lake County, FL Hospital District, Revenue Bonds, 6.625% (South Lake Hosp 10/1/2023   |
| 500,000   | Tuscany Reserve Community Development District, FL, Capital Improvement Revenue 2005A), 5.55%, 5/1/2036   |
| 1,045,000 | Verandah West, FL Community Development District, Capital Improvement Revenue B 2003A), 6.625% (Original Issue Yield: 6.75%), 5/1/2033                            |
| 500,000   | Winter Garden Village at Fowler Groves Community Development District, FL, Spec Bonds (Series 2006), 5.65%, 5/1/2037  |
|           | TOTAL   |
|           | HAWAII--1.1%  |
| 1,400,000 | Hawaii State Department of Budget & Finance, Special Purpose Revenue Bonds (Ser (Kahala Nui)/(Original Issue Yield: 8.175%), 11/15/2033                           |
|           | ILLINOIS--4.7%  |
| 996,000   | Antioch Village, IL Special Service Area No. 1, Special Tax Revenue Bonds, 6.62 Project), 3/1/2033  |
| 2,500,000 | Chicago, IL Sales Tax, Revenue Bonds, 5.25% (FGIC INS)/(Original Issue Yield: 5   |
| 1,000,000 | Chicago, IL Special Assessment, Improvement Revenue Bonds, 6.75% (Lakeshore Eas Project)/(Original Issue Yield: 6.769%), 12/1/2032                                |
| 420,000   | DuPage County, IL, Special Tax Bonds (Series 2006), 5.625% (Naperville Campus L   |
| 1,000,000 | Illinois Educational Facilities Authority, Revenue Refunding Bonds (Series A), College)/(Original Issue Yield: 5.90%), 10/1/2032                                  |
| 625,000   | Illinois Finance Authority, Revenue Bonds (Series 2005A), 6.00% (Landing at Ply Place)/(Original Issue Yield: 6.04%), 5/15/2037                                   |
|           | TOTAL   |
|           | INDIANA--1.4%   |
| 1,930,000 | Indiana Health & Educational Facility Financing Authority, Revenue Bonds (Serie (Baptist Homes of Indiana), 11/15/2035  |
|           | KENTUCKY--1.1%  |
| 325,000   | Kentucky EDFFA, Revenue Bonds (Series 2000A), 6.625% (Norton Healthcare, Inc.)/( Yield: 6.97%), 10/1/2028   |
| 1,175,000 | Kentucky EDFFA, Revenue Bonds (Series 2000A), 6.625% (Norton Healthcare, Inc.)/( Treasury PRF 10/1/2010@101)/(Original Issue Yield: 6.97%), 10/1/2028             |
|           | TOTAL   |
|           | LOUISIANA--1.4%   |
| 2,000,000 | Louisiana State, Gasoline & Fuels Tax Revenue Bonds (Series 2006A), 4.75% (Loui Fuels)/(FSA INS), 5/1/2039  |
|           | MARYLAND--0.2%  |
| 300,000   | Maryland State Health & Higher Educational Facilities Authority, Revenue Bonds 5.25% (King Farm Presbyterian Retirement Community), 1/1/2027                      |

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|           |   |
|-----------|---|
|           | MASSACHUSETTS--2.2%   |
| 1,000,000 | Massachusetts HEFA, Revenue Bonds (Series 2003E), 6.75% (Jordan Hospital )/(Original Issue Yield: 7.00%), 10/1/2033   |
| 2,000,000 | Massachusetts State Development Finance Agency, Revenue Bonds, 5.75% (Massachusetts Pharmacy & Allied Health Sciences), 7/1/2033  |
|           | TOTAL   |
|           | MICHIGAN--2.2%  |
| 2,000,000 | Cornell Township MI, Economic Development Corp., Refunding Revenue Bonds, 5.875% (Cornell Township MI Economic Development Corp.)/(United States Treasury PRF 5/1/2012@100), 5/1/2018 |
| 1,000,000 | Detroit, MI Sewage Disposal System, Refunding Senior Lien Revenue Bonds (Series 2003A) (FSA INS), 7/1/2024  |
|           | TOTAL   |
|           | MINNESOTA--0.7%   |
| 900,000   | St. Paul, MN Port Authority, Hotel Facility Revenue Bonds (Series 2), 7.375% (Renaissance Hotel Project)/(United States Treasury PRF 8/1/2008@103)/(Original Issue Yield: 7.50%)      |
|           | MISSISSIPPI--3.1%   |
| 2,000,000 | Lowndes County, MS Solid Waste Disposal, Refunding PCRBs (Series 1992B), 6.70% (Lowndes County Solid Waste Disposal Co.), 4/1/2022  |
| 2,000,000 | Mississippi Development Bank, Special Obligation Bonds (Series 2006A), 5.00% (Mississippi Agency of Mississippi)/(XL Capital Assurance Inc. INS), 3/1/2041                            |
|           | TOTAL   |
|           | MISSOURI--0.4%  |
| 500,000   | Missouri Development Finance Board, Infrastructure Facilities Revenue Bonds (Series 2003A) 5.50% (Branson, MO)/(Original Issue Yield: 5.56%), 12/1/2032                               |
|           | NEVADA--3.3%  |
| 650,000   | 1 Director of the State of Nevada Department of Business and Industry, Revenue Bonds (Series 2004A), 7.00% (Las Ventanas Retirement Community)/(Original Issue Yield: 7.125%)         |
| 2,000,000 | Nevada State, COPs (Series 2004: Capitol Complex Building 1), 5.00% (FGIC INS),   |
| 2,000,000 | Truckee Meadows, NV Water Authority, Water Revenue Bonds (Series 2001A), 5.00% (United States Treasury PRF 7/1/2011@100)/(Original Issue Yield: 5.36%), 7/1/2025                      |
|           | TOTAL   |
|           | NEW HAMPSHIRE--2.2%   |
| 3,000,000 | Manchester, NH School Facilities, Revenue Bonds, 5.50% (United States Treasury PRF 6/1/2013@100), 6/1/2028  |
|           | NEW JERSEY--2.0%  |
| 200,000   | New Jersey EDA, First Mortgage Refunding Revenue Bonds (Series 2006), 5.375% (State of New Jersey Living Center)/(Original Issue Yield: 5.40%), 11/1/2036                             |
| 500,000   | New Jersey EDA, Revenue Bonds, (Series 2004), 5.75% (NJ Dedicated Cigarette Excise Tax)/(Original Issue Yield: 5.89%), 6/15/2029  |
| 300,000   | New Jersey EDA, Revenue Refunding Bonds (Series A), 5.80% (Winchester Gardens at Homestead)/(Original Issue Yield: 5.82%), 11/1/2031  |
| 600,000   | New Jersey Health Care Facilities Financing Authority, Revenue Bonds, 6.50% (Passaic Valley Hospital Association)/(Original Issue Yield: 6.72%), 7/1/2023                             |
| 1,000,000 | New Jersey State Educational Facilities Authority, Revenue Bonds, Project C, 6.50% (Fairleigh Dickinson University Court College), 7/1/2033   |
|           | TOTAL   |
|           | NEW MEXICO--0.6%  |
| 750,000   | 1,2 Jicarilla, NM Apache Nation, Revenue Bonds, 5.50%, 9/1/2023   |
|           | NEW YORK--6.2%  |
| 190,000   | Amherst, NY IDA, Civic Facility Revenue Bonds (Series 2006A), 5.20% (Beechwood Center, Inc.), 1/1/2040  |
| 750,000   | Dutchess County, NY IDA, Civic Facility Revenue Bonds (Series 2004B), 7.50% (St. Ann's Hospital and Health Centers), 3/1/2029   |
| 750,000   | Dutchess County, NY IDA, Revenue Bonds, 5.00% (Marist College)/(Original Issue Yield: 5.00%), 7/1/2022  |
| 1,000,000 | Metropolitan Transportation Authority, NY, MTA State Service Contract Revenue Bonds (Series A), 5.00% (New York State)/(FGIC INS)/(Original Issue Yield: 5.14%), 7/1/2022             |
| 2,000,000 | Metropolitan Transportation Authority, NY, Revenue Bonds (Series 2006A), 5.00% (Metropolitan Transportation Authority Transportation Revenue), 11/15/2031                             |
| 800,000   | 1 New York City, NY IDA, Liberty Revenue Bonds (Series A), 6.50% (7 World Trade Center), 3/1/2035   |
| 1,000,000 | New York City, NY IDA, PILOT Revenue Bonds (Series 2006), 4.75% (Yankee Stadium), 7/1/2035  |

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|           | Insurance Corp. INS), 3/1/2046   |
| 2,000,000 | New York State Dormitory Authority, Revenue Bonds (Series 2003A), 5.50% (Brookline School)/(Radian Asset Assurance INS), 7/1/2019  |
|           | TOTAL  |
|           | NORTH CAROLINA--2.0%   |
| 1,000,000 | Haywood County, NC Industrial Facilities & PCFA, Refunding Revenue Bonds, 6.00% (International Corp.), 3/1/2020  |
| 1,000,000 | North Carolina Eastern Municipal Power Agency, Power System Refunding Revenue Bonds (Series 2003C), 5.375% (Original Issue Yield: 5.57%), 1/1/2017   |
| 800,000   | North Carolina Medical Care Commission, Health Care Housing Revenue Bonds (Series 2003A) (Arc of North Carolina Projects), 10/1/2034   |
|           | TOTAL  |
|           | NORTH DAKOTA--2.8%   |
| 2,000,000 | Fargo, ND, Health System Revenue Bonds (Series 2000A), 5.60% (Meritcare Obligated Group)/(Original Issue Yield: 5.70%), 6/1/2021   |
| 2,000,000 | Ward County, ND Health Care Facility, Revenue Bonds (Series A), 6.25% (Trinity Health Care Facility)/(United States Treasury PRF 7/1/2007@102)/(Original Issue Yield: 6.375%), 7/1/2007  |
|           | TOTAL  |
|           | OHIO--0.7%   |
| 1,000,000 | Ohio State Air Quality Development Authority, PCR Refunding Bonds (Series 2002A) (Cleveland Electric Illuminating Co.), 12/1/2013  |
|           | OREGON--0.4%   |
| 500,000   | 1 Cow Creek Band of Umpqua Tribe of Indians, Tax-Exempt Tax Revenue Bonds (Series 2002A), 10/1/2026  |
|           | PENNSYLVANIA--4.6%   |
| 1,165,000 | Allegheny County, PA HDA, Health System Revenue Bonds (Series 2000B), 9.25% (Westinghouse Health System)/(Original Issue Yield: 9.70%), 11/15/2030   |
| 360,000   | Cumberland County, PA Municipal Authority, Retirement Community Revenue Bonds (Series 2003A), 7.25% (Wesley Affiliated Services, Inc. Obligated Group)/(United States Treasury PRF 1/1/2013@101)/(Original Issue Yield: 7.50%), 1/1/2035 |
| 935,000   | Cumberland County, PA Municipal Authority, Retirement Community Revenue Bonds (Series 2003B), 7.25% (Wesley Affiliated Services, Inc. Obligated Group)/(United States Treasury PRF 1/1/2013@101)/(Original Issue Yield: 7.50%), 1/1/2035 |
| 2,000,000 | Montgomery County, PA Higher Education & Health Authority Hospital, Revenue Bonds (Series 2006FF1), 5.00% (Dickinson College)/(CDC IXIS Financial Guaranty NA INS), 5/1/2023   |
| 500,000   | Pennsylvania State Higher Education Facilities Authority, Revenue Bonds, (Series 2003A) Health System)/(Original Issue Yield: 6.16%), 1/15/2031  |
| 1,000,000 | Pennsylvania State Turnpike Commission, Oil Franchise Tax Revenue Bonds (Series 2003A) (United States Treasury PRF 12/1/2013@100), 12/1/2023   |
|           | TOTAL  |
|           | SOUTH CAROLINA--6.1%   |
| 1,000,000 | Clemson University, SC, University Revenue Bonds, 5.00% (XL Capital Assurance INS), 5/1/2023   |
| 2,000,000 | Kershaw County, SC Public Schools Foundation, Installment Purchase Revenue Bonds (Series 2003A), 5.00% (Kershaw County, SC School District)/(CDC IXIS Financial Guaranty NA INS), 5/1/2023   |
| 1,940,000 | Myrtle Beach, SC, Hospitality Fee Revenue Bonds (Series 2004A), 5.375% (FGIC Insurance Guaranty Co.), 11/15/2030   |
| 2,500,000 | South Carolina Jobs-EDA, Health System Revenue Bonds (Series A), 5.625% (Bon Secours Health System)/(Original Issue Yield: 5.84%), 11/15/2030  |
| 950,000   | South Carolina Jobs-EDA, Senior Lien Revenue Bonds (Series 2007A), 4.70% (Burro County Multi-County Business Park)/(Radian Asset Assurance INS), 4/1/2035  |
|           | TOTAL  |
|           | SOUTH DAKOTA--1.3%   |
| 1,750,000 | South Dakota State Health & Educational Authority, Revenue Bonds, 5.65% (Westinghouse Retirement Community)/(Original Issue Yield: 5.75%), 9/1/2023  |
|           | TENNESSEE--3.8%  |
| 2,000,000 | Johnson City, TN Health & Education Facilities Board, Hospital Revenue Refunding Bonds (Series 2003A), 7.50% (Mountain States Health Alliance), 7/1/2025   |
| 1,535,000 | Knox County, TN Health Education & Housing Facilities Board, Refunding Improvement Bonds (Series 2003B), 5.75% (East Tennessee Children's Hospital)/(Original Issue Yield: 5.84%), 7/1/2033  |
| 1,500,000 | Knox County, TN Health Education & Housing Facilities Board, Revenue Bonds, 6.375% (Health System of East Tennessee)/(Original Issue Yield: 6.50%), 4/15/2022  |

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|           |   |
|-----------|---|
|           | TOTAL   |
|           | TEXAS--11.0%  |
| 600,000   | Abilene, TX Health Facilities Development Corp., Retirement Facilities Revenue Bonds (Series 2003A), 7.00% (Sears Methodist Retirement )/(Original Issue Yield: 7.25%), 11/15/2023                                |
| 700,000   | Decatur, TX Hospital Authority, Hospital Revenue Bonds (Series 2004A), 7.125% (Health System), 9/1/2034   |
| 385,000   | HFDC of Central Texas, Inc., Retirement Facility Revenue Bonds (Series 2006A), Gleannloch Farms, Inc.), 2/15/2027   |
| 585,000   | HFDC of Central Texas, Inc., Retirement Facility Revenue Bonds (Series 2006A), Gleannloch Farms, Inc.), 2/15/2037   |
| 1,400,000 | Harlandale, TX ISD, UT GO School Building Bonds, 4.75% (PSFG GTD)/(Original Issue Yield: 5.25%), 8/15/2040  |
| 2,500,000 | Houston, TX Combined Utility System, First Lien Revenue Refunding Bonds (Series 2002), (FGIC INS), 5/15/2023  |
| 200,000   | Matagorda County, TX Navigation District No. 1, COL Refunding Revenue Bonds, 5.00% (Energy Houston Electric), 3/1/2027  |
| 4,000,000 | North Central Texas HFDC, Hospital Revenue Refunding Bonds (Series 2002), 5.25% (Medical Center of Dallas)/(AMBAC INS)/(Original Issue Yield: 5.35%), 8/15/2022   |
| 1,350,000 | North Central Texas HFDC, Retirement Facility Revenue Bonds (Series 1999), 7.50% (Senior Housing Corp. Edgemere Project)/(United States Treasury PRF 11/15/2009@1), (Original Issue Yield: 7.75%), 11/15/2029     |
| 500,000   | Sabine River Authority, TX, PCR Refunding Bonds (Series 2001C), 5.20% (TXU Energy Services), 5/1/2028   |
| 1,050,000 | Sabine River Authority, TX, PCR Refunding Bonds (Series 2003B), 6.15% (TXU Energy Services), 8/1/2022   |
| 335,000   | Sabine River Authority, TX, Refunding PCRBs (Series 2003A), 5.80% (TXU Energy Services), 5/1/2028   |
| 500,000   | Tarrant County, TX Cultural Education Facilities Finance Corp., Revenue Bonds, 6.00% (Northwest Senior Housing Corp. Edgemere Project), 11/15/2036  |
| 1,000,000 | Tyler, TX Health Facilities Development Corp., Hospital Revenue Bonds, 5.75% (Medical Center of Dallas )/(Original Issue Yield: 5.84%), 7/1/2027  |
|           | TOTAL   |
|           | VIRGINIA--3.6%  |
| 1,000,000 | Broad Street CDA, VA, Revenue Bonds, 7.50% (Original Issue Yield: 7.625%), 6/1/2028   |
| 1,280,000 | Hampton, VA Convention Center, Revenue Bonds, 5.125% (AMBAC INS), 1/15/2028   |
| 1,400,000 | Peninsula Port Authority, VA, Residential Care Facility Revenue Bonds (Series 2002), (Virginia Baptist Homes Obligated Group)/(United States Treasury PRF 12/1/2013@1), (Original Issue Yield: 7.625%), 12/1/2032 |
| 1,000,000 | Virginia Peninsula Port Authority, Coal Terminal Revenue Refunding Bonds (Series 2002), (Brinks Co. (The)), 4/1/2033  |
|           | TOTAL   |
|           | WASHINGTON--2.8%  |
| 1,910,000 | King County, WA Public Hospital District No. 1, Refunding LT GO Bonds, 5.00% (FSA INS)/(Original Issue Yield: 5.17%), 12/1/2021   |
| 2,000,000 | Washington State, Various Purpose UT GO Bonds (Series 2002A), 5.00% (FSA INS)/(Original Issue Yield: 5.09%), 7/1/2022   |
|           | TOTAL   |
|           | WISCONSIN--4.1%   |
| 3,000,000 | Wisconsin State HEFA, Health Facilities Revenue Bonds (Series A), 5.25% (Ministry of Health Services Care)/(MBIA Insurance Corp. INS)/(Original Issue Yield: 5.38%), 2/15/2032                                    |
| 160,000   | Wisconsin State HEFA, Revenue Bonds (Series 2004), 5.75% (Blood Center of Wisconsin, Inc.)/(Original Issue Yield: 5.82%), 6/1/2034  |
| 500,000   | Wisconsin State HEFA, Revenue Bonds, 6.50% (Tomah Memorial Hospital, Inc.)/(Original Issue Yield: 6.75%), 7/1/2023  |
| 500,000   | Wisconsin State HEFA, Revenue Bonds, 6.625% (Tomah Memorial Hospital, Inc.)/(Original Issue Yield: 6.875%), 7/1/2028  |
| 1,000,000 | Wisconsin State HEFA, Revenue Bonds, 7.25% (Community Memorial Hospital)/(Original Issue Yield: 7.45%), 1/15/2033   |
| 500,000   | Wisconsin State HEFA, Revenue Bonds, (Series 2006A), 5.375% (Marshfield Clinic, Inc.), 1/15/2033  |
|           | TOTAL   |
|           | TOTAL MUNICIPAL INVESTMENTS - 100.0%  |
|           | (IDENTIFIED COST \$136,475,097)3  |
|           | OTHER ASSETS AND LIABILITIES - NET  |

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### LIQUIDATION VALUE OF AUCTION PREFERRED SHARES TOTAL NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS

At February 28, 2007, the Fund holds no securities that are subject to the federal alternative minimum tax (AMT).

- 1 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At February 28, 2007, these restricted securities amounted to \$3,362,749, which represented 2.3% of total market value.
- 2 Denotes a restricted security that may be resold without restriction to "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933 and that the Fund has determined to be liquid under criteria established by the Fund's Board of Trustees (the "Trustees"). At February 28, 2007, these liquid restricted securities amounted to \$816,105, which represented 0.6% of total market value.
- 3 At February 28, 2007, the cost of investments for federal tax purposes was \$136,474,458. The net unrealized appreciation of investments for federal tax purposes was \$10,184,499. This consists of net unrealized appreciation from investments for those securities having an excess of value over cost of \$10,184,499.

Note: The categories of investments are shown as a percentage of total market value at February 28, 2007.

#### INVESTMENT VALUATION

Market values of the Funds' portfolio securities are determined as follows:

{circle} futures contracts and options are generally valued at market values established by the exchanges on which they are traded at the close of trading on such exchanges. Options traded in the over-the-counter market are generally valued according to the mean between the last bid and the last asked price for the option as provided by an investment dealer or other financial institution that deals in the option. The Trustees may determine in good faith that another method of valuing such investments is necessary to appraise their fair market value;

{circle} prices for total return swaps are furnished by an independent pricing service and are based upon a valuation model incorporating underlying reference indexes, interest rates, yield curves and other market data or factors. Prices for credit default swaps are furnished by an independent pricing service and are based upon a valuation model incorporating default probabilities, recovery rates and other market data or factors;

{circle} for investments in other open-end regulated investment companies, based on net asset value;

{circle} for fixed-income securities, according to prices as furnished by an independent pricing service, except that fixed-income securities with remaining maturities of less than 60 days at the time of purchase are valued at amortized cost; and

{circle} for all other securities at fair value as determined in accordance with procedures established by and under the general supervision of the Trustees.

Prices for fixed-income securities furnished by a pricing service may be based

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on a valuation matrix which incorporates both dealer-supplied valuations and electronic data processing techniques. Such prices are generally intended to be indicative of the bid prices currently offered to institutional investors for the securities. The Trustees have approved the use of such pricing services. A number of pricing services are available, and the Fund may use various pricing services or discontinue the use of any pricing service.

Prices provided by independent pricing services may be determined without relying exclusively on quoted prices and may consider institutional trading in similar groups of securities, yield, quality, stability, risk, coupon rate, maturity, type of issue, trading characteristics, and other market data or factors. From time to time, when prices cannot be obtained from an independent pricing service, securities may be valued based on quotes from broker-dealers or other financial institutions that trade the securities.

### RESTRICTED SECURITIES

Additional information on restricted securities, excluding securities purchased under Rule 144A that have been deemed liquid by the Trustees, held at February 28, 2007, is as follows:

| SECURITY  | ACQUISITION<br>DATE | ACQUISITION<br>COST |
|---|---------------------|---------------------|
| Capital Trust Agency, FL, Revenue Bonds<br>(Series 2003A), 8.95%<br>(Seminole Tribe of Florida Convention and<br>Resort Hotel Facilities)/(United States<br>Treasury PRF 10/1/2012@102), 10/1/2033                        | 5/9/2003            | \$400,000           |
| Cow Creek Band of Umpqua Tribe of Indians,<br>Tax-Exempt Tax Revenue Bonds (Series 2006C),<br>5.625%, 10/1/2026   | 6/9/2006            | \$500,000           |
| Director of the State of Nevada Department<br>of Business and Industry, Revenue Bonds<br>(Series 2004A), 7.00% 12/23/2004 \$639,925<br>(Las Ventanas Retirement Community)/<br>(Original Issue Yield: 7.125%), 11/15/2034 |                     |                     |
| New York City, NY IDA, Liberty Revenue Bonds<br>(Series A), 6.50% (7 World Trade Center LLC),<br>3/1/2035   | 3/15/2005           | \$800,000           |

The following acronyms are used throughout this portfolio:

AMBAC --American Municipal Bond Assurance Corporation  
CDA --Community Development Administration  
COL --Collateralized  
COPs --Certificates of Participation  
EDA --Economic Development Authority  
EDFA --Economic Development Finance Authority  
FGIC --Financial Guaranty Insurance Company  
FSA --Financial Security Assurance  
GO --General Obligation  
GTD --Guaranteed  
HDA --Hospital Development Authority  
HEFA --Health and Education Facilities Authority  
HFDC --Health Facility Development Corporation  
IDA --Industrial Development Authority  
IDB --Industrial Development Bond  
INS --Insured  
ISD --Independent School District  
LT --Limited Tax



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PCFA --Pollution Control Financing Authority  
PCR --Pollution Control Revenue  
PCRBs --Pollution Control Revenue Bonds  
PRF --Prerefunded  
PSFG --Permanent School Fund Guarantee  
UT --Unlimited Tax

ITEM 2. CONTROLS AND PROCEDURES

(a) The registrant's Principal Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in rule 30a-3(c) under the Act) are effective in design and operation and are sufficient to form the basis of the certifications required by Rule 30a-2(2) under the Act, based on their evaluation of these disclosure controls and procedures within 90 days of the filing date of this report on Form N-Q.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in rule 30a-3(d) under the Act) during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934 AND THE INVESTMENT COMPANY ACT OF 1940, THE REGISTRANT HAS DULY CAUSED THIS REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED.

REGISTRANT FEDERATED PREMIER MUNICIPAL INCOME FUND

BY /S/ RICHARD A. NOVAK  
RICHARD A. NOVAK  
PRINCIPAL FINANCIAL OFFICER

DATE April 23, 2007

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934 AND THE INVESTMENT COMPANY ACT OF 1940, THIS REPORT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS ON BEHALF OF THE REGISTRANT AND IN THE CAPACITIES AND ON THE DATES INDICATED.

BY /S/ J. CHRISTOPHER DONAHUE  
J. CHRISTOPHER DONAHUE  
PRINCIPAL EXECUTIVE OFFICER

DATE April 23, 2007

BY /S/ RICHARD A. NOVAK  
RICHARD A. NOVAK  
PRINCIPAL FINANCIAL OFFICER

DATE April 23, 2007